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PROCEEDINGS AND DEBATES OF THE 101st CONGRESS, FIRST SESSION

SENATE—*Tuesday, May 9, 1989*

(Legislative day of Tuesday, January 3, 1989)

The Senate met at 11 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. BYRD].

The PRESIDENT pro tempore. Today's prayer will be offered by guest chaplain, Dr. James F. Eaves, Southwestern Baptist Theological Seminary, Fort Worth, TX.

PRAYER

Let us pray:

Almighty God, who has preserved and blessed us as a nation, we in this Senate Chamber today acknowledge that You are the only true and eternal God. This great Nation stands in freedom and strength because of Your guidance and grace.

As we approach this Sunday set aside by this Nation as Mother's Day, we give You thanks for our mothers and fathers. We humbly acknowledge the urgent need for the renewal of family life that will produce future citizens, strong in character and integrity. O Father, bless we pray our American homes.

As these Senators who are public servants and leaders of this Nation face many complex problems demanding solutions, we pray that You would give them divine wisdom and guidance. Strengthen them in their personal and public lives.

We ask that You grant grace and patience to their families as they make many sacrifices so these Senators may serve well.

O God, unite our hearts to obey You in all our actions and attitudes, and to live each day in thanksgiving for Your many blessings.

In the name of the Lord of Lords. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The majority leader is recognized.

THE JOURNAL

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Journal of the proceedings be approved to date.

The PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. MITCHELL. Mr. President, this morning, following the time for the two leaders, there will be a period for morning business not to extend beyond 12:30 p.m., with Senators permitted to speak therein for up to 5 minutes each. The Senate will stand in recess between the hours of 12:30 p.m. and 2:15 p.m. in order to accommodate the party conference luncheons.

For the information of my colleagues, there will be no rollcall votes today.

THE GREENHOUSE EFFECT

Mr. MITCHELL. Mr. President, yesterday, a scientist from the National Oceanic and Atmospheric Administration provided written testimony to a Senate committee that had been substantively altered by the Office of Management and Budget.

Last week, the administration refused to support an international convention on atmospheric pollution. The United States is now the only major Western nation to not endorse such a convention. Twenty-two nations publicly stated their support for such a convention last March.

Last year, during the campaign, then Vice President Bush said that he would "combat the greenhouse effect with the White House effect."

Unfortunately, the White House effect to date is to prevent the United States from regaining its position as a world leader on environmental issues.

It remains to be seen whether the Environmental Protection Agency or the Office of Management and Budget will be in charge of environmental policy in this administration.

The evidence on global warming is strong, and getting stronger. We face the prospect of an unprecedented rate of global warming that could alter the entire global climate system.

Dr. Hansen of the National Oceanic and Atmospheric Administration testified yesterday that he believes the greenhouse effect is accelerating, giving us less time to respond to this problem. Meanwhile, the administration debates whether to support a convention to do something about the problem.

Dr. Hansen also tried to include in his testimony his belief that more frequent droughts are part of the pattern one would expect with the greenhouse effect. OMB did not approve of Dr. Hansen's conclusion and changed his written testimony to make this conclusion appear less certain. Government by censorship is unwise. Ignoring or avoiding the truth will produce policies that are unsound based on inaccurate or incomplete information. The administration's censorship is as self-defeating as it is wrong.

The United States should be leading, not trailing, the effort to convene an international conference on atmospheric pollution. I urge the President to take control of the environmental policies of his administration, to assert his personal and our national leadership in meeting this global threat.

FINANCIAL DISCLOSURE REPORTS

Mr. MITCHELL. Mr. President, financial disclosure reports required by the Ethics in Government Act of 1978 and Senate rule 34 must be filed no later than close of business on Monday, May 15, 1989. The reports must be filed with the Senate Office of Public Records, 232 Hart Building, Washington, DC 20510. The Public Records Office will be open from 8 a.m. until 6 p.m. to accept these filings. Written acknowledgment will be provided automatically for Senators' reports, and upon request for staff

members. Any written request for an extension should be directed to the Select Committee on Ethics, 220 Hart Building, Washington, DC 20510.

All Senators' reports will be made available simultaneously on Friday, May 19. Advance written requests for copies of these reports are now being accepted by the Public Records Office. Any questions regarding the availability of reports or their purchase should be directed to that Office, 224-0322. Questions regarding interpretation of the Ethics in Government Act of 1978 should be directed to the Select Committee on Ethics, 224-2981.

Mr. President, I reserve the remainder of my leader time and yield now to the distinguished Republican leader.

RECOGNITION OF THE REPUBLICAN LEADER

The PRESIDENT pro tempore. The Republican leader is recognized under the standing order.

Mr. DOLE. Mr. President, I would like to yield 5 minutes of my time to the distinguished Senator from Alaska [Mr. STEVENS]. He will be here at a later time this morning.

Mr. President, I understand there will be no votes today, is that correct.

Mr. MITCHELL. That is right; the Senator is correct.

THE SCHEDULE

Mr. DOLE. Did the Senator go over the schedule for the remainder of the week?

Mr. MITCHELL. I did not in my opening remarks, but I will in response to the Senator's question and for the benefit of Senators.

As you know, the FSX transaction will be before two Senate committees today and tomorrow. We hope to have that ready for action on the floor on Thursday. That will, I think, involve substantial debate when it does come to the floor.

In addition, I have been advised by the House leadership that the next impeachment proceedings, that involving Judge Nixon, should be available for presentation to the Senate perhaps also on Thursday. If that is the case, then we will have the presentation and, if the distinguished Republican leader is ready, the announcement of the committee to receive evidence in the case. I think it is important that that committee begin its proceedings promptly.

There may be other action. The House, as you know, has announced its intention to take up the conference report on the minimum wage on Thursday. Depending upon the timing of that, we may or may not take that up this week.

Finally, the House will act sometime later this week, hopefully, on the supplemental appropriations bill, which we will take up as soon as they complete action. In all likelihood, we will not be ready for action on that until next week.

Mr. DOLE. I thank the majority leader. I think it is fair to assume we will have a number of votes, probably on Thursday. Maybe even on Friday, if necessary?

Mr. MITCHELL. Yes, depending on how long it takes to deal with the FSX issue.

PANAMA

Mr. DOLE. Mr. President, I would only say we are still awaiting the outcome of the vote count in Panama. I think we know the outcome of the election. We just have not been told the outcome of the vote count.

President Carter has indicated that Noriega has stolen the election. I think Democratic and Republican Senators who have been there as observers have reached the same conclusion. About what we can do about it, I think perhaps there are some options. But primarily it rests with the Panamanian people.

Perhaps they can take a look at the Philippine experience, as they make efforts to oust Noriega from power.

In this country we can continue to look at sanctions. Sometimes they are not effective. I presume we can review the Panama Canal Treaty to make sure American interests are protected. Some of my colleagues would go as far as abrogating that treaty, even now.

But, in any event this does not bode well for what many of us hoped last week when we agreed to the bipartisan resolution, that there be, free and fair elections in Panama. I hope it is not a precedent for what we may expect in Nicaragua next February. But I do believe if the overwhelming majority of the Panamanian people—if the vote was 3 to 1, according to exit polls—then there may be enough people power in that country to resolve the problem themselves.

I reserve the remainder of my time.

MORNING BUSINESS

The PRESIDENT pro tempore. Both leaders reserve the remainder of their time.

Under the order there will be a period for the transaction of morning business. Senators will be permitted to speak for not to exceed 5 minutes each.

The senior Senator from Nevada [Mr. REID] is recognized for not to exceed 5 minutes.

GLOBAL WARMING

Mr. REID. Mr. President, I, first of all, would like to join the distinguished majority leader in his call for an international convention on global warming. Global warming, according to most scientists, is here. The question is, what are we going to do about it?

NEVADA'S FIRST U.S. SENATE PRODUCTIVITY AWARDS

Mr. REID. Mr. President, there are times when even our great system of private enterprise requires public recognition.

We are in an era filled with dire predictions and glum perspectives of American's faltering productivity and loss of competitiveness.

But just as gold is being discovered in the hills of my State of Nevada, so can we uncover the riches of extraordinary performance, if we look, in business and industry.

A short time ago, I was joined by my distinguished colleague, Senator RICHARD BRYAN, in presenting Nevada's first U.S. Senate Productivity Awards.

These awards are designed to recognize organizations that enhance performance, productivity, and prosperity.

Quality improvement, strong management, and responsiveness are things for which all organizations should strive.

But many companies pursue quick profits at the expense of long-term investments.

If our successes are not permanent, we have not made progress.

The U.S. Senate Productivity Awards give businesses an opportunity to assess their performance and evaluate their progress.

Although the U.S. Senate Productivity Awards were established in 1982, this is the first year that Nevada has participated in the program.

The time is ripe. These awards can help revitalize the business community, and inject some idealism into our outlook for the future.

The award selection process is something of a proverbial "search for excellence."

Nevada's Senate Productivity Awards were presented to one organization in each of four categories: resorts and travel; manufacturing; services; and finally, Government agencies.

It may seem novel that we included Government agencies, but they have the same imperative to excel that private industry has to excel.

When OMB Director Richard Darman served as Deputy Treasury Secretary in 1986, he accused corporations of being too much like Government bureaucracies—bloated, inefficient, and unimaginative.

Government agencies should be encouraged to achieve the same high standards of business. Likewise, business can learn something from Government.

All Productivity Award winners—public and private—demonstrate a strong commitment to the future. They are: International Game Technology, Fitzgerald's Casino and Hotel, Citibank of Las Vegas, and the U.S. Bureau of Reclamation, Nevada division. These organizations received recognition for their foresight in an investment in people and resources.

By the year 2000—only 11 years from now—an estimated 21 million more people will have entered our country's work force.

An investment in worker training and retraining will be vital.

As our labor pool grows, the problems borne from inadequate education and illiteracy will have a tremendous impact on American industry's capabilities.

Already, we hear disturbing reports of companies not able to hire the people they need, because the majority of applicants have insufficient skills.

Productivity may require an investment such as that made by General Motors, which opened a new truck plant in Fort Wayne, IN, in 1986.

The company put 3,000 workers through a total of 1.9 million hours of training. That is an investment of more than 633 hours of training per worker.

Today, I applaud the Nevada recipients of the Senate Productivity Awards.

Their accomplishments remind us that we must keep a long-term perspective. We must invest in human resources. As stated in a recent Business Week headline, "It's time to put our money where our future is."

I yield the floor.

The PRESIDENT pro tempore. The senior Senator from Oregon [Mr. HATFIELD] is recognized.

Mr. HATFIELD. I thank the Chair.

(The remarks of Mr. HATFIELD pertaining to the introduction of legislation are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. HATFIELD. Mr. President, could I inquire as to how much time I have left?

The PRESIDENT pro tempore. The Senator has 1 minute remaining under the morning business time and 1½ minutes under the majority leader's time; a total of 2 minutes and 30 seconds.

Mr. HATFIELD. I thank the Chair.

(The remarks of Mr. HATFIELD pertaining to the introduction of legislation are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. GORTON addressed the Chair.

The PRESIDENT pro tempore. The junior Senator from Washington [Mr. GORTON] is recognized for not to exceed 5 minutes.

FSX AGREEMENT

Mr. GORTON. Mr. President, during the entire course of my campaign, last year, no constituent or reporter ever posed a single question to me about the FSX.

Beginning in December, however, so rapid was the emergence of the FSX as a political issue that it was the subject of a debate among Republican Senators at an informal weekly luncheon on each of the first 6 weeks during which the Senate was in session. Subsequently on my trip home to the State of Washington for the Senate's Easter recess, the FSX was brought up more frequently by audiences from one corner of the State of Washington to another than was any other single subject, including the budget deficit.

Upon reflection, the controversy over the FSX relates not only to that specific fighter aircraft, but to grave American apprehensions about our entire trade and economic relationship with the Japanese.

After diligent and careful study, I have decided to support the Bush administration's revised agreement with the Government of Japan with respect to the FSX.

Together with every other member of this body, I would greatly have preferred that the Japanese Government help ease our trade imbalance simply by purchasing F-16's from General Dynamics. As must be the case with almost every other member of this body, however, I am aware that that simply is not an option. For reasons which are relatively easy to understand, the Japanese prefer to develop and build their own fighter aircraft. We are faced only with the alternatives of participating as per the present agreement of causing the Japanese to go it alone, or perhaps causing the Japanese to build the aircraft in cooperation with the French. The agreement, with the Japanese as modified by the Bush administration, gives us a 40-percent share in both development and construction contracts, helps the Japanese with some technology which seems to me not to be crucial to us, protects adequately other American technology, and allows for a transfer back to the United States of whatever technology is developed through the FSX project.

Thus, taken in isolation, the agreement is a good one and should be approved. I hope that the leadership of this body brings the subject up promptly and allows all Members to vote on it.

On the other hand, as I said earlier, concern about the FSX contract in the United States seems to me only partly to be directed at the production of a fighter aircraft, no matter how advanced. The debate also speaks to the overall economic and trade relationship between the United States and Japan. While our trade deficit with Japan declined to about $55 billion in 1988, it seems to be on the rise once again. A bilateral deficit of this magnitude is not healthy for either country, and is simply not supportable by the United States over any extended period of time. While only a portion of it is due to Japanese trade barriers against American goods and services, that deficit must be reduced substantially, whether it is the result of Japanese trade barriers or proceeds from some other cause.

Last year, after many months of debate, the Congress enacted the Omnibus Trade and Competitiveness Act of 1988. The new act gives the Bush administration something known as Super 301, which requires the U.S. Trade Representative to identify and seek to eliminate key unfair trade practices by major U.S. trade partners through negotiations. If a trade partner does not eliminate those practices over a specified length of time, it will face possible U.S. retaliation.

Last year, the United States trade deficit with Japan comprised 40 percent of our total trade deficit of $137 billion. U.S. Trade Representative Carla Hills recently released a report documenting foreign trade barriers to U.S. exports. Not surprisingly, the report found that the country that has the largest trade surplus with the United States was Japan. The report cited trade barriers in Japan to United States exports in the fields of telecommunications, construction, agricultural products, supercomputers, optical fibers, and aluminum. The USTR has just begun to take some action with respect to those telecommunications barriers.

Japan is one of our Nation's most important allies and is a valued friend in the world community. Many businesses in my own State of Washington have formed successful trading relationships with Japan. Nevertheless, a combination of very real trade barriers, combined with the overall adverse impacts of such a huge bilateral deficit require decisive action on the part of both the United States and Japan, in order to preserve the constructive relationships both in the field of economics and defense that have marked our relationship since the end of World War II. It is clear that Japan should be designated as a "Super 301" country by the end of this month and I strongly urge the administration to enter such a finding.

In spite of the current political crisis in Japan, I sincerely hope that during the course of the next 12 to 18 months the Japanese will negotiate a sharp reduction in their trade surplus with the United States and will remove the trade barriers identified by Mrs. Hills. I must say, in this connection, that I am far more interested in the bottom line, the dollar amount of our trade

deficit—than I am in specific items, or commodities and specific trade barriers, and I hope that the USTR will keep in mind that it is the bottom line with which Americans are concerned.

In conclusion, Mr. President, I hope that the constructive negotiation of an agreement with respect to the FSX will set the stage for far broader trade negotiations designed dramatically and quickly to reduce our trade deficit with Japan. A failure to achieve that goal is likely to have repercussions which will be of no great benefit to either nation or to our long, constructive and friendly relationship.

The PRESIDENT pro tempore. The senior Senator from Illinois [Mr. DIXON] is recognized for not to exceed 5 minutes.

Mr. DIXON. I thank the Chair.

TO FSX PROPONENTS: NIGHT BASEBALL HAS COME TO WRIGLEY FIELD

Mr. DIXON. Mr. President, I stand before this body today to again voice my opposition to the proposed FSX Fighter Program involving the United States and Japan. I have spent a considerable amount of time in the past few days reviewing this proposed deal, and I remain more convinced than ever that this is a bad deal for the United States, that it is a No. 1 bamboozle, and that it should be scrapped.

Last Friday, I received a briefing on this proposed deal from the General Accounting Office. Although I cannot disclose specific details concerning that briefing because most of the information discussed was classified, I can say that I heard no convincing arguments that we will receive substantial amounts of advanced technology from the Japanese. On the contrary, all I heard was that there is a potential gain of technology in a few areas, but no one can confirm that the Japanese can, in fact, provide this technology.

The Japanese say that they can deliver a cocured composite wing that can withstand tremendous pressures and that they can build a phased array radar for the plane at an economical cost. But there is no proof that they can. In contrast, I understand that American firms are the leaders in composite technology and are ahead of the Japanese in the development of phased array radars. So where are the tremendous gains in technology that the Defense Department and FSX proponents claim we will obtain by participating in this program? We do not need to participate to obtain these technologies. We already have them.

The new spin on this deal being waved by proponents of FSX is the claim that we will gain invaluable manufacturing knowledge from the development of the cocured wing. It seems to me that these proponents are staking their position on the well-known prowess of Japanese manufacturing capabilities and hope rather than on proven ability. No one can confirm that this invaluable manufacturing capability exists.

Promoting this agreement on the merits of technology flow-back is nothing more than a sideshow. In fact, it is a sham. The Japanese have virtually no technology or expertise that we need. We have built state-of-the-art jet fighters for decades and have poured billions of dollars into the development of Stealth and advanced fighter aircraft. The Japanese will be benefiting greatly from our expertise and our technology. We will be teaching them to integrate systems, we will be training their engineers in several technical fields. It is clear to me that the technology flow in this agreement is a one-way street. The one-way arrow is not pointing our way, by any means.

I have seen the letters of clarification exchanged between Secretary of State James Baker and the Ambassador of Japan and I must say that I am uncomfortable with wording such as "approximately" in regard to the 40-percent workshare in the production phase. Phrases like, "Japan will receive access to the source codes necessary to develop the mission control computer" bother me greatly. Does approximate mean only 35 percent and the loss of thousands of American jobs? Does "access to source codes necessary to develop" mean that, as in the case of the F-15 coproduction program with Japan, we will give the Japanese everything they ask for?

The Defense Department is touting this arrangement as a major Japanese defense burden-sharing effort to counter threats such as the Soviet threat to the northern island of Hokkaido. But this is another sideshow. The Soviets, according to some experts, may be presently capable of putting three to five army divisions onto Hokkaido, yet the Japanese are not buying superb United States fighters that are available now to counter that Soviet threat. Instead, the Japanese are taking the time to develop the FSX fighter aircraft and, barring development delays, deployment of these aircraft will not begin until the mid-1990's. Morever, the Japanese are spending three times as much money to do so, money that could be better used to reduce our burden of providing for their defense. This Hokkaido argument does not wash either.

It is clear that the major Japanese motive behind this deal is not to provide for defense. Rather, they want to build an aerospace industry. The Japanese this past October told Dr. Robert Barthelemy, our National Aerospace Program Director, that they plan to excel in the aerospace industry, are making a long-term commitment, and are willing to spend $16 billion to achieve this goal.

Our involvement in this FSX Program will help the Japanese build their commerical aerospace industry, many supporters of this deal will admit. It is dificult to quantify how much they will benefit from our assistance, but obviously their aircraft component and subcomponent firms will become increasingly competitive as a result. Certainly, if this program proceeds to fruition, the Japanese can do what they cannot do now: sell an outstanding fighter to a third world country, which would further erode our market share and cost us hundreds of American jobs.

Mr. President, again I say, let's scrap this deal and return to the negotiating table to persuade the Japanese to buy our battle-proven, state-of-the-art fighters. Proponents of this deal say the Japanese will never buy American fighters off the shelf. My reply to these skeptics is that no one ever thought that night baseball would come to Wrigley Field, but it has.

Mr. President, on this same subject about which my distinguished colleague from the State of Washington just talked, I wish to express my own views which differ substantially. I thought it interesting to hear my friend suggest that the FSX deal with the Japanese was all right, but he immediately wanted us to review all of the super 301 violations by Japan against the economic interests of the United States of America. I suppose some who will support the administration can arrange to defend that kind of a dichotomy back home. It is one that would be difficult for this Senator, may I say to the President pro tempore, to defend because what we are talking about when we talk about the FSX deal is not just a question of our national defense interests; they are very important, but it is also a question of the commercial interests of the United States of America.

I suggest if we do not start worrying about this pretty soon, there will not be a whole lot left to worry about.

Mr. President, Lee Iacocca is well known to Americans. He was on the "Today Show" on February 17 of this year. I have the tape. Jane Pauley is talking to Lee Iacocca. She says, "In the fifties the Japanese won the camera industry. In the sixties they took the video industry. In the seventies automobiles. In the eighties microchips. What's next?" Lee Iacocca answers, "Aircraft. That's the one we still have a great balance in with Boeing and all the rest in our defense industry."

Mr. President, this is what this is all about. If you are going to talk about the defense of the United States of America or if you are going to talk about the shared defense in Asia by

the Japanese, we have the finest fighting aircraft in the world today in the F-16. In 50 hostile situations in the world at large, the F-16 had 50 kills and no losses. That aircraft can be purchased off the shelf from the United States of America today if the Japanese want to buy it—now, listen to this—at a savings of $30 million—$30 million—an aircraft for the purchase of 130 to 170 F-16's vis-a-vis the cost of their own development of the FSX.

The plain and unvarnished truth is that the Japanese see the nineties as the years and the decade of military and commercial aircraft manufacture and advance in Japan. I believe, if I have the good luck to stand here 12 years from now and look back on the decade of the nineties, regrettably I will be forced to say "I told you so."

I want the country to know what kind of a deal this is for America. We are going to let the Japanese have for a little more than $400 million—7 billion dollars' worth of our finest technology that went into the development and the improvements up to this moment of the F-16 aircraft.

That is a bad deal in the beginning. Some would say, "But we are going to get some things back for that." Oh, we are going to get some super technology from them. They talk about two things, composite wing technology and advanced radar technology.

Mr. President, I cannot talk about all the things that were said at a classified meeting last week, but I went to the trouble of going to a meeting the General Accounting Office held. They had representatives of the GAO there. I would say that more than half of the Senators sent representatives to the meeting. I saw at the meeting CONRAD BURNS, the distinguished new Senator from Montana from the other side of the aisle. I saw DICK BRYAN, the distinguished new Senator from Nevada from our side of the aisle. I saw the distinguished senior Senator from North Dakota, QUENTIN BURDICK, who is one of the very senior Members of this body. They all heard what I heard. If anybody wants to question what I am saying, let them do so on this floor.

I finally said to the people from the General Accounting Office, "Now, I am going to repeat this question because this will be my statement on the floor next week." And I am prepared to challenge anybody who challenges this statement. I said, "In your testimony, if I understand it, you are saying to us they do not have any technology superior to ours on composite wing technology that you know of at this time? You have talked mostly of the fact that they got most of what they do have from McDonnell Douglas which developed it in connection with its own airplane manufacturing techniques." And the answer was, "You are correct."

Then I said, "If I understand what you said about advanced radar technology, you have said their radar technology so far as the General Accounting Office knows is about the equivalent of what we had in 1983." 1983.

Mr. President, other Senators were there and the representatives of at least half the Senators were there. I say to you and I say to America that on the basis of everything I have heard, they have nothing to give us in return. They could buy our product off the shelf for $30 million less an airplane if they are caring about their local defense at this point in time. This is a bad deal for America.

I want to say this because I see colleagues on the floor, and I do not make this statement without the permission of the Senator but I want this known. If another Senator talks to this Senator, what he says is private unless otherwise expressed. Before I make this statement, I want to say that I cleared it with the Senator involved. He has not made up his mind how he is going to vote. But as I left that hearing room after the General Accounting Office had talked to us, Senator CONRAD BURNS walked out with me, a new Member whom we all respect for his native intelligence. He turned to me and said, "I want to tell you something, Senator. I swapped a lot of cattle in my day out in Montana and I don't have a gut feeling that is very good about this."

I do not know how he is going to vote, but here is a man who just arrived, who just became exposed to this issue, a pretty good old cattle trader, and his gut feeling is not too good.

I will have more to say on this subject. I see colleagues and friends who may want to talk about this. But my gut feeling is not too good either. I say America is being bamboozled. I say this deal is a bad deal for us.

In conclusion, Mr. President, my friend from Washington said, "Oh, now, if we don't give it to them after they didn't buy it off the shelf, they are going to buy it from the French."

From the French? We kept the Persian Gulf open for them. We have taken care of their national defense and they ought to buy the airplane from us. I thank the Chair. I yield the floor.

Mr. PRYOR addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas [Mr. PRYOR] is recognized for not to exceed 5 minutes.

FSX TECHNOLOGY

Mr. PRYOR. Mr. President, I would like to first compliment the distinguished Senator from Illinois for not only his eloquent statement but his perception of what this deal means to America, what it means to Japan, what it might ultimately mean to world peace, and also what it might mean to our leadership in the aerospace industry.

He has been not only a leader in this issue, but I can remember not many years ago when the distinguished Senator from Illinois, a very fine member of the Armed Services Committee, summarized, in a very eloquent one-sentence finality, the problems with the troubled Divad antiaircraft gun, and I think that speech killed the Divad gun, thank goodness to the Senator from Illinois. After all the statistics, all the studies, and all the reports, the Senator from Illinois got up on the floor of the Senate and said:

> Mr. President, the thing that is wrong with this gun is it doesn't shoot straight.

At that moment, the Divad was gone. Once again today, he has sensitized what we know to be a bad deal for this country.

Mr. President, I would like to join him in saying that this F-16 jet technology sale to Japan is wrong, it was wrong yesterday, and it is wrong today. I think it will be wrong tomorrow.

How can we justify giving Japan F-16 technology that cost Americans $7 billion to develop when according to GAO we can expect very little in return? How can we justify transferring information that could put at risk America's lead in the international aerospace industry?

We are told now that we must go forward with the FSX deal to help bolster the defenses of an important ally, which Japan certainly is. We have already offered to sell to Japan American-built F-16's and other United States aircraft. The sale of those aircraft would have immediately improved Japan's air defenses, but Japan refused our offer. They refused it saying they wanted to develop their own so-called FSX fighter aircraft in Japan.

We are also told that the F-16 technology agreement is carefully constructed so that it will not harm the U.S. aviation industry.

I suspect that similar words were said years ago, possibly on the floor of this Senate, about VCR's, about television, and about semiconductors before subsidized foreign industries began to wipe out U.S. manufacturers of these products.

Mr. President, Japan is in this particular case not the culprit. Japan is not privately absconding at this time with trade secrets of the FSX. They are not exporting cutrate products to weaken U.S. industries in this particular industry.

Mr. President, the culprit this time is us. It is our Government. It is our Department of Defense. It is our State Department. As our chief negotiators,

these people made very wrong decisions.

Our negotiators, our own negotiators in our own Government, have become the advocates for Japan and for this improper and dangerous sale. In a word, we are about to be bamboozled, I think, by the ineptitude of our own people.

The Foreign Relations Committee will soon vote on our resolution to stop this export of the F-16 fighter aircraft technology. I strongly urge my colleagues to take a hard look at this issue, and to ultimately vote for the resolution and against the sale of this very, very precious technology.

Mr. President, I yield back the remainder of my time.

Mr. DIXON. Mr. President, will my friend yield for a question before he yields back his time?

Mr. PRYOR. I am happy to yield for a question.

Mr. DIXON. I wonder whether my friend from Arkansas has had the opportunity to see a letter from the General Accounting Office that I now hold in my hand that, frankly, has just been handed to me today, dated yesterday, May 8, and signed by the Assistant Comptroller General, Frank C. Conahan? Has he had an opportunity to see that?

Mr. PRYOR. Mr. President, I will respond and say I have not had an opportunity to see that.

The PRESIDENT pro tempore. The time of the Senator from Arkansas has expired.

Mr. DIXON. If I may have 1 minute, Mr. President.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. DIXON. I would like to inform my colleague that in that letter Mr. Conahan says, and I directly quote:

> Our preliminary observations are that, overall, the United States has superior composites technology and appears to be ahead in the radar development.

I just wanted my colleague who has so wisely spoken on this issue to understand that these two things we are getting back from them we are ahead of them in. This is a remarkable deal, may I say to my friend from Arkansas, and I thank him for the position he has just so eloquently stated on this floor.

Mr. PRYOR. Mr. President, I thank the Senator from Illinois.

Mr. FORD addressed the Chair.

The PRESIDENT pro tempore. The senior Senator from Kentucky [Mr. FORD] is recognized.

FSX DEAL WITH JAPAN

Mr. FORD. Mr. President, I rise to make a statement relating to the FSX deal with Japan.

Mr. President, the FSX deal with Japan is not a sale; it is a sellout. I keep thinking about it and thinking about it, and I keep waiting to see why it is such a good thing, and I get nothing, which is precisely what the United States is getting, nothing.

As far as I can tell, the only thing that the United States is receiving from this package is the certain knowledge that Japan is feeling good about it. We have, once again, been suckered. Japan is giving us absolutely nothing useful in exchange for F-16 technology. We are giving Japan the capability to build a superb fighter plane. In return, we are obtaining composites and active phased array radar technologies that are inferior to what we already have.

To add insult to injury, Mr. President, the technology that Japan is receiving would catapult them, almost overnight, into a competitive role in the commercial aviation industry. We are cutting our own economic throat to accommodate the country with which we have the largest trade deficit and one to which we owe the most money.

Such behavior is incredible to me. Not only should we be insisting that Japan buy the F-16 fighter off the shelf to lessen our existing bilateral trade deficit, but we should certainly not be giving them the ability to vie with us in the future in the commercial aviation arena.

The original FSX package was negotiated primarily by the Department of Defense with obviously no concern for our balance of trade or for our international economic competitiveness. What kind of bell jar are they living under? Defense and foreign policy can no longer be distinct from trade and commercial policy. If DOD reached this agreement for reasons of improving Japan's defense posture, those reasons are obscure, because the F-16 can deploy faster and has a greater capability than the FSX will. Finally, if the sale was negotiated for political reasons, what kind of foreign policy is it that helps another country at our absolute expense?

The final FSX package is little better. Where as before the deal was touted as a highly desirable technology exchange, now it is being billed as a trade of technology for manufacturing technique. The ante has been lowered; we have switched horses in the middle of the stream. The Japanese get systems integration, and we get a manufacturing process.

If there is one supposedly bright light, it is that in renegotiating the agreement with Japan, the administration secured a promise that 40 percent of the work will be done in the United States—40 percent. Now this is opposed to 100 percent of the work if Japan had just flat out bought the F-16. We are transferring or trading 100 percent work by Americans for only 40 percent work by Americans.

But the Japanese have reneged on every side agreement they have made. For instance, they were supposed to open up 20 percent of their semiconductor market to American businesses. To date, only 11 percent is accessible. Japan's telecommunications industry is another area that was supposed to open up to United States firms and that has not happened at all. Do we really expect them to jump right in to keep this 40 percent coproduction agreement?

And what about spare parts? Seven billion dollars in spare parts will be needed to sustain the FSX, but it will not come from American suppliers and American workers. Some codevelopment arrangement this one is.

Mr. President, the people of Kentucky are not for this agreement. None of our constituents are. They are tired of seeing American jobs go overseas and that is exactly what the FSX agreement is all about—it will displace even more American workers. It will only increase our trade deficit. And it is an outright giveaway to a Nation that refuses to open its markets to American products.

There is something really strange about a trade agreement in which one of the partners is so anxious to get its hands on proven technology that it will pay $30 million more per plane, for a total of $4 billion extra, rather than buy the readymade, tried and true version from us. For a nation that is known for its acute business sense, this is very peculiar and it should tell us that something is very wrong.

I thank the Chair.

Several Senators addressed the Chair.

The PRESIDENT pro tempore. The junior Senator from Alaska [Mr. MURKOWSKI] is recognized for not to exceed 5 minutes.

Mr. MURKOWSKI. I thank the Chair.

(The remarks of Mr. MURKOWSKI pertaining to the introduction of legislation are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

The PRESIDING OFFICER (Mr. KOHL). The Senator from Colorado [Mr. WIRTH] is recognized.

LEADERSHIP ON GLOBAL WARMING

Mr. WIRTH. Mr. President, events on the past week on the issues of global environmental protection are cause for further cries of great alarm. Global environmental issues, global warming in particular, have rapidly emerged as a great, if not the preeminent, challenge to this and all nations.

But, recent developments indicate that the Bush administration is dealing with the problem through indecision, insufficient understanding, and

in a deeply troubling development, through censorship. A few months ago, the American people were told that a new breeze was blowing through the Nation. We were told with the election of George Bush that the new administration would be different than the old. One of the areas in which great change was expected was in the area of environmental protection.

I am concerned, Mr. President, that the current administration is falling into the same pattern that characterized the past 8 years of environmental negligence. The United States cannot shirk its responsibility to lead the world, and must as it always has, to preserve and protect our Nation and the world environment.

The current environmental crisis demands urgent attention. Coral reefs are inexplicably dying. Ninety percent of the coasts around the world are eroding. Temperatures on land and in the oceans are rising. Billions of pounds of toxic air pollutants threaten the health of all living things. The ozone layer is thinning. And clean air is a persistent problem in nearly every city in the United States and around the world.

Unmistakeably, we are pushing the limits of our global environmental systems. The world's best scientists are telling us that we better take notice of the impending catastrophes that almost certainly lie ahead. The magnitude of these environmental threats is absolutely daunting. We are no longer talking about ensuring that individual communities, or individual plant and animal species are protected from these threats, we are focused on issues that will affect every living thing on the planet. Indeed, these are threats to life support systems of the planet, to the habitability of Earth.

Every major scientific organization and agency in this country and around the world has sounded the alarm to policymakers that the threat of global warming is real—in fact, is accelerating. The public is concerned about this message. Public policymakers are concerned about this message. Diplomats around the globe are concerned about this message. But, seemingly, not this administration. Instead, the administration has refused to assert the United States at its rightful place on the forefront of tackling these difficult concerns.

Last week, for example, the White House ignored the advice of the State Department and the Environmental Protection Agency and decided that it knew better than the experts. The White House decided that we should not begin discussions of an international agreement to respond to the global warming threat. Consequently, U.S. representatives are embarrassed at this moment meeting in Geneva with no clear direction of what U.S. policy is or might be on global warming.

All week, the Response Strategies Working Group of the Intergovernmental Panel on Climate Change—an extraordinarily important international endeavor chaired by the United States—is meeting in Geneva. If international action on the global warming threat is to move expeditiously, the United States, as chair of this panel, should have opened the dialog at those meetings on the question of a framework global climate convention. By opening that discussion, President Bush, on behalf of the United States, could have reasserted this Nation as the world's preeminent leader on global environmental issues. Furthermore, he could have paved the way for immediate progress on a negotiated international climate convention—which is probably the only practical and equitable global approach to this enormous problem.

That is why last week, Senators CHAFEE, HEINZ, GORE, and I offered a resolution urging the administration to develop and discuss its position on a framework convention immediately. That resolution passed the Senate unanimously as an amendment to the fiscal year 1990 budget resolution.

Unfortunately, how did the administration respond? They responded by neglecting the advice of their own agencies, by neglecting the advice of the scientific community across the country, by neglecting the resolution passed unanimously by the U.S. Senate and, instead, decided to send our representatives to Geneva with their hands tied.

To add insult to injury, Mr. President, yesterday, the British representative to the United Nations seized this opportunity to show leadership by announcing British support of a global climate convention. So today we in the United States are the only Western industrial democracy not to have endorsed a global climate convention. It is a sad state of affairs.

But the problems downtown do not stop there and, in fact, they got worse. Yesterday, it was disclosed that officials at OMB censored the testimony of one of the finest atmospheric scientists in the world—Dr. James Hansen of NASA—by altering or omitting key statements in Dr. Hansen's testimony. This action is absolutely reprehensible, Mr. President, by what arrogance do the economic analysts and political appointees at OMB presume to know more than a distinguished NASA scientist? This is totally unacceptable, reminiscent of what the Soviets were doing with plant geneticists in the 1930's If we delay any longer, Mr. President, every American is going to suffer.

Indeed, the only explanation that came from the White House is that "inadequate economic analysis" has been done on the costs of taking action. But where have they been? I asked the panel yesterday if any of them had been asked to brief the White House staff. The answer was "No." Had any of them been asked—this is probably the preeminent panel of atmospheric scientists in the country, if not the world—I asked if any of them had been asked to brief OMB. The answer was "No." I asked if they knew of any scientists who had been asked to brief the White House or OMB and the answer was "no."

This is a White House operating behind a veil of remarkable ignorance. Indeed, if the White House would only look at the issue as the experts have, they would find that the economic costs of not acting are going to be staggering.

What then should the President do?

First, he should schedule now the international environmental summit that he pledged to host during last year's campaign. Let us make a reality out of this campaign rhetoric, get heads of states involved and once again say we in the United States are not going to be ignorant, we are going to act with leadership.

Second, the President should establish a top priority for domestic policy, measures to protect the global environment. And it is very clear what those are. There is no debate about that. And the Chair has been one of the 35 cosponsors in the U.S. Senate of the omnibus global warming legislation sponsored by more than a third of the Members of this body, conservatives, liberals; Republicans, Democrats; northerners, southerners.

At the top of both our energy and environmental agendas should be energy efficiency. More than 10 consecutive years of energy efficiency improvements have screeched to a halt, according to recent data. Consequently, oil imports are rising and emissions of greenhouse gases and air pollutants are increasing unabated. A strong program of research and new initiatives to encourage efficiency in all sectors of our economy should be developed.

Third, the United States should strengthen its commitments to such multilateral institutions as the United Nations Environment Programme and the World Bank to promote research and develop accords in these areas and to provide assistance to the developing nations that will help them manage their natural resources more soundly.

Fourth, we should demonstrate to the world that we are serious about preventing global warming by establishing a goal for reducing carbon dioxide [CO_2] emissions. The President would do well to follow the strategy set fourth in a letter written by Senator CHAFEE and 24 of us in this body to publicly endorse efforts to reduce U.S. CO_2 emissions 20 percent by the year

2000. As we wrote, without U.S. leadership, our ability to convince other nations reduce their greenhouse gas emissions will be constrained.

Mr. President, leadership, from the international to local level, is needed now to halt the assault on the atmosphere. To succeed, the leaders of the world must accept what the public already knows: we are pushing the limits of our environmental systems. We must act to reverse these trends. President Bush should seize this opportunity for world leadership and reestablish the United States at the forefront of global environmetal protection.

I would like to close Mr. President, by sharing with my colleagues a quote from somebody, I think everbody in this body admired, Robert F. Kennedy. Robert Kennedy said:

The future does not belong to those who are content with today, apathetic toward common problems and their fellowman alike, timid and fearful in the face of new ideas and bold projects. Rather, it will belong to those who can blend passion, reason and courage in a personal commitment to the ideals and great enterprises of American society.

Global warming is the greatest challenge that we face. Thank goodness some people in this body, like Senator GORE, Senator CHAFEE, Senator HEINZ, and so many others, have stood up. Let us ask the administration where they have been, Mr. President. Let us suggest that the administration get on with it.

Mr. President, I ask unanimous consent that the various articles alluded to in my remarks be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the New York Times, May 9, 1989]

THE WHITE HOUSE AND THE GREENHOUSE

The world has started to take very seriously the established threat to the life-protecting ozone layer from industrial chemicals. Many countries are now eager for President Bush to take the lead on another threat to the global climate—the feared warming of the earth's atmosphere by pollutant gases like carbon dioxide. But despite Mr. Bush's ringing compaign pledge to do just that, his Administration flounders in confusion and timidity.

This week, the U.S. is chairman of an international meeting in Geneva to discuss the greenhouse effect. Yet Washington's various bureaucracies have not agreed on a position, and the American delegates will sit on the sidelines.

Leadership on the issue has thus fallen to Europe. Last month Prime Minister Thatcher made her Cabinet sit through a daylong briefing on the greenhouse effect from climatologists. And yesterday the British delegate to the United Nations called for a new international convention to deal with global warming.

Washington's only recent activity on the greenhouse effects seem to have been the Office of Management and Budget's decision to soften public testimony on that subject by a Government scientist. James Hansen, a NASA climatologist, complains that the O.M.B. toned down his conclusions about the severity of global warming before he presented them yesterday to a Senate committee headed by Albert Gore. The O.M.B.'s duty is to coordinate Government policy. But its heavy-handed intervention sends the signal that Washington wants to go slow on addressing the greenhouse problem.

This contrasts strangely with Mr. Bush's campaign oratory last summer. "Those who think we are powerless to do anyting about the greenhouse effect forget about the 'White House effect'; as President, I intend to do something about it," he said in Michigan on Aug. 31. Mr. Bush promised to convene an international conference on the environment. "We will talk about global warming," he said, "and we will act."

Mr. Bush has not acted. He hasn't called for an international conference or even arranged a conference of his own policy makers to resolve their differences. Hence he is hearing no clear advice.

The threat is clear enough, even though experts disagree on how immediate it is. Pollutant gases do indeed trap the sun's heat and might seriously warm the earth's climate. It's far too soon to advocate the most direct and drastic remedy, which is to stop burning coal. But it makes eminent sense to buy insurance against global warming with steps that are worth taking in their own right, from raising auto efficiency to protecting tropical forests.

The threat cannot be addressed unless America assumes a major role. Far from leading the charge, the White House hasn't even joined it.

[From the Washington Post, May 9, 1989]

EXPERTS, OMB SPAR ON GLOBAL WARMING: "GREENHOUSE EFFECT" MAY BE ACCELERATING, SCIENTISTS TELL HEARING

(By Cass Peterson)

The Bush administration's skepticism about the dangers posed by global warming collided yesterday with the views of the government's own scientists, who told a Senate hearing that—if anything—the problem may be worse than their limited computer programs can predict.

Seven leading scientists—including representatives from the National Oceanic and Atmospheric Administration, NASA and the U.S. Geological Survey—told the panel recent evidence suggests that the so-called "greenhouse effect" is accelerating and may already be moving out of the reach of human intervention.

"There is virtually no scientific controversy" about atmospheric changes that are gradually raising the Earth's temperature, said Stephen H. Schneider of the National Center for Atmospheric Research in Boulder, Colo. "That's not a speculative theory."

In another development, Sir Crispin Tickell, Britain's ambassador to the United Nations, announced his nation's support for an international convention to address global warming, leaving the United States alone among major Western economic powers in opposition to such an initiative. Twenty-two nations, including five of the seven members of the Western economic summit, called for such a convention in March.

Among those testifying yesterday was an atmospheric scientist who disavowed his own written testimony because it was altered by the Office of Management and Budget. The White House confirmed a report in the New York Times that an OMB official altered testimony by James E. Hansen, director of NASA's Goddard Institute for Space Studies, to avoid the impression "that there is unanimity within the government on this issue."

Hansen, after giving the Senate Commerce subcommittee on science, technology and space a copy of his edited testimony, said the changes made it appear that he did not believe that global warming will lead to more frequent droughts.

"I don't object to review of policy statements," Hansen testified. "My only objection is being forced to alter the sciene."

Another witness, Jerry D. Mahlman of NOAA, testified that OMB officials also had attempted to alter testimony he delivered in February. Mahlman said he resisted the changes, which he found "objectionable as well as unscientific."

White House press secretary Marlin Fitzwater said that a "fourth-level or fifth-level" staffer at OMB altered Hansen's testimony, but defended it as a routine effort to see that prepared testimony conforms to administration policy.

"Our concern is that unless we base decisions on sound scientific data, we could end up being forced to agree with reductions in global warming gases that are neither realistic nor economically sound," he said.

Global warming, caused by a buildup of carbon dioxide, methane and other gases, has emerged as a major environmental issue with worldwide implications. The gases are trapping more heat near the Earth, like a greenhouse, and posing the threat of climate change, intensified storms and the inundation of coastal areas as oceans rise.

In the 1988 campaign, President Bush vowed that his administration would address the issue, saying he would "combat the greenhouse effect with the White House effect." In recent weeks, however, top budget and White House officials have advocated more research, arguing that too little is known about the economic impact of controlling greenhouse gases.

Last week, White House Chief of Staff John Sununu rejected a proposal to put the United States in the lead in establishing an international convention on global warming. The convention had been supported by Secretary of State James A. Baker III and Environmental Protection Agency Administrator William K. Reilly, who were unable to persuade the rest of the administration to go along.

U.S. delegates would have proposed the convention at a meeting in Geneva this week of the Intergovernmental Panel on Climate Change, a UN group chaired by the U.S.

"We're sitting in the chair of this panel and we're trying to drive the train from the caboose," said Jessica Tuchman Matthews of the World Resources Institute, a Washington-based policy group.

Fitzwater said there is disagreement between the EPA, the State Department and the White House on the state of science surrounding the greenhouse effect. But there was no sign of disagreement among the scientists at yesterday's hearing.

Scientists have estimated that global mean temperatures could rise 4 to 9 degrees Fahrenheit by the middle of the next century if greenhouse gases continue to accumulate at current rates. By way of comparison, the Earth's mean temperature is about 9 degrees Fahrenheit warmer now than it was during the last ice age, when much of the United States was covered with mile-thick glaciers.

"I have no hesitation in calling that catastrophic," Schneider said.

Schneider, Hansen and other scientists said they are not certain how quickly warming will occur or how specific areas of the planet will be affected.

Among the major uncertainties, they said, is how much excess heat oceans can absorb and whether greater evaporation will create more cloud cover, which can have a cooling effect.

But current predictions about the extent of global warming may also understate the problem, they said, just as early models of stratospheric ozone depletion from chlorofluorocarbons understated the rate of loss. It was not until a large "hole" appeared in the ozone layer over Antarctica that scientists discovered that ice crystals were accelerating the chemical destruction of ozone.

Biologist George M. Woodwell, director of the Marine Biology Laboratory at Woods Hole, Mass., testified that recent data show that the accumulation of carbon dioxide in the atmosphere is accelerating. A research station in Hawaii, which has documented a steady increase of about 1.5 parts per million of carbon dioxide each year since 1957, showed a "surge" in the last 18 to 24 months. The new rate of increase is about 2.5 parts per million a year, he said.

"I'm suggesting that the warming of the Earth is increasing the decay of organic matter in the Earth," Woodwell said. "It may be mobilizing carbon from the Earth, and that has not been worked into the climatologists' models."

Ralph Cicerone of the National Center for Atmospheric Research said a similar acceleration could result if temperatures become warm enough to speed decay in northern wetlands and tundra areas, which are rich in organic material that decays very slowly because of long cold seasons.

"These feedback processes have yet to be studied adequately," Cicerone said. "They may be important, or they may not. But none is included in the climate models."

[From the New York Times, May 9, 1989]

WHITE HOUSE ADMITS CENSORING TESTIMONY

(By Philip Shabecoff)

WASHINGTON, May 8.—The White House confirmed today that it had censored Congressional testimony on the effects of global warming by a top Government scientist, but it insisted that the changes reflected policy decisions, not scientific conclusions.

Marlin Fitzwater, the White House press secretary, said the Office of Management and Budget had changed conclusions about global warming data contained in the testimony of Dr. James T. Hansen, director of the space agency's Goddard Institute for Space Studies. He said the action was taken because the ideas presented were "not necessarily those of all scientists who have considered this matter."

In his original test, before it was changed, Dr. Hansen asserted that computer projections showed that global warming caused by pollution from human activity would cause upheavals in the earth's climate. He warned of substantial increases in temperature, drought in mid-latitudes, severe storms and other stresses.

But his testimony was changed to make his conclusions seem less certain.

In response to questions at the regular White House briefing this morning, Mr. Fitzwater said that an official of the Office of Management and Budget "five levels down from the top" had changed Dr. Hansen's testimony to reflect that "there are many points of view on the global warming issue and many of them conflict with those stated by Dr. Hansen."

But Dr. Hansen, appearing today before the Senate Subcommittee on Science, Technology and Space, said that the testimony he had submitted specifically stated that the conclusions represented his own scientific opinion, not Government policy or a scientific consensus.

He said he had been forced by the budget office to make changes that raised questions about the reliability of scientific evidence on expected climate changes. Another change imposed by the budget office made it seem as if there was some doubt that human activity was chiefly responsible for the pollution that, it is now widely agreed, will cause a global warming trend. This would occur as carbon dioxide and other manmade pollutants trap and retain heat from the sun in a process similar to what happens in a greenhouse.

"I don't think the science should be altered," he said in response to a question by Senator Albert Gore, the Tennessee Democrat who is chairman of the subcommittee. "As a Government employee, I can and certainly do support Government policy. My only objection is changing the science."

SIMILAR COMPLAINT REPORTED

Another Government scientist testified at today's hearing that the budget office had tried to change his testimony on scientific issues earlier this year.

The scientist, Dr. Jerry D. Mahlman, director of the Geophysical Fluid Dynamics Laboratory of the National Oceanic and Atmospheric Administration, said that the changes proposed for his testimony on issues related to global warming were "objectionable and unscientific" and that the testimony would have been "embarrassing."

Dr. Mahlman said that he had refused to accept the changes in his testimony. "We in the scientific community demand the right to be wrong," he said, Dr. Mahlman said he prevailed in his effort to prevent the budget office from changing his testimony. Dr. Hansen said, however, that the budget office insisted on editing his testimony despite his strong objections.

GORE ASSAILS ADMINISTRATION

Senator Gore said Dr. Hansen's testimony was changed because the Bush Administration did not want to take action to cope with the expected global warming trend.

He said United States officials now meeting in Geneva with delegations from other countries were arguing that more study was needed before beginning work on an international treaty aimed at reducing the impact and mitigating the effects of climate change.

"President Bush, only months ago, told us he was an environmentalist," Mr. Gore said. "Yet, in the past few days alone, we've seen his Administration back away from a critical diplomatic initative on global warming."

Mr. Fitzwater said President Bush's "personal view is that this is a serious problem that America needs to show and take leadership."

"But the science is something that still has to be sorted out," he said. "Obviously, the President hasn't made a judgment about scientific assessments."

The White House spokesman said that Dr. Hansen had a right to voice his opinion and that no punitive action would be taken against him for objecting to the changing of his testimony.

Mr. Gore said that if there was any retribution against Dr. Hansen, the Bush Administration would face "the equivalent of World War III" with Congress.

[From the New York Times, May 9, 1989]

STILL LIMPING ALONG

(By Tom Wicker)

When I criticized President-elect Bush for indecision last December (he had "hit the ground limping," I wrote), the remark was labeled a "cheap shot." Now that Mr. Bush actually is having to face Presidential decisions, it looks more and more like an expensive truth.

The latest example, and one of the most serious, is his Administration's hesitance to lead the world against "global warming"—although Mr. Bush promised to do so in his campaign, and Secretary of State James A. Baker 3d made it the theme of his first major speech.

Now the White House chief of staff, John Sununu, is reported to have rebuffed officials who wanted the U.S. to propose an international conference to draft a treaty on global warming. Mr. Sununu replied that Mr. Bush did not yet know enough about the economic costs of a treaty that would limit the man-made gases that trap solar heat and cause the "greenhouse effect."

The Dr. James E. Hansen, the director of the Goddard Institute for Space Studies, complained that the Office of Management and Budget had watered down his planned Congressional testimony on the subject. He intended to say that enough was known about the causes and effects of global warming that major steps to curb harmful emissions were necessary and practical. When O.M.B. got through censoring the statement, Dr. Hansen was made to claim, contrary to his professional opinion, that "it remains scientifically unknown" how much human actions contribute to global warming.

All this sounds like a retreat into the flaccid inactivity of the Reagan Administration on acid rain, when for eight years it was claimed that not enough was known about its causes to do anything about its effects. The need to get started on global warming, however, is not in doubt. At a recent international forum in Washington, a parade of speakers urged immediate steps to limit emissions of carbon dioxide and other harmful gases.

Thomas Lovejoy, the vice president of the Smithsonian Institution, who had previously suggested that "the great environmental struggles will be either won or lost in the 1990's," repeated that "massive intervention in society is required over a very short time, perhaps less than 20 years" if global warming and ozone depletion are to be dealt with. William D. Ruckelshaus, twice the Republican director of the Environmental Protection Agency, warned that it would be illusory to assume that there would be "a technological fix," and Martin Hodges a former chief science adviser to the British Government, said that the world "would be incredibly stupid not to take these dangers as real."

Apparently, George Bush doesn't. And saving what's left of the environment is not the only pressing issue he's ducking. Last week he declined to send representatives to a Senate subcommittee that was waiting to hear his proposals on controlling semiautomatic assault rifles. Even a Republican Senator, Arlen Specter of Pennsylvania, was upset.

"I think the Administration ought to be here," he said. "I say that flatly and I said that to the Administration."

Two bills limiting importation, sale, transport and possession of such weapons have been introduced—only by Dennis DeConcini, Democrat of Arizona, usually an opponent of gun controls. He was contemptuous of the Administration's failure to testify, saying "they don't have a position, that's what it amounts to." White House officials conceded that the President hadn't made up his mind on what legislation he wanted, if any.

Even the biggest Republican enchilada is getting itchy over the Bush Administration's pussyfoot performance. Ronald Reagan took time off from his memoirs last week to let it be known that he was concerned about his successor's "excessively cautious approach to nuclear arms reductions negotiations with the Soviets," among other things.

This statement was attributed to the ex-President's "friends" by Lou Cannon, a Washington Post reporter who has been shrewdly interpreting Ronald Reagan for many years; but Mr. Cannon clearly was using this ancient journalistic device to camouflage an interview with Mr. Reagan himself.

Mr. Reagan's "friends" also allowed that his campaign comment about George Bush last year—"he's been part of everything we've done for the past eight years"—now had "an ironic aftertaste." Or maybe that's just what you get when you've put your foot in your mouth.

[From the Washington Post, May 6, 1989]

SUNUNU BLOCKED PLAN TO SEEK CONVENTION ON GLOBAL WARMING

(By Michael Weisskopf)

Top Bush administration officials led by Environmental Protection Agency Administrator William K. Reilly pressed for a U.S. diplomatic initiative on global warming at an international meeting next week in Geneva, but White House chief of staff John H. Sununu rejected the move as premature, according to U.S. officials.

Proponents of the move had recommended that U.S. representatives to a 30-nation meeting sponsored by the United Nations support plans for an international convention identifying global warming as a world environmental threat.

Environmentalists have pressed for a convention that would lead to treaty negotiations to limit the man-made gases known to trap solar heat like a greenhouse and increase the Earth's temperature.

But officials said Sununu has blocked such an initiative by U.S. delegates to the Intragovernmental Panel on Climate Change on the grounds that President Bush does now know enough about the economic costs of such a treaty.

A top aide to Sununu said he "hasn't touched this thing one way or the other" and said the chief of staff did not know anything about it.

A spokesman for Reilly, who met with Sununu on the issue Thursday, said Sununu has been generally "supportive" of an international convention but raised "reasonable questions that deserve answers before the administration commits itself."

The administration's position at the meeting that starts Monday has been debated by domestic policy advisers for weeks. Some officials have argued that Geneva presents a perfect opportunity for Bush to seize the leadership role on international environmental issues that he pledged to take in campaign speeches and his budget statement.

Some Bush advisers believe the president missed a chance to claim that mantle by allowing the European Community to beat him by a day in announcing support recently for a phaseout of chlorofluorocarbons (CFCs) by the year 2000.

The treaty to halve CFCs in the next decade could serve as a model for the global warming issue. Industrial nations formed a convention in Vienna in 1985 that identified the popular chemical as a threat to the stratospheric ozone layer. Negotiations to cut back CFC use began a year later and ended in an agreement in 1987.

Sources said that Reilly, Frederick M. Bernthal, assistant of state for oceans and international environmental and scientific affairs, and White House Counsel C. Boyden Gray favored an aggressive U.S. stance in Geneva.

Office of Management and Budget officials argued for a more deliberate pace, however, arguing that no one has calculated the costs of curbing "greenhouse" gases, chiefly carbon dioxide from the burning of coal and other fossil fuels.

The meeting scheduled for five days next week is part of a process initiated last year by the U.N. Environmental Programme and the World Meteorological Organization after a consensus developed among scientists that greenhouse gases will heat up the Earth about five degrees by the middle of the next century.

Several working groups were set up by the interagency panel, including one led by the United States to consider "response strategies" for combatting the warming trend.

The Geneva meeting will be chaired by the United States to discuss its findings. According to administration officials, the U.S. delegation, which will be led by Bernthal, has been instructed to discuss the possibility of a convention and support further study but not to endorse it.

"We were told not to cross that line," said one official.

The instructions "frustrated" Reilly and other proponents of a convention, according to a knowledgeable source. They fear that Washington will lose the initiative to other nations, even though the EPA has done the cutting-edge work on the causes and effects of global warming and is more advanced in developing solutions for dealing with it.

In a major speech in the presidential campaign, Bush promised to convene a global conference on the environment to discuss global warming and other problems. But when Reilly and other administration officials sought to begin planning for such a conference, Sununu responded that Bush has not decided the best timing, venue and agenda for it, according to a source.

[From the New York Times, May 8, 1989]

SCIENTIST SAYS BUDGET OFFICE ALTERED HIS TESTIMONY

(By Philip Shabecoff)

WASHINGTON, May 7.—The White House's Office of Management and Budget has changed the text of testimony scheduled to be delivered to Congress by a top Government scientist, over his protests, making his conclusions about the effects of global warming seem less serious and certain than he intended.

The testimony had been prepared by Dr. James E. Hansen, director of the National Aeronautics and Space Administration's Goddard Institute for Space Studies, for delivery Monday before the Senate Subcommittee on Science, Technology and Space, Congressional sources said. Dr. Hansen confirmed that the testimony had been changed.

In his original testimony, he said that computer projections of changes in climate caused by carbon dioxide and other gases released into the atmosphere would cause substantial increases in temperature, drought, severe storms and other stresses that will affect the earth's biological systems.

The text of his testimony was edited by the budget office to soften the conclusions and make the prospects of change in climate appear more uncertain, Dr. Hansen said in an interview.

The budget office and other officials in the White House have been urging a go-slow approach to policies dealing with global warming, called the greenhouse effect by scientists. Those officials have, opposed the State Department and Environmental Protection Agency, which have been urging President Bush to take the lead in mobilizing the international community to meet the threat of rapid climate change. The Administration is deeply split over whether to endorse an international treaty that would require action to deal with global warming, high-ranking executive branch officials said.

Senator Albert Gore, Democrat of Tennessee and chairman of the subcommittee, who had been told by Dr. Hansen of the alterations in the testimony, said that White House officials were attempting to change science to make it conform to their policy rather than base policy on accurate scientific data.

"They are scared of the truth," Mr. Gore said. He charged that the testimony was censored to support those in the Office of Management and Budget and other part of the Administration who are seeking to keep the United States from proposing an international treaty to ameliorate the now widely anticipated global warming trend.

Mr. Gore said that at a future hearing "I intend to ask O.M.B. officials who have substituted their scientific judgments for those of atmospheric scientists to come in and testify about the basis for their conclusions. I want to determine their qualifications, the climate models they have used, the amount of study they have given to the subject and the evidence that they found most persuasive. And I intend to pursue this at great length."

BUDGET OFFICE REVIEW IS ROUTINE

A spokeswoman for the budget office reached Saturday said that she made repeated attempts to seek an explanation but that no one from the office was available to respond to questions about the changed testimony. She also said that the only press official who will agree with budget office statements is Barbara Clay, who was among those not available.

The Office of Management and Budget routinely reviews testimony to be presented to Congressional committees by officials to make sure that Federal policy conforms to the President's budget.

The United States heads an international panel assigned the task of preparing a policy response to the global warming trend. The panel is scheduled to make recommendations at a meeting sponsored by the United Nations in Geneva this week.

Secretary of State James A. Baker 3d and Environmental Protection Agency Administrator William K. Reilly are said to be urging that the United States take the lead

on a convention to meet the threat of global warming. But officials in the White House, including the Office of Management and Budget, as well as in the Department of Energy, are urging a wait-and-see approach, saying the scientific information and data on economic effects of a remedial action are inadequate.

Dr. Hansen's testimony, before it was changed, would have given strong support to the position that, while there are still many uncertainties, enough is known now about the general and even regional effects of the global warming trend to start acting now to mitigate and prepare for those effects. Dr. Hansen concluded, for example, "We believe it is very unlikely that this overall conclusion—drought intensification at most middle- and low-altitude land areas, if greenhouse gases increase rapidly—will be modified by improved models."

At the end of the section of his testimony dealing with regional effects of global warming, however, the Office of Management and Budget, over Dr. Hansen's objections, added this paragraph: "Again, I must stress that the rate and magnitude of drought, storm, and temperature change are very sensitive to the many physical processes mentioned above, some of which are poorly represented in the G.C.M.'s (general climate models). Thus, these changes should be viewed as estimates from evolving computer models and not as reliable predictions."

SCIENTISTS CRITICIZES CHANGE

Dr. Hansen said in an interview that the additional paragraph served to "negate" the entire point of that part of his testimony, which was that scientific understanding has now reached the state where "we can begin to draw significant conclusions about droughts, storm, temperature—conclusions which are unlikely to change as the models and observational data become more detailed."

Another part of Dr. Hansen's testimony said that many policies for reducing carbon dioxide growth rates would make good economic sense was changed by the budget office to say that such policies "should" make good economic policy sense.

Still another change required the testimony to say that the relative contribution of human and natural processes to changing climate patterns "remains scientifically unknown." In fact, Dr. Hansen said, he and his colleagues at N.A.S.A. who helped prepare the testimony, "are confident that greenhouse gases are primarily" of human origin.

"It distresses me that they put words in my mouth; they even put it in the first person," Dr. Hansen said and added that he had tried to "negotiate" with the budget office over the wording but "they refuse to change."

"I should be allowed to say what is my scientific position; there is no rationale by which O.M.B. should be censoring scientific opinion," Dr. Hansen insisted. "I can understand changing policy, but not science."

He also said that this was not the first time the budget office had changed his testimony to Congress.

While there is strong consensus within the scientific community that the greenhouse effect is real, there have been a substantial number of challenges to Dr. Hansen's contention that long-term global temperature trends show a high probability that it is already taking place. Dr. Hansen's testimony that the global warming trend is already occurring was presented at a Congressional hearing last July and attracted widespread attention.

While the O.M.B., in its function of coordinating policies within the Executive Branch, reviews and edits such testimony, the research findings of Government scientists are subject to peer review, not to change by the policy-oriented budget office. Dr. Hansen's testimony was based on his and his colleagues' research, which had been subjected to such peer review.

Senator Gore called the alteration of Dr. Hansen's testimony "unbelievable" and said that such Government action would have a "chilling effect" on science and make it more difficult to base sound policy on the scientific evidence.

A number of foreign leaders have been urging the United States to take the lead on global action to meet the threat of global warming, recalling President Bush's campaign pledge to exert such leadership.

[From British Information Services, May 8, 1989]

GLOBAL CLIMATE CHANGE

"The atmosphere knows no boundaries and the winds carry no passports".

Attached is a statement to the UN Economic and Social Council by the Permanent Representative of the United Kingdom to the United Nations, Sir Crispin Tickell.

SUMMARY

The effect of "greenhouse gases" is comparable in its scale and complexity to the problems which arose from the discovery of nuclear energy, fifty years ago.

On 26 April 1989 the British Prime Minister held a seminar of scientists, industrialists, politicians and academics. Their concensus was that despite great uncertainties there was no time to wait.

There are three areas in which international work is required—a framework in which to operate, a review of institutions and a basis for action to manage the consequences of a warmer world.

The framework has two main aspects: an umbrella convention which would set out general principles or guidelines. This task falls to the Intergovernmental Panel on Climate Change. Secondly, as scientific evidence requires, specific protocols should be fitted into the framework.

There are enough international institutions already. The challenge we face is how to make best use of them, and, if necessary, adapt them to changing circumstances. Are the problems of global warming sufficiently taken into account by the many UN and international institutions working in this area?

We may need to consider whether UNEP might be promoted to a specialized agency. An intergovernmental commission to provide a secretariat and monitor the global framework convention on climate should be considered. There could also be a role for the Security Council under Article 34 of the Charter and a Committee of the General Assembly might also be created.

[From Scripps-Howard News Service, May 6, 1989]

BUSH WHITE HOUSE TO PASS UP CHANCE TO LEAD FIGHT ON GREENHOUSE EFFECT

(By Robert Engelman)

WASHINGTON.—The Bush administration has quietly decided to pass up an opportunity to take the lead on fighting the "greenhouse effect" in an international meeting next week, according to administration officials.

Beginning Monday, the United States is chairing a 17-nation working group in Geneva on possible strategies for heading off global warming, which scientists expect to result from heat-trapping industrial pollution of the atmosphere.

Despite pressure from some administration officials to propose specific steps to slow or delay the warming, others expressed doubts and White House chief of staff John Sununu vetoed the idea, administration sources said.

Instead, the U.S. delegation will propose only further discussion and study of the greenhouse problem.

"There are some who would like to have seen the U.S. set a goal of starting work on a treaty to control greenhouse gases, but Sununu put that on hold," one official said Friday. "There's some frustration about that."

Sununu, however, said through a spokesman that sources making such statements are "totally unreliable."

"We are working on our environmental issues," Sununu said. "We're getting input from all over, including Geneva, and we're moving aggressively on clean air."

But neither Sununu nor any White House official disputed accounts that top administration officials—specifically, Secretary of State James Baker, national security adviser Brent Scowcroft, White House counsel Boyden Gray and Environmental Protection Administration head William Reilly—had suggested the administration could use the Geneva meeting to call for work on an international agreement to limit greenhouse emissions.

Reilly said through a spokesman Friday that Sununu was "getting a bum rap."

While some members of the cabinet did have "legitimate questions" about the implications of a greenhouse treaty, Reilly said, "John Sununu has been very supportive of the process" of working out an administration position on global warming.

The Geneva meeting, Reilly added, "is not a drop-dead deadline for action" on the greenhouse effect.

A greenhouse treaty, advocated by many scientists and environmentalists, would be in some ways similar to a two-year-old international agreement to reduce emissions of chlorofluorocarbons, the gases that deplete the upper-atmosphere ozone layer.

Reducing greenhouse gases would be considerably more difficult. Many of them, such as carbon dioxide and methane, are almost inevitable by products of energy consumption, industry and agriculture.

But despite continuing uncertainties about whether climate change is already evident, scientists agree some warming will occur and prove disruptive within the next few decades.

Many scientists and some legislators have recommended early action to reduce greenhouse emissions. Last week the Senate passed a non-binding resolution to make reduction of carbon dioxide emissions a goal of U.S. policy and to begin work toward an international agreement.

The issue has political as well as environmental overtones. Bush declared during the presidential campaign that he would fight the greenhouse effect with what he called "the White House effect." As president, however, he has said little about the issue.

Some European governments have become quite active recently in response to growing public concern about climate change. Two weeks ago British Prime Minister Margaret Thatcher called half of her cabinet minis-

ters together for a six-hour briefing on the issue, according to Martin Holdgate, a British scientist and conservationist who spoke to the group.

Holdgate, in Washington to attend a forum on global environmental change, is among those who favor immediate action to delay greenhouse warming. "We would be incredibly stupid if we did not take the signs of global change induced by man as very real," he said.

But Tom Snead, a spokeseman for the State Department, said the U.S. government had not yet adopted that view and would suggest only in Geneva that energy efficiency makes sense for a variety of environmental and economic reasons.

"It's premature at this time to talk about reductions in carbon dioxide emissions," which come largely from combustion to fossil fuel, Snead said. "You're talking about basic energy production. We don't know enough about global climate to say these greenhouse gases are going to do anything."

The working group is a subcommittee of the intergovernmental Panel on Climate Change, established last year to consider possible responses to the threat of climate change.

The chairman of the working group meeting will be Frederick Bernthal, assistant secretary of state for oceans and international environmental and scientific affairs.

At the group's first meeting, held in Washington in January, Baker declared that "the political ecology is now ripe for action" on greenhouse warming.

PROPOSED FSX AGREEMENT WITH JAPAN

Mr. BRYAN. Mr. President, I rise to express my opposition to the administration's proposed transfer of American technology to the Japanese in the form of the so-called advanced fighter system, the FSX. In doing so, I want to associate myself with the remarks of my friend, the distinguished senior Senator from Illinois who previously voiced his opinion on the floor this morning.

Mr. President, it has been said that those who cannot remember the lessons of the past are condemned to relive them. If this debate were being held in the 1950's, one would expect that a dialog would involve the future of the American automobile industry. It ought to be abundantly clear to all of us that the Japanese are very good in long-term commercial strategy. The 1950 automobile strategy in which they have targeted the American market for substantial export to it has been an overwhelming success. Today, 20 percent of that market is occupied by the Japanese.

If we move into the 1960's, it is equally clear that they were interested in consumer electronics. In 1970, American companies had 90 percent of the American color television market. Today that market is less than 10 percent. The VCR technology, developed in the United States, is no longer produced or manufactured in the United States but is owned predominantly by the Japanese.

And, as we approached the 1970's, it was equally clear that their strategy focused upon semiconductors and the supercomputer hardware of the future and they have made serious inroads in America's competitive position in our own market, much less the world market.

It is obvious to me the Japanese have targeted the manufacture of commercial aircraft as their goal for the 1990's and beyond. It is a market in which American technology enjoys preeminence, both in commercial as well as military aircraft.

Mr. President, I have sat through several briefings over the past few days in which the advocates of this transfer have tried to persuade me and other Members of this body why we should approve the transfer of technology.

I must say that I find no argument that is compelling in our national interest to approve such a transfer. It is acknowledged by all who have participated in these briefings that the Japanese do not exceed us in terms of commercial airframe technology, composite technology, radar technology, or any of the other technologies that would be involved in the manufacture of this advanced weapons system. There may be some commercial advantage to General Dynamics, but there is no advantage to America in approving this transfer.

Indeed, Mr. President, my experience has been, as recently as last evening when I had occasion to visit with some of the members from my own State to talk about telecommunications, that the pattern is clear. Once the Japanese gain access to this technology they are going to move out on their own: Develop it and bring the same technology back to us, perhaps sooner than we can transfer that technology into the production line. It makes no sense, Mr. President, for us to approve this.

How we can justify to the American taxpayer that the dollars contributed by the American taxpayers, which have contributed to the technology represented in the F-16, which is a frontline fighter in the world, should be transferred to the Japanese without any concomitant quid pro quo or advantage to us.

Second, Mr. President, I submit that we do a great disservice to the airframe manufacturers of this country to provide their prospective or future competitors with this kind of technology, which will enable the Japanese to more easily compete with them in the international markets of the 1990's, and into the next century.

Finally, Mr. President, I think it needs to be pointed out that we in this country have developed a tremendous trade deficit. Of all of those with whom we trade, the Japanese are the ones who have the largest deficit in terms of our export/import relationship. Here is an area, Mr. President, in which the United States enjoys an aerospace trade surplus of $17.9 billion in 1988 by exporting some $26.9 billion of American aircraft abroad to the international market. Why, Mr. President, we would seek to compromise or to make it possible for others to compete in that market and erode that competitive share, I do not know.

Mr. President, I ask unanimous consent for 1 more minute?

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BRYAN. Finally, Mr. President, I would say to our friends in Japan who express their concern and eagerness in helping us to work with the trade deficit, all of those who heard that dialog, all of us who participated in that colloquy, this, Mr. President, is an opportunity for the Japanese, not to speak but to act, and they ought to be purchasing American aircraft and American technology as one means of eliminating that trade deficit.

The PRESIDING OFFICER. The Senator from Nebraska [Mr. KERREY].

THE MILWAUKEE BUCKS

Mr. KERREY. Mr. President, I rise first of all to say how proud I, and all the freshmen Senators were, of the Milwaukee Bucks over the weekend.

COMPUTER-AGE LIBRARY

Mr. KERREY. Mr. President, on Sunday, April 30, an article in the New York Times described an idea that French President Mitterrand is developing to build a modern computer-age library in Paris. I believe such a proposal would be wonderful for the United States as well and I intend to pursue it.

I have been struggling for several years to develop a description of a communications system in America that could be used by our people to learn. With the technology available and the technologoy we could develop, if we were able to describe the system that we need we should be able to build a system that would provide us with far more than the enhanced dial tone which is now available.

I describe it as a strategic communications initiative which would have three elements: A network that is deployed without regard to regulatory or marketshare constraints; production of a library of data, sound, and video information; and research that develops our technology to do what we want it to do.

Peaceful applications of technology have fewer advocates than military applications. A tool which will permit a 10-year-old to explore and achieve

greater understanding with more complete freedom is less exciting than the roar of a fighter bomber or the killing capacity of a new weapon.

Fear creates an active urgency that necessitates the commitment of vast resources to the cause. The desire for new knowledge is a more passive urge with less political value. Moreover, new discoveries very often threaten the status quo. There are few things worse than having your child come home from school after learning something that has caused them to conclude their parents are wrong.

The idea of a library for the United States, like that being proposed for France is a breakout idea for me. It describes the end use: reading and learning, in a way that is understandable. To make it accessible we will need a network. To make it complete we will need production work. To make it the best we will need research that is directed toward satisfying specific needs.

The description in the article that I like best is that the library is an "intersection of Alexandria and the electronic age." I envision a library that would permit an individual to retrieve and to interact with written, sound, and visual information. I envision a network which would allow the entering of the library long distances any time of the day or night.

I envision a library that would permit a child in Broken Bow, NE, to learn a language, to explore science, to improve mathematics skills, or to pursue any other line of questioning. It is important for me to center my attention on the needs of a 10-year-old rather than on the economic needs of businesses. I believe that it will work for business if it works for the child. I do not believe that the opposite will necessarily hold.

I envision a library that would encourage reading. This, for me, is an essential ingredient. This cannot be seen as a high technology monster which becomes simply a video game. We must consciously insist on measuring the design by this standard: Will it help our people to read?

I envision a library that would permit an individual to physically enter it as well, a classic library with reading rooms and gardens, a library that confirms that the electronic age is not a replacement for the old age of enlightenment.

I will be developing and proposing legislation to encourage the creation of such a library in the United States. The United States ought to be establishing a similar state-of-the-art blend of communications technology and the services that a traditional library offers. I ask unanimous consent that the April 30, 1989, New York Times article be James M. Markham be printed in the RECORD and I commend it to my colleagues.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MITTERRAND ORDERS A LIBRARY FOR THE AGES

(By James M. Markham)

PARIS, April 25.—In his latest and in some ways most ambitious effort to reshape the architiectural landscape of Paris, President François Mitterrand is building "a very big library" that is supposed to be the most modern in the world.

Already one of France's most energetic builder-presidents, Mr. Mitterrand has commissioned or completed I.M. Pei's pyramid in the heart of the expanded Louvre, the mammoth Bastille Opera, the Arab World Institute, the Orsay Museum, a new Ministry of Finance on the Seine, a modernistic hollow cube known as the Great Arch in the suburban La Défense complex, and La Villette, a development comprising a part, a museum of science and industry and a music center.

Yet Mr. Mitterrand's plan for a giant, computer-age library, which will be built on the rundown Quai de la Gare along the Senie on the southeastern flank of the city, is clearly his most cherished project. The 72-year-old President has united two passions—his love of books and his love of building.

With a price tag of more than $1 billion, the Bibliothèque de France will occupy a 17.3-acre site and, if all goes according to the President's vision, will be equipped with computer terminals that will link readers throughout France and even the world to its published and electronic resources.

At a Cabinet meeting here last week, Mr. Mitterrand revealed the names of 20 architects who will be invited to submit preliminary proposals for the library; four finalists are to be chosen at the end of July, and building is to start in 1991. The list includes Richard Meier, an American; James Stirling of England; Richardo Bofill, Bernard Tschumi and Jean Nouvel of France; Mario Botta of Switzerland; Hermann Hertzberger of the Netherlands, and the Miami-based firm Arquitectonica.

A VERY GRAND AMBITION

At last year's Bastille Day ceremonies, Mr. Mitterrand disclosed his Presidential wish to create "one of the biggest or the biggest and most modern library in the world." He later scaled this down to "a very big library," or, in France, a "très grande bibliothèque," which the press inevitably shortened to T.G.B.

T.G.B. sounds like T.G.V., which are the well-worn initials of France's high-speed train, the "train à grande vitesse."

Not without a certain irony, Mr. Mitterrand decided this month that the T.G.B. will be built along a quay that takes its name from a railroad station, the Gare d'Austerlitz, whose tracks snake through an unlovely cityscape of warehouses, truck stops and dock sheds before pivoting southwest toward Orléans and Bordeaux. And though the abbreviation clearly does not please the President, the location and the flippant nickname have facilitated headlines like "T.G.B. on the Rails."

There is a nice symbolism in the choice of the site, between the Bercy and Tolbiac bridges on the Left Bank. If the railroad is one of the great creations of the 19th century, the Bibliothèque de France is meant to become the first library that anticipates the 21st.

"It is clear that this will be like no other library in the world," said Emile Biasini, the minister-level official named by Prime Minister Michel Rocard last June to oversee all the President's grands travaux, or great works. "To use an image, it will be at once Alexandria and the electronic age."

HE GIVES THE ORDERS

With a grin, the ebullient Mr. Biasini shrugged off the suggestion that the library might ultimately become known as La Bibliothèque François Mitterrand. But he left no doubt that the library was the President's very personal project.

"He's in charge," Mr. Biasini said. "I work with him, and he gives the orders. And I have fixed dates so that the library will be irreversible before the end of his term in office in 1995."

The choice of the Bercy site fits in with unfolding plans to develop and upgrade the scruffy outer reaches of eastern Paris. The site is just up river from the huge new Ministry of Finance—a design of the French architect Paul Chemetov and the Chilean Borja Huidobro—which juts aggressively into the river from the Right Bank.

A walkway across the Seine will link the library to a vast part that is planned next to the Bercy Omni-sports center, which is used for everything from political rallies to bicycle racing to opera. Bibliophiles will thus be inspired to think great thoughts as they stroll in the park.

The 17.3 acres were donated by Mayor Jacques Chirac of Paris, the neo-Gaullist leader who was defeated by Mr. Mitterrand in last year's Presidential election. This harmonious beginning of the project may avoid the kind of political wrangling between Mr. Chirac and the Socialist President that delayed and confused the design of the Bastille Opera, which is to be inaugurated with a concert the evening of July 13, marking the 200th anniversary of the French Revolution.

OVERSTUFFED AND OVERCROWDED

Even before Mr. Mitterrand introduced the library project last July, it had become clear that the venerable Bibliothèque Nationale on the Rue de Richelieu, which houses 12 million volumes, had become overstuffed and its elegant domed reading room overcrowded with researchers.

After considerable discussion, a team of experts presided over by Dominique Jamet, a journalist close to the President, has decided that the library collection will start in 1945, which will mean removing some three million volumes from the Rue de Richelieu.

"The idea of a cut-off date was simple—the new library could not open without some books," said Mr. Jamet, who is president of the Association de la Bibliothèque de France. "After 1945 means after the war and after the atomic bomb."

The selection of Mr. Jamet to guide the project has raised some skeptical eyebrows among architects and librarians. But the choice of a journalist devoted to the President seems yet another indication that Mr. Mitterrand is the real boss.

The library's avowedly modern vocation will be matched by a computerizing of its collection that is supposed to link it to libraries in Bordeaux, Lyons and Strasbourg—and ultimately to other great libraries of the world. Mr. Mitterrand has a vision of universities and high schools all over the country plugged into the Bibliothèque de France.

RECORDS OF THE PATRIMONY

The new library is also to be the repository of what is called "the audiovisual and

sound patrimony"—electronically stored information and music that has expanded exponentially in the post-1945 era. Pulling this patrimony together will be a bureaucratic nightmare since it is now held by various ministries and public entities.

The library is to have both a traditional research reading room for scholars and, a relative rarity in Europe, another one open to the general public. A 110-page report by two French library experts, Patrice Cahart and Michel Melot, also suggested the robotization of the stacks, permitting the swift retrieval of volumes.

"All this can stimulate a very original kind of architecture," said Mr. Melot, who has proposed a kind of intellectual "boutique" selling specialized academic publications within the T.G.B. "The architect will have to pull together zones that do not all have the same function."

Yet for all the futuristic talk about the new national library, others harbor more modest ambitions for Mr. Mitterrand's last great architectural legacy to the City of Paris.

"I have an enormous admiration for American libraries and I am convinced that the French are determined to learn a lot from the Americans," said Emmanuel Le Roy Ladurie, head of the Bibliothèque Nationale. "Personally, my desire is that the Bibliothèque de France should be at the level of the good American libraries."

The PRESIDING OFFICER. The Senator from Illinois [Mr. DIXON].

SCHEDULE

Mr. DIXON. Mr. President, I appreciate the fact that shortly we have to recess for the purpose of the conference luncheons by the two parties. I wonder if I could make a few brief remarks. My understanding was that the distinguished Senator from Michigan [Mr. LEVIN] wanted to come back and make a few brief remarks.

If I could say a few things until he gets there, I would be delighted to replace my colleague in the Chair for a brief period to hear him, before we close down this morning.

Is there any objection to that by anyone here, Mr. President? That we proceed in that manner?

The PRESIDING OFFICER. Without objection, it is so ordered.

FSX

Mr. DIXON. Mr. President, to add to the RECORD concerning the FSX deal, which has been commented upon generously by a good many people here this morning, I would like to ask unanimous consent that a statement by Mr. Clyde Prestowitz, Jr., which appeared in the Chicago Tribune on May 5, 1989, be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

[From the Chicago Tribune, May 5, 1989]

THE NEW FSX DEAL HARDLY DIFFERS FROM THE ORIGINAL

(By Clyde V. Prestowitz, Jr.)

The FSX mountain has labored and brought forth a mouse. For several months, the Bush administration appeared to be raising the priority of defense of U.S. technologies leadership in the deal with Japan to co-develop its next-generation fighter as a derivative of the U.S. F-16. Yet, the administration now seems to have settled for little more than the original deal of last December.

Under the agreement, the United States was to turn over to Japan F-16 technology—developed at the cost of $3 billion to $5 billion—in return for 40 percent of the development work on four FSX prototypes ($460 million), a vague expression of "best effort" to achieve a similar U.S. workshare on the eventual 130-plane production run, and an equally vague promise of access to undefined Japanese technology. Flowback to the U.S. of Japanese technology "essentially" derived from U.S. technology was to be free of charge, while indigenously developed Japanese technology would be available for a royalty.

Critics pointed out that the wildly unbalanced nature of this deal (similar to others the U.S. had come to regret) probably would accelerate Japan's drive toward world-class aircraft manufacturing status and narrow the U.S. lead in its last industrial stronghold.

In response, President Bush ordered a review and then asked Japan to agree to certain improvements in the deal. Specifically, the President demanded: (1) Revision of the basic memorandum of understanding to obtain clear assurances of a 40 percent U.S. production workshare; (2) restriction on the transfer of key software codes for the plane's computers; and (3) a clearer definition of the term "essentially" derived from U.S. technology with regard to the flowback of technology to the U.S.

When made in February, the President's demands amounted to a denial of the assertion by the Pentagon and State Department, as well as by former Secretaries of Defense Frank Carlucci and Caspar Weinberger, that the deal as originally negotiated was the best one possible. In particular, the President obviously questioned their insistence that the United States "had every reason to expect that it would receive 40 percent of the eventual production work."

He had good cause. Bitter experience had taught that the words "best effort" in this kind of deal really mean "it will never happen." Experience with the F-15 and others also indicated a U.S. readiness to transfer increasing increments of technology for very little or nothing in return.

Nothing confirmed the wisdom of the President's course and confounded the partisans of the original deal more than the Japanese response. Three months of haggling ensued. Where the Pentagon had earlier insisted that the U.S. "had every reason to expect" a 40 percent production workshare, the Japanese proposed 28 percent, then inched up to 32-35 percent.

The stakes in this game were the engines. At a 40 percent U.S. workshare, if the Japanese were to keep the avionics and other sophisticated work in Japan, the U.S. would have to get most of the engines that contained new and important technology in which the U.S. has a substantial lead.

Similar haggling occurred over technology transfer issues. For most of this time the administration held firm for the President's demands with, amazingly, the State Department taking the lead as the rough guy.

Then, suddenly, it all fell apart. Shortly after Prime Minister Noboru Takeshita's resignation statement, an agreement on the FSX was announced. Under it, the U.S. is to get "approximately" 40 percent of the production workshare. Mention of restriction on transfer of source codes was made, but it is agreed that the U.S. will transfer all codes necessary to realization of the FSX project's objectives.

The terms of the U.S. access to possible Japanese technology were somewhat clarified, and the U.S. agreed that it would not preclude the possibility of Japanese production of the engine. Moreover, these changes were contained in an exchange of letters rather than in the memorandum of understanding itself as the President had requested.

One can only wonder what all the fuss was about. This is essentially the same deal as that announced in January. What is "approximately" 40 percent? Is it 20 percent or 35 percent? Certainly it is not 45 percent. Any suggested restrictions on source code transfer are meaningless as long as they are qualified by the need to "reach project objectives." In time, "reaching objectives" will result in virtually total transfer.

Why did the U.S. back down? One can only speculate, but it appears to be a reassertion of the traditional primacy of defense over economic considerations in U.S. diplomacy. With Takeshita on the skids, the U.S. became concerned that a new prime minister could not agree to any deal on the FSX. Concerned that Japan would not have an adequate fighter in the 21st Century, the U.S. appears to have pressed for a quick deal while Takeshita was still around to do it, proving once again that, between the U.S. and Japan, nothing ever changes.

Mr. DIXON. Frankly, the interesting thing about this article is that many of us thought there was a substantial improvement in this agreement by virtue of the renegotiations that took place during the last several months. But the position of Mr. Prestowitz—who examines this very carefully, in this article which I will not read in full but which I think is a well thought through article—the position of Mr. Prestowitz is that the new FSX deal hardly differs from the original.

Mr. President, sadly, as in many cases the memorandum of understanding and other documents and letters supportive of the arrangement between the United States and Japan are once again market secret. They are classified. So in large measure we cannot question in the committees some of the things documented and we cannot discuss on the floor some of the classified matter. I once again assert, as we did when we had the Base Closing Commission report, that this business of stamping everything secret is a practice that has grown in this country over the last few years and that I very much deplore. I have looked at this classified document. I have the right to do that as a Senator as the Chair knows. I do not see anything there that is secret or that we ought not to be able to discuss.

I do want to put in the RECORD a letter from the Assistant Comptroller

General, Frank C. Conahan, dated yesterday, May 8, 1989. The parts of this that were attached to it that were classified are now not involved. This part is unclassified. What this letter says, Mr. President, if I may call it to the attention of my colleagues, is that in examining this whole question of what we give, we know what we give 7 billion dollars' worth of advanced technology for the greatest fighter aircraft in the world. What do we get back? I think the overwhelming consensus is "nothing." Again I quote from that letter directly:

Our preliminary observations are that, overall, the United States has superior composites technology and appears to be ahead in the radar development.

I believe we are getting nothing in return.

I ask unanimous consent that this letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. GENERAL ACCOUNTING OFFICE,
WASHINGTON, DC, NATIONAL SECURITY AND INTERNATIONAL AFFAIRS DIVISION,
May 8, 1989.

Hon. ALAN J. DIXON,
U.S. Senate.

DEAR SENATOR DIXON: On January 30, 1989, you requested that we review various aspects of the proposed FS-X support fighter codevelopment program between the U.S. government and the government of Japan. As arranged with your office, we are furnishing the information we have obtained to date on two Japanese technologies that will be available to the United States under the program. These technologies, which relate to composites and the active phased array radar, are discussed in detail in enclosures I and II.

In October 1987, the government of Japan decided to develop the FS-X support fighter using the General Dynamics F-16 C/D as the baseline aircraft. In November 1988, the Department of Defense (DOD) and the Japan Defense Agency signed the Memorandum of Understanding for the cooperative development of the aircraft. In January 1989, Mitsubishi Heavy Industries, the Japanese prime contractor, and General Dynamics, the U.S. manufacturer of the F-16 signed a Licensing and Technical Assistance Agreement.

According to DOD, the FS-X program was not pursued with the primary objective of obtaining access to Japanese technology or balancing the exchange of technology. Other strategic and national priorities dominated. However, once Japan agreed in principle to codevelop the FS-X and a negotiating position was developed, the United States stressed the importance of obtaining access to the new aircraft's technologies. DOD officials have emphasized the potential value of these technologies in a general sense and are impressed with Japan's overall manufacturing capabilities, particularly its cost-effective electronics production.

Our preliminary observations are that, overall, the United States has superior composites technology and appears to be ahead in the radar development. Our view has to be qualified because there are many unknowns about these Japanese technologies and the United States still has limited information from which to make meaningful comparisons.

In doing our work we obtained information from various U.S. government and industry sources. We reviewed program files and had extensive discussions with DOD program and technical officials. We met with structural, design, and avionics engineers at the Air Force's Wright Research Development Center, Dayton, Ohio. We also met with industry representatives from Hughes, Westinghouse, Texas Instruments, McDonnell Aircraft, and General Dynamics to assess U.S. capabilities and obtain information, to the extent available, about Japanese capabilities. Because our review was underway at the time of the renewed negotiations between the two governments to clarify certain aspects of the program, we did not visit Japan.

We are continuing our efforts to fully respond to your request and hope this information will assist you in your deliberations.

Sincerely,

FRANK C. CONAHAN,
Assistant Comptroller General.

Mr. DIXON. Mr. President, Dr. Robert Barthelemy, the National Aerospace Program Director, addressed a group of Senate staffers at a luncheon on April 20, 1989. During his remarks, Dr. Barthelemy referred to an October 1988 trip to Japan. The purpose of that trip was to assess the pace and goals of the Japanese aerospace industry. Essentially, the Japanese informed Dr. Barthelemy that they planned to excel in the aerospace industry. When asked how, since the Japanese have neither an aviation history nor the background technology in this field, the Japanese responded that they have a long-term commitment and that they are going to get the job done. Dr. Barthelemy also explained that the Japanese Government is committed to spending $16 billion.

Mr. President, you have had a very respected career in business. They are going to spend $16 billion to achieve their goal. It is not nice of us to give them everything they need to get the job done?

I am delighted to see a Senator who enjoys the respect of every Senator in this body, a leader in the Armed Services Committee, a Senator who has over the years demonstrated his understanding of the subject matter at issue, and I am proud to be identified with him in this effort we are making to thwart a very bad deal with America.

Mr. LEVIN. Mr. President, I thank my good friend from Illinois for his flattering words. As usual, he is overly generous with his colleagues.

(Mr. DIXON assumed the chair.)

Mr. LEVIN. Mr. President, there is an underlying question in this discussion. It is almost a haunting question to me. That is, why will not the Japanese buy our F-16's? Why will not the Japanese buy our F-16's?

We buy their automobiles. Why will they not buy our F-16's? We buy their VCR's. We buy their televisions. We buy their cameras. Why will not the Japanese buy a product which we make very well, which we can make cheaper than they can, when we buy all their products?

The answer, of course, is they want the jobs. They want the aircraft industry. That is the obvious answer.

The question that then arises is, Why do we let them do it? Make no mistake about it, it is us letting them do it. People sometimes hear me back home and they say, "Are you mad at Japan; are you mad at Korea? Are you mad at the West Europeans? Are you mad at the Canadians?" Or whoever is taking advantage of us in trade.

My answer is no, I am not mad at them. I am mad at us because we can control our economic destiny in this country.

Folks, there is no use getting mad at Japan and Korea and everybody else. Focus your criticism and your fire at Washington because we are the ones who are going to decide whether or not we are going to transfer this technology to Japan and whether or not then 5 or 10 years down the line we are going to have a civilian aircraft industry.

I think the answer is very clear. We should tell the Japanese and any other country that has a huge trade surplus with us that if they want to sell freely in the United States everything they produce, they are going to have to let us sell to them and they are going to have to buy some of our goods.

We can make the F-16 far more cheaply than Japan can make the F-16. There is no mistake about that. I think that is acknowledged. That is a given. We can make this plane cheaper than they can.

What they want is the long-term benefit. What they are investing in is 10 years down the road when they want this industry basically for Japan. But will we let them do it? That is our decision.

Focus your fire on Washington, not on Japan, not on Tokyo, not on Seoul, not on Ottawa, not on Bonn. Focus criticism on Washington for tolerating a trade deficit with Japan and other countries which is now $150 billion—$150 billion, millions of American jobs. Every other country controls their economic destiny. Every other country puts limits on how many products can come into it. I do not think there is one country producing automobiles in the world that allows in an unlimited number of Japanese cars except us. We have a $55 billion trade deficit with Japan.

By the way, that is a larger trade deficit than the next five countries put together. So our trade deficit with Japan is larger than Taiwan, West Germany, Canada, South Korea, Brazil, and Hong Kong put together. Put our trade deficit together and it

still does not equal Japan's trade deficit with us. But they will not buy our F-16's when we can make those F-16's cheaper. They will not buy them? What we need is to tell Japan very soon, if you are not going to buy our F-16's, we are not going to be able to buy as many of your products; we are going to have to put some restrictions on your products if you will not buy this plane which we can make more cheaply than you can make the FSX. We are going to have to talk to them that bluntly. Every other country talks with every other country that bluntly. When it comes to trade, people talk turkey with each other, but not us. We are still pursuing this ideal which does not exist, this ideal called free trade, which every one of us is for except no other country practices. We are not perfect either, but we are a lot freer than most other countries.

If the Japanese were to buy the F-16 off the shelf, not only would they get a great aircraft at a reasonable price, but it would reduce the huge trade deficit which this Nation currently has with Japan. It is estimated that if they would take our F-16 off the shelf or if we modified it for them, it would cost them from one-half to one-third what they are going to end up paying for their own FSX.

I congratulate the current Presiding Officer and thank him for the leadership he has taken this morning in gathering us together. It is important that some of us in the Senate who feel very strongly on this issue let our people back home, let the country, and let the administration know that we are going to make an effort to stop this deal. It is important that people understand the underlying issue. The underlying issue is, why will they not buy our F-16's if we are buying their cars, their VCR's their cameras, their televisions, and so forth?

It is a question we ought to keep on asking because the answer finally is going to be that they are going to have to buy some of our products. The trade is going to have to be a two-way street, and we are going to insist upon it. The only way it will work is to say very bluntly, very honestly, very sincerely, but very strongly, to all countries that have these huge trade surpluses with us that will not buy our goods, that there is going to be a change, and that we are going to insist on a two-way street in the area of trade; some fairness so that not only are they selling here but they are buying from us as well.

At the same time that Japan is working on the details of this aircraft the United States will still be carrying a heavy burden of assisting in the defense of Japan; the United States trade deficit with Japan will most likely continue to grow; and we will be facilitating the creation of a major challenger to the American civil aviation industry.

And what will the United States get in return from the Japanese. From what I can see, it is very little. For months we have been hearing about the superior Japanese technology that will flow back to the United States aviation industry. In particular, it has been reported that Japan would share with us their breakthroughs in composite materials production and radar.

As it now looks, Japanese industry in these areas are only breaking through to the level that the United States aviation industry has been at for some time. A study by the General Accounting Office confirms this. The cocured composite wing for the FSX has been touted as a major technology that will flow back to the United States. But, according to the GAO the United States aviation industry has been aware of the cocuring process for some time. It has not vigorously pursued the technology because there are many questions about how durable the wing will be under the enormous stress that a fighter aircraft produces and is exposed to in the form of enemy fire.

The phased array radar technology that the United States was supposed to benefit from is also known to U.S industry. While this issue is subject to classification, it has been reported in open sources that the GAO found that Hughes Aircraft and Texas Instruments have known of this radar technology for 10 years. In my view, the GAO study has proven that there are no significant technology breakthroughs that will be provided to U.S. industry from this deal.

After examining these facts, the question that arises in my mind, and in the minds of many of my colleagues is—Why? Why won't the Japanese buy our aircraft, why don't we push them to do it, and why are we putting them in the aircraft business? The F-16 is an excellent fighter that they can have cheaper and faster than if they move forward with the development and production of the FSX.

Also, by purchasing the F-16 outright, Japan could prove that it is willing to deliver on its military commitment to defend its coast out to 1,000 miles as soon as possible. This would provide a solid signal that Japan believes that it should shoulder more of the burden for its own defense. It could also show that it wants to help reduce the trade deficit with the United States and prove to skeptics such as myself that Japan wants to be a trade partner.

This agreement has many murky details regarding which nation will develop or produce which parts of an as yet formless aircraft, but one thing is clear—that to support this agreement will prove that we have not yet learned the important lesson that economic strength is the bedrock upon which our national security is built.

So, again, with thanks to the Chair for his leadership this morning, I yield the floor.

MARY HATWOOD FUTRELL—EDUCATION ADVOCATE

Mr. KENNEDY. Mr. President, at this time I would like to ask my colleagues to join me in honoring a great education advocate, one who has exerted courageous leadership at a critical juncture in the history of our Nation's educational system, and one who has appeared before Senate committees many times to share with us the perspective of a classroom teacher: National Education Association President Mary Hatwood Futrell.

Ms. Futrell is the kind of energetic, demanding, and creative teacher all of us like our children to have. As a teacher, she has always been committed to giving her students more than facts and figures, but also helping them develop the skills and the values they need to be successful in life, including self-respect, perseverance, and dedication to the American way of life. For the past decade, Ms. Futrell has brought that same kind of commitment and energy to her work as a national advocate for children, for education employees, and for the cause of public education.

The course of Ms. Futrell's life and career traces a number of pivotal changes in our Nation's history. At each step of the way she acquired a new appreciation for our Nation's values of equality, democracy, and a commitment to excellence. At each step of the way, she was an active participant in our Nation's relentless drive toward progress.

In 1963, when Ms. Futrell began her career as a teacher at Parker-Gray High School in Alexandria, VA, the Virginia schools were segregated. Two years later, Alexandria moved—as did many other school systems in the country—toward integration. Through her work in her community, Ms. Futrell's steady commitment to equality and to educational excellence helped our Nation through this difficult transition in our history.

Like many of her colleagues, Ms. Futrell's increasing involvement in her professional association paralleled her involvement in activities to enhance her professional skills. Shortly after earning her master's degree, she became chair of the business education department at her high school. She also held several posts in the Education Association of Alexandria. By 1976, she was elected president of the Virginia Education Association. And in 1980, she was elected secretary-treasurer of the National Education Association. She was elected NEA presi-

dent for three 2-year terms, beginning in 1983.

Ms. Futrell's first term as NEA president coincided with the advent of national commitment to education reevaluation and reform. Those concerned about the future of public education in this country could not have wished for a better person in that important post at that important time.

As NEA president, Ms. Futrell helped her association to lead the charge for improvement in education, to advocate for needed changes in education programs and policies, and to avoid education changes that were merely novel or politically attractive. At the same time, Ms. Futrell kept NEA on its unwavering course toward accomplishing the purposes for which its was founded: "to elevate the character and advance the interests of the profession of teaching and to promote the cause of education in the United States."

Those of us in the Senate who have worked with Ms. Futrell are grateful for her contributions to education. More importantly, public school students throughout the Nation, today and far into the future, have cause to appreciate deeply her service on their behalf.

GEMINI JUNIOR HIGH SCHOOL, NILES, IL

Mr. DIXON. Mr. President, Gemini Junior High School in Niles, IL, has a history of producing great musicians and bands. This year proved especially productive for the students of Gemini Junior High when the Gemini Jazz Band took first place at the University of Illinois invitational competition for the best jazz bands in the State. Prior to this the Gemini Symphonic Band won the top rating in northern Illinois competition.

In 1988 the Gemini Jazz Band won second place in the national competition in Orlando, and was recently named No. 1 in the Nation from tapes of their past performances, by Downbeat magazine. The Gemini Symphonic Band was also named No. 1 in the Nation by Downbeat magazine for its recordings from 1988.

These superb awards represent long hours of practice and great performances by the students of Gemini Junior High School. I would like to take this opportunity to heartily congratulate these fine students and wish them the very best in all of their future endeavors.

VISIT TO THE SAVANNAH RIVER SITE WITH ADM. JAMES D. WATKINS, SECRETARY OF ENERGY

Mr. THURMOND. Mr. President, as we begin the arduous budget process in the 101st Congress, I would like to take this opportunity to bring to the attention of my distinguished colleagues one of the most pressing needs of our Nation. As the sole producer of tritium—an essential nuclear component subject to rapid deterioration—the Savannah River Site [SRS] ranks as a top priority in our national defense policy. I urge my colleagues to keep this fact in the forefront of their thoughts.

Construction of the new production reactor [NPR] at the SRS is of vital importance to our future. Besides improving the overall safety of the SRS, the NPR will guarantee our Nation a sustained supply of tritium well into the 21st century. The three reactors at the SRS are in the twilight of their life span and the next generation of reactors must be brought on line. Although it will take an estimated 8 to 10 years to complete the NPR, it is imperative that we move ahead quickly on this mammoth project recommended by the Department of Energy.

A sustained level of funding for the NPR is of utmost importance. Anything less could move us toward unilateral disarmament, which would leave the United States in a dangerously vulnerable position.

On April 28, I traveled to the SRS in Aiken, SC, and accompanied Admiral Watkins, the Secretary of Energy, and John Tuck, the Under Secretary of Energy, to view the facility first-hand. Also attending this important event were several Members of Congress, including the chairman of the Armed Services Committee, Senator SAM NUNN, members of the South Carolina delegation, and Governor Carroll Campbell. Following the close of my remarks is a complete list of all those in attendance. I believe that our trip was a productive endeavor and that the urgency of the issue was highlighted on a national level.

While on site, Admiral Watkins and our group toured the facility and spoke with management officials and employees. The visit was an important step in demonstrating our commitment to the safe operation of the facility, to effective clean-up, and to ensuring a secure source of tritium for our Nation.

Given the great significance of the SRS, I am anxiously anticipating a safe and timely startup of the three reactors which are currently off line. Admiral Watkins has personally assured me that he expects safe startup to be achievable early enough in calendar year 1990, which would enable us to maintain a viable stockpile of tritium.

I urge my distinguished colleagues to demonstrate their commitment to a safe, secure, and free United States by their continued support of the upcoming initiatives at the SRS.

There being no objection, the attendance list was ordered to be printed in the RECORD, as follows:

SAVANNAH RIVER SITE VISIT, APRIL 28, 1989, ATTENDANCE LIST

DEPARTMENT OF ENERGY

Admiral Watkins.
John Tuck.
Troy Wade.
Polly Gault.
Steve May.
Leo Duffy.
Jackie Knox Brown.
Joe Karpinski.
Betsy Schaben.
Doug Elmets.
Chris Sankey.
Dan D'Armond.
Bill Desmond.
Cheryl Oar.
Bill Kaspar (Savannah River Site).
John Wagoner (Savannah River Site).
Bill Bibb (Oak Ridge Operations).

OFFICE OF MANAGEMENT AND BUDGET

Bob Grady.
Joe Hezir.

OTHER VIPS

Governor Campbell—South Carolina.
Governor Edwards—President, Medical University of South Carolina.
Paul Lego—Westinghouse.
Ted Stern—Westinghouse.
Jim Moore—Westinghouse.
Leo Wright—Westinghouse.
Frank Baranowski—EG&G.

CONGRESSIONAL

Senator Thurmond.
Senator Hollings.
Senator Nunn.
Senator Glenn.
Congressman Spence.
Congressman Derrick.
Congressman Spratt.
Congressman Thomas.
Sherri Goodman (Staff).

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. The time for morning business has expired. Morning business is closed.

RECESS

The PRESIDING OFFICER. Under the previous order, the hour of 12:40 having arrived, the Senate will stand in recess until the hour of 2:15 p.m.

Thereupon, the Senate, at 12:41 p.m., recessed until 2:15 p.m.; whereupon, the Senate reassembled when called to order by the presiding officer [Mr. SANFORD].

Mr. FOWLER addressed the Chair.

The PRESIDING OFFICER. The Senator from Georgia.

MORNING BUSINESS

Mr. FOWLER. Mr. President, I ask unanimous consent that there be a period for morning business to extend until the hour of 3:30 p.m. with Senators permitted to speak therein for up to 5 minutes each.

The PRESIDING OFFICER. Is there objection? If not, it is so ordered.

Mr. EXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

ADVANCED BOMBER TECHNOLOGY

Mr. EXON. Mr. President, I recently had the opportunity to read the issue brief on the B-2 advanced technology bomber presented by the Congressional Research Service or CRS as it is commonly known.

Usually, I would say, Mr. President, CRS does an excellent job of explaining the complex issues facing the Congress on a whole series of issues. However, so much of the B-2 Bomber Program that the CRS reported on is classified that parts of the CRS brief are only speculation, and in many instances can be completely misleading.

Mr. President, the Bomber Construction Program of the United States of America has been one that has come under attack from time to time, but in the end what we have set out to do we have accomplished. I was enough concerned about the CRS report that I forwarded the brief to Jack Chain, the Commander in Chief of the Strategic Air Command. I asked General Chain if he could respond in an unclassified manner to some of the claims contained in the CRS briefing. On March 30, 1989, I received the reply from General Chain on the CRS briefing.

I want to summarize the comments for my colleagues and for the American people. The CRS brief addressed the question of whether the B-2 will be destabilizing; that is, whether its Stealth capabilities will make it an attractive weapon to use in a surprise attack. This is certainly something we need to always look at, and when we design our weapons, we should keep this in mind.

However, as General Chain stated, the B-2 is not, and I emphasize that, Mr. President, a first-strike weapon. We could not launch all the bombers and their supporting tankers without the Soviets noticing it, and having very many hours to prepare against any actual attack by a bomber.

Another issue raised by the CRS brief has to do with the problems associated with the B-1B bomber, and whether the B-2 bomber could also experience technical difficulty. Certainly, it could. The B-1B, like any new major warplane, has been plagued with problems at the beginning. Most of these have been resolved, and efforts to correct remaining difficulties are in the works. General Chain made the point that the B-2 is a completely different program, and applicable lessons from the B-1B Program will be applied to the B-2 production.

The B-1B has allowed time for the development at a measured and a very prudent pace. The B-1B and the B-2 are meant to be complementary. There has never been any plan to replace the B-1B with the B-2 and I am not sure why the CRS raised this as an issue. The B-1B is intended to be a low flying, high speed, penetrating bomber and, later, a cruise missile carrier. The B-2 is intended to be a slower, stealthier penetrating bomber capable of operating safely at high altitude. Having both programs greatly compounds the difficulties of the Soviet Air Defense Planners who must accordingly be prepared to meet very different threats.

Lastly, the CRS brief raised the issue of proper oversight of this "black program." Mr. President, simply because a program is in the black does not mean that there is not continuous, detailed congressional oversight. I personally have been closely monitoring this program for many years and have visited the B-2 R&D and production facilities. The B-2 budget is very carefully scrutinized in the markups of the Subcommittee on Strategic Forces and Nuclear Deterrence, which I chair. General Chain also noted that over 170 Members of Congress, including 56 Senators, and their staffs have access to the B-2 Program. Since 1979, more than 150 Members of Congress and their staffs have made 350 visits to the B-2 contractor facility. In addition, General Accounting Office Personnel are fully informed on the program and have conducted reviews on all aspects of it. Much of the B-2 Program remains highly classified because it is in the best security interest of our Nation to do so. It is not classified to hide wrongdoings, or waste, or technical failure.

Mr. President, I ask unanimous consent that material on the B-2 Program provided by the Strategic Air Command in response to the CRS brief be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

AREAS HIGHLIGHTED IN REPORT

"With regard to evading radar, a key feature in the design of any stealth aircraft is the absence of externally observable sharp edges."

Low observable technology does indeed require special attention to materials and design. Rounded edges are an important design feature for the B-2 but may not be critical to the design for all stealth aircraft; evidence the recently released picture of the F-117 stealth fighter. But for the B-2, careful attention was given to the question of what geometries were truly pertinent in terms of detection, track, and attack by the enemy. Because of the potential for threat growth in general, we attempted to ensure that the very best thinking went into countering these known probable expansions of threat technology and tactics. The B-2 is being built with a philosophy of "balanced observables." Radar cross section is not the only signature vulnerable to enemy sensors, and that fact was considered throughout the design.

"Reportedly, the B-2 will have lower speed and less maneuverability compared to a B-1B, because of the B-2's configuration (a shape similar to that of an elongated sting-ray) and thrust-to-weight ratio, and will be able to carry less fuel."

The B-2's flying wing design is extremely aerodynamically efficient for a strategic bomber. Whereas speed, maneuverability, and combat radius are the primary aerodynamic design criteria for fighter aircraft; for strategic bombers, the critical criteria are range, payload and takeoff distance. It was because the flying wing concept so well embodies these characteristics that Jack Northrop originally proposed it for a strategic bomber over 40 years ago. The same aerodynamically clean design that reduces the observability of the B-2 also makes it very efficient. With a large wing surface area, the B-2 has a very low wing loading (weight/wing surface area) second only to the glider-like U-2/TR-1. This low wing loading means exceptional high altitude cruise performance where the reduced atmospheric drag means greater fuel efficiencies. While the B-2 does carry less fuel than the B-1B, it has an equivalent unrefueled range—in excess of 6000 nautical miles with a typical SIOP weapon load. When the B-2 fleet is air refueled, it uses 40-50 percent fewer SIOP tankers than a comparable number of B-52s or B-1Bs. Speed and manueverability are significant for a bomber primarily as they relate to survivability of the aircraft. Despite lower maneuverability requirements for survivability due to its low observable design, the B-2's advanced flight control system still provides the same capability as a traditional bomber. Because of its low radar cross section, the B-2 is less dependent on speed to survive. In fact the slower speed was built into the design to improve the overall low observability of the B-2 by reducing its infrared (IR) signature. The B-2 is still capable of high subsonic cruise at altitude or on the deck.

"Maximum takeoff weight: 240,000-376,000 lb.

Payload: approx. 40,000 lb-75,000 lb.

Armaments: Nuclear gravity bombs, Short Range Attack Missiles (SRAM IIs), Advanced Cruise Missiles (ACMs).

Unrefueled range: 4,250 mi-7,500 mi".

The B-2 is capable of carrying up to 20 B-61 bombs or 16 SRAM IIs, SRAM As, B-83s, or combinations thereof, for a SIOP mission. Using a typical SIOP, weapons load, this represents approximately a 25,000 lb payload. There are no current plans to integrate or test the ACM on the B-2.

"Critics of the B-2 have pointed out that its reportedly shorter range (compared to the range of the B-1B) will jeopardize its chances of success in the strategic mission. If the range of the B-2 is as reported (4,250 miles), they say, it will not be able to perform its mission without being refueled. This would pose a major problem, because existing refueling tankers do not incorporate stealth technology, and their use for refueling would seriously compromise the B-2's undetectability.

The B-2 is reportedly being designed to confound modern, short wave radar facilities. Since, however, the Soviets tend to retain "outdated" defense systems, they would have some long wave radars that could not easily be fooled by stealth technology."

While the B-2's unrefueled range is in excess of 6,000 miles, the B-2 is air refuela-

ble, as well, in order to range all the targets that it might be committed against in nuclear or conventional scenarios. If air refueling is required to range a particular target, then it would be accomplished in an area or at an altitude where the greater observability of the tanker would not be a threat to the bomber's survivability. The air refueled range of the B-2 is great enough to permit coverage of even the most deeply embedded targets in the Soviet Union without compromising bomber survivability during air refueling.

Regarding the ability of "outdated" systems to defeat "stealth" technology, it is well understood that detection capabilities vary with the frequency of the radar. While lower frequency systems have an inherently greater ability to detect the presence of an aircraft (because of their longer wavelength, better atmospheric transmissivity, and higher power outputs) they are not able to establish locations of individual aircraft precisely enough to complete the tasks of tracking and kill—higher frequency radars handle those jobs. The implications of these facts have certainly been taken into account in the design of the aircraft. That design, complemented by in-flight tactics, will ensure survivability against the full range of radars—old, modern, and projected.

WILL THE B-2 BE DESTABILIZING?

It can, however, be argued that the B-2 could have a destabilizing effect in a crisis situation. If the B-2 really is almost invisible, the Soviets may see it as a first strike weapon that, in combination with other nuclear weapons, would give the United States the capacity to achieve a military advantage in a nuclear war.

A force of 132 B-2s would be able to attack large numbers of Soviet land-based targets of strategic military value (i.e., mobile ICBMs, command and control systems), which constitute a significant proportion of the Soviet strategic forces, in a sneak attack. A truly stealthy bomber would confound Soviet sensors, and would be perceived by the Soviets as having that capacity. In a crisis situation, if the Soviets were to lose track of U.S. bombers, it could be seen to be in the Soviet's interest to attack. This could require the U.S. to rethink its entire strategic doctrine, or at least the role envisaged for the manned bomber. If the destabilizing nature of the B-2's near invisibility is recognized, different strategies to assure bomber survivability that the one now employed (viz., dispersing bombers and going to positive control launch) could become necessary."

First, the B-2 is not destabilizing because it does not represent a "prompt" threat to any Soviet forces. Its slow speed (compared to SLBMs and ICBMs), known basing locations, and likely requirement for tanker support, ensure that the Soviets would be aware of any large-scale B-2 attack long before it reached them. Although very difficult to track and shoot down individually, the presence of a significant force of B-2s would be detected because the aircraft is not invisible to radar.

Second, the B-2 is stabilizing because it enhances the level of survivability in our current bomber force structure despite increasingly sophisticated Soviet air defenses. As the aging B-52 is increasingly assigned to standoff attack roles, the more survivable B-2 will pick up the mission performed by penetrating bombers. A mix of standoff and penetrating bombers spreads Soviet defenses very thin by forcing them to protect the far forward approaches to the Soviet Union as well as maintain extensive internal air defenses that would try to prevent our retaliation. Additionally, during an international crisis or Soviet sneak attack, bombers can be launched on tactical warning in order to survive, yet be safely recalled if the warning turns out to be a false alarm or if the counterattack needs to be terminated or redirected for any reason. This gives the Soviets less incentive to initiate a first strike.

Third, the B-2 enhances stability because of its flexibility to strike any SIOP target. No Soviet nuclear forces would be completely invulnerable to a U.S. retaliatory attack. This reduces Soviet confidence in their reserve force and again, lessens their incentive to initiate an attack.

Finally, the B-2 is stabilizing because it can continue to function with limited intelligence information. With degraded intelligence collection systems as well as communication capability attendant with war, the ability to provide real time information on targets location may be degraded. Many critics point out the vulnerability of U.S. intelligence satellites. Without these resources to provide real time battle intelligence, ICBMs, cruise missiles, and SLBMs would not be able to strike some targets (such as targets that were missed because weapons assigned to them were destroyed by Soviet attack, or targets which have relocated).

Missile systems require precise locations obtained from up-to-the minute intelligence in order to strike such targets. Relying totally on real time intelligence to retarget missiles during the heat of the battle would result in a U.S. inability to strike these targets. Although the B-2 could use real time data, because it is a manned system it also provides a unique capability to combine older, less precise intelligence with information obtained at the scene to attack targets the other systems cannot find.

Others point out that having two competing firms would provide a fallback situation if one firm produced aircraft of poor quality or fell behind schedule. Scott White, an official at Rockwell, discounts arguments by Northrop officials that competing production lines for a 132-bomber program would be inefficient and economically unfeasible. "We think money can be saved," White says. "Of course, a lot depends on what you mean by competing production lines. To save the most money you have to allow a second producer to build it their own way. Otherwise all you are doing is competing with labor costs." (Defense News, June 15, 1987).

The B-2 program has employed a prudent approach from the beginning which ensures a competitive atmosphere has existed for all procurement activities. The B-2 program had a well conducted design competition between two prime contractor teams. Other procurements like the simulators were competed as well. The program management plan has embodied sound business strategies in an advanced technology acquisition by using cost-reimbursement contracts with award fees, strong incentives for capital investment, substantial contractor use of vendor competition, a planned SPO breakout program, active SPO consideration of second source opportunities, and a major overhead "should cost" study conducted by the prime contractor and two major subcontractors during full-scale development.

In June 87, the Under Secretary of Defense for Acquisition initiated a study to evaluate the feasibility of implementing various cost and risk management alternatives on the B-2 program, emphasizing the use of competition. This extensive analysis concluded that introducing more competition into the B-2 program was not a viable option. Implementing price competition on the program was found not to be cost effective for reasons of the large capital investment needed; long lead times; low production quantities, and inherent inefficiencies in multiple production lines in a program with such low production rates. They conducted extensive sensitivity testing and substantiated the above conclusions even if schedules were to be extended and buy quantities increased substantially. Attempting to introduce additional price competition beyond the Air Force's current activity would be unwise. In addition, starting a new design competition is not practical because of the large investment required and the low probability of improving upon the current B-2 design.

Finally, if a second source produced B-2 aircraft using Northrop's engineering drawings and materials lists, the logistics impact would probably be minimized. However, the likelihood exists that a second source would avoid just "competing with labor costs" by attempting to make production, reliability and maintainability improvements through design changes at the component and subsystem levels. In that case, the logistics impact would be severe. At both field and depot levels, the required trained personnel, technical orders, and support equipment would essentially be supporting two different weapon systems. Life cycle costs would be significantly increased.

GENERAL QUESTIONS/CONCERNS WITH REPORT

1. Will the B-2 be needed to replace the B-1B bomber? (CRS-1 lines 1-2, CRS-2 line 3, CRS-4 lines 3-5, CRS-6 line 12):

The B-2 and B-1B complement each other by presenting Soviet air defenses with a formidable problem. The Soviets will not be able to focus their considerable defensive systems. An attempt to do so would require further massive investment of their already strained resources. The Air Force is planning to maintain the two bombers as penetrators—B-2 against heavily defended areas and B-1B against less defended—to insure the U.S. will be able to hold the post-START Soviet target base at risk. Any U.S. certification of the U.S. START position is critically dependent on the penetrating manned bomber and the Reykjavik counting rule. The Air Force program will provide a force of about 230 penetrating bombers to provide military sufficiency in the face of a disproportionately large Soviet military establishment and industrial infrastructure. Therefore, it is not a question of which one, the nation needs both bombers for military sufficiency against the Soviet target base.

2. Will problems arise in the B-2 program as they did in the B-1B program? (CRS-5 line 23):

Any new weapon system goes through a maturation process. The Air Force, and particularly SAC, is very concerned that the lessons we learned from the B-1B program be incorporated into the B-2 program. Overall, the B-1B was a successful program but has provided us with ways we can improve acquisition and deployment of the B-2. To take full advantage of this situation, the B-2 program has incorporated the well defined B-1B Lessons Learned Program at every level. This includes all appropriate agencies

at SAC, the AFSC Systems Program Office (SPO) and the contractors.

3. Can we afford the B-2? (CRS-2 line 4):

Probably a better question is "how can we not afford it?" With the Soviet's continued investment in defensive systems and the probability the U.S. and Soviets will reach an agreement reducing strategic arms, the B-2 is needed more than ever. The B-2's unique design and specialized technology denies a Soviet defensive network the quality and quantity of data it needs to be able to challenge the B-2. The acquisition of the B-2 is based solidly on military objectives—to hold at risk a wide range of critical targets in the Soviet Union. If the U.S. is to develop a militarily sufficient START force, it must have the B-2.

4. Should more data—in particular cost data—on the program be released? (CRS-2 lines 4-5):

This matter is under consideration. Congress has been actively involved in the B-2 program; those who have needed the information have had it. Over 170 congressional members (56 from the Senate) and their staff have access to the B-2 data. Since 1979 more than 150 congressmen and their staffs have made 350 visits to the B-2 contractor facility. In addition, General Accounting Office personnel are fully informed on the program and have conducted reviews on all aspects of the program.

5. Can congressional oversight of B-2 be adequate under such conditions of secrecy? (CRS-2 lines 5-6, CRS-7 lines 12-13):

The cloak of secrecy around the B-2 does not keep Congress, congressional staffers, GAO, etc., who have a need to know from being informed on the B-2. Over 170 members of Congress (56 from the Senate) and their staffers have access to information on the B-2 program. Since 1979, more than 150 congressmen and professional staffers have made 350 visits to the B-2 contractor facility. The tight security is to keep information from our adversaries. To begin with, this security protects the technological advantage we have enjoyed and, hopefully, will continue to enjoy over the Soviets. This technology edge is perhaps the greatest asset we have. By keeping our capabilities hidden, we deny the Soviets time to react to the B-2 and develop countermeasures. This translates into increased survivability for our aircraft and the people who fly them. It means that should our crews ever have to take the aircraft into battle, they will retain the edge, and if there is to be any confusion or uncertainty, it will belong to the adversary. Finally, the "veil of secrecy" goes a long way in protecting the dollar investment of the taxpayer. It forces the Soviets to develop their own technology in this area as opposed to having it provided to them compliments of the American taxpayer.

6. What effect will the B-2 have on strategic stability (CRS-2 lines 6-7):

The B-2 will enhance strategic stability from both the U.S. and Soviets viewpoint, particularly in a START environment. The Soviets proposed the Reykjavik counting rule which reflects the increasing arms control preference for more stabilizing weapons. The thought the U.S. would use the B-2 in a first strike "surprise attack" is nonsense. The Soviets would certainly know when U.S. bombers and tankers take off from their bases; the message would be no different than if the U.S. flushed its B-52 and B-1B force—it immediately tips the Soviets. The B-2 will enhance stability by bolstering our deterrent forces both with and without a START treaty.

7. Should additional competition be mandated for the program? (CRS-2 line 8):

The B-2 program has employed a prudent approach from the beginning which ensures a competitive atmosphere has existed for all procurement activities. The B-2 program had a well conducted design competition between two prime contractor teams. Other procurements like the simulators were competed as well. The program management plan has embodied sound business strategies in an advanced technology acquisition by using cost-reimbursement contracts with award fees, strong incentives for capital investment, substantial contractor use of vendor competition, a planned SPO breakout program, active SPO consideration of second source opportunities, and a major overhead "should cost" study conducted by the prime contractor and two major subcontractors during full-scale development.

Starting another production line is not economically sound because of large capital investment requirements; the long lead times necessary to establish possible second sources; the limited number of units to be purchased; and the inherent inefficiencies of multiple production lines, especially in a program with relatively low production rates. This type of strategy has been proven effective with engine contractors where the risk is low, the production quantities are high, and the competing companies are at equal stages of development for their own unique products without the necessity for large capital investment. For the B-2 program, this is not the case and will probably never be, even if the schedules were to be extended and/or buy quantities increased substantially.

8. The report states in two areas the Air Force's intention to replace the B-1B by the late 1990s with the B-2 (first paragraph of summary, page CRS-3 line 8, page CRS 4 line 3):

Currently, the Air Force has no intention of replacing the B-1B with the B-2. These two systems will complement each other, with the B-2 penetrating the highly defended areas and the B-1B the less defended areas. The U.S. needs two penetrating bombers in a START regime to hold the highly geographically dispersed and increasingly mobile Soviet target base at risk. The U.S. has always articulated a need for a two-bomber modernization program, and this position has not changed. The B-2 has been the centerpiece of that bomber force through two administrations and five congresses—with strong bipartisan support. The B-1B was approved as a near term program to quickly address a near term shortfall and provide time for the orderly development of the B-2. The penetrating bomber promotes stability by presenting a significant retaliatory threat without representing a disarming first strike capability. The bomber's versatility is scenario independent and useful throughout the spectrum of conflict. The man-in-the-loop provides inherent flexibility.

9. The report states the B-1B will be a stand-off cruise-missile launcher once the B-2 is deployed (page CRS-3 line 8):

The Air Force does not plan to make the B-1B a cruise missile launcher in the foreseeable future. It will maintain its role as penetrator.

10. What is B-2's targeting role (CRS-6 lines 42-45):

As a highly survivable manned penetrating bomber, the B-2 will be preplanned to attack the full range of strategic targets (fixed/mobile, defended-undefended, hard/soft) in all categories and geographic areas of enemy territory. The B-2 will not merely strike targets "leftover" from a prior ICBM/SLBM attack. In addition to striking those targets best suited to the B-2's accuracy and weapons effects, the B-2 may assess targets for damage level prior to striking, thus assuring the required level or damage on the most critical targets and also providing economy of force. While the man-in-the-loop bomber offers on-scene judgment to either apply or withhold a weapon, authority to attack is limited to predetermined and preplanned targets. The B-2 mission will include attacking relocatable targets. Of all current and planned weapon systems, the B-2 can best hold this target set at risk. The bottom line is that the B-2 will be the most survivable and effective bomber platform in the SIOP.

BASIC B-2 PROGRAM COST INFORMATION

Total cost: $42.5 billion (FY81$) for R&D and 132 aircraft. This represents 16% growth from the originally announced $36.6B (FY81$). The new figures represent a flyaway cost (which excludes R&D and FSD expenses) of 305 million (TY$)/aircraft. Total program cost excluding MILCON is $68.1 billion in TY$.

Total program cost includes R&D, training devices (simulator), initial spares and support equipment.

Revised cost estimate results from a major redesign effort in 1983, the challenges inherent in applying advanced technology and the impact of current fiscal constraints on production rates.

The $42.5 billion estimate incorporates approximately $3 billion in savings from program cost reduction initiatives. These include implementation of manufacturing technology and producibility initiatives and other similar contracting efficiency strategies.

Over one-third of the $42.5 billion estimate represents development costs and of that, approximately 70% has already been obligated by the Air Force. In the production phase, the flyaway cost of the aircraft is approximately $305 million (TY$). ("Flyaway" cost entails recurring and nonrecurring production costs and excludes R&D. In other words, everything you see as the airplane takes off from the runway, not including fuel.)

Quote from Gen. Welch letter to AF Times: "The question is: Do we invest the remaining funds required to field the aircraft now that the great majority of the development effort is completed? . . . While we should not proceed on the basis of a sunk-cost argument, the program should be viewed from the perspective of the cost-to-go to field 132 aircraft. The flip side of the cost argument is the cost to this nation of not going forward if that decision leads to the failure of strategic deterrence."

In recent testimony to the HAC Defense Subcommittee (28 Feb) Gen. Welch stressed the cost-effectiveness of the B-2 in terms of cost per target covered. "The B-2 is almost exactly the same price as the B-1 [in this respect], cheaper than the Peacekeeper, and far cheaper than the SICBM". In terms of the value you get, the B-2 is a better buy than any other alternative we have." Note: Computed cost per/WH for B-1=29.1M, B-2=29.6M, PM=40.2M for 50 PIMS (30.2M for 100 PK, 50 PIMS & 50 RG), and SICBM=56.2M.

Gen. Welch acknowledged a comment that recent spending on air-breathers was

higher than for the land-based missile leg but said he would not favor reducing B-2 funding to even the balance. He pointed to the greater target coverage offered by bombers and their importance with respect to START.

THE MANNED BOMBER AND START

START military sufficiency based on modernization and ability to cover targets necessary to deter.

START gound rules penalize ICBMs and cruise missiles and put weight on bomber leg to provide target coverage. Purposeful effort on both sides to provide incentives to utilize bombers for deterrence because they are most "stable" strategic delivery vehicles. They are most flexible and provide the NCA with most options for averting conflict.

COST OF B-1 VS B-2: THE TRUTH ABOUT "STICKER SHOCK"

Several media articles have inaccurately compared B-1 and B-2 costs and indicated the B-2 was twice as expensive as the B-2. Wrong!

In terms of Flyaway costs, the numbers look like this:

	Fiscal year—		No. aircraft
	1981	1989	
B-2	175M	265M	127
B-1	149.4	226.4	100
Delta	25.6	38.6	27

This represents a difference of only 17 percent.

TY$ comparisons which are used to derive the numbers which show the B-2 twice as expensive as their B-1 are meaningless since they are heavily influenced by inflation, i.e., the delta between a B-1/B-2 on this basis is driven by a 40-50 percent difference in inflation alone.

FY81 was selected as a base year for both programs and should be used as a reference point for any comparisons. If other than 81$ are used, it must be done in constant dollars and B-1 costs inflated accordingly.

Comparison of total program costs are also invalid since fundamental differences exist in what each program contains. E.g., the B-2 program includes the cost of simulators, initial spares, support equipment, test program Milcon and some specific aircraft systems, which the B-1 program did not.

The best method for comparing costs is total unit flyaway, since R&D, simulators, SE, spares and Milcon are not included.

On this basis, the only significant difference between the two programs results from differences in basic aircraft systems and capabilities.

While unit flyaway is still not a strict "apples to apples" comparison due to inherent differences in the design of the aircraft, the unit flyaway costs do provide a reasonable and favorable comparison of the two programs, particularly when the revolutionary capability of the B-2 is considered.

Mr. EXON. Mr. President, I hope that this material will assist the American people in better understanding this critically important defense program.

I thank the Chair and I yield the floor.

Mr. BREAUX addressed the Chair.

The PRESIDING OFFICER. The Senator from Louisiana is recognized.

Mr. BREAUX. I thank the Chair.

(The remarks of Mr. BREAUX pertaining to the introduction of legislation are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. SIMPSON. Mr. President, in this high degree of technological excellence, this machine does not uncoil its particular yard or two of material, so, we will do as we used to do in the olden days, we will speak without.

The PRESIDING OFFICER. The Chair recognizes the Senator from Wyoming.

Mr. SIMPSON. I thank the Chair.

(The remarks of Mr. SIMPSON pertaining to the introduction of legislation are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

MILITARY ASSISTANCE TO NON-COMMUNIST FACTIONS OF THE CAMBODIAN RESISTANCE

Mr. SIMPSON. Mr. President, in recent days, there have been calls from Members of Congress and various press comments calling for direct military assistance to the non-Communist factions of the Cambodian resistance. As the Vietnamese Government proceed with their promised withdrawal from Cambodia, there is surely justified concern that the Khmer Rouge, who cruelly ruled Cambodia from 1975 to 1978 and caused tthe deaths of more than 1 million Cambodians, might return to power. It is now thus argued, and I think it is a very important thing that we address, that we should provide the non-Communist forces in that country with weapons, arms "to strengthen their hand"—that is the quote—against the Communist Khmer Rouge resistance. Recent press reports indicate the administration is now giving serious consideration to providing military aid to the forces of Prince Norodm Sihanouk and former Premier Son Sann.

Mr. President, I am not a member of the Foreign Relations Committee. I do not really want to be on the Foreign Relations Committee. I admire those who serve, and the terrible whipsawing of opinion and activity they endure. I am not what one would describe as an expert on Southeast Asian affairs, but I can tell you that I have surely been deeply involved in the U.S. refugee policy in that part of the world since I came to the Senate, for 10 years. I served as chairman of the Immigration and Refugee Subcommittee. My good friend, Senator KENNEDY, is now chairman, and I still serve as ranking member. My remarks are limited to the impact of that decision only on refugee flows.

It has become increasingly clear to me that it is our duty and clear responsibility to take refugee flows into consideration as we make these kinds of foreign policy decisions to supply arms in the world. We have clearly found that our military assistance and military involvement in the affairs of another country always results in some very serious obligations on the part of the United States to receive and resettle refugees from that particular country if our policy goes awry. We have had it go awry. Not only do domestic groups at home proclaim and pour guilt upon us about our responsibility, our obligations, but other nations now have come to assume that the United States should, would, and must accept major responsibility for providing humanitarian assistance and resettlement opportunities to refugees from these countries in which we were once or ever, militarily involved.

That is the pattern. If somebody can tell me how we avoid that, I would very much appreciate knowing. I do not disagree with the philosophy about that duty. We certainly do assume certain obligations toward groups whom we support and encourage and to whom we provide arms. We should, indeed, resettle our fair share. But let me tell you, we resettle more than our fair share. We resettle more than all the rest of the world combined. We do that for those persons who supported our policies and are forced then to flee their country as a result.

But that is not my point, Mr. President. My point is that we must, when making foreign policy decisions, take into consideration the prospect and effect of refugee flows which could result from those decisions. Creating a refugee flow is a very serious humanitarian problem in itself and creating one with a claim upon resettlement in the U.S. warrants an even greater consideration by the policymakers.

Just as we have incurred these humanitarian obligations to individuals in the South Vietnamese Government and military, as well as to those who threw in with us in Laos and Cambodia, we would incur special obligations toward those members of the Cambodian resistance whom we arm and send back into Cambodia. You are not going to avoid that. Similarly, we have already incurred special obligations to the Contras whom we have armed and supported in Nicaragua. What are we to do with refugee flows from that conflict? I will give you a guess. We are supposed to take care of them. Why? Because we went from humanitarian aid to military. I do not have any objection to that, but that is why we always get to this point.

I am always puzzled when we are told who it is that will go back to run the Government of Cambodia to be named Cambodia, as it should be, instead of Kampuchea. Who are the parties who will use the arms? Who are the parties that will go back into the country and run it? Because it has

been my experience that a great many of the most remarkable people of Cambodia have now been resettled elsewhere in the world. Many of them are in California. If anyone would believe they are going to leave the United States to now go back and do something for their country, I think that is an error in judging human thought and behavior. They are not. So the cream of the crop is gone from their country. Then you are going to arm these other fine people who are there and who are great patriots? I cannot imagine a more disruptive exercise except to create another refugee flow from our blundering one more time with military assistance.

Who will be the ministers of the new government? Who will be the leaders? I have met some marvelous people from Cambodia in the border areas of Thailand and I think they will do a beautiful job, but they are not all potential leaders and ministers of government. Many of them left that country and resettled elsewhere in the world.

I think it is interesting to note some of the great leaders of that country are not going to return. They are in Paris. They are in California. They are in London. They are not going to return to do hard scabble and put together a new government. That is just the reality. They do not let me read any white papers on that. Those are my views. They come from a knowledge of refugee flows. All we are going to do is create refugee flows if we have military interjection in that part of the world, without question.

So, I urge the administration and those who speak with clarity and a sincere voice on the issue of military support, to give that serious consideration before reaching a decision on supplying arms to the Cambodian resistance. Prince Sihanouk and Son Sann's allies in the region, the ASEAN nations should assist. That is their function.

They can and they should provide that military aid, if it is needed. That is not for us to do. It is for those people in that part of the world to do.

So let us use diplomacy and economic and humanitarian assistance as our contribution to the Cambodian settlement, and if lethal aid to the non-Communist forces is required, our ASEAN allies can and must provide that assistance. We should not. I am startled at the urgings of true peacemakers of the world who strap on the armor of Mars when they speak of Cambodia. That would be a grave error, much like many of the tragic consequences and miscalculations of Vietnam.

I have been saving all of this, Mr. President, and have been very reserved in these last days. If I may, what time do I have remaining?

The PRESIDING OFFICER. The Senator has used 9 of the 10 minutes.

Mr. SIMPSON. Mr. President, under the same conditions, I ask unanimous consent to speak for 6 minutes as if in morning business.

The PRESIDING OFFICER. Is there objection?

Mr. BURNS. No objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SIMPSON. Mr. President, that is my fine colleague from the state of Montana to the north. So I really will stay within the 6 minutes. I did not see the Senator from Montana. I appreciate that. And morning business is to run until 3:30; is that correct?

The PRESIDING OFFICER. That is correct.

A TRIBUTE TO BARNEE BREESKIN

Mr. SIMPSON. Mr. President, I have another item to place in the RECORD with regard to my fine friend, Barnee Breeskin, the author of the great, rousing Redskin "Hail to the Redskins." He was recently commemorated at a special Touchdown Club luncheon. I know him as a special friend, and I have a special series of remarks to present into the RECORD.

Recently, in the Nation's Capital, my friend Barnee Breeskin, the composer of "Hail to the Redskins," the most famous team song in the history of all professional sports, and a man known to U.S. Presidents and Members of Congress for his generous charitable work through Saints and Sinners Club roasts, was honored by the Touchdown Club of Washington for his life long achievements and his contribution to the public and to the life of this city and our country.

We all join in this long overdue salute to Barnee Breeskin, a great American, whose "Hail to the Redskins" song is part of the ritual of fall in this city—a song on everyone's lips throughout this city and region, especially during the football season as it is regarded as the theme song of the Nation's Capital.

President George Bush and Jack Kent Cooke, Washington Redskin's chairman, expressed their appreciation to Barnee Breeskin for what he has meant to this city and the country. We would like to thank John O'Brien, Northern Telecom and Marty Walsh, United Way of America who put together this Touchdown Club tribute. It's the first time that Barnee has been so honored, but never the last!

Finally, we would like to thank the Circus Saints and Sinners and their chairman, Gen. Donald Dawson, president, Army and Navy Club and Barnee Breeskin for their charitable efforts over the past two decades, involving Members of Congress, and persons from the executive branch.

On this day of May, we say congratulations and a deepest thank you to Barnee Breeskin for enriching our country with your music and wit. You are very loved.

I thank again my fine colleague from Montana, Senator CONRAD BURNS, who is a remarkably fine addition to this body. It has been a great pleasure for me to get to know him, to watch him, and to see him learn the work of the Senate and participate so fully with good common sense and great good humor, which can sometimes be very perilous!

The PRESIDING OFFICER. The Senator from Montana.

Mr. BURNS. Mr. President, thank you very much.

I appreciate the good words of my colleague from Wyoming. I guess if there was someone that I wanted to pattern my humor after, it would be after the Senator from Wyoming, and ALAN makes a good one.

(The remarks of Mr. BURNS pertaining to the introduction of legislation appear in today's RECORD under "Statement on Introduced Bills and Joint Resolutions.")

PETER YEGEN, JR.

Mr. BURNS. Mr. President, I have a little commemoration I wish to make at this time.

The PRESIDING OFFICER. The Senator has the floor.

Mr. BURNS. I wanted to do this back in March, and it seems like we got awfully busy here in the Senate, and I did not get this done. But, nonetheless, I want to take just a few minutes to observe the passing of one of Montana's true pioneers and a personal, dear friend of mine.

On March 15, Peter Yegen, Jr., of Billings, died at the age of 92. He was active in his business until almost the day he passed away, the business of real estate and insurance. He was born July 12, 1896. So one would have to see that during the years that he lived, his lifetime spanned a most exciting era of our national history, along with some of our most tragic times.

So many wonderful technologies, from medicine, communications, and the list goes on, were developed during his time. In fact, you could say that we went from traveling on horseback to traveling to the moon. He came from a generation of stalwart men who faced not only survival in a hard land, but while they were doing it, they ensured the Nation's survival through two great wars and a devastating drought, and in the 1930's, an economic depression.

Today we not only recognize men like Peter Yegen, Jr., and all the women who made it through those hard times in a very young country, and to bring us to this day that we

enjoy now. I, for one, am glad he was here. He was a true representative of the American dream. They say that the dream always survives and the dreamer dies.

In his passing, he left a message, though, and I wrote this down. The author is unknown, but I think it pretty much typifies Peter Yegen, Jr. To all of us who come from the Western plains and the Western mountains, the message has a distinct Western flavor, but it lives in the hearts of all Americans.

I quote the unknown author:

From out Earth's dusty old corral where failures press,
May every bronc you rope be named success
May raging blizzards miss thy range, and pass thee o'er
And troubled Northers ne'er pile drifts around thy door.
And when a nite you camp may it chance to pass
You find yourself on peaceful creek near good grass
And when that final roundup comes some autumn day
May your marks upon the Book of Books be this—OK.

That is to my friend.

I yield the floor, Mr. President.

The PRESIDING OFFICER. The Chair recognizes the Senator from South Carolina [Mr. HOLLINGS].

Mr. HOLLINGS. Mr. President, I ask unanimous consent that I may proceed for 10 minutes.

The PRESIDING OFFICER (Mr. ROBB). Without objection, the Senator has 10 minutes.

Mr. HOLLINGS. As if in morning business.

Mr. President, I take the floor to support the FSX agreement. This agreement represents an important step forward, an excellent example of Government taking an activist stance in trade policy to preserve markets and jobs for American workers.

There is a naivete rampant in Washington, and particularly in the Congress, that if we provided for the security of Japan, then Japan in gratitude should reciprocate by giving us contracts and business so as to maintain the strength of the United States economy.

We have a hard time learning that Japan is not going to give us anything. Economically, we are in a tremendous competition, and the Japanese will never deal unless we make it to their economic interest. Specifically, we need to take a page from FDR in the days of the Depression. In order to keep the banks open, he closed the doors; in order to save the farms, he plowed under the crops.

Likewise, in today's international economic competition, we need to raise trade barriers so that we can then bargain with the Japanese to remove both their barriers and ours. And, to that end, our Government must at long last flex its muscle and leverage.

Historically, we Americans have used our Government. The trade war started in the very earliest days of our republic, when the British suggested to Alexander Hamilton that he conform to the free trade comparative advantage theory of David Ricardo.

We in the United States, it was suggested, should trade back with the mother country, Britain, now that we were a free fledging nation, what we produce best. There would be a division of labor; there would be no barriers, and Britain in turn would trade back with the fledging United States of America, what they produce best.

Alexander Hamilton wrote a very interesting treatise, the "Reports on Manufactures," in which Hamilton eloquently invited the British to bug off. He said we were not going to remain their colony by just exporting our natural resources, our coal, our timber, plus selected agricultural produce such as rice and indigo. We had no production. We had no industrial capacity. For this fledgling nation to truly become a sovereign nation, to become a power able to defend itself, it was critical that we build up our industrial backbone. So the very first bill passed by the U.S. Congress 200 years ago, sponsored by Madison, Hamilton, and Jefferson, was a tariff bill, a 50-percent tariff on 60 articles beginning with steel and going right on down the list. So in reality, we started the so-called trade war 200 years ago. We have continued the trade war with respect to agriculture. We have had price support programs since the early thirties under FDR. We put in import quotas to protect those price supports in agricultural products. We in turn have subsidized agricultural exports through the Eximbank Act. We have done the same to sell airplanes and other manufactured goods. We used our Government under President Eisenhower to impose oil import quotas to develop, for reasons of national security, our oil production and capacity.

Today the cry for free trade, Mr. President, is the cry of the developed world to the undeveloped world. It is the same proposition the British put to America 200 years ago. Of course, free trade was a great boon during the first 20 years after World War II. It allowed other nations to build up under our Marshall plan, especially the European Community and the Pacific Rim countries. It worked magnificently, and we are proud. We are not bashing these countries' success, we are proud of their success. Do not count me among the Japan bashers.

In the postwar years, we developed that cry of free trade, free trade because we were fat, we were rich, and we were generous. We could easily give away a good bit of our market share. In fact, it was in our interest not to hog it all if we expected to build up the economies of Europe and the Pacific Rim countries.

Unfortunately that well-intentioned policy has been taken advantage of by our multinationals, which are interested in producing overseas where labor is cheap, and making their profits in the richest of markets, namely, the United States of America. Until recently, our international banks such as Chase Manhattan and Citicorp made their big profits abroad. They encouraged free trade, and the State Department—eager to buy friends—also chimed in with the cry of free trade, free trade. Of course, the retailers, as we pointed out in past floor debates, do not sell the imported article at a cheaper price. On the contrary they go for bigger profits not market share. So the retailers have joined in the cry of free trade, and the editorialists in turn are controlled by the retailers. Why do I make the statement "controlled?" Because they charged that I was controlled. The editorials in the New York Times, and the Washington Post were to the effect that here comes this South Carolina Senator in the pocket of the textile industry, he has gotten his contributions and he is calling the tune of those who put him in office.

I showed, of course, that the figure used in the New York Times was $4 million over two Congresses for all 435 Representatives plus one-third running in the Senate each cycle. Obviously, in almost 1,000 political races, $4 million does not amount to a hill of beans.

But I was intrigued and inquired as to where the newspapers got their support. I learned to my very great interest that in 1987 the Washington Post had $1 billion in profits and $893 million, 89.3 percent was from the retailers' advertising. So the retailers making those huge profits, while turning out that malarkey in their editorial columns. Meanwhile, they have got us like monkeys on strings running around here hollering, "Free trade, free trade, let's don't start a trade war, let's don't start a trade war." That is why I take the floor.

The trade war is in the fourth quarter while we are caterwauling in the grandstands.

And with respect to our foreign policy, former Secretary of State Shultz said there should be no linkage.

I go to that most realist of all political leaders, Lyndon Baines Johnson, who went to New Zealand during the early days of Vietnam and they were interested in selling lamb, and President Johnson said, "We will take some of your lamb if we can get your help in Vietnam," and we got New Zealand troops in Vietnam. He knew how to use linkage.

If we do not learn to use the power of our economic market here, the larg-

est and richest in the world, are going right straight down the tubes with this philosophy of "free trade, free trade, let's don't start a trade war."

I do not bash the Japanese because their system of government-orchestrated trade has worked. After all, they saw what we had done and other governments had done. So they have got state-of-the-art governmental involvement in the orchestration of trade policy. They correlate the finances. They go out early every Monday morning and collect from the savers via their postal savings system. The capital is allocated to the Ministry of Finance, and the Ministry of Finance allocates it to licensed manufacturers.

Specifically in the field of automobiles, it is very interesting because we sold Fords and Chevrolets in downtown Tokyo long before World War II. They were not kept out at the end of World War II. The Japanese built up Nissan and Toyota.

Then they controlled the domestic markets and refused to license anybody else—using American technology, developing a quality product with our technology and their control.

We have minimum wage; they have a maximum wage. We have got antitrust; they have got protrust.

And, of course, then they target the foreign market, namely us, subsidize their assault while totally protecting their own market.

If I put a Ford on the dock in Tokyo, Japan, this afternoon, it will take them 4 months to inspect it. Yet we take a fleet of Toyotas in Portland, OR, and inspect four or five, that is a fleet inspection, and in a couple hours put them on flatbeds and send them to Richmond, VA, and Charleston, SC, for sale.

It takes the Japanese 4 months to inspect that Ford. That is not the worst because in France it takes them 1 year to inspect a Toyota. You will not buy a 1989 Japanese car in the country of France until January 1, 1990.

So it is a dynamic that everyone is involved in. As a result now, I just checked this because I had seen an article in the Wall Street Journal with inaccurate figures. The per capita GNP of the United States in 1988 was $19,758. The per capita GNP of Japan was $23,356. So 44 years after World War II, using their government, they are richer than you and me.

I have said ad nauseam that the United States of America has the most productive industrial worker in the world. What is not producing and not competing is our Government, and that brings me full circle to the FSX where our Government at last is weighing in on the side of American industry and the American worker. We ought to look very carefully and support our Government in this policy.

No. 1, the Japanese are not looking to buy a plane. My distinguished colleague from Illinois, who put in the resolution to disapprove this sale is mistaken.

Some years ago, the Japanese become determined to go into commercial aircraft production and irrespective of this particular sale, they are headed in that direction. We cannot avoid it or change it around by any particular measure.

With respect to a fighter aircraft, over 3 years ago, they were determined to produce indigenously in Japan their own fighter.

It was the United States going to them offering to sell the F-16. Many of our allies are building even better planes and that is exactly what the Japanese wanted—an advanced F-16. True, it is, they wanted a certain amount of our technology.

I got to it bluntly yesterday with General Yates, describing the agreement for the administration, I said, "General, let's assume we do turn it down. What would the Japanese need in order to build this so-called advanced FSX, F-16?" He said there were two things. They would need, of course, the engine that the could buy and the enginering technology developed, "the systems' engineering," as he termed it.

Now, we do not have a choice. We have to understand, like the character in Alice in Wonderland, where we are headed. We have to find out first where we are. We act like we are in control, but we are not.

We act like the Japanese want to buy a plane. They do not. Mitsubishi would be tickled to death if this deal is turned down, because they have been arguing severely against it.

To the previous administration's credit, Secretary Weinberger pleaded our special relationship with our ally and friend, Japan—he pleaded the special relationship in consonance with their taking over some of the burden of their defense that we all say they should do. We do not want them to take it all over and build their own systems if we can get coproduction. Secretary Weinberger said, "Well, why not coproduce the plane?" He could understand the cards dealt him limited him in the negotiation.

Now they have come out with a particular plan that is approved by the Secretary of State—of course, the President of the United States signed the agreement and it has his approval—the Secretary of State, the Secretary of Commerce and the Department of Defense.

I could go down some of the specifics but we will hear a debate on them at length. I see a colleague waiting to take the floor.

I just want to say that in the field of commercial aircraft production, they are going ahead with it. And to our advantage, we do have an agreement to gain valuable technology.

If you want to see where the Japanese stand from a technological standpoint, I ask unanimous consent to have printed in the RECORD the Department of Defense "Annex to Critical Technologies Plan (U)," dated April 30, 1989. And on chart ES-1, you can see in an unclassified fashion where the Warsaw Pact, the NATO allies and the Japanese are on critical technologies.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[The Department of Defense]

ANNEX TO CRITICAL TECHNOLOGIES PLAN (U)

(For the Committees on Armed Services, U.S. Congress, April 30, 1989)

(U) NATO.—Our allies have strong national programs, and are on a par in some significant aspect of almost every critical technology. They are, therefore, numerous opportunities for cooperation in niche technologies. Progress towards true European unification in 1992, coupled with aggressive multinational efforts in information technology, materials, and military systems will further enhance NATO capability.

FIGURE ES-1.—(U) SUMMARY OF FOREIGN TECHNOLOGICAL CAPABILITIES

Critical technologies	Warsaw Pact	NATO Allies	Japan	Others
1. Microelectronic circuits and their fabrication	(4)	(7)	(5)	Isreal (7) S. Korea (8)
2. Preparation of GaAs and other compound semiconductors	(4)	(7)	(6)	
3. Software producibility	(4)	(7)	(7)	Many Nations (7)
4. Parallel computer architectures	(4)	(7)	(7)	
5. Machine intelligence robotics	(4)	(6)	(5)	Finland (7) Sweden (7)
6. Simulation and modeling	(4)	(7)	(7)	
7. Integrated optics	(3)	(6)	(5)	China (8) Israel (8) S. Korea (8)
8. Fiber optics	(4)	(7)	(6)	Various sources (8)
9. Sensitive radars	(4)	(7)	(7)	Sweden (7)

FIGURE ES-1.—(U) SUMMARY OF FOREIGN TECHNOLOGICAL CAPABILITIES—Continued

Critical technologies	Warsaw Pact	NATO Allies	Japan	Others
10. Passive sensors	(3)	(7)	(7)	Israel (8)
11. Automatic target recognition	(3)	(7)	(7)	Israel (7) Sweden (7)
12. Phased arrays	(4)	(7)	(8)	Israel (8)
13. Data fusion	(3)	(7)	(7)	
14. Signature control	(4)	(7)		
15. Computational fluid dynamics	(4)	(7)	(7)	Sweden (7)
16. Air breathing propulsion	(3)	(6)	(7)	
17. High-power microwaves	(1)	(7)		
18. Pulsed power	(1)	(7)	(7)	
19. Hypervelocity projectiles	(2)	(7)	(7)	Australia (8) Israel (8)
20. High-temperature/high-strength/low-weight composite materials	(3)	(6)	(6)	
21. Superconductivity	(3)	(7)	(5)	
22. Biotechnology materials and processing	(3)	(6)	(5)	Many Nations (7)

Position of Warsaw Pact relative to the United States: [1] Significant needs in some niches of technology. [2] Generally on a par with the United States. [3] Generally lagging except in some areas. [4] Lagging in all important aspects. Capability of allies to contribute to the technology: [5] Significantly ahead in some niches of technology. [6] Capable of making major contributions. [7] Capable of making some contributions. [8] Unlikely to make any immediate contribution.

The PRESIDING OFFICER. The Chair would remind the Senator that his time has expired.

Mr. HOLLINGS. I ask unanimous consent for another 5 minutes, please, Mr. President.

The PRESIDING OFFICER. Is there objection?

Mr. GORTON. Reserving the right to object, is the Senator able to conclude his remarks relatively quickly? I would like to have about 4 or 5 minutes so I may get to a 3:30 appointment.

Mr. HOLLINGS. I am trying to get to one, too.

Yes, I will try my best. I renew my request.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HOLLINGS. I ask unanimous consent that an article by Herbert F. Rogers, president, and chief operating officer of the General Dynamic Corp., appearing in the Washington Post be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WHY WE BACKED THE FSX DEAL

(By Herbert F. Rogers)

The controversy about Japan's proposed development of an advanced new fighter aircraft has raised significant questions about U.S. military and trade policies.

Opponents of U.S. involvement in the FSX say it will impede the future competitiveness of America's airplane manufacturers. We believe it is appropriate for General Dynamics, the principal American industrial participant, to express its own views on the matter.

As a defense contractor, General Dynamics is an instrument of U.S. government policies, not a creator of them. The company was involved after the government dissuaded Japan from its original plan to "go it alone" in the design and manufacture of a combat aircraft for the late 1990s.

Subsequently, a debate has ensued on policy and implementation of international programs involving the sharing of military technology with allied nations and potential conflicts between national security and economic factors. While such debate is timely and healthy, it is inappropriately directed at the FSX agreement hammered out during the past two years, which actually serves both U.S. military and economic interests.

General Dynamics is convinced that its agreement to work with Mitsubishi Heavy Industries in co-developing a plane based on the F-16 is a good one. The pact is beneficial to American security, to American industry, to the American economy and to the interests of the company and its employees. Were this not the case, General Dynamics would not have agreed to participate.

Three questions are in order. Why did General Dynamics agree (at U.S. government request) to participate in the FSX program? Wouldn't the company prefer to sell its F-16s "off the shelf" to Japan, as some critics of the FSX plan have demanded? Why, as critics allege, is the company "giving away" precious technology and know-how for little, if anything, in return?

Answers to the latter two questions help provide a reply to the first:

Of course the company would rather sell its airplanes directly, rather than co-develop and coproduce a new version. But that never was likely in this case. Japan's original intent was to develop a new aircraft without U.S. participation, until our government gained the co-development compromise—primarily for mutual defense reasons but also with reduction of the trade deficit and with American industry in mind. If this compromise collapses, there is little doubt that Japan will go it alone and/or use European technical assistance.

There is no reasonable basis to call FSX agreement an American "give-away." Japan will spend approximately $500 million with American industry in the development program and probably $2 billion to $3 billion in production. This will not eliminate America's deficit with Japan, but it will serve as a definite step in reducing that deficit. General Dynamics—and the Defense Department—are convinced that Japan indeed has something to offer in advanced composite and avionics technologies. The technologies that would come from Japan are new. The F-16 technologies that would go to Japan, under strict goverment control, range from current to past. General Dynamics and other American manufacturers already are at work on new technologies and new fighter aircraft.

Concerns about fighter aircraft technology being used to compete against the commercial American aircraft industry are overblown. These concerns are not shared by the American commercial aircraft companies, which for years have had their own cooperative arrangements with Japanese industry, and the two major American commerical aircraft companies support the FSX agreement.

This contrasts with Europe, which houses the most vigorous competitors of American commercial and military aircraft companies—competitors yearning to initiate their own partnerships with Japan and quite anxious to supplant the United States on the FSX.

It is a fact of life that international sales of American products—sophisticated fighter planes or whatever—require partnerships or other cooperative arrangements with purchasing countries. This has been the case with the F-16 since the mid-1970s and is the case now not only with the F-16 but with other military and commercial systems. Many large U.S. corporations have long-range strategic plans that target the international marketplace. In so doing, strategic alliances with foreign companies are a fundamental part of that strategy. The Nunn amendment which Congress approved contributes toward this aim. The FSX program has the potential for being an excellent springboard for still other alliances.

The debates ranging around the FSX program seem to have greater intensity because the agreement is with Japan. One wonders what direction the debates would have taken if the country had been one of our other allies instead of Japan. It may be true that Japan is a special case because of its success in other economic areas. However, this fact does not warrant uprooting the FSX agreement, which has been reached in good faith by two governments that are allies, not enemies, and by industrial corporations on behalf of those governments.

Mr. HOLLINGS. We find, Mr. President, what was pointed out by our distinguished colleague, the Senator from Georgia [Mr. FOWLER], when he said, that at this particular point what we are really seeing is the Soviets are taking their particular military superiority and they are engaged in developing an economic dimension, whereas the Japanese are taking their economic superiority and developing a military dimension.

There is no question everybody has been trying to jump on Japan and bash it. They ought to be bashing Washington. They ought to be bashing this Government because we do not have a trade policy.

But when the administration goes in and does its best under the circumstances to help both the short-range and long-range economic interest, with thousands of jobs, millions of dollars

and a certain level of shared, advanced technology, we should support them. It is not what we want. But we are not in total control of things.

The Japanese are not trying to buy a plane. They are trying to produce it. They are ready to produce it. And I do not want to get into the same thing that we got into with Saudi Arabia, where we would not give them anything and we lost billions of dollars when they turned to the British. This looks to me this afternoon to be a similar situation.

I thank my distinguished colleague from Washington for yielding me time. I thank the Presiding Officer.

Mr. GORTON addressed the Chair.

The PRESIDING OFFICER. The Senator from Washington.

(The remarks of Mr. GORTON pertaining to the introduction of legislation are located in today's RECORD under "Statements On Introduced Bills and Joint Resolutions.")

HISTORIC AGREEMENT IN VIRGINIA

Mr. WARNER. Mr. President, I rise to bring to the attention of my colleagues the significance of a recent interjurisdictional agreement between Prince William County and the city of Manassas Park, two localities in the Commonwealth of Virginia. After years of dispute over a 404-acre tract of land, owned by the city of Manassas Park, but located in Prince William County, these two localities resolved the dispute on April 25, 1989, through a negotiated agreement that mutually benefits both jurisdictions and permits the city to annex the land.

The city of Manassas Park, the Commonwealth's newest, and until today, tiniest city, will benefit from this agreement with an increased tax base as this land is developed for residential and commercial use. The city's population is expected to increase from 7,200 to 10,000 and its land area will grow from 1.8 to 2.5 square miles. Prince William County will benefit from provisons in the agreement which call for the city to contribute to the improvement of major road intersections, the building of a regional park, and a commuter rail station. Through the negotiation process, these two localities realized a spirit of community cooperation. Today the mayor of the city of Manassas Park, Melanie L. Jackson, and the chairman of the Prince William County Board of Supervisors, Edwin C. King, will formally sign the agreement in a public ceremony.

I would like to pay tribute to the signficance of this event by asking unanimous consent of my colleagues for the inclusion in the RECORD of an edited news story published in the Journal Messenger, on April 26, 1989, and an editorial published in the same paper on April 29, 1989, both of which relate a story of local cooperation.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

12-YEAR LAND DISPUTE ENDS

(By Margo Turner)

The 12-year annexation dispute between Prince William County and Manassas Park ended Tuesday with the approval of a draft agreement between the two jurisdictions.

The 29-page agreement paves way for the development of a 404-acre tract on Blooms Road known as the Bobby tract.

The jurisdictional agreement calls for a 25-year annexation ban on Manassas Park, improvements to Blooms Road and Quarry Road, the development of Signal Hill Park, the construction of a commuter rail station and parking lot, historic preservation studies of the annexed tract and drainage improvements in the Yorkshire area.

The agreement has been "a long time in coming," Manassas Park Mayor Melanie Jackson told the Prince William Board of County Supervisors during a public hearing on the proposal Tuesday.

"We are delighted in a cooperative relationship" with the county, Jackson said. "The land is the key to the vitality of the city."

The City Council held a brief executive session following the county's action, and then convened a special meeting to vote to accept the annexation agreement.

In addition to the agreement, the council approved an amended sales contract with Signal Hill Development Corp. The developer has proposed 1,000 homes and 100 acres of commercial development on the Bobby tract.

Under the amended sales contract, all road improvements, the park and the commuter rail station and lot will be paid by Signal Hill Development Corp.

County Attorney John Foote and Manassas Park City Attorney Charles Perry drafted the annexation agreement with input from a citizens panel, which the supervisors appointed in June.

The agreement is the second in a year. In May, the county unveiled an eight-page annexation proposal. However, residents living next to the Bobby tract voiced strong objections, prompting the supervisors to delay action on the proposal for 90 days while the citizens panel reviewed it.

In September, the citizens panel submitted its report to Brentsville Supervisor William Becker, who along with Foote reviewed the recommendations. Foote then worked with Perry to incorporate the recommendations in the annexation agreement.

Manassas Park officials feel annexing the 404-acres is the key to the city's future, by allowing the city to increase its population from 7,000 to 10,000 and to help expand its tax base through industrial development.

A RARE ACCOMPLISHMENT

It was welcome news this week that a 12-year annexation dispute between Prince William County and Manassas Park has finally been resolved with the approval of a draft agreement between the two jurisdictions.

It was comforting that county and Manassas Park officials never gave up on the annexation proposal despite the many years of battling back and forth. Often it appeared that the dispute would end without a settlement but officials from both sides refused to let it happen.

The agreement opens the door for the development of a 404-acre tract of land on Blooms road. It also calls for a 25-year annexation ban on Manassas Park, improvements to Blooms and Quarry roads, the development of Signal Hill Park, the construction of a commuter rail station and parking lot, historic preservation studies of the annexed tract and drainage improvements in the Yorkshire area.

Manassas Park residents will greatly benefit by the settlement as the annexed land it picked up was vital to giving residents more services and at the same time allow the community to expand.

County residents living next to the properly will also benefit by the improved road system, park development and the commuter rail station which will help commuters in that area as soon as the long-proposed rail system becomes a reality.

The settlement is unique in that Prince William County and Manassas Park each gave a little when necessary. In the end, a compromise was reached in which both sides were happy with the final plan. In many annexation battles, the end result is hard feelings on one side or the other.

It was great that in this case everyone came away with the feeling that they had done what was best for their constituents. A rare accomplishment to say the least.

THE CONTINUED FIGHTING IN BURMA MAY 9, 1989

Mr. MOYNIHAN. Mr. President, we have of late been heartened by the news that the Cambodian civil war might soon be resolved, that after years of careful diplomacy and international pressure peace may return to that troubled country. But Mr. President, not 300 miles from the battlefields of Cambodia an equally bloody civil war is being fought in tragic obscurity. In Burma a brutal military government which has been condemned by the international community, including the U.S. Senate, is escalating its war with the armed Burmese opposition, the Democratic Alliance of Burma. The world can and should take notice.

Since last September, when the military violently suppressed a prodemocratic movement in Burma, several thousand refugees, most of whom are university students, have fled to Burma's borders with Thailand, China, and India. There they have settled under the protection of Burma's ethnic minority insurgents and together with them formed the alliance. In recent weeks, the military has launched an offensive against these positions, conscripting civilians to carry heavy loads and sweep minefields, and pounding refugee camps with all the force it can muster. Five days ago, the alliance camp of Wangkha on the Thai-Burmese border, home to over 500 student refugees, came under attack. Since Saturday night, the military has, without regard to the presence of civilians, reportedly bombarded the camp with

over 2,000 heavy mortar shells each day.

The war has pushed over 20,000 refugees into Thailand, and uncounted others into China and India. Burmese troops have recently crossed into Thailand to stage attacks against insurgent positions from the rear. The Government's purpose is twofold: To eliminate its student opposition and to open trade routes to Thailand, through which it will sell off Burma's natural resources, namely teak logs. Burma contains 80 percent of the world's remaining teak forests. Thailand has depleted its own, and appears eager to participate in the destruction of Burma's forests.

This war has continued for far too long—40 years now. It is the reason Burma lost its democracy, the reason for the ascendency of the army, and there is no good reason for it to go on in obscurity. The armed ethnic opposition fields more soldiers than the Contras. Burma is a nation of 40 million people, larger than Nicaragua, Cambodia, Afghanistan, and Angola combined. Its leadership understands the need for a political solution to the conflict. And a political solution is possible. The opposition is not composed of fanatics. There is no Khmer Rouge in Burma. Its demands are fair, and therefore unexciting: A negotiated cease-fire; the right to participate in free elections; a political system that respects their cultural integrity.

The attitude of the State Department to the conflict, has been marked not so much by negligence but by neglect. We have no contact with the armed opposition, and our contact with the Government consisted, until last September, of training its officers and providing them with helicopters. Our attention has instead focused on Khun Sa, a brutal opium warlord who controls much of the Golden Triangle's heroin traffic. Khun Sa is not an insurgent. In fact, he was once a Burmese Army home guard commander. He is despised by the opposition. In any event, Khun Sa, as sensational as he may be, is not the issue. The issue is the civil war and what we can do to help end it.

It is long past time we spoke out firmly on the need to end the violence in Burma and to help its innocent victims. The war needs mediation. The opposition desires it. Someone, the United States, the United Nations, or ASEAN, should be able to provide it. The Government of Thailand has shown some interest in this regard. It should be encouraged to play a constructive role and commended for each positive step it takes. And as long as the violence continues, the United States and humanitarian aid organizations should work with governments in the region to assist the refugees who are forced to flee from the fighting.

Mr. President, obscure countries have a way of becoming painfully prominent when the world ignores their problems for too long. I trust we have learned from past mistakes to act before it is finally too late.

DR. D. JAMES KENNEDY SAYS 89 PERCENT OF AMERICANS SURVEYED FEEL AIDS SHOULD BE DECLARED A COMMUNICABLE DISEASE

Mr. HELMS. Mr. President, I have just received a letter from a distinguished clergyman in Florida who shared with me the findings of an important survey just completed by Coral Bay Ministries at Fort Lauderdale.

About 150,000 Americans responded to the survey, according to Dr. D. James Kennedy, pastor of Coral Bay Ministries. A total of 22 questions were included in the survey—and, for example, 89 percent stated their belief that AIDS should be declared a communicable disease by the Surgeon General.

Of the respondents, 74 percent support SDI; 83 percent believe Federal spending should be cut to balance the budget; 74 percent believe Ollie North should be pardoned by President Bush; 70 percent do not believe the Soviet Union can be trusted to abide by the INF Treaty; 87 percent believe that there should be a boycott of advertisers who sponsor television programs containing suggestive sex and blatant violence; and 95 percent believe parents should be informed when their children request information or help with either contraceptives or abortion at their schools.

Mr. President, the responses to all of the 22 questions included in the survey merit the considerations of Senators. Therefore, I ask unanimous consent that Dr. Kennedy's letter and the results of the survey of 150,000 Americans be printed in the RECORD at the conclusion of my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

FORT LAUDERDALE, FL,
April 1989.

Hon. JESSE HELMS,
U.S. Senate, Washington, DC.

DEAR SENATOR HELMS: Many citizens are worried about the direction this country is headed. Christians are especially concerned that our freedoms are being threatened. Ramifications of government decisions touch lives daily, yet the opinions of the general American public seemingly go unheard.

Because of this trend, I sent surveys to thousands of Americans asking them to voice their opinions regarding crucial issues which face our Nation today. I promised them I would inform you of the results of this survey, so you can know where they stand. The survey includes 22 questions about issues ranging from abortion to Federal tax spending. Approximately 150,000 people responded, and the results indicate that many people do not agree with what is happening in Washington.

One important issue addressed in our survey regards the AIDS epidemic. We tallied 5 percent of our returned surveys and discovered that 89 percent of those responding feel that AIDS should be declared a communicable disease by the Surgeon General.

This is just an example of the issues on the minds of many Christian Americans. I am enclosing the questions included in our survey along with the results. I urge you to take the time to review this information, and consider what you can do in your position to see that some of the problems addressed in our survey are resolved.

Thank you for your time. I trust you will take this information to heart and act upon it. My prayers are with you as you do your best to fulfill your responsibility to the American people.

Dr. D. JAMES KENNEDY.

STATE OF THE NATION SURVEY—RESULTS

1. Do you believe that President Bush will be an outspoken advocate of Christian issues and the restoration of lost religious liberties? 50 yes; 9 no; 14 undecided; 27 maybe.

2. Do you believe that U.S. Surgeon General C. Everett Koop should declare AIDS to be a communicable disease? 89 yes; 4 no; 5 undecided; 2 maybe.

3. Do you believe that the Soviet Union's General Secretary Mikhail Gorbachev's new "glasnost" policy of openness will benefit the United States? 15 yes; 43 no; 17 undecided; 25 maybe.

4. Would you vote for a law that would allow firing a homosexual from a job teaching school? 85 yes; 7 no; 4 undecided; 4 maybe.

5. Do you feel the Soviet Union should be trusted to keep the recently signed treaty with the United States to limit the number of medium range warheads? 7 yes; 70 no; 9 undecided; 14 maybe.

6. Do you believe the Strategic Defense Initiative (SDI), i.e. "Star Wars," is designed to defend our population in the face of Soviet attack? 74 yes; 7 no; 12 undecided; 7 maybe.

7. Do you believe that Colonel Oliver North should be pardoned? 74 yes; 10 no; 11 undecided; 5 maybe.

8. Do you believe that legalized abortion is likely to lead to mercy killing of retarded and elderly people (euthanasia)? 71 yes; 12 no; 5 undecided; 12 maybe.

9. Should the federal budget be balanced by cutting spending, raising taxes, or a combination of both? 83 cut spending; 1 raise taxes; 16 cut spending/raise taxes.

10. Do you believe that gambling is immoral? 75 yes; 11 no; 8 undecided; 6 maybe.

11. With the spread of the disease AIDS, do you feel sex education courses should be mandatory (required) or voluntary (elected) in our public school classrooms? 24 mandatory; 26 voluntary; 49 left to parental discretion.

12. Do you believe TV programming is fair in portrayal of Christianity and its beliefs? 6 yes; 85 no; 7 undecided; 2 maybe.

13. Would you boycott products of advertisers who sponsor TV programs containing suggestive sex and blatant violence? 87 yes; 3 no; 3 undecided; 7 maybe.

14. Do you believe parents should be informed when their children request information or help with either contraceptives or

abortion at their school? 95 yes; 3 no; 1 undecided; 1 maybe.

15. Do you believe that the fight to restore prayer in our public school classrooms should continue, despite years of defeat in this attempt? 89 yes; 4 no; 5 undecided; 2 maybe.

16. Do you believe parents should have a say on which textbooks and reading materials are used in school libraries and classrooms? 92 yes; 2 no; 3 undecided; 3 maybe.

17. Do you believe the President has an obligation to remain publicly silent on matters which affect the national security? 68 yes; 21 no; 6 undecided; 5 maybe.

18. Do you believe that being honest depends on the circumstances? 10 yes; 82 no; 3 undecided; 5 maybe.

19. Do you believe there should be state laws requiring the theory of evolution and scientific creationism to be given equal teaching time in science classes? 69 yes: 21 no; 7 undecided; 3 maybe.

20. Would you vote for a generally well-qualified person for President if that person happened to be a homosexual? 2 yes; 95 no; 2 undecided; 1 maybe.

21. Do you feel George Bush will stand firm in his anti-abortion stand even though the pressure is mounting on him to change his mind? 71 yes; 4 no; 9 undecided; 16 maybe.

22. Do you believe that television broadcasting will continue as an effective means to reach people nationwide for the cause of Christ? 76 yes: 7 no; 7 undecided; 10 maybe.

AGENT ORANGE REGULATIONS STRUCK DOWN

Mr. DASCHLE. Mr. President, yesterday veterans exposed to agent orange scored a major victory in their ongoing battle with the Federal Government over the issue of disability compensation. In a ruling released yesterday, U.S. District Judge Thelton Henderson struck down the Department of Veterans Affairs regulations issued in response to a 1984 law requiring the VA to establish standards for disability compensation for veterans suffering from diseases associated with exposure to agent orange.

The decision is extremely significant, for it confirms what Vietnam veterans, scientists, many of my colleagues, and I have been saying for years: In spite of the previous administration's delays, denials, and obfuscations, there is sufficient evidence to warrant Government compensation to veterans who may have been injured as a result of their exposure to agent orange.

The principal findings in the judge's decision were: First, that the cause-and-effect standard the VA has required veterans to meet in agent orange-related claims is unfair and unprecedented; second, that, in its consideration of agent orange-related claims, the VA has failed to give veterans the benefit of the doubt that was mandated by the statute and has been afforded other veterans; and, third, that the Department of Veterans Affairs must reopen the cases of more than 30,000 veterans who were denied compensation under the unlawful regulations.

The judge's decision should not be remarkable, for he made the same decision that any rational person would, given the strength of the scientific evidence and the Government's own policy of giving the benefit of the doubt to veterans filing disability claims. But the decision is remarkable, for, until now, the Government has incredibly, but successfully navigated the path to deception, bypassing the path to fairness. Unfortunately, it has taken over a decade's-worth of valuable time and effort, a lawsuit, and a judge whose position is not dependent on private interests to wade through and make clear again the muddy waters created by the previous administration's efforts.

In his 48-page ruling, the judge had harsh words for the previous Veterans' Administration. He stated that the VA imposed "an impermissibly demanding test" for determining a disease's relationship of agent orange by insisting on proof of a causal relationship and that the VA compounded that situation by failing to give any veterans other than five veterans with chloracne "the benefit of the doubt in meeting that demanding standard." The judge further stated that "these errors * * * sharply tipped the scales against veteran claimants." The judge concluded, after reviewing the law and Congressional Records, that the law requires only that a veteran show a "significant statistical association" between agent orange exposure and a disease, or an "increased risk of incidence, in order to justify disability compensation. The law in question is Public Law 98-542, the Veterans' Dioxin and Radiation Exposure Compensation Standards Act. I know something about this, for I drafted the House version of that law, and I know what Congress intended when it passed it.

The judge is correct in his assessment of Public Law 98-542 and the previous administration's implementation of it. The point of that legislation was to make compensation more accessible to disabled agent orange veterans—not to make it impossible for an agent orange veteran to receive compensation. Yet, it has been impossible for agent orange veterans to get compensation for any diseases related to agent orange exposure other than chloracne. And you can literally count on one hand the number of people who have received compensation for that disabling skin disease.

So, where do we go from here? Vietnam veterans will continue to fight this battle on several fronts. They will fight the physical and emotional scars that agent orange and the Government's inadequate response have left them and their families. We cannot, at this point, change that fact. But they will also fight on two other fronts—with the administration and with Congress. On these fronts, we do have the power and the duty to help them.

There is reason for hope on the administrative front. During his confirmation process, Secretary Derwinski stated that he had no preconceived notions about agent orange and that he will take a fresh look at the issue. This court ruling offers the Secretary and the Bush administration a golden opportunity to break with the unfortunate policy of the past and assume a positive leadership role on the agent orange issue. I have expressed this sentiment to Secretary Derwinski and urge my colleagues to do the same.

Public Law 98-542 gives the Secretary the power to amend the Department's compensation regulations to include any diseases that may be associated with exposure to agent orange. I have suggested to the Secretary that he could show his good faith on the issue by immediately adding non-Hodgkin's lymphoma and soft-tissue sarcoma to the list of compensable diseases. In both cases, there is a "significant statistical association" linking the disease with exposure to dioxin or other components of agent orange, and there is certainly evidence to support giving veteran claimants the benefit of any reasonable doubt regarding these diseases.

There is no doubt in my mind that the previous administration would appeal this ruling if it had occurred 6 months earlier. The new administration has not yet acted on the agent orange issue. Secretary Derwinski says he has an open mind, and I believe that he and many others at the Department of Veterans Affairs truly want to serve veterans. I hope Secretary Derwinski and the Bush administration will seize this opportunity to stand with veterans and assume a leadership role on the agent orange compensation issue.

The third front on which veterans, unfortunately, are forced to continue to fight is right here in Congress. I believe the vast majority of Members of Congress do stand with veterans on this important issue, but agent orange compensation has been the victim of a legislative obstacle course. In 1984, the House passed legislation that was stronger than the law Judge Henderson studied, but the Senate insisted on weakening the bill. Last year, the Senate passed agent orange compensation legislation, but the House, in the waning days of the session, essentially killed it. There is always an excuse, a scientific or legislative technicality used to destroy veterans' chances at a genuinely meaningful solution to the agent orange problem. As the judge made clear in his ruling, the issue, while complex in the scientific realm, is not so complex in the realm of vet-

erans' affairs. Vietnam veterans have been treated unfairly, and it's time to correct our mistakes.

This year, you can be assured that I and many of my colleagues will be working hard to ensure that the majority is heard on this issue and that our mistakes are corrected. Senator JOHN KERRY and I are working with Senator ALAN CRANSTON on a new version of the legislation we passed last year. Representative LANE EVANS is working on legislation in the House. I am convinced that this is the year that comprehensive agent orange legislation—to compensate veterans, to promote further, independent study, to improve health reporting to veterans—will be signed into law. I pledge to do everything in my power to see that it does, and I urge my colleagues to join me in this effort.

Mr. President, yesterday agent orange veterans got a glimpse of justice. Congress and the administration have the power to bring real justice to veterans. As we follow up on the court ruling, let's make sure these veterans have a reason to believe that the system really can work for them.

Mr. GORTON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LIEBERMAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. LIEBERMAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

Mr. LIEBERMAN. Mr. President, I ask unanimous consent that the time for morning business be extended to 4:20 p.m., with Senators permitted to speak therein for up to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUPPORT FOR WILLIAM BENNETT

Mr. LIEBERMAN. Mr. President, I rise today to say some words of support for William Bennett, the Director of our National Drug Policy, for his direct and innovative approach to the drug problem and how America should deal with it.

Mr. President, when Dr. Bennett was appointed to this post, I was encouraged for two reasons: Remembering his service as Secretary of Education, I thought he brought just the proper degree of irreverance to this new position, and a willingness to shake up the existing bureaucracy. I think if there is any field of governmental endeavor today where we need to be open to new ideas, it is in our war against drugs.

Second, he is a man who has values and is willing to speak about them publicly, and at its base, the drug problem remains a problem of a loss of values and a loss of self-discipline.

The confidence and hope that I had when this appointment was made has thus far been vindicated, because in contrast to more traditional bureaucrats, Dr. Bennett has been outspoken and tenacious in advocating a strong Government reaction to the scourge of drugs. He has not been afraid to provoke criticism of his views.

I noted that several Members of Congress have seen fit to reproach Mr. Bennett for this or that proposal. I say that that is their right and, of course, they can criticize him on particular ideas that he has; but let us all agree that we should not undermine him and the position he holds. Most important of all, let us all agree that the drug issue is not a partisan issue. President Bush, in his inaugural address to all of us, said, "The American people did not send us here to bicker."

I say to you, Mr. President, that that is particularly true when it comes to the problem of drugs and the crimes that drugs create. The American people do not want us to bicker among ourselves. They want new ideas; they want a tough governmental response, and that, thus far, is what Dr. William Bennett has provided us.

His most recent suggestion was made just 2 days ago on a nationally televised talk show—that governments consider boot camps for persons convicted of drug crimes, which has provoked the predictable laments from people who fail to see the drug problem from the street level.

If they did, they would know and appreciate that more and more people in America, particularly in our central cities are becoming victims and hostages of drug abusers and they are crying out to us for help.

Critics of the boot camp idea parrot the line that prisons are not the answer to the drug problem. But I say they miss an important point. Unfortunately, we cannot conclude that prisons are not an effective deterrent because we simply have not kept drug criminals in prisons long enough to find out. Far too many are either never sent to prison, or, if they are, they stay there for a short period of time.

The boot camp concept is deserving of support. Reports from some States indicate that these boot camp prisons work. The experience appears to instill a sense of discipline, self-discipline in inmates who for most of their lives apparently have not had to answer to authority, whether it is parental, or from teachers, or from clergymen. Further, it is just a crueling experience that, once released, the former prisoners appear to be hesitant to do anything that would bring them back. The rate of recidivism is lower than that from normal prisons.

Prisons can be a deterrent if sentencing is swift, certain and matched to the seriousness of the crime. I have long believed that. I am hearing policemen and others at the community level that kids who get involved in drug dealing know that, if caught, there sentences will amount to just a few months in jail in most places in this country today, and that is no deterrent at all, in light of the thousands of dollars that they can make each week dealing in drugs. In fact, prisons sentences are so light that I am told from people on the street that going to prison is often viewed as an odd badge of honor, or a rite of passage, among young people involved in drug trafficking.

I agree that there is a tremendous need for better early childhood education, for more drug treatment centers and other community-based programs to deter young people from turning to drugs, and to help them turn away from drugs once they are addicted. But all of the education and treatment in the world will do nothing to stop the criminal who cannot be reached by those teachers and who is not interested in that treatment. The only thing that will stop that kind of criminal is, tragically, a bullet from a drug assassin or incarceration in a jail.

Our criminal justice system is in drastic need of rehabilitation. The average law-abiding American is losing faith in the ability of our system of justice, and I fear that the average drug criminal is gaining faith that the system will not bring him to justice. It is our responsibility, Mr. President, to restore that confidence and that respect. And we can only do so by sentencing more criminals to more time in jail and by making those sentences stick.

That will take more prosecutors, more judges, and more prisons, and it will take more innovative ideas, like those that are being propounded by William Bennett. We have to get over our habit of finding excuses for the behavior of criminals and start finding ways to lock them up. The main sociological explanation for criminal behavior by drug dealers in my view is our society's willingness to keep making excuses for their actions.

Let us face it: too many drug dealers are acting in a perfectly rational way given their lack of moral values. The odds of making money are large, and good money. The odds of getting caught are relatively small. And the odds of spending very much time in prison, if caught, are smaller still. Take anyone without a sense of values

and present him or her with that set of odds and it is all too easy to predict that the drug trade will flourish. We cannot eradicate evil in our society, but we can do more about the other two things: catching people in the act and making them pay the consequences of their action.

Mr. President, I salute Dr. William Bennett, our Director of National Drug Policy, for his take-charge approach, and I look forward to working with him and other Members of the Senate and Congress on formulating a tough and effective response to America's drug crisis.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. PELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PELL. Mr. President, I ask unanimous consent to speak as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

A FRAUDULENT ELECTION AND DENIAL OF FREEDOM IN PANAMA

Mr. PELL. Mr. President, I very much lament the fact that this past Sunday, the Panamanian people were denied the basic right to vote in a free and fair election for President. The statements by the Panamanian Catholic Church, President Carter, and other election observers, including a group from the European Economic Community, witnessed the election being stolen right before their eyes. They have certified the fact that the election indeed was fraudulent.

Tally sheets were stolen by the military, tally sheets were switched, intimidation of voters was widespread, tampering with the tabulation took place, discrepancies on the voter rolls was evident, observers were prevented from checking the returns. According to the Panamanian Catholic Church election monitors, the opposition supporting Guillermo Endara won the election by a 3-to-1 margin. This figure was supported by President Carter during a news conference in Panama yesterday. Independent pollsters from Argentina and Venezuela also confirm this.

The will of the majority of people to live in a democratic environment was thwarted last Sunday. Equally important and sad is that United States-Panama relations were doomed to continue on a dangerously precipitous path. The extension of the Noriega regime in power by virtue of the fraudulent election means that present tensions are virtually certain to be exacerbated. Both nations have vital interests at stake. I am quite concerned that the situation in Panama, especially because of the stolen election, has precipitated calls for United States military intervention and abrogation of the Panama Canal treaties.

I am very concerned about the state of affairs in Panama, but we must seek other options. These options should include consultation with our friends in the Western Hemisphere. It is clear that U.S. military intervention and the scuttling of the treaties is not in our best interests. Our relationship with Latin America should not become a casualty of the tragedy that is befalling Panama.

The Panamanian people deserve the support of those throughout the world who believe in democracy. They certainly have the support of the U.S. Senate. It is my fervent hope that the yearnings of the Panamanian people for democracy will be realized in the not too distant future and United States-Panama relations will once again flourish.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate proceed to executive session to consider the following nomination: Rufus H. Yerxa to be a deputy U.S. Trade Representative with the rank of Ambassador, reported today by the Committee on Finance.

I further ask unanimous consent that the nominee be confirmed, that any statements appear in the RECORD as if read, that the motion to reconsider be laid upon the table, that the President be immediately notified of the Senate's action, and that the Senate return to legislative session.

I am authorized to say that the distinguished Republican leader has no objection to this request.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nomination considered and confirmed is as follows:

OFFICE OF U.S. TRADE REPRESENTATIVE

Rufus Hawkins Yerxa, of the District of Columbia, to be a Deputy U.S. Trade Representative, with the rank of Ambassador.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will now return to legislative session.

REREFERRAL OF S. 883

Mr. MITCHELL. Mr. President, I ask unanimous consent that S. 883, a bill for the relief of Christy Carl Hallien be rereferred from the Armed Services Committee to the Judiciary Committee, and I am authorized to say that the distinguished Republican leader has no objection to this unanimous consent request.

The PRESIDING OFFICER. Without objection, it is so ordered.

STAR PRINT OF S. 348

Mr. MITCHELL. Mr. President, I ask unanimous consent that a star print be made of S. 348, the Venture Capital Gains Act of 1989 to reflect changes I now send to the desk. I am authorized to say that the Republican leader has no objection to this request.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BUMPERS. Mr. President, the debate on the capital gains issue focuses mostly on the potential impact of a capital gains tax reduction on Government revenue.

As we all know, the President continues to claim that his proposal for a 15 percent maximum capital gains tax rate will generate large amounts of revenue for the Government. The congressional Joint Committee on Taxation disputes this claim and projects large decreases in revenue from this proposal.

I rise today to report that the Joint Committee on Taxation has now completed its review of the capital gains tax proposal that I have introduced, S. 348, and found that it loses a fraction as much in revenue as does the President's proposal.

The Joint Committee found that the President's proposal loses $13.3 billion in its first 5 years.

It finds that my capital gains bill loses $163 million—that is million—in revenue over the first 5 years.

This means that S. 348 loses only 1.225 percent as much revenue as does the President's proposal.

The President's proposal is often referred to as the "15 percent solution." If this is true, then my venture capital gains legislation should be referred to as the "1.2 percent solution."

DIFFERENCES BETWEEN S. 348 AND PRESIDENT'S PROPOSAL

S. 348, the Venture Capital Gains Act, proposes that we provide a modest tax incentive in favor of high-risk, long-term, growth-oriented investments in small business ventures.

The venture capital gains legislation is different from the President's proposal in nine respects:

First. My bill applies only to investments in stock.

Second. It applies only to investments in the stock issued by a small business venture.

Third. It applies only to direct purchases of the stock from the small business issuing the stock.

Fourth. It only applies to new investments. It does not apply to investments made before the incentive goes into effect. The President's proposal applies to old as well as new investments, conferring a huge windfall on investors sitting on oil investments.

Fifth. It requires a 4-year holding period and the holding period is not phased in, as is the 3-year holding period proposed by the President.

Sixth. It grants a 25-percent deduction and sets a 21-percent rate maximum capital gains tax rate. The President has proposed a 45-percent deduction and a 15-percent maximum gains rate.

Seventh. The alternative minimum tax applies to the deducted gains, ensuring that wealthy taxpayers do not use the capital gains preference to reduce their tax liability by excessive amounts. With the President's proposal the minimum tax does not apply.

Eighth. The deduction is available to corporate as well as to individual taxpayers. The President's proposal applies only to individual taxpayers.

These eight differences between the venture capital gains bill and the President's proposal act as powerful constraints on the amount of revenue that is lost.

But, let me emphasize that these differences have a strong substantive rationale. They were not simply included in S. 348 to restrain its adverse impact on revenue.

Let me just comment on a few of the differences between the President's proposal and my venture capital gains legislation.

SMALL BUSINESS CAPITAL

The availability of capital to startup small business ventures has always been a major problem. The tax reform legislation of 1986 exacerbated the problem by putting a high premium on short-term, income-oriented investments.

Venture capitalists do provide capital to startup ventures, but increasingly they are becoming involved with leveraged buy outs and other financial deals. They are more risk-averse than they used to be, partly as a result of the tax reform law and partly as a result of their experience with how risky startup ventures can be.

There is no absence of investors who seem to be willing to invest in the established companies who stock is traded on the major stock exchanges. And they seem to be willing to make these investments despite the absence of any capital gains preference.

My question is why should we give these investors a tax break for something that they are already doing without any tax break?

What we need to do is give them an incentive to change their investment strategy to place a greater emphasis to high-risk, long-term, growth-oriented investments in small business ventures.

That is where we have the need. And that is where the incentive should be directed.

RETROACTIVITY

The President's proposal gives a tax break for any investment, even investments made before the capital gains tax reduction goes into effect.

This means that it provides a tax break for investments that were made with no expectation that the investor would receive any capital gains preference.

To me this is an undeserved windfall.

My question is why should we reward investors for doing what they have already done without any expectation of a tax reward?

I think the reason for this feature of the President's proposal may be that the Treasury Department could not find any other way to make the revenue numbers show a revenue gain in the early years.

You see, if investors can cash in their old investments, they will receive a huge windfall but they will also pay some tax. They will only pay this tax at the new 15-percent gains rate, not the 28 or 33 percent ordinary income rate, but they will pay some tax. I think the Department found it necessary to induce this rush of revenue in order to find that its proposal raises revenue in the first few years.

Treasury Secretary Brady has said that he will review the retroactivity issue and I have asked him in a March 7 letter to provide me with an estimate of the revenue impact of the President's proposal assuming that it is not retroactive. I am sorry to report that as yet I have not even received an acknowledgement of my letter and request. Secretary Brady said at a hearing of the Appropriations Committee that he would review the President's proposal on the retroactivity issue so I expect that there will be no hesitancy in responding to my request.

If it turns out that the only reason the President's proposal raises revenue in the first few years is because it confers a huge, and undeserved, tax windfall on investors, the Department may have to go back to the drawing board.

The President presents his capital gains bill as an incentive for investment. It is ironic that the principal impact of the proposal in its first years would be to encourage investors to cash in their old investments.

S. 348 is prospective only and confers no windfall, but the Joint Tax Committee still finds that it loses a fraction as much revenue as the President's proposal. S. 348 would gain revenue in its early years if it was retroactive, but I do not think there is any policy rationale for conferring a windfall on investors who happen to be sitting on a qualifying investment.

PHASE-IN OF HOLDING PERIOD

S. 348 requires a 4-year holding period for any investment that qualifies for the tax incentive. The President only requires a 1-year holding period for investments made during the first 3 years, a 2-year holding period for investments made in 1993 and 1994 and a 3-year holding period for investments made after 1994.

My question is why should we wait to put the longer holding period into effect?

If we want to encourage long-term investments, why should we start out by encouraging shorter-term investments?

I do not understand the logic of phasing-in the longer holding period.

There is no fairness problem with immediately requiring a 4-year holding period. Any investor making a new investment would know what the holding period is and would not be surprised in any way if it starts at 3 years. And, if the investor made the investment with no expectation of any capital gains preference, he can hardly complain about a 4-year holding period.

Of course, if the holding period starts at 4 years, more reaping their windfall. This would reduce the rush of revenue to the Treasury Department.

Even if the tax preference applies only to new investments, there would be some slowing of gains realizations if the 4-year holding period goes into effect immediately.

For these reasons the Treasury may have found that if it immediately went to a 3-year holding period, it could not project a revenue gain. In fact, it does acknowledge that the President's proposal would lose $11.3 billion in 1996, right after the 3-year holding period goes into effect. So, the phase-in of the holding period is obviously another case of revenue considerations driving tax policy.

But, again, S. 348 puts a 4-year holding period into effect immediately and it still does not lose large amounts of revenue in the early years. If S. 348 provided for a phased-in holding period, the revenue estimate would be even more favorable, but again I believe there is no policy rationale for phasing in the holding period.

S. 348 does not lose a large amount of revenue because it is limited to venture capital investments, where a 4-year holding period is perfectly rea-

sonable. Venture capital investors often could not find a market for their stock in the first 3 or 4 years. The 1-year holding period would be irrelevant to them.

21-PERCENT GAINS RATE AND MINIMUM TAX

S. 348 proposes that the maximum gains tax rate be set at 21 percent, which is less generous than the 15 percent maximum gains rate the President proposes.

I would like to offer investors a more powerful incentive and I found that some of my colleagues would not cosponsor S. 348 because they thought that it did not provide a strong enough incentive.

I chose 21 percent as the maximum gains rate for two reasons.

First, under S. 348 the alternative minimum tax applies. So, if S. 348 were to give investors a 15-percent gains rate, much of the benefits of that rate would be recaptured by the minimum tax, where the rate is 21 percent. The interplay of the gains rate and the minimum tax would amount to a zero sum game for the investors.

I would be very surprised if the Congress would reestablish a differential for capital gains taxes without applying the minimum tax. The minimum tax applied to capital gains before the tax reform law. The principal argument being raised against restoring the capital gains tax preference is that it would principally benefit the wealthy.

S. 348 meets this fairness argument by applying the minimum tax.

And when I applied the minimum tax, the 21-percent maximum gains rate became the logical gains rate as well.

Second, a 15-percent maximum gains rate would lose more revenue than a 21-percent maximum gains rate. This difference between S. 348 and the President's proposal has important implications for the revenue impact of the two proposals.

I have asked the Joint Committee on Taxation to give me revenue estimates of S. 348 assuming that it sets a 19-percent, a 17-percent and a 15-percent maximum gains rate and assuming that the minimum tax does not apply.

When I receive these estimates I will reevaluate the provisions in S. 348. As I said, I would like to provide a more powerful incentive for venture capital investments if it is fiscally responsible and fair to do so.

MODIFICATIONS OF PRESIDENT'S PROPOSAL

There have been reports that the Treasury Department is considering further modifications in the President's proposal.

The President's proposal during the campaign was much more sweeping than his final proposal and it is clear to me that further restrictions are called for.

S. 348 shows clearly that we can restrain the revenue loss of a capital gains tax incentive if we choose to do so.

The President may not wish to adopt all of the provisions of S. 348, but it is clear that he will have to consider at least some of them if he ever hopes to persuade Congress to give any consideration to restoring a capital gains differential.

The mathematics—$13.3 billion verses $163 million—say it all.

I ask unanimous consent that a copy of the letter of Mr. Ronald Pearlman, chief of staff of the joint committee, of April 24, 1989, and a chart comparing the President's proposal to S. 348 both be printed at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

CONGRESS OF THE UNITED STATES,
JOINT COMMITTEE ON TAXATION,
Washington, DC, April 24, 1989.

Hon. DALE BUMPERS,
U.S. Senate,
Washington, DC.

DEAR SENATOR BUMPERS: This is in partial response to your request of January 30, 1989, for a revenue estimate of S. 348, which would provide for a 25-percent exclusion to individuals on capital gain realized on the sale of newly-issued stock in a corporation with paid-up capital of less than $100 million, provided the stock is held for 4 years. It was assumed for the purpose of the revenue estimate that the gain on stock issued after January 1, 1990, would be eligible for the preferential treatment.

[In fiscal years and millions of dollars]

1990	1991	1992	1993	1994	1990–94
(1)	-6	-22	-47	-88	-163

[1] Loss of less than $500,000.

I hope that this information is of use to you. If we can be of further assistance, please do not hesitate to contact us.

Sincerely,

RONALD A. PEARLMAN.

COMPARISON OF CAPITAL GAINS PROPOSALS

	President Bush	Senator Bumpers (S. 348)
Taxpayers covered	Individual	Individual and corporate.
Maximum tax rate for individuals	15 percent	21 percent.
Exclusion on gain for individuals	45 percent	25 percent.
Maximum tax rate for corporations		25.5 percent.
Exclusion on gain for corporations		25 percent.
Holding period	1 year until 1992, 2 years in 1993–94 and 3 years after 1994.	4 years; no phase-in of holding period.
Investments covered	Many capital assets, including nondepreciating assets.	Stock of Small Business ($100 million in paid-in-capital).
Capital formation	Covers secondary market trading.	Covers only direct investments that put capital in hands of entrepreneurs.
Windfall	Retroactive to past investments, confers huge windfall.	Only applies to new investments, no windfall.
Minimum tax apply	No	Yes, ensuring fairness.
Revenue loss	$13.3 billion over 5 years: Joint Tax Commission.	$163 million over 5 years: Joint Tax Commission.

MESSAGES FROM THE PRESIDENT RECEIVED DURING RECESS

Under the authority of the order of the Senate of January 3, 1989, the Secretary of the Senate, on May 5, 1989, during the recess of the Senate, received a message from the President of the United States, transmitting sundry nominations and a withdrawal; which were referred to the appropriate committees.

(The nominations received on May 5, 1989, are printed in today's RECORD at the end of the Senate proceedings.)

ANNUAL REPORT ON ADMINISTRATION OF THE RADIATION CONTROL FOR HEALTH AND SAFETY ACT—MESSAGE FROM THE PRESIDENT RECEIVED DURING RECESS—PM 41

Under the authority of the order of January 3, 1989, the Secretary of the Senate, on May 5, 1989, during the recess of the Senate, received the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Labor and Human Resources:

To the Congress of the United States:

In accordance with section 360D of the Public Health Service Act, I am submitting the report of the Department of Health and Human Services regarding the administration of the Radiation Control for Health and Safety Act during calendar year 1988.

The report recommends that section 360D of the Public Health Service Act that requires the completion of this annual report be repealed. All the information found in this report is available to the Congress on a more immediate basis through congressional committee oversight and budget hearings. This annual report serves little useful purpose and diverts agency resources from more productive activities.

GEORGE BUSH.

THE WHITE HOUSE, *May 5, 1989.*

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Kalbaugh, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the Committee on Armed Services.

(The nominations received today are printed at the end of the Senate proceedings.)

1990 BUDGET OF THE DISTRICT OF COLUMBIA—MESSAGE FROM THE PRESIDENT—PM 42

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with accompanying papers; which was referred to the Committee on Governmental Affairs:

To the Congress of the United States:

In accordance with the District of Columbia Self-Government and Governmental Reorganization Act, I am transmitting the District of Columbia Government's FY 1990 Budget and FY 1989 Budget supplemental.

The District's General Fund 1990 operating budget request is $3,071 million. Total Federal payments anticipated in the District's budget are $498 million. The District's FY 1989 budget supplemental contains $106 million in cost increases and $79 million in budget authority recessions, for a net increase of $27 million. This transmittal does not affect the Federal budget.

There are four District budget issues to which I would direct your attention. First, I would encourage you to continue the abortion funding policy that the Congress established in the District's 1989 appropriations bill that prohibits the use of both Federal and local funds for abortions.

Second, the 1990 Budget reproposes an initiative that would require the District of Columbia to charge Federal establishments directly for water and sewer services. The lump-sum appropriation provided in recent years to the District for water and sewer services in Federal buildings increases the deficit unnecessarily because Federal agencies' budgets already contain funds to pay these costs. I urge the Congress to enact this needed reform. Direct billing also reduces appropriated Federal payments for nongovernmental entities, such as the American Red Cross and the Pan American Union, as well as for entities outside the appropriations process such as the Postal Service and the Federal Savings and Loan Insurance Corporation. It would encourage Federal agencies to assure the accuracy of bills received and to pursue conservation policies.

Third, I request reinstatement of Presidential apportionment authority over the Federal payment to the District of Columbia. Directing immediate disbursement of the Federal payment at the start of the fiscal year increases Treasury's cost of borrowing. Further, the Congress very clearly did not intend to exempt the District of Columbia from sequestration in the original Gramm-Rudman-Hollings Act, and there is no reason for doing so via an appropriations bill.

Finally, in a related Federal Budget request, I will include a $1 million supplemental reimbursing the District Government for additional Presidential inaugural expenses incurred above the $2.3 million appropriated.

I look forward to working with the Congress on these matters.

GEORGE BUSH.

THE WHITE HOUSE, *May 9, 1989.*

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. BENTSEN, from the Committee on Finance:

David Campbell Mulford, of Illinois, to be an Under Secretary of the Treasury;

Robert R. Glauber, of Massachusetts, to be an Under Secretary of the Treasury;

John E. Robson, of Georgia, to be Deputy Secretary of the Treasury;

Eric I. Garfinkel, of Maryland, to be an Assistant Secretary of Commerce;

Constance Horner, of the District of Columbia, to be Under Secretary of Health and Human Services;

Charles H. Dallara, of South Carolina, to be a Deputy Under Secretary of the Treasury;

Hollis S. McLoughlin, of New Jersey, to be an Assistant Secretary of the Treasury;

Roger Bolton, of Virginia, to be an Assistant Secretary of the Treasury;

Kay Coles James, of Virginia, to be an Assistant Secretary of Health and Human Services;

Mary Sheila Gall, of Virginia, to be an Assistant Secretary of Health and Human Services; and

Rufus Hawkins Yerxa, of the District of Columbia, to be a Deputy U.S. Trade Representative, with the rank of Ambassador.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. HATFIELD (for himself and Mr. JEFFORDS):

S. 932. A bill to amend the Solid Waste Disposal Act so as to authorize the Environmental Protection Agency to take certain action to protect the environment; to mitigate water pollution; to reduce solid waste and the cost in connection with the disposal of such waste through recycling; and for other purposes; to the Committee on Commerce, Science, and Transportation

By Mr. HARKIN (for himself, Mr. KENNEDY, Mr. DURENBERGER, Mr. SIMON, Mr. JEFFORDS, Mr. CRANSTON, Mr. MCCAIN, Mr. MITCHELL, Mr. CHAFEE, Mr. LEAHY, Mr. STEVENS, Mr. INOUYE, Mr. COHEN, Mr. GORE, Mr. PACKWOOD, Mr. RIEGLE, Mr. GRAHAM, Mr. PELL, Mr. DODD, Mr. ADAMS, Ms. MIKULSKI, Mr. METZENBAUM, Mr. MATSUNAGA, Mr. WIRTH, Mr. BINGAMAN, Mr. CONRAD, Mr. BURDICK, Mr. LEVIN, Mr. LIEBERMAN, Mr. MOYNIHAN, Mr. KERRY, Mr. SARBANES, Mr. BOSCHWITZ, and Mr. HEINZ):

S. 933. A bill to establish a clear and comprehensive prohibition of discrimination on the basis of disability; to the Committee on Labor and Human Resources.

By Mr. THURMOND:

S. 934. A bill to suspend temporarily the duty on K-Acid; to the Committee on Finance.

S. 935. A bill to suspend temporarily the duty on Broenner's acid; to the Committee on Finance.

S. 936. A bill to temporarily suspend the duty on D Salt; to the Committee on Finance.

S. 937. A bill to suspend temporarily the duty on Neville and Winter's acid; to the Committee on Finance.

S. 938. A bill to suspend temporarily the duty on anis base; to the Committee on Finance.

S. 939. A bill to suspend temporarily the duty on naphthol AS types; to the Committee on Finance.

By Mr. BINGAMAN (for himself and Mr. DOMENICI):

S. 940. A bill to designate segments of the East Fork of the Jemez River and of the Pecos River as components of the National Wild and Scenic Rivers System, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. STEVENS (for himself, Mr. DANFORTH, and Mr. MURKOWSKI):

S. 941. A bill to enhance the navigation safety of oil tankers operating in the Prince William Sound, Alaska, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. D'AMATO:

S. 942. A bill for the relief of Lea Gelb, Chaim Morris Gelb, and Sidney Gelb; to the Committee on Foreign Relations.

By Mr. MCCONNELL:

S. 943. A bill to amend the Surface Mining Control and Reclamation Act of 1977 to facilitate the use of abandoned mine reclamation fund moneys to replace water supplies that have been contaminated or diminished by coal mining practices; to the Committee on Energy and Natural Resources.

By Mr. KASTEN:

S. 944. A bill to authorize the establishment of a United States-Taiwan Free Trade Area; to the Committee on Finance.

By Mr. MCCAIN:

S. 945. A bill to amend title 38, United States Code, to ensure that all veterans eligible to receive educational assistance under the Veterans' Educational Assistance Program have 10 years after discharge or release from active duty in which to pursue a program of education with such assistance; to the Committee on Veterans' Affairs.

By Mr. BREAUX (for himself, Mr. SIMPSON, and Mr. BIDEN):

S. 946. A bill to reorganize the functions of the Nuclear Regulatory Commission to promote more effective regulation of atomic energy for peaceful purposes; to the Committee on Environment and Public Works.

By Mr. CRANSTON (for himself, Mr. MITCHELL, Mr. MATSUNAGA, Mr. ROCKEFELLER, Mr. GRAHAM, Mr. INOUYE, Mr. KOHL, Mr. PELL, Mr. WIRTH, and Mr. KERRY):

S. 947. A bill to amend title 38, United States Code, to improve conditions of employment for employees of the Veterans Health Services and Research Administration and for other purposes; to the Committee on Veterans' Affairs.

By Mr. GORTON (for himself, Mr. HATFIELD, Mr. MCCLURE, Mr. MUR-

KOWSKI, Mr. BURNS, Mr. STEVENS, and Mr. PACKWOOD):

S. 948. A bill to amend title 28, United States Code, to divide the ninth judicial circuit of the United States into two circuits, and for other purposes; to the Committee on the Judiciary.

By Mr. RIEGLE (for himself, Mr. BRADLEY, Mr. CHAFEE, and Mr. DURENBERGER):

S. 949. A bill to amend title XIX of the Social Security Act to provide States additional authority and flexibility under Medicaid to improve children's access to health care services, to assure sufficient payment levels for certain providers and to provide funds for demonstration projects, and for other purposes; to the Committee on Finance.

By Mr. STEVENS (for himself and Mr. MURKOWSKI):

S. 950. A bill to provide for an oilspill research development center and to establish a coastal zone restoration and enhancement fund, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. DECONCINI:

S. 951. A bill to grant employees parental leave under certain circumstances, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. KERRY:

S. 952. A bill to stimulate the design, development, and manufacture of high definition television technology, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. SIMPSON:

S. 953. A bill to amend the Immigration and Nationality Act to revise the grounds for exclusion from admission into the United States; to the Committee on the Judiciary.

By Mr. LUGAR (for himself, Mr. SHELBY, Mr. PRYOR, Mr. STEVENS, Mr. METZENBAUM, Mr. PELL, Mr. KERRY, Mr. CHAFEE, and Mr. HEFLIN):

S.J. Res. 122. Joint resolution to designate October 1989 and 1990 as "National Down Syndrome Month"; to the Committee on the Judiciary.

By Mr. BYRD:

S.J. Res. 123. Joint resolution approving the proposed authorization for the export of technology, defense articles, and defense services to codevelop the FS-X weapon system with Japan and requiring that any coproduction of that weapon system meet certain conditions, and for other purposes; to the Committee on Foreign Relations.

By Mr. GORTON:

S.J. Res. 124. Joint resolution to designate October as "National Quality Month"; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. SANFORD:

S. Res. 122. Resolution expressing the sense of the Senate in support of actions to eliminate preventable deaths and disabling illness, especially among children, through intensified international collaboration to attain the United Nations goals of universal childhood immunization by 1990 and health for all by the year 2000, and through the convening of a world summit on children; to the Committee on Foreign Relations.

By Mr. BREAUX (for himself, Mr. STEVENS, and Mr. LOTT):

S. Con. Res. 34. Concurrent resolution confirming that it is the responsibility and the desire of Congress to develop a comprehensive telecommunications policy, which includes determining the extent of participation of regional Bell holding companies in providing advanced telecommunications services and equipment; to the Committee on Commerce, Science, and Transportation.

By Mr. MACK:

S. Con. Res. 35. Concurrent resolution expressing the sense of the Congress that the Panama Canal Treaties be abrogated, and other matters; to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HATFIELD (for himself and Mr. JEFFORDS):

S. 932. A bill to amend the Solid Waste Disposal Act so as to authorize the Environmental Protection Agency to take certain action to protect the environment; to mitigate water pollution; to reduce solid waste and the cost in connection with the disposal of such waste through recycling; and for other purposes; to the Committee on Commerce, Science, and Transportation.

AMENDING THE SOLID WASTE DISPOSAL ACT FOR RECYCLING AND OTHER PURPOSES

Mr. HATFIELD. Mr. President, I rise today, as I have in every Congress since 1976, to introduce the National Beverage Container Reuse and Recycling Act. I am privileged to be joined by my distinguished colleague from Vermont [Mr. JEFFORDS] who, as a former Member of the House of Representatives, has introduced similar legislation in that body since 1975. Together we represent a long history of perseverance for a national bottle bill, having seen its beneficial effects in our States since 1972. We speak today with renewed optimism and commitment to its passage.

The issue of a national beverage container return system is even more timely today than it was in 1976. Our Nation stands at a critical juncture where we must prioritize the conservation of both our environment and our natural resources. The Environmental Protection Agency recently established a national goal of 25 percent source reduction and recycling by 1992. The national beverage container reuse and recycling legislation provides an effective tool for realizing that goal—it will result in an automatic reduction of 5 to 10 percent of the solid waste stream.

We can no longer afford to discard nearly 100 billion beverage containers annually—containers that are recyclable and reusable.

Each year, over 380 trillion Btu's of energy are expended in the manufacturing of beverage containers in the United States. Under this legislation, 32 to 43 percent of that figure would be saved through the return of bottles and cans. Through the mandatory deposit on beverage containers we will have the means to recycle 10.5 million tons of refuse each year and thereby ease the burden on our overflowing landfills.

Currently 10 States; including Oregon, California, Michigan, Maine, New York, Massachusetts, Iowa, Connecticut, Delaware, and Vermont, have laws similar to the one we are introducing this Congress.

In the States which already have implemented beverage container laws, public support has been overwhelming. In Oregon, for example, there is a 90-percent approval rate, while Vermont has a public support rating of 97 percent. The law does not infringe on any citizen's convenience. In every State the return rates range between 90 and 99 percent.

For centuries, we have had the luxury of living in a throwaway society. We cannot continue to live in this fashion. The choice is clear, conservation or plunder, we must give value for value. As stewards of the Earth, our consumption of resources must be balanced with renewal whenever possible. Where resources are not renewable, we must use no more than a reasonable share and reuse what we can. If our stewardship is to be wise rather than rapacious, we must end our throwaway society. I have received many letters of support for this legislation, and would like those from the Wildlife Society, the Wilderness Society, the American Farm Bureau Federation, the Sierra Club, the National Parks and Conservation Association, and the American Fisheries Society to appear in the RECORD following my remarks. Additionally, I ask that an editorial entitled "Bottle-Deposit Laws Fight Litter and Waste," which appeared in the April 24, 1989 issue of USA Today be placed in the RECORD.

Momentum is building for a national system of beverage container return and reuse and I have full confidence that the 101st Congress will adopt national bottle bill legislation. I ask that the text of the National Beverage Container Reuse and Recycling Act appear at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 932

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. Title II of the Solid Waste Disposal Act (42 U.S.C. 3251 et seq.) is amended by adding at the end thereof the following new subtitle:

"Subtitle I—

"SHORT TITLE; FINDINGS AND PURPOSE

"SEC. 12001. (a) SHORT TITLE.—This subtitle may be cited as the 'Beverage Container Reuse and Recycling Act'.

"(b) FINDINGS AND PURPOSES.—Congress finds and declares that—

"(1) the failure to reuse empty beverage containers represents a significant and unnecessary waste of important national energy and material resources;

"(2) solid waste resulting from such empty beverage containers constitutes a significant and rapidly growing proportion of municipal solid waste and increases the cost and problems of effectively managing the disposal of such waste;

"(3) disposal of such solid waste, which imposes severe problems in both urban and rural aspects of our environment as well as a financial burden on local and State governments, could be carried out by a recycling of empty beverage containers;

"(4) a uniform national system for requiring a refund value on the sale of all beverage containers would act as a positive incentive to individuals to clean up the environment and would result in a high level of reuse and recycling of such containers and help reduce the costs associated with solid waste;

"(5) a national system for requiring a refund value on the sale of all beverage containers would result in significant energy conservation and resource recovery;

"(6) the reuse and recycling of empty beverage containers would eliminate these unnecessary burdens on the Federal Government, local and State governments, and the environment;

"(7) waste resulting from littering or discarding of certain containers constitutes a significant health hazard and poses a threat to children and others due to broken glass, detachable openings and other sharp objects present in recreation and other environments;

"(8) several States have previously enacted and implemented State laws designed to protect the environment, conserve energy resources and natural resource recovery by requiring a refund value on the sale of all beverage containers, and these have proven effective as well as inexpensive to administer due to their self-enforcing nature;

"(9) nonbiodegradable beverage containers represent a continued threat to the environment;

"(10) a national system of beverage container recycling is consistent with the intent of the Resource Conservation and Recovery Act of 1976 (42 U.S.C. 6901 et seq.);

"(11) the provisions of this subtitle are consistent with the goals set in January 1988, by the Environmental Protection Agency, which establish a national goal of 25 percent source reduction and recycling by 1992, coupled with a substantial slowing of the projected rate of increase in waste generation by the year 2000; and

"(12) recycling the beverage containers of this Nation would result in a 5 to 10 percent reduction in the solid waste stream of this Nation.

"DEFINITIONS

"SEC. 12002. DEFINITIONS.—For the purposes of this subtitle, the term—

"(1) 'Administrator' means the Administrator of the Environmental Protection Agency;

"(2) 'beverage' means beer or other malt beverage, mineral water, soda water, a carbonated soft drink of any variety, or a drink in liquid form containing wine to which is added concentrated juice or flavoring material and containing not more than 7.5 percent alcohol by volume and intended for human consumption;

"(3) 'beverage container' means a container designed to contain a beverage;

"(4) 'refundable beverage container' means a beverage container which has clearly, prominently, and securely affixed to such container, or printed, embossed, or incised into such container, (in accordance with section 12003) a statement of the amount of the refund value of the container;

"(5) 'consumer' means a person who purchases a beverage in a beverage container for any use other than resale;

"(6) 'distributor' means a person who sells or offers for sale in commerce beverages in beverage containers for resale;

"(7) 'retailer' means a person who purchases from a distributor beverages in beverage containers for sale to a consumer or who sells or offers to sell in commerce beverages in beverage containers to a consumer. The Administrator shall prescribe such regulations as may be necessary to establish what person is a retailer with respect to the sale of beverages in beverage containers to consumers through beverage vending machines;

"(8) 'commerce' means trade, traffic, or transportation—

"(A) between a place in a State and any place outside thereof,

"(B) within the District of Columbia or any territory or possession of the United States, or

"(C) which affects trade, traffic, commerce, or transportation described in subparagraph (A) or (B); and

"(9) 'State' includes the District of Columbia, the Commonwealth of Puerto Rico, or any territory or possession of the United States.

"REQUIRED BEVERAGE CONTAINER LABELING

"SEC. 12003. LABELING.—No distributor or retailer may sell or offer for sale a beverage in a beverage container unless there is clearly, prominently and securely affixed to such container, or printed, embossed, or incised into such container (in accordance with regulations prescribed by the Administrator) a statement of the amount of the refund value of the container, such amount being not less than 5 cents.

"RETURN OF REFUND VALUE OF BEVERAGE CONTAINERS

"SEC. 12004. (a) REFUND.—If a consumer tenders for refund an empty and unbroken refundable beverage container to a retailer or distributor who sells (or has sold at any time during the period of three months ending on the date of such tender) a brand of beverage which was contained in the container, the retailer or distributor respectively shall promptly pay the consumer the amount of the refund value stated on the container.

"(b) DISCLAIMER.—Subject to the provisions of subsection (a), nothing in this subtitle shall be construed as prohibiting any retailer or distributor from establishing refundable beverage container redemption centers to assist in carrying out the purposes of this subtitle.

"(c) REQUIREMENT TO REFUND.—If a retailer or redemption center tenders for refund an empty and unbroken refundable beverage container to a distributor who sells (or has sold at any time during the period of three months ending on the date of such tender) a brand of beverage which was contained in the container, the distributor shall promptly pay the retailer the amount of the refund value stated on the container.

"(d) STUDY.—(1) The General Accounting Office shall conduct a study for the purpose of determining the feasibility and desirability of establishing a handler's fee to reflect the cost to the retailer or redemption center of handling returned beverage containers pursuant to this subtitle. The results of such study shall be made available to the Administrator within 180 days following the date of the enactment into law of this subtitle.

"(2) Within 180 days following the receipt by him of such report, the Administrator, after a public hearing and opportunity for public comment, shall determine whether or not a handler's fee should be paid to retailers and redemption centers for handling returned beverage containers pursuant to this subtitle. If the Administrator determines that such a fee should be paid, he shall determine the amount of such fee and the means by which moneys necessary to pay such fees will be generated.

"(3) Any beverage container return laws of any State which is in effect on the date of enactment into law of this subtitle shall not be considered to be inconsistent with the provisions of section 12008(c) this subtitle solely by the manner in which such State law provides for a handler's fee or the administration thereof.

"(e) REFUSE TO ACCEPT.—A retailer, redemption center or distributor may refuse to accept any beverage container which does not have the refund value on such container in accordance with the requirements of section 9003.

"(f) RULES AND REGULATIONS.—The Administrator is authorized to promulgate rules and regulations establishing the right of (1) retailers to restrict the number of beverage containers redeemed, and (2) distributors to determine the form and condition in which beverage containers are to be returned to such distributor from the retailer or redemption center.

"RESTRICTIONS ON METAL BEVERAGE CONTAINERS WITH DETACHABLE OPENINGS

"SEC. 12005. RESTRICTIONS.—No distributor or retailer may sell or offer for sale a beverage in a metal beverage container a part of which is designed to be detached in order to open such container.

"PREEMPTION OF STATE AND LOCAL LAW

"SEC. 12006. (a) PREEMPTION.—Except as otherwise provided in this subtitle, no State or political subdivision thereof may establish or continue in effect any law respecting a refund value of beverage containers sold with a beverage to the extent the Administrator determines the law is inconsistent with this subtitle.

"(b) REFUND VALUE.—No State or political subdivision thereof may, for the purposes of determining the amount of any tax imposed by such State or subdivision on the sale of any refundable beverage container, take into account any amount charged which is attributable to the refund value of such container.

"PENALTIES

"SEC. 12007. VIOLATIONS.—Whoever violates any provision of section 12003, 12004, or 12005, or regulation or rule issued pursuant thereto, shall be fined not more than $1,000 for each violation.

"EFFECTIVE DATES

"SEC. 12008. (a) EFFECTIVE DATE.—The provisions of sections 12003, 12004, and 12006 shall apply with respect to beverage containers sold or offered for sale in commerce on or after the expiration of the 2-year period following the date of the enactment of this subtitle.

"(b) COMMERCE.—The provisions of section 12005 shall apply with respect to beverages in beverage containers sold or offered for sale in commerce on or after the expiration of the one-year period following the date of the enactment of this subtitle.

"(c) PREEMPTION.—The provisions of section 12006(a) shall preempt State and local laws to the extent to which they are inconsistent with the provisions of this subtitle only on and after the effective date of such provisions.".

THE WILDLIFE SOCIETY,
Bethesda, MD, May 5, 1989.

Hon. MARK O. HATFIELD,
Hart Senate Office Building,
Washington, DC.

DEAR SENATOR HATFIELD: The Wildlife Society appreciates this opportunity to express our support for the Hatfield/Jeffords Bottle Bill. The Wildlife Society is a professional asociation of over 8,400 wildlife educators, researchers, managers, and administrators working in the public and private sectors to promote sound stewardship of our natural resources.

This legislation would assist in furthering several wildlife conservation objectives. First, the consumption of raw materials would be reduced, and, consequently, less natural resources upon which wildlife are dependent would be used or degraded.

Additionally, litter, a major source of habitat degradation throughout this century, would be reduced. A decrease in litter would benefit wildlife in both rural and urban areas.

Finally, Aldo Leopold's "land ethic," which was recognized in a 1988 Congressional joint resolution as a milestone in the "protection and wise management of our renewable natural resources," is upheld in this bill and would be received by many Americans as invaluable to conserving our nation's natural resources for present and future generations.

Congress should recognize that a nationwide recycling program is urgently needed and would ensure that implementation occurs in all states. The Society has supported H.R. 586, and we view your legislation as an important and pragmatic step toward wiser stewardship of our natural resources.

Sincerely,

HARRY E. HODGDON,
Executive Director.

THE WILDERNESS SOCIETY,
Washington, DC, May 9, 1989.

Hon. MARK HATFIELD,
U.S. Senate, Hart Senate Office Building,
Washington, DC.

DEAR SENATOR HATFIELD: Thank you for your interest in introducing The National Beverage Container Reuse and Recycling legislation today, along with Senator Jeffords.

This legislation is important in promoting our nation's need for recycling our resources. While this legislation does not fit directly into The Wilderness Society's public lands agenda, recycling will help improve the visual and biological integrity of our parks, forests, and other public lands.

I hope you will keep us informed as your legislation progresses, and we will be happy to assist you as much as we can in securing final passage of this important legislation.

Again, thanks for your support and leadership. It's great.

Sincerely,

RINDY O'BRIEN,
Director, Governmental Affairs.

AMERICAN FARM BUREAU FEDERATION,
Park Ridge, IL, May 8, 1989.

Hon. MARK HATFIELD,
U.S. Senate, Washington, DC.

DEAR SENATOR HATFIELD: We understand you will be introducing a companion bill to Congressman Paul Henry's bill, H.R. 586, tomorrow.

Current American Farm Bureau policy on that issue reads, "Any beverage sold and not required to be consumed on the premises where sold should be in degradable containers or in containers for which a substantial refund is offered for the return thereof. Existing laws pertaining to littering should be enforced with greater vigor."

Consequently, if we can be of help in supporting your legislation, please do not hesitate to contact us.

Sincerely,

JOHN C. DATT,
Executive Director,
Washington Office.

SIERRA CLUB,
San Francisco, CA, May 5, 1989.

Senator MARK HATFIELD,
Senate Office Building,
Washington, DC.

DEAR SENATOR HATFIELD: We have applauded your leadership in the past in championing the cause of recycling bottles and are pleased to learn that you are introducing a National Beverage Container Reuse and Recycling Act in this Congress.

We have supported measures of this sort in the past and we intend to continue doing so. Our staff is heavily involved in pushing for revision of the Clean Air Act right now but you may count upon us as supporters of this important measure.

Very truly yours,

MICHAEL MCCLOSKEY,
Chairman.

NATIONAL PARKS AND CONSERVATION ASSOCIATION,
Washington, DC, May 8, 1989.

DEAR SENATOR HATFIELD: The National Parks and Conservation Association has been concerned for many years with the issue of recycling. We are, therefore, very supportive of your efforts in introducing a National Beverage Container Reuse and Recycling Act.

There is no doubt that this legislation will be of great benefit and will address a growing national problem. While we are particularly interested in the positive effects such legislation would have on public lands in general and our national parks in particular, it is clear that this legislation addresses a major national issue.

We greatly appreciate your leadership in introducing this much needed legislation.

Sincerely.

PAUL C. PRITCHARD,
President.

AMERICAN FISHERIES SOCIETY,
Bethesda, MD, May 8, 1989.

Hon. MARK O. HATFIELD,
U.S. Senate,
Washington, DC.

DEAR SENATOR HATFIELD: The American Fisheries Society has long been concerned with litter problems along our streams and highways. As a consequence of that concern, in 1985 we adopted the enclosed Beverage Container Legislation definition and policy. Item 4 under B. Needed Actions has been highlighted because it specifically supports the imposition of national beverage container deposit legislation. If appropriate, we would like this document to be entered into the hearing record as the American Fisheries Society's comments in support of the Hatfield-Jeffords Bottle Bill.

The American Fisheries Society, founded one hundred-nineteen years ago, is the world's oldest and largest organization of fisheries scientist conservationists. Our 8,500 members are dedicated to fisheries science, plus fisheries habitat protection and enhancement. A national beverage container reuse and recycling act would have a desirable and much-needed impact on the nation's fisheries resources.

Thank you for your leadership in seeking national beverage container deposit legislation. Please call upon us if we can be of assistance.

Sincerely.

CARL R. SULLIVAN,
Executive Director.

BEVERAGE CONTAINER LEGISLATION

(By Gary Kimball and Jon Ross)

A. ISSUE DEFINITION

Everyone has at one time observed an empty can floating in a favorite lake or stream. This refuse does not pose any immediate harm to the aquatic environment, but it violates our aesthetic senses; somehow you really didn't quite "get away from it all." Aesthetics contribute a major part of what we find desirable about the sport fishing experience. While aesthetic impacts cannot be quantified as rigorously as toxic wastes, these impacts are certainly real even if less tangible.

We live in a consumer oriented society and one of the drawbacks of this society is the problem of disposing of the residues of that consumption. Litter and solid wastes issues have received heightened public visibility in recent years because of the increase in litter, rapid filing of landifils and accompanied surface and ground water pollution, and difficulties in siting new landfills.

One solution, although somewhat controversial, has been container deposit legislation. This legislation encourages recycling and reducing litter by requiring a deposit, usually $.05 or $.10 on each beverage container sold to consumers, which is refunded upon return of the container. Enactment of container deposit legislation requires a decision to penalize those who carelessly dispose of empty beverage containers. Legislation of this type allows the individual to retain freedom of choice and is aimed only at those who choose to pollute. Incentives of this nature have an immediate and direct effect on individuals and require a minimum of governmental intervention.

Container deposit legislation has met staunch opposition from affected industries because of purported cost increases, job loss or dislocation, and differing opinion as to the amount of litter reduction to be experienced. There are many different types of litter found along our streams, lakes, rivers, and roadsides. Beverage containers, primarily for soft drinks and beer, compose a large percentage and are the types of litter usually controlled by container deposit legislation. Materials used to produce such containers include glass, plastic, and metal (primarily aluminum or steel).

Beverage container legislation has been enacted in both the U.S. and Canada. Presently, five Canadian provinces (Alberta, Quebec, Nova Scotia, New Brunswick, British Columbia) have container deposit legislation. In the U.S. container deposit laws are currently in force in nine states (Connecticut, Delaware, Iowa, Maine, Massachusetts, Michigan, New York, Oregon, Vermont); additional states are currently considering similar legislation. Many referenda have been voted on regarding the promulgation of container deposit laws. In 1981, legislation was introduced in the U.S Congress to enact a National Container Deposit Law (U.S. Congress 1981).

Container deposit legislation has been proposed as a means of reducing the one way flow of materials that starts with extraction of resources from the earth and ends with burial in a landfill. The presumed benefits of introducing recycling into this process is the reduction in pollution and energy usage associated with the extraction and manufacturing processes as well as reduction of the rate at which waste is placed in landfills (Sullivan 1978). Recycling will reduce the overall need for natural resources. But, recycling will incur additional costs.

Several states have monitored the effects of container deposit laws. Prior to enactment of container legislation, Michigan observed that the number of beverage cans found along roadsides increased from 69 cans per mile in 1968 to 176.5 cans per mile in 1978. Since enactment of their beverage container law, Michigan has experienced an 83 percent decrease in the number of regulated containers in litter counts (Special Joint Committee to Study the Impact of the Beverage Container Deposit Law 1980). Vermont has monitored litter since passing a container law in 1973. They report a 35 percent reduction in total litter and a 76 percent reduction in beverage container litter. Oregon found a 39 percent reduction in total litter, and an 83 percent reduction in beverage container litter since their law went into effect in 1972. Overall, the states report a reduction of 35 percent to 56 percent in total litter, and 76 percent to 83 percent in beverage container litter. These data are in agreement with a 1980 General Accounting Office (GAO) estimate that 80 percent to 90 percent of beverage containers are returned when container laws are in effect (U.S. General Accounting Office 1980). A number of sources have indicated container legislation results in a 6 percent reduction by volume in solid waste disposal in landfills. Reduced need for landfills lessens problems commonly associated with these sites, such as run-off and leachate generation and also preserves options for land use which include maintenance for fish and wildlife.

It is difficult to estimate directly the effects of container legislation on the manufacturing needs and requirements for raw materials used in producing containers and the resultant decrease in pollutants released into the environment as a result of decreased quantities of manufactured containers. New York estimates a 47 percent to 70 percent reduction in airborne pollutants and a 44 percent to 69 percent reduction in waterborne pollutants attributable to the beverage industry once deposit laws were in effect (Office of Development Planning 1982). It is obvious that iron, aluminum, and asbestos (and to a lesser extent copper, nickel, zinc, cobalt, chromium, and mercury) contamination will be reduced as a result of the reduction in mining operations needed to secure iron and aluminum for cans (U.S. Environmental Protection Agency 1982), but the degree of ecological improvement resulting from recycling is difficult to evaluate.

The need to conserve energy and natural resources in the U.S. and Canada has been used as support for arguments, both pro and con, in debates on container deposit legislation. The beverage and disposable container industry claims that refillable containers will increase fuel consumption of vehicles used to distribute beverages because of more frequent two-way trips as well as the need for more vehicles; refillables are heavier and require more storage space. In addition, it is claimed that washing and refilling operations would be slow and lead to more energy and water consumption. The GAO looked at water consumption through all manufacturing stages, from mining of raw materials to final product distribution. They found that recycled aluminum cans and 10-trip refillable bottles require about one-half the amount of water as that of one way bottles.

Energy-generating facilities and fossil fuel mining continue to be among the largest industrial users of our fresh water supplies. The aluminum industry has frequently advertised that recycling aluminum cans saves 95 percent of the energy needed to manufacture a new can, starting with the extraction of aluminum ore. New York and Michigan estimate energy savings at 11 to 26 trillion and 9 trillion Btu's. Regardless of the absolute amount of energy saved, it is widely accepted that lowered energy usage provides economic as well as environmental benefits.

Most conflict surrounding container deposit legislation involves pricing, jobs, and capital costs. The beverage industry has maintained that considerable capital cost would be incurred by an increase in the use of refillable beverage containers. For example, bottling lines and bottle washers would have to be purchased and housed, requiring capital and additional space. Actual capital costs depend on the final container mix chosen by the beverage distributors as a result of legislation (refillable bottles, recyclable cans, nonreturnable containers) New York estimates that capital costs approached $286 to $354 million for the change-over to refillables. Initially it was claimed that the change-over in New York also would result in significant job loss. Although some specific jobs were eliminated, New York estimates a net gain of 5,000 to 6,000 jobs. In Michigan there were job losses in the can and glass manufacturing industries and job gains in the bottling, distribution, and recycling industry, resulting in an overall gain of approximately 4,500 jobs.

The most controversial aspect of container deposit legislation is the immediate increased consumer cost and consumer acceptance. Cost analysis of container deposit legislation is made difficult by the myriad other factors that indirectly affect price. Michigan and New York both felt industry-conducted cost surveys inadequately detailed actual costs to consumers resulting from container deposit legislation. Costs from production to retail sales must be analyzed separately to determine actual increased costs to consumers. Potential increases of 9 percent to 10 percent above the inflation rate were expected in Michigan. New York City Department of Consumer Affairs, for the 16-week period following implementation of their law, found average price increases of $0.58/case of soft drinks and $2.50/case of beer or an increased estimated cost to consumers of $500 million. It is apparent that container deposit legislation will cost consumers additional money. In spite of these increased costs consumers have consistently demonstrated support for container deposit laws through public opinion polls conducted in several states (Michigan, Oregon, Massachusetts, Connecticut, and Iowa). Voters and legislators in forty-one states have rejected deposit legislation, in some cases after fiercely contested (and expensive) campaigns waged by industry and environmental organizations.

Additional costs incurred with container deposit legislation also are borne by retailers. None of the states with container legislation have identical regulations, but the tasks demanded of the retailer remain essentially the same. Retailers must supply additional space, collect and inventory returnables, absorb increased labor costs, and maintain sanitation (American Iron and Steel Institute 1981). However, retailers recognize that returnables guarantee increased customer traffic because customers claiming refunds means more frequent customer visits.

There are alternatives to container deposit legislation that some states have initiated to control litter. Industry in general finds these alternatives more palatable. The first and most commonly cited example of such alternative legislation is Washington's Model Litter Control Act of 1971. The Act has several elements designed to control litter: mandatory fines for those caught littering, a broadly-based tax levied on a variety of items including food and groceries (taxes collected are redirected to litter collection and recycling activities), a litter education program, and a litter collection program that provides jobs to a summer youth corps. Aside from the tax, the program is voluntary. New Jersey took a slightly different approach by charging a landfill tax which is turned back to communities that participate in the recycling program.

The main drawback recognized in these programs is lack of monetary incentive to consumers to return containers. Program effectiveness depends on voluntary efforts. Also, the taxes are non-specific and regressive. The Washington litter tax is levied on food, groceries, and other products, yet these products contribute to a minor portion of litter. Recycling centers accept only specific kinds of recyclables. And, finally, everyone pays for the pollution control program, not just the polluter. Nine other states have adopted litter laws; in five of those states the laws have been abandoned.

One other approach is source separation used on the community level; it has yet to be attempted statewide. The rationale of source separation is to entice the consumer to divide solid waste into a recyclable portion, which will be collected and taken to an appropriate processing center, and a non-recyclable portion which will be placed in landfills. An advantage of this system is that "curbside service" is possible. Source separation probably would be met with acceptance by both sides of the container deposit issue. But source separation and container deposit laws can be developed as complementary programs, providing a means for strong litter control.

B. NEEDED ACTIONS

Although the American Fisheries Society professes no specific expertise in solid waste management, we believe the following recommendations are in good standing with

the Society's record of promoting the conservation of natural resources and maintaining the "quality of life" associated with the use of fisheries resources:

1. The Society membership is urged to become more aware of present programs for solid waste control.

2. The Society is urged to support in group, and practice as individuals, recycling efforts, recognizing that such practices promote resource conservation and reduce environmental effects due to litter.

3. The Society encourages industry and environmental organizations alike to search for effective inducements to the general public to reduce litter and would support new initiatives; to encourage resources conservation including, for example, all aluminum containers.

4. We recognize that voluntary efforts alone to control litter have been insufficient. Many states which passed litter tax laws in an effort to avoid the high cost of container deposit legislation have abandoned these programs because they were ineffective. At this time the Society endorses the concept of national container deposit legislation. Such legislation would create countrywide uniformity that would guarantee stability to the affected industries, as well as prevent potential border problems occurring between states or provinces with and without container deposit laws. Container deposit laws, where passed, have worked and have gained public support.

5. The Society encourages the establishment of source separation programs because they will reduce the filling rate of landfills and ensure greater recycling of material.

6. The Society encourages subunits to become involved at the state and local levels to implement the Society's recommendations on beverage container legislation and source separation programs.

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[From USA Today, Apr. 24, 1989]

BOTTLE-DEPOSIT LAWS FIGHT LITTER AND WASTE

You don't see many people littering roads and parks with empty bottles or cans in Michigan.

But if they do, someone like Jim Johnson, a high school teacher in Lansing, is likely to come along and clean up the litter. Johnson figures he earns $250 per year just by picking up discarded beer and soft-drink containers when he's out jogging, and returning them to stores for refunds.

Why this mania for cleanliness in Michigan? It's one of nine states, from Oregon to Massachusetts, that have laws requiring deposits on beer and soft-drink bottles and cans.

In those states, millions of bottles and cans that once were left on beaches, tossed in rivers and partks or thrown along the highways are being carted back to stores instead. Throwing them away is like throwing money away.

States with deposit laws have found that providing consumers with an incentive to return bottles and cans is one of the simplest, least expensive ways to clean up litter and reduce trash going into costly landfills. Congress is considering a nationwide deposit law.

But some people, like the columnist across the page, just don't seem to see the trash surrounding us. Or they say that bottles and cans are just a tiny part of it.

Not so. Look a the litter:

When New York passed its refund law, it reduced the amount of trash going into landfills from New York City alone by 550 tons per day.

In Vermont, roadside litter was reduced by 35 percent.

In Connecticut, litter in parks was reduced 50 percent.

Not only are those states reducing trash and saving money, they're saving energy, too. The electricity required to produce one aluminum can would keep a 100-watt light bulb buring for 100 hours. Recycling that can takes only 5 percent as much power.

Laws on beverage containers alone—called "bottle laws"—won't solve all our trash problems. We need recycling programs for old batteries, used motor oil, paper, plastics, metals and glass, waste or every kind.

But they are a start. Oregon, the first state to pass a bottle law, is a leader in recycling other products, too. It even sends recycled materials overseas. What we call "trash" in the USA gets turned into parts for automobiles in Japan.

According to environmental groups and government agencies, if bottle laws were in effect in all states:

Litter could be reduce by 35 percent.

Energy savings in one year could equal the electricity used by a city the size of Milwaukee for four years.

Taxpayers could save $30 million per year.

Bottle laws work, You can see it when you go from a state that doesn't have a bottle law to one that does.

Most consumers in those states say they don't mind carting cans and bottles back to the stores in return for cleaner roads and cleaner parks. They don't want to worry about stepping on a piece of broken glass at the beach.

Jim Johnson picks up a couple of cans and bottles for every mile he runs in Lansing, Mich.

Widespread bottle laws could have whole armies of people helping him. That could keep America beautiful from the Atlantic to the Pacific and everywhere in between.

Mr. JEFFORDS. Mr. President, I am pleased to be here with the distinguished Senator from Oregon, MARK HATFIELD, to introduce this important bill. We each recognize the immediate reduction in solid waste, as well as the other associated benefits that enactment of this bill can accomplish, and I look forward to working with my friend to see these benefits realized.

Solid waste is one of the most critical problems stalking our Nation today. Each day that we maintain the status quo of complacency marks us closer to the day of reckoning when we suddenly notice that our landfill capacity has become an incapacity. The National Beverage Container Reuse and Recycling Act would reduce the volume of waste currently being shipped to landfills and incinerators by 5 to 10 percent.

When we begin to talk about the percentage of recyclable materials within the waste stream, this bill demonstrates added effectiveness. Other bills being debated set national recycling goals at 25 percent of the total volume of solid waste. The legislation we offer today would put us one-fifth to two-fifths of the way there immediately.

This is a tremendous start at the effort, and with minimal Government costs at either the Federal, State or local level. For once, Congress has a chance to pass a law consistent with Federal and local efforts without requiring the people back home to pay an arm and a leg for our good intentions.

We're not proposing that this should be the answer to our solid waste problems, but it certainly is the fastest and most efficient way to lop off the first significant segment of a waste stream that has overrun its banks.

I must point out that we're accomplishing more than reducing the volume of waste that is handled daily. Indeed, we could have called this bill the "Least-Cost Municipal Waste Initiative," because by reducing the volume of municipal waste, we reduce the demand for labor, equipment, space, and siting problems related to the job of managing solid waste. This saves money for city governments struggling with ballooning budgets. This bill before us should save funds targeted for solid waste management so that they can be used in other city programs, like education, traffic control, or drug rehabilitation.

This bill would also reduce the amount of litter substantially, resulting not only in more sightly neighborhoods and streets, but creating a safer environment as well. A study published by the American Journal of Public Health reported that glass-related lacerations fell by 60 percent following the implementation of the Massachusetts law. Roughly 40 percent of unsightly and unhealthy litter is comprised of beverage containers.

Energy is a huge issue confronting our Nation. The General Accounting Office has estimated that a national

beverage container bill can save the equivalent of over 20 million barrels of oil per year. Other studies have confirmed this figure. Saving oil means saving money; reducing pollution; and contributing to national energy security.

Twenty million barrels may not seem like a lot, given our seemingly insatiable thirst for petroleum, but to slight this savings seems a bit like looking a gift horse in the mouth. If any other Senator will come to the floor with an idea to save as much energy, as much landfill space, as much raw materials, with the associated municipal savings and at virtually no Federal cost, then that Senator should come down here quickly because he'll find two more supporters for his plan.

The bill we're introducing today is virtually identical to bills we've each introduced in every session since the 95th Congress. Senator HATFIELD was able to get the Senate to vote on this issue in 1976, during consideration of the Resource Conservation and Recovery Act. Although that effort was not successful, the Senator has continued to show a willingness to fight the special interests who prefer to exploit natural resources of raw materials rather than work to encourage the recycling of these goods.

It was not so long ago that this Nation recognized an energy crisis as a national issue of top priority. In 1978, following the GAO study that found a 20 to 26 million barrel oil savings from enactment of beverage container legislation, top advisers within the Carter administration split 3-3 on whether to include such a system in the national energy policy. The bottom fell out of the price of oil and suddenly it became not so important to save energy. My friends, we still are faced with an energy crisis.

All this bill does is to attach a 5-cent deposit fee on beverage containers. The nickel serves as a tracking device. Beverage containers leave the distributors' warehouses with a stamp. Upon purchase, retailers pay a nickel to the distributor, customers pay a nickel to the retailer. When the container is returned, the consumer gets his or her nickel back, and then the retailer gets his nickel back from the distributor. The container, instead of becoming part of the solid waste stream and eventually ending up in a landfill or incinerator, ends up back with the distributor, to be used again or recycled.

Ten States now have beverage container deposits laws. Vermont's law dates back to 1972. When we were debating the law, we heard all sorts of terrible things that would come to be if we attached a nickel deposit on containers.

There were concerns raised that Vermont retailers would lose sales to neighboring New Hampshire and Massachusetts. The "mom and pop" store owners expressed doubts about their ability to sort and store returnables. And claims were made that consumers would be harmed by higher prices.

None of these dire predictions have come true. Beer and soda sales in Vermont remain strong. Complaints from storeowners are a thing of the past. In fact, the 3-cent-per-container handling fee has provided an incentive for entrepreneurs to open bottle redemption centers, relieving a great deal of the small store owners' burden.

The 10 States that have adopted bottle bills have never looked back, with approval rates as high as 97 percent in my home State. The sky did not fall on the small store owners. But roadside litter dropped dramatically, solid waste tonnage fell, and citizens gained a stronger environmental ethic.

The time has arrived for a national bottle bill. The only growing glitch with the system is that different States use different administrative methods to accomplish the same end. Bottlers are having to use different labeling systems and sometimes find that renegade containers have entered the system.

A national system would encourage a strong supply of uniform containers for reuse. Containers destined to be recycled would serve to stimulate the recycling market. Those traveling across State lines would be assured of a market for their empty containers.

This bill requires minimal Government expense. On the contrary, enactment of this legislation would lessen the burden on municipal waste collection efforts and help to extend the life of municipal landfills. These are revenue gains for communities.

Mr. President, I commend Senator HATFIELD for the work he has done on this initiative. I encourage other Members to support this bill and to help to see to its passage. A vote for the bottle bill is a vote for clean streets, energy conservation, and a better environment.

Mr. President, I ask unanimous consent that a letter to Senator HATFIELD from the American Hiking Society be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

AMERICAN HIKING SOCIETY,
Washington, DC, May 9, 1989.

Hon. MARK O. HATFIELD,
U.S. Senate, Washington, DC.

DEAR SENATOR HATFIELD: The American Hiking Society is pleased to hear that you are introducing legislation to encourage recycling of beverage containers. Similar regional legislation has been very successful in decreasing litter and solid waste problems in many areas of the country. We strongly support your decision to introduce the National Beverage Container Reuse and Recycling bill.

The American Hiking Society is a national organization dedicated to promoting trail development and preservation. Through our advocacy work with local trail groups all over the country we are very much aware of the litter problems, especially beverage containers, along trails and transportation corridors. We have supported efforts to encourage recycling in the past and we offer our support and the support of our member groups in helping to pass this legislation.

Thank you again for providing the leadership in the Senate to introduce this important legislation. If the American Hiking Society can be of any assistance, please feel free to contact us.

Sincerely,

THOMAS R. HARVEY,
Executive Assistant.

By Mr. HARKIN (for himself, Mr. KENNEDY, Mr. DURENBERGER, Mr. SIMON, Mr. JEFFORDS, Mr. CRANSTON, Mr. MCCAIN, Mr. MITCHELL, Mr. CHAFEE, Mr. LEAHY, Mr. STEVENS, Mr. INOUYE, Mr. COHEN, Mr. GORE, Mr. PACKWOOD, Mr. RIEGLE, Mr. GRAHAM, Mr. PELL, Mr. DODD, Mr. ADAMS, Ms. MIKULSKI, Mr. METZENBAUM, Mr. MATSUNAGA, Mr. WIRTH, Mr. BINGAMAN, Mr. CONRAD, Mr. BURDICK, Mr. LEVIN, Mr. LIEBERMAN, Mr. MOYNIHAN, Mr. KERRY, Mr. SARBANES, Mr. BOSCHWITZ, and Mr. HEINZ):

S. 933. A bill to establish a clear and comprehensive prohibition of discrimination on the basis of disability; to the Committee on Labor and Human Resources.

AMERICANS WITH DISABILITIES ACT

Mr. HARKIN. Mr. President, I rise today to introduce, along with 32 of my colleagues, the Americans With Disabilities Act of 1989—the ADA.

The ADA is, without exaggeration, the most critical legislation affecting persons with disabilities ever considered by the Congress. As Justin Dart, the former Commissioner of the Rehabilitation Services Administration under the Reagan administration has stated:

[The ADA] is a landmark statement of human rights, which will, at long last, keep the promise of "liberty and justice for all" to the nation's last large oppressed minority. * * * All of us who are associated with the Americans with Disabilities Act have a profound responsibility to millions in future generations. I pray every day that I, and that each one of us, can reach into the depths of our souls, and somehow find the courage to act with such responsibility for the sacred values of democracy and of human life that our grandchildren, and their children after them, will be proud to speak our names.

Last year, the Americans With Disabilities Act of 1988 (S. 2345) had 27 sponsors, 17 Democrats and 10 Republicans. It is most gratifying that the ADA of 1989 is also starting down the road to enactment in a truly bipartisan manner.

Original cosponsors include: Mr. KENNEDY of Massachusetts, Mr. DURENBERGER of Minnesota, Mr. SIMON

of Illinois, Mr. JEFFORDS of Vermont, Mr. CRANSTON of California, Mr. MCCAIN of Arizona, Mr. MITCHELL of Maine, Mr. CHAFEE of Rhode Island, Mr. LEAHY of Vermont, Mr. STEVENS of Alaska, Mr. INOUYE of Hawaii, Mr. COHEN of Maine, Mr. GORE of Tennessee, Mr. PACKWOOD of Oregon, Mr. RIEGLE of Michigan, Mr. GRAHAM of Florida, Mr. PELL of Rhode Island, Mr. DODD of Connecticut, Mr. ADAMS of Washington, Ms. MIKULSKI of Maryland, Mr. METZENBAUM of Ohio, Mr. MATSUNAGA of Hawaii, Mr. WIRTH of Colorado, Mr. BINGAMAN of New Mexico, Mr. CONRAD of North Dakota, Mr. BURDICK of North Dakota, Mr. LEVIN of Michigan, Mr. LIEBERMAN of Connecticut, Mr. MOYNIHAN of New York, Mr. KERRY of Massachusetts, and Mr. SARBANES of Maryland.

The ADA has been endorsed by more than 85 national organizations representing people with a wide variety of disabilities, religious organizations, and by the Leadership Conference on Civil Rights, an umbrella organization representing 185 organizations active in the area of civil rights.

The ADA extends civil rights protections for people with disabilities to cover employment in the private sector, public accommodations, services provided by State and local governments, transportation, and telecommunications.

The ADA sends a clear and unequivocal message to people with disabilities that they are entitled to be treated with dignity and respect and to be judged as individuals on the basis of their abilities and not on the basis of presumptions, generalizations, misperceptions, ignorance, irrational fears, patronizing attitudes, or pernicious mythologies.

The ADA also sends a clear message to employers, places of public accommodations, State and local governments, public transit authorities, telephone companies, and others that the full force of the Federal law will come down on anyone who continues to subject persons with disabilities to discrimination by segregating them, by excluding them, or by denying them equally effective and meaningful opportunity to benefit from all aspects of life in America. No longer will our Nation tolerate the continued building of architectural, transportation, and communication barriers that prevent or restrict individuals with disabilities from living independent and productive lives in the mainstream of American society.

The ADA, plain and simple, is a broad and remedial bill of rights for individuals with disabilities. It is their emancipation proclamation.

Why is this bill needed?

The National Council on Disability, an independent Federal agency whose current membership consists of 15 persons appointed by President Reagan, has documented in two recent publications, "Toward Independence" and "On the Threshold of Independence" the distressing reality that discrimination against persons with disabilities in employment, public accommodations, housing, transportation, communications, and public services is still substantial and pervasive in our Nation.

The National Council explained:

> A major obstacle to achieving the societal goals of equal opportunity and full participation of individuals with disabilities is the problem of discrimination. Discrimination consists of the unnecessary and unfair deprivation of opportunity because of some characteristic of a person. It is the antithesis of equal opportunity. The severity and pervasiveness of discrimination against people with disabilities is well-documented.

One of the National Council's chief recommendations was the enactment of an omnibus civil rights statute extending protections under our Nation's civil rights laws to prohibit discrimination in areas such as employment in the private sector, public accommodations, public services, transportation, and communications. S. 2345, the Americans with Disabilities Act of 1988, was the product of their work.

The U.S. Commission on Civil Rights, another independent agency established by Congress, recently concluded in a publication entitled "Accommodating the Spectrum of Individual Abilities" (1983) that:

> Despite some improvements . . . [discrimination] persists in such critical areas as education, employment, institutionalization, medical treatment, involuntary sterilization, architectural barriers, and transportation." The Commission further observed that: "Discriminatory treatment of handicapped persons can occur in almost every aspect of their lives.

In 1986, Louis Harris and Associates conducted a nationwide poll of Americans with disabilities "The ICD Survey of Disabled Americans: Bringing Disabled Americans Into the Mainstream." Mr. President, I would like to share with you some of Mr. Harris' major findings.

Disabled Americans are much poorer than are nondisabled Americans, with a particularly disturbing rate of poverty among elderly persons with disabilities.

Being disabled means having less social life than nondisabled people, and, for a majority of disabled persons, not being able to get around and socialize.

Disabled Americans participate much less often in a host of social activities that other Americans regularly enjoy, including going to movies, plays, sports events, and restaurants.

Having a disability also has a negative impact on vital daily activities, like shopping for food. A much higher proportion of disabled persons than nondisabled persons never shop in a grocery store.

Disabled Americans are also less involved in community life than are nondisabled Americans.

A 57-percent majority of disabled Americans feel that their disability has prevented them from reaching their full abilities as a person.

Not working is perhaps the truest definition of what it means to be disabled: two-thirds of all disabled Americans between the age of 16 and 64 are not working at all; but, a large majority of those not working say that they want to work. Sixty-six percent of working-age disabled persons, who are not working, say that they would like to have a job. What this means is that about 8.2 million people with disabilities want to work but can't find a job.

The majority of those not working, and out of the labor force, must depend on insurance payments or government benefits for support.

Eighty-two percent of people with disabilities would give up their government benefits in favor of a full-time job.

Individuals with disabilities who say that their disability constrains their activities and social life identify several important barriers which contribute to their problems, including lack of access to public transportation and lack of access to public buildings and bathrooms.

In 1987 Louis Harris and Associates conducted a followup survey "ICD II Employing Disabled Americans." Among the most important findings of this survey were the following:

By almost any definition, Americans with disabilities are uniquely underprivileged and disadvantaged. They are much poorer, much less well educated and, have much less social life, have fewer amenities and have a lower level of life satisfaction than other Americans.

Large majorities of top managers, 72 percent—equal opportunity officers, 76 percent—and department heads/line managers, 80 percent—feel that disabled people often encounter job discrimination from employers and that discrimination by employers remains an inexcusable barrier to increased employment of disabled people.

In 1987, President Reagan established a commission to study and make recommendations on the AIDS epidemic. One year later, the Commission issued its final report, with recommendations "Report of the Presidential Commission on the Human Immunodeficiency Virus Epidemic."

One of the major findings of the Commission is that discrimination against individuals with HIV seropositivity and all stages of HIV infection, including AIDS, is widespread and has serious repercussions for both the individual who experiences it and for this Nation's efforts to control the epidemic. As the report concludes:

as long as discrimination occurs, and no strong national policy with rapid and effective remedies against discrimination is established, individuals who are infected with HIV will be reluctant to come forward for testing, counseling, and care. This fear of potential discrimination * * * will undermine our efforts to contain the HIV epidemic, and will leave HIV-infected individuals isolated and alone.

One of the major recommendations of the report is the enactment of:

comprehensive Federal anti-discrimination legislation, which prohibits discrimination against persons with disabilities in the public and private sectors, including employment, housing, public accommodations, and participation in government programs, should be enacted. All persons with symptomatic or asymptomatic HIV infection should be clearly included as persons with disabilities who are covered by the antidiscrimination protections of this legislation.

In sum, the unfortunate truth is that individuals with disabilities are a discrete and insular minority who have been faced with restrictions and limitations, subjected to a history of purposeful unequal treatment, and relegated to a position of political powerlessness in our society, based on characteristics that are beyond the control of such individuals and resulting from stereotypic assumptions not truly indicative of the ability of such individuals to participate in and contribute to society.

The other unfortunate truth is that Federal law does not reach many of these discriminatory acts. In 1964, the Congress, in passing the historic Civil Rights Act of 1964, extended protections to minorities to prohibit discrimination by recipients of Federal aid, to minorities and women to prohibit discrimination by employers, and to minorities to prohibit discrimination by places of public accommodations.

And yet, 25 years after the passage of the Civil Rights Act of 1964, Federal law still does not provide protections for persons with disabilities who are denied a job in the private sector; denied the right to go to a restaurant, hotel, theater, shopping center, doctor's office or other place of public accommodation; and denied access to voting places for State and local elections and other rights and opportunities made available by State and local governments. Further, deaf and hard of hearing people and people with communication disorders are still being denied effective opportunity to use telephones.

Currently, Federal law only protects individuals with disabilities from discrimination by Federal agencies in employment—section 501 and section 504 of the Rehabilitation Act of 1973—by recipients of Federal financial assistance in employment and in the provision of programs and activities—section 504—and by Federal agencies in the conduct of their business—section 504. Section 503 requires Federal contractors to take affirmative actions to hire people with disabilities.

In addition to the lack of protection against discrimination in the areas of employment in the private sector, public accommodations, all services provided by State and local governments, and telecommunications, there is also a need to clarify the applicability of section 504 of the Rehabilitation Act of 1973 to public transportation because the Reagan administration and some Federal courts have totally misconstrued the meaning of section 504.

One of the precepts of section 504 is that segregation of people with disabilities will not be tolerated in much the same way that title VI of the Civil Rights Act of 1964 makes segregation of racial and ethnic minorities illegal. Section 504 is intended to provide people with disabilities the same right to ride the same buses that nondisabled people ride.

In other words, mainstreaming of people with disabilities is one of the essential principles of section 504. Thus, the majority opinion of the three judge panel of the Third Circuit Court of Appeals in Adapt versus Burnley was correct when it said that section 504 was designed to emancipate people with disabilities and that mainstreaming is required; thereby, rejecting a contrary conclusion by the district court judge. The majority correctly concluded that public transit authorities are compelled under section 504 to make reasonable accommodations to their program; that is, purchase new wheelchair-accessible buses to fulfill the statute's goal of integration.

Thus, there is a need to clarify section 504 in the public transportation context to ensure once and for all that no Federal agency or judge will ever again misconstrue the congressional mandate to integrate people with disabilities into the mainstream.

Thus, the purposes of the ADA include providing clear, strong, consistent, enforceable standards addressing all forms of discrimination against individuals on the basis of disability and ensuring that the Federal Government plays a central role in enforcing these standards on behalf of individuals with disabilities. This means that discrimination on the basis of disability in any form will not be tolerated and people with disabilities will be able to hold their Federal Government accountable for ensuring the enforcement of their rights.

The ADA is designed to prohibit discrimination against individuals on the basis of disability. This means that covered entities cannot discriminate against a person with a physical or mental impairment that substantially limits a major life activity, a person with a record of such an impairment, or a person being regarded as having such an impairment. See the final regulations implementing the Fair Housing Amendments Act of 1988 (54 Fed. Reg. 3232 et seq., January 23, 1989) for a definition of the terms "physical or mental impairment" and "major life activities," "has a record of such impairment," and "is regarded as having an impairment." See also appendix A to the regulations originally published by the Department of Health, Education, and Welfare on May 4, 1977 (42 Fed. Reg. 22676) for a more detailed explanation of these terms.

Discrimination made illegal under the ADA includes harms—such as segregation, exclusion, or denial of benefits, services, or other opportunities that are as effective and meaningful as those provided to others—resulting from actions or inactions that discriminate by effect as well as by intent or design.

Discrimination includes harms affecting individuals with disabilities or persons associated with such individuals that are based on false presumptions, generalizations, misperceptions, patronizing attitudes, ignorance, irrational fears, and pernicious mythologies. Discrimination under the ADA includes the effect a person's handicap may have on others.

Discrimination under the ADA also includes harms resulting from the construction of transportation, architectural, and communication barriers and the adoption or application of standards and criteria and practices and procedures. Thus, actions based on thoughtlessness or indifference—of benign neglect—will not be tolerated.

Mr. President, some of my colleagues have been asking me "What will this bill cost?" They are hearing from businesses and other covered entities that the costs of providing reasonable accommodations and designing and constructing accessible facilities are substantial.

Mr. President, let me address these concerns one at a time. First, costs do not provide the basis for an exemption from the basic principles in a civil rights statute, like the ADA. The mandate to end discrimination must be clear and unequivocal.

Second, the question of costs associated with ensuring civil rights for people with disabilities has been exaggerated. For example, in the employment context a survey of employers obligated to provide "reasonable accommodations" found that compliance was "no big deal." "A Study of Accommodations Provided to Handicapped Employees by Federal Contractors" (Berkeley Planning Associates, June 1982). In 1987, Honeywell, in its own report on employees with disabilities indicated that: "the majority of accommodations provided to employees with disabilities cost less than $50."

The President's Committee on Employment of People With Disabilities operates JAN, the [Jobs Accommodation Network]. JAN helps employers design accommodations for their employees with disabilities. Mr. President, let me share with you typical examples of low-cost accommodations that enable employees with disabilities to perform their jobs.

An individual working in the food service industry, who only had the use of one hand, was able to perform all of the tasks expected of her except open cans. The company purchased a specially designed can opener for people who only have the use of one hand. The cost of the accommodation was $35.

A receptionist who was legally blind was provided a light probe which allowed her to determine which lines on a telephone were ringing, on hold, or in use. The cost of the accommodation was $45.

A salesperson with cerebral palsy was provided a headset for a phone that allowed him to write while talking. The cost of the accomodation was $49.95.

A groundkeeper who had recovered from a stroke had limited use of one arm, yet to maintain his position, needed to be able to rake grass. The use of a detachable extension arm on the rake allowed him to grasp the handle on the extension with the hand with limited use and control the rake with his other hand. The cost of the accommodation was $19.80.

A medical technician who was deaf needed a timer that had an indicator light in order to perform the lab tests required by her job. The cost of the accommodation was $26.95.

A potato inspector was required to core out bad spots in potatoes with a potato corer. Carpal tunnel syndrome drastically reduced the inspector's ability to perform this task. An adapted potato corer mounted on a table allowed the inspector to remain in his position. The cost of the accommodation was $33.

A housekeeper in a motel who had bending restrictions needed to inspect under the beds when she cleaned rooms. A mirror on an extending wand and a reacher allowed her to both inspect and reach any items under the beds. The cost of the accommodation was $11.

With respect to proving access to buildings, when new buildings are designed with accessibility in mind, the costs are often less than one fourth of 1 percent. One survey of the costs of making new buildings accessible found that facilities spent on an annual basis—for cleaning and polishing the floors—13 times more than the amount expended for making the buildings accessible.

That is not to say there won't be costs or that it is inappropriate to recognize costs in devising particular standards for inclusion in the bill. For example, cost was a factor in the decision that the bill should not mandate the retrofitting of existing buses; only new buses must be accessible. With respect to employment, an employer is not responsible for providing a reasonable accommodation if it can demonstrate undue hardship on the business. With respect to existing facilities, the bill does not require that existing facilities used by places of public accommodations be made fully accessible. A covered entity need only make structural changes that are readily achievable; a concept which does not require substantial expenditures. For example, and office building might be required to construct an $80 ramp but would not be required to add an elevator.

Third, a focus or emphasis on the costs of compliance by covered entities totally misses the bigger picture. The economic benefits to society in terms of reductions in the deficit from getting people off welfare, out of institutions, and on to the tax rolls cannot be ignored. This bill must be part of our overall strategy to get our Nation's economic house in order.

The National Council in Disability has analyzed the Federal spending on people with disabilities. In its reports to Congress referred to earlier in my remarks, the Council found that the Nation's Federal expenditures on disability benefits and programs exceeds $60 billion annually, with $57 billion spent on programs premised on the dependency of the people who receive benefits—the remainder is expended for education, training, and rehabilitation. Eligibility for these welfare and benefit programs is based upon inability to engage in substantial gainful activity or significant low income—for example, SSI, SSDI, Medicaid, and Medicare. The $57 billion figure does not even include the costs by State, local, and private companies, which may be equal to the Federal expenditure.

I believe that the ADA will substantially reduce the costs of dependency of individuals with disabilities. As I mentioned previously in my statement, Lou Harris recently found that "not working" perhaps the truest definition of what it means to be disabled in America. Ending discrimination will have the direct and immediate effect of reducing the Federal Government's expenditure of $57 billion per year on disability benefits and programs that are premised on dependency of the individual with a disability. It will also have the immediate effect of increasing the likelihood that many of 12 million Americans with disabilities of working age who are unemployed but want to work will become consumers and taxpayers.

Every cost-benefits analysis of the section 504 regulations has reached the same conclusion. For example, the Department of Labor concluded that its rule would have a substantial beneficial effect in the form of reduced need for veterans benefits, rehabilitation, disability, medical and food stamp payments (45 Fed. Reg. 66,706, 66,718 (1980)).

The Department of Labor also acknowledged "intangible benefits such as greater independence for handicapped individuals, a more productive workforce and a larger pool of skilled taxpaying workers." (Id.) Furthermore, the Department added, "When individuals move from being recipients of various types of welfare payments to skilled taxpaying workers, there are obviously many benefits not only for the individuals but for the whole society." (p. 66,721)

This is the time to take steps to facilitate the flow of people with disabilities into paid employment. As Jay Rochlin, the Executive Director of the President's Committee on Employment of People With Disabilities has said:

> The demographics have given us an unprecedented 20 year window of opportunity. Employers will be desperate to find qualified employees. Of necessity, they will have to look beyond their traditional sources of personnel and work to attract minorities, women, and others for a "new" workforce. Our challenge is to insure that the largest minority, people with disabilities, is included.

So, Mr. President, on behalf of my brother who is deaf, my nephew who is quadriplegic, and the 43 million Americans with disabilities, today we introduce this historic legislation—the Americans With Disabilities Act. Let's celebrate the 25th anniversary of the enactment of the Civil Rights Act of 1964 by passing the ADA this year and finally recognize the civil rights of Americans with disabilities.

Set out below is a brief summary of the bill.

Section 1 is the short title. Section 2 sets out congressional findings and the purposes of the bill. Section 3 defines several key terms such as: "disability," "auxiliary aids and services," and "reasonable accommodations." These definitions are comparable to the definitions used for purposes of section 503 of the Rehabilitation Act of 1973—which requires government contractors to take affirmative action to hire individuals with disabilities and section 504 of the Rehabilitation Act of 1973—which prohibits discrimination against persons with disabilities by recipients of Federal financial assistance.

Title I sets out the general forms of discrimination prohibited by the act. These general prohibitions are comparable to the prohibitions included in section 504.

Title II specifies that an employer, employment agency, labor organiza-

tion, or joint labor-management committee may not discriminate against any qualified individual with a disability in regard to any term, condition, or privilege of employment. The ADA incorporates by reference the enforcement provisions under title VII of the Civil Rights Act of 1964. The ADA also incorporates by reference section 1981 of the Civil Rights Act of 1981 for acts of intentional discrimination.

Title III specifies that no qualified individual with a disability may be discriminated against by a State or agency or political subdivision of a State or board, commission, or other instrumentality of a State and political subdivision. Title III also includes specific actions applicable to public transportation provided by public transit authorities considered discriminatory. Finally, title III incorporates by reference the enforcement provisions in section 505 of the Rehabilitation Act of 1973.

Title IV specifies that no individual shall be discriminated against in the full and equal enjoyment of the goods, services, facilities, privileges, advantages, and accommodations of any place of public accommodation operated by a private entity on the basis of disability. Title IV also includes specific prohibitions on discrimination in public transportation services provided by private entities. Finally, title IV incorporates the applicable enforcement provisions in title VIII of the Civil Rights Act of 1968.

Title V requires all common carriers to provide telecommunication relay services to permit individuals who use nonvoice terminal devices such as TDD's to communicate by telephone with individuals who are able to use voice telephone services. Common carriers that provide intrastate telephone services to their customers must make available provide intrastate relay services. Similarly, common carriers that provide interstate telephone services to their customers must make available interstate relay services. Common carriers that provide both intrastate and interstate telephone services to their customers must make available both intrastate and interstate relay services.

All relay services must meet minimum standards and guidelines established by the Federal Communications Commission and must provide individuals who use nonvoice terminal devices because of disabilities with opportunities for communications that are equal to those provided to users of voice telephone services.

Common carriers are exempted from the above requirements in those States where the State or one of its agencies designates an entity or entities to provide relay services and those services are in fact provided in a manner consistent with standards and guidelines issued by the Commission.

Title V incorporates by reference applicable enforcement provisions in title VIII of the Civil Rights Act of 1968 and the Communications Act of 1934.

Title VI includes miscellaneous provisions, including: a construction clause explaining the relationship between the provisions in the ADA and the provisions in other Federal and State laws; a prohibition against retaliation; a clear statement that States are not immune from actions in Federal court for a violation of the ADA; a directive to the Architectural and Transportation Barriers Compliance Board to issue guidelines; and authority to award attorney's fees.

Mr. President, I ask unanimous consent that the text of the bill and letters in support of the legislation be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 933

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Americans with Disabilities Act of 1989".

(b) TABLE OF CONTENTS.—The table of contents is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Findings and purposes.
Sec. 3. Definitions.

TITLE I—GENERAL PROHIBITION AGAINST DISCRIMINATION

Sec. 101. Forms of discrimination prohibited.

TITLE II—EMPLOYMENT

Sec. 201. Definitions.
Sec. 202. Discrimination.
Sec. 203. Posting notices.
Sec. 204. Regulations.
Sec. 205. Enforcement.

TITLE III—PUBLIC SERVICES

Sec. 301. Definition of qualified individual with a disability.
Sec. 302. Discrimination.
Sec. 303. Actions applicable to public transportation considered discriminatory.
Sec. 304. Regulations.
Sec. 305. Enforcement.

TITLE IV—PUBLIC ACCOMMODATIONS AND SERVICES OPERATED BY PRIVATE ENTITIES

Sec. 401. Definitions.
Sec. 402. Prohibition of discrimination by public accommodations.
Sec. 403. Prohibition of discrimination in public transportation services provided by private entities.
Sec. 404. Regulations.
Sec. 405. Enforcement.

TITLE V—TELECOMMUNICATIONS RELAY SERVICES

Sec. 501. Definitions.
Sec. 502. Telecommunications relay services.
Sec. 503. Regulations.
Sec. 504. Enforcement.

TITLE VI—MISCELLANEOUS PROVISIONS

Sec. 601. Construction.
Sec. 602. Prohibition against retaliation.
Sec. 603. State immunity.
Sec. 604. Regulations by the Architectural and Transportation Barriers Compliance Board.
Sec. 605. Attorney's fees.
Sec. 606. Effective date.

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds that—

(1) some 43,000,000 Americans have one or more physical or mental disabilities, and this number is increasing as the population as a whole is growing older;

(2) historically, society has tended to isolate and segregate individuals with disabilities, and, despite some improvements, such forms of discrimination against individuals with disabilities continue to be a serious and pervasive social problem;

(3) discrimination against individuals with disabilities persists in such critical areas as employment, housing, public accommodations, education, transportation, communication, recreation, institutionalization, health services, voting, and access to public services;

(4) unlike individuals who have experienced discrimination on the basis of race, sex, national origin, religion, or age, individuals who have experienced discrimination on the basis of disability have often had no legal recourse to redress such discrimination;

(5) individuals with disabilities continually encounter various forms of discrimination, including outright intentional exclusion, the discriminatory effects of architectural, transportation, and communication barriers, overprotective rules and policies, failure to make modifications to existing facilities and practices, exclusionary qualification standards and criteria, segregation, and relegation to lesser services, programs, activities, benefits, jobs, or other opportunities;

(6) census data, national polls, and other studies have documented that people with disabilities, as a group, occupy an inferior status in our society, and are severely disadvantaged socially, vocationally, economically, and educationally;

(7) individuals with disabilities are a discrete and insular minority who have been faced with restrictions and limitations, subjected to a history of purposeful unequal treatment, and relegated to a position of political powerlessness in our society, based on characteristics that are beyond the control of such individuals and resulting from stereotypic assumptions not truly indicative of the individual ability of such individuals to participate in, and contribute to, society;

(8) the Nation's proper goals regarding individuals with disabilities are to assure equality of opportunity, full participation, independent living, and economic self-sufficiency for such individuals; and

(9) the continuing existence of unfair and unnecessary discrimination and prejudice denies people with disabilities the opportunity to compete on an equal basis and to pursue those opportunities for which our free society is justifiably famous, and costs the United State billions of dollars in unnecessary expenses resulting from dependency and nonproductivity.

(b) PURPOSE.—It is the purpose of this Act—

(1) to provide a clear and comprehensive National mandate for the elimination of discrimination against individuals with disabilities;

(2) to provide clear, strong, consistent, enforceable standards addressing discrimination against individuals with disabilities;

(3) to ensure that the Federal government plays a central role in enforcing the standards established in this Act on behalf of individuals with disabilities; and

(4) to invoke the sweep of congressional authority, including its power to enforce the fourteenth amendment and to regulate commerce in order to address the major areas of discrimination faced day-to-day by people with disabilities.

SEC. 3. DEFINITIONS.

As used in this Act:

(1) AUXILIARY AIDS AND SERVICES.—The term "auxiliary aids and services" shall include—

(A) qualified interpreters or other effective methods of making aurally delivered materials available to individuals with hearing impairments;

(B) qualified readers, taped texts, or other effective methods of making visually delivered materials available to individuals with visual impairments;

(C) acquisition or modification of equipment or devices; and

(D) other similar services and actions.

(2) DISABILITY.—The term "disability" means, with respect to an individual—

(A) a physical or mental impairment that substantially limits one or more of the major life activities of such individual;

(B) a record of such an impairment; or

(C) being regarded as having such an impairment.

(3) REASONABLE ACCOMMODATION.—The term "reasonable accommodation" shall include—

(A) making existing facilities used by employees readily accessible to and usable by individuals with disabilities; and

(B) job restructuring, part-time or modified work schedules, reassignment, acquisition or modification of equipment or devices, appropriate adjustment or modifications of examinations and training materials, adoption or modification of procedures or protocols, the provision of qualified readers or interpreters, and other similar accommodations.

(4) STATE.—The term "State" means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, the Canal Zone, the Trust Territory of the Pacific Islands, and the Commonwealth of the Northern Mariana Islands.

TITLE I—GENERAL PROHIBITION AGAINST DISCRIMINATION

SEC. 101. FORMS OF DISCRIMINATION PROHIBITED.

(a) IN GENERAL.—

(1) SERVICES, PROGRAMS, ACTIVITIES, BENEFITS, JOBS, OR OTHER OPPORTUNITIES.—Subject to the standards and procedures established in titles II through V, it shall be discriminatory to subject an individual or class of individuals, directly or through contractual, licensing, or other arrangements, on the basis of disability, to any of the following:

(A) Denying the opportunity to participate in or benefit from a service, program, activity, benefit, job, or other opportunity.

(B) Affording an opportunity to participate in or benefit from a service, program, activity, benefit, job, or other opportunity that is not equal to that afforded others.

(C) Providing a service, program, activity, benefit, job, or other opportunity that is less effective than that provided to others.

(D) Providing a service, program, activity, benefit, job, or other opportunity that is different or separate, unless such action is necessary to provide the individual or class of individuals with a service, program, activity, benefit, job, or other opportunity that is as effective as that provided to others.

(E) Aiding or perpetuating discrimination by providing significant assistance to an agency, organization, or individual that discriminates.

(F) Denying the opportunity to participate as a member of boards or commissions.

(G) Otherwise limiting the enjoyment of any right, privilege, advantage, or opportunity enjoyed by others.

(2) EQUAL OPPORTUNITY.—For purposes of this Act, aids, benefits, and services to be equally effective, must afford an individual with a disability an equal opportunity to obtain the same result, to gain the same benefit, or to reach the same level of achievement, in the most integrated setting appropriate to the individual's needs.

(3) OPPORTUNITY TO PARTICIPATE.—Notwithstanding the existence of separate or different programs or activities provided in accordance with this section, an individual with a disability shall not be denied the opportunity to participate in such programs or activities that are not separate or different.

(4) ADMINISTRATIVE METHODS.—An individual or entity shall not, directly or through contractual or other arrangements, utilize standards or criteria or methods of administration—

(A) that have the effect of discrimination on the basis of disability;

(B) that have the purpose or effect of defeating or substantially impairing the accomplishment of the objectives of the services, programs, activities, benefits, jobs, or other opportunities provided with respect to an individual with a disability; or

(C) that perpetuate the discrimination of others who are subject to common administrative control or are agencies of the same State.

(5) RELATIONSHIPS OR ASSOCIATIONS.—It shall be discriminatory to exclude or otherwise deny equal services, programs, activities, benefits, jobs, or other opportunities to an individual or entity because of the relationship to, or association of, that individual or entity with another individual with a disability.

(b) DEFENSES.—

(1) IN GENERAL.—It shall be a defense to a charge of discrimination under this Act that an alleged application of qualification standards, selection criteria, performance standards or eligibility criteria that exclude or deny services, programs, activities, benefits, jobs, or other opportunities to an individual with a disability has been demonstrated by the covered entity to be both necessary and substantially related to the ability of an individual to perform or participate, or take advantage of the essential components of such particular program, activity, job, or other opportunity and such performance, participation, or taking advantage of such essential components cannot be accomplished by applicable reasonable accommodations, modifications, or the provision of auxiliary aids or services.

(2) QUALIFICATION STANDARDS.—The term "qualification standards" may include—

(A) requiring that the current use of alcohol or drugs by an alcoholic or drug abuser not pose a direct threat to property or the safety of others in the workplace or program; and

(B) requiring that an individual with a currently contagious disease or infection not pose a direct threat to the health or safety of other individuals in the workplace or program.

TITLE II—EMPLOYMENT

SEC. 201. DEFINITIONS.

As used in this title:

(1) COMMISSION.—The term "Commission" means the Equal Employment Opportunity Commission established by section 705 of the Civil Rights Act of 1964 (42 U.S.C. 2000e–4).

(2) EMPLOYEE.—

(A) IN GENERAL.—The term "employee" means an individual employed by an employer.

(B) EXCEPTION.—The term "employee" shall not include any individual elected to public office in any State or political subdivision of any State by the qualified voters thereof, or any individual chosen by such officer to be on such officer's personal staff, or an appointee on the policy making level or an immediate adviser with respect to the exercise of the constitutional or legal powers of the office.

(C) LIMITATION ON EXCEPTION.—The exception contained in subparagraph (B) shall not include employees subject to the civil service laws of a State government, governmental agency or political subdivision.

(3) EMPLOYER.—

(A) IN GENERAL.—The term "employer" means a person engaged in an industry affecting commerce who has 15 or more employees for each working day in each of 20 or more calendar weeks in the current or preceding calendar year, and any agent of such a person.

(B) EXCEPTIONS.—The term "employer" does not include—

(i) the United States, a corporation wholly owned by the government of the United States, or an Indian tribe; or

(ii) a bona fide private membership club (other than a labor organization) that is exempt from taxation under section 501(c) of the Internal Revenue Code of 1986.

(4) PERSON, ETC.—The terms "person", "labor organization", "employment agency", "commerce", and "industry affecting commerce", shall have the same meaning given such terms in section 701 of the Civil Rights Act of 1964 (42 U.S.C. 2000e).

(5) QUALIFIED INDIVIDUAL WITH A DISABILITY.—The term "qualified individual with a disability" means an individual with a disability who, with or without reasonable accommodation, can perform the essential functions of the employment position that such individual holds or desires.

SEC. 202. DISCRIMINATION.

(a) GENERAL RULE.—No employer, employment agency, labor organization, or joint labor-management committee shall discriminate against any qualified individual with a disability because of such individual's disability in regard to job application procedures, the hiring or discharge of employees, employee compensation, advancement, job training, and other terms, conditions, and privileges of employment.

(b) CONSTRUCTION.—As used in subsection (a), the term "discrimination" includes—

(1) the failure by an employer, employment agency, labor organization, or joint labor-management committee to make reasonable accommodations to the known physical or mental limitations of a qualified individual with a disability who is an applicant or employee unless such entity can demonstrate that the accommodation would impose an undue hardship on the operation of its business;

(2) the denial of employment opportunities by a covered employer, employment agency, labor organization, or joint labor-management committee to an applicant or employee who is a qualified individual with a disability if the basis for such denial is because of the need of the individual for reasonable accommodation; and

(3) the imposition or application by a covered employer, employment agency, labor organization or joint labor-management committee of qualification standards, tests, selection criteria or eligibility criteria that identify or limit, or tend to identify or limit, a qualified individual with a disability, or any class of qualified individuals with disabilities, unless such standards, tests or criteria can be shown by such entity to be necessary and substantially related to the ability of an individual to perform the essential functions of the particular employment position.

SEC. 203. POSTING NOTICES.

Every employer, employment agency, labor organization, or joint labor-management committee covered under this title shall post notices in an accessible format to applicants, employees, and members describing the applicable provisions of this Act, in the manner prescribed by section 711 of the Civil Rights Act of 1964 (42 U.S.C. 2000e-10).

SEC. 204. REGULATIONS.

Not later than 180 days after the date of enactment of this Act, the Commission shall issue regulations in an accessible format to carry out this title in accordance with subchapter II of chapter 5 of title 5, United States Code.

SEC. 205. ENFORCEMENT.

The remedies and procedures set forth in sections 706, 709, and 710 of the Civil Rights Act of 1964 (42 U.S.C. 2000e-5, 2000e-8, and 2000e-9), and the remedies and procedures available under section 1981 of the Revised Statutes (42 U.S.C. 1981) shall be available, with respect to any individual who believes that he or she is being or about to be subjected to discrimination on the basis of disability in violation of any provisions of this Act, or regulations promulgated under section 204, concerning employment.

TITLE III—PUBLIC SERVICES

SEC. 301. DEFINITION OF QUALIFIED INDIVIDUAL WITH A DISABILITY.

As used in this title, the term "qualified individual with a disability" means an individual with a disability who, with or without reasonable modifications to rules, policies and practices, the removal of architectural, communication, and transportation barriers, or the provision of auxiliary aids and services, meets the essential eligibility requirements for the receipt of services or the participation in programs or activities provided by a State or agency or political subdivision of a State or board, commission or other instrumentality of a State and political subdivision.

SEC. 302. DISCRIMINATION.

No qualified individual with a disability shall, by reason of his or her disability, be excluded from the participation in, be denied the benefits of, or be subjected to discrimination by a State, or agency or political subdivision of a State or board, commission, or other instrumentality of a State and political subdivision.

SEC. 303. ACTIONS APPLICABLE TO PUBLIC TRANSPORTATION CONSIDERED DISCRIMINATORY.

(a) DEFINITION.—As used in this title, the term "public transportation" means transportation by bus or rail, or by any other conveyance (other than air travel) that provides the general public with general or special service (including charter service) on a regular and continuing basis.

(b) VEHICLES.—

(1) NEW BUSES, RAIL VEHICLES, AND OTHER FIXED ROUTE VEHICLES.—It shall be considered discrimination for purposes of this Act and section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) for an individual or entity to purchase or lease a new fixed route bus of any size, a new intercity rail vehicle, a new commuter rail vehicle, a new rapid rail vehicle, a new light rail vehicle to be used for public transportation, or any other new fixed route vehicle to be used for public transportation and for which a solicitation by such individual or entity is made later than 30 days after the date of enactment of this Act, if such bus, rail, or other vehicle is not readily accessible to and usable by individuals with disabilities, including individuals who use wheelchairs.

(2) USED VEHICLES.—If an individual or entity purchases or leases a used vehicle after the date of enactment of this Act, such individual or entity shall make demonstrated good faith efforts to purchase or lease a used vehicle that is readily accessible to and usable by individuals with disabilities, including individuals who use wheelchairs.

(3) REMANUFACTURED VEHICLES.—If an individual or entity remanufactures a vehicle, or purchases or leases a remanufactured vehicle, so as to extend its usable life for 5 years or more, the vehicle shall, to the maximum extent feasible, be readily accessible to and usable by individuals with disabilities, including individuals who use wheelchairs.

(c) PARATRANSIT AS A SUPPLEMENT TO FIXED ROUTE PUBLIC TRANSPORTATION SYSTEM.—If an individual or entity operates a fixed route public transportation system to provide public transportation, it shall be considered discrimination, for purposes of this Act and section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), for such individual or entity to fail to provide paratransit or other special transportation services sufficient to provide a comparable level of services as is provided to individuals using fixed route public transportation to individuals with disabilities, including individuals who use wheelchairs, who cannot otherwise use fixed route public transportation and to other individuals associated with such individuals with disabilities in accordance with service criteria established under regulations promulgated by the Secretary of Transportation.

(d) COMMUNITY OPERATING DEMAND RESPONSIVE SYSTEMS FOR THE GENERAL PUBLIC.—If an individual or entity operates a demand responsive system that is used to provide public transportation for the general public, it shall be considered discrimination, for purposes of this Act and section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), for such individual or entity to purchase or lease a new vehicle, for which a solicitation is made later than 30 days after the date of enactment of this Act, that is not readily accessible to and usable by individuals with disabilities, including individuals who use wheelchairs unless the entity can demonstrate that such system, when viewed in its entirety, provides a level of service to individuals with disabilities equivalent to that provided to the general public.

(e) NEW FACILITIES.—For purposes of this Act and section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), it shall be considered discrimination for an individual or entity to build a new facility that will be used to provide public transportation services, including bus service, intercity rail service, rapid rail service, commuter rail service, light rail service, and other service used for public transportation that is not readily accessible to and usable by individuals with disabilities, including individuals who use wheelchairs.

(f) ALTERATIONS OF EXISTING FACILITIES.—With respect to a facility or any part thereof that is used for public transportation and that is altered by, on behalf of, or for the use of an individual or entity later than 1 year after the date of enactment of this Act, in a manner that affects or could affect the usability of the facility or part thereof, it shall be considered discrimination, for purposes of this Act and section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), for such individual or entity to fail to make the alterations in such a manner that, to the maximum extent feasible, the altered portion of the facility, the path of travel to the altered area, and the bathrooms, telephones, and drinking fountains serving the remodeled area are readily accessible to and usable by individuals with disabilities, including individuals who use wheelchairs.

(g) EXISTING FACILITIES, INTERCITY RAIL, RAPID RAIL, LIGHT RAIL, AND COMMUTER RAIL SYSTEMS, AND KEY STATIONS.—

(1) EXISTING FACILITIES.—Except as provided in paragraph (3), with respect to existing facilities used for public transportation, it shall be considered discrimination, for purposes of this Act and section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), for an individual or entity to fail to operate such public transportation program or activity conducted in such facilities so that, when viewed in the entirety, it is readily accessible to and usable by individuals with disabilities, including individuals who use wheelchairs.

(2) INTERCITY, RAPID, LIGHT, AND COMMUTER RAIL SYSTEMS.—With respect to vehicles operated by intercity, light, rapid and commuter rail systems, for purposes of this Act and section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), it shall be considered discrimination for an individual or entity to fail to have at least one car per train that is accessible to individuals with disabilities, including individuals who use wheelchairs, as soon as practicable but in any event in no less than 5 years.

(3) KEY STATIONS.—For purposes of this Act and section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), it shall be considered discrimination for an individual or entity to fail to make stations in intercity rail systems and key stations in rapid rail, commuter rail and light rail systems readily accessible to and usable by individuals with disabilities, including individuals who use wheelchairs, as soon as practicable but in no event later than 3 years after the date of enactment of this Act, except that the time limit may be extended by the Secretary of Transportation up to 20 years for extraordinarily expensive structural changes to, or replacement of, existing facilities necessary to achieve accessibility.

SEC. 304. REGULATIONS.

(a) ATTORNEY GENERAL.—Not later than 180 days after the date of enactment of this Act, the Attorney General shall promulgate regulations in an accessible format that implement this title (other than section 303), and such regulations shall be consistent with this title and with the coordination

regulations under part 41 of title 28, Code of Federal Regulations (as in existence on January 13, 1978), applicable to recipients of Federal financial assistance under section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794).

(b) SECRETARY OF TRANSPORTATION.—

(1) IN GENERAL.—Not later than 240 days after the date of enactment of this Act, the Secretary of Transportation shall promulgate regulations in an accessible format that include standards applicable to facilities and vehicles covered under section 303.

(2) CONFORMANCE OF STANDARDS.—Such standards shall be consistent with the minimum guidelines and requirements issued by the Architectural and Transportation Barriers Compliance Board in accordance with section 604(b).

SEC. 305. ENFORCEMENT.

The remedies, procedures, and rights set forth in section 505 of the Rehabilitation Act of 1973 (29 U.S.C. 794a) shall be available with respect to any individual who believes that he or she is being or about to be subjected to discrimination on the basis of disability in violation of any provisions of this Act, or regulations promulgated under section 304, concerning public services.

TITLE IV—PUBLIC ACCOMMODATIONS AND SERVICES OPERATED BY PRIVATE ENTITIES

SEC. 401. DEFINITIONS.

As used in this title:

(1) COMMERCE.—The term "commerce" means travel, trade, traffic, commerce, transportation, or communication among the several States, or between the District of Columbia and any State or between any foreign country or any territory or possession and any State or the District of Columbia or between points in the same State but through another State or the District of Columbia or foreign country.

(2) PUBLIC ACCOMMODATION.—

(A) IN GENERAL.—The term "public accommodation" means privately operated establishments—

(i)(I) that are used by the general public as customers, clients, or visitors; or

(II) that are potential places of employment; and

(ii) whose operations affect commerce.

(B) INCLUSIONS.—Public accommodations referred to in clause (i)(I) include auditoriums, convention centers, stadiums, theaters, restaurants, shopping centers, inns, hotels, and motels (other than inns, hotels, and motels exempt under section 201(b)(1) of the Civil Rights Act of 1964 (42 U.S.C. 2000a(b)(1)), terminals used for public transportation, passenger vehicle service stations, professional offices of health care providers, office buildings, sales establishments, personal and public service businesses, parks, private schools, and recreation facilities.

(3) PUBLIC TRANSPORTATION.—The term "public transportation" means transportation by bus or rail, or by any other conveyance (other than by air travel) that provides the general public with general or special service (including charter service) on a regular and continuing basis.

SEC. 402. PROHIBITION OF DISCRIMINATION BY PUBLIC ACCOMMODATIONS.

(a) GENERAL RULE.—No individual shall be discriminated against in the full and equal enjoyment of the goods, services, facilities, privileges, advantages, and accommodations of any place of public accommodation, on the basis of disability.

(b) CONSTRUCTION.—As used in subsection (a), the term "discriminated against" includes—

(1) the imposition or application of eligibility criteria that identify or limit, or tend to identify or limit, an individual with a disability or any class of individuals with disabilities from fully and equally enjoying any goods, services, facilities, privileges, advantages, and accommodations;

(2) a failure to make reasonable modifications in rules, policies, practices, procedures, protocols, or services when such modifications may be necessary to afford such privileges, advantages, and accommodations unless the entity can demonstrate that making such modifications would fundamentally alter the nature of such privileges, advantages, and accommodations;

(3) a failure to take such steps as may be necessary to ensure that no individual with a disability is excluded, denied services, segregated or otherwise treated differently than other individuals because of the absence of auxiliary aids and services, unless the entity can demonstrate that taking such steps would result in undue burden;

(4)(A) a failure to remove architectural and communication barriers that are structural in nature in existing facilities, and transportation barriers in existing vehicles used by an establishment for transporting individuals (not including barriers that can only be removed through the retrofitting of vehicles by the installation of a hydraulic or other lift), where such removal is readily achievable; and

(B) where an entity can demonstrate that removal of a barrier under subparagraph (A) is not readily achievable, a failure to make such goods, services, facilities, privileges, advantages, and accommodations available through alternative methods if such methods are readily achievable;

(5) with respect to a facility or part thereof that is altered by, on behalf of, or for the use of an establishment later than one year after the date of enactment of this Act in a manner that affects or could affect the usability of the facility or part thereof, a failure to make the alterations in such a manner that, to the maximum extent feasible, the altered portion of the facility, the path of travel to the altered area, and the bathrooms, telephones, and drinking fountains serving the remodeled area, are readily accessible to and usable by individuals with disabilities;

(6) a failure to make facilities constructed for first occupancy later than 30 months after the date of enactment of this Act readily accessible to and usable by individuals with disabilities, except where an entity can demonstrate that it is structurally impracticable to do so, in accordance with standards set forth or incorporated by reference in regulations issued under this title; and

(7) in the case of an entity that uses a vehicle to transport individuals not covered under section 303 or 403—

(A) a failure to provide a level of transportation services to individuals with disabilities, including individuals who use wheelchairs, equivalent to that provided for the general public; and

(B) purchasing or leasing a new bus, or vehicle that can carry in excess of 12 passengers, for which solicitations are made later than 30 days after the date of enactment of this Act, that is not readily accessible to and usable by individuals with disabilities, including individuals who use wheelchairs.

SEC. 403. PROHIBITION OF DISCRIMINATION IN PUBLIC TRANSPORTATION SERVICES PROVIDED BY PRIVATE ENTITIES.

(a) GENERAL RULE.—No individual shall be discriminated against on the basis of disability in the full and equal enjoyment of public transportation services provided by a privately operated entity that is primarily engaged in the business of transporting people, but is not in the principal business of providing air transportation, and whose operations affect commerce.

(b) CONSTRUCTION.—As used in subsection (a), the term "discrimination against" includes—

(1) the imposition or application by an entity of eligibility criteria that identify or limit, or tend to identify or limit, an individual with a disability or any class of individuals with disabilities from fully enjoying the public transportation services provided by the entity;

(2) the failure of an entity to—

(A) make reasonable modifications consistent with those required under section 402(b)(2);

(B) provide auxiliary aids and services consistent with the requirements of section 402(b)(3); and

(C) remove barriers consistent with the requirements of section 402(b)(4); and

(3) the purchase or lease of a new vehicle (other than an automobile) that is to be used to provide public transportation services, and for which a solicitation is made later than 30 days after the date of enactment of this Act, that is not readily accessible to and usable by individuals with disabilities, including individuals who use wheelchairs.

SEC. 404. REGULATIONS.

(a) ACCESSIBILITY STANDARDS.—Not later than 240 days after the date of enactment of this Act, the Secretary of Transportation shall issue regulations in an accessible format that shall include standards applicable to facilities and vehicles covered under section 403.

(b) OTHER PROVISIONS.—Not later than 240 days after the date of enactment of this Act, the Attorney General shall issue regulations in an accessible format to carry out the remaining provisions of this title not referred to in subsection (a) that include standards applicable to facilities and vehicles covered under section 402.

(c) STANDARDS.—Standards included in regulations issued under subsections (a) and (b) shall be consistent with the minimum guidelines and requirements issued by the Architectural and Transportation Barriers Compliance Board in accordance with section 604(b).

SEC. 405. ENFORCEMENT.

Sections 802(i), 813, and 814 (a) and (d) of the Fair Housing Act (42 U.S.C. 3602(i), 3613, and 3614 (a) and (d)) shall be available with respect to any aggrieved individual, except that—

(1) any reference to a discriminatory housing practice or breach of a conciliation agreement shall be considered to be a reference to a practice that is discriminatory under this title concerning a public accommodation or public transportation service operated by a private entity; and

(2) subparagraph (B) of paragraph (1) and paragraphs (2) and (3) of subsection (a) of section 813 shall not apply.

TITLE V—TELECOMMUNICATIONS RELAY SERVICES

SEC. 501. DEFINITIONS.

As used in this title:

(1) COMMISSION.—The term "Commission" means the Federal Communications Commission.

(2) TELECOMMUNICATIONS RELAY SERVICES.—The term "telecommunications relay services" means services that enable simultaneous communication to take place between individuals who use TDDs or other nonvoice terminal devices and individuals who do not use such devices.

(3) TDD.—The term "TDD" means a Telecommunication Device for the Deaf, a machine that employs graphic communications in the transmission of coded signals through the nationwide telecommunications system.

SEC. 502. TELECOMMUNICATIONS RELAY SERVICES.

(a) GENERAL RULE.—It shall be considered discrimination for purposes of this Act for any common carrier, as defined in section 3(h) of the Communications Act of 1934 (47 U.S.C. 153(h)), that offers telephone services to the general public, to fail to provide, not later than 1 year after the date of enactment of this Act, interstate or intrastate telecommunication relay services so that such services provide individuals who use nonvoice terminal devices because of disabilities with opportunities for communications that are equal to those provided to their customers who are able to use voice telephone services, except that it shall not be considered discrimination for such a common carrier to fail to provide such services in any State to which subsection (b) applies if such services are provided under subsection (b).

(b) STATE DISCRIMINATION.—It shall be considered discrimination by a State, that designates an entity to provide interstate or intrastate telecommunication relay services to individuals throughout the entire State in a manner consistent with regulations issued by the Commission, for purposes of this Act, for such State, through the designated entity, to fail to provide, not later than 1 year after the date of enactment of this Act, interstate or intrastate telecommunication relay services so that such services provide individuals who use nonvoice terminal devices because of disabilities with opportunities for communications that are equal to those provided to their customers who are able to use voice telephone services.

(c) CONSTRUCTION.—Nothing in this title shall be construed to discourage or impair the development of improved or future technology designed to improve access to telecommunications services for individuals with disabilities.

SEC. 503. REGULATIONS.

Not later than 180 days after the date of enactment of this Act, the Commission shall issue regulations to carry out this title, and such regulations shall establish minimum standards and guidelines for telecommunications relay services.

SEC. 504. ENFORCEMENT.

(a) CIVIL ACTIONS.—Section 802(i), 813, and 814 (a) and (d) of the Fair Housing Act (42 U.S.C. 3602(i), 3613, and 3614 (a) and (d)) shall be available with respect to any aggrieved individual, except that—

(1) any reference to a discriminatory housing practice or breach of a conciliation agreement shall be considered to be a reference to a practice that is discriminatory under this title concerning the provision of an appropriate interstate or intrastate telecommunication relay service; and

(2) subparagraph (B) of paragraph (1) and paragraphs (2) and (3) of subsection (a) and subsection (d) of section 813 shall not apply.

(b) ADMINISTRATIVE ENFORCEMENT.—

(1) IN GENERAL.—The Commission shall enforce the provisions of this title.

(2) APPLICABLE ENFORCEMENT PROVISIONS.—The remedies, procedures, and rights set forth in sections 206, 207, 208, and 209 of the Communications Act of 1934 (47 U.S.C. 206, 207, 208, and 209) and in title IV of the Communications Act of 1934 (47 U.S.C. 401 et seq.) shall apply with respect to the enforcement of this title, except that nothing in this subsection shall be construed to limit or restrict in any manner the remedies, procedures, or rights set forth in subsection (a).

(3) CEASE AND DESIST ORDERS.—Whenever, after full opportunity for hearing, on a complaint or under an order for investigation and hearing made by the Commission on the initiative of the Commission, the Commission shall be of the opinion that any carrier, or any State as described in section 502(b), is or will be in violation of this title or of any regulation issued under this title, the Commission shall—

(A) order that the carrier or State cease and desist from such violation to the extent that the Commission finds that such violation exists or will exist; and

(B) take other actions as it finds appropriate and necessary.

(4) PENALTIES.—

(A) IN GENERAL.—Any carrier or State to which section 502(b) applies that knowingly fails or neglects to comply with this title or of any regulation or order made by the Commission in carrying out this title shall forfeit to the United States the sum of $10,000 for each such offense.

(B) SEPARATE OFFENSES.—Each distinct violation of the provisions of this title shall be a separate offense under subparagraph (A). In case of a continuing violation, each day shall be considered a separate offense.

(C) RECOVERING FORFEITURES.—Such forfeitures shall be payable and recoverable in the same manner as prescribed in section 504 of the Communications Act of 1934 (47 U.S.C. 504).

TITLE VI—MISCELLANEOUS PROVISIONS

SEC. 601. CONSTRUCTION.

(a) REHABILITATION ACT OF 1973.—Nothing in this Act shall be construed to reduce the scope of coverage or apply a lesser standard than the coverage required or the standards applied under title V of the Rehabilitation Act of 1973 (29 U.S.C. 790 et seq.) or the regulations issued by Federal agencies pursuant to such title.

(b) OTHER LAWS.—Nothing in this Act shall be construed to invalidate or limit any other Federal law or law of any State or political subdivision of any State or jurisdiction that provides greater protection for the rights of individuals with disabilities than are afforded by this Act.

(c) RELATIONSHIP AMONG TITLES.—The requirements contained in titles I through V shall be construed in a manner that is consistent with the other provisions of this Act, and any apparent conflict between provisions of this Act shall be resolved by reference to the title that specifically covers the type of action in question.

SEC. 602. PROHIBITION AGAINST RETALIATION.

No individual shall discriminate against any other individual because such other individual has opposed any act or practice made unlawful by this Act or because such other individual made a charge, testified, assisted, or participated in any manner in an investigation, proceeding, or hearing under this Act.

SEC. 603. STATE IMMUNITY.

A State shall not be immune under the Eleventh Amendment to the Constitution of the United States from an action in Federal court for a violation of this Act. In any action against a State for a violation of the requirements of this Act, remedies (including remedies both at law and in equity) are available for such a violation to the same extent as such remedies are available for such a violation in an action against any public or private entity other than a State.

SEC. 604. REGULATIONS BY THE ARCHITECTURAL AND TRANSPORTATION BARRIERS COMPLIANCE BOARD.

(a) ISSUANCE OF GUIDELINES.—Not later than 6 months after the date of enactment of this Act, the Architectural and Transportation Barriers Compliance Board shall issue minimum guidelines that shall supplement the existing Minimum Guidelines and Requirements for Accessible Design for purposes of sections 304 and 404.

(b) CONTENTS OF GUIDELINES.—The guidelines issued under subsection (a) shall establish additional requirements, consistent with this Act, to ensure that buildings, facilities, and vehicles are accessible, in terms of architecture and design, transportation, and communication, to individuals with disabilities.

SEC. 605. ATTORNEY'S FEES.

In any action or administrative proceeding commenced pursuant to this Act, the court, or agency, in its discretion, may allow the prevailing party, other than the United States, a reasonable attorney's fee, including litigation expenses, and costs, and the United States shall be liable for the foregoing the same as a private individual.

SEC. 606. EFFECTIVE DATE.

This Act shall become effective on the date of enactment.

CONSORTIUM FOR
CITIZENS WITH DISABILITIES,
May 8, 1989.

Hon. TOM HARKIN,
U.S. Senate,
Washington, DC.

DEAR SENATOR HARKIN: The Consortium for Citizens with Disabilities (CCD) and other national organizations that advocate for the rights of America's 43 million citizens with disabilities and chronic disorders, would like to thank you for your leadership on The Americans With Disabilities Act of 1989. This bill seeks to establish a comprehensive national mandate to eliminate discrimination against persons with disabilities.

Discrimination is a daily experience for individuals who have disabilities. This bill will afford civil rights protections to all individuals in this country who have disabilities. It is intended to provide people with disabilities, America's largest minority, the same federal civil rights protections that are enjoyed by other minorities.

It is time for this country to address the reality that Americans with disabilities are relegated to second-class citizenship. This long overdue legislation simply states that people with disabilities are entitled to the same rights that all other Americans take for granted—the right to communicate, the right to work, the right to live in the community, and the right to socialize.

As President Bush has stated, "Disabled people do not have the same civil rights protections as women and minorities . . . I am going to do whatever it takes to make sure the disabled are included in the mainstream. For too long they've been left out. But they're not going to be left out anymore." The Americans With Disabilities Act

is a significant step toward achieving this goal.

Again, we would like to thank you for your leadership. We look forward to working with you to enact this law. Thank you.

Sincerely,

ACLD, An Association for Children and Adults with Learning Disabilities.
AIDS Action Council.
Alexander Graham Bell Association for the Deaf.
American Academy of Child and Adolescent Psychiatry.
American Academy of Otolaryngology Head and Neck Surgery.
American Association for Counseling and Development.
American Association of the Deaf-Blind.
American Association on Mental Retardation.
American Association of University Affiliated Programs.
American Civil Liberties Union.
American Council of the Blind.
American Deafness and Rehabilitation Association.
American Diabetes Association.
American Foundation for the Blind.
American Psychological Association.
American Speech-Language-Hearing Association.
Association for Education and Rehabilitation of the Blind and Visually Impaired.
Association for the Education of Rehabilitation Facility Personnel.
Association for Retarded Citizens of the United States,
Autism Society of America.
Child Welfare League of America.
Conference on Educational Administrators Serving the Deaf.
Convention of American Instructors of the Deaf.
Council for Exceptional Children.
Deafness Research Foundation.
Disabled But Able to Vote.
Disability Rights Education and Defense Fund.
Epilepsy Foundation of America.
Episcopal Awareness Center on Handicapped.
Gallaudet University Alumni Association.
Gazette International Networking Institute.
International Association of Parents of the Deaf.
International Polio Network.
International Ventilator Users Network.
Lamda Legal Defense and Education Fund.
Leadership Conference on Civil Rights.
Mental Health Law Project.
National Alliance for the Mentally Ill.
National Association for Music Therapy.
National Association of the Deaf.
National Association of Developmental Disabilities Councils.
National Association of Private Residential Resources.
National Association of Protection and Advocacy Systems.
National Association of Rehabilitation Facilities.
National Association of Rehabilitation Professionals in the Private Sector.
National Association of State Mental Retardation Program Directors.
National Coalition for Cancer Survivorship.
National Council of Community Mental Health Centers.
National Council on Independent Living.
National Council on Rehabilitation Education.
National Down Syndrome Congress.
National Easter Seal Society.
National Fraternal Society of the Deaf.
National Handicapped Sports and Recreation Association.
National Head Injury Foundation.
National Mental Health Association.
National Multiple Sclerosis Society.
National Organization for Rare Disorders.
National Organization on Disability.
National Recreation and Park Association.
National Rehabilitation Association.
National Spinal Cord Injury Association.
Paralyzed Veterans of America.
People First International.
Self Help for Hard of Hearing People, Inc.
Spina Bifida Association of America.
Telecommunications for the Deaf, Inc.
The Association for Persons with Severe Handicaps.
Tourette Syndrome Association.
United Cerebral Palsy Associations, Inc.
World Institute on Disability.

MAY 8, 1989.

DEAR SENATORS HARKIN AND KENNEDY: We, the undersigned representatives of denominations and faith groups in the United States, are deeply concerned about the discrimination daily faced by individuals with physical or mental disabilities. Such discrimination can be found in every segment of life in this society. Although there have been some improvements in the last few years, largely due to protection afforded by section 504 of the Rehabilitation Act of 1973, such discrimination remains a pervasive problem for over 42 million disabled Americans.

As members of faith groups, it is our responsibility to strengthen and heal one another within the human family. The unity of the family is broken where any are left out or are subject to unequal treatment or discrimination. "If one member suffers, all suffer together; if one member is honored, we all rejoice together" (1 Corinthians 12:26). Those with physical and mental disabilities have for too long been the target of such suffering, prejudice and discrimination effectively denying them the opportunity to compete on an equal basis for all of the rights, privileges and opportunities that are afforded to others as members of this society.

We write today to express our support for strong federal legislation addressing these issues, particularly in the private sector where much of that discrimination now takes place. We urge that you support legislation to protect the rights of persons with disabilities including particular attention to the problem of discrimination in employment, communications, access to public services, and public accommodations. One such piece of legislation introduced in Congress which appears to us to meet our principles is the Americans with Disabilities Act of 1989. This legislation provides protection against discrimination for individuals with disabilities similar to protection provided other minorities in current civil rights law.

We also want to make clear our support for inclusion of those infected by the Human Immunodeficiency Virus and people living with AIDS. We concur with the *Report of the Presidential Commission on the HIV Epidemic*:

"As long as discrimination occurs, and no strong national policy with rapid and effective remedies against discrimination is established, individuals who are infected with HIV will be reluctant to come forward for testing, counseling, and care. This fear of potential discrimination will limit the public's willingness to comply with the collection of epidemiological data and other public health strategies, will undermine our efforts to contain the HIV epidemic, and will leave HIV-infected individuals isolated and alone. Discrimination against persons with HIV infection in the workplace setting, or in areas of housing, schools, and public accommodations is unwarranted because it has no public health basis. Nor is there any basis to discriminate against those who care for or associate with such individuals."

The Americans with Disabilities Act provides that an individual with a disability must be given equal opportunity to obtain the same result, to gain the same benefit, or to reach the same level of achievement in the most integrated setting appropriate to the individual's needs. We urge you to support this bill, or similar legislation, that protects the rights of the disabled by helping to insure that all members of this society are allowed to participate on an equal basis.

Thank you for your consideration of this important issue.

Sincerely,

Dr. Daniel D. Weiss, General Secretary, American Baptist Churches, USA; Dr. John O. Humbert, General Minister and President, Christian Church (Disciples of Christ); Dr. Donald E. Miller, General Secretary, Church of the Brethren; Dr. Claire Randall, President, Church Women United; The Most Reverend Edmond L. Browning, Presiding Bishop, The Episcopal Church; The Reverend Dr. Herbert W. Chilstrom, Bishop, Evangelical Lutheran Church in America; Edward F. Snyder, Executive Secretary, Friends Committee on National Legislation.

The Reverend Arie R. Brouwer, General Secretary, National Council of Churches; Rabbi Irwin M. Blank, Past President, Synagogue Council of America; Rabbi Alexander Schindler, President, Union of American Hebrew Congregations; Dr. William F. Schultz, President, Unitarian Universalist Association; Dr. Avery D. Post, President, United Church of Christ; Bishop Robert C. Morgan, President, General Board of Church and Society, The United Methodist Church.

Mr. KENNEDY. Mr. President, I am pleased to join in sponsoring the Americans With Disabilities Act; 43 million Americans with disabilities deserve the opportunity to be first-class citizens in our society.

The road to discrimination is paved with good intentions. For years, because of our concern for the less fortunate, we have tolerated a status of second-class citizenship for our disabled fellow citizens.

The Americans With Disabilities Act will end this American apartheid. It will roll back the unthinking and unacceptable practices by which disabled Americans today are segregated, excluded, and fenced off from fair participation in our society by mindless biased attitudes and senseless physical barriers.

The timing of this bill has special significance in the history of civil rights. This year we celebrate the 25th anniversary of the Civil Rights Act of

1964. That legislation helped bring about one of the greatest peaceful transformations in our history for millions of Americans who were victims of racial discrimination, and this legislation can do the same for millions of citizens who are disabled.

The Americans With Disabilities Act applies to both the public sector and the private sector. It prohibits discrimination on the basis of disability in employment, public accommodations, transportation, and communications. Its goal is nothing less than to give every disabled American a fair share of the American dream.

The removal of physical barriers and access to reasonable accommodations are among the most essential elements of this measure.

The lunch counter sit-ins of the early 1960's led to the great public accommodations title of the 1964 act. But if the students demonstrating at those lunch counters had been in wheelchairs, they could not have made it through the door of the establishment. If Rosa Parks had been disabled, she could not have boarded the bus at all.

Accessible transportation is the lynchpin for integration of the disabled. It does little good to open the doors of institutions, to provide rehabilitation and early intervention programs, if the disabled can not even leave their homes and move freely in society. Disabled Americans deserve a better future in their communities than to be relegated to sitting in front of television sets in their homes.

Reliance on paratransit facilities often means no transit at all. Paratransit is called a demand-response system, but to many of the disabled it is a beg-deny system. Hundreds and sometimes thousands of disabled citizens in every city languish on paratransit waiting lists, hoping for rides which are denied, or which are provided under strict limitations—only to see the doctor, or only until 3:00 p.m. on weekdays, or only five trips a month. The restrictions are endless. Under these conditions, no human being can work, raise a family, or function normally in society.

In every era, society is confronted with the challenge of dealing with those who are disabled. All too often, out of fear and misunderstanding, the reaction is to shun those who are afflicted. Half a century ago, our response to the polio epidemic was to close swimming pools and instruct children to avoid the water fountain at their school. Many Americans once felt compelled to whisper when mentioning cancer in their family—fearing that it might be transmitted through casual contact.

Even today, young adults suffering from an acute phase of multiple sclerosis are treated as drunks, and older Americans with unrecognized Alzheimer's disease are rebuked for behavior beyond their control. Most recently, we have seen the impact of fear and misinformation in the treatment of people with AIDS. I have heard from individuals and families whose homes have been torched and whose lives have been threatened.

In every case, science, public health, and painful experience have shown that the appropriate reaction is not to fear or to isolate, but to reach out with assistance, understanding, and support.

In no instance is this response more essential than in the epidemic of AIDS. Beyond the fundamental issues of fairness and justice for individuals, protection against discrimination for people with HIV disease are essential to protect the public health. We cannot expect to bring this devastating scourge under control unless we make it possible for individuals who believe that they may be infected to come forward for counseling and testing.

If the price of seeking professional medical guidance is the potential loss of employment, public accommodations, and vital services—we cannot possibly expect those at greatest risk to participate in prevention and treatment programs.

The legislation that we are introducing today is designed not only to protect individuals with disabilities—but to protect the general public health and the integrity of our society.

Some will argue that it costs too much to implement this bill. But I reply, it costs too much to go on without it. We are spending billions of dollars today in the Federal budget on programs that make disabled citizens dependent, not independent.

We need a new way of thinking. The short-term cost of this legislation is far less than the long-term gain. Disabled does not mean unable.

Vast resources can be saved by making disabled Americans productive Americans. They deserve to participate in the promise of America too. May the enactment of this legislation be the first of many steps in a new effort by Congress and the administration to redeem that promise.

Mr. DURENBERGER. Mr. President, in January 1988 the National Council on the Handicapped released the report "On the Threshold of Independence" describing the progress that has been made on implementing the recommendations contained in the 1986 report "Toward Independence." While this report acknowledged that Federal legislation already exists concerning discrimination against persons with disabilities, it also pointed out that the existing law is limited to programs or activities receiving Federal assistance, executive agencies, or the U.S. Postal Service. The National Council's report found that a major element to achieving independence and quality of life for people with disabilities lay in the elimination of discrimination and the protection of the rights of the disabled.

Senator Hubert Humphrey once stated in remarks before this body that—

> It was once said that the moral test of government is how it treats those who are in the dawn of life, the children; those who are in the twilight of life, the elderly, and those who are in the shadows of life, the sick, the needy, and the handicapped.

I find it disheartening that in a society founded on the notion of equal opportunity, that we continue to focus on the disabilities of some people and fail to recognize their abilities. That is why I will be joining with my distinguished colleagues from Iowa in introducing the Americans with Disabilities Act. The Americans with Disabilities Act is comprehensive legislation developed with the support of the National Council on Disabilities and many others to protect the rights of the disabled and provide a clear and comprehensive mandate to end discrimination in the areas of employment, public accommodations, transportation, and communications.

Thirty-seven million Americans are disabled and two-thirds of them are not working. In most cases this is not because they do not want to work or are unable to perform the skills necessary for maintaining employment, but rather they are faced with significant barriers that prevent them from working, including lack of transportation or the discriminatory hiring practices of employers.

I would like to tell you about a young woman who is a constituent of mine. R.K. is a very capable young woman who has a bachelor of science degree in psychology and in home economics as well as a masters degree in food science and nutrition. She ranked in the top 10 percent in the Nation when she passed her registered nutritionist examination. However, she also has cerebral palsy. She has had several interviews. I would like to share with you just two that describe the discrimination persons with disabilities face in the work force. One interview took place at a metropolitan hospital where she was told that she was very qualified for the job. However, the hiring authority told her fellow employees would not be comfortable working with a person with a disability. She did not get the job. Another interview was with a State agency in Minnesota. During the interview, she was asked if she drove. An irrelevant question to the job, not asked of other applicants. Then she was asked to demonstrate her handwriting skills. Again, a request not asked of other applicants. She did not get the job.

Another resident of Minnesota, K.L., has cerebral palsy and Kron's disease. His desire was to become a radio disc jockey. His school counselor suggested he talk to the director of the program. When he called, he was told he would have to audition. When he showed up to the audition, K.L. was cut-off midway through because he didn't have what it took to be a disc jockey. The program director said that he had worked with handicapped persons before, that they were difficult to work with and that he didn't care to work with them again.

Mr. President, it is a disgrace that discrimination and bigotry of this kind exists in our society. Not only for those who are denied opportunity to control their own lives and make meaningful choices, but also, for us as a society who does not benefit from the participation of persons with disabilities. America over the next two decades will be in a fight for economic survival. We simply cannot afford the economic cost of discrimination. We cannot afford to waste the abilities and talent persons with disabilities can bring to the labor market. Employment offers individuals the opportunity at a chance, a chance to move from dependency to independence. As I speak with members of the disability community, I hear over and over again the frustrations of people who only run up against dead ends. There is no hope, there is no sense of self-worth. This legislation will give people like R.K. and K.L. that chance at hope a chance to prove their self-worth by ensuring them the opportunity to compete for jobs on a level playing field. This is a matter of justice without question. But it is also a matter of getting America ready to maintain our strength and leadership into the 21st century.

According to the National Council, "transportation is a critical component of a national policy that promotes the self-reliance and self-sufficiency of people with disabilities." This is especially true for rural areas. The Minnesota Governor's Council on Disabilities recently held hearings on the problems persons with disabilities face in the area of transportation. However, four of the people were unable to attend because their accessible transportation did not arrive. Several other persons had to leave early because their only transportation home came before they could testify. As part of this hearing and an ongoing study of the disabled in Minnesota, the council found that a lack of services in rural areas is forcing the disabled to move to the city where they can receive the services they need to get around and function in society.

Accessible transportation is essential if a person is to seek and maintain a job. According to a 1986 Harris poll, 3 out of every 10 disabled persons say that a lack of accessible or affordable transportation is an important reason why they are not working. This legislation would ensure that all new public buses used in a fixed route system be accessible, that paratransit systems be made available for those disabled who cannot use the mainline system, that new facilities be made accessible, and that a public accommodation that provides transportation services that carry in excess of 12 passengers be accessible.

Lack of access to public buildings and to restrooms is the reason 4 out of 10 people with disabilities do not participate in community activities. Nowhere has this been more clear to me than when a former campaign volunteer in my 1982 campaign, who happened to be in a wheelchair, went in the pouring rain to vote back and could not vote because she was unable to get up the stairs to get into the building to vote. That is one of the reasons I worked to enact the Voting Rights and Accessibility for the Elderly and Handicapped Act (Public Law 98-435). But there are other examples of how a person has not been able to eat in a restaurant, see a movie, apply for a job, deposit money in their bank, simply because the building was not accessible. It is hard for those, me included, who don't experience it everyday to realize the barriers people with disabilities face everyday. Things as simple as not being able to get into a public telephone booth, or having to measure the width of restrooms.

Minnesota is one of the most progressive States in terms of both rehabilitation and the rights of the disabled. Minnesota has one of the best building codes in the country. The problem is the lack of enforcement. The ADA will provide this enforcement. Title IV of this act specifies that no individual shall be discriminated against in the full and equal enjoyment of the goods, services, facilities, privileges, advantages, and accommodations of any place of public accommodation, on the basis of disability.

As technology continues to expand and communications play a greater and greater role in everyday life, the deaf community is increasingly left out of this process, simply because they are unable to use the telephone. The telephone has become a necessity in every one of our lives. To deny the deaf an opportunity to communicate when the technology is available to do so is simply unacceptable in today's society. This bill will open the door for communications for the deaf by establishing intrastate and interstate communication networks that allow the deaf to communicate with anyone through a relay system.

I want to compliment Senator HARKIN for the work he has put into this bill over the past year. My colleague from Iowa has worked hard and long to include changes to this year's version of the ADA that I believe significantly improve this bill over last year's version. There are, however, still a few areas of concern that I believe will need to be addressed if this legislation is to pass in this Congress. The first of which is the ability of rural areas to meet the demands of this legislation. It is still somewhat unclear the effect this legislation will have on rural services. Nothing would be worse than if this bill caused an already ailing rural community to discontinue certain services simply because it was unable to meet the demands under this bill. As debate continues on this legislation, I will continue to monitor these effects to ensure that rural community services will not be forced to shut down under the requirements of this bill.

Second, over the past 20 years, the number of Federal regulations imposed on State and local governments has increased dramatically. This tremendous burden on State and local governments drains resources that might be used more effectively at the local level. It is important that the Federal Government not impose mandates on State and local governments without accepting fiscal responsibility for the rules and regulations it imposes. Again, I will follow closely to see that we are not imposing undue burdens without assuming the Federal cost of those burdens.

Third, I would hope that in developing this legislation that we are sensitive to avoid concerns that this act could broaden the interpretation of civil rights to unintended groups, and to allow the U.S. Government to impose undue restrictions on the rights of religious and other private institutions. While I am a strong advocate of civil rights, I am also dedicated to protecting the rights of private institutions and by no means want to see legislation enacted that would restrict religious liberty of private institutions or forces them to compromise their values or morals.

Although these matters will need to be addressed before final passage, I believe that the fundamental goal of this bill—to guarantee equal opportunity and rights to persons with disabilities that are afforded to others in our society and are currently denied to the disabled simply because they are handicapped—must remain intact. I have discussed these concerns with my colleague from Iowa, and I am pleased that he is open to addressing them before final passage of this bill. I look forward to working with Senator HARKIN, the administration in building a landmark bill which we can all proudly support.

Mr. MCCAIN. Mr. President, I am pleased to announce my support for the Americans With Disabilities Act.

This measure would seek to provide a comprehensive mandate to end discrimination against individuals with disabilities. For too long, disabled Americans have not been afforded the same civil rights as nondisabled persons. We must now act to remedy this disparity.

In 1974, with the signing into law of the Rehabilitation Act, this Nation proudly declared that individuals with disabilities ought to be granted the same right to participate in the fortunes of our society as those without disability. Last year the Congress restated this commitment with the adoption of the Civil Rights Restoration Act.

Despite these efforts, people who are differently abled still face legal discrimination. Although most sectors of society have made major strides in their efforts to bring the disabled into the mainstream of our communities, documented cases of legalized discrimination occur with frequency. We cannot tolerate this situation any longer.

Our country is only as good as the communities that make it up. For our communities to remain dynamic, we must fully incorporate all our citizens. The disabled must not be left out of the mainstream, or the vibrancy of the American landscape will suffer. Obviously much needs to be done before we can finally say with confidence that Americans with disabilities are being afforded an equal opportunity to full participation in our society.

The Americans With Disabilities Act of 1989 will offer the disabled community an omnibus civil rights statute. It would offer people with disabilities the same protection in private employment that nondisabled people currently possess. Furthermore, it would prohibit discrimination in public services, transportation, telecommunications, and the practices and operations of a State.

While I support the concepts of this measure, I have some concerns about portions of the bill—among which are the assurance that "undue hardship" for public accommodation be clarified so that small business is not forced to suffer unduly, the scope of the bill's provisions in regard to interstate transportations systems other than air transportation, the bill's language concerning penalties, and how telecommunications relay services might impact on all sectors of the telephone industry.

On the last point, during the 100th Congress, I, along with Senator HOLLINGS, INOUYE, DANFORTH, and PACKWOOD, introduced the Telecommunications Accessibility Enhancement Act of 1988. This measure was referred to the Commerce Committee, which has jurisdiction over telecommunication issues. The committee gained valuable insight into the issue of telecommunication relay services for the deaf and hard of hearing. Although this measure has been referred to the Subcommittee on the Handicapped, this issue has been of great interest to the Commerce Committee, and its expertise in this area must be called upon.

I would also like to clarify my understanding of the communications section of the bill. It is my understanding that the bill mandates that the common carriers that provide intrastate telephone services within the State provide intrastate relay services. Furthermore that carriers that provide telephone services across State lines would be required to provide relay services for calls made across State lines. And finally, that common carriers that provide both interstate and intrastate services be required to provide both interstate and intrastate relay services.

Those members of our society who use a Telecommunication Device for the Deaf, a TDD, deserve every right to full access to our telecommunications system. I am concerned, however, as to the potential inpact on the small rural and independent telephone companies. The legislation calls for the Federal Communications Commission to rule in this area as to what will be required to make a common carrier TDD accessible and have relay capabilities. I would urge the FCC to carefully consider all views on this issue, the possible economic impact on the industry, and work closely with the Commerce Committee as the rulemaking process would unfold. Furthermore, I would encourage the FCC to maintain a high level of communication directly with the hearing-impaired community so that their interests will be accurately represented. These interested parties together can achieve the noble goals set out in this measure.

Mr. President, I have concerns with the legislation—many of which I have mentioned in a general sense. My colleagues have also voiced other reservations in regard to the Americans With Disabilities Act of 1989. These concerns must be dealt with as action on the ADA proceeds. Most importantly, we must seek to minimize any adverse effects on small business. The ADA must be approached in the spirit of compromise, and I am sure it will be.

I believe this is an important and significant measure. Disabled Americans must be given the right to be fully participatory members of our community. This is a large step in that direction. I am pleased to offer my support, and look forward to working with the other sponsors of this legislation to address these concerns and questions.

Mr. SIMON. Mr. President, I am proud to join my colleagues today in introducing the Americans with Disabilities Act—a piece of legislation that can change the life of our Nation significantly for the better.

By not using the human resources of our Nation—by allowing discrimination to stand in the way of full participation by the estimated 15 percent of our population who has some form of disabling condition—we weaken ourselves as a nation. We are not fulfilling the promise of the American dream to all of our citizens.

It is 25 years since we enacted the Civil Rights Act of 1964. As we celebrate the anniversary of that event we pay tribute to the administration and Congress that had the vision and courage to say it was time for minorities in this country to have an equal chance to participate and to succeed. But as we celebrate that event, we are recognizing that we did not complete the job back in 1964 for all of the minorities who need equal access to opportunity in this Nation. The time has come to complete the guarantee of nondiscrimination for the more than 40 million Americans who must overcome not just a disabling condition, but the superstition, fear, and prejudice that accompanies it.

This legislation will not have the large price tag that some fear. In fact, the price of our not removing the barriers of discrimination is so large that no legislation we can contemplate at the moment would come close to it. More than $100 billion a year is being spent by Federal, State, and local governments to sustain persons with disabilities in welfare situations. An estimated $200 billion more may be lost in taxes and in the expenditures of nonprofit organizations and family members. And there is simply no way to put a price tag on the lost dignity and indepedence of individuals who want to be contributing members of their families, their communities, and their country.

The Rev. Dr. Martin Luther King, Jr., once said, "in our society it is murder, psychologically, to deprive a man of a job or an income. You are in substance saying to that man that he has no right to exist." For too long we have been allowing this message to be given to men and women with disabilities in our society. Discrimination in all its forms is a destroyer of the human spirit—and it is most certainly a destroyer of the promise of America to all of her citizens. The Americans with disabilities act will go far to fulfilling the promise—and to making us a better, more just, and more prosperous Nation.

Mr. CHAFEE. Mr. President, I am pleased to join in introducing the Americans With Disabilities Act of 1989. What better way could there be to mark the 25th year of the Civil Rights Act than for Congress to write into Federal law these fundamental and long overdue protections?

The 1964 Civil Rights Act was a landmark act in this Nation's civil rights history. But for too long, it has been an unfinished landmark, because its provisions do not afford protection to the 36 million Americans who are disabled. The Americans With Disabilities Act would address this longstanding gap by extending the relevant protections of the 1964 Civil Rights Act to those with disabilities.

It is an initiative designed to ensure that the American dream does not stop at the doorsteps of people with disabilities. This proposal stands for the proposition that no individual should be denied the opportunity to participate fully in our society. It stands for the proposition that our society should support independence rather than dependence among the disabled.

The Americans With Disabilities Act is also a logical partner to another piece of legislation many of us have sponsored—the Medicaid Home and Community Quality Services Act, S. 384. S. 384 would change Federal programs to reflect the same philosophies we are endorsing today: Opportunity, independence, and full participation in society.

It is time for both the public and private sectors to help, rather than hinder, those with disabilities in their attempt to achieve their fullest potential. Together, our efforts can ensure a future in which all of our citizens, regardless of their disability, will thrive.

Mr. LIEBERMAN. Mr. President, I am pleased to be a cosponsor of the Americans With Disabilities Act of 1989. For too long Americans with disabilities have been the victims of discrimination. As a society we have been guilty of underestimating their talents and the contributions they can make to this country.

This legislation, a civil rights act for people with disabilities, states that in no aspect of our society may we unjustly discriminate against those with disabilities. The act bars discrimination in employment, in public services including public transportation and public buildings, public accommodations and communications. The act will enable us to uncover a wealth of skills in all our citizens and will enable people with disabilities to fully participate as equals in American society.

As a former attorney general I know that State governments express concern about the burdens placed upon them by laws such as this one. As a former attorney general I also know that this act does not place undue burdens on the States. It is a reasonable law which requires States to the maximum extent feasible to enable citizens with disabilities to fully participate in the life of their community and State. As attorney general I hired several attorneys with disabilities and discovered the ease with which reasonable accommodations can be made to enable people with disabilities to be contributing members of the work force.

There are more than 36 million people with disabilities in America today. Not only have we not done enough to help them fulfill their potential for productivity and enjoy the quality of life to which they are entitled, we as a society have placed often unsurmountable obstacles in their way. We have discriminated against people with disabilities and segregated them from our daily lives. Fifty percent of Americans with disabilities report household incomes of $15,000 or below, 40 percent of people with disabilities did not graduate from high school and 66 percent of people with disabilities between the ages of 16 and 64 are not working. A majority of these people would like to be working but employers do not think they are capable and many are unable to find transportation to available jobs.

The Americans With Disabilities Act must be enacted. We can ill afford to ignore the skills and talents of people with disabilities; we need their contributions; we need their desire to work; we need to learn from them how much each individual is able to contribute. America will be a better place when we can assure that each person who wants to work can work, that each person is able to participate in the political process and that each person can communicate or visit with their loved ones as they wish.

Mr. KERRY. Mr. President, I rise in support of legislation being introduced today by the chairman of the Subcommittee on the Handicapped, Senator HARKIN. The Americans With Disabilities Act of 1989 is a crucial piece of legislation whose time is long overdue. The importance of this legislation cannot be overstated. This act is vital in the fight to end discrimination against the disabled in the areas of transportation, education, communication, and employment.

We as a society have always recognized our obligation to provide for our disabled neighbors, and in many respects we have done so. However most services provided have been in terms of maintenance and subsistence, and not in the area of eliminating the physical barriers and discrimination which are often the greatest difficulties facing disabled Americans. We need to redirect our energies toward enabling the disabled to be self-sufficient, independent citizens with the same opportunities as you and I.

According to a 1986 Harris poll 75 percent of all disabled citizens are not working, and tragically only 15 percent of all disabled citizens work full time. The primary reason for this is not because disabled individuals are incapable of work; it is not because of an individual's disability; and it is certainly not because of a lack of desire to work. Mr. President, this survey found that over one-half the disabled respondents cited discrimination as the primary obstacle to employment, and 28 percent cited the lack of accessible transportation.

Mr. President, lack of accessible transportation and mobility are major factors in limiting educational and employment opportunities, which are key to self-sufficiency and independence. Conversely, dependence resulting from limiting access and opportunity, not only strips a measure of dignity from capable individuals, but in terms of social services, lost wages, and wasted human potential, represents an enormous social and economic cost.

It is unconscionable to imagine an able work force languishing at home because there is no access to public transportation. Mr. President, I do not want to minimize the great strides made in urban and rural areas to accommodate travel for disabled Americans. But there is still a long route to travel on this necessary road, and we must pick up the pace. Tragically in the Nation as a whole the majority of our public transportation systems remain inaccessible to the disabled.

This legislation puts us on the right track in reversing this unacceptable performance. I am particularly pleased with the advances this legislation will make in the area of interstate and intrastate travel as well as the breakthroughs in telecommunications for disabled Americans.

The goal of universal access to transportation and the integration of disabled citizens into every aspect of everyday life, has been repeatedly expressed by President Bush. Unfortunately, in the President's decision to appeal the U.S. Court of Appeals decision Adapt versus Department of Transportation, he clearly missed his first opportunity to take action on these convictions. Should Adapt be allowed to stand, it will help accomplish many of the goals and objectives in the area of transportation set forth in this important bill. I urge the President to rethink his actions on this case, and not to let another chance to fulfill his promise slip away.

Mr. President, it is close to impossible to separate the ability to travel or communicate with both employment and a decent quality of life. For example, being able to come and go to meetings, school, the movies, or the restaurant without planning days or weeks in advance is impossible for many disabled citizens. Talking on the telephone, following a sports game on television, or operating a word processor are all activities that most of us take for granted, yet they too are needlessly unavailable to many of the disabled.

I believe that the Americans With Disabilities Act represents true hope

for equal opportunity for disabled Americans. The time has come for us to give disabled children a chance to dream of becoming doctors, lawyers, architects, or engineers, yes and President, and to know that it is not just a dream. As a people we cannot afford to ignore or take pity on our neighbor, when there is no need. As a nation we cannot continue to prosper without the contribution of disabled Americans, when they have so much to offer.

Again I applaud the efforts of the sponsor of this legislation, and look forward to working with all my colleagues toward the passage of this important bill.

Mr. CRANSTON. Mr. President, I am very pleased to join with the distinguished Senator from Iowa [Mr. HARKIN] and many other colleagues from both sides of the aisle in introducing this historic legislation.

The proposed Americans With Disabilities Act of 1989 [ADA] is an omnibus civil rights statute that has a single purpose—to help ensure that persons with disabilities have the opportunity—freed of the shackles of discriminatory practices—to participate in our society as fully as possible and, thus, to achieve their full potential.

Mr. President, this legislation represents a major advance. It is the culmination of efforts throughout the 1970's and 1980's—beginning with the development and enactment of the Rehabilitation Act of 1973, and its landmark section 504, of which I was a principal author—to secure the civil rights of disabled persons. This legislation says to millions of Americans who are disabled that it will no longer be allowable or acceptable for you to be discriminated against—that you will enjoy the same rights and access to jobs, transportation, public accommodations, and housing as do all other Americans.

Mr. President, as we approach the 1990's, people with disabilities are still too often brushed aside and pushed down—and not permitted to use their capabilities to the fullest. When given the opportunity, people with disabilities have made great contributions to the United States and, indeed, to the world. Unfortunately, so many barriers and obstacles exist that those opportunities are still too few and far between. That has been society's great loss.

Over the last two decades, people with disabilities have made great inroads and are increasingly being recognized for their abilities, not their disabilities. But progress is slow. Although I recognize that we cannot legislate attitudes, we can make sure that unenlightened attitudes no longer find support in the law.

MASS TRANSIT PROVISIONS

Mr. President, as chairman of the Banking Committee's Subcommittee on Housing and Urban Affairs, I would like to make a brief statement on the mass transit provisions of this legislation. Our bill would codify the reasoning of the recent decision of the U.S. Court of Appeals for the Third Circuit in *Americans Disabled for Accessible Public Transportation* v. *Burnley*, 867 F.2d 1471 (1989).

In requiring that all new buses and new or newly altered transportation facilities be made accessible to persons with disabilities, to the maximum extent feasible and that paratransit services be made available as a supplemental service for those who may be unable to utilize lift-equipped buses, the court correctly ruled, "Only a mixed-system of lift-equipped buses for those able to utilize them and a paratransit system for those who cannot will adequately implement the statutory mandates."

The court correctly stated that a segregated paratransit system alone would always result in "uneven treatment to the disabled," not only because it is segregated, but also because by its nature it "deprives the handicapped of spontaneous activity, whether it be of an emergency, business, or pleasurable nature." Unlike paratransit, which requires the making of travel reservations well in advance, mainline accessibility enables persons with disabilities to go to the nearest bus stop and board the next bus to come along, just like everyone else.

The court also properly determined that a requirement that newly purchased buses be accessible "does not exact a fundamental alteration to the nature of mass transportation" and would not impose any "undue financial burdens" on transit systems. In my view, the major benefits that accessible transportation will bring to persons with disabilities and to the American economy as a result of diminished unemployment and underemployment among persons with disabilities make the continuing effort to assure accessibility a high priority.

CONCLUSION

Mr. President, I was proud to have been an original cosponsor of the Americans with Disabilities Act last year. However, at that time, I expressed certain reservations about how quickly and how completely the goals of the legislation were to be achieved under that bill.

The bill we are introducing today addresses my concerns and I believe sets forth reasonably realistic goals and timetables. I congratulate the chairman of the Subcommittee on the Handicapped, Mr. HARKIN, for his outstanding work over these last many months in crafting a strong, but balanced, measure that would be a major stride forward toward our goal of a United States where all citizens have an equal opportunity to pursue the American dream.

Mr. President, I urge all my colleagues to support this legislation.

Mr. RIEGLE. Mr. President, I am pleased to join Senators HARKIN, KENNEDY, DURENBERGER, JEFFORDS, SIMON, and MCCAIN as an original cosponsor of the Americans With Disabilities Act of 1989.

This historic legislation will secure the civil rights of 43 million disabled Americans. For too long the disabled citizens of this country have not been afforded the rights guaranteed under the Civil Rights Act of 1964 or the Fair Housing Act of 1968.

Since the days of its inception, this Nation has encouraged and valued independence and self-sufficiency. Discrimination stands as a barrier to the achievement of self-sufficiency. By prohibiting discrimination in employment, the provision of public services, transportation, and telecommunications, this bill is a critical step in assuring the disabled that they have equal opportunity to realize their full potential.

One of the prime goals of legislation affecting disabled Americans has been the effort to incorporate them into the mainstream. While the Americans With Disabilities Act would remove the barriers to participation in the workforce, efforts must also be made to ensure that participation is possible. The present system of disability insurance encourages retirement from the workforce. This approach is wrong. Americans with disabilities should have every encouragement to take advantage of the options opened up by the Americans With Disabilities Act. I will soon introduce with Senator DOLE a bill that will provide work incentives to those who receive Social Security disability income.

In addition, I have introduced S. 200, the Social Security Disability Beneficiary Rehabilitation Act of 1989. This legislation would redirect the SSDI program away from the retirement model and toward a program specifically designed to meet the needs of disabled workers. A vocational rehabilitation evaluation would be integrated into the initial and ongoing determination process.

Mr. President, I would also note that the Americans With Disabilities Act of 1989 substantially curtails the requirements of employers and localities contained in the 1988 version of the bill. No longer does a company have to prove the threat of bankruptcy to be exempt from the requirements; rather, the bill requires reasonable accommodations for handicapped employees unless such requirement would pose an undue hardship. The bill also clarifies section 504 with regard to access to transportation for the disabled.

I urge my colleagues to join me in support of this historic expression of

this country's commitment to civil rights for its disabled citizens.

Mr. JEFFORDS. Mr. President, last year, the Task Force on the Rights and Empowerment of Americans With Disabilities, chaired by Justin Dart, visited all 50 States to conduct public forums on discrimination against people with disabilities. Across the country, the task force found that in many cases protections against discrimination on the basis of disability are either lacking or poorly enforced.

The evidence collected by the task force has laid the groundwork for action by Congress this year. This is the year that we must pass the Americans With Disabilities Act. We must make the dream of equal opportunity a reality for America's 37 million people with disabilities.

The Americans With Disabilities Act builds on earlier anti-discrimination statutes such as the Civil Rights Act of 1964, the Fair Housing Amendment Act of 1988, and most notably, the Rehabilitation Act of 1973. To a large extent, the Americans With Disabilities Act simply enhances the application of these earlier laws and in some cases extends to the private sector several of the safeguards against discrimination that already apply to the Federal Government.

The bill would affect discrimination on the basis of disability in employment, public accommodations, public services (including transportation), and communications. This year's legislation is slightly different from the version introduced in the 100th Congress, primarily in an effort to lower any costs associated with the bill, while preserving the objective of preventing discrimination.

Certainly, I am aware that there are still some concerns about the bill. The series of hearings that have been scheduled over the next few weeks should provide us with the information that we need to address these concerns and to consider any further adjustments to the bill that might be necessary.

So I am looking forward to the hearings and to action early in this Congress. As President Bush has stated, the passage of the Americans With Disabilities Act will provide nothing more than "simple fairness." Simple fairness for the millions of Americans who want nothing more than the opportunity to contribute their talents to our great Nation.

By Mr. THURMOND:

S. 934. A bill to suspend temporarily the duty on K-Acid; to the Committee on Finance.

S. 935. A bill to suspend temporarily the duty on Broenner's acid; to the Committee on Finance.

S. 936. A bill to temporarily suspend the duty on D Salt; to the Committee on Finance.

S. 937. A bill to suspend temporarily the duty on Neville and Winter's acid; to the Committee on Finance.

S. 938. A bill to suspend temporarily the duty on anis base; to the Committee on Finance.

S. 939. A bill to suspend temporarily the duty on naphtol AS types; to the Committee on Finance.

TEMPORARY SUSPENSION OF DUTY ON CERTAIN CHEMICALS

Mr. THURMOND. Mr. President, I rise today to introduce six bills which will suspend the duties imposed on certain chemicals used in coloring textile products, paints, inks, and plastic components. Currently, these chemicals are imported for use in the United States because there is no domestic supplier or readily available substitute. Therefore, suspending the duties on these chemicals would not adversely affect domestic industries.

The first bill would temporarily suspend the duty on 1-Amino-8-hydroxy-4,6-naphthalene disulfonic acid mono sodium salt (K-Acid) which is a chemical used in the manufacturing of reactive dyes for the textile industry.

The second bill would temporarily suspend the duty on 2,Naphthyl amine-6-sulfonic acid (Broenner's acid) which is used in making reactive dyes for coloring cotton and wool.

The third bill would temporarily suspend the duty on 2-Naphthyl amine-1, 5-disulfonic acid and the mono sodium salt (D Salt). Both of these components are combined and used in the manufacturing of reactive dyes for cotton and wool.

The fourth bill would temporarily suspend the duty on 1-Naphtol-4-sulfonic acid and the mono sodium salt (Neville and Winter's Acid). Once again these chemicals are used in the manufacturing of reactive dyes for cotton and wool products.

The fifth bill would temporarily suspend the duty on 3-Amino-methoxy benzanilide (anis base) which is used in the production of Azo pigments. These pigments are used in the production of paints, printing inks, and colorants for plastics.

The sixth and last bill would temporarily suspend the duty on 3-Hydroxy-2-naphthanilide, 3-Hydroxy-2-naphtho-o-toluidide, 3-Hydroxy-2-naphtho-o-anisidide, 3-Hydroxy-2-naphtho-o-phenetidide, 3-Hydroxy-2-naphtho-4-chloro-2,5-dimethoxy Anilide, and N,N'-bis [acetoacetyl-O-tolidine] (naphthol AS types). These pigments are also used in the production of paints, printing inks, and colorants for plastics.

Mr. President, suspending the duty on these chemicals will benefit the consumer by stabilizing the costs of manufacturing the end-use products. Further, these suspensions will allow domestic producers to maintain or improve their ability to compete internationally. There are no known domestic producers of these materials. I hope the Senate will consider these measures expeditiously.

I ask unanimous consent that the text of the bills be printed in the RECORD immediately following my remarks.

There being no objection, the bills were ordered to be printed in the RECORD, as follows:

S. 934

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. K-ACID.

Subchapter II of chapter 99 of the Harmonized Tariff Schedule of the United States is amended by inserting in numerical sequence the following new heading:

"9902.30.07	1-Amino-8-hydroxy-4, 6-naphitalene disulfonic acid mono sodium salt (CAS No. 85294-32-2) provided for in subheading 2922.21.50).	Free ...	No change ...	No change ...	On or before 12/31/92".

SEC. 2. EFFECTIVE DATE.

The amendment made by the first section of this Act applies with respect to articles entered, or withdrawn from warehouse for consumption, on or after the 15th day after the date of the enactment of this Act.

S. 935

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. BROENNER'S ACID

Subchapter II of chapter 99 of the Harmonized Tariff Schedule of the United States is amended by inserting in numerical sequence the following new heading:

"9902.30.07	2, Naphthyl amine-6-sulfonic acid (CAS No. 93-00-5) (provided for in subheading 2921.42.50).	Free ...	No change ...	No change ...	On or before 12/31/92"

SEC. 2. EFFECTIVE DATE.

The amendment made by the first section of this Act applies with respect to articles entered, or withdrawn from warehouse for consumption, on or after the 15th day after the date of the enactment of this Act.

S. 936

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. D SALT

Subchapter II of chapter 99 of the Harmonized Tariff Schedule of the United States is amended by inserting in numerical sequence the following new heading:

"9902.30.07	2-Naphthyl amine-1, 5-disulfonic acid and the mono sodium salt (CAS No. 117-62-4 and 19532-03-07) (provided for in subheading 2921.42.50).	Free	No change	No change	On or before 12/31/92".

SEC. 2. EFFECTIVE DATE.

The amendment made by this Act shall apply with respect to articles entered, or withdrawn from warehouse for consumption, on or after the date that is 15 days after the date of enactment of this Act.

S. 937

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. NEVILLE AND WINTER'S ACID.

Subchapter II of chapter 99 of the Harmonized Tariff Schedule of the United States is amended by inserting in numerical sequence the following new heading:

"9902.30.07	1-Naphtol-4-sulfonic acid and the mono sodium salt (CAS Nos. 84-87-7 and 6099-57-6) (provided for in subheading 2908.20.10).	Free	No change	No change	On or before 12/31/92".

SEC. 2. EFFECTIVE DATE.

The amendment made by the first section of this Act applies with respect to articles entered, or withdrawn from warehouse for consumption, on or after the 15th day after the date of the enactment of this Act.

S. 938

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. ANIS BASE.

Subchapter II of chapter 99 of the Harmonized Tariff Schedule of the United States is amended by inserting in numerical sequence the following new heading:

"9902.30.07	3-Amino-methoxy benzanilide (CAS No. 102-35-4) (provided for in subheading 2921.49.30 or 2924.29.25).	Free	No change	No change	On or before 12/31/92".

SEC. 2. EFFECTIVE DATE.

The amendment made by this Act shall apply with respect to articles entered, or withdrawn from warehouse for consumption, on or after the date that is 15 days after the date of enactment of this Act.

S. 939

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. NAPHTHOL AS TYPES.

Subchapter II of chapter 99 of the Harmonized Tariff Schedule of the United States is amended by inserting in numerical sequence the following new heading:

"9902.30.07	3, Hydroxy-2-naphtharilide (CAS No. 92-77-3), 3-Hydroxy-2-naphtho-o-toluidide (CAS No. 135-61-5), 3-Hydroxy-2-naphtho-o-anisidide (CAS No. 135-62-6), 3-Hydroxy-2-naphtho-o-phenetidide (CAS No. 92-74-0), 3-Hydroxy-2-naphtho-4-chloro-2,5-dimethoxy Anilide (CAS No. 4273-92-1), and n,N'-bis (acetoacetyl-O-tolidine) (CAS No. 91-96-3) (provided for in subheading 2924.29.14).	Free	No change	No change	On or before 12/31/92".

SEC. 2. EFFECTIVE DATE.

The amendment made by the first section of this Act applies with respect to articles entered, or withdrawn from warehouse for consumption, on or after the 15th day after the date of the enactment of this Act.

By Mr. BINGAMAN (for himself and Mr. DOMENICI):

S. 940. A bill to designate segments of the East Fork of the Jemez River and of the Pecos River as components of the National Wild and Scenic Rivers System, and for other purposes; to the Committee on Energy and Natural Resources.

JEMEZ AND PECOS RIVERS WILD AND SCENIC RIVER ADDITION ACT OF 1989

● Mr. BINGAMAN. Mr. President, I rise today to introduce legislation that would add two fine streams in my home State of New Mexico to the National Wild and Scenic Rivers System, the East Fork of the Jemez River and the Pecos River.

Last year, the Congress designated a 24.6-mile stretch of the Rio Chama as a wild and scenic river. The Rio Grande in northern New Mexico and the Red River near Questa were among the first rivers protected under the act. The East Fork of the Jemez and the Pecos belong in the system as well.

We in New Mexico appreciate better than some the value of free-flowing streams. Water is scarce in my State and we cherish the Jemez and the Pecos for their scenic, recreational, and natural beauty. This measure would protect these rare streams from construction of dams and other disturbances.

The East Fork of the Jemez would be protected for 11 miles, from the Baca location No. 1 to its confluence with the Rio San Antonio, at the Santa Fe National Forest's Battleship Rock picnic ground. A small portion of the river passes through private land, but the property owner has been consulted and has no objections to the wild and scenic designation. The rest of the river flows through the Santa Fe Forest. The East Fork originates in the Valles Caldera, one of the natural wonders of New Mexico, and flows south and west, cutting through a volcanic flow of Valles Rhyolite to form a rugged, sheer-walled canyon. Here, the southern-most extension of Canadian dogwood is present. The river passes the Las Conchas campground, and is followed by New Mexico Highway 4. A rugged stretch of canyon includes cliffs, boulders, heavy forests of Engelman spruce and mixed conifers. In parts, the river flows from wall to wall of the canyon. Elsewhere, the canyon widens, and the river nourishes lush meadows. Other attractions are Jemez Falls and a hot spring. Peregrine falcons feed in the canyon, along with the Jemez Mountain salamander, unique to the area. Trout fishing is a popular sport for many. Access is ready: Alburquerque and Santa Fe are less than 2 hours' drive.

The Pecos would be protected for approximately 21.5 miles, from its headwaters near the Santa Barbara Divide in the Pecos Wilderness to the townsite of Terrero. The Pecos is a river well known in folk tales of the West and is important to eastern New Mexico and west Texas. It originates high in the Pecos Wilderness and descends through rugged granite canyons, alternating with mountain meadows in beautiful, high valleys. Most of the land along the river is owned by the U.S. Forest Service or the New Mexico Department of Game and Fish; the river does pass through some private land between the confluence with the Rio Mora and Terrero. However, there are no provisions for the condemnation of private land in the legislation. Private property rights will not be affected. The river is popular for camping, fishing, swimming and hiking. It is rich with aspen, spruce and fir. The segment to be protected includes the narrow Pecos Box, where the river churns several hundred feet below the road. Fishing in this stretch is restricted to artificial flies and lures.

The bill divides the East Fork of the Jemez into three segments, designating 2 miles as recreational, 4 miles as wild, and 5 miles as scenic. The Pecos is split into two segments, with 13.5 miles designated wild and 7 miles as scenic. The U.S. Forest Service has recommended these designations and reports that public support for the protections appear to be high.

This legislation will not only protect special rivers for future generations, but boost tourism in my State. I ask my colleagues to join me in supporting this measure.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 940

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Jemez and Pecos Rivers Wild and Scenic River Addition Act of 1989".

SEC. 2. WILD AND SCENIC RIVER DESIGNATION.

Section 3(a) of the Wild and Scenic River Act (82 Stat. 906; 16 U.S.C. 1274(a)) is amended by adding the following new paragraphs:

"( )(A) JEMEZ RIVER, EAST FORK, NEW MEXICO.—Segments of the East Fork of the Jemez River, to be administered by the Secretary in the classifications indicated, as follows:

"(1) the segment from the Baca Location Number 1, approximately 2 miles southwest, past the Santa Fe National Forest's Las Conchas Campground, to State Highway 4, where it crosses the river at the Sante Fe National Forest's Las Conchas trailhead, as a recreational river;

"(2) the segment from the Las Conchas trailhead approximately 4 miles west to where the same highway crosses the river near the Sante Fe National Forest's East Fork trailhead, as a wild river; and

"(3) the segment from that highway crossing (State Highway 502 where it crosses the river near the Sante Fe National Forest's East Fork trailhead) approximately 5 miles west to the confluence with the Rio San Antonio, at the Sante Fe National Forest's Battleship Rock picnic ground, as a scenic river.

"(B) A map entitled 'East Fork of the Jemez Wild and Scenic River' generally depicting the foregoing segments of the East Fork of the Jemez River shall be kept on file and available for public inspection in the office of the Headquarters of the Sante Fe National Forest.

"( )(A) PECOS RIVER, NEW MEXICO.—Segments of the Pecos River, to be administered by the Secretary in the classifications indicated, as follows:

"(1) the segment from the river's headwaters near the Santa Barbara Divide in the Pecos Wilderness approximately 13.5 miles south to the Pecos Wilderness boundary, as a wild river; and

"(2) the segment from that point (the Pecos Wilderness boundary) approximately 7 miles south to the townsite of Terrero, as a recreational river.

"(B) A map entitled 'Pecos Wild and Scenic River' generally depicting the foregoing segments of the Pecos River shall be kept on file and available for public inspection in the office of the Headquarters of the Santa Fe National Forest.".●

● Mr. DOMENICI. Mr. President, I rise today to join my colleague from New Mexico [Mr. BINGAMAN] in introducing a bill to designate segments of the Pecos River and of the East Fork of the Jemez River in New Mexico as components of the Wild and Scenic Rivers System.

Last year marked the 20th anniversary of the Wild and Scenic Rivers Act. The first wild and scenic river in the Nation was a portion of the Rio Grande in northern New Mexico. New Mexico marked the anniversary of the enactment of the act and the designation of the Rio Grande with the passage of legislation that Senator BINGAMAN and I worked on to designate 24.6 miles of the Rio Chama River as part of the Wild and Scenic Rivers System.

The bill Senator BINGAMAN and I are introducing today will protect segments of two more rivers for the benefit and enjoyment of present and future generations. It is a commendable way to begin the second 20 years of the Wild and Scenic Rivers System in New Mexico.

The designation of the Rio Chama gave New Mexico a total of approximately 78 miles of wild and scenic rivers. Approximately 53 miles of rivers in New Mexico are original components of the Wild and Scenic Rivers System. These 53 miles encompass about 49 miles of the rugged, upper Rio Grande River and the lower 4 miles of the Red River feeding into the Rio Grande near Questa, NM.

Now, after a period of careful consideration and public review, the bill that Senator BINGAMAN and I are introducing today proposes to add another 31.5 miles to the system in New Mexico—11 miles of the East Fork of the Jemez and 20.5 miles of the Pecos River, both located in the outstanding scenery of the Santa Fe National Forest.

The 1968 act provides the criteria for qualification as a wild and scenic river. A river must "possess outstandingly remarkable scenic, recreation, geologic, fish and wildlife, historic, cultural, or other similar values." These two river segments fulfill these criteria and would be worthy additions to the Wild and Scenic River System.

The East Fork of the Jemez River originates in the Valles Caldera as a small, meandering stream in the vast crater. It passes through Valles Rhyolite cliffs, a sheer-walled canyon, on its way to its junction with the Rio San Antonio, where the Jemez River is formed. This river segment passes through the heart of the Jemez Mountains' most popular recreation area.

The Pecos River, famous in the folklore of the frontier, flows out of the Pecos Wilderness through rugged granite canyons and waterfalls and passes by small, high-mountain meadows. It is one of New Mexico's most heavily used trout streams.

With the designation of these rivers segments, New Mexico would have portions of 5 rivers as part of the system, which now includes portions of more than 70 rivers nationwide. Currently there are more than 7,300 miles in the National Wild and Scenic River System.

I would like to add, as there was some concern expressed by property owners along the river, that this legislation will not divest property owners of any rights that they currently have. I have been assured by the Forest Service that individuals who own land along the river will continue to be able to use and develop their property as they have in the past.

I congratulate Senator BINGAMAN for his work on this measure and am pleased to cosponsor it.●

By Mr. STEVENS (for himself, Mr. DANFORTH, and Mr. MURKOWSKI):

S. 941. A bill to enhance the navigation safety of oil tankers operating in the Prince William Sound, AK, and for other purposes; to the Committee on Commerce, Science, and Transportation.

PRINCE WILLIAM SOUND OIL TANKER NAVIGATION SAFETY ACT OF 1989

By Mr. STEVENS (for himself and Mr. MURKOWSKI):

S. 950. A bill to provide for an oil spill research and development center and to establish a coastal zone restoration and enhancement fund, and for other purposes; to the Committee on Energy and Natural Resources.

PROVIDING FOR AN OILSPILL RESEARCH AND DEVELOPMENT CENTER AND RESTORATION FUND

Mr. STEVENS. Mr. President, I have legislation today that I would like to send to the desk for appropriate reference. But, first, I would like to outline that legislation. The main bill is cosponsored by Senator DANFORTH and my colleague, Senator MURKOWSKI, and the second is a bill that I introduced for myself and my colleague, Senator MURKOWSKI.

These are bills that we have been working on for some time now, since the disaster that occurred in Prince William Sound near Valdez when the *Exxon Valdez* went ashore on Bligh Reef. Having examined in depth the adequacy of Federal law, these are our suggestions for changes in Federal law to try to make us sure as it is humanly possible that such a disaster could not occur again.

I call these bills to the attention of Members of the Senate and urge their cosponsorship, if any would like to join us. But in any event, we urge that every Senator, particularly those involved in coastal States, examine these bills to determine which, if any, provisions they believe ought to be applicable to the movement of oil by tanker, and which should apply to their States also.

The main bill that I am introducing, the first one, would increase the fund that was created by the Trans-Alaska Pipeline Right-of-Way Act—we call that the TAPS Act—to $500 million. That fund originally was $100 million. It was created by a tax of 5 cents per barrel on oil that moved through the trans-Alaska pipeline until $100 million had been accumulated.

The fund now, as a matter of fact, is $278 million because of the interest that has been earned on the fund since it has reached its required level of $100 million, and this is the first major spill that has had the ability to draw funds from that trans-Alaska pipeline fund.

This bill would also create a Prince William Sound Oil Spill Recovery Institute to be an institute to specifically address the Prince William Sound spill and disaster, and to see what must be done to mitigate the effects of that spill, and to enhance the environment if it is possible in order to overcome the detrimental effect of this spill.

One of the changes that we wish to make in the liability fund is not only to increase from $100 million to $500 million the money available, but we, in our bill, propose that the Coast Guard have immediate access of up to $150 million for cleanup, in the event there is a spill.

As the distinguished President pro tempore and Presiding Officer knows, those of us in the Appropriations Committee are now worried that Federal agencies are using funds that were appropriated for other purposes, but in an emergency they are assisting in coordinating and supporting the cleanup efforts, and that is costing money, which later will be repaid, we believe, by Exxon. Exxon is responsible for these cleanup costs.

Meanwhile, the Federal agencies are stretching out their functions in other areas of our country, and we think that the $150 million minimum should be available immediately, in the event of a disaster of this type.

Further, we want to have stricter contingency plan requirements. This bill would require that there be prepositioned equipment, materials, personnel, and escort vessels to carry out the contingency plans; that those plans be exercised at least twice a year by the Coast Guard; and that each tanker be required to carry on board sufficient boom, container material, and small boats to deploy it, to encircle the vessel itself, and 100 yards from the vessel, for immediate containment of the oil in the event there is a spill.

We would change the existing law to require in Prince William Sound that Alaska State pilots remain on board these tankers until they pass Bligh Reef; that the Coast Guard have access to drivers license records in terms of those who have been convicted of driving while under the influence of alcohol; and that a person who has been so convicted be prohibited from becoming an officer in charge of such a tanker for 5 years after such a conviction; and as a minimum, the Coast Guard could suspend those who they found were still abusing alcohol from being in charge of such tankers.

We have asked for this legislation because we believe it is necessary to tighten the requirements, in order to demonstrate our national concern over this terrible disaster that took place.

Mr. President, I have visited now on two occasions, for some length, the cities of Alaska that were in the area of the spill; Valdez, Cordova, Seward, Homer, Seldovia, and Kodiak. They are all very much disturbed by the results of this spill. Some of these provisions are to meet the problems that those cities have encountered.

One of the things we would like to have is an assurance that we have the most modern technology used in these tankers that continue to exit our port of Valdez.

Without regard to whether there is any additional exploration in my State, Mr. President, there will be tankers leaving Valdez carrying 2.1 million barrels of oil a day for some years now.

We feel the adequacy of the existing navigation system needs to be reviewed. We wish to have another navigation light on Bligh Reef. There is a light on Bligh Reef, on the approach to the reef from the sea. There is no light on that reef, on approach to it, from the Port of Valdez. We think it should be adequately lighted on both ends of the reef. It is a reef that, at high tide, is still barely beneath the surface of the sound, and presents one of the most obviously difficult obstacles in that area to navigation.

We seek to raise the level of the offshore pollution fund that is created by the Outer Continental Shelf Lands Act to $250 million and use between $2 and $10 million of that money to fund a research and development center for offshore spill prevention and cleanup technology.

The interesting thing I found, Mr. President, was that there really was no real national center in this country to develop new technology and to inform the industry of the existence of this technology. I personally believe that there is a great deal of technology in the world that our people were not adequately informed of.

I ran into the concept of sea-fences, which the Navy had in their Navy salvage units. These were developed in Norway and in the European areas, and they were not commonly used by American industry. Incidentally, they are larger than the boom that was deployed immediately right after the *Exxon Valdez* spill, which I was told was 18 inches. These sea-fences are up to 9 and 10 feet, and the boom that is now being used up there is roughly 4 feet.

But during the time when that tremendous spill was spreading out all over the sound, there had to be enormous container equipment available, and it was not available.

Mr. President, one of the amendments we seek to have made is to amend the Disaster Act of the United States to include oil spills. We found that an oil spill is not considered to be a man-made disaster that can be classified as a national disaster. And it is our opinion that that should happen.

I would like to include in the RECORD at this point the bill that I am introducing, and a summary of that bill, and the second bill, also, that is introduced by Senator MURKOWSKI and myself to establish a coastal zone restoration and enhancement fund and oil spill research and development center, as I described.

I thank the Chair for his patience.

There being no objection, the bills and material were ordered to be printed in the RECORD, as follows:

S. 941

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Prince William Sound Oil Tanker Navigation Safety Act of 1989".

DEFINITIONS

SEC. 2. As used in this Act, the term—

(1) "Prince William Sound" means all navigable waters within the jurisdiction of the State of Alaska and the United States north of Hinchinbrook Entrance to the Port of Valdez, Alaska;

(2) "Secretary" means the Secretary of the department in which the Coast Guard is operating;

(3) "spill" includes any spilling leaking, pumping, pouring, emitting, emptying, or dumping; and

(4) "oil tanker" means a vessel constructed, converted, or adopted to carry oil in bulk in its cargo spaces.

PILOTAGE

SEC. 3. The Secretary shall initiate a rulemaking within 60 days after the date of enactment of this Act to require that all oil tankers entering and departing the Port of Valdez, Alaska, embark and disembark a pilot licensed by the State of Alaska at locations that will ensure that pilotage of all oil tankers in waters adjacent to and north of Bligh Reef is provided by such State pilots. Such rule shall be final and in effect within 90 days after the date of enactment of this Act.

LICENSED PERSONNEL

SEC. 4. Within 60 days after the date of enactment of this Act, the Secretary shall initiate a rulemaking to require for all oil tankers transiting Prince William Sound, Alaska, that, except when pilotage of any such vessel is provided by a pilot licensed by the State of Alaska—

(1) there be one deck officer on the navigation bridge in addition to the master and mate on watch, to assist in navigation, communications, and lookout responsibilities;

(2) no less than two of the personnel required by paragraph (1) to be on the navigation bridge be licensed for the restricted waters being transited at the time within Prince William Sound; and

(3) no less than one of the personnel required by paragraph (1) to be on the navigation bridge fix and record the position of

the vessel on a nautical chart of the area at least once every six minutes, and retain and make available the annotated chart for inspection by the Secretary.

Such rule shall be final and in effect within 90 days after enactment of this Act.

NATIONAL DRIVER REGISTER

SEC. 5. ACCESS TO REGISTER.—Section 206(b) of the National Driver Register Act of 1982 (23 U.S.C. 401 note) is amended—

(1) by redesignating paragraphs (4) and (5) (as so designated by section 305(b) of the Airport and Airway Safety and Capacity Expansion Act of 1987) as paragraphs (6) and (7), respectively; and

(2) by inserting immediately after paragraph (3) the following new paragraph:

"(4) Any individual who has applied for or received a license to be in control and direction of a commercial vessel may request the chief driver licensing official of a State to transit information regarding the individual under subsection (a) of this section to the Commandant of the Coast Guard. The Commandant may receive such information and shall make such information available to the individual for review and written comment. Any such comment shall be included in any record or file maintained by the Commandant that contains the information to which the comment is related. The Commandant shall not otherwise divulge or use such information, except to verify information required to be reported to the Commandant by an individual applying for, holding, or renewing a license to be in control and direction of a commercial vessel and to evaluate whether the individual meets the minimum standards required in order to be issued or hold such a license. There shall be no access to information in the Register under this paragraph if such information was entered in the Register more than five years before the date of such request, unless such information relates to revocations or suspensions which are still in effect on the date of the request. Information submitted to the Register by States under the Act of July 14, 1960 (74 Stat. 526), or under this Act shall be subject to access for the purpose of this paragraph during the transition to the Register established under section 203(a) of this Act.".

(b) RULEMAKING.—Prior to the expiration of the 90-day period following the date of enactment of this Act, the Secretary shall initiate a rulemaking to require each applicant for a license to be in control and direction of a commercial vessel, and each holder of any such license, to make available to the Secretary, in accordance with section 206(b)(4) of the National Driver Register Act of 1982 (23 U.S.C. 401 note), information regarding the motor vehicle driving record of such applicant contained in the National Driver Register. Such rule shall be final and in effect on and after the expiration of the 180-day period beginning on the date of enactment of this Act.

ALCOHOL AND CONTROLLED SUBSTANCES TESTING

SEC. 6. (a) REGULATIONS.—The Secretary shall, within 60 days after the date of enactment of this Act, issue regulations to require the periodic, random, and reasonable cause, as well as post-accident, testing for use of alcohol by those persons who, pursuant to licenses issued by the Secretary, exercise control and direction (as determined by the Secretary) of oil tankers within the navigable waters of the United States. Such regulations shall—

(1) be designed to identify those persons who exercise such control and direction of an oil tanker while impaired by or under the influence of alcohol;

(2) include provisions, procedures, and safeguards analogous to those set forth in the Final Rule published on November 21, 1988, at pages 47064 through 47082 of the Federal Register; and

(3) shall be published as a final rule within 90 days after enactment of this Act.

(b) PROHIBITION ON SERVICE.—No person shall serve as a licensed individual responsible for the control and direction (as determined by the Secretary) of an oil tanker within the navigable waters of the United States if such person—

(1) has been determined by the Secretary to have served in such capacity while impaired by or under the influence of alcohol;

(2) has been denied a motor vehicle license by a State for cause within the previous 5 years;

(3) has had any cancellation, revocation, or suspension of a motor vehicle operator's license by a State for cause within the previous 5 years; or

(4) has been convicted within the previous 5 years of an offense described under section 205 (a)(3)(A) or (b) of the National Driver Registration Act of 1982.

BLIGH REEF LIGHT

SEC. 7. The Secretary shall, within one year after the date of enactment of this Act, install and ensure operation of an automated navigation light on or adjacent to Bligh Reef in Prince William Sound, Alaska, of sufficient power and height to provide effective long-range warning of the location of Bligh Reef.

VESSEL TRAFFIC SERVICES

SEC. 8. The Secretary shall within 180 days after the date of enactment of this Act—

(1) acquire, install, and operate such additional radar equipment, train and locate such personnel, and issue such final regulations as are necessary to—

(A) increase the range of the existing Vessel Traffic Service System in the Port of Valdez, Alaska, sufficiently to track the locations and movements of oil tankers transiting Prince William Sound, and sound an audible alarm when such vessels depart from designated navigation routes; and

(B) install a Vessel Traffic Service System radar unit on Naked Island in Prince William Sound to provide additional radar coverage of oil tanker traffic lanes and anchorages; and

(2) submit to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Merchant Marine and Fisheries of the House of Representatives a report on the feasibility and desirability of instituting positive control by the Coast Guard on oil tanker movements in Prince William Sound with the use of the Vessel Traffic Services System, radar, radio telecommunications, and satellite-linked transmitters aboard such tankers.

OIL TANKER SIZE AND DOUBLE BOTTOMS

SEC. 9. The Secretary shall within 180 days after the date of enactment of this Act submit to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Merchant Marine and Fisheries of the House of Representatives—

(1) a report describing the size and cargo capacity of oil tankers transiting Prince William Sound, specifying changes in such size and cargo capacity over the past 20 years, evaluating the extent to which the risks or difficulties associated with oil tanker navigation, vessel traffic control, accidents, oil spills, and the containment and cleanup of such spills are influenced or related to an increase in such size and cargo capacity, and containing a specific recommendation as to whether limitations on such size or cargo capacity should be imposed to minimize such risks and difficulties; and

(2) a report assessing the extent to which the oil spill from the Exxon Valdez in Prince William Sound would have been prevented or mitigated had the vessel been built with double hull, double bottom, or other structural features, and containing a specific recommendation as to whether oil tankers transiting Prince William Sound should be required to have such double hulls, double bottoms, or other structural features.

OIL SPILL CONTINGENCY PLANS AND APPROVAL

SEC. 10. (a) ISSUANCE OF REGULATIONS.—Notwithstanding any other provision of law, the Secretary shall, within 120 days after the date of enactment of this Act, issue final regulations requiring owners and operators of oil tankers transiting Prince William Sound to prepare and submit to the Secretary for approval a contingency plan for the prevention, containment, and cleanup of oil spills from their vessels. At a minimum, such plans shall include—

(1) a clear and precise, detailed description of how the individual plan relates to and is integrated into the overall National Contingency Plan;

(2) procedures for timely notification of appropriate authorities of a spill;

(3) identification of personnel responsible for taking correction action in the case of a spill;

(4) a description of procedures to be used to minimize the damage from a spill and to make immediate repairs if possible;

(5) a description of countermeasures, response and cleanup personnel and equipment and their locations on vessels or elsewhere, and the time required to deploy them at the spill site;

(6) minimum standards for personnel training;

(7) provisions for disposal of recovered oil;

(8) arrangements for the prepositioning of oil spill containment and cleanup equipment on and around Prince William Sound, including escort vessels with skimming capability, barges to receive recovered oil, heavy duty sea booms, pumping, transferring and lightering equipment, and other appropriate recovery equipment for the protection of the coastal and marine environment, including fish hatcheries; and

(9) requirements that oil tankers transiting Prince William Sound carry equipment, material, and personnel sufficient to respond immediately in the event of an oil spill so as to minimize and contain it to the maximum extent practicable and minimize the damage to the coastal and marine environment, including—

(A) sufficient heavy-duty oil boom and deployment capability to encircle the vessel at 100 yards or more;

(B) materials or other equipment to control leakage of oil from the vessel; and

(C) pumps and other necessary equipment; and

(10) establishment of an oil spill response team at appropriate locations on and around Prince William Sound consisting of trained personnel and equipment sufficient in numbers and capabilities to provide an immediate and effective response to a maximum probable spill.

(b) INSPECTION AND MAINTENANCE.—Subsequent to issuance of the rules described in this section, the Secretary shall implement regulations providing for regular inspection of oil tankers and equipment to ensure compliance with the requirements of subsection (a).

(c) COOPERATIVE EFFORTS.—In complying with this section, an owner or operator of an oil tanker may rely on his or her participation in a cooperative effort with other persons subject to this section to satisfy the requirements of this section.

(d) APPROVAL OF PLANS.—(1) In approving the contingency plans required by this section, the Secretary shall consider the adequacy of containment and cleanup equipment, trained personnel, communications equipment, response time, and logistical arrangements for coordination and implementation of the response.

(2) No plan shall be approved unless the Secretary determines that the equipment, personnel, and arrangements for implementing a response listed in the plan are sufficient to respond to the maximum probable spill in Prince William Sound.

(e) GUIDELINES FOR MAXIMUM PROBABLE SPILL.—The Secretary shall publish guidelines for the determination of the maximum probable spill in Prince William Sound, taking into account the amount of oil being transported, stored, or transferred, and the risk of a spill; except that in no event shall the maximum probable spill be less than the largest historic spill in Prince William Sound.

(f) PROHIBITION.—It shall be unlawful to operate an oil tanker in Prince William Sound that is not in compliance with a contingency plan submitted and approved under this section.

(g) LEGAL EFFECT OF CONTINGENCY PLANS.—The provisions of contingency plans approved by the Secretary pursuant to subsection (d) shall be deemed to be legally binding upon those persons submitting them to the Secretary. The district court of the United States for the district of Alaska shall have jurisdiction to restrain a violation of, compel specific performance of, or otherwise enforce such plans upon application by the Secretary.

(h) PUBLIC AWARENESS AND PRACTICE DRILLS.—(1) The Secretary shall annually publish an up-to-date description of the contingency plans prepared for oil spills in Prince William Sound, and an inventory of equipment available to respond to such spills.

(2) The Secretary shall require practice drills of the contingency plans prepared for oil spills in Prince William Sound not less than twice each year. The Secretary shall review and publish a report on such drills, including an assessment of actual response time and available equipment and personnel compared to those listed in the contingency plans, and requirements, if any, for changes in the plans or their implementation. The Secretary shall require such additional drills and changes in arrangements for implementing approved plans as are necessary to ensure their effective implementation.

(i) ACTION BY SECRETARY IN EVENT OF SPILL.—Notwithstanding any other provision of law, the Secretary shall notify the President immediately if (1) the extent of an oil spill in Prince William Sound is or may be greater than 1,000,000 gallons of oil, (2) more than one bilge or cargo tank or compartment in the vessel is spilling oil into the environment, (3) there is a clear and present danger to life, the environment, or major improvements in the area affected or likely to be affected by the spill, or (4) implementation of the contingency plan or other arrangements are not adequate to provide an immediate and effective response to the spill, regardless of its extent. The President shall, upon such notification, direct that the Secretary, acting through the Commandant of the Coast Guard, assume direction and control of the containment, cleanup, removal, and other responses to the spill. The assumption by the Secretary of such direction and control shall not affect the determination of liability for the costs of containment, cleanup, removal, or damages associated with or resulting from the spill.

OIL SPILL RECOVERY INSTITUTE

SEC. 11. (a) ESTABLISHMENT OF INSTITUTE.—The Secretary of Commerce shall provide for the establishment of a Prince William Sound Oil Spill Recovery Institute (hereinafter referred to as the "Institute") to be administered by the Secretary of Commerce through the University of Alaska Institute of Marine Studies.

(b) FUNCTIONS.—The Institute shall conduct research and carry out educational and demonstration projects designed to—

(1) identify and develop the best available techniques, equipment, and materials for dealing with oil spills in the arctic and subarctic marine environment; and

(2) determine, document, assess, and understand the long-term effects of the Exxon Valdez oil spill on the natural resources of Prince William Sound and its adjacent waters, the environment, the economy, and the lifestyle and well-being of the people who are dependent upon them.

(c) ADVISORY COUNCIL.—(1) The policies of the Institute shall be determined by an Advisory Council composed of—

(A) one representative appointed by each of the Commissioners of Fish and Game, Environmental Conservation, Natural Resources, and Commerce and Economic Development of the State of Alaska; and

(B) one representative appointed by each of the Secretaries of Commerce, the Interior, Agriculture, Transportation, and the Navy, and the Administrator of the Environmental Protection Agency, all of whom shall be Federal employees.

(2) The representative of the Secretary of Commerce shall serve as Chairman of the Council.

(3) Such policies shall include the conduct and support, through contracts and grants, on a nationally competitive basis, of the research, projects, and studies to be supported by the Institute in accordance with the purposes of this section.

(d) ADVISORY COMMITTEE.—(1) The Advisory Council shall establish an Advisory Committee, composed of specialists in matters relating to oil spill containment and cleanup technology, arctic and sub-arctic marine ecology, and the living resources and socioeconomics of Prince William Sound and its adjacent waters, from the University of Alaska and elsewhere in the academic community.

(2) The Advisory Committee shall provide such advice to the Advisory Council as such Council shall request, including recommendations regarding the conduct and support of research, projects, and studies in accordance with the purposes of this section.

(e) DIRECTOR.—The Institute shall be administered by a Director who shall be appointed by the President. The Director may hire such staff and incur such expenses on behalf of the Institute as are authorized by the Advisory Council.

(f) EVALUATION.—The Secretary of Commerce is authorized to conduct an ongoing evaluation of the activities of the Institute to ensure that funds received by the Institute are used in a manner consistent with the provisions of this section.

(g) AUDIT.—The Comptroller General of the United States, and any of his or her duly authorized representatives, shall have access, for the purpose of audit and examination, to any books, documents, papers, and records of the Institute that are pertinent to the funds received and expended by the Institute.

(h) STATUS OF EMPLOYEES.—Employees of the Institute shall not, by reason of such employment, be considered to be employees of the Federal Government for any purpose.

(i) TERMINATION.—The authority for establishment, operation, and funding of the Institute shall terminate 10 years after the date of enactment of this Act.

(j) AUTHORIZATION OF FUNDING.—For the purposes of this section, there are authorized to be made available to the Department of Commerce, $5,000,000 for fiscal year 1989 and $2,000,000 for each of fiscal years 1990 through 1999. Any such funds shall be provided from the Trans-Alaska Pipeline Liability Fund in accordance with the Trans-Alaska Pipeline Authorization Act (43 U.S.C. 1651 et seq.).

OILSPILL DISASTER ASSISTANCE

SEC. 12. (a) FINDINGS AND DECLARATION.—The Congress hereby finds and declares that—

(1) the oilspill in Prince William Sound which resulted from the negligent grounding of the Exxon Valdez is a disaster of major proportions; and

(2) because of the widespread impact on governments, communities, and individuals in areas affected by the disaster, the provisions of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.) should be amended to allow Federal relief for such disastrous oilspills.

(b) DEFINITION.—Section 102(2) of such Act (42 U.S.C. 5122(2)) is amended by inserting "oilspill," immediately after "flood,".

(c) PARTY LIABLE.—Section 317(a) of such Act is amended—

(1) by inserting ", or through willful misconduct or negligence," immediately after "intentionally"; and

(2) by inserting ", or the willful misconduct or negligence," immediately after "omission".

TRANS-ALASKA PIPELINE LIABILITY FUND

SEC. 13.(a) Section 204(c)(3) of the Trans-Alaska Pipeline Authorization Act (43 U.S.C. 1653(c)(3)) is amended to read as follows:

"(3)(A) Strict liability for all claims arising out of any one incident shall be limited to $500,000,000. The owner and operator of the vessel shall be jointly and severally liable for the first $70,000,000 of such claims that are allowed. Financial responsibility for $70,000,000 shall be demonstrated in accordance with the provisions of section 311(p) of the Act of June 30, 1948 (33 U.S.C. 1321(p)) before the oil is loaded. The Fund shall be liable for the balance of the claims that are allowed up to $500,000,000.

"(B) Notwithstanding any other provision of law, after receiving notice that an incident has occurred, and upon the request of the Secretary of the Department in which the Coast Guard is operating, the Fund

shall immediately deposit $150,000,000 in the account established under section 311(k) of the Act of June 30, 1948 (33 U.S.C. 1321(k)) for use by the Coast Guard to reimburse Federal and state agencies for expenses incurred in connection with the containment, cleanup, relief, and rehabilitation efforts undertaken in response to the incident. The $150,000,000 so deposited shall be counted against the $500,000,000 available for any single incident. Any portion of the $150,000,000 deposited that is not expended shall be returned to the Fund.

"(C) Any government expenditures beyond the $150,000,000 made available in subparagraph (B) of this paragraph shall be submitted with all other claims for reimbursement from the $350,000,000 remaining. If the total claims allowed under this subparagraph exceed $350,000,000, they shall be reduced proportionately. The unpaid protion of any claim may be asserted and adjudicated under other applicable Federal or State law.".

(b) Section 204(c)(5) of the Trans-Alaska Pipeline Authorization Act (43 U.S.C. 1653(c)(5)) is amended by striking "$100,000,000" wherever it occurs and inserting in lieu thereof "$500,000,000".

(c) Section 204(c)(6) of the Trans-Alaska Pipeline Authorization Act (43 U.S.C. 1653(c)(6) is amended to read as follows:

"(6)(A) The collections under paragraph (5) shall be delivered to the Fund.

"(B) The Fund shall make available to the Department of Commerce $5,000,000 for fiscal year 1989, and $2,000,000 for each of the following fiscal years through 1999, for the purpose of funding the Prince William Sound Oil Spill Recovery Institute established under section 11 of the Prince William Sound Oil Tanker Navigation Safety Act of 1989.

"(C) The Fund shall make available to the Secretary of the department in which the Coast Guard is operating such funds for fiscal years 1989 and 1990 as are considered necessary by the Secretary to carry out the provisions of sections 7 and 8 of the Prince William Sound Oil Tanker Navigation Safety Act of 1989.

"(D) Costs of administration shall be paid from the money paid to the Fund, and all sums not needed for administration, satisfaction of claims, and subparagraphs (B) and (C) of this paragraph shall be prudently invested in income-producing securities approved by the Secretary. Income from such securities shall be added to the principal of the Fund.".

IMPACT ON OTHER LAW

SEC. 14. Nothing in this Act shall be construed or interpreted as changing, diminishing, or preempting in any way the authority of a State, or any political subdivision thereof, to regulate oil tankers transiting Prince William Sound or to provide for oil spill contingency response planning and activities, in State waters.

ACCESS TO PRINCE WILLIAM SOUND

SEC. 15. The Secretary may deny the right to enter, exist, or transit Prince William Sound to any oil tanker that is operated in violation of this Act or a regulation prescribed under this Act, including the requirements of section 10 that oil tankers be operated in compliance with approved contingency plans.

PENALTIES

SEC. 16. (a) A person violating this Act or a regulation issued under this Act is liable to the United States for a civil penalty of not more than $25,000. Each day of a continuing violation is a separate violation.

(b) Each vessel to which this Act applies that is operated in violation of this Act or a regulation issued under this Act is liable in rem for a civil penalty as prescribed in subsection (a) of this section.

(c) A person willfully and knowingly violating this Act or a regulation issued under this Act shall be fined not more than $50,000, imprisoned for not more than five years, or both.

(d) The district courts of the United States have jurisdiction to restrain a violation of this Act or a regulation issued under this Act.

S. 950

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

RESEARCH AND DEVELOPMENT CENTER

SECTION 1. (a) Section 302(a) of the Outer Continental Shelf Lands Act Amendments of 1978 (43 U.S.C. 1812(a)) is amended by striking "$200,000,000" and inserting in lieu thereof "$250,000,000".

(b) Section 302(d)(2) of the Outer Continental Shelf Lands Act Amendments of 1978 (43 U.S.C. 1812(d)(2)) is amended by striking "not less than $100,000,000 and not more than $200,000,000" and inserting in lieu thereof "not less than $150,000,000 and not more than $250,000,000".

(c) Section 302(c) of the Outer Continental Shelf Lands Act Amendments of 1978 (43 U.S.C. 1812(c)) is amended—

(1) by striking "and" at the end of paragraph (2);

(2) by striking the period at the end of paragraph (3) and inserting in lieu thereof "; and"; and

(3) by adding at the end the following new paragraph:

"(4) use by the Secretary, in an amount not less than $2,000,000 and not more than $10,000,000 annually, for the Research and Development Center established in subsection (g) of this section.".

(d) Section 302 of the Outer Continental Shelf Lands Act Amendments of 1978 (43 U.S.C. 1812) is amended by adding the following subsection:

"(g)(1) The Secretary shall establish a Research and Development Center (hereinafter referred to as the 'Center') to be administered by the Commandant of the Coast Guard.

"(2) The Center shall conduct and support, through contracts and grants, research, development, testing, and training in the best available techniques, equipment, and materials to prevent, contain, remove, recover, and clean up oil spills in the navigable waters of the United States by oil tankers transporting oil from offshore facilities or from other sources.

"(3) In administering the Center, the Secretary shall consult regularly with representatives of the Departments of Commerce, the Interior, the Environmental Protection Agency, the Navy, foreign governments, international organizations, and knowledgeable academic, industry, and other persons in order to identify and pursue development of the best available techniques, equipment, and materials.

"(4) The Secretary, in consultation with the Secretary of the Treasury, is authorized to draw, and the Secretary of the Treasury is directed to make available to the Secretary, such sums as the Secretary considers necessary to carry out the purposes of this section; except that such sums shall not be less than $2,000,000 nor more than $10,000,000 in any one fiscal year."

POST-SPILL RESTORATION AND ENHANCEMENT

SEC. 2. (a) Efforts to restore and enhance areas affected by an oil spill shall be directed by the Administrator of the Environmental Protection Agency, in consultation with—

(1) the Departments of Commerce, the Interior, and Agriculture;

(2) any affected State resource agencies; and

(3) a Coastal Zone Advisory Board composed of two persons from each coastal State's coastal zone management agency, who shall be appointed by the Governor of that coastal State.

(b) The Administrator shall expend such sums as he or she considers necessary from the Fund established in subsection (c) of this section in order to restore and enhance, in the most environmentally sensitive and effective manner possible, the living and non-living natural resources of areas affected by an oil spill.

(c)(1) A revolving Coastal Zone Restoration and Enhancement Fund shall be established in the Treasury for use by the Administrator to restore and enhance areas affected by an oil spill.

(2) A one cent per barrel fee shall be collected on each barrel of refined petroleum product refined in, or imported into, the United States for deposit in the Fund established under paragraph (1) of this subsection. Such fee shall be collected at the time when the barrel of refined product—

(A) leaves the United States refinery in which it was initially processed into refined product; or

(B) arrives in the United States in a refined form.

(3) The collection of this fee shall cease when $500,000,000 has been accumulated in the Fund, and collection shall be resumed whenever the accumulation in the Fund falls below $500,000,000.

(4) All sums not needed for restoration and enhancement efforts by the Administrator shall be invested prudently in income-producing securities approved by the Secretary of the Treasury. Income from such securities shall be added to the principal of the Fund.

SUMMARY SECTION-BY-SECTION OF THE PRINCE WILLIAM SOUND OIL TANKER NAVIGATION SAFETY ACT OF 1989

Section 1 gives the short title of the Act and Section 2 sets forth definitions of key terms.

Section 3 deals with pilotage of oil tankers in Prince William Sound. It requires that Alaska State pilots be used between the Port of Valdez and Bligh Reef.

Section 4 deals with the licensed personnel which must be on the navigation bridge of an oil tanker in Prince William Sound. It requires at least 3 officers on the bridge, at least 2 of whom must be licensed for the waters being transited in Prince William Sound. It also requires that the location of the vessel be marked on a navigation chart once every 6 minutes, for later inspection by the Coast Guard.

Section 5 gives the Coast Guard access to information in the National Driver Register about the driving record of individuals seeking or renewing licenses to direct and control commercial vessels. This will ensure that the Coast Guard knows about drunk driving, reckless driving, and other driving violations by applicants.

Section 6 provides for periodic, random, reasonable cause and post-accident testing to identify people who are directing and controlling the operations of oil tankers while impaired by or under the influence of alcohol. Procedures and safeguards for such testing are to be analogous to those published in regulations for drug testing. No person may be licensed to direct and control an oil tanker if that individual has been caught operating it while impaired or under the influence, or been denied a driver's license or had a driver's license suspended or revoked within the previous 5 years.

Section 7 requires installation and operation of a navigation light on Bligh Reef.

Section 8 requires upgrading of the VTS radar in Prince William Sound, a new radar unit on Naked Island, and a report on the feasibility and desirability of instituting positive control of tanker movements in the Sound.

Section 9 requires a study and recommendations regarding limits on the size of oil tankers in Prince William Sound and requirements that they be built with double bottoms, double hulls, or other structural features.

Section 10 sets out required elements that must be contained in contingency plans for oil tankers transiting Prince William Sound, including the requirement that they must clearly describe exactly how they fit into the overall contingency plan. Arrangements for prepositioning of equipment, materials, and personnel and escort vessels are required. Each tanker must also have on board enough boom to encircle the vessel at 100 yards.

Overall, the plans must be adequate to deal effectively with a maximum probable spill, which means a spill that is at least as large as that of the *Exxon Valdez*.

No tanker may operate in the Sound unless it has a plan that has been approved by the Coast Guard. The plans have the force of lay and can be enforced as such in the U.S. District Court.

The Secretary of Transportation, through the Coast Guard, must require practice drills at least twice a year to test the effectiveness of the plans and the ability of tanker operators to perform. Any failures or inadequacies will have to be remedied.

Finally, this section sets out a mechanism for Federal direction and control of an oil spill response. The Coast Guard will direct and control the response to a spill in the Sound if (1) the spill is or is likely to be greater than 1 million gallons, (2) more than 1 tank on the oil tanker involved in the spill is spilling oil, (3) there is a clear and present danger of life, the environment, or major improvements in an area affected or likely to be affected by the spill, or (4) the spill will not be dealt with adequately by arrangements under the contingency plan.

Section 11 establishes the Prince William Sound Oil Spill Recovery Institute to identify and develop techniques, equipment and materials for responses to oil spills in the arctic and sub-arctic environment, and to work on the long-term impacts of the *Exxon Valdez* spill on natural resources of the Sound. It will be funded at $5 million in fiscal year 1989 and $2 million per year thereafter with funds from the Trans-Alaska Pipeline Liability Fund.

Section 12 declares that the Congress finds the *Exxon Valdez* oil spill in Prince William Sound is a disaster of major proportions, and amends the Stafford Act to include oil spills under the definition of a major disaster. The section also amends the definition of liability under Stafford Act to include willful misconduct and negligence.

Section 13 raises the liability limits of the Trans-Alaska Pipeline Liability Fund from $100 million per incident to $500 million per incident. Upon request of the Secretary, $150 million of the $500 million will be deposited in the 311(k) account used by the Coast Guard to pay for federal clean-up expenses. Should federal expenses exceed $150 million, then the government is eligible to file for reimbursement, along with any other claimants, from the remaining $350 million. This section also provides money from the Fund or the Prince William Sound Oil Spill Recovery Institute and the upgrading of the Valdez Vessel Traffic Safety System.

Section 14 states that nothing in the act shall preempt State regulation of oil tankers or contingency plans within state waters.

Section 15 gives the Secretary the authority to deny the right of entry, exit or transit to any oil tanker that is operated in violation of this act.

Section 16 establishes both civil and criminal penalties for violations of this act. The civil penalty is $25,000 for each violation, with each day that a particular violation continues counting as a separate offense. The criminal penalty is up to 5 years in jail and/or $50,000. U.S. District courts are given authority to restrain violations under this act.

SUMMARY SECTION-BY-SECTION ON OIL SPILL RESEARCH AND COASTAL ZONE RESTORATION AND ENHANCEMENT

Section 1 raises the level of the Offshore Polution Fund to $250 million, and directs that not less than $2 million or more than $10 million be made available from the Fund to the Coast Guard in order to fund a research and development center for offshore oil spill prevention and cleanup technology.

Section 2 designates the Administrator of Environmental Protection Agency as the person in charge of the restoration and enhancement of areas impacted by an oil spill. A $500 million Coastal Zone Restoration and Enhancement Fund is established through user fee of one cent per barrel on crude oil at the point of refining, or on refined products at the point of arrival in the U.S. This fund is available to the Administrator for restoration and enhancement work. The Administrator directs the effort in consultation with the Departments of Commerce, Interior, and Agriculture, impacted state resource agencies, and Coastal Zone Advisory Board.

PRINCE WILLIAM SOUND OIL TANKER NAVIGATION SAFETY ACT OF 1989

Mr. DANFORTH. Mr. President, I am pleased to join the senior Senator from Alaska as an original cosponsor of the Prince William Sound Oil Tanker Navigation Safety Act of 1989, which is designed to respond to the devastating oilspill off Valdez, AK, and to prevent a recurrence.

As the ranking Republican member of the Commerce Committee's National Ocean Policy Study, the Senator from Alaska has been a leader in all of our efforts to protect the ocean and coastal waters, their living marine resources, and the people who depend upon them. This bill reflects, once again, his strong leadership and commitment to those objectives.

This is comprehensive legislation. It imposes new requirements for pilotage, licensed personnel, alcohol testing, disclosure of drunk driving convictions, radar monitoring, and other measures that should serve to prevent another grounding like that of the *Exxon Valdez*. It also establishes firm requirements for contingency plans, requires that they be approved by the Coast Guard, makes the provisions of those plans legally binding and enforceable, and provides for Federal direction and control of cleanup efforts to avoid a recurrence of the shameful fiasco that we have witnessed over the past several weeks. Finally, the legislation responds to the human needs resulting from an oilspill of this magnitude. It recognizes that a major oilspill is, in fact, a national disaster, and provides well-deserved relief and assistance to people who are impacted by such a spill.

In short, Mr. President, the senior Senator from Alaska has developed comprehensive and effective legislation in response to the Alaskan oilspill. I am pleased to be a cosponsor, and I urge my colleagues to join me in supporting it.

Mr. MURKOWSKI. Mr. President, today I am joining with my senior colleague from Alaska, Senator TED STEVENS, to cosponsor the Prince William Sound Tanker Safety Act.

The need for this corrective legislation was horribly demonstrated on March 24, 1989 when the oil tanker *Exxon Valdez* ran aground spilling some 240,000 barrels of North Slope crude oil into the waters of Prince William Sound, AK.

The effects of the *Exxon Valdez* oilspill have been disasterous. Hundreds of miles of formerly pristine beaches have been fouled by crude oil. Thousands upon thousands of birds, animals, fish, and other creatures dependent upon the marine environment have been killed.

Fishermen, guides, and many other Alaskans have lost millions of dollars in income. Some may even lose their way of life.

Exxon has spent and will continue to spend millions of dollars to clean up the crude oil and attempt to restore Prince William Sound.

All of this occurred because everyone involved became complacent.

Because we were careless and complacent we did not adequately and accurately assess the risks associated with oil tanker traffic in Prince William Sound. Because we failed to assess the risks, we did not seek to eliminate them.

Mr. President, the legislation that Senator STEVENS and I are introducing today attempts to do that very thing. It attempts to eliminate and minimize,

to the greatest extent possible, the risks posed by the movement of crude oil in ocean-going tankers in Prince William Sound.

As my colleague, Senator STEVENS, indicated today, currently there is approximately 2 million barrels leaving the Port of Valdez for distribution on the west coast of the United States each day. That pipeline provides the United States with approximately 25 percent of the total crude oil produced in our country. Many of the risks at which this bill is aimed were, of course, apparent before the oilspill. Yet they seemed remote and so unlikely to occur that we opted for other considerations, apparently of cost, perhaps of convenience. We are now paying the price of ignoring those risks.

We must not let such a thing happen again, Mr. President. We must ensure that there is a constant vigilance and effort to prevent another oilspill of this magnitude. And we must ensure that we have at our disposal the best available means and technology to respond to such a spill if our preventive efforts fail. We did not have the containment or the contingency plans in this case.

I intend to do my utmost to see that we accomplish those things. I believe we ought not to pursue legislation to open new and promising energy prospects such as the Arctic National Wildlife Refuge to oil and gas development until we are satisfied that we have adequately and completely addressed all the risks of shipping oil out of Alaska as well as addressed the containment and contingency plans associated with any exploration in the Anwar area.

I further believe we ought not to go forward with oil exploration in Bristol Bay Lease Sale 92 until we have proven we have the technology to respond to contingency and containment to an oilspill in those waters and have actually tested that capability.

But we should not confine our attention solely to Alaska. Well over half of all the petroleum consumed in the United States is transported into our Nation by tanker. An oilspill comparable to the *Exxon Valdez* spill could occur in virtually any coastal area of this country. Just as we were not prepared for such a disaster in Prince William Sound, we are not today prepared for such disasters anywhere in the United States either.

In the near future I will be introducing legislation to amend and substantially modify the existing Federal oilspill cleanup and response law. The premise of that legislation will be to ensure that the costs and liabilities of transporting crude oil by tanker realistically reflect the risks associated with that activity.

It is, of course, too late to prevent the *Exxon Valdez* oilspill. We are left now to clean up, restore, and learn from our mistakes. The legislation we are introducing today is just one step in that process.

I commend my friend, the senior Senator, Senator STEVENS, for initiating the Prince William Sound Oil Tanker Navigation Safety Act. I am pleased to join with him as a cosponsor.

By Mr. D'AMATO:

S. 942. A bill for the relief of Lea Gelb, Chaim Morris Gelb, and Sidney Gelb; to the Committee on Foreign Relations.

RELIEF OF GELB FAMILY

● Mr. D'AMATO. Mr. President, I rise to offer legislation to correct an injustice done many years ago to American citizens. Morris and Lenke Gelb owned a flour and produce business in Munkacevo, Czechoslovakia, prior to World War II. Because they were Jewish, the Gelbs were advised to flee Czechoslovakia. Soon after their departure, the Nazis seized and occupied their property. Remaining family members were taken to concentration camps.

After the war, the Gelbs learned from surviving relatives of the deterioration of their property and the subsequent annexation of the region of Czechoslovakia including Munkacevo into the Soviet Union. When it was clear that their property was not reclaimable, the Gelbs remained in the United States and filed for citizenship.

Title II of the War Claims Act of 1948 provided for claims of nationals of the United States based on the loss of or damage to real property in many European nations, including Czechoslovakia, as a result of military operations. Mr. President, this poses a peculiar problem for the Gelbs. Even though their property was in Czechoslovakia before and during the war, it is now located in the Soviet Union.

Had the Czech Government not ceded this area of land to the Soviet Union, the Gelb claim would still be compensable. Unfortunately, Mr. President, this is not the opinion of the Foreign Claims Settlement Commission or the Justice Department.

Therefore, Mr. President, this legislation is necessary to ensure that the Gelbs receive a fair hearing at the Foreign Claims Settlement Commission. Specifically, this legislation requires that the Commission redetermine the validity of the claims by the Gelbs without any regard to any previous determinations.

There is precedent for this action, Mr. President. In 1984, private legislation was signed into law, Private Law 98-54, which directed the Foreign Claims Settlement Commission to reopen a case for precisely the same reason—Czechoslovakian cessation of land to the Soviet Union does not preclude United States property claims from that region.

Mr. President, I ask that the Congress grant this relief to the Gelb family for their very worthy claim.●

By Mr. McCONNELL:

S. 943. A bill to amend the Surface Mining Control and Reclamation Act of 1977 to facilitate the use of abandoned mine reclamation fund moneys to replace water supplies that have been contaminated or diminished by coal mining practices; to the Committee on Energy and Natural Resources.

IMPROVEMENT OF RECLAMATION PROGRAM

Mr. McCONNELL. Mr. President, today I rise to introduce legislation that would improve the Abandoned Mine Land (or AML) Reclamation Program under the Surface Mining Control and Reclamation Act (or SMCRA). The legislation would amend section 402 to return all funds collected from coal operators in a State back to fund that State's AML reclamation program. The legislation would also amend section 403 to increase the priority for projects to replace water supplies that have been damaged by past coal mining practices.

FULL RETURN OF FUNDS

SMCRA provides for a tax or collection of reclamation fees on coal produced in the United States. The major purpose of this collection is to fund State programs for the reclamation of mined areas left without adequate reclamation before the passage of SMCRA. As of September 1988, the Federal Office of Surface Mining (or OSM) collected $2.26 billion in reclamation fees nationwide. However, only $1.15 billion or just 51 percent has been awarded back to the States for the purposes of the program. OSM's return of funds to the States has been inconsistent and subject to intense controversy and constant change. Several smaller coal States have received back 5 and 7 times what has been collected. Pennsylvania, one of the larger coal States has received 108 percent of funds collected. My State of Kentucky has received just 44 percent of its funds. Other major coal producing States have received just 40 to 60 percent of their funds.

I believe Kentucky and other States deserve a more equitable return of their fees. For this reason, this legislation would amend section 402(g) of SMCRA to require the Secretary of the Interior to allocate annually to each State the full amount of fees that are collected in that State. The requirement to return the full amount would not apply in States that have completed reclamation pursuant to the objectives of the AML program under SMCRA.

ENABLING WATER PROJECTS

Significant areas of the United States and especially Kentucky have had water supplies destroyed by impacts from past coal mining. OSM's in-

terpretation of SMCRA's eligibility and priority requirements has favored land reclamation over projects to repair or replace damaged public water supplies. As a result, the Kentucky AML division has had important water projects rejected by OSM. In addition, the eligibility provisions in the existing law limit projects to those impacted by mining conducted prior to passage of SMCRA in 1977. In one case, Kentucky documented that pre-1977 mining impacted a water supply and proposed a project to repair the damage. OSM turned this project down because it claimed the water supply may have also been impacted by post-1977 mining. The existing law also establishes six priority objectives for the program. For the most part OSM funds only the two highest priorities and has mandated water projects to be lower priority projects.

This legislation would amend section 403 of SMCRA to raise the priority of projects to construct or repair public water distribution facilities including water treatment plants to replace water supplies affected by coal mining. Under the legislation these type water projects would be priority two projects. The amendment would allow a State to spend up to 50 percent of its allocation on such projects. Amended section 403 would also allow projects that may have been impacted by post-1977 mining so long as the adverse impacts were predominately caused by pre-1977 mining.

I do not believe it is good policy to first spend money on land reclamation in areas where water supplies have been ruined. Citizens without safe drinking water cannot be expected to be interested in land reclamation. Nor do I believe that funds collected from active coal production should be redistributed to the States in an inequitable fashion. This legislation would enhance a State's ability to repair water systems damaged by coal mining and would result in an equitable redistribution of AML funds between the States.

By Mr. KASTEN:

S. 944. A bill to authorize the establishment of a United States-Taiwan Free Trade Area; to the Committee on Finance.

UNITED STATES-TAIWAN FREE TRADE AREA

● Mr. KASTEN. Mr. President, I rise today to introduce a bill of profound importance for the future of American competitiveness and policy toward one of our most important allies in the Pacific Rim. This bill—a companion to one introduced by Congressman PHIL CRANE—authorizes a free-trade agreement between the United States and the Republic of China on Taiwan.

Taiwan has proven to the whole world that capitalism works. It is a symbol of stability and economic prosperity—and we have a historic opportunity to underscore our friendship while profiting from the expanded market it provides.

The Republic of China has taken steps to open up its markets to United States goods and services. Among those steps are: opening of its markets to insurance companies; liberalization of restrictions on banks; opening up bidding on special construction projects, such as the Taipei subway, to United States companies; and tariff cuts on many items, such as farm products, textiles, footwear, hats, and bicycles. The Republic of China has also sent missions to the United States to buy millions of dollars' worth of our goods.

The steps already taken demonstrate the good faith of the Republic of China. However, much more needs to be done. The Republic of China must cut tariffs on more items. United States companies must have fair access to Taiwanese markets.

A free-trade agreement with Taiwan would ensure United States access to the Taiwanese market, and make our goods more competitive there. It would benefit both the United States and Taiwan, and provide yet another international example of the economic potency of the principle of free market economics.

We have all been searching for new ideas on how to increase U.S. jobs, bring down trade deficits, increase our manufacturing productivity, and maintain our still-enviable standard of living. Enacting a free-trade agreement with Taiwan would be a positive step toward each of these goals.

Those who worked on the Israel and Canada free trade efforts are well aware that certain groups can and will react harshly toward a free trade agreement. I have my own concerns about how certain American businesses would be affected by a free trade agreement. But these are concens that we can—and will—address in a constructive manner during FTA negotiations between our two countries.

A potential hurdle to an FTA with the Republic of China is apprehension on the part of some that the Taiwanese would gain more from our markets than we would from theirs. The fact, however, is that United States businesses are hungry for Taiwanese markets, and would gain a great deal from an FTA with Taiwan—and so would all of the workers who get new and better jobs as a result.

Over the last decade, free trade has proven itself as the uncontested champion when it comes to improving the quality of life for men and women the world over. The United States and Taiwan can write a new chapter in this history of success—and that's what my bill calls upon them to do.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 944

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CONSULTATIONS REGARDING A UNITED STATES-TAIWAN FREE TRADE AREA.

The President is urged to initiate consultations with the Government of Taiwan to determine the feasibility and desirability of negotiations with such Government under the authority of section 1102(c) of the Omnibus Trade and Competitiveness Act of 1988 (19 U.S.C. 2902(c)) for the purpose of entering into a reciprocal and mutually advantageous trade agreement creating a free trade area between the United States and Taiwan.

SEC. 2. SPECIAL PROVISIONS APPLICABLE TO NEGOTIATIONS.

(a) ADDITIONAL NEGOTIATING OBJECTIVES.—Consultations undertaken under section 1 should aim at determining the feasibility and desirability of obtaining a trade agreement which, in addition to achieving the negotiating objectives set forth in section 1101 of the Omnibus Trade and Competitiveness Act of 1988, would make substantial progress in—

(1) improving the trade relationship between the United States and Taiwan by providing mutual economic benefits in the form of trade creation, greater economic efficiency, enhanced competition, and lower consumer prices;

(2) removing the remaining formal and informal barriers to trade in both countries, thereby expanding trade opportunities and improving the bilateral balance of trade;

(3) providing a better mechanism for identifying and addressing remaining trade barriers in both countries (including high tariffs on United States-produced agricultural and manufactured goods imported into Taiwan and on Taiwan-produced steel products imported into the United States) so as to avoid "issue-by-issue" trade disputes and to prioritize more effectively bilateral trade goals;

(4) providing an effective vehicle for developing rules in nontraditional areas such as services, trade-related investment, and the protection of intellectual property rights, thereby complementing and enhancing similar negotiations under the General Agreement on Tariffs and Trade;

(5) creating an effective and less confrontational dispute-settlement mechanism to resolve bilateral problems before it becomes necessary to resort to special trade law procedures or the General Agreement on Tariffs and Trade;

(6) encouraging United States firms to take greater advantage of opportunities in the Taiwanese market and to improve their export potential to that market; and

(7) identifying appropriate means to deal with broader policies that have an impact on trade, such as exchange rate management and financial market and investment regulations; and

(8) improving market access in both countries as a means of expanding bilateral trade opportunities and enhancing mutual security interests.

(b) USITC REPORT.—In determining the feasibility and desirability of the negotiations described in section 1(a), the President should also take into account the report of the United States International Trade Com-

mission entitled "Pros and Cons of Entering into negotiations on Free Trade Area Agreements With Taiwan, Korea, and ASEAN, or the Pacific Rim Region in General" (No. TA-332-259).

(c) WAIVER OF NEGOTIATION REQUEST BY TAIWAN GOVERNMENT.—Section 1102(c)(3)(B) of the Omnibus Trade and Competitiveness Act of 1988 (19 U.S.C. 2902(c)(3)(B)) does not apply to a trade agreement referred to in section 1.●

By Mr. BREAUX (for himself, Mr. SIMPSON, and Mr. BIDEN):

S. 946. A bill to reorganize the functions of the Nuclear Regulatory Commission to promote more effective regulation of atomic energy for peaceful purposes; to the Committee on Environment and Public Works.

NUCLEAR REGULATION REORGANIZATION REFORM ACT OF 1989

Mr. BREAUX. Mr. President, I rise today to join with my ranking Republican member on the Nuclear Regulatory Subcommittee, Senator ALAN SIMPSON from Wyoming, along with Senator JOE BIDEN, to introduce the Nuclear Regulatory Reorganization and Reform Act of 1989, virtually the same bill that passed the Senate 89 to 6 last August. I believe that all of us who are interested in the regulation of nuclear power should share a common goal as we examine this legislation. That goal, simply stated, should be the promotion of institutions that provide more effective and consistent regulation of the peaceful uses of atomic energy; for it is only through such a regulatory program that the confidence of the American people in the benefits of this technology will be restored. We must be successful in this effort if there is any hope that nuclear power will be able to play the crucial role that I believe it must in meeting our future energy needs.

I am well aware that 40 years ago, conventional wisdom held that the regulation of nuclear materials was best left to a Commission, where diversity of opinion and collegial decisionmaking process would result in actions that the American public could believe represented the very best judgment of a group of experts.

Of course, in 1946, when the Commission format of regulation was originally devised, the Congress did not want to vest in an agency headed by one person the technological development of the awesome power of nuclear energy that we had unleashed against Japan to end World War II.

Ironically, as the Congress decided over the years to split up the defense and the civilian promotional and regulatory responsibilities of the old Atomic Energy Commission, it chose to rid the defense and promotional side of the equation of the supposed benefits of a Commission decisionmaking process. And, to be sure, I sincerely believe that the benefits of a Commission process are largely illusory.

Since I became chairman of the Nuclear Regulation Subcommittee, and in the years before that when our distinguished ranking member, Senator SIMPSON, was the chairman, the subcommittee has spent a great deal of time investigating the current structure of the NRC. Indeed, in the last Congress, with the assistance of two investigators on detail from the General Accounting Office, the subcommittee held a dozen hearings on various activities of the NRC, including six hearings where the structure and functions of the Commission, including allegations of regulatory coziness between the Commission and its licensed utilities, were a principal focus. I must confess that I am not terribly pleased by what I have learned.

Just last week the subcommittee held a hearing on the NRC's response to an industry organization's report expressing concerns over the operation of the Rancho Seco powerplant, as well as the NRC's response to secret settlement agreements that would prevent workers from testifying before various parts of the agency. I was amazed at the lackadaisical attitude the NRC demonstrated concerning both of these issues.

I think it is fair to say that we have learned that we primarily have both people and organizational problems with nuclear energy, not technological problems.

The people problems involve some in both the industry and the regulatory community who have failed to maintain a proper perspective and boundary between the regulated and the regulator.

The organizational problems, moreover, are not new and should be familiar to any student of nuclear regulation. Unfortunately, however, I think the people problems tend to get all the news and we wind up not focusing the attention we should on the fundamentals.

It should be recalled that during the administrations of both President Kennedy and President Carter—the latter as an outgrowth of the investigation into the root causes of the accident at Three Mile Island—it was determined that serious problems were presented by the Commission format of regulation. The examination of the regulatory structure undertaken by both administrations led to calls for the creation of an agency headed by a single Administrator.

But the Kennedy initiatives were obviously left uncompleted and, while the Carter administration did succeed in promoting enhanced powers for the Commission's chairman, it did not make the final step that is the focus of the legislative initiatives being introduced. Today, more than 10 years after the accident at Three Mile Island, and 3 years after the accident at Chernobyl, I hope we can move one step closer to truly modernizing our regulatory structure.

As I have stated previously, I believe the record amply demonstrates that the Nuclear Regulatory Commission is a collegial body that rarely makes its most important decisions collegially.

Where, for example, does the record indicate a public decision on the structure and functions of the Commission's Office of Investigation?

Where can we find a public discussion of the Commission's decision regarding the wisdom of surface-based testing at candidate repository sites for nuclear waste?

Where is the record regarding final decisions by the Commission on its material false statement rules or its enforcement policy statement?

The answers to these questions are found, among other places, from the transcripts of closed meetings, notation vote sheets, and the notes from meetings between the staff of individual Commissioners.

Mr. President, the Nuclear Regulation Subcommittee has conducted an in-depth analysis of NRC decisionmaking over the past 3 years, and the simple fact is that less than 10 percent of the decisions that have come from the agency during this timeframe can be attributed to collegial discussions occurring in an open meeting when a majority of the Commissioners are present. A more cursory examination of the record since 1975 indicates that this pattern is not far from the norm of every Commission during that timeframe.

I do not want these remarks to be taken as overly critical of the decisionmaking process, but rather to illustrate the fact that the supposed benefits of the Commission format are not in practice what they in fact are in theory. Indeed, I am not sure that any of us fully expect every step in the decisionmaking process to be made on the public record, although every decision should be based upon the facts contained in the record and in accordance with the law. To expect otherwise would be somewhat hypocritical, given the nature and circumstances surrounding many of our own decisions.

Of course, we here in Congress are accountable to our constituents through the election process, and it is in the area of accountability that I believe the Commission format fails so miserably. Are the Commissioners accountable to the President that appoints them? Generally, unless they are guilty of malfeasance in office, the answer is no, they are not.

Are the Commissioners accountable to an American public that never casts a vote for them? Except in the broadest sense, the answer is again, no.

Are the Commissioners accountable to the Congress, in particular those of

us in the Senate who vote on their confirmations? Here, the answer is both yes and no, or, it depends. Absent a broad consensus on a particular legislative or regulatory initiative, it depends, it seems, on how loud we yell at them, and even then, it seems to depend upon whether or not we are perceived by them as a threat. This is not the way to promote consistent and effective regulation.

Mr. President, isolated and insulated from both the President and the Congress, and thus from the American people who elect us, the NRC operates almost as if it were in a fourth branch of the Government—or a fifth if you count the press, as many people do. Accountability and effective, consistent regulation are big answers to the problems of the nuclear industry. And I, for one, do not believe that effective and consistent regulation is possible within the context of the Commission form of government.

As I mentioned earlier, the single administrator legislation I am introducing today, the Nuclear Regulation Reorganization and Reform Act of 1989, is nearly identical to the NRC reorganization legislation, S. 2443, that passed the Senate 89 to 6 last August during the 100th Congress.

The bill that I am introducing today has the following changes from the bill that passed the Senate last August: First, the NRC's authorization will be handled separately; second, there are no inspector general provisions, since that legislation passed separately last Congress; third, there are no uranium enrichment provisions attached to this bill; and fourth, there are no provisions on standardization or fitness for duty since final rules on these issues have now been issued by the NRC.

I sincerely believe that the bill that I am introducing today is a big step in the right direction, and I respectfully ask my colleagues for their support.

Mr. President, our intent, as chairman of the subcommittee, and I see my distinguished ranking colleague who is now on the floor, is to hold a limited number of hearings to discuss this legislation. It is essentially the same legislation that passed this body in the last Congress by a vote of 89 to 6. I think the expression from this body was very strong that the move toward a single administrator that we could look to for being responsible was a major improvement, a major step in restoring the credibility to nuclear power in this country, for only through a strong governmental oversight program can the American people realize that everything that can be done in fact is being done to ensure the public safety of this very important source of energy, which I support.

I think the problems that we have experienced are basically people problems and not technological problems, and therefore I think this new regulatory program will be a major step in restoring that credibility and, at the same time, doing more to regulate an industry that is very important to the future not only of the United States, but indeed of the world.

I yield the floor.

Mr. SIMPSON. Mr. President, I thank you very much.

It is a pleasure to work with Senator BREAUX. I am very pleased to cosponsor with him, my friend and colleague from the State of Louisiana, the Nuclear Regulation Reorganization and Reform Act of 1989.

I have come to respect him greatly. I enjoy being the ranking member of the subcommittee which he chairs. I commend him for the hard and the steady work he has done in this area.

The Subcommittee on Nuclear Regulation which he chairs and on which I serve as ranking member, faces extraordinary issues. There are always issues of emotion, fear, guilt—and certainly we see that whole panoply of emotion as we deal with those things; issues that are controversial and yet vital for the economic health of the Nation.

The whole function of the NRC is to assure the public health and safety. There is no other mystery. There is no other mission. Senator BREAUX has done a remarkable job, both in the last session of Congress and now, to develop a well-balanced and much-needed approach to the reorganization of the regulatory program for nuclear generating facilities.

The bill the two of us are introducing today is essentially identical to legislation passed overwhelmingly in the last session of Congress. That legislation was reported to the Senate last year after lengthy hearings by the subcommittee.

As a result of those hearings the subcommittee concluded, as had all the earlier studies, that the current structure of the Nuclear Regulatory Commission is incapable of providing an efficient and effective program for the regulation of the civilian nuclear power industry.

The Kemeny Commission, which investigated the accident at the Three Mile Island nuclear power station 10 years ago came to a similar conclusion and stated very bluntly this:

> As presently constituted the NRC does not possess the organization and management capabilities necessary for the effective pursuit of safety goals.

Further, the Rogouin special inquiry group, that was another Three Mile Island investigatory team, stated:

> We have found in the NRC an organization that is not so much badly managed as it is not managed at all.

That group stated that:

> The Nuclear Regulatory Commission itself is not focused, organized, or managed to meet today's needs. In our opinion the Commission is incapable, in its present configuration, of managing a comprehensive national safety program for existing nuclear power plants and those scheduled to come on line in the next few years that is adequate to ensure the public health and safety.

Based on its assessment of NRC's management, the Rogouin group concluded and said:

> The central and overwhelming need is for legislative and regulatory reorganization to establish a single chief executive with the clear authority to supervise and direct the entire NRC staff.

Mr. President, the NRC—I think this may be startling to some—is the only Federal agency left with any public health and safety responsibilities which is not headed by a single administrator. Such a management scheme is necessary, not only to assure accountability for the public health and safety, but also to restore public confidence in nuclear power as a source of much needed energy.

I think it should be noted, importantly so, that most NRC commissioners themselves, both former and present, favor the single administrator concept. Nuclear power is obviously the energy option we require.

We are going to deal soon with the greenhouse effect. It was interesting to hear a discussion of that this morning. This administration is not opposed to examining the greenhouse effect. They just want to know whether it is going to be a conference or a consultation or with the United Nations or whatever it may be. But this administration has never ever been in a situation where they did not deal with that honestly. They feel it is a grave problem.

We have to have nuclear energy to continue the economic growth of this country; to be able to compete internationally. We know those things. But along with this growing need for energy we have to have a growing understanding and increased appreciation for the need to protect and respect the environment.

This President is committed to that. The new Administrator of the EPA is committed to that.

We have heard all the results of in-depth research which associates the burning of fossil fuels with the serious problems of global warming and acid rain. We are going to deal with that here on this floor. We must do that. We cannot allow regional struggles to prevent us from doing that.

I do represent a low-sulfur coal State. The previous majority leader represented a high-sulfur coal State. Those are serious problems, provincial things that make us conflict and not always get our work done. I have been at the root of some of that. We must deal with that. We will.

But we also know now of environmental devastation that can occur from the production and shipment of oil. We knew those things before. They are called risks. There are no risk-free things we do in life. Yet it seems to me that in these areas of acid rain, nuclear power, it is, somehow, that we should have it risk-free—and it will never be so.

It is odd to me that we do not pay the same attention to watch 50,000 or 55,000 people die in automobile accidents each year, we never say a word about it around here very much. That is the greatest risk, I guess, which we have: transportation to and from our work and our jobs and our families.

But enough of that. It is not risk-free but there is something we can do with the Nuclear Regulatory Commission which will make it work better and that is to make it have a single administrator. It is a collegial body that does not "college." They do not speak. They cannot.

Under the sunshine laws they are prohibited from anything more than cursory contact, like ships passing in the night, avoiding each other through the hallways. So they write memorandums to each other. They have layers of lawyers. And they really do not communicate with each other. The people of America thought that is what they were there for, to talk, to discuss the issues of the day. They do not. They cannot.

You do not dare to say that we should change the sunshine laws or the roof will collapse on your head. I have not any desire to do that. But certainly the sunshine laws that prevent a collegial body from talking should be revised or else get rid of the collegial body. That is what you ought to do and that is what this proposal is doing.

We have to work on ways to conserve energy; new conservation methods, new technologies; and we also need nuclear power. There are 108 reactors. Some may say well, I do not like nuclear power. Well, you may not but that is what you have 108 reactors.

There is another marvelous thing—I have said this before—there is not a politician who does not like to get up on his or her hind legs and talk about "They will never bring that to my State, they will never transport that across my State." There's always a great hoorah and excitement that goes through the crowd in that experience.

I say OK, in the year 2005 there will be 20,000 metric tons of spent fuel lying under 6 feet of demineralized water 30 miles from some of the biggest places in the United States. What are you going to do with it? Do you have any ideas? Would you like to join as players or just babblers?

That is what we will have, 43,000 metric tons of the type of material that, if the water were suddenly to leave it, from its encasement through a fissure or earthquake or injury or loss in the Earth, it could become recritical in a very swift time. Yet, "No, you cannot take it across my State. No, you cannot do anything with it."

Well, some day politicians will have to pay the price for that and I guess that is the only price we understand, and that is at the ballot box after they kind of put an ejection seat under you and say: Why did you not tell us about that? Why did you lie? Why did you josh us along? That is what is going to come and that is part of the problem with the Nuclear Regulatory Commission.

There is no way to get a strong signal of what it is that we are doing for the public health and safety when it comes from five different mouths and two layers of attorneys in the NRC.

Enough of that. That is not what I had intended quite to share, all of that. I just think the changes that my friend from Louisiana and I are placing here are necessary to improve nuclear regulation as included in the bill and to assure some confidence in the decisions made by the Nuclear Regulatory Commission. So we take it to a single administrator. I think it is long overdue to make that very sensible change.

Second, it provides for a Nuclear Reactor Safety Investigations Board. That Board will consist of three members appointed by the President with advice and consent of the Senate. It will be responsible for investigating any significant event, which is defined in the bill, which will occur at a licensed nuclear facility. Establishment of that Board, too, Mr. President, will go a long way in restoring the public's confidence in the safety of nuclear power as an energy source.

So in sum, I do indeed urge our colleagues to support this important legislation. This bill is necessary to fully protect the public health and safety and to encourage future development of nuclear power facilities. It is the result of diligent efforts of Senator BREAUX and the subcommittee and staff, and I hope deserving of the full support of the Senate.

Mr. BIDEN. Oftentimes, when the Senate addresses a complex and esoteric issue like regulation of nuclear energy, the road to Senate approval is a long and rocky one. Today, I am pleased to join Senators BREAUX and SIMPSON in reintroducing legislation that has survived just such a journey through the Senate. It is my hope the Senate will act quickly on this bill to completely overhaul the Nuclear Regulatory Commission [NRC].

The Senate approved a nearly identical measure by a 89 to 6 vote in the 100th Congress. Unfortunately, it was passed too late in the session for the House to act on it, despite our best efforts to encourage them to do so. I am pleased that Senators BREAUX and SIMPSON are moving on this proposal early in the 101st Congress, so it can be sent to the other body in a timely manner. It is high time for the NRC to be reorganized so the public can have greater confidence in its actions.

My principal interest in this bill is subtitle C, the Nuclear Reactor Safety Investigations Board. Earlier this year, I reintroduced legislation to establish an independent safety board for the NRC to improve its investigation of and followup to accidents at the 110-plus operating nuclear reactors across our Nation. In the 100th Congress, Senators BREAUX, SIMPSON, and I, worked closely to develop the language of subtitle C. That subtitle will establish an investigatory board with the independence, strength, and resources to improve public confidence that nuclear reactors are meeting the highest operating standards.

Nuclear energy has been in the spotlight this year for a number of reasons. One is the growing public concern over the greenhouse effect. Nuclear advocates believe the fact that nuclear energy does not generate greenhouse gasses will make it a much more attractive option for utilities planning an expansion of generating capacity. At the same time, the recent 10-year anniversary of the accident at Three Mile Island has recalled nuclear energy's unfulfilled promises and failed performance.

It has been 10 years since the operators of the central Pennsylvania reactor shattered the image of the entire nuclear industry. What I find remarkable is that the nuclear industry has been so completely incapable of regaining that lost confidence. Other industries have suffered well-publicized accidents during that time, but none have suffered such a long-lasting negative reaction.

It is more than a public relations problem at work. No amount of slick press releases can overcome industry actions that are less than forthright and appear contrary to the facts of the situation. The industry claims that it meets the highest standards. But a recent study by the Massachusetts Institute of Technology compared reactor operations in the United States, France, Japan, Sweden, Switzerland, and West Germany; the United States finished last. The study also found that between 1975 and 1984, the United States nuclear industry was the only one that did not improve its performance.

The nuclear industry claims that needed improvements are made quickly. But accidents at Rancho Seco in California and Davis-Besse in Ohio were traced to equipment improvements that were known for years but never made. And the NRC's own data

shows that dozens of reactors across the Nation have failed to fully implement changes required by the NRC in the aftermath of TMI.

The industry needs to recognize this record as less than confidence-inspiring. Congress needs to recognize that the regulatory system has not done enough to turn this record around.

That is why I hope that we can proceed quickly with this legislation and send it over to the House as soon as possible. There is no reason for our Nation to continue to accept the existing state of affairs with regard to nuclear regulation. I commend the chairman and ranking member of the Nuclear Regulation Subcommittee for their efforts on this bill, and I look forward to working with them to establish a credible, effective safety board as part of an overall reorganization of the NRC.

By Mr. CRANSTON (for himself, Mr. MITCHELL, Mr. MATSUNAGA, Mr. ROCKEFELLER, Mr. GRAHAM, Mr. INOUYE, Mr. KOHL, Mr. PELL, Mr. WIRTH, and Mr. KERRY):

S. 947. A bill to amend title 38, United States Code, to improve conditions of employment for employees of the Veterans Health Services and Research Administration, and for other purposes; to the Committee on Veterans' Affairs.

VETERANS HEALTH-CARE PERSONNEL ACT

Mr. CRANSTON. Mr. President, as the chairman of the Committee on Veterans' Affairs, I am today introducing S. 947, the proposed "Veterans Health-Care Personnel Act of 1989." I am joined in introducing this measure by my good friends and colleagues on the Veterans' Affairs Committee, Senators MITCHELL, MATSUNAGA, DECONCINI, ROCKEFELLER, and GRAHAM, and my good friends Senators INOUYE, KOHL, PELL, WIRTH, and KERRY. I especially want to pay tribute to the very close collaboration of Senator MITCHELL in developing this measure to which he and his staff have made major contributions. The purpose of this measure is to provide the VA the necessary tools, strategies, and flexibility to attract qualified and competent health-care personnel—registered nurses, pharmacists, physical and occupational therapists, and others—in today's competitive marketplace. Reflecting our very strong concern that we must find ways to reduce the Federal deficit, this legislation seeks to find methods to improve VA programs without incurring major new costs.

BACKGROUND

Both within and outside of the VA, the problem of recruiting and retaining sufficient numbers of qualified health-care personnel is one which has intensified in recent years. A number of factors have contributed to this problem, including inadequate salaries, increased demand for personnel, poor working conditions, and decreased enrollment in educational institutions which prepare health-care professionals. Because the health care furnished to veteran-patients is largely a function of the quality of the personnel furnishing the care, we must do all that we can to enable the VA to attract the best and brightest health-care personnel into the system. These men and women who give so much of themselves as they fulfill their daily responsibilities also require respect and support. I believe it is our job to ensure that they receive that respect and support both because it is right and because it will lead to better health care for veterans who need their attention.

Mr. President, problems associated with recruitment and retention of health-care professionals are not new. Periodically the Nation and the VA has been faced with shortages of such personnel. Over the last several years, beginning in 1980, I have introduced in the Senate a number of measures to help the VA deal with the recruitment and retention problems regarding nurses and other health-care personnel. Of particular relevance to nurses have been provisions enacted in Public Law 96-330 on August 26, 1980, authorizing special pay rates for physicians and dentists, the VA Scholarship Program, and a pilot program to study nurse recruitment and retention; and provisions enacted in Public Law 97-251 on September 8, 1982, authorizing the Administrator to increase pay for nurses and certain other health-care personnel for such purposes as overtime, weekend pay, and evening and night-shift differentials, modifying the Scholarship Program to make VA employees eligible to participate, and authorizing VA to implement the "Baylor Plan" for scheduling and reimbursing nurses. Additionally, Public Law 100-322, enacted on May 20, 1988, contains provisions, many of which I authored, including those requiring the VA to pay VA nurses who work on Saturdays the same rate of premium pay as they receive for Sunday work, making VA employees who pursue a degree in nursing eligible for the agency's Tuition-Reimbursement Program, opening the VA's Scholarship Program to members of all disciplines providing direct patient-care services, requiring chief nurses to be included in medical facility policymaking committees, requiring a study and report on various matters affecting nurse employment, including pay compression, adequacy of shift diffentials, and flexible benefits. This study is due to be submitted to Congress on May 19, 1989.

Earlier, on November 21, 1983, Congress enacted, in Public Law 98-160, legislation I authored to enhance the VA's ability to recruit and retain health-care professionals by placing respiratory therapists, licensed practical nurses, physical therapists, and medical technologists, among others, under title 38 for pay purposes only. Just last year, my provision to expand this category to include pharmacists and occupational therapists was enacted in Public Law 100-322 on May 20, 1988.

On August 26, 1980, because of problems the VA was experiencing with the recruitment and retention of health-care professionals, Congress enacted, as part of Public Law 96-330, my proposal to provide the VA the authority to approve special salary rates. Over the succeeding 9 years, the VA has turned more and more frequently to this provision, section 4107(g) of title 38, and today this provision is the only authority available which permits the VA to adjust salary rates in an attempt to remain competitive with community salaries.

More recently, in legislation I introduced on May 27, 1988, in S. 2462, which was passed by the Senate on October 18, 1988, as part of the provisions of S. 2011, I proposed provisions identical to many of those being introduced today and which I will describe later. Unfortunately, because we were unable to reach agreement with the House Veterans' Affairs Committee on a House-passed provision—in H.R. 5288—providing for across-the-board increases in nurses' salaries, the compromise legislation forged between the two bodies—enacted in Public Law 100-687—contained few health-care provisions.

Mr. President, my concerns about the specific House-passed pay provision were not a reflection of my beliefs that there were no problems in the area of pay for VA nurses. I have the utmost respect for those who choose nursing as a profession and have long believed that their efforts should be adequately recognized in both monetary and noneconomic ways. Provisions we are introducing today are designed to address the issues critical to nurse recruitment and retention as well as to help VA attract other essential health-care professionals.

Mr. President, a detailed history of the recruitment and retention problems I have described can be found in the committee reports accompanying S. 9 (S. Rept. No. 100-215, pages 150-61) and S. 2011 (S. Rept. No. 100-439, pages 150-51). Since the time of that second report in 1988, other developments have occurred both nationally and in VA which are affecting adversely the Department's ability to recruit and retain qualified health-care professionals. Although many of the studies and reports published relating to these developments have involved nursing, primarily because this is the largest group of health-care profes-

sionals, the same conclusions can be drawn with regard to other professions such as pharmacists, physical and occupational therapists, and medical technologists.

In this regard, according to a recent report entitled "AHA tracks shortages in health-care personnel" in the January 2, 1989, edition of AHA News, 48 percent of hospitals responding to the AHA's 1988 Human Resources Survey reported a problem with recruiting physical therapists [PT], 31 percent reported a problem recruiting pharmacists, 25 percent reported difficulties recruiting radiologic technicians, 22 percent reported difficulties with medical technicians, and 7 percent reported difficulties with respiratory technicians. Of the hospitals that responded to the survey, 92.8 percent experienced problems recruiting 1 or more of the 20 health-care personnel categories listed in the questionnaire. Additionally, 88 percent of those responding stated they were having difficulties recruiting registered nurses [RN's] and 85 percent identified retention of RN's as a problem.

In late December 1987, the Secretary of Health and Human Services established a special Commission on Nursing to advise him on problems associated with the recruitment and retention of RN's and to develop recommendations on how the public and private sectors could work together to address these problems. An interim report, which was published in July 1988, concluded that: First, the shortage of RN's is real, widespread, and of a significant magnitude; second, it is primarily the result of an increase in demand as opposed to a contraction of supply; third, the shortage is contributing to the deterioration of the work environment and may also have a negative impact on the quality of care provided; and, fourth, both long- and short-term projections for the future are not encouraging unless significant intervention is forthcoming.

In December 1988, the Commission published its final report. It makes 16 specific recommendations and proposes 81 directed strategies in the areas of: First, utilization of nursing resources by focusing nurses' time on nursing responsibilities; second, nurse compensation; third, health-care financing; fourth, nurse decisionmaking; fifth, development of nursing resources through facilitating nurse education; and, sixth, maintenance of nursing resources. I am pleased to note that many of the specific recommendations coincide with the intent of specific provisions I introduced and which were enacted in Public Law 100-322 and others which I propose in S. 2462, including encouraging innovations which recognize and appropriately utilize RN's; ensuring nurse participation in the governance, administration, and management of health-care organizations; fostering collaboration and mutual respect among the health-care team; and providing financial assistance to undergraduate and graduate nursing students. Other recommendations, particularly those relating to compensation for nurses, are addressed in the legislation we are introducing today.

Nationwide, according to the Commission report, the vacancy rate for RN's tripled to 11.3 percent between 1983 and 1987. In contrast, VA vacancy rates appear to have leveled off, although these VA statistics may be misleading. It is important to note that VA has also been decreasing its authorized number of full-time equivalent employees [FTEE's] during the course of this fiscal year. Due to a severe budget shortfall, VA does not have adequate funds both to hire appropriate numbers of personnel and to purchase needed equipment and supplies. Rather than divert funds for these latter purposes to support its personnel needs—and further weaken its infrastructure—VA has permitted FTEE levels to decrease. According to a semimonthly VA report entitled "Medical Care FY 1989 FTEE Date," by March 11, 1989, VA had 648.4 fewer FTEE RN's than it had on October 24, 1987; 1,034.6 fewer FTEE licensed practical nurses [LPN's], licensed vocational nurses [LVN's], and nursing assistants [NA's], and 117.6 fewer FTEE health technicians and other allied health personnel. Had these reductions not taken place, VA vacancy rates might be significantly higher.

Specifically, comparing vacancy and turnover rates published by VA in studies entitled "1986 Survey of Health Occupational Staff," and "1987 Survey of Health Occupational Staff," and preliminary figures gathered in preparation for a similar study of 1988 experience, the 1986 vacancy rate for RN's was 1.6 percent, the 1987 vacancy rate was 4.6 percent, and the preliminary 1988 vacancy rate remains at 4.6 percent. Because of the decrease in authorized positions, which might have an impact on these rates, I believe the more telling statistic is the turnover rate, which was 16.1 percent for 1986, 22.2 percent for 1987, and 26.5 percent for 1988. Rates for LPN's and LVN's depict a similar trend. In 1986 the vacancy rate was 8.4 percent, the 1987 vacancy rate was 10.6 percent, and the preliminary 1988 vacancy rate is 10.8 percent. The turnover rate for this group of employees was 18.9 percent in 1986, 30.3 percent in 1987, and 35 percent in 1988.

Mr. President, these figures are alarming—over one-fourth of the licensed nursing staff in VA is new to the Department—and I cannot help but believe that this profoundly affects the quality of care furnished to our veteran-patients.

Vacancy and turnover rates for pharmacists, physical therapists, and occupational therapists are similar. The 1986 pharmacist vacancy rate was 8.6 percent; in 1987 it decreased to 7.4 percent; but in 1988 it shows a slight increase to 7.6 percent. The pharmacist turnover rate decreased between 1986 and 1987 from 22.6 to 20.1 percent, but in 1988 it has risen back to 22 percent. The 1986 physical therapist vacancy rate was 22.6 percent; in 1987 it rose slightly to 24.5 percent; and it rose slightly again in 1988 to 26.3 percent. The turnover rate decreased minimally between 1986 and 1987 from 24.3 to 23.9 percent, but in 1988 it again rose to 24.4 percent. Rates for occupational therapists have generally worsened over the years. In 1986 the vacancy rate was 13.7 percent; in 1987 it was 13.5 percent; and in 1988 it has grown significantly to 19.1 percent. The turnover rate in 1986 was 23.4 percent; in 1987 it was 26.2 percent; and in 1988 it has increased to an overwhelming 32.7 percent.

Mr. President, these data paint a very dreary picture. I can conclude only that many health-care professionals do not find VA health-care facilities an attractive place to work. We must find methods to reverse this trend and require VA to implement them. Our veterans, as well as the dedicated health-care professionals who have remained with VA through these difficult times, deserve better. The measures we are proposing in this bill are designed for that purpose.

SUMMARY OF PROVISIONS

Mr. President, the provisions in this measure would:

First, require the Secretary to take steps to establish and maintain levels of pay—which are competitive with but not exceeding the pay of employers offering similar employment and competing in the same labor market area for qualified employees—for full- and part-time RN's, registered nurse anesthetists [RNA], and certified registered nurse anesthetists [CRNA], and authorize the Secretary to establish and maintain levels of competitive pay for employees covered by title 38 for pay purposes only—the so-called hybrid category, which includes certain psychologists, respiratory therapists, licensed physical therapists, licensed practical or vocational nurses, pharmacists, and occupational therapists. The steps involved in establishing and maintaining such levels of pay would be as follows: First, require individual VA facility directors to perform an annual survey of comparable health-care facilities in the same labor market area, no later than June 1, 1990—thereafter December 1 of each year—to determine the entry-level salaries for RN's, RNA's, CRNA's, and, if determined by the Secretary, hybrids, taking into consideration both educa-

tional preparation and years of experience. Second, if the findings of such a survey demonstrate that wages paid in the community are such that VA is no longer competitive in its efforts to recruit and retain qualified employees in one or more of the positions surveyed, step 1 of the appropriate entry pay grade would be adjusted to provide pay in an amount competitive with, but not exceeding, the wage rate paid in the labor market area surveyed for that occupation, and additional steps within each grade and other higher, related grades would be increased accordingly, so as to maintain the same proportional relationship between steps and grades, other than entry grades determined by the survey, as currently exists. Third, if the findings of such a survey demonstrate that wages paid in the community are competitive with but do not exceed those paid by VA, no further adjustment would be required. Fourth, when determining competitive salaries, premium pay, other additional pay, and the value of other benefits such as payment of insurance premiums—both in VA and non-VA facilities—would be taken into consideration. Fifth, in no instance would the rate of an employee's pay be decreased as a result of lower salaries identified in the community through the survey process although the salary scale would be adjusted downward if such a salary trend occurs in a specific labor market area. Sixth, pay increases resulting from the labor market area survey would become effective the beginning of the first pay period on or after July 1, 1990—thereafter the beginning of the first pay period on or after January 1 of each year. Seventh, in addition to other parameters which may be set forth in regulations, a comparable health-care facility would be defined as one identified by the individual facility director to be in direct competition with VA for the same employees. Eighth, if no comparable health-care facilities exist within a given labor market area, the salaries of the same type of employees employed in other health-care settings in the labor market area for whom the VA is competing would be utilized. Ninth, if the number of comparable facilities and the number of corresponding employees within the labor market area is insufficient to produce a valid comparison, a VA health-care facility, approved by the Chief Medical Director, in a similar demographic and labor market area would be utilized as the comparison. Tenth, for any grade in the VA salary scale determined by the Secretary, upon the recommendation of the CMD, to be an entry level grade, the entry salary could not be increased to a level in excess of step 10 of grade 13 of the general schedule—for those grades which are not entry level, the entry salary would not exceed the statutory cap of the Executive Schedule. Eleventh, unless a promotion, demotion, or change of assignment is involved, either voluntarily or otherwise, employees transferring from one VA facility to another would retain their grade and step but would receive the applicable wage associated with such grade and step as determined for the second facility. Twelfth, require the Secretary, not later than March 1 of each year—beginning with 1991—to submit an annual report to both Veterans' Affairs Committees containing a review of the implementation of this new authority and the effect of market rate adjustments on the ability of VA to recruit and retain health-care professionals pursuant to this legislation, and any other legislative actions recommended to assist in recruitment and retention efforts (section 101).

Second, require VA to pay overtime to RN's, RNA's, and CRNA's at the rate of one and one-half times such nurse's hourly rate of basic pay (section 102).

Third, require the Secretary to provide a 6-percent pay differential to nurses appointed to head nurse positions or assigned to such positions in excess of 30 days. This differential would be payable only for the period of time such nurse holds or fills the position of head nurse (section 103).

Fourth, authorize the Secretary to make cash awards of no less than 5 percent and no greater than 20 percent of an employee's annual basic rate of pay to no more than 20 percent of the managers and supervisors of each of the professional groups identified in section 4104(1) of title 38—physicians, dentists, podiatrists, optometrists, nurses, physician assistants, and expanded-function dental auxiliaries—for exemplary performance as defined by criteria promulgated by the Secretary—section 201.

Fifth, authorize the Secretary to establish and operate a dependent care assistance program for certain employees in the Veterans Health Services and Research Administration [VHS&RA] that meets the requirements of section 129 of title 26—section 202.

Sixth, authorize VA to hire, without regard to the civil service examinations and register process, VA-trained health-care professionals other than physicians, dentists, and nurses during the first year after their graduation—section 401. Similiar to section 621 of S. 2011 as passed by the Senate on October 18, 1988.

Seventh, reduce, from 90 to 45 days, the period, after VA submission of a special-pay rate request for title 5 health-care employees working in VA, in which the President or the President's designee may disapprove the proposed rate, and clarify that the proposed rate may be put into effect immediately upon approval if approval is given in a shorter period—section 121(b). Identical to section 622 of S. 2011 as passed by the Senate on October 18, 1988.

Eighth, require the Secretary to ensure an equitable allocation of VA health professional scholarships to persons enrolled in their second year of a program leading to an associate degree in nursing—section 301. Identical to section 623 of S. 2011 as passed by the Senate on October 18, 1988.

Ninth, authorize the appropriation of $5 million for each of fiscal years 1990 and 1991 and $6 million for each of fiscal years 1992 and 1993 for VA to reinstitute the program described in subchapter III of chapter 82 which authorizes the appropriation of funds for the expansion or improvement of programs in postsecondary schools which educate health-care professionals; provide for such funds to remain available until the end of the fifth fiscal year following the fiscal year for which they are appropriated; require that the development of those careers, approaches, and opportunities described in section 5091 of the title 38 must occur in collaboration with representatives of the professions the members of which are currently responsible for carrying out the duties involved; and authorize VA to expend up to 10 percent of each year's appropriation on VA programs—described in current section 5096(2)—designed to develop or initiate improved methods of education and training for health-care personnel—section 302. Substantially identical to section 624 of S. 2011 as passed by the Senate on October 18, 1988.

Tenth, require VA during calendar years 1990, 1991, and 1992 to conduct a pilot program at not less than five VA medical facilities to determine the desirability of: (a) Establishing programs which foster interdisciplinary professional collaboration and collegial relationships between physicians and RN's; (b) creating new alternatives for utilizing the skills and knowledge of RN's in furnishing direct-patient care; (c) increasing the pay differential for evening and night service; (d) revising the grade, classification, pay, and performance qualifications and other appropriate personnel and management systems used in VHS&RA; and (5) establishing flexible employment benefits programs for VHS&RA employees; and require periodic and reports on the pilot program by the CMD to both Committees on Veterans' Affairs, followed not later than 60 days thereafter by the Secretary's comments on each such report—section 402. Similar to section 625 of S. 2011 as passed by the Senate on October 18, 1989.

Eleventh, increase the cap on special salary rates to provide the authority for such rates to exceed by two times

the difference between the minimum and maximum of the grade; and require the Secretary to notify the Committees on Veterans' Affairs when such an increase becomes 94—or more—percent of the maximum amount permitted—section 121. Identical to section 622(a) of S. 2011 as passed by the Senate on October 18, 1989.

Twelfth, expand the Secretary's authority to make an exception to the title 5 provisions reducing the amount of retirement or retainer pay of a retired member of the uniformed services employed by the Federal Government—now limited to physicians—to include other employees within VHS&RA if necessary to meet special or emergency VA employment needs which result from a severe shortage of well-qualified candidates—section 105.

Thirteenth, require the Secretary to establish and conduct, for 5 years, a leave transfer program for medical emergencies of VA employees appointed pursuant to section 4108 of title 38 and authorize the Secretary to establish and conduct a leave bank program for medical emergencies of those same employees—section 203.

Fourteenth, require the Secretary to award each nurse, upon recertification in a specialty, an amount equal to 1 percent of such nurse's annual basic rate of pay if the nurse is employed in the clinical specialty in which he or she is certified and if the most recent performance evaluation of the nurse was not less than satisfactory—section 106.

COMPETITIVE PAY RATES FOR REGISTERED NURSES AND OTHER HEALTH-CARE PROFESSIONALS

Mr. President, the salary rate for RN's working in non-VA health care facilities varies considerably across the Nation. According to the American Nurses Association [ANA], in March 1987 the average lowest salary paid to full-time registered nurses in staff positions in rural locations was $19,255 and the average highest salary was $25,339. In urban areas with less than 1 million population the average lowest salary was $20,097 and the average highest was $27,346, and in urban areas having a population greater than 1 million, the average lowest salary was $21,989 and the average highest was $28,716. When broken down by region, the West North Central United States paid the lowest average lowest salary, $18,477, followed by the East South Central, South Atlantic, New England, Mountain, West South Central, East North Central, Middle Atlantic, and the Pacific regions, the latter paying the highest average lowest salary, $23,513.

Figures for the average highest salary followed a similar pattern with the West North Central paying the lowest average highest salary, $24,581, followed by the East-South Central, New England, South Atlantic, East-North Central, Middle Atlantic, Mountain, West-North Central, and Pacific regions, the latter paying $29,390. Nationwide, the average lowest annual salary for a full-time registered nurse in a staff nurse position was $20,205 and the average highest annual salary was $26,729.

A study of 1988 salaries undertaken by Cole Surveys, a subsidiary of the Wyatt Co., an international benefits, compensation, and risk-management firm, published in an article entitled "Cole Nurse Compensation" in the December 2, 1988, edition of Modern Healthcare, stated that, when reviewing salary increases of nurses, regional economic conditions figured prominently. Salaries of nurses on the east coast and in the South were increasing the greatest. Base salaries as of July 1, 1988, of medical-surgical nurses in hospitals with 100–349 beds averaged $25,500.

VA salaries are largely determined according to two sections within title 38: section 4107(b) and 4107(g). Section 4017(b) authorizes eight grades for RN's—junior, associate, full, intermediate, senior, chief, assistant director, and director. Specific qualifications for entry into any one of the eight nurse grades is described in VHS&RA supplement, MP–5, part II, chapter 2. For example, a nurse assigned to junior grade is one who has graduated with associate degree or diploma in nursing and who has no nursing practice experience; a nurse assigned to associate grade must have completed either 1 year of successful nursing practice or have no nursing practice experience but have received a baccalaureate degree in nursing; and a nurse assigned to full grade is expected to have completed either 2 years of successful nursing practice, or have a baccalaureate degree in nursing from an accredited program and 1 year of successful nursing practice, or have completed a master's degree in nursing, or have a master's degree in a field related to nursing and a baccalaureate degree in nursing. At present, these three grades are considered to be entry level grades for bedside staff nurse positions.

Generally, salary rates for the eight nursing grades correspond to grades 6–15 of the general pay schedule, and, as of January 1989, junior grade ranges from $17,542 and $22,807; associate grade ranges from $20,521 to $26,677; full grade ranges from $23,846 to $31,001; and intermediate grade ranges from $28,852 to $37,510. As of September 1988, prior to the January 1989 4.1-percent cost-of-living adjustment reflected in the ranges just described, the average salary of nurses assigned to junior grade was $22,582; associate grade was $24,181; full grade was $27,403; and intermediate grade was $32,538.

As I previously discussed, on August 26, 1980, as part of Public Law 96–330, provisions enabling VA to provide special salary rates were enacted. Section 4107(g) authorizes an increase in pay for title 38 employees and hybrids to provide for "an amount competitive with, but not exceeding, the amount of the same type of pay paid to the same category of personnel at non-Federal facilities in the same labor market." When this measure was first enacted, it was thought that its use would be the exception rather than the rule. As of January 31, 1989, however, VA has authorized 125 of its 172 medical facilities to implement special rates for RN's, 127 facilities to implement special rates for pharmacists, 94 facilities to implement special rates for PT's, and 75 facilities to implement special rates for LPN's.

Clearly, the exception is now the rule as to these professions. As Ms. Vernice Ferguson, deputy assistant chief medical director responsible for nursing services, was quoted as saying in the March 1989 edition of U.S. Medicine, "Any time you have the exception to the rule becoming the rule * * * it tells you your system isn't responding to reality."

Mr. President, although special salary rates have helped VA maintain a competitive posture within an individual health-care facility's respective labor market area, this authority was conceived as a measure which might be used in special circumstances rather than as the norm. At the time this measure was enacted, we did not anticipate that VA salaries would lag behind to such a great extent or that salaries in a community would change so frequently. Additionally, the system as implemented to utilize this authority is slow to respond to salary changes occurring within the marketplace. As set forth in VA guidelines, MP–5, part II, chapter 3, section D, submission of a special rate request "presupposes all recruitment possibilities have been exhausted and full attention has been given to addressing retention considerations such as working conditions and duty assignment." Although that is a laudable objective, the labor market changes so rapidly that such preconditions are not workable.

Prior to being able to establish a special salary rate, a VA health-care facility director is required to submit to VA Central Office [VACO] substantial amounts of information to demonstrate the existence of a problem with the recruitment and retention of personnel. The gathering of such data and the development of a persuasive document for VACO review frequently takes a month or longer. Once submitted to VACO, the justification for the special rates is carefully reviewed and either approved, returned for further information, or disapproved. Accord-

ing to a recent VA survey of 193 cases in which rates became effective between August 1, 1988, and January 31, 1989, the lag time between VACO receipt and approval averaged about 82 days. Because of special circumstances surrounding the approval of COLA requests at that same time, this average is almost twice as long as previous reports for turnaround time for special rate approvals. We are concerned that in many instances the lengthy preapproval process—during which time the VA facility is already experiencing a staffing shortage—serves to worsen the staffing problem. Staff may become overworked and frustrated and thus seek to leave the organization. This, of course, creates an even greater shortage which may result in the further deterioration of care furnished veterans. Once this downward spiral begins, it is very difficult to break it.

Turnover also has the potential to add significant costs to the already expensive proposition of furnishing health care. For each new employee hired there are costs associated with advertising, interviewing, processing of paperwork, and orientation. The orientation provided an RN new to the VA system generally runs no less than 6 weeks. Not only is the salary of this new employee an additional expense—$2,800 for those 6 weeks using the average VA associate grade salary—but the salary of the more highly paid employees providing the orientation is an expense.

To reverse this trend and to provide VA the tools to be proactive rather than reactive, section 101 of the legislation we are introducing would require the VA Secretary to establish and maintain levels of pay for full- and part-time RN's, RNA's, and CRNA's, and authorize the Secretary to establish and maintain levels of competitive pay for other health-care employees covered by title 38 for pay purposes only—the so-called hybrids—which are competitive with but not exceeding the pay of employers offering similar employment and competing in the same labor market area for qualified employees. Although this sounds very similar to the description for special salary rates previously discussed, the major difference between the measure I am introducing today—which to avoid confusion I will refer to as competitive pay—and the existing statutory authority for special rates include the following:

First, special rates are discretionary while competitive pay for RNs, RNAs, and CRNAs would be mandatory;

Second, competitive pay salary ranges would generally be determined by the individual facility director while special rates are approved by VACO;

Third, competitive pay calls for salary ranges to be increased or decreased on an annual basis depending upon labor market area rates; and

Fourth, in the instance of competitive pay, a preestablished time would be established for review and adjustment of pay grades rather than waiting for a problem to arise as is the case with special rates. Of course, in the intervening year between routine competitive pay reviews and adjustments, special rates could still be implemented as needed.

SELECTION OF COMPARABLE HEALTH-CARE FACILITIES

Mr. President, this measure would require directors of each VA health-care facility to perform an annual survey, no later than June 1, 1990—and on December 1, 1990, and on each December 1 thereafter, of basic entry wages paid in comparable facilities within their labor market areas which the directors identify as being the areas in which their competitors are located. Not all facilities within a labor market area are necessarily competitors of VA health-care facilities. This is particularly true in large urban areas, and it may be true in smaller and more rural areas. Generally, competition is dependent upon size, scope of services offered, type of patient, and complexity of care. However, other factors such as facility location, traffic patterns, and geographic characteristics of the area can be variables. Many times a determination as to one's competitors can be made in a reasonable, quantifiable fashion; but this is not always possible.

Although I believe that VACO has the responsibility to furnish guidelines to facility directors as to how competitors might be selected, I do not believe that VACO should issue hard and fast rules as to the method for making such a determination. Therefore, our legislation would require the Secretary to promulgate regulations which would provide maximum flexibility for individual facility directors. If these regulations are not issued by April 1, 1990, facility directors, using their own criteria, will have the responsibility to establish and implement competitive pay for all registered nurses. It is also our intent that any determination made by a facility director would be made with the input of the individual facility chief nurse, in the case of RNs, or of the other service chiefs affected.

If a VA health-care facility is unique in its labor market area, the salaries of other like health-care professionals performing similar tasks in facilities within the labor market area would be surveyed. An example of a facility without an easily identifiable competitor might be a VA facility treating largely a long-term psychiatric patient population located in a rural area. In that instance, this measure would provide for a comparison to be made with other health-care facilities within the labor market area employing and competing for RN's.

Mr. President, there may be a rare instance where no competition can be found within a given labor market area. Our bill would then require the facility director, with approval of an official designated by the CMD, to utilize as a comparison a labor market area with similar demographic characteristics which has a VA facility and to adopt that VA facility's competitive pay rates.

INTERIM AUTHORITY TO DETERMINE LABOR MARKET AREA

It is our understanding that in certain labor market areas, nurses and other health-care professionals are commuting outside of the traditional labor market area surrounding their health-care facilities in order to work in areas paying higher wages. This phenomenon further accentuates the scarcity of health-care workers in those areas from which they are departing. Under current special rate regulations, a facility director is not able to expand his or her labor market area to take this movement into account and is thus losing qualified employees to those higher paying areas. Under the new competitive pay provision we are proposing introducing today, facility directors would be given maximum flexibility to define the labor market area with which they are competing; thus, the problem I just described would be minimized. However, in order to provide the Secretary adequate time to develop comprehensive regulations, competitive salary rates established pursuant to this provision would not become effective until July 1990, some 9 months from the beginning of fiscal year 1990. To assist facilities which are in the position of competing with distant labor market areas, a provision is included in this bill to require facility directors in rural geographical locations, which are losing qualified nurses and pharmacists to higher paying labor market areas, to carry out immediately the labor market area survey described in this measure in determining whether they have a need to seek approval of special rates under the current authority in 4107(g).

DETERMINATION OF SALARY RATES

Mr. President, it is our understanding that it is often difficult to obtain accurate information regarding salaries of health-care professionals, particularly those beyond the entry level. In some instances pay policies within non-Federal systems permit wages to be individually negotiated with incoming employees, and in other instances the pay structure is based on different criteria than that utilized within VA. However, entry pay rates for new and lesser experienced professionals are generally more easily discoverable and compared than those for experienced

professionals. Therefore, our legislation calls for determining entry-level salaries and then building grades and steps based on those entry-level rates. To avoid salary compression within a grade or between grades, this measure would require that the rates of pay for grades and steps established maintain the same proportional distribution between the rates of steps and grades that currently exists. To maintain consistency within the pay system, our bill would require the CMD to prescribe the number of grades (but not less than three) and the number of steps within each grade. If a new grade or additional steps within a grade are added by the CMD, the new grade or step would be required to bear the same proportionate relationship to other grades or steps as current steps bear to one another.

Currently, entry-level nurse salaries are considered to be at the level of junior, associate, and full grades. This determination had been made by VA when establishing the nurse salary schedule. Our legislation does not require that those specific grades be maintained, therefore, we provide for the Secretary, upon the recommendation of the CMD, to establish which grades will be considered to be entry-level.

As I previously mentioned, on May 19, 1989, the committee is expecting a congressionally mandated study which is expected to describe the extent to which pay compression is occurring within VHS&RA. One type of pay compression occurs when the range between the pay of new employees and experienced employees is narrow. VA officials have told us that compression is a major problem within the VA system and that this has led to retention difficulties. Under the current system, when a special rate is approved, the entry rate for that grade is increased and the range of the grade is increased accordingly. Under the current system, when a new employee is hired, he or she is offered the new higher entry rate. However, the rate earned by experienced employees is not adjusted upward proportionately when the special rate is approved; therefore, new employees may be hired at salary levels that took considerable time for longer-term employees to attain. In contrast to this situation as to special rates, this measure requires the rates of employees within specific steps of grades to increase when the range of the grade increases.

This measure, as does the title 38 provision authorizing special rates, would require that the wage rates paid be competitive with the wage rate paid in the labor market surveyed but not exceed the highest such rate. This provision reflects my belief that the Federal Government should not be the wage leader in a given community and contribute to the increased inflationary impact of medical care. This philosophy is not intended to suggest that Federal employees are not of top quality but rather reflects my view of the special responsibility of the Federal Government not to generate inflationary pressures.

A major difference between competitive pay and special rates in specific regard to the manner in which salary ranges are to be determined is that this measure requires the facility director to take into consideration other factors which affect base salary rates. These factors include payment of premium pay and additional pay such as weekend, shift, and holiday differentials, and the value of other benefits such as the contribution of employers toward employee health insurance premiums. Additionally, the general availability of health-care professionals within the community and the difficulty of recruiting to a particular location within the community should be considered. These variables can have a significant impact upon the salary structure established and will require the facility director to utilize his or her judgment in determining rates. Strict formulas and other rigid methods will not suffice in such situations.

It is our intention that VA, when implementing the provisions described—identification of competitors, performance of the annual survey, and establishment of competitive pay—promulgate few specific regulations. In making this point, I do not downplay the importance of thorough and adequate justification of pay decisions; however, I believe that the very intricate special-rate regulations have contributed substantially to the insufficiency and inefficiency of that system.

LIMITATION ON ENTRY-SALARY RATES

Mr. President, this measure would cap entry-level salaries of grades established primarily for supervisors and managers at the statutory cap of the executive schedule, currently $75,500, and it would cap the entry-level salary of all other grades at the level of step 10 of grade 13 of the general schedule published by the Office of Personnel Management, currently $53,460. This provision is explicitly intended to place a cap on the authority of VA to increase salaries. Although the concept of competitive pay for health-care professionals is one I firmly believe in, this new program must be carried out consistent with overall Congressionally-defined Federal pay parameters.

ADJUSTMENTS OF SALARY RATES

Mr. President, as a result of VA establishing under our bill salary rates on an annual basis in order to be competitive with the community, salary ranges may also be adjusted downward. I understand that such a phenomenon occurred in the skilled labor market in Houston, TX, when oil prices dropped. This measure would protect an individual's salary if VA were to adjust salary ranges downward. Thus, new employees could be hired at lower rates than their predecessors.

Additionally, in areas where the VA is the salary leader by virtue of the Federal pay scale being naturally higher than that within the community, VA would be required to adjust that salary scale downward. I'd like to stress that the current wages of employees would not be affected by that adjustment—basic salary rates of individuals already on board would be protected and would remain the same until the community caught up with the Federal rate. However, the concept of competitive pay would be an inequitable one if it called only for increased salary rates to meet local standards and excluded decreases to reflect those same standards.

In a similar light, employees transferring from one health care facility to another would retain their same step and grade if they retained the same position with similar responsibilities at the second facility, but their earnings would reflect the specific salary attributed to that step and grade in the new facility. Hence, their salaries could increase or decrease. As I have previously indicated, the concept behind competitive pay is that salaries should reflect the wages of the community in which the VA health care facility is located. To permit employees to maintain their previous salary without taking into consideration local conditions would violate the integrity of the system.

COMPETITIVE PAY VERSUS LOCALITY PAY

Mr. President, much has been reported recently about the use of "locality" pay within the Federal system. In a study released on March 29, 1989, the National Commission on the Public Service, chaired by former Federal Reserve Chairman Paul A. Volcker, recommended, "* * * a new pay-setting system that recognizes the fact that public employees live and work in localities characterized by widely different living costs and labor market pressures, and adjusts compensation upward accordingly." Although the details of such a system were not extensively described in this initial report, reference was made to maintaining the current pay structure and providing a special allowance for those living in high cost areas and in areas of intense labor competition. The relevant congressional committees are tackling the problems of civil service pay, and OPM has hired a contractor to gather information and conduct research on locality pay.

One important fact to note is that VHS&RA has been providing pay competitive to that paid in the community for a number of years. According to VA statistics, as of December 31, 1988,

30,700 employees, both title 38 and hybrids—27.7 percent of all VHS&RA employees excluding physicians—were covered by over 770 individual special rate authorizations in 40 occupations. This is in comparison to 19,500 employees on March 1, 1988—an increase of 57 percent in a 10-month period. At the end of January 1989, 154 VHS&RA facilities had a special rate authorization for at least one health care occupation.

Hence, the legislation we are introducing today would not establish a new concept within the Department. What it would do would be to provide VA the authority to be proactive in its recruitment and retention efforts rather than reactive—that is, to avoid counterproductive lag times. If the VA had the ability to keep pace with rates paid in the community, I believe that greater numbers of health care professionals would seek out VA as an employer and the expensive turnover I reported earlier would be significantly decreased.

OVERTIME PAYMENTS TO REGISTERED NURSES

Mr. President, section 102 of this measure would require VA to pay overtime to RN's, RNA's, and CRNA's at the rate of 1½ times such nurse's hourly rate of basic pay. Current law limits overtime pay for these employees to a rate not to exceed 1½ times the hourly rate of basic pay for the minimum rate of intermediate grade of the nurse schedule, currently $13.87 per hour. As of December 31, 1988, of the 36,305 full-time, part-time and intermittent RN's working for VA—514 of whom are RNA's or CRNA's—23,934 (66 percent) are at the intermediate grade or higher.

The provision in current law was enacted in 1973 as part of Public Law 93-82, and was intended to be similar to the method used for computing overtime payments for general schedule and wage board employees pursuant to title 5. That title 5 provision has remained unchanged. However, as previously discussed, VA is competing with non-Federal hospitals for scarce RN's, and those hospitals routinely pay 1½ times a nurse's actual hourly rate of basic pay for overtime hours worked. This places VA at a severe disadvantage.

When nurses seek employment, they look at a total array of benefits offered by an organization, not only the basic pay. Because overtime work is a frequent occurrence in many health care facilities, earnings which result from such work contribute significantly to a nurse's annual income and to job selection.

Additionally, because VA is often short of staff, nurses are frequently requested to volunteer to work overtime. Because of the current cap on overtime earnings, I understand that many decline to do so. In these instances, some facilities are turning to temporary nurse agencies to supply them with adequate numbers of nursing staff. Not only do these agencies pay nurses more than VA pays its nurses, or in certain instances would pay under our bill, including overtime—a cost which is, of course, passed on to VA—but these agencies charge an administrative fee to cover the services associated with procuring the nurse. Moreover, these charges do not account for any additional costs to the VA system incurred due to a lack of efficiency or quality resulting from an agency nurse who is not familiar with VA policy and procedure. These expenditures—combined agency nurse salary, administrative fee, and incidental costs—frequently exceed the cost of paying VA nurses 1½ times their rate of basic pay and end up purchasing the services of a less experienced nurse's services.

HEAD NURSE PAY DIFFERENTIAL

Mr. President, unlike most hospitals, VA pays RN's based on their credentials and performance rather than on the position they hold. Thus, a nurse working at the bedside has the potential to earn an amount equal to that of head nurses and supervisors. In the December 1988 report of the HHS Secretary's Commission on Nursing referred to earlier, it is recommended that health care organizations develop pay scales that reflect different levels of nursing experience, performance, educational attainment, and demonstrated leadership. VA long ago did so, and it should be proud of this innovative and creative system. Unfortunately, this same success has created a problem in the area of head nurse recruitment and retention.

The head nurse position is a key one in any hospital organization, and many would agree that it is one of the most difficult. The head nurse is responsible for a patient unit or ward, and it is at this location that the vast amount of direct patient care is furnished. The nurse in that position is responsible not only for a number of nursing personnel working under his or her supervision, but is accountable for the quality of nursing care and the coordination of all care furnished by other services. These supervisors are first-line in the truest sense of the word, and they are frequently the only managers present to address problems of physicians, other clinical staff, and the many nonclinical hospital staff so essential to furnishing a high quality of patient care.

Because a nurse working at the bedside can earn as much as a head nurse without assuming these additional administrative responsibilities, there is no financial incentive to assume that management role. The impact of this is illustrated in a recent survey of 172 VA medical centers which identified a growing vacancy rate for head nurses—18.5 percent in fiscal year 1986, 22.9 percent in fiscal year 1987, and 22.4 percent in fiscal year 1988.

Mr. President, I believe that the head nurse position is a pivotal one if good quality patient care is to be provided to our Nation's veterans. Therefore, section 103 of this bill includes a provision which would provide a 6-percent pay differential to nurses appointed to the head nurse position. This amount is based on the policy of VA which provides for a two-step increase in the case of a promotion. Two steps is approximately equivalent to 6 percent. In recognition of those nurses assigned to that position on an interim basis, the bill provides that those assuming that role for a period in excess of 30 days also would receive that 6-percent differential.

PROFESSIONAL SPECIALTY CERTIFICATION

Mr. President, section 106 of our bill would require the Secretary to award each nurse upon recertification in a professional specialty a lump-sum payment in an amount equal to 1 percent of the nurse's basic annual rate of pay provided that the nurse's last performance evaluation was not less than satisfactory. The recertification would be required to be issued by a recognized professional organization and in the specialty in which the nurse is employed by VA.

Certification, unlike licensure, is not a requirement for nursing practice. It is a credential which is pursued by those professionals who strive for excellence and recognition in their field. To become certified a nurse must take a difficult written examination which tests knowledge and the ability to apply that knowledge in a certain subject area. To become recertified, nurses generally must prove—every 2 to 4 years depending upon the specialty area—that they have continued to practice in their specialty area, attended continuing education programs, and, in several instances, shared their knowledge with others through teaching. Currently, VA nurses in senior grade or below may receive a one- to five-step increase on the basis of professional achievement provided they have demonstrated excellence in performance and have a potential for assuming greater responsibility. One way this achievement can be demonstrated is by becoming certified by an appropriate national certifying body. It is my understanding that most VA nurses receive at least a one-step—3.3 percent—increase upon certification. However, no economic incentive is provided for recertification.

We want to make sure that a special effort is made to encourage and retain those nurses who have taken the time and made the effort to take this additional step to demonstrate a higher level of knowledge. So as not to detract from the current practice of often giving a one-step increase in con-

junction with certification and otherwise satisfactory performance, our bill would require that upon recertification each nurse would receive a lumpsum amount equal to 1 percent of his or her annual salary provided that the nurse's last performance review was not resulting in a less than satisfactory rating.

EXEMPLARY PERFORMANCE CASH REWARDS

Mr. President, section 210 of our bill would authorize the Secretary to make cash awards of $500 to $5,000 for exemplary performance to no more than 20 percent of supervisors and managers in each of the professions listed in section 4104(1) of title 38—so-called title 38 employees; that is, physicians, dentists, podiatrists, optometrists, nurses, physician assistants, and expanded function dental auxiliaries. I believe such a provision is long overdue.

Currently two provisions in title 5 provide for cash awards for superior performance, section 5384 and section 5406. Pursuant to section 5384, performance awards may be made to employees within the Senior Executive Service to encourage excellence in performance. The amount of the award may not be less than 5 percent nor more than 20 percent of the appointee's rate of basic pay. In VA, those eligible for such awards include facility directors, regional directors, and key leadership persons in VA Central Office.

Section 5406 of title 5 requires the payment of performance management recognition awards for any supervisor or management official in General Schedule grades 13, 14, or 15, who receives an outstanding rating during the performance review process. The amount of the award is limited to not less than 2 percent and not more than 10 percent of the employee's annual rate of basic pay. Those VHS&RA employees eligible for these cash awards include only the directors of clinical and nonclinical services—that is, those professionals other than nurses, physicians, dentists, and other title 38 employees listed in section 4104(1) of title 38.

I believe that title 38 managers and supervisors should be eligible for cash awards which recognize their significant contribution to the furnishing of good quality patient care. Our provision differs from those found in title 5 in two ways. First, it would recognize the outstanding performance of employees in grades below that which is equivalent to the General Schedule grade 13 and, second, it does not automatically require that any award be bestowed. Awards would be granted to title 38 employees for their exemplary performance according to criteria established by the Secretary. It is our intent to circumvent the criticism of the title 5 program whereby many believe that those who receive the awards are not outstanding. If this is enacted, I intend to recommend strongly that the Secretary carefully monitor the recipients of such awards each year to be certain that the awards are distributed in an equitable fashion only to employees who provide exemplary performance.

DEPENDENT CARE ASSISTANCE PROGRAM

Mr. President, in response to a suggestion received from a VA employee who is a California constituent of mine, section 202 of this legislation would require the Secretary to establish and operate for VHS&RA employees a dependent care assistance program which meets the requirements of section 129 of title 26 which permit employees to contribute up to $5,000 annually tax free—$2,500 in the case of a separate return by a married individual—for the care of the employee's dependents. Under such a program, upon the request of the employee, an employer excludes from the employee's gross income specified amounts which would be placed in an escrow account. The employee then draws upon this account for dependent care costs. Just as amounts for 401(k) plans are treated for Federal income tax purposes, the amount so set aside is not reported to the Internal Revenue Service as part of the employee's earned wages, thus resulting in a reduction of the employee's income tax.

On March 19, 1987, my constituent, Dr. David L. McArthur, submitted this suggestion through the VA Incentive Awards Program. This suggestion was referred to the VA general counsel who sought guidance from OPM. In an October 5, 1988, memorandum from the VA general counsel to the Director of the Office of Personnel and Labor Relations, the general counsel advised that OPM stated that there was nothing under any title 5 provision permitting a Federal agency to establish such a program, and VA general counsel indicated that VA did not have sufficient authority to establish such a program for title 38 employees.

Mr. President, the growing crisis in recruitment and retention of health care personnel poses a threat to VA's capability of providing health care to our Nation's veterans. I believe it is imperative that VA begin to examine a wide range of employee benefits which may assist in resolving some of these problems, one of which is certainly assistance in the area of dependent care programs. Many employees have children or other dependents who need guidance and supervision while the responsible adult is working. Because such programs are increasingly found in the private sector, VA needs to offer benefits which are equally attractive. We need to promote a variety of solutions to meet problems associated with the recruitment and retention of such employees. In addition to adjustments in salary to make VA a more attractive place to work, many creative, cost-effective approaches such as this must be developed.

This rationale applies as well as to other VA employees and thus our bill would extend this dependent-care deduction feature to all VHS&RA employees. This new authority would complement the authority enacted in Public Law 100-322, which I proposed in the Senate with my colleague, the Senator from Arizona [Mr. DECONCINI], to require VHS&RA to establish child-care programs, as appropriate, at its medical centers and facilities under the auspices of the VA Canteen Service.

WAIVER OF RETIREMENT OR RETAINER PAY FOR VA HEALTH-CARE PROFESSIONALS

Mr. President, section 105 of this measure would authorize the Secretary—in the case of a shortage of scarce health-care professionals providing patient care services or services incident to direct patient care—to make an exception to the title 5 provision reducing the amount of retirement or retainer pay of a retired member of the uniformed services employed by the Federal Government. The Secretary would be authorized to exercise this authority, if necessary, to meet special or emergency VA employment needs which result from a severe shortage of well-qualified candidates. This provision would expand the current authority in section 4107(i) of title 38, relating to physician appointments, which was enacted in 1984 in Public Law 98-528. On April 12, 1989, while testifying before the House Committee on Veterans' Affairs Subcommittee on Hospitals and Health Care, Dr. Gronvall, CMD, stated that VA recommended expansion of this new authority to cover all VA occupations—not only nurses—providing patient care services or services incident to direct patient care.

Pursuant to section 5532 of title 5, following appointment to a civil service position, a former officer's retirement pay is reduced to an amount equal to $7,698.51 plus half the remainder of his or her retired pay, increased proportionately by the amount of consumer price index increases. This provision originally was enacted to save taxpayer money by preventing the practice known as double dipping—retired armed services personnel who not only receive their earned retirement pay but hold another full-time position and earn full-time pay. The belief was that the Government could save the cost of some retirement pay if the retiree was working and earning income elsewhere. In fact, because of the severe difficulties now being experienced in recruitment and retention of health-care professionals and the cost associated with this problem, a savings may not be resulting.

The number of scarce health-care professionals retired from the Armed Forces is difficult to determine, and the number of those who would want to continue their careers within the Federal Government is equally difficult to ascertain. However, it has been suggested that for those armed services personnel who do wish to continue their careers outside the uniformed service, VHS&RA would be a natural environment in which they might work. The VA patient population, while older, has a common bond with that found in military hospitals. Also, the military careerist is familiar with Federal policies and procedures and, therefore, would be comfortable in this similar environment. According to VA, the current authorized physician program has been exercised infrequently and prudently, but it has been helpful in recruiting qualified physicians in a variety of special shortage situations. If other retired armed services health-care professionals could be enticed to work within VA in scarce positions, the cost associated with vacant positions might decrease.

SPECIAL SALARY RATES FOR HEALTH-CARE EMPLOYEES

Mr. President, although the implementation of competitive pay would greatly reduce VA's need for special salary rates, that need would not be eliminated totally. In today's fast-paced recruitment marketplace, wages for RN's might move ahead rapidly in the middle of the year, making an additional adjustment necessary, or, for those employee categories for whom competitive pay is authorized but not required, the continuation of special rates as currently implemented would certainly be necessary if competitive pay is not implemented for them. Thus, it is important to ensure that the mechanism under which special rates are paid is maintained and improved as necessary. Provisions in our bill would do this.

The extent to which salary rates can be increased under the current authority is limited to the amount by which the maximum for the affected grade exceeds the minimum for that grade. Section 121 of this measure would raise this limit so that the increase could be up to twice the difference between the maximum and the minimum for the grade involved and would require the Secretary to notify the committee when such an increase is 94 or more percent of the maximum amount permitted. This provision is identical to section 622(a) of the provisions of S. 2011 as passed by the Senate on October 18, 1989.

In addition, because VA would need adequate time to promulgate regulations implementing competitive pay and, therefore, the provision as described in section 101 of this bill would not be implemented until July 1, 1990, this improvement in special rate authority would be needed with respect to the hiring and retaining of both RN's during the interim period. As previously discussed, the majority of RN's in VA fall within one of four grades—junior, associate, full, or intermediate—each grade having nine primary steps. The increments from one step to the next are approximately 3 percent. At one time, the first step within the grade was considered the entry level. However, as the nurse shortage has become more acute and as the competition for their services has become keener, nurse salaries in non-Federal hospitals have increased.

To remain competitive and maintain the ability to recruit and retain nurses, VA has had to advance starting salaries so that today, in the Boston, New York, San Francisco, and Los Angeles areas, the starting salary for junior grade nurses is at the maximum amount authorized by law for that grade—a difference of $10,530 from the theoretical entry level first step. The maximum has also been reached in the Boston area for associate grade nurses. In San Francisco, the starting salary for associate grade nurses is very close to the maximum, and it is expected that salaries will quickly reach that point as a result of a labor contract, which became effective September 1988, providing for a 21-percent increase over the next 34 months for nurses in surrounding non-Federal hospitals in the bay area.

In addition, pharmacists in the Los Angeles area are at the maximum allowable by law, and others in San Francisco, Northport, and New York City are near that maximum. The provision we are proposing is aimed at helping to ensure that VA has the ability to increase salaries of its nurses and other title 38 or hybrid health professionals so as to continue to remain competitive.

It is my understanding that salary rates in New York City for junior grade nurses reached the maximum authorized by law on or before February 28, 1988; in San Francisco on March 27, 1988; and in Los Angeles on June 23, 1988. To avoid future situations in which VA competitive capability is eroded away without the Congress being notified of the need for a legislative remedy, this measure would require the Secretary to notify both the House and Senate Veterans' Affairs Committees when salaries come within 94 percent or more of the maximum rates. This should provide the Congress with the forewarning necessary to consider the need for new legislation in a timely manner.

APPROVAL OF SPECIAL RATES OF PAY

Mr. President, section 121(b) of our bill would: First, reduce, from 90 to 45 days, the period, after VA submission of a title 5 health-care employees' special pay rate request, in which the President or his agent may disapprove the proposed rate; and second, clarify that the proposed rate may be put into effect immediately upon approval given in a shorter period. This provision is identical to section 622 of the provisions of S. 2011 as passed by the Senate on October 18, 1988. VA's Chief Medical Director testified in support of this provision at last year's hearing on June 16, 1988.

As previously discussed, under current law, when the Secretary determines it to be necessary in order to obtain or retain the services of certain personnel employed under the title 5 personnel system who provide direct patient care services or services incident to direct patient care, the Secretary may increase the rates of basic pay authorized under applicable statutes and regulations. In such cases, the Secretary is required to notify the President not less than 90 days prior to the effective date of the proposed increase. The President then has that 90-day period to disapprove the proposed increase and, if so doing, the President must notify the appropriate Committees of the Congress of the reasons for such action.

The procedure for establishing special rates has been previously discussed in my description of competitive pay. Requests to establish special pay rates are initiated at VA Medical Centers and are submitted to the VA Central Office [VACO]. Once submitted to VACO, the justification for the special rates is carefully reviewed and either approved, returned for further information, or disapproved. If approved by VACO, the request is then sent on for review by the President's agent, the Director of the Office of Personnel Management [OPM]. The elapsed time to this point can average as long as 90 days. A review conducted by the Director of the VA's Office of Personnel and Labor Relations at the committee's request showed that between August 1, 1988, and January 31, 1989, 51 special-rate authorizations were subject to review by OPM. Of these 51 cases, the average turnaround time was 49 days. OPM has never disapproved a special-rate authorization proposed by the VA under section 4107(g).

I am concerned that the lengthy preapproval process—during which time the VA facility is already experiencing a staffing shortage—may serve to worsen the staffing problem. Staff may become overworked and frustrated and thus seek to leave the organization. This, of course, creates an even greater shortage and may cause the care furnished veterans to suffer.

APPOINTMENT OF VETERANS' ADMINISTRATION-TRAINED PERSONNEL

Mr. President, as part of the VA's mission to establish and implement education and training programs for health-care disciplines, VA health-care

facilities provided training opportunities for tens of thousands of students each year—close to 100,000 students in 1987. At the time of graduation, many of these students turn to the VA as a potential employer. Persons in those professions who are not covered under the VA's title 38 appointment authority—generally, health-care personnel other than registered nurses, physicians, and dentists—are required to complete the time-consuming process of examinations and register listings prescribed for the Civil Service competitive system. This process justifiably focuses on the preservation of merit principles for filling vacancies rather than on the need to appoint much-needed health-care personnel in an expedited fashion. Unfortunately, this often results in graduates, whom VA would like to employ, seeking and accepting employment elsewhere.

The shortage of health-care professionals has created a competitive environment in which hospitals and other health-related employers are actively recruiting capable employees. Private sector employers are offering potential applicants immediate employment with very attractive salaries and benefits. VA, as previously noted, is having difficulty keeping up these latter areas and the complex, lengthy Civil Service application and acceptance process adds to the burden. A 1986 VA study found that fewer than 6 percent of students take jobs with the VA facility where they received a significant portion of their clinical training. There is no reason to believe that these figures have increased in the intervening years.

Section 401 of this measure would authorize the Administrator to appoint those who, in the previous year, have graduated with a recognized degree or certificate from an accredited institution in a health-care profession or occupation, who received their clinical training at VA facilities to positions at those facilities without regard to the Civil Service examination and register processes. This provision is similar to section 621 of the provisions of S. 2011. Rather than describing as 1 year the length of time within which such an appointment would be made, S. 2011 used the term "recent graduate." I believe that greater specificity should help avoid any confusion as to the intent of this provision.

In proposing this new authority, I do not intend that principles of the merit process—or of veterans' preference—be ignored, nor do I intend that other screening procedures to ensure the hiring of high-quality personnel be bypassed. However, because these graduates have completed a course of education with a practicum at a VA health-care facility, supervisory personnel at the VA will have had an opportunity to assess and evaluate their work in a clinical setting, and thus can be expected to know far more about such applicants' clinical competencies than they do about other applicants.

A further benefit to VA from hiring persons who have been recent students in VA facilities is the savings in recruitment and orientation costs, which can amount to several thousand dollars per employee.

ASSISTANCE TO HEALTH-CARE PERSONNEL EDUCATION INSTITUTIONS

Mr. President, section 302 of this measure, which is virtually identical to section 624 of S. 2011, would:

First, amend subchapter III of chapter 82 of title 38—relating to a program of VA grants to provide assistance in the education of allied health-care personnel, other than physicians and dentists, at VA-affiliated schools and to assist in developing and evaluating new health careers, interdisciplinary approaches, and career-advancement opportunities—to add a new section. This new section (5094) would authorize the appropriation of $5 million for each of fiscal years 1990 and 1991 and $6 million for each of fiscal years 1992 and 1993 for the VA to reinstitute the program; and provide for the funds to remain available until the end of the fifth fiscal year following the fiscal year for which they are appropriated;

Second, require that the development of those careers, approaches, and opportunities described above must occur in collaboration with representatives of the professions the members of which are currently responsible for carrying out the duties involved; and

Third, authorize the VA to expend up to 10 percent of each year's appropriation on VA programs designed to develop or initiate improved methods of education and training for health-care personnel.

In response to a shortage of physicians and other health-care professionals in the early 1970's, Public Law 92-541 added chapter 82 to title 38. This chapter provided for programs for which appropriations were authorized over a 7-year period—fiscal years 1973-79—for a pilot program of assistance in the establishment of 5 new State medical schools—subchapter I—and over a 10-year period—fiscal years 1973-82—for a program of grants to affiliated medical schools—subchapter II. These programs were generally successful in providing the monetary support needed to expand and improve the Nation's capacity to train physicians.

Under subchapter III of chapter 82, entitled "Assistance to Public and Nonprofit Institutions of Higher Learning, Hospitals and other Health Manpower Institutions Affiliated with the Veterans' Administration to Increase the Production of Professional and Other Health Personnel," 135 grants and 3 supplemental grants—totaling $47.9 million—were awarded during fiscal years 1974 through 1985. The provisions of subchapter III authorize VA to carry out a program of grants to provide assistance in the establishment of cooperative arrangements among universities, colleges, and other schools of higher learning and nonprofit health manpower institutions affiliated with the Veterans' Administration designed to coordinate, improve, and expand the training of health-care professionals and technical workers. A detailed discussion of the grants awarded pursuant to this provision can be found in the committee report accompanying S. 2011 (S. Rept. 100-439, pages 155-157).

Serious shortages continue to exist in many categories of health-care personnel, and the numbers being trained are not sufficient. Experts are predicting that this trend will continue. I believe that, if VA is to have sufficient numbers of qualified health-care professionals, it must be prepared to provide some funding to schools which are committed to VA and which will expose their students to the high quality of care furnished there.

It is my intent that, in the case of each grant award, VA obligate in any fiscal year only such funds as the school requires for that year rather than obligating in the fiscal year in which the project is approved the total sum required by the school for the life of the project. Although the committee is sympathetic to the need of schools to be assured of full funding throughout the expected life of the grant, I would like to see as many programs as possible be implemented so as to address more quickly VA's critical health personnel shortage.

Additionally, I believe that, although educational facilities may generally be the best equipped and most experienced in the process of teaching new health-care workers, personnel within VA facilities may also have valuable new ideas and approaches for educating and training such workers. I want to encourage creative efforts in VA as well. Therefore, up to 10 percent of each year's appropriation for the grant program could be used for VA health-personnel education programs which are considered to be of exceptional quality and which meet the needs of VA in ways which non-VA institutions are unable to match.

HEALTH-PROFESSIONAL SCHOLARSHIP AWARDS

Mr. President, section 301 of this bill, which is identical to section 623 of the Senate-passed provisions of S. 2011, would require the Secretary to ensure an equitable allocation of scholarships to persons enrolled in their second year of a program leading to an associate degree in nursing.

The Health Professional Scholarship Program was established by the enactment of Public Law 96-330, on August

26, 1980, to assist in the provision of an adequate supply of physicians and nurses and, if needed, of certain other health-care professions for VA and the Nation. As originally enacted, the legislation required the Administrator to give priority in awarding scholarships to those individuals who had previously received scholarships under the Scholarship Program. These provisions remained unchanged until 1987.

Section 326 of S. 9 as reported by our committee on November 6, 1987, and as subsequently amended in the Senate-House conference report on H.R. 2616 (H. Rept. No. 100-578), required the Administrator to give priority to the scholarship applications of individuals entering their final year in a course of training. This provision was enacted in section 216 of Public Law 100-322 on May 20, 1988. Although not explicitly set forth in the joint explanatory statement accompanying the conference report on H.R. 2616, the conferees' intention was that the Scholarship Program be made available to students, particularly nursing students, enrolled in an associate degree program.

Since the inception of the Scholarship Program until the start of the 1989 school year, VA has awarded nursing scholarships only to students enrolled, or accepted for enrollment, in the upper division, that is, their junior or senior year, of a baccalaureate program or pursuing a course of education leading to a master's degree in nursing. On May 12, 1988, Senator MURKOWSKI and I wrote to the CMD to encourage him to extend the Nursing Scholarship Program to student nurses in there second year of an Associate Degree Program. In his June 10, 1988, response, the CMD stated that, because of an overwhelming response to the Scholarship Program—over 1,600 applications for approximately 260 scholarships—VA was limiting scholarships to awards at the baccalaureate and master's degree level. Since that time, VA has received 1,711 nursing applications and 325 physical therapy applications and has awarded 304 and 47 scholarships, respectively.

I am very concerned about the continuing shortage of nursing personnel and believe that all efforts should be made to recruit such personnel expeditiously. While strongly supporting baccalarueate education for nurses and other health-care professionals, particularly in today's complex health-care environment and, thus, believing that priority should be given to those working on completion of a baccalaureate degree, I am concerned that some communities do not have readily accessible 4-year programs. Persons in such locales who are interested in nursing as a career and are unable to attend school without some financial support are therefore currently being precluded by VA's practice from obtaining such VA assistance.

PILOT PROGRAM ON PAY AND PERSONNEL MANAGEMENT PRACTICES

Section 402 of this measure, which is similar to section 625 of the Senate-passed provisions of S. 2011, which is similar to section 332 of S. 9, a provision reported by the committee and passed by the Senate on December 4, 1987, would: First, require VA during calendar years 1990, 1991, and 1992 to conduct a pilot program at not less than five VA medical facilities to determine the desirability of (a) establishing programs which foster interdisciplinary professional collaboration and collegial relationships between physicians and RN's, (b) creating new alternatives for utilizing the skills and knowledge of RN's in furnishing direct-patient care, (c) increasing the pay differential for evening and night service, (d) revising the grade, classification, pay, and performance qualifications and other appropriate personnel management systems used in VHS&RA, and (e) establishing flexible employment benefits programs for VHS&RA employees; and second, require periodic reports on the pilot program by the CMD to both Committees on Veterans' Affairs, followed not later than 60 days thereafter by the Secretary's comments on each such report.

A detailed history of matters leading up to the introduction of this provision can be found in the committee report accompanying S. 9 (S. Rept. No. 100-215, pp. 159-161) and in the committee report accompanying S. 2011 (S. Rept. No. 100-439, pp. 158-163). Unfortunately, the pilot program was not agreed to by the House conferees, but, rather, a provision requiring the Administrator to study and report on the possible effects of pay compensation, increased pay differentials for evening- and night-tours of duty, and flexible benefits programs within VA medical centers was enacted on May 20, 1988, as section 231 of Public Law 100-322 and that report is due to be submitted to Congress on May 19, 1989. Because I remain convinced that such pilot program is the best way to study and consider such alternatives, we are proposing it again as part of this bill.

PAY DIFFERENTIALS

Because furnishing care in medical facilities is a 24 hours-a-day, 7 days-a-week function, certain employees must be scheduled to work at times that are generally viewed as undesirable. Because the majority of workers choose to work Monday through Friday during regular daylight hours, employers, including VHS&RA, frequently pay premium wages in order to attract workers to other shifts or to work at less desirable times. Still, VA cannot attract sufficient staff to these unpopular tours, and many must rotate to those shifts to provide coverage. I believe a reasonable approach which might enhance recruitment and retention and might also save money would be to offer increased premium pay for these unpopular tours of duty and, therefore, entice personnel to work them on a permanent basis. This would then permit VA to offer permanent day shift positions to those wanting them.

COLLABORATIVE PRACTICE COMMITTEES

One of the most significant complaints lodged by nursing professionals is that hospital administrators and physicians fail to appreciate or make appropriate use of their skills or give them autonomy over their clinical practice. One approach to addressing this concern is collaborative practice programs which foster interdisciplinary professional collaboration and collegial relationships between physicians, nurses, and other direct health-care providers. These programs have been shown to enhance personal job satisfaction for both nurses and physicians.

A July 1987 preliminary VA report, entitled "Task Force on Recruitment and Retention of Non-Physician Health Care Workers," states:

[T]here is much room for improvement among our physician and nursing staff in their attitudes and dealings with each other and with our other health care workers.

FLEXIBLE BENEFITS PROGRAMS

Flexible benefits programs, often referred to as cafeteria style benefits, offer employees a choice among types of health insurance, disability insurance, child care, annual leave, sick leave, and other benefits which are paid for in whole or in part by the employer. In testimony before the House Subcommittee on Government Operations on March 1, 1988, Constance Horner, Director of the Office of Personnel Management stated:

OPM is extremely interested in these developments [flexible benefits] because we understand that if we are to staff the federal agencies successfully in coming decades, we must offer types and levels of benefits that are competitive with those available in other sectors. * * * Since they [benefits] affect the lives and welfare of millions of people, changing them in any fundamental way should be the result of a cautious, deliberative process.

Because of the difficulty in recruiting and retaining health care professionals, I believe VA would be an ideal test site for such a program.

CREATIVE NURSING MODELS FOR FURNISHING CARE

Mr. President, the demand for nurses in the United States is expected to increase as our population ages and health care becomes more complex. Ways must be found to attract persons into the profession, not only to resolve today's shortage but to ensure that adequate numbers of nurses will be available in the future. The literature

suggests that many perceive the work of nursing and the environment in which this work occurs as unattractive and undesirable. Nurses are viewed as having little autonomy and status, and nursing is viewed as a field requiring little educational preparation and knowledge. I believe that VA can and should take a leadership role in changing these perceptions as well as in actually changing the precepts upon which these assumptions are based. Thus, this bill includes a provision designed to move VA in that direction. The December 1988 Final Report of the HHS Secretary's Commission on Nursing also encourages health care facilities to take similar actions.

REVISION OF PERSONNEL MANAGEMENT SYSTEM

At our June 16, 1988, hearing, VA testified in support of the pilot program provision and also requested additional statutory authorities to broaden the ability to test various pay practices which particularly affect pay compression and flexible benefits. I believe that VA should have the flexibility to exercise creativity in designing and testing certain pay systems which will assist in addressing job shortages and recruitment problems.

I also believe that it is important to study and evaluate all issues relating to the possible enhancement of VA recruitment and retention efforts. Management studies have shown that salaries and benefits alone will not attract and retain employees; an environment in which employees feel they are recognized for their contributions and permitted input into the decisionmaking process is also a significant factor. I urge VA to do this. I have been very encouraged by the recent establishment by the CMD of a new Health Care Staff Development and Retention Office. I hope that all efforts will be made to provide that Office with the support and resources it needs to do the job effectively.

LEAVE SHARING

Public Law 100-566, the Federal Employees Leave Sharing Act of 1988, enacted on October 31, 1988, provides for a 5-year leave sharing program for title 5 employees. This authority, subchapter III of chapter 63 of title 5, requires OPM to establish a program under which annual leave accrued or accumulated by an employee may be transferred to the annual leave account of any other employee for the purpose of assisting the receiving employee during a time of medical emergency. Subchapter IV of chapter 63 requires OPM to establish during that 5-year period a leave bank demonstration project under which employees may voluntarily transfer annual leave to a leave bank from which annual leave may be made available to an employee needing such leave because of a medical emergency. Although earlier laws authorized testing such programs for title 38 employees, these provisions expire on September 30, 1989. Section 203 of our bill would require the Secretary to establish, or enter into an agreement with OPM to participate in a leave transfer program for health care professionals such as that described in title 5 and provide the Secretary the authority to establish, or enter into an agreement with OPM to participate in, leave banks for health care employees.

VA has submitted draft legislation having a similar purpose, and I introduced that as S. 899 on Tuesday, May 2, at the administration's request. That provision provides the Secretary the authority to establish a leave sharing program, both leave transfers and leave banks, for medical emergencies as authorized by the title 5 provisions.

Leave sharing is a very helpful and humane means of assisting employees during difficult personal times. Additionally, because many employees do not have the necessary accumulated leave to see them through these crises, they frequently are forced to resign or take leave without pay. Leave sharing would assist with recruitment and retention by providing an economical mechanism to retain qualified personnel. Leave transfer has been tested by OPM and found to be administratively feasible and successful; therefore, I believe VA should be required to establish such a program. The leave bank concept is very intriguing and, I believe, would be equally as successful as leave transfer, but a leave bank is not a program which has been as extensively tested. Therefore, until such time as the administrative policies are found to be workable, we propose only to authorize rather than require this program.

CONCLUSION

Mr. President, the provisions we are introducing today are intended to place VHS&RA in a competitive position within the health care marketplace for nursing personnel and other key health care professionals. Because of the many different factors which affect physician recruitment and retention, the alleviation of difficulties in that area are not addressed in this bill. This issue is being pursued actively, and I plan to develop legislation later this year after the CMD's Report to the President on the Adequacy of Special Pay for Physicians and Dentists has been submitted. This report, originally due to be submitted to Congress on December 30, 1988, is expected to be submitted on June 30, 1989.

NOTICE OF HEARING

Mr. President, the Committee on Veterans' Affairs will hold a hearing on this measure and other general health-related measures pending before our committee on Thursday, May 18, at 8:30 a.m. in 418 Russell Senate Office Building. The other measures or portions of measures to be covered are, within S. 13, the proposed "Veterans Benefits and Health Care Act of 1989" which I introduced for myself and others, section 211, services to overcome service-connected disability affecting procreation; section 213, State home construction grants; section 214, pilot programs for providing veterans with assistive animals; section 215, pilot program for providing signal dogs to certain veterans; section 222, sharing of specialized medical resources; section 223, coverage of veterans' health services and research administration personnel by Federal employees' collective bargaining procedures; section 224, disciplinary actions and grievances; and section 225, development of recommended legislation for the elimination of inconsistencies in certain veterans' benefits laws;

S. 165, a bill by Senator THURMOND which would require VA to construct a VA medical research center for VA and the Medical University of South Carolina in Charleston, SC;

S. 573, a bill by Senator MURKOWSKI to provide for third-party reimbursement of the United States for the cost of health care and services furnished a service-connected disabled veteran by VA for a non-service-connected disability;

S. 574, the proposed "Veterans Health Care Program Improvements Amendments of 1989," by Senator MURKOWSKI and others;

S. 748, a bill to extend the authority of VA to continue the State home grant and respite care programs and to revise VA authority to furnish outpatient dental care, which I introduced on behalf of the administration; and

S. 900, a bill by Senator ROCKEFELLER to extend VA's respite care authority.

Testifying or submitting testimony will be the Department of Veterans' Affairs, representatives of veterans' service organizations, professional nurses organizations, Federal employee unions, and others.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 947

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Veterans Health-Care Personnel Act of 1989".

SEC. 2. REFERENCES TO TITLE 38, UNITED STATES CODE.

Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of title 38, United States Code.

TITLE I—PAY MATTERS

SEC. 101. PAY RATES FOR NURSES AND OTHER HEALTH-CARE PROFESSIONALS IN CERTAIN POSITIONS.

(a) IN GENERAL.—(1) Chapter 73 is amended by inserting after section 4107 the following new section:

"§ 4107A. Competitive pay rates for certain nurse and other health-care professional positions

"(a)(1) It is the purpose of this section to ensure, by a means providing maximum flexibility to directors of Department of Veterans Affairs health-care facilities, that the rates of basic pay for health-care professional positions described in paragraph (2) of this subsection in each such facility (including the rates of basic pay of personnel employed in such positions on a parttime basis) are sufficient for such health-care facility to be competitive, on the basis of pay and other employee benefits, with non-Department health-care facilities in the recruitment and retention of qualified personnel for such positions.

"(2) The health-care professional positions referred to in paragraph (1) of this subsection are registered nurse positions, registered nurse anesthetist positions, certified registered nurse anesthetist positions, and the positions for such other health-care professionals referred to in clauses (1) and (3) of section 4104 of this title as the Secretary may determine upon the recommendation of the Chief Medical Director.

"(b) The Secretary shall ensure that, for pay periods beginning on or after July 1, 1990, the rates of basic pay for covered positions in the Department are established in accordance with this section instead of section 4107(b)(1) of this title.

"(c)(1) Not later than June 1, 1990, the director of each Department health-care facility shall, with respect to the covered positions in each category of covered positions—

"(A) conduct a survey in accordance with this subsection; and

"(B) on the basis of such survey, establish the rates of basic pay in each pay grade provided for such positions in accordance with this section as necessary to carry out the purpose of this section.

"(2) The rates of basic pay established pursuant to paragraph (1) of this subsection shall become effective beginning with the first pay period that begins on or after July 1, 1990.

"(3) Not later than December 1 of each year after 1989, the director of each Department health-care facility shall, with respect to the covered positions in each category of covered positions—

"(A) conduct a survey in accordance with this subsection; and

"(B) on the basis of such survey—

"(i) determine whether it is necessary to adjust the rates of basic pay for such covered positions at such facility in order to carry out the purpose of this section; and

"(ii) effective with the first pay period that begins on or after January 1 of the next year, adjust the rates of basic pay in each pay grade provided for such positions in accordance with this section as necessary to carry out such purpose.

"(4)(A) In the case of the covered positions in each category of covered positions in a Department health-care facility, the director of that facility shall survey the entry-level compensation established for the corresponding health-care professional positions in comparable non-Department health-care facilities within the same labor market area as that Department health-care facility. The Secretary shall specify in regulations the criteria for determining the number of comparable non-Department health-care facilities to be included in the survey.

"(B) If the number of non-Department health-care facilities comparable to a Department health-care facility in the same labor market area is less than the number determined in accordance with the criteria specified pursuant to subparagraph (A) of this paragraph or is less than the director of that Department health-care facility considers necessary in order to produce a valid comparison, such director shall, in the case of the covered positions referred to in such subparagraph, survey—

"(i) the entry-level compensation established for the corresponding health-care professional positions in such comparable non-Department health-care facilities as are located within that labor market area; and

"(ii) the entry-level compensation established for the corresponding health-care professional positions in other non-Department health-care facilities within that labor market area.

"(C) For the purposes of this paragraph, a non-Department health-care facility is comparable to a Department health-care facility if the director of the Department health-care facility determines, in accordance with regulations prescribed by the Secretary, that the non-Department health care facility (i) is in direct competition with the Department health-care facility for the recruitment and retention of personnel qualified for employment in covered positions, and (ii) has other characteristics that are comparable to the characteristics of a Department health-care facility.

"(d)(1) If the director of a Department health-care facility determines in any year that, because of an insufficiency in the number of non-Department health-care facilities or non-Department covered positions, a survey under subsection (c) of this section would not provide a valid comparison with respect to the covered positions in the director's facility, the director shall establish or adjust the rates of basic pay for the covered positions in the director's facility as provided in this subsection instead of subsection (c) of this section.

"(2) Not later than 90 days before the date on which the director of a Department health-care facility establishes or adjusts rates of basic pay pursuant to paragraph (1) of this subsection, the director shall—

"(A) identify a labor market area that is similar to the labor market area of such facility and includes a Department health-care facility; and

"(B) notify the Chief Medical Director of the labor market identified pursuant to clause (A) of this paragraph.

"(3) The director of a health-care facility referred to in paragraph (1) of this subsection shall prescribe the same rates of basic pay for the covered positions in the director's facility as are prescribed for the same covered positions in the Department health-care facility located in the identified labor market area unless the selection of that labor market area for the purpose of this subsection is disapproved by the Chief Medical Director in accordance with paragraph (5) of this subsection.

"(4) If the Chief Medical Director disapproves (in accordance with paragraph (5) of this subsection) the selection of a labor market area by the director of a health-care facility for the purpose of this subsection, the director of that facility shall prescribe the same rates of basic pay for the covered positions in that facility as are prescribed for the Department health-care facility in a labor market area which the Chief Medical Director shall designate. The Chief Medical Director may designate any labor market area that the Chief Medical Director determines to be similar to the labor market area of the director's health-care facility.

"(5) Not later than 60 days after receiving a notification from the director of a Department health-care facility under paragraph (2)(B) of this subsection, the Chief Medical Director shall—

"(A) approve the selection of the labor market area identified in the notification; or

"(B) disapprove the selection of that labor market area, designate another labor market area determined by the Chief Medical Director to be similar to the labor market area of the director's health-care facility, and notify that facility director of that designation.

"(6) In order for a labor market area to be determined similar to the labor market area of a Department health-care facility for the purposes of this subsection, both labor market areas must be similar in size, demographic characteristics, and labor market characteristics.

"(e)(1) When the director of a Department health-care facility establishes or adjusts the rates of basic pay for a grade for any category of positions at such facility in order to carry out the purpose of this section, the director shall specify the minimum rate of basic pay for such grade and, subject to paragraph (3) of this subsection, increase or reduce the other rates of basic pay for such grade to amounts that bear the same relationship to the specified minimum rate of basic pay and to each other as the rates of basic pay within such grade bear to each other before the increase or reduction, as the case may be.

"(2) The minimum rate of basic pay prescribed for a grade for the positions in any category of covered positions in a Department health-care facility on the basis of a survey conducted under subsection (c) of this section shall be sufficient for the pay and other employee benefits of the health-care professionals employed in such positions in such grade to be competitive with the entry-level compensation (but may not exceed the highest rate of entry-level pay established) for the corresponding health-care professional positions in non-Department health-care facilities in the same labor market area, as ascertained by the director of such facility in such survey.

"(3)(A) Except as provided in subparagraph (C) of this paragraph, the maximum rate of basic pay for any grade designated by the Secretary, upon the recommendation of the Chief Medical Director, as the entry-level grade for any category of covered positions may not exceed the maximum rate of basic pay established for grade 13 of the General Schedule under section 5332 of title 5.

"(B) The maximum rate of basic pay for any grade other than an entry-level grade for any category of covered positions may not exceed the maximum rate of basic pay established for a position in level V of the Executive Schedule under section 5316 of title 5.

"(C) The limitation prescribed by subparagraph (A) of this paragraph shall not apply to the entry-level grade for any category of covered positions if the positions have been designated by the Chief Medical Director as supervisory or managerial positions. The maximum rate prescribed by subparagraph

(B) of this paragraph shall apply to such entry-level grade.

"(4) Whenever a grade is added to the schedule of grades for covered positions in any category of covered positions or a step within grade is added to a grade in such schedule, the director of a Department health-care facility shall establish the rates of basic pay for that grade or the rate of pay for that step, as the case may be, in the same manner as the rates of pay are established and adjusted under the other provisions of this subsection. The rates of basic pay for the additional grade shall bear the same relationship to the minimum rate of basic pay specified for such grade and to each other as the rates of basic pay within each other grade in such schedule bear to each other. The rate of pay for an additional step within grade shall bear the same relationship to the other rates of basic pay within such grade as such other rates bear to each other.

"(f) An employee who is paid a rate of basic pay established under this section and who is transferred (voluntarily or otherwise) from a covered position in one Department health-care facility to a covered position in another Department health-care facility shall be paid the rate of basic pay in effect for the covered position at the health-care facility to which the employee is transferred for the same grade and the same step within that grade as was applicable to that employee immediately before the transfer if the Chief Medical Director determines that the duties of the position to which the employee is transferred are at least comparable to the duties of the position from which the employee was transferred.

"(g)(1) Rates of basic pay may be increased or reduced under this section.

"(2) A reduced rate of basic pay established for a covered position under this subsection shall not apply to an employee serving in such position at a Department health-care facility on the day before the effective date of the reduced rate. That employee shall continue to be paid at a rate of basic pay not less than the rate of basic pay applicable to that employee on such day for as long as the employee continues to serve in such position at such facility.

"(h) The establishment and adjustment of rates of basic pay under this section for covered positions does not limit the authority of the Secretary to pay bonuses under section 4120 of this title to employees appointed to such positions.

"(i)(1) Not later than March 1 of each year, the Secretary shall submit to the Committees on Veterans' Affairs of the Senate and the House of Representatives a report regarding the exercise of the authority provided in this section for the immediately preceding calendar year.

"(2) The report shall contain an assessment of the effects of the exercise of such authority on the ability of the Department to recruit and retain qualified health-care professionals for covered positions. The Secretary shall include in the report recommendations for such additional legislation to facilitate the recruitment and retention of qualified health-care professionals for such positions as the Secretary determines necessary or appropriate.

"(3) If the authority provided in this section was exercised for the year covered by the report only to adjust the rates of basic pay for nurse positions, the report shall also contain the reasons that rates of basic pay were not adjusted for other health-care professional positions under such authority for such year and any plans for adjusting the rates of basic pay for other health-care professional positions under such authority.

"(j)(1) The Secretary, upon the recommendation of the Chief Medical Director, shall prescribe regulations setting forth criteria and procedures to carry out this section. Such regulations shall provide maximum flexibility for the director of each Department health-care facility. Documentation requirements in such regulations shall be minimal.

"(2) If the Secretary fails to prescribe final regulations under this subsection before April 1, 1990, the Secretary shall, not later than such date, prescribe interim final regulations for the purposes of this subsection. Such regulations shall be effective upon issuance and shall remain in effect until the effective date of final regulations issued for the purposes of this subsection.

"(3) If neither final regulations nor interim final regulations are prescribed under this subsection before April 1, 1990, the director of each Department health-care facility shall, nevertheless, make determinations and establish and adjust rates of basic pay under this section with respect to covered positions in such facility for 1990 and subsequent years. In the case of any determination or other action which is subject to criteria or procedures to be prescribed in such regulations, the director of each such facility shall apply such criteria and follow such procedures as the director considers appropriate and consistent with this section. Each such director shall apply the final regulations when issued.

"(k) For the purposes of this subsection:

"(1) The term 'covered position' means a position referred to in subsection (a)(1) of this section.

"(2) The term 'health-care facility' means a hospital or an independent outpatient clinic.

"(3) The term 'entry-level compensation', with respect to corresponding health-care professional positions in non-Department health-care facilities, means—

"(A) the minimum rate of pay established for professionals in such positions with education, training, and experience equivalent or similar to the education, training, and experience required for health-care professionals employed in the same category of Department covered positions; and

"(B) the other pecuniary employment benefits, if any, provided for the non-Department health-care professionals paid such minimum rate of pay.

"(4) The term 'corresponding', with respect to health-care professional positions in non-Department health-care facilities, means those positions for which the education, training, and experience requirements are equivalent or similar to the education, training, and experience requirements for health-care professional positions in Department health-care facilities.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 4107 the following new item:

"4107A. Competitive pay rates for certain nurse and other health-care professional positions.".

(b) TERMINATION OF APPLICABILITY OF REQUIREMENT TO SET PAY RATES BY EXECUTIVE ORDER.—Section 4107(b)(1) is amended by striking out "The" at the beginning of such section and inserting in lieu thereof "Except in the case of rates of basic pay subject to adjustment under section 4107A of this title, the".

(c) RELATIONSHIP OF PAY RATES TO ADDITIONAL PAY.—Section 4107(e)(1) is amended by striking out "in subsection (b)(1) of this section".

(d) GRADES FOR NURSE PAY SCHEDULE.—(1) Section 4107(b)(1) is amended by striking out the items under the heading "NURSE SCHEDULE" and inserting in lieu thereof the following:

"Three or more grades, as prescribed by the Chief Medical Director pursuant to paragraph (3) of this subsection.".

(2) Section 4107(b) is amended by adding at the end the following new paragraph:

"(3) The Chief Medical Director shall prescribe the number of grades and the number of steps within grades for nurse positions.".

(e) INTERIM COMPETITIVE PAY RATES.—(1) The director of each Department of Veterans Affairs health-care facility located in a rural area—

(A) shall, not later than December 1, 1989, conduct a survey consistent with the provisions of section 4107A(c) of title 38, United States Code (as added by subsection (a)); and

(B) pursuant to the authority provided in section 4107(g) of such title (as amended by section 105)—

(i) shall decide, not later than January 1, 1990, on the basis of the survey referred to in clause (A), whether to adjust, on a local basis, the rates of basic pay for nurses employed by the Department of Veterans Affairs; and

(ii) if deciding to adjust such rates on a local basis, shall adjust such rates effective for pay periods beginning after January 1, 1990, and before July 1, 1990.

(2) In conducting the survey referred to in paragraph (1), the director of a health-care facility located in a rural area shall include in such survey the rates of pay paid to nurses who reside in such area, who are employed in a health-care facility located outside such area, and who commute to work from such area to such health-care facility, if the director determines that the number of nurses who commute to work outside the area adversely affects the ability to employ nurses in the health-care facility of the director.

(3) For the purposes of this subsection—

(A) the term "health-care facility" has the meaning given such term in section 4107A(1) of title 38, United States Code (as added by subsection (a)); and

(B) the term "rural area" means a geographic area that the Secretary determines, upon the recommendation of the Chief Medical Director, to be a rural area.

(f) FIRST REPORT.—The first report under section 4107A(i) of title 38, United States Code (as added by subsection (a)), shall be submitted not later than March 1, 1991.

(g) CONFORMING AMENDMENT.—Section 101 is amended by adding at the end the following new paragraphs:

"(33) The term 'Secretary' means the Secretary of Veterans Affairs (except when the context indicates otherwise).

"(34) The term 'Department' means the Department of Veterans Affairs (except when the context indicates otherwise).".

SEC. 102. OVERTIME RATES OF PAY FOR CERTAIN NURSES.

(a) IN GENERAL.—Section 4107(e)(5) is amended by striking out the first sentence and inserting in lieu thereof the following: "A nurse who performs officially ordered or approved hours of service in excess of forty

hours in an administrative workweek, or in excess of eight hours in a day, shall receive overtime pay for each hour of such additional service. The rate of overtime pay for such nurse shall be one and one-half times such nurse's hourly rate of basic pay.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect with respect to overtime service performed on or after October 1, 1989.

SEC. 103. ADDITIONAL PAY FOR HEAD NURSES.

(a) IN GENERAL.—Section 4107(e) is amended by adding at the end the following new paragraph:

"(11) A nurse shall be paid additional pay equal to 6 percent of the nurse's hourly rate of basic pay for each hour of service performed as a head nurse. The preceding sentence shall not apply to a nurse who is assigned to perform service as a head nurse for a period of less than 30 consecutive days.".

(b) RELATIONSHIP TO BASIC PAY.—Paragraph (1) of section 4107(e) is amended by inserting "and (11)" after "(8)"

(c) COMPUTATION OF HOURLY RATE OF PAY.—Paragraph (6) of section 4107(e) is amended by striking out "or (5)" and inserting in lieu thereof "(5), or (11)".

(d) RELATIONSHIP TO OTHER ADDITIONAL PAY.—Paragraph (7) of section 4107(e) is amended by striking out "or (5)" and inserting in lieu thereof "(5), or (11)".

(e) ADDITIONAL PAY AS HEAD NURSE TO BE COUNTED FOR CERTAIN BENEFITS.—Paragraph (9) of section 4107(e) is amended by inserting ", other than pay under paragraph (11) of this subsection," after "this subsection".

(f) TECHNICAL AMENDMENT.—Paragraph (9) of section 4107(e) is further amended by inserting "84," after "83,".

(g) EFFECTIVE DATE.—The amendments made by subsections (a) through (d) shall take effect with respect to service performed as a head nurse on or after October 1, 1989.

SEC. 104. WAIVER OF REDUCTION IN RETIRED OR RETAINER PAY FOR REGISTERED NURSES.

Section 4107(i) is amended by striking out "physician positions" and inserting in lieu thereof "(A) physician positions, (B) positions of health-care professionals involved in providing direct patient care, or (C) positions of personnel involved in providing services incident to direct patient care".

SEC. 105. SPECIAL RATES OF PAY FOR CERTAIN EMPLOYEES IN THE VETERANS HEALTH SERVICES AND RESEARCH ADMINISTRATION.

(a) INCREASE IN LIMITATION.—Section 4107(g)(3) is amended—

(1) by inserting "(A)" after "(3)";

(2) by inserting "by two times" after "exceed" the first place it appears; and

(3) by inserting at the end the following new subparagraph:

"(B) Whenever the amount of an increase under paragraph (1) of this subsection results in a rate of basic pay for a position being in an amount that is 94 percent or more of the maximum amount permitted under subparagraph (A) of this paragraph, the Secretary shall promptly notify the Committees on Veterans' Affairs of the Senate and House of Representatives of the increase and the amount thereof.".

(b) APPROVAL OF SPECIAL RATES OF PAY.—Section 4107(g)(4) is amended—

(1) in the first sentence, by striking out "ninety" and inserting in lieu thereof "45"; and

(2) by adding at the end the following new sentence: "If, prior to such effective date, the President approves such increase, the Secretary may advance the effective date to any date not earlier than the date of the President's approval.".

SEC. 106. CONSIDERATION OF PROFESSIONAL SPECIALTY CERTIFICATION.

Section 4107 is amended by adding at the end the following new subsection:

"(k)(1) Except as provided in paragraph (2) of this subsection, the Secretary shall pay each nurse who is recertified in the speciality in which the nurse is employed a lump-sum payment equal to 1 percent of the annual salary of the nurse (as of the time the nurse is recertified). The Secretary shall make such payment when the nurse is recertified.

"(2) A payment may not be paid to a recertified nurse under this subsection if the performance rating for such nurse for the latest rating period ending before the date of the recertification is less than satisfactory.

"(3) A special payment under this subsection shall not be considered as basic pay for the purposes of any provision of law referred to in section 4107(e)(9) of this title.".

TITLE II—OTHER PERSONNEL BENEFITS

SEC. 201. HEALTH-CARE PROFESSIONALS CASH AWARDS.

(a) AUTHORITY TO PAY CASH AWARDS.—(1) Subchapter I of chapter 73 is amended by inserting after section 4120 the following new section:

"§ 4120A. Cash awards for supervisors and managers

"(a) The Secretary shall establish by regulation a program under which the Secretary may pay a cash award to any Department employee referred to in section 4104(1) of this title who is a supervisor or manager.

"(b) The amount of a cash award shall be determined by the Secretary but may not be in an amount that is less than 5 percent or more than 20 percent of the basic pay of the employee.

"(c) The Secretary may not pay cash awards under this section in any fiscal year to more than 20 percent of the employees in any one category of employees referred to in section 4104(1) of this title.

"(d) Determinations of which employees are supervisors or managers shall be made in accordance with the regulations prescribed to carry out this section, except that for purposes of this section head nurses shall be considered supervisors.

"(e) A cash award under this section shall not be considered as basic pay for the purposes of any provision of law referred to in section 4107(e)(9) of this section.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 4120 the following new item:

"4120A. Cash awards for supervisors and managers.".

(b) EFFECTIVE DATE.—(1) The amendments made by subsection (a) shall take effect on October 1, 1989.

(2) Cash awards may be made under section 4120A of title 38, United States Code (as added by subsection (a)), only for service performed on or after October 1, 1988.

SEC. 202. DEPENDENT CARE ASSISTANCE PROGRAM.

(a) ESTABLISHMENT OF PROGRAM.—Subchapter I of chapter 73, as amended by section 201, is further amended by inserting after section 4120A the following new section:

"§ 4120B. Dependent care assistance

"The Secretary shall establish and conduct a dependent care assistance program, which meets the requirements of section 129 of the Internal Revenue Code of 1986, for the care of dependents of employees in the Veterans Health Services and Research Administration.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter, as amended by section 201, is further amended by inserting after the item relating to section 4120A the following new item:

"4120B. Dependent care assistance.".

(c) IMPLEMENTATION REQUIREMENT.—The Secretary of Veterans Affairs shall implement the program provided for in section 4120B of title 38, United States Code (as added by subsection (a)), not later than June 1, 1990.

SEC. 203. LEAVE TRANSFERS AND LEAVE BANKS FOR CERTAIN HEALTH-CARE PROFESSIONALS.

(a) IN GENERAL.—Section 4108 is amended by adding at the end the following new subsection:

"(e)(1) The Secretary—

"(A) shall, subject to paragraph (6) of this subsection, establish a voluntary transfer of leave program for the benefit of health-care professionals referred to in the matter preceding clause (1) of subsection (a) of this section; and

"(B) may establish a voluntary leave bank program for the benefit of such health-care professionals.

"(2) To the maximum extent feasible—

"(A) the voluntary transfer of leave program shall provide the same or similar requirements and conditions as are provided for the program established by the Director of the Office of Personnel Management under subchapter III of chapter 63 of title 5; and

"(B) any voluntary leave bank program established pursuant to paragraph (1)(B) of this subsection shall be consistent with the requirements and conditions provided for agency leave bank programs in subchapter IV of such chapter.

"(3) The Secretary and the Director of the Office of Personnel Management may enter into an agreement that permits health-care professionals referred to in paragraph (1) of this subsection to participate in the leave transfer program established by the Director of the Office of Personnel Management under subchapter III of chapter 63 of title 5.

"(4) The Secretary and the Director of the Office of Personnel Management may enter into an agreement that permits health-care professionals referred to in paragraph (1) of this subsection to participate in any voluntary leave bank program established for other employees of the Department pursuant to subchapter IV of chapter 63 of title 5.

"(5) Participation of such health-care professionals in a voluntary transfer of leave program or a voluntary leave bank program pursuant to an agreement entered into under paragraph (3) or (4) of this subsection shall be subject to such requirements and conditions as may be prescribed in such agreement.

"(6) The Secretary is not required to establish a voluntary transfer of leave program for any personnel permitted to participate in a voluntary transfer of leave program pursuant to an agreement referred to in paragraph (3) of this subsection.".

(b) IMPLEMENTATION REQUIREMENT.—The Secretary of Veterans Affairs shall implement the programs provided for in subsection (e) of section 4108 of title 38, United States Code (as added by subsection (a)), not later than October 1, 1990.

TITLE III—HEALTH CARE EDUCATION

SEC. 301. HEALTH PROFESSIONAL SCHOLARSHIP PROGRAM AWARDS.

(a) APPLICANT PRIORITY AND EQUITABLE ALLOCATION FOR NURSING DEGREE APPLICANTS.—Section 4312(b)(5) is amended to read as follows:

"(5) In selecting applicants for the Scholarship Program, the Secretary shall—

"(A) give priority to applicants who will be entering the final year in a course of training; and

"(B) ensure an equitable allocation of scholarships to persons enrolled in the second year of a program leading to an associate degree in nursing.".

(b) IMPLEMENTATION REQUIREMENT.—The Secretary of Veterans Affairs shall provide for the implementation of the amendment made by subsection (a) beginning with scholarships awarded under section 4312 of title 38, United States Code, in 1990.

SEC. 302. ASSISTANCE TO HEALTH-PERSONNEL EDUCATIONAL INSTITUTIONS.

(a) DEVELOPMENT OF NEW HEALTH CAREERS.—(1) Section 5091 is amended by inserting "(in collaboration with representatives of the professions the members of which are currently responsible for carrying out the duties involved)" after "paramedical personnel, and".

(2) The Secretary of Veterans Affairs shall prescribe interim final regulations for implementation of the amendment made by paragraph (1) not later than February 1, 1990.

(3) For the purposes of paragraph (2), the term "interim final regulations" means regulations that are in effect until the effective date of final regulations issued for implementation of the amendment made by paragraph (1).

(b) AUTHORIZATION OF APPROPRIATIONS FOR GRANTS.—(1) Subchapter III of chapter 82 is amended by adding at the end the following new section:

"§ 5094. Authorization of appropriations

"(a) There is authorized to be appropriated for the purpose of making grants under this subchapter $5,000,000 for each of fiscal years 1990 and 1991 and $6,000,000 for each of fiscal years 1992 and 1993.

"(b) The sum appropriated for a fiscal year pursuant to subsection (a) of this section shall remain available until the end of the fifth fiscal year following the fiscal year for which the sum is appropriated.

"(c) Of the funds appropriated for each fiscal year pursuant to the authorization in subsection (a) of this section, an amount not to exceed 10 percent of the sum so appropriated may be expended for the purpose described in section 5096(2) of this title.".

(2) The table of sections at the beginning of chapter 82 is amended by inserting after the item relating to section 5093 the following new item:

"5094. Authorization of appropriations.".

TITLE IV—OTHER PERSONNEL MANAGEMENT MATTERS

SEC. 401. EMPLOYMENT OF PERSONNEL TRAINED BY THE DEPARTMENT OF VETERANS AFFAIRS.

Section 4106 is amended by adding at the end the following new subsection:

"(h)(1) Notwithstanding subchapter I of chapter 33 of title 5, the Secretary, upon the recommendation of the Chief Medical Director, may appoint in the competitive service under such title any individual who—

"(A) has been awarded a degree or certificate in a health-care profession or occupation by an accredited institution;

"(B) has been appointed by the Secretary to participate in a clinical education program conducted by an educational institution affiliated with the Department health-care facility; and

"(C) within one year before that individual's appointment in the competitive service, has successfully completed such clinical education program.

"(2) In making appointments to the competitive service under this subsection, the Secretary shall apply the provisions in subchapter I of chapter 33 of title 5 that relate to preferences for the hiring of veterans and other persons.".

SEC. 402. PILOT PROGRAM OF PAY AND PERSONNEL MANAGEMENT PRACTICES.

(a) IN GENERAL.—The Chief Medical Director of the Department of Veterans Affairs shall conduct a pilot program at not less than five department medical centers during calendar years 1990, 1991, and 1992, in order to determine—

(1) the effects of pay and personnel management practices of the Veterans Health Services and Research Administration on the ability of the department to recruit and retain persons qualified to provide direct patient-care services or services incident to direct patient-care services in department health-care facilities as employees in employee position categories in which the department is experiencing recruitment and retention problems;

(2) whether it is desirable to establish programs which foster interdisciplinary professional collaboration and collegial relationships between physicians, registered nurses, and other employees providing direct patient care, and what effects such programs would have on the ability of the department to recruit and retain registered nurses;

(3) whether it is desirable to create new alternatives for utilizing the skills and knowledge of registered nurses in furnishing direct patient care, and what effects such alternatives would have on (A) the ability of the department to recruit and retain registered nurses, and (B) the cost of providing care to veterans;

(4) whether increasing the pay differential for evening and night shifts will attract adequate numbers of qualified workers for such shifts and result in more permanent day-shift assignments;

(5) whether it is desirable to revise the grade, classification, pay, and performance qualifications systems and any other appropriate personnel management systems for employees of the Administration; and

(6) whether it is desirable to establish flexible employment benefits programs for employees of the Administration.

(b) CONDUCT OF PILOT PROGRAM.—In conducting the pilot program under subsection (a), the Chief Medical Director shall—

(1) at not less than one site, establish a collaborative practice committee involving physicians, nurses, and, as appropriate, other direct health-care personnel;

(2) at not less than one site, significantly increase the pay differential for evening and night service;

(3) at not less than three sites, implement new alternatives for utilizing the skills and knowledge of registered nurses in the furnishing of direct-patient care;

(4) at not less than one site, establish systems alternative to or additional to the systems established under chapter 73 of title 38, United States Code, or chapters 33, 43, 51, 53, 54, and 61 of title 5, United States Code, for grade, classification, pay, performance, qualifications, and other appropriate aspects of personnel management; and

(5) at not less than one site, establish and administer flexible employment benefits programs as alternatives or additions to the programs established under chapter 73 of title 38, United States Code, or chapters 63, 79, 87, and 89 of title 5, United States Code.

(c) REPORTS.—(1)(A) Not later than June 30, 1991, the Chief Medical Director shall submit to the Secretary of Veterans Affairs a report on the experience under the pilot program during the first 12 months such program is conducted. The report shall contain—

(i) the Chief Medical Director's evaluation of the effect of each management practice undertaken in the pilot program on the ability of the Department of Veterans Affairs to recruit and retain health-care employees;

(ii) information on the cost factors associated with each such management practice;

(iii) an evaluation of the functioning and productivity of the employees involved in or affected in any substantial way by such practices;

(iv) a discussion of any effects on the quality and timeliness of care provided to veterans; and

(v) any planned administrative actions and any recommendations for legislation or administrative action that the Chief Medical Director considers appropriate to include in the report on the basis of the results of such pilot program.

(B) Not later than 60 days after receiving the report under subparagraph (A), the Secretary shall submit a copy of the report, together with any comments on the report and any recommendations for legislation that the Secretary considers appropriate, to the Committees on Veterans' Affairs of the Senate and the House of Representatives.

(2)(A) Not later than June 30, 1992, the Chief Medical Director shall submit to the Secretary a report on the experience under the pilot program during the first 24 months such program is conducted. In such report the Chief Medical Director shall update all information contained in the report submitted pursuant to paragraph (1)(A) and shall make any recommendations for legislation or administrative action that the Chief Medical Director considers appropriate.

(B) Not later than 60 days after receiving the report under subparagraph (A), the Secretary shall submit a copy of the report, together with any comments on the report and any recommendations for legislation that the Secretary considers appropriate, to the Committees on Veterans' Affairs of the Senate and the House of Representatives.

(3)(A) Not later than June 30, 1993, the Chief Medical Director shall submit to the Secretary a final report on the pilot program required by subsection (a). In such report the Chief Medical Director shall—

(i) update all information contained in the reports submitted pursuant to paragraphs (1)(A) and (2)(A) of this subsection;

(ii) make a final assessment of the pilot program based on the experience under the program during the 36 months for which the program was conducted; and

(iii) make any recommendations for legislation or administrative action that the Chief Medical Director considers appropriate.

(B) Not later than 60 days after receiving the report under subparagraph (A), the Secretary shall submit to the Committees on

Veterans' Affairs of the Senate and the House of Representatives a copy of the report together with—

(i) any comments on the report that the Secretary considers appropriate;

(ii) the Secretary's final assessment of the pilot program based on the experience under the program during the 36 months for which the program was conducted; and

(iii) any recommendations for legislation that the Secretary considers appropriate.

By Mr. GORTON (for himself, Mr. HATFIELD, Mr. MCCLURE, Mr. MURKOWSKI, Mr. BURNS, Mr. STEVENS, and Mr. PACKWOOD):

S. 948. A bill to amend title 28, United States Code, to divide the ninth judicial circuit of the United States into two circuits, and for other purposes; to the Committee on the Judiciary.

NINTH CIRCUIT COURT OF APPEALS REORGANIZATION ACT

Mr. GORTON. Mr. President, my purpose this afternoon is to introduce the Ninth Circuit Court of Appeals Reorganization Act of 1989, which is similar to a measure I introduced 6 years ago. This measure has the cosponsorship of Senators HATFIELD, PACKWOOD, MCCLURE, MURKOWSKI, STEVENS, and BURNS, who represent most of the States forming the Ninth Circuit Court of Appeals. Simply put, this proposal will divide the 9th circuit, the largest circuit in the country, into two separate circuits, leaving the 9th circuit composed of Arizona, California, and Nevada and creating a new 12th circuit composed of Alaska, Hawaii, Idaho, Montana, Oregon, Washington, Guam, and the Northern Mariana Islands.

Today the ninth circuit is the largest judicial circuit measured both by number of judges and by caseload. The ninth circuit has 28 judges, 12 more than any other circuit in the Nation. And with a caseload of 6,334 last year, the ninth circuit handles 2,003 more cases than any other circuit. During this same period filing of appeals increased 30 percent. The rapidly expanding litigation from the Northwest continues to add to the burden of this circuit.

The massive size of this circuit has decreased the consistency of justice provided by ninth circuit courts. The large number of judges scattered over a large area inevitably results in difficulty in reaching consistent circuit decisions, and makes more difficult communications among judges. Although we recognize that the ninth circuit is employing innovative administrative techniques, and is generally well run, its increasing size threatens uniform and consistent circuit law. Moreover, the time is approaching at which attempts to retain the efficiency of such a large circuit will occur at the high expense of circuit alignment—the very purpose for which the appellate court system was created.

Since about 60 percent of the case filings of the ninth circuit are from California, the Northwest is the tail on a huge dog; and I understand that Arizona feels the same way. Northwestern States, including my State of Washington, are simply dominated by California judges, and California attitudes. We in the Northwest have developed our own interests in every aspect of the law from natural resources to international trade. Our interests cannot be fully addressed from a California perspective.

As long ago as 1973, on recommendation of the U.S. Judicial Conference, the policy making body of the Federal judiciary, the Congressional Commission on the Revision of the Federal Court Appellate System recommended division of the ninth circuit. The American Bar Association also adopted a resolution expressing the desirability of dividing the ninth circuit to help realign the U.S. appellate courts.

My colleagues who were Members in 1980 will remember pursuing a similar measure that divided the fifth circuit. Senator HEFLIN noted of that effort "Congress should be applauded for remedying many of the problems that plague fifth circuit appellate procedure." We have no reason to believe that the benefits gained by the fifth circuit in less travel, less research to keep abreast of developments in State law, and better monitoring of opinions and attention to precedential value, will not also inure from a division of the ninth circuit.

I can think of no significant benefit to be gained from retaining the current alignment of the ninth circuit, other than the administrative work involved to split the circuit and perhaps a sense of tradition. But tradition alone does not deserve our support when the ends of justice would be better served by moving forward.

I believe that this legislation will improve the administration and efficiency of the court, promote State uniformity in circuit law, and strengthen the constitutional guarantee of justice to which all people are entitled.

It is my strong desire to work with Senators and Congressmen from those States immediately affected by this proposal. We are particularly interested in hearing the preferences of our colleagues from those jurisdictions other than California which remain in the ninth circuit under this bill, as to whether they would prefer transfer to the proposed new circuit.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 948

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Ninth Circuit Court of Appeals Reorganization Act of 1989".

SEC. 2. Section 41 of title 28, United States Code, is amended—

(1) in the text before the table, by striking out "thirteen" and inserting in lieu thereof "fourteen";

(2) in the table, by striking out the item relating to the ninth circuit and inserting in lieu thereof the following new item:

"Ninth	Arizona, Nevada."	California,

and

(3) between the last 2 items of the table, by inserting the following new item:

"Twelfth	Alaska, Idaho, Montana, Oregon, Washington, Hawaii, Guam, Northern Mariana Islands."

SEC. 3. The table in section 44(a) of title 28, United States Code, is amended—

(1) by striking out the item relating to the ninth circuit and inserting in lieu thereof the following new item:

"Ninth	19";

and

(2) by inserting between the last 2 items at the end thereof the following new item:

"Twelfth	9".

SEC. 4. The table in section 48 of title 28, United States Code, is amended—

(1) by striking out the item relating to the ninth circuit and inserting in lieu thereof the following new item:

"Ninth	San Francisco, Los Angeles.";

and

(2) by inserting between the last 2 items at the end thereof the following new item:

"Twelfth	Portland, Seattle.".

SEC. 5. Each circuit judge in regular active service of the former ninth circuit whose official station on the day before the effective date of this Act—

(1) is in Arizona, California, Nevada is assigned as a circuit judge of the new ninth circuit; and

(2) is in Alsaka, Idaho, Montana, Oregon, Washington, Hawaii, Guam, or the Northern Mariana Islands is assigned as a circuit judge of the twelfth circuit.

SEC. 6. Each judge who is a senior judge of the former ninth circuit on the day before the effective date of this Act may elect to be assigned to the new ninth circuit or to the twelfth circuit and shall notify the Director of the Administrative Office of the United States Courts of such election.

SEC. 7. The seniority of each judge—

(1) who is assigned under section 5 of this Act; or

(2) who elects to be assigned under section 6 of this Act;

shall run from the date of commission of such judge as a judge of the former ninth circuit.

SEC. 8. The provisions of the following paragraphs of this section apply to any case in which, on the day before the effective date of this Act, an appeal or other proceeding has been filed with the former ninth circuit:

(1) If the matter has been submitted for decision, further proceedings in respect of the matter shall be had in the same manner

and with the same effect as if this Act had not been enacted.

(2) If the matter has not been submitted for decision, the appeal or proceeding, together with the original papers, printed records, and record entries duly certified, shall, by appropriate orders, be transferred to the court to which it would have gone had this Act been in full force and effect at the time such appeal was taken or other proceeding commenced, and further proceedings in respect of the case shall be had in the same manner and with the same effect as if the appeal or other proceeding had been filed in such court.

(3) A petition for rehearing or a petition for rehearing en banc in a matter decided before the effective date of this Act, or submitted before the effective date of this Act and decided on or after the effective date as provided in paragraph (1) of this section, shall be treated in the same manner and with the same effect as though this Act had not been enacted. If a petition for rehearing en banc is granted, the matter shall be reheard by a court comprised as though this Act had not been enacted.

SEC. 9. As used in sections 5, 6, 7, and 8 of this Act, the term—

(1) "former ninth circuit" means the ninth judicial circuit of the United States as in existence on the day before the effective date of this Act;

(2) the term "new ninth circuit" means the ninth judicial circuit of the United States established by the amendment made by section 2(2) of this Act; and

(3) the term "twelfth circuit" means the twelfth judicial circuit of the United States established by the amendment made by section 2(3) of this Act.

SEC. 10. The court of appeals for the ninth circuit as constituted on the day before the effective date of this Act may take such administrative action as may be required to carry out this Act. Such court shall cease to exist for administrative purposes on July 1, 1991.

SEC. 11. This Act and the amendments made by this Act shall become effective on October 1, 1989.

Mr. HATFIELD. Mr. President, today I am joining Senators GORTON, PACKWOOD, MURKOWSKI, STEVENS, MCCLURE, and BURNS in introducing the Ninth Circuit Court of Appeals Reorganization Act of 1989. The growing case loads and size of the U.S. Courts of Appeals have long been a concern of the Federal bar and the judicial conference, the policymaking body of the Federal judiciary. In fact, 17 years ago the conference stated that "to increase the number of judges in a circuit beyond 15 would create an unworkable situation."

The U.S. Court of Appeals for the Ninth Circuit is the largest Federal appellate court in both number of judges, with 28, and in case load, with 6,334 filings in 1988. If the present rate of growth in Federal appeals continues, the case load of the circuits, particularly the ninth circuit, will double in the 15 years from 1980 to 1995.

Mr. President, simply adding more judges to the ninth circuit to handle the increased case load is not enough. As stated by the March 1989 report by the American Bar Association's Standing Committee on Judicial Improvements, "The side effects of the standard cures for increasing case load may prove to be as serious as the original disease." The most widely cited concerns with the size of the ninth circuit include frequent backlogs, overworked judges, and the increased likelihood of intracircuit conflicts.

A recent survey of judges and attorneys within the ninth circuit reported that 40 percent of the judges and 31 percent of the attorneys disagreed with the statement, "Ninth circuit opinions generally adhere to law announced in earlier opinions." And a majority of both groups, 68 percent of the judges and 59 percent of the attorneys, disagreed with the statement, "There is consistency between panels considering the same issue." In spite of recent efforts to modernize the administration of the ninth circuit, its size now works against the original purpose of its creation: the uniform, coherent, and efficient development and application of Federal law in the region.

Mr. President, as early as 1972 the Congressional Commission on the Revision of the Federal Court Appellate System, the so-called Hruska Commission, recommended that the ninth circuit be divided into two separate circuits, and the issue has been before the Senate Judiciary Committee on more than one occasion. The increased size and workload of that ninth circuit since 1972 only serves to strengthen the Hruska Commission's original recommendation.

The bill which we introduce today proposes to divide the ninth circuit into two separate circuits. Under the bill, the new ninth circuit would be comprised of Arizona, California, and Nevada. A new twelfth circuit would be comprised of Alaska, Idaho, Montana, Oregon, Washington, Hawaii, Guam, and the Northern Mariana Islands. This legislation will promote uniformity and consistency in the development of Federal case law, improve the administration and efficiency of the court, and will ultimately strengthen the constitutional guarantee of justice to which all people are entitled. I look forward to Senate consideration of this issue.

Mr. PACKWOOD. Mr. President, it gives me great pleasure to join with Senators HATFIELD and GORTON in introducing the Ninth Circuit Court of Appeals Reorganization Act of 1989. The ideas behind this legislation have been around for some 16 years, and they are ideas whose time has come.

Currently the Ninth Circuit Court of Appeals includes a vast amount of territory—nine Western States, including Oregon, and Guam. In addition to its geographic demands, the ninth circuit has far and away the largest case load of any of the Federal circuits.

As early as 1972, discussions were taking place about splitting the circuit to facilitate its efficiency and fairness. The U.S. Judicial Conference has called any circuit court with more than 15 judges an unworkable situation. At the moment, there are 28 judges on the ninth circuit. By lowering the number of States in each circuit, this bill will allow judges and their clerks to develop an even greater mastery of the State laws which their circuit encompasses than the high level of expertise which they currently exhibit.

In 1980, the only circuit of comparable size and caseload, the fifth circuit, was split in much the same manner as the legislation which we propose today would split the ninth. The new ninth and twelfth circuits created by this bill, would presumably have much more consistent rulings than the ninth circuit currently enjoys. Moreover, this bill might serve to reduce the ninth circuit's rate of reversal before the Supreme Court by promoting more complete and sound review of its currently unwieldy case load.

Besides the substantial increase in civil litigation, the current ninth circuit can expect to see a significant increase in criminal proceedings as the Federal effort in the drug war escalates. Burgeoning conflicts in the area of natural resources and the continuing expansion of international trade efforts will all expand the demand for judicial excellence in the region presently covered by the ninth circuit. By reforming our courts now, they will be better able to dispense justice in a fair and expeditious manner.

I commend my colleagues for their leadership on this issue, and I look forward to working with them on maintaining the superior quality of jurisprudence we have come to expect from the ninth circuit.

Mr. President, I yield the floor.

Mr. BURNS. Mr. President, I am pleased to join the Senator from Washington, Senator GORTON, as an original cosponsor of this legislation. This is legislation which is long overdue in my opinion. It is my hope that we can act to create a new twelfth circuit court this Congress.

The ninth circuit court is by far the largest of all the circuit courts, both in terms of the number of judges and caseload. In fact, the Judicial Conference of the United States stated in 1971 that "to increase the number of judges in a circuit beyond 15 would create an unworkable situation." The ninth circuit court currently has 28 judges. That is nearly twice the maximum workable number in the opinion of the Judicial Conference.

In terms of case load, the ninth circuit had 6,633 cases pending at the end of 1988. The eleventh circuit had the second most cases pending at the end

of the same time period with 3,171 cases. I guess in that case they rank No. 1 and No. 2 in the Nation. It only makes sense that a Federal appeals court with a case load that heavy should be splitup.

What does all of this mean in terms of our judicial process? It means that a case is pending in the ninth circuit for an average of 14.5 months. That means some cases may be there 29 months while others whiz through in 7 or 8 months. The costs to those in Montana or Washington who are victims of this backlog continues to accrue. Not only are they continuing to pay their legal counsel during that time, but in the case of suits against industrial activities such as timbering, mining, and water developments, employment is jeopardized, seriously threatening local economic stability.

I think the most compelling argument for splitting the ninth circuit is the fact that the precedent has already been set by the fifth circuit. In fact, a commission which studied the revision of the Federal appellate court system recommended in 1973 that both the fifth and the ninth circuit courts be split. Those involved with the fifth circuit had the sense to make the division. Unfortunately, the division of the ninth circuit was held up by political maneuvering. So now we have to be here arguing for something that should have been done 8 years ago.

Granted, the division of the ninth circuit is more complicated since one State, California, generates a majority of the cases in that circuit. However, I think it is in the best interest of California, Montana, and the other States under the court's jurisdiction to make the split. The case load for the ninth circuit will remain high no matter what, due to the population dynamics in a State like California. Thus, the split will bring much needed case load relief to the ninth circuit court while providing overall judicial relief to States like my own Montana.

I just do not think it is fair, or in the best interest of the judicial process, that Montana businesses and individual citizens suffer because California continues to experience an economic and population boom. I find myself arguing this case every day—the case of middle America battling to hold its own against the population centers on both coasts. There is a bias in the legislative branch, the executive branch, and now in the judicial branch.

I am here to see that States like Montana, Idaho, Washington, Oregon, and Alaska get a fair shake. I think that splitting the ninth circuit is a good place to start. I hope that my colleagues from all nine States currently under the jurisdiction of the ninth circuit court will join us in our efforts to quickly pass this legislation.

By Mr. RIEGLE (for himself, Mr. BRADLEY, Mr. CHAFEE, and Mr. DURENBERGER):

S. 949. A bill to amend title XIX of the Social Security Act to provide States additional authority and flexibility under Medicaid to improve children's access to health care services, to assure sufficient payment levels for certain providers and to provide funds for demonstration projects, and for other purposes; to the Committee on Finance.

MEDICAID CHILDREN'S HEALTH IMPROVEMENT ACT

Mr. RIEGLE. Mr. President, I rise today to introduce the Medicaid Children's Health Improvement Act of 1989. I am pleased that Senators BRADLEY, CHAFEE, and DURENBERGER, three leaders in health care who are members of the Subcommittee on Health for Families and the Uninsured that I chair, have joined me in introducing this important legislation.

This act was developed to improve low-income children's access to health care under Medicaid. The bill focuses on children and complements Senator BRADLEY's bill, which both Mr. CHAFEE and I have cosponsored, that mainly targets pregnant women and infants.

A strong bipartisan consensus has emerged to expand and improve the Medicaid Program for low income pregnant women, infants, and children in this Congress. As a member of the Budget Committee, I have been working closely with the chairman, Senator SASSER, to obtain additional Medicaid funds in the fiscal year 1990 budget. Medicaid improvements would help provide access to basic health care for the most needy members of our society.

The purpose of this bill is to give States additional authority and flexibility under Medicaid to cover more needy children, begin to address the problem of inadequate Medicaid payments to providers, especially for those serving children and low-income persons, and to provide funds for demonstration projects to increase provider participation in Medicaid's preventive health program for children, the Early and Periodic Screening, Diagnosis and Treatment Program [EPSDT] and to coordinate Medicaid with other maternal and child health programs.

Mr. President, the Medicaid Program is an inadequate safety net for low-income individuals needing health care. Medicaid covers only 40 percent of poor individuals and 50 percent of low-income children. Currently, 12.5 million children live in poverty, over one-third without health care coverage. This bill builds upon the current Medicaid Program by allowing States to cover more children by facilitating access through the eligibility process.

In Michigan, over 300,000 children are uninsured, many of whom are low-income and may be helped by this bill. The legislation takes a step toward increasing the proportion of poor and near-poor children covered by Medicaid. Currently, 13 States extend coverage to pregnant women and infants in families with incomes up to 185 percent of the poverty level. I am proud that Michigan is one of these States. In these States, however, children will lose eligibility for Medicaid on their first birthday. This bill gives States the option of covering children up to age 5, rather than abruptly halting services for children at such a critical age.

This legislation also allows States to immediately cover a particularly vulnerable group, foster care children with incomes below the poverty level. State subsidized foster children have limited access to health care. At the same time, such children are particularly susceptible to loss of health care coverage due to changes in family arrangements.

I am very concerned that families with children often find it extremely difficult to even receive the benefits entitled to them. This bill also makes access to program benefits easier for children whose families often struggle to receive the most basic of necessities.

Under this act, States would be given the option of offering presumptive eligibility, in a less onerous way than under the current program for pregnant women, to facilitate timely provision of needed services. In addition, by requiring a report to Congress on how the current error rate system affects eligibility determinations, we also increase understanding of the eligibility process so the Congress can begin to make needed changes to improve the current burdensome and timely eligibility process.

Mr. President, this bill also takes important steps to improve children's access to needed care by laying the foundation for improved provider participation. Payment rates for services under Medicaid are generally recognized as well below actual costs for services. It is estimated that more than 85 percent of children's hospitals incur financial losses on Medicaid reimbursement for outpatient services. In Michigan, outpatient hospital departments lose about 30 cents for every dollar spent.

The legislation requires State Medicaid payments to certain providers of pediatrics services be sufficient to maintain or increase provider participation so that services are available to Medicaid beneficiaries. The bill also provides for a payment adjustment for hospitals serving a disproportionate number of low income individuals through outpatient services and requires the Secretary of Health and Human Services to report to Congress on provider reimbursement and its impact on participation in the pro-

gram. With these three steps, we begin to comprehensively address the problem of inadequate Medicaid payments to providers.

Last, innovation in the Medicaid Program is encouraged by requiring the Secretary of Health and Human Services to conduct Medicaid demonstration projects to improve coordination between Medicaid and other programs to help pregnant women and children under age 21 get access to comprehensive services and to conduct EPSDT projects to improve access to providers.

Michigan's Medicaid Program is an excellent model for the Nation. As discussed earlier, it is one of 13 States covering children in families with incomes up to 100 percent of the poverty level. Under this proposal, 85,000 more children could be assisted in Michigan. Michigan has also been particularly successful with expediting the Medicaid eligibility process by authorizing specially trained local health department workers to take applications and shortening the application form. We are also the only State that has an indigent volume adjuster for Medicaid reimbursement of outpatient services.

The Medicaid Children's Health Improvement Act of 1989 has the support of key national organizations representing women, infants, and children including the Children's Defense Fund, National Association of Children's Hospitals and Related Institutions, American Association of University Affiliated Programs for the Developmentally Disabled, American Academy of Pediatrics, American Hospital Association and March of Dimes Birth Defects Foundation.

By improving the Medicaid Program, we begin to address the inadequacies of our current health care system, particularly the problem of 37 million Americans without health care coverage. Certainly, the most tragic and disgraceful aspect of this problem is that 11 million of the 37 million uninsured Americans are children. Many of these children come from low-income families. I believe this and other Medicaid proposals represent a positive first step toward a more comprehensive solution.

As chairman of the Subcommittee on Health for Families and the Uninsured, I will be working with other members of the Finance Committee to develop a comprehensive proposal to guarantee universal access to health insurance for 37 million Americans who lack coverage. Medicaid improvements would help provide access to basic health care for the most needy members of our society.

I look forward to working with others on the Finance Committee, particularly the chairman, on enacting needed changes in the Medicaid Program for pregnant women, infants, and children.

Mr. President, I ask unanimous consent that the text of the bill and a description of the bill be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 949

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Medicaid Children's Health Improvement Act of 1989".

SEC. 2. OPTIONAL MEDICAID COVERAGE OF LOW-INCOME CHILDREN UNDER AGE 5.

(a) OPTIONAL COVERAGE.—Section 1902(l) of the Social Security Act (42 U.S.C. 1396a(1)) is amended—

(1) in paragraph (1), by striking subparagraph (C) and inserting in lieu thereof the following new subparagraph:

"(C) at the option of the State, children who have attained 1 year of age but have not attained 2, 3, 4, 5, 6, 7, or 8 years of age (as selected by the State),"; and

(2) in paragraph (2)(B) by striking "which is a percentage" and all that follows through the period and inserting in lieu thereof "which—

"(i) with respect to children who have attained 1 year of age but who have not attained 5 years of age is a percentage not less than 100 percent and not more than 185 percent; and

"(ii) with respect to children who have attained 5 years of age but have not attained 8 years of age is a percentage equal to 100 percent;

of the income official poverty line described in subparagraph (A).".

(b) EFFECTIVE DATE.—(1) The amendments made by this section apply (except as otherwise provided in this subsection) to payments under title XIX of the Social Security Act for calendar quarters beginning on or after July 1, 1990, without regard to whether or not final regulations to carry out such amendment have been promulgated by such date.

(2) In the case of a State plan for medical assistance under title XIX of the Social Security Act which the Secretary of Health and Human Services determines requires State legislation (other than legislation appropriating funds) in order for the plan to meet the additional requirements imposed by the amendments made by subsection (a), the State plan shall not be regarded as failing to comply with the requirements of such title solely on the basis of its failure to meet these additional requirements before the first day of the first calendar quarter beginning after the close of the first regular session of the State legislature that begins after the date of the enactment of this Act. For purposes of the previous sentence, in the case of a State that has a 2-year legislative session, each year of such session shall be deemed to be a separate regular session of the State legislature.

SEC. 3. OPTIONAL PRESUMPTIVE ELIGIBILITY FOR CERTAIN CHILDREN PROVIDED.

(a) IN GENERAL.—Title XIX of the Social Security Act is amended by adding at the end thereof the following new section:

"PRESUMPTIVE ELIGIBILITY FOR CHILDREN

"SEC. 1927. (a) A State plan approved under section 1902 may provide for making medical assistance available to children who have not attained the age of 21 during a presumptive eligibility period.

"(b) For purposes of this section—

"(1) the term 'presumptive eligibility period' means, with respect to children who have not attained the age of 21, the period that—

"(A) begins with the date on which a qualified provider determines, on the basis of preliminary information, that the family income of such individual does not exceed the applicable income level of eligibility under the State plan, and

"(B) ends with (and includes) the earlier of—

"(i) the day on which a determination is made with respect to the eligibility of the individual for medical assistance under the State plan,

"(ii) the day that is 60 days after the date on which the provider makes the determination referred to in subparagraph (A), or

"(iii) in the case of an individual who does not file an application for medical assistance within a State specified number of calendar days after the date on which the provider makes the determination referred to in subparagraph (A), or

"(iv) the day that is 30 days after the date specified in (c)(2)(B); and

"(2) the term 'qualified provider' means any provider that—

"(A) is eligible for payments under a State plan approved under this title,

"(B) provides services of the type described in subparagraph (A) or (B) of section 1905(a)(2) or in section 1905(a)(9),

"(C) is determined by the State agency to be capable of making determinations of the type described in paragraph (1)(A), and

"(D)(i) receives funds under—

"(I) section 329, 330, or 340 of the Public Health Service Act,

"(II) title V of this Act, or

"(III) title V of the Indian Health Care Improvement Act,

"(ii) participates in a program established under—

"(I) section 17 of the Child Nutrition Act of 1966, or

"(II) section 4(a) of the Agriculture and Consumer Protection Act of 1973, or

"(iii) is the Indian Health Service or is a health program or facility operated by a tribe or tribal organization under the Indian Self-Determination Act (Public Law 93-638).

"(c)(1) The State agency shall provide qualified providers with—

"(A) such forms as are necessary for children who have not attained the age of 21 (or a guardian of such individuals under State law) to make application for medical assistance under the State plan, and

"(B) information on how to assist such individual in completing and filing such forms.

"(2) A qualified provider that determines under subsection (b)(1)(A) that a child who has not attained the age of 21 is presumptively eligible for medical assistance under a State plan shall—

"(A) notify the State agency of the determination after the date on which such determination is made, and

"(B) inform the individual (or such individual's guardian) at the time the determination is made that the individual is required to make application for medical assistance under the State plan within a State specified number of calendar days after the date on which the determination is made.

"(3) A child under the age of 21, who is determined by a qualified provider to be presumptively eligible for medical assistance

under a State plan shall make application for medical assistance under such plan within a State specified number of calendar days after the date on which the determination is made.

"(d) Notwithstanding any other provision of this title, medical assistance that—

"(1) is furnished to children who have not attained the age of 21—

"(A) during a presumptive eligibility period,

"(B) by a provider that is eligible for payments under the State plan; and

"(2) is included in the care and services covered by a State plan;

shall be treated as medical assistance provided by such plan for purposes of section 1903.".

(b) EFFECTIVE DATE.—The amendment made by this section shall become effective with respect to payments under title XIX of the social Security Act for calendar quarters beginning on or after July 1, 1990.

SEC. 4. OPTIONAL MEDICAID COVERAGE FOR FOSTER CHILDREN.

(a) IN GENERAL.—Section 1902 of the Social Security Act (42 U.S.C. 1396a) is amended—

(1) in subsection (a)(10)(A)(ii)—

(A) by striking "or" at the end of subclause X,

(B) by striking the semicolon at the end of subclause XI and inserting ", or", and

(C) by adding at the end the following new subclause:

"(XII) who are described in subsection (s)(1) and whose income does not exceed the income level specified therein.".

(b) DESCRIPTION OF CHILDREN IN FOSTER HOMES, GROUP HOMES, OR PRIVATE INSTITUTIONS.—Section 1902 of such Act (42 U.S.C. 1396a) is amended—

(1) by adding at the end thereof the following new subsection:

"(s)(1) Individuals described in this paragraph are children who have not attained the age of 21 who are in a foster home, group home, or private institution for whom the public agency is assuming full or partial financial responsibility or in a foster home, group home or private institution maintained by private nonprofit agencies whose incomes do not exceed 100 percent of the nonfarm income official poverty line (as defined by the Office of Management and Budget and revised annually in accordance with section 673(2) of the Omnibus Budget Reconciliation Act of 1981) applicable to a family of one.

"(2) Notwithstanding subsection (a)(17) of this section for individuals who are eligible for medical assistance because of subsection (a)(10)(A)(ii)(XII) of this section—

"(A) no resource standard or methodology shall be applied to these individuals,

"(B) the income standard to be applied is the income standard established under paragraph (1), and

"(C) income for these individuals shall be determined in accordance with a methodology which is no more restrictive than the methodology employed under the State plan under part E of title IV.".

(c) EFFECTIVE DATE.—The amendments made by this section shall become effective with respect to payments under title XIX of the Social Security Act for calendar quarters beginning on or after July 1, 1990.

SEC. 5. MANDATORY CONTINUATION OF COVERAGE FOR CHILDREN OTHERWISE QUALIFIED FOR BENEFITS UNTIL REDETERMINATION.

(a) CONTINUATION UNTIL REDETERMINATION.—Section 1902(e) of the Social Security Act (42 U.S.C. 1396a(e)) is amended by adding at the end thereof the following new paragraph:

"(11) With respect to a child who has not attained the age of 21 who is receiving medical assistance under this title and who because of a change in eligibility status of the family of which the child is a member is determined to be no longer eligible for such assistance, the State may not discontinue such assistance, until the State has determined that the child is not eligible for assistance under this title on a basis other than the basis upon which the child is currently receiving assistance.".

(b) The amendments made by this section shall become effective with respect to eligibility determinations for medical assistance under title XIX of the Social Security Act on or after July 1, 1990.

SEC. 6. REPORT AND TRANSITION ON ERRORS IN ELIGIBILITY DETERMINATIONS.

(a) REPORT.—The Secretary of Health and Human Services shall report to Congress, by not later than July 1, 1990, on error rates by States in determining eligibility of children who have not attained the age of 21 for medical assistance under plans approved under title XIX of the Social Security Act. Such report may include data for medical assistance provided before July 1, 1990.

(b) ERROR RATE TRANSITION.—There shall not be taken into account, for purposes of section 1903(u) of the Social Security Act, payments and expenditures for medical assistance which—

(1) are attributable to medical assistance for individuals who have not attained the age of 21, and

(2) are made on or after July 1, 1989, and before the first calendar quarter that begins more than 12 months after the date of submission of the report under paragraph (1).

SEC. 7. PAYMENT FOR PEDIATRIC SERVICES.

(a) CODIFICATION OF ADEQUATE PAYMENT LEVEL PROVISIONS.—Section 1902(a)(30)(A) of the Social Security Act (42 U.S.C. 1396a(a)(30)(A)) is amended by inserting before the semicolon at the end the following: "and are sufficient to enlist enough providers so that care and services are available under the plan at least to the extent that such care and services are available to the general population".

(b) ASSURING ADEQUATE PAYMENT LEVELS FOR PEDIATRIC SERVICES.—Title XIX of such Act, as amended by section 303 of the Family Support Act of 1988, is amended by redesignating section 1926 as section 1927 and by inserting after section 1925 the following new section:

"ASSURING ADEQUATE PAYMENT LEVELS FOR PEDIATRIC SERVICES

"SEC. 1926. (a)(1) A State plan under this title shall not be considered to meet the requirement of section 1902(a)(30)(A) with respect to pediatric services for children under 21 years of age, as of July 1 of each year (beginning with 1990), unless, by not later than April 1 of such year, the State submits to the Secretary an amendment to the plan that specifies, by pediatric procedure, the payment rates to be used for such services under the plan in the succeeding period and includes in such submission such additional data as will assist the Secretary in evaluating the State's compliance with such requirement.

"(2) The Secretary, by not later than 90 days after the date of submission of a plan amendment under paragraph (1), shall—

"(A) review each such amendment for compliance with the requirement of section 1902(a)(30)(A), and

"(B) approve or disapprove each such amendment.

If the Secretary disapproves such an amendment, the State shall immediately submit a revised amendment which meets such requirement.

"(3) In this section, the term 'pediatric services' means services covered under the State plan provided by a pediatrician, family practitioner, obstetrician, gynecologist, physician assistant, nurse practitioner, or clinical nurse specialist to children under 21 years of age and does not include inpatient hospital services or other institutional services (except outpatient hospital services).

"(b) For amendments submitted under subsection (a)(1) in 1991 and thereafter, the data submitted under such subsection shall include, for the second previous year, at least the following:

"(1) The number of pediatricians, nurse practitioners, clinical nurse specialists, obstetricians, gynecologists, physician assistants, and family practitioners who were licensed in the State in the year, and, of such providers, the number of each class of provider who provided services in the State and the number who provided services to individuals who have not attained the age of 21 entitled to benefits for services under the State plan under this title.

"(2) An estimate of—

"(A) the number of children aged 20 and under who were in the State in the year, and the percentage of such children who received medical care under the State plan under this title in the State in the year; and

"(B) the number of children aged 20 and under who are enrolled under this title in the State in the year, and the percentage of such children who received medical care in the State in the year.

"(3) The statewide average payment rates under the State plan for services furnished by pediatricians, nurse practitioners, physician assistants, family practitioners, obstetricians, gynecologists, and clinical nurse specialists by procedure, stated in dollar amounts and as a percentage of the statewide average payment rates for such procedures other than under the State plan.

"(4) The statewide average payment rates under the State plan and the statewide reasonable cost (as that term is defined by the appropriate State regulatory agency or agencies) for outpatient services furnished by teaching hospitals, nonteaching hospitals, children's hospitals, rural hospitals, urban hospitals, and disproportionate share hospitals (within the meaning of section 1923(a)(1)) and clinic services furnished by rural health clinics; community and migrant health centers; clinics funded with State health department funds to deliver maternal and child health services; and title V Block Grant funded clinics, by procedure, stated in dollar amounts and as a percentage of the statewide average payment rates for such procedures other than under the State plan.

Information described in paragraphs (1), (3), and (4) shall be provided separately for providers located in rural areas and for providers located in urban areas and the information described in paragraph (2) shall be provided separately, to the extent practicable, for individuals located in rural areas and for individuals located in urban areas.

"(c) Nothing in this title (including section 1902(a)(30)(A)) shall be construed as preventing a State from establishing payment levels for pediatric services that are

higher for those services furnished in rural areas than those furnished in urban areas.".

(c) EFFECTIVE DATE.—The amendments made by this section shall become effective upon the date of enactment of this Act.

SEC. 8. REPORT ON PROVIDERS SERVING LOW-INCOME CHILDREN.

(a) REPORT.—The Secretary of Health and Human Services shall report to Congress not later than July 1, 1990, on providers (including, but not limited to, pediatricians, family practitioners, physician assistants, nurse practitioners, clinical nurse specialist, obstetricians, gynecologists, and health clinics (defined in subsection (b), and outpatient hospital departments) and inpatient hospital departments serving children under the age of 21 who are receiving medical assistance under title XIX of the Social Security Act. Such report shall provide—

(1) information on the impact of payments under title XIX of the Social Security on providers (as described in this subsection) and the financial viability of such providers and the relationship of such providers to other publicly financed programs;

(2) information on reimbursement methodologies, including, but not limited to cost-based reimbursement, and the impact of various methodologies or providers; and

(3) recommendations or methods to improve provider reimbursement methodologies and provider participation under title XIX of the Social Security Act.

(b) DEFINITION OF HEALTH CLINICS.—For purposes of this section the term "health clinics" means—

(1) rural health clinics;

(2) Federal community and migrant health centers;

(3) clinics funded with State health department funds which deliver maternal and child health services; and

(4) clinics receiving funds under the Maternal and Child Health Block Grant established under title V of the Social Security Act.

SEC. 9. ENSURING ADEQUATE PAYMENT FOR OUTPATIENT HOSPITAL SERVICES FURNISHED BY DISPROPORTIONATE SHARE HOSPITALS.

(a) ADEQUATE PAYMENT LEVEL PROVIDED.—Section 1902(a) of the Social Security Act (42 U.S.C. 1396a(a)) is amended—

(1) by striking "and" at the end of paragraph (51);

(2) by striking the period at the end of paragraph (52) and by inserting in lieu thereof "; and"; and

(3) by adding at the end thereof the following new paragraph:

"(53) provide for payment of outpatient services in hospitals provided under the plan through the use of rates (determined in accordance with methods and standards developed by the State) which take into account the situation of hospitals which serve a disproportionate number of low-income patients with special needs in their outpatient departments.

(b) REPORT.—The Secretary of Health and Human Services shall report to Congress on the implementation and effects of the amendment made by this section no later than 1 year after the date of enactment of this Act.

(c) EFFECTIVE DATE.—The amendment made by this section shall become effective for State plan amendments on or after April 1, 1990.

SEC. 10. DEMONSTRATION PROJECTS TO COORDINATE PROGRAMS DELIVERING HEALTH SERVICES TO PREGNANT WOMEN AND CHILDREN.

(a) IN GENERAL.—The Secretary of Health and Human Services (hereinafter referred to as the "Secretary") shall provide for demonstration projects by States to improve coordination among programs (as described in subsection (b)) to assist pregnant women and children under the age of 21 in gaining access to comprehensive health services.

(b) NATURE OF PROJECTS.—(1) The demonstration projects provided for by the Secretary under this section shall incorporate innovative approaches to improving the coordination of health services provided to pregnant women and children under the age of 21 under titles V and XVIII of the Social Security Act and the special supplemental food program (WIC) established under section 17 of the Child Nutrition Act of 1966. Such projects may also include the coordination of services provided in clinics and community and migrant health centers, family planning services, support services, mental health and retardation services, and substance abuse and rehabilitation services.

(2) The projects provided for under this section may also include the colocation of services, utilization of simplified and combined eligibility applications, outreach and referral provisions, integrated case management and management of information systems.

(c) SUPPLEMENTAL FUNDING.—With respect to the additional expenditures for medical assistance made under a State plan under title XIX of the Social Security Act to carry out a demonstration project under this section, the Federal medical assistance percentage (otherwise determined under section 1905(b) of such Act) shall be increased by 25 percentage points (but in no case to a percentage greater than 90 percent).

(d) WAIVER AUTHORITY.—(1) Except as provided under paragraphs (2) and (3), the Secretary is authorized to waive the requirements of title XIX of the Social Security Act to the extent necessary to implement demonstration projects under this section.

(2) Except as permitted under section 1915(b)(1) of the Social Security Act, the Secretary may not waive under paragraph (1) the requirements of sections 1902(a)(23) and 1916 of such Act.

(3) The Secretary may not approve a demonstration project under this section, or a waiver under paragraph (1), that reduces the amount, duration, or scope of medical assistance made available under title XIX of the Social Security Act or that results in a loss of eligibility for individuals otherwise eligible for such assistance.

(e) TIMELY ACTION ON APPLICATIONS.—A request to the Secretary by a State for approval of a demonstration project under this section (and any accompanying waiver of a requirement of title XIX of the Social Security Act) shall be deemed granted unless the Secretary, within 90 days after the date of its submission to the Secretary, either denies such request in writing or informs the State in writing with respect to any additional information which is needed in order to make a final determination with respect to the request. After the date the Secretary receives such additional information, the request shall be deemed granted unless the Secretary, within 90 days of such date, denies such request.

(f) AMOUNTS AND USE OF FUNDS.—The Secretary may not approve demonstration projects under this section that result in aggregate, additional Federal expenditures under title XIX of the Social Security Act that exceed $15,000,000 in fiscal year 1990. Amounts appropriated and obligated to carry out this section shall be available until expended.

(g) REPORT.—The Secretary shall report to Congress, not later than March 1, 1992, on the demonstration projects carried out under this section and on how the results of such projects may be used to lower infant mortality and morbidity through improving the access of indigent pregnant women and infants to needed physician services.

(h) EFFECTIVE DATE.—The provisions of this section shall become effective upon the date of enactment of this Act.

SEC. 11. DEMONSTRATION PROJECTS TO INCREASE PROVIDER PARTICIPATION IN EARLY AND PERIODIC SCREENING AND DIAGNOSTIC SERVICES.

(a) IN GENERAL.—The Secretary of Health and Human Services (hereinafter referred to as the "Secretary") shall provide for demonstration projects by States to increase provider participation in delivering early and periodic screening and diagnostic services to improve detection of mental and physical defects of children receiving medical assistance under title XIX of the Social Security Act and to provide early treatment of any such defects detected in such children.

(b) NATURE OF PROJECTS.—Demonstration projects under this section shall incorporate innovative approaches to increasing participation of pediatricians, family practitioners, nurse practitioners, and clinical nurse specialists under the Medicaid programs by means such as—

(1) expediting reimbursement for screening services, as well as for followup diagnostic and treatment services;

(2) using innovative payment mechanisms, especially for screening services, immunizations, and dental services;

(3) decreasing unnecessary administrative burdens in submitting claims, particularly claims for screening services, or in securing authorization for followup diagnostic and treatment services; and

(4) decreasing unnecessary administrative burdens and procedures for qualified Medicaid providers seeking enrollment in EPSDT.

(c) SUPPLEMENTAL FUNDING.—With respect to the additional expenditures for medical assistance made under a State plan under title XIX of the Social Security Act to carry out a demonstration project under this section, the Federal medical assistance percentage (otherwise determined under section 1905(b) of such Act) shall be increased by 25 percentage points (but in no case to a percentage greater than 90 percent).

(d) WAIVER AUTHORITY.—(1) Except as provided under paragraphs (2) and (3), the Secretary is authorized to waive the requirements of title XIX of the Social Security Act to the extent necessary to implement demonstration projects under this section.

(2) Except as permitted under section 1915(b)(1) of the Social Security Act, the Secretary may not waive under paragraph (1) the requirements of sections 1902(a)(23) and 1916 of such Act.

(3) The Secretary may not approve a demonstration project under this section, or a waiver under paragraph (1), that reduces the amount, duration, or scope of medical assistance made available under title XIX of the Social Security Act or that results in a loss of eligibility for individuals otherwise eligible for such assistance.

(e) TIMELY ACTION ON APPLICATIONS.—A request to the Secretary by a State for ap-

proval of a demonstration project under this section (and any accompanying waiver of a requirement of title XIX of the Social Security Act) shall be deemed granted unless the Secretary, within 90 days after the date of its submission to the Secretary, either denies such request in writing or informs the State in writing with respect to any additional information which is needed in order to make a final determination with respect to the request. After the date the Secretary receives such additional information, the request shall be deemed granted unless the Secretary, within 90 days of such date, denies such request.

(f) AMOUNTS AND USE OF FUNDS.—The Secretary may not approve demonstration projects under this section that result in aggregate, additional Federal expenditures under title XIX of the Social Security Act that exceed $15,000,000 in fiscal year 1990. Amounts appropriated and obligated to carry out this section shall be available until expended.

(g) REPORT.—The Secretary shall report to Congress, not later than March 1, 1992, on the demonstration projects carried out under this section and on how the results of such projects may be used to lower infant mortality and morbidity through improving the access of indigent pregnant women and infants to needed physician services.

(h) EFFECTIVE DATE.—The provisions of this section shall become effective upon the date of enactment of this Act.

SEC. 12. EFFECTIVE DATES.

The provisions of this Act shall take effect on the dates specified without regard to whether the Secretary of Health and Human Services has published final regulations to implement such provisions by such dates.

SUMMARY OF MEDICAID CHILDREN'S HEALTH IMPROVEMENT ACT OF 1989

SECTION 1. SHORT TITLE

This Act may be cited as the "Medicaid Children's Health Improvement Act of 1989."

SECTION 2. OPTIONAL MEDICAID COVERAGE OF LOW-INCOME CHILDREN UNDER AGE 5

Currently, 13 states extend coverage to pregnant women and infants in families with incomes above the poverty level. In these states, children will become ineligible for Medicaid on their first birthday. This provision allows states to continue coverage rather than abruptly halting services for children during the critical early years of life.

Provision: States have the option of covering children less than age 5 (or 2, 3, or 4 years of age) in families with incomes below 185 percent of the poverty level.

SECTION 3. OPTIONAL PRESUMPTIVE ELIGIBILITY FOR CHILDREN

States were first given the option of presumptive eligibility for pregnant women in OBRA 1986 and many states have been successful in developing effective programs that expedite access to health care. This provision extends the option for children but would be less onerous than the current program for pregnant women in specifying how States must implement the program.

Provision: States would structure presumptive eligibility programs for children under age 21 with designated providers of the same types as under the existing option for pregnant women. Coverage would continue until such time as the State has completed its eligibility determination process and notified the beneficiary, at a maximum, 60 days after the date on which the provider made the presumptive eligibility determination.

SECTION 4. OPTIONAL MEDICAID COVERAGE FOR FOSTER CARE CHILDREN

Currently, about one-half of foster care children receive funding through the Title IV-E program and therefore qualify for Medicaid. All other foster care children (state subsidized non-Title IV-E children) may receive coverage through their state's medically needy program or Ribicoff children options. These children only receive Medicaid if they are fortunate to live in a state having such coverage. Children in non-Title IV-E foster care programs thus have limited access to health care. At the same time, such children are particularly vulnerable to loss of health care coverage due to changes in family arrangements.

Provision: Allow States the option of making all non-IV-E foster care children with incomes below the poverty level automatically eligible for Medicaid.

SECTION 5. MANDATORY CONTINUATION OF COVERAGE FOR CHILDREN OTHERWISE QUALIFIED FOR BENEFITS UNTIL REDETERMINATION

Currently Medicaid coverage is interrupted in the event that a child no longer meets Medicaid eligibility requirements under one provision, for example, due to changes in family income or family structure, but still meets eligibility requirements under other provisions.

Provision: Clarifies current law so that any child who received Medicaid but no longer meets the eligibility criteria under one provision, nonetheless remains eligible if he or she satisfies the requirements of other Medicaid provisions. The State may not discontinue such assistance until determining that the child is not eligible for assistance under the plan.

SECTION 6. REPORT ON ERRORS IN ELIGIBILITY DETERMINATIONS AND INTERIM SUSPENSION OF ERROR RATE RULES

The current error rate system penalizes states only for incorrectly granting Medicaid eligibility, but not for incorrectly denying benefits. This may influence a state's willingness to undertake aggressive outreach efforts to identify and enroll Medicaid eligible children for fear that more errors come with new applications. Information is needed on whether states are delaying or denying coverage for children in an effort to keep error rates down.

Provision: Require the Secretary, by 7/1/90, to report to the Congress on error rates with respect to children receiving Medicaid, and suspend any error rate penalties attributable to payments made on behalf of this population on or after July 1, 1989, until 12 months after the receipt of the Secretary's report.

SECTION 7. PAYMENT FOR PEDIATRIC SERVICES

Under current regulations, States must set Medicaid payment rates at levels that are sufficient to induce enough providers to participate in the program so that services are available to Medicaid beneficiaries to the same extent that such care and services are available to the general population.

Provision: Codify the current regulations regarding payment for pediatrics services for children less than 21 years. Require the States to file with the Secretary each year a State Medicaid plan amendment that specifies, by pediatric procedure, the payment rates to be used for such services under the plan.

The plan amendment must also include whatever additional data HCFA requires to determine the rates are sufficient, in addition to data that is specified in this legislation relating to numbers of providers and children receiving medical care under Medicaid, state payments for services including primary care services, clinics and outpatient care services. In order to improve participation, states may establish higher payment levels for pediatric services furnished in rural areas.

Within 90 days of receiving the amendment, the Secretary must approve or disapprove; if the Secretary disapproves, the State must immediately submit a revised amendment which brings it into compliance.

SECTION 8. REPORT ON PROVIDERS SERVING LOW-INCOME CHILDREN

The Secretary must Report to Congress, not later than October 1, 1990, on providers serving low income children. Providers must at least include pediatricians, family practitioners, physician assistants, nurse practitioners and clinical nurse specialists, obstetricians, gynecologists, clinics, and outpatient and inpatient hospital departments. The Report must include at least the following:

The impact of Medicaid payment rates on providers and their financial situation and relationship to other publicly financed programs; reimbursement methodologies, including but not limited to cost-based reimbursement, and impact on providers; and recommendations on ways to improve provider reimbursement methodologies and provider participation.

SECTION 9. ENSURING ADEQUATE PAYMENT FOR OUTPATIENT HOSPITAL SERVICES UNFURNISHED BY DISPROPORTIONATE SHARE HOSPITALS

As hospitals have increasingly sought to care for their patients on an outpatient basis, the number of patients served, particularly among children, and the complexity of the care provided has grown significantly. Under current law, however, no specific federal requirements exist for minimum standards or safeguards for the adequacy of hospital outpatient Medicaid reimbursement as there are for hospital inpatient reimbursement.

The lack of federal requirements with respect to hospitals that serve a disproportionate share of low income patients in their outpatient departments is particularly problematic. Such hospitals provide care to low-income persons, particularly children, who otherwise have very limited access to health care. This provision provides for a payment adjustment for hospitals serving a disproportionate number of low-income individuals through outpatient services.

Provision: Under this provision outpatient hospital payment must take into account the situation of hospitals serving a disproportionate number of low income patients receiving outpatient services.

As part of this provision, the Secretary of Health and Human Services must report to Congress on the progress of this provision 12 months after the effective date.

SECTIONS 10 AND 11. DEMONSTRATIONS

These provisions would require the Secretary to conduct Medicaid demonstration projects to improve coordination between Medicaid and other programs to help pregnant women and children under age 21 get access to comprehensive services and to conduct EPSDT projects to improve access to providers. Participating states would receive a 25-percentage point increase in their regular matching rates. $15 million (for each

type of demonstration outlined below) would be designated for this purpose in FY90, with funds available until expended.

(1) Coordinating maternal and child health programs.—Demonstration projects under this section would incorporate innovative approaches to improve coordination for Medicaid and Title V Maternal and Child Health Block Grant or WIC or both and may also include family planning services, Community and Migrant Health Centers, support service, mental health and retardation, and substance abuse prevention and rehabilitation. The coordination may include co-location of services, use of simplified eligibility and combined applications, outreach and referral requirements, integrated case management, client tracking and management of information systems.

(2) Increasing provider participation in EPSDT.—Demonstration projects under this section would incorporate innovative approaches to increasing participation of pediatricians, family practitioners, clinical nurse specialists and nurse practitioners under the Medicaid programs and EPSDT, by means such as:

Expediting reimbursement for screening services as well as for followup diagnostic and treatment services; using innovative payment mechanisms, especially for screening services, immunizations, and dental services; decreasing unnecessary administrative burdens in submitting claims, particularly claims for screening services, or in securing authorization for followup diagnostic and treatment services; and decreasing unnecessary administrative burdens and procedures for qualified Medicaid providers seeking enrollment in EPSDT.

Mr. CHAFEE. Mr. President, I am joining Senator RIEGLE in cosponsoring the Medicaid Children's Health Improvement Act of 1989. This legislation would allow States to increase much-needed Medicaid services for low-income children. It is our next step forward to ensuring that all children have access to necessary health care services.

When 12 million children have no health care coverage whatsoever—either through private insurance or through Medicaid—we must step back and ask why so many are falling through the cracks. We must wonder whether we have been showing adequate concern for our children's future. We must realize the importance of ensuring that children who do not currently receive proper health care services have access to them.

As a member of the Senate Finance Committee and both Subcommittees on Health, I have placed the very highest priority on widespread and effective preventive health care for low-income children. Since 1984, we have been successful in moving forward in incremental steps toward this goal. Yet, it is clear that much more needs to be done.

The legislation we are introducing today will build upon the progress we have made in recent years in improving the delivery of health services to children. State Medicaid programs would receive Federal matching funds for providing coverage for children up to age 5 whose family incomes are below 185 percent of the poverty level. In addition this measure would give States the option of offering presumptive eligibility to children, thus extending to children the current State option regarding presumptive eligibility for pregnant women.

This legislation also fine tunes present law regarding coordination of Medicaid with other maternal and child health programs and improved provider participation in programs that benefit children. Combined with other important provisions in the legislation, these are changes that are all necessary to create a system of services that will achieve our goals.

Senator RIEGLE and I believe that further extension of Medicaid coverage is critical for low-income children. Children need a good healthy start in their lives. We must recognize this now and act on it before it's too late for another generation of children living in poverty.

I know there is concern about how we can afford to address this problem in light of the continuing problem of the deficit. In my opinion it is a question of choosing priorities. I believe there are few goals more important than ensuring that the coming generations of Americans begin life with good health and have the opportunity to grow and flourish.

Mr. President, I commend Senator RIEGLE for his continued efforts in this critical area of child health. I hope my colleagues agree that Federal dollars for this legislation would be well spent and that even during a time of fiscal restraint it is sound economic policy to invest in the health of our children.

By Mr. DECONCINI:

S. 951. A bill to grant employees parental leave under certain circumstances, and for other purposes; to the Committee on Labor and Human Resources.

PARENTAL LEAVE ACT

Mr. DECONCINI. Mr. President, I rise to address a very grave threat to our Nation's economic and social health. Today, our Nation, the greatest industrial power in the history of the world, is most regrettably the only major industrialized nation without a national parental leave policy. In the face of over 70 years of overwhelming international support and the best medical advice by thousands upon thousands of pediatricians, America remains in the dark ages of family and labor policy.

Mr. President, last Tuesday I introduced legislation to require certain employers, including the Federal Government, to provide up to 10 weeks unpaid leave to parents to care for a newborn, adopted, or seriously ill child. This bill, the Parental Leave Act of 1989, S. 897, provides for parental leave only. The Family and Temporary Medical Leave Act of 1989, S. 345, contains a provision for temporary medical leave for employees that I have always supported in concept. Regretfully, S. 345 also includes a new provision for elder care. As such, I believe S. 345 goes too far and too fast. I must therefore withhold my support for S. 345.

My bill also differs from S. 345 in that it incorporates a provision from the House Labor Committee bill, H.R. 770, which addresses the need for phased-in coverage for small businesses with less than 50 employees. This provision responds to the soaring health care insurance rates for smaller businesses. The Parental Leave Act of 1989 also contains the same employer protection provisions of S. 345 which were added to last year's compromise on S. 2488. I believe the 1-year vesting period, advance employee notice, employer discretion concerning unused paid leave, and second medical opinion provisions remedy the practical barriers to enactment of unpaid parental care leave.

Current projections, based upon General Accounting Office analysis of H.R. 770, indicate that S. 897 will cost employers no more than $100 million annually for the first 3 years. Even after the smaller firms, 35 to 49 employees, are covered, the annual cost will not rise above $112 million. As such, S. 897 would cost roughly half as much as the House Labor Committee bill and much less than half of the Senate Labor Committee bill.

Before I address the compelling need for S. 897, I must take time to commend the most able Senators from the State of Connecticut and Massachusetts, Chairman DODD and Chairman KENNEDY, for their relentless efforts on behalf of our Nation's children and families. My friend, Chairman DODD, knows well that I have supported parental leave with him from day 1, testified at his first hearing, and encouraged many of my colleagues to support both the original Family and Medical Leave Act and last year's compromise bill. Senator DODD also knows that I will continue to be unyielding in my support of all the elements of his bill. But, I am afraid that we may get no farther in this Congress than we did in the last with the bill as reported by the Labor and Human Resources Committee.

As each of us knows, there are many moderate to conservative Senators on both sides of the aisle who oppose cloture on last year's legislation. I have spoken to most of them and I do not believe they are going to change their votes as a result of the latest compromise, which is more expansive than last year's bill. Last, we cannot ignore the politics of this issue in the House of Representatives. To date, the Whole of the House has not embraced

this compromise. I have serious doubts that they will. If we use the minimum wage legislation to forecast what their product will be like, I fear a long, hard-fought, political battle this summer, with no winners and no law. Therefore, my prognosis for the family leave bill is not good at all. In fact, I believe it to be terminal. What I am proposing instead is a scaled down bill to provide 10 weeks of unpaid leave to care for a new or seriously ill child.

This is not to say that I reject each of the other provisions incorporated into the compromise. I support the concept of eldercare. I also support spousal care. Each Member has heard the cries of despair from their aging constituencies and the families who are sacrificing so much to care for their seriously ill parents or spouse. We all know that congressional action in the area of long-term care is long overdue. But sadly, these important family leave issues, as well as temporary medical leave for employees themselves, have not been developed adequately to date. Parental leave legislation must still overcome some problems, but not nearly the barriers that these other leave issues present. Each, at this point in time, serves only to prevent the near certain passage of a clean and simple parental leave bill which is sensitive to the concerns of small business.

Mr. President, I am not here to talk about these other issues, nor do I want to leave the impression that I am sensitive only to the needs of the young. I am here to suggest that we should take the limited first step by enacting a parental leave bill and consider other important leave policies after we have had an opportunity to evaluate this vital first experiment.

Mr. President, my colleague and constituents have heard me on many occasions repeat the findings of the best medical minds in America on the value of parental bonding to the development of our children into healthy, productive citizens. Time after time, I have emphasized that the first weeks of life are the most critical periods in the physical and emotional development of any child. My colleagues know that. Every American can recall his or her grade school health courses that relayed this most basic medical fact. Yet what have we done in the face of this overwhelming evidence? Mr. President, I sadly report that our Government has ignored it.

Not so long ago, in a typical family, dad worked and mom stayed at home with the children. Today, less than a generation later, that stereotype fits less than 1 in 10 families. Today, two-income families are the rule rather than the exception. The simple truth is that American mothers aren't working because they want to work. The truth is the vast majority of mothers are working to provide their children with the basic necessities. Therefore, when the situation is complicated with a new infant or the serious illness of a child, the conflict between parenting and economic survival makes coping with everyday life impossible for most families.

You don't have to believe me. I am only a father. But you cannot avoid the harsh criticism of our Nation's foremost medical authorities about the failure of America to implement parental leave. When the parental leave effort began, Dr. T. Berry Brazelton, the renowned pediatrician and Harvard Medical School professor, declared "We're the least committed nation to families and children that I can think of."

The simple fact is that women are becoming more and more an integral part of the national work force, and our Government is failing to establish a national policy. More than 70 percent of all working women are of childbearing age and, according to one estimate, more than 90 percent will likely become pregnant during their working lives. As such, our children lack sufficient protection today, and countless more children will be at risk in the future.

The conflict between parenting and economic survival is beyond comprehension to most of my fellow colleagues whose mothers stayed home to raise them. In striking contrast to their childhood, the last 20 years have revolutionized family life. And, for the working poor, the data is so dramatically different that it appears unbelieveable. Fully two-thirds of working women are either the sole provider or have husbands who earn less than $10,000 per year. Only one-half of working women have husbands who earn $20,000 per year. In each case, family finances dictate miserable choices between inadequate care for children or impoverishment resulting from termination for choosing to stay home even a short period of time.

For families with very seriously ill children, especially those with terminal illnesses, the decision is far more complex and heart-breaking. Over 1 million children in America suffer from a serious chronic illness. From this Senator's perspective, leave to care for a seriously ill child is just as important, if not more so, than the new infant leave aspects of the bill.

Mr. President, before we end this day, four to six children will die from childhood cancer in America. Before the sun rises tomorrow, another 15 to 20 parents will be told their child has some form of cancer and will face up to 3 years of treatment, with only a 50-percent chance of survival.

For some families, the serious illness of a child will consume a lifetime of savings. One study has demonstrated that families of a child with spina bifida—where the spina is literally split in two—could face medical bills in excess of $30,000 over the first year. And the tragedy does not stop there. Each child afflicted with spina bifida will on average have one operation per year for 5 years during his or her early years of life. Let me assure you that I am not talking about a rare occurrence. Three to twelve thousand infants each year are born with spine bifida. Even with the best medical treatment, one in five will not survive the first year of life.

For the parents of children stricken with cystic fibrosis, the most cruel disease known to mankind, those odds would be welcomed. About 1,500 to 2,000 children are diagnosed with this fatal disease each year. Victims usually die early in adulthood, essentially through infection and through suffocation on their own lung secretions. Before they die, they run about a 30-percent chance each year of hospitalization, at a cost of $14,000 to $30,000 for little more than 3 weeks of treatment.

Mr. President, I do not believe for a moment that more than a handful of employers would not allow unpaid leave to a parent with a seriously or terminally ill child. But those types of employers do exist.

One insensitive employer in Rhode Island fired a young father who took a mere 6 days of unpaid leave to be at the hospital with his 7-year-old son who is dying of leukemia. And another employer from California fired a security guard whose wife was disabled by diabetes and complications in childbirth for taking unpaid leave to care for his sick infant son.

The American taxpayer spends millions upon millions each year in unemployment and public assistance costs as a direct result of such unscrupulous business practices. But that is not the true purpose of the second section of my bill. This section was written solely to establish a clear, unequivocal national policy. Seriously ill children deserve to live the remainder of their lives without the risk that their parents will lose their jobs or have the family's medical insurance terminated for merely following the medical advice of their child's doctor. This section allows a father or mother less than 10 weeks unpaid leave out of 2 years of employment, even if the child's physician believes that the parent should take a greater amount of leave.

Employers of some parents of a seriously ill child have responded to current economic realities and supported their employees with mutually beneficial, progressive employment practices, including parental leave and flexible workhours. However, this is not the norm. The majority of businesses across this Nation, large and small

alike, hold steadfast to archaic 19th century notions of the family and regressive notions of short-term profit, regardless of the price to the economy and society as a whole.

Mr. President, I believe the debate on this bill has drifted away from its primary purpose: To assure that families have an opportunity to respond to the needs of a new or a seriously ill child. That is where we should be directing our attention, nothing more and nothing less. I do not believe anyone in this body has heard anything different from their constituents. Last year, a group of Arizona construction contractors came into my office to advise me to vote against the bill. I asked them point blank what their objection was to unpaid leave to care for a newborn or very sick child. These contractors, each fathers, didn't have a single objection. Each one stated that he was a good family man; each understood that he could not ask any of his employees to ignore the needs of their children when he himself would not.

These contractors are not the only people who care for the children in our society. A national survey in 1988 indicated that registered voters favor parental leave by nearly two to one. Still another poll last year showed that "Reagan Democrats" in the Southern and industrial States favor parental leave by a whopping 87 to 10 percent.

On behalf of small business owners, I would like to point out for the record that the most recent studies on parental leave show small businesses are just as likely—about one in three—to provide parental leave to their employees as are large businesses. I believe that more and more small businesses will provide leave even though they are not covered under this legislation. I am a small businessman myself, and my family business provides paid parental leave. However, I appreciate that not every small business can afford to do what we do, and ordinarily should not be compelled to provide leave, paid or unpaid. However, we cannot jeopardize the lives of our children because some employers assert that national parental leave legislation interferes with their business.

Mr. President, our society succeeds only when we protect those who do not have the same ability to compete in our political and economic system. For the protection of the youngest members of our society, I am reaching out to marshal the support of all available resources, from my colleagues to the family and temporary medical leave coalition, which should be credited with bringing these issues to the forefront of American politics. Each coalition member knows that as a result of their efforts, the parental leave component is fast approaching reality for all American families. This bill will act as the first step toward realization of the goals that all of the various groups hold in common. This bill will not only grant parental leave, but will clear the way for our concentration on the other family leave issues.

In a clear and concise manner, the Parental Leave Act addresses just that—leave to care for a new or seriously ill child. In narrowing the focus, the bill overcomes the practical and political barriers to passage and enactment of these other family leave issues. The stage is ripe, however, to pass and enact parental leave. But we cannot succeed if the remainder of the coalition condition their support.

Mr. President, one of our own, and dear friend to many, the late Senator Hubert H. Humphrey expressed it best: "* * * the moral test of government is how that government treats those who are in the dawn of life—the children; those who are in the twilight of life—the elderly; and those who are in the shadows of life—the sick, the needy and the handicapped."

Right now the American public has challenged the Government with the kind of moral test that Senator Humphrey spoke of. How my colleagues and I meet this challenge will send a message to our Nation that we can all share in the sunlight of success if we work together. We cannot ignore the pleas of our public to support the hardworking parents in whose hands the future of America rests.

I rise in defense of those in the dawn of life, our children, and ask my colleagues and members of the family and temporary medical leave coalition to join me in this vital step to emancipate our Nation from the dark ages of family and labor policy.

Mr. President, I ask unanimous consent that my bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 951

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Parental Leave Act of 1989".

(b) TABLE OF CONTENTS.—

TITLE I—GENERAL REQUIREMENTS FOR PARENTAL LEAVE

Sec. 101. Findings and purposes.
Sec. 102. Definitions.
Sec. 103. Parental leave requirement.
Sec. 104. Certification.
Sec. 105. Employment and benefits protection.
Sec. 106. Prohibited acts.
Sec. 107. Administrative enforcement.
Sec. 108. Enforcement by civil action.
Sec. 109. Investigative authority.
Sec. 110. Relief.
Sec. 111. Notice.

TITLE II—PARENTAL MEDICAL LEAVE FOR CIVIL SERVICE EMPLOYEES

Sec. 201. Parental leave.

TITLE III—MISCELLANEOUS PROVISIONS

Sec. 301. Effect on other laws.
Sec. 302. Effect on existing employment benefits.
Sec. 303. Encouragement of more generous leave provisions.
Sec. 304. Regulations.
Sec. 305. Study provisions.

TITLE I—GENERAL REQUIREMENTS FOR PARENTAL LEAVE

SEC. 101. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds that—

(1) the number of two-parent households in which both parents work and the number of single-parent households in which the single parent works are increasing significantly;

(2) it is important for the development of children and the family unit that fathers and mothers be able to participate in early child rearing and the care of children who have serious health conditions;

(3) the lack of employment policies to accommodate working parents forces many individuals to choose between job security and parenting;

(4) due to the nature of the roles of men and women in our society, the primary responsibility for family caretaking often falls on women, and such responsibility affects their working lives more than it affects the working lives of men; and

(5) employment standards that apply to one gender only have serious potential for encouraging employers to discriminate against employees and applicants for employment who are of that gender.

(b) PURPOSES.—It is the purpose of this Act—

(1) to balance the demands of the workplace with the needs of families;

(2) to promote the economic security and stability of families;

(3) to entitle employees to take reasonable leave for medical reasons, for the birth or adoption of a child, and for the care of a child who has a serious health condition;

(4) to accomplish such purposes in a manner which accommodates the legitimate interests of employers;

(5) to accomplish such purposes in a manner which, consistent with the Equal Protection Clause of the Fourteenth Amendment, minimizes the potential for employment discrimination on the basis of sex by ensuring generally that leave is available for eligible medical reasons (including maternity-related disability) and for compelling family reasons, on a gender-neutral basis; and

(6) to promote the goal of equal employment opportunity for women and men, pursuant to such clause.

SEC. 102. DEFINITIONS.

As used in this title:

(1) COMMERCE.—The terms "commerce" and "industry or activity affecting commerce" mean any activity, business, or industry in commerce or in which a labor dispute would hinder or obstruct commerce or the free flow of commerce, including "commerce" and any activity or industry "affecting commerce" within the meaning of the Labor Management Relations Act, 1947 (29 U.S.C 141 et seq.).

(2) EMPLOY.—The term "employ" has the same meaning given the term in section 3(g)

of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(g)).

(3) EMPLOYEE.—The term "employee" means an individual that is included under the definition of such term in section 3(e) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(e)) who has been employed by the employer with respect to whom benefits are sought under this Act for at least—

(A) 900 hours of service during the previous 12-month period; and

(B) 12 months.

(4) EMPLOYER.—The term "employer"—

(A) means any person engaged in commerce or in any industry or activity affecting commerce who—

(i) during the 3-year period beginning after the date of enactment of this Act, employs 50 or more employees for each working day during each of 20 or more calendar workweeks in the current or preceding calendar year; or

(ii) after the period described in clause (i), employs 35 or more employees for each working day during each of 20 or more calendar workweeks in the current or preceding calendar year;

(B) includes—

(i) any person who acts directly or indirectly in the interest of an employer to one or more employees; and

(ii) any successor in interest of such an employer; and

(C) includes any public agency, as defined in section 3(x) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(x)).

(5) EMPLOYMENT BENEFITS.—The term "employment benefits" means all benefits provided or made available to employees by an employer, including group life insurance, health insurance, disability insurance, sick leave, annual leave, educational benefits, and pensions, regardless of whether the benefits are provided by a policy or practice of an employer or by an employee benefit plan as defined in section 3(3) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002(1)).

(6) HEALTH CARE PROVIDER.—The term "health care provider" means—

(A) any person licensed under Federal, State, or local law to provide health care services, or

(B) any other person determined by the Secretary to be capable of providing health care services.

(7) PARENT.—The term "parent" means a biological, foster, or adoptive parent, a parent-in-law, a stepparent, or a legal guardian.

(8) PERSON.—The term "person" has the same meaning given the term in section 3(a) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(a)).

(9) REDUCED LEAVE SCHEDULE.—The term "reduced leave schedule" means leave scheduled for fewer than the usual number of hours of an employee per workweek or hours per workday.

(10) SECRETARY.—The term "Secretary" means the Secretary of Labor.

(11) SERIOUS HEALTH CONDITION.—The term "serious health condition" means an illness, injury, impairment, or physical or mental condition that involves—

(A) inpatient care in a hospital, hospice, or residential medical care facility; or

(B) continuing treatment or continuing supervision by a health care provider.

(12) SON OR DAUGHTER.—The term "son or daughter" means a biological, adopted, or foster child, a stepchild, a legal ward, or a child of a de facto parent, who is—

(A) under 18 years of age; or

(B) 18 years of age or older and incapable of self-care because of a mental or physical disability.

(13) STATE.—The term "State" has the same meaning given the term in section 3(c) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(c)).

SEC. 103. PARENTAL LEAVE REQUIREMENT.

(a) IN GENERAL.—

(1) ENTITLEMENT TO LEAVE.—An employee shall be entitled, subject to section 104, to 10 workweeks of parental leave during any 24-month period—

(A) as the result of the birth of a son or daughter of the employee;

(B) as the result of the placement, for adoption or foster care, of a son or daughter with the employee; or

(C) in order to care for the employee's son or daughter who has a serious health condition.

(2) EXPIRATION OF ENTITLEMENT.—The entitlement to leave under paragraphs (1)(A) and (1)(B) shall expire at the end of the 6-month period beginning on the date of such birth or placement.

(3) INTERMITTENT LEAVE.—In the case of a son or daughter who has a serious health condition, such leave may be taken intermittently when medically necessary, subject to subsection (e).

(b) REDUCED LEAVE.—On agreement between the employer and the employee, leave under this section may be taken on a reduced leave schedule, however, such reduced leave schedule shall not result in a reduction in the total amount of leave to which the employee is entitled.

(c) UNPAID LEAVE PERMITTED.—Except as provided in subsection (d), leave granted under subsection (a) may consist of unpaid leave.

(d) RELATIONSHIP TO PAID LEAVE.—

(1) UNPAID LEAVE.—If an employer provides paid parental leave for fewer than 10 workweeks, the additional weeks of leave added to attain the 10 workweek total may be unpaid.

(2) SUBSTITUTION OF PAID LEAVE.—An employee or employer may elect to substitute any of the employee's accrued paid vacation leave, personal leave, or other appropriate paid leave for any part of the 10-week period.

(e) FORESEEABLE LEAVE.—

(1) REQUIREMENT OF NOTICE.—In any case in which the necessity for leave under this section is foreseeable based on an expected birth or adoption, the employee shall provide the employer with prior notice of such expected birth or adoption in a manner which is reasonable and practicable.

(2) DUTIES OF EMPLOYEE.—In any case in which the necessity for leave under this section is foreseeable based on planned medical treatment or supervision, the employee shall—

(A) make a reasonable effort to schedule the treatment or supervision so as not to disrupt unduly the operations of the employer, subject to the approval of the health care provider of the employee's son or daughter; and

(B) provide the employer with prior notice of the treatment or supervision in a manner which is reasonable and practicable.

(3) REGULATIONS.—The Secretary shall promulgate regulations under section 107(a) that define the term "reasonable and practicable" for purposes of paragraphs (1) and (2)(B).

(f) SPOUSES EMPLOYED BY THE SAME EMPLOYER.—In any case in which a husband and wife entitled to parental leave under this section are employed by the same employer, the aggregate number of workweeks of parental leave to which both may be entitled may be limited to 10 workweeks during any 24-month period, if such leave is taken under subparagraph (A) or (B) of subsection (a)(1).

SEC. 104. CERTIFICATION.

(a) IN GENERAL.—An employer may require that a claim for parental leave under section 103(a)(1)(C), be supported by certification issued by the health care provider of the son or daughter, whichever is appropriate. The employee shall provide a copy of such certification to the employer.

(b) SUFFICIENT CERTIFICATION.—The certification shall be considered sufficient if it states—

(1) the date on which the serious health condition commenced;

(2) the probable duration of the condition;

(3) the appropriate medical facts within the knowledge of the provider regarding the condition; and

(4) for purposes of leave under section 103(a)(1)(C), an estimate of the amount of time that the employee is needed to care for the son or daughter.

(c) SECOND OPINION.—

(1) IN GENERAL.—In any case in which the employer has reason to doubt the validity of the certification provided under subsection (a), the employer may require, at its own expense, that the employee obtain the opinion of a second health care provider designated or approved by the employer concerning the information certified under subsection (b).

(2) LIMITATION.—Any health care provider designated or approved under paragraph (1) may not be employed on a regular basis by the employer.

(d) RESOLUTION OF CONFLICTING OPINIONS.—

(1) IN GENERAL.—In any case in which the second opinion described in subsection (c) differs from the original certification provided under subsection (a), the employer may require, at its own expense, that the employee obtain the opinion of a third health care provider concerning the information certified under subsection (b).

(2) FINALITY.—The opinion of the third health care provider concerning the information certified under subsection (b) shall be considered to be final and shall be binding on the employer and the employee.

(e) SUBSEQUENT RECERTIFICATION.—The employer may require that the employee obtain subsequent recertifications on a reasonable basis at the expense of the employer.

SEC. 105. EMPLOYMENT AND BENEFITS PROTECTION.

(a) RESTORATION TO POSITION.—

(1) IN GENERAL.—Any employee who takes leave under section 103 for its intended purpose shall be entitled, on return from the leave—

(A) to be restored by the employer to the position of employment held by the employee when the leave commenced; or

(B) to be restored to an equivalent position with equivalent employment benefits, pay, and other terms and conditions of employment.

(2) LOSS OF BENEFITS.—The taking of leave under this title shall not result in the loss of any employment benefit accrued before the date on which the leave commenced.

(3) LIMITATIONS.—Except as provided in subsection (b), nothing in this section shall be considered to entitle any restored employee to—

(A) the accrual of any seniority or employment benefits during any period of leave; or

(B) any right, benefit, or position of employment other than that to which the employee was entitled to on the date the leave was commenced.

(4) CERTIFICATION.—As a condition to restoration under paragraph (1), the employer may have a policy that requires each employee to receive certification from the employee's health care provider that the employee is able to resume work.

(5) CONSTRUCTION.—Nothing in this subsection shall be construed to prohibit an employer from requiring an employee on leave under section 103 to periodically report to the employer on the employee's status and intention to return to work.

(b) MAINTENANCE OF HEALTH BENEFITS.—During any period an employee takes leave under section 103, the employer shall maintain coverage under any group health plan (as defined in section 162(i)(3) of the Internal Revenue Code of 1954) for the duration of such leave at the level and under the conditions coverage would have been provided if the employee had continued in employment continuously from the date the employee commenced the leave until the date the employee is restored under subsection (a), or otherwise legally discharged.

SEC. 106. PROHIBITED ACTS.

(a) INTERFERENCE WITH RIGHTS.—

(1) EXERCISE OF RIGHTS.—It shall be unlawful for any employer to interfere with, restrain, or deny the exercise of or the attempt to exercise, any right provided under this title.

(2) DISCRIMINATION.—It shall be unlawful for any employer to discharge or in any other manner discriminate against any individual for opposing any practice made unlawful by this title.

(b) INTERFERENCE WITH PROCEEDINGS OR INQUIRIES.—It shall be unlawful for any person to discharge or in any other manner discriminate against any individual because the individual—

(1) has filed any charge, or has instituted or caused to be instituted any proceeding, under or related to this title;

(2) has given or is about to give any information in connection with any inquiry or proceeding relating to any right provided under this title; or

(3) has testified or is about to testify in any inquiry or proceeding relating to any right provided under this title.

SEC. 107. ADMINISTRATIVE ENFORCEMENT.

(a) IN GENERAL.—The Secretary shall issue such rules and regulations as are necessary to carry out this section, including rules and regulations concerning service of complaints, notice of hearings, answers and amendments to complaints, and copies of orders and records of proceedings.

(b) CHARGES.—

(1) FILING.—Any person alleging an act that violates this title may file a charge respecting the violation with the Secretary. Charges shall be in such form and contain such information as the Secretary shall require by regulation.

(2) NOTIFICATION.—Not later than 15 days after the Secretary receives notice of a charge under paragraph (1), the Secretary shall—

(A) serve a notice of the charge on the person charged with the violation; and

(B) inform such person and the charging party as to the rights and procedures provided under this title.

(3) TIME OF FILING.—A charge may not be filed later than 1 year after the date of the last event constituting the alleged violation.

(c) PROCESS ON NOTICE OF A CHARGE, INVESTIGATION, COMPLAINT.—

(1) INVESTIGATION.—Within the 60-day period after the Secretary receives any charge, the Secretary shall investigate the charge and issue a complaint based on the charge or dismiss the charge.

(2) COMPLAINT BASED ON CHARGE.—If the Secretary determines that there is a reasonable basis for the charge, the Secretary shall issue a complaint based on the charge and promptly notify the charging party and the respondent as to the issuance.

(3) DISMISSAL.—If the Secretary determines that there is no reasonable basis for the charge, the Secretary shall dismiss the charge and promptly notify the charging party and the respondent as to the dismissal.

(4) SETTLEMENT AGREEMENTS.—

(A) WITH CHARGING PARTY.—The charging party and the respondent may enter into a settlement agreement concerning the violation alleged in the charge before any determination is reached by the Secretary under this subsection. To be effective such an agreement must be determined by the Secretary to be consistent with the purposes of this title.

(B) WITH SECRETARY.—On the issuance of a complaint, the Secretary and the respondent may enter into a settlement agreement concerning a violation alleged in the complaint. Any such settlement may not be entered into over the objection of the charging party, unless the Secretary determines that the settlement provides a remedy for the charging party.

(5) CIVIL ACTIONS.—If, at the end of the 60-day period referred to in paragraph (1), the Secretary—

(A) has not issued a complaint under paragraph (2);

(B) has dismissed the charge under paragraph (3); or

(C) has not approved or entered into a settlement agreement under subparagraph (A) or (B) of paragraph (4);

the charging party may elect to bring a civil action under section 108.

(6) COMPLAINT AND RELIEF ON SECRETARY'S INITIATIVE.—

(A) ISSUANCE.—The Secretary may issue and serve a complaint alleging a violation of this title on the basis of information and evidence gathered as a result of an investigation initiated by the Secretary pursuant to section 109.

(B) RELIEF.—

(i) IN GENERAL.—On issuance of a complaint, the Secretary shall have the power to petition the United States district court for the district in which the violation is alleged to have occurred, or in which the respondent resides or transacts business, for appropriate temporary relief or a restraining order.

(ii) NOTICE.—On the filing of any such petition, the court shall cause notice of the petition to be served on the respondent.

(iii) TYPE OF RELIEF.—The court shall have jurisdiction to grant to the Secretary such temporary relief or restraining order as the court considers just and proper.

(d) RIGHTS OF PARTIES.—

(1) SERVICE OF COMPLAINT.—In any case in which a complaint is issued under subsection (c), the Secretary shall, not later than 10 days after the date on which the complaint is issued, cause to be served on the respondent a copy of the complaint.

(2) PARTIES TO COMPLAINT.—Any person filing a charge alleging a violation of this title may elect to be a party to any complaint filed by the Secretary alleging the violation. The election must be made before the commencement of a hearing.

(3) CIVIL ACTION.—The failure of the Secretary to comply in a timely manner with any obligation assigned to the Secretary under this title shall entitle the charging party to elect, at the time of such failure, to bring a civil action under section 108.

(e) CONDUCT OF HEARING.—

(1) PROSECUTION BY SECRETARY.—The Secretary shall prosecute any complaint issued under subsection (c).

(2) HEARING.—An administrative law judge shall conduct a hearing on the record with respect to a complaint issued under this title. The hearing shall be conducted in accordance with sections 554, 555, and 556 of title 5, United States Code, and shall be commenced within 60 days after the issuance of the complaint, unless the judge, in the judge's discretion, determines that the purposes of this Act would best be furthered by commencement of the action after the expiration of such period.

(f) FINDINGS AND CONCLUSIONS.—

(1) IN GENERAL.—After a hearing is conducted under this section, the administrative law judge shall promptly make findings of fact and conclusions of law, and, if appropriate, issue an order for relief as provided in section 110.

(2) NOTIFICATION CONCERNING DELAY.—The administrative law judge shall inform the parties, in writing, of the reason for any delay in making the findings and conclusions if the findings and conclusions are not made within 60 days after the conclusion of the hearing.

(g) FINALITY OF DECISION; REVIEW.—

(1) FINALITY.—The decision and order of the administrative law judge shall become the final decision and order of the Secretary unless, on appeal by an aggrieved party taken not later than 30 days after the action, the Secretary modifies or vacates the decision, in which case the decision of the Secretary shall be the final decision.

(2) REVIEW.—Not later than 60 days after the entry of the final order of the Secretary under paragraph (1), any person aggrieved by the final order may obtain a review of the order in the United States court of appeals for the circuit in which the violation is alleged to have occurred or in which the employer resides or transacts business.

(3) JURISDICTION.—On the filing of the record with the court, the jurisdiction of the court shall be exclusive and its judgment shall be final, except that the same shall be subject to review by the Supreme Court of the United States on writ of certiorari or certification as provided in section 1254 of title 28, United States Code.

(h) COURT ENFORCEMENT OF ADMINISTRATIVE ORDERS.—

(1) POWER OF SECRETARY.—If a respondent does not appeal an order of the Secretary under subsection (g)(2), the Secretary may petition the United States district court for the district in which the violation is alleged to have occurred, or in which the respondent resides or transacts business, for the enforcement of the order of the Secretary, by filing in the court a written petition praying that the order be enforced.

(2) JURISDICTION.—On the filing of the petition, the court shall have jurisdiction to make and enter a decree enforcing the order of the Secretary. In the proceeding, the

order of the Secretary shall not be subject to review.

(3) DECREE OF ENFORCEMENT.—If, on appeal of an order under subsection (g)(2), the United States court of appeals does not reverse or modify the order, the court shall have the jurisdiction to make and enter a decree enforcing the order of the Secretary.

SEC. 108. ENFORCEMENT BY CIVIL ACTION.

(a) RIGHT TO BRING CIVIL ACTION.—

(1) IN GENERAL.—Subject to the limitations in this section, an employee or the Secretary may bring a civil action against any employer to enforce the provisions of this title in any appropriate court of the United States or in any State court of competent jurisdiction.

(2) NO CHARGE FILED.—Subject to paragraph (3), a civil action may be commenced under this subsection without regard to whether a charge has been filed under section 107(b).

(3) LIMITATIONS.—No civil action may be commenced under paragraph (1) if the Secretary—

(A) has approved, or has failed to disapprove, a settlement agreement under section 107(c)(4), in which case no civil action may be filed under this subsection if the action is based on a violation alleged in the charge and resolved by the agreement; or

(B) has issued a complaint under section 107(c)(2) or 107(c)(6), in which case no civil action may be filed under this subsection if the action is based on a violation alleged in the complaint.

(4) TO ENFORCE SETTLEMENT AGREEMENTS.—Notwithstanding paragraph (3)(A), a civil action may be commenced to enforce the terms of any such settlement agreement.

(5) TIMING OF COMMENCEMENT OF CIVIL ACTION.—

(A) IN GENERAL.—Except as provided in subparagraph (B), no civil action may be commenced more than 1 year after the date on which the alleged violation occurred.

(B) EXCEPTION.—In any case in which—

(i) a timely charge is filed under section 107(b); and

(ii) the failure of the Secretary to issue a complaint or enter into a settlement agreement based on the charge (as provided under section 107(c)(4)) occurs more than 11 months after the date on which any alleged violation occurred,

the employee may commence a civil action not more than 30 days after the date on which the employee is notified of the failure.

(6) AGENCIES.—The Secretary may not bring a civil action against any agency of the United States.

(b) VENUE.—An action brought under subsection (a) in a district court of the United States may be brought—

(1) in any appropriate judicial district under section 1391 of title 28, United States Code; or

(2) in the judicial district in the State in which—

(A) the employment records relevant to the violation are maintained and administered; or

(B) the aggrieved person worked or would have worked but for the alleged violation.

(c) NOTIFICATION OF THE SECRETARY; RIGHT TO INTERVENE.—A copy of the complaint in any action brought by an employee under subsection (a) shall be served on the Secretary by certified mail. The Secretary shall have the right to intervene in a civil action brought by an employee under subsection (a).

(d) ATTORNEYS FOR THE SECRETARY.—In any civil action brought under subsection (a), attorneys appointed by the Secretary may appear for and represent the Secretary, except that the Attorney General and the Solicitor General shall conduct any litigation in the Supreme Court.

SEC. 109. INVESTIGATIVE AUTHORITY.

(a) IN GENERAL.—To ensure compliance with the provisions of this title, or any regulation or order issued under this title, subject to subsection (c), the Secretary shall have the investigative authority provided under section 11(a) of the Fair Labor Standards Act of 1938 (29 U.S.C. 211(a)).

(b) OBLIGATION TO KEEP AND PRESERVE RECORDS.—An employer shall keep and preserve records in accordance with section 11(c) of such Act, and in accordance with regulations issued by the Secretary.

(c) REQUIRED SUBMISSIONS GENERALLY LIMITED TO AN ANNUAL BASIS.—The Secretary may not under this section require any employer or any plan, fund, or program to submit to the Secretary any books or records more than once in any 12-month period, unless the Secretary has reasonable cause to believe there may exist a violation of this title or any regulation or order issued pursuant to this title, or is investigating a charge brought pursuant to section 107.

(d) SUBPOENA POWERS, ETC.—For purposes of any investigation conducted under this section, the Secretary shall have the subpoena authority provided under section 9 of the Fair Labor Standards Act of 1938 (29 U.S.C. 209).

(e) DISSEMINATION OF INFORMATION.—The Secretary may make available to any person substantially affected by any matter that is the subject of an investigation under this section, and to any department or agency of the United States, information concerning any matter that may be the subject of the investigation.

SEC. 110. RELIEF.

(a) INJUNCTIVE RELIEF.—

(1) CEASE AND DESIST.—On finding a violation under section 107 by a person, an administrative law judge shall issue an order requiring the person to cease and desist from any act or practice that violates this title.

(2) INJUNCTIONS.—In any civil action brought under section 108, a court may grant as relief any permanent or temporary injunction, temporary restraining order, or other equitable relief as the court considers appropriate.

(b) MONETARY DAMAGES.—

(1) IN GENERAL.—Any employer that violates this title shall be liable to the injured party in an amount equal to—

(A) any wages, salary, employment benefits, or other compensation denied or lost to the employee by reason of the violation, plus interest on the total monetary damages calculated at the prevailing rate; and

(B) an additional amount equal to the greater of—

(i) the amount determined under subparagraph (A), as liquidated damages; or

(ii) the amount of consequential damages but not to exceed three times the amount determined under subparagraph (A).

(2) GOOD FAITH.—If an employer who has violated this title proves to the satisfaction of the court that the act or omission which violated this title was in good faith and that the employer had reasonable grounds for believing that the act or omission was not a violation of this title, the court may, in its discretion, reduce the amount of the liability or penalty provided for under this subsection to the amount determined under paragraph (1)(A).

(c) ATTORNEYS' FEES.—A prevailing party (other than the United States) may be awarded a reasonable attorneys' fee as part of the costs, in addition to any relief awarded. The United States shall be liable for costs in the same manner as a private person.

(d) LIMITATION.—Damages awarded under subsection (b) may not accrue from a date more than 2 years before the date on which a charge is filed under section 107(b) or a civil action is brought under section 108.

SEC. 111. NOTICE.

(a) IN GENERAL.—Each employer shall post and keep posted, in conspicuous places on the premises of the employer where notices to employees and applicants for employment are customarily posted, a notice, approved by the Secretary, setting forth excerpts from, or summaries of, the pertinent provisions of this title and information pertaining to the filing of a charge.

(b) PENALTY.—Any employer who willfully violates this section shall be fined not more than $100 for each separate offense.

TITLE II—PARENTAL LEAVE FOR CIVIL SERVICE EMPLOYEES

SEC. 201. PARENTAL LEAVE.

(a) IN GENERAL.—(1) Chapter 63 of title 5, United States Code, is amended by adding at the end thereof the following new subchapter:

"SUBCHAPTER III—PARENTAL LEAVE

"§ 6331. Definitions

"For purposes of this subchapter:

"(1) 'employee' means—

"(A) an employee as defined by section 6301(2) of this title (excluding an individual employed by the government of the District of Columbia); and

"(B) an individual under clause (v) or (ix) of such section;

who has been employed for at least 12 months and completed at least 900 hours of service during the previous 12-month period.

"(2) 'serious health condition' means an illness, injury, impairment, or physical or mental condition that involves—

"(A) inpatient care in a hospital, hospice, or residential medical care facility; or

"(B) continuing treatment, or continuing supervision, by a health care provider; and

"(3) 'son or daughter' means a biological, adopted, or foster child, a stepchild, a legal ward, or a child of a de facto parent, who is—

"(A) under 18 years of age; or

"(B) 18 years of age or older and incapable of self-care because of a mental or physical disability.

"§ 6332. Parental leave requirement

"(a)(1) An employee shall be entitled, subject to section 6333, to 10 workweeks of parental leave during any 24-month period—

"(A) as the result of the birth of a son or daughter of the employee;

"(B) as the result of the placement, for adoption or foster care, of a son or daughter with the employee; or

"(C) in order to care for the employee's son or daughter who has a serious health condition.

"(2) The entitlement to leave under paragraphs (1)(A) and (1)(B) shall expire at the end of the 6-month period beginning on the date of such birth or placement.

"(3) In the case of a son or daughter who has a serious health condition, such leave may be taken intermittently when medically necessary, subject to subsection (e).

"(b) On agreement between the employing agency and the employee, leave under this section may be taken on a reduced leave schedule, however, such reduced leave schedule shall not result in a reduction in the total amount of leave to which the employee is otherwise entitled.

"(c) Except as provided in subsection (d), leave granted under subsection (a) may consist of unpaid leave.

"(d)(1) If an employing agency provides paid parental leave for fewer than 10 workweeks, the additional weeks of leave added to attain the 10 workweek total may be unpaid.

"(2) An employee or employing agency may elect to substitute any of the employee's accrued paid vacation leave, personal leave, or other appropriate paid leave for any part of the 10-week period.

"(e)(1) In any case in which the necessity for leave under this section is foreseeable based on an expected birth or adoption, the employee shall provide the employing agency with prior notice of such expected birth or adoption in a manner which is reasonable and practicable.

"(2) In any case in which the necessity for leave under this section is foreseeable based on planned medical treatment or supervision, the employee shall—

"(A) make a reasonable effort to schedule the treatment or supervision so as not to disrupt unduly the operations of the employing agency, subject to the approval of the health care provider of the employee's son or daughter; and

"(B) provide the employing agency with prior notice of the treatment or supervision in a manner which is reasonable and practicable.

"(3) The Director of the Office of Personnel Management shall promulgate regulations that define the term 'reasonable and practicable' for purposes of paragraphs (1) and (2)(B).

"§ 6333. Certification

"(a) An employing agency may require that a claim for parental leave under section 6332(a)(10)(C), be supported by certification issued by the health care provider of the son or daughter, whichever is appropriate. The employee shall provide a copy of such certification to the employing agency.

"(b) The certification shall be considered sufficient if it states—

"(1) the date on which the serious health condition commenced;

"(2) the probable duration of the condition;

"(3) the appropriate medical facts within the knowledge of the provider regarding the condition; and

"(4) for purposes of leave under section 6332(a)(1)(C), an estimate of the amount of time that the employee is needed to care for the son or daughter.

"(c)(1) In any case in which the employing agency has reason to doubt the validity of the certification provided under subsection (a), the employing agency may require, at its expense, that the employee obtain the opinion of a second health care provider designated or approved by the employing agency concerning the information certified under subsection (b).

"(2) Any health care provider designated or approved under paragraph (1) may not be employed on a regular basis by the employing agency.

"(d)(1) In any case in which the second opinion described in subsection (c) differs from the original certification provided under subsection (a), the employing agency may require, at its expense, that the employee obtain the opinion of a third health care provider concerning the information certified under subsection (b).

"(2) The opinion of the third health care provider concerning the information certified under subsection (b) shall be considered to be final and shall be binding on the employing agency and the employee.

"(e) The employing agency may require that the employee obtain subsequent recertifications on a reasonable basis.

"§ 6334. Job protection

"An employee who uses leave under section 6332 of this title shall be entitled, on return from the leave—

"(1) to be restored to the position of employment held by the employee when the leave commenced; or

"(2) to be restored to an equivalent position with equivalent employment benefits, pay, and other terms and conditions of employment.

"§ 6335. Prohibition of coercion

"(a) An employee may not directly or indirectly intimidate, threaten, or coerce, or attempt to intimidate, threaten, or coerce, any other employee for the purpose of interfering with the exercise of the rights of the employee under this subchapter.

"(b) For the purpose of this section, 'intimidate, threaten, or coerce' includes promising to confer or conferring any benefit (such as appointment, promotion, or compensation), or taking or threatening to take any reprisal (such as deprivation of appointment, promotion, or compensation).

"§ 6336. Health insurance

"An employee enrolled in a health benefits plan under chapter 89 of this title who is placed in a leave status under section 6332 of this title may elect to continue the health benefits enrollment of the employee while in leave status and arrange to pay into the Employees Health Benefits Fund (described in section 8909 of this title), through the employing agency of the employee, the appropriate employee contributions.

"§ 6337. Regulations

"The Office of Personnel Management shall prescribe regulations necessary for the administration of this subchapter. The regulations prescribed under this subchapter shall be consistent with the regulations prescribed by the Secretary of Labor under title I of the Parental Leave Act of 1989.".

(2) The table of contents for chapter 63 of title 5, United States Code, is amended by adding at the end thereof the following:

"SUBCHAPTER III—PARENTAL LEAVE

"6331. Definitions.
"6332. Parental leave requirement.
"6333. Certification.
"6334. Job protection.
"6335. Prohibition of coercion.
"6336. Health insurance.
"6337. Regulations.".

(b) EMPLOYEES PAID FROM NONAPPROPRIATED FUNDS.—Section 2105(c)(1) of title 5, United States Code, is amended by striking out "53" and inserting in lieu thereof "53, subchapter III of chapter 63,".

TITLE III—MISCELLANEOUS PROVISIONS

SEC. 301. EFFECT ON OTHER LAWS.

(a) FEDERAL AND STATE ANTIDISCRIMINATION LAWS.—Nothing in this Act shall be construed to modify or affect any Federal or State law prohibiting discrimination on the basis of race, religion, color, national origin, sex, age, or handicapped status.

(b) STATE AND LOCAL LAWS.—Nothing in this Act shall be construed to supersede any provision of any State or local law that provides greater parental rights than the rights established under this Act.

SEC. 302. EFFECT ON EXISTING EMPLOYMENT BENEFITS.

(a) MORE PROTECTIVE.—Nothing in this Act shall be construed to diminish the obligation of an employer to comply with any collective-bargaining agreement or any employment benefit program or plan that provides greater parental rights to employees than the rights provided under this Act.

(b) LESS PROTECTIVE.—The rights provided to employees under this Act may not be diminished by any collective-bargaining agreement or any employment benefit program or plan.

SEC. 303. ENCOURAGEMENT OF MORE GENEROUS LEAVE POLICIES.

Nothing in this Act shall be construed to discourage employers from adopting or retaining leave policies more generous than any policies that comply with the requirements under this Act.

SEC. 304. REGULATIONS.

Not later than 60 days after the date of enactment of this Act, the Secretary shall prescribe such regulations as are necessary to carry out title I.

SEC. 305. EFFECT ON SMALL BUSINESSES.

Not later than 2 years after the effective date of this Act, the Secretary of Labor shall conduct a study to determine the effect of this Act on businesses with less than 50 employees and submit a report to Congress on the results of such study.

By Mr. KERRY:

S. 952. A bill to stimulate the design, development, and manufacture of high definition television technology, and for other purposes; to the Committee on Commerce, Science, and Transportation.

HIGH DEFINITION TELEVISION DEVELOPMENT ACT

● Mr. KERRY. Mr. President, I am today introducing legislation that would permit U.S. companies to move forward with the development and marketing of high definition television in a consortium or other cooperative effort free of restrictions from U.S. antitrust laws.

While the Senate has been advised that the administration is now considering such a provision, it is clear that the United States is already behind Japan in the development of high definition television, and that if we do not act quickly, whatever opportunity we may have to get into the market will disappear.

Today, the Secretary of Commerce, Robert Mosbacher, testified before the Senate Committee on Commerce, and told us that the U.S. Government should not get into the business of picking winners and losers, that it was up to industry to lead the way, and that the Government's role in the de-

velopment of markets should be very limited.

I asked Secretary Mosbacher whether in his view the development of a U.S. high definition television industry was essential to U.S. security. Secretary Mosbacher said that it is, because whoever controls that industry in the future will have a leg up in controlling computers, semiconductors, and other industries essential to the national security of the United States.

I then asked Secretary Mosbacher if United States companies could compete with Japan in the development of high definition television if we did not give them an exemption from United States antitrust laws.

Secretary Mosbacher said he believed they could not.

I then asked Secretary Mosbacher if the administration would support legislation, such as this bill, to exempt the high definition television industry from the application of U.S. antitrust laws.

Secretary Mosbacher said that the issue was under review by the administration and he could not say whether it would or would not.

I frankly do not understand the hesitation on the part of the administration in reaching a decision that is this urgent. If the United States interferes with the ability of U.S. industry to go forward into high definition television, we won't be picking winners and losers, but turning a possible winner into a nonstarter.

I think we should not sit by and just watch while the Japanese move in to dominate high definition television as they have consumer electronics, and increasingly, computer chips, computers, and many other industries we once dominated and gave away.

For years, our Government has chosen to adopt a hands-off policy to technological development. The miracle of the marketplace may wind up being Japan's miracle, and our mistake.

There are aspects of the Japanese model of a partnership between government and business that we must emulate if we are not to be shut out of emerging technologies.

The legislation I am introducing would exempt joint ventures which seek to develop and market HDTV from antitrust regulations which today would prevent United States companies from cooperating with another to beat Japan to the development of this multibillion dollar market. The legislation mirrors provisions of legislation previously filed by Congressman RITTER in the House. However, unlike the Ritter legislation, it does not appropriate any Federal funds for intervention in the high definition area. Instead, it merely ensures that U.S. industry will not be impeded by antitrust laws from going forward with HDTV development and marketing.

One issue that we need to face is the fact that in eliminating the antitrust exemptions for HDTV, we may be creating a production and marketing monster for the future in the form of a U.S. consortium with enormous economic power. I think that prospect should be of legitimate concern to us as we go down that path. However, I think it is becoming very clear that if we fail to act, we will have no HDTV production capability at all in the United States.

I believe that a U.S.-controlled consortium may be the least bad outcome available to us under the present circumstances, and that recognizing the threat of monopoly that such a consortium poses, we should still go ahead and eliminate the antitrust provisions, including marketing, that today impede the development of such a consortium for HDTV.

I am convinced that the primary issue today is not whether U.S. corporations are engaging in monopolistic activity when it comes to consumer electronics—but whether they are going to engage in any activity whatsoever. We should not stand by idly while foreign corporations continue to grab markets that could have been ours. In the case of HDTV, the stakes are too high. I urge swift consideration and passage of this legislation.

I ask unanimous consent that the legislation be reprinted in full in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 952

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "High Definition Television Development Act of 1989."

SEC. 2. FINDINGS.

The Congress finds that—

(1) maintaining a viable domestic electronics industry is vital to both the national security and the economic well-being of the United States;

(2) the significant decrease in consumer electronics market share held by United States companies has led to the loss of United States leadership in designing, developing, and manufacturing electronics products and processes;

(3) high definition television is a cutting edge consumer electronics technology which offers markedly superior video display, and is estimated to become a $20,000,000,000 industry by the mid-1990's;

(4) development of high definition television technology by American industries is critically important to the Nation's economy and security, and it is vital that the Nation attain a leadership role and capability in the development, design and manufacture of high definition television and related technologies;

(5) offshore industries have successfully conducted research and product development in a variety of areas related to high definition television, and have been highly successful in the resulting commercial applications;

(6) government action and industry cooperation are necessary to ensure that domestic industries engage in long-term high definition television research and development, and manufacture of high definition television products and related technologies; and

(7) it is necessary for the Congress to take the actions required by this Act to encourage and facilitate the development and manufacture of domestically produced high definition television technologies.

SEC. 3. DEFINITIONS.

(1) The term "Secretary" means the Secretary of Commerce.

(2) the term "HDTV technology" means equipment and techniques required to create, transmit, receive, displace, process, record, store, recover and play back high definition television images and accompanying sound material.

(3) the term "cooperative HDTV enterprise" means any organization, joint venture, or partnership of domestic designers or manufacturers (or both) of broadcast or cable television technologies for the purposes of—

(A) discussions, considerations, review, actions, or agreements concerning HDTV technology;

(B) conducting research on, or design, development, or manufacture of, HDTV technology; or

(C) any combination of the activities described in subparagraphs (A) and (B).

TITLE I—AUTHORITY TO ENGAGE IN JOINT ACTIONS TO PROMOTE DEVELOPMENT

SEC. 101. FINDINGS.

The Congress finds that—

(1) the efficient deployment of HDTV and HDTV technologies will require significant cooperative efforts by domestic companies;

(2) current statutory restrictions make it impossible for many companies now involved in research, design and development of HDTV technologies to cooperate or engage in joint ventures designed to facilitate domestic HDTV development and manufacture; and

(3) cooperative efforts and joint ventures by domestic companies must be encouraged to foster domestic HDTV technology research, design, development and manufacture.

SEC. 102. TREATMENT OF HDTV JOINT VENTURES UNDER THE COMMUNICATIONS ACTS OF 1934.

Section 313 of the Communications Act of 1934 is amended—

(1) by inserting before the period at the end of the first sentence of subsection (a) the following: ", except for activities conducted in accordance with subsection (c)"; and

(2) by adding at the end thereof the following:

"(c) The sentence of subsection (a) of this section shall not apply to any cooperative HDTV enterprise (as that term is defined in section 3 of the High Definition Television Development Act of 1989) engaged in a joint research, development, or production venture with respect to which a notification is in effect under section 6 of the National Cooperative Research Act of 1984 (15 U.S.C. 4305).".

SEC. 103. TREATMENT OF HDTV JOINT VENTURES UNDER THE NATIONAL COOPERATIVE RESEARCH ACT OF 1984.

Section 2 of the National Cooperative Research Act of 1984 is amended by adding at the end thereof the following:

(c)(1) Notwithstanding subsection (b), the term "joint research and development venture" includes, with respect to a cooperative HDTV enterprise—

"(A) discussions, considerations, review, actions or agreements concerning HDTV technology;

"(B) conducting research on, or design, development, or manufacture of, HDTV technology; or

"(C) any combination of the activities described in subparagraphs (A) and (B).

(2) As used in this subsection, the terms "cooperative HDTV enterprise" and "HDTV technology" have the meanings provided in section 3 of the High Definition Television Development Act of 1989.".

TITLE II—INTERNATIONAL TRADE

SEC. 201. RESPONSIBILITIES OF THE SECRETARY.

The Secretary shall, within 90 days after the date of enactment of this Act, submit a report to the President and the Congress on the implications for international trade of HDTV technology. Such report shall include such recommendations as the Secretary considers appropriate on methods by which Federal laws governing international trade may promote the development and viability of domestic manufacturers of HDTV technology.●

By Mr. SIMPSON:

S. 953. A bill to amend the Immigration and Nationality Act to revise the grounds for exclusion from admission into the United States; to the Committee on the Judiciary.

IMMIGRATION EXCLUSIONS

Mr. SIMPSON. Mr. President, let me insert into the RECORD a piece of legislation that would revise our present system of immigration exclusions. I think this is an important measure. I want to present this for my thoughtful colleagues.

We have presently 33 grounds upon which we may deny entry to aliens seeking admission to the United States. Those grounds of exclusion fall into categories like public health danger, economic burden, past criminal or unsocial behavior, previous immigration violations, threat to U.S. security. However, many of those exclusions were written over 35 years ago. Some are very antiquated, some are no longer good national policy.

So the bill I am introducing is somewhat similar to legislation substantially agreed to by Congressman BARNEY FRANK, whom I have worked with over the years on immigration matters. I enjoy very much working with him. We do not really vote together very much, but we like to legislate together. The Reagan administration also looked carefully at this.

It addressed certain differences that Congressman FRANK and the Reagan administration were not able to resolve, but in general I think there is much bipartisan agreement on the proposals. It would not delete any of the major categories of exclusion, but it would modernize most of the present exclusions, particularly in the public health area, and would make the following notable changes:

First is the ideological exclusion. We reached a compromise between myself and Senator PAT MOYNIHAN last year on the foreign operations appropriations bill. We no longer exclude temporary immigrants because of their past writings, their beliefs, or membership in certain organizations. However, permanent immigrants must receive a waiver if they are excludable on the above grounds.

My legislation would continue this very liberal treatment of temporary immigrants while requiring permanent immigrants to seek a waiver from memberships in any of the prescribed organizations, but, of course, not for their writings or their speech.

Aliens who are national security or terrorist threats or whose admission would have a serious effect on U.S. foreign policy would still remain excludable.

I strongly believe that no aliens should be excluded from the United States merely because he or she wrote a book, gave a speech, or would wish to give a speech in the United States that most Americans would likely disagree with or find totally offensive. That is fine. We are a big country, and we can handle all of those.

I also believe that membership in the Communist Party should not be the sole reason for preventing an alien from coming to the United States to visit, to speak, or attend lectures or otherwise temporarily remain in the country. However, I really believe that applicants for permanent residence should have their past activities in the Communist Party and all other aspects of life examined before they are admitted to remain permanently in this country.

This is only a good commonsense precaution. If their party membership is found to have been involuntary or nonmeaningful, fine. Then we should waive the exclusion and permit them to enter on a permanent basis. In fact, 80 percent of all permanent residents who applied for the waiver of this exclusion in 1986 were later admitted to the United States.

I think we have to look at the public health grounds. My bill would continue current law by denying a waiver of exclusion for any permanent immigrants infected with AIDS. The House bill creates such a waiver. If it is necessary to admit such an afflicted alien, the Attorney General may use his parole authority to do that. He may also place conditions on an AIDS-infected alien's entry. I believe for now we should reserve the ability to put special limitations on the admission of permanent aliens with this tragic and deadly disease.

Current law would exclude any alien—this is current law today—who claims to be a homosexual or who the Government knows is a homosexual. This bill would end the exclusion of homosexual aliens merely because of their homosexuality, although they would remain excludable if they were infected with AIDS or other contagious diseases.

In the efforts on the Select Commission on Immigration and Refugee Policy when I worked with Congressman MAZZOLI and Peter Rodino, that issue came up. We could see that would be a great diversion from our work because it is filled with emotion—the issue of homosexuality. But it is time to deal with that in a rational commonsense and humane way, as we should.

I have added another provision about child kidnaping, a new ground of exclusion for any alien who escapes abroad with a child of a U.S. citizen who has legal custody of that child. There are a surprising number of cases which have arisen where a U.S. citizen marries an alien, has a child from that marriage, and then the alien leaves the United States with that child. My bill would prevent that alien from reentering the United States until the alien surrenders the child to the person with the proper custody.

So there is the legislation. It contains a number of other more modest exclusions, and I will make a detailed summary of the bill to all who are interested.

Mr. President, I strongly believe the time is right to modernize our system of immigration to remove the antiquated provisions, and to address the problems that our immigration system will face in decades to come. And I earnestly commend this legislation to my colleagues.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 953

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) subsection (a) of section 212 of the Immigration and Nationality Act is amended to read as follows:

"(a) Except as otherwise provided in this Act, an alien in any of the following classes shall be ineligible to receive visas and shall be excluded from admission into the United States:

"(1) Any alien who has a communicable disease of public health significance or any alien under the age of nineteen who has not received a series of immunizations as prescribed by the Secretary of Health and Human Services.

"(2) Any alien who has—

"(A) a current physical or mental disorder which has posed, or may pose, a threat to

the property, safety, or welfare of the alien or others; or

"(B) a history of behavior which has posed a threat to the property, safety, or welfare of the alien or others, and which the Attorney General, after consultation with the Secretary of Health and Human Services, determines may have been associated with a mental or physical disorder.

"(3) Any alien who is a drug abuser or addict, as defined by the Secretary of Health and Human Services.

"(4) Any alien who has been convicted of, who admits having committed, or who admits committing acts constituting the essential elements of, a felony or each of three or more misdemeanors, as defined in the United States Code or the District of Columbia Code (other than a purely political offense).

"(5) Any alien—

"(A) who has been convicted of a violation of, or a conspiracy to violate, any law or regulation of a State, the United States, or a foreign country relating to a controlled substance (as defined in section 102 of the Controlled Substance Act (21 U.S.C. 802)); or

"(B) who the consular officer or immigration officer knows or has reason to believe is or has been an illicit trafficker in any such controlled substance or has been a knowing assister, abettor, conspirator, or colluder with others in such illicit trafficking.

"(6) Any alien who at any time shall have knowingly encouraged, induced, assisted, abetted, or aided any other alien to enter or to attempt to enter the United States in violation of law.

"(7) Any alien—

"(A) who is ineligible for citizenship, except aliens seeking to enter as a nonimmigrant, or

"(B) who departed from or who has remained outside the United States to avoid or evade training or service in the armed forces in time of war or a period declared by the President to be a national emergency, except any alien who at the time of such departure was a nonimmigrant and who seeks to reenter the United States as a nonimmigrant.

"(8) Any alien who ordered, incited, assisted, or otherwise participated in the persecution of any person on account of race, religion, nationality, membership in a particular social group, or political opinion.

"(9)(A) Any alien who a consular officer or the Attorney General knows, or has reason to believe, seeks to enter the United States to engage solely, principally, or incidentally in—

"(i) any activity to violate, circumvent, or evade any law of the United States or any State relating to espionage or sabotage, or any law which prohibits export from the United States of goods, technology, or sensitive information,

"(ii) any other unlawful activity, or

"(iii) any activity a purpose of which is the opposition to, or the control or overthrow of, the Government of the United States by force, violence, or other unlawful means.

"(B) Any alien—

"(i) who has engaged in a terrorist activity,

"(ii) who has been a member of a group or subgroup which has been engaged in a terrorist activity, or

"(iii) who a consular officer or the Attorney General knows or has reason to believe is likely to engage in any terrorist activity after entry into the United States.

"(C)(i) Any immigrant who is or ever has been a member of or affiliated with—

"(I) the Communist or any other totalitarian party of any State or the United States, of any foreign state, or of any political or geographic subdivision of any foreign state,

"(II) any section, subsidiary, branch affiliated, or subdivision of any such association or party, or

"(III) the direct predecessors or successors of any such association or party, regardless of what name such group or organization may have used, may now bear, or may hereafter adopt.

"(ii) Any immigrant who is within any of the classes described in clause (i) because of membership in or affiliation with a party or organization or a section, subsidiary, branch, affiliate, or subdivision thereof, may, if not otherwise ineligible, be issued a visa if such alien establishes to the satisfaction of the consular officer when applying for a visa, and the consular officer finds, that—

"(I)(a) such membership or affiliation is or was involuntary, or is or was solely when under 16 years of age, by operation of law, or for purposes of obtaining employment, food rations, or other essentials of living and where necessary for such purposes, or

"(b) since the termination of such membership or affiliation, such alien is and has been, for at least 5 years prior to the date of the application for a visa, actively opposed to the doctrine, program, principles, and ideology of such party or organization or the section, subsidiary, branch, or affiliate or subdivision thereof, and

"(II) the admission of such alien into the United States would be in the public interest.

Any such alien to whom a visa has been issued under the provisions of this subparagraph may, if not otherwise inadmissible, be admitted into the United States if he shall establish to the satisfaction of the Attorney General that either of the conditions in subclause (I) and the condition in subclause (II) apply. The Attorney General shall promptly make a detailed report to the Congress in the case of each alien who is or shall be admitted into the United States under subclause (I)(b).

"(D) Any alien whose entry or proposed activities in the United States could, in the opinion of the Secretary of State, have potentially serious adverse foreign policy consequences for the United States because such entry or activities could—

"(i) result in imminent harm to the lives or property of United States citizens abroad or to the property of the United States Government abroad;

"(ii) convey the impression that the United States recognizes or supports any government that the United States does not recognize or support or convey the impression that the United States supports a group, of which the alien is a member, which the United States does not support;

"(iii) violate, or conflict with, an international obligation or undertaking of the United States; or

"(iv) have a serious negative effect on the diplomatic relations of the United States with another country or countries.

"(E) Any alien who is a representative of a purported labor organization in a country where such organizations are in fact instruments of a totalitarian state.

"(10) Any alien—

"(A) who is coming to the United States solely, principally, or incidentally to engage in prostitution, or has engaged in prostitution within 10 years of the date of application for a visa, entry, or adjustment of status,

"(B) who procures or attempts to procure, or (within 10 years of the date of application for a visa, entry, or adjustment of status) procured or attempted to procure or to import, prostitutes or persons for the purpose of prostitution or, within such 10-year period, received, in whole or in part, the proceeds of prostitution,

"(C) who is coming to the United States to engage in any other unlawful commercialized vice, or

"(D) who is coming to the United States to practice polygamy.

"(11) Any alien who, in the opinion of the consular officer at the time of application for a visa, or in the opinion of the Attorney General at the time of application for admission, is likely at any time to become a public charge.

"(12) Any alien—

"(A) who, within one year prior to application for admission into the United States, was excluded from admission and deported,

"(B) who, within five years or, in the case of an alien convicted of an aggravated felony, within ten years, prior to application for admission into the United States, was arrested and deported from the United States, departed voluntarily from the United States in lieu of deportation pursuant to section 242(b), or was removed as an alien enemy, or

"(C) who fell into distress and was removed from the United States at his request,

unless prior to embarkation or reembarkation at a place outside the United States or an attempt to be admitted from foreign contiguous territory, the Attorney General has consented to such alien's applying or reapplying for admission.

"(13) Any alien who arrives as a stowaway.

"(14)(A) Any alien seeking to enter the United States to perform skilled labor, unless the Secretary of Labor has determined and certified to the Secretary of State and the Attorney General that—

"(i) there are not sufficient qualified workers (or equally qualified workers in the case of any aliens who are members of the teaching profession or who have exceptional ability in the sciences or arts) available in the United States in the position in which the alien will be employed; and

"(ii) the employment of the alien in such position will not adversely affect the wages and working conditions of workers in the United States.

"(B) The Secretary of Labor may, in his discretion, substitute for the determination and certification described in subparagraph (A)(i) a determination and certification that there are not sufficient workers who are able, willing, qualified (or equally qualified in the case of any aliens who are members of the teaching profession or who have exceptional ability in the sciences or the arts), and available at the time of application for a visa and admission to the United States and at the place where the alien is to perform such skilled labor.

"(C) In making either determination under this paragraph, the Secretary of Labor may use labor market information without regard to the specific job opportunity for which certification is requested, but if such determination is adverse, the Secretary of Labor shall make a certification with regard to the specific job opportunity if the employer submits evidence that such specific certification would result in a different determination.

"(D) Each alien on behalf of whom a certification is sought must have an offer of employment from an employer in the United States.

"(E) The exclusion of aliens under this paragraph shall only apply to immigrants seeking admission under paragraph (3) or (6) of section 203(a).

"(15) Any alien who, by fraud or willfully misrepresenting a material fact, seeks to procure, or has sought to procure or has procured, a visa, other documentation, or entry into the United States or other benefit provided under this Act.

"(16) Except as otherwise specifically provided in this Act, any immigrant who at the time of application for admission—

"(A) is not in possession of a valid unexpired immigrant visa, reentry permit, border crossing identification card, or other valid entry document required by this Act, and a valid unexpired passport, or other suitable travel document, or document of identity and nationality if such document is required under the regulations issued by the Attorney General under section 211(a), or

"(B) whose visa has been issued without compliance with the provisions of section 203.

"(17) Any nonimmigrant who is not in possession of—

"(A) a passport valid for a minimum of six months from the date of the expiration of the initial period of his admission or contemplated initial period of stay authorizing him to return to the country from which he came or to proceed to and enter some other country during such period; and

"(B) at the time of application for admission, a valid nonimmigrant visa or border crossing identification card.

"(18) Any alien (other than a refugee, asylee, or one who has been lawfully admitted for permanent residence and who is returning from a temporary visit abroad), over sixteen years of age and physically capable of reading, who cannot read and understand some language or dialect.

"(19) Any alien who is a graduate of a medical school not accredited by a body or bodies approved for this purpose by the Secretary of Education (regardless of whether such school of medicine is in the United States) and who is coming to the United States principally to perform services as a member of the medical profession, except any alien—

"(A) who has passed parts I and II of the National Board of Medical Examiners examination (or an equivalent examination determined by the Secretary of Health and Human Services), and

"(B) who is competent in oral and written English.

For the purposes of this paragraph, an alien who is a graduate of a medical school shall be considered to have passed parts I and II of the National Board of Medical Examiners examination if the alien was fully and permanently licensed to practice medicine in a State on January 9, 1978, and was practicing medicine in a State on that date.

"(20) Any alien accompanying another alien ordered to be excluded and deported under paragraph (2) of this subsection, whose protection or guardianship is required by the alien ordered excluded and deported.

"(21) Any alien who, after the entry of a court order granting custody to a United States citizen of a child having a lawful claim to United States citizenship, detains, retains, or withholds custody of such child outside the United States from the United States citizen granted custody, except that the alien shall no longer be excludable upon the surrender of the child to the United States citizen granted custody.".

(b) Section 101(a) of the Immigration and Nationality Act is amended by adding at the end thereof the following new paragraphs:

"(43) The term 'terrorist activity' means any activity which is unlawful under the laws of the place where it is committed (or which, if committed in the United States, would be unlawful under the laws of the United States or any State) and which involves any of the following:

"(A) The hijacking or sabotage of any conveyance (including an aircraft, vessel, or vehicle).

"(B) The seizing or detaining, and threatening to kill, injure, or continue to detain another individual, in order to compel a third person (including a governmental organization) to do or abstain from doing any act as an explicit or implicit condition for the release of the individual detained or seized.

"(C) A violent attack upon an internationally protected person (as defined in section 1116(b)(4) of title 18, United States Code) or upon the liberty of such a person.

"(D) An assassination.

"(E) The use of any—

"(i) biological agent, chemical agent, or nuclear weapon or device, or

"(ii) explosive or firearm (other than for mere personal monetary gain),

with intent to endanger, directly or indirectly, the safety of people or cause substantial damage to property.

"(F) Any threat, attempt, or conspiracy to do any of the acts described in clauses (A) through (E).

"(44) The term 'engage in terrorist activity' means to commit an act of terrorist activity or an act which the actor knows, or reasonably should know, affords material support to any individual, organization, or government in conducting a terrorist activity at any time, including any of the following acts:

"(A) The preparation or planning of terrorist activity.

"(B) The gathering of information on potential targets for terrorist activity.

"(C) The providing of any type of material support, including a safe house, transportation, communications, funds, false identification, weapons, explosives, or training, to any individual the actor knows or has reason to believe has committed or plans to commit an act of terrorist activity.

"(D) The soliciting of funds or other things of value for terrorist activity or for any organization which engages in or which has engaged in terrorist activity.".

(c)(1) Any reference in the Immigration and Nationality Act or any other provision of law before the date of enactment of this Act to paragraph (1), (2), (3), or (4) of section 212(a) shall each be deemed to be a reference to paragraph (2) of section 212(a) (insofar as it relates to mental impairments) after such date.

(2) References in such Act or any other provision of law to paragraphs (6), (10), (11), (12), (15), (16), (18), (19), (20), (21), (23), (25), (26), (27), (28), (29), (30), (31), (32), and (33) of section 212(a) before the date of enactment of this Act shall be deemed to be references after such date to paragraphs (1), (4), (10), (10)(D), (11), (12), (13), (15), (16)(A), (16)(B), (5), (18), (17), (9)(D), clauses (A) through (C) and clause (E) of paragraph (9), clauses (A) and (C) of paragraph (9), (20), (6), (19), and (8) of section 212(a), respectively.

(3) References to paragraphs (5), (7), (8), (9), (13), (17), (22), and (24) of section 212(a) before the date of enactment of this Act shall be deemed to be stricken after such date.

By Mr. LUGAR (for himself, Mr. SHELBY, Mr. PRYOR, Mr. STEVENS, Mr. METZENBAUM, Mr. PELL, Mr. KERRY, Mr. CHAFEE, and Mr. HEFLIN):

S.J. Res. 122. Joint resolution to designate October 1989 and 1990 as "National Down Syndrome Month"; to the Committee on the Judiciary.

NATIONAL DOWN SYNDROME MONTH

● Mr. LUGAR. Mr. President, I rise today to introduce legislation to designate October 1989 and 1990 as National Down Syndrome Month. I have introduced this proposal every year since 1984, and I am convinced that Congress will once again enact such a law to encourage continued understanding and advancement in the medical and educational programs concerned with Down syndrome.

Down syndrome occurs once in every 1,000 births. It results from a genetic mishap in which an extra chromosome No. 21—which affects physical and mental development—is found within the individual's genetic material. For years, Down syndrome carried a stigma of being a hopeless impediment to a meaningful and productive life. Happily, recent medical research has brought about the possibility of correcting a number of the disorders associated with this genetic defect. Moreover, infant stimulation programs taught to parents of babies with Down syndrome have increased their intellectual development far beyond previous expectations.

Since the enactment of the Education for All Handicapped Children Act (Public Law 94-142), we have seen the rewards of educating the developmentally disabled in our public schools. These rewards can be measured in terms of their increased achievements and, consequently, the contributions that these children are later able to make to society. This alone is a major breakthrough in our regard for these boys and girls, men and women, fellow members of our families and our neighborhoods. We have come to the important realization that persons with Down syndrome, though limited, can and do contribute to the welfare of our society. These individuals are not to be regarded as a mere responsibility. They are capable human beings who need our encouragement to reach their full potential.

We have an obligation to forge new social attitudes so that persons with Down syndrome will be accepted for what they are—people first, and secondly people with Down syndrome. We must help to ensure that their

rights and privileges as American citizens are respected and observed, and that their human dignity is preserved.

At one time, the birth of a child with a mental handicap was tantamount to a life of anguish, despair, and certain institutionalization. Today, however, this does not need to be so. Today we are able to integrate such children into the community, and to educate them to become productive members of society. This effort has been made possible through greater public awareness, the dissolution of old stereotypes and stigmas, and a more educated acceptance of these individuals. Our annual recognition of National Down Syndrome Month has made an important contribution to this growing public awareness.

Mr. President, I would like to thank and commend my distinguished colleagues who have joined me in cosponsoring this joint resolution. I ask unanimous consent that the text of this joint resolution and a letter on this subject be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S.J. RES. 122

Whereas the past two decades have brought a greater and more enlightened attitude in the care and training of the developmentally disabled;

Whereas one such condition which has undergone considerable reevaluation is that of Down syndrome—a condition which, just a short time ago, was often stigmatized as a mentally retarded condition which relegated its victims to lives of passivity in institutions and back rooms;

Whereas through the efforts of concerned physicians, teachers and parent groups such as the National Down Syndrome Congress, programs are being put in place to educate new parents of babies with Down Syndrome, to develop special education classes within mainstream programs in schools, to provide for vocational training in preparation for entering the work force, and to prepare young adults with Down syndrome for independent living in the community;

Whereas the cost of such services designed to help individuals with Down syndrome move into their rightful place in our society is but a tiny fraction of the cost of institutionalization;

Whereas not only the improvement in educational opportunities for those with Down syndrome, but also the advancement in medical science is adding to a brighter outlook for individuals born with this chromosomal configuration; and

Whereas public awareness and acceptance of the capabilities of children with Down syndrome can greatly facilitate their being mainstreamed in our society: now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That October 1989 and 1990 are designated as "National Down Syndrome Month" and that the President of the United States is authorized and requested to issue a proclamation calling upon the people of the United States to observe the designated month with appropriate programs, ceremonies, and activities.

U.S. SENATE,
Washington, DC, April 26, 1989.

DEAR COLLEAGUE: I will soon introduce once again a resolution to designate October 1989 and 1990 as National Down Syndrome Month. For each of the past five years this commemorative month has played a key part in the Down Syndrome public awareness effort. It serves as a catalyst to bring the needs of people touched by Down syndrome to the public attention. The enemies of Down syndrome are ignorance, old stereotypes, myths and prejudice. When the public is educated about Down syndrome and those whose lives it impacts, these old barriers are broken down.

Down syndrome occurs once in every 1,000 births. It results from a genetic mishap in which an extra chromosome number 21—which affects physical and mental development—appears within the individual's genetic material. For years, Down syndrome carried a stigma of being a hopeless impediment to a meaningful and productive life. Happily, recent medical research has brought about the possibility of correcting a number of the disorders associated with this genetic defect. Moreover, infant stimulation programs taught to parents of babies with Down syndrome have increased the children's intellectual development far beyond previous expectations.

At one time, the birth of a child with a mental handicap was tantamount to a life of anguish, despair and certain institutionalization. Today, however, this does not need to be so. Now we are able to integrate such children into the community, and to educate them to become productive members of society. This effort has been made possible through greater public awareness, the dissolution of old stereotypes and stigmas, and a more educated acceptance of these individuals.

The annual recognition of "National Down Syndrome Month" has made an important contribution to this public awareness. I urge you, therefore, to join with me as a cosponsor of this measure. If you are interested in cosponsoring this resolution, please contact Mary Coogan of my staff at 224-4814.

Sincerely,

RICHARD G. LUGAR,
U.S. Senator.●

By Mr. GORTON:

S.J. Res. 124. Joint resolution to designate October as "National Quality Month"; to the Committee on the Judiciary.

NATIONAL QUALITY MONTH

Mr. GORTON. Mr. President, I am pleased to have the privilege of introducing today a joint resolution designating October 1989 as "National Quality Month." This resolution recognizes the movement to raise the level of quality in American goods and services, and the role that quality plays in maintaining the competitiveness of American companies in the world marketplace.

We hear so much about the quality of goods made in foreign lands, like Japan and Germany to name two. However, according to a 1988 Gallup survey conducted by the American Society for Quality Control, a society of American businesses dedicated to the advancement of quality, 66 percent of American consumers prefer American-made products in terms of quality. Out of the companies which are most frequently named as associated with high quality, only 1 out of the top 10 was a foreign firm.

The movement to improve the quality of everything we do extends to the Government as well as to the private sector. These programs focus both on improving our own Government operations and on encouraging and honoring notable achievements relating to quality. For example, the Malcolm Baldrige National Quality Award, managed by the Department of Commerce, is the highest level of national recognition an American firm can receive for quality. The first of these awards, dubbed the Nobel Prize for Quality, were presented on November 14, 1988, by former President Reagan. The Bush administration intends to continue to give high priority to accelerating the adoption of quality in America.

There is a renewed emphasis in America on producing high quality goods and services. Over the past few years, we have seen American companies make great strides in raising their standards for quality. Consumers at home and abroad are demanding higher quality in everything that they buy, and they are willing to pay for it. Every American should become increasingly aware of the rewards of achieving increased quality, and should strive each day to attain it. In the competitive global marketplace in which we live, good is no longer good enough.

ADDITIONAL COSPONSORS

S. 6

At the request of Mr. MCCAIN, the names of the Senator from Oklahoma [Mr. BOREN] and the Senator from Delaware [Mr. ROTH] were added as cosponsors of S. 6, a bill to grant the power to the President to reduce appropriated funds within 10 days after the date of enactment of a bill appropriating such funds.

S. 14

At the request of Mr. CRANSTON, the name of the Senator from New Mexico [Mr. BINGAMAN] was added as a cosponsor of S. 14, a bill to provide for a grant program to assist eligible consortia in providing services to individuals with acquired immunodeficiency syndrome or AIDS-related complex.

S. 16

At the request of Mr. CRANSTON, the names of the Senator from Maryland [Ms. MIKULSKI] and the Senator from Oregon [Mr. PACKWOOD] were added as cosponsors of S. 16, a bill to require the executive branch to gather and disseminate information regarding, and to promote techniques to eliminate discriminatory wage-setting prac-

tices and discriminatory wage disparities which are based on sex, race, or national origin.

S. 52

At the request of Mr. INOUYE, the name of the Senator from Hawaii [Mr. MATSUNAGA] was added as a cosponsor of S. 52, a bill to amend section 1086 of title 10, United States Code, to provide for payment under the CHAMPUS Program of certain health care expenses incurred by certain members and former members of the uniformed services and their dependents to the extent that such expenses are not payable under Medicare, and for other purposes.

S. 100

At the request of Mr. ROCKEFELLER, the names of the Senator from Alabama [Mr. HELFIN] and the Senator from Maryland [Mr. SARBANES] were added as cosponsors of S. 100, a bill to amend title XVIII of the Social Security Act with respect to coverage of, and payment for, services of psychologists under part B of Medicare.

S. 120

At the request of Mr. KENNEDY, the names of the Senator from Alaska [Mr. STEVENS] and the Senator from Illinois [Mr. SIMON] were added as cosponsors of S. 120, a bill to amend the Public Health Service Act to reauthorize adolescent family life demonstration projects, and for other purposes.

S. 137

At the request of Mr. BOREN, the name of the Senator from North Dakota [Mr. CONRAD] was added as a cosponsor of S. 137, a bill to amend the Federal Election Campaign Act of 1971 to provide for a voluntary system of spending limits and partial public financing of Senate general election campaigns, to limit contributions by multicandidate political committees, and for other purposes.

S. 169

At the request of Mr. HOLLINGS, the name of the Senator from Alabama [Mr. HEFLIN] was added as a cosponsor of S. 169, a bill to amend the National Science and Technology Policy, Organization, and Priorities Act of 1976 in order to provide for improved coordination of national scientific research efforts and to provide for a national plan to improve scientific understanding of the Earth system and the effect of changes in that system on climate and human well-being.

S. 223

At the request of Mr. MOYNIHAN, the name of the Senator from California [Mr. CRANSTON] was added as a cosponsor of S. 223, a bill to establish a grant program for research, treatment and public education with respect to Lyme disease.

S. 231

At the request of Mr. MOYNIHAN, the name of the Senator from Delaware [Mr. BIDEN] was added as a cosponsor of S. 231, a bill to amend part A of title IV of the Social Security Act to improve quality control standards and procedures under the Aid to Families With Dependent Children Program, and for other purposes.

S. 243

At the request of Mr. MCCLURE, the names of the Senator from North Carolina [Mr. SANFORD], the Senator from Kansas [Mrs. KASSEBAUM], and the Senator from Delaware [Mr. BIDEN] were added as cosponsors of S. 243, a bill to provide for the extension of regional referral center classification of certain hospitals under the Medicare Program and to continue the payment rates for such hospitals.

S. 244

At the request of Mr. GLENN, the name of the Senator from Virginia [Mr. WARNER] was added as a cosponsor of S. 244, a bill to require the Administrator of the General Services Administration to encourage the development and use of plastics derived from certain commodities, and to include such products in the General Services Administration inventory for supply to Federal agencies, and for other purposes.

S. 276

At the request of Mr. DURENBERGER, the name of the Senator from Maryland [Ms. MIKULSKI] was added as a cosponsor of S. 276, a bill to establish a Department of Environmental Protection.

S. 335

At the request of Mr. MCCAIN, the name of the Senator from Utah [Mr. HATCH] was added as a cosponsor of S. 335, a bill to amend title XVIII of the Social Security Act and other provisions of law to delay for 1 year the effective dates of the supplemental Medicare premium and additional benefits under Part B of the Medicare program, with the exception of the spousal impoverishment benefit.

S. 346

At the request of Mr. WIRTH, the names of the Senator from New Jersey [Mr. LAUTENBERG] and the Senator from Pennsylvania [Mr. HEINZ] were added as cosponsors of S. 346, a bill to amend the Alaska National Interest Lands Conservation Act, and for other purposes.

S. 355

At the request of Mr. RIEGLE, the names of the Senator from California [Mr. CRANSTON] and the Senator from Indiana [Mr. COATS] were added as cosponsors of S. 355, a bill to amend the Internal Revenue Code of 1986 to extend through 1992 the period during which qualified mortgage bonds and mortgage credit certificates may be issued.

S. 375

At the request of Mr. HOLLINGS, the names of the Senator from Alaska [Mr. MURKOWSKI] and the Senator from Massachusetts [Mr. KERRY] were added as cosponsors of S. 375, a bill to provide for the broadcasting of accurate information to the people of Cuba, and for other purposes.

S. 384

At the request of Mr. CHAFEE, the name of the Senator from North Carolina [Mr. SANFORD] was added as a cosponsor of S. 384, a bill to amend title XIX of the Social Security Act to assist individuals with a severe disability in attaining or maintaining their maximum potential for independence and capacity to participate in community and family life, and for other purposes.

S. 390

At the request of Mr. BINGAMAN, the name of the Senator from West Virginia [Mr. ROCKEFELLER] was added as a cosponsor of S. 390, a bill entitled the "Business Incubator Review Act of 1989".

S. 399

At the request of Mr. GLENN, the names of the Senator from Maryland [Ms. MIKULSKI] and the Senator from Washington [Mr. GORTON] were added as cosponsors of S. 399, a bill to amend the Library Services and Construction Act to authorize the Secretary of Education to establish a program to make grants to local public libraries to establish demonstration projects using older adult volunteers to provide intergenerational library literacy programs to children during afterschool hours, and for other purposes.

S. 416

At the request of Mr. DOMENICI, the names of the Senator from South Dakota [Mr. PRESSLER] and the Senator from Illinois [Mr. SIMON] were added as cosponsors of S. 416, a bill to provide that all Federal civilian and military retirees shall receive the full cost-of-living adjustment in annuities payable under Federal retirement systems for fiscal years 1990 and 1991, and for other purposes.

S. 424

At the request of Mr. THURMOND, the name of the Senator from Maryland [Ms. MIKULSKI] was added as a cosponsor of S. 424, a bill to provide a minimum monthly annuity for the surviving spouses of certain deceased members of the uniformed services.

S. 430

At the request of Mr. DASCHLE, the name of the Senator from Minnesota [Mr. DURENBERGER] was added as a cosponsor of S. 430, a bill to amend title XIX of the Social Security Act to provide coverage for certain outreach activities undertaken at the option of a State for the purpose of identifying pregnant women and children who are eligible for medical assistance and assisting them in applying for and receiving such assistance, and for other purposes.

S. 480

At the request of Mr. COCHRAN, the name of the Senator from Louisiana [Mr. BREAUX] was added as a cosponsor of S. 480, a bill to authorize the several States and District of Columbia to collect certain taxes with respect to sales of tangible personal property by nonresident persons who solicit such sales.

S. 488

At the request of Mr. FOWLER, the name of the Senator from Alaska [Mr. STEVENS] was added as a cosponsor of S. 488, a bill to provide Federal assistance and leadership to a program of research, development, and demonstration of renewable energy and energy efficiency technologies, and for other purposes.

S. 491

At the request of Mr. CHAFEE, the name of the Senator from Minnesota [Mr. BOSCHWITZ] was added as a cosponsor of S. 491, a bill to reduce atmospheric pollution to protect the stratosphere from ozone depletion, and for other purposes.

S. 499

At the request of Mr. CRANSTON, the name of the Senator from Mississippi [Mr. LOTT] was added as a cosponsor of S. 499, a bill to amend the National Security Act of 1947 to make the Secretary of Commerce a member of the National Security Council.

S. 537

At the request of Mr. RIEGLE, the name of the Senator from North Dakota [Mr. CONRAD] was added as a cosponsor of S. 537, a bill to require that any calculation of the Federal deficit made as a part of the Federal budget process include a calculation of the Federal deficit minus the Social Security reserves.

S. 561

At the request of Mr. DANFORTH, the name of the Senator from South Carolina [Mr. THURMOND] was added as a cosponsor of S. 561, a bill to provide for testing for the use, without lawful authorization, of alcohol or controlled substances by the operators of aircraft, railroads, and commercial motor vehicles, and for other purposes.

S. 606

At the request of Mr. BOND, the name of the Senator from California [Mr. CRANSTON] was added as a cosponsor of S. 606, a bill to amend the Agricultural Act of 1949 to permit producers to plant supplemental and alternative income-producing crops considered to be planted to a program crop.

S. 640

At the request of Mrs. KASSEBAUM, the name of the Senator from Indiana [Mr. COATS] was added as a cosponsor of S. 640, a bill to regulate interstate commerce by providing for uniform standards of liability for harm arising out of general aviation accidents.

S. 652

At the request of Mr. KENNEDY, the name of the Senator from Arkansas [Mr. BUMPERS] was added as a cosponsor of S. 652, a bill to revise the format of the presidential report to Congress on voting practices in the United Nations.

S. 710

At the request of Mr. JOHNSTON, the name of the Senator from Illinois [Mr. SIMON] was added as a cosponsor of S. 710, a bill to provide for a referendum on the political status of Puerto Rico.

S. 711

At the request of Mr. JOHNSTON, the name of the Senator from Illinois [Mr. SIMON] was added as a cosponsor of S. 711, a bill to provide for a referendum on the political status of Puerto Rico.

S. 712

At the request of Mr. JOHNSTON, the name of the Senator from Illinois [Mr. SIMON] was added as a cosponsor of S. 712, a bill to provide for a referendum on the political status of Puerto Rico.

S. 724

At the request of Mr. GRAHAM, the name of the Senator from Florida [Mr. MACK] was added as a cosponsor of S. 724, a bill to modify the boundaries of the Everglades National Park and to provide for the protection of lands, water, and natural resources within the park, and for other purposes.

S. 771

At the request of Mr. REID, the name of the Senator from Arizona [Mr. DECONCINI] was added as a cosponsor of S. 771, a bill to amend the Internal Revenue Code of 1986 to disallow deductions for costs in connection with oil and hazardous substances cleanup unless the requirement of all applicable Federal laws concerning such cleanup are met, and for other purposes.

S. 772

At the request of Mr. LIEBERMAN, the name of the Senator from Hawaii [Mr. INOUYE] was added as a cosponsor of S. 772, a bill to provide permanent housing for the homeless by rehabilitating and preserving our existing housing stock.

S. 783

At the request of Mr. JOHNSTON, the name of the Senator from Alabama [Mr. HEFLIN] was added as a cosponsor of S. 783, a bill to amend the Natural Gas Policy Act of 1978 to eliminate wellhead price and nonprice controls on the first sale of natural gas, and to make technical and conforming amendments to such act.

S. 816

At the request of Mr. DURENBERGER, the name of the Senator from Nevada [Mr. REID] was added as a cosponsor of S. 816, a bill to control the release of toxic air pollutants, to reduce the threat of catastrophic chemical accidents and for other purposes.

S. 822

At the request of Mr. MOYNIHAN, the name of the Senator from Idaho [Mr. SYMMS] was added as a cosponsor of S. 822, a bill to prohibit the importation into the United States of certain articles originating in Burma.

S. 850

At the request of Mr. JOHNSTON, the name of the Senator from New Mexico [Mr. DOMENICI] was added as a cosponsor of S. 850, a bill to amend the Internal Revenue Code of 1954 to impose a fee on the importation of crude oil or refined petroleum products.

S. 863

At the request of Mr. BAUCUS, the name of the Senator from Iowa [Mr. GRASSLEY] was added as a cosponsor of S. 863, a bill to create a rural partnership fund and a loan program to administer funds from such fund, to create a microbusiness loan fund and a microbusiness technical assistance fund and a program to administer funds from such funds, and for other purposes.

S. 893

At the request of Mr. LAUTENBERG, the names of the Senator from Illinois [Mr. DIXON], the Senator from Indiana [Mr. COATS], the Senator from Kentucky [Mr. FORD], and the Senator from California [Mr. WILSON] were added as cosponsors of S. 893, a bill to establish certain categories of Soviet and Vietnamese nationals presumed to be subject to persecution and to provide for adjustment to refugee status of certain Soviet and Vietnamese parolees.

S. 905

At the request of Mr. LIEBERMAN, the name of the Senator from Connecticut [Mr. DODD] was added as a cosponsor of S. 905, a bill to amend title VI of the Communications Act of 1934 to restore the right of State and local regulatory agencies to regulate cable television rates, and for other purposes.

SENATE JOINT RESOLUTION 8

At the request of Mr. SANFORD, the name of the Senator from North Dakota [Mr. CONRAD] was added as a cosponsor of Senate Joint Resolution 8, a joint resolution disapproving the recommendations of the President relating to rates of pay of certain officers and employees of the Federal Government.

SENATE JOINT RESOLUTION 57

At the request of Mr. PELL, the names of the Senator from Iowa [Mr. HARKIN], the Senator from Colorado [Mr. ARMSTRONG], the Senator from Missour [Mr. DANFORTH], and the Senator from South Carolina [Mr. HOLLINGS] were added as cosponsors of Senate Joint Resolution 57, a joint res-

olution to establish a national policy on permanent papers.

SENATE JOINT RESOLUTION 72

At the request of Mr. RIEGLE, the name of the Senator from California [Mr. WILSON] was added as a cosponsor of Senate Joint Resolution 72, a joint resolution to designate the period commencing May 7, 1989, and ending May 13, 1989, as "National Correctional Officers Week."

SENATE JOINT RESOLUTION 88

At the request of Mr. WIRTH, the name of the Senator from Georgia [Mr. FOWLER] was added as a cosponsor of Senate Joint Resolution 88, a joint resolution to establish that it is the policy of the United States to reduce the generation of carbon dioxide and for other purposes.

SENATE JOINT RESOLUTION 95

At the request of Mr. MCCLURE, the names of the Senator from Mississippi [Mr. COCHRAN], the Senator from Nebraska [Mr. EXON], the Senator from Ohio [Mr. METZENBAUM], the Senator from California [Mr. CRANSTON], the Senator from Alabama [Mr. HEFLIN], the Senator from Florida [Mr. MACK], and the Senator from Texas [Mr. BENTSEN] were added as cosponsors of Senate Joint Resolution 95, a joint resolution to designate the week of September 10, 1989, through September 16, 1989, as "National Check-Up Week."

SENATE JOINT RESOLUTION 104

At the request of Mr. MITCHELL, the names of the Senator from North Carolina [Mr. SANFORD], the Senator from South Dakota [Mr. PRESSLER], and the Senator from Delaware [Mr. ROTH] were added as cosponsors of Senate Joint Resolution 104, a joint resolution to express the sense of the Congress with respect to the health of the Nation's children.

SENATE JOINT RESOLUTION 106

At the request of Mr. BOND, the names of the Senator from Minnesota [Mr. BOSCHWITZ], the Senator from North Dakota [Mr. BURDICK], the Senator from Montana [Mr. BURNS], the Senator from Rhode Island [Mr. CHAFEE], the Senator from Arizona [Mr. DECONCINI], the Senator from Minnesota [Mr. DURENBERGER], the Senator from Hawaii [Mr. INOUYE], the Senator from Indiana [Mr. LUGAR], the Senator from Idaho [Mr. MCCLURE], the Senator from Michigan [Mr. RIEGLE, and the Senator from Virginia, [Mr. WARNER] were added as cosponsors of Senate Joint Resolution 106, a joint resolution to authorize a commemorative stamp to be issued on January 18, 1991, to honor Doctor Thomas Anthony Dooley III, and commemorate the 30th anniversary of his death.

SENATE JOINT RESOLUTION 112

At the request of Mr. GRASSLEY, the names of the Senator from Nevada [Mr. BRYAN], the Senator from Tennessee [Mr. GORE], the Senator from Alabama [Mr. SHELBY], the Senator from Indiana [Mr. LUGAR], the Senator from Kentucky [Mr. MCCONNELL], the Senator from Virginia [Mr. ROBB], the Senator from Hawaii [Mr. MATSUNAGA], the Senator from California [Mr. WILSON], the Senator from Virginia [Mr. WARNER], the Senator from West Virginia [Mr. ROCKEFELLER], the Senator from South Carolina [Mr. THURMOND], the Senator from Vermont [Mr. LEAHY], the Senator from Georgia [Mr. FOWLER], the Senator from South Carolina [Mr. HOLLINGS], and the Senator from Nebraska [Mr. EXON] were added as cosponsors of Senate Joint Resolution 112, a joint resolution designating May 29, 1989, as the National Day of Remembrance for the victims of the U.S.S. Iowa.

SENATE JOINT RESOLUTION 113

At the request of Mr. DIXON, the names of the Senator from South Carolina [Mr. HOLLINGS], the Senator from Arkansas [Mr. PRYOR], the Senator from Michigan [Mr. RIEGLE], the Senator from Louisiana [Mr. BREAUX], and the Senator from North Carolina [Mr. SANFORD] were added as cosponsors of Senate Joint Resolution 113, a joint resolution prohibiting the export of technology, defense articles, and defense services to codevelop or coproduce the FSX aircraft with Japan.

SENATE CONCURRENT RESOLUTION 16

At the request of Mr. BOSCHWITZ, the names of the Senator from Vermont [Mr. JEFFORDS], the Senator from Illinois [Mr. SIMON], the Senator from Tennessee [Mr. GORE], the Senator from Oregon [Mr. HATFIELD], the Senator from New Jersey [Mr. BRADLEY], the Senator from California [Mr. CRANSTON], the Senator from Delaware [Mr. BIDEN], the Senator from Alaska [Mr. MURKOWSKI], the Senator from California [Mr. WILSON], the Senator from Connecticut [Mr. LIEBERMAN], and the Senator from Maryland [Mr. SARBANES] were added as cosponsors of Senate Concurrent Resolution 16, a concurrent resolution calling for the Government of Vietnam to expedite the release and emigration of all political prisoners.

SENATE CONCURRENT RESOLUTION 18

At the request of Mr. ROTH, the name of the Senator from North Carolina [Mr. HELMS] was added as a cosponsor of Senate Concurrent Resolution 18, a concurrent resolution expressing the sense of Congress that Federal laws regarding the taxation of State and local government bonds should not be changed in order to increase Federal revenues.

SENATE CONCURRENT RESOLUTION 25

At the request of Mr. GRASSLEY, the name of the Senator from North Dakota [Mr. CONRAD], and the Senator from Connecticut [Mr. LIEBERMAN] were added as cosponsors of Senate Concurrent Resolution 25, a concurrent resolution expressing the sense of the Congress that the number of refugees admitted to the United States and the appropriation for programs for refugee migration and resettlement should be increased and that the Department of Justice should reestablish the presumption that Jews and members of other religious minorities emigrating from the Soviet Union qualify for refugee status for admission to the United States.

SENATE CONCURRENT RESOLUTION 26

At the request of Mr. HATFIELD, the names of the Senator from Washington [Mr. ADAMS], the Senator from Indiana [Mr. LUGAR], the Senator from Vermont [Mr. JEFFORDS], the Senator from South Dakota [Mr. DASCHLE], the Senator from Alaska [Mr. MURKOWSKI], the Senator from Hawaii [Mr. INOUYE], the Senator from Connecticut [Mr. LIEBERMAN], and the Senator from Minnesota [Mr. DURENBERGER] were added as cosponsors of Senate Concurrent Resolution 26, a concurrent resolution urging first asylum countries of the Association of Southeast Asian Nations (ASEAN) to reinstate the practice of providing refuge to all asylum-seekers from Vietnam, and for other purposes.

SENATE RESOLUTION 99

At the request of Mr. BOSCHWITZ, the names of the Senator from Colorado [Mr. WIRTH], and the Senator from Arkansas [Mr. BUMPERS] were added as cosponsors of Senate Resolution 99, a resolution requiring the Architect of the Capitol to establish and implement a voluntary program for recycling paper disposed of in the operation of the Senate.

SENATE RESOLUTION 113

At the request of Mr. HEINZ, the names of the Senator from Nebraska [Mr. KERREY], the Senator from California [Mr. CRANSTON], the Senator from Colorado [Mr. WIRTH], the Senator from Georgia [Mr. FOWLER], and the Senator from New Jersey [Mr. BRADLEY] were added as cosponsors of Senate Resolution 113, a resolution to discontinue the use of polystyrene foam products in the Senate Food Services.

SENATE RESOLUTION 114

At the request of Mr. GRAHAM, the name of the Senator from Virginia [Mr. ROBB] was added as a cosponsor of Senate Resolution 114, a resolution concerning the restoration of Eastern Airlines.

SENATE RESOLUTION 119

At the request of Mr. WILSON, the names of the Senator from North Dakota [Mr. CONRAD], the Senator from Texas [Mr. BENTSEN], the Senator from North Carolina [Mr. HELMS], and the Senator from Illinois [Mr. DIXON] were added as cosponsors of Senate Resolution 119, a resolution concerning the 1986 agreement be-

tween the United States and Japan regarding the Japanese semiconductor market.

At the request of Mr. WILSON, the name of the Senator from Minnesota [Mr. DURENBERGER] was withdrawn as a cosponsor of Senate Resolution 119, supra.

SENATE CONCURRENT RESOLUTION 34—RELATING TO TELECOMMUNICATIONS POLICY

Mr. BREAUX (for himself, Mr. STEVENS, and Mr. LOTT) submitted the following concurrent resolution; which was referred to the Committee on Commerce, Science, and Transportation:

S. CON. RES. 34

Whereas full market penetration of basic telephone service, technological advances, and other global and domestic social and economic changes require a comprehensive review of telecommunications policy objectives;

Whereas the retention of universally available telephone services at affordable rates is accepted national policy;

Whereas advancements in technology have brought society to the threshold of an information age that would merge voice, data, and video conferencing/videotex capabilities into basic telephone service;

Whereas the national welfare will be greatly enhanced by the universal availability of information age technologies;

Whereas increased availability of information services, whether provided by the regional Bell holding companies or by competing companies, may stimulate the use of information-age technology by the American people;

Whereas determining whether regulated telecommunications companies will be permitted to fully compete in the telecommunications marketplace will reduce uncertainties and improve the business climate in the telecommunications industry, and thereby promote development of a state-of-the-art universally available telecommunications network;

Whereas improvements in the administrative structure for Federal policy will also promote industry development by facilitating and improving United States competitiveness in the global information and telecommunications products marketplace and prevent domination of the United States network and telecommunication technology by foreign companies; and

Whereas all American consumers should have high-technology telecommunications services available to them that are currently offered only to large businesses or to consumers in France, Japan, or other foreign markets; Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That Congress—

(1) should determine whether, or the extent to which, regional Bell holding companies should be permitted to compete with other companies to provide information services (including the provision of content), to conduct research, to design, develop, and market software, and to design, develop, manufacture, and market customer premises and other telecommunications equipment, and to engage in the provision of inter—LATA services;

(2) if it extended to Bell operating companies rights to engage in any of the aforementioned activities, it should determine the statutory safeguards that would be in place prior to any implementation of such rights, to prevent cross subsidies and to ensure that other anti-competitive conduct will not harm customers or unfairly fringe upon competition; and

(3) should review the fragmented Federal structure for the administration of telecommunications policy with the intent of improving coordination within that structure and thereby enhance the capacity of the United States to effectively compete in the global information and high technology marketplace.

Mr. BREAUX. Mr. President, the United States has the best telecommunications system in the world. The system's expansiveness and quality are unparalleled. Today, 93 percent of the 91 million American households have at least one telephone. We've come a long way since 1934 when 31 percent of households had telephones.

Telephone industry operating revenues for 1934 were $949 million. Those revenues now exceed $85 billion! Quality universal telephone service for Americans is now a fact. Still, this mighty industry's greatest achievements, if we make right and timely moves, are yet to come.

I am increasingly concerned about America's telecommunications future. Will we continue to be first in telecommunications? In an age capable of melding voice, data, and video technologies to provide untold varieties of telecommunications services, will we retain technological leadership in this field? How do we tailor our laws to manage change and sustain the development of leading-edge telecommunications technology?

Mr. President, a confluence of related technologies just 8 years ago resulted in delivery by IBM of its first desktop personal computer. Today there are 40 million such computers in American homes and businesses. One out of five homes has one. One of three will have one by 1995. Perhaps the desk-top computer is the Gutenberg printer of the information age.

With the computer we mass-produce information. American technology has harnessed the speed of light to deliver that information in greater volume. In AT&T's transatlantic fiber optic cable, slender glass threads can carry 40,000 simultaneous conversations across the ocean literally in a flash. The U.S. fiber optics market is expected to grow from $774 million in 1986 to $3 billion in 1992. A $1.5 billion market is projected for Europe by 1991.

Since 1984 the delivery of financial and other information services has grown to add more value to the American economy than all of the manufacturing sector. The number of databases doubled between 1981 and 1985. Last year 40 percent of our work force created, processed, and transmitted information. America's business information services market produces nearly $5 billion in annual revenues; $15 billion is expected in 3 years. Additionally, residential and small business markets for information services are virtually untapped. We ignore the problems and potential of telecommunications, a vital link of the information industry, at our economic and strategic peril.

We will either shape the dynamics of the swelling information age to our advantage or be swamped in the wake of others taking the advantage from us. In the 1940's the Japanese designated telegraphy as one of several strategic industries whose advancement was deemed to be in the national interest. Is there doubt that the telecommunications industry is a fundamental and strategic American interest even more so today?

Can we agree on that point and yet remain unshaken, unconcerned with today's policymaking process for determining America's telecommunications future? I am concerned, and so are many others, that key decisions concerning America's vast, strategic communications network are made not by duly elected public officials, but by a solitary Federal district court judge. Judge Harold Greene's edicts are properly but primarily made under the circumscription of antitrust laws, rather than under a farsighted mandate of communications laws and policies set by Congress.

I do not fault the efforts of Judge Greene, because in telecommunications areas we have failed to act decisively. When conflicts arise, when disputes cannot be settled, then our courts must act. But Congress can no longer remain silent. The future of America in the oncoming information age cannot be left to piecemeal decisions.

I am concerned as well that we continue to ignore serious flaws in the Federal structure which administers telecommunications policy. Those flaws are documented by the National Telecommunications and Information Administration [NTIA] in its publication, "NTIA Telecom 2000." We cannot have effective, timely decisionmaking when, as noted by NTIA, "delineation of authority among executive branch agencies * * * is unclear. Executive Order 12046, congressional authorization and appropriations measures, * * * do not clearly establish the respective responsibilities of NTIA, Department of State, U.S. Trade Representative, Office of Management and Budget, Department of Justice, Department of Defense, and other agencies. On any given issue, one or more of these * * * agencies may take a position before the FCC, the courts, or other forums, and there is no established coordination mechanism." Under such circumstances have we a right to expect a globally competitive telecommunications industry?

Mr. President, we must confront these issues. The role of Congress is to create public policy; the role of courts and administrative agencies is to interpret and apply the laws we pass. Too frequently, this is not the case in the communications arena. Congress must now reaffirm its necessary role in establishing communications law and policy.

I am today introducing legislation which expresses the view that Congress is now willing to take responsibility in determining communications policy. I am hopeful that in this way momentum can be generated, and, as a result, comprehensive hearings will, this year, begin to carefully examine the issues. I am equally hopeful that in this Congress we can arrive at a consensus on policies that will resolve industry conflicts, establish new goals and priorities, and establish order in the Federal process that will administer these policies. I am calling on the Congress to reassert itself, to take charge of the process for determining America's future in the critical and dynamic telecommunications field.

SENATE CONCURRENT RESOLUTION 35—RELATING TO THE PANAMA CANAL TREATIES

Mr. MACK submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations:

S. CON. RES. 35

Whereas there has been a continual erosion of the democratic freedoms of Panamanian citizens and a consolidation of dictatorial power by the government of Panama led by General Manuel Noriega;

Whereas the United States has not recognized the government of Panama led by General Manuel Noriega since his refusal to accept the resignation orders from President Eric Arturo Delvalle;

Whereas on February 5, 1988, General Manuel Noriega was indicted in the United States district courts in Tampa and Miami, Florida, on a total of 15 counts, including the import and distribution of 1,000,000 pounds of marijuana, cocaine trafficking, money laundering, racketeering, and the protection of the Columbian Medellin drug cartel;

Whereas Cuba has supplied hundreds of tons of arms and ammunitions to General Manuel Noriega and maintains close ties to the Panamanian Defense Forces;

Whereas there have been an increasing number of incidents of harassment and intimidation of American citizens in Panama by members of the Panamanian Defense Forces;

Whereas on May 7, 1989, the Panamanian people participated in an election in which the government controlled by General Manuel Noriega engaged in systemic and massive electoral fraud;

Whereas President George Bush stated that the United States would not recognize a new government installed by General Manuel Noriega based upon a fraudulent election in Panama;

Whereas the chairman of the Panama Canal Commission is scheduled to be appointed on January 1, 1990 by the government of Panama, and that chairman would have a significant degree of control over the operations of the Canal;

Whereas the transferrence of control to the government of Panama controlled by General Manuel Noriega would permit even greater economic, political, and military oppression of the Panamanian people;

Whereas internal military corruption and the threat of continuing violence would make it impossible, if canal operations are transferred to Panama under the Panama Canal Treaty, for the United States to ensure that the canal is kept open and secure as affirmed by the United States Senate's "Deconcini Reservation" to the Treaty Concerning the Permanent Neutrality and Operation of the Panama Canal: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the Congress urges the President to initiate the following actions:

(1) The Panama Canal Treaty and the Treaty Concerning the Permanent Neutrality and the Operation of the Panama should be abrogated by the United States;

(2) At such time as the government of Panama is freely elected and reflects the will of the Panamanian people, the United States should enter negotiations with regard to the future status of the Panama Canal with that government.

SENATE RESOLUTION 122—RELATING TO A WORLD SUMMIT ON CHILDREN

Mr. SANFORD submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 122

Whereas in 1982 the United Nations Children's Fund (UNICEF) launched the "Child Survival and Development Revolution", to reduce by one-half by the end of this century the then daily toll of 45,000 deaths of young children attributable to preventable disease and malnutrition;

Whereas such "Child Survival and Development Revolution" has achieved impressive results, despite the extreme economic and developmental difficulties that have afflicted developing countries in this decade;

Whereas in 1983 Congress approved a joint resolution (Public Law 98-198) that was the first piece of national legislation to endorse formally the Child Survival and Development Revolution;

Whereas low-cost, high-impact, health and nutrition interventions form the core of child survival programs;

Whereas most notably, oral rehydration therapy and immunization are already by 1989 saving the lives of over 2,500,000 children per year who would have died if the death rates of 1982 still prevailed;

Whereas UNICEF, the World Health Organization (WHO), the governments of developing countries, the World Bank, and other multilateral and bilateral development assistance agencies (including the Agency for International Development in the United States) have identified additional low-cost opportunities for dramatically improving the survival, health, and development of the children of the world;

Whereas such low-cost opportunities could, with increased international coordination, political commitment, and institutional innovation, increase the number of children saved to over 5,000,000 within 2 years and to over 10,000,000 annually on a permanent and sustainable basis by 2000;

Whereas fewer than 5 percent of children in the developing world were immunized against the six major childhood diseases when the United Nations' goal of "Universal Child Immunization of 1990" was initiated in 1977;

Whereas now more than 50 percent of children worldwide are immunized and the Universal Child Immunization target of at least 80 percent immunization by 1990 is within reach for a majority of developing countries;

Whereas the Child Survival and Development Revolution requires integrated action to meet the goals of providing the following basic needs: nutrition, primary health care, environmental sanitation, water, and basic shelter, and basic education, especially for women and girls;

Whereas many governments, including the United States Government, have endorsed the attainment of these goals by the year 2000 as part of the WHO program of "Health for All";

Whereas a "Grand Alliance for Children" composed of a vast array of critically important private organizations, including voluntary associations, private businesses, the media, religious groups and other institutions, as well as governments, intergovernmental agencies and international organizations, is advancing child survival and development programs;

Whereas the emerging global concern for children reflects a new international political commitment to future generations;

Whereas such political commitment has been evident at the highest levels of international discourse, such as the Joint Statement issued on June 2, 1988, following a Summit Meeting in Moscow between the United States and the Soviet Union;

Whereas at such Summit Meeting President Reagan and General Secretary Gorbachev reaffirmed support for the goal of UNICEF and WHO of reducing the scale of preventable childhood death and urged other countries and the international community to intensify efforts to achieve such goal;

Whereas a general surge in concern for the welfare of children has formed the moral, legal, and political basis for the International Convention on the Rights of the Child;

Whereas such International Convention on the Rights of the Child would define the rights of children with regard to survival, protection, and development, and is expected to be approved by the United Nations General Assembly in 1989;

Whereas Secretary of State James Baker has indicated that the United States should take a leadership role in the initiative to develop a plan to get to the core of the poverty problem in order to achieve a healthy world by 2000;

Whereas the United States has consistently led the world in the provision of financial, operational, research, and advocacy support for child survival initiatives; and

Whereas the Executive Director of UNICEF, with the current endorsement of over a score of national leaders from developed and developing countries, East and West, has proposed a "World Summit on Children" to promote international plans for achieving the goals of child survival, health, and development of all children: Now, therefore, be it

Resolved, That—

(1) it is the sense of the Senate that the child survival and development programs implemented collaboratively by national governments, the United Nations Children's Fund (UNICEF), the World Health Organization (WHO), the Agency for International Development, and many other governmental and nongovernmental organizations are to be commended and have the full support and encouragement of the Senate;

(2) the Senate reaffirms a commitment on the part of the Senate to the goal of permanent improvement in the survival rates, health, and development of people in all countries, especially children, by 2000, and urges the President to adopt such goal as a major priority of the executive branch and to lead the world community in proposing concrete actions to achieve such goal;

(3) the Senate urges the President, on behalf of the people and Government of the United States, to propose to the Secretary General of the United Nations that the Secretary General establish an independent advisory commission to provide strategic planning, leadership, and advice to the world community on collaborative actions and programs in primary health care, nutrition, basic education, and environment by all members of the Grand Alliance for Children in order to eliminate easily preventable death and disabling illness in all countries by 2000;

(4) the Senate endorses the call for a representative World Summit on Children at the earliest opportunity to provide a forum for governmental leaders, including the President of the United States, to commit to concrete plans of national action and international cooperation to reduce the scale of preventable childhood deaths nationally and globally;

(5) the Senate endorses, in particular, a commitment for such governmental leaders to attain the goals of Universal Childhood Immunization by 1990 and Health for All by 2000; and

(6) the Senate encourages the President of the United States to take a leading role in ensuring the convening of a World Summit on Children at the earliest opportunity.

Mr. SANFORD. Mr. President, today I am introducing a resolution which will put the U.S. Senate on record in support of a world summit for children—for the purpose of eliminating preventable deaths and disabling illness among the world's children—by the year 2000.

This resolution is especially timely because 1989 is a symbolic year: It marks the 10th anniversary of the International Year of the Child. This year also marks the 30th anniversary of the adoption of the Declaration of the Rights of the Child. Thus, 1989 should be the year we support the call by Mr. James Grant, executive director of the U.N. Children's Fund: "We should have a solemn declaration, pledging urgent action by all governments, all health and development workers, and the world community, to attain for all the people of the world by the year 2000, a level of health that will permit them to lead a socially and economically productive life."

President John F. Kennedy said: "If a free society cannot help the many who are poor, it cannot save the few who are rich." At this very moment, millions of children are growing up in circumstances which mean that they will never fulfill the mental and physical potential with which they were born. That is an avoidable human tragedy.

There is no financial, technical, or moral reason that the world community cannot now make a decision to actually do something that has been a dream of mankind for thousands of years—to decide that it will organize itself so that no one—and especially no child—is condemned to a life in which they cannot be productive because of hunger, illness, or the lack of basic health care, sanitation, and education.

It is clear, at this time, that a new concern for children is arising in the industrialized world. In the United States today, for example, there is an increasing awareness that 20 percent of the Nation's children live below the official poverty line. We have a new President who has pledged himself to seek a kinder and gentler Nation.

Even the international arena has given us some unexpected hope. The Health Minister of the Soviet Union stated at the landmark Communist Party Conference in 1988: "We are proud of our health care system, but we keep silent about the fact that we are ranked 50th in the world, behind Mauritius and Barbados, in infant mortality."

An international summit to focus on children might therefore bring political leaders together—not confrontationally—but cooperatively—to focus on ways of improving the lives of children in both developing and industrialized counties.

After all, we have the amazing proliferation of grassroots associations that have always existed in the United States now beginning to happen in Asia, Africa, Latin America, and the Caribbean.

We now, for the first time in world history, have the technical means to insure that no one in the world dies of an easily preventable disease.

We now have low-cost technology for sanitation, water, and diarrheic diseases.

And, we also have radio and television as a means of educating poor, remote, and homebound people.

Because we are so technically advanced, one has to wonder why 14 million children die each year. Contrary to what you might think, the main obstacle is not money but coordination, inspiration, and leadership.

It is time to begin attending to the needs and rights of children and poor people. Not as a mere byproduct of progress, but as an end and a means of progress itself.

After all, the true test of a civilization is how well it protects its vulnerable citizens and how well it safeguards its future. Investing in our children's development today—by meeting their most obvious needs—is the only level of action which both meets pressing human needs today and leads to the solutions of what may otherwise become the almost insoluble problems tomorrow.

Mr. President, I urge my colleagues to support this resolution.

AMENDMENTS SUBMITTED

ARCTIC COASTAL PLAIN COMPETITIVE OIL AND GAS LEASING ACT

JOHNSTON AMENDMENT NO. 100

(Ordered referred to the Committee on Energy and Natural Resources and ordered to be printed.)

Mr. JOHNSTON submitted an amendment intended to be proposed by him to the bill (S. 406) to authorize competitive oil and gas leasing and development on the coastal plain of the Arctic National Wildlife Refuge in a manner consistent with protection of the environment, and for other purposes, as follows:

Strike all after the enacting clause and insert in lieu thereof the following:

TITLE I—FINDINGS, PURPOSES AND GOALS

SEC. 101. SHORT TITLE.—This Act may be cited as the "Prince William Sound Oil Spill Emergency Response Act of 1989".

SEC. 102. CONGRESSIONAL FINDINGS.—Congress finds and declares that—

(a) The March 24, 1989, grounding and rupture of the fully loaded oil tanker, the *Exxon Valdez*, spilled 240,000 barrels of crude oil in the Prince William Sound, an environmentally sensitive area;

(b) A review of the causes of this grounding and the response of Exxon, the Alyeska Pipeline Service Company, the State of Alaska and the Federal government to the largest oil spill in the United States plainly demonstrates that:

(1) Human error and negligent conduct led to the nation's largest oil spill;

(2) Exxon and other oil companies which own the Alyeska Pipeline Service Company failed to maintain oil spill containment equipment and personnel at the Valdez terminal in a state of readiness;

(3) Government agencies failed to inspect equipment and enforce compliance with contingency plans and oil spill response plans; and

(4) The response to the grounding and the oil spill was late, disorganized and lacked vital equipment under conditions which required a timely, organized, and properly manned and equipped clean up effort.

(c) The damage caused by the *Exxon Valdez* oil spill to the marine environment, to fish, birds, wildlife and marine mammals, to the commercial fishery of Southeast Alaska and to Native Villages and subsistence users—whether measured in economic terms or quality of life terms—is extremely serious and merits an early and decisive Congressional response.

SEC. 103. CONGRESSIONAL PURPOSE.—The purpose of this Act is to:

(a) Provide a decisive, but interim, Congressional legislative response to the shortcomings in law, policy and regulation which the *Exxon Valdez* oil spill has made evident;

(b) Initiate immediate reviews, studies and reports on the status of oil spill contingency plans for Alaska crude oil which will provide data and information required for a full review and reform of national law, policy and regulation governing oil spill contingency plans;

(c) Implement measures to correct apparent and obvious problems so as to avoid future spills of Alaska crude oil pending the review and development of a legislative response applicable to the nation as a whole;

(d) Implement regulations and standards governing contingency and response plans, and readiness capacity to deal with spills of Alaska crude oil;

(e) Adopt measures to reduce risks of spills and provide backup safety systems;

(f) Provide for short and long term research on the effects of oil spills, and oil and gas activities on fish, wildlife and the marine environment;

(g) Provide emergency economic assistance to those whose jobs, businesses and economic well-being have been jeopardized by the *Exxon Valdez* oil spill; and

(h) Geographically expand the application of the law of strict liability to cover the production and transport of all North Slope Alaska crude oil; increase the funding level of the Trans-Alaska Pipeline Liability Fund; establish a new Oil Spill Avoidance Trust Fund; and increase civil and criminal penalties.

SEC. 104. CONGRESSIONAL GOAL.—It is the goal and objective of the Congress in enacting this Act to dedicate the resources necessary and to revise the statutory and regulatory requirements applicable to the development, production and transportation of Alaska crude oil for the purpose of reducing, to the lowest level humanly and technically possible, the risks of another significant oil spill.

TITLE II—AMENDMENTS TO THE TRANS-ALASKA PIPELINE ACT OF 1973

SEC. 201. JOINT, SEVERAL AND STRICT LIABILITY STANDARD ESTABLISHED AND EXTENDED.—The Trans-Alaska Pipeline Authorization Act of November 16, 1983, 87 Stat. 584, 43 U.S.C. §1651 et seq., as amended, (hereinafter in this Title referred to as "the Act") is further amended as follows:

(a) Section 204(a)(1) of the Act, 87 Stat. 586, 43 U.S.C. §1653(a)(1), is amended, as follows:

(1) After the numeral "(1)" insert the letter "(A)";

(2) After the phrase "such holder shall be" insert the words "jointly, severally and";

(3) At the end of subsection (a)(1)(A), insert a new subparagraph (B) as follows:

"(B) The standard of liability established for any actions or activities resulting in damages as described in subparagraph (A) above shall also be applicable to the actions and activities of any holder of any lease, right-of-way or permit for exploration of crude oil or for any port facility into which or from which crude oil is shipped, whenever such actions or activities occur in onshore or offshore areas on Alaska's North Slope, including State submerged lands and the Outer Continental Shelf of the Beaufort Sea and the Chukchi Sea.".

SEC. 202. LIABILITY FOR DAMAGE WITHOUT FAULT INCREASED TO $500,000,000.—Section 204(a)(2) of the Act, 87 Stat. 586, 43 U.S.C. §1653(a)(2), is amended as follows:

(a) Delete the first sentence and insert in lieu thereof: "(2) Liability under paragraph (1) of this subsection shall be limited to $500,000,000 for any one incident and the holder of any lease, right-of-way or permit for oil exploration, development or transportation shall be liable for any claim allowed in proportion to its ownership interest in the lease, right-of-way, permit or other authorization.".

(b) In the second sentence, strike the phrase "in excess of $50,000,000" and insert in lieu thereof "in excess of $500,000,000".

SEC. 203. EXTENSION OF LIABILITY WITHOUT FAULT TO OTHER AREAS OF THE ARCTIC AND NORTH SLOPE OF ALASKA.—Section 204(b) of the Act, 87 Stat. 586, 43 U.S.C. §1653(b), is amended as follows:

(a) After the phrase "right-of-way holder", in the title of the subsection, insert the numeral "(1)";

(b) At the end of subsection (b)(1), add new paragraph (2) as follows:

"(2) The provisions and the authority granted the Secretary under paragraph (1) above shall also be applicable to the holder of any lease, right-of-way or permit for oil exploration, development or transportation of crude oil or for any port facility into which or from which Alaska crude oil is shipped, whenever such activity occurs in onshore or offshore areas of Alaska's North Slope, including State submerged lands and the Outer Continental Shelf of the Beaufort Sea and the Chukchi Sea.".

SEC. 204. INCREASE IN LIABILITY FOR VESSEL OIL SPILLS TO $500,000,000, EXTENSION OF LIABILITY WITHOUT FAULT TO AREAS OF THE ARCTIC, AND INCREASE IN THE TRANS-ALASKA PIPELINE LIABILITY FUND TO $500,000,000.—Section 204(c) of the Act, 87 Stat. 586, 43 U.S.C. §1653(c), is amended as follows:

(a) In section 204(c)(1), delete all after the phrase "of and other law," and insert in lieu thereof the following:

"the owner or operator of any vessel or facility (jointly and severally) and the Trans-Alaska Pipeline Liability Fund established by this subsection, shall be strictly liable, without regard to fault, in accordance with the provisions of this subsection, for all damages, including clean-up costs, sustained by any person or entity, public or private, including residents of Canada, that arise out of or directly result from the discharge of oil from:

"(A) vessels engaged in the transportation of crude oil between the terminal facilities of the Trans-Alaska Pipeline at Valdez, Alaska, and ports under the jurisdiction of the United States;

"(B) the Trans-Alaska Pipeline;

"(C) fields or reservoirs supplying oil to the Trans-Alaska Pipeline; and

"(D) onshore or offshore oil and gas exploration, development or transportation activities in areas on Alaska's North Slope, including State submerged lands and the Outer Continental Shelf of the Beaufort Sea and the Chukchi Sea.".

(b) In section 204(c)(2), insert the words "or facility" after the word "vessel" in the two places it appears.

(c) In section 204(c)(3), insert the words "or facility" after the word "vessel".

(d) In section 204(c)(3), delete the number "$100,000,000" in the three places it appears and, in lieu thereof, insert in each place the number "$500,000,000".

(e) In section 204(c)(3), delete the number "$14,000,000" in the two places it appears and, in lieu thereof, insert in each place the number "$100,000,000".

(f) In section 204(c)(5), delete the number "$100,000,000" in the two places it appears and, in lieu thereof, insert in each place the number "$500,000,000".

(g) Delete the first sentence of section 204(c)(7) and insert in lieu thereof the following:

"(7) The provisions of this section shall apply to any discharge of oil from the Trans-Alaska Pipeline; from fields or reserviors supplying oil to the Trans-Alaska Pipeline; from onshore and offshore oil and gas exploration, development or transportation activities in areas on Alaska's North Slope, including State submerged lands and the Outer Continental Shelf of the Beaufort Sea and the Chukchi Sea; and from vessels engaged in transportation of crude oil between the terminal facilities of the Trans-Alaska Pipeline at Valdez, Alaska and ports under the jurisdiction of the United States.".

SEC. 205. NATURE OF DAMAGES COVERED.—Section 204 of the Act, 87 Stat. 586, 43 U.S.C. §1653, is amended by adding a new subsection (d) as follows:

"(d) NATURE OF DAMAGES COVERED.—Liability for damages caused under subsections (a), (b) and (c) of this section shall include, but not be limited to:

"(1)(A) all removal costs incurred by the United States Government or a State under subsection (b) of this section or under any other Federal law or regulation;

"(B) any removal costs incurred by any person, including, but not limited to, any State; and

"(2) all damages and economic loss, including cost of restoration or replacement of personal property or natural resources injured or destroyed by an oil spill, including—

"(A) any injury to, destruction of, or loss of any real or personal property;

"(B) any loss of use of real or personal property;

"(C) any injury to, destruction of, or loss of natural resources, including the reasonable costs of assessing such injury, destruction, or loss;

"(D) any loss of use, including loss of subsistence use, of any natural resources, without regard to the ownership or management of such resources;

"(E) any loss of income or profits or impairment of earning capacity resulting from injury to or destruction of real or personal property or natural resources, without regard to the ownership of such property or resources;

"(F) any direct or indirect loss of tax, royalty, rental, or net profits share revenue by the Federal Government or any State or political subdivision thereof, for a period of not to exceed one year; and

"(G) any secondary damages resulting from the effects of cleanup operations on the economy, including but not limited to losses resulting from the depletion of the labor pool.".

SEC. 206. DAMAGE TO NATURAL RESOURCES; APPOINTMENT OF TRUSTEES.—Section 204 of the Act, 87 Stat. 586, 43 U.S.C. §1653, is amended by adding a new subsection (e) as follows:

"(e) DAMAGE TO NATURAL RESOURCES AND APPOINTMENT OF PUBLIC TRUSTEES.—Where actions and activities giving rise to liability under this section cause or result in damage, injury to, destruction of, or loss of natural resources, additional liability shall be:

"(A) to any subsistence user, including any individual, any Native, or any Native group that used such resources;

"(B) to the United States Government for natural resources belonging to, managed by,

controlled by, or appertaining to the United States; and

"(C) to any State or any other government entity, for natural resources belonging to, managed by, controlled by, or appertaining to such State or entity."

"(2) The President or his designate, or the authorized representative of any State, shall act on behalf of the public as Trustee of such natural resources to recover for such damages. Sums recovered by the United States Government as Trustee under this subsection shall be retained by the Trustee, without further appropriation, for use only to restore, replace, or acquire the equivalent of such natural resources. Sums recovered by a State as Trustee under this subsection shall be available for use only to restore, replace, or acquire the equivalent of such natural resources by the State. The measure of damages in any action under this section shall not be limited by the sums which can be used to restore or replace such resources. There shall be no double recovery under this Act for natural resource damages, including the costs of damage assessment or restoration, rehabilitation, or acquisition for the same discharge and natural resource.

"(3)(A) The President shall designate the Federal official or officials who shall act on behalf of the public as Trustees for natural resources under this Act. The Trustee shall assess damages for injury to, destruction of, or loss of natural resources for purposes of this Act for those resources under his trusteeship and may, upon request of reimbursement from a State and at the Federal officials' discretion, assess damages for those natural resources under the State's trusteeship.

"(B) The Governor of each State shall designate State officials who may act on behalf of the public as Trustee for natural resources under this Act and shall notify the President of such designations. Such State officials shall assess damages to natural resources for the purposes of this Act for those natural resources under their trusteeship.

"(C) Any determination or assessment of damages to natural resources for the purposes of this Act made by a Federal or State Trustee in accordance with this subsection shall have the force and effect of a rebuttable presumption on behalf of the Trustee in any administrative, judicial or arbitration proceeding under this Act.

"(4) The Secretary of the Interior, after consulting with the Administrator of the National Oceanic and Atmospheric Administration, the Administrator of the Environmental Protection Agency, the Director of the United States Fish and Wildlife Service, and the heads of other affected agencies, shall, not later than 6 months after the enactment of this Act, promulgate regulations for the assessment of damages for injury to, destruction of, or loss of natural resources resulting from an oil spill for the purposes of this Act. Such assessment regulations shall not be limited to demonstrable economic loss, but shall accord value to the constituent natural resource elements which comprise the damaged ecosystem.

"(5) The term "natural resources" includes land, fish, birds, wildlife, biota, air, water, ground water, drinking water supplies, and other such resources belonging to, managed by, protected by, held in trust by, appertaining to, or otherwise controlled by the United States (including the resources of the fishery conservation zone) or any State or local government.".

TITLE III—VESSEL OPERATIONS AND ACCIDENT PREVENTION

SEC. 301. TANKER OPERATIONS: USE OF HARBOR PILOTS; COAST GUARD MONITORING; CONTROL OF VESSELS.—Effective within 30 days of the date of enactment of this Act, the Secretary of Transportation shall issue emergency regulations which shall:

(a) Define "hazard to navigation" areas in any United States port through which significant quantities of Alaska crude oil is transported (including the area in Prince William Sound extending from Valdez to beyond Bligh Reef) encompassing regions near or adjacent to vessel traffic lanes that present risks of grounding, accident or collision.

(b) Require that the Coast Guard, after a 90 day period of public review and comment, establish clear standards based on weather and ice conditions during which vessel traffic is to be restricted or prohibited.

(c) Require full time Coast Guard monitoring by radar and other electronic devices and periodic radio contact with the Captain and local harbor pilot of any vessel transiting hazard to navigation areas.

(d) Require the installation of radar responders at the existing Bligh Reef Buoy and at other hazard to navigation areas.

(e) Require additional or extended tug boat escort and assistance for vessels transitting hazard to navigation areas.

(f) Require that any vessel travelling through a hazard to navigation area:

(1) be at all times controlled from the bridge by a certified local harbor pilot and the ship's captain.

(2) have on board two officers, including the captain and excluding the harbor pilot, certified to navigate the hazard to navigation area.

SEC. 302. DIRECTIVE TO IMPOSE NEW REQUIREMENTS FOR DRUG AND ALCOHOL TESTING.—Effective within 30 days of the date of enactment of this Act, the Secretary of Transportation shall issue emergency mandatory regulations which:

(a) Require of any entity or person engaged in the shipment of crude oil from the Valdez terminal that it impose drug and alcohol screening, testing and monitoring procedures, patterned after those used for licensing or certification of railroad engineers (section 202 of the Federal Railroad Safety Act of 1970, 43 U.S.C. 431), the issuance of medical certificates for airman in the commercial aviation industry (Federal Aviation Act of 1958, as amended, 49 U.S.C. 1301), and the procedures followed in the United States Navy's nuclear submarine program, for all personnel having command or other navigational responsibilities in the operation of a vessel engaged in or assisting in the movement of Alaska crude oil;

(b) Require that any individual otherwise eligible for a Masters license in operating a vessel transporting or assisting in the transport of Alaska crude oil shall be excluded from receiving such license if such individual:

(1) Has a record or history of drug abuse or alcohol abuse;

(2) Has been convicted within the past five years of driving while under the influence of drugs, under local, State or Federal law; or

(3) Has failed to pass a periodic physical fitness medical examination which provides documentation from a licensed physician that the applicant shows no physical evidence of drug usage, or alcohol abuse or addiction.

(c) Grant access to any company engaged in the transportation of Alaska crude oil to the driving records of prospective Captains, Officers and Mates of such vessels, as provided in Section 202(b)(3) of the National Driver Register Act of 1982, as amended, 23 U.S.C. 401;

(d) Impose such random drug and alcohol testing procedures, including breathalyzer testing, as the Secretary determines is necessary to avoid and prevent the risk of an oil spill from accident, grounding or collision of a vessel carrying Alaska crude oil; and

(e) Require all officers and crew to be on board any vessel engaged in the transportation of Alaska crude oil a minimum of six hours before departure from the terminal or port facility.

SEC. 303. REGULATIONS TO SHORTEN THE OPERATIONAL TERM OF ELIGIBILITY FOR A MASTERS LICENSE; INCREASE VESSEL MANNING REQUIREMENTS; AND IMPROVE VESSEL RECRUITING AND JOB TRAINING REQUIREMENTS.—Effective within 60 days of the date of enactment of this Act, the Secretary of Transportation shall issue emergency mandatory regulations which:

(a) Require that the conditions for a Masters license for any person engaged in the operation of a vessel carrying Alaska crude oil from Valdez to a port under the jurisdiction of the United States shall require that the license be renewed every two years and the license holder shall submit a copy of the required physical examination by a licensed physician to the appropriate Federal agency;

(b) Require that the certificates of inspection for vessels engaged in the movement and transport of Alaska crude oil direct and require that all watches on board ship be redundantly manned to insure back-up personnel and second opinions on radar monitoring and critical navigation decisions; and

(c) Require more stringent recruiting, personnel, and job training standards for all personnel and crew operating or crewing vessels engaged in the movement or transport of Alaska crude oil for the purpose of enhancing safety and reducing future risks of oil spill to the lowest level humanly possible.

SEC. 304. EXECUTIVE AGENCY REPORTS AND LEGISLATIVE AUTHORIZATION FOR REQUIRING TUGBOAT AND ICE BREAKING VESSEL ASSISTANCE: NEW RETROFIT AND CONSTRUCTION STANDARDS FOR DOUBLE BOTTOMS, SEGREGATED COMPARTMENTS, BOW THRUSTERS, VESSEL INSPECTION STANDARDS; AND OTHER REQUIREMENTS FOR VESSELS CARRYING ALASKA CRUDE OIL.—(a) Within 90 days of the date of enactment of this Act, the Secretary of Transportation shall submit to the Congress a report which addresses and makes recommendations on the following transportation issues related to the movement of crude oil through Prince William Sound from Valdez, Alaska to ports under the jurisdiction of the United States:

(1) The need or desirability, from a safety point of view, for one or more world class ice breaking vessels with the capacity to move ice flow or icebergs out of incoming or outgoing Valdez and Prince William Sound tanker sea lanes;

(2) The need or desirability, from a safety point of view, for a requirement that existing tankers be retrofitted and that all new tankers be constructed to incorporate:

(A) Double bottoms or interior liners to reduce oil spill risks;

(B) An increased number of separated compartments;

(C) Bow thrusters to increase vessel maneuverability; and

(D) Any other design, equipment or operational feature which will achieve the purposes of this section and this Act to reduce the risk of oil discharges from tanker accidents, groundings or collisions.

(3) The need or desirability, from a safety point of view, for more frequent and more rigorous Coast Guard safety and structural inspection of all vessels engaged in the transportation of Alaska crude oil, including both in-water inspections and dry dock inspections, with special attention directed to older vessels and to vessels over 700 feet in length.

(b) The Secretary of Transportation, after notice to the Congress, is authorized to implement, at any time, through appropriate regulations, any of the recommendations made under subsection (a) of this section which the Secretary determines will enhance safety, reduce the risk of an oil spill, or improve oil spill clean-up and response capabilities.

TITLE IV—UPDATE AND REVISION OF VESSEL TRAFFIC CONTROL SYSTEMS TO PREVENT ACCIDENTS

SEC. 401. REVIEW OF VESSEL TRAFFIC CONTROL SERVICE SYSTEMS.—Within 90 days of the date of enactment of this Act, the Secretary of Transportation shall submit to the Congress a report on the adequacy of existing Vessel Traffic Control Services (VTCS) Systems for ports in the United States shipping or receiving Alaska crude oil, including but not limited to:

(a) The Port of Valdez and vessel traffic lanes in the Prince William Sound;

(b) Ports and vessel traffic lanes in the Strait of Juan de Fuca, Puget Sound and the San Juan Islands area;

(c) Ports and vessel traffic lanes in the Long Beach and Los Angeles area;

(d) Ports and vessel traffic lanes in the Gulf Coast;

(e) Ports and vessel traffic lanes in the Virgin Islands and on the East Coast receiving significant quantities of Alaska crude oil; and

(f) Ports and vessel traffic lanes used by vessels transporting Alaska crude oil which encompass or are adjacent to hazard to navigation areas.

SEC. 402. RECOMMENDATIONS FOR UPGRADING VTCS SYSTEMS TO STATE OF THE ART.—(a) The Secretary's report under Section 401 on the adequacy of existing VTCS systems shall contain recommendations for improving, upgrading and, where necessary, replacing existing VTCS systems.

(b) The Secretary's recommendations shall have as their objective the development of VTCS systems which reduce the risk of an oil spill to the lowest levels technically and humanly possible.

SEC. 403. VTCS SYSTEM AUTHORIZATION.—(a) The Secretary is authorized and directed to submit funding requests to the Trustees of the Oil Spill Avoidance and Readiness Trust Fund established under Title V for finding any needed VTCS system component, operation or training program to achieve the purposes of this Title and this Act.

(b) Vessel traffic shall be limited to daylight hours in hazard to navigation areas until the VTCS systems are reviewed and improved. Such improvements shall include but need not be limited to:

(1) Installation of navigational aids and warning systems;

(2) Improved radar surveillance capability including the installation of radar responders at Bligh Reef Buoy, on Naked Island in central Prince William Sound and on either Hinchbrook or Montague Island at the Sound's entrance, for the purpose of placing all vessels operating in Prince William Sound under positive control of the VTCS system;

(3) Computerized radar alarm systems to alert the Coast Guard, pilots and captains when a vessel strays from established shipping lanes or is at risk of grounding or collision;

(4) Improved communications capabilities;

(5) Redundant or back-up safety systems where warranted;

(6) Training, retraining and refresher programs for all Federal, State, local and private sector personnel who play a role in the operation of vessels carrying Alaska crude oil or the VTCS systems; and

(7) Such other improvements in the VTCS systems as will prevent or reduce the risk of oil spills.

(c) The Secretary is further authorized and directed, for any of the ports listed in Section 401(b) through (f), to take any of the actions set forth in Section 301 of this Act which he determines will reduce the risk of an oil spill resulting from a grounding, accident or collision.

(d) The standard the Secretary is to follow in implementing this Title is to achieve the prompt installations of VTCS systems which provide redundant safety features, utilize the best technology available in the world, and are best designed to prevent groundings, accidents and collision.

TITLE V—OIL SPILL AVOIDANCE TRUST FUND

SEC. 501. OIL SPILL AVOIDANCE AND READINESS TRUST FUND.—(a) There is hereby imposed a five cent per barrel oil spill avoidance and readiness fee on the throughput of the Trans-Alaska Pipeline System. The operator of the pipeline shall collect the fee from the owner of the crude oil at the time it is loaded on a vessel at the Valdez, Alaska terminal facility.

(b) The revenue from the fee shall be paid into the Alaska Oil Spill Avoidance and Readiness Trust Fund which shall be an account in the United States Treasury administered by the Secretary of the Treasury. The collection of the fee shall cease when $200,000,000 has been accumulated in the Fund, and it shall be resumed when the accumulation in the Fund falls below $200,000,000.

(c) All revenues in the Fund not needed for the purposes of subsection (e) shall be invested prudently by the Secretary of the Treasury in income-producing securities. Income from the securities shall be added to the principal of the Fund and shall be available for use as provided in this Title.

(d) The Secretary of the Interior, the Secretary of Commerce and the Administrator of the Environmental Protection Agency shall serve as Trustees of the Fund. Revenues from the Fund shall be disbursed by the Trustees, without prior appropriation, for the uses and purposes set forth in subsection (e). The Trustees shall provide an annual report to the Congress on the use of the Fund revenues and their proposed use in succeeding years. Revenues in the Fund shall be used to achieve the goals and purposes of this Act. The Trustees shall exercise their discretionary authority to establish funding priorities to achieve these objectives.

(e) The Trustees of the Fund are authorized to approve requests and provide funding for any of the following authorized purposes:

(1) Updating and improving the Vessel Traffic Control Services (VTCS) systems for Valdez, Alaska, and Prince William Sound and at ports in the United States receiving significant quantities of Alaska crude oil as required by Title IV;

(2) Conducting research on oil spill prevention, containment and clean-up and on the long-term effects of oil spills, and oil and gas activities on fish, wildlife, the marine environment, and subsistence uses, including but not limited to, research on:

(A) present modes of oil spill prevention, containment and clean-up technology, including but not limited to, the speed and effectiveness of the various technologies under the differing environmental and weather conditions presently encountered in onshore and offshore oil and gas exploration, development and transportation; the size of the spill which can be contained and cleaned up using the various technologies under these differing environmental and weather conditions; and the environmental impact of technologies such as chemical dispersants;

(B) the feasibility of preventing, containing and cleaning up an oil spill in the Arctic using present technologies under Arctic environmental conditions, including weather, temperature and sea ice;

(C) improvements to present oil spill prevention, containment and clean-up technologies;

(D) the effects of onshore and offshore oil and gas exploration, development, transportation, spill or discharge and related containment and clean-up activities on fish, wildlife, and the marine environment, including but not limited to: noise impacts; degradation or loss of habitat; disruption of habitat usage; and disruption of migratory routes; and

(E) the economic and cultural impacts of onshore and offshore oil and gas activities on affected subsistence communities.

The Trustees shall seek the views and recommendations of the Environmental Advisory Panel established under Title VIII in determining the priorities or relative merits of funding requests from State and Federal agencies, universities, colleges or other groups which possess special expertise on this subject;

(3) Supplementing budget authority for critically needed manpower, equipment and other requirements for Federal agencies with oil spill prevention and clean up responsibilities, or for enforcement of private sector compliance;

(4) Providing, in conjunction with the Small Business Administration, emergency low interest loan assistance to individuals, small business, and Native Corporations whose source of income and employment has been adversely impacted by an oil spill;

(5) Providing emergency assistance grants to subsistence communities whose source of livelihood has been disrupted by an oil spill or discharge;

(6) Conducting the review and preparing the report on the adequacy of contingency and response plans required by Title VI; and

(7) Funding the costs of developing, maintaining and operating contingency and response plans, response teams and clean-up and containment equipment as required by Title VII.

(f) The Trustees of the Fund are authorized to use revenues in the Fund to pay for the costs of administration and, to satisfy

start-up costs and early obligations on the Fund, to borrow any funds needed from any commercial credit source, at the lowest available rate of interest, subject to the approval of the Secretary of the Treasury.

TITLE VI—REPORTS ON OIL SPILL CONTINGENCY PLAN

SEC. 601. PREPARATION OF REPORT ON ADEQUACY OF OIL SPILL CONTINGENCY PLAN.—(a) Within 90 days of the date of enactment of this Act, the Secretary of Transportation, the Secretary of the Interior and the Administrator of the Environmental Protection Agency shall submit to the Congress a report which shall include their recommendations, based upon an in depth review of all Federal, State, local and industry contingency or oil spill emergency response plans, for dealing with oil spills in connection with the exploration, development and transportation of Alaska crude oil. Such report shall include all contingency plans for the exploration, production and transportation of crude oil from onshore areas, State offshore waters, and the Outer Continental Shelf of the Chukchi and Beaufort Seas, and shall include current and projected oil exploration, development and transportation activities in the Canadian Beaufort Sea.

(b) The review and report on contingency plan adequacy shall address, but not be limited to, the following subjects:

(1) The adequacy of the contingency or oil spill emergency response plan for dealing with potential oil spills;

(2) The adequacy and operational capacity of oil spill containment equipment, including, but not limited to, containment booms, oil skimming vessels, barge facilities, work vessels, oil spill dispersants and equipment for their application;

(3) The adequacy, training, prepardeness and fitness of all personnel assigned to direct and implement the contingency or oil spill emergency response plan;

(4) The adequacy of plans, personnel and prepositioned equipment for protecting critical habitat, environmentally sensitive areas, and areas in which fish hatcheries are located;

(5) The adequacy of on-site availability of chemical dispersants and disbursement systems; and

(6) The adequacy of arrangements for enlisting the use of non-oil industry personnel such as commercial fishermen, volunteers and calling upon backup assistance from sources such as the national guard or the military.

SEC. 602. The Report required under Section 601 shall include recommendations for civil and criminal penalties for violations of contingency and response plans.

TITLE VII—DEVELOPMENT OF OIL-SPILL CONTINGENCY AND RESPONSE PLANS: STANDARDS; READINESS; TESTING; AND INSPECTIONS

SEC. 701. REGULATIONS.—Based upon the review and report on contingency planning prepared pursuant to Title VI, and the standards established by this Title, the Secretary of Transportation, with the assistance of the Secretary of Interior and the Administrator of the Environmental Protection Agency, shall, within 90 days of the date of enactment of this Act, promulgate regulations which set forth mandatory requirements for oilspill contingency and response plans, response teams, clean up and recovery equipment, dedicated manpower levels, state of readiness standards, and mobilization time for response.

SEC. 702. FEDERAL AUTHORITY.—(a) The Federal Government, acting through the Secretary of Transportation, shall establish mandatory Federal regulations governing the development and implementation of oil-spill contingency and response plans.

(b) The Federal Government shall also establish minimum standards for oilspill containment, removal and clean-up equipment and shall provide for funding under Title V of this Act to implement plans through acquisition of required equipment and hiring of necessary personnel.

SEC. 703. STATE AUTHORITY TO IMPLEMENT.—(a) The State of Alaska and each State receiving significant quantities of Alaska crude oil at a port facility or facilities within the State's jurisdiction is authorized and delegated the responsibility to implement the contingency and response plan for that port or ports and for movements of Alaska crude oil on vessels in all waters adjacent to the State.

(b) Operating within the minimum Federal standards, the State of Alaska and each receiving State shall develop contingency and response plans which are best adapted to protect that State's natural resources and marine environment from damage that might be caused by an oilspill or oil discharge.

(c) The State contingency and response plans must impose requirements which meet the minimum requirements of the regulations promulgated under section 701 of this Title. State plans may exceed the requirements of the Federal regulations where, in the judgment of the State, prudence or local conditions warrant additional requirements.

(d) The enactment of this Title shall not constitute any delegation or diminution of Federal constitutional power and authority over commerce, navigation, the public lands or other matters.

(e) Contingency and response plans prepared by a State shall be submitted to and approved by the Secretary of Transportation. The Secretary shall have authority to modify a plan in the event he determines that the plan: (1) does not meet minimum Federal requirements; (2) encroaches on Federal constitutional powers; or (3) imposes economic costs which exceed potential safety benefits.

(f) Two or more States may jointly develop all or a poriton of their contingency and response plans. A State or States may also engage in joint planning, administration and operation of plans with Canada or other foreign governments.

SEC. 704. FEDERAL STANDARDS FOR CONTINGENCY AND RESPONSE PLANS.—(a) The regulations promulgated by the Secretary of Transportation under Section 701 shall incorporate the Federal standards set forth in this section for contingency plans and response plans.

(b) The contingency plan and oil spill response plan shall:

(1) Provide full details of the method of response to a worst case oil spill, defined as the discharge, in poor weather conditions, of the largest vessel which is known to transit the area;

(2) If implemented, be capable, in terms of manpower and equipment, of containing any projected probable oil spill within 48 hours, and any worst case oil spill as rapidly as technology, manpower, equipment and funding will permit;

(3) Address means of mitigating short-term effects on the environment, on fish and wildlife and marine mammals, and ensure that the contingency plan itself, when implemented, does not pose unacceptable risks to the public or the environment;

(4) Address the number, types and operational capacity of oil spill containment equipment, including, but not limited to, containment booms, oil skimming vessels, barge facilities, work vessels, oil spill dispersants and equipment for their application, needed under the plan;

(5) Address the number, training preparedness and fitness of all full-time personnel assigned to direct and implement the contingency or oil spill emergency response plan;

(6) Address the need for special plans and personnel and pre-positioned equipment for protecting critical habitat, environmentally sensitive areas, and areas in which fish hatcheries are located;

(7) Set requirements for on-site availability of chemical dispersants and disbursement systems;

(8) Address arrangements for enlisting the use of oil industry personnel and non-oil industry personnel such as commercial fishermen and volunteers, as well as backup assistance from sources such as local and state governments, the national guard or the military; and

(9) Require full-time, dedicated, pre-positioned personnel and equipment capable of meeting the standard of paragraph (1) if the plan should have to be implemented.

SEC. 705. READINESS AND TESTING.—(a) Oil spill response teams established to implement contingency and response plans under this section shall:

(1) be organized in a manner similar to municipal fire departments;

(2) consist of full-time dedicated personnel;

(3) incorporate periodic training and drill programs;

(4) be in a state of operational readiness at all times;

(5) have available state of the art operational cleanup and containment equipment adequate to deal with projected oil spills at projected locations under varying weather and water conditions;

(6) maintain a worldwide computer inventory of spill equipment and experts available in the event of a major spill; and

(7) provide for a "spill ship" to escort any vessel transiting a hazard to navigation area. Such spill ship shall be equipped, manned and tested as outlined in this subsection 705(a).

(b) The States shall assure that, under their contingency and response plans, oil industry support, volunteer assistance and other private and public capabilities are periodically assessed and that a coordinated plan and procedure has been developed to efficiently deploy these forces if needed.

(c) The States shall periodically conduct tests and drills, including random surprise drills, to assure readiness of response teams and equipment.

SEC. 706. INSPECTION.—(a) The Secretary of Transportation shall direct a periodic inspection of State plans, response teams and equipment to determine their operational readiness.

(b) The Secretary shall establish an Alaska Crude Oil Contingency Plan Advisory Group to monitor developments under this Title. The Advisory Group shall consist of Federal officials, the Governors of Alaska and Washington, other State officials, oil industry representatives and representatives of Alaska Natives and local government selected by the Secretary.

(c) The Secretary shall be responsible for assuring a coordinated and efficient response by the Coast Guard and other Feder-

al agencies in developing, implementing and operating under oil spill contingency or response plan.

(d) The President shall at all times have the authority to assume Federal responsibility for dealing with and directing an oil spill clean-up effort in navigable waters when a determination is made that such action is in the public interest.

SEC. 707. INDUSTRY RESPONSIBILITY.—(a) Each vessel shall be required to maintain its own contingency plan in coordination with relevant Federal, State, and industry containment plans, capable of containing any spill as rapidly as technology, manpower and equipment will permit. Each vessel shall be equipped with containment boom and small boats to assist in the deployment of the boom and each vessel shall be staffed with a "spill officer" trained in spill containment.

(b) The enactment of this Title and this Act does not eliminate, reduce, modify or change in any respect any requirement of Federal, State or local law, any insurance code requirement, or any other requirement concerning planning and oil spill response capability applicable to any sector of the oil industry. The requirements of this section are in addition to any such existing requirements: *Provided*, That a State may incorporate industry equipment and personnel into State contingency and response plans if such personnel and equipment meet the minimal Federal requirements of this Title and the implementing regulations.

SEC. 708. FUNDING.—(a) The costs of funding this Title shall be paid out of the Oil Spill Avoidance and Readiness Trust Fund established under Title V.

(b) The State of Alaska and other States receiving Alaska crude oil shall apply to the Secretary for funding assistance under regulations implementing this Title. The Secretary shall, after considering all State applications, establishing priorities in light of need and risk, and considering the revenues available, make an application for funds to the Trustees of the Oil Spill Avoidance and Readiness Trust Fund under section 501(e)(7).

TITLE VIII—ENVIRONMENTAL ADVISORY PANEL

SEC. 801. ADVISORY PANEL ON IMPACTS OF OIL AND GAS EXPLORATION AND DEVELOPMENT ON FISH, WILDLIFE, AND THE MARINE ENVIRONMENT: ESTABLISHMENT.—(a) There is hereby established the Advisory Panel on Impacts of Oil and Gas Exploration and Development on Fish, Wildlife, and the Marine Environment (hereafter referred to as the "Advisory Panel").

(b)(1) The Advisory Panel shall be composed of nine members appointed by the President, with the Chairman of the Arctic Research Commission serving as a permanent member. The members appointed by the President shall include:

(A) four members selected from a list submitted to him by the Chairman of the Marine Mammal Commission, the Chairman of the Council on Environmental Quality, the Director of the National Science Foundation, and the Chairman of the National Academy of Sciences, of persons knowledgeable with respect to marine research, and who are not in a position to profit, directly or indirectly, from offshore oil or gas exploration or development;

(B) one member associated with a college, university or other research institution having expertise in areas of research relating to the marine environment;

(C) one member selected from the North Slope Borough Science Advisory Committee;

(D) one member selected from the commercial fishing industry; and

(E) two members selected from among indigenous residents along: (i) the coast of south central Alaska; and (ii) the coast of the Beaufort Sea or the Chukchi Sea, each of whom shall be representative of subsistence interests in coast areas affected by the shipment of Alaska crude oil and offshore oil and gas activities in the Arctic.

(2) The President shall designate one of the appointed members of the Advisory Panel as Chairperson.

(c)(1) Except as provided in paragraph (2) of this subsection, the term of office of each member shall be three years.

(2) Of the members originally appointed under subsection (b)(1):

(A) three shall be appointed for a term of one year;

(B) three shall be appointed for a term of two years; and

(C) three shall be appointed for a term of three years.

(3) Any vacancy occurring in the membership of the Advisory Panel shall be filled in the manner provided by the preceding provisions of this section, for the remainder of the unexpired term.

(4) A member may serve after the expiration of the member's term of office until the President appoints a successor.

(5) A member may serve consecutive terms beyond the member's original appointment, or may be reappointed to nonconsecutive terms.

(d)(1) Members of the Advisory Panel may be allowed travel expenses, including per diem, as authorized by section 5703 of title 5, United States Code [5 USCS § 5703]. A member of the Advisory Panel not presently employed for compensation shall be compensated at a rate equal to the daily equivalent of the rate for GS-16 of the General Schedule under section 5332 of title 5, United States Code [5 USCS § 5332], for each day the member is engaged in the actual performance of his or her duties as a member of the Advisory Panel, not to exceed 90 days of service each year. Except for the purposes of chapter 81 of title 5 [5 USCS §§ 8101 *et seq.*] (relating to compensation for work injuries) and chapter 171 of title 28 [28 USCS §§ 2671 *et seq.*] (relating to tort claims), a member of the Advisory Panel shall not be considered an employee of the United States for any purpose.

(2) Funds necessary for the Advisory Panel to carry out its duties as set forth in this Title shall be provided in accordance with the provisions of Section 501(e)(2) of this Act from the Oil Spill Avoidance and Readiness Trust Fund established pursuant to Title V.

(e)(1) Except as provided in paragraph (2) of this subsection, the Advisory Panel may meet at any time at the call of its Chairperson or a majority of its members.

(2) The Advisory Panel shall meet at least twice annually to review:

(A) the current status of environmental impact mitigation measures relating to oil and gas exploration and development activities, including, but not limited to, matters pertaining to the prevention of oil spills and the containment and clean-up of oil spills;

(B) the current status of research and knowledge with respect to the short and long-term effects of onshore and offshore oil and gas exploration, evelopment and transportation on fish, wildlife, and the marine environment, including, but not limited to: noise impacts; degradation or loss of habitat; disruption of habitat usage; disruption of migratory routes; pollution effects of day-to-day offshore oil and gas activities; pollution effects of oil spills or discharges; and other matters relevant to the impacts of offshore oil and gas exploration and development and transportation of Alaska crude oil on fish, wildlife, and the marine environment;

(C) the current status of research and knowledge with respect to the marine environment, including the Arctic marine environment; and

(D) the current status of research and knowledge with respect to the impacts of offshore oil and gas activities on the subsistence interests of indigenous residents of the coastal areas of Alaska.

(3) Based upon its review pursuant to subsection (e)(2) of this section, the Advisory Panel shall establish priorities for issues relevant to the impacts of offshore oil and gas activities on fish, wildlife, and the marine environment, with respect to which further research is needed.

(4) Not later than January 31 of each year, the Advisory Panel shall report to the President, to the Congress, and to the Trustees of the Alaska Oil Spill Avoidance and Readiness Trust Fund on the current status of knowledge with respect to the impacts of onshore and offshore oil and gas exploration, development and transportation and of oil spills on fish, wildlife, and the marine environment, and on the Advisory Panel's present recommendations concerning research priorities. The Advisory Panel's report may include recommendations with respect to legislative or administrative action, including action which the members of the Advisory Panel believe will further understanding of the impacts of offshore oil and gas activities on the marine environment, or impacts on subsistence uses of the marine environment, or will mitigate either of the above impacts.

(f)(1) The Advisory Panel may acquire from the head of any Federal agency unclassified data, reports, and other nonproprietary information with respect to research in marine environment or biology in the possession of the agency which the Advisory Panel considers useful in the discharge of its duties.

(2) Each agency shall cooperate with the Advisory Panel and furnish all data, reports, and other information requested by the Advisory Panel to the extent permitted by law; except that no agency need furnish any information which it is permitted to withhold under section 552 of title 5, United States Code [5 USCS § 552].

(g) To the extent necessary to carry out its administrative functions, the Advisory Panel may:

(1) appoint (without regard to the provisions of title 5, United States Code, governing appointments in the competitive service) an Executive Director and necessary additional staff personnel, and shall provide compensation at a rate not in excess of the rate for GS-16 of the General Schedule under section 5332 of title 5, United States Code [5 USCS § 5332]. The Executive Director shall have such duties as the Chairman may assign.

(2) procure temporary and intermittent services as authorized by section 3109 of title 5, United States Code [5 USCS § 3109];

(3) enter into contracts and procure supplies, services, and personal property; and

(4) enter into agreements with the General Services Administration for the procurement of necessary financial and administrative services, for which payment shall be made by reimbursement from funds available to the Advisory Panel, as provided in subsection (d)(2) of this section, in amounts to be agreed upon by the Advisory Panel, the Trustees of the Alaska Oil Spill Avoidance and Readiness Trust Fund, and the Administrator of the General Services Administration.

(h) As used in this title, the term "Arctic" has the same meaning as set forth in section 4111 of title 15, United States Code [15 USCS § 4111].

TITLE IX—NO IMPACT ON STATE LAW OR ON LIABILITY UNDER OTHER LAW

SEC. 901. STATE LAWS AND PROGRAMS.—Nothing in this Act shall be construed or interpreted as preempting any State from imposing any additional liability or other requirements with respect to oil spills or to the discharge of oil within such State.

SEC. 902. LIABILITY FOR OIL SPILLS OR DISCHARGES OF OIL NOT AFFECTED BY THIS ACT.—(a) Nothing in this Act shall affect or modify in any way the obligations or liabilities of any person under other Federal or State law, including common law, with respect to oil spills or the discharges of oil.

(b) Nothing in this Act shall absolve any person of any obligations or liabilities, or reduce the obligations or liabilities or any person, under existing Federal of State law, including common law, with respect to oil spills or discharges of oil occurring prior to the date of enactment of this Act.

TITLE X—ENFORCEMENT

SEC. 1001. CIVIL AND CRIMINAL PENALTIES.—(a)(1) Any person who, after notice and an opportunity for a hearing, if found to have failed to comply with any requirement of this Act or regulations issued pursuant to this Act shall be assessed a civil penalty by the Secretary in an amount not to exceed $25,000 per violation or per day of a continuing violation. In assessing such penalty, the Secretary shall consider all relevant circumstances, including the nature, extent and gravity of the violation, the degree of culpability, any history of prior violation or similar offense, ability to pay, and such other matters as justice may require. Each violation shall be a separate offense.

(2) Any company or officer of a company, acting in his or her capacity as an officer of the company which, after notice and opportunity for a hearing, is found to have knowingly and willfully allowed an action or pattern of conduct resulting in a violation of or a failure to comply with any requirement of this Act or regulations issued pursuant to this Act shall be assessed a civil penalty by the Secretary in an amount not to exceed $500,000 per violation or per day a continuing violation. Each violation shall be a separate offense.

(3) Any civil penalty assessed under paragraphs (1) or (2) of this subsection may be remitted or mitigated by the Secretary for good cause shown. Upon any failure to pay a penalty assessed under paragraphs (1) or (2) of this subsection, the Secretary may request the Attorney General to institute a civil action in a district court of the United States for any district in which such person, company or company officer if found, resides, or transacts business to collect the penalty and such court shall have jurisdiction to hear and decide any such action. The court shall hear such action on the record made before the Secretary and shall sustain the Secretary's action if it is supported by substantial evidence on the record considered as a whole.

(4) Hearings held during proceedings for the assessment of civil penalties authorized by paragraphs (1) or (2) of this subsection shall be conducted in accordance with section 554 of title 5, United States Code [5 U.S.C. § 554]. The Secretary may issue subpoeans for the attendance and testimony of witnesses and the production of relevant papers, books, and documents, and administer oaths. Witnesses summoned shall be paid the same fees and mileage that are paid to witnesses in the courts of the United States. In case of contumacy or refusal to obey a subpoena served upon any person pursuant to this paragraph, the district court of the United States for any district in which such person if found or resides or transacts business, upon application by the United States and after notice to such person, shall have jurisdiction to issue an order requiring such person to appear and give testimony before the Secretary or to appear and produce documents before the Secretary, or both, and any failure to obey such order of the court may be punished by such court as a contempt thereof.

(5) In addition to, or in lieu of, assessing a penalty under paragraphs (1) or (2) of this subsection, the Secretary may request the Attorney General to secure such relief as necessary to compel compliance with this Title, including, but not limited to, a judicial order suspending or terminating operations. The district courts of the United States shall have jurisdiction to grant such relief as the public interest and the equities of the case may require.

(b) (1) Any person who, upon conviction, is found to have failed to comply with any requirement of this Act or regulations issued pursuant to this Act shall be fined an amount not to exceed $100,000, or imprisoned for not more than one year, or both.

(2) Any company or officer of a company, acting in his or her capacity as an officer of the company which, upon conviction, is found to have knowingly and willfully allowed an action or pattern of conduct resulting in a violation of or failure to comply with any requirement of this Act or regulations issued pursuant to this Act shall be fined an amount not to exceed $1,000,000, or imprisoned for not more than five years, or both.

(c) The several district courts of the United States shall have jurisdiction over any actions arising under this Act.

(d) (1) Except as provided in paragraph (2) of this subsection, any person may commence a civil suit on his or her own behalf to enjoin any person, including the United States and any other governmental instrumentality or agency (to the extent permitted by the eleventh amendment to the Constitution), who is alleged to be in violation of any provision of this Act or regulation issued under the authority thereof.

(2) No action may be commenced under paragraph (1) of this subsection:

(A) prior to sixty days after written notice of the violation has been given to the Secretary, and to any alleged violator of any such provision or regulation;

(B) if the Secretary has commenced action to impose a penalty pursuant to subsection (a) of this section; or

(C) if the United States has commenced and is diligently prosecuting a criminal action to redress a violation of any such provision or regulation.

(3) (A) Any suit under this subsection may be brought in the judicial district in which the violation occurs.

(b) In any such suit under this subsection in which the United States is not a party, the Attorney General, at the request of the Secretary, may intervene on behalf of the United States as a matter of right.

(4) The court, in issuing any final order in any suit brought pursuant to paragraph (1) of this subsection, may award costs of litigation (including reasonable attorney and expert witness fees) to any party, whenever the court determines such award is appropriate.

(5) The injunctive relief provided by this subsection shall not restrict any right which any person (or class of persons) may have under any statute or common law to seek enforcement of any standard or limitation or to seek any other relief (including relief against the Secretary or a State agency).

(6) All penalties and fines collected pursuant to this Title shall be paid directly to the Oil Spill Avoidance and Readiness Trust Fund established pursuant to Title V of this Act.

(7) As used in this title, the term:

(A) "Secretary" shall refer to the Secretary of the agency having jurisdiction over the violation or action in question. Where more than one agency has such jurisdiction, the term shall refer to the Secretaries of the various agencies, acting in cooperation.

(B) "Person" shall mean an individual or company.

(C) "Company" shall mean a corporation, a partnership, an association, a joint stock company, a business trust, or an organized group of persons, whether incorporated or not.

TITLE XI—DEFINITIONS

SEC. 1101. AS USED IN THIS ACT.—(a) "Vessel" means any type of water craft, or other artificial contrivance, used or capable of being used as a means of transportation on water, which is engaged in any segment of transportation between the terminal facilities of the Trans-Alaska Pipeline System and ports under the jurisdiction of the United States, and which is carrying oil that has been transported through the Trans-Alaska Pipeline System.

NOTICES OF HEARINGS

PERMANENT SUBCOMMITTEE ON INVESTIGATIONS

Mr. NUNN. Mr. President, I would like to announce for the information of the Senate and the public that the Permanent Subcommittee on Investigations of the Committee on Governmental Affairs, will hold hearings on drugs and public housing.

These hearings will take place on Wednesday, May 10, 1989, at 9:30 a.m. in room 342 of the Dirksen Senate Office Building. For further information, please contact Daniel Rinzel of the subcommittee's minority staff at 224-9157.

SPECIAL COMMITTEE ON AGING

Mr. PRYOR. Mr. President, I would like to announce for the public that the Special Committee on Aging has scheduled a hearing to examine the role the Health Care Financing Administration [HCFA] has/has not played in implementing the nursing

home reform provisions that were included in the Omnibus Budget Reconciliation Act [OBRA] of 1987.

The hearing will take place on Thursday, May 18, 1989, beginning at 9:30 a.m. in room 628 of the Dirksen Senate Office Building in Washington, DC.

For further information, please contact Portia Mittelman, staff director, at (202) 224-5364.

COMMITTEE ON SMALL BUSINESS

Mr. BUMPERS. Mr. President, I would like to announce that the Small Business Committee's Subcommittee on Rural Economy and Family Farming will hold a field hearing in Livingston, MT, on May 26, 1989. The subcommittee will be hearing testimony on the impact of S. 863, the Rural Access to Capital Act of 1989, and S. 759, the Rural Access to Telecommunications Services Act of 1989, on rural communities. The hearing will be held at the Park County Courthouse community room, 414 Callender Street, Livingston, MT, and will commence at 8 a.m. For further information, please call Tamara McCann of the committee staff at 224-4352.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON FINANCE

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on Finance be authorized to meet during the session of the Senate on May 9, 1989, at 2:30 p.m. to hold hearings on and to consider the nominations of Charles H. Dallara, to be a Deputy Under Secretary of the Treasury; Hollis S. McLoughlin, to be an Assistant Secretary of the Treasury; Kay Coles James, to be an Assistant Secretary of Health and Human Services; and Roger Bolton, to be an Assistant Secretary of the Treasury.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON LABOR AND HUMAN RESOURCES

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on Labor and Human Resources be authorized to meet during the session of the Senate on May 9, 1989, at 2:30 p.m. to conduct a hearing on S. 110, Family Planning Amendments of 1989 and S. 120, Adolescent Pregnancy Prevention, Care, and Research Grants Act of 1989.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON LABOR AND HUMAN RESOURCES

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on Labor and Human Resources be authorized to meet during the session of the Senate on May 9, 1989, at 10 a.m. to conduct a hearing on Americans With Disabilities Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on May 9, 1989, at 10 a.m. to hold a hearing on steroids.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on May 9, 1989, at 2 p.m. to mark up the Foreign Relations Authorization Act for fiscal year 1990; S. 928.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON DEFENSE INDUSTRY AND TECHNOLOGY

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Subcommittee on Defense Industry and Technology of the Committee on Armed Services be authorized to meet on Tuesday, May 9, 1989, at 2:30 p.m. in open/closed session to receive testimony on the FS-X aircraft agreement between the United States and Japan.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FINANCE

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on Finance be authorized to meet during the session of the Senate on May 9, 1989, at 9:30 a.m. to hold a hearing on section 89 nondiscrimination rules.

The PRESIDING OFFICER. Without objection, it is so ordered.

SPECIAL COMMITTEE ON INVESTIGATION

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Special Committee on Investigations of the Select Committee on Indian Affairs be authorized to meet during the session of the Senate on May 9, 1989, at 10 a.m. to hold hearings pursuant to Senate Resolution 66, section 21, agreed February 28, 1989.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INTELLIGENCE

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Tuesday May 9, 1989, at 2 p.m. to hold a closed hearing on intelligence matters.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON GENERAL SERVICES, FEDERALISM, AND THE DISTRICT OF COLUMBIA

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Subcommittee on General Services, Federalism, and the District of Columbia, of the Committee on Governmental Affairs, be authorized to meet during the session of the Senate on Thursday, May 9, 1988, at 9 a.m. to resume open hearings on Federal and State solutions to crime and drug abuse.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON COMMERCE, SCIENCE AND TRANSPORATION

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on Comerce, Science, and Transportation, be authorized to meet during the session of the Senate on May 9, 1989, at 9:30 a.m. to hold a hearing on industry-government cooperation to speed the commercialization of new technologies.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

HEALTH EFFECTS OF CARBON MONOXIDE

● Mr. LIEBERMAN. Mr. President, in my concluding discussion on the health effects of air pollution, I want to emphasize again society's obligation to protect the most vulnerable members of our population from the impact of these pollutants. Exposure to carbon monoxide is particularly devastating to certain groups.

Carbon monoxide is a colorless gas which results primarily as a by-product of incomplete fuel combustion in cars, buses and trucks. Approximately 70 to 90 percent of the carbon monoxide pollution comes from transportation sources in urban areas. Carbon monoxide hotspots are found in areas where motor vehicle traffic is heaviest.

Dr. Philip Bromberg, director of the Center for Environmental Medicine at the University of North Carolina School of Medicine, recently testified before Congress that "exposure to CO—carbon monoxide—is well known to be potentially lethal." When inhaled, carbon monoxide enters the bloodstream and disrupts the delivery of oxygen to the body's vital organs and tissues. This deprivation of oxygen may severely affect the development of the fetus, which normally functions on relatively low oxygen levels. Dr. Bromberg concluded that a mother's exposure to even modest levels of carbon monoxide "may find the fetus extraordinarily susceptible to the development of irreversible neutral changes." This means that the Nation's failure to meet the health-based carbon monoxide standards may be impacting the intellectual and physical development of our children—effects which we may not see for many years.

Scientists who have identified at least 9 million Americans—those who suffer from heart disease—whose conditions are gravely aggravated by exposure to carbon monoxide. These per-

sons are especially vulnerable because their circulatory systems have a limited capacity to transport oxygen to the body.

A recent study by the National Institute of Occupational Safety and Health examined the causes of death among tunnel workers in New York City. Carbon monoxide levels are particularly high in these areas because of the poor air circulation. The study concluded:

> Given the magnitude of the effect that we have observed for a very prevalent cause of death, exposure to a vehicular exhaust, more specifically to CO, in combination with underlying heart disease or other cardiovascular risk factors could be responsible for a very large number of preventable deaths.●

GAUCHER'S DISEASE AWARENESS WEEK

● Mr. D'AMATO. Mr. President, I rise today to cosponsor Senate Joint Resolution 73, a resolution designating the week beginning October 29, 1989, as "Gaucher's Disease Awareness Week."

Gaucher's disease is an inherited genetic disorder caused by the body's failure to produce an essential enzyme. Without this enzyme, the body stores up abnormal quantities of lipids, resulting in symptoms which include anemia, severe bleeding, painful bone inflammation and malformation, fractures, and shortened life span. While Gaucher's disease is most prevalent among those of Eastern European ancestry, this deadly disease is known to occur among all racial and ethnic groups.

There is currently no cure or treatment for Gaucher's disease. However, there has been promising research. In 1984, major progress was made when a scientist identified the gene responsible for the body's failure to produce the essential enzyme. With this discovery, the key has been found which may someday open the door to a cure for Gaucher's disease—but the necessary experiments will take both time and money. To help meet this need, the National Gaucher Foundation was established to support research into Gaucher's disease, as well as to help victims and families cope with the devastating effects of this disease.

Mr. President, we, too, can play a part in the fight against Gaucher's disease. By passing this resolution, we will focus attention on understanding the nature of Gaucher's disease, and on finding the means of prevention, treatment, or cure for this disease and other genetic disorders. I urge my colleagues to join me in support of this legislation.●

TENNESSEE SMALL BUSINESSMAN OF THE YEAR, MR. JESSE E. ROGERS

● Mr. SASSER. Mr. President, I would like to take a minute to bring attention to a man of whom all of us in Tennessee can be proud. Mr. Jesse E. Rogers, president and owner of Universal Technologies, Inc., in Estill Springs, TN, has been named Tennessee Small Businessman of the year.

This honor is a well-deserved tribute. Mr. Rogers began Universal Technologies from scratch in 1972. Over the ensuing years, this company has grown from three employees to 65 and annual sales have increased from $2.5 million to $6 million over the past 6 years. Under Mr. Rogers' expert guidance, Universal has expanded its contract portfolio to the impressive total of nearly $10 million.

Yet, Mr. President, Mr. Rogers involvement with his business does not end with balance sheets and daily operations. Indeed, he is a friend and confidante to his employees and works just as hard in keeping them happy as he does keeping his business profitable. His adaptive and responsive nature as a boss and businessman has been known to call him into the role of marriage counselor, financial adviser, mediator, psychologist and medical adviser to his employees. Indeed, the compassion and warmth that he shows to his workers is a major factor in the success and camaraderie that he has achieved at Universal.

I think that Mr. Rogers' mottos lend great insight into his character. His credo is:

> Be honest. If there's ever a doubt about price or quality, you take the short end. Work hard. Put your job before anything else. Be good to your employees. Don't try to grow too fast.

In this age of widespread corruption in our financial community, Mr. Rogers and his way of doing business are living proof that good guys don't finish last.

Innovation is the cornerstone of success in any small business venture. Mr. Rogers has proven to be a master of this skill. For example, Universal Tenchnologies' area of expertise is found in the area of aircraft-related military contracting. With the intricate products that this type of work involves, parts and a good parts supply are essential. In order to overcome the parts supply problems that plague so many small businesses, Mr. Rogers developed the parts he needed in-house at substantially less cost than other major Government suppliers.

Small businesses are at the very heart of the foundation of our economy. New products and ideas often originate from small businesses and the flexibility that is inherent in the small business structure. I applaud Mr. Rogers' hard work and dedication to the small business ideal and I hold him up as an example of an American success story. Keep up the good work for our small business community—we need the jobs, the innovation and the productivity of small firms too badly to do anything less.●

THE GENERAL AVIATION ACCIDENT LIABILITY STANDARDS ACT OF 1989

● Mr. CHAFEE. Mr. President, I recently joined in reintroducing the General Aviation Accident Liability Standards Act of 1989, S. 640, a bill to establish Federal standards of liability for injury or property damage resulting from a general aviation accident. The language in this bill is exactly the same as S. 473 from the 100th Congress as it was favorably reported by the Commerce Committee.

Our legislation addresses the most significant factors which have brought about the decline of the general aviation industry: increased product liability exposure and its cost to aircraft manufacturers. It applies only to aircraft that carry fewer than 20 passengers and are not engaged in regularly scheduled passenger service.

The bill would make three important changes in liability laws. First, it creates one set of Federal standards governing accident liability in the general aviation industry. The state-by-state discrepancies in liability laws present the industry with a set of varying and unpredictable standards. This bill will provide uniformity and predictability. Second, it establishes a general rule of comparative responsibility, combined with joint and several liability, among the parties to a lawsuit resulting from a general aviation accident. Comparative responsibility attributed to the claimant's conduct will reduce damages awarded to the claimant in an amount proportionate to his or her responsibility for the damages. Third, the bill establishes a 20-year statute of repose on manufacturer liability, which starts on the date of delivery. General aviation manufacturers currently remain liable for an aircraft regardless of its age.

These changes are essential to the future of the general aviation in the United States. Without them, we will continue to see a decline in the general aviation industry, and equally important—a decline in jobs and trade. Cessna Aircraft, for example, has suspended production of all piston-engine aircraft through the 1987 model year. Likewise, Piper Aircraft has stated it may move to production of single piston-engine aircraft only, and Beech Aircraft has scaled back its production significantly. Over the last decade, unemployment in the domestic industry has risen to 65 percent. I am sure all of my colleagues are well aware of the ripple effect those job losses have on

the economies of the communities that are the homes of general aviation manufacturers.

The decline of this industry also has contributed greatly to the trade deficit, the source of so much concern. In 1981, general aviation exports contributed an annual multimillion dollar surplus to our Nation's balance of trade. Since that year, however, the U.S. general aviation industry has suffered significant trade deficits.

We all know that our general aviation industry is suffering because of the competition it faces from foreign manufacturers who do not carry this burden. We know that the confusing patchwork of State laws governing liability is at the root of the problem. With this bill, we can free our general aviation manufacturers from this load, without restricting the rights of those people who have legitimate liability claims. I urge my colleagues to join us in support of this long overdue reform of the general aviation liability system.●

TELEPHONE PRIVACY

● Mr. KOHL. Mr. President, last week the Washington Post carried an interesting editorial entitled "Peephole Telephoning." It discussed a new device that lets the recipient of a telephone call discover the caller's phone number as the phone is ringing.

The Incoming Call Display Device shows a caller's phone number on a small screen attached to the receiving party's telephone. There is something to be said for using this mechanism to deter or track down persons who make obscene calls or bomb threats. Indeed, telephone companies and law enforcement authorities have long used similar traps and trace devices for such purposes. Moreover, the new product could enhance the privacy of Americans who want to avoid annoying calls, such as uninvited sales pitches.

At the same time, though, this technological advance may end up diminishing the amount of privacy we can enjoy in our daily lives. With the aid of a reverse telephone directory (available in any public library), owners of these gadgets can learn the identities of those who ring them up—whether or not the callers want to remain anonymous.

Many Americans try to protect their privacy by having their phone numbers "unlisted." These people might lose the protection for which they pay. Many Americans have need to place anonymous phone calls to social service agencies, crisis lines, or government hotlines. These people, too, may lose the confidentiality they require.

Mr. President, I am investigating possible legislative responses to "Peephole Telephoning." I invite my colleagues to join with me in exploring this issue. I ask that the attached editorial be printed in the RECORD.

The editorial follows:

[From the Washington Post, May 4, 1989]

PEEPHOLE TELEPHONING

Imagine having a telephone that lets you know who's calling before you even answer it. Imagine, by the same token, not being able to hang up quietly and anonymously when you make a call and the person who answers is someone you're tying to avoid. Imagine having you unlisted number revealed electronically to everyone and everything you call. Imagine, kids, being instantly detected and subsequently whaled for calling strangers and asking them impudent questions about whether their refrigerator is running.

All this and more is becoming possible with the development of telephone technology that tells you who's calling—or at least gives you some idea of who it is—before you answer the phone. The service, which is already being offered in some parts of the country, uses a small screen attached to one's phone to show the number from which an incoming call is being made. A sociology professor quoted recently in The New York Times offered a nice example of the effect such knowledge could have on personal relationship. "If you invite me to a party tonight and I say I can't make it because I'm working at home, you would be less likely to call my home tonight and check on me. With these new services, if you did call, I would know you didn't believe me."

The new technology also has implications for business, especially in view of IMB's announcement this week that it is getting into the field. In the future, when you call to inquire about the status of your bank account, your phone number may go directly into a computer, allowing the bank employee to have your records in front of him when he takes your call. Instead of "Hello," he may answer with a cherry, "Well, now overdrawn again are we, Mr. Johnson?"

The ACLU, meanwhile, is concerned about the privacy issues involved in having one's number revealed to just anyone. Apparently with this objection in mind, Pacific Telesis, the company that plans to offer the service on the West Coast, will include a feature that allows callers to prevent their numbers' being revealed. "We are providing the same rights to both caller and receiver," said an official of the company. "It's the same as someone knocking on your door and putting their finger over the peephole. You don't have to open the door."

Indeed, the business of making and avoiding phone calls may soon become so complicated, time-consuming and coldly exclusive that we will all long for the days when an operator put through the calls and then listened in on the good parts.●

GOOD GROOMING MONTH

● Mr. D'AMATO. Mr. President, I rise today in recognition of the month of April's designation as "Good Grooming Month" by the Neighborhood Cleaners Association.

Mr. President, this organization was established in 1946 and represents members from the States of New York, New Jersey, Massachusetts, Rhode Island, Pennsylvania, West Virginia, Florida, Connecticut, and Delaware.

During April this organization undertakes an effort to advise the public of the need for a high standard of care in their clothing and household items. The industry enlists the aid of State and local governments to bring public attention to the proper care for their goods, the need for quality service, and the protection of our environment in the proper disposal of chemical waste.

Mr. President, I wanted to take this opportunity to advise my colleagues of this month's designation and ask that they join me in commending the Neighborhood Cleaners Association for its outstanding efforts.●

THE FISCAL YEAR 1990 BUDGET RESOLUTION

● Mr. KERREY. Mr. President, I would like to take this opportunity to discuss my reasons for voting against the fiscal year 1990 budget resolution.

As Governor of Nebraska from 1982 to 1986 my most searing memory is the economic chaos created across my State by the effects of high interest rates on our agricultural economy. Farmers and ranchers were forced off the land, businesses in small towns failed, banks that had lent money to farmers and small businesses closed down, and families across the State were affected. In many rural communities, a way of life was changed forever.

One of my most frustrating experiences in dealing with this chaos was the knowledge that there was little we could do in State government to address the underlying economic conditions that produced the high interest rates. They were largely a result of the unprecedented Federal budget deficits that the Reagan administration allowed to fester at the Federal level. Because the Federal Government was borrowing so much to finance the deficit, interest rates were forced up to levels that proved devastating to agricultural States like Nebraska.

As a Senator from Nebraska, I am determined to see that we never again allow macroeconomic conditions at the Federal level to create havoc as they did in Nebraska in the early 1980's. As a lawmaker, I am determined to see that Federal deficits are reduced and eventually eliminated. Achieving that goal will require that we make difficult choices and experience some sacrifices. However, the consequences of allowing high deficits to persist are simply unacceptable.

As a new Senator I was faced with a difficult decision on the fiscal year 1990 budget resolution, my first important budget vote. The resolution included funding for many programs important to Nebraska and for some important programs that had been seriously underfunded in the past several years, such as rural development, edu-

cation and low income health programs. It also directed that the postal service be moved off budget, an important policy that I strongly support.

However, I found myself unable to support the resolution. While it did include many important provisions, it did not go nearly far enough in bringing us toward the goal of curbing Federal deficits. Under the framework it creates, we could easily end up borrowing another $200 billion to reduce the deficit—and that, in my view, is unacceptable.

The major problems with the resolution are that it would not provide enough deficit reduction, and it appears to overstate the savings it claims to make.

The budget resolution estimates a deficit in 1990 of $100 billion. However, that figure does not fully account for the size of the deficit. For instance, the presence of trust fund accounts in the Federal budget subsidizes the budget and makes the deficit look smaller than it is. Receipts in these trust funds can only be used for their intended purpose, not for general budget expenditures or to reduce the deficit. In the case of the Social Security trust fund, if we exclude those receipts from budget deficit calculations, the fiscal year 1990 deficit is estimated at $169 billion instead of $100 billion. If all trust funds were excluded from deficit calculations, the deficit would be $240 billion. The problem is clearly far greater than the budget resolution would have us believe.

There is a lot of evidence that the savings claimed in the budget resolution will never materialize. For example, the economic projections used to calculate the size of the budget and the deficit are very optimistic. The budget resolution projects that interest rates next year will be 5.5 percent. However, current interest rates are 8.61 percent and rising. There is little reason to think that they will decline to anything near 5.5 percent. This difference between projections and actual performance will make a substantial difference on the demand for Federal expenditures and thus on the deficit.

I could cite numerous other examples of my reservations about the budget deficit. They all add up to a decision that the Senate budget resolution, despite some very good and important provisions, does not bring us close enough to the goal of substantially reducing next year's budget deficit.●

WEST WARWICK SENIOR HIGH SCHOOL IN NATIONAL BICENTENNIAL COMPETITION ON THE CONSTITUTION AND THE BILL OF RIGHTS

● Mr. CHAFEE. Mr. President, last Thursday I met with 24 young Rhode Islanders from West Warwick Senior High School. They gathered in our Nation's Capital to participate in the National Bicentennial Competition on the Constitution and the Bili of Rights. I am proud that this team from West Warwick represented Rhode Island in the competition. These young scholars worked hard to reach the national finals by winning their district and State competitions.

The members of the West Warwick team are: Stacey Abjornson, Kelly Addy, Steven Baril, Kerry Brown, Michelle Champagne, Maria DiCarlo, Kathy Dyer, Kimberly Edge, Mark Fecteau, Melissa Fried, Bethany Gemma, Teresa Giusti, Christa Gosselin, Mark Graham, Lisa Heilman, Lisa Leveillee, Michele Manosh, Brooke Mulholland, Jessica Palazzo, Christopher Pizzi, Andrea Polederos, Mikal Sklaroff, David Suraski, and Nicole Tourangeau.

Along with the students, I would like to congratulate their teacher, Michael Trofi, for his excellent guidance, as exemplified by the team's two victories in Rhode Island. I also wish to thank District Coordinator Carlo Gamba and State Coordinator Henry Cote for their efforts in organizing these contests.

Just over 200 years ago, a government was founded here which has become the model for representative democracy around the world. Our Government is based upon two documents which have granted our people rights and freedoms that are the object of admiration to many of our foreign neighbors. The National Bicentennial Competition on the Constitution and the Bill of Rights is an extensive educational program developed to educate young Americans about the significance of these two documents.

The preservation of our freedom and our Nation depends upon our young people, the decisionmakers of tomorrow. We have much to gain from educating them about the Constitution, the Congress, and the continuing responsibilities of citizenship. I commend each of the students on the Rhode Island team and their teacher for their hard work and determination which has brought them to Washington for the national finals.●

NATIONAL BICENTENNIAL COMPETITION ON THE CONSTITUTION AND BILL OF RIGHTS

● Mr. GRAHAM. Mr. President, it is my pleasure to announce that 24 students from Stanton College Preparatory School in Jacksonville, FL, participated in the finals of the National Bicentennial Competititon on the Constitution and the Bill of Rights in our Nation's Capital from May 1 through May 3. I am delighted to commend these bright young scholars for their diligence and hard work. They are among some 950 students who gathered here for the prestigious competition.

As the 101st Congress celebrates its centennial, it is gratifying that young people chose to honor the Constitution and our Nation's proud 200 years of existence. Florida's students reached the national finals through arduous State and district competitions. The national bicentennial competition offers these participants the opportunity to learn about constitutional democracy and fosters civic responsibility.

With the support of Congress, this noble pursuit has been dramatically successful. Throughout the past 2 years, over 1 million students have participated in the bicentennial program while some 14,000 teachers have guided their students through the constitutional curriculum. The bicentennial competition begins with an extensive 6-week course, designed to instill students with a fundamental understanding of the Constitution and Bill of Rights and the principles which they embody. Students complete the course with a constitutional quiz. High school participants then enter the national competition, culminating in 3 days in Washington, DC.

The need to educate our young people about the Constitution is evident. Studies show that only slightly more than half of the students surveyed could identify the purpose of the Constitution, and nearly half thought the President could appoint Members of Congress. Clearly, endeavors such as the bicentennial competition will facilitate a greater understanding of the history and principles which our country was founded upon.

Mr. President, the strength and health of our Nation depends, in large part, on our young people. We must continue to educate them about the Constitution, Congress, and civic responsibility. These efforts will enhance students' academic and personal lives; as our future decisionmakers we have a great stake in their progress. I am proud to salute Florida's 24 participants and wish them the best of luck in the future.●

NATIONAL BICENTENNIAL COMPETITION ON THE CONSTITUTION AND BILL OF RIGHTS

● Mr. KERREY. Mr. President, last week after months of study and hard-won victories, students from across the Nation gathered in our Nation's Capital to compete in the finals of the National Bicentennial Competition on the Constitution and Bill of Rights. It gives me great pleasure to announce that a team from Lincoln Southeast High School in Lincoln, NE, has emerged from this competition as the national champion.

Earlier this week, I had the good fortune to meet with these future leaders of our Nation. Given their true understanding of the forces that have forged our great Nation, I can say with the utmost confidence that the future of our country will be secure in their capable hands.

The members of the Lincoln Southeast team are: Jeff Aguilar, Lars Anderson, Abbey Bellamy, Derek Chollet, Jenelle Cox, Darcy Davis, Beau Finley, Elaine Gale, Mike Garrison, Ruth Griesen, Scott Hielen, Frank Hoppe, Paige Johnson, Erika Kuebler, Matt Norman, Chris Pappas, Silke Peterson, Claire Simon, Scott Starr, Jon Steinman, Jessica Sutton, Candy Taft, Colin Theis, Bryan Van Deun, and Julie Wiechart.

Along with the students, Ted Larson, their teacher, Carol Labeber, the district coordinator, and Dennis Lichty and Carolyn Gigsted, the State coordinators, all deserve much of the credit for the success of the Lincoln Southeast team.

Mr. President, the National Bicentennial Competition on the Constitution and Bill of Rights is a nationwide program involving over 1 million students and over 14,000 instructors teaching the course. The program provides the students with a specially designed 6-week course of study designed to provide upper elementary, middle and high school students with a fundamental understanding of the Constitution and the Bill of Rights, and the principles and values they embody.

As our Nation approaches the dawn of a new century with changing needs and problems, one fundamental need stays the same: The need to educate our young people about the Constitution and the Bill of Rights. I, therefore, applaud the efforts of the bicentennial competition. Due in large part to their efforts, students in classrooms all over the country are debating the issues that concerned the Founding Fathers and demonstrating how the Constitution's basic principles apply to them today.

I am proud to have students from my State and my hometown participating in this competition and representing the Nation as its national champions. I commend each of them and their teacher for their hard work and I encourage all Americans, students and adults alike, to follow their example by understanding the greatest document in our Nation, the U.S. Constitution.●

IN SUPPORT OF DARE DAY

● Mr. GRAHAM. Mr. President, our country continues to face an escalation of drug abuse, and, along with it, myriad related problems. It is Congress' responsibility to attack these problems on all fronts and to commit ourselves to fight to make our streets and schools and society safe again from drugs and drug traffickers.

Education is one of the most important tools we have to arrest the use of drugs. Programs offered in our Nation's schools may be the most effective preventative method to curtail drug use. By reaching children at a young age, and by explaining to them effective ways to resist pressures to experiment with drugs, we can help them stop a problem before it starts. In my experience working with Florida's teachers and school children, I have often been asked what can be done to provide an alternative means of dealing with the desire for recognition and acceptance that drugs can offer. Questions like this are tough, but I believe programs like Drug Abuse Resistance Education [DARE] are well-suited to answer them. DARE goes beyond simple slogans by providing a comprehensive drug program for public education.

By emphasizing their own importance and self esteem, children may be able to resist peer pressure or an inability to deal with sadness or disappointment, by devaluing themselves through drug use and abuse. I want Congress to support our Nation's children; we can do this by supporting the DARE Program. Thousands of children in a dozen of Florida's counties have had the opportunity to participate in DARE, but I want all of Florida's children to have that same opportunity. I join with Florida's Departments of Education and Law Enforcement, the Florida Police Chiefs Association and the Florida Sheriff's Association in their goal to reduce the demand for drugs by making this program statewide in the next few years. Because of this, I support Drug Abuse Resistance Education and designating September 14, 1989, as the "National DARE Day."

I urge you to join me in supporting this important legislation.●

HONORING ANNE BLATTNER, BI-CULTURAL DAY SCHOOL, STAMFORD, CT

● Mr. LIEBERMAN. Mr. President, it is with great pleasure that I bring to the attention of the Senate a very special individual from my home State of Connecticut, Mrs. Anne Blattner. On Sunday, May 28, the Bi-Cultural Day School of Stamford will celebrate its 33d anniversary and honor Anne Blattner who has been a part of Bi-Cultural for 28 of those 33 years. Anne is the school's assistant principal.

Bi-Cultural Day School has illuminated the best of the American and Hebrew heritages for over three decades. During its 33 years of existence, it has garnered a plethora of awards and citations from prestigious American and Israeli academic boards and institutions. Students from the school annually win prizes in local and regional educational competitions in the sciences, art, literature and knowledge of Israel; prizes totally out of proportion to the school's population. Several Bi-Cultural academic programs have even become models for other Hebrew day schools throughout the world.

The school's dedication to nothing less than excellence for the community and its students was recently recognized nationally. In May 1989, Bi-Cultural received the "Award for Excellence" from the U.S. Department of Education, the highest honor granted in elementary education. Bi-Cultural was evaluated against a field of more than 4,000 schools nationally, and was the only independent school in Connecticut so cited. It is no surprise the school attracts students from many communities in Fairfield and Westchester Counties, and has a waiting list for classes every year.

A big part of the school's success is due to the efforts and dedication of its faculty, none more important to that success than Anne Blattner. Under Mrs. Blattner's guidance, the school developed innovative and progressive approaches to both secular and Judaic studies marked by a creative, individualized curricula, structured to support each student's strengths. Through strong leadership, determination and an uncompromising commitment to top-notch education, Anne Blattner has served the needs of both the students at Bi-Cultural and the Stamford community as a whole.

The dedicated faculty and staff, students and friends of the Bi-Cultural Day School have been touched and enriched by the efforts and presence of this great woman. Mr. President, I hope that my colleagues will join me in rising to pay tribute to this great educational institution and to the woman who has played a big part in the development and preservation of Bi-Cultural's outstanding reputation.●

BUDGET SCOREKEEPING REPORT

● Mr. SASSER. Mr. President, I hereby submit to the Senate the lastest budget scorekeeping report for fiscal year 1989, prepared by the Congressional Budget Office in response to section 308(b) of the Congressional Budget Act of 1974, as amended. This report was prepared consistent with standard scorekeeping conventions. This report also serves as the scorekeeping report for the purposes of section 311 of the Budget Act.

This report shows that current level spending is over the budget resolution by $0.9 billion in budget authority, and over the budget resolution by $0.4 billion in outlays. Current level is under the revenue floor by $0.3 billion.

The current estimate of the deficit for purposes of calculating the maximum deficit amount under section 311(a) of the Budget Act is $135.7 billion, $0.3 billion below the maximum deficit amount for 1988 of $136.0 billion.

The report follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, May 8, 1989.

Hon. JIM SASSER,
Chairman, Committee on the Budget, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The attached report shows the effects of Congressional action on the Budget for fiscal year 1989 and is current through May 5, 1989. The estimates of budget authority, outlays, and revenues are consistent with the technical and economic assumptions of the most recent budget resolution, House Concurrent Resolution 268. This report is submitted under section 308(b) and in aid of the section 311 of the Congressional Budget Act, as amended, and meets the requirements for Senate scorekeeping of section 5 of Senate Concurrent Resolution 32, the 1986 first concurrent resolution on the budget.

Since my last report, Congress has taken no action that affects the current level of spending or revenues.

Sincerely,

ROBERT D. REISCHAUER,
Director.

CBO WEEKLY SCOREKEEPING REPORT FOR THE U.S. SENATE, 101ST CONG., 1ST SESS., AS OF MAY 5, 1989

[In billion of dollars]

	Current level [1]	Budget resolution H. Con. Res. 268 [2]	Current level +/− resolution
Fiscal year 1989			
Budget authority	1,233.0	1,232.1	0.9
Outlays	1,100.1	1,099.8	.4
Revenues	964.4	964.7	−.3
Debt subject to limit	2,755.2	[3] 2,824.7	−69.5
Direct loan obligations	24.4	28.3	−3.9
Guaranteed loan commitments	111.0	111.0	
Deficit	135.7	[4] 136.0	[5] −.3

[1] The current level represents the estimated revenue and direct spending effects (budget authority and outlays) of all legislation that Congress has enacted in this or previous sessions or sent to the President for his approval and is consistent with the technical and economic assumptions of H. Con. Res. 268. In addition, estimates are included of the direct spending effects for all entitlement or other mandatory programs requiring annual appropriations under current law even though the appropriations have not been made. The current level of debt subject to limit reflects the latest U.S. Treasury information on public debt transactions.

[2] In accordance with sec. 5(a) and (b) the levels of budget authority, outlays, and revenues have been revised for catastrophic health care (Public Law 100–360).

[3] The permanent statutory debt limit is $2,800.0 billion.

[4] Maximum deficit amount [MDA] in accordance with sec. 3(7)(D) of the Congressional Budget Act, as amended.

[5] Current level plus or minus MDA.

PARLIAMENTARIAN STATUS REPORT 101ST CONGRESS, 1ST SESSION, SENATE SUPPORTING DETAIL, FISCAL YEAR 1989 AS OF CLOSE OF BUSINESS MAY 5, 1989

[In millions of dollars]

	Budget Authority	Outlays	Revenues
I. Enacted in previous sessions:			
Revenues			964,434
Permanent appropriations and trust funds	874,205	724,990	
Other appropriations	594,475	609,327	
Offsetting receipts	−218,335	−218,335	
Total enacted in previous sessions	1,250,345	1,115,982	964,434

PARLIAMENTARIAN STATUS REPORT 101ST CONGRESS, 1ST SESSION, SENATE SUPPORTING DETAIL, FISCAL YEAR 1989 AS OF CLOSE OF BUSINESS MAY 5, 1989—Continued

[In millions of dollars]

	Budget Authority	Outlays	Revenues
II. Enacted this session:			
Adjust the purchase price for nonfat dry dairy products (Public Law 101–7)		−10	
Implementation of the bipartisan accord on Central America (Public Law 101–14)	−11		
Total enacted this session	−11	−10	
III. Continuing resolution authority			
IV. Conference agreements ratified by both Houses			
V. Entitlement authority and other mandatory items requiring further appropriation action:			
Dairy indemnity program	([2])	([2])	
Special milk	4		
Food Stamp Program	253		
Federal crop insurance corporation fund	144		
Compact of free association	1	1	
Federal unemployment benefits and allowances	31	31	
Worker training	32	32	
Special benefits	37	37	
Payments to the Farm Credit System	35	35	
Payment to the civil service retirement and disability trust fund [1]	(85)	(85)	
Payment to hazardous substance superfund [1]	(99)	(99)	
Supplemental Security Income	201	201	
Special benefits for disabled coal miners	3		
Medicaid:			
Public Law 100–360	45	45	
Public Law 100–485	10	10	
Family support payments to States:			
Previous law	355	355	
Public Law 100–485	63	63	
Veteran's Compensation COLA (Public Law 100–678)	345	311	
Total entitlement authority	1,559	1,121	
VI. Adjustment for economic and technical assumptions	−18,925	−16,990	
Total current level as of May 5, 1989	1,232,969	1,100,103	964,434
1989 budget resolution H. Con. Res. 268	1,232,050	1,099,750	964,700
Amount remaining:			
Over budget resolution	919	353	
Under budget resolution			266

[1] Interfund transactions do not add to budget totals.

[2] Less than $500 thousand.

Note.—Numbers may not add due to rounding.●

ASSAULT RIFLES

● Mr. McCLURE. Mr. President, I admit to a certain prejudice. As an Idahoan, and a westerner, I believe that my fellow westerners can spot nonsense and cut through baloney with a special directness. As a case in point, I am sharing a column written by Dave Bond for the Spokane, WA, Spokesman Review.

Mr. Bond makes a point that we need to consider. An attack on one constitutional right can only give legitimacy to attacks on other rights.

Mr. President, I ask that the attached column be printed in the RECORD.

The column follows:

THOSE GUNNING FOR "ASSAULT RIFLES" MAY INJURE CITIZENS' BASIC RIGHTS

(By David Bond)

PATMOS, ID.—This nightly assault on so-called assault rifles is getting tiresome. I can't even watch the evening news because that pious Dan Rather has been harrumphing daily about the extraordinary danger these weapons seem to pose.

True, some nut with an AK-47 went off his front porch in a schoolyard last month and committed an unspeakable horror. But Ted Bundy killed 10 times as many innocents, and he didn't need a semiautomatic rifle to conduct his decade-long reign of terror. Bundy liked ice picks. To a killer and his victim, the weapon is not the issue.

Now, however, the carrot-eaters in California are driving steamrollers over Kalashnikovs, Arfies, Uzis, Mac 10s, H&Ks and anything else that looks nasty, as if that will stop the death of children and other folks minding their own business in a state that has made criminal-coddling the national pastime.

Don't misunderstand me. I'm not a fringe-element "gun nut," just a hunter, though an AR-15 rifle has occupied a place in my humble arsenal. And I once fired an old boy's Gamemaster .30-06 that was semiautomatic. It held four or five rounds, weighed a ton, and believe me, unless you're Charlie Atlas those things do more damage to your shooting shoulder than whatever's in the sights.

But if a guy wants to own one, it's none of my business.

It's very tempting to say that semiauto rifles like the AR-15 and AK-47 don't belong in any hunter's closet, and aren't sporting devices.

It's very tempting to say that only nut cases or speed freaks collect semiautomatic rifles (although the old gent with the Gamemaster, who has eaten a lot of elk during the course of his life thanks to that rifle, would disagree).

It's very tempting to say that some guys wouldn't become killers if they couldn't get their hands on a semiautomatic rifle.

But you could also say that printed material in the wrong hands is just as dangerous.

A person predisposed to child molestation or rape might get just the turn-on he needs from one of Larry Flynt's rags to go out and commit a crime against a youngster or woman. And it would be very tempting to blame the smut for the crime.

But I have little trouble with any government, whether it's a city council, a state legislature or Congress, abridging Larry Flynt's right to print any garbage he wishes. Because once that door of censorship is opened, it gets opened on The New York Times, the Eagles Lodge pinochle newsletter, and me.

So to preserve the purity of the First Amendment, I have to respect the porno rags' rights to publish. The American Civil Liberties Union understands this subtlety, and takes a lot of abuse for it.

When sportsmen protest against the prohibition of weapons they wouldn't dream of owning, the same thing is going on. Protecting fundamental constitutional right means, sometimes defending a distasteful, even dangerous, lunatic fringe.

We have no better definition of a so-called assault rifle than we do of pornography.

What constitutes an assault rifle? Is it anything that fires multiple rounds? Or does it come down to anything that kicks out more than one bullet between loadings?

What about the lever-action Model 30 that every hunter totes? You can get damned fast with one of them. Or the Ruger .22-caliber pistol? It will spit out shots as fast as any semiautomatic rifle.

Is it plastics in the butt and stock? The number of rounds available in the magazine? Take the Mini-14, a little .223-caliber rifle made by Ruger that is one fine varmint gun. Lots of farmers and hunters own them and use them. But dress the Mini-14 up in plastic, stick a bipod and a 30-round clip under it, and it becomes a favorite of cops, drug dealers and armchair mercenaries.

A double-barreled shotgun is, in a sense a semiautomatic weapon, in that two trigger pulls will get off two shots, with no manual operation of the gun between shots. You could say the same of any double-action revolver.

The schoolyard killer could just as easily have tossed a gallon of gasoline and a cigarette lighter at those children as sprayed rifle fire into them, and might well have, had the rifle not been available to him.

I should admit that I was fond of my AR-15, the civilian version of the Army's M-16 infantry rifle. Like the Mini-14, it is a great varminter, light and easy to pack in the brush. I never found it necessary to turn it loose in a schoolyard.

Have I still got it? That is no more your business than it is my business that you read dirty books. If you really want to know, kick down my door some night and you'll find out.●

AIRPORT SECURITY—EXAMINING THE OPTIONS

● Mr. KERRY. Mr. President, I would like to take this opportunity to present, for insertion into the RECORD, an article on aviation security from the April 17 edition of Aviation Week & Space Technology. A great deal of attention has been focused on aviation security issues in light of the Pan American Airways flight No. 103 tragedy. This article examines a number of promising security detection screening systems.

I believe that it is important for Congress to support private sector technological development in this very important area. Much has been written about the thermal neutron activation [TNA] system, which is being developed. I feel that it is also important to promote the development and production of other available technology. American Science & Engineering's new 101-ZZ x-ray system has been purchased by Japan Air Lines [JAL] for installation at a number of United States airports. In addition, American Science & Engineering's original 100-Z or 100-ZZ series x-ray systems were purchased by the Israeli Airport Security Authority, the United States Customs Service, the United States State Department, the United States Department of Defense, the United States National Security Agency, and the United States Secret Service.

I am sure that my colleagues will find this information of great interest. I ask that the Aviation Week & Space Technology article be printed in the RECORD.

The article follows:

[From Aviation Week & Space Technology, Apr. 17, 1989]

X-RAY BACKSCATTER EQUIPMENT PROVIDES AUTOMATIC SCREENING FOR EXPLOSIVES

(By David Hughes)

CAMBRIDGE, MA.—American Science and Engineering, Inc., is producing a new line of backscatter X-ray detection equipment that can automatically search for plastic explosives concealed in luggage.

Japan Air Lines Co. (JAL) is purchasing seven of American Science's new 101-ZZ backscatter X-ray systems with automatic explosives screening capability. Three of the 101-ZZ machines will be installed at Honolulu International Airport in Hawaii, two at Los Angeles International Airport and one each at San Francisco International and John F. Kennedy Airport in New York, according to Frank Mertton, who is the assistant station manager for JAL in San Francisco.

Mertton said JAL evaluated other devices before deciding on the backscatter technology. "It does have the capability of detecting plastic explosives and weapons," he said.

JAL is expected to order a second lot of 101-ZZ backscatter machines after the first seven are delivered this summer, according to Mertton. The double Z designation means there are two sets of detectors, so the machine can examine both sides of a piece of luggage on one pass. These double Z systems sell for $135,000 each. Less expensive 101-Z systems are available that check just one side of a piece of luggage at a time. American Science officials say the system can screen up to 1,500 pieces of luggage an hour using the automatic threat detection mode as bags move on a conveyor belt. However, it is unlikely that operators will attempt to screen baggage at this high a rate.

The new 101 series machines incorporate a conventional X-ray detector and a backscatter detector in one system. Two television monitors are used to display both the standard X-ray absorption pattern images and the images created with backscatter returns.

Conventional X-ray images rely on the fact that certain materials, such as metal, absorb X-rays and create dark areas on an image. Backscatter X-ray images depend on an entirely different phenomenon. When X-rays are directed into organic materials, such as plastics or drugs, some of the X-ray photons strike electrons. After transferring some energy, these X-ray photons bounce back towards the transmitter. This is the Compton effect named for the physicist A.H. Compton. The American Science system uses solid state scintillating crystals to detect both the backscatter and X-rays that continue through the object being illuminated.

The backscatter detectors are geared to finding all types of plastic explosives, plastic weapons like the 9-mm. Glock 17 pistol and drugs. These organic materials have a low atomic number and generate a large amount of backscattered X-rays. High atomic number materials like metal generate much less backscatter return even though they have more electrons than low atomic number materials. This is because these materials absorb X-rays so efficiently.

American Science began developing the 101 series of equipment two years ago as a follow-on to its original line of 100 series backscatter machines introduced in 1986 (AW&ST Apr. 28, 1986, p. 31). While the company demonstrated the earlier generation equipment to many airlines, few purchased the equipment. The main customers turned out to be agencies of the U.S. government as well as foreign governments. For example, 100 series machines are installed at the White House and at the Pentagon. Other customers include Pakistan, Finland, Sweden, Brazil and Sri Lanka.

Dr. Martin Annis, president of American Science, said the firm's systems are usually sought out by agencies that are dealing with threats considered serious enough to merit substantial expenditures.

STOWED BAGGAGE

JAL was one of the few airline customers to buy first-generation backscatter equipment. The airline owns 10 of the 100 series Z machines that are installed at various airports in Japan. There are also three 100 series machines at San Francisco International Airport. These machines are being paid for by a consortium of 14 foreign flag carriers there including JAL, Lufthansa, Air France, and other carriers using the San Francisco terminal.

American Science officials report that a number of airlines and aviation authorities are interested in the new 101 series with automatic explosive detection capability. Last month, Swiss security officials responsible for the airport at Zurich visited Cambridge to see a demonstration of the new equipment. A large portion of all luggage passing through Zurich Airport is searched by hand.

Annis said American Science plans to market the new 101 series equipment for use in examining stowed baggage. He envisions the machines being used in the automatic threat detection mode at or near ticket counters.

Annis also said that in this role the 101 series machines would be competing with thermal neutron activation systems (TNA), an automatic device that bombards luggage with low energy neutrons. When these neutrons are absorbed by the nitrogen in explosives, the nitrogen nuclei emit characteristic gamma rays. TNA is marketed by Science Applications International Corp. in San Diego, Calif., and this firm has a contract to deliver six of the $750,000 units to the FAA by the end of this year (AW&ST Jan. 16, p. 65).

The new American Science 101 series has a number of performance improvements over the previous backscatter machines. The 101 series has four times more X-ray power than previous systems, and it can penetrate ¾ in. of steel instead of merely ½ in. The new equipment also has much better spatial resolution and incorporates the automatic threat detection system, which is based on computer processing using an off-the-shelf mother board for the main circuitry.

The first 101 series machines being produced are being delivered to the U.S. government. The U.S. is purchasing about 25 of the 101-Z units for about $2.5 million, all of which will be installed in General Motors vans. The equipment operators can drive the van to any location it is needed, open the doors and begin processing baggage or other types of packages.

These single Z units have both conventional X-ray and backscatter imaging capability for processing baggage or packages one side at a time. The machines do not have the automatic explosives detection capability developed for use by JAL. Instead,

they are equipped with an earlier system that will sound an alarm automatically when metal is detected by conventional X-ray techniques.

AUTOMATIC THREAT DETECTION

Of the 25 units being purchased by the U.S. government, 14 are going to the U.S. Customs Service. American Science has already delivered eight of these units. Another six are being purchased on behalf of the customs agency in Saudi Arabia. These vans will have air-conditioning and dust control equipment. The remaining five vans are going to other U.S. agencies. Annis said his company is currently producing 101 series machines at the rate of two a month.

The automatic threat detection feature of the 101 series machines allows an operator to set the threshold for a warning of either explosives, in the case of backscatter detection, or a metallic object, in the case of conventional X-ray image. During a demonstration for Aviation Week & Space Technology, an operator dialed in the setting for an alert. For backscatter detection of explosives, for example, the operator set the area of sensitivity reading at 7.5% and the level of backscatter return required to sound an alarm at 80%. This meant that if 7.5% or more of the area examined generated a backscatter return that was 80% or more of the maximum value possible, an alarm would sound.

Both a suitcase and a portable radio containing simulated plastic explosives set off the automatic monitor. A warning sounds when enough plastic explosive material is present, regardless of the shape it is in. Annis pointed out that some types of plastic explosives, such as Semtex, can come in the form of a liquid or a powder as well as a moldable piece of plastic.

CONVENTIONAL X-RAYS

When the alarm sounds, the operator merely looks at the image on the screen to see the bright backscatter return flashing on and off. In the case of a heavy backscatter return from a suitcase or a portable radio, the possibility is high that explosives are present. The type of plastic in the radio case would not set off the alert and it is unlikely that any other organic material than explosives would be packed inside a radio.

The 101 series allows the operator to examine the strong backscatter return as part of the image of the overall object being scanned. This should be particularly helpful when trying to find explosives hidden in a radio.

It is difficult to spot these explosives with conventional X-rays which create a darker image from the radio's circuits than from the explosives hidden behind them, according to Richard W. Sesnewicz, marketing manager for American Science.

The 30-year-old Cambridge firm started in business developing some of the first sensors used in X-ray astronomy.

American Science was at one time one of the largest contractors to NASA in New England. Annis, a cosmic-ray physicist, said the firm's experience in developing sensors to detect X-rays coming from deep space made it possible for the company to develop the type of sensitive detectors needed to make a backscatter X-ray system work.●

LIBERIAN DEBTS

● Mr. DECONCINI. Mr. President, I would like to commend the people of Liberia for assuming responsibility for the payment of their nation's outstanding debts to the United States.

The nation of Liberia owes $138 million to the United States. United States law requires that Liberia be cutoff from further aid if a $7 million payment is not received by May 10, 1989. Faced with the immediacy of this situation, the Liberian Government has turned to the citizens of the country to request that they donate the needed funds. The response has been inspiring. President Gen. Samuel Doe should take careful note of the good example of his citizens, but he should not be given any credit in this undertaking. It is his poor judgment and leadership that have put Liberia in the position of being unable to meet its financial obligations.

The Liberian people could have reacted with hostility toward their leader's request for individual citizens to pay the country's debt. Many of the loan dollars intended to help the people of Liberia never produced the results for which they were intended. The people could have used this economic crisis to highlight the financial mismanagement of Doe's administration. The people could have demanded that the money be contributed by those who have most benefited from the aid—the administration of Liberian President Gen. Samuel K. Doe.

Instead, the people have responded generously to their leader's call for assistance. They have quietly donated funds from their own pockets for the sake of meeting their country's obligations with honor, and for the sake of preserving the friendship of an ally they value. They should be commended for their generosity and patriotism. The government, on the other hand, is the culprit. A little more than 3 years ago the United States State Department and USAID noticed problems in Liberia. They suspected accounting difficulties, missing funds, and misplaced priorities. The result was for the United States to send a shadow cabinet to Liberia to monitor this highly unusual situation.

Mr. President, just as teachers can learn from those they teach, leaders can learn from those they lead. I hope General Doe will learn something from the unselfish willingness of his people to honor their commitments. The people are trying to bail out a highly suspect government with their actions and efforts. The members of the government should hang their heads in shame, pause, and follow the examples of their citizens. I praise the people of Liberia for their action and I hope that the government will follow their lead in living up to their obligations in the future.

Mr. President, I ask that an article from the San Diego Union that discusses these circumstances be entered into the RECORD at this point.

The article follows:

[From the San Diego Union, Apr. 30, 1989]

LIBERIAN CITIZENS DIG DEEP TO PAY THE COUNTRY'S DEBT TO AMERICA

MONROVIA, LIBERIA.—The man was old and blind and gnarled, and the woman, her legs useless from some crippling disease, sat next to him.

Another man stood on crutches, one leg several inches shorter than the other.

It was a tableau of despair that is seen often in Africa these days—but with a startling difference: These people had come to Monrovia's executive mansion not to beg for money, but to offer up the few coins they owned. And they were giving them to the people of America.

Variations of this scene have been repeated daily in the mansion's glittery reception hall for the last two weeks as part of a national fund-raising campaign aimed at paying off the $183 million debt Liberia owes the United States.

American officials have warned that unless Liberia tended to its obligations, the unique bonds between the two countries would be strained and U.S. aid to the nation severed.

Liberian officials countered with an unprecedented offer: They would pay the debt, not from government coffers but from the pockets of citizens.

"America has been a true and good friend," said May Shaw, a 37-year-old seamstress, one of several thousand ordinary people who, Liberian officials say, have contributed to the campaign. "We owe them money and we ought to pay it."

There are some who say that the contributions are not entirely voluntary, that some employers have used subtle coercion to get their workers to contribute.

There are also complaints that the fund-raising campaign is a way for the administration of Liberian President Gen. Samuel K. Doe to shift the focus away from its own mismanagement and financial sleight of hand.

As one businessman put it: "We all know where a lot of those American dollars went—they're lining the pockets of some of the very officials who are now asking us to contribute money."

Asked if he would contribute to the campaign, the businessman replied, "Sure, we still owe the money, and no matter who runs the country, the debt is not going to go away."

Since 1946, the United States has given this country more than $800 million in aid and loans, making Liberia the largest per-capita recipient of American aid in sub-Saharan Africa.

But last month, citing several loans that have been in arrears for more than a year, American officials said that unless they received a payment of at least $7 million from Monrovia by May 10, they would be required under U.S. law to cut off Liberia from further economic or military aid.

The ultimatum at first stunned Liberian officials, in part because this nearly bankrupt nation of 2 million people is the closest that the United States has ever had to a colony on the African continent.

In 1822, freed American slaves began to settle the area. A quarter of a century later, they established the first independent republic in Africa, with a red, white and blue flag—but only one star. The constitution was drawn up by a Harvard Law School dean.

Today, there is a Maryland County and a Virginia River. The police uniforms come

from the New York City Police Department, and the principal currency is the U.S. dollar.

The capital, Monrovia, is named after former President James Monroe in gratitude for the American money that helped finance the colony.

In the campaign to pay off its present-day debt, the government has unleashed lots of official enthusiasm.

"Let's rally around our leaders and pay the debt," a chorus of young women chanted the other day on the state-owned radio station. On nearly every major thoroughfare there are billboards and posters with slogans like: "For Dignity and Respect, Let's Pay the U.S.A."

Improbably perhaps, the U.S. Embassy here seems to be one of the institutions that has little to say about the fund-raising drive.

Ambassador James K. Bishop and his chief deputies declined to be interviewed for this article.

In Washington, a State Department official said he was aware of Liberia's fund-raising efforts. "It's up to the government of Liberia to decide how it's going to pay its debts," the official said.

Other U.S. officials here said they were concerned about what they regarded as anti-American posturing by some Liberian officials.

The tenor of the campaign, which started April 12, was set early on by Doe, this nation's mercurial president. In a speech last week, Doe complained that "we have done all that is humanly possible to please the American people."

"In my mind," he said, "I think it is America that owes us; we don't owe them." And in an aside, he added, "I think the only thing America has not done to me is to shoot my plane down."

More recently, a lengthy article in Liberia's state-owned newspaper complained that demands by the United States have "callously humiliated" Liberia.

In an interview, however, Information Minister J. Emmanuel Bowier denied that the current campaign was anti-American. "We are saying our relationship goes beyond money. But if after 130, or 140 years, the U.S. will look at us and say, 'If you don't pay down to the last brass copper, we will pull out and close down everything,' then we know now that for them, a relationship, a friendship, has a monetary value, has a dollar sign."

He also noted pointedly that the United States has extensive interests here, including a Voice of America radio transmitter, communications equipment and landing rights for American military aircraft.

"We're going to look at all those investments and decide what to do with them," Bowier said.

Some Liberians, though, warn that the campaign could backfire, especially if the government is unable to raise the $7.2 million needed to meet the May 10 deadline.●

NATIONAL CENTER FOR MANUFACTURING SCIENCE

● Mr. RIEGLE. Mr. President. I know that many of my colleagues in the Senate share my view that the problems associated with U.S. competitiveness are among the most pressing problems our Nation faces today.

In the 100th Congress, we enacted comprehensive legislation to strengthen our trade laws and to combat the unfair trade practices of trading partners like Japan and Korea. We also enacted other significant initiatives to improve the competitive position of the United States and to move toward a more balanced international trade situation.

One such initiative was the funding of the National Center for Manufacturing Science [NCMS]. The National Center for Manufacturing Science was created in 1986 to conduct research in manufacturing science and to enhance the competitiveness of U.S. manufactures. Some $5 million of seed money was provided to NCMS in the DOD appropriations bill last year to support initial operation in this very important effort. NCMS has also attracted substantial industry support and that support is still growing.

This week, two very important events will occur that are the result of the work of NCMS. The first is a conference entitled, "Making U.S. Manufacturing Competitive through Technology Research and Transfer." The conference, which is scheduled for Tuesday and Wednesday, is jointly sponsored by NCMS, the University of Texas, the Manufacturing Studies Board, the National Science Foundation, and the Council on Competitiveness. In a notable show of cooperation, this group has brought together leading figures from industry, Government and academia to discuss options for improving manufacturing excellence in the United States and to develop recommendations.

On Wednesday afternoon and Thursday of this week, the National Center for Manufacturing Science will hold its second annual meeting and conference. At this meeting, NCMS will report on what has been accomplished to date and outline its research strategy for the future.

These promise to be very interesting meetings and all are open to members and their staff who are interested in U.S. manufacturing competitiveness.

Mr. President, the work of the NCMS is vital to all of us. I know all of my colleagues will join me in wishing them well as they seek to find solutions to this very difficult problem.●

RURAL HOMELESSNESS

● Mr. CONRAD. Mr. President, I rise today to alert my colleagues to an article in last week's New York Times. The article highlighted the growing problem of rural homelessness. Homelessness evokes an urban image for most people—those unable to pay exorbitant rents; released from institutions with no place to turn; living on the streets and in public parks and large city shelters. This article tells the story of rural Americans—two North Dakotans—who have lost their shelter.

Rural homelessness is not very visible. As the New York Times points out, rural Americans are hesitant to ask for help, seeking shelter only when they are completely desolate. They try to make it on their own, spending all their savings, before they will let others know of their situation.

The reasons behind the growing rural homeless population are complex. One thing is certain—the bleak economic situation of the farm economy has played a key role. Families no longer able to sustain themselves on the farm are forced to leave, sometimes leaving a home their family has held for generations. Failing farms means failing Main Street businesses in small town America. They, too, are forced out.

Mr. President, I hope my colleagues will take note of this article, which I ask be inserted into the RECORD. I hope the specter of rural poverty will instill a challenge in this Congress—a challenge to fashion comprehensive rural development legislation that will revitalize rural America.

The article follows:

[From the New York Times, May 2, 1989]

AS FARMS FALTER, RURAL HOMELESSNESS GROWS

(By Isabel Wilkerson)

In a steady stream driven by bleak economics in America's farm country, a new class of homeless people is emerging from rural areas: farm families and others who are out of work because farms are faltering.

Some crowd into big-city shelters in Minneapolis, Chicago, Des Moines and Omaha, where they can find leads for jobs and anonymity. Other make their way to country hamlets that are little more than detours off a dirt road, where church basements and other makeshift shelters fill up as quickly as they open.

"Rural homelessness is growing faster than we can keep track of it," said Bill Faith, who heads the Ohio Coalition for the Homeless. "People are living in railroad cars and tarpaper shacks. Shelters in tiny towns we've never heard of are operating at or above capacity and are turning people away."

While there are few definitive statistics on how many people are homeless outside metropolitan areas, the Housing Assistance Council, a rural advocacy group in Washington, found that rural people accounted for a fourth of all stays at homeless shelters in 2,200 rural and urban counties it surveyed across the country last year. The problem is even more acute in heavily agricultural states like South Dakota, where rural people account for close to 90 percent of the state's 4,000 homeless, said Ruth Henneman, who runs the state's community assistance program.

"They try to keep it secret as long as they can," said Margaretann Sweet, a psychologist who counsels homeless people in Charlotte, Mich. "Some are ashamed to tell their friends they've lost their farm. Owning land and working hard to keep it is central to self esteem here."

The same spirit of independence and self-reliance that attracts people to farming has kept many rural people from seeking help until their circumstances become desperate.

One farmer, ashamed to use food stamps in his rural hometown, drove his family seven hours from Minnesota to South Dakota in the middle of the night to get food at a 24-hour convenience store.

SOME HAVE TRIED SUICIDE

"Some of them have attempted suicide before coming into the city because, for them, coming to the city means failure," said Sue Watlov Phillips, who heads the Minnesota Coalition for the Homeless and is regional vice president for the National Coalition for the Homeless.

While drug use or mental illness propel many of the urban homeless into the streets, in rural areas the cause of homelessness is more likely to be downturns in farming and related businesses.

Rural homelessness is a more clearly economically caused homelessness," said Dr. Fredrick Solomon, director of the Division of Mental Health and Behavioral Medicine of the Institute of Medicine, which studied the problem last fall.

The study defined the rural homeless as farm families, the working poor, migrants and others who are without shelter or living in temporary quarters. Many experts on rural life include the thousands of families that have lost their farms but remain as caretakers, facing eviction when all the legal dealings are finished.

That is what happened to Donald and Marilyn Bahlof, farmers in their early 60's who lost their 280-acre place near Denison, Iowa, in January and are now staying in a friend's, house with their combine and tractor outside. The farm had been in the family for nearly 100 years.

"You don't want to go to town, you don't want to see people," Mrs. Bahlof said.

HUSBAND CAN'T FIND ENOUGH WORK

Among the hardest hit are low-paid workers in secondary businesses that depend on farming.

Wanda Belling, a 33-year-old mother of three from the tiny town of Erie, N.D., took her family to a homeless shelter in Fargo last March, after her husband's tree-trimming business failed because few of his farmer customers could afford the service. "He wasn't able to find enough work to get us through the winter," Mrs. Belling said. "Business has been bad ever since the drought last year. Sometimes we haven't been able to afford toilet paper. I left because I was worried about the children."

Often rural people show up penniless at city shelters, having exhausted their savings trying to survive on their own. "They prefer that they never be connected with the system," said Ms. Philips. "They'll stay out there as long as they can. They'll use up all their resources before asking for help. That makes it harder for us to help them get reestablished."

Maureen French, a 31-year-old woman from Fargo, N.D., did not know where to turn when she lost her clerical job at a construction company that had been hurt by downturns in oil and agriculture.

Too proud to admit she was homeless, she went by day to a part-time job at a nursing home and, by night, she slept in cars that people had left unlocked.

FRIENDS WERE ASTONISHED

With her father dead, her mother retired to Wisconsin, no relatives nearby, estranged from her former husband and unable to pay her rent, she thought she had few alternatives. Friends were astonished and uncomfortable with her homelessness, she said. "It was as if I had a social disease," she said. "They acted as if it might be contagious."

In late March, Ms. French worked up the "courage and humility," she said, to ask for shelter. She is now staying at a women's shelter in Fargo, and seeking a job that will pay enough for her to afford an apartment.

Unlike cities that have developed extensive shelter systems, many rural states are just now beginning to assess the severity of their homelessness and are finding it difficult to help the homeless people who are isolated in the countryside.

Advocates for the homeless say that because services for the homeless are scarce in rural areas, and because there is a stigma attached both to those who seek and those who provide such help, it is difficult to know just how big the problem is.

One barrier is the reluctance of some financially strapped towns and counties to help outsiders. "These communities are saying, 'We'll take care of our own, but we don't want any transients,'" said Mr. Faith of the Ohio Coalition for the Homeless. "They'll say, 'We'll put you up for a night or two but then you've got to get on down the road.'"

In Hawley, Minn., homeless advocates have housed out-of-work farm workers, displaced by automation, in a shelter on a farm. There, on a 54-acre plot of land, homeless men grow tomatoes, squash, pumpkins and sweet corn, some to eat and some to sell to pay for the electricity.

CANNOT AFFORD TO START

Clarence Schuenke tends the three cows. Mr. Schuenke is a 59-year-old former farmer and hired hand. He said he would like to raise cattle himself, but cannot afford to get started.

Mr. Schuenke lived on the streets of nearby towns and in shelters until he was referred to the farm shelter a year and a half ago. "This is like home," Mr. Schuenke said. "I go out and give the cows a bale of hay. They're awful glad to see me."

Currently, there are three other homeless men living at the farm in Hawley. "They talk about leaving all the time." said Barb Martens, who runs the shelter. "For some of them coming here is giving up. They don't want to see themselves as desperate homeless people. But that's good because that means they have enough faith in themselves to feel they can make it on their own."●

RESPONSE TO NATIONAL RIFLE ASSOCIATION REGARDING S. 747

● Mr. DECONCINI. Mr. President, following the recent introduction of S. 747, the Anti-Drug Assault Weapons Limitation Act, the National Rifle Association solicited support for opposition to S. 747 in my home State of Arizona by sending a mass mailing to its Arizona members. I was somewhat disheartened to find that the NRA had distributed a position paper containing what I believe to be inaccurate statements regarding S. 747. Consequently, at this time I would like to submit a response to the assertions of the NRA.

For many years I have considered the NRA a friend and supporter. It is unfortunate that they have found it necessary to engage in these activities. Yet, because I believe it is of the utmost importance for the public to receive the complete truth about S. 747 before making a decision to support or oppose the legislation, I am providing this response for review.

Mr. President, I ask that the attached response to the National Rifle Association's analysis of S. 747 be printed in its entirety.

The response follows:

RESPONSE TO NRA ANALYSIS OF S. 747, THE ANTIDRUG, ASSAULT WEAPONS LIMITATION ACT OF 1989

I. BAN ON SEMI-AUTOMATIC WEAPONS

NRA: An inadvertent failure to follow the requirements of S. 747 would result in a violation of S. 747.

Response: The NRA's assertion is wrong. S. 747 only punishes a knowing failure to follow the record-keeping requirements. Furthermore, the Bureau of Alcohol, Tobacco & Firearms (BATF) will promulgate regulations on procedures for maintaining legal possession following an individual's "inadvertent" failure to acquire form 4473.

II. "ASSAULT" RIFLES INCLUDES SPORTING FIREARMS

NRA: The firearms being considered for limitation are hunting rifles because of the ammunition used.

Response: The fact that a firearm uses ammunition often used for hunting does not mean that the firearm itself is strictly a hunting rifle.

S. 747 bans firearms that have become weapons of choice of drug dealers and youth gangs. S. 747 coverage includes less than 1% of the many semi-automatic firearms that are currently available.

III. VAGUE DEFINITIONS

NRA: Assault weapons are vaguely defined and the language defining firearms as being nearly identical, thereby including them in the ban, is also vague.

Response: It would be impossible to define "assault weapons" with any greater specificity than S. 747 because the bill explicitly lists the firearms to be banned.

It is necessary to ban "nearly identical" firearms so that gun manufacturers cannot, by making minor cosmetic changes in the design of banned firearms, avoid the law. The list of changes to a model listed as an assault weapon reveals that the law does not create a broad "catch-all" provision applicable to unnamed firearms, but rather provides clear direction to BATF to determine if a firearm is merely a banned model with superficial changes. This language has been developed with the help of firearms experts inside and outside of the government, including BATF. The assistance of the NRA was sought, but they declined to provide any input.

NRA: S. 747 would result in Congress deferring to the Secretary of the Treasury regarding firearms to be added to the list of assault weapons.

Response: Other proposals have included language to place discretion in the hands of the Secretary of Treasury to add firearms to the list of banned firearms with no oversight. S. 747 maintains the power to make that decision in Congress. Congress, and only Congress, should make the decision to add any additional firearms to the list of banned firearms. Is the NRA suggesting the Secretary should have unbridled discretion to add firearms to the list as has been suggested by Senator Metzenbaum and others?

IV. NO INCREASE IN PENALTIES

NRA: There is "no increase in penalties for criminal misuse."

Response: Section 5 of S. 747 enhances criminal penalties for the criminal use of a firearm by providing 5 years imprisonment "in addition to the punishment provided for the commission of any such other crime".

V. UNPRECEDENTED PAPERWORK REQUIREMENTS

NRA: Requiring a current assault weapon owner to obtain a copy of form 4473 is overburdensome. NRA further contends that any person who ever owned an assault weapon will have to acquire a copy of form 4473.

Response: This assertion is wrong. Only current gun owners would have to acquire a copy of the Form 4473. (This will be specified by regulation or by amending S. 747). Section 7 makes it criminal to knowingly fail to acquire form 4473 "with respect to the lawful transferring, . . . as required by the provisions of this chapter." S. 747 directs BATF to develop regulations on procedures for acquiring form 4473 when the original dealer can not be located.

VI. VIOLATION OF DUE PROCESS

NRA: Failure to request form 4473 is a 5 year and/or $5,000 fine, and that is an ex post facto and due process violation under S. 747.

Response: S. 747 creates a 6 month and/or $1,000 fine for a failure to meet the form 4473 requirement.

Section 6 does not create an ex post facto law. Prior purchase of the gun is not being punished. The crime is to continue possession of the weapon without acquiring a form 4473.

NRA: The proposed legislation violates due process under *Lambert* v. *California*, 355 U.S. 225 (1957).

Response: This assertion is incorrect. Under *Lambert* due process is violated when an individual is held to have violated a Los Angeles Municipal Code section requiring registration of a felon, without the felon having actual knowledge of the duty to register. Under S. 747 only a knowing violation of the legislation would be considered an offense.

Congress' Constitutional authority to create, define and punish crimes and offenses whenever necessary to effectuate the objects of the Federal Government has long been conceded to be found in Article I, Section 8, clause 17. *U.S.* v. *Fox*, 95 U.S. 670 (1878); *U.S.* v. *Hall*, 98 U.S. 343, (1879); *McCulloch* v. *Maryland*, 4 Wheat. (17 U.S.) 316 (1819).

VII. IMPOSSIBLE FORM REQUIREMENTS

NRA: A person can not easily acquire a copy of form 4473.

Response: BATF has indicated that this is not an impossible requirement. The final version of the law will not punish gun owners who, through no fault of their own, are unable to obtain a form 4473 from the original dealer. The BATF will publish regulations establishing procedures for individuals to acquire a form 4473, and to enable legal owners to meet the requirement when they are unable to locate the original seller/dealer.

VIII. CITIZENS UNABLE TO LOCATE FORMS

NRA: Law-abiding citizens will be treated unfairly.

Response: Again, S. 747 does not punish gun owners who, through no fault of their own, have difficulty obtaining form 4473. (See above response to Section VII.)

NRA: The form 4473 requirement is far worse than Senator Metzenbaum's registration requirement.

Response: Law-abiding citizens should not be forced to register and be submitted to an extensive background check. S. 747 utilizes a system already in place whenever there is a purchase of a new firearm. This system has been in place since 1968.

IX. CRIMINAL PENALTIES

NRA: The criminal penalties in S. 747 already exist, and the penalties resulting from S. 747 are excessive.

Response: S. 747 provides for an enhanced penalty of 5 years for using an assault weapon, "in addition to the punishment provided for the commission of any such other crime." Clearly this penalty did not previously exist since there has never been an offense for assault weapon use.

The hypothetical situations provided by the NRA to argue the excesses of the penalties associated with S. 747 are unrealistic. For example, a person could not be prosecuted for possession or transportation of an assault weapon under section 2 because weapons that are "lawfully possessed before the effective date of the subsection" are not covered. The information provided by the NRA leads one to assume that the defendant has legal possession of the weapon on the date of enactment.

The illegal use of an assault weapon is a severe violation and should result in a severe penalty. Because the form 4473 requirement will be easily met, those penalties resulting from failure to comply with S. 747 requirements would be appropriately severe.●

TERRY ANDERSON

● Mr. MOYNIHAN. Mr. President, today marks the 1,515th day of captivity for Terry Anderson in Beirut.

I ask that an October 11, 1987, article from Editor and Publisher magazine be printed in the RECORD.

The article follows:

WHAT ABOUT TERRY ANDERSON?

ASSOCIATED PRESS CORRESPONDENT'S SISTER CRITICIZES SECRETARY OF STATE SHULTZ FOR NEGOTIATING THE RELEASE OF DANILOFF BUT REFUSED TO MEET WITH HER

(By Andrew Radolf)

While Secretary of State George Shultz was engaged in final negotiations to secure the release of journalist Nicholas S. Daniloff from the Soviet Union, he was refusing to meet with the sister of another journalist who's been held hostage in Lebanon for 18 months.

Peggy Say told *E&P* that she sought a meeting with Shultz to discuss the plight of her brother, Associated Press chief Middle Eastern correspondent Terry Anderson, while Shultz was in New York City for the U.N. General Assembly. Anderson has been held captive by the Islamic Jihad (Holy War) since being abducted by gunmen in West Beirut on March 17, 1985.

Say said she was told by Shultz's aides that he was too busy to meet with her.

Shultz did find the time, however, to play tennis with Ivan Lendl while he was in New York City. His tennis match with Lendl was reported on the local TV newscasts.

While Shultz was in New York for the United Nations, he was also finalizing the deal to release Daniloff with Soviet Foreign Minister Eduard Shevardnadze.

Say also has been having difficulty recently in securing meetings with other top administration officials. In the past, she has met with President Reagan and Vice President Bush, although she said it took her over a year to get those meetings.

However, her most recent contacts with the administration have been with lower level White House aides whom she declined to identify.

The State Department's public affairs office would not comment on Say's allegations.

Daniloff, Moscow correspondent of *U.S. News & World Report*, was arrested August 30 by the Soviets on spying charges. His being taken into custody was regarded as a retaliatory move for the arrest on espionage charges of Gennadi Zhakarov earlier that month in New York by the FBI.

Daniloff's release was secured a month later after intense negotiations, which also saw Zhakarov's return to the Soviet Union.

The Islamic Jihad's stated aim in kidnapping Anderson and several other westerners was to pressure the United States government to in turn pressure Kuwait to release 17 of Jihad's members who were imprisoned for trying to overthrow the monarchy.

The Jihad have executed two of their captives, but they also have released three others—most recently Father Martin Jenco who they said would be the last captive to be let go in a gesture of good will.

The Reagan Administration's position from the time of Anderson's capture has been that it does not negotiate with terrorists.

Say noted that the Islamic Jihad's demand for the release of the 17 held is not necessarily a non-negotiable position.

"By never negotiating, we held them to their original demand. I believe they're ready to settle for something else," Say stated.

Say said she also recently asked the United States to attempt to contact the Jihad via a letter to be published in Lebanon's newpapers. The administration rejected her request, she said, again on the grounds that they won't negotiate with terrorists.

"In every hostage situation they found a way to deal without having to admit it," she commented. "There's something very wrong" about the Reagan Administration's refusal in her brother's case, she added.

"Terry's a Marine Corps and Vietnam veteran. He put his ass on the line for this country. I think it's shameful they don't help him."

In the past, the Associated Press has asked that stories on Anderson leave out references to his military background out of concern it would lead to harsher treatment by his captors. But Say said she learned from Jenco that the Islamic Jihad knows Anderson is a former marine.

Despite getting a cold shoulder from the administration, Say expressed her hope that its successful negotiations for the release of Daniloff will result in public pressure for a similar effort to free her brother.

"We're hoping that kind of (negotiating) effort will take place now," Say said in a telephone interview. "The administration is under fire from a lot of people right now. I'm getting calls from all over the country from people who are writing their congressman and asking the same question—Why was there never the same effort put forth for these guys (in Lebanon)?"

Say anwered her own question. "Obviously, it was in the political best interests of

the U.S. to pursue Daniloff's release. We have no political best interests in Lebanon, and there had been no public outcry.

Say also rejected U.S. contentions that Anderson and the others were being held by some shadowy group and that there was really no one to negotiate with.

"Why don't you ask Terry Waite? He certainly didn't take long to contact them," she said. Waite is an emissary from the Archbishop of Canterbury who has made several trips to Beirut in an effort to secure the captives' release.

Say, speaking in an October 2 E&P interview, remarked that her brother had steadfastly refused to cooperate with his captive in any way, including in the making of videotapes. She said that refusal resulted in his being treated more severely, but that ultimately his captors "respected him for it."

However, there is strong indication that Daniloff's release may have embittered Anderson and convinced him to be more cooperative.

On October 3, the Islamic Jihad released a videotape in which Anderson sharply criticized the Reagan administration for ignoring his case while it devoted full-scale diplomatic efforts to the release of Daniloff.

Say, on hearing the videotaped message, told the press her brother "would not have been coerced to say something that is not the truth. I know that whatever Terry said would be what he felt.

On the tape, Anderson protests the "unjust and unfair treatment of our situation." He criticizes the Reagan administration for its "propaganda and bombast" in announcing the freeing of Daniloff "who had been a prisoner only a short time" and assails its refusal to negotiate in his case.

"How can any official justify the interest and attention and action given that (Daniloff's) case and the inattention give ours," Anderson stated.

Say's efforts to free her brother have taken her to the Middle East, although not Lebanon itself, and she has met with both Syrian and Cypriot officials who had contacts with Lebanese Shiite groups. Say also met with Margaret Papandreou, the American wife of Greece's prime minister, because she had good relations with Syrian President Hafex al-Assad.

Both Assad and Nabih Berri, leader of the Amal Shiite in Lebanon, have made statements that "they could be helpful" in securing her brother's release, "but they have no incentive," Say said. "The U.S. did not acknowledge their help in the TWA negotiations and Berri said certain promises to him were not kept."

Say had high praise for AP, saying the news service "had been terrific to me" in helping her cause. She said AP had paid the cost for all her travels and has been "very supportive emotionally."

Say works closely with AP Washington bureau chief Charles Lewis, commenting the two meet regularly to work on Anderson's case.●

THE EXCITEMENT OF HISTORIC MESILLA, NM

● Mr. DOMENICI. Mr. President, one of my favorite spots in the State of New Mexico is the historic community of Mesilla, which is located just outside Las Cruces in the southern part of our State.

It is a wonderful community and a fascinating place for visitors.

The Mesilla's plaza is certainly one of the most charming plazas in the entire United States, surrounded by many traditional New Mexican style adobe buildings, including San Albino Church.

And certainly, some of the very best food in the entire Southwest is available in the restaurants of Mesilla.

New Mexicans know about Mesilla. And, fortunately, more and more Americans are learning about Mesilla. Just a few days ago, the New York Times carried a most interesting article about Mesilla.

Because I am convinced this article will be of interest to anyone planning a trip to New Mexico, I ask that a copy of this article be printed in the CONGRESSIONAL RECORD.

The article follows:

[From the New York Times, Apr. 23, 1989]

HISTORIC ADOBE, MYTHS OF THE OLD WEST

(By Paula Panich)

On the plaza in Mesilla, a village of 2,000 in southern New Mexico's wide, rich Rio Grande valley, a sharp-eyed visitor can delight in the details of its carefully restored Territorial architecture. Along the way, shops, art galleries and restaurants add to the mix of history and tourism.

The style of the plaza's buildings is a reflection of its mid-19th-century origins, when this Mexican settlement became part of the United States. In the 1850's, Mesilla was briefly the largest town between San Antonio and San Diego, and, after the Civil War, the town's fortunes were again on the rise. When abloom with prosperity and importance, the town was the site of a delightful union: the marriage of indigenous adobe mud buildings and Greek Revival architecture. The resulting Territorial style remains here, and Mesilla's buildings are intertwined with Billy the Kid stories and other harrowing tales of the taming of the West.

The plaza has been the heart of Mesilla since its beginning, when the first mestizo settlers (people of mixed Spanish and Indian heritage) arrived in 1848.

The original buildings on the plaza changed and prospered along with the town. Today the visitor sees, thanks to meticulous restoration, the elements of the New Mexico Territorial vernacular—rectangular adobe buildings in the colors of the earth with deepset glass windows and multipaned doors capped with glossy white pedimented lintels. Commonplace enough in other parts of North America in the mid-19th century, these building materials—window glass and sawed lumber—were revolutionary in New Mexico, having traveled for hundreds of miles by wagon to the territory.

A good place to begin an architectural and shopping tour of the Mesilla Plaza is on Calle Principal, at the northwest corner of the plaza. You'll see the unified sand-colored adobe facade of a group of buildings known as the Barela-Reynolds property. It was built in the 1850's by the Barela family, who were lawmen, shopkeepers and operators of a stage and freight business. The graceful front of the compound is punctuated by nine doors and windows framed in white and crowned with peaks in the Territorial manner. Looking almost like a classic Old West cutout, the parapet of the crisp-looking facade is topped with brick coping, another common characteristic of the New Mexico vernacular. Today you can shop for folk art, souvenirs and clothing in three shops, La Zia, Del Sol and the Galeria on the Plaza (the latter is housed in a contemporary addition to its 19th-century neighbors to the south) fronting the square.

The plaza is so compact you can visit every shop. Continuing south, you'll see El Platero (The Silversmith). Before you go on, look carefully at the metal facade of this store—it is tin, stamped to look like masonry. The Reynolds family ordered the Italianate Bracketted storefront by mail in the 1890's, and it arrived in due course by railroad. Above the entry is a faded, painted sign, Mesilla Valley Store, and higher, above the tin flourishes near the top of the facade, is the name J. Alidib, Prop., a reference to a subsequent storekeeper. Inside, El Platero is stocked with souvenirs of New Mexico and silver jewelry made in the region.

Next to El Platero is the Mesilla Book Center, a crucial stop in a tour of the Mesilla Plaza. The shop's white exterior has a peaked parapet with brick coping, and the interior is chockablock with books on New Mexico and the Southwest. In particular, you can take a look at books about the Mesilla Valley. Mary Bowlin, owner of the bookstore, grew up on the Navajo reservation, where her mother was one of the first Anglo nurses to serve the tribe. The shop has a separate room of the very best of children's literature, along with an impressive collection of books on the Southwest for the young, many in Spanish.

Not all the buildings on the plaza, or in Mesilla itself, are as carefully restored or as esthetically pleasing as these two historic properties, but are interesting nonetheless. A case in point is the oldest documented brick building in New Mexico, next to the Mesilla Book Center. It now houses El Mariachi, a souvenir shop. The well-worn bricks of this sturcture were made from a local kiln in 1863 for the builder, a wealthy French merchant. The building was quite unusual in New Mexico, where bricks made in the territory were not widely available until the final two decades of the last century. Two of the building's early owners were murdered here in the 1860's—this was the Wild West, after all.

If you visit Mesilla soon you may be able to see just how adobe buildings were constructed more than a century ago. Across from El Mariachi is a building site—a ruin, really—with its mud-and-straw adobe bricks exposed. Straw was used for centuries in an attempt to stabilize the mud in adobe bricks. In modern times, all but the most meticulous preservationists use asphalt emulsion for the same purpose.

On the south side of the plaza is a low building—El Patio, a Mexican restaurant and bar—where the young people of the Mesilla Valley gather for rock music. El Patio is part of what was Mesilla's transportation block in the early days, home to the San Antonio Mail as well as the Butterfield Overland Mail and Stagecoach line. The Mission-Revival-style parapets and the brick structure on the northeast portion of the block date from the 1930's, replacing buildings destroyed by fire at the turn of the century.

La Posta, on the southeast corner of the plaza, is the restaurant that sparked the beginning of Mesilla's tourist industry in 1939. La Posta was once the Butterfield Stage Station, and is now honeycombed with dining rooms. The entry is a covered atrium and home to an aviary with 14 birds and an aquarium with four red piranhas, but it was

once an open patio where folks gossiped around the town pump.

The Billy the Kid Gift Shop on the plaza's east side, a simple Territorial building with dentil brick coping, recalls the killer's brief stay in Mesilla. When the Kid reached the town in March 1881, it looked as if it might be the end of the line for him. It was here the Kid was tried for murder and sentenced to hang. Heavily manacled, he was taken by wagon from Mesilla north to Lincoln County, where he escaped before he was finally shot down.

After you've contemplated the deeds of this badman, you might need to rest and refresh yourself at the Double Eagle Restaurant, the star of Old Mesilla. You'll see it immediately—its refined, classic New Mexican portal graces the length of the building facing the plaza; its entry is guarded by heavy, post-Civil War cast-iron gates. Inside, the Maximilian Room shines with a Baccarat chandelier, its light dancing from the gold-leaf ceiling. Its 30-foot bar is flanked by four Corinthian columns in gold leaf. Seven other rooms, tributes to local, state and Mexican luminaries, are filled with turn-of-the-century furniture and art. The elegant, small Carlotta Room, named for the Mexican Empress, is reputed to be haunted by starcrossed teen-aged lovers who died in the house in the mid-19th century. Among the antique paintings on the wall is a photo with a ghostlike image taken by a recent patron. The accompanying letter suggests the shadowy figure seated with dinner guests at the Carlotta Room's dining table just may be one of the resident phantoms.

Just a minute's walk from the Double Eagle restaurant, the twin-spired Romanesque-style structure of San Albino Church dominates the north end of the plaza. Dedicated in 1906, the church is a legacy of Archbishop Lamy (immortalized by Willa Cather in "Death Comes for the Archbishop"), who sent many of his fellow French clerics to New Mexico in the 19th century.

This delightful Romanesque-meets-California Mission-style building replaced Mesilla's original 1860's adobe church. Above the church's door, you can see the Mission-style parapet on the facade between the two belfries. Unfortunately, the church is no longer open at all times to visitors, but it is open an hour before and after scheduled services. (Mass is said daily at 7 A.M. in Spanish; check for other weekend services.)

For art and antiques, don't miss the collection of shops and galleries just off the plaza. North of San Albino Church, on Calle de Guadalupe, for example, is the impeccably restored Adobe Patio Gallery, also the home and studio of the artist Carolyn Bunch and her husband, Henry. This adobe is a beauty—the green door of the gallery is surrounded by 18 blue-trimmed side lights or small windows. In these parts the color blue, when applied to windows and doors, is said to keep evil spirits away. When Henry Bunch began restoration, which took six years to complete, he was faced with dirt floors and collapsed walls. He managed to keep the room arrangement of the original 1850's building; the front door opens to a central hallway, known as a zaguan. The work of Carolyn Bunch and other artists hang in the zaguan and on the other soft adobe walls of the gallery. Of particular interest are the paintings and ceramics of Susi Nagoda-Berquist, an artist who takes a lively and whimsical view of Indian folklore and Catholic saints alike.

Across Highway 28, within a few minutes' walk of the plaza, is the Gadsden Museum, a private museum run by Mary Alexander, great-granddaughter of Col. Albert Jennings Fountain, one of Mesilla's pioneers.

The museum is housed in a beautifully restored Territorial building, an ancestral home of the family. Mrs. Alexander won't permit visitors to roam at will, but she will guide visitors along the several front rooms filled with family memorabilia, most of which is intertwined with the history of the Mesilla Valley. (The tour will take at least an hour.) Among painted teacups and the pottery and basketry of New Mexico's Pueblo Indians are paintings of local scenes by two or three generations of Fountain men. Uniforms and dresses worn by family members more than a century ago are also on display. The family's collection of santos, religious figures made by early New Mexican woodcarvers, is outstanding.

Mrs. Alexander will show too what are said to be the relics—brown rosary beads, a brass bell, a cowhide book, among other things—of the Hermit of New Mexico, Giovanni Maria d'Agostino. The Italian-born pilgrim was known by a variety of names throughout his life, and at the Gadsden Museum he is called Juan Maria Justiniani. The hermit, who had a reputation as a holy man and healer, came to Mesilla in 1867. D'Agostino was found dead in 1869 at his retreat in the Organ Mountains northeast of town. The identity of his murderer remains a mystery.

Mesilla is still a farming community, and the Rio Grande continues to set the pace of life here for many. Walking on the outskirts of town at dusk, past irrigated fields of chili or onions (depending on the season) and rows of pecan trees, is one of the Mesilla Valley's greatest pleasures. The sunsets here are enough to impress even a veteran New Mexico visitor. The colors in the fading sky seem lit from within—illuminated peach and heliotrope, ringed with charcoal. The twilight is short, and night falls quickly.

FOR OLD COWHANDS, A VILLAGE ON THE RIO GRANDE

GETTING THERE

Mesilla is about an hour's drive west on Interstate 10 from the El Paso International Airport in El Paso, Tex. Take Exit 140, turning south for one mile to Highway 28. From this two-lane highway, turn on Calle Santiago or Calle Parian to get to the plaza—you'll see the spires of the San Albino Church rising above the one-story buildings.

On Mondays, some restaurants and shops are closed. Most open at 11 A.M. during the week and at noon on Sunday. Shops close at 5 or 5:30.

A copy of the bright yellow Historic Old Mesilla brochure, available at any merchant on the plaza, lists shops and restaurants, and includes a brief account of the town's history.

DINING

The Double Eagle Restaurant (505-523-6700) is open for lunch and dinner daily and for brunch on Sundays, with good, reliable Continental food. Dinner entrees average about $14; the roast duck ($13.25) and Chateaubriand for two ($36.50) are recommended. On the plaza.

Peppers (505-523-4999) is Mesilla's new, chic eatery with Santa Fe-style food. Lunch entrees range from chicken enchiladas ($4.95) to shark fajitas ($6.95). For dinner, try the chile relleno of fresh sea bass, served with tropical fruit salsa, ($8.95). Open Monday through Saturday, 11 A.M. until 10 P.M. On the plaza.

La Posta (505-524-3524) is open for lunch and dinner every day except Monday. Fifty years ago La Posta's signature tostados compuestos—toasted corn tortillas shaped into cups and filled with chile con carne—were 60 cents, as was a T-bone steak; they are $5.40 and $11.25 today. This is Mesilla's landmark restaurant; on the plaza.

ACCOMMODATIONS

Mesilla itself has only one place to stay, although nearby Las Cruces has an assortment of standard motels. Highly recommended is the Meson de Mesilla (1803 Avenida de Mesilla; 505-525-9212), a small bed-and-breakfast inn within walking distance of the plaza. The adobe two-story inn was built a few years ago in a contemporary, Territorial-inspired style by Chuck Walker, a transplant from San Diego. The chef, Bobby Herrera, has built a solid reputation for Meson de Mesilla's fine restaurant.

Rates at the 13-room inn range from $45 for a single bed to $75 for a double room with a fireplace. A swimming pool is open in summer. Breakfasts are included in the price of the room (the restaurant is closed to the public for this meal).

RECREATION

Mesilla is only a 10-minute drive from the city limits of Las Cruces. Write for a brochure detailing the cultural and recreational opportunities in the area, such as boating and golf: Las Cruces Convention and Visitors Bureau (311 North Downtown Mall, Las Cruces, N.M. 88001).

The American Southwest Theater Company (800-525-2782) stages many of the plays of the Tony-award winning Mark Medoff, New Mexico State University's resident playwright. (Mr. Medoff wrote, among other plays, "Children of a Lesser God.") The season runs from September through April.

The Visitors Center at Fort Selden State Monument, only a 20-minute drive from Mesilla, chronicles the rise and fall of the military compound. Abandoned in 1889, the fort was briefly the boyhood home of Gen. Douglas MacArthur.

The nearby Organ Mountains are a popular hiking spot, with dozens of trails for the experienced and novice alike. Contact the Las Cruces Convention and Visitors Bureau (505-524-8521) for a trail map.

TOURS AND EVENTS

Mesilla receives about 50,000 visitors a year, and is particularly crowded on Mexican Independence Day (Sept. 16) and Christmas. Each December, several historic private homes in Mesilla are open for a house tour to raise funds for the Las Cruces Symphony. Details are available at 505-646-3709.

The Mesilla Plaza is the site for several community religious festivals each year. The feast day of the village, Día de San Albino, is held on the Sunday nearest March 1. A procession on the plaza celebrates the new growing season and the first water into the irrigation ditches from the Rio Grande.

On Dec. 11 and 12, Indians at nearby Tortugas celebrate the Festival of Our Lady of Guadalupe. The last day is spent in traditional Matachin (Indian) dancing.

At Christmas, 2,000 luminaries or farolitos (candles placed in sand in small paper bags) illuminate the plaza and the Church of San Albino in one of the community's most cherished celebrations.●

THE ALBUQUERQUE CIVIL AIR PATROL'S T-34'S

● Mr. DOMENICI. Mr. President, so many fine volunteer groups throughout America have demonstrated their great loyalty and pride in our Nation. They are essential to what America is all about.

But, Mr. President, I am convinced there is no group with greater loyalty and pride than the Civil Air Patrol. It is a great organization, and one of its most dedicated squadrons is the one that flies out of Kirtland Air Force Base in Albuquerque, NM.

The men and women who give their time to the Albuquerque Squadron are charged with a variety of challenges: Air search and rescue missions, cadet leadership development, and aviation and space education. Their mission includes low-level route surveying for the Air National Guard, assistance to the Customs Service, and air support for the U.S. Forest Service. More than 250 senior and cadet CAP volunteers who belong to the Albuquerque Squadron are the reason that their squadron has been such a success.

These dedicated volunteers use two mountain search and rescue aircraft. These aircraft are the Beechcraft T-34's, a variation of the popular general aviation plane known as the Beechcraft Bonanza.

Over the years, these T-34's have proved so very effective in providing search capability throughout the mountainous regions of New Mexico. The Albuquerque CAP volunteers know that the performance, maneuverability, and dependability of these aircraft have been outstanding in high mountain searches. These planes also have outstanding visibility.

Using these T-34's—and this is vitally important—the Albuquerque Squadron has saved more than 10 lives and found numerous aircraft, hikers, and hunters who had been missing.

As a result of private contributions in both time and money, the Albuquerque CAP Senior Squadron 2 has maintained these two T-34's for more than 15 years. The State of New Mexico has helped to support these aircraft for over 10 years.

Frankly, these planes are the heart of the Albuquerque Squadron, the pride of its membership. They are the symbols of the loyalty these men and women have shown to the mission of the Civil Air Patrol.

Recently, the national executive committee of the Civil Air Patrol decided to modernize the CAP aircraft fleet. It decided to replace these older T-34's throughout the country with newer aircraft. The national executive committee decided to sell these two planes.

The pending sale has, very frankly, angered the volunteers of the Albuquerque Squadron because the membership knows how magnificently these planes have performed over the years for the benefit of the people of New Mexico and the Nation.

I and my colleague from New Mexico, Senator BINGAMAN, have asked the national executive committee to postpone its action for a year. The committee has agreed. During this time, the members of the Albuquerque Squadron intended to explore options, including the possible purchase of the two T-34's.

I applaud their dedication, and I am hopeful they will be successful.

They are a great group of individuals, and I commend them on their dedication, pride, and sense of loyalty to a very important mission.●

ESSAY BY LAUREN GARRETT ON KATHERINE STINSON OTERO

● Mr. DOMENICI. Mr. President, I rise today to present an essay written by Lauren Garrett, of Austin, TX. Lauren chose to write about a famous New Mexican for this essay which was entered in a "National Historic Day Contest."

The late Katherine Stinson Otero made significant contributions to the fields in which she endeavored. Born in 1891 she continously demonstrated by example her dedication to excellance and spirit of adventurism. In Santa Fe many of the houses she designed stand today as monuments to her successful career as an acclaimed southwestern architect.

Before she moved to Santa Fe and married, Katherine Stinson was an accomplished mail and stunt pilot and the first person to reach many milestones in aviation. She was the first to fly in Japan and China and the first woman to perform the loop the loop. Ms. Stinson, along with her sister Marjorie, also founded Stinson Field in San Antonio, TX, which was used as a training field for allied pilots during World War I.

After World War I where Katherine Stinson drove an ambulance for the Red Cross in France, she moved to Santa Fe. There she met and married Miguel Otero, Jr., whose father had been the territorial Governor of New Mexico. Though lacking formal training Katherine Stinson Otero soon became intrigued by the distinctive architecture of New Mexico. She began to design her own houses and soon become reknown for the combination of Spanish and native American styles she incorporated into her architecture. Many of her homes won her national recognition for their award winning designs.

Mr. President, I wish to have printed Lauren Garrett's award winning essay in the CONGRESSIONAL RECORD. Not only is her paper a fine tribute to Katherine Stinson Otero, who truly deserves our recognition, but also sets a fine example for other seventh grade writers.

The essay is as follows:

KATHERINE STINSON: THE SCHOOL GIRL WHO OUTFLEW THE MEN

(By Lauren Garrett, individual project, junior division, grade 7)

DESCRIPTION OF RESEARCH

I first discovered Katherine Stinson in a series of articles published last year in the Austin *American Statesman.* From there, I went to the library to find a more indepth portrait of Katherine's life. This was found in several books about women in aviation before World War I. I used the bibliographies to start a chain of correspondence, to the curator of the National Air and Space Museum, and to the Ninety-Nines, International Women Pilots. They in turn sent me information including an obituary which led me to Katherine Stinson's niece, Jacqueline Stinson Delano. She agreed to furnish information about her famous aunt and gave me the names of several individuals who might have more information about Katherine's architectural career. I then contacted Metta Nicewarner, Head of Special Collections, Texas Woman's University, Mr. Arthur Wendt, manager of Stinson Field, and Cynthia Beeman, who works for the Texas Historical Commission. All of these people and I exchanged information and leads. I also contacted several state agencies and archives in New Mexico and Texas. At least ninety percent of the people I wrote sent a reply giving leads. Jacqueline Delano filled in the missing details that other researchers were unable to locate. She made it possible for me to use her family photographs and to locate Mary Brennan, who owns the award winning Dorothy McKibbin House which was designed by Katherine Stinson Otero in 1936. Mrs. Brennan was very cooperative in sharing information about her home.

A six foot tall, three dimensional triangular plywood tower became the base of my project. I found a gold colored parachute to cover the base and mounted all documents, letters, captions, and photos on foamcore, These were later mounted three dimensionally on the covered base. All of the titles were done with various sizes of adhesive letters. After everything was complete, I placed a model of a Curtiss JN-4, "Jenny", the airplane Katherine Stinson used to fly her fund raising tour for the Red Cross during World War I, on top of the display.

RESEARCH

Katherine Stinson's place in history has been assured by her accomplishments in two areas of expertise. During the birth of human flight, Katherine was a pioneer aviatrix. She did such stunts as the loop the loop. She was the first woman to skywrite and was the first person, male or female, to night skywrite. She was criticized for her daring maneuvers, but less than two years later the army was using her methods to train fighter pilots for combat. Due to ill health, Katherine could not continue flying, but she did not give up. Instead she designed many acclaimed homes without the advantage of formal training. For these reasons, I chose Katherine Stinson to be my National History Day topic.

Katherine Stinson was born in Mississippi, February 14, 1891. As a child she wanted to become a pianist and study in Europe, but her dream was postponed because her family was not able to afford her dream. She then began to read about the prize money early aviators were making. This

seemed to be a way she could earn the money to fulfill her dream. She convinced her parents to sell her piano so she could use the money for her flying lessons. Katherine persuaded Max Lilly to teach her to fly at his school at Cicero Field in Chicago in May of 1912. She soloed for her license on July 16, and was granted Certificate number 148, on July 24, 1912, in a Lilly Wright, the fourth woman in the world to do so.

During her six year career, she set many records. She was the first woman to loop the loop, to fly airmail, to practice skywriting, to skywrite at night. She was also one of the first women to fly in Canada and was the first person to fly in Japan and China.

As the United States entered World War I, Katherine volunteered her services to fly for her country. She was quickly rejected because of her sex. During the war Katherine Stinson flew airmail on several different routes. She also set and broke many distance records.

In 1916, Katherine and her sister, Marjorie, opened an airfield and training school in San Antonio, Texas. They had been flying practice runs from the parade grounds at Fort Sam Houston for two years, but the army wanted the space for troop training. Appropriately named Stinson Field, It has become the second oldest general aviation field in the nation. Most of the pilots who flew under the Canadian flag during World War I were trained at Stinson Field by the Stinson family.

After being rejected for her flight services, Katherine volunteered to help the Red Cross. She contracted tuberculosis as a Red Cross ambulance driver in France. She returned to the United States, ending her flying career and spent the next nine years in sanitariums in New York State and Santa Fe, New Mexico. In Santa Fe she met John Gaw Meem, an architect, and Dorothy McKibbin as fellow patients at Sunmount Sanitarium. The sanitarium was owned by Meem's brother. The three of them became interested in the native architectural styles which incorporated Spanish and Native American Indian features. When released from the sanitarium, Katherine married Miguel Otero Jr., the son of the last territorial governor of New Mexico, in 1927. Katherine went on to design many award winning homes though she had no formal architectural training. She designed a home for her friend, Dorothy McKibbin, who was known as "The Gatekeeper" of the Manhattan Project. Mrs. McKibbin was one of the first people hired by J. Robert Oppenheimer as he was staffing the Los Alamos center to develop the atomic bomb. Dorothy's home was the only "Safe House" in Santa Fe used for meetings and social gatherings of the atomic scientists during World War II.

Katherine Stinson Otero was one of three individuals awarded the title of Elder Statesman of Aviation by the National Aeronautical Society. The title was established in 1954 by the NAA to honor Americans over the age of 60 who have contributed significantly throughout a period of years of aeronautics.

Mrs. Otero became ill in 1959 of an undisclosed illness and lapsed into a coma in 1962. Her husband, Miguel, hired around the clock nursing care and kept Katherine at home until her death on July 10, 1977. Miguel Otero Jr. died shortly after her, having suffered a stroke the year before.

CONCLUSION

Katherine Stinson was truly a great aviatrix during the birth of human flight in America. Despite her small stature she became an expert pilot and she was determined that she could do anything a man could do. She found many opportunities to prove it during her long and eventful flying career. As the first of the four Stinson children to earn a pilot's license, she inspired her siblings to follow in her footsteps. A remarkable family of children, with their mother as business manager, they went on to international fame. Katherine received many medals and awards from both the United States and foreign countries. Her name deserves an honored place in the history of early American aviation.

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Letter to the author. 22 Jan. 1989. She owns the Dorothy McKibben House designed by Katherine Stinson Otero and sent photographs and history of the home.

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Nolan, William F. "The High-flying Schoolgirl." *Sports Illustrated* 18 Oct. 1965: W3. This article gives a good short biography of Katherine Stinson.

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INTERNATIONAL CONVENTION ON CLIMATE CHANGE

● Mr. HEINZ. Mr. President, very few days go by when the problem of global warming is not being earnestly discussed within the Congress, within our Nation's scientific agencies, and among the nations of this increasingly interdependent world. Global warming is a real problem demanding real attention.

In Geneva, as we speak, the United States is chairing a meeting of the Intergovermental Panel on Climate Change. This is not just another meeting. The IPCC is the primary international mechanism available for taking up the so-called greenhouse effect. The United States has before it a unique opportunity to take a leadership role in addressing what some of our leading scientists call a potentially catastrophic change in global temperatures. The question is—will we seize the opportunity or, as we are now doing, sit on the sidelines.

To date the United States has been the world leader in global warming research. But we can also show diplomatic world leadership. Our scientists are doing their job; policymakers also have a job to do. What is urgently needed at this time is an international convention similar to the one that tackled our global ozone problem.

We all recognize that addressing global warming is not going to be an easy process. We must address fundamental questions of energy use and conservation in industrialized nations. The United States is responsible for 20 percent of the world's manmade carbon dioxide emissions, over 1 billion tons of CO_2 per year. We cannot look to other nations to reduce energy consumption or preserve rain forests if we are not willing to put our own house in order.

Mr. President, I share the administration's concern over controlling the cost of solutions to environmental problems. We should be doing everything in our power to bring creative least-cost solutions to bear on this problem. This does not mean we should ignore the costs or the policy decisions that must be made.

All Western economic powers except the United States have agreed that we need an international convention. The administration cannot turn a blind eye and prevent our delegates in Geneva from calling for and leading such a conference.

I urge my colleagues to join me in calling for an international climate change convention to be hosted by the United States this year. The United States must follow its scientific lead and move from analysis to action. If the White House does not act on the greenhouse, we'll all end up in the doghouse.●

ANNE FRANK DAY

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Judiciary Committee be discharged from further consideration of Senate Joint Resolution 65, a joint resolution designating June 12, 1989, as Anne Frank Day, and that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A joint resolution (S.J. Res. 65) designating June 12, 1989 as "Anne Frank Day."

The PRESIDING OFFICER. Is there objection to the immediate consideration of the joint resolution?

There being no objection, the joint resolution (S.J. Res. 65) was considered, ordered to a third reading, read the third time and passed.

The preamble was agreed to.

The joint resolution, and its preamble, are as follows:

S.J. RES. 65

Whereas, Anne Frank's Diary, which has recounted the horror and humiliation of living in Nazi-controlled Europe during the Holocaust, has been an inspiration to young and old throughout the world;

Whereas, Anne Frank's spirit, despite her ordeal and that of her family, led her to conclude: "In spite of everything, I believe that people are basically good";

Whereas, Anne Frank's story gives hope that the tragedies and horrors of another Holocaust can be prevented by learning the causes and teaching the remedies; and,

Whereas, June 12, which would have been Anne Frank's sixtieth birthday, is an appropriate day to remember her courage and wisdom: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That June 12, 1989, is designated as "Anne Frank Day". The President is authorized and requested to issue a proclamation calling on the people of the United States to observe that day with appropriate programs, ceremonies, and activities.

Mr. MITCHELL. Mr. President, I ask unanimous consent that reconsideration of the vote by which the joint resolution was passed to be laid upon the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

NATIONAL CORRECTIONAL OFFICERS WEEK

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Judiciary Committee be discharged from further consideration of House Joint Resolution 135, a joint resolution designating the week of May 7, 1989, as "National Correctional Officers Week," and that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A joint resolution (H.J. Res. 135) to designate the week beginning May 7, 1989 as National Correctional Officers Week.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the joint resolution?

There being no objection, the joint resolution (H.J. Res. 135) was considered, ordered to a third reading, read the third time, and passed.

Mr. MITCHELL. Mr. President, I ask unanimous consent that reconsideration of the vote by which the joint resolution was passed be laid on the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

APPOINTMENT OF CONFEREE—HOUSE CONCURRENT RESOLUTION 106

Mr. MITCHELL. Mr. President, in behalf of Senator DOLE, I ask unanimous consent that Senator ARMSTRONG be added as a conferee to House Concurrent Resolution 106, the budget resolution, to replace the Senator from Wisconsin [Mr. KASTEN].

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 100

Mr. MITCHELL. Mr. President, I ask unanimous consent that Senate amendment No. 100 be printed, and I am authorized to say that the Republican leader has no objection to this request.

The PRESIDING OFFICER. Without objection, it is so ordered.

The text of the amendment is printed in today's RECORD under "Amendments Submitted."

PRINCE WILLIAM SOUND OIL SPILL EMERGENCY RESPONSE ACT OF 1989

Mr. JOHNSTON. Mr. President, on March 24, 1989, the Nation experienced its worst oil spill ever—240,000 barrels or 10 million gallons of crude oil. The Good Friday grounding and the rupture of the *Exxon Valdez* on Bligh Reef in the Prince William Sound was a tragedy.

This oil spill occurred in one of the most environmentally sensitive areas in North America. And it could not have occurred at a worse time as marine mammals, migratory waterfowl and anadromous fish runs were within days and weeks of moving into the bays, streams and inlets of Prince William Sound.

The American public has witnessed more than 6 weeks of close-up and detailed media coverage on the causes and the consequences of the *Exxon Valdez* oil spill.

We have seen the thick oil spread, day after day, saturating otters, sea birds, marine mammals and remote beaches.

We have seen the valiant efforts of Alaska fishermen working to stretch booms and operate makeshift equipment to protect hatcheries and sensitive harbors.

We have also seen one of the Nation's largest corporations—Exxon—mount a late and initially disorganized, equipment-short effort to stem the spill and clean up the damage already done.

We have seen indecision and faltering leadership from the oil industry and from Government.

We have also seen a disgraceful failure on the part of the Alyeska Pipeline Services Co. to have personnel and equipment on hand and in a state of readiness to deal with oil spills.

We have also seen the horrible consequences of human error, compounded by alcohol abuse, in what should have been the routine navigation of an oil tanker through an area previously passed safely by more than 3,000 other tankers.

Dealing with this oil spill's impact on the environment, the fish and the wildlife, and the fisheries based economy of Southcentral Alaska will take months and perhaps years. It will cost hundreds of millions of dollars. And it will send reverberations back for years through many features and aspects of national energy, maritime, and environmental policy.

The *Exxon Valdez* disaster will, I am confident, ultimately lead to many needed permanent reforms in the nation's statutes, policies and regulatory framework governing oil spills, strict liability, compensation, tanker operations, contingency planning, and oil spill response capability.

Unfortunately, developing comprehensive national legislative policies on these matters will take more time than we would like. The issues are complex. And the reality is that it will take a long time to develop national policies which meet the needs, the realities, and the circumstances of different districts, States and regions of the Nation. Congress has labored for years, for example, on comprehensive oilspill liability legislation, yet we still do not have a statute on the books.

I have concluded that interim emergency legislative action should be taken. This action must focus on the *Exxon Valdez* oilspill, on the movement of Alaska crude oil, and on the potential consequences of other developmental activities now taking place in the Arctic region of the State of Alaska.

I am introducing, in the form of a substitute amendment to S. 406, the Prince William Sound Oil Spill Emergency Response Act of 1989. I invite my colleagues to join in sponsoring this interim and emergency measure.

This amendment incorporates many useful suggestions and proposals made by the Environmental Policy Institute, the Friends of the Earth, the Oceanic Society, organizations representing Alaska fishermen, and the Inupiat Eskimo people of the North Slope—who have called for tighter regulation of tanker transport and offshore oil activities in the Arctic for many years—and the suggestions of State and Federal officials.

This interim legislative response to the *Exxon Valdez* disaster would achieve the following important objectives for Prince William Sound, AK and ports receiving Alaska crude oil:

First. Extend the standard of joint, several and strict liability for damage now applicable to the Trans-Alaska Pipeline right-of-way to all areas of the North Slope, both onshore and offshore.

Second. Increase the strict liability damage levels for these areas from $50 to $500 million.

Third. Extend the requirement that removal costs shall be at the expense

of the Trans-Alaska Pipeline right-of-way permit holders to all lease and permit holders on Alaska's North Slope, both onshore and offshore.

Fourth. Increase strict liability for each incident of spill or discharge of Alaska North Slope crude oil from $100 to $500 million.

Fifth. Increase the revenues available for cleanup and damages in Trans-Alaska Pipeline Liability Fund from $100 to $500 million by reimposing a 5 cent per barrel fee on all oil moved through the pipeline.

Sixth. Authorize the Secretary of Transportation to issue emergency regulations within 30 days to:

Subject tankers to heightened safety precautions in "hazard to navigation areas" where the risk of grounding, accident, or collision is increased;

Require full-time Coast Guard radar monitoring and radio contact for all tankers transmitting hazard to navigation areas;

Require that a certified local harbor pilot assist the captain on the bridge of tankers at all times while moving through Prince William Sound and other hazard to navigation areas;

Require the establishment of limits on tanker movement in hazard to navigation areas under poor weather and ice conditions;

Require the installation of radar responders at Bligh Reef and at other hazard areas near traffic lanes; and

Require that tankers transitting hazard to navigation areas have on board at least two officers certified for navigation in that area.

Seventh. Require, within 30 days, the issuance of regulations on alcohol and drug use which:

Mandate that all tanker owners moving Alaska crude oil impose stringent alcohol and drug testing and monitoring procedures, including random testing, on all officers and crew members;

Direct that these programs be patterned after those used in the commercial aviation industry;

Exclude issuance of licenses to operate vessels under specified circumstances; and

Grant access to the driving records of prospective officers of vessels.

Eighth. Require, within 60 days, the issuance of regulations on qualifications, operations and training for vessel officers and crews which:

Impose more stringent requirements for reciept and renewal of masters licenses in the Alaska crude oil trade;

Direct increased vessel manning requirements, redundant safety systems, and second opinions on navigation decisions; and

Increase job training requirements for tanker crews.

Ninth. Require the Secretary of Transportation to prepare a report on and authorize him, within 90 days, to impose regulations which require:

The transport of Alaska crude oil improvements to Vessel Traffic Control Services Systems, the enhancement of current radar capabilities and the restriction of tanker traffic in hazard to navigation areas to daylight hours until needed changes are made;

New ice breaking vessels in Prince William Sound for tanker assistance;

Tankers in the Alaska trade to incorporate: double bottoms; segregated hull compartments; bow thrusters for greater maneuverability; and other needed vessel design or operational changes; and

Increased frequency of in-water and dry dock Coast Guard structural inspections of all vessels in the Alaska crude oil trade.

Tenth. Establish a new $200 million oil spill avoidance and readiness trust fund, financed by a new 5 cent per barrel fee on oil moved through the Trans-Alaska Pipeline. The trustees of the fund are authorized to disburse revenues from the fund to:

Update and improve the Vessel Traffic Control System for Valdez, AK, and Prince William Sound and at U.S. ports receiving Alaska crude oil;

Conduct research on short- and long-term effects of oil spills and offshore oil and gas activities on fish, wildlife and the marine environment; and

Supplement Federal agency budget authority for critically needed manpower and equipment.

Eleventh. Provide emergency low interest loan assistance to individuals, small businesses and Native corporations adversely impacted by the *Exxon Valdez* oil spill.

Twelfth. Require a full report by the EPA and the Departments of Transportation and the Interior on all Alaska crude oil related contingency plans, including the state of readiness of personnel and equipment. This report shall include recommendations for civil penalties and criminal action where warranted by the facts.

Thirteenth. Increase and impose new civil and criminal penalties for violation of Federal law and regulations concerning oil spills, contingency plans, and operational readiness of containment and cleanup equipment.

This legislation addresses directly—but on an interim and geographically limited basis—most, if not all, of the significant failures in policy, in regulations and in operations which have been unveiled in the reviews to date of the Prince William Sound oil spill.

The oil industry clearly will see this measure as over-kill, especially those companies that were not directly responsible for the *Exxon Valdez* oil spill. One thing, however, is very plain out of all of this. That is that the owners of the Alyeska Pipeline Service Co. have been cutting corners. To reduce expenses, they have let their oil spill contingency capability erode. They have let their pollution control capability at Valdez slip. And in so doing, they have sacrificed public confidence for short-term gain. And regrettably, this short-term gain will carry with it a very large long-term price to the whole industry. This measure and other legislation will place the burden of future risks on the oil industry's balance sheet, and not on the public.

The time has come for some needed changes. The major changes this bill would bring about are:

First, the oil industry must be brought to understand that the costs of protecting the environment are a direct cost of, and a condition precedent to, being allowed to do business in Alaska and in this country. Once this is made clear by law and regulation, the cost of reducing the risks of oil spills and other environmental degradation will be the subject of careful attention by corporate boards of directors, officers, and managers.

Second, enforcement and compliance must and will be made a top priority. The era of assuming oil industry compliance with governmental requirements is past. Enforcement by public officials of the letter of the law and regulation will be the standard in the future.

Third, the costs of protecting the environment from spills of Alaska crude and the costs of enforcement will be borne by the oil industry, and not the public.

The American public's outrage over the *Exxon Valdez* oilspill is understandable. This simply should not have happened. It would not have happened if more care had been taken. The magnitude of the spill would not have been as great if contingency plans and regulations had been followed and if needed equipment and manpower was in place and in a state of readiness.

But the oil spill did happen.

And its causes need to be addressed promptly by appropriate legislation.

The amendment I am introducing today as chairman of the Senate Energy and Natural Resources Committee represents my best judgment and the best judgment of my staff on how to respond, on an interim basis, to this human and environmental tragedy.

But, that is not the end of the *Exxon Valdez* oilspill.

It should be possible to bring forth a timely and united legislative response to deal with the *Exxon Valdez* oilspill. What will be harder, is to focus on long-term national policy; to determine how to shift national incentive systems and how to deploy and utilize national resources in a manner which will truly serve the long-term interests of the American people.

Make no mistake, we have a whipping boy in the *Exxon Valdez* oilspill.

Exxon bears responsibility. But there are others who also bear responsibility.

Let me start with the Congress. Why have we not acted to put into Federal law the still pending comprehensive oil spill liability legislation? Why has the Coast Guard budget been cut and placed on hold for the past 10 years? Why have published reports of the Alyeska Pipeline Service Co.'s actions to cut expenses and curtail oilspill response plans and to cut corners in the operation of the Valdez terminal gone unanswered? Why has Federal and State enforcement of industry compliance been so haphazard?

In short, there is plenty of blame to go around.

Congress needs to promptly address the causes of the *Exxon Valdez* oil spill. We also need to look at the long-term implications of this tragic event for America's future. What does it portend for our balance of trade, for our energy policy, for the environment, for fish and wildlife, for consumer prices, for maritime policy, and for the Nation's future reliance on imported oil from insecure sources.

Mr. President, I ask unanimous consent that a summary and text of the amendment I am introducing today be printed in the RECORD.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

SUMMARY—MAJOR PROVISIONS OF THE PRINCE WILLIAM SOUND OIL SPILL EMERGENCY RESPONSE ACT OF 1989

TITLE I—FINDINGS, PURPOSES AND GOALS

1. Congress finds that the *Exxon Valdez* oil spill was caused by "human error and negligent conduct" and compounded by a "failure . . . to maintain oil spill . . . equipment and personnel . . . in a state of readiness".

2. The purpose of the Act is to provide decisive Congressional action addressing the shortcomings in law, policy and regulation governing oil spill contingency and response plans and the transport of Alaska crude oil to receiving ports in the U.S.

3. The goal of the Act is to dedicate all resources necessary to reduce the risk of future oil spills and discharges to lowest levels technically and humanly possible.

TITLE II—TRANS-ALASKA PIPELINE ACT AMENDMENTS

1. Extend the standard of joint, several and strict liability for damage now applicable to the Trans-Alaska Pipeline right-of-way to all areas of the North Slope, both onshore and offshore.

2. Increase the strict liability damage levels for these areas from $50 million to $500 million.

3. Extend the requirement that removal costs shall be at the expense of the Trans-Alaska Pipeline right-of-way permit holders to all lease and permit holders on Alaska's North Slope, both onshore and offshore.

4. Increase strict liability for each incident of spill or discharge of Alaska North Slope crude oil from $100 million to $500 million.

5. Increase the revenues available for clean-up and damages in the Trans-Alaska Pipeline Liability fund from $100 million to $500 million by reimposing the 5 cent per barrel fee on all oil moved through the pipeline.

6. Specify the nature of the damages covered by the Act to include all removal costs, economic losses, real or personal property losses, natural resources losses, loss of subsistence uses, loss of income or impairment of earning capacity, and tax, royalty, rental or net profit loss.

7. Appoint Public Trustees to secure damages for natural resource losses.

TITLE III—VESSEL OPERATIONS AND ACCIDENT PREVENTION

1. Authorize the Secretary of Transportation to issue emergency regulations within 30 days to:

(a) define "hazard to navigation areas" in Prince William Sound and Marine areas near ports receiving Alaska crude oil.

(b) require all tankers in Prince William Sound hazard areas to be under the control of a local harbor pilot;

(c) require full-time Coast Guard radar monitoring and radio contact with all tankers in Prince William Sound;

(d) require the installation of radar responders at Bligh Reef and at other hazard areas near traffic lanes;

(e) require the presence of the Captain and a certified local harbor pilot on the bridge of tankers at all times while in the Sound; and

(f) require additional and/or extended tug boat escort and assistance in the Sound and in United States ports receiving Alaska crude oil.

2. Require, within 30 days, the issuance of regulations on alcohol and drug use which:

(a) mandate that all tanker owners moving Alaska crude oil impose stringent alcohol and drug testing and monitoring procedures on all officers and crew members having navigational responsibilities;

(b) direct that these programs be patterned after those used in the railroad and commercial aviation industry and in the Navy's nuclear submarine program;

(c) exclude issuance of licenses to operate vessels under specified circumstances related to drug and alcohol use;

(d) grant access to the driving records of prospective officers of vessels;

(e) institute random drug and alcohol testing procedures; and

(f) require officers and crew to be on board vessels six hours before leaving the terminal.

3. Require, within 60 days, the issuance of regulations on qualifications, operations and training for vessel officers and crews which:

(a) impose more stringent requirements for receipt and renewal of Masters licenses in the Alaska crude oil trade;

(b) direct increased vessel manning requirements, redundant safety systems, and second opinions on navigation decisions; and

(c) increase job training requirements for tanker crews.

4. Require the Secretary of Transportation to prepare, within 90 days, a report on, and authorize the Secretary to impose regulations for Prince William Sound which require:

(a) ice breaking vessels in the Sound for tanker assistance;

(b) that tankers in the Alaska trade incorporate: double bottoms; segregated hull compartments; bow thrusters for greater manueverability; and other needed vessel design or operational changes; and

(c) increased frequency of in-water and dry dock Coast Guard structural inspections of all vessels in the Alaska crude oil trade.

TITLE IV—UPDATE AND REVISE VESSEL TRAFFIC CONTROL SYSTEM (VTRCS SYSTEMS) TO PREVENT ACCIDENTS

1. Direct the Secretary of Transportation to review all VTCS Systems for monitoring Alaska crude oil traffic in Alaska and at receiving ports and make recommendations to improve them.

2. Authorize specific improvements to or replacement of existing VTCS systems to achieve the best and most redundant safety systems possible.

3. Authorize funding from the Oil Spill Avoidance and Readiness Trust Fund established under Title V to fund improvements to the VTCS systems.

TITLE V—OIL SPILL AVOIDANCE TRUST FUND

1. Establish a new $200 million Oil Spill Avoidance and Readiness Trust Fund, financed by a new 5 cent per barrel fee on oil moved through the Trans-Alaska Pipeline. The Trustees of the Fund are authorized to disburse revenues from the Fund to:

(a) update and improve the Vessel Traffic Control System for Valdez, Alaska, and Prince William Sound and at U.S. ports receiving Alaska crude oil;

(b) conduct research on short- and long-term effects of oil spills, and oil and gas activities on fish, wildlife and the marine environment;

(c) supplement Federal agency budget authority for critically needed manpower and equipment;

(d) provide emergency low interest loan assistance;

(e) provide emergency assistance grants to subsistence communities;

(f) conduct a review and report on the adequacy of contingency and response plans required by Title VI; and

(g) fund the cost of developing, implementing and operating new contingency and response plans.

TITLE VI—REPORTS ON OIL SPILL CONTINGENCY PLANS

1. Require a full report by the EPA and the Departments of Transportation and the Interior on all Alaska crude oil related contingency plans, including the state of readiness of personnel and equipment.

2. This report shall include recommendations for civil penalties and criminal action where warranted by the facts.

TITLE VII—DEVELOPMENT OF OIL SPILL CONTINGENCY AND RESPONSE PLANS; STANDARDS; READINESS; TESTING; AND INSPECTIONS

1. The Secretary of Transportation is to issue new mandatory requirements for contingency and response plans.

2. (a) The Secretary of Transportation shall establish minimum standards for oil spill containment, removal and clean-up equipment.

(b) Funding for the clean-up plans is to be provided from the new Oil Spill Avoidance and Readiness Trust Fund.

3. State governments are to implement and supervise clean-up plans.

4. New standards are established for clean-up plans, full-time employees, clean-up equipment, training, use of volunteers and military.

5. Response teams are to be organized on a permanent, full-time basis like municipal fire departments, and shall be subjected to testing and readiness training, including surprise drills.

6. The Secretary shall direct a periodic inspection of State plans, response teams and equipment to determine their operational readiness.

7. This Act does not replace, lessen or reduce in any way oil industry responsibility to maintain contingency and response plans, equipment and personnel.

8. The costs of funding for this Title shall be paid out of the Oil Spill Avoidance and Readiness Trust Fund established under Title V.

TITLE VIII—ENVIRONMENTAL ADVISORY PANEL

1. An Environmental Advisory Panel on the Marine Environment is created to give advice and establish priorities for funding short and long-term research on the impacts of oil spills, discharges, and oil and gas activities on the marine environment.

TITLE IX—NO IMPACT ON STATE LAW OR ON LIABILITY FOR OIL SPILLS UNDER OTHER LAW

1. The Act does not preempt State law or prevent States from imposing additional liability or damage rules.

2. The Act does not affect obligations of parties responsible for oil spills or discharges of oil under other Federal or State law, including common law.

TITLE X—ENFORCEMENT

1. The Act imposes new civil and criminal penalties.

2. Penalties and fines are paid into the Oil Spill Avoidance Trust Fund.

ORDERS FOR WEDNESDAY

Mr. MITCHELL. Mr. President, each of the following requests has been cleared with the distinguished Republican leader, who has no objection to any of them.

RECESS UNTIL 1 P.M. TOMORROW AND MORNING BUSINESS

I now ask unanimous consent that when the Senate completes its business today, it stand in recess until 1 p.m. tomorrow, Wednesday, May 10, and that following time for the two leaders there be a period for morning business not to extend beyond 2 p.m. with Senators permitted to speak therein for up to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONSIDERATION OF SENATE JOINT RESOLUTION 100

Mr. MITCHELL. Mr. President, I further ask unanimous consent that at 2 p.m. tomorrow, the Senate proceed to the consideration of Senate Joint Resolution 100, that the 10-hour time limitation be reduced to 2 hours, and that all other provisions of the statutory time limitation remain in effect.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. MITCHELL. Mr. President, Senators should be aware that at 2 o'clock tomorrow, we will take up Senate Joint Resolution 100, a resolution disapproving Presidential certification with respect to the Bahamas, and that a rollcall vote is expected with respect to that joint resolution at or about 4 p.m. tomorrow if the 2 hours is all used. So it is now expected that there will be a rollcall vote on that resolution tomorrow afternoon on or shortly prior to 4 p.m.

RECESS UNTIL 1 P.M., WEDNESDAY, MAY 10, 1989

Mr. MITCHELL. Mr. President, if no other Senator is seeking recognition, I now ask unanimous consent that the Senate stand in recess under the previous order until 1 p.m. on tomorrow, Wednesday, May 10.

There being no objection, the Senate, at 4:57 p.m., recessed until Wednesday, May 10, 1989, at 1 p.m.

NOMINATIONS

Executive nominations received by the Secretary of the Senate after the recess of the Senate on May 5, 1989, under authority of the order of the Senate of January 3, 1989:

DEPARTMENT OF STATE

MELVIN F. SEMBLER, OF FLORIDA, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO AUSTRALIA AND TO SERVE CONCURRENTLY AND WITHOUT ADDITIONAL COMPENSATION AS AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF NAURU.

RICHARD H. SOLOMON, OF THE DISTRICT OF COLUMBIA, TO BE AN ASSISTANT SECRETARY OF STATE, VICE GASTON JOSEPH SIGUR, JR., RESIGNED.

JEWEL S. LAFONTANT, OF ILLINOIS, TO BE U.S. COORDINATOR FOR REFUGEE AFFAIRS AND AMBASSADOR-AT-LARGE WHILE SERVING IN THIS POSITION, VICE JONATHAN MOORE, RESIGNED.

DEPARTMENT OF AGRICULTURE

JOANN D. SMITH, OF FLORIDA, TO BE AN ASSISTANT SECRETARY OF AGRICULTURE, VICE KENNETH A. GILLES, RESIGNED.

DEPARTMENT OF LABOR

KATHLEEN M. HARRINGTON, OF THE DISTRICT OF COLUMBIA, TO BE AN ASSISTANT SECRETARY OF LABOR, VICE FRANCIS J. DUGGAN.

U.S. COURT OF VETERANS APPEALS

KENNETH B. KRAMER, OF COLORADO, TO BE AN ASSOCIATE JUDGE OF THE U.S. COURT OF VETERANS' APPEALS FOR THE TERM OF 15 YEARS. (NEW POSITION—P.L. 100-687.)

Executive nominations received by the Senate May 9, 1989:

DEPARTMENT OF DEFENSE

THE FOLLOWING NAMED OFFICER FOR REAPPOINTMENT AS VICE CHAIRMAN OF THE JOINT CHIEFS OF STAFF UNDER TITLE 10, UNITED STATES CODE, SECTION 154.

To be vice chairman of the Joint Chiefs of Staff

GEN. ROBERT T. HERRES, [redacted]FR, U.S. AIR FORCE.

IN THE ARMY

THE FOLLOWING-NAMED OFFICERS FOR APPOINTMENT AS THE JUDGE ADVOCATE GENERAL AND THE ASSISTANT JUDGE ADVOCATE GENERAL, RESPECTIVELY, U.S. ARMY, IN THE GRADE OF MAJOR GENERAL, UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 3037:

To be the judge advocate general

MAJ. GEN. WILLIAM K. SUTER, [redacted] U.S. ARMY.

To be the assistant judge advocate general and major general

BRIG. GEN. JOHN L. FUGH, [redacted], U.S. ARMY.

CONFIRMATION

Executive nomination confirmed by the Senate May 9, 1989:

EXECUTIVE OFFICE OF THE PRESIDENT

RUFUS HAWKINS YERXA, OF THE DISTRICT OF COLUMBIA, TO BE A DEPUTY U.S. TRADE REPRESENTATIVE, WITH THE RANK OF AMBASSADOR.

THE ABOVE NOMINATION WAS APPROVED SUBJECT TO THE NOMINEE'S COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.

WITHDRAWAL

Executive nomination withdrawn by the President, May 5, 1989, from further Senate consideration:

DEPARTMENT OF LABOR

FRANCIS J. DUGGAN, OF VIRGINIA, TO BE AN ASSISTANT SECRETARY OF LABOR, VICE WILLIAM JOHN MARONI, WHICH WAS SENT TO THE SENATE ON JANUARY 3, 1989.

HOUSE OF REPRESENTATIVES—*Tuesday, May 9, 1989*

The House met at 12 noon.

The Reverend Dr. Ronald F. Christian, assistant to the bishop, Washington, DC, Metropolitan Synod, Evangelical Lutheran Church of America, offered the following prayer:

God of all mercy, and Father of all humankind. Look with gracious pity, we pray, on our efforts this day.

As individuals, may we encourage the neighbor in distress by our welcome greeting, may we comfort the sorrowing among us with our sympathetic concern, and may we befriend the lonely all around us as we express our sincere friendship.

And, as a nation, may we never fail to seek Your heavenly will, may we always want more to help than be helped, and may we constantly yearn for strength of character as much as might of sword.

Hear our prayer, O God and bless this day to our benefit and Your glory. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. TRAFICANT. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. TRAFICANT. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 274, nays 101, not voting 59, as follows:

[Roll No. 44]

YEAS—274

Ackerman	Barnard	Bosco
Akaka	Bartlett	Boucher
Alexander	Bates	Boxer
Anderson	Beilenson	Brennan
Andrews	Bennett	Broomfield
Annunzio	Bereuter	Browder
Anthony	Berman	Brown (CA)
Applegate	Bevill	Bruce
Archer	Bilbray	Bryant
Atkins	Bonior	Byron
AuCoin	Borski	Callahan
Campbell (CA)	Houghton	Pickett
Campbell (CO)	Hoyer	Pickle
Cardin	Hubbard	Poshard
Carper	Huckaby	Price
Carr	Hughes	Pursell
Chandler	Hutto	Quillen
Chapman	Jenkins	Rahall
Clarke	Johnson (CT)	Rangel
Clement	Johnson (SD)	Ravenel
Coelho	Jones (GA)	Ray
Coleman (TX)	Jones (NC)	Regula
Collins	Jontz	Rinaldo
Combest	Kanjorski	Robinson
Conte	Kaptur	Rohrabacher
Cooper	Kasich	Rostenkowski
Costello	Kastenmeier	Rowland (GA)
Cox	Kennedy	Russo
Coyne	Kildee	Sabo
Crockett	Kleczka	Saiki
Darden	Kolter	Sangmeister
Davis	Kostmayer	Sarpalius
de la Garza	LaFalce	Savage
Derrick	Lantos	Sawyer
Dicks	Leath (TX)	Saxton
Dingell	Lehman (CA)	Scheuer
Dixon	Lehman (FL)	Schiff
Donnelly	Lent	Schneider
Dorgan (ND)	Levin (MI)	Schulze
Downey	Levine (CA)	Schumer
Duncan	Lewis (GA)	Sharp
Durbin	Lipinski	Shaw
Dwyer	Livingston	Shumway
Dymally	Lloyd	Shuster
Dyson	Long	Sisisky
Early	Lowey (NY)	Skaggs
Eckart	Markey	Skeen
Edwards (CA)	Matsui	Skelton
English	Mavroules	Slattery
Erdreich	Mazzoli	Slaughter (NY)
Espy	McCloskey	Smith (FL)
Evans	McCollum	Smith (IA)
Fascell	McDade	Smith (NE)
Fawell	McEwen	Smith (NJ)
Fazio	McHugh	Smith (VT)
Feighan	McMillen (MD)	Solarz
Fish	Meyers	Spratt
Flippo	Mfume	Staggers
Foglietta	Miller (CA)	Stallings
Foley	Miller (WA)	Stearns
Ford (MI)	Mineta	Stenholm
Ford (TN)	Moakley	Stokes
Frank	Mollohan	Studds
Frost	Montgomery	Swift
Gallo	Moody	Synar
Gejdenson	Morella	Tallon
Gephardt	Morrison (CT)	Tanner
Gilman	Morrison (WA)	Thomas (GA)
Gingrich	Mrazek	Torres
Glickman	Murtha	Towns
Gonzalez	Myers	Traficant
Gordon	Nagle	Traxler
Gradison	Natcher	Unsoeld
Grant	Nelson	Valentine
Gray	Nielson	Vander Jagt
Green	Oakar	Vento
Guarini	Oberstar	Visclosky
Gunderson	Obey	Volkmer
Hall (OH)	Olin	Walgren
Hall (TX)	Ortiz	Watkins
Hamilton	Owens (UT)	Waxman
Hammerschmidt	Packard	Weiss
Harris	Pallone	Whitten
Hawkins	Panetta	Williams
Hayes (IL)	Parker	Wise
Hayes (LA)	Patterson	Wolpe
Hefner	Payne (NJ)	Wyden
Hertel	Payne (VA)	Wylie
Hoagland	Pease	Yates
Hochbrueckner	Pelosi	Yatron
Hopkins	Penny	
Horton	Perkins	

NAYS—101

Armey	Ballenger	Bentley
Baker	Barton	Bilirakis
Bliley	Hyde	Roth
Boehlert	Ireland	Roukema
Brown (CO)	Jacobs	Schaefer
Buechner	James	Schroeder
Bunning	Kolbe	Schuette
Burton	Kyl	Sensenbrenner
Clay	Lagomarsino	Shays
Clinger	Leach (IA)	Sikorski
Coble	Lewis (CA)	Slaughter (VA)
Coleman (MO)	Lewis (FL)	Smith (MS)
Coughlin	Lightfoot	Smith (TX)
Craig	Lowery (CA)	Smith, Denny (OR)
Crane	Lukens, Donald	Smith, Robert (NH)
Dannemeyer	Machtley	Smith, Robert (OR)
DeLay	Madigan	Snowe
DeWine	Martin (IL)	Solomon
Dickinson	Martin (NY)	Stangeland
Dreier	McCandless	Stump
Emerson	McMillan (NC)	Sundquist
Fields	Michel	Tauke
Frenzel	Miller (OH)	Upton
Gallegly	Molinari	Vucanovich
Gekas	Moorhead	Walker
Goodling	Murphy	Walsh
Goss	Oxley	Weber
Grandy	Parris	Wheat
Hancock	Pashayan	Whittaker
Hansen	Paxon	Wolf
Hastert	Petri	Young (AK)
Hefley	Porter	
Henry	Rhodes	
Herger	Ridge	
Hiler	Roberts	

NOT VOTING—59

Aspin	Holloway	Owens (NY)
Bateman	Hunter	Pepper
Boggs	Inhofe	Richardson
Brooks	Johnston	Ritter
Bustamante	Kennelly	Roe
Conyers	Lancaster	Rogers
Courter	Laughlin	Rose
DeFazio	Leland	Rowland (CT)
Dellums	Luken, Thomas	Roybal
Dornan (CA)	Manton	Spence
Douglas	Marlenee	Stark
Edwards (OK)	Martinez	Tauzin
Engel	McCrery	Thomas (CA)
Flake	McCurdy	Thomas (WY)
Florio	McDermott	Torricelli
Garcia	McGrath	Udall
Gaydos	McNulty	Weldon
Gibbons	Neal (MA)	Wilson
Gillmor	Neal (NC)	Young (FL)
Hatcher	Nowak	

□ 1226

So the Journal was approved.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. ROWLAND of Connecticut. Mr. Speaker, an unavoidable conflict prevented me from casting my vote on approval of the Journal (rollcall 44). Had I been present, I would have voted "yes."

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from Texas [Mr. STENHOLM] come forward and lead us in the Pledge of Allegiance?

Mr. STENHOLM led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Repub-

lic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed with an amendment in which the concurrence of the House is requested, a concurrent resolution of the House of the following title:

H. Con. Res. 106. Concurrent resolution setting forth the congressional budget for the United States Government for the fiscal years 1990, 1991, and 1992.

The message also announced that the Senate insists upon its amendment to the concurrent resolution (H. Con. Res. 106) "Concurrent resolution setting forth the congressional budget for the United States Government for the fiscal years 1990, 1991, and 1992," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. SASSER, Mr. RIEGLE, Mr. LAUTENBERG, Mr. SIMON, Mr. SANFORD, Mr. WIRTH, Mr. DOMENICI, Mr. GRASSLEY, Mr. KASTEN, and Mr. GRAMM, to be the conferees on the part of the Senate.

The message also announced that pursuant to Public Law 100-607, the Chair on behalf of the President pro tempore, appoints Dr. Charles Konigsberg of Kansas, from private life, to the National Commission on Acquired Immune Deficiency Syndrome.

THE AMERICANS WITH DISABILITIES ACT

(Mr. COELHO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COELHO. Mr. Speaker, today I and over 60 of our colleagues, introduced legislation that will eliminate discrimination against persons with disabilities. The time is long overdue for our Nation's disabled citizens to be protected from discrimination that has limited their opportunities, often much more severely than their disabling conditions ever could.

Most people do not regard disabled persons as a large group, or as an unfairly treated group, or as an economically disadvantaged group. But these stereotypes—like most stereotypes—are untrue.

Disabled people constitute a major portion of our society. The last U.S. census numbered the disabled at 36 million. Estimates indicate that figure has risen to 43 million since then.

Unfortunately, those 43 million persons are too often the victims of unfair and discriminatory treatment. Five years of research by the National Council on the Disabled—a Government board appointed by former President Reagan—found extensive discrimination in American society against those with disabilities.

This bill will go a great distance toward eliminating discrimination against the disabled in employment, public accommodations, transportation, communications, and public services. This is a good bill, but it will take more than good intentions to get it passed. There needs to be a commitment from the public, a commitment from Congress, and a commitment from the President, to see this bill become a reality. I ask everyone to lend a hand in this effort.

WORKING TOGETHER TO OPEN THE DOORS OF OPPORTUNITY FOR DISABLED AMERICANS

(Mr. MICHEL asked and was given permission to address the House for 1 minute.)

Mr. MICHEL. Mr. Speaker, the President and the Republican Party platform make very clear our commitment to empowering persons with disabilities so that they can reach their maximum potential. As Republicans, we stand ready to address the needs of persons with disabilities.

Today the majority introduced a bill which attempts to expand protections against discrimination and define guidelines for enforcing new standards. I have indicated to the majority our desire to work together to develop bipartisan legislation. The ranking Republican on the Committee on Education and Labor, as well as the ranking subcommittee Republican have joined me in this effort.

Americans with disabilities triumph daily over hurdles unwittingly erected by ignorance or indifference. Willful discrimination cannot be tolerated.

We look forward to working with the majority to craft legislation to end discrimination against those with disabilities. By working together, we can open the doors of opportunity for the millions of Americans who are disabled.

□ 1230

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 876

Mr. QUILLEN. Mr. Speaker, I ask unanimous consent to have my name removed as a cosponsor of the bill, H.R. 876.

The SPEAKER pro tempore (Mr. FROST). Is there objection to the request of the gentleman from Tennessee?

There was no objection.

AGENT ORANGE COURT RULING

(Mr. BONIOR asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BONIOR. Mr. Speaker, since Congress first enacted legislation to assist victims of agent orange spraying, the Veterans' Administration has in effect shut the door in the faces of literally 31,000 Vietnam veterans, claiming there was no scientific proof to show a causal relationship between exposure and disease.

Judge Henderson's ruling now directs the Veterans' Administration to give veterans the benefit of the doubt and to reopen all claims denied under unfair guidelines.

Mr. Speaker, our Nation owes a great debt to the brave men and women who served in the armed forces, but in the case of agent orange victims the Federal Government has not acted responsibly.

Yesterday's decision will go down as the turning point in the battle of victims of agent orange exposure to receive the benefits they have fought long and hard for since the Vietnam war ended. I am confident, Mr. Speaker, that the new leadership at the VA under Secretary Edward Derwinski will do all it can to insure fair treatment in this process, something that has been sadly missing in that long overdue battle.

INTRODUCTION OF LEGISLATION TO ESTABLISH NATIONAL PROGRAM FOR TROPICAL MEDICINE AND INFECTIOUS DISEASES

(Mr. REGULA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. REGULA. Mr. Speaker, AIDS, Lyme disease, and recent strains of drug resistant malaria reveal the dangers of infectious diseases to our Nation. For example, dengue fever, a viral disease lethal to children, has recently reappeared in southern Texas. The mosquito carrier of the malady has been reported in 17 States.

A recent study conducted by the Institute of Medicine stated the current system is insufficient to ensure U.S. ability to cope with more than occasional domestic cases of these diseases.

Despite these warning signs America continues to fall short of what needs to be done. We have few remaining trained professionals in the field of tropical medicine and current activities remain uncoordinated.

Today, Chairman PEPPER and I are introducing legislation to establish a national program for tropical medicine and infectious diseases. This measure would establish an interagency coordinating body for management and reporting of data within HHS. It would coordinate existing operations throughout the Government.

Discussions with NIH, CDC, and the Department of Defense have indicated

that all are supportive of this proposal to better coordinate their efforts. Both the American Society of Tropical Diseases and the National Foundation for Infectious Diseases have given their strong endorsement of the proposal.

I hope Members will join us in supporting this bipartisan measure.

SEND MARINES TO ARREST GENERAL NORIEGA

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, General Noriega was indicted for smuggling drugs into America. Noriega must not be worried because he has now taken up stealing. He is now stealing election ballots. That is right.

Former President Jimmy Carter said General Noriega is stealing the election in Panama.

Now, is anybody around here really surprised? I say again on the House floor, it is time to send the Marines to Panama and serve an arrest warrant on General Noriega for bringing drugs and smuggling drugs into this country. It is time we bring his fanny back here to stand trial.

I think we do too much talking. We have said, "Read our lips." It is time to say, "Read our warrant, General Noriega."

It is time to bring him back for trial.

SOUTHERN MEMORIAL DAY IN SOUTH CAROLINA

(Mr. RAVENEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RAVENEL. Mr. Speaker, today in South Carolina, it is Southern Memorial Day, the day we remember our Confederate dead. The following words, engraved in stone on the monument to the Confederate soldiers, which stands before our State House in Columbia, perfectly describes and salutes them:

> These were men whom power could not corrupt, whom death could not terrify, whom defeat could not dishonor. Let their virtues plead for just judgment of the cause in which they perished. Let the South Carolinian of another generation remember that their State taught them how to live and how to die and that from her broken fortunes, she has preserved for her children the priceless treasure of their memories * * *.

INTRODUCTION OF CONCURRENT RESOLUTION PAYING TRIBUTE TO FLYING TIGERS

(Mr. ANDERSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. ANDERSON. Mr. Speaker, I rise to inform my colleagues that I am today introducing House Concurrent Resolution 111, which pays tribute to the gallant airmen of Flying Tigers. Now is the appropriate time for such a resolution, because the merger of Flying Tigers with Federal Express will take from our skies a name which has been synonymous with dedication and service for over 50 years.

The Flying Tigers were formed over 50 years ago in the jungles of Burma by Gen. Clair Chennault's American Volunteer Group. After the Second World War, the group became involved in other endeavors, serving the special transportation needs of our Government. A sample of this service includes the Korean conflict, the Hungarian refugee Lifelift, the Vietnam Airlift, the Cambodian Ricelift, the Ethiopian Lifelift, and numerous other humanitarian missions.

Although this proud symbol will pass from our skies this summer, we should not let the actions of these brave airmen pass from our minds or our hearts. Please help me pay suitable tribute to these men and their accomplishments, and cosponsor this resolution.

WHAT IS THE COST OF MANDATED LEAVE? WE NEED TO KNOW

(Mr. BALLENGER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BALLENGER. Mr. Speaker, the House is expected to consider the Family and Medical Leave Act in the next few weeks and much will be made of the General Accounting Office [GAO] study of the bill.

According to the GAO, the mandated leave bill is expected to cost around $188 to $212 million. Add to this new figures by GAO for the care of a seriously ill spouse and the cost increases to $330 to $368 million annually.

The GAO based these figures on 1987 data. When asked to update these estimates to reflect 1989 data, the GAO estimated that the cost of the legislation would rise by at least 30 percent.

The report also underestimates the actual costs associated with the legislation in several areas. The report fails to calculate hiring and training costs and lost productivity due to an employees' leave. The report fails to consider unemployment costs. The report assumes a vague definition of "serious health condition," at a generally lower cost than can be expected. And, the report bases its conclusions on a survey of 80 firms in only 2 areas of the country which is not representative of the Nation as a whole.

Before we are asked to mandate a costly requirement on businesses and employees, let's get some accurate estimates of the cost.

THE UNITED STATES MUST TAKE STRONG ACTION AGAINST NORIEGA

(Mrs. LOWEY of New York asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. LOWEY of New York. Mr. Speaker, the United States must take strong action against Noriega.

Mr. Speaker, by all accounts, there have been few incidents of electoral fraud more blatant than those in Panama yesterday.

Gen. Manuel Noriega, Panama's drug-running dictator, stole the election by raiding voting centers, firing on demonstrators, and substituting fake tally sheets for the ones that showed a massive victory by the opposition party.

Democracy has suffered a serious loss in Panama. As former President Carter said, the result is "the robbing of the people of Panama of their legitimate rights."

But there is another loss as a result of the events in Panama. That is the loss to U.S. efforts to stem the tide of drugs that is sweeping over our shores. Panama's dictator is a drug criminal who sends drugs to our children and to our neighborhoods.

Mr. Speaker, General Noriega must be stopped. We cannot tolerate it when he spits in the face of democracy, and we cannot tolerate it when he threatens our democracy with the poison of drugs.

Mr. Speaker, I call on President Bush to further isolate Panama and to demonstrate our resolve to end the Noriega dictatorship.

□ 1240

INTRODUCTION OF INCINERATOR ASH AMENDMENTS OF 1989

(Mrs. JOHNSON of Connecticut asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. JOHNSON of Connecticut. Mr. Speaker, almost lost among the budget, tax, and human needs issues on our agenda is the matter of waste disposal. Hardly a sexy issue, it is one that must be addressed intelligently if we are to keep our heads above the piles of trash that we as a society generate daily and to minimize growth in local property taxes so existing affordable housing can stay affordable.

As many of my colleagues have seen in their own districts, the use of incinerators to reduce the volume of trash has grown rapidly in recent years.

Combined with responsible recycling and waste minimization practices—that the Federal Government is now encouraging more forcefully—incinerators play an important role in waste reduction and energy generation.

Mr. Speaker, EPA and the Congress must not neglect the task of assuming responsible management of the ash byproduct of incinerators. So today, I am pleased to introduce the Incinerator Ash Amendments of 1989, which would require EPA to write regulations governing the safe management of municipal incinerator ash. It is a tough bill with strong environmental protections and a no-migration standard, but it retains the flexibility so important to States that already have moved forward in this area.

I commend the chairman of the Hazardous Materials Subcommittee, Mr. TOM LUKEN, of Ohio, for scheduling hearings on this issue and I look forward to working with him and the committee to see incinerator ash legislation approved this year.

THE DANGER AHEAD FOR AMERICAN EDUCATION

(Mr. POSHARD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. POSHARD. Mr. Speaker, last week the Secretary of Education summed up the status of American high schools in one word, "mediocre."

He went on to say that we are dangerously close to slipping below even that discouraging level.

We know many of the reasons attributed to this decline, starting with the home environment where disciplined study is nonexistent, to a school environment where too little is demanded of even the brightest and best students.

This good and great country was not built on mediocrity, nor should we tolerate it in our school system.

I am afraid we are not concerned enough about this decline in quality education in America.

But I assure you, Mr. Speaker, that no domestic or foreign policy decision we make in this Congress will, in the end, mean more to the welfare and safety of our citizens, than the decision to build an educational system of excellence.

We can no longer tolerate mediocrity.

THE PANAMA ELECTIONS

(Mr. BROOMFIELD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BROOMFIELD. Mr. Speaker, on Sunday, hundreds of thousands of Panamanians streamed to the polls waiting under the baking sun for hours to vote to restore democracy to their beleaguered country. By over a 3-to-1 margin the people of Panama voted to reject the military dictatorship of Gen. Manuel Noriega.

But what is happening? We see that Noriega's army and his puppet government is shamelessly and blatantly stealing the election.

How can it be that 16 hours after the polls had closed, the election commission had yet to receive a single vote to count?

How can it be that one person can vote as many as 12 times for Noriega's handpicked candidate? The audacity of the fraud being perpetuated is absolutely shameless.

The brave people of Panama have spoken and they want to be heard. They have announced to the world they want democracy restored. Panamanians have risen in unison to reject the Noriega dictatorship. Noriega must respect the wishes of the Panamanian people. Mr. Speaker, Noriega must go.

FARM CROP ACREAGE BASE FLEXIBILITY ACT OF 1989

(Mr. STENHOLM asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STENHOLM. Mr. Speaker, today I am introducing the Farm Crop Acreage Base Flexibility Act of 1989, along with my colleague, Mr. ROBERTS of Kansas. This bill would provide farmers the flexibility to adjust their cropping patterns in response to a wide variety of conditions ranging from conservation requirements contained in the Food Security Act of 1985 to fluctuating markets. H.R. 2100, passed by the House in October 1985, contained language that provided farmers this flexibility. This provision would have allowed producers who participate in farm programs to plant more acres to a crop that he or she wished, as long as they agreed to plant less acres to another crop or crops that they had previously grown. A farmer could not expand the amount of land planted and still receive Federal farm program payments under this proposal. Unfortunately, the conference committee on H.R. 2100 provided the Secretary of Agriculture discretionary authority in regard to implementation of the provision. To date, the Department of Agriculture has not seen fit to implement this potentially valuable management tool.

Mr. Speaker, the Farm Crop Acreage Base Flexibility Act of 1989 will mandate flexibility for 20 percent of the farm acreage base. This ability will provide farmers a flexible and equitable system for making sound management decisions based on the ever-changing circumstances that Mother Nature, markets, and Congress can create.

NORIEGA SHOULD BE A PRISONER IN A U.S. PRISON

(Mr. APPLEGATE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. APPLEGATE. Mr. Speaker, General Noriega has done it again. He has threatened, cajoled, murdered, and stolen his way back into power, and he throws it in the face of the United States.

He is the king of drug trafficking and murder, and yet he was on the Reagan payroll a couple of years ago. He is breaking our laws, and he is killing our kids, and yet we are still dealing with him. We are now going to turn the Panama Canal over to him.

America had better wake up to that before it is too late. He should be a prisoner in a United States prison, not a President in Panama.

PANAMA: IMPORTANT THAT WE TAKE FIRM, DECISIVE ACTION

(Mr. DREIER of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DREIER of California. Mr. Speaker, when it comes to the trade imbalance, we actually are doing extraordinarily well in this country. We are doing well because we have successfully throughout this decade exported democracy to 13 nations, from Pakistain to El Salvador, from Brazil to South Korea. We have had tremendous success.

Last Sunday there was another great success, but it took place in Bolivia, not a lot of news, not a lot of attention focuses on that. Last week there was success in Paraguay.

Everyone is focusing on the very tragic failure which did take place this past Sunday. By a 3-to-1 margin, the opposition led by Guillermo Endara desperately wanted to have a success in Panama. Unfortunately, they were rebuked by the narcomilitary system of Manuel Noriega.

Mr. Speaker, it is important that we take firm and decisive action, and it is wonderful to see bipartisan support from Jimmy Carter to members of the President's observer team coming to the same conclusion.

Mr. Speaker, we now have to take action.

□ 1250

STRATOSPHERIC OZONE LAYER PROTECTION ACT OF 1989

(Mr. BATES asked and was given permission to address the House for 1

minute and to revise and extend his remarks.)

Mr. BATES. Mr. Speaker, I will soon be introducing legislation to address the serious damage being done to the world's stratospheric ozone layer by chloroflourocarbons and halons.

The Stratospheric Ozone Layer Protection Act of 1989, would freeze the production of nine major chemicals that deplete the ozone layer at 1986 levels, followed by a phaseout schedule that would prohibit the production of these chemicals by 1995.

The bill also prohibits the importation of major chemicals from nations that have not established a phaseout schedule at least as stringent as ours. Finally, the legislation encourages reclamation and recycling of CFC's, promotes safe alternatives, requires the use of approved recycling equipment and properly trained employees in the maintenance of automobile air-conditioners.

Mr. Speaker, I hope my colleagues will seriously consider becoming a cosponsor of this bill.

IT IS TIME TO STOP REHASHING IRAN-CONTRA

(Mr. DEWINE asked and was given permission to address the House for 1 minute.)

Mr. DEWINE. Mr. Speaker, it has been alleged there are documents which the White House never handed over to the Iran-Contra Committees and now the Intelligence Committee has been asked to investigate this matter. That's fine. The committees should look into these allegations, and the White House has been fully cooperative—as it has throughout this entire investigation.

In fact, there is no evidence so far that anything even remotely unscrupulous has occurred. Chances are we may discover these documents were mishandled, overlooked, or already seen. In any event a cautious and prudent examination by these committees and the White House will resolve these questions.

At some point, however, enough is enough. We've spent over $40 million over 2½ years and it is clear the American people have had enough. They have paid for two congressional committees, a Presidential commission and an independent counsel. Scores of lawyers, accountants, and investigators have poured over documents, interviewed hundreds of witnesses, and issued report after report.

Mr. Speaker, it is time for this body to get on with the many urgent issues facing this Nation and stop wasting time and money rehashing stale, old stories for partisan political gain. The American people aren't buying it, and they shouldn't be forced to pay for it.

IN CELEBRATION OF SMALL BUSINESS WEEK

(Mr. PRICE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PRICE. Mr. Speaker, I rise today to celebrate Small Business Week and this year's theme "Small Business is America's Future."

Small businesses are indeed the key to our Nation's future economic success and employment opportunities. The recent impact of small business development in North Carolina demonstrates that convincingly.

A recent study on North Carolina's employment growth concluded that small companies accounted for nearly 75 percent of the 400,000 new jobs that have been created in North Carolina over the past 4 years. Furthermore, the study found that locally owned independent businesses have created about 60 percent of North Carolina's new jobs. This is critical because these local entrepreneurs will get involved in community affairs and will work to ensure future economic prosperity and a more stable, productive community.

This phenomenal success, however, is not causing North Carolina small businesses to rest on their laurels. Instead, they are constantly looking for new markets and new opportunities. I have been impressed by their interest and efforts to export their products and their willingness to undertake the sometimes arduous task of selling to the Federal Government. I have been pleased to work with many small businesses, particularly in these areas of trade and procurement, and this experience has convinced me that small businesses will continue to lead the way to a better economic future for our country.

I salute these small business operators in my district, across North Carolina, and throughout the country. Their continued dedication and ingenuity enriches us all.

WHEAT SALE TO THE SOVIETS

(Mr. CONTE asked and was given permission to address the House for 1 minute.)

Mr. CONTE. Mr. Speaker, I listened to the Members who came down to the well last week to praise or bury the wheat sale to the Soviets. I am here to do neither. I am here just to point out three facts on the sale.

First, the Soviets wanted our wheat. They wanted twice as much as the 1.5 million tons we agreed to sell. Second, the United States was the sole contender for the sale. Third, the United States taxpayer will be paying the $10 to $15 subsidy on each metric ton of wheat sold to the Soviets.

If you add those three facts up, here's what you get: The United States taxpayer subsidizing wheat exports to the Soviet Union by over $15 million, on a sale that could have been made at no cost to the taxpayer. Mr. Speaker, that is absurd.

It sounds like something straight out of Kafka. But that is the way our Export Enhancement Program works. The USDA calls it "eeping" the Soviets. They ought to stop eeping the Soviets, and starting keeping the taxpayers' money.

URBAN AND COMMUNITY FORESTRY ACT OF 1989

(Mr. JONTZ asked and was given permission to address the house for 1 minute and to revise and extend his remarks.)

Mr. JONTZ. Mr. Speaker, trees do a great deal to improve the environment of our Nation's urban dwellers. Trees in our cities also consume the greenhouse gases which cause global warming.

In spite of these benefits, we are unfortunately losing the battle for the greening of our cities. For every four trees which are removed from an urban environment in the Nation, only one is replaced.

Mr. Speaker, I have introduced the Urban and Community Forestry Act of 1989 to help municipal governments and citizen organizations and communities across our Nation with urban forestry projects. Technical assistance from the U.S. Forest Service, a modest matching grant program, and research on the planting and maintenance of trees in urban settings can all assist local efforts to bring the environmental benefits of trees to the people of our cities and towns. The Urban and Community Forestry Act will help us move ahead with the task of greening up and cooling down our Nation's communities.

ELECTION IN PANAMA STOLEN BY NORIEGA

(Mr. COUGHLIN asked and was given permission to address the House for 1 minute.)

Mr. COUGHLIN. Mr. Speaker, last night I returned from observing the elections in Panama at the request of President Bush.

Our delegation cited only events we actually observed or learned first hand.

While the next step is up to the Panamanian people, it is clear that the opposition rejected General Noreiga by a 2- or 3-to-1 majority and the election was stolen from them. This was the unanimous conclusion of our White House delegation, an independent delegation led by Presidents Ford and Carter as well as a survey released by Archbishop of Panama McGrath.

This was an election in which the opposition, media, and press had been stifled, manipulated, and controlled. Yet, Panamanian people traveled many miles on foot or by bus to wait in lines for 4 or more hours in the hot sun and registered their opposition to Noreiga.

This was an election in which fomenting of anti-United States sentiment was endemic by the Government. Yet, we were welcomed at the polling places literally with cheers and were begged to stay there to prevent brutality literally with tears.

The courage and determination of the opposition voters were remarkable as was their affection for the people of the United States. The daughter of a government candidate for Vice President worked against her own father because she believed her children need to grow up in a democracy. On numerous occasions voters risked their personal safety in insisting on their right to vote.

It would be a tragedy if their courage and the will of the vast majority of the Panamanian people were permanently thwarted.

INTRODUCTION OF CALIFORNIA MILITARY LAND WITHDRAWAL LEGISLATION

(Mrs. BYRON asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BYRON. Mr. Speaker, during the 100th Congress I introduced legislation to withdraw certain lands in California for military use. While the legislation passed under suspension of the rules in the House, it did not receive final consideration in the Senate prior to adjournment last fall. I am now reintroducing the measure with my colleague, the gentleman from California [Mr. HUNTER].

The lands to be withdrawn are within Chocolate Mountain Aerial Gunnery Range and China Lake Weapons Center. The bill would rewithdraw these lands for a period of 15 years. While both of the tracts have been used by the Department of the Navy since World War II, congressional approval of these lands expired in the 1970's.

In order to remain consistent with provisions of comprehensive military land withdrawal legislation passed at the close of the 99th Congress, this bill sets out similar terms of withdrawal. For example, the 15-year withdrawal, a draft environmental impact statement to be completed no more than 12 years after the law's enactment, and a requirement for on-going decontamination efforts all conform with the standards set in Public Law 99-606.

As a member of both the Interior and the Armed Services Committees, I am pleased to have the opportunity to introduce a measure of such joint interest. I urge my colleagues to support this worthy legislation.

GLOBAL WARMING

(Mr. SHARP asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SHARP. Mr. Speaker, the United States worked hard last year to gain its position as the chairman of the most important international body considering the issue of global warming. In this position, the United States has the opportunity to lead on this vital question.

But now the administration is squandering this opportunity because we are the only major Western country not advocating an international "convention" on global climate protection.

This is clearly an international problem requiring international cooperation. We must help formulate the worldwide response.

Last week the Energy and Power Subcommittee held a hearing where the Environmental Protection Agency presented its analysis of the policy options we could choose among to slow global warming. Some actions would surely be better for us than others. We certainly have the analytical capability to help the world decide what paths we should take. But if we fail to lead now, we won't have the credibility.

If we fail to lead—if all the administration does is bicker among the different departments and allow the policy to drift, if all the President does is muzzle his own scientists—we are going to let others decide our fate.

This week, OMB censored the testimony of Dr. James Hansen of NASA, one of the acknowledged experts on global warming. Last year, when my subcommittee invited him to testify, the administration tried to send us someone else, someone who would soften the message. Dr. Hansen was allowed to appear only when we told the administration that if he did not appear, there would be an empty chair at the witness table with Dr. Hansen's name on it.

Perhaps this empty chair is an excellent metaphor for the role the administration is playing in the international arena. Unless we mend our ways.

RONALD REAGAN ON MOUNT RUSHMORE

(Mr. WILLIAMS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WILLIAMS. Mr. Speaker, I understand that many Americans are beginning to talk about placing a likeness of former President Ronald Reagan on Mount Rushmore. That might be a good idea. It does seem to me, however, that Americans have developed a kind of unofficial waiting list for Mount Rushmore.

□ 1300

What about Eisenhower? Or Roosevelt? Truman, Kennedy? Should the "Gipper" be on Mount Rushmore with all those other great Americans? Well, perhaps; but let us see how much room is left on the mountain after we get Ike and FDR and Harry Truman and Jack Kennedy up there.

RELIEF FOR RIVER PUBLISHERS, INC. OF WHARTON, TX

(Mr. LAUGHLIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LAUGHLIN. Mr. Speaker, I rise today to introduce a bill for the relief of River Publishers, Inc. of Wharton, TX.

The proprietors of River Publishers, Inc., a small newspaper publishing company in my district, wholeheartedly relied upon the Bay City, TX, Post Office to provide guidance and proper postal forms required to mail 13,000 copies a week of their publication and pay the appropriate postage. The postmaster of Bay City billed River Publishers on these 13,000 copies at the wrong rate from May 5, 1983, through January 4, 1984. The result was a 9-month mistake and an acknowledged error by the postmaster of $26,491.95.

If the proprietors of River Publishers, Inc. had been presented with the correct rate of postage from the postmaster, they would have quickly decided not to proceed with this particular publication.

My bill would relieve River Publishers, Inc. of Wharton, TX, of all liability for payment to the United States of the amount of $26,491.95, which is the difference between the amount that should have been paid and the amount actually paid by River Publishers for postage on a requester second-class mailing of the mid-coast advertiser for the period from May 5, 1983, through January 4, 1984. Such liability resulted from the reliance of River Publishers, Inc. upon postal rates specified in good faith by the Bay City postmaster although such rates were erroneous.

Mr. Speaker, I am introducing this companion bill along with the gentleman from Texas, Senator LLOYD BENTSEN, who has already submitted his version in the Senate. I encourage my colleagues to join and support me to relieve an erroneous burden from a vital and indispensable community establishment.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. FROST). Pursuant to the provisions of clause 5 of rule 1, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule XV.

Such rollcall votes, if postponed, will be taken after debate has concluded on all motions to suspend the rules.

AUTHORITY TO SETTLE CLAIMS RESULTING FROM LAW ENFORCEMENT ACTIVITIES

Mr. FRANK. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 972) to amend section 3724 of title 31, United States Code, to increase the authority of the Attorney General to settle claims for damages resulting from law enforcement activities of the Department of Justice, as amended.

The Clerk read as follows:

H.R. 972

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. AUTHORITY TO SETTLE CLAIMS.

(a) INCREASED AUTHORITY.—Section 3724 of title 31, United States Code, is amended—

(1) in the first sentence of subsection (a)—

(A) by striking out "$500" and inserting in lieu thereof "$50,000"; and

(B) by striking out "the Director" and all that follows through "Investigation" and inserting in lieu thereof "an investigative or law enforcement officer as defined in section 2680(h) of title 28 who is employed by the Department of Justice"; and

(2) in subsection (b) by striking out "The Attorney General" in the first sentence and all that follows through "The" in the second sentence and inserting in lieu thereof the following: "The Attorney General shall report annually to the Congress on all settlements made under this section. With respect to each such settlement, the".

(b) CONFORMING AMENDMENTS.—

(1) The section heading for section 3724 of title 31, United States Code, is amended to read as follows:

"§ 3724. Claims for damages caused by investigative or law enforcement officers of the Department of Justice".

(2) The item relating to section 3724 in the table of sections at the beginning of chapter 37 of title 31, United States Code, is amended to read as follows:

"3724. Claims for damages caused by investigative or law enforcement officers of the Department of Justice.".

SEC. 2. EFFECTIVE DATE.

The amendments made by section 1 shall apply to any claim arising on or after the date of the enactment of this Act, to any claim pending on such date, and to any claim arising before such date which has not been settled if the time for presenting the claim to the Attorney General under the last sentence of section 3724(a) of title 31, United States Code, has not expired.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Massachusetts [Mr. FRANK] will be recognized for 20 minutes, and the gentleman from Florida [Mr. JAMES] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Massachusetts [Mr. FRANK].

Mr. FRANK. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this is a very straightforward bill.

I commend the Justice Department and the administration for bringing this bill to our attention, and the gentleman from California [Mr. EDWARDS] who sponsored it for them.

It was reported unanimously in subcommittee and in full committee and it is of course very noncontroversial as you might infer from that.

Under current law if a law enforcement agency of the Federal Government injures a noninvolved party in a criminal matter in a nonnegligent fashion, we cannot do very much about it. It is a paradox.

If the FBI should negligently damage you while pursuing a criminal, you can sue under the Federal Tort Claims Act.

If the FBI or any other law enforcement entity which are the ones covered under this bill necessarily causes you injury in the pursuit of its mission, they cannot compensate you for more than $500. They have asked us for the authority to compensate up to $50,000 without having to come to us. We think that is a good idea. That is what the bill does.

The bill was broadened after some conversation so it covers not only the FBI but all law enforcement entities.

I do not want to give the impression, Mr. Speaker, that our Federal law enforcement agencies willfully inflict damage on people. I guess they are on the whole extremely responsible in the performance of their duties. But sometimes damage is inevitable. I will give one example.

The FBI is examining a particular building because they have been given information which leads them to believe a body is buried there that did not die a natural death.

The only way to find out if a body is there is to dig up the floor of the building.

The building is now owned by people who are not at all involved with the death. The body came with the building although presumably not noted in the deed.

The FBI has no option in the pursuit of its criminal investigation but to dig up the floor. Under current law, if the FBI digs up the floor, finds the body, it cannot pay more than $500. Ironically, today if the FBI made a mistake and went to the house next door, through some negligence and dug up the wrong floor, it could pay the people where the body was not, but it could not pay the people where the body was.

Now this does not happen very often. We do not want to give the impression that there is casual attitudes on the part of our law enforcement entities toward the rights of private citizens. Quite the opposite is the case, but inevitably in some circumstances some damage will arise.

It is to the credit of these agencies that they want more fully to be able to compensate people. That is what this bill does.

Mr. Speaker, I reserve the balance of my time.

Mr. JAMES. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 972. I compliment the subcommittee chairman, Mr. FRANK, for holding hearings on this bill and moving H.R. 972 through the subcommittee, the full committee, and to the House floor, today.

As Mr. FRANK has stated this bill amends section 3724 of title 31 of the United States Code to increase the Attorney General's settlement authority regarding claims by innocent victims of legitimate law enforcement activities. Current law, enacted many years ago, only provides the Attorney General authority to settle claims filed against the FBI up to a ceiling of $500. Obviously, since the 1930's inflation has diminished the effectiveness of this settlement authority.

H.R. 972 increases the Attorney General's settlement authority to $50,000 and broadens the coverage of title 31 to include claims against all law enforcement components of our Federal Government. Certainly, all innocent, and often cooperative victims of legitimate Federal law enforcement activities should be allowed to file a bona fide claim against the Government under these circumstances and be substantially reimbursed where appropriate.

I think this is a good bill; I supported it in committee, the administration supports it, and I encourage my colleagues to vote in favor of the bill.

Mr. FRANK. Mr. Speaker, I yield 4 minutes to the gentleman from California [Mr. EDWARDS], the sponsor of this bill.

Mr. EDWARDS of California. I thank the gentleman from Massachusetts for yielding time to me.

Mr. Speaker, as the sponsor of H.R. 972, I congratulate the gentleman from Massachusetts for bringing this legislation to the floor so promptly.

This is a noncontroversial but valuable piece of legislation. It will help our law enforcement agencies carry out their duties fairly and professionally. The bill simply establishes that an innocent citizen who suffers intentional

injury by a Federal law enforcement officer can be reimbursed by the Federal Government. Under current law, due to the concept of sovereign immunity and the limitations of the Federal Tort Claims Act, these citizens often cannot recovery fully. If they are injured by the FBI, they are currently limited to $500, and if they are injured by the DEA or other agencies, it seems there may be no authority at all for the Government to repay them.

H.R. 972 addresses this problem by raising the Attorney General's authority to settle claims from $500 to $50,000, and extending the settlement authority to cover all law enforcement components of the Department of Justice.

This measure does not mean it is okay for Federal agents to destroy private property. I expect the FBI and the other agencies to continue to exercise the utmost caution in carrying out its activities.

This bill is long overdue. It does not address some other important problems in terms of negligent or careless injury to innocent third parties, but we can leave those to another day.

I urge passage of the bill, and I thank the gentleman.

□ 1310

Mr. FRANK. Mr. Speaker, I yield back the balance of my time.

Mr. JAMES. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. FROST). the question is on the motion offered by the gentleman from Massachusetts [Mr. FRANK] that the House suspend the rules and pass the bill, H.R. 972, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

MARTIN LUTHER KING, JR., FEDERAL HOLIDAY COMMISSION EXTENSION ACT

Mr. SAWYER. Mr. Speaker, I move to suspend the rules and concur in the Senate amendment to the bill (H.R. 1385) to make permanent the Martin Luther King, Jr., Federal Holiday Commission.

The Clerk read as follows:

Senate amendment: Strike out all after the enacting clause and insert:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Martin Luther King, Jr., Federal Holiday Commission Extension Act."

SEC. 2. REMOVAL OF TERMINATION.

(a) REMOVAL.—Section 9 of Public Law 98-399 (98 Stat. 1475) is amended to read as follows:

"SEC. 9. The Commission shall continue in existence until April 20, 1994.".

(b) CONFORMING AMENDMENTS.—

(1) FINDINGS.—Paragraph (3) of the first section of Public Law 98-399 (98 Stat. 1473) is amended by striking "first".

(2) PURPOSES.—Section 3(1) of Public Law 98-399 (98 Stat. 1473) is amended by striking "first occurs on January 30, 1986" and inserting "occurs on the third Monday in January each year".

(c) REESTABLISHMENT AFTER TERMINATION.—If the date of the enactment of this Act occurs on or after April 20, 1989, the Martin Luther King, Jr., Federal Holiday Commission shall be restablished on the date of the enactment of this Act with the same members and powers that the Commission had, as provided in Public Law 98-399 (98 Stat. 1473), on April 19, 1989 (subject to this Act and the amendments made by this Act).

SEC. 3. MEMBERSHIP.

(a) TERMS IN GENERAL.—Section 4(c) of Public Law 98-399 (98 Stat. 1474) is amended to read to read as follows:

"(c)(1) Except as provided in paragraphs (2) and (3), members of the Commission shall be appointed not later than June 1 of each year for terms of 1 year, and any vacancy in the Commission shall be filled in the manner in which the original appointment was made. Any vacancy in the Commission shall not affect its powers.

"(2) Coretta Scott King shall serve as a member for life. In the event of a vacancy, her position on the Commission shall be filled by a member of the family surviving Martin Luther King, Jr., not already a member of the Commission, who shall be appointed by the family and shall serve as a member of the Commission at the discretion of the family.

"(3) The 2 members of the Commission appointed as members of the family surviving Martin Luther King, Jr., shall serve as members of the Commission at the discretion of the family.".

(b) CONTINUATION OF TERMS OF EXISTING MEMBERS.—The individuals who are members of the Commission on the date of the enactment of this Act shall be considered to have been appointed members for a term ending on the first June 1 that occurs after the date of the enactment of this Act (pursuant to section 4(a) of Public Law 98-399 (98 Stat. 1473) or section 2(c) of this Act, as appropriate).

SEC. 4. RESTRICTIONS ON ACTIVITIES OF THE COMMISSION.

Section 6 of Public Law 98-399 (98 Stat. 1474) is amended by adding at the end thereof the following new subsection:

"(c) In carrying out the responsibilities of the Commission under this Act, the Commission shall not make any expenditures, or receive or utilize any assistance in the form of the use of office space, personnel, or any other assistance authorized under subsection (b), for any of the following purposes—

"(A) training activities for the purpose of directing or encouraging—

"(i) the organization or implementation of campaigns to protest social conditions, and

"(ii) any form of civil disobedience.".

SEC. 5. REPORTS.

Section 8 of Public Law 98-399 (98 Stat. 1475) is amended by striking the period at the end and inserting the following: "with respect to the most recent observance of the Federal legal holiday honoring the birthday of Martin Luther King, Jr.".

SEC. 6. AUTHORIZATION OF APPROPRIATIONS.

(a) AUTHORIZATION.—Section 7 of Public Law 98-399 (98 Stat. 1474) is amended to read as follows:

SEC. 7. There are authorized to be appropriated to carry out this Act $300,000 for fiscal year 1989 and each of the 4 succeeding fiscal years.".

"(b) CONFORMING AMENDMENTS.—

(1) EXPENSES OF MEMBERS.—Section 4(d) of Public Law 98-399 (98 Stat. 1474) is amended by striking "subject to section 7" and inserting "subject to the availability of sufficient funds".

(2) PAY FOR STAFF.—Section 6(a) of Public Law 98-399 (98 Stat. 1474) is amended by striking "Subject to section 7" and inserting "Subject to the availability of sufficient funds".

SEC. 7. REPEALER.

Section 5(c) of Public Law 98-399 (98 Stat. 1474) is repealed.

SEC. 8. BRONZE REPLICA OF DECLARATION OF INDEPENDENCE.

(a) The Congress finds that:

(1) The ideas expressed in the Declaration of Independence have inspired freedom-loving people throughout the world.

(2) The eloquent language of the Declaration of Independence has stirred the hearts of the American people.

(3) The Declaration of Independence ranks as one of the greatest documents in human history.

(4) On July 2, 1952, a bronze replica of the Declaration of Independence was presented to Congress for display in the Rotunda of the United States Capitol.

(5) On July 22, 1988, the bronze replica of the Declaration of Independence was moved from the Rotunda of the Capitol to the small House Rotunda between the Capitol Rotunda and Statuary Hall.

(6) The bronze replica of the Declaration of Independence was replaced in the Rotunda by a bust of Martin Luther King, Jr.

(7) It is the sense of the Congress that the bronze replica of the Declaration of Independence should, forthwith, be returned to a place of prominence in the Rotunda of the United States Capitol where it shall remain on permanent display.

The SPEAKER pro tempore. Is a second demanded?

Mrs. MORELLA. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Ohio [Mr. SAWYER] will be recognized for 20 minutes, and the gentlewoman from Maryland [Mrs. MORELLA] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Ohio [Mr. SAWYER].

GENERAL LEAVE

Mr. SAWYER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include therein extraneous material on the Senate amendment to H.R. 1385 now under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. SAWYER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of H.R. 1385, the Martin Luther King, Jr., Federal Holiday Commission Extension Act, as amended by the Senate. The bill is worthwhile and necessary, and merits final passage by the House.

I would like to take this opportunity to explain briefly the Senate amendments to the bill.

As passed by the House on April 17, H.R. 1385 would have established the Martin Luther King, Jr., Federal Holiday Commission as a permanent Commission until terminated by law. The bill, as amended by the Senate, provides that the Commission shall continue in existence until April 20, 1994—a 5-year extension of the life of the Commission.

With regard to funding for the operation of the Commission, the Senate amendment authorizes an annual appropriation of $300,000 for fiscal year 1989 and each of the four succeeding fiscal years. The House bill authorized $500,000 annually.

A new section 4 has been added by the Senate to address restrictions on the Commission's activities. This section prohibits Commission expenditures for the purpose of organizing campaigns to protest social conditions or promote civil disobedience. (Section 7 of the Senate amendment makes the Federal Advisory Committee Act applicable to the Commission.)

Finally, Mr. Speaker, the Senate added a new section 8. It concerns the placement of the bronze replica of the Declaration of Independence that was moved from the rotunda of the Capitol of the United States to the small House rotunda between the Capitol rotunda and Statuary Hall. This bronze replica was replaced by a bust of Martin Luther King., Jr., on June 22, 1988. The new section would return the bronze replica to a place of prominence in the U.S. Capitol.

Mr. Speaker, I again would like to compliment Mr. CONYERS, the sponsor of H.R. 1385, for his steadfast leadership on this important legislation and for his dedication to keeping Dr. King's dream alive.

Mr. Speaker, I reserve the balance of my time.

Mrs. MORELLA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 1385 extends the Martin Luther King, Jr. Federal Holiday Commission. Though the House passed the original bill extending the Martin Luther King Commission permanently by a vote of 305 to 84 on April 17, we are here today to concur in the Senate amendment to the bill. The amended bill extends the Commission for an additional 5 years and authorizes $300,000 for its operational budget for each of those years. The Senate amendment also prohibits the Commission from utilizing any of its assets for any purpose other than its authorized mission.

The Commission was established in 1984 and charged with the responsibility of making Martin Luther King, Jr. Day a meaningful national holiday.

As a cosponsor of H.R. 1385, I urge all Members to support this legislation.

Mr. Speaker, I yield such time as he may consume to the gentleman from Ohio [Mr. REGULA], who is a member of the Commission.

Mr. REGULA. Mr. Speaker, I served on the Martin Luther King, Jr. Federal Holiday Commission since the inception by appointment of the leadership, four from each House, that serve in that capacity, and I am now Vice Chairman. I simply want to say that I would urge my colleagues to support this action. I think what the Senate provides is very reasonable. It does put a fixed time, 5 years. It does reduce the amendment, it puts some conditions in that tightens up the way in which it would be used, and certainly represents a very responsible position in dealing with these areas.

I might say the Commission, has taken exceptionally good action on behalf of educational programs, and the greatest part of this money would be used to continue and to strengthen the program of education that reaches across this Nation, and for that matter, across the world.

I would also point out to my colleagues that the vote in the Senate on this particular bill was 94 in favor and only 7 against. I think that indicates a strong vote of support, and I hope that we have a similar one in the House.

Mrs. MORELLA. Mr. Speaker, I thank the gentleman from Ohio for his very thoughtful support of the compromise bill.

Mr. Speaker, I yield such time as he may consume to the gentleman from New York [Mr. GILMAN], who is the ranking member of the Committee on Post Office and Civil Service.

Mr. GILMAN. Mr. Speaker, I rise in strong support of H.R. 1385 as amended by the Senate to make permanent the Martin Luther King Jr. Federal Holiday Commission and commend the gentleman from Michigan [Mr. CONYERS].

The amended version provides, for a 5-year extension and the appropriation of $300,000 per year.

Mr. Speaker, the Congress of the United States honored Dr. King with a Federal holiday because we wanted his legacy to survive. His advocacy of racial equality, nonviolence, and social change has given hope and courage to millions of Americans.

Mr. Speaker, I believe that H.R. 1385, as amended by the Senate is a fair compromise of the bill passed by the House. It would allow the Martin Luther King Commission to continue to coordinate efforts that reflect the principles of Martin Luther King, Jr.

Accordingly, I urge my colleagues to join me in supporting this legislation.

Mr. SAWYER. Mr. Speaker, I yield such time as he may consume to the gentleman from California [Mr. DYMALLY].

Mr. DYMALLY. Mr. Speaker, I would appreciate it if the gentleman from Ohio [Mr. SAWYER] would respond to a question which I would pose to him in his capacity as chairman of the Subcommittee on Census and Population.

Mr. Speaker, during the course of Senate consideration of H.R. 1385 an amendment was added respecting a bronze replica of the Declaration of Independence in the rotunda. Specifically, the amendment requires that the bronze replica of the Declaration of Independence should, forthwith, be returned to a place of prominence in the rotunda of the U.S. Capitol where it shall remain on permanent display.

It is my understanding that in passing this bill, it is not our intent that the return of the replica of the Declaration of Independence displace the statue of Martin Luther King, Jr. I wonder if the gentleman from Ohio [Mr. SAWYER] could speak to that question.

Mr. SAWYER. Mr. Speaker, if the gentleman will yield, the gentleman from California [Mr. DYMALLY] is correct. It is not the intent of Congress that the statue of Martin Luther King, Jr., be removed from the rotunda. It is merely the intent that the bronze replica of the Declaration of Independence be given a place in the Capitol rotunda. This would not necessarily require displacing the Martin Luther King, Jr., statue.

Mr. DYMALLY. Mr. Speaker, I thank the gentleman for clarifying this issue.

Mr. CONYERS. Mr. Speaker, I rise in support of the Senate amendments to H.R. 1385, legislation which I introduced at the beginning of the 101st Congress to extend the life of the Martin Luther King, Jr. Federal Holiday Commission. While the Senate amendment represent a compromise over the House passed version, they would preserve the Commission for 5 more years and for the first time in history be Federal approved for Commission's operations.

The Commission has had only 4 short years in which to institutionalize the Federal holiday honoring Dr. King. It took many more years to recognize and institutionalize other Federal holidays like George Washington and Abraham Lincoln's birthdays, which are now known and collectively celebrated as President's day. This legislation will provide the Commission more time to carry out its mandated duty.

The Commission is successfully carrying out its mandate of encouraging appropriate nationwide ceremonies relating to the observance of the holiday honoring Martin Luther King, Jr., and sponsoring activities which edu-

cate the American people about Dr. King's values of racial equality and nonviolent social change. It performs an important service by promoting the teachings of Dr. King and coordinating special commemorative events in the United States and many nations around the world.

When the Commission first began its work in the fall of 1984, only 19 States observed Dr. King's birthday. This year, however, all but 7 States and over 100 foreign countries have made his birthday an official holiday.

Since the Commission's establishment, millions of Americans have participated in seminars, rallies, prayer services, and other tributes. People of all races, cultures, and political persuasions have come together in the same spirit of good will and fellowship that characterized Dr. King's life. The Commission has developed and helped to distribute "living the dream" pledge cards on which over 2 million people have affirmed their commitment to the ideals of freedom, justice, and opportunity for all.

Mr. Speaker, 3 days after the assassination of Dr. Martin Luther King, Jr., I introduced the first holiday legislation. It took more than 15 years to enact that legislation, but in a way it was worth the wait. The support in the House and the Senate for the passage of a holiday for Dr. King was an incredible and important historic statement which I still treasure. Its value to the Nation will grow in importance as time goes on.

As time moves on, this legislation becomes more important, not less important. Thankfully, there were Americans who came in with startup money to get this Commission moving. I am pleased that we are authorizing this legislation for 5 years and putting $300,000 into this project annually. I suggest to Members it is a very, very tiny amount, but I think it does make a very strong and persuasive statement that we are going to continue the memory of Dr. King, now that we have made his life a part of the American history by recognizing him every year. So I am pleased. I am almost as happy as I was the day that the Senate added their blessing to the holiday bill itself.

So I am humbled by all of the Members who have joined in the overwhelming support for this legislation, and I urge the President to immediately sign this important measure.

Mr. MFUME. Mr. Speaker, I would like to commend the gentleman from Ohio [Mr. SAWYER] for his leadership on this important measure and my good friend and colleague from Michigan [Mr. CONYERS] for authoring this legislation.

I am pleased that the Senate has acted expeditiously by passing this measure by an overwhelming majority last week. I believe that it is important that we allow the work of the Commission to continue and serve the people of this Nation.

We want the truth to be known about Dr. Martin Luther King, Jr., and I believe that by passing this measure we will ensure that our Nation's posterity will know of Dr. King's accomplishments and messages that has inspired us all.

I urge all of my colleagues to support the measure and continue to express their support for adequate funding so that the Commission may carry out its duties.

Mr. Speaker, I insert the text of the following resolution in the RECORD as a part of my remarks:

RESOLUTION TO SUPPORT ADEQUATE FUNDING TO THE MARTIN LUTHER KING, JR., FEDERAL HOLIDAY COMMISSION

Whereas, The Martin Luther King, Jr. Federal Holiday Commission was established in 1984 to encourage appropriate ceremonies relating to the observance of a holiday observing Dr. King,

Whereas, since its creation, the Commission has worked to help expand the celebration of Dr. King's birthday and increase the awareness of his message to 44 states,

Whereas, the Commission has orchestrated numerous ceremonies, seminars, speakers, and various activities over the past five years to educate Americans,

Whereas, the Commission has operated with limited funds and a small staff in carrying out its duties since no federal funds were appropriated upon its creation, and private donations have been declining over the years,

Whereas, if the Commission is to carry out its duties as intended by the Congress in an effective and efficient manner: Now, therefore, be it

Resolved, That it is the sense of the House of Representatives that an adequate level of funding should be appropriated to the Martin Luther King, Jr., Federal Holiday Commission for the operations of its activities.

Mrs. MORELLA. Mr. Speaker, I yield back the balance of my time.

Mr. SAWYER. Mr. Speaker, I yield back the balance of my time.

Mr. SPEAKER pro tempore. The question is on the motion offered by the gentleman from Ohio [Mr. SAWYER] that the House suspend the rules and concur in the Senate amendment to the bill, H.R. 1385.

The question was taken.

Mr. WALKER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 359, nays 42, not voting 33, as follows:

[Roll No. 45]

YEAS—359

Ackerman	Boxer	Coughlin
Akaka	Brennan	Cox
Alexander	Broomfield	Coyne
Anderson	Browder	Craig
Andrews	Brown (CA)	Crockett
Annunzio	Brown (CO)	Darden
Anthony	Bruce	Davis
Applegate	Bryant	de la Garza
Aspin	Buechner	DeFazio
Atkins	Bunning	Dellums
AuCoin	Byron	Derrick
Barnard	Callahan	DeWine
Bartlett	Campbell (CA)	Dickinson
Barton	Campbell (CO)	Dicks
Bates	Cardin	Dingell
Beilenson	Carper	Dixon
Bennett	Carr	Donnelly
Bentley	Chapman	Dorgan (ND)
Bereuter	Clarke	Downey
Berman	Clay	Dreier
Bevill	Clement	Duncan
Bilbray	Clinger	Durbin
Bliley	Coelho	Dwyer
Boehlert	Coleman (MO)	Dymally
Boggs	Coleman (TX)	Dyson
Bonior	Collins	Early
Borski	Conte	Eckart
Bosco	Cooper	Edwards (CA)
Boucher	Costello	Emerson
English	Lehman (FL)	Rostenkowski
Erdreich	Lent	Roth
Espy	Levin (MI)	Roukema
Evans	Levine (CA)	Rowland (CT)
Fascell	Lewis (FL)	Rowland (GA)
Fazio	Lewis (GA)	Russo
Feighan	Lipinski	Sabo
Fish	Lloyd	Saiki
Flake	Long	Sangmeister
Flippo	Lowery (CA)	Sarpalius
Foglietta	Lowey (NY)	Savage
Foley	Luken, Thomas	Sawyer
Ford (MI)	Lukens, Donald	Saxton
Ford (TN)	Machtley	Scheuer
Frank	Madigan	Schiff
Frost	Markey	Schneider
Gallegly	Martin (IL)	Schroeder
Gallo	Martin (NY)	Schuette
Garcia	Martinez	Schulze
Gaydos	Matsui	Schumer
Gejdenson	Mavroules	Sensenbrenner
Gekas	Mazzoli	Sharp
Gephardt	McCloskey	Shaw
Gillmor	McCrery	Shays
Gilman	McDade	Shuster
Gingrich	McDermott	Sikorski
Glickman	McHugh	Sisisky
Gonzalez	McMillen (MD)	Skaggs
Goodling	McNulty	Skeen
Gordon	Meyers	Skelton
Goss	Mfume	Slattery
Gradison	Michel	Slaughter (NY)
Grandy	Miller (CA)	Smith (FL)
Grant	Miller (WA)	Smith (IA)
Gray	Mineta	Smith (NJ)
Green	Moakley	Smith (TX)
Guarini	Molinari	Smith (VT)
Gunderson	Mollohan	Smith, Robert (OR)
Hall (OH)	Montgomery	Snowe
Hall (TX)	Moody	Solarz
Hamilton	Morella	Spratt
Harris	Morrison (CT)	Staggers
Hastert	Morrison (WA)	Stallings
Hawkins	Mrazek	Stangeland
Hayes (IL)	Murphy	Stearns
Hayes (LA)	Murtha	Stenholm
Hefner	Myers	Stokes
Henry	Nagle	Studds
Hertel	Natcher	Swift
Hiler	Neal (NC)	Synar
Hoagland	Nelson	Tallon
Hochbrueckner	Nowak	Tanner
Hopkins	Oakar	Tauke
Horton	Oberstar	Tauzin
Houghton	Obey	Thomas (CA)
Hoyer	Olin	Thomas (GA)
Hubbard	Ortiz	Thomas (WY)
Huckaby	Owens (NY)	Torres
Hughes	Owens (UT)	Torricelli
Hutto	Oxley	Towns
Hyde	Pallone	Traficant
Inhofe	Panetta	Traxler
Jacobs	Parker	Unsoeld
James	Parris	Upton
Jenkins	Pashayan	Valentine
Johnson (CT)	Patterson	Vander Jagt
Johnson (SD)	Paxon	Vento
Johnston	Payne (VA)	Visclosky
Jones (GA)	Pease	Volkmer
Jones (NC)	Pelosi	Vucanovich
Jontz	Penny	Walgren
Kanjorski	Perkins	Walker
Kaptur	Petri	Walsh
Kasich	Pickett	Watkins
Kastenmeier	Pickle	Waxman
Kennedy	Porter	Weber
Kennelly	Poshard	Weiss
Kildee	Price	Weldon
Kleczka	Pursell	Wheat
Kolbe	Quillen	Whittaker
Kolter	Rahall	Whitten
Kostmayer	Ray	Williams
Kyl	Regula	Wilson
LaFalce	Rhodes	Wolf
Lagomarsino	Ridge	Wolpe
Lancaster	Rinaldo	Wyden
Lantos	Roberts	Wylie
Laughlin	Robinson	Yates
Leach (IA)	Rogers	Yatron
Leath (TX)	Rohrabacher	Young (AK)
Lehman (CA)	Rose	

NAYS—42

Archer	Baker	Bilirakis
Armey	Ballenger	Burton

Chandler	Herger	Schaefer
Coble	Ireland	Shumway
Combest	Lightfoot	Slaughter (VA)
Crane	Livingston	Smith (MS)
Dannemeyer	McCandless	Smith (NE)
DeLay	McCollum	Smith, Denny (OR)
Fawell	McEwen	Smith, Robert (NH)
Fields	McMillan (NC)	Solomon
Frenzel	Miller (OH)	Stump
Hammerschmidt	Moorhead	Sundquist
Hancock	Nielson	
Hansen	Packard	
Hefley	Ravenel	

NOT VOTING—33

Bateman	Hatcher	Pepper
Brooks	Holloway	Rangel
Bustamante	Hunter	Richardson
Conyers	Leland	Ritter
Courter	Lewis (CA)	Roe
Dornan (CA)	Manton	Roybal
Douglas	Marlenee	Spence
Edwards (OK)	McCurdy	Stark
Engel	McGrath	Udall
Florio	Neal (MA)	Wise
Gibbons	Payne (NJ)	Young (FL)

□ 1341

The Clerk announced the following pair:

On this vote:

Mr. Rangel and Mr. Conyers for, with Mr. Marlenee against.

Messrs. FAWELL, HAMMERSCHMIDT, and McCOLLUM changed their vote from "yea" to "nay."

So (two-thirds having voted in favor thereof) the rules were suspended and the Senate amendment was concurred in.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Kalbaugh, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and joint resolutions of the House of the following titles:

On February 7, 1989:

H.J. Res. 129. Joint resolution disapproving the increases in executive, legislative, and judicial salaries recommended by the President under section 225 of the Federal Salary Act of 1967.

On March 15, 1989:

H.J. Res. 22. Joint resolution to designate the week beginning March 6, 1989, as "Federal Employees Recognition Week."

On March 23, 1989:

H.J. Res. 117. Joint resolution to proclaim March 20, 1989, as "National Agriculture Day" and

H.J. Res. 167. Joint resolution to designate March 16, 1989, as "Freedom of Information Day."

On March 24, 1989:

H.J. Res. 148. Joint resolution designating the month of March in both 1989 and 1990 as "Women's History Month."

On March 31, 1989:

H.R. 1373. An act to authorize the Agency for International Development to pay the expenses of an election observer mission for the 1989 presidential elections in Panama.

On April 7, 1989:

H.R. 829. An act to make permanent the authority provided under the Temporary Emergency Wildfire Suppression Act.

On April 18, 1989:

H.J. Res. 173. Joint resolution to designate April 16, 1989, and April 6, 1990, as "Education Day, U.S.A."

H.R. 1750. An act to implement the Bipartisan Accord on Central America of March 24, 1989.

On April 19, 1989:

H.J. Res. 102. Joint resolution to designate April 1989 as "National Recycling Month."

On April 20, 1989:

H.J. Res. 112. Joint resolution designating April 23, 1989, through April 29, 1989, and April 23, 1990, through April 29, 1990, as "National Organ and Tissue Donor Awareness Week" and

H.R. 666. An act to allow an obsolete Navy drydock to be transferred to the city of Jacksonville, Florida, before the expiration of the otherwise applicable 60-day congressional review period.

On May 3, 1989:

H.J. Res. 124. Joint resolution to recognize the seventy-fifth anniversary of the Smith-Lever Act of May 8, 1914, and its role in establishing our Nation's system of State Cooperative Extension Services.

□ 1340

APPOINTMENT OF CONFEREES ON H. CON. RES. 106, CONCURRENT RESOLUTION ON THE BUDGET—FISCAL YEAR 1990

Mr. PANETTA. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the concurrent resolution (H. Con. Res. 106) setting forth the congressional budget for the United States Government for the fiscal years 1990, 1991, and 1992, with a Senate amendment thereto, disagree to the Senate amendment and agree to the conference asked by the Senate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

MOTION TO INSTRUCT OFFERED BY MR. FRENZEL

Mr. FRENZEL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. FRENZEL moves that the managers on the part of the House at the conference on the disagreeing votes of the two Houses on H. Con. Res. 106 be instructed to reduce funds included in new budget authority to be used for congressional mailing for fiscal year 1990 in functional category 800 (general government) by $100,000,000 and incude an additional $100,000,000 in new budget authority for fiscal year 1990 in functional category 750 (administration of justice) to be used by law enforcement agencies to enforce laws respecting the manufacture, importation, distribution, and use of illegal drugs; and to agree to section 11 of the senate amendment.

The SPEAKER pro tempore. The gentleman from Minnesota [Mr. FRENZEL] will be recognized for 30 minutes and the gentleman from California [Mr. PANETTA] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Minnesota [Mr. FRENZEL].

Mr. FRENZEL. Mr. Speaker, I yield myself 3 minutes.

Mr. Speaker, this is a motion to instruct the conferees on the budget resolution.

There was one item which seemed to plague Members of the House more than others when we discussed the matter on the floor of this House and beforehand. That was we had not done enough in the drug war.

There appeared in the Senate resolution an amendment which diverted from the general government function, specifically, the congressional mailing account, $100 million in new budget authority to be used in category 750, the Administration of Justice. The $100 million is to be used for law enforcement agencies to enforce laws respecting the manufacture, transportation, distribution and use of illegal drugs.

Since the Senate number in this function was higher than the House number, it seemed to me that instructing the conferees would be a good way to insure that we could direct the largest possible amount of money under the budget resolution into the war against drugs. That was the reason for my making the motion to instruct.

Shortly after I devised this motion, the gentlewoman from Nebraska [Mrs. SMITH] produced another motion to instruct which had to do with accepting a Senate amendment to section 11 which expressed the sense of the Congress in opposition to a gas tax in this particular fiscal year. In bill form, her motion has some 240 sponsors. It seemed to be an appropriate part of the potential instructions, so I included it in my motion.

The SPEAKER pro tempore. The time of the gentleman from Minnesota has expired.

Mr. FRENZEL. Mr. Speaker, I yield myself 2 additional minutes, and I yield to the distinguished gentleman from California [Mr. PANETTA], the chairman of the Budget Committee.

Mr. PANETTA. Mr. Speaker, I thank the gentleman for yielding to me.

The gentleman has discussed this issue with me. Basically, there are two issues involved here. One is the request for additional funding for drug enforcement as contained in the amendment that was passed on the Senate side.

We think we would certainly give consideration to that in the conference with regard to this functional area. For that reason, I am prepared to accept it.

With regard to the other issues on the gas tax, while I have some reservations about limiting the Ways and Means Committee with regard to this issue, I think we recognize the reality

that with regard at least to this year and the fulfillment of reconciliation under this budget resolution, it is not likely that it would be part of that kind of package.

For that reason, Mr. Speaker, I have no objection to that portion as well.

Mr. FRENZEL. Mr. Speaker, I thank the gentleman for his contribution and for the good point that this budget is unlikely to be involved in a gasoline tax.

Mr. Speaker, I yield 5 minutes to the distinguished gentlewoman from Nebraska [Mrs. SMITH].

Mrs. SMITH of Nebraska. Mr. Speaker, I thank the gentleman for yielding this time to me.

Mr. Speaker, I urge my colleagues to support the motion to instruct conferees offered by my good friend, Mr. FENZEL.

I had originally planned to ask the House to defeat the previous question on the gentleman from Minnesota's motion. If the previous question had been defeated, I would have offered an amendment to the motion to put the House on record in opposition to an increase in the Federal excise tax on gasoline and diesel fuel.

However, Mr. FRENZEL has graciously agreed to include my amendment in his motion.

I feel those Members who must decide where the revenues required under the budget resolution should be raised need to know in advance that there is strong opposition to the use of fuel taxes to meet those general revenue targets.

House Resolution 41, a resolution expressing opposition to an increase in the Federal excise tax on gasoline and diesel fuel in order to reduce the deficit, now has over 228 cosponsors. The Senate has included identical language in their version of the budget resolution.

This motion instructs conferees to accept the Senate language.

Proposals during the past year to boost this tax have set rural America on its ear.

Surely you are aware that the astronomical cost of energy was a key cause of the financial crisis in rural America in the early 1980's. The energy factor played a role in combination, to be sure, with other well-intentioned but misguided Government policies that led to soaring inflation, skyrocketing interest rates, and low commodity prices.

Supporters of an increase in the gas tax argue that boosting gasoline taxes would raise the needed revenues, but my information is that it would significantly increase the drag on the economy to the tune of a billion-dollar loss in the gross national product [GNP] for each penny of additional tax.

Many of us look favorably on increases in excise taxes as a good place to raise additional revenue because they are considered to be taxes over which people have control. If you choose not to purchase the product, you do not have to pay the tax.

To me, however, there is a difference between purchasing alcohol or cigarettes, say, and purchasing gasoline. I do not think gasoline is a luxury item.

Sharp regional inequities would immediately appear. In my home State of Nebraska, the people drive much greater distances than their city cousins.

According to an American Automobile Association study, if a 9-cent-per-gallon Federal tax was added, an average Nebraska family with two drivers would pay $460.54 compared to the $293.28 their counterparts from New York would pay in total State and Federal taxes. Why should Nebraskans pay significantly more to help balance the budget than residents of New York City?

Moreover, excise taxes like this hurt the poor the most. A January 1988 Congressional Budget Office report revealed that families in the $20,000 and under income range spent at least eight times as high a percentage of their incomes for gas as do families with incomes of $50,000 or more.

According to the U.S. Department of Commerce, Nebraska's per capita income in 1987 ranked 25th among the States, or $14,341, compared to $15,340 nationally. With our wide open spaces, plus our comparative low incomes, it is easy to see that residents in Nebraska would pay off a disproportionate share of the deficit if Federal gasoline taxes increased.

The Congress has never raised transportation user fees for nontransportation purposes. For over 30 years the highway trust fund has supported the Federal-Aid Highway Program, and I do not believe it is wise to divert highway trust fund moneys which are needed for road and bridge construction and repair.

Anyway, just raising taxes alone will do little to help reduce the deficit.

Without an effective control on aggregate spending, the deficit will fail to shrink significantly no matter how much taxes may be increased—on gasoline or anything else.

Adopting this motion will send a message that the Congress must find ways to resolve the Federal deficit that will not harm the Nation's economy or inequitably burden certain sections of our Nation.

I urge my colleagues to vote for the motion to instruct conferees.

□ 1350

Mr. FRENZEL. Mr. Speaker, I yield 2 minutes to the gentleman from Illinois [Mr. PORTER].

Mr. PORTER. Mr. Speaker, let us take this option off the table. We do not need a gasoline tax. We do not need an income tax. Let us take all taxes off the table. Let us take entitlements off the table, because surely we do not want people on Social Security contributing to the solution to our deficit problem. Let us take domestic discretionary spending off the table. Certainly veterans and others should not have to contribute to solving this national problem. Mr. Speaker, let us take defense off the table. Nothing is more important. It should not have to contribute.

Let us take them all off the table and let our children and grandchildren do the paying. Let us let the Social Security reserve pay for our irresponsibilities. Let us say all the things that we do not want to do to solve the deficit problem, and let us never say what we do want to do. Let us protect ourselves politically from every special interest group, and let us tell people that they can have all the services that they want in America, and they will never have to pay for them. They can make their children and grandchildren pay for them.

Mr. Speaker, no, I opt to leave everything on the table. We have to have the courage to say how we are going to address this problem, and all this Congress seems to be willing to do is to say what we will not do to address a problem that is a crisis for America, and that we have to have the courage to address and address soon.

Mr. FRENZEL. Mr. Speaker, I yield 2 minutes to the distinguished whip, the gentleman from Georgia [Mr. GINGRICH].

Mr. GINGRICH. Mr. Speaker, I just want to urge all of our colleagues to vote for this motion. I think it is a very sound and a very prudent motion. I think that it is a good signal to the conference and to the executive branch to take $100 million out of the general government category and put it into law enforcement and try and stop drugs.

In addition, I want to thank the gentlewoman from Nebraska [Mrs. SMITH] for a very fine addition to this motion. I think it is very useful for all of us to go on record opposing any gasoline tax increase which might be applied to the general fund. We have a long tradition in this country of applying gasoline taxes only to the building of highways and to helping in transportation.

It would be a major mistake for us to get into the habit of taking gas tax increases and applying them to the General Treasury.

I want to thank both my colleague, the gentleman from Minnesota, and my colleague, the gentlewoman from Nebraska, and urge everyone to vote in favor of this motion to instruct.

Mr. FRENZEL. Mr. Speaker, I yield 2 minutes to the gentleman from Illinois [Mr. HASTERT].

Mr. HASTERT. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I just want to bring forth to this committee a proposition that is not in the budget resolution that was put on late Friday afternoon in the Senate. It is a proposition that is fairly simple. It is a proposition that says it is time that we begin to let senior citizens be productive. It is time that we need to begin to let senior citizens make a choice. If they want to be productive wage earners in this country, they ought to have the choice at age 65 to do it. It is an issue that is going to be discussed, I think, a great deal more on this floor of this House, but it is a time of an idea, and I would say that certainly I would urge the committee to take the conferees and take some time to look at this issue very seriously and to look at the issue of letting senior citizens at the age of 65 start to earn more than the $8,000 limitation that is in their Social Security before they lose $1 for every $2 that they earn.

This is something that is blue collar, it is people who earn money, it is earned income, and it is not an issue of the country-club set being able to pay their dues. It is an issue that people who have to earn money to survive at $18,000 or $20,000 a year to pay the mortgage on their home, to buy the automobiles that they need for transportation, that they can earn the money that they can pay Social Security, FDIC taxes, that they can pay the added income taxes, that they can have a choice to go on private insurance instead of Medicare by being privately employed.

It is an idea whose time has come, and certainly I urge that the conference committee look at that.

Mr. FRENZEL. Mr. Speaker, I yield myself 1 additional minute.

Mr. Speaker, we all know that instructions on conferees are not binding. We also know that function totals and sense-of-the-Congress resolutions tend to get changed in the ordinary course of play. However, I think the instruction is worthwhile and will help the conferees as we attempt to bring out this budget resolution out of conference in the swiftest time possible.

Mr. HAMMERSCHMIDT. Mr. Speaker, I rise in support of Mr. FRENZEL's motion opposing the use of a gas tax for the purpose of deficit reduction. Currently 226 voting Members and 3 Delegates of the House have cosponsored House Resolution 41 and are on the record against a gasoline tax increase for deficit reduction. This should not be interpreted as a lack of support for meaningful efforts to reduce the Federal deficit. However, a gasoline tax is the wrong way to do it. Such a tax is inflationary, pushing up the cost of production and distribution throughout the entire economy dependent on highway transportation. The resulting increased transportation costs would be substantial and would impact on national and international markets.

Studies have shown that a 10-percent increase would reduce the gross national product by nearly $10 billion, cut automobile production by 1.3 percent, and cost some 80,000 jobs in the first year and 180,000 in 3 years.

Everyone would be hurt, from the lowest-income gasoline users to the boardrooms of corporate America.

We all want a strong economy and a strong sound transportation system. I urge you to support this motion.

Mr. MINETA. Mr. Speaker, I rise in support of the motion instructing the House conferees to not increase the gas tax for deficit reduction.

The proposal by some to raise the Federal gasoline tax to help reduce the Federal budget deficit is a proposal that is wrong on its merits—and a majority of the Members of the House agree that it's wrong on its merits. That's why they have cosponsored House Resolution 41.

Such a proposal, if carried out, would break faith with the American people and coule seriously imperil the ability of the highway trust fund to meet the needs of our transportation system.

The highway trust fund and the user fees which feed it have been responsible for building the most expansive transportation system the world has ever known here in the United States.

The gas tax was first levied in 1956 with the express understanding between the American peole and the Federal Government that the trust fund would be used for transportation purposes only. To do anything less would be to take the trust out of the trust fund.

We must not break this faith with the American people. We must not look to raising the gas tax as some sort of expedient, ineffective and inappropriate stopgap in the sea of Federal red ink.

How could anyone even think of traveling down the road in the name of deficit reduction?

The answer is, "We can't." And with this motion resolution, we're now able to help ensure that we won't.

Mr. ANDERSON. Mr. Speaker, I rise in support of the Frenzel-Smith motion to instruct the budget conferees to oppose the use of gasoline taxes for deficit reduction.

All of the evidence clearly shows that the use of gasoline and diesel taxes to reduce the deficit would be regressive, unfair to rural commuters who do not have access to mass transit, and harmful to our economy.

Two hundred twenty-eight of my colleagues have joined me in support of House Resolution 41, opposing the use of motor fuels taxes for deficit reduction.

I urge those cosponsors to join me today in voting aye on this motion.

Mr. PANETTA. Mr. Speaker, I yield back the balance of my time.

Mr. FRENZEL. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the motion to instruct.

The previous question was ordered.

The SPEAKER pro tempore (Mr. FROST). The question is on the motion to instruct offered by the gentleman from Minnesota [Mr. FRENZEL].

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mrs. SMITH of Nebraska. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 397, nays 10, not voting 27, as follows:

[Roll No. 46]

YEAS—397

Ackerman	Dannemeyer	Hammerschmidt
Akaka	Darden	Hancock
Alexander	Davis	Hansen
Anderson	de la Garza	Harris
Andrews	DeFazio	Hastert
Annunzio	DeLay	Hatcher
Anthony	Dellums	Hawkins
Applegate	Derrick	Hayes (IL)
Archer	DeWine	Hayes (LA)
Armey	Dickinson	Hefley
Atkins	Dicks	Hefner
AuCoin	Dingell	Henry
Baker	Dixon	Herger
Ballenger	Donnelly	Hertel
Barnard	Dorgan (ND)	Hiler
Bartlett	Douglas	Hoagland
Barton	Downey	Hochbrueckner
Bates	Dreier	Holloway
Bennett	Duncan	Hopkins
Bentley	Durbin	Horton
Bereuter	Dwyer	Houghton
Berman	Dymally	Hubbard
Bevill	Dyson	Huckaby
Bilbray	Eckart	Hughes
Bilirakis	Edwards (CA)	Hunter
Bliley	Edwards (OK)	Hutto
Boehlert	Emerson	Hyde
Boggs	Engel	Inhofe
Bonior	English	Ireland
Borski	Erdreich	Jacobs
Bosco	Espy	James
Boucher	Evans	Jenkins
Brennan	Fascell	Johnson (CT)
Broomfield	Fawell	Johnson (SD)
Browder	Fazio	Johnston
Brown (CA)	Feighan	Jones (GA)
Brown (CO)	Fields	Jones (NC)
Bruce	Fish	Jontz
Bryant	Flake	Kanjorski
Buechner	Flippo	Kaptur
Bunning	Foglietta	Kasich
Burton	Foley	Kastenmeier
Byron	Ford (MI)	Kennedy
Callahan	Ford (TN)	Kennelly
Campbell (CA)	Frank	Kildee
Campbell (CO)	Frenzel	Kleczka
Cardin	Frost	Kolbe
Carper	Gallegly	Kolter
Carr	Gallo	Kostmayer
Chandler	Gaydos	Kyl
Chapman	Gejdenson	LaFalce
Clarke	Gekas	Lagomarsino
Clay	Gephardt	Lancaster
Clement	Gillmor	Lantos
Clinger	Gilman	Laughlin
Coble	Gingrich	Leach (IA)
Coelho	Glickman	Leath (TX)
Coleman (MO)	Gonzalez	Lehman (CA)
Coleman (TX)	Goodling	Lehman (FL)
Collins	Gordon	Levin (MI)
Combest	Goss	Levine (CA)
Conte	Gradison	Lewis (CA)
Cooper	Grandy	Lewis (FL)
Costello	Grant	Lewis (GA)
Coughlin	Gray	Lightfoot
Cox	Guarini	Lipinski
Coyne	Gunderson	Livingston
Craig	Hall (OH)	Lloyd
Crane	Hall (TX)	Long
Crockett	Hamilton	Lowery (CA)

Lowey (NY)	Payne (NJ)	Smith (NJ)
Luken, Thomas	Payne (VA)	Smith (TX)
Lukens, Donald	Pease	Smith (VT)
Machtley	Pelosi	Smith, Denny (OR)
Madigan	Penny	Smith, Robert (NH)
Manton	Perkins	Smith, Robert (OR)
Markey	Petri	Snowe
Martin (IL)	Pickett	Solarz
Martin (NY)	Pickle	Solomon
Martinez	Poshard	Spratt
Matsui	Price	Staggers
Mavroules	Pursell	Stallings
Mazzoli	Quillen	Stangeland
McCandless	Rahall	Stearns
McCloskey	Ravenel	Stenholm
McCollum	Ray	Stokes
McCrery	Regula	Studds
McDade	Rhodes	Stump
McDermott	Ridge	Sundquist
McEwen	Rinaldo	Swift
McHugh	Roberts	Synar
McMillan (NC)	Robinson	Tallon
McMillen (MD)	Rogers	Tanner
McNulty	Rohrabacher	Tauke
Meyers	Rose	Thomas (CA)
Mfume	Rostenkowski	Thomas (GA)
Michel	Roth	Thomas (WY)
Miller (CA)	Roukema	Torres
Miller (OH)	Rowland (CT)	Torricelli
Miller (WA)	Rowland (GA)	Towns
Moakley	Russo	Traficant
Molinari	Sabo	Traxler
Mollohan	Saiki	Unsoeld
Montgomery	Sangmeister	Upton
Moorhead	Sarpalius	Valentine
Morella	Savage	Vander Jagt
Morrison (CT)	Sawyer	Vento
Morrison (WA)	Saxton	Visclosky
Mrazek	Schaefer	Volkmer
Murphy	Scheuer	Vucanovich
Murtha	Schiff	Walgren
Myers	Schneider	Walker
Nagle	Schroeder	Walsh
Natcher	Schuette	Watkins
Neal (NC)	Schulze	Waxman
Nelson	Schumer	Weber
Nielson	Sensenbrenner	Weldon
Nowak	Sharp	Whittaker
Oakar	Shaw	Whitten
Oberstar	Shays	Williams
Obey	Shumway	Wilson
Olin	Shuster	Wise
Ortiz	Sikorski	Wolf
Owens (NY)	Sisisky	Wolpe
Owens (UT)	Skaggs	Wyden
Oxley	Skeen	Wylie
Packard	Skelton	Yates
Pallone	Slattery	Yatron
Panetta	Slaughter (NY)	Young (AK)
Parker	Slaughter (VA)	
Parris	Smith (FL)	
Pashayan	Smith (IA)	
Patterson	Smith (MS)	
Paxon	Smith (NE)	

NAYS—10

Beilenson	Green	Weiss
Boxer	Hoyer	Wheat
Early	Moody	
Garcia	Porter	

NOT VOTING—27

Aspin	Leland	Richardson
Bateman	Lent	Ritter
Brooks	Marlenee	Roe
Bustamante	McCurdy	Roybal
Conyers	McGrath	Spence
Courter	Mineta	Stark
Dornan (CA)	Neal (MA)	Tauzin
Florio	Pepper	Udall
Gibbons	Rangel	Young (FL)

□ 1416

Mr. DOUGLAS changed his vote from "nay" to "yea".

Mr. GARCIA changed his vote from "yea" to "nay".

Mr. HOYER changed his vote from "present" to "nay".

So the motion to instruct was agreed to.

The result of the vote was announced as above recorded.

GENERAL LEAVE

Mr. FRENZEL. Mr. Speaker, I ask unanimous consent that all Members may have 3 legislative days in which to revise and extend their remarks, and to include extraneous material, on the motion to instruct just agreed to.

The SPEAKER pro tempore (Mr. BARNARD). Is there objection to the request of the gentleman from Minnesota?

There was no objection.

The SPEAKER pro tempore. The conferees will be named by the Speaker when he resumes the chair.

APPLIED TECHNOLOGY EDUCATION AMENDMENTS OF 1989

Mr. FROST. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 143 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 143

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 7) to amend the Carl D. Perkins Vocational Education Act to extend the authorities contained in such Act through the fiscal year 1995, and the first reading of the bill shall be dispensed with. After general debate, which shall be confined to the bill and the amendments made in order by this resolution and which shall not exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Education and Labor, the bill shall be considered for amendment under the five-minute rule. It shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Education and Labor now printed in the bill as an original bill for the purpose of amendment under the five-minute rule, said substitute shall be considered by title instead of by sections and each title shall be considered as having been read, and all points of order against said substitute for failure to comply with the provisions of clause 7 of rule XVI and clause 5(a) of rule XXI are hereby waived. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendment as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore. The gentleman from Texas [Mr. FROST] is recognized for 1 hour.

□ 1420

Mr. FROST. Mr. Speaker, for purposes of debate only, I yield 30 minutes to the gentleman from California [Mr. PASHAYAN], pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 143 is an open rule providing for the consideration of H.R. 7, the Applied Technology Education Amendments of 1989.

The rule provides for 1 hour of general debate on the bill and the amendment in the nature of a substitute made in order in the rule. The hour debate is to be equally divided and controlled by the chairman and ranking minority member of the Committee on Education and Labor. The rule provides that it shall be in order to consider the amendment in the nature of a substitute reported by the Committee on Education and Labor and printed in the bill as original text for the purpose of amendment under the 5-minute rule and provides that the substitute shall be considered by titles instead of by sections and that each title shall be considered as having been read.

The rule further waives clause 7 of rule XVI, the germaneness rule, and clause 5(a) of rule XXI, prohibiting appropriations in an authorization, against the substitute. The Committee on Rules recommends these waivers in order that the substitute might be considered, since H.R. 7, as reported, represents major changes in the vocational education programs funded by the Federal Government and goes far beyond the scope of the introduced bill and, finally does contain certain appropriations for the programs created in the bill. Because House Resolution 143 is an open rule and Members will have an opportunity to amend those provisions of the substitute which do violate rule XVI and rule XXI, the Committee on Rules believes these waivers are fully justified.

House Resolution 143 provides that at the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the amendment in the nature of a substitute. Finally, Mr. Speaker, the rule provides that the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

Mr. Speaker, H.R. 7, the Carl D. Perkins Applied Technology Education Act, redirects and refocuses traditional vocational education for those students who will be entering an increasingly technologically sophisticated job market without the benefit of a 4-year liberal arts college degree. The pri-

mary focus of the changes in vocational education envisioned in H.R. 7 is the development of a coordinated academic and occupational education so that students entering the work force will be able to compete for those jobs requiring technical expertise in traditionally academic areas as well as occupational skills. The Committee on Education and Labor is to be particularly commended for the recommendation of the creation of a new "Tech-Prep" Program which would provide grant money to create 4-year programs linking the last 2 years of secondary school with the first 2 years of postsecondary school leading to an associate degree or 2-year certificate. This link between secondary and postsecondary education will provide students with the opportunity to develop expertise and competence in mathematics, science, and communications which will lead to job opportunities in an increasingly technologically complex work world.

Mr. Speaker, H.R. 7 provides the House the opportunity to bring educational reform to areas of education which have been largely ignored in the debates of recent years. I urge my colleagues to adopt the rule, which will provide ample opportunity for debate and amendment on the bill, in order that the House may consider this important legislative initiative.

Mr. PASHAYAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 143 is an open rule under which the House will consider a measure that streamlines the process by which Federal funds are distributed for vocational education and increases the authorized amounts for these highly important programs.

The bill made in order by this rule, H.R. 7, reauthorizes the Carl D. Perkins Vocational Education Act for 5 years, and sets a spending target of $1.4 billion for fiscal year 1990.

Mr. Speaker, Federal spending for vocational education is one area of our budget that should be increased, and I am happy to note that the Committee on Education and Labor has seen fit to modernize the complex set-aside provisions of the current law.

This rule provides that the committee's amendment reported from the Committee on Education and Labor will be the original text for the purpose of amendment, under the 5-minute rule, and that text will be considered by titles.

Mr. Speaker, this rule provides two waivers that are necessary if the House is to consider H.R. 7 in a timely manner and in the form it has been reported from the committee.

The first waiver is for clause 7 of rule 16, which prohibits nongermane amendments. The waiver is necessary because the Education and Labor Committee used its routine reauthorization bill as the vehicle to make major improvements in this Nation's primary vocational education programs.

The second waiver is for clauses 5(a) of rule 21, which prohibits appropriations language in a legislative bill. This waiver is necessary because the Parlimentarian's office has interpreted the bill's provisions relating to joint funding as appropriations language.

Mr. Speaker, H.R. 7 encourages coordination among and between five Federal programs: Applied technology education, the Job Training Partnership Act, basic adult education, vocational rehabilitation, and the Wagner-Peyser Act. The bill provides that basic State grants for these five programs may be used to fund the new State Human Investment Councils created by the bill. The joint funding designated purposes for which appropriated funds may be used, and thus is an appropriation.

Mr. Speaker, as reported from the Committee on Education and Labor, H.R. 7 replaces the term "vocational education" with the term "applied technology education," to reflect the fact that this Nation's vocational education courses need to teach students the kinds of skills they will need to become our future work force.

A major school in my area of California, Fresno City College, has been innovative in the area of vocational and occupational education, especially in the effort for better coordination.

Two years ago, under the leadership of Leo S. Takeuchi, the dean of the Division of Technical and Industrial Education, the college began making formal agreements with local high schools in order to coordinate course offerings and improve students' ability to complete their vocational training.

This innovative program, known as "2 plus 2, plus 2," features 2 years of high school vocational classes, 2 years of community college vocational classes, and 2 years of university level vocational classes, all leading to associate degrees in over 60 programs.

Mr. Speaker, experts in the field of vocational and occupational education have been concerned for years about the degree of duplication and the lack of coordination between our secondary and postsecondary schools. In the Fresno area, 17 high schools now have vocational education programs coordinated with Fresno City College.

One of these is Sierra Joint Union High School, where Ray Rasmussen is a vocational education instructor. Mr. Rasmussen is the one who called my attention to the Tech-Prep Education Act, which is now title III of H.R. 7.

The Tech-Prep Education Act is a new Federal program to link secondary schools and community colleges so that sequences of courses can be offered that lead students to greater technical proficiencies.

Mr. Speaker, in many ways this new Federal program seems to be modeled on the innovations being carried, today and now, out at Fresno City College.

As Mr. Rasmussen told my office the other day, "there will be a tremendous need for technicians in the future, and if we are to compete with the Japanese and other foreign countries, we will need a work force with these skills. To do this, we need to improve the way we teach young people how to work and how to make a living."

Mr. Speaker, I strongly support H.R. 7 and I urge the House to adopt this rule so that we may proceed to the consideration of this very important legislation.

Mr. Speaker, I yield 2 minutes to the gentlewoman from Illinois [Mrs. MARTIN].

Mrs. MARTIN of Illinois. Mr. Speaker, I rise in support of both the rule and the bill with compliments to all Members involved on both sides of the aisle.

Mr. PASHAYAN. Mr. Speaker, I yield 10 minutes to the gentleman from Pennsylvania [Mr. GOODLING].

Mr. GOODLING. Mr. Speaker, I take this time simply because we have a limited amount of time when we get to general debate. I know that what bothers more people than anything else, I suppose, is change. No one likes change.

□ 1430

No one likes change. Everybody fears change. Yet we are at a time when technology is changing so rapidly that if we do not change the things we do in education, we are not going to be the competitive country that we once were.

In order to make sure that change does not take place, sometimes we, although not necessarily deliberately, spread incorrect information, and that is happening now. There are many people who are being contacted, I am sure, by States who do not want to see any change. I am sure there are many who are being contacted by organizations who do not want to see any change. But I think it is important that we talk a little bit about exactly what this bill does.

So many times we have written bills that are formula driven. We do not really look at it as to what we are going to accomplish and who is going to be helped; we just look in terms of formula. We ask, what does it mean to me? But that is not the way we are going to correct the problems we now have in education.

For 30 years we have talked about access, and rightfully so. Particularly in the vocational education bill, we have talked about access, because in

some areas access was a serious problem. When we began writing this bill, however, we asked the question: Access to what? And if we could not answer, "access to quality" or "access to excellence," then access was not good enough. So the first thing we tried to do is to reexamine those seven set asides we now have in the vocational education bill, which means that the grant is so small that no one can do anything very worthwhile. We had to find some way to assure those people that in those seven setasides they were being treated fairly, that they would be considered and at the same time given the flexibility so that the local school districts will get that money in a much better manner and will receive more money so that the grant is big enough that they can do something worthwhile.

So we said, "Let's drive the money to the local level." That is what we do in the bill.

I think a sad commentary is the fact that in some States 50 percent of their payroll in their own department of education is federally financed. That is a tragedy. We hardly send them any money in the first place. Those valuable dollars should be used to help young people and adults as well, and then we find that as a matter of fact they are paying their own State department employees out of those scarce Federal dollars. So we said, "Let's drive it to the local level."

Then we said, "Let's drive the money to the areas most in need." If I have 10-percent dropout or 5 percent in my district, that is one thing, and I should be concerned about it, but I cannot live in isolation. If there are other areas where there is 30, 40, or 50 percent, I should be trying to do something from the Federal level to assist them.

So we try to drive the money to the area of most need. That is what all the studies that we have seen have criticized us for in the past in relationship to education programs; they say, "You don't target it well enough." We think we have done that in this bill.

Then we have combined advisory councils. Let me point out that if you serve on an advisory council, that is the most important thing in the world; you do not get a penny unless you happen to be the person who is responsible for coordinating. So it is very, very important, but you say. "Don't mess with my council." So we said, "Gee, if you are all trying to do the same thing, whether it is JTPA or adult education or vocational education, shouldn't you be one united council? Shouldn't you be focusing on the problem rather than on your own little fiefdom?"

So we said that we would have one council, not a separate one for all the adult programs. Then we say, "We are not only going to cause you to work together, but we will give all sorts of incentives for business and labor as a partnership is developing good programs for the future."

Then, above all, we talk about program improvement. As I said, we asked ourselves, "access to what?" And the answer kept coming back that it has to be access to excellence. If it is not access to excellence, then simple access is not any good.

So we insure that the money must be used in order to produce program improvement.

Mr. Speaker, I think we have presented the Members with a very good bill, and I hope that as the debate goes on some of those things that people have been telling us will be things that we can show are not necessarily true, that they are speaking without facts.

Let me call one other thing to the attention of the Members. There was a misunderstanding, I noticed, on my side of the aisle from the whipping post which would have indicated that there were about 10 things the administration did not like, and that if all those 10 things were not changed, this would somehow or other be veto bait. The whip will be here later to indicate that they missed the real quote. It is veto bait if the amendment stays in that says we will dictate what OMB can do, and I would expect it would be vetoed if that happened. However, they did not mean it would be vetoed if all the things they do not think are as good as they could be are not corrected. So I would hope that my side of the aisle would disregard the first report, because the whip has a new one out and he will speak to that.

Mr. Speaker, I think we have a bill that all the Members on both sides of the aisle will be able to support. In all probability, many of the Members would be happy to know that all the local entities are very much in favor of the bill. That is easily understandable because we expect to hold them accountable. However, if someone has told us that we have now given the State the power to hand out the money but no power to do anything else, that is totally incorrect, because the State, first of all, must approve the plan. Now, if the State is approving a lousy plan, then I do not have much sympathy for the State. If the State is approving a plan where as a matter of fact the local entity has taken advantage of it a time before or time and again, I would not have much respect for those who are running the State show.

Mr. Speaker, I think we have a good bill, and I think that with a few fine-tuning amendments, it will be a bill that most of the Members will be able to support.

Mr. PASHAYAN. Mr. Speaker, if the gentleman will yield, let me thank the gentleman from Pennsylvania [Mr. GOODLING] and let me take this occasion to point out that he is one of the leading Members who has labored so hard to make this bill the excellent bill it is today. Certainly the people of the 19th District of Pennsylvania have good reason to be proud of this Member.

Mr. FROST. Mr. Speaker, for purposes of debate only, I yield 5 minutes to the gentleman from Michigan [Mr. FORD].

Mr. FORD of Michigan. Mr. Speaker, I rise at this time because this is such a good bill that all the Members want to speak on it and there is very little time left available to the chairman of the committee during the general debate. So while normally I would wait until that time, I want to make a couple of remarks at this time on the rule.

Mr. Speaker, I have two principal reasons why I think this is the best vocational educational bill that we have considered in this House in the 25 years that I have been here. First, of course, I am very proud of the fact that my bill, H.R. 22, the Tech-Prep Education Act, which was introduced on January 3 and which now has over 120 cosponsors, has been made a part of the bill that is before us.

The Tech-Prep Education Act is designed to provide Federal support for linking high school and postsecondary technical training into a continuous sequence. It will help to give America a world-class work force. It will help give young people seeking productive careers, careers that will stay productive throughout their lifetime.

It was interesting to note that this week a prestigious study said we are facing a labor shortage in the near future in this country. Normally, we look at that and we say that means good things for people looking for jobs. No, quite the contrary. We will not have any shortage of people looking for jobs; we will have a shortage of people well enough trained to take the kind of jobs that are going to be available. And what Tech Prep Education attempts to do is to build on the experience we have had in the past and on some of the successful experiments that have taken place in my State to create people well enough acquainted with technology to be employable right out of school, and also to create people with a rounded education, an academic education, combined with what we used to call vocational education or technical education, that will enable them to grow with technology over their entire careers. They will not become obsolete when the next generation of technology comes along; they will be capable of growing into utilizing that technology.

□ 1440

Mr. Speaker, if we are really going to be competitive in this world, it is going

to be when we buckle down to the fact that just having outstanding engineers, and outstanding mathematicians and outstanding scientists is not enough. We have to have an outstanding work force that can put that technology to work and outproduce both in quality and volume everybody else that we are competing with in the world.

So, Mr. Speaker, I suggest to my colleagues that the support of this approach is in the enlightened self-interest of all Americans, and I am pleased to say it is a patriotic thing we can do, as well as doing the right thing for our young people's future.

Second, as the gentleman from Pennsylvania [Mr. GOODLING] has already indicated, this bill very dramatically reorients Federal policy toward vocational education. In the first place my colleagues will see that it is changing the name to use the word technology. My colleagues will find, if they go around this country, that unfortunately the words vocational education, have come to mean to entirely too many young people that the people who take that program are the ones who are not smart enough or good enough to consider precollege education. That is a very unfortunate set of circumstances, but it is not one of our design. It is just there.

Mr. Speaker, we intend this change in the name to be something substantive to indicate to the young people that we believe that an education in technology is something that this country needs and is a worthwhile place for them to put their efforts.

In addition, this bill puts more resources in the hands of local educators. It eliminates the redtape that now binds local schools and more clearly focuses Federal resources on creating high quality programs, and that is, as the gentleman from Pennsylvania [Mr. GOODLING] said, what we ought to be about, not just having more programs scattered all over the place, but have high quality programs that really produce for society generally and, for the young people who participate in them, a better result.

I would like to touch on one other point the gentleman from Pennsylvania [Mr. GOODLING] made. I hope that we do not see floating around the floor during general debate or at any other time in the consideration of the bill somebody's concocted computer printout of who the winners and who the losers are under the formula. This is the first time we have ever devised a formula in our committee without reporting on who are the winners and who are the losers because that the committee on both sides in a really extraordinary show of bipartisanship has done in tailoring these formulas is to look at what is best by looking at the whole country and what is best within a State to make sure that the money is getting to those school districts that need it the most.

Mr. Speaker, we have discovered in hearings that the system we have been operating under and are still operating under produces very disparate results. We found that in one State on the west coast everybody gets money, but the bulk of the money ends up with the school districts who need it the least, and the least money goes to the school districts that need it the most. We found one State on the east coast, New Jersey, where exactly the opposite result was produced using the same formulation. What we tried to do is what New Jersey is doing. We tried to do that for the whole country, and I believe, if we give this time to work, that it will produce that result.

Mr. Speaker, the Tech-Prep Education Act was born out of the recognition of five important facts about the technical training being given to America's young people. First, the workforce of the future will need increasing levels of technical skills. We will need large numbers of computer operators and programmers, laboratory technicians, nurses, dental hygienists, paramedics, travel agents, police officers, mechanics, welders and technicians in areas such as broadcasting, aerospace, electronics, heating, air-conditioning, instrument and appliance repair, robotics and waste treatment. As David Broder noted in a recent article, "Skill shortages, rather than job shortages, are likely to become the dominant labor problem of the future."

Second, high school vocational education, even when done well, does not provide a sufficient level of skills for most of the jobs of the future. Today, some education or training beyond high school is required for entry into about 50 percent of all job classifications. By the mid-1990's it is predicted that 75 percent of all job classifications will require some postsecondary education.

Third, training in the skills to get a first good job is not enough. Young people must have training and education that prepares them for the second, third, fourth and fifth job or career. They cannot stop the world and get off. They must be able to grow and change with the evolution of technology and the world economy. Therefore, they must know how to read, comprehend, compute, reason, analyze, communicate and solve problems.

Fourth, while most young people will need to continue their education beyond high school, the secondary and postsecondary educational systems frequently do not mesh smoothly. There is duplication and inconsistency as the two systems protect their turf and hold each other at arm's length. Consequently resources are frequently wasted and students are sidetracked rather than having their educational paths smoothed.

Finally, a great many high school students, particularly those in the general education curriculum, have no clear path either into further education or into the workforce. While existing vocational education programs are primarily designed to provide entry level jobs skills for those completing the 12th grade and the college prep curriculum usually leads students to a 4-year college, general education leads no where in particular for a large number of students.

The Tech-Prep Education Act will establish a program of Federal matching grants to consortia of secondary and postsecondary institutions to encourage the implementation of 4-year tech-prep education programs linking the last 2 years of high school with the first 2 years of postsecondary education. Tech-prep education is a combined high school/postsecondary program which leads to a 2-year degree or certificate, provides technical preparation in at least one mechanical, engineering, industrial or practical field, provides a high level of competence in mathematics, science and communications and leads to job placement.

Tech-prep education will provide technical education beyond high school and combine occupational and academic learning so that students will have the capacity to grow and change in the workplace. In addition, since tech-prep education is a joint secondary/postsecondary program and only consortia of secondary and postsecondary institutions can apply, it will help break down the barriers between the two systems. Finally, it will give many more high school students a richer, more well structured, better integrated, more focused and more challenging educational program.

H.R. 7 is a landmark in Federal support for occupational and vocational education. It breaks with the past and creates Federal education policy to produce a workforce equipped for the future.

It directs more of the funds to the local level where students and programs need help. It substitutes for State discretion in the distribution of funds of formula to allocate funds to the local level more consistently and reliably.

It sends funds to the local level based on a formula that insures that areas with the greatest need for Federal support receive increased amounts of help. The General Accounting Office found that in many States relatively affluent areas were receiving far more Federal vocational education funds per student than low-income areas.

It provides that Federal funds will be used for clearly defined purposes which will improve the quality of vocational education. Instead of the 24 uses of funds in current law, H.R. 7 will support programs which integrate academic and occupational disciplines, which offer coherent sequences of courses leading to job skills and which are of sufficient size, scope, and quality to improve educational quality in the schools.

It assures that students who are economically disadvantaged, students of limited English proficiency, students with handicaps and women have access to vocational education and that they have any special services they need in order to succeed.

It streamlines the administration of the program, relieving the local schools of paperwork and matching requirements that were both unworkable and ineffective.

It provides for improved coordination of vocational education with the Job Training Partnership Act and other Federal education and training programs.

H.R. 7 responds to the criticisms of the Federal vocational education program that have been loudly voiced from the field, and it reflects the extensive research and recommendations of the National Assessment of Vocational Education, the General Accounting Office and the Office of Technology Assessment.

H.R. 7 also reflects the best traditions of the Education and Labor Committee in bipartisan cooperation to produce innovative and effective Federal education policy. I salute Chairman HAWKINS and Congressman GOODLING, the ranking minority Member, for their leadership in bringing this outstanding bill before the House. Special recognition should also be accorded to Jack Jennings, the counsel of the Subcommittee on Elementary, Secondary and Vocational Education, who pulled the strands of this legislation together and kept it moving with great legislative skill. I would also like to express my personal thanks to Birdie Kyle, formerly of my staff and now with Congressman RAHALL, who did the background work and laid the foundations for the Tech-Prep Education Act.

I urge my colleagues to support H.R. 7.

Mr. FROST. Mr. Speaker, for purposes of debate only, I yield 5 minutes to the gentleman from Kentucky [Mr. PERKINS].

Mr. PERKINS. Mr. Speaker, I take great pleasure rising today to voice my support for this legislation. H.R. 7, the reauthorization of the Carl D. Perkins Vocational Education Act, presents a solid framework for this Congress' commitment to the training and education challenges facing us today.

I have a great interest in this legislation, not only because of my father's life-long commitment to the improvement of vocational education, but also because of the fact that I believe in the mission of this program. I have seen the difference that it can make in the lives of students, out-of-work miners learning new skills, and many others that have directly benefited from this program.

The legislative work product that is now before this House is a result of many hours of truly bipartisan effort by the Committee on Education and Labor. We decided that if we were serious about restructuring this program in a manner that would really work, we must do it together. As a result the bill that you see before you is one that passed out of both subcommittee and full committee unanimously. There is support from both sides of the isle for the thrust of this legislation and the desire to provide quality training and education to this country.

I want to thank my chairman, GUS HAWKINS, and the ranking minority member, BILL GOODLING, for their leadership and cooperation on crafting this legislation. With their wisdom and experience leading our committee's efforts we have reached our goal of providing an improved framework for this program.

Because of the changes that we have made in the basic distribution of funds in this program there have been many questions raised and some misinformation has been distributed. As I have attempted to answer questions from other members I have found that once they understand just how the legislation is designed to work many of the misconceptions and concerns are being cleared up. Speaking as one of the few southern, rural members on the committee I want to assure my fellow southerners that this is a positive, and progressive bill that will fairly treat our region.

We have designed a formula that will target funds to the areas that are in the greatest need for assistance. By making sure that the Federal share of funds for vocational education, which only make up approximately 8 percent of the total pot, are targeted and driven down to the local school districts where they can do the most good for the students, we are getting the biggest bang for the buck. First, I want to assure everyone that we have made no change in the manner in which the funds flow from the Federal level to the States. Concerning the flow of funds within the State we have been able to craft the formula to consider populations of disadvantaged students, the handicapped, and total enrollments.

As we have worked through this legislation I made sure that the needed balance between urban and rural concerns for service were addressed. Vocational education is not designed for only one or the other. In this bill I made sure that the rural concerns about service and funding were properly considered. Some State level administrators may have reservations about the loss of administration and discretionary dollars. But it was agreed that those dollars could do the most good if they were driven down to the local programs for direct and immediate improvement of vocational education programs.

It is true we do away with the variety of set-asides that we found burdened the program's efforts to properly finance program improvements. But we continue to pledge our support for all of the special populations and have provided thorough and comprehensive language that will ensure their access and participation in the programs, but without the strict designation of set-aside amounts. The set-aside provisions were shown to be a meritorious idea but the practicality was not evident in the actual application. Schools were turning back in the dollars that they had been allotted for these populations and then none of the vocational education students in that program were helped.

We have also included a variety of ideas that will assist the comprehensive mission of vocational education by: Creating new incentives for cooperation between industry and schools; having a grant program that will provide ties between secondary and postsecondary institutions to ensure a systematic flow for the training and education of participants; integrating greater coordination among a variety of Federal programs, and many other challenging ideas.

With the cooperation of my chairman and the ranking member I have included a provision in title III of this act that will provide grants for improvement of facilities and the acquisition of equipment to those areas with the greatest economic need. I have found in my visits to my area's vocational education facilities that we are attempting to provide training for jobs in the 1990's with facilities and equipment out of the 1950's and 1960's. I am here to tell you that it is not working. Because of this need I have included in this legislation a provision that will provide grants for these needs to areas with populations of economically and of educationally disadvantaged children, of 20 percent or higher.

We must be serious about this program if we are serious about training these students to compete in the world's economic market place of the 1990's and into the next century. If we are not committed to this effort then we should stay the course and not embrace these progressive changes. By closing our eyes and staying the course we will guarantee that our children will be on the sidelines watching the Japans, the Koreas, the Common Markets, and many others that we do not even know about yet making the economic decisions for them. I know that I do not want that for my son or daughter and I am sure that you do not want it either.

So to prevent this I am asking you to say yes to H.R. 7 and say yes to the positive and challenging changes included in this legislation.

□ 1450

Mr. PASHAYAN. Mr. Speaker, I yield such time as he may consume to the gentleman from Missouri [Mr. COLEMAN], a member of the Committee on Education and Labor.

Mr. COLEMAN of Missouri. Mr. Speaker, I thank the gentleman for yielding me such time as I might consume.

Mr. Speaker, I wish to speak in support of a technical amendment to section 247, "Cooperative Demonstration Programs," which gives the Secretary of Education discretionary authority to fund model demonstration programs in the area of vocational and technical education.

I want to thank both Chairman HAWKINS and Mr. GOODLING, the ranking member of the Education and Labor Committee, for including this

amendment in the committee amendments which will be offered today.

Last year, in the Omnibus Trade and Competitiveness Act of 1988, the House included new provisions under the Job Training Partnership Act for dislocated workers. These amendments included in the definition of dislocated workers those individuals who were self-employed, including farmers. Additionally, the amendments allowed the Secretary of Labor to conduct demonstration programs. Of the four programs listed in law, one provides for a dislocated farmer demonstration program.

My amendment broadens the scope of services provided by such a dislocated farmer demonstration program. It authorizes the Secretary to make grants to support model demonstration programs providing both counseling and improved access to applied technology education programs through Agriculture Action Centers.

Such centers will assist farmers, farm families, and individuals engaged in agriculturally-related businesses and industries who are facing, because of the continuing farm crisis, the loss of their land, their traditional means of livelihood, or agriculturally-related jobs in the rural business or industry sectors.

Dislocated farmers, their families, and dislocated workers in farm-related businesses and industries and a desperate need for crisis-management counseling and outreach services, to assist them in dealing with the financial and resulting psychological stresses and in making a transition to a new career.

My amendment includes evaluating vocational skills and providing counseling to enhance these skills; providing assistance in literacy training; training in job search and employment-seeking skills; training related to operating a business or enterprise; and on-the-job training, where possible.

Further, such agriculture action centers will provide centrally coordinated services in rural and sparsely populated areas. Worker dislocation occurs not only in the context of mass layoffs or plant closings, but can also occur in areas where virtually every aspect of the economy is tied to agriculture and farm commodity prices.

My amendment works in concert with the dislocated worker provisions in the trade bill and with programs authorized by the Rural Crisis Recovery Act of 1987. Furthermore, this amendment requires that these activities be coordinated with State and Federal activities operated under title III of the Job Training Partnership Act and calls for joint regulations to be developed between the Departments of Education and Labor.

Mr. PASHAYAN. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. FROST. Mr. Speaker, for purposes of debate only, I yield 4 minutes to the gentleman for Ohio [Mr. SAWYER].

Mr. SAWYER. Mr. Speaker, I want to join with my other colleageus this afternoon to congratulate our chairman, the gentleman from California [Mr. HAWKINS] for his courage and tenacity getting this bill to the floor today.

I found this reauthorization process gratifying because we were actually able to solicit and synthesize a vast amount of information and design a common sense blueprint for positive change.

This legislation and the vocational educational programs it supports in this Nation need to be elevated, and I think what the committee did will help to achieve this goal.

Mr. Speaker, one of the areas in which this elevation is most important concerns the level of academic competency that is achieved by students in vocational education programs. If vocational education programs, and their graduates, are to realize their full potential, they will need to obtain the same basic skill credentials that their counterparts in basic academic settings receive. Under the provisions of our bill only those programs that integrate both academic and occupational studies will receive Carl Perkins Federal funding. Academic and occupational competencies will be measured, enabling us to plainly see where improvements are necessary.

If vocational education programs are to be on the leading edge of larger national efforts to change the way we learn and train for our jobs, then this kind of approach, incorporating higher order learning skills, is absolutely essential.

There was a time when a man could go to work with a good attitude and a set of tools and earn himself a pretty solid living, but today a man or a woman in the workplace needs the full range of skills that our schools are able to provide them with. The old distinctions between blue and white collar work may today be forever blurred. This measure goes far to reflect that change in our schools as well.

I would also like to thank the Chairman and members of the committee for including in this package my amendment on teacher training and development. Teacher training and recruitment problems are endemic throughout our education system—1 million new teachers will be needed by the end of the century—but the problem is particularly acute in the vocational education field. Poor working conditions, a perceived lack of status of faculty and noncompetitive salaries in some places are preventing talented teachers from joining the system and driving existing teachers into careers in business and industry.

The leadership development awards and professional development fellowships that are authorized under this bill—$5 million—should go a long way towards building capacity into the system.

Let me finish, Mr. Speaker, by expressing my sincere admiration for the work that has been done on this bill. I would also like to express my gratitude to our ranking member, the gentleman from Pennsylvania [Mr. GOODLING] for his leadership in this process. I look forward to working with you and all our distinguished committee colleagues as the reauthorization moves forward.

Mr. FROST. Mr. Speaker, for purposes of debate only, I yield 2 minutes to the gentleman from Illinois [Mr. POSHARD].

Mr. POSHARD. Mr. Speaker, I rise in strong support of H.R. 7, the Carl D. Perkins Applied Technology Education Amendments of 1989.

In the southern Illinois district which I represent, education and training aimed at preparing men and women for the job force is absolutely vital. The 22d district has the highest unemployment rate in the State and my constituents depend upon the skills training which the Carl Perkins program offers. We must be willing to provide opportunity for students whose gift is technical in nature just as we do for those with other kinds of skills.

I believe that H.R. 7 refines and improves the Perkins program. It is designed to get more money directly to those school districts which need it most, including rural communities. I have schools with kids who need this special kind of assistance, but the schools have trouble enough these days providing just the basics within limited budgets. This is the kind of coordinated Federal assistance that makes the most sense, because it gives students a chance to fulfill their potential and trains them for one of the most important responsibilities they will ever have, holding down a job. Since the program's matching requirements have been eliminated and the funds are less restrictive, there should be more money for schools with fewer resources.

In addition, the bill strengthens our commitment to integrating academic and technical training. My colleagues, Congressman SAWYER, Congressman PAYNE, and I, introduced H.R. 1787 to explicitly link technical and academic skills. As a former educator, I know that link needs to be strengthened, and I believe our bill does just that. The text of our bill was incorporated into H.R. 7, as were a number of others.

Congressman FORD's tech-prep program is undoubtedly one of the most innovative education bills. It integrates the last 2 years of high school technical training with the first 2 years of post-secondary training. The inclusion of H.R. 22 into this bill strengthens and expands the Perkins program.

My colleague, the gentleman from Kentucky, Mr. CHRIS PERKINS, is responsible for another important provision of the bill. He drafted the section of the bill which would provide Federal funds to allow schools to improve their technical education facilities and acquire new equipment.

The aim of my colleagues and I on the Education and Labor Committee was to draft a bill which would expand skills training, improve academic education for those students, and to improve access to technical education programs. I believe we have done that.

Let us show we care about students of varied interests and ability, and make a commitment to the students who form the bedrock of our economy and our communities.

I commend Chairman HAWKINS and the gentleman from Pennsylvania, Mr. GOODLING, for the bipartisan cooperation they have demonstrated throughout the process of developing this bill, and I urge all of my colleagues to vote in favor of its passage.

□ 1500

Mr. FROST. Mr. Speaker, I yield 4 minutes to the gentleman from New Mexico [Mr. RICHARDSON].

Mr. RICHARDSON. Mr. Speaker, I would like to enter into a colloquy with the chairman of the committee. In doing so, I would like to express my strong support for this legislation, but I have learned of a number of concerns which have been expressed by some specialists in the field of vocational education in my State, and I would like to know if the chairman would be willing to enter into a colloquy to address some of these concerns.

Mr. HAWKINS. Mr. Speaker, will the gentleman yield?

Mr. RICHARDSON. I am happy to yield to the gentleman from California.

Mr. HAWKINS. Mr. Speaker, yes, I am more than willing to enter into a colloquy with the gentleman from New Mexico.

Mr. RICHARDSON. Mr. Speaker, concern has been expressed over the method of allocating Federal funds under the act. With the exception of sex equity and displaced homemaker funds, set-asides for special populations have been eliminated. It is my understanding that in changing the funding mechanism, the committee did not intend to harm Federal funding for other special populations and that all special populations will still receive Federal funding. Is that correct?

Mr. HAWKINS. Yes, that is correct. What we have attempted to do under H.R. 7 is use a weighted formula to drive funds to local educational agencies and postsecondary institutions which serve large numbers of disadvantaged and handicapped students. It is the intent of the committee that Federal funds be used to provide special population students with the best vocational education available.

Mr. RICHARDSON. Mr. Speaker, the committee also abolished the State Council on Vocational Education and the State Job Training Coordinating Council and created in their stead a new State Human Investment Council. Some have expressed concern that a natural checks and balance guaranteeing quality vocational education has been eliminated and that the new council will be overburdened with the tasks of the two former councils. I understand that the committee believes there will be greater and improved coordination under the new council, thus insuring quality vocational education. Is this correct?

Mr. HAWKINS. Yes, that is correct. By having one council responsible for advising the Governor on activities under Federal job training programs, the committee believed Federal dollars would be used more effectively and efficiently in this critical area.

Mr. RICHARDSON. Mr. Speaker, I understand that authorization for adult training and retraining has been eliminated under title III of the act. Economic development in many States, including my State of New Mexico may be jeopardized unless adult training is included. I understand that the committee has included better and stronger provisions for adult training and retraining in the new act. Is this correct?

Mr. HAWKINS. Yes, that is correct. It was eliminated because it never received funding. However, adults enrolled in training programs in secondary schools are counted for purposes of allocating funds. Second, the postsecondary formula allocates funds on the basis of disadvantaged and handicapped students in postsecondary institutions as well as on the basis of general enrollment in these institutions. Finally, H.R. 7 authorizes the tech-prep program which provides funds to programs that integrate secondary and postsecondary vocational training.

Mr. RICHARDSON. Finally, Mr. Speaker, the term "academically disadvantaged" has been removed from the definition of disadvantaged. It is my understanding that Hispanics, native Americans, and women students who are currently participating under the definition of "academically disadvantaged" will still be able to participate under the new legislation. Is this correct?

Mr. HAWKINS. Yes, that is correct. Many States used the term "academically disadvantaged" to direct funds away from poorer school districts into wealthier ones. It is the committee's intent that funds can be used for services to "academically disadvantaged" students after funds have been allocated to schools and eligible postsecondary institutions based on the numbers of economically disadvantaged students, handicapped students, and general enrollment.

Mr. RICHARDSON. I thank the chairman for taking time to address these concerns. I urge strong support for this.

Mr. Speaker, I rise in strong support of H.R. 7, the applied technology education amendments which will provide critically needed Federal support of vocational education programs.

Last year a report entitled "One-Third of a Nation" drove home the fact that America is moving backward—not forward—in its efforts to achieve the full participation of minority citizens in the life and prosperity of the Nation. Education statistics corroborate this gloomy outlook. Native Americans have the lowest high school graduation rate of any minority group while the dropout rate for Hispanics has been estimated to be as high as 50 percent. Minorities have also sustained critical losses over the last decade in higher education. College enrollment of Hispanic high school graduates has declined from 51 to 47 percent while native American high school graduates have the lowest college enrollment at 17 percent. Black enrollment has also dramatically declined.

Because over 40 percent of New Mexicans are Hispanic and over 9 percent are native American, the negative trends reported in "One-Third of a Nation" have a disproportionate and serious impact on New Mexico. Vocational education is a practical and viable alternative for many of these youths. In fact, Federal vocational educational funding has allowed 150,000 New Mexicans to receive the education and training they need to be productive citizens.

I believe H.R. 7 will help these and other Americans receive the applied technology education they need to fully participate in the life and prosperity of an increasingly competitive society. More importantly, America's commitment and investment in vocational education will help us compete with our Asiatic and European neighbors in an increasingly international and global world market.

Having said that, however, I have learned of a number of concerns that have been expressed by specialists in the field of vocational education. Under current law, 57 percent of a State's grant is reserved for services to the handicapped, the disadvantaged, displaced homemakers, adults, and criminal offenders, as well as for sex equity programs. Because H.R. 7 retains the sex equity and displaced homemakers set-asides as they are in current law, yet eliminates the other set-asides, some have expressed concern that the bill's method

of allocating funds will harm funding for other special population groups.

I understand however, that the committee received testimony indicating that the set-aside system led to extremely small grants and marginal vocational education instruction. To avoid this critical problem, H.R. 7 uses a weighted formula to drive funds to local educational agencies and postsecondary institutions serving large numbers of disadvantaged and handicapped students. Additionally, under the act, recipients of Federal funds must first serve schools with the highest numbers of economically disadvantaged, handicapped, or limited English-proficient students. More importantly, the committee's goal in developing the weighted formula was to provide special population students with the best vocational instruction available.

H.R. 7 also abolishes the State Council on Vocational Education and the State Job Training Coordinating Council and creates in their stead a new State Human Investment Council. My second concern, thus, was that the committee inadvertently eliminated a natural checks and balance which guaranteed quality vocational instruction, and possibly overburdened the new council with the tasks of the two former councils. I understand, however, that the committee strongly believes Federal dollars will be used more effectively and efficiently by having one council responsible for advising the Governor. More importantly, by coordinating activities under one council, quality vocational instruction and education can be assured.

I also understand that the authority for adult training and retraining has been eliminated under title III of the act. Economic development in many States, including my State of New Mexico, may be jeopardized unless adult training is included. I understand the committee eliminated this program because it never received funding. More importantly, H.R. 7 includes better and stronger provisions for adult training and retraining in the new act. Specifically, adults enrolled in training programs in secondary schools are counted for purposes of the formula allocation, and the postsecondary formula allocates funds on the basis of disadvantaged and handicapped adults in eligible postsecondary institutions. Finally, H.R. 7 authorizes the Tech-Prep Program which provides funds to programs that integrate secondary and postsecondary vocational training.

My fourth and last concern is the removal of the term "academically disadvantaged" from the definition of disadvantaged and the accompanying fear that Hispanics, women, and native American students currently participating under the definition of "academically disadvantaged" may no longer be able to participate. I have been informed by the chairman of the committee that many States used the term "academically disadvantaged" to direct funds away from poorer school districts into wealthier ones. This trend was illustrated by a General Accounting Office finding that the San Ramon School District received 27 times as much funding per low-income student as the Oakland, CA, School District, a much poorer district with less than half the median family income of San Ramon.

It is, thus, the committee's intent that funds can be used for services to academically disadvantaged students after funds have been allocated to schools and eligible postsecondary institutions based on the numbers of economically disadvantaged students, handicapped students, and general enrollment.

Finally, I am pleased the committee has included provisions in H.R. 7 for native American vocational education that are similar to legislation I introduced early in the 101st Congress. Specifically, H.R. 7 will authorize a stable source of Federal operations funding for the only two tribally controlled institutions providing vocational/technical training to native Americans, the Crownpoint Institute of Technology in New Mexico, and the United Tribes Technical Center in North Dakota. These two institutions are the only Indian tribal educational institutions which are not provided for by Federal authorizing statute. Yet, in the face of astronomically high unemployment rates on the reservations, these institutions transform unemployed native Americans on our welfare rolls into proud productive citizens contributing to tribal and State economies.

Mr. FROST. Mr. Speaker, I have no further requests for time, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore (Mr. BARNARD). Pursuant to House Resolution 143, and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 7.

□ 1505

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 7) to amend the Carl D. Perkins Vocational Education Act to extend the authorities contained in such act through the fiscal year 1995, with Ms. PELOSI in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from California [Mr. HAWKINS] will be recognized for 30 minutes, and the gentleman from Pennsylvania [Mr. GOODLING] will be recognized for 30 minutes.

The Chair recognizes the gentleman from California [Mr. HAWKINS].

Mr. HAWKINS. Madam Chairman, I yield myself such time as I may consume.

Madam Chairman, it is my pleasure to bring before the House today H.R. 7, the Applied Technology Education Amendments of 1989, which amends and reauthorizes the Carl D. Perkins Vocational Education Act.

H.R. 7 is not routine, business as usual reauthorization. Instead, it is a comprehensive measure intended to adapt old-line vocational education thinking to the modern era of rapidly changing technology advancement and challenges. H.R. 7 will make vocational education relevant and consequential to change in today's labor force and in the increasingly complex marketplace of the future.

The Perkins applied technology education amendments are the result of several years of study of the effectiveness of our current vocational education system. We had many days of expert testimony from a broad array of organizations and individuals who have academic, practical, and employment expertise, went on several on-site visits and held forums, and incorporated ideas from the many suggestions of Members, from both sides of the aisle.

I would especially like to express my deep appreciation to the ranking minority member of our committee, Mr. GOODLING of Pennsylvania, who, as he always does, brought his creative expertise to our deliberations and provided his thoughtful leadership to our discussions on this bill.

With his help, H.R. 7 was unanimously reported from the Education and Labor Committee, and I believe the Members of the House will find that Democrats and Republicans, liberals and conservatives, and urban and rural Members alike will feel comfortable supporting this important measure.

The principal theme of our bill is that we can't go on with business as usual. While there are decent vocational education programs, in general, they are no longer acceptable because they are not adequately preparing the workers who will be called upon to increase our country's international competitive position. We simply cannot afford to maintain the status quo.

It has been estimated that over 60 million people are functionally illiterate in America today. More than one-third of the Nation's corporations must provide courses in reading, writing, and arithmetic, and the Army gives courses to bring recruits up to just the ninth grade level in reading.

It is pure folly to expect people who lack such basic education to be able to function properly in jobs that require technical skills, let alone the complex, technical requirements of the employment opportunities of the 21st century. Our Nation will never succeed in addressing this problem unless we are willing to put aside our many parochial interests and forge ahead in a coordinated and united effort to comprehensively prepare well-educated, skilled workers.

I am pleased to say the Perkins applied technology bill does just that.

While we continue Federal support for occupational education programs in the schools, we substantially revise and strengthen the current law in order to improve the provisions of programs at the secondary, postsecondary, and adult levels.

First, and most importantly, we require the integration of academic and vocational education courses so that students will be assured of learning both basic educational skills as well as job skills. This will provide employers with workers who can think critically, participate more in planning and decisionmaking, and adapt quickly to change.

This should also effectively end the harmful tracking of students into purely vocational courses, without the necessary supplementation of the equally important elements of the academic curriculum.

H.R. 7 retains the goal of serving special populations, that is, the economically disadvantaged, the handicapped, and the limited English-speaking, by replacing most of the burdensome set-aside requirements with a targeted funding formula. Eighty percent of the funds given to a State will be distributed by formula to the local level with needier areas receiving relatively more money. Access to programs by special populations will be assured at the local level by a results-oriented implementation and enforcement procedure.

All areas of our country, from the urban, inner-cities, to isolated rural areas, will gain from this more targeted formula, and the special populations, such as the economically disadvantaged and handicapped, will receive more funding.

H.R. 7 requires greater coordination between five Federal programs that are concerned with education, employment, and training, A new common advisery council will be formed, as well as encouragement of joint funding of Applied Technology Education, the Job Training Partnership Act [JTPA], Adult Education, Vocational Rehabilitation, and the Wagner-Peyser Act.

The Perkins Applied Technology Act also establishes a new "Tech-Prep" Program which increases coordination between high schools and postsecondary institutions, by linking the last 2 years of high school with 2 years of community college, in a sequence of courses intended to produce more technically proficient students.

In conclusion, changing the name of the Perkins Act, from vocational education to applied technology education, is not just gimmick. It is more than symbolic, for not only does it imply that we need more up to date and relevant job training and education activities, but it also signifies the emergence of a genuine transformation in the way we prepare students for the world of work.

As we know so well, it is never easy to embark on the road of change, but I believe this bipartisan bill represents a very big step toward enhancing the education and occupational training the workers of tomorrow will receive. I therefore urge you to vote for increasing our productivity, increasing our international economic standing, and increasing the education and skills of our most precious resource of all, our people.

I urge the Members to support passage of H.R. 7.

□ 1510

Mr. GOODLING. Madam Chairman, I yield 4 minutes to my distinguished colleague, the gentlewoman from New Jersey [Mrs. ROUKEMA].

Mr. CONTE. Madam Chairman, will the gentlewoman yield?

Mrs. ROUKEMA. I am happy to yield to the gentleman from Massachusetts.

Mr. CONTE. Madam Chairman, I commend the gentlewoman in the well for her fine work on this bill. As she knows, I happen to be a graduate of vocational education myself. I strongly support the bill.

Madam Chairman, I rise in support of H.R. 7, the extension of the Carl D. Perkins Vocational Education Act. As the proud product of the vocational education schools of my hometown of Pittsfield, MA, I have been one of the strongest advocates for vocational education in the House of Representatives. Year after year, including 1 year when President Reagan requested zeroing out all funding for vocational education, I have worked with my colleagues on the Subcommittee on Labor, Health and Human Services, and Education appropriations to sustain and expand funding for this vital program. I am pleased today to support a 5-year extension of the act.

I want to commend my colleagues on the Education and Labor Committee for the hard work and long hours that went into the legislation we have before us today. It has not been an easy task, but it is probably one of the most important bills we will consider during the 101st Congress.

The committee has attempted to craft a bill that would allow students to more effectively benefit from quality vocational education by granting local school districts and colleges more say both in how their allocations and the State shares should be used. Among the major improvements in the bill are the proposed new program of cooperation and coordination between the local high schools and community colleges—the Tech-Prep Program, the program of educational personnel development, the integration of traditional vocational and academic programs into one, and the new equipment and facilities program to help school districts improve their programs.

The committee also has decided to scrap most of the set-asides in the existing law. These set-asides have worked well in my State, and in many States, increasing the participation of the targeted population groups. I am not convinced that the committee approach to put in place a new formula for distributing the funding within States is the best way to go, but I am confident that we can work out the best possible approach as the reauthorization process continues. I understand that sufficient information does not currently exist either within the administration or in Congress to determine the actual effects of this new formula on individual school districts or counties.

Similarly, I am not convinced that vocational education as a term does not have enough stature or meaning to describe the kinds of education needed to prepare our young people for the 21st century. I am proud that I benefited from vocational education and I know that large numbers of young Americans feel the same pride each year as they apply the skills they learned in vocational education to the American economy. But this, too, can be adjusted during the rest of the reauthorization process.

Madam Chairman, I urge my colleagues to support reauthorization of the Carl D. Perkins Vocational Education Act.

Mrs. ROUKEMA. Madam Chairman, today we are considering legislation that not only reauthorizes an important program, but also makes fundamental changes to vocational education in an effort to create a more competitive work force.

Acknowledgments must be given to the chairman of the committee, the gentleman from California [Mr. HAWKINS] and the ranking Republican, Mr. GOODLING for the exemplary work thay have done in advancing this solid legislation.

I am most hopeful that the changes we have made in the Carl D. Perkins Act to place the emphasis on applied technology will result in better teaching methods, better coursework and better preparation of students in the job skills they will need to enter an increasingly competitive work force. If we are to build a world-class competitive work force, we must prepare students in the best possible way to understand the skills they need, both academic and technical, to succeed in today's world economy. This is why I have and will continue to support programs that include the key ingredient of what I call on-the-job training. I believe this bill moves toward that goal by expanding apprenticeship arrangements with business, internships and education/business partnership programs.

In order to provide the skills needed for the future, we need to promote cooperation between schools, business and labor. The performance standards in this bill take technical education in this direction to ensure that the education provided will be an asset to both student and employer in a changing economy. In addition, the provisions of tech-prep will articulate secondary and postsecondary programs to enhance a quality and continuous course of study. The goal of all these programs must be to place our applied

technology students in the kinds of jobs upon which our economy depends.

While I generally support the changes this bill makes to improve vocational education, there is one very important and major change being made by this bill which concerns me. That is the new formula used to determine where Federal funds for applied technology will go. I applaud the effort to make necessary changes in the program to ensure that the funds appropriated are used to serve schools and students that need the most help. However, there is little evidence to show how the new allocation formula will actually affect vocational education programs in our congressional districts and States-at-large.

I will, therefore, be offering an amendment which will protect school districts suffering cuts under the new formula from being financially devastated. My amendment will give those areas that face cuts under the new formula a reasonable time to adjust to the decreased funding and to develop alternate resources to replace the funding cut by the new formula. I must stress that it only phases in the new formula, but does not violate the reforms of the set aside programs. This bill that makes such a fundamental change needs at least some solid assurances to prevent the gutting of vocational education programs in many areas of the Nation. I look forward to the debate on my amendment and urge my colleagues to speak out to support it.

Mr. HAWKINS. Madam Chairman, I yield 3 minutes to the gentleman from Illinois [Mr. HAYES].

Mr. HAYES of Illinois. Madam Chairman, I rise in strong support of H.R. 7, the Applied Technology Education Amendments of 1989. Once again this Chamber is blessed with the task of approving a carefully crafted education measure presented to us by the distinguished chairman of the Education and Labor Committee, GUS HAWKINS of California. I offer my sincere congratulations to the chairman for a job well done.

I would also like to acknowledge the hard work of the distinguished ranking minority member of the committee, BILL GOODLING. Both of my colleagues should be proud not only of the content of H.R. 7, but also of the bipartisan spirit in which it is being presented to the House.

Additionally, I commend the staff of the Subcommittee on Elementary, Secondary, and Vocational Education, particularly the counsels on both sides of the aisle. Their tireless efforts have ensured that the measure before us is representative of the many competing interests that have come to the committee with recommendations for provisions in this vocational education measure.

The Applied Technology Education Amendments of 1989 hold the promise to vastly improve the delivery of vocational education services in America. Their enactment will provide the resources and incentives for our various State and local education agencies to deliver the instruction and services necessary to meet the challenges that our youth will face in the 1990's.

During the reauthorization process, the committee learned of several critical factors that seriously hamper the effectiveness of the Carl Perkins Vocational Education Act. As a result of the increased emphasis on academics in many communities, vocational education has been forced into a second-class status. If America is to remain competitive in the world community, if we are to have a labor force capable of meeting the challenges of technological advances, then our vocational education system must be geared to that goal. Unfortunately, as the committee discovered during its hearing and investigative process, many vocational education programs currently are not up to that task.

The proposed amendments contained in H.R. 7 clearly address those deficiencies and we on the Committee on Education and Labor believe they will foster the reform that vocational education needs. First and foremost, that reform requires that students have access to quality programs which utilize scare Federal funds as efficiently as possible. The Applied Technology Education Amendments of 1989 do exactly that.

Just as we have instituted reforms in military procurement which seek to eliminate the purchase of over-priced items, H.R. 7 seeks to eliminate misdirected vocational education spending by driving funds to areas of greatest need. There is no excuse for affluent school districts to receive scarce Federal funds when economically distressed districts cannot garner needed resources to meet the needs of their students.

The redirection of vocational education funds has not, and will not, please everyone, especially those Members whose districts will receive less Federal assistance. To lessen the effect of that loss of funding, H.R. 7 provides a rolling hold harmless provision to limit the reduction to no less than 75 percent of the average of its allocation percentage for the 3 preceding fiscal years. While it is true that this mechanism continues to over fund affluent districts at the expense of distressed districts, its merit is that it is short lived and will give school districts time to prepare for reduced or increased Federal assistance as the case may be, and therefore utilize the adjusted funding in the most efficient manner possible.

I believe any attempt to modify this hold-harmless provision will only serve to further the misdirected funding of vocational education that the committee seeks to correct.

While every aspect of this legislation merits recognition, due to my limited time, I would like to mention just a few. The first is the integration of vocational and academic skills. I believe this will not only improve the caliber and quality of instruction for vocational education students, it will also foster greater employability for them as well.

The establishment of a State human investment council to review the provision of services and the use of funds and resources under the Carl Perkins Applied Technology Act, ensures that they will be efficiently used. It will also apply to the Adult Education Act, the Job Training Partnership Act, the Rehabilitation Act of 1973, and the Wagner-Peyser Act, thereby providing a coordinated effort.

In closing Madam Chairman, I would like to mention an aspect of the measure before us which I previously had concerns over, namely, the elimination of set-asides for three special population groups—students with handicaps, students who are economically disadvantaged, and students with limited English proficiency. Given the historical nature of set-asides in vocational education, I must tell you that I had serious reservations on removing them.

However, during our deliberation on H.R. 7, we learned that those three set asides were clearly not working. In their place, there are stipulated clear assurances that access will continue to be provided to the programs for the three special populations the set-asides were meant to benefit. I am confident the assurances contained in the measure will work and that they will continue to address the needs of the three populations.

I urge my colleagues to support H.R. 7, not only with their words, but also with their votes.

Mr. GOODLING. Madam Chairman, I yield 3½ minutes to the distinguished gentleman from Wisconsin [Mr. GUNDERSON].

Mr. GUNDERSON. Madam Chairman, this is a very, very special day for all of us in the Congress because this is the day we will pass probably the most dramatic education reform piece of legislation to come before the Congress, at least in the last decade, and the gentleman from California [Mr. HAWKINS], and the gentleman from Pennsylvania [Mr. GOODLING], deserve a very special recognition for all of their work and contributions to this legislation.

This is the most comprehensive reform as well of vocational education that we have seen in some time here in the Congress. What we are doing is really making three major changes.

First and foremost, we are talking now about applied technology programs, not basic survey vocational education.

Second, we are talking about coordination in a way we never have before through the State Human Resources Councils where the vocational education, JTPA, adult education, and Wagner-Peyser councils are all going to work together to assure one comprehensive education program at the State level.

Third, and probably most important, we are under this legislation now going to be serving people, not quotas.

□ 1520

The reality is, ladies and gentlemen, that 57 percent of the people entering the workforce in this country in the decade of the 1990's are going to be minorities, special populations. We do not have a jobs shortage in this country; we have a skills shortage in this country.

This legislation seeks to empower each and every one of those individuals in the maximum degree possible so that every person will have a full opportunity to partake of the American dream.

Madam Chairman, I would like to call special attention to this fact and to a memo that has been written by the committee staff which I am going to request unanimous consent be included within my remarks in the RECORD because this responds to every one of the concerns about handicapped and all of the guarantees within this legislation for the handicapped population, 5 pages of specific references to where this legislation will assure the handicapped community more protection, more opportunities, and more empowerment than they have ever had before in the vocational education legislation.

In addition, we are making changes in the formula to assure that the money under this legislation will go to the areas based on need. That is exactly where our vocational education money ought to go.

We have provided an enhanced, in my opinion, sex equity displaced homemaker program and we are going to the local schools and we are saying we recognize even with the reforms of the last reauthorization the reality is that a number of districts still could not find it worth their while to participate.

In my congressional district, of 79 local education agencies unfortunately 36 of them did not participate in the previous program. We are talking what in the past has been seven different paperwork streams and consolidating them under this legislation into one major application.

Certainly that is the concept of reform whereby we are providing a contract for excellence. Under the contract for excellence, "Show us that you have the commitment to academic improvement to apply technology excellence to full access for all of your school population and we will give you the flexibility to serve people and to promote education, not to meet quotas and paperwork."

Madam Chairman, I strongly recommend the passage of this legislation.

MAJOR AMENDMENTS PERTAINING TO STUDENTS WITH HANDICAPS

1. Section 101(e): State Human Resources Councils.—State Human Resources Councils established under this Act will review the provision of services and resources under the Rehabilitation Act and advise the Governor of methods of coordinating the provision of services and uses of funds under the Rehabilitation Act with programs under Adult Ed, Carl Perkins, JTPA, and the Wagner-Peyser Act. Such recommendations related to coordination must be consistent with the purposes of the Rehabilitation Act. (This council would replace the State Vocational Education Council. It is anticipated that this new council will be able to facilitate greater coordination across vocational education, rehabilitation, adult education, and JTPA programs.)

2. Section 104(c): Joint Funding of Federal Programs.—Funds made available to States under the Rehabilitation Act may be used in the joint funding of programs under the Carl Perkins Applied Technology Education Act, Adult Education Act, JTPA, and/or the Wagner-Peyser Act. Such use of funds from any act must be consistent with the purposes of that act, and a State would be prohibited from using any funds under one act to meet its level of obligation for a State match under another act. The primary purpose of this provision is to encourage pooling of resources so that services are provided in a timely and effective manner. The Rehabilitation Act requires a 80/20, State/Federal match. The Carl Perkins Applied Technology Education Act would have no match. JTPA requires a State match only on its administrative costs.

3. Section 105(2): Eligibility Under JTPA.—Handicapped individual is clarified to include an individual eligible for services under EHA.

4. Section 213: State Administration.—States would be required to assure access to applied technology education to student with handicaps between the age of 12 and the mandated upper age limit for special education in the State. (This includes students who drop out and wish to return to school.)

5. Section 217: Local Applications.—In Local Applications, applicants would be required to describe how they will, for special populations:

Provide access to good quality programs to students who are economically disadvantaged, students with handicaps, and students who are Limited-English Proficient. (Special populations).

Monitor programs of applied technology programs provided, and with respect to students with handicaps, this includes those with IEP's and those who have returned to school having dropped out.

Facilitate and promote effective transition of special populations; with respect to students with handicaps, the LEA may include a description of how it intends to access and use vocational rehabilitation counselors in providing such effective transition.

6. Section 218: State Improvement Plans.—In State Improvement Plans, States would be required to determine whether special populations have been provided access to quality programs. In addition these plans are required to specify many things that would have a positive impact on special populations such as the extent to which—

Academic and applied technology education are being properly coordinated for the benefit of students;

Schools and institutions are offering coherent sequences of courses leading to occupational skills;

Academic and occupational competencies are required by students who complete these courses;

Equipment, facilities, supplies, curriculum development, and teacher education are modern;

Access is provided to good quality programs for special populations; and

Data collected on proportionate numbers of special population students shall be evidence of compliance with the access provisions of the Act.

7. Section 122: State and Local Standards and Measures.—States would be required to develop performance standards for applied technology programs, and give additional incentives and adjustments to locals for serving special populations. These measures shall contain measures of learning gains and competency including competency attainment, job or work skill attainment, retention in school.

8. Section 201(a)(1)(A)(ii): Distribution of Assistance.—Twenty percent of the 80 percent of State funds to be distributed at the local level shall be based on the relative child count under the Education of the Handicapped Act for children between the ages of 6 through 17. (20% of funds distributed to postsecondary institutions will be based on the relative number of individuals attending such an institution receiving assistance from Vocational Rehabilitation funds.)

9. Section 202(a): LEA Uses of Funds.—States may only approve local programs and eligible institutions for funding that—

First serve schools that—

Have the highest numbers or percentages of students from special populations; and

Are offering programs in greatest need of improvement;

Provide applied technology education in a program that—

Integrates academic and occupational disciplines;

Offers coherent sequences of courses leading to a job skill;

Encourages students through counseling to pursue such sequences of courses;

Assists students from special populations to succeed through supportive services such as counseling, English-language instruction, child care and special aids;

Is of such size, scope, and quality as to bring about improvement in the quality of education offered by the school;

Enables students participating in the program to achieve both academic and occupational competence;

10. Section 203: Criteria for Services and Activities for Special Populations.—

The State board shall provide assurances that individuals who are economically disadvantaged, those with handicaps, and those who are limited-English proficient (the special populations) will be provided with—

Equal access to recruitment, enrollment, and placement activities;

Equal access to the full range of applied technology programs including occupationally specific courses of study, cooperative education, and apprenticeship programs.

With respect to handicapped students applied technology education programs and activities will be provided in the least restrictive environment in accordance with Section 612(5)(B) of the Education of the Handicapped Act and will, whereever appropriate, be included as a component of the individualized program developed under Section 614(a)(5).

With respect to handicapped students applied technology education planning will be coordinated among appropriate representatives of applied technology education, special education and state vocational rehabilitation agencies.

With respect to handicapped students the provision of applied technology education to each student will be monitored to determine that such education is consistent with the student's IEP.

11. Section 203: Assurances of Equal Access for Members of Special Populations.—The State Board shall assure that the requirements of this Act are carried out and will be under the general supervision of the persons responsible for education programs for special populations in the SEA and shall meet education standards of the SEA. With respect to students with handicaps, such monitoring shall be in conjuction, and in a manner consistent with, SEA supervisory authority authorized under Section 612(6) of the Education of the Handicapped Act.

The State Board shall assure with respect to handicapped students who have IEPs and rights and protections as authorized under Sections 612, 614, and 615 of EHA that such rights and protections are available to such students in applied technology education programs and the State Board shall assure with respect to students with handicaps who do not have IEPs that the rights and protections are afforded them under Section 504 of the Rehabilitation Act of 1973 are available to such student in applied technology education program.

13. Section 203(d): Participatory Planing.—The State Board shall establish effective procedures by which parents, students and teachers and area residents concerned will be able to directly participate in decisions that influence the character of programs affecting their interests and provide procedures by which such individuals may appeal decisions adverse to their interest with respect to a particular program.

14. Section 203(b): Provision of Information.—Each local educational agency shall have available for students who are members of special populations, at least 1 year before the students enter the grade level in which applied technology education programs are generally available in the state, but in no later than beginning of the ninth grade, information concerning—

Opportunities available in applied technology education;

Requirements for eligibility for enrollment;

Specific courses, special services;

Employment opportunities and placement.

This information shall be provided to parents and students in a language and form which they can understand.

14. Section 203(c): Assurances.—Each LEA or institution that receives assistance under this Title shall—

Assess the needs of students participating in programs receiving assistance under this title with respect to their successful completion of the applied technology education program;

Provide special services including adaption of curriculum, instruction, equipment and facilities designed to meet such needs;

Provide guidance counseling and career development activities conducted by professionally trained counselors who are associated with the provision of such special services;

Provide counseling services designed to facilitate the transition from school to post-school employment and career activities.

15. Section 334: Tech-Prep Education Program.—Secretary shall give special consideration to applications which address effectively the issues of dropout prevention and reentry, the needs of minority youth, the needs of youth with limited-English proficiency, the needs of youth with handicaps, and the needs of disadvantaged youth.

16. Section 421: Date Systems.—The data system developed by the Secretary shall include information related to services, placements and outcomes of students with handicaps who participated in applied technology education programs. A similar directive will be given to the National Center on Educational Statistics to do comparisons between applied technology education programs provided to nonhandicapped students and those provided to students with handicaps.

Mr. HAWKINS. Madam Chairman, I yield 2½ minutes to the gentlewoman from the State of Washington [Mrs. UNSOELD], a member of the committee.

Mrs. UNSOELD. Madam Chairman, I commend the distinguished chairman and the distinguished ranking minority member for a difficult job very well done.

With passage of this bill we are witnessing a shift in national priorities for the expenditure of scarce Federal education resources. It is a shift toward serving the poor first. That's not to say this bill only serves poor vocational students. It doesn't. But because of the new funding formula, the bill directs funding priorities toward the students who most desperately need a good, solid vocational education.

My own State of Washington fears the application of the new formula, and I share their concern to a limited extent. But as a member of the Committee on Education and Labor and as a coauthor of the bill, I believe we have done a good job in seeing that Federal funds will be distributed fairly. We have maintained as many dollars as possible right to the schools, reducing the moneys for State administration, but more for kids.

To those who are concerned with the new formula, we have responded by including a hold harmless provision. It guarantees school districts will not lose funds suddenly or dramatically. This will be phased in over a 3-year period.

I resist playing the formula-guessing game for several reasons. First, some school districts weren't able to meet Federal matching requirements so they turned their money back. That would make it appear that a school district had a windfall from the new bill, when that's really not the case. H.R. 7 eliminates all matching requirements, enabling some districts to keep their money. Second, 3-year program improvement grants can throw the results off kilter, making some districts appear to lose huge sums, when in fact they did not.

In summary, I support the principle of the formula because it is fair. it targets scarce Federal funds to the poorest areas, and in light of budget constraints, it improves and strengthens applied technology education.

This has been a bipartisan effort and it should receive bipartisan support today. I urge my colleagues to approve H.R. 7.

Mr. GOODLING. Madam Chairman, I yield 3 minutes to the distinguished gentleman from Iowa [Mr. GRANDY].

Mr. GRANDY. I thank the gentleman from Pennsylvania for yielding.

Madam Chairman, I thank the gentleman from Pennsylvania for his leadership on bringing this bill to the floor and I thank the chairman of the Committee on Education and Labor for his leadership in providing what is truly a bipartisan piece of legislation relating to the skills gap in this country. I take this time, Madam Chairman, to engage the chairman of the committee in colloquy regarding an amendment that was accepted into the legislation.

The Committee on Education and Labor adopted my amendment to section 422 of the bill relating to the National Occupational Information Coordinating Council. I would like to ask the chairman if it is his understanding that the National Occupational Information Coordinating Council is required to include in its committee a representative from the U.S. Department of Agriculture?

Mr. HAWKINS. Madam Chairman, will the gentleman from Iowa yield?

Mr. GRANDY. I yield to the chairman of the committee, the gentleman from California [Mr. HAWKINS].

Mr. HAWKINS. I thank the gentleman for yielding.

Madam Chairman, the answer is, "Yes."

Mr. GRANDY. Is it also the understanding of the chairman that in order for the committee to be successful it must make use of the contributions from the agriculture community, including the representative from the Department of Agriculture who, by law, holds a seat on the committee?

Mr. HAWKINS. Yes.

Mr. GRANDY. Is it also the understanding of the chairman that the Council uses data provided by the Office of Employment Security?

Mr. HAWKINS. Yes.

Mr. GRANDY. Is it also the understanding of the chairman that the data provided by the OES does not in-

clude data on businesses employing five or less individuals and those who are self-employed?

Mr. HAWKINS. Yes.

Mr. GRANDY. Is it also the chairman's understanding that employers in rural areas are predominately small, and fall into the category which the Council does not recognize?

Mr. HAWKINS. Yes.

Mr. GRANDY. Is it also the understanding of the chairman that there is a need, particularly in rural areas, for accurate data on agribusiness employment needs in order for the educational system to plan its programs?

Mr. HAWKINS. Yes.

Mr. GRANDY. Is it the chairman's understanding that under the terms of the amendment, the Council will be required to address the needs of the agribusiness field, including those employers previously not accounted for by the Council?

Mr. HAWKINS. Yes.

Mr. GRANDY. I thank the chairman.

Madam Chairman, I wish to express my full support for this piece of legislation. Agriculture, particularly vocational agriculture, is probably a stepchild among stepchildren when it comes to considering vocational education, and I hope that it too, under this legislation, will be included in the Applied Technology Amendments of 1989.

Mr. HAWKINS. Madam Chairman, I yield 1 minute to the gentleman from Montana [Mr. WILLIAMS], a member of the committee.

Mr. WILLIAMS. Madam Chairman, I would like to congratulate the chairman of this committee, Mr. HAWKINS, and the ranking member, Mr. GOODLING, for their leadership in developing this legislation. I appreciate the excellent cooperation I received from them and their staff in the amendments that I developed with Mr. GOODLING.

These amendments include the new State Human Resources Council, the performance measures and standards, the interdepartmental task force on coordination, the dissemination of program models, the use of matching funds, and uniform eligibility criteria.

I would like to take this opportunity to describe these amendments briefly. The new State Human Resources Council establishes a single State council to review the provision and coordination of services and the use of funds and resources under this act, the Job Training Partnership Act, the Adult Education Act, the Rehabilitation Act, and the Wagner-Peyser Act. This would be the only council authorized by these acts that Federal funds can support. Its purpose is to advise the Governor on the coordination of services and the use of funds and resources under these acts. It is my fervent hope that this amendment will effect the maximize utilization of funds under these acts for the client's benefit. It is also my hope that the Ways and Means Committee will add the Family Support Act to this umbrella council.

I have also added an amendment to create a system of State and local performance measures and standards under this act. The desire and need for measures and standards was raised in the last reauthorization and urged by witnesses before this committee. At a minimum, this system must include measures of learning and competency gains coupled with a number of other measures including, competency attainment; job-work skill attainment or upgrading; completion of high school or equivalency or retention in school; and, articulation into additional training education or the military. This system should include incentives or weighted adjustment factors for serving targeted groups or special populations. This system would be implemented as a condition for financial assistance within 2 years of enactment.

I have also established an interdepartmental task force on the coordination of vocational education on the national level. This group would examine the data required; the common objectives, definitions measures and standards; and, the integration of research and development for the programs under the auspices of the State Human Resources Council.

In addition, the National Diffusion Network established under section 1562 of the Elementary and Secondary Education Act will now have the responsibility for disseminating exemplary programs and practices under this act.

I also added an amendment establishing that funds appropriated through the acts under the auspices of the State Human Resources Council can be used as matching funds for other Federal efforts.

Finally, I have amended both JTPA and the Vocational Education Act to assure that if one is eligible for one of these acts one is automatically eligible for the other.

□ 1530

Mr. GOODLING. Madam Chairman, I yield 2 minutes to the gentleman from Vermont [Mr. SMITH].

Mr. SMITH of Vermont. Madam Chairman, I simply would like to add my voice to the voices that have supported the work that Members, and our chairman, the gentleman from California [Mr. HAWKINS], have done together to write a bill which is a basic and thorough shift from the direction of the previous bill in response to the needs which the vocational students of this country, and in fact, the business community and employers and communities of this country need as we move into the 1990's and beyond.

I would specifically also like to thank both gentlemen for including in their package of amendments today what I would call a small statement for those few but important States, including the great State of Vermont which received so little Federal money under this excellent program that, in fact their attempt to reshift the focus from the Federal and the State to the school level, which is exactly where this goes and where it ought to go, but in so doing, left a few of the States with virtually no money to coordinate and manage the programs at the State level. I deeply appreciate their willingness to write in a floor at 250,000 for small States so that we can retain the value of refocusing the emphasis of vocational education to the local level and at the same time to retain the capacity to manage the programs at the State level which we need in our small States.

Mr. HAWKINS. Madam Chairman, I yield such time as he may consume to the gentleman from Michigan [Mr. KILDEE].

Mr. KILDEE. Madam Chairman, I rise in strong support of H.R. 7, the Applied Technology Amendments of 1989. I would like to commend Chairman HAWKINS and Congressman GOODLING for their work over the past months in drafting a bill that restructures and improves vocational education. I believe that H.R. 7 puts limited Federal vocational education money where it will be most effective—in the neediest areas of our Nation.

Madam Chairman, let me highlight two areas that I was especially involved in as we developed the applied technology amendments: the sex equity and displaced homemaker programs, and the Indian affairs section.

Madam Chairman, it was not necessary to make many changes in the sex equity and displaced homemaker sections because they work, and they work well. The committee did, however, create a competitive grant program at the State level for these two sections. We felt that the money for sex equity and displaced homemakers could be used most effectively if it were distributed competitively throughout the State. The committee also strengthened the role of the sex equity coordinator, the administrator who is responsible for overseeing these important programs.

Finally, in order to make sure that States are serving young women and displaced homemakers, the committee is asking the Department of Education to make oversight visits every 2 years, and we'll be asking the Government Accounting Office to do a study on how these programs work.

I also want to thank the chairman and the ranking minority member for their cooperation in fashioning title IV of H.R. 7. The bill authorizes three new Bureau of Indian Affairs activities, including a program of basic grants to tribally controlled vocational technical schools. This program, patterned after the highly successful tribally controlled Community Colleges Act, will provide basic financial support for these vital institutions. Title IV also encour-

ages the provision of vocational education services in Bureau funded secondary education programs, encourages economic development on reservations, and makes technical changes in the current authority for tribal competitive grants. This title continues the work of the committee in providing equal education opportunities in all phases of educational endeavors for the first Americans.

Madam Chairman, I wholeheartedly urge the House to support H.R. 7.

Mr. HAWKINS. Madam Chairman, I yield such time as he may consume to the gentleman from Oklahoma [Mr. WATKINS] for the purpose of colloquy.

Mr. WATKINS. Madam Chairman, I thank the gentleman for recognizing me for colloquy, and I want to engage the gentleman from California [Mr. HAWKINS] and the gentleman from Pennsylvania [Mr. GOODLING] in vocational schools.

I would like to state for the record that I am deeply appreciative of the spirit of cooperation I have received from the gentleman from California and the gentleman from Pennsylvania in their attempts to work with me to resolve my deep concerns about continued funding for good systems of area vocational schools, like we have in Oklahoma.

The gentlemen have done their best to work with me in the last 2 weeks since the bill was reported out of committee, making substantial changes in the way we fund vocational education programs across the Nation.

We have agreed to some amendments affecting area schools, but I feel we are still far from devising language that adequately addresses the need to insure continued, strong financial support for area vo-tech school systems which have proven to be successful, such as in Oklahoma.

Does the gentleman from California agree, and would he agree to work with me, our friends in the vocational education community, and our colleagues in the Senate in an attempt to develop some language that addresses the area schools issue even better than we have done thus far with these amendments today?

Mr. HAWKINS. Yes, I agree with the gentleman from Oklahoma that the issue of funding for area schools in those States which have strong area school systems is something we still need to perfect in this bill. I will remain open to all suggestions or alternatives to this language which the Senate may present.

Mr. WATKINS. I thank the gentleman from California, and would like to turn and also ask the gentleman from Pennsylvania, is he willing to work with me as we try to perfect this bill's language? I know he has been willing to sit down and talk to me about various aspects of this. Would he also agree to work with me and our colleagues to yet improve and perfect this language?

Mr. GOODLING. I would certainly assure the gentleman my cooperation, since the last amendment I offered in full committee, I stated that it is not the best, I am sure. We will be looking forward to those who have some better suggestions.

Mr. WATKINS. I appreciate the gentleman's remarks and willingness to work toward a resolution of this issue. To me, a spirit of cooperation and openness displayed by both the gentleman from California and the gentleman from Pennsylvania in working through this issue prove to me, I think we can come up with some better solution than we have now.

Hopefully, before the Senate completes consideration of the bill and it goes before the conference, we will succeed in developing that language that resolves some of these concerns and differences I have, and also some of the concerns that the people at the area vocational, technical schools around the Nation have.

So I thank the gentleman very much. I have always been a believer, and basically a product of vocational education, and we have an excellent program in Oklahoma. I hope they see fit we continue to improve on those systems.

Mr. GOODLING. Madam Chairman, I yield such time as she may consume to the gentlewoman from Nebraska [Mrs. SMITH].

Mrs. SMITH of Nebraska. Madam Chairman, I rise in support of this legislation. If we are going to remain a strong and viable player in this world, we must continue our support of vocational education.

Madam Chairman, I rise today in support of H.R. 7, the Applied Technology Education Amendments of 1989.

If the United States is to remain a strong and viable player in the increasingly competitive world marketplace, then it is essential the Federal Government continue its efforts to promote occupational education programs in the schools.

Vocational education has been an important part of Nebraska's educational system since 1917. For fiscal year 1989, Nebraska received $5.5 million from the Federal Government for vocational education efforts.

While the Federal support is relatively small, the support Federal funds have given to 12 postsecondary schools and 149 secondary schools in Nebraska this year is key to a strong and diverse State program.

Vocational education is especially important in these changing times—for displaced farmers and ranchers, for women returning to the work force or joining it for the first time, and as the faces of business change in most of our communities.

While I rise in support of these efforts, I have some concerns with the different approach H.R. 7 takes in distributing Federal vocational education dollars.

Under H.R. 7, 80 percent of all funds a State receives would have to be distributed on a formula basis to local school districts and postsecondary institutions. The remaining 20 percent of funds allocated to the States by the bill would be for State-level activities, State administration, and sex equity and displaced homemakers competitive grant programs.

This approach drastically changes the current program from one with a great deal of State-level discretion to one in which most Federal dollars flow from Washington directly to the school districts.

I am concerned that the new Washington-designed formula may not address and meet the needs of Nebraska school districts and the populations they are trying to serve.

My philosophy has always been that the "folks" back home are the ones who know how to distribute Federal funds in the most efficient, responsible, and effective manner, not the Federal Government. The needs in Nebraska may be quite different from the needs in, say, California or New York.

In addition, essential statewide activities such as personnel development, curriculum development, research, and technical assistance could be curtailed by a 5-percent set-aside.

I hope the committee will closely monitor the impact of the new formula and will move quickly to alter it should it prove detrimental.

I have also heard concerns regarding the proposed Human Resources Council, which is designed to review the services and resources provided by Adult Education Act, Perkins Applied Technology Act, Job Training Partnership Act, Rehabilitation Act, and the Wagner-Peyser State employment office program. The magnitude of the task assigned to this new council could be overwhelming.

Despite these concerns, I was pleased that a section dealing with professional development has been included in H.R. 7. The section establishes leadership-development awards and professional-development fellowships. Many vocational education "experts" are retiring and there is a need to develop new leadership in the field. This section should go a long way to ensuring a strong, competent, and dedicated vocational teaching core in the future.

The investment we make in education today will be paid back with interest tomorrow. A nation of citizens with skills and training of their choice is a strong nation.

So, I urge my colleagues to join me in closely monitoring the effects of the changes proposed in H.R. 7 to ensure they meet the demands of the future job market.

Mr. GOODLING. Madam Chairman, I yield 4 minutes to the distinguished gentleman from Texas [Mr. BARTLETT].

Mr. BARTLETT. Madam Chairman, I rise in support of H.R. 7, the Applied Technology Education Amendments of 1989 to the Carl D. Perkins Vocational Education Act. There are three principal reasons why this legislation is good Federal policy. First, Federal funds would be targeted to populations with the greatest needs, but not in the form of set-asides that are small, unmanageable pools of funds. Second, school administrators would be provided new

flexibility in developing good educational policies. And third, H.R. 7 would directly increase access for students with handicaps to meaningful vocational education programs. Although, I support H.R. 7, I strongly oppose the provision pertaining to negotiated rulemaking. Such an approach to developing regulations is very burdensome, especially expensive and time consuming, and does not lead to better regulations. I would now like to elaborate on these, several points.

First, funds are targeted to need. The amendments in H.R. 7 constitute a fundamental restructuring of how Federal dollars would be disbursed for vocational and technical education. This restructuring is consistent with ongoing efforts to make America more competitive in world markets.

Through H.R. 7 the focus would shift from policies and programs previously driven by elaborate, cumbersome set-aside allocations, to a distribution formula which would target Federal dollars to communities and populations most in need of assistance. Federal dollars would further serve as incentives for improving particular aspects of vocational education programs.

Making this shift was not easy and initially not universally endorsed by all of those that would be affected, however, the basis for the change was not conjecture—the National Assessment of Vocational Education, two GAO studies, a national longitudinal study of the transition of students with handicaps from school to post-school opportunities, and numerous hearings, briefings, and site visits served as the basis for this shift in funding. This shift in funding was made because set-asides have failed.

For economically disadvantaged and handicapped students, these various sources of information described at best a marginal picture of today's vocational education programs. The students we expected to benefit under current law have usually only partially benefited and sometimes not at all.

They participated in programs, but often did not have access to a sequence of courses leading to an occupational skill. We anticipated that set-aside dollars would benefit targeted students. However, neither dollars nor priorities resulted in consistent, demonstrable benefits for students. We assumed that academic needs would be systematically addressed in conjunction with vocational needs. Unfortunately this was not the case. With respect to students with handicaps, in one study for example, 75 percent of the students were below the high school level in reading and math skills, and 25 percent were below the 4th grade level in these areas.

Members of the Committee on Education and Labor found this status quo unacceptable, and worked together in a bipartisan effort to seek strategies and policies that would help students more effectively benefit from vocational education by clearly, directly targeting dollars to areas of need.

H.R. 7 does just that. Let me illustrate. Under current law 57 percent of the Federal money goes to local school districts in the form of a number of set-asides. The State controls the other 43 percent. H.R. 7 would require that 80 percent of the dollars be spent in schools and institutions with high concentrations of students who are economically disadvantaged, who are limited-English proficient, and who have handicaps.

Such a shift makes programmatic, economic and practical sense, since a majority of our future labor force will come from these groups.

Second, H.R. 7 would allow vocational education to evolve in two important ways. Local school systems and postsecondary institutions would both have a voice in deciding the State's use of Federal vocational education dollars and local administrators would have more flexibility in how their share of the dollars would be used. These two factors would directly contribute to more progressive vocational education systems at the secondary and postsecondary levels.

I believe that the flexibility provided to local administrators through H.R. 7 would be especially beneficial for students. As I have indicated, under this bill, eligible districts must first serve schools in the greatest need of improvement in vocational education and with the highest concentrations of special students—those who are economically disadvantaged, who have handicaps, and who are limited-English proficient. Moreover, such schools must offer integration of academic and occupational disciplines; sequences of courses leading to occupational skills, counselors, special forms of assistance for targeted students; and finally, such schools must enable a student to achieve both academic and occupational competence.

H.R. 7 not only would require such improvements it would delete provisions in current law that would limit the ability of administrators to provide such quality elements in their programs. Under current law, set-asides have caused such excessive paperwork as to create a disincentive for applying for Federal vocational education dollars. In addition, in some instances, set-asides have caused funds to be distributed in such limited amounts that little positive impact can be identified or demonstrated. Finally, current law imposes matching requirements that sometimes cannot be met, forcing administrators to return Federal dollars and thus as the result, students remain unserved or underserved.

In sum H.R. 7 would offer local school districts more Federal money to be concentrated in their poorest schools and to serve as an incentive to improve programs in which economically disadvantaged, handicapped students, and limited-English-speaking students participate. In other words, it would provide administrators with additional flexibility and put them in a better position to provide quality education programs to more students with the greatest needs.

Third, I would cite specific ways in which students with handicaps would benefit from H.R. 7. If H.R. 7 were enacted, such benefits would be numerous, varied, and pervasive, and stand in stark contrast to what results under current law.

Under current law 10 percent of the State's funds must be allocated to the excess cost needs of students with handicaps in vocational education programs. These set-aside funds can only be used if a 50-percent match is provided from another funding source for such excess costs. In H.R. 7, 20 percent of a district's allocation would be based on the number of handicapped students, but use of these funds would not be restricted. Instead, an LEA would be required to provide vocational education to any handicapped students.

Under current law there are no specific incentives for coordinating the uses of funds across programs and agencies that do or could serve students with handicaps. In H.R. 7 there are, through two provisions—the creation of a State Human Investment Council and an optional provision to pool resources from several Federal grant programs to provide vocational education.

In current law there is no protection for students with handicaps who leave school and then wish to return to take vocational education courses. In H.R. 7 protections for students with handicaps have been clarified. The State Board of Vocational Education would be required to ensure access to vocational education for any students with handicaps between 12 years of age and the mandated upper age range for special education in the State.

Under current law LEAs are not required to describe in their applications for funding how they intend to serve students with handicaps in vocational education, nor how they intend to assist such students make the transition from school to post-school opportunities. In H.R. 7 they must.

Under current law no money goes to postsecondary institutions based on the number of vocational rehabilitation clients who are enrolled. Under H.R. 7 it would.

Under current law neither State nor local vocational education personnel work with special education personnel to monitor the access to and quality of vocational education provided to stu-

dents with handicaps. In H.R. 7 they must.

Under current law the data system that would have provided information about students with handicaps was not implemented by the Department of Education because of its excessively burdensome characteristics. In H.R. 7 there are practical provisions which allow for using existing data systems as well as survey techniques that are not burdensome. All of these options would include information on students with handicaps. In addition, in the chairman's floor amendments package he includes a 3-year GAO study of services provided to such students and other special populations, so that we will be able to assess the impact of these amendments on disadvantaged, handicapped, and limited-English proficient students.

Finally, I would like to address the negotiated rulemaking provision in H.R. 7. This provision and the issues it raises have developed since the full committee markup. They are particularly of concern to the administration. H.R. 7 would require the Department of Education to develop Federal regulations on this bill through a negotiated rulemaking process. The administration strongly opposes this provision. Moreover, this issue was not considered by either the subcommittee or the full committee during the hearings or the markups on H.R. 7. An amendment will be offered to strike this language from the bill.

Many of us are alarmed at the delay in the implementation of H.R. 5; however, the negotiated rulemaking process required by H.R. 5 on several key issues has contributed to that delay. In addition, an independent study concluded that negotiated rulemaking is an ineffective strategy in large Federal education grant programs.

This is not an area that should be considered as being for or against the administration. It is a common sense issue and a constitutional issue. While negotiated rulemaking may be a useful rulemaking option, it should not be mandated by Congress. Such a mandate is an unnecessary and an unconstitutional intrusion by the Congress on the executive branch.

It is unfortunate that this issue was not considered by the committee; however, I urge my colleagues to support the amendment to delete this provision. The retention of the negotiated rulemaking provision in H.R. 7 is a bad precedent.

Not withstanding the provision on negotiated rulemaking, I think that H.R. 7 is good public policy. It demands accountability with flexibility, promotes quality programs for students who have traditionally been underserved, and would put us in a better position to compete with our trading partners. H.R. 7 targets funding to those schools with greatest needs, providing sufficient flexibility for educators, and assuring students with special needs access to the system.

In closing, I wish to thank our chairman and my colleague from Pennsylvania for drafting such excellent, future-oriented legislation, and to recognize the extensive, bipartisan staff work on H.R. 7. I urge my colleagues to join me in voting for the passage of this bill.

□ 1540

Mr. HAWKINS. Madam Chairman, may I inquire as to the remaining time?

The CHAIRMAN. The gentleman from California [Mr. HAWKINS] has 12½ minutes remaining, and the gentleman from Pennsylvania [Mr. GOODLING] has 14½ minutes remaining.

Mr. HAWKINS. Madam Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Ms. PELOSI, Chairwoman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 7) to amend the Carl D. Perkins Vocational Education Act to extend the authorities contained in such act through the fiscal year 1995, had come to no resolution thereon.

APPOINTMENT OF CONFEREES ON HOUSE CONCURRENT RESOLUTION 106, CONCURRENT RESOLUTON ON THE BUDGET—FISCAL YEAR 1990

The SPEAKER. The Chair announces the appointment of House Conferees on the concurrent resolution (H. Con. Res. 106) setting forth the congressional budget for the U.S. Government for the fiscal years 1990, 1991, and 1992, as follows: Messrs. PANETTA, FOLEY, RUSSO, JENKINS, LEATH of Texas, and SCHUMER, Mrs. BOXER, and Messrs. SLATTERY, OBERSTAR, FRENZEL, GRADISON, GOODLING, THOMAS of California, BUECHNER, and HOUGHTON.

APPLIED TECHNOLOGY EDUCATION AMENDMENTS OF 1989

The SPEAKER. Pursuant to House Resolution 143 and rule XXIII, the Chair declares the House in the Committee of the Whole on the State of the Union for the further consideration of the bill H.R. 7.

□ 1544

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole on the State of the Union for the further consideration of the bill (H.R. 7) to amend the Carl D. Perkins Vocational Education Act to extend the authorities contained in such act through the fiscal year 1995 with Ms. PELOSI in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. HAWKINS].

Mr. HAWKINS. Madam Chairman, I yield 2½ minutes to the gentleman from New Jersey [Mr. PAYNE].

Mr. PAYNE of New Jersey. Madam Chairman, I would like to congratulate my fellow colleagues on the Committee on Education and Labor for the fine job they did on the reauthorization of the Carl D. Perkins Vocational Education Act. I believe that the Hawkins-Goodling substitute amendment to H.R. 7, which awaits consideration by the full House today, more than adequately meets the challenge that applied technology education faces as the American work force prepares to enter the 21st century.

As you know, it was the original intent of this body to design the Perkins Act to generally strengthen and improve the quality of national vocational education and, more specifically, to expand those vocational opportunities to special populations. Then Congress believed, as we do now, that vocational education was "essential to our future and best administered by local communities, and community college school boards, where the primacy of parental control can be emphasized with a minimum of Federal interference. Then and only then, should nongovernmental alternative links between public school needs and private sector sources of support be encouraged and implemented." Unfortunately, the precedents of failed regulation and implementation of previous vocational education laws, precluded even the Perkins revision from translating into workable programs.

Nationally, the problem was twofold: A weakening of statutory provisions after enactment, subsequently leading to irregularities in the distribution of money, and the lack of definitive guidance from the Department combined with the vagueness in congressional intent. The Hawkins-Goodling substitute, however, would attempt to solve the problems inherent in the current law by increasing the access for traditionally undeserved groups while simultaneously reformulating the curricula to provide those students with a better well rounded education.

Primarily, the new title, "The Carl D Perkins Applied Technology Education Act," definitively reaffirms the mainstay of Congress' intent: to provide citizens with access to quality vocational education programs in order to enhance the quality of the Nation's work force for the future. It helps to redirect our focus by signifying that modern relevant job training will be the only education offered under the

new law. Moreover, the shift in emphasis to applied technology lends a fundamental strength to the amendment by improving the image of vocational education generally. Under the guidance of applied technology we send a signal to the nation that Congress intends to reconciliate vocational education through innovative policy. Applied technology is one such innovation.

Second, the substitute would make more substantive changes in the old law by specifying a clear use of Federal funds. The amendment provides a new and innovative distribution formula that would drive the money directly down to the local education agencies most in need of Federal assistance. This new allocation formula would then allow those local schools to offer quality of programs to those students who are indeed economically disadvantaged, handicapped and have limited-English language proficiency. In other words, it reaffirms the Federal Government's commitment to the undeserved.

Equally important, this amendment would require schools to enhance the quality of the programs in order to continue to receive funds. By limiting the use of Federal funds to schools that integrate academic and occupational education, Congress ensures parents that, while enrolled in a program of applied technology, students would actually learn basic academics while they acquire job skills for future labor market placement. In addition, this amendment incorporates a "tech-prep" program that encourages coordination between high schools and community based colleges in order to allow students to proceed in an expeditious manner to achieving a higher level of skills necessary to succeed in today's competitive job market. Through the passage of H.R. 7, we ensure America of a better prepared worker for a better prepared labor force, to fight the better prepared international trade fights that lie ahead.

Third, this amendment mandates a State human investment council to guide over the combined State and Federal effort to provide quality vocational education. This council, comprised of State and local representatives from every walk of life, would propose recommendations to State administrators on program quality, equal access to quality programs and proper distribution of Federal discretionary funds. Also a welcome improvement.

As a final note, I would like to add that I have always believed that progress in American society usually began with the innovation and pride of its citizens. It is for that reason why I would like to bring attention to the New Jersey Vocational Division for their progressive thinking regarding vocational education. They displayed the leadership and public responsibility that has become a national model and an impetus to this amendment. It is not surprising then why I believe H.R. 7 to be that kind of public policymaking that the Federal Government should be supporting. Because, essentially, it will be the degree of our commitment and perseverance to innovation, that will make the success or failure of all education reform for the 1990's. So I urge all of my colleagues here today to join me in giving full support to the Hawkins-Goodling substitute to H.R. 7, the Carl D. Perkins Applied Technology Act of 1989.

Mr. GOODLING. Madam Chairman, I yield 3 minutes to the gentleman from New York [Mr. BOEHLERT].

Mr. BOEHLERT. Madam Chairman, I rise today to express my support for H.R. 7, the Applied Technology Educational Amendments of 1989. I have always been a strong supporter of vocational education programs and I consider the reauthorization of this law one of the critically important educational imperatives of the 101st Congress. H.R. 7 addresses our continuing need to assure accountability in program quality and student achievement, program improvement, simplification and enhanced flexibility in program administration, coordination of vocational education and economic development, and concentration on serving those in greatest need.

But I am also concerned that H.R. 7 goes too far in reducing the authority and responsibility of States to manage their own programs. A perfect case in point is the example of how the bill has the potential of adversely impacting the universally praised Board of Cooperative Education Services [BOCES] Program in New York State; a model for vocational educators across the Nation.

For 40 years, BOCES has provided a variety of quality vocational education programs to clusters of school districts which they otherwise couldn't individually afford. Now, with the revised funding allocations in H.R. 7—70 percent for chapter 1, 20 percent for handicapped services, and 10 percent for K-12 enrollment—BOCES programs have essentially been cut out of direct participation.

This amendment would extend the whole harmless provisions of H.R. 7 from 2 to 5 years, with a rolling 85-percent allocation to those areas—Buffalo and Syracuse, just to name a couple of potential candidates from New York—that sustain large decreases under the new formula. In order to control runaway spending, the amendment also contains language that limits an area's increase to 150 percent of its prior year funding.

But I am here more to praise H.R. 7, than to help bury it. The United States faces unparalleled economic challenges in today's world. The Asiatic countries of the Pacific Rim are surging forward, capturing markets America has long taken for granted. Furthermore, the Emergence of a united Europe in 1992 threatens American access to the economies of our historic trading partners.

The distribution of too many small grants at local levels may create more vocational-education programs, but they will certainly be far less effective than BOCES has been. In effect, New York State might be penalized for being out in front of the pack. Why?

Perhaps the answer lies in the fact that the new formula was compiled from incomplete data taken from an unfinished GAO report. This report reviewed the vocational education programs of only 6 States and 20 local agencies. Yet the committee has based its reauthorization of H.R. 7 substantially on this information, taken a broad brush approach to an issue that requires much more detailed research.

I am supporting Congresswoman ROUKEMA's amendment because it provides some relief to those areas who are coming out on the short end of this bill and I am encouraged by the colloquy among the chairman, vice chairman, and Mr. WATKINS of Oklahoma, on this matter.

So our country must accomplish more than ever; get the most out of the one resource we can always count on: the American people. Improving the education of Americans is a prerequisite to advancing our economic well-being. Improving the occupational education and training offered in our schools is a key component of this effort.

Half of our youngsters will not go on to college after finishing high school. These are the people that must be educated in job skills before they leave the formal educational system, because it is a fact that most of them will not be back. Furthermore, the average worker will have to change jobs six times over the life of his or her career; these people must be educated in order to be retrainable. The Department of Labor indicates that 80 percent of all new jobs will be in the vocational education area.

The 21st century is only 127 months away. If we hope to have a work force that will be competitive, we must help our country's vocational education system meet those needs. H.R. 7, with modifications to consider the unique needs of individual States, can be our vehicle to achieve that reform.

□ 1550

Mr. HAWKINS. Madam Chairman, I yield 2 minutes to the gentlewoman from New York [Mrs. LOWEY].

Mrs. LOWEY of New York. Madam Chairman, I rise to express reservations about H.R. 7 as it is currently drafted. This bill, overall, will do a great deal to improve the quality of

our Nation's vocational education programs. However, the bill contains a number of inequities as it is currently drafted, and I believe that changes should be made before the bill is sent to the President.

First, it appears possible that the formula contained in the bill for basic State grants may result in a cut in Federal vocational education funds to local vocational education programs in my district. I understand and approve of the goal of targeting vocational education funds to disadvantaged areas. However, I do not believe that we can tolerate drastic cuts in local programs, many of which are doing an excellent job of serving the disadvantaged.

One aspect of the new formula that is particularly troubling is the fact that the formula for postsecondary students relies heavily on the number of Pell grant recipients in postsecondary institutions. In New York State, many vocational education students at the postsecondary level rely on State tap funds, which are adequate to meet students needs. Therefore, these students—who are disadvantaged—are not eligible for Pell grants. These students are not counted by the new formula, and the postsecondary institutions they attend will suffer as a result.

This inequity is accentuated even more in the case of nine educational opportunity centers [EOC's] located around New York State. These institutions, which serve a large segment of New York State's disadvantaged adults, rely heavily on funds under the Perkins Act for equipment and other purposes.

All of the students attending these institutions must meet income guidelines, and most EOC students are welfare recipients or unemployed persons. However, students attending the EOC's—one of which is located in my district—do not qualify for Pell grants because the EOC's are not degree-granting institutions and because the programs they sponsor are not of sufficient duration. As a result, the nine EOC's in New York State would not be covered at all by the new formula for distribution of funds. They will suffer a loss of funds that will significantly limit their ability to replace outworn equipment and to keep up with the pace of technological change.

Again, I understand the rationale of targeting funds to areas of need. However, I think we must be very careful about the methods that we choose to accomplish this. When we have a formula that denies funds to vocational education institutions serving some of the most disadvantaged members of our society, there is something clearly wrong.

The situation regarding the EOC's was only recently brought to my attention. According to the chairman, there was not sufficient time to devise an appropriate solution before floor action on the bill. However, I am pleased that the chairman has assured me that the committee will view changes in this regard with an open mind, should we be successful in working with the Senate to devise a solution. Certainly, this inequity cries out for correction.

Because of my serious concerns regarding the effects of the new formula, I strongly support the amendment by Representative ROUKEMA to strengthen the hold-harmless provisions of the bill. Under the bill as currently drafted, each local education agency [LEA] or postsecondary institution must receive in the first year at least 75 percent of the average level of funds received in the past 3 years. In the second year, the LEA or postsecondary institution would receive 75 percent of the prior year.

The Roukema amendment will significantly strengthen this protection by providing that each school district or postsecondary institution receive in the first year no less than 85 percent of the average of funds received in the past 3 years. In the second, third, and fourth years of implementation, no school district or postsecondary institution could receive less than 85 percent of the prior year's funds.

This approach is far more responsive to the needs of local communities which may experience dramatic changes in their funding level as a result of the new formula. We must ensure that local programs are given time to adjust to the new formula, and this amendment will permit them to do so.

Further, I am greatly concerned by the manner in which the new formula will affect regional vocational schools. Under the provisions of the bill, funds for area vocational schools must flow through local educational agencies [LEA's], which must enter into consortia for the purpose of funding the regional institutions.

I understand that the chairman's perfecting amendments contain a change that attempts to ensure that regional vocational schools receive a share of Perkins Act funds based on the number of special population students they serve. While this moves us in the proper direction, it does not solve the problem. The change continues to subject the regional schools to a whole new layer of bureaucracy. Moreover, it will force New York's BOCES, which now receive their funding directly from the State, to go to the LEA's for their funding.

This is an unnecessary roadblock that may have a significant adverse impact on the BOCES, which have been extremely successful in my district and throughout New York State. I am hopeful that changes can be worked out in the Senate and in conference that will permit the money to flow directly from the States to regional vocational institutions like BOCES.

Finally, I am concerned about the extent of the reduction in the share of funds reserved for discretionary programs of the States. Under the bill, this amount is limited to 5 percent, a figure that could limit the ability of New York State to conduct a range of valuable programs, including curriculum development, testing development, the linkage of vocational education funds with other programs such as JTPA, in-service-teacher training, and even business-education partnerships.

I am hopeful that, as this process moves forward, the States will be given slightly more breathing room, so that those States which are pursuing valuable and innovative programs can continue to do so.

Many provisions of the reauthorization bill are very positive. I would like to highlight one part of the bill that I consider to be of particular importance. That is the provision regarding business-education-labor partnerships in vocational education.

I am proud to say that I worked closely with Mr. GOODLING, the ranking minority member, and Mr. RAHALL of West Virginia, in crafting a program that I believe will contribute greatly to improving our vocational educational programs.

Our amendment is predicated on two fundamental ideas. First, we must infuse resources into the schools for the purpose of improving the quality of vocational education. Second, we must address industry needs for skilled employees who meet certain minimal standards in key occupational areas.

The new program included in the substitute will provide grants to States on a 50/50 match basis, with industry permitted to contribute in an in-kind fashion. A special incentive will be created to encourage small business involvement in business-education partnerships. In addition, an incentive will be created to get local chambers of commerce—or their equivalent—involved in creating partnerships.

I believe that this program will do a great deal to improve the quality of vocational education and to meet the needs of specific industries that find themselves in need of skilled workers, and I would like to once again thank the ranking minority member, Mr. GOODLING, for his leadership on what I view as a crucial issue for the future of education.

I would also like to express my appreciation to the chairman of the committee, Mr. HAWKINS, for his efforts in crafting a reauthorization bill that will do a great deal to improve the quality of our Nation's vocational education programs.

There are many areas in which this bill makes great strides. However, the bill does contain a number of inequities that beg for correction. I look forward to working with the chairman and other Members as we continue to seek solutions to these ongoing problems.

Mr. GOODLING. Madam Chairman, I yield 3 minutes to the gentleman from Texas [Mr. BARTLETT].

Mr. BARTLETT. Madam Chairman, I want to take a minute to clarify a bit the administration's policy as the bill is receiving increasing levels of bipartisan support, even as we take it to the floor.

A statement of administration policy was issued earlier this week which made it crystal clear that the section on restrictions on the Office of Management and Budget would not be acceptable in any form to the administration and, indeed, the administration would veto the bill, the President would veto the bill, or the Secretary of Education would recommend a veto of the bill if that section on Office of Management and Budget restrictions were included. Indeed the statement of administration policy states that the Secretary would recommend the President veto the bill if the provisions discussed in this OMB paragraph were to remain in H.R. 7.

It is my understanding, Madam Chairman, that, when we begin the amendments, that the gentleman from Pennsylvania [Mr. GOODLING] will be offering an amendment to strike, to strike the entire OMB section, and to replace it with a study by the General Accounting Office to determine what, if any, actions by OMB may need to be further reviewed.

So, I want to say to Members who have received the statement of administration policy opposing the bill, if the Office of Management and Budget section is included, the gentleman from Pennsylvania [Mr. GOODLING] intends to offer an amendment which I have reason to believe will pass, will be accepted, that will strike the OMB provisions in their entirety.

So, while the administration does have some additional concerns about the legislation, as do I and various Members of the House on both sides of the aisle, the additional concerns would not be caused at least based on the statement of administration policy to recommend a veto.

Madam Chairman, the two primary concerns are, first of all, the section on negotiated rulemaking, which the gentleman will also be offering as an amendment that will substantially compromise that section in which the House is offering to go more than halfway on the negotiated rulemaking section.

I still have some hopes that the amendment of the gentleman from Utah to strike that section will be adopted, but, if not, it is my belief that can be worked out in conference.

The administration also has a legitimate concern about the authorization level of this bill, which is $1.4 billion, and indeed I have to say it is too high and ought to be lower.

But I want to suggest to those who are watching this debate that the fact is that this bill is so substantially streamlined over current law, it so substantially decreases the amount of paperwork, and reporting requirements, and setasides and other cumbersome administrative requirements that I still recommend support for the bill even though the authorization levels are higher than what I would like to see appropriated.

Madam Chairman, in my opinion during the course of the conference and the appropriations process the actual money spending levels will be adjusted in a way that will be generally comfortable for all Members of the House, and so I do urge support for the legislation.

Mr. HAWKINS. Madam Chairman, I yield 2 minutes to the gentleman from West Virginia [Mr. RAHALL].

Mr. RAHALL. Madam Chairman, I am pleased to rise in support of H.R. 7, the Applied Technology Education Act. I will begin by discussing a small, but important provision of the act, known as negotiated rule making.

In my view, and one that I believe is shared by my colleagues on the Education and Labor Committee, negotiated rulemaking is especially vital to the implementation and conduct of vocational education programs nationwide because they have been changed considerably under H.R. 7, the Applied Technology Education Act of 1989.

The legislative history of negotiated rulemaking and its uses with respect to an effective, bipartisan implementation of Federal law is brief, but of proven effectiveness.

Negotiated rulemaking was first used during the Reagan administration by the Department of Transportation. But its most effective use, according to the education community, was by the Environmental Protection Agency [EPA]. The EPA implemented the process in order to receive input from all responsible parties with regard to cleaning up toxic wastes, an expensive and contentious, but crucial activity required by law of our military-industrial complex nationwide.

When asked why this process was so desirable, educators responded that it worked for them, when they were included in EPA's development of rules and regulations regarding the detection and removal or treatment of asbestos in schools. Last, educators referred to their more recent experience with negotiated rulemaking and its success in implementing last year's changes to chapter 1 programs under the Hawkins-Stafford School Improvement Act.

Negotiated rulemaking, simply stated, is a process that helps define and clarify complex and contentious issues.

Why is it gaining such popularity? Madam Chairman, while I have not conducted a scientific survey on the question, the first thing that comes to mind is the absence of a previous congressional authority known as a legislative veto over final regulations promulgated by various agencies and departments of Government that often did not reflect the original intent of Congress. Departments and agencies have been known to legislate through regulation when certain provisions in law were not to their liking, and Congress used the legislative veto authority for purposes of returning laws to their original intent.

Madam Chairman, it is my premise that if State and local education officials, parents and teachers are given the opportunity to participate in the regulation writing process before proposed, then final regulations implementing education laws are published, which is made possible by the adoption of H.R. 7 of the negotiated rulemaking process, fewer incidents of misspent funds, or programs otherwise found out of compliance with the intent of the law, will occur.

Madam Chairman, I was pleased to introduce the bill, H.R. 1819, which was incorporated as part of H.R. 7, requiring the Secretary of Education to convene regional meetings in order to provide comments to him on the content of proposed regulations, and to require that such meetings shall include representatives of Federal, State, and local administrators, parents, teachers, and members of local boards of education who will be involved with implementation of programs under the newly structured Applied Technology Education Act.

After the committee had reported its bill, I was approached by Representative BILL GOODLING, our able ranking minority member, who advised me of the administration's objections to the inclusion of negotiated rulemaking in the bill. While I am firm in my intent to retain the process as part of H.R. 7, I was pleased to work with Representative GOODLING in producing language limiting the number of key issues to be subjected to the negotiated rulemaking process. As a result of our own negotiations, an amendment to the committee amendment to the bill now includes language stating that "The Secretary shall prepare draft regulations and submit regulations on a limited number of issues to a negotiated rulemaking process." It is our intent that, when we reach conference with the Senate on H.R. 7, the key issues will have been identified, at which time

Members will choose those issues to be included in the negotiated rulemaking process.

Madam Chairman, the restructured Vocational Education Act is in my view both exciting and challenging, but has been so extensively revised and redirected that State and local school officials will need more than ever before to sit down with departmental officials, and their colleagues from other States and localities, to determine how best to implement the new Perkins Applied Technology Education Act so that it reaches and serves the targeted populations intended to benefit under its provisions.

OTHER MAJOR PROVISIONS UNDER H.R. 7

H.R. 7 authorizes an unprecedented intrastate formula for vocational education which will drive 80 percent of Federal dollars, with no matching requirement as found in current law, directly down to local schools and students who are in greatest need. Special populations, including the economically disadvantaged, the handicapped, single parents and homemakers, and others who are concentrated in the poorest schools in the most economically distressed areas must be served first under the formula.

At the State level, the Committee on Education and Labor has redirected their use of 20 percent of the funds, reserving 5 percent for administration, 5 percent for discretionary spending on programs designated by the committee as having national significance, and 10 percent in a State-administered program to assure sex equity coordination among all programs under the act, to include single parents, homemakers, and displaced homemakers.

Through the leadership of the committee chairman, AUGUSTUS HAWKINS, and its ranking minority member, WILLIAM GOODLING, the Education and Labor Committee as a whole has redirected vocational education in what I have already described as exciting and challenging. We have endeavored to improve the image of vocational and occupational programs, and we are sending a clear signal of the importance of applied technology education in meeting the economy's current and future needs in an increasingly technological world.

H.R. 7 is fair in its direct approach, through the intrastate formula, of funding school districts, community colleges, and other eligible local institutions. We have linked academic and technical occupational skills training in a two-plus-two program through articulation agreements between secondary schools and postsecondary institutions, particularly community colleges. All programs under this act are strengthened through increased coordination and cooperative agreements with the Job Training Partnership Act, the Adult Eduction Act, vocational rehabilitation, and the Wagner-Peyser Act. For example, a comprehensive State council would be established for all five programs and joint funding of programs is encouraged.

CONSUMER AND HOMEMAKING EDUCATION

It was my privilege also, in cooperation with Representative CHRIS PERKINS of Kentucky, to introduce amendments to the Consumer and Homemaking Education Program under the act, and to continue it under a separate funding authority set at $40 million in fiscal year 1990. The Consumer and Homemaking Education Program has been part of vocational education since its inception. It was a program I am proud to say enjoyed the strong support of Representative CHRIS PERKINS' father, the late and beloved Carl D. Perkins, former chairman of the Education and Labor Committee.

I believe so strongly in the purpose of their mission to serve the Nation and to strengthen family unity now, and by extension in generations to come.

The committee has reaffirmed its awareness of the critical importance of early childhood development in preparing tomorrow's work force, and believes the family is our most precious institution. Consumer and homemaking is crucial in teaching parenting skills in a society with an expanding base of single parent families and households where both parents must work. Consumer and homemaking can also do much to address the problems of family violence, child abuse, and teen pregnancy, as well as to promote individual and family health and child nutrition.

Finally, Madam Chairman, consumer and homemaking programs can contribute vital training for future workers in the growing technologies of child care, care for at-risk populations—including the homeless—and care for aging family members. I am pleased that my admendments, adopted by the committee, will also strengthen the role of consumer and homemaking education in promoting the elimination of sex bias and stereotyping in the workplace by providing for new cooperation between educators and the sex equity coordinators in each State.

IMPROVEMENT OF FACILITIES AND ACQUISITION OF EQUIPMENT

Amendments introduced by Representative CHRIS PERKINS, which I was pleased to cosponsor, responds to the need to provide funding for improved facilities and the acquisition of equipment at the secondary school level of vocational education. This program is authorized at $100 million in grants for such purposes as embodied in H.R. 7. Just as we were urged by State and local officials to eliminate set-asides and to produce a relevant, more comprehensive vocational educational program, so were we urged by local officials to provide grants for the purpose of acquiring better and adequate facilities, equipped with the latest in modern learning tools relevant to training individuals for the workplaces of today as well as tomorrow.

Funds for improved facilities and equipment are targeted to LEA's located in economically depressed areas, sharing the grants on a 50–50 basis between rural and urban areas. Funding is then concentrated in those LEA's with the highest levels of need, using a percentage threshold to insure that funds are distributed to LEA's having jurisdiction over the highest percentages of educationally and economically disadvantaged children.

CAREER GUIDANCE AND COUNSELING

Amendments were adopted in H.R. 7 to increase funding to $30 million for career guidance and counseling. A recent study on the condition of education in West Virginia, conducted by the Carnegie Foundation, showed a grossly inadequate system for career guidance and counseling in a State which still leads the Nation in unemployment statistics. I trust and hope that given the role career counselors must play in improving the career awareness, job preparation, and school involvement of applied technology education students, our State will be able to use these funds wisely and well in development of career information delivery systems to transition applied technology education students into the employment arena.

BUSINESS-LABOR-EDUCATION PARTNERSHIPS

Madam Chairman, I left the title III program, known as business-labor-education partnerships until last, because I believe when implemented they will provide the most effective special program authorized under H.R. 7.

As I stated to Secretary Cavasos during his testimony on reauthorization of the Vocational Education Act before our committee, I was interested very early in modifying and reauthorizing part E of title III of the Perkins Act. It was during his testimony that I learned the Secretary, using his discretionary funds, had funded 35 demonstration projects at a cost of $9 million over the last fiscal year that led to industry-business-education partnerships—yet part E of title III had remained unfunded. According to his response to my question, and despite his own interest and apparent satisfaction with the outcomes of the 35 demonstration projects funded by the Department, the Secretary had not asked for funding for part E in his fiscal year 1990 budget recommendations to Congress.

Soon afterward, I learned that Mr. GOODLING, our ranking minority member, was as intent as I to modify and reauthorize these partnerships, infusing our schools with the financial support and the know-how of business

and labor, and that he intended to introduce amendments to that effect. I am grateful for his generosity in allowing me an original cosponsor of this bill, H.R. 1913.

It almost goes without saying that the needs of business and labor are so inextricably bound by the needs of our students in vocational education, it would be criminal not to enter into these partnerships in a joint effort to improve the quality of applied technology education and the overriding need to fulfill the need for skilled entry-level employees.

Authorized to be funded at $20 million in fiscal year 1990, grants to schools under the program must be matched equally by business-labor interests, except that small businesses would have a lower matching share requirement.

PROFESSIONAL DEVELOPMENT/RESEARCH AND DATA COLLECTION

Madam Chairman, my State had expressed an interest in both a professional development section, and in research and data collection as part of any reauthorization bill we might consider. I am pleased to note that both programs are included in H.R. 7.

Madam Chairman, for the first time in more than seven decades vocational education programs are authorized to exceed $1 billion in funding authority. It is about time. There can be no economic security without an educated citizenry, nor can there be national security without an educated citizenry. H.R. 7, with its goal of bringing vocational education into the mainstream of today's labor markets, and preparing students now for jobs in the 21st century will, I believe, lead to increased productivity and competitiveness in American business and industry. The individuals receiving applied technology education, tailored to their academic and occupational needs, will have the potential to become a world-class work force. If we commit ourselves funding of H.R. 7, the education and development opportunities for our most precious resource, our children, they can become the catalyst for reversing our current status as a debtor nation, unable to effectively compete in international trade, and restore the United States to its former leadership status in the global marketplace.

And if there are any of my colleagues here today who believe the $1.4 billion authorized under H.R. 7 is fiscally irresponsible, they have only to recall recent embarrasing reports that our 17-year-old high school graduates cannot read or write; that there are millions of people in the United States who are functionally or totally illiterate; or that more than 750,000 youngsters drop out of high school each year in the United States. It is this generation upon whom we must rely for our future economic and national stability. If our colleagues will consider these well-known statistics and, instead of viewing them as mere statistics they will transform those faceless numbers into human beings in need of a targeted and well-structured education, they will not consider $1.4 billion as an extravagance, but as an investment in the future world our children and grandchildren will inherit. Let us make it a strong, proud legacy we leave to them—as strong and as proud a land of opportunity as we inherited from our forefathers.

Madam Chairman, I am pleased to have been directly involved in the design and development of H.R. 7, which we have before use today, and I urge my colleagues to give it their support and their affirmative vote for passage.

Mr. GOODLING. Madam Chairman, I yield myself such time as I may consume.

Madam Chairman, listening to some of the comments that have been made on the floor, they verify what I indicated in my remarks earlier when I said that people are suspicious of change. People fear change and people would just as soon not change. It was obvious to me, listening to some of the discussion, that a lot of State department people have gotten in touch with an awful lot of people with a lot of misinformation unfortunately. I am sure it was not deliberate, and I can understand why they would put on that full court press; however, I think they will find in the long run that what we are doing here is answering one simple question.

Madam Chairman, the question is: Access to what? We are saying with this legislation: Access to excellence, access to a better education than they have ever had before.

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I certainly want to take this time to thank our leader. He is a powerful leader. He carries the big stick, speaks softly most times, but he is a wonderful leader. I want to thank him again for the leadership on this piece of legislation.

Mr. PEASE. Madam Chairman, will the gentleman yield?

Mr. GOODLING. I am happy to yield to the gentleman from Ohio.

Mr. PEASE. Madam Chairman, I appreciate the gentleman yielding to me.

I was interested a minute ago, the gentleman was saying that some State departments of education have raised some alarms, and the gentleman thought perhaps they were speaking from misinformation.

Could I ask the gentleman to clarify a couple points for me?

Mr. GOODLING. I would be happy to.

Mr. PEASE. I have some vocational school districts in Ohio, a State, by the way, which has done a good job with vocational education, which are rural districts, but by no means poor districts. I am a little concerned that under the new formula which requires I guess 70 percent of a factor for receiving funds would be low income or poverty in a district.

The districts in the rural parts of my congressional district would not do very well under this formula. We have provided somewhat of a fail-safe system for I think a year or two, but not after that.

I do not have any quarrel with targeting scarce resources. The committee has done a good job in that respect.

Does the gentleman have any figures which show that districts which are, say, rural areas, but not necessarily where there is any poverty, would be reasonably protected and how much they would get under the new bill vis-a-vis how much they are getting under existing law?

Mr. GOODLING. We specifically did not run reports on every district, because again we wanted to answer our question with excellence, not with just more of the same, with a formula driving the program, rather than the program driving the formula.

We have done a run on a rural area in Wisconsin, and they do very well. I would think it would be perhaps similar to that of the gentleman.

We have done a run in a district in Kentucky, which may be poorer than that of the gentleman from Ohio, and they do very well, so we have made very sure that rural districts do well in this particular piece of legislation.

The misunderstanding I think is that there are people who believe that somehow or other a local district will just keep this money and then the area technical school will not get any. We specifically indicate throughout this entire program, and when the gentleman from California [Mr. HAWKINS] offers his amendment. We specifically talk about how that money must be passed on. We specifically said you must have a program of substance, a program of size. We specifically say that you must have continuing sequences. You cannot just come up with something halfcocked.

Then we have indicated that we are willing to do more in those areas; but of course, what we have said is that we will push the money down to the local districts, which in many instances does upset the States.

Mr. PEASE. Madam Chairman, will the gentleman yield further?

Mr. GOODLING. Yes, I yield to the gentleman from Ohio.

Mr. PEASE. Well, I notice that the bill came out of the gentleman's committee by a very large margin. Perhaps my fears are not well founded; but just looking at the formula that we have got for the new program, it appears to me tailormade for big city districts

with a high level of poverty and for rural areas in very poor States, say as some parts of Kentucky.

Apparently some members of the gentleman's committee who are not from districts either in the big cities or in the rural poor, feel that the merits of this bill outweigh any disadvantages they might have.

Mr. GOODLING. Currently, there are seven applications if they want to get most of the money, seven separate applications. Much money is returned because they are not going to bother doing it, and in some instances it costs them more to fill out the seven applications than it does in fact to get the money.

I think you will find that your district will not suffer because it is a rural distirct, and we put it very carefully.

My district also is possibly similar to that of the gentleman from Ohio. We have done a quick check on that. They are not making major sacrifices in order to be sure that we have excellence in vocational training.

Madam Chairman, I do not have much time left to yield. Maybe when we get to the amendment process we can pick it up. I would just like to go back and complete my remarks, because I think I am about out of time and we can continue this when we get to the 5-minute rule.

I wanted to complete my comments by also thanking the staff that has worked night and day, a staff on both sides: Jack Jennings, Diane Stark, Jo-Marie St. Martin, Andy Hartman, Pat Morrisey, and Beth Buehlmann. They have put aside a lot of the fears that people have had that have come to them, because they have specifically been able to point out this is what the legislation does, contrary to what you may have heard.

Also, in relationship to what the gentleman from Ohio [Mr. PEASE] just said, of course, one of the amendments will indicate, and hopefully an amendment to the amendment, will protect you until we see completely how this formula situation works out.

Again, I cannot thank the staff and the committee and the chairman enough for the bipartisan cooperation to bring about a piece of legislation that is so much overdue if we are going to remain competitive.

We positively must make this program respond by saying excellence based on the year 2000, the year 2020, et cetera, not on what we may have done in the past and we just as soon keep doing it because it is not much trouble if you just keep doing the same thing.

We have an improved piece of legislation. By the time we have completed work with the Senate, any of those questions that people have, any of those fears that people have will be ironed out and we will be able to move forward with a new piece of legislation.

Mr. HAWKINS. Madam Chairman, I yield 2 minutes to the gentleman from Indiana [Mr. VISCLOSKY], a member of the committee.

Mr. VISCLOSKY. Madam Chairman, I would like to commend Chairman HAWKINS for his stewardship of this legislation. His efforts to ensure that all points of view were examined and given fair consideration are admirable, as evidenced by the strong support of H.R. 7 by Members on both sides of the aisle. The contribution of the ranking minority member of the committee, Mr. GOODLING, must also be recognized. As a result of his nonpartisan efforts, the status of vocational education programs will be enhanced.

Included in the amendments to be incorporated today during floor consideration is a measure I authorized which would encourage the Department of Education to grant money for a new type of demonstration project emphasizing vocation and work, with education supporting work, rather than work supporting education.

This alternative learning system, called employment based learning, applies the principles of apprenticeship to vocational education. Participants would actually be employed in the job that they are preparing for in the classroom. Although most vocational education students hold jobs while they are studying, they do not necessarily hold jobs that correspond with their coursework. As students—workers—progress through their program and satisfactorily master increasingly complex skills, they would receive periodic wage increases until they master all of the tasks and activities required of their target—a regular, full-time job which they are fully qualified to perform.

For example, the banking industry is one of the many that could participate in this partnership with vocational education programs. Over the last 10 years, bank deregulation has created an explosion of bank services, and the competition for customers is intense. Therefore, many bank tasks are highly customized and labor intensive. While the bank teller job is still fairly routinized, clerk/typist jobs have become much more demanding. Individuals in these jobs must now be able to analyze a broad and complicated array of customer needs, understand the bank's services, and, if possible, produce a match. Promotions nowadays tend to come from these frontline desk positions.

Non-college-bound workers who receive on-the-job training or become full-fledged apprentices earn almost 30 percent more a year than workers who have had no such training. A vocational education program, such as employment based learning, that allows students to earn while they learn, and to think while becoming technically competent, is a promising approach to closing this gap. Workers who participate in this program will not only earn more money, but they will be more productive.

For these reasons, I close by asking my colleagues to support passage of H.R. 7.

Mr. HAWKINS. Madam Chairman, I yield such time as he may consume to the gentlemen from North Carolina [Mr. VALENTINE].

Mr. VALENTINE. Madam Chairman, many of us who represent Southern States are faced with a bittersweet dichotomy, that is, our districts have been unevenly blessed with economic prosperity.

My own congressional district is a good example. At one end of the Second District is the Research Triangle Park, a spectacularly successful venture that delivers all that Sun Belt promoters promise.

But much of the rest of the district is a rural region that has been little touched by the high-technology revolution or the growth of new industries. Like much of the rural South, it has not participated fully in the economic expansion that has revitalized some Southern cities.

Despite glowing reports of Sun Belt prosperity, we must remember that the South still has the lowest educational level, the lowest income, and the lowest wages in the Nation, as well as the unemployment level that is much higher than the national average.

In North Carolina, more than one in four residents does not have a high school diploma and cannot read and write well enough to hold many jobs, to understand a newspaper, or to help their children with their homework. In some counties in my district, the illiteracy rate is as high as 36 percent. These statistics are deeply troubling.

During the 100th Congress, I participated in a congressional field hearing held in North Carolina which focused on scientific and technical literacy in the work force. The hearing included testimony from experts on national employment trends and representatives from various sectors of the State economy. They all agreed that the major problem is the lack of an educated work force.

As one Research Triangle Park executive said in the hearing, his company considers it essential to hire "individuals who have basic skills to adapt to change. Things are changing so quickly that almost half of the jobs won't exist in the same form at the turn of the century. That suggests massive retraining. And massive retraining requires people with a good solid, basic education."

Today we have the opportunity to vote on a program that I believe will help develop a work force that is better able to meet the challenges of an increasingly technological workplace. The Tech Prep Act, which is part of the Carl Perkins Vocational Education Act will encourage high schools and postsecondary schools to work together to provide technical training and education.

The proposal provides Federal matching grants to link secondary and postsecondary

schools to provide 4-year technical preparatory education programs. The training would lead to a 2-year degree or certificate, provide technical preparation in at least one mechanical, engineering, industrial, or practical field, provide a high level of competence in mathematics, science, and communications, and lead to job placement.

It is essential that high schools and postsecondary schools work together to develop and implement programs to educate and train the greatest numbers of young Americans. These are the people who will have the greatest impact on the future of this country. They are the individuals who will be building our houses, running our computers, growing our food, and providing the services we need every day. We must ensure that American workers have the best possible education to perform their jobs to their fullest potential.

At the same time, we must ensure that all areas receive equal access to educational opportunities. The vocational education reauthorization sets up a new formula for distribution of Federal dollars, and it is unclear now how it will affect local school districts. Some areas could receive huge increases while other areas could face substantial losses.

My colleague from New Jersey, MARGE ROUKEMA, has offered an amendment that I believe will ensure fair distribution. Her amendment will extend a "hold harmless" of 85 percent each year, so that no area would receive less than 85 percent of the average allocation that it received over the past 3 years. Her amendment also has a 5-year, 150-percent stop-gain provision to cap the increases any area may experience. This limits an area's increase to 150 percent of its prior year funding.

I urge my colleagues to support the Carl D. Perkins Vocational Education Reauthorization Act with the Roukema amendment.

Mr. HAWKINS. Madam Chairman, I yield 2 minutes to the gentleman from New York [Mr. SCHEUER].

Mr. SCHEUER. Madam Chairman. I would like to congratulate the gentleman from California [Mr. HAWKINS], the chairman, and the ranking minority member, the gentleman from Pennsylvania [Mr. GOODLING] for having produced an excellent piece of legislation.

I am going to rely on the representation of the gentleman from Pennsylvania [Mr. GOODLING] and on his assurance that some of the quirks and problems in this bill will be worked out satisfactorily, especially those referred to by the gentlewoman from New York, Mrs. NITA LOWEY, about authority and funding for New York State to continue its already excellent programs.

Madam Chairman, New York State is one of a very few States in this country that have truly excellent vocational education programs. These should be continued, along with authority and funding needed.

New York State is very proud of its vocational education system.

New York is one of two or three States that have developed and put into place a vocational program that works.

I am concerned that this legislation might erode New York's hard-won success by taking away much of the State's authority and funding.

At the same time, however, I'd like to commend the chairman for moving forward legislation to invest more money in our disadvantaged youth and adults.

The work force of the 21st century is already in our elementary schools.

These future workers need skills which they are not getting, skills required if our Nation is to compete in the global marketplace.

We need a fundamental recasting of most vocational education programs.

Too many State and local vocational education programs prepare young people for the kind of workplace that no longer exists.

Our future workers need reasoning skills, technological skills, and adaptability for the workplace of the 21st century.

They do not need to learn to make buggy whips and Stanley Steamers.

This legislation takes a badly needed first step.

I held 9 days of hearings on competitiveness and the quality of the American work force during the last session of Congress.

Witness after witness testified about our growing education deficit.

Thousands upon thousands of undereducated, underachieving youth, for whom there are fewer and fewer blue collar jobs, are victims of this deficit.

Without state-of-the-art vocational education, these youth will become adult welfare recipients in the future, costing our Nation billions of dollars each year, instead of becoming the skilled trained workers our Nation needs.

This is a wonderful piece of legislation. It gives broad authority to cities and States to carry out excellent, well-conceived vocational education programs including special programs targeted to the poor and the disadvantaged, and including special programs on computer literacy, which is indispensable to having a productive career in today's job market.

Over 90 percent of the new jobs that will be created by the end of the century will require some postsecondary education and will require computer literacy. States and the cities have an obligation to use these funds creatively and productively.

The CHAIRMAN. The gentleman from California [Mr. HAWKINS] has 2 minutes remaining and the gentleman from Pennsylvania [Mr. GOODLING] has 1 minute remaining.

Mr. GOODLING. Madam Chairman, I yield myself my remaining 1 minute. I will consume that last minute.

Madam Chairman, again, I want to thank the chairman. I want to thank the staff. I want to thank all members of the committee.

I think in a bipartisan fashion if we could do this in everything we do around here the country would be better off.

This is a bill that incorporates so many things, a lot of new things, and I think that we are going to find that we will be prepared competitively if we can move this bill forward and we can get the necessary funding for it.

Madam Chairman, I yield back the balance of my time.

Mr. HAWKINS. Madam Chairman, I yield my remaining 2 minutes to the gentleman from Ohio [Mr. PEASE].

Mr. PEASE. Madam Chairman, I thank the gentleman for yielding me this time.

Madam Chairman, I basically wanted to commend the Committee on Education and Labor for the attention it has given in this bill to the concept of regulatory negotiation. I know there is some small degree of controversy over whether it ought to be mandated or not or just urged upon the Department. I guess the administration has opposed a mandatory requirement, but that argument aside, it is clear to me that negotiated rulemaking makes a lot of sense.

Madam Chairman, I am the sponsor of a bill which is now in the Committee on the Judiciary which would set forward the nuts and bolts for possible regulatory negotiations in any agency of the Federal Government. We hope to have that bill on the House floor later this year.

Certainly it seems to the Committee on Education and Labor has taken a giant step forward by putting into this bill a specific reference to negotiated rulemaking, and I want to commend the committee for their having done so.

Mr. STOKES. Madam Chairman, I rise today in support of H.R. 7, the Carl D. Perkins Vocational Education Act amendments. I want to congratulate my esteemed colleague, Congressman AUGUSTUS HAWKINS, for providing the leadership to unanimously report out of committee this important legislation. It represents not only the true spirit of bipartisanship, but provides a real opportunity to prepare Americans for opportunities in international competition and trade.

In recent year, we have all heard our share of sad tales of a deteriorating economy and cities in retreat. If, however, we are to talk about the future of America, about a nation on its way up, a nation that has met the challenges of the past and is striving to meet the challenges of today and tomorrow, we must support this important legislation which enables us to do this.

Madam Chairman, in my own city, Cleveland, OH, there has been a shifting trend—similar to the national trend—from a manufacturing-based economy to a more service-

based economy. In order for Cleveland, and all of the United States, to improve its economy and expand, it must strive to train its current and future work force to meet the growing demands of technological proficiency and expertise. Improving programs that combine academic and occupational education, as well as strengthening links between schools and businesses, is in everyone's best interest.

H.R. 7 provides benefits to all of our society by helping our country remain strong and competitive. I want to again congratulate the chairman and his committee for their hard work on this bill, and I encourage my colleagues to support this important initiative.

Mr. BILIRAKIS. Madam Chairman, I rise today to reaffirm my strong support for applied technology programs, and to express my gratification at H.R. 7's acknowledgement of the need for funding displaced homemaker programs.

Displaced homemakers—or the hidden poor, as I call them—are women who may suddenly find themselves in financial need because of the death of a spouse, obligations of a single parent or need to supplement family income.

These aren't women whose husbands have left them well off, Madam Chairman, they are poor women who have been out of the work force and cannot find decent jobs because of a lack of job skills—or an employer's unwillingness to hire them because they haven't worked in years—or perhaps have never worked outside the home.

I have been a strong advocate for expanding the targeted jobs tax credit program to include a category for displaced homemakers. I am delighted to see that a specific allocation is made for the needs of this group.

Madam Chairman, a ways and means subcommittee is now considering a reauthorization of the targeted jobs tax credit program. I would hope that the committee would establish a new eligibility category that addresses the needs of displaced homemakers.

Mr. MFUME. Madam Chairman, I join my colleagues in strong support to the Applied-Technology Education Amendments Act of 1989, H.R. 7. The bill under consideration today will reauthorize the Carl Perkins Vocational Education Act for 3 years and will set a spending target for more than $1 billion for fiscal year 1990. I am convinced that this is the best piece of legislation that my colleagues and I of the Committee on Education and Labor can offer to strengthen and guide our vocational programs to keep stride with growing technological demands in the workplace.

Quality vocational and technical education programs have been in the past and must continue to have a significant role in educating our children. With today's highly specialized and complex world, the need for this legislative initiative has grown exponentially in light of changes in the structure of the labor force and international competition.

Over the past several years, the programs under the Perkins Vocational Education Act have served millions of Americans by teaching important job skills while supplementing academic instruction. In fact, nearly 42 percent of today's vocational graduates hold jobs related to their work, and have gone on to becoming productive, gainfully employed members in their communities.

While the programs have reached a number of students, recent studies have indicated that not all of the deserving populations have been properly served. According to a recent GAO report, many current funding mechanisms tend to direct funding to more affluent areas and away from poor communities. Also, funds were diverted from the handicapped populations or redistributed to wealthier areas once returned.

H.R. 7 attempts to correct these problems by directing Federal funding to the local level by targeting schools and areas with high concentration of handicapped and disadvantaged students. This approach would ensure that adequate funding gets channeled down to those special populations as intended by Congress.

Madam Chairman, in the Applied Technology Education Amendments Act, we have created a single new Human Investment Council to review and make recommendations concerning the services and use of funds under education, employment, and training services. Unfortunately, programs under the Family Support Act were not included under the council's jurisdiction. For Maryland and many other States, thousands of individuals are served by the employment and training programs under the Family Support Act. In fact, over 14,000 new participants are expected to be served in Maryland this year. In my opinion, these programs should be included within the jurisdiction of the council so as to promote partnership and better coordination. I hope to see this oversight corrected in the near future.

Despite my concerns, I believe that this bill is an adequate response to the concerns we have heard during the hearings held over the past few months. And by reauthorizing this act, we will assure the American people of our continued support to provide a quality education and good training opportunities for everyone.

I hope that all of my colleagues do recognize the vital role vocational programs have played in the past and will continue to play in the future. The Applied-Technology Education Amendments Act will expound on our past efforts to meet the challenges of training our youths and adults to meet the needs of an ever-changing labor force.

Mr. TALLON. Madam Chairman, with all of the improvements in vocational education included in H.R. 7, I can hardly vote against the reauthorization of one of the Federal Government's most successful programs in education and job training.

Nonetheless, I vote for this bill with great hesitation. Without proper hearings or even a test run on the new funding formula, we may create a situation that will be devastating to areas that are not either densely urban or very rural and poor.

That means that rural districts in South Carolina and other States that have had amazing success with Carl Perkins' money will have their vocational education programs threatened by a formula which would likely include a wholesale phaseout of many existing programs.

In addition, the new set-aside which demands that 10 percent of funds be used for grants for only 2 special population groups will slash by 50 percent funds available to the States to maintain statewide coordination of local vocational education programs.

While it is admirable to target the money directly to districts, schools, and pupils, we must not discount the vital historical role of the State in accomplishing this goal.

The problems noted by proponents of the new funding formula and the change in the set-asides are worth addressing with workable legislation that will not inhibit the access of vocational education to all who want it. I am disappointed to say that H.R. 7 does not do this.

Mrs. LLOYD. Madam Chairman, I rise in strong support of H.R. 7, to reauthorize through 1995 the Carl D. Perkins Vocational Education Act, thereby continuing national support for occupational education programs in our schools.

I am a strong proponent of education and I believe that supporting and improving vocational training is an integral part of maintaining America's competitiveness and insuring that our students are prepared to meet the increasing challenges of todays work force. Some years ago, a high school diploma alone was a solid guarantee of a good job and an income adequate to live on. Today, however, with increasing mechanization, it is more important than ever that all our students graduate equipped with the specialized skills necessary to meet the challenges that lie ahead. This legislation would allow our students to do just that—and more.

It calls for sharply increased spending for the Government's main vocational education programs, from about $900 million in fiscal 1989 to $1.4 billion in 1990 and such sums as may be necessary in fiscal 1991–95. The bill also includes language that I strongly support providing a $200 million "tech prep" program that would provide grants to encourage the creation of 4-year vocational education programs—2 years in high schools and 2 years in postsecondary education.

America needs workers well trained in technology and well versed in basic skills if we are to forge a world-class work force for the future. Therefore it is imperative that our high schools and postsecondary educational institutions work together. Tech-prep is an idea that has been developed and tested by educators throughout the Nation. I believe that Federal support of tech-prep education will accelerate and broaden the adoption of this important educational initiative.

H.R. 7 also includes language which calls for a $100 million program to bolster facilities and equipment for schools in low-income areas as well as a program for business-labor-education partnerships. Other provisions seek to encourage States to come up with ways to measure the success of vocational education programs.

This legislation contributes to the development of the academic and occupational skills of all segments of the population by concentrating resources on improving educational programs leading to skill competencies needed to work in a technologically advanced society. I believe it should be passed and sent to the President with all possible speed. I urge

my colleagues to join with me in supporting this critical education initiative.

Mr. PRICE. Madam Chairman, I rise to express my support for H.R. 7, the Reauthorization of the Carl D. Perkins Vocational Education Act.

This act is an important first step in addressing the workplace literacy challenges of the future, and it is a critical investment in our Nation's economic security and productivity.

I am particularly pleased to see Representative FORD's tech-prep legislation incorporated into H.R. 7. This program will provide Federal matching grants to consortia of secondary and postsecondary schools in order to encourage 4-year programs that link the last 2 years of secondary school with the first 2 years of postsecondary school.

This idea was first implemented at Richmond County Community College in North Carolina, in 1987. The Tech-Prep Program has addressed the needs of the forgotten majority—students who were least likely to pursue postsecondary education degrees. Knowing of the U.S. Department of Labor's predictions regarding the economic future of our country, North Carolina State officials recognized the tremendous impact these students would have upon the potential work force in North Carolina. In our State, for example, it is predicted that our economy will create nearly 760,000 new jobs, by the year 2000. However, with a shortfall in skilled labor, we will only be able to provide 550,000 qualified workers to fill them.

The Tech-Prep Program has proven to be a viable approach for addressing this problem. By combining the last 2 years of high school and the first 2 years of the community college curriculum, students are able to excel to higher levels of competency in mathematics, science, and communications, while receiving substantial preparation in at least one mechanical, industrial, or practical field. The North Carolina work force has definitely benefited from this program and I believe it is a program that can work nationwide.

Vocational education and tech-prep are vital parts of our educational system and need our ongoing support. I urge my colleagues to take a step toward continuing their investment in this country's human capital and join me in supporting the reauthorization of the Carl D. Perkins Vocational Education Act.

Mr. HENRY. Madam Chairman, I join many of my colleagues in speaking in support of H.R. 7, the Carl Perkins Vocational Education Act amendments. I also particularly commend Chairman HAWKINS and the ranking Republican member, Mr. GOODLING, not only for the open and cooperative nature of the process which has brought the bill this far, but also for being willing to make serious and substantial changes in the Federal Government's role in vocational education. It may be that some of the changes in the program brought about by this bill need to be further considered and refined, and I am sure that the Senate will come back with a somewhat different-looking bill. But no one can say that the Federal Vocational Education Program is not in need of change, and I commend the chairman and the committee for being willing to take on that challenge.

One of the more important legacies of the 100th Congress was the acceptance of performance standards and outcomes accountability in federally supported education and training programs. Both H.R. 5, the Elementary and Secondary Act amendments and the welfare reform bill included efforts to build such accountability into their respective programs. I am pleased that these amendments to the Vocational Education Act extend the idea of accountability to this program as well. H.R. 7 requires the adoption of performance standards for vocational education programs. It does not, however, directly impose any sanctions if they are not met. I would prefer that we go further than simply requiring the adoption of standards, but I support this as a first step before moving on to the question of how best to insure that they do not become simply paperwork exercises.

If finally passed into law in this form, H.R. 7 will significantly change the role of the States in the flow of Federal vocational education dollars. This is a difficult change, because my own State is recognized as having one of the best and strongest State programs, and the State office has generally worked well with the local districts in this particular program. State programs which have relied in part on Federal funds, such as the Michigan Occupational Information System and "Quick Start" have wide support among the vocational education community. Nonetheless I support the changes in H.R. 7 because they mean more flexibility for school districts to address their own local needs, and generally direct the Federal funds to areas of greatest need. The changes mean that programs, State and local, can be supported because they make sense, not because there are Federal funds. I also want to say a word in support of the amendment to be offered by my colleague on the committee, Mr. SMITH. The amendment authorizes up to 20 demonstration projects to show us whether we can achieve improved school performance by taking away many of the narrow and specific program requirements associated with Federal education programs, and letting the schools themselves determine how to structure the program. This is a concept which many have urged as an important education reform measure which the Federal Government can adopt in order to stimulate school board management. The amendment will allow us to evaluate several demonstration projects, to see whether this is indeed an effective approach for us to take.

Mr. COELHO. Madam Chairman, I would like to take this opportunity to commend Chairman HAWKINS and Mr. GOODLING for their work on this legislation, and for their commitment to improving and vitalizing vocational education in this country. The quality of vocational education is particularly critical at this time, when all indicators point to a labor shortage as we enter the next century. Every student today is a potential productive member of our labor force tomorrow, and therefore we truly do not have a student to waste.

However, it is in this spirit of inclusion that I must express my concerns about the funding formula of this bill. I applaud the bill's targeting of those populations who have been traditionally underserved by programs such as vocational education. The provision of additional services and equipment to those areas with high concentrations of low-income, handicapped, and limited English-proficient students, is a commendable effort, and one which I applaud and support. However, my concern is that a fourth group—the academically disadvantaged—has been deleted from the legislation's funding priorities. While I believe that we must strengthen our commitment to those students who have not received the vocational education services that they need, I also believe that we must not renege on our commitment to those students who are currently in our Vocational Education Program. Academically disadvantaged students, for a variety of reasons, end or are near the end of their secondary school careers without adequate preparation to be productive in the work force. These students need and deserve to participate in public education programs that will provide them with the preparation they need. The fact that some of these students may not be poor, or may not live in an area with the high concentration of poverty, should not work against them in their efforts to obtain services, and should not work against the school districts that are trying to provide those services.

This issue inevitably brings up questions about how rural areas will be affected by the funding formula of this bill. As has been pointed out today by some of my colleagues, there is not adequate data at this time to indicate how those areas not obviously impacted with high concentrations of poor, handicapped, and limited English-proficient students will fare under the funding formula of this bill. Some say rural areas will benefit; others say that they will lose. As a Representative from California's Central Valley, I know that quality vocational education programs are critical in rural areas, and not just in those rural areas that would necessarily qualify as economically depressed under the definition in this bill.

I am hopeful that our colleagues in the Senate will have the opportunity to address these issues and to correct any inequities that may be revealed as more adequate data on the implementation of this funding formula becomes available. I also hope that the Senate will enter into a dialog with the vocational education community that will allow for the consideration of any additional concerns that community may have before a final bill is passed by this Congress.

Mr. RANGEL. Madam Chairman, I rise today to speak in support of the Applied Technology Education Amendments of 1989 that would amend the Carl D. Perkins Vocational Education Act.

Since the Perkins Act was signed into law in 1984, it has afforded the opportunity to those in our society who are traditionally considered underserved—the disabled, the disadvantaged, and those with limited English proficiency—to get a practical, skill developing education and thus become productive members of our society.

Too often we hear about those who the education system is failing. Our national dropout rate is hovering around 30 percent and in some of our inner cities, that figure can go as high as 50 to 70 percent. We hear of compa-

nies, such as those in New York, who cannot find enough high school graduates to hire because they cannot pass a basic reading and math test. Obviously these sad tales are not just a personal problem for those students who have dropped out or those who have graduated from high school but who can't pass a simple exam. This is becoming a grave national problem and it is imperative that we begin to focus on programs such as those found in the Applied Technology Education Amendments that would give those students who are considered at-risk and disadvantaged technical and vocational knowledge that would ensure them a skill that they could market. In today's age of modern technology and international competitiveness, and at a time in our country when we are being forced to realize that our traditional educational system is nothing short of lacking, vocational education stands to play a major role in our Nation's economic, educational, and industrial vitality.

When you stop to consider the projected demographics in the next century, which is only several years away, it is clear that many of the jobs that will be available will require a tremendous knowledge of technology. By providing our States with an opportunity to prepare the work force of the next century, with the technical knowledge that will ensure a good paying job, our Nation will be surely served.

Mrs. MARTIN of Illinois. Madam Chairwoman, I rise in support of H.R. 7.

Let me begin my congratulating all the members of the Education and Labor Committee—Mr. GOODLING and Mr. HAWKINS especially—for their leadership role in forging this bill and in bringing it to the floor with the substantial bipartisan support it enjoys.

The need for a coordinated and effective program to provide technical education and training is more pressing today than ever before. In the district which I represent, good jobs are going unfilled because employers cannot find suitably skilled people to fill them. As a result, individual Americans and America itself are the poorer. I believe that on balance this legislation represents a positive step. H.R. 7 moves technical education programs in the right direction.

Of the many amending provisions which this legislation contains, there are two which I would like to mention specifically because I believe they offer the greatest potential for program improvement. The first involves the formula for the distribution of funds under the program. Like many other federally administered programs, vocational education has suffered from an excess of Federal attention to detail. In this case, an overly restrictive, federally determined formula for targeting participants has cut deeply into the effectivenes of the program.

The problem is exemplified by the fact that millions of dollars of badly needed funds for job training are being returned to the Federal Government each year because the currently federally mandated set-aside formulas are consistent with population profiles at the local level. The increase flexibility which this bill will allow at the local level—the level where Federal programs and reality intersect—is a positive step which should be emulated in as many federally sponsored programs as possible. I am confident that vigilant Federal oversight will ensure that the special populations whom we have sought to serve will continue to be served under new targeting formula.

Because the new formula for targeting students will affect the flow of funds under the program, we have a responsibility to closely monitor and mitigate its impact on institutions and communities that participate in the program under the existing rules. An amendment which I understand my friend and colleague from New Jersey, MARGE ROUKEMA, plans to introduce would enhance our ability to carry out this responsibility by extending the phase-in period for the program changes which this legislation sets out.

Congresswoman ROUKEMA'S amendment to extend the hold harmless period in the bill will enable us to identify and ease the adjustments which will result from the new targeting formula. The amendment makes good sense and I urge the House to support it. Congresswoman ROUKEMA'S amendment improves an already good product.

A second provision in the bill which deserves specific mention and support is that which establishes a new and much needed Tech-Prep Program. For those secondary school students who have made the decision to enter an applied technology program after high school, it makes perfect sense to offer courses on instruction at the high school level which will support this decision and enhance their prospects for success. The Tech-Prep Program which H.R. 7 establishes would provide powerful incentives for secondary schools and postsecondary applied technology to coordinate programs for the benefit of students who have chosen an alternative to the university.

Mr. MILLER of California. Madam Speaker, I rise in support of the Carl D. Perkins Vocational Education Act amendments. These amendments make a number of significant changes in the current law which should improve the administration of the program while ensuring that Federal funds are targeted to areas with the greatest need.

I strongly support the requirement that Federal funds be used only in programs that combine academic and occupational skills, the provisions which require greater coordination between vocational education and other job training programs, and the establishment of the Tech-Prep Program linking the last 2 years of high school with 2 years of community college in a sequence of courses intended to produce more technically proficient students.

These amendments also reduce the paperwork for school districts and eliminate State and local matching requirements for Federal funds, which should simplify program administration for school districts.

I strongly support the amendment, offered by Chairman HAWKINS, to exclude as income for Federal program eligibility, financial aid, student assistance, and dependent care received under the Perkins Act. Under current law, many Federal programs count such assistance in determining income eligibility, forcing women to choose between receiving a decrease in the Federal program allotment or attending a job training program which could make them economically self-sufficient. This is contrary to Perkins' stated purpose of bringing more women into the vocational education system, and is not the result we intended when we passed the 1984 act.

Chairman HAWKINS' amendment mirrors the language of the Higher Education Act to exclude financial aid and student assistance when determining income eligibility for Federal programs, and requires the additional exclusion of dependent care as well. This exclusion will have significant impact for those able to benefit from it, and I applaud Chairman HAWKINS' amendment.

Although I am pleased with the direction that H.R. 7 has taken, I believe that this committee and the Congress will have to exercise vigilant oversight over it's implementation to ensure that the special populations it targeted are given equal access to quality, applied technology education programs and the special services required to ensure their success.

The elimination of the existing set-asides for targeted populations, and the introduction of weighted formulas are intended to provide local school districts with greater flexibility for developing, planning, and implementing programs tailored to the needs of their communities. However, this greater flexibility and availability of Federal money at the local level are accompanied by assurances and guarantees to provide access to these programs by the special populations.

The participatory planning requirement contained in section 203 is language adopted directly from the Head Start Act, because of that program's recognized success in both its outcomes and its involvement of parents. The committee did this with the expectation that the effective procedures to be developed by the States for this purpose will provide for parents and students the same high levels of actual involvement in Head Start, as set forth in the Federal policy on Head Start parent involvement.

In order to ensure that these education programs meet the needs of the special populations and that these groups are given the special services they need to make use of these programs, it will be important to involve representatives of the affected groups, as well as parents, students, and teachers, in the design and evaluation of these programs at the State and local levels. As the committee report indicates, such participation also includes involvement in deciding on the methods and content for providing students and parents with program information under section 203(b), since such involvement will increase the likelihood that the information will effectively reach and be understood by parents and teachers.

The appeals section requires procedures which must provide, at a minimum, for the timely resolution of complaints, the presentation and examination of all information relevant to the issues and full representation of relevant viewpoints before an impartial individual with knowledge of the law and the applied technology education services available to students under this act. In order to make this process effective, it is imperative that the impartial individual be independent of, and not be an employee of, any agency providing services under this act.

These impartial procedures for appealing decisions do not, in any way, limit the remedies available to any individual under any other provision of this or other laws, such as section 1983 of the Civil Rights Acts, in order to obtain the benefits provided by this act.

I am hopeful that this new process will facilitate the development of the quality applied technology education programs this committee envisions.

However, these assurances contained in the bill will be meaningless unless they are implemented and monitored closely by the Federal, State, and local governments. Merely counting certain groups are counted for the purpose of driving the Federal funds to the local level does not guarantee that those populations will be served with that money. For too long, I have seen the poor and handicapped counted for funding purposes only while the actual use of the money was targeted for other groups.

I share the disability community's concerns about the funding changes in this bill. They were included as a targeted population under the current law because evidence proved they were being excluded from quality vocational education programs. Today the unemployment rate of the disabled is 66 percent. Certainly they will benefit from the progressive thrust of this bill as long as they continue to participate in these programs.

In order to ensure that the guarantees of equal access and nondiscrimination for members of special populations are implemented, States should use the same standards set forth in the Guidelines for Eliminating Discrimination and Denial of Services on the Basis of Race, Color, National Origin, Sex, and Handicap in Vocation Education Programs (appendix B of part 100 of title 34 of the Code of Federal Regulations). We must stand guard to ascertain that they are given the equal access envisioned by this new law.

I am pleased that foster children have been included as a special population. Special attention needs to be focused on this group of youth because, in addition to the disadvantages of poverty, they lack permanent families. Because of a critical shortage of placements nationwide, these children are often moved from placement to placement. This means that they also move from school to school. In the process, they often fail to acquire appropriate education, that provides them with marketable skills to become self-sufficient. By focusing attention on this small group of youth, we may be providing them with the resources they need to become productive members of their communities, and to avoid further dependence upon a Federal or State-supported system.

I am also pleased that this bill now permits juvenile detention facilities to be the recipients of Federal funds under this act. As with adults in correctional facilities, it is wise to invest job skills training in juvenile offenders in order to promote their employability upon their return to their communities.

Mr. WYDEN. Madam Chairman, today I rise in support of H.R. 7, the Applied Technology Education Amendments of 1989, and I hope that the legislation will be enacted in much the same form that we have voted on today. But it is also my hope that the conflicts which have arisen over this legislation's funding allocation provisions will be resolved before the process is completed.

I understand that the goal in changing the allocation formula of Federal vocational education dollars is to place a priority on funding for local education agencies. The best overall goal however, is to expand our country's capability in providing every young person with the skills necessary to compete in the work force of the future. Reasonable people will differ as to how that may best be accomplished.

My own district is unique in that it contains both a large, urban school district and several small, financially distressed school districts in semirural areas.

Because this diversity in educational systems, the impact of this legislation concerns educators in my district in two distinct ways: The allocation provisions which will surely be of benefit to the large district could prove to undermine the smaller schools' ongoing efforts to deliver high-quality vocational education programs.

Oregon initiated "2+2" projects over 4 years ago to dramatically improve vocational and technical education programs throughout the State. This ambitious undertaking could not have been accomplished in Oregon without a strong State vocational education department to help the smaller school districts with technical assistance such as curriculum development, teacher training, and coordination with local community colleges and businesses.

Although the large, urban school district, Portland Public Schools, participates in the "2+2" program, it also needs the funding flexibility provided for in this legislation.

I commend to my colleagues the following letters from Oregon educators which are representative of the concerns expressed by both sides of this conflict over the funding allocation formula. It is my hope that the House-Senate Conference on this legislation will take these concerns about the funding allocation formula into account.

The letters follow:

OREGON VOCATIONAL ASSOCIATION,
Clackamas, OR, April 26, 1989.

Hon. RON WYDEN,
House of Representatives,
Rayburn Building, Washington, DC.

DEAR RON: On behalf of some 4,000 secondary and postsecondary vocational technical education teachers and administrators, I am writing to bring to your attention seven major areas of concern on the markup of H.R. 7 by the Subcommittee on Elementary, Secondary, and Vocational Education. The seven concerns are as follows, but not necessarily in priority order:

1. The words "Vocational Education" are not in the bill title. Vocational technical education is a term that has credibility and acceptability. Applied technology is a term which does not encompass all vocational programs, while vocational technical education is flexible and resilient enough to include technologies under a working definition. In Oregon, we have opened and expanded the door of communications between business and industry through the term vocational technical education.

2. State Councils on Vocational Education would be merged into a new state Human Resources Council. Combining the State Vocational Councils, State Job Training Coordinating Council, Vocational Rehabilitation, adult education, and Wagner-Peyser is like combining apples and oranges. JTPA is training primarily for the economically disadvantaged, and vocational technical education is education. Vocational Councils serve as a catalyst between education, business/industry, and government to stimulate coordination and cooperation. In Oregon, the identity of vocational technical education would be lost with a Human Resource Council, and there would be little focus on vocational technical education because of the multiple roles of that council.

3. An 80-20% split is provided for local-state division of funds. Funding will only be available to LEAs which meet all criteria. In Oregon, a few of the things we will lose include:

Innovative projects;

Maintaining support of our Vocational Student Organizations;

Maintaining state-level curriculum development activities;

Maintaining inservice activities for vocational technical education teachers and administrators;

Ability to provide technical assistance to school districts and community colleges; and

Two-thirds of our state staff who provide the above services.

The weighted formula assures that schools with the greatest numbers of disadvantaged (Chapter I) and handicapped students would receive the most funds, but there appears to be no provisions for assuring additional services to the disadvantaged and handicapped so they can succeed in vocational technical education programs.

4. There are no title set-asides. We need to retain the set-asides provided for in H.R. 1128. Vocational education serves both the academically and economically disadvantaged who are students at risk. Services and programs serving special populations will be cut if these set-asides funds are eliminated. The opportunities provided by vocational education and the set-aside funds will enable these populations to prepare and be successful in the work place.

5. There will be no funds to a project in any school in any fiscal year unless the state and local effort per student equals or exceeds such effort for the preceding fiscal year. Oregon needs time to evaluate the effect of the impact of the data of last year's expenditures in order to determine the increases or decreases of federal funds to the districts. Based upon the evaluation of the current formula, our small schools would be out of the business of delivering vocational education. As you know, we have many small districts in Oregon. Since we have no state funding for vocational education in Oregon, our larger, wealthier districts can use excess funds to provide match for districts with few funds and for those who are currently in the "safety net" (50+ districts) making it possible to continue programs in rural areas and safety net districts that would otherwise be lost.

6. There is a $5,000 floor for local education agency receipts. If an allocation is less than that, the LEA must join a consortium to get its share of the federal funds. The provision has the potential of decreasing access to vocational education in the many small districts in our state who would receive less than $5,000 under this provision. Forcing these districts to join a consortium in order to access the federal funds has the possibility of other fiscal implications such as:

Providing transportation to programs in other schools; and

Forcing them to develop a central facility for vocational education which would be very costly.

7. Academically disadvantaged individuals are removed from the definition of disadvantaged. This provision targets dollars away from one of the most at risk groups. In Oregon, our experience has been that the term economically disadvantaged does not always mean these individuals need additional services in vocational programs to succeed. Our rural and urban areas without high numbers of economically disadvantaged often have high numbers of academically disadvantaged students who would not be served. There is no other source of money to serve this population.

In summation, the provisions in H.R. 7 are not good for Oregon. The language in H.R. 1128 best meets our needs in assuring access to and delivery of quality vocational technical education for all of our youth and adults, and it allows us to continue moving and expanding 2+2 technical preparatory and other articulated connected secondary and postsecondary programs which we have been working to implement statewide for the last four years.

Ron, the vocational technical education community in Oregon thanks you for your strong support and the action you are taking on our behalf. A very special thanks to your legislative assistant, Alicia Knight, who has worked long and diligently on our issues and concerns and who has gone above and beyond to keep us informed almost daily on the reauthorization issues and actions. Please feel free to contact me if you would like additional information.

Cordially,

NITA CRIMINS,
Legislative Chairperson.

PORTLAND PUBLIC SCHOOLS,
Portland, OR, May 2, 1989.

Re H.R. 7.
Hon. RON WYDEN,
Rayburn Office Building, Washington, DC.

DEAR CONGRESSMAN WYDEN: This is written to urge your support for H.R. 7, Carl D. Perkins Applied Technology Education Amendments of 1989, as drafted and approved by the full House Committee on Education and Labor.

Vocational Education continues to be a high priority in the Portland Public Schools, and H.R. 7 represents a much needed boost to our efforts. This bill contains a number of important features which are beneficial to us including:

IMPROVED TARGETING ON HIGH-NEED AREAS

The revised formula will cause more Funds to flow to areas such as urban school districts which have the greatest need. Additionally, the new formula will replace the current set-asides for specific target populations with a more flexible system.

PROVIDES CLEAR USE OF FUNDS

The program merges Parts A and B of the current Title II and focuses on improving or expanding local programs offering academic and occupational instruction in schools with the highest proportion of poor, handicapped or Limited-English Proficient students. It also ties academic and occupational education more closely without mandating a process.

COORDINATION BETWEEN SECONDARY AND POSTSECONDARY SCHOOLS

The bill encourages coordination in programming between secondary and postsecondary schools, a goal we support and have been working towards for a number of years.

FLEXIBILITY

The bill simplifies the administrative aspects of the program by reducing the number of set-asides from seven to two, and eliminating both the matching and the excess cost requirement.

EQUIPMENT

A new $100 million program specifically earmarked for local purchases of equipment to upgrade programs is included.

In summary, this is a much improved piece of federal Vocational Education legislation. It has the potential to offer urban school districts the opportunity to make significant changes in their existing vocational programs.

Sincerely,

MATTHEW W. PROPHET,
Superintendent of Schools.

Mr. MARTINEZ. Madam Chairman, as Congress considers reauthorization of the Carl D. Perkins Vocational Education Act, I would respectfully call the attention of my colleagues to the development and implementation of a number of projects in California which are bringing high schools and community colleges together to articulate technological education which meets the needs of students, schools, and employers.

In California, so-called 2+2 projects have been setup as prototypes of new cooperative efforts that tie together community colleges, high schools and adult schools to identify local needs and to provide programs which permit smooth passage of students from high school into postsecondary programs and into the workforce.

Mr. FORD'S "2+2 tech-prep" measure (H.R. 22) recognizes the importance of this approach, and the Committee on Education and Labor, under the guidance of Chairman HAWKINS, has incorporated the provisions of H.R. 22 as a cornerstone for upgrading and modernizing applied technological education in the Perkins Act reauthorization.

California's pioneering 2+2 projects were the result of a 1986 report on postsecondary education in California by the California Commission for Review of the Master Plan for Higher Education and the Joint Legislative Committee on the Review of the Master Plan. These studies noted the need for better articulation between high school and community colleges to guide students in continuing their education through the baccalaureate degree and in the work force. By developing programs that challenge students at each step and allow students to set career goals early, improved articulation would avoid the turn off, boredom, and expense of needless repetition of course material. By removing roadblocks, improved articulation of secondary and postsecondary programs make success an attainable goal for students.

California's system of cooperative action in vocational education is well developed and functions well. The board of governors of the community colleges and the State board of education have a long-established joint advisory policy committee which recommends the division of Perkins Vocational Education Act funds between the secondary schools and the community colleges. The two governing boards have agreed that the community colleges should receive nearly 50 percent of all Perkins funds. They also proposed and established effective 2+2 programs.

The chancellor's office of California community colleges and the California Department of Education were able in 1986 to make available $500,000 from title II–B of the Perkins Act to assist local high schools and community colleges in developing joint 2+2 projects in career, vocational and technical education. The State offices set appropriate statewide goals for the program and set project requirements that emphasized orderly transition of students through the educational system. These requirements made projects throughout the State comparable, and required statewide cooperation so that there would be no wasteful duplication of projects.

For those who were uncertain what "articulation" meant, State officials carefully defined the characteristics of effective articulation programs. "Educational program articulation" they said, "is a systematic process that enables an individual student to pursue a short-term or long-range career, vocational, or occupational preparation goal without duplication of courses or levels of competency. * * * A guiding principle for successful articulation is that no student should be required to repeat competencies for which credit or the equivalent was previously granted. The end result of successful articulation is for students to reach their desired career, vocational, or occupational education goals in an efficient sequence of progressive achievement." The State offices also identified 12 common elements that each proposal should contain, including a competency-based curriculum with input from business and industry, thus requiring that employers be included in the planning process.

In December 1986, California awarded $526,000 to 21 proposals, 13 of them for planning purposes and 7 for implementation in instances where the high schools and community college involved had already accomplished the necessary preliminary planning. One award was given to "institutionalize" a 2+2 program that the participants had already begun to implement. Today, 3 years later, the chancellor's office and the California Department of Education have awarded a total of $1.3 million as the projects have moved from planning, to implementation, to institutionalization.

In 1988 an evaluation of each of the 2+2 projects by an objective third party found active participation by high schools and community colleges in all projects, that regional occupational centers and programs took part in all but one project, and that adult schools participated in several. In addition, 4-year colleges and universities, not included in the original proposals, were also actively participating in several projects, with articulation agreements signed in some projects that could lead to "2+2+2" programs.

The evaluators also reported that the program helped open lines of communication between governing boards, administrators, teachers and counselors in the participating educational institutions and that the "understanding developed through careful review of course content and competencies led to

mutual respect and trust and a recognition of the important role each school plays in the continuum of learning".

Two of the original 21 projects were discontinued because of nonrelated problems, but today 16 California community college districts, a union high school district, a county office of education, and a regional occupational program are the funding agencies for the 19 ongoing 2+2 projects. These projects involve 23 community colleges, nearly 150 high schools, 21 regional occupational centers and programs, several private secondary schools, and six 4-year higher education institutions, both public and private. These programs offer courses and programs in 75 occupational fields, ranging from accounting and automotive occupations to computer programing, early childhood education, travel/tourism, and nursing.

While it is too early to identify a specific number of students who have completed the 2+2 program, I am told that the California Community Colleges Chancellor's Office and the State department of education are evaluating the programs this year, and will make every effort to monitor outcomes as these students progress through the system. A longitudinal study is being planned to monitor students as they progress on into 4 year colleges or the work force.

One of the most important anticipated benefits of this program is an increase in student retention and progress, especially among minorities and other special populations. 2+2+2 programs remove the roadblocks which have made it difficult and expensive for students to upgrade their occupational skills and academic achievements. Other economies of scale are being found as participating institutions share facilities, equipment, educational aids, faculty, and other resources. Finally, this program develops a firm base for California's and our Nation's continued economic development as it provides students with the skills they need for today's jobs, and opportunity to upgrade those skills to create tomorrow's jobs.

Madam Chairman, once again the States have been the laboratory of democracy. When flexibility is matched with accountability, States innovate to meet local and national needs. I submit that these programs, developed by local community colleges and high schools in California, with the encouragement and assistance of their State governing offices, can serve as models of the reforms the tech-prep measure will seek to stimulate to strengthen and modernize applied technological education. I urge my colleagues to support the reauthorization of the Perkins Act, H.R. 7.

Mr. FAUNTROY. Madam Chairman, I rise in strong support of H.R. 7, the Applied Technology Education Amendments of 1989. I am proud to be an original cosponsor of H.R. 7, which will reauthorize through 1995 the Carl D. Perkins Vocational Education Act. This reauthorization continues our Nation's support for occupational education programs in the schools in the amount of $1.4 billion in fiscal year 1990 and such sums as may be necessary in fiscal years 1991 through 1995.

H.R. 7 also makes a number of changes regarding the manner in which our federally supported occupational education programs are to be carried out, and purposes of programs funded under H.R. 7 are clarified. The legislation limits the use of Federal funds to the improvement of programs that combine academic and occupational education. It also requires that programs to be funded be characterized by coherent sequences of courses leading to the acquisition of a job skill and academic competence. H.R. 7 also mandates that access be assured to the poor, handicapped, and limited-English-speaking populations through the provision of supportive services.

Better and more efficient targeting will also be enhanced through this reauthorizing legislation. Under H.R. 7, the use of an intrastate formula would be utilized to assure that Federal funds are directed on an equitable basis to school districts, community colleges, and other eligible local institutions. The legislation seeks to insure that areas of greatest need receive assistance commensurate with that need.

With reference to technical training, the bill establishes a new program designed to encourage secondary schools and community colleges to structure course sequences to enhance student's technical skills. Finally, the bill provides a number of amendments which will improve coordination among five key Federal education programs: applied technology education, the Job Training Partnership Act, adult education, vocational rehabilitation, and the Wagner-Peyser Act.

Madam Chairman, this legislation meets a challenging need: To improve the education of our citizenry as a prerequisite to our Nation's ability to compete in the world market. As I stated in the debate on H.R. 2, the Fair Labor Standards Amendments of 1989, we have only two choices with regard to our labor force: to exploit people or to invest in them. The Vocational Education Reauthorization represents the proper kind of investment in our people.

I urge my colleagues to pass H.R. 7.

Mr. FRENZEL. Madam Chairman, recently, a new phrase has entered the vocabularies of those of us on Capitol Hill. It is "the forgotten half." This term is used to refer to the students of the Nation who choose not to pursue traditional college educations. Instead, these students enroll or should enroll, in post-secondary vocational education programs. The Nation has been accused of forgetting these important programs while concentrating on the more traditional postsecondary education system.

This year, Congress must scrutinize the system that serves these students. Using H.R. 7 as a launching point, we will need to devise a bill which ensures that the Federal moneys earmarked for special populations of vocational education students benefit those students and the schools which serve them.

However, there are specifics of H.R. 7 which must be reevaluated and negotiated before I can support this bill wholeheartedly. Looming at the top of the list of necessary alterations is the stipulation that the regulations developed under the act would not be subject to OMB approval. The administration has already voiced its opposition to this provision which would effectively negate on the prerogatives of the executive branch. Until OMB authority is restored, the bill is veto bait, and deserves to be.

I very much want to support the Reauthorization of the Perkins Act. After all, proper vocational training is necessary to provide citizens with the ever-changing, and ever-advancing, skills required of this country's labor force. As our world and our country become more technologically advanced, vocational education will continue to be immensely important to those citizens who do not choose traditional postsecondary education alternatives.

It is my hope that we can rectify the few stumbling blocks which appear in H.R. 7 with amendments offered on the floor. Then we will have a truly bipartisan measure provides maximum benefits to this country and its citizens.

Ms. PELOSI. Madam Chairman, I rise in support of the Carl D. Perkins Vocational Education Act Amendments. Vocational education is essential if we are to prepare our young people to be productive members of society.

The administrator of a college in my district has raised some concern that the new allocation formula for vocational education funds may hamper the ability of local school districts with high concentrations of academically disadvantaged students to provide special services to these students. While I applaud the committee's effort to reach economically disadvantaged students with this new allocation formula, we must not deny important vocational education to students with academic disabilities.

I have been assured by the committee staff that language in the bill, specifically on page 10 of the committee report, would prohibit any discrimination against programs for academically disadvantaged students. I urge that this language be adhered to and I urge my colleagues to support this bill.

I also commend the chair of the committee, Mr. HAWKINS, and the ranking Republican, Mr. GOODLING, for their leadership on this legislation.

Mr. DORGAN of North Dakota. Madam Chairman, today the House passed H.R. 7, the Applied Technology Education Amendments of 1989. The title of this bill signifies the shift of emphasis that has taken place in approaching vocational education. I certainly understand the need to provide better job training to prepare young Americans to meet the needs of a rapidly changing job market, which is driven by the growth in technology used in our Nation's industry. However, I feel that we cannot afford to forget the academic component to vocational education and I am afraid that the Applied Technology Education Amendments Act is moving in this direction.

I am a strong supporter of vocational education. Vocational education is vital to many young people seeking to prepare themselves for the working world. Vocational education provides many opportunities that were previously not available 20 or 30 years ago. I support this legislation but I do so with some reservations. My concern is with some of the changes that this bill makes with current law.

The Applied Technology Education Amendments Act provides that funds would be distributed within a State according to a formula

designed to give priority to special needs students. This new formula places strict requirements on States to redirect their spending priorities which could cause significant reductions in funds to certain districts that do not have these special needs students.

Madam Chairman, I am not against helping students with special needs. However, I am also concerned with the average vocational students in the average vocational school that will now have funds withdrawn.

The fundamental difficulty I see in this legislation is that it severely restricts the flexibility that States have to work with the unique populations within a State. I think that in my home State of North Dakota our vocational education leaders have done a pretty good job of serving students of all abilities and of all needs—the special students and the average student.

Madam Chairman, I support this legislation. But I hope that we will examine closely the effects that this bill's provisions will have on State vocational education programs and be willing to make the necessary adjustments if appropriate.

Mr. WEBER. Madam Chairman, last week, Secretary of Education Cavazos released the Department's sixth annual assessment of education performance in the States—and the report has led to one inescapable conclusion; there is clearly room for improvement in academic performance at all education levels and in all areas of the country. The Secretary has rightly pointed out that despite the fact that the United States leads all of our foreign competitors in per student spending, we trail these same competitors in virtually every identifiable area of educational achievement and performance.

However, we have before us today the reauthorization of one of the most vital planks in our Federal education platform—vocational education. Given the level of academic achievement in this country, the job skills which will be required by a dynamic, evolving, and increasingly competitive labor market, and the demographic changes which will be driving that labor market, I can think of no better investment than a modern vocational or applied technology program. In fact, vocational programs will prepare students for over 70 percent of the occupations that the Department of Labor predicts will account for the largest number of new jobs by 1995.

I support this not only because these programs will be a cornerstone of our effort to match future international economic competition, but because vocational education has proven to be even more essential in meeting the educational and economic needs of countless rural communities across our country.

Rural areas are geographically dispersed, economically decentralized, and relatively modest in terms of investments in technology and capital, and these factors combine to make education achievement and quality harder to attain than for their urban counterparts.

A relatively modest investment of time and resources in these areas would open avenues to target the unique problems facing parents, students, and educators in rural America. Although students enrolled in small, rural schools represent nearly a third of the American school age population, declining economic resources and dwindling population hamper efforts by these schools to address such problems as dropout prevention, providing adequate vocational and academic skills, and the recruitment, training, and retention of qualified teachers.

One section of this bill is particularly worthy of note. I have long felt that the development and acquisition of new technologies and equipment by rural educators will provide expanded vocational and academic opportunities to wider and wider geographic areas, and in current, advanced, or specialized course material. The $100 million authorized in this bill for the improvement of facilities and acquisition of equipment will help maintain the viability of vocational education programs in small towns and rural communities—which is clearly a national, rather than parochial, concern.

Given a flexible, properly coordinated, and adequately funded Federal vocational education effort, as well as the active commitment and participation of State and local officials, teachers, and parents, it is not difficult to foresee a renaissance in rural education in general, and applied technology education in particular. By continuing innovative approaches in these areas, we can assure, by the end of this century, that the unique problems, facing vocational education in rural communities become unique solutions and opportunities for rural students and teachers.

Mr. CHANDLER. Madam Chairman, the Carl D. Perkins Applied Technology Act, H.R. 7, under consideration today, would reauthorize Federal spending for vocational and technical education through 1995.

In 1984, while a member of the House Education and Labor Committee, I had the opportunity to work on the first major overhaul of Federal vocational education funding since 1976. In an effort to bring vocational programs more in line with changing times, that measure provided for increased coordination with the private sector and for special attention to the training needs of women and workers looking for new job skills.

Vocational education continues to pay dividends multifold. A more skilled work force is its best result. Today, we will have the opportunity to not only reauthorize this Federal Education Program, but significantly expand it.

Madam Chairman, in a time when fiscal restraint is so terribly important, it is good to see the majority and the minority of the committee agree on a package of such merit. I hope my colleagues will join with me in supporting vocational education with a "yes" vote on the committee substitute for H.R. 7.

Mr. HAWKINS. Madam Chairman, I yield back the balance of my time.

The CHAIRMAN. Pursuant to the rule, the committee amendment in the nature of a substitute now printed in the reported bill is considered as an original bill for the purpose of amendment, and each title is considered as having been read.

The Clerk will designate section 1.

The text of section 1 is as follows:

H.R. 7

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Applied Technology Education Amendments of 1989".

The CHAIRMAN. Are there any amendments to section 1?

If not, the Clerk will designate title I.

The text of title I is as follows:

TITLE I—COORDINATION OF PROGRAMS FOR APPLIED TECHNOLOGY EDUCATION AND RELATED PROGRAMS

SEC. 101. STATE HUMAN INVESTMENT COUNCILS.

(a) STATE HUMAN INVESTMENT COUNCIL.—Each State that receives assistance under an applicable program shall establish a single State council to—

(1) review the provision of services and the use of funds and resources under applicable programs and advise the Governor on methods of coordinating such provision of services and use of funds and resources consistent with the provisions of the applicable programs; and

(2) advise the Governor on the development and implementation of State and local standards and measures developed under section 122, and coordination of such standards and measures with any standards and measures applicable to any applicable program.

(b) MEMBERSHIP.—

(1) NUMBER AND APPOINTMENT.—Each State council established as required by subsection (a) shall consist of the following members appointed by the Governor:

(A) 30 percent shall be appointed from representatives of business and industry (including agriculture, where appropriate), including individuals who are representatives of business and industry on private industry councils within the State established under section 102 of the Job Training Partnership Act.

(B) 30 percent shall be appointed from representatives of organized labor and representatives of community-based organizations in the State.

(C) 20 percent shall consist of—

(i) the chief administrative officer from each of the State agencies primarily responsible for administration of an applicable program; and

(ii) other members appointed from representatives of the State legislature and State agencies and organizations, such as the State educational agency, the State vocational education board, the State board of education (if not otherwise represented), the State public assistance agency, the State employment security agency, the State rehabilitation agency, the State occupational information coordinating committee, State postsecondary institutions, the State economic development agency, the State veterans' affairs agency (or its equivalent), State career guidance and counseling organizations, and any other agencies the Governor determines to have a direct interest in the utilization of human resources within the State.

(D) 20 percent shall be appointed from—

(i) representatives of units of general local government or consortia of such units, appointed from nominations made by the chief elected officials of such units or consortia;

(ii) representatives of local educational agencies and postsecondary institutions, which appointments shall be equitably distributed between such agencies and such institutions and shall be made from nominations made by local educational agencies

and postsecondary institutions, respectively; and

(iii) individuals who have special knowledge and qualifications with respect to the special education and career development needs of individuals who are members of special populations, women, and minorities, including one individual who is a representative of special education.

(2) TERMS.—(A) Except as provided in subparagraphs (B) and (C), members other than members described in paragraph (1)(C)(i) shall be appointed for terms of 3 years and may be reappointed.

(B) Of the members first appointed—

(i) ⅓ shall be appointed for a term of 1 year;

(ii) ⅓ shall be appointed for a term of 2 years; and

(iii) ⅓ shall be appointed for a term of 3 years,

as designated by the Governor at the time of appointment.

(C) Any member appointed to fill a vacancy occurring before the expiration of the term for which the member's predecessor was appointed shall be appointed in the same manner as such predecessor and only for the remainder of such term. A member may serve after the expiration of the member's term until the member's successor has taken office.

(D) The Governor may not disband the State council except in the case of gross negligence or misconduct in violation of the requirements established with respect to the applicable programs.

(c) MEETINGS.—For the purposes of this section, the State council shall meet at such times and in such places as it deems necessary, but not less than once per year. The meetings shall be publicly announced, and, to the extent appropriate, open and accessible to the general public.

(d) BUDGET.—In order to carry out its functions under this Act and under any applicable program, the State council shall prepare and approve a budget for itself.

(e) STAFF.—The State council may obtain the services of such professional, technical, and clerical personnel as may be necessary to carry out its functions under this Act and under any applicable program.

(f) CERTIFICATION.—The State shall certify to the Secretary of Labor the establishment and membership of the State council at least 90 days before the beginning of each period of 2 program years for which a job training plan is submitted under the Job Training Partnership Act.

(g) APPLICABLE PROGRAMS.—For the purposes of this title, the term "applicable program" means any program under any of the following provisions of law:

(1) The Adult Education Act.

(2) The Carl D. Perkins Applied Technology Education Act.

(3) The Job Training Partnership Act.

(4) The Rehabilitation Act of 1973.

(5) The Wagner-Peyser Act.

(h) DUTIES UNDER THE ADULT EDUCATION ACT.—

(1) IN GENERAL.—Section 332 of the Adult Education Act (20 U.S.C. 1205a) is amended—

(A) by amending the section heading to read as follows:

"SEC. 332. DUTIES OF THE STATE HUMAN INVESTMENT COUNCIL WITH RESPECT TO ADULT EDUCATION.";

(B) by amending subsection (a) to read as follows:

"(a) REQUIREMENT.—

"(1) Any State desiring to participate in the programs authorized by this title shall establish a State human investment council as required by section 101(a) of the Applied Technology Education Amendments of 1989 and shall require such council to act as a State advisory council on adult education.

"(2) A State that complies with the requirements of paragraph (1) may use funds under this subpart for the purposes of costs of the council attributable to this section.";

(C) by striking subsection (b);

(D) by redesignating subsection (c) as subsection (b);

(E) in subsection (b) (as redesignated by subparagraph (D) of this paragraph)—

(i) by striking "and membership"; and

(ii) by striking "State advisory council" and inserting "State human investment council";

(F) by striking subsections (d) and (e);

(G) by redesignating subsection (f) as subsection (c); and

(H) in subsection (c) (as redesignated by subparagraph (G) of this paragraph), by striking "State advisory council" and inserting "State human investment council".

(2) CONFORMING AMENDMENTS.—(A) Paragraph (2) of section 331(a) of the Adult Education Act (20 U.S.C. 1205(a)) is amended by striking "the State advisory council established pursuant to section 332" and inserting "the State human investment council".

(B) Subsection (a) of section 342 of the Adult Education Act (20 U.S.C. 1206a) is amended—

(i) in paragraph (1), by striking "the State advisory council" and all that follows and inserting "the State human investment council."; and

(ii) in subparagraph (B) of paragraph (3),—

(I) in the first sentence, by striking "the State advisory council" and all that follows and inserting "the State human investment council"; and

(II) in the second and third sentences, by striking "the State advisory council" each place it appears and inserting "the State human investment council".

(C) Section 312 of the Adult Education Act (20 U.S.C. 1201a) is amended by adding at the end the following new paragraph:

"(16) The term 'State human investment council' means the State human investment council described in section 332(a).".

(i) DUTIES UNDER THE JOB TRAINING PARTNERSHIP ACT.—

(1) IN GENERAL.—Section 122 of the Job Training Partnership Act (29 U.S.C. 1532) is amended—

(A) by amending the section heading to read as follows:

"DUTIES OF THE STATE HUMAN INVESTMENT COUNCIL WITH RESPECT TO JOB TRAINING"; and

(B) in subsection (a)—

(i) by amending paragraph (1) to read as follows:

"(1) Any State which desires to receive financial assistance under this Act shall establish a State human investment council as required by section 101(a) of the Applied Technology Education Amendments of 1989 and shall require such council to act as a State job training coordinating council. Funding for the duties of the council under this Act shall be provided pursuant to section 202(b)(4).";

(ii) by striking paragraphs (2), (3), and (4) and redesignating paragraphs (5), (6), and (7) as paragraphs (2), (3), and (4), respectively;

(iii) in paragraph (2) (as redesignated by clause (ii) of this subparagraph), by striking "State council" and inserting "State human investment council";

(iv) in paragraph (3) (as redesignated by clause (ii) of this subparagraph), by striking "State council" and inserting "State human investment council, in carrying out its duties under this Act,"; and

(v) in paragraph (4) (as redesignated by clause (ii) of this subparagraph), by striking "State council" and inserting "State human investment council relative to carrying out its duties under this Act".

(2) CONFORMING AMENDMENTS.—(A) The table of contents contained in section 1 of the Job Training Partnership Act is amended—

(i) by striking the item relating to section 122 and inserting the following new item:

"Sec. 122. Duties of the State human investment council relating to job training."; and

(ii) by striking the item relating to section 317 and inserting the following new item:

"Sec. 317. Functions of the State human investment council.".

(B) Section 4 of the Job Training Partnership Act (29 U.S.C. 1503) is amended by adding at the end the following new paragraph:

"(30) The term 'State human investment council' means the State human investment council described in section 122(a).".

(C) Paragraph (1) of section 101(a) of the Job Training Partnership Act (29 U.S.C. 1511(a)) is amended by striking "State job training coordinating council" and inserting "State human investment council".

(D) Subsection (a) of section 255 of the Job Training Partnership Act (29 U.S.C. 1634) is amended by striking "State job training coordinating councils" and inserting "State human investment councils".

(E) Paragraph (9) of section 311(b) of the Job Training Partnership Act (29 U.S.C. 1661(b)) is amended by striking "State job training coordinating council" and inserting "State human investment council".

(F) Subsection (a) of section 312 of the Job Training Partnership Act (29 U.S.C. 1661a) is amended by striking "State job training coordinating council" and inserting "State human investment council".

(G) Subsection (a) of section 313 of the Job Training Partnership Act (29 U.S.C. 1661b) is amended by striking "State job training coordinating council" and inserting "State human investment council".

(H) Subparagraph (C) of section 314(b)(1) of the Job Training Partnership Act (29 U.S.C. 1661c(b)(1)) is amended by striking "State job training coordinating council" and inserting "State human investment council".

(I) Section 317 of the Job Training Partnership Act (29 U.S.C. 1661f) is amended—

(i) by amending the section heading to read as follows:

"FUNCTIONS OF THE STATE HUMAN INVESTMENT COUNCIL"; and

(ii) by striking "State job training coordinating council" and inserting "State human investment council".

(J) Subsection (b) of section 8 of the Wagner-Peyser Act (29 U.S.C. 49g) is amended by striking "State job training coordinating council" each place it appears and inserting "State human investment council".

(K) Subsection (a) of section 11 of the Wagner-Peyser Act (29 U.S.C. 49j) is amended by striking "State job training coordinating council" and inserting "State human investment council".

(j) DUTIES UNDER THE REHABILITATION ACT OF 1973.—The Rehabilitation Act of 1973 (29

U.S.C. 701 et seq.) is amended by inserting after section 18 the following new section:

"STATE HUMAN INVESTMENT COUNCIL

"SEC. 19. The State human investment council established under section 101(a) of the Applied Technology Education Amendments of 1989 shall review the provision of services and the use of funds and resources under this Act and advise the Governor on methods of coordinating such provision of services and use of funds and resources with the provision of services and the use of funds and resources under—

"(1) the Adult Education Act;

"(2) the Carl D. Perkins Applied Technology Education Act;

"(3) the Job Training Partnership Act; and

"(4) the Wagner-Peyser Act.".

(k) DUTIES UNDER THE WAGNER-PEYSER ACT.—The Wagner-Peyser Act (29 U.S.C. 49) is amended—

(1) by redesignating section 15 as section 16; and

(2) by inserting after section 14 the following new section:

"SEC. 15. The State human investment council established under section 101(a) of the Applied Technology Education Amendments of 1989 shall review the provision of services and the use of funds and resources under this Act and advise the Governor on methods of coordinating such provision of services and use of funds and resources with the provision of services and the use of funds and resources under—

"(1) the Adult Education Act;

"(2) the Carl D. Perkins Applied Technology Education Act;

"(3) the Job Training Partnership Act; and

"(4) the Rehabilitation Act of 1973.".

(l) EFFECTIVE DATE.—This section shall take effect on July 1, 1990.

SEC. 102. INTERDEPARTMENTAL TASK FORCE ON COORDINATION OF APPLIED TECHNOLOGY EDUCATION AND RELATED PROGRAMS.

(a) ESTABLISHMENT.—There is established the Interdepartmental Task Force on Applied Technology Education and Related Programs (hereafter in this section referred to as the "Task Force").

(b) MEMBERSHIP.—The Task Force shall consist of the Secretary of Education, the Secretary of Labor, the Secretary of Health and Human Services, and such other personnel of the Department of Education, the Department of Labor, and the Department of Health and Human Services as the Secretaries consider appropriate.

(c) DUTIES.—The Task Force shall—

(1) examine principal data required for programs under the Adult Education Act, the Carl D. Perkins Applied Technology Education Act, the Job Training Partnership Act, the Rehabilitation Act of 1973, and the Wagner-Peyser Act;

(2) examine possible common objectives, definitions, measures, and standards for such programs; and

(3) consider integration of research and development conducted with Federal assistance in the area of applied technology education and related areas, including areas of emerging technologies.

(d) REPORT TO CONGRESS.—The Task Force shall annually submit a report on its findings to the appropriate committees of the Congress.

SEC. 103. JOINT FUNDING OF FEDERAL PROGRAMS.

(a) ADULT EDUCATION ACT.—Section 322 of the Adult Education Act (20 U.S.C. 1203a) is amended by adding at the end the following new subsection:

"(c) JOINT FUNDING.—

"(1) Funds paid to a State under subsection (a) may be used to provide additional funds under an applicable program if—

"(A) such program otherwise meets the requirements of this Act; and

"(B) such funds would be used to supplement, and not supplant, funds provided from non-Federal sources.

"(2) For purposes of this section, the term 'applicable program' means any program under any of the following provisions of law:

"(A) The Carl D. Perkins Applied Technology Education Act.

"(B) The Job Training Partnership Act.

"(C) The Rehabilitation Act of 1973.

"(D) The Wagner-Peyser Act.".

(b) JOB TRAINING PARTNERSHIP ACT.—

(1) EDUCATION AND TRAINING.—Section 123 of the Job Training Partnership Act (29 U.S.C. 1533) is amended by adding at the end the following new subsection:

"(e)(1) Sums available for this section pursuant to section 202(b)(1) may be used to provide additional funds under an applicable program if—

"(A) such program otherwise meets the requirements of this Act; and

"(B) such funds would be used to supplement, and not supplant, funds provided from non-Federal sources.

"(2) For purposes of this subsection, the term 'applicable program' means any program under any of the following provisions of law:

"(A) The Adult Education Act.

"(B) The Carl D. Perkins Applied Technology Education Act.

"(C) The Rehabilitation Act of 1973.

"(D) The Wagner-Peyser Act.".

(2) TRAINING SERVICES FOR THE DISADVANTAGED.—Section 204 of the Job Training Partnership Act (29 U.S.C. 1604) is amended—

(A) by inserting "(a)" after "SEC. 204."; and

(B) by adding at the end the following new subsection:

"(b)(1) Funds provided under this title may be used to provide additional funds under an applicable program if—

"(A) such program otherwise meets the requirements of this Act; and

"(B) such funds would be used to supplement, and not supplant, funds provided from non-Federal sources.

"(2) For purposes of this subsection, the term 'applicable program' means any program under any of the following provisions of law:

"(A) The Adult Education Act.

"(B) The Carl D. Perkins Applied Technology Education Act.

"(C) The Rehabilitation Act of 1973.

"(D) The Wagner-Peyser Act.".

(3) EMPLOYMENT AND TRAINING ASSISTANCE FOR DISLOCATED WORKERS.—Section 314 of the Job Training Partnership Act (29 U.S.C. 1661c) is amended by adding at the end the following new subsection:

"(g) JOINT FUNDING.—(1) Funds allotted under section 302 may be used to provide additional funds under an applicable program if—

"(A) such program otherwise meets the requirements of this Act; and

"(B) such funds would be used to supplement, and not supplant, funds provided from non-Federal sources.

"(2) For purposes of this subsection, the term 'applicable program' means any program under any of the following provisions of law:

"(A) The Adult Education Act.

"(B) The Carl D. Perkins Applied Technology Education Act.

"(C) The Rehabilitation Act of 1973.

"(D) The Wagner-Peyser Act.".

(c) REHABILITATION ACT OF 1973.—Section 16 of the Rehabilitation Act of 1973 (29 U.S.C. 715) is amended—

(1) in subsection (a), by inserting "and subsection (c)" after "subsection (b)"; and

(2) by adding at the end the following new subsection:

"(d)(1) Funds made available to States under this Act may be used to provide additional funds under an applicable program if—

"(A) such program otherwise meets the requirements of this Act; and

"(B) such funds would be used to supplement, and not supplant, funds provided from non-Federal sources.

"(2) For purposes of this subsection, the term 'applicable program' means any program under any of the following provisions of law:

"(A) The Adult Education Act.

"(B) The Carl D. Perkins Applied Technology Education Act.

"(C) The Job Training Partnership Act.

"(D) The Wagner-Peyser Act.".

(d) WAGNER-PEYSER ACT.—Section 7 of the Wagner-Peyser Act is amended by adding at the end the following new subsection:

"(d)(1) Funds made available to States under this section may be used to provide additional funds under an applicable program if—

"(A) such program otherwise meets the requirements of this Act; and

"(B) such funds would be used to supplement, and not supplant, funds provided from non-Federal sources.

"(2) For purposes of this subsection, the term 'applicable program' means any program under any of the following provisions of law:

"(A) The Adult Education Act.

"(B) The Carl D. Perkins Applied Technology Education Act.

"(C) The Job Training Partnership Act.

"(D) The Rehabilitation Act of 1973.".

SEC. 104. UNIFORM ELIGIBILITY CRITERIA.

Section 4 of the Job Training Partnership Act (29 U.S.C. 1602(b)(3)) is amended—

(1) by adding at the end of paragraph (8) the following new sentence: "Such term includes any individual who is determined to be disadvantaged for purposes of the Carl D. Perkins Applied Technology Education Act."; and

(2) by adding at the end of paragraph (10) the following new sentence: "Such term includes any individual who is determined to be entitled to a free appropriate public education under the Education of the Handicapped Act.".

The CHAIRMAN. Are there any amendments to title I?

AMENDMENTS OFFERED BY MR. HAWKINS

Mr. HAWKINS. Madam Chairman, I offer a set of amendments.

The Clerk read as follows:

Amendments offered by Mr. HAWKINS: Page 4, line 17, insert before the comma the following: "(including representatives of secondary and postsecondary vocational institutions)".

Strike line 20 on page 26 and all that follows through line 3 on page 27 and insert the following:

"(2) No amounts are authorized to be appropriated under subparagraph (C), (D), (E), or (F) for the fiscal year 1990 unless the

amount appropriated pursuant to subsection (a) for such fiscal year equals for exceeds the amount necessary to carry out activities for which such amount is appropriated at the level at which such activities were carried out in the preceding fiscal year.

Page 28, line 9, strike "No" and insert the following: "Subject to clause (iii), no".

Page 28, line 20 strike the closing quotation marks and the second period.

Page 28, after line 20, insert the following new clause:

"(iii) Notwithstanding the provisions of clauses (i) and (ii), no State shall be allotted an amount under this section in any fiscal year that is less than the amount such State was allotted in fiscal year 1989.".

Page 29, line 7, strike "plan," and insert "plan or $250,000, whichever is greater,".

Page 34, after line 20, insert the following new clause (and redesignate the succeeding clauses accordingly):

(i) in subparagraph (A), by inserting before the semicolon the following: "using information gathered by the National Occupational Information Coordinating Committee and other available information";

Page 35, by striking lines 6 through 12 and inserting the following:

"(v) the capability of applied technology education programs to provide applied technology students with—

"(I) strong experience in and understanding of all aspects of the industry the students are preparing to enter (including planning, management, finances, technical and production skills, underlying principles of technology, labor and community issues, and health, safety, and environmental issues); and

"(II) strong development and use of problem-solving skills and basic and advanced academic skills (including skills in the areas of mathematics, reading, writing, science, and social studies) in the technological setting;";

Page 36, line 2, insert "and" after the semicolon.

Page 36, strike line 4 and insert the following:

subparagraph (F) and inserting "; and";

Page 36, strike lines 5 through 14.

Page 39, strike line 7 and insert the following:

and inserting a semicolon; and

Page 39, line 9, strike "paragraph" and insert "paragraphs".

Page 39, after line 9, and insert the following new paragraph (and redesignate the succeeding paragraph accordingly):

"(18) provide procedures by which an area applied technology education school may appeal decisions adverse to its interests with respect to programs assisted under this Act; and

Page 40, line 16, insert after "colleges" the following: ", technical institutes, or other 2-year postsecondary institutions primarily engaged in providing postsecondary applied technology education".

Page 44, strike line 25 "and".

Page 44, after line 25, insert the following new paragraph (and redesignate the succeeding paragraph accordingly):

"(9) with respect to each local educational agency that is working in a consortium described in section 201(b), describe how the local educational agency will plan in consultation with and provide funds to each area applied technology education school in the consortium according to such school's relative share of applied technology education students who are students with handicaps, disadvantaged students, or students of limited English proficiency; and

Page 60, after line 5, insert the following new paragraph:

"(3)(A) In any academic year that a local educational agency or eligible institution does not expend all of the amounts it is allocated for such year under paragraph (1) or paragraph (2), such local educational agency or eligible institution shall return any unexpended amounts to the State to be reallocated under paragraph (1) or paragraph (2), as appropriate.

"(B) In any academic year in which amounts are returned to the State under paragraph (1) and the State is unable to reallocate such amounts according to such paragraph in time for such amounts to be expended in such academic year, the State shall return such amounts to be distributed in combination with amounts provided under this title for the following academic year.

Page 61, line 10, strike "or".

Page 61, after line 25, insert the following new paragraph (and redesignate the succeeding paragraph accordingly):

"(2) Funds provided under this title shall not be used to duplicate facilities or services available from Federal, State, or local sources in the area served by the local educational agency or eligible institution unless such agency or institution demonstrates to the State board that alternative services or facilities would be more effective or more likely to achieve the goals of such agency or institution.

Page 62, line 13, insert "technical institute," after "school,".

Page 69, line 19, strike "and".

Page 69, line 22, strike the period and insert "; and".

Page 69, after line 22, insert the following new paragraph:

"(5) in the case of a local educational agency working in a consortium described in section 201(b), determine, in consultation with each area applied technology education school in the consortium, such school's relative share of applied technology education students who are students with handicaps, disadvantaged students, or students of limited English proficiency.

Page 70, line 24, strike "sections" and insert "contents".

Page 70, line 25, strike "this" and insert "the".

Page 83, line 7, insert "or instructional materials" before the period.

Page 83, beginning on line 18, strike "The" and all that follows through the period on line 20.

Strike line 19 on page 86 and all that follows up to line 16 on page 88 and insert the following:

"SEC. 351. STATEMENT OF PURPOSE.

"It is the purpose of this part to provide funding to enable local educational agencies in economically depressed areas to improve facilities and acquire or lease equipment to be used to carry out applied technology education programs that receive assistance under this Act.

"SEC. 352. ALLOTMENT TO STATES.

"(a) IN GENERAL.—From any amounts appropriated for purposes of carrying out this part, the Secretary shall allot to each State an amount which bears the same ratio to such amounts as the total number of children in the State aged 5 to 17, inclusive, eligible to be counted under section 1005(c) of the Elementary and Secondary Education Act of 1965 in each eligible local educational agency in the State bears to the total number of such children in all States.

"(b) ELIGIBLE AGENCIES.—For the purposes of this part, an eligible local educational agency is a local educational agency in which 20 percent of the children are eligible to be counted under section 1005(c) of the Elementary and Secondary Education Act of 1965.

"SEC. 353. ALLOCATION TO LOCAL EDUCATIONAL AGENCIES.

"(a) DISTRIBUTION OF ALL GRANT AMOUNTS.—In each fiscal year for which a State receives a grant under this part, the State shall distribute not less than 100 percent of the amounts made available under the grant to eligible local educational agencies as provided in subsection (b).

"(b) RURAL-URBAN DISTRIBUTION.—Each State that receives a grant under this part shall, taking into consideration the numbers and types of eligible local educational agencies within the State, distribute the amounts made available under the grant so that—

"(1) 50 percent of such amounts are distributed as grants to eligible local educational agencies in rural areas; and

"(2) 50 percent of such amounts are distributed as grants to local educational agencies in urban areas.

"SEC. 354. STATE APPLICATIONS.

"(a) IN GENERAL.—Each State that desires to receive a grant under this part shall submit to the Secretary an application at such time, and containing or accompanied by such information as the Secretary may reasonably require. Such application shall—

"(1) designate the sole State agency described in section 111(a)(1) as the State agency responsible for the administration and supervision of activities carried out with assistance under this part;

"(2) provide for a process of consultation with the State human investment council established under section 101(a) of the Applied Technology Education Amendments of 1989;

"(3) describes how funds will be allocated in a manner consistent with section 353 that will serve eligible local educational agencies with the greatest need, especially—

"(A) eligible local educational agencies with the highest percentages of children eligible to be counted under section 1005(c) of the Elementary and Secondary Education Act of 1965;

"(B) eligible local educational agencies that have the greatest need based on the age and condition of the building or equipment used by such agencies; and

"(C) eligible local educational agencies that show a need for the improvement or acquisition proposed to be made with assistance provided under this part for purposes of addressing community economic or employment issues;

"(4) provide for an annual submission of data concerning the use of funds and students served with assistance under this part;

"(5) provide that the State educational agency will keep such records and provide such information to the Secretary as may be required for purposes of financial audits and program evaluations; and

"(6) contain assurances that the State will comply with the requirements of this part.

"(b) PERIOD OF APPLICATION.—An application submitted by the State under subsection (a) shall be for a period of not more than 3 years and shall be amended annually.

"SEC. 355. LOCAL APPLICATIONS.

"Each local educational agency that desires to receive a grant under this part shall

submit to the State an application at such time, and containing or accompanied by such information, as the State may reasonably require.".

(b) CLERICAL AMENDMENT.—The table of contents contained in section 1 of the Act is amended by inserting after the item relating to section 346 the following new items:

"PART F—IMPROVEMENT OF FACILITIES AND ACQUISITION OF EQUIPMENT

"Sec. 351. Statement of purpose.
"Sec. 352. Allotment to States.
"Sec. 353. Allocation to local educational agencies.
"Sec. 354. State applications.
"Sec. 355. Local applications.".

Strike line 21 on page 91 and all that follows through line 4 on page 92 and insert the following:

"(c) DISSEMINATION.—

"(1) The Secretary shall establish a system for disseminating information resulting from research and development activities carried out under this Act. In establishing such system, the Secretary shall use existing dissemination systems, including the National Diffusion Network, the National Center for Research in Applied Technology Education, and the National Network for Curriculum Coordination in Applied Technology Education (if established under paragraph (2)), in order to assure broad access at the State and local levels to the information being disseminated.

"(2)(A) In order to comply with paragraph (1), the Secretary may establish an organization to be known as the National Network for Curriculum Coordination in Applied Technology Education (hereafter in this paragraph referred to as the 'Network'). Any such organization shall—

"(i) provide national dissemination of information on effective applied technology education programs and materials, with particular attention to regional programs;

"(ii) be accessible by electronic means;

"(iii) provide leadership and technical assistance in the design, development, and dissemination of curricula for applied technology education;

"(iv) coordinate the sharing of information among the States with respect to applied technology education curricula;

"(v) reduce duplication of effort in State activities for the development of applied technology education curricula; and

"(vi) promote the use of research findings with respect to applied technology education curricula.

"(B) The Secretary shall encourage the designation by each State of a liaison representative for the Network.".

Page 106, after line 7, insert the following new paragraph (and redesignate the succeeding paragraphs accordingly):

(1) in paragraph (2)—

(A) in subparagraph (C), by striking "and";

(B) by inserting "and" at the end of subparagraph (D); and

(C) by adding at the end the following new subparagraph:

"(E) employment-based learning programs;";

Page 106, line 15, strike "and".

Page 106, line 23, strike the first period, the closing quotation marks, and the second period and insert "; and".

Page 106, after line 23, insert the following new paragraph:

"(6) model programs providing improved access to applied technology education programs through centers to be known as agriculture action centers, which programs shall be operated under regulations developed by the Secretary in consultation with the Secretary of Labor and—

"(A) shall assist—

"(i) individuals who are adversely affected by farm and rural economic downturns;

"(ii) individuals who are dislocated from farming; and

"(iii) individuals who are dislocated from agriculturally-related businesses and industries that are adversely affected by farm and rural economic downturns;

"(B) shall provide services, including—

"(i) crisis management counseling and outreach counseling that would include members of the family of the affected individual;

"(ii) evaluation of applied technology skills and counseling on enhancement of such skills;

"(iii) assistance in obtaining training in basic, remedial, and literacy skills;

"(iv) assistance in seeking employment and training in employment-seeking skills; and

"(v) assistance in obtaining training related to operating a business or enterprise;

"(C) shall provide for formal and on-the-job training to the extent practicable; and

"(D) shall be coordinated with activities and discretionary programs conducted under title III of the Job Training Partnership Act.".

Strike line 20 on page 115 and all that follows through line 11 on page 116 (and redesignate the succeeding subsections accordingly).

Page 123, strike lines 7 through 25 and insert the following:

"(a) INFORMATION RELATING TO STUDENTS WITH HANDICAPS.—

"(1) The Secretary shall ensure that adequate information on access to applied technology education by secondary school students with handicaps is maintained in the data system established under section 421.

"(2) BASIS FOR INFORMATION.—The system shall include detailed information obtained through scientific sample surveys concerning—

"(A) types of programs available; and

"(B) enrollment of students with handicaps by—

"(i) type of program;

"(ii) type of instructional setting; and

"(iii) type of handicap.

"(3)(A) The General Accounting Office shall conduct a 3-year study, using representative samples, of the effects of the amendments made by title II of the Applied Technology Education Amendments of 1989 on the access to and participation in applied technology education programs, including secondary and postsecondary programs, by disadvantaged students, students with handicaps, students of limited English proficiency, and, to the extent practicable, foster children.

"(B) The study shall include consideration of issues such as—

"(i) the proportion of students described in paragraph (1) who are enrolled in applied technology education programs during the first 3 program years to which the Applied Technology Education Amendments of 1989 applies compared to the program year preceding such years;

"(ii) the number of such students who enroll in applied technology education programs for the first time during the period of the study;

"(iii) the number of such students who participate in applied technology education programs that lead to an occupational skill or job placement;

"(iv) the extent to which academies are incorporated with applied technology education courses;

"(v) the manner in which applied technology education programs have addressed special needs of such students for supportive services, material, and equipment;

"(vi) the comparability of applied technology education services provided to such students with applied technology education services provided to students who are not members of special populations; and

"(vii) in the case of students with handicaps—

"(I) the types and severity of handicaps of such students who enroll in applied technology education programs;

"(II) the extent to which such students participate in the same applied technology education programs as students who do not have handicaps;

"(III) the number of such students with individualized education programs developed under section 614(a)(5) of the Education of the Handicapped Act who have individualized education programs that include applied technology education programs;

"(IV) the extent to which special personnel such as special education personnel or vocational rehabilitation personnel assist in the selection and provision of applied technology education programs with respect to such students;

"(V) the extent to which such students and their parents are involved in selecting applied technology education courses and programs;

"(VI) the number of such students who have returned to secondary applied technology education programs after dropping out or formally exiting the local educational system; and

"(VII) the ages of such students.

"(C) In conducting the study required by this subsection, the General Accounting Office may consider and include information from other sources to address or augment the issues considered in the study.

"(4) The General Accounting Office shall submit to the appropriate committees of the Congress a report describing the results of the study conducted as required by this subsection not later than July 1, 1995.

"(b) INFORMATION RELATING TO STUDENTS WHO HAVE COMPLETED SECONDARY SCHOOL.—

"(1) The Office of Technology Assessment shall conduct an assessment of a sample of tests designed to be administered to students who have completed secondary school to assess the level of technical knowledge relating to broad technical fields possessed by such students. The assessment shall include at least—

"(A) an assessment of the quality, validity, reliability, and predictive capability of widely used applied technology aptitude and competency tests and assessments, with particular attention to—

"(i) the use of such assessments with respect to students who are members of special populations; and

"(ii) patterns of actual usage with respect to entry into applied technology education programs, promotion within such programs, completion of such programs, and placement in appropriate positions;

"(B) identification of trends in such tests and assessments, including any relationship to applied technology education curricula; and

"(C) identification of policy options for—

"(i) strengthening development and quality of such tests and assessments to ensure that such tests and assessments are con-

ducted in an impartial manner that does not penalize students on the basis of race, sex, of economic background; and

"(ii) means of sustaining competition in the development of such tests and assessments.

"(2) The results of the study required by paragraph (1) shall be reported to the appropriate committees of the Congress not later than September 30, 1994.".

Page 129, line 21, strike "such regulations" and insert "regulations on a limited number of issues".

Page 131, line 20, insert after the opening quotation marks the following: "(a) FEDERAL LAWS GUARANTEEING CIVIL RIGHTS.—"

Page 131, line 22, strike the closing quotation marks and the second period.

Page 131, after line 22, insert the following:

"(b) RETENTION OF EXISTING NAMES.—Nothing in this Act shall be construed to require that any of the following be known by a different name or title:

"(1) Vocational student organizations.

"(2) Vocational administrators, counselors, or instructors who are not compensated from funds provided as Federal assistance.

"(3) Vocational schools, vocational institutions, and area vocational education schools."

Page 136, line 21, strike "Such" and all that follows through line 2 on page 137.

On page 129, in line 24 strike "82-4" and insert "84-5" and on line 25 strike "(47 Fed." and on page 130, in line 1 strike "Reg. 30708, June 18, 1982)" and insert "December 13, 1985)".

Mr. HAWKINS (during the reading). Madam Chairman, I ask unanimous consent that the amendments be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HAWKINS. Madam Chairman, I ask unanimous consent that these amendments offered by the gentleman from Pennsylvania [Mr. GOODLING] and myself be considered en bloc, since they amend titles I and II of the bill.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HAWKINS. Madam Chairman, these amendments are various technical and minor amendments which the gentleman from Pennsylvania [Mr. GOODLING] and I are offering on behalf of the committee. I include at this point a short summary of each amendment.

SUMMARY OF HAWKINS FLOOR AMENDMENT TO H.R. 7

Clarifies that representatives of vocational institutions should serve on the Human Investment Council.

Rewrites the appropriations trigger for new programs so that the trigger applies to FY 1990.

Technical.

Technical.

Requires that no state shall receive an allotment under this Act of an amount that is less than the amount the state received in FY 1989.

Creates a minimum amount of funds that a state can reserve for administration of basic state grant activities.

Requires the State, in developing its plan, to use information gathered by the National Occupational Information Coordinating Committee in assessing the needs of special populations.

Technical rewrite of a portion of the State plan provisions in H.R. 7.

Technical.

Technical.

Technical.

Technical.

Technical.

Requires the State plan to outline an appeals process for area applied technology schools to appeal decisions adverse to their interest.

Requires the State to consult with other appropriate post-secondary institutions in developing the State plan.

Technical.

Requires local educational agencies to consult with area applied technology schools in developing the local plan and to allocate funds to the area schools on the basis of such schools service to special population students.

Requires States to reallocate funds when eligible institutions return unexpended funds.

Technical.

Requires local educational agencies or eligible institutions to demonstrate, if they plan to duplicate existing facilities or services that are available through area schools, that this duplication would be more effective or that it is necessary to achieve the applied technology education goals of the LEA or eligible institution.

Adds technical institutes as eligible institutions.

Technical.

Requires local educational agencies to allocate funds to area applied technology schools on the basis of the area school's share of special population students.

Technical.

Technical.

Allows tech-prep funds to be used to acquire instructional materials.

Technical.

Rewrites the Facilities and Equipment program to become a state-level operated program.

Rewrites the dissemination subsection to include an authority for the National Network for Curriculum Coordination in Applied Technology Education.

Adds employment-based learning programs as an activity under the Cooperative Demonstration program that are exemplary in transition-to-work programs.

Technical.

Technical.

Creates a demonstration programs for providing access to applied technology education programs through agriculture action centers.

Requires the General Accounting Office to conduct a study on the access provided to special population students in programs funded under this Act and requires the Office of Technology Assessment to conduct a study on the level of technical knowledge students possess who have received applied technology services in programs funded under this Act.

Limits the number of issues to be negotiated in the negotiated rule-making process.

Technical.

Technical.

Clarifies that certain existing vocational organizations, personnel, and institutions may continue to be referred to as "vocational".

Technical.

Technical.

Technical.

Technical change to the regulatory negotiations process.

AMENDMENTS TO H.R. 7, AS REPORTED, OFFERED BY MR. HAWKINS OF CALIFORNIA

Page 4, line 17, insert before the comma the following: "(including representatives of secondary and postsecondary vocational institutions)".

Strike line 20 on page 26 and all that follows through line 3 on page 27 and insert the following:

"(2) No amounts are authorized to be appropriated under subparagraph (C), (D), (E), or (F) for the fiscal year 1990 unless the amount appropriated pursuant to subsection (a) for such fiscal year equals or exceeds the amount necessary to carry out activities for which such amount is appropriated at the level at which such activities were carried out in the preceding fiscal year.

Page 28, line 9, strike "No" and insert the following: "Subject to clause (iii), no".

Page 28, line 20, strike the closing quotation marks and the second period.

Page 28, after line 20, insert the following new clause:

"(iii) Notwithstanding the provisions of clauses (i) and (ii), no State shall be allotted an amount under this section in any fiscal year that is less than the amount such State was allotted in fiscal year 1989.".

Page 29, line 7, strike "plan," and insert "plan or $250,000, whichever is greater,".

Page 34, after line 20, insert the following new clause (and redesignate the succeeding clauses accordingly):

(i) in subparagraph (A), by inserting before the semicolon the following: "using information gathered by the National Occupational Information Coordinating Committee and other available information";

Page 35, by striking lines 6 through 12 and inserting the following:

"(v) the capability of applied technology education programs to provide applied technology students with—

"(I) strong experience in and understanding of all aspects of the industry the students are preparing to enter (including planning, management, finances, technical and production skills, underlying principles of technology, labor and community issues, and health, safety, and environmental issues; and

"(II) strong development and use of problem-solving skills and basic and advanced academic skills (including skills in the areas of mathematics, reading, writing, science, and social studies) in the technological setting;";

Page 36, line 2, insert "and" after the semicolon.

Page 36, strike line 4 and insert the following:

subparagraph (F) and inserting "; and";

Page 36, strike lines 5 through 14.

Page 39, strike line 7 and insert the following:

and inserting a semicolon; and

Page 39, line 9, strike "paragraph" and insert "paragraphs".

Page 39, after line 9, insert the following new paragraph (and redesignate the succeeding paragraph accordingly):

"(18) provide procedures by which an area applied technology education school may appeal decisions adverse to its interests with

respect to programs assisted under this Act; and

Page 40, line 16, insert after "colleges" the following: "; technical institutes, or other 2-year postsecondary institutions primarily engaged in providing postsecondary applied technology education".

Page 44, line 25, strike "and".

Page 44, after line 25, insert the following new paragraph (and redesignate the succeeding paragraph accordingly):

"(9) with respect to each local educational agency that is working in a consortium described in section 201(b), describe how the local education agency will plan in consultation with and provide funds to each area applied technology education shool in the consortium according to such school's relative share of applied technology education students who are students with handicaps, disadvantaged students, or students of limited English proficiency; and

Page 60, after line 5, insert the following new paragraph:

"(3)(A) In any academic year that a local educational agency or eligible institution does not expend all of the amounts it is allocated for such year under paragraph (1) or paragraph (2), such local educational agency or eligible institution shall return any unexpended amounts to the State to be reallocated under paragraph (1) or paragraph (2), as appropriate.

"(B) In any academic year in which amounts are returned to the State under paragraph (1) and the State is unable to reallocate such amounts according to such paragraph in time for such amounts to be expended in such academic year, the State shall retain such amounts to be distributed in combination with amounts provided under this title for the following academic year.

Page 61, line 10, strike "or".

Page 61, after line 25, insert the following new paragraph (and redesignate the succeeding paragraph accordingly):

"(2) Funds provided under this title shall not be used to duplicate facilities or services available from Federal, State, or local sources in the area served by the local educational agency or eligible institution unless such agency or institution demonstrates to the State board that alternative services or facilities would be more effective or more likely to achieve the goals of such agency or institution.

Page 62, line 13, insert "technical institute," after "school,".

Page 69 , line 19, strike "and".

Page 69, line 22, strike the period and insert "; and".

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Page 70, line 24, strike "sections" and insert "contents".

Page 70, line 25, strike "this" and insert "the".

Page 83, line 7, insert "or instructional materials" before the period.

Page 83, beginning on line 18, strike "The" and all that follows through the period on line 20.

Strike line 19 on page 86 and all that follows up to line 16 on page 88 and insert the following:

"SEC. 351. STATEMENT OF PURPOSE.

"It is the purpose of this part to provide funding to enable local educational agencies in economically depressed areas to improve facilities and acquire or lease equipment to be used to carry out applied technology education programs that receive assistance under this Act.

"SEC. 352. ALLOTMENT TO STATES.

"(a) IN GENERAL.—From any amounts appropriated for purposes of carrying out this part, the Secretary shall allot to each State an amount which bears the same ratio to such amounts as the total number of children in the State aged 5 to 17, inclusive, eligible to be counted under section 1005(c) of the Elementary and Secondary Education Act of 1965 in each eligible local educational agency in the State bears to the total number of such children in all States.

"(b) ELIGIBLE AGENCIES.—For the purposes of this part, an eligible local educational agency is a local educational agency in which 20 percent of the children are eligible to be counted under section 1005(c) of the Elementary and Secondary Education Act of 1965.

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"(a) DISTRIBUTION OF ALL GRANT AMOUNTS.—In each fiscal year for which a State receives a grant under this part, the State shall distribute not less than 100 percent of the amounts made available under the grant to eligible local educational agencies as provided in subsection (b).

"(b) RURAL-URBAN DISTRIBUTION.—Each State that receives a grant under this part shall, taking into consideration the numbers and types of eligible local educational agencies within the State, distribute the amounts made available under the grant so that—

"(1) 50 percent of such amounts are distributed as grants to eligible local educational agencies in rural areas; and

"(2) 50 percent of such amounts are distributed as grants to local educational agencies in urban areas.

SEC. 354. STATE APPLICATIONS.

"(a) IN GENERAL.—Each State that desires to receive a grant under this part shall submit to the Secretary an application at such time, and containing or accompanied by such information as the Secretary may reasonably require. Such application shall—

"(1) designate the sole State agency described in section 111(a)(1) as the State agency responsible for the administration and supervision of activities carried out with assistance under this part;

"(2) provide for a process of consultation with the State human investment council established under section 101(a) of the Applied Technology Education Amendments of 1989;

"(3) describes how funds will be allocated in a manner consistent with section 353 that will serve eligible local educational agencies with the greatest need, especially—

"(A) eligible local educational agencies with the highest percentages of children eligible to be counted under section 1005(c) of the Elementary and Secondary Education Act of 1965;

"(B) eligible local educational agencies that have the greatest need based on the age and condition of the building or equipment used by such agencies; and

"(C) eligible local educational agencies that show a need for the improvement or acquisition proposed to be made with assistance provided under this part for purposes of addressing community economic or employment issues;

"(4) provide for an annual submission of data concerning the use of funds and students served with assistance under this part;

"(5) provide that the State educational agency will keep such records and provide such information to the Secretary as may be required for purposes of financial audits and program evaluations; and

"(6) contain assurances that the State will comply with the requirements of this part.

"(b) PERIOD OF APPLICATION.—An application submitted by the State under subsection (a) shall be for a period of not more than 3 years and shall be amended annually.

SEC. 355. LOCAL APPLICATIONS.

"Each local educational agency that desires to receive a grant under this part shall submit to the State an application at such time, and containing or accompanied by such information, as the State may reasonably require.".

"(b) CLERICAL AMENDMENT.—The table of contents contained in section 1 of the Act is amended by inserting after the item relating to section 346 the following new items:

PART F—IMPROVEMENT OF FACILITIES AND ACQUISITION OF EQUIPMENT

"Sec. 351. Statement of purpose.
"Sec. 352. Allotment to States.
"Sec. 353. Allocation to local educational agencies.
"Sec. 354. State applications.
"Sec. 355. Local applications.".

Strike line 21 on page 91 and all that follows through line 4 on page 92 and insert the following:

"(c) DISSEMINATION.—

"(1) The Secretary shall establish a system for disseminating information resulting from research and development activities carried out under this Act. In establishing such system, the Secretary shall use existing dissemination systems, including the National Diffusion Network, the National Center for Research in Applied Technology Education, and the National Network for Curriculum Coordination in Applied Technology Education (if established under paragraph (2)), in order to assure broad access at the State and local levels to the information being disseminated.

"(2)(A) In order to comply with paragraph (1), the Secretary may establish an organization to be known as the National Network for Curriculum Coordination in Applied Technology Education (hereafter in this paragraph referred to as the 'Network'). Any such organization shall—

"(i) provide national dissemination of information on effective applied technology education programs and materials, with particular attention to regional programs;

"(ii) be accessible by electronic means;

"(iii) provide leadership and technical assistance in the design, development, and dissemination of curricula for applied technology education;

"(iv) coordinate the sharing of information among the States with respect to applied technology education curricula;

"(v) reduce duplication of effort in activities for the development of applied technology education curricula; and

"(vi) promote the use of research findings with respect to applied technology education curricula.

"(B) The Secretary shall encourage the designation by each State of a liaison representative for the Network.".

Page 106 after line 7, insert the following new paragraph (and redesignate the succeeding paragraphs accordingly):

(1) in paragraph (2)—

(A) in subparagraph (C), by striking "and";

(B) by inserting "and" at the end of subparagraph (D); and

(C) by adding at the end the following new subparagraph:

"(E) employment-based learning programs;";

Page 106, line 15, strike "and".

Page 106, line 23, strike the first period, the closing quotation marks, and the second period and insert "; and".

Page 106, after line 23, insert the following new paragraph:

"(6) model programs providing improved access to applied technology education programs through centers to be known as agriculture action centers, which programs shall be operated under regulations developed by the Secretary in consultation with the Secretary of Labor and—

"(A) shall assist—

"(i) individuals who are adversely affected by farm and rural economic downturns;

"(ii) individuals who are dislocated from farming; and

"(iii) individuals who are dislocated from agriculturally-related businesses and industries that are adversely affected by farm rural economic downturns;

"(B) shall provide services, including—

"(i) crisis management counseling and outreach counseling that would include members of the family of the affected individual;

"(ii) evaluation of applied technology skills and counseling on enhancement of such skills;

"(iii) assistance in obtaining training in basic, remedial, and literacy skills;

"(iv) assistance in seeking employment and training in employment-seeking skills; and

"(v) assistance in obtaining training related to operating a business or enterprise;

"(C) shall provide for formal and on-the-job training to the extent practicable; and

"(D) shall be coordinated with activities and discretionary programs conducted under title III of the Job Training Partnership Act.".

Strike line 20 on page 115 and all that follows through line 11 on page 116 (and redesignate the succeeding subsections accordingly).

Page 123, strike lines 7 through 25 and insert the following:

"(a) INFORMATION RELATING TO STUDENTS WITH HANDICAPS.—

"(1) The Secretary shall ensure that adequate information on access to applied technology education by secondary school students with handicaps is maintained in the data system established under section 421.

"(2) BASIS FOR INFORMATION.—The system shall include detailed information obtained through scientific sample surveys concerning—

"(A) types of programs available; and

"(B) enrollment of students with handicaps by—

"(i) type of program;

"(ii) type of instructional setting; and

"(iii) type of handicap.

"(3)(A) The General Accounting Office shall conduct a 3-year study, using representative samples, of the effects of the amendments made by title II of the Applied Technology Education Amendments of 1989 on the access to and participation in applied technology education programs, including secondary and postsecondary programs, by disadvantaged students, students with handicaps, students of limited English proficiency, and, to the extent practicable, foster children.

"(B) The study shall include consideration of issues such as—

"(i) the proportion of students described in paragraph (1) who are enrolled in applied technology education programs during the first 3 program years to which the Applied Technology Education Amendments of 1989 applies compared to the program year preceding such years;

"(ii) the number of such students who enroll in applied technology education programs for the first time during the period of the study;

"(iii) the number of such students who participate in applied technology education programs that lead to an occupational skill or job placement;

"(iv) the extent to which academics are incorporated with applied technology education courses;

"(v) the manner in which applied technology education programs have addressed special needs of such students for supportive services, material, and equipment;

"(vi) the comparability of applied technology education services provided to such students with applied technology education services provided to students who are not members of special populations; and

"(vii) in the case of students with handicaps—

"(I) the types and severity of handicaps of such students who enroll in applied technology education programs;

"(II) the extent to which such students participate in the same applied technology education programs as students who do not have handicaps;

"(III) the number of such students with individualized education programs developed under section 614(a)(5) of the Education of the Handicapped Act who have individualized education programs that include applied technology education programs;

"(IV) the extent to which special personnel such as special education personnel or vocational rehabilitation personnel assist in the selection and provision of applied technology education programs with respect to such students;

"(V) the extent to which such students and their parents are involved in selecting applied technology education courses and programs;

"(VI) the number of such students who have returned to secondary applied technology education programs after dropping out or formally exiting the local educational system; and

"(VII) the ages of such students.

"(C) In conducting the study required by this subsection, the General Accounting Office may consider and indicate information from other sources to address or augment the issues considered in the study.

"(4) The General Accounting Office shall submit to the appropriate committees of the Congress a report describing the results of the study conducted as required by this subsection not later than July 1, 1995.

"(b) INFORMATION RELATING TO STUDENTS WHO HAVE COMPLETED SECONDARY SCHOOL.—

"(1) The Office of Technology Assessment shall conduct an assessment of a sample of tests designed to be administered to students who have completed secondary school to assess the level of technical knowledge relating to broad technical fields possessed by such students. The assessment shall include at least—

"(A) an assessment of the quality, validity, reliability, and predictive capability of widely used applied technology aptitude and competency tests and assessments, with particular attention to—

"(i) the use of such assessments with respect to students who are members of special populations; and

"(ii) patterns of actual usage with respect to entry into applied technology education programs, promotion within such programs, completion of such programs, and placement in appropriate positions;

"(B) identification of trends in such tests and assessments, including any relationship to applied technology education curricula; and

"(C) identification of policy options for—

"(i) strengthening development and quality of such tests and assessments to ensure that such tests and assessments are conducted in an impartial manner that does not penalize students on the basis of race, sex, of economic background; and

"(ii) means of sustaining competition in the development of such tests and assessments.

"(2) The results of the study required by paragraph (1) shall be reported to the appropriate committees of the Congress not later than September 30, 1994.".

Page 129, line 21, strike "such regulations" and insert "regulations on a limited number of issues".

Page 131, line 20, insert after the opening quotation marks the following: "(a) FEDERAL LAWS GUARANTEEING CIVIL RIGHTS.—"

Page 131, line 22, strike the closing quotation marks and the second period.

Page 131, after line 22, insert the following:

"(b) RETENTION OF EXISTING NAMES.—Nothing in this Act shall be construed to require that any of the following be known by a different name or title:

"(1) Vocational student organizations.

"(2) Vocational administrators, counselors, or instructors who are not compensated from funds provided as Federal assistance.

"(3) Vocational schools, vocational institutions, and area vocational education schools.".

Page 136, line 21, strike "Such" and all that follows through line 2 on page 137.

On page 129, in line 24 strike "82-4" and insert "85-5" and on line 25 strike "(47 Fed." and on page 130, in line 1 strike "Reg. 30708, June 18, 1982)" and insert "December 13, 1985)".

Mr. GOODLING. Madam Chairman, I rise in favor of the amendments offered by the gentleman from California.

Madam Chairman, I rise in support of the Hawkins amendments. One of those that I might just highlight deals with the very area of vocational schools which also is true of my district.

The first would require the LEA to plan with and to provide funds to area vocational schools according to their relative share of special population students in applied technology education.

The second would require the local education agency to assess the relative share of a special population of students in applied technology education shared by area vocational schools.

The third would provide an appeal procedure for area vocational schools for funding by the local education agency.

The CHAIRMAN. The question is on the amendments offered by the gentleman from California [Mr. HAWKINS].

The amendments were agreed to.

The CHAIRMAN. Are there further amendments to title I?

If not, the Clerk will designate title II.

The text of title II is as follows:

TITLE II—AMENDMENTS TO THE CARL D. PERKINS VOCATIONAL EDUCATION ACT

SEC. 201. APPLIED TECHNOLOGY EDUCATION.

(a) SHORT TITLE.—The first sentence of section 1 of the Carl D. Perkins Vocational Education Act (hereafter in this title referred to as the "Act") (20 U.S.C. 2301 note) is amended to read as follows: "This Act may be cited as the 'Carl D. Perkins Applied Technology Education Act'.".

(b) IN GENERAL.—The Act is amended by striking "vocational" each place it appears and inserting "applied technology".

(c) AMENDMENTS TO HEADINGS.—

(1) TITLE I.—The heading for title I of the Act (20 U.S.C. 2311 et seq.) is amended to read as follows:

"TITLE I—APPLIED TECHNOLOGY EDUCATION ASSISTANCE TO THE STATES".

(2) PART A OF TITLE III.—The heading for part A of title III of the Act (20 U.S.C. 2351 et seq.) is amended to read as follows:

"PART A—STATE ASSISTANCE FOR APPLIED TECHNOLOGY EDUCATION SUPPORT PROGRAMS BY COMMUNITY-BASED ORGANIZATIONS".

(3) SUBPART 4 OF PART B OF TITLE IV.—The heading for subpart 4 of part B of title IV of the Act (20 U.S.C. 2417) is amended to read as follows:

"Subpart 4—Model Centers for Applied Technology Education for Older Individuals".

(4) PART C OF TITLE IV.—The heading for part C of title IV of the Act (20 U.S.C. 2421 et seq.) is amended to read as follows:

"PART C—APPLIED TECHNOLOGY EDUCATION AND OCCUPATIONAL INFORMATION DATA SYSTEMS".

(5) PART E OF TITLE IV.—The heading for part E of title IV of the Act (20 U.S.C. 2441) is amended to read as follows:

"PART E—BILINGUAL APPLIED TECHNOLOGY EDUCATION TRAINING".

(d) CLERICAL AMENDMENTS.—The table of contents contained in section 1 of the Act is amended—

(1) by striking the item relating to title I and inserting the following new item:

"TITLE I—APPLIED TECHNOLOGY EDUCATION ASSISTANCE TO THE STATES";

(2) by striking the item relating to part A of title III and inserting the following new item:

"PART A—STATE ASSISTANCE FOR APPLIED TECHNOLOGY EDUCATION SUPPORT PROGRAMS BY COMMUNITY-BASED ORGANIZATIONS";

(3) by striking the item relating to subpart 4 of part B of title IV and inserting the following new item:

"Subpart 4—Model Centers for Applied Technology Education for Older Individuals";

(4) by striking the item relating to part C of title IV and inserting the following new item:

"PART C—APPLIED TECHNOLOGY EDUCATION AND OCCUPATIONAL INFORMATION DATA SYSTEMS"; AND

(5) by striking the item relating to part E of title IV and inserting the following new item:

"PART E—BILINGUAL APPLIED TECHNOLOGY EDUCATION TRAINING".

SEC. 202. STATEMENT OF PURPOSE.

Section 2 of the Act (20 U.S.C. 2301) is amended to read as follows:

"SEC. 2. STATEMENT OF PURPOSE.

"It is the purpose of this Act to make the United States more competitive in the world economy by developing more fully the academic and occupational skills of all segments of the population. This purpose will principally be achieved through concentrating resources on improving educational programs leading to academic, occupational, training, and retraining skill competencies needed to work in a technologically advanced society.".

SEC. 203. AUTHORIZATION OF APPROPRIATIONS.

Section 3 of the Act (20 U.S.C. 2302) is amended to read as follows:

"SEC. 3. AUTHORIZATION OF APPROPRIATIONS.

"(a) STATE GRANTS; NATIONAL PROGRAMS.—There are authorized to be appropriated $1,000,000,000 for the fiscal year 1990 and such sums as may be necessary for each of the fiscal years 1991 through 1995 to carry out the provisions of titles I (other than section 112), II, and IV (other than part E) of this Act.

"(b) SPECIAL PROGRAMS.—

"(1)(A) There are authorized to be appropriated $15,000,000 for the fiscal year 1990 and such sums as may be necessary for each of the fiscal years 1991 through 1995 to carry out part A of title III, relating to State assistance for applied technology education support programs by community-based organizations.

"(B) There are authorized to be appropriated $40,000,000 for the fiscal year 1990 and such sums as may be necessary for each of the fiscal years 1991 through 1995 to carry out part B of title III, relating to consumer and homemaking education.

"(C) Subject to paragraph (2), there are authorized to be appropriated $30,000,000 for the fiscal year 1990 and such sums as may be necessary for each of the fiscal years 1991 through 1995 to carry out part C of title III, relating to career guidance and counseling.

"(D) Subject to paragraph (2), there are authorized to be appropriated $20,000,000 for the fiscal year 1990 and such sums as may be necessary for each of the fiscal years 1991 through 1995 to carry out part D of title III, relating to business-education-labor partnerships.

"(E) Subject to paragraph (2), there are authorized to be appropriated $200,000,000 for the fiscal year 1990 and such sums as may be necessary for each of the fiscal years 1991 through 1995 to carry out part E of title III, relating to tech-prep education.

"(F) Subject to paragraph (2), there are authorized to be appropriated $100,000,000 for the fiscal year 1990 and such sums as may be necessary for each of the fiscal years 1991 through 1995 to carry out part F of title III, relating to improvement of facilities and acquisition of equipment.

"(2) No amounts are authorized to be appropriated under subparagraph (C), (D), (E), or (F) for the first fiscal year for which amounts are appropriated under this Act unless the amount appropriated pursuant to subsection (a) for that fiscal year equals or exceeds the amount necessary to carry out activities for which such amount is appropriated at the level at which such activities were carried out in the preceding fiscal year.

"(c) STATE HUMAN INVESTMENT COUNCILS.—There are authorized to be appropriated $8,000,000 for the fiscal year 1990 and such sums as may be necessary for each of the fiscal years 1991 through 1995 to carry out section 112, relating to State human investment councils.

"(d) BILINGUAL APPLIED TECHNOLOGY TRAINING PROGRAMS.—There are authorized to be appropriated $10,000,000 for the fiscal year 1990 and such sums as may be necessary for each of the fiscal years 1991 through 1995 to carry out part E of title IV, relating to bilingual applied technology training programs.

"(e) SET-ASIDE FOR NATIONAL PROGRAMS.—From amounts appropriated pursuant to subsection (a) for each fiscal year, 2 percent shall be available to carry out the provisions of title IV (other than part E), relating to national programs.".

PART A—APPLIED TECHNOLOGY EDUCATION ASSISTANCE TO THE STATES

SEC. 211. ALLOTMENT.

Paragraph (3) of section 101(a) of the Act (20 U.S.C. 2311(a)) is amended—

(1) in clause (i) of subparagraph (B), by striking "subparagraph (A)" and inserting "subparagraphs (A) and (D)";

(2) in clauses (i) and (ii) of subparagraph (B), by striking "D, or E" each place it appears and inserting "or D"; and

(3) by adding at the end the following new subparagraph:

"(D)(i) No State shall, by reason of subparagraph (B), be allotted more than the lesser of—

"(I) 150 percent of the amount that the State received in the preceding fiscal year; and

"(II) the amount calculated under clause (ii).

"(ii) The amount calculated under this clause shall be determined by multiplying—

"(I) the number of individuals in the State counted under paragraph (2) in the preceding fiscal year; by

"(II) 150 percent of the national average per pupil payment made with funds available under this section for that year.".

SEC. 212. WITHIN STATE ALLOCATION.

Section 102 of the Act (20 U.S.C. 2312) is amended to read as follows:

"SEC. 102. WITHIN STATE ALLOCATION.

"(a) PROGRAMS OTHER THAN STATE GRANTS.—Each State shall reserve from its allotment of funds appropriated under section 3(a) for each fiscal year—

"(1) an amount that does not exceed 5 percent of the allotment for State administration of the State plan, of which not less than $60,000 shall be available only for purposes of carrying out the provisions of section 121(a);

"(2) an amount equal to 10 percent of the allotment for the program for single parents, homemakers, and displaced homemakers described in section 121(b) and the sex equity program described in section 121(c); and

"(3) an amount that does not exceed 5 percent of the allotment for—

"(A) business-education-labor partnerships under part D of title III;

"(B) development and implementation of State standards for performance and measures of performance for applied technology education programs under section 122;

"(C) training and retraining of academic and applied technology staff and counselors

to better integrate the teaching strategies and curricula of both disciplines so that students will be better prepared for full participation in society, the economy, and the democratic process, taking into account the need for greater access to and participation in applied technology education by students and teachers from historically underrepresented groups, including minorities;

"(D) at least 1 program for incarcerated youths in juvenile detention or correctional facilities or criminal offenders who are serving in correctional facilities;

"(E) preservice and inservice training for teachers, guidance counselors, and other appropriate individuals; and

"(F) support of applied technology student organizations.

"(b) STATE GRANTS.—Each State shall use the remainder of its allotment of funds appropriated under section 3(a) for each fiscal year for activities described in title II.".

SEC. 213. STATE ADMINISTRATION.

Section 111 of the Act (20 U.S.C. 2321) is amended—

(1) in paragraph (1) of subsection (a)—

(A) in subparagraph (B), by striking "State council on vocational education" and inserting "State human investment council";

(B) in subparagraph (C), by striking "State council established pursuant to section 112" and inserting "State human investment council";

(C) in subparagraph (D), by striking "; and" and inserting a semicolon;

(D) in subparagraph (E)—

(i) by striking "the State job training coordinating council" and inserting "the State human investment council";

(ii) by striking "their respective programs" and inserting "programs under this Act and programs under the Job Training Partnership Act"; and

(iii) by striking the period and inserting "; and"; and

(E) by adding at the end the following new subparagraph:

"(F) assuring access to applied technology education services for any students with handicaps—

"(i) who—

"(I) are handicapped children for purposes of section 602(a)(1) of the Education of the Handicapped Act; or

"(II) are protected under section 504 of the Rehabilitation Act of 1973; and

"(ii) are not less than 12 years of age; and

"(iii) are not older than the upper age limit established by the State for eligibility for special education services.".

(2) by striking subsection (b);

(3) by redesignating subsections (c) and (d) as subsections (b) and (c), respectively;

(4) in the first sentence of subsection (c) (as redesignated by paragraph (3) of this subsection), by striking "State council" and inserting "State human investment council"; and

(5) by striking subsection (e).

SEC. 214. DUTIES OF THE STATE HUMAN INVESTMENT COUNCIL WITH RESPECT TO APPLIED TECHNOLOGY EDUCATION.

(a) IN GENERAL.—Section 112 of the Act (20 U.S.C. 2322) is amended—

(1) by amending the section heading to read as follows:

"SEC. 112. DUTIES OF THE STATE HUMAN INVESTMENT COUNCIL WITH RESPECT TO APPLIED TECHNOLOGY EDUCATION."

(2) by striking "SEC. 112.";

(3) by amending subsection (a) to read as follows:

"(a) Each State which desires to participate in applied technology education programs authorized by this Act for any fiscal year shall establish a State human investment council as required by section 101(a) of the Applied Technology Education Amendments of 1989 and shall require such council to act as the State council on applied technology education.";

(4) in subsection (b)—

(A) by striking "and membership"; and

(B) by striking "State council" and inserting "State human investment council";

(5) by striking subsection (c);

(6) by redesignating subsections (d), (e), and (f), as subsections (c), (d), and (e), respectively;

(7) in subsection (c) (as redesignated by paragraph (6) of this subsection)—

(A) by striking "State council" and inserting "State human investment council"; and

(B) in subparagraph (B) of paragraph (9), by striking "the State job training coordinating council,";

(8) in subsection (d) (as redesignated by paragraph (6) of this subsection)—

(A) by striking "State council" and inserting "State human investment council"; and

(B) by striking "Council" and inserting "council"; and

(9) in subsection (e) (as redesignated by paragraph (6) of this subsection)—

(A) in paragraph (1), by striking "State councils" each place it appears and inserting "State human investment councils"; and

(B) in paragraphs (1) and (2), by striking "State council" each place it appears and inserting "State human investment council".

(b) CLERICAL AMENDMENT.—The table of contents contained in section 1 of the Act is amended by striking the item relating to section 112 and inserting the following:

"Sec. 112. Duties of the State human investment council with respect to applied technology education."

SEC. 215. STATE PLANS.

Section 113 of the Act (20 U.S.C. 2323) is amended—

(1) in subsection (a)—

(A) in subparagraph (A) of paragraph (2), by striking "State council" and all that follows and inserting "State human investment council.";

(B) in paragraph (3)—

(i) in subparagraph (C), by striking "groups of individuals specified in section 201(b)" and inserting "individuals who are members of special populations";

(ii) in subparagraph (D)—

(I) by striking "and" at the end of clause (iv);

(II) by amending clause (v) to read as follows:

"(v) the capability of applied technology education programs to provide each applied technology education student with strong development and use of problem-solving skills and basic and advanced academic skills (including skills in the areas of mathematics, reading, writing, science, and social studies) in the technological setting;"; and

(III) by adding at the end the following new clauses:

"(vi) the responsiveness of the program to the special needs of students who are members of special populations;

"(vii)(I) the relative academic, occupational, training, and retraining needs of secondary, adult, and postsecondary students; and

"(II) the academic, occupational, training, and retraining needs of the State and local areas, including needs in areas of emerging technologies;";

(iii) by striking "and" at the end of subparagraph (E);

(iv) by striking the period at the end of subparagraph (F) and inserting "; and"; and

(v) by adding at the end the following new subparagraph:

"(G) consider including in its applied technology education programs activities to provide strong experience in and understanding of all aspects of the industry the student is preparing to enter (including planning, management, finances, technical and production skills, underlying principles of technology, labor and community issues, and health, safety, and environmental issues).".

(2) in subsection (b)—

(A) in paragraph (1)—

(i) in subparagraph (A), by striking "for programs" and all that follows and inserting "under subsections (a) and (d) of section 203;";

(ii) in subparagraph (B), by striking "section 203" and inserting "sections 102, 201, and 202"; and

(iii) in subparagraph (C)—

(I) by striking "individuals described in clauses (1) and (2) of section 201(b)" and inserting "individuals who are members of special populations"; and

(II) by striking "part A of";

(B) by amending paragraph (4) to read as follows:

"(4) provide assurances that the State will distribute at least 80 percent of the funds made available for title II to local educational agencies and postsecondary institutions pursuant to such title;";

(C) by amending paragraph (5) to read as follows:

"(5) provide assurances that the State will distribute funds made available for title II in accordance with section 201;";

(D) in paragraph (7), by striking "single parents and homemakers under section 201(b)(3)" and inserting "single parents, homemakers, and displaced homemakers under section 121(b)";

(E) by amending paragraph (9) to read as follows:

"(9) provide assurances that the State will develop and implement a system of standards for performance and measures of performance for applied technology education programs at the State level that meets the requirements of section 122;";

(F) in paragraph (10), by striking "title I" and all that follows through "of 1981" and inserting the following: "chapter 1 of title I of the Elementary and Secondary Education Act of 1965";

(G) in paragraph (13), by striking "State council on vocational education" and inserting "State human investment council";

(H) in paragraph (15)—

(i) by striking "part D" and inserting "part C"; and

(ii) by striking "1984" and inserting "1988";

(I) in paragraph (16), by striking "; and" and inserting the following: ", so that—

"(A) in local educational agencies under whose jurisdiction there is more than 1 school, schools that receive assistance pursuant to title II shall receive in any fiscal year at least the same amount of funding per student from non-Federal sources as is received per student from non-Federal sources by schools that do not receive assistance pursuant to title II; and

"(B) schools receiving assistance under title II and students participating in applied technology education programs shall not receive fewer services under other Federal, State, and local programs;";

(J) in paragraph (17), by striking the period and inserting "; and"; and

(K) by adding at the end the following new paragraph:

"(18) provide assurances that the State will carry out the provisions of section 116."; and

(3) in paragraph (1) of subsection (c)—

(A) by striking "State council" each place it appears and inserting "State human investment council"; and

(B) by striking "the State job training coordinating council, and".

SEC. 216. APPROVAL.

Section 114 of the Act (20 U.S.C. 2324) is amended—

(1) in paragraph (1) of subsection (a)—

(A) in the first sentence, by striking "the State job training coordinating council" and all that follows through "Act" and inserting "the State human investment council"; and

(B) in the last sentence, by striking "the State job training coordinating council" and inserting "the State human investment council";

(2) in subsection (b), by striking "State council" each place it appears and inserting "State human investment council";

(3) by redesignating subsection (c) as subsection (d);

(4) by inserting after subsection (b) the following new subsection:

"(c) The State board shall develop the portion of each State plan relating to the amount and uses of any funds proposed to be reserved for adult education or postsecondary education and for secondary education after consultation with the State agency responsible for supervision of community colleges and the State agency responsible for secondary education, respectively. The State board shall, in developing such plan, take into consideration the relative training and retraining needs of secondary, adult, and postsecondary students. If a State agency finds that a portion of the final State plan is objectionable, such agency shall file its objections with the State board. The State board shall respond to any objections of such agency in submitting such plan to the Secretary. The Secretary shall consider such comments in reviewing the State plan."; and

(5) by amending subparagraph (A) of subsection (d)(2) (as redesignated by paragraph (3) of this subsection) to read as follows:

"(A) Each State plan shall be submitted to the Secretary by May 1 preceding the beginning of the first fiscal year for which such plan is to be in effect. The Secretary shall approve each plan before the expiration of the 60-day period beginning on the date the plan is submitted if the plan meets the requirements of section 113 and is of sufficient quality to meet the objectives of this Act (including the objective of developing and implementing performance standards), and shall subsequently take appropriate actions to monitor the State's compliance with the provisions of its plan and the requirements of this Act. The Secretary shall not finally disapprove a State plan except after giving reasonable notice and an opportunity for a hearing to the State board.".

SEC. 217. LOCAL APPLICATION.

Section 115 of the Act (20 U.S.C. 2325) is amended—

(1) in subsection (a)—

(A) in the first sentence, by striking "Except" and all that follows through "any" and inserting "Any"; and

(B) in paragraph (1), by striking "; and" and inserting a semicolon; and

(C) in paragraph (2), by striking the period and inserting a semicolon; and

(D) by adding at the end the following new paragraphs:

"(3) describe how it will apply and implement (in consultation with the appropriate private industry council established under section 102 of the Job Training Partnership Act, where practicable) the system of standards for performance and measures of performance for applied technology education programs developed by the State under section 122;

"(4) describe how access to programs of good quality will be provided to students who are economically disadvantaged, students with handicaps, foster children, and students of limited English proficiency through affirmative outreach and recruitment efforts;

"(5) describe how the local educational agency and institutions involved will monitor the provision of applied technology education provided to students with handicaps, including students with handicaps who have an individualized education program under section 614(a)(5) of the Education of the Handicapped Act with applied technology education components and other students with handicaps who have returned to the educational system;

"(6) describe how the local educational agency and institutions involved will facilitate and promote the effective transition of students who are economically disadvantaged, students with handicaps, foster children, and students of limited English proficiency from the educational system to employment and additional training and educational opportunities, including, at the option of the local educational agency, a description of how the local educational agency intends to provide access to and use vocational rehabilitation counselors in facilitating and promoting such effective transition;

"(7) consider the demonstrated occupational needs of the area in assisting programs funded by this Act;

"(8) describe how the local educational agencies and eligible institutions will use funds provided under title II to—

"(A) first serve schools (or locations, in the case of an eligible institution that offers programs at more than 1 location) that—

"(i) have the highest numbers or percentages of students who are economically disadvantaged, students of limited English proficiency, and students with handicaps; and

"(ii) are offering programs in greatest need of improvement; and

"(B) provide applied technology education in a program that—

"(i) integrates academic and occupational disciplines so that students participating in the program are able to achieve both academic and occupational competence;

"(ii) offers coherent sequences of courses leading to a job skill;

"(iii) encourages students through counseling to pursue such coherent sequences of courses;

"(iv) assists students who are economically disadvantaged, students of limited English proficiency, and students with handicaps to succeed through supportive services such as counseling, English-language instruction, child care, and special aids;

"(v) is of such size, scope, and quality as to bring about improvement in the quality of education offered by the school; and

"(vi) seeks to cooperate with the sex equity program carried out under section 121(c); and

"(9) include any other appropriate information that the State may require consistent with this Act."; and

(2) by striking subsection (c).

SEC. 218. STATE IMPROVEMENT PLANS.

(a) IN GENERAL.—Part B of title I of the Act (20 U.S.C. 2321 et seq.) is amended by adding at the end the following new section:

"SEC. 116. STATE IMPROVEMENT PLANS.

"(a) IN GENERAL.—Each State receiving funds under this Act in the fiscal year 1991 or the fiscal year 1992 shall, during such fiscal year, review all applied technology education programs in secondary schools and postsecondary institutions in the State to determine whether—

"(1) academic education and applied technology education are being properly coordinated for the benefit of students;

"(2) such schools and institutions are offering coherent sequences or courses leading to occupational skills;

"(3) students in such schools and institutions are counseled to pursue such sequences or courses in order to secure an occupational skill;

"(4) both academic and occupational competencies are acquired by students who complete such courses;

"(5) access is provided to programs of good quality for students who are economically disadvantaged, students with handicaps, foster children, and students of limited English proficiency (evidence of which may be shown by data collected on proportionate numbers of students who are members of special populations and who are enrolled in such programs); and

"(6) equipment, facilities, supplies, curriculum development, and teacher education are modern.

"(b) LIMITATION.—Any State that conducts a review as required by subsection (a) during the fiscal year 1991 shall not be required to conduct such a review during the fiscal year 1992.".

(b) CLERICAL AMENDMENT.—The table of contents contained in section 1 of the Act is amended by inserting after the item relating to section 115 the following new item:

"Sec. 116. State improvement plans.".

SEC. 219. STATE-ADMINISTERED PROGRAMS.

(a) IN GENERAL.—Title I of the Act (20 U.S.C. 2311 et seq.) is amended by adding at the end the following new part:

"PART C—STATE-ADMINISTERED PROGRAMS

"SEC. 121. SEX EQUITY PROGRAM AND PROGRAM FOR HOMEMAKERS, DISPLACED HOMEMAKERS, AND SINGLE PARENTS.

"(a) APPOINTMENT OF COORDINATOR.—Any State desiring to participate in the programs authorized by this Act shall, from amounts reserved under section 102(a)(1)(A), assign 1 individual within the appropriate State agency established or designated by the State board to administer and coordinate applied technology education programs within the State, to work full time to assist the State board to fulfill the purposes of this Act by—

"(1) administering and coordinating the program of applied technology education for single parents, homemakers, and displaced homemakers described in subsection (b) and the sex equity program described in subsection (c), including—

"(A) development of an annual plan for the use of all funds available for such programs;

"(B) management of the distribution of funds pursuant to subsection (e);

"(C) monitoring of the use of funds distributed to recipients under such programs;

"(D) evaluation of the effectiveness of programs and activities supported by such funds;

"(E) assuring the access of individuals with handicaps, foster children, disadvantaged individuals, and individuals of limited English proficiency to programs funded under this part; and

"(F) considering the academic, occupational, training, and retraining needs of the State and local areas, including needs in areas of emerging technologies;

"(2) gathering, analyzing, and disseminating data on the adequacy and effectiveness of applied technology education programs in the State in meeting the education and employment needs of women (including preparation for employment in technical occupations, new and emerging occupational fields, and occupations regarded as nontraditional for women), and on the status of male and female students and employees in such programs;

"(3) reviewing applied technology education programs (including career guidance and counseling) for sex stereotyping and sex bias, with particular attention to practices which tend to inhibit the entry of women into high technology occupations, and submitting—

"(A) recommendations for inclusion in the State plan of programs and policies to overcome sex bias and sex stereotyping in such programs; and

"(B) an assessment of the State's progress in meeting the purposes of this Act with regard to overcoming sex discrimination and sex stereotyping;

"(4) reviewing proposed actions on grants, contracts, and the policies of the State board to ensure that the needs of women are addressed in the administration of this Act;

"(5) developing recommendations for programs of information and outreach to women concerning applied technology education and employment opportunities for women (including opportunities for careers as technicians and skilled workers in technical fields and new and emerging occupational fields);

"(6) providing technical assistance and advice to local educational agencies, postsecondary institutions, and other interested parties in the State, in expanding applied technology opportunities for women; and

"(7) assisting administrators, instructors, and counselors in implementing programs and activities to increase access for women (including displaced homemakers and single heads of households) to applied technology education and to increase male and female students' enrollment in nontraditional programs.

"(b) PROGRAM FOR SINGLE PARENTS, HOMEMAKERS, AND DISPLACED HOMEMAKERS.—Each State shall use the portion of its allotment described in subsection (d)(1) only to—

"(1) provide, subsidize, reimburse, or pay for preparatory services for applied technology education, applied technology education and training activities, including basic literacy instruction and necessary educational materials, that will furnish single parents, homemakers, and displaced homemakers with marketable skills;

"(2) make grants to eligible recipients for expanding preparatory services for applied technology education and applied technology education services when the expansion directly increases the eligible recipients' capacity for providing single parents, homemakers, and displaced homemakers with marketable skills;

"(3) make grants to community-based organizations for the provision of preparatory services for applied technology education and applied technology education services to single parents, homemakers, and displaced homemakers, if the State determines that the community-based organization has demonstrated effectiveness in providing comparable or related services to single parents, homemakers, and displaced homemakers, taking into account the demonstrated performance of such an organization in terms of cost, the quality of training, and the characteristics of the participants;

"(4) make preparatory services for applied technology education and applied technology education and training more accessible to single parents, homemakers, and displaced homemakers by assisting them with dependent care or transportation services or by organizing and scheduling the programs so that such programs are more accessible; or

"(5) provide information to single parents, homemakers, and displaced homemakers to inform them of applied technology education programs and related support services.

"(c) SEX EQUITY PROGRAM.—

"(1) GENERAL AUTHORITY.—Except as provided in paragraph (2), each State shall use the portion of its allotment described in subsection (d)(2) only for—

"(A) programs, services, and activities to eliminate sex bias and stereotyping in secondary and postsecondary applied technology education;

"(B) preparatory services for applied technology education and applied technology education programs, services, and activities for girls and women, aged 14 through 25, designed to enable the participants to support themselves and their families; and

"(C) support services for individuals participating in applied technology education programs, services, and activities described in subparagraphs (A) and (B), including dependent-care services and transportation.

"(2) WAIVER OF AGE LIMIT.—The administrator appointed under subsection (a) may waive the requirement with respect to age limitations contained in paragraph (1)(B) whenever the administrator determines that the waiver is essential to meet the objectives of this section.

"(d) DISTRIBUTION OF ASSISTANCE.—From the amounts reserved under section 102(a)(1)(B), the State—

"(1) shall provide an amount equal to 70 percent of such amount for carrying out the program for single parents, homemakers, and displaced homemakers described in subsection (b); and

"(2) shall provide an amount equal to 30 percent of such amount for carrying out the sex equity program described in subsection (c).

"(e) COMPETITIVE AWARD OF AMOUNTS; EVALUATION OF PROGRAMS.—The administrator appointed under subsection (a)—

"(1) shall allocate and distribute to eligible recipients and community-based organizations the amounts described in paragraphs (1) and (2) of subsection (d) on a competitive basis; and

"(2) shall develop procedures for the collection from eligible recipients and community-based organizations that receive funds under such programs of data appropriate to the individuals served in order to permit evaluation of the effectiveness of such programs as required by subsection (a)(1)(D).

"SEC. 122. STATE AND LOCAL STANDARDS AND MEASURES.

"(a) GENERAL AUTHORITY.—Each State receiving funds under this Act shall develop and implement a Statewide system of standards and measures of performance for applied technology education programs. Such system shall be developed and implemented before the end of the 2-year period beginning on the date of the enactment of the Applied Technology Education Amendments of 1989.

"(b) REQUIREMENTS.—Each system developed under subsection (a) shall contain the following:

"(1) Measures of learning gains and competency gains.

"(2) 1 or more of the following measures of performance:

"(A) Competency attainment.

"(B) Job or work skill attainment or enhancement.

"(C) Retention in school or completion of secondary school or its equivalent.

"(D) Articulation into additional training, additional education, or military service.

"(3) Incentives or adjustments designed to encourage service to targeted groups or special populations.

"(4) Procedures for utilizing existing resources and methods developed in other programs receiving Federal assistance.

"(5) Performance levels for students with handicaps that, for each such student, are commensurate with the student's ability level and consistent with the student's individualized education program.

"(c) Measures and standards included in a system developed under subsection (a) shall be consistent with—

"(1) measures and standards developed under job opportunities and basic skills training programs established and operated under a plan approved by the Secretary of Health and Human Services that meets the requirements of section 402(a)(19) of the Social Security Act and part F of title IV of that Act; and

"(2) standards prescribed by the Secretary of Labor under section 106 of the Job Training Partnership Act.

"(d) The Secretary shall provide technical assistance to the States with respect to the development of systems under subsection (a). In providing such assistance, the Secretary shall utilize existing resources in other Federal departments and at the State level.

"(e) The Secretary shall submit a report to the appropriate committees of the Congress not later than the end of the 4-year period beginning on the date of the enactment of the Applied Technology Education Amendments of 1989. Such report shall describe in detail the status of each State's system of standards for performance and measures of performance developed as required by this section, and any effects attributed to the implementation of such system.".

(b) CLERICAL AMENDMENT.—The table of contents contained in section 1 of the Act (as amended by section 217(b)) is amended by inserting after the item relating to section 116 the following new items:

"PART C—STATE-ADMINISTERED PROGRAMS

"Sec. 121. Sex equity program and program for homemakers, displaced homemakers, and single parents.

"Sec. 122. State and local standards and measures.".

PART B—BASIC STATE GRANTS FOR APPLIED TECHNOLOGY EDUCATION

SEC. 221. PROGRAM AUTHORIZED.

(a) IN GENERAL.—Title II of the Act (20 U.S.C. 2331 et seq.) is amended to read as follows:

"TITLE II—BASIC STATE GRANTS FOR APPLIED TECHNOLOGY EDUCATION

"SEC. 201. DISTRIBUTION OF ASSISTANCE.

"(a) IN GENERAL.—Subject to subsection (c), each State that receives funds under this title shall distribute such funds as follows:

"(1)(A) Except as provided in subparagraph (B), funds available for secondary education programs for any fiscal year shall be allocated to local educational agencies within the State as follows:

"(i) From 70 percent of such funds, each local educational agency shall be allocated an amount that bears the same relationship to such 70 percent as the amount such local educational agency was allocated under section 1005 of the Elementary and Secondary Education Act of 1965 in the preceding fiscal year bears to the total amount received under such section by local educational agencies in the State in such year.

"(ii) From 20 percent of such funds, each local educational agency shall be allocated an amount that bears the same relationship to such 20 percent as the number of students with handicaps who have individualized education programs under section 614(a)(5) of the Education of the Handicapped Act served by such local educational agency in the preceding fiscal year bears to the total number of such students served by local educational agencies in the State in such year.

"(iii) From 10 percent of such funds, each local educational agency shall be allocated an amount that bears the same relationship to such 10 percent as the number of students enrolled in schools and adults enrolled in training programs under the jurisdiction of each local educational agency in the preceding fiscal year bears to the number of students enrolled in schools and adults enrolled in training programs under the jurisdiction of local educational agencies in the State in such year.

"(B)(i) In the case of any local educational agency that has jurisdiction only over elementary schools, the amount that would otherwise be allocated to such local educational agency under this paragraph shall be allocated to the local educational agency that has jurisdiction over the secondary schools that receive graduating students from such elementary schools.

"(ii) The amount to be allocated under clause (i) to a local educational agency that has jurisdiction only over secondary schools shall be determined based on the number of students that entered such secondary schools in the previous year from the elementary schools involved.

"(C) Each local educational agency that is allocated amounts under this section shall notify the State concerning the portion of its allocation that should be distributed by the State to such agency, to any consortia in which such agency participates, or to any area applied technology education school in accordance with the requirements of this section, and the State shall distribute the allocation accordingly.

"(2)(A) Funds available for adult education and postsecondary education programs shall be distributed to eligible institutions within the State as follows:

"(i) From 70 percent of such funds, each eligible institution shall receive an amount that bears the same relationship to such 70 percent as the number of Pell Grant recipients and recipients of assistance from the Bureau of Indian Affairs attending such institution in the preceding fiscal year bears to the number of such recipients attending institutions within the State in such year;

"(ii) From 20 percent of such funds, each eligible institution shall receive an amount that bears the same relationship to such 20 percent as the number of individuals attending such institution who receive assistance under part A of title I of the Rehabilitation Act of 1973 in the preceding fiscal year bears to the number of such individuals attending institutions within the State in such year.

"(iii) From 10 percent of such funds, each eligible institution shall receive an amount that bears the same relationship to such 10 percent as the number of students enrolled in such institution in the preceding fiscal year bears to the number of students enrolled in institutions within the State in such year.

"(B) If the State determines that applied technology education programs offered by eligible institutions are clearly distinguishable from other education programs offered by such institutions, the State may determine the amount of each institution's allocation under subparagraph (A) based on enrollment of students described in clauses (i) through (iii) in applied technology education programs offered by such institution as compared to the number of such students enrolled in such programs in all institutions in the State.

"(b) CONSORTIA.—

"(1) A local educational agency for any fiscal year may apply for funds as part of a consortium with other local educational agencies or eligible institutions of higher education for the conduct of applied technology education programs. The State educational agency may assist in the formation of consortia between local educational agencies or eligible institutions of higher education at the request of a local educational agency.

"(2) Any local educational agency eligible for funds under this title which sends students to an area applied technology education school shall participate in a consortium with such school and any other local educational agencies which send students to such school.

"(3) Any local educational agency which receives for any fiscal year a grant under this title in an amount of not more than $5,000 shall participate in a consortium with other local educational agencies or eligible institutions for purposes of providing services under this title.

"(4) The State may waive the requirements of paragraph (3) if a local educational agency in a rural and sparsely-populated area demonstrates the inability to form a consortium for administering programs assisted by this title.

"(c) LIMITATION.—

"(1)(A) In the first fiscal year for which funds are allocated under this section, no local educational agency or eligible institution shall be allocated an amount equal to or less than 75 percent of the average of its allocation percentage for each of the 3 fiscal years preceding the fiscal year for which the allocation was made.

"(B) In the second fiscal year for which funds are allocated under this section, no local educational agency or eligible institution shall be allocated an amount equal to less than 75 percent of its allocation percentage for the preceding fiscal year.

"(C) If the amount received by the State for either of the fiscal years described in subparagraph (A) or (B) is not sufficient to provide to each local educational agency and eligible institution within the State an amount equal to the amount described in subparagraphs (A) and (B), the amounts allocated to each such agency and institution shall be ratably reduced.

"(2) For purposes of this subsection, the term 'allocation percentage' means the percentage which a local educational agency or eligible institution received of the total amount allocated pursuant to this section or allotted under the Carl D. Perkins Vocational Education Act, as in effect on the day before the date of the enactment of the Applied Technology Education Amendments of 1989, to all agencies and institutions in the State.

"(d) DEFINITIONS.—For purposes of this title:

"(1) The term 'eligible institution' means any secondary school, area applied technology education school, community college, or institution of higher education designated by the State—

"(A) that offers programs qualified for assistance under section 202; and

"(B) that seeks to receive assistance under this part.

"(2) The term 'institution of higher education' has the meaning given that term in section 435(b) of the Higher Education Act of 1965.

"(3) The term 'Pell Grant recipient' means a recipient of financial aid under subpart 1 of part A of title IV of the Higher Education Act of 1965.

"SEC. 202. USES OF FUNDS.

"(a) IN GENERAL.—Except as provided in subsection (b), each State may only approve programs under this title in local educational agencies and eligible institutions that will use funds provided under this title to—

"(1) first serve schools (or locations, in the case of an eligible institution that offers programs at more than 1 location) that—

"(A) have the highest numbers or percentages of students who are economically disadvantaged, students of limited English proficiency, and students with handicaps; and

"(B) are offering programs in greatest need of improvement; and

"(2) provide applied technology education in a program that—

"(A) integrates academic and occupational disciplines, including basic skills and remedial instruction as needed, so that students participating in the program are able to achieve both academic and occupational competence;

"(B) offers coherent sequences of courses leading to a job skill;

"(C) encourages students through counseling to pursue such coherent sequences of courses;

"(D) assists students who are economically disadvantaged, students of limited English proficiency, foster children, and students with handicaps to succeed through supportive services such as counseling, English-language instruction, child care, and special aids;

"(E) is of such size, scope, and quality as to bring about improvement in the quality of education offered by the school; and

"(F) seeks to cooperate with the activities of the sex equity program carried out under section 121(c).

"(b) ARRANGEMENTS WITH PRIVATE INSTITUTIONS AND EMPLOYERS.—Each State may use the portion of its allotment available in any fiscal year under section 102(a)(1)(C) and each local educational agency or eligible institution may use the portion of its allotment available under section 201 for the provision of educational training through arrangements with private applied technology training institutions, private postsecondary educational institutions, labor organizations, joint labor-management apprentice-

ship programs, and employers whenever such institutions or employers can make a significant contribution to obtaining the objectives of the State plan and can provide substantially equivalent training at a lesser cost, or can provide equipment or services not available in public institutions.

"SEC. 203. CRITERIA FOR SERVICES AND ACTIVITIES FOR INDIVIDUALS WHO ARE MEMBERS OF SPECIAL POPULATIONS.

"(a) ASSURANCES OF EQUAL ACCESS FOR MEMBERS OF SPECIAL POPULATIONS.—The State board shall provide assurances that—

"(1) individuals who are members of special populations will be provided with equal access to recruitment, enrollment, and placement activities;

"(2) individuals who are members of special populations will be provided with equal access to the full range of applied technology programs available to individuals who are not members of special populations, including occupationally specific courses of study, cooperative education, and apprenticeship programs and shall not be discriminated against on the basis of their status as members of special populations; and

"(3)(A) applied technology education programs and activities for individuals with handicaps will be provided in the least restrictive environment in accordance with section 612(5)(B) of the Education of the Handicapped Act and will, whenever appropriate, be included as a component of the individualized education program developed under section 614(a)(5) of such Act;

"(B) students with handicaps who have individualized education programs developed under section 614(a)(5) of the Education of the Handicapped Act shall, with respect to applied technology education programs, be afforded the rights and protections guaranteed such students under sections 612, 614, and 615 of such Act;

"(C) students with handicaps who do not have individualized education programs developed under section 614(a)(5) of the Education of the Handicapped Act or who are not eligible to have such a program shall, with respect to applied technology education programs, be afforded the rights and protections guaranteed such students under section 504 of the Rehabilitation Act of 1973;

"(D) applied technology education planning for individuals with handicaps will be coordinated between appropriate representatives of applied technology education, special education, and State vocational rehabilitation agencies; and

"(E) the provision of applied technology education to each student with handicaps will be monitored to determine if such education is consistent with the individualized education program developed for such student under section 614(a)(5) of the Education of the Handicapped Act, in any case in which such a program exists; and

"(4) the provision of applied technology education will be monitored to ensure that disadvantaged students and students of limited English proficiency have access to such education in the most integrated setting possible; and

"(5)(A) the requirements of this Act relating to individuals who are members of special populations—

"(i) will be carried out under the general supervision of individuals in the State educational agency who are responsible for students who are members of special populations; and

"(ii) will meet education standards of the State educational agency; and

"(B) with respect to students with handicaps, the supervision carried out under subparagraph (A) shall be carried out consistent with and in conjunction with supervision by the State educational agency carried out under section 612(6) of the Education of the Handicapped Act.

"(b) PROVISION OF INFORMATION.—

"(1) Each local educational agency shall provide to students who are members of special populations and parents of such students at least 1 year before the students enter or are of an appropriate age for the grade level in which applied technology education programs are first generally available in the State, but in no event later than the beginning of the ninth grade, information concerning—

"(A) the opportunities available in applied technology education;

"(B) the requirements for eligibility for enrollment in such applied technology education programs;

"(C) specific courses that are available;

"(D) special services that are available;

"(E) employment opportunities; and

"(F) placement.

"(2) Each institution of higher education that receives assistance under this title shall provide the information described in paragraph (1) to each individual who requests information concerning or seeks admission to applied technology education programs offered by the institution.

"(3) The information provided under this subsection shall, to the extent practicable, be in a language and form that the parents and students understand.

"(c) ASSURANCES.—Each local educational agency or institution of higher education that receives assistance under this title shall provide assurances that such agency or institutions shall—

"(1) assess the special needs of students participating in programs receiving assistance under this title with respect to their successful completion of the applied technology education program in the most integrated setting possible;

"(2) provide special services, including adaptation of curriculum, instruction, equipment, and facilities, designed to meet the needs described in paragraph (1);

"(3) provide guidance, counseling, and career development activities conducted by professionally trained counselors who are associated with the provision of such special services; and

"(4) provide counseling services designed to facilitate the transition from school to post-school employment and career opportunities.

"(d) PARTICIPATORY PLANNING.—

"(1) IN GENERAL.—The State board shall—

"(A) establish effective procedures by which parents, students, teachers, and area residents concerned will be enabled to directly participate in State and local decisions that influence the character of programs under this Act affecting their interests;

"(B) provide impartial procedures by which such individuals may, in a timely manner, appeal decisions adverse to their interests with respect to a particular program under this Act; and

"(C) provide technical assistance and design such procedures to ensure that such individuals are given access to the information needed to use such procedures.

"(2) STATUTORY CONSTRUCTION.—Nothing in this subsection shall be construed to limit remedies available to any individual under any other provision of law.

"SEC. 204. ISSUANCE OF REGULATIONS.

"Notwithstanding the provisions of section 504, the Secretary shall develop regulations to be issued under this title in consultation with the Secretary of Labor and the Secretary of Health and Human Services.".

(b) CLERICAL AMENDMENT.—The table of sections contained in section 1 of this Act is amended by striking the item relating to title II and all that follows through the item relating to section 252 and inserting the following new items:

"TITLE II—BASIC STATE GRANTS FOR APPLIED TECHNOLOGY EDUCATION

"Sec. 201. Distribution of assistance.
"Sec. 202. Uses of funds.
"Sec. 203. Criteria for services and activities for individuals who are members of special populations.
"Sec. 204. Issuance of regulations.".

PART C—SPECIAL PROGRAMS

SEC. 231. CONSUMER AND HOMEMAKING EDUCATION.

(a) CONSUMER AND HOMEMAKING EDUCATION GRANTS.—Paragraph (2) of section 311 of the Act (20 U.S.C. 2361) is amended by inserting "individual and family health," after "food and nutrition,".

(b) USE OF FUNDS FROM CONSUMER AND HOMEMAKING EDUCATION GRANTS.—Section 312 of the Act (20 U.S.C. 2362) is amended—

(1) in subsection (a)—

(A) in paragraph (1), by striking "in" and inserting "for residents of"; and

(B) in paragraph (3), by inserting after "encourage" the following: ", in cooperation with the administrator of the State's sex equity program,";

(2) in paragraph (1) of subsection (b)—

(A) by striking "managing home and work responsibilities" and inserting "balancing work and family";

(B) by inserting after "family crises" the following: "(including family violence and child abuse)";

(C) by inserting after "parenting skills" the following: "(especially among teenage parents), preventing teenage pregnancy";

(D) by striking "handicapped individuals," and inserting "individuals with handicaps, and members of at-risk populations (including the homeless),"; and

(E) by striking "improving nutrition," and inserting "improving individual, child, and family nutrition and wellness,".

(c) INFORMATION DISSEMINATION AND LEADERSHIP.—The second sentence of subsection (a) of section 313 of the Act (20 U.S.C. 2363) is amended—

(1) by inserting after "State leadership" the following: "and full time State administrators"; and

(2) by inserting "educational" after "experience and".

SEC. 232. ADULT TRAINING, RETRAINING, AND EMPLOYMENT DEVELOPMENT.

(a) IN GENERAL.—Part C of title III of the Act (20 U.S.C. 2371 et seq.) is repealed.

(b) CLERICAL AMENDMENT.—The table of contents contained in section 1 of the Act is amended by striking the item relating to part C of title III and all that follows through the item relating to section 328.

SEC. 233. COMPREHENSIVE CAREER GUIDANCE AND COUNSELING PROGRAMS.

(a) REDESIGNATIONS.—

(1) PART.—Title III of the Act (20 U.S.C. 2351 et seq.) is amended by redesignating part D as part C.

(2) SECTIONS.—Sections 331, 332, and 333 of the Act (20 U.S.C. 2381, 2382, 2383) are redesignated as sections 321, 322, and 323, respectively.

(b) USE OF FUNDS FROM CAREER GUIDANCE AND COUNSELING GRANTS.—Section 322 of the

Act (as redesignated by subsection (a)(2)) is amended—

(1) in paragraph (2) of subsection (b), by inserting after "equipment acquisition" the following: "development of career information delivery systems"; and

(2) in subsection (c)—

(A) by inserting "(1)" after "(c)"; and

(B) by adding at the end the following new paragraph:

"(2) Not less than 20 percent of the sums made available to a State under this part shall be used for research and demonstration projects that demonstrate student outcomes.".

(c) CLERICAL AMENDMENT.—The table of contents contained in section 1 of the Act is amended by striking the item relating to part D and all that follows through the item relating to section 333, and inserting the following:

"PART C—COMPREHENSIVE CAREER GUIDANCE AND COUNSELING PROGRAMS

"Sec. 321. Grants for career guidance and counseling.
"Sec. 322. Use of funds from career guidance and counseling grants.
"Sec. 323. Information dissemination and leadership.".

SEC. 234. BUSINESS-LABOR-EDUCATION PARTNERSHIP FOR TRAINING.

(a) REDESIGNATIONS.—

(1) PART.—Title III of the Act (20 U.S.C. 2351 et seq.) is amended by redesignating part E as part D.

(2) SECTIONS.—Sections 341, 342, and 343 of the Act (20 U.S.C. 2391, 2392, 2393) are redesignated as sections 331, 332, and 333, respectively.

(b) AMENDMENT TO PART HEADING.—The heading for part D of title III of the Act (as redesignated by subsection (a)(1)) is amended to read as follows:

"PART D—BUSINESS-LABOR-EDUCATION PARTNERSHIP FOR TRAINING".

(c) FINDINGS AND PURPOSE.—Section 331 of the Act (as redesignated by subsection (a)(2)) is amended to read as follows:

"SEC. 331. FINDINGS AND PURPOSE.

"The Congress finds that—

"(1) there is a need to infuse resources into the schools for the purpose of improving the quality of applied technology education; and

"(2) there is a need to fulfill the needs of business for skilled employees who meet certain minimal standards in key occupational areas.".

(d) AUTHORIZATION OF GRANTS.—Section 332 of the Act (as redesignated by subsection (a)(2) is amended—

(1) in subsection (a)—

(A) by striking "industry-education" and inserting "business-labor-education"; and

(B) by striking "high technology" and inserting "technological";

(2) by amending subsection (b) to read as follows:

"(b) USES OF GRANTS.—Grants to any State under this part shall be used in accordance with State plans and shall provide incentives for the coordination of programs assisted with funds under this part with related efforts under part E and under the Job Training Partnership Act. Each such State plan shall contain assurances to the Secretary that—

"(1) funds received under this part will be awarded on a competitive basis solely for applied technology education programs, including programs—

"(A) to provide apprenticeships and internships in industry;

"(B) to provide new equipment;

"(C) to make cash contributions to applied technology education programs;

"(D) to provide teacher internships or teacher training; and

"(E) that bring representatives of business and organized labor into the classroom;

"(2) the State will encourage participation in business-labor-education partnerships by small businesses and labor organizations by providing 60 percent of the funds needed for each such partnership;

"(3) the State will give preference to partnerships that coordinate with local chambers of commerce (or their equivalent), local labor organizations, or local economic development plans;

"(4) the State will ensure that assistance under this part is equitably distributed between programs in rural areas and programs in urban areas; and

"(5) not less than 50 percent of the aggregate cost of programs and projects assisted under this part will be provided from non-Federal sources and not less than 50 percent of such non-Federal share will be provided by participating businesses or labor organizations."; and

(3) by adding at the end the following new subsection:

"(d) POLICY MANUAL.—The Secretary shall prescribe policies for applied technology education programs carried out with assistance under this part. Such policies shall include examples of allowable expenses for business-labor-education partnerships.".

(e) CLERICAL AMENDMENT.—The table of contents contained in section 1 of the Act is amended by striking the item relating to part E and all that follows through the item relating to section 343 and inserting the following:

"PART D—BUSINESS-LABOR-EDUCATION PARTNERSHIP FOR TRAINING

"Sec. 331. Findings and purpose.
"Sec. 332. Authorization of grants.
"Sec. 333. Use of funds.".

SEC. 235. TECH-PREP EDUCATION.

(a) IN GENERAL.—Title III of the Act (20 U.S.C. 2351 et seq.) is amended by adding at the end the following new part:

"PART E—TECH-PREP EDUCATION

"SEC. 341. SHORT TITLE.

"This part may be cited as the 'Tech-Prep Education Act'.

"SEC. 342. FINDINGS AND PURPOSE.

"(a) FINDINGS.—The Congress finds that—

"(1) rapid technological advances and global economic competition demand increased levels of skilled technical education preparation and readiness on the part of youths entering the workforce;

"(2) effective strategies reaching beyond the boundaries of traditional schooling are necessary to provide early and sustained intervention by parents, teachers, and educational institutions in the lives of students;

"(3) a combination of nontraditional school-to-work technical education programs, using state-of-the-art equipment and appropriate technologies, will reduce the dropout rate for high school students in the United States and will produce youths who are mature, responsible, and motivated to build good lives for themselves;

"(4) the establishment of systematic technical education articulation agreements between secondary schools and postsecondary educational institutions is necessary for providing youths with skills in the liberal and practical arts and in basic academics, including literacy instruction in the English language, and with the intense technical preparation necessary for finding a position in a changing workplace;

"(5) by the year 2000 an estimated 15,000,000 manufacturing jobs will require more advanced technical skills, and an equal number of service jobs will become obsolete;

"(6) more than 50 percent of jobs that are currently developing will require skills greater than those currently provided by existing educational programs;

"(7) dropout rates in urban schools are currently 50 percent or higher, and more than 50 percent of all Hispanic youth drop out of high school;

"(8) each year, as a result of 1,000,000 youths dropping out of high school with inadequate preparation to enter the workforce, the United States loses $240,000,000,000 in earnings and taxes; and

"(9) employers in the United States pay an estimated $210,000,000,000 annually for formal and informal training, remediation, and in lost productivity as a result of untrained and unprepared youth joining, or attempting to join, the workforce of the United States.

"(b) PURPOSE.—It is the purpose of this part—

"(1) to provide planning and demonstration grants to consortia of local educational agencies and postsecondary educational institutions, for the development and operation of 4-year programs designed to provide a tech-prep education program leading to a 2-year associate degree or a 2-year certificate; and

"(2) to provide, in a systematic manner, strong, comprehensive links between secondary schools and postsecondary educational institutions.

"SEC. 343. PROGRAM AUTHORIZED.

"(a) GENERAL AUTHORITY.—The Secretary of Education shall make grants to pay the Federal share of the cost of activities carried out under this part to consortia of—

"(1) local educational agencies or area vocational schools serving secondary school students; and

"(2)(A) nonprofit institutions of higher education which offer a 2-year associate degree program or a 2-year certificate program and which are qualified as institutions of higher education pursuant to section 481(a) of the Higher Education Act of 1965, including institutions receiving assistance under the Tribally Controlled Community College Assistance Act of 1978; or

"(B) proprietary institutions of higher education which offer a 2-year associate degree program and which are qualified as institutions of higher education pursuant to section 481(a) of the Higher Education Act of 1965.

"(b) AMOUNTS OF GRANTS.—

"(1) FEDERAL SHARE.—The Federal share of the cost of any activity carried out with assistance under this part may not exceed—

"(A) for the first year that a grant is received, 100 percent of such cost with respect to planning purposes;

"(B) for the second year that a grant is received, 80 percent of such cost with respect to implementation and operation;

"(C) for the third year that a grant is received, 70 percent of such cost with respect to operation;

"(D) for the fourth year that a grant is received, 60 percent of such cost with respect to operation; and

"(E) for the fifth year that a grant is received, 50 percent of such cost with respect to operation.

"SEC. 344. TECH-PREP EDUCATION PROGRAMS.

"(a) GENERAL AUTHORITY.—Each grant recipient shall use amounts provided under the grant to develop and operate a 4-year tech-prep education program.

"(b) CONTENTS OF PROGRAM.—Any such program shall—

"(1) be carried out under an articulation agreement between the participants in the consortium;

"(2) consist of the 2 years of secondary school preceding graduation and 2 years of higher education, with a common core of required proficiency in mathematics, science, communications, and technologies designed to lead to an associate degree or certificate in a specific career field;

"(3) include the development of tech-prep education program curriculum appropriate to the needs of the consortium participants; and

"(4) include in-service training for teachers that—

"(A) is designed to train teachers to implement effectively tech-prep education curriculum;

"(B) provides for joint training for teachers from all participants in the consortium; and

"(C) may provide such training in weekend, evening, and summer sessions, institutes or workshops; and

"(5) include training programs for counselors designed to enable counselors to more effectively—

"(A) recruit students for tech-prep education programs;

"(B) ensure that such students successfully complete such programs; and

"(C) ensure that such students are placed in appropriate employment.

"(c) ADDITIONAL AUTHORIZED ACTIVITIES.—Any such program may provide for the acquisition of tech-prep education program equipment.

"SEC. 345. APPLICATIONS.

"(a) IN GENERAL.—Each consortium that desires to receive a grant under this section shall submit an application to the Secretary at such time and in such manner as the Secretary shall prescribe.

"(b) FIVE-YEAR PLAN.—Each application submitted under this subsection shall contain a 5-year plan for the development and implementation of activities under this part.

"(c) APPROVAL.—The Secretary shall approve applications based on their potential to create an effective tech-prep education program as provided for in section 344. The Secretary shall notify the State board of the approval of an application from a consortium within the State.

"(d) SPECIAL CONSIDERATION.—The Secretary shall give special consideration to applications which—

"(1) provide for effective employment placement activities or transfer of students to 4-year baccalaureate degree programs;

"(2) demonstrate commitment to continue the program after the termination of assistance under this part;

"(3) are developed in consultation with business, industry, and labor unions; and

"(4) address effectively the issues of dropout prevention and re-entry, the needs of minority youths, the needs of youths of limited English proficiency, the needs of youths with handicaps, and the needs of disadvantaged youths.

"(e) EQUITABLE DISTRIBUTION OF ASSISTANCE.—In making grants, the Secretary shall ensure an equitable distribution of assistance among the States and among a cross section of urban and rural consortium participants.

"(f) NOTICE.—

"(1) OF FILING OF APPLICATION.—Each consortia that submits an application under this section shall provide notice of such submission and a copy of such application to the State educational agency and the State agency for higher education of the State in which the consortia is located.

"(2) OF GRANT APPROVAL.—The Secretary shall notify the State educational agency, the State agency for higher education, and the State human investment council of any State each time a consortia located in such State is selected to receive a grant under this part.

"SEC. 346. REPORTS.

"(a) REPORTS TO SECRETARY.—Each grant recipient shall, with respect to assistance received under this part, submit to the Secretary such reports as may be required by the Secretary to ensure that such grant recipient is complying with the requirements of this part.

"(b) REPORT TO CONGRESS.—After grant recipients who receive grants in the first year in which grants are made under this part complete their eligibility under the program, the Secretary shall submit to the Congress a report evaluating the effectiveness of the program under this part.

"SEC. 347. DEFINITIONS.

"For purposes of this part:

"(1) The term 'articulation agreement' means a commitment to a program designed to provide students with a nonduplicative sequence of progressive achievement leading to competencies in a tech-prep education program.

"(2) The term 'tech-prep education program' means a combined secondary and postsecondary program which—

"(A) leads to an associate degree or 2-year certificate;

"(B) provides technical preparation in at least 1 field of engineering technology, applied science, or mechanical, industrial, or practical art or trade;

"(C) provides competence in mathematics, science, and communications (including through applied academics); and

"(D) leads to placement in employment.".

(b) CLERICAL AMENDMENT.—The table of sections contained in section 1 of the Act is amended by inserting after the item relating to section 333 the following new items:

"PART E—TECH-PREP EDUCATION

"Sec. 341. Short title.
"Sec. 342. Findings and purpose.
"Sec. 343. Program authorized.
"Sec. 344. Tech-prep education programs.
"Sec. 345. Applications.
"Sec. 346. Reports.
"Sec. 347. Definitions.".

SEC. 236. IMPROVEMENT OF FACILITIES AND ACQUISITION OF EQUIPMENT.

(a) IN GENERAL.—Title III of the Act (as amended by section 237) (20 U.S.C. 2351 et seq.) is amended by adding at the end the following new part:

"PART F—IMPROVEMENT OF FACILITIES AND ACQUISITION OF EQUIPMENT

"SEC. 351. AUTHORIZATION OF GRANTS.

"(a) GRANTS TO LOCAL EDUCATIONAL AGENCIES.—From amounts appropriated pursuant to the authorization contained in section 3(b)(1)(F), the Secretary shall make grants to local educational agencies in economically depressed areas for purposes of improving facilities and acquiring or leasing equipment to be used for carrying out vocational education programs under this Act.

"(b) ELIGIBILITY CRITERIA.—The Secretary may only make grants under this Act to local educational agencies in whose jurisdiction at least 20 percent of the children aged 5 to 17, inclusive, are eligible to be counted under section 1005(c) of the Elementary and Secondary Education Act of 1965.

"(c) RURAL-URBAN DISTRIBUTION.—The Secretary shall ensure that, of amounts provided for purposes of making grants under this part—

"(1) 50 percent of such amounts are used for grants to local educational agencies in rural areas; and

"(2) 50 percent of such amounts are used for grants to local educational agencies in urban areas.

"SEC. 352. APPLICATIONS.

"(a) IN GENERAL.—Each local educational agency that desires to receive a grant under this part shall submit to the Secretary an application at such time, and containing or accompanied by such information, as the Secretary may reasonably require.

"(b) NOTICE.—

"(1) OF FILING OF APPLICATION.—Each local educational agency that submits an application under this section shall provide notice of such submission and a copy of such application to the State educational agency of the State in which the local educational agency is located.

"(2) OF GRANT APPROVAL.—The Secretary shall notify the State educational agency and the State human investment council of any State each time a local educational agency located in such State is selected to receive a grant under this part.".

(b) CLERICAL AMENDMENT.—The table of contents contained in section 1 of the Act (as amended by section 237) is amended by adding after the item relating to section 346 the following new items:

"PART F—IMPROVEMENT OF FACILITIES AND ACQUISITION

"Sec. 351. Authorization of grants.
"Sec. 352. Applications.".

PART D—NATIONAL PROGRAMS

SEC. 241. RESEARCH AND DEVELOPMENT.

(a) IN GENERAL.—The heading for part A of title IV of the Act is amended to read as follows:

"PART A—RESEARCH AND DEVELOPMENT".

(b) CLERICAL AMENDMENT.—The table of contents contained in section 1 of the Act is amended by striking the item relating to part A of title IV and inserting the following:

"PART A—RESEARCH AND DEVELOPMENT".

SEC. 242. RESEARCH OBJECTIVES.

Section 401 of the Act (20 U.S.C. 2401) is amended—

(1) in paragraph (1), by striking "single parents or homemakers" and inserting "single parents, homemakers, or displaced homemakers";

(2) by redesignating paragraphs (2), (3), and (4) as paragraphs (3), (4), and (5), respectively; and

(3) by inserting after paragraph (1) the following new paragraph:

"(2) to authorize additional research and development activities that are related to the goals of this Act as stated in section 202;".

SEC. 243. RESEARCH ACTIVITIES.

Section 402 of the Act (20 U.S.C. 2402) is amended—

(1) in subsection (a)—

(A) by striking "National Institute of Education" and inserting "Office of Educational Research and Improvement";

(B) in paragraph (1)—

(i) by striking "quality";

(ii) by striking "education to handicapped individuals" and inserting the following: "education of high quality that meets the requirements of section 113(a)(3)(D) to individuals with handicaps"; and

(iii) by striking "or homemakers" and inserting ", homemakers, or displaced homemakers";

(C) by striking paragraphs (5) and (6);

(D) by redesignating paragraph (4) as paragraph (6);

(E) by redesignating paragraphs (2) and (3) as paragraphs (4) and (5), respectively;

(F) by redesignating paragraph (7) as paragraph (8);

(G) by inserting after paragraph (1) the following new paragraphs:

"(2) research on the development and implementation of performance standards and measures that fit within the needs of State and local educational agencies in carrying out the provisions of this Act and on the relationship of such standards and measures to the data system established under section 421, which may include evaluation of existing performance standards and measures and dissemination of such information to State and local educational agencies;

"(3) evaluation of the use of performance standards and measures under this Act and the effect of such standards and measures on the participation of students in applied technology education programs and on the outcomes of students in such programs, especially students who are members of special populations;";

(H) in paragraph (6) (as redesignated by subparagraph (D) of this section)—

(i) by inserting "and advanced" after "basic"; and

(ii) by inserting "and problem-solving" after "academic"; and

(I) by inserting after paragraph (6) (as redesignated by subparagraph (D) of this section) the following new paragraph:

"(7) successful methods for providing students with experience in and understanding of all aspects of the industry they are preparing to enter; and"; and

(2) by redesignating subsections (c) and (d) as subsections (d) and (e), respectively; and

(3) by inserting after subsection (b) the following new subsection:

"(c) DISSEMINATION.—The Secretary shall establish a system for disseminating information resulting from research and development activities carried out under this Act. In establishing such system, the Secretary shall use existing dissemination systems, including the National Diffusion Network, the National Center for Research in Applied Technology Education, and curriculum coordination centers, in order to assure broad access at the State and local levels to the information being disseminated.".

SEC. 244. NATIONAL ASSESSMENT OF APPLIED TECHNOLOGY EDUCATION PROGRAMS ASSISTED UNDER THE CARL D. PERKINS APPLIED TECHNOLOGY EDUCATION ACT.

(a) AMENDMENT TO SECTION HEADING.—The heading for section 403 of the Act (20 U.S.C. 2403) is amended to read as follows:

"SEC. 403. NATIONAL ASSESSMENT OF APPLIED TECHNOLOGY EDUCATION PROGRAMS ASSISTED UNDER THIS ACT.".

(b) IN GENERAL.—Section 403 of the Act (20 U.S.C. 2403) is amended—

(1) by striking "SEC. 403.";

(2) by striking "National Institute of Education" each place it appears and inserting "Office of Education Research and Improvement";

(3) in subsection (a)—

(A) by striking "through independent studies and analysis by the" and inserting the following: "through an independent assessment group established by the";

(B) in paragraph (1), by inserting after "education" the last place it appears the following: "(as required by section 113(a)(3)(D))"; and

(C) in paragraph (2), by inserting before the semicolon the following: "and to provide experience in and understanding of all aspects of the industry for which students are being prepared";

(5) by striking subsection (b) and redesignating subsections (c) and (d) as subsections (b) and (c), respectively; and

(6) by amending subsection (b) (as redesignated by paragraph (5) of this subsection) to read as follows:

"(b) Notwithstanding any other provision of law, reports prepared by the independent assessment group established under subsection (a) shall not be subject to any review before their transmittal to the Congress, but the President and the Secretary may make such additional recommendations to the Congress with respect to the assessment as they deem appropriate.".

(c) CLERICAL AMENDMENT.—The table of contents contained in section 1 of the Act is amended by striking the item relating to section 403 and inserting the following:

"Sec. 403. National assessment of applied technology education programs assisted under this Act.".

SEC. 245. NATIONAL CENTER FOR RESEARCH IN APPLIED TECHNOLOGY EDUCATION.

(a) AMENDMENT TO SECTION HEADING.—The section heading for section 404 of the Act (20 U.S.C. 2404) is amended to read as follows:

"SEC. 404. NATIONAL CENTER FOR RESEARCH IN APPLIED TECHNOLOGY EDUCATION.".

(b) IN GENERAL.—Section 404 of the Act (20 U.S.C. 2404) is amended—

(1) by striking "SEC. 404.";

(2) by striking "National Center for Research in Vocational Education" and inserting "National Center for Research in Applied Technology Education";

(3) in paragraph (1) of subsection (b)—

(A) in subparagraph (A)—

(i) by inserting "(as required by section 113(a)(3)(D))" after "education";

(ii) by striking "handicapped individuals" and inserting "individuals with handicaps"; and

(iii) by striking "or homemakers" and inserting ", homemakers, or displaced homemakers"; and

(B) by amending subparagraph (C) to read as follows:

"(C) successful methods of reinforcing and enhancing basic and advanced academic and problem-solving skills and of providing students with experience in and understanding of all aspects of the industry they are preparing to enter;".

(c) CLERICAL AMENDMENT.—The table of sections contained in section 1 of the Act is amended by striking the item relating to section 404 and inserting the following:

"Sec. 404. National center for research in applied technology education.".

SEC. 246. PROFESSIONAL DEVELOPMENT.

(a) RESEARCH.—Part A of title IV of the Act (20 U.S.C. 2401 et seq.) is amended by inserting after the part heading the following new heading:

"Subpart 1—Research".

(b) PROGRAM AUTHORIZED.—Part A of title IV of the Act (20 U.S.C. 2401 et seq.) is further amended by adding at the end the following new subpart:

"Subpart 2—Professional Development

"SEC. 406. APPLIED TECHNOLOGY EDUCATION PERSONNEL DEVELOPMENT ASSISTANCE.

"(a) PROGRAM AUTHORIZED.—From funds available under this section, the Secretary shall provide—

"(1) opportunities for experienced applied technology educators, community-based organization staff, and administrators of programs funded by the Job Training Partnership Act that operate in applied technology settings to participate in advanced study of applied technology education;

"(2) opportunities for—

"(A) certified teachers who have been trained to teach in other fields to become applied technology educators, if those teachers have skills and experience in fields which facilitate their training as applied technology educators, especially skills and experience teaching individuals of limited English proficiency;

"(B) individuals in industry who have skills and experience in applied technology fields for which they can be trained to be applied technology educators;

"(C) applied technology educators to update or maintain technological currency in their fields; and

"(3) opportunities for gifted and talented applied technology education secondary and postsecondary students to intern with Federal or State agencies, nationally recognized applied technology education associations and student organizations, or the National Center for Research in Applied Technology Education.

"(b) LEADERSHIP DEVELOPMENT AWARDS.—

"(1) In order to meet the needs of all States for qualified applied technology education leaders (such as administrators, supervisors, teacher educators, researchers, career guidance and applied technology counseling personnel, applied technology student organization leadership personnel, and teachers in applied technology education programs), the Secretary, following recipient designation by respective State directors of applied technology education, shall, in consultation with the Blue Ribbon Applied Technology Education Program school recognition program established under section 424(b), make available leadership development awards in accordance with the provisions of this subsection only after determination by the respective State director of applied technology education that, for the purposes of subsection (a)(1), individuals selected for awards—

"(A) have had not less than 3 years of experience in applied technology education or in industrial training or, in the case of researchers, experience in social science research which is applicable in applied technology education;

"(B) are currently employed or are reasonably assured of employment in applied technology education and have successfully completed, as a minimum, a baccalaureate degree program;

"(C) are recommended by their employer, or others, as having leadership potential in the field of applied technology education and have been accepted for admission as a graduate student in a program of higher education approved by the Secretary; and

"(D) have made a commitment to return to the field of applied technology education

upon completion of education provided through the leadership development award.

"(2) The Secretary shall, for a period of not more than 3 years, pay to individuals selected for leadership development awards such stipends (including allowances for tuition, nonrefundable fees, and other expenses for such individuals and their dependents) as the Secretary may determine to be consistent with prevailing practices.

"(3)(A) Except as provided in subparagraph (B), the Secretary shall, in addition to the stipends paid to individuals under subsection (b)(2), pay to the institution of higher education at which such individuals are pursuing a course of study such amount as the Secretary may determine, not to exceed $9,000 per individual per academic year or its equivalent and $3,000 per individual per summer session or its equivalent.

"(B) Any amount charged an individual who is receiving assistance under this section by the institution of higher education such individual is attending for tuition and nonrefundable fees and deposits shall be deducted from the amount payable to the institution of higher education under this subsection. Any funds from grants received under this paragraph which remain after deducting normal tuition fees, and deposits attributable to such students, shall be used by the institution receiving such funds for the purpose of improving the program of applied technology education offered by that institution.

"(4) The Secretary shall approve the application of the applied technology education program of an institution of higher education for the purposes of this section only upon finding that—

"(A) the institution offers a comprehensive program in applied technology education with adequate supporting services and disciplines such as education administration, career guidance and applied technology counseling, research, and curriculum development;

"(B) such program is designed to substantially advance the objective of improving applied technology education through providing opportunities for graduate training of vocation teachers, supervisors, and administrators, and of university level applied technology education teacher educators and researchers; and

"(C) such programs are conducted by a school of graduate study in the institution of higher education.

"(5) The Secretary, in carrying out this subsection, shall apportion leadership development awards equitably among the States, taking into account such factors as the State's applied technology education enrollments, the need for additional applied technology education personnel.

"(6) Individuals receiving leadership development awards under the provisions of this subsection shall continue to receive the payments provided in subsection (b)(2), not to exceed 3 years, only during such periods as such individuals are—

"(A) pursuing full time studies in the field of applied technology education in an approved institution of higher education;

"(B) maintaining satisfactory proficiency in such studies; and

"(C) are not engaging in gainful employment other than part-time employment by such institution or institute in teaching, research, or similar activities.

"(c) FELLOWSHIPS.—(1) In order to meet the need to provide adequate numbers of teachers and related classroom instructors in applied technology education who are technologically current in their fields, to take full advantage of the education which has been provided to already certified teachers who are unable to find employment in their fields of training and of individuals employed in industry who have skills and experiences in applied technology fields, and to encourage more instructors from minority groups, as well as teachers with skills and experience with individuals of limited English proficiency, the Secretary, following recipient designation by respective State directors of applied technology education, shall make available fellowships, in accordance with the provisions of this subsection, to such individuals upon determination that, for the purpose of subsection (a)(2), individuals selected for such fellowships are—

"(A) currently employed in applied technology education and need to update or maintain their technological skills;

"(B) presently certified, or were certified within the previous 10-year period, by a State as teachers in secondary schools, area applied technology schools or institutes, or in community and junior colleges and have past or current skills and experiences in applied technology fields for which they can be trained to be applied technology educators, especially skills and experience teaching individuals of limited English proficiency; or

"(C) employed in agriculture, business, or industry (and may or may not hold a baccalaureate degree) who have skills and experiences in applied technology fields for which there is a need for applied technology educators, and that individuals receiving such awards have been accepted by an institution of higher education in a program to assist those individuals in gaining the skills to become an applied technology educator.

"(2) The Secretary shall, for a period not to exceed 2 years, pay to individuals selected by the State director of applied technology education for personnel development fellowships under this subsection, stipends (including such allowances for tuition, nonrefundable fees, and subsistence and other expenses for such individuals and their dependents) as the Secretary may determine to be consistent with prevailing practices.

"(3) The Secretary shall approve personnel development fellowships at institutions of higher education only upon finding that—

"(A) the institution offers a comprehensive program in applied technology education with adequate supporting services and disciplines such as education administration, career guidance and applied technology counseling, research and curriculum development; and

"(B) such program is available to individuals receiving these fellowships so that they can receive the same quality of education and training being offered in the institution for undergraduate students who are preparing to become applied technology education teachers.

"(4) The Secretary, in carrying out this subsection, shall apportion the fellowships equitably among the States, taking into account such factors as the State's applied technology education enrollments, the need for additional applied technology education personnel, especially minorities and those with skills and experience in teaching individuals of limited English proficiency.

"(5) Individuals receiving personnel development fellowships under the provisions of this subsection shall continue to receive payments provided in paragraph (2) only during such periods as such individuals are maintaining satisfactory proficiency, and devoting full time to study in the field of applied technology education in an institution of higher education and are not engaging in gainful employment other than part-time employment by such institution.

"(6)(A) in carrying out this subsection, the Secretary shall, before the beginning of each fiscal year, based on information from the National Occupational Information Coordinating Committee, State occupational information coordinating committees, the applied technology education data system established pursuant to section 421, and other appropriate sources, publish a listing—

"(i) of the areas of teaching in applied technology education which are presently in need of additional personnel;

"(ii) of the areas of teaching which will likely have need of additional personnel in the future; and

"(iii) of areas of teaching in which technological upgrading may be especially critical.

"(B) In selecting recipients for fellowships under this subsection, respective State directors of applied technology education shall, to the maximum extent feasible, grant fellowships to individuals seeking to become teachers or upgrade their skills in the areas identified.

"(d) INTERNSHIPS FOR GIFTED AND TALENTED STUDENTS.—

"(1) In order to meet the need of attracting gifted and talented applied technology education students into further study and professional development in the field of applied technology education, the Secretary shall make available stipends for internships for gifted and talented applied technology education secondary and postsecondary students to intern in Federal and State agencies, nationally recognized applied technology education associations, or the National Center for Research in Applied Technology Education for a period not to exceed 9 months, only upon determination that—

"(A) individuals selected are recommended as gifted and talented by an applied technology educator at the secondary or postsecondary school the student attends; and

"(B) the individuals selected will be provided professional supervision by an individual qualified and experienced in the field of applied technology education at the agency or institution at which the internship is offered.

"(2) The Secretary shall approve internships for a period not to exceed 9 months to individuals selected for the internships under this subsection to cover subsistence and other expenses for such individuals as the Secretary may determine to be consistent with prevailing practices.

"(e) AVAILABILITY OF AMOUNTS.—Of the amounts available pursuant to section 3(e) for any fiscal year for this part, there shall be available in each fiscal year not less than $5,000,000 to carry out the provisions of this section.".

(c) CLERICAL AMENDMENTS.—The table of contents contained in section 1 of the Act is amended—

(1) by inserting after the item relating to part A of title IV the following new item:

"Subpart 1—Research"; and

(3) by inserting after the item relating to section 404 the following new items:

"Subpart 2—Professional Development

"Sec. 406. Applied technology education personnel development assistance.".

SEC. 247. COOPERATIVE DEMONSTRATION PROGRAMS.

Subsection (a) of section 411 of the Act (20 U.S.C. 2411) is amended—

(1) by striking "and" at the end of paragraph (3);

(2) by redesignating paragraph (4) as paragraph (6); and

(3) by inserting after paragraph (3) the following new paragraphs:

"(4) model programs described in section 312(b)(1), including child growth and development centers; and

"(5) grants to community-based organizations in partnerships with local schools, institutions of higher education, and businesses for programs and projects that assist disadvantaged youths in preparing for technical and professional health careers (which partnerships should include in-kind contributions from such schools, institutions, and businesses and involve health professionals serving as preceptors and counselors).".

SEC. 248. DEMONSTRATION CENTERS FOR THE TRAINING OF DISLOCATED WORKERS.

Section 415 of the Act (20 U.S.C. 2415) is amended to read as follows:

"SEC. 415. PROGRAM AUTHORIZED.

"(a) GENERAL AUTHORITY.—The Secretary shall establish 1 or more demonstration centers for the retraining of dislocated workers. Such center or centers may provide for the recruitment of unemployed workers, applied technology evaluation, assessment and counseling services, applied technology and technical training, support services, and job placement assistance. The design and operation of each center shall provide for the utilization of appropriate existing Federal, State, and local programs.

"(b) EVALUATION.—The Secretary shall provide for the evaluation of each center established under subsection (a).

"(c) DISSEMINATION OF INFORMATION.—The Secretary shall disseminate information on successful retraining models developed by any center established under subsection (a) through dissemination programs operated by the Secretary and the Secretary of Labor.

"(d) ELIGIBLE ORGANIZATIONS.—Any private, nonprofit organization that is eligible to receive funding under the Job Training Partnership Act is eligible to receive funding under this section.".

SEC. 249. BUSINESS-LABOR-EDUCATION COMMITTEES FOR DEVELOPMENT OF NATIONAL INDUSTRY COMPETENCY STANDARDS.

(a) GENERAL AUTHORITY.—Part B of title IV of the Act (20 U.S.C. 2411 et seq.) is amended by adding at the end the following new subpart:

"Subpart 5—Development of Business and Education Standards

"SEC. 419. PROGRAM AUTHORIZED.

"(a) FINDINGS.—The Congress finds that, in order to meet the needs of business for competent entry level workers who have received a quality applied technology education, national standards should be developed for competencies in industries and trades.

"(b) GENERAL AUTHORITY.—

"(1) ESTABLISHMENT OF PROGRAM.—From the amounts available for this part under section 451 for each fiscal year, the Secretary shall establish a program of grants to industrial trade associations, labor organizations, or comparable national organizations for purposes of organizing and operating business-labor-education technical committees.

"(2) DUTIES OF COMMITTEES.—The committees established with assistance under this subpart shall propose national standards for competencies in industries and trades. Such standards shall at least include standards for—

"(A) major divisions or specialty areas identified within occupations studied;

"(B) minimum hours of study to be competent in such divisions or specialty areas;

"(C) minimum tools and equipment required in such divisions or specialty areas;

"(D) minimum qualifications for instructional staff; and

"(E) minimum tasks to be included in any course of study purporting to prepare individuals for work in such divisions or specialty areas.

"(c) MATCHING REQUIREMENT.—Each recipient of a grant under this section shall agree to provide for the committee to be established under the grant an amount equal to the amount provided under the grant.

"(d) APPLICATION.—Any industrial trade association, labor organization, national joint apprenticeship committee, or comparable national organization that desires to receive a grant under this subpart shall submit to the Secretary an application at such time, in such manner, and containing or accompanied by such information as the Secretary may reasonably require.".

(b) CLERICAL AMENDMENT.—The table of contents contained in section 1 of the Act is amended by inserting after the item relating to section 417 the following new items:

"Subpart 5—Development of Business and Education Standards

"Sec. 419. Program authorized.".

SEC. 250. DATA SYSTEMS AUTHORIZED.

Section 421 of the Act (20 U.S.C. 2421) is amended to read as follows:

"SECTION 421. DATA SYSTEMS AUTHORIZED.

"(a) ESTABLISHMENT OF SYSTEM.—

"(1) The Secretary shall, directly, or by grant, contract or cooperative agreement, establish an applied technology educational data system (hereafter in this section referred to as the "system") using comparative information elements and uniform definitions, to the extent practicable.

"(2) The Secretary shall establish the system not later than the end of the 6-month period beginning on the date of the enactment of the Applied Technology Education Amendments of 1989.

"(3) The National Center for Education Statistics (hereafter in this section referred to as the "National Center") shall coordinate the development and implementation of the system.

"(b) FUNCTIONS OF SYSTEM.—Through the system, the Secretary shall collect data and analyze such data in order to provide—

"(1) the Congress with information relevant to policy making, and

"(2) Federal, State and local agencies with information relevant to program management, administration and effectiveness with respect to education and employment opportunities.

"(c) CONTENTS OF SYSTEM.—

"(1)(A) The system shall include information—

"(i) describing the major elements of the applied technology education system on at least a national basis, including information with respect to teachers, administrators, facilities, and, to the extent practicable, equipment; and

"(ii) describing the condition of applied technology education with respect to the elements described in clause (i).

"(B) The information described in subparagraph (A) shall be provided, to the extent practicable, in the context of other educational data relating to the condition of the overall education system.

"(C) The Secretary, in consultation with the Task Force, the National Center, and the Office of Adult and Vocational Education (hereafter in this section referred to as the "Office"), shall modify existing general purpose and program data systems to ensure that an appropriate applied technology education component is included in their design, implementation and reporting in order to fulfill the information requirements of this section.

"(2) The information system shall include data reflecting the extent of participation of the following populations:

"(A) women;

"(B) Indians;

"(C) individuals with handicaps;

"(D) individuals of limited English proficiency;

"(E) economically disadvantaged students (including information on students in rural and urban areas);

"(F) adults who are in need of training and retraining;

"(G) single parents;

"(H) youths incarcerated in juvenile detention or correctional facilities or criminal offenders who are serving time in correctional institutions;

"(I) individuals who participate in programs designed to eliminate gender bias and sex stereotyping in vocational education;

"(J) minorities; and

"(K) displaced homemakers.

"(3) The Secretary, in consultation with the National Center and the Office, shall maintain and update the system at least every 3 years and assure the system provides the highest quality statistics and is adequate to meet the information needs of this Act. In carrying out the requirements of this paragraph, the Secretary shall ensure that appropriate methodologies are used in assessments of students of limited English proficiency and students with handicaps to ensure valid and reliable comparisons with the general student population and across program areas. With respect to standardized tests and assessments administered under this Act, test results shall be used as 1 of multiple independent indicators in assessment of performance and achievement.

"(d) ASSESSMENT OF INTERNATIONAL COMPETITIVENESS.—The Center shall carry out an assessment of data availability and adequacy with respect to international competitiveness in applied technology skills. To the extent practicable, the assessment shall include comparative policy-relevant data on applied technology education in nations which are major trade partners of the United States. The assessment shall at a minimum identify available internationally comparative data on applied technology education and options for obtaining and upgrading such data. The results of the assessment required by this paragraph shall be reported to the appropriate committees of the Congress not later than August 31, 1994.

"(e) USE OF AND COMPATIBILITY WITH OTHER DATA COLLECTION SYSTEMS.—

"(1) In establishing, maintaining, and updating the system, the Secretary shall—

"(A) use existing data collection systems operated by the Secretary and, to the extent appropriate, data collection systems operated by other Federal agencies;

"(B) conduct additional data collection efforts to augment the data collection systems described in subparagraph (A) by providing information necessary for policy analysis required by this section; and

"(C) use any independent data collection efforts that are complementary to the data

collection efforts described in subparagraphs (A) and (B).

"(2) In carrying out the responsibilities imposed by this part, the Secretary shall cooperate with the Secretary of Commerce, the Secretary of Labor, and the National Occupational Information Coordinating Committee established under section 422 with respect to the development of an information system under section 463 of the Job Training Partnership Act to ensure that the information system operated under this section is compatible with and complementary to other occupational supply and demand information systems developed or maintained with Federal assistance. The Secretary shall also ensure that the system allows international comparisons to the extent feasible.

"(3) The Secretary shall assure that the system, to the extent practicable, uses data definitions common to State plans, performance standards, local applications and evaluations required by this Act. The data in the system shall be available for use in preparing such plans, standards, applications, and evaluations.

"(f) EVALUATION OF SYSTEM.—

"(1) The Secretary, in consultation with the National Center and the Office, shall, by grant, contract, or cooperative agreement, provide for evaluation studies to determine the effect of programs carried out under this Act. Such evaluation studies shall include—

"(A) evaluations of performance standards used under this Act, including validity, predictiveness and reliability for special populations; and

"(B) a description of the services expected to be needed and recommendations for the improvement of the programs under this Act.

"(2) The Secretary shall, not later than July 1 of each year, submit to the appropriate committees of the Congress and publish in the Federal Register proposed data collection priorities for review and comment.

"(g) REPORTS.—The Secretary shall report to the Congress at least biennially with respect to—

"(1) the performance of the system established under subsection (a); and

"(2) strategies to improve the system and expand its implementation.

"(h) APPLIED TECHNOLOGY EDUCATION ADVISORY TASK FORCE.—

"(1) The Secretary, in consultation with the National Center and the Office shall establish an Applied Technology Education Advisory Task Force.

"(2) The Secretary shall establish the Task Force before the expiration of the 90-day period beginning on the date of the enactment of the Applied Technology Education Amendments of 1989, and shall terminate upon the expiration of the 2-year period beginning on such date.

"(3) The Task Force shall advise the Secretary on the development and implementation of an information reporting and accounting system responsive to the diverse programs supported by this Act.

"(4) The membership of the Task Force shall be representative of Federal, State, and local agencies affected by technological information, representatives of secondary and postsecondary applied technology institutions, and representatives of applied technology education student organizations and representatives of special populations.

"(5) The National Center shall provide the Task Force with staff for the purpose of carrying out its functions.

"(i) ASSESSMENT OF EDUCATIONAL PROGRESS ACTIVITIES.—As a regular part of its assessments, the National Assessment of Educational Progress shall collect and report information for at least a nationally scientific subsample of applied technology education students, including students who are members of special populations, which shall allow for fair and accurate assessment and comparison of the educational achievement of applied technology students and other students in the areas assessed. Such assessment may include international comparisons.

"(j) AUTHORIZATION OF APPROPRIATIONS.—Of the amounts available pursuant to section 3(e) for any fiscal year for this part, there shall be available not less than $1,000,000 to carry out the purposes of this section.".

SEC. 250A. NATIONAL OCCUPATIONAL INFORMATION COORDINATING COMMITTEE.

(a) AMENDMENT TO SECTION HEADING.—The heading for section 422 of the Act (20 U.S.C. 2422) is amended to read as follows:

"SEC. 422. NATIONAL OCCUPATIONAL INFORMATION COORDINATING COMMITTEE.".

(b) IN GENERAL.—Section 422 of the Act (20 U.S.C. 2422) is amended—

(1) by striking "SEC. 422.";

(2) in subsection (a)—

(A) by inserting after "Coordinating Committee" the following: "(hereafter in this section referred to as the 'Committee')";

(B) by inserting after "Office of Bilingual Education and Minority Language Affairs," the following: "the Assistant Secretary for Post Secondary Education,";

(C) by striking "(Manpower, Reserve Affairs, and Logistics)" and inserting "(Force Management and Personnel)";

(D) in paragraph (2), by inserting before the semicolon the following: "including regularly updated data on employment demand for agribusiness";

(E) in paragraph (3), by striking "conduct studies on" and inserting the following: "conduct studies to improve the quality and delivery of occupational information systems to assist economic development activities, and examine";

(F) by redesignating paragraph (4) as paragraph (6); and

(G) by inserting after paragraph (3) the following new paragraphs:

"(4) continue training, technical assistance activities to support comprehensive career guidance, and applied technology counseling programs designed to promote improved career decision-making by individuals (especially in areas of career information delivery and use);

"(5) coordinate the efforts of Federal, State, and local agencies with respect to such programs;"; and

(3) by adding at the end the following new subsections:

"(c) LONGITUDINAL OCCUPATIONAL INFORMATION DEMONSTRATION PROGRAM.—

"(1) The Committee, in consultation with the National Center for Research in Applied Technology Education, appropriate Federal agencies, and the States, shall establish a demonstration program to monitor educational outcomes for applied technology education using wage and other records. The Committee shall develop procedures for establishing and maintaining nationally accessible information on a sample of wage and earning records maintained by States on earnings, establishment and industry affiliation and geographical location, and on educational activities. This information shall be collected on at least an annual basis. The Program shall ensure that a scientific sample of applied technology education students and nonapplied technology education students, local educational agencies, and States participate in the program. The Committee shall maintain, analyze, and report data collected under the program and shall provide technical assistance to States, local educational agencies, and others that wish to participate in the study.

"(2) The program shall provide for an independent evaluation conducted by the Office of Technological Assessment to assess the validity, fairness, accuracy, and utility of the data it produces. The report shall also describe the technical problems encountered and a description of what was learned about how to best implement and utilize data from the program.

"(3) The Executive Director of the Committee, in consultation with the Secretary, shall ensure that all personally identifiable information about students, their educational performance and their families and information with respect to individual schools shall remain confidential in accordance with the provisions of section 552 of title 5, United States Code. The data gathered under this subsection shall not be used to rank, compare, or otherwise evaluate individual students or individual schools. No individual may be included in the program without that individual's written consent. At least once every 3 years the Secretary shall remind participants in writing of their inclusion in the program.

"(d) AVAILABILITY OF AMOUNTS.—Of the amounts available pursuant to section 3(e) for each fiscal year for this part, there shall be available in each fiscal year not less than $6,000,000 to carry out the provisions of this section. Of such amounts, the Committee shall use—

"(1) to support State occupational information coordinating committees for purposes of operating State occupational information systems and career information delivery systems, the greater of—

"(A) amounts appropriated or otherwise made available for that purpose for the fiscal year 1989; and

"(B) an amount equal to not less than 75 percent of the amounts available to carry out this section; and

"(2) for purposes of carrying out subsection (c)—

"(A) an amount equal to not less than 10 percent of the amounts available to carry out this section; or

"(B) if the amount remaining after carrying out paragraph (1) is insufficient to provide the amount described in subparagraph (A), such remaining amount.".

(c) CLERICAL AMENDMENT.—The table of contents contained in section 1 of the Act is amended by striking the item relating to section 422 and inserting the following new item:

"Sec. 422. National occupational information coordinating committee.".

SEC. 250B. INFORMATION BASE FOR APPLIED TECHNOLOGY EDUCATION DATA SYSTEM.

(a) GENERAL AUTHORITY.—Section 423 of the Act is amended to read as follows:

"SEC. 423. INFORMATION BASE FOR APPLIED TECHNOLOGY EDUCATION DATA SYSTEM.

"(a) INFORMATION RELATING TO SECONDARY STUDENTS WITH HANDICAPS.—The Secretary shall ensure that adequate information on access to applied technology education by secondary school students with handicaps is maintained in the data system established under section 421.

"(b) BASIS FOR INFORMATION.—The system shall include detailed information obtained

through scientific sample surveys concerning—

"(1) types of programs available; and

"(2) enrollment of students with handicaps by—

"(A) type of program;

"(B) type of instructional setting; and

"(C) type of handicap.

"(c) STUDY.—The Secretary shall, by grant, contract, or cooperative agreement, conduct a study of the level and quality of participation in applied technology education programs by students with handicaps, including information concerning whether the courses taken by such students provide such students with occupationally specific skills.".

(b) CLERICAL AMENDMENT.—The table of contents contained in section 1 of the Act is amended by striking the item relating to section 423 and inserting the following new item:

"Sec. 423. Information base for applied technology education data system.".

SEC. 250C. BLUE RIBBON APPLIED TECHNOLOGY EDUCATION PROGRAMS.

(a) PROGRAM AUTHORIZED.—Part C of title IV of the Act (20 U.S.C. 2421) is amended by adding at the end the following new section:

"SEC. 424. BLUE RIBBON APPLIED TECHNOLOGY EDUCATION PROGRAMS.

"(a) DISSEMINATION OF INFORMATION AND MATERIALS.—The Secretary shall disseminate information and exemplary materials regarding effective applied technology education.

"(b) RECOGNITION PROGRAM.—The Secretary shall, in consultation with the National Center for Research in Applied Technology Education (hereafter in this section referred to as the 'National Center for Research'), the National Diffusion Network, and the Blue Ribbon Schools Program, carry out programs to recognize secondary and postsecondary schools or programs which have established standards of excellence in applied technology education and which have demonstrated a high level of quality, to be known as 'Blue Ribbon Applied Technology Programs'. The Secretary shall competitively select schools and programs to be recognized from among public and private schools or programs within the States and schools operated for Indian children by the Department of the Interior.

"(c) SELECTION PROCESS.—

"(1) The Secretary, in consultation with the National Center for Research and the National Occupational Information Coordinating Committee (hereafter in this section referred to as the 'Committee'), shall designate each fiscal year several categories of applied technology education in which Blue Ribbon Applied Technology Education Program will be named. Such categories shall include participation of special populations may include any of the following:

"(A) Program improvement.

"(B) Academic and occupational competencies.

"(C) Other categories determined by the Secretary in consultation with the National Center for Research and the Committee.

"(2) Within each category, the Secretary shall determine the criteria and procedures for selection. Selection for such awards shall be based solely on merit. Schools or programs selected for awards under this section shall not be required to be representative of the States.

"(d) ADMINISTRATIVE PROVISIONS.—

"(1) The Secretary shall carry out the provisions of this section, including the establishment of the selection procedures, after consultation with appropriate outside parties.

"(2) No award may be made under this section unless the local educational agency or appropriate State agency with jurisdiction over the school or program involved submits an application to the Secretary at such time and in such manner and containing such information as the Secretary may reasonably require.".

(b) CLERICAL AMENDMENT.—The table of contents contained in section 1 of the Act is amended by inserting after the item relating to section 423 the following new item:

"Sec. 424. Blue ribbon applied technology education programs.".

SEC. 250D. MISCELLANEOUS PROVISIONS.

(a) IN GENERAL.—Part C of title IV of the Act (as amended by section 247) is amended by adding at the end the following new section:

"SEC. 425. MISCELLANEOUS PROVISIONS.

"(a) COLLECTION OF INFORMATION AT REASONABLE COST.—The Secretary shall take such action as may be necessary to secure at reasonable cost the information required by this part. To ensure reasonable cost, the Secretary, in consultation with the Applied Technology Education Task Force, the National Center for Education Statistics, the Office of Vocational and Adult Education, and the National Occupation Information Coordinating Committee shall determine the methodology to be used and the frequency with which information is to be collected.

"(b) COOPERATION OF STATES.—All States receiving assistance under this Act shall cooperate with the Secretary in implementing the information systems developed pursuant to this part.".

(b) CLERICAL AMENDMENT.—The table of contents contained in section 1 of the Act is amended by inserting after the item relating to section 424 the following new item:

"Sec. 425. Miscellaneous provisions.".

SEC. 250E. REPEAL OF NATIONAL COUNCIL ON VOCATIONAL EDUCATION.

(a) IN GENERAL.—Part D of title IV of the Act (20 U.S.C. 2431) is repealed.

(b) CLERICAL AMENDMENT.—The table of contents contained in section 1 of the Act is amended by striking—

(1) the item relating to part D of title IV; and

(2) the item relating to section 431.

SEC. 250F. DISTRIBUTION OF ASSISTANCE.

Section 451 of the Act (20 U.S.C. 2451) is amended—

(1) in subsection (a)—

(A) in paragraph (1), by striking "35" and inserting "30";

(B) in paragraph (2), by striking "35" and inserting "20"; and

(C) in paragraph (3), by striking "30" and inserting "50"; and

(2) in subsection (b)—

(A) in paragraph (1), by inserting "and" after the semicolon;

(B) in paragraph (2), by striking "; and" and inserting a period; and

(C) by striking paragraph (3).

PART E—GENERAL PROVISIONS

SEC. 251. FEDERAL ADMINISTRATIVE PROVISIONS.

(a) ELIMINATION OF MATCHING REQUIREMENTS AND TRANSFER OF STATE PROVISION.—

(1) IN GENERAL.—Sections 502, 504, and 505 of the Act (20 U.S.C. 2462, 2465, 2466) are repealed.

(2) REDESIGNATIONS.—Sections 503 and 506 of the Act (20 U.S.C. 2463, 2466), are redesignated as sections 502 and 503, respectively.

(b) Section 502 of the Act (as redesignated by subsection (a)(2) of this section) is amended by striking ", equaled or exceeded" and inserting "was not less than 95 percent of".

(b) ISSUANCE OF REGULATIONS; OVERSIGHT.—Part A of title V of the Act (20 U.S.C. 2461 et seq.) is amended by adding at the end the following new sections:

"SEC. 504. ISSUANCE OF REGULATIONS.

"(a) IN GENERAL.—The Secretary is authorized to issue such regulations as are considered necessary to reasonably ensure that there is compliance with the specific requirements and assurances required by this Act.

"(b) PROCEDURE.—

"(1) Before publishing proposed regulations pursuant to this Act, the Secretary shall convene regional meetings which shall provide comments to the Secretary on the content of proposed regulations. Such meetings shall include representatives of Federal, State, and local administrators, parents, teachers, and members of local boards of education involved with implementation of programs under this Act.

"(2) After holding regional meetings and before publishing proposed regulations in the Federal Register, the Secretary shall prepare draft regulations under this Act and submit such regulations to a negotiated rulemaking process. The Secretary shall follow the guidance provided in the Administrative Conference of the United States in Recommendation 82-4. 'Procedures for Negotiating Proposed Regulations' (47 Fed. Reg. 30708, June 18, 1982) and any successor regulation. Participants in the negotiation process shall be chosen by the Secretary from among participants in the regional meetings, representing the groups described in paragraph (1) and all geographic regions. The negotiation process shall be conducted in a timely manner in order that final regulations may be issued by the Secretary within the 240-day period required by section 431(g) of the General Education Provisions Act.

"(3) If a regulation must be issued within a very limited time period to assist State and local educational agencies with the operation of a program under this Act, the Secretary may issue a regulation without fulfilling the requirements of paragraphs (1) and (2), but shall immediately convene regional meetings to review the regulation before it is issued in final form.

"SEC. 505. REQUIREMENTS RELATING TO REPORTS, PLANS, AND REGULATIONS.

"(a) REPORTS.—Any report required by this Act shall not be subject to prior review or approval by the Office of Management and Budget.

"(b) RESEARCH AND PLANS.—Any research or evaluation plans, methodology, surveys, or findings developed pursuant to this Act shall not be subject to prior review or approval by the Office of Management and Budget.

"(c) REGULATIONS.—The final determinations made by the Office of Management and Budget regarding any regulations to be issued under this Act—

"(1) shall be made in writing;

"(2) shall include an explanation of such determinations; and

"(3) shall be part of the public rule-making record.

"SEC. 506. OVERSIGHT OF PROGRAM FOR SINGLE PARENTS, HOMEMAKERS, AND DISPLACED HOMEMAKERS AND SEX EQUITY PROGRAM.

"Biennially, the Secretary shall—

"(1) determine if amounts spent by the States under paragraphs (4) and (5) of section 202 are being allocated, distributed, and used in accordance with the provisions of this Act; and

"(2) take appropriate action to correct any violation.

"SEC. 507. STATUTORY CONSTRUCTION.

"Nothing in this Act shall be construed to be inconsistent with appropriate Federal laws guaranteeing civil rights.".

SEC. 252. STATE ADMINISTRATIVE PROVISIONS.

Title V of the Act (20 U.S.C. 2461 et seq.) is amended—

(1) by redesignating part B as part C; and

(2) by inserting after part A the following new part:

"PART B—STATE ADMINISTRATIVE PROVISIONS

"SEC. 511. AUDITS.

"Each State shall obtain financial and compliance audits of any funds which the State receives under this Act. Such audits shall be made public within the State on a timely basis. Audits shall be conducted at least every 2 years and shall be conducted in accordance with the Comptroller General's Standard for Audit of Governmental Organizations, Programs, Activities, and Functions.

"SEC. 512. REVIEW OF REGULATIONS.

"(a) ESTABLISHMENT OF REVIEW COMMITTEE.—Except as provided in subsection (b), before any State publishes any proposed or final state rule or regulation pursuant to this Act, the State shall establish and convene a State Committee of Practitioners (hereafter in this section referred to as the 'Committee') for the purpose of reviewing such rule or regulation. The Committee shall be selected from nominees solicited from State organizations representing school administrators, teachers, parents, members of local boards of education, and appropriate representatives of institutions of higher education. The Committee shall consist of—

"(1) representatives of local educational agencies, who shall constitute a majority of the members of the Committee;

"(2) school administrators;

"(3) teachers;

"(4) parents;

"(5) members of local boards of education; and

"(6) representatives of institutions of higher education.

"(b) LIMITED EXCEPTION.—In an emergency, where a regulation must be issued within a very limited time period to assist local educational agencies with the operation of a program, the State may issue a regulation without fulfilling the requirements of subsection (a), but shall immediately convene the Committee to review the regulation before it is issued in final form.

"SEC. 513. IDENTIFICATION OF STATE-IMPOSED REQUIREMENTS.

"Any State rule or policy imposed on the administration or operation of programs funded by this Act, including any rule or policy based on State interpretation of any Federal law, regulation, or guideline, shall be identified as a State imposed requirement.

"SEC. 514. JOINT FUNDING.

"(a) GENERAL AUTHORITY.—Funds made available to States under this Act may be used to provide additional funds under an applicable program if—

"(A) such program otherwise meets the requirements of this Act;

"(B) such program does not require that such funds be provided from non-Federal sources; and

"(C) such funds would be used to supplement, and not supplant, funds provided from non-Federal sources.

"(b) APPLICABLE PROGRAMS.—For the purposes of this section, the term 'applicable program' means any program under any of the following provisions of law:

"(1) The Adult Education Act.

"(2) The Job Training Partnership Act.

"(3) The Rehabilitation Act of 1973.

"(4) The Wagner-Peyser Act.

"(c) ISSUANCE OF REGULATIONS.—Notwithstanding the provisions of section 504, the Secretary shall develop regulations to be issued under this section in consultation with the Secretary of Labor and the Secretary of Health and Human Services.

"(d) USE OF FUNDS AS MATCHING FUNDS.—For the purposes of this section, the term 'additional funds' includes the use of funds as matching funds.

"SEC. 515. PROHIBITION ON USE OF FUNDS TO INDUCE OUT-OF-STATE RELOCATION OF BUSINESSES.

"No funds provided under this Act shall be used for the purpose of directly providing incentives or inducements to an employer to relocate a business enterprise from 1 State to another State if such relocation would result in a reduction in the number of jobs available in the State where the business enterprise is located before such incentives or inducements are offered.

"SEC. 516. STATE ADMINISTRATIVE COSTS.

"For each fiscal year for which a State receives assistance under this Act, the State shall provide from non-Federal sources for costs the State incurs for administration of programs under this Act an amount that is not less than the amount provided by the State from non-Federal sources for such costs for the preceding fiscal year.".

SEC. 253. DEFINITIONS.

Section 521 of the Act (20 U.S.C. 2471) is amended—

(1) by striking paragraphs (31) and (32);

(2) by redesignating paragraphs (27) through (30) as paragraphs (33) through (36), respectively;

(3) by redesignating paragraphs (22) through (26) as paragraphs (27) through (31), respectively;

(4) by redesignating paragraph (21) as paragraph (25);

(5) by striking paragraph (20);

(6) by redesignating paragraphs (14) through (19) as paragraphs (19) through (24), respectively;

(7) by redesignating paragraph (13) as paragraph (16);

(8) by redesignating paragraphs (2) through (12) as paragraphs (4) through (14), respectively;

(9) by inserting after paragraph (1) the following new paragraphs:

"(2) The term 'applied technology education' means organized educational programs offering a sequence of courses which are directly related to the preparation of individuals in paid or unpaid employment in current or emerging occupations requiring other than a baccalaureate or advanced degree. Such programs shall include competency-based applied learning which contributes to an individual's academic knowledge, higher-order, reasoning, and problem-solving skills, work attitudes, general employability skills, and the occupational-specific skills necessary for economic independence as a productive and contributing member of society. Such term includes any program that fits the definition of a vocational education program contained in paragraph (31) of section 521 of the Carl D. Perkins Vocational Education Act as in effect on the day before the date of the enactment of the Applied Technology Education Amendments of 1989.

"(3) The term 'applied technology student organizations' means those organizations for individuals enrolled in applied technology education programs which engage in activities as an integral part of the instructional program. Such organizations may have State and national units which aggregate the work and purposes of instruction in vocational education at the local level. Such term includes any organizations that fit the definition of vocational student organizations contained in paragraph (32) of section 521 of the Carl D. Perkins Vocational Education Act as in effect on the day before the date of the enactment of the Applied Technology Education Amendments of 1989.";

(10) in paragraph (5) (as redesignated by paragraph (8) of this section), by adding at the end the following new sentence: "The term includes any program that fits the definition of an area vocational education school contained in paragraph (3) of this section as in effect on the day before the date of the enactment of the Applied Technology Education Amendments of 1989.";

(11) in paragraph (14) (as redesignated by paragraph (8) of this section)—

(A) in the first sentence—

(i) by striking "handicapped individuals" and inserting "individuals with handicaps"; and

(ii) by striking "or academic"; and

(B) by amending the second sentence to read as follows: "Such term includes any individual who is determined to be economically disadvantaged for purposes of the Job Training Partnership Act.";

(12) by inserting after paragraph (14) (as redesignated by paragraph (8) of this section) the following new paragraph:

"(15) The term 'displaced homemaker' means an individual who—

"(A) is an adult; and

"(B)(i) has worked as an adult primarily without remuneration to care for the home and family, and for that reason has diminished marketable skills;

"(ii) has been dependent on public assistance or on the income of a relative but is no longer supported by that income;

"(iii) is a parent whose youngest dependent child will become ineligible to receive assistance under the Aid to Families With Dependent Children Program within 2 years of the parent's application for assistance under this Act; or

"(iv) is unemployed or underemployed and is experiencing difficulty in obtaining any employment or suitable employment, as appropriate.";

(13) by inserting after paragraph (16) (as redesignated by paragraph (7) of this section) the following new paragraphs:

"(17) The term 'economically disadvantaged family or individual' means such families or individuals who are determined by the Secretary to be low-income according to the latest available data from the Department of Commerce.

"(18) The term 'general occupational skills' means experience in and understanding of all aspects of the industry the student is preparing to enter, including planning, management, finances, technical and production skills, underlying principles of technology, labor and community issues, and health, safety, and environmental issues.";

(14) by inserting after paragraph (25) (as redesignated by paragraph (3) of this section) the following new paragraph:

"(26) The term 'preparatory services for applied technology education' means services, programs, or activities designed to assist individuals who are not enrolled in an applied technology education program in selection of or preparation for the participation in an appropriate applied technology education or training program. Such services may include—

"(A) services, programs, or activities related to outreach to or recruitment of potential applied technology education students;

"(B) career counseling and personal counseling;

"(C) applied technology assessment and testing; and

"(D) other appropriate services, programs, or activities.";

(15) in subparagraph (B) of paragraph (30) (as redesignated by paragraph (3) of this section)—

(A) by inserting "(i)" after "(B)";

(B) by striking the period and inserting "; or"; and

(C) by adding at the end the following new clause:

"(ii) is pregnant."; and

(16) by inserting after paragraph (31) (as redesignated by paragraph (3) of this section) the following new paragraph:

"(32) The term 'special populations' includes individuals with handicaps, disadvantaged individuals, individuals of limited English proficiency, and foster children on whose behalf State or local governmental payments are made.".

SEC. 254. CLERICAL AMENDMENT.

The table of contents contained in section 1 of the Act is amended by striking the item relating to title V and all that follows and inserting the following:

"TITLE V—GENERAL PROVISIONS

"PART A—FEDERAL ADMINISTRATIVE PROVISIONS

"Sec. 501. Payments.
"Sec. 502. Maintenance of effort.
"Sec. 503. Authority to make payments.
"Sec. 504. Issuance of regulations.
"Sec. 505. Requirements relating to reports, plans, and regulations.
"Sec. 506. Oversight of program for single parents, homemakers, and displaced homemakers and sex equity program.
"Sec. 507. Statutory construction.

"PART B—STATE ADMINISTRATIVE PROVISIONS

"Sec. 511. Audits.
"Sec. 512. Review of regulations.
"Sec. 513. Identification of state-imposed requirements.
"Sec. 514. Joint funding.
"Sec. 515. Prohibition on use of funds to induce out-of-state relocation of businesses.
"Sec. 516. State administrative costs.

"PART C—DEFINITIONS

"Sec. 521. Definitions.".

SEC. 255. TRANSITION PROVISIONS.

(a) REGULATIONS.—All orders, determinations, rules, regulations, permits, grants, and contracts which have been issued by the Secretary under the Carl D. Perkins Vocational Education Act, or which are issued under such Act on or before the date of the enactment of the Applied Technology Education Amendments of 1989, shall continue in effect until modified or revoked by the Secretary, by a court of competent jurisdiction, or by operation of law.

(b) TRANSITION.—With respect to the period beginning on July 1, 1989, and ending June 30, 1990, no recipient of funds under the Carl D. Perkins Vocational Education Act or the Carl D. Perkins Applied Technology Education Act shall be held to have expended such funds in violation of the requirements of either of such Acts if such funds are expended in accordance with the requirements of either of such Acts.

The CHAIRMAN. Are there any amendments to title II?

AMENDMENT OFFERED BY MR. WATKINS

Mr. WATKINS. Madam Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WATKINS: On page 60, line 17, after the word "shall" insert "(A)", and on line 19, delete the "." and add the following: ", and (B) provide a relative percentage of such local educational agency's allocation pursuant to section 201(a)(1) to such area school based on such area school's relative percentage of such local educational agency's applied technology education students who are students with handicaps, disadvantaged students, and limited English proficient students."

Mr. WATKINS (during the reading). Madam Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. GOODLING. Madam Chairman, will the gentleman yield?

Mr. WATKINS. I am happy to yield to the gentleman from Pennsylvania.

Mr. GOODLING. Madam Chairman, we have examined the amendment and have no problem with it on this side.

Mr. WATKINS. Madam Chairman, I appreciate the remarks of the gentleman from Pennsylvania.

Mr. HAWKINS. Madam Chairman, will the gentleman yield?

Mr. WATKINS. I am happy to yield to the gentleman from California.

Mr. HAWKINS. Madam Chairman, we have no objection to the amendment.

Mr. WATKINS. Madam Chairman, I appreciate the gentleman from California and also the ranking member from Pennsylvania for their willingness to work with me, and I would like to make this remark: I have long been a strong supporter of vocational/technical education in total, and I want to continue to be so, but there is some language that we have deep concern about in Oklahoma, and the purpose of my amendment would be to require those funds to be actually transferred from the local education agency to the area vocational school which happens to be a legal entity in Oklahoma and also a legal taxing entity.

Without any further debate and with the chairman accepting the amendment and along with the acceptance of the ranking Republican member on the committee, I appreciate their cooperation.

I will reserve my final action on the bill and conference report to a later date depending on how we handle this particular phase of the bill.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oklahoma [Mr. WATKINS].

The amendment was agreed to.

AMENDMENT OFFERED BY MRS. ROUKEMA

Mrs. ROUKEMA. Madam Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mrs. ROUKEMA: Strike line 6 on page 61 and all that follows through line 9 on page 62 and insert the following:

"(c) LIMITATION.—

"(1)(A) In the first fiscal year in which amounts are allocated under this section, no local educational agency or eligible institution shall be allocated under this section an amount equal to less than 85 percent of the average of its allocation percentage for each of the 3 years preceding the fiscal year for which the allocation is made.

"(B) In the second fiscal year in which amounts are allocated under this section and for each of the 2 succeeding fiscal years, no local educational agency or eligible institution shall be allocated under this section an amount equal to less than 85 percent of its allocation percentage for the fiscal year preceding the fiscal year for which the allocation is made.

"(C) If the amount received by the State for any fiscal year is not sufficient to provide to each local educational agency and eligible institution within the State an amount equal to the amount described in subparagraph (A) or (B), as appropriate, the amounts allocated to each such agency and institution shall be ratably reduced.

"(2) For purposes of this subsection, the term 'allocation percentage' means the percentage which a local educational agency or eligible institution received of the total amount allocated pursuant to this section or allotted under the Carl D. Perkins Vocational Education Act, as in effect on the day before the date of the enactment of the Applied Technology Education Amendments of 1989, to all agencies and institutions within the State.

Mrs. ROUKEMA (during the reading). Madam Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentlewoman from New Jersey?

There was no objection.

□ 1620

Mrs. ROUKEMA. Madam Chairman, I offer an amendment to extend the hold harmless provisions of title II, section 201(c) of H.R. 7, as reported by the Committee on Education and Labor.

I offer this amendment because H.R. 7 will make fundamental changes in the formula used to determine allocations of funds. While I support its intent, which is to direct more Federal dollars to the areas most in need of Federal assistance, the fact is that this new formula will significantly affect the funding levels of local education agencies. Nevertheless, there are no

State-by-State data runs to show within-State, district-by-district or institution-by-institution allocations to judge the effects of the new formula. Since we do not have this information, we cannot know the true impact of the new formula. Who wins and who loses? Let me emphasize that my amendment is not intended to thwart the reforms and benefits of H.R. 7. It is intended to permit local agencies the time to adjust and plan for ways to absorb the shock of reduced funding.

My amendment proposes to extend the hold harmless period in the bill from 2 years to 4 years and includes a rolling 85-percent allocation to those local education agencies that, because of the new allocation formula, will suffer large cuts to the amount of Federal vocational education funds they receive. The intent of my amendment is to allow for a more orderly and smoother phase-in of the new formula. A 4-year period will give local education agencies a chance to assess the exact amount of Federal funding cuts they should anticipate and develop plans to compensate for these decreases in funding.

For the first year of my hold-harmless proposal, no local education agency would receive less than 85 percent of the average annual allocation it received over the past 3 years. In the second, third and fourth years, each local agency is guaranteed to receive no less than 85 percent of the amount allocated to it in the preceding fiscal year. After the fourth year, the new formula would be in full effect.

In addition, let me stress that those that have not received Federal funds in the past 3 years will not be barred and can qualify under my amendments.

I believe adoption of this amendment is necessary in order to mitigate the impact that the new allocation formula could have on many of our congressional districts. The fact is that no reliable figures are available to reflect the cuts, or increases, our districts could face. It is important that we pass legislation which contains real safeguards against drastic changes in the allocation of Federal funds. My amendment offers those safeguards while allowing the new formula to be in effect for 1 full year before reauthorization comes up again in 1995. I believe this is the prudent approach to adopt when implementing such a fundamental change to the formula used to allocate Federal funds to the States.

I urge my colleagues to accept this reasonable approach to phasing in the new formula and vote for my amendment.

Mr. WILLIAMS. Madam Chairman, will the gentlewoman yield?

Mrs. ROUKEMA. I am happy to yield to the gentleman from Montana.

Mr. WILLIAMS. Madam Chairman, I want to commend the gentlewoman from New Jersey for her concern, and particularly to bring to the attention of Members the fact that many Members have expressed concern for what the gentlewoman is here trying to address. That is what will this formula, the distribution formula in this new vocational education reform bill, do to vocational education in their district or State. That is, will certain regions or certain schools be winners or losers. The amendment of the gentlewoman from New Jersey is an effort to mitigate against any significant shift intrastate in the funding.

As the gentlewoman knows, the original bill included my proposal to have a 75-percent hold-harmless provision which would run for several years. The gentlewoman's amendment increases that to 80 percent.

The CHAIRMAN. The time of the gentlewoman from New Jersey [Mrs. ROUKEMA] has expired.

(On request of Mr. WILLIAMS and by unanimous consent Mrs. ROUKEMA was allowed to proceed for 2 additional minutes.)

Mr. WILLIAMS. Madam Chairman, if the gentlewoman will continue to yield, I might ask her a question. Do I understand correctly that the gentlewoman's 80-percent cap would run for 3 years?

Mrs. ROUKEMA. No; my amendment is for 4 years with an 85-percent cap. There has been some suggestion by others that they could see a compromise here. I believe what I am proposing here at this point is a fair and equitable compromise, and it does take off on the proposal the gentleman from Montana made, which was accepted in committee, and was a fine movement in the right direction. I am extending the principle that the gentleman from Montana established in extending it for 4 years.

Mr. WILLIAMS. If the gentlewoman will continue to yield, do I understand correctly that the gentleman from Pennsylvania [Mr. GOODLING] may have a compromise amendment here between what we had in the original bill and the gentlewoman's amendment?

Mrs. ROUKEMA. I yield to the gentleman from Pennsylvania [Mr. GOODLING].

Mr. GOODLING. The gentleman is correct.

Mr. WILLIAMS. In that instance I also want to commend in advance the gentleman from Pennsylvania, and again want to draw attention of our colleagues who are concerned that regions within their districts, or their States, schools within their States may lose money under this bill. If the gentlewoman from New Jersey's amendment prevails, it will go a long way to preventing that, and if the compromise prevails, which I expect it will, it too will be an improvement.

So this should enhance, it seems to me, the bill's chances of support, and should relieve many Members of the anxieties that they are now experiencing because they are not sure whether or not this legislation is going to cost their vocational education schools dollars.

The CHAIRMAN. The time of the gentlewoman from New Jersey [Mrs. ROUKEMA] has again expired.

(By unanimous consent Mrs. ROUKEMA was allowed to proceed for 1 additional minute.)

Mrs. ROUKEMA. Madam Chairman, I also want to stress in conclusion that this does not affect the reform of the set-aside program. It is simply a phase in, and it does not adversely affect, either bar or disqualify under what might have been a technical oversight, those communities that maybe over the last 3 years have received no funding. That is accommodated here. Any community, whether they have received funding over the last 3 years or not, will qualify under my amendment for funding under the new formula and have it phased in over a 4-year period.

AMENDMENT OFFERED BY MR. GOODLING AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MRS. ROUKEMA

Mr. GOODLING. Madam Chairman, I offer an amendment as a substitute for the amendment.

The Clerk read as follows:

Amendment offered by Mr. GOODLING as a substitute for the amendment offered by Mrs. ROUKEMA: Strike line 6 through line 25 on page 61 and insert the following:

"(c) LIMITATION.—

"(1)(A) In the first fiscal year in which amounts are allocated under this section, no local educational agency or eligible institution shall be allocated under this section an amount equal to less than 80 percent of the average of its allocation percentage for each of the 3 fiscal years preceding the fiscal year for which the allocation is made.

"(B) In the second and third fiscal year in which amounts are allocated under this section, no local educational agency or eligible institution shall be allocated under this section an amount equal to less than 80 percent of its allocation percentage for the fiscal year preceding the fiscal year for which the allocation is made.

"(C) If the amount received by the State for each of the fiscal years described in subparagraph (A) or (B) is not sufficient to provide to each local educational agency and eligible institution within the State an amount equal to the amount described in subparagraphs (A) and (B), the amounts allocated to each such agency and institution shall be ratably reduced.

Mr. GOODLING (during the reading). Madam Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. GOODLING. Madam Chairman, if I had my preference, I would not alter the package at all, primarily because I really believe the way to prevent change from taking place is to also have hold harmless, and then basically continue doing the same, and the same, and the same.

However, in the spirit of compromise, I do offer an amendment with which I believe the chairman will agree. It would basically say this: "In the first fiscal year in which amounts are allocated under this section, no local educational agency or eligible institution shall be allocated under this section an amount equal to less than 80 percent of the average of its allocation percentage for each of the 3 fiscal years preceding the fiscal year for which the allocation is made."

Then second, we take it down over a 3-year period; that is, 80 percent, and then 80 percent of that 80 percent the second year, and then 80 percent of that 80 percent the third year.

□ 1630

The purpose of the provision is to provide a rolling hold harmless at 80 percent for 3 years, 3 fiscal years. The amendment changes Mrs. ROUKEMA's amendment by reducing the percentage from 85 percent to 80 percent and from 5 fiscal years to 3 fiscal years. I would hope we could agree to this and in a spirit of compromise and bring about the necessary changes.

Mr. HAWKINS. Madam Chairman, will the gentleman from Pennsylvania yield?

Mr. GOODLING. I yield to the gentleman from California [Mr. HAWKINS].

Mr. HAWKINS. I thank the gentleman for yielding.

Madam Chairman, I agree with the rationale of the gentleman from Pennsylvania. Personally, I do not agree that the reduction of the amount from 85 to 80 percent or reducing the years—that is, increasing the years, as has been done, above the 2 and decreasing the percentage from 85 to 80 percent—is in the right direction. However, in the spirit of compromise, since we have demonstrated that spirit up to this point, I would be very willing to accept and to agree to support the Goodling substitute.

Mr. PEASE. Madam Chairman, will the gentleman from Pennsylvania yield?

Mr. GOODLING. I yield to the gentleman from Ohio.

Mr. PEASE. I thank the gentleman for yielding.

Madam Chairman, I would like to express my support for the substitute of the gentleman from Pennsylvania.

It is amazing to me what compromise can do.

I was concerned about the very issue that Mrs. ROUKEMA brings to our attention as I had read through reports of the bill. In the process of doing that I thought 2 years was not enough of an adjustment time, 2 years being what the committee recommended.

Then when I saw Mrs. ROUKEMA's amendment at 4 years, I thought that was a bit long considering the whole bill is only 5 years.

It occurs to me that 3 years is just about right.

Madam Chairman, I commend the gentleman from Pennsylvania and I am happy to support his amendment.

Mrs. ROUKEMA. Madam Chairman, will the gentleman from Pennsylvania yield?

Mr. GOODLING. I yield to the gentlewoman from New Jersey.

Mrs. ROUKEMA. I thank the gentleman for yielding.

Madam Chairman, I would like to, before concluding this very special love feast that we are having here, I would like to ask a question for the legislative record and also for my own clarification.

Madam Chairman, in considering the proposed compromise of the gentleman from Pennsylvania it is my understanding that in the language that he has here, there would, first, be nothing that would preclude small communities who may not have qualified in the last 3 years for funding? There would be nothing precluding them for funding under the formula over the next 3 years or the term of the authorization.

Mr. GOODLING. The gentlewoman is correct.

Mrs. ROUKEMA. Second, those communities that without this hold-harmless provision would receive what some might call a windfall or at least a substantial infusion of funds above and beyond what they got in the previous formula, those communities would also be phased in, in a sense, in terms of the amounts of money that they would increase in the formula in any given year.

Mr. GOODLING. Madam Chairman, I would have to get some clarification.

Mrs. ROUKEMA. That causes me considerable concern and I think it is a concern also in terms of how ultimate appropriations would deal with this issue.

Mr. GOODLING. Is the gentlewoman saying that if this district got $7,000 under the present formula and would get $11,000 under the new formula, is the gentlewoman from New Jersey saying that they would be phased in, somehow 80 and 80 to get up to $11,000? Is that what the gentlewoman is saying?

Mrs. ROUKEMA. Possibly yes.

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. GOODLING] has expired.

(By unanimous consent, Mr. GOODLING was allowed to proceed for 2 additional minutes.)

Mrs. ROUKEMA. Madam Chairman, would the gentleman yield further?

Mr. GOODLING. I yield to the gentlewoman from New Jersey.

Mrs. ROUKEMA. I thank the gentleman for yielding further.

Madam Chairman, for example, we have one of the gentleman's CRS analyses which have been done where there is a community that would receive a 46-percent increase in the first year, and another one that receives a 118-percent increase in the first year. How would they be handled under the formula of the gentleman from Pennsylvania? Would they immediately jump to the 118-percent increase in the first year or would there be a phase-in there?

Mr. GOODLING. They have to deal with the hold harmless first and after you have dealt with the hold harmless then you move ahead and do the new formula.

Let me just indicate, for instance, in my own district in Pennsylvania, in Pennsylvania they send vocational education money to intermediate units, they send vocational education money locally, and they send vocational education money to area vocational technical schools. So it will appear to be a tremendous increase to the local district but it is basically coming from the other two sources so that it does not get to be additional money for the area of vocational technical school because the money, divided into three pots, now becomes a single pot.

Mrs. ROUKEMA. But as far as an appropriation is concerned you would have to deal with the hold-harmless first in this situation.

Mr. GOODLING. That is right.

Mrs. ROUKEMA. I thank the gentleman.

Madam Chairman, the gentleman has satisfied my question.

Mr. NIELSON of Utah. Madam Chairman, I move to strike the requisite number of words and would like to engage in a colloquy with the maker of the original amendment, the gentlewoman from New Jersey [Mrs. ROUKEMA].

In the amendment of the gentlewoman from New Jersey [Mrs. ROUKEMA] the first year would be at 85 percent, the next year 72 percent, then the next 61 percent, and then 51 percent. Under the Goodling substitute it is 80 percent the first year, 64 the second year, and 51 the third year.

My question is: Is the gentlewoman willing to accept the lower figures of the Goodling amendment?

Mrs. ROUKEMA. Madam Chairman, would the gentleman from Utah yield?

Mr. NIELSON of Utah. I yield to the gentlewoman from New Jersey.

Mrs. ROUKEMA. I thank the gentleman for yielding.

Madam Chairman, at the appropriate time I think I have indicated in

the colloquy and discussion with Mr. GOODLING here, yes, with the clarifications that we have just had concerning how the application of the hold-harmless provision is applied to all districts, whether they gain or lose under this formula. I think with that understanding I would be very happy to accept the compromise that the ranking member and the chairman, assuming that the chairman of the committee is in agreement here.

Mr. NIELSON of Utah. I do not like to make waves but I do not like the compromise at all because we do not know what is going to happen with the various congressional districts. They have not done that. They have taken pride in saying we are not going to let each district know how they are going to fare. I think with districts that drop to 51 percent, the second year may be in very bad shape. I would much prefer the 85 percent of the gentlewoman from New Jersey and 80 percent.

Mrs. ROUKEMA. I would much prefer my 85 percent as well over a 4-year period. But I am not so sure that we could prevail in that situation.

I think all things considered that we have done the best possible jobs for the districts within our States.

Mr. GOODLING. Madam Chairman, would the gentleman from Utah yield?

Mr. NIELSON of Utah. I yield to the gentleman from Pennsylvania [Mr. GOODLING].

Mr. GOODLING. I thank the gentleman for yielding.

Madam Chairman, I think it is important that we really focus on how much money we are talking about.

We are talking about peanuts. More than 50 percent of the districts get less than $8,000.

Mr. NIELSON of Utah. But 51 percent is a lot less than 61 percent.

Mr. GOODLING. $8,000 is all they get to fill out 7 applications. They probably have to hire someone at $20,000 in order to get the $8,000.

What we are trying to do is say, "Hey, that is nonsense. Why don't we give you the money with one application. You don't have to hire an expensive person."

Mr. NIELSON of Utah. The gentleman is missing my point. My point is if you are dropping the 80 percent per year you are dropping it pretty fast, 2 years later you are down to 51 percent.

Mr. GOODLING. But if you take the $8,000, 80 percent of that is 64, and then take 80 percent of the 64——

Mr. NIELSON of Utah. 51 or 52 percent.

Mr. GOODLING. Again you are talking about so little money that I cannot imagine that the school is going to collapse.

Mr. NIELSON of Utah. Well, if the money is so little why does the gentleman drop it at all? Why does he not leave it at the present value until we have an opportunity to evaluate the needs?

Mr. GOODLING. If I had my way, I would not have offered a compromise because I believe the way you kill any improvement in anything is just to say hold harmless.

In my opening remarks I made the statement that we have, always, the formula driving the program. The program should be driving the formula.

We should be looking at the program, not the formula. I do not make money on these deals because, of course, my district is somewhat affluent or average or middle income.

□ 1640

But we have to look at where, as a matter of fact, the need is, and the need is not necessarily there.

Mrs. ROUKEMA. Madam Chairman, will the gentleman yield?

Mr. NIELSON of Utah. I yield to the gentlewoman from New Jersey [Mrs. ROUKEMA].

Mrs. ROUKEMA. I thank the gentleman for yielding. I have great understanding of the point the gentleman is making here, and of course, it was the reason for my original amendment. I do, however, understand that the reality of the situation here both among the committee members and among the membership at large. I think this is the best equitable arrangement that we can make. I agree with the gentleman that for some small communities that marginal difference, contrary to my good friend from Pennsylvania, that difference in the reduction could be extremely significant for that school district, but I think we have done the best that we can here.

I am appreciative of the fact that the chairman and the ranking members, who have been so opposed to any hold harmless provision, have been willing to accommodate the concerns of those Members from districts like mine and States like mine where by the way we do an excellent job in distributing vocational funds.

Mr. NIELSON of Utah. I simply say it seems like the hold harmless 85 percent is good. We have done that with highway funds. Then we had the formula changed on housing. We have taken a careful look at how it affects districts and make sure no district is devastated, even though the amendments are small, and I know the gentlewoman from New Jersey is happy to support it because she cannot get the other one, but I do think we are moving in the wrong direction.

Mr. GUNDERSON. Madam Chairman, I move to strike the requisite number of words.

Madam Chairman, I do not want to extend this intraparty dispute any further than it has already gone, but I want to simply share with both the gentleman from Utah and the gentlewoman from New Jersey that I was strongly encouraged both to take the compromise that has been offered, because if they do not do that, some Members will rather aggressively fight their amendment.

I would call to the attention of my colleagues on both sides of the aisle, understand the formula in the bill. The formula in the bill says that for secondary schools 70 percent of the money will be based on the number of poor students, 20 percent will be based on the number of handicapped students and 10 percent will be based on the total enrollment. Now, what is unfair about that? It might change what some districts are getting, but we are directing the money based on need. Is that not where it ought to go?

I have schools that will be winners and I have schools that will be losers, but we are directing the money based on need. For postsecondary, 70 percent of the money will be based on Pell grants and Bureau of Indian Affairs assistance recipients, 20 percent will be based on the number of vocational rehabilitation students, and 10 percent on enrollment. Again, what is wrong with that? It is a fair formula based on financial need.

If we had all kinds of money, we could give every school district, rich and poor, need or not needy, all kinds of basic grant assistance. We are dealing with priorities. We are dealing with the concept in this legislation that we need to empower those people most in need of education, training and assistance, the disadvantaged and the handicapped, et cetera, and let us make sure our funding formual tracks that.

Mr. PERKINS. Madam Chairman, will the gentleman yield?

Mr. GUNDERSON. I yield to the gentleman from Kentucky.

Mr. PERKINS. I thank my distinguished colleague and friend from the great State of Wisconsin, but I would like to talk briefly concerning this. I share his feelings. In fact, I would not have gone nearly as far as quickly as the distinguished chairman and my good friend [Mr. GOODLING], ranking member have gone in terms of compromise on this issue, because if we indeed do have a good formula, as I truly believe we do, why are we taking 3 years, 4 years out of 5, to get to the point where that formula is finally going to be in effect? At this juncture we will agree with the compromise, but certainly a number of Members have grave problems that we are going this far.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. GOODLING] as substitute for the amendment offered by the gentlewoman from New Jersey [Mrs. ROUKEMA].

The amendment offered by a substitute for the amendment was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from New Jersey [Mrs. ROUKEMA], as amended.

The amendment, as amended, was agreed to.

AMENDMENT OFFERED BY MR. MILLER OF CALIFORNIA

Mr. MILLER of California. Madam Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MILLER of California: Page 131, line 22, strike the closing quotation marks and the second period.

Page 131, after line 22, insert the following new section:

"SEC. 508. STUDENT ASSISTANCE AND OTHER FEDERAL PROGRAMS.

"(a) ATTENDANCE COSTS NOT TREATED AS INCOME OR RESOURCES.—The portion of any student financial assistance received under this Act that is made available for attendance costs described in subsection (b) shall not be considered as income or resources in determining eligibility for assistance under any other program funded in whole or in part with Federal funds.

"(b) ATTENDANCE COSTS.—The attendance costs described in this subsection are—

"(1) tuition and fees normally assessed a student carrying the same academic workload as determined by the institution, and including costs for rental or purchase of any equipment, materials or supplies required of all students in the same course of study; and

"(2) an allowance for books, supplies, transportation, dependent care, and miscellaneous personal expenses for a student attending the institution on at least a half-time basis, as determined by the institution.".

Page 141, in the items following line 12, insert after the item relating to section 507 the following new item:

"Sec. 508. Student assistance and other Federal programs.

Mr. MILLER of California (during the reading). Madam Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. GUNDERSON. Madam Chairman, I reserve a point of order against the amendment. I am researching it until we can get a clarification from other members on the Committee on Agriculture. If they do have a problem, I want to protect their rights.

The CHAIRMAN. The gentleman reserves a point of order against the amendment.

Mr. MILLER of California. Madam Chairman, this is an amendment to exclude as income from Federal program eligibility, financial aid to students, assistance of dependent care received under the Perkins Act that we now have under consideration on the floor. Under current law many Federal programs count such assistance in determining income eligibility and therefore forcing women to choose between receiving a decrease in Federal program allotment for attending a job training program which could make them economically self-sufficient.

This is contrary to the Perkins program's stated purpose in bringing more women in vocational education system and not the result we intended when we passed the act in 1984. This amendment mirrors the language of the Higher Education Act to exclude such financial aid in determining income eligibility and requires the additional exclusion and dependent care as well.

This exclusion would have a significant impact on those able to benefit from this program, and I would urge the consideration. Let me say that this amendment has been checked both with the Committee on Agriculture and the Committee on Ways and Means, and the Committee on Ways and Means signed off on this. My understanding is that the gentleman from Missouri [Mr. EMERSON], the ranking minority member on the Committee on Agriculture, has a problem with it. It is my expectation to go and discuss that with him immediately and see if that could not be resolved, and I ask that the committee would accept the amendment.

Mr. GOODLING. Madam Chairman, I move to strike the requisite number of words.

I am stalling for time. We have a concern because of the naming of conferees and whether that means the Committee on Agriculture or the Committee on Ways and Means.

Mr. MILLER of California. Madam Chairman, will the gentleman yield?

Mr. GOODLING. I yield to the gentleman from California.

Mr. MILLER of California. It was my full expectation to immediately go see the gentleman from Missouri [Mr. EMERSON] and the gentleman from Texas [Mr. DE LA GARZA] to see if that can be resolved. If it cannot, I expect it will be stricken.

Mr. GOODLING. Our problem is, as I understand it, once this is adopted and the Speaker automatically has to appoint the conferees.

Mr. HAWKINS. Madam Chairman, will the gentleman yield?

Mr. GOODLING. I yield to the gentleman from California.

Mr. HAWKINS. I have two letters addressed to the chairman of the committee, one from the gentleman from Illinois [Mr. ROSTENKOWSKI] which waives jurisdiction, the other letter from the chairman of the Committee on Agriculture the gentleman from Texas [Mr. DE LA GARZA], which indicates it is not his intention to waive the committee's jurisdiction over the Food Stamp Program, should this legislation go to conference. The Committee on Agriculture intends to request to be included as conferees on this and on any other provisions affecting a program within this committee's jurisdiction referring to the Committee on Agriculture.

□ 1650

I think the information should be made available to the Members at this time, and it is for that purpose I do this. This is not in any way to speak derogatorily to the merit of the amendment but rather to the process and the procedure that would follow. I would assume from this that the gentleman from Texas [Mr. DE LA GARZA] does insist on having conferees appointed from his committee along with those from the Committee on Education and Labor.

Mr. MILLER of California. Madam Chairman, will the gentleman yield?

Mr. GOODLING. I yield to the gentleman from California.

Mr. MILLER of California. Madam Chairman, if I might, let me thank the gentleman from California [Mr. HAWKINS] for those comments.

I would say that we did in fact adopt this same amendment in 1986, and I think it does have a very important impact on this legislation. We have taken a number of different steps in this Congress to see whether or not we can build a series of programs that will take people out of public assistance and give them the opportunity to pursue an education that will lead them to entry level jobs or to job training that will allow them to employ or change the skills they need as economic conditions change in various communities.

That is what this legislation is directed at. That is what the Perkins Amendment does. We did that last year in welfare reform when there was a very strong censensus in the country that we should change the direction of a number of these programs. We should no longer set up barriers to individuals seeking to get off public assistance.

That is what many of the Members have discussed in our own committee, with the earned income tax credit, with child care, and with other programs such as that, programs that would allow us to do that.

I believe this amendment is consistent. We made the same determination in the Higher Education Act. There again we wanted an incentive for people to pursue that education and not drop out because of the fact that we decided that somehow we were not going to impute income to them because of that educational experience. That is what this amendment addresses.

Madam Chairman, I also want to say that I appreciate the cooperation of the committee chairman, the gentleman from Texas [Mr. DE LA GARZA] and the gentleman from Illinois [Mr. ROSTENKOWSKI], as well as that of the

gentleman from Missouri [Mr. EMERSON].

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. GOODLING] has expired.

(By unanimous consent, Mr. GOODLING was allowed to proceed for 5 additional minutes.)

Mr. GOODLING. Madam Chairman, I take this time to indicate that I think I made a mistake in that I said the Speaker would have to appoint conferees from the other two committees. I think I should have said that the Speaker could appoint conferees rather than that he would have to appoint conferees.

Mr. HAWKINS. Mr. Chairman, will the gentleman yield?

Mr. GOODLING. I am happy to yield to the chairman of the committee.

Mr. HAWKINS. Madam Chairman, I thank the gentleman for yielding.

May I direct a question to the gentleman from California [Mr. MILLER], the author of the amendment?

Mr. MILLER of California. Certainly, if the gentleman from Pennsylvania will yield.

Mr. GOODLING. I yield to the gentleman from California.

Mr. HAWKINS. Madam Chairman, it was my understanding that the gentleman from California [Mr. MILLER] indicated that if this amendment proved troublesome in terms of the appointment of conferees, he would agree to dropping the amendment in order to ease that discomfort we might suffer?

Mr. MILLER of California. Yes. There is no intent here to try to hold up the progress of the bill. I think that both the gentleman from Missouri [Mr. EMERSON] and the gentleman from Texas [Mr. DE LA GARZA] have been very fair. They have been working with it. The chairman of the committee indicated he does not have any problem with it. The gentleman from Missouri [Mr. EMERSON] has indicated that he wants to take a closer look at it.

It was my intent to try to see the gentleman from Missouri this afternoon or tomorrow morning to work this out or see if it can be worked out. If it cannot, then I would expect the committee would certainly have the right to strike this from the bill.

Mr. HAWKINS. Then the understanding I had with the gentleman still holds?

Mr. MILLER of California. Yes, that is correct.

Mr. HAWKINS. So we are now discussing the process and not the amendment itself?

Mr. MILLER of California. The gentleman is correct.

Mr. GOODLING. Let me see if I can try to understand what this means.

Mr. HAWKINS. Madam Chairman, if the gentleman will yield further and so my understanding is clear, perhaps the author of the amendment, the gentleman from California [Mr. MILLER] would proceed to explain what his intent is with respect to conferees.

Mr. MILLER of California. Madam Chairman, if the gentleman from Pennsylvania will yield further, it is my intent that should we not be able to work out the problem with the gentleman from Missouri [Mr. EMERSON], assuming that that creates a problem with the appointment of conferees, we will agree that this amendment would immediately be stricken in conference, so we would not have to deal with the issue of conferees. The Committee on Agriculture would then be protected, and we would have to deal with this matter the next time.

Mr. GOODLING. That would take place when the conference begins; is that what the gentleman is saying?

Mr. MILLER of California. We would have to give that assurance before the conferees are appointed. We are working on a short time schedule here. That would fully protect the rights of the gentleman from Missouri [Mr. EMERSON].

Mr. GUNDERSON. Madam Chairman, will the gentleman yield?

Mr. GOODLING. I yield to the gentleman from Wisconsin.

Mr. GUNDERSON. Madam Chairman, if I may appeal to the chairman and to the gentleman from California [Mr. MILLER], if they can be a little bit patient, I understand that the gentleman from Missouri [Mr. EMERSON] is coming over here, and if we can have a colloquy on this, it is my understanding also that it is going to be found acceptable.

Frankly, Madam Chairman, we have been trying to buy a little bit of time. Perhaps what we can do is proceed in this way: If the gentleman from California would temporarily withdraw the amendment, he could then offer the amendment again as soon as the gentleman from Missouri [Mr. EMERSON] arrives on the floor.

Mr. MILLER of California. Certainly, I could do that. Madam Chairman, I see that the gentleman from Missouri [Mr. EMERSON] is here now.

Mr. GUNDERSON. Perhaps we might give them a second before we go ahead.

The CHAIRMAN. The gentleman from Pennsylvania [Mr. GOODLING] still has the time. The gentleman has 2 minutes remaining.

Mrs. LOWEY of New York. Madam Chairman, will the gentleman yield?

Mr. GOODLING. Yes, I am happy to yield to the gentlewoman from New York while we are waiting for Mr. EMERSON.

Mrs. LOWEY of New York. Madam Chairman, I am particularly concerned with institutions which have students who may be eligible for Pell Grants but due to technical limitations in the Pell Grant Program are not receiving them. If there are such students, the institutions which serve them will not receive their fair share of the funds under H.R. 7.

I look forward to working in the conference to perfect the legislative language to insure that the institutions which serve such low-income students will receive the resources necessary to provide them with excellent technological education.

Mr. GOODLING. Madam Chairman, we would certainly be happy to look at the concerns of the gentlewoman from New York [Mrs. LOWEY]. I am not sure we totally understand them. When we get to conference, we can certainly take care of this situation.

Mrs. LOWEY of New York. Madam Chairman, I thank the gentleman.

Madam Chairman, I submit with my remarks the following materials:

STATE UNIVERSITY OF NEW YORK,
WESTCHESTER COMMUNITY COLLEGE,
Yonkers, NY, May 5, 1989.

Congresswoman NITA M. LOWEY,
Longworth House Office Building, Washington, DC.

DEAR CONGRESSWOMAN LOWEY: I am writing to express my concern about the H.R. 7 Technology and Technical Amendments of 1989 to the Carl D. Perkins Act. Under the proposed amendments institutions serving a large segment of New York State's disadvantaged adult students will no longer enjoy eligibility for VEA funds.

The formula for distributing adult/postsecondary funds under the amendments will be based on the enrollment of Pell Grant recipients and/or Rehabilitation Act recipients. By this formula the nine New York State University Educational Opportunity Centers (EOC's) will lose eligibility to participate in the VEA program. The EOC's were created by the State University in 1973 to provide free education and vocational training to disadvantaged adults, age 17 and over. All enrollees in the EOC network must meet income guidelines established by the State Education Department, and most EOC students are welfare recipients or unemployed persons.

The nine EOC's are currently serving some 12,500 adult students annually. Located in the most deeply troubled urban areas of the State, their mission is to help persons who have been living lives of welfare dependency, to achieve marketable job skills or to reach academic levels enabling them to enroll in higher education.

Because these institutions are not degree granting—they generally award certificates of program completion—students do not qualify for Pell Grants, and few enrolled students would be eligible for Rehabilitation Act grants. As a consequence, the EOC's would seem to be disqualified to apply for VEA funds under the terms of H.R. 7. Currently, that is, in 1989-90, the nine EOC's are receiving $600,000 of VEA funds which they use to purchase equipment and to run vocational programs not otherwise fundable. The equipment funds are especially critical for the EOC's since their regular state appropriations generally do not cover new or replacement equipment which they are expected to secure from outside sources. The loss of these funds would

create a serious handicap, severely limiting their ability to replace outworn equipment or keep up with the pace of technological change.

I urge you to support changes in H.R. 7 which will permit reputable, state or local educational institutions such as the EOC's which are effectively serving disadvantaged adults—but do not meet the proposed distribution formula under H.R. 7—to remain qualified for the VEA program.

Sincerely,

LEONARD A. HARPER.

STATE UNIVERSITY OF NEW YORK EDUCATIONAL OPPORTUNITY CENTER OF WESTCHESTER [EOC-W]

(Facts about the EOC-W's Educational Programs and Services)

WHAT IS THE EOC-W?

The Educational Opportunity Center of Westchester (EOC-W) is a part of the State University of New York. It provides free educational service to eligible persons.

WHO IS ELIGIBLE TO ATTEND?

Any resident of New York State who is 18 years of age, whose income meets state guidelines and who is not already attending a high school or college may be eligible to attend.

EDUCATIONAL PROGRAMS

Basic Reading.—Individualized and small group instruction in basic reading for those who do not read or do so with only limited skill. Up to 30 weeks; 10 hours a week. Placement exam reading test scores: 0 to 4.

Pre-Vocational Studies.—Emphasis on improving reading, writing and math skills for those who want to qualify for vocational programs or the GED. Up to 30 weeks; 20 hours a week. Placement exam scores in math and reading: 4.0–7.0.

High School Equivalency (GED).—Preparation in all of the academic skills necessary to pass the GED examination. Pretests will enable instructors to individualize instruction. Students will be encouraged to take the exam whenever they are ready. Up to 30 weeks; 20 hours a week. Daytime and evening. Minimum placement exam score in reading and math: 7.0.

English As A Second Language (ESL).—Intensive English instruction for those wishing to advance educationally or secure a better job. The program is offered at four levels, depending on the applicant's knowledge of English. Up to 30 weeks; 20 hours a week. Daytime and evening.

Word Processing.—An office skills program which emphasizes training in typing and word processing on IBM, Wang and Lanier equipment. Business English and math also covered. Open to non-typists. 30 weeks; 30 hours a week. Daytime and evening. Minimum placement exam score in reading and language arts: 7.0.

Computer Operations.—Training in all the fundamentals of computer operations using the latest IBM System 36. Course includes introduction to Basic and RPGII languages as well as business applications. 20 weeks, 30 hours a week. Daytime. Two sections a year. Minimum placement exam score in reading and math: 8.0.

Home Health Aide and Nurses Aide.—Combined training in home health and nurses aide skills based on New York State approved curriculum. Classes include theory and intensive clinical experience in hospitals and homes. Given three times a year. Minimum placement exam score in reading and math 8.0. One section will be Spanish/English if demand is sufficient.

ESL—Typing.—A program for advanced (Level III) ESL students which combines intensive work in English, and typing, 30 weeks; 20 hours a week. Daytime.

Emergency Medical Technician (EMT).—A New York State approved program of health studies for those who wish to be EMT specialists working for ambulance companies and hospitals. Instruction includes driver training and introduction to medical vocabulary 20 weeks; 17 hours a week. Minimum placement exam score in reading: 8.0.

Data Entry/CRT Operations and Word Processing.—An office skills training program which combines instruction in data entry, basic operation of a computer workstation, and word processing. Equipment available includes IBM System 36 computer plus IBM, Wang, and Lanier word processors. 28 weeks; 30 hours a week. Minimum placement exam score in reading: 7.0. Daytime and evening.

COUNSELING SERVICES

The EOC-W has a full time staff of professional counselors. Students are assigned a counselor who will assist them with:

Planning educational programs.
Solving personal problems.
Seeking health referrals.
Planning college or vocational studies.

JOB PLACEMENT SERVICES

Job placement assistance is available to EOC-W students seeking employment. Counselors will review career plans with students and refer them to possible job openings or placement professionals affiliated with the EOC-W.

GRADUATION CERTIFICATES

All students who successfully complete an educational program at the EOC-W are awarded a certificate that attests to the fact that they have fulfilled the requirements of their particular program. These certificates are issued to graduates with the authority of the State University of New York.

ADMISSION PROCEDURES

Interested persons should visit the EOC-W at 41 Main Street, Yonkers, or telephone a counselor at (914) 968-1802. The first step for admission is a placement exam. The scores will determine program eligibility. Applicants will also be required to present proof of previous income. Their personal or family income must not be higher than amounts set by the State University.

Admission to the EOC-W is made without regard to race, creed, color, age, sex, national origin or handicap.

A FINAL WORD

The EOC-W is a public institution. It belongs to the residents of New York and was created to serve those who need additional education. The staff and faculty will do everything they can to see that students are offered quality programs and that they have a successful educational and/or training experience at the Educational Opportunity Center of Westchester.

WHAT HAPPENS TO EOC-W GRADUATES

Past Graduates were admitted to:

Bronx Community College, Cochran School of Nursing, Culinary Institute, Elizabeth Seton College, Lehman College, Manhattan Community College, Marymount College.

Mercy College, New York Tech Institute, SUNY Cortland, SUNY Plattsburg, SUNY Stony Brook, Syracuse University, Westchester Community College.

Post Graduates were placed in the following firms:

Business Skills:

Nat. Bank of Westchester, NYS Dept. of Motor Vehicle, Travels Insurance, Ruben H. Donnelly, Kelly Personnel, Office Help Temp, NYC Police Dept., IBM, AT&T.

CITICORP, Alexanders, Phelps Dodge, Marcia Cooper, Sears, Pepsico, Allstate Insurance, Cover Temps, United Way.

Health Aides and EMT:

Yonkers General Hospital, Cabrini Nursing Home, Parkchester Nursing Home, Professional Care, Affiliated Home Care, Hebrew Home for the Aged, Dyckman Medical Center, Accredited Care, Family Service of Westchester, Empress Ambulance.

St. John's Hospital, Sans Souci Nursing Home, St. Joseph's Hospital, Staff Builders, Total Care, Upjohn Health Care, Superior Care, Unlimited Care, Quality Care, New York Ambulance, Medi-Cab.

Mr. EMERSON. Madam Chairman, I move to strike the last word.

Madam Chairman, I want to have just a brief colloquy with the gentleman from California [Mr. MILLER], whose amendment I support. I think it is a good amendment, a substantial amendment.

I am a strong supporter of vocational education, and I want to do everything I can to enhance the opportunities of people who are pursuing a vocational education. As the ranking member of the Subcommittee on Nutrition of the Committee on Agriculture, I just want to inquire of the gentleman if he is aware of the fact that we do have a child care deduction provision in the basic food stamp law. I was anxious that we not be duplicative or do anything that might confuse that, and rather than ask the gentleman to withdraw or to further refine the amendment at this point, I wanted to ask if he is aware of my concern, and I just wondered if we might work it out before the matter goes to conference.

Mr. MILLER of California. Madam Chairman, if the gentleman will yield, I was aware of that concern. Unfortunately, I was made aware of that late, and it would be my intent that the gentleman and I will be able to work this out prior to the appointment of conferees. If we work it out to the gentleman's satisfaction, then there will be no requirement for the Committee on Agriculture to have conferees on this bill. If we cannot work it out, it will be dropped immediately, and there would be no reason for the Committee on Agriculture to have conferees on this bill. I think we can work it out on the child care provision, and I look forward to working with the gentleman.

Mr. EMERSON. Madam Chairman, I thank the gentleman for his consideration. Once again, let me say that I do support the amendment essentially.

Madam Chairman, I would like to comment briefly on the amendment offered by the gentleman from California to the bill before us today, H.R. 7. The gentleman's amendment provides that income received under the Vo-

cational Education Act will not be counted as income in the food stamp and other Federal programs. Under the present food stamp law, income received through Federal educational grants, other than those funded under title IV of the Higher Education Act, is already excluded to the extent that it is for tuition and mandatory fees. I wanted to take this opportunity to correct the record on this matter since there may have been some misunderstanding of the food stamp law

The gentleman's amendment does correct a problem in the food stamp law by providing that income received under the Vocational Education Act will be treated, with one exception, the same as income received under title IV of the Higher Education Act. This means that funds provided for books, supplies, transportation and miscellaneous personal expenses will now be excluded, in addition to the current exclusion for tuition and mandatory fees. I am pleased that the gentleman has attempted to track the Higher Education Act provisions and corrected the previous problems with the amendment before us with regard to students attending schools less than half time

The food stamp law already provides that for persons receiving food stamp benefits, a deduction is provided for expenses related to the care of any dependent, including children, up to $160 per month, per dependent. This is in addition to the other deductions provided for in the food stamp law for standard expenses, earned income, and excess shelter expenses

The Food Stamp Act is, of course, under the jurisdiction of the Committee on Agriculture. The committee will be looking very carefully at all of the provisions of the act since reauthorization of the food stamp program will occur next year. This is a very complicated program and one that is difficult to administer because of the myriad of differing rules and regulations. It is my belief that when a person is in need of assistance for one type of assistance—food—eligibility for other types of assistance should follow. Currently the rules and regulations for assistance differ from program to program and needy families must go from office to office to apply for help. I hope to have the opportunity to bring this problem to light during the committee's reauthorization hearings, which I hope will begin this year

Madam Chairman, I appreciate the opportunity to speak concerning this amendment to the food stamp law and clarify the provision of that act. I am confident that any issues that arise can be resolved during the conference on H.R. 7.

The CHAIRMAN. Does the gentleman from Wisconsin [Mr. GUNDERSON] insist on his point of order?

Mr. GUNDERSON. Madam Chairman, I withdraw the point of order.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. MILLER].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. GOODLING

Mr. GOODLING. Madam Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GOODLING: Strike line 19 on page 130 and all that follows through line 8 on page 131, and insert the following:

"(a) INVESTIGATION OF DELAYS.—The General Accounting Office shall—

"(1) investigate the circumstances of any failure by the Secretary to submit any report or research finding or issue any regulation required by this Act by the time specified in the provision of this Act requiring the submission of such report or research finding or issuance of such regulation; and

(2) submit to the Committee on Education and Labor of the House of Representatives and the Committee on Labor and Human Resources of the Senate a report containing the results of any investigation conducted pursuant to paragraph (1), including an identification of the cause of the delay and of the office or offices of the Department of Education or of the Office of Management and Budget responsible for the delay.

"(b) AVAILABILITY OF REPORTS.—The Secretary shall make available to the Chairman or the ranking minority member of the Committee on Education and Labor of the House of Representatives or the Committee on Labor and Human Resources of the Senate, upon request, any report or research finding required by this Act, or information collected in preparation for such a report, before the end of the 10-day period beginning on the date that the request is made.

Mr. GOODLING (during the reading). Madam Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

□ 1700

Mr. GOODLING. Madam Chairman, I would like to offer an amendment to H.R. 7 which would replace section 505 of the bill. Mr. WILLIAMS offered the original language contained in section 505 as an amendment at full committee markup. While I had serious reservations about the form of that amendment, I shared the gentleman from Montana's concerns regarding the delay in getting reports and regulations out of the Department of Education.

In the past several years there have been instances of regulations taking several years to be issued in final form. Without pointing fingers at who is to blame, this is just not acceptable to the committee nor fair to the persons responsible for operating these programs at the State and local level.

The amendment that I am offering today will help the committee and the Congress get a better handle on why these long delays are occurring. It simply states that in the event of a delay in rulemaking, the General Accounting Office will look into the cause of such delay and report their findings to the committee. In addition, it adds a provision that gives the chairman and ranking member of the committee the authority to request reports and data from the Department, and requires they be delivered within 10 days of the request.

This amendment breaks no new constitutional ground, does not interfere with the relationship between OMB and the President, and is well within the authority of the Education and Labor Committee.

I would like to thank Mr. WILLIAMS for working with me on this amendment. I would also like to thank the Director of OMB, Mr. Darman, for his attention to this matter and his personal commitment to investigate this situation and make improvements within a 6-month period.

Mr. WILLIAMS. Madam Chairman, I move to strike the requisite number of words.

My colleagues, during this past decade the Office of Management and Budget has assumed a significant policy authority which many, including myself, believe was outside of what the Congress intended them to have. OMB reviews and approved their reports. OMB directs research methodology. OMB even reviews and, we find, changes testimony of executive branch officials who come to Capitol Hill to testify before our committees and before the public.

Let me refer my colleagues to an article from a daily newspaper today. The headline says, "Experts, OMB Spar on Global Warming," and let me read for the Members of the House just an excerpt from today's newspaper article which I believe makes the point.

Quoting now,

Among those testifying yesterday was an atmospheric scientist who disavowed his own written testimony because it was altered by the Office of Management and Budget. The White House confirmed a report in the New York Times that an OMB official altered testimony by James E. Hansen, director of NASA's Goddard Institute for Space Studies, to avoid the impression "that there is unanimity within the government on this issue."

The quote continues:

Hansen, after giving the Senate Commerce Subcommittee on Science, Technology and Space a copy of his edited testimony, said, "The changes made it appear that he did not believe that global warming will lead to more frequent droughts."

Quoting Mr. Hansen,

I don't object to review of policy statements. My only objection is being forced to alter the science.

That, my colleagues, is simply the latest example of OMB's inappropriate and illegitimate interference with testimony, reports and even regulations that various departments, individuals, agencies are required to provide to OMB before those reports are made public. Thus the original language that I had placed in this vocational education bill was an effort to prevent what many of us see as abuses

by the Office of Management and Budget.

Needless to say, Madam Chairman, the executive branch threatened to veto the entire vocational education bill because they saw this as a clear issue; that is, they saw my amendment as a clear issue of unwarranted and inappropriate influence by the congressional branch over what they believed to be clearly executive branch prerogatives. But we did get their attention, and, after the instance which I have just read from the newspaper, there are many now within the White House who believe that maybe with this amendment the Congress is on the right track.

OMB, in fact, has run amuck and needs to be clearly reined in. With my amendment I was trying to do something more than just fire a shot over their bow. I was actually trying to tear a gash through their stern down at OMB.

Madam Chairman, even though that is my intention, I recognize the reality that we do need to get this bill passed and eventually signed into law, and thus I was pleased to work with the gentleman from Pennsylvania [Mr. GOODLING], the ranking member on the committee, and we have come up with this amendment.

Madam Chairman, the gentleman from Pennsylvania [Mr. GOODLING] has explained it to some degree. Let me just follow that with what my own understanding is of the amendment.

The amendment requires; that is, the amendment of the gentleman from Pennsylvania [Mr. GOODLING] in which I join, the General Accounting Office to investigate the circumstances of any failure to submit a report, research finding or issue any regulation required by this act by the time specified. The report of such investigation must be submitted to the Committee on Education and Labor in the House and the Senate Labor and Human Resources Committee indentifying the cause of the delay and the office or offices of the Department of Education or the Office of Management and Budget responsible for that delay. Finally, the amendment requires the department to submit any report or research finding to the above committees within 10 days.

Madam Chairman, this is a reasonable amendment, and I encourage my colleagues to support it. I also encourage other authorizing committees of the House to make it clear, either through similar amendments of their own or by writing to the President and to OMB, that we have great concern here that OMB is changing rules outside of the public view, that OMB is changing testimony that is given on Capitol Hill against the wishes of the author of that testimony and, finally, that OMB is so delaying reports required from the executive branch that they have actually placed departments of the executive branch outside of the law.

Mr. HAWKINS. Madam Chairman, I move to strike the requisite number of words.

May I say that I rise in support of the amendment now that it has in a sense been agreed to? I will not attempt to delay the discussion; however, let me indicate that no one, I think, is any more concerned about the Office of Management and Budget or whoever it is who delays the regulations in the various bills that we pass.

□ 1710

A year ago, on April 28 last year, we passed the School Improvement Act and the regulations under that act, with the minor exception of one or two, have yet not been issued; so I think no one is more concerned about the holding up of regulations.

In that particular instance, it is not clear as to who is doing it, whether it is in the Department of Education or in the Office of Management and Budget.

The Goodling amendment would clarify that by identifying the one who is actually responsible and it would be done by a nonpolitical objective agency.

I think that is certainly a great amount of improvement over current law and over practices that are now being indulged in.

Madam Chairman, I wish at this time to commend the gentleman from Montana [Mr. WILLIAMS] for his wisdom in bringing this matter to the attention of the committee and for the language which he inserted which probably led to some outside consideration to rectify this problem.

My heart belongs to the gentleman from Montana [Mr. WILLIAMS] and his amendment. My common sense belongs to the gentleman from Pennsylvania [Mr. GOODLING].

I know that were this to be adopted, the committee language to be adopted, it would prove disastrous to this most important bill. I believe that the economic security of the Nation and its national defense is more at stake here and certainly the Goodling amendment, and I commend the gentleman from Pennsylvania [Mr. GOODLING] on his amendment, is certainly the way out of a critical situation.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. GOODLING].

The amendment was agreed to.

AMENDMENTS OFFERED BY MR. SMITH OF VERMONT

Mr. SMITH of Vermont. Madam Chairman, I offer amendments, and I ask unanimous consent that they be considered as read, printed in the RECORD, and considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from Vermont?

There was no objection.

The text of the amendments is as follows:

Amendments offered by Mr. SMITH of Vermont: Page 25, line 10, insert "and subpart 6 of part B" after "part E".

Page 27, after line 14, insert the following new subsection (and redesignate the succeeding subsection accordingly):

"(e) SCHOOLWIDE EDUCATION PERFORMANCE AGREEMENT DEMONSTRATION PROGRAMS.—There are authorized to be appropriated $1,000,000 for the fiscal year 1990 and such sums as may be necessary for each of the fiscal years 1991 through 1995 to carry out subpart 6 of part B of title IV, relating to schoolwide education performance agreement demonstration programs.

Page 110, after line 3, insert the following new section:

SEC. 249A. SCHOOLWIDE EDUCATION PERFORMANCE AGREEMENT DEMONSTRATION PROGRAM.

(a) GENERAL AUTHORITY.—Part B of title IV of the Act is amended by adding at the end the following new subpart:

"Subpart 6—Schoolwide Education Performance Agreement Demonstration Program

"Sec. 420. PROGRAM AUTHORIZED.

"(a) GENERAL AUTHORITY.—

"(1) The Secretary shall carry out, through grants to or contracts with States and local educational agencies, schoolwide education performance agreement demonstration projects under which the school involved in the project would, subject to the negotiated agreement described in subsection (c) and under alternative regulations developed by the Secretary and the State in which the school is located, be able to combine amounts provided for programs relating to applied technology education and youth services, including amounts made available to the school under each of the following:

"(A) The Carl D. Perkins Vocational Education Act.

"(B) The Elementary and Secondary Education Act of 1965.

"(C) The Adult Education Act.

"(D) The Job Training Partnership Act.

"(E) Programs relating to teenage pregnancy.

"(F) Drug education and prevention programs.

"(G) Youth gangs programs.

"(2) The Secretary shall carry out under this section not less than 10 and not more than 20 demonstration projects, which shall each be for a period of 5 years.

"(3) Each grant or contract awarded under this section shall be for not less than $50,000 and not more than $100,000.

"(4) Nothing in this section shall be construed to authorize the substitution of alternative regulations for regulations intended to protect civil rights or safety or which prevent individuals or organizations from diverting funds to private use.

"(b) SELECTION CRITERIA.—Grants or contracts under this section shall be awarded to projects to be operated in areas with high poverty rates or other indications of disadvantaged status. In awarding such grants or contracts, the Secretary shall consider—

"(1) geographical distribution; and

"(2) distribution between urban and rural areas.

"(c) NEGOTIATED AGREEMENT.—Grants or contracts under this section shall only be awarded upon the acceptance of a negotiated agreement between the school, the local educational agency, the State, and the Federal government, which may be modified through negotiation and shall include—

"(1) provisions for 1 year of planning;

"(2) an agreement by the Federal government that it will develop alternative regulations with respect to the Federal programs involved in the project to enable the school involved to combine amounts received under such programs to achieve significantly improved outcomes;

"(3) an agreement by the State that it will combine its funds and provide the same funding guarantees and alternative regulations that the Federal government will provide for the Federal programs involved in the project;

"(4) provisions enabling the State and the Federal government to independently audit the measurement of student performance outcomes; and

"(5) an agreement that if the negotiated goals are not achieved—

"(A) for 1 year of operation, technical assistance shall be provided to the school and the negotiated agreement shall be reassessed;

"(B) for 2 consecutive years of operation, the negotiated agreement for the project is nullified and the alternative regulations are no longer effective.

"(d) APPLICATION.—Each application for a grant under this section shall be submitted by the State in cooperation with the local educational agency involved and the school involved, and shall—

"(1) be the result of participation by parents, business and community representatives, the appropriate private industry council established under section 102 of the Job Training Partnership Act, and school authorities;

"(2) contain a set of goals for each respective group covered by the pertinent program authorities used in the agreement;

"(3) include a set of intermediate performance goals;

"(4) include higher outcomes than previously demonstrated;

"(5) identify which entity will be responsible for the achievement of the stated goals at the end of each year of the negotiated agreement described in subsection (c);

"(6) include a plan for coordinated services and service delivery;

"(7) describe what services will be provided under the project; and

"(8) describe rewards and incentives that will be provided to students and successful service providers, particularly incentives for service providers that meet goals for students who are members of special populations and dropouts.

"(e) EVALUATION.—

"(1)(A) The Secretary shall conduct an independent evaluation of each project assisted under this section and submit a report to the appropriate committees of the Congress that contains an analysis of the project and a description of the results achieved by the project.

"(B) Each report required by subparagraph (A) shall be submitted not later than the expiration of the 1-year period beginning on the date that the project concerned is completed.

"(2) The Interdepartmental Task Force established by section 102 of the Applied Technology Education Amendments of 1989 shall provide interim progress reports to the Congress with respect to each project assisted under this section.".

(b) CLERICAL AMENDMENT.—The table of contents contained in section 1 of the Act is amended by inserting after the item relating to section 419 the following new items:

"SUBPART 6—SCHOOLWIDE EDUCATION PERFORMANCE AGREEMENT DEMONSTRATION PROGRAM

"Sec. 420. Program authorized.".

Mr. CRAIG. Madam Chairman, will the gentleman yield?

Mr. SMITH of Vermont. I yield to the gentleman from Idaho.

Mr. CRAIG. Madam Chairman, like most members of Congress, I am a strong supporter for the Carl D. Perkins Act and vocational education programs in general. My record proves that. I believe that the Committee on Education and Labor has worked very diligently this year in its consideration of the Perkins Act. As a former member of the committee, I understand how difficult the task of putting together an acceptable program can be.

There is widespread concern that vocational education programs are not working as well as they could—I can appreciate that. This particular program is relatively new and it is understandable that it might require some fine tuning. However, I do not believe that H.R. 7 is the answer.

In addition to the administration's opposition to this bill, I have several objections of my own. First, the elimination of vocational education State councils in favor of State Human resources councils will only hinder efforts in many States where current programs are working. In my own State of Idaho, the loudest voice for vocational education comes at the State level. Combining the vocational education State council with the other four programs identified in H.R. 7 will only serve to diminish, if you eliminate, the strong and distinct voice that vocational education has had in my State. Second, eliminating administrative red tape by targeting funds directly to those who need it most is an admirable goal. However, the intra-State requirements that have been proposed as part of this effort could significantly decrease the amount of funds received for rural programs, even with "hold harmless" provisions. Agriculture teachers in my State have contacted me to warn that rural programs may cease to exist as a result of this new intra-State funding scheme. In a State like Idaho where the local tax base is significantly affected by the existence of tax-exempt Federal lands, any loss of income to individual programs could be devastating. I cannot support such a formula. Finally, although this bill is the result of agreements reached by committee members after long hours of debate and compromise, many vocational education experts have not had time to look at the most recentently amended version of this bill. This opportunity must be given to them.

To date I have been in contact with the Idaho Director of Vocational Education, director of vocational rehabilitation, director and members of the State council, the Idaho Vocational Agriculture Teachers Association, the head of Agricultural and Extension Education at the University of Idaho, the Idaho Education association, and many, many teachers. They have all expressed varying degrees of concern regarding H.R. 7. I cannot ignore this large group of local experts.

The truth is that this is not just a simple reauthorization of the Carl D. Perkins Act. It is a significant change in vocational education, one that goes so far as to change the name of the program. Madam Chairman, while I appreciate the effort put forth by the committee and support reauthorization of the Perkins Act, I do not believe that H.R. 7 best serves the needs of vocational education and I urge mly colleagues to join with me in voting against the bill.

Mr. TRAFICANT. Madam Chairman, today we are voting on H.R. 7, the vocational education reauthorization bill. This measure goes a long way in ensuring that vocational education programs are provided to those most in need of training. The measure also works to combine academic and occupational training—a provision ensuring that workers will be both educationally and professionally prepared for the career of their choice.

America cannot remain complacent in educating its future workers. Changes in job markets and production call for comparable changes in education and job training. The United States is working to maintain a competitive, technical position in the international arena, and our vocational education training must reflect this goal.

H.R. 7 incorporates technical training with a new tech-prep program. This initiative establishes a 4-year program linking the last 2 years of high school with 2 years of postsecondary technical education. Graduates of this program will have mastered necessary skills for technical trades and will go on to contribute to the competitiveness of this country.

Vocational education is hands on education. We spend a lot of time ensuring that our kids read books and study foreign languages, while many would rather learn a vocation and get to work. H.R. 7 provides the necessary funding to see to it that students are given the opportunity to pursue the vocation of their choice.

My State of Ohio is a leading State in providing quality vocational education programs. In 1987, 59 percent of Ohio's 11th and 12th grade students were enrolled in secondary voed, and 36 percent enrolled in vocational job training programs. For adults, almost 97 percent of unemployed adult workers were reemployed after adult vo-ed training at an average wage of $8.75 per hour. These figures illustrate how vital vocational education is to Ohio.

I urge my colleagues to support H.R. 7. A vote for this bill is a vote for funding academic, occupational, and technical education for the workers who will be meeting the demands of an increasingly competitive work force.

Mr. OBERSTAR. Madam Chairman, I rise to voice my support of the H.R. 7, a bill to reauthorize the Perkins Vocational Education Act through 1995.

Vocational education is an important, though often overlooked, component of our national education system. From the high school sophomore in home economics class to the 20-year-old learning computer repair in a specialized technical college, to the displaced homemaker developing new skills and preparing to enter the job market for the first

time, vocational education touches millions of lives each day.

Vocational education is universal. A recent survey shows some 97 percent of all high school students take at least one vocational course.

Vocational education is specialized. Sixty-three percent of all vocational training is directed at preparing students for specific jobs.

Vocational education is more than just wood shop. Business courses make up the largest single category of vocational training—23 percent. Twenty-one percent of vocational courses provide trade and industrial training, and consumer and homemaker education comprise 15 percent.

The Perkins Vocational Education Act, which this bill renames the Perkins Applied Technology Education Program, is vital to the continued success of our vocational and technical education system. This program provides badly needed funding to States for vocational education programs. It also targets underserved populations, such as the handicapped, the economically disadvantaged, or people with limited English language skills, to make vocational training available to them.

The bill before us makes several changes in the Perkins program. It changes the formula for funding distribution so that distressed areas will receive a higher priority. It also provides mechanisms for greater cooperation between vocational education and related programs such as JTPA, and programs to improve facilities and equipment.

The most remarkable new feature of this bill, however, is the creation of the Tech Prep Program, which provides a 4-year sequence of courses, beginning in high school and carrying forward through 2 years of community college. This will provide students with a continuity of instruction beyond high school and produce more technically proficient students.

The Tech Prep Program is an innovative approach to education. Besides providing cross-curricular cooperation between high schools and 2-year post-secondary schools, it also encourages the participation of business, industry and labor in curriculum development, giving students benefit of the practical experience of potential employers and coworkers. It gives special consideration to those schools whose graduates show consistent success in job placement or transfer to 4-year institutions. It encourages special attention to the needs of the handicapped, the economically disadvantaged and students with limited command of the English language. It also provides incentives for dropout prevention and programs to attract dropouts back into school.

In addition to the Tech Prep Program, the bill before us today authorizes $100 million for new equipment and facilities for vocational education, with special attention to schools in economically depressed areas. It also provides $4 million for programs directed to native American students.

In short, Madam Chairman, the Perkins Vocational Education Act provides badly needed Federal support for vocational and technical education programs. Vocational education producers our society's builders and fixers, our mechanics and technicians, the clerical personnel who process our papers and the skilled workers who build, operate, and repair our machines. Vocational education unites the hand and the mind. It expands horizons and builds confidence. Most of all, it provides American business and industry with the skilled work force they will need to remain competitive in an increasingly challenging world market.

I urge my colleagues to vote in favor of this important legislation.

Mr. SMITH of Vermont. Madam Chairman, my amendments fall in several parts throughout section 2.

Madam Chairman, as I said earlier during the debate on the main section of this bill, it is a dramatic improvement and a needed improvement in the overall policy direction of vocational education, now called applied technology education in this country; however, the amendment that I offer here, one which will create a national demonstration program for schoolwide performance agreements, is an idea which has been discussed briefly in our committee. It has the support of Members on both sides of the aisle and achieves something that frankly is not achieved by this bill in its current state.

Simply put, what it does is something that we as a nation of policymakers and rulemakers have failed to do for the last 30 years, and that is to finally ask teachers, to ask building principals, to ask administrators, to ask local school boards what it is that they would do to make schools better and to create an incentive that is not the incentive of more money, per se, but the incentive that they would be able to write a local plan to improve excellence and to improve the ability of their school to serve the needs of every child better than it has historically. In return for that commitment, put forward in a plan which is agreed to by the State and the Federal Government, the district would be free to restructure its curriculum, its human resources, and its calendar to achieve those higher standards.

It is a form of reregulation that gets at the need which we have heard from members of the teaching profession and the administrative profession to organize for excellence at the local level with the Federal and State governments as partners in that effort.

I believe that a national demonstration project, no more than 20, no fewer than 10 projects, arrived at competitively, focused on rural and urban areas where there are disadvantaged and poor students in disproportionate amounts would allow us over a period of 5 years through the diversity that we would see, the new models that we would see, come back to that time in the future when we reauthorize the Perkins bill again with solid evidence based on the performance of school districts across this country as to how we might change the configuration, change the landscape of the traditional top-down categorical form of legislation we have, which unfortunately constricts and restrains so many educators from the very goals that they, and, in fact, the regulations, are there to enforce.

Mr. HAWKINS. Madam Chairman, will the gentleman yield?

Mr. SMITH of Vermont. I yield to the gentleman from California.

Mr. HAWKINS. Madam Chairman, may I commend the gentleman from Vermont [Mr. SMITH] for his idea of a national demonstration program.

I have had the opportunity in the past several weeks of discussing his idea with him. I think there is a great deal of merit in it.

I am not so sure why it seems that Vermont has contributed so many outstanding members of the Education and Labor Committee, but they have consistently been of very high quality and very innovative. Certainly the gentleman from Vermont [Mr. SMITH] belongs in that category.

Now, I have expressed great concern, however, with respect to adding this idea at this time for several reasons; one, that it may invite other ideas that may emanate not so much among members of the Education and Labor Committee, but among other individuals who are very innovative and creative, and that this proposal may end up with a lot of other ideas.

I have asked the gentleman if he would be satisfied, however, if I would assure him that we will conduct a hearing or hearings on his proposal and that inasmuch as the full Education and Labor Committee is meeting on May 23, that if any concrete idea and any agreement can be reached, that I would be willing to place a bill of which he might be a sponsor on the agenda of that hearing.

I would hope that if we can assure the gentleman of this, and I am confident that the ranking minority member, the gentleman from Pennsylvania [Mr. GOODLING] would join with me, that would this be a better means of advancing the gentleman's cause, this particular proposal, than attaching it at this time to a bill that otherwise is free of such ideas.

The CHAIRMAN. The time of the gentleman from Vermont has expired.

(By unanimous consent, Mr. SMITH of Vermont was allowed to proceed for 1 additional minute.)

Mr. SMITH of Vermont. Madam Chairman, I have to say, and I speak for former members of the Vermont delegation to this esteemed body, that if flattery were food, we would all be well fed.

Mr. HAWKINS. Madam Chairman, if the gentleman will yield, I did save part of my heart for the gentleman from Montana [Mr. WILLIAMS], I should have saved some for the gentleman from Vermont.

Mr. SMITH of Vermont. Madam Chairman, I feel well basted before being put in the oven. Having said that, I appreciate the gentleman's comments in stating the commitments he has made, and wanting in no way to jeopardize what I think is the fundamental redirection of vocational education in the bill that I support, Madam Chairman, I ask unanimous consent to withdraw the proposed amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Vermont?

There was no objection.

The CHAIRMAN. The amendment is withdrawn.

□ 1720

AMENDMENT OFFERED BY MR. NIELSON OF UTAH

Mr. NIELSON of Utah. Madam Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. NIELSON of Utah: On page 129, strike out line 9 and everything that follows through line 16 on page 130, and insert in lieu thereof the following:

"(b) PROCEDURE.—In developing regulations authorized by subsection (a), the Secretary shall take whatever steps are necessary to ensure extensive public participation, including convening, as soon as practicable after enactment of this Act, regional meetings to provide comments on the content of proposed regulations. Such meetings shall include representatives of Federal, State, and local administrators, parents, teachers, and members of local boards of education involved with implementation of programs under this Act.".

Mr. NIELSON of Utah (during the reading). Madam Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Utah?

There was no objection.

Mr. NIELSON of Utah. Madam Chairman, I offer an amendment to strike out the requirement that the Department of Education conduct a negotiated rulemaking process prior to issuing regulations for reauthorized Perkins Vocational Education Act.

Madam Chairman, what would you and the Member of this body say if I came to you today and asked you to support legislation that called for the expenditure of $1 million or more to require a government agency to implement a restrictive process in the development of its regulations and that this process was burdensome, time consuming, and had produced no appreciable benefits in the past? That this process has delayed the publishing of regulations and has served only to allow special interest groups to demonstrate their influence on the regulatory process? You would say no. Our constituents—the taxpayers—are not well served by the application of this process, known as negotiated rulemaking, to Department of Education programs.

For Members who are unaware of the negotiated rulemaking procedure and of its previous use by the Department of Education, let me provide some background. Negotiated rulemaking is a procedure conceived by the executive branch for developing regulations in areas where there are clearly defined issues, where the regulations will exact a direct economic cost on the private sector, where there are a limited number of interested parties, and, most important, where the issuance of regulations is likely to result in litigation. Federal agencies have used "reg neg" with some success in promulgated regulations that meet those conditions, primarily on health and safety issues. But I must point out to my colleagues that none of these conditions apply to grantmaking programs, like vocational education, admininstered by the Department of Education.

Current standards for negotiated rulemaking were issued by the Administrative Conference of the United States, or ACUS. In fact, the bill before this body today requires the Department of Education to follow ACUS guidance in implementing "reg neg" for vocational education. Yet ACUS calls for the use of negotiated rulemaking on an experimental basis only at agency discretion. Those who devised the concept of negotiated rulemaking never intended that it be a mandatory procedure. And until the Congress took the step, a year ago, of requiring negotiated rulemaking for the chapter 1 program, no agency, to my knowledge, had ever been required by Congress to use this procedure.

Now let's take a look at what happened with chapter 1, after Congress took that unprecedented step. An independent evaluation of this experience indicates that the Department made a good-faith effort to implement the procedure properly. The participants in the chapter 1 negotiations, in fact, gave the Department high marks for its conduct of the reg neg process. But what were the results? The interest groups who had sought negotiated rulemaking guaranteed that it would: First, result in a smoother regulatory process, with major issues resolved early on; second, reduce the number of complaints made about the proposed regulations after their publication in the Federal Register; and third, result in earlier promulgation of final regulations. But none of this happened. In fact, the negotiators were generally unable to reach consensus on the major regulatory issues. In those few cases where consensus was reached, those same interest groups immediately tried to get the Department to amend the compromises and write the regulations more in their favor. After the Department published its proposed chapter 1 regulations in December, hundreds of people wrote to comment and recommend changes. That is not a problem—the public should have ample opportunity to comment on proposed regulations—but the purpose of negotiated rulemaking is to short cut the process by resolving issues early on, thereby minimizing the volume of public comments received and thus reducing the time it takes to produce final regulations. In the case of chapter 1, reg neg may even have resulted in more written comments than the Department would otherwise have received.

Did chapter 1 negotiated rulemaking have any impact on the substance of the regulations? The independent evaluation found very few instances in which the negotiating process resulted in substantive changes in the Department's draft regulations. It is likely that the final regulations for chapter 1 will be almost identical to what the Department would have issued had reg neg never been carried out. And did negotiated rulemaking succeed in shortening the regulatory process? To the contrary, 1 year after enactment of the Hawkins-Stafford amendments, final regulations still have not been issued, and the delay is at least partially attributable to the mandatory use of reg neg.

The issue of timing is particularly important, because State and local program administrators must have timely regulations that clarify provisions of the statute and provide them with guidance on how to implement programs legally and properly. Unfortunately, the reg neg language in H.R. 7 will result in much greater delay than was the case under chapter 1. Unlike the chapter 1 requirement, the negotiated rulemaking language in H.R. 7 would trigger application of the Federal Advisory Committee Act, commonly known as FACA. Under FACA, before a committee of reg neg negotiators could meet, the Department would be required to prepare a charter for the committee, obtain approval of the charter from the General Services Administration, and then publish the charter in the Federal Register. In the past, this has taken between 2 and 6 months. Nowhere in the Education and Labor Committee report on this bill does it explain why such a time-consuming FACA procedure should be used for vocational education when it was not used for chapter 1. I can predict, Madam Chairman, that a negotiated rulemaking procedure conducted under FACA would add many months to the regulatory process. How in the world could this be said to improve the vocational education of our Nation's children and adults?

Let me also address some of the other claims that have been made about negotiated rulemaking. It has

been said by proponents that regulations produced through reg neg require less paperwork and impose fewer legal and financial burdens on grantees. Proponents also claim that State and local administrators who implement education programs can be more confident that they are in compliance with the law if negotiated rulemaking has been used. Yet the literature on negotiated rulemaking offers no evidence to support these claims. At the chapter 1 reg neg session, some participants wanted less regulation but others wanted more. The result was a series of compromises not much different from what would have gone into the regs through the normal rulemaking process. Negotiated rulemaking does not alter the nature of the regulatory compromises achieved, merely the process by which they are reached. As for the compliance issue, there is no reason to believe that the participation of 15 people in a negotiating session will improve general understanding of, and compliance with, the regulations by hundreds of State and local administrators nationally.

I understand that the package of committee amendments, adopted earlier, includes a provision to limit the number of issues to be negotiated. This would be an improvement, but it is not enough. I oppose any negotiated rulemaking requirements as a clear infringement on executive branch prerogatives.

In sum, Madam Chairman, negotiated rulemaking is a costly and time-consuming process that has been shown to yield negligible benefits for Department of Education grantmaking programs. Reg neg was designed as a regulatory technique to be employed only at agency option. The Education Department's prior experience with negotiated rulemaking, under chapter 1, gives us no reason to require its use under vocational education. I urge all Members to support my amendment to delete the requirement for negotiated rulemaking in H.R. 7.

Mr. Chairman, I believe that should take care of the committee's desire to have special attention paid to these changes in the act.

As a former member of the Committee on Education and Labor, I was there when the first bill, vocational education bill, was passed, and I happily supported it. I am a little saddened that they chose, to change the Vocational Advisory Council to Human Investment Council, and make vocational education suddenly applied technology education.

I like the word vocational. I think it has a good ring and served us well, and I am a little disappointed with changing all of those names, but that is a minor point.

I commend the gentleman from California [Mr. HAWKINS] and the gentleman from Pennsylvania [Mr. GOODLING] for their work in creating the bill. I am going to be supportive of the bill, but I do believe that making the negotiated rulemaking mandatory rather than advisory or rather than letting the administration do as it has done in so many other agencies on other bills, I think that cripples the bill.

Mr. PEASE. Madam Chairman, will the gentleman yield?

Mr. NIELSON of Utah. I am happy to yield to the gentleman from Ohio.

Mr. PEASE. Madam Chairman, my hope is that the gentleman may not pursue his amendment or that, if he does pursue it, the body will not agree to it.

I have been an interested champion of regulatory negotiation for about 8 years now in the House, having had a bill in every Congress since the early 1980's. Last year, as the gentleman may know, the Senate passed unanimously a bill providing for regulatory negotiations. Hearings were held in the Committee on the Judiciary last year, and again just last week. We probably will have a reg neg bill on the floor of the House later this year.

I can understand the gentleman's concern about this.

The CHAIRMAN. The time of the gentleman from Utah [Mr. NIELSON] has expired.

(At the request of Mr. PEASE, and by unanimous consent, Mr. NIELSON of Utah was allowed to proceed for 2 additional minutes.)

Mr. PEASE. Madam Chairman, will the gentleman yield further?

Mr. NIELSON of Utah. I am happy to yield to the gentleman from Ohio.

Mr. PEASE. Madam Chairman, I can understand the gentleman's concern about a mandatory requirement, but if the gentleman's amendment prevails, as I understand it, there will not be any language at all in the bill regarding regulatory negotiation, and it seems to me that we ought to try to at least push agencies in that direction.

As the gentleman knows, we are at the first step of many steps before this bill becomes law. My guess is that his concerns can be worked out somewhere along the process in negotiated rulemaking which has too much to offer, in my opinion, for us to cut off the legs of this proposal at this time.

Mr. NIELSON of Utah. Reclaiming my time, I have two comments.

I mentioned in my talk, first of all, that it is useful in health and safety issues where we have a small number of people involved, and it does work in those agencies which the gentleman has been involved in with the Committee on Ways and Means, and I concede that.

The Department of Education is opposed to the bill. They are convinced that they could handle it very well. They feel they tried reg neg in chapter 1, and it has not been successful. Let me also say that I believe that this bill, which was passed in 1984, has done very well for 5 years, served us well without the reg neg process. It would seem to me it is unnecessary to hobble this bill with what the administration opposed and which I think, if they do it at all, they would do it in a way that probably is not the way that they intended, or the makers of the bill intended.

It seems to me that they have tried very hard, and so far the case for successful reg neg in education has been made.

That is the reason I opposed the amendment.

Mr. RAHALL. Madam Chairman, I rise in opposition to the amendment.

Madam Chairman, I appreciate the comments of the gentleman from Ohio in opposition to the pending amendment, and I would have to associate myself with them.

As one who is involved in the committee process in working with the gentleman from Pennsylvania [Mr. GOODLING] in developing the negotiated rulemaking legislation, I do stand here to defend what the committee has put in the bill. As the gentleman from Utah, I am sure, will realize, negotiated rulemaking was first used during the Reagan administration in some conscientious issues involving transportation processes. It had a track record of proven successes of being helpful in not only education where the negotiated rulemaking worked for educators, when the EPA started the process on asbestos in our schools, but it has worked with the EPA in the matter of toxic cleanup, and we have seen in those areas where negotiated rulemaking has been very successful in helping local administrators work with Federal agencies in solving the complexities of many conscientious issues that have been before these agencies and before the people.

Mr. NIELSON of Utah. Madam Chairman, will the gentleman yield?

Mr. RAHALL. I am happy to yield to the gentleman from Utah.

Mr. NIELSON of Utah. Madam Chairman, have those been mandatory, or have those been at the administration's direction?

Mr. RAHALL. Previously, as the gentleman knows, we had what was known as legislative veto, in which Congress would have a say whenever there was not a clear congressional intent, in which case the agency would go ahead and write their own regulations, and we had that vehicle at our disposal. Today, though, we do not have that process and, therefore, it is more important that we have the negotiated rulemaking process.

It is important for the Department of Education to convene these regular meetings with local officals to provide their comments to them on proposed

regulations and to require that such meetings include Federal, State, and local administrators, that they require the attendance of parents, teachers, and members of local boards of education who will be involved in the regulations that are being proposed, and I think it is very important to realize in the method in which we have changed the funding for this particular bill that is pending today and the complexities attendant thereto that this negotiated rulemaking is needed more today than ever before.

Madam Chairman, I would hope that the gentleman would perhaps reconsider offering his amendment and perhaps on down in the process in conference there can be language worked out in which perhaps the process can be limited to only certain areas.

Mr. GOODLING. Madam Chairman, I rise to strike the requisite number of words.

Madam Chairman, I would like to make two or three statements.

One, I would not want anyone to believe that H.R. 5 has been held up because of the rulemaking provision in that legislation, the negotiated rulemaking provision. As I understand it, they finished that negotiating 9 months ago.

□ 1730

So 9 months ago there is no excuse because that finished. We cannot blame it on negotiated rulemaking.

Second, it would appear to me that there are some advantages. The amendment I offered in committee, which has become part of the law, would limit this to just a few areas. I can understand how it would be very cumbersome if the entire piece of legislation would be open for that purpose. But if we have those who are on the firing line making suggestions to those who are going to write the rules and regulations, we can then eliminate something that takes even more time, and that is Members of Congress badgering the Secretary because they did not think the rules and regulations that had been proposed, not yet released, really met the intent of the legislation as we meant it to.

So I think there are just as many plusses as there are minuses. But I sure do not want any Member to think that H.R. 5 has been held up, or the regulations have been held up because of negotiated rulemaking, because that just is not so.

Mr. BARTLETT. Madam Chairman, I move to strike the requisite number of words.

Madam Chairman, I rise in strong support of this amendment. Negotiated rulemaking is a very time-consuming and expensive procedure which was not intended for the preparation of Federal education grant regulations. It was developed as a way to avoid expensive and protracted litigation over regulations affecting distinct economic, health, and safety issues. While the Congress required negotiated rulemaking on four key issues in the reauthorization of the chapter 1 program, H.R. 5, this procedure has not been successful.

A recent independent study prepared by the Policy Studies Associates Inc. concluded that negotiated rulemaking is not an effective strategy in large Federal education grant programs such as chapter 1 and the Perkins Act. First, the procedure is expensive. The estimated cost of implementation of the negotiated rulemaking process for the chapter 1 program was $1 million. No appropriation was made for this activity and the Department of Education had to fund this procedure out of their existing budget.

Second, the negotiated rulemaking process had no impact on the proposed regulations for the chapter 1 program. The process did not ensure a consensus on the major issues, its prime objective, and resulted in few consensus agreements. In the chapter 1 program, negotiated rulemaking has not been successful in developing regulations and may be a factor in the delay in publication of the final regulations for this program.

Third, the public has many opportunities to participate in the development of Department of Education regulations through public comment periods. Negotiated rulemaking does not change that process and it does not lead to a better general understanding of the regulations. Moreover, it is burdensome and ineffective in education grant programs.

Finally, negotiated rulemaking may be a useful rulemaking option; however it should not be mandated by the Congress. Such a mandate is an unnecessary intrusion by the Congress on executive branch authority.

H.R. 7 is a bipartisan bill which makes major improvements in vocational education programs. It is unfortunate that this language was included in the bill and I urge my colleagues to support its repeal.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Utah [Mr. NIELSON].

The amendment was rejected.

The CHAIRMAN. The clerk will designate title III.

The text of title III is as follows:

TITLE III—APPLIED TECHNOLOGY EDUCATION OPPORTUNITIES FOR AMERICAN INDIANS AND ALASKA NATIVES

PART A—TRIBALLY CONTROLLED POSTSECONDARY APPLIED TECHNOLOGY INSTITUTIONS

SEC. 301. SHORT TITLE.

This part may be cited as the "Tribally Controlled Applied Technology Institutions Support Act of 1989".

SEC. 302. PURPOSE.

It is the purpose of this part to provide grants for the operation and improvement of tribally controlled postsecondary applied technology institutions to ensure continued and expanded educational opportunities for Indian students, and to allow for the improvement and expansion of the physical resources of such institutions.

SEC. 303. GRANTS AUTHORIZED.

(a) GENERAL AUTHORITY.—The Secretary shall, subject to the availability of appropriations, make grants pursuant to this section to tribally controlled postsecondary applied technology institutions to provide basic support for the education and training of Indian students.

(b) USE OF GRANTS.—Amounts made available under grants made pursuant to this section may be used for—

(1) training costs;

(2) educational costs;

(3) equipment costs;

(4) administrative costs; and

(5) costs of operation and maintenance of the institution.

SEC. 304. ELIGIBLE GRANT RECIPIENTS.

To be eligible for assistance under this part a tribally controlled postsecondary applied technology institution shall—

(1) be governed by a board of directors or trustees, a majority of whom are Indians;

(2) demonstrate adherence to stated goals, a philosophy or a plan of operation which fosters individual Indian economic and self-sufficiency opportunity, including programs which are appropriate to stated tribal goals of developing individual entrepreneurships and self-sustaining economic infrastructures on reservations;

(3) have been in operation for at least 3 years;

(4) hold accreditation with or be a candidate for accreditation by a nationally recognized accrediting authority for postsecondary applied technology education;

(5) enrolls the full-time equivalency of not less than 100 students, of whom a majority are Indians.

SEC. 305. GRANTS TO TRIBALLY CONTROLLED POSTSECONDARY APPLIED TECHNOLOGY INSTITUTIONS.

(a) APPLICATIONS.—Any tribally controlled postsecondary applied technology institution that desires to receive a grant under this part shall submit an application to the Secretary. Such application shall include a description of recordkeeping procedures for the expenditure of funds received under this part which will allow the Secretary to audit and monitor programs.

(b) INITIAL GRANTS.—In the first year for which amounts are appropriated to carry out this part, the number of grants issued shall be not less than 2.

(c) CONSULTATION.—In making grants pursuant to this part, the Secretary shall, to the extent practicable, consult with the boards of trustees and the tribal governments chartering the institutions being considered.

(d) LIMITATION.—Amounts made available under grants made pursuant to this part shall not be used in connection with religious worship or sectarian instruction.

SEC. 306. AMOUNT OF GRANTS.

(a) ALLOWABLE EXPENSES.—Except as provided in subsection (d), the Secretary shall, subject to the availability of appropriations, provide for each program year to each tribally controlled applied technology institution having an application approved by the Secretary, an amount necessary to pay expenses associated with—

(1) the maintenance and operation of the program, including development costs, costs of basic and special instruction (including special programs for individuals with

handicaps and academic instruction), materials, student costs, administrative expenses, boarding costs, transportation, student services, day care and family support programs for students and their families (including contribution to the costs of education for dependents);

(2) capital expenditures, including operations and maintenance and minor improvements and repair, physical plant maintenance costs; and

(3) costs associated with repair, upkeep, replacement, and upgrading of the instructional equipment.

(b) PAYMENTS.—

(1) IN GENERAL.—For each fiscal year, the Secretary shall provide amounts to institutions that are approved for grants under section 305 in 2 payments.

(2) FIRST PAYMENT.—(A) The first payment shall be made before the end of the 30-day period beginning on the date of the enactment of an Act providing appropriations for such fiscal year for purposes of carrying out this part. Except as provided in subparagraph (B), such payment shall be in an amount that is equal to at least 50 percent of the amount determined to be required under subsection (a) for the preceding year.

(B) In the first year that an institution receives a grant under this part, the Secretary shall determine the amount of the first payment by estimating the costs described in subsection (a) based upon information submitted by the institution.

(3) FINAL PAYMENT.—Each institution that receives a grant under section 305 shall receive a final payment of amounts to which it is entitled based on its costs under subsection (a) not later than January 1 of the fiscal year in which the costs are incurred.

(c) ACCOUNTING.—Each institution receiving payments under this part shall annually provide to the Secretary an accurate and detailed accounting of its operating and maintenance expenses and such other information concerning costs as the Secretary may reasonably require.

(d) ADDITIONAL GRANTS AUTHORIZED.—

(1) GENERAL AUTHORITY.—After providing grants to all eligible institutions under subsection (a), the Secretary shall, from any amounts remaining—

(A) first allocate to institutions receiving their first grant under this part an amount equal to the training equipment costs necessary to implement training programs; and

(B) from any remaining funds, review training equipment needs at each institution receiving assistance under this part at the end of the 5-year period beginning on the first day of the first year for which the institution received a grant under this part, and provide allocations for other training equipment needs if it is demonstrated by the institution that its training equipment has become obsolete for its purposes, or that the development of other training programs is appropriate.

(2) INFORMATION.—For the purposes of carrying out this subsection, the Secretary may require from each institution the submission of such information relating to the feasibility of such training programs as is reasonable and practical.

SEC. 307. EFFECT ON OTHER PROGRAMS.

(a) IN GENERAL.—Except as specifically provided in this Act, eligibility for assistance under this Act shall not preclude any tribally controlled postsecondary applied technology institution from receiving Federal financial assistance under any program authorized under the Higher Education Act of 1965 or any other applicable program for the benefit of institutions of higher education or applied technology education.

(b) PROHIBITION ON ALTERATION OF GRANT AMOUNT.—The amount of any grant for which tribally controlled postsecondary applied technology institutions are eligible under this part shall not be altered because of funds allocated to any such institution from funds appropriated under the Act of November 2, 1921 (42 Stat. 208; 25 U.S.C. 13).

(c) PROHIBITION ON CONTRACT DENIAL.—No tribally controlled postsecondary applied technology institution for which an Indian tribe has designated a portion of the funds appropriated for the tribe from funds appropriated under the Act of November 2, 1921 (42 Stat. 208; 25 U.S.C. 13) may be denied a contract for such portion under the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450 et seq.) (except as provided in that Act), or denied appropriate contract support to administer such portion of the appropriated funds.

SEC. 308. GRANT ADJUSTMENTS.

(a) ALLOCATION.—

(1) IN GENERAL.—If the sums appropriated for any fiscal year for grants under this part are not sufficient to pay in full the total amount which approved applicants are eligible to receive under this part for such fiscal year, the Secretary shall first allocate to each such applicant which received funds under this part for the preceding fiscal year an amount equal to 100 percent of the product of the per capita payment for the preceding fiscal year and such applicant's Indian student count for the current program year, plus an amount equal to the actual cost of any increase to the per capita figure resulting from inflationary increases to necessary costs beyond the institution's control.

(2) DETERMINATION OF PER CAPITA PAYMENT.—For purposes of paragraph (1), the per capita payment for any fiscal year shall be determined by dividing the amount available for grants to tribally controlled postsecondary applied technology institutions under this part for such program year by the sum of the Indian student counts of such institutions for such program year. The Secretary shall, on the basis of the most accurate data available from the institutions, compute the Indian student count for any fiscal year for which such count was not used for the purpose of making allocations under this part.

(b) NEEDS ESTIMATE.—The Secretary shall, based on most accurate data available from the institutions and Indian tribes whose Indian students are served under this part, in consideration of employment needs, economic development needs, population training needs, prepare an actual budget needs estimate of each institution eligible under this part for each subsequent program year, and submit such budget needs estimate to the Congress in such a timely manner as will enable the appropriate committees of the Congress to consider such needs data for purposes of the uninterrupted flow of adequate appropriations to such institutions.

SEC. 309. REPORT ON FACILITIES AND FACILITIES IMPROVEMENT.

(a) STUDY OF TRAINING AND HOUSING NEEDS.—

(1) STUDY REQUIRED.—The Secretary shall conduct a detailed study of the training and housing needs of each institution eligible under this part.

(2) CONTENTS OF STUDY.—The study required by paragraph (1) shall include an examination of—

(A) training equipment needs; and

(B) housing needs of families whose heads of household are students and whose dependents have no alternate source of support while such heads of household are students;

(3) REPORT REQUIRED.—The Secretary shall report to the Congress not later than January 1, 1991, on the results of the study required by paragraph (1).

(4) CONTENTS OF REPORT.—The report required by paragraph (3) shall—

(A) include the number, type, and cost of meeting the needs described in paragraph (2); and

(B) rank each institution by relative need.

(5) PRIORITY.—In conducting the study required by paragraph (1), the Secretary shall give priority to institutions which are receiving assistance under this part.

(b) LONG-TERM STUDY OF FACILITIES.—

(1) STUDY REQUIRED.—The Secretary shall provide for the conduct of a long-term study of facilities of each institution eligible for assistance under this part.

(2) CONTENTS OF STUDY.—The study required by paragraph (1) shall include a 5-year projection of training facilities and equipment and housing needs and shall consider such factors as projected service population, employment and economic development forecasting, based on the most current and accurate data available from the institutions and Indian tribes affected.

(3) REPORT REQUIRED.—The Secretary shall submit to the Congress a detailed report on the results of such study not later than the end of the 18-month period beginning on the date of the enactment of this Act.

(4) PROGRESS REPORTS REQUIRED.—The Secretary shall submit to the Congress a progress report not less often than once every 6 months, beginning on the date of the enactment of this Act, concerning activities conducted pursuant to this section.

(c) CONSTRUCTION AND RENOVATION GRANTS.—Pursuant to the studies conducted and the report submitted under subsection (a) and (b), the Secretary is authorized to make grants to the tribally controlled applied technology institutions for construction, rehabilitation, major alterations and renovation of buildings and other physical structures for the conduct of programs funded under this part. Such grants shall be made in such time and pursuant to such applications as the Secretary shall by regulation determine.

SEC. 310. DEFINITIONS.

For the purposes of this Act:

(1) The terms "Indian", "Indian tribe" and "Secretary" have the meaning given such terms in section 2 of the Tribally Controlled Community College Assistance Act of 1978.

(2) The term "tribally controlled postsecondary applied technology institution" means an institution of higher education which is formally controlled, or has been formally sanctioned, or chartered by the governing body of an Indian tribe or tribes which offers technical degrees or certificate granting programs.

(3) The term "Indian student count" means a number equal to the total number of Indian students enrolled in each tribally controlled applied technology institution, determined as follows:

(A) The registrations of Indian students as in effect on October 1 of each year.

(B) Credits or clock hours toward a certificate earned in classes offered during a summer term shall be counted toward the computation of the Indian student count in the succeeding fall term.

(C) Credits or clock hours toward a certificate earned in classes during a summer term shall be counted toward the computation of the Indian student count if the institution at which the student is in attendance has established criteria for the admission of such student on the basis of the student's ability to benefit from the education or training offered. The institution shall be presumed to have established such criteria if the admission procedures for such studies include counseling or testing that measures the student's aptitude to successfully complete the course in which the student has enrolled. No credit earned by such student for purposes of obtaining a high school degree or its equivalent shall be counted toward the computation of the Indian student count.

(D) Indian students earning credits in any continuing education program of a tribally controlled applied technology institution shall be included in determining the sum of all credit or clock hours.

(E) Credits or clock hours earned in a continuing education program shall be converted to the basis that is in accordance with the Institution's system for providing credit for participation in such programs.

SEC. 311. APPROPRIATIONS AUTHORIZED.

(a) IN GENERAL.—There are authorized to be appropriated for purposes of carrying out this part $4,000,000 for the fiscal year 1990 and such sums as are necessary for each of the 5 succeeding fiscal years. Funds appropriated pursuant to this authority shall first be used to carry out the provisions of section 305.

(b) AVAILABILITY OF FUNDS.—Unless otherwise provided in appropriations Acts, funds appropriated pursuant to this section shall remain available until expended.

(c) FORWARD FUNDING.—Except as provided in appropriations Acts, funds appropriated in any fiscal year for grants under this part may be used to fund programs provided in the current or succeeding fiscal years.

PART B—OPPORTUNITIES FOR TRIBAL ECONOMIC DEVELOPMENT

SEC. 321. TRIBAL ECONOMIC DEVELOPMENT.

The Tribally Controlled Community College Assistance Act of 1978 is amended by adding at the end the following new title:

"TITLE IV—TRIBAL ECONOMIC DEVELOPMENT

"SEC. 401. SHORT TITLE.

"This title may be cited as the 'Tribal Economic Development and Technology Related Education Assistance Act of 1989'.

"SEC. 402. GRANTS AUTHORIZED.

"(a) GENERAL AUTHORITY.—The Secretary is authorized, subject to the availability of appropriations, to make grants to tribally controlled community colleges which receive grants under either this Act or the Navajo Community College Act for the establishment and support of tribal economic development and education institutes. Each program conducted with assistance under a grant under this subsection shall include at least the following activities:

"(1) Determination of the economic development needs and potential of the Indian tribes involved in the program, including agriculture and natural resources.

"(2) Development of consistent courses of instruction to prepare postsecondary students, tribal officials and others to meet the needs defined under paragraph (1). The development of such courses may be coordinated with secondary institutions to the extent practicable.

"(3) The conduct of applied technology courses, including administrative expenses and student support services.

"(4) Technical assistance and training to Federal, tribal and community officials and business managers and planners deemed necessary by the institution to enable full implementation of, and benefits to be derived from, the program developed under paragraph (1).

"(5) Clearinghouse activities encouraging the coordination of, and providing a point for the coordination of, all applied technology activities (and academically related training) serving all students of the Indian tribe involved in the grant.

"(6) The evaluation of such grants and their effect on the needs developed under paragraph (1) and tribal economic self-sufficiency.

"(b) AMOUNT AND DURATION.—The grants shall be of such amount and duration as to afford the greatest opportunity for success and the generation of relevant data.

"(c) APPLICATIONS.—Institutions which receive funds under other titles of this Act or the Navajo Community College Act may apply for grants under this title either individually or as consortia. Each applicant shall act in cooperation with an Indian tribe or tribes in developing and implementing a grant under this part.

"SEC. 403. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated for grants under this part $2,000,000 for the fiscal year 1990 and such sums as may be necessary for each of the 5 succeeding fiscal years.".

SEC. 322. FACILITIES.

Section 112 of the Tribally Controlled Community College Assistance Act of 1978 is amended by redesignating subsection (c) as subsection (d) and inserting after subsection (b) the following new subsection:

"(c)(1) The Secretary shall enter into a contract with an organization described in paragraph (2) to establish and provide on an annual basis criteria for the determination and prioritization in a consistent and equitable manner of the facilities construction and renovation needs of colleges that receive funding under this Act or the Navajo Community College Act.

"(2) An organization described in this section is any organization that—

"(A) is eligible to receive a contract under the Indian Self-Determination and Education Assistance Act; and

"(B) has demonstrated expertise in areas and issues dealing with tribally controlled community colleges.

"(3) The Secretary shall include the priority list established pursuant to this subsection in the budget submitted annually to the Congress.".

PART C—OPPORTUNITIES FOR INDIAN SECONDARY STUDENTS IN BUREAU OF INDIAN AFFAIRS FUNDED SCHOOLS

SEC. 331. INDIAN STUDENTS IN BUREAU OF INDIAN AFFAIRS FUNDED SECONDARY SCHOOLS.

Subsection (c) of section 1128 of the Education Amendments of 1978 (25 U.S.C. 2008) is amended by adding at the end the following new paragraph:

"(6)(A) The Secretary shall adjust the formula established under subsection (a) to use a weighted unit of .25 for each eligible Indian student enrolled in a secondary education program offering a coherent course of subjects providing training leading to a competency in a technological skill.

"(B) The adjustment required under subparagraph (A) shall be used for the first fiscal year and each succeeding fiscal year for which there is an increase in the funds appropriated for allotment under this section specifically for the implementation of this paragraph.".

PART D—TRIBAL PROGRAM IMPROVEMENTS

SEC. 341. INDIAN AND NATIVE HAWAIIAN PROGRAMS.

Section 103 of the Carl D. Perkins Vocational Education Act (20 U.S.C. 2313) is amended—

(1) by inserting "(A)" after "(b)(1)"; and

(2) by adding at the end the following new subparagraph:

"(B) The Secretary may not place upon grants or contracts entered into under this paragraph any restrictions relating to programs or outcomes other than restrictions which apply to grants made to or contracts entered into with States under section 101. The Secretary, in making grants under this paragraph, shall give special consideration to grants which involve, coordinate with, or encourage tribal economic development plans.".

The CHAIRMAN. Are there any amendments to title III?

Are there any further amendments?

AMENDMENT OFFERED BY MR. DANNEMEYER

Mr. DANNEMEYER. Madam Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DANNEMEYER: At the end of the bill add the following new title:

"TITLE V. PROHIBITION AGAINST THE USE OF FEDERAL FUNDS BY SCHOOL DISTRICTS AND COMMUNITY COLLEGES WHICH OFFER APPLIED TECHNOLOGY PROGRAMS AND WHICH PROHIBIT VOLUNTARY SCHOOL PRAYER

"No funds shall be made available under any applicable program in this Act to any state or local educational agency which has a policy of denying or which effectively prevents participation in prayer in public schools by individuals on a voluntary basis."

Mr. DANNEMEYER. Madam Chairman, there is a crisis in public education in this country, and no one can deny that. My amendment relates to an effort to correct the crisis.

There are twin goals in education in any society. One deals with the education of competence, which is the subject matter essentially of this bill. The other, of equal importance, is the education of conscience. Since 1962 we have denied the school children of this country from the equally important task in education; namely, dealing with the education of conscience. That is the reason behind the offering of the amendment.

If we look back on the inauguration ceremony, we find that the President of the United States took the oath of office on a Bible on which George Washington took the oath of office when he became our President a little over 200 years ago. At the inauguration ceremony, one of the great evangelical leaders of this world, Billy Graham, gave a prayer, the closing petition of which contained an express reference to the triune God. Each day we begin the deliberations of this body

we have a Chaplain paid for by the taxpayers who recites a prayer, and the same on the Senate side. The U.S. Supreme Court daily opens its deliberations with a recitation "God save this honorable Court." Our institutions are clearly founded on the existence of a Creator, an almighty God that created this world.

I would also like to cite to my colleagues a book that was written by David Barton, published in 1988, that has a series of interesting comparisons on what has happened to our culture from the time that our society, through the Supreme Court of the United States in 1962, removed opening day voluntary prayer in the public schools of America. On SAT scores in 1962, the average was 970. By 1986 it had declined to about 908. In teenage pregnancies, birth rates for unwed women 15 to 19 years of age, births per 1,000 unwed women in 1962 was about 15, and the latest figure for 1983 is about 28.

□ 1740

Pregnancies to unwed women under 15 years of age, in 1962, total live births and abortions, at that time was about 5, and now we find in the current year of 1983 that number had risen to some 21 per thousand.

Pregnancies to unwed women 15 to 19 years of age in 1962 was 100 per 100,000, by 1983 the latest figure available, about 540 per 100,000.

Sexually transmitted diseases, gonorrhea, the group 10 to 14 years of age, in 1962 the level was 14 per 100,000; in 1985 that is 44 per 100,000.

Sexually transmitted diseases, gonorrhea, age group 15 to 19, in 1962 it was 400 per 100,000; in 1985 it was up to about 1,150 per 100,000.

Suicide rates in the age group 20 to 24, 1962 was 8 per 100,000, by 1983, the latest year for which the figures are available, it had doubled almost to 15.

Divorces in this country in 1962 the average rate per 1,000 of total population was 2.2, and the most recent year available, 1980–83, it is more than doubled to 5.1.

Unmarried couples living together in 1982, we had a total of some 439 per 1,000, and by the latest year for which figures are available, 1985, that figure had risen to 1,983 per 100,000.

The CHAIRMAN. The time of the gentleman from California [Mr. DANNEMEYER] has expired.

(By unanimous consent Mr. DANNEMEYER was allowed to proceed for 2 additional minutes.)

Mr. DANNEMEYER. Violent crime in the United States, number of offenses in 1962, 255 per 100,000; by 1986 it had risen to 1,327 per 100,000.

Alcohol consumption per capita in the United States, 2 gallons per capita in 1962 approximately; in 1983 it had risen to 2.6.

The national estimate of child abuse and neglect reports, in 1976, the earliest year for which this is available, 669 per 100,000; in 1985 it had risen to 1,928 per 100,000; child abuse reporting rates, cases per 1,000 children, 1976 it was 10.1 per 1,000, by 1985 it had escalated to 30.6 per 1,000.

Illegal drug use among youths age 12 to 25, marijuana, 1972, 14 percent of the children in those age groups; by 1982 it had risen to 26.7; hashish, 47.9 in 1972 and 64.1 percent in 1982; cocaine in 1972, 1.5 percent of drug use among ages 12 to 25, 1.5 percent; in 1982 it was 6.5 percent.

Drug use among young adults, high school seniors who had tried marijuana, 4 percent in 1962, 51 percent in 1982.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent Mr. DANNEMEYER was allowed to proceed for 1 additional minute.)

Mr. DANNEMEYER. Now, Madam Chairman, you may not agree with the correlations that this author has come up with, David Barton, but it is a disturbing study in the correlation between what this society of ours did through the decision of the U.S. Supreme Court in 1962 saying that we no longer would have voluntary prayer in public schools, and I think the minimum thing that we could do here today is to adopt this amendment.

This Member from California would have preferred to offer a constitutional amendment on this subject but it would not be germane to this bill. This is why I have approached the matter from the offering of this amendment.

The CHAIRMAN. The time of the gentleman has expired.

(On request of Mr. GEKAS and by unanimous consent, Mr. DANNEMEYER was allowed to proceed for 3 additional minutes.)

Mr. GEKAS. Madam Chairman, would the gentleman yield?

Mr. DANNEMEYER. I yield to the gentleman from Pennsylvania.

Mr. GEKAS. I thank the gentleman for yielding.

Madam Chairman, I intend to vote for the amendment, but I do have a question about it which will help us develop it as we move along. That quesiton is: There are many school boards across the country, I think, who are willing to legislate a moment of silence of a moment of meditation without using the word "prayer."

I am wondering whether or not the language as strictly construed in the amendment of the gentleman from California would prevent a moment of silence of a moment of meditation as contrasted to or as might be included in the word "prayer."

Does the gentleman from California have any thoughts on that?

Mr. DANNEMEYER. I do not think the language of my amendment would preclude the moment of silence because I think the moment of silence would be considered within the context of the express language of the amendment.

Mr. GEKAS. If the gentleman would yield further, it says "or which effectively prevents participation in prayer in public schools by individuals." I think we ought to keep watch on this.

I think many of us want to support the spirit of the amendment, but we ought to watch, as this progresses, the exact meaning of the individual phrases. I thank the gentleman.

Mr. DANNEMEYER. Madam Chairman, I can say to my collegue from Pennsylvania—and I thank him for his comment—that poll after poll in this country has made very clear that the vast majority of the American public want this to happen. The poll that I have reference to is the CBS-New Times poll in July 1987 that showed that 66 percent of the people in this country favor it, 27 percent are opposed, and it did not make any difference particularly between Democrats, independents, Republicans. The percentages were about the same.

It is not a partisan issue. It is something the American public wants to happen overwhelmingly.

Since 1962 when this decision of the U.S. Supreme Court came down precluding voluntary prayer in public schools in America, I am only aware that in one instance that the House has voted on a constitutional amendment that would have in effect permitted the States of the Union to override the decision of the Supreme Court.

As I said earlier, I would have hoped that we could present a constitutional amendment so that Members could vote on that, but it would not be germane to this bill. So in place of that proposed constitutional amendment I have offered this amendment.

Mr. GOODLING. Madam Chairman, I move to strike the last word merely to say if I thought this amendment would correct all of those problems that were just recited, I would say, "Let's put it on every piece of legislation that comes down the pike."

But you know and I know, probably, that home is the only place that is going to do very much about correcting those problems.

So I suppose it is a copout to say, "Well, you know, let's let the schools do it." But I have some questions.

When you look at this "no funds shall be made available under any applicable program in this act to any State or local educational agency which has a policy of denying or which effectively prevents participating in prayer in public schools by individuals on a voluntary basis."

Now my first question is how do you prevent anyone from voluntarily praying? Now if that is not what the

amendment means, then we ought to say what the amendment really means is that you will state that there will be voluntary prayer in your school.

Now when does that take place? "Johnnie, what is the answer to this question?"

"Sorry, Teach, I am voluntarily praying. I will be up with an answer, if my prayers get answered, a little bit later."

I want to correct all those evils the gentleman from California talked about. I know that only myself as a parent is going to have very much to do with that. I think we want to be very, very sure here that we are not writing into this that not only must they allow voluntary prayer—and I do not know how you stop that—but secondly are we somehow or other mandating that they state a certain time that you have voluntary prayer? Or what are we doing?

□ 1750

The God I pray to, and his son, and sometimes one time, sometimes 20 times a day. Just a few minutes ago when I saw this amendment, as a matter of fact, would not be very happy if he thought I was only doing it, or she, simply because I mandated to do it. I think that they will not be very happy with my praying in that manner. I always tell them in churches back home when they write me those letters, in the last paragraph it says, "I am praying to you," in the last paragraph it says, "I am praying to you," I appreciate that. But let me tell Members when it is written in such a manner where it is actually saying, "Brother, I am praying for you," I resent that holier than thou, et cetera, attitude.

So I just want to make sure that this amendment somehow or other is not saying that we are mandating a certain period of voluntary prayer in, I don't know when they are taking a vocational education course or in shop or wherever it may be, because I do not believe Members can stop voluntary prayer.

Mr. DANNEMEYER. Madam Chairman, will the gentleman yield?

Mr. GOODLING. I yield to the gentleman from California.

Mr. DANNEMEYER. It is the intent of this amendment, I will share with my colleague from Pennsylvania, that there is no effort on my part as the author of this amendment to mandate that we have voluntary prayer in public schools. It is just to authorize a school district to do that if the local trustees choose to do that, and the timing of it, I do not think we have to put this here when it takes place. That is a decision a local school district makes.

Mr. GOODLING. But the gentleman said if the local trustees decide to do it, but I do not quite read it that way. I understand if they do not do it, they do not get any funds. Am I wrong?

Mr. DANNEMEYER. That is right, no funds can be used if they have a policy that says they cannot do it. It means if they want to get the money, they have to have a policy that tolerates it.

Mr. GOODLING. Did you pray about this?

Mr. GEKAS. Madam Chairman, will the gentleman yield?

Mr. GOODLING. I yield to the gentleman from Pennsylvania.

Mr. GEKAS. We gather that the intent, those Members who are talking about this are in favor of your basic proposition, so we want to try to help make it work.

It appears that the negative way in which the gentleman has posed the language means that if they take no position, that is, if we give them the opportunity to choose as we were discussing here, that that is preferable to mandating prayer. As a matter of fact, that would be unconstitutional if we mandated prayer. Is the gentleman not really intending here to say that if a school district actively prohibited prayer in school, then the funds would be stripped, but if they do not say anything about it all, then their funds will not be cut off?

Mr. DANNEMEYER. That is a correct statement. If there is nothing in the policy of the school district that prohibits it, then it would be in compliance with the amendment.

Mr. GEKAS. Then we have to go a step further. It seems to determine what is meant by either the prayer, the voluntary prayer about which the amendment speaks.

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. GOODLING] has expired.

(By unanimous consent Mr. GOODLING was allowed to proceed for 3 additional minutes.)

Mr. GOODLING. I yield to the gentleman from Pennsylvania [Mr. GEKAS].

Mr. GEKAS. What we want to do as we go along and I will seek help here in a moment, to make sure the final meaning of what the gentleman from California is attempting to do here is give the school districts and ultimately the students the opportunity to choose, not to mandate prayer, but make the school districts to not prohibit the opportunity to choose, to utter voluntary prayer.

Mr. DANNEMEYER. The gentleman has correctly interpreted the sense of this amendment, and I thank the gentleman for his contribution.

Mr. GOODLING. Madam Chairman, I yield back the balance of my time.

Mr. BARTON of Texas. Madam Chairman, I move to strike the requisite number of words.

I will not take very long. I know the hour is late.

I want to rise in support of the amendment of the gentleman from California [Mr. DANNEMEYER]. The gentleman referred to a study earlier by a gentleman named David Barton, no relation to myself, but I have met with that gentleman, and I have received several copies of the documents that have been referred to. They are very interesting reading, and I would encourage every Member of Congress to take the time to get that booklet and read it.

I, as the gentleman from California [Mr. DANNEMEYER], would support a constitutional amendment allowing voluntary school prayer in our public schools since that amendment has to come before the Committee on the Judiciary which stated several times they plan not to allow the amendment on to the floor. I think it is a worthwhile effort to put the issue of voluntary prayer before the American people.

As the gentleman from California [Mr. DANNEMEYER] stated, somewhere in the neighborhood of 80 to 85 percent of the American public supports voluntary school prayer, and I would urge the adoption of the amendment.

Madam Chairman, I yield back the balance of my time.

Mr. HENRY. Madam Chairman, I move to strike the requisite number of words.

I hate to belabor the point, but the issue is critical and the one which sometimes perhaps dares to giggle about and position about and position over. I know that is not the intent of the gentleman, either.

I think if we are going to move forward on this amendment, I think the record has to show two very, very clear things. I would suggest these. One, I think we have to be very clear that, and I support the intent of the amendment, as I understand it. For that reason if there is a vote on it, I vote for it, but I want the record to show very clearly that I believe the amendment as drawn has technical deficiencies which have to be addressed either by the other body or in conference, because I think the amendment in the present wording is technically, legally deficient.

A very practical matter, I do not know when to provide or what point of opportunity, a period for what I presume is meant to be silent prayer or meditation in a community college environment when we do not have kids on a regular schedule as opposed to K-12, when we know the school day begins and ends.

Perhaps more importantly and second, I also want the record very clearly to show, and I support the intent of the amendment, although I believe the amendment needs work, I think it is very important that the sponsor confirm this, just to ensure that the intent of the amendment is

constitutionally protected. May I ask the gentleman, very clearly, is he willing to state for the record that the intent of the language is neither to legislatively encourage nor legislatively discourage the practice of prayer, but simply to provide opportunity for silent prayer?

Mr. DANNEMEYER. The gentleman has correctly interpreted the intent of the author of this amendment.

Mr. GOODLING. Madam Chairman, will the gentleman yield?

Mr. HENRY. I yield to the gentleman from Pennsylvania.

Mr. GOODLING. I think my question was answered. I was going to ask by the way in which the gentleman raised the question, but I was concerned about the word "silent." Is your intent voluntary silent prayer?

Mr. DANNEMEYER. I would, in answer to the gentleman's question that was earlier asked by the gentleman from Pennsylvania [Mr. GEKAS], when you use the word "prayer," that includes both an expressed and a silent prayer. Both forms would be authorized under this, the terms of this amendment. That is the intention of the author with respect to that issue.

Mr. GOODLING. It is beyond silent prayer. Does the gentleman not also have to specifically set aside a period for that prayer?

Mr. DANNEMEYER. I do not think it is necessary to do that. I think the logic of the people would tell Members that ordinarily when we begin public events in our society, we do that at the beginning of the day or beginning of the proceeding. We have a prayer here at the beginning of the House proceeding, not the middle or end.

Mr. GOODLING. I realize the logic and realize there are an awful lot of people who have the intent to destroy what Members are trying to do, and therefore they will have all sorts of prayers uttered audibly at any time while someone is conducting class, while lecturing, et cetera. That is why I think if it is silent prayer, then it can be any time. If it is audible prayer, it seems to me we have to specify in your amendment that there is a time for such.

Mr. DANNEMEYER. It is the intention of the offerer that this take place, whatever the activity is, at the beginning of the school day.

Mr. GOODLING. Madam Chairman, I thank the gentleman for yielding.

Mr. HENRY. Madam Chairman, I yield back the balance of my time.

□ 1800

Mr. EDWARDS of California. Madam Chairman, I move to strike the last word, and I rise in opposition to the amendment.

Madam Chairman, I just learned of the amendment offered by the gentleman from California [Mr. DANNEMEYER]. If we are serious about this very valuable bill and want to see it declared unconstitutional, we can just add an unconstitutional amendment to it.

If there is one thing the first amendment of the Constitution is very clear about in all of the cases regarding prayer in public schools, it is that the Government shall not be tilting toward religion. This is something that Thomas Jefferson felt very strongly about and insisted on when he wrote the Constitution for Virginia, and it made a lot of sense. There were dozens and dozens of religions when our country was founded, and it would not have worked at all not to have had total freedom of religion. Today, when we have even more religions, it is perilous to think that the Government—and we are talking about the Government making up a prayer, because the subject is public schools—will decide what the prayer will be and what kind of a prayer the children are going to be subjected to.

There are probably 600 to 700 religions in this country, including hermits. I just cannot begin to name the different religions we have in this country. If one of them is entitled to offer the prayer, why should the Government decide what the prayer is going to be?

So it is a perilous thing.

Mr. DANNEMEYER. Madam Chairman, will the gentleman yield?

Mr. EDWARDS of California. I yield to my friend, the gentleman from California.

Mr. DANNEMEYER. Madam Chairman, in 1892 the U.S. Supreme Court made an exhaustive study of the supposed connection between Christianity and the Government of the United States. After reviewing hundreds of volumes of historical documents, the court asserted: "These references add a volume of unofficial declarations to the mass of organic utterances that this is a religious people, a Christian nation."

Likewise, in 1931, Supreme Court Justice George Sutherland reviewed the 1892 decision in reference to another case and reiterated that Americans are a Christian people.

In 1952, Justice William O. Douglas affirmed that we are a religious people and that our institutions presuppose a supreme being.

Mr. EDWARDS of California. Madam Chairman, I decline to yield further.

Madam Chairman, I have no objection to what the gentleman from California said, but there is nobody here who can certify that great harm will not be done by having the Government get into this business. If the Government is going to be making up the prayers, it is going to deeply offend certain people who are devout in what they believe, that certain children are not and should not be subjected to Government-inspired prayer.

Mr. HENRY. Madam Chairman, will the gentleman yield?

Mr. EDWARDS of California. I yield to the gentleman from Michigan

Mr. HENRY. Madam Chairman, I am trying to help us get through this sticky wicket, quite frankly. I agree with everything the gentleman has said. My understanding is that we are not talking or the sponsor is not talking about a State-authored prayer of any sort. That is why also in addition I asked the gentleman, for purposes of the record, to make clear two very important points.

The first was that he acknowledge that the language needs work. The problem is that I know he is not going to withdraw his amendment because he is not going to have time to refine it or resubmit it. What he is trying to do is to get a vehicle for hopefully pursuing it as the legislation progresses. I do not object to that because, quite frankly, I would like to see some of what the gentleman is trying to do. I think it can partially be addressed appropriately.

But, second, I want it made very clear in the RECORD, to meet the constitutional test the gentleman has just referred to, that the effort is not to legislatively encourage or legislatively discourage the practice of prayer or to institute religious rights as a matter of public policy. I think if we can establish that clearly for the record, we have then preserved, quite frankly, the possibility for the gentleman from California to pursue refinement that may stand debate on the merits.

Quite frankly, we have somewhat of a red herring before us, because I think I am supportive of what the gentleman is trying to do, but the language on its face is, I think, quite problematical. I am trying to get us beyond this point, quite frankly, so some of us who support addressing the issue do not get stuck voting on language without some qualification which I have tried to get into the RECORD, and likewise so the gentleman on the other side of the question are not appearing as if they are opposed to the Deity. In fact, I am sure that is not what they want. I am trying to depoliticize the issue and make our position very plan on that.

The CHAIRMAN. The time of the gentleman from California [Mr. EDWARDS] has expired.

(On request of Mr. HENRY, and by unanimous consent, Mr. EDWARDS of California was allowed to proceed for 30 additional seconds.)

Mr. HENRY. Madam Chairman, will the gentleman yield further?

Mr. EDWARDS of California. I yield to the gentleman from Michigan.

Mr. HENRY. Madam Chairman, I do not want this to be used artifically as a

politicizing vote on either side if it comes to a voice vote or to the point where we are tagged as being pro-God, anti-God, pro-prayer, or anti-prayer, because the issue is too serious for that. I would like to see the gentleman have a chance to pursue this in conference by accepting it with the provisions he has agreed to.

Mr. EDWARDS of California, Madam Chairman, I thank the gentleman for his observation, but I want to point out that if my colleagues vote for this amendment, they are voting to have the Government write prayers and to subject American children in our public schools to whatever the Government decides shall be the prayer.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. DANNEMEYER].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. DANNEMEYER. Madam Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 269, noes 135, not voting 30, as follows:

[Roll No. 47]

AYES—269

Andrews	Derrick	Holloway
Anthony	DeWine	Hopkins
Applegate	Dickinson	Horton
Archer	Donnelly	Hubbard
Armey	Dorgan (ND)	Huckaby
Baker	Douglas	Hughes
Ballenger	Dreier	Hunter
Barnard	Duncan	Hutto
Bartlett	Durbin	Hyde
Barton	Dyson	Inhofe
Bennett	Eckart	Ireland
Bentley	Edwards (OK)	Jacobs
Bereuter	Emerson	James
Bevill	English	Jenkins
Bilbray	Erdreich	Johnson (CT)
Bilirakis	Espy	Johnson (SD)
Bliley	Fawell	Jones (NC)
Boggs	Fields	Kanjorski
Boucher	Flake	Kasich
Broomfield	Frenzel	Kolbe
Browder	Gallegly	Kolter
Brown (CO)	Gaydos	Kyl
Bruce	Gekas	Lagomarsino
Bryant	Gibbons	Lancaster
Buechner	Gillmor	Laughlin
Bunning	Gingrich	Lent
Burton	Glickman	Lewis (CA)
Byron	Goodling	Lewis (FL)
Callahan	Gordon	Lightfoot
Campbell (CO)	Goss	Lipinski
Carper	Gradison	Livingston
Carr	Grandy	Lloyd
Chandler	Grant	Long
Chapman	Gray	Lowery (CA)
Clarke	Gunderson	Luken, Thomas
Clement	Hall (OH)	Lukens, Donald
Clinger	Hall (TX)	Machtley
Coble	Hamilton	Madigan
Coelho	Hammerschmidt	Marlenee
Coleman (MO)	Hancock	Martin (IL)
Combest	Hansen	Martin (NY)
Conte	Harris	Martinez
Cooper	Hastert	Mazzoli
Costello	Hayes (LA)	McCandless
Cox	Hefley	McCloskey
Craig	Hefner	McCrery
Dannemeyer	Henry	McDade
Darden	Herger	McEwen
Davis	Hiler	McMillen (MD)
de la Garza	Hoagland	McNulty
Meyers	Richardson	Smith, Robert (OR)
Mfume	Ridge	Snowe
Michel	Rinaldo	Solomon
Miller (OH)	Ritter	Spence
Molinari	Roberts	Spratt
Mollohan	Robinson	Staggers
Montgomery	Roe	Stallings
Moorhead	Rogers	Stangeland
Morrison (WA)	Rohrabacher	Stearns
Murphy	Rose	Stenholm
Murtha	Rostenkowski	Stump
Myers	Roth	Sundquist
Natcher	Roukema	Tallon
Neal (NC)	Rowland (CT)	Tanner
Nelson	Rowland (GA)	Tauke
Nielson	Russo	Tauzin
Nowak	Saiki	Thomas (CA)
Ortiz	Sangmeister	Thomas (GA)
Owens (UT)	Sarpalius	Thomas (WY)
Oxley	Saxton	Traficant
Packard	Schaefer	Upton
Pallone	Schneider	Valentine
Parker	Schuette	Vander Jagt
Parris	Schulze	Volkmer
Pashayan	Sensenbrenner	Vucanovich
Patterson	Sharp	Walgren
Paxon	Shaw	Walker
Payne (VA)	Shumway	Walsh
Penny	Shuster	Watkins
Perkins	Skeen	Weldon
Petri	Skelton	Whittaker
Pickle	Slattery	Whitten
Poshard	Slaughter (VA)	Wise
Price	Smith (MS)	Wolf
Pursell	Smith (NE)	Wyden
Quillen	Smith (NJ)	Wylie
Rahall	Smith (TX)	Yatron
Ravenel	Smith, Denny (OR)	Young (AK)
Ray	Smith, Robert (NH)	Young (FL)
Regula		
Rhodes		

NOES—135

Akaka	Gallo	Morrison (CT)
Anderson	Gejdenson	Mrazek
Annunzio	Gephardt	Nagle
Aspin	Gilman	Oakar
Atkins	Gonzalez	Oberstar
AuCoin	Green	Olin
Beilenson	Guarini	Owens (NY)
Berman	Hatcher	Panetta
Boehlert	Hawkins	Payne (NJ)
Bonior	Hayes (IL)	Pease
Borski	Hertel	Pelosi
Bosco	Hochbrueckner	Pickett
Boxer	Houghton	Rangel
Brennan	Hoyer	Sabo
Brown (CA)	Johnston	Savage
Bustamante	Jones (GA)	Sawyer
Campbell (CA)	Jontz	Scheuer
Cardin	Kaptur	Schiff
Clay	Kastenmeier	Schroeder
Coleman (TX)	Kennedy	Schumer
Collins	Kennelly	Shays
Conyers	Kildee	Sikorski
Coughlin	Kleczka	Sisisky
Coyne	Kostmayer	Skaggs
DeFazio	LaFalce	Slaughter (NY)
Dellums	Lantos	Smith (FL)
Dicks	Leach (IA)	Smith (IA)
Dingell	Lehman (CA)	Smith (VT)
Dixon	Lehman (FL)	Solarz
Downey	Levin (MI)	Stokes
Dwyer	Levine (CA)	Studds
Dymally	Lewis (GA)	Swift
Early	Lowey (NY)	Synar
Edwards (CA)	Manton	Torres
Engel	Markey	Torricelli
Evans	Matsui	Towns
Fazio	Mavroules	Traxler
Feighan	McDermott	Unsoeld
Fish	McHugh	Vento
Foglietta	Miller (CA)	Visclosky
Foley	Miller (WA)	Waxman
Ford (MI)	Mineta	Weiss
Ford (TN)	Moakley	Williams
Frank	Moody	Wolpe
Frost	Morella	Yates

NOT VOTING—30

Ackerman	Courter	Fascell
Alexander	Crane	Flippo
Bateman	Crockett	Florio
Bates	DeLay	Garcia
Brooks	Dornan (CA)	Leath (TX)
Leland	Neal (MA)	Stark
McCollum	Obey	Udall
McCurdy	Pepper	Weber
McGrath	Porter	Wheat
McMillan (NC)	Roybal	Wilson

□ 1827

Mr. PANETTA and Mr. GONZALEZ changed their votes from "aye" to "no."

Mr. GIBBONS, Mrs. MARTIN of Illinois, Mr. McCLOSKEY, and Mr. MFUME changed their vote from "no" to "aye."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

Mr. OBEY. Madam Chairman, I move to strike the last word.

Madam Chairman, I got to the House floor with no time left on the clock, trying to determine what the nature was of the amendment upon which we just voted. I went to the majority side of the committee to ask if they had a copy that I might read. They indicated that they did not.

I went to the desk and asked if they had a copy. They indicated they would try to make some copies so that Members might understand what they are voting on. I appreciate that effort, but the fact is that if we are going to deal with each other civilly in a body like this, we have a right to know what it is we are voting on. The rules of the House, as I understand it, require there be at least 12 copies of amendments made available in case you had the quaint idea you ought to be able to read the amendment you are voting on before you vote on it.

I would respectfully ask any Members of this House who produce an amendment in the future, whether it is about God, prayer, denying funds, or any other subject, to at least meet the spirit of the rules by enabling each and every one of us to read a copy of the amendment before we vote on it.

□ 1830

Mr. DANNEMEYER. Madam Chairman, I move to strike the requisite number of words.

Madam Chairman, I would say to my colleague who just was in the well of the House that this amendment was available. We discussed it in debate, in open debate, on the floor of the House. We all know that we have a TV monitor in our offices for those who are not in attendance.

There was never any effort on the part of the offeror of this amendment to deny or hide what it was about. There was a full debate on the floor of the House. I am only sorry that my colleague was not able to come to the floor and participate in the debate so that we may have the good wisdom of his observations as to whether or not this is or is not good public policy.

The CHAIRMAN. Are there further amendments to the bill?

If not, the question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. FOLEY], having assumed the Chair, Ms. PELOSI, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 7) to amend the Carl D. Perkins Vocational Education Act to extend the authorities contained in such Act through the fiscal year 1995, pursuant to House Resolution 143, she reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment to the committee amendment in the nature of a substitute adopted by the Committee of the Whole? If not, the question is on the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. QUILLEN. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 402, noes 3, not voting 29, as follows:

[Roll No. 48]

AYES—402

Akaka	Boggs	Clarke
Anderson	Bonior	Clay
Andrews	Borski	Clement
Annunzio	Bosco	Clinger
Anthony	Boucher	Coble
Applegate	Boxer	Coelho
Archer	Brennan	Coleman (MO)
Armey	Broomfield	Coleman (TX)
Aspin	Browder	Collins
Atkins	Brown (CA)	Combest
AuCoin	Brown (CO)	Conte
Baker	Bruce	Conyers
Ballenger	Bryant	Cooper
Barnard	Buechner	Costello
Bartlett	Bunning	Coughlin
Barton	Burton	Cox
Beilenson	Bustamante	Dannemeyer
Bennett	Byron	Darden
Bentley	Callahan	Davis
Bereuter	Campbell (CA)	de la Garza
Berman	Campbell (CO)	DeFazio
Bevill	Cardin	Dellums
Bilbray	Carper	Derrick
Bilirakis	Carr	DeWine
Billey	Chandler	Dickinson
Boehlert	Chapman	Dicks
Dingell	Jones (GA)	Pashayan
Dixon	Jones (NC)	Patterson
Donnelly	Jontz	Paxon
Dorgan (ND)	Kanjorski	Payne (NJ)
Douglas	Kaptur	Payne (VA)
Downey	Kasich	Pease
Dreier	Kastenmeier	Pelosi
Duncan	Kennedy	Penny
Durbin	Kennelly	Perkins
Dwyer	Kildee	Petri
Dymally	Kleczka	Pickett
Dyson	Kolbe	Pickle
Early	Kolter	Porter
Eckart	Kostmayer	Poshard
Edwards (CA)	LaFalce	Price
Edwards (OK)	Lagomarsino	Pursell
Emerson	Lancaster	Quillen
Engel	Lantos	Rahall
English	Laughlin	Rangel
Erdreich	Leach (IA)	Ravenel
Espy	Lehman (CA)	Ray
Evans	Lehman (FL)	Regula
Fawell	Lent	Rhodes
Fazio	Levin (MI)	Richardson
Feighan	Levine (CA)	Ridge
Fields	Lewis (CA)	Rinaldo
Fish	Lewis (FL)	Ritter
Flake	Lewis (GA)	Roberts
Foglietta	Lightfoot	Robinson
Foley	Lipinski	Roe
Ford (MI)	Livingston	Rogers
Ford (TN)	Lloyd	Rohrabacher
Frank	Long	Rose
Frenzel	Lowery (CA)	Rostenkowski
Frost	Lowey (NY)	Roth
Gallegly	Luken, Thomas	Roukema
Gallo	Lukens, Donald	Rowland (CT)
Gaydos	Machtley	Rowland (GA)
Gejdenson	Madigan	Russo
Gekas	Manton	Sabo
Gephardt	Markey	Saiki
Gibbons	Marlenee	Sangmeister
Gillmor	Martin (IL)	Sarpalius
Gilman	Martin (NY)	Savage
Gingrich	Martinez	Sawyer
Glickman	Matsui	Saxton
Gonzalez	Mavroules	Schaefer
Goodling	Mazzoli	Schiff
Gordon	McCandless	Schneider
Goss	McCloskey	Schroeder
Gradison	McCrery	Schuette
Grandy	McDade	Schulze
Grant	McDermott	Schumer
Gray	McEwen	Sensenbrenner
Green	McHugh	Sharp
Guarini	McMillan (NC)	Shaw
Gunderson	McMillen (MD)	Shays
Hall (OH)	McNulty	Shumway
Hall (TX)	Meyers	Shuster
Hamilton	Mfume	Sikorski
Hammerschmidt	Michel	Sisisky
Hancock	Miller (CA)	Skaggs
Hansen	Miller (OH)	Skeen
Harris	Miller (WA)	Skelton
Hastert	Mineta	Slattery
Hatcher	Moakley	Slaughter (NY)
Hawkins	Molinari	Slaughter (VA)
Hayes (IL)	Mollohan	Smith (FL)
Hayes (LA)	Montgomery	Smith (IA)
Hefley	Moody	Smith (MS)
Hefner	Moorhead	Smith (NE)
Henry	Morella	Smith (NJ)
Herger	Morrison (CT)	Smith (TX)
Hertel	Morrison (WA)	Smith (VT)
Hiler	Mrazek	Smith, Denny (OR)
Hoagland	Murphy	
Hochbrueckner	Murtha	Smith, Robert (NH)
Holloway	Myers	
Hopkins	Nagle	Smith, Robert (OR)
Horton	Natcher	
Houghton	Neal (NC)	Snowe
Hoyer	Nelson	Solarz
Hubbard	Nielson	Solomon
Huckaby	Nowak	Spence
Hughes	Oakar	Spratt
Hunter	Oberstar	Staggers
Hutto	Obey	Stallings
Hyde	Olin	Stangeland
Inhofe	Ortiz	Stearns
Ireland	Owens (NY)	Stenholm
Jacobs	Owens (UT)	Stokes
James	Oxley	Studds
Jenkins	Packard	Sundquist
Johnson (CT)	Pallone	Swift
Johnson (SD)	Panetta	Synar
Johnston	Parker	Tallon
Tanner	Valentine	Wheat
Tauke	Vander Jagt	Whittaker
Tauzin	Vento	Whitten
Thomas (CA)	Visclosky	Williams
Thomas (GA)	Volkmer	Wise
Thomas (WY)	Vucanovich	Wolf
Torres	Walgren	Wolpe
Torricelli	Walker	Wyden
Towns	Walsh	Wylie
Traficant	Watkins	Yates
Traxler	Waxman	Yatron
Unsoeld	Weiss	Young (AK)
Upton	Weldon	Young (FL)

NOES—3

Craig	Kyl	Stump

NOT VOTING—29

Ackerman	Dornan (CA)	Neal (MA)
Alexander	Fascell	Parris
Bateman	Flippo	Pepper
Bates	Florio	Roybal
Brooks	Garcia	Scheuer
Courter	Leath (TX)	Stark
Coyne	Leland	Udall
Crane	McCollum	Weber
Crockett	McCurdy	Wilson
DeLay	McGrath	

□ 1850

So the bill was passed.

The result of the vote was announced as above recorded.

The title of the bill was amended so as to read "A bill to amend the Carl D. Perkins Vocational Education Act to improve the provision of services under such act and to extend the authorities contained in such Act through the fiscal year 1995, and for other purposes.".

A motion to reconsider was laid on the table.

AUTHORIZING THE CLERK TO MAKE CORRECTIONS IN ENGROSSMENT OF H.R. 7, APPLIED TECHNOLOGY EDUCATION AMENDMENTS OF 1989

Mr. HAWKINS. Mr. Speaker, I ask unanimous consent that in the engrossment of the bill, H.R. 7, the Clerk be authorized to make corrections in section numbers, punctuation, and cross-references and to make such other technical and conforming changes as may be necessary to reflect the actions of the House in amending the bill just passed, H.R. 7, the Applied Technology Education Amendments of 1989.

The SPEAKER pro tempore (Mr. MCCLOSKEY). Is there objection to the request of the gentleman from California?

There was no objection.

GENERAL LEAVE

Mr. HAWKINS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and include extraneous matter, on H.R. 7, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

NATIONAL DIGESTIVE DISEASE AWARENESS MONTH

Mr. SAWYER. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the joint resolution (H.J. Res. 170) designating May 1989, as "National Digestive Disease Awareness Month," and ask for its immediate consideration.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

Mr. RIDGE. Mr. Speaker, reserving the right to object, I would like to inform the House that the chief sponsor of House Joint Resolution 170, our honored colleague from Florida, Mr. PEPPER, is unable to be on the House floor, but has sponsored this resolution in previous Congresses and continues to be a strong advocate for educating our Nation on digestive diseases as well as other serious health problems.

Mr. Speaker, further reserving the right to object, I yield to the gentleman from New York [Mr. GILMAN].

Mr. GILMAN. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I rise in support of House Joint Resolution 170 designating May 1989, as "National Digestive Disease Awareness Month," and commend the distinguished gentleman from Florida [Mr. PEPPER], who is the chief sponsor of this resolution.

Mr. Speaker, over 20 million Americans suffer from chronic digestive disease. Over 14 million cases of acute digestive diseases are treated each year, and represent one of our Nation's most serious health problems.

Mr. Speaker, this year marks the seventh anniversary of the coordinated effort of the National Digestive Disease Education Program to provide information on the prevention, control, and treatment of digestive diseases.

I regret that the distinguished gentleman from Florida [Mr. PEPPER], could not be here today and I know I speak for all of my colleagues in wishing him a speedy recovery. Mr. PEPPER has championed the cause of educating all Americans in recognizing the disastrous effects of digestive diseases. Mr. PEPPER's efforts have heightened awareness of the devastating manner in which diseases of the digestive system affect millions of Americans.

I urge my colleagues to join in supporting this resolution.

Mr. RIDGE. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. RES. 170

Whereas digestive diseases rank third among illnesses in total economic cost in the United States;

Whereas digestive diseases represent one of the Nation's most serious health problems in terms of discomfort and pain, personal expenditures for treatment, working hours lost, and mortality;

Whereas twenty million Americans suffer from chronic digestive diseases;

Whereas more than fourteen million cases of acute digestive diseases are treated in this country each year, including one-third of all malignancies and some of the most common acute infections;

Whereas more Americans are hospitalized with digestive diseases than any other type of disease;

Whereas digestive diseases necessitate 25 per centum of all surgical operations;

Whereas digestive diseases are one of the most prevalent causes of disability in the work force;

Whereas in the United States digestive diseases cause yearly expenditures of over $17,000,000,000 in direct health care costs and a total annual economic burden of nearly $50,000,000,000;

Whereas more than one hundred different digestive diseases, and other disorders of the gastrointestinal tract, each cause more than two hundred thousand deaths each year;

Whereas there has been interest on the part of the research community in the causes, cures, prevention, and clinical treatment of digestive diseases and related nutritional problems;

Whereas the people of the United States should recognize prevention and treatment of digestive diseases as a major health priority;

Whereas national organizations, such as the Digestive Disease National Coalition, are committed to increasing awareness and understanding of digestive diseases in the health care community and among members of the general public;

Whereas the National Institutes of Health, through the National Digestive Disease Information Clearinghouse and the National Digestive Diseases Advisory Board, is committed to encouraging and coordinating such educational efforts;

Whereas the National Digestive Disease Education Program is a coordinated effort to educate the public and the health care community on the seriousness of digestive diseases and to provide information relative to the treatment, prevention, and control of digestive diseases; and

Whereas May 1989 marks the seventh anniversary of the National Digestive Disease Education Program: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That May 1989 is designated as "National Digestive Disease Awareness Month", and the President is authorized and requested to issue a proclamation calling upon all government agencies and the people of the United States to observe such month with appropriate programs, ceremonies, and activities.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NATIONAL CHILDREN'S DAY

Mr. SAWYER. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the joint resolution (H.J. Res. 132) to designate the second Sunday in October of 1989 as "National Children's Day," and ask for its immediate consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

Mr. RIDGE. Mr. Speaker, reserving the right to object, I simply want to acknowledge the efforts of the gentleman from Massachusetts [Mr. KENNEDY], who is the chief sponsor of this joint resolution.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. Res. 132

Whereas the people of the United States should celebrate children as the most valuable asset of the Nation;

Whereas children represent the future, hope, and inspiration of the United States;

Whereas the children of the United States should not be allowed to feel that their ideas and dreams will be stifled because adults in the United States do not take time to listen;

Whereas many children face crises of grave proportions, especially as they enter adolescent years;

Whereas it is important for parents to spend time listening to their children on a daily basis;

Whereas modern societal and economic demands often pull the family apart;

Whereas encouragement should be given to families to set aside a special time for all family members to remain at home;

Whereas adults in the United States should have an opportunity to reminisce on their youth to recapture some of the fresh insight, innocence, and dreams that they may have lost through the years;

Whereas the designation of a day to commemorate the children of the United States will provide an opportunity to emphasize to children the importance of developing an ability to make the choices necessary to distance themselves from impropriety;

Whereas the designation of a day to commemorate the children of the Nation will emphasize to the people of the United States the importance of the role of the child within the family;

Whereas the people of the United States should emphasize to children the importance of family life, education, and spiritual qualities; and

Whereas parents, teachers, and community and religious leaders should celebrate the children of the United States, whose questions, laughter, and tears are important to the existence of the United States: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the second Sunday in October of 1989 is designated as

"National Children's Day", and the President of the United States is authorized and requested to issue a proclamation calling upon the people of the United States to observe the day with appropriate ceremonies and activities.

The joint resolution was ordered to be engrossed, and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NATIONAL DAY OF REMEMBRANCE FOR THE VICTIMS OF THE U.S.S. "IOWA"

Mr. SAWYER. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the joint resolution (H.J. Res. 247) designating May 29, 1989, as the "National Day of Remembrance for the Victims of the U.S.S. *Iowa*" and ask for its immediate consideration.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

Mr. RIDGE. Mr. Speaker, reserving the right to object, I would like to acknowledge and yield to my friend from Iowa [Mr. GRANDY] who is the chief sponsor of the National Day of Remembrance for the Victims of the U.S.S. *Iowa*.

(Mr. GRANDY asked and was given permission to revise and extend his remarks.)

Mr. GRANDY. I thank the gentleman for yielding.

Mr. Speaker, I want to thank both the gentleman from Pennsylvania [Mr. RIDGE] and the distinguished chairman of the subcommittee, the gentleman from Ohio [Mr. SAWYER] for giving their timely attention to this resolution. It is, Mr. Speaker, a resolution I would have preferred not to have offered but it is certainly timely that on this Memorial Day we remember those victims of the U.S.S. *Iowa* who lost their lives just a few short weeks ago.

Mr. Speaker, it was 2 years ago that we commemorated that Memorial Day for the victims of the *Stark*, and it is fitting that we remember the victims of the *Iowa*.

Mr. SAWYER. Mr. Speaker, will the gentleman yield?

Mr. RIDGE. Mr. Speaker, further reserving the right to object, I yield to the gentleman from Ohio [Mr. SAWYER].

Mr. SAWYER. I thank the gentleman for yielding.

Mr. Speaker, I want to thank the gentleman from Iowa for his effort in bringing this resolution to the floor at this time. It is only fitting that we make this special commemoration and use this Memorial Day in this sad but important way to share the feelings of the Nation with respect to this tragic event.

Mr. GRANDY. I thank the chairman for his kind remarks. Obviously without his help and that of the distinguished gentleman from Pennsylvania we would not be here at this time passing this through the House. This resolution, I should inform the House, will be introduced in the other body by my colleagues, the gentleman from Iowa, Senator GRASSLEY and Senator DOLE.

Mr. Speaker, it is with a deep sense of sorrow that I have brought this legislation before the House of Representatives. It is because of this sorrow and sense of grief that we believe it to be more than appropriate to designate Memorial Day 1989 as a "National Day of Remembrance for the Victims of the U.S.S. *Iowa*."

Two years ago next week, we stood on this floor in consideration of a resolution designating Memorial Day 1987 as a day of mourning for the 37 crewmembers of the U.S.S. *Stark* who were killed by a missile attack in the Persian Gulf. Last month, 47 crewmembers of the U.S.S. *Iowa* died in an explosion in the No. 2 forward gun turret of the U.S.S. *Iowa* and we are again considering a resolution of mourning.

Following such a tragic loss of life as this, there is a strong feeling of helplessness for us all. These men were courageous and they died with honor. We would like more than anything to bring them back to their families and loved ones. We cannot. What we can do is to pay our respects to them with our remembrance.

I am honored to have been able to introduce this resolution in the House of Representatives, but is certainly legislation for which I would rather have no reason to introduce.

At this time I would like to submit, for the RECORD, the names of the 47 crewmembers who were killed on the U.S.S. *Iowa*.

THOSE WHO GAVE THEIR LIVES ABOARD THE U.S.S. "IOWA" (BB-61) ON APRIL 19, 1989

Tung Thanh Adams.
Robert Wallace Backherms.
Dwayne Collier Battle.
Walter S. Blakey.
Peter Edward Bopp.
Ramon Jarel Bradshaw.
Phillip Edward Buch.
Eric Ellis Casey.
John Peter Cramer, Jr.
Milton Francis Devaul, Jr.
Leslie Allen Everhart, Jr.
Gary John Fisk.
Tyrone Dwayne Foley.
Robert James Gedeon III.
Brian Wayne Gendron.
John Leonard Goins.
David L. Hanson.
Ernest Edward Hanyecz.
Clayton Michael Hartwig.
Michael William Helton.
Scott Alan Holt.
Reginald L. Johnson, Jr.
Brian Robert Jones.
Nathaniel Clifford Jones, Jr.
Michael Shannon Justice.
Edward J. Kimble.
Richard E. Lawrence.
Richard John Lewis.
Jose Luis Martinez, Jr.
Todd Christopher McMullen.
Todd Edward Miller.
Robert Kenneth Morrison.
Otis Levance Moses.
Darin Andrew Ogden.
Ricky Ronald Peterson.
Matthew Ray Price.
Harold Earl Romine, Jr.
Geoffrey Scott Schelin.
Heath Eugene Stillwagon.
Todd Thomas Tatham.
Jack Earnest Thompson, Jr.
Stephen J. Weldon.
James Darrell White.
Rodney Maurice White.
Michael Robert Williams.
John Rodney Young.
Reginald Owen Ziegler.

Mr. RIDGE. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. RES. 247

Whereas the U.S.S. Iowa, a battleship in the Navy on maneuvers in the Atlantic Ocean, on April 19, 1989, suffered a tragic explosion in its second forward gun turret;

Whereas the explosion killed 47 heroic crewmembers of the U.S.S. Iowa;

Whereas the people of the United States are filled with sorrow because of the explosion and extend to the families of the victims their utmost sympathy; and

Whereas Memorial Day is observed on May 29, 1989, and honors those who have died while serving in the Armed Forces: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That May 29, 1989, is designated as the "National Day of Remembrance for the Victims of the U.S.S. IOWA", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such day with appropriate ceremonies and activities.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NATIONAL OSTEOPOROSIS PREVENTION WEEK OF 1989

Mr. SAWYER. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 37) designating the week beginning May 14, 1989, as "National Osteoporosis Prevention Week of 1989," and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

Mr. RIDGE. Mr. Speaker, reserving the right to object, I simply want to acknowledge the work of our colleague, the gentlewoman from Maine [Ms. SNOWE], who is the chief sponsor of House Joint Resolution 108.

Ms. SNOWE. Mr. Speaker, I would like to thank Mr. SAWYER, chairman of the Subcommittee on Census and Population, and the ranking minority member of the subcommittee, Mr. RIDGE, for bringing to the floor House Joint Resolution 108, legislation to designate the week of Mother's Day as "National Osteoporosis Prevention Week." This measure, which received the support of more than half the Members of the House, is identical to Senate Joint Resolution 37. I appreciate my colleagues' support for this measure which is the foundation around which national groups will conduct campaigns to educate the public about the devastating effects of osteoporosis.

As you know, osteoporosis is a public health threat that affects approximately 25 million Americans and is responsible for more than 1.3 million bone fractures per year. Osteoporosis is the most common skeletal disorder in the world and is of particular problem for postmenopausal women as one-third to one-half of these individuals will develop some degree of bone loss. Further, because risk of developing this disease increases with age, 90 percent of all women over 75 are affected with this disfiguring and debilitating disorder.

Although osteoporosis primarily afflicts women, men are certainly not immune from its devastating effects. Overall, this dreaded disease afflicts 50 percent of all individuals over age 75.

Not only does osteoporosis have severe implications in terms of human suffering, but the disease also inflicts a large monetary cost on our society. It is estimated that in 1988, the total cost to the Nation resulting from hip fractures alone was over $10 billion. And as the population ages, by year 2050, we can expect the total number of hip fractures to double or even triple.

Although the causes of osteoporosis are only partially understood, and the methods for treatment remain controversial, common agreement can be reached on the importance of prevention in reducing its prevalence. Therefore, it is imperative that individuals be educated about this deadly disease. For this reason, during National Osteoporosis Prevention Week, organizations around the country will conduct an educational blitz to help individuals understand their role in preventing bone loss. I am pleased that this legislation will provide congressional recognition of this important week.

I thank my colleagues for their consideration of this legislation, and I urge passage of Senate Joint Resolution 37.

Mr. LIGHTFOOT. Mr. Speaker, I rise in strong support of the effort of my colleague [Mr. GRANDY] to designate May 29, 1989, as a day of remembrance of the 47 men who lost their lives in the devastating explosion aboard the U.S.S. *Iowa*. It is with profound sorrow that we seek to remember those men who gave the ultimate sacrifice in the line of duty. For all the power that is contained and expended within and by this body, there is little we can do to end or lessen the hurt and pain of the loved ones left behind. We can only offer this important gesture of acknowledgment and gratitude. It is not only with gratitude that we remember the crewmen of the U.S.S. *Iowa*.

Carl Sandburg once said, "If I added to their pride of America, I am happy." I hope that those who lost someone in this tragedy can find comfort in knowing their sons, husbands, brothers, and fathers added immeasurably to our pride in America. They reflected the very best in America and to carry on without them is indeed a difficult and onerous task. Though I did not have the privilege of knowing the men who died aboard the U.S.S. *Iowa*, I am aware of the many great things they did for our country. That is why I want to offer my sincerest thank you to the men of the U.S.S. *Iowa* and to their families for their service and dedication to the protection of the United States.

I urge my colleagues and all Americans to take a moment to send their support and gratitude to these worthy and true Americans.

Mr. RIDGE. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. RES. 37

Whereas osteoporosis, a degenerative bone condition, afflicts 25,000,000 people in the United States;

Whereas osteoporosis afflicts 90 percent of women over age 75;

Whereas 50 percent of all women in the United States over age 45 will develop some form of osteoporosis;

Whereas hip fractures are the most disabling outcome of osteoporosis, and 32 percent of women and 17 percent of men who live to age 90 will likely suffer a hip fracture due primarily to osteoporosis;

Whereas the mortality rates for people who suffer a hip fracture increase by 20 percent, with such fractures resulting in the death of over 50,000 older women and many older men each year;

Whereas 15 to 25 percent of people who suffer a hip fracture stay in a long-term care facility for at least one year after the fracture occurs, and 25 to 35 percent of people who return home from a long-term care facility after recovering from a hip fracture require assistance with daily living after returning home;

Whereas the total cost to society of dealing with osteoporosis was over $10,000,000,000 in 1988 and such cost is expected to rise as the population ages;

Whereas osteoporosis is associated with the loss of bone mass due to a lack of estrogen as a result of menopause, alcohol or cigarette use, and low calcium intake;

Whereas exercise and proper nutrition before an individual is age 35 will build bone mass to help prevent osteoporosis; and

Whereas people who suffer from osteoporosis should be aware of the increased risk of bone fractures, and should take precautions to reduce the chance of accidents that may result in bone fractures due primarily to osteoporosis: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week beginning May 14, 1989, is designated as "National Osteoporosis Prevention Week of 1989", and the President of the United States is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate programs and activities.

AMENDMENT OFFERED BY MR. SAWYER

Mr. SAWYER. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SAWYER: Page 2, line 3, insert "and the week beginning May 13, 1990," after "1989,".

Page 2, line 3, strike out "is designated" and insert in lieu thereof "are designated".

Page 2, line 4, strike out "of 1989".

Mr. SAWYER (during the reading). Mr. Speaker, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The Speaker pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The SPEAKER pro tempore. The question is on the amendment offered by the gentleman from Ohio [Mr. SAWYER].

The amendment was agreed to.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed.

TITLE AMENDMENT OFFERED BY MR. SAWYER

Mr. SAWYER. Mr. Speaker, I offer an amendment to the title.

The Clerk read as follows:

Title amendment offered by Mr. SAWYER: Amend the title so as to read: "Joint resolution designating the week beginning May 14, 1989, and the week beginning May 13, 1990, as "National Osteoporosis Prevention Week"."

The title amendment was agreed to.

A motion to reconsider was laid on the table.

TRAUMA AWARENESS MONTH

Mr. SAWYER. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 68) to designate the month of May 1989, as "Trauma Awareness Month," and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

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Mr. RIDGE. Mr. Speaker, reserving the right to object, I yield to the gentleman from Florida [Mr. LEHMAN].

Mr. LEHMAN of Florida. Mr. Speaker, I rise in strong support of the joint resolution to designate May 1989 as "National Trauma Awareness Month," and I congratulate my colleagues, the chairman and the ranking minority member of the subcommittee, for bringing it to the floor at this time.

The term "trauma" may not mean much to most of us, but trauma is a critical public health problem. Trauma is another term for injury, and traumas have a staggering impact on our society. Each year, 60 million persons

are victims of trauma; of these, 9 million suffer serious injuries. The American Trauma Society estimates that between 140,000 and 160,000 deaths result from traumatic injuries annually. Trauma is the fourth leading cause of death of all Americans and the No. 1 killer of those under 40. Over $110 billion is lost each year in medical expenses, lost wages, and lost productivity.

These statistics do not even begin to measure the toll trauma takes on individual victims as well as their families and friends.

The critical needs in dealing with trauma are preventing whatever injuries can be prevented and providing appropriate treatment of injuries that cannot be avoided. Our States and counties and cities are working to improve the networks that deliver injured patients to the appropriate hospitals and those hospitals are improving their ability to care for trauma victims. At the same time, it is vital that the public be educated in the ways that traumas can be prevented. This public awareness that many injuries can be avoided—that many "accidents" need not happen or can be mitigated—is the goal of National Trauma Awareness Month.

All across the country, State divisions of the American Trauma Society have already planned events to promote trauma awareness in their communities. I will mention just two of these scheduled events—one in Ohio and one in Florida—at this time, but will include a more complete listing with my statement. The Ohio division of the American Trauma Society will speak to local high schools about the dangers of driving while drunk or drugged in an effort to prevent "prom-night" trauma. Tampa General Hospital in Florida will host, with 30 related organizations, a Trauma Awareness Day. The focus for this day will be families and children and there will be many hands-on events. The local radio station has agreed to hold a live broadcast, and the funds that are raised will be used for trauma victims and their families.

Mr. Speaker, it is crucial that Americans learn to prevent and treat traumatic injuries through public awareness campaigns, not, as happens all too often, through painful personal experience. The focus provided by National Trauma Awareness Month will take us a long way in this direction. I urge my colleagues to support this important joint resolution.

NATIONAL TRAUMA AWARENESS MONTH, 1989

The American Trauma Society's campaign for National Trauma Awareness Month, which this year holds the theme of "traffic safety" is already reaching hundreds of trauma advocates, who will promote trauma awareness in their communities. Packets of information were distributed to more than 175 institutional members (trauma centers) and ATS state divisions, as well as members of the ATS Board of Directors, and 400 trauma coordinators nationwide. Packets of 100 brochures were mailed, and already additional orders have come in requesting educational materials.

In addition, institutional members and state divisions received materials to promote Safe Kids and Buckle-Up America weeks, both trauma-related campaigns held during National Trauma Awareness Month, sponsored by other organizations and promoted by the American Trauma Society.

James H. "Red" Duke, Jr., MD, trauma surgeon at the University of Texas Medical School and Founder of the largest blunt trauma center in the nation, is serving as national spokesperson for National Trauma Awareness Month. Dr. Duke is also a founder and Board member of the American Trauma Society and hosts the public television series "Bodywatch." In his role as spokesperson, he has been interviewed for the radio talk show program. "Heart of the Matter," which is aired to more than 250 radio stations across the country. He has also produced television public service announcements (PSAs) to be distributed nationwide.

A focal point for Dr. Duke's role will be as a host of the news conference on the trauma epidemic, scheduled May 16 in Arlington, Virginia. Dr. Duke will be joined by David Reiter, MD, DMD, FACS, co-director and facial plastic surgeon at Thomas Jefferson University's Center for Facial Plastic Surgery in Philadelphia, who is conducting innovative research on how American automobiles could be engineered safer to reduce injuries during crashes. Other participants at the news conference will include Howard R. Champion, MD, chief of trauma services at Medstar, Washington Hospital Center; David C. Viano, PhD, director of safety research for General Motors Research Laboratories; a representative from the National Highway Traffic Safety Administration; and trauma victims, including the sister of a young man who was recently killed in a car crash.

National and even international media coverage is expected from USA Today, American Medical Association News Radio, and Voice of America, and publication in related journals, including Waterways Journal, among others. On the local level, editors have already contacted the national office to cover National Trauma Awareness Month in hospital newsletters and the Gold Cross, a newsletter distributed to 6,000 New Jersey state emergency personnel. Already, a radio station in Wisconsin has requested guests for a radio talk show, and television stations in Florida and North Carolina are interested in airing the taped PSA.

Other local efforts across the country include:

The Tennessee division of the America Trauma Society has secured a Trauma Awareness Month proclamation by the governor. Sixty billboards across the state will promote the trauma message. The division will sponsor an educational campaign to promote trauma systems and a highway safety conference. The Tennessee division feels very strongly about National Trauma Awareness Month, following the tragic trauma of Sen. Albert Gore, Jr.'s son.

The Pennsylvania division is hosting Public Awareness Day at the state capitol in Harrisburg and is distributing news releases to each newspaper and PSAs to each radio station in Pennsylvania.

The Ohio divison will speak to local high schools about the dangers of driving while drunk or drugged, targeted to prevent "prom-night" trauma.

Thomas Jefferson University Hospital in Philadelphia will sponsor a Trauma Awareness Fair at the plaza, which will include air bag and race car safety demonstrations. The fire and rescue departments are also becoming involved in a buckle-up campaign, which includes rides in the "convincer," a machine designated to simulate the impact of crashing. The hospital expects to reach more than 200 Philadelphians.

In Columbia, SC, Richland Memorial Hospital is sponsoring a poster contest on trauma prevention for junior high and elementary school students.

Tampa General Hospital in Florida will host a Trauma Awareness Day, coordinated with 30 related organizations. The day will focus on families and children, with hands-on events. The local radio station will hold a live broadcast of the event. Funds raised from the event, expected to reach nearly 1,500 people, will go toward trauma victims and their families.

North Carolina Baptist Hospital will hold a health fair and will sponsor a seat-belt survey among hospital employees. Staff is also pursuing placement on a radio talk show and airing of television PSAs.

At Harbor UCLA Medical Center in Los Angeles, two Trauma Awareness Days are expected to reach hundreds of residents. The center has designed buttons and bumper stickers of its own for distribution in addition to materials developed by the American Trauma Society.

Lutheran Medical Center in Colorado is conducting a seatbelt campaign and monitoring employees' use. Displays at the hospital will focus on a different trauma issue each week in May.

The Iowa Health Center is producing radio and television PSAs, expected to reach the tristate area of Iowa, Nebraska, and South Dakota. At least 5,000 people are expected to be reached through two health fairs.

Emmanuel Hospital and Health Center of Oregon Health Sciences University will host a grand event downtown, to include bands, balloons, etc., in a cooperative effort with local fire departments, the mayor's office, and Mothers Against Drunk Driving.

Indiana University will be airing PSAs and hosting a bicycle fair and rodeo as part of National Trauma Awareness Month and Safe Kids Week.

In the EMS office in Cheyenne, WY, local resolutions are being sought, as PSAs are being distributed to local radio stations.

Activities near Long Beach, CA, including encouraging local city officials to issue proclamations, hospital displays, publication of articles in all major and local newspapers, and presentation in area high schools on trauma prevention and career opportunities in trauma nursing.

Mr. RIDGE. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore (Mr. MCCLOSKEY). Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. RES. 68

Whereas more than eight million individuals in the United States suffer traumatic injury each year;

Whereas traumatic injury is the leading cause of death of individuals of less than forty years of age in the United States;

Whereas every individual is a potential victim of traumatic injury;

Whereas traumatic injury can occur without warning;

Whereas traumatic injury frequently renders its victims incapable of caring for themselves;

Whereas past inattention to the causes of trauma has led to the inclusion of trauma among the most neglected medical conditions;

Whereas the people of the United States spend more than $110,000,000,000 annually on the problem of trauma;

Whereas the problem of trauma can be remedied only by prevention and proper treatment through emergency medical services and trauma systems; and

Whereas the people of the United States must be educated in the prevention and treatment of trauma and in the proper and effective use of emergency medical services and trauma systems: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That May 1989 is designated as "National Trauma Awareness Month", and the President of the United States is authorized and requested to issue a proclamation calling upon the people of the United States to observe the month with appropriate ceremonies and activities.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DISTRICT OF COLUMBIA GOVERNMENT FISCAL YEAR 1990 BUDGET AND FISCAL YEAR 1989 BUDGET SUPPLEMENTAL—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. Doc. No. 101-61)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Appropriations and ordered to be printed:

(For message, see proceedings of the Senate of today, Tuesday, May 9, 1989.)

INTRODUCTION OF THE CLEAN OCEAN ACT OF 1989

(Mr. SAXTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SAXTON. Mr. Speaker, today, I am introducing comprehensive legislation designed to prevent occurrences such as that which has resulted from the Valdez oilspill in Prince William Sound, AK, The Clean Ocean Act of 1989.

Just last week 1,500 scientists and Government officials met at a conference in Washington to discuss the environmental future of the world.

The Philadelphia Inquirer editorialized about the conference saying:

At last week's conference a recurrent message was this: If America wants to take a leadership role on global environmental problems, it must first clean up its own house.

Today, we are concerned about global warming, about conservation of natural resources, about establishing a national energy policy, about acid rain and clean air—and about clean water policy.

And, today I am here to address one aspect of that—namely, how to protect the oceans and estuarian waters from the threat of oilspills.

Prince William Sound and the Valdez spill have served to bring to the attention of the world the potential for real disaster that results from the lack of planning—we were not ready.

In the Northeast; in Raritan Bay, Delaware Bay; Boston Harbor; in the Gulf of Mexico; along the west coast in San Francisco and L.A.; and in Alaska. Along our entire coast we must be ready.

The fact of the matter is that an oil spill can occur anywhere, anywhere oil is produced, where it is transported, and where it is refined.

Right in the Delaware Valley region, the three-State area of New Jersey, Pennsylvania, and Delaware that includes and is adjacent to my district, the potential for another Prince William Sound exists.

The largest commodity shipped up the Delaware River is oil for the tri-State area's eight oil refineries. And last year, I am told, more than three-quarters of the 66 million tons of cargo moved in the Delaware River Port were petroleum products.

And so, I come here today with a pressing concern for everyone who has the potential to become the next oil spill victims.

Today, I am introducing the Clean Ocean Act of 1989, and I am pleased to be joined by a number of colleagues who will share in this endeavor.

Our bill amends the Federal Water Pollution Control Act to provide prestanding emergency response teams for any discharges of oil or other hazardous substances.

These teams will be regionally located for immediate response capabilities. They will be custom-designed according to the types and amounts of equipment appropriate for the unique environment they are assigned to protect.

The teams and their equipment must pass Federal performance standards. They must demonstrate their efficiency and effectiveness to the satisfaction of the Environmental Protection Agency before they will receive certification.

They will continue to be subject to periodic drills—without prior warning to ensure against the complacency we witnessed at Prince William Sound.

All equipment must be certified as being maintained and in good working order at least once every 3 years by the U.S. Coast Guard.

The most fundamental difference between this amendment, and many of the oil spill bills introduced since March 24, 1989, is that these teams, the booms, skimmers, and vessels they operate, and the certifications and drills which are required, are to be funded entirely by the industry.

This bill also provides for the fining of any violation of the provisions in amounts ranging from $500,000 to $1 million, depending on the violation.

Because the levying of such fines and recovery of Government costs oftentimes becomes embroiled in litigation over who is really responsible, we decided to bring it down to the most common denominator, the chief executive office of the liable industry.

This legislation does allow flexibility for the oil and hazardous substance industries to design and implement a practical and effective plan. But it also tightens Federal law to ensure such a contingency plan can do the job required.

If you use the west coast as an example, you will find that there is currently in place a number of response team cooperatives which have been formed by and funded by the oil companies.

These co-ops are manned 24 hours with readied equipment and trained personnel. They are run by hired contractors and monitored by the State agencies.

In short, the concept is there, but they are not equipped to handle the spill of the size of that which occurred in Prince William Sound.

And so, it is apparent that a Federal mandate is needed.

To conclude, this legislation is a practical and essential step forward in our efforts to protect our oceans and other natural resources.

I hope my Republican and Democratic colleagues will join me and my fellow task force chairmen in supporting this effort.

Hopefully, our bill will enjoy a safe passage through Congress.

ON ALL FRONTS, GIVING FIGHTER TECHNOLOGY TO JAPAN A BAD IDEA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. LIPINSKI] is recognized for 5 minutes.

Mr. LIPINSKI. Mr. Speaker, I rise today to address one of the most troubling signs of the United States undermining its own economic competitiveness worldwide.

I refer, of course, to the FSX deal President Bush has announced, which would send American fighter plane technology to Japan for the develop-

ment and production of a new Japanese fighter.

Each day, headlines report America's deteriorating economic position. The United States is the world's largest debtor nation. Our trade deficit continues to spiral upward. Last year we imported $55.4 billion more from Japan than we exported.

Yet, remarkably, the Bush administration has approved of sacrificing one position of clear superiority: producer of the finest military aircraft in the world. Economically, militarily, and geopolitically, the transfer of American F-16 fighter technology to Japan will only serve to push the United States farther down the road to international inferiority. In the past, the United States has poured its tax dollars into development of new weapons systems while Japan has been free to invest its resources in the development of new products sold in American markets. The United States needs a comprehensive economic policy to address such inequities, not the FSX deal which fosters the problem.

While roughly 6 percent of America's GNP is used to defend our country and our allies, only 1 percent of Japan's GNP goes to national defense. This has undoubtedly played a role in enhancing Japan's economic status. F-16 defense technology was developed at no small cost to the American taxpayers. Selling it to Japan on the cheap does not make sense.

The United States builds and sells the finest aircraft in the world. American aircraft superiority is no accident. We developed the F-16 at a cost of $8 billion. Yet we may provide it to the Japanese for the promise of $440 million in subcontracting work. In our country's dismal trade record, military exports remain the only area of merchandise trade surplus. U.S. planes, civilian and military, are flown by 120 nations. Rather than enhance this rare position of superiority, the FSX deal invites Japan to share this perch.

The Japanese have made no secret that the FSX joint venture will play a vital role in the creation of a Japanese civil aeronautics industry. Unlike the United States Department of Defense, which focuses solely on military considerations, long-term economic considerations played a key role in Japan's push for the F-16 technology transfer. Such technology transfers are nothing new. Japan came to the United States for VCR and semiconductor technology, and promptly destroyed American leadership in those industries. Japan certainly has a right to create their own civil aeronautics industry, but America need not subsidize a venture which could one day undermine one of America's healthiest international industries.

So what could lead the administration to accept such dire economic consequences of the F-16 technology transfer? The Japanese fighter project originated with the goal of increasing the Japanese share of their defense burden. But creating a new fighter is far from the optimal way of increasing security in the northern Pacific. Developing a new fighter, rather than buying American F-16's off the shelf, is an extremely inefficient way to share the defense burden, costing billions before the first fighter is operational.

The FSX would not be ready for 10 or more years. When it is ready, it will not be interoperable with the American fighters, damaging hopes for a unified defense. If the Japanese were sincere about sharing the defense burden and cooperating to reduce the massive United States trade deficit, they would buy United States fighters directly.

The Japanese seem to have no interest in cooperating to aid the United States international economic position, although the United States has played a vital role in Japanese prosperity. The days where America can afford charity to its allies, without reciprocity, are long gone. Offering high technology to the Japanese, with obvious negative economic and military effects, is one give-away that the United States cannot afford, and an idea that the Bush administration should dismiss.

Finally, disapproving the FSX deal will allow Congress to send the important message that economic strength is an invaluable component of national security. In light of the constant military and political changes occurring worldwide, economic competition must no longer take a back seat to military considerations. By nixing this faulty deal, Congress can begin to place a high priority on American economic competitiveness—a policy which will offer more rewards than the FSX deal with Japan ever could.

I urge my colleagues to support House Joint Resolution 254 to disapprove of the administration's proposal to transfer fighter technology to Japan.

The SPEAKER pro tempore (Mr. MCCLOSKEY). Under a previous order of the House, the gentleman from Ohio [Mr. MCEWEN] is recognized for 5 minutes.

[Mr. MCEWEN addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

JOSEPH J. AHERN RECEIVES THE 1989 DANTE AWARD

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. ANNUNZIO] is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, I rise to call to the attention of my colleagues in the House of Representatives the accomplishments of Joseph J. Ahern, president and general manager of WLS-TV/Channel 7, the Capital Cities/ABC-owned station in Chicago, who will receive the 18th annual Dante Award of the Joint Civic Committee of Italian Americans at a luncheon to be given in his honor on May 23 at the Como Inn in Chicago.

The Dante Award was established by the Joint Civic Committee of Italian Americans, an umbrella organization comprised of more than 40 civic organizations in the Chicago area, to extend recognition annually to an individual in the mass media communications field who has made a positive contribution to the profession of journalism.

Joseph Ahern began his career with ABC as a sales executive at its Philadelphia station in September 1973, and continued his career in sales management with ABC stations in Detroit, New York, and Chicago. In August 1981, he became station manager of WLS-TV in Chicago, and was promoted to vice president and general manager in March 1985. He assumed the position of president and general manager of the station in March 1986.

As president of WLS-TV, Joseph Ahern has initiated numerous community service projects. Under his leadership, the station was awarded the President's Citation for Private Sector Initiatives for the "Say No! To Drugs" campaign. He also has worked diligently in many civic and community activities. He serves on the Urban League Business Advisory Council, the Advisory Council for the March of Dimes, and the Advisory Board of the Chicago Convention and Visitors Bureau.

In addition, Joseph Ahern serves on the board of directors for Children's Memorial Medical Center Foundation, the Starlight Foundation, the Special Children's Charities, and United Cerebral Palsy. He also serves on the board of governors for the Library Council of Northwestern University, and is a member of the Northwestern University Associates and the Chicago Community Trust Human Relations Task Force.

Joseph Ahern has received many awards for excellence in his work in television, as well as honors for his community activities. He richly deserves the Dante Award, because it was Dante Alighieri in his book "Divine Comedy," who said, "if I should prove a timid friend of truth, I fear to lose my fame among the people whose age will call the present era ancient."

This year the 18th annual Dante Award luncheon will be held at the Como Inn, under the auspices of the Human Relations Committee of the JCCIA, chaired by Richard B. Caifano. The president of the JCCIA is Carl DeMoon, and the master of ceremonies for the luncheon will be Dominic DiFrisco. The invocation will be offered by the Reverend Lawrence Cozzi, administrator of Villa Scalabrini, the Italian Old Peoples Home in Melrose Park.

For the 14th consecutive year, the John Fischetti Scholarship will also be awarded at the luncheon. The scholarship was established by the Joint Civic Committee of Italian Americans to further the study of Italian American students in communications, and is named after the Pulitzer Prize-winning political cartoonist. This year, two $1,000 scholarships will be

awarded to Gina Nolan and Jason DeSanto of Northwestern University.

Mr. Speaker, I extend my warmest congratulations to Joseph J. Ahern on meriting this recognition, and for the strong and constructive impact he has made on the broadcasting industry and our community. His career, character, and splendid record of achievement prove that he is, indeed, a friend of truth.

VICE ADMIRAL STOCKDALE'S VIEWS OF WAR

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. MICHEL] is recognized for 5 minutes.

Mr. MICHEL. Mr. Speaker, Vice Adm. James Bond Stockdale is one of the great American heroes. His courage as a Navy fighter pilot and then his magnificent heorism as a prisoner for 7 years of the North Vietnamese are well known to us all.

On April 19, 1989, Jim Stockdale and his wife, Sybil, were honored by the Rockford Institute at a dinner held in Chicago, IL. Presidents Ford, Nixon, and Bush sent the Stockdales their personal congratulations on this occasion.

Jim Stockdale spoke of the war in Vietnam and, in a larger sense, what war means to a democratic society like ours.

At this point I wish to insert in the RECORD Admiral Stockdale's speech which he titled, "The Bull's-Eye of Disaster":

THE BULL'S-EYE OF DISASTER

My writings in Tom Fleming's Chronicles have been the essence of my previous association with The Rockford Institute. Those articles have dealt mainly with the power of the human spirit, the power of the human mind, and how a person can rise in dignity to prevail in the face of adversity. In short, they were reflections upon my life in a political prison.

Tonight I'm climbing outside the bars and into modern history—into some facts and ideas about the state of the nation and its recent ways of making war—that Vietnam War. This subject matter detour from "what's within us" to "what we're doing to ourselves" is a surprise for some of you I expect, but I take it that friends of this Rockford Institute, this admirable organization which sets as its goal the seeking of an ethical consensus in American public life, will consider it within the charter if I expose some of my views on the functioning of our polity vis a vis war in these times—views that center on a belief that we are currently in the grip of certain historical trends that risk shortening the lifetime of our nation.

I'm going to work very hard not to make this sound like a tiresome rehash, or an apology. It will include my eye witness accounts of events portrayed quite differently in most popular history books, will incorporate the findings of new scholarship on today's bookshelves, and woven through it all will be my argument for meeting the Constitutional provision of having a Congressional Declaration of War precede America's sending of expeditionary armies overseas to conduct campaigns of land warfare.

For over a decade now, it's been commonplace for our leaders to urge us to put Vietnam behind us. Sybil and I were face to face with our good friend George Bush when he said it again at his Inauguration on January 20th. The Congressional Medal of Honor society has front row seats at these affairs, and I swallowed hard, when during what I would call his "plea for unity" acceptance speech, he said, "Surely, the statute of limitations on Vietnam has run out". I was not the only one in the Medal of Honor section who decided to take that remark with a grain of salt. New Nebraska Senator Bob Kerrey and I exchanged knowing glances.

In case you don't know, Bob Kerrey was a Navy SEAL team leader who lost a leg on a voluntary and highly risky midnight penetration of a VC island strong-hold to abduct their political cadres for interrogation. In the pitch black melee, a hand grenade exploded right at Bob's feet. He refused medical treatment until his gang and their quarry were back down the high cliff, into the rubber boats, and away. Good work, but in long term hindsight, like much in that war, all for naught.

I think Bob and I and many of our cohorts think there is much more to be written and said before the nation puts that Indochina chapter of our history to bed. I know there is material yet to be released that belongs in the public record. The total Vietnam War story involves just too many fundamental breaks in our national integrity to be buried in the vault. It is a package of lessons for the current age, and the future.

I find that World War II guys, and of course President Bush qualifies as a hero among them, sometimes dust off the Vietnam experience as a one-of-a-kind mixup in which our civilian—and military leaders misjudged the nature of the problem, and once in, sank into an unexpected quagmire that was beyond almost anybody's practical control. From my study—and intuition, I find that impossible to believe.

I was there for ten years, you know, and taking in data all the time—one year just flying, two flying heavy combat, and seven and a half in prison—not "languishing", not "sitting out the war", as used to be said when American POWs had Geneva Convention protection, but fighting a torture batle, four of those years from a solitary cell in a penitentiary—surreptitiously commanding a secret and tricky underground organization, while regularly picking the brain of the prison-system commissar who sat on the North Vietnamese Army's General Staff. Altogether, I've come to realize that this talked about "surprise" at the resistance we met—at least among our senior leaders on the Joint Chiefs of Staff—is sheer bunk.

Modern books lead me to believe that the war held scarcely any surprises for the informed military. Their relationship with McNamara's whiz kids (who took over planning and running the war)—was sort of like that of my prison pal who had come out of a dog fight in a parachute as the back seat [radar guy] of an F-4, and his front seat (pilot). The truth of the matter was that their plane came apart not as a result of enemy gunfire but because of a mid-air collision with one of their wingmen—a very rare event in that war, I assure you. One day years later I was sitting in a Hanoi prison cell block while my pal's pilot was describing to the rest of us his surprise, while in violent maneuvering against a division of MIGs, to feel the unexpected impact of a blindside midair! "No surprise, Boss", interrupted the popular back seater—smiling and shaking his head in the spirit of sardonic fly-boy humor—"I knew what to expect right after I heard your briefing in the ready room. The flight was briefed like a mid-air, and it was flown like a mid-air."

A joke, (sort of), but it was no joke with the Vietnam War as a whole. It was planned like a mid-air, and flown like a mid-air: a perfect disaster. But the planners didn't have to go to prison. They didn't even have to fight. They didn't even know how to fight. They just knew how to "thread the needle"—how to get an army out there that would satisfy their elders' drive, The Establishment's drive,—I mean people like Dean Acheson's and John McCloy's Wise Men's drive (from the modern book of the same name)—to meet Cold War verities, with that U.S. Army shackled sufficiently to keep the allies of the enemy below a high simmer, and our own general public in the dark and calm. No emotion, please. Robert McNamara early in the war: "The greatest contribution Vietnam is making is that it is developing an ability in the United States to fight a limited war, to go to war, without the necessity of arousing the public ire." Can you think of any action more inconsistent with the basic idea of a democracy than the launching of the ultimate public endeavor, the committing of a generation of its young men to battle, the quintessential emotional experience, under the guise of their merely acting out their parts in some new sort of sterile half-speed surgical intrusion and thus well enough served, without the encouragement and support of the public sentiment?

Oh, there was no doubt in the minds of the insiders, or of those of us who were out there on the firing line before 1965, that a "land battle" was what was in the works. You notice that I said that the needle-threaders got an army out there and shackled it. Nobody who understood the problem wanted the U.S. Army out there trying to win hearts and minds in the weeds—least of all the Joint Chiefs of Staff. After two years of study and God knows how many confrontations with the President's "defense intellectuals", our JCS final formal recommendation (made in October, 1964, just before "the" war shaping decisions were rendered by the Executive Department), hung in with the LeMay solution—bomb Hanoi and Haiphong—back to the stone age if necessary—to keep the U.S. Army out of the field except as a last resort to "isolate" the battlefield and let the South Vietnamese have at it with the communists in a fair fight. [There is data in the files that establish LeMay's rationale as not to glorify the Air Force, but to save the U.S. Army from ruin.] Their plan, the JSC believed, best utilized America's military power, and best served her national purposes and well being.

[And take it from one who was there when the B-52's finally did bomb Hanoi for a few days eight years later: That would have done it. "The walls came tumbling down"—the loss of life, American and Vietnamese was miniscule in comparison to the "land war" we bought into (at most, one per cent of what was commonplace in WWII bombardments—100 per day in Hanoi vs 50,000 a day at Dresden, being a not-uncommon contrast), the noisy Hanoi streets went absolutely silent, their military officers were first thunderstruck, then obsequious, setting their guards to the unprecedented task of making the rounds of the cellblocks with hot coffee at dawn before the daily barrage started. Within two weeks, their national authorities were back at the negotiating table, and in so many words, in the process of surrendering.]

The Chiefs' "short war" recommendation of October 1964 was handed over to the young Establishment Intellectual LBJ had asked to draft his strategy. His name was William Putnam Bundy, Dean Acheson's son-in-law. (Insecure Johnson had to have that old boy "Wise Mens' " prestige behind him.) And according to the "25 years after" books coming out now, it was William Bundy who was arbiter of most things crucial during the "war shaping" period. (It was he who in May 1964 had drafted a "fill in the blanks" Congressional Resolution which became the Tonkin Gulf Resolution after the events of early August of that year; it was he who cooled the JCS idea of "keeping the pressure on with follow-up raids" while the iron was hot after our reprisal air strikes of August 5th; he was a leader among those who insisted on not bombing Hanoi and Haiphong, raising the ludicrous flag of caution vis a vis a China that was trying to get into America's orbit during those very early Vietnam War years—the start of China's political turnaround which took Nixon's and Kissinger's insight to recognize and capitalize on a few years later; and according to a good book entitled Four Stars which came out about a month ago, it was the same William Bundy who had rejected the idea of a clean Declaration of War, something that public sentiment would probably have supported in that fall of 1964, a "bright line test" that would have assured our deploying soldiers of the congressional and public support they deserved in exchange for laying their lives on the line. Bundy rejected the idea of a Declaration (says the book), in order to save LBJ "an embarrassing pre-election political headache in his peace-oriented campaign against Goldwater for President".

Admiral Lloyd Mustin appeared before William Bundy's war strategy working group as advocate for the Chiefs' "short war" plan in November, 1964. His words tersely described the distillation of JCS thinking: "Instead of working to buttress the South Vietnamese government in order to defend itself, the United States should take stern actions against North Vietnam to make that defense needless." (Over the years, the Chiefs had collected lots of data, including the horror stories of Lieutenant Colonel John Paul Vann's unsuccessful attempts in '62 and '63 to motivate or teach the South Vietnamese to fight "western style".) But the "short war" plan went down the tubes on December 1st, 1964, in a formal meeting with LBJ and his principal advisors: Rusk, McNamara, the Bundys, Rostow, McCone, Ball, and Ambassador Maxwell Taylor. A campaign of reactive (tit for tat) gradualism won—the strategy of the game theory advocates who claimed that if you titted for tat long enough, you could eventually convince your adversary that his cause was hopeless. [The "Prisoners' Dilemma" game.] It seemed a "safer" theory—and by its implicit restriction of options to almost none except the stationing of our Army units right down there in the jungle, it had the old "morality play" aspect of compassionate paternalism—our troops acting out the theme of those 1950's books like "The Ugly American", helping our friends help themselves at the grass roots level. "Limited War" they called it.

(If I sound cynical about grass roots support and "helping little people understand themselves", I'm skeptical about it from both the rational and emotional sides. Rationally, it is generally thought of as a poor utilization of our Army's fighting power. Our troops are not missionaries and to cast them in such roles is to get them into positions asking for the sort of abuse Sybil and I heard being poured on America in Paris a year ago last December. Emotionally, I can't forget the insults of the Parisian anti-Communist Vietnamese at a "Tripartite Conference on the Indochina Wars Fought since World War II", held there. (Sybil and I were both participants—and so was Henry Kissinger.) In so many words, these leading Vietnamese intellectuals who had sponsored the South Vietnamese government, charged America with intruding into South Vietnam's internal affairs and bringing about their descent into communism. In short, they claimed America owed Vietnam another war. We got so intimately entangled in South Vietnamese affairs that we got charged with blame for the war itself from both sides.

The reason I think this re-hash and analysis is worthy of your time is that it exposes the insidious dangers of that gradualistic paternalism that is so attractive to the timid. It could happen again. Remember Winston Churchill words in his introduction to the Gathering Storm?

"It is my purpose, as one who lived and acted in these days . . . to show the malice of the wicked was reinforced by the weakness of the virtuous, how the councils of prudence and restraint may become the prime agents of mortal danger . . . and how the middle course, adopted from desires for safety and a quiet life may be found to lead direct to the bull's eye of disaster."

It's hard to to believe, now, but "Limited War" was a new expression in early 1965. There was lots of discussion about it—just like when its modern counterpart, "Low Intensity Conflict" was introduced a few years ago. Either can get very confusing if you try to apply it to yourself as an individual combatant. In April, 1965, a few months after our national Vietnam strategy had been decided, I was heading westward on the aircraft carrier Oriskany—starting my third eight month cruse that would mainly involve flying missions over Vietnam. I was 41 years old and had climbed to the top rung of the ladder of Navy flying—Air Group Commander—senior combatant pilot on the ship. This was to be a full combat cruise—(since we had left the United States we had heard about the Marines landing near Danang, and the start of the Rolling Thunder bombing campaign.) Three things triggered a speech I gave to all Air Group pilots a few days before we raised the Indochina coast. (The full text appears in Admiral Sharp's book, Strategy for Defeat.) The first trigger was informal chit chat among my squadron commanders about whether limited war required the same low altitude/high accuracy bomb drop patterns as regular war. "I heard some squardrons on other ships are thinking about pulling out high." (some were saying)

Second trigger: An easily detectable and understandably anxiety among my pilot population as a whole—85 percent of whom were facing their first combat. The majority (the juniors) were well educated, thoughful, and sensitive—too young to remember the national fervor of WWII. [I still vividly remembered the whispered concern among several just like them aboard the carrier *Ticonderoga* the previous summer as we eyed the still-wet bomb damage assessment photos of the flaming wreckage of the Vinh oil storage yard following our reprisal raid of August 5th. "Yes, sure enough, there are bodies among that rubble."] (and)

The third trigger: A letter from a bright and highly respected former commanding officer of mine—wishing me well on the one hand, and surprising me on the other by suggesting that I might give thought to laying off pressing for Code of Conduct conformance of prisoners—that it was, after all, a regular war document.

I'll quote myself just enough to give you the drift, and the tenor of the times:

"* * * Where do you as a person, a person of awareness, refinement and education, fit into this "limited war", "measured response" concept? I want to level with you right now, so you can think it over here in mid-Pacific and not kid yourself into "stark realizations" over the target. Once you go "feet dry" over the beach, there can be nothing limited about your commitment. "Limited war" means to us that our target list has limits, our ordnance loadout has limits, and our rules of engagement have limits, but that does not mean that there is anything "limited" about our personal obligation as fighting men to carry out assigned missions with all we've got. If you think it is right or sensible for a man, in the heat of battle, to apply something less than total personal commitment—equated perhaps to his idea of the promotion of national potential being applied, you are wrong. It's contrary to good sense about self-protection—half speed football is where you get your leg broken. It's contrary to human nature. So also is self-degradation. Don't think for a minute that the prisoner's Code of Conduct is just a "regular war" or "total war" document. It was written for all wars, and let it be understood that it applies with full force to this Air Group in this war * * *.

If you don't agree with all the above, right now is the time to turn in your wings. It's much less damaging to your pride if you do it in mid-Pacific now, as a clearly thought-out decision, than after you see your shipmates get shot up over the beach* * *.

I hope I haven't made this too somber. I merely want to let you all know where we stand on Duty, Honor, and Country. Secondly, I want to warn you all of excessive caution. A philosopher has warned us, that of all forms of caution, caution in love is the most fatal to true happiness. In the same way, I believe that "caution in war" can have a deleterious effect on your future self respect, and in this sense, surely your future happiness. When that Fox Flag is two blocked on Yankee Station, you'll be an actor in a drama that you'll replay in your mind's eye for the rest of your life. Level with yourself now. Do your duty."

No one came forward to turn in his wings. By the time Oriskany returned to San Diego in December 1965, her pilots had earned a record total of decorations for flight heroism. Of the 120 pilots addressed in this talk, 13 did not return with the ship. Nine were killed in action and four, including myself, were shot down and taken prisoner.

(I repeated parts of that years-ago talk tonight not because I consider it exceptional, but because I think it's common—the sort of thing we should always expect to hear in ready rooms filled with gung-ho young Americans heading off to war. When the armed forces of America are marshaled to fight, our government should know it's dealing with fire—fire in the hearts of its young. But our leaders' empathy for the earnestness of the generation they were sending forward was by no means universal in that Vietnam War. I learned in prison from a totally disgusted new "shoot down" nearly three years after this speech was given that

Pearl Harbor commanders were still arguing about whether our fighting man's Code of Conduct was applicable in this war—after we had already had people killed supporting it. And one of the most noted "bright young statesmen' of the Johnson administration complained to me after the war about my forbidding parole of POW's—he apparently not even realizing that abhorrence of parole was a key provision of the U.S. government Code to which we had all been pledged.)

On the Oriskany's next cruise, during summer 1966, five more from my air group joined us in the Hanoi dungeons—their killed in action list being higher yet than ours. And in the summer of 1967—still more prisoners, and still more lives and airplanes squandered by following government orders to run up and down the same restricted tracks, doding the same predictable dance before North Vietnamese gunners in that gradual escalation to nowhere. In four months of that 1967 cruise, the Oriskany had 40 percent of its deck load of airplanes shot out of the sky.

So much for Limited War; so much for the pussyfooters and needlethreaders who wanted to finesse a war with game theory, without disturbing anybody important. I say to them what my North Vietnamese jailers frequently said to me: "The blood, the blood, is on your hands."

Those of us who entered prison early, actually saw three different wars. The first lasted 3 years and 2 months—the war of reactive gradualism decided upon by LBJ and his jolly gang on December 1, 1964—the war that ran its course as described above. Then there was a 3 year 2 month "haitus" war—like the "limited" war, practically as long as America's WWII—but no airplanes in the sky—absolutely no American actions that we could detect having any effect on us one way or another. It lasted from late '68 to late '71. I was in solitary for the first half of it, and I was brutalized more in 1969 than in any year in prison. Some don't like to hear this, but on the whole, life was easier for us in prison when America was bombing and hammering at their gates. To have our bombing "paused" was somehow considered contemptible. And then the old JCS "short war" loomed into view in late 1971—the mining of the harbors, the tactical bombing of military targets in Hanoi and Haiphong—and the climax: seemingly endless streams of B-52's bombing Hanoi and Haiphong military complexes, starting on that wondrous night of December 18th, 1972. Within eleven days, North Vietnam was shut down completely.

That was commitment. A long time coming, and in hindsight, perhaps too late for an emotionally drained America. But for what its worth, I believe if the October 1964 JCS "short war" plan had been accepted and put in motion that spring of 1965—a move that would have been pefectly natural and totally possible:

That we would have a free and secure South Vietnam today;

That we would have about 40,000 fewer headstones in Arlington cemetery right now;

That we would have all been home before Christmas of 1966;

And, that what is known as "the '60's"—anti-war disruption and all—would never have happened.

How did we get so screwed up? The answer is that the American government tried to do something the Founding Fathers knew would never work: to send ("sneak" may be the better word) armies into war without their having a solid consensus of public support. Hear out two of my most trusted friends of good judgment:

Ross Perot—a savvy patriot in everybody's book: "If we didn't learn anything else from Vietnam, it is that you don't commit your men to the battlefield unless you commit the American people first. They fell just as dead in Vietnam as they did on Omaha Beach in Normandy. First commit the nation; then commit the troops."

Fred Weyand—Combat General in Vietnam; former Chief of Staff of the U.S. Army:

"When the Army is committed, the American people are committed, and when the American people lost their commitment it is futile to try to keep the Army committed."

And of course the Founding Fathers drove a spike into that Constitution they framed, a spike aimed specifically at that crucial need for public commitment—(insuring that no soldier marches off to a war that becomes an expendable sideshow of a Washington power struggle)—the provision that only the Congress can declare war. My Constitutional Law professor friends at Stanford tell me that the debates at the Constitutional Convention revealed two basic underlying reasons for that clause. The first stemmed from a consensus agreement among the Framers that one person—the President or any other in government, was to have the authority to alone lead the United States into war. Thus Congress was given the obligation (not the optional honor), of being the watchdog on the Executive Department on this matter. (There was debate about just making it the Senate, but the Framers decided that unless they needed a broader base.) And there was a second reason to put Congress on the hook: It was decided that unless they unequivocally authorized a war at the outset, the Congress were a good deal more likely to undercut the effort, leaving a situation that satisfied neither the allies we induced to rely on us, or our men who fought and sometimes died.

I think it is fair to say that generally speaking, since WWII and our subsequent discontinuance of declarations of war, things have not gone well. And we are all sick of these arguments about what is a war, and what is a prolonged campaign, and how do you know in advance. Yes, and tired too of having to agree to the obvious: that is it's neat that the President can pull off these successful flash-in-the-pan operations like the Libyan raid, and the Grenada rescue, and too, the successful Persian Gulf presence, without the encumbrances of prior debate. But I don't think it is any sort of a legal challenge to write a descriptive paragraph that clearly separates out the future Koreas and Vietnams from future Grenadas or Persian Gulfs. Basically, we're not talking about naval and air actions or marine team landings, we're talking about the United States Army in combat on foreign soil. And I think such expeditions (overseas wars) should be Declared or not fought at all.

One of the obfuscating factors in getting this hammered out is the ambivalent stance of Congress. My law professor friends have drawn out for me examples of what they call the typical Congressman's "studied ambiguity" on the subject. It's a fact, that today the artful dodging of controverisal questions is the road to reelection. (See this week's April 24th Newsweek under the cover story, "How Congress Really Works": "Our legislators are the world's only enterpreneurs devoted to shunning risk . . . The most frequently used word in their private conversations is "cover", a noun meaning a position on an issue, structured to avoid political risk or cost.") During Vietnam and in some conflicts since, Congress has shown itself to be consistently unwilling to end the fighting, in fact quite willing to continue to fuel it—"anything for the boys overseas"—but at the same time quite resourceful in scattering the landcape with rationalizations whereby it could continue to claim that "it wasn't really its war". In general, the modern Congressman is quite likely to be happy to let the President call the shots on war and peace while he devotes himself to the construction of his private political bomb shelter.

I have an interesting study of different wartime Congressmen's reactions to queries about his views on the Vietnam War in the light of his signature on the Tonkin Gulf Resolution:

"Prevent further aggression?"; "I was sure they told me they meant only aggression against our armed forces!"

(Another) "Oh, that was only to handle further provications against destroyers in the Tonkin Gulf".

(Another) "I was told we were just going along with one of old LBJ's international bluffs."

Foreign Relations Committee report: "Although it can be interpreted to authorize full scale war, that was not our intent at the time."

Every day our newspapers report the details of some squabble over Legislative vs Executive control of Foreign involvement. They are competing for the prestige of running it. I'm talking about the other end of the stick—the obligation to take responsibility for it and stick with it when it turns to worms. If you want to see that flip flop acted out in spades, come to a Prison Camp. When there's reprisal and torture being metered out, some prisoner officers, senior and thus responsible, will shirk all leadership duties because they know that if they do take charge they'll be spotlighted, hammered, and exposed to bad press at home. But let the heat come off, and those same rankers, who had been cowering in their cells for months—even years—not answering wall taps of those seeking guidance—suddenly surface and present their credentials to lead the homecoming tickertape parade. (That happened.) Everybody wants the prestige of command when the heat's off, but many shuck it like a hot potato when the fat is in the fire.

American Congressmen—Vietnam anti-war Congressmen who were lengthening the conflict even as American bodies were piling up, were able to get off easy with their constituents in spite of their signatures on the Tonkin Gulf Resolution. The American public didn't hold them responsible because there was just enough ambiguity in the air about just exactly where this Resolution (new word) fit in. But who can forget how guick those congressmen were to endorse this "engine" of the war that LBJ demanded in the heady times of summer 1964. The House of Representatives passed it unanimously after a total of 40 minutes of discussion. The Senate had two diehards and it took 8 hours and 40 minutes—but as you might know, said discussions took place before a Senate Chamber that was less than one third full.

I have an aside on this. "Sentiment rules the world", said Napoleon—and those who are on the scene when important events

take place, have a good vantage point to see the degree to which sentiment and image have the final say over facts. The excuse for the Tonkin Gulf Resolution was made into headlines that read like, "North Vietnamese Torpedo Boats make midnight sneak attack on American destroyers". As most of you know, I had the best seat in the house to watch that event, and our destroyers were just shooting at phantom targets—there were no PT boats there. It was not a conspiracy, but a hysterical mixup.

I reported that, and so did the commander of the destroyers; Washington received these reports promptly, but we went to war twelve hours later anyway. Those early headlines—based on Washington's word on what happen—set the tone for the reaction of the whole country, and two days later LBJ got his blank check for whatever kind of war he wanted—and a magnificent boost in the popularity polls for his upcoming election. But when we pilots who are out there really snickered was when we read the super-imaginative graphic accounts of "the sea battle" in the news magazines delivered out to the ships a couple of weeks later. If you have old Newsweeks, Time magazines, or Life magazines of that time—look at the stories, and drawings—and remember that there was nothing out there but black water and American fire power. But then contrast that 1964 public reaction to a non-event, to that 1973 reaction to a real event, to a magnificently handled de-arming of our enemy's capital city, with pin-point bombing of rail yards, transportation facilities, and missile sites, and an all-time low civilian casualty rate. How did our Congress react? In the middle of it, one of our Senators said on NBC TV that it was ". . . the most murderous aerial bombardment in the history of the world". Headlines screamed it was a "Christmas bombing"—I was there and not one bomb was dropped on Christmas. It was billed as a "holocaust", a carpet bombing, and I was there and not one bomb was dropped downtown. But by 1973, the country had come to such a state that—as Henry told the crowd in Paris—a vocal minority of our citizens who by that time did not want America to win that war were able to prevent the enforcement of the agreement that those eleven days of bombings had extracted from the North Vietnamese Government.

What a mess! Highhanded entry into the war, distrust of the JCS, mismanagement of the battle, squandering of the public trust, 58,000 of our soldiers dead with nothing to show for it! This could happen again! And we are asked to close the books and put the Vietnam War behind us? Sociologist Charles Moskos up here at Northwestern University predicts that that won't happen until the last of that generation that the old guard mangled are quiet in their graves—in the year 2030.

In those Vietnam War years, and perhaps since in some quarters of our government, the idea of "Declaration" and "Mobilization" seemed to be thought to bring with them the idea of moral approbation of the project—whereas the undeclared effort, especially one not even "worthy" of national mobilization, is less official, less real, less demanding of our internal sympathies. (It's like when 50,000 soldiers die in a NATIONAL EFFORT it's bad press. When 50,000 soldiers die in an undeclared "police action", it's just "the breaks".) After losing out with his "short war" pitch, Army Chief of Staff Harold Johnson (a very interesting man with whom I identify), made a push for national mobilization, not only for the manpower but for the public involvement, the public commitment.

(Harold Johnson was an Ex-POW of WWII who made the Bataan Death March—and who described his time behind bars as being "in a great laboratory of human behavior"—and I've never heard it better stated. He is described as a skeptic, dedicated to integrity, hatred of absolutes, being distrustful of easy solutions, and dead set against U.S. troop involvement in Vietnam. Harold Johnson said the Joint Chiefs were never asked to vote one way or another before the troops were sent in. The civilians said "go" and they went.)

Anyway, the key player who turned off General Harold Johnson's mobilization proposal (on July 25th, 1965) was ex-Supreme Court Justice Arthur Goldberg. He voiced the opinion that a "mobilized" Vietnam War would make his image as our U.N. Ambassador more tainted than would an "unmobilized" Vietnam War.

Well, I say then, that from the national commitment viewpoint, all the more reason for the soldier to want his war declared. That's the only way he can be confident that the government really means it.

The worst part of all this is that in the undeclared case, it's such a natural thing for our very Congress (being unaccountable in public eyes nowadays) to turn out to be an after-the-fact agent that nullifies our fighting men's best efforts as an expendable miscue, a discard from the Washington power game. The Framers had it figured correctly. Our Constitution had to be written so as to protect our fighting men from shedding blood in pointless exercises while a dissenting Congress strangles the effort. But what has evolved in this modern age, apparently to everybody's satisfaction but those fighting men, affords them no such protection.

I've heard just too many decorated veteran warriors from Vietnam say, "Our government better figure out some way to make it clear that the mean business next time, or I'm thought with soldiering." They are sick of being told that their lives have to be provisionally committed to a half-baked plan because it's the only way the president can, in the national interest, get around adverse congressional sentiment. They shouldn't have to take that.

These men were brought up pledging allegiance to the flag of a United States of America, which from its beginnings was committed to a separation of powers. From maturity they knew the strengths of this form of government which balances the legislature against the presidency. But they also sensed, as did our Founding Fathers and the six generations that followed, that our government's weakness is a tendency to become fickle when the point of no return has passed, when the fat is in the fire and the troops are in the field. But over those early generations a national confidence had grown up, particularly through those personal commitments, that bright line assurance, documented by congressional declarations of war. But now, if in the post-Vietnam United States the soldier is just to be told that in modern times opinions change, that he should be prepared to have commitments dropped, and that he should do his job in the field and never mind that he will be fighting for a government constantly doing a balancing act against nasty opposition from within, this will simply not do. Soldiers will march off to their deaths only so long as they don't feel they have to die alone for what will be abandoned causes.

I'm not usually on the stump. But by asking me to make a speech, you make me think, And this is where I come down. The woods are full of experts who can probably put me down in nothing flat. As the saying goes, "I don't know Washington".

But I do know some American history, and how the Framers' model for this country was that most admirable Republic of Rome. During the formation of our government, when constitutional issues were being debated, the famous and not famous on both sides of the issues wrote under Roman pseudonyms (Publius, Camillus, Brutus, Cassius). George Washington was so taken with the character of Cato the Younger in Joseph Addison's 1713 play, Cato that he made the Roman republican his role model. Washington loved the theatre and went to see Cato numerous times from early manhood into maturity, and even had it performed for his troops at Valley Forge despite a congressional resolution that plays were inimical to republican virtue. Lines from the play can be found verbatim not only in Washington's private correspondence but in his farewell address.

The Roman Republic and its ethos, particularly during its first three hundred years, where a natural model for our founders' dreams. Like ours, their republic emerged from monarchy; like ours, the people of its early years were mostly free farmers. And although war had been the most dramatic feature of the life of the early republican Romans, their historians described how the development of the Roman character was formed by institutions with which our revolutionary forebears could identify: the family, the religion, the moral code. The Greek historian Polybius (who died when the republic was a mere 386 years old, before it had become an empire and then corrupt—and incidentally a man whose hobby was cryptography and the very man who devised that quadratic tap code we decided to use in the Hanoi prisons) praised the Roman government as the best in the world and described the honesty of the Roman people as superior to that of his own countrymen. Their army, as a republic, was the most successful military organization in history, never lost a war, and brought a city state a mere twenty miles square to the status of conqueror of the whole Mediterranean world.

But they, as we all must, eventually fell. They fell of infighting as an empire, from a general lack of public virtue, from selfishness and inconsiderateness. I just don't want to see that process speeded up here. Heed the letter from deployed soldier Marcus Flavinius, Centurion in the 2nd Cohort of the Augusta Legion, to his highly placed cousin, Turtullus at home in Rome:

"We had been told, on leaving our native soil, that we were going to defend the sacred rights conferred on us by so many of our citizens settled overseas, so many years of our presence, so many benefits brought by us to populations in need of our assistance and our civilization.

We were able to verify that all this was true, and, because it was true, we did not hesitate to shed our quota of blood, to sacrifice our youth and our hopes. We regretted nothing, but whereas we over here are inspired by this frame of mind, I am told that in Rome factions and conspiracies are rife, that treachery flourishes, and that many people in their uncertainty and confusion lend a ready ear to the dire temptations of relinquishment and vilify our action.

I cannot believe that all this is true, and yet recent wars have shown how pernicious such a state of mind could be and to where it could lead.

Make haste to reassure me, I beg you, and tell me that our fellow citizens understand us, support us and protect us as we ourselves are protecting the glory of the Empire.

If it should be otherwise, if we should have to leave our bleached bones on these desert sands in vain, then beware the anger of the Legions.!"

The SPEAKER pro tempore. Under a previous order of the House the gentleman from Rhode Island [Mr. MACHTLEY] is recognized for 5 minutes.

[Mr. MACHTLEY addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

IN SUPPORT OF LEGISLATION TO MAKE PERMANENT THE MARTIN LUTHER KING, JR. FEDERAL HOLIDAY COMMISSION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey [Mr. PAYNE] is recognized for 5 minutes.

Mr. PAYNE. Mr. Speaker, as we consider final passage of H.R. 1385, I want to take this opportunity to reiterate my strong support for this important measure to make permanent the Martin Luther King, Jr., Federal Holiday Commission.

The Commission's work has enhanced understanding and appreciation of Dr. King's quest for justice and equality through nonviolent change.

Those of us who attended the March on Washington in 1963 will never forget his power to bring people together. We want to ensure that future generations share in our experience by understanding the world that existed during Dr. King's lifetime and the tremendous courage it took to change that world.

Dr. King inspired me as he did millions of others of my generation. He taught us valuable lessons about the importance of perseverence, involvement, determination, and leadership.

Mr. Speaker, I urge final passage of H.R. 1385 to ensure that Dr. King's legacy continues to touch our children and their children. His spirit will continue to live as long as we continue his crusade for a fair and just society.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Washington [Mr. MCDERMOTT] is recognized for 60 minutes.

[Mr. MCDERMOTT addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

NATIONAL SMALL BUSINESS WEEK

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. IRELAND] is recognized for 60 minutes.

Mr. IRELAND. Mr. Speaker, I rise today to pay tribute to the American entrepreneur. Congress designated May 8 to 12 as "National Small Business Week" in recognition of the contributions made by American small business to our national prosperity and cultural heritage, and I would like to take the next few minutes to put before my colleagues some fundamental ideas about the role of small business in our economy and society.

Sometimes I think we gave our Small Business Committee the wrong name. For when it comes to making this country's economy go, the entrepreneurial sector is anything but small. It's big in job creation. Big in technical innovation. Big in export enhancement.

And small business is the modern-day embodiment of some big ideas that formed the fabric of our Nation even before the founding of the Republic. That fundamental idea is that the individual—not the State or its bureaucracies, not the impersonal institutions of the old world, but the individual—should form the centerpiece of our social fabric. The economic expression of individual values if found in entrepreneurialism.

That's not only a philosophical statement on my part, but also a practical statement as well. The leading role of small business in this Nation's longest economic expansion in history is well documented. Small business—which is really the activity of millions of individual entrepreneurs across the land—has far outpaced big business in job creation and technical innovation.

Yet despite the great strides made by small business in our economy and society, a bias for bigness exists in Washington. It's a bias that tends to ignore some of the special problems confronting entrepreneurs—a bias that tends to skew incentives and reward toward big business, big labor, and big government.

Despite this bias for bigness that permeates the Federal Government and the financial capitals of the world, I'm excited about something I see going on in America and across the world today—something I like to call an entrepreneurial revolution.

It's a discovery around the globe—and a renaissance here at home—of the fundamental ideals that made our society great, our economy strong, and our standard of living the envy of the world.

It is a new understanding of the true meaning of free enterprise—a free market economy, a government that protects the rights of individuals, and a people that realizes that entrepreneurial activity is not simply a means to riches, but is a promise of personal growth and individual liberty for each and every person.

Marx, Lenin, and Mao Tse Tung must be rolling in their graves at what is going on in the Soviet Union and China. For even those countries—the paragons of stifled societies, centrally planned economies, and government by bureaucracy—even they have learned the wisdom of America—that power lies in people, not in institutions. That progress comes through incentives, not through government edicts. That less central planning is the secret to more public wealth.

I strongly believe that America's current strength and future potential lies in a nurturing of these ideals. Each and every man and woman in this country should be free to profit from their own initiative, without being victimized by hate, stymied by injustice or hampered by an intrusive government.

I think it is important for those of us in Congress to spread that message and to put it into action. We can apply entrepreneurial ideals in which Government, business, industry, and entrepreneurs can do some good for the world.

Because market forces can and should be forces of good in the world, not forces of greed. It is the values that we as individuals bring to the marketplace that will determine whether our society is just and our future secure, or whether avarice and injustice prevail.

There is great opportunity to put entrepreneurial ideas to work—in foreign trade expansion, urban revitalization, rural development, and third world development, to name just a few.

Ideas abound that would put to work in the public sphere the entrepreneurial values that are so vital to the private sector—ideas such as the establishment of urban enterprise zones to revitalize our cities, the application of free market principles to Third World development, and reform of defense spending to include small business and make large corporations more competitive.

We will make great inroads in lowering the trade deficit, bringing our cities back and helping the poor in this country and abroad—if we move away from a dangerous dependency on bureaucracies toward a nurturing of the power of the private sector. Therein lies hope for our Nation's young people, for immigrants and minorities, for people everywhere who yearn to breathe free and prosper.

At the beginning of this Congress, I introduced an Omnibus Small Business Act to call attention to specific needs of the entrepreneurial sector. That bill drew upon legislation introduced by myself and a number of my colleagues in the past, as well as from the two White House Conferences on Small Business that have been held here in Washington.

The Omnibus Small Business Act contains six titles addressing some

fundamental problems faced by individuals seeking to start or maintain a profitable business. And it proposes some ground-breaking ideas for reform of the way the Federal Government perceives and treats small businesses.

Briefly, this act would:

First, elevate the Administrator of the Small Business Administration to Cabinet-level status, so that the entrepreneur would a have a voice at the highest level of economic decisionmaking;

Second, permanently authorize the White House Conferences on Small Business, which have provided so much valuable information on the needs and concerns of the entrepreneur;

Third, subject agencies that fail to comply with the Regulatory Flexibility Act to full judicial review;

Fourth, apply the Regulatory Flexibility Act to the Internal Revenue Service, so that the IRS must lessen the burden its paperwork imposes on the entrepreneur, section 89;

Fifth, direct the SBA to conduct a study of the overall impact of Federal regulations on the productivity of small business;

Sixth, address the availability of affordable credit to small businesses. Even the most credit-worthy individuals can have trouble finding affordable credit when it is to be used to start or improve upon a small business. We need to address the shortcomings in our credit markets and come up with some creative solutions.

At the same time that we week to make the Congress to better understand the positive potential represented in our entrepreneurial sector, we must also be cognizant of the problems faced by individuals seeking to start and run a profitable small business. In addition to the lack of affordable credit and burdensome Government regulations, a whole litany of proposals are marching through Congress that would greatly reduce rewards and incentives for owning an individual enterprise.

We must be careful, as we seek to meet some of the challenges that face our society, that we do not lay a disproportionate burden of the solution on the shoulder of the entrepreneur. We must avoid the temptation to impose antigrowth policies like mandated benefits, such as parental leave and health insurance; a significant increase in the minimum wage; or an increasingly complex Tax Code.

As National Small Business Week unfolds, let us toast the millions of entrepreneurs across our Nation. They are the source of our prosperity and the backbone of our individual freedoms.

LEGISLATION

Mr. Speaker, this week in honor of our 7 day salute to small business, several important pieces of small business legislation will be introduced. First, a man who has faithfully served the public in this House for more than 30 years—the true champion of the entrepreneur—Representative SILVIO CONTE of Massachusetts—will drop two new bills. The first one will be entitled "The Small Business Protection Act". Essentially it will require a small business impact statement whenever a Federal agency attempts to consolidate a number of single small contracts into one large multifunction contract. This practice, known as bundling, adversely impacts upon small business because it effectively eliminates them from becoming prime contractors. Mr. CONTE's second bill—"The Women's Business Equity Act"—would make permanent the Office of Women's Business Enterprise at the Small Business Administration, would provide for a uniform and preemptive certification process for WBE's and would include them in agency goalling efforts. I will be pleased to cosponsor both important initiatives.

Next, the distinguished chairman of the House Subcommittee on Exports, Tax Policy, and Special Problems will reintroduce two pieces of legislation aimed at strengthening the Regulatory Flexibility Act of 1980. One will call for inclusion of the Internal Revenue Service under the act and the other will seek to include REA under full judicial review. Both of these issues arose in the original negotiations over the act but due to various political pressures they were not included in the final draft. Now more than ever they are needed and I will cosponsor both fine initiatives. Also my good friend IKE SKELTON chairman of our Procurement, Tourism, and Rural Development intends to this week introduce a much anticipated rural development bill which we all await with great interest.

Finally, along with SIL CONTE today I have reintroduced legislation which would permanently authorize White House Conferences on Small Business. They would be convened once during each Presidential term. In my opinion it is hard to argue with people who say that the true significant advances for small business have come during the last decade thanks in large part to the first two White House Conferences. So the facts speak for themselves. We should have more conferences until there is a perception that our work in done.

Mr. Speaker, there has been a lot of other excellent legislation introduced over the last 5 months. As a result, we look forward to a lot of positive activity on the House Small Business Committee. However, let us not deceive ourselves. Our committee jurisdiction is somewhat limited. Much that goes on in this House that affects small business is action that occurs on other playing fields. We must work with members on other committees to insure that our voice and our sincere feelings are heard and not just in the introduction of legislation. Much that will have a profound economic effect—minimum wage, mandates benefits of all sorts, and the like—are past the early development stages and are approaching the floor debate stage. We must prepare ourselves with the facts of the amazing economic revival of the last decade and convince those who would unnecessarily tinker with the world's foremost freest and efficient marketplace to reconsider some of the flawed social manipulative proposals that are unfortunately moving forward.

INTERNATIONAL TRADE

Mr. Speaker, in the last decade there has been an awakening in this Nation to the sad fact that for too long the bulk of American exports have come from a handful of behemoth corporations. If we are truly to compete in the emerging sophisticated world market place we must have a lot more players on our team particularly from the small business sector of the economy. I have been working on this problem for some years now. Legislation I introduced to turn around many of the programs at the Export-Import Bank and redirect resources to small business are beginning to bear fruit. Also my call for an assistant for small business within the Office of our Trade Representative is a month or so from reality. Progress is being made but the remaining workload is by no means a light one.

In this context I would like to bring to the attention of all my colleagues an historic event which will take place this coming October. This is an event which will be called Export-89—the American European Small Business Trade Congress. This is the first ever trade event sponsored by the Department of Commerce exclusively for small business. It cuts across all industry lines and includes products and services. The event will be held in Frankfurt, Germany October 25–29, 1989. The purpose of Export 89 is to assist small business to identify business opportunities in Europe: provide a vehicle for organizations who want to network with American and European small business; and to expand the role of small business in the trade policy process.

The Export 89 concept was shaped in consultation with a group of small business advisors appointed by the Secretary of Commerce and the USTR to the Industry Sector Advisory Committee on Small and Minority Business for Trade and Policy Matters, [ISAC 14]. This concept also includes recommendations from the 1986 White House Conference on Small Business. Export 89 includes a trade policy symposium at which American and European small businesses will discuss issues that have been identified as important to both United States and European small business. Participants at the symposium will vote on issue recommendations. Initially four key areas of concern have been developed—tariff and nontariff barriers; Europe 1992: Intellectual property rights; and export financing. Export 89 will provide an opportunity for small businesses to identify specific impediments to their exports and develop creative solutions to overcome these problems.

In preparation for Frankfurt, Commerce will sponsor along with KLM-Cargo five trade issue symposia during the month of June in Boston, Atlanta, Cleveland, Phoenix, and San Francisco. The symposia will be held in these cities, includes lunch, and is free to participants. Papers developed here will be printed and distributed to all Export 89 participants prior to Frankfurt. I urge all members to take notice of this extraordinary event and to immediately notify their small business constituents. Later I will be sending a dear colleague with more facts about this event as they are developed. I also want to extend public thanks

and congratulations here before the House to an extraordinary public servant—Ms. Helen Burroughs, the Executive Director for Export 89 and a long time employee of the Commerce Department. Ms. Burroughs has worked valiantly for the small business I.S.A.C. over the years and I can honestly say that without her dedication and perservance I would not be able to tell you today that Export 89 is a reality. Our Nation's small business exporting community owes her a tremendous debt of gratitude.

WOMEN IN BUSINESS

Women-owned small businesses are in the mainstream of economic growth. Long-term social, economic, and technological changes have shifted U.S. industrial employment from a predominate agricultural, mining and manufacturing base toward the service sector. This employment trend has favored the growth of many small firms that can readily respond to specialized demands. Entrepreneurial activity has expanded greatly, creating thousands of new and innovative small businesses and new jobs. Women-owned businesses too, are riding the wave of this trend: they are the fastest growing segment of the small business population.

What are the reasons for this rapid increase in women-owned businesses? Three factors have been particularly important. First, as wage-and-salary workers, women have acquired skills and experience that can be translated into entrepreneurship. Working in traditional occupations, women have gained skills which they are applying in business ventures from retail sales to data processing and health care.

Women are also moving into a wide range of traditionally male-dominated occupations, from construction to law. They were employed as professional and technical workers, managers, and administrators in areas with direct entrepreneurial potential. They gained experience as computer specialists, lawyers, doctors, dentists, pharmacists, bank officials, and financial managers. While most of the women in sales continued to be concentrated in low-wage retail sales jobs, the number in real estate, insurance, manufacturing, sales, and finance and investment increased.

In blue collar occupations, more females became work supervisors, painters, construction and maintenance workers, and printing craftworkers. They made substantial inroads in telephone installation and repair and worked as gas station attendants, butchers, welders and bus and truck drivers. As women accumulated experience in these fields, they became better prepared to operate their own business.

A second factor opening new doors for women is their achievement in higher education. Educational achievement for women promises to improve their potential for business ownership and the quality of the activities they undertake. Through education, more women are positioning themselves for business opportunities in such expanding fields as aerospace, telecommunications, electronics, and biomedical engineering. Educational accomplishments also improve their income potential.

Perhaps the most important reason for the rapid rise of women's business ownership is the expanding role of small business in the Nation's economic growth, especially in the service sector. The long-term fundamental shift of U.S. industrial employment from agriculture, mining, and manufacturing to the service sector has created an entrepreneurial economy. The role of small business as innovators and job generators in the economy is now recognized and well documented. Small enterprises also have been the leading generators of new jobs in services, the fastest growing employment sector. Women are identifying with and participating in this trend. In fact, most women-owned businesses are in the service sector.

Service sector industries, although vastly different in many ways, are linked by common traits that lend themselves to small and women-owned business ventures. Many of these industries are dominated by characteristically labor-intensive, small-scale operations that require limited capitalization in fields that are relatively easy to enter. Many utilize skills that women have traditionally acquired in other societal roles and occupations—in human resource development, health care, education, consumer relations, and sales.

Mr. Speaker, last Congress we passed H.R. 5050, a bill to further assist the development of women-owned business. We must insure that this program works and build upon that foundation with Representative CONTE's new bill to be introduced this week which I discussed earlier.

SMALL BUSINESS ADMINISTRATION

The Small Business Administration is unique in concept and design because it is the only Federal Government agency possessing programs specifically designed to promote and protect the welfare of small business. Of course, other departments and agencies of the Federal Government do have programs which benefit small business, but in every case these programs were fashioned to assist constituencies other than the small business community, and the advantages which accrue to small business from these programs do so only ancillary to the main purpose of the program.

SBA's birth was made possible by the experience gained from several agencies which preceded it. These experiments provided the program testing which ultimately cast the mold from which SBA was formed.

President Dwight D. Eisenhower so wanted the agency's creation that he asked the Senate to suspend floor consideration and accept a House amended bill which they did and on July 20, 1953 the bill was signed into law and the SBA was born. Since then the SBA has done a great deal of good for this Nation. As with any other Federal entity there have been ups and downs and some sad chapters in the agency's history. Overall, however, the Nation has received its annual tax investment, that supports the agency, back many, many times over. Mr. Speaker, we congratulate the newest SBA Administrator—Susan Engeleiter on her appointment and wish her well.

THE SMALL BUSINESS ROLE INNOVATION

Small Business plays an important role in originating new products and processes. This ability to innovate is frequently cited by commentators and policymakers as an essential rationale for focusing attention on small business. Precise measurement or description of the small business contribution to innovation is an ongoing pursuit. Yet we must continue to study the innovation process in order to make informed policy decisions aimed at encouraging industrial and scientific contributions.

Small businesses have been the idea-generators and risk takers for numerous innovations that have changed the quality and style of life in America. These innovative small businesses are found across industries, but public attention is generally focused on these firms only when a major innovation is generated, or when successful innovation leads to dramatic firm growth. In recent years additional attention has been centered on a new class of small technology-based businesses. These firms are found in industries characterized by an above average concentration of scientists and engineers, a high level of research and development expenditures, and a continual involvement in the dynamics of innovation.

It is our job in the Federal Government to appreciate how important innovation is and where it comes from. For if we do not encourage and support American innovative genius you can bet some foreign competitors will. The dye is cast.

Mr. HANCOCK. Mr. Speaker, will the gentleman yield?

Mr. IRELAND. Mr. Speaker, I yield to the gentleman from Missouri [Mr. HANCOCK].

Mr. HANCOCK. Mr. Speaker, it is my pleasure to come to the House floor today to commemorate Small Business Week, and I would like to thank Congressman IRELAND for organizing this special order. I take particular pleasure in this event because it's only been since January 3, 1989 that I became a Congressman. Prior to this I was a small businessman. Since 1969 I have owned and operated a small business in the Ozark Mountains of southwest Missouri, and when I say small business that's exactly what I mean. We employ a total of seven employees. And I can tell you from first-hand experience, in the Congress and in a small business, that the Congress has not made things easier for the small businessman since 1969. It used to be that the American dream was to own your own home and your own business. If you needed help to open your business, you went out and got a partner. Today, whether needed or not, the person starting a business has a partner from day one. But the only things that our modern partner brings to the business are mounds of paperwork to be filled out, incomprehensible regulations such as section 89, and, of course, a demand for a large share of any profits made in return for these invaluable services. The partner I speak of is, as you know, the Federal Government.

So, if ever a week recognizing the progress and contributions of small business was needed, it is now. You would think that, on this one week out of the year Congress would not do

anything further to harm small business. Well, that is not the case. On Thursday of this of all weeks, we will again make things harder on America's small businesses and put a few more small businesses out of business by voting to raise the minimum wage to $4.55 an hour. Is that not ironic?

For this reason, I have cosigned a letter to President Bush supporting his veto of our minimum wage bill. There is a better way to help the working poor without harming small business and that is through an earned income tax credit.

But we will not stop with raising the minimum wage. No sir, small business should be so lucky. Later in this session we will consider bills to force employers to offer health insurance and parental leave to their employees. These mandated programs will force every business to raise prices, lay off employees or go out of business. What we don't need is fewer jobs and more inflation.

Congress seems to have sensed that the public will not tolerate higher taxes to provide for a larger government, so the mandate has replaced the tax. Now, rather than tax people so the government can do something, we simply mandate that the private sector do it. Some on Captial Hill think we can pass mandates without putting people out of work and out of business. They are sorely mistaken. If the politicians would only take the time to listen to the small businessmen of America, they would hear otherwise. If you require an employer to pay more in wages, if you require an employer to offer greater benefits, that employer will not hire as many new employees when we has the opportunity to do so and that employer might well layoff the marginal employee. And that employer might well go out of business if the Government raises his costs and he cannot find a way to lower them enough to make a return on his labors.

But make no mistake about it, small business is America's future. No matter how hard we in Congress try to make it otherwise, the entrepreneur will remain the backbone of our capitalist system. In fact, over 70 percent of the more than 17 million net new jobs created this decade have been in small firms. According to the President's 1988 report on the state of small business, 10.5 million net new jobs were created in this field, of which 6.6 million were with firms employing 500 or fewer, and 4 million jobs were created by firms with fewer than 20 employees. Clearly, if we are to continue our economic expansion into the 1990's, small business must be at the forefront of this effort.

Hard work, pride in service, intimate knowledge of the market, and, above all, a commitment to the customer, these qualities have come to exemplify small business. Unfortunately, tolerance of Government interference and, now, Government mandates have also become synonymous with small business. I am proud to be a small businessman, I hope I can be as proud of my service as a Congressman. I hope my fellow small businessmen will like my work as member of the House Small Business Committee. I am especially proud to speak here today on behalf of Small Business Week honoring the small business people of America.

Mr. IRELAND. Mr. Speaker, I yield to the gentleman from Rhode Island [Mr. MACHTLEY].

Mr. MACHTLEY. Mr. Speaker, today we are honoring one of America's strongest economic forces. On my part, it is a pledge of faith to do all that I can to protect the small businessman and woman, to protect the jobs that these firms create, and to preserve the independence, innovation, and potential which is embodied in the very idea of a small firm.

As the newest member of the Small Business Committee, I am particularly honored to pay tribute to our Nation's small businesses.

We all have good reasons to be interested in the success of small business. The rewards of small business make up at least half of our GNP.

In my State of Rhode Island, small businesses take on a special importance. Over 99.7 percent of all businesses in Rhode Island employ less than 500 people. Virtually all of our economic success can be attributed to the work of small businessmen and women.

When over half of the Nation's GNP is coming from one cumulative source—small business, it is high time to give credit where credit is due. We ought to bring small businesses into the loop, and offer them the kind of high profile that they deserve.

Small businesses create jobs. Notably, while the national unemployment average hovered around 5.4 percent last year, Rhode Island was one of only 17 States with an average unemployment rate of under 4.1 percent.

In fact, in my district of Rhode Island, almost 97 percent of the population is employed. Coming from a State where industry is composed almost entirely of small firms, the unemployment figures in my district make a pretty good case for the strength of small business to keep the economy healthy.

Because small business is so integral to America's economic future, I have cosponsored legislation sponsored by my distinguished colleague, Mr. IRELAND, which would both raise the status of the Administrator of the Small Business Administration and create a White House Conference on Small Business.

It is time to provide national recognition for an exigent factor in America's overall success, to applaud the efforts of many hardworking individuals, and to offer incentives for the further creation of independent, self-made firms that can both survive, and thrive in a competitive marketplace.

Mr. MILLER of Ohio. Mr. Speaker, I want to join my friend and colleague ANDY IRELAND today in paying fitting tribute to the tremendous importance of small business in America's economy. This week, we have observed Small Business Week in this country—with the theme being: "Small Business is America's Future."

All too often, in a nation as strong and vibrant as ours, we tend to take for granted the soundest elements of our economy. For years, the strength of our economy has been in the small business sector. For years, it has been the hard work of enterprising small business persons who have oiled the economic wheels of democracy. According to the Small Business Administration, 98 percent of the businesses listed in their data base have fewer than 100 employees. There are currently 3.8 million businesses listed in the SBA's data base file. In 1983, nearly 40 million employees were gainfully working in a small business workplace. Imagine this Nation's well-being—both at home and in the competitive nature of international marketing—without the small business backbone.

There is also an important education renaissance involving small business underway in this Nation. Small business firms hire two out of every three new workers. With that comes a commitment to training. Small business training takes unskilled workers into the business world, equipping them with new talents that benefit us all. Almost one-third of the workers in firms of less than 100 employees are between the ages 16 and 24, according to the Census Bureau. By training these young people, small business is preparing a new generation of workers to assume the economic responsibilities that will be necessary to keep America strong and competitive.

A number of successful small business operators have been in Washington this week. Each in their own way has a successful story to share. They have, in a real sense, made free enterprise responsive. They've given it definition and vitality. The outstanding firm selected as Ohio's Small Business of the Year calls the 10th Congressional District home. Lloyd and Lee Middleton of Coolville, OH, have successfully operated the Middleton Doll Co. for several years. They are preparing to open a facility in Washington County. They have provided the market with exceptional dolls of the highest quality and, in the process, they've added richly to the local economy and the job market in an area always welcoming new opportunity and economic growth.

I want to commend all small businesses today, especially those which have contributed so much to the development of southeastern and central Ohio. I congratulate Middleton Doll Co. and the Middleton family. I endorse the value of the small business man and woman in our society and I hope that Congress will continue to give appropriate recog-

nition to those who make a difference, daily. Thank you, Mr. Speaker.

Mr. HATCHER. Mr. Speaker, I rise today during Small Business Week to discuss the Small Business Development Center [SBDC] Program, a vital support mechanism for small business in my State of Georgia and throughout the country. SBDC's draw from resources of local, State and Federal Government programs, the private sector, and university facilities to provide managerial and technical help, research studies and other types of specialized assistance of value to small business. These university-based centers provide individual counseling and practical training for small business owners. At the end of fiscal year 1988, there were 53 SBDC's in 46 States offering "one-stop" guidance and assistance to our Nation's entreprenuers.

Since the Bush administration has followed the recommendation of President Reagan's last budget request and targeted the program for elimination, I feel it is appropriate to discuss the importance of this program to the small business community in America and to my constituents in particular.

During 1988, the national SBDC network counseled approximately 125,000 present and prospective small business owners. In addition, more than 275,000 businesses received training on a variety of management subjects.

The SBDC network in Georgia has existed for nearly 12 years. Through its statewide network of five regional and five district centers, four subcenters, and 55 satellite offices, the Georgia SBDC Program provides the Georgia small business community with information important to making sound business decisions. Its basic functions include counseling, continuing education, and the collection and dissemination of information. The Georgia SBDC works with 20 vocational-technical schools in its efforts to provide services in the most convenient locations for clients. In addition, the SBDC is involved with at least 50 chambers of commerce throughout the State. In 1988, the Georgia program became one of the first SBDC networks to be certified by the Association of Small Business Development Centers, a recognition of its preeminent position and leadership role.

The Georgia SBDC network has had several achievements during the past few years. In particular, the delivery of basic services, counseling and training has been upgraded and expanded, with an added interest in serving rural Georgia. This has been accomplished despite severe budget constraints.

The network offers one of the Nation's most effective service programs to the State's minority business community. One of the greatest accomplishments of Georgia SBDC's has been its contribution to the economic advancement of minorities and the disadvantaged in our State.

In the past 2 years, the Export Assistance Program has been revitalized in an effort to increase the involvement of Georgia-based business in international trade. SBDC clients in Albany, GA, the largest city in my congressional district, have participated in a seminar program that addressed the implications of an integrated European common market for American small business.

During 1988, the Georgia SBDC served 978 clients in my congressional district located in southwest Georgia and served entrepreneurs in each of the 30 counties that I represent; 406 clients were served in Albany, and seminar programs were offered on other topics such as small business tax policies, computer programming, and advertising.

It is significant that over the years the National SBDC Program has drawn local and State financial contributions to the extent that Federal dollars now constitute only a minority share of the national network's support. This cost-effective program has proven itself time and time again. As I have described, these development centers provide technical assistance to struggling entrepreneurs across the country on items ranging from personnel management techniques to identifying overseas market opportunities.

I strongly believe that the SBDC Program, having helped to create thousands of new jobs and many new businesses, has reached a level of success that more than justifies its cost. This is one of the few Federal programs that addresses a broad range of small business economic activity. Economists suggest that 80 percent of all new jobs are generated by companies of 100 employees or less. The SBDC network is a vital element in that employment creation process. I call upon my colleagues to support full funding for the SBDC Program during the coming fiscal year.

Mr. FAWELL. Mr. Speaker, I rise to salute small businesses across our Nation, and also in my State of Illinois. Small business has been the engine behind the tens of millions of new jobs created in this country over the last several years.

Although more small businesses appear to be succeeding than in years past, this is largely due to a healthy economy. We know that small firms are usually the first to feel the pinch in an economic slowdown, and we have been warned that business failures will likely begin to climb by the mid-1990's. We must act now to ensure that the future of America's small businesses is a promising one. We must not continue to create new congressional mandates that strangle the ability of small business to innovate and to respond to a competitive marketplace.

Mr. Speaker, Congress will soon vote upon an increase in the minimum wage, and we are also considering a national mandate for family and medical leave, mandated health benefits for virtually all employees, compulsory unionism in construction trades, and nondiscrimination rules in employer-provided health care. As we examine these and other proposals that will impact small businesses across the country, such as a reinstatement of the capital gains differential, let us make a commitment to encouraging the growth and success of small firms, rather than strangling them with congressional mandates.

Mr. WEBER. Mr. Speaker, this week we are paying tribute to this Nation's small business community. The small business men and women have made an enormous contribution to this Nation's economy. They have been, in large part, responsible for the longest peacetime economic expansion in this Nation's history. In addition, they have helped create over 20 million new jobs during the last 78 months. The lesson that we must learn, Mr. Speaker, is that this Nation's future prosperity largely depends on the strength of small business.

This is why I think the theme for this year's tribute is so appropriate. "Small Business is America's Future." But I want to take this opportunity to point out to my colleagues that we could be inadvertently threatening their future. In the May 3d edition of the Wall Street Journal, Anthony Obadal argues that Congress is trying to make changes in the estate tax laws that will have an adverse impact on the survival rates of family held small business. I would encourage each of my colleagues to read this article and ask that it be placed in the RECORD.

The future of America's family business ought to be a top priority for our Government. Therefore, we should support policies which encourage the growth and expansion of small business and oppose any legislation which would tax them out of existence.

TAX LAW MAKES IT HARDER TO KEEP FIRMS IN FAMILY

(By Anthony J. Obadal)

For closely held businesses to survive, their assets must pass from one generation or group of employees to another. But, slowly and quietly, Congress over the past few years has made changes in the estate tax laws that threaten this continuity.

Currently, federal estate taxes have a $600,000 exemption, a starting rate of 35 percent and a top rate of 55 percent. The estate-tax changes adopted by Congress in 1981 applied these rates to the fully appreciated market value of property at the date of death, rather than to the property's original purchase price or earning ability.

Because few family or other closely held businesses could survive these prohibitive rates, which strip them of substantial portions of their assets to pay taxes, the tax mavens quickly devised techniques to pass on a business to family members or to employees before the principal's death. These techniques generally involved "freezing" the value of the principal's holdings on the date of the transfer.

Under a typical estate-freeze transaction, parents who owned a business would convert their common stock into preferred and have the company issue new common stock to the children. The value of the preferred stock was frozen for tax purposes, and an annual income through dividends was received by the parent. This preserved continuity, kept the older generation involved in the business, and provided the older principal with a comfortable retirement income. The children benefited as the value of the common stock grew through their own efforts, and the increase in the business's value was not included in the parents' estate. Thus, the sale of the business to pay taxes was not necessary.

Congress was not happy. While the details, exceptions and special rules are too complex to cover here, the 1987 Revenue Act and the 1988 Technical and Miscellaneous Revenue Act changed that estate-freeze rule to prevent, among other things, the transaction described above. Additionally, the law was drafted broadly and may apply to certain transfers to employees or other non-family members.

Generally, transferred property will not be included in a decedent's estate if it was sold at fair market value in an arm's length transaction. But there are special rules for

sales to family members. Thus, even if a parent sells all his common stock in a corporation to a child for fair market value but retains the preferred, the value of the common stock at the time of the parent's death will be included in his estate.

The estate-freeze provisions of the code were attacked last year by the American Bar Association as discriminatory and anti-family business. Several other trade associations also attempted to obtain modification or repeal of these sections. These efforts continue.

However, attacks on small business estates have just begun:

On Jan. 15, the Washington Post published a "Tax Menu" listing as one of the "juiciest" tax options a tax on capital gains at death. "This," the Post said, "would remove the exemption that allows stock and other assets to be passed to heirs free of capital tax, leaving assets whose value has been rising for 30 or 40 years subject only to the estate tax." Estimated revenue enhancement per year: $4.9 billion. Three days later, the New York Times called for a capital-gains tax at death as a trade-off for a reduction in the capital-gains tax rate.

Also in January, the Consumers Union called for gift- and estate-tax changes to finance a "comprehensive and universal social insurance program."

Sen. George Mitchell of Maine, the new majority leader, favors a 5 percent surtax on estates over $200,000; Rep. Henry Waxman (D., Calif.) favors a 10 percent surcharge on estates over $100,000; Rep. Pete Stark (D., Calif.) wants to reduce the estate and gift exemption to $300,000 and change the rate structure with a beginning rate of 15 percent for estates over $300,000 rising to 70 percent for estates over $5 million. All three want to use these taxes to finance their proposals for long-term health care for the elderly.

Still others, such as Robert Kuttner in Business Week last September, have called for changes in inheritance taxes to finance child-care entitlements so that "middle and lower class children could begin life with a few advantages, too."

Let's face it. If the estate-freeze provisions are not changed, if estate-tax rates remain confiscatory, if surcharges are added to the already excessive rates, or if a capital-gains tax at death is adopted, family businesses are at their end.

The continuity of America's family enterprises ought to be of major importance to our government. Such businesses are fundamental to our economic and social structure, allowing our citizens to become economically independent. As former Sen. Mark Andrews (R., N.D.) a leader in the estate-tax reform fight, has said: "It is in our best democratic tradition to preserve and encourage that continuity within families, not tax such businesses out of existence."

Mr. BROOMFIELD. Mr. Speaker, once again Congress will set aside a week to commemorate the small business men and women who are making the American dream a reality. Small businesses are the cornerstone of the American economy, their contribution to this country is the sum and substance of free enterprise. Small Business Week deserves the support of everyone who believes in this country and our economic system.

Tragically, all the warm words and praise which are a part of this commemorative have a hollow sound this year. The problem stems from a continuous assault on small enterprises by Congress. The gradual elimination of the "mom and pop" stores has shown us the fragile ground many of these businesses stand upon. However, the issue for small business today is not protective legislation, it is much more basic. Today, small businesses are simply asking for a chance to operate as they always have, without confronting an army of new regulations and tax assessments every time Congress adjourns.

Well intentioned legislation such as section 89, the Plant Closing Act, mandated parental leave, the minimum wage bill, and mandated health benefits, all combine to produce a deadly environment for small business. Encroaching socialism is quietly bleeding small enterprises to death. Unfortunately, many legislators are reluctant to take a step backward and examine the dangerous course Congress has chartered for the men and women we honor this week. I sincerely hope we can reverse this trend and recognize that the survival of small business has a great deal to do with our own survival.

Mr. SISISKY. Mr. Speaker, I rise today to celebrate National Small Business Week. I use the word celebrate in the most formal sense of the word, that is: a respectful observation and to hold up for public appreciation. Small businesses play an essential role in the national economy. The strength of the small business community is the strength of the Nation. American small businesses should be honored and celebrated in every sense of the word.

To commemorate this occasion, I, along with my good friend ANDY IRELAND, today offer two pieces of legislation that will go a long way toward helping small businesses cope with the vast amount of Government red tape and bureaucracy that too often inhibit the entrepreneurial spirit. These two bills will amend the Regulatory Flexibility Act and thereby make the regulators further accountable to the regulated.

Our first bill amends the Regulatory Flexibility Act to require the Internal Revenue Service to comply with the regulatory analysis provisions already in the law. Up until now, the IRS has been specifically excluded from the requirement that all Federal agencies must analyze all new regulations and determine the costs of any proposed regulations to small business and to make every effort to pursue the most cost-effective alternative.

For too long, the IRS has promulgated rules that bind and constrict American small business with complex and incomprehensive regulation. The excuse has always been that IRS rules merely reflect the will of Congress in so far as tax legislation is concerned. We can no longer afford to be satisfied with this excuse. Tax rules should and must take into account the ability of the regulated to understand and comply with the tax laws. Tax regulations should also minimize the cost of compliance to the regulated.

Our bill will accomplish this important end.

Our second bill will allow Americans to challenge agency rulemaking by using the failure of an agency to fully comply with the analytical requirements of the Regulatory Flexibility Act as the basis for a cause of action.

Currently, an agencies' failure to fully comply with the requirements of the Regulatory Flexibility Act is merely a consideration in any court challenge of agency rulemaking under the Administrative Procedures Act. The failure of an agency to conduct a regulatory flexibility analysis on the costs of a proposed regulation to small business or an agencies' certification that there is no particular burden imposed by a proposed regulation on small business does not constitute grounds for an original cause of action. As a result, agencies can take their responsibility to analyze the cost to and effect of a proposed regulation to small business too lightly.

The resulting harm to the small business community can be substantial. Unfortunately, there is now no way for the business community to challenge such agency lapses.

Our legislation will insure that Federal agencies are judicially accountable for complying with their legal responsibilities to the small business community. The failure of rulemakers to fully analyze the costs of proposed regulations to small business, and the failure to select the least costly regulatory alternative will be met with the full range of procedures now available under the Administrative Procedures Act.

These two pieces of legislation can go a long way to strengthening the voice of the small business community in the regulatory process. Mr. IRELAND and I invite you to join with us in cosponsoring these bills and in making National Small Business Week a true celebration of the American entrepreneurial spirit.

Mr. HORTON. Mr. Speaker, I rise today with my colleagues to recognize America's future hope for economic prosperity—small business. I want to thank Congressman ANDY IRELAND for taking out this special order and for focusing our attention on these dynamic enterprises.

Nothing embodies the spirit of the American dream like a successful small business that has been transformed from an inspired idea into a prospering entity. This is the ideal, unfortunately, in many occasions, it is not the reality.

Our small business men and women are confronted by problems on several fronts. Among these challenges are the rising labor and health care costs, increased Government regulations, and competition from larger corporations. As we in Congress look to address some of these issues, it will be imperative for us to take into account how our proposals affect small businesses.

While we need to set effective health and safety standards and reasonable levels of compensation, we must ensure that our well-intentioned efforts do not, in effect, cripple the enterprises which employ the people we are trying to protect. I think this special order will be helpful in outlining these problems and I thank the gentleman from Florida for his efforts.

Mr. GOSS. Mr. Speaker, I would like to go on record today in recognition of the vital role that small business plays in our national and local economies—and particularly in my district in west coast Florida. In many ways, small business is the heart and soul of our economy. Today there are more than 13 million entrepreneurs in this country. In recent

years we've seen that small businesses continued to create new jobs, even while some big businesses were forced to cut back. In many parts of this great country small businesses are in fact our largest, most consistent employers.

Small business men and women provide a wide range of goods and services. Most of our Nation's shops, restaurants, delicatessens, and dry cleaners are small businesses. Most of our Nation's realtors, insurance agents, and pharmacists are employed by small business. Small business men and women make up the majority of volunteers who support such important organizations as the National Federation of Independent Business and our chambers of commerce. In fact, we all depend on the entrepreneurship and reliability of small businesses for many aspects of our daily lives.

Yet despite the numbers and scope of our small business community, all too often these hard-working individuals and families are forgotten in the process of developing legislation. For example, such well-intentioned legislation as section 89, mandated benefit programs and minimum wage inceases have been proven to have devastating effects on small businesses.

It is my hope that those of us in the 101st Congress will make every effort to consider the needs of small business as we draft and vote on these types of legislation in the future. As we seek to meet the enormous economic and social challenges of the coming years, we must never lose sight of the fact that our small business community is one of our greatest national resources.

Mr. CONTE. Mr. Speaker, upon the occasion of Small Business Week 1989, I rise to pay tribute to America's small businesses. This is the 25th year we have so honored small businesses and it can be truly said that America's 19 million small businesses are indeed America's future. Over the years much has been said about small business; how small businesses employ 55 percent of all workers, create 66 percent of all new jobs, provide for 50 percent of all major innovations, and produce 40 percent of the gross national product. It has been said that American small business produces so many goods and services that it can claim to be the world's fourth greatest economic power. Indeed, small business is indispensable to a healthy economy and full employment in this country. I believe that the reason small business is so successful is that small business is the ultimate competitor. Small business is the machine that will power America into the 21st century.

Mr. Speaker, in fiscal year 1987, small business won $61 billion in Government contract awards, or 31 percent of the total value awarded. I believe we need to increase small business participation in Federal procurement. Two ways we can accomplish that is through increasing small business contracting opportunities and increasing competition for Federal contracts.

In the historic 100th Congress I successfully authored legislation to enhance the powers of the SBA's breakout procurement center representatives. BPCR's are advocates of competition in the procurement process. As a direct result of this legislation, small business will receive a greater portion of Government contracts and the enhanced small business competition will generate substantial cost savings to the taxpayers. This week, in order to continue my drive for increased opportunities and competition, I am introducing two bills—the Small Business Protection Act and the Women's Business Equity Act. The Small Business Protection Act will amend the Small Business Act to provide for a small business impact statement whenever an agency proposes to combine several small contracts into one large multifunction contract. This pernicious practice effectively eliminates small business as prime contractors. My bill, if adopted, will require a small business impact statement on any contract action designed to avoid small business set asides. The Women's Business Equity Act amends the Small Business Act to create a preemptive and uniform certification process for identifying women-owned businesses, enhances Federal procurement opportunities through goalsetting and subcontracting requirements and permanently establishes the Office of Women Business Enterprise in the SBA.

Mr. Speaker, according to the latest Federal procurement data, 98 percent of all contract actions were for purchases less than $25,000, of which small business won 46 percent of the dollar volume. In actions above $25,000 small business garnered only 15 percent of the dollar volume. But all those actions under $25,000 account for less than 10 percent of the total dollar volume awarded in fiscal year 1987. In other words, the 2 percent of contract actions above $25,000 is where the money is and where the next battlefield will be for small business. Our goal, as small business champions, is to ensure that small business participation in Federal procurement achieves parity with their contribution to the gross national product, which is now 40 percent. That parity or 9-percent increase should come from prime contracting actions—those actions above $25,000.

Mr. Speaker, it is my great privilege to serve on the Small Business Committee. I first joined the committee in 1965 and from 1969 to 1978 I was the ranking minority member during which the committee was upgraded from a select committee to a permanent select committee in 1971 to a standing committee in 1975. It is a committee rich with history and accomplishments and it has worked hard to serve and protect small business. Today, during national Small Business Week 1989, I would urge all my colleagues to catch the spirit and excitement of small business and make the 101st Congress the Small Business Congress.

Mr. HILER. Mr. Speaker, let me begin by thanking our distinguished colleague, Mr. IRELAND, for helping this House and this Nation recall the tremendous contributions and achievements of our country's small businesses and the employees who work so hard to help them succeed. We all owe our gratitude to these men and women who ignited one of the great economic recoveries in our history.

During the course of this week, one which we rightfully reserve to commemorate small businesses, many of our colleagues will set forth in speech the compelling story of the entrepreneurial spirit of America. I join in their enthusiastic applause for these contemporary pioneers.

Yet I wonder if we might better express our appreciation to the small business across the land through action. Action that will relieve workers and business owners of the threat of heavy tax penalties. Action that will allow small businesses—and hospitals, clinics, school districts, cities, and States—to offer basic benefits to their employees. Action that over 300 Members of Congress support—the repeal of section 89.

As my colleagues know from the thousands of letters our constituents wrote, the Tax Reform Act of 1986 extended, for the first time, nondiscrimination rules to qualified health plans, accident insurance, and other employer-provided benefit plans without any evidence that widespread discrimination existed. The labyrinth of formulas, calculations, reporting periods, and other complicated and esoteric considerations all combined to make section 89 incomprehensible. And a well-intentioned attempt to simplify and clarify the requirements in the technical and miscellaneous Revenue Act of 1988 only added confusion to chaos.

The cost of compliance to our Nation's citizens can reach the billions of dollars. Unintended missteps can draw inordinate penalties on workers' benefits and small business owners. The costs and threats of these heavy penalties may well persuade many businesses that the risks of offering these important benefits far outweight the advantages—a sad, but reasonable conclusion that would harm many workers.

Last January, 42 colleagues and I joined Congressman LAFALCE, chairman of the House Committee on Small Business, in offering legislation to repeal section 89. The bill, H.R. 634, was a product of 2 days of hearings before the Small Business Committee, and the horror stories presented there leave no doubt in my mind that section 89 must go.

So as we enter National Small Business Week, let us match our words with deeds. Let those who serve in the executive branch act now to waive these onerous penalties, and let those of us who serve in Congress act now to repeal the threats of section 89. Let us offer America's small business men, women, and workers something to celebrate this week as well.

Mr. YOUNG of Florida. Mr. Speaker, I want to commend my colleague and good friend from Florida, Mr. IRELAND, for requesting this time today to honor our Nation's small business owners who form the backbone of our Nation's economy.

The President and Congress have designated this week in May, Small Business Week, every year since 1964, and this year we honor the 19 million American small business owners by emphasizing the theme that "Small Business Is America's Future."

As part of this special week of recognition, the President and Congress welcome to our Nation's Capitol a Small Business Person of the Year from each of our 50 States. This year, I have the special opportunity to announce that Florida's Small Business Owner of the Year is Ron Sacino, a constituent from

St. Petersburg, FL, who is chief executive officer and vice president of Sacino's Formalwear.

From a family tailor shop established by his grandfather in 1916, Mr. Sacino has expanded his business to include 20 retail stores throughout the State of Florida and a wholesale division with operations in Georgia, Alabama, and Louisiana. Sacino & Sons is one of our Nation's leading formalwear companies with 141 employees and annual sales of $4.6 million.

Mr. Sacino emphasizes pride in his work and his company and instills in his employees the importance of high quality service to his customers and hard work by his employees. In addition to his innovative approach to marketing, Ron has undertaken a number of initiatives to include his employees in the overall operation of his stores. These include a generous profit-sharing program, tuition reimbursement for students seeking additional education, and management meetings that afford all employees the opportunity to meet with the company's owners.

Mr. Sacino has not only contributed to the economy of our community, but also to a number of national and international community service programs. These include his efforts to raise money through the World Runners Program to prevent the starvation of children in other nations.

The selection of the State Small Business Persons of the Year is extremely competitive and is based on a number of criteria. These include an established history of success in the community, steady growth in the company's size and number of employees, creativeness and imagination in developing and managing the business, and a personal commitment by the small business owners to contribute to the community through public service projects.

Ron Sacino not only fulfills these criteria, but his company, Sacino & Sons, is an outstanding example of the role small businesses play in helping maintain a strong and stable U.S. economy and in developing new ideas that continue to keep our Nation at the forefront of commerce and business.

Mr. HATCHER. Mr. Speaker, I rise today during Small Business Week to discuss the Small Business Development Center [SBDC] Program, a vital support mechanism for small business in my State of Georgia and throughout the country. SBDC's draw from resources of local, State, and Federal government programs, the private sector, and university facilities to provide managerial and technical help, research studies and other types of specialized assistance of value to small business. These university-based centers provide individual counseling and practical training for small business owners. At the end of fiscal year 1988, there were 53 SBDC's in 46 States offering one-stop guidance and assistance to our Nation's entreprenuers.

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In the past 2 years, the export assistance program has been revitalized in an effort to increase the involvement of Georgia-based business in international trade. SBDC clients in Albany, GA, the largest city in my congressional district, have participated in a seminar program that addressed the implications of an integrated European common market for American small business.

During 1988, the Georgia SBDC served 978 clients in my congressional district located in southwest Georgia and served entreprenuers in each of the 30 counties that I represent. Four hundred-six clients were served in Albany, and seminar programs were offered on other topics such as small business tax policies, computer programming, and advertising.

It is significant that over the years the national SBDC Program has drawn local and State financial contributions to the extent that Federal dollars now constitute only a minority share of the national network's support. This cost-effective program has proven itself time and time again. As I have described, these development centers provide technical assistance to struggling entrepreneurs across the country on items ranging from personnel management techniques to identifying overseas market opportunities.

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Mr. WALSH. Mr. Speaker, it is with pleasure that I today join my colleagues in paying tribute to America's small businessmen and women during this—"Small Business Week." This years theme being, "Small Business is America's Future."

As a Nation we have experienced the longest running economic expansion in our history—an unprecedented 77 straight months of economic growth. I think it goes without saying that when the general economy does well, so does small business. They have shared in sales growth as a result of increased consumer spending. They have played a vital and direct role in our Nation's economic growth. During this time we have seen increased business formation, a drop in closure rates—both failures and bankruptcies, as well as a drop in our trade deficit, due in effect to aggressive marketing in foreign countries.

There is no standard size definition of a small business, although the Small Business Administration generally defines a small business as one having 500 employees or less. But one thing is clear, 52.2 percent of the individuals employed in this country work in the small business sector—and in my own State of New York 72 percent of all the jobs created are again in the small business sector. Based on these figures alone, I believe that we can see the importance of small business to our economy and to the people of this Nation.

It is imperative that we begin to create and foster an environment where those individuals who are willing to risk their money, their time, their futures, and who work hard for themselves—can be successful, as they create jobs, and lay a sound economic foundation for our Nation. If we have a better Nation today and hope for a better tomorrow for our children it will not only be because of economic progress, but because of the growth in opportunities.

If we are to be competitive, and serious players in the world economy, the small businessman and woman will be an important resource in this undertaking.

Mr. NEAL of Massachusetts. Mr. Speaker, I am pleased to join my colleagues today in paying tribute to one of the most important segments of American society—the small business person.

The success of small businesses is borne of the same entrepreneurial spirit which has been the driving force behind the prosperity of the United States throughout its history. And just as small business is embedded in the roots of our Nation, I believe it will also be the determinant for our future economic accomplishments. We as legislators must strive to provide an economic atmosphere which encourages new businesses to develop, and existing small businesses to flourish.

I am especially proud to take part in this special order today because I am one of the 53 Members of this body who has a constitu-

ent in Washington this week representing his or her State as a Small Business Person of the Year.

Mr. Richard E.T. Brooks is chairman and chief executive officer of ChemDesign Crop. of Fitchburg, MA. Mr. Brooks founded ChemDesign in 1982 for the simplest of all reasons—he saw a need. He recognized a segment in the chemical industry that only a small business could accommodate, and he set out to create a company to fill that need.

ChemDesign provides chemicals for products ranging from pharmaceuticals to fax machines. The company's flexibility which results from its relative size and volume load, has allowed it to carve a niche for itself in a business area dominated by mass-producing, large companies.

Since beginning operations in 1983, ChemDesign's annual sales have climbed to $40 million, and employment has soared to about 100 people in the Fitchburg plant alone.

I was at a ceremony last Friday at the ChemDesign plant in Fitchburg where officials from the city, State, and Federal Government paid tribute to Richard Brooks. He joked at that ceremony that two of the overriding reasons for opening his own business were to get his own parking space and to reduce the length of his commute to work. Those are fringe benefits which Richard Brooks has earned for himself. The real measure of his success, however, is in the investment he has made toward the betterment of the Fitchburg community.

Mr. Speaker, as a former mayor I have witnessed firsthand the growth that can take place within a community when small businesses are allowed and encouraged to thrive. Richard Brooks' efforts in Fitchburg are certainly a testament to that fact. As we recognize small business as an institution today as a part of Small Business Week, I think it is altogether fitting that we acknowledge those whose contributions to that institution are particularly outstanding.

Congratulations to Richard E.T. Brooks and to all the employees of the ChemDesign Corp.

Mr. SUNDQUIST. Mr. Speaker, I'm proud to join so many of my colleagues in saluting America's small businesses. I am myself a product of small business, and I like to think that I have brought to Congress a particular appreciation of the challenges and contributions small business entrepreneurship represents.

Small businesses are America's leading creators of jobs. They are our leading source of on-the-job training. They are the places where most Americans begin their working lives. They are the ventures most likely to offer ownership opportunities to women and minorities.

Taken together, the impact of America's small businesses is anything but small. Those firms with 500 or fewer employees account for more than one-third of our country's gross national product.

In fact, our small business GNP is higher than the gross national product of every other nation on Earth except the Soviet Union and Japan.

This week is Small Business Week. I urge my colleagues to make this more than a 1-week tribute. I hope we'll use this occasion to focus on the importance of small businesses, and to commit ourselves to addressing the problems these companies face and will face in the future.

Before there are employees, there must be employers. Those in this Congress who want to start mandating what businesses must do in the way of wages and benefits—those who are quick to enact burdensome regulations and requirements, like section 89—you ought to keep in mind that, for many of these smaller companies, the line separating success from failure is a thin one.

We ought to be looking for ways to help smaller firms adapt to changes in the work force, to new technology, to the increased needs some of our wokers will have for training.

Small businesses remain the most rapidly expanding sector of America's economy, the fastest and steadiest provider of new jobs, and the place where two out of every three American workers will begin their working lives.

I am proud to salute the men and women who make America's small businesses the marvels of entrepreneurship they are.

Mr. MFUME. Mr. Speaker, I rise in strong support of Small Business Week 1989, and wish to thank my distinguished colleague and fellow member of the Small Business Committee, Mr. IRELAND, for bringing this important week to the attention of our colleagues for special orders.

Small business men and women remain at the cutting edge in America's economy through the creation of jobs, community investment, and opportunities for many people who may not have been touched by our Nation's economic recovery. Small business entrepreneurs have worked arduously, often expending their own resources to achieve their enterprising goals. The small business community in America has overcome seemingly insurmountable odds to compete in the international business community with the major multinational conglomerates.

Mr. Speaker, I am very proud that our Nation's small businesses have been able to assert themselves as successfully as they have. During much of this decade, the Presidential administration was not always sensitive to the needs of the small business community. It is my hope that the present administration will go a few steps further than its predecessor by making a sustained and substantive commitment to the critical issues facing minorities, women, and other small business persons.

The small business community continues to expand its base within the economic fiber of our country and without their diligence in the face of adversity we would certainly be in a much graver economic predicament than we are now. Mr. Speaker, the small business persons in my district of Baltimore City readily assist both the State and local government with a wide variety of services and cooperation that many officials have come to accept as a necessary and crucial supplement.

In closing, I hope that each and every Member of the House of Representatives will take the time to honor our Nation's small businesses and follow up on the issues that affect this community.

Mr. CONTE. Mr. Speaker, upon the occasion of Small Business Week 1989, I rise to pay tribute to America's small businesses. This is the 25th year we have so honored small business and it can be truly said that America's 19 million small businesses are indeed America's future. Over the years, much has been said and printed about small business: how small businesses employ 55 percent of all workers, create 66 percent of all new jobs, provide 50 percent of all major innovations, and produce 40 percent of the gross national product. It has been said that American small business produces so many goods and services that it can claim to be the world's fourth greatest economic power. Indeed small business is indispensable to a healthy economy and full employment in this country.

I firmly believe that strong, sustained small business activity is the keystone to a healthy economy, which is why I serve with pride on the Small Business Committee. I first joined the committee in 1965. From 1969 to 1978, I was the ranking minority member during which the committee was upgraded from a select committee to a permanent select committee in 1971 to a standing committee in 1975. It has been my great honor to serve with and lead my distinguished colleagues on a committee rich with history and accomplishments.

Mr. Speaker, in reviewing the statistics for fiscal year 1987, I note that small business firms accounted for $35 billion of the $198 billion in all Federal purchases, or 18 percent of total procurement. Further, small business subcontractors won about $26 billion in awards from prime contractors on Federal projects. The combined total of small business participation in Government contract awards is $61 billion or 31 percent of the total value. Impressive as that figure is, I believe we need to renew our efforts to increase small business participation in Federal procurement. Two ways to accomplish that is to increase small business contracting opportunities and to increase competition in Federal procurement.

In the historic 100th Congress, I authored legislation intended to do just that. I introduced H.R. 3921, a bill to enhance the powers of the SBA's breakout procurement center representatives, which ultimately became section 110 of Public Law 100-590, the Small Business Administration Reauthorization and Amendment Act of 1988. BPCR's are advocates of competition in the procurement process. Their main function is to identify items being procured on a sole source basis and to "breakout" the item for competition. BPCR's also counsel and encourage small businesses to compete for the breakout. As a direct result of this legislation, small business will receive a greater portion of Government contracts and the enhanced small business competition will generate substantial cost savings to the taxpayers.

Mr. Speaker, I also co-authored H.R. 1807, the SBA section 8(a) reform bill, which ultimately became Public Law 100-656, the Business Opportunity Development Reform Act of 1988. This comprehensive reform bill introduced competition into a sole source contracts program that had heretofore only made minority firms permanent supplicants of Feder-

al largess. Now, at my initiative, minority firms will have to compete for contracts above a certain dollar threshold and the SBA is given the authority to compete for contracts below those thresholds on a discretionary basis, which I hope is all the time. While the number of contracts above the threshold is not great, the dollar amount is considerable, averaging about 35 percent. As firms grow larger, competition will increase so that in the future competitive contracts both above and below the thresholds should account for 50 percent or more of all 8(a) contract dollars. Only through sheltered competition will minority firms become competitive in the marketplace.

In order to continue the drive for increased opportunity and competition I will introduce two bills this week: the Small Business Protection Act and the Women's Business Equity Act. The Small Business Protection Act will amend the Small Business Act to provide for a small business impact statement whenever an agency proposes to combine several small contracts into one large multifunction contract. This practice of contract aggregation, also known as consolidation, bundling, or umbrella contracts is inimical to small business participation in Federal contracting in that it effectively eliminates small business as prime contractors. The GAO has done several reports on the adverse impact of this practice on small business and last year, Congress adopted language in the Fiscal Year 1988 Military Appropriations Act expressing concern over the problem. Small business needs the opportunity to compete for all types of Federal contracts, particularly prime contracts. Just as we now have environmental impact statements on Government-funded projects—so shall we have a small business impact statement on any contract action designed to avoid small business set-asides—if my bill is adopted. The Women's Business Equity Act is a three-point approach to promoting, encouraging, and safeguarding women's business enterprises. It amends the Small Business Act to create a preemptive and uniform certification process to be used by all Federal agencies in identifying women-owned businesses for contracting opportunities. It enhances Federal procurement opportunities for women-owned businesses through goal setting, and subcontracting requirements. It would further direct all agencies to include at least one bid from a women-owned small business for all small purchase orders under $25,000. Finally, my bill would make permanent the Office of Women Business Enterprises in the SBA with appropriate staffing and functions. Women now own about 30 percent of all American businesses. Increasingly, more and more women are finding that small business self-employment is the major pathway to full economic participation in our free enterprise system. We must eliminate now any barriers denying women the opportunity to compete on an equal basis for Federal contracting opportunities.

Mr. Speaker, in the President's annual report on the State of Small Business is a table illustrating "Procurement Dollars and Actions by Size of Action, Fiscal Year 1987." More than 98 percent of all contract actions in fiscal year 1987 were for purchases less than $25,000 and small business won 46 percent of the dollar volume. In contract actions above $25,000, small business garnered only 15 percent of the dollar volume. Those actions under $25,000 accounted for less than 10 percent of the dollar volume for fiscal year 1987 with 91 percent of the dollar volume transacted over $25,000. In other words, the 2 percent of contract actions over $25,000 is where the money is and where the next battlefield will be for small business. It is my belief that small business is the ultimate competitor and that our goal, as small business champions, is to ensure that small business participation in Federal procurement achieves parity with their contribution to the gross national product, which is now 40 percent. That parity or 9-percent increase should come from prime contracting actions. I believe that the two bills I am introducing this week is a step in that direction. Opportunity and competition will ensure increased Federal procurement participation for small business today and in the future.

One final note, Mr. Speaker. Since the first of this year, I have been fighting for small business on several other important fronts. I have strongly advocated for the repeal of Internal Revenue Code section 89 which I believe is fundamentally flawed, both in its underlying assumptions of discrimination in the marketplace and in its legislative mandate which is clearly unworkable. This repeal legislation now has over 300 cosponsors. In addition, my good friend, DAN ROSTENKOWSKI, has just introduced legislation that would greatly simplify section 89 and has already held a hearing on it. I think the message to American employers is clear—section 89, as we now know it, is not long for this world. I am also sponsoring legislation that would allow unincorporated business owners to deduct the full amount of their health insurance costs. This bill would end the unfair tax treatment of health premium costs between incorporated and unincorporated businesses and would, if adopted, replace the 25-percent deduction due to expire at year's end. I am also pushing with my good friend and esteemed colleague, ANDY IRELAND, to include the Internal Revenue Service under the Regulatory Flexibility Act, to raise the status of the Administrator of the Small Business Administration to Cabinet level and for permanent authorization of the White House Conference on Small Business. Finally, I am examining the issue of rural small business development and the problem of the estate tax on the family-held business or farm. It is clear that the needs of small business are never ending. But their potential is unlimited. They are indeed America's future and those of us fortunate enough to serve on the Small Business Committee must be their protector and advocate. Small business is the ultimate competitor in the ultimate economic system and it will confidentially power America into the 21st century if it is not burdened with unproductive regulations and is given the opportunity to do what it does best—compete. Today's legislative victories will be the foundation for insuring tomorrow's small business success. I urge all my colleagues to catch the spirit of small business and make the 101st Congress the Small Business Congress.

Mr. MAZZOLI. Mr. Speaker, it is a privilege to have this opportunity during Small Business Week to commend our Nation's small businessmen and women.

As a member of the House Small Business Committee, I have worked with America's entrepreneurs as well as with my colleagues and public officials to help small businesses get started and to succeed.

I have seen, first hand, the men and women who have taken the risks and who have persevered to nurture their ideas and dreams into prosperous businesses. And, the sight is beautiful.

Currently, the 19 million small businesses operating in the United States employ 6 out of every 10 people and provide Americans with goods and services which otherwise would not be available or, at least, not affordable.

Appropriately, then, the theme this week is: Small Business is America's Future.

Small businesses are able to keep pace with everchanging consumer demands and the rapid changes in our country's economic and technological needs because of their ability to be flexible yet be focused. They can capitalize on a trend much more swiftly than their Fortune 500 competitors, and they can turn away to a new phase without all the bureaucracy and red tape which can, at times, virtually paralyze larger companies.

While successful in the domestic arena, small businesses are now turning their energies increasingly toward foreign and overseas markets. Some small businesses—acting with this foresight—have already penetrated these markets, and this expansion has made a noticeable, positive impact on our trade deficit. With the United States-Canada Free-Trade Agreement, and in anticipation of a unified European market in 1992, there are many more opportunities and markets awaiting small businessmen and women if they get the help and support they need from the Federal Government.

I find this an exciting time for small business. It is the backbone of our Nation's economy. It is the future for U.S. economic growth, and it is the provider of all the employment, technology, and the goods and services which result from this growth.

However, this tribute to small businesses would not be complete without taking a moment to recognize the U.S. Small Business Administration [SBA] and the services it provides to the small businesses of America. The SBA was created in 1953 to assist America's small businesses, and as we can see from the statistics and examples we've heard today, it has been successful in its mission.

One of the many facets of the SBA is the Service Corps of Retired Executives [SCORE]. The corps is made up of retired executives who volunteer their time to counsel men and women who wish to start their own businesses. I was pleased to kick off Small Business Week at a breakfast Monday morning, sponsored by SCORE.

I was particularly proud to attend because the SCORE chapter in my congressional district of Louisville and Jefferson County, KY, was selected as the SCORE Chapter of the Year. Particular thanks go to Mr. and Mrs. Ben Crume and Henry Feingold who were in at-

tendance to accept this award. Their devotion, time and commitment—and that of the other SCORE volunteers in Louisville—have helped many men and women start successful businesses in our area, and they are truly deserving of this award.

Mr. HANSEN. Mr. Speaker, it is U.S. Small Business Week and I believe it is fitting the contributions of small business be recognized and applauded. Small businesses are the driving force of the U.S. economy. The economic vitality and growth of this Nation is tied more directly to small businesses than any other sector. Their number has grown from 13.6 million in 1981 to 19.8 million thus far in 1989. Historically, these enterprises have prospered because the policies of the United States have fostered innovation, flexibility, and the opportunity to compete.

Americans love competition. Presently many Americans are caught in the fervor of the NBA playoffs. The excellence of the players and coaches of both sides peaks as the best teams give all they have in hopes of winning the championship. The excitement generated from a fair, hard-fought contest is intense; whether it be an athletic event, an auction, or a business deal.

It is within this competitive atmosphere that small businesses have flourished in the U.S. economy. Competition produces a continually better product, person, or skill. This country is made up of individuals who will take risks, grab opportunities, and compete. As a result, 1 million new businesses are started each year. This pioneering spirit and relentless drive creates two out of every three new jobs in the United States. This trend must not be discouraged nor denied for small business has outpaced and outproduced the more traditional spheres of financial communities.

I am gravely concerned about the increasing tendency for Members of this body to fasten ties that bind the hands of small business owners all over this country. President Reagan stated: "Small business progress * * * whether in terms of new business starts, creation of new jobs, efficient sales to the Government, or new innovations, cannot be sustained without continued, favorable Federal policies toward small business." We must work to develop such policies.

Many have lauded the critical role that small businesses have played in employment growth and America's prosperity. Yet often, these same people support legislation that is the equivalent of tying together the shoelaces of Michael Jordan, one of America's finest athletes, and telling him to compete.

It is imperative for us to closely examine any initiatives which require small businesses to pay for social programs even the Government can't afford to implement. Mandating expensive social programs by small, emerging companies is hardly the way to build American competitiveness. Our economy is constantly changing, and businesses need the flexibility to adapt. There is already an onset of a labor shortage which will hit small businesses the hardest. Therefore, they must be responsive to the demands of the labor force and tailor to the needs of individual employees. The role of government is to create incentives for employers to offer benefits, not dictate those benefits.

The spirit of competition in this country has placed America in a position where other countries strive to be. Foreign lands are emulating this system which has brought unequaled economic success to the United States. Yet, at the same time, the tendency of Congress is to implement more and more burdensome laws and regulations. Mr. Speaker, if small business is America's future, we must provide a favorable climate for this vital sector of our economy.

Mr. MAVROULES. Mr. Speaker, this is U.S. Small Business Week.

The theme of this year's Small Business Week is "Small Business is America's Future." As you are aware, most new jobs are created by small businesses. With society's rapid changes and the global market competition which U.S. businesses face, it is becoming increasingly difficult for small businesses to remain viable. They also have the greatest local economic impact in our communities. Thus, it is imperative that our national policy preserve and encourage the growth and development of this segment of our business community.

Mr. Speaker, I would like to take this opportunity to recognize some distinguished small businesses that are being recognized in my District, Sixth District of Massachusetts, this week by the Cape Ann Chamber of Commerce in Gloucester, MA. They have all been involved not only in the activities of their businesses but have actively involved themselves in projects and programs to benefit their communities as well. However, these persons have prevailed, and very successfully, over the years. Each has set a fine example of excellence in public service and economic development.

First there is Mr. Benjamin and Mrs. Marlene Greenbaum, owners of Benjamin's card, gift, and office supplies shop. They have been very actively involved in various downtown committee projects including those overseeing the revitalization of the mainstreet area of Gloucester, MA.

Second, Ms. Ann Fisk, director of the Rockport Art Association is being recognized for her dedication to displaying art and promoting the work of local artists. She is a former selectman and active in many chamber of commerce and town committees in the Town of Rockport, MA.

Then we have Ms. Sue Noble of S.E. Noble Real Estate in Manchester, MA. Ms. Noble is currently a selectwoman in Manchester, serves on the board of selectmen, is involved with affordable housing projects, the Council on Aging, and works with basically a variety of community type projects.

Finally, I wish to note that Mr. Harold Addison of Harold Addison Photography in Essex, MA is being acknowledged during this Small Business Week. He is a former member of the board of selectmen, is involved with the Lion's Club, various chamber of commerce projects, and a variety of youth programs in the town of Essex.

These are just a few of the examples of the contributions that small businesses are making to the economic and social health of our communities.

GENERAL LEAVE

Mr. IRELAND. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order today.

The SPEAKER pro tempore (Mr. MCCLOSKEY). Is there objection to the request of the gentleman from Florida?

There was no objection.

THE FSX AIRPLANE DEAL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Missouri [Mr. GEPHARDT] is recognized for 60 minutes.

Mr. GEPHARDT. Mr. Speaker, I rise tonight to talk about the issue of the FSX airplane deal that the Bush administration has offered to the Congress and has asked us to approve. I appreciate very much this opportunity tonight to speak about this important issue because I think it goes way beyond the simple sale of an airplane or the simple coproduction or redevelopment of an airplane.

Mr. Speaker, this is an issue that impacts greatly on America's future economic and national security. I think this deal worries Members on both sides of the aisle as much as it frightens the American public, and I would like to say very briefly tonight why I think the deal should not go through.

First, I want to talk about trade. The United States now has a cumulative trade deficit between the years 1970 and 1989 of about $1 trillion.

□ 1930

That means that we have bought a trillion dollars' worth more of goods than we have sold to other countries. About a third of that debt is owed to Japan, to investors, to businesses, to people in Japan.

What I cannot understand or reconcile is why 3 years ago when the Japanese said they wanted to build an FSX airplane, a new airplane, we did not simply ask them to buy our F-16.

I think the question we have got to start asking about our debt with Japan is what are we going to sell Japan in the next few years to run a trillion dollar surplus? We cannot sell them F-16's. What are we going to sell them? How are we going to get this surplus down so that we can get back to equilibrium?

I simply suggest that for trade purposes, if for no other purpose, we should be asking Japan, should have been asking them 3 years ago, should be asking them now, to buy F-16's off the shelf.

The Japanese themselves have been saying they need to buy our products where they are the best products in order to bring the trade deficit down.

In 1987, the Mikawa report, which was issued by their own Government, encouraged Japan's private sector to purchase products from countries where they have products which have a comparative advantage. We have a comparative advantage with the FSX.

I find it ironic that the very officials who have been writing these reports to their own private sector do not see fit to take that advice themselves when it comes to Government purchases of American products.

So for the trade issue alone, they should buy the F-16 off the shelf.

The second issue, which is probably the more important, is what we are giving the Japanese in terms of the aerospace industry? I think the specific question we have got to ask and answer is whether or not the selling of this technology to the Japanese will shorten the time in which they can achieve equity with us in the aerospace industry. In other words, will we hasten the day 5 or 10 years from now that Japan will have its own McDonnell Douglas or its own General Dynamics?

My conclusion from reviewing the evidence of this deal is that we will be giving them important technology in terms of integrating all the technological systems that go into a modern aircraft, that will hasten the day that they will have their version of our Boeing or our General Dynamics or our Lockheed.

For that reason, I do not think this deal makes sense. We are in a tough worldwide competition. We have lost a great market share and a lot of emerging technologies, semiconductors, computers, HDTV, and supercomputers. We could go down the list.

The question we have to ask is, Do we want to give up another one? Do we want to shorten the time in which they can be competitive? I do not think we do and I think the FSX is wrong for that reason as well.

The third issue that always comes up is whether or not if we do not go along with the Japanese on this deal, they will go to the Europeans or they will develop their own fighter on their own. People say they will. Therefore, we ought to make the deal with them to keep them in cooperation with us, because they will go do it on their own.

My answer to that issue is that I would rather have them go it alone or go it with the Europeans, because again it will take them that much longer to develop this airline airplane technology than if they do it with us.

The research that goes into this technology is worth about $7 billion to American taxpayers and the American industry. For the life of me I cannot understand why we would want to give up that $7 billion of technology in return for a simple coproduction arrangement.

I think the final point that I would like to make is that this whole FSX arrangement really brings up I think the whole question of the way we have structured our relationship with Japan and other countries through the years. The other day I was talking with some of our Defense Department people about the FSX deal and I asked the question, "If this were just a trade matter, had nothing to do with defense and national security, would it be a good deal for the United States?"

And the answer was that this was not a trade matter, it is simply a defense and security issue.

I think that really and truly is the way that our Defense officials have looked at these questions.

I had a briefing today with the General Accounting Office. I asked them what was the reason that our Defense Department wanted to do this deal. Their answer was that it had nothing to do with trade. It was simply for defense and security and it was designed to keep Japan on our side.

Those kinds of reasons may have been good in 1949 or 1959 or even 1969, maybe even 1979. It is not good enough in 1989. The world has changed and we have changed. We are no longer dominant in the world marketplace. We can no longer simply say that it is good for defense and security, but it is not so good for trade and economics. Trade and economics have to be equal in consideration with defense and security matters.

So I would urge the Members of the House as we consider this deal, as we come to vote on it in the next few days, that we will look at it through the eyes and the eyeglasses and viewpoint and the prism of trade and economics, as well as defense and security. I think if Members will do that, they will decide as I have that this deal is not good for the interests of the United States.

I would further say it is not good for the interests of Japan as well.

I hope that Members will join with me and many others who oppose this deal in seeing that it is defeated so that our airline aerospace industry will be able to continue its dominant role in the days ahead.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. SCHUMER] is recognized for 60 minutes.

[Mr. SCHUMER addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Maryland [Mrs. BENTLEY] is recognized for 60 minutes.

[Mrs. BENTLEY addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. OWENS] is recognized for 60 minutes.

[Mr. OWENS of New York addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. GONZALEZ] is recognized for 60 minutes.

[Mr. GONZALEZ addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

SCIENCE, ENGINEERING, AND MATHEMATICS EDUCATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. BROWN] is recognized for 10 minutes.

Mr. BROWN of California. Mr. Speaker, along with 17 cosponsors from the Committee on Science, Space, and Technology, I am today introducing a bill called Science, Engineering, and Mathematics Educator Award Act. This legislation would help increase the science literacy of our citizens by enhancing the quality of undergraduate science and engineering education at our colleges and universities.

As my colleagues in this Chamber well know, our Nation faces a crisis in education generally and science education in particular. Numerous studies and a variety of declining test scores demonstrate the stark reality of this crisis: We are rapidly becoming a nation of science illiterates.

Science illiteracy poses a clear danger to our country, for our competitiveness as a nation is intimately linked to our pursuit of science and technology. For many years this pursuit has flourished, in large measure, because of support for basic research in our colleges and universities by the Federal Government. That research effort has produced a wealth of new knowledge and a variety of technological benefits for society.

While I do not mean to disparage those benefits, society has paid a high price for them. It is clear that the financial and prestige rewards of research have become the major driving incentives for the careers of many academic scientists and engineers. This has led to a devaluation of teaching, especially for undergraduate science students.

This conclusion has been reached by many observers. For example, the National Science Board studied the impact, on undergraduate science education, of Federal support for academic research which expanded during and after World War II. A major conclusion of the report is:

Faculty members in those areas to which research money was easily available became, in time, less citizens of their academic campuses and more citizens of their disciplinary communities. Their priorities shifted from the task of imparting knowledge to the young to the creation of new knowledge—not simply to maintain their skills as profes-

sionals by exercise of that important faculty, but as an end in itself. A revision of the professional value system followed inevitably.

In his recent testimony before the Science, Space, and Technology Committee, my good friend, Rustum Roy, professor of materials sciences at Pennsylvania State University, observed that research funding at American universities has "radically degraded all aspects of education, including science education of the majority of the population, including the Nation's lawyers, business, and political leaders."

The consequences of this shift in priorities harm our country for two reasons. First, our next generation of scientists and engineers comes from this pool of undergraduate science students. If we do not provide quality science education at the undergraduate level, we will potentially reduce the number of scientists and engineers required to continue the research effort essential for the future competitiveness of our country. Second, because so much of our national culture is grounded in science and technology, it is crucial that all our citizens receive a quality education in science. Much of that education occurs at the undergraduate level. If we are to have an educated citizenry, we must have educators interested in and committed to quality undergraduate science education.

The magnitude of this problem is immense, and the Science, Engineering, and Mathematics Educator Award Act would provide but one small step toward addressing the imbalance between research and undergraduate education priorities in our universities. The legislation would encourage faculty members to make a commitment to teaching equivalent to their commitment to research. It would do this by providing awards to approximately 100 faculty members who wish to break from their present routines of intensive research and grant writing and focus instead on teaching and curriculum development. These awards would help increase the prestige associated with science and engineering teaching at the undergraduate level in the following ways. The financial support accompanying these awards would enable faculty members to explore and develop new courses and curricula for undergraduate education. The awards would also provide support for the intellectual and professional growth of the recipient. Finally, the awards would provide funds to the academic institution to support these activities of the faculty member.

Mr. Speaker, it is not sufficient for us to encourage new students to pursue careers in science unless we have teachers willing and interested in instructing these students. If we desire a population with the literacy necessary to function in our modern technically based culture, it is vital that we have educators with the skills and enthusiasms necessary to teach those people. Excellent undergraduate science education is essential for the continued economic and cultural growth of our Nation. It is imperative that we do everything possible to foster and enhance the quality of that education. I urge my colleagues to cosponsor this important legislation which would provide additional stature for scientists, engineers, and mathematicians who want to concentrate on helping improve the science literacy of American citizens.

Mr. Speaker, in closing, I would like to briefly summarize the salient features of this bill:

SECTION 2. PURPOSES

The purposes of this bill are to increase the level of scientific literacy in our Nation by enhancing the quality and prestige of undergraduate science teaching. The bill seeks to recognize individuals who can strengthen science education within their institution, in the region, or the Nation, as well as encourage facility members to devote a portion of their careers to improving the quality of undergraduate science education.

SECTION 4. ESTABLISHMENT OF PROGRAM

This bill calls upon the Director of the National Science Foundation to establish a Science, Engineering, and Mathematics Educator Award Program. Awards made under this program shall be made on the basis of nominations submitted by academic institutions on behalf of science faculty members who commit a significant part of their careers to undergraduate science education. Each award will provide funds for curriculum development, scholarly activity to enhance professional growth, salary support, travel, and university indirect costs.

SECTION 5. SELECTION CRITERIA

Recipients of these awards would be selected based on a merit review process. This process would consider this potential and intent of the nominee to contribute significantly to undergraduate science education and the potential and intent of the nominee to continue his or her professional growth through research or other scholarly activity. While most of these awards will be made in the traditional scientific disciplines, it is the intent of this legislation to encourage proposals that focus on providing science education for those individuals who choose not to become professional scientists, proposals that provide science education for individuals who have traditionally been underrepresented in science, interdisciplinary projects that combine science and the humanities, projects that combine the resources of several institutions, and projects that utilize the resources of industry.

SECTION 6. CURRICULUM DEVELOPMENT

Recipients of these awards are encouraged to develop curricular materials that reach beyond their local institution to have a broad impact on science education in the region and the Nation.

SECTION 7. AUTHORIZATION OF APPROPRIATIONS

This bill calls for an appropriation of $10 million for fiscal year 1990. It is my intent that this will provide for approximately 100 awards.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. ENGEL (at the request of Mr. FOLEY), until 2 p.m. today, on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. SAWYER) to revise and extend their remarks and include extraneous material:)

Mr. ANNUNZIO, for 5 minutes, today.

Mr. PAYNE of New Jersey, for 5 minutes, today.

Mr. GEPHARDT, for 60 minutes, today.

Mr. SCHUMER, for 60 minutes, on May 11.

Mr. GAYDOS, for 60 minutes, on May 16.

(The following Members (at the request of Mr. MACHTLEY) to revise and extend their remarks and include extraneous material:)

Mr. MCEWEN, for 5 minutes, today.

Mr. MICHEL, for 5 minutes, today.

Mr. MACHTLEY, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. MACHTLEY) and to include extraneous matter:)

Mr. SMITH of New Hampshire.
Mrs. VUCANOVICH.
Mrs. SAIKI.
Mr. PORTER.
Mr. WEBER.
Mr. BROOMFIELD.
Mr. MCCANDLESS.
Mr. GILMAN.
Mr. ROWLAND of Connecticut.
Mrs. MORELLA.
Mr. BILIRAKIS.
Mr. BLILEY.
Ms. SCHNEIDER.
Mr. DAVIS.
Mr. CONTE in four instances.
Mr. FIELDS.
Mr. HEFLEY.
Mr. CLINGER.
Mr. WOLF.
Mr. HILER.
Mr. SENSENBRENNER.

(The following Members (at the request of Mr. SAWYER) and to include extraneous matter:)

Mr. MATSUI in three instances.
Mr. BERMAN.
Mr. COELHO.
Mr. ECKART.
Mr. RAY.
Mr. CARDIN.
Mr. LEHMAN of Florida.
Mr. ROWLAND of Georgia.
Mr. ROYBAL.
Mr. PEPPER.
Mr. BONIOR.
Mr. MCHUGH.
Mr. ROE.
Mrs. BOXER.
Mr. MILLER of California.
Mr. PEASE.
Mr. COLEMAN of Texas.
Mr. KANJORSKI.
Mr. SHARP in three instances.
Mr. FROST in two instances.

Mr. MFUME.
Mr. LEHMAN of California in two instances.
Mr. SKELTON.
Mr. GRAY.
Mr. HOYER.
Mr. EDWARDS of California.
Mr. STARK.
Mr. FRANK.
Mr. GEJDENSON.
Mr. WOLPE.
Mr. WYDEN.
Mr. KOLTER.
Mr. TORRES.
Mr. ENGEL.
Mr. WEISS.
Mr. STOKES in two instances.

ENROLLED BILL SIGNED

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 1385. An act to make permanent the Martin Luther King, Jr., Federal Holiday Commission.

ADJOURNMENT

Mr. GEPHARDT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 38 minutes p.m., the House adjourned until tomorrow, Wednesday, May 10, 1989, at 2 p.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1136. A letter from the Secretary of Agriculture, transmitting to amend section 353 of the Consolidated Farm and Rural Development Act to limit delinquent farmer program borrowers to one write-down of loan principal and interest and to prevent fraud and abuse by extending to borrowers who do not qualify for loan restructuring the 10 year recapture provision applicable to borrowers who do qualify; to the Committee on Agriculture.

1137. A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation to amend section 533(b) of the Housing Act of 1949 to require that housing preservation grant funds be matched dollar-for-dollar by State, local, or other non-Federal funds; to the Committee on Banking, Finance and Urban Affairs.

1138. A letter from the Secretary of Education, transmitting a copy of final regulation—Magnet Schools Assistance Program, pursuant to 20 U.S.C. 1232(d)(1); to the Committee on Education and Labor.

1139. A letter from the Secretary of Education, transmitting a copy of notice of final funding priorities under the National Institute on Disability and Rehabilitation Research for research and demonstration, rehabilitation engineering centers, and research and demonstration knowledge dissemination, and utilization, pursuant to 20 U.S.C. 1232(d)(1); to the Committee on Education and Labor.

1140. A letter from the Secretary of Education, transmitting a copy of Indian education—formula grants—local educational agencies, pursuant to 20 U.S.C. 1232(d)(1); to the Committee on Education and Labor.

1141. A letter from the Director, Defense Security Assistance Agency, transmitting the price and availability report for the quarter ending March 31, 1989, pursuant to 22 U.S.C. 2768; to the Committee on Foreign Affairs.

1142. A letter from the Director, Defense Security Assistance Agency, transmitting a copy of transmittal No. 17-89 which concerns the Department of the Army's proposed lease of defense articles to Canada, pursuant to 22 U.S.C. 2796(a); to the Committee on Foreign Affairs.

1143. A letter from the Chairman, National Labor Relations Board, transmitting the Board's annual report of its compliance with the Government in the Sunshine Act during calendar year 1988, pursuant to 5 U.S.C. 552b(j); to the Committee on Government Operations.

1144. A letter from the Executive Director, Administration and Human Resources, Federal Home Loan Bank Board, transmitting the Board's annual report of its activities under the Freedom of Information Act, calendar year 1988, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

1145. A letter from the Chairman, Board of Governors, Federal Reserve System, transmitting the annual report of the Federal Open Market Committee covering its activities under the Freedom of Information Act, calendar year 1988, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

1146. A letter from the Secretary of Education, transmitting the Department's annual report of its activities under the Freedom of Information Act, calendar year 1988, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

1147. A letter from the Chairman, Federal Election Commission, transmitting the second biennial report detailing the progress made on the accessibility of polling places to the elderly and handicapped population in the 1988 general elections, pursuant to 42 U.S.C. 1973ee-1(c)(2); to the Committee on House Administration.

1148. A letter from the Acting Assistant Secretary for Importation Administration, Department of Commerce, transmitting the annual report on the activities of the Foreign Trade Zones Board for fiscal year 1986, pursuant to 19 U.S.C. 81p(c); to the Committee on Ways and Means.

1149. A letter from the Under Secretary of the Interior, transmitting a draft of proposed legislation to provide for funding of the wildfire protection, wildfire suppression, and emergency burn rehabilitation activities of the Department of the Interior and the Department of Agriculture, and for other purposes; jointly, to the Committees on Interior and Insular Affairs and Agriculture.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HAMILTON: Joint Economic Committee. Report of the Joint Economic Committee on the 1989 Economic Report of the President. (Rept. 101-48). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr FRANK:

H.R. 2267. A bill to amend section 207 of title 18, United States Code, relating to restrictions on post-employment activities; to the Committee on the Judiciary.

By Mr. DORGAN of North Dakota:

H.R. 2268. A bill to amend the Internal Revenue Code of 1986 to extend treatment of certain rents under section 2032A to all qualified heirs; to the Committee on Ways and Means.

By Mr. ANDREWS (for himself, Mr. DOWNEY, Mr. DONNELLY, Mr. MCGRATH, Mr. SHARP, Mr. COELHO, Mr. BOEHLERT, Mr. LELAND, Ms. PELOSI, Mr. SIKORSKI, Mr. SLATTERY, Mrs. COLLINS, Mr. LAGOMARSINO, Mr. RICHARDSON, Mr. SHUMWAY, Mr. ERDREICH, Mr. MRAZEK, Mr. WILSON, Mr. ATKINS, Mr. OWENS of Utah, Mr. LEWIS of Georgia, Mr. BUSTAMANTE, Mr. FROST, Mr. LAUGHLIN, Mr. HOCHBRUECKNER, Mr. COLEMAN of Missouri, Mr. NEAL of North Carolina, Mr. CHAPMAN, Mr. TOWNS, Mr. GILMAN, Mr. BRYANT, Mr. FISH, Mr. ROWLAND of Georgia, Mr. LEATH of Texas, Mrs. LOWEY of New York, Mr. KENNEDY, Mr. COLEMAN of Texas, and Mr. PARKER):

H.R. 2269. A bill to amend the Internal Revenue Code of 1986 to allow an investment tax credit for vehicles fueled by clean-burning substances, for converting vehicles to be so fueled, and for other purposes; to the Committee on Ways and Means.

By Mr. BROWN of California (for himself, Mr. ROE, Mrs. LLOYD, Mr. VOLKMER, Mr. WOLPE, Mr. MINETA, Mr. VALENTINE, Mr. SHAYS, Mr. TORRICELLI, Mr. BOUCHER, Mr. BRUCE, Mr. TRAFICANT, Mr. NOWAK, Mr. PERKINS, Mr. MCMILLEN of Maryland, Mr. PRICE, Mr. NAGLE, and Mr. SKAGGS):

H.R. 2270. A bill to establish a Science, Engineering, and Mathematics Educator Award to be administered by the National Science Foundation; to the Committee on Science, Space, and technology.

By Mr. BRUCE:

H.R. 2271. A bill to amend the Internal Revenue Code of 1986 to provide that individuals who separated from service on account of early retirement before the date of the enactment of the Tax Reform Act of 1986 will be exempt from the additional tax on early distributions from qualified retirement plans; to the Committee on Ways and Means.

By Mrs. BYRON (for herself and Mr. HUNTER):

H.R. 2272. A bill to withdraw certain Federal lands in the State of California for military purposes, and for other purposes; jointly, to the Committees on Interior and Insular Affairs and Armed Services.

By Mr. COELHO (for himself, Mr. FISH, Mr. HAWKINS, Mr. CONTE, Mr. OWENS of New York, Mr. ACKERMAN, Mr. ATKINS, Mr. BEILENSON, Mr. BENNETT, Mr. BORSKI, Mr. BOSCO, Mrs. BOXER, Mr. CAMPBELL of California, Mr. CARDIN, Mr. CLAY, Mr. CROCKETT, Mr. DE LUGO, Mr. DONNELLY, Mr. DWYER of New Jersey, Mr. DYMALLY, Mr. EDWARDS of California, Mr. FAZIO, Mr. FEIGHAN, Mr. FRANK, Mr. FROST, Mr. FUSTER, Mr. GEJDENSON, Mr. GORDON, Mr. HAYES of Illinois, Mr. HOYER, Mr. HUTTO, Mr. JACOBS, Mr. JONTZ, Mr. KASTENMEIER, Mr. KLECZKA, Mr. LEVIN of Michigan, Mr. LEWIS of Georgia, Mr. MANTON, Mr. MATSUI, Mr. MCCLOSKEY, Mr. MCDERMOTT, Mr. MCHUGH, Mr. MFUME, Mr. MILLER of California, Mr. MINETA, Mrs. MORELLA, Mr. OBERSTAR, Mr. PALLONE, Ms. PELOSI, Mr. RICHARDSON, Mr. ROWLAND of Connecticut, Ms. SCHNEIDER, Mr. SHAYS, Mr. SMITH of Vermont, Mr. SOLARZ, Mr. STUDDS, Mr. TRAXLER, Mr. UDALL, Mr. VENTO, Mr. WAXMAN, Mr. WEISS, Mr. WISE, Mr. WOLPE, Mr. FLORIO, Mr. WILLIAMS, Mr. ROYBAL, Mr. MORRISON of Connecticut, Mr. BROWN of California, Mr. DELLUMS, Mr. SABO, Mr. ESPY, Mr. DIXON, Mr. MILLER of Washington, Mr. YOUNG of Alaska, Mr. FOGLIETTA, Mr. RANGEL, Mr. GARCIA, Mrs. SAIKI, Mr. MARTINEZ, Mr. MAVROULES, Mr. CONYERS, Mr. MARKEY, Mr. VISCLOSKY, Mr. KILDEE, and Mrs. COLLINS):

H.R. 2273. A bill to establish a clear and comprehensive prohibition of discrimination on the basis of disability; jointly, to the Committees on Education and Labor, Energy and Commerce, Public Works and Transportation, and the Judiciary.

By Mr. CONTE (for himself, Mr. SKELTON, and Mr. IRELAND):

H.R. 2274. A bill to amend the Small Business Act to provide for a small business impact statement whenever a proposed procurement would exceed economical ordering and qualities conducive to small business participation; to the Committee on Small Business.

By. Mr. DONNELLY:

H.R. 2275. A bill to amend the Internal Revenue Code of 1986 with respect to the treatment of amounts received by tax-exempt organizations from sales, rentals, or other dispositions of lists of members, customers, or contributors; to the Committee on Ways and Means.

H.R. 2276. A bill to amend part B of title XVIII of the Social Security Act with respect to coverage of, and payment for, seatlift chairs, and to prohibit suppliers of durable medical equipment from distributing forms for statements of medical necessity; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. DORNAN of California:

H.R. 2277. A bill to amend title 10, United States Code, to prohibit courts from ordering a member of the Armed Forces to pay amounts to a spouse or former spouse corresponding to retired or retainer pay before the member first becomes entitled to receive retired or retainer pay; to the Committee on Armed Forces.

By Mr. ECKART (for himself and Mr. MILLER of California):

H.R. 2278. A bill to provide for the establishment of a uranium enrichment corporation, and for other purposes; jointly, to the Committees on Interior and Insular Affairs, Energy and Commerce, and Science, Space, and Technology.

By Mr. FORD of Tennessee:

H.R. 2279. A bill to amend the Internal Revenue Code of 1986 to provide notice to any taxpayer of amounts withheld in excess of such amounts reported on a tax return by such taxpayer; to the Committee on Ways and Means.

By Mr. GAYDOS:

H.R. 2280. A bill to amend the Internal Revenue Code of 1986 to provide a $600 income tax credit to individuals who are volunteer firefighters; to the Committee on Ways and Means.

By Mr. HAYES of Illinois (for himself, Mr. HAWKINS, and Mr. GOODLING):

H.R. 2281. A bill to amend the Elementary and Secondary Education Act of 1965 to extend the authorization for certain school dropout demonstration programs; to the Committee on Education and Labor.

By Mr. HOCHBRUECKNER:

H.R. 2282. A bill to allow the obsolete destroyer U.S.S. *Edson* (DD 946) to be transferred to the Intrepid Sea-Air Space Museum in New York before the expiration of the otherwise applicable 60-day congressional review period; to the Committee on Armed Services.

By Mr. IRELAND (for himself and Mr. CONTE):

H.R. 2283. A bill to provide permanent authorization for a National White House Conference on Small Business, and for other purposes; to the Committee on Small Business.

By Mrs. JOHNSON of Connecticut:

H.R. 2284. A bill to amend the Solid Waste Disposal Act to provide for the safe management of municipal incinerator ash; to the Committee on Energy and Commerce.

By Mr. KANJORSKI:

H.R. 2285. A bill relating to the period during which certain retail dealer occupational taxes may be assessed; to the Committee on Ways and Means.

By Mr. KASICH (for himself, Mr. GLICKMAN, and Mr. MCCLOSKEY):

H.R. 2286. A bill to require the Secretary of a military department that prepares a confidential investigation report for an accident involving an aircraft under the jurisdiction of the department to make such report available to the chairman and ranking minority members of the Committees on Armed Services of the Senate and House of Representatives; to the Committee on Armed Service.

By Mr. LEVINE of California (for himself and Mr. RITTER):

H.R. 2287. A bill to provide for the establishment of an industry-led consortium for research, development, and manufacturing activities in the field of advanced television systems, and for other purposes; jointly, to the Committees on Science, Space, and Technology and the Judiciary.

By Mr. LEWIS of Georgia:

H.R. 2288. A bill to establish a grant program for local rape prevention and control projects; to the Committee on the Judiciary.

By Mr. MOODY:

H.R. 2289. A bill to amend the Internal Revenue Code of 1986 to increase the excise tax on gasoline by 9 cents per gallon, and to provide that the increase in revenues be used to reduce Federal budget deficits; to the Committee on Ways and Means.

By Mr. REGULA (for himself and Mr. PEPPER):

H.R. 2290. A bill to amend the Public Health Service Act to provide for the establishment of a national program for tropical medicine and infectious disease, and for other purposes; to the Committee on Energy and Commerce.

By Mr. SAXTON (for himself, Mr. PACKARD, Ms. SCHNEIDER, Mr. GOSS, Mr. HUNTER, Mr. PAXON, Mrs. SAIKI, Mrs. JOHNSON of Connecticut, Mr. MCCRERY, Mr. GALLO, MR. GINGRICH, Mr. GRANT, Mr. BARTON of Texas, and Mr. GUNDERSON):

H.R. 2291. A bill to amend the Federal Water Pollution Control Act to provide for effective and efficient response to discharges of oil and hazardous substances, to provide for funding of such response by private industry, and for other purposes; jointly, to the Committees on Public Works and Transportation and Merchant Marine and Fisheries.

By Mr. SISISKY (for himself and Mr. IRELAND):

H.R. 2292. A bill to authorize judicial review of actions under chapter 6 of title 5, United States Code, relating to small businesses and required regulatory flexibility analyses; jointly, to the Committees on the Judiciary and Ways and Means.

H.R. 2293. A bill to make interpretative rules affecting small businesses under the Internal Revenue Code of 1986 subject to regulatory flexibility analyses; jointly, to the Committees on the Judiciary and Ways and Means.

By Mr. STENHOLM (for himself and Mr. ROBERTS):

H.R. 2294. A bill directing the Secretary of Agriculture to provide an adjustment to permit flexibility in crop acreage bases; to the Committee on Agriculture.

By Mrs. VUCANOVICH (for herself and Mr. BILBRAY):

H.R. 2295. A bill to repeal a provision of Federal tort claim law relating to the civil liability of Government contractors for certain injuries, losses of property, and death, and for other purposes; jointly, to the Committees on Armed Services and the Judiciary.

By Mr. WOLF:

H.R. 2296. A bill to amend the District of Columbia Code to limit the length of time for which an individual may be incarcerated for civil contempt in the courts of the District of Columbia and to provide for expedited appeal procedures to the District of Columbia Court of Appeals for individuals found in civil contempt; to the Committee on the District of Columbia.

By Mr. WYDEN:

H.R. 2297. A bill to amend the Housing and Community Development Act of 1987 to expand the eligibility criteria for areas for designation as enterprise zones; to the Committee on Banking, Finance and Urban Affairs.

By Mr. KANJORSKI:

H.J. Res. 262. Joint resolution to designate September 14, 1989, as "National School Safety Patrol Day;" to the Committee on Post Office and Civil Service.

By Ms. SCHNEIDER (for herself, Mr. BROWN of California, Mr. CONYERS, Mr. FAUNTROY, Mr. BERMAN, and Mr. ATKINS):

H.J. Res. 263. Joint resolution requiring that United States foreign development assistance encourage access to sustainable means of transportation in developing countries that help meet basic human needs, protect the global environment, and provide affordable, low-cost mobility, and for other purposes; jointly, to the Committees on Foreign Affairs and Banking, Finance and Urban Affairs.

By Mr. ANNUNZIO:

H. Con. Res. 112. Concurrent resolution to authorize printing of a collection of the Inaugural Addresses of the Presidents of the United States; to the Committee on House Administration.

By Mr. WOLF (for himself, Mr. SOLARZ, Mr. LEACH of Iowa, Mr. LANTOS, Mr. PORTER, Mr. HUNTER, Mr. FAUNTROY, Mr. MONTGOMERY, Mr. PENNY, Mr. BUECHNER, Mr. HORTON, Mr. FRANK, Mr. HENRY, Mrs. COLLINS, Mr. OWENS of New York, Ms. PELOSI, Mr. LAGOMARSINO, Mr. CAMPBELL of Colorado, Mrs. MORELLA, Mr. WEBER, Mr. INHOFE, Mr. GINGRICH, Mr. DORNAN of California, Mr. LOWERY of California, Mr. FAWELL, Mr. SAXTON, Mr. BLILEY, Mr. SIKORSKI, Mr. HYDE, Mr. CLINGER, Mr. HALL of Ohio, Mr. WEISS, Mr. LANCASTER, and Mr. RIDGE):

H. Con. Res. 113. Concurrent resolution calling on the Government of the Socialist Republic of Vietnam to expedite the release and emigration of reeducation camp detainees; to the Committee on Foreign Affairs.

By Mr. WYDEN:

H. Con. Res. 114. Concurrent resolution expressing the sense of the Congress that amounts in the section 312 housing rehabilitation loan fund should not be transferred for other uses and that the fund should be restored to the balance that would have existed if amounts had not been transferred from the fund by the fiscal year 1989 appropriation act for the Department of Housing and Urban Development; to the Committee on Banking, Finance and Urban Affairs.

MEMORIALS

Under clause 4 of rule XXII,

79. The SPEAKER presented a memorial of the Legislature of the State of Maine, relative to ensuring full citizens' rights of Maine veterans who bore arms in defense of the United States and kept faith the Constitution; referred to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause I of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. LAUGHLIN:

H.R. 2298. A bill for the relief of River Publishers, Inc. of Wharton, TX; to the Committee on the Judiciary.

By Mr. ANDERSON:

H. Con. Res. 111. Concurrent resolution commending the Flying Tigers for nearly 50 years of service to the United States; to the Committee on Post Office and Civil Service.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions:

H.R. 8: Mr. SPENCE, Mr. MCDERMOTT, Mr. MINETA, Mr. COUGHLIN, Mr. FALEOMAVAEGA, Mr. FEIGHAN, Mr. SMITH of New Hampshire, and Mr. SAVAGE.

H.R. 19: Mr. MOODY, Mr. WAXMAN, Mr. HASTERT, and Mr. BILIRAKIS.

H.R. 22: Mr. SPENCE.

H.R. 30: Mr. LEVINE of California, Mr. ROSE, Mr. CARPER, Mr. MCMILLEN of Maryland, Mr. SWIFT, Mr. PEPPER, and Mr. BOSCO.

H.R. 45: Mr. PANETTA and Mr. MATSUI.

H.R. 58: Mr. JAMES and Mr. EDWARDS of Oklahoma.

H.R. 60: Mr. HERGER, Mr. RAY, Mr. BURTON of Indiana, Mr. HILER, Mr. JAMES, Mr. BARTLETT, and Mr. STANGELAND.

H.R. 63: Mr. PASHAYAN, Mrs. ROUKEMA, Mr. RAVENEL, Mr. SMITH of Texas, Mr. SCHIFF, Mrs. BYRON, and Mr. LOWERY of California.

H.R. 89: Mr. LIPINSKI and Mr. REGULA.

H.R. 90: Mr. FUSTER and Mr. ROBINSON.

H.R. 101: Mr. MATSUI and Mr. CAMPBELL of Colorado.

H.R. 145: Mr. ENGEL and Mr. MCHUGH.

H.R. 181: Mr. COX and Mr. MACHTLEY.

H.R. 212: Mr. SAVAGE.

H.R. 215: Mr. SMITH of New Hampshire, Mr. MCMILLEN of Maryland, and Mr. GINGRICH.

H.R. 285: Mr. WHEAT, Mr. MRAZEK, Mr. KOLTER, and Mr. RINALDO.

H.R. 293: Mr. LAFALCE.

H.R. 343: Ms. SNOWE.

H.R. 362: Mr. PURSELL.

H.R. 514: Mr. STUDDS.

H.R. 567: Mrs. COLLINS, Mr. LIPINSKI, and Mr. LEWIS of Georgia.

H.R. 581: Mrs. COLLINS, Mr. LENT, Mr. MARKEY, Mr. BOEHLERT, Mr. SCHAEFER, Mr. MAVROULES, Mr. DE LUGO, Mr. KILDEE, Mr. LEWIS of Georgia, Mr. MCHUGH, and Mr. FROST.

H.R. 582: Mr. WISE.

H.R. 586: Mr. LEWIS of Georgia.

H.R. 624: Mr. LAGOMARSINO.

H.R. 638: Mr. AKAKA, Mr. CHAPMAN, Mr. LIPINSKI, Mr. OWENS of New York, Mr. ROE, Mr. CLAY, Mr. KOLTER, and Ms. SLAUGHTER of New York.

H.R. 655: Mr. PANETTA.

H.R. 664: Mr. MONTGOMERY, Mr. SCHUETTE, Mr. EDWARDS of Oklahoma, and Mr. GLICKMAN.

H.R. 669: Mr. WEISS.

H.R. 711: Mr. SLATTERY, Mr. HOAGLAND, Mr. STUDDS, Mr. SIKORSKI, Mr. ROBINSON, and Mr. GORDON.

H.R. 719: Mr. GILLMOR, Mr. PETRI, Mr. PASHAYAN, Mr. PARRIS, Mr. WEBER, Mr. DYMALLY, Mr. CHANDLER, Mr. BROWN of Colorado, Mr. GREEN, Mr. WILSON, Mr. MCEWEN, Mr. FRENZEL, Mr. RAY, Mr. DANNEMEYER, Mr. LAGOMARSINO, and Mr. DORNAN of California.

H.R. 720: Mr. FRENZEL, Mr. PICKETT, Mr. FORD of Tennessee, Mr. CAMPBELL of California, Mr. CAMPBELL of Colorado, Mr. JOHNSTON of Florida, Mr. MACHTLEY, Mr. LEWIS of Georgia, and Mr. BATES.

H.R. 725: Mr. PALLONE and Mr. WAXMAN.

H.R. 747: Mr. ARCHER, Mr. PICKETT, Mr. HANCOCK, Mr. SMITH of New Jersey, Mr. CLEMENT, Mr. SANGMEISTER, and Mr. FLORIO.

H.R. 791: Mr. DWYER of New Jersey, Mr. WILSON, Mr. GUNDERSON, Mr. MCEWEN, Mr. PORTER, Mr. WISE, Mr. KOLTER, Mr. LEWIS of Georgia, Mr. FAUNTROY, Mr. DELLUMS, Mr. WALSH, Mr. ANNUNZIO, Mr. KILDEE, and Ms. PELOSI.

H.R. 799: Mr. NAGLE and Mr. FAUNTROY.

H.R. 800: Mr. DORGAN of North Dakota, Mr. CLAY, Mr. GARCIA, Mr. FRANK, Mr. KILDEE, Mr. EDWARDS of California, and Mr. ACKERMAN.

H.R. 812: Mr. WYDEN, Mr. WILLIAMS, and Mr. JOHNSON of South Dakota.

H.R. 813: Mr. KILDEE.

H.R. 854: Mr. RAHALL, Mr. MARTINEZ, Mr. WILLIAMS, Mr. FOGLIETTA, Mr. HOPKINS, Mr. FEIGHAN, Mr. HAMILTON, Mr. KILDEE, Mr. MRAZEK, Mr. LANCASTER, and Mr. ACKERMAN.

H.R. 895: Mr. CRAIG.

H.R. 908: Mr. BATES.

H.R. 917: Mr. RINALDO, Ms. KAPTUR, Mr. SIKORSKI, Mr. CONYERS, and Mr. VENTO.

H.R. 970: Mr. MFUME.

H.R. 979: Mr. SOLOMON, Mr. JONES of North Carolina, Mr. CHAPMAN, Mr. POSHARD, Mr. SISISKY, Mr. TALLON, Mr. LEVINE of California, Mr. BOSCO, Mr. STARK, Mr. BOUCHER, and Mr. FLAKE.

H.R. 985: Mr. CHANDLER.

H.R. 995: Mr. PRICE.

H.R. 1029: Mr. DEFAZIO.

H.R. 1040: Mr. TORRES, Mr. PARRIS, Mr. STANGELAND, and Mr. CLEMENT.

H.R. 1048: Mr. ATKINS, Mr. CARDIN, Mr. SAVAGE, and Mr. MACHTLEY.

H.R. 1074: Mr. TOWNS, Mr. STOKES, Mr. MCCOLLUM, Mr. WYDEN, and Mr. DONNELLY.

H.R. 1078: Mr. FEIGHAN, Mr. MOAKLEY, and Mr. HORTON.

H.R. 1079: Mrs. MEYERS of Kansas and Mr. HASTERT.

H.R. 1112: Mr. PEPPER.

H.R. 1117: Mr. FOGLIETTA, Mr. LEWIS of Georgia, Mrs. COLLINS, and Mr. ACKERMAN.

H.R. 1129: Mr. KOLBE, Mr. MARTINEZ, Mr. PERKINS, Mr. JOHNSON of South Dakota, and Mr. LEWIS of Georgia.

H.R. 1134: Mr. DE LUGO and Mr. PALLONE.

H.R. 1180: Mr. STOKES.

H.R. 1185: Mr. BOEHLERT.

H.R. 1199: Mr. JOHNSON of South Dakota, Mr. BILIRAKIS, and Mr. FOGLIETTA.

H.R. 1200: Mr. CLINGER, Mr. PICKETT, Mr. HYDE, Ms. SLAUGHTER of New York, Mr. ALEXANDER, Mr. DICKS, Mr. SOLARZ, Mr. WEBER, Mr. WALSH, Mr. SAXTON, Mr. SCHEUER, Mr. WHEAT, Mr. WISE, Mr. LEHMAN of California, Mr. PERKINS, Mr. STANGELAND, Mr. CLEMENT, Mr. CLAY, Mr. SYNAR, Mr. SPENCE, Mr. BUNNING, Mr. KASTENMEIER, Mr. HERTEL, Mr. COELHO, Mr. PRICE, Mr. BURTON of Indiana, Mr. IRELAND, Mr. VALENTINE, and Mr. BORSKI.

H.R. 1216: Mr. WOLPE, Mr. DYMALLY, Mr. CHAPMAN, Mr. DARDEN, Mr. SARPALIUS, Mr. HAMILTON, Mr. DORGAN of North Dakota, Mr. ATKINS, Mr. YATES, Mr. RINALDO, Mr. SLATTERY, Ms. SCHNEIDER, Mr. MADIGAN, Mr. WISE, Mr. HOUGHTON, Mr. CROCKETT, Mr. HENRY, Mr. HORTON, Mr. CLEMENT, Mr. DEFAZIO, Mr. HOCHBRUECKNER, Mr. RANGEL, Mr. SIKORSKI, Mr. OWENS of New York, and Mrs. LOWEY of New York.

H.R. 1235: Mr. DWYER of New Jersey.

H.R. 1243: Mr. BROWDER, Mr. COELHO, Mr. CHAPMAN, Mr. HALL of Ohio, Mr. PICKLE, Mr. VOLKMER, Mr. TANNER, Mr. BRYANT, Mr. ANTHONY, Mr. DARDEN, and Mr. CLINGER.

H.R. 1287: Mr. HANCOCK.

H.R. 1289: Mr. RANGEL, Mr. SPENCE, Mr. LANTOS, Mr. KOLTER, and Mrs. KENNELLY.

H.R. 1292: Mr. DONNELLY.

H.R. 1304: Mr. GUNDERSON.

H.R. 1317: Mr. MATSUI, Mr. WHITTAKER, and Mr. SMITH of New Hampshire.

H.R. 1337: Mr. JACOBS, Mr. SCHNEIDER, Mr. WALGREN, and Mr. WAXMAN.

H.R. 1382: Mr. LEWIS of Georgia.

H.R. 1400: Mr. MCDADE, Mr. CRAIG, Mr. STUDDS, Mr. LIGHTFOOT, Mr. MILLER of Ohio, Mr. FAWELL, Mr. DICKINSON, Mr. ROWLAND of Georgia, Mr. MOLINARI, Mr. GILMAN, Mr. FAUNTROY, Mr. STAGGERS, Mr. GARCIA, Mr. DONALD E. LUKENS, Mr. SPENCE, Mr. LAFALCE, Mr. GREEN, Mr. KOLTER, Mr. TRAFICANT, Mr. FRANK, Mr. BAKER, Mr. HUTTO, Mr. OWENS of New York, Mr. JAMES, Mr. NIELSON of Utah, Mr. TAUZIN, Mr. STUMP, Mr. MORRISON of Connecticut, Mr. ROWLAND of Connecticut, Mr. OLIN, Mr. DE LUGO, Mr. MCMILLEN of Mary-

land, Mr. PICKLE, Mr. HATCHER, Mr. LANCASTER, and Mr. PARKER.

H.R. 1417: Mr. ATKINS, Mr. KILDEE, Mr. KOLTER, Mr. OBERSTAR, and Mr. PANETTA.

H.R. 1425: Mr. LEWIS of Georgia.

H.R. 1475: Mr. MCEWEN, Mr. COURTER, Mr. CAMPBELL of Colorado, Mr. PORTER, Mr. INHOFE, Mr. MCCRERY, Mrs. VUCANOVICH, Mr. LEWIS of Georgia, Mr. DOUGLAS, and Mr. CRANE.

H.R. 1525: Mr. TOWNS, Mr. STAGGERS, Mr. MARTINEZ, Mr. PERKINS, and Mr. OWENS of New York.

H.R. 1529: Mr. EMERSON and Mr. COLEMAN of Missouri.

H.R. 1587: Mr. STAGGERS.

H.R. 1601: Mr. BROOMFIELD and Mr. BROWN of Colorado.

H.R. 1605: Mr. LEHMAN of California, Mr. DORNAN of California, Mr. LOWERY of California, and Mr. CHANDLER.

H.R. 1617: Mr. ARMEY, Mr. ATKINS, Mrs. BOXER, Mrs. COLLINS, Mr. DYMALLY, Mr. GALLEGLY, Mr. HENRY, Mr. HERTEL, Mr. HORTON, Mr. KOLTER, Mr. LANCASTER, Mr. SISISKY, Mr. SMITH of New Jersey, and Mr. UPTON.

H.R. 1662: Mr. BRYANT and Mr. DOUGLAS.

H.R. 1746: Mr. BATES, Mr. PEPPER, and Mr. ACKERMAN.

H.R. 1865: Mr. BEVILL.

H.R. 1869: Mr. PICKLE.

H.R. 1870: Mr. MADIGAN.

H.R. 1875: Mr. ARMEY, Mr. BROWN of California, Mr. CHAPMAN, Mr. HERTEL, Mr. DENNY SMITH, and Mr. WILSON.

H.R. 1931: Mr. JONTZ.

H.R. 1935: Mr. OBEY, Mr. SLATTERY, Mr. LANCASTER, Mr. CAMPBELL of Colorado, Mrs. BOXER, and Mr. ACKERMAN.

H.R. 1957: Mr. GALLO, Mr. HOUGHTON, and Mr. RHODES.

H.R. 2021: Mr. LIVINGSTON, Mrs. MARTIN of Illinois, Mrs. LLOYD, Mr. FROST, Mr. BATES, and Mr. STALLINGS.

H.R. 2044: Mr. WILLIAMS, Mr. LEWIS of Georgia, Mr. SAVAGE, Mr. LANCASTER, Mr. MORRISON of Connecticut, and Mr. BURTON of Indiana.

H.R. 2051: Mr. LEVINE of California, Mrs. BOXER, Mr. MRAZEK, and Mr. LEWIS of Georgia.

H.R. 2086: Mr. FAUNTROY, Mr. ROBINSON, Mr. BILBRAY, and Mr. STARK.

H.R. 2110: Mr. MCCOLLUM, Mr. SMITH of Mississippi, Mr. DREIER of California, Mr. COSTELLO, and Mr. DOUGLAS.

H.R. 2112: Mr. FASCELL, Mr. HUNTER, and Mr. PARKER.

H.R. 2121: Mr. OLIN, Mr. GORDON, Mr. WEBER, Mr. MCDADE, Mr. FAUNTROY, Mr. DORNAN of California, Mr. GOODLING, Mr. PRICE, Mr. FRENZEL, Mr. PENNY, and Mr. ROWLAND of Georgia.

H.R. 2145: Mr. BILIRAKIS, Mr. HOUGHTON, Mr. ENGEL, Mr. FLIPPO, Mr. HENRY, Mr. NELSON of Florida, Mr. SIKORSKI, Mr. LIGHTFOOT, Mr. JONES of Georgia, Mr. RINALDO, Mr. MILLER of Washington, Mr. WAXMAN, Mr. OWENS of Utah, Mr. BROWN of Colorado, Mrs. MARTIN of Illinois, Mr. BUECHNER, Mr. SCHEUER, Mr. LAGOMARSINO, Mr. YATRON, Mr. DORGAN of North Dakota, and Mr. MCHUGH.

H.R. 2217: Mr. FUSTER, Mr. MACHTLEY, Mr. BOUCHER, and Mr. PARKER.

H.R. 2218: Mr. BATES.

H.R. 2237: Mr. DONALD E. LUKENS, Mr. DORNAN of California, Mr. FAWELL, Mr. LAGOMARSINO, and Mr. DWYER of New Jersey.

H.J. Res. 10: Mr. WEISS.

H.J. Res. 46: Mr. WALGREN and Mr. KASTENMEIER.

H.J. Res. 108: Mr. BRUCE and Mr. MORRISON of Connecticut.

H.J. Res. 110: Mr. HERGER.

H.J. Res. 120: Mr. BENNETT, Mr. BROOKS, Mr. FOLEY, Mr. FRANK, Mrs. LLOYD, Mr. MILLER of California, Mr. RUSSO, Mr. SMITH of Iowa, and Mr. STEARNS.

H.J. Res. 123: Mr. DE LUGO, Mr. CONTE, and Mr. HANSEN.

H.J. Res. 131: Mr. HUTTO, Mr. GUARINI, and Mr. WAXMAN.

H.J. Res. 132: Mr. MILLER of California and Mr. STENHOLM.

H.J. Res. 138: Mr. BONIOR, Mr. EVANS, Mr. DE LUGO, Mr. BOUCHER, Mr. STARK, and Mr. FLAKE.

H.J. Res. 160: Mr. GARCIA and Mr. PARKER.

H.J. Res. 188: Mrs. VUCANOVICH.

H.J. Res. 189: Mr. INHOFE.

H.J. Res. 208: Mr. FOGLIETTA.

H.J. Res. 228: Mr. WAXMAN, Mr. CROCKETT, Mr. CLARKE, Mr. DARDEN, Mrs. MEYERS of Kansas, Mr. MOAKLEY, Mr. COLEMAN of Missouri, Mr. MAZZOLI, and Mr. ENGLISH.

H.J. Res. 231: Mr. FRENZEL, Mr. RAHALL, Mrs. COLLINS, Mr. MINETA, Mr. GARCIA, Mr. STANGELAND, Mr. BERMAN, Mr. WALSH, Mr. CLAY, Mr. LAFALCE, and Mr. CONYERS.

H.J. Res. 247: Mr. PAYNE of New Jersey, Mr. THOMAS of California, Ms. PELOSI, Mr. GRANT, Mr. HUBBARD, Mrs. BENTLEY, Mr. ROWLAND of Connecticut, Mr. BEREUTER, Mr. AUCOIN, Mr. BRUCE, Mr. DEWINE, Mr. STARK, Mr. ORTIZ, Mr. GEKAS, Mr. SKAGGS, and Mr. LEWIS of Georgia.

H. Con. Res. 3: Mr. EDWARDS of Oklahoma.

H. Con. Res. 44: Mr. MORRISON of Connecticut.

H. Con. Res. 48: Mr. MACHTLEY.

H. Con. Res. 57: Mr. TRAFICANT, Mr. HUCKABY, Mr. DYMALLY, Mr. FAZIO, Mr. GREEN, Mr. LEVIN of Michigan, Mr. HATCHER, Mr. OWENS of New York, Mr. MATSUI, Mr. HAYES of Illinois, Mr. FALEOMAVAEGA, Mr. DE LUGO, Mr. MCCURDY, Mr. ATKINS, Mr. EVANS, Mr. ACKERMAN, Mr. BUSTAMANTE, Mr. DURBIN, Mr. RAHALL, Mr. GUARINI, Mr. ESPY, Mr. HASTERT, Mr. GARCIA, Mr. MILLER of Ohio, Mr. PARRIS, Mr. ECKART, Mr. FROST, Mr. FLORIO, and Mr. PENNY.

H. Con. Res. 66: Mr. WALGREN.

H. Con. Res. 87: Mr. GILMAN, Mr. PORTER, Mr. SOLARZ, and Mr. MORRISON of Connecticut.

H. Con. Res. 99: Mr. ACKERMAN, Mr. BOEHLERT, Mr. ENGEL, Mr. GILMAN, Mr. GREEN, Mr. HOCHBRUECKNER, Mr. HORTON, Mr. LENT, Mrs. LOWEY of New York, Mr. MCGRATH, Mr. MCHUGH, Mr. MCNULTY, Mr. OWENS of New York, Mr. RANGEL, Mr. SCHEUER, Mr. WALSH, Mr. WEISS, Ms. SLAUGHTER of New York, Mr. GARCIA, Mr. DOWNEY, Mr. TOWNS, Mr. MRAZEK, Mr. SCHUMER, Mr. HOUGHTON, Mr. MANTON, Mr. SOLARZ, Mr. FISH, Mr. MARTIN of New York, and Mr. MOLINARI.

H. Res. 95: Mr. OWENS of New York, Mr. FOGLIETTA, and Mr. MACHTLEY.

H. Res. 144: Mr. SOLOMON, Mr. GALLEGLY, Mr. UPTON, Mr. HENRY, Mr. COUGHLIN, Mr. HORTON, Mrs. BENTLEY, Mr. RITTER, Mr. MANTON, and Mr. PENNY.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 876: Mr. QUILLEN.

PETITIONS, ETC.

Under clause 1 of rule XXII,

38. The Speaker presented a petition of the Arkansas Legislative Council, Little Rock, AR, relative to the 10th amendment to the U.S. Constitution; which was referred to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

THE AMERICANS WITH DISABILITIES ACT

HON. TONY COELHO
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 9, 1989

Mr. COELHO. Mr. Speaker, today I and over 60 of our colleagues, are introducing the Americans with Disabilities Act [ADA]. This historic piece of legislation will prohibit discrimination against America's largest minority, people with disabilities, in employment, transportation, public accommodations, and the activities of State and local governments. It will provide disabled Americans comparable civil rights protections to those afforded on the bases of race, sex, national origin, age, and religion.

Most people do not regard disabled people as a large group, or as an unfairly treated group, or as an economically disadvantaged group. Yet disabled people constitute a major portion of our society. The last U.S. census numbered the disabled at 36 million. Estimates indicate that figure has risen to 43 million since then. And every day, many of those 43 million persons suffer some form of discrimination for no other reasons than the fact that they are disabled.

A nationwide poll conducted in 1986 by Louis Harris and Associates entitled "Bringing Disabled Americans into the Mainstream," determined that discrimination is frequently experienced by the disabled. The survey identified a variety of types of discrimination including lack of access to public buildings and public bathrooms, and the absence of accessible transportation. Clearly one-fourth of those interviewed said they personally had encountered job discrimination because of their disabilities. In a subsequent Harris poll of employers in 1987, three-fourths of business managers revealed that people with disabilities often encounter job discrimination from employers.

It is the responsibility of Congress as Federal policymakers to ensure that this discrimination comes to an end and our society is accessible to all: that wheelchair-users can travel and enter a building to carry on normal economic and social lives; that crucial daily telephone communications are available to those with a hearing impairment; that jobs are not denied people with blindness and epilepsy and other disabling conditions; that people with mental retardation or other mental disabilities are accepted into their communities.

One of the major goals of the ADA bill is to eliminate discrimination against the disabled in employment. Statistics show that disabled persons experience staggering levels of unemployment and poverty. The percentage of disabled persons' families earning less than $5,000 is almost triple the national average. Some two-thirds of disabled people are unemployed, and when employed, they are consistently underpaid.

Colossal unemployment and poverty among the disabled often goes unchallenged because the public has the general impression that these are the inevitable results of disabling conditions. The absence of disabled coworkers by our side is taken as confirmation that disabled people can't work. Discriminatory attitudes hold that a person using a wheelchair, or a deaf or blind person can't perform a job. Quite often, minor adjustments in schedule or work distribution among employees or office structure and equipment is all that is needed to make a job perfectly doable by qualified disabled applicants. Sometimes, no adjustments are necessary at all, all the person needs is a chance.

Similar discriminatory attitudes hold that you can't employ someone with epilepsy because they may have a seizure on the job, when today the overwhelming majority of people with epilepsy have their physical conditions under control through medication. The same discriminatory attitudes hold that a person with a facial disfigurement or spastic condition is so repellant that they shouldn't be employed around others. Can we really go on accepting the fact that some persons are denied jobs simply because they don't look right?

Findings from the 1986 Harris poll indicated that not working is perhaps the truest definition of what it means to be disabled. Two-thirds of all disabled Americans between the ages of 16 and 64 are not working. Only 1 in 4 works full time, and another 10 percent work part-time. Furthermore, unemployment among persons with disabilities as a group is a bigger problem than among any other demographic group of working-age Americans.

Another significant finding was that 66 percent of working age persons with disabilities, who are not working, want to have a job. This overwhelming absence from the labor force of people with a strong desire to work is a tragic failure of the American dream and a waste of labor resources.

The majority of unemployed disabled people, if given the chance, are quite capable of taking their places in the job market. Numerous studies indicate that disabled workers perform as well as or better than their nondisabled coworkers. In 1983 the U.S. Commission on Civil Rights published a report on hiring the disabled entitled Accommodating the Spectrum of Individuals' Abilities. This report quoted an earlier Government study of appointments of severely disabled workers to Federal jobs over a 10-year period. The study concluded those employees' "work record is excellent." The 1987 Harris poll of employers rated the performance of disabled workers as "good to excellent."

Unemployment and underemployment of disabled persons cannot be explained by any differential in productivity. Studies dating back to a massive 1948 Department of Labor study have consistently concluded that disabled and nondisabled workers are equally productive. A survey of such research studies concluded: "* * * the existing literature appears to show both that the disabled who are working are as productive in their jobs as their coworkers and that employers perceived the handicapped as being comparably productive."

Another significant finding from the Harris poll dispels a common myth about the cost of hiring disabled persons. "Seventy-five percent of managers said that the cost of employing persons with disabilities is not greater than the cost of hiring nondisabled workers." Similarly, studies show that accommodating disabled workers is viewed as inexpensive and on-burdensome to companies which have tried it.

Unfortunately, data from the Harris poll indicated that without some new stimulus, the employment of disabled people is unlikely to increase much. Most managers thought their company was already doing enough to employ disabled people and shouldn't make greater efforts to do so. Employers gave the hiring of disabled people a lower priority than the hiring of people from other minority groups and elderly persons. Furthermore, disabled people are the least likely to be viewed as an excellent source of employees.

A ban on employment discrimination will be necessary if the obvious potential of disabled Americans to work is to become a reality. Thus, the need is great for a strong national mandate such as the Americans with Disabilities Act.

Another pervasive form of disability discrimination is architectural and communication barriers in public accommodations. These facilities, including restaurants, stores, hotels, auditoriums, theaters, professional offices, parks, et cetera, have generally been designed for an ideal user with average physical proficiency. As such, they are inaccessible to many individuals with disabilities.

Though progress has been made in developing architectural standards to eliminate barriers in the construction of buildings, and despite the fact that nearly every State has a statute prohibiting architectural barriers, such barriers continue to be a serious problem. The extent of inaccessibility was illustrated by a 1980 study of State-owned buildings which house services and programs available to the general public. The study found 76 percent of the buildings physically inaccessible and unusable for serving handicapped persons.

This situation exists even though eliminating architectural barriers does not have to be expensive. Study after study has shown that making new buildings accessible to disabled people adds less than one-half of 1 percent to the cost. Many corporations which have made it their policy to construct all new facilities to be barrier-free have found that the costs are virtually absent and cannot even be found in a normal analysis of building costs.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

Another problem area for the disabled is transportation. This most common service in our very mobile society is frequently denied to disabled people. The Congressional Budget Office described the extent of the problem this way: "More than 1 million physically disabled, blind, or deaf persons who live within a short walk of transit service cannot physically use it * * *. An additional 4 million handicapped persons live near transit but find it difficult to use."

As interpreted by the National Council on the Handicapped in their 1988 report, On the Threshold of Independence, the 1986 Harris poll underscores the fact that transportation is a major problem for persons with disabilities. A clear majority of disabled persons state that their disability prevents them from getting around, socializing, or going to cultural events as much as they'd like. Forty-nine percent of the respondents believe that their mobility is limited because they "are not able to use public transportation or because [they] can't get special transportation * * *."

Transportation barriers not only limit social and community life, they also severely restrict employment options, and may explain a portion of the 66 percent of disabled persons who are without jobs. According to the Harris survey, approximately 3 out of 10 people say that a lack of accessible or affordable transportation is an important reason why they are not working. As reported in the January 1984 issue of Paraplegia News:

Public transportation is something most Americans take for granted.

Say what you will about your local transit authority—the buses may be dirty and crowded, the drivers may be rude, and the fare may have doubled since last year—but most people can be assured that there will be a bus going their way at 8:15 in the morning and 5:15 in the evening and most likely at decent intervals throughout the day as well.

The picture changes dramatically if one . . . is physically unable to climb the stairs into a bus or train.

Many transit operators have become enamored with "dial-a-ride" paratransit services. They point out that many disabled persons would rather be picked up and delivered door-to-door. I ask, what rational persons would choose a bus rather than a taxi if the price were the same?

The truth is that van service cannot be operated with the same frequency and convenience as the existing bus or rail service. In many cities, disabled citizens must reserve rides days in advance, and waiting periods of several months (or even years) for enrollment into these programs are not uncommon. To provide even resembling mainline services would be prohibitively expensive.

Another edition of Paraplegia News looked at the issue in another way:

Perhaps the best way to consider the appropriateness of paratransit as a substitute for mass transit accessibility is to think of the operation of the taxicab, the most common form of paratransit in U.S. cities. The fare for a taxi is relatively inexpensive for a short trip. The taxi fare rises substantially for longer trips. The time and distance traveled simply add to the operating cost of the taxi for long trips, so the fare increases.

The same is true of paratransit services for the disabled. This is precisely why limits are placed on the operation of paratransit services. If paratransit was open to all disabled persons, to travel any time of the day or evening to any destination in the transit service area, its operating costs would skyrocket. The only cost-effective use of paratransit as a substitute would possiblly be for a limited number of short trips. For most transit uses, paratransit is simply too expensive.

For example, in one U.S. city, $4 million was available to provide some form of transit service for the disabled. The city planners estimated that, if a paratransit service was established for weekday trips only, approximately 1200 one-way trips per weekday could be provided. No evening and weekend travel would be allowed, and the $4 million would be exhausted at the end of one year's time.

For the same $4 million, it was estimated by city planners that approximately 250 lifts could be purchases for fixed-route buses. Accessible bus service would be available on about 20 routes, seven days per week, 17 hours per day. And the lift equipment would last as long as the bus—about 12 years. A decision was made to purchase the 250 lifts, because for the $4 million outlay, a more lasting and frequent accessible service could be provided.

Paratransit's limitations are pervasive and extreme. In some cities, you must reserve your ride 2 weeks in advance. In other cities, you must wait several hours for your ride, or you can only go to the doctor, or you must travel between 9 and 5 or you're only allowed five rides a month. In many cities a nondisabled friend or family member cannot ride in a paratransit vehicle with a disabled person.

But these limitations are not inevitable. A number of cities, including New York, Denver, Seattle, San Francisco, Johnstown, Tacoma, and Champagne/Urbana, have found that purchasing new buses with lifts, as well as providing supplementary paratransit, is a more effective and nonburdensome approach to providing mass transit to people with disabilities. This is true despite great differences between these cities in size and climate.

Discrimination also occurs in the area of communications, and involves the lack of access to telephone services by people with hearing impairments. Technology is readily available for relay services to be established which connect regular telephone users and hearing-impaired users of telecommunication devices for the deal [known as TDDs]. Several states have or are planning to begin such services, and they are often financed by very small (such as 10 cent) surcharges on telephone bills. But without a national mandate for such services, the vast majority of deaf Americans are without access to the normal channels of communications in our society which are available only through the telephone.

The Americans with Disabilities Act will go a great distance toward eliminating the various kinds of discrimination I have described in employment, public accommodations, transportation and communications, and in other areas as well. In The ADA is comprehensive and far-reaching, but prudent. In brief, title I of the bill sets forth findings that too many disabled American are victims of discrimination.

Title II prohibits employment discrimination by employers with 15 or more employees. Prohibitions include discrimination in application procedures, hiring and discharge, compensation, advancement, and training. Employers must provide reasonable accommodations for known physical or mental disabilities unless doing so would impose an undue hardship. Qualification standards must be substantially related to an applicant's ability to perform the job in question. Many of these provisions parallel existing nondiscrimination rules for employers covered by section 504 of the Rehabilitation Act of 1973.

Title III of the bill prohibits discrimination in public services by States or political subdivisions of States, and also addresses nondiscrimination requirements for public transportation services. The bill would make it illegal to purchase or lease new bus or rail vehicles later than 30 days after enactment, if the vehicles are not accessible to people with disabilities. If a covered entity purchases or leases used vehicles, they must make demonstrated good faith efforts to obtain vehicles that are accessible, and if they remanufacture vehicles such that the vehicle's life is extended for at least 5 years, the vehicles shall be accessible to the maximum extent feasible.

Paratransit service for elderly and disabled people which is supplementary to fixed route service would have to provide comparable service levels to those provided nondisabled people according to service criteria already promulgated by the Department of Transportation. These include comparable eligibility criteria, response time, fares, hours, and service areas.

For paratransit which provides regular transit service to the general public, such as airport shuttles, newly purchased or leased vehicles must be accessible unless the transit operator can demonstrate that the system, when viewed in its entirety, provides a level of service to disabled people that is equivalent to that provided the general public.

New public transit facilities must be accessible to people with disabilities. In facilities altered later than 1 year after enactment, the area of alteration must be accessible to the maximum extent feasible, including the path of travel to the altered area and the key facilities, such as restrooms, serving the altered area.

Public transit programs operating in existing facilities must be operated in such a way that, when viewed in their entirety, they are accessible to people with disabilities. In existing rail systems, it shall be considered discriminatory to fail to have at least 1 car per train that is accessible, as soon as practicable but in no less than 5 years after enactment. For stations in intercity rail systems, and key stations in rapid rail, commuter rail, and light rail systems, it shall be considered discriminatory if these stations are not accessible as soon as practicable, but in no more than 3 years after enactment.

An exemption is provided for extraordinarily expensive structural changes to replace existing facilities necessary to achieve accessibility, for which the Secretary of Transportation may extend the time limit up to 20 years. In this way, the bill allows for situations in which providing accessibility would be extraordinarily burdensome to public transit authorities.

Title IV of the ADA addresses public accommodations and services operated by private entities. Public accommodations are defined to include auditoriums, convention centers, stadiums, theaters, restaurants, shopping centers, hotels, transportation terminals, passenger vehicle service stations, professional offices of health care providers, office buildings, sales establishments, public services businesses, parks, private schools, and recreation facilities.

Discrimination is prohibited by public accommodations against people with disabilities in any of the following ways: the imposition of eligibility criteria that tend to identify or limit the opportunities of disabled people; the failure to make reasonable modifications of rules or procedures if necessary to afford services to disabled—unless such modifications would fundamentally alter the nature of services provided; or the failure to provide auxiliary aids and services necessary to ensure a disabled person isn't excluded.

In existing facilities, architectural and communication barriers must be removed when such removal is readily achievable. If removal of barriers is not readily achievable, the covered entity must provide alternative methods of making goods and services available to people with disabilities.

In facilities that are altered later than 1 year after enactment, alterations must be made in such a manner that the altered area, a path of travel to the altered area, and the key facilities, such as restrooms, serving the altered area must be accessible to the maximum extent feasible.

New facilities constructed later than 30 months after enactment, must be accessible unless it is structurally impracticable.

Private entities providing public transportation services must comply with nondiscrimination provisions similar to public entities, in that they may not pose restrictive eligibility criteria, and they must purchase or lease only accessible vehicles.

Title VI of the bill requires that telecommunications relay services, enabling simultaneous communication to take place between individuals using telecommunication devices for the deaf and those using regular telephones, must be provided by common carriers of telephone service, within 1 year of enactment.

In summary, the Americans with Disabilities Act provides a clear, comprehensive national mandate for the elimination of discrimination against individuals with disabilities. This mandate is urgently needed by our Nation's 43 million disabled citizens. I urge your support of its passage.

TRIBUTE TO STAN GILLIAM

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 9, 1989

Mr. MATSUI. Mr. Speaker, I rise today to pay honor to a very special man. His name is Stan Gilliam, and I, sir, am proud to call him a hometown friend to thousands of residents in my congressional district.

After nearly 25 years of dedicated service, Stan retired last week from his work at the Sacramento Bee where his assignments wore many hats and his words captured many lives.

Mr. Speaker, in a society that has turned impersonal through its fax dependency, silent through its VDT obsession and aloof through its Walkman love affair, Stan demonstrated a special gift for bringing all of us home again day after day.

Stan wrote a column for the past 10 years appropriately called "Stan's Sacramento." It was a column that had the personal touch of a backyard chat * * * a column where concerned ears listened * * * and life itself was as loud and genuine as the sound of the real typewriter he used to write it.

Stan represents everything good about being the quintessential hometowner. During a stint as a restaurant reviewer, he was once quoted as telling his editor, "I have to be honest with you * * * about the only thing I know about food is that I'm hungry most of the time." He has also said that he "tried to write to the 95 percent of the people who were hungry, not the 5 percent who were gourmets."

Mr. Speaker, as one of the 95 percent who were hungry, I will miss Stan's column and wish him all the best in his retirement.

IN MEMORY OF INDONESIAN HUMAN RIGHTS LEADER YAP THIAM HIEN

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 9, 1989

Mr. PORTER. Mr. Speaker, I wish to convey my sadness over the death of a great human rights leader, Yap Thiam Hien, who died of natural causes on April 23, 1989 at the age of 76. Through his extraordinary commitment and work, Mr. Yap brought honor to his country and to the cause of human rights.

Yap Thiam Hien was one of Indonesia's most respected lawyers, and a founder of the Indonesian Legal Aid Institute Foundation. He helped form the Indonesian Association of Advocates in the mid-1960's, and was long associated with the widely respected human rights organization, the International Commission of Jurists. In the mid-1970's, Mr. Yap was detained without trial for nearly a year for speaking out against Government corruption and repression. Immediately upon his release, Mr. Yap resumed his human rights activities.

I urge my colleagues to read the following statement made by Prof. Daniel Lev, a specialist on Indonesia from the University of Washington, immediately following Mr. Yap's death:

On Sunday, 23 April at 11:00 p.m. in Belgium, Pak Yap Thiam Hien died among friends devoted to human rights and in a setting, where human rights would be discussed, in which he felt at home. The news spread quickly around the world, and so did the grief. Is there anyone who knows him who does not feel a terrible loss, not only in Indonesia but wherever there is still admiration and respect for courage, ethics, morality, commitment, and human decency?

Pak Yap was no ordinary man. It is difficult to explain him, not because he was complicated but because he was not. Pak Yap was simple in his courage, which seldom failed him, and simple in his ethical choices, and simple in his beliefs in human dignity, fairness equality, and justice. To many he seemed hopelessly uncompromising, quixotic, and rigid—and all this is true, for on issues of principle Pak Yap was stubborn and ungiving. But his devotion to justice and his willingness to sacrifice himself for it affected anyone nearby. In all this he was in fact uncomplicated. He may be hard to understand only because we have forgotten the virtues of simplicity.

CONGRATULATIONS TO ARLENE MORRIS-VERSAW AS SBA ADVOCATE OF THE YEAR

HON. RICHARD H. LEHMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 9, 1989

Mr. LEHMAN of California. Mr. Speaker, small business is widely regarded as a mainstay of the economic health of our Nation. As we enter the 1990's and beyond, small businesses will continue to grow and are likely to make up an even larger share of the economy. An important aspect is the perception of small business where that growth occurs. If there is solid community involvement and support for small businesses, the more likely they are to succeed.

Ms. Arlene Morris-Versaw is one of those professionals who contribute to the understanding and promotion of small business. Arlene Morris-Versaw was recently named as the National Media Advocate of the Year. As a business reporter for the Fresno Bee, Ms. Morris-Versaw's list of journalistic accomplishments includes several feature stories on small business advocacy and a special series on legislative proposals. It is clear that Ms. Morris-Versaw's writing has had a positive impact on the businesses of our community by contributing to the understanding of the actions that affect them.

What sets Ms. Morris-Versaw apart from her colleagues and makes her uniquely qualified for this special honor is her understanding of the importance of small business. She recently completed another series that illustrated the importance of small business to the San Joaquin Valley. The success of small business everywhere depends on the ability for the community it serves to view it in a positive manner. Through her writing, Arlene continues to enhance the understanding of the role that small business, indeed all business, plays in our community. Her concern for this aspect of business reporting has earned her this honor.

Mr. Speaker, I think it is important that we in this body recognize the importance of this distinguished award. I hope that all of my colleagues will join me in congratulating Ms. Arlene Morris-Versaw, the National Small Business Mediate Advocate of the Year.

NAVAL TRAGEDIES SPUR HOPE

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 9, 1989

Mrs. SCHROEDER. Mr. Speaker, in the wake of several naval tragedies, two U.S. Navy veterans in Colorado have proposed a most suitable memorial—that President Bush and Secretary General Gorbachev personally lead a new disarmament effort.

The idea is worthy of serious attention and I am pleased to share it with my colleagues.

DENVER, CO,
April 25, 1989.

Representative PATRICIA SCHROEDER,
U.S. House of Representatives,
Washington, DC.

DEAR REPRESENTATIVE SCHROEDER: This week 47 American families and indeed, all of us as a nation, will lay to rest 47 sailors who have made the ultimate sacrifice, who have laid down their lives in defense of their country and in search of a peaceful world. Tragically and ironically, 62 families and the entire Soviet nation are grieving the loss of their finest young sailors also lost at sea in the sinking of a nuclear submarine in the icy waters of the North Atlantic. This loss was put into clear perspective by a Norwegian naval officer when he said "we are all saddened by the loss of our fellow seamen whomever they may be".

No flag-drapped casket, no volley of shots, no cemetery plaque can truly honor these 109 fine and valuable men. I would suggest that a fitting memorial would be a private meeting between President Bush and Secretary General Gorbachev to discuss world peace and disarmament, starting with our two countries and hopefully spreading to all nations of the globe. Then truly these, and thousands of other young men killed in the line of duty in peace and in war, will not have died in vain.

Let us make a special and living memorial to our soldiers, sailors, airmen and marines. Let us, both the Soviet Union, and the United States, dismantle our forces—one ship, one plane, one tank, one missile, one M-16 and one AK-47 at a time. We could use the steel to make tractors, pumps and medical instruments. Our youth, skill and brain power could research the environment, the stars, housing health and education. We should take to heart the words of President Dwight D. Eisenhower in a speech given at the end of his eight years as President:

"Every gun that is made, every warship launched, every rocket fired signifies, in the final sense, a theft from those who hunger and are not fed, those who are cold and are not clothed. This world in arms is not spending money alone. It is spending the sweat of its laborers, the genius of its scientists, the hopes of its children * * *. This is not a way of life at all in any true sense. Under the cloud of threatening war, it is humanity hanging from a cross of iron."

Hopefully as global leaders, both our nations can heed the words of President Eisenhower and honor the memory of these fine young men by embarking on negotiations for true peace and progress in our troubled world.

Sincerely,

RAYMOND P. FINNEY,
U.S. Naval Academy,
Class of 1963.

LEO DIRNBERGER,
USNR 1944-46,
U.S.S. Mississippi, BB-41.

TRIBUTE TO MEL WILSON

HON. HOWARD L. BERMAN

OF CALIFORNIA

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 9, 1989

Mr. BERMAN. Mr. Speaker, it is with admiration and respect that we ask our colleagues to join us in saluting an outstanding leader and popular member of the community, Mr. Mel Wilson, who is being honored by the United Chambers of Commerce for his dedicated service as president.

Mel Wilson has been one of the most involved, persistent, and effective leaders of the United Chambers of Commerce. A man of tremendous talent and dedication, Mel has positively affected the lives of many during his tenure as president, and has diligently worked to improve and expand the chambers' services to the community. His efforts and exemplary leadership have been characterized by a deep commitment and strong sense of idealism.

Mel Wilson has served the San Fernando Valley community for many years. His pleasant personality and ready willingness to be helpful has endeared him to both his colleagues and to the public he has served so well. As a result of his leadership and excellent performance, he enjoys respect and support throughout the San Fernando Valley.

In 1988, Mayor Tom Bradley appointed Mel to the Citizens Advisory Panel on Transportation in the San Fernando Valley. During that time he chaired the San Fernando Valley Board of Realtors Governmental Affairs Committee and was elected to the Board of California State University, Northridge, Athletic Association. Mel is also past president of L.A. Countywide Citizens Planning Council and served on the board's of L.A. Countywide Citizens Planning Council, Mayor's Advisory for the Office of Small Business Assistance, Vitalize Van Nuys and was member and elected chair to the Pacoima Enterprise Zone Business Advisory Council. Mel has built a record of commitment and excellence that is an inspiration to us all.

Mel received his bachelor of science in business administration from California State University, Northridge, in 1977. He is a realtor-owner of a real estate sales and land use consulting company.

It is our distinct pleasure, along with the United Chambers of Commerce, to ask our collegues to join us in honoring Mr. Mel Wilson, an extraordinary individual.

LONG-TERM CARE: IT'S TIME TO KEEP OUR PROMISES

HON. CLAUDE PEPPER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 9, 1989

Mr. PEPPER. Mr. Speaker, on Thursday May 4, 1989, I reintroduced, along with my distinguished coauthor, the chairman of the House Select Committee on Aging, the Honorable EDWARD ROYBAL, and my good friend and great leader, Majority Whip TONY COEHLO, my bill to provide long-term care in the home to chronically ill and disabled Americans of all ages. H.R. 2263, the Long-Term Home Care Act of 1989, is virtually identical to H.R. 3436, the Pepper/Roybal bill, which was the subject of much attention and debate last session.

H.R. 2263 meets the most glaring gap in our health-care system. Neither public or private insurance provides protection against the cost of long-term illness or disability. A million Americans a year, two-thirds of them elderly, go bankrupt trying to meet the costs of long-term care left uncovered by insurance. Only the most wealthy of Americans are insulated from the potential financial devastation. The rest of us can have our lifetime savings wiped out in a matter of months paying for long-term care.

The U.S. Bipartisan Commission on Comprehensive Health Care, which I have the privilege to chair, is charged with making recommendations to the Congress by November 9, 1989, on how to best finance and administer a program of long-term care and a program of comprehensive health care for all Americans. The Commission, modeled after the successful Social Security Reform Commission of 1983, is hard at work toward meeting its formidable goals. I am most confident that those goals will be met.

Mr. Speaker, we have a commitment to assure that every American, regardless of age or income, receives the health care that he or she needs. The elderly, the disabled, the children, the working family—all are counting on us to provide the leadership and fortitude necessary to provide such a system. There is no excuse for the 101st Congress not to be the one to get the job done.

The following is a brief fact sheet on H.R. 2263, the Long-Term Home Care Act of 1989:

FACTSHEET ON H.R. 2263: THE LONG-TERM HOME CARE ACT OF 1989

A. Background.—Eighty percent of catastrophic health care expenses are for long-term care. Long-term care is the primary health-related cause of financial ruin among the elderly and the young because current public and private insurance does not provide protection against these costs. H.R. 2263, The "Long-Term Home Care Act of 1989" (formerly H.R. 3436), introduced by Congressmen Claude Pepper and Edward Roybal, addresses this huge gap by providing long-term care assistance to chronically ill Americans of all ages in their own homes.

B. Benefits and Individuals Eligible.—Long-term home care benefits would be provided as prescribed by an independent professional case management team and the individual's attending physician. Services have

to be carefully managed and be designed so as to complement, not replace, informal family help. Services could include: nursing care, homemaker/home health aide services, personal care services, respite for family caregivers, medical social services, rehabilitative services, medical supplies and equipment, and patient and family education, training and counseling.

The new benefit would be available to chronically ill elderly, disabled and children who have been certified to be unable to perform two or more normal activities of daily living (eating, bathing, dressing, transferring or toileting). Technology-dependent children would also be eligible for assistance.

Today the only option for many of these Americans is to exhaust all of their resources to become eligible for welfare assistance in a costly nursing home. Examples of individuals who should benefit from long-term home care are elderly persons with advanced Alzheimer's disease or Parkinson's disease, children born with chronic lung impairments, elderly stroke victims, working-age Americans left paralyzed or otherwise disabled by accident injury or disease, and children and elderly with long-term cancer.

Because H.R. 2263 would provide protection against the catastrophic costs of chronic illness for people of all ages, it is really a family protection proposal. It recognizes that catastrophic health care costs are not simply a problem for the elderly, but that many young families face destitution as well as caring for their ill children.

C. Quality Assurance.—The bill establishes a very strong system of quality assurance for home care, including mandatory training and regular review of all caregivers, a home care consumer bill of rights, community review boards and effective enforcement mechanisms to ensure compliance with quality of care standards.

D. Cost Control.—The cost of long-term home care services would be tightly controlled by a number of devices, including case management of benefits, a program of utilization review and limiting monthly payments to 50 percent of the monthly Medicare rate for nursing home services for individuals with a moderate impairment and 65 percent of that rate for those with severe impairments. Payments for technology-dependent children could not exceed the cost of providing similar services in a hospital or nursing home.

Numerous national and State studies have demonstrated the feasibility of providing tightly controlled case-managed home care services at a fraction of the cost of institutional care.

E. Financing.—H.R. 2263 is progressively financed and completely self-funding. It would be paid for by eliminating the cap on income which is exposed to the Medicare payroll tax of 1.45 percent. This change would impact only those 5 percent of American workers who earn more than $48,000 (individual income, not family income). Currently nearly 95 percent of all American workers contribute 1.45 percent of their entire income to fund Medicare. However, the 5 percent of American workers who make over $48,000 a year do not contribute on any of their income above $48,000, no matter how much more they make.

F. CBO Cost Estimate.—Last year, the non-partisan Congressional Budget Office (CBO), which by law the Congress relies upon for estimating the costs of all legislation, determined that H.R. 3436 was completely self-financing, generating $6.9 billion more in revenues than costs. H.R. 2263 will generate even additional surpluses. The CBO's estimate of the costs of the final version of H.R. 3436 was:

[In billions of dollars]

	1989	1990	1991	1992	1993	Total
Cost	0.1	4.5	6.8	7.7	8.9	28.0
Revenue	2.5	7.1	7.9	8.4	9.0	34.9

In addition, to absolutely ensure H.R. 2263's self-financing into the future, the bill contains language that strictly prohibits the use of any general revenue funds or other Medicare trust fund monies to pay for the new long-term home care program. The bill requires that in the event of any unanticipated shortfall in revenues, a copayment be imposed, payments for services be reduced and previously accumulated surpluses tapped to the extent necessary to make up the difference.

G. Support.—H.R. 2263 enjoys widespread public support. A recent independent poll conducted by Louis Harris and Associates found overwhelming support among Americans of all ages, incomes, regions and political allegiances for H.R. 2263. Over 8 of 10 Americans support such a federal plan, including over 80 percent of those who voted for Ronald Reagan in 1984. Over 7 of 10 Americans favor the specific financing mechanism contained in H.R. 2263, including 73 percent of Americans earning more than $50,000 a year and 78 percent of business executives.

Mr. Speaker, I urge all of my colleagues to join me in support of this most important and timely legislation. It's time that we kept our promises.

A SOLID GUN COMPROMISE

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 9, 1989

Mr. STARK. Mr. Speaker, once you get outside the beltway, it's always refreshing to hear how open-minded, rational, and progressive our citizens are toward effective law enforcement policies.

This year, the major national police organizations, representing thousands of law enforcement personnel, have urged Congress and the administration to pass Federal legislation on semiautomatic assault weapons. The National Association of Police Organizations, the International Association of Chiefs of Police, the National Sheriff's Association, and the Fraternal Order of Police are just a few of the major national police organizations which have issued statements and testified before the House and the Senate on behalf of Federal legislation in this area.

One of the most recent newspaper editorials on the subject came from one of the best newspapers in the Rocky Mountain region, the Missoulian, of Missoula, MT. In a bold, courageous statement, the Missoulian editorial provided an insightful, thorough analysis of the need for new Federal legislation on semiautomatic assault weapons. I am pleased to include it for my colleagues to consider:

A SOLID GUN COMPROMISE: LEGISLATION WOULD LIMIT ACCESS OF ASSAULT GUNS TO LAWFUL CITIZENS

Polls show that most Americans—including many firearm owners—favor banning semiautomatic assault weapons like that used by Patrick Purdy in last year's school yard massacre in Stockton, Calif. In the wrong hands, the weapons unleash an awesome and deadly force that Americans want controlled.

The trouble is, many sporting arms used by honest, law-abiding citizens for hunting and target shooting have self-loading actions similar to assault weapons. To outlaw all semiautomatic rifles is to outlaw a large percentage of sporting arms.

Fortunately, California Congressman Pete Stark has proposed a workable solution.

Stark, a Democrat, has introduced legislation that would regulate 11 specific types of semiautomatic assault weapons just the same way fully automatic machine guns would be unaffected.

Stark's bill is aimed at AK-47s, Colt AR-15s, UZIs, MAC-10/11s and seven similar weapons—all guns designed for warfare, not sport—as well as ammunition clips and magazines capable of holding more than 10 rounds.

The measure would ban the manufacture and importation of the specified assault weapons, but it would allow the existing, plentiful supply of such guns to remain on the market.

If passed and signed into law, Stark's HR 1190 would require someone wishing to buy an assault weapon to do several things. First, the buyer would submit to a background check by local law enforcement agencies; the weapon would have to be registered; and a $200 transfer tax would be assessed.

People who already own assault weapons wouldn't have to obtain police approval or pay the tax. They would have to register the weapons, however.

That's the same system that's used to make machine guns available to law-abiding citizens who have an odd desire to collect and safely shoot them. None of the nearly 120,000 machine guns legally owned by collectors who abide by the current restrictions have ever been misused criminally, according to the National Rifle Association, which advocates such regulation of machine guns as an alternative to banning them.

Stark's proposed law is more restrictive than the NRA might like. But considering the danger assault weapons pose to society, the restrictions aren't the least bit unreasonable.

HR 1190 has another attractive feature: It would require tougher penalties for criminals who use assault weapons and truly eye-opening penalties for possession of restricted assault weapons during violent or drug-related crimes. The bill would tack on 30 years behind bars for first-time offenders and impose mandatory life in prison for criminals convicted twice of possessing or using assault weapons.

Stark's bill aims to provide reasonable access to assault weapons for law-abiding citizens while discouraging criminals from using them. It's a good compromise that protects the interests of sporting-arms owners. Considering public sentiment and the political beating the hard-liners at the NRA are taking on this issue, HR 1190 may be the best gun aficionados could realistically hope for.

CONGRESSIONAL SALUTE TO HIRE A VETERAN WEEK

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 9, 1989

Mr. MATSUI. Mr. Speaker, I rise today to pay tribute to our Nation's veterans and to salute the significant contributions that these individuals have made both in service to their country and in the workplace. To recognize these individuals for their outstanding contributions and to highlight the special skills that they offer to the workplace, the State of California has declared May 7–13, 1989, as "Hire a Vet Week".

Veterans bring a wealth of experience to the work environment and serve as a venerable example to all through their strong desire to participate fully in the life and activities of their community. These individuals invariably perform exceedingly well, consistently offering high standards of performance to meet the productivity expectations of their employers. Unfortunately, however, their work experience and on the job training is often overshadowed when attempting to translate those skills in the civilian workplace.

In an effort to ensure greater access to employment opportunities, the State of California's Employment Development Department has established special programs and veteran employment representatives in each local office. These programs and representatives work to ensure that veterans receive the services to which they are entitled and more importantly, promote employer interest in hiring veterans.

I salute the State of California and the Employment Development Department for their leadership in this important arena and I encourage my colleagues to adopt similar programs in their States and in the communities they represent. All citizens should recognize and appreciate the vital contributions veterans make to our workplace and to all aspects of society.

Mr. Speaker, I ask my colleagues and all firms and businesses to join me in renewing our determination to provide an abundance of vocational opportunities for veterans and to promote hiring a vet as a sound principle of good management.

HOPE FOR PUBLIC HOUSING

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 9, 1989

Mr. PORTER. Mr. Speaker, when most people think of public housing, they think of drugs, rape, and murder. But in Chicago, people are thinking about tenant management, safe neighborhoods, and hope.

Several years ago, LeClaire Courts tenants decided that they were tired of living in fear. Irene Johnson set out to beat the crime, the drugs, and the helplessness in her neighborhood.

Her task required a kind of courage and determination that most of us can only imagine. But she beat the gangs, the drug dealers, and even the bureaucrats.

Today, LeClaire Courts is a model. The neighborhood is cleaner, crime is down, and residents are hopeful. Tenant management provides services like job counseling and day care that gives residents a chance to succeed.

This morning, Chicago Housing Authority Director Vince Lane is turning over full managment responsibilities to the residents of LeClaire Courts.

Mr. Speaker, we should help residents like Irene Johnson. We should support administrators like Vince Lane. And we should stick with programs that work. I encourage this Congress to support tenant management nationwide.

A TRIBUTE TO RUDY DIAZ

HON. RICHARD H. LEHMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 9, 1989

Mr. LEHMAN of California. Mr. Speaker, I rise before my colleagues today to congratulate my good, personal friend Rudy Diaz for being selected as Labor Leader of the Year by the Central Labor Council, AFL–CIO Committee On Political Education. This is truly an honor for a man so committed to the principles embodied by the Teamsters Union.

Rudy Diaz has been a key leader in the Teamster's Union Local 616 for the past 12 years. His dedication, energy, and leadership are widely recognized. He has served as an organizer, negotiator, business agent, member of the cannery council, trustee of the Central Labor Council Executive Board, and health and welfare plan, and he is currently the secretary-treasurer of the Teamster's Union Local 616. He was also appointed to the policy committee of the food processing and produce division of the Western Conference of Teamsters by the late Jesse L. Carr, international director of the western conference and vice president of the International Brotherhood of Teamsters.

Rudy is a native of Fresno. His loyalty to the area is reflected in his deep commitment to his family, the community, and the church. Rudy graduated from Roosevelt High School and attended Fresno City College. After graduating from high school he served in the Marine Corps for 5 years. In addition to his union activities, Rudy finds time to coach little league soccer and participate in the Knights of Columbus as a fourth degree knight. He and his wife of 30 years, Ramona, are parishioners of St. Helens Catholic Church.

Rudy is the product of a generation that values hard work, the family, the church, and the union. His dedication, energy, good humor, and hard work are an inspiration to us all. I can think of no other person who is more deserved of this award than Rudy Diaz. I truly commend him today for being selected as Labor Leader of the Year for the Fresno and Madera Counties.

THE PLO MUST END ITS EQUIVOCATIONS

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 9, 1989

Mr. FRANK. Mr. Speaker, I submit this statement on behalf of myself, the gentleman from Michigan [Mr. WOLPE], and the gentleman from Connecticut [Mr. GEJDENSON].

When the Palestine Liberation Organization and its Chairman, Yasir Arafat, indicated late last year that they were willing to change their long history of absolute opposition to the existence of Israel, many people in the United States and elsewhere welcomed this as a step forward. But there has been a good deal of debate about just how significant a step it was.

One of the most important contributions to this debate has been made by the study on this subject of the Palestine National Council's Algiers Resolutions by Phil Baum and Raphael Danziger under the auspices of the Commission on International Affairs of the American Jewish Congress. We believe that this study ought to be read by serious students of this question for its implications for the prospects of peace in the Middle East, especially with reference to the questions of PLO recognition of Israel. For this reason, we are asking that the sections of that study dealing with the PLO position on recognition of Israel be printed here.

THE PALESTINE NATIONAL COUNCIL ALGIERS RESOLUTIONS: A REEXAMINATION IN LIGHT OF STOCKHOLM, GENEVA, AND SUBSEQUENT PLO STATEMENTS

"In Algiers tonight, the Palestine National Council voted to reject terrorism, declare an independent Palestinian state, and for the first time, to recognize Israel's right to exist."—ABC World News Tonight, Nov. 14, 1988.

"If you read the [PNC's] political statement carefuly, you will find that what some term recognition of the Security Council's resolutions and consequently recognition of the Zionist entity is untrue."—PNC Speaker Abd al-Hamid al-Sa'ih, January 13, 1989.

One day after his December 13, 1988 address to the UN General Assembly, PLO leader Yasir Arafat issued a statement at a news conference in Geneva which the U.S. Administration immediately and formally construed as signifying PLO acceptance of Resolutions 242 and 338, recognition of Israel's right to exist, and renunciation of terrorism. Since those had long been the U.S. conditions for a dialogue with the PLO. President Reagan authorized the State Department to enter into such dialogue forthwith.

PLO spokesmen have insisted that Arafat's pledges in Geneva are no more than an accurate interpretation of the resolutions adopted by the Palestine National Council—the PLO's "parliament-in-exile"—in Algiers on November 15. And, indeed, in most cases, an official clarification by a person authorized to represent his organization's views would constitute a valid interpretation of a document previously adopted by that body. But in this case, the seeming disparity between Arafat's statement in Geneva and the

text of the Algiers resolutions is so jarring as to warrant further examination.

We recognize that the existential political perception of an event or document (which indeed may be controlling in assessing its political impact) is different from the strict or juridical meaning of its text. But while the two may be separate, they cannot and should not be entirely divorced. In this case, the need for close analysis of the Algiers text is given further impetus by Arafat's continuing and strenuous efforts to ensure that his remarks are understood as conforming closely to the original Algiers resolutions. Thus, on the key issue of PLO renunciation of terrorism—one of the three basic American conditions for a dialogue—he said in an interview with Vienna Television Service on December 19, 1988: "I did not mean renounce. Our [PNC] resolution condemned all forms of terrorism—individual terrorism and state terrorism. Actually, I only repeated what our Palestine National Council had accepted."

Moreover, Arafat's interpretation has been openly challenged by at least one faction that voted to approve the Algiers resolutions. On December 25, Nayef Hawatmeh's Democratic Front for the Liberation of Palestine—the second most important PLO faction to sign on to the Algiers "Political Statement" after Arafat's own Fatah—issued a joint communique with George Habash's Popular Front for the Liberation of Palestine which had voted against that statement. The two factions declared that Arafat's statements in Geneva "contradicted the decisions approved by the PNC" and that they "do not commit the PLO to anything and do not represent official policy."

Given these problems, a detailed examination of the Algiers resolutions would seem appropriate and relevant. It is to be assumed that Arafat's Geneva statement represents his organization's views. At the same time it is unmistakably clear the PNC's decisions are binding on all PLO factions. It is in the tensions and contradictions between these two factors that the problems arise. We offer the following analysis of the PNC resolutions in the hope that it will help locate the PLO's current posture and intentions.

THE ALGIERS SESSION

On November 12-15, 1988, after several postponements, the PNC—the PLO's "parliament-in-exile"—held its 19th session in Algiers. On November 15, the PNC adopted two documents: First, a "Declaration of Independence," written by the Palestinian poet and member of the PLO's Executive Committee Mahmud Darwish and read by Arafat, was approved by acclamation; and second, a "Political Statement," which discusses major political issues such as the intifada, the international conference, Resolutions 242 and 338, terrorism, relations with the superpowers, and more, was approved by a vote of 253 to 46 with 10 abstentions.

In addition to Arafat's own Fatah group and the independents, the PNC members of the following PLO factions voted in favor of the resolutions: DFLP; Arab Liberation Front (ALF); Palestine Liberation Front (PLF); and Palestine Communist Party (PCP). The negative votes were cast by supporters of George Habash's PFLP—but Habash pledged to abide by the majority's decision; Popular Struggle Front (PSF) also voted against the resolutions. The Syrian-backed factions PFLP-General Command, Saiqa, and Abu Musa's rebel Fatah group, as well as Abu Nidal's group, boycotted the session (as they had done at the PNC's 18th session).

Not since its opening session in Jerusalem in 1964 has a PNC meeting generated as high expectations and hopes as has its latest session in Algiers. Following King Hussein's announcement on July 31 of his intention to sever Jordan's legal and administrative ties with the West Bank, the PLO came under intense pressure to fill the perceived vacuum created by Jordan's disengagement from the area. The session in Algiers was built up as the PLO's answer to Hussein's move. It was specifically designed to induce the United States—widely regarded in the Middle East as the sole world power capable of "delivering" an Israeli withdrawal from the territories—to accept the PLO as a legitimate negotiating partner and thus achieve a momentous strategic breakthrough for the Palestinian organization. To accomplish that goal, the PNC was expected to meet the long-established, frequently reiterated, and well-known American conditions for lifting the ban on negotiations with the PLO: recognition of Israel's right to exist; acceptance of Security Council Resolutions 242 and 338; and renunciation of terrorism. Supporters of the PLO have maintained that the PNC indeed met all these conditions: Arafat himself declared at the end of the PNC session: "The ball is in the American court." To determine whether—in light of the Algiers resolutions and their interpretation by Arafat in Stockholm and Geneva and in subsequent pronouncements by PLO leaders—this is indeed the case, our report addresses the following questions:

Did the PNC recognize Israel's right to exist?

Did it accept Resolutions 242 and 338?

Did it renounce terrorism?

What position did the PNC take vis-a-vis the intifada?

What is the nature of the Palestinian state declared by the PNC in Algiers?

What stance did the PNC adopt toward the superpowers?

To facilitate the examination of the PNC's resolutions which form the basis for answering these questions, extensive summaries of their lenghty texts (including key excerpts) are provided in Appendices 1 and 2.

RECOGNITION

The most daunting challenge facing the PNC in Algiers was to reverse the PLO's rejectionist position as enshrined in its Palestine National Covenant of 1968 by recognizing Israel's right to exist. It could do so explicitly or implicitly, directly or indirectly, with or without qualifications, conditionally or unconditionally; but everyone concerned was well aware that the closer the PNC resolutions came to explicit, direct, unqualified, and unconditional recognition of Israel, the more likely they were to engender U.S. legitimation of the PLO. The ways in which the PNC chose to deal with this challenge will be examined below.

Explicit Recognition: Supporters of the PLO and even some in the Western media have stated flatly: "The PNC has recognized Israel's right to exist." At a press conference in Stockholm on December 7, following two days of discussions with five American Jews, Arafat himself claimed that the PNC had accepted the existence of Israel as a state in the region. And at his statement to the press in Geneva on December 14, he declared: "In my speech also yesterday [at the General Assembly], it was clear that we [the PNC] mean . . . the right of all parties concerned in the Middle East conflict to exist in peace and security . . . including the state of Palestine, Israel, and other neighbors . . . "But no matter how long and how carefully one studies the lengthy, dense, and complex texts of the PNC's "Declaration of Independence" and "Political Statement," the simple phrase "The PNC recognizes Israel's right to exist"—or even the less demanding formulation "The PNC accepts Israel's existence"—is nowhere to be found.

Resolutions 242 and 338: Acceptance of Security Council Resolutions 242 of November 22, 1967, and 338 of October 22, 1973, is the second U.S. condition and has often been equated with recognition of Israel's right to exist. Resolution 242 states (Article 1(ii)): . . . "respect for and acknowledgement of the sovereignty, territorial integrity and political independence of every state in the area and their [*sic*] right to live in peace within secure and recognized boundaries free from threats or acts of force." The less essential Resolution 338 calls for the implementation of Resolution 242 (Article 2) and for negotiations between the parties concerned aimed at establishing a just and durable peace in the Middle East (Article 3).

Since Israel is not mentioned specifically in 242 as one of the states whose right to live in peace is upheld, acceptance of that resolution only *implies* recognition of Israel. And as Israel's enemies have always refused to consider Israel a legitimate state, preferring to describe it as a "Zionist entity," a "colonialist-racist outpost," etc., it is entirely consistent with their position to regard recognition of all "states" in the area as not even implying recognition of Israel. For example, the present regime in Syria—Israel's most dangerous and implacable foe—in 1974 accepted Resolution 338 (which entails acceptance of 242) while adhering to this day to its profound rejection of Israel's right to exist.

Nonetheless, if the PNC had accepted 242/338 explicitly, directly, and without qualifications or conditions, it would have taken an important step forward by endorsing the basic framework underlying all peace negotiations between Israel and its Arab neighbors since 1967. It failed, however, to do so.

No mention is made of 242/338 in the PNC's "Declaration of Independence." Its "Political Statement" makes one reference to these resolutions in the following paragraph:

"The Palestine National Council affirms:

"1. The necessity of holding an effective international conference concerning the Middle East issue and its essence, the Palestinian cause, under the auspices of the United Nations and with the participation of the parmanent member states of the United Nations Security Council and all parties to the struggle in the region, including the Palestine Liberation Organization, the sole legitimate representative of the Palestinian people, on an equal footing, and by considering that the *international conference will be held on the basis of United Nations Security Council Resolutions 242 and 338* and the assurance of the legitimate national rights of the Palestinian people, and first and foremost, their *right to self-determination* in application of the principles and provisions of the United Nations Charter concerning the right of peoples to self-determination and the inadmissibility of seizing the lands of others by force or military invasion, *and in accordance with the*

resolutions of the United Nations regarding the Palestinian cause" [italics added].

STUDY ON PLO POSITION ON ISRAEL

HON. SAM GEJDENSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 9, 1989

Mr. GEJDENSON. Mr. Speaker, I am submitting the second part of a three-part statement on behalf of myself, the gentleman from Massachusetts [Mr. FRANK], and the gentleman from Michigan [Mr. WOLPE].

This analysis of the Palestine National Council Algiers resolutions offers a detailed examination of the PLO's recognition of the State of Israel in relation to the other positions announced by other members of the PNC. This reexamination of the PNC pronouncements ought to be reviewed in interpreting what many believe to be contradictory statements and actions taken by the PLO in recent months.

The PNC's acceptance of 242/338, then, is indirect and tangential: not necessarily as such but as a basis for an international conference which the PLO would agree to attend; and even then, 242/338 is not the sole basis of the conference: The other preconditions for the international conference required by the PNC are prior acceptance of the Palestinians' "right to self-determination" and of "the resolutions of the United Nations regarding the Palestinian cause." This conclusion is backed by no less an authority than Arafat's deputy Abu Iyad, who stated in an extraordinarily candid interview with the Kuwaiti newspaper *Al-Siyasa* (November 22, 1988):

"The Palestine National Council did not vote for the Resolution, and it is not a matter of rejection or acceptance. Rather, the vote was on whether or not 242 and 338 could be considered a basis for an international conference as was demanded of us by the international community, and to this we added the right of self-determination and the other UN resolutions."

These added conditions seriously dilute the effects of the reference to 242/338: The Palestinians' "right to self-determination" has always meant the right to determine the establishment of a Palestinian state. In his Stockholm Statement, Arafat explicitly includes the "right to an independent state" in the "right of the Palestinian people to self-determination." Insistence on this alleged right, which was not mentioned in 242/338 and has firmly opposed by the United States and Israel, destroys the delicate balance maintained by 242/338 which enabled both Israel and the Arab states to accept it.

Predicating the international conference on acceptance of "the resolutions of the United Nations regarding the Palestinian cause" is an even more onerous precondition. Absent the restraining hand of the American veto which has successfully prevented the adoption of egregiously one-sided decisions at the Security Council, the General Assembly has passed innumerable blatantly anti-Israel resolutions "regarding the Palestinian cause" through the automatic majority of Soviet-bloc and third-world countries over the Western democracies. To name just a few: The infamous Resolution 3379 of 1975 equated Zionism with racism. Resolution 3236 of 1974 (Article 5) recognized the right of the Palestinian people to regain its rights *by all means* [Italics added]. And Resolution ES-7/2 of 1980 undermined the carefully crafted reference in 242 to Israeli withdrawal from *"territories . . ."* by insisting (Article 2) on "the withdrawal of Israel from *all* the occupied Palestinian and other Arab territories, including Jerusalem" [italics added]; pre-empted the political process by endorsing the Palestinian people's "right to establish its own independent state" (Article 4(b)); and in effect breached Israel's sovereignty by affirming "the inalienable right of the Palestinians to return to their homes and property in Palestine, from which they had been displaced and uprooted," and calling for their "return" (Article 3). Clearly, making acceptance of 242/338 conditional on the endorsement of any of these General Assembly resolutions (or of Palestinian self-determination) amounts to implicit rejection of 242/338's main thrust.

At his Geneva press conference, Arafat for the first time deleted the other conditions for an international conference when he stated: "yesterday in my speech I made reference . . . to our acceptance of Resolutions 242 and 338 as the basis for negotiations with Israel within the framework of the international conference. These . . . resolutions were endorsed by our Palestine National Council session in Algiers." But at a subsequent speech at a meeting with Palestinians residing in the United Arab Emirates, Arafat not only retracted his seemingly unconditional acceptance of 242/338 in Geneva by reiterating the two conditions stipulated by the PNC in Algiers, but added a tough new condition: The PLO's acceptance of 242/338, he said, was also conditional upon the "right of return" to Palestine (*Middle East News Agency.* Jan. 5).

It may, however, be said in favor of the PNC's statement in this context that although not really accepted, 242 and 338 were mentioned by name in positive manner. Was this a new development? Not entirely, and certainly not as far as the private assertions by certain PLO leaders are concerned. For several years, Arafat had make numerous statements to the media that his organization had accepted 242/338 along with the other UN resolutions relevant to the Palestinian issue. Even more significantly, in February 1986 the PLO presented a formal proposal to the Jordanian government that an international conference should be convened "on the basis of the United Nations and Security Council resolutions relevant to the Palestinian question including Resolutions 242 and 338" (*Congressional Record,* June 5, 1986, p. E1968).

Yet in one sense the PNC's positive reference to 242/338 represents an advance. The PNC itself had never before made any favorable mention of those resolutions, and, moreover, explicitly rejected 242 at its previous session held in Algiers in April 1987. If that is the extent of the PNC's movement toward acceptance of 242 in more than two decades, its pace seems minimal indeed.

The 1947 UN Partition Resolution: It has been argued that by partially basing its "Declaration of Independence" on UN Resolution 181 of 1947, which, as explicitly mentioned in the declaration, partitioned Palestine into an Arab state and a Jewish state, the PNC implicitly accepted Israel's right to exist. At first glance, this argument has much merit. When *it* accepted 181 as a partial basis for the Jewish state, the Israeli Declaration of Independence of May 14, 1948, indeed extended implicit recognition to the UN stipulated Arab state in Palestine (which, of course, was made defunct soon afterward by the 1948 war and the 1949 Armistice agreements).

A comparative reading of both documents leaves no doubt that the Palestinian declaration was influenced by the basic document of Israeli's independence. There are parallelisms between the two texts, especially in their references to Resolution 181 as a basis for their claims of sovereignty: according to the Palestinian document, ". . . yet it is this Resolution that still provides those conditions of international legitimacy that ensure the right of the Palestinian Arab people to sovereignty and national independence;" the Israeli declaration states. "The recognition by the United Nations of the right of the Jewish people to establish their state is irrevocable."

But here the similarity ends. The PNC declaration denounces 181 as a resolution following upon which "historical injustice" was "inflicted on the Palestinian Arab people resulting in their dispersion and depriving them of their right to self-determination"; by contrast, all references to 181 in the Israeli declaration are positive. More important, while nothing in the Israeli declaration in any way contradicts 181, the PNC's determination that Jerusalem is the capital of the Palestinian state directly contradicts 181's internationalization of Jerusalem.

Although naturally desirous of acquiring of Palestine, Israel in its 1948 Declaration of Independence fully accepted the UN Partition Resolution and even expressed a willingness to "cooperate with the agencies and representatives of the United Nations in implementing the resolution of the General Assembly of November 29, 1947." Conversely, the PNC in 1988, equally desirous to acquire all of Palestine, referred to 181 exclusively as a source of "international legitimacy" for the Palestinian state while denouncing the Resolution's consequences and contradicting one of its main provisions: 181 as such was not endorsed and recognition of Israel was not implied—and at his press statement in Geneva Arafat as well merely referred to Resolution 181 as "the basis for Palestinian independence."

Yet similarly to its favorable mention of 242/338, the PNC's partially positive reference to 181 was new. Its 1968 Palestine National Covenant, most recently reaffirmed at its 16th session held in Amman in November 1984, stated that the "partition of Palestine, which took place in 1947, is fundamentally invalid, however long [it] last[s]" (Article 19). While several PLO spokesmen had earlier made positive references to 181, the PNC had never done so before. (This raises the question as to which of these two basic PLO documents is paramount, a matter which is discussed later in this report.)

Definition of Borders: Had the PNC defined the borders of the Palestinian state it declared in Algiers and had these borders encompassed less than the whole territory of Palestine, a sound case could have been made that by implication, the PNC had recognized Israel's right to exist in the area of Palestine falling outside those borders. As implied in 242 and explicitly acknowledged not only by the Western democracies but also by the Soviet bloc, by many third-world countries, and by Egypt, the area of uncontested Israeli sovereignty falls within the 1949 Armistice lines (popularly but inaccurately known as the "pre-1967 borders")

agreed upon by Israel, Egypt, Syria, Jordan, and Lebanon nearly four decades ago. An unambiguous PNC acceptance of those lines in the form of explicitly limiting the declared Palestinian state to the West Bank and Gaza would have constituted an impressive indication that the PLO at last had come around to accepting the reality of a Jewish state within the "Green Line".

Yet nowhere in the PNC's "Declaration of Independence"—nor, for that matter, in its "Political Statement"—is there any explicit mention of borders. The favorable reference to 242/338 has been described as implied acceptance of the Armistice lines, but that construction requires so many layers of inference as to become virtually meaningless. A degree of meaning somewhat closer to the surface may be detected in the "Political Statement's" call for "Israeli withdrawal from all the Palestinian and Arab territories that it has occupied since 1967, including Arab Jerusalem." The implication has been claimed that by specifically demanding an Israeli withdrawal to the Armistice lines, the PNC in effect accepted Israel's permanent presence within those lines. Since, however, the PNC gives no indication in its resolutions that the declared Palestinian state is limited to the West Bank and Gaza, nothing in these texts suggests that such Israeli withdrawal would satisfy its demands. What, then, is there to prevent the PLO from demanding further withdrawal as soon as what has often been described in the PLO literature as the "first stage"—i.e., evacuation by Israel of all the territories it captured in 1967—has been completed?

This question is particularly pertinent since it is equally valid to infer from the "Declaration of Independence's" claimed derivation of "international legitimacy" from 181 the suggestion that the declared Palestinian state comprises not only the West Bank and Gaza but also the other parts of Palestine allocated by the United Nations to the Arab state (which was voided by the 1948 war and the 1949 Armistice agreements). On that basis, an Israeli withdrawal from the West Bank and Gaza would have to be followed by the evacuation of the Galilee, all of Jerusalem, large chunks of the Negev, and more. Such evacuation has been termed in Palestinian writings "the second stage" and is unacceptable not only to Israel and the United State but to most nations of the world.

Yet even that would not necessarily satisfy the PLO. The PNC's "Declaration of Independence" states: The PNC "hereby proclaims the reestablishment of the State of Palestine on our Palestinian territory with its capital Jerusalem;" "Palestinian territory" is consistently employed by the PLO as encompassing all of Palestine. And with the possible exception of the two ambiguous and self-contradictory references to Resolution 181, the entire "Declaration of Independence" reads like an unabashed claim to the whole country. It affirms the "undying connection" between Palestine and the Palestinians; it exhumes the 1919 Covenant of the League of Nations and 1923 Treaty of Lausanne to buttress its claim that "all of the Arab territories, including Palestine," were promised their freedom six decades ago; and its speaks of the "expulsion from their ancestral homes of the majority of Palestine's inhabitants"—that could only mean all of Palestine, as does the repeated and unqualified affirmation of the Palestinians' "right of return" to Palestine.

Hence, the inference that the PNC's declared Palestinian state encompasses all of Palestine—the "third stage" in PLO parlance (the three-stage doctrine is described by Farouk Kaddoumi, head of the PLO's Political Department, in an interview with *Newsweek*, March 14, 1977, p. 37)—is at least as valid as are those indicating that the PNC restricted the declared Palestinian state to the West Bank and Gaza or to the 1947 UN Partition borders. Arafat himself semed to corroborate that troubling thought. In answer to the reporter Walter Ruby's question why, if as the declaration implied, the PNC was ready for a two-state solution, it did not explicitly mention locating Palestine in the West Bank and Gaza, Arafat explained that he was still bound by the PNC decision of 1974, which approved the establishment of a Palestinian state on any part of Palestinian territory that is liberated (*Village Voice*, December 6, 1988). Similarly, Arafat's deputy Abu Iyad described the PNC's decisions as a "refinement" of its 1974 "phase program" meant to "revitalize" it and to "create for it a mechanism in order to get it moving" (*Al-Yawm al Sabah*, Paris, Nov. 28, 1988).

That PNC decision, adopted in Cairo in June 1974, is very explicit on the implementation of the third stage: after asserting that the Palestinians have the "right to return to and determine their fate on all their national soil," it states that "the PLO will struggle by all means, foremost of which is armed struggle, to liberate Palestinian land and to establish the people's national, independent and fighting authority on every part of Palestine to be liberated. That authority will struggle for . . . completing the liberation of all Palestinian soil."

As if to leave no doubt that this is indeed what the PNC had in mind, the PLO's official newspaper, *Filastin al Thawra* (Nov. 27, 1988), printed an exceedingly troubling statement by its editor, PLO spokesman Ahmad Abd al-Rahman:

"On the morning of November 15 Palestine entered into its land and its history while Israel exited the land which does not belong to it and the history which is did not create . . . The initial signs show that the Zionist cancer in Palestine is consuming itself or has chosen to make Palestine its last 'Massada.' . . . Palestine, which is shaped like a dagger, does not recognize the concept of partition, and what is now occurring with the declaration of our independence is not the partition of the dagger, but rather the entry into the homeland."

All this provides precious little comfort for proponents of peace who regard the unambiguous acceptance of Israel within defined borders as a *sine qua non* for the begining of peace negotiations.

STUDY ON PLO POSITION ON ISRAEL

HON. HOWARD WOLPE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 9, 1989

Mr. WOLPE. Mr. Speaker, I thank the gentleman from Massachusetts [Mr. FRANK] and the gentleman from Connecticut [Mr. GEJDENSON] for submitting the majority of this crucial study. I would just reaffirm the importance of this debate and ask that the following section be read and given serious consideration:

DIRECT NEGOTIATIONS

Another way the PNC might have expressed implicit readiness to recognize Israel would have been through an offer to enter direct negotiations with its government. No such offer was made. The negotiating framework proposed by the PNC is one of an "effective international conference" under UN auspices and with the participation of the Security Council's permanent members as well as of "all other parties to the struggle in the region, including the Palestine Liberation Organization." But the PNC-conceived international conference bears little resemblance to the conference envisaged in the April 1987 London agreement between Israeli Foreign Minister Shimon Peres and Jordan's King Hussein and endorsed by Secretary of State George Shultz last March. Whereas the Israelis, Jordanians, and Americans perceived of a non-binding conference that would largely serve as a legitimating "umbrella" for direct, face-to-face negotiations among the parties concerned, the PNC baldly stipulated that "the Security Council will draw up and guarantee the arrangements for security and peace among all the affected states in the region, including the Palestinian state." The PNC thus relegated the "parties to the struggle in the region" to a rubber stamp for an imposed solution by the Security Council's permanent members—the United States, the Soviet Union, China, Britain, and France: that on top of saddling the conference with rigid preconditions as described earlier.

Clearly, even the PLO's most ardent supporters would be hard put to distill any reassuring readiness to recognize Israel from this formula.

RESPECT FOR SOVEREIGNTY

A subtle yet unmistakable indication of an intention to reverse its longstanding rejection of Israel's right to exist would have been an omission by the PNC of past demands that plainly contravened Israel's sovereignty within the 1949 Armistice lines. Among those demands, none was as intrusive as the claim of a "right" of Palestinian "return" (haqq al-awda) to the territory that has been under Israel's jurisdiction for four decades, including Haifa, Jaffa. Acre and the other Israeli towns and villages: While national immigration policies are a legitimate issue for international negotiations, no sovereign state has ever conceded the right to determine admission and exclusion of would-be immigrants.

Yet the "Right of the Return" is asserted both in the "Declaration of Independence" and in the "Political Statement." And to leave no doubt that this "right" applies to the entire country and not just to the West Bank and Gaza, the "Political Statement" affirms the settlement of the issue of the Palestinian refugees in accordance with the resolution of the United Nations regarding this matter. Most General Assembly resolutions on the Palestinian refugees have reaffirmed, in tougher language. Resolution 194(III) of 1948 (Article 11), which stipulated that refugees wishing to return to their homes in Palestine "should be permitted to do so" and that "compensation should be paid to those choosing not to return."

REFERENCES TO ISRAEL

It has been argued that the mention of Israel by name in the "Declaration of Independence" and "Political Statement" implies PNC recognition of Israel's legitimacy. There is no doubt that substituting this

word for the usual perjorative appellations displays a welcome measure of realism. But it is not new: The PNC had called Israel by name in previous sessions as well. Furthermore, despite the explicit references to Israel the PNC apparently could not resist inserting into the "Political Statement" the ostensibly discarded term "Zionist entity."

Most important, the only case in which the PNC not only mentions Israel but also describes its nature reflects anything but readiness to recognize its right to exist. Israel is depicted in the "Political Statement" as a "fascist, racist, colonialist state based on the usurpation of the Palestinian land and on the annihilation of the Palestinian people." Portraying a state in a manner suggesting that it is a combination of Nazi Germany, South Africa, and French Algeria is hardly an indication of acceptance and recognition. The same is true of the expunging of Israel from the huge map of Palestine at the hall where the PNC session was held or from the PLO publications distributed during the session.

REVISION OF THE NATIONAL COVENANT

Despite all these shortcomings in the resolutions it adopted, the PNC might have taken the one courageous step that would have dramatically changed its image in the West, and, indeed, fulfilled an informal fourth American condition for PLO legitimation (it was urged by President-elect George Bush and in the Republican party platform but not stipulated in the binding U.S. Administration commitments of 1975 or in the U.S. law signed by President Reagan in 1985); abrogation or amendment of those clauses in the Palestine National Covenant that called for the elimination of the State of Israel.

That covenant, adopted by the PNC in Cairo in 1968 and most recently reaffirmed at the council's 1984 session in Amman, is an extraordinarily hard-line document. Among other things, it asserts a Palestinian right to sovereignty in all of Palestine (Articles 2, 3 and 9); declares that Israel's establishment is "fundamentally invalid" (Article 19); and asserts the "duty" to "liquidate the Zionist presence in Palestine" through "armed struggle" (Articles 9 and 15).

There is no question that the PNC took no steps formally to amend—let alone repeal—this document. According to Article 33 of the covenant, it "may only be amended with a majority of two thirds of the total number of the members of the National Council of the PLO at a special meeting called for that purpose." No motion was made in Algiers to reconvene the PNC at a special session to amend the covenant; no vote on the covenant was taken—or requested—at the Algiers session; and as stated by Arafat's deputy Abu Iyad, "the PLO has no intention of amending the covenant" and the issue "was not even raised" in the Algiers session (Al-Hawadith, Beirut, Dec. 2, 1988).

It has been argued, however, that although not formally repealed or amended in Algiers, the Palestine National Covenant was in effect superseded by the provisions of the PNC's "Declaration of Independence" and "Political Statement." Had the PNC adopted new provisions that clearly altered the terms of the covenant, advocates of its position might have claimed some merit for this argument. But a careful examination of the Algiers resolutions against the text of the Palestine National Covenant establishes that despite the less strident language adopted in Algiers, none of the covenant's main provisions—including all those mentioned above—were in any way altered, revised, or contravened.

There is only one point on which the Algiers resolutions directly contradict the covenant: The "Declaration of Independence's" assertion that the 1947 UN Partition Resolution provides international legitimacy to Palestinian independence is clearly incompatible with the covenant's affirmation that "the partition of Palestine, which took place in 1947," is "fundamentally invalid" (Article 19). But as shown earlier, this ostensibly new departure fell short of indicating—or even implying—recognition of Israel. The Palestine National Covenant, then, was not contradicted by the PNC resolutions. As Ahmad Sidqi al-Dajani, member of the PLO's Educational and Cultural Council and a former member of its Executive Committee, wrote in a Saudi Arabian newspaper after the Algiers session, "We in the PLO draw a clear distinction between the Covenant and political programs, since the Covenant contains the permanent strategic policy, while the political programs contain the phased policy." (Okaz, November 22, 1988).

At his subsequent statement to the press in Geneva, Arafat's interpretation certainly did contradict the Palestine National Covenant when he said, "We mean . . . the right of all parties . . . to exist in peace and security . . . , including Israel." That was a gratifying move indeed. For the first time an authoritative PLO leader publicly broke the taboo enshrined by the Covenant against uttering words indicating recognition of Israel's right to exist. Unfortunately, however, that one-time interpretation was never repeated by Arafat himself or by other PLO leaders. Instead, several weeks after Arafat's declaration a senior PLO official, Fatah Central Committee member and Palestinian ambassador to Saudi Arabia Rafiq al-Natshah, made the following unchallenged statement to a Kuwaiti newspaper (Al-Watan, Jan. 8, 1989):

The PLO Charter [i.e., Covenant] is still the foundation of the PLO's political and militant action. An incremental program is the base of the current political move. Discussion must concentrate the extent of harmony established between various political decisions on the one hand and the charter and the incremental program on the other.

The covenant then, is supplemented but not supplanted by the "Declaration of Independence" and the "Political Statement"—and, according to Arafat and Abu Iyad, by the 1974 "phased program" of the PNC as well.

PLO INTERPRETATIONS

There is one effective way in which the PLO leadership might have somewhat mitigated the negative effects of the PNC resolutions' shortcomings and ambiguities: Had it publicly and straightforwardly told the Palestinians that the real meaning of those resolutions was recognition of Israel's right to exist, or, at the very least, unqualified acceptance of 242 in a manner in which such recognition might clearly be inferred. Palestinian opinion might have begun to shift in that direction and perhaps led to genuine change in the next PNC session. This, however, has not happened. With the exception of Arafat's statements in Stockholm and Geneva, Palestinian leaders have made clear in their public pronouncements, particularly in the Arab media, that no recognition of Israel or acceptance of 242 was decided in Algiers, or at best have left this issue unanswered.

Immediately after the adoption of the "Political Statement," Arafat was asked whether he believed that acceptance of 242 represented acceptance of Israel. The PLO leader declined to give an explicit answer. PFLP leader George Habash stated candidly: "In my opinion, there's a great difference between recognizing Israel firmly and officially, and accepting 242 and 338. I do not regard that the PNC recognized Israel" (New York Times, November 16, 1988). Similarly, Arafat's deputy Abu Iyad stated to the largest-circulation daily newspaper in Kuwait, country of residence of hundreds of thousands of Palestinians: "Acceptance of 242 and 338 does not mean recognition of Israel" (Al-Qabas, November 15, 1988). In an interview with another major Kuwait daily, the head of the PLO's Political Department Farouk Kaddoumi went even further. He stated that "the entire Palestine National Council is opposed to 242, which cannot be the basis for an international conference" (Al-Siyasa, November 19, 1988). There is compelling evidence that the PLO has indeed sought to conceal the PNC's positive reference to 242/338 from its own Palestinian constituency: Broadcasting from Baghdad the full text of the "Political Statement," the PLO's official radio station omitted the one reference to 242/338 included in the official text distributed to reporters in Algiers (text of the PLO radio broadcast in the U.S. Foreign Broadcast Information Service, November 16, 1988).

Even after Arafat's conciliatory statement in Geneva on December 14, 1988, PLO leaders continued to indicate their refusal to recognize Israel's existence—let alone its right to exist. Thus, the term "Zionist entity" was used (e.g., Farouk Kaddoumi in an interview with the Gulf News Agency, Manama, Dec. 29, 1988, and PLO Executive Committee member Mustafa al-Zibri in a statement quoted by the Kuwaiti newspaper Al-Qabas, Dec. 19, 1988). PNC speaker Abd al-Hamid al-Sai'h declared: The Islamic fundamentalist movement Hamas "has issued a statement explicitly saying that its aim is all Palestine. We also aspire for the same objective. However, in light of the current international political state of affairs, we are working within the available possibilities. After this, we can speak about the other matters" (Al-Siyasa, Kuwait, Dec. 23, 1988). And PLO representative in Saudi Arabia Rafik al-Natshe said at an event attended by Arafat: "Our return to Palestine and our victory will be possible only with Allah's help and with our return to Faluja, Jaffa, and Haifa" (Saudi News Agency, Jan. 2, 1989).

Unfortunately, then, the PLO leadership's post-PNC handling of the Algiers resolutions has only served to aggravate the doubts that it intends in any way to move towards recognition of Israel. Unless disseminated in Arabic as well, positive statements about the Algiers resolutions by PLO spokesmen or supporters to Western media have virtually no impact on the Palestinians living in the Middle East—the PLO's natural constituency—and may be regarded primarily as attempts to persuade Western public opinion that the PLO has at least earned Western support.

BALANCE SHEET OF MARTIN AND VALERIE FROST

HON. MARTIN FROST

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 9, 1989

Mr. FROST. Mr. Speaker, as I have done each year since being elected to Congress in 1979, I am inserting in the RECORD at this point personal financial information that goes beyond what is required under Rules of the House.

Balance sheet: Martin and Valerie Frost as of December 31, 1988

Assets:	
Condominium, Dallas, Texas	$47,500.00
House and Lot, Arlington, Virginia	292,100.00
Home furnishings and other personal effects	35,000.00
Savings, Wright Patman Federal Credit Union	49.15
Checking Account, Wright Patman Federal Credit Union	10,544.81
Retirement, U.S. Congress	34,494.06
Thrift Savings Plan	6,694.18
IRA's (Martin and Valerie)	18,726.37
Washington Fringe Benefit Investment Club	5,362.07
Subtotal	450,480.64
Automobiles:	
1979 Chevrolet Chevette	1,000.00
1984 Toyota Van	4,550.00
1984 Starcraft Pop-up Trailer	2,090.00
1985 Pontiac 6000	5,575.00
Subtotal	13,215.00
Stocks and Bonds:	
553 Shares Central and Southwest	17,143.00
772 Shares Exxon	34,740.00
99 Shares General Motors	8,452.00
273 Shares Houston Industries	7,507.00
137 Shares Eli Lilly	11,936.00
54 Shares Mobil	2,470.00
179 Shares Westinghouse	9,352.00
929 Shares Fundamental Investors	13,492.00
U.S. Savings Bonds	300.00
300 Shares Wal-Mart	9,225.00
8 Shares General Motors (E)	349.00
8 Shares General Motors (H)	223.00
100 Shares Anheuser Busch	3,137.00
60 Shares Waste Management	2,490.00
160 Shares Blockbuster Entertainment	3,080.00
120 Shares Merck	6,780.00
75 Shares Schering Plough	4,312.00
Subtotal	134,988.00
Total assets	598,683.64
Liabilities:	
Mortgages:	
Star States Mortgage Corporation (Dallas Condomiunium)	37,225.76
Paine-Webber (Arlington Residence)	171,185.25
Century National Bank (Arlington Resience)	37,446.80
Subtotal	245,857.81
Installment Loans:	
Open Charge Accounts (Balance)	1,000.00
GMAC (Automobile)	3,355.44
Subtotal	4,355.44
Total liabilities	250,213.25
Net worth:	
Total Assets	598,683.64
Total Liabilities	250,213.25
Total net worth	348,470.39

A TRIBUTE IN MEMORY OF JANICE JOHNSON

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 9, 1989

Mr. MATSUI. Mr. Speaker, I rise today to honor the memory of Ms. Janice Johnson. Janice was a teacher for 11 years at the Curtis Park School, a special education program at the Sacramento, CA Children's Home. Janice taught elementary and junior high school students and during her tenure she worked with approximately 600 youngsters.

According to Janice's colleagues at the school:

Janice will be remembered most for her sincere commitment to her students. She challenged their academic knowledge and worked to build their self-confidence. Always available to listen to their concerns, Janice had the intuitive gift of knowing when a student was ready to return to the mainstream of public school. Her dedication was endless.

Janice will be deeply missed by her students, her colleagues, and the community of Sacramento. Those who knew her will keep endearing memories of her with the knowledge that she was an exceptional person.

I applaud Janice's commitment to the education of the youth of Sacramento, and commend her for making the kids that she taught and knew a part of her life.

A CATASTROPHIC MISTAKE

HON. ALFRED A. (AL) McCANDLESS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 9, 1989

Mr. McCANDLESS. Mr. Speaker, a great number of people in my congressional district in California are up in arms about the Medicare Catastrophic Coverage Act passed last year. On March 28, 1989, I met with a group of at least 300 seniors who had complaints about the new law, and who had some hard questions to answer. I gave them the facts about the catastrophic Medicare law, but they were definitely not pleased with it, and I was glad I could say I voted against the bill.

We cannot escape the fact that the catastrophic law does more harm than good. The following article by Joan Beck outlines clearly the many hardships imposed on seniors by the Medicare Catastrophic Coverage Act. It appeared in the Chicago Tribune on February 16, 1989. I urge my colleagues to read it, and join me in my efforts to repeal the new Medicare law:

A MEAN MISTAKE THAT IS COLD, COSTLY COMFORT FOR ELDERLY

(By Joan Beck)

All those new Medicare benefits for which the middle-income elderly are being forced to pay the highest income tax rates in the nation don't add up to much.

Just ask the insurance companies.

Members of Congress who pushed the Medicare Catastrophic Coverage Act have been trying to assure the outraged elderly that their new benefits are well worth the huge new surtax on their federal income tax and the extra payment on Part B of Medicare. You won't need "medigap" insurance to cover what Medicare doesn't, the bill's supporters told the elderly. Or at least it won't have to cover as many benefits and it won't cost you so much.

But insurers have taken a hard-headed look at the benefits the new law provides and instead of cutting the premiums on their medigap policies, most of them are raising their rates. Middle-income elderly people must now pay up to $848 extra in new Medicare charges—and most of them must still lay out 10 to 75 percent more for medigap insurance.

About 70 percent of Medicare beneficiaries have medigap coverage, according to financial analysts. Policies cost an average of about $420 to $600 a year, but can range from about $190 to about $1,300, depending on the extent of benefits and such factors as area. New benefits or not, Medicare recipients who want adequate protection against overwhelming medical bills still have to have medigap coverage, financial advisers say.

Even the American Association of Retired Persons, many of whose members are bitter about AARP's support of the hated new legislation, has raised premiums on the medigap policies it sells with the Prudential Insurance Co. by an average of 40 percent.

The AARP is making what has become a standard defense of the cruelly misnamed bill: Without the new law, the jump in medigap rates would have been even bigger.

That's probably so. But it's estimated that the new law is holding down increases in

medigap premiums by only 10 to 15 percent this year—a saving far less than the cost of the double tax blow in the new law. (A few provisions in the act won't kick in for a year or two, but because of catches, copayments and deductibles, most of the elderly won't benefit much then either, if at all.)

Despite its deceptive "catastrophic coverage" title, the new law does not pay for most nursing home care—the long-term expense most likely to be a financial disaster for most people.

Another cold indication of how little help the new law will be in covering medical costs for the elderly comes from the Financial Accounting Standards Board. Last week it said it intends to order companies to put aside billions of dollars in profits to pay the medical and insurance bills of their retirees. Some employees fear the standards board ruling will give employers another incentive to drop medigap insurance for future retirees. The new Medicare coverage will take care of you, some employees are inaccurately being told.

It's the income tax surtax that infuriates and frightens the elderly most. The tax hits everyone eligible for Medicare who pays $150 or more in federal income taxes, in effect increasing their taxes by 15 percent until they have paid an extra $800 each. The rate goes up each year until by 1993 the surtax will add 28 percent to the tax liability of the elderly, with a cap of $1,050; both the rate and the cap can be adjusted upward after that to cover costs.

The new law also slaps an extra $4 a month on Part B of Medicare. That charge will increase each year until it hits $10.20 a month in 1993, with no limits in sight after that.

But as tens of thousands of the elderly have written to members of Congress, the new income tax hits primarily middle-income retirees, not the rich, as propaganda from supporters of the bill and AARP apologists have insisted. Most of these people have saved for a adult lifetime so they will not be dependent on government or their children. They have no way to replace the money to be taxed away and worry about what will happen to their carefully planned retirement budgets.

Many of them are particularly bitter because their protests are being shrugged off by members of Congress, especially by House Ways and Means Chairman Dan Rostenkowski and Senate Finance Chairman Lloyd Bentsen. In infuriating contrast, protests over the proposed fee for insurance protection for savings-and-loan customers persuaded politicians to kill that idea quickly. The tax on the elderly is much worse, objectors argue; it is many times higher, discriminates by age, can't be avoided and hurts more vulnerable people.

Congress passed this unfair income tax on the elderly without giving them a chance to read the fine print about the coverage they get in exchange. Now they've seen it, they know they've been snookered. Members of Congress made a mean mistake with this law (many are telling protesting constituents they didn't really read it before voting for it), and the gray-power anger it has set off is going to grow every time the elderly have to pay their taxes.

THE ENVIRONMENTAL CONSEQUENCES OF RAPID POPULATION GROWTH

HON. MATTHEW F. McHUGH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 9, 1989

Mr. McHUGH. Mr. Speaker, President Bush has indicated clearly that the protection of the environment will be an important concern of his administration.

Given the growing awareness of the international scope of environmental problems, the President's commitment is a timely one. Almost daily we read headlines about the greenhouse effect, acid rain, drought, and other calamities. These global problems cut across national boundaries and human societies, and they affect all of us who share this small planet.

Because it clearly exacerbates many global environmental problems, one of the most fundamental challenges we face is rapid population growth. As we look to the future and consider ways in which Congress and the new administration can work together to confront these challenges. I would like to share with our colleagues a recent article that appeared in the Ithaca Journal.

Entitled "Danger Signals from a Polluted Earth" it was written by Werner Fornos, who is president of the Population Institute. It highlights the relationship between rapid population growth and global pollution, and I commend it to our colleagues.

The article follows:

[From the Ithaca Journal, Apr. 10, 1989]

DANGER SIGNALS, FROM A POLLUTED EARTH

(By Werner Fornos)

Pollution, once thought to be primarily a problem of the industrialized world, is today a crisis for the developing world.

To a greater or lesser degree, industrialized nations are implementing efforts to control or mitigate the pollution associated with factories and cities. Meanwhile, the Third World presses hard for rapid development but cannot afford the often costly technology of procedures to minimize the resulting pollution.

Partially responsible is the swift urbanization of the poorer nations, where 18 of the world's 209 largest metropolitan areas will be located by the end of the century.

Densely crowded slums, snarled traffic, faulty or nonexistent sewage and waste disposal systems, and sprawling, inefficient industrial operations will contribute to polluted, smog-ridden cities, whose populations will double roughly every 20 years.

Some aspects of pollution associated with urbanization are especially insidious. Some scientists believe that at least 2 percent of the earth's ozone layer has been destroyed, double the amount previously believed.

For each 1 percent loss of the ozone layer, approximatly 2 percent more ultraviolate light reaches the earth's surface, increasing skin cancer among humans by 3 to 6 percent. This could mean 2 million new cases of skin cancer directly related to each 1 percent loss of the protective ozone layer.

Scientists have further concluded that the giant "hole" in the ozone layer discovered over the South Pole is not the result of natural causes, as first suspected. It is related to manmade pollution of the atmosphere.

Chlorofluorocarbons (CFCs), the chief culprit in the depletion of the ozone layer, are a common element found in refrigerators, air conditioners and in many chemical solvents. The CFCs released into the atmosphere today may not reach the earth's stratosphere for 15 years, where they will proceed to destroy ozone molecules for 75 to 130 years before dissipating.

Thus, even if the 31-nation treaty negotiated last year and recently ratified by the United States and Mexico achieves its goal of cutting CFC emissions in half by the year 1994, the CFCs released over the past decade and a half will only be starting their century-long havoc in the stratosphere.

Meanwhile, a buildup in the atmosphere of carbon dioxide—along with CFCs, methane, and nitrous oxides—is dramatically altering the environment.

The buildup is driven by two trends: Our propensity for burning fuels, as evidenced by the growth in emissions related to the swiftly increasing demands for automobiles and industry, and the simultaneous destruction of forests, plant life, and ocean organisms that would normally consume some of the carbon dioxide.

Both trends are directly related to the rapid growth of world population. And as our human numbers surpass the 6 billion mark by the end of this century, we will witness a carbon dioxide buildup fully one-third larger than we are now experiencing.

When sunlight meets the carbon dioxide in the atmosphere, it generates heat, much like sunlight passing through a windshield heats the interior of a parked car. This "greenhouse effect" is leading to a general warming of the earth's climate and to a growing disruption in normal moisture cycles.

By the beginning of the 21st century, normal high and low temperatures will likely be between 1.5 and 4.5 degrees Centigrade warmer than they are today.

Climatic changes are also leading to a significant rise in the world's sea levels. The United States already is losing an average of one foot of shoreline a year.

Some scientists contend that sea levels could rise up to a foot or two, as oceans expand, flooding low-lying areas such as America's East Coast and Bangladesh. Should the Western Antarctic ice cap melt, the sea would rise 20 feet, inundating New York, London and Beijing.

In addition to the deterioration of the ozone layer, rising temperatures and sea levels, more environmental crises such as deforestation, soil erosion, faltering agriculture, desertification and accelerated pollution of the world's rivers and oceans are tied directly to rapid population growth.

In nations where population growth is stabilized, economic development is possible and funds are available to plan for and protect the environment. Where populations are doubling every 20 or 30 years, however, there is rarely sufficient economic vitality to feed and clothe people, much less implement farsighted environmental strategies.

To promote population stabilization in the Third World and economic development efforts more compatible with local ecologies, these proposals should be considered:

The U.S. and other industrialized countries might allow debt-forgiveness for countries implementing sound and farsighted policies to reverse and halt needless destruction of the environment.

Similarly creative foreign debt programs could be instituted to encourage Third World governments to step up the expan-

sion of educational and employment opportunities for women. Studies have repeatedly documented the relationship between rising economic and social opportunities for women and declining birth rates.

Industrialized countries could provide finanical assistance to developing nations committed to alleviating the flow of migrants into the Third World's megacities.

The industrialized world could accelerate researched efforts to develop alternative sources to "burning" fuels such as coal and oil. Third World governments could work toward shifting their peoples' reliance away from wood and toward the new sources.

During this week alone, another 1.7 million people will be added to the world. Another 750,000 acres of Brazilian rainforest will be bulldozed. Pollution of Third World waterways and the buildup of atmospheric gases will have accelerated just a little from the week before.

The dangers inherent when a world's population outgrows its environmental resources demand a new commitment to reshaping our future.

CATHERINE DEBORAH ARIAS WINNER, VOICE OF DEMOCRACY CONTEST

HON. BARBARA F. VUCANOVICH

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 9, 1989

Mrs. VUCANOVICH. Mr. Speaker, each year the Veterans of Foreign Wars of the United States and its ladies auxiliary conduct the Voice of Democracy Broadcast Scriptwriting Contest. This year more than 250,000 secondary school students participated in the contest competing for the nine scholarships totaling $42,500, which was distributed among the top nine winners. The contest theme this year was "Preparing for America's Future." I am submitting a copy of the winning script from my State of Nevada as delivered by Catherine Deborah Arias of Elko, NV.

PREPARING FOR AMERICA'S FUTURE

As a teen-ager in America, I see people looking to my generation in preparation for the nation's future. Any country's future rests in the hearts and minds of its youth. That is precisely the reason that preparing for America's future must start now.

Every generation holds a certain responsibility—from senior citizens to newborn children. Certainly, all generations aren't expected to carry equal responsibility for our nation, but every citizen of this country can contribute something. John F. Kennedy told the people of America, "Ask not what your country can do for you, but what you can do for your country." President Kennedy knew that it is the people making up a nation who determine its success.

Perhaps the first thing Americans must do is appreciate the freedoms we may take for granted. Brave men fought and died to obtain and retain those freedoms. Women throughout history did their own part during wartime to keep the nation running smoothly on the homefront. In the future, we as a nation must hold sacred in our homes and in our hearts the freedoms these people have secured. The United States Constitution clearly outlines these freedoms and stands as an example to the world. Because of the Constitution, and because of the people who fought to keep it, our country is extraordinarily great. We must continue fighting for these freedoms, even in ways completely different from battles or uprisings. America must recognize that we are our own biggest threat if we fail to use our voices in government decisions.

The reason our Constitution works amazingly well, even 200 years after its drafting, is because it is amendable. Our forefathers were wise in realizing that they could not predict future situations. This in itself was insightful. It is our turn to carry the torch of hope that was ignited at America's independence. We can't predict the future now, but we must continue to build on our nation's promise.

There are things that need to be done by our generation. We must work as a unified nation to achieve peace and justice. We must encourage everyone to do his part to solve problems locally as well as nationally. We must work together by setting examples for younger generations, and by acknowledging the support of older generations. As long as the people of this nation care enough about their land to vote and be informed about their government's policies, america's future is bright. We must begin now to teach the generations of tomorrow the significance of our government by the people. Too many nations, even in the world today, have such strong government control that it is pointless; indeed, even dangerous, to speak out against the government.

Here it is more criminal for the American people not to control the government. Our system of checks and balances in the three branches of federal government is only one example of what makes this nation strong. Our government truly is by and for the people, and things like voting, a free press, and even a two party system, demonstrate this concept. With freedom comes a certain amount of responsibility.

Freedoms are more than just a reward for historic battles against oppression. Freedom must be earned every day. In all that Americans do, it is important to bear in mind that if the people don't use their voices to form the government, someone else's voice will speak for them. To prepare for America's future, all citizens must stay informed. The more we know about an issue, the better we are at making crucial decisions that may affect the entire country. Differences of opinions are healthy, and result in revealing more about each side of an issue. The people of the United States need to become informed so that their opinions are those which shape our government. Those who are eligible should vote and cast informed votes on every election day. Voting in America is a right, and each citizen should take it upon himself as a duty to his country. The future isn't a hazy far-off time we can't comprehend. The future is tomorrow. What we do now will determine what happens next. Like our Constitution's framers, we must make decisions that will affect future generations. Like today's leaders, we must make choices that will affect how we live now. We have already begun preparing for America's future. Through educating and informing every generation, we can anticipate America's future with great pride and confidence.

FSX AGREEMENT

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 9, 1989

Mr. DYMALLY. Mr. Speaker, enclosed are my remarks during the May 3, 1989, Committee on Foreign Affairs hearing on the proposed United States-Japan agreement to co-develop the FSX aircraft.

I would appreciate sharing it with the rest of the Members of the House of Representatives.

REMARKS BY MERVYN M. DYMALLY ON THE FSX AGREEMENT

Mr. Chairman, unlike some of my colleagues I am not as concerned about the technology transfer, as I am concerned about some other aspects of U.S.-Japan relations.

I speak specifically about Japan's relations with America's minorities, or shall I say lack thereof. I shall have more to say about this later.

It is my feeling that if the Japanese really want a unique jet fighter they have the genius to build one without this agreement. I am sure they know more about the F-16 than we think they do, or want them to.

Surely, we could have and should have sold them the F-20. This aircraft was built to meet the needs of countries like Japan.

However, despite my lack of fear about the technology transfer, I am going to ask the Members of the Congressional Black Caucus (CBC) to vote in support of Mr. Levine's resolution to disapprove the agreement. I do so because it's a national disgrace that the Japanese government and private sector have arrogantly failed to heed the conciliatory efforts of the CBC to comply with our affirmative action laws and practices in the Private sector in the United States.

After approximately 2½ years of negotiations only one auto firm has responded to persistent request to provide opportunities for America's minorities. So far, I regret to say that the Japanese government has also not been forthcoming in their responses to our representation both in the United States and Japan.

It is bad enough that Japanese firms indulge in unfair trade practices. However, we find it intolerable that they continue to ignore our requests to meet, confer and implement some of our recommendations.

This may not be the appropriate forum or piece of legislation to vent our unhappiness, but at this time, we have no other alternatives; we have no other options. We need to send a strong message to the Japanese. What is more troubling domestically is that the previous administration never lifted a finger to inform the Japanese about their discriminatory practices in the United States. I could say the same for the private sector also.

Therefore, Mr. Chairman I ask the members of this Committee to send a strong message to the Japanese government and corporations and vote with Mr. Levine to disapprove the FSX Agreement.

REMEMBRANCE OF LESLIE PANTIN, SR.

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 9, 1989

Mr. LEHMAN of Florida. Mr. Speaker, last Sunday, Miami lost a leading citizen.

Leslie Pantin was a total Cuban patriot and, without any conflict of commitment, a devoted American patriot.

The highest praise that my mother could say about any person was that he "did so much good in a quiet way." Leslie was well qualified for this designation.

Mark Antony's words in Shakespeare's Julius Caesar apply to Leslie Pantin:

His life was gentle, and the elements so
mixed in him that nature stand up
And say to all the world, "This was a man."

Mr. Speaker, I would like to share with my colleagues the following editorial and article on Leslie Pantin that appeared in the Miami Herald:

LESLIE PANTIN, LINKED CULTURES

(By Sandra Dibble)

From Little Havana shopkeepers to Dade's power brokers, hundreds crammed a Miami church Monday to mourn Leslie Pantin, Sr., an exile businessman who cleared a path into the boardrooms of Anglo Miami while staying true to his Cuban roots.

"He will be remembered as a bridge builder," said the Rev. Jose Nickse in a eulogy at St. Raymond Catholic Church, 3475 SW 17th St. "He built bridges among people, among groups. That is his final gift and his final challenge."

Pantin, an insurance executive who developed a thriving family company in Miami after fleeing Cuba in 1960, was the first Cuban on the board of the Greater Miami Chamber of Commerce and the first Cuban on the Orange Bowl Committee. Most recently, he was chairman of Miami's Off-Street Parking Authority.

Pantin died of a heart attack Sunday, three days before his 67th birthday.

On Monday, the crowd crammed the wooden pews of St. Raymond, spilling from the central aisle out of the church's front door for the noon Mass. His death brought together a wide range of the Miami community. There were developers, bankers, insurance executives, newspaper executives and elected officials—leaders from every sector—who joined Pantin family members and friends from Cuba in paying their last respects. Scattered throughout the crowd were Orange Bowl Committee members clad in orange blazers.

"He joined the mainstream without losing his identity," said former Miami Mayor Maurice Ferre. "He always remained a Cuban."

In the front rows, facing Pantin's shrouded coffin, were Pantin's closest relatives," wife Maria Elena Torano, brother Victor, sons Leslie Jr. and Victor, and daughter Rosario, who wept quietly while clutching a white rose.

"His legacy is such that the footprints will be difficult to see," said community relations consultant Robert Simms. "He was not a man that boasted publicly of his accomplishments. His joy was in seeing a job get done, not who got the credit."

Appropriately for a man who moved with grace in two cultures, the Mass was bilingual. Nickse deftly alternated English and Spanish, repeating the same refrain.

Pantin was not simply a gentleman, Nickse said but a gentle man.

"He made you feel good if you were Hispanic, he made you feel good if you were black, he made you feel good if you were Anglo, if you were young or old, if you were rich, if you were poor.

"He had that beautiful talent . . . that God had given him to make you realize the beauty that lies in each and everyone of us. That was God's gift to him, and that was his gift to all of us."

A MAN FOR ALL SEASONS

In any language, in any cultural context, Leslie Pantin, Sr., was a gentleman, a man who knew how to treat people and who insisted that others also should show respect without regard for race or national origin. From his first years in Miami in the 1960s until his death on Sunday at age 66, Mr. Pantin was the model on which a bicultural community could be built. His gentle influence will be sorely missed.

Whether he was building his own insurance business, opening Democratic Party circles to Cuban Americans, breaking the ethnic barrier at the Orange Bowl Committee, or protecting the independence and efficiency of the Off-Street Parking Authority from a predatory Miami City Hall, Mr. Pantin projected strength and dignity. These traits brought him admiration throughout South Florida's diverse social environment. Few ever questioned either his integrity or his commitment to help Greater Miami turn its fractious diversity into a pillar of prosperity for all its residents.

Mr. Pantin's leadership was of a quiet type, more the Do-as-I-do, not-as-I-say school than of the bombast for which Miami is noted. His courage in forging early into downtown circles was the spark plug for the speed with which Cuban Americans moved into Miami's power structure. Mr. Pantin early had shattered any suspicion that Cubans wouldn't be able to function in the mainstream environment. And just as he showed the Establishment that Cubans needn't be feared and yet couldn't be ignored, he proved to younger Cuban Americans that the open American system really would reward their hard work and talent.

Someday, when the history of the New World Center Miami is written from the vantage point of the 21st Century, the life of Leslie Pantin, Sr., will be cited as one of the earliest and truest signposts of the direction that the community would take toward cohesion and prosperity. By rights he should have been here to greet the turn of the millenium 11 years hence, but that was not to be. Taken in what now is considered late middle age, Mr. Pantin nevertheless contributed more to his adopted home in 25 years than most men could in a century.

May he rest in peace.

TRIBUTE TO SACRAMENTO URBAN LEAGUE AND GEORGE H. DEAN

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 9, 1989

Mr. MATSUI. Mr. Speaker, I rise today to pay tribute to the Sacramento Urban League and its president George H. Dean, along with the recipients of the Whitney M. Young Jr. Award, the Sacramento Urban League's highest award. It is an honor and a privilege to salute those who have put so much time and effort into making our community a better place to live.

The Urban League, an organization committed to solving social, racial and economic problems, presented its prestigious awards at the group's ninth annual banquet. The awards are named for the civil rights leader and former executive director of the National Urban League. Recipients of the Whitney M. Young Jr. Award include T/Sgt. Mary A. Royal-Highsmith and the Reverend Ephraim Williams of St. Paul Baptist Church for their leadership roles and involvement in a variety of community groups. A third award was presented to Kaiser Permanente Medical Center of south Sacramento for providing health education classes for the public and for its affirmative action programs.

Mr. Speaker, in a society that has become very impersonal, it is indeed a pleasure to note such selfless dedication not only from the individual, but from the corporation. I commend the recipients of the Whitney M. Young Jr. Award and I hope that they will continue giving to the community. I would also like to express my sincere gratitude to George Dean and the Sacramento Urban League for striving to achieve social, racial and economic equality.

COMMEMORATING THE 100TH ANNIVERSARY OF THE BIRTH OF A. PHILIP RANDOLPH

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 9, 1989

Mr. STOKES. Mr. Speaker, I would like to bring to the attention of my colleagues the tremendous contributions and influence of a great American—A. Philip Randolph. This year marks the 100th anniversary of the birth of Asa Philip Randolph, the son of a Methodist preacher, the first national labor leader among black Americans, and a great warrior for economic parity and social justice.

I am pleased to pay tribute to this champion of equality and justice. A. Philip Randolph was the chief founder of the Brotherhood of Sleeping Car Porters and its president for over 40 years. As a leader within the labor movement, he devoted his life to the principles of equity for all people. We recognize Randolph for leading the fight against discrimination in industry, in organized labor, and in the armed

services. Randolph's critics maligned his hard-nosed, no nonsense approach to social obstacles by labeling him "the most dangerous Negro in America." However, these critics could not stop Randolph from becoming foremost in the struggle to insure that the common man received a decent wage for a day's work.

Randolph's commitment began in 1917 when he launched the Messenger, a monthly magazine and a prolific instrument of protest. His involvement with the Messenger gave Randolph the opportunity to express his grave concern over World War I, the economic disparity between Americans, and racial injustices. However, his involvement antagonized the Wilson administration, which branded Randolph a Communist for spreading socialistic rhetoric among Blacks.

Although Randolph was not a porter by profession, he was concerned about the plight of Pullman car porters, who represented a large segment of black labor which had not been organized. Randolph was outraged by the porters' inability to obtain equitable wages and basic concessions from the Pullman Co. When a small group of porters approached Randolph for help, he saw a chance to change this inequity. In August 1925, Randolph was elected president and general organizer of a proposed union of black pullman car porters, and the Messenger became "The official organ of the Brotherhood of Sleeping Car Porters." For several years, the union struggled to build its membership, and earn recognition and support from other unions. Porters were fired or harassed by the Pullman Co. for joining the Brotherhood. In confrontations between the Pullman Co. and the Brotherhood, other unions refused to give their support. Despite the Pullman Co.'s attempt to crush the union, the Brotherhood survived and became the Nation's first predominantly black labor union.

In convention after convention of the American Federation of Labor, Randolph continued to speak out against racial injustice. Randolph followed John L. Lewis, president of the United Mine Workers, when Lewis left the American Federation of Labor and formed the Congress of Industrial Organizations [CIO]. When the two unions merged in 1955, Randolph earned another first; he became the only black representative on the AFL–CIO executive council.

Randolph disliked the contradictions and hypocrisy that American democracy afforded black Americans. When blacks were barred from working in defense plants during World War II, Randolph and other black leaders threatened to lead a massive march through the Nation's Capital. After negotiating with President Franklin Roosevelt, Executive Order 8802 was signed, calling for fair employment practices in war industries. In addition, Roosevelt named a Fair Employment Practices Committee to enforce it. During both World War I and II, Randolph vehemently protested the draft of young, black men, who fought for a country which denied them basic freedoms at home. In 1948, he led a civil disobedience campaign that was so effective it forced then President Truman to sign an Executive order, banning segregation in the Armed Forces.

A. Philip Randolph was an organizer of five marches on Washington, including the massive demonstration led by the late Dr. Martin Luther King in August of 1963. That march will long be remembered for aiding the passage of the 1964 Civil Rights Act, outlawing discrimination in public places of accommodation, employment, and unions.

During his lifetime, A. Philip Randolph accomplished great tasks and left a lasting mark that has affected the lives of all Americans. He established the A. Philip Randolph Institute in 1965 to accomplish the task of enlisting community leaders in a broad study of conditions of economic inequality. He hoped that such a study would determine how our society can someday find a way of ending the perpetual cycle of poverty. The legacy of activism lives on in the institute.

Throughout his life, Randolph remained a man of integrity, whose humanity enabled him to work within the framework of the American system and remain unshaken. He wanted most of all to make a difference in the lives of people whose plight he both understood and lived. He lived through the oppression, the prejudice, the injustices, adversity which would have hardened most men. Instead, Randolph remained generous to his friends, dedicated to his causes, and modest in his success.

That is A. Philip Randolph. Moral leader, organizer, a man of principle and vision.

ENERGY CONSERVATION, DEFICIT REDUCTION AND THE GASOLINE TAX

HON. JIM MOODY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 9, 1989

Mr. MOODY. Mr. Speaker, I am today introducing legislation to increase the Federal excise tax on gasoline and gasohol by 9 cents-per-gallon. Proceeds from the tax—about $9 billion a year—would be earmarked to a special deficit reduction trust fund established at the Treasury. Revenues in the trust fund could be used only to buy back the outstanding obligations of the Federal Government, and would thus be earmarked directly for deficit reduction and only for deficit reduction, not for increased Federal spending.

There would be, however, major benefits in the areas of the environment, national energy independence, long-term investment and productivity, international competitiveness, and trade deficit reduction.

ENVIRONMENTAL AND ENERGY INDEPENDENCE

The environmental disaster of the *Exxon Valdez,* spill, and the subsequent action by some oil companies to exploit it by raising gasoline prices, underscores the need for a renewed commitment to a serious energy conservation policy in this country—on grounds of both environmental protection and petroleum self-sufficiency.

We continue to be extraordinarily lax about petroleum conservation. While U.S. consumption of petroleum is up—now at 6.1 billion barrels per year, by far the highest in the world—domestic production of oil is down. Sixty-four percent of our petroleum consumption goes for transportation, hence any serious energy conservation strategy must focus on transportation fuel. Right now the inflation adjusted price of gas is 36 percent cheaper than in 1979. We are temporarily feeding—gorging—on cheap foreign oil, and hence increasing the risk of another 1973-style price shock and resulting economic recession. As of this January over 40 percent of U.S. petroleum consumption was imported—almost half from OPEC—compared to 34.8 percent just prior to the oil shock of 1973.

In response to cheaper gasoline American auto manufacturers have reduced the production of high mileage compact cars, thereby reducing our ability to compete with foreign autos when an oil and gasoline price shock finally hits. Since 1985 the National Highway Traffic Safety Administration has repeatedly waived CAFE standards to require American cars to steadily raise mileage-per-gallon to an average of 27.5 by 1989.

In this period of low gas prices and cheap foreign oil there is little economic incentive to emphasize conservation. But we're literally playing Russian roulette—or rather OPEC roulette—with not only our energy future but also our vulnerability to future recession and inflation. The *Exxon Valdez* disaster and upward spurt in recent gasoline prices indicates just how vulnerable we are to price effects of future disruption of our oil supply.

THE ECONOMY

We are also engaging in deficit policies that weaken our long-term economic strength. By spending more than it raises in tax revenues the Federal Government soaks up vast amounts of private capital, raises private borrowing costs, and makes it more difficult and expensive to invest, which only further reduces national productivity. Our net national savings rate has been down about 2 percent of disposable income for the last several years while comparable savings rate of our economic competitors remains far higher: Japan at over 16 percent; Germany at over 12 percent.

Large deficits not only raise interest rates above what they would otherwise be, and reduce domestic capital investment and economic growth for America, they also increase U.S. dependence on foreign capital, both as borrowing and as direct investment in the U.S. industry and real estate. This in turn causes the future benefits of those foreign capital investments to go to overseas investors as well as weaken America's control over its own economic future. For the first time in history the United States dollar value is now determined not in Washington or New York, but in Bonn and Tokyo—directly caused by our massive foreign borrowing.

Petroleum imports also enlarge our foreign trade deficit, and hence themselves increase still further our dependence on foreign capital. They are now the largest negative factor in our foreign trade deficit. Petroleum imports also directly destroy American jobs. In general, one U.S. job is eliminated for every $40,000 worth of imports.

No one wants to feel the pinch of higher taxes today, including gas taxes. But we can pay a little today, or we can pay far, far more tomorrow. The Federal budget deficit is itself

an insidious tax on virtually every American which steadily reduced their future purchasing power while it reduces the Government's ability to meet the important needs of our country.

By moving toward a pay-as-you-go—zero deficit—budget strategy, which combines real spending reductions with increased revenues, we will simultaneously bring down interest rates, stimulate investment in both physical and human capital, and promote long-term growth—all of which will directly benefit those who pay gas taxes.

REGRESSIVITY

Some argue that taxes on gasoline are regressive. But how regressive really are they? Assuming automobile mileage of 30 miles-per-gallon, the net cost of 9 additional cents-per-gallon increase in the gasoline excise tax is only three-tenths of 1 cent per mile. At a commuting distance of 10 miles per day, the net cost of the tax would be only 3 cents per day, or $7 per year increased cost of commuting to work, assuming 230 work days per year. At a work commuting distance of as much as 100 miles, which can occur in certain regions, the net cost of the tax would rise to only $70 per year.

But careful study by the Congressional Budget Office [CBO], shows that when gas taxes are compared to family expenditures they are not regressive. (Comparing tax burdens with expenditures is far sounder than comparing them with nominal income, since annual income fluctuates far more than annual expenditures. Expenditures more accurately reflect multiyear income. For example, college students and business owners may have low current incomes but substantial longer term, or "lifetime" incomes.)

The following table shows that burden of gas taxes is almost constant per $100 of family expenditures at all income levels.

DISTRIBUTION OF GASOLINE EXCISE TAX BURDEN

Family income class ($1,000)	Average family income	Average total family expenditures	Average family gasoline expenditures	Burden of 1 cent/gallon increase in gasoline excise tax [1]	
				Per $100 income	Per $100 expenditures
0 to 5	$2,311	$9,690	$394	$0.19	$0.04
5 to 10	7,401	10,838	453	0.07	0.05
10 to 20	14,764	16,195	801	0.06	0.05
20 to 30	24,750	22,514	1,111	0.05	0.05
30 to 40	34,630	27,892	1,309	0.04	0.05
40 to 50	44,539	34,007	1,459	0.04	0.05
50 and up	72,016	47,382	1,639	0.03	0.04
Total	26,502	22,828	995	0.04	0.05

[1] Burden of gasoline excise tax assuming that the price of gasoline increases by the amount of the tax.

Source: CBO, "The Distributional Effects of an Increase in Selected Excise Taxes" (January 1987).

Hence the total annual cost—for work and recreational driving—of a 9-cent increase in the price of gasoline would average 45 cents per $100 in expenditures of only $135 for a family with annual expenditures of $30,000. It would be still less at $90 for a family spending $20,000.

Compare this cost with the effects of increases in household interest expenses caused by a failure to reach national deficit reduction targets through a decisive deficit reduction package that includes taxes. Each 1 percent, or 100 basis point, increase would cost an additional $10 per $1,000 of debt. A middle income family with, say, a total of $40,000 in mortgage and consumer debts—reasonable for a family living on $30,000—would thus spend about $400 extra in annual increased interest costs (once interest rates are adjusted). If interest rates went up 2 percent, or 200 basis points, it would cost $800 per year.

So, many—probably most—families would be better off economically by the 9 cents per gallon tax as part of a serious deficit and interest rate reducing package than they would be if gas taxes were not raised as part of a serious deficit reduction.

Furthermore, whatever mild regressive effects on low income families that might be caused by an increase in the tax on gasoline could be more than adequately offset by an adjustment in the Earned Income Tax Credit [EITC] which provides relief to the working poor from the payroll tax, our most regressive tax. I have cosponsored legislation to adjust the EITC as one measure of offsetting any potentially regressive effects of a gasoline tax increase.

REGIONAL DIFFERENCES

A great deal has been made of alleged regional differences in the impact of the gas tax. A careful study by the U.S. Department of Energy shows that there is amazingly little variation in the state-by-state differences in per capita tax burdens of increasing fuel taxes, as shown by the table for the four highest-burden and four lowest-burden States.

BURDEN OF 10 CENTS PER GALLON GASOLINE TAX [1]

[4 lowest and 4 highest]

State	Per capita tax	
	Amount per year	Percent of U.S. average
Hawaii	$30.60	70
New York	31.60	72
Pennsylvania	36.20	83
Alaska	38.00	87
Tennessee	51.90	119
Georgia	51.90	119
Nevada	52.30	120
Wyoming	54.10	124
U.S. average	43.70	100

[1] Analysis assumes no change in State fuel consumption in response to tax (or equivalently, equal responses in every State). The full tax burden is assumed to fall in the State in which gasoline is consumed.

Source: U.S. Department of Energy, "State Energy Data Report: 1960-1986."

Surprisingly the lowest percentage burden State, Hawaii, is only $13.10 per year lower than the national average, and the highest burden, Wyoming, is only $10.40 higher—burden differences that are hardly in the "hardship" range frequently asserted. Furthermore, the high-density, short-commute States like New York and Pennsylvania tend to receive less than 100 cents per dollar of Federal gasoline taxes paid while the long-commute, low-density States like Nevada and Wyoming tend to recline more than 100 cents per dollar of Federal fuel tax. Therefore, even the mild cross-subsidization effects of gas taxes are somewhat mitigated by the current distribution formulas for gasoline taxes.

SUMMARY

This 9-cent-per-gallon tax proposed here as part of a deficit reduction effort is not a painless proposal. But no realistic deficit reduction proposal can be painless. Those who seek deficit reduction with little or no sacrifice are bound to produce deficit reduction with little or no results. This year's budget summit agreement shows that. America's economic future is at stake.

The major benefit of this bill aside from deficit reduction would be energy conservation and petroleum independence. If we fail to renew our national commitment to energy conservation, we leave ourselves at the mercy of inflation or recession caused by rising world oil prices. It is ironic that a relative minor event in terms of the world's oil supply, the *Valdez* spill, has already caused an increase in gasoline prices roughly equal to this tax as proposed.

A modest earmarked increase in the gasoline tax now is a realistic method of addressing the national priorities of energy conservation, international energy independence and budget deficit reduction. I urge my colleagues to support this legislation.

A NEW OPENING FOR WORKER RIGHTS IN THE SOVIET UNION

HON. DONALD J. PEASE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 9, 1989

Mr. PEASE. Mr. Speaker, last week we opened our newspapers to another startling, but encouraging, report from the Soviet Union, to the effect that a new labor law will be submitted for enactment before the end of this year. The draft new law would allow strikes for the first time and its holds out the promise of greater independence for trade unions to serve the interests of Soviet workers. It seems the Soviets, along with much of the rest of the Communist world, are discovering the importance of fundamental worker rights and their relevance to greater productivity and real economic growth in any national economy. I am submitting for reproduction the articles in last Thursday's New York Times and Washington Post about the anticipated changes in Soviet labor law.

These developments underscore the timeliness of legislation that I will be introducing this week, the East-West Trade and Human Rights Enhancement Act of 1989. My bill will provide a tangible way for our country to encourage the Soviets and other nonmarket economies to show greater respect for fundamental worker rights and to expand our trade with cooperatives in nonmarket economies at the same time. I invite each of my colleagues to join me in sponsoring legislation that represents both good trade policy and good human rights policy with Communist countries.

[From the New York Times, May 4, 1989]

RUSSIANS TO GET RIGHT TO STRIKE AFTER RASH OF WILDCAT ACTIONS

(By Bill Keller)

Moscow, May 3.—After a wave of wildcat strikes, the Soviet Government has decided

to give labor unions the legal right to strike for the first time under a new law on union rights, the chief of Soviet trade unions said in an interview published today.

The provision legalizing strikes is part of a new draft law that purports to increase the independence and power of Soviet unions, which have traditionally been kept under the strict control of industrial management.

The proposed new law, which is to be enacted later this year, was published after a spate of independent strikes and walkouts by coal miners, librarians, bus drivers, auto workers and others. The new law appears to be intended to limit outbreaks of labor unrest by bringing them under control of the Government-sanctioned unions instead of letting people independent of the unions organize labor actions—in effect, giving unions and not workers the right to strike.

According to one Soviet lawyer, the draft law excludes politically motivated strikes, like the work stoppages that have paralyzed industry in parts of Armenia, Azerbaijan and Georgia in recent periods of nationalist unrest.

Stepan A. Shalayev, head of Soviet trade unions, said in an interview published today in the union newspaper Trud, "The right is being considered as a means to press management to speed up the resolution of labor disputes."

Soviet law contains nothing banning strikes, but authorities have prohibited work stoppages in the past by saying they violate the constitutional obligation of every citizen to work. Moreover, strikes were considered harmful to fulfilling the economic plan, and therefore a challenge to the authority of the state.

STRIKES FOLLOW PAY CUTS

Under Communist Party doctrine, as the party newspaper Pravda put it recently, "We have a working people's state here, and who would ever dream of striking against himself?"

The subject of strikes has caused strenuous debate in recent months, as workers in several industries have walked off the job, usually for short periods of time.

Most of the strikes were called to protest pay cuts resulting from new economic laws that require factories to be more cost conscious and tie a worker's pay to output.

Other walkouts, including a recent strike by miners in the Donbass coal region, have been organized because of what employees call unsafe working conditions.

One of the most novel job actions was staged by air-traffic controllers in Moscow, who stayed on the job but refused to collect their pay.

At a meeting of the Communist Party's policy-making Central Committee last week, one member cited the spread of worker protest as cause for pessimism about the future of Mr. Gorbachev's economic revival program.

"Mass refusals to work, hunger strikes, unsanctioned meetings and demonstrations and even strikes have become realities of our life," said the committee member, Vladimir I. Melnikov, the party chief in the Komi region.

He said calls for strikes and protests "find fertile soil among the population only because the people today do not have confidence in tomorrow."

STRIKES AS "EXTREME MEASURE"

The new draft law, published last week and subject to approval by the Legislature, says that a trade-union committee "has the right to stop work at an enterprise in an organization when the procedure established by law for considering a labor dispute is being violated, or when management does not live up to an agreement that has been reached."

Mr. Shalayev said strikes should be considered an extreme measure to be applied only in exceptional cases. "We cannot look upon them as a normal phenomenon in our society," he said.

It is not clear whether the new law would, in practice, break the official domination of Soviet trade unions.

HARASSMENT OF WORKERS

The draft gives unions some enhanced powers, like a provision that no workplace can be closed without the assent of the unions. It also assures that unions do not have to be registered with the Government, which seems to assure greater freedom.

But it makes no explicit provision for the creation of genuinely free trade unions that might compete for members with the existing unions.

In the past, workers have been arrested, harassed or committed to psychiatric hospitals for trying to form independent trade unions.

Last year, however, the official press agency Tass published a sympathetic report of bus drivers in Lipetsk, a central Russian city, who rejected their official trade union and organized their own informal group to bargain with management over working conditions and fringe benefits.

NO CHANGE IN UNION STRUCTURE

The new law also envisions no change in the traditional organization of trade unions along industrial lines rather than by specific crafts, which tends to dilute workers' interests and make the unions easier to dominate.

Workers in the Soviet Union generally embrace all the workers in a specific branch of industry, skilled craftsmen and unskilled workers alike.

Thus, while Soviet unions often defend individual workers threatened with layoff or punishment, they rarely oppose management on issues like pay or working conditions.

[From the Washington Post, May 4, 1989]

SOVIETS DRAFT NEW LAWS LETTING UNIONS STRIKE—LABOR CHIDED FOR NEGLECTING WORKERS' RIGHTS

(By David Remnick)

Moscow, May 3.—In an ideological break with the past, the Soviet Union has drafted new laws permitting labor unions greater independence from the government and the right to strike in some instances, according to a leading official.

Stepan Shalayev, an authoritative figure in the Soviet union establishment, said in an interview published today in the daily labor newspaper Trud that unions would also take on a more independent character in the near future as part of President Mikhail Gorbachev's overall plan of economic reform.

Unlike the often adversarial relation between management and labor in the West, Soviet unions have been primarily an arm of the state. Strikes have long been deemed unnecessary in a "workers' state."

While Shalayev said that strikes "should not be considered a normal phenomenon in our society," unions will be permitted to stop work in "exceptional cases." The draft law stipulates that union committees can declare a strike when "management does not live up to an agreement that has been reached."

A variety of strikes and labor protests have swept the country since Gorbachev took power in 1985. In Leningrad last month, militia officers staged a demonstration and collected signatures on a petition demanding the formation of an independent police union, better pay and housing, higher salaries and freedom from the control of local Communist Party officials.

In Chekhov, bus drivers walked off their jobs a year ago to protest their salary levels. Miners, librarians, factory workers and various laborers have also staged strikes. Moscow taxi drivers were planning to strike May 1 but reached a last-minute settlement.

Nationalist in Armenia and Azerbaijan have used citywide work stoppages as a means of putting pressure on local and central authories to meet their demands. At various points this year and last, strikes nearly shut down all work in the Armenian capital, Yerevan, and elsewhere.

Until now, Soviet ideologists have tended to view strikes as a manifestation of capitalism. But now sharp criticism is appearing in the official press about the role of unions since the 1917 Bolshevik revolution.

On May Day, the holiday celebrating the "solidarity of socialist labor," the newspaper Sotsialesticheskaya Industria published an article charging that Soviet labor unions had become "servants of the state" whose main concern was to ensure "tranquillity" rather than "to protect the interest of working people."

The author criticized union leaders for failing to mediate strikes and conduct salary negotiations on behalf of workers, and said that the union leaders have played only a minor role so far in economic change, acting "like grandmothers who make a lot of fuss but whom the family ignores."

In his Trud interview, Shalayev said that in the future "the state should abstain from interference in the activities [of unions] and should assure them legal rights. Unions should not be accountable to state organs in their financial activities and should not operate under their control."

In an article headlined "Strike, Strike, Strike" published recently in the weekly newspaper Ekonomicheskaia Gazeta, two economists argued that new laws must "guarantee that the claims of workers will be considered rather than thrown away scornfully right from the start."

Nevertheless, the article revealed a typically deep anxiety about the "open antagonism" and "unpredictability" of labor strikes.

Strikes, the authors argued, "may slip out of the control not only of the strikers themselves, but also of the authorities. At this point, acts of vandalism, violence and direct violation of civil rights are added to the strike, as well as direct confrontation with the authorities."

Representing a distinctly conservative point of view, the Ekonomicheskaia Gazeta article said, "At the moment, an aura of social challenge is being created around strikes, as if they were the highest manifestation of democracy. And if a strike is condemned, it is treated by its supporters as nothing less than an attack on reform."

TRIBUTE TO JACQUELYN LIEN SMITH

HON. PATRICIA F. SAIKI

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 9, 1989

Mrs. SAIKI. Mr. Speaker, I rise today to pay tribute to a young woman from my district, Jacquelyn Lien Smith, Jacquelyn was the Hawaii winner in the Veterans of Foreign Wars "Voice of Democracy Essay Contest."

Jacquelyn was born in Saigon, Vietnam and was adopted at age 3 weeks by an American military officer and his wife. She moved to America when she was 7 months old and is now a U.S. citizen. In high school she served as senior class president and hopes to pursue a career in print journalism.

It is with great pleasure that I present her essay on "Preparing for America's Future" to the U.S. House of Representatives.

PREPARING FOR AMERICA'S FUTURE

The United States of America has witnessed a glorious past, and despite the current ethical, social, and economic problems has enjoyed a present filled with unbelievable achievement. Now we must look ahead and being preparing for America's limitless future. We can begin by building bridges of understanding, practicing brotherhood, and spreading goodwill throughout our nation and the world. Restoring ethics and encouraging patriotism while moving towards an interdependent world promises a future worthy of our American heritage.

As we prepare for our future we must remember that much of the success of this nation can be attributed to the moral values of its people. The quality of life we enjoy is intimately tied to the values we hold. If we plan to conquer the ills of our society such as promiscuity and drug abuse, strong morals and high values need to be a guiding force. They need to be taught in America's homes and encouraged in business and government. Our schools need to provide value-teaching along with an education of excellence in academics. The students of today and leaders of tomorrow must have academic and ethical strength to keep our country moving forward. America is producing great masterminds of tomorrow but in order for their leadership to benefit our country, integrity must accompany their intelligence. High values teach respect, honesty, self-discipline, and hard work. Integrity needs to override dishonesty, morality must rise above greed, and self-control must dominate self-indulgence.

It is also of great importance that we install patriotism in the youth of today. Fidelity to the flag in times of war, as well as in peace, and participation in elections, even when it's inconvenient, are all vital to our present and future. We must exercise our right to be involved.

The United States of America is not a country built by men who relied on rulers to care for them but a nation built by people working together and caring for each other. That is the essence of our past and the key to our future. We must continued to care for our fellow man beginning within the family, among friends, and gradually extending our open arms to the community and beyond. It's going the extra mile and reaching out just a little more. It's following that essential rule, and one need not be a Christian to follow it . . . the Golden Rule: "Do unto others as you would have them to do unto you."

A key work to our future is interdependence. The United States of America is still the hope of mankind. The liberty, freedom, and justice inherent in our country is envied the world over. Communist countries are opening their iron curtains and economic interdependence is permitting the exposure of democracy throughout the world. We have already proven that the more we become intertwined economically with other countries, including communist and third world, the less inclined we will be to bomb each other and the more inclined to help each other. So as we approach our future we must embrace interdependence because it is, and will continue to be, the key to world peace and unification. But remember, as peace continues to spread throughout the world, we must keep in mind the immortal words of Theodore Roosevelt, "Speak softly but carry a big stick. . . ." It is of prime importance that we maintain and support a strong defense.

The power of our future lies in the voice of democracy strong leadership, and the American citizen. It is the values of our forefathers that need to be instilled in the youth of today to help maintain the peace, tranquility, and security that we are presently experiencing. With these ideas in mind we can create a future that will allow us to remain the envy of the world. We have learned to meet its challenge; however, we must believe in the resilience of the American dream and embrace the future with confidence. The genius of the United States lies in the fact that we, the people, choose our future. It is not dictated to us, or forced upon us. Our future lies in the hands of the people, and if we choose to create strong, patriotic, and moral families, and if we choose to put value-teaching back into the schools, and if we choose to work towards interdependence, America will continue to be a place we can be proud of, for centuries and centuries to come.

ALASKA SPILL ENERGIZES VIGILANCE IN CALIFORNIA

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 9, 1989

Mr. EDWARDS of California. Mr. Speaker, today several members of the California congressional delegation had the opportunity to meet with Secretary of the Interior Manuel Lujan, and the President's Task Force for Offshore Oil Drilling, to discuss the impact of future oil drilling off the California coastline.

The following article, "Alaska Spill Energizes Vigilance in California"—the Los Angeles Times, May 8, 1989, written by our distinguished colleague, Congressman MEL LEVINE, lays out many of the important issues we raised related to increased off-shore oil leasing along the California coastline. I certainly hope the administration's task force will seriously consider these points.

Congressman LEVINE is certainly correct when he asserts, "Those of us who represent California will not stand by quietly. We will not ignore the risks for our coast as the Government did for Alaska." We are dedicated to seeing that an environmental tragedy such as the *Valdez* oilspill does not occur again, and we hope the President's task force will join us in this mission.

The article follows:

[From the Los Angeles Times, May 8, 1989]

ALASKA SPILL ENERGIZES VIGILANCE IN CALIFORNIA

(By Mel Levine)

The oil spill in Prince William Sound, Alaska, is the result of a national energy policy founded on the oil industry's plan to drill everywhere, at any cost. Looking back at history we see that the spill was an inevitable outcome—the worst-case scenario that for two decades the federal government refused to face.

The year was 1973, and despite the resounding opposition of environmental experts, the Secretary of the Interior, Rogers C.B. Morton, dismissed the risk of serious spills.

In a statement supporting construction of a pipeline to bring oil from northern Alaska to the port of Valdez in the south, Morton concluded: "I have carefully reviewed the potential damage to the marine environment that might be caused by tanker activity in Prince William Sound . . . two kinds of potential marine pollution exist: (1) small chronic discharges and (2) accidental dischages of large volumes. Strict regulations are being developed to minimize the pollution threat from both these sources."

We move to the late '70s, and find the federal government unable to heed the lessons of experience. There are two major spills—7 million gallons off the coast of Massachusetts and 10 million gallons in the Gulf of Mexico. The Massachusetts spill results in losses for our fishing industry. In both cases, experts find it virtually impossible to control or clean up the oil slick. Only weather and circumstances specific to each spill spare the nation from catastrophic losses.

Now we've learned that the oil industry failed to fulfill the responsibilities it assumed in its Alaskan operations. The oil companies involved in the Valdez spill neglected to make even a good-faith effort to plan for a spill of the magnitude they now face.

Sadly for the nation, the result of this federal disregard and industrial recklessness is now one of the worst environmental catastrophes in America's history.

In light of this, it was shocking for the American public to learn last month that Ronald Reagan's Administration tried deliberately to cover up information about the risk of spills off California, leaving that coastline in jeopardy as well.

Internal documents obtained through the Freedom of Information Act brought to light the serious risks of a major oil spill, the ineffectiveness of cleanup technology and the danger of other environmental damage that the proposed lease sale off Northern California poses.

More disturbing, these documents revealed a deliberate attempt by the Reagan Administration to whitewash this information.

After it was discovered last year that a devastating report on the environmental impacts of the Northern California sale had been sanitized, an inquiry was launched to find out why. Documents were obtained from four federal agencies, including the Minerals Management Service, which plans, approves and conducts all lease sales for offshore drilling.

Through the inquiry, it was learned that alarming concerns about spills were also deleted from another environmental report on the sale. And a third, previously unreleased report on environmental impacts also was uncovered. It, like the other two, specifically stated that the Minerals Management Service had "downplayed" the likelihood and impacts of a spill. These reports amounted to a damning indictment of the sale's impact on the environment and the probability of a major spill.

Then the smoking gun of the agency whitewash was uncovered. A memo from J. Stevens Griles, the assistant secretary for offshore development, addressed the substantive comments in one of the reports with a barrage of allegations.

His message came through loud and clear: Agency professionals were not to voice their honest opinion if it interfered with his lease sale. Shortly thereafter the most damaging comments in the report were removed.

These revelations have sweeping implications for plans to drill off California.

The agency professionals know about spills, they know about cleanup and they know about probabilities. It happened in Valdez. It could happen off California, perhaps not in the same astronomical size, but certainly in catastrophic impact.

The reports are striking because they appeared to be a premonition of, if not the scope, at least the precise nature of what was to come off the coast of Alaska—the worst oil spill in this nation's history.

Those of us who represent California will not stand by quietly. We will not ignore the risks for our coast, as the government did for Alaska. And we will not allow any agency to whitewash the potential for another ecological disaster.

These documents must serve as the nail in the coffin for the four sales the Minerals Management Service has planned for our coast.

Therefore, a bipartisan coalition of 29 members of Congress is calling on the President to cancel the northern lease sale; cancel or indefinitely postpone the other sales planned for the rest of California's coast, pending complete reevaluation, and overhaul his task force on offshoring drilling to ensure real scientific review.

Now is the time for President Bush to fulfill the promises he made during the campaign to protect California's coast. We look forward to hearing back from him.

CINCO DE MAYO CELEBRATES FREEDOM THAT KNOWS NO NATIONAL BOUNDARIES

HON. RONALD D. COLEMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 9, 1989

Mr. COLEMAN of Texas. Mr. Speaker, every year millions of people in the United States and Mexico celebrate Cinco de Mayo, which commemorates the victory of less than 5,000 Mexican teenage soldiers over nearly twice as many troops commanded by French invaders.

The Battle of Puebla on May 5, 1862, played an important role in our own history, as the enclosed article by Raoul Lowery Contreras points out. Mexican President Benito Juarez was being supported by President Abraham Lincoln, who feared a Mexico dominated by France, which would in turn provide crucial support and arms shipments through Confederate Texas and the rest of the Southern States. By defeating the French in 1862, Lincoln had a year's delay in French aid to the Confederacy. By the time the French won the second battle of Puebla a year later, it was too late.

Contreras correctly observes that the struggle for freedom knows no border. I would like to place this article in the CONGRESSIONAL RECORD, and I urge my collegues to read it and reflect upon the meaning of Cinco de Mayo and the entertwined destinies of Mexico and the United States.

The article is as follows:

[From the Dallas Morning News, May 5, 1989]

CINCO DE MAYO CELEBRATES FREEDOM

(By Raoul Lowery Contreras)

On the 5th of May 1862, from dawn until dark, 4,850 ill-equipped, untrained teen-age Mexican soldiers thrashed 6,000 invading French soldiers and 2,000 battle-tested Mexican reactionary allies. Only 250 casualties were suffered by the Mexicans, in contrast to one-eighth of French forces killed or wounded. French conquest of Mexico was stopped cold in the mountains east of Mexico City. French dreams of empire would have to wait.

This Battle of Puebal on the fifth of May, Cinco de Mayo, 1862, is a tiny footnote in world history: nevertheless, it is commemorated by 90 million Mexicans, 12½ million Mexican-Americans and millions of our friends and neighbors throughout the United States. Why? It is not Mexican Independence Day.

There are a number of reasons, most of them symbolic Napoleon III's invasion of Mexico was a direct violation of United States policy, the anti-European Monroe Doctrine. Busy with Civil War, President Abraham Lincoln pledged his support to Mexico's first Indian president, Benito Juarez; imposed and arms embargo on Mexico; then allowed President Juarez's agents to buy guns. Buoyed by President Lincoln's support and help, the Mexicans fought with every resource available.

President Lincoln needed a Mexico free of French domination, fearing unlimited arms shipments through a Royal Mexico into Texas to the Confederacy from a sympathetic Napoleon III.

By defeating the French, Mexico handed President Lincoln a year's delay in French aid to the Confederacy through Mexico. During that year (May 1862-April 1863) most of the key Civil War battles were fought, with Union victories in most of them. The Confederacy was effectively defeated during this year. The United States, therefore, owes a debt of gratitude to the 4,850 Mexican soldiers at Puebla.

The French won the second battle of Puebla in 1863, then occupied Mexico City. But the year was lost. And U.S. residents noticed the war and Mexican victory on Cinco de Mayo and headed south to join the fight.

Taking advantage of U.S. sympathies, President Juarez's decree of Aug. 11, 1864, offered foreign volunteers regular Mexican Army pay (10 pesos a month) and land, with no necessity of Mexican citizenship. Thousands of Americans responded and went to Mexico—a few to the French, but most to Juarez. The American Legion of Honor was formed by Americans with their own officers and colors.

U.S. involvement accelerated with the Confederate defeat and Abraham Lincoln's assassination. His successor, President Andrew Johnson, sent Gen. William Sheridan and 100,000 troops to the Texas border, "to protect American interests."

Dashing back and forth across the Rio Grande under the watchful eyes of battle-hardened U.S. soldiers, Mexican guerrillas harassed French and reactionary troops. Openly, Gen. Sheridan "condemned" rifles, artillery and military supplies and ordered them left unguarded in wagons on the border.

Many Frenchmen died, killed with "condemned" rifles and bullets.

Side by side with Mexicans, thousands of Americans fought the French and earned the right to be—and were—present at the final defeat of the French puppet, Emperor Maximilian. As a unit, they marched in President Juarez's Mexico City victory parade on July 8, 1867. The long bloody war was over. The memory of Cinco de Mayo lives.

Thousands of Americans fought in the Mexican Army against the French; to pay us back, Mexicans walked across the border after Pearl Harbor to join in the fight against Japan and Germany.

Recently, a prominent Mexican businessman died peacefully in his sleep in Tijuana. Among his effects, his son found a locked trunk in which was carefully packed a United States Army paratrooper uniform (101st Airborne) and several medals for bravery, including a Silver Star heroically earned in 1944's Battle of the Bulge, Adolf Hitler's final frenzy.

What was a Mexican teen-age volunteer doing in Belgium's Ardennes Forest, fighting in an U.S. uniform in one of the most glorious battles in American history?

The struggle for freedom by Americans and Mexicans knows no border, and that is why we celebrate Cinco. Next time someone asks, what's a Cinco de Mayo parade for, tell them.

A toast. Viva Cinco de Mayo!

TO HONOR JOHN ZANDONELLA ON HIS 60TH BIRTHDAY

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 9, 1989

Mr. MILLER of California. Mr. Speaker, I rise today to salute John A. Zandonella of Concord, CA, on the occasion of his 60th birthday.

John Zandonella is one of my district's truly outstanding citizens. His participation in community, as well as professional, organizations has earned him the admiration of his peers and a position of prominence in our community. His many achievements are indicative of his love for hard work and of his personal motto, "Yes we can, no problem." John's tireless commitment and service to his community are an inspiration to all of us who know him.

John's activities are far from limited to the political arena where he has given countless volunteer hours on behalf of local candidates. The Concord American Little League, of which John was president for 5 years, recognized his contributions to our youth by dedicating the junior field to him. Contra Costa County

has also benefited greatly from his leadership and participation in the Elks Lodge, the Veterans of Foreign Wars, the Chamber of Commerce, the Rotary Club, the Sons of Italy, the Italian Catholic Federation and the Knights of Columbus.

Aside from his civic involvement, John has achieved an impressive degree of professional success. After serving his country during the Korean conflict, John attended the School of Stenographic Arts in San Francisco and became a certified shorthand reporter. While working as a court reporter for the Contra Costa Municipal Court, and eventually establishing a successful reporting service in Concord, John was active in the California Court Reporter's Association, serving as an officer for 9 years, and the National Shorthand Reporter's Association.

John's life, however, is not all work. In between his work and his many meetings, he and Fosca, his wife of over 37 years, have raised four children and are now enjoying seven grandchildren.

A hardworking, dedicated man like John Zandonella is truly an asset to any community, and we in Contra Costa County count ourselves fortunate to have him as a member of ours.

DAVIS BACON REFORM

HON. TIM VALENTINE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 9, 1989

Mr. VALENTINE. Mr. Speaker, I would like to take this opportunity to offer my support of the Davis-Bacon Reform Act, which was introduced on May 4 by my colleagues CHARLES STENHOLM and ARLAN STANGELAND.

This measure accomplishes three major goals. It restores the original intent to an outdated law. It eliminates the antismall business bias of the present law. And it saves the Federal Government close to $6 billion over a 5-year period.

The law was enacted during the Depression to prevent unscrupulous contractors from hiring gangs of cheap labor and traveling around the country to undercut local workers from getting Federal construction projects.

But the intent of the law has been twisted today. Originally set to maintain local labor standards, prevailing rates are now often set far above local averages, which discourages small and minority-owned firms from competing for Federal projects. The reform bill offered today would codify 1982 Department of Labor regulations improving the accuracy of prevailing wage determinations.

Another deterrent for small and minority-owned businesses is the mountain of paper that Davis-Bacon requires. Employers are required to submit complete, certified payroll records to the Department of Labor every week. Paperwork requirements have cost contractors, and taxpayers, $100 million a year, according to the Department of Labor, and $50 million a year, according to the Congressional Budget Office.

The reform proposal would reduce the paperwork requirement from weekly to quarterly. It is important to note that this change would not prevent contractor from keeping accurate payroll records, nor would it prevent the Government from inspecting them. However, it would allow smaller firms, which did not have the ability to complete this paperwork requirement, to compete for Government work.

The reform also exempts businesses from complying with Davis-Bacon standards when contracts are under $250,000, about 7 percent of the current dollar volume. This would save the Federal Government about $1.3 billion a year in budget authority, according to CBO estimates. The measure also prohibits the splitting up of large contracts when the intent is to avoid compliance with the act.

I urge my colleagues to support this measure to restore Davis-Bacon to its original intent, to allow small businesses a chance to compete for Government contracts, and to help reduce the Federal deficit.

TRIBUTE TO THE BEREAN INSTITUTE, 90 YEARS OF SERVICE TO THE ECONOMICALLY DISADVANTAGED

HON. WILLIAM H. GRAY III

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 9, 1989

Mr. GRAY. Mr. Speaker, I rise today to commemorate the Berean Institute, an institution that, for 90 years has contributed immeasurably to the Philadelphia community by providing education and training to disadvantaged people.

Since 1899, the Institute has been a community leader in the effort to help those individuals deprived of advantages most people take for granted. Just before the turn of the century, Dr. Matthew Anderson's innovative idea of creating a school to help former slaves became a reality. The freed slaves inundating the Philadelphia area now had a place to which they could turn to help make better lives for themselves. The Berean Manual Training and Industrial School, as the Institute was first called, gave them an opportunity to learn to learn, to develop skills and enter a trade.

Ninety years later, the Berean Institute still carries out the goals of its founder. Millinery apprenticeships may have been replaced by computer programming courses, but the function and the result are still the same; the Institute is training those who have not found the right niche in our educational system and do not have the economic means to make their own. Today, students graduate from Berean with a Business or Technical Associate Specialized Degree in such areas as business science, secretarial training, and computer science. Thousands of graduates are active members of society, contributing to all sectors of the community. Supported by prominent area businesses, the community recognizes the invaluable role of the Berean Institute.

Mr. Speaker, the problems of the underprivileged in our country are still great. Thankfully, the Berean Institute has been addressing the need for vocational education in the Philadelphia area since before the turn of the century. I am proud to stand today in recognition of their past achievements and their continued efforts to train those whose skills have not been recognized.

COMMENDING THE YOUNG MEN AND WOMEN OF EXETER AREA HIGH SCHOOL

HON. ROBERT C. SMITH

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 9, 1989

Mr. SMITH of New Hampshire. Mr. Speaker. This week, in our Nation's Capital, over 950 young people from 44 States have gathered to participate in the National Bicentennial Competition on the Constitution and Bill of Rights. I am proud to announce that a team from Exeter Area High School in my congressional district is representing New Hampshire. These young scholars have worked hard to reach the national finals by winning the district and the State competitions and I would like to wish them the best as they compete for the national title.

The members of the New Hampshire team are: Sandra Burbank, Nicole Clement, Jennifer Dion, Kristen Dobson, Paul Galli, Margaretta Gillis, Eric Gregoire, Steve Hitzrot, Ramona Johnson, Aaron Kennedy, Fiona Kenny, Amy Palmer, Tammy Pesik, Katherine Pierce, Keith Plaster, Karrie Rinder, Katrin Schneck, Stephanie Sera, Scott Sinclair, Alexander Sutherland, Diana Swart, Anna Marie Van der Kwakk, Christopher Wight, and Melinda Zych.

Along with the students, their teacher, Christine M. St. Jean, deserves much of the credit for the success of the team to date. As well, Albert Britton, the district coordinator, and Carter B. Hart, Jr., the State coordinator, have worked hard to help their team reach the finals.

The National Bicentennial Competition on the Constitution and Bill of Rights is the most extensive educational program in the country developed to educate young people about the Constitution and Bill of Rights. With the support of Congress, the active involvement of Representatives and Senators, and the efforts of thousands of civic and education leaders, the program achievements over the past two years have been dramatic: 1,022,320 students have studied the curriculum; 14,381 teachers are teaching the course; 420 congressional districts and the 5 territories have fully functioning programs; 393 U.S. Representatives are participating in their districts; and 92 U.S. Senators are supporting the program in their States.

The program provides students with a specially designed 6-week course of study designed to provide upper elementary, middle and high school students with a fundamental understanding of the Constitution and Bill of Rights and the principles and values they embody. Students complete the instructional portion of the program with a test designed to measure their "constitutional literacy" and receive a certificate of achievement signed by their U.S. Representative.

High School participants then enter a nationwide series of competitions at the con-

gressional district, State and national levels. Students testify before a panel of experts at a simulated congressional hearing designed to measure understanding and capacity to apply principles being learned to historical and contemporary events. Each year, the National Bicentennial Competition culminates in 3 days of intensive competition among classes from almost every State in the Union.

Mr. Speaker, the need to educate our young people about the Constitution and Bill of Rights is well documented. Studies have found that only slightly more than half of the students surveyed were able to identify the original purpose of the Constitution. Nearly half thought the President could appoint Members of Congress and one-third thought he could adjourn Congress when he saw fit. Indeed, another survey conducted on behalf of the Hearst Corp. suggested that over half of Americans thought that the Marxist credo "from each according to his ability, to each according to his need" can be found in the Constitution. Most alarming was the finding that a greater proportion of today's students display antidemocratic attitudes than did students in 1952.

The benefits of this educational program are clear and it is making a difference among the over 1 million students who have studied the program. A recent study has shown that the National Bicentennial Competition Program has increased the constitutional literacy of our young citizens. Students in classrooms all over the country are debating the issues that concerned the Founding Fathers and demonstrating how the Constitution's basic principles apply to them today with an extraordinary level of understanding.

The preservation of our freedom and our Nation depends upon our young people, the decisionmakers of tomorrow. We have much to gain from educating them about the Constitution, the Congress, and the continuing responsibilities of citizenship. I am proud to have students from my congressional district in the national finals and I commend each of them and their teacher for their hard work.

URANIUM ENRICHMENT REORGANIZATION AND TAXPAYER PROTECTION ACT

HON. DENNIS E. ECKART

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 9, 1989

Mr. ECKART. Mr. Speaker, the civilian uranium enrichment program, administered by the U.S. Department of Energy, has run into a host of problems. As originally envisioned, the program was supposed to operate without any direct or indirect taxpayer subsidy. Under section 161v. of the Atomic Energy Act, and congressionally approved criteria adopted thereunder, it was supposed to recover all its costs, including depreciation expenses, and a return on investment.

Unfortunately, the enrichment program has failed to recover even its costs. According to the General Accounting Office, as of 2 years ago, the total amount of unrecovered costs totaled $8.8 billion. While some persist in disputing this amount, the methodology under which it is calculated has been publicly accepted by the Office of Management and Budget and by DOE itself, and the amount in question is clearly very substantial. The $8.8 billion in unrecovered costs to date, almost all of which DOE now seeks to write off, is a measure of the taxpayer subsidy for the program thus far, notwithstanding the express requirement of section 161v. that these costs be recovered.

In addition, although DOE admits that the costs of decomissioning and remedial action are a legitimate expense of the uranium enrichment program, no money has yet been recovered from civilian customers for these purposes. This multibillion-dollar unfunded liability is another taxpayer subsidy of the program. In the meantime, DOE has issued new enrichment contracts purporting to guarantee a very low ceiling price for uranium enrichment services. DOE says that it must take such actions to meet competition, but it would appear that the agency instead is pursuing a monopolistic goal of maximizing market share regardless of the drain on taxpayers, rather than the lawfully stated goal of cost recovery. The GAO has indicated that these new contracts are inconsistent with section 161v.

All now seems to agree that the DOE program should be operated on a more business-like basis and in recognition of the competitive nature of the market, and that DOE's civilian customers should bear their fair share of decomissioning costs.

I am therefore pleased to introduce, in conjunction with Congressman GEORGE MILLER of California, the Uranium Enrichment Reorganization and Taxpayer Protection Act. This bill, when enacted into law, will reorganize the enrichment program with a clear direction both to protect taxpayer interests and to stop reliance on continued and unnecessary taxpayer subsidization of the DOE civilian uranium enrichment program. Adoption of our bill will prevent further taxpayer losses and further deterioration in the ability of the DOE enrichment program to function as a true competitive business. I urge my colleagues' support.

THE CONGRESSIONAL CALL TO CONSCIENCE VIGIL FOR SOVIET JEWS

HON. BARBARA BOXER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 9, 1989

Mrs. BOXER. Mr. Speaker, first, let me commend my colleagues Congressman KOSTMAYER and Congressman JOHN MILLER for organizing this very important effort to focus on the plight of prisoners of conscience and other persons who are seeking freedom and emigration from the Soviet Union. There is no human right more precious than freedom and we in Congress have an obligation to speak out on behalf of those who are oppressed by their governments.

Soviet emigration policies have long been a sore point in United States-Soviet relations. Despite our calls for the contrary, the emigration of Soviet Jews has always been erratic and permission to leave the Soviet Union has been awarded on a seemingly arbitrary basis.

More than 2,000 Soviet Jews, including family members, are currently being denied exit visas because they are in possession of state secrets. Medical emergencies among Soviet Jews are not cause for a more swift application and visa allocation process. And tragically, families who apply to emigrate are sometimes not allowed to leave the country together. There are now 20 family reunification cases pending in the Soviet Union involving 48 separate individuals.

In addition, Soviet Jews who apply for exit visas face incredible obstacles and severe penalties. It is unconscionable that Jews who wish to leave the Soviet Union should lose their jobs and their standing with the community, should be harrassed by Soviet agents, and should face the possibility of incarceration on trumped-up charges.

For these reasons, I think we must view current emigration levels with skepticism. While the overall numbers have increased, from 896 Soviet Jews in 1984 to 18,965 in 1988, thousands of refuseniks remain, and many of them are long-term refuseniks.

The Union of Councils for Soviet Jews estimates that there are at least 3,000 refuseniks and we can only guess how many Soviet Jews are considering departure under the present favorable climate. It is our responsibility to ensure that these Jews secure their freedom.

As part of that effort, I would like to bring just one of these refusenik cases to the attention of the House today.

Boris Kelman, his wife Alla, and their two sons Efim and Maxim, are residents of Leningrad. They first applied to emigrate from the Soviet Union in 1979 and were refused that same year for state security reasons.

A structural design engineer by trade, Boris Kelman quit his job with a research institute 2 years prior to his first application for an exit visa. Thus, he has not been privy to state secrets for over 10 years. However, since applying for permission to leave the Soviet Union, Boris has been unable to work in his chosen profession. Boris currently does unskilled maintenance work on heating and ventilation systems.

Alla Kelman has also suffered as a result of declaring her wish to leave the Soviet Union. Alla, a pediatrician, was out of work for 3 years after their first refusal. She now has a job in a state clinic but is forced to make house calls and do other odd jobs shunned by her coworkers.

Despite these hardships, the Kelman family continues to hope and plan for the day when they will receive permission to emigrate. In the meantime, they have found great strength and solace within the study and practice of Judaism.

Boris acts as a spokesman for a large circle of Leningrad refuseniks and Alla coordinates medical services for much of this community. The entire Kelman family maintains a kosher home, studies Hebrew and Judaica, and celebrates major Jewish holidays and events. It should be noted that there is a great deal of risk involved in the Kelman family's active participation in Jewish culture.

It is now 10 years since the Kelman family first applied for permission to emigrate. They

have recently endured another setback. In December, they were once again refused an exit visa. How long will the Kelman's have to wait?

Please join me in appealing to the Soviet government for a successful and prompt resolution to the Kelman family's case. In addition, please also join me in calling for the reform of the Soviet emigration process so that the fundamental human right of any individual to leave any country, including their own, is respected and upheld.

NATIONAL SCHOOL SAFETY PATROL DAY

HON. PAUL E. KANJORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 9, 1989

Mr. KANJORSKI. Mr. Speaker, each school day more than 1 million young volunteers across the Nation faithfully serve on the school safety patrol and assist their fellow classmates in route to and from school. They are unnamed, unsung, and infrequently acknowledged heroes, who are chosen for their leadership and dependability as models of good conduct.

We affectionately refer to them as crossing guards and count on them in fair and foul weather to direct traffic and to help other students develop sound and safe habits in traveling to school. They work closely with school administrators, local police departments, the American Automobile Association (AAA), and their teachers.

To honor this army of distinguished and caring young adults, I am introducing today a resolution to designate September 14, 1989 as National School Safety Patrol Day. As a former safety patrol guard myself, I feel especially privileged to rise today with this resolution as a tribute to my fellow patrol members and a salute to their excellence. And as a parent, I have watched with great admiration as many fine young adults perform the duties of this job.

Mr. Speaker, over the past several months, we have frequently heard President Bush speak of a thousand points of light, and I am pleased to report that my resolution pays tribute to the fine citizenship and exemplary service of a million points of light.

Since the inception of the School Safety Patrol Program in 1920, members have supervised traffic, provided timely information to police officers, and assisted school bus drivers by educating student passengers about appropriate safety rules. Patrol members serve daily as guardian, as friend, and as substitute parent.

My resolution honors both divisions of the school safety patrol. The AAA administers the student program, in which outstanding students are selected by their teachers to assist schoolmates in traveling between home and school. In addition, local police departments oversee the adult program in which concerned parents and neighbors promote safety.

Many legislative initiatives we pursue in this body, Mr. Speaker, result from an idea or a suggestion offered by one of our constituents. My resolution to proclaim National School Safety Patrol Day is no exception. A member of the Wyoming Area School Board for 4 years, and the father of three daughters, first approached me with this idea some time ago. With his tenure on the local school board, he has seen firsthand the importance and value of our safety patrol.

Mr. Speaker, I share the conviction that these volunteers deserve recognition and honor, both as an expression of support for their individual and collective efforts and as a means of raising public awareness about the program.

CONGRESSIONAL SALUTE TO THE BOROUGH OF WEST PATERSON, NJ, ON ITS 75TH ANNIVERSARY

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 9, 1989

Mr. ROE. Mr. Speaker, it is with the greatest pride that I rise today to salute an outstanding community in my Eighth Congressional District of New Jersey which, in 1989, is celebrating a truly historic occasion. I am speaking of the Borough of West Paterson, NJ, which in 1989 is celebrating the 75th anniversary parade.

This observance, which is a testament to the strength and perseverance of the fine people who established this outstanding municipality three-quarters of a century ago, and who have made West Paterson a thriving community at the hub of the bustling metropolitan northern New Jersey area, will be celebrated with a gala parade on Saturday, May 13, 1989.

I would like to take this opportunity to send an especially warm greeting of congratulations to West Paterson's distinguished town fathers who have done so much to make West Paterson the great community it is today—Mayor Frank Gambatese and borough council members Albert Kahwaty, James D'Errico, Maria E. LoRe, Frank Zaccaria, Aldo Napoli, and James R. DeSantis. I would also like to extend congratulations to Michael J. Muccio, parade chairman, for his vigorous efforts in putting this grand celebration together.

Mr. Speaker, the history of West Paterson is a rich and varied one. In order to best convey the spirit of this multifaceted, closely knit community, I would like to quote from the official history as written in the West Paterson 75th anniversary booklet:

The name of the borough, of course, comes from its location near the City of Paterson. The City of Paterson, however, was named for William Paterson, who had an illustrious record of service for the state and nation.

Taxation without representation and services, a battle cry of the American colonists in their struggle with Great Britain, was the battle cry of the residents of the West Park Section of Little Falls Township.

West Park residents felt they were 'assessed to the limit' and were receiving 'no benefits' while their township neighbors 'received all the cream' and 'West Park paid for it.'

On November 19, 1912, a small group of West Park residents met to form an organization to fight for the creation of a borough. These men elected Morris Kammelhor chairman and on January 7, 1913, formally moved that the proposed borough be named the Borough of West Paterson.

The fight for creation of the borough received considerable support from State Senator Peter J. McGinnis, who in March 1914 introduced legislation providing for creation of the borough and on March 25, 1914, 'An Act to incorporate the Borough of West Paterson' received final approval and was signed by Governor Fielder.

The election for the creation of the borough was held on May 1, 1914. Newspaper reports of the time predicted a one-sided victory and it was taken for granted that the borough would be voted for. When the polls closed at 9 p.m. on May 1, 1914, the voters of the district had voted 194 to 20 to approve the new borough.

Mr. Speaker, at the same time that the Borough of West Paterson was being established, so too was a vital part of that fledgling municipality—the West Paterson Fire Department. Today, recognized as one of the finest departments of its kind, the West Paterson Fire Department is comprised of West Paterson Volunteer Fire Co. No. 1, established in 1909; the Passaic Valley Volunteer Hose Co., first organized in 1912, and the Rifle Camp Volunteer Fire Co. No. 3, established in 1922.

From humble beginnings with equipment such as two-wheel hose carts drawn by hand, these units have combined to provide West Paterson and its neighbors with a tested and effective modern firefighting force that would be a credit to any municipality. I know that the West Paterson Fire Department is a great credit to its dedicated fire chief, Frank Lijoi, and an enormous source of pride to him, as it is to all West Paterson residents.

Mr. Speaker, West Paterson is, indeed, a great American community in every sense of the word, exemplifying the cohesiveness and the strong family and community values that serve as the fabric that keeps the American people and our Nation woven together.

Mr. Speaker, I invite you and your colleagues to join me in saluting a truly outstanding American community celebrating its 75th anniversary, the great Borough of West Paterson, NJ.

THE 100TH ANNIVERSARY OF THE JOURNAL-NEWS

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 9, 1989

Mr. GILMAN. Mr. Speaker, we are celebrating a number of important anniversaries this year. Recently, we marked the 200th anniversary of the First Congress. Just a few weeks ago, President Bush headed the ceremonies commemorating the 200th anniversary of the inauguration of George Washington as our first President.

This month, residents of Rockland County, NY, will be commemorating yet another anniversary, one significant to the residents of the mid-Hudson region.

One hundred years ago, Gannett's daily newspaper, the Journal-News began publish-

ing. Even in those formative days, the Journal-News early became the premier newspaper of Rockland County, a position it holds until this very day.

Mr. Speaker, we in Congress are fully aware that a newspaper is more than just a conduit of the news. It is a vital, active part of any community and part of the glue that binds the community together. It is a font of services.

On May 6, 1889, Adam C. Haesselbarth began publishing what was then called the Evening Journal on a 5-day-a-week basis. The world of which Haesselbarth reported to his Rockland County readers was quite different than the world today. Those early readers may well have read of the opening of Oklahoma to white settlers for the first time. The frontier was still a part of American life in 1889, and those early readers may well have read lurid tales of Indian attacks and cattle stampedes.

During its first decade, the Evening Journal reported the growth of our Nation. Immigration to our shores hit an all time peak during that era, and America first became a world power as a result of the Spanish-American War. The Evening Journal was right there recording all the developments of the "gay nineties", and in 1895 began publishing a Saturday edition.

The news from Europe concerned tales of Kings, Queens and Princes, for the United States was still one of the few nations with a republican form of government. With the turn of the century came new developments in the field of journalism—the first comic strips, the first crossword puzzles, and extensive sports reporting. The Journal was there, in the forefront of it all.

Early readers of the Journal may have read of early experiments with gasoline-powered vehicles, but any stories of flight through the air or the transmission of voices and pictures over great distances would have been dismissed as pure fantasy during the first 10 years of the Evening Journal.

As our Nation and our region have grown over the past 100 years, so too has the Evening Journal. In 1932, the newspaper merged with the 17-year-old Nyack Daily News, and became the Journal-News, which we read and enjoy to this day.

For the past quarter century, since 1964, the Journal-News has been an integral part of the Gannett group of newspapers. As a part of the Nation's largest—and most respected—newspaper chain, Rockland readers have come to expect the finest in world and national coverage, as well as being kept abreast in a fair, accurate, and in-depth manner, of happenings at home.

On a personal level, I can refer to the fact that the Journal-News regularly sponsored "candidates nights" open to the public during campaign season, and in many other ways strives to bring our Government closer to the people of Rockland County.

Since 1972, the Journal-News has published 7 days a week. The circulation for the weekday paper is about 40,000; circulation on Sundays reaches 50,000.

In 100 years, the Journal-News has grown side-by-side with Rockland County. From a sleepy farmland to bustling suburbia, Rockland County has grown by leaps and bounds during the past 100 years.

And the Journal-News was there recording it all.

Mr. Speaker, I invite our colleagues to join with me in wishing Paul Janensch, the editor and general manager of the Journal-News, our heartiest congratulations on this milestone occasion and to extend our best wishes to the many reporters, printers, editors, delivery persons, advertising staff, and many others who toil to make the Journal-News the finest newspaper possible.

FARM CROP ACREAGE BASE FLEXIBILITY ACT OF 1989

HON. PAT ROBERTS

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 9, 1989

Mr. ROBERTS. Mr. Speaker, today I am introducing the Farm Crop Acreage Base Flexibility Act of 1989 with my colleague Mr. STENHOLM of Texas.

The current program's acreage base system virtually prohibits producers from making rational marketing decisions, locking them into management decisions made 5 to 10 years old. In addition, the lack of program crop flexibility prevents use of soil husbandry techniques such as crop rotation, integrated pest control and crop diversification—all recognized as valuable conservation, environmental and economic management tools.

This bill would require the Secretary of Agriculture to use the authority granted in the 1985 Food Security Act to permit producers to make adjustments in their program crop bases in an offsetting manner, and would raise the act's 10 percent to 20 percent of the farm acreage base.

In addition, I would encourage those interested in other crops, such as sunflowers, soybeans, alfalfa, etc., to study their farmers flexibility needs. A viable, stable agriculture economy depends on Farm Country's ability to use common sense management and marketing strategies independent of program benefits. The net result would be a true market oriented agriculture at less long-term cost to taxpayers.

GOLDEN ANNIVERSARY OF PIEDMONT NATIONAL WILDLIFE REFUGE

HON. J. ROY ROWLAND

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 9, 1989

Mr. ROWLAND of Georgia. Mr. Speaker, the Piedmont National Wildlife Refuge in Jones and Jasper Counties, GA, is celebrating its golden anniversary this year.

President Franklin D. Roosevelt signed the executive order creating this beautiful preserve for wildlife resources in middle Georgia 50 years ago. To commemorate the event, an open house is scheduled at the refuge on Saturday, May 13, featuring a variety of exhibits, demonstrations and programs of interest for young people and adults alike.

The people of Jones and Jasper Counties are proud of the Piedmont Wildlife Refuge and, for the most part, are supportive of the National Wildlife Refuge System.

This continues to be true even though the taxpayers of Jones and Jasper Counties have been compeled to subsidize the operation of the Piedmont Refuge in recent years. Although I do not wish to put a damper on an otherwise happy occasion, it's a fact that local jurisdictions where wildlife refuges are located have financially suffered from the shortfall in the National Wildlife Refuge Revenue Sharing Fund.

The fund is fed from refuge earnings. Shortfalls are supposed to be covered with appropriations from the general treasury. The purpose is to compensate counties for the property tax revenue they lose on the tax-exempt national wildlife refuges. Due to budget cuts, however, the affected counties have been receiving substantially less than the amount of tax revenue they have been losing. Based on current estimates, they expect to experience a 40 percent shortfall during the next fiscal year.

This violates an historic Federal commitment to provide compensation in full. Congress appropriated a $1 million increase to the fund last year, which helps. But $16.9 million is needed to bring it up to 100 percent.

I recognize the full amount may be difficult to obtain this year. But in the interest of fair play, it's time for the administration and Congress to approve much more substantial increases to the fund so the Federal Government can live up to its commitment as soon as possible.

In the meantime, I congratulate everyone connected with the Piedmont Wildlife Refuge for the outstanding job they are doing in managing our wildlife and conserving our natural resources. The work they are doing is becoming increasingly important for our future.

HUMAN RIGHTS VIOLATIONS IN IRAN

HON. THOMAS J. BLILEY, JR.

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 9, 1989

Mr. BLILEY. Mr. Speaker, I would like to bring to the attention of my colleagues the human rights violations that are taking place in Iran. The cease-fire between Iran and Iraq ending the Gulf war was agreed to almost 1 year ago. Since that time, the people of Iran have not faced peace and the rebuilding of their lives and society, but growing human rights violations as their friends and family members have been imprisoned, tortured, and executed. The current surge of executions began soon after the cease-fire was agreed upon. Since the end of July 1988, there have been reportedly, over 1,000 executions of political prisoners. Relatives have heard only rumors about the fate of their loved ones. Many of those who have been put to death were held in prison longer than the sentence mandated or were re-arrested after having been released, then forced to death. These man and woman who have been executed range from secondary school students, arrested in 1981 and 1982, to doctors and social scientists. Many of these prisoners have been

held since the early 1980's though the sentences were only 6 months long. It has further been confirmed that beatings are used extensively as a judicial punishment and that there have been 21 cases of amputation used judicially for repeated theft. Prisoners are often held without charge or trial and young people are targeted by revolutionary guards who perform arbitrary searches for those under suspicion for political unrest.

There is further evidence that trials are both unfair and brief, allowing the accused no defense counsel, no witnesses and no rights of appeal against conviction or sentence. Beyond this, the Iranian authorities have denied any mass shootings, hangings, and burials though even President Sayed Ali Khamenei has countered these denials with public statements confirming such reports.

We must not permit violations of the fundamental rights for human beings in any country to persist. The loss of freedoms replaced by persecution and oppression are among the most tragic and heinous crimes the international community faces today. Though political ideals may conflict from one country to the next, we must strive to fight any violations of the fundamental human rights. Mr. Speaker, it is our responsibility as the leader of the free world to lead the battle for human rights in all nations.

HONORING LOUIS AND DOROTHY FOX

HON. BENJAMIN L. CARDIN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 9, 1989

Mr. CARDIN. Mr. Speaker, I would like to bring to the attention of my colleagues two very special people. Louis and Dorothy Fox have dedicated themselves to the State of Israel and the Jewish community.

Louis Fox has been a first in many positions. He was the first Israel bond chairman for communal resources, the first chairman of the Baltimore Committee for Soviet Jewry, first president of the Jewish Community Center, and founder of the Jewish Historical Society of Maryland.

Dorothy Fox has supported Lou in all of these and many other activities in the Baltimore Jewish community. Dorothy, a member of ORT, has given generously of her time, money and energy.

Louis and Dorothy Fox will be honored on Wednesday, May 9. That night they will be presented with the Shield of Israel Leadership Award by the State of Israel Bonds. I join with many in the Baltimore Jewish community in offering my congratulations to Dorothy and Louis Fox, and offer my thanks and appreciation for all that they have done.

ALTERNATIVE FUELS USE AN ENVIRONMENTAL IMPERATIVE

HON. MICHAEL A. ANDREWS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 9, 1989

Mr. ANDREWS. Mr. Speaker, when we think of issues of importance to us today several areas come to mind: the budget deficit, the trade deficit, the savings and loans situation. There is one issue, though, that eclipses all others in its long-term significance to all of us. It is the concern about our environment. The air we breath is becoming increasingly contaminated, the greenhouse effect endangers our global climate, and the acid rain problem is not being adequately addressed. We are literally destroying the planet on which we live for our children and our grandchildren. It is imperative that we do a better job of addressing our environmental problems.

To this end today I am introducing along with Congressman DOWNEY the Alternative Fuels Incentive Act of 1989. We are glad to be joined by many of our colleagues among whom are members of both parties from many different regions of the country.

The Alternative Fuels Incentive Act of 1989 will provide for tax incentives to encourage the use of clean burning alternative fuels in vehicles. The switch to such fuels is absolutely essential.

A look at the urban smog problem provides a graphic example. Ozone is the main ingredient in the haze that settles on most of our cities. The Clean Air Act provides for ozone attainment standards, and almost without exception, our major urban areas do not meet these standards.

The list of these nonattainment areas brings the problem home: New York, Chicago, Los Angeles, Houston, Boston, Washington, DC, Denver, Miami, Dallas, San Francisco, Cleveland, and on and on.

Nearly half of the ozone pollution problem in many areas can be attributed to vehicle emissions from the transportation sector. Reactive hydrocarbons and nitrogen oxides [NO_x] are the two primary ingredients leading to ozone pollution, and the transportation sector accounts for about 40 percent of reactive hydrocarbons and 48 percent of NO_x in urban areas. In this way reducing vehicle emissions can be a giant step in addressing the urban smog problem.

One very effective way to accomplish this goal is to move toward greater use of vehicle fuels which burn cleaner than traditional diesel and gasoline. This is the aim of the Alternative Fuels Incentive Act of 1989. This bill was introduced last in draft form and we have since had a chance to work with environmental, transportation, and energy groups and State and local officials to effect improvements.

The bill provides the needed push to start a large scale clean-burning alternative fuels movement in this country; "clean burning" is defined as natural gas, liquified petroleum gas, or a fuel which is at least 85 percent methanol, ethanol, other alcohol, or ether.

Specifically it would provide:

A 20-percent tax credit for equipment to convert a vehicle so that it may run on a clean-burning fuel;

A 20-percent credit for refueling station equipment directly related to delivering a clean-burning fuel into the fuel tank of a vehicle—including tanks for liquid fuels and compressor stations for natural gas;

A 20-percent credit for the fuel system of a new vehicle produced to run only on a clean-burning fuel; and

Credit equivalent payments to State and local agencies so that they may take advantage of the credit.

The initial effect of this legislation will be to encourage private and public fleet owners to convert their vehicles to run on an alternative fuel, and it would also encourage the development of a badly needed alternative fuels infrastructure in this country.

The benefits of using alternative fuels to combat ozone pollution are clear. Running a vehicle on natural gas, for example, can reduce reactive hydrocarbon emissions by up to 85 percent and NO_x emissions by 65 percent. Similarly, methanol powered vehicles have shown significantly reduced emission levels of these compounds.

Alternative fuels have other environmental benefits as well. They can be an effective tool against acid rain. Many of the above agents which cause ozone pollution and which are reduced by clean-burning fuels also contribute to the acid rain problem.

In addition, alternative fuels can help in addressing the global warming problem. Increased levels of carbon dioxide [CO_2] are a primary cause of the greenhouse effect and vehicles which run on cleaner burning fuels emit significantly less CO_2.

We have the technology to make alternative fuels a reality today. Only the initial cost of converting to a system of alternative fuels and natural inertia are holding us back.

For example, the cost of converting a vehicle to run on natural gas can be over $1,000. The cost of installing a compressor station for the refueling of natural gas vehicles can run into the hundreds of thousands of dollars. These costs are enormous hurdles to the development of an alternative fuels system.

It is time the Federal Government acknowledges the value of alternative fuels and encourages their use. They are an effective tool in fighting urban smog, acid rain, and global warming—some of the most serious environmental problems we face. The Alternative Fuels Incentive Act of 1989 will provide the initial support needed to start a large scale alternative vehicle fuels movement in the United States.

PEPPER-ROYBAL LONG-TERM HOME CARE BILL

HON. EDWARD R. ROYBAL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 9, 1989

Mr. ROYBAL. Mr. Speaker, less than 1 year ago, the House of Representatives was poised on the edge of an historic opportunity. On the floor of the House was the Pepper-

Roybal long-term home care bill, H.R. 3436. Sadly, the opportunity was lost as the House chose not to take an historic first step into long-term care protection and rejected the bill by rejecting the rule. Senator PEPPER and I have again introduced the Long Term Home Care Act (H.R. 2263) in an effort to once again help spur the debate over long-term care.

Though the long-term home care bill is clearly not the full answer to providing full long-term care protection for Americans of all ages and incomes, it is an important step in the right direction. Both Senator PEPPER and I will be making further proposals with respect to addressing the full long-term care problem, including nursing home and other types of care, in the near future.

The signals which we want to send with the long-term home care bill are very straightforward. First, whatever we do with respect to long-term care must include home care. People needing long-term care and the families that care for them want to make the home the cornerstone of our long-term care policy. Second, the families in need of long-term care are not just elderly but can be Americans of any age and, as a result, any long-term care bill must protect both the elderly and the non-elderly. Third, these families want to be assured that the services they receive, at a time at which they are most vulnerable, are of high quality. This bill's quality assurance provisions, as did the nursing home and home health provision of OBRA 1987, send a clear signal that strong quality assurance protections must be part of any long-term care bill.

Fourth, the Long-Term Home Care Act's financing mechanism, removing the wage cap on the Medicare payroll tax, must be used for long-term care. One result of last year's debate and subsequent introduction of a large number of long-term care bills was an acceptance that this financing mechanism ought to be reserved for long-term care. Finally, we must face the issue of cost—both short and long term—in whatever long-term care legislation we enact. The Pepper-Roybal long-term home care bill controls costs explicitly and provides complete assurance that the bill will not add to the federal deficit and will not spend regular Medicare funds.

Even if we were fortunate enough to have passed this bill last year or were to pass H.R. 2263 this year, a large amount of the long-term care solution remains to be found. On this point, the Members can be assured that Senator PEPPER and I will continue our fight for long-term care protection as we continue our battle to ensure that all Americans have affordable access to quality health and long-term care.

INTRODUCTION OF THE RAPE PREVENTION ACT OF 1989

HON. JOHN LEWIS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 9, 1989

Mr. LEWIS of Georgia. Mr. Speaker, today, I am reintroducing legislation to provide funds for the purpose of establishing and operating community-based projects to combat rape and other forms of sexual assualt. I feel compelled to introduce this legislation as an immediate response to the crisis in my district. The city of Atlanta is one of the leading cities in the number of reported incidences of rape.

The most recent FBI crime statistics indicate that 77,700 incidences of rape were reported to police officials in 1987. Unfortunately, this figure does not indicate the true number of rapes committed. Rather, the number of incidences in 1987 was closer to 148,440—twice the number of those reported—according to a survey conducted by the Bureau of Justice Statistics.

Experts disagree on methods of research, statistics, and definitions in determining the incidence of rape in the United States, but one point is indisputable: The epidemic is real and must be countered with real measures.

This legislation calls for the authorization of $5 million per year for 5 years. Federal funds would pay for 50 percent of the grant amount requested by the applicant.

The need for this legislation is clear. Rape is largely invisible and misunderstood. Misinformation and misunderstanding perpetuate myths that incorrectly place the blame on the victim and incorrectly depict the offender. Knowledge reduces fear and vulnerability; education increases power and control.

Mr. Speaker, I urge my colleagues to support this legislation.

THE 75TH ANNIVERSARY OF THE SMITH-LEVER ACT

HON. RICHARD RAY

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 9, 1989

Mr. RAY. Mr. Speaker, today is the 75th anniversary of the Smith-Lever Act of May 8, 1914. This legislation provided for the cooperative administration of extension work in local communities through a formal relationship between State agricultural colleges and the U.S. Department of Agriculture. The Department of Agriculture allotted monetary grants to each State in proportion to its rural population.

Each State has at least one land-grant institution. Enrollments vary from less than 1,000 to over 10,000 students. These institutions follow broad policies set by Federal law but are managed and largely supported by the individual State. About 40 percent of their funding comes from State appropriations, while the Federal Government supplies about 30 percent.

Land-grant institutions administer programs in most major fields of study, but place an emphasis on agriculture and home economics. They help local citizens by demonstrating scientific advances in agriculture and nutrition, and organize local farm groups through extension services.

Land-grant institutions and the Extension Service has encouraged elementary and secondary schools to teach agriculture. They sponsor 4-H clubs and home economics projects—4-H clubs are located in rural areas, small towns, and even large city suburbs. They focus on developing leadership and career skills, and show the application of science to daily life. Home economics projects focus on nutrition, care of household equipment, and management of money.

The Smith-Lever Act has done much to keep the American farmer the most productive and efficient manager of agricultural resources in the world. I am proud to recognize the significant impact the Smith-Lever Act has had on this country and its educational institutions.

A TRIBUTE TO DR. ROBERT KINDRED, M.D.

HON. CONSTANCE A. MORELLA

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 9, 1989

Mrs. MORELLA. Mr. Speaker, I would like to call to the attention of my colleagues the untimely death of Dr. Robert Kindred of Rockville on April 27, 1989. Dr. Kindred, who was 64 years old, died of leukemia at the University of Maryland Hospital in Baltimore. A highly respected physician and a teacher, he served his country in time of war and in time of peace. His death is a great loss to the people of my district and to the entire Washington medical community.

Dr. Kindred was a native of Charlottesville, VA, and a graduate of the University of Virginia and its medical school, where he also served on the medical school facility. He saw active service in the U.S. Navy during World War II and in the Korean conflict and remained in the Navy Reserve until 1988, when he retired as a commander. Dr. Kindred was chief of orthopedic surgery at D.C. General Hospital before establishing his practice in Montgomery County in 1966.

Those whose lives were touched by this fine man share the grief and sorrow of his family.

A DEDICATED PUBLIC SERVANT

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 9, 1989

Mr. SKELTON. Mr. Speaker, last week we learned that Alan Kranowitz, assistant to the President for legislative affairs in the last 2 years of the recent administration retired after 25 years of Government service. While at the White House, Alan worked tirelessly on many occasions for various programs. On some we were able to work together; on others we weren't. Yet Alan always showed himself to be gracious, straightforward, and honest. He will be missed by those of us who had the opportunity to work with him.

Alan has taken up new duties with the National Association of Wholesaler-Distributors as senior vice president, Government relations. I want to wish him all the best as he assumes his new responsibilities in the private sector.

INTRODUCTION OF LEGISLATION ON THE UNRELATED BUSINESS INCOME TAX

HON. BRIAN J. DONNELLY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 9, 1989

Mr. DONNELLY. Mr. Speaker, I am introducing legislation today to clarify that certain items of income received by tax-exempt organizations are unrelated business income and subject to tax.

Mr. Speaker, the latest rage in fundraising gimmicks by organizations which are exempt from tax under section 501(c) of the Internal Revenue Code are so-called affinity credit cards. Typically, a tax-exempt organization—such as a college or university—will participate in a solicitation of its members by a bank for credit card applications. For every member who applies for a credit card, the exempt organization will receive a flat dollar amount, plus a percentage of the total charge made to the card by the member, plus a flat amount for each renewal of the card. The Wall Street Journal reported a prediction in September of 1987 that "within the next few years there won't be any nonaffinity group cards."

My bill clarifies the tax treatment of the amounts which these organizations receive from affinity card transactions. Section 511 of the Internal Revenue Code imposes a tax on the unrelated business income of charitable and other organizations. Under the income tax regulations, income is unrelated business income if it is derived from a trade or business which is regularly carried on, and not substantially related to the organization's exempt purpose.

Under present law, several items of passive income—such as royalities, rents, dividends, interest, and other items—are excluded from the calculation of unrelated business income under Internal Revenue Code section 512. Income derived from the exchange of mailing lists between tax-exempt organizations is not subject to the unrelated business income tax under Code section 513.

Obviously, objective tests such as "not substantially related" are extremely difficult for the Internal Revenue Service to enforce. Nonetheless, in Revenue Ruling 72-431, 1972-2 CB 281, the Service held that a regular sale of membership mailing lists by an exempt educational organization constituted an unrelated trade or business. This revenue ruling seemed dispositive of this question—and would seem to clearly apply the unrelated business income tax to organizations engaging in affinity card transactions—until the announcement of a private letter ruling by the Internal Revenue Service in 1987 which has further confused the issue.

In private letter ruling 8747066, the Service reasoned that the income derived from an affinity card transaction entered into between a tax-exempt fraternal organization and a bank would be unrelated business income. Nonetheless, the private letter ruling indicated that the amounts received from the transaction would be royalty income and therefore excludable from the calculation of unrelated business income.

Although the term royalty is not defined in code section 512, the term has been defined as "amounts received not only for the use of patents and copyrights, but for secret processes and formulas, good will, trademarks, trade brands, franchises, and other like property." *Commissioner* v. *Affiliated Enterprises,* 123 F. 2d 665, at 668 (1941). The payment "must relate to the use of a valuable right." Rev. Rul. 81-178, 1981-2 CB 135. Apparently, the preliminary assessment by the Internal Revenue Service had been that the income received from an affinity card transaction can be excluded from the computation of unrelated business income as a payment for "the use of a valuable right."

In April 1988, however, the Internal Revenue Service revoked its earlier private letter ruling. In General Counsel Memorandum 39727, the Service noted that the transaction is not an exchange of membership lists, and thus not subject to the general exclusion in section 513(h)(1). In addition, the Service concluded that the royalty exclusion is not applicable to these transactions. Thus, the position of the Internal Revenue Service at the present time appears to be that income from affinity credit card transactions is subject to the unrelated business income tax, and not royalty income subject to exclusion.

My bill would codify the result reached in GCM 39727 and provide that income received in connection with the sale, rental, or grant of a right to use lists of members, customers, or contributors to tax-exempt organizations would be unrelated business income. In addition, the bill is intended to codify so much of Rev. Rul. 72-431 that applies to the sale of membership lists to taxable business or other entities. Code section 513(h)(1) is not disturbed by this legislation. Additionally, my bill clarifies that the income received is not to be treated as one of the modifications—or exclusions—listed in code section 512(b). The provision would be effective for amounts received or accrued after April 28, 1988, the date of publication of the General Counsel Memorandum, although no inference should be drawn from this date as to the proper treatment of amounts received before April 28, 1988.

I am also troubled by reports which I have seen which suggest that individual States may be contemplating issuing affinity-type credit cards. The unrelated business income tax does not apply to States, and section 115 of the Internal Revenue Code excludes from gross income the "income derived from . . . the exercise of any essential governmental function and accruing to a State or political subdivision thereof, or the District of Columbia." It is my belief that income which States receive from affinity credit cards is not excludable under section 115 because it is not an essential governmental function to put residents of a State further in debt. If legislation is necessary to further clarify this point, I intend to amend my legislation in this regard as it moves through the legislative process.

Mr. Speaker, let me stress that my intent is not to stop these transactions. I just want to ensure that the amounts received are treated for what they are: Unrelated business income. As a member of the Committee on Ways and Means, I will push for speedy action on this measure either separately or in the context of a larger review of the tax treatment of unrelated business income.

TRIBUTE TO LOUIS CURCIO

HON. ELIOT L. ENGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 9, 1989

Mr. ENGEL. Mr. Speaker, on June 30, 1989, a devoted community leader Louis M. Curcio will be completing 9 years of service to community school board No. 8 in the Bronx, the last 4 years as its president.

Louis Curcio is one of those types of individuals that has shown dedication and devotion to his community that is rarely matched. Louis Curcio is a lifelong resident of the Pelham Bay area of my congressional district and currently serves as president of the Pelham Bay Taxpayers and Civic Association.

But, the most outstanding attribute of Lou Curcio has been his devotion to children. In addition to being a teacher at Lehman High School in the Bronx, Lou's work with school board No. 8 is something we are most proud of. He has been an outstanding example of what commitment to quality education is all about.

While he will be missed from the school board, he leaves behind a solid foundation on which to build.

POUND FOR POUND, SUGAR RAY ROBINSON WAS SWEETEST

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 9, 1989

Mr. STOKES. Mr. Speaker, I rise today to eulogize an American legend—Sugar Ray Robinson, who died April 12, 1989, leaving a legacy of sportsmanship and colossal athletic achievements for future generations to admire. The world has lost a remarkable athlete, who has been the standard upon which many have emulated throughout the world of boxing. He devoted his life to a sport which he loved, a sport which was greatly influenced by his skill and expertise in the boxing ring.

In his prime, Robinson was the best prizefighter pound for pound, anywhere. During a career that spanned a quarter-of-a-century, Robinson won 175 fights of which 110 were knockouts. He earned the distinction of being a 5-time world middleweight and welterweight champion. He was never knocked out, and he was relentless in the ring. Only once in his career was he stopped, when he collapsed from the sweltering heat in the ring during a 1952 light-heavyweight title bout against Joey Maxim. Sugar Ray Robinson's awesome abilities have prompted boxing experts and enthusiasts to rank him as the best fighter who has ever lived.

The boxing world was enriched by having Sugar Ray Robinson in its midst. Robinson contributed a great deal to the advancement of the sport through his innovative techniques and unique style. Many great champion fight-

ers have imitated the grace and poise with which Sugar Ray Robinson controlled the right. Muhammad Ali incorporated Sugar Ray's litheness into his own unique style. Likewise, Sugar Ray Leonard, the middleweight and welterweight champion of recent years, has had his sprynes in the ring compared to his namesake, Sugar Ray Robinson.,

During his lifetime, Robinson provided inspiration to aspiring young boxers everywhere. His style and technique have been copied over and over again by fighters. Speed, agility, stamina and raw energy where the key ingredients to Robinson's winning form in the boxing ring. This form, which combined superior footwork with powerful and quick hand motion, was lethal to opponents during Robinson's prime.

Despite his successes, Robinson experienced set-backs in his boxing career, but he came back again and again, even when the odds were against him. He would lose his title four times and regain it each time in spectacular comeback matches. After losing his title to Paul Pender and also losing the rematch, Sugar Ray Robinson announced his retirement from boxing for good. Two years later, in 1967, he was elected to the Boxing Hall of Fame.

Sugar Ray Robinson's retirement from the boxing ring did not end his popularity among his many fans nor the young boxers who sought his expertise. Boxing champions of recent years consistently name Sugar Ray Robinson as a source of their inspiration. This influence on young people meant a great deal to Robinson, even more than the professional accolades he acquired.

Robinson was committed to the goal of keeping youth off the streets and giving them meaningful and constructive alternatives. In 1969, Robinson established the Sugar Ray Robinson Youth Foundation, a nonprofit organization based in Los Angeles that helps over 2,000 young people each year to reach their personal goals. The foundation has been instrumental in developing role models for young people, namely Florence Griffith Joyner, a three-time gold medal winner in the 1988 Summer Olympic Games and a graduate of the foundation.

Mr. Speaker, I am sure that my colleagues will join me in extending condolences to Sugar Ray Robinson's widow, Mrs. Millie Bruce Robinson, and other surviving members of his family. In memoriam to an outstanding athlete, I would like to bring to my colleagues' attention the following article which appeared in the Washington Post the day after Sugar Ray Robinson's death. The writer, Shirley Povich, captures the spirit of Sugar Ray Robinson at his best, boxing with his heart and soul.

POUND FOR POUND, SUGAR RAY ROBINSON WAS SWEETEST

(By Shirley Povich)

There was a sadness in the news that came out of that hospital room in Los Angeles yesterday. They said Sugar Ray Robinson had died. He was 67 years old, beset by many illnesses. But for those with the memories, there still is a temptation to muse that had they laced a pair of boxing gloves to his fists Sugar Ray would not have lost that last decision.

It is fair to say that until he came on the scene as a street kid in 1940, winning his first pro fight with a two-round technical knockout, the likes of Sugar Ray Robinson had never been known to boxing in its two centuries of history. He still defied comparison to the day of his death. To suggest that another of his kind had come along was fatuous. None would dare, so supreme was Sugar Ray as the complete artist in the prize ring, the five-time middleweight champion.

It was never extravagant to say of Sugar Ray that he was "pound for pound, the world's greatest fighter." He was, by general agreement, and he has given that phrase to the language. When Robinson stepped into the ring, his black hair pomaded to a bright sheen, the impression always was that Sugar Ray was in control when the opening gong sounded.

In his 17th year in the ring, in 1957, he reclaimed the middleweight title he lost to Gene Fullmer. The ending of that bout brought from one ringsider the exclamation that, "Jeez, he's always knocking out middleweight champs." Before Fullmer it was Bobo Olson, the Englishman Randy Turpin and Jake La Motta. Also throw in Rocky Graziano (the ex-champion, by knockout) and Carmen Basilio, the champion, by decision. They all felt his sting, all were outboxed. He was the boxer-puncher, assessing, reconnoitering, his hands in classic position, feet moving in easy glides that masked his purpose: was he intent on administering a boxing lesson, or setting the guy up for a knockout? In the 175 bouts he won, he stopped 110 opponents. Often, his hair was unmussed.

He was 36 years old, some say 37, when he got his title back in 1957 from Fullmer, who had licked him by a decision five months earlier. The extent of the speculation was that Robinson might win this one by a decision. Never was it suspected that Robinson on any night would be a 3½-to-1 underdog.

Going into the fifth round, the signs were there. Things weren't going well for him. Sugar Ray had slowed, badly, and in all of his moves he seemed to be a bummer. Or was he setting a trap? Halfway through the fifth, the fastest hands in boxing took care of everything Sugar Ray lacked in his legs. He uncorked a flashing left hook and his worries were over for the night. Fullmer, the rugged one who had never been knocked down, was now knocked out. Critics agreed that after that last punch Chicago would be known as the Louvre of left hooks.

There would have been another title for Sugar Ray in 1952, the world's light heavyweight title that Joey Maxim took into the ring against him that night. Maxim didn't beat him, the climate did. Sugar Ray had stepped out of his class to fight light heavy and was in command against Maxim for 13 rounds, outboxing that boxer. But now the ringside heat was registering 130 degrees. The original referee already had been relieved as a heat victim in mid-fight. And now those 130 degrees saved Maxim his title. At round's end, Sugar Ray staggered into the arms of a corner man, wilted.

It had not been a fair test for Sugar Ray a year earlier when he lost his title to Turpin by a decision in London. He swept into England after touring all Europe with a huge entourage that included ladies of his choice, as was his style. After he lost the fight, it was written that "Sugar Ray fought in London but left his legs in Paris."

For their return fight in New York, Sugar Ray was guaranteed what was then hailed as "the fabulous sum of $75,000," which in this age would be equal to a payday of one of Sugar Ray Leonard's deputy assistant associate trainers. Robinson was in trouble in their return match, a loser until the 10th round when the time came to risk a right hand with everything he could summon. It won him the fight instantly.

For Sugar Ray Robinson, the finish was not a pretty story. He retired and unretired many times. Went into show business as a dancer, found the paydays meager, and missed the big money in boxing. During this period, he was constantly asked for guidance by Muhammad Ali when his own big fights came up, so high was his esteem for Sugar Ray as a ring master.

Unhappily, Sugar Ray fought long beyond his time into his 25th year in the prize ring, and he was now a spectacle of tattered skills and ring rust and a pawing relic of what had been his glorious wars. He was reduced to meager paydays and took numerous lickings from such nondescripts as Denny Moyer, Mick Leahy, Stan Harrington and Memo Ayon in seedy rings in Tijuana and other low rent arenas. We prefer the other memories of the super champion of all times.

CAREER MILESTONES

May 3, 1921. Born in Detroit as Walker Smith Robinson Jr.

Oct. 4, 1940. Wins first pro fight with second-round TKO of Joe Echevarria in New York.

Dec. 20, 1946. Wins the vacant world welterweight title with a 15-round decision over Tommy Bell in New York.

Feb. 14, 1951. Stops Jake LaMotta with a 13th-round TKO to win the world middleweight title. It is the last of his six fights against LaMotta and the only one not to go to a decision.

July 10, 1951. Loses middleweight title to Randy Turpin in London on a 15-round decision.

Sept. 12, 1951. Regains middleweight title with 10-round TKO of Randy Turpin in New York.

March 13, 1952. Retains middleweight title with 15-round decision over Bobo Olson.

April 16, 1952. Retains middleweight title with third-round knockout of Rocky Graziano.

June 25, 1952. Loses bid for world light heavyweight title in 14th-round TKO by Joey Maxim in New York. It is the only time he fails to go the distance.

Dec. 18, 1952. Announces retirement.

Oct. 20, 1954. Announces return to the ring.

Dec. 9, 1955. Regains world middleweight title with second-round knockout of Bobo Olson.

May 18, 1956. Retains middleweight title with fourth-round knockout of Bobo Olson.

Jan. 2, 1957. Loses the middleweight title in a 15-round decision to Gene Fullmer in New York.

May 1, 1957. Regains middleweight title with a fifth-round knockout of Gene Fullmer in Chicago.

Sept. 23, 1957. Loses middleweight title in a 15-round decision to Carmen Basilio in New York.

March 25, 1958. Regains middleweight title with 15-round decision over Carmen Basilio in Chicago.

Jan 22, 1960. Loses middleweight title to Paul Pender in 15-round decision in Boston.

June 10, 1960. Loses bid for middleweight title in 15-round decision to Paul Pender.

Dec. 3, 1960. Draws with Gene Fullmer in bid to win NBA middleweight title.

March 4, 1961. Loses 15-round decision to Gene Fullmer in bid for NBA middleweight title. It's the last of four classic fights with Fullmer in which Robinson wins just once, loses twice and draws one.

Nov. 10, 1965. Loses to Joey Archer in 10-round decision at Pittsburgh.

Dec. 10, 1965. Announces retirement with record of 175 victories (110 by knockout), 19 losses (one by TKO) and six draws. Two fights were stopped for technical reasons with no winner declared.

April 12, 1989. Dies in Culver City, Calif.

A TRIBUTE TO FRANCOIS N. PALMATIER

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 9, 1989

Mr. PORTER. Mr. Speaker, I take this opportunity to pay tribute to Francois N. Palmatier, one of the most respected and dedicated citizens of Arlington Heights, IL. Mr. Palmatier is retiring after 32 years of public service, and the residents of Arlington Heights will miss his leadership.

Frank's legacy of public service began with his involvement in the Arlington Heights Caucus, a homeowners group active in screening potential candidates for local office. In 1957, Frank was appointed to the zoning board of appeals of Arlington Heights, and served as chairman from 1961 until 1965. In addition, Frank has been an elected village trustee for an unprecedented six terms.

His enduring legacy is seen all over the village of Arlington Heights. Perhaps Frank's most notable contribution came as chairman of the Citizens Action Committee Against Flooding. In the late 1960's and early 1970's parts of Arlington Heights were subject to horrendous flooding and thousands of the basements were submerged every year. Frank took it upon himself to spearhead improvements. Under his supervision, Arlington Heights constructed a new sewer system, and a detention pond as well as a second basin for overflow rainwater. Frank also worked with developers to revitalize the downtown area and participated in the talks that brought Lake Michigan water to Arlington Heights via a new pipeline.

Despite his outstanding role in public service in Arlington Heights, Frank and his wife, Celia, raised six children and were actively involved in the First United Methodist church Choir. In addition, Frank built a thriving patent law practice in Chicago.

Frank Palmatier is a model citizen who has dedicated his life to bettering the lives of those around him. His hard work and dedication to the residents of Arlington Heights will be missed, but his legacy of civic improvement and hard work are enduring and will serve as a model for those who seek to follow in his footsteps. I wish Frank all the best and join the residents of Arlington Heights in thanking him for his selfless contributions to the community.

THE IMPORTANCE OF SCORE

HON. RICHARD RAY

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 9, 1989

Mr. RAY. Mr. Speaker, since earliest times, Americans have helped one another get ahead. There is a noble trait in the American ethic that says we get our biggest thrill from seeing and helping somebody else succeed. No organization personifies this trait better than the Service Corps of Retired Executives.

Made up of 13,000 volunteers who provide their services at 750 locations, SCORE counseled, trained, and disseminated information to over 300,000 people last year. Since 1964, SCORE has counseled well over 2,000,000 individuals.

SCORE is an example of the type of government/private sector partnership we need to encourage and support. Support for SCORE is vital to our economy because business failures are costly in terms of personal loss as well as tax revenues.

For each 100 people SCORE counsels, they usually recommend less than 5 proceed. Some have to do more homework and some would just be wasting their personal savings and making a tragic mistake. Regrettably, many people never get any counseling and a large part of that problem is that SCORE has not had sufficient funds.

Since fiscal year 1981, when SCORE received $2,120,000, inflation has reduced the buying power of the dollar by at least one-third. The workload for SCORE chapters has increased by at least that amount since fiscal year 1981. They are now a much larger organization than they were then—some 15 percent to 25 percent more members, chapters, and satellites.

Although SCORE obtained an increase in appropriations to $2,500,000 in fiscal year 1989, part of that had to be used to pay expenses incurred in fiscal year 1988 for clerical support no longer provided by SBA and for the operation of the National SCORE Office.

Increasingly, SCORE has had to bear costs formerly absorbed by SBA as, for example, SBA/BD publications for client counseling ($100,000), the SBA Management Information System ($75,000), and SCORE insurance premiums ($25,000).

Some chapters have had to curtail counseling activities for lack of travel funds as well as on-site visits which, in many cases, are essential for effective counseling.

Many of our members have had to forego reimbursement for travel expenses to counsel clients, an unfair penalty for a conscientious volunteer counselor.

Between 1981 and 1987, SCORE achieved an increase of 24 percent in new counseling cases and an increase of 36 percent in follow-up visits or counseling actions. Workshops conducted by SCORE for present and prospective small business owners/operators grew by 10 percent in numbers and attendance over the previous year. Growth in 1988 continues at a similar rate.

SCORE needs an increase to $3,000,000 in fiscal year 1990 just to avoid a forced curtailment of its operations.

Of that amount, $300,000 will be used for reimbursement of travel expenses to our members, $100,000 will be used to pursue the new initiatives dictated by new legislation, or by Small Business Administration—International Trade, Women's Business Ownership, Veterans' Business Counseling, Rural Development, and Youth Entrepreneurship. Additional training cost, overhead expenses for SBA/BD publications for counseling purposes, and clerical support at minimal levels account for the balance of $100,000.

SCORE celebrates the 25th anniversary of its founding this October. It would be ironic indeed if SCORE were forced to reduce its activities in the same year that it celebrates the continuing growth and expansion of those activities since its founding in 1964.

JON GOODMAN: A GOOD FRIEND TO HOUSTON AND SMALL BUSINESS

HON. JACK FIELDS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 9, 1989

Mr. FIELDS. Mr. Speaker, a good friend of Houston, TX, and a good friend of small business is about to leave Houston in order to begin a new and challenging assignment. I want to take this opportunity to salute this remarkable women who has given so generously of her time and talents to make Houston a better place to live—and a better place in which to do business.

Dr. Jon Goodman currently serves as regional director of the University of Houston Small Business Development Center. In June, she will become director of an entrepreneur program at the University of Southern California.

The University of Houston Small Business Development Center, which Dr. Goodman founded 5 years ago as the first in Texas, recently was named one of the most innovative programs in the Nation.

Through a variety of assistance programs, the SBDC has helped start more than 1,400 new businesses in the gulf coast region and assisted many existing businesses. Through that assistance, an estimated 8,500 jobs have been created or saved in the gulf coast area. In addition, the SBDC has helped Houston area companies obtain more than $120 million in Government contracts.

Today, the SBDC, which is financed by the University of Houston and the Small Business Administration, consists of 11 subcenters and 14 satellite centers throughout a 32-county area.

Since it was founded by Dr. Goodman 5 years ago, the Small Business Development Center has provided Houston area small business owners—and Houstonians wishing to begin small businesses—with the information and guidance necessary to help them succeed. And Dr. Goodman personally has provided the leadership and the knowledge to help Houston area business owners prosper in one of the toughest economic periods that our area has ever faced. Largely because of her leadership and her skill, Houston is coming

back in a big way—stronger, more prosperous, more diversified, and more ready than ever to meet the challenges which face it.

As someone who has had the opportunity to work closely with Dr. Goodman during the last 5 years, I commend this outstanding woman for her commitment to helping the small business community and the entire Houston area. We deeply appreciate her efforts on behalf of the Houston area; we will miss her intellect and dedication; and we wish her the very best as she embarks on her new career in California.

INTRODUCTION OF LEGISLATION CONCERNING MEDICARE REIMBURSEMENT FOR SEAT-LIFT CHAIRS

HON. BRIAN J. DONNELLY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 9, 1989

Mr. DONNELLY. Mr. Speaker, I am introducing legislation today to crack down on an abuse of the Medicare Program. This abuse is being investigated by the overworked and dedicated inspector general's office at the Department of Health and Human Services and concerns reimbursement under the Medicare Program for national seat-lift chairs.

The outrageous marketing practices by seat-lift chair manufacturers and distributors leave Medicare beneficiaries vulnerable to high-pressure sales tactics, often on television, but also by telephone, and mail. These solicitations suggest that beneficiaries can obtain the chairs at little or no cost, while Medicare picks up the tab. At a time when the Committee on Ways and Means is faced with the prospect of cutting over $2.3 billion from the Medicare Program, I fail to see why the taxpayers and senior citizens of America should be subsidizing the advertising costs of seat-lift chair manufacturers.

I am not suggesting that there is not a need for Medicare coverage of seat-lift chairs; certainly, a segment of Medicare beneficiaries need the benefit. But chairs for which the program has paid up to $1,200 when in fact the inspector general recommends paying about half that amount suggests that the good part of the markup comes from advertising costs. The Medicare Program should not pay the advertising costs of high-pressure salespersons.

Thus, while my bill does not deny coverage for seat-lift chairs, it reduces reimbursement for it. In addition, the bill makes other payment changes to ensure that beneficiaries are not disadvantaged. Finally, it makes administrative changes which will put an end to abusive marketing practices and help ensure that chairs go only to those who need them.

A description of the legislation follows:

DESCRIPTION OF LEGISLATION

PRESENT LAW

Part B of the Medicare program treats payment for durable medical equipment as a covered service. Under Part B of the Medicare program, payment to the provider of a covered service is 80 percent of the reasonable charge after the beneficiary pays a $75 deductible. The beneficiary remains liable for the 20 percent copayment, as well as amounts beyond the reasonable charge which the provider "balance bills" the beneficiary.

The Medicare Catastrophic Coverage Act (P.L. 100-360) will, beginning in 1990, limit the liability of beneficiaries for the 20 percent copayment after the beneficiary has incurred more than $1,370 in covered Part B charges. To the extent that a beneficiary has exceeded the $1,370 limit, the Medicare program will pay 100 percent of the reasonable charge.

Under present law, durable medical equipment is defined as equipment which can withstand repeated use, is primarily and customarily used to serve a medical purpose, is generally not useful to a person in the absence of an illness or injury, and is appropriate for use in the home. If a particular piece of equipment is considered useful to persons who are not ill or injured as well, Medicare will cover the equipment if the item is clearly shown to be serving a therapeutic purpose in an individual case, the item is included in a physician's course of treatment, and a physician is supervising its use. Typically, these physician determinations are made on a "medical necessity" form.

Since 1978, the Medicare program has treated seat-lift chairs as durable medical equipment.

EXPLANATION OF PROVISION

Under the bill, reimbursement for seat-lift chairs is automatically reduced by 15 percent. Thus, for example, if the reasonable charge for a seat-lift chair in a region is $800, the bill would require that level be reduced to $680.

In addition, the bill prohibits suppliers of seat-lift chairs from balance billing Medicare beneficiaries, subject to civil penalties and exclusion from the Medicare program. Thus, suppliers would be unable to shift the reduction in reimbursement to beneficiaries.

Finally, the bill prohibits suppliers of durable medical equipment from providing medical necessity forms to beneficiaries. The forms must be provided by the beneficiaries' physician.

EFFECTIVE DATE

The provisions of the legislation are generally effective for seat-lift chairs provided on or after October 1, 1989.

MONIKA EDWARDS HARRISON

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 9, 1989

Mr. CONTE. Mr. Speaker, upon the occasion of Small Business Week 1989, I rise to pay tribute to the Small Business Administration's Associate Administrator for Procurement Assistance, Monika Edwards Harrison. Since Small Business Week 1986, Monika has been the guiding hand of Federal procurement policies for small business nationwide. We are all greatly indebted to her for her outstanding performance on behalf of America's small business.

Those of us who have had the distinct pleasure of working with her on small business issues know her to be a committed, caring, and capable administrator whose devotion to job made her a most effective advocate. Through her support and counsel, I was able to introduce H.R. 3921, a bill to enhance the powers of the SBA's breakout procurement center representatives, which ultimately became section 110 of Public Law 100-590, the Small Business Administration Reauthorization and Amendment Act of 1988. As a direct result of this legislation, small business will receive a greater portion of Government contracts and the enhanced small business competition will generate substantial cost savings to the taxpayers.

Before coming to the SBA, Monika had served with distinction in the State of Florida as a cabinet aide to the State treasurer and advisor to the president of the Florida Senate. She has the honor of being the first woman cabinet aide in Florida's history. In Washington, she has served with distinction at the Department of Agriculture as a legislative analyst, the Department of Education as Acting Assistant Secretary for Elementary and Secondary Education, and the Institute of Museum Services as Deputy Director and Acting Director. She was also named the Outstanding Young Woman in America in 1984.

The theme for Small Business Week 1989, is "Small Business Is America's Future." It is decidedly appropriate. Three years ago this week Monika came to the SBA and at week's end she will be leaving to pursue a career in the private sector. For those 3 years Monika has worked hard to give America's small businesses a secure future. Today, small business participation in Federal procurement opportunities has never been better. Tomorrow, America's small businesses will confidently power our country into the 21st century, in part, because people like Monika Edwards Harrison believe in small business and serve them so well. We wish her success in her new venture and salute her for her outstanding performance at the Small Business Administration.

FINANCIAL STATEMENT OF F. JAMES SENSENBRENNER, JR.

HON. F. JAMES SENSENBRENNER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 9, 1989

Mr. SENSENBRENNER. Mr. Speaker, through the following statement, I am making my financial net worth as of March 31, 1989, a matter of public record. I have filed similar statements for each of the 10 preceding years I have served in the Congress:

ASSETS

Real property	Value
Single family residence at 609 Fort Williams Parkway, City of Alexandria, VA, at assessed valuation. (Assessed at $626,100.00. Ratio of assessed to market value—100 percent.) (Encumbered)	$626,100.00
Condominium at N76 W14726 North Point Drive, Village of Menomonee Falls, Waukesha County, WI, at assessor's estimated market value. (Unencumbered)	68,900.00
Undivided 25/44ths interest in single family residence at N52 W32654 Maple Lane, Village of Chenequa, Waukesha County, WI, at 25/44ths of assessor's estimated market value of $239,300.00. (Unencumbered)	135,965.90
Total real property	830,965.90

PERSONAL PROPERTY

No. of shares	Common and preferred stocks	Value
338	Firstar Corp. at $29.00	$9,802.00
436.654	American Telephone & Telegraph at $31.50	13,754.60
558	Idaho Power Corp. at $23.375	13,043.25
450	First Interstate Bancorp. at $46.875	21,093.75
132.863	American Information Technologies at $51.375	6,825.84
87.945	Bell Atlantic at $76.25	6,705.81
197.802	Bell South at $43.375	8,597.66
89.300	NYNEX, Inc. at $70.75	6,317.97
148	Pacific Telesis, Inc. at $35.00	5,180.00
136.912	Southwest Bell, Inc. at $44.875	6,143.93
89.680	US West, Inc. at $62.375	5,593.79
583.750	Tenneco Corp. at $50.625	29,552.34
580	Nevada Power Co. at $19.375	11,237.50
419	Newell Corp. at $34.00	14,246.00
720	General Mills, Inc. at $59.125	42,570.00
800	Kellogg Corp. at $63.625	50,900.00
2,000	Dunn & Bradstreet, Inc. at $50.50	101,000.00
1,000	Halliburton Co. at $30.125	30,125.00
18,576	Kimberly-Clerk Corp. at $61.00	1,133,136.00
500	Minnesota Mining & Manufacturing at $67.00	33,500.00
100	Rank Organization ADR at $15.375	1,537.50
2,132	Exxon Corp. at $43.875	93,541.50
1,162	Amcoc Corp. at $41.125	47,787.25
156	W.A. Krueger Co. at $10.375	1,618.50
1,080	Eastman Kodak Co. at $45.375	49,005.00
1,075	General Electric Co. at $44.50	47,837.50
408	General Motors Corp. at $41.50	16,932.00
20	General Motors Corp., Series H at $26.25	525.00
5,213	Merck & Co., Inc. at $64.75	337,541.75
476	Warner Lambert Co. at $84.875	40,400.50
700	Continential Corp. at $31.875	22,312.50
200	Sears Roebuck & Co. at $42.625	8,525.00
910	Ogden Corp. at $27.25	24,797.50
455	OMI Corp. at $7.50	3,412.50
418	International Business Machines at $109.125	45,614.25
26	Sandusky Voting Trust at $73.00	1,898.00
26	Wisconsin Securities of Delaware Liquidating Trust at $16.53	429.78
711	Monsanto Corp. at $93.875	66,745.13
150	E.I. du Pont at $102.25	15,337.50
450	Houston Industries, Inc. at $27.75	12,487.50
525	Pacific Gas & Electric, Inc. at $17.75	9,318.75
512	Wisconsin Energy Corp. at $25.50	13,056.00
900	Abbott Laboratories, Inc. at $54.75	49,275.00
1,282	Bank One Corp. at $25.375	32,530.75
127	Premark International Inc. at $33.375	4,238.63
100	Unisys, Inc., preferred at $48.75	4,875.00
333	Benton County Mining Co. at no value	nil
	Total common and preferred stocks	2,500,905.73

Face amount	Life insurance policies	Cash surrender value
$12,000	Northwestern Mutual—No. 4378000	$16,732.12
$30,000	Northwestern Mutual—No. 4574061	39,859.32
$10,000	Massachusetts Mutual—No. 4116575	3,774.88
$100,000	Massachusetts Mutual—No 4228344	68,945.43
$25,000	Old Line Life Insurance Co.—No. 515950	18,935.48
	Total life insurance policies	148,247.23

Bank and Savings & Loan accounts:	
Bank One, Milwaukee, N.A.—Checking account No. 0046–2366	$6,649.39
Bank One, Milwaukee, N.A.—Preferred savings account No. 4158–8070	150,635.77
Bank One, Milwaukee, N.A.—Savings account No. 497–525	580.73
Federated Financial Savings & Loan of Butler, WI—Savings account No. 2–0033296	1,131.63
Sergeant at Arms, U.S. House of Representatives—Checking account No. 748	474.18
Burke & Herbert Bank of Alexandria, VA—Checking account No. 601–301–5	(169.50)
Federated Financial Savings & Loan of Butler, WI—Individual retirement account	23,394.85
Total bank and savings & loan accounts	182,697.05
Miscellaneous:	
1985 Pontiac 6000 automobile (at Blue Book trade-in value)	5,200.00
Office furniture and equipment (estimated)	1,000.00
Furnitrue, clothing and personal property (estimated)	95,000.00
Stamp collection (estimated)	23,000.00
Interest in Wisconsin Retirement Fund	29,007.49
Deposit in Congressional Retirement Fund	53,900.12
Deposit in Federal Thrift Savings Plan	10,540.95
Traveller's checks	6,250.00
Total miscellaneous	223,916.56
Total assets	3,886,732.47

LIABILITIES

Sovran Mortgage Company of Richmond, VA (amount due on mortgage on Alexandria, VA residence loan 564377	$184,242.13
Miscellaneous 30 day charge accounts (estimated)	2,000.00
Total liabilities	186,242.13
Net worth	3,700,490.34

STATEMENT OF 1988 TAXES PAID

Federal income tax	$41,041.00
Wisconsin income tax	12,453.00
Menomonee Falls, Wis. Property tax	1,944.00
Chenequa, Wis. property tax	6,465.00
Alexandria, VA property tax	6,423.00

I further declare that I am the direct beneficiary of two trusts. I have no control over the assets of these trusts. My wife, Cheryl Warren Sensenbrenner, and I are trustees of separate trusts established for the benefit of our minor sons, F. James Sensenbrenner III and Robert Alan Sensenbrenner and are also custodians of accounts established for the benefit of each son under the Uniform Gifts to Minors Act.

Also, I am neither an officer nor a director of any corporation organized under the laws of the State of Wisconsin or of any other State or foreign country.

IN HONOR OF MAY 10, 1989, THE DAY FOR THE TEACHER, LITTLE LAKE SCHOOL DISTRICT, SANTA FE SPRINGS, CA

HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 9, 1989

Mr. TORRES. Mr. Speaker, I ask my colleagues in the House of Representatives to join me in honoring the teachers and employees of the Little Lake School District.

On May 10, 1989, the Little Lake School District will hold a celebration in honor of the "Day of the Teacher." This day has been set aside to pay tribute to the many current and retired teachers of the Little Lake School District who have committed their lives to the instruction and growth of our youth.

On this day, the school district will pay special recognition to the 1988–89 teacher of the year, Joyce Gordon. The Teacher of the Year Award is given to a teacher who has demonstrated outstanding teaching and has gone above and beyond the call of duty. Mrs. Gordon is such a person. She is a teacher who understands the complexities that go into the learning process. More importantly, she understands children. To quote Mrs. Gordon:

All children can learn. All need differing amount of time, repetition, or experience. It gives me great joy to hear a child say, "How come I understand it when you show me?" I believe that teaching is an art, mediated by science. Adults can see the science, tempered by the art, but children feel the art and respond with their hearts to the science.

On May 18, the school district will also host a celebration in honor of "Classified Employees Day." At this meeting instructional aides, secretaries, clerks, maintenance staff, and cafeteria workers will be honored for their commitment and dedication to education. They are to be commended for their contributions to the needs of the students in the school district. The welfare and safety of our young people in our schools is protected by these outstanding employees. It takes special people to care for and educate our Nation's students. I am proud that these people have chosen to work in my community.

Mr. Speaker, the Little Lake School District is one of the finest school districts in the State of California. The loyalty of the people being honored reflects the district's outstanding relationship with its employees. I ask my colleagues to join me in a salute to the teachers and employees of the Little Lake School District for adding something special to education.

LEVEL THE PLAYING FIELD FOR COMMUNITY DEVELOPMENT, EXPAND ENTERPRISE ZONES, AND RESTORE HOUSING REHABILITATION LOAN PROGRAM

HON. RON WYDEN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 9, 1989

Mr. WYDEN. Mr. Speaker, today I am introducing two bills which will increase local access to Federal community development programs.

These bills, which are part of a larger housing and community development bill to be introduced within the next few weeks, expand opportunities for communities to use existing programs. As such, these bills can provide communities with great benefits at little cost to the Federal Government.

The first bill expands the current Enterprise Zone Program by easing the eligibility criteria for zone designation. Current regulations limit eligibility to cities which are undergoing citywide economic decay.

There is no doubt that these cities deserve Federal assistance, but other cities still have large pockets of poverty and economic inactivity and should not be excluded from the advantages of enterprise zone designation. Excluding these cities unfairly limits the ability of enterprise zones to foster economic activity.

My legislation eases eligibility standards for enterprise zone designation by making a community eligible for enterprise zone designation if it meets one of four criteria:

It has an unemployment rate at least 1.5 times the national average;

At least 20 percent of its population is below the poverty rate;

At least 70 percent of the households in the proposed enterprise zone have incomes below 80 percent of the area median; or

The proposed zone has had a 20-percent decrease in population.

In addition, a community will be eligible for designation if it currently provides economic

incentives, such as tax abatements, to promote urban development in specified zones.

The expanded criteria will not affect the way in which the Secretary of Housing and Urban Development makes the final designations of enterprise zones. However, it will provide the Secretary with greater leeway in making those designations, and expands the potential advantages of the Enterprise Zone Program to a wider range of communities.

The second bill which I am introducing is intended to revitalize the Section 312 Rehabilitation Loan Program. Since its inception in 1965, over $1 billion in loans have been made to localities through this program. Historically, the funds have been used to assist rehabilitation housing for low- and moderate-income families, although in recent years they have been used to finance rehabilitation of commercial buildings as well.

One great advantage of section 312 is that it operates at no cost to the Federal Government. It has not received any appropriations since 1981, yet has continued to make funds available to support local development efforts. The types of projects funded by section 312 would be unlikely to receive funding from other Federal or private sources. One would think that such a program would have earned Congress's appreciation. Instead, Congress last year virtually disabled the program by transferring $200 million from the fund.

Again, these funds did not represent a transfer of appropriations, but of accumulated balances from loan repayments which were to be recirculated to assist other local rehabilitation efforts. This action gutted the effectiveness of the section 312 program in supporting rehabilitation efforts.

Local community development agencies have cited the loss of section 312 funds as a hindrance to their economic development plans. They have found the section 312 program to be an efficient method to spur local development efforts. Last year alone, over $100 million in loans were made from this self-financing fund. We should preserve this program, which is not a Federal give-away program, but one in which communities have been able to borrow capital which they could not otherwise acquire, except at excessively high costs.

My legislation will preserve section 312 in two ways. First, it will replenish the fund by authorizing the appropriation of $200 million to replace the funds which were transferred out of it last fiscal year. Second, it reaffirms the purpose of the fund, and states that moneys will not be transferred from it again.

Together with the amendments to the Enterprise Zone Program, this measure will expand the opportunities available for local communities to help themselves in addressing local problems of economic development. These are the kinds of programs that the Federal Governnr.ent should be promoting, because they encourage self-help solutions at the community level. In addition, these programs have the potential to be of great benefit to our communities at little cost to the Federal Government. I urge my colleagues to support these community development measures.

SMALL BUSINESS PROTECTION ACT

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 9, 1989

Mr. CONTE. Mr. Speaker, upon the occasion of Small Business Week, 1989, I rise to introduce the Small Business Protection Act of 1989. This bill amends section 15(a) of the Small Business Act to provide for a small business impact statement whenever a proposed procurement would exceed economical ordering and quantities conducive to small business participation or whenever a proposed procurement for construction seeks to consolidate discreet projects.

Federal acquisition regulation subpart 19.201 establishes as general policy of the Federal Government placement of a fair proportion of its acquisitions, including contracts and subcontracts for subsystems, assemblies, components and related services for major systems, with small business concerns. Subpart 19.202-1 requires, when applicable, the contracting officer take the following actions to afford small business concerns an equitable opportunity to compete for all contracts they can perform:

First, divide proposed acquisitions into reasonably small lots.

Second, plan acquisitions such that more than one small business may perform the work.

Third, provide a realistic basis for delivery schedules that will encourage small business participation.

Fourth, encourage prime contractors to subcontract with small business concerns.

My legislation simply rewords FAR subsection 19.202-1 as statute to provide for protection against umbrella contracts—an agency practice that combines several small contracts into one large multifunction contract. This practice of aggregation, also known as "consolidation" or "bundling," is inimical to small business participation in Federal contracting. Whenever an agency promotes umbrella contracts it violates the spirit and intent of FAR 19.202-1, because they are unduly restricting competition by effectively eliminating small business as prime contractors.

In a 1983 report entitled "How Selected DOD Consolidations Efforts Affected Small Business Opportunities," the GAO concluded that "consolidated procurements have the potential for limiting prime contract awards to small business firms and may not always result in the lowest cost to the Government."

Further, GAO was concerned that:

Decisions to consolidate procurements are made without performing adequate economic analysis.

During the procurement planning stage, when major commands decide on a consolidation or regional approach, a local procurement activity's small and disadvantaged business utilization specialists will find it difficult to carry out his function of identifying procurements for a small business to perform.

Procurement activities may be placing an overreliance on subcontracting opportunities for small business to compensate for loss of opportunity on prime awards.

In a 1987 procurement report entitled "Opportunities to Use More Preferred Practices for Base Support Contracts" the GAO found that "we believe that umbrella base support contracts based on the less preferred contracting practices should not be permitted unless their use is justified as more advantageous to the Government." In supporting tables, the GAO documented a steady increase in umbrella contract awards, and that for the period 1977-83, a total of $3.5 billion in base support contracts were awarded, of which over $2.5 billion was awarded to big business, $934 million to big business outside the United States and only $56 million to small business. This contrasts sharply with data on single function contract dollars awarded by type of business in 1983—big business—$97 million, big business outside the United States—$317 million, small business—$1 billion and nonprofits—$12 million, totaling $1.4 billion. Frequently agencies state that small business participation in umbrella contracts is great yet the GAO report surveyed the amount of subcontracted work on selected umbrella contracts and showed that small business percent of total prime amount was only 21.5 percent.

Some of the following subheadings in the report are illustrative of the problem:

Cost effectiveness of umbrella contract decisions not demonstrated.

Most umbrella contracts are not firmly priced contracts.

Contract type decisions need better documentation and support.

Price is not the dominant criterion for awarding many umbrella contracts.

Considerable dollar impact of not awarding contracts to low offerors.

Work statements in umbrella contracts are often too broad for awarding firmly priced contracts.

Frequently agencies will argue that umbrella contracts are more cost effective than smaller contracts because of administrative and overhead savings. Yet this report cites an instance where 22 umbrella contracts were awarded to other than the low offerors, though low offerors were judged to be qualified. The 22 contracts totaled $1,112 million. If low offers were accepted this cost would have been $1,039 million—a difference of $81 million!

Finally, and most importantly, the report indicated that the use of umbrella contracts for base support services has increased greatly. In 1983 DOD funded about 6,000 base support contracts totaling $2.4 billion. Of those over $1 billion were umbrella contracts which is up from $20 million in fiscal year 1977.

In the Senate report on the Fiscal year 1988 Military Construction Appropriations Act language was inserted indicating that "the committee strongly discourages the packaging or consolidation of multiple military construction projects, appropriated for construction within the United States, into single contracts which deny American small business the maximum practicable opportunity to participate in military construction projects." The committee then directed the DOD to notify it whenever it sought to consolidate and to include in its no-

tification statement a certification from the SBA that the project award is in the best interest of small business.

Final language adopted by the conferees supports "packaging of projects where appropriate and advantageous, and where the potential for cost savings exists." But then adds "at no time should projects be packaged in order to restrict competition or to prevent small business from competing. The conferees continue to support the excellent participation of small business contractors and small business set asides in the Military Construction Program. The conferees direct the Department to notify the committees 21 days prior to advertising in the Commerce Business Daily for the design or construction of military construction projects which the Department seeks to package or consolidate during fiscal year 1988."

Mr. Speaker, my bill seeks to protect small business from the adverse impact of agency contract consolidation efforts. It simply requires that whenever an agency seeks to consolidate a contract currently being performed by a small business, or seeks to consolidate discreet construction projects, the agency shall provide to the SBA at least 30 days prior to solicitation, a copy of the proposed procurement and a statement why it cannot be reasonably divided into small lots and delivery schedules cannot be established on a realistic basis that would encourage/permit small business participation or why the construction project cannot be procured as separate discreet projects. If the SBA believes reasonable alternatives do exist it shall have the right to appeal it now on set asides.

In short, Mr. Speaker, just as we now have environmental impact statements on Government funded projects—so shall we have a small business impact statement on any contract action designed to avoid small business set-asides, if my bill is adopted.

The theme this year for Small Business Week is "Small Business is America's Future." I want to insure the future for small business participation in Government procurement opportunities. That is why I have introduced the Small Business Protection Act. I urge all my colleagues to join me in this effort and cosponsor the Small Business Protection Act.

IN HONOR OF FATHER ANTHONY M. D'ANTONIO

HON. ELIOT L. ENGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 9, 1989

Mr. ENGEL. Mr. Speaker, I rise today to honor Father Anthony M. D'Antonio who will be celebarting his 50th Ordination Anniversary Mass on May 21, 1989.

Father D'Antonio has devoted his life to the church and community. A large portion of the years that he has been a member of the clergy has been spend serving the people of New York City.

Born on August 6, 1915, in St. Arpino, Naples, Italy, he was the third of 11 children of Vincenzo and Filomena D'Antonio. He attended high school and studied philosophy in his native diocese, the diocesan seminary of Aversa. Upon completing high school, he went on to study theology in the Interregional Pontifical Seminary "Pius XI" of Salerno. Ordained a priest in the Cathedral of Aversa on July 9, 1939, by Bishop Antonio Teutonico, Father D'Antonio began what would prove to be a long and eventful career in the clergy.

During the period from 1939 to 1949, working in the parish of St. Elpidio in St. Arpino, Father D'Antonio was a leader in "Axione Cattolica," a broad-based Catholic youth movement. He also taught in the public governmental school from 1944 to 1949. During the same period he continued his education by receiving his Doctorate in Canon Law from the Faculty of Donnaregina of Naples.

Father D'Antonio first arrived in New York on June 26, 1949. At the invitation of Cardinal Francis Spellman, he was summoned for a special mission concerning Italian-Americans. Six years later, he was incardinated in the Archdiocese of New York on June 16, 1954. Since then, as a member of the clergy of the Archdiocese of New York, he as served in the following parishes: Our Lady of Loretto, in Manhattan; St. Michael and St. Benedicata, both in Staten Island; and St. Clare in the Bronx. Since 1972, Father D'Antonio has been serving in Our Lady of Mt. Carmel, which is located in the Bronx.

Mr. Speaker, I ask my colleagues to join me in recognizing the great things that Father D'Antonio has done not only for the 19th District, but for all of New York City. I am honored and proud to have as a constitutent a man who has devoted his life to others and I am sure Father D'Antonio will continue to accomplish much more in the years to come. There will be an Ordination Anniversary Mass at Mt. Carmel in the Bronx on Sunday, May 21, 1989, at 4 p.m. in his honor. On July 9, Father D'Antonio will be with his family in Italy celebrating the actual date of his anniversary.

TRIBUTE TO PAUL HARCAR

HON. JOE KOLTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 9, 1989

Mr. KOLTER. Mr. Speaker, today I rise to recognize a gentleman in my 4th congressional district of Pennsylvania who has contributed a considerable amount of devotion and energy toward the making of better labor relations in the New Castle Area as well as the State of Pennsylvania. Mr. Paul Harcar, a native of New Castle, was able to contribute a good deal of expertise in the labor world in a variety of ways before his retirement in February of 1986.

In his 40 years as an active member of the International Association of Machinists, Paul represented this union in many ways. In serving as a business agent for district 109, Paul was able to negotiate many contracts for approximately 10 different locals in the district. He also handled all third-step grievance and arbitration cases in this position. For 18 years, Paul served as a board business representative for District Local 106. He also served as president for Labor Local 1671.

As a result of these many contributions, Paul was asked to serve as a trustee of both the Machinist Union 2178 and the AFL-CIO of Lawrence County.

Paul did not limit himself to the business concerning labor unions though, he was also very active in many community projects and organizations as well. In 1982 as Western Pennsylvania was experiencing some hard times Paul was on the steering committee and the board of the Labor Council Food Bank. He also served on the United Fund Board of Lawrence County during this period. Paul sincerely worked hard to help the unemployed members and the less fortunate in his community.

Politically, Paul served on many phone banks throughout the years in an effort to promote and elect strong leadership to government office.

Within his busy life, Paul also found time to serve his country as an active member of the Pennsylvania National Guard. After serving from July, 1947 to July, 1950, Paul received an honorable discharge.

When Paul Harcar retired from the union, he left behind a tradition of respect, admiration, and integrity. From his work with the unions, to his dedication to community service, Paul personifies human excellence. I take pride in calling Paul a friend and would like to take this opportunity to wish he and his family much health and happiness in years to come.

TRIBUTE TO KEVIN LINDAMOOD OF RICHMOND, MI

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 9, 1989

Mr. BONIOR. Mr. Speaker, I rise to pay tribute to Kevin Charles Lindamood, a young man from Richmond, MI, which is in the congressional district I represent. Earlier this year, Kevin was named the State winner of the Veterans of Foreign Wars' Voice of Democracy broadcast scriptwriting contest.

Kevin is a senior at Richmond High School and plans to pursue a career in broadcast journalism. His entry, entitled "Preparing for America's Future," follows:

PREPARING FOR AMERICA'S FUTURE

Time—a simple element that is precious to each and every one of us. Time—an element that can be wasted, or one that can be used. Time—something that can last forever, or something that can pass by too quickly. Time—America has had the time to grow in the past, and now it must take the time to prepare for growth in the future.

Come, take a journey with me, back through the withered years and trying days of time. Open your mind and travel back with me on a space shuttle, on an airplane, in an automobile, in a carriage, or on horseback. Travel back and still farther back with me to a time more that two hundred years ago, and witness a birth—the birth of our nation. Witness the birth of America, conceived in liberty, fathered by an endless number of great men and women, and delivered up by the earth. Hear the baby cry out for nourishment in order to grow. Watch it use events and people to build its foundation. Feel it growing stronger and stronger

as quill pens are pressed to paper as each signature is added to the Declaration of Independence. Watch it slowly develop as our forefathers carefully etch out the final copy of the U.S. Constitution. Now slowly, very slowly, travel back to today on horseback, carriage, automobile, airplane, and space shuttle. As you go, witness for yourself this "baby" of a nation begin to grow as more and more people pour in to nurture it. See the flag proudly symbolize thirteen states, twenty-five states, forty-eight, fifty states. Witness the wars, trials, and triumphs of this growing masterpiece.

Now, America, which is still but a child in need of growth and development, is left in our hands by past generations who prepared America for today. It is up to us to accept the responsibility to prepare America for tomorrow, and we must use every second of the valuable time that we have in order to do so.

You may be saying to yourself, "What can I possibly do to effect and mold the future of America?" Well, it is impossible to predict exactly what the future has in store, but as Americans, it is up to each and every one of us to give to America our very best for we all make up the overall "personality" of America which is seen by the rest of the world.

Each of us has responsibilities that we must take on in order to watch our country grow. Each of us must find out and become involved in the events of today which will soon become the events that will lead us into the future. I find it extremely frightening that so many people, young and old alike, simply don't care, and really couldn't tell you their opinions of the current events of the world if you asked them. It is caring and hard-working people who will push America into the future.

Just think about it, if this wave of total lack of interest should continue to grow, our precious system of democracy could be taken away from us little by little until we, the American people, would not even know what hit us. In order for America to grow, the American people too must grow. Whereas knowing and hard work are powerful vitamins which are needed to make this country grow, lack of knowledge could be this country's downfall.

In the body, a blood cell is just as important as an eye. In much the same way, in America, a poor man is just as important as a rich man. Each person is needed to help this country grow regardless of color, wealth, physical appearance, or social acceptance. Also, in order to push America into the future, all Americans, and I do mean all, must learn to help and work with all other Americans no matter how different they are from one another. We, as Americans, must learn to be less selfish. We must learn to look out for others instead of just looking out for ourselves. You will soon discover that you and your group of friends or "acceptable" people do not make up all of America, but that all of us, from the coast of California, to the tip of Cape Cod, from Alaska to Hawaii, make up America.

The Challenge is set before us. Just as a couple makes plans for the education and unknown future of their child, we must prepare ourselves to prepare America for the future. Hopefully one day two hundred years from now, America will look back on us with pride and respect for taking the time to make this country ready to face that future. Yes, America was prepared for us. Now, in turn, we must prepare it and ourselves for the future.

A TRIBUTE TO A FALLEN POLISH LEADER—STEFAN KORBONSKI

HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 9, 1989

Mr. HOYER. Mr. Speaker, on April 23 the Polish people lost one of its heroes of World War II. Stefan Korbonski, who was a leader of the Polish underground movement during the war, died at the age of 88. While serving in the Polish Army at the time of the German and Soviet invasion of Poland in 1939, Korbonski was captured and taken prisoner by the Soviet Red Army. He later escaped and became a leading force in the Polish underground war movement against the occupying forces.

Mr. Speaker, I would like to commend to my colleagues the Washington Post tribute to Stefan Korbonski, who is survived by his wife of 50 years, the former Zofia Ristau. I hope my colleagues join me in saluting this fallen Polish hero, who saved many lives during the occupation of Poland during World War II.

S. KORBONSKI DIES; LED POLISH UNDERGROUND

(By Bart Barnes)

Stefan Korbonski, 88, a leader of Polish underground forces during World War II, an author and former chairman of the Assembly of Captive European Nations, died of an aneurysm April 23 at George Washington University Hospital.

Mr. Korbonski was chief of civil resistance in Poland during the war, and in that capacity organized underground courts that passed death sentences on about 200 Gestapo agents and Nazi collaborators. He also helped establish radio communications with the Polish government in exile in London, and directed sabotage activities in production, transportation and agriculture.

He was serving in the Polish Army when the country was invaded by Germany and the Soviet Union in 1939, and he was taken prisoner by the Red Army. He later escaped and returned to Warsaw, which by then had been overrun by the Nazis. There Mr. Korbonski helped organize the Polish underground movement, and he became a member of the Political Coordinating Committee, which directed all underground activities against the Germans.

He was a leader in the 1944 Warsaw uprising against the Nazis. Ten years later in testimony before a committee of the United States House of Representatives, he would accuse the Soviets of betraying the uprising. The Soviets, he said, encouraged the Polish underground forces to revolt, then halted the advance of the Red Army until the Nazis had crushed the rebellion.

He was arrested by Soviet police after the war, then released. In early 1947, he was elected chairman of the Warsaw district of the Polish Peasant Party. Later that year, fearing a second arrest, he fled to a hiding spot on the Baltic Coast. In November 1947, he fled to Sweden and then went to New York. He had lived in Washington since the mid-1950s.

In this country, Mr. Korbonski had written extensively on issues affecting Poland and Soviet domination of Eastern Europe.

Mr. Korbonski was born in Praszka, Poland. As a young man, he served in Polish Army units fighting Russians, Ukraninians and Germans after World War I.

He received a law degree from Poznan University, and in 1929 opened a law practice in Warsaw. He also was active in the Polish Peasant Party.

He was author of five books, "Fighting Warsaw," "Warsaw in Chains," "Warsaw in Exile," "Between the Hammer and the Anvil" and "Polish Underground State: A Guide to the Underground, 1939–1945."

Between 1958 and 1977, Mr. Korbonski served eight one-year terms as chairman of the assembly of Captive European Nations. He also served as chairman of the Polish delegation to that organization and as chairman of the Polish Council of Unity in the United States.

In 1980, he received the Yad Vashem Medal of the Righteous from Israeli Ambassador Ephraim Evron for saving Jewish lives during the war.

He was a member of the Polish Institute for Arts and Sciences and the International Pen Club in Exile.

Survivors include his wife of 50 years, the former Zofia Ristau of Washington.

THE ADVANCED TELEVISION COMPETITIVENESS ACT OF 1989

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 9, 1989

Mr. LEVINE of California. Mr. Speaker, today my colleague DON RITTER and I are introducing the Advanced Television Competitiveness Act of 1989. My bill is designed to help create an American high definition television industry.

The United States, which once dominated the home electronics industry, is no longer a major player in the field. Today the most significant technologies, such as the compact audio and video disk have been developed and commercialized in Europe and Japan. While our competitors are flourishing in their ability to commercialize technology, our technology base, especially in manufacturing, has withered away.

The Europeans view ATV technology as their answer to SDI, and are investing hundreds of millions of dollars annually on its development. The Japanese, having already spent at least three-quarter of a billion dollars, have indicated that they are going to double their already immense commitment to HDTV. If we have any hope of being able to compete with the Europeans and the Japanese, we must act now to provide financial assistance to American companies interested in HDTV.

I am introducing my bill on the same day that the American Electronics Association is unveiling its ATV Task Force findings and strategy for U.S. participation in the development of advanced television technologies. The AEA has been at the forefront of recognizing the importance of a domestic HDTV industry to our overall competitiveness in high technology. Their report urges the adoption of an industry-led strategy to facilitate the creation of an American HDTV industry.

My legislation would do precisely that. It was created in large measure in response to industry's call for government help in the de-

velopment of an American HDTV industry. The approach embodied in my legislation is modeled after Europe's Eureka '95 HDTV joint venture. My bill, if enacted, would:

Establish an industry consortium known as TV TECH to be funded and staffed by industry with finance assistance—loans and grants—from the Federal Government;

Encourage pilot projects and State incentives to attract the development of advanced television industries;

Provide protection for patents, royalty rights and license fees. Use royalties and licensing fees to repay government loans and support future research, restrict licensing to partnership with U.S firms and require component manufacturing in the United States; additional licensing fee of 25 percent for non-participants; and approval by TV TECH directorate for licensing permission. Directorate determines whether applicant would help or harm U.S. economy through licensing rights.

TV TECH would be managed by a directorate composed of selected chief executive officers of participating firms. TV TECH's commercial advisory panel and technical advisory panel would work in conjunction with project leaders of multiple advanced television project subgroups. An advisory council on federal participation would channel Federal moneys, provide expeditious access to cutting edge technologies, and help set appropriate research agenda.

Participation would be limited to U.S.-owned firms. The directorate and advisory council are given flexibility to arrange for technology transfer from non U.S.-owned firms.

If the United States does not seize the initiative and develop an indigenous capability in HDTV, we may soon face a scenario where the U.S. share of the worldwide HDTV market is a screwdriver industry. This means that American workers would simply build high definition televisions designed in Europe or Asia for foreign-owned companies which control the technology and hold the patents. Such a scenario is unacceptable, and unnecessary. To avoid it however, will take a massive commitment of resources by industry and the government.

My legislation would create the mechanism necessary to respond to the challenge posed by our European and Asian competitors. It is vital that Congress act decisively to respond to this challenge and give American industry the tools it needs to get us back into the HDTV race.

AMERICANS WITH DISABILITIES ACT

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 9, 1989

Mr. CONTE. Mr. Speaker, I am again joining my good friend from California [Mr. COELHO] in introducing the Americans With Disabilities Act. We introduced a similar piece of legislation last year, that received support from 124 cosponsors, but only had one hearing held by one of the four committees to which it was referred. I am hopeful that with the changes made in this year's bill, we will see some real progress made in providing basic civil rights to America's disabled.

Why? Because 36 million Americans still are waiting for the opportunities of freedom to come their way. Twenty-five years ago, we enacted the Civil Rights Act. That legislation provided that no person would, on the basis of race, color, or national origin be denied the opportunity to travel freely or to choose where to live, work, eat, and educate his or her children.

The Americans With Disabilities Act provides those opportunities to the disabled. It is an omnibus civil rights bill that prohibits discrimination on the basis of disability in private sector employment, in all public services, in all public accomodation, in transportation, and in telecommunications.

I said this bill is different from last year's version, in some very important ways, including:

This bill will not require any retrofitting on buses;

This bill will not require that existing building must be made accessible unless renovations are planned anyway;

This bill proposes a more reasonable standard to which covered entities must comply; and

This bill limits the definition of persons with disability, and is not open ended.

Mr. Speaker, this is a better bill, with support from the business community and from the disability community. I am encouraged that we can enact this legislation, and that the leadership is encouraging all members from impacted committees to be involved in developing a strong bipartisan bill.

This legislation is overdue, let's get on with enacting it.

SCHOLARSHIP FUND ESTABLISHED IN MEMORY OF THOMAS BROWN

HON. ELIOT L. ENGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 9, 1989

Mr. ENGEL. Mr. Speaker, in December 1988, Tom Brown, a young, community leader and tireless worker in my community passed away. Tom Brown was district manager of Bronx Community Board No. 11 for 11 years. During that period he worked almost full time to improve the quality of life for our community.

He seemed to devote almost all his waking hours handling the concerns and problems of others. Tom earned a reputation for dedication, fairness, and knowledge of government possessed by few people his age.

Tom Brown was always devoted to people and their needs. After graduating from college in 1963, he served with the Peace Corps. When he returned to the United States, he worked for the New York City Community Development Agency on various antipoverty programs. He went on to work for the City University of New York, first with the College Discovery Program and then with the Seek Program, again using his skills to help the poor and disadvantaged.

And yet with all his devotion to others, he never forgot or neglected his family, his wife Joan and his three children.

A person like Tom Brown is rare. The recent establishment of the Tom Brown Memorial Scholarship Fund will go a long way in carrying on his work.

MINIMUM WAGE

HON. WILLIAM F. CLINGER, JR.

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 9, 1989

Mr. CLINGER. Mr. Speaker, because we are scheduled to consider the conference report on H.R. 2 later this week, I would like to enter into the CONGRESSIONAL RECORD a recent editorial from my hometown newspaper, the Warren Times Observer.

The points made in this editorial cut to the heart of the debate on H.R. 2, and I strongly recommend this piece to my colleagues.

[From the Warren Times Observer, Apr. 20, 1989]

MINIMUM WAGE: BUSH IS RIGHT

"All government—indeed, every human benefit and enjoyment, every virtue and every prudent act—is founded on compromise and barter."—Edmund Burke, Second Speech on Conciliation with America, 1775.

Burke's concept remains valid today.

As a general rule.

But as is true of all maxims, Burke's becomes an absurdity if carried to extremes.

A case in point is the current flap over raising the federal minimum wage. Congressional Democrats are roasting President Bush for his alleged failure to compromise between Bush's insistence on a 90-cent hourly raise by 1992, and Democrats' insistence on a $1.20 raise by 1991.

Democratic Sen. Edward M. Kennedy, whose rhetoric is "bleeding heart" but whose rigidity and arrogance reflect a heart of stone, wants to know why Bush won't compromise on the minimum-wage issue, when the President has compromised on several issues recently, ranging from Contra aid to the savings and loan crisis.

Kennedy conveniently omits several facts:

Bush has compromised. He has agreed to support a minimum-wage hike in return for Democrats' agreement to support a subminimum training wage for newly-hired employees.

Democrats haven't compromised. Their initial proposal was for an increase to $4.65. They dropped that to $4.55—but moved its effective date up in a tradeoff that leaves the effects of their initial proposals virtually intact.

Bush's concept of a training wage meshes with what most Americans would consider the term to mean: a subminimum wage for someone hired in a new job. Democrats insist that the term be restricted to people with no work history, i.e., a handful of 16-year-olds just entering the job market. And their proposal requires the employer to prove a newly-hired person hasn't worked before. If the applicant lies, the burden of proof, and its expense, must be borne by the employer.

The Democrats want a Minimum Wage Review Board. We've had recent experience with so-called "non-partisan" review boards. The last one to make news was the group

that recommended a 50 percent pay hike for members of Congress.

We pay members of Congress to go to Washington and make tough decisions. Votes on minimum-wage levels, like votes on Congressional pay hikes, should be made, up or down, by those elected to do so—not sneaked into law through the back-door antics of a "review board."

We could continue to support it if the President decides to compromise a bit.

But before that can happen, Kennedy and Congressional Democrats should stop playing charades and offer a compromise of their own—a real compromise.

On this one, Bush is right and Kennedy, as usual, is in left field.

SIX BRAVE SAILORS GIVE LIVES IN TRADITION OF NAVAL GALLANTRY

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 9, 1989

Mr. BROOMFIELD. Mr. Speaker, if the early reports are accurate, America has lost six of its brave sailors who were patrolling the South China seas on the U.S.S. *White Plains.*

It is a reminder that America bears much of the burden for maintaining peace and preserving Democratic institutions in the world.

A cynic might say that nothing is worth dying for. I disagree. The very name of the ship, is a reminder of the Americans who lost their lives in the battle of White Plains. One hundred and fifty Americans sacrificed their lives so that others might be free to live under Democratic institutions.

I'd like to think that the six Americans on the U.S.S. *White Plains* followed courageously in their footsteps—that they share every bit as much in America's tradition of selfless gallantry as the men who gave their lives in the town of White Plains 200 years ago.

IN HONOR OF LINCOLN SQUARE SYNAGOGUE

HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 9, 1989

Mr. WEISS. Mr. Speaker, I rise today to pay tribute to the Lincoln Square Synagogue which will celebrate its 25th anniversary on June 24, 1989. Lincoln Square Synagogue, with over 3,000 members, is a major international institute at the forefront of centrist Orthodox Jewry in America. This world-reknowned institution was founded by Rabbi Shlomo Riskin, and is led today by Rabbi Saul Berman, and Morton Landown, president. It is located in the 17th Congressional District which I represent. The synagogue is known for the diversity and creativity of its programs which are designed to broaden the boundaries of Jewish thought, preserve Jewish tradition and values, and challenge its followers to deeper understanding of Jewish religion and culture.

Lincoln Square Synagogue sponsors lectures and educational programs on Jewish and Jewish-related topics in which thousands have participated. It has led thousands of assimilated Jews back to their roots and taught them to incorporate the tenets of Judaism into their professional and personal lives.

Lincoln Square Synagogue demonstrates its concern for those who are less fortunate—Jews and non-Jews—by offering exemplary social service programs for New York's poor and homeless. The synagogue is at the forefront of the Soviet Jewry movement and recently sent a delegation of teenagers to the Soviet Union to hold what is believed to be the largest model Passover seder ever held in post-revolutionary Russia. The programs of Lincoln Square Synagogue have served as models in Jewish communities around the world.

I would like to take this occasion to also pay tribute to the six past presidents of Lincoln Square Synagogue who will be honored by the synagogue on June 4: Messrs. Fred Ehrman, Stanley Getzler, Daniel Mars, Arthur Morgenstern, Maurice Spanbock, and Sidney Trompeter. These fine men and their families have given outstanding leadership and service to the synagogue, the community, and the Jewish people. It is appropriate that a synagogue that has stood for so much good would honor these excellent men.

I join with the congregation and the West Side community in honoring its past presidents and the Lincoln Square Synagogue and in wishing the synagogue many more years of exemplary service. Its good work has been felt both inside and outside the Jewish community, locally and throughout the world.

A RESOLUTION ON THE RELEASE AND EMIGRATION OF VIETNAMESE REEDUCATION CAMP PRISONERS

HON. FRANK R. WOLF

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 9, 1989

Mr. WOLF. Mr. Speaker, today I am introducing a concurrent resolution which calls upon the Government of Vietnam to expedite the release of remaining reeducation camp prisoners and permit the emigration of current and former prisoners.

This bill sends an important and timely signal that we have not forgotten the thousands of Vietnamese who were imprisoned for their association with the former Republic of Vietnam or for their suspected opposition to the present Government of Vietnam. This resolution has more than 30 original cosponsors and similar legislation has been offered in the Senate by Senator RUDY BOSCHWITZ.

The Vietnamese government has been more forthcoming it its approach recently to some humanitarian issues. It is time for this attitude to translate into action to permit both former and current reeducation camp detainees who wish to leave Vietnam, and their families, to do so.

Many Vietnamese families remain divided and Vietnamese-Americans have watched their relatives languish in reeducation camps nearly 14 years since the end of the Vietnam War.

Vietnamese boat people continue to meet tragic deaths at sea because they feel they have no other hope. Many former reeducation camp prisoners are among those who attempt risky boat departures despite the long odds against their survival—first asylum countries in Indochina have made it clear that their refugee welcome mat is no longer out—or their eventual emigration by this means.

Today, we call on the Vietnamese government to cooperate in preventing further deaths at sea, permit the reunification of many families, and honor their previous commitments by extending the Orderly Departure Program [ODP] to current and former reeducation camp prisoners.

I urge my colleagues to join in support of this resolution.

H. CON. RES. —

Whereas 14 years have passed since the end of the Vietnam conflict;

Whereas thousands of opponents of the Government of the Socialist Republic of Vietnam, including officials of, and others associated with, the former Republic of Vietnam, were detained without trial in "reeducation" camps or prisons beginning in 1975;

Whereas a series of large-scale amnesties took place in the late 1980's resulting in the release of many detainees;

Whereas despite these welcome releases, many Vietnamese remain in long-term detention because of their suspected opposition to the Government of Vietnam, and many family members of detainees do not know their status;

Whereas the Government of Vietnam has continued in recent years to imprison individuals because of their political and religious expression or association or related nonviolent activity;

Whereas the Government of Vietnam has stated publicly that the remaining "reeducation" camp or prison detainees would be released and that former detainees would be allowed to emigrate;

Whereas the United States has repeatedly stated that the resettlement of "reeducation" camp or prison detainees is one of its highest priorities in its dealings with Vietnam on humanitarian issues and has made it clear to the Government of Vietnam that it is willing to allow former and current detainees to enter the United States;

Whereas at negotiations held in Hanoi in July 1988, the United States and Vietnam agreed in principle on the resettlement of those released from "reeducation" camps or prisons and Vietnam reaffirmed that released detainees and their families could emigrate from Vietnam;

Whereas the Government of Vietnam subsequently suspended negotiations on the issue of the resettlement of detainees and their families; and

Whereas the willingness of the Government of Vietnam to satisfactorily resolve this humanitarian issue will have an important bearing on the relationship between Vietnam and the United States: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That the Congress calls on the Government of Vietnam—

(1) to make public the names of all individuals who continue to be held in "reeducation" camps or prisons in connection with suspected opposition to the Government of Vietnam;

(2) to release immediately all remaining long-term "reeducation" camp or prison detainees, as well as all individuals imprisoned in Vietnam in recent years because of their political or religious expression or related nonviolent activites; and

(3) to resume negotiations, without preconditions, with the United States concerning the emigration from Vietnam of current and former detainees and their families, in accord with the commitment of the Government of Vietnam to allow their emigration.

TRIBUTE TO FAY BRISK

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 9, 1989

Mr. BROWN of California. Mr. Speaker, one of the responsibilities of the House Agriculture Subcommittee on Department Operations, Research, and Foreign Agriculture, which I chair, is oversight of the Animal Welfare Act. This subject area is a very contentious one marked by strongly held views on all sides of the issue. It is one of those very difficult legislative areas which test the stamina and creativity of government. It is also an area in which caring and reasonable points of view are especially valued, as we try to thread our way toward eventual solutions.

As we begin the process of considering legislation and regulations on animal welfare issues in this Congress, we will miss one of those caring and reasonable people who have contributed so much in the past. On January 13, one of this country's most important animal welfare advocates, Fay Brisk, passed away, leaving behind her an impressive legacy of achievement in animal welfare legislation and a warm memory of her personal dedication to the humane treatment of animals.

A native of Reading, PA, Fay Brisk began her career as a reporter for the Reading Eagle and the Philadelphia Record, and later joined the Women's Army Corps as a public information officer. In 1947, she moved to Washington, DC, and joined the Economic Cooperation Administration as a press officer. She joined the U.S. Information Agency in the early 1950's and became domestic news chief in 1959.

From 1962 until her retirement in 1971, Fay served with the Small Business Administration and, for 8 years, was detailed to the White House during the Kennedy and Johnson administrations. There, she worked on Medicare and consumer information projects.

But Fay was known and respected perhaps more for here achievements that came late in her career and after her retirement. Motivated solely by personal interest, she worked out of her home in Washington, DC, to improve animal care standards. She often made helpful suggestions and become known as the conscience for animal welfare. She was objective and understanding.

Fay was probably most noted for her efforts to improve laboratory and transport conditions for animals; she was not afraid of siding with the underdog. Her untiring investigations into animal abuses around the country were invaluable contributions toward the establishment of the Animal Welfare Act in 1966, which made it a crime to use stolen pets for medical research. That same year, she was named Humanitarian of the Year by the Humane Society of the United States. In 1972, Fay was instrumental in establishing a volunteer animal port at Washington's National Airport to ensure that animals waiting to travel on flights were properly housed and fed. She rallied support around the country for the humane treatment of animals and, in 1976, received the Albert Schweitzer medal from the Animal Welfare Institute.

Fay's work was respected not only because of her professional integrity, but because her loyalty to the issue always played a positive role in animal welfare concerns. She was supportive of the Department of Agriculture, made numerous constructive suggestions, and was proud to consider herself a team player with departmental and congressional cooperators.

The Department, the Congress, and the Nation's animals have indeed lost a good friend, and we will all miss her.

TRIBUTE TO KEN SCOTT

HON. JOEL HEFLEY

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 9, 1989

Mr. HEFLEY. Mr. Speaker, in Elbert County, CO, he is known as Mr. Republican, and for good reason. Kenneth Scott served as chairman of the Elbert County Republican Committee for 20 years—longer than any county chairman in Colorado's history.

Ken Scott first came to Elbert County in 1915 when his parents left his native Arkansas for Colorado. Due to a trade deal that went sour, the family headed back to Arkansas, then moved to Kansas, where Ken finished school—was captain of the football team and senior class president.

Ken's parents returned to Colorado for keeps in 1922. They settled in the Kiowa area.

Ken and his wife Lyndall, who passed away in 1983, raised four children. His oldest son, Ken, Jr., succumbed to a fatal illness in 1986 at the age of 56. His son, Larry and daughter, Mary Filson, both live in Fort Collins, and a third son, Jim, lives in Great Falls, MT.

Ken has an extensive background in agriculture. He owns 1,383 acres along Comanche Creek. Up until 2 years ago Ken was still doing the hay cutting and baling.

In addition to farming and ranching for 39 years, Ken also operated the Ken Scott and Co. trucking firm. His right hand man was his oldest son. Ken Scott and Co. would haul just about anything.

Ken served as division chairman and as board director of the Colorado Motor Carriers up until the time he quit trucking in 1975.

In 1964 Ken was elected committeeman for precinct No. 3. He attended his first State assembly in 1966. It was there that a long-time friend started calling him "Mr. Republican," and the nickname stuck.

Ken accepted the assignment of Elbert County Republican chairman in 1968. During his rein as chairman, Ken accomplished many things. In odd numbered years he arranged the county organizational meetings. In even numbered years he handled the precinct caucuses, where precinct committeemen are elected. He delivered precinct caucus signs to committeemen. He lined up worthy candidates for local offices, and spearheaded fundraising efforts to finance their campaigns. He rubbed shoulders with top officials when he attended a national convention and every State assembly since 1966. And last but certainly not least, Ken founded the Elbert County Lincoln Day Dinner, an annual event held each February in Kiowa.

Having been active in politics for so many years, Ken has a hard time understanding the apathy demonstrated by most citizens. Of particular concern to him is the large block of unaffiliated voters, which in Elbert County outnumbers both the Republicans and the Democrats. Ken also has no use for mudslinging and dishonest campaigning. He believes we need candidates we can have confidence in. Ken's philosophy is that if any public servant hopes to win any measure of confidence and respect, honesty and integrity are essentials.

Ken has been instrumental in the success of my campaigns over the years since the days when I represented Kiowa in the State senate. I couldn't think of running for a new office without first seeking Ken's wisdom and judgment.

The Elbert County Republicans recognized the virtues of honesty and integrity in Ken and recently bestowed on him a special honor. As a tribute to his many years of service, the Elbert County Republican Central Committee has modified its by-laws to establish a new voting position as chairman emeritus for a true man of character—Kenneth Scott.

TRIBUTE TO BARBARA BERTAGNOLI

HON. ROBERT W. DAVIS

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 9, 1989

Mr. DAVIS. Mr. Speaker, I would like to take this time to extend congratulations to Mrs. Barbara Bertagnoli, a teacher in the Gaylord, Michigan public schools, who has recently been selected as the National Education Association's Midwest Regional Outstanding Elementary Student Teacher.

Mrs. Bertagnoli has been pursuing her degree and a teaching certificate through Central Michigan University. This semester she has been student teaching full time in the classroom. The National Education Association conducted a national competition in which Mrs. Bertagnoli prepared a lesson plan and submitted a video of one of her class lessons. She was one of only six regional winners across the Nation.

As a strong supporter of education, I am proud to represent a person who has decided to dedicate her life to educating others. Young people in the 11th Congressional District will benefit tremendously from Barbara's efforts and expertise for many years. With teachers like Barbara educating our young people, America's future is bright.

On behalf of the Congress, the students Barbara teaches, and the many others who

will be affected by her knowledge, concern, and skills, I extend to Barbara Bertagnoli congratulations, thanks, and wishes of much success in her future endeavors in the education field.

HUMAN NEEDS AND MOBILITY

HON. CLAUDINE SCHNEIDER

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 9, 1989

Ms. SCHNEIDER. Mr. Speaker, today I am being joined by several of my colleagues in introducing a joint resolution on "Human Needs and Mobility," which addressed a subject virtually ignored by decisionmakers both in development agencies and lending institutions: the transportation needs of those who comprise a majority of the Earth's people, the Third World poor.

Lack of transport is one of the gravest problems facing the world's underdeveloped and debt-ridden countries. The virtual absence of this fundamental need adversely affects the health, well-being, and economic productivity of hundreds of millions of impoverished human beings.

For millions of families the daily reality requires hours of hand carrying heavy loads of water and firewood located miles from their dwellings. The respected international assistance organization, Save the Children, finds a lack of transport to critically undermine essential health services. For example, the absence of vehicles leave health posts without medicines, mobile vaccination campaigns are not carried out, the sick are not transferred to medical attention, and much disease prevention and health promotion goes untapped because people cannot visit health centers.

Although development agencies and lending institutions have engaged in expanding motorized transport services in developing countries, in practice this is an unrealistic possibility. Even bus fare, let alone simple motorbikes or cars, are beyond the reach of hundreds of millions of families. Lack of money for the purchase of motorized transport, plus problems with maintenance, repair and supply of fuel, lubricants and spare parts, makes it unlikely that in the short- and medium-term these will be a real answer to the transport problems of families, or workers in the health, welfare, education, and assistance community.

Save the Children, the Peace Corps, UNICEF and other private and public development agencies working at the village level have found a variety of nonmotorized vehicles to be quite in line with needs of cash-poor families and local agencies. Bicycles and tricycles, for example, are relatively cheap to buy, easy to assemble and maintain, require little in the way of lubrication and nothing in the way of fuel. Millions of families currently use them, often in conjunction with carts, to transport up to 400 pounds of cargo over even the most difficult terrain. There is a long tradition of using such human-powered vehicles to transport agriculture products, fuelwood, water, manufactured goods, clothes, drugs, and medical materials, and even for use as an ambulance in emergencies.

Unfortunately, development programs funded in part by the United States currently promote policies favoring capital-intensive highways and motorized vehicles, to the exclusion of nonmotorized options. All too frequently, the low-cost, nonpolluting, more broadly affordable, human-powered vehicles are marginalized or destroyed. A few stark examples make the point.

Jakarta, Indonesia has thrown 75,000 tricycles, the basis of a thriving system of microenterprises, into the sea, ostensibly to reduce traffic congestion. El Salvador spends over one-half of its export earnings on petroleum, yet only a tiny minority can afford cars.

One-quarter of the World Bank's portfolio is invested in transportation-related projects, yet almost nothing goes for vehicles people can afford or to encourage nonmotorized, low-cost forms of transportation. Similarly, the U.S. Agency for International Development [AID] has no projects related to reducing transport-related energy use or promoting sustainable substitutes. Humanitarian relief distribution in Mozambique and Ethiopia relegate women to pack animal status to head carry 100-pound sacks of grain from distribution centers to villages.

Sustainable and affordable transportation strategies are desperately needed to address the mobility needs of all without destroying the environmental resources that underpin sustainable economic development. The "Human Needs and Mobility" resolution builds upon language inserted in the fiscal year 1989 House foreign operations' appropriations bill. It recognizes the problems of too little transport for so many people, and emphasizes actions to be taken by AID and U.S. representatives to multilateral funding institutions to provide real and sustainable solutions for the mobility needs of the poor in developing countries.

If we are to encourage flourishing microenterprises as a means of helping people help themselves to overcome their impoverished conditions, and transform aid-dependent nations into thriving trade partners, then we need to assist in the development of sturdy, low-cost, sustainable transport options appropriate to local conditions.

SENATE—*Wednesday, May 10, 1989*

(Legislative day of Tuesday, January 3, 1989)

The Senate met at 1 p.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. BYRD].

The PRESIDENT pro tempore. The prayer will be offered by Dr. Richard C. Halverson, the Senate Chaplain.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray:

Now faith is the substance of things hoped for, the evidence of things not seen.—Hebrews 11:1.

Almighty God, Creator, Sustainer and Consummator of history, thank Thee for the mighty giants of biblical record whose exploits by faith generated monumental progress in human history. Enoch, Noah, Abraham, Isaac, Moses, Gideon, Sampson, David, and unnumbered others who, in faith laid the foundation of Western civilization.

In light of the political wisdom of our Founding Fathers who conceived the unprecedented system by which we function here today, help us to experience their faith, fountainhead of their vision, by which we govern in this technological age. Deliver us from the secular spirit which denies deity and the genesis of human progress. Save us, Father God, from human pride which trusts only itself and follows a godless way.

In His name who is Lord of Heaven and Earth we pray. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The majority leader is recognized.

THE JOURNAL

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Journal of the proceedings be approved to date.

The PRESIDENT pro tempore. Without objection, it is so ordered.

SCHEDULE

Mr. MITCHELL. Mr. President, under the existing order, following the time of the two leaders this afternoon, there will be a period for morning business not to extend beyond 2 p.m. with Senators permitted to speak therein for up to 5 minutes each.

I now ask unanimous consent that the period for morning business extend until 2:30 p.m.

The PRESIDENT pro tempore. Without objection, that is the order.

Mr. MITCHELL. Mr. President, at 2:30 the Senate will then proceed to Senate Joint Resolution 100, a resolution disapproving the Presidential certification with respect to the Bahamas.

Under a unanimous-consent agreement, time on this privileged resolution has been reduced to 2 hours from the statutory time limit of 10 hours. If all time is used, therefore, a rollcall vote will occur on the disapproval resolution at around 4:30 p.m. today. Senators should be on notice therefore that a rollcall vote will occur around 4:30 today.

Mr. President, I reserve the remainder of my leader time, and I yield to the distinguished Republican leader.

The PRESIDENT pro tempore. Without objection, the majority leader reserves his remaining time.

RECOGNITION OF THE REPUBLICAN LEADER

The PRESIDENT pro tempore. The Republican leader is recognized.

RESERVATION OF LEADER TIME

Mr. DOLE. Mr. President, I reserve my time.

The PRESIDENT pro tempore. Without objection, it is so ordered.

MORNING BUSINESS

The PRESIDENT pro tempore. There will now be a period for the transaction of morning business to extend until the hour of 2:30 p.m. today with Senators being permitted to speak for not to exceed 5 minutes each therein.

Mr. DOLE. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The absence of a quorum has been suggested. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The Senator from Ohio is recognized for not to exceed 5 minutes.

INDEPENDENCE DAY IN ISRAEL

Mr. METZENBAUM. Mr. President, today, May 10, 1989, is Independence Day in Israel. Israelis are celebrating 41 years of statehood, and I join the millions of Jews and non-Jews around the world who are celebrating with them.

No matter what perspective you take, 41 years is a drop in the bucket when it comes to the course of history. Yet, Israel has lived through a greater number of mortal threats than have many other nations over centuries.

Israel has also contributed more to the intellectual, economic, and cultural welfare of mankind during its short 41 years than many, if not most other, longer lived nations.

Mr. President, I would hazard a guess that Israelis are thinking very hard about history today. As they celebrate independence, I am certain that they are also thinking about the cost of their sovereignty.

Israelis have paid a heavy price for self-determination over the years. For those of my colleagues who have never visited Israel over the Independence Day holiday, I want to describe a truly unique phenomenon.

Israel's Independence Day is preceded immediately by Memorial Day, and the transformation from sorrow to celebration is remarkable. Virtually every Israeli has lost a close relative and perhaps a close friend to war or terrorism. An underlying, if unspoken, fact is that more lives will probably be lost before Israel's borders are respected, and Israeli citizens are free from fear. The pain of Memorial Day in Israel is felt on a very personal level, and the Sun sets on a country immersed in mourning.

Yet, when the following day breaks—Independence Day—Israel has risen above the grief to begin its annual celebration of freedom.

Mr. President, Israelis are also paying an emotional price for their independence. Every day, we hear critics proclaim the demise of Israeli democracy. From what we read in the papers, one might think that Israel has become a police state gone wild. The uprising in the West Bank and Gaza Strip has strained Israeli democracy, to be sure. It has tested Israel's commitment to human rights, and some say it is even beginning to tear the very fabric of Israeli society.

Mr. President, what this means to me is that democracy is alive and well in Israel as 41 years of independence

are celebrated. Israel is not a country of only one mind. Israel has divergent points of view, and these can be expressed freely. I reject the suggestions that Israel is off on the road to repression. Repressive nations do not feel anguish about their policies; repressive nations do not openly debate government decisions and permit vocal public protests; and repressive nations do not indict and convict their own soldiers for abuses of power.

Mr. President, repressive nations just do not care.

Israel, on the other hand, is anguished over the situation in the occupied territories; many Israelis—including uniformed members of the armed forces—are engaging in loud, heated debate over Government policies; and Israel is taking to task those who abuse their powers in the name of national security.

Mr. President, Israelis do care. They have heart. They have a sense of human rights and decency, and they suffer along with the rest of the world when they see the problems and the conditions that affect West Bank and Gaza residents. Israelis read newspapers, they watch television: they have strong feelings like the rest of us after viewing confrontations between Israeli soldiers and the rock throwers. This fact, that those who are bent on dissension and violence in the territories still receive Israelis' sympathy, is another example of how deeply in Israel runs the current of democracy and human rights.

A democracy in Israel's precarious position must make very tough decisions about law and order. This is a fact that seems to be swept under the rug, along with coverage of the many public demonstrations and protests taking place on a regular basis in Israel. What we see in Israel is a vibrant democracy that is attempting to uphold normally high standards of human rights during a crisis of national security.

Mr. President, a remarkable fact about Israel at 41 is that it has survived as a democracy, through a virtually uninterrupted series of external threats. In the course history we have seen nation after nation fall under the influence of saviors when threats to life and limb arise. "So-called saviors," I might say. Israelis have had the strength of character, and the faith in political pluralism to reject and totalitarian alternative despite enormous pressure from enemies around the world.

Each Israeli Independence Day is a tribute to the character of Israel's people. Israelis have survived many crises in their short history, and they will survive many more in years to come.

Mr. President, it is an honor to wish a very determined nation a very happy birthday at age 41.

Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The absence of a quorum has been suggested. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CONRAD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The Senator from North Dakota is recognized for not to exceed 5 minutes under the order.

Mr. CONRAD. Thank you, Mr. President.

(The remarks of Mr. CONRAD pertaining to the introduction of legislation are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

The PRESIDENT pro tempore. The senior Senator from Nevada [Mr. REID] is recognized for not to exceed 5 minutes.

Mr. REID. I thank the Chair.

(The remarks of Mr. REID pertaining to the introduction of legislation are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

COMMENDING THOSE WHO WERE OF ASSISTANCE FOLLOWING THE PEPCON EXPLOSION

Mr. REID. Mr. President, the PEPCON explosion in May 1988 was a tragedy and disaster that tested the will and resources of people all across Nevada.

Three explosions at the Henderson plant killed 2 workers and injured more than 350 others. The blasts left a ring of destruction 8 miles wide, knocking cars off roads, shattering windows and shaking buildings 10 miles away in downtown Las Vegas. A toxic cloud covering 5 square miles drifted over the Las Vegas Valley.

This disaster created outright havoc in many quarters. The roads into and out of Henderson were jammed for more than 4 hours. School children were quickly evacuated. More than 160 firefighters from departments all over the valley were called upon to help. Over 60 law enforcement officers directed traffic. Doctors and nurses worked through the day and night to care for the injured.

The PEPCON explosion helped bring out the best in the people of Nevada. We responded quickly. We cooperated. We worked together to get through the crisis.

Crises are like that. Nevada was lucky to have so many individuals who did their best, literally under fire, to save lives and keep the public informed of the crisis.

The Society of Professional Journalists—Sigma Delta Chi—recently chose KRRI-FM 105.5, in Boulder City, NV, to receive its national award for Best Radio Spot News Reporting in 1988. KRRI-FM received this award because of their news coverage of the tragic PEPCON explosion.

When tragedy struck, KRRI abandoned its rock'n'roll format for more than 4 hours. Its entire staff, including receptionists, sales personnel and station owners reported the story. The station became a center for community action and response.

KRRI's public service is now an object of respect well beyond Nevada and the West. Everyone who cares about public safety and civic responsibility can be proud of their accomplishment and national acclaim. The rest of the country can now acknowledge KRRI-FM for what we in Nevada have long valued and appreciated—a job well done.

On behalf of the people of Nevada, I commend them and all the other news organizations and citizens who did so much during that time of crisis. Keep up the good work.

Mr. PRESSLER addressed the Chair.

The PRESIDENT pro tempore. The Senator from South Dakota [Mr. PRESSLER] is recognized for not to exceed 5 minutes.

(The remarks of Mr. PRESSLER pertaining to the introduction of legislation is located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. PRESSLER. Mr. President, I yield back the remainder of my time and I suggest the absence of a quorum.

The PRESIDENT pro tempore. The absence of a quorum has been suggested. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. WIRTH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered. The Senator from Colorado is recognized for 5 minutes.

FAREWELL AND GOOD LUCK TO SCOTT BUNTON

Mr. WIRTH. Mr. President, I wish this afternoon, to say farewell and good luck to Scott Bunton, who served in two senior staff roles in my offices over the past 2 years.

Scott is joining the MCI Communications Corp., as senior policy adviser for corporate government affairs.

Scott, as many of my colleagues and veteran Senate staffers can attest, was a professional Senate staff member with few equals on Capitol Hill. During his tenure, Scott developed an exceptional knowledge of the rules and protocol, and demonstrated an un-

yielding commitment to the traditions and procedures of this great body.

A Texan by birth, Scott is a gentleman in every aspect of the word. He is both an orator and a wordsmith; his work shows a fine appreciation for both the spoken and written word. A conciliator by instinct who prefers to seek bipartisan harmony, Scott is also a good Democrat upon whom other good Democrats can rely.

Before joining my staff in May 1987, Scott Bunton served then-Majority Leader ROBERT C. BYRD as staff director of the Democratic Policy Committee. He brought with him from that experience strong diplomatic skills, a broad and deep knowledge of an impressive range of major legislative issues, and the high regard of Senators and senior staff from both sides of the aisle.

Scott joined my staff as legislative director, but after only a few months I asked him to take on the lead role of administrative assistant. His counsel on Senate matters, both political and policy-oriented, was consistently excellent. His policy strength—defense and national security issues—served me well in my work as a member of the Senate Armed Services Committee and during a recent tour of the North Atlantic Treaty Organization military bases. Scott is also well-versed in constitutional issues, and played a key role in drafting and shepherding the Campaign Finance Reform Act (S. 2) in the 100th Congress.

My staff and I will miss Scott's good humor, professionalism, wealth of knowledge and commitment, but we also wish him the best of luck in his new endeavor. The Senate is losing an extremely able statesman, but I suspect he will always be a friend of this institution regardless of where his career takes him. I wish to give Scott my heartfelt thanks for his service.

Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Senator from West Virginia.

Mr. ROCKEFELLER. Will the Senator withhold?

The PRESIDENT pro tempore. The request is granted. The Senator from West Virginia is recognized for not to exceed 5 minutes.

Mr. ROCKEFELLER. I thank the distinguished Chair. This is the first time the junior Senator from West Virginia has been recognized by his senior colleague to speak on the floor of the U.S. Senate. It is a moment I will long remember.

UNITED STATES-JAPAN TRADE REPORT

Mr. ROCKEFELLER. Mr. President, I would like to draw my colleagues' attention to a recent report on United States-Japan trade problems that was submitted to the United States Trade Representative by the Advisory Committee for Trade Policy and Negotiations, the ACTPN. This report has raised a number of very important issues and includes insightful recommendations that anyone interested in our trade and competitiveness problems should consider seriously.

The ACTPN was first established in the early 1970's to advise the President on the Tokyo Round of multilateral trade negotiations. The 1988 Trade Act provided for an expansion in the ACTPN's role to advise the President on all elements of American trade policy. In 1987, the ACTPN decided that a thorough study of our trade policy with Japan was needed, and it established a task force on Japan under the leadership of James Houghton, chairman of Corning Glass Works.

This report, entitled "Analysis of the US-Japan Trade Problem," provides a realistic and pragmatic analysis of the current economic and trade problems facing our two countries. It offers a broad set of macroeconomic recommendations to both the United States and Japan—we have to reduce our budget deficit; Japan must continue to stimulate domestic demand and implement fully the structural reform recommendations of the Maekawa Commission; and there must be improvement in the level of bilateral consultations on macroeconomic issues. These are all necessary measures, and I endorse them fully.

It is at the microeconomic level where the ACTPN report breaks new ground. It recommends that the United States:

Establish which sectors should receive priority in United States trade negotiations with Japan; determine how a successful outcome would be defined; negotiate to achieve that outcome, with particular use of the Super 301 provisions of the 1988 Omnibus Trade Act; monitor Japan's implementation of the agreements reached in these negotiations; and take decisive action should Japan not fully implement those agreements.

I think that all of us would prefer to negotiate open markets and then watch American companies either sink or swim, depending on whether or not they are truly competitive when confronted by a level playing field. But, over the past decade, we have found that such an approach just does not work in Japan. In our negotiations with most countries, breaking down visible barriers generally results in more exports. In Japan, however, the visible barriers represent only one level of obstacle, with many barriers still remaining. These include the distribution system, the "keiretsu" system of industrial groupings, totally inadequate enforcement of antitrust laws, and a patent system that Japanese industry can use to get our high technology on the cheap and to stymie American high-technology competition.

I am glad to see that the members of the ACTPN have come to share the belief held by many of us in the Congress that the traditional rules and procedures of trade negotiating and trade policy just do not work in Japan and that extraordinary measures are required. Although I do not necessarily endorse every single recommendation in the ACTPN report, I heartily welcome this fundamental shift in approach. It represents a breakthrough in questioning the assumptions on which our bilateral trade policy with Japan has been based. I hope those in the executive branch responsible for the formulation and implementation of our trade policy with Japan will heed the direction the ACTPN is trying to set.

Buttressing the ACTPN report is an issues paper recently released by ECAT, the Emergency Committee for American Trade, which is chaired by Allen Jacobson who is chairman and chief executive officer of 3M Corp. ECAT recommends that "the United States seek an agreement with Japan to ascertain and implement effective means to increase United States exports in order to reduce the United States-Japan bilateral trade deficit to an approximate target level—perhaps by one-half—over the course of the next 5 years."

Mr. President, we are in a crisis situation in our trading relationship with Japan, and that calls for imaginative and extraordinary measures. I hope that these two reports from the American business community will help us understand the need for such action.

Mr. GRASSLEY addressed the Chair.

The PRESIDENT pro tempore. The Senator from Iowa [Mr. GRASSLEY] is recognized for not to exceed 5 minutes.

REMEMBERING THE VICTIMS OF THE U.S.S. "IOWA"

Mr. GRASSLEY. Mr. President, in times of national tragedy, Americans seem to draw closer together as we share the common pain that comes from a sense of loss. One such event occurred on April 19 when an explosion in a gun turret No. 2 aboard the U.S.S. *Iowa* took the lives of 47 brave sailors.

Last week, I introduced Senate Joint Resolution 112 designating May 29, 1989, as the national day of remembrance for the victims of the U.S.S. *Iowa*. I urged last week, and I urge again, my colleagues to join me in sponsoring this resolution. It is my hope that both the House and Senate will act promptly so that we might honor these sailors and express our

sympathy to the loved ones they left behind.

We are certainly not alone in the search for a way to express our sorrow. So I would like to have printed in the RECORD a tribute that appeared in the New York Times on April 27. It was written by Edward Patterson. It is entitled "Forty-Seven American Sailors-Sons."

It seems that we all grasp for a way to express not only our grief and sympathy in a situation such as this, but also our thanks for and admiration and pride in these people. I found Mr. Patterson's tribute especially poignant, and I hope that we in Congress can soon join in honoring these brave men by passing Senate Joint Resolution 112.

Mr. President, I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FORTY-SEVEN AMERICAN SAILOR-SONS

She, among all the rest, had about her the consummate grace and style that won the coveted prize for surpassing beauty in America's lovely pageant of naval ships, each one named for the state she represented. Her sleek lines and adroitly architectured superstructure came together like a perfectly coordinated surfer riding the wind-swept white peaks of cresting waves then plunging, perfectly balanced, like a downhill skier into the valley of the sapphire blue and churning sea.

They called her Iowa. Of all the others in competition with her, her landlocked name alone somehow conjured up the soft-grey mystical image of sea gulls cavorting just a tarpon's leap above the surface of the sea or invoked the eerie sound of shredded wind sliced into long strips of mournful wailing, ripped to pieces, stampeding on its speeding course through a ship's cold, steel wire rigging.

With her crew at general quarters and her guns in turret two manned and ready, the fateful order to commence firing ricocheted off the steel bulkheads. Her rifles, elevated from inside her turret, with long fingers from a hand grasping for something out of reach. In a blinding flash, the lethal gun powder that propels her projectiles exploded, leaving forty-seven brave sailors dead yet obedient to orders and faithful to the perilous duty assigned them.

The injured beauty slowed to an agonizing limp. There was nothing young and vibrant and full of hope about her any more. It was as if her long, sleek lines and pleasing superstructure once, like a navigator's handsome extended telescope, was now stuffed back within itself, stunted, shabby, miserable. She seemed to take all the blame and bear all the grief.

Her ensign flies at half mast. She dreads each mile of tortured water on the way back along her personal Calvary passing through the woeful gates into her home port. But her ancient glory is not a passing thing, subject to the whimsy of some fickle spirit. God rests the anxious, worthy heart and refits it stronger than it ever was before.

So, now, do not think you have lost your sons. Their wounded ship is not one great coffin buried in the trackless, nameless cemetery of the sea. A favorable breeze from a watchful heaven yet cradles them, the children of God. Then, other sailors' sturdy, caring hands carry them to some sacred ground, a safe harbor, near home, a dwelling where each American is a family member. Their intermingling tears of pride and sorrow keep evergreen the mounds of emerald grass that covers your sons and preserves, eternally, the fresh memory of their patriotic sacrifice.

Twin truths adorn this otherwise melancholy action permanently branded on the consciousness of those who lived to see or will live to learn about the catastrophe aboard this famous American battleship. The noble name of Iowa will everlastingly be found in a state of sadness and becoming gratitude. Then, too, the same God who listens to our perplexing questions seems clearly to answer, "Who keeps the peace saves the lives and wins the war that is never fought."

Forty-seven United States sailor-sons have seen to it that it was not really them at all, but only death itself that died in vain.

DEBT RELIEF FOR FARMERS

Mr. GRASSLEY. Mr. President, today, I would like to raise an issue that is becoming a growing problem for our Nation's farmers who are attempting to pull themselves out of the recent farm economy crisis.

The problem revolves around an amendment of the 1988 Tax Technical Corrections Act that could detrimentally affect farmers' debt restructurings, including restructurings that were accomplished before the Technical Corrections Act became effective.

In the 1988 Tax Reform Act, I along with others, worked very hard in the Finance Committee to provide tax relief to farmers who needed to restructure a farm debt to continue farming, but wanted to avoid the catastrophic consequences of bankruptcy. Congress provided this relief in 1986—or so we thought—by not taxing gain on forgiven qualified farm indebtedness under Internal Revenue Code section 108(g). Before this 1986 modification, the Tax Code discriminated against farmers compared to other businesses, who could reduce the basis of their depreciable assets to avoid a tax liability. Because farmland is a nondepreciable asset, farmers were unable to take advantage of this option.

Unfortunately, a technical amendment slipped through last year that could allow the recognition of income if a farm restructuring ultimately exceeds a farmer's tax attributes and basis. Many agricultural restructurings do create a paper gain beyond a farmer's basis and tax attributes that would, in fact, create a disastrous tax liability. Therefore, a great deal of confusion and apprehension has surfaced in the business of restructured farm loans.

Mr. President, as a former member of the Finance Committee who was involved in initiating assistance under section 108(g), it is my belief that Congress did not intend to give debt relief to distressed farmers and then turn around and gouge them with a huge tax bill. True debt relief includes real tax relief. It just makes no sense to help farmers write down their debt in order to keep farming, and then slap them with a tax bill that will put them out of business as well as help disrupt the farm credit market.

Mr. President, under the leadership of Senators DOLE and KASSEBAUM, a number of us have brought this problem to the attention of Treasury Secretary Brady, and have asked the Secretary for assistance in resolving this growing problem.

It is my hope, Mr. President, that the onerous 1988 technical correction will be, at the very least, applied only prospectively. I hope to work with others in securing a recorrection of section 108(g) that will provide real debt relief to distressed American farmers.

Mr. President, I suggest the absence of a quorum.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DASCHLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. SHELBY). Without objection, it is so ordered.

MONUMENTAL DECISION FOR VIETNAM VETERANS

Mr. DASCHLE. Mr. President, the veterans in this country owe the Vietnam veterans of America a real debt of gratitude. For the last 5 years that organization in particular has helped lead the way in arguing that the Federal Government has set a double standard with regard to the way we treat veterans exposed to agent orange. Agent orange victims have been put in a separate class, set apart from all other veterans in the way we determine eligibility for disability compensation.

For the most part, that organization's arguments have fallen on deaf ears. The courts, the administration, and even to a certain extent the Congress, have not been willing to listen.

Last week a Federal judge in California provided us with a landmark decision in a case initiated by VVA. That judge ruled for the first time that the VVA, the American Legion, the VFW, the DAV, and many Members of Congress were right, that indeed Vietnam veterans who were disabled as a result of their exposure to agent orange are being held to an unfair standard. Furthermore, he ruled that, indeed, within the unfair standard itself we are not giving the veterans the benefit of the doubt that the law in question—Public Law 98-542—guarantees them.

The significance of this decision could be monumental. Certainly it is going to require the Department of Veterans' Affairs to write new, far more generous, regulations, and, without question, it is going to require that the Department reopen each and every one of the over 30,000 agent orange-related claims filed by disabled veterans. Maybe now those veterans will get the fair and careful attention they deserved all along.

The only problem with that good news is that we have had to wait 5 years for it to come about, and that is wrong. Those disabled veterans have never asked for anything more than their due, anything more than what any other disabled veteran has asked the Government to provide them. In the cases of other presumptive disabilities, and there are now 54, we have given the benefit of the doubt to veterans. Now we are asking, once again that the Veterans' Administration realize the consequences of this decision in California and, recognizing those consequences, establish presumptive disability compensation for at least non-Hodgkin's lymphoma and soft-tissue sarcoma and open its eyes to information on the many other diseases that may also be associated with agent orange exposure.

The past administration tried—and succeeded in making this simple issue of fairness a more complicated one. There have been delays and there have been denials; there have been scientific and legal technicalities, such as the VA regulations in question—all used to thwart the agent orange victim's right to compensation. But somehow the judge was able to sift through all of this. He spoke with clarity and got the argument back to the real issue—that veterans disabled by agent orange have been cheated.

So now the question is, where do we go from here? Certainly with non-Hodgkin's lymphoma and soft-tissue sarcoma, there can be no question that the VA would be making a tragic mistake—and I indicated this to the Secretary just this morning—if they appeal this decision. They will be making a tragic mistake if, once again, they obfuscate this issue and go back to all the technicalities they have relied upon for 8 years to create a tragic and neglectful policy.

So I am hopeful that this landmark decision will require new, landmark decisionmaking within the Department of Veterans' Affairs. A new policy is long overdue.

It is raining outside, but I will bet if you were to go to the Vietnam veterans memorial right now, there would be people there. As I was walking over to the floor, I was reminded once again of my first visit to that memorial. In this city it is difficult to find a memorial that is unlike all the others. But there is one. It is the Vietnam veterans memorial. Every other memorial is white. That one is black. If you go to the memorial on any given day, you are inevitably struck by the number of people who kneel at that memorial, who place flowers, notes, flags, and gifts there, who put their fingers in the letters of the names inscribed in that black marble. I have not forgotten my first visit there. I have not forgotten it because of what was said to me as I and the Vietnam veterans with me turned away from it.

I saw mothers and wives, sisters and brothers look with awe at that monument. When I turned away, I might have missed its meaning were it not for the admonition I got from the veterans who were with me that day. They said, "Tom, the meaning of this memorial isn't what you've just seen because it is not what you carve in marble that ultimately is going to have an effect on me, it is what you write in law."

There is nothing more meaningful to me as I consider this court ruling and the legislation we wrote in 1984 as an answer to that admonition. It is not what we carved in marble in that black memorial. It is what we write in law that means something to the thousands of veterans and their survivors, who deserve justice and acknowledgment. Now is the time to speak clearly and forcefully about the need to ensure that victims of agent orange finally get a fair chance.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. COATS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Indiana is recognized.

Mr. COATS. I thank the Chair.

(The remarks of Mr. COATS pertaining to the introduction of legislation are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

DAVID B. PERINI ON COMPETITIVENESS IN THE U.S. CONSTRUCTION INDUSTRY

Mr. KERRY. Mr. President, U.S. economic competitiveness has been a topic often discussed in recent years. Increasingly, as we in the Senate and throughout Government address an issue, we examine its impact on U.S. economic competitiveness. And although I firmly believe that we in government must do everything we can to address the demands of an increasingly global, technological, and competitive marketplace, it is U.S. business leaders who are on the front lines of this struggle.

One such leader in my State of Massachusetts is a man who has taken concrete action to meet the challenge of global competition head on. David Perini is chairman and president of Perini Corp., a highly successful construction concern which, although based in Framingham, MA, operates throughout the United States and overseas.

Recently, in remarks to the Construction Innovation Forum, Mr. Perini suggested some ways in which the U.S. construction industry might meet the demands of foreign competition and aggressively pursue a larger share of the global marketplace. These ideas are applicable not only to the construction industry but to industry nationwide. Mr. Perini also addresses the role of government in facilitating increased research and development and fostering greater economic growth.

Mr. President, I ask unanimous consent that the text of David Perini's remarks to the Construction Innovation Forum be placed in the RECORD for the benefit of all Senators.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

REMARKS OF DAVID B. PERINI

Thank you.

Ladies and gentlemen—I share your excitement as we inaugurate tonight the awards program of the Construction Innovation Forum; I share your pride in bringing the concept to this stage; and I share your confidence in its success. I believe all of the diverse elements of the construction industry will join together in embracing and supporting it.

There is a story told about the laboratory technician who was engaged in breeding innovations. He crossed a tiger and a parakeet. "What did you get?" he was asked. "Well, we don't really know," he said, "but when it sings, you'd better listen!"

A few years ago, the Business Roundtable created the Construction Industry Cost Effectiveness Project. At that time, we knew that construction users, our clients, who pay the bills, were telling us we'd better listen. By and large, I think we did—we took to heart the criticisms and suggestions contained in those thorough studies of construction operations and we learned from them. Regrettably, it appears we needed the push that those studies gave us. It just seems to be the nature of our great industry, the largest provider of services to the nation and so often called a "fragmented" industry, that we need a focus for our activities.

It isn't that we have not had or don't have innovation now. My father used to call it "ingenuity." He urged us to "observe, time and analyze" our every activity, "use ingenuity" to improve them, and to record the results daily in our diaries. Many companies can look back and cite examples of innovation. In the 1920's we brought the first gas-driven power shovel to New England; a few years later, we were setting records on the Boston to Worcester Turnpike with newly developed side-discharge concrete paving machines; we have resourceful mechanics who have frequently come up with creative

modifications for equipment to save time and money. We pioneered the use of critical path scheduling in Canada in the mid '50's. A few years ago we developed with the University of Alberta, a high powered laser for welding pipe in the field. It has always been the essence (and the fascination) of this business that every project has its particular problems. Many of these are solved through the original thinking of our people, or borrowed from what we may know of our competitors.

What, then, has been the difficulty? Partly it's cost constraints—insufficient margins, etc. However, in a sense this can be a cop out. And all too frequently we fail to capture and communicate our own innovations, even among our own projects or divisions.

We have been pursuing innovation in an unorganized way, in "fits and starts." We're like the two fellows who were hunting in the wilderness of Alaska. They shot an enormous moose. How to get it out of the bush? They decided, over the violent objections of their pilot, to lash the moose to the plane and fly it back to civilization. The plane roared down the crude runway and, predictably, crashed into the trees. Moments of silence, then a voice came from the wreckage: "How did we do?" His friend replied: "We got about fifty yards farther than we did last year!"

We can no longer afford to register losses, or "no gain" or just a few yards now and then in our efforts to innovate and cut costs. We need more spectacular plays and some touchdowns. It's fortuitous that the Construction Innovation Forum is providing us with a goal line to summon our best efforts.

There is a lot of peer pressure in our industry. When one company hears of another being honored and rewarded, the competitive element will prevail and this Awards Program should flourish in the years to come.

On a smaller scale, we are finding this to be true with our own company's nominations for an Annual Extraordinary Achievement Award, with trophies and cash bonuses offered the winners. We give these awards for major enhancement of our skills, technology, markets or industry reputation.

In a kind of long-range tandem with the CIF Awards Program, we know that we must do something as an industry about R&D. According to the 1988 study of the Committee on the International Construction Industry, other countries are devoting much more in resources and effort than the United States into construction R&D.

The most active nation, to no one's surprise, surely is Japan, where a Ministry of Construction has been established and is held responsible for setting national policy and encouraging private firms to pursue R&D. More than 20 of the largest firms in Japan invest one percent of sales in R&D and get a tax deduction for it. Each firm has its own elaborate Research Center. During the past few years, many billions of dollars worth of construction contracts have been won in the U.S. by the Japanese. Their dogged determination, thoroughness and long-range view of the future are well recognized in construction as well as in other industries. It is said that on one occasion an American businessman who was calling upon a Japanese businessman asked if the Japanese company did long range planning. "Of course," was the response. "Over 3-5 years?" "No, over 100 years."

As a group, U.S. contractors appear to be carrying out very little R&D. That which exists has usually been directed towards particular problems on particular projects. Once the problems are solved, they are too often forgotten.

On the other hand, industrial America, particularly the Hi-Tech industry, has for many years utilized such techniques as R&D partnerships to pool resources to develop new or improved products, processes, and techniques.

The advantages for the construction industry to utilize R&D partnerships are obvious. The dollars and brainpower of several companies could be pooled and directed toward the development of some new construction technique or application. The expenses would be tax deductible, and under certain circumstances the partnership could qualify for research tax credits if the research is undertaken to discover information which is technical in nature, and results from a process of experimentation.

This is a limiting aspect however. Our government could enhance our competitiveness by allowing for tax credits for productivity enhancement techniques both in systems and equipment and not just for lab research. Presently Japanese contractors receive a tax credit for research and development, including new and improved production techniques, equal to 20% of the current years costs. This specifically does not require basic lab research.

Our Government might also help to stimulate innovation by loosening existing tax regulations to allow Private Foundations to fund university research to benefit directly and, for a period of time, exclusively, the donor companies. Presently the results of such research must be available to the public. Permitting a period of exclusive use would appeal to the enlightened self interest of companies in the industry and in the long run enhance our cost effectiveness and competitiveness.

After years of talking about it, Perini has finally put together its own R&D Department. We've appointed a very senior experienced construction executive to head this up. Very briefly, its mission is to develop better construction methods, procedures or systems to increase productivity, reduce costs and thereby increase profitability.

Working with a Committee made up of top management representatives from our internal users, i.e. our construction operating units, this department will:

Inventory successful methods now used by Perini, and research specific areas of interest for use across the company.

Monitor industry research: methodologies used by peer companies and subcontractors, U.S. and foreign; and where appropriate, commission research by academic institutions.

Maintain a research library and catalog system, and disseminate new techniques to our construction divisions through periodic bulletins.

This is not a lab operation—no scientists walking around in white coats. This is just common sense. In an industry which brims over with innovative-creative people, we need to capture and disseminate for our own use our own innovations-to study what other industry innovators are doing and build on them. To reward our own people for their ideas and innovations and thereby stimulate fresh thinking and new approaches which will make us more productive and efficient.

We're expecting a lot from this initiative, and we hope it will produce some worthy nominations for Construction Innovation Forum Awards.

As I mentioned in the beginning, I'm so enthusiastic about your new undertaking because I believe it will combat inertia, inspire more R&D efforts on a wide-ranging basis and result in much improved performance in our industry; it will serve to advertise some of our best achievements and bring us all closer together in the pride we have in our industry. Thank you.

CATASTROPHIC HEALTH CARE

Mr. PRESSLER. Mr. President, on behalf of several thousand South Dakota senior citizens who have contacted me, I am pleased to go on record in support of a reduction in the Medicare surtax that finances the Catastrophic Health Care Program. The tax is both excessive and a financial hardship to seniors who have saved for their retirement years.

It is my understanding that the current surtax will produce at least $4.9 billion more than is needed to cover the cost of benefits and provide a reasonable reserve fund. Retaining substantial excess revenue is an injustice to older citizens who have worked hard all their lives to save for their retirement years.

I have written to the President and Treasury Secretary Nicholas Brady requesting that the surtax be reduced. Further, I applaud the decision of our distinguished colleague, Senator BENTSEN, who has announced that hearings on the catastrophic program will occur in the near future.

We must not only reduce the supplemental premium but also reexamine the entire method used to calculate the surtax. It is imperative that this program be evaluated in light of what our senior citizens are telling us. I stand committed to reducing the premium and further analysis of the method used to finance the program.

NATIONAL BICENTENNIAL COMPETITION ON THE CONSTITUTION AND BILL OF RIGHTS

Mr. HATCH. Mr. President, last week, in our Nation's Capital, over 950 young people from 44 States gathered to participate in the National Bicentennial Competition on the Constitution and Bill of Rights. I am proud to announce that a team from Hillcrest High School, in Midvale, UT, represented my State. These young scholars have worked hard to reach the national finals by winning the district and the State competitions, and I would like to wish them the best as they compete for the national title.

The members of the Utah team are: Amber Bigler, Randall Butterfield, Ryan Call, Kyle Curtis, Beth Coleman, Graden Jackson, Michelle Krelo, Angela Litster, Nathan McCleery, Paul Newman, Jennifer Nielson, Brock Pease, Melanie Selcho, Melanie Serassio, and Allen Thornell.

Along with the students, their teacher, Sharon L. Kerns, deserves much of the credit for the success of the team to date. Mark Garfield, the district coordinator, and Dr. Rulon Garfield, the State coordinator, have also worked hard to help their team reach the finals.

The National Bicentennial Competition on the Constitution and Bill of Rights is an extensive educational program developed to educate young people about the Constitution and Bill of Rights. With the support of Congress, the active involvement of Representatives and Senators, and the efforts of thousands of civil and education leaders, 1,022,320 students have studied the curriculum; 14,381 teachers are teaching the course; 420 congressional districts and the five territories have fully functioning programs; 92 U.S. Senators are supporting the program in their States; and 393 U.S. Representatives are participating in their districts.

The program provides students with a specially designed 6-week course of study designed to provide upper elementary, middle, and high school students with a fundamental understanding of the Constitution and Bill of Rights and the principles and values they embody. Students complete the instructional portion of the program with a test designed to measure their constitutional literacy and receive a certificate of achievement signed by their U.S. Representative.

Once again, I congratulate the fine students from the beautiful State of Utah on their achievement. I hope they not only study the Constitution but work throughout their lives to defend it.

Thank you. I yield the floor.

TRIBUTE TO EVELLE YOUNGER

Mr. WILSON. Mr. President, the recent passing of Evelle Younger closes a great chapter in California politics, of which Californians are rightly proud, for Evelle Younger was a man of deep conviction and lofty achievement who leaves a great legacy to the people of my State.

Having known Evelle personally and professionally for the past 25 years, I am deeply saddened at his passing. He was a conscientious and dedicated man who gave far more to California than he took. He championed many causes, and we will miss him.

Evelle Younger's contributions to California are too numerous to catalog. He was a great man who served our State selflessly and devotedly.

His career distinguished him as a tough prosecutor. As district attorney of Los Angeles, he oversaw prosecution of Charles Manson and Robert Kennedy's assassin, Sirhan Sirhan.

His work as a district attorney and as attorney general set standards of hard work, ethics and dedication that many have been hard pressed to follow. He strove to make the State, cities, and neighborhoods places where families could feel safe; where children could be free of the specter of crime and fear.

His career is an example of how one man can make a difference. He made a difference for countless families, businesses, and law enforcement agencies.

Evelle was a pioneer of consumer and environmental protection. He realized before many others that protection meant more than lives and property, it meant our coastline, our childrens' toys, and our parks.

That spirit and experience was recognized by Ronald Reagan when the President called upon Evelle to serve as chairman on the President's Task Force on the Administration of Justice.

His work as a prosecutor, judge, and law enforcement officer was marked by determination, compassion, and common sense. His commitment to good government is a legacy all of us would do well to heed.

Gayle and I extend our condolences to Millie and Evelle's son, Eric. They can be proud—as we all are—of Evelle's contributions and legacy. He will be long remembered by those of us who knew his humor, were touched by his values, and honored with his friendship.

QUIET MILLS, SLOW DEATH

Mr. HATFIELD. Mr. President, the State of Oregon has a heritage rich with tales of pioneers and early citizens who lived their lives working in the lush forests. Timber is big in Oregon: It provides the basic living wage for thousands of residents and economic benefits to the entire State.

But this forest resource-based economy is not always stable and the industry faces another crisis because log supplies are down. Elected officials from the Pacific Northwest are working with several Federal agencies, looking for a solution to the problems facing us. As we consider options, I am reminded by Oregonians that decisions made by Federal agencies and Federal lawmakers have tremendous impact on their ability to put bread on the table. When I came across this article by Robert Heilman of Myrtle Creek, I was certain that his story should be shared.

I ask unanimous consent that Mr. Heilman's article from the May 3, 1989, Oregonian be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Oregonian, May 3, 1989]

QUIET MILLS, SLOW DEATH—IN SURVIVING THE TIMBER RECESSION, PRIDE AND SHAME FIRST TO DISAPPEAR

"While the 1979-1985 years were disappointing for wood products manufacturers and workers alike, the net result may well have been a blessing in disguise for the survival and long-term health of the industry. Hundreds of inefficient sawmill, veneer and plywood plants have been shut down. Others have been modernized and streamlined to achieve maximum return per unit of product. New products have been developed which require lower labor costs, cheaper raw materials and result in a better value to end-user. The net effect is a leaner, more productive and cost-effective industry. . . .

"One of the principal means of reducing costs, of course, is to lower wage rates."

—Development Report and Plan 1986-1987, CGD Business Development Corp., Roseburg, Ore., July 1986.

(By Robert Heilman)

I used to work for a white-haired, old gyppologger who taught me many things about living and working around here. I remember one morning when he told me about the recession of 1958. We were taking a coffee break in the little two-man sawmill he'd built with discarded equipment and old truck parts. As he talked, we watched a bird building her nest in the rafters of the mill shed.

It was 1978 and timber industry wages and per capita income levels in Douglas County were at an all-time high.

"They used to call them panics," he said, "and then it was depressions, and nowadays they call them recessions, but it's all the same thing. Every time things get rolling good to where there's lots of small outfits working, money gets tight and the bottom falls out of everything. Then, after the smoke clears, you look around and most all the little guys are gone and the big outfits are bigger than ever."

That particular slump, back in '58, had cost him his home and his sawmill. He went to work in Northern California as head sawyer and then supervisor of someone else's mill. He stayed a few years, long enough to gather up a grub stake and return home to begin again. "A man does what he has to do to get by," he said.

In 1982, I bought a Brown Swiss milk cow and raised a small flock of laying hens. The unemployment rate that year averaged 17.2 percent in our country.

The cow gave four gallons of milk every day and the hens laid about a dozen eggs. I began selling eggs and milk to my friends at cost. I let them have the food on credit and allowed them to pay with barter (poached venison on one occasion) or with food stamps when they didn't have the money.

Poor people break laws as a matter of survival; corporations break laws as a matter of business acumen. Like many of my neighbors (and all of my friends) I lived as the pettiest sort of criminal—driving without car insurance; selling raw, uninspected milk; accepting food stamps without authorization; eating poached fish and game.

It is not something I am proud of nor particularly ashamed of, either. Pride and shame were luxuries we couldn't afford at the time. Sometimes the jug of milk and carton of eggs I dropped off was all that a family had to eat. Somehow there was always enough cash for a bale of alfalfa hay or a sack of grain when I needed it.

By the fall of 1985, unemployment had dropped to 11.6 percent with the long-awaited trickle-down. By then most of the families who were my customers and friends were gone. There weren't enough of them left in the valley to cover the cow's feed costs. I gave up my one-man, one-cow, nonprofit dairy and sold her at auction.

Bit by bit, we lost our self-respect as we knocked up against hard realities and even harder institutions that were indifferent to our humanity. It was a slow process, one that we feared but couldn't really see happening.

It's hard to wait when you're used to working. There's a slow, steady erosion that wears down a few people first, and then whole families crumble like dirt clods running through your fingers. Finally, the community itself is gone, washed downriver, never to return. "And I alone am escaped to tell thee."

Davey was my neighbor's son when we lived in town. He and I worked on the same tree-planting crew for a local mill during the winter of 1976. In the spring of that year he got a job in the mill. He was 18, fresh out of high school, and earning $5.35 an hour.

In the spring of 1986, I ran into him in the grocery store. He's been out of work for nearly a year but had just landed a job in another mill. He was grateful to have found work, which I could understand since he was now 28, married and a father.

"Well, that's good to hear." I congratulated him. "How much are you making?"

"$4.75 an hour."

I should have kept my mouth shut. But a little mental arithmetic told me that, given the inflation rate, he was earning about half the pay he had as a raw kid.

"Jeeze! You guys are still eligible for food stamps."

He looked away, over at the stacked boxes of margarine before he spoke.

"Yeah, well, actually I'm getting more than most of the guys because I've got experience. Starting pay's $4 an hour."

It's been an odd sort of recovery. Timber harvest levels for Douglas County were 400 million board feet higher in 1986 than in 1978, but produced $55 million less in wages. While the timber industry has become "leaner, more productive and cost-effective," the people have simply become leaner.

In 1938, the sixth straight year of economic recovery brought one in six Umpquans in for emergency food boxes or meals. Local relief agencies estimate that less than 5,000 pounds of emergency food were distributed in Douglas County in 1978. Today the 93,000 people living on the Umpqua eat nearly a million pounds of emergency food every year.

UNCOMPENSATED CARE—THE THREAT AND THE CHALLENGE

Mr. HATFIELD. Mr. President, our Nation provides the best health care in the world, but it is still beleaguered by high costs, incurable disease, and, in some areas, inaccessible care. Too many children and adults are unable to get the kind of medical attention they need.

Congress has already undertaken some difficult exercises in health care and has made some very important changes in the system. As we consider how we can bring down the costs of treatment and provide compensated care for all, we must look at our health care needs and goals.

The Oregon Legislature has been taking a lead in debating the issues of health care compensation. Dr. John Kitzhaber, the Oregon State Senate President has been instrumental in defining the issues. In a clear, cogent style, he addresses the problem of uncompensated care and I believe that his writings are worth sharing.

I ask unanimous consent that Dr. Kitzhaber's article from the June 1988 Western Journal of Medicine be printed in the CONGRESSIONAL RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

UNCOMPENSATED CARE—THE THREAT AND THE CHALLENGE

(By John Kitzhaber, M.D.)

The growing crisis in uncompensated health care poses one of the most serious threats facing the medical profession today. If left unresolved, it will not only erode the health of our society and lead to an erosion of the clinical autonomy of physicians, but it will also undermine the very principles on which our health care system has been built. In addition, it will lead to increased regulation of the practice of medicine, and, quite probably, to a government-controlled health care delivery system.

To understand this threat, the challenge it poses, and our critical role in its resolution, we must first consider the evolution of our American health care system.

The health care system we enjoy in this country was founded on the principle of universal access, the idea that all Americans, regardless of their income, should have access to the health care system and to all the services it has to offer. We physicians were able to deliver on this social objective because of our fee-for-service reimbursement system and the ability to cost shift. So when the poor came for treatment, the service was rendered, and the cost was merely shifted to someone who could pay, through an incremental increase in their bill or in their insurance premium.

It is important to realize that this policy was no accident but was the result of conscious decisions in both the public and private sectors. In the public sector, the enactment of Medicare and Medicaid in 1964 extended coverage to the poor and elderly. At the same time, there was a rapid expansion of private health insurance policies funded primarily through employment. This rapid growth of public and private third-party insurance coverage led to the belief that, in America, health care for the poor was free, when in fact it was being subsidized primarily by the government and by the business community.

Thus, we created what we felt to be an ideal health care system. It was a system with no financial restraints, where individuals had access to as much health care as they needed or wanted regardless of their income. Physicians could practice pure medicine, viewing their patients primarily from the standpoint of their health needs without concerning themselves about their ability to pay. But this system also encouraged utilization and led to the deeply held social belief in this country that health care is a right. Not surprisingly, this resulted in a dramatic increase in expenditures. The amount we spend each year on health care has grown from $75 billion in 1980 to nearly $500 billion today. More telling, however, is the growth of health care expenditures as a percentage of the gross national product: 7.5 cents on the dollar in 1970 versus about 11 to 12 cents today. If this rate of increase were to continue, by the turn of the century we would be spending 20% of the gross national product on health care and by about 2020, we would be spending 40 cents out of every dollar on health care.

Obviously, this rate of increase is not going to continue. While our health care system makes a great deal of sense in terms of a social policy, it makes very little sense in terms of an economic policy. Even a beginning student of economics recognizes that no single set of expenditures can continually grow at a rate faster than the rate of growth of the gross national product. Every dollar we spend on health care is a dollar that cannot be spent on something else. There are many other interests and priorities in which this country must invest.[1]

And while the prosperity we enjoyed over the past 20 years has allowed us to absorb these rapid increases in health care expenditures, it also masked the underlying fallacy of the way health care is financed in this country. By 1980 that mask had been stripped away when a number of factors combined to bring our ideal health care system into a collision with economic realities.

First, new medical technologies were being developed and being used—at a tremendous cost—because the system contained no financial restraints. Second, there has been a significant increase in the elderly as percentage of the population. The elderly use more health care services than the nonelderly and have a higher incidence of chronic diseases. Both advances in medical technology and an aging population have increased the financial strain on the system.

Two additional factors forced those who had traditionally been subsidizing the cost of health care for the poor—the business community and the government—to reevaluate their ability to continue doing so. The first was the economic stagnation experienced in the United States at the beginning of this decade. While we could absorb the rapid increases in the cost of health care when the economy was growing. It was far more difficult to do so when productivity dropped. Our nation's annual productivity growth was a healthy 3% in the 1960s and 1970s but fell to 0.5% by 1979 and was actually negative in the early 1980s.

The federal budget deficit increased from about $73 billion to $211 billion in five years, and we liquidated all our foreign assets to become the largest debtor nation in the world. By the early 1980s, the government recognized that it could no longer continue an open-ended subsidy of the cost of care for the poor without raising taxes, increasing the deficit, or making deep cuts in other domestic programs. The government became interested in cost containment to balance the budget.

At the same time, this country entered the world market. American businesses began recognizing that they were no longer competing just among themselves, as the auto industry once did; they were competing with mainland China, West Germany,

[1] Thurow L: The Zero Sum Solution. New York, Simon & Schuster, 1985, p. 253.

Japan, Italy, and Canada. They realized they had to cut costs, particularly labor-related costs, in order to remain competitive with cheap labor industries abroad. They could not, for example, just pass the cost of health care on to their consumers and still remain competitive in a world market, particularly when American businesses had to carry the cost of health care on the books as a necessary expense and were competing with many countries that did not have to carry these costs because of nationally sponsored health care programs. The business community became interested in the need to contain costs to remain competitive.

This brought about very similar responses by both the government and the business community. The objective was simply to reduce the exposure to the cost shift and reduce the funding and subsidy of the cost of providing health care for the poor. It should be noted that the subsidy was not taken out of the system, it was merely shifted onto individuals and providers. Here is how it was done.

In 1983 the federal government enacted DRGs [diagnosis-related groups], which is a prospective reimbursement system that shifted economic risk onto providers. The federal government also began requiring first-day hospital deductibles for those on Medicare and increasing the Part B monthly Medicare premium that pays for physician services. This shifted costs onto the individuals. With Medicaid, the program for the poor, the federal government cut its match rate and shifted that to the states.

The first thing the states did was cut provider-reimbursement rates. Physicians currently average 45 to 50 cents on the dollar for taking care of someone on welfare. That pushed costs and responsibilities onto the providers. When that did not balance the budget, the states increased the requirements for Medicaid eligibility, which pushed people off the program altogether. That shifted responsibility to the individuals. In the past ten years, 800,000 women and children have been squeezed off Medicaid, and the program, which used to cover 65% of the poor, today covers less than 38%.

The private sector reacted in exactly the same way, with increased involvement in health maintenance organizations, preferred provider organizations, and other prospective managed care plans that put providers at risk. Businesses increased copayments and deductibles for their employees that shifted costs onto individuals.

The important point here is that these cost-containment actions reflected absolutely no social policy beyond that of cutting costs for the government and for the business community. There was a recognition that the amount of money that could be spent on health care for the poor was limited, but there was no consideration of the implications of those decisions on access to health care. The funding in the system was reduced but not what the public expected from the system.

Today, our health care system is in transition. We are still ostensibly committed to the principle of universal access, but now the system is driven by economic factors, not by the social factors that drove it in the 1960s, and the 1970's. Providers are at economic risk. We are losing the ability to cost shift.

As I mentioned earlier, our ability to deliver on the principle of universal access has depended on cost shifting and the willingness of the business community and the government to subsidize the cost of care of the poor. While there is still supposedly a commitment to universal access, we are seeing a progressive shifting of the responsibility to pick up that cost. Between 1965 and 1980 that subsidy was borne by the government and by employers, who spread it out over taxpayers in general and over most of the workforce. Society was paying for what was essentially a social policy objective universal access to health care.

Because of the cost-containment measures that have occurred, however, that subsidy has been shifted onto providers, who have far less ability to absorb it. What used to be subsidized care for the poor is now showing up as uncompensated care. As physicians reach a point where they cannot absorb additional uncompensated care and still pay the bills, they push the costs onto individuals. And today if a person does not have insurance coverage and does not have money, that person is increasingly likely to lose access to the health care system, either because providers will not accept any additional indigent patients or the patient delays treatment because of an inability to pay for it.

This has dramatically changed how health care is financed in this country. Our health care system has traditionally had a bifurcated financing mechanism. On the one side is the public system, which is Medicare and Medicaid. On the other side is the private system, which is mostly employment-based policies and some individual policies. There has always been a little gap in between where some people slipped through the cracks. But as long as the government and the business community were willing to subsidize the cost of care for the poor, that gap has been very narrow and has really contained only society's truly downtrodden.

Today, however, those two third-party payers, government and business, are trying to escape from the subsidy. As we see a reduction in government expenditures, the growth of copayments and deductibles in Medicare, and increases in Medicaid eligibility, people spill off the public side into the gap. As competition in the world market increases, as we shift from a manufacturing to a service-based economy with large numbers of low-paid, nonunionized workers without health insurance coverage, and as premium rates go up, people spill off the private side and into the gap. Today, the gap is now narrow: it contains 37 to 40 million Americans. And they are no longer just society's truly downtrodden. Of those uninsured people, 70% are working full time or part time or are dependent of someone who is working. Those in the gap are generating 75% of the uncompensated care.

Why should we be concerned about this shifting responsibility to pay for the care of the poor? We should be concerned because there are some serious social consequences affecting all of us, and some serious professional consequences affecting physicians in particular.

The first social consequence is an erosion in our commitment to universal access. Because there is a physician surplus in the country, and because care for the poor is no longer subsidized but is uncompensated, we have a very competitive, market-driven system in the provider community. And since market systems were not designed to foster social responsibility, it should not be surprising that no one is competing to care for the poor. Public health clinics are closing. We are seeing patient dumping from hospital to hospital, physician to hospital, and between physicians. There are treatment delays. And there are a growing number of people in the gap.

That leads to the second social consequence, which is a very real and measurable deterioration of health for a growing number of Americans. We have 40,000 neonatal deaths each year from the complications of low birth weight. Two thirds of those mothers do not receive adequate prenatal care. Of the poor in America 40% are children. Only a third of them are covered by Medicaid; the other two thirds are in the gap and are losing access to basic preventive services. We are seeing an increase in cases of pertussis and increases in pediatric nutritional problems. There is case after case of people actually dying because of a lack of access to the system—people dying of strokes because they could not get their blood pressure medication prescription refilled; people dying of heart failure and having myocardial infarctions because of a lack of routine checkups or medication; and people dying of perforated ulcers because of treatment delays.

The third and perhaps most serious social consequence is that we are mortgaging our own future. I think this is very important and would ask you to bear with me for a moment. As I mentioned, 40% of the poor in this country are children, and two thirds of them are in the gap with no insurance coverage. Also in that gap are tens of millions of young working Americans. These people constitute a large part of the shrinking workforce of tomorrow that we are expecting to fuel the economy and pay for a growing retired population. How are they going to do that in the face of $170 billion owed to foreign governments and nearly $3 trillion national debt? How are they going to do that in the face of a $10 trillion unfunded liability, the difference between what we expect them to make and what we are planning to take out of their paychecks to pay for medicare, Social Security, and federal pensions, most of which are automatically indexed to inflation and do not have income eligibility requirements? We are asking them to do something that we have all refused to do: to recognize that increases in personal consumption have to be balanced with increases in productivity.

In the past ten years, American workers have averaged a $3,100 increase per capita in personal consumption and only $950 of that has been paid for by increases in what each one produces. The remaining $2,150 has been paid for by cuts in domestic spending and investment and by foreign debt (P.G. Peterson, The Atlantic Monthly, Oct. 1987, p. 47). We are asking this group of people to be more productive than anyone in the history of this country and to probably take a reduction in their standard of living. Having asked them that, we are crippling them going in, by denying them access to the basic health care services they need to be healthy, productive members of the workforce. You cannot have an increase in productivity unless your workforce is healthy and well-educated. That is a very, very serious implication.

There are also some disturbing professional implications. The first is that the growing problem of uncompensated care is catching physicians between what society expects from our health care system and economic realities. When the government and the business community moved to limit their subsidy of the cost of health care for the poor, they could do so without denying access to individuals and without publicly or

explicitly abandoning the idea of universal access because they shifted that subsidy onto the providers. But when physicians move to limit their exposure to this subsidy, and for exactly the same reason, they have to deny access to individuals. When physicians reach the point where they cannot absorb any additional uncompensated care, they either have to reduce the number of indigent patients they see or reduce the services they provide to those patients. In either case, that means rationing. Increasingly, physicians in this country are being forced to become the rationing instruments for a society that refuses to recognize that rationing is occurring.

That puts us in direct conflict not only with our professional ethics but with social expectations for the health care system. It casts us in a very unfavorable light. Many people still view physicians as we were seen in the halcyon days of the 1960s and 1970s when the economy was booming and incomes were rising. Most legislators are not physicians—I am the only physician in the Oregon legislature. Many legislators do not understand the relationship between cost shifting and subsidizing care for the poor, and do not understand the implications of taking cost shifting away from providers.

The thought that a wealthy profession would be denying access to the poor is unacceptable to most legislators, a fact that puts physicians in a very vulnerable position politically. As the problems of the poor intensify, state legislatures are going to begin to react. They are going to say, "If you physicians are not going to take care of the poor voluntarily, we are going to force you to do so." There are many ways that coercion can be accomplished.

As a condition of licensure, physicians can be forced to take care of a certain number of indigent patients. That bill was actually introduced in Oregon last year. A gross income tax can be applied to physicians' earnings to help pay for indigent care. That bill was introduced in Washington in 1985 and has been considered in Pennsylvania. These types of intrusive regulatory measures are being introduced in state legislatures across the country. Unfortunately, all they do is force physicians to assume the fiscal responsibility for taking care of the poor. They ignore the fact that society, while paying lip service to universal access, has made a decision to limit the amount of money that will be spent on health care. The problem remains unresolved. When someone convinces corporate America that a government-sponsored health care program will put them in a better position in terms of competition in the world market, then we will be looking at a nationalized health care program. In the short run, we are looking at increased regulation and an erosion in our own clinical autonomy.

What do we do about this problem? To solve this crisis in uncompensated care, we have to start by accepting three hard realities.

The first reality is that resources are limited. That is a difficult one for physicians to accept because they have never had to accept it. But it should be obvious to anybody who looks at the need in this country and looks at the available dollars.

We have a national debt approaching $3 trillion that we must reduce. We have a huge defense budget that has been traditionally hard to pare down. We spend $450 billion a year on Medicare, Social Security, and other federal pensions. At the same time, we are cutting aid to education and investments in roads, bridges, sewers, and water systems. We are cutting civilian research and development. We are cutting all of the things we need to increase the productivity in this country.

No one wants their personal health care expenditures cut. At the same time, however, we want to reduce government spending, we want good roads and schools, safe streets with criminals behind bars, a comfortable retirement, police protection, fire protection, clean air, and clean water. And we want to do all that, of course, with lower taxes and higher wages.

Now, obviously that does not work. There is a finite amount of money that this country can invest in health care versus the other things that we also have to invest in. Once we come to grips with the fact that there is a finite health care budget in America, then we have to decide who is going to get the service and how much service each person is going to get.

That brings us to the second reality, which is simply that the rich are always going to have access to more health care than the poor. I think that is probably all right if what the poor get is adequate and if they are all getting it. After all, one of the hallmarks of a capitalistic system is that goods and services are distributed on the basis of income, not necessarily on need or merit. We readily accept that in most instances. We do not expect public housing to look like the Ritz. We do not expect food stamps to be redeemed in expensive restaurants. But because of our concept of universal access, we have taken for granted that the poor should have access to all the health care services that are available to the rich. I would remind you that this is the only part of our system that operates on this open-ended economic principle. We have in effect rejected a multitiered system based on income, but in reality we already have that kind of a system. The rich have always been able to fly to other states and other countries for diagnostic and therapeutic modalities not available at home. The rich have had consultations and elective operations to which the poor have not had access. So what we have really is a poorly defined definition of what we think everyone has a right to and what perhaps they do not have a right to.

I think we would all agree that everyone should have a right to prenatal care, but we may argue whether or not the public should pay for an elective face-lift for everybody on welfare. The question becomes much more difficult, however, when we are trying to balance a transplant versus prenatal care.

We need a better definition of adequate health care to address that question. If we know resources are limited, if we know people with high incomes can buy more health care than people of lower incomes, and if we know that society cannot buy everything for everyone who might benefit from it, we must consciously and responsibly decide what level of health care everybody should get. That means defining adequate health care and brings us to the third reality.

The third reality is the inevitability of rationing. This is also a very difficult concept for physicians to come to terms with, but when you define adequate health care, you also define what is more than adequate. And that provides the basis for the explicit rationing of health care. Before we overreact to this reality, I would suggest that rationing already exists in our system. We clearly already ration by income and by transportation barriers. More important, however, we ration inadvertently through legislative decisions because we lack any policy to guide how our health care dollars are spent. Rationing is the result of limits. If there is a limited amount of money in the health care budget and it is spent on one set of services, it is not available to be spent on another set of services. That is rationing.

Consider how this is being done today. Almost $2,000 per capita is spent each year on health care in America, far more than any other country in the world. Yet our wellness, as measured by morbidity and mortality statistics, is not significantly better than that in England, which spends $500 per capita, or even Singapore, which spends only $200 per capita (R. Lamm, "The Ten Commandments of Health Care," speech given at the Midwest Health Conference, Kansas City, MO, March 28, 1988).

Why? Because we have no policy to guide how we spend our health care dollars. We are spending huge sums on some and we are spending virtually nothing on others. We spend more per capita on health care than any other country in the world, yet 37 million Americans have no coverage and many of them are losing access to the system. We spend $3 billion a year on neonatal intensive care while denying prenatal care to hundreds of thousands. We spend $50 billion a year on people in the last six months of their lives while closing pediatric clinics.[2]

That is like having someone in charge of a corporate truck fleet who adopts a policy that the oil in the trucks will not be changed until the engine blocks melt. The trucks won't be maintained but will be serviced only when there is a major breakdown. I doubt if you would endorse this policy for your car, nor would you employ anyone who did, but that is exactly how we spend health care dollars in this country. Rather than spending money on prenatal care, we spend it on neonatal intensive care. Rather than treating hypertension, we treat people who have had strokes. We are rationing by default, unguided by any social policy. It is inequitable, inefficient, and we are wasting millions of dollars and thousands of lives. The reason we are rationing implicitly as opposed to explicitly is because we do not want to come to grips with our own limits.

To solve the problem of uncompensated care, with all of its ominous implications for society and for physicians, we have to recognize that our health care system is indeed in flux and that we have to build a new system based on the three realities that I mentioned: limited resources, acceptance of the fact that the rich will always be able to buy more health care than the poor, and the need for rationing.

We have to recommit ourselves to universal access—not universal access for everyone to everything—rather, universal access for everyone to an adequate level of health care. That will put our system back on a sound economic foundation. It also means that we are going to end up in this country with a three-tiered system of delivery. In reality we already have a nondefined, implicit multitiered system: the medically indigent, Medicaid, workers with insurance, the wealthy. What I am suggesting is that we stop pretending it doesn't exist, accept its inevitability, and take steps to make it work equitably and efficiently. This would mean

[2] Who Lives, Who Dies? Public Broadcasting System Documentary aired January 11, 1988. Produced by WNET-TV, New York.

a government-sponsored tier for the poor, a tier that the business community funds for those who are working, and a traditional fee-for-service tier for those who wish to buy additional health care services.[3]

I want to reiterate one point. The government has a responsibility, in my mind, to pay for the poor but not for the elderly unless they are also poor. The government should pay for the poor regardless of their age. There is no reason Lee Iacocca needs Medicare, or Johnny Carson, or even my parents. Government-subsidized health care programs should have income eligibility requirements.

This is important because it is at the first, or public, tier that we have to come to grips with rationing. It is at this tier that we must set the socially acceptable minimum level of health care for this country. How do we get there?

Let me describe what is being done in Oregon, where we are attempting to resolve this problem. There are three elements involved: first, a clear social policy: second, a definition of adequate health care; and third, a universal insurance system to guarantee that people get access to that care.

Because of my time constraint, I will only cover the first two elements. Concerning universal health insurance coverage, however, let me say that while it is an essential component of the final solution, it is putting the cart before the horse. We need to recognize that the objective of our social policy of the 1960s and 1970s was, in fact, universal access. One of the reasons we are in trouble today is that we were in the short run, able to cover everybody for almost everything. But unless we first define the level of care for which people are universally covered, we still have an open-end system that we cannot afford.

Therefore, we first need a clear social policy to ensure that we spend our limited health care dollars in a way that is efficient and equitable. In Oregon we have made an attempt to recognize our limits and to adopt such a policy. In the past legislative session, we discontinued funding for heart, pancreas, bone marrow, and liver transplants for people on welfare and used that money to extend preventive and prenatal services to a far larger group of people who had been in the gap. This constituted an explicit rationing decision. Let me go over the issue we were dealing with because, I assure you, it has not been an easy one to defend, politically or as a physician, although I firmly believe that it was the correct decision given the reality of limited resources.

The question was not whether transplants have merits; clearly they do. The issue was not whether in the short run we could find some additional money to buy a few more transplants for people on public assistance; clearly we could have. The issue was simply that if we were going to put additional money into health care, where was the best place to spend the next available dollar? Did it make more sense and was it a better use of limited public funds to buy high-tech services for a group of people (those on Medicaid) who already had access to virtually everything available in the private sector, or to extend services to a larger number of people who were in the gap, many of whom did not have access to any health care whatsoever?

We felt it made more sense to serve the larger number of Oregonians. Thus, the policy adopted in Oregon is one of universal access to adequate health care, and we have made that the first priority for spending the additional dollars that we can get into our health care budget. That still leaves the second element: defining adequate health care. Oregon's definition at this point does not include major organ transplants because we have made a decision that they are of a lower priority than preventive care. But we do need a more complete decision.

Before I describe to you the process we are using in Oregon to arrive at the decision, let me say that once you get a definition of adequate health care and array your health care services on a priority basis, you are changing, in a fundamental way, the nature of the rationing debate. The rationing debate traditionally has an individual focus, and it goes like this. We have one heart and three potential recipients. Do we give that heart to a 17-year-old unwed mother of three on welfare, do we give it to a 35-year-old man serving time for rape and armed robbery, or do we give it to a 40-year-old corporate executive?

This scenario raises the kinds of imponderable ethical and moral questions that society, almost by definition, cannot resolve on an individual basis. But once we develop a definition of adequate and array our health care services in a priority order, we shift that debate from an individual focus to a societal focus. We are no longer debating which service should be given or denied to which person, we are debating which priority of funding should be given to each service, given the reality of limited resources. Because society has made the decision to limit the amount of money it spends on health care, society needs to make the decision on how to spend that money. In addition to providing basic health care to a far larger number of people, this approach also takes physicians out of the squeeze and allows them to continue to be patient advocates. They can continue to do everything they can possibly do for their patients within the context of the resources that society has made available.

How do we get to this definition of adequate? There are really three steps. The first and probably the most difficult is building a consensus. In Oregon we are working with a group called Oregon Health Decisions, founded in 1982 by Ralph Crawshaw, MD, a Portland psychiatrist. It is a private, nonprofit group dedicated to educating Oregonians on the health policy choices and confronting them with the consequences of those choices. It was the first such group in the country. Now 14 states have similar organizations, including an active one in California.

We have appointed a steering committee of which I am the chair. We are breaking down everything on which Oregon currently spends its health care dollars. We are making a decision package for each service with a summary document that describes the number of people getting the service and the cost, the number of people not getting the service and the economic and health implications of not giving them that service, and then the cost to extend the service to everybody in the unmet-need population.

The plan over the next few months is to arrange this list in a tentative priority order and take it out to town hall meetings around the state of Oregon where citizens can actually get involved in working through the trade-offs and choices necessary to set up a priority list of health care choices, given the fact of limited resources. We will bring that information together this fall to generate a final list that will be submitted to the legislature.

Once the health care resources are arrayed in that kind of priority list, we come to the second step, which is to integrate this information with the legislative budget process. This requires that funding go to the first item on the priority list for everybody in the population for whom the state has responsibility. Going down the list, the second item is fully funded before moving to the next, then the third, the fourth, and so on, until the available money is exhausted.

This process puts accountability into the system. If, for example, a state legislature decides to cut $20 million out of the health care budget, it will no longer be an abstract accounting exercise but will mean deleting specific services for specific individuals off the bottom of the priority list. The debate becomes far more focused. If someone wants to refund the transplant program, clearly they either have to knock something else off the priority list—and they must make a choice, a clinical choice and a political choice, between those two health care services—or they have to rob another program or raise more money (increase taxes).

The final point with this type of system is that if it is done on the basis of sound clinical information, money can actually be saved. A California obstetrics-access study suggested that the cost of treating an indigent woman for prenatal care and delivery was $1,000 and the cost of treating a low-birth-weight infant was $28,000, up to six figures. The study suggested that if prenatal care were provided to all the indigent women who needed it, $22 million a year could be saved in the health care system. That is money that can be used to add services on the priority list, such as major soft organ transplants. It could be used to raise provider reimbursement to a reasonable level and thus remove the current economic disincentive to treat the medically indigent and those on Medicaid, or it could be used for roads. In any event, the debate becomes much clearer and more focused. Accountability is inescapable.

What is the role of physicians in resolving this problem? The first and most significant role we have to play is that we must come to grips with our own limits. We have to recognize that health care resources in America are, in fact, limited. If the leadership of professional medical organizations is going to publicly refuse to recognize that health care resources are limited, how can we expect the public to accept that, and how can we expect state legislatures to recognize that as well? If we are not willing to recognize this ourselves, we are inviting all of the ominous social and professional consequences that uncompensated care is bringing our way. As a first priority, therefore, physicians must recognize and accept limits in health care, express that view publicly, and talk it over with each other and with their patients.

Second, through our professional organizations we need to adopt policies on how to expend limited public health care dollars. Your society or association may already have such a policy but, if not, I would suggest one that states that the first priority should be to extend an adequate level of care to everyone. Then, and only then, should we indulge ourselves in the debate over how to spend what is left in the budget.

This means, of course, that we must also get involved in the definition of adequate.

[3] Thurow L: Medicine versus economics. N Engl J Med 1985; 313:611-614.

Physicians are really the only group in this country with the qualifications to provide sound clinical information to the state legislature. We need to say: "Yes, we are going to have to ration health care in this country. It is inappropriate and unethical for physicians to do the rationing; society needs to do it. And if you, the legislature, are going to ration health care, here is a list of priorities that make sense clinically. This makes sense in terms of marginal costs and marginal benefits. This makes sense in terms of probable outcome." Physicians have to provide that input. Then we have to support legislative decisions that make responsible resource allocation choices. We have to do that publicly, in our community, and at the legislative level.

This, then, is the threat and the challenge of uncompensated care. The solution, I believe, is a partnership between public policymakers at the state legislative level and leadership in the medical community. If left unresolved, this problem of uncompensated care is going to result in an erosion in our social commitment to universal access to health care and a deterioration of health for a growing number of Americans, with very serious social and economic consequences. It is going to put physicians in conflict with their professional ethics and with what society expects from the health care system, which will lead to regulation, an erosion of clinical autonomy, and very likely a nationally controlled health care delivery system. We need not accept this outcome. In fact, we cannot accept this outcome. With the active involvement and leadership from the medical community, we can meet this challenge and restore some rationality and equity and economic stability to our health care system.

I ask you to join me in meeting that challenge.

PROTECTING FREEDOM OF CHOICE

Mr. CRANSTON. Mr. President, in the next several weeks a number of letters will be read into the CONGRESSIONAL RECORD from women and men who care very deeply about the right to reproductive choice.

I am privileged to share with my colleagues a very moving letter from one of my constituents from California, Mr. Michael Wong of San Francisco, whose grandmother almost died from an illegal abortion 50 years ago. Mr. Wong's compelling letter eloquently makes the case for keeping abortions safe and legal.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

Her family was her life.

In July 1984, Grandmother stunned the family when she revealed that she had an illegal abortion fifty years ago.

At the time, Grandmother and Grandfather had five children, all under the age of six. Two were still in diapers. They both held full time jobs. To supplement their income, Grandmother also had to moonlight in the evening (at home). Even with that, the family was still struggling to make ends meet.

Then Grandmother was pregnant. She would have to take time off from work and there would be another mouth to feed. She had to choose between her five children or the unborn baby.

Grandmother went to a "doctor" for the abortion. It was horrible and painful. Something went wrong because she was feeling so sick right after.

As she had done every night when her children went to bed, Grandmother began her moonlighting job. But the sick feeling would not go away. Grandfather found her unconscious on the floor when he arrived home.

For several days, they thought that she was going to die. She could not seek the help of a medical doctor. Grandfather had to cook herbs for her. They waited a few days, praying that she would not die and leave her children motherless.

Fortunately for the family, Grandmother survived the ordeal. And when times were better, Grandmother gave birth to two more children.

On September 18, 1984, Grandmother died at the age of 81 from cancer. Her children, grandchildren, great-grandchildren, other family members and 250 friends attended Grandmother's funeral.

Not everyone at the funeral might have chosen abortion to solve the dilemma that my Grandparents had during the Depression. But anyone who knew Grandmother would have wanted her to be able to go into a medical facility to have a safe abortion.

I have always been an advocate for a woman's right to have a safe abortion. But since 1984, the issue has become a personal crusade. I just don't want anyone to have to go through what Grandmother went through in order to obtain an abortion.

CONGRATULATIONS TO ISRAEL ON HER 41ST BIRTHDAY

Mr. JEFFORDS. Mr. President, as others of my colleagues have noted on the floor today, this is the 41st anniversary of the birth of the State of Israel. I would like to join in expressing my warm greetings to our friend and ally on this occasion.

One year ago there was must fanfare to mark Israel's 40th birthday. The administration, the Congress and the international commumity spoke out in support of the State of Israel and in recognition of her monumental achievements in building a thriving nation out of the ashes of the Holocaust.

It has been a difficult year for Israel. The unrest in the occupied territories has preoccupied the international media. Activities of the Intifada continue in spite of efforts to diffuse tensions. National elections on November 1 prompted intense and sometimes bitter debate about Israeli perceptions of the nature and direction of their state. Prime Minister Shamir's struggle to put together a coalition and form a government took an agonizingly long time.

Yet there is considerable optimism in the air now. Prime Minister Shamir enjoys broad support and the Likud-Labor coalition is functioning well. In his recent visit to Washington, Mr. Shamir put forward a proposal for elections in the occupied territories to select Palestinian representatives to negotiate peace with Israel. While solutions to the Palestinian issue remain elusive, Israel is now seen as taking the initiative to reinvigorate the peace process, the only viable avenue for resolution of this ongoing problem. The United States must be central player in furthering the search for peace.

The United States has remained firm in its financial support of Israel, even in the face of increasingly strong budgetary pressures in this country. Congress has seconded President Bush's statement of support by including full funding for Israel in fiscal year 1990 foreign aid legislation. I support this aid, knowing that our ally will use it wisely. While none of us can predict how deficit reduction will play out in the coming years, Israel can be sure of my continued commitment to the United States-Israeli relationship.

There will be difficult times in the coming year for Israel and for the United States, both predictable ones and unforseen crisis. Yet the United States knows it can count on the support of one of its most loyal and trustworthy allies—Israel. And Israel, on its 41st birthday, should feel confident in our support for her.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

CERTIFICATION WITH RESPECT TO THE BAHAMAS

The PRESIDING OFFICER. Under the previous order, the time of 2:30 p.m. having arrived, the Senate will now proceed to the consideration of Senate Joint Resolution 100 which the clerk will report.

The assistant legislative clerk read as follows:

A joint resolution (S.J. Res. 100) disapproving the certification by the President under section 481(h) of the Foreign Assistance Act of 1961 with respect to the Bahamas.

The Senate proceeded to consider the joint resolution.

The PRESIDING OFFICER. Who yields time?

Mr. KERRY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KERRY. How much time is available with respect to this?

The PRESIDING OFFICER. The Senator from Massachusetts controls 1 hour on behalf of the majority leader.

Mr. KERRY. And the total time available, Mr. President?

The PRESIDING OFFICER. Two hours.

Mr. KERRY. Mr. President, I yield myself such time as I may need.

Mr. President, the issue before us at this time is whether or not the Baha-

mas is fully cooperating in the war on drugs. Section 481(h) of the Foreign Assistance Act requires that the President at the start of each fiscal year, October 1, withhold 50 percent of U.S. foreign assistance designated for any country identified as a major producing or transit country, unless he sends to the Congress on March 1 a list of those major producing or transit countries which he has certified as eligible to receive full U.S. assistance. The President's determinations of certification are based on data contained in the international narcotics control strategy report.

Mr. President, under the provisions of the Foreign Assistance Act, the President may justify a determination of certification for a country that has been found to be drug producing or drug transiting and he can do so on one of two grounds:

No. 1, that the country has cooperated fully with the United States in curbing illicit narcotics and/or has taken "adequate steps on its own" with regard to preventing drug production, drug processing, drug trafficking, drug-related money laundering, bribery and public corruption. That is No. 1. He can certify on the basis that that country is fully cooperating.

Or the President can certify that the United States' vital national interest preclude implementation of sanctions.

Over the course of the last few years, we have had a number of battles here on the floor of the Senate regarding the certification process. Last year we had resolutions to decertify Mexico and the Bahamas, and the Senate by a close margin did decertify Mexico. It decided again by close margin not to decertify the Bahamas.

I would like to remind my colleagues as we think about whether or not we should decertify the Bahamas this year that there are 10 factors that the law requires us to look at in making a judgment about whether or not a country should be decertified. Those 10 factors stated in the law range from the level of cooperation in interdiction, to the level of their own law enforcement effort, to the prosecutions and a host of different matters.

For instance, the number of seizures of drugs, the numbers of arrests of drug dealers, the extent to which United States law enforcement personnel are able to participate with the personnel of that country, these are benchmarks of one kind. Together they would compromise what most of us have come to call "operational cooperation."

There is no doubt, Mr. President, that from the Bahamas we have received on an operations level a kind of cooperation. Our DEA agents do participate in drug raids. They are present now when drugs are seized and destroyed. Our Customs boats and our aircraft have the right to hot pursuit. Our Coast Guard participates in joint patrols and surveillance. We have had this kind of cooperation for 3 years now and, Mr. President, I would say that the cooperation level operationally with the Bahamas is good. No one is going to argue that that should be a cause for decertification.

But, Mr. President, we have to look beyond 1 item out of 10 in which they have chosen to cooperate as we make a judgment about whether or not they are fully cooperating.

I would remind my colleagues of what a House Foreign Affairs staff mission to the Bahamas concluded in 1987.

I quote from their report:

> The fear of being decertified by the United States for failure to fully cooperate on antinarcotics efforts appears to be the major reason the Government of the Bahamas provides any cooperation which is received by the United States. This cooperation can be characterized as mainly of a low-level operational level.

Mr. President, I submit that we have learned enough about the drug war, we have learned enough about the problem of narcotics coming into this country to know if we are going to be serious about enforcing our efforts and calling on other countries to do. Then we have to look for something more than low-level operational cooperation.

Last year my esteemed distinguished colleague from Arizona, Senator DECONCINI, who will again this year assert that we should not in fact decertify the Bahamas, showed us letters extolling that cooperation, from Admiral Yost, commander of the Coast Guard, from Commissioner William von Raab of Customs and those letters praised the Bahamas and commended that Government for cooperation.

I hope, Mr. President, that my colleagues will not be misled by letters extolling the cooperation.

I concede this is low level, even high level if you want to call it that, cooperation of an operational kind.

But we have learned, also, about letters of cooperation, Mr. President. They were addressed to General Noriega. At one time we were told not very long ago, I think 2 years ago, in this debate on the floor of the Senate, that General Noriega is giving us full cooperation operationally.

Why? Because he allowed the Panamanian defense forces to cooperate with agents from the DEA in seizures and arrests.

In fact, the DEA seized large quantities of drugs and made arrests and the head of the DEA, Jack Lawn, wrote letters to General Noriega and thanked him for the help, and people actually came to the floor of the Senate and held up the letters and said we should not decertify Panama because Panama is helping us operationally.

On a certain level, Mr. President, General Noriega gave us cooperation. But it is clear to everybody today that in doing so, he took us and particularly his own nation on a gigantic ride. Noriega assisted in the arrest of small drug dealers. He provided information that resulted in the seizures of his competitors' drug shipments and in fact he even used his alliance with the DEA to get rid of people that he did not want to do business with or who somehow had become risks in his own organization.

It was very convenient for him to continue to work the Medellin cartel while meanwhile giving up a few people so that the statistics on narcotics seizures and statistics on narcotics-related arrests destroyed looked good while he continued to reap the profits of money laundering and indeed of other drug transactions.

So, I think we have to look beyond that, Mr. President. I hope my colleagues have reached a point where they are willing to look beyond that.

The best measuring stick for full cooperation, Mr. President, is the measuring stick that looks at the larger question of commitment to the war on drugs, and one of the most critical ingredients. When we were debating the drug law that we passed in 1986, we divided five areas of critical components of the drug war. Foremost among them at that particular time were interdiction, eradication, enforcement, education, and treatment.

Well, there is no country in Latin America or Central America or the Caribbean that has treatment and massive education. But interdiction, law enforcement, and the eradication are measurable.

Mr. President, section 481 of the Foreign Assistance Act, paragraph (e)3 instructs us—this is the law we passed when we created the certification process. And what we held ourselves accountable to was a standard where we said, here are the factors which the President must look at when making his determination on certification.

I quote from that particular section:

> In determining whether to make certification with respect to a country, the President shall consider the following: Has the government taken the legal and law enforcement steps necessary to eliminate, to the maximum extent possible, bribery and other forms of public corruption which facilitate the production, processing, or shipment of narcotic and psychotropic substances, or which discourage the investigation and prosecution of such acts, as evidenced by the enactment and enforcement of laws prohibiting such conduct.

Mr. President, we can continue to fool ourselves about a war on drugs and just look at cooperation on one level and say, "OK, we don't want to rustle the waters. Gee, we don't want

to upset anybody. A status quo is always safer. Let's not decertify."

Those were the arguments about Mexico. Everybody said, "If you decertify Mexico, our relationship will never be the same." Well, Mr. President, we decertified Mexico and as a result we have a President, a new President, in Mexico, who has taken strong steps to eliminate corruption and who has moved sufficiently that those of us who last year were willing to decertify this year have turned around and said, "We shouldn't do that this year. We should congratulate them for the steps they have taken and we should applaud the President for his movement and we should indeed provide greater assistance to encourage him to do that."

I regret, Mr. President, we cannot say that about the Bahamas. The Bahamas continues to be plagued by corruption.

Let me just quote what the State Department said in its own 1989 International Control Strategy Report, which provides the guideline to us about the actions that we should and should not take.

> Narcotics-related corruption continues to be a problem, making the country attractive to drug smugglers.

There it is. Corruption makes it attractive to drug smugglers.

Corruption is a festering wound in the Bahamas that, if we do not encourage them to take steps to cure, will prevent that country from ever truly cooperating part of the drug war.

I would like to call the attention of my colleagues to the Royal Commission of Inquiry report from 1984. The Royal Commission was made up of prominent individuals from various Commonwealth nations. Its purpose was to make—and I read from its charter—"a diligent and full inquiry into the extent and methods employed in the illegal use of the Bahamas for transshipment of dangerous drugs destined for the United States."

The Commission focused their investigation on drug-related corruption and in their final report they painted a devastating picture that implicated high government officials and prominent Bahamian businessmen and lawyers.

In 1987, the House Foreign Affairs staff report on the Bahamas said about the corruption and about the Royal Commission:

> Drug-related corruption remains rampant; individuals named in the 1984 Royal Commission of Inquiry report as known or suspected traffickers will operate freely.

This is 1989; that was 1985. So someone might say, "What's the relevance of reading the report from that period of time and here we are making a judgment about last year, 1988, 3 years out?" The relevance is, Mr. President, nothing has changed. Nothing has changed.

I spoke just recently with attorneys in the U.S. attorney's office in Florida. They will tell you that nothing has changed. Now if we are not willing to believe our own U.S. attorneys, who are charged with prosecuting in this war, who are we going to believe? The public relations men for the Government of the Bahamas? The people in the Government of the Bahamas who did not prosecute these people in the first place?

I believe that the Commission of Inquiry report provides us with an ongoing benchmark and that benchmark is as valid today as it was last year.

Mr. President, if you do not think it is valid today, then take note of what the U.S. attorneys in this country have done. Because developments in this country in the last months show that it is valid today. I am talking about the recent indictments of Kendall Nottage and Everette Bannister, both individuals featured prominently in the Royal Commission Report.

Last year, under questioning by Senator DECONCINI before the Committee on Appropriations, the Attorney General of the Bahamas responded to questions about Kendall Nottage and his alleged association with an American Mafia figure, Michael Caruana, of Massachusetts. Senator DECONCINI asked how Nottage, in the light of the findings of the Commission report, could have been appointed as head of the Bahamian broadcasting system—A very good question. The Attorney General's response was interesting. He said, "There was no evidence at the time that Mr. Nottage knew who Mr. Caruana, of Massachusetts, was said to be. There was no suggestion arising out of the Commission that his misdemeanor * * * was having a business relationship in the ownership of a hotel with a man who he said he did not know who he was at the time."

Well, Mr. President, either the Attorney General of the Bahamas does not know the facts or the Attorney General of the Bahamas is dealing with a different reality. Because if that Attorney General had quoted from the Royal Commission Report, he could have quoted paragraph 46, which says:

> Bearing in mind that both Mr. and Mrs. Nottage's telephone numbers, listed and unlisted, were noted under their Christian names in Caruana's address book seized when he was arrested, it is obvious that they were known to each other and to Caruana.

Now the Attorney General might have also quoted from paragraph 49.

> A prudent man, such as we assume Mr. Nottage to be, would make inquiries of the character of the person with whom he was dealing behind the corporate veil and thus avoid the risks of entering into a joint venture with an apparent criminal and the consequent effect upon his reputation of a person of Mr. Nottage's standing as a Cabinet Minister.

In a letter to me just last month, dated April 6, 1989, the Attorney General stated that "The Commission of Inquiry did not recommend prosecution because of the absence of any evidence either in the Bahamas or as provided by U.S. agencies."

Well, Mr. President, from the Royal Commission of Inquiry report, it is clear that they did not either substantiate, nor did they clear Mr. Nottage of allegations.

But, given that ambiguity and the prominence of Mr. Nottage, one might think that the Attorney General himself would have investigated the matter.

Why was it that the Bahamian Attorney General could not develop the evidence to indict Kendall Nottage? Well, I cannot answer that question, Mr. President, but I can tell you this.

Two months ago, on March 29, 1989, the U.S. attorney for the district of Massachusetts did indict Mr. Nottage, and the indictment charged him with conspiring with three others, including Michael Caruana, to defraud the Internal Revenue Service by laundering over $5 million of the proceeds of Caruana's unlawful drug business.

He is also charged with executing a false and fraudulent document, concealing Caruana's interest in the Islander Hotel, located in the Bahamas. And he was charged with giving false testimony to the Commission of Inquiry in 1984.

What do you think are the chances that Mr. Nottage is going to be extradited to the United States? That is another measure of whether or not there is full cooperation.

Well, again, one has to look at the record there, Mr. President. Because we have been trying to extradite another indicted Bahamian, who is very close to the Prime Minister, an attorney by the name of Nigel Bowe. And the Bahamian Attorney General has been responsible for this bungled and frustrated extradition process, an extradition process which, only 2 years ago, our own State Department in its narcotics and control report said was being held up, "due to specious legal grounds."

Mr. President, at a meeting in my office last month, I asked the Attorney General of the Bahamas why he never prosecuted Nigel Bowe. He told me the Commission of Inquiry report did not recommend the prosecution because of "the absence of evidence."

Again, Mr. President, either the Attorney General does not know the facts or he is dealing with a different reality. Let me read to you what the Commission of Inquiry report said in paragraph 92:

> We were disturbed by the number of drug traffickers, who quite independently of each other, were willing to describe in considerable detail their involvement with Nigel Bowe. Indeed, we note that his consistency

is denying any involvement with drug trafficking is exceeded only by the frequency of the allegations against him. We found this phenomenon of allegations too simplistic. He suggested that his frequent presentations on behalf of persons charged with drug trafficking led persons to make unwarranted assumptions that he was personally involved in the trade.

Quoting the report, Mr. President:

We do not believe that this is a sufficient explanation for the fairly consistent pattern which emerges from a careful analysis of the numerous allegations made by the various drug traffickers who, for the most part, did not fall within the category of persons identified by Bowe. In addition, we found that his repeated denials lacked a ring of truth.

That is the finding of the Commission. They include:

We have formed the opinion that Mr. Bowe's involvement with drug traffickers far exceeded a lawyer/client relationship and that he benefited materially from his numerous associations with them. We have concluded that he was aware of their nefarious activities and assisted them in their nefarious trade.

So, here we are, Mr. President; the Attorney General says: No evidence. And here is the evidence in the report. They concluded that he assisted them in their trade.

It sounds to me like the Commission of Inquiry believed there was probable cause for an indictment but, since the Commission did not tell the Bahamian Attorney General what to do, the Attorney General did not pursue the matter and has never pursued the matter. And to this moment, the Government of the United States is still struggling to get this crony of the Prime Minister's back here to the United States. Why? Because Mr. Bowe was indicated in the United States of America. Yet another person who they refuse to pursue in the Bahamas, but we have pursued here.

In 1985 he was indicted in the southern district of Florida and the Assistant U.S. Attorney who handled the case—incidentally, one of the finest prosecutors in the country, Richard Gregorie, who, sadly has left the U.S. attorney's office because he felt there was too much interference in his ability to wage the war on drugs—has said that the case against Nigel Bowe is a strong case.

He noted that much of the same evidence that was used to convict one of Bowe's co-conspirators in a State court would be used to prosecute Nigel Bowe in a Federal court.

You may ask, then, why was not Nigel Bowe extradited to the United States? Well, I asked the Attorney General of the Bahamas that very question. And he was asked that also by Senator DECONCINI in a hearing last year.

The Attorney general said that Bowe hadn't been extradited because "he can afford to take advantage of all the legal devices and all the legal niceties which he can employ lawyers to do." And, he added, "He hasn't been extradited because I won't tell the judge what to do * * * because in the Bahamas no Attorney General would dare tell a judge what to do. I would have to resign."

Well, there again, either the Attorney General does not know the facts or he is dealing with a different reality, Mr. President. Because, according to former U.S. attorney, Dick Gregorie, the reason Nigel Bowe was not extradited was the same reason stated by our own U.S. State Department, for specious legal grounds. And as Dick Gregorie said it was either "gross incompetence" or "corruption" on the part of the Bahamian Attorney General's office.

Indeed, the report of the International Narcotics Control Strategy of 1988 seems to indicate that it gave little credibility to the Attorney General's pursuit of this matter. Extradition can take time sometimes, Mr. President. But we do not have any difficulty extraditing, usually, people from Great Britain and elsewhere, under the same legal system. The United States Attorney forwards the request to the Bahamian Attorney General. He in turn forwards it to the appropriate Bahamian court.

Well, Mr. President, let me tell you what happened. The first time the Justice Department tried to get extradition of Bowe, the Attorney General's office forwarded the request of the proper court but it misspelled Bowe's name, B-o-w-e, misspelled Bowe's name so that the request was thrown out.

The second time the Justice Department sought extradition, the Bahamian Attorney General's office, which got the name right on the second one, cited the wrong Bahamian law, which it had not cited incorrectly on the first one, Mr. President. Now, under the certification law, matters to be considered, section 3(k). Again, this is one of the matters that we have said the President must take into account and we presume the President did. It says: "Has the government expeditiously processed United States extradition requests relating to narcotics trafficking?"

The answer, as regards Nigel Bowe, is an unequivocal "no." But the International Narcotics Control Strategy Report points out that there are 20 outstanding U.S. requests for extradition and "most of the U.S. requests are stalled in Bahamian legal proceedings."

It is not the case, Mr. President, where expeditious effort to expedite, is taking place.

Now, forget extradition. Forget Nigel Bowe, forget Kendall Nottage. What about Everette Bannister? I mentioned him previously.

Mr. CHAFEE. I wonder if the Senator will yield for a question on extradition?

Mr. KERRY. I will be delighted to yield for a question on extradition.

Mr. CHAFEE. Am I correct in saying that there is a new extradition treaty that has been worked out between our two governments but has not been ratified by the United States?

Mr. KERRY. We are still operating under the old extradition treaty.

Mr. CHAFEE. But a new extradition treaty has been worked out between the U.S. State Department and the Bahamian Government, but has not been ratified by the United States?

Mr. KERRY. That is accurate.

Mr. CHAFEE. But the Bahamians have ratified it?

Mr. KERRY. I believe the Bahamians have passed it. I cannot speak to whether they have ratified it.

Mr. CHAFEE. Well, that is my understanding. But the United States has not ratified it.

Mr. KERRY. That is correct.

Mr. CHAFEE. I know the distinguished Senator from Massachusetts is severe on the Bahamians, and particularly has addressed the matter of extradition. I do not quite understand why, following the negotiation of an extradition treaty between the two governments, and the Bahamians have ratified it, and the U.S. Government in the past 2 years has not ratified it, including the committee the Senator sits on. Is there any explanation for that?

Mr. KERRY. There is an explanation, and it probably will not be a comfortable one for the Senator on that side of the aisle. We have had a particular problem with a member of the committee from his side of the aisle who has slowed up some of the process with respect to a number of the agreements we have tried to forward not only with respect to the Bahamas but with respect to Mexico and a number of other areas.

Mr. CHAFEE. If I could follow on that, I do not find it a very satisfactory explanation, if I might say.

Mr. KERRY. It is a real one.

Mr. CHAFEE. For a majority party who controls the committee as substantially as that committee is controlled, to say that because of one individual——

Mr. KERRY. If I can answer the distinguished Senator from Rhode Island, I have no doubt that the committee is going to try to move that again in rapid order as we did the six mutual legal assistance treaties that we have been trying now in good faith for a year and a half to move through the committee. We held hearings on it I think about 2 to 3 weeks ago. It is my suspicion that they will be coming up for a vote in short order before the committee.

Mr. CHAFEE. The only point I would make, you just completed your dissertation, your comments upon the extradition problems moving on to something else, but I think it is fair to point out that in a treaty that has been negotiated between the two governments dealing with extradition, the Bahamians have ratified it, the United States has not ratified it, and I think that is worthy of pointing out. I want to thank the Chair.

Mr. KERRY. Let me make very clear, the Senator from Rhode Island raises a very valid point or question. The point is there is a major distinction between the application of the existing law, which is the one we are operating on, and the negotiating process of a new one. Again, we are glad that they have entered into negotiations and proceed forward, but as you look at the mosaic of cooperation, you have to look beyond mere negotiation into what has been done in terms of true cooperative effort within those fields. The record is very clear here.

Why is the last extradition treaty being applied speciously? Why is the last extradition agreement not being given the support of the Bahamian Government, if you will, and expedited process that would make it work? What was it that brought us to the point we have to negotiate a new one? Will we have the same problems applying the new one if and when it is finally ratified? We are not making those judgments prospectively. We are making them on the basis of where we are today. Take the issue of extradition out. If the extradition process does not convince you, you still have other enforcement proceeding deficiencies which are critical. I ask the Senator to look at the case of Mr. Everette Bannister. The Attorney General prosecuted Everette Bannister. In fact, according to the Bahamian Attorney General, he prosecuted all those individuals from whom the commission of inquiry recommended prosecuting.

How do I know that? Because he sat in my office and he told me that. The list of those people is Mr. Bannister, Mr. George Smith, Mr. Edward Maynard, Mr. Howard K. Smith, Mr. Langton Hilton and Mr. Godfrey Pinder. How many of them were convicted? Not one, In fact, not one of those cases even went to trial.

Mr. Smith in 1985 was the former Minister of Agriculture and Fisheries. He was accused of accepting a bribe of $100,000. A preliminary inquiry was held, and on January 26, the charges against him were dismissed on the grounds that the evidence presented was not sufficient to put him on trial.

Mr. Pinder was charged with bribery and perjury. During his preliminary inquiry, the magistrate conducting the proceedings ruled that a tape recording the crown attorney sought to introduce was inadmissible. The case was closed.

The charges against Mr. Hilton were dismissed at the end of the preliminary inquiry and no reasons were recorded on the case ledger for why.

Mr. Maynard, unlike the other individuals said, "I want to be tried." Lo and behold, after he said that, the attorney's key witness did not appear, and on February 27, the attorney withdrew the two counts of perjury that had been held against him.

Mr. Smith, this police officer was charged with seven counts of illegally accepting a bribe. The same key witness who failed to show for the Maynard trial also failed to appear for his and, again, the cases were dismissed.

What about Mr. Bannister? Mr. Bannister was charged with abetment to bribery, bribery, and two counts of perjury. The same magistrate who dismissed the charges against Mr. Smith discharged Mr. Bannister after the counsel argued that whatever evidence that had been presented by the crown attorney did not satisfy the requirements of the code, and those were thrown out.

So when he says he prosecuted these individuals, again, either he is not aware of the facts or he is in a different reality. They were all dismissed at the preliminary inquiry stage. None of the cases resulted in convictions and I think, Mr. President, that we have a right to make a judgment about convictions.

The Attorney General said to me again that the star witness against Bannister, a Mr. Edward Ward, proved to be "weak and unsatisfactory as a witness."

The Bahamian Attorney General, knew that there were other witnesses who could finger Mr. Bannister. One of those witnesses, and I hope the Senator from Rhode Island is aware of this, one of those other witnesses that the Attorney General could have used testified before the U.S. Senate Subcommittee on Terrorism and Narcotics.

I chaired that hearing. I want you to listen to how the son of Everette Bannister, a gentleman by the name of Gorman Bannister, described his own father's relationship with the infamous Colombian narcotics trafficker, Carlos Lehder, who was convicted in a Florida court last year.

Question by me:

Did your father warn Carlos Lehder of the police raid on Norman's Cay?

Mr. BANNISTER. Yes.

Would you describe that?

Mr. BANNISTER. Well, as I recall, he made a phone call to Carlos letting him know the police were going to——

You heard the phone call?

Oh, yes, yes, yes. I know my father called one time and he told him "Listen, the police are going to raid Norman's Cay on a certain day. Clean it up." And when they went there they didn't find anything.

Now if you question the credibility of Gorman Bannister, remember, it was his testimony that was used and accorded the United States by the U.S. attorney to convict Carlos Lehder.

So, again, Mr. President, if the Attorney General of the Bahamas will not prosecute, he should at least extradite him to this country because the U.S. attorney for the Middle District of Florida will prosecute Mr. Bannister. On March 22, 1989, he was indicted by U.S. Attorney Robert Genzman and he was charged with receiving money for bribes to facilitate the importation of cocaine into the United States for the Medellin cartel.

So, Mr. President, this Senator is convinced as a former prosecutor who has conducted grand jury investigations and watched the process, I know the difference between asking the right people the right questions and turning your head the other way. I know the difference between a bona fide effort to ferret out corruption in government and an effort which simply says business as usual.

Mr. President, in good conscience, in terms of what this law says, we cannot say that there is full cooperation.

The 1987 House Foreign Affairs Committee report said, "Officials in the Bahamas noted that it is extremely difficult to fire a corrupt policeman. In the 5 years since the commission of inquiry report, some public officials have been indicated, but few have been prosecuted."

Mr. President, I am not going to go on. There is more here. I know that Senator COATS and Senator LOTT each need time, and I want to allow time for them to speak. It is my hope that we are not going to be seduced by cosmetic cooperation if we are going to be serious about a war on drugs. Last year we made a serious statement about Mexico. I think it helped. I think it is time for us to make a serious statement about the Bahamas, and I hope my colleagues will join in doing so. I reserve what remaining time may exist.

Madam President, I yield 5 minutes to the distinguished Senator from Indiana.

The PRESIDING OFFICER (Ms. MIKULSKI). The Senator from Indiana.

Mr. COATS. Madam President, I rise in support of the resolution of the Senator from Massachusetts. At first glance it might seem trivial, perhaps even humorous, for the U.S. Senate to turn its wrath on the Bahamas. This is a nation, after all, of beaches, bikinis, and whose only previous threat to the United States was some particularly nasty sunburns.

But the Bahamas, in recent years, have become something else entirely—a staging area for drug shipments, an aircraft carrier for the drug trade. While it does not produce drugs for

export, it has become a major transit point for cocaine and marijuana entering the United States. It has also become an international bank for the illegal laundering of drug money.

Its geography is ideal for the drug trade, a nation of 700 islands covering over 100,000 square miles. It has 73 public and private airstrips and 110 small boat marinas. These are things that the Bahamian Government cannot help. But its actions on those things that are under its control have revealed an attitude that does not represent the full cooperation in the war against drugs demanded by the 1986 Anti-Drug Abuse Act. Narcotics-related corruption in the Bahamas is rampant and official investigations are slow. Cooperation is lacking on projects like "Operation Penguin" and interpretation of data from mobile radars.

We have a responsibility, rooted in law and in need, to ensure that every nation which receives our tax dollars also gives their full cooperation to the fight against drugs. Nothing less than the lives and futures of our children are at stake. We do not have the option to make exceptions. We do not have the luxury of timidity. We have set a standard in this Nation, and that standard must be met. We must demand that it be met.

It is for this reason that I intend to support this legislation to decertify the Bahamas, and I urge my colleagues to do the same.

I thank the Senator from Massachusetts for bringing this legislation before us, and I urge my colleagues to support it. I thank the Chair. I yield back to the Senator whatever time I have remaining.

Mr. KERRY. I thank the distinguished Senator from Indiana for his support and for his observations.

I yield 6 minutes to the Senator from Mississippi.

Mr. LOTT. Madam President, I thank the Senator for yielding this time to me. As a cosponsor, I rise in support of Senate Joint Resolution 100.

The Bahamas are a major transit point for cocaine and marijuana coming into the United States. I think it is a point that is not being disputed by the administration or by anybody. The Bahamas are a major point of transit. That is the reason why I am sponsoring this joint resolution. The administration's certification report states that we have enjoyed a very cooperative relationship with the Government of the Commonwealth of the Bahamas and it praises joint United States-Bahamanian law enforcement operations, but let me read to you what the report goes on to say.

Nonetheless, the reality is that too much cocaine still passes through the Bahamas. And, while the Government of the Commonwealth of the Bahamas is more active in investigating allegations of corruption, we are concerned by reports that corruption still exists. * * *

We also believe the noteworthy Bahamian cooperation in joint anti-narcotics efforts should be accompanied by stronger unilateral efforts to curb drug trafficking and consumption within the Bahamas.

These are the administration's own words in its own report which was submitted to the Congress just 2 months ago.

Madam President, I think we have here a classic example of the State Department placing its fear of offending the governments of major drug-producing and drug-transit countries above our Nation's war against drugs, which I believe must be the number one priority.

I am not trying to shift the blame to the Bahamas or to Mexico. The problem begins here, and we need to be more aggressive in the way we punish drug pushers and drug users in this country.

We need more active law enforcement, more determined and committed judges, more prison facilities, and more interdiction. But as an important part of that overall war against drugs, we must stop drugs where they begin, in the countries that are producing them or that are being used as a transit point.

To try to tell the people in Mississippi or in Massachusetts or other parts of the United States that these countries are doing the best they can, and that we cannot afford to be cutting off foreign assistance to these countries that are major transit points used in poisoning the people of this country, in my mind is totally unacceptable and indefensible.

On March 16, I wrote the new drug czar, Bill Bennett, and asked him to evaluate the certification process and to furnish me with his recommendations as to how the process might be tightened and strengthened. I also asked him what steps he planned to take to let the State Department know that we cannot continue to do business as usual if we are to win the war against drugs that is sweeping our country.

I am pleased to report that Mr. Bennett, in response to my letter, committed himself, as part of the national strategy to combat illegal drugs that he will be developing over the next 6 months, to deal with the steps being taken or not being taken by foreign countries to control drugs before they reach the borders of the United States and to work closely with the Secretary of State to study the narcotics control efforts of these countries very carefully.

I ask unanimous consent to insert in the RECORD my letter to Mr. Bennett and his response.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

OFFICE OF NATIONAL DRUG CONTROL POLICY, EXECUTIVE OFFICE OF THE PRESIDENT,
Washington, DC, April 5, 1989.

Senator TRENT LOTT,
U.S. Senate, Washington, DC.

DEAR TRENT: Thank you for your letter of March 16 discussing the State Department's recent report on international narcotics control strategy. Several other Senators and Members of Congress have also expressed concern to me about this process by which foreign countries are certified to be cooperating with the United States in our drug control efforts.

As you know, I was confirmed by the Senate on March 9. My first charge is to develop, within 6 months, our Nation's strategy to combat illegal drugs. A portion of that strategy will certainly deal with the steps taken by foreign countries to control drugs before they reach U.S. borders. In this regard, I will be working closely with the Secretary of State to study carefully the narcotics control efforts of these countries. My conclusions on this matter will be contained in the strategy report to be promulgated in 6 months.

I want to thank you for your interest in our international narcotics control efforts. I look forward to working with you during the 101st Congress.

Sincerely,

WILLIAM BENNETT.

U.S. SENATE,
Washington, DC, March 16, 1989.

Hon. WILLIAM J. BENNETT,
Director, Office of National Drug Control Policy, Executive Office of the President, Washington, DC.

DEAR BILL: I have reviewed the State Department's 1989 International Narcotics Control Strategy Report and the Presidential certifications for narcotics source and transit countries. And I am disturbed by the conclusions drawn.

In my opinion, the findings that major narcotics producing countries have cooperated fully with the United States, or have taken adequate steps on their own to control narcotics production, trafficking, and money laundering, are not justified by the evidence.

Rather, it seems to me that the State Department has subordinated our Nation's war against drugs to diplomatic niceties and its fear of offending major drug-producing countries. In short, they don't want to rock the boat.

I understand that at your confirmation hearing, you expressed similar misgivings about the Administration's decision to certify certain drug producing or drug transit countries as cooperating in the war against drugs.

As the national drug "czar," I would like your assessment of the certification process as well your recommendations as to how the process might be tightened and strengthened. I would also like to know what steps you plan to take to let the State Department know that we cannot continue to do business as usual if we are to win the war against drugs that is sweeping our country.

I am also enclosing an article from the New York Times by A.M. Rosenthal entitled, "The Giant Loophole." I would like your reaction to it.

I want to congratulate you on your recent confirmation. And I look forward to working with you in the weeks and months ahead.

With best wishes, I am
Sincerely yours,
TRENT LOTT.

Mr. LOTT. The most serious problem with the Bahamas is the failure of the Bahamian Government to prosecute, convict, and remove from positions of influence individuals involved in drug trafficking, individuals identified 5 years ago, in 1984, by a Royal Commission of Inquiry in the Bahamas. These people are still operating today and very little has changed. Although some public officials have been indicted, few have been prosecuted. Only one low-level policeman has been convicted.

On March 29, 1989, Everett Bannister—and we have already had some conversation about him—was indicted by the U.S. attorney for the Middle District of Florida. He was charged with receiving money for bribes to facilitate the importation of cocaine into the United States for the Medellin cartel.

The former attorney general of the Bahamas, Paul Adderly, declined to prosecute Mr. Bannister and has been unwilling to extradite him to the United States. For this action in behalf of Mr. Bannister and others involved with the drug trade, we find now that Mr. Adderly has been promoted to Minister of National Security.

Madam President, I sum it up this way. A strong message is essential. I want us to have a good relationship with the Bahamas, but in my opinion we do not have a good relationship with the Bahamas or any other countries that are allowing their borders to be used to produce cocaine and other drugs and to be used as transit points for them to come into the United States.

They must be more aggressive. We must be more aggressive. The State Department has to make the point we will not tolerate the status quo. And so I am pleased to join in cosponsoring this joint resolution. I compliment the Senator from Massachusetts for doing it. I intend to support other resolutions like this until we get more active and aggressive support from countries that are supposed to be our friends.

If this is a war on drugs, let us get serious about it. I yield back the remainder of my time.

Mr. CHAFEE addressed the Chair.

The PRESIDING OFFICER. The Senator from Rhode Island is recognized.

Mr. CHAFEE. I yield myself such time as required.

The PRESIDING OFFICER. The Senator may proceed.

Mr. CHAFEE. Madam President, this is one of those, what we call make-you-feel-good resolutions. It is a chance to beat our chests. It is a chance to get tough. It is a chance to show who is boss, but the question is—and I think the question that should remain before us—what are we doing to help conduct the war against drugs?

Now, are the Bahamas perfect? No one will say so. There are 700 islands down there spread over 80,000 square miles. Only 29 of those 700 islands are occupied. The Bahamas do not produce drugs but are an ideal transit point. The Bahamas probably have some corruption. I cannot certify to that. But I do know that the administration has stated that, in its best judgment, proceeding with this resolution would not be helpful.

In 1988, the last year for which we have statistics—obviously, just last year—over 9 metric tons of cocaine was seized in the Bahamas. One-quarter of that was seized unilaterally by the Bahamian police or defense forces. Three-quarters of it was seized in joint operations between the Bahamians and the United States enforcement agencies.

What we have in the Bahamas is a right for the United States antidrug forces—and that includes the Coast Guard—to overfly in their air space, to operate within their waters, and indeed just a year ago we received a letter addressed to Senator DECONCINI from the Commandant of the Coast Guard pointing out that the cooperation with the Bahamians was excellent.

This same resolution was brought up last year and was defeated.

I believe the vote was 54 to 40. I think that would be the best way to proceed today.

We do not have a perfect situation, nor I might say do we have a perfect situation to fight drugs in other countries in the world. Is there corruption? There probably is some but there is some corruption in drug matters in the United States likewise. To suggest that by cutting off this aid, by saying to the Bahamians you have not done enough, you are not simon-pure, it is all right for you to ratify an extradition treaty, we have not ratified it yet but forget that. And everybody that has brought it before your courts is not convicted on drugs. The way we feel it should be. Maybe the prosecution should have been better.

But the question is: What is going to be most helpful in fighting drugs? We have privileges in the Bahamian waters and overflight that we do not have with any other country, fortunately, and I think we can say this: that because of our efforts not solely in the Bahamian waters, but the amount of drugs that is coming up through that particular direction is not what it was before but that is true due to a whole series of war against the supply of drugs that has been fairly successful in that part of the world with the drug traffic shifting further west in the route up from Colombia.

I wish I could say that the Bahamians were perfect, but they are not. I do not think that this resolution is going to make progress for us. I think if approved it is going to set us back. The Bahamian Government, as I say, has cooperated in many, many respects, and if what happens is here in this Senate we say you have been good but not good enough, so we are going to cut your aid in half, I think if I were in the position of the Bahamian Government I would say, well, that is what we get for our cooperation. That cooperation has not been extended to us by any other country, and I would ask the distinguished Senator from Massachusetts, who is familiar with these:

Is there any other country that permits us overflight rights to the extent the Bahamians do? Is there any other country that permits us to go into their waters, into their territorial waters in hot pursuit, or in patrol to the extent the Bahamians do?

Mr. KERRY. Let me say to the distinguished Senator from Rhode Island two things. No. 1, Mexico does permit overflight, but not hot pursuit. But there is permission for overflight.

Mr. CHAFEE. Is there any other country that grants us the privileges that the Bahamians do? I do not think there is. The Senator is very deeply involved in these matters, and may be able to answer.

Mr. KERRY. With Canada we have a hot pursuit capacity there. But let me make a point to the distinguished Senator. First of all, I wanted to check with staff on the Foreign Relations Committee because I sense that there might be some confusion, and, indeed, I am correct. But I did not want to answer that for the distinguished Senator affirmatively without knowing.

On the issue of this extradition treaty, neither country has ratified. I believe the Senator is referring to the Mutual Legal Assistance Treaty, and there we have been working diligently to get that out of committee, and we hope it will be out very, very shortly.

The second comment I would make, I do not believe the Senator was here when I made this comment. So I, in a sense, addressed it but I reiterate that I would concede to the Senator, and I have conceded, completely the efforts in the Bahamas on this operational level.

Indeed, I said at the outset of my remarks that there really is not another country operationally that has gone as far as they have. But that is only one of some 10 ingredients which we wrote into the law by which we must judge full cooperation. Full cooperation is a term of art. But this is not a feel-good issue. In fact, I do not feel good. I feel badly that we have to come to this kind of confrontational point, but the point is it proved to have an effect in

Mexico and, if you look at the 10 other areas of noncooperation or of noneffort, it seems to me that one makes a judgment that there is considerably more the Bahamas could do.

Mr. CHAFEE. I suspect, and I agree with the distinguished Senator from Massachusetts. There is more the Bahamians can do. I suspect there is more the United States can do. To suggest that there is not bribery in these areas where drugs are involved would be naive. There is bribery taking place and acceptance of bribes by law enforcement officials in the United States, and sure I can see this taking place in the Bahamian Islands likewise.

When you have these massive amounts of money coming in, the temptation is there to take it, particularly if it is a nation with a relatively low standard of living, low per capita income, where these amounts are extremely tempting. I think we ought to keep the question before us. The question is: What is going to do most to win the war against drugs? Is it to follow the Senator's resolution? Mind you the administration has said that in its judgment the Bahamian Government has met the criteria. Now the Senator from Massachusetts has said, "No, they haven't." So here we are. We are disputing that. That is what the vote is all about in an hour or so.

Mr. KERRY. Madam President, will the distinguished Senator yield?

Mr. CHAFEE. Sure.

Mr. KERRY. Madam President, this Senator has never suggested that there is some yardstick of simonpurism by which we are supposed to be making this. The test is not a question of whether or not there is some corruption. Yes, there is some corruption in the United States. Ten percent of the Miami Police Department was fired a year-and-a-half ago. The difference is we are firing them. They are not. The difference is we are prosecuting Carlos Lehder. We are prosecuting Matta Ballesteros. We are seeking the extraditions.

We are prosecuting our own people, and we are snowed under, but I do not think anybody has alleged that in this country there is some high governmental conspiracy restraining our enforcement efforts. But there is an allegation that there is a high-level government restraint within the Bahamas.

That is the distinction here. The question is not whether or not there is some corruption or we are applying some ridiculous standard. The question is the bona fides of the effort to fight.

The Senator has cited these questions of cooperation of other countries and letters. My God, we were writing letters to Noriega. I remember a Senator on the floor reading to me the DEA Chief's letter to General Noriega saying we should not decertify Panama. I will bet you today if we had a decertification vote, the Senate would be 100 to 0. And the question is whether or not we are going to allow low-level cooperation efforts to allow them to continue to pull the wool over our eyes. It is the easiest thing in the world.

I have learned from some witnesses who testified before the Narcotics Subcommittee that Mexico can tally up seizure records. What they do is, on the side of the gulf they seize the drugs, and they have been known to give an escort to the very drugs they seize to the other side of the gulf. And then the guy goes off and sells them. But they have a seizure.

If we are going to be snookered by seizures and arrests, and have this concept of cooperation, which does not produce a real deterrent within the criminal justice system in society, then we do not deserve to be engaged in this so-called war on drugs.

Mr. CHAFEE. Madam President, I think the term "snookered" is good for perhaps a chuckle here, but I think to apply that to a statement by the Secretary of Defense of our country who wrote the chairman of the Foreign Relations Committee stating that he was concerned about the Bahamas, about the situation there, nonetheless in his judgment this certification of disapproval, or put it the other way, the certification of approval, should be granted.

That is what I am drawing on. That is my belief, and I am not sure what the Senator was referring to when he said we have had letters to Noriega. This letter that I was referred to was the letter from the Commandant of the Coast Guard to a Member of this Senate, pointing out the cooperation that the Coast Guard had received. No one will question the distinguished Senator's admiration for the Coast Guard and his support for their activities. They are the people on the front lines, the people who are trying to seize these drugs; and the Coast Guard's position has been—and nothing has changed; nothing has come up to indicate their position is otherwise—that the cooperation they are receiving and the advantage they have operating in the Bahamian wars and air space are extremely important. We delegate the Coast Guard to do its job, and in my judgment, they have done a good job, and this is their position, which has not changed.

Mr. KERRY. Madam President, will the Senator yield?

Mr. CHAFEE. Yes.

Mr. KERRY. I will answer his question. What I am trying to say to the distinghished Senator and my colleagues is not the question of whether or not Admiral Yost has received cooperation. He has, absolutely.

But operational cooperation is the easiest thing for a nation to give and still remain within the other channels of narcotics networking. General Noriega—and again the Senator from Rhode Island was not here when I described this—we had a number of witnesses, and we have had this confirmed by the FBI in documents, that there are individuals that General Noriega would feed up to them, when he was tired of them or finished with them, he would serve them up on a platter to the DEA; and indeed, he would get cooperative congratulations for it. Meanwhile, he would open another bank to launder money or cut a new deal with the Medellin cartel.

The same thing is happening in the Bahamas. Operationally, they can cooperate and pat us on the back. We can shake hands and have our pictures taken at a bust. Meanwhile, they know full well there were five or six other loads that can come through, and they have been paid off, whenever they have been paid off, and the capacity exists to maintain that other network of relationships which allow narcotics to come through.

If you do not put people in jail—it is happening in our country now, incidentally. Our jails are overcrowded, so we are letting people out early. The result is, we undermine deterrence into our country, and narcotics traffickers know that the risk of making a million dollars in one night is not a bad risk when weighed against the prospect of going to jail for 3 or 4 years; not a bad annuity. You get a trust fund when you get out, and it beats going to college for people who do not worry about their curricula vitae.

That undercuts the war in the Bahamas, this perception people have that even if you get arrested, you will not go to jail. It does not matter if you get arrested. It is an inconvenience; it is not a deterrent.

We have to measure their efforts, but not just in the photo-taking operational capacity. We have to measure it against the degree to which they are truly enforcing the law, restricting bribery, encouraging extradition, and cooperating with us to change the ethic of their own society—incidentally, where use is increasing at a dangerous rate.

Mr. CHAFEE. Madam President, I regret the comparison of Mr. Noriega as used. I think anybody can drag out Mr. Noriega for about any illustration that a Senator debating this matter wants.

I would like to just read from the letter from the Secretary of State to the chairman of the Foreign Relations Committee in the Senate, in which the Secretary of State follows the law and has certified these countries for continued assistance, amongst them being

the Bahamas. In it he points out, "While there is need for much improvement, the President and I believe these certifications are an important element in working toward that goal"; namely, the war against drugs.

He then goes on to say that attached to the letter is a statement of explanation.

The overall letter was a general letter applying to some six countries. He points out in his statement of explanation:

The islands of the Bahamas lie critically astride the principal narcotics trafficking route between South America and the United States. In dealing this this problem, we long have enjoyed a very cooperative relationship with the Government of the Commonwealth of the Bahamas. In particular, the joint U.S.-Bahamian OPBAT—

Which is an operational plan that is enforced—

is a premier example of a combined law-enforcement operation.

Nonetheless, the reality is that too much cocaine still passes through the Bahamas. And while the Government of the Commonwealth of the Bahamas is more active in investigating allegations of corruption, we are concerned by reports that corruption still exists. Prime Minister Pindling and his ministers must forcefully address this issue.

We also believe the noteworthy Bahamian cooperation in joint anti-narcotics efforts should be accompanied by stronger unilateral efforts to curb drug trafficking and consumption within the Bahamas.

That is the consumption within the Bahamas. Certainly, we think that effort should be made to curb the consumption in the Bahamas. We think greater effort should be made to curb consumption in the United States of America.

The point I would like to make, Madam President, is this: Our Government is aware of this, and our Government is monitoring the situation. But in making its decision and evaluating all aspects, the administration has come to the conclusion that we would be best served in this war by not denying the certification to the Government of Bahamas.

I believe in that, and I hope we will give this administration a chance. This thing is renewed and comes back every year. It will be back again. I am sure the Senator from Massachusetts is vigilantly going to follow it, as he has, to his credit, in the past.

I ask unanimous consent that the letter from the Secretary of State be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEAR MR. CHAIRMAN: Attached is the President's first Determination regarding the certification of major narcotics source and transit countries required by the Foreign Assistance Act. Quite frankly, he and I are both deeply troubled by the state of affairs upon which he based his certification decisions. Despite the hard work and dedication of many public servants and private citizens, both here and abroad, the international war on narcotics is clearly not being won. In fact, in some areas we appear to be slipping backwards.

Nonetheless, we present you these certifications in good faith in the hope that we can work together against the drug menance. For six countries, there are statements that explain the certification while acknowledging that each of the six can and must do more in the future to end the drug trade. For one country, we have provided a justification statement for a vital national interest waiver. These certification decisions have all been made after careful deliberation recognizing that the efforts of foreign governments to stem the production and use of drugs have yielded mixed results. While there is need for much improvement, the President and I believe these certifications are an important element in working toward that goal.

As you know, the Anti-Drug Abuse Act of 1988 established the Office of National Drug Control Policy. Bill Bennett has been selected by the President to become the first director of this office and has been instructed to pursue aggressively his new duties to revitalize our national anti-drug effort. One of his first priorities after confirmation will be to develop a revised national drug control strategy. As that strategy is being formulated, we would like to establish a dialogue on drugs with the Congress. A cooperative relationship with full exchange of ideas between the executive and legislative branches is the best way to forge an integrated and cohesive national strategy that will ultimately prove effective in curbing the availability and use of drugs in America.

Finally, I want to assure you that narcotics will remain a key element of our foreign policy agenda. The President and I intend to raise this issue with foreign leaders and express our personal interest in their efforts to reduce the supply of illicit drugs bound for the U.S.

We look forward to working with the Congress to establish a sound drug control strategy to remove the scourge of drugs from our nation.

Sincerely yours,

JAMES A. BAKER III.

STATEMENT OF EXPLANATION—THE BAHAMAS

The islands of the Bahamas lie critically astride the principal narcotics trafficking route between South America and the United States. In dealing with this problem, we long have enjoyed a very cooperative relationship with the Government of the Commonwealth of the Bahamas. In particular the joint U.S.-Bahamian OPBAT is a premier example of a combined law enforcement operation.

Nonetheless, the reality is that too much cocaine still passes through the Bahamas. And, while the Government of the Commonwealth of the Bahamas is more active in investigating allegations of corruption, we are concerned by reports that corruption still exists. Prime Minister Pindling and his ministers must forcefully address this issue.

We also believe the noteworthy Bahamian cooperation in joint anti-narcotics efforts should be accompanied by stronger unilateral efforts to curb drug trafficking and consumption within the Bahamas.

Mr. KERRY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KERRY. Madam President, I ask unanimous consent that time be split equally, in the course of a quorum call, between both sides, and I will suggest that quorum call if I receive that consent.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. KERRY. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DECONCINI. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DECONCINI. Madam President, I ask unanimous consent that the time be charged against the opponents for the amount of time necessary for me to make my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator may proceed.

Mr. DECONCINI. I thank the Chair.

Madam President, I rise today in opposition to the resolution of decertification of the Bahamas.

I have the greatest respect for the Senator from Massachusetts and of course his right to bring this matter up. I also want to compliment him and let the RECORD show my great admiration for the hearings he has held in the international narcotics area. I think they have been most constructive and extremely beneficial to point out the magnitude of the problem facing our Nation vis-a-vis other nations, but to have to revisit the Bahamas again really is unfortunate.

In fact, I believe it is a complete travesty that we even debate whether the Bahamas are fully cooperating with the United States in antidrug efforts when you compare its record with countries like Mexico, Peru, or Pakistan.

There is little doubt that the Bahamians are far and away the best cooperators. The question can always be what is full cooperation.

I believe the reason the Bahamas is being singled out is that it is a small country that is of very little importance geographically or economically to the United States—a country where the main source of revenue comes from tourism. Let us face it. They are easy to pick on.

The Bahamas are uniquely situated between the largest source country for cocaine and one of the largest producers of marijuana, that being, of course, Colombia, and the largest consumer of illegal drugs unfortunately to say is the United States. Central to the argument about the Bahamas is that it is not 1 island of several million people, but it is made up of over 700 islands and about 250,000 residents. The Ba-

hamas and its territorial waters cover approximately 80,000 square miles—that is the combined area of the States of New York, Connecticut, Massachusetts, New Hampshire, and Vermont.

The Bahamas has never been a producer of any kind of illegal drug that I can find. What they are is a transshipment point for cocaine and marijuana coming into our country, the United States. The Bahamians have attempted to address the transshipment problem by entering into several joint operations with United States law enforcement agencies.

Before I outline some of the antidrug efforts made by the Bahamians, I would like to review recent testimony before the Foreign Relations Committee by the Deputy Administrator of the Drug Enforcement Administration, David Westrate.

According to Mr. Westrate, because of Bahamian antidrug efforts and the increased presence of United States law enforcement agencies, that country is no longer the major transshipment point for drugs leaving South America and heading for the United States. That title now belongs to the 2,000-mile border along the Southwest part of this country, the United States-Mexico border.

Mr. Westrate also pointed out the United States customs preclearance facility in the Bahamas is not used as either a major or even minor source for drugs being smuggled into our country.

The problem of corruption in the Bahamas is an issue that greatly disturbs me as it does many in this body. I have continually pressured our law enforcement agencies operating in the Bahamas to detail for me the corruption problem in that country and what can be done about it. These agencies have informed me that progress is slow but they believe some changes are being made by the Bahamian government. I do not think it is a fast enough effort.

A newly created police corruption unit investigated 22 cases in 1988. That is a great increase but probably is not enough. Corruption charges were brought against six Bahamian law enforcement officers with one of these cases successfully concluded as of this date. The Bahamas police force also recently completed five major conspiracy investigations against five organizations that have been moving cocaine from Colombia through the Bahamas.

The question that is often raised at this point is what happens to these individuals once they are arrested in the Bahamas. I have challenged Bahamian officials to provide me with that information, as have others, including my distinguished colleague from Massachusetts [Mr. KERRY] who is offering this resolution. At my request the Bahamian government has compiled a list of those arrested in the Bahamas during 1987 and 1988 for narcotics violations. The list includes the date of arrest, the offense the individual was charged with, the nationality, the amount and type of drug seized, and the result of the case. I would be more than happy to share this information with my colleagues.

I have written several letters to Bahamian officials requesting prompt passage of a mutual legal assistance treaty, known as the MLAT Treaty, and an extradition treaty with the United States after several years of negotiations, the Bahamian government last year approved an MLAT Treaty and passed implementing legislation for it. The only thing holding up implementation of the MLAT Treaty is ratification by the U.S. Senate.

The United States-Italian MLAT Treaty has proved to be most beneficial to law enforcement officials and prosecutors from both countries. It has helped in solving major criminal organized crime and narcotic crimes in this country, particularly in the city of New York. I believe the United States-Bahamas MLAT Treaty will prove equally beneficial if we would give it a chance, and, of course, to give it a chance the United States Senate must approve it.

So I hope that the Senator from Massachusetts will work hard to see that that treaty is approved by the Foreign Relations Committee and eventually this body and I will join in any way I can.

Another tool that could be a real asset in the battle against corruption is an extradition treaty. Officials from the Bahamas have told me they have attempted to enter into an agreement with the United States, but our negotiators have put them off until an MLAT is signed. It appears that once again the United States is dragging its feet.

There are currently 20 United States extradition requests pending with the Bahamian Government. However, there are currently 16 pending extradition requests by the Bahamian Government of United States citizens.

So we both have failed to meet a responsibility, as working partners, in the enforcement or war against drugs. We both ought to extradite in a more expeditious manner. That is why we need a treaty. That is why we need the MLAT Treaty.

The Nigel Bowe extradition case has been going on for several years. It disturbs me immensely. I have had an opportunity to discuss this with the law-enforcement people in the Bahamas. The case is presently pending before the privy council in London. I have repeatedly questioned the Bahamians on this matter to expedite a resolution of this particular extradition. According to a recent letter I have received from the Bahamian Embassy, the Bowe hearing took place last month in London and a decision is pending. Maybe we are going to see that come to fruition in a very short period of time.

Madam President, I would like to briefly outline for this body how the government of the Bahamas has cooperated with the United States Government to battle drug traffickers.

The Bahamas is the only country to allow unimpeded hot pursuit by United States law-enforcement agencies. What is that? This involves Bahamian defense forces and military and police forces flying on United States aircraft and helicopters, and on ships at sea, and making arrests on Bahamian soil or its territorial waters. Operation BAT, involving the Drug Enforcement Administration, the United States Customs Service, the Coast Guard, the United States Army, and the Bahamian defense force is largely responsibile for the record seizures of cocaine in the Bahamas and south Florida in 1988. Secretary Baker called Operation BAT "a premier example of a combined law-enforcement operation." I agree with Secretary Baker.

The United States Coast Guard has unimpeded access to all of Bahamian territorial waters and has established a relocatable floating boat dock for its vessels in the Bahamas with the approval of the Bahamian Government.

The Bahamas is the only country that has allowed the United States to install three aerostat radar surveillance centers on Bahamian soil, staffed by American personnel. They have also allowed unimpeded access to islands for mobile radars for pulse operations and other United States-Bahamian operations jointly operated.

It is estimated—I cannot prove this, because I do not have the figures—but it is estimated that the United States has as many drug enforcement officials in the Bahamas as the Bahamians do. So here is a country that has welcomed us into their country. They have permitted us to operate our own surveillance. They have permitted us hot pursuit.

They have allowed unimpeded undercover operations, including wiretape by DEA agents in the Bahamas, both jointly and unilaterally by this country.

What more can you ask? Yes, we can ask them to do more, and we should, but decertification is not the answer to the Bahamas.

In 1988 the State Department and DEA were given dates and quantities for every time confiscated drugs were destroyed. DEA had an agent there to witness each one in 1988. Also, the State Department and British Government are in the process of building and purchasing a storage facility and

incinerator for the Bahamas for the destruction of drugs.

One of the problems that comes up is, what happens to the drugs? Are they recycled? We have seen on occasion news stories that indicate that maybe they are recycled. What evidence do they have?

Well, I have been told by the DEA that the Bahamians do include them at every destruction. Whether or not the DEA goes, that is a decision made by somebody else and I do not know the answer. But certainly they have extended the invitation to us, according to the Drug Enforcement Administration and the State Department.

The Bahamas has established three special drug courts to handle nothing but drug cases. That, to me, is a message that it is clear that they realize the significant problem involved here and they are prepared to commit their own resources inside their own country, within their own judicial system, to address the problem of arrest and confiscation.

The Bahamas has also revised its drug penalties, making them tougher than they were in the past.

In February, the United States and the Bahamas signed a bilateral agreement on the control of narcotic drugs and psychotropic substances. At the signing of the agreement, United States Ambassador Carol Hallett said the Bahamas has demonstrated an unusually fine level of cooperation and noted that probably no other country in the world does as much as the Bahamas does in cooperative efforts and in increasing its capability to stop drug traffickers.

When an opportunity presents itself to move into a sovereign nation, at their request, and establish joint, cooperative antidrug efforts, I believe we should take advantage of those opportunities and work hard to make those efforts effective in combating drug smuggling. In the case of the Bahamas, we have made major inroads into developing such joint operations on Bahamian soil with respect for even greater cooperative efforts on the horizon. If this resolution were to pass, we would destroy the progress we have made. I urge my colleagues to vote against decertification of the Bahamas.

Drug seizures by the joint United States-Bahamian interdiction operation in 1988 included 20,500 pounds of cocaine and 21,000 pounds of marijuana. Some of the seizures were made by the Royal Bahamas Police and Defense Force in unilateral operations.

Let me just end, Madam President, again complimenting the Senator from Massachusetts. I know he has devoted a tremendous amount of time and effort to hearings on international narcotics trafficking. I have witnessed some of those on television and in the newspaper. I have read many of the reports and I find them to not only be fascinating but to be extremely helpful in developing the strategy and policies that the United States must develop if we are going to combat this on the international level.

My hat goes off to the Senator from Massachusetts for this effort. I am sure he is going to continue to do just that.

But now is not the time, in my judgment, at least, to send such a message to a country, the only country I know, by the way, that permits what is known as hot pursuit, where we can fly anytime we want inside their territory, stop inside their territory on their soil and make arrests. We do have Bahamian officials on board so that they can make the arrests when the time comes if necessary.

This is the kind of cooperation, Madam President, we need from Mexico. This is the kind of cooperation we need from Pakistan and Colombia and other nations.

If we were debating a decertification here of one of those countries, the argument might be a little different based on the record and the cooperation or noncooperation. But here we have a clear indication of a country that has not cured the problem, nor has the United States, of drugs coming through their country, but we have a clear record of their willingness to cooperate, to permit U.S. law enforcement officials to operate within their territory, to let our equipment be operated there by our officials, not hampered by their bureaucracy. I do not know what more you could ask of a country except to ask them to continue to do it and I believe the Bahamas are prepared to do that.

I yield the floor.

Mr. KERRY. Madam President, I thank the distinguished Senator from Arizona. We have a difference, obviously, in subjective analysis here about what will have an effect or will not have an effect. But I want to thank him for his kind comments. I particularly want to say to the distinguished Senator from Arizona that I thank him for his efforts with respect to these matters. He has been one of the leaders in the Senate.

It is ironic that while we have worked so closely on most of these matters and worked very hard on the drug bill of 1986 and agree on most of these matters, this is one that we just agree to disagree on for a number of different reasons.

But I must say to the distinguished Senator that he herald significantly this notion of hot pursuit. And it is a good notion. We want hot pursuit and that is good and we ought to be doing it. But what is very significant about what is happening in the Bahamas is that most of it is happening because the Coast Guard is there, because we are there, because we are part of that presence in terms of operational aspect of things.

I can remember full well—and I learned the hard way about now being duped about sort of operational cooperation. When I was in Vietnam, we used to hear consistently about how important it was to have the cooperation of the ARVN, and the so-called rough-puffs, the regional popular reconnaissance forces. We would go out on joint operations with them. The only problem was half of them were Vietcong, and they always knew where we were going and what we were doing. As a result, we were always ambushed.

Likewise, if you have corruption in a society and there is no law enforcement agency that is destroying that corruption, then people know when the hot pursuit may take place. They know where the airplanes are. They know what is happening operationally because they have people within the operation.

Unless, when they get caught, you have something that ferrets them out in a significant way.

I went through the materials that were given, that the distinguished Senator cited, at great length.

You know, last year they had 182 arrests, but they only had 14 people who were convicted who were Bahamian. They had seven Americans convicted. What is that, 21 out of 182? That is not a terrific conviction rate.

Four pleaded guilty, and all four were Americans

What is more, we found two different sets of documents regarding the Bahamas, and the fact is that there was no real way to determine what was real, what was happening, and what is not. But I want to assure the distinguished Senator from Arizona that however this comes out, I want this to contribute to the process of improving the capacity to fight narcotics. If we do not prevail here today, I am certainly pledged to work with the Senator from Arizona and with the Government of the Bahamas to try to get a better benchmark as we proceed.

I know the distinguished Senator from Georgia was here, and he seeks time. How much time does the Senator want?

How much time remains for the Senator?

The PRESIDING OFFICER (Mr. DECONCINI). The Senator from Massachusetts has 7 minutes 25 seconds remaining.

Mr. FOWLER. Begging the indulgence of both the chairman and my friend from Massachusetts and my friend from Pennsylvania, who I assume is here on the bill, I was about to ask for 5 minutes out of order on an unrelated matter.

Mr. KERRY. Mr. President, if possible I would ask unanimous consent

that we permit the Senator to have 5 minutes outside of this, as if in morning business. Is that permissible at this time?

The PRESIDING OFFICER. Such a request is permissible. Is that a unanimous consent request?

Mr. KERRY. I do make that request.

The PRESIDING OFFICER. The Chair wants to make clear that this is an additional 5 minutes?

Mr. KERRY. An additional 5 minutes. I am not sure we will need the time.

The PRESIDING OFFICER. Outside of the time allotted for both sides.

Mr. KERRY. The Chair, I believe, controls the time for the other side. Can the Chair inform me whether he wishes to use it? We might take it off the time available.

Mr. FOWLER. Mr. President, let me clear this up. I would not like this time to come off the bill. I ask unanimous consent to speak out of order on an unrelated matter as if in morning business.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Georgia? The Senator from Pennsylvania.

Mr. SPECTER. Reserving the right to object, and I will not object, I want to be sure it is not off the bill, and I may have 5 minutes from the bill?

I thank the Chair and I do not object.

The PRESIDING OFFICER. Without objection, the unanimous consent request is agreed to. The Senator from Georgia is recognized for 5 minutes.

Mr. FOWLER. I thank the Chair.

(The remarks of Mr. FOWLER pertaining to the introduction of legislation are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. KERRY. Mr. President, I yield 5 minutes to the distinguished Senator from Pennsylvania.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SPECTER. Mr. President, I thank the distinguished Senator from Massachusetts for yielding time.

Mr. President, I support the resolution of decertification because of my view that it is time that the Government of the United States stop giving foreign aid to countries who are prime violators on the narcotics issue and fail to enforce the narcotics laws adequately.

Regrettably, I have not been on the floor this afternoon to hear all of the arguments, and I infer that I missed an argument by the distinguished Senator from Arizona on the other side. Am I correct, I ask my colleague, on that?

Well, I regret having missed it, but we have just been in the course of hearings on the Voting Rights Act on the Judiciary Subcommittee on the Constitution, and I could not be present. My view is that the U.S. Government has been excessively lenient on the granting of foreign aid to countries where they have not really taken tough action against the drug problem.

This Government gives in excess of $1 billion a year to more than a dozen countries where there is a substantial question as to whether they are entitled to foreign aid under the provisions of the law.

We talk repeatedly, and for many years have talked repeatedly, and for many years in the Foreign Operations Subcommittee of Appropriations, on the question of cutting off foreign aid to countries which have a poor record on the issue of narcotics.

Notwithstanding a great deal of talk, there has been very little floor consideration of this issue. Last year there was a resolution of decertification as to the Bahamas, and that resolution was defeated by a vote of 40 to 53. I favored decertification at that time in the face of the very poor record held by the Bahamas. Not surprisingly, the record is just as bad now, or perhaps a little worse than it was last year, with respect to the Bahamas.

There is a real question as to whether these efforts to decertify are counterproductive when they fail, because, having failed, it just gives added incentive for countries like the Bahamas to continue on in their errant ways. I certainly hope, Mr. President, that we receive more than 40 votes in favor of decertification today. Because if we were to fall backward, then I think even the possibility of decertification would be in worse shape now than it has been in the past, and it has always been in dreadful shape.

In supporting this resolution of decertification, Mr. President, I have no illusions about the lack of ultimate success, because there will have to be a two-thirds vote in both the Senate and the House ultimately for decertification to occur. Because under the Chadha decision, any resolution of decertification would be subject to veto by the President and would then have to be overridden by two-thirds of each House in order to have the decertification occur.

Mr. President, I think it would be enormously salutary for decertification to occur and for it to come to the personal attention of the President to see the seriousness with which many of us in the Congress view this problem; and certainly if we come to a majority, it will put the State Department on real notice that the Congress is not going to sit still for what I consider to be casual certification.

I understand that the State Department has its problems in terms of motivating countries like the Bahamas and other countries to undertake some efforts in narcotics control. The current efforts, however, in the view of this Senator, are simply insufficient. They are not even minimal. There is no issue about the national security of the United States being involved here which is an alternative base for certification.

Mr. President, when you take a look at the President's letter and the documents on certification of the Bahamas, you note that within that certification itself is an admission of enormous problems in the Bahamas. Realistically viewed, I would suggest, beyond an admission, in fact a confession that the Bahamas ought not to be certified. This is in the package submitted by the administration, submitted by the Secretary of State with a brief cover letter by the President and, again, I repeat, Mr. President, that if these details were brought to the personal attention of the principal authorities, the President and the Secretary of State, this Senator doubts very much if this certification would have occurred.

I state now, for the RECORD, what the covering documents and the inside pages have to say about the Bahamas:

> The reality is that too much cocaine still passes through the Bahamas, and while the Government of the Commonwealth of the Bahamas is more active in investigating allegations of corruption, we are concerned by reports that corruption still exists. Prime Minister Pindling and his ministers must forcefully address this issue.

And then it continues:

> We also believe the noteworthy Bahamian cooperation and joint antinarcotic efforts should be accompanied by stronger unilateral efforts to curb drug trafficking and consumption within the Bahamas.

Mr. President, where you have the administration saying that "The reality is that too much cocaine still passes through the Bahamas," how can certification be appropriately based? If you have too much cocaine passing through the Bahamas, why are they entitled to foreign aid from the United States? The statistics show that an enormous portion of cocaine and marijuana which comes to the United States transits through Bahamaian territory.

The December 1988 report of the Senate Foreign Relations Subcommittee on Terrorism states that "as of 1988" that is last year "the Bahamas remained a major transit country for both drugs with 50 to 60 percent of all the cocaine and marijuana entering the United States transiting through Bahamian territory."

Mr. President, that is a factual situation which, in the view of this Senator, is simply inexcusable. The problem of cocaine in this country is overwhelming. The problem of coke, the problem of crack, the problem of cocaine derivatives are simply overwhelming. That is the major reason this Congress passed a $1.8 billion antidrug bill in

1986. That is the major reason this Congress passed a $2.7 billion drug bill last October. That is why we have appropriated on last year's bill $900 million and why President Bush has asked for an additional $1 billion. That is why most of us in this body will make every effort to fully fund that drug bill.

There have been many speeches on the floor of this Senate, Mr. President, about the terrible consequences of cocaine and other drugs in this country. For example, Washington, DC, is the murder capital of the United States. The number of homicides rise daily, more than 50-percent increase over last year. Not just Washington, DC, Mr. President, Chicago, IL, has a 37-percent increase; Philadelphia, a 36-percent increase. It is a problem across this country, a crime wave coast to coast, occasioned largely by the problem of drugs, significantly by the problem of cocaine.

In the report by the U.S. Department of State Bureau of International Narcotics Matters, March 1989, a very current report starts off with the Bahamas as the No. 1 country.

U.S. law enforcement agencies estimate that the Bahamas are a major transit point for a significant portion of cocaine and marijuana entering the United States.

Mr. President, in light of the fact that the Bahamas are a major transit point, and in light of the fact that the administration's own documents criticize the Bahamas for not doing more, it seems to this Senator that we ought to set an example for once in the Congress and say we ought to decertify. Perhaps there is more reason for a majority vote in this body today knowing that it is only a shot across the bow; that it is realistically improbable, perhaps impossible, to have a two-thirds vote in both Houses to override a veto.

I certainly hope that my colleagues will speak very forcefully on this issue. It seemed 1 year ago that drugs could not be a worst problem in the country than they were then, but they are. Now is the time for a very strong vote for decertification to put the Bahamas and the State Department and the Federal Government on notice that something more has to be done by countries like the Bahamas if they are to get foreign aid from the United States.

I thank the Chair and I yield the floor.

The PRESIDING OFFICER (Mr. FOWLER). The Senator from Arizona.

Mr. DECONCINI. Mr. President, I ask unanimous consent I be allowed 5 minutes on the opposing side of this resolution.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DECONCINI. Mr. President, I am pleased the Senator from Pennsylvania is still here. I am not aware, maybe the Senator is, that we have any foreign aid to the Bahamas. We do have roughly $2 million in law enforcement assistance on drug enforcement, but I think the point ought to be made clear for the record. To my knowledge, we do not have any foreign aid directly to the Bahamas.

I would also like to note this Senator realizes and agrees with the Senator from Pennsylvania that everything that could be done in the Bahamas to stop the flow of drugs has not occurred. My argument has been, Mr. President, that in comparison to what we have in other countries, is the record that the Bahamians have put forward in permitting the United States Armed Forces, as well as law enforcement officials, to be inside their territory with total discretion as to undercover activities, to penetrate their territory in hot pursuit, I know of no other country that permits us to do that. That, to me, is not rewarded by decertification. If anything, it should be a pat on the back and ask them to continue to do this and do more.

Drug seizures by the joint United States-Bahamian interdiction operation in 1988 alone included 20,500 pounds of cocaine and over 21,000 pounds of marijuana. That is a significant amount of drugs.

The Senator from Massachusetts pointed out about convictions and what-have-you. I have information here, as I indicated in my opening statement, from the Embassy of the Bahamas where there were 138 arrests on drug-related charges; 17 were Americans and 44 were Bahamians. Those are convictions. So we have over almost a 50-percent rate of convictions. I am not sure we do that well in our own country. I do not say that it could not be better, but I think it is important to make the distinction here that this country is working toward a cooperative effort to reduce the flow of drugs and to prosecute those within their territories that are caught bringing those drugs and transshipping them to the United States.

Mr. President, it would be a tragedy if we decertified the Bahamas, and I am not one who is easy on certification. I hope that our colleagues will not vote in favor of this resolution. I think we should keep in mind that the Bahamas are a very small country; that they have a huge territory; that they are asking our help to fight drugs; that they are permitting us access to their country; that we have a treaty that has not been ratified by us yet; that we have extraditions that have not been honored by the United States as well as the Bahamas, so we are both guilty of not cooperating in that area.

But in the overall picture, I think it is very clear, Mr. President, that the Bahamas, of all the countries that are considered transhipment and drug-producing countries, is the best. It does not mean they cannot do better. I think we have developed a rapport here that we can use as an example. I certainly would like to see the Republic of Mexico permit the United States to have hot pursuit into their country with Mexican officials on board when drug dealers are seen—and I have seen videotapes of drug dealers coming into the United States from Mexico—dropping the drugs, turning around and going back and our planes not being able to chase them.

It would be an improvement to see an MLAT treaty, to see an extradition treaty, and to see the Mexican Government cooperating. And I must say on that subject matter we have seen a slight improvement in the last 3 months under the Salinas regime. I am most grateful to the Mexican Government for at least attending to a problem that has been ignored, in this Senator's judgment, for a long time.

The Bahamian Government is not perfect, and I do not contend that it is. But they have not ignored the problem of drug transhipment. I think it is important we look at the total record here and that we vote against this joint resolution. I yield the floor.

Mr. SPECTER. Mr. President, the distinguished Senator from Arizona and this Senator seldom disagree on matters. We serve on four committees together—I think it is an all time record—Appropriations, Judiciary, Intelligence, and Veterans' Affairs. We have cosponsored much legislation. So my differing with Senator DECONCINI is done with great reluctance, but there is a difference of opinion.

The proceeding here is pursuant to the Foreign Assistance Act, and Senator DECONCINI has raised a question about whether this is foreign aid. I think it is fairly stated in a class of foreign aid, but there is no question about the underlying fact and that is in fiscal year 1989 the Bahamas received approximately $30,000 in United States foreign assistance under the international military education training program administered by AID, and the fiscal year 1990 budget request is $40,000. For what we customarily consider on this floor, those are not enormous sums but I think the principle is of enormous importance.

When the distinguished Senator from Arizona talks about cooperation of the Bahamian Government, I will concede that they are better than many, perhaps better than most, maybe even better than any others, but not sufficient. When he talks about hot pursuit and the Mexican Government, they ought to permit hot pursuit as well. That is a very basic principle of law enforcement that when we have a felon, a perpetrator, a violator of the criminal law and you are right near him as you are going after him, you ought not to be de-

terred by a boundary line. You can move across the boundary line from Pennsylvania to Arizona, even though there are quite a few boundary lines intervening, when you are in hot pursuit under the law of the United States.

There are a number of areas where I submit the Bahamian Government has not done so well. Now I quote relatively briefly because there is not a great deal of time remaining from the Department of State Bureau of International Narcotics Matters International Narcotics Control Strategy Report, which is very current, March 1989, page 122, as follows:

In 1987, the government requested U.S. training assistance for the formation of a national police Drug Enforcement Unit (DEU) which was provided in 1988 and resulted in the training of 75 police officers. However, efforts to organize the DEU were seriously hampered by manpower shortages, a lack of resources and management problems.

The government also failed to make significant advances in forming a national drug information/intelligence coordination center. The government agreed to develop the center with U.S. assistance early in the year and then failed to meet a self-established November staffing deadline. The lack of progress in this project is disappointing.

The report by the Department of State further particularizes failures by the Government of the Bahamas.

Mr. President, what it boils down to in my view is the success of the program. I think best efforts are fine up to a point. But, speaking for myself, I am not prepared to accept best efforts. I do not think we really have best efforts here, but I am not prepared to accept best efforts. I think we ought to demand success and we ought to demand results. There is going to have to be a great deal more done in the United States on the same line, establishing that kind of a rigorous standard. Even though we are talking in relatively small sums of money, I think we ought to be very forceful in our insistence that if foreign governments are to get U.S. dollars, there has to be more done and there has to be a minimal level of success. I do not think you have that when 50 to 60 percent of the cocaine coming into this country passes through the Bahamas.

Mr. KERRY. Mr. President, very quickly, if I may, I thank the distinguished Senator from Pennsylvania. I wish to merely add that I really think money is not the issue at all. It is the question of the statement we make by virtue of whether we certify or decertify that someone is fully cooperating. It seems clear that by almost any standards of making that judgment, when only 1 particular area out of 10 is being met—and that is principally one in which we are wholeheartedly engaged—one has to be deeply concerned about whether or not full efforts are being made to assist in the war on drugs.

It is clear that unless enforcement itself takes place, in a thorough manner, it is impossible to really have full cooperation.

I received two different sets of statistics from the Embassy and the Attorney General, but according to one of those sets of statistics on narcotics trafficking in the Bahamas in 1988 given to me by the Embassy of the Bahamas, 224 people were arrested, and when you go through the numbers, 65 were convicted; 21 of those arrested were Americans, 16 of whom were convicted; 197 were Bahamians. There was an 80-percent conviction rate for Americans arrested in the Bahamas and 20 percent for Bahamians under that particular set of statistics.

In another set of statistics we got it was about a 50-percent conviction rate, and I might add that the conviction rate in the United States in most of our major cities is 90 percent.

Mr. DECONCINI addressed the Chair.

The PRESIDING OFFICER. The time on the bill under the control of the Senator from Massachusetts has expired.

Mr. KERRY. I yield to the distinguished Senator from Arizona.

Mr. DECONCINI. Mr. President, I just want to reassert on conviction rates, out of 130 arrests in 1988 in the Bahamas, of those that were charged and terminated, 17 were Americans and 44 were Bahamians. So we have a difference of opinion. I will be glad to submit my——

Mr. KERRY. Will the Senator yield on his time?

Mr. DECONCINI. I will be glad to yield.

Mr. KERRY. That is precisely the problem. We do have a difference of opinion because we have different statistics because the Bahamians themselves cannot even tell us what is going on.

Mr. DECONCINI. If the Senator will yield, if the Bahamian Embassy represents this with the name and the date of the charge, the individual, where they live, what the charge is, I think that they are certainly going on record very clearly what they purport to be the number of charges and the convictions.

I am not saying it is great. I am not saying that 50 percent is terrific, but I am just refuting that it is as lopsided as the Senator from Massachusetts seems to indicate.

Mr. KERRY. If the Senator will yield on his time again, I am not so much concerned about the lopsidedness as I am about the statistic. Both of my sets of statistics came from the Bahamians. I asked the State Department if they could give us an accurate assessment and they were unable to. So we do not really have a handle on the issue which again I think underscores precisely the argument that the Senator from Massachusetts has tried to make.

Mr. DECONCINI. Mr. President, I would only respond that the convictions are important but the important issue is the Bahamians cooperating with the United States. I think it is clear that they are.

Mr. GRAHAM addressed the Chair.

The PRESIDING OFFICER. The Senator from Florida.

Mr. GRAHAM. Mr. President, who controls time?

The PRESIDING OFFICER. The Chair is controlling the time.

Mr. GRAHAM. Will the Chair on behalf of the opposition to the resolution of disapproval yield 3 minutes to the Senator from Florida?

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRAHAM. I thank the Chair. I appreciate the generosity.

Mr. President, I am not here to speak about specific numbers or document the details of past prosecutions.

I am here to speak as one who over the past several years has had a regular, continuous, deep interest and involvement in relationships of law enforcement between the Bahamas and the United States of America. I can report from that experience that over a period of years when those who had front line responsibility for United States law enforcement efforts involving the Bahamas, including the United States district attorneys, Coast Guard personnel, drug enforcement agencies, and other Federal agencies, as well as State and local agencies with extensive experience and impact from activities in the Bahamas, have been asked for an evaluation of the level of Bahamian involvement and cooperation, they have been uniformly positive. They have been uniformly negative as to the consequences of the United States invoking the law which would cause us to sanction the Bahamas for their actions.

They have not been prepared to state that the Bahamas were perfect in their efforts. Frankly, Mr. President, it is sad to say we fall far short of perfection. But the reality is that for a small country, 250,000 people, asked to protect an enormous area of small islands, disassociated, stringing from the southeastern coast of the United States almost to the Island of Hispaniola, a country which I understand is spending over 10 percent of its gross national product on areas of law enforcement and security, I believe that the performance of the Bahamas justifies our declining to take this action of sanction.

This is at least the second year that we have had this debate on whether the United States should find the acts

of the Bahamas to meet the standard of full cooperation.

I believe that there have been some positive aspects of this debate, even if the result is as it was last year, and I hope it will be this year, and that is that we do not sanction the Bahamas.

This debate has helped to focus American attention on the importance of the Bahamas as part of the United States' effort to suppress the flow of drugs into the United States. I hope that importance will continue to reflect itself in some other substantive decisions that we will be called upon to make in the next few weeks. One of those has to do with resources. The Bahamas, even spending 10 percent-plus of its gross national product on areas that will impact its ability to secure its borders and protect itself against drug-related activities, depends to a very high degree on the United States, and particularly on assets that can be provided through agencies such as our Customs and Coast Guard.

So we are going to be tested, Mr. President, as we have been in the past as to our level of commitment to this when we are deciding what level of resources to make available for the various initiatives that will make a real difference in this war on drugs.

Second, we are going to have a decision to make shortly relative to who will be the next United States Ambassador to the Bahamas. Mr. President, one might think what could be a more casual, enjoyable, nonstressful representation of the United States around the world than to be the Ambassador to the Bahamas. The fact is, Mr. President, it is a very demanding position.

I met recently with the current United States Ambassador to the Bahamas, and she told me when asked how she allocates her time, "that 95 percent of my time is spent on drug-related activities." The Ambassador of the Bahamas becomes in many ways an operational officer relating United States activities which are conducted in a sovereign nation with those of the Government of the Bahamas.

So when we face the question of who will be our next Ambassador to the Bahamas, we are effectively making a decision as to who will be an important field grade commanding officer in terms of our carrying out a successful war on drugs.

I hope we will contribute to the success of that war by defeating this resolution of censor today, and being faithful to our commitment to resources and appropriate leadership tomorrow.

Mr. PELL. Mr. President, let us be honest. There is not one of these countries certified by the President and accompanied by a statement of explanation that is "fully cooperating" under the common usage of the term "fully." There is without question corruption in the Bahamas. But there is also solid evidence that the Bahamas are giving us good cooperation in the war on drugs.

The Bahamas is the only country in the world to allow United States law enforcement units to enter its territory in hot pursuit of drug targets.

These cooperative efforts netted over 10 metric tons of cocaine, more than 13 metric tons of marijuana, 20 aircraft, and 9 vessels in 1988.

Despite the Senate delay in ratification of a Mutual Legal Assistance Treaty with the Bahamas, the Bahamian Government turned over to us temporarily two persons serving time in a Bahamian prison so they could testify in an important Federal narcotics prosecution. This was one of the Department of Justice's first uses of the Attorney General's authority to request prison transfers under the 1988 Omnibus Anti-Drug Act.

Negotiations are progressing well for a new extradition treaty; we believe they will be concluded in the next round. Meanwhile, the Government of the Bahamas has just extradited to the United States a Bahamian national on marijuana smuggling charges.

Although we have not yet achieved success, our request for Nigel Bowe's extradition remains active and is now pending before the Privy Council in London.

The PRESIDING OFFICER. All time on the joint resolution has expired.

The joint resolution is before the Senate and open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. The joint resolution having been read the third time, the question is, Shall the joint resolution pass?

Mr. KERRY. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from New Jersey [Mr. BRADLEY], the Senator from Hawaii [Mr. MATSUNAGA], and the Senator from Rhode Island [Mr. PELL] are necessarily absent.

I further announce that, if present and voting, the Senator from Rhode Island [Mr. PELL], would vote "nay."

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 40, nays 57, as follows:

[Rollcall Vote No. 65 Leg.]

YEAS—40

Adams	Exon	McConnell
Baucus	Grassley	Mitchell
Biden	Heinz	Moynihan
Bingaman	Helms	Pressler
Bryan	Hollings	Riegle
Burdick	Kennedy	Rockefeller
Burns	Kerrey	Roth
Byrd	Kerry	Sanford
Coats	Kohl	Sarbanes
Conrad	Lautenberg	Sasser
Cranston	Leahy	Specter
Dixon	Levin	Warner
Dodd	Lieberman	
Dole	Lott	

NAYS—57

Armstrong	Glenn	Metzenbaum
Bentsen	Gore	Mikulski
Bond	Gorton	Murkowski
Boren	Graham	Nickles
Boschwitz	Gramm	Nunn
Breaux	Harkin	Packwood
Bumpers	Hatch	Pryor
Chafee	Hatfield	Reid
Cochran	Heflin	Robb
Cohen	Humphrey	Rudman
D'Amato	Inouye	Shelby
Danforth	Jeffords	Simon
Daschle	Johnston	Simpson
DeConcini	Kassebaum	Stevens
Domenici	Kasten	Symms
Durenberger	Lugar	Thurmond
Ford	Mack	Wallop
Fowler	McCain	Wilson
Garn	McClure	Wirth

NOT VOTING—3

Bradley	Matsunaga	Pell

So, the joint resolution (S.J. Res. 100) was rejected.

Mr. DECONCINI. Mr. President, I move to reconsider the vote by which the joint resolution was rejected.

Mr. CHAFEE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senate will be in order. Senators will clear the well. The Senate will be in order.

ORDER OF PROCEDURE

Mr. MITCHELL. Mr. President, as I indicated earlier today and on several occasions previously, it has been my intention to proceed to the debate over the FSX transaction on tomorrow.

The Foreign Relations Committee met today and it has been my hope that they would take action on it. However, it was advised that the distinguished Senator from Alaska, Mr. MURKOWSKI, objected to the Foreign Relations Committee meeting this afternoon, thereby preventing the committee from acting with respect to that matter.

That is, of course, the Senator's right which he exercised. But it has made it not possible for the committee to complete action today.

I see the Senator on the floor now and I would like to ask him.

I hope that the Foreign Relations Committee will meet tomorrow morn-

ing and report the matter to the Senate, and I will then ask unanimous consent to proceed to consideration of that resolution.

I pose through the Chair to the Senator from Alaska the question as to whether or not he intends to object to that resolution and whether or not he intends to exercise his rights to prevent the Senate from considering that matter and require us to go through a series of procedures to bring the matter up.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. MURKOWSKI. Mr. President, I would be happy to respond to the majority leader.

The PRESIDING OFFICER. The Senator will suspend 1 minute. The Senate will be in order.

Mr. MURKOWSKI. I thank the Chair and the distinguished majority leader.

I had hoped that we would have the opportunity to avail ourselves as members of the Foreign Relations Committee of the opportunity to have a classified briefing on certain aspects of the FSX. That was considered, I believe, by the chairman and the ranking member. There was some discussion about meeting again tomorrow at 10 o'clock.

It is my understanding that they are considering our request currently to have a spokesman from the administration to address certain sensitive aspects.

As a member of the Intelligence Committee being on the Foreign Relations Committee as well, I feel that my colleagues on the Foreign Relations Committee should be briefed on this matter and I believe at 10 o'clock we will have an opportunity to go into executive session and hopefully we can resolve the concerns that I have currently over aspects of perhaps Japanese involvement associated with certain aspects of activities in Libya and whether or not they should be taken into consideration as we debate the merits of the transfer of technology on the FSX.

We all recall the incident of the transfer of technology concerning the Toshiba incident. I am not suggesting there is any connection.

By the same token, I think it is fair to say there is very little that occurs overseas without the knowledge of the Japanese Government. I think we should have the availability of determination from our intelligence community as to whether or not there is anything to comments that have been made in various committees, including the Armed Services Committee, with regard to possible Japanese presence in certain aspects of delivery systems in Libya that obviously concern us all.

It is the intent of the junior Senator from Alaska, in reflecting on this, that if indeed there is Japanese presence in that particular arena, that the Japanese be encouraged to withdraw and we not hold up necessarily acting upon the FSX. But I think we have that obligation to at least satisfy ourselves if there is any involvement, and again I repeat that seldom does Japanese capital venture overseas without some knowledge of either MITI or the Japanese Government.

I hope I have addressed by concerns adequately.

Mr. MITCHELL. I understand that the Senator's objection went only to the absence of a briefing; that it is his understanding that a briefing will be held tomorrow morning and that if this briefing does occur, he will not object to my unanimous-consent request at that time to bring the matter before the Senate.

Mr. MURKOWSKI. The majority leader is correct. Please understand, I am not the chairman of that committee nor the ranking member.

Mr. MITCHELL. I understand. But I thought I understood the Senator's remarks to mean that it was his current impression that a briefing will be held.

Mr. MURKOWSKI. It is my understanding a request has been made and it is being considered and the administration has agreed to provide a competent witness. But I cannot commit that the briefing will be held. The chairman or the ranking member, I am sure, would avail themselves of that. I am not familiar with the whole process. I had hoped that I would not embarrass anybody, including myself. But, obviously, the communication does move about the Chamber.

Mr. MITCHELL. I was just trying to find out what the reasons were so that we could, hopefully, proceed to this tomorrow.

Mr. MURKOWSKI. I do not intend to hold up action on the FSX.

Mr. MITCHELL. I thank the Senator.

UNANIMOUS-CONSENT AGREEMENT—FSX

Mr. MITCHELL. Mr. President, if the Senator from Alaska would give me his attention, I am about to propound a unanimous-consent request and I want him to be aware of it before I do so.

Mr. President, I ask unanimous consent that, if the Senate Foreign Relations Committee reports the FSX matter out tomorrow, the majority leader be authorized to bring the matter to the Senate following consultation with the distinguished Republican leader on tomorrow at my discretion.

Mr. MURKOWSKI. I would certainly not object to that.

The PRESIDING OFFICER (Mr. BRYAN). Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Kalbaugh, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting a nomination which was referred to the Committee on Environment and Public Works.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE DURING RECESS

Under the authority of the order of the Senate of January 3, 1989, the Secretary of the Senate on today, May 10, 1989, during the recess of the Senate, received a message from the House of Representatives announcing that the House has passed the following joint resolution, without amendment:

S.J. Res. 68. Joint resolution to designate the month of May 1989 as "Trauma Awareness Month".

The message also announced that the House agrees to the amendment of the Senate to the bill (H.R. 1385) to make permanent the Martin Luther King, Jr., Federal Holiday Commission.

The message further announced that the House disagrees to the amendment of the Senate to the concurrent resolution (H. Con. Res. 106) setting forth the congressional budget for the U.S. Government for the fiscal years 1990, 1991, and 1992; it agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and appoints Mr. PANETTA, Mr. FOLEY, Mr. RUSSO, Mr. JENKINS, Mr. LEATH of Texas, Mr. SCHUMER, Mrs. BOXER, Mr. SLATTERY, Mr. OBERSTAR, Mr. FRENZEL, Mr. GRADISON, Mr. GOODLING, Mr. THOMAS of California, Mr. BUECHNER, and Mr. HOUGHTON as managers of the conference on the part of the House.

ENROLLED BILL SIGNED

The message also announced that the Speaker has signed the following enrolled bill:

H.R. 1385. An act to make permanent the Martin Luther King, Jr., Federal Holiday Commission.

The enrolled bill was subsequently signed by the President pro tempore [Mr. BYRD].

MESSAGES FROM THE HOUSE

At 2:33 p.m., a message from the House of Representatives, delivered by Mr. Hanrahan, one of its reading clerks, announced that the House has

passed the following joint resolution, with amendments, in which it requests the concurrence of the Senate:

S.J. Res. 37. Joint resolution designating the week beginning May 14, 1989, as "National Osteoporosis Prevention Week of 1989".

The message also announced that the House has passed the following bill and joint resolutions, in which it requests the concurrence of the Senate:

H.R. 972. An act to amend section 3724 of title 31, United States Code, to increase the authority of the Attorney General to settle claims for damages resulting from law enforcement activities of the Department of Justice;

H.J. Res. 132. Joint resolution to designate the second Sunday in October of 1989 as "National Children's Day"; and

H.J. Res. 170. Joint resolution designating May 1989 as "National Digestive Disease Awareness Month".

H.J. Res. 247. Joint resolution designating May 29, 1989, as the "National Day of Remembrance for the Victims of the U.S.S. *Iowa*."

ENROLLED JOINT RESOLUTIONS SIGNED

At 3:27 p.m., a message from the House of Representatives, delivered by Mr. Hanrahan, one of its reading clerks, announced that the Speaker has signed the following enrolled joint resolutions:

S.J. Res. 68. Joint resolution to designate the month of May 1989 as "Trauma Awareness Month"; and

H.J. Res. 135. Joint resolution to designate the week beginning May 7, 1989, as "National Correctional Officers Week".

The enrolled joint resolutions were subsequently signed by the President pro tempore [Mr. BYRD].

MEASURES REFERRED

The following bill and joint resolutions were read the first and second times by unanimous consent, and referred as indicated:

H.R. 972. An act to amend section 3724 of title 31, United States Code, to increase the authority of the Attorney General to settle claims for damages resulting from law enforcement activities of the Department of Justice; to the Committee on the Judiciary.

H.J. Res. 132. Joint resolution to designate the second Sunday in October 1989 as "National Children's Day"; to the Committee on the Judiciary.

H.J. Res. 170. Joint resolution designating May 1989 as "National Digestive Disease Awareness Month"; to the Committee on the Judiciary.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports and documents which were referred as indicated:

EC-1067. A communication from the Director of the Office of Management and Budget, transmitting, pursuant to law, a report on six proposed rescissions of budget authority; pursuant to the order of January 30, 1975, as modified on April 11, 1986, referred jointly to the Committee on Appropriations the Committee on the Budget, the Committee on Banking, Housing, and Urban Affairs, the Committee on Environment and Public Works, the Committee on Energy and Natural Resources, the Committee on the Judiciary, the Committee on Labor and Human Resources, the Committee on Armed Services, the Committee on Agriculture, Nutrition, and Forestry, the Committee on Foreign Relations, the Committee on Finance, and the Committee on Commerce, Science, and Transportation.

EC-1068. A communication from the Deputy Secretary of Defense transmitting, pursuant to law, a report on the transfer of funds in support of the Nicaraguan Democratic Resistance; jointly, to the Committee on Appropriations, the Committee on the Budget, and the Committee on Armed Services.

EC-1069. A communication from the Assistant Secretary of the Army (Installations and Logistics), transmitting, pursuant to law, a report on the emergency disposal of recently discovered chemical munitions at Dugway Proving Ground, UT; to the Committee on Armed Services.

EC-1070. A communication from the deputy general counsel of the Department of Defense, transmitting a draft of proposed legislation to authorize certain construction at military installations for fiscal years 1990/1991, and for other purposes; to the Committee on Armed Services.

EC-1071. A communication from the deputy general counsel of the Department of Defense, transmitting a draft of proposed legislation to increase the rates of basic pay, basic allowance for quarters, and basic allowance for subsistenace for members of the Uniformed Services; to the Committee on Armed Services.

EC-1072. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Financial Audit-Federal Deposit Insurance Corporation's 1988 and 1987 Financial Statement"; to the Committee on Banking, Housing, and Urban Affairs.

EC-1073. A communication from the Executive Director of the Neighborhood Reinvestment Corporation, transmitting a draft of proposed legislation to extend the authorization of appropriations for the Neighborhood Reinvestment Corporation; to the Committee on Banking, Housing, and Urban Affairs.

EC-1074. A communication from the Secretary of Agriculture, transmitting a draft of proposed legislation to amend section 533(b) of the Housing Act of 1949 to require that housing preservation grant funds be matched dollar-for-dollar by State, local, or other non-Federal funds; to the Committee on Banking, Housing, and Urban Affairs.

EC-1075. A communication from the Secretary of Transportation, transmitting, pursuant to law, the annual report on administration of the offshore oil pollution compensation fund for fiscal year 1988; to the Committee on Energy and Natural Resources.

EC-1076. A communication from the Secretary of Energy, transmitting pursuant to law, the program opportunity notice for the third round of the Clean Coal Technology Demonstration Program; to the Committee on Energy and Natural Resources.

EC-1077. A communication from the Secretary of the Interior, transmitting, pursuant to law, the onshore oil and gas leasing report for fiscal year 1988; to the Committee on Energy and Natural Resources.

EC-1078. A communication from the Administrator of the Environmental Protection Agency, transmitting, pursuant to law, a report entitled "Management of Hazardous Wastes From Educational Institutions"; to the Committee on Environment and Public Works.

EC-1079. A communication from the Chairman of the Nuclear Regulatory Commission, transmitting, pursuant to law, a report on abnormal occurrences at licensed nuclear facilities for the fourth calendar quarter of 1988; to the Committee on Environment and Public Works.

EC-1080. A communication from the Chairman of the Physician Payment Review Commission, transmitting, pursuant to law, the annual report of the Commission for 1989; to the Committee on Finance.

EC-1081. A communication from the Acting Assistant Secretary of Commerce (Import Administration), transmitting, pursuant to law, the annual report on the activities of the Foreign-Trade Zones Board for fiscal year 1986; to the Committee on Finance.

EC-1082. A communication from the Assistant Secretary of State (Legislative Affairs), transmitting, pursuant to law a report entitled "Citizens' Self Defense Groups in the Philippines"; to the Committee on Foreign Relations.

EC-1083. A communication from the Assistant Secretary of State (Legislative Affairs), transmitting pursuant to law a quarterly report on human rights activities in Ethiopia for the period January 15 to April 14, 1989; to the Committee on Foreign Relations.

EC-1084. A communication from the Secretary of State, transmitting a draft of proposed legislation to amend the Foreign Assistance Act of 1961 and the Arms Export Control Act, and related statutory provisions, to authorize additional development and security assistance programs for fiscal year 1990, and for other purposes; to the Committee on Foreign Relations.

EC-1085. A communication from the Assistant Secretary of State (Legislative Affairs), transmitting, pursuant to law, the semi-annual reports for the period April-September 1988 listing voluntary contributions made by the U.S. Government to international organizations; to the Committee on Foreign Relations.

EC-1086. A communication from the Inspector General of the Department of Health and Human Services, transmitting, pursuant to law, the annual report of the Office of Inspector General for the period October 1, 1988 to March 31, 1989; to the Committee on Governmental Affairs.

EC-1087. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law copies of D.C. Act 8-25 adopted by the Council on April 18, 1989; to the Committee on Governmental Affairs.

EC-1088. A communication from the Chairman of the Council of the District of Columbia; transmitting, pursuant to law, copies of D.C. Act 8-24 adopted by the Council on April 18, 1989; to the Committee on Governmental Affairs.

EC-1089. A communication from the Chairman of the Council of the District of Columbia; transmitting, pursuant to law, copies of D.C. Act 8-26 adopted by the Council on April 18, 1989; to the Committee on Governmental Affairs.

EC-1090. A communication from the Chairman of the Council of the District of Columbia; transmitting, pursuant to law,

copies of D.C. Act 8-28 adopted by the Council on April 18, 1989; to the Committee on Governmental Affairs.

EC-1091. A communication from the Chairman of the Council of the District of Columbia; transmitting, pursuant to law, copies of D.C. Act 8-29 adopted by the Council on April 18, 1989; to the Committee on Governmental Affairs.

EC-1092. A communication from the Chairman of the Council of the District of Columbia; transmitting, pursuant to law, copies of D.C. Act 8-27 adopted by the Council on April 18, 1989; to the Committee on Governmental Affairs.

EC-1093. A communication from the Chairman of the National Labor Relations Board, transmitting, pursuant to law, the annual report of the Board under the Government in the Sunshine Act for calendar year 1988; to the Committee on Governmental Affairs.

EC-1094. A communication from the Executive Director of the Neighborhood Reinvestment Corporation, transmitting, pursuant to law, the annual report of the Commission under the Government in the Sunshine Act for calendar year 1988; to the Committee on Governmental Affairs.

EC-1095. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Managing the Government: Revised Approach Could Improve OMB's Effectiveness"; to the Committee on Governmental Affairs.

EC-1096. A communication from the Deputy General Council of the Department of Defense, transmitting a draft of proposed legislation to amend section 5584 of title 5, section 2774 of title 10, and section 716 of title 32, United States Code, to increase from $500 to $2,500 the maximum aggregate amount of a claim that may be waived by the head of an agency under those sections; to the Committee on Governmental Affairs.

EC-1097. A communication from the Secretary Health and Human Services, transmitting, pursuant to law, the Special Report on Services for Older Indians; to the Select Committee on Indian Affairs.

EC-1098. A communication from the Executive Director of the Federal Home Loan Bank Board (Administration and Human Resources), transmitting, pursuant to law, the annual report of the Board under the Freedom of Information Act for calendar year 1988; to the Committee on the Judiciary.

EC-1099. A communication from the Chief Justice of the United States, transmitting, pursuant to law, amendments to the Federal Rules of Appellate Procedure; to the Committee on the Judiciary.

EC-1100. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, the Departments of Education and Health and Human Services report on the relationship between drug and alcohol abuse and youth suicide; to the Committee on Labor and Human Resources.

EC-1101. A communication from the Secretary of Education, transmitting, pursuant to law, Final Regulations—Fund for the Improvement and Reform of Schools and Teaching; to the Committee on Labor and Human Resources.

EC-1102. A communication from the Secretary of Education, transmitting, pursuant to law, Final Regulations—General Education Provisions Act—Enforcement; to the Committee on Labor and Human Resources.

EC-1103. A communication from the Chairman of the Federal Election Commission, transmitting, pursuant to law, the second biennial report on the progress of the accessibility of polling places to the elderly and handicapped population in the 1988 general elections; to the Committee on Rules and Administration.

EC-1104. A communication from the Secretary of Veterans Affairs, transmitting a draft of proposed legislation to amend title 38, United States Code, to revise the provisions relating to refinancing loans and manufactured housing loans to veterans, to modify the procedures for the sale of loans by the Secretary of Veterans Affairs, and for other purposes; to the Committee on Veterans Affairs.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. PELL, from the Committee on Foreign Relations, without amendment and with a preamble:

S. Res. 124. An original resolution expressing strong support for the North Atlantic Treaty Organization on the occasion of its 40th anniversary; confirming continued dedication to NATO's founding principle, which is the commitment by democratic nations to their common defense; and urging energetic and cooperative participation by NATO member-states in the development and implementation of joint policies aimed at strengthening the East-West military balance while upholding and promoting democratic values.

S. Res. 125. An original resolution congratulating the Kingdom of Norway on its 175 years of constitutional government.

By Mr. PELL, from the Committee on Foreign Relations, without amendment and with a preamble:

S. Con. Res. 26. Concurrent resolution urging first asylum countries of the Association of Southeast Asia Nations [ASEAN] to reinstate the practice of providing refuge to all asylum-seekers from Vietnam, and for other purposes.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. PELL, from the committee on Foreign Relations:

Herman Jay Cohen, of New York, a Career Member of the Senior Foreign Service, Class of Career Minister, to be an Assistant Secretary of State;

Ronald Frank Lehman II, of Virginia, to be Director of the United States Arms Control and Disarmament Agency;

Charles Edgar Redman, of Florida, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Sweden.

Nominee: Charles Edgar Redman.

Post: U.S. Ambassador to Sweden.

(Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.)

Contributions, amount, date, and donee:

1. Self, none.

2. Spouse, none.

3. Children and spouses, Melissa, Vanessa, and Christina, none.

4. Parents, Helen and Edgar Redman, none.

5. Grandparents, deceased.

6. Brothers and spouses, Eric and Mary Redman, none.

7. Sisters and spouses, none.

Walter J.P. Curley, of New York, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to France.

Nominee: Walter J.P. Curley.

Post: Ambassador to France.

(Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.)

Contributions amount, date, and donee:

1. Self:

1984

$500, Jan. 30, 1984, N.Y. Republican County Committee.

$1,000, Feb. 10, 1984, Reagan/Bush 84.

$2,000, Feb. 10, 1984, N.Y. Republican State Finance Committee (Salute to Victory Dinner).

$250, Mar. 7, 1984, Fund for Peace & Justice.

$500, Mar. 27, 1984, Committee for Congressman Green.

$100, Apr. 24, 1984, Bill Green for Congress.

$100, Apr. 24, 1984, Metropolitan Republican Club.

$100, June 19, 1984, RNC.

$100, June 20, 1984, Comm. for Roy Goodman.

$100, Oct. 1, 1984, N.Y. State Young Republicans: PAC.

$1,100, Oct. 10, 1984, Empire Club.

1985

$1,000, Jan. 10, 1985, Friends of Sen. D'Amato.

$5,000, July 2, 1985, Fund for America's Future.

$1,000, Sept. 24, 1985, Empire Club.

$1,000, Oct. 23, 1985, Empire Club.

$1,000, Dec. 9, 1985, Friends of Sen. D'Amato.

1986

$2,000, Jan. 2, 1986, N.Y. Republican Party.

$5,000, Jan. 24, 1986, Fund for America's Future.

$2,000, Mar. 3, 1986, N.Y. State Republican Finance Committee.

$1,000, June 12, 1986, Friends of Andy O'Rourke.

$1,000, June 12, 1986, People for Andy O'Rourke.

$1,000, Oct. 10, 1986, Empire Club.

$1,000, Dec. 12, 1986, Commonwealth Club of Pa.

1987

$2,500, Feb. 24, 1987, N.Y. Republican State Committee.

$5,000, June 25, 1987, Fund for America's Future.

$1,000, Oct. 7, 1989, Empire Club.

1988

$10,000, May 17, 1988, Presidential Trust.

$5,000, Aug. 29, 1988, Victory '88.

$1,000, Sept. 14, 1988, Robert R. McMillan for U.S. Senate.

2. Spouse, Mary Walton Curley:

1984

$1,000, Aug. 25, 1984, Connie Cook for Congress.

$1,000, Oct. 1, 1984, N.Y. Republican Family Comm.

$1,000, Oct. 26, 1984, Empire Club.

1985

$5,000, July 2, 1985, Fund for America's Future.

1986

$5,000, Jan. 22, 1986, Fund for America's Future.
$1,000, Jan. 15, 1986, N.Y. State Republican Family Committee.
$1,000, Apr. 15, 1986, N.Y. State Republican Family Committee.
$1,000, June 17, 1986, N.Y. State Republican Family Committee.
$1,000, Oct. 10, 1986, Empire Club.
$1,000, Oct. 14, 1986, N.Y. State Republican Family Committee.

1987

$1,000, Jan. 14, 1987, N.Y.S. Republican Family Committee.
$2,500, Feb. 24, 1987, New York Republican State Committee.
$1,000, Apr. 1, 1987, N.Y.S. Republican Family Committee.
$1,000, June 2, 1987, N.Y.S. Republican Family Committee.
$5,000, June 25, 1987, Fund for America's Future.
$1,000, June 16, 1987, N.Y.S. Republican Family Committee.
$1,000, Oct. 5, 1987, Empire Club.
$1,000, Dec. 9, 1987, 1988 Commonwealth Club (Pa.).
$1,000, Dec. 28, 1987, N.Y.S. Republican Family Committee.

1988

$3,000, Jan. 5, 1988, N.Y. Republican County Committee.
$2,000, Jan. 22, 1988, N.Y.S. Republican Family Committee.
$1,250, Mar. 4, 1988, Man-of-the-Year Luncheon.
$1,000, Mar. 4, 1988, N.Y.S. Republican Family Committee.
$1,000, Apr. 15, 1988, N.Y. State Republican Family Committee.
$10,000, May 16, 1988, The Presidential Trust.
$1,000, June 21, 1988, N.Y.S. Republican Family Committee.
$1,000, Aug. 23, 1988, N.Y.S. Republican Family Committee.
$5,000, Aug. 29, 1988, Victory '88.
$1,000, Nov. 11, 1988, N.Y.S. Republican Family Committee.

1989

$1,500, Jan. 26, 1989, Republican Family Committee.
$5,000, Feb. 6, 1989, N.Y. County Republican Committee (Table—Lincoln Day Dinner).
$5,000, Feb. 6, 1989, N.Y.S. Republican Finance Committee (Man-of-the-Year)—Luncheon.

3. Children and spouses names, Margaret Wiles (Peter) $1,000, Nov. 11, 1987, George Bush for President; W.J.P. Curley III (Jane), $1,000, Nov. 13, 1987, George Bush for President; John & Cynthia Curley, none, James Curley, none (per Lucy Reed, Aug. 14, 1989 conversation with Mrs. Bennett, secretary to Mr. Curley).

4. Parents names, Walter J. Curley, Marquerite Cowan, deceased.

5. Grandparents names, John D. Curley, Mary Deere, Joseph Patrick Cowan, Mary Lappin, deceased.

6. Brothers and spouses names; none.

7. Sisters and spouses names; none.

Morris Berthold Abram, of New York, to be the Representative of the United States of America to the European Office of the United Nations, with the rank of Ambassador, vice Joseph Carlton Petrone, resigned.

Nominee: Morris Berthold Abram.

Post: Representative to the European Office of the U.N. at Geneva.

Nominated: February 2, 1989.

(Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.)

Contributions, amount, date, and donee:

1. Self: Morris B. Abram, none.

2. Former spouses: Jane Macguire Abram, none. Carlyn F. Abram, none.

3. Children and spouses names; Ruth Jacobeth Abram (Mrs. Herbert Tetielbaum), none; Ann Abram (Mrs. Steve Novak), none; Jonathan Adam Abram (Roslyn), none; Morris B. Abram, Jr., none; Joshua Anthony Abram, none.

4. Parents names: Father, Sam Abram, deceased, Mother, Irene Jacobeth Cohen Abram, deceased.

5. Grandparents names; Dr. Morris S. Cohen, deceased; Daisy E. Cohen, deceased; Morris Abram (deceased).

6. Brother and spouses names: (Brother) Dr. Lewis E. & Doris Abram, none.

7. Sisters and spouses names: sister, Ruthanne Reis, none; Harold Reis, (husband, none.

Joseph Verner Reed, of Connecticut, for the rank of Ambassador during his tenure of service as Chief of Protocol for the White House.

Nominee: Joseph Verner Reed, Jr.

Post: Chief of Protocol.

Nominated: January 6, 1989.

(Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.)

Contributions, amount, date, and donee:

1. Self: (Per year since 1984), $1,000, June 1988, President Elect Bush; $1,000, June 1988, Alan Keyes for Senate.

2. Spouse: Mimi Byers Reed, no contributions.

3. Children and spouses names: Electra Reed; Paul & Serena Kusserow, N/A.

4. Parents names: Permilia P. Reed, N/A.

5. Grandparents names: Deceased.

6. Brothers and spouses names: Adrian & Nancy Jane Reed; Nathaniel & Alita Reed; Samuel Reed (not married), N/A.

7. Sisters and spouses names: Laurel Reed Hemmes, N/A

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

Mr. PELL. Mr. President, for the Committee on Foreign Relations, I report favorably a nomination list in the Foreign Service which was printed in full in the CONGRESSIONAL RECORD of April 18, 1989, and ask unanimous consent, to save the expense of reprinting on the Executive Calendar, that these nominations lie at the Secretary's desk for the information of Senators.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. PRESSLER:

S. 954. A bill to amend the Internal Revenue Code of 1986 to allow a deduction for amounts paid by a physician as principal and interest on student loans if the physician agrees to practice medicine for 2 years in a rural community; to the Committee on Finance.

By Mr. CONRAD:

S. 955. A bill to amend the Internal Revenue Code of 1986 to allow institutions for the Farm Credit System to deduct amounts added to a reserve for bad debts under rules applicable to the deduction of such amounts by small banks; to the Committee on Finance.

By Mr. COATS:

S. 956. A bill to exclude users of alcohol and illegal substances from the definition of handicapped individuals under the Rehabilitation Act of 1973, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. HEINZ:

S. 957. A bill to suspend temporarily the duty on Ceftazidime Tertiary Butyl Ester; to the Committee on Finance.

By Mr. HATCH:

S. 958. A bill for the relief of Zahra Moghimi Najaf Abadi and Mohmoud Reza Moghimi Najaf Abadi Farahani; to the Committee on the Judiciary.

By Mr. DASCHLE:

S. 959. A bill to amend title III of the Public Health Service Act to make improvements in the National Health Service Corps scholarship program, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. SIMON (for himself, Mr. DIXON, Mr. DANFORTH, and Mr. BOND):

S. 960. A bill to amend the Act of May 17, 1954, relating to the Jefferson National Expansion Memorial, to strike the proposed limitation on park extension to allow the acquisition of State lands by means other than donation and to increase funding for the East St Louis portion of the Memorial; to the Committee on Energy and Natural Resources.

By Mr. SIMON:

S. 961. A bill to authorize the exchange of certain Federal public land in Madison County, IL; to the Committee on Environment and Public Works.

By Mr. FOWLER (for himself, Mr. BOREN, Mr. PRYOR, Mr. NUNN, Mr. LOTT, and Mr. THURMOND):

S. 962. A bill to provide for the establishment of a coordinated program of promotion and research designed to strengthen the position of the pecan industry in the marketplace, to maintain and expand foreign and domestic markets and uses for improved and native pecans and pecan products, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. DOMENICI (for himself, Mr. DECONCINI, Mr. BINGAMAN, Mr. BOND, Mr. BOREN, Mr. CRANSTON, Mr. DIXON, and Mr. SIMON):

S. 963. A bill to authorize a study on methods to commemorate the nationally significant highway known as Route 66, and

for other purposes; to the Committee on Energy and Natural Resources.

By Mr. FORD (by request):

S. 964. A bill to authorize appropriations to the Department of Energy for civilian energy programs for fiscal year 1990 and fiscal year 1991, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. BENTSEN:

S. 965. A bill to clarify the exemptive authority of the Securities and Exchange Commission; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. KERRY:

S. 966. A bill to carry out long-term research on the effects of oil spills on the marine and estuarine habitats and resources of Prince William Sound, and for other purposes; to the Committee on Energy and Natural Resources.

S. 967. A bill to amend the Coastal Zone Management Act of 1972 to designate the Secretary of Commerce as the lead trustee for ocean and coastal resources and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. REID:

S.J. Res. 125. Joint resolution relating to responsible trade and conservation of tropical forest resources; to the Committee on Foreign Relations.

By Mr. PELL (for himself, Mr. MITCHELL, Mr. HOLLINGS, Mr. DOLE, Mr. CHAFEE, Mr. NUNN, Mr. MATSUNAGA, Mr. DIXON, Mr. CONRAD, Mr. PRYOR, Mr. SARBANES, Mr. RIEGLE, Mr. HATCH, Mr. COHEN Mr. THURMOND, Mr. DODD, Mr. BOREN, Mr. COCHRAN, Mr. HUMPHREY, Mr. D'AMATO, Mr. KERRY, Mr. GORE, Mr. LIEBERMAN, Mr. REID, Mr. LUGAR, Mr. KASTEN, Mr. GRAHAM, Mr. GORTON, Mr. LAUTENBERG, Mr. BURDICK, Mr. EXON, Mr. ROBB, Mr. LEVIN, Mr. PACKWOOD, Mr. JEFFORDS, Mr. BOSCHWITZ, Mr. WILSON, Mr. BRADLEY, Ms. MIKULSKI, Mr. MURKOWSKI, Mr. STEVENS, Mr. WARNER, Mr. INOUYE, Mr. CRANSTON, Mr. MACK, and Mr. BREAUX):

S.J. Res. 126. Joint resolution commemorating the bicentennial of the U.S. Coast Guard; to the Committee on the Judiciary.

By Mr. SIMON:

S.J. Res. 127. Joint resolution designating Labor Day Weekend, September 2-4, 1989, as "National Drive for Life Weekend"; to the Committee on the Judiciary.

By Mr. MITCHELL (for Mr. BYRD (for himself, Mr. MITCHELL, and Mr. DOLE)):

S.J. Res. 128. Joint resolution authorizing a first strike ceremony at the U.S. Capitol for the Bicentennial of the Congress Commemorative Coin; considered and passed.

By Mr. DOLE (for himself, Mr. MITCHELL, Mr. CHAFEE, Mr. ROTH, Mr. GARN, Mr. WARNER, Mr. MURKOWSKI, Mr. DOMENICI, Mr. BOSCHWITZ, Mr. BURNS, Mr. COATS, Mr. ARMSTRONG, Mr. COHEN, Mr. MCCONNELL, Mr. HATCH, Mr. DURENBERGER, Mr. LUGAR, Mr. GRAHAM, Mr. LEAHY, Mr. MATSUNAGA, Mr. PELL, Mr. SHELBY, Mr. HOLLINGS, Mr. MOYNIHAN, and Mr. REID):

S.J. Res. 129. Joint Resolution to provide for the designation of September 15, 1989, as "National POW/MIA Recognition Day"; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. MITCHELL (for himself and Mr. DOLE):

S. Res. 123. Resolution to amend Senate Resolution 38, 101st Congress, providing for the appointment of a committee to receive and to report evidence with respect to articles of impeachment against Judge Alcee L. Hastings; considered and agreed to.

By Mr. PELL from the Committee on Foreign Relations:

S. Res. 124. An original resolution expressing strong suppport for the North Atlantic Treaty Organization on the occasion of its 40th anniversary; confirming continued dedication to NATO's founding principle, which is the commitment by democratic nations to their common defense; and urging energetic and cooperative participation by NATO member states in the development and implementation of joint policies aimed at strengthening the East-West military balance while upholding and promoting democratic values; placed on the calendar.

S. Res. 125. An original resolution congratulating the Kingdom of Norway on its 175 years of constitutional government; placed on the calendar.

By Mr. BAUCUS (for himself, Mr. HARKIN, Mr. PRYOR, Mr. CONRAD, Mr. BURDICK, Mr. BOREN, Mr. DASCHLE, and Mr. EXON):

S. Res. 126. Resolution expressing the sense of the Senate that the Prospective Payment Assessment Commission does not equitably represent the proportion of Medicare beneficiaries living in rural America, and that four additional Commissioners with experience in rural health care delivery should be appointed to the Commission to help correct the inequity; to the Committee on Finance.

By Mr. HATCH (for himself, Mr. GARN, Mr. DURENBERGER, Mr. BAUCUS, and Mr. GRASSLEY):

S. Con. Res. 36. Concurrent resolution expressing the sense of Congress regarding the problem of geographical variations under the current medicare physician reimbursement system; to the Committee on Finance.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. PRESSLER:

S. 954. A bill to amend the Internal Revenue Code of 1986 to allow a deduction for amounts paid by a physician as principal and interest on student loans if the physician agrees to practice medicine for 2 years in a rural community; to the Committee on Finance.

DEDUCTION FOR STUDENT LOAN PAYMENTS FOR PHYSICIANS PRACTICING IN RURAL AREAS

Mr. PRESSLER. Mr. President, I rise today to introduce legislation that can assist rural communities with the recruitment and retention of medical doctors while benefiting the physician who must pay the high cost of a medical education.

Rural America's health care system is in a crisis. We are all aware of the financial plight experienced by rural hospitals. As we all know, some are closing every day. Today, the Ipswich, SD, Community Hospital will close its doors. Of equal importance to hospitals, if not more so, are physicians. Physicians are the backbone of the health care delivery system. Without doctors, hospitals and other medical personnel cannot serve the public.

Contrary to reports of a physician surplus, a severe shortage plagues rural communities. According to a 1987 report by the Department of Health and Human Services [HHS], 33 States had fewer than 20.7 non-Federal physicians, the national average, per 10,000 civilian persons. South Dakota ranked 45th among the 50 States. Only the States of Alaska, Mississippi, Idaho, and Wyoming experienced a more severe shortage of doctors. Further, 38 States fall below the national average of 18 patient care physicians per 10,000 civilians. South Dakota ranked 45th of the 50 States with a ratio of 12.3 patient care physicians per 10,000 civilians.

South Dakota has 37 health manpower shortage areas. Ten physicians are urgently needed in those areas. The South Dakota Medical Association reports an immediate need for at least 50 family physicians in the State.

A tremendous vacuum of primary care services, including preventive care, exists in many rural areas. The National Health Service Corps [NHSC] has benefited many rural areas. However, the time has come to go a step further and provide additional incentives to attract physicians to areas that the NHSC may never reach. NHSC uses health manpower shortage areas as the basis for placing physicians. Many communities that need primary care are located in health manpower shortage areas. Their small size and low per capita income cannot attract a physician. This bill addresses the concern of physicians who might want to practice in such areas but cannot afford to do so.

Provisions contained in the bill would allow physicians to deduct the cost of medical education, including reasonable living expenses, of $5,000 per year as a business expense. In return, interested physicians would be required to practice for a minimum of 24 consecutive months in a community of 5,000 population or less and a per capita income of $15,000 or less.

The cost of medical education is excessive. Further, beginning practice in a rural community with a poor economic base will not provide a physician with sufficient income to pay his or her debts and simultaneously develop a practice.

By investing in young physicians who are willing to practice in rural areas, we can save dollars in the future—financial resources that could be spent on acute care, or long-term

chronic illnesses such as heart and lung disease and cancer. Primary care doctors are educated in the science of preventive care as well as acute and chronic care. Preventive services, such as well-baby clinics and prenatal care; farm safety programs, such as machine safety and the hazards of pesticides and herbicides; alcohol programs; smoking cessation programs; nutrition education; hearing safety and many other services are critically needed in rural America. Health research is demonstrating that preventive health services do reduce costs and enhance the healthful life style of people.

Increasing the supply of physicians in rural areas also can help more remote areas that are unable to support a physician. These areas could be served by physician assistants or nurse practitioners if physicians were available within a reasonable distance to act as supervisors to one or more satellite clinics in the remote communities.

This legislation is vitally important for the future health of rural America. It would increase the supply of doctors in communities with a population of 5,000 or less and assist with building stable medical practices. Also, it is a statement that costs can be reduced by enhancing the availability of primary, preventive care services in rural America.

Mr. President, I ask unanimous consent that the text of this legislation be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 954

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DEDUCTION FOR STUDENT LOAN PAYMENTS BY PHYSICIANS PRACTICING IN RURAL AREAS.

(a) IN GENERAL.—Section 162 of the Internal Revenue Code of 1986 (relating to trade or business expenses) is amended by redesignating subsection (m) as subsection (n) and by inserting after subsection (l) the following new subsection:

"(m) STUDENT LOAN PAYMENTS OF PHYSICIANS PRACTICING IN RURAL AREAS.—

"(1) IN GENERAL.—In the case of an individual with respect to whom services are performed under a qualified rural medical practice agreement during the taxable year, there shall be allowed as a deduction under this section an amount equal to the amount which bears the same ratio to the principal and interest paid on qualified educational loans during the taxable year as—

"(A) the number of months during the taxable year during which such services were performed, bears to

"(B) the number of months in the taxable year.

"(2) DOLLAR LIMITATION.—The aggregate amount of the deduction under subsection (a) for any taxable year with respect to any individual shall not exceed $5,000.

"(3) QUALIFIED MEDICAL PRACTICE AGREEMENT.—For purposes of this subsection—

"(A) IN GENERAL.—The term 'qualified medical practice agreement' means a written agreement between an individual and an applicable rural community under which the individual agrees, upon completion of the individual's residency (or internship if no residency is required), to perform full-time services as a medical doctor in the applicable rural community for a period of 24 consecutive months.

"(B) 24-MONTH PERIOD.—An individual shall be treated as meeting the 24 consecutive month requirement under subparagraph (A) if, during each 12-consecutive month period within such period, the individual performs full-time services as a medical doctor in the applicable rural community during 9 of the months in such 12-consecutive month period. For purposes of this subsection, an individual meeting the requirements of the preceding sentence shall be treated as performing services during the entire 12-month period.

"(C) APPLICABLE RURAL COMMUNITY.—The term 'applicable rural community' means any political subdivision of a State or an Indian reservation which—

"(i) has a population of 5,000 or less, and

"(ii) has a per capita income of $15,000 or less.

"(4) QUALIFIED EDUCATIONAL LOAN.—The term 'qualified educational loan' means any indebtedness to pay qualified tuition and related expenses (within the meaning of section 117(b)) and reasonable living expenses—

"(A) which are paid or incurred as a candidate for a degree as a medical doctor at an educational institution described in section 170(b)(1)(A)(ii), and

"(B) which are paid or incurred within a reasonable time before or after such indebtedness is incurred.

"(5) RECAPTURE.—If an individual fails to carry out a qualified rural medical practice agreement during any taxable year, then—

"(A) no deduction with respect to such agreement shall be allowable by reason of this subsection for such taxable year and any subsequent taxable year, and

"(B) there shall be included in gross income for such taxable year the aggregate amount of the deductions allowable under this section (by reason of this subsection) for all preceding taxable years."

(b) 2-PERCENT FLOOR NOT TO APPLY.—Section 67(b) of the Internal Revenue Code of 1986 is amended by striking out "and" at the end of paragraph (12), by striking out the period at the end of paragraph (13) and inserting ", and", and by inserting after paragraph (13) the following new paragraph:

"(14) the deduction allowable by reason of section 162(m) (relating to student loan payments of physicians practicing in rural areas)."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1989.

By Mr. CONRAD:

S. 955. A bill to amend the Internal Revenue Code of 1986 to allow institutions of the Farm Credit System to deduct amounts added to a reserve for bad debts under rules applicable to the deduction of such amounts by small banks; to the Committee on Finance.

DEDUCTIONS FOR BAD DEBT RESERVE BY FARM CREDIT INSTITUTIONS

Mr. CONRAD. Mr. President, the tax technical corrections bill passed by Congress last year contained many revisions to the Tax Reform Act of 1986 that are beneficial to the farm community.

Key agricultural features included restoration of the diesel tax exemption for farmers, drought-related tax deferrals, repeal of the heifer tax and extension of special estate tax valuation to cash-renters.

While the technical corrections package made great strides in revising problems in the 1986 act, at least one farm-related problem created by the law remains.

The 1986 tax law repealed the reserve method of calculating loan losses for the Farm Credit System's Production Credit Associations [PCA's] and Banks for Cooperatives [BC's]. At the same time, the act retaiend this loss calculation system for banks with less than $500 million in assets. The loss of the reserve method has added some $85 million in additional taxes to the Farm Credit System. This increased tax burden forces the already financially distressed system to absorb further losses which are inevitably passed along to it borrowers.

In a State like North Dakota, which led the Nation last year in per capita income decline—3.2 percent—farmers simply cannot afford to pay these additional costs.

The increased tax burden also exacerbates the difficulties PCA's and BC's confront in charging competitive interest rates. Similarly situated commercial banks, with loan loss reserve accounting capability, have an obvious advantage in setting competitive rates.

My bill would restore the ability of Farm Credit System institutions to use the reserve method of accounting for loan losses. This would allow production credit associations and banks for cooperatives to deduct, as a business expense, income reserved to provide for loan losses as they did prior to enactment of the 1986 Tax Reform Act.

Mr. President, we must continue to lead the financially stressed agricultural sector of this country on the road to economic recovery. Relieving the Farm Credit System and its borrowers of the tax burden they have had to absorb through loss of deductions on loan losses is one step that we can take.

I urge my colleagues to join me on this path. Let us allow the Farm Credit System to participate on a level playing field with its competitors. Let us allow the Farm Credit System to make better use of the money it must now use to cover new tax payments. Let us allow the Farm Credit System to free up these funds and work on lowering interest rates. It is time to end the unfair tax treatment of the Farm Credit System and, in doing so, provide farmers and farmer-owned cooperatives with more equitable rates.

Mr. CONRAD. Mr. President, I recognize the Chair's effort in helping us

last year. Rural America will forever be indebted to your leadership when you served as majority leader in helping us expedite the passage of the drought relief bill. I can say without fear of contradiction, Mr. President, that without that bill my State would be in the most serious economic straits imaginable.

And it was the leadership of the current occupant of the Chair, the President pro tempore, that made that legislation move quickly and all of rural America owes you its thanks.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 955

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DEDUCTION ALLOWED FOR ADDITIONS TO BAD DEBT RESERVE BY FARM CREDIT SYSTEM INSTITUTIONS.

(a) IN GENERAL.—Section 166 of the Internal Revenue Code of 1986 (allowing deduction for bad debts) is amended by inserting after subsection (b) the following new subsection.

"(c) RESERVE FOR BAD DEBTS OF FARM CREDIT SYSTEM INSTITUTIONS.—

"(1) IN GENERAL.—In the case of an institution of the Farm Credit System, in lieu of any deduction under subsection (a), there shall be allowed a deduction for a reasonable addition (determined under rules similar to the rules of section 585(b) (relating to addition to reserves for bad debts on loans of banks)) during the taxable year to a reserve for bad debts.

"(2) INSTITUTION OF THE FARM CREDIT SYSTEM DEFINED.—For purposes of paragraph (1), the term 'institution of the Farm Credit System' means any institution continued as a federally chartered instrumentality of the United States under the Farm Credit Act of 1971 (12 U.S.C. 2001 et seq.)."

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 1986.

By Mr. HATCH:

S. 958. A bill for the relief of Zahra Moghimi Najaf Abadi and Mahmoud Reza Moghimi Najaf Abadi Farahani; to the Committee on the Judiciary.

RELIEF OF CERTAIN INDIVIDUALS

Mr. HATCH. Mr. President, I am introducing a bill to provide permanent residence in Zahra Moghimi Najaf Abadi and her brother Mahmoud Reza Moghimi Najaf Abadi Farahani.

Ms. Moghimi came to the United States in November 1984, with a visitor's visa to receive medical assistance. She has severe scoliosis, which was caused by polio. She needs corrective surgery in order to prevent this condition from worsening and becoming a possible life-threatening situation.

When she first arrived, Ms. Moghimi was under the impression that the surgery would cost approximately $10,000, an amount which she was then prepared to pay. Much to her dismay, after meeting with qualified medical personnel, she discovered that the approximate cost of her surgery is about $35,000. Until recently she did not have the funds to have this surgery done. Consequently, the hospital would not schedule her operation until she had enough for a downpayment. That amount, approximately $15,000, has now been raised, the surgery is scheduled for July 31, 1989, and the family has agreed to a payment schedule for the remainder of the cost.

Ms. Moghimi's brother has been caring for her while the funds were raised. Ms. Moghimi has indicated that she will need his continued help during the recovery period after her surgery.

The Moghimis' visas have now expired and they were given a voluntary date in April. It was shortly after this time they raised sufficient funds for the downpayment for the operation; however, deportation has now been ordered.

Mr. President, since the money has been raised, and a surgery date has been set, Ms. Moghimi should be allowed to remain in the country for her operation. Ms. Moghimi's American doctors are not aware of any qualified doctors in Iran who could perform this special surgery. To send her home, when she is so close to obtaining relief from this terrible condition, is unconscionable. This is a humanitarian case that deserves our careful consideration. I urge my colleagues to support this legislation.

By Mr. COATS:

S. 956. A bill to exclude users of alcohol and illegal substances from the definition of handicapped individuals under the rehabilitation Act of 1973, and for other purposes; to the Committee on Labor and Human Resources.

EXCLUSION OF DRUG ABUSERS FROM DEFINITION OF HANDICAPPED

Mr. COATS. Mr. President, for several years now the Congress and executive have exhibited a disciplined, bipartisan commitment to pressing a vigorous was against drugs. We have put policies into place that evidence a reasoned resolve—forged in a time of anger and maintained in a time of somber reflection. Our efforts have been characterized by a clear-eyed facing of fundamental facts and an unequivocal and unhesitant repudiation of any hint of lingering tolerance for drug abuse.

So it is particularly disturbing to me that the healthy body of our resolve seems to have been injected with a paralyzing dose of ambiguity. Just as we have begun to finally survey the boundaries of our drug crisis, we find that the fences have been torn down, opening up a vast new region of barely explored unpleasantness. And all because of noble legislation flawed by a single provision which gives comfort only to those with a vested interest in error.

The problem is really quite simple. The Rehabilitation Act of 1973, 29 U.S.C. 791, prohibits discrimination on the basis of handicap in programs or activities receiving Federal financial assistance. The act provides in sections 503 and 504 that no Federal agency or federally subsidized enterprise can discriminate against handicapped persons. This is both admirable and vital. There is no place in our society for discrimination against people with physical and mental handicaps.

But the difficulty comes in the fine print. An individual with handicaps is not defined in a way that most americans would understand. It is broadened to include drug abusers, addicts, and alcoholics. Thus, substance abusers are protected from any effort to exclude them from activities or benefits based on their drug or drinking problems. They are put in the same category with the blind or the mentally retarded.

The results of such definitional gymnastics are as shocking as they are absurd. Expelling a drug addict from school becomes the moral equivalent of throwing out a student for being confined to a wheelchair. Federal employees or postal workers who are addicted to illegal drugs can't be fired to create a drug-free workplace. Drug addicts can't be evicted to clean up public housing. All, under this law, are handicapped. And each action is illegal discrimination.

The bill I am introducing today would amend the Rehabilitation Act of 1973 to exclude drug abusers and alcoholics from the definition of the handicapped, not because they are unworthy of help or concern, but because this is the only way we will restore credibility to our fight against the demand for illegal drugs. This bill represents the official view of both the Reagan and Bush administrations. And it represents my convictions as well. Those who abuse drugs or alcohol should be treated as responsible persons who must be held accountable for their acts.

Former Assistant Attorney General Richard Willard testified before the House Post Office and Civil Service Subcommittee on September 25, 1986 in favor of this change in the Law. He made it clear that the Justice Department supports such an amendment because of the propensity of some courts to adopt an overly broad reading of the act. Often they end up requiring repeated offers of rehabilitation before the Government is allowed to take action against a drug addicted employee who is unable to perform his job. As Mr. Willard correctly pointed out, it makes no sense to permit an

employee to seek treatment, come back to work fall off the wagon and resume his or her drug habit, and then seek treatment over and over again. Such a policy certainly does not help the worker. But it both sets a bad example for others, and costs the Government a great deal of money. It is far better for the Government to be able to discipline an employee who, due to repeated drug use, cannot carry out his or her duties properly.

Mr. President, the Department of Education also supports this change in the law. Secretary Cavozos explains, "Virtually every public school in the country is covered by this antidiscrimination statute, the practical, and presumably unintended, effect of which—when combined with the present definition of individual with handicaps—is to make it virtually impossible to establish a drug-free educational environment." If one of our goals in the war on drugs is to have drug-free schools for our children and young people, then we must be sure that our local school districts, school boards and parent-teacher groups have the means to take appropriate and effective measures against student repeat drug offenders.

Mr. President, I ask unanimous consent that the full text of a letter from Secretary of Education Lauro Cavazos to Minority Leader BOB DOLE in support of an identical amendment to the 1988 omnibus antidrug bill be entered into the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF EDUCATION,
Washington, DC, October 12, 1988.

HON. ROBERT DOLE,
Minority Leader, U.S. Senate, Washington, DC.

DEAR SENATOR DOLE: I write to urge your support of an amendment to S. 2852, the Omnibus Anti-Substance Abuse Act of 1988. The amendment would make clear that illegal drug abusers are not defined as individuals with handicaps due solely to their illegal use of drugs.

Section 504 of the Rehabilitation Act of 1973 prohibits discrimination on the basis of handicap in programs or activities receiving Federal financial assistance. Because the current definition of individual with handicaps in the Rehabilitation Act includes the term drug abuser, it is difficult for school districts to impose effective disciplinary measures upon students who abuse drugs.

Virtually every public school in the country is covered by this anti-discrimination statute, the practical (and presumably unintended) effect of which—when combined with the present definition of individual with handicaps—is to make it virtually impossible to establish a drug-free educational environment.

The amendment is supported by the administration and is the same as that contained in section 103 of S. 2849 of the 99th Congress which you introduced on September 23, 1986 on behalf of the administration.

This amendment is vitally important. The goal of a drug-free environment in American public schools will be very difficult to achieve without enactment of this amendment. I strongly urge you to make every effort to gain its enactment. The Office of Management and Budget advises that there is no objection to the submission of this report to the Congress from the standpoint of the administration's program.

Sincerely,

LAURO F. CAVAZOS,
Secretary.

Mr. COATS. Mr. President, many public schools have adopted tough policies against drug offenders, but as a consequence of current law, have been forced by Federal authorities to change their policies and even to take back students who were expelled for repeated drug violations. And if they refuse, they risk the loss of Federal education assistance.

Let me cite one actual case history to illustrate my point. A junior high school student in a public school in Washington State started using drugs and alcohol during the seventh grade. As a result, his grade average plummeted, his truancies became more frequent, and increasingly he became a disciplinary problem at school. His parents finally withdrew him from school and placed him in a local hospital care unit for treatment where he was diagnosed as suffering from acute chronic alcoholic and drug addiction and dependency. He was later released and was enrolled again at his former school the following year. Once again, after a short time he fell into the old pattern of repeated unexcused absences, poor grades, and a bad attitude, resulting in frequent detention and suspensions. Following his suspension for being caught under the influence of drugs at a school dance, the school district had him withdrawn from school for nonattendance. At the time he left school the student was flunking three out of his four academic subjects and had a "D" in the other course.

The boy's parents later enrolled their son at another school. But they also filed a complaint against the school district for failure to provide their son a "free appropriate public education," alleging he was handicapped by alcoholism and drug addiction. The Office of Civil Rights of the Department of Education investigated the complaint and ruled in favor of the parents, finding that the school district had violated the student's civil rights, by discriminating against him under the section 504 of the Rehabilitation Act. For fear of losing Federal funding, the school district was forced to change its policy. They were required to treat students with drug or alcohol dependency like any other handicapped group.

In other words, instead of being disciplined, addicted students must receive special educational programs offered by the school district, just like students with mental or physical handicaps. The school district has the responsibility of setting up a program to detect drug and alcohol addiction and to educate students to cope with their handicap.

The problem, as I see it, is not that students with serious drug and alcohol problems should not be given treatment and education, or that schools should not offer treatment and education programs for students who use drugs. The problem is that local school authorities are not given any choice as to what they can do with students on drugs. The Federal Government, it seems, has overruled the disciplinary policies of every school district in the Nation. Local education authorities no longer have any choice as to the kind of program or action they deem best because the Department of Education, under the guise of civil rights law, is forcing them to change their policies and readmit chronic drug users and alcoholics as if they were handicapped.

Mr. President, this story, which was an actual incident in Washington State, has been repeated many times around the country. It illustrates the kind of problem that is plaguing education officials everywhere, including the Department of Education's Office of Civil Rights, as a result of the unclear language in the Rehabilitation Act.

As a consequence, education groups across America are seeking to change the law. Let me quote from a letter from Save Our Schools, a citizens' group: "Save Our Schools [SOS] believes that this situation makes a mockery of the Department of Education's position that schools should get tough on drugs. The current definition of "handicapped" also sends conflicting signals to parents, teachers, school administrators and students as to the proper penalty for using illegal drugs."

The Department of Housing and Urban Development faces a similar problem. Unless the definition of "handicapped" persons is changed in the law, HUD will be unable to enforce "eviction on conviction" of drug abusers in federally funded public housing projects. HUD Secretary Jack Kemp's policy to provide drug free public housing will be severely weakened.

Unless the Rehabilitation Act is amended along the line I propose, it will be difficult, if not impossible, to enforce the tough provisions included in the Anti-Drug Abuse Act of 1988 to prevent the use of drugs and the presence of drug-related crime in public housing. Under section 5101 of the act, if a public housing tenant or a member of the tenant's household engages in drug-related criminal activity, that is cause for eviction. The "handicapped" definition must be changed or drug abusers will be able to resist eviction as "handicapped" persons under section 504. This provision in the antidrug law will be a dead letter, and the

removal of drug offenders from housing projects will become a problem for housing authorities and law-abiding tenants and their families.

Mr. President, if we are to win the war on drugs, we must be able to take strong measures to stop both the demand and the supply of illegal drugs. Stopping supply, to some extent, is a simpler challenge—success is limited only by the resources we devote. But the fight against demand must be fought everywhere—in drug-free schools and drug-free workplaces and drug-free housing. These are precisely the places where the war against drugs will be won or lost. For it is in schools, at work, and in the home that attitudes toward drugs are shaped and demand for drugs is determined. If expulsions, firings, and evictions are declared off limits—prohibited as illegal discrimination—we've taken away the tool of last resort necessary to show we're serious in the fight against drugs.

It's been said that you can argue over exactly what hospitals should do, but surely they shouldn't spread disease. There's a lot of debate in Washington on how the Government should fight the drug war. But at the very least it shouldn't prevent people from combating the problem themselves. The Rehabilitation Act must be changed.

Drug addiction is many things. It is a trap that robs our children of life and hope. It is slow suicide that merits our compassion and help. It is the root of an industry that spreads violence and terror. But is is not the same as deafness or paralysis. It is not the same as a handicap. And, if we hope to see victory in the war against drugs, we can't treat it like one.

For these reasons, I hope that my legislation will receive early consideration and I ask unanimous consent that the text of my bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 956

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. AMENDMENTS TO THE REHABILITATION ACT OF 1973.

(a) HANDICAPPED INDIVIDUAL.—Section 7(8)(B) of the Rehabilitation Act of 1973 (29 U.S.C. 706(8)(B)) is amended—

(1) by striking out "Subject to the second sentence of this subparagraph, the" in the first sentence and inserting in lieu thereof "The"; and

(2) by striking out the second sentence and inserting in lieu thereof the following new sentences: "The term 'handicapped individual' does not include any individual who uses, or is addicted to, alcohol or illegal drugs, except that an individual who is otherwise handicapped shall not be excluded from the protection of this Act if such person also uses or is addicted to drugs. For purposes of sections 503 and 504 as such sections relate to employment, the term 'handicapped individual' does not include any individual who is an alcoholic whose current use of alcohol prevents such individual from performing the duties of the job in question or whose employment, by reason of such current alcohol abuse, would constitute a direct threat to property or the safety of others.".

(b) ILLEGAL DRUGS.—Section 7 of the Rehabilitation Act of 1973 (29 U.S.C. 706) is amended by adding at the end thereof the following new paragraph:

"(22) The term 'illegal drugs' means controlled substances, as defined by Schedules I and II, section 102(6) of the Controlled Substances Act (21 U.S.C. 802(6)) the possession or distribution of which is unlawful under the Comprehensive Drug Abuse Prevention and Control Act of 1970.".

By Mr. DASCHLE:

S. 959. A bill to amend title III of the Public Health Service Act to make improvements in the National Health Service Corps Scholarship Program, and for other purposes; to the Committee on Labor and Human Resources.

NATIONAL HEALTH SERVICE CORPS IMPROVEMENT ACT

Mr. DASCHLE. Mr. President, I rise today to introduce the National Health Service Corps Improvement Act of 1989. The aim of this legislation is to ensure that individuals living in rural and underserved communities across America have access to health care professionals.

Rural America is home to over 25 percent of the total U.S. population, and over 33 percent of the elderly. However, only 12 percent of the physicians and 18 percent of the nurses reside in rural areas. This means that rural Americans are going without critical health care services because the providers just aren't available.

These shortages can be illustrated in the physician-patient ratios that we find in rural America. Physician availability in counties with fewer than 10,000 residents in 1985 (53 physicians per 100,000 population) is roughly one-third of the U.S. average (163 physicians per 100,000 population.)

In 1988, the Department of Health and Human Services [DHHS] identified approximately 1,300 rural primary care shortage areas. These shortage areas were in need of 1,800 health care providers. In the same survey, as many as 25 percent of practicing rural physicians indicated that they would retire or leave their communities within the next 5 years.

The outlook for attracting more physicians to small rural communities is not very bright. The financial viability of physican practices is threatened by the growing numbers of rural hospital closures and uninsured patients. Rising malpractice premiums have resulted in rural counties losing almost all obstetrical services. Federal funding has not kept pace for rural community health centers that provide an important source of primary care for the poor and the non-poor.

Furthermore, serving in rural areas is no easy task for health care providers since the patients they must serve are generally older, poorer, and in worse health than those of their urban counterparts. Hours are long, equipment is often not state of the art, and reimbursement from government programs is inadequate.

Throughout the 1970's and much of the 1980's, the National Health Service Corps [NHSC] placed hundreds of physicians in rural communities and Indian reservations across the country. Reports of a physician surplus, however, fueled the Reagan administration's efforts to dismantle this successful physician recruitment/placement program. Today, only 222 corps physicians will be available to provide medical services to residents in health manpower shortage areas compared to 1,350 corps physicians who were available in 1985.

As a result, many families across this country must worry whether they will have access to a doctor should a medical emergency arise. Access to health care is not something taken for granted in rural America.

The proposal I am introducing today seeks to revive the NHSC, a program that has proven its effectiveness in addressing the health manpower shortage in rural areas. My legislation would improve the physician retention rate and enhance the attractiveness of serving in the NHSC.

The first provision would require the NHSC to give preference to medical students from Health Manpower Shortage Areas [HMSAs], economically disadvantaged or minority students, or those students attending medical schools with rural training opportunities.

The second provision would require the NHSC to inform all first-year medical students about the availability of the program and advise them of what commitment it entails. If a student accepts a scholarship, he or she would receive yearly interviews and quarterly publications to keep abreast of the needs and requirements of the corps. In addition, the corps will provide case management to develop a mutually acceptable site for scholarship recipients.

The third provision would allow corps physicians to rotate to another medical facility for the purpose of meeting their medical board requirements and continuing medical education requirements. The physician would be able to stay at the new facility until he/she met the medical board requirements. The physician's commitment would be extended to compensate for the absent period.

The fourth provision would require the NHSC loan repayment program to

establish a minimum amount of $20,000 per year of service in an underserved area. It also directs the Secretary to raise this amount to a level that is determined as an effective incentive to potential applicants.

Finally, this bill would mandate a recruitment goal of 450 physicians. While attaining this goal would not solve the physician shortage in underserved areas, it would be an important first step to improving access to health care for rural Americans.

Mr. President, I recently received an eloquent letter from a young South Dakotan who summed up the concerns that I am attempting to address today. He wondered "how many other bright, enthusiastic and intellectual young men and women, who enjoy the rural lifestyle, would be inclined to become doctors if they didn't feel like they had to live in the big city just to pay off their school loans." My proposal would enable these young physicians to consider rural America as an option when establishing their practices.

I ask unanimous consent that the bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 959

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "National Health Service Corps Improvements Act of 1989".

SEC. 2. PRIORITY IN APPROVAL OF APPLICATIONS.

(a) SCHOLARSHIP PROGRAM.—Section 338A(d) of the Public Health Service Act (42 U.S.C. 2541(d)) is amended—

(1) in paragraph (2)(C), by striking out the period and inserting in lieu thereof "; and"; and

(2) by adding at the end thereof the following new paragraph:

"(3) third, to applications made (and contracts submitted) by individuals—

"(A) who are residents of health manpower shortage areas;

"(B) who are disadvantaged or minority students; or

"(C) who are attending, or planning to attend, an accredited educational institution as provided for in subsection (b) that provides rural training opportunities.".

(b) LOAN REPAYMENT PROGRAM.—Section 338B(d) of the Public Health Service Act (42 U.S.C. 2541-1(d)) is amended—

(1) in paragraph (2), by striking out the period and inserting in lieu thereof "; and"; and

(2) by adding at the end thereof the following new paragraph:

"(3) individuals—

"(A) who are residents of health manpower shortage areas;

"(B) who are disadvantaged or minority students; or

"(C) who are attending, or planning to attend, an accredited educational institution as provided for in subsection (b) that provides rural training opportunities.".

SEC. 3. PROGRESS INTERVIEWS.

Section 338A(f) of the Public Health Service Act (42 U.S.C. 2541(f)) is amended—

(1) in paragraph (3), by striking out "and" at the end thereof;

(2) in paragraph (4), by striking out the period and inserting in lieu thereof "; and"; and

(3) by adding at the end thereof the following new paragraph:

"(5) an agreement that the individual will, at least once during each year of the scholarship, participate in an interview with an appropriate official of the institution (as determined through regulations issued by the Secretary) who shall monitor the progress and development of the individual within the course of study of such individual.".

SEC. 4. REPORT ON PLACING OF GRADUATES.

Section 338A(i) of the Public Health Service Act (42 U.S.C. 2541(i)) is amended—

(1) in paragraph (3), by striking out "and" at the end thereof;

(2) in paragraph (4), by striking out the period and inserting in lieu thereof "; and"; and

(3) by adding at the end thereof the following new paragraph:

"(5) the top one half of all medical schools in the United States that place a greater percentage of their graduates each year in underserved areas than the national average of graduates so placed by all such medical schools.".

SEC. 5. PROVISION OF INFORMATION AND MATERIALS.

Section 338A of the Public Health Service Act (42 U.S.C. 2541) is amended by adding at the end thereof the following new subsection:

"(j)(1) As part of the program established under this section, the Secretary shall ensure that the admissions offices at accredited educational institutions that offer degrees of the type specified in subsection (a) provide applicants for admission into such institutions information concerning the availability of the Scholarship Program, and such information shall contain a statement that applicants for such scholarships must be interested in providing primary care and practicing in underserved areas.

"(2) The Secretary shall provide all individuals participating in the Scholarship Program established under this section with the quarterly publication of the National Health Service Corps.".

SEC. 6. RECRUITMENT GOAL.

Section 338A of the Public Health Service Act (42 U.S.C. 2541) (as amended by section 5) is further amended by adding at the end thereof the following new subsection:

(k) The Secretary shall, to the extent practicable, award scholarships under this section in such a manner so as to reach the goal of awarding 450 such scholarships for each school year.".

SEC. 7. MINIMUM LOAN REPAYMENT AMOUNT.

Section 338B(g)(2)(A) of the Public Health Service Act (42 U.S.C. 2541-1(g)(2)(A)) is amended by striking out "up to $20,000" and inserting in lieu thereof "not less than $20,000, or greater amount as determined appropriate by the Secretary,"

SEC. 8. OBLIGATED SERVICE.

Section 338C of the Public Health Service Act (42 U.S.C. 254m) is amended by adding at the end thereof the following new subsection:

(f) The Secretary shall promulgate regulations that—

"(1) permit, Scholarship Program participants who have been assigned to participate in as Corps physicians under this section and in accordance with section 331 through 335, to rotate among separate facilities on the approval of such facilities;

"(2) permit participants who rotate under paragraph (1) to accumulate the periods of service provided to such facilities for the purpose of medical board and continuing medical education requirements;

"(3) extend the time that such participants are required to provide service at their primary assigned site to compensate for periods of time when such participant was absent from such site; and

"(4) permit other Corps physicians to be temporarily reassigned to other facilities to ensure physician continuity at such facilities.".

By Mr. FOWLER (for himself, Mr. BOREN, Mr. PRYOR, Mr. NUNN, Mr. LOTT, and Mr. THURMOND):

S. 962. A bill to provide for the establishment of a coordinated program of promotion and research designed to strengthen the position of the pecan industry in the marketplace, to maintain and expand foreign and domestic markets and uses for improved and native pecans and pecan products, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

PECAN PROMOTION AND RESEARCH ACT OF 1989

Mr. FOWLER. Mr. President, the U.S. pecan industry is a $400 million business that provides about 15,000 jobs. However, it is the only major nut producing industry that does not have a marketing agreement to promote its product through advertising and product use development.

For that reason, I am today introducing the Pecan Promotion and Research Act of 1989, to establish a coordinated program of promotion and research of this important crop. I am pleased that five of my colleagues from both sides of the aisle—Senators DAVID BOREN, SAM NUNN, DAVID PRYOR, STROM THURMOND, and TRENT LOTT—are original cosponsors.

This bill is designed to strengthen the position of the pecan industry in the marketplace, and to maintain and expand foreign and domestic markets. It is also intended to develop and promote expanded uses for improved and native pecans and pecan products.

The program will be implemented through establishment of a Pecan Marketing Board, made up of at least 15 members who represent growers, shellers, handlers, importers, and the general public. Funding under this bill will be provided through assessments on all pecans produced in the United States, or imported into this country.

To assure the full support of pecan producers themselves, a referendum will be conducted in which all pecan producers will have an opportunity to approve the provisions of this act.

Mr. President, as a member of the Senate Agriculture Committee, I have

held hearings on this matter and I was impressed with the strong arguments put forth by pecan growers, shellers, and others in the industry on the need for this bill. They are a responsible, productive segment of our agricultural community, and they deserve the opportunity to help themselves be more competitive in a challenging environment.

This approach is fair, and it is cost effective because it is producer supported. It is a sensible way to bring to the pecan industry the marketing and research advantages now enjoyed by other nut producing industries, and to allow American pecan producers to move strongly into the world market.

By Mr. DOMENICI (for himself, Mr. DECONCINI, Mr. BINGAMAN, Mr. BOND, Mr. BOREN, Mr. CRANSTON, Mr. DIXON, and Mr. SIMON):

S. 963. A bill to authorize a study on methods to commemorate the nationally significant highway known as Route 66, and for other purposes; to the Committee on Energy and Natural Resources.

ROUTE 66 STUDY ACT OF 1989

● Mr. DOMENICI. Mr. President, today I am rising to introduce the Route 66 Study Act of 1989. This bill would direct the National Park Service to conduct a feasibility study to determine the best ways to preserve, commemorate, and interpret historic U.S. Route 66.

At one time, Route 66, stretching from Chicago to Santa Monica, was the most famous highway in America. Like a modern day Santa Fe Trail, it carried thousands of migrating Americans to the West. It also allowed vacationers to experience previously remote areas of the Southwest and the Far West.

Route 66 is fast fading from the landscape of America, having been superceded by the superhighways. However, one can still see vestiges of the highway and the gas stations, curio shops, restaurants, motels, and other facilities that were situated along the highway to service travelers.

This bill would direct the National Park Service to study the significance of Route 66, its history, and its place in American culture, and report on ways to preserve what remains of the highway and the facilities associated with it. The study would examine preservation not only by the Government, but by private sector as well. Each of the eight States along Route 66 would have a representative on the study group.

Mr. President, I am pleased to be joined in this effort by my distinguished colleagues, Senators DECONCINI, BINGAMAN, BOND, BOREN, CRANSTON, DIXON, and SIMON. I hope that this legislation will have the enthusiastic support of all Members of the Senate.

I ask unanimous consent that an article from the February issue of New Mexico magazine entitled, "Getting Your Kicks on Route 66: Cruising Down America's Mother Road" and the text of the bill be inserted in the RECORD immediately following my remarks.●

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 963

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Route 66 Study Act of 1989."

SEC. 2. FINDINGS.

The Congress finds that—

(1) United States Route 66, that great 2,000-mile highway from Chicago, Illinois to Santa Monica, California, played a major role in the Twentieth-Century history of our Nation;

(2) Route 66, a product of a grassroots effort for better American roads and a prime example of the 1926 National Highway System Program, served a similar historical function as many earlier "travel and commerce corridors," such as the Santa Fe Trail;

(3) Route 66 has become a symbol of the American people's heritage of travel and their legacy of seeking a better life;

(4) Route 66 served as a funnel for the Twentieth-Century westward migration from the Dust Bowl of the central States;

(5) Route 66 has been memorialized in books, songs, motion pictures, and television programs, and has become a cherished part of American popular culture;

(6) although the remnants of Route 66 are fast disappearing, many structures, features, and artifacts of Route 66 remain, including several segments of the highway that offer excellent insight into the experience of so many who traveled the highway; and

(7) in light of the growing interest by organized groups and State governments in the preservation of features associated with Route 66, the route's history, and its role in American popular culture, a comprehensive evaluation of preservation and tourism options should be undertaken.

SEC. 3. STUDY AND REPORT BY THE NATIONAL PARK SERVICE.

(a) STUDY.—The Secretary of the Interior, acting through the Director of the National Park Service, shall undertake a comprehensive study of United States Route 66. Such study shall include an evaluation of the significance of Route 66, options for preservation and use of remaining segments of Route 66, and options for preservation of features associated with the highway. Private sector initiatives are to be fully evaluated. The study shall include participation by representatives from each of the States traversed by Route 66 and representatives of associations interested in the preservation of Route 66 and its features.

(b) REPORT.—Not later than 2 years from the date that funds are made available for the study referred to in subsection (a), the Secretary shall submit a report of such study to the Committee on Energy and Natural Resources of the United States Senate and the Committee on Interior and Insular Affairs of the United States House of Representatives.

SEC. 4. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as are necessary to carry out the provisions of this Act.

[From New Mexico Magazine, February 1989]

ROUTE 66: CRUSING DOWN AMERICA'S MOTHER ROAD

(By Michael Wallis)

Warm afternoon breezes, also like the breath of spring, turn chilly as evening shadows appear and ribbons of neon outlining roadside motels and cafes flash awake. It's the close of a February day in Tucumcari, the first New Mexican town of any size people encounter after leaving the Texas Panhandle.

At the Blue Swallow Motel, perched on the edge of what once was Route 66, Lillian Redman stops fooling with her paperwork and takes time to step outside and look at the heavens. She's not disappointed. The sun's a blazing valentine and stains the western sky like spilled *salsa*. It's a sight that deserves a standing ovation. Only Lillian and some of the tourists and truckers still out on the nearby interstate watch the last of the fiery sun melt on the horizon and spy the first evening star when it blinks to life.

The travelers aren't about to pull over and lose time clapping for a natural act that's taken for granted. Same is true in Tucumcari, where most everyone's too busy with supper to worry about witnessing twilight.

But Lillian pauses. With a single glance she watches the sky give way to evening shade. It makes her day. Then she goes back inside to pull on a sweater and finish her work. The last couple of hours have been busy for Lillian and she's thankful that many of the 14 rooms at her motel are booked. There's an array of trucks, sedans and station wagons parked in front of several units. Tonight, the Blue Swallow will be home for people from big cities and villages from all across the land.

At a time when much of the nation has become generic, the Blue Swallow Motel is a breath of fresh air. It's the genuine article—a monument to the hundreds of motor courts, motels, greasy spoons, filling stations and curio shops that disappeared when the interstate system came along and cut off whole towns, leaving them behind like so many discarded memories.

But this evening there still are rooms to rent at the Blue Swallow and Lillian watches to see if her neon will do the trick and lure somebody else off the interstate and bring them back to the old road. Each night when Lillian Redman switches on the neon blue swallows at her place, the soul of the highway comes alive and sings.

Route 66.

Just the name is magic. It started at the corner of Jackson Boulevard and Michigan Avenue in Chicago, stretched across some 2,200 miles and three time zones and wound through eight states before it dead-ended at the intersection of Ocean Avenue and Santa Monica Boulevard in Los Angeles. People like to say it started in Lake Michigan and ended in the roaring Pacific.

The highway, which spanned two-thirds of the continent, was first designated as the U.S. Route 66 in 1926 when the nation was between wars and on the wagon.

John Steinbeck christened it the Mother Road. Others called it the Glory Road. For

thousands of 1930s migrants, including the Joad family, it was the way west—a road of flight from misery, dust and broken dreams.

Everyone, at one time or another, has traveled at least a portion of its length. Route 66 is Steinbeck and Will Rogers and Woody Guthrie and Merle Haggard and Phillips 66. It's a road of phantoms and dreams. It's the romance of traveling the open highway.

It's the free road.

It was the road that put Americans in touch with Americans—neon lights, Burma Shave signs, motor courts, diners and cafes with big-boned waitresses who served up juicy burgers and plate lunches and homemade pie and had the coffee pot welded to their fist.

An asphalt thread looping together a giant patchwork of Americana, this fabled road represented much more than an American highway. Route 66 meant "going somewhere." Few American highways provoke such a positive response. Even today, when people think of Route 66, they picture a road to adventure.

Although it still stands for the romance of traveling the open highway, in recent years—thanks to the huge interstates—Route 66 has become a memory. A ghost road.

The demise of Route 66 came slowly. As segments of new interstate were completed, the federal designation was stripped from 66, mile by mile, and shifted to the new highway.

Auctions were held to dispose of the old 66 shields. Maps began showing only fragments of the route, or else ignored it altogether. Finally the last bits of highway to wear the proud 66 shield were eliminated from the interstate system.

But there is no killing the spirit of the Mother Road.

Route 66 is reborn every time someone reads the Grapes of Wrath or sees the movie or catches a television rerun of "Route 66" or hears the Bobby Troup song that was an anthem of the road.

It lives in the minds and memories of countless nostalgia buffs, historians and Route 66 diehards. From Illinois to California there is an astonishing Route 66 revival that is growing larger and gaining momentum.

But nowhere was Route 66 more at home than in New Mexico. Today travelers still can find remnants of the old highway and those who made the road America's Main Street. From the ranching and farming communities of Glenrio, Endee and San Jon in the far eastern part of the state to tiny settlements such as Allison, Mentmore and Manuelito in far western New Mexico and in the many towns and cities in between, the spirit of Route 66 is alive and well.

Head westward on I-40, look hard and Route 66 becomes apparent. It's there—off in the ranchlands, hidden by the sagebrush or still serving as the main drag in several towns. Stop in Tucumcari and drive the old road where more than 50 motels once did a booming trade serving travelers attracted by the famous signs that promised "Tucumcari Tonite! 2,000 Motel Rooms."

An eastern New Mexican oasis, Tucumcari has used other aliases through the years. Back in the 1880s life was truly fierce, raw and wideopen, and the settlement was known as Liberty. After the turn of the century, when the railroad was built, citizens called the construction camp Six-Shooter Siding. But by 1902 the name Tucumcari, after the nearby mountain, was accepted. It's never changed.

Some credit the name to a folktale tied to Gerónimo about a pair of starcrossed Apache lovers named Tocom and Kari. But the Tucumcari area was Comanche territory, not Apache country. Fact is, the old Comanche warriors used the peak for smoke signals across the valley to the plains. The mountain was an ideal lookout for war parties. Linguistic experts explain that the name in Comanche is tukamukaru, which means "to lie in wait for someone or something to approach."

That makes sense. Folks in Tucumcari have been lying in wait for a long time, ready to serve up a hamburger or bowl of posole or peddle some postcards or pump a tank of gas or rent a motel room. Lillian Redman knows about waiting. Every day for more than three decades she's staged a daily vigil, waiting for guests from points east and west to arrive at the old Route 66 relic she calls the Blue Swallow.

"This is a friendship place," says Lillian. "People stop here to take a break. They've been doing that for years. It might be some guy thumbing his way cross country or somebody driving a Cadillac. It could be a homeless family or a couple of kids that just got married. It doesn't matter. I end up traveling the highway in my heart with whoever stops here for the night."

A few years back, the venerable Smithsonian magazine declared that "the Blue Swallow may be the last, best and friendliest of the old-time motels." There are few who could argue otherwise.

Born in Texas in 1909, Lillian came to New Mexico in 1915 in a covered wagon when her father homesteaded near Santa Rosa. After she completed school, Lillian put in yeoman's service working for years as a waitress and cook at Fred Harvey Houses throughout the Southwest. She finally settled in Tucumcari, where she met and married Floyd Redman, a man who ran a trailer park and pawnshop on Route 66 for many years. In 1958, Floyd presented Lillian with an engagement present—the Blue Swallow. Built in the 1940s, it was the best present she ever received.

Floyd's dead and so are her parents and a few years back she had to get a new right eye, but Lillian's hanging on to the Blue Swallow. Rooms rent for $10 to $25 a night, there's a well-worn Bible on the check-in counter and over each garage flickers a neon blue bird.

"We've had all kinds of people stay here," says Lillian, her blue eyes as warm as they were when she was a Harvey Girl. "Once we had a 'streaker' and he stayed a week. At sundown he liked to take off his clothes and run around the block. A lot of repeat customers stop, too. One couple honeymooned here in 1965 and every year on their anniversary they come back and get the very same room."

No matter who checks in, Lillian treats them all alike and hands every guest a card that says: "Greetings traveler—may this room and motel be your second home. May those who you love be near you in thoughts and dreams. Even though we may not get to know you, we hope that you will be as comfortable and happy as if you were in your own house. . . ."

And when the sun rises and it's time to get back on the road, there are no wake-up calls. Instead, Lillian gently knocks on every door and says, "Good morning."

With folks like Lillian Redman living here, it's little wonder that Tucumcari continues to prosper despite the loss of Route 66.

"Route 66 had a definite feel to it," Lillian says. "It made you feel warm all over. When it closed, I felt just like I lost an old friend."

There are plenty of other Route 66 guardians like Lillian Redman scattered up and down the highway.

One of them is Ron Chavez, owner of the Club Cafe, a Route 66 institution since 1935, located on the old road in the center of Santa Rosa. Even though I-40 bypasses the city, several of the famous Club Cafe billboards, depicting a grinning fat man, remain on the interstate beckoning all comers to get off at Santa Rosa and try some of the cafe's "honest-to-goodness, authentic sourdough biscuits, hamburgers made with 100% ground beef, homemade chile and chicken-fried steaks made with tender, fresh meat and served with old-fashioned, iron-skillet gravy."

Chavez was born in Puerto de Luna, only 10 miles south of Santa Rosa on the Pecos, just a year after the Club Cafe was founded by Newt Epps. In 1939, Phillip and Ruby Craig bought the club and served hot meals to bone-weary turistas and truckers until 1973 when Chavez, who shined shoes as a boy in front of the restaurant and later learned how to cook there, bought the place. For Chavez, owning and operating the Club Cafe is a dream come true.

"Everybody's who's ever traveled in this part of the country has seen the fat man signs," says Chavez, who explains the image actually is a caricature of Phil Craig, the former owner who taught Chavez how to cook and bake biscuits. "Phil wanted to create an image of someone who appreciated good food and had a satisfied look on his face. People still come in here and ask to see the fat man."

Don't expect to find quiche or blackened red fish on the club's ample menu. Chavez serves only "real food"—piping hot and fresh off the griddle, just like in the boom years of Route 66.

"They've ruined food today," Chavez says. "Fast food has done it. The food comes out of a cookie cutter. But not here. In the Route 66 days there was nothing frozen and microwaved. I have customers who stopped here to eat when they were kids. They're amazed to see that nothing's changed. Sometimes they even get emotional."

Up and down the ghost road are many people who get emotional when it comes to remembering the heyday of the highway. One of them is Bob Audette, a retired steeplejack and iron worker who lives by old Route 66 in the small mountain town of Barton, just east of Albuquerque.

Audette is fearful that some stretches of the highway have been forgotten and he is leading a battle to purchase Historic Route 66 signs to post along the road. His Save Route 66 Association is raising funds for highway signs to help the many tourists Audette claims can't find any traces of 66 along the 120-mile stretch between Albuquerque and Santa Rosa. Audette says motorists often stop at his roadside home to ask directions to the old highway.

"We hope to eventually get all of Route 66 in the state marked," says Audette. "This is history we're talking about. Route 66 is a ribbon of history across the country and with lots of memories. That's what this sign business is all about."

Audette was raised in Albuquerque not far from the University of New Mexico campus on Central Avenue, at one time one of the busiest sections of Route 66 in the country.

Central Avenue is still as busy as it was when it proudly bore the 66 moniker. Many

of the old landmarks—including the Alvarado Hotel, one of the last Mission Revival-style Harvey Houses—have vanished. But there are reminders of the old days and even new attractions that memorialize the highway.

One of the new Central Avenue gems that harkens back to the good old days is named the 66 Diner. This popular beanery opened less than 2 years ago in an old Phillips 66 station that dates back to the '40s. The walls are covered with Route 66 photographs and the juke box plays "I Fall to Pieces," "Jail House Rock," "La Bamba," "Mr. Sandman" and other vintage tunes. At lunchtime every booth, counter seat and table is jammed with downtown office workers, students and, of course, tourists eager to gobble meat loaf or chicken-fried steak and wash it all down with milk shakes, malts, cheery Cokes or icy beers.

"We get a lot of out-of-town people who come by and tell us they remember driving through Albuquerque on old 66 when they were kids," says Peggy McCafferty, the diner's former general manager. "We think this concept is a winner. Where else can a customer be seated by someone wearing a bowling shirt, enjoy a green chile cheeseburger and boogie with a waitress in a poodle skirt."

One of the regulars at 66 Diner is Marianne Dickinson, a New Yorker who fled to New Mexico in 1981 to continue her successful journalism career. Dickinson edits Route 66 Magazine, an arts and entertainment publication, due to go weekly this year, which she explains is dedicated to discussing the issues, trends and lifestyles that harken back to the time when Route 66 was going strong.

"It's actually a metaphorical name," Dickinson says. "We're interested in the arts and architecture of the area that was part of 66 and we're part of the movement to revitalize this area. Route 66 gave people romance. It was a highway they came west on to build new lives and find new opportunities. It meant adventure, and I think much of that is still alive. People are still coming here looking for the golden West—the wild and free West. Remember, the romance of the automobile still holds sway here."

Another Albuquerque editor and writer, Jack Rittenhouse, retired from the University of New Mexico Press, knows full well about the romance of Route 66. In 1946, Rittenhouse published A Guide Book to Highway 66, a mile-by-mile travel guide for the highway.

"When I wrote the book," Rittenhouse says, "I anticipated that after World War II there'd be a second big wave going west over 66. The first big one was probably the 'Grapes of Wrath' people." The booklet sold for one buck. Today, Rittenhouse gets $50 for one of the handful still in stock. UNM Press will reissue the guide this spring.

In his book, Rittenhouse provided a list of tips for travelers, such as "Check your equipment. Be sure you have your auto jack. One of those surplus foxhole shovels may come in very handy." Another tip says, "Anytime you see several huge trucks parked outside a roadside cafe, you can usually be assured of excellent coffee. For these men who make long drives know where to stop."

One Albuquerque motor court that provided refuge for many of Rittenhouse's guidebook readers is El Vado Motel on west Central Avenue, near the Old Town Plaza. El Vado, with its white adobe walls and electric Indian sign, is much the same as it was in 1937 when it was built by Dan Murphy, an Irishman who had previously worked as a bellboy at the Waldorf-Astoria and managed Albuquerque's old Franciscan Hotel. Some say El Vado is the purest Route 66 motel surviving Albuquerque.

El Vado is managed these days by Ali Hakam, an affable young man who was born in India, lived in Pakistan and Sweden, studied urban planning and speaks five languages. Hakam, his wife, Salma, and their three children have called El Vado home since their family moved there in 1985.

"People enjoy staying here because it's like stepping back in time," Hakam says. "It's a very special place. Most of our customers are regulars. I know many of their names. They say it's just like coming home."

Veteran road warriors say the same thing when they arrive in Gallup and pull up at El Rancho, the fabled Route 66 hotel officially reopened only last July after being restored to its original luster by owner Armand Ortega, a well-known Indian trader. After a day spent driving through the natural beauty of western New Mexico, this classic hotel is a worthwhile stop if only to gawk at the photos of the celebrity guests covering the hallways.

First opened in 1937, El Rancho was built by the brother of Movie magnate D. W. Griffith and from the beginning was a gathering place for the stars. Attracted by the many films made in the region, El Rancho's guest register logged such greats as Spencer Tracy, Katharine Hepburn, Kirk Douglas, Alan Ladd, Humphrey Bogart and Jack Benny.

"She's a glitzy lady," Ortega says of his hotel. "This was the home for movie stars and cross-country travelers. It brings back a taste of another time."

What Ortega calls the "taste of another time" is the same story all across New Mexico. From east to west, whether in Cuervo or Tijeras, Laguna, Thoreau or Grants, there are those who can recall with pride when Route 66 was the main transcontinental highway. There are those who know the old highway not just as a ghost but as the open road.

And, if they're in the right mood, most of them will say they have sweet memories of those days when there seemed to be more time. Those days when time was kind of holy.

When there was time to stop for a home-cooked meal, time to play a round or two of miniature golf, time to stretch out in a room cooled with refrigerated air, time to scribble postcards. And, time to pause—just for a minute—to step outside and watch the sunset.

That's what Route 66 was all about. It still is.

By Mr. FORD (by request):

S. 964. A bill to authorize appropriations to the Department of the Energy for civilian energy programs for fiscal year 1990 and fiscal year 1991, and for other purposes; to the Committee on Energy and Natural Resources.

CIVILIAN ENERGY PROGRAMS AUTHORIZATION FISCAL YEARS 1990 AND 1991

● Mr. FORD. Mr. President, today I am introducing, by request, legislation to authorize appropriations to the Department of Energy for civilian energy programs for fiscal year 1990 and 1991. This bill was transmitted to Congress by the Department of Energy on April 17, 1989.

The cover letter accompanying the bill indicates that certain provisions of the bill may need to be revised to reflect the results of negotiations with Congress on the budget. Certainly provisions need revision. I do not support the bill as introduced. For example, the proposed spending on fossil energy research and development is too small by half. Proposed spending on the superconducting super collider is too high. I could cite a number of other disagreements with the bill.

However, the Secretary of Energy's bill deserves to be introduced so his proposals are on the table and subject to debate. I want to work with Secretary Watkins on the problems I have with this bill. I think I will be able to work with Secretary Watkins.

This bill contains provisions authorizing research, development, and demonstration [RD&D] programs of the Department of Energy as well as other programs, such as those of the Energy Information Administration, that do not involve RD&D. I intend to hold hearings on the RD&D proposals of the Department in my Subcommittee on Research and Development of the Committee on Energy and Natural Resources. I urge my fellow subcommittee chairmen on the Committee to hold hearings on the portions of this bill that fall within their subcommittee jurisdictions. We may find this bill a useful vehicle to express our energy policy concerns to the administration.

I ask unanimous consent that the texts of the April 17 transmittal letter and the bill be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 964

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Civilian Energy Programs Authorization for Fiscal Years 1990 and 1991."

TITLE I—RESEARCH AND DEVELOPMENT

SEC. 101. Funds are authorized to be appropriated in accordance with section 660 of the Department of Energy Organization Act for fiscal year 1990 for civilian research and development programs of the Department of Energy for the following accounts:

(1) General Science and Research Activities, $1,169,431,000, of this amount $250,000,000 for the Federal share of the Superconducting Super Collider project;

(2) Energy Supply Research and Development, $1,901,199,000 for all programs in this account other than programs authorized to be appropriated under section 401 (3) of this Act;

(3) Geothermal Resources Development Fund, $75,000;

(4) Fossil Energy Research and Development, $163,574,000;

(5) Energy Conservation, $80,158,000 for all programs in this account other than pro-

grams authorized to be appropriated under sections 201(1) and 401(4) of this Act;

(6) Strategic Petroleum Reserve, $194,999,000; and

(7) Strategic Petroleum Reserve Petroleum Account, $126,962,000.

TITLE II—CONSERVATION, REGULATION, AND INFORMATION

SEC. 201. Funds are authorized to be appropriated in accordance with section 660 of the Department of Energy Organization Act for fiscal year 1990 for the following appropriations accounts:

(1) Energy Conservation, $2,800,000 for appliance standards and the Federal Energy Management Program:

(2) Economic Regulation, $20,346,000;

(3) Emergency Preparedness, $6,641,000;

(4) Federal Energy Regulatory Commission, $116,550,000 of which are not more than $116,550,000 may be derived from collections of licensing fees, inspection services, and other services which may be retained and used for necessary expenses in this account.

(5) Energy Information Administration, $65,232,000.

TITLE III—POWER MARKETING ADMINISTRATIONS

SEC. 301. Funds are authorized to be appropriated in accordance with section 660 of the Department of Energy Organization Act of fiscal year 1990 for the following appropriations accounts;

(1) Alaska Power Administration, Operations and Maintenance, $3,145,000;

(2) Southeastern Power Administration, Operation and Maintenance, $42,369,000;

(3) Southwestern Power Administration, Operation and Maintenance, $25,172,000; and

(4) Western Area Power Administration, Operation and Maintenance, $314,797,000.

TITLE IV—OTHER ACTIVITIES

SEC. 401. Funds are authorized to be appropriated in accordance with section 660 of the Department of Energy Organization Act for fiscal year 1990 for the following appropriations accounts;

(1) Uranium Supply and Enrichment Activities, $1,445,000,000;

(2) Departmental Administration, $179,923,000 together with $228,715,000 to be derived from miscellaneous revenues and receipts as necessary to provide a level of $408,638,000;

(3) Energy Supply Research and Development, $261,077,000 for the following programs in that account: international solar energy program; solar technology transfer; remedial actions and waste technology; and in-house energy management;

(4) Energy Conservation, $12,570,000 for the following programs in that account: state and local assistance programs; building and community systems; technology assessment and transfer; industrial energy conservation; implementation and deployment; multi-sector; National Appropriate Technology and Assistance Service; and policy and management;

(5) Isotope Production and Distribution Fund, $16,243,000;

(6) Office of the Inspector General, $22,959,000, and

(7) Nuclear Waste Fund, $500,000,000.

TITLE V—FISCAL YEAR 1991 AUTHORIZATION

SEC. 501. There are authorized to be appropriated to the Department of Energy such sums as may be necessary for fiscal year 1991 to carry out civilian programs.

DEPARTMENT OF ENERGY,
Washington, DC, April 17, 1989.

Hon. DAN QUAYLE,
President of the Senate, Washington, DC.

DEAR MR. SPEAKER: Enclosed is proposed legislation "[t]o authorize appropriations to the Department of Energy for civilian energy programs for fiscal year 1990 and fiscal year 1991, and for other purposes." The bill would authorize fiscal year 1990 (FY 90) appropriations to the Department of Energy totaling $6,899,937,000.

Section 101 would authorize FY 90 appropriations totaling $3,636,398,000 for all civilian research and development programs. $250,000,000 of that amount would be provided for the Federal share of construction of the Superconducting Super Collider (SSC). The SSC will provide the capability for the U.S. to remain the world's leader in the field of high energy physics.

President Bush has accelerated the Clean Coal Technology Program to its original schedule, requesting advance appropriations of $600,000,000 for both fiscal year 1991 and 1992 in order to meet our original commitment of $2,500,000,000 in Federal funding over 5 years. New funding authorization is not necessary in this bill, however, because an advance appropriation in the Department of the Interior and Related Agencies Appropriations Act, Fiscal Year 1989 (Pub. L. 100-446) already has provided full FY 90 funding for the program.

Section 201 would authorize FY 90 appropriations of $211,569,000 for certain programs within the Energy Conservation account, emergency preparedness, economic regulation, the Federal Energy Regulatory Commission, and the Energy Information Administration.

Section 301 would authorize FY 90 appropriations totaling $385,483,000 for the power marketing administrations.

Section 401 would authorize FY 90 appropriations totaling $2,666,487,000 for uranium supply and enrichment activities, departmental administration, the Isotope Production and Distribution Fund, and certain programs with the Energy Supply Research and Development account and the Energy Conservation account.

Section 501 would authorize such sums as may be necessary for FY 91.

This proposal's appropriation authorization for the SSC is needed to carry out the President's FY 90 Budget plan as was highlighted in the President's Building a Better America document as transmitted to Congress on February 9th. Its enactment would be in accord with the program of the President.

The remaining provisions of this proposal are included in the residual freeze category of the President's budget plan. Final decisions concerning programs in this category are still to be determined through negotiations between the Administration and Congress. Accordingly, these provisions, which as drafted reflect President Reagan's FY 90 Budget, may need to be revised to reflect the results of such negotiations.

The Office of Management and Budget advises that there is no objection to the submission of this proposal to Congress. The enactment of this proposal, subject to the qualifications stated above, would be in accord with the program of the President.

Sincerely,

ERIC J. FYGI,
Acting General Counsel.●

By Mr. KERRY:

S. 966. A bill to carry out long-term research on the effects of oilspills on the marine and estuarine habitats and resources of Prince William Sound, and for other purposes; to the Committee on Energy and Natural Resources.

S. 967. A bill to amend the Coastal Zone Management Act of 1972 to designate the Secretary of Commerce as the lead trustee for ocean and coastal resources, and for other purposes; to the Committee on Commerce, Science, and Transportation.

OILSPILL LEGISLATION

Mr. KERRY. Mr. President, I rise today to introduce two pieces of legislation. The first relates to general oil and toxic spills in our marine resources, and the second specifically addresses some of the problems that we have learned in the wake of the disastrous oilspill in Prince William Sound in Alaska.

The first will authorize NOAA to carry out a 10-year comprehensive monitoring and research program to determine the long-term effects of the oil discharged by the *Exxon Valdez* spill on the diverse marine and estuarine habitats as well as the resources of Prince William Sound.

Mr. President, a lot of oil has been spilled in Prince William Sound which will have some very long-term effects on the environment. I have to admit that I regard the cleanup attempt to be completed in the next few months with a great deal of skepticism. On April 13, the cleanup effort had recovered 20,000 barrels, since then we have managed to recover only 31,000 more. Frankly much more has simply evaporated—84,000 barrels—than been recovered. What this tells me, is that nature is winning out. This feeble attempt by man to help nature after we have despoiled it has been a travesty and an embarrassment.

Furthermore, to date less than 3 miles of beach has been cleaned, with roughly 400 miles of beach to supposedly be finished by a September 15 deadline. With 3 miles in 40 days can we believe Exxon's prediction of 400 miles cleaned in 128 days? Mr. President, I think we will have a seriously oiled shoreline for quite some time and much to learn about the effect this oil will have on the precious natural resources.

The arctic and subarctic marine and estuarine ecosystems of the United States are a unique and important part of our national heritage. The immediate vulnerability of the ecosystems to damage and degradation caused from discharges of oil has been most clearly demonstrated in Prince William Sound. What we do not know however, are the long-term effects. Scientists tell us that to fully understand the impact not only of this oilspill, but other spills that could occur

in icy waters in the North Atlantic or North Pacific, that we must spend at least 10 years studying the effects of the *Valdez* spill on the natural resources.

The legislation amends the Trans-Alaska Pipeline Authorization Act to authorize an appropriation of $2 million for each fiscal year through 1999, to the Secretary of Commerce, so that NOAA can carry out the study.

The results of such a study would be applied to the development of methods of protecting arctic and subarctic marine and estuarine habitats and resources such as fish, wildlife and the resource itself, from discharges of oil. This will include minimizing the effects of oil discharges on such habitats through new dispersants and other technologies. The bill also requires a 5-year interim report.

Furthermore, the legislation will postpone until the interim report is completed, any opening of oil and gas development in the small sensitive area of the Arctic National Wildlife Refuge [ANWR] known to many as the 1002 area. ANWR is 19 million acres of wilderness area in the northeast corner of Alaska. The 1002 area consists of a small 1.5 million acre tract. In 1980 Congress withheld the 1002 area from being designated as wilderness pending a report by the Interior Department on ANWR's wilderness qualities and an energy potential. In 1987 former Secretary Hodel released his study and recommended that the entire 1002 area be opened to full-scale oil and gas development.

Despite the question of how much oil can be found in the area, former Secretary Hodel's recommendation ignores the potential and detrimental effects that drilling for oil can have on wildlife and the environment. Furthermore until NOAA completes at least 5 years of its study on the effects of the *Valdez* oilspill in the arctic area, and until I have full assurances from the Secretary of Transportation that oil can safely be shipped through the Port of Valdez, I do not think that opening up a new pipeline which feeds into the Port of Valdez should be permitted. My legislation requires the Secretary of Transportation to provide assurances that significant improvements have been made in the navigation safety of oil tankers in Prince William Sound.

Finally the second piece of legislation that I am proposing deals with damage assessments to the natural resources when there is an oil or toxic spill in a marine environment. The legislation establishes a mechanism to recover funds and to restore damaged resources.

It amends the Coastal Zone Management Act in order to clarify existing Federal trusteeship authority over the natural resources in the ocean and coastal resource trusteeship zone. This legislation establishes a system that places the Department of Commerce as the lead trustee for incidents occurring in this zone. The lead trustee would coordinate the cleanup effort among all Federal and State trustees, direct the damage assessment, ensure that damage assessments made by the trustees are compatible and not duplicative, resolve disputes among the trustees, manage reimbursement costs, enlist the support of experts, and provide legal support to the Department of Justice during negotiations or court actions on trustee's claims.

The legislation addresses the need for up front funding for damage assessment costs. Currently none exists. Trustees must fund damage assessments out of their operating budget and then seek reimbursement from responsible parties. For example, over 2 years ago in New Bedford, MA, NOAA spent roughly $500,000 on a damage assessment of PCB's dumped into New Bedford Harbor by the Aerovox Co. Although a lower court has awarded over $2 million to go for resource recovery, the issue has been appealed. Consequently, NOAA is out $500,000 during tight budgetary times. In addition the agency wants to pursue damage assessments off of Long Beach, CA, and Hawaii, yet no funding is available.

The legislation will establish a revolving loan fund in the U.S. Treasury of $10 million for funding damage assessments. It requires that once money goes into the fund, that the initial startup money will slowly be drawn back into the general fund. The account in the Treasury in which specific funds are recovered, can also be used by trustees for restoring, replacing, or aquiring the equivalent of damaged resources.

Mr. President, much has been learned from the disaster in Prince William Sound and there is still much more to understand. Several congressional hearings have taken place regarding the oilspill and I know there will be more to come. In the past 6 weeks a lot of blame has been tossed around, but now is the time to put that behind us and get on to what needs to be done, restoration of the Alaskan coast, develop policies that avert this type of spill from ever occurring again, and learn what long-term effects the spill will have on our precious natural resource.

By Mr. REID:

S.J. Res. 125. Joint resolution relating to responsible trade and conservation of tropical forest resources; to the Committee on Foreign Relations.

CONSERVATION OF RAIN FOREST RESOURCES

Mr. REID. Mr. President, 3 months ago I said we could not wait any longer for actions to conserve the world's tropical rain forests.

I suggested that if countries with large rain forests such as Brazil did not act, then perhaps we should send them a message by enacting restrictive measures.

Many others in both the public and private sectors echoed my sentiments and advocated increased pressure on Brazil.

The Brazilian reaction was decidedly antagonistic. They did not welcome the world's involvement in what they characterized as a domestic concern and a matter of national sovereignty.

They said we were trying to internationalize their rain forests. We were not. We were trying to help prevent destruction of the rain forests—a matter of great concern to the world.

President Jose Sarney acknowledged the conservation problem in a statement to the Brazilian people earlier this year.

He said, "We must create nationwide consciousness that we are all passengers in the adventure of man on Earth. The era of unlimited resources is over."

We are witnessing the slow but sure depletion of one of our most precious resources—the tropical rain forests.

These forests are of enormous importance to the world, as explained in the joint resolution that I intend to introduce today We cannot let political disagreements and misunderstandings obstruct our overriding joint goal of rain-forest conservation and cooperative partnerships with tropical rainforest nations.

I believe we as a nation can reverse present animosities and evoke positive action if we clearly explain our position. And so, today, I offer a joint resolution outlining a U.S. policy for conservation and sustainable use of the rain forests.

The proposed policy is one of support and cooperation. It is based on the need for all interested organizations, individuals, and countries to work together toward a common goal. The policy embodies the key concept of sustainable use, meaning that rain forests do not have to be destroyed in order to provide people with means to make a living.

The rain forests offer many rich resources that can be extracted without clearing millions of acres of trees. My joint resolution calls for improved cooperation and a spirit of partnership between the United States and Brazil, as well as with other tropical rainforest countries.

Partnerships in forest conservation and sustainable economic growth are strongly advocated. President Sarney has said that Brazil would welcome this kind of foreign cooperation. This past month, the Brazilian Government announced the initiation of a program called "Our Nature" which includes a

series of rain-forest protection measures.

The program is augmented by the National Fund for the Environment, which may provide financial support for conservation groups. These recent actions indicate a willingness on Brazil's part to preserve what some call the "lungs of the Earth."

My resolution will be introduced in the House of Representatives by Congresswoman CLAUDINE SCHNEIDER. It outlines a constructive, viable policy. The approach is advocated by Brazilian Congressman Fabio Feldman, who considered the reactions of his colleagues to this joint resolution.

The joint resolution also places blame on the United States for not fully supporting sustainable use of the rain forests and not providing environmentally sound assistance. A policy is set forth in this resolution that would encourage the United States to import products derived from sustainable use practices.

This policy is in keeping with the methods pioneered by Chico Mendes, the Brazilian union organizer murdered last December. Following his death, I joined many of my congressional colleagues for a memorial service here at the Capitol. We honored a man who advocated beneficial use of the many resources of the rain forests without destroying them.

I think our sentiments and sorrows expressed that day are represented in this joint resolution to ensure we help carry on the conservation policy pioneered by Mr. Mendes and promoted by the Brazilian Government in their new initiative.

My resolution also calls for accountability. It states that, 1 year after passage, the President of the United States shall submit to the Congress a report describing the progress the United States has made in honoring the spirit of the joint resolution. We heard from top scientists this week about the increasing severity of the greenhouse effect. And, Mr. President, I might add, we heard both the abridged and unabridged versions of their testimony. My joint resolution would help conserve the rain forests, whose destruction greatly contributes to the global warming trend.

We chided Brazil for all talk and no action. This joint resolution helps guarantee the United States will not garner the same criticism. If we do not take positive and cooperative action soon, there will be nothing left to talk about. There will be no more rain forests.

I encourage my colleagues to help me initiate action by cosponsoring this resolution.

I ask unanimous consent that the text of the joint resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 125

Whereas tropical forests are the world's storehouse of biological diversity, containing more than one half of the plant and animal species on earth and millions have yet to be identified;

Whereas these tropical forests are a major absorber of atmospheric carbon dioxide and help prevent serious buildup on the atmosphere;

Whereas more than one half of the world's medicines were derived from wild plants and animals and future medicine, industry, and agriculture will depend on wild genetic resources;

Whereas approximately one-third of the world's tropical forests have already been lost and over 25-30 million acres are being cleared each year, most without reforestation, and this threatens the futures of all nations;

Whereas some United States assistance to tropical forest nations have encouraged nonsustainable forest development, environmental impact analyses are not required for all of this assistance, and existing environmental requirements are not always complied with;

Whereas the United States has imported tropical forest products derived from nonsustainable utilization of these forests;

Whereas successful foreign policy to help developing nations establish effective conservation programs and support democracy must include exchange of technology and managerial expertise;

Whereas Brazil and other sovereign nations with tropical forests are developing effective conservation programs, and the United States wishes to work together with them in these efforts;

Whereas practicable technology and management strategies are greatly needed to manage sustainable uses of tropical forests, and the United States desires to help develop these technologies; and

Whereas nongovernmental organizations in concerned nations are playing an increasingly important role in tropical forest conservation and conservation of biological diversity: Now, therefore, be it

Revolved by the Senate and House of Representatives of the United States of America in Congress assembled, That it is the policy of the United States—

(1) to encourage import of products derived from sustainable uses of tropical rain forests.

(2) to work together as a partner with nations owning tropical forests to help conserve these forests and help ensure utilization of these forests is sustainable;

(3) to furnish United States assistance programs, including multi-lateral banks, for the maintenance of tropical forests and sustainable uses of these forests, complemented by professional environmental analyses;

(4) to support the strengthening of intercongressional links between the United States and Brazil, and between the United States and other nations owning tropical forests, to explore jointly partnerships in forests conservation and sustainable economic growth;

(5) to encourage nongovernmental organizations to work with governments to help design, implement, and assess sustainable forest management policies and programs for conservation of tropical forests and biological diversity;

(6) to establish a bilateral agreement between the United States and Brazil and between the United States and other interested nations to share technology, experience, training, and research in tropical forest conservation, through direct personal contacts with congressional, scientific, educational, and management personnel;

(7) to encourage and directly support development of model projects demonstrating sustainable use and conservation of tropical forests;

(8) to support increased research and training by the United States in tropical forest ecology and management; and

(9) to place extremely high priority on the conservation of the world's tropical forests and the biological values and opportunities found in these forests.

SEC. 2. REPORT.

Not later than one year after the date of enactment of this joint resolution, the President shall submit to the Congress a report describing progress made toward the purposes in section 1.

By Mr. PELL (for himself, Mr. MITCHELL, Mr. HOLLINGS, Mr. DOLE, Mr. CHAFEE, Mr. NUNN, Mr. MATSUNAGA, Mr. DIXON, Mr. CONRAD, Mr. PRYOR, Mr. SARBANES, Mr. RIEGLE, Mr. HATCH, Mr. COHEN, Mr. THURMOND, Mr. DODD, Mr. BOREN, Mr. COCHRAN, Mr. HUMPHREY, Mr. D'AMATO, Mr. KERRY, Mr. GORE, Mr. LIEBERMAN, Mr. REID, Mr. LUGAR, Mr. KASTEN, Mr. GRAHAM, Mr. GORTON, Mr. LAUTENBERG, Mr. BURDICK, Mr. EXON, Mr. ROBB, Mr. LEVIN, Mr. PACKWOOD, Mr. JEFFORDS, Mr. BOSCHWITZ, Mr. WILSON, Mr. BRADLEY, Ms. MIKULSKI, Mr. MURKOWSKI, Mr. STEVENS, Mr. WARNER, Mr. INOUYE, Mr. CRANSTON, Mr. MACK, and Mr. BREAUX):

S.J. Res. 126. Joint resolution commemorating the bicentennial of the U.S. Coast Guard; to the Committee on the Judiciary.

BICENTENNIAL OF THE U.S. COAST GUARD

Mr. PELL. Mr. President, as a retired captain in the U.S. Coast Guard Reserve, I am especially pleased today to introduce a joint resolution in the Senate honoring the 200th anniversary of the founding of the U.S. Coast Guard.

I am also most pleased that 45 of my colleagues in the Senate have joined as original cosponsors of this important commemoration of the Coast Guard.

The U.S. Coast Guard was established by George Washington and Alexander Hamilton in 1790, as the Revenue-Marine Cutter Service to help defray some of the costs of the Revolutionary War debt through the interdiction of violators of U.S. custom laws.

Since that date, the Coast Guard has evolved from a service of 10 revenue cutters mainly concerned with maritime smuggling, to a service of

more than 43,000 individuals assisted by approximately 2,190 vessels. As we are all very much aware these days, the Coast Guard's critical missions now include search and rescue operations, the monitoring and supervision of oil spill cleanup efforts, drug interdiction patrols, coastal and port security, ice breaker assistance and the maintenance of navigational aids.

While the bicentennial of the U.S. Coast Guard will be commemorated during the period of time beginning August 4, 1989, and ending August 4, 1990, I believe it most appropriate and important for the 101st Congress to memorialize the distinguished service of the members of the U.S. Coast Guard to our country since its formation in 1790.

I welcome cosponsors to this resolution honoring the U.S. Coast Guard, and ask unanimous consent that the text of the joint resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 126

Whereas August 4, 1990, marks the 200th anniversary of the Act of August 4, 1790, by which Congress authorized 10 revenue cutters requested by Alexander Hamilton for the purpose of interdicting violators of the customs laws;

Whereas the seagoing service which began with those first 10 cutters lives on in the form of the service now known as the "United States Coast Guard";

Whereas the Coast Guard has served this Nation well, in war and peace, in both the defense of this Nation against foreign enemies and against the use of the sea for crimes against the Nation;

Whereas the Coast Guard has also served this Nation well in protecting against the perils of the sea, by rescuing those in danger at sea, maintaining aids to navigation, and regulating the safety of vessels;

Whereas the Coast Guard, despite its small size, has served the Nation in these and in many other areas with efficiency and gallantry;

Whereas the Coast Guard's present-day battle against the importation of drugs by sea reminds us of the origins of the Coast Guard with those first 10 cutters 200 years ago, and of the other essential services performed by the Coast Guard; and

Whereas the bicentennial of the Coast Guard will be commemorated during the period beginning August 4, 1989, and ending August 4, 1990: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Congress of the United States hereby gives recognition to the two centuries of service by the United States Coast Guard and authorizes and requests the President to issue a proclamation calling upon the people of the Nation to share in the pride and satisfaction enjoyed by the dedicated and committed members of the United States Coast Guard during the commemoration of this bicentennial.

Mr. CHAFEE. Mr. President, I am delighted to join with my colleagues in introducing this important resolution. If any organization deserves recognition for its efforts on the public's behalf, it is the U.S. Coast Guard.

As a Senator from the ocean State of Rhode Island, I am particularly aware of the importance of the Coast Guard's role. We in New England see the Coast Guard every day—the lifeboats patrolling our beaches and marinas, the blinking lights of lighthouses and other aids-to-navigation, and the search-and-rescue helicopters circling overhead.

With 28,500 recreational motorboats, thousands of sport fishermen, and countless sailboats—not to mention the heavy commercial marine traffic—Rhode Islanders find these daily reminders of the Coast Guard's presence extremely reassuring.

Last year, the Coast Guard responded to 647 calls for help in Rhode Island alone. It is a tribute to their hard work and devotion that while the number of recreational boats has increased by 280 percent since 1961, the number of boating fatalities has increased by only 15 percent.

But the Coast Guard is not just an agency created to protect boaters and bathers. It is the Federal agency with maritime authority for the United States, and it has played a vital role in our Nation's history. Since the first "fleet of cutters" was authorized by Congress 199 years ago to protect U.S. revenues, the duties of the Coast Guard have increased rapidly.

Ice patrols and life-saving services have been added. Enforcement duties ranging from prohibition laws to international whaling conventions to drug interdiction have been expanded. We here in Congress recognized the importance of the Coast Guard's role in drug interdiction efforts when we passed the omnibus drug bill last year. And, of course, the Coast Guard is an integral part of our Nation's military defense, as was proven in World Wars I and II.

In addition, the Coast Guard has an important volunteer component: A civilian auxiliary that aids the Coast Guard in rescue missions and promotes safe, recreational boating as a public service. I would also like to point out that the Coast Guard Academy was the first to admit women—in July 1976.

Mr. President, this variety of duties is what the Coast Guard calls multimission. I call it pretty amazing.

I would like to commend and congratulate the Coast Guard for its excellent work over the years. As Admiral Yost, Commandant of the Coast Guard, has put it: "The Coast Guard remains the best buy the taxpayer has."

By Mr. SIMON:

S.J. Res. 127. Joint Resolution designating Labor Day weekend, September 2-4, 1989, as "National Drive for Life Weekend"; to the Committee on the Judiciary.

NATIONAL DRIVE FOR LIFE WEEKEND

Mr. SIMON. Mr. President, I rise today to introduce a joint resolution asking the President to designate September 2-4, 1989, as "National Drive for Life Weekend."

This joint resolution, which is similar to the one I introduced last year, will designate Labor Day weekend as the focus of the third annual "Drive for Life," a national public service campaign sponsored by Mothers Against Drunk Driving [MADD] and Volkswagon United States, Inc., asking all Americans to pledge to be responsible by driving sober and encouraging others to do the same.

More than 23,000 people were killed in the United States last year as a result of alcohol-related accidents, an average of 65 individuals each day. Statistics indicate that two out of every five individuals in this country will be involved in a drunk-driving related accident at some point in their lives. The Drive for Life campaign seeks to reduce the very high number of alcohol-related car accidents in the United States by implementing a month-long public awareness program aimed at educating the public on the dangers of drunk driving.

Drive for Life focuses on the Labor Day weekend, a time when the incidence of alcohol-related accidents traditionally runs 10 percent above the average. During the second annual Drive for Life Day the death toll for drunk-driving related crashes was down 28.6 percent from Labor Day weekend Saturday in 1987. By declaring September 2-4 as "National Drive for Life Weekend," Congress will assist the campaign's effort to continue focusing national attention on the dangers of drunk driving.

By Mr. DOLE (for himself, Mr. MITCHELL, Mr. CHAFEE, Mr. ROTH, Mr. GARN, Mr. WARNER, Mr. MURKOWSKI, Mr. DOMENICI, Mr. BOSCHWITZ, Mr. BURNS, Mr. COATS, Mr. ARMSTRONG, Mr. COHEN, Mr. MCCONNELL, Mr. HATCH, Mr. DURENBERGER, Mr. LUGAR, Mr. GRAHAM, Mr. LEAHY, Mr. MATSUNAGA, Mr. PELL, Mr. SHELBY, Mr. HOLLINGS, Mr. MOYNIHAN, and Mr. REID):

S.J. Res. 129. Joint resolution to provide for the designation of September 15, 1989, as "National POW/MIA Recognition Day"; to the Committee on the Judiciary.

NATIONAL POW/MIA RECOGNITION DAY

Mr. DOLE. Mr. President, in 1969, when I first expressed concern about resolving the fates of the missing Americans who served this Nation in times of conflict, I spoke to only 20 POW/MIA family members. Twenty

years later, thousands of concerned Americans have become involved in keeping this issue a national priority.

President Bush has demonstrated his strong commitment to resolving this issue by reappointing Gen. John Vessey, Presidential Emmissary to Hanoi for POW/MIA. I am pleased that General Vessey's mission has produced positive results. Under his direction, an unprecedented number of remains have been recovered and identified. However, much more still needs to be done to account for the few thousand men still missing and unaccounted for in Southeast Asia, as well as previous wars.

Earlier this year, I joined the majority leader and several colleagues in both Chambers to unveil the POW/MIA flag in the Capitol rotunda to serve as a constant reminder to Congress and the American people of the missing and captive American service men. Today, I am pleased once again to introduce legislation designating September 15, 1989, as "National POW/MIA Recognition Day." This day will pay tribute to all of those who suffered, and may still be suffering, for their selfless service to this great Nation. It will also renew our promise to the families of these courageous servicemen and women that we will never rest until we can gain a full accounting for all of our heroes.

Mr. President, I am pleased that 22 Senators have already agreed to cosponsor this important resolution. I encourage other Members to join with us in commemorating this important day and rededicating our commitment to account for all missing Americans.

I ask unanimous consent for the text of the joint resolution to be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 129

Whereas the United States has fought in many wars;

Whereas thousands of Americans who served in those wars were captured by the enemy or listed as missing in action;

Whereas many American prisoners of war were subjected to brutal and inhuman treatment by their enemy captors in violation of international codes and customs for the treatment of prisoners of war, and many such prisoners of war died from such treatment;

Whereas many of these Americans are still missing and unaccounted for, and the uncertainty surrounding their fates has caused their families to suffer acute hardship; and

Whereas the sacrifices of Americans still missing and unaccounted for and their families are deserving of national recognition and support for continued priority efforts to determine the fate of those missing Americans: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That September 15, 1989, is hereby designated as "National POW/MIA Recognition Day." The President is authorized and requested to issue a proclamation calling upon the people of the United States to recognize that day with appropriate ceremonies and activities.

ADDITIONAL COSPONSORS

S. 5

At the request of Mr. BREAUX, his name was added as a cosponsor of S. 5, a bill to provide for a Federal program for the improvement of child care, and for other purposes.

S. 6

At the request of Mr. MCCAIN, the name of the Senator from Alaska [Mr. MURKOWSKI] was added as a cosponsor of S. 6, a bill to grant the power to the President to reduce appropriated funds within 10 days after the date of enactment of a bill appropriating such funds.

S. 11

At the request of Mr. CRANSTON, the name of the Senator from Illinois [Mr. SIMON] was added as a cosponsor of S. 11, a bill to provide for the protection of the public lands in the California desert.

S. 15

At the request of Mr. CRANSTON, the name of the Senator from Texas [Mr. BENTSEN] was added as a cosponsor of S. 15, a bill to amend the Public Health Service Act to improve emergency medical services and trauma care, and for other purposes.

S. 341

At the request of Mr. HOLLINGS, the names of the Senator from Connecticut [Mr. LIEBERMAN] and the Senator from Louisiana [Mr. BREAUX] were added as cosponsors of S. 341, a bill to amend the Federal Aviation Act of 1958 to prohibit discrimination against blind individuals in air travel.

S. 342

At the request of Mr. DANFORTH, the name of the Senator from Pennsylvania [Mr. SPECTER] was added as a cosponsor of S. 342, a bill to amend the Internal Revenue Code of 1986 to provide that certain credits will not be subject to the passive activity rules, and for other purposes.

S. 350

At the request of Mr. LOTT, the name of the Senator from New Hampshire [Mr. HUMPHREY] was added as a cosponsor of S. 350, a bill to repeal section 89 of the Internal Revenue Code of 1986 (relating to rules for coverage and benefits under certain employee benefit plans).

S. 366

At the request of Mr. BAUCUS, the name of the Senator from Nevada [Mr. REID] was added as a cosponsor of S. 366, a bill to amend title XVIII of the Social Security Act to make certain payment reforms in the Medicare Program to ensure the adequate provision of health care in rural areas, and for other purposes.

S. 369

At the request of Mr. BOSCHWITZ, the fame of the Senator from Wisconsin [Mr. KOHL] was added as a cosponsor of S. 369, a bill to seek the eradication of the worst aspects of poverty in developing countries by the year 2000.

S. 448

At the request of Mr. SIMON, the name of the Senator from Hawaii [Mr. INOUYE] was added as a cosponsor of S. 448, a bill to amend the Immigration and Nationality Act to change the level, and preference system for admission, of immigrants to the United States.

S. 488

At the request of Mr. FOWLER, the name of the Senator from Maine [Mr. MITCHELL] was added as a cosponsor of S. 488, a bill to provide Federal assistance and leadership to a program of research, development and demonstration of renewable energy and energy efficiency technologies, and for other purposes.

S. 501

At the request of Mr. D'AMATO, the name of the Senator from Indiana [Mr. COATS] was added as a cosponsor of S. 501, a bill to amend the Internal Revenue Code of 1986 to make permanent, and to increase the amount of, the exclusion for amounts received under qualified group legal services plans.

S. 570

At the request of Mr. DANFORTH, the names of the Senator from North Dakota [Mr. CONRAD] and the Senator from Maine [Mr. COHEN] were added as cosponsors of S. 570, a bill to amend the Internal Revenue Code of 1986 to enhance the incentive for increasing research activities.

S. 578

At the request of Mr. DANFORTH, the name of the Senator from California [Mr. CRANSTON] was added as a cosponsor of S. 578, a bill to amend title 10, United States Code, to provide for consideration of whether certain defense agreements adversely impact the international competitive position of U.S. industry.

S. 595

At the request of Mr. DOMENICI, the name of the Senator from Montana [Mr. BAUCUS] was added as a cosponsor of S. 595, a bill to amend section 89 of the Internal Revenue Code of 1986 to exempt certain small businesses from the application of the employee benefit nondiscrimination rules, to delay and to simplify the requirements of such section, and for other purposes.

S. 630

At the request of Mr. BREAUX, the name of the Senator from Minnesota [Mr. DURENBERGER] was added as a cosponsor of S. 630, a bill to conserve, protect, and to restore the coastal wet-

lands of the State of Louisiana, and for other purposes.

S. 654

At the request of Mr. PRYOR, the names of the Senator from Connecticut [Mr. LIEBERMAN] and the Senator from South Carolina [Mr. HOLLINGS] were added as cosponsors of S. 654, a bill to amend the Internal Revenue Code of 1986 to provide for the establishment of simplified health arrangements meeting the requirements of section 89, to modify the definition of part-time employee for purposes of section 89, and to simplify the application of section 89.

S. 670

At the request of Mr. ARMSTRONG, the name of the Senator from Arizona [Mr. MCCAIN] was added as a cosponsor of S. 670, a bill to recognize the organization known as the Retired Enlisted Association, Inc.

S. 771

At the request of Mr. REID, the names of the Senator from Connecticut [Mr. LIEBERMAN] and the Senator from Tennessee [Mr. GORE] were added as cosponsors of S. 771, a bill to amend the Internal Revenue Code of 1986 to disallow deductions for costs in connection with oil and hazardous substances cleanup unless the requirements of all applicable Federal laws concerning such cleanup are met, and for other purposes.

S. 880

At the request of Mr. MCCONNELL, the name of the Senator from Alaska [Mr. STEVENS] was added as a cosponsor of S. 880, a bill to amend the Child Nutrition Act of 1966 to require the Secretary of Agriculture to provide startup funds to State educational agencies for distribution to schools to establish or expand school breakfast programs, to require the Secretary to collect and disseminate certain information concerning the school breakfast program, and for other purposes.

SENATE JOINT RESOLUTION 47

At the request of Mr. PRESSLER, the name of the Senator from Texas [Mr. BENTSEN] was added as a cosponsor of Senate Joint Resolution 47, a joint resolution to recognize the 75th Anniversary of the Smith-Lever Act of May 8, 1914, and its role in establishing our Nation's system of State Cooperative Extension Services.

SENATE JOINT RESOLUTION 55

At the request of Mr. SIMON, the names of the Senator from New Hampshire [Mr. HUMPHREY], the Senator from Delaware [Mr. ROTH], and the Senator from Louisiana [Mr. BREAUX] were added as cosponsors of Senate Joint Resolution 55, a joint resolution to designate the week of October 1, 1989, through October 7, 1989, as "Mental Illness Awareness Week."

SENATE JOINT RESOLUTION 66

At the request of Mr. HELMS, the names of the Senator from Florida [Mr. MACK], the Senator from California [Mr. CRANSTON], and the Senator from South Carolina [Mr. THURMOND] were added as cosponsors of Senate Joint Resolution 66, a joint resolution to designate the third week of June 1989 as "National Dairy Goat Awareness Week."

SENATE JOINT RESOLUTION 67

At the request of Mr. DOMENICI, the name of the Senator from North Dakota [Mr. BURDICK] was added as a cosponsor of Senate Joint Resolution 67, a joint resolution to commemorate the 25th anniversary of the Wilderness Act of 1964 which established the National Wilderness Preservation System.

SENATE JOINT RESOLUTION 71

At the request of Mr. HELMS, the name of the Senator from Georgia [Mr. NUNN] was added as a cosponsor of Senate Joint Resolution 71, a joint resolution designating April 16 through 22, 1989, as "National Ceramic Tile Industry Recognition Week."

SENATE JOINT RESOLUTION 76

At the request of Mr. HELMS, the names of the Senator from Michigan [Mr. RIEGLE], the Senator from Missouri [Mr. BOND], and the Senator from Rhode Island [Mr. CHAFEE] were added as cosponsors of Senate Joint Resolution 76, a joint resolution to designate the period commencing on June 21, 1989, and ending on June 28, 1989, as "Food Science and Technology Week."

SENATE JOINT RESOLUTION 104

At the request of Mr. MITCHELL, the names of the Senator from New Jersey [Mr. LAUTENBERG] and the Senator from Alabama [Mr. HEFLIN] were added as cosponsors of Senate Joint Resolution 104, a joint resolution to express the sense of the Congress with respect to the health of the Nation's children.

SENATE JOINT RESOLUTION 110

At the request of Mr. SIMON, the names of the Senator from Arizona [Mr. DECONCINI], the Senator from California [Mr. CRANSTON], the Senator from Florida [Mr. MACK], the Senator from Idaho [Mr. MCCLURE], the Senator from New Jersey [Mr. LAUTENBERG], the Senator from Colorado [Mr. WIRTH], and the Senator from Indiana [Mr. COATS] were added as cosponsors of Senate Joint Resolution 110, a joint resolution designating October 5, 1989, as "Raoul Wallenberg Day."

SENATE JOINT RESOLUTION 112

At the request of Mr. GRASSLEY, the names of the Senator from North Carolina [Mr. HELMS], the Senator from Delaware [Mr. ROTH], the Senator from Texas [Mr. BENTSEN], the Senator from Alaska [Mr. MURKOWSKI], the Senator from Connecticut [Mr. DODD], the Senator from Minnesota [Mr. DURENBERGER], the Senator from Mississippi [Mr. LOTT], the Senator from Nevada [Mr. REID], and the Senator from Washington [Mr. GORTON] were added as cosponsors of Senate Joint Resolution 112, a joint resolution designating May 29, 1989, as the "National Day of Remembrance for the victims of the U.S.S. Iowa."

SENATE JOINT RESOLUTION 113

At the request of Mr. DIXON, the names of the Senator from South Carolina [Mr. HOLLINGS] and the Senator from Michigan [Mr. RIEGLE] were withdrawn as cosponsors of Senate Joint Resolution 113, a joint resolution prohibiting the export of technology, defense articles, and defense services to codevelop or coproduce the FSX aircraft with Japan.

SENATE JOINT RESOLUTION 117

At the request of Mr. BURDICK, the names of the Senator from Iowa [Mr. GRASSLEY], the Senator from California [Mr. WILSON], the Senator from Texas [Mr. BENTSEN], the Senator from Arizona [Mr. DECONCINI], the Senator from Utah [Mr. GARN], the Senator from South Carolina [Mr. HOLLINGS], the Senator from Colorado [Mr. ARMSTRONG], the Senator from North Carolina [Mr. HELMS], the Senator from Rhode Island [Mr. PELL], the Senator from South Carolina [Mr. THURMOND], the Senator from Missouri [Mr. BOND], the Senator from Tennessee [Mr. GORE], and the Senator from Alabama [Mr. SHELBY] were added as cosponsors of Senate Joint Resolution 117, a joint resolution to designate the week of November 19, 1989, through November 25, 1989, and the week of November 18, 1990, through November 24, 1990, as "National Family Week."

SENATE CONCURRENT RESOLUTION 13

At the request of Mr. SYMMS, the names of the Senator from South Carolina [Mr. THURMOND] and the Senator from Mississippi [Mr. LOTT] were added as cosponsors of Senate Concurrent Resolution 13, a concurrent resolution expressing the sense of the Congress that the President or the Congress should abrogate the Panama Canal Treaties of 1977 and the Neutrality Treaty and the Congress should repeal the Panama Canal Act of 1979.

SENATE CONCURRENT RESOLUTION 36—RELATING TO PHYSICIAN PAYMENT REFORM

Mr. HATCH (for himself, Mr. GARN, Mr. DURENBERGER, Mr. BAUCUS, and Mr. GRASSELY) submitted the following concurrent resolution; which was referred to the Committee on Finance:

S. CON. RES. 36

Whereas substantial geographical disparities exist under the current medicare physician reimbursement formulas which may not be accounted for by regional differences in the cost of practice;

Whereas the Subcommittee on Health and Environment of the Committee on Energy

and Commerce of the House of Representatives has held extensive hearings documenting these geographical variations;

Whereas the Physician Payment Review Commission, created under section 9305 of Public Law 99-272 (42 U.S.C. 1395w-1), concluded that geographical variations in prevailing charges are substantial, and stated that "wide variation in charges unrelated to differences in cost of practice could mean access to care and beneficiary financial protection might be compromised in areas where prevailing charges are low"; and

Whereas these geographical disparities may penalize doctors who have historically charges lower rates: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of Congress that—

(1) the problem of geographical variations in physician reimbursement under the medicare program needs to be addressed; and

(2) any mechanism for medicare physician reimbursement should not permit any geographical variations beyond those which can be justified by regional differences in the cost of medical practice or the need to maintain access to high quality health care.

Mr. HATCH. Mr. President, today, I am pleased to join with Senators GARN, BAUCUS, DURENBERGER, and GRASSLEY in the submission of a concurrent resolution expressing the sense of Congress regarding the problem of geographical variations under the current medicare physician reimbursement. This concurrent resolution is being introduced in the House by the Utah delegation.

The current Medicare reimbursement system for physicians is both inequitable and unfair: physicians providing exactly the same service are reimbursed at very different levels depending on whether the office is on one side of a State line or the other. For example, physicians in States surrounding Utah may receive up to 20 percent more for services provided in the office than do physicians practicing in Utah. For physicians providing hospital care, this discrepancy can be as high as 33 percent.

The Physician Payment Review Commission [PPRC] recently completed a study of geographic variations in Medicare charges and reported their findings to Congress in March 1988. This report also found that prevailing charges may vary extensively from one locality to another. The PPR Commission looked at factors that could explain and justify these geographic differences and concluded that the cost of practice differences accounted for some of the variation, but certainly not all.

Unfortunately, when our current reimbursement mechanism was created over 15 years ago, it highlighted the differences in practice costs between States. In addition, these State differentials were frozen at those 1973 levels, because the law limited percentage increases in out-years and applied this limitation to all States equally. Thus, over time, arithmetic increases in payments have been considerably greater in those States which started with a higher base, compounding the problem with each passing year. States like Utah, which had low fee structures in 1973, have been penalized ever since for their conservative charges. We are punishing those physicians who were cost conscious in delivering services.

In the same report, the PPR Commission went on to state that:

The wide variation in charges unrelated to differences in cost of practice could mean access to care and beneficiary financial protection might be compromised in areas where prevailing charges are low.

It is not hard to imagine that physicians practicing in States with low reimbursement rates may choose to move their practices to neighboring States with higher reimbursement rates or that young physicians may decide to avoid practicing in these States all together. One day, many seniors may have difficulty finding a doctor when they need one. In addition, seniors may be faced with higher out-of-pocket costs for their health care as physicians become more reluctant to accept Medicare assignment.

At the same time, Medicare beneficiaries from States with low reimbursement rates are subsidizing beneficiaries in wealthier States. All Americans, regardless of their residence, are subject to the same Federal tax and Social Security liability; all Medicare enrollees pay the same premiums for part B coverage. Yet, there is not an equal distribution to the providers serving these seniors. Taxpayers in some parts of the country, like Utah, are subsidizing citizens living elsewhere. Ironically, in the case of Medicare, more prosperous sections of the country tend to be subsidized by less prosperous ones.

It is because of these immediate problems, Mr. President, that we are introducing this resolution expressing the sense of Congress that the problem of geographical variations in physician reimbursement under the Medicare Program needs to be addressed. Any mechanism for Medicare physician reimbursement should not permit any geographical variations beyond that which can be justified by regional differences in the cost of medical practice or the need to maintain access to high quality health care.

SENATE RESOLUTION 123—APPOINTMENT OF A COMMITTEE TO RECEIVE AND REPORT EVIDENCE WITH RESPECT TO THE IMPEACHMENT OF JUDGE ALCEE L. HASTINGS

Mr. MITCHELL (for himself and Mr. DOLE) submitted the following resolution; which was considered and agreed to:

S. RES. 123

Resolved, That section 6 of Senate Resolution 38, 101st Congress, is amended to read as follows:

"SEC. 6. The actual and necessary expenses of the committee, including the employment of staff at an annual rate of pay, and the employment of consultants with prior approval of the Committee on Rules and Administration at a rate not to exceed the maximum daily rate for a standing committee of the Senate, shall be paid from the contingent fund of the Senate from the appropriation account "Miscellaneous Items" upon vouchers approved by the chairman of the committee, except that no voucher shall be required to pay the salary of any employee who is compensated at an annual rate of pay."

SENATE RESOLUTION 124—ORIGINAL RESOLUTION REPORTED RELATING TO THE 40TH ANNIVERSARY OF THE NORTH ATLANTIC TREATY ORGANIZATION

Mr. PELL, from the Committee on Foreign Relations, reported the following original resolution; which was placed on the calendar:

S. RES. 124

Whereas the North Atlantic Treaty was signed in Washington on April 4, 1949; was ratified by the United States pursuant to Senate consent; and entered into force on August 24, 1949;

Whereas the Atlantic Alliance now comprises 16 member-nations and will celebrate NATO's 40th anniversary at a summit meeting beginning May 29, 1989;

Whereas the North Atlantic Treaty Organization has facilitated effective cooperative participation by member-nations in their common defense since the inception of the Alliance;

Whereas the North Atlantic Assembly has, since 1955, fostered active participation by elected representatives throughout NATO in discussions leading to recommendations and cooperative policies on essential Alliance issues;

Whereas open discussion, meaning the full airing of views, among member-states of the Alliance is fundamental to the nature of a voluntary alliance of democratic nations;

Whereas experience has demonstrated that a firm and coherent NATO position is crucial to effective East-West arms control; and

Whereas the common interests of Alliance members continue to outweigh any disagreements on particular issues of defense posture and arms control negotiating strategy; Be it therefore,

Resolved, That this resolution may be referred to as the "Renewed Commitment to NATO Resolution," passed on the occasion of NATO's 40th anniversary.

That the United States Senate remains dedicated to the North Atlantic Alliance as a critical instrumentality for maintaining an effective Western defense of the principles and institutions of democratic freedom;

That it remains in the overwhelming interest of the United States and other members of NATO that recurring disputes concerning defense posture and arms control negotiating strategy be resolved in a spirit of comity and compromise, and with a continuing emphasis on the largest purposes

NATO has so effectively served for forty years.

SENATE RESOLUTION 125—ORIGINAL RESOLUTION REPORTED CONGRATULATING THE KINGDOM OF NORWAY ON 175 YEARS OF CONSTITUTIONAL GOVERNMENT

Mr. PELL, from the Committee on Foreign Relations, reported the following original resolution; which was placed on the calendar:

S. RES. 125

Whereas, May 17 is the 175th anniversary of the adoption of the Norwegian Constitution in 1814;

Whereas, the Norwegian Constitution was inspired in important aspects by the Constitution of the United States;

Whereas, the Norwegian Constitution was one of the first written constitutions adopted by a monarchy recognizing the sovereignty of the people, emphasizing the importance of human rights, and delineating the roles of the monarchy, the legislature, and the judiciary;

Whereas, the Norwegian Constitution has been an essential element in Norway's long tradition of democratic government, political and social tolerance, and devotion to freedom and self-determination;

Whereas, the people of Norway heroically resisted a brutal occupation during World War II;

Whereas, Norway has been one of America's staunchest allies in NATO; and

Whereas, immigrants from Norway have enriched American life and culture; Therefore, be it

Resolved, That the Senate of the United States congratulates the Kingdom of Norway on its 175 years of constitutional government.

SENATE RESOLUTION 126—RELATING TO THE PROSPECTIVE PAYMENT ASSESSMENT COMMISSION OF MEDICARE

Mr. BAUCUS (for himself, Mr. HARKIN, Mr. PRYOR, Mr. CONRAD, Mr. BURDICK, Mr. BOREN, Mr. DASCHLE, and Mr. EXON) submitted the following resolution; which was referred to the Committee on Finance:

S. RES. 126

Whereas the Prospective Payment Assessment Commission was established to advise the Secretary of Health and Human Services on ways to update and improve the Medicare Prospective Payment System;

Whereas the Commission, by its own admission, has been "slow to anticipate the extent to which rural hospitals would have major problems under the system";

Whereas the Commission's inattention to the severity of the impact of the Medicare Prospective Payment System on rural hospitals has contributed to the closure and threatened closure of hospitals that provide critical access to health care for Medicare's beneficiaries;

Whereas 30 percent of Medicare beneficiaries live in rural America; and

Whereas only one (or 6 percent) of the 17 Commissioners appointed to the Prospective Payment Assessment Commission has direct practical exposure to, or experience with, the problems of providing health care to rural America: Now, therefore, be it

Resolved, That a minimum of four additional members with demonstrated experience in providing or developing health care services in rural America should be appointed to the Prospective Payment Assessment Commission, and that in the future a minimum of 25 percent of the Commissioners should have such experience.

Mr. BAUCUS. Mr. President, I rise today to introduce a resolution to restore equitable representation for rural America on the Prospective Payment Assessment Commission [ProPAC]. I am very pleased that a number of my distinguished colleagues, including Senator HARKIN of Iowa and Senator PRYOR of Arkansas, are joining in this important effort.

As my colleagues know, ProPAC is the Commission that was established by Congress in 1983 to advise the Secretary of Health and Human Services on the Medicare Prospective Payment System. ProPAC has a task of great importance to our Nation's hospitals and, indeed, to every citizen.

Last week an event occurred that underscored the significance of ProPAC and its effect on rural hospitals.

The esteemed chairman of the Finance Committee, Senator BENTSEN, conducted a remarkable hearing examining Medicare payments to rural hospitals. I have championed rural health issues for years, but have never witnessed the subject discussed with such clarity and insight.

Despite the diversity of rural America, the themes presented at the hearing were constant. Rural hospitals are in trouble, and closures will adversely affect access to health care for the 30 percent of our Nation's seniors who live in rural areas. It is important to remember that these seniors have contributed an equal share to the Medicare trust fund and deserve to get their money's worth.

Rural hospitals are trying hard to provide care with a variety of innovative programs, but financially they are barely treading water.

It is clear the Medicare Prospective Payment System [PPS] has not been fair to rural hospitals from its inception in 1983.

However, Mr. Curtis Erickson, the only one of 17 Commissioners on ProPAC with significant rural health care experience noted, "ProPAC did not anticipate the extent to which rural hospitals would have major problems under the system."

Mr. President, it is entirely possible that the reason they did not anticipate the current disaster is that they did not consider rural America to be important.

It is possible that the inequity of rural America's representation on the Commission could have had something to do with this inattention.

It is possible that Mr. Erickson, the proverbial lone voice in the wilderness, just couldn't get the attention of the other ProPAC members.

Well, Mr. President, it was very clear to the members at the hearing that something needs to be done to make sure that ProPAC never again forgets rural America.

The resolution we submit today makes a start in reintroducing equity in health care for rural America. It expresses our strongly held view that four additional Commissioners with rural health care experience should be appointed to ProPAC. This would raise the proportion of Commissioners with a knowledge of rural issues close to the proportion of seniors whose access they are supposed to be protecting.

Mr. President, I hope that many of our colleagues will join us in our call for more rural representation on ProPAC.

Mr. HARKIN. Mr. President, I am pleased to be joining Senator BAUCUS in introducing this resolution to increase the rural representation on the Prospective Payment Assessment Commission [ProPAC]. Rural hospitals have waited too long for a fair shake. Our resolution will help them get their due by making sure that rural hospitals have a strong voice in Washington, where policy affecting them is made.

Since 1983, Congress has relied on ProPAC for sound advice on how the prospective payment system can meet the needs of all senior citizens, regardless of whether they live in rural communities or in cities.

Since 1984, unfairly low payments from Medicare have closed 159 rural community hospitals, and brought another 700 to the brink of closing. Two of my Iowa hospitals are among them.

What's wrong with this picture? For one thing, the urban-rural differential in Medicare payments to hospitals. Right now, urban hospitals receive an average of 40 percent more for each case than rural hospitals—for providing the same care, urban hospitals get 40 percent more.

Last week I testified before the Finance Committee in favor of eliminating the urban-rural differential as soon as possible. Rural hospitals deserve payment equity, and I will do all I can to see they get it.

My testimony was received very favorably by Chairman BENTSEN, Senator DOLE, and the members of the Finance Committee. They understand that the urban-rural differential, while it was meant to reimburse all hospitals fairly, has not been fair. It has bled many rural hospitals to death.

To my surprise and disappointment, who should be at the hearing arguing against helping rural hospitals? ProPAC. ProPAC has been asleep at the switch while payments to rural

hospitals have gone off track. Instead, the Commission has been paying more attention to the problems of large urban teaching hospitals than to the needs of our rural hospitals.

And why is that? Just a look at the membership of this Commission gives you a good idea: only 1 of 17 Commissioners has experience in a rural hospital. Mr. President, rural hospitals account for half the prospective payment system hospitals. Many of our Nation's elderly population are living in rural areas. Simple fairness dictates that, at a minimum, a third of ProPAC Commissioners should represent rural areas, if not half of them.

This resolution will increase the rural membership of ProPAC so that rural hospitals will have a voice on the inside. As long as Congress uses ProPAC for advice on Medicare, I want to ensure that the advice we get is balanced and treats all hospitals fairly.

Mr. PRYOR. Mr. President, taxation without representation was one of the major causes of the American revolution. Today, over 200 years later, our rural hospitals and the people they serve find themselves in a similar situation—grossly under represented on the Federal Commission that makes key Medicare policy recommendations that directly affect rural communities.

The Prospective Payment Assessment Commission [ProPAC] was established to advise the Secretary of Health and Human Services on Medicare hospital policy. Yet, despite the fact that 30 percent of all Medicare patients live in rural America, only 6 percent of the ProPAC Commissioners—1 out of 17—has direct practical experience with the difficulties of delivering health care to rural communities. This is both unfair and unacceptable.

Last Thursday, the sole rural hospital representative of ProPAC, Mr. Curtis Erickson, testified before us on the Finance Committee. While recognizing the sensitivity and professionalism of the staff and members of the Commission, he did acknowledge that he felt the Commission would be better served by more representatives from rural communities.

At a time when rural hospital after rural hospital is being forced to close, it is absolutely imperative that the administration and the Congress receive policy recommendations from those who have direct experience with the problem. Washington, DC, beltway bandits and representatives from large urban cities find it all too easy to casually dismiss rural hospital closures as necessary to make the health care system more efficient. I believe it is time we have the benefit of those who are from rural areas and who have a more personal understanding of what a hospital closure means to the communities affected.

With the above in mind, I am pleased to join Senator BAUCUS in sending a strong message to the HHS Secretary and to ProPAC. The resolution we are offering today simply states it's time for a change. It's time to recognize that it is essential that at least 25 percent of ProPAC's membership be comprised of people with demonstrated experience in providing or developing health care services in rural America. And finally, it's time to make a change now by appointing four new Commissions members with rural health care backgrounds.

Mr. President, in many cases, new perspectives yield new and improved ideas. Most of us on the Aging Committee I chair, as well as the Finance Committee and Senate Rural Health Caucus I am proud to serve, have concluded that we certainly could use a few new approaches to help us address the immediate concerns of rural hospitals. The resolution we are introducing today takes a small but important step in achieving this goal. I hope all our colleagues will join us in taking that step.

NOTICES OF HEARINGS

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. WIRTH. Mr. President, I would like to announce for the public that a field hearing has been scheduled before the full Committee on Energy and Natural Resources.

The hearing will take place Saturday, May 20, 1989, at the Lincoln Junior High School Auditorium, 15th and California Streets, Santa Monica, CA, at 10 a.m.

The purpose of the hearing is to examine policies to combat the greenhouse effect, as well as likely regional implications for the State of California. The hearing is intended to offer Californians an opportunity to learn about the potential impact of global warming on the State and to examine State initiatives to conserve energy and reduce the output of greenhouse gases.

For further information, please contact Leslie Black, professional staff member on the full committee, at (202) 224-9607.

SUBCOMMITTEE ON OVERSIGHT OF GOVERNMENT MANAGEMENT

Mr. LEVIN. Mr. President, I wish to announce that the Subcommittee on Oversight of Government Management, Committee on Governmental Affairs, will hold a hearing on oversight of DOD's inadequate use of off-the-shelf items, on Tuesday, May 16, 1989, at 9:30 a.m., in room 342 of the Dirksen Senate Office Building.

SUBCOMMITTEE ON PUBLIC LANDS, NATIONAL PARKS AND FORESTS

Mr. BUMPERS. Mr. President, I would like to announce for the public that a hearing has been scheduled before the Subcommittee on Public Lands, National Parks and Forests of the Committee on Energy and Natural Resources.

The hearing will take place on May 18, 1989, beginning at 9:30 a.m. in room SD-366 of the Dirksen Senate Office Building in Washington, DC.

The purpose of the hearing is to receive testimony on:

S. 737, a bill to authorize the Secretary of the Interior to acquire certain lands adjacent to the boundary of the Rocky Mountain National Park in the State of Colorado;

S. 267, a bill to authorize the Secretary of the Interior to convey certain lands in Idaho to Mr. and Mrs. Kenneth Blevins of Kuna, ID;

S. 319, a bill to effect an exchange of lands between the U.S. Forest Service and the Salt Lake City Corp., within the State of Utah, and for other purposes;

S. 393, the Camp W.G. Williams Land Exchange Act of 1989; and

H.R. 310, a bill to remove a restriction on land in Roanoke, VA, in order for that land to be conveyed to the State of Virginia for use as a veterans' nursing home.

Because of the limited time available for the hearing, only administration witnesses will be invited to appear at the hearing. However, anyone is welcome to submit written testimony for the hearing record. Those wishing to submit written testimony should send two copies of the testimony to the Subcommittee on Public Lands, National Parks and Forests, Committee on Energy and Natural Resources, 364 Dirksen Senate Office Building, Washington, DC 20510-6150.

For further information, please contact David Brooks of the subcommittee staff at (202) 224-9863.

AUTHORITY FOR COMMITTEES TO MEET

SPECIAL COMMITTEE ON INVESTIGATIONS

Mr. DASCHLE. Mr. President, I ask unanimous consent that the Special Committee on Investigations of the Select Committee on Indian Affairs be authorized to meet during the session of the Senate on May 10, 1989, at 10 a.m. to hold hearings pursuant to Senate Resolution 66, section 21, agreed February 28, 1989.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON MERCHANT MARINE

Mr. DASCHLE. Mr. President, I ask unanimous consent that the Merchant Marine Subcommittee of the Committee on Commerce, Science, and Transportation be authorized to meet during the session of the Senate on May 10, 1989, at 1:30 p.m. to hold a hearing on the *Exxon Valdez* oil spill focusing on oil transportation and tanker safety.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. DASCHLE. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation and the National Ocean Policy Study, be authorized to meet during the session of the Senate on May 10, 1989, at 9:30 a.m. to hold a hearing on the status of the *Exxon Valdez* oilspill cleanup and impact of the spill on Alaskan natural resources.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON SUPERFUND, OCEAN AND WATER PROTECTION

Mr. DASCHLE. Mr. President, I ask unanimous consent that the Subcommitte on Superfund, Ocean and Water Protection, Committee on Environment and Public Works, be authorized to meet during the session of the Senate on Wednesday, May 10, beginning at 10 a.m., to conduct an oversight hearing to examine the implications of and responses to the toxic release inventory released pursuant to section 313 of the Emergency Planning and Community Right to Know Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON STRATEGIC FORCES AND NUCLEAR DETERRENCE

Mr. DASCHLE. Mr. President, I ask unanimous consent that the Subcommittee on Strategic Forces and Nuclear Deterrence of the Committee on Armed Services be authorized to meet on Wednesday, May 10, 1989, at 10 a.m. in closed session to receive testimony on operational requirements of the Strategic Air Command and the fiscal years 1990-91 budget request for strategic forces.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON THE HANDICAPPED

Mr. DASCHLE. Mr. President, I ask unanimous consent that the Subcommittee on the Handicapped, of the Committee on Labor and Human Resources, be authorized to meet during the session of the Senate on Wednesday, May 10, 1989, at 9:30 a.m. to conduct a hearing on Americans With Disabilities Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON THE THE CONSTITUTION

Mr. DASCHLE. Mr. President, I ask unanimous consent that the Subcommittee on the Constitution of the Committee on the Judiciary, be authorized to meet during the session of the Senate on May 10, 1989, at 1:30 p.m., to hold a hearing on S. 675, a bill to eliminate discriminatory barriers to voter registration.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON INTERNATIONAL ECONOMIC POLICY, TRADE, OCEANS AND ENVIRONMENT

Mr. DASCHLE. Mr. President, I ask unanimous consent that the Subcommittee on International Economic Policy, Trade, Oceans and Environment of the Committee on Foreign Relations be authorized to meet during the session of the Senate on May 10 at 9 a.m., to hear witnesses on Inter-American Development Bank replenishment.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ARMED SERVICES

Mr. DASCHLE. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet on May 10, 1989, at 2 p.m. in open session to receive testimony on the amended defense authorization request for fiscal years 1990 and 1991 and on the fiscal year 1990-94, 5-year defense plan.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

MOTHER'S DAY FOR PEACE PROCLAMATION

● Mr. KERRY. Mr. President, this Sunday, May 14, 1989, will be Mother's Day, a day on which millions of Americans celebrate the meaning of family and motherhood.

The act of having a child and giving birth is a profound statement of hope for the future. It is a commitment to life and family as the center of our meaning. Generation after generation of the mothers and fathers creating new families are the living and continuing affirmation and celebration of life.

These days, we often find ourselves worrying about whether the human race can even survive, because of the threat of nuclear destruction. This is a terrible fear, one unknown just two generations ago. And it is not merely that we fear the destruction of our species, but the world itself in a nuclear cataclysm.

Even if we can avoid a nuclear war, there remains the ongoing injury to the world caused by the nature of the arms race itself. Resources that are desperately needed for education, development, nutrition, shelter, and other essentials of life are squandered on weapons. The arms race has already caused significant injury to the environment from radioactive waste that no one in the world knows what to do with. Even the mere possession of weapons by the military forces of the world has caused, and continues to cause, outbreaks of both new conflicts and new waste.

Today, Americans are beginning to recognize that the greatest threat to our national security comes from the loss of economic strength and creative and scientific resources as a result of their being wasted on the arms race. We have real needs to meet, and real problems to solve, and the arms race does very little to respond to either.

We are beginning to see new thinking from nations across the oceans. Japan spends little of its national resources on the military. Japan's increasing economic power in comparison to the United States teaches us what can happen when one nation uses its resources productively and another does not.

At the same time, the Soviet Union has begun to recognize that its reliance on military power has drained its resources and damaged the quality of life for its people. Soviet leaders have appeared to recognize that it must go down a different path if it is to be a great nation in the future.

As we come to celebrate Mother's Day in 1989, we should note that millions of Americans have come to recognize that nuclear war represents the greatest threat to the future of all children, everywhere.

The Governors of Alaska and Wisconsin and the mayors of Santa Barbara, CA, and Oak Park, IL, have joined this year to proclaim May 14, 1989, as "Mother's Day For Peace."

I urge Americans wherever they are this Mother's Day to celebrate the day in honor of both mothers and their continuing work toward peace.

I ask that the full text of the Mother's Day proclamation issued by these States and cities be included in full in the RECORD.

The text of the proclamation follows:

MOTHERS' DAY PROCLAMATION

Whereas, millions of mothers and grandmothers recognize that the ultimate parenting issue is a secure future for all children;

Whereas, Mothers' Day was intended by its originator, Julia Ward Howe, in 1872, as a time when mothers and children could come together to speak out against war and to work for peace;

Whereas, never in its history has the United States faced the critical decisions that it now must entrust to Congress and the President—decisions about the threat of nuclear war, proposed massive and costly new weapons systems and the delicate process of diplomatic approaches to disarmament;

Whereas, the nuclear arms race affects the quality of life for children and families by redirecting national resources away from education, health care, and other family support services to weapons of mass destruction;

Whereas, nuclear war represents the greatest threat to the future of all children; and

Whereas, concerned people are making statements and organizing events and local activities to focus on the importance of preventing nuclear war; and are bringing local and national attention to the fact that millions of mothers want peace and a future for all children;

Therefore, the Governors of Alaska and Wisconsin and the Mayors of Santa Barbara, CA and Oak Park, IL have joined in the proclamation of May 14, 1989 as "Mothers' Day for Peace."●

THE PRODUCT LIABILITY MESS

● Mr. KASTEN. Mr. President, I rise today to bring to the attention of my colleagues an important contribution to the ongoing debate on product liability reform. In today's Washington Times, economics columnist Warren Brookes paints a compelling portrait of an out-of-control tort liability system.

At a time when America is locked in a life-and-death competitive struggle with its international rivals, we can ill afford to shackle the productive talents of our businesses and workers. But, to the tune of $80 billion a year, that is in fact what we are doing.

In San Francisco alone, product liability settlements have risen by 1,016 percent over the last two decades. And there is reason to fear that this is not an isolated outbreak of tort madness, but part of a nationwide trend.

In the near future, I will be introducing a bill which I am confident will help restore a measure of sanity to liability law. The need could not be more compelling.

Mr. President, I ask that this important article by Mr. Brookes be included in the RECORD.

The article follows:

THE HIGH COSTS OF NADER-TORT

Today in Washington, the Committee for Economic Development will try to jump-restart the tort-liability reform movement on Capitol Hill with the release of a 150-page study of the effects of the $80 billion direct tort-liability "tax" on US. manufacturing unmatched anywhere else in the world.

The larger cost of this tax may be more than $300 billion, and is one of the key reasons the U.S. economy now does such a slow job of converting technology and research into marketable products, for fear of massive new litigation costs arising from courts that no longer recognize any limits on liability, nor any reasonable standards for the assessment of responsibility.

Unfortunately, while CED has a powerful ally on Capitol Hill in House Energy and Commerce Chairman John Dingell, it faces formidable enemies in Ralph Nader and the American Bar Association, whose membership collectively take more than 50 percent of most tort liability settlements, which now exceed $40 billion a year.

Mr. Nader's hand has been strengthened by the California Supreme Court, which last week upheld his Proposition 103 which rolls back state auto insurance rates by 20 percent, and makes insurance companies, not the courts, the villains on rates.

While California's motorists have every right to be upset about $2,000 a year car-insurance bills, just as municipalities are furious over $1 million premiums on playgrounds, the chief culprit in this explosion was not so much the self-serving insurance industry, but the explosion in expensive tort settlements of all kinds, from auto accidents to product lability. (See table.)

That explosion is largely the work of Naderite judges and lawyers attempting to use the courts to pick the deep pockets of corporate America in the interests of "social justice."

In March 1988, for example, a jury ordered the Southern California Automobile Club to pay a couple $3.3 million in damages for failure to pay a $25,000 insurance claim. Last September another California court awarded $45 million in compensatory damages and $85 million in punitive damages to a San Diego couple who had sold their resort to a Dallas company for $2 million and a share of future profits, because the resort began to lose money.

This kind of lunatic litigation is a key reason why in California bodily injury and "pain and suffering" claim costs and court awards have skyrocketed 15.5 percent a year since 1983, twice as fast as in the nation as a whole, even though property-damage claim frequency has been virtually flat.

California insurers belatedly tried to promote the idea of "no fault insurance," but the trial-lawyer lobby, Ralph Nader's friends in the liability "business," effectively killed that idea, just as they have watered it away in most states.

When states have tried to fight back by limiting premium increases, an insurance-supply crisis always developed. More and more drivers wound up having to be insured by state-administered "assigned risk pools"—more than 50 percent of the drivers in New Jersey, and more than 60 percent in Massachusetts, where at least three major insurance companies have recently bought their way out of that state's insurance market.

The origins of this insurance supply and price crisis which spawned Proposition 103 are brilliantly developed in one of the most important books of our time, Peter Huber's Liability—The Legal Revolution and Its Consequences" (Basic Books 1988).

In clear, concise prose laced with hundreds of examples, Mr. Huber, the former Massachusetts Institute of Technology engineering professor and top graduate of the Harvard Law School, shows how a generation of liberal judges and lawyers gradually repudiated the whole law of contract based on individual responsibility and consent, and replaced it with a vastly expanded notion of general societal "tort."

AVERAGE SETTLEMENTS IN SAN FRANCISCO

[In constant dollars]

	1960–64	1980–84	Percent change
Aggregate	$74,000	$302,000	308
Auto	46,000	131,000	185
Personal injury	66,000	302,000	358
Products	99,000	1,105,000	1,016
Medical malpractice	125,000	1,162,000	830

Source: Committee For Economic Development.

Under this new theory, accidents are socially costly, and the law should encourage accident prevention not by assessing fault, but by placing the liability against those most likely to have the money to pay, irrespective of fault.

The result of this approach was but to turn the courts into a kind of unpredictable social lottery in which some individuals could strike it rich with the right lawyers and sufficiently large corporate targets of opportunity, but all at costs shifted back to workers and consumers, rich and poor alike, regressively.

Under this new "deep pockets" premise judges and juries assessed corporations huge settlements for a man who suffered a heart attack because of a lawn-mower rope too hard to pull: a driver who was killed driving over 100 mph when a tire exploded: a mechanic who exploded a tire with 48 pounds of pressure to make it fit the wrong size rim; a teen-ager pouring cologne over a candle and getting burned.

The greatest impact of this new "tort wave" was to turn the insurance principle upside down from insuring known individual risk to unknown societal third-party claims. As Mr. Huber points out, "The founders of this new tort principle took it as an article of faith that the insurance systems would provide a broad financial umbrella over the expanding new tort system.

"But they were clumsy in their work and remarkably uninformed about how insurance markets really operate. In the end they succeeded in sharply increasing demand for liability insurance, but they devastated supply. The result was an insurance crisis eerily reminiscent of the endless gas lines during the Arab oil embargo."

When courts extended liabilities, insurance companies priced up and hedged in the policies. When courts then tried to rewrite those policies retroactively, companies stopped writing them altogether.

Insurance, after all, is a contract based on predictable risks spread over a defined insurance pool. But, as Mr. Huber writes: "Take away contract [law] and there is nothing left to insurance; either bargains of this sort are enforceable on their own mutually understood and accepted terms or they will not be written at all. Legislative intervention [Proposition 103] was then all but inevitable, first in laws that attempted to bludgeon the private insurance contracts into submission, then through insurance directly established and funded by government."

That is where Ralph Nader and his Proposition 103 advocates are now taking California and the nation in all forms of casualty and property insurance, and the only sure winners will not be the consumers but the lawyers, even as insurance rates soar and availability dries up for ordinary middle- and lower-income folks.

As Peter Huber says of the Naderite tort liability system of socializing all risks and taxing the public through $80 billion in hidden costs most of which go to lawyers, "A more inefficient and regressive scheme of social welfare could hardly be imagined."

Author's Update: In last Wednesday's column on radon, we cited a news item that Ralph Nader receives a rebate on every radon testing kit. Public Citizen (a Nader group) says the rebate of 50 cents per kit is paid to them and only on kits purchased by their members.●

CITIZENS DEFEND THEMSELVES WITH HANDGUNS

● Mr. McCLURE. Mr. President, in the Washington Post, an item speaks for itself. Every year, some 650,000 citizens defend themselves against violent crime using handguns. Florida State Criminologist Gary Kleck points this out in a scholarly article, "Crime Control Through the Private Use of Armed Force," in the February 1988 issue of Social Problems.

It is also interesting to note that the intruder had a criminal background. If he had been obliged to pay the price for his crimes, the individuals in this incident would not have been subjected to this ordeal.

In any event, the right to self defense is basic and necessary. We must not leave honest citizens defenseless against those who seek to prey on the weak.

Mr. President, I ask that the article from the May 3, 1989 Washington Post be inserted in the RECORD.

MEN SHAKEN AFTER INTRUDER FATALLY SHOT—"EITHER HE WAS GOING TO BE DEAD OR I WAS"

(By Debbie M. Price)

Frail and thin as a whip, the 78-year-old man sat upright on the porch swing and turned down the radio. His hands shook.

"Pretty torn up about it, yes, I guess I am," he said. "If it weren't for [my stepson] here and his gun, I'd been dead. We'd all been. Sure of that."

The man has lived for two dozen years with his wife, 79, and her son, 48, in the pretty red-brick house set back from the road in Seat Pleasant. They have watched the neighborhood change and they have become more and more afraid.

The man said he and his wife were getting dressed Monday morning when, he said, Ernest Lamont Chase, 31, tapped out the glass in the kitchen window and crawled inside. The elderly man met Chase coming down the hall.

"He grabbed me and pushed me over the bed and held my cane against my neck," said the man, who asked that neither his name nor address be printed because he fears retaliation.

"He said he wanted money. I hollered [to my stepson] and he come running."

Chase turned on the man's stepson with the cane and the two began struggling down the hall, through the kitchen and into the living room, breaking furniture as they went, the men said.

In the living room, the stepson, managed to reach under the cushions of his easy chair and get his gun, a 9mm Smith & Wesson pistol loaded with hollow-point bullets the men said.

"I only tried to clip the guy. Hit him low in the gut first, but he was crazy up on drugs or something and he just kept coming," the stepson said.

"I didn't have no choice but to aim at his head," he said.

Chase, who lived in Seat Pleasant, was pronounced dead at 12:40 p.m. at Prince George's Hospital Center, police said.

The stepson said police told him that Chase was shot seven times.

Officers found a folding knife with an eight-inch blade in Chase's pocket, the man said.

Chase had two convictions, a misdemeanor narcotics charge in 1985 and a burglary charge for which he received a six-month suspended sentence and three years' probation last September, according to court records.

Prince George's county police said yesterday they do not plan to file charges against the man who did the shooting.

A spokeswoman for the state's attorney office said that the office will review the case after police complete their investigation.

The stepson, stooped, whiskered and looking years older than 48, has been hunting since he was 5 years old and is no stranger to guns.

As he talked about killing a man—something he said he hoped he never would have to do—he sat his beer on the concrete slab of the front porch and tilted his chair against the brick.

His right eye was red with broken blood vessels, his nose bruised, his hand scraped.

The police, he said, arrived within a minute of his call, took many photographs and carried his 9mm pistol off with them when they left the house.

"Sure is a good gun. Hope I get it back," he said. "But if I don't, I got plenty of others."

Then he disappeared into the house and emerged a minute later. He hefted a .44 magnum pistol, nickel-plated and long in the barrel and pointed it at an oak tree across the yard.

He calls the gun "Dirty Harry."

"It's not a very good feeling to have to shoot someone," the stepson said. "Don't like it a bit, but I knew either he was going to be dead or I was going to be dead. I ain't dead."●

TERRY ANDERSON

● Mr. MOYNIHAN. Mr. President, today marks the 1,516th day of captivity for Terry Anderson in Beirut.

I ask that an October 25, 1986, article from Editor and Publisher magazine be printed in the RECORD.

The article follows:

THE BUCK STOPS HERE

(By M.L. Stein)

(Media accused of not doing enough to help free AP's Terry Anderson by condoning the Reagan administration's policy of "quiet diplomacy")

Relatives of two Americans being held hostage in Lebanon assailed the press last week for allegedly letting the Reagan administration get away with stalling on efforts to free them.

Describing her captive brother, Associated Press' Terry Anderson as a "truly dedicated journalist," Peggy Say told an audience of some 500 news executives: "We know what Terry Anderson did for you. Now I must ask the question: what have you done for Terry Anderson? He's a fellow journalist and he has been in deep trouble for 19 months. Have you reached out your hand to him? How long are you going to sit back and let him suffer while our government pursues the course of 'quiet diplomacy?' "

Say, who appeared on a panel, "The Festering Sore" at the Associated Press Managing Editors convention in Cincinnati Oct. 21, later charged at a news conference that "the press has not done its job" in seeking answers on the Lebanon hostage situation from the U.S. government.

She was joined on the panel by the Rev. Lawrence Jenco, a recently released hostage, and Eric R. Jacobsen whose father, David, has been held by guerrillas for more than 500 days.

Both Say and Jacobsen were bitterly critical of government reaction to the kidnappings, but they also scored the press for not asking tougher questions when administration officials claim they are seeking the hostages' freedom through "quiet diplomacy."

Say declared: "I have yet to hear anyone confront (President Reagan) and ask, 'what is quiet diplomacy?' Prove to us what you are doing. There has to be a time when we force the administration to acknowledge that quiet diplomacy is not working."

The panelists also disputed government statements that the captives are held by "faceless terrorists" or "shadowy figures," contending that the kidnappers have been identified.

The media should be more probing on this matter as well, they added. "How long are you going to let him (Anderson) suffer while our government pursues the course of quiet diplomacy?" Say demanded.

"For Terry Anderson the buck stops right here in this room. You're the people he put his behind on the line for. You're the smart guys . . . the ones who know how to ask the right questions. You know who to go to. You know how to make Terry Anderson an issue.

"Eventually, Terry will come out and he's going to ask, 'what did you do for me?' "

Jacobsen appealed to the press "as a catalyst of public concern . . . and as a watchdog of American rights, values and freedoms" to alert people to what he termed the "blatant inconsistencies" of the Reagan administration in handling the Lebanon hostage crisis.

Both Jacobsen and Say contended the Government made deals in the TWA hijacking and the arrest in Russia of American journalist Nicholas Daniloff, but refuses to take similar action in connection with their relatives and others held by Lebanese muslims.

"I want your help in finding out why representatives from U.S. News & World Report were welcomed to meet immediately with top White House and State Department officials, when we were denied this for months," Jacobsen told his press audience.

"I want to know," he continued, "why the administration is willing to communicate and even meet with Soviet officials, privately and publicly, but refuses to do the same for my father and the men with whom he is held."

Calling the press a "court of last resort," Jacobsen asserted "the time for cross-examination is long overdue. I ask you, as members of the news media, to assume your role as counsel for the defense of these innocent men. Too many questions have been left unanswered. Don't back off until you get the answers that are required."

Father Jenco said that "Perhaps the time has come to speak and write, not about terrorism, but the causes of terrorism. I believe the American people are asking why the Middle East is such a violent place. I would hope to see more articles on the causes, not the effects of terrorism."

Later, APME president James F. Daubel, editor and publisher of the Freemont (Ohio) News-Messenger, announced to the convention that a tape of the panel was being sent to the White House that day with an invitation for an administration representative to come to the conference and answer Say and Jacobsen's complaints.

Walter Mears, AP vice president and executive editor, said AP is "pursuing every avenue" for Anderson's release but he contended the time was not right to reveal the agency's file on the steps it has taken.

But later, Mears also raised some questions about the Reagan administration's handling of the Anderson matter.

"I have nothing against quiet diplomacy," Mears said, "as long as it is active quiet diplomacy and so long as it isn't covering up inaction. I continue to hope and trust that this is not the case and that there is a continuing process."

The theme of terrorism was continued in a luncheon speech by former New York Daily News editor Michael J. O'Neill, who suggested that the defunct National News Council might be revived to deal with media excess in covering hostage incidents.

O'Neill, author of the book Terrorist Spectaculars: Should TV Coverage Be Curbed? labeled television "overwhelmingly the dominant medium" in terrorism, adding that it not only covers such events but often becomes a participant."

Referring to the TWA hijacking, as a classic case in point, the speaker said: "In these conditions, television literally changes the course of events. It alters official positions. It affects outcomes."

O'Neill, who noted that he once opposed the National News Council, commented that it could be resurrected in a different form in which it would center on professional improvement, not passing judgment.

"Stripped of its judicial pretense," he explained, the Council could provide an independent forum for airing journalistic problems, its original intent.

Asked from the audience for more detail on his change of heart, O'Neill said he originally was against the Council because it consisted of a "bunch of judges. The whole atmosphere was wrong."

He said he would again fight a media council that attempted to impose judgment, but would support one that examined means of improving journalism.

The speaker asserted that reporters "should be citizens first and journalists second. In terrorism stories especially, where lives are at stake, they should show more restraint than their nature usually allows in revealing government tactics or military moves."●

ANNE FRANK DAY

● Mr. D'AMATO. Mr. President, I rise today to express my pleasure toward the passage of Senate Joint Resolution 65, a joint resolution honoring June 12 as Anne Frank Day. It is her rightful day of remembrance; she would have been 60 on June 12 had it not been for the Nazi Holocaust.

Nothing in modern history stained the soul of mankind more than the millions of innocent men, women, and children who suffered and died under the opressive hand of Adolf Hitler. The immense tragedy of the slaughter of over 6 million Jews in Europe during the Holocaust is of such enormity that it is sometimes lost on an individual. Through our own incomprehension we are sometimes anesthetized to an event which should remain seared in our memories forever.

In an attempt to prevent the world from ever repeating such evil, we keep vigilence so that the Holocaust, or oppression in any form, does not plague mankind again. Therefore, we honor June 12, Anne Frank's birthday, as Anne Frank Day. As this is the 44th anniversary of the liberation of Europe from Nazi control, the Anne Frank Center in New York City will be hosting the exhibit, Anne Frank in the World—1929-1945. This exhibit will be occurring simultaneously in Amsterdam and Frankfurt.

In New York City the center will be honoring professor Elie Wiesel of Boston University, who I have recommended for the Nobel Peace Prize, with the first annual Anne Frank award. Through the efforts of people like Anne Frank and Elie Wiesel, we are reminded of what we must never forget and we have been shown how indomitable the human spirit is.

We are reminded when we hear firsthand how a boy named Elie who was so hungry that he stole a piece of bread from his father on a train bound for Auschwitz—later to watch his father die before him—could become one of the foremost spokesmen for the hope of humanity. We are moved when reading a little girl's diary that conveys the fears, hopes, and frustrations of a 13-year-old, only to realize that this little girl is in hiding with her family delaying their inevitable death at the hands of a ruthless, occupying army. The inspiration we are provided by these and others like them is what allows us to emerge from such a human catastrophe and still believe that there is hope for mankind.

We always must keep in mind what Anne Frank means to us and how and why she died.●

NEW YORK CITY'S SCHOOLS CHANCELLOR RICHARD R. GREEN

● Mr. MOYNIHAN. Mr. President, today, I am saddened to inform my colleagues that New York City and New York State citizens have lost a valuable leader. Chancellor for the Public Schools of New York City, Richard R. Green died this morning. Chancellor Green was inauguarated in January 1988 and came to New York from the city of Minneapolis, where he served as superintendent of schools. His arrival was rightfully greeted with enthusiasm and hope.

Chancellor Green emerged as a child of Minneapolis' Sumer-Field housing project to become his hometown's first black high school athletic team coach, first black principal, and first black superintendent. He had attended local Augsberg College on a basketball scholarship and in 1973 earned a doctorate at Harvard, his education partially funded by local foundations. Chancellor Green had convinced these benefactors that it would be a good investment. He was correct.

His responsibilities in New York City would have been daunting to many. He had the assignment of caring for nearly 1 million children, responsible for their educational lives. Not a small task.

Mr. President, Chancellor Green accepted this challenge with innovation and concern. His first and foremost priority, he reiterated, was children. He consistently questioned how programs would affect children directly in the classroom. He viewed education as a year-round process and sought a connection between children and schools as early in life as possible. Next, he understood the importance of teachers. He worked to involve teachers in policy decisions and sought to instill a new respect for teachers. Finally, Chancellor Green knew that parents had to be involved in the education of their children.

With a realistic yet visionary eye, Chancellor Green saw the school as an integral, vital part of a modern, troubled community. In the New York Times, he stated: "I see schools as places that feed children, educate their parents, and provide early childhood education. Schools are the place where antidrug programs will take place and where AIDS will be debated and understood more clearly. They must become the most important fact of the urban community." I fully agree.

These were his goals, amidst a sprawling, difficult system. Chancellor Green did not balk before this system. He realistically recognized that schools had to be safe to be effective. He put the creation of new schools and the improvement of the physical plant as a high priority. He outlawed beepers—used by drug dealers—in schools and insisted that students attend school or face the consequences. It seemed to work.

Of course, as befits an able man assigned to a formidable task, expectations were great. But, Chancellor Green's priorities were not to meet every expectation placed upon him. His priority was children. As Chancellor Green stated at a meeting in Astoria, Queens, "It is children that bring me to this city." The city and the city's children shall not forget him or his work to improve the education and very lives of the children of New York City.●

NATIONAL BICENTENNIAL COMPETITION ON THE CONSTITUTION AND BILL OF RIGHTS

● Mr. GRASSLEY. Mr. President, during 1987 our Nation celebrated the bicentennial of the framing of the Constitution. In 1991, we will celebrate another bicentennial: the ratification of the Bill of Rights. Celebrations for these historic events create an opportunity to educate young people on the history and principles of the documents which formed our country's Government. Such an opportunity is available through the National Bicentennial Competition on the Constitution and Bill of Rights."

The competition is an extensive program to educate elementary and secondary school students.

I am proud that a team from Cedar Falls High School, Cedar Falls, IA,

represents Iowa. These fine young individuals have studied hard to reach the national finals.

The members of the Iowa team are: Chris Babinat, Melissa Barnholtz, Marc Barry, Jonathon Brundrett, Aaron Cain, Brooke Carey, Eric Collins, Warren Curry, Brenda Dahlin, Jackie Dewey, Aaron Durchenwald, Sarah Fisher, Barbara Franke, Nicole Frink, Jerod Gross, Matt Gutknecht, Jason Hamrock, Rick Hansen, Zach Johnson, Darcy Juhl, Susan Kerns, Kimberly Knight, Sheryl Rammelsberg.

These students were guided to their success by their instructor, Kelvin Schuchart. While also receiving assistance from the district coordinator, Linda Martin; and Barbara Romar, the State coordinator.

The competition was funded by Congress and cosponsored by the Commission on the Bicentennial of the U.S. Constitution. The program's curriculum, developed by the Center for Civic Education, is designed for a wide range of achievements, complementing regular school curriculum.

The curriculum focuses on the underlying principles of our constitutional democracy and constitutional history. It fosters civic competence and responsibility through better understanding of the Constitution and Bill of Rights.

Mr. President, the Constitution and Bill of Rights form the backbone of this great Nation. Educating our young people in the principles and values of the Constitution and Bill of Rights is paramount to civic consciousness. These young people are the future of America. Their decisions will form tomorrow's policies. I am proud of the students from Cedar Falls High School who represent Iowa. I commend each one of them on their hard work. It was indeed a pleasure meeting them during their stay in Washington.●

STANLEY PRIBYSON

● Mr. DODD. Mr. President, I would like to take this opportunity to comment on the recent passing of a good Democrat, a good American, and a dear friend of mine, Stanley Pribyson.

To the people of Connecticut, Stanley was a devoted public servant and a good citizen. After his retirement in 1980 from the position of District Director for the United States Savings Bonds Division of the Treasury Department, Stanley found he could not remain outside of public service, and 2 years ago he accepted Governor William O'Neill's invitation to serve on the Connecticut State Gaming Policy Board. He was active in a variety of charitable organizations, including the Hartford Lodge of Elks and the Knights of Columbus.

Stanley's service to the State and Nation spanned decades. In 1952 he ran for Congress, back in the days when Connecticut elected a representative at-large, in addition to representatives from districts. He served as adminstrative assistant to two U.S. Representatives, and held a variety of appointive posts in Connecticut.

Stanley also provided valuable service to me personally. He served for many years as an unofficial liaison to Connecticut's Polish community, providing me with valuable assistance in drafting legislation concerning immigration issues. He also was very helpful in connection with my visit to Poland several years ago.

The friendship between Stanley Pribyson and my family extends back to an earlier generation of Dodds. He was very close to my father Thomas Dodd, and provided at least as much service to my father as he did to me.

Stanley Pribyson was close to my family for a good number of years. It is rare that a person comes along who carries with him such a strong sense of service and devotion to a cause. I will greatly miss his assistance; I will miss his friendship even more.●

LOW-INCOME TAX CREDIT

● Mr. D'AMATO. Mr. President, I rise today in support of legislation introduced by my distinguished colleagues, Senators MITCHELL and DANFORTH, which improves and extends one of the most successful tax subsidies assisting low- and moderate-income families today. I am pleased to join my colleagues who have been key national leaders in the area of tax subsidies for housing and I look forward to working with them as the Congress designs a comprehensive national housing policy.

On December 31, 1989, the low-income housing tax credit will expire. This tax credit provides an efficient incentive to the private sector to produce housing for low- and moderate-income families. Created in 1986, this tax credit has proven to be a key form of gap funding to produce needed housing around the Nation.

The legislation introduced by Senators DANFORTH and MITCHELL makes the low-income housing tax credit a permanent program. This will rid the Congress of annual piecemeal extensions of the program. In addition, the legislation makes a number of improvements to the credit. Revisions have been made to use fully the allocated amount of tax credit, to extend the duration of low-income use, and to allow the tax credit to work effectively with tax-exempt bonds and other housing subsidies. In general, this legislation insures that the tax credit is responsive to the critical housing needs in a broad array of housing markets around the Nation.

Although the legislation makes a number of changes to the tax credit, it also continues some of the successful aspects of the program. The program continues to focus on those who are most in need. The credit is targeted to families with an income of 60 percent of less of the median, and it insures that these families pay no more than 30 percent of their income for rent.

As the ranking member of the Housing Subcommittee, I have worked closely with Senators MITCHELL and DANFORTH attempting to insure that tax subsidies for housing work in conjunction with direct housing subsidies. I have been impressed with the leadership exhibited by my two colleagues and I am uplifted by their commitment in focusing on our Nation's housing problems. As Senator CRANSTON and I continue our bipartisan effort to provide a comprehensive housing strategy for our Nation, I look forward to a continued working relationship with the leaders in this area on the Finance Committee.●

THE ACT FOR BETTER CHILD CARE [ABC], S. 5

● Mr. BREAUX. Mr. President, I have asked to be added to S. 5 the Act for Better Child Care, as a cosponsor. I have chosen to do this because there is a great need for more and better child care facilities in Lousiana and throughout the United States. This need has gone unaddressed for too long, and I would like to see child care legislation passed as soon as possible.

I would, however, like to take this opportunity to express a few concerns that I have about specific provisions in the ABC bill.

Nationally, about one-third of all child care services are provided by religiously based child care facilities. The important role of church-based child care is, if anything, greater in Lousiana than elsewhere. The current provisions of S. 5, as approved by the Senate Committee on Labor and Human Resources, were they to be broadly interpreted, carry the potential of limiting the availability of child care from this source. Our goal here is to increase access, so we must be very careful how we proceed. I would favor an approach that placed a greater priority on ensuring that parents had the option of placing their children in settings of their own choosing, and this includes the church-based option.

S. 5 calls for the development of national minimal standards for federally supported child care. I support the concept of reasonable minimum standards, especially in the areas of health and safety. There are more than enough precedents wherein Federal programs require that minimum standards be met as a condition of funding. I am not convinced that the

proper forum for the development or enforcement of minimum standards should lie so heavily with the Federal Government. I would favor a greater role for the States in developing, implementing, and enforcing standards for child care.

In voicing my support for the ABC bill, I do not mean to rule out my support for some of the other approaches to the child care issue that have been proposed. President George Bush has expressed a commitment to improving the day care situation in the United States, and has put forward his own proposal. I believe that we should give due consideration to the needs of mothers who choose to stay at home and care for their children, or place their children in less formal child care arrangements.

Again, Mr. President, I feel strongly that we need to move quickly to address the day care crisis. We need to develop a national commitment not only to getting assistance to low income families for their immediate day care needs, but a means of building the child care infrastructure, which is now sorely lacking.

The ABC bill is the immediate vehicle for consideration and I am confident that, building on this measure, we can quickly address the need for child care in a fair, bipartisan way, that takes into account the varying needs of families throughout the United States.●

SENATE REPUBLICAN CONFERENCE TASK FORCE ON HISPANIC AFFAIRS

● Mr. CHAFEE. Mr. President, I want to call the Senate's attention to the efforts of the Senate Republican Conference Task Force on Hispanic Affairs. Comprised of Senators ARMSTRONG, D'AMATO, DOLE, DOMENICI, GRAMM, GRASSLEY, HATCH, MACK, MCCAIN, SIMPSON, WILSON, and myself, our task force seeks to examine the impact of public policy on the Hispanic community in such areas as economic development, employment, education and literacy, health care and others. It also provides a forum for Hispanic Americans to raise awareness and support on the national level for key issues facing the Hispanic community.

Founded in October 1987, the task force concentrated its efforts during the 100th Congress on studying some of the major problems facing the Hispanic community. After a series of meetings and inquiries, and with the contributions of Hispanic Americans around the country, the task force released an initial report entitled, "Hispanics: Talent for America's Future." The report's recommendations included:

Improved employment recruitment of Hispanics in managerial and professional positions in the public and private sector.

Expansion of Hispanic literacy programs through public/private partnerships.

Improved access to bonding and insurance for small minority firms.

Increased health and disease prevention efforts in the Hispanic community, with particular emphasis on combating AIDS.

During the 101st Congress, the task force is committed to taking action on these issues. A Conference on the Hispanic Work Force, sponsored by the task force, was held on May 4. This conference brought together government officials, corporate executives, Hispanic American businessmen and community leaders to focus on ways to improve job training initiatives and education and literacy programs in the Hispanic community.

Minority job training and education are issues of profound importance for America's future. As we approach the year 2000, our work force will need many well-skilled, highly trained workers. Hispanic Americans will be a major element of the new work force. This conference highlighted programs in the public and private sector that have been successful in training those in need.

I particularly want to praise the efforts of my colleague from Utah, Senator HATCH, who is chairman of the Task Force on Hispanic Affairs. Senator HATCH has taken the lead on the task force by providing his time and staff to meet with members of the community, and by working with them to address the needs of all Hispanics.

In addition, Senator HATCH and others have formed an advisory committee comprised of prominent Hispanic Americans, corporate and government officials, and leaders from major national Hispanic community organizations. I want to commend the members of this group for their assistance to the task force by providing information about community initiatives and by participating in task force activities in Washington at their own expense.

Mr. President, the Hispanic community is the fastest growing population group in the United States. The members of the Task Force on Hispanic Affairs recognize the diverse contributions being made by the members of our Hispanic communities. The task force will continue to explore the steps necessary to ensure the full participation of Hispanics in all aspects of American life.●

THE REBARBARIZATION OF AMERICA

● Mr. SIMON. Mr. President, one of the things that we have not recognized in this country is that we have an underclass.

We are increasingly segregating ourselves on the basis of economics, and the poor become more and more distant from us, usually concentrating in certain areas of urban America, though pockets of rural poverty abound in this Nation, too.

Recently, George Will, whom no one would describe as a flaming liberal, had a column that was in the Los Angeles Times titled, "The Rebarbarization of America."

George Will simply describes what is happening.

He does not propose solutions, but he at least is facing reality.

That is something our society has not done.

I urge my colleagues in the House and Senate and their staffs to read George Will's column, and I ask to insert it in the RECORD at this point.

The column follows:

THE REBARBARIZATION OF AMERICA—TO WALK AMID THE UNDERCLASS IS TO GLIMPSE SOCIAL REGRESSION

(By George F. Will)

CHICAGO.—The police cruiser crawls like a cockroach across worn linoleum through the concrete and grassless dirt of an urban lunarscape called Cabrini Green. It is a public-housing project on the Near North Side, not far from the posh shops of Michigan Avenue's "Magnificent Mile" and cheek-by-jowl with some gentrified yuppiedom.

This cluster of high-rise and half-abandoned buildings is a dispiriting beat for the two police officers who give their passenger a laconic lecture on their experiences as part of the half-hearted pretense of government in the project. They describe which gangs control which buildings, which weapons are used in the sporadic fire-fights that erupt between building-fortresses, how many foolhardy people have been hit by snipers while trying to cross the free-fire zone between buildings.

Public housing, particularly in high-rise configurations, usually is a concentration of pathologies. During today's drug plague, public housing has become recrudescent of the worst of the American frontier—Dodge City without a marshal.

So, you modern-day Jeffersonians, you who think that government is best that governs least: Welcome to your world. It is Hobbes' world, where life is always poor, nasty and brutish, and often short. Public housing here is anarchy tempered by juvenocracy—power wielded by adolescents.

Cabrini Green will eventually be eradicated by the most powerful and revered social force, the real-estate market. Developers are salivating for these 70 or so acres near good shopping. The concentrated pathologies will be shuffled away, perhaps even dispersed. But they will be reconcentrated daily in the public schools.

In a series of hammer-blow reports, the Chicago Tribune has documented its characterization of this city's school system as "institutionalized child neglect." The bureaucracy and teachers' union are culprits. However, the reports rightly stress that two-thirds of the students live in poverty and come to school from environments of deprivation that would defeat the best intentions of even the best school system.

One high school provides day care for the children of its students, 90% of whom come

from public housing. At another school, a 14-year-old girl is in her third pregnancy. "Another student," the Tribume reports. "sleeps with five other children on three piled-up mattresses in an unheated apartment. During the winter the boy often came to school smelling of urine, because it was too cold for the smaller kids to get up and go to the bathroom at night." A teacher asks, "How can you learn when people tell you you smell of piss, and you do?"

Some sixth-graders, never having used rulers, do not know how many inches are in a foot. Some 8-year-olds from homes without books tear pages from school books to use as toilet paper. Some children come to kindergarten still not toilet-trained. There are first-graders who have not learned numbers or colors. "A teacher," says a teacher, "cannot take mom and dad's place. What am I going to accomplish when mom doesn't take the time to pick up a can of peas and say, "Green! Round! Peas!'?"

This panorama of pain, waste and the perpetuation of squalor and violence is a chilling example of rebarbarization. It is the eruption of primitivism in the midst of urbanity. Let us have no more abstract arguments about the relative importance of nature and nurture in the formation of individuals. Look around here, and in all other cities, and you will see the consequences of the abandonment of nurturing.

In Anne Tyler's novel "Breathing Lessons," a woman attending classes to prepare for natural childbirth exclaims, "Breathing lessons—really. Don't they reckon I must know how to breathe by now?" To which a wise woman responds, "I remember leaving the hospital with Jesse and thinking. 'Wait. Are they going to let me just walk off with him? I don't know beans about babies.' "

She continues: "You're given all those lessons for the unimportant things—piano-playing, typing . . . But how about parenthood? . . . Before you can drive a car, you need a state-approved course of instruction, but driving a car is nothing, nothing, compared to . . . raising up a new human being."

In any city in any age, a walk among the underclass is apt to be a walk on the wild side, with glimpses of deeply moving bravery, tenacity and heroism in nurturing. However, the drug epidemic and the disintegration of families under the pounding of today's urban poverty is giving us a glimpse of how much social regression can occur in a modern society.

What is called the "cycle" of poverty is actually a downward spiral. The spiral tightens, gaining speed, because so few people live in Cabrini Green and similar places who give—or learn—lessons in the important things.●

CONGRATULATIONS TO DONALD ZINN

● Mr. D'AMATO. Mr. President, I rise today to honor the significant achievements and contributions of Donald Zinn, New York State's Small Businessperson of the Year.

The purpose of this award is to recognize the accomplishments of the most successful small business owners in New York State. The criteria for selection are extremely competitive. Candidates are rated on a scale of one to five in categories such as growth in number of employees; increase in sales and/or unit volume; and evidence of contributions by nominee to aid community-oriented projects.

To earn this distinction, Mr. Zinn helped launch Management Dynamics, a Yonkers-based management consulting firm. Starting in 1980 with only four employees, his organization has since grown 823 percent, with 1988 sales of $3.5 million. His clients include General Electric, Tropicana, Pepsico, Citicorp, General Foods, and Merrill Lynch, Mr. Zinn also serves on the board of directors of the professional services section of ADAPSO—a computer industry trade association—and works in a special program designed to help the handicapped become productive by extending technology to their communities.

After work, Mr. Zinn serves his community as a Cornell University ambassador to local high schools and as a volunteer for ADAPSO's careers 2000, a project to guide young students toward careers in computer industries. As a Senator from New York, I am proud to represent such an outstanding citizen and I congratulate him for his accomplishments.●

VIVA CINCO DE MAYO

● Mr. SIMON. Mr. President, I rise today to commemorate the 127th anniversary of a great day for our neighbors to the South and to Americans of Mexican ancestry. Last Friday was Cinco de Mayo, the fifth of May.

In the early morning hours of May 5, 1862, the French General Laurencez positioned 6,000 troops for an advance on the Mexican city of Puebla de los Angeles. Shortly before noon, a young 33-year-old Mexican General, Ignacio Zaragoza, and his 3,600 soldiers held back the first attack. The French warriors, thought to be the best army of its day, launched a second attack at the forts of Laredo and Guadalupe. They, too, were repelled. A third, and then a fourth, attack on the Mexican city failed. The French army retreated to Orizaba and the victory of "Cinco de Mayo" was declared.

About Cinco de Mayo, a Mexican historian once wrote: "Cinco de Mayo was a lesson of faith for our people, an injection of optimism, an example of valor and character, a moral resurrection, in a word, the most beautiful page of independent Mexico." One of my constituents, Margarita Esquiliano of Chicago, said it this way in last Friday's USA Today, "For us, for Mexican people, it's important because we know little people can win big wars."

Today, the United States of America and the United States of Mexico share more than a common border. We face uncommon challenges and, together, enjoy the potential for uncommon opportunities. But these opportunities require working together, be it on immigration policy, economic development, or water and energy programs.

It has been said that the Cinco de Mayo victory prevented Napoleon III from gaining the base he needed to assist the Confederate States in lifting the blockade of their ports which conceivably would have affected the outcome of our own Civil War. There is no doubt, therefore, that what Mexico experiences, we experience.

Yesterday, Chicago held a Cinco de Mayo parade down Cermak Road. I join the tens of thousands of Mexican-Americans in Illinois and the millions around the Nation in celebrating the victorious spirit of their ancestors on Cinco de Mayo.●

I KNOW HOW TO ASK FOR WHAT I WANT

● Mr. SIMON. Mr. President, one of the ways we test whether we are a civilized society is how we treat those who are less fortunate.

We are gradually doing better in terms of the disabled of our country, but we still have a long way to go.

One of the most encouraging recent articles I have read is a moving article that appeared in Parade magazine entitled, "I Know How To Ask For What I Want," by Lou Ann Walker.

It is one person's perspective on the story of the deaf in this country.

I encourage my colleagues in the Senate to read the article.

In my years in the private sector and now as a U.S. Senator, I have had the chance to employ those who are deaf. This Nation is much better off with the talents and resources of all of our people, including those who are deaf. But this also applies to those with other handicaps.

I urge my colleagues in the House and Senate to read this article, if they have not already.

I ask, Mr. President, to have the article inserted in the RECORD at this point.

The article follows:

I KNOW HOW TO ASK FOR WHAT I WANT

Just a year ago, Gallaudet University in Washington, D.C., the only liberal arts college for deaf people in the world, chose its first deaf president. This exercise in self-determination came after a dramatic week in which students and faculty, as well as deaf people around the world, banded together to let the administration know that they refused to have a hearing person who knew no sign language—and who had never had contact with deaf culture—govern their college. It was a terrible insult, they declared. Hearing people were once again saying that deaf people couldn't even take care of themselves.

The incident had special meaning for me. Both my parents have been deaf since infancy. I ached as my father recounted to me, in sign, what had happened to him just a few months before the Gallaudet uprising. My father spent his entire adult life working tirelessly for organizations for deaf people. And the crowning point of his life

was when the governor of Indiana asked him to be on an advisory board—the only deaf person on that board—for the Indiana School for the Deaf. Suddenly he found himself under attack by hearing teachers from the school who said he didn't have adequate credentials—even though my father, a newspaper printer, had been asked to advise on vocational programs. Finally, a deaf teacher from the school pulled my father aside to explain: "Hearing people don't want to give up the power."

As a hearing child with deaf parents, I had straddled the hearing and deaf worlds, acutely aware of the ways people misunderstand each other. All the stares our familiy got when we talked in sign made us feel like outsiders.

My parents' lives were filled with inconveniences: having to drive all the way to the dentist's office to make an appointment instead of just picking up the phone; having someone turn his head just as they were lipreading his directions. And large frustrations: There is the sobering knowledge that deaf people can't hear cars careening around corners, that they've been shot in the back by policemen when they haven't heard a command to halt. Once, my parents' house caught fire. Frantically, my father searched for my mother—unable to hear her cries—ignoring third-degree burns on his legs.

Over the years I've heard many alarming stories. A woman spent 57 years at a Washington, D.C. home for the mentally retarded because she had been misdiagnosed. Her IQ was normal; she was simply deaf. In Oregon, Florida and Michigan, officials took children away from their natural parents just because the parents were deaf. The children were returned only after long legal battles. In another instance, a deaf man went in for surgery. When he awoke, he was missing his right hand—both his communication and his livelihood. The doctors had never bothered to explain how extensive the operation would be. All over the country, deaf people have been arrested—even convicted of serious crimes—without having a qualified interpreter.

But what hurt the most was seeing people treat my bright, loving parents as if they were not intelligent, just because they had "broken ears." All my life, I've watched my father's quiet determination. As a child, whenever I went to him with a broken toy, he would take it in his strong hands and study it. He'd nod, carry it to his workbench and, no matter how long it took, he would work on it until the toy was repaired. I have seen this trait in other deaf people: persistence, perseverance. "We'll find a way," my father says.

And so when the Gallaudet administration announced a hearing president last year, there was an explosion—the culmination of years of being ignored. Yet the week was also a model of civil disobedience: No one was hurt, no property damaged. Students boycotted classes and closed the campus. Professors joined them. They marched to the Capitol and listed their demands succinctly: Deaf people need to take care of themselves. Why bother to give us higher education if we will never be allowed to use it?

Roslyn Rosen, a lively, beautiful, dark-haired deaf woman and educator, told me that one of the best repercussions of the Gallaudet protest is visibility—for an invisible disability. "Parents of deaf children all over the U.S. saw deaf people on TV," she signed to me. "They may never have had contact with a deaf adult before, but they learned what deaf people can do."

When I. King Jordan was named the eighth president of Gallaudet since its founding in 1864, people at the school were overjoyed. Jordan, who became deaf at age 21 in a motorcycle accident and who was a psychology professor, is an extremely popular choice because he is so down-to-earth. Students and faculty say there is far more communication than in previous administrations. Jordan has been talking actively to Congressmen about Gallaudet. "It used to be that everyone focused on the disability," he says. "Now it's on the ability. It is a real revolution." Congress has just passed a law to launch a National Institute on Deafness and Other Communication Disorders, which will lead the nation in research. The board of trustees has named a deaf person as its chairman: Philip Bravin. For the time being, all future vacancies on the board will be filled with deaf people—until they constitute a majority of the board.

The changes in the last year have been incredible, says Jordan. Gallaudet's budget was increased by several million dollars after cuts in previous years, and people from all over the country sent donations after the protest. Jordan wants the university to become more self-sustaining and less reliant on government funds. Enrollment at the school is up. So is the quality of students.

"And you can't believe the number of Congressmen and their staff members who are taking sign-language classes," Jordan exclaims. Indeed, around the country, public schools and colleges are teaching American Sign Language (ASL)—the subtle, beautiful language deaf people use—as a full-fledged foreign language.

More people are starting to research technological advances for the deaf, such as devices that synthesize speech and can change spoken words into written ones. Superchips are being developed for TVs so that closed-captioning can be seen on more sets. And people are using technology in better ways. When Jordan started teaching at Gallaudet, there was a television setup, but deaf students weren't encouraged to work in many of the jobs. Today, that has changed. Simply by using a TV screen and camera, a deaf director can sign to a deaf technician in the control booth about what needs to be done.

"There's a new respect for deaf people," Roslyn Rosen says. "They're feeling more assertive."

Greg Hlibok, one of the leaders during Gallaudet's "Deaf President Now" week, has changed his major from engineering to government. He hopes to become a lawyer and work on behalf of deaf clients. "There will be a brighter future for deaf children," Hlibok says. "The pride within deaf people has grown."

Bridgetta Bourne, another Gallaudet student leader, says that hearing people have become more sensitive. At first, she says, many hearing people overreacted to the deaf people's demands, and many hearing faculty members feared for their jobs—until they learned that the deaf people wanted to work with them as equals. Not all deaf people want to use sign language, Greg Hlibok points out, but in touring the country during summer break and talking to parents of deaf children, he emphasized that hearing parents need to be able to communicate well with their deaf children and must find the best way of doing that.

Looking into the expressive faces of deaf people at Gallaudet, I see real joy. Over the years, these people have had to develop their own kind of spunk. Bridgetta Bourne told me about spying a "Help Wanted" sign in a pizza parlor in her hometown. She went in to apply for the job. The owner told her it was filled. When she walked by later that day, the sign was up again. This time the small, energetic Bourne marched in announcing, "I can work for you! I worked at another restaurant." Finally, the owner decided to give her a chance. "It turned out he was glad he hired me, she says. "I even got his daughter to stop running away from home. After I left he hired another deaf fellow."

Mary Malzkuhn, now a government professor, vividly recalls her mother having long discussions about her when she was a child, yet when Mary asked what was being said, she was brushed aside. And she chafed at being told what she couldn't become. "Those barriers aren't there anymore," she says, looking dreamily out a classroom window. "I won't let them be. I know how to ask—in a nice way—for what I want."

Rosyln Rosen says that because deaf people stood up for themselves, they created a milestone in the history of deaf people. The reverberations will be felt for generations to come.

And I have seen a change within my own family. My parents' lives have been a struggle for dignity. Yet now in restaurants and shops, people who would once have acted chilly are friendly. The hearing teachers who complained about my father's appointment stopped grumbling, suddenly realizing how important it is for deaf people to govern themselves. And now my father has a new struggle on his hands: There have been calls to close the Indiana School for the Deaf—as well as other schools for the deaf around the country. My father doesn't want that. He feels many deaf people need a place of their own, a place where they are understood.●

ORDERS FOR TOMORROW

RECESS UNTIL 10:45 A.M. TOMORROW

LIVE QUORUM CALL

Mr. MITCHELL. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until 10:45 a.m. tomorrow, Thursday, May 11, and that following the prayer, the Senate conduct a live quorum call.

The PRESIDING OFFICER. Without objection, it is so ordered.

ARTICLES OF IMPEACHMENT WITH RESPECT TO JUDGE WALTER L. NIXON, JR.

Mr. MITCHELL. Mr. President, upon the establishment of a quorum, the managers on the part of the House of Representatives will be admitted to present the articles of impeachment with respect to Judge Walter L. Nixon, Jr. All Senators should remain on the floor to be sworn pursuant to article 1, section 3, clause 6 of the Constitution as the Senate commences the preliminary procedures in trying the impeachment of Judge Nixon.

LEADER TIME AND MORNING BUSINESS

Mr. MITCHELL. Mr. President, following the completion of these procedures and the disposition of any resolution related to these proceedings, I

ask unanimous consent that there then be time for the two leaders, followed by a period for the transaction of routine morning business, not to extend beyond 1 p.m., with Senators permitted to speak therein for up to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROVIDING FOR THE APPOINTMENT OF A COMMITTEE TO RECEIVE AND TO REPORT EVIDENCE WITH RESPECT TO THE ARTICLES OF IMPEACHMENT AGAINST JUDGE ALCEE L. HASTINGS

Mr. MITCHELL. Mr. President, for myself and the distinguished Republican leader, I send a resolution to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A resolution (S. Res. 123) to amend Senate Resolution 38, 101st Congress, providing for the appointment of a committee to receive and report evidence with respect to the articles of impeachment against Judge Alcee L. Hastings.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Maine?

There being no objection, the Senate proceeded to consider the resolution.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 123) was agreed to, as follows:

S. RES. 123

Resolved, That section 6 of Senate Resolution 38, 101st Congress, is amended to read as follows:

"SEC. 6. The actual and necessary expenses of the committee, including the employment of staff at an annual rate of pay, and the employment of consultants with prior approval of the Committee on Rules and Administration at a rate not to exceed the maximum daily rate for a standing committee of the Senate, shall be paid from the contingent fund of the Senate from the appropriation account "Miscellaneous Items" upon vouchers approved by the chairman of the committee, except that no voucher shall be required to pay the salary of any employee who is compensated at an annual rate of pay."

Mr. MITCHELL. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AUTHORIZING A FIRST STRIKE CEREMONY AT THE U.S. CAPITOL FOR THE BICENTENNIAL OF THE CONGRESS COMMEMORATIVE COIN

Mr. MITCHELL. Mr. President, on behalf of Senator BYRD, myself, and Senator DOLE, I send a joint resolution to the desk and ask for its immediate consideration. The joint resolution authorizes a ceremony here at the Capitol for the first strike of the bicentennial of the Congress commemorative coin.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A joint resolution (S.J. Res. 128) authorizing a first strike ceremony at the United States Capitol for the Bicentennial of the Congress Commemorative Coin.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Maine?

There being no objection, the Senate proceeded to consider the joint resolution.

Mr. BYRD. Mr. President, this is a joint resolution to authorize a first strike ceremony on June 14, 1989, Flag Day, at the U.S. Capitol for the bicentennial of the Congress commemorative coin. Under this resolution authority is granted for such a ceremony to be conducted on the Capitol grounds, and for the appropriate congressional offices to make arrangements necessary to prepare for and conduct this event. The joint resolution will also allow the U.S. Mint to strike coins authorized by the bicentennial of the U.S. Congress Commemorative Coin Act in Washington, DC, during the ceremony authorized by this joint resolution.

The Coin Act was passed in the 100th Congress to authorize the minting of $5 gold coins, $1 silver coins, and half dollar clad coins with designs emblematic of the bicentennial of the U.S. Congress. A significant portion of the surcharges received from the sale of these coins will be deposited in the Capitol preservation fund for restorations and improvements in the U.S. Capitol building as Congress' lasting bicentennial gift to the American people. The balance of the surcharges received by the Secretary of the Treasury shall be deposited in the general fund of the Treasury for the sole purpose of reducing the national debt.

The first strike ceremony authorized by this joint resolution will be a historic occasion on which U.S. coins will be minted for the first time at other than a U.S. Government Mint facility. Certainly, the grounds of the U.S. Capitol on Flag Day will provide a beautiful and fitting location to strike the first several coins minted to commemorate the bicentennial of the Congress, especially where proceeds from this coin will go toward the restoration and improvement of our "shrine of democracy," the Capitol.

The PRESIDING OFFICER. The joint resolution is before the Senate and open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S.J. RES. 128

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. AUTHORIZATION OF A FIRST STRIKE CEREMONY AT THE UNITED STATES CAPITOL FOR THE BICENTENNIAL OF THE CONGRESS COMMEMORATIVE COIN.

(a) On June 14, 1989, or any other date that the President pro tempore of the Senate and the Speaker of the House of Representatives jointly designate, a first strike ceremony may be conducted at the United States Capitol and on the Capitol Grounds to strike coins authorized by the Bicentennial of the United States Congress Commemorative Coin Act (P.L. 100-673).

(b) All activities of and preparations for the ceremony authorized by subsection (a), including the striking and distribution of coins, shall be jointly coordinated with the Commissions on the Bicentennials of the United States Senate and the United States House of Representatives and the Secretary of the Treasury.

(c) Notwithstanding the Bicentennial of the United States Congress Commemorative Coin Act or any other provision of law, the United States Mint may strike coins authorized by the Bicentennial of the United States Congress Commemorative Coin Act in Washington, DC, during first strike ceremonies conducted as authorized by subsection (a). Such coins shall bear the mint mark of the mint facility which is designated to strike the coins.

SEC. 2. RESPONSIBILITY OF CONGRESSIONAL OFFICERS AND PHYSICAL PREPARATIONS.

(a) Under the direction of the President pro tempore of the Senate and the Speaker of the House, the Secretary of the Senate, the Clerk of the House, the Architect of the Capitol, and the Capitol Police Board shall take any action necessary to carry out section 1.

(b) The Architect of the Capitol may prescribe conditions for physical preparations for the ceremony authorized in section 1.

Mr. MITCHELL. Mr. President, I move to reconsider the vote by which the joint resolution was passed.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AUTHORIZING THE 1989 LAW ENFORCEMENT TORCH RUN FOR SPECIAL OLYMPICS THROUGH CAPITOL GROUNDS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Rules Committee be discharged from further consideration of House Concurrent Resolution 71, a concurrent resolution authorizing the 1989 law enforcement torch run for the Special Olympics to be run through the Capital Grounds, and that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A concurrent resolution (H. Con. Res. 71) authorizing the 1989 law enforcement torch run for Special Olympics to be run through the Capitol Grounds.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Maine?

There being no objection, the Senate proceeded to consider the concurrent resolution.

The PRESIDING OFFICER. The question is on agreeing to the concurrent resolution.

The concurrent resolution (H. Con. Res. 71) was agreed to.

Mr. MITCHELL. Mr. President, I move to reconsider the vote by which the concurrent resolution was agreed to.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

NATIONAL OSTEOPOROSIS PREVENTION WEEK

Mr. MITCHELL. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on Senate Joint Resolution 37.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the resolution from the Senate (S.J. Res. 37) entitled "Joint resolution designating the week beginning May 14, 1989, as "National Osteoporosis Prevention Week of 1989", do pass with the following amendments:

Page 2, line 3, strike out "1989, is", and insert "1989, and the week beginning May 13, 1990, are".

Page 2, line 4, strike out "of 1989".

Amend the title so as to read: "Joint resolution designating the week beginning May 14, 1989, and the work beginning May 13, 1990, as 'National Osteoporosis Prevention Week'."

Mr. MITCHELL. Mr. President, I move that the Senate concur in the amendments of the House.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Maine.

The motion was agreed to.

Mr. MITCHELL. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate proceed to executive session to consider the following nominations:

Calendar Order No. 100, Paul D. Wolfowitz to be Under Secretary of Defense for Policy; Calendar Order No. 104, Eric I. Garfinkel to be an Assistant Secretary of Commerce; Calendar Order No. 105, Constance Horner to be Under Secretary of Health and Human Services; Calendar Order No. 106, Mary Sheila Gall to be Assistant Secretary of Health and Human Services; Calendar Order No. 108, Charles H. Dallara to be a Deputy Under Secretary of the Treasury; Calendar Order No. 109, Hollis S. McLoughlin to be an Assistant Secretary of the Treasury; Calendar Order No. 110, Roger Bolton to be an Assistant Secretary of the Treasury, and Calendar Order No. 111, Kay C. James to be an Assistant Secretary of Health and Human Services.

I further ask unanimous consent that the nominees be confirmed, en bloc, that any statements appear in the RECORD as if read, that the motions to reconsider be laid upon the table, en bloc, and that the President be immediately notified of the Senate's action.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations considered and confirmed en block are as follows:

DEPARTMENT OF DEFENSE

Paul Dundes Wolfowitz, of the District of Columbia, to be Under Secretary of Defense for Policy.

DEPARTMENT OF COMMERCE

Eric I. Garfinkel, of Maryland, to be an Assistant Secretary of Commerce.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Constance Horner, of the District of Columbia, to be Under Secretary of Health and Human Services.

Mary Sheila Galkl, of Virginia, to be an Assistant Secretary of Health and Human Services.

DEPARTMENT OF THE TREASURY

Charles H. Dallara, of South Carolina, to be a Deputy Under Secretary of the Treasury.

Hollis S. McLoughlin, of New Jersey, to be an Assistant Secretary of the Treasury.

Roger Bolton, of Virginia, to be an Assistant Secretary of the Treasury.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Kay Coles James, of Virginia, to be an Assistant Secretary of Health and Human Services.

LEGISLATIVE SESSION

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. MITCHELL. Mr. President, I want to call to the attention of Senators the fact that there will be a live quorum tomorrow morning commencing at about 10:45 a.m. and that, upon the establishment of a quorum, the managers on the part of the House of Representatives will present the articles of impeachment with respect to the proceedings against Judge Walter L. Nixon. All Senators should be present and remain on the floor to be sworn and to receive the House managers and their presentation.

RECESS UNTIL TOMORROW AT 10:45 A.M.

Mr. MITCHELL. Does the distinguished Republican leader have any further business?

Mr. DOLE. I have nothing.

Mr. MITCHELL. If no Senator is seeking recognition, I now ask unanimous consent that the Senate stand in recess under the previous order until 10:45 a.m. on Thursday, May 11.

There being no objection, the Senate, at 5:11 p.m., recessed until Thursday, May 11, 1989, at 10:45 a.m.

NOMINATIONS

Executive nominations received by the Senate May 10, 1989:

ENVIRONMENTAL PROTECTION AGENCY

FRANK HENRY HABICHT II, OF VIRGINIA, TO BE DEPUTY ADMINISTRATOR OF THE ENVIRONMENTAL PROTECTION AGENCY, VICE A. JAMES BARNES, RESIGNED.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 10, 1989:

DEPARTMENT OF THE TREASURY

CHARLES H. DALLARA, OF SOUTH CAROLINA, TO BE A DEPUTY UNDER SECRETARY OF THE TREASURY.

DEPARTMENT OF COMMERCE

ERIC I. GARFINKEL, OF MARYLAND, TO BE AN ASSISTANT SECRETARY OF COMMERCE.

DEPARTMENT OF THE TREASURY

HOLLIS S. MCLOUGHLIN, OF NEW JERSEY, TO BE AN ASSISTANT SECRETARY OF THE TREASURY.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

CONSTANCE HORNER, OF THE DISTRICT OF COLUMBIA, TO BE UNDER SECRETARY OF HEALTH AND HUMAN SERVICES.

MARY SHEILA GALL, OF VIRGINIA, TO BE AN ASSISTANT SECRETARY OF HEALTH AND HUMAN SERVICES.

DEPARTMENT OF THE TREASURY

ROGER BOLTON, OF VIRGINIA, TO BE AN ASSISTANT SECRETARY OF THE TREASURY.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

KAY COLES JAMES, OF VIRGINIA, TO BE AN ASSISTANT SECRETARY OF HEALTH AND HUMAN SERVICES.

DEPARTMENT OF DEFENSE

PAUL DUNDES WOLFOWITZ, OF THE DISTRICT OF COLUMBIA, TO BE UNDER SECRETARY OF DEFENSE FOR POLICY.

THE ABOVE NOMINATIONS WERE APPROVED SUBJECT TO THE NOMINEES' COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.

HOUSE OF REPRESENTATIVES—*Wednesday, May 10, 1989*

The House met at 2 p.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

O gracious God, as Your loving spirit has inspired people through all the years to do the good works of grace, so inspire us to be good stewards of that same grace by doing the deeds of justice and mercy in our time and day. Make broad our vision, O God, so we see holy tasks, not only in temples of stone and glass, but in the concerns before us, in the responsibilities of our work, and by an attitude of respect with all those people we meet. Bless us this day and every day. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER. Would the gentleman from California [Mr. GALLEGLY] please come forward and lead our colleagues in the Pledge of Allegiance.

Mr. GALLEGLY led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed without amendment a joint resolution of the House of the following title:

H.J. Res. 135. Joint resolution to designate the week beginning May 7, 1989, as "National Correctional Officers Week."

The message also announced that the Senate had passed a joint resolution of the following title, in which the concurrence of the House is requested:

S.J. Res. 65. Joint resolution designating June 12, 1989, as "Anne Frank Day."

The message also announced that Mr. ARMSTRONG be a conferee, on the part of the Senate on the concurrent resolution (H. Con. Res. 106) entitled "Concurrent resolution setting forth the congressional budget for the United States Government for the fiscal years 1990, 1991, and 1992," vice Mr. KASTEN, excused.

APPOINTMENT AS MEMBERS OF THE COMMISSION ON THE UKRAINE FAMINE

The SPEAKER. Pursuant to the provisions of section 4(a) of title 5, Public Law 99-180, the Chair appoints as members of the Commission on the Ukraine Famine the following Members on the part of the House:

Mr. HERTEL of Michigan, Chairman;
Mr. DORGAN of North Dakota;
Mr. BROOMFIELD of Michigan; and
Mr. GILMAN of New York.

PROFESSIONAL MILITARY EDUCATION REPORT

(Mr. SKELTON asked and was given permission to address the House for 1 minute.)

Mr. SKELTON. Mr. Speaker, last week the Committee on Armed Services, the Panel on Military Education, of which I am chairman, issued the 206-page report calling for improvement in the intermediate and senior level educational programs of the four armed services, the war colleges and command and general staff schools.

Our charter was to assess the Defense Department's ability to develop professional military strategists and to review the joint professional military education requirements of the Goldwater-Nichols Act of 1986. Through the course of the 17-month effort the panel visited all 10 of the military colleges and held 28 hearing with 48 witnesses.

Our effort was the first congressional review of our professional military education. While the American military system is basically sound, improvements can be made. We have a number of suggestions to strengthen the system which will combine greater operational competence in the military level with sound management and strategic thinking at the national political level. Starting tomorrow, Mr. Speaker, I will give a series of floor speeches during special orders on our recommendations. We can make our military educational system even better, and as a result, have a stronger national security.

PROPOSED FSX AGREEMENT SACRIFICES COMPETITIVENESS

(Mr. ERDREICH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ERDREICH. Mr. Speaker, we cannot judge defense sales entirely on issues of alliance management or defense cooperation. The proposed FSX fighter aircraft agreement between the administration and the Japanese Government raises broader concerns of our economic survival in an increasingly competitive world. Economic competitiveness is and must be a necessary component of our national security policy.

This proposal sacrifices the long-term competitiveness of the U.S. aerospace industry. It allows vital U.S. technologies to be freely transferred to Japanese firms, greatly helping their aircraft industry compete with American businesses. If this is the best deal the Pentagon could obtain, then I would rather have no deal.

At the earliest, the FSX will be operable in 1997, but Japan's defense needs are immediate. By purchasing F-16's or other top of the line United States fighter planes, Japan can meet their present national security goals and strengthen our bilateral relationship by reducing the $55 billion trade deficit that exists between our two countries. Those huge trade deficits take jobs from Alabama and America. We should pursue agreements to reduce those deficits.

The FSX agreement is a poor deal for the United States. The time has come for us to stand up for America's economic self-interest. Wake up, Uncle Sam; American jobs and our competitiveness are at risk.

LEGISLATION EXCLUDING TAXATION ON SALE OF PRINCIPAL RESIDENCE

(Mr. SCHULZE asked and was given permission to address the House for 1 minute.)

Mr. SCHULZE. Mr. Speaker, a debate in the Congress is raging on the proper tax treatment of capital gains income. One central part of this debate must not be ignored—the treatment of real estate.

For any capital gains proposal to be seriously considered by this body, it must be perceived as fair and beneficial to all Americans. The Bush proposal, while a good start, does not go far enough in attracting middle income investors. It excludes depreciable real estate.

Legislation I have introduced, H.R. 1287, excluding 100 percent of the gain of the sale of a principal residence from taxation, would bring the Bush proposal the public support it needs to gain serious consideration. I urge my colleagues to cosponsor my legislation

and protect the American dream of homeownership from the ravages of inflation.

Any capital gains solution must include real property—the backbone of taxpayer investment in America.

STOP THE FSX DEAL

(Mr. LIPINSKI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LIPINSKI. Mr. Speaker, the FSX deal is another sign of the United States undermining its own economic competitiveness worldwide.

If Japan is serious about sharing the defense burden and relieving America's massive trade deficit, it should buy F-16's directly.

While America has poured tax dollars into new weapons systems, Japan has invested in new products sold in America. The United States needs a comprehensive economic policy to address this inequity, not the FSX deal to compound the problem.

Technology transfers are nothing new. Japan came here for VCR and semiconductor technology, and promptly destroyed American leadership in those industries. Japan certainly has a right to create its own civil aeronautics industry, but we need not subsidize a venture which could undermine America.

By disapproving the FSX deal, Congress can place a high priority on American economic competitiveness—a policy which will offer more rewards than the FSX deal ever could.

□ 1410

THIS IS DEFINITELY NOT GOVERNING

(Mr. PORTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PORTER. Mr. Speaker, yesterday in voting 397 to 10 for a motion putting gasoline taxes off limits, we showed, once again, how adept we are at saying, forcefully, what we won't do to solve the deficit crisis.

Last year, on a budget BILL FRENZEL and I offered, the House forcefully rejected addressing the deficit with a hard freeze on everything. Our budget found only 64 courageous souls out of 435.

A week or so ago, there were less than half that number supporting JOHN KASICH and his attempt at a soft freeze, one leaving out Social Security.

So, Mr. Speaker, if the American people want to know what we won't do about the deficit, we're clearly and strongly on the record.

Finding out what we will do, however, is a mite harder. In fact, other than adopting six straight budgets of deceit, with fudged numbers, wildly optimistic economic assumptions, spending flipped between fiscal years, smoke, mirrors, and thoroughly cooked books, the plain answer to what we will do is nothing.

Mr. Speaker, this is government by poll. When we survey people and ask them if they want to pay more taxes, of course they say no. When we ask them if, instead, they want less services, they also say no. So what Congress does is simply reflect their preferences. No less services, no increase in taxes. This takes no leadership, no courage, no tough choices, no responsibility for the bottom line, and no recognition of what we are doing to our young, who will ultimately be the ones to pay.

This approach is definitely perpetuating ourselves in office, with over 98 percent of Members being reelected in the last two elections. But, Mr. Speaker, this is definitely not governing.

JOHN HINCKLEY'S MIRACULOUS CURE

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, we remember John Hinckley. John Hinckley tried to kill President Reagan in 1981. Thank God he failed.

Hinckley said he was innocent. He had a plea. He said it was temporary insanity. Everybody bought it. John Hinckley dodged the bullet.

Now, guess what? John Hinckley says miraculously he is all cured and he does not want any more problems with America. He says he is willing to leave America and never return.

Now, how nice of John Hinckley. I say John Hinckley made his bed and he should sleep in it. I did not buy that garbage plea of insanity years back, and I say that John Hinckley is now just trying to have an option. If his aim had been better, President Reagan and Nancy would have had no option. I say John Hinckley should spend the rest of his life in an insane asylum. He earned it.

MASSIVE OPPOSITION TO NORIEGA POWER GRAB

(Mr. LAGOMARSINO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LAGOMARSINO. Mr. Speaker, as a member of the Presidential delegation to Panama to observe the elections on May 7, I am shocked—but not surprised—by the callous disregard of General Noriega for the wishes of the Panamanian people.

The hundreds of thousands of Panamanians who expressed their desire to see a change in government in their country have been ignored, and their demands for justice have been suppressed.

The outpouring of opposition to Noriega was so massive that he had to resort to a total manipulation of the results. It was not just a matter of changing a few tallies here and stuffing a few ballot boxes there. It required a complete disruption of the tabulation process—world class fraud.

The evidence collected by independent sources including the Catholic Church suggests that the percentages for the opposition were so high that even large numbers of the Panama defense forces and Government employees must have voted for the opposition as well.

Now that Noriega's theft of the election has been carried out, it is imperative that the administration, the Congress and our allies in the region work together to devise a strategy to remove Noriega from power in Panama. The Panamanian people deserve better, and the United States national security interests demand it.

ABORTION

(Mr. SCHEUER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHEUER. Mr. Speaker, among the many prochoice letters constituents have sent recently, one letter in particular stands out.

It is about the days of no choice, before the Roe versus Wade decision was handed down.

One New York woman, pregnant by accident in the 1950's, was desperate for an abortion.

Her abortion was performed by a stranger, in an apartment in a seedy section of Greenwich Village.

She writes:

> The only other person present was the woman who had let me in, given me something to drink, and was now stuffing rags into me.
>
> The woman finally finished, and indicated—we had something of a language barrier—that I was to return the next day.
>
> Terrible cramps followed, and I did return the next day.

When it was over, she writes:

> I was no longer trapped. I felt nothing but enormous relief.
>
> There has been no aftermath of physical or mental trauma—not then, and not ever.

She is, in her words:

> Haunted by the thought of my daughter—or any woman's daughter—having to undergo an illegal abortion under similar primitive and dangerous circumstances.

That thought haunts me, too.

SAVING LIVES BY ALLOWING WOMEN REPRODUCTIVE FREEDOM AND CHOICE

(Mrs. COLLINS asked and was given permission to address the House for 1

minute and to revise and extend her remarks.)

Mrs. COLLINS. Mr. Speaker, the Supreme Court has heard oral arguments in the case Webster versus Reproductive Health Services, and a decision is expected this summer. At this time I wanted to take a minute to read a letter from an Illinois woman describing the horrible reproductive choices that women had to make before the Roe versus Wade decision. Restricting the right to choose abortion would surely mean a return to these very dark days for women.

The woman reports:

When I was in high school, abortion was not legal in Illinois. I remember hearing a pregnant 15-year-old offer to sleep with an entire car-full of young men in hopes that this vigorous activity would cause her to lose the baby. I remember one young man of my acquaintance repeatedly punching his 16-year-old girlfriend in the stomach in hopes of initiating a miscarriage. I know of another case in the late fifties in which a woman tried to self-abort by douching with an industrial solvent. Her son, born alive, is in his 30's now with the reasoning ability of a 6-year-old. No one knows who will take care of him when his mother dies.

Mr. Speaker, American teenagers and women deserve better than this. Roe versus Wade has made such horrible actions and results a thing of the past. Surely our government must not subject women to these terrors again. We must not close off the legal right of women to have reproductive freedom and choice.

OFFENSIVE ARTWORK GETS GOVERNMENTAL RECOGNITION

(Mr. BAKER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BAKER. Mr. Speaker, the protection of the first amendment right to expression is a precious right that should be defended by all Americans, even when the perspective which is expressed is contrary to our own beliefs. There is, however, a marked difference between the right to self-expression, and governmental support of views which are offensive and contrary to basic tenets of the American value system. I am shocked by the recent actions of the National Endowment of the Arts in recognizing the work of Mr. Andres Serrano as accomplished artistic achievement. This individual photographed a crucifix submerged in a container of urine. For this effort, he was rewarded with a $15,000 prize, which is funded by taxpayers, and has his work included in a nationwide tour of carefully selected art by the National Endowment for the Arts. Whether this individual shares my religious perspective is of no concern. Whether this individual has the right to engage in such pursuits, is not in question. Whether someone feels that this work has artistic value, is a matter of personal judgment. I am enraged, Mr. Speaker, because taxpayer dollars have been used to reward actions offensive to the vast majority of Americans. Holding up this work as that which our Government rewards, is denegrating the values which are the foundation of our democracy. I know there are thousands of Americans who have fought to defend the right of free speech and expression, who feel as I do. I cannot stand by and let this action be viewed as artistic excellence. Our Government has no conceivable defense for this action. It must not happen again.

□ 1420

LET LUJAN BE LUJAN

(Mr. VENTO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. VENTO. Madam Speaker, last night the Public Broadcasting System aired on the "Frontline" news program a documentary entitled "Yellowstone Under Fire." At first blush you may have thought this was a look at the fires that raged in Yellowstone National Park last summer. The program though was devoted to a far more insidious threat to one of our premier national parks, a threat that continues to have repercussions for Yellowstone long after the smoke of the fires have cleared. The expanding and encroaching development that encircles the perimeter of Yellowstone National Park is without question the single greatest threat facing this park and others today. Accelerated timber sales, oil and gas drilling, hardrock mining, and expanding subdivisions and other development along the park's borders threaten to turn the park and its resources into an island, cut off from the surrounding ecosystem that is so vital to the park's survival.

What "Frontline" exposed for all to see was that this threat to the park was and is in good part the Reagan administration's own making. During the past 8 years development of public lands around the park has been undertaken at breakneck speed, exceeding that undertaken during the 4 previous administrations combined. The tragedy, as "Frontline" showed, was compounded as the Reagan administration sat back, forgoing the opportunity to head off problems affecting the park ecosystem before they arose so that today we are playing catch up, attempting to mitigate the dangers posed by development encroaching the park.

Furthermore, it would have been bad enough if the Reagan administration policies were the result of blind ignorance, yet as "Frontline" showed they were clearly calculated. There was former Interior Secretary Jim Watt on the show still espousing his discredited policies and boasting that his successors are carrying forth these policies even today. I knew Jim Watt. I fought Jim Watt and I've seen the damage Jim Watt wrought. Secretary Lujan, you're no Jim Watt for which all I can say thank goodness. Let Lujan be Lujan, Mr. Watt. The discredited Watt policies have no place in the Interior Department. I call upon President Bush to uphold his campaign pledge where he resolved "I'd like to be known as a President who strengthened our park system and passed it on to the next generation of Americans in better shape than we found it. * * * I will undertake a program to strengthen and preserve our parks." Yellowstone and other national parks today are waiting, Mr. President.

INTRODUCTION OF LEGISLATION TO REPEAL CERTIFICATION TEST FOR NURSE'S AIDES

(Mr. GEKAS asked and was given permission to address the House for 1 minute.)

Mr. GEKAS. Madam Speaker, do my colleagues know that every single nurse's aide in every single nursing home in every one of our congressional districts could stand to lose his or her job by January 1, 1990, if certain provisions of the Omnibus Budget Reconciliation Act of 1987 are permitted to come into effect because of certain provisions in that act? No nurse's aide can continue to work unless they pass a State certified examination for continuation of work which they have performed sometimes for 25 and 30 years, but who have never had to take an examination to do so.

Madam Speaker, this is a dangerous result of this particular act, and it threatens the health care facilities in each and every one of our districts. There is no need to punish, to throw out of work, nurse's aides who have worked their art of tender care for their patients over a long period of time on the basis of some artificial certification test.

Thus, Madam Speaker, I am introducing two pieces of legislation today, one for the outright repeal of that provision of OBRA in order to give us a chance to look at it again; and, second, as a fallback position, a bill to grandfather, at least to grandfather in those employees who will be already on duty before July 1, 1989.

Madam Speaker, I ask for the consideration of the Members for these pieces of legislation.

MINIMUM WAGE

(Mr. WILLIAMS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WILLIAMS. Madam Speaker, I was home again in Montana this last weekend, and among the meetings I had was one meeting with a couple of dozen workers. One of those workers' name is Helen.

Madam Speaker, Helen told me that she has been a waitress for 33 years and has worked for the same chain restaurant company in Montana. After 33 years Helen, in her early sixties, earns $3.35 an hour.

Madam Speaker, let me say to Helen, "Helen, we're about to pass a minimum wage bill here to help you, and the President of the United States is going to veto it, and, Helen, the majority of the Republicans in this Chamber seem satisfied that, after 33 years, you're making $3.35 an hour.

QUESTION OF PRIORITIES

(Mr. MICHEL asked and was given permission to address the House for 1 minute.)

Mr. MICHEL. Madam Speaker, occasionally an issue arises that brings us a question of priorities, not just in the ordinary sense, but as symbolic of larger, more profound issues.

Take the issue of the proposed exemptions from Gramm-Rudman.

In considering the FSLIC restucturing bill, the majority wants to (a) place the $50 billion financing mechanism on budget and (b) exempt that money from Gramm-Rudman-Hollings deficit targets.

This is a concept the administration is concerned about because it will delay enactment of the S&L solution. So allow me to remind our colleagues of one principle that I thought we had all agreed to.

Exemptions from Gramm-Rudman should be taken only in the most extraordinary circumstances.

Such a circumstance already exists with regard to the Medicare catastrophic health care law.

It is clear to most of us that the catastrophic surtax provisions create too large a burden for our elderly.

But if we are going to correct this injustice—for that is what it is—we will need a Gramm-Rudman exclusion because our budget baseline already anticipates revenue for the surtax.

Madam Speaker, as I see it, some want to make a unique exception to Gramm-Rudman for the sake of savings and loan institutions.

Others, such as this Member, would prefer to make that unique exception for the sake of elderly Americans crushed by an unjust burden.

It is a question of priorities, Madam Speaker.

A SALUTE TO STEELWORKERS OF THE OHIO VALLEY

(Mr. APPLEGATE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. APPLEGATE. Madam Speaker, it is with a great deal of pride that I rise today to pay tribute to the steelworking men and women of the Ohio Valley. This is very fitting in light of the dedication of a statue in Steubenville, OH on Thursday, May 18th commemorating the valley's steelworkers. The sculpture, standing 7 feet tall, and weighing nearly 4 tons, depicts a steelworker garbed in the protective clothing worn by those who work the open hearth furnace in a steel mill.

At a time when the country seems to be moving in a direction away from our basic industrial base and our smokestack industries, it is important to remember our roots, how we have progressed and the key role that the American steelworker played in this transition. It is also very important to understand that while the steel industry has undergone significant change in the last decade, and continues to change today, it is not a dinosaur as some would believe; but rather a striving industry that relies much upon high technology itself and is poised to again be a major force in the industrial heartland of America.

The key ingredient to this industry has been, is and will always be the steelworker. While the tasks they perform may have changed, it is still the efforts of the many men and women in the industry who have made the industry what it is today. They are a dedicated, proud, and hard working lot that have endured many difficult times always to rebound and not only make the industry better, but themselves as well. They epitomize the American work ethic which is very much alive and well.

The American steelworker is not afraid of competition by foreign companies or their workers. There is no doubt that we can outproduce, man for man and woman for woman, workers from any other country and at a very competitive price.

The dedication of the statue in Steubenville is symbolic of the trials and tribulations of steelworkers and the strengths and abilities upon which they helped build the American steel industry to be the very best.

Madam Speaker, I hope that you and my colleagues will join with me in commending all steelworkers and thanking them for their contributions to America.

A WOMAN'S RIGHT TO CHOOSE

(Mr. SMITH of Vermont asked and was given permission to address the House for 1 minute and to revise and extend his remarks, and include extraneous matter.)

Mr. SMITH of Vermont. Madam Speaker, I would like to read excerpts from a letter which I received from a young woman in the State of Vermont, which I represent, having to do with her feelings about a woman's right to choose an abortion:

I became pregnant two months before my graduation from college, in spring, 1970. My graduation plans included a job and possibly graduate school; marriage and motherhood were still far in my future. I was in no position to raise a child either financially or—especially—emotionally.

We lived in New York, and abortion was illegal then except when the pregnancy threatened the life of the mother. A minister explained how to arrange to go to New Orleans for an abortion. I would have to arrive and leave the same day and travel alone. No names involved. The cost was very expensive and did not include transportation. I felt like a criminal; I suppose had I gone through with it, I would have been one.

I was able to get a legal abortion, however, because I could demonstrate that if I went through with my pregnancy, I would probably die. At least I was able to obtain a safe abortion. The total monetary cost was well over $1,000. The emotional price was unmeasurable.

I hope that when you and your colleagues consider the abortion issue, you will keep the mothers' stories in mind. I consider myself extremely fortunate. I have always had my family's support and access to enough money to cover emergencies. In the era when abortion was illegal, other women were not so lucky. They didn't pay for their abortions merely with great unhappiness—they paid with their lives.

Sincerely,

——— ———.

BRATTLEBORO, VT.

□ 1430

HONORING THE CREW OF UNITED AIRLINES FLIGHT 811

(Mr. AKAKA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. AKAKA. Madam Speaker, the Secretary of Transportation, Samuel Skinner, honored the crew of United Airlines Flight 811 today with the Secretary's Award for Heroism.

As many of you will recall, the cargo door of United Flight 811 was blown open in flight over the Pacific Ocean on February 24. What could have been a tragedy of massive proportions was averted by the crew's heroic conduct during that terrifying emergency. Even with the threat of personal injury or death, the crew acted with the courage and skill of true well-trained professionals.

The flight attendants have shown that beneath their smile and kind words are even greater qualities: Courage, commitment, and concern for the safety of airline passengers. Now more than ever, these are the virtues that

stand out when people think of flight attendants.

The pilots maneuvered the impaired plane back to safety with skill and adroitness. Calm, cool, and collected they are the embodiment of the fearless aviators in the sky.

To the crew of United Flight 811, congratulations on receiving the Secretary's Award for Heroism. You are deserving recipients for your valiant efforts in securing the safe return of several hundred people on board. You are an inspiration to us all.

TRANSFER OF TECHNOLOGY OF F-16 FIGHTER A BAD IDEA

(Mr. JAMES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. JAMES. Madam Speaker, transferring our F-16 fighter technology to the Japanese is, plainly and simply, a horrible idea. It holds dire, long-term consequences for this Nation. The plan is to provide this state-of-the-art technology to the Japanese for free. They will use it to compete with U.S. firms. Many in Congress oppose subsidies for U.S. industry. But this is worse, it is a United States subsidy for the Japanese aerospace industry.

It cost U.S. firms $7 billion to develop this technology. Yet we are giving it to the Japanese for nothing. In return, we get a promise of a possible 40 percent of the component manufacturing for the FSX aircraft Japan intends to build. That is a lousy business deal. And there is no guarantee that this critical technology won't be leaked to our enemies. It was not too long ago that submarine technology we shared with Japan's Toshiba Corp. wound up in Soviet hands costing United States defense firms billions of dollars and greatly diminishing national security. We just cannot afford to take that risk again.

We have a constitutional duty to serve and protect the interests and the well-being of the American people. This proposal to give Japan our best technology fails that charter.

A TRIBUTE TO THE LATE CHANCELLOR OF NEW YORK CITY SCHOOL SYSTEM

(Mr. SCHUMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHUMER. Madam Speaker, today all New Yorkers and all Americans mourn the loss of a great leader, chancellor of the New York City Board of Education, Richard Green, who was taken at the untimely age of 53.

Richard Green was not a New Yorker, but our city asked great things of him. We asked him to run our school system, and amidst the most trying times in history, an era of unparalleled violence and drugs, he began a sensible, thoughtful reform of the school system. That he died so early in this task is a tragedy, not just for his family, but for all New Yorkers.

A few months ago, I sat down with Richard Green and we discussed the obstacles he faced. He said something that I think this city and our country should take to heart. He said that New York has a good school system, one of the best of the big cities, but the relentless focus on the negative was his greatest problem. The focus on the negative made his announcement of a brandnew prekindergarten program an insignificant event, but the arrest of a single principal a nonstop crisis.

We should learn from the thoughtful and positive leadership of Chancellor Green. He shunned expediency. He did what he thought was best for the city's children. It is his family's tragedy, a tragedy of all ours, that he was never able to implement his wonderful ideals.

UNITED STATES MILITARY COPRODUCTION PROGRAMS ASSIST JAPAN IN DEVELOPING ITS CIVIL AIRCRAFT INDUSTRY

(Mrs. BENTLEY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BENTLEY. Madam Speaker, this week and next week the Congress of the United States is considering the agreement between Japan and the United States concerning the codevelopment of the FSX airplane. In connection with that, I want to read some paragraphs from a 1982 report by the General Accounting Office concerning the United States military coproduction programs of the F-15, which assists Japan in developing its civil aircraft industry. The cover has this paragraph on it:

> In the post World War II period, Japan's aircraft industry grew and developed largely through U.S. military coproduction programs. Much of the technology transferred through these programs has commercial application. Now, building on the experience and technology gained through military coproduction programs, the Government of Japan is assisting in the development of the civil aircraft industry, along with other high technology export industries.

I point this out particularly, Madam Speaker, because we have heard so much that this will not lead to civil aircraft production.

In the conclusions the GAO says:

> The Departments of State and Defense have not given adequate attention to the economic implications of coproduction along with the political and military objectives. It is appropriate for Japan and other countries to consider their economic interests when addressing defense issues, but we believe it is just appropriate for the United States to do the same.
>
> The United States receives some economic benefits from coproduction with Japan in the form of licensing and technical assistance fees. Also, as in the case of the F-15, a significant portion of the aircraft's value is U.S.-produced, and some machinery and tools are sold to Japan for their production facilities. However, there could be long-term adverse effects on the U.S. economy. Coproduction by definition involves the transfer of technology and industrial know-how. The transfer of military technology with commercial application could contribute to the erosion of our technology-based comparative advantage.
>
> Coproduction of U.S. military aircraft with Japan contributes to Japan's national goal of developing a world class civil aircraft industry and enlarging its share of the world market.

We need to think of this warning, Madam Speaker, when we consider entering into a much more complex agreement, that of codevelopment, not just coproduction, of the more sophisticated and much more highly technical aircraft, the F-16.

The agreement should be voted down.

TRIBUTE TO THE LATE CHANCELLOR GREEN OF NEW YORK CITY SCHOOL SYSTEM

(Mr. FLAKE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FLAKE. Madam Speaker, today we come to a point in our lives of great mourning in the city of New York for a man who a year ago assumed the position of the New York City school system as its chancellor.

The life of Richard Green is one that has served as a role model for many of the young people of that city, many young people of our Nation, a young man who grew up in the ghettos of Minneapolis, made his way into Harvard University to receive a Ph.D., and from there to go back and become the superintendent of schools of Minneapolis and then to be asked to take over the school system of New York, a city where the dropout rate is extremely high, a city where motivation is lacking, a city where many do not feel that it is possible to get an education, and yet a city where Richard Green dared to come and say that education can be meaningful, that education can be a matter of excellence, and by his own life demonstrating the possibility of academic excellence for those who would aspire to achieve it.

Therefore, Richard Green is not only an example for New York City, Richard Green represents an example for the Nation. For young people who feel captured in the ghettos, for young people who are captured in environments where they cannot learn, Richard Green demonstrated that you can

overcome, and though he has been taken from us, though he leaves at a very early stage in his chronological life, that which he tried to innovate in education remains with us to emulate.

□ 1440

PANAMA

(Mr. SOLOMON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SOLOMON. Madam Speaker, the dirty little secret is out of the box: The Government of Panama led by General Noriega is no more a reflection of public opinion in Panama than any other ruthless dictatorship. The election this past weekend was a complete fraud. And as soon as it became apparent that Noriega's hand-picked stooge would receive no more than 25 percent of the votes, Noriega stole the election.

Madam Speaker, the time has come for us to recognize what can no longer be denied: Our country will not turn over the Panama Canal to Noriega and his ilk. Our treaty commitment is with the people of Panama, not their oppressors.

Accordingly, I am introducing today a resolution which is identical to the one introduced yesterday in the other body by our former colleague, CONNIE MACK. This concurrent resolution urges the President to abrogate the existing canal treaties, and to re-open negotiations with Panama only at such time as that country enjoys a government which is freely elected and reflective of the will of the people.

INTRODUCTION OF RESOLUTION CALLING ON INDIA TO LIFT BLOCKADE OF NEPAL

(Mr. DURBIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DURBIN. Madam Speaker, I am joining my colleagues today in introducing a resolution calling on India to immediately lift its economic blockade of Nepal and negotiate a resolution to the trade and transit differences between these two countries.

India's blockade is an inhumane effort to pressure tiny Nepal. Because of the Indian blockade, Nepal is suffering from shortages of fuel, medicine, and essential food items. America's 138 Peace Corps volunteers in the remote villages of Nepal are forced to ration fuel, reducing their travel and training activity.

Madam Speaker, I am happy to report that moral among our Peace Corps volunteers in Nepal is very high, but their work in this isolated area of the world is made more difficult by India's blockade.

I encourage my colleagues to join me, the gentleman from Iowa [Mr. LEACH], the gentleman from Oklahoma [Mr. SYNAR], the gentleman from New York [Mr. WALSH], and the gentlewoman from Washington [Mrs. UNSOELD] in cosponsoring this resolution which calls on India to immediately lift its blockade of tiny Nepal and commence negotiations with Nepal to resolve its differences without pressure.

SITUATION BETWEEN NEPAL AND INDIA

(Mr. WALSH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WALSH. Madam Speaker, today I would like to express my concern for the current conflicts between the countries of Nepal and India.

From 1970 to 1972 I served as a Peace Corps volunteer to Nepal near the border city of Raxaul. During my service I became very familiar with the country as well as the trade and transit agreements there. I was alarmed to learn of the recent dispute that has arisen between these two countries.

Nepal, the 6th poorest nation in the world, is almost completely dependent on India. Its economic survival depends on the free transit of goods over their borders, particularly the trade of petroleum, kerosene, and medical supplies. If this impasse continues and the borders remain closed, the economy will become paralyzed, and the country will begin to collapse.

Just in the past few weeks, the people of Nepal have been forced to cut down trees to replace the petroleum as fuel. This could have a serious consequence, as Nepal's forest lands are already greatly endangered, as are the diverse wildlife which inhabit the jungle.

The Nepalese have also had to close businesses and schools, postpone medical care and halt development projects that fed some of the poorest people in the world.

I wish to encourage the leaders of these two nations to sit down and discuss their differences. I would like to see the hostilities of Nepal and India negotiated in a peaceful way.

THE NEPAL-INDIA DISPUTE

(Mr. SYNAR asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SYNAR. Madam Speaker, I join today with my colleague, the gentleman from Illinois [Mr. DURBIN], in introducing the legislation which will call upon the Indian Government to come to the table with the Nepal Government to try to resolve this dispute.

Madam Speaker, great nations have great responsibilities, and India does have a great responsibility. This measured response of asking India to lead to the table of negotiations, second, to open up the border during those negotiations and, finally, to have our Secretary of State to continue to monitor it, is a very measured response that hopefully India will take not as pressure but as a simple concern by this Nation. This simple concern is not only shared by this Nation but all nations surrounding India and the rest of the world. We hope they will take the opportunity with this legislation's introduction to come to the table and open up the borders so we can resolve this dispute.

WHERE IS "DIRE SON OF SUPP."?

(Mr. CONTE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CONTE. Madam Speaker, 2 weeks ago today, the dire emergency supplemental was taken off the floor for certain corrective surgery.

Then, it was scheduled to be brought back today.

But now it has been postponed once again.

Where is this "Dire Son of Supp.?" What are we waiting for?

Hundreds of letters from veterans are pouring in, waiting on funding for their medical care.

What do we tell the veteran in Vermont, who can no longer get colostomy bags?

What do we tell the double amputee with a heart condition in Pennsylvania, who cannot get his medication?

What about the veteran in Ohio, who cannot get his monthly treatment for blood clotting?

Our Nation's veterans have risked their lives and sacrificed their limbs to keep this country free. Memorial Day is just around the corner.

And now we are playing games with their medical care?

Stop holding our veterans hostage.

Let us get a clean, trimmed down "Son of Supplemental" out here that we can pass, and cut out the monkey business. Our veterans are counting on us.

WHAT WILL WE DO WHEN DICTATORS IN NICARAGUA PULL A NORIEGA?

(Mr. WALKER asked and was given permission to address the House for 1 minute.)

Mr. WALKER. Madam Speaker, when the drug-running dictator of Panama stole the election, most nations of the world condemned what he did. Most of Panama's neighbors in Latin America condemned this perversion of democracy. There was one no-

table exception. One neighbor came to the drug-running dictator's defense. One nation thought his way of handling democracy was perfectly appropriate. That nation was Nicaragua.

Since the Commies in Nicaragua are soon to run an election of their own, what does their attitude toward the election-stealing in Panama tell us? In my opinion we have learned the Commies have no intention of having a fair and free election in Nicaragua.

The question then for us is clear: What will we be willing to do when the drug-running, gun-running dictators in Nicaragua pull a Noriega?

REJECT THE FSX PROPOSAL

(Mr. LEVINE of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEVINE of California. Madam Speaker, I think that it is important to emphasize the need for close and good relations between the United States and Japan and the need to understand that within that context it is urgent for both of our nations to take a careful, thoughtful, and hard look at whether particular agreements are or are not within the national security interests of each country.

The key question that the supporters of the FSX proposal have indicated that they will review is whether the FSX proposal will or will not significantly increase and enhance Japan's ability to compete with our civilian aerospace industry. The supporters of the FSX proposal, Madam Speaker, doubt that the FSX will enhance Japan's competitive ability.

I ask these supporters, Madam Speaker, to listen to the words of the president of Mitsubishi Heavy Industries as translated from the Japan Economic Journal on January 21 of 1989, where the then president of Mitsubishi Heavy Industries said that the FSX project will "be a great boon to us. The technology we will develop and accumulate during the project will be instrumental in developing next-generation planes such as hypersonic and supersonic transports."

We should take the Japanese leadership at their word. They are much more candid about their goals than the administration is willing to be about what their goals are. I urge us to review carefully the statements coming from responsible and candid leaders in Japan and to reject the FSX proposal.

□ 1450

WHAT THE UNITED STATES SHOULD DO ABOUT NORIEGA

(Mr. RICHARDSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RICHARDSON. Madam Speaker, our policy in Panama by President Bush has been applied correctly. There is a fraud that took place. We knew that, but what do we do? What should be our new policy?

First of all, talking about abrogating the Canal Treaty is the worst thing we could do. It would inflame Panamanian passions and would decrease our credibility in Latin America and give Noriega the card he desperately needs to show that we are beating him up.

But we need to be measured in our response, but in the same vein consistent. First, our entire bureaucracy and Congress should work together.

Second, we should consider economic sanctions applied in a more coherent and consistent way.

Third, we should get international pressure, but effective international pressure from Latin American countries, Alfonsin of Argentina, Carlos Andres Perez of Venezuela. We should not lead internationally ourselves. I think everybody knows this has been a fraudulent election.

We should also encourage Panamanian opposition, their continued protesting, to get out there and talk about this election. They should not expect the United States should do it all.

As a measure of safety, we should consider withdrawing some of our dependents from Panama for fear of some kind of military conflagration that might be caused by Noriega.

Madam Speaker, Noriega is on the ropes and we should deal a knockout blow, but do it carefully and not in a way that would only give him more life to recover.

UNITED STATES SHOULD SUPPORT INTERNATIONAL CONFERENCE ON GLOBAL WARMING

(Mr. WISE asked and was given permission to address the House for 1 minute.)

Mr. WISE. Madam Speaker, the failure of the President to have the United States support an international conference on global warming is incredibly disappointing. It also shows a total unwillingness to exert leadership, particularly since our own Department of State and Environmental Protection Agency recommend participating.

I am from a fossil fuel producing State. Hasty action in this area can jeopardize jobs. Yet failure to be at the international table seeking realistic solutions can also be harmful.

I believe there are responses to global warming that permit continued fossil fuel use, alternative fuels, for instance, made from coal, natural gas, and so on. But the United States must be there putting them on the table.

There is another reason. Many Third World nations today are resisting basic environmental changes, charging that their development should not be restricted, cynically charging that the United States has already achieved a high standard of living and now wants to deny the same level to others.

The global warming challenge cannot be met by one nation alone, but yet it cannot be met by the absence of a great nation like the United States.

Please, Mr. President, show environmental and economic leadership by reconsidering and having the United States participate in an international conference on global warming.

OPPOSE THE FSX DEAL

(Mr. MINETA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MINETA. Madam Speaker, when we signed an agreement with Japan several years ago to end that nation's unfair semiconductor industry trade practices, Japan said that it would open up its domestic market to U.S. semiconductor manufacturers. But in what has become a classic negotiating tactic, Japan shunted this critical facet of the agreement into a so-called side letter and now refuses to live up to that part of the semiconductor industry agreement.

Incredibly, we are being asked again to fall for the same old smoke and mirrors when it comes to the FSX technology transfer deal. We are being told that Japan has made important technological and production concessions as part of the deal. But do we find these consessions in the formal FSX agreement? No. Where we find them is in—you guessed it—an exchange of letters.

Madam Speaker, the real agreements on these concessions will only be negotiated after we have finished transferring our key technologies to Japan. As far as I am concerned, this is an open invitation for the United States to get burned twice with the same trick, and so I urge my colleagues to oppose the FSX deal.

INDIA SHOULD REOPEN BORDER WITH NEPAL

(Mrs. UNSOELD asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. UNSOELD. Madam Speaker, because of a trade dispute, India closed the border with Nepal, a tiny landlocked country in the heart of the Himalaya.

With that border closed, petrol is no longer coming to the nation's capital and to the populated areas of the country. Without that petrol that not only provides the fuel for the nation

but also is the major cooking fuel in the capital and other populated areas, the people are turning to firewood again as a means of cooking. What this means is that a major reforestation program with which we have been involved is seriously threatened. Thirty-five acres a day are being cut to provide fuel.

I join with my colleagues in supporting the resolution asking India to immediately open its borders with Nepal, to permit the passage of goods and people between these countries.

RESIGNATION AS MEMBER OF COMMITTEE ON GOVERNMENT OPERATIONS

The SPEAKER pro tempore (Mrs. COLLINS) laid before the House the following resignation as a member of the Committee on Government Operations:

HOUSE OF REPRESENTATIVES,
Washington, DC, May 10, 1989.

Hon. JIM WRIGHT,
Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: I, hereby, resign my seat on the Government Operations Committee of the U.S. House of Representatives, effective this date.

Cordially,

ROBERT S. WALKER.

The SPEAKER pro tempore. Without objection, the resignation is accepted.

There was no objection.

PRIVILEGES OF THE HOUSE—IMPEACHMENT OF JUDGE WALTER L. NIXON, JR.

Mr. BROOKS. Mr. Speaker, I rise to a question of the privileges of the House, and I call up a privileged resolution (H. Res. 87) impeaching Walter L. Nixon, Jr., judge of the U.S. District Court for the Southern District of Mississippi for high crimes and misdemeanors.

The SPEAKER pro tempore. The Clerk will report the resolution.

The Clerk read the resolution, as follows:

H. RES. 87

Resolved, That Walter L. Nixon, Jr., judge of the United States District Court for the Southern District of Mississippi, is impeached for high crimes and misdemeanors.

CALL OF THE HOUSE

Mr. SENSENBRENNER. Madam Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members responded to their names:

[Roll No. 49]

Ackerman	Annunzio	Atkins
Akaka	Anthony	Baker
Alexander	Applegate	Ballenger
Anderson	Archer	Bartlett
Andrews	Armey	Barton
Bates	Foley	Lipinski
Beilenson	Ford (MI)	Livingston
Bennett	Ford (TN)	Lloyd
Bentley	Frenzel	Long
Bereuter	Gallegly	Lowery (CA)
Berman	Gallo	Lowey (NY)
Bevill	Garcia	Luken, Thomas
Bilbray	Gaydos	Lukens, Donald
Bilirakis	Gejdenson	Machtley
Bliley	Gekas	Madigan
Boehlert	Gephardt	Manton
Boggs	Gibbons	Markey
Bonior	Gillmor	Marlenee
Borski	Gilman	Martin (IL)
Bosco	Gingrich	Martin (NY)
Boucher	Glickman	Martinez
Boxer	Gonzalez	Matsui
Brennan	Gordon	Mazzoli
Brooks	Goss	McCandless
Broomfield	Gradison	McCloskey
Browder	Grandy	McCollum
Brown (CA)	Grant	McCrery
Brown (CO)	Gray	McCurdy
Bruce	Green	McDade
Bryant	Guarini	McDermott
Buechner	Gunderson	McEwen
Bunning	Hall (OH)	McGrath
Burton	Hall (TX)	McHugh
Bustamante	Hamilton	McMillan (NC)
Byron	Hammerschmidt	McMillen (MD)
Callahan	Hancock	McNulty
Campbell (CA)	Hansen	Meyers
Cardin	Harris	Mfume
Carper	Hastert	Michel
Carr	Hatcher	Miller (CA)
Chandler	Hawkins	Miller (OH)
Chapman	Hayes (IL)	Miller (WA)
Clarke	Hayes (LA)	Mineta
Clay	Hefley	Moakley
Clement	Hefner	Mollohan
Clinger	Henry	Montgomery
Coble	Herger	Moody
Coelho	Hertel	Moorhead
Coleman (MO)	Hiler	Morella
Coleman (TX)	Hoagland	Morrison (CT)
Collins	Hochbrueckner	Morrison (WA)
Combest	Holloway	Mrazek
Conte	Hopkins	Murphy
Conyers	Horton	Murtha
Cooper	Houghton	Myers
Costello	Hoyer	Nagle
Coughlin	Hubbard	Natcher
Cox	Huckaby	Neal (MA)
Coyne	Hughes	Neal (NC)
Craig	Hunter	Nielson
Crane	Hutto	Nowak
Dannemeyer	Hyde	Oakar
Darden	Inhofe	Oberstar
Davis	Jacobs	Obey
de la Garza	James	Olin
DeFazio	Jenkins	Ortiz
Derrick	Johnson (CT)	Owens (NY)
DeWine	Johnson (SD)	Owens (UT)
Dickinson	Johnston	Oxley
Dicks	Jones (GA)	Packard
Dixon	Jones (NC)	Pallone
Donnelly	Jontz	Panetta
Dorgan (ND)	Kanjorski	Parker
Dornan (CA)	Kaptur	Parris
Douglas	Kasich	Pashayan
Downey	Kastenmeier	Patterson
Dreier	Kennedy	Paxon
Duncan	Kennelly	Payne (NJ)
Durbin	Kildee	Payne (VA)
Dwyer	Kleczka	Pease
Dymally	Kolbe	Pelosi
Dyson	Kolter	Penny
Early	Kostmayer	Perkins
Eckart	Kyl	Petri
Edwards (CA)	LaFalce	Pickett
Edwards (OK)	Lagomarsino	Pickle
Emerson	Lancaster	Porter
Engel	Lantos	Poshard
English	Laughlin	Price
Erdreich	Leach (IA)	Pursell
Espy	Leath (TX)	Quillen
Evans	Lehman (CA)	Rahall
Fascell	Lehman (FL)	Rangel
Fawell	Leland	Ravenel
Fazio	Lent	Ray
Feighan	Levin (MI)	Regula
Fields	Levine (CA)	Rhodes
Fish	Lewis (CA)	Richardson
Flake	Lewis (FL)	Ridge
Flippo	Lewis (GA)	Rinaldo
Foglietta	Lightfoot	Ritter
Roberts	Slaughter (NY)	Thomas (GA)
Robinson	Slaughter (VA)	Thomas (WY)
Roe	Smith (FL)	Torres
Rogers	Smith (IA)	Torricelli
Rohrabacher	Smith (MS)	Towns
Rose	Smith (NE)	Traficant
Rostenkowski	Smith (NJ)	Traxler
Roth	Smith (TX)	Unsoeld
Roukema	Smith (VT)	Upton
Rowland (CT)	Smith, Denny (OR)	Valentine
Rowland (GA)	Smith, Robert (NH)	Vander Jagt
Russo	Smith, Robert (OR)	Vento
Saiki	Snowe	Visclosky
Sangmeister	Solomon	Volkmer
Sarpalius	Spence	Walgren
Savage	Spratt	Walker
Sawyer	Staggers	Walsh
Saxton	Stallings	Watkins
Schaefer	Stangeland	Waxman
Schiff	Stark	Weber
Schneider	Stearns	Weiss
Schroeder	Stenholm	Weldon
Schuette	Stokes	Wheat
Schulze	Studds	Whittaker
Schumer	Stump	Whitten
Sensenbrenner	Sundquist	Wilson
Sharp	Swift	Wise
Shaw	Synar	Wolf
Shays	Tallon	Wolpe
Shumway	Tanner	Wyden
Sikorski	Tauke	Wylie
Sisisky	Tauzin	Yates
Skaggs	Thomas (CA)	Yatron
Skeen		Young (FL)
Skelton		
Slattery		

□ 1520

The SPEAKER pro tempore (Mr. HOYER). On this rollcall, 406 Members have recorded their presence by electronic device, a quorum.

Under the rule, further proceedings under the call were dispensed with.

PRIVILEGES OF THE HOUSE—IMPEACHMENT OF JUDGE WALTER L. NIXON, JR.

COMMITTEE AMENDMENT IN THE NATURE OF A SUBSTITUTE

The SPEAKER pro tempore. The Clerk will report the committee amendment in the nature of a substitute.

The Clerk read as follows:

Committee amendment in the nature of a substitute: Strike out all after the resolving clause and insert the following:

That Walter L. Nixon, Jr., a judge of the United States District Court for the Southern District of Mississippi, be impeached for high crimes and misdemeanors, and that the following articles of impeachment be exhibited to the Senate:

Articles of impeachment exhibited by the House of Representatives of the United States of America in the name of itself and all of the people of the United States of America, against Walter L. Nixon, Jr., a judge of the United States District Court for the Southern District of Mississippi, in maintenance and support of its impeachment against him for high crimes and misdemeanors.

ARTICLE I

On July 18, 1984, Judge Nixon testified before a Federal grand jury empaneled in the United States District Court for the Southern District of Mississippi (Hattiesburg Division) to investigate Judge Nixon's business relationship with Wiley Fairchild and the handling of the criminal prosecution of Fairchild's son, Drew Fairchild, for drug smuggling. In the course of his grand

jury testimony and having duly taken an oath that he would tell the truth, the whole truth, and nothing but the truth, Judge Nixon did knowingly and contrary to his oath make a material false or misleading statement to the grand jury.

The false or misleading statement was, in substance, that Forrest County District Attorney Paul Holmes never discussed the Drew Fairchild case with Judge Nixon.

Wherefore, Judge Walter L. Nixon, Jr., is guilty of an impeachable offense and should be removed from office.

ARTICLE II

On July 18, 1984, Judge Nixon testified before a Federal grand jury empaneled in the United States District Court for the Southern District of Mississippi to investigate Judge Nixon's business relationship with Wiley Fairchild and the handling of the prosecution of Fairchild's son, Drew Fairchild, for drug smuggling. In the course of his grand jury testimony and having duly taken an oath that he would tell the truth, the whole truth, and nothing but the truth, Judge Nixon did knowingly and contrary to his oath make a material false or misleading statement to the grand jury.

The false or misleading statement was, in substance, that Judge Nixon had nothing whatsoever officially or unofficially to do with the Drew Fairchild case in Federal court or State court; and that Judge Nixon "never handled any part of it, never had a thing to do with it at all, and never talked to anyone, State or Federal, prosecutor or judge, in any way influence anybody" with respect to the Drew Fairchild case.

Wherefore, Judge Walter L. Nixon, Jr., is guilty of an impeachable offense and should be removed from office.

ARTICLE III

By virtue of his office as a judge of the United States District Court for the Southern District of Mississippi, Judge Nixon is required to uphold the integrity of the judiciary, to avoid impropriety and the appearance of impropriety, and to obey the laws of the United States.

Judge Nixon has raised substantial doubt as to his judicial integrity, undermined confidence in the integrity and impartiality of the judiciary, betrayed the trust of the people of the United States, disobeyed the laws of the United States and brought disrepute on the Federal courts and the administration of justice by the Federal courts by the following:

After entering into an oil and gas investment with Wiley Fairchild, Judge Nixon conversed with Wiley Fairchild, Carroll Ingram, and Forrest County District Attorney Paul Holmes concerning the State criminal drug conspiracy prosecution of Drew Fairchild, the son of Wiley Fairchild, and thereafter concealed those conversations as follows:

(1) Judge Nixon concealed those conversations through one or more material false or misleading statements knowingly made to an attorney from the United States Department of Justice and a special agent of the Federal Bureau of Investigation during an interview of Judge Nixon conducted in Biloxi, Mississippi, on April 19, 1984. The substance of the false or misleading statements included the following:

(A) Judge Nixon never discussed with Wiley Fairchild anything about Wiley's son's case.

(B) Wiley Fairchild never brought up his son's case.

(C) At the time of the interview Judge Nixon had no knowledge of the Drew Fairchild case and did not even know Drew Fairchild existed, except for what the judge previously read in the newspaper and what he learned from the questioners in the interview.

(D) Nothing was done or nothing was ever mentioned about Wiley Fairchild's son.

(E) Judge Nixon had never heard about the Drew Fairchild case, except what he told the questioners in the interview, and certainly had nothing to do with the case.

(F) Judge Nixon had done nothing to influence the Drew Fairchild case.

(G) State prosecutor Paul Holmes never talked to Judge Nixon about the Drew Fairchild case.

(2) Judge Nixon further concealed his conversations with Wiley Fairchild, Paul Holmes, and Carroll Ingram concerning the Drew Fairchild case by knowingly giving one or more material false or misleading statements to a Federal grand jury during testimony under oath in Hattiesburg, Mississippi, on July 18, 1984. The substance of the false or misleading statements included the following:

(A) Paul Holmes never discussed the Drew Fairchild case with Judge Nixon.

(B) To the best of his knowledge and recollection, Judge Nixon did not know of any reason he would have met with Wiley Fairchild after the Nixon-Fairchild oil and gas investment was finalized in February 1981.

(C) Judge Nixon gave the grand jury all the information that he had and that he could, and had withheld nothing during his grand jury testimony.

(D) Judge Nixon had nothing whatsoever unofficially to do with the Drew Fairchild criminal case in State court.

(E) Judge Nixon never talked to anyone, including the State prosecutor, about the Drew Fairchild case.

(F) Judge Nixon never had a thing to do with the Drew Fairchild case at all.

(G) Judge Nixon "never talked to anyone, State or Federal, prosecutor or judge, in any way influence anybody" with respect to the Drew Fairchild case.

Wherefore, Judge Walter L. Nixon, Jr., is guilty of an impeachable offense and should be removed from office.

□ 1530

The SPEAKER pro tempore (Mr. HOYER). The gentleman from Texas [Mr. BROOKS], is recognized for 1 hour.

Mr. BROOKS. Mr. Speaker, I yield myself such time as I may consume.

In February 1986, Chief Judge Walter L. Nixon, Jr., of the U.S. District Court for the Southern District of Mississippi, was convicted of two counts of making false declarations before a grand jury, a form of perjury, in violation of 18 U.S.C. 1623. Judge Nixon was sentenced to 5 years imprisonment by the late Chief Judge James Meredith of the Eastern District of Missouri, specially assigned to the case. Judge Nixon began serving his 5-year sentence at Eglin Air Force Base Prison camp on March 23, 1988, and is currently in confinement there.

Following the guilty verdict, the trial judge denied Judge Nixon's motion for a new trial. On appeal, the Fifth Circuit Court of Appeals affirmed the convictions, 816 F.2d 1022 (5th Cir. 1987), and thereafter denied Judge Nixon's petition for rehearing en banc, 827 F.2d 1019 (1987). On January 19, 1988, the U.S. Supreme Court denied Judge Nixon's petition for a writ of certiorari.

On March 15, 1988, the Judicial Conference certified to the Speaker of the House of Representatives that impeachment of Judge Nixon may be warranted. The judge is drawing his judicial salary of $89,500, and will, as an article III judge, continue to do so for life unless he is impeached by the House and removed from office by the Senate.

In the 100th Congress, House Resolution 407, a resolution of impeachment was introduced by Mr. Rodino, Mr. EDWARDS, Mr. FISH, and Mr. SENSENBRENNER on March 17, 1988, and referred to the Subcommittee on Civil and Constitutional Rights. The subcommittee began an independent investigation of the facts underlying Judge Nixon's prosecution and conviction. The subcommittee assembled and reviewed the complete criminal record, including testimony and exhibits from the 2-week jury trial, and interviewed witnesses and other persons involved in the case.

In a moment, I will yield to my friend, DON EDWARDS, the chairman of the Subcommittee on Civil and Constitutional Rights, for a detailed explanation of the subcommittee's investigation.

In the 101st Congress, on February 22, 1989, I introduced House Resolution 87 along with Mr. EDWARDS, Mr. FISH, and Mr. SENSENBRENNER. It was referred to the same subcommittee for completion of action. The subcommittee reported the resolution with an amendment in the nature of a substitute containing three articles of impeachment by a vote of 8 to 0.

The Judiciary Committee has, in House Resolution 87, recommended three articles of impeachment against Judge Nixon by a vote of 34 to 0.

Article I deals with Judge Nixon's false statement to the grand jury that the State prosecutor never discussed a particular criminal case with him involving Drew Fairchild, the son of a businessman with whom the judge had a financial relationship. This same statement was found by the grand jury to be false and led to Judge Nixon's conviction on one count of perjury.

Article II deals with Judge Nixon's statement to the grand jury that he had nothing whatsoever, officially or unofficially, to do with Drew Fairchild's case, never had a thing to do with it at all, never talked to anybody, including the State prosecutor, about the case. This statement was also found to be false by the jury and led them to convict the judge on a second count of perjury.

Article III charges Judge Nixon with undermining the integrity of the judiciary, disobeying the law, and bringing disrepute on the courts by concealing his conversations concering the Drew Fairchild case through a series of false or misleading statements during his interview with prosecutors, and his grand jury testimony. A total of 14 false statements, 7 in the interview and 7 in the grand jury testimony, including those addressed in the first 2 articles, are specifically set forth in Article III.

Mr. Speaker, for purposes of debate only, I yield such time as he may consume to the gentleman from California [Mr. EDWARDS].

Mr. EDWARDS of California. Mr. Speaker, the distinguished chairman of the Judiciary Committee has given you a chronology of the events in this case, beginning with Judge Nixon's conviction, and an outline of the committee's action.

I would like to explain in more detail what this case is about and what our subcommittee did.

Following the referral of House Resolution 407 to the Subcommittee on Civil and Constitutional Rights, the subcommittee, assisted by talented special staff, conducted a careful and independent inquiry into Judge Nixon's conduct.

Judge Nixon is only the second Federal judge in our Nation's history to be convicted of a crime and imprisoned while holding judicial office. The crime for which he was convicted, lying to a grand jury in testimony under oath, is particularly serious because a judge must bear the awesome responsibility of swearing witnesses, judging credibility, and finding the truth in cases that come before him.

Despite our concerns about the seriousness of the convictions, at the outset we determined not to rubber stamp the jury's verdict.

We ignored the fact of his conviction.

We started from scratch.

In 7 full days of hearings we heard live testimony from all relevant witnesses, including Judge Nixon himself.

At all stages of our proceedings, Judge Nixon was treated with fairness and courtesy.

He was afforded every opportunity to present evidence and to cross-examine witnesses without limitation.

Judge Nixon had very able counsel, and virtually every request of Mr. Stewart's was granted.

The facts of this case are very complicated. I shall try to simplify them.

In 1979, Judge Nixon asked Hattiesburg Attorney Carroll Ingram to investigate the possibility of Judge Nixon making an oil investment with Wiley Fairchild, a rich Hattiesburg businessman.

Before the deal was finalized, Wiley Fairchild's son Drew, one of the managers of the Hattiesburg Airport, was implicated and later arrested for conspiracy in smuggling a ton of marijuana through the Hattiesburg Airport on August 4, 1980.

The Drew Fairchild drug smuggling case and Judge Nixon's alleged involvement in influencing its outcome are fundamental to this impeachment inquiry.

After hesitating for several months, Carroll Ingram told Wiley Fairchild that Judge Nixon would like to invest with him and Wiley agreed.

In March 1981 Wiley deeded to Judge Nixon three mineral royalty interests. The price set by Wiley was $9,500 and Nixon ultimately gave Wiley three promissory notes for this amount.

For reasons which are disputed all the documents were backdated to reflect an execution date of a year earlier, February 25, 1980.

There is no doubt that Wiley gave Judge Nixon a sweet deal. Within a relatively few months, royalties started coming to Nixon, totaling more than $60,000 by the time of his trial.

In late 1983, the FBI in Pascagoula, MS, received anonymous phone calls alleging that this oil deal between Wiley and Judge Nixon was a crooked deal designed to get Judge Nixon's help in Drew Fairchild's drug case, and in March 1984 the anonymous caller came forward and identified himself to the FBI and agreed to cooperate with the FBI.

He was Robert Jarvis, who had been an employee of Wiley's at the time the oil deal was made.

Jarvis told the FBI that the oil deal papers had been signed by Wiley and Judge Nixon after the drug bust but had been backdated to reflect execution before the drug bust.

Jarvis alleged that the backdating was to make it appear that Judge Nixon had not gotten the oil deal in connection with Drew Fairchild's criminal case.

Because of this information the Federal investigation of Judge Nixon began in April 1984 and attorney Reid Weingarten of the Public Integrity Section of the Justice Department was put in charge.

On April 19, 1984, Reid Weingarten and an FBI agent interviewed Judge Nixon in his chambers in Biloxi, MS. Judge Nixon consented to the interview being recorded.

In that interview Judge Nixon told the interviewer that he had never discussed the Drew Fairchild case with anyone, knew nothing about it, and had done nothing to influence it.

Your subcommittee found seven false or misleading statements by Judge Nixon in that interview. These are charged in article III of the impeachment resolution.

In May 1984 the Justice Department requested that a special Federal grand jury be empaneled to investigate the handling of the Drew Fairchild case, the Nixon-Fairchild oil deal, and whether there was any connection between the two.

The special grand jury was empaneled in Hattiesburg on July 18, 1984. Judge Nixon voluntarily appeared and testified.

Midway through the testimony Weingarten asked, "Did [Forrest County District Attorney] Bud Holmes ever discuss the Drew Fairchild case with you?" And Nixon replied, "No, not to the best of my recollection. I think I would recall it if he had."

This statement your subcommittee found to be false, and it is charged in article I of the impeachment resolution.

This false statement was also the first perjury count for which Judge Nixon was convicted and sentenced to 5 years in prison.

Toward the end of the testimony Weingarten said, "All right, Judge, do you have anything to add?"

Judge Nixon made a long statement. Midway through it, he said:

> Now, I have had nothing whatsoever officially or unofficially to do with the Drew Fairchild criminal case in Federal Court or State court. * * * I have never handled any part of it, never had a thing to do with it at all and never talked to anyone, State or Federal, prosecutor or judge, in any way influence anybody with respect to this case.

This statement your subcommittee found to be false, and it is charged in article II of the impeachment resolution.

This false statement was also the basis for count IV in the criminal case where Judge Nixon was convicted of perjury.

Your subcommittee also found additional statements in Judge Nixon's grand jury testimony which we deemed to be false, and they are included as charges in article III of the impeachment resolution.

After hearing testimony from a number of witnesses, including Bud Holmes and Wiley Fairchild, the grand jury returned a four-count indictment on August 29, 1985 against Judge Nixon. Count I alleged the acceptance of an illegal gratuity from Wiley Fairchild. Counts II, III, and IV alleged perjury before the grand jury.

At the conclusion of Judge Nixon's trial the jury returned guilty verdicts on counts III and IV, not guilty on counts I and II. He was not convicted on the illegal gratuity count.

Judge Nixon was sentenced to concurrent terms of 5 years' imprisonment on each of the two perjury counts that I have previously described.

The conviction and sentence were affirmed on appeal, and the Supreme Court declined to review Judge Nixon's case. More recently Judge

Nixon has petitioned that his conviction be vacated in a section 2255 motion, which I believe is a habeas corpus petition.

This too has been denied in a 59-page opinion by Chief Judge John F. Nangle on the U.S. District Court, Eastern District of Missouri.

On November 26, 1984, Wiley Fairchild pleaded guilty to an illegal gratuity charge relating to the oil deal with Judge Nixon and was sentenced to 2 years imprisonment with 22 months suspended.

On July 11, 1985, Drew Fairchild was sentenced to 6 months imprisonment and 2½ years probation on the drug charge.

The specific details of the statements of Judge Nixon's which the subcommittee deems to be false and which are the basis for the three impeachment articles are outlined in the addendum to my statement which I request be included in the RECORD and which has been provided to each member.

The false statements alleged in the three articles focus on Judge Nixon's deliberate concealment of his conversations with two men, Wiley Fairchild and Bud Holmes.

Bud Holmes was the local district attorney while all of this was going on, and had conversations with Nixon about the case that are detailed in the addendum.

Bud Holmes was indicted by the same grand jury for obstruction of justice because he had concealed from the grand jury a certain phone call from Judge Nixon to Wiley Fairchild about the Drew Fairchild case. Holmes pleaded guilty to criminal contempt and was sentenced to a $10,000 fine and 1 year in prison, which he didn't serve.

You will read in the addendum the details backing up each of the charges in the impeachment resolution, such as:

Wiley's meeting with Nixon when Wiley told the judge he was upset about the way Bud Holmes was handling Drew's drug case.

Wiley's complaint to Nixon that Holmes was blackmailing him.

Nixon's telling Holmes about Wiley's complaint.

Holmes telling Nixon a deal had already been worked out to help Drew.

A telephone call to Wiley from both Nixon and Holmes about Drew's case.

Carroll Ingram's testimony that Nixon told him that Wiley had asked Judge Nixon to speak to District Attorney Holmes about Drew's case.

The committee is confident that the documentation supplied to you clearly supports each and every charge of the impeachment resolution.

This pattern of lies, concealment and deceit on the part of Judge Nixon led the committee, by clear and convincing evidence, to the unavoidable conclusion that he must be impeached.

The vote in subcommittee was unanimous, 8 to 0. The vote in the committee was 34 to 0, with 1 member absent.

Accordingly, we recommend that the House of Representatives adopt these articles of impeachment and that pursuant to article I, section 2 of the Constitution, Judge Walter L. Nixon, Jr., be tried by the U.S. Senate.

REGARDING THE IMPEACHMENT OF JUDGE WALTER L. NIXON, JR., MAY 3, 1989

RELEVANT DATES

February, 1979: Judge Nixon asked Carroll Ingram to see if Wily Fairchild would allow Nixon to invest with him in oil deals.

Aug. 4, 1980: Drug bust at Hattiesburg airport. Drew Fairchild implicated.

Feb. 25, 1981: Jarvis prepared oil deal papers.

March, 1981: Papers signed for Nixon's purchase of interests in three wells for $9500.

Dec. 23, 1982: Drew's case "passed to the files," made inactive, at Bud Holmes' request.

November, 1983: Robert Jarvis placed anonymous phone calls to F.B.I. alleging that oil deal was made to get Nixon to help Drew.

March, 1984: Jarvis identified himself to F.B.I. and repeated charges. Also claimed papers were backdated one year to make it appear deal was signed before the Drew's oil bust.

April 19, 1984: Reid Weingarten of the Public Integrity Section of U.S. Justice Department interviewed Judge Nixon about the matter.

July 18, 1984: Special federal grand jury empaneled in Hattiesburg to investigate matter.

July 18, 1984: Judge Nixon voluntarily appeared to testify before grand jury.

July 18/19, 1984: Wiley Fairchild testified before grand jury.

July/Sept., 1984: Bud Holmes testified before grand jury.

November, 1984: Wiley Fairchild pled guilty to illegal gratuity charge. Appeared again before the grand jury and described his contacts with Judge Nixon concerning the Drew Fairchild case.

January, 1985: Carroll Ingram told Weingarten about phone call from farm.

February, 1985: Holmes vaguely admitted to grand jury that phone call had been made, but tried to cover it up.

March 29, 1985: Holmes indicted from obstruction of justice for concealing phone calls and four perjury counts.

June, 1985: Bud Holmes pled guilty to contempt. Reappeared before the grand jury, apologized for covering up the phone call and described Nixon's involvement in the Drew Fairchild case.

July 11, 1985: Drew Fairchild sentenced in federal court to six months imprisonment and 2½ years probation for his involvement in the drug conspiracy.

August 29, 1985: Grand jury indicted Judge Nixon on four (4) counts.

Sept. 18, 1985: Wiley Fairchild sentenced in federal court on illegal gratuity count to 2 years, with 22 months suspended.

Dec. 11, 1985: Bud Holmes sentenced to one year plus $10,000 fine.

January, 1986: Judge Nixon's trial began. By this time he had received over $60,000 in royalties.

February 9, 1986: Jury returned verdicts of guilty against Judge Nixon on perjury counts III and IV.

April 30, 1987: Fifth Circuit affirms convictions

January 19, 1988: Supreme Court denies petition for Writ of Certiorari.

March 23, 1988: Judge Nixon begins serving his five-year sentence.

KEY INDIVIDUALS INVOLVED IN THIS CASE

Judge Walter L. Nixon, Jr.: Chief Judge, Southern District of Mississippi. Presently serving two concurrent terms of five years imprisonment on two prejury counts.

Wiley Fairchild: Wealthy businessman and oil well investor in Hattiesburg, Mississippi who sold Nixon interests in three oil wells and was an important prosecution witness.

Drew Fairchild: Wiley's middle-aged son who was one of the managers of the Hattiesburg airport and who was arrested for marijuana smuggling.

Bud Holmes: At that time the local District Attorney handling Drew's case. An old friend of Judge Nixon's. An important prosecution witness.

Carroll Ingram: Wiley's attorney in Hattiesburg and personal friend of Judge Nixon. He was asked by Nixon to ask Wiley if he would allow Nixon to participate in some oil investments.

Robert Jarvis: Employed by Wiley at time oil deal was made. Prepared papers for oil deal. Later, while no longer employed by Wiley, told F.B.I. that Wiley made oil deal in order to obtain Judge Nixon's help in Drew's drug case.

Reid Weingarten: U.S. Justice Department Public Integrity Section lawyer who investigated and prosecutied Judge Nixon's case.

INTRODUCTION

[This material is provided by Rep. Don Edwards, Chairman of the Subcommittee on Civil and Constitutional Rights.]

The three proposed Articles of Impeachment allege a total of 14 false statements by Judge Nixon, seven in an April 1984 interview with federal investigators and seven in his July 1984 testimony before the grand jury. Articles I and II focus on Judge Nixon's grand jury testiomy that led to his perjury convictions. Article III includes the testimony set forth in Articles I and II, as well as other statements made by Judge Nixon in the interview and to the grand jury that the Subcommittee believes are false.

Each of the 14 false statements alleged in the Articles is, in one form or another, a categorical denial by Judge Nixon of any knowledge of or involvement in a state criminal drug smuggling prosecution of Drew Fairchild. Drew is the son of Wiley Fairchild, a prominent Mississippi businessman who afforded Judge Nixon a lucrative investment. The state prosceutor in the Drew Fairchild case was Paul H. (Bud) Holmes, a long-time friend of Judge Nixon. Carroll Ingram was Wiley Fairchild's attorney and also a close friend of the Judge.

During the interview and in his grand jury testimony Judge Nixon denied that he ever talked about or discussed the Drew Fairchild case with Bud Holmes. Judge Nixon also denied that Wiley Fairchild ever mentioned his son or the drug case. However, the Subcommittee heard testimony from Messrs. Fairchild, Holmes and Ingram that Judge Nixon did, in fact, talk about the Drew Fairchild drug case with Mr. Fairchild and Mr. Holmes, and that the Judge influ-

enced the handling of the case. Even more important, in contrast to his interview statements and grand jury testimony, Judge Nixon himself now admits that he spoke with Wiley Fairchild and Bud Holmes about Drew Fairchild and the drug case.

The facts presented to the Subcommittee can be briefly summarized as follows:

I. IN HIS APRIL 1984 INTERVIEW WITH FEDERAL INVESTIGATORS JUDGE NIXON DENIED ANY INVOLVEMENT IN OR KNOWLEDGE OF THE DREW FAIRCHILD DRUG CASE

Judge Nixon was advised prior to and during the interivew that the investigation was examining Judge Nixon's investment with Wiley Fairchild and the unusual handling of the Drew Fairchild case. The interview was tape-recorded with Judge Nixon's full consent. During the interview Judge Nxon denied several times, and in the broadest possible terms, any knowledge or or participation in Drew Fairchild's case:

Q. Did he [Wiley Fairchild] have anything on his mind that he wanted with you——

Judge NIXON. You'd have to ask him because he's never asked——

Q. I mean, did——

Judge NIXON. Anything that or demanded anything. Of course, anything to do with his [Fairchild's] son's case absolutely had nothing whatsoever, 'cause I don't, I'm not even aware of really what that's about. I think I read something in the paper one time about it since then.

Q. Did you——

Judge NIXON. But if you can——

Q. Detect anything——

Judge NIXON. If you can detect or know of anything at all where I ever had any connection with his son's case or the disposition of it or handling of it or anything to do with it, I sure wish you'd tell me, and I'll—

Q. I, well, I——

Judge NIXON. Because there has——

Q. I can assure you, we have no information to that effect——

Judge NIXON. There has, because there has been nothing.

Q. No, I, I guess what I'm asking you is whether or not you detected anything untoward from either——

Judge NIXON. Abso——

Q. Mr. FAIRCHILD——

Judge NIXON. Absolutely not. If I had, I'da pulled back immediately and wouldn't have had a darn thing to do with it.

Q. From the time of that bust until basically me talking to you about the case——

Judge NIXON. Uh-huh——

Q. You've had no connection, no knowledge of it, no participation in——

Judge NIXON. Correct——

Q. The Drew Fairchild case?

Judge NIXON. Absolutely, except something I read in the paper. It was either an editorial or state, or, or news article or something, a few years ago, I think——

* * * * *

Q. Do you recall any knowledge of the case, meaning the Fairchild case, while you were dealing with Wiley Fairchild?

Judge NIXON. No.

Q. And he certainly never brought it up?

Judge NIXON. Not to my recollection. I think I would recall that.

* * * * *

Q. Does he [Drew Fairchild] work with his father?

Judge NIXON. I have no idea. Didn't even know he existed, except from what I read about that and what you just told me. Absolutely no.

* * * * *

Q. I mean, I, our earnest desire is to wrap this end of it——

Judge NIXON. I understand——

Q. Completely, and often times judges are victimized by others——

Judge NIXON. Yeah, well, I don't——

Q. I mean, you're a savvy guy. You know that this happens.

Judge NIXON. Well, I don't know about that part of it, but all I know is ah nothing was done or nothing was ever mentioned about Wiley Fairchild's son, and I defy anybody to, and I say defy, I don't mean (unintelligible), but I challenge anybody to show any connection or anything I've ever done in connection with Wiley Fairchild's son's case I certainly would (unintelligible) to begin with. And if I even suspected something like that was going on, I certainly wouldn't have ah invested or have any dealings, absolutely.

* * * * *

Q. Okay, so I'm—Just to complete the picture——

Judge NIXON. That's what I was, that's what I wanted to ask you, what allegation—I've never heard, you know, never had the [Drew Fairchild] case never heard about the case except what I told you, and ah certainly had nothing to do with it.

* * * * *

Judge NIXON. I understand, but regardless, what connection have I had with ah Fairchild's son's case? Isn't that the bottom line?

Q. It, it basically——

Judge NIXON. I mean——

Q. Could well be the bottom line.

Judge NIXON. Yeah, what, what——

Q. And that's why——

Judge NIXON. Could I have conceivably done?

Q. Well, that's why I had to ask you——

Judge NIXON. To influence the case? Ah, I certainly didn't do a thing in the world. I don't know a thing about—But what could I have done?

Q. Well, I mean, I don't know what you could have done. I mean it——

Judge NIXON. As United States District Judge.

Q. If someone wanted to use their imagination, I suppose they, they could think of things, and, and I, that's why we ask you the question did Bud Holmes ever talk to you about the case?

Judge NIXON. Oh, no.

During the April 1984 interview Judge Nixon did not reveal his meeting with Wiley Fairchild in which Mr. Fairchild had complained that he was being "blackmailed" by Bud Holmes in connection with Drew's case. Judge Nixon did not disclose his visit to Bud Holmes' farm and subsequent telephone conversation with Wiley Fairchild concerning Drew's case. Nor did Judge Nixon reveal his later telephone conversation with Carroll Ingram concerning Drew Fairchild. Instead, Judge Nixon repeatedly and categorically denied any knowledge or involvement whatsoever concerning Drew Fairchild and the drug case.

II. IN HIS JULY 1984 GRAND JURY TESTIMONY UNDER OATH, JUDGE NIXON AGAIN DENIED ANY INVOLVEMENT IN OR KNOWLEDGE OF THE DREW FAIRCHILD DRUG CASE

In the summer of 1984 a special federal grand jury was empaneled in Hattiesburg to investigate possible criminality associated with the Fairchild-Nixon investment and the handling of the Drew Fairchild drug prosecution. Judge Nixon appeared voluntarily and testified under oath on July 18, 1984, the first day the grand jury was convened. Judge Nixon retained counsel prior to his grand jury appearance, and was represented by counsel at the time of his testimony.

Judge Nixon was convicted of making a false declaration before the grand jury,[1] felony and a form of perjury, for the following testimony before the grand jury:

Q. The grand jury has heard evidence that the prosecutor, the state prosecutor, who eventually handled the case was an individual named Bud Holmes. Is he a friend of yours?

Judge NIXON. Very good friend of mine, long time friend, yes.

Q. Did he ever discuss the Drew Fairchild case with you?

Judge NIXON. No, not to the best of my recollection. I think I would recall if he had.

The jury also found Judge Nixon guilty of making a second false declaration based on the following grand jury testimony:

Q. All right. Judge, do you have anything you want to add?

The WITNESS. Yes, I do.

I want to say this. I—Here (indicating) are your notes too, copies of your instruments, rather.

I came here voluntarily and am very happy to cooperate with this grand jury and give them all the information that I have and that I could. And I have always thought everyone should do that, and that goes for the grand jury that's sitting at this time. I have nothing at all to—had nothing to hide or nothing to withhold and I brought everything that you asked me to bring.

And I want to say this. That I've been told and led to believe and read in the newspaper and heard on the news media so much about this is an investigation of the Drew Fairchild criminal case. Now, I have had nothing whatsoever officially or unofficially to do with the Drew Fairchild criminal case in federal court or state court. I don't need to reconstruct anything with reference to that. I've told you that from the beginning.

I have never talked to anyone about the case, any federal judge or state judge, federal prosecutor or state prosecutor, and I never handled any aspect of this case in federal court. As you said, Judge Cox handled it. I don't know where—someone told me maybe Judge Russell handled one of the other defendants also and—but I never handled any part of it, never had a thing to do with it at all, and never talked to anyone, state or federal, prosecutor or judge, in any

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[1] 18 U.S.C. Section 1623 provides that "Whoever under oath in any proceeding before or ancillary to any court or grand jury of the United States knowingly makes any false material declaration . . . shall be fined not more than $10,000 or imprisoned not more than five years, or both." In order to convict Judge Nixon of this form of perjury, the jury was required to find beyond a reasonable doubt that Judge Nixon's grand jury testimony was false, and that Judge Nixon knew his testimony was false. See *United States* v. *Nixon*, 816 F.2d 1022, 1029 (5th Cir. 1987). In addition, to establish this offense, the false statements must be material to the grand jury's investigation. At Judge Nixon's trial the question of materiality was resolved out of the presence of the jury by the trial judge. On appeal Judge Nixon did not challenge the correctness of the trial court's ruling that the subject matter of Judge Nixon's statements to the grand jury was, as a matter of law, material to the grand jury's investigation. 816 F.2d at 1029.

way influence anybody with respect to this case. Didn't know anything about it until I read that account in the newspaper. Didn't even know Mr. Fairchild had a son when I was dealing with him in the business transaction.

So I want to say that because I understand that's what this is all about. The investigation is apparently, if the news media is correct, and if I understand it correctly, that's what this is about, the Drew Fairchild criminal case.

The Committee learned, through its independent inquiry, that this closing statement to the grand jury was not spontaneous, but was prepared in writing by Judge Nixon prior to his grand jury appearance.

In addition to the foregoing grand jury testimony that was the focus of criminal charges and led to his convictions, Judge Nixon described to the grand jury his meetings with Wiley Fairchild as follows:

Q. If the first meeting [with Wiley Fairchild] produced the deal, what would the other meetings have been for?

Judge NIXON. I met with him several times. One time he told me that he thought he was over—maybe overcharging me for these and would maybe put me in another later. He mentioned something about the name of a well was—I don't know, remember when this was—it had something to do with the name School in the property. But he never did and there never was any mention of it.

And, as I say, I don't know of any reason I would have met with him after the transaction was finalized in the first part of 1981, but I can't say for sure. It's possible.

You're asking me about—I—don't like to keep repeating it—but three or four years ago, and I'm trying to reconstruct this to the best of my recollection and knowledge.

As he did in the interview, in his grand jury testimony Judge Nixon did not reveal his meeting with Wiley Fairchild in which Wiley complained he was being "blackmailed" in connection with Drew Fairchild's drug case. Nor did the Judge reveal his visit to Bud Holmes' farm, the telephone call from the farm to Wiley Fairchild about Drew's case, and his later conversation with Carroll Ingram about Drew Fairchild.

III. THE TESTIMONY OF WILEY FAIRCHILD, BUD HOLMES AND CARROLL INGRAM CONCERNING JUDGE NIXON'S KNOWLEDGE OF AND INVOLVEMENT IN THE DREW FAIRCHILD CASE

Drew Fairchild's drug prosecution generated a great deal of negative publicity in Hattiesburg. It was a source of embarrassment and humiliation to Wiley Fairchild, who was concerned about his family's reputation. Wiley Fairchild, heard rumors circulating in Hattiesburg that Drew's case had never been disposed of because his father had paid someone a bribe. In addition, Wiley Fairchild felt he was being extorted in connection with his son's case because of the treatment of Robert Royals, Drew's co-manager at the airport and a participant in the smuggling conspiracy. Wiley Fairchild testified that Mr. Royals told him that Bill Porter had said Wiley should "get off his money" to help Drew, who had his "tail in a crack."

Convinced that Bud Holmes and possibly others were "blackmailing" him in connection with his son's case, Wiley Fairchild sought help from Judge Nixon. Mr. Fairchild testified that he telephoned Judge Nixon and, when the Judge was unavailable, left a message asking the Judge to stop by the W.R. Fairchild Construction Company office in Hattiesburg. Wiley Fairchild specifically wanted Mr. Holmes to take care of his son's case as promised, and sought out Judge Nixon because of the Judge's previous offer of help—"If I can ever help you I will and if I can't, I'll just tell you I can't"—and because he knew Judge Nixon and Mr. Holmes were very good friends.

Judge Nixon visited Wiley Fairchild's office in Hattiesburg for a fifteen or twenty-minute meeting. Wiley Fairchild cannot recall when this meeting occurred, although he testified at Judge Nixon's trial that it occurred before he learned his son's case had been passed to the file. At the meeting, Wiley Fairchild told the Judge he was being blackmailed by Mr. Holmes and possibly Carroll Ingram concerning the handling of Drew's drug case. Mr. Fairchild emphasized the unfairness of his son's predicament compared to the treatment of Robert Royals. Wiley Fairchild told Judge Nixon, ". . . if they will go ahead and prosecute Bob Royals they won't hear a damn word out of me. He's guilty and my son's guilty, but I just don't like them picking on my son because I got money." Mr. Fairchild does not recall Judge Nixon's response to his blackmail allegations, other than that the Judge may have "grunted a little something or another."

Judge Nixon met with Bud Holmes shortly after hearing of Wiley Fairchild's complaints of blackmail in connection with Drew's case. Mr. Holmes believes that this occurred on May 14, 1982.

According to Mr. Holmes, he and Judge Nixon had a couple of drinks at the District Attorney's office and then drove to Mr. Holmes' farm outside Hattiesburg. Mr. Holmes testified that during the drive Judge Nixon said that Wiley Fairchild had "asked me [Nixon] if you [Holmes] and I weren't good friends, and I told him, yes, you know, we were. And he said, well, would you mind putting in a good word for my boy?" Mr. Holmes testified that Judge Nixon expressly said he did not want Mr. Holmes to do anything wrong, embarrassing, or against his oath of office, but that he [Nixon] was "just saying that Mr. Fairchild asked me to put in a good word."

Mr. Holmes testified that he reacted to these statements for his friend Judge Nixon by asking, "What is it you want? You want an apology? I don't know. What does the man want?" When Judge Nixon reiterated that he was simply "putting in a good word" and not asking Mr. Holmes to do anything, Mr. Holmes responded, ". . . hell, I'm District Attorney, I'll pass it to the files." Judge Nixon then told him, ". . . I'm not asking you to do that. Now I'm not asking you to do anything now."

Bud Holmes testified that after they arrived at the farm, he and Judge Nixon continued to talk about the Drew Fairchild case. Mr. Holmes told Judge Nixon about the oral pleas agreement already negotiated with Bill Porter, calling for probation and a fine in exchange for Drew's cooperation. Mr. Holmes testified that after hearing the terms of Drew's plea arrangement, Judge Nixon asked if Wiley Fairchild knew of the deal, and said he wished to telephone Mr. Fairchild and tell him about the arrangement. Mr. Holmes testified that Judge Nixon then telephoned Wiley Fairchild.

Wiley Fairchild confirmed that he received a telephone call from Judge Nixon around seven o'clock one night. Mr. Fairchild had been drinking that evening but remembers the call because of its significance. Mr. Fairchild testified that Judge Nixon said, "Wiley, you know that man we was talking to this evening? . . . I'm in his house, and everything (is) going to be taken care of to your satisfaction." Thereafter, according to Mr. Fairchild, Bud Holmes got on the line and said, "Wiley, when this man asks me to do something, I don't ask no questions, I just go ahead and do it."

In his trial testimony Wiley Fairchild specifically recalled that Judge Nixon was on the phone first. Mr. Fairchild testified that this call made him very happy because it meant that his son's case was "done away with once and for all." The next thing he recalled about his son's case was that it was passed to the file.

Mr. Holmes' recollection of the phone call in his trial testimony was similar to Wiley Fairchild's—that Judge Nixon placed the call and told Mr. Fairchild, "I'm out at his farm and he tells me your son isn't going to jail, and I just wanted to call and tell you that." According to Mr. Holmes, Judge Nixon then went on to thank Wiley Fairchild for the profitable oil investment opportunity. Mr. Holmes testified that he then took the phone and told Mr. Fairchild he would pass the case to the file, adding that Judge Nixon should get the credit for helping Drew.

Carroll Ingram learned of Judge Nixon's conversations with Bud Holmes and Wiley Fairchild concerning the Drew Fairchild case from all three participants—Wiley Fairchild, Bud Holmes and Judge Nixon himself. Mr. Ingram testified that in the fall of 1982, Wiley Fairchild told him that he (Fairchild) had asked Judge Nixon to talk to Bud Holmes about Drew's case, that Judge Nixon had talked to Mr. Holmes and that the results were "positive" such that "Drew Fairchild's case was going to be okay."

Mr. Ingram testified that Judge Nixon told him that he (Nixon) had talked to Bud Holmes about the Drew Fairchild case because Wiley Fairchild had asked him to do so. Judge Nixon told Mr. Ingram that Mr. Holmes said he would consider this request and that Drew's case "was okay, that there was not anything going to happen in Drew Fairchild's case."

Following his meeting with Judge Nixon and the telephone call to Wiley Fairchild from the farm, District Attorney Holmes let Drew Fairchild's case "just sit" until he passed the case to the file in late 1982 at the end of Judge Weldy's term. Mr. Holmes told the Subcommittee that he planned on sweeping Drew's case "under the rug" in part because of his discussion with Judge Nixon and promise to Wiley Fairchild. Mr. Holmes testified that while Judge Nixon did not specifically ask him to pass the case to the file, the Judge's "putting in a good word for Drew . . . caused enough influence on me to go ahead and do what I did." Mr. Holmes repeatedly testified, both at trial and before the Subcommittee, that but for Judge Nixon's intervention he would not have passed the case to the file in December 1982.

IV. JUDGE NIXON'S POST-INDICTMENT TESTIMONY

In both his April, 1984, interview with law enforcement authorities and his July, 1984, grand jury testimony under oath, Judge Nixon made no mention of his meeting with Wiley Fairchild where Wiley complained of being "blackmailed" in connection with Drew's case, his conversation with Bud Holmes concerning Drew's case, his subsequent telephone call to Wiley Fairchild from Mr. Holmes' farm, and his later conversation with Carroll Ingram concerning

Drew Fairchild. It was only during his testimony at his criminal trial, after Mr. Holmes, Mr. Ingram and Wiley Fairchild cooperated with the government, that Judge Nixon finally acknowledged his participation in these events.

Judge Nixon admits that he met with Wiley Fairchild at the offices of Fairchild Construction Company, although he claims to have done so not at Wiley's specific request. Rather, Judge Nixon contends that he simply stopped by the Fairchild office to "keep in touch" with Wiley Fairchild and to discuss the progress of his investment. Judge Nixon also concedes that Wiley Fairchild raised the subject of "blackmail" in connection with Drew's case, and complained about the disparate treatment between his son's case and the non-prosecution of Robert Royals, the co-conspirator. Judge Nixon claims that when confronted with Mr. Fairchild's allegation of "blackmail," he did not probe more deeply because he was "not a law enforcement officer" or Mr. Fairchild's attorney. According to Judge Nixon, Mr. Fairchild's complaints were "nonsense", but at the same time he was "shocked" by Mr. Fairchild's story.

Judge Nixon insists that Wiley Fairchild did not ask him to do anything in connection with Drew's case. Nevertheless, Judge Nixon admits that "he had the impression" Mr. Fairchild wanted the Judge to speak with Mr. Holmes, and Judge Nixon relayed Mr. Fairchild's complaints to Bud Holmes that very same day, purportedly because Mr. Fairchild's blackmail concerns were "weighing on my [Nixon's] mind."

Judge Nixon denies meeting Mr. Holmes at the District Attorney's office, and contends he did not drive with Mr. Holmes to the farm. However, the Judge admits meeting with Bud Holmes at the farm and speaking with Mr. Fairchild on the telephone. Judge Nixon contends that he did not "discuss" the facts of Drew's case and specifically told Mr. Holmes he did not want to discuss the case, but it is undisputed that Drew's case was the subject of his conversation with Mr. Holmes. Judge Nixon claims that Holmes was on the telephone, suddenly handed him the phone and said, "here, talk to Wiley Fairchild." Judge Nixon admits that during this telephone conversation Wiley Fairchild told him, "I'm glad you mentioned that matter to Bud . . . I'm satisfied."

Judge Nixon disputes the date of his meeting with Wiley Fairchild, his visit to Bud Holmes' farm and his telephone call with Mr. Fairchild. Both Bud Holmes and Wiley Fairchild have repeatedly placed these events as occurring before Drew's case was passed to the file, and Carroll Ingram testified that his conversation with Wiley Fairchild about these events took place before Drew's case was passed to the file. In contrast, Judge Nixon contends that these events took place in March 1983, after Drew's case was passed to the file, such that his dialogue with Bud Holmes and Wiley Fairchild could have played no role in the handling of the Drew Fairchild drug prosecution.

At trial, Judge Nixon vigorously and repeatedly denied having been in Hattiesburg on May 14, 1982, the date Mr. Holmes believes the phone call may have taken place. Judge Nixon claimed that he was in Biloxi preparing for an asbestos trial. However, Judge Nixon's testimony was proven to be false during post-trial proceedings. Dental records confirmed that the Judge received treatment in Hattiesburg on May 14, 1982. Judge Nixon urged the Subcommittee to accept his explanation that his testimony concerning May 14, 1982 was simply an "honest mistake" rather than deliberately false testimony.

□ 1500

Mr. BROOKS. Mr. Speaker, I yield 8 minutes to the gentleman from Wisconsin [Mr. SENSENBRENNER].

Mr. SENSENBRENNER. Mr. Speaker, both the Subcommittee on Civil and Constitutional Rights and the full Judiciary Committee unanimously adopted and reported out House Resolution 87. This overwhelming support for House Resolution 87 is indicative of the weight of evidence supporting the articles of impeachment against Judge Walter Nixon.

The subcommittee conducted 7 full days of hearings during which nine witnesses testified, admitted, and reviewed over 100 exhibits and also accepted proffers and affidavits of several other witnesses in lieu of live testimony. In addition, the subcommittee afforded Judge Nixon and his counsel unlimited opportunity to participate exhaustively in the hearings. After this thorough, objective, and definitive review of the facts, the weight of the evidence against Judge Nixon was substantial and it became quite obvious that he could not remain a Federal judge.

Articles I and II of the articles of impeachment reflect the false statements made by Judge Nixon to the grand jury and which were the basis for his conviction on two counts of perjury. In his appearance before the grand jury on July 18, 1984, Judge Nixon testified under oath that District Attorney "Bud" Holmes never discussed the Drew Fairchild case with him. Moreover, in a lengthy statement offered at the conclusion of his testimony, Judge Nixon told the grand jury that he "had nothing whatsoever, officially or unofficially, to do with the Drew Fairchild criminal case in Federal court or State court, * * * never talked to anyone about the case, any Federal judge or State judge, Federal prosecutor or State prosecutor," and "never talked to anyone, State or Federal, prosecutor or judge, to in any way influence anybody with respect to this case." However, in direct contrast to Judge Nixon's grand jury testimony, the evidence at trial established, through Nixon's own testimony, that he was, in fact, involved in the Drew Fairchild case through meetings first with Wiley Fairchild and then "Bud" Holmes, followed by a telephone conversation between Judge Nixon and Fairchild from Holmes' farm.

Article III is an omnibus article which incorporates most of the false or misleading statements made by Nixon to investigators and the grand jury, including the two false statements specified in articles I and II. It alleges that Nixon raised substantial doubt as to his judicial integrity, undermined confidence in the integrity and impartiality of the judiciary, betrayed the trust of the people of the United States, disobeyed the laws of the United States, and brought disrepute on the Federal courts by consistently concealing his conversations with Fairchild and Holmes. Our hearings have produced clear and convincing evidence that Judge Nixon lied to the law enforcement authorities during the investigation of the criminal case as well as to the Federal grand jury. By deliberately attempting to conceal his relationships with Wiley Fairchild and "Bud" Holmes, Judge Nixon thwarted the entire fact finding process by defining the "truth, the whole truth, and nothing but the truth" as only that which was convenient for Judge Nixon to disclose at that particular time.

Why did Judge Nixon lie? In order to understand the answer to that question, we must examine the impropriety of Nixon's financial dealings with Wiley Fairchild. And although the committee did not propose articles specifically alleging these dealings to be impeachable offenses, it does not mean we ignored their impropriety. It is necessary to examine those dealings in order to understand why Judge Nixon intentionally concealed and lied about his dealings with Wiley Fairchild.

First, we found Judge Nixon soliciting a lawyer who practiced before him to put him into a profitable oil deal with that lawyer's client. The resulting oil deal was extremely questionable and his conduct regarding it unethical. He received a sweetheart deal—not available to the public: Over $70,000 in oil royalties on an initial investment of only $9,500, with no cash up front; with favorable interest rates 5 percentage points lower than banks were charging; with oil deeds that were backdated and did not become effective until the wells actually produced; with a purchase price three times less than what the wells were worth in any arm's length transaction. Judge Nixon failed to report the transaction on his financial disclosure for 1980, even though he claims the agreement was reached then. Even when he mentioned oil royalties on his 1981 disclosure statement, he failed to disclose that the royalties and loans came from Wiley Fairchild. It wasn't until the Judicial Ethics Committee forced that disclosure and compelled him to disclose his relationship to Fairchild that any potential litigant would have even known of that relationship.

And what did Judge Nixon do in that regard? Did he recuse himself from cases where Wiley Fairchild was a party? No! He violated several canons of judicial ethics and continued to grant favorable rulings to Fairchild

in two civil cases during the time he was soliciting and participating in the oil deal with Wiley Fairchild.

Therefore, once we understood the shady nature of his deal with Fairchild, we began to see why Nixon lied in the interview and the grand jury about his conversations with Fairchild and "Bud" Holmes. Throughout both proceedings he consciously concealed his conversations with Fairchild and Holmes regarding the prosecution of Fairchild's son. Nixon did play a part in that case in acting as a go-between for his oil patron and the State prosecutor and, by his own admission, purposely concealed it.

Clearly, the judge is not fit to sit upon the Federal judiciary and we must perform our constitutional duty to impeach him. Once the Supreme Court denied certiorari on Judge Nixon's appeal, I sent him a letter requesting that he resign. He has refused to do so, leaving us with impeachment as the only alternative. Let us get on with this task before he returns to the bench.

Mr. BROOKS. Mr. Speaker, I yield 4 minutes to the gentleman from Wisconsin [Mr. KASTENMEIER].

Mr. KASTENMEIER. Mr. Speaker, I thank the chairman of my committee, the gentleman from Texas [Mr. BROOKS], for yielding me this time.

Mr. Speaker, I want to say that the preceding description given the Members about this case by the chairman of the Committee on the Judiciary, the gentleman from Texas [Mr. BROOKS], and by the chairman of the subcommittee who handled the subcommittee in terms of its deliberations all the way through, the gentleman from California [Mr. EDWARDS], and the gentleman from Wisconsin [Mr. SENSENBRENNER], the ranking minority member on that subcommittee, as I am a member of that subcommittee, I can say that the foregoing was an accurate and fair description of this case.

Furthermore, I want to compliment the gentleman from California for his very careful, fair, deliberate, patient treatment of the case of the impeachment of Walter Nixon.

Mr. Speaker, I should make the observation, however, that it is the third judicial impeachment in less than 3 years. I handled the first one, that of Harry Claiborne, a judge in the State of Nevada, in 1986. Last year we had the impeachment of Alcee Hastings, a judge in the State of Florida, handled by the gentleman from Michigan [Mr. CONYERS]. The point I am trying to make is that we have had three impeachments of judicial personnel in just 2 or 3 years.

The burden on the other body is evident. They have not even had their evidentiary committee panels meeting and presume to do so, I believe, in the month of July even though that impeachment was sent over there last year, and whether they will have any difficulty at all with this particular proceeding remains to be seen.

The question I pose is that it is probably time that we look institutionally in terms of Federal discipline and removal of article III judges whether we can continue to rely on the process of impeachment.

□ 1600

I would propose, as I have in this particular bill, that we have a study for the purposes of the future of the removal process, whether we can change the process without constitutional amendment, and if a constitutional amendment is required, do we need to go that route. Is there any way in which we can provide disincentives or incentives in terms of retirement of these judges voluntarily.

These three cases are very much alike. All three of these judges have been subject to criminal trials, despite the case of one being exonerated. All three have declined to retire, to yield up their judgeship, forcing us into this situation; that is, a full-blown impeachment involving both the House of Representatives constitutionally and the Senate.

We have to find, I think, some answer, since the Federal Judiciary today is at nearly 900 article III judges and is growing. It is no longer a small community of a couple of hundred judges, it is a large community.

As I understand it, there may be one or two cases on the horizon which may even come to this particular standing for us as a challenge for us in the future. While I would hope not, there is a distinct possibility that we will again be importuned in the near future, and it would be our duty to consider this proceeding.

Therefore, I suggest to the membership in due course we would like a study commission on the future of impeachment under the Constitution.

Mr. BROOKS. Mr. Speaker, for purposes of debate only, I yield 6 minutes to the distinguished ranking minority member, the gentleman from New York, Mr. HAMILTON FISH.

Mr. FISH. Mr. Speaker, I thank my friend, the chairman of the Judiciary Committee, for yielding time to me.

Mr. Speaker, I would like to commend the gentleman from California [Mr. EDWARDS] and the gentleman from Wisconsin [Mr. SENSENBRENNER], as well as the other members of the Subcommittee on Civil and Constitutional Rights for their capable direction of the investigation into the allegations against Chief Judge Walter L. Nixon, Jr. Through this distressing process, they worked closely together in a bipartisan effort to conduct a thorough, fair, and objective review of the facts.

I applaud the efforts by the subcommittee to provide Judge Nixon and his counsel with wide latitude to participate in the hearings. The 7 full days of hearings indicate the seriousness with which the subcommittee approached this matter.

In the recent letter sent by Judge Nixon's attorney to the Members of the House of Representatives, Judge Nixon requests that any action by the House of Representatives be postponed until the Fifth Circuit hears the argument concerning his section 2255 motion. It is this request that I wish to address.

My colleagues, let us remember that Judge Nixon was convicted on two counts of perjury on February 9, 1986, and sentenced to concurrent terms of 5 years imprisonment on each count. The conviction and sentence were affirmed on appeal to the Fifth Circuit, and a rehearing en banc was denied. The U.S. Supreme Court denied certiorari. Judge Nixon thereafter filed with the District Court a motion to vacate his conviction and sentence pursuant to 28 U.S.C. 2255.

The standard applied to section 2255 hearings is essentially the same as for hearings held on a writ of habeas corpus. The petitioner is entitled to postconviction relief only if he establishes a jurisdictional or constitutional error or an error of law which is so fundamental that it inherently results in a complete miscarriage of justice or in a proceeding inconsistent with the rudimentary demands of fair procedure. The petitioner has the burden of proof.

The five grounds raised by Judge Nixon in his section 2255 petition were as follows:

First, the Government's failure to disclose favorable materials before trial;

Second, the Government's knowing use of false testimony;

Third, the Government's failure to disclose statements of witnesses as required by the Jencks Act;

Fourth, the Government's creation of a perjury trial during the grand jury proceedings; and

Fifth, the Government's prosecutorial abuse and misconduct.

U.S. District Court Judge John F. Nangle conducted 2 days of hearings in August, 1988, during which he heard the actual testimony of Wiley Fairchild and other witnesses called by Nixon. On December 19, 1988, Judge Nangle issued a 59-page opinion in which he concluded Judge Nixon's motion was without merit. This decision has been appealed to the Fifth Circuit Court of Appeals. The Fifth Circuit has advised Judge Nixon that it will hear argument in June 1989.

Mr. Speaker, for the following reasons, I submit it is neither wise nor prudent to delay the impeachment

proceedings any further to await the Fifth Circuit's action on this matter.

First, the issues in the section 2255 proceeding simply are not dispositive of the substance of the Articles of Impeachment in H. Res. 87. For instance, whether a witness was given improper inducements by a prosecutor (such as is alleged by Judge Nixon but which Judge Nangle ruled was without merit) goes to the question of the fairness of the criminal trial. That is a question for the courts to resolve, not Congress. The only issue before Congress is whether, as alleged in the Articles, Judge Nixon lied to investigators and to the grand jury. The Articles of Impeachment are based on Judge Nixon's own words, not those of others—first before investigators and the grand jury and second in his own criminal trial. The Articles of Impeachment were crafted in such a way as to avoid reliance upon the other witnesses in the trial, such as Wiley Fairchild and Bud Holmes, and thus impeachment would still be appropriate whatever the ultimate result of the Fifth Circuit.

Second, the issue in the section 2255 proceeding concerning the recantation of Wiley Fairchild's testimony is also not dispositive of the Articles of Impeachment. Wiley Fairchild's testimony has changed concerning the date a conversation might have occurred between Wiley Fairchild and Judge Nixon. However, Judge Nixon is charged in the articles with lying about the fact of that conversation, not the date of it. Therefore, even if one accepts the recanted version of Wiley Fairchild's testimony, Nixon would still be guilty of lying about it occuring at all. He would be guilty of the false statements alleged in the articles of impeachment.

Third, the section 2255 petition filed by Judge Nixon is not an exclusive avenue of appeal. The statute allows for motions to be filed under section 2255 as long as the petitioner is incarcerated and so long as the petitioner alleges new grounds for relief. Thus, postponing action by the House now does not guarantee this would be the last section 2255 petition filed by Judge Nixon. Additionally, if the Fifth Circuit rules against the judge and affirms the district court, Judge Nixon will no doubt ask the House of Representatives for another delay while an appeal is pending before the Supreme Court.

In conclusion, Mr. Speaker, it is not in the interests of justice to postpone action on House Resolution 87 because of Judge Nixon's section 2255 petitions. The House Judiciary Committee has been excruciatingly patient in waiting not only for all the avenues of appeal to be exhausted, but also for the district court to rule in the section 2255 proceeding. Further delay serves no purpose. The House of Representatives needs to act on House Resolution 87 as soon as possible, especially to prevent Judge Nixon from returning to the bench in November 1989, when he will be eligible for parole.

As a convicted felon, Judge Nixon would be allowed to sit as a judge in a State which has forbidden him from practicing law. I urge my colleagues to prevent that incredible situation from occurring and urge you to vote for impeachment of Judge Nixon.

Mr. BROOKS. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from New York [Mr. SCHUMER], a member of the committee.

Mr. SCHUMER. Mr. Speaker, first, on this unhappy occasion, I think Members on both sides of the aisle want to commend the chairman of our subcommittee, the subcommittee on which I used to sit, the gentleman from California [Mr. EDWARDS] for his leadership on what proved to be a tremendously difficult issue for the subcommittee. He was judicious, he was careful, he was fair, he was thorough, he was really exemplary, and I think the gentleman from California [Mr. EDWARDS] deserves all of the credit in the world.

Our subcommittee held numerous hearings and spent hours and hours debating the issues before us. The decision that we have come to did not come lightly, and Chairman EDWARDS gave Judge Nixon every opportunity to present his version of the facts.

When I first reviewed the case I was not convinced that the judge's conviction was meritorious and, in fact, I had to spend days and days wrestling in my mind with what we should do by not impeaching a judge who had been convicted of crimes in our courts. But the subcommittee did not accept Judge Nixon's conviction on its face, my colleagues. In other words, we did not just look at the record and make our judgment.

□ 1610

The subcommittee reviewed the conviction de novo and what we found the deeper and deeper we looked, with the help of our able counsel, was that the article of impeachment was on all fours with the judge's misconduct.

In other words, ladies and gentleman, many of us started out extremely skeptical. It is a case where some of the charges were dropped and the only conviction was for perjury.

Perjury, of course, is a very difficult, difficult thing to decide; but as we looked and examined all of the records and in fact found many things that were not in the record it became very clear to us that this impeachment was meritorious.

My colleagues, in conclusion, impeachment is a grave issue. In this case it is deserved.

Mr. Speaker, I urge my colleagues to follow the thoughtful lead of the gentleman from California [Mr. EDWARDS], chairman of the subcommittee, and vote to impeach Judge Nixon.

Mr. BROOKS. Mr. Speaker, I yield 5 minutes to the distinguished gentleman from Florida [Mr. JAMES].

Mr. JAMES. Mr. Speaker, today the House of Representatives is being asked to take the required next step in removing Walter Nixon from his privileged position as a U.S. district judge. Judge Nixon is only the second Federal judge in U.S. history to be convicted of crimes while in office. The first, Harry Claiborne, was impeached by the House and removed from office by the Senate in 1986.

It's been well over a year since Judge Nixon exhausted his appeal to the U.S. Supreme Court and the Judicial Conference certified to this House that impeachment may be warranted. It is now time to move forward without any further delay.

Judge Nixon was convicted of perjury; he lied to a Federal grand jury. There is no crime more heinous to the integrity of the judicial process than perjury.

How can we expect the American people to have any trust in the honesty and impartiality of a judge who has been convicted of and imprisoned for perjury? They cannot. Judge Nixon must be impeached.

Since his indictment in 1985, Judge Nixon has not presided over any cases. Yet since his conviction in February 1986, he has received over $286,000 in salary which he continues to draw even while in prison.

As a result of his crime of deceit, he was suspended from the practice of law in Mississippi and Louisiana, yet he has told the Judiciary Subcommittee on Civil and Constitutional Rights that he intends to return to the bench when he is released from prison, which will be in just a few months. We cannot allow this to happen.

The articles of impeachment approved by the Judiciary Committee were carefully crafted and considered after many months of independent investigation, document review, and testimony. The committee intentionally crafted articles which deal only with actual false statements made by Judge Nixon. The falsity of these statements can be proven by simply reviewing what Judge Nixon told investigators and the grand jury prior to his indictment, and comparing it to his testimony at trial, and before the House Judiciary Subcommittee.

Let me provide an example: Judge Nixon told investigators in April 1984 that he knew of no reason he would have met with Wiley Fairchild after February 1981, and that Mr. Fairchild never brought up the subject of his son's drug-smuggling case. Yet when Judge Nixon testified at his trial and before the House Judiciary Subcom-

mittee on Civil and Constitutional Rights he said he did meet with Wiley Fairchild after February 1981, and Mr. Fairchild had brought up the subject of his son's case, claiming that "Bud" Holmes, and possibly others, were blackmailing Wiley Fairchild in the handling of the case.

Simply by comparing and contrasting Judge Nixon's own words, you can see that his statements are inconsistent. The case is as simple as that. Judge Nixon lied—and he lied repeatedly and intentionally. Although the process of impeaching a Federal judge is cumbersome and even distasteful, we must proceed with due haste. It is our constitutional duty.

Mr. BROOKS. Mr. Speaker, I yield 3 minutes to the gentleman from Pennsylvania [Mr. GEKAS].

Mr. GEKAS. Mr. Speaker, I thank the chairman of the Committee of the Judiciary for this opportunity to speak on this important issue.

To judge a judge or not to judge a judge, that is the question before us. The impeachment proceedings as outlined in the Constitution are the sole means by which America, our Nation, can look to the questions of the conduct of a Federal judge.

So that duty, falling upon us, is being exercised here today, but not isolatedly not without precedent, not without evidence but through a proceeding which allowed for the careful consideration of the issues as was outlined heretofore and was carried out by the subcommittee and the full Committee on the Judiciary.

But there is an aspect of this that the public should know that has been mentioned but should be made clear in the CONGRESSIONAL RECORD. That is this: That no matter what judicial proceedings, courts of law, or other methodologies in which the judge in this case or other judges in other impeachments were first considered, like a trial in criminal court, the subcommittee in this case, as in previous impeachments, was able to set aside the results of a judicial proceeding and begin to analyze this case and the facts therein on its own, as was mentioned, de novo from the beginning, as if a judicial proceeding had never occurred at all.

That is to the everlasting credit of the procedures that we follow here in the House in impeachment proceedings and to the everlasting credit of this particular subcommittee which saw its duty and did it notwithstanding the court's results.

That is important for the people of our Nation to recognize that we, in the following of our own guidelines, take pains to protect the rights of the person targeted for impeachment.

There is one other facet to all of this that must be recognized by the public, that we did not reach down into the circuit where this judge was plying his judgeship and bring him to our court, as it were, on our own. He was first judged by his peers, not only in a court of law, but judged by his judicial peers. It is their inquiry, their suggestion, their referral to the House of Representatives, to the Congress of the United States which resulted in this hour of impeachment here and now.

So he was judged by judges, his peers, and they said to us in the House of Representatives, "Do what you will under the constitutional duty that befalls upon you."

Judge Nixon must be impeached.

Mr. BROOKS. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Illinois [Mr. HYDE].

Mr. HYDE. I thank the distinguished chairman.

Mr. Speaker, I just listened with great interest to my subcommittee chairman, the gentleman from Wisconsin [Mr. KASTENMEIER], discuss quite properly the complexities and the cumbersomeness of having to impeach Federal judges, to remove them from the bench, in appropriate situations.

We have had three similar situations confront us in the space of the last couple of years.

I just have a benign suggestion to the upper chamber, the other body, which has the constitutional responsibility to provide advice and consent on these various nominees: I think, and I suggest this with great respect, if they would spend more time on the character of the nominees rather than their ideology perhaps the quality of justice might be improved.

Mr. Speaker, I yield back the balance of my time.

Mr. BROOKS. Mr. Speaker, I move the previous question on the committee amendment in the nature of a substitute and on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the committee amendment in the nature of a substitute.

The committee amendment in the nature of a substitute was agreed to.

The SPEAKER pro tempore. The question is on the resolution, as amended.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. SENSENBRENNER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 417, nays 0, not voting 17, as follows:

[Roll No. 50]

YEAS—417

Ackerman	Anthony	AuCoin
Akaka	Applegate	Baker
Alexander	Archer	Ballenger
Anderson	Armey	Bartlett
Andrews	Aspin	Barton
Annunzio	Atkins	Bates
Beilenson	Foley	Lewis (GA)
Bennett	Ford (MI)	Lightfoot
Bentley	Ford (TN)	Lipinski
Bereuter	Frank	Livingston
Berman	Frost	Lloyd
Bevill	Gallegly	Long
Bilbray	Gallo	Lowery (CA)
Bilirakis	Garcia	Lowey (NY)
Billey	Gaydos	Luken, Thomas
Boehlert	Gejdenson	Lukens, Donald
Boggs	Gekas	Machtley
Bonior	Gephardt	Madigan
Borski	Gibbons	Manton
Bosco	Gillmor	Markey
Boucher	Gilman	Marlenee
Boxer	Gingrich	Martin (IL)
Brennan	Glickman	Martin (NY)
Brooks	Gonzalez	Martinez
Broomfield	Goodling	Matsui
Browder	Gordon	Mavroules
Brown (CA)	Goss	Mazzoli
Brown (CO)	Gradison	McCandless
Bruce	Grandy	McCloskey
Bryant	Grant	McCollum
Bunning	Gray	McCrery
Burton	Green	McCurdy
Bustamante	Guarini	McDade
Byron	Gunderson	McDermott
Callahan	Hall (OH)	McEwen
Campbell (CA)	Hall (TX)	McGrath
Campbell (CO)	Hamilton	McHugh
Cardin	Hammerschmidt	McMillan (NC)
Carper	Hancock	McMillen (MD)
Carr	Hansen	McNulty
Chandler	Harris	Meyers
Chapman	Hastert	Mfume
Clarke	Hatcher	Michel
Clay	Hawkins	Miller (CA)
Clement	Hayes (IL)	Miller (OH)
Clinger	Hayes (LA)	Miller (WA)
Coble	Hefley	Mineta
Coelho	Hefner	Moakley
Coleman (MO)	Henry	Mollohan
Coleman (TX)	Herger	Montgomery
Collins	Hertel	Moody
Combest	Hiler	Moorhead
Conte	Hoagland	Morella
Conyers	Hochbrueckner	Morrison (CT)
Cooper	Holloway	Morrison (WA)
Costello	Hopkins	Mrazek
Coughlin	Horton	Murphy
Cox	Houghton	Murtha
Coyne	Hoyer	Myers
Craig	Hubbard	Nagle
Crane	Huckaby	Natcher
Crockett	Hughes	Neal (MA)
Dannemeyer	Hunter	Neal (NC)
Darden	Hutto	Nelson
Davis	Hyde	Nielson
de la Garza	Inhofe	Nowak
DeFazio	Ireland	Oakar
Dellums	Jacobs	Oberstar
Derrick	James	Obey
DeWine	Jenkins	Olin
Dickinson	Johnson (CT)	Ortiz
Dicks	Johnson (SD)	Owens (NY)
Dingell	Johnston	Owens (UT)
Dixon	Jones (GA)	Oxley
Donnelly	Jones (NC)	Packard
Dornan (CA)	Jontz	Pallone
Douglas	Kanjorski	Parker
Downey	Kaptur	Parris
Dreier	Kasich	Pashayan
Duncan	Kastenmeier	Patterson
Durbin	Kennedy	Paxon
Dwyer	Kennelly	Payne (NJ)
Dyson	Kildee	Payne (VA)
Early	Kleczka	Pease
Eckart	Kolbe	Pelosi
Edwards (CA)	Kolter	Penny
Edwards (OK)	Kostmayer	Perkins
Emerson	Kyl	Petri
Engel	LaFalce	Pickett
English	Lagomarsino	Pickle
Erdreich	Lancaster	Porter
Espy	Lantos	Poshard
Evans	Laughlin	Price
Fascell	Leach (IA)	Pursell
Fawell	Lehman (CA)	Quillen
Fazio	Lehman (FL)	Rahall
Feighan	Leland	Rangel
Fields	Lent	Ravenel
Fish	Levin (MI)	Ray
Flake	Levine (CA)	Regula
Flippo	Lewis (CA)	Rhodes
Foglietta	Lewis (FL)	Richardson

Ridge	Skaggs	Tauzin
Rinaldo	Skeen	Thomas (CA)
Ritter	Skelton	Thomas (GA)
Roberts	Slaughter (NY)	Thomas (WY)
Robinson	Slaughter (VA)	Torres
Roe	Smith (FL)	Towns
Rogers	Smith (IA)	Traficant
Rohrabacher	Smith (MS)	Traxler
Rose	Smith (NE)	Unsoeld
Rostenkowski	Smith (NJ)	Upton
Roth	Smith (TX)	Valentine
Roukema	Smith (VT)	Vander Jagt
Rowland (CT)	Smith, Denny (OR)	Vento
Rowland (GA)	Smith, Robert (NH)	Visclosky
Russo	Smith, Robert (OR)	Volkmer
Sabo	Snowe	Vucanovich
Saiki	Solarz	Walgren
Sangmeister	Solomon	Walker
Sarpalius	Spence	Walsh
Savage	Spratt	Watkins
Sawyer	Staggers	Waxman
Saxton	Stallings	Weber
Schaefer	Stangeland	Weiss
Scheuer	Stark	Weldon
Schiff	Stearns	Wheat
Schneider	Stenholm	Whittaker
Schroeder	Stokes	Whitten
Schuette	Studds	Williams
Schulze	Stump	Wilson
Schumer	Sundquist	Wise
Sensenbrenner	Swift	Wolf
Sharp	Synar	Wolpe
Shaw	Tallon	Wyden
Shays	Tanner	Wylie
Shumway	Tauke	Yates
Shuster		Yatron
Sikorski		Young (AK)
Sisisky		Young (FL)

NAYS—0

NOT VOTING—17

Barnard	Dymally	Pepper
Bateman	Florio	Roybal
Buechner	Frenzel	Slattery
Courter	Leath (TX)	Torricelli
DeLay	Molinari	Udall
Dorgan (ND)	Panetta	

□ 1638

Mr. BERMAN changed his vote from "nay" to "yea."

So the resolution, as amended, was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. BROOKS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the resolution just agreed to.

The SPEAKER pro tempore (Mr. HOYER). Is there objection to the request of the gentleman from Texas?

There was no objection.

PERSONAL EXPLANATION

Mr. FRENZEL. Mr. Speaker, because of a conference on the budget I was obliged to miss the vote on rollcall No. 50. Had I been present, I would have voted "yea" to impeach Judge Nixon.

PERSONAL EXPLANATION

Mr. BUECHNER. Mr. Speaker, I also was in attendance at the joint House-Senate conference committee, and, had I been in attendance at rollcall No. 50, I, too, would have voted "yea" for impeachment.

PERSONAL EXPLANATION

Mr. SLATTERY. Mr. Speaker, on May 10, I was unavoidably absent for vote No. 50, adoption of the resolution to impeach Federal District Court Judge Walter L. Nixon of Mississippi. I was absent due to a meeting of the House-Senate conferees on the fiscal year 1990 budget resolution. Had I been present, I would have voted "yea," in favor of the impeachment of Judge Nixon.

APPOINTING MANAGERS AND PROVIDING CERTAIN AUTHORITIES AND PROCEDURES FOR THE TRIAL OF THE IMPEACHMENT OF WALTER L. NIXON, JR.

Mr. BROOKS. Mr. Speaker, I offer three privileged resolutions (H. Res. 150, H. Res. 151, and H. Res. 152), and I ask unanimous consent that they be considered en bloc.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the resolutions.

The Clerk read as follows:

H. Res. 150

Resolved, That Mr. Brooks, Mr. Edwards of California, Mr. Cardin, Mr. Sensenbrenner, and Mr. Dannemeyer, Members of the House of Representatives, are appointed managers to conduct the impeachment trial against Walter L. Nixon, Jr., a judge of the United States District Court for the Southern District of Mississippi.

H. Res. 151

Resolved, That the managers on the part of the House of Representatives in the matter of the impeachment of Walter L. Nixon, Jr., a judge of the United States District Court for the Southern District of Mississippi, are authorized to do the following in the preparation and conduct of the impeachment trial:

(1) To employ legal, clerical, and other necessary assistants and to incur such other expenses as may be necessary, to be paid from amounts available to the Committee on the Judiciary under clause 5(f) of Rule XI of the Rules of the House of Representatives, House Resolution 103, One Hundred First Congress, agreed to March 21, 1989, or any other applicable expense resolution, on vouchers approved by the Chairman of the Committee on the Judiciary.

(2) To send for persons and papers, and to file with the Secretary of the Senate, on the part of the House of Representatives, any subsequent pleadings which they consider necessary.

(3) To take such other actions as are necessary to the preparation or conduct of the trial.

H. Res. 152

Resolved, That a message be sent to the Senate to inform the Senate that Mr. Brooks, Mr. Edwards of California, Mr. Cardin, Mr. Sensenbrenner, and Mr. Dannemeyer have been appointed managers for the trial of the impeachment of Walter L. Nixon, Jr., a judge of the United States District Court for the Southern District of Mississippi.

Mr. BROOKS (during the reading). Mr. Speaker, I ask unanimous consent that the resolutions be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The SPEAKER pro tempore. The gentleman from Texas [Mr. BROOKS] is recognized for 1 hour.

Mr. BROOKS. Mr. Speaker, these three resolutions are the customary resolutions necessary in order for the House to proceed with the impeachment trial of Judge Walter L. Nixon.

The House must appoint managers for the conduct of the impeachment trial in the Senate, advise the Senate of the appointment of those managers, and authorize those managers to expend funds, to employ staff, send for persons and papers, and to take such other actions as are necessary for the conduct of the trial. The managers for the trial will be DON EDWARDS, the chairman of the subcommittee that handled the matter, JIM SENSENBRENNER, the ranking minority member of the subcommittee, BILL DANNEMEYER, BEN CARDIN, and myself.

These three resolutions accomplish those objectives. I would point out to my colleagues that these are the resolutions which are customarily adopted by the House, subsequent to an impeachment.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the resolution.

There was no objective.

The resolutions were agreed to.

A motion to reconsider was laid on the table.

AUTHORIZING PAYMENT OF CERTAIN EXPENSES FROM AMOUNTS AVAILABLE TO THE COMMITTEE ON THE JUDICIARY AND RELEASING CERTAIN MATERIALS RELATING TO COMPLAINTS AGAINST ALCEE L. HASTINGS

Mr. BROOKS. Mr. Speaker, I offer two privileged resolutions (H. Res. 153 and H. Res. 154) and I ask unanimous consent that they be considered en bloc.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the resolutions.

The Clerk read as follows:

H. Res. 153

Resolved, That expenses referred to in paragraph (1) of House Resolution 13, One Hundred First Congress, agreed to January 3, 1989, may be paid from amounts available to the Committee on the Judiciary under House Resolution 103, One Hundred First Congress, agreed to March 21, 1989, or any other applicable expense resolution for the One Hundred First Congress.

H. RES. 154

Resolved, That all papers, documents, and record of proceedings, relating to the matter of certain complaints against United States District Judge Alcee L. Hastings, and transmitted to the House of Representatives under section 372(c) of title 28, United States Code, but not previously released under section 372(c)(14) of such title, are, to the extent ordered by the Chairman of the Committee on the Judiciary, released under such section 372(c)(14).

Mr. BROOKS (during the reading). Mr. Speaker, I ask unanimous consent that the resolutions be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The SPEAKER pro tempore. The gentleman from Texas [Mr. BROOKS], chairman of the Committee on the Judiciary, is recognized for 1 hour.

Mr. BROOKS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the first resolution relates to funding for the impeachment trial in the Senate of Judge Alcee Hastings. This resolution merely clarifies the managers' spending authority.

The second resolution provides authorization for the release of certain materials submitted to the House of Representatives pursuant to the judicial discipline statute. Under that law, materials submitted to the House are confidential unless the House specifically authorizes their release by resolution. The House passed such a resolution in the 100th Congress. This resolution provides the same authorization for the 101st Congress. The Senate committee charged with responsibility of receiving evidence in the Hastings impeachment has requested the conditional release of some of this material. The House managers have no objection to this.

Mr. Speaker, I move the previous question on the resolutions.

The previous question was ordered.

The resolutions were agreed to.

A motion to reconsider was laid on the table.

INTRODUCTION OF THE COOPERATIVE PRODUCTIVITY AND COMPETITIVENESS ACT OF 1989

(Mr. FISH asked and was given permission to address the House for 1 minute and to include extraneous matter.)

Mr. FISH. Mr. Speaker, the Cooperative Productivity and Competitiveness Act of 1989—H.R. 2264, which I have introduced would allow American companies to jointly operate manufacturing and production facilities without fear of violating the Federal antitrust laws.

Since 1981, our Nation has suffered a net loss of 700,000 manufacturing jobs—many of them to foreign competitors. We cannot continue to allow the loss of 100,000 manufacturing jobs a year. Flexible, cooperative production facilities can help us regain those jobs.

My bill responds to the need for America to compete in the rapidly changing high technology marketplace, which includes such areas as superconductivity, high definition television, robotics, and computer-aided design and manufacturing.

In recent years, Congress has taken a series of legislative steps aimed at reforming the Federal antitrust laws to increase America's ability to compete with Japan and with the European Common Market. Joint production ventures would be a giant step in this important legislative evolution. The passage of the Export Trading Company Act in 1982 and the National Cooperative Research Act in 1984 encouraging joint research and development are earlier examples of this trend.

Joint production will allow American companies—both large and small—to pool their resources and talents in a more efficient way. American companies would be given the flexibility to cooperate along the lines of the Japanese corporate production model, without sacrificing American individuality of initiative. By allowing American companies to jointly manufacture products, but then separately distribute and market those products, the proconsumer aspects of the antitrust laws are preserved.

Relaxation of antitrust barriers to our competitiveness has been favorably commented on by our Secretary of Commerce and the Attorney General of the United States.

The text of H.R. 2264 follows:

H.R. 2264

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Cooperative Productivity and Competitiveness Act of 1989".

SEC. 2. AMENDMENTS.

(a) TERMINOLOGY.—The National Cooperative Research Act of 1984 (15 U.S.C. 4301, et seq.) is amended by striking the term "joint research and development venture" each place it appears and inserting in lieu thereof "joint research, development, or production venture";

(b) DEFINITION.—Section 2(a)(6) of the National Cooperative Research Act of 1984 (15 U.S.C. 4301(a)(6)) is amended—

(1) in subparagraph (D) by striking "or",

(2) in subparagraph (E)—

(A) by striking "(E)" and inserting "(F)", and

(B) by striking "and (D)" and inserting "(D), and (E)",

(3) by inserting after subparagraph (D) the following:

"(E) the production or manufacture of any product or process in a jointly owned or operated facility, or", and

(4) in the matter following subparagraph (F), as so redesignated, by inserting "development, or production,", after "the conducting of research,".

(c) EXCLUSIONS.—Section 2(b) of the National Cooperative Research Act of 1984 (15 U.S.C. 4301(b)) is amended—

(1) in paragraph (1) by striking "conduct the research and development that is" and inserting "carry out",

(2) in paragraph (2)—

(A) by striking "production or" in each place it appears,

(B) by adding ", distribution, or sale" after the word "marketing" in each place it appears, and

(C) by inserting ", copyrighted work, know how," after "patents", and

(3) in paragraph (3) by striking "other research and development activities" and inserting "any other joint research, development, or production venture activity".

(d) TECHNICAL AMENDMENTS.—(1) Section 3 of the National Cooperative Research Act of 1984 (15 U.S.C. 4302) is amended by striking "research and development markets" and inserting in lieu thereof "research, development, or product markets", and

(2) Section 6 of the National Cooperative Research Act of 1984 (15 U.S.C. 4305) is amended—

(A) in the heading by striking "Research Development, or Production", and

(B) in subsection (a) by inserting "(or, with respect to a venture involving the production of any product or process, not later than 90 days after the effective date of the Cooperative Productivity and Competitiveness Act of 1989") after "Act".

ADVANTAGES OF COMBINED CHILD SURVIVAL FUND AND HEALTH ACCOUNT IN FOREIGN AID AUTHORIZATION

(Mr. SMITH of New Jersey asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SMITH of New Jersey. Mr. Speaker, today I am introducing a bill which will help streamline the Foreign Assistance Act of 1961 by combining the child survival fund and health accounts into one functional account. Joined by my colleagues, Congressmen TONY HALL and FRANK WOLF—leaders in the Congress on child survival activities—we are proposing an authorization level of $300 million for the combined functional account.

The low cost and effective child survival activities which have become known by the acronym of GOBI include growth monitoring of a child's development, oral rehydration therapy for victims of diarrhea, the promotion of breast feeding by mothers, and immunization of children against the common but preventable childhood diseases such as pertussis, diphtheria, tetanus, measles, polio, and tuberculosis. Child survival activities have a proven track record and, while we still have much work to do, the accomplishments to date are encouraging:

More than 50 percent of children in developing world are vaccinated against the major childhood diseases. This is up from less than 5 percent in

1974. Such immunizations have resulted in the saving of 1.5 million children's lives per year.

Twenty-five percent of the families in the developing world use oral rehydration therapy and an estimated 750,000 deaths from this common illness are prevented each year.

Mr. Speaker, as a matter of fact, I had the privilege of participating in two immunization days in Central America in 1985 and 1987. Remarkably, in 1985, a cease-fire in the civil war in El Salvador was accomplished and well over 200,000 children were immunized in 1 day. I have personally witnessed the phenomenal effects of ORT—a dose which can literally save the child's life in only a matter of hours and costs only pennies. A scientific combination of salts and minerals, ORT has become known as a miracle worker in the health field.

While the health account provides as much as 33 percent of funds for child survival activities, the health account helps fund primary health care, water and sanitation projects, and insect or organism-borne disease treatment and control, such as malaria. The health account has contributed much to the research and testing of vaccines for common diseases in the developing world and improved solutions for oral rehydration treatments.

In order to help our colleagues understand how the level of funding for the combined functional account was derived, Mr. Speaker, I would like to take a moment to "walk through" the figures for the two currently separate accounts. The high water mark for the international health and child survival spending was in fiscal year 1987 and I would like to start at that point.

Mr. Speaker, in fiscal year 1987, the Agency for International Development spent $184.5 million from numerous accounts on child survival activities and $100.9 million from the health account on nonchild survival activities, for a total of $285.4 million. In fiscal year 1988, the total spending level decreased to $266.9 million—$169.9 million in child survival activities, $73.6 million from the health account and $23.4 million from the Development Fund for Africa in nonchild survival health projects. The funding, unfortunately, has remained about the same since fiscal year 1988.

The $300 million level for a combined child survival and health account is derived from the fiscal year 1987 health spending at roughly $100 million and an increase from $184.5 million to $200 million for child survival activities. Congressman HALL has a bill, H.R. 1616, of which I am a cosponsor, which sets the global level of funding for child survival activities at no less than $200 million. We are reflecting that priority in this new bill.

My colleagues may be as surprised as I to learn that the global spending for child survival activities has actually decreased since fiscal year 1987 even though there has been overwhelming support for this project both in the Foreign Affairs Committee and the full House of Representatives. The funding for the activities has been spread over as many as seven accounts, making the accounting for spending levels very confusing and often misleading. The child survival fund itself has only provided 39 percent of the funds of the global activities, with the health account providing as much as 33 percent.

As you know, Mr. Speaker, the House Foreign Affairs Committee has been diligently working to rewrite, streamline and generally clean up the Foreign Assistance Act of 1961. During markup of the revised bill, I plan to offer an amendment similar to the bill we are introducing today. I believe a combined child survival/health account will help meet the objectives of the rewrite by reducing the number of functional accounts, cutting a number of earmarks, setting a priority for scarce foreign aid dollars and streamlining the funding for child survival activities.

During markup in the Subcommittee on Human Rights and International Organizations, my colleagues supported my amendments which delineated two of the basic authorities for economic assistance. Those amendments established as priorities assistance for improved health conditions, preventive care programs, and self-sustaining primary health care systems, and promotion of child survival activities.

These two priorities are essential to combating the most widespread killers of children and their mothers. It has been estimated that of the approximately 15 million deaths of children as much as half are due to preventable illnesses such as measles, polio, diphtheria, pertussis, tetanus, tuberculosis, and dehydration caused by diarrhea. In addition, up to one-half of all infant mortality in the developing world occurs in the first 28 day of life. These are lives which can be saved through effective primary maternal, prenatal, and neonatal health care systems.

Mr. Speaker, a combined child survival/health account will provide a coherent, clearly defined funding mechanism for these important life-saving interventions. I would ask that my colleagues support this legislation and work to incorporate this objective in the rewrite of the foreign assistance authorization bill.

INTRODUCTION OF LEGISLATION ADDRESSING INEQUITY IN MEDICARE PHYSICIAN REIMBURSEMENT

(Mr. OWENS of Utah asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. OWENS of Utah. Mr. Speaker, I am today introducing legislation which addresses a serious inequity in the system of Medicare physician reimbursement. Under the present formula, Medicare reimburses physicians a different amount, depending on their geographic location around the country. Studies have shown that Medicare makes substantial differences of payments for the same surgery and care, depending on where the physician lives, disparities which cannot be justified by differences in the cost of providing care. Our current system is completely out of whack, and doctors and their elderly patients in Utah in various regions around the country, are being discriminated against. As a result, quality care for senior citizens in Utah and in many other States is being jeopardized. We must do something, about that gross unfairness, and that something is, to pass my bill.

The 1988 Physician Payment Review Commission [PPRC] study showed that all of the prevailing charges in Utah are below the national mean. The data demonstrates that Medicare prevailing fees in Utah are substantially lower than in most areas of the country. In fact, for some services, Utah is dead last. Utah's Medicare allowable fees are extremely low for both surgical procedures and office visits. For example, the Utah payment for a pacemaker insertion is $680 while the national average is $1,228—almost double. Utah ranks 12th from the bottom out of 117 Medicare geographic localities that were surveyed. There is no rational explanation for these differences in reimbursement from State to State.

The PPRC has stated that approved charges vary extensively from one locality to another. Three- and four-fold differences in charges for particular procedures are common. It is difficult to believe that physicians in other parts of the country receive up to three times the Medicare reimbursment of Utah physicians for identical Medicare procedures. These differences extend far beyond justifiable differences in the cost of practice. The Utah Medical Association's data indicates that the actual costs of practice, including malpractices insurance, employee expenses, office rent, and supplies are not substantially lower in Utah. In some cases, Utah's costs are higher.

The greatest impact of these unrealistic Medicare payments is felt by our elderly and disabled citizens. The PPRC also concluded that Geographic variations in prevailing charges are substantial, and stated that wide variation in charges unrelated to difference in cost of practice could mean access

to care and beneficiary financial protection might be compromised in areas where prevailing charges are low. Access to quality health care is crucial and is being jeopardized in Utah because of the inequities in the national system. Reforms must be instituted to enhance the ability of Medicare to provide financial access to health services and financial protection for beneficiaries for the cost of those services. Payments to physicians are a means for achieving that objective. When provider payments are not adequate, the elderly can't get access to care, or the care they get is reduced in quality. There must be a special geographic adjustment based on the relative costs of practicing in different areas.

Medicare is a national health insurance program, and thus, physicians and their elderly patients should be provided equal protections. The present fee schedule is even more offensive to Medicare beneficiaries and taxpayers when we consider that every citizen in the United States contributes to Medicare. All Americans, regardless of their place of residence, are subject to the same Federal tax and Social Security payment schedules; all Medicare enrollees pay the same amounts for part B—physician—coverage. However, enrollees who live in certain parts of the country receive a disproportionate amount of Medicare money for the same services. Therefore, taxpayers in some parts of the country are subsidizing citizens living elsewhere. Utahns are exporting their tax dollars to pay for more expensive medical care in other States.

As Congress searches for ways to curb soaring health costs, and as we currently undergo a radical overhaul of the way the Federal Medicare Program pays physicians, measures must be taken to insure fairness to physicians practicing in areas such as Utah and access to quality health care for our elderly. We cannot allow these inequitable geographical disparities to continue; we must unlock Utahns from a system that threatens the availability of quality care.

I thank my colleagues in the House for their efforts to develop a Medicare system that is both rational and fair and urge my colleages as the debate on physician payment reform continues join with the Utah delegation in remedying the significant inequities that exist.

CONGRESSIONAL ETHICS

(Mr. HOYER asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. HOYER. Madam Speaker, I commend to everyone in this House one of the more trenchant statements you will read on the subject of ethics.

Last week, a former Member of this House, Otis Pike, delivered a statement before the bipartisan task force on ethics which is written with all his special wit and genius.

I am going to insert his testimony in the record for you all to read, but let me expound on Otis' point.

We all should be proud of our service in our institution. At every juncture, we should tell the public that.

This body is the most democratic legislative body in the world. It is large and unwieldy. But it is also representative of the American people and all that is good, and some that is bad, about them.

While the public's view of Congress may never be high, it seems to have sunk to historic lows lately.

Who is to blame? We are. Not because we are any less ethical than before. But we have repeatedly berated this body.

Mr. Speaker, I believe we are a group of talented people, from every part of America, every class, every ethnic group.

Congressman PIKE's observative are cogent, timely and well worth heeding.

TESTIMONY OF FORMER REPRESENTATIVE OTIS G. PIKE OF NEW YORK, 1961-79, BEFORE SPECIAL HOUSE TASK FORCE ON ETHICS, MAY 3, 1989

I expect my presence here today is a waste of your time and my own. You will not agree with what I have to say and if you did you wouldn't act on it for it would be politically unwise. Nevertheless, I appreciate the opportunity to get strong feelings long held off my chest.

"Ethics" has replaced mom, the flag and apple pie as something one must not only be for these days, but appear to be doing something about. We may not be able to define it: we aren't sure whether the word is singular or plural, but we know it when we see it. Ethics is, or are, "in" and must have their, or its, day. So did the pursuit of witches in New England and heretics in Spain, both embraced by gentlemen so positive that they were uniquely qualified to oversee the morals of others that they had no qualms about inflicting excruciating pain on those others. Always, of course, in order to make them better people and the world a better place.

In the book "Congress and the Nation" vol. 1, published by Congressional Quarterly and covering the years 1945-64, the word "ethics" can not be found in the index. It is not in the Constitution. That is not to say that the Government does not constitutionally regulate morals. It requires businesses to close on Sunday: then changes its mind. It decrees that booze is unlawful; then changes its mind. It establishes red light districts, moves them, then closes them. It makes gambling illegal—and conducts lotteries.

When you legislate ethics, then, you are shooting at a moving target. Any body that can spend 10 or 20 years pondering what to do about easy issues like acid rain or where to dump nuclear waste may not be able to give enough lead to targets that have puzzled all the religions of the world for millenia.

Take a concept like "conflict of interest". At one end of the spectrum it is easy. Pure black. You don't take bribes. You go to jail if you do. It has been a crime since before there was a Congress. It gets grayer. You don't take a political contribution in exchange for a promise to do something. The old "quid pro quo" test. How about a promise to consider something? To keep the door open? To answer the phone? Do you take political contributions from PACS that want something? They wouldn't exist if they didn't want something. At the other end of the spectrum it is almost pure white. Your job is conflicts of interest. Do you consider, first, on any given issue your conscience, your country, your district, your party, or the next election? The easy answer is that you never let self-interest interfere with the common good. Easy answers are best couched in elegant words that mean whatever you want them to.

If you have an account in a savings and loan, is it in your self-interest to bail them out? Yes. Should you vote on it? Yes. If you own stock in a savings and loan, should you vote for their bailout? I say "no", but I'm not sure. I would be surer if it were a 1,000 shares than if it were 10. If you had to paint a portrait of ethics, you would need many shades of gray.

So, to mix a couple of metaphors, you take this fast moving gray target and try to write rules that will hit it. That is the easy part.

Then, you ask an institution that was wholly designed to accommodate partisans to enforce those rules without being partisan, you are asking pigs to fly. On July 30, 1979, there was a recorded vote on a motion to table a resolution calling for the expulsion of Representative Charles C. Diggs, Jr. (D-Mich.). The vote was 205 to 197. The resolution to expel was partisan, the motion to table was partisan, the vote was partisan. In essence, Republicans voted 10 to 1 to expel, Democrats voted 3 to 1 not to. That's partisan.

In their proceedings against Jim Wright, I believe the ethics committee did the very best they could; did their darndest to be judicious. No one, however, can look at the pattern of votes on the various allegations without seeing some partisanship. If the matter ever reaches the floor of the House, anyone who believes that Democrats and Republicans will vote the same way believes that donkeys and elephants, at least, can fly.

I believe that the morals and ethics of Congress are high. Democratic ethics are no higher than Republican ethics and Republican ethics are not higher than Democratic ethics. A wholly political institution, however, will never make wholly non-political decisions in tough cases.

That is by no means the worst part. You were not sent here to peek through the windows of each other's private lives. You weren't even sent here to appear ethical. You were sent here to write laws and resolve problems. Your preoccupation with each other's ethics is preventing you from doing your jobs. It is taking too much of your time and worse, it is creating an atmosphere and an institution in which suspicion, bitterness, personal dislikes and private vendettas make cooperative efforts in writing laws increasingly difficult. That is serious.

The founding fathers didn't write into the Constitution any requirement that legislators, presidents or judges be ethical. They had enough faith in the people to elect good officials. They did write in provisions for removing bad ones. We have less faith in the people now, which is fair, for after a genera-

tion of legislating ethics they have a lot less faith in us. In 1965 a Lou Harris poll found that the public approved of Congress 64 to 25. In 1987 a poll by U.S. News and World Report showed that a majority of those polled believed that many or most Government officials took bribes.

Unhappy with our 64 to 25 favorable rating, we went to work. In 1968 the Congress broke with the system that had worked fairly well for 179 years and wrote its first financial disclosure law. We hoped the public would hold us in higher esteem if we stripped, financially, in public. We were rewarded by being held in the same lofty regard as other strippers and instead of applause heard only the ancient and endless cry of the voyeurs, "Take it all off."

1976 was a terrible year. Congressman Wayne Hayes (D-Ohio) put a girl friend of minimal secretarial skill on the payroll, married someone else, and the girl friend blew him away in the Washington Post. It was juicy. Andrew J. Hinshaw (R-Cal.) was convicted on two counts of bribery. Henry Helstoski (D-N.J.) was indicted for taking bribes to introduce immigration bills. Allan T. Howe (D-Utah) was found guilty of soliciting sex from two undercover policewomen posing as prostitutes. A steady dribble of leaks from the Justice Department named seven Congressmen as having gotten large gifts from a South Korean businessman named Tongsun Park. Former Representative Jim Hastings (R-N.Y.) was indicted for having taken kickbacks from his staff. The law enforcement authorities had acted in every one of those cases, but the outcry was loud. We had to get in the act too.

The Congress had passed a code of conduct for Federal employees in 1958. Charley Bennett wrote it and it was just grand. Eleven sentences. In 1977 a committee headed by David Obey (D-Wisc.) wrote infinitely more comprehensive rules of behavior that had only one salutory effect of which I am aware. They drove me out of Congress and enabled me to earn a refreshing amount of money. The key word is earn. Charley Bennett's 11 lines turned into a code so tangled that Mr. Obey recently referred to it as a "thicket" and so confusing that he recently accused the Ethics Committee of not understanding their own rules.

Have they made the House a more ethical place? They have not. In the 10 years before 1977, 12 Members of Congress were indicted and convicted or pleaded guilty to serious crimes. Three pleaded guilty to misdemeanors. In the 10 years after 1977, 17 Members of Congress pleaded guilty to or were convicted of serious crimes and two were allowed to take counseling on sex offenses. The charges against the 19 post-ethics transgressors ran the gamut from driving offenses through sex offenses to very serious charges of accepting bribes. They included members of both political parties. They had one thing in common. With one exception, every convicted criminal who had been here in 1977 had voted for the ethics code. The one exception was on the committee that wrote it. All of the charges were prosecuted by Federal or local prosecutors who are always delighted to bring charges against Republicans or Democrats alike with even-handed non-partisan fervor.

Are the rules ethical? Well, yes, but they are largely political in heritage. They were created because of public revulsion at the Watergate, Wayne Hays, and other congressional scandals. The concept that unearned income is ethical but earned income must be limited reverses the ethics of Horatio Alger and at least the Democratic Party. It was a political decision, made necessary by the fact that there were already so many millionaires in Congress that they couldn't have passed the bill if they had limited unearned income. They treated rich people better than poorer people, which is a peculiar ethical fixation.

For political reasons, proper loopholes were created for important people. The majority leader of the House and the chairman of the Rules Committee and some other mavens had written books, so book royalties were exempt. Since leaving Congress, undefeated and unindicted, I have made some money writing a syndicated column. Earned money, thus unethical. If I had taken the identical columns, bound them into a book and collected royalties on them I could have rendered the same words ethical. Nonsense.

Members of Congress should be able to write books or teach or farm or practice law or medicine or engage in any lawful activity in which they engaged before coming to Congress. They should disclose where their money comes from and trust the people to judge their behavior. You are not going to get, or deserve, the esteem of the public by treating yourselves as second class citizens or by treating wealthy Members better than non-wealthy Members.

There are very fundamental reasons for this. Your rules are not bad because they are political rules, politically enforced or because they are incomprehensible or because you are so preoccupied with them that you can't get around to doing your jobs. It is worse than that. All over America thousands of good and honorable people look at the environment you have created here and decide they would never be interested in entering that environment. They take pride in their own morals and ethics; they value their privacy; they do not undress in public.

There is a gentle book that has been on the best seller list for a long time. It is "All I Really Need To Know I Learned in Kindergarten", by Robert Fulgham. The title story reminds us that we learn the rules by which we conduct our lives very early. We bring them with us to Congress. We tell the truth about our allies and our opponents. We don't cheat or steal or take bribes or tolerate people who do. We serve our country when our country needs us and carry our ideals and loyalties and ethics in our hearts and not on our sleeves.

No one learns his ethics in Congress. No one needs to be told by his colleagues what is right and fair and honorable. There are more than enough criminal statutes by which to prosecute those who violate the standards of our society.

Ethics is not as great a problem with Congress as is courage. Your ethics rules have emasculated you. Not all of you: a few are still willing to stand up and say you deserve a pay raise or vote against a defense bill or for a tax increase or vote against Israel when you are convinced she is wrong or say "no" to any powerful lobby. But most of Congress. This was the inevitable result of the earned income limitation. When you cut a Member off from the honorable work he did before he came here, made him burn his bridges, made him have to keep his job to feed his family you sapped his courage. He has to get re-elected. This makes him less courageous—and less ethical.

This Nation was built by men who couldn't, and wouldn't have lived by your rules. They were terrible men who drank, caroused and gambled. Some kept mistresses; some were worse. They connived and made deals and some grew rich in office. Robert Morris of Pennsylvania, who the old text books called the financier of the Revolution was asked to get ammunition for Washington's Army. He did, through his own trading company and wrote, "There has never been so fair an opportunity for making a large fortune since I have been conversant in the world." Daniel Webster said the birthplace of the Revolution was a tavern in Boston. The marines were born in a tavern.

You can talk about ethics forever and pass more rules and reveal yourselves until all of your and your spouse's finances, food, drink, sex, religion, clothing, vacations and the hours and minutes and place of your arising and retiring are public records. You will never be held in high regard or deemed ethical while you say you can't balance a budget unless a constitutional amendment makes you; while you accept gloriously optimistic economic projections rather than deal with real ones; while you write a Gramm-Rudman bill and then spend days finding ways to get around it; while you let one man make $550 million a year while thousands sleep in the streets.

Former Ways and Means Committee Chairman Wilbur Mills (D-Ark,) could have been booted out of Congress. He was an alcoholic and he fell for a stripper named Fanne Foxe; he chased her right up on the stage. His ethics might have been deemed a trifle too shabby for a Member of this institution, but he would never have tolerated the fun and games and smoke and mirrors and moving costs off-budget and from year to year and annual deficits and growing debt that have transferred us from the biggest creditor to the biggest debtor nation in the world.

I will close with the words of Abigail Adams, who at the birth of our Nation said, "We have too many high sounding words, and too few actions that correspond with them."

HDTV

The SPEAKER pro tempore (Mr. TALLON) Under a previous order of the House. The gentleman from Illinois [Mr. LIPINSKI] is recognized for 5 minutes.

Mr. LIPINSKI. Mr. Speaker, for the past several weeks, we have been hearing and reading about a new technology called HDTV. This technology, although difficult to develop, is quite simple to understand. HDTV is a television which will show high-resolution pictures on large, extra wide screens and will produce the crystal-clear sound of a compact disk.

The fact that this technology is possible should not surprise any of us. But what has gotten, and should get, our attention are two facts. HDTV was first developed in this country, but the United States is far behind Japan and Europe in developing a marketable set. I believe the people of this country have grown sick and tired of the same old story. The United States develops a new technology, and then for various reasons, mostly economic, fails to turn that technology into a marketable, exportable product. Instead, the Japanese use this technology and,

with private and public cooperation, turn it into a consumer product which is, in turn, imported by the United States. This has happened with the VCR and is now happening with HDTV.

The problem does not lie with the ingenuity, intelligence, or efforts of American scientists and engineers, but with American policy. The problem has been, and remains, that this country does not foster long-term development of new technology. For too long, our technology has been far ahead of our policy.

When will this change? Will it take the introduction of a working high-definition television set to the U.S. marketplace to make this administration realize that it has waited too long? That day may not be too far off, but I am afraid it will be a 10 o'clock wake-up call for an 8:30 appointment with reality.

As Members of Congress, we still fall prey to reacting to dramatic events and changes, and are sometimes slow to react to equally important, yet slowly building, problems. There is no denying that Japan has taken the lead in many high-technology fields. But when did this happen? Why didn't we realize Japan was surpassing us? In the area of high technology, there unfortunately was no *Sputnik*. However, the historical example of our space program illustrates the problem we face today and the policy steps we need to begin to take. In 1956, the United States had the technology to launch a satelite into space. Yet on October 4, 1957, the Soviet Union became the first country to do so. The reason we did not launch one earlier was because President Eisenhower did not want to use a military rocket to send a satellite into space. Obviously the realization that the Soviet Union also had the technology changed his mind and on January 30, 1958, we sent our first satellite into space using a military rocket; the same one that was available to us in 1956. In the space industry then, as in the HDTV industry today, our policy was far behind our technological abilities.

This country must begin to realize that the playing field will never be even. Our responsibility now is to ensure an environment that fosters long-term investments for all domestic industries. As a nation, we must decide which industries are vital to our continued well-being and growth, and we must proclaim to our competitors that we are in these industries, and we are going to stay. No company can make this statement, only a country can. Right now both Japan and Europe are supporting the HDTV industry. This cooperation between government and private business will give these industries the staying power needed to develop a successful product. I hope that this administration can follow Japan's and Europe's lead and support our own domestic HDTV industry. But more importantly, this country must begin to change its attitudes toward assisting private businesses in areas that are vital to this Nation. The antitrust laws in effect today once served an important purpose, and they still do when one domestic industry competes with another. But, with the global economy that exists today, these laws must be reevaluated.

HDTV may never become popular with consumers. If it will or not I do not know. But, I do know that the development of HDTV will also lead to advances in fields such as microcircutry and other enabling technology that this country cannot afford to miss. I hope my colleagues will join me in supporting all efforts aimed, not at protecting, but at fostering our vital industries.

□ 1650

ASIAN-PACIFIC AMERICAN HERITAGE WEEK

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. HORTON] is recognized for 5 minutes.

Mr. HORTON. Mr. Speaker, I would like to reflect for a few moments on "Asian/Pacific American Heritage Week." I feel it is important to mention that today, May 10, is Golden Spike Day, the anniversary of the completion of the Transcontinental Railroad which could not have been constructed without the contributions of Asian/Pacific Americans.

On June 30, 1977, I had the unique honor and pleasure as the chief sponsor to introduce House Joint Resolution 540 and later House Joint Resolution 1007, which for the first time in this Nation's history asked the Congress and the people in the United States to set aside a period in May as Asian/Pacific American Heritage Week. More than 12 years ago a woman came to my office and told my administrative assistant and me a very compelling and persuasive story. Today, I share the origin of this landmark bill:

The celebration of Asian/Pacific American Heritage Week each year has a very deep and personal place for Jeanie Jew and her family. Their story began sometime in the last century in the 1800's when a young man, M.Y. Lee, left Toishan, Canton, China, to find a better life in America. Mr. Lee was one of the first Chinese pioneers to build the Transcontinental Railroad. He later became a prominent California businessman. When the Chinese were having difficulties in Oregon, Mr. Lee traveled to Oregon and was killed during that period of unrest. It was a time of anti-Chinese and anti-Asian sentiments. The revelations about Mr. Lee and the story of Asian-Americans led this one woman to believe that not only should Asians understand their own heritage but that all Americans must know about the contributions and histories of the Asian/Pacific American experience in the United States. The creator of the idea for a heritage week is Jeanie Jew, the granddaughter of M.Y. Lee, that early pioneer.

The dates included in the original resolution was the week beginning May 4. After careful research, Mrs. Jew and Ruby Moy, my administrative assistant, selected May 10, "Golden Spike Day," the date celebrated as the joining of the Transcontinental Railroad and which is one of the inclusive dates celebrating Asian/Pacific American Heritage Week. The other date selected was May 7, 1843, which marked the first arrival of the Japanese in the United States. Mrs. Jew turned a personal tragedy in her family's history into a positive force. Asian/Pacific American Heritage Week is now celebrated by all Americans.

Ruby Moy, my administrative assistant, holds the highest professional position to a Member of Congress. She is a second generation Asian-American. I have taken steps to try to set an example by having a high representation of minorities in my congressional office.

In 1977, Ruby cofounded the Congressional Asian/Pacific Staff Caucus, an organization which collectively worked for the establishment of the first heritage proclamation and yearly supports efforts to perpetuate its recognition. The caucus, a group of professional staff members of Asian descent, discusses and reviews legislation and issues of concern to Asian/Pacific Americans from time to time.

Issues of special concern to the Asian-American community include hate-violence sentiment, imposition of ceilings in institutions of higher education, refugee assistance, and the need for high-level policy positions in Government among other matters. Members of Congress will in the future be working with groups to discuss these matters more fully.

Sometime ago, Jeanie Jew discussed another matter with Ruby and me—the idea of a commemorative stamp. After more than 10 years, this is a fitting occasion to request the U.S. Postal Service issue a postage stamp commemorating America's Asian/Pacific American heritage. These stamps may depict heritage week, individuals, events, subjects or places that are significant in Asian/Pacific American history in the United States. As a senior member of the House Post Office and Civil Service Committee, I plan to urge the Citizen Stamp Advisory Committee to consider issuing a stamp at the earliest possible date.

I hope my colleagues will join me in supporting this stamp and in recognizing the contributions of Asian/Pacific Americans especially during Asian/Pacific American Heritage Week.

EAST-WEST TRADE AND HUMAN RIGHTS ENHANCEMENT ACT OF 1989

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio [Mr. PEASE] is recognized for 5 minutes.

Mr. PEASE. Mr. Speaker, today I am introducing the East-West Trade and Human Rights Enhancement Act of 1989. Generally, this bill would authorize the President to grant nondiscriminatory tariff treatment—most-favored-nation [MFN] status—to imports from cooperatives in Communist countries. This treatment would be contingent upon the co-ops abiding by internationally recognized worker rights provisions.

At the same time, my bill would retain our Jackson-Vanik leverage on freedom of emigration. By withholding MFN treatment on a countrywide basis, we maintain an effective stick, which we could use, for example, if the Soviet Union fails to meet emigration targets and refuses to abolish the exit visa requirements and other devices that prevent Soviet Jews and others from emigrating.

To date, the United States response to the substantial economic, political, and human rights changes taking place in nonmarket economies in general, and the Soviet Union in particular, has been marked by extreme caution and a wait-and-see attitude. This policy has been a prudent approach in dealing with an empire whose future development is best characterized by widespread uncertainty. However, excessive caution does not always imply prudence; on the contrary, missed opportunities may be the result of an overly cautious, nonevolving policy toward nonmarket economies. Nevertheless, any initiatives dealing with these countries must be based on a modest and incremental approach, not on grandiose schemes advocating vast changes. I believe that now is the time for the United States to begin to use its economic leverage—that is, prospects for expanded trade and improved access to the American marketplace—to test and stretch the practical parameters of perestroika and glasnost. For this reason, I have developed what I believe is a measured and appropriate response to the historical events now occurring in much of the Communist world.

Though currently only representing a very small fraction of GNP—approximately 1 percent in the Soviet Union—the cooperative movement in Communist countries, especially the Soviet Union, is one of the missed opportunities to which I am referring. Many Soviet economists predict that within 10 years cooperative production will account for 10 to 15 percent of Soviet national income.

Economically, the Soviet law on cooperatives, passed in May 1988, has been Mikhail Gorbachev's boldest piece of legislation to date, and certainly the most intriguing by Western standards. Soviet citizens are now free to join and leave cooperatives. They can be employed by both a state-run enterprise and a cooperative. Furthermore, cooperatives may actually own property and assets and lease or loan their assets at their discretion. There are no apparent ceilings on the earnings, profits, and size of cooperatives, and they are being encouraged to compete with state industries for government contracts. Also, foreign currency for export sales may be kept by the cooperatives to further their own development.

Most importantly, however, the Soviet co-op reforms go to the heart of what differentiates the East from the West—they allow for more personal freedom and they diversify and alter patterns of ownership in society. To say that such reforms transcend economics would certainly be an understatement. Economic freedom and private ownership often precede the establishment of political freedoms, civil liberties, respect for basic human rights, and even democracy. Hungary's economic and political development, which I have witnessed first hand on several occasions over the last decade, is beginning to bear this fact out. So too are the remarkable changes taking place in Poland.

Viewed in this light, a major goal of my legislation is to lend encouragement and tangible support, admittedly small at the outset, to cooperative reform movements occurring in the East and especially in the Soviet Union, where such reforms and enterprises are meeting substantial internal resistance. Provided that these co-ops protect the same worker rights we value in this country, and to which most Communist countries are bound under international law, it is in our interest to see such businesses succeed.

As the United States pursues new commerical possibilities with nonmarket economies, limited extension of favorable tariff treatment to be afforded under my bill is preferable to the extension of loan guarantees or commercial credit. America ought not subsidize economic development in Communist countries. To do so postpones the economic reckoning that Gorbachev and other proponents of perestroika-style changes must address squarely through price reform, greater productivity, and reduced military spending.

The recent sweep of surprising developments in the Soviet Union, in much of Eastern Europe, and China commands our attention and presents unprecedented opportunities to achieve a more stable, integrated global economy and a more peaceful planet. The fundamental challenge for America is to find policy instruments that allow the United States to tangibly reward Perestroika-style reforms while retaining substantial leverage for the United States to encourage additional economic, political, and foreign policy changes. U.S. policy tools for dealing with nonmarket economies should be geared interactively to regain flexibility, to retain basic human rights principles, and to restrain taxpayer obligations. I believe that the East-West Trade and Human Rights Enhancement Act of 1989 is a step in the right direction toward fulfilling these policy goals.

More specifically, the key aspects of this legislation are as follows:

First, the President would be given the discretionary authority to extend nondiscriminatory tariff treatment [MFN] to exports from the cooperative sector of any Communist country, provided that that sector of the economy adheres to basic internationally recognized worker rights.

Second, existing U.S. trade law defines internationally recognized worker rights as: Freedom of association; the right to organize and bargain collectively; the prohibition of forced or compulsory labor; the establishment of a minimum age for the employment of children; and acceptable conditions with respect to minimum wages, hours of work, and occupational safety and health—taking into account a country's level of economic development.

Third, after a 3-year grace period, adherence to worker rights provisions would be added to existing emigration practice conditionally, as defined in the Trade Act of 1974, for eligibility for MFN status on a countrywide basis for Communist countries. Thus, Communist countries that now enjoy MFN treatment—Yugoslavia, Poland, Hungary, and China—would have to meet worker rights requirements in order to continue receiving this treatment. Incidentally, Poland already seems to be making significant progress in this regard. Furthermore, those Communist countries currently not receiving MFN status would also have to abide by worker rights provisions within 3 years in order to obtain such favorable tariff treatment.

Fourth, compliance with the above conditions would be monitored by a nongovernmental organization, the U.S./Nonmarket Economy Cooperative Enterprise Foundation, consisting of U.S. cooperative and private sector experts and selected Government officials. More broadly, the functions and responsibilities of the foundation will include: Certifying whether or not

participating cooperatives in Communist countries are upholding internationally recognized worker rights as well as basic principles of democratic governance; encouraging the creation of economically viable cooperative enterprises in nonmarket economies; increasing the economic linkages between the U.S. private sector and cooperative enterprises within Communist countries; creating an ongoing exchange program between U.S. cooperatives and other private businesses and the cooperatives in Communist countries; and, fostering knowledge of the cooperative sectors both in the United States and in Communist countries by holding conferences and seminars on subjects of mutual importance.

Fifth, the Foundation would be funded by levying a 5- to 10-percent special duty—above the prevailing MFN rate, but much lower than existing schedule 2/Smoot-Hawley tariff rates—on all imports from certified cooperatives in Communist countries. After deducting a reasonable handling fee to U.S. Customs, the remaining duties would go into a trust fund to finance the operation of the Foundation.

Startup funding for the Foundation would come from a Federal loan not to exceed $1,750,000 to be repaid over time. Once this loan has been repaid, the future expenses of the Foundation would be paid out of its income. For example, foodstuffs from the Soviet Union currently enter the United States market at a 30-percent tariff—schedule 2/Smoot-Hawley—rate. Under my bill, the tariff rate could be reduced, say, to 10 percent—a 20-percent cut, but still 5 percent above prevailing MFN rates. A portion of the lower customs duties would then be earmarked for a trust fund to pay a handling fee of the U.S. Customs Service and to finance the operations of the Foundation.

These summary remarks highlight why I have introduced this legislation and how the procedural and administrative aspects of this bill will work. The issues surrounding East-West trade, however, and more specifically, Soviet-United States Trade, are unlike any other. Though small in terms of trade flows, the emotions and political significance surrounding U.S. trade relations with nonmarket economies are great. For many obviously important reasons, the Soviet-United States trade relationship substantially transcends and, in many ways, eclipses mere economic concerns. Recognizing this reality, I anticipate at least four common questions that will inevitably arise from the introduction of the East-West Trade and Human Rights Enhancement Act of 1989.

Question 1: Is this an attempt to foil a Jackson-Vanik waiver for this year?

Answer: Certainly not. However, it is an attempt to broaden the parameters of the debate surrounding United States-Soviet Trade and the Jackson-Vanik amendment, both in terms of the granting of MFN and human rights conditionally.

Historically, when trading with Communist countries, MFN treatment has been characterized by an all or nothing approach. My bill would give the President more flexibility in tailoring U.S. Trade and Human Rights policies to significant changes in nonmarket economies. Such flexibility is sorely needed if we are to incrementally respond to developments in the Soviet Union, Eastern Europe, and elsewhere. Furthermore, this bill emphasizes both a carrot and stick approach. Should positive changes continue to occur in nonmarket economies, carrots, while small for now, will be an increasingly important part of U.S. relations with such countries which have traditionally relied on the stick.

Question 2: Will this bill jeopardize United States grain sales to the Soviet Union and other nonmarket economies?

Answer: Absolutely not. My bill deals exclusively with imports produced by cooperative within the Soviet Union and other Communist countries. It would not affect U.S. exports to any Communist country.

Question 3: Why introduce this legislation now?

Answer: As the debate over a Jackson-Vanik waiver intensifies, some hard-line interest groups will deny any United States interest in expanding trade with the Soviets no matter what. Others will continue to argue that the Jackson-Vanik amendment properly makes the EBB and flow of Jewish emigration from the Soviet Union both the starting and ending point of any United States policy innovation. In contrast, my bill offers the President the opportunity to still respond, albeit in a small, incremental manner, to the striking changes taking place in many nonmarket economies while simultaneously lending tangible support to cooperative movements in Communist countries—which I believe is in our and their best interests—and keeping a stick with which to prod Soviet authorities on emigration practices should they they not live up to the expectations of codified reforms. Indeed, this legislation with the additional flexibility it provides should be welcomed by the President as he tackles such important and difficult issues. If this year passes without any serious and positive response from the United States with regard to United States-Soviet trade, we may be missing important and historic opportunities.

Question 4: Why shouldn't worker rights conditionally be applied to any exports from Communist countries, like the Soviet Union, and not just to exports from their cooperatives?

Answer: Although very recent developments in proposed labor legislation indicate that they are moving in the right direction, it is probably too much too soon to require the Soviet authorities, for example, to suddenly abandon long-established labor laws and practices in State-run enterprises and to accept free and independent trade unions. They need to see in the cooperative sector that with greater worker rights will come greater productivity and genuine economic growth, but that such changes need not require political suicide.

It is time to begin to reexamine and broaden the debate surrounding United States-Soviet trade, in particular, and United States trade with nonmarket economies in general. If anything, I hope that my bill contributes to a much-needed policy review and public discussion. Some will advocate no change, while others are perfectly comfortable, at this historic juncture, to largely cede official United States policy to a relative handful of United States companies that are racing in unbridled fashion to negotiate joint ventures in the Soviet Union and elsewhere.

The East-West Trade and Human Rights Enhancement Act of 1989 tempers our greatest hopes for an end to the cold war with reason and measured, positive action. It seeks to encourage and build upon what Gorbachev and other Communist reform leaders have begun. For this reason, it merits your attention and consideration.

□ 1700

AN INSULT TO THE UNITED STATES OF AMERICA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oklahoma [Mr. INHOFE] is recognized for 60 minutes.

Mr. INHOFE. Mr. Speaker, I thought it would be very appropriate to call to the attention of this House an experience that I had recently. I served on the Select Committee on Narcotics and Drugs and recently went down to participate in a conference with the Andean Parliament in Quito, Ecuador. I think we all know the Andean Parliament and the five countries that are represented that are responsible for 100 percent of the growth of the coca leaf as well as the manufacturing and production of cocaine that is used in this country.

When we had our meetings, the drug committee with the five nations, I observed that the meeting was not held in the very famous Parliament building in Quito, Ecuador, but instead was up in the mountains some distance away. Upon inquiring, I found that they did not want to have it in the Parliament building because there was

a mural that was very controversial that had been placed in that Parliament building in Quito that was very insulting to the United States of America, and they did not want us to know that, No. 1, it was still there and, No. 2, what it was all about.

I made some inquiries and found that they had locked up the parliament building for the time of our visit down there, and prevailed upon a photographer and some one of the Marines in the detachment to go with me to try to get in and take a look at the very controversial mural. We were able to get in, and we took a picture.

To give everyone a little bit of history, I am not sure whether this is always the case, but up until last August, the President of Ecuador, Febres-Cordero, who was very pro-American, and is so pro-American, or was so pro-American, that he would not even allow Daniel Ortega or Fidel Castro to land an airplane in Ecuador. However, when he went out of office and they anticipated the inauguration of the new President, Rodrigo Borja, who is a leftist, they had him come in and prepare for the inauguration by painting a mural that is as high as the ceiling is in these Chambers. The mural was painted by Oswaldo Guayasamin, who is not just a leftist but a Communist who is a sympathizer and very close personal friend of Fidel Castro, and the mural that was painted depicted and characterized the United States of America as a skeleton in a Nazi helmet with the American flag and a swastika on the helmet. This is in the chambers of the parliamentary building. The building that is shown is the last thing that a young person in Ecuador will see before they turn off the television at night; there is the United States of America.

When Secretary of State Shultz went down to the inauguration, he refused to go in because it was so insulting to the American people.

I went and found at that time that in the previous year we had given Ecuador $33 million of foreign aid and that we are anticipating increasing that by over 10 percent to $37 million this coming year, and it seems to me that it is certainly inappropriate for us to be giving money with all the needs that we have here in the United States, with the shortfall we have in our budget, with the huge deficits that have been piling up, to be giving not just an increase but a sizable increase in foreign aid to a country that openly, willfully insults us every day of the year.

I would like to point out the portrait that we have over here on the far left, they did take off, as some type of a condescending effort, I suppose, the American flag, and replaced it with "CIA."

I want to read what Oswaldo Guayasamin said in defending his mural. He said, "Repression is represented by a German helmet with the word 'CIA' written on it, as the CIA is the executor of violence and repression in our countries. American intervention in Ecuador and Latin America particularly and throughout the world is violent. The mailed fist, the brutal hand of the American Government, is this institution called CIA."

I want to also show the House the actual picture that we took that was showing how America is characterized in this country that is dependent upon us for foreign aid. I noticed that we have here in the Chambers the gentleman from New York [Mr. SOLOMON], who served with distinction for a number of years on the Committee on Foreign Affairs, and I would like to ask him if such a change of presidency in countries very often results in this type of change in their policy toward us and, second, how many other countries are there out there that we are giving foreign aid to that are insulting us on a regular basis?

Mr. SOLOMON. Mr. Speaker, will the gentleman yield?

Mr. INHOFE. I am happy to yield to the gentleman from New York.

Mr. SOLOMON. Mr. Speaker, the gentleman from Oklahoma [Mr. INHOFE] is to be commended for bringing this issue to the attention of the House. I might point out that the Foreign Affairs Committee will soon begin marking up the foreign aid bill for fiscal years 1990 and 1991, and we may well be dealing with the issues of Ecuador when that bill reaches the floor. I can think of any number of amendments that could be offered.

Mr. Speaker, our Congress and our Government, as well as every other government, function in a political atmosphere. And just as political parties have honest differences of opinion, so nations and governments will have honest disagreements over policies. It is the responsibility of diplomats to deal with those disagreements and to work out compromises. All of this is a normal part of life. But what has happened in Ecuador, is not normal—or acceptable.

Last summer, the new President of Ecuador was sworn into office in the legislative chamber of the Parliament building. That chamber was—and remains—dominated by a newly painted mural, which as the gentleman from Oklahoma has told us, contains a grotesque, skeletal face wearing a Nazi-like SS helmet, emblazoned "CIA."

Evidently the artist, who was commissioned by Parliament to do a mural depicting the history of Ecuador, at first painted an American flag on the helmet. Protests from our Embassy and State Department resulted in the artist replacing the flag with the "CIA" lettering. In diplomatic parlance, this kind of progress is hailed as a demonstration of maturity and restraint.

But the fact is that this gratuitous insult to America and the American people still remains in place. The American people wonder if this is the thanks we get after providing Ecuador with more than $800 million in foreign aid. The American people wonder if this is the thanks we get for welcoming 76,000 Ecuadorian immigrants over the past 20 years. The American people wonder if this is the thanks we get for being Ecuador's largest trading partner. We provide the largest markets for Ecuador's two largest export items: petroleum and seafood.

I am told that decisions about this mural are Parliament's call. The President of Ecuador can no more tell Parliament what to do than our President can come here and start telling us what to do. The law does not give the President arbitrary powers in either country.

And so I appeal to the Ecuadorian Parliament to get rid of this offensive and gratuitous insult to the American people. And I can assure the members of Parliament in Ecuador that if the United States Congress has to act on this matter, we will not be as polite as the United States Embassy in Quito or the State Department have been.

I am convinced the Ecuadorian people no more want this so-called modern art hanging in their Parliament Building than we do. And just as our Congress responds to the voice of the American people, I hope the Ecuadorian Parliament listens to the voice of the people it represents. This is something more than a diplomatic disagreement; it is a callous and calculated attempt by the Parliament of Ecuador to offend our country.

□ 1710

To answer the gentleman's question, no, it is not typical, because when we have a change of administration generally we all have our political beliefs, we all have our philosophy, but at least they contain it and we negotiate with each other over our feelings, and you do not put a display like this out there.

I will tell the gentleman one thing, there is a foreign aid bill coming before this House before too long. I will be glad, with the gentleman, to sponsor amendments to cut that $37 million perhaps to zero, and then let the Parliament in Ecuador think about that for a while. I will be glad to work with the gentleman, and I commend him for bringing it to our attention.

Mr. INHOFE. I appreciate that very much, and I plan to appear and I hope the gentleman will appear with me at the appropriate committees to accommodate this.

I think if the American people were aware of what we are doing, that people are insulting us, and even in the country of Ecuador you are probably not aware of this, but in the polling that has taken place only 40 percent of the people agree with the policy of the country. Here is what one of the largest newspapers said only in February of this year, and I am interpolating this now, "It is not appropriate for Congress to have permitted aggressive reference to a foreign country in its august halls. The President of Congress has chosen an inappropriate time to protest because he complains when his visa was denied."

That is an incident where our own Ambassador merely gave him a limited visa, and now they are saying that he did that as a protest gesture, as if we did not have the right to protest.

I appreciate the fact the gentleman will join with me, and I think we should not limit it to Ecuador, but any of the countries that openly insult us. They should not be entitled to our foreign aid.

PERSONAL EXPLANATION

The SPEAKER pro tempore. (Mr. TALLON). Under a previous order of the House, the gentleman from New York [Mr. ENGEL], is recognized for 5 minutes.

Mr. ENGEL. Mr. Speaker, I was unavoidably detained for rollcall vote No. 45 passage of H.R. 1385 to concur in the Senate amendment to the Martin Luther King, Jr., Federal Holiday Commission Extension Act due to an injury to my foot. Because of this problem, I am forced to use crutches and could not get from my office to the Capitol before the vote was closed. Had I been present, I would have voted "yea".

REELECTION RATES OF HOUSE INCUMBENTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. ANNUNZIO] is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, today I am placing in the RECORD immediately following my remarks an excerpt from a recent study by the scholars at the Congressional Research Service entitled "Reelection Rates of House Incumbents," by David Huckabee.

This study looks at elections going all the way back to the beginning of Congress in 1789. It effectively refutes the arguments, recently appearing in the press, that current Members of Congress have "stacked" the election system in their favor.

The CRS study concludes that turnover in the House, throughout our two centuries of existence, has depended more on deaths, resignations, and retirements than on defeat at the polls. There has also been a slow but steady growth in the percentage of Members seeking reelection over the years. Today, more Members make a career out of service in the House than they did in the early days when much of their time was devoted to their occupation of earning a living as private citizens.

Even so, in the election of 1790, 41 incumbents ran for reelection and 38 won—93 percent. In 1792, 45 Members ran and 45 were reelected—a remarkable 100 percent. In 1866, a year of political combat and intense division, 133 Members ran and 85 percent were reelected.

At the height of the Depression, in 1934, 388 Members ran, and 325 were reelected.

In the years after World War II, voters consistently reelected 85 to 90 percent of House Members running for reelection.

Mr. Speaker, the high percentage of reelected Members in this or any recent Congress is nothing new. It has been that way for 200 years.

REELECTION RATES OF HOUSE INCUMBENTS: 1790–1988

INTRODUCTION

The 98 percent rate of return for House incumbents seeking reelection in 1988, brings renewed interest in the topic of incumbent reelection success. David Broder, in the Washington Post, wrote soon after the 1988 election that "the Constitution envisaged the House as the most sensitive barometer of changes in political mood, but the 'incumbent lock' makes it no barometer at all." He attributed high incumbent return rates to non-competitive districts, the campaign finance system, and congressional rules and procedures that favor the majority party.[1] Julie Rovner observed in Congressional Quarterly after the 1988 election that the increasing success rate of incumbents could be explained in part by Members' great success in helping their constituents. Rovner quoted William A. Galston, a University of Maryland political scientist, who said there is an increasingly "perfect technology of constituent service" which, Rovner said, "has enabled incumbents to get themselves reelected by helping constituents navigate through an ever-more-complicated federal bureaucracy."[2] Stuart Rothenberg, noted in an article summarizing the 1988 election in Public Opinion, that "Members of the House are now less vulnerable politically than members of the Soviet Politburo."[3]

There have been numerous scholarly articles written to explain why incumbents are so successful in their reelection endeavors.[4] This report does not add to the literature seeking to explain why incumbents are so often reelected. Instead, it presents new data on incumbent reelection rates for the years prior to 1946, and supplements existing data sources for the post-1946 period. What emerges from this examination of data from the pre-1946 period is a refinement of our understanding of congressional turnover. Incumbents who have sought reelection apparently have always been relatively successful. More specifically, the proportion of incumbents running for reelection who were returned to office has rarely dropped below 70 percent (only seven times, 1842, 1854, 1862, 1874, 1890, 1894, 1932) and often has exceeded 80 percent (73 of 100). Incumbent return rates exceeding 90 percent were experienced in the early Congresses (every election from 1790–1810) and since 1968 (except for the post-Watergate 1974 election). Resignations, deaths, and retirements apparently account for much of the difference in return rates for the entire House between the 19th and 20th centuries.

What does appear to have changed over time is the percentage of incumbents seeking reelection. For most of the 19th century, this percentage was in the 60–70 percent range. With the trend towards careerism that emerged in the late 19th century and accelerated in the 20th century, this percentage rose to the 85–95 percent range.

Most sources of data on incumbent reelection rates base their figures on information from Congressional Quarterly and National Journal and do not report information prior to 1946. In this report, all the 1946–1984 data, except for the information pertaining to open seats, are from a table in Vital Statistics on Congress, 1987–1988.[5] The source for all data prior to 1946 is a computer file from the Inter-university Consortium for Political and Social Research entitled the "Roster of United States Congressional Office-holders and Biographical Characteristics of the United States Congress, 1789–1984 Merged Data" (hereafter referred to as the Roster file).[6] The Roster file was used for this report because it is a "machine readable" biographical source for data on all Members of Congress. There are other published sources of summary statistics on House incumbency on a Congress-by-Congress basis,[7] but the Roster file has the potential for producing detailed data that other sources cannot. Data for 1986 and 1988 were derived from Congressional Quarterly.[8]

Table 1 presents incumbency data in a form similar to that reported in "Vital Statistics on Congress: 1987–1988." The data, with some exceptions, are similar to data which can be derived from earlier Congress-by-Congress studies such as those of Morris Fiorina.[9]

FOOTNOTES

[1] Broder, David S. Three keys to "Incumbent Lock." Washington Post. Dec. 7, 1988, A21.

[2] Rovner, Julie. Turnover in Congress Hits an All-Time Low. Congressional Quarterly Weekly Report, v. 46, Washington, D.C. Nov. 19, 1988. p. 3363.

[3] Rothenberg, Stuart. The House and the Senate. Public Opinion, v. 11. January/February 1989. p. 11.

[4] For a review of the literature in this area see: Beth, Richard S. "Incumbency Advantage" and Incumbency Resources: Recent Articles. *Congress and the Presidency*, v. 9, Winter 1981–82. pp. 119–136; and, Beth, Recent Research on "Incumbency Advantage" in House Elections: Part II. *Congress and the Presidency*, v. 11, Autumn 1984. pp. 211–224.

[5] Ornstein, Norman J., Thomas E. Mann, and Michael J. Malbin. *Vital Statistics on Congress, 1987–1988.* Washington. Congressional Quarterly Inc., 1987. p. 56.

[6] McKibbin, Carroll and The Inter-university Consortium for Political and Social Research (ICPSR). *Roster of United States Congressional Officeholders and Biographical Characteristics of Members of the United States Congress, 1789–1984 Merged Data.* ICPSR. (ICPSR study number 7803) Ann Arbor, MI. This file was produced in large part by merging two existing files: ICPSR's *Roster of U.S. Congressional Officeholders, 1789–1979* (ICPSR study number 7557) and Carroll McKibbin's *Biographical Characteristics of Members of the United States Congress, 1789–1980.* McKibbin's data were primarily coded from the *Biographical Directory of the American Congress* (BDAC), 4th and 5th editions. Information for the period 1980–84 was added to the file by ICPSR staff.

[7] For Congress-by-Congress data on the percentage of House Members in their first term, see: Fiorina, Morris P., David W. Rohde, and Peter Wissel. Historical Change in House Turnover. In: Ornstein, Norman J. (ed.). *Congress in Change: Evolution and Reform.* New York. Praeger Publishers, 1975. pp. 29–31. For more general information see: Struble Jr., Robert, House Turnover and the Principle of Rotation. *Political Science Quarterly.* vol. 94 Winter 1979–80. pp. 649–667.

[8] Congressional Quarterly Weekly Report, v. 49, Nov. 12, 1988. p. 3270.

[9] Fiorina, Historical Change in House Turnover. The authors presented several sets of data derived from Polsby, Nelson W. The Institutionalization of the U.S. House of Representatives. *American Political Science Review*, vol. 68, March 1968. p. 146. Polsby's source for data from 1790–1924 is: Rice, Stuart A. *Quantitative Methods in Politics*. Alfred A. Knopf, Inc. Boston. 1928. pp. 296–297. Rice describes in detail the method used to compile his table (p. 294–302). It involved reading 12,000 biographies of Members in order to properly code them in each Congress, and then comparing the coding sheets Congress-by-Congress to determine the proportion of first term Members.

TABLE 1.—HOUSE INCUMBENTS REELECTED, NOT RENOMINATED, OR DEFEATED: 1790–1988

Election year [1]	Open seats [2]	Total (percent) who ran for reelection [3]	Not renominated	Defeated in general election	Won reelection	Percent winning reelection [4]	Percent of House reelected [4]
1790	24	41 (63.1)	0	3	38	92.7	58.5
1792	60	45 (69.2)	0	0	45	100.0	69.2
1794	37	68 (64.8)	0	2	66	97.1	62.9
1796	37	69 (65.1)	1	4	64	92.8	60.4
1798	37	69 (65.1)	0	4	65	94.2	61.3
1800	46	60 (56.6)	0	3	57	95.0	53.8
1802	68	74 (69.8)	0	4	70	94.6	66.0
1804	38	104 (73.2)	1	5	98	94.2	69.0
1806	43	99 (69.7)	0	2	97	98.0	68.3
1808	46	96 (67.6)	0	6	90	98.8	63.4
1810	52	90 (63.4)	0	6	84	93.8	59.1
1812	46	97 (67.8)	0	13	84	86.6	58.7
1814	69	113 (62.1)	0	15	99	87.6	54.4
1816	104	78 (42.7)	1	11	66	84.6	36.3
1818	72	111 (60.7)	3	7	101	91.0	55.2
1820	69	117 (62.9)	4	16	97	82.9	52.1
1822	86	127 (68.3)	0	12	115	90.5	61.8
1824	65	148 (69.5)	0	17	131	88.5	61.5
1826	61	152 (71.4)	0	16	136	89.5	63.8
1828	63	150 (70.4)	2	28	120	80.0	56.3
1830	68	145 (68.1)	0	15	130	89.7	61.0
1832	105	135 (63.4)	2	25	108	80.0	50.7
1834	64	176 (73.3)	1	33	141	80.1	58.8
1836	92	149 (61.8)	1	26	122	81.9	50.6
1838	83	159 (65.7)	1	38	120	75.5	49.6
1840	85	157 (64.9)	2	25	130	82.8	53.7
1842	133	90 (37.2)	1	31	58	64.4	24.0
1844	88	135 (60.5)	3	23	109	80.7	48.9
1846	107	116 (52.0)	0	15	101	87.1	45.3
1848	108	122 (53.0)	3	21	98	80.3	42.6
1850	102	130 (56.0)	4	29	97	74.6	41.8
1852	115	119 (51.3)	5	30	84	70.6	36.2
1854	97	137 (58.5)	2	47	89	65.0	38.0
1856	76	158 (67.5)	2	37	119	75.3	50.8
1858	78	156 (66.7)	4	34	118	75.6	50.4
1860	64	110 (63.2)	5	22	81	73.6	46.5
1862	79	103 (56.6)	4	29	70	68.0	38.5
1864	49	133 (73.1)	3	32	98	73.7	53.8
1866	50	133 (72.7)	8	12	113	85.0	61.8
1868	92	146 (61.3)	4	19	123	84.3	51.7
1870	78	165 (67.9)	9	36	120	72.7	49.4
1872	121	171 (70.4)	8	37	126	73.7	51.8
1874	93	199 (68.1)	12	71	115	57.8	39.4
1876	79	213 (72.9)	12	47	154	72.3	52.7
1878	90	203 (69.3)	9	32	162	79.8	55.3
1880	63	230 (78.5)	11	30	189	82.2	64.5
1882	118	207 (70.6)	15	43	149	72.0	50.8
1884	78	247 (76.0)	12	46	189	76.5	58.1
1886	79	246 (75.7)	21	28	197	80.1	60.6
1888	74	251 (77.2)	10	37	204	81.3	62.8
1890	71	260 (78.5)	18	63	179	68.8	54.1
1892	68	264 (79.5)	14	42	208	78.8	62.6
1894	86	270 (75.8)	20	71	180	66.7	50.6
1896	69	288 (80.7)	17	61	210	72.9	58.8
1898	55	302 (84.6)	14	38	250	82.8	70.0
1900	54	303 (84.9)	15	20	268	88.4	75.1
1902	89	297 (83.2)	12	28	257	86.5	72.0
1904	48	338 (87.6)	9	26	303	89.6	78.5
1906	51	335 (86.8)	13	31	291	86.9	75.4
1908	37	354 (90.5)	11	33	310	87.6	79.3
1910	53	338 (86.4)	20	52	266	78.7	68.0
1912	94	341 (78.4)	12	49	280	82.1	64.4
1914	61	374 (86.0)	8	67	299	79.9	68.7
1916	35	400 (91.9)	12	37	351	87.8	80.7
1918	46	389 (89.4)	13	47	329	84.6	75.6
1920	50	385 (88.5)	18	53	314	81.6	72.2
1922	51	384 (88.3)	12	68	304	79.2	69.9
1924	34	401 (92.2)	11	33	357	89.0	82.1
1926	30	405 (93.1)	13	16	376	92.8	86.4
1928	31	404 (92.9)	9	31	364	90.1	83.7
1930	28	407 (93.6)	14	43	350	86.0	80.5
1932	43	392 (90.1)	42	79	271	69.1	62.3
1934	47	388 (89.2)	23	40	325	83.8	74.7
1936	47	388 (89.2)	17	31	340	87.6	78.2
1938	33	402 (92.4)	15	69	318	79.1	73.1
1940	28	407 (93.6)	8	38	361	88.7	83.0
1942	40	395 (90.8)	20	47	328	83.0	75.4
1944	30	405 (93.1)	13	35	357	88.1	82.1
1946	35	398 (91.5)	18	52	328	82.4	75.4
1948	35	400 (91.9)	15	68	317	79.3	72.9
1950	35	400 (91.9)	6	32	362	90.5	84.2
1952	46	389 (88.0)	9	26	354	91.0	84.4
1954	28	407 (93.6)	6	22	379	93.1	87.1
1956	24	411 (94.3)	6	16	389	94.6	89.4
1958	39	396 (91.0)	3	37	356	89.9	81.8
1960	32	405 (92.7)	5	25	375	92.6	86.2
1962	33	402 (92.9)	12	22	368	91.5	84.6
1964	38	397 (91.3)	8	45	344	86.6	79.1
1966	24	411 (94.5)	8	41	362	88.1	83.2
1968	26	409 (94.0)	4	9	396	96.8	91.0
1970	34	401 (92.2)	10	12	379	94.5	87.1
1972	45	390 (89.7)	12	13	365	93.6	83.9
1974	44	391 (89.9)	8	40	343	87.7	78.9
1976	51	384 (88.3)	3	13	368	95.8	84.6

TABLE 1.—HOUSE INCUMBENTS REELECTED, NOT RENOMINATED, OR DEFEATED: 1790–1988—Continued

Election year [1]	Open seats [2]	Total (percent) who ran for reelection [3]	Not renominated	Defeated in general election	Won reelection	Percent winning reelection [4]	Percent of House reelected [4]
1978	53	382 (87.6)	5	19	358	93.7	82.3
1980	37	398 (91.5)	6	31	361	90.7	83.0
1982	42	393 (90.3)	10	29	354	90.1	81.4
1984	26	409 (94.0)	3	16	390	95.4	90.1
1986	42	393 (90.3)	3	6	385	98.0	88.5
1988	26	409 (94.0)	1	6	402	98.3	92.4

[1] Prior to 1900 several States held elections in odd years as well as even years. Odd year elections were combined with the next highest even year election in this report. (For example, elections held in 1885 were combined with those held in 1886 in this report.)

[2] The open seat category was derived by subtracting the number of Members who ran for reelection from the House size.

[3] The total running for reelection category includes those Members who sought renomination, but who were not renominated.

[4] For information about the denominators used in these calculations see the methodology section.

Sources: Prior to 1946, all the data were obtained from the Roster of United States Congressional Office-holders and Biographical Characteristics of Members of the United States Congress, 1789–1984 Merged Data. ("The Roster file"). The data were originally collected by Carroll McKibbin and the Inter-University Consortium for Political and Social Research. The Roster file is a machine readable computer data tape. The table was compiled from variables 44 and 83 of the Roster file.
For the period from 1946 to 1986, all data except the information pertaining to open seats were obtained from: Ornstein, Norman J., Thomas E. Mann, and Michael J. Malbin, Vital Statistics on Congress, 1987–1988. Table 2–7 House Incumbents Reelected, Defeated or Retired 1946–1986. Washington, Congressional Quarterly Inc., 1987. p. 56. Data for 1988 were obtained from Congressional Quarterly Weekly Report, v 46, Nov. 12, 1988, p. 3270.

AMERICA'S BEDTIME STORY

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Maryland [Mrs. BENTLEY] is recognized for 60 minutes.

Mrs. BENTLEY. Mr. Speaker, I have recently read some stories pertaining to the sale of more of America's assets, our movie studios—and also read of opportunities which can help America regain strength in the electronics market and training of our work force.

The items I read are linked together—so it brought the following story about "America's Bedtime Story" to mind.

The story goes: Once upon a time there was a magic tinsel town called "Hollywood, USA." All good young boys and girls dream of living there, making movies and playing roles of their heroes and acting out their dreams.

The grand masters of the town were the studio owners who searched and found the boys and girls everywhere, some at the famous Schwab Drug Store where starlets were discovered, and some driving trucks, but they were all found.

Their agents built them up so much—so famous that some boys and girls became beautiful like gods and goddesses—and seeing them become beautiful, more young boys and girls worked, and saved and found their way to "Hollywood, USA" so they too could act out their dreams.

Then one day the "Wicked Witch of the East" captured Hollywood—and the young boys and girls were told—you must dream my dream—do as you are told—you cannot be a god or goddess—you must be working class and owe allegiance to me, to the company—the "Wicked Witch of the East"—and not to America or your dreams.

Say what I say, act what I wish and if you obey and are good—you can be on our TV—perhaps even HDTV. And, if you are very very good, we will let you star on our home VCR's.

The tale ends—goodnight America—now it's time to turn out the lights.

I told you this apocryphal bedtime story to show how important the magic of Hollywood and films are to our lives and—how that special magic in turn affects our trade deficit and business life through our communications and electronics industry.

We literally will be turning out the lights for our industries if we passively let the studios and HDTV along with the double deck VCR slip through our fingers. Slip nothing. We are all but gift wrapping and handing it to them.

Jonathan Yardley assessed the importance of Hollywood in a recent review in the Washington Post called "Tinseltown Imagings." He said, a book he was reviewing by "focusing on how Hollywood not merely manufactures dreams but fixes them in the national psyche gets uncomfortably close to the American bone."

In 1964, Marshall McLuhan who is known as the spokesman for the electronic age, wrote that "the electronic media are subtly and constantly altering our perceptual sense."

He declared "that down through the ages the means by which man communicates have determined his thoughts, his actions, his life."

That statement has become familiar to anyone who is a television viewer or movie buff. It is because of this familiarity that we sometimes forget exactly how important the movies are to America. Hollywood is uniquely an American creation.

Hollywood played an important role in the national psyche as our stars and producers made films, and produced entertainment in support of our World War II effort.

As an early player in efforts to warn the American public on the dangers to our system from attack from hostile forces, Hollywood shaped our values and was literally the morale builder and propaganda apparatus for the war effort.

The film industry seared our national conscience with the movie about displaced people in "Grapes of Wrath," which showed the effects of the dust bowl on American lives. It has—and continues to be a primary force for change in this country.

Americans have traditionally been free to choose films to watch in their homes and films have driven the insatiable market for VCR's as they opened up a new vista of home entertainment.

Today those films are a change agent throughout home viewing on a TV network, or through renting a film from the nearest film store.

Approximately one-third of American homes have at least one VCR. In another 2 years the market should reach the saturation point of 73 percent.

Last year 13.6 million sets were sold to replace older VCR's in the United States and, the world market for VCR's is three or four times larger than the U.S. market.

The VCR's make a lot of movie viewing possible. If we sell the studios and their film libraries to foreign interests, particularly the Japanese who produce 97 percent of the VCR's, then we have ensured the need for their hardware and the entrance of their products into future markets to become a hardened fact.

Under these circumstances their hardware will be in the 73 percent of American homes owning VCR's and the VCR, which is Japan's way of keeping dollars flowing to Japan, will continue to be a channel for dollars to leave this country.

Remember the VCR is 50 percent of the electronics export market for Japan and the electronics market is one-third of their total exports. So VCR's are literally the "Sacred Cow" of Japanese electronics exports.

If we reduce that VCR market—we reduce our deficit and can open up the world markets for America. After all, the Americans first developed the VCR—and now we have a double deck VCR in our future—the one from Go Video.

That double deck VCR will interact with a computer becoming the long sought after personal computer TV. It will help our companies to develop on-the-spot training films to educate our work force—as well as many other

wonderful things in the next four generations of electronics.

It is essential to HDTV. Let me remind you Go Video has the patent on the double deck VCR.

Then why the interest in the American studios—is it just the entertainment market alone?

The films we now have are fine, but with the advent of HDTV, there will need to be another standard of film for the high resolutions of HDTV. That will come from Hollywood—the film studios. Some studios are already using HDTV production equipment.

Who will own the studios? Certainly not the Americans. The HDTV standards will be predicated upon Hollywood film standards. Whoever controls Hollywood controls the standards, and is the arbiter of our dreams—and the stories of our culture.

If they control the studios—what affect will they have on the TV networks, who mostly depend upon Hollywood for their films.

The film library for the VCR's is controlled by Hollywood. At present, there are seven or eight film libraries in the world which we own. We are selling them to foreign interests, and that is not in America's interest.

So, even the choice of films for Americans to watch—our classics, and "Oldies and Goldies" will be in the hands of foreigners.

One step more, is who decides what is made—who stars—and how it is played, how it is said? If something is objectionable, regardless of how slight it may appear, who decides whether or not to buy the story and to produce a film?

Another important question is—who will interpret our culture—Americans—or foreign owners of studios? Will they make classics such as "Yankee Doodle Dandy," "Gone With the Wind," or "The Sound of Music" with American fervor?

It is ironic that foreign owners have the rights to the songs that Americans have hummed and danced to, and the music that got us through our troubled times which include World War I, the Depression, and World War II.

It would seem to me that these films and music are part of our national culture, as is the recent film "War and Remembrance" which was shown on TV this week.

According to a New York Times story, "Hollywood Takes to the Global Stage," the business was "owned and operated by Americans primarily for audiences in the United States." Now, "Hollywood is going global."

It stated the reason for selling was the following:

"Driven by economic, technological, and cultural factors, movie and television studios are aggressively selling their products in fast-growing and increasingly profitable foreign markets."

"At the same time, foreign companies and investors, recognizing Hollywood's unrelenting international dominance of the industry, are starting to snap up studios and production companies in the United States. They believe that owning a piece of Hollywood is the best way to get in on the industry's growth—growth that has been strong internationally and in the United States, the world's largest entertainment market."

What is happening is "the foreign markets interest American producers and the U.S. market interests foreign companies."

Regardless of their interest, I believe the movie industry, which has the largest pool of talent in the world, should remain in American hands.

Buyers of the studios include the Australians who want to build a worldwide entertainment presence. They purchased United Artists, the movie studio founded by Charlie Chaplin, Douglas Fairbanks, and Mary Pickford.

I further question the selling of a studio to some of the other prospective buyers now in the market. C. Itoh, the big Japanese trading company, is involved in the business.

C. Itoh is the company which broke the Cocom agreement, and helped Toshiba sell our sensitive technology to the Soviets. It is one of the companies involved in the Libyan poison gas plant complex. How will this company interpret a film—and who will do its bidding in making a film?

Even Nippon Steel wants a studio.

There is an important point to this addition to the fact that the interpretation of our culture should be in our hands for editing and presentation.

The fact is that what we do with the studios affects the whole electronics industry through HDTV, television, VCR's, and camcorders.

People will be buying the double deck VCR for home editing of films taken on their camcorders—or for developing training films in industry.

The HDTV will affect our mobile phones and other electronic markets. This industry will be a major consumer of semiconductors, as will the VCR. In fact, they are known as the semiconductor hogs because they use so many.

Those products will affect the opportunity for us to once again be viable in the semiconductor industry. They will also affect the R&D to help revitalize the consumer electronics industry—and it will affect the applications for defense.

In recent testimony before the Committee on Science, Space, and Technology, Jules A. Bellisio, division manager of Digital Signal Processing Research, testified that "In the advertising industry, the electronic processing of HDTV signals is already replacing the editing of 35 mm films as a way to produce printed material because of the very significant productivity improvements, even though HDTV work stations cost hundreds of thousands of dollars.

The market for HDTV globally is estimated to be between $40 to $150 billion in 10 years.

It has been targeted by Japan as its next major consumer electronics push and is part of a complete system to provide information in an improved manner.

By the turn of the century it is estimated that at least 175,000 jobs will be created. Bellisio further pointed out that "technology will make possible universal communications highways."

Dr. Russell Means of MIT stated before the same committee that "Electronics communication is the fundamental economic infrastructure of the information age."

He compared the "communication highways" and what they will do in shaping America to the "national system of roads, rails and canals." He also stated that "with the use of the terminology 'high resolution systems' that we have an opportunity to leapfrog ahead of thinking of our competitors in Japan and in Europe."

So therein is the motivation for our bedtime story that our electronics industry, the film studios, HDTV, the television networks, our telephone system, and the VCR's are all locked into a communications highway.

Our electronics industry that employs 2.6 million people will be affected and the indirect employment is over 7 million people. Our film industry is a world leader and supplies the films for our home viewing, as well as the television networks. The VCR's allow us to extend films on television into our homes, to teach and to develop programs for education.

They all affect the semiconductor industry—and probably most of all, who will represent us in films, who will interpret our culture.

Should we turn out the lights as the bedtime story suggests—or should we move to maintain our culture? The studios are part of our communications industry—and they are certainly more than 50 percent of developing an American image.

We can either turn out the lights and end the story or we can reject this fairy tale—and once again be the proud producer of the products that America is known for. With our ingenuity and the spirit of the American people—we can do anything.

If we shaped an upstart nation to be the leader of the free world, we can do it again. The challenge is ours to accept. I will be first in line to sign up.

HOLLYWOOD TAKES TO THE GLOBAL STAGE

(By Richard W. Stevenson)

LOS ANGELES.—United Artists, the movie studio founded by Charlie Chaplin, Douglas

Fairbanks and Mary Pickford, is being acquired by Australia's Qintex Group. International receipts from "The Accused," the Paramount Pictures film for which Jodie Foster recently received an Academy Award, just surpassed domestic box-office revenues. Columbia Pictures Television is co-producing a pilot for a CBS science-fiction series with HTV, a British commercial broadcaster.

Once a business owned and operated by Americans primarily for audiences in the United States, Hollywood is going global.

Driven by economic, technological and cultural factors, movie and television studios are aggressively selling their products in fast-growing and increasingly profitable foreign markets. At the same time, foreign companies and investors, recognizing Hollywood's unrelenting international dominance of the industry, are starting to snap up studios and production companies in the United States. They believe that owning a piece of Hollywood is the best way to get in on the industry's growth—growth that has been strong internationally and in the United States, the world's largest entertainment market. In an illustration of its confidence in the growth of the business around the world, Gulf and Western said a week ago that it would sell its financial services subsidiary and concentrate on its Paramount Pictures and publishing subsidiaries.

"The foreign markets interest American producers and the U.S. market interests foreign companies," said Charles B. Slocum, an analyst at the Writers Guild of America/West, the union for screenwriters. "What you end up with is companies in all countries looking outside their borders."

The growth of foreign markets is changing some of the industry's economic equations and beginning to influence creative decisions. The international appeal of American television programming has become such an important financial consideration that many producers decide whether or not to make a show based on its potential foreign sales. And with increasing numbers of movies grossing more from foreign box-office revenues than domestic ones, studios are starting to cast stars based on their international visibility. Paramount, for example, cast Sean Connery as Harrison Ford's father in the upcoming "Indiana Jones and the Last Crusade" partly because he is a major box-office draw in Europe and other parts of the world.

Foreign acquisitions in Hollywood, for all the attention they generate, so far remain relatively limited in scope. But that could change if big Japanese companies decide to enter the business. The Sony Corporation, which came into the American entertainment market last year with its purchase of CBS Records and is distributing American-made films on a limited basis in this country, has made no secret of its interest in acquiring a studio. Other Japanese corporations, including the Nippon Steel Company, also see Hollywood as a potential area of expansion beyond their declining industrial businesses.

And acquisitions are by no means the only international relationships being forged. Foreign concerns and American producers are quietly linking up through financial deals, joint ventures and co-productions that are also contributing to Hollywood's increasingly international character.

The combination of foreign ownership and growing international markets is "arguably as fundamental a change for the industry as the advent of color," said Christopher Skase, the chairman of the Qintex Group of Australia, which has agreed to pay $600 million to acquire United Atists and its film library from the MGM/UA Communications Company. "It's a quantum leap in the nature and scale of the business."

The globalization of Hollywood is part of the broader worldwide consolidation of the media and entertainment industries. In an era when corporations in many industries believe biggest is best, media and entertainment companies are trying to expand by crossing national borders and becoming more integrated. Broadcasting companies, for example, want to own the production companies of the programs they show, and producers are buying television stations and movie theaters.

Globalization is also coming at a time when worldwide demand for entertainment programming—"software," to use the computer jargon now popular in Hollywood—is expected to rise rapidly.

"There is much more market potential worldwide," said Rupert Murdoch, who bought the 20th Century-Fox Film Corporation in 1985 as an Australian and later became an American citizen. "There are improvements in living standards, new developments in technology, increases in leisure time and deregulation of broadcasting."

For Hollywood, the emergence of new and larger foreign markets and the increased revenues they bring have been greeted with glee, even though the question of foreign ownership is viewed more warily. The entertainment industry has always welcomed financing from almost anyone willing to provide it. But in the last decade, many people in the creative community have been uneasy about the absorption of many studios and production companies into larger corporate entities; they fear that artistic considerations will be sacrificed on the altar of market research and net income. Those same people worry that control of production will be that much further removed from their hands by foreign owners.

"It is weighing heavily on a lot of people's minds," said one top Hollywood deal maker, who asked not to be named.

So far, the Australians have been the most aggressive in making acquisitions in the United States, although the British have not been far behind. It seems a natural fit: the common language and the rapid growth in those two nations' domestic media industries are spurring demands for more programming.

In addition to the Qintex Group's deal to acquire United Artists, the parent company of Australia's Network 10 broadcasting concern last month bought a controlling stake in Barris Industries. Once known as the maker of "The Gong Show," Barris has more recently been run by Jon Peters and Peter Guber, who made "Rain Man" and other hit films.

An Italian financier, Giancarlo Parretti, last year took control of the Cannon Group, once a high-flying maker of the low-budget films that has fallen on hard times. Mr. Parretti then acquired a French film company, Pathé Cinema, and wants to buy more entertainment companies. Earlier this year he bid unsuccessfully for New World Entertainment Ltd., the maker of the hit television show "The Wonder Years."

Britain's Television South P.L.C. last year bought MTM Entertainment, the production company co-founded by Mary Tyler Moore.

But it is the possible arrival of the Japanese that really has Hollywood buzzing. Rumors continue to sweep the industry that Sony wants to buy MCA Inc., the parent of Universal Studios, or Columbia Pictures. Nippon Steel, which is already building a theme park in Japan with MCA, has sent executives here to study the entertainment business.

Some of the Japan's largest companies, including C. Itoh & Company, the huge trading company, are financing American films for big studios and independent producers, while others, including Dentsu Inc., the advertising agency, are looking for ways to gain a toehold in the business.

The international deals most in favor now—and those that seem most likely to expand quickly—are agreements between American and foreign companies to co-produce television programs. While most of the action is with companies from Western Europe, the Soviet Union's state programming arm last week agreed with MGM/UA Television to make a four-hour mini-series about a joint Soviet-American flight to Mars. It is scheduled to be shown in this country on NBC in 1990 or 1991.

The growing pace of foreign investment in Hollywood is coming at a time when sweeping changes in European media, particularly television, are driving home the importance and financial potential of foreign markets. And demand for programming from the United States is up sharply.

The major change has come with the deregulation of broadcasting, which has allowed commercial television networks to spring up across Europe to compete with staterun outlets. Technology is also changing the European market; in Britain, for example, viewers can now receive a signal beamed directly to their home via satellite. All the new broadcasting outlets have created heavy demand for relatively inexpensive programming to fill the air waves, and American shows and movies are popular and cheaper than making original programming.

Although the French, in particular, have been pushing in European Community quotas on the importation of television programming, European trade ministers last week agreed on vaguely worded rules that require broadcasters to have a majority of European programming "when practicable." Most American producers do not believe that rule will have any significant effect on the market because of the vagueness of its wording.

And that would be welcomed because international considerations seem to become more compelling to Hollywood every day. International film distribution revenues are steadily catching up with demestic distribution revenues. Of total worldwide film distribution revenues. Of total worldwide film distribution revenues of $3 billion last year, $62.5 percent came from the United States, compared to 67 percent in 1985.

In television, sales of programming to foreign broadcasters last year were $1.3 billion, up 30 percent from 1967. That is expected to reach $2.3 billion next year, according to Security Pacific Merchant Bank.

The growing markets are all over the world, with new opportunities created by the spread of technology ranging from satellites to cable and videocassettes. And new geographical markets continue to open to American movies and television shows, particularly in Asia.

"There are more and more opportunities coming about because of the changes abroad," said Martin S. Davis, the chairman of Gulf and Western Inc., the parent of Paramount Pictures. "It's not just Western

Europe. You have to think about being anywhere there's a screen."

The changing environment is having an impact even on American companies not involved in foreign acquisitions. Spurred partially by worries of possible takeovers by foreign media and entertaiment concerns, Time Inc. and Warner Communications Inc., parent of the Warner Bros. Studio, agreed to merge and form a presumably takeover-proof communications giant.

Foreign media or entertainment companies wishing to join in what most think will be a worldwide boom in the sale of programming during the 1990's have little choice but to link up with Hollywood. That is because only Hollywood makes films and television programs that are consistently successful all over the world.

"Japanese films, for example, can be very artistic, but they don't have an international marketability," said Toshihiro Nagayama, the chief executive of the CST Communications Company, a joint venture of three large Japanese companies—C. Itoh, Suntory Ltd., and Tokyo Broadcasting Systems Inc.—that has invested in American films produced by MGM/UA. "There's a demand from every corner of the world, including Japan, for American products."

American film companies took in $1.13 billion in revenues from the distribution of films abroad last year, up from $800 million in 1985 and $1.05 billion in 1987.

Part of Hollywood's global advantage is obviously its uninterrupted reign as the industry's capital. The biggest and most experienced pool of creative and production talent is here and the world's most extensive technical facilities are here.

"Electronic communications can provide some geographic diversification, but a service industry such as the entertainment industry depends on people being able to perform their services in person," Mr. Slocum said. "There are more geographic constraints on developing a script, casting a movie and discussing set designs than on manufacturing cars, television sets or clothing."

Hollywood has some built-in economic advantages, too, when it comes to playing on the world stage. The very size of domestic market—box-office receipts in the United States last year were $4.46 billion, representing slightly more than one billion admissions—helps producers spread the cost of making a film over a much larger base than producers whose home markets are smaller. That means American producers, even if they never get a dime from foreign markets, can afford to spend more on production. And higher budgets mean more of the things that draw people to theaters: big stars, stunning sets and locations, special effects and strong writing and production talent.

American studios and production companies also have the world's most extensive film and televsion libraries, which can provide a steady steam of revenues even if current projects flop. And major American studios have powerful marketing and distribution systems to get films into theaters and on the air all over the globe.

"There are only seven major film libraries and studios in the world," Mr. Skase of Qintex said, referring to the Walt Disney Company, Paramount, MGM/UA, Warner Bros., 20th Century-Fox, Universal Studios and Columbia Pictures. "Because it has taken 50 or 60 or 70 years to create those companies, it is reasonable to assume that there won't be an eighth or a ninth or a tenth."

For most of the foreign companies that have made acquisitions in Hollywood, the allure has been both to find a vehicle for participating in industrywide growth and to own a source of programming for existing broadcast outlets. That was one reason why Northern Star Holdings Ltd., the parent company of Australia's Network 10, jointed forces with the Westfield Capital Corporation to buy a controlling stake in Barris last month. The price was $34.5 million.

Australia's Lowy Family, which controls Network 10's parent, "decided we ought to have a base in the U.S. and global entertainment business." said William A. Carrick, president of Network 10's United States operation.

"Building on the creative talents of Jon Peters and Peter Guber, we want to build a worldwide entertainment business in a rational and measured way," he said. Moreover, he added: "If you're in the television business, you need a steady supply of products. So it makes an enormous amount of sense to our Australian television network" to be linked with an American program producer.

As part of its deal to buy the Barris stake, Network 10 will be able to show all of Barris's movies and television programs, which Mr. Carrick said will expand to include more television movies and mini-series.

Many film makers can now command higher, prices in selling the international rights to show their movies on television. The foreign markets, are growing even more important economically to makers of American television programs.

The major American television networks, hurt by declining ratings and soft advertising demand, have been holding the line on the fees they pay producers for programming, even though production costs are up. Producers have also been hurt by weak demand for reruns, which generate the real money in television.

Increased revenues from abroad are allowing producers to reduce or eliminate the deficits they incur from the difference between the cost of production and what the network pays for the program. Some studios now have a policy of not making shows when foreign revenues will not cover all or most of the deficit.

"It's a very major part of the decision to make or not make a pilot or a series," said Colin P. Davis, the president of MCA TV International.

Twentieth Century-Fox decided two years ago not to make a series called "Rags to Riches" for economic reasons. New World Television later agreed to make the show for NBC, largely because it believed the show had more foreign potenital than Fox saw. (The show was later canceled by NBC.) Some industry executives see the day approaching when a show could be made in the United States primarily for distribution abroad, with sales in this country seondary.

For now, though, American tastes still call the tune in entertainment, a situation that is not likely to change in the near future.

"American culture is the only true mass world wide culture," said Sharon L. Patrick, head of the communications and entertainment practice at the consulting firm of McKinsey & Company.

BUYING A PIECE OF TINSEL TOWN—SOME HOLLYWOOD ACQUISITIONS BY FOREIGN INVESTORS

Studio	Buyer	Country	Price in millions	Year deal was completed
United Artists [1]	Qintex Group	Australia	$600.0	1989
20th Century-Fox	News Corporation	do	575.0	1985
MTM Entertainment	Televison South P.L.C.	Britain	320.0	1988
Cannon Group	Giancaro Parretti	Italy	200.0	1988
Barris Industries [2]	Westfield Capital/ North Star Holdings.	Australia	34.5	1989

[1] Announced but not completed.
[2] Controlling interests.
Source: Company reports.

□ 1730

SAVINGS AND LOAN BAILOUT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. OWENS] is recognized for 60 minutes.

Mr. OWENS of New York. Mr. Speaker, the savings and loan association scandal is still very much an important item on the agenda of the decisionmakers here in Washington. If Members look at television or listen to the radio, they would not believe it was still an item proceeding through the decisionmaking processes.

I would like to associate myself with the remarks of the previous speaker in terms of the tremendous role that the media plays in shaping the thinking of the American people. Our culture, our values, our thinking is shaped by the media. The fact that the television stations choose not to deal in any great depth with the savings and loan scandal is of great concern to me. The fact tion radio talk show hosts are ignoring this matter of the expenditure of $157 billion, at a minimum, of the American taxpayers' money is of no concern. It does not arouse a great deal of interest and discussion. It is quite baffling. The Harris Poll shows that the majority of the American people do know something about the savings and loan association scandal. They do not want their taxes to be spent for this bailout. Maybe the American people really know some things that Congressmen do not know, because this Congress, the process is moving systematically, and in some cases much too rapidly.

The other body, the Senate, passed a bill with only 3 days of debate and, of course, it is now in the House. It has gone to the Subcommittee on Financial Institutions supervision, regulation and insurance, and the Committee on Banking, Finance, and Urban Affairs has now passed the President's bill with amendments, and that has now been referred to the Committee on Ways and Means and the Committee on the Judiciary, who I do not

think are going to spend that much time on it.

So we will have it on the floor of Congress probably by the end of this month or the first of next month. Yet there is very little discussion of this monumental bill. This is not just another bill. This is a bill which has an authorization proposed of $157 billion. I do not think there has been a single item in peacetime, ever, to have a price tag of $157 billion.

I am not here because I am a member of the Committee on Banking or a member of the Committee or of the Committee on the Judiciary. I am here because, first of all, I am a concerned taxpayer and I do not like the idea of $157 billion of the taxpayers' money being spent to bail out banks, providing welfare for the banks, subsidizing banks, intervening in the public sector. Never before has there been a proposal that the public sector be called upon to bail out the private sector, and certainly not in such great amount. I think the Chrysler bailout was less than $2 billion and that was a loan. That was supposed to be repaid, and the Chrysler loan was repaid. New York City was loaned money to bail out New York City at the time when they had a financial crisis. That was a loan even though it was to a public entity, it was a loan. New York City paid back the loan. Now we have a situation where more than 400 savings and loan banks have absconded with the money, dissipated the money in various ways. It is just not there. It is gone. The taxpayers are being asked to replace it. This is not a loan. It is a giveaway. It is a giveaway which will involve generations to come. Not just now, but people to come; $157 billion bailout in obligations the President is asking Members to assume, and they say much of that will be a matter of bonds that will be sold and they will be paid back. It is an obligation that has to be assumed. One thing we know, the interest on $157 billion in bonds must be paid by the taxpayers. What we do not know is how much of the principal will have to be paid because if the savings and loan banks continue to fail, they will not be able to pay back any of the money. If the liquidations of the assets do not produce any revenue, any money, then that money has to be made up by the taxpayer. We are talking a minimum of $157 billion, and the chairman of the Committee on Banking, Housing, and Urban Affairs [Mr. GONZALEZ] estimates it might go as high as $335 billion.

Are we going to let this proceed routinely? I am here not only as a concerned taxpayer, but I am here, an empty-handed Congressman. For 7 years I have been here in Congress. For 7 years I have had to go back to my constituency and tell them we cannot do anything about problems which are most important to the constituents, we cannot get help from the Federal Government because they have a deficit. The deficit is a primary preoccupation. We must not spend any more money for education, although education is really at the center of the Nation's national security effort. If we do not have educated people to run our complicated weapon systems then they will blow up on us. We will have more and more accidents like the ones we have been experiencing. If we do not have educated people to build the weapon systems, the B-1 bombers will continue to fall out of the sky the way they are. We will be calling on new appropriations to help fix the problem of the B-1 bomber; $2 billion some Member proposed. I think they should be junked because they are obsolete, but we continue to make the wrong decisions. If we do not have more educated people in the pipeline at every level, as technicians, mechanics, scientists, theoreticians, the space program will continue to bog down and have tremendous difficulties.

So we have been draining our resources that are directed at problems that are critical. Certainly education, I serve on the Committee on Education and Labor, I know of some of the problems most of the school systems in this country are either inadequate or they are collapsing totally. Our best school systems are inadequate when they compare to international systems, when they are held up to international standards. When we compare the performance of our best students in the area of science and biology, those students do not measure up to students in other industrialized nations. A recent math and science comparison showed that students in Korea were at the very top. Students in the United States were at the very bottom. Only two other countries were below the United States. When they make comparisons with respect to geography, we get the same kind of problem. Our students in the best schools, our best students are not able to meet international competition. Our students in the worst schools are getting absolutely no significant education. Students in the worst schools get no education relevant to the modern society.

There are systems, like the system in Chicago, on the verge of total collapse. There are systems like the system in New York which is a two-part system. We have some of the best schools in the Nation, about one-quarter of our schools, and the other 75 percent are in total disarray and collapse. States must do more. They are doing a great deal. I think our State has been very generous in helping. The city government is taxed to the point where it will not be able to do much more in education, and like entities across the country like local school boards across the country, the only way we will get help with modernizing our school systems is to look to the Federal Government for a tremendous imput of new capital and new expenditures.

We cannot have a modern system able to meet the modern standards and competition of this modern age without more help from the Federal Government for education. The government, Federal Government, now boasts that it spends only 6 percent of the total expenditure for education. When Members look at all the expenditures by the State governments and city governments and the Federal, our Federal expenditure is only 6 percent. We boast about that, and education is really a local responsibility. Why should the Federal Government get involved? I think that kind of thinking is quite obsolete, and only guarantees we will have more difficulty in our competitive area, competing in the industrial and commercial area, and only guarantees we will have more difficulty with the space program and more difficulty with military hardware also.

So instead of putting the money where it needs to go, we are about to put $157 billion into a proposition which buys nothing. What do we get out of it? Nothing. Even the Sergeant York gun, a bad investment, at least there was steel and some metal that could be melted down when the Sergeant York fiasco was over and they decided finally Sergeant York was no good, but there was something to see, and some dreamer's vision of a better weapon.

What do we have to show after we spend $157 billion to bail out the savings and loan banks? What do we have to show? Absolutely nothing. Even the B-1 bomber was a dream that went bad. The MX missiles that are obsolete, we can all at least quarrel about the wisdom of one weapon system or another, and have steel and hardware, that is bad enough when there are bad decisions made in those areas. Here we have a savings and loan association scandal, the biggest rip-off in the history of the Nation, and we will have nothing to show. No collateral for the American people. This process is going forward, and the House, as I said before, the Committee on Banking, Finance and Urban Affairs, is all finished up. It will be coming to the floor soon.

□ 1740

This will be coming to the floor soon. There are several dozen Members of the House who have signed a letter to the Speaker asking that a task force be set up composed of the chairman of the Committee on Ways and Means, the chairman of the Committee on the Judiciary, the chairman of the Committee on Energy and Commerce, and a few other Members to

take a hard look at this bill and this process, to slow it down. We say that we do not need to move so rapidly. We do not need a stampeding process.

The same Members have asked, when this comes to the floor, for a minimum of 10 hours of debate. In the past, the more important a bill is, the less time we have to debate it on this floor. We are not so much in need of time; we have not spent that much time on important matters in this House this year. We have plenty of time. We had 10 hours of debate on the base closings bill. We should have far more time on this. We should have a minimum of 10 hours of debate when we have to face the consideration of a $157 billion authorization.

Before we even get to the floor, where is the discussion? We should have far more discussion taking place. As I said before, the television and the radio have not discussed it fully, but even here in Washington, where is the public debate? Where are the conservatives on this very important issue with respect to an intervention by the Government into the private sector?

The Government is being asked to pour in enormous amounts of money to bail out the private sector. Where are the conservatives? Where are the experts at the Heritage Foundation and the Brookings Institute and the Hoover Institute? Where are the laissez faire economists? Where are all the economists who insist that the best thing to do with the economy is to leave private industry alone and not touch it? Where are all the people, now that we are about to pour in $157 billion of the taxpayers' money to bail out the private sector, to subsidize the banking industry? Where are all the people who call for laissez faire economics?

When it looks like we are going to have socialism through the back door, it seems we are always worried about socialized health care and other forms of socialism, but here we come through the back door, in the hallmark, the palaces, the tower of capitalism, and through the banks we are going to start socialism, we are going to have a national banking system buttressing the banks with taxpayers' money.

Where is the debate on this? Where is the discussion? I would like to hear an explanation from people who know about business and who know more about economics on what we are doing and where this is going to go.

Are we going to eventually end up in a situation where many of the corporations that were discussed by the previous speaker, corporations that are being bought by foreign governments, at some point will be bought back? Are we going to be here in the House with a bill proposing to buy them back? Are we going to buy them back from the foreign governments because it is our patriotic duty to do it?

Where is this intervention into the private sector going? Where are the authors of Gramm-Rudman-Hollings with respect to the fact that this bill that is proposed of $157 billion is going to be discussed and negotiated without any consideration of this year's budget?

They say it is off budget, so being off budget, we do not have to discuss it. Being off budget implies that it is going to come from some part of the money that is not in the U.S. Treasury. But it all comes from the U.S. Treasury, it all comes from the pockets of taxpayers. How can we not discuss a $157 billion commitment in the budget process?

Do we have some guarantee, or do we have some honest discussion about the impact of this year's budget, the budget that become effective on October 1, or are we going to have to pay interest on the bonds that are sold that early? Certainly by next year, when we consider the budget for the next fiscal year, we are going to have to discuss at least the impact of the interest payments. But there is no discussion because it is going to be off budget.

How are we going to deal with Gramm-Rudman-Hollings, seeking to put some kind of parameters or controls on spending? How do we deal with that when we have a $157 billion obligation and they call it off budget? Do they have a new kind of Gramm-Rudman-Hollings to apply off budget? What is the impact of this expenditure?

As we talk about the interest costs or some of the principal that will have to be absorbed as our plans go awry and we do not see the money being generated in any other way, is that going to come into the process and be applied against all the nondefense expenditures? When we get cuts in the fall, are we going to do as we do now with defense on one side and nondefense on the other side so that each one has to take a cut of 50 percent? The defense side seldom takes the same cut, but let us assume we have a 50-percent cut in the nondefense programs; will the S&L programs be thrown in with the nondefense programs so that the cut on all other existing programs, nondefense programs, is going to have to be greater to compensate for about $4 billion in interest costs per year that the S&Ls will take?

Are we ready to close down Washington? Are there no more decisions Congressmen can make after we make this kind of obligation? We proceed with this bill as if it was just another bill and yet it will set the parameters for everything we do that is important in the next 4 years at least, probably within the next 10 years. To take a $157 billion hit, to have the process endure that kind of absorbtion of a new obligation of that kind means that there will be no money for new initiatives. If the President wants to be the education president, as he says, where will he get the money for new initiatives in education? Certainly he did not propose any new funding for education this year.

Once we have had the impact of the scandal, once we have seen the impact of the savings and loan association bill out here, there will be no money for education initiatives or any other kind of initiatives unless we make drastic cuts somewhere else. Even if we are able to make cuts in defense as a result of the thaw in the cold war, as a result of our common sense beginning to prevail over the nonsense that has prevailed in decisionmaking about overseas bases, with $150 billion having been spent on overseas bases, we have to remember that most of those bases are located in Japan and Germany. Germany and Japan are our competitors in the commercial sector.

As the previous speaker said, large amounts of our country are being bought up by the Japanese. They have the money partially because we are paying for their defense. We have been doing this for quite a while. Any sophomore in high school can demonstrate the stupidity of continuing to pay for the defense of German and Japan while they are competing with us in the commercial sector.

□ 1750

However, Mr. Speaker, we go on doing it. Somebody is making a lot of money out of it somewhere. I do not know where or how, but we are locked into it, not by some kind of animal instinct. There must be something in it somewhere for somebody. I cannot understand it, but it continues to go on.

If we decide to come to our senses, and we stop spending that $150 billion unnecessarily and save money in the defense area, is that money going to be available to put into new initiatives in education? To make a better deal for catastrophic health care for senior citizens? Is it going to be available to take care of women, infants, and children's programs? Is it going to be available to increase the amount of money we spend on Head Start? Or are we going to have to take any savings made in the defense sector and move them over to cover the costs of the savings and loans bailout?

Mr. Speaker, these are critical questions, and nobody wants to duscuss them. Well, where are the conservatives? Now is the chance for the conservatives to come to the aid of their country it seems to me and defend us from this intervention which is so costly.

This is a very costly intervention. In the 7 years that I have been here I

have heard a lot about big spenders, about big spending. Here is the biggest spender of all. The President is the biggest spender of all in proposing this $157 billion bailout. The biggest piece of spending that is taking place yet, and where are the budget study groups and all the people who worry so much about extra pennies going into school lunches? Where are the people who debate endlessly about having cuts on welfare programs and welfare reform, where you squeeze people down to the point where they can barely survive? Where are all those people now that we are about to give welfare to the banks to the tune of $157 billion?

Mr. Speaker, I think it is important to note that this is a very complicated subject. It is a very complicated enterprise. It is easier to confuse people, and part of the problem may be that our people are confused to the point where they do not ask their Congressmen any questions, so we do not bother to bother ourselves about the situation.

There have been some developments which throw some light on what is going on, and I would like to share some of that tonight. I think that it is very important that several dozen Members are studying the situation closely. These are the persons, Members of Congress, who have called for a discussion in the Democratic Caucus. They have also called for the task force to be set up which goes across committees. These same Members have called for a minimum of 10 hours of debate when the bill comes to the floor. I think that is important.

I think it is important also that members of the Committee on Banking, Finance and Urban Affairs, like the chairman himself, have issued statements showing that they have great disagreement with the estimates that are being made by the President. Whereas the President's bill estimates the total obligation to be about $157 billion, the chairman of the Committee on Banking, Finance and Urban Affairs, the gentleman from Texas [Mr. GONZALEZ] estimates that it may be closer to $335 billion.

Another member of the Committee on Banking, Finance and Urban Affairs, the gentleman from New York [Mr. LAFALCE], recently issued a report which throws a great deal of light on the subject. This is as a result of deliberations in the subcommittee and, later on, his participation in the process of the markup at the committee level.

The gentleman from New York [Mr. LAFALCE] states that: "We are losing sight of what should be some of our primary goals in this legislation, and those goals are to minimize the taxpayer costs and to insure an equitable sharing of the burden. Judged by these two standards the President's plan simply does not measure up. The cost estimates in the President's plan," the gentleman from New York [Mr. LAFALCE] says, "the cost estimates for necessary case resolutions are deceptively low."

The gentleman from New York [Mr. LAFALCE] explains that, "While the administration maintains that the cost of its plan will be approximately $90 billion at that time, now it's 157, and the analysis of the Banking Committee staff indicates that the total cost before subtracting the estimated revenues will be approximately $335 billion including the costs of the financing of corporation bonds, Federal savings and loan corporation notes, assistance agreement guarantees, future assistance, and purchase of zero coupon bonds."

The gentleman from New York [Mr. LAFALCE] argued that the administration has not added into its picture; the picture of the cost interest, interest that will accrue over time on the additional debt that is being incurred. Additionally, the U.S. taxpayer is the ultimate backstop for costs associated with all of the past deals.

Mr. Speaker, there were great deals made in 1988, and the costs for all of those deals the U.S. taxpayer will have to take care of. The Bank Board acknowledge in 1988 that there were 515 insolvent thrifts. Losses they acknowledged at that time total $22 billion. Private economists estimated that it was about $60 billion. As the Bank Board raised its losses, of course we knew that the losses were even greater. At the year end in 1988 there was a flurry of deals where financiers and Wall Street investment bankers were given sweetheart deals and giveaways. It is estimated that the Bank Board, its proposed liquidations and selloff of these institutions, will obligate us to the tune of $40 billion in future payments.

Mr. Speaker, those payments must also be figured into the cost, which is what the gentleman from New York [Mr. LAFALCE] is saying. To continue with the statement of the gentleman from New York [Mr. LAFALCE]:

"The bonding mechanism that the President has proposed is both fiscally irresponsible and morally reprehensible." There are the words of the gentleman from New York [Mr. LAFALCE], a member of the Committee on Banking, Finance and Urban Affairs. "The bonding mechanism is both fiscally irresponsible and morally reprehensible and will significantly increase the cost to the American taxpayers."

What is he saying? He is saying that the President and the Congress are passing the costs on to our children and granchildren, and in the process they are crafting a plan with far higher costs than would otherwise be necessary. Essentially the gentleman from New York [Mr. LAFALCE] said that Congress, and the President have decided to use bonding to cover the cost of present and past expenditures even though the difference in costs between direct appropriations and bonding would amount to as much as $150 billion over 30 years.

Translated into lay English what the gentleman from New York [Mr. LAFALCE] is saying is that, if we were to go ahead this year and next year and take the responsibility, put the obligation on the budget, raise taxes to pay for it, pay it off, we can save $150 billion over a period of 30 years.

To continue with the statement of the gentleman from New York [Mr. LAFALCE]:

"Point three: The taxpayer contribution is significantly understated in the President's plan. Taxpayer contributions, significantly understated. The industry contribution is overstated, and other legitimate sources of income, such as the States, are not taxed."

The gentleman from New York [Mr. LAFALCE] charged that the plan is based on the idea that healthy thrifts will remain healthy and be able to refund the FSLIC, the Federal Savings and Loan Insurance Corporation, but the gentleman from New York [Mr. LAFALCE] says that a few of these institutions may make it. Further, he adds that, if interest rates are higher than the Bush administration now projects, our deposit growth in the S&Ls is lower. The taxpayer will fill in the void. Greater cost to the taxpayer.

Point four from Mr. LAFALCE's statement:

"Efforts to draw in private capital to help minimize the resort to taxpayer funds are inadequate. The President is not calling upon the private sector to bail out its own colleagues. The President is not calling on the private sector to keep capitalism healthy. He's not saying that we want to avoid socialism of the banking industry. He's not building into this plan incentives or some kind of mandates and obligations for private industry to take care of the problem."

After arguing for years against accounting gimmicks and sleight of hand capital standards, the gentleman from New York [Mr. LAFALCE] said, "The President is now in the anonymous position of warning that we cannot wipe the slate completely clean in one quick blow without doing unnecessary damage to viable institutions and increasing taxpayer costs."

He is saying we cannot wipe the slate clean in one quick blow without doing unnecessary damage. If we wipe the slate clean in one or two quick blows, we will eliminate a large part of the costs for the taxpayers.

The gentleman from New York [Mr. LAFALCE] also adds that it was primarily State-chartered institutions with

broad powers and lack of supervision that caused this crisis. Under the dual banking system the gentleman from New York [Mr. LAFALCE] insisted that States should have obligations as well as rights.

□ 1800

The whole issue of State responsibility is one that also is not being discussed and should be put on the table in fairness to the American people.

One article that appeared in USA Today on Wednesday, May 3d, is entitled, "S&L Bailout; Money Goes From the Rust Belt to the Sun Belt." It is a very short item. I am going to read the item, but I will ask that it appear in the RECORD.

[From USA Today, May 3, 1989]

S&L BAILOUT: MONEY GOES FROM RUST BELT TO SUN BELT

Northern taxpayers will foot most of the more than $100 billion bill for the nation's savings and loan bailout, although most failing S&Ls are in the Southwest.

Thirty-six states and the District of Columbia will pay more than they take in from the bailout, while 14 states will receive more than they pay.

This means the Rust Belt will subsidize the Sun Belt. The per-capita cost for Connecticut, for example, will be $479, while New Mexico will receive $2,728 per person. Washington, D.C., will lose $471 per person, and Arkansas will gain $2,357 per person.

How much some states will gain or lose:

Biggest winners:	*Billions*
Texas	$31.0
Arkansas	5.6
New Mexico	4.0
Louisiana	2.8
Arizona	2.5

The money will flow into their States to bail out their banks.

Biggest losers:	*Billions*
California	$7.6
New York	6.4
Michigan	3.2
Pennsylvania	3.2
Ohio	3.1

Source: Cleveland State University.

Now, these poor depressed Rust Belt States are going to be forced to bail out the Sun Belt States, just one other interesting phenomenon taking place from this historical bailout.

I think it is also hard for people to comprehend what happened when we had our leaders continuing to insist that this is not a matter of thievery. In most cases people did not steal the money. These are leaders who made those statements.

On the other hand, there are analyses that show that in 80 percent of the failing banks, fraud is the problem. Fraud is the major problem in 80 percent of the failing banks.

Why do we keep insisting that there are no crooked deals involved here? Why do we keep insisting that bookkeeping errors and sloppy management could result in a situation where billions and billions of dollars are lost? Why do we insult the intelligence of the American people by saying that banks hire people who do not know how to keep books? Banks do not hire people who do not know how to keep books. You do not get into a bank unless you know how to keep books. Banks do not hire accountants who do not know how to do accounting.

If the books are kept in a sloppy manner, if the books and records are inadequate, it is because somebody has prepared that setup. They have allowed it to happen in order to cover up something.

So the assumption is whenever a bank goes bad, whenever a bank fails, the first assumption should be that incompetence and fraud are the same. The first assumption should be that investigations should go forward.

The first assumption should be that the bank as an institution is guilty until proven innocent.

The first assumption should be to go in and as you look for the fraud, look for the crookedness, as you put the pressure on, you might find it possible to recover a much greater percentage of the money.

People do not understand how honest, forthright bankers in savings and loan associations, which are usually situated in communities where they have some connection with the local people, they are upstanding citizens, at least they seem so, they do not understand how we can have this massive fraud, this massive thievery. They do not understand what I mean when I say we are faced with a phenomenon where we have a network of racketeering enterprises, a network of racketeering enterprises that rip off the American people. They use the fact that the taxpayers' deposits up to $100,000 per person per institution are guaranteed by the Government. They use that fact. They abuse it. They misuse it and they rip off the American people, a network of racketeering enterprises.

If you read the New York Times, we should be grateful for the New York Times Sunday Magazine, April 23, 1989, there is an article by Alan Pusig. Alan Pusig was a star reporter at the Dallas Morning News. The title of the article is "Fast Money and Fraud, Bloated Deals on Condo Corridor Wreck a Dallas Savings and Loan Association."

If you read this, you will see how it was done in one place. You can see how a house painter, a man named D.L. Faulkner, a former house painter, in the article it says he could barely read and write, but he understood one thing. If you get control of the decisionmaking in a savings and loan association with millions of dollars, then you can use that control to become a multimillionaire, and Mr. Faulkner became a multimillionaire.

In the process, many people were involved, those who estimated the land at too high a cost, those who presided over the transaction, the title search companies, everybody along the way was in on the deal and many of them knew that they were doing things wrong, but as long as the ultimate product was going to be the production of a large amount of money to cover the deal, the ultimate product was the savings and loan that was going to make the loan, everybody chimed in. They got their cut, and not only Mr. Faulkner became a multimillionaire, a lot of other people became millionaires.

If you read the New York Times article by Mr. Alan Pusig and how they turned it over, how they used their influence, and then when they had milked one savings and loan association dry, they used the connections with savings and loan associations in other parts of the country to pull in from other parts of the country the money that they had and they also milked them and were the cause of their failure.

If you read the article, I think Mr. Pusig is a very clear writer. He makes a very complicated process clear to a layman, and you have some better understanding why this was not a problem created by incompetence, not a problem created by simple people who got overwhelmed by the collapse of the oil economy. It is a problem created by cold-blooded calculating racketeers. Racketeering enterprises have produced this crisis.

So I think the article, which I will not submit for the RECORD, I will just repeat that is the New York Times Sunday magazine of April 23, 1989. The title of the article is "Fast Money and Fraud, Bloated Deals on Condo Corridor Wreck a Dallas Savings and Loan Association."

As I said before, in closing, this is a monumental bill. There is nothing like it in the history of the country. I think Teapot Dome, the Watergate and a number other scandals are small stuff when you compare them with what is involved here.

We are assuming obligations which will go on and on for a long time. We are spending tremendous amounts of money, interjecting them into the private sector, taking them, literally highjacking the taxpayers, because the taxpayers have nothing to say about this, taking the money away from them and putting it into the hands of bankers who have not been made to pay.

If you had greater prosecution, all those owners of the savings and loan associations, all the people involved would be put on the spot and forced to make good, and the revelations would reveal who the guilty parties are, we could sue and get some of the money back. If we had greater investigations and prosecution, we could pinpoint where the independent accounting

agencies went wrong. You could pinpoint where the local accounting agencies or the staff went wrong. You could pinpoint guilt and force many of the people to pay back large sums of money, either through a civil suit process or a criminal prosecution process, and more money could be recovered.

Certainly if you read the article in the New York Times Sunday magazine, you will understand that poor people, the average American taxpayer was not in on the deal. They were not part of the criminal conspiracy.

□ 1810

They were not part of the racketeering enterprise. There are people and groups that can be identified as groups. Accountants ought to be made to pay more; independent accountants involved should be make to pay some part of this cost; as groups, the real estate dealers, as groups, the title search people, the people who gave the land estimates, the condo builders, and there are whole groups of people who still have millions of dollars as a result of what they made out of these racketeering enterprises, and they should be made to pay.

As we go forward and this bill is brought to the floor of the House, I hope that the debate will be enlarged. I hope that the conservatives will consider their responsibility to explain their position. I hope that the authors of Gramm-Rudman-Hollings will come and explain to us what the impact of this bill will be on their basic approach and philosophy, what they intend to do about the off-budget item, the $157 billion cost, and I hope that most of all the American people will have the help of radio and television to fully throw the spotlight on this monumental obligation of their taxpayer money.

Mr. Speaker, I hope that we will not be a part here in Washington of continuing an enterprise which has a great question mark over it, an enterprise a large part of which I consider to be a racketeering enterprise. We want no part of it. We must throw light on it. We must have the maximum debate here in Congress.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. GALLEGLY) to revise and extend their remarks and include extraneous material:)

Mr. INHOFE, for 60 minutes, today.

Mr. HORTON, for 5 minutes, today.

Mr. SCHIFF, for 15 minutes, on May 11.

(The following Members (at the request of Mr. TORRES) to revise and extend their remarks and include extraneous material:)

Mr. PEASE, for 5 minutes, today.

Mr. ENGEL, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. OWENS of New York, for 60 minutes, on May 15, 16, 17, and 18.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. GALLEGLY) and to include extraneous matter:)

Mr. CRANE.
Mr. YOUNG of Alaska.
Mr. MCDADE.
Mr. MICHEL.
Mr. SMITH of Vermont.
Mr. PORTER.
Mr. BUECHNER.
Mr. WHITTAKER.
Mr. HORTON.
Mr. DUNCAN.
Mr. MCEWEN.
Mr. GRADISON.
Mr. MARLENEE.
Mr. BARTON of Texas.
Mr. FRENZEL.

(The following Members (at the request of Mr. TORRES) and to include extraneous matter:)

Mr. BONIOR.
Mr. FASCELL.
Mr. MAZZOLI.
Mr. HAMILTON.
Mr. DELLUMS.
Mr. COLEMAN of Texas.
Mr. RANGEL in two instances.
Mr. STALLINGS.
Mr. MATSUI in two instances.
Mrs. SCHROEDER.
Mr. TALLON.
Mr. ACKERMAN in three instances.
Mr. LAFALCE.
Mr. SKELTON.
Mr. MAVROULES.

SENATE JOINT RESOLUTION REFERRED

A joint resolution of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S.J. Res. 65. Joint resolution designating June 12, 1989, as "Anne Frank Day," to the Committee on Post Office and Civil Service.

ENROLLED JOINT RESOLUTION SIGNED

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a joint resolution of the House of the following title, which was thereupon signed by the Speaker:

H.R. Res. 135. Joint resolution to designate the week beginning May 7, 1989, as "National Correctional Officers Week."

SENATE ENROLLED JOINT RESOLUTION SIGNED

The SPEAKER announced his signature to an enrolled joint resolution of the Senate of the following title:

S.J. Res. 68. Joint resolution to designate the month of May 1989, as "Trauma Awareness Month."

ADJOURNMENT

Mr. OWENS of New York. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 11 minutes p.m.) the House adjourned until tomorrow, Thursday, May 11, 1989, at 10 a.m.

OATH OF OFFICE—MEMBERS, RESIDENT COMMISSIONER, AND DELEGATES

The oath of office required by the sixth article of the Constitution of the United States, and as provided by section 2 of the act of May 13, 1984 (23 Stat. 22), to be administered to Members, Resident Commissioner, and Delegates of the House of Representatives, the text of which is carried in 5 U.S.C. 3331:

> "I, Craig Thomas, do solemnly swear (or affirm) that I will support and defend the Constitution of the United States against all enemies, foreign and domestic; that I will bear true faith and allegiance to the same; that I take this obligation freely, without any mental reservation or purpose of evasion; and that I will well and faithfully discharge the duties of the office on which I am about to enter. So help me God."

has been subscribed to in person and filed in duplicate with the Clerk of the House of Representatives by the following Members, Resident Commissioner, and Delegates of the 101st Congress, pursuant to the provisions of 2 U.S.C. 25:

Hon. CRAIG THOMAS, At-large, Wyoming.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1150. A communication from the President of the United States, transmitting amendments to the requests for appropriations for the Department of Defense—Military for fiscal year 1990, pursuant to 31 U.S.C. 1107 (H. Doc. No. 101-63); to the Committee on Appropriations and ordered to be printed.

1151. A letter from the Director, the Office of Management and Budget, transmitting the cumulative report on rescissions and deferrals of budget authority as of May 1, 1989, pursuant to 2 U.S.C. 685(e) (H. Doc.

No. 101-64); to the Committee on Appropriations and ordered to be printed.

1152. A letter from the Director, Defense Security Assistance Agency, transmitting the Army's proposed letter(s) of offer and acceptance [LOA] to Bahrain for defense articles estimated to cost $50 million or more, pursuant to 10 U.S.C. 118; to the Committee on Armed Services.

1153. A letter from the Chief of Legislative Affairs, Department of the Navy, transmitting notification that the Department intends to offer for lease a naval vessel to the Government of Mexico; pursuant to 10 U.S.C. 7307(b)(2); to the Committee on Armed Services.

1154. A letter from the Secretary of Education, transmitting a copy of final regulations—fund for the improvement and reform of schools and teaching, pursuant to 20 U.S.C. 1232(d)(1); to the Committee on Education and Labor.

1155. A letter from the Director, Defense Security Assistance Agency, transmitting the Department of the Air Force's proposed letter(s) of offer and acceptance [LOA] to Saudi Arabia for defense articles and services estimated to cost $200 million (Transmittal No. 89-14); pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

1156. A letter from the Director, Defense Security Assistance Agency, transmitting the Department of the Army's proposed letter(s) of offer and acceptance [LOA] to Bahrain for defense articles and services estimated to cost $93 million (Transmittal No. 89-12), pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

1157. A letter from the Director, Defense Security Assistance Agency, transmitting the Department of the Air Force's proposed letter(s) of offer and acceptance [LOA] to Saudi Arabia for defense articles and services estimated to cost $300 million (Transmittal No. 89-15), pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

1158. A letter from the Director, Defense Security Assistance Agency, transmitting the Department of the Army's proposed letter(s) of offer and acceptance [LOA] to Egypt for defense articles and services estimated to cost $51 million (Transmittal No. 89-16), pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

1159. A letter from the Director, Defense Security Assistance Agency, transmitting the Department of the Navy's proposed letter(s) of offer and acceptance [LOA] to the Coordination Council for North American Affairs for defense articles and services estimated to cost $44 million (Transmittal No. 89-13), pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

1160. A letter from the Director, Defense Security Assistance Agency, transmitting the Department of the Navy's proposed letter(s) of offer and acceptance [LOA] to Pakistan for defense articles and services estimated to cost $14 million or more (Transmittal No. 89-17), pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

1161. A communication from the President of the United States, transmitting a report on development since the last report of November 9, 1988, concerning the national emergency with respect to Nicaragua, pursuant to 50 U.S.C. 1641(c) and 1703(c) (H. Doc. No. 101-62); to the Committee on Foreign Affairs and ordered to be printed.

1162. A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to amend section 18 of the Export Administration Act of 1979, as amended, to authorize appropriations for fiscal year 1990, pursuant to 31 U.S.C. 1110; to the Committee on Foreign Affairs.

1163. A letter from the Comptroller General, transmitting a report, "Actions Needed to Correct ADP Internal Control Weaknesses" (GAO/IMTEC-89-11); pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

1164. A letter from the Secretary of Interior, transmitting a copy of the onshore oil and gas leasing report, fiscal year 1988, pursuant to 30 U.S.C. 226 nt.; to the Committee on Interior and Insular Affairs.

1165. A letter from the President, Legal Services Corporation, transmitting copies of the Corporation's fact book for 1987-1988, pursuant to 42 U.S.C. 2996g(c); to the Committee on the Judiciary.

1166. A letter from the Chief Judge, U.S. Claims Court, transmitting a certified copy each of the report of the hearing officer and the report of the review panel (Re: "La Paz Enterprises, Ltd") pursuant to 28 U.S.C. 2509; to the Committee on the Judiciary.

1167. A letter from the Deputy Assistant Secretary of Defense (Environment), transmitting a report on the Department's environmental restoration program for fiscal year 1988, pursuant to 10 U.S.C. chapter 160, section 2706; jointly, to the Committees on Armed Services and Energy and Commerce.

1168. A letter from the Secretary of Transportation, transmitting the 10th annual report on administration of the offshore oil pollution compensation fund, pursuant to 43 U.S.C. 1824; jointly, to the Committees on Interior and Insular Affairs and Merchant Marine and Fisheries.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. AKAKA:

H.R. 2299. A bill to amend the Energy Policy and Conservation Act with respect to the strategic petroleum reserve; to the Committee on Energy and Commerce.

By Mr. DORNAN of California:

H.R. 2300. A bill to amend title 10, United States Code, to establish a more equitable method by which courts may treat the retired or retainer pay of a member of the Armed Forces as joint property for purposes of ordering the payment of a portion of that pay to spouse or former spouse of the member; to the Committee on Armed Services.

By Mr. FAUNTROY:

H.R. 2301. A bill to designate the Anthony Bowen Landmark Building—formerly the Anthony Bowen Y.M.C.A.—in Washington, the District of Columbia as a national historic site, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. GEKAS:

H.R. 2302. A bill to amend titles XVIII and XIX of the Social Security Act to repeal the requirement of nursing facilities to provide for training of nurse aides; jointly, to the Committees on Ways and Means and Energy and Commerce.

H.R. 2303. A bill to amend titles XVIII and XIX of the Social Security Act to waive the nurse aide training requirement for nurse aides employed before July 1, 1989; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. HORTON:

H.R. 2304. A bill to amend the Immigration and Nationality Act to permit aliens who have served in the Armed Forces for at least 4 years after enlistment abroad to enter the United States for permanent residence as special immigrants; to the Committee on the Judiciary.

By Mr. MARTIN of New York:

H.R. 2305. A bill to require the Commissioner of Customs to provide certain facilities and equipment at the port of entry at Trout River, NY; to the Committee on Ways and Means.

By Mr. OWENS of Utah (for himself, Mr. BILIRAKIS, and Mr. WEISS):

H.R. 2306. A bill to provide that former Presidents shall be nonvoting members-at-large of the House of Representatives; to the Committee on the Judiciary.

By Mr. PEASE (for himself, Mr. ARMEY, Mr. VENTO, Mr. ATKINS, Mr. MORRISON of Connecticut, Mr. BUSTAMANTE, Mr. FAUNTROY, and Mr. LIPINSKI):

H.R. 2307. A bill to condition the granting of nondiscriminatory treatment—most-favored-nation-treatment—and other commercial benefits to nonmarket economy countries on the satisfactory implementation by those countries of internationally recognized worker rights, to provide special tariff treatment for products of cooperative enterprise in certain nonmarket economy countries, and for other purposes; jointly, to the Committees on Ways and Means and Foreign Affairs.

By Ms. PELOSI (for herself, Mr. STARK, and Mr. WAXMAN):

H.R. 2308. A bill to amend title I of the Employee Retirement Income Security Act of 1974 to require that continuation of certain health insurance coverage for 29 months be offered to those with a disability at the time of termination of employment; to the Committee on Education and Labor.

H.R. 2309. A bill to amend title XXII of the Public Health Service Act to require that continuation of certain health insurance coverage for 29 months be offered to those with a disability at the time of termination of employment; to the Committee on Energy and Commerce.

H.R. 2310. A bill to amend the Internal Revenue Code of 1986 to require that continuation of certain health insurance coverage for 29 months be offered to those with a disability at the time of termination of employment; to the Committee on Ways and Means.

By Mrs. SCHROEDER (for herself and Mr. MARTIN of New York) (both by request):

H.R. 2311. A bill to authorize certain construction at military installations for fiscal years 1990 and 1991, and for other purposes; to the Committee on Armed Services.

By Mr. SMITH of New Jersey (for himself, Mr. HALL of Ohio, and Mr. WOLF):

H.R. 2312. A bill to amend the Foreign Assistance Act of 1961 to authorize appropriations of $300,000,000 for each of the fiscal years 1990 and 1991 for development assistance for health and child survival activities; to the Committee on Foreign Affairs.

By Mr. SOLARZ (for himself, Mr. LEACH of Iowa, Mr. FALEOMAVAEGA, Mr. CLARKE, Mr. BLAZ, and Mr. LAGOMARSINO):

H.R. 2313. A bill to express the sense of the Congress with respect to the assassina-

tion of Colonel James Rowe in the Philippines, and to authorize the transfer to the Republic of the Philippines of two excess naval vessels; to the Committees on Foreign Affairs.

By Mr. SUNDQUIST:

H.R. 2314. A bill to provide that for taxable years beginning before 1980 the Federal income tax deductibility of flight training expenses shall be determined without regard to whether such expenses were reimbursed through certain veterans educational assistance allowances; to the Committee on Ways and Means.

By Mr. WHITTAKER:

H.R. 2315. A bill to preserve rural rail service through improved procedures for abandonment and line sale proceedings before the Interstate Commerce Commission; to the Committee on Energy and Commerce.

By Mr. WYDEN (for himself and Mr. DEFAZIO):

H.R. 2316. A bill to amend the Internal Revenue Code of 1986 to provide for the early termination of the temporary increase in the Federal unemployment tax; to the Committee on Ways and Means.

By Mr. YOUNG of Alaska:

H.R. 2317. A bill to amend the Arctic Research and Policy Act of 1984 to improve and clarify its provisions; to the Committee on Science, Space, and Technology.

By Mr. MARTIN of New York (for himself, Mr. BONIOR, Mr. ARMEY, Mr. BATES, Mr. BERMAN, Mr. BLILEY, Mr. BOEHLERT, Mr. BROOMFIELD, Mr. BUNNING, Mr. BUSTAMANTE, Mr. COMBEST, Mr. CRAIG, Mr. FAZIO, Mr. FISH, Mr. FRANK, Mr. GILMAN, Mr. HORTON, Mr. HYDE, Mr. INHOFE, Mr. LOWERY of California, Mr. MCCLOSKEY, Mr. MCEWEN, Mr. MCGRATH, Mr. MADIGAN, Mr. MOLINARI, Mr. MORRISON of Connecticut, Mr. MRAZEK, Mr. ORTIZ, Mr. OXLEY, Mr. PASHAYAN, Mr. PORTER, Mr. QUILLEN, Mr. ROBERTS, Mr. ROGERS, Mr. SABO, Mr. SHAW, Mr. SKEEN, Mr. SOLOMON, Mr. SPENCE, Mr. STUMP, Mr. TALLON, Mr. WILSON, Mr. DORNAN of California, Mr. DICKS, Mr. SMITH of Texas, Mr. BLAZ, Mr. BUECHNER, Mr. BURTON of Indiana, Mr. CALLAHAN, Mr. COLEMAN of Texas, Mr. DAVIS, Mr. DELAY, Mr. DEWINE, Mr. DREIER of California, Mr. EMERSON, Mr. GALLO, Mr. GIBBONS, Mr. GINGRICH, Mr. HASTERT, Mr. HUNTER, Mr. IRELAND, Mr. LAGOMARSINO, Mr. LENT, Mr. LEWIS of California, Mr. LIVINGSTON, Mr. MANTON, Mr. MICHEL, Mr. MILLER of Ohio, Mr. MINETA, Mr. MORRISON of Washington, Mr. PAXON, Mr. ROWLAND of Connecticut, Mr. SAXTON, Mr. SENSENBRENNER, Mr. SHUSTER, Mr. ROBERT F. SMITH, Mr. STANGELAND, Mr. SWIFT, Mr. UPTON, Mr. VANDER JAGT, Mrs. VUCANOVICH, Mr. WEBER, Mr. WOLF, Mr. YOUNG of Florida, Mr. YOUNG of Alaska, Mr. FIELDS, Mr. COELHO, Mr. HEFLEY, Mr. HERGER, Mr. HUTTO, Mr. KASICH, Mr. MCDADE, Mrs. MARTIN of Illinois, Mr. MURPHY, Mr. PACKARD, Mr. PARRIS, Mr. RITTER, Mr. ROBINSON, Mr. SCHAEFER, Mr. SHUMWAY, Mr. SKELTON, Mrs. SMITH of Nebraska, Mr. SOLARZ, Mr. WYLIE, Mr. SMITH of New Hampshire, Mrs. SAIKI, Mr. RICHARDSON, Mr. RIDGE, Mr. NEAL of North Carolina, Mr. MURTHA, Mr. SHAYS, Mr. RHODES, Mr. SCHUETTE, Mr. THOMAS of California, Mr. KYL, Mr. LEWIS of Florida, Mr. BEILENSON, Mr. MCMILLAN of North Carolina, and Mr. FASCELL):

H.J. Res. 264. Joint resolution proposing an amendment to the Constitution of the United States repealing the 22d article of amendment thereto; to the Committee on the Judiciary.

By Mr. TAUZIN (for himself, Mr. JONES of North Carolina, Mr. DAVIS, Mr. WATKINS, Mr. SMITH of Florida, Mr. HEFNER, Mr. TRAXLER, Mr. LEHMAN of Florida, Mr. DYMALLY, Mr. FUSTER, Mr. FASCELL, Mr. CALLAHAN, Mr. COBLE, Mr. CONTE, Mr. HORTON, Mr. GRANT, Mr. MANTON, Mr. DE LUGO, Mr. KOLTER, Mr. FOGLIETTA, Mr. TALLON, Mr. HUGHES, Mr. STUDDS, Mr. AKAKA, Mrs. UNSOELD, Mr. DORNAN of California, Mr. CLEMENT, Mr. FAZIO, Mr. HUTTO, Mr. LIPINSKI, Mr. BORSKI, Mr. BOSCO, Mr. BRENNAN, Mr. HOCHBRUECKNER, Mr. LAUGHLIN, Mr. LAGOMARSINO, Mr. LENT, Mr. BATEMAN, Mr. SHUMWAY, Mr. WELDON, Mr. MILLER of Washington, Mr. YOUNG of Alaska, Mr. QUILLEN, Mrs. SAIKI, Mr. ENGLISH, Mrs. COLLINS, Mr. SOLARZ, Mr. THOMAS of Georgia, Mr. PICKETT, Mr. SAXTON, Mr. BAKER, Mr. HATCHER, Mr. GOSS, Mr. LANCASTER, Mrs. LOWEY of New York, Mr. HUBBARD, Mr. PALLONE, Mr. LEWIS of Georgia, Mr. AUCOIN, Mr. WILSON, Mr. ORTIZ, Mrs. BENTLEY, Mr. INHOFE, Mr. DYSON, Mr. CARPER, Mr. FIELDS, Mr. WYDEN, Mr. TOWNS, Mr. HERGER, and Mr. SISISKY):

H.J. Res. 265. Joint resolution designating the period of August 4, 1989 through August 4, 1990 in commemoration of the bicentennial of the U.S. Coast Guard; to the Committee on Post Office and Civil Service.

By Mrs. VUCANOVICH (for herself and Mr. BILBRAY);

H.J. Res. 266. Joint resolution to require the display of the POW/MIA flag at Federal buildings; to the Committee on Government Operations.

By Mr. DURBIN (for himself, Mr. LEACH of Iowa, Mr. SYNAR, Mrs. UNSOELD, and Mr. WALSH):

H. Con. Res. 115. Concurrent resolution expressing the sense of the Congress regarding the blockade of Nepal by India; to the Committee on Foreign Affairs.

By Mr. OWENS of Utah (for himself, Mr. NIELSON of Utah, and Mr. HANSEN):

H. Con. Res. 116. Concurrent resolution expressing the sense of Congress regarding the problem of geographical variations under the current Medicare physician reimbursement system; jointly to the Committee on Ways and Means and Energy and Commerce.

By Mr. SKELTON:

H. Con. Res. 117. Concurrent resolution to commemorate the volunteers of the United States and the Hugh O'Brian Youth Foundation; to the Committee on Post Office and Civil Service.

By Mr. SOLOMON:

H. Con. Res. 118. Concurrent resolution expressing the sense of the Congress that the Panama Canal treaties be abrogated, and other matters; jointly, to the Committees on Foreign Affairs and Merchant Marine and Fisheries.

By Mr. BROOKS:

H. Res. 150. Resolution appointing managers for the trial of the impeachment of Walter L. Nixon, Jr., a judge of the U.S. District Court for the Southern District of Mississippi; considered and agreed to.

H. Res. 151. Resolution providing certain authorities to the managers on the part of the House in the matter of the impeachment of Walter L. Nixon, Jr., a judge of the U.S. District Court for the Southern District of Mississippi; considered and agreed to.

H. Res. 152. Resolution providing that a message be sent to the Senate informing the Senate of the impeachment of Walter L. Nixon, Jr., a judge of the U.S. District Court for the Southern District of Mississippi; considered and agreed to.

H. Res. 153. Resolution authorizing the payment of certain expenses from amounts available to the Committee on the Judicary under any applicable expense resolution for the 101st Congress; considered and agreed to.

H. Res. 154. Resolution releasing certain papers, documents, and records of proceedings relating to the matter of certain complaints against U.S. District Judge Alcee L. Hastings; considered and agreed to.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

80. By the SPEAKER: Memorial of the Legislature of the State of Kansas, relative to apartheid in South Africa; to the Committee on Foreign Affairs.

81. Also, memorial of the Legislature of the State of Minnesota, relative to transportation of coal; to the Committee on Public Works and Transportation.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 48: Ms. SCHNEIDER.

H.R. 109: Mr. LELAND and Mr. GINGRICH.

H.R. 118: Mr. IRELAND.

H.R. 145: Mrs. LLOYD and Mr. MORRISON of Connecticut.

H.R. 290: Mr. MCGRATH, Mr. LEWIS of Georgia, Mrs. LOWEY of New York, and Mr. POSHARD.

H.R. 418: Mr. BEILENSON.

H.R. 446: Mr. DOUGLAS, Mr. BRYANT, and Mr. SMITH of Mississippi.

H.R. 518: Mr. DOUGLAS.

H.R. 520: Mr. PERKINS and Mr. MCMILLEN of Maryland.

H.R. 521: Mr. PERKINS and Mr. MCMILLEN of Maryland.

H.R. 522: Mr. PERKINS and Mr. MCMILLEN of Maryland.

H.R. 523: Mr. PERKINS and Mr. MCMILLEN of Maryland.

H.R. 594: Mr. SAVAGE, Mr. SAWYER, and Mr. BEILENSON.

H.R. 624: Mr. FIELDS.

H.R. 628: Mr. LEWIS of Georgia.

H.R. 638: Mrs. COLLINS, Mr. DYMALLY, and Mr. MRAZEK.

H.R. 683: Mr. DYSON, Mr. HAMILTON, Mrs. SMITH of Nebraska, Mr. POSHARD.

H.R. 758: Mr. POSHARD, Mr. HERTEL, Mr. ATKINS, Mr. FAZIO, Mr. KOLTER, Mr. CHAPMAN, Mr. STAGGERS, Mr. DWYER of New Jersey, Ms. KAPTUR, Mr. MFUME, Mr. ENGEL, Mr. ROYBAL, Mr. BEVILL, Mr. BATES, Mr. KILDEE, and Mr. FROST.

H.R. 773: Mr. ARMEY.

H.R. 916: Mr. GARCIA, Mr. GUARINI, Mr. COOPER, Mr. GREEN, Mr. HAYES of Illinois, Ms. PELOSI, Mr. MORRISON of Connecticut, Mr. NATCHER, and Mr. MRAZEK.

H.R. 979: Mr. COELHO, Mr. BATES, Mr. RAHALL, Mr. ENGLISH, Mr. KASTENMEIER, Mr. LIGHTFOOT, Mr. LEACH of Iowa, Mr. ANNUNZIO, Mr. PEASE, Mr. WOLF, Mr. COYNE, Mr. PENNY, Mrs. BOXER, Mr. COSTELLO, Mr. LEWIS of Florida, Mr. MONTGOMERY, Mr. ROBERTS, Mr. IRELAND, Mr. LAFALCE, Mr. DURBIN, Mr. HILER, Mr. COLEMAN of Missouri, Mr. CLINGER, Mr. OLIN, Mr. JACOBS, Mr. LENT, and Mr. MCNULTY.

H.R. 1095: Mr. BARNARD, Mr. CALLAHAN, and Mr. HUCKABY.

H.R. 1131: Mr. CLEMENT.

H.R. 1161: Mr. LENT, Mr. LIPINSKI, Mr. FLIPPO, Mr. FAUNTROY, Mr. WEBER, Mr. BEVILL, Mr. PARRIS, Mr. ARMEY, Mr. LANCASTER, Mr. HUTTO, Mr. LAGOMARSINO, and Mr. PANETTA.

H.R. 1166: Mr. ROGERS, Mr. HOUGHTON, and Mrs. LLOYD.

H.R. 1167: Mr. ROGERS, Mr. HOUGHTON, and Mrs. LLOYD.

H.R. 1190: Mr. STOKES.

H.R. 1279: Mr. SMITH of New Jersey and Mr. PARRIS.

H.R. 1283: Mr. LEWIS of Georgia.

H.R. 1383: Mr. NOWAK and Mr. RAHALL.

H.R. 1439: Mr. GUNDERSON, Mr. HERTEL, and Mr. LIPINSKI.

H.R. 1461: Mr. SOLOMON, Mr. DARDEN, Mr. DUNCAN, Mr. MOAKLEY, Mr. BEVILL, and Mr. JONES of Georgia.

H.R. 1499: Mrs. VUCANOVICH, Mr. SCHIFF, Mr. OWENS of Utah, Mr. ERDREICH, and Mr. QUILLEN.

H.R. 1515: Mr. HERGER.

H.R. 1619: Mrs. PATTERSON and Mr. QUILLEN.

H.R. 1666: Mr. BARNARD.

H.R. 1682: Mr. LAGOMARSINO.

H.R. 1748: Mr. MCEWEN.

H.R. 1751: Mr. MCEWEN.

H.R. 1752: Mr. MCEWEN.

H.R. 1776: Mr. LEHMAN of Florida, Mr. IRELAND, Mr. HUTTO, Mr. JOHNSTON of Florida, Mr. JAMES, and Mr. NELSON of Florida.

H.R. 1806: Mr. KOLTER, Mr. DELLUMS, and Mr. DONALD E. "BUZ" LUKENS.

H.R. 1823: Mr. SISISKY.

H.R. 2055: Mr. RITTER, Mr. JONES of North Carolina, Mr. MILLER of Washington, and Mr. SAXTON.

H.R. 2060: Mr. BATES, Mr. HOCHBRUECKNER, Mr. VALENTINE, and Mr. VENTO.

H.R. 2131: Mr. PARKER, Mr. FAZIO, and Mr. DWYER of New Jersey.

H.R. 2145: Mr. BERMAN, Mr. DEWINE, Mr. HUGHES, Mr. KOSTMAYER, Mr. LANCASTER, Mr. LEHMAN of Florida, Mrs. LOWEY of New York, Mr. MCGRATH, Mr. PARKER, Mr. PAXON, and Mr. VOLKMER.

H.R. 2149: Mrs. VUCANOVICH, Mr. DANNEMEYER, Mr. PENNY, Mr. APPLEGATE, and Mr. LIGHTFOOT.

H.R. 2154: Mr. FAWELL.

H.R. 2181: Mr. SMITH of Mississippi.

H.R. 2189: Mr. FORD of Tennessee.

H.R. 2237: Mr. WATKINS and Mr. ROE.

H.R. 2241: Mrs. MORELLA, Mr. DORNAN of California, and Mr. BOEHLERT.

H.R. 2243: Mr. DOWNEY.

H.J. Res. 81: Mr. EDWARDS of Oklahoma and Mr. JONES of North Carolina.

H.J. Res. 106: Mr. OWENS of Utah, Mr. DE LUGO, Mr. CRAIG, Mrs. BENTLEY, Mr. YOUNG of Alaska, Mr. DORNAN of California, Mr. WOLF, Mr. HORTON, Mr. GILLMOR, Mr. MARTINEZ, Mr. DYMALLY, Mr. ROE, Mr. STUMP, Mr. BLAZ, Mrs. MEYERS of Kansas, Mr. WILSON, Mr. HUGHES, Mr. LEHMAN of California, Mrs. MARTIN of Illinois, Mr. FISH, Mr. COUGHLIN, Mr. STALLINGS, Mr. SOLOMON, Mr. GRANDY, and Mr. FALEOMAVAEGA.

H.J. Res. 140: Mr. LAFALCE.

H.J. Res. 141: Mr. CLEMENT, Mr. JOHNSON of South Dakota, Mr. MILLER of Washington, Mr. TAUZIN, Mr. HANCOCK, Mr. KASICH, Mrs. MEYERS of Kansas, Mr. BILIRAKIS, Mr. CARR, Mr. HAMILTON, Mr. DICKINSON, Mrs. VUCANOVICH, and Mr. DUNCAN.

H.J. Res. 160: Mr. TOWNS.

H.J. Res. 178: Mr. BALLENGER, Mr. DEWINE, Mrs. ROUKEMA, Mr. FOLEY, and Ms. SLAUGHTER of New York.

H.J. Res. 181: Mrs. VUCANOVICH and Mr. HERGER.

H.J. Res. 197: Mr. ACKERMAN, Mr. AKAKA, Mr. ANDERSON, Mr. APPLEGATE, Mr. ATKINS, Mr. AUCOIN, Mr. BATES, Mrs. BENTLEY, Mr. BERMAN, Mr. BEVILL, Mr. BILBRAY, Mr. BLAZ, Mrs. BOXER, Mr. BRENNAN, Mr. CHAPMAN, Mrs. COLLINS, Mr. COSTELLO, Mr. COURTER, Mr. DARDEN, Mr. DORNAN of California, Mr. DYMALLY, Mr. EARLY, Mr. EMERSON, Mr. ESPY, Mr. EVANS, Mr. FALEOMAVAEGA, Mr. FAWELL, Mr. FAUNTROY, Mr. FAZIO, Mr. FEIGHAN, Mr. FISH, Mr. FOGLIETTA, Mr. FOLEY, Mr. FROST, Mr. FUSTER, Mr. GARCIA, Mr. GAYDOS, Mr. GINGRICH, Mr. GORDON, Mr. GRANDY, Mr. GREEN, Mr. GUNDERSON, Mr. HAMMERSCHMIDT, Mr. HANCOCK, Mr. HARRIS, Mr. HATCHER, Mr. HAYES of Illinois, Mr. HAYES of Louisiana, Mr. HEFNER, Mr. HENRY, Mr. HORTON, Mr. HUCKABY, Mr. HUGHES, Mr. JONES of North Carolina, Mr. JONTZ, Mrs. KENNELLY, Mr. KLECZKA, Mr. LAGOMARSINO, Mr. LEHMAN of Florida, Mr. LELAND, Mr. LEVIN of Michigan, Mr. LEWIS of Florida, Mr. LIPINSKI, Mr. MANTON, Mr. MARTINEZ, Mr. MATSUI, Mr. MCGRATH, Mr. MFUME, Mr. MINETA, Mr. MONTGOMERY, Mrs. MORELLA, Mr. OWENS of New York, Mr. PICKLE, Mr. RICHARDSON, Mr. ROBINSON, Mr. ROE, Mr. ROYBAL, Mrs. SAIKI, Mr. SAXTON, Mr. SHUMWAY, Mr. SKELTON, Mr. SMITH of New Hampshire, Ms. SNOWE, Mr. SPRATT, Mr. STAGGERS, Mr. TALLON, Mr. TANNER, Mr. THOMAS of Georgia, Mr. TOWNS, Mr. WALSH, Mr. WAXMAN, Mr. WHITTEN, and Mr. LANCASTER.

H.J. Res. 223: Mr. PAYNE of New Jersey, Mr. BUSTAMANTE, Mr. COSTELLO, Mr. HERTEL, Mr. LEHMAN of Florida, Mr. CARDIN, Mr. LEWIS of Florida, Mr. WOLPE, and Mr. GILMAN.

H.J. Res. 252: Mr. HAMMERSCHMIDT and Mr. LEWIS of Georgia.

H.J. Res. 254: Mr. MORRISON of Connecticut, Mr. MACHTLEY, Mr. CARR, Mr. GEJDENSON, Mr. THOMAS A. LUKEN, Mr. SABO, Mr. GUARINI, Mr. KANJORSKI, Mr. WHITTAKER, Mr. JAMES, Mr. INHOFE, Mr. NOWAK, Mr. CAMPBELL of Colorado, and Mr. WILLIAMS.

H. Con. Res. 39: Mr. SMITH of Texas, Mr. HANCOCK, Mr. DARDEN, Mr. LAGOMARSINO, Mr. VALENTINE, Mr. SHUMWAY, Mr. PRICE, Mr. EDWARDS of Oklahoma, and Mr. HALL of Texas.

H. Con. Res. 45: Mr. LEACH of Iowa and Mr. GUNDERSON.

H. Con. Res. 47: Mr. HOLLOWAY and Mr. DONALD E. LUKENS.

H. Con. Res. 60: Mrs. MEYERS of Kansas and Mr. CRANE.

H. Con. Res. 81: Mr. LEWIS of Georgia.

H. Con. Res. 84: Mrs. COLLINS, Mr. GUNDERSON, Mr. PORTER, and Mr. MRAZEK.

H. Con. Res. 92: Mr. OWENS of New York, Mr. LEWIS of Georgia, Mrs. MARTIN of Illinois, and Mr. NELSON of Florida.

H. Con. Res. 102: Mr. HUGHES, Mr. ERDREICH, and Mr. LEWIS of Georgia.

H. Con. Res. 105: Mrs. COLLINS.

H. Res. 106: Mrs. VUCANOVICH.

H. Res. 137: Mr. AKAKA.

H. Res. 144: Mr. BLILEY.

EXTENSIONS OF REMARKS

BLACKS IN THE FOREIGN SERVICE: AN HISTORICAL PERSPECTIVE

HON. CHARLES B. RANGEL
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 10, 1989

Mr. RANGEL. Mr. Speaker, I want to share with you and the Members of the House an excellent review of blacks in the Foreign Service by Ambassador Terence A. Todman. Mr. Todman's remarks were made at an open forum during the celebration of "Black History Month." His account provides a brief but concise history of the contributions of black Americans to our Nation's Foreign Service. He concentrates on those diplomats who worked at the senior levels and had the highest visibility. I commend this speech for your perusal:

REMARKS BY AMBASSADOR TERENCE A. TODMAN ON BLACKS IN THE FOREIGN SERVICE: AN HISTORICAL PERSPECTIVE

In keeping with the objectives of Black History Month, I would like to give you a brief account of some of the Black American men and women who, through their work in the U.S. Foreign Service over the years, have contributed immeasurably to the accomplishment of American aims and the greatness of our country. All Americans particularly those of us engaged in foreign policy, should know of this group so that we can better appreciate how much our country has to gain when it draws more fully on the rich diversity of our people. The overall thrust of my remarks apply to other minorities and women as well but for this particular occasion, details about them will not be included.

Black Americans have been engaged at one time or another in all aspects and at all levels of work critical to our government's operation. Mostly they have as secretaries, clerks and support staff but in many cases as officers depending on what the system permitted. Quite a story could be told about how much each has contributed, whether in Civil Service or Foreign Service, to the functioning of our organization. But that would take more time than we have now. Therefore my remarks will focus on some of those diplomats who, working at the senior levels, have had the highest visibility and the best opportunities to influence American policy to a particular country or area at a given time.

Due to the particular circumstances in this country, there was little or no participation by Blacks in the American foreign policy machinery before the end of the civil war. However, following emancipation the situation changed. Blacks who had helped to get President Ulysses S. Grant elected exacted the right to have some influence on foreign policy. Frederick Douglass, the noted abolitionist, fought successfully for U.S. recognition of Haiti and to get President Grant to appoint Ebenezer Don Carlos Bassett, a Yale graduate and principal of the Colored High School of Philadelphia, to be the first Minister Resident and Consul General to Haiti in 1869. Bassett thus became the first Black truly in the United States Foreign Service. He was followed in that post by numerous distinguished American Blacks, including Frederick Douglass himself.

In response to further lobbying, President Grant appointed another Black, James Milton Turner, a Missouri educator and politician, as Minister Resident and Consul General to Liberia in 1871. Turner thus became the first black American to hold that position, starting a succession of appointments of Blacks to Liberia and Haiti.

Once the first steps had been taken successfully, other Blacks were appointed as Consuls and served throughout the world. For example, between the 1880s and the early 1900s, John E. W. Thompson served in charge of our mission in Santo Domingo; Richard T. Greener was Consul and Commercial Agent in Bombay and Vladivostok; William Henry Hunt served in Madagascar, France, Guadeloupe, the Azores, and Liberia; James Weldon Johnson the noted poet, teacher, lyricist and composer, served as Consul in Venezuela, Nicaragua, and the Azores. In 1908 there were 11 blacks serving, often in difficult places and successfully handling important issues on behalf of the U.S. Government. More were added until the 1920s. However, the number of Blacks in the Service declined dramatically after passage of the 1924 Rogers Act, which merged the consular and diplomatic services and required passing a special written examination to enter the Foreign Service, regardless of merit or abilities. Since the quality of Blacks certainly could not have changed to that degree, there must have been something wrong with the examination or the entrance process.

An important milestone was reached in 1925 when Clifton R. Wharton, a lawyer from Baltimore, became the first Black to pass the foreign sevice examination and enter the career directly as a Forreign Service Officer. Wharton served at various posts in Africa, the Canary Island, and Portugal before being appointed in 1958 as Minister to Romania. He thus became the first Black to head a mission at this level outside of Africa or Haiti. In 1961, President Kennedy appointed Wharton as Ambassador to Norway making him the first Black American to be an Ambassador to a non-black country.

Following the trail blazed by Wharton there were such persons as William C. George who served in Las Palmas, Copenhagen and Montreal; Benjamin C. Good who served in Kabul, New Delhi, Santiago, and Jakarta; Rupert Lloyd, who served in Paris, Budapest, Karachi and Lyon; and James Parker, who served, among other places, in Barcelona and La Paz. Prominent professionals in the state Department in those years were Clinton E. Knox who served as Chief of Research for Northern and Western Europe, later as First Secretary at USNATO in Paris, Deputy to the Ambassador in Honduras, Ambassador to Dahomey and Ambassador to Haiti. There was also Dr. Ralph J. Bunche who was Director of the Division of Trusteeship Affairs before going to the United Nations in 1947, to begin the outstanding work which won him a Nobel Prize. I joined the group in 1952 with an assignment on the India-Ceylon-Nepal desk followed by service in UN Affairs, then to India and later specialization as an Arabist and assignment to Tunisia before getting caught in the sub-Saharan Africa circuit for a while.

History was made in 1949 when President Truman raised the legation in Monrovia, Liberia to the rank of Embassy and appointed Edward R. Dudley, a New York lawyer and politician, as Ambassador. This was the first time that diplomatic relations were established at the embassy level with an African country and the first time a Black American was appointed as Ambassador. Since then six Blacks have served as ambassador to Liberia.

Other turning points came in 1958 when the position of the Assistant Secretary of State for African Affairs was created and, one year later, when John H. Murrow, a professor of Romance languages, was appointed as Ambassador to Guinea. This made Murrow the first Black ambassador to any country outside of Liberia. That appointment accentuated a tendency to send Black Americans primarily to Africa which continues to this day.

In the career service in those days, the picture was not bright. At the beginning of the 1960s there were only 17 blacks out of a total of 3,732 FSOs. That was changed under President Kennedy, with active intervention by Secretary of State Dean Rusk. The EEO Program was established and instructions were given to recruit blacks and other minorities. Blacks were named to the Board of Examiners and to Promotion Boards. In 1963 a Foreign Affairs Scholars Program was started through a Ford Foundation Grant to train black university students for foreign affairs. Of the 154 participants in the program, 17 passed the written foreign service examination, six joined the State Department and one entered USIA.

A 1964 Agreement between the State Department and USIA to include most USIA career officers as part of the foreign service brought the State Department such broad-gauged, experienced professionals as O. Rudolph Aggrey, W. Beverly Carter, John Reinhardt, Horace Dawson and Arthur Lewis, all of whom rendered brilliant service as Ambassadors and at other senior levels. It also brought many other officers who served outstandingly in non-ambassadorial positions. Several senior black AID officials also served with distinction as ambassadors including Samuel C. Adams, Charles J. Nelson, Charles A. James, and Robert W. Kitchen among others. Infusions like those from USIA and AID were vital since the State Department has consistently failed to recruit, train, and promote anywhere near a reasonable number of Blacks.

Under the Foreign Service Act of 1964, with its provisions for the appointment of FSRs, a program was started to recruit a minimum of 20 minority representatives at the junior level each year. Only a few were recruited in the first years and many of

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

those lasted only a short while. To compensate for this, another program was started in 1969 to recruit FSRs at the mid-career levels. However, the results so far have been minimal largely due to insufficient effort by those responsible for recruiting and to resistance within the Department.

As we entered the 1960s there were two serving Black Ambassadors: one in Liberia and the other in Guinea. That was also changed by President Kennedy. He made several appointments including Clifton Wharton to Norway, as mentioned earlier; Mercer Cook, a university professor, as Ambassador to Niger; and Carl T. Rowan, a distinguished journalist, as Ambassador to Finland.

President Lyndon Johnson followed with seven black ambassadorial appointments including Hugh Smythe, a sociologist and anthropologist, to Syria and later to Malta; Patricia Harris, noted lawyer, educator, and later cabinet member, as Ambassador to Luxembourg, making her the first black woman ambassador; Franklin Williams, lawyer and civil rights leader, to Ghana; and Elliot P. Skinner, a distinguished anthropologist, to Upper Volta.

President Richard Nixon continued along similar lines but at a reduced pace with the appointments of Samuel Westerfield to Liberia; Clarence Clyde Ferguson to Uganda; Jerome H. Holland to Sweden; Theodore R. Britton to Barbados and Grenada; David Bolen to Botswana, Lesotho, and Swaziland; and me first to Chad, later to Guinea and then to Costa Rica.

Very few blacks were appointed as Ambassadors by President Gerald R. Ford.

There was a major turn around under President Jimmy Carter, with strong inputs from Secretary of State Cyrus Vance. Three black women were named: Mabel Smythe, widow of former Ambassador Hugh Smythe and herself a distinguished educator, historian, and Africanist, to Cameroon; Ann Holloway, an educator and civil rights leader, to Mali; and Barbara Watson, Administrator of the State Department's Bureau of Security and Consular Affairs, to Malaysia. He appointed Andrew Young as Ambassador to the United Nations, and Donald McHenry as his deputy and later to succeed him as Ambassador. Ulric St. Clair Haynes, Jr., a lawyer with overseas experience in government and business, was appointed Ambassador to Algeria. Wilbert LeMelle, an educator, to Kenya; and Walter C. Carrington, a lawyer and Africanist, to Senegal. President Carter also made several non-African career appointments, including Rudolph Aggrey to Rumania; David Bolen to the German Democratic Republic; Maurice D. Bean to Burma; William B. Jones to Haiti; and Richard Fox Jr., to Trinadad and Tobago. He also appointed me first as Assistant Secretary of State for Latin American Affairs and later as Ambassador to Spain.

President Ronald Reagan's appointments of Blacks from the career service included; Ronald Palmer to Malaysia and then to Mauritius; Howard K. Walker to Togo; George E. Moose to Benin and later to Senegal; Irvin Hicks to The Seychelles; Edward R. Perkins to Liberia and more recently to South Africa; Arthur Lewis of USIA, to Sierra Leone; and me to Denmark. He also appointed Dr. Melvin Evans, former governor of the Virgin Islands and member of Congress, to Trinadad and Tobago, retired Rear Admiral Gerald Thomas to Guyana and later to Kenya; John A. Burroughs to Malawi and later to Uganda; Cynthia Perry, an educator and former Associate Peace Corps Director, to Sierra Leone; and Leonard Spearman, an educator, to Rwanda. Alan L. Keyes, a former FSO, was named Assistant Secretary for International Organizations Affairs.

The focus has been largely on ambassadorial appointments because that is the level at which one has the greatest possibility to influence policy. For example, there is no doubt that Ambassador Andrew Young's approach to issues, his style, actions, and public statements made an important difference in what our country did and how we were perceived worldwide. The outstanding background and keen intellect which Ambassador Ulric Haynes took to Algeria enabled him to play a key role there as an intermediary in the arrangements for the release of the American hostage who were held by Iran, although he has received little or no credit for his actions. It would not be immodest to say that I made some difference at critical moments in U.S. relations with Guinea, Costa Rica, the Caribbean Basin countries, our Latin American policy, Cuba, Spain, and Denmark in my various assignments.

Black ambassadors have served under extremely difficult and demanding situations and acquitted themselves admirably. Some examples are: Clinton E. Knox in Dahomey during uprisings and the overthrow of the government; Hugh Smythe in Syria during the "six-day war" and the surrounding events; Franklin Williams in Ghana with a *coup d' etat* occurring shortly after his arrival; Jerome Holland in Sweden during constant, violent demonstrations against U.S. actions in Vietnam; O. Rudolph Aggrey in Romania and David Bolen in East Germany during times of tension in our relations with those two communist countries. Other black Americans would serve equally well in critical situations and stand ready to do so. Unfortunately, far too few are ever given that opportunity.

At present in the State Department there are only 252 Blacks among the 4,166 Foreign Service Officers and only 17 Blacks among the 714 senior officers. There are just six Black American Ambassadors at posts, all in Africa; six DCM's similarly situated; and five Principal Officers with wide geographic assignments in their cases. In USIA, which has responsibility for telling America's story abroad, there are only six Blacks among the 166 at the executive or senior level and 54 among the 747 total commissioned FSIO's. In AID, which helps other countries along the path to progress, there are 142 Blacks among the 1823 officers in the Foreign Service and only 15 of the 280 at the senior level. The Foreign Commercial Service of the Department of Commerce has one Black among its 19 senior officers and three Blacks among its 181 total. In the Foreign Agricultural Service of the Department of Agriculture there are no Blacks among the 14 senior officers and only four among the 104 total. The record of other U.S. Government agencies with personnel assigned abroad is equally deplorable. Unfortunately, the figures are just as bad for other minorities and almost so for women.

It may well be that the situation described above derives less from hostility and negative attitudes than from neglect, unawareness or a simple lack of concern. Whatever the reason, the consequence is totally out of keeping with the noble ideals of our great country and our position as the leader of the free world. It is particularly unfitting for the State Department and other agencies involved in foreign affairs which should set the best examples. Worst of all, it deprives our country of the contributions which could be made by many who are now almost automatically excluded.

Here at the State Department, apart from the matter of numbers, there are serious problems regarding the perception and roles of Blacks, other minorities and women. Certainly as far as Blacks are concerned, many have the impression that they were not wanted in the first place; that they are not made to feel welcome; that they are not guided or trained in Foreign Service ways and work; that they are not given appropriate assignments; and that they do not have a fair chance for promotion. Whether these views are justified or not, they are part of the reality with which the Foreign Service must deal.

Notwithstanding the sympathetic attitudes of many of the top levels of management, the problem of under-representation can only arise from what must be considered largely as a failure to conduct well-targeted, serious, sustained recruitment of minorities for the career service at any level, combined with serious under utilization of those already in the service. Whatever excuses may have existed for this before, none can be justified now when so many Blacks, although victimized by an uncaring educational system, have shown outstanding ability and accomplishments in the professions, politics, economics, business, agriculture, trade, journalism, research, the military and all other areas of interest for foreign affairs purposes. They have demonstrated complete loyalty, integrity, industry and full commitment to our security and to human rights, equality, political freedom democracy and economic progress which are basic aims of American family policy. They know that American actions in foreign affairs affect their lives and they are ready, willing and able to serve our country in that area, as in others.

The figures mentioned and particularly the sentiments they produce, pose serious challenges to the top leadership, to the central personnel system, to the minorities and to the Department and the Foreign Service as a whole. There are challenges to the leadership of the Department, including at each bureau, not only to set forth sound principles and guidelines but also to establish and utilize a structure and procedure for regular follow-up to ensure that they are implemented. Without this, at best intentions are likely to produce little concrete results. Actions from the top can set the tone and help to create an understanding in the Department and outside that Blacks and other minorities are indeed welcome and appreciated.

There are challenges to those in the central personnel system to make extra efforts and devote additional resources to recruitment to bring more Blacks and other minorities from throughout our country into the Service at all levels. Once people from these groups are brought in, the systems should press all bureaus and all areas to help secure the kind of training and working assignments which will best utilize and develop their abilities without undue focus on ethnic considerations. As better use is made of those already in the Service, the job of recruiting will be greatly facilitated.

There are challenges to Blacks, as well as to other minorities and women to recognize that ours is a tough, competitive demanding Service which places special premiums on

hard work, dedication, initiative, creativity and good personal relations. For a minority, it is not enough to be as good as you are, they expect each member to carry a fair share of the burden and then a little more. At the same time it is comrprised of some of the finest, most considerable people I know. The fact that you are here shows that you have what it takes for exceptional performance. The fundamental interests of the United States, which you are engaged to protect and promote, demand and deserve no less than the very best.

There are challenges to all of us in the State Department and the Foreign Service, especially in the middle and upper ranks, to take time from our preoccupations and our extremely busy schedules and reach out to those who are new to the system. This applies, of course, to all new entrants, but is needed especially for minorities and women. We are called on to avoid the myths and stereotypes which can block real understanding. We must accept that clones of ourselves, if they can be found, are not necessarily the best for meeting the diverse and constantly changing needs of our times. It is up to us to extend a hand which all newcomers are looking for in the hope that it will clasp theirs; that it will point the way and guide them through difficult moments; and that it will give them a pat on the shoulder for a job well done.

There could be no more favorable climate for dealing with our challenge than that which is being created by the new administration. For example, when President George Bush was asked at his first news conference about the meaning of the recent Supreme Court decision on set-asides, he reaffirmed his belief in "affirmative action" and made clear that he "will not read into (the Courts decision, a mandate to stop trying . . . on equal employment and on affirmative action generally." Likewise, in his budget message to Congress the President pledged that he "will work to knock down the barriers left by past discrimination and to build a more tolerant society that will stop such barriers from ever being built again." Those words have been matched by his actions in a number of his senior appointments at the White House and elsewhere.

The direction set by the President's inspiring examples should give us the resolve and courage to meet the challenges ahead. The stakes are high, for as the President said, "while America has its eyes on the future, the world has its eyes on America." That places a special responsibility on us in the foreign policy establishment to put our own house in the condition that reflects the best of what our great country stands for. As we succeed in finding, welcoming and utilizing more of the enormous talent present in the black and other minority communities, we will also be making an important contribution to the achievement of our national objectives.

LEGISLATION TO MAKE FORMER U.S. PRESIDENTS EX-OFFICIO MEMBERS OF THE HOUSE OF REPRESENTATIVES

HON. WAYNE OWENS

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 10, 1989

Mr. OWENS of Utah. Mr. Speaker, in order that our country might more effectively utilize the wisdom and unique experiences of our former Chief Executives in determining public issues of the day, I am introducing today a bill to make former U.S. Presidents ex-officio Members of the House of Representatives.

This bill would grant former Presidents all the rights and privileges of the House of Representatives except salary and the power to vote.

Due to the nature of their jobs, American Presidents gain special insights and experience in office. Senator CLAIBORNE PELL in introducing a similar bill stated:

At this time in our Nation's history when we find ourselves exercising the leadership of the free world, adoption of this resolution would be of special value because the wisdom and experience of those who have occupied our Presidency is unique to those few men who had this awesome responsibility.

After a President's term is over, we do not have an adequate mechanism to utilize their unique expertise. Some have gone off to the speakers circuit, while others have returned to the practice of law. Presidents Theodore Roosevelt and Calvin Coolidge, for example, became syndicated newspaper columnists.

I have discussed this proposal with Presidents Nixon, Ford, and Carter, and they have expressed support for it. When a somewhat similar bill was introduced in 1963, it had the support of then former Presidents Hoover and Truman, as well as noted Presidential scholars. In letters to Senator PELL, President Hoover wrote, "I think it would be an invaluable aid to legislation to utilize the services of our younger former Presidents," and President Truman wrote, "I had always hoped that some sort of an approach could be made to the situation set out in your bill."

Since 1789, there have been a number of bills and constitutional amendments in Congress to make former American Presidents ex-officio Members of the Senate. I have consulted a number of well-known constitutional authorities, including Laurence Tribe, Lloyd Cutler, and Philip Kurland, and they have been favorable to the proposal. In addition, they have offered their opinions that a statute is adequate; a constitutional amendment is not necessary since the former Presidents would have no power to vote.

A memorandum from CRS indicated that many other nations provide an official position for former heads of government. For example, in Great Britain, Prime Ministers, upon leaving office, return to the House of Commons or go to the House of Lords. A recent study comparing former Presidents and Prime Ministers notes:

The outgoing President has ordinarily concluded his political career while the typical Prime Minister continues in active involvement in the affairs of state, often for many years. The President does not, and is not expected to, aspire to further public office, while the Prime Minister is highly likely to have a seat in the House of Commons or to accept a peerage.

Since the House of Representatives is the place of the people, as Thomas Jefferson noted, it is only appropriate that we give former Presidents a forum to participate in ongoing consideration of many issues, to consult with us, and to give the country the benefits of their extraordinary experiences.

TRIBUTE TO SUICIDE PREVENTION SERVICES OF SACRAMENTO COUNTY

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 10, 1989

Mr. MATSUI. Mr. Speaker, I rise today to pay tribute to the Suicide Prevention Services of Sacramento County and to recognize May 7 through May 13, 1989 as Suicide Prevention Week.

It is shocking to note that suicide is the eighth leading cause of death in the country today and the second among our young people. The Suicide Prevention Services of Sacramento County [SPS] and other trained paraprofessional organizations like them, have proven to be an effective method of intervention for suicidal individuals.

Since 1968, SPS has been serving my community, staffing telephones around the clock, 24 hours a day, 7 days a week, to provide help for those in crisis. In 1988 alone, the SPS averaged 2,000 calls per month. This corps of trained volunteers are an exemplary role model for the value of voluntarism and the success of people helping people.

In addition to its crisis intervention hotline, the SPS provides professional and community education through a speaker's bureau, youth suicide prevention services, counseling for survivors of suicide and a data collection program. it is most laudable to note that the SPS is able to accomplish this variety of important services with only 4 full-time paid staff and a corps of 80-plus volunteers.

Mr. Speaker, I salute the staff and volunteers of the SPS and commend them for their outstanding services to the citizens of the city and county of Sacramento, the State of California, and the Nation. The SPS is a tribute to the spirit of voluntarism and I know my colleagues join me in wishing them a future of continued success.

PAYING TRIBUTE TO IVAN AND RHODA TANTLEFF

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 10, 1989

Mr. ACKERMAN. Mr. Speaker, I rise today to honor two outstanding individuals of the

Seventh District in New York, Ivan and Rhoda Tantleff, and their tireless contributions to the Hollis Hills Jewish Center and the entire Hollis Hills community. On Saturday, May 13, 1989, the Hollis Hills Jewish Center will be holding its annual dinner dance, which will mark its 41st anniversary and pay tribute to Ivan and Rhoda Tantleff as the 1989 "Couple of the Year."

Ivan Tantleff has been a lifelong resident of the Hollis Hills community. He has attended the Hollis Hills Jewish Center since he was a child, taught by the Reverend Frank Strassfield. Ivan, along with his two sons, Alan and Edward, all were bar mitzvahs at the Hollis Hills Jewish Center. Ivan was a member of the first graduating class of Martin Van Buren High School in Hollis. He went onto New York University were he graduated in 1962 from the school of commerce, accounts, and finance. He was graduated from Brooklyn Law School in 1965 and followed in his father's footsteps as a practicing attorney.

Ivan is the current vice president of community affairs at the Hollis Hills Jewish Center. He previously served an important role as vice president of legal affairs, were he proved to be invaluable during the renovation of the HHJC. Ivan also has been the chairperson of the annual dinner dance for the past 3 years; therefore it is fitting that he be honored at this years event. He is also a member of the Center's Mens Club, and is active with Mercaz, an organization dedicated to conservative Judaism in Israel.

In the Hollis Hills community Ivan is similarly active. He volunteers as an arbitrator once a month at small claims court in Queens County. He also coaches the law team at Van Buren High School, which in 1986 won the State tournament for the first time in the school's history. He also is a board member of the Jamaica Estates-Holliswood Ambulance Corps.

Rhode Tantleff is also a native New Yorker. She attended Queens College, where she studied to become a paralegal. She has been working with Ivan as an office manager for over 10 years. Along with Ivan, she has been dedicated to serving her community and the Hollis Hills Jewish Center. She is a member of the HHJC Sisterhood and active with the Overseas Recruitment Training Program.

The Tantleffs have two wonderful sons, both of whom are continuing in their parents' commitment of community involvement. Alan is a recent graduate of Cornell University and now works for Prudential Life, and Edward is studying at Brooklyn Law School and will soon carry on the family tradition as a practicing attorney.

Mr. Speaker, it is always a pleasure to pay tribute to such fine citizens. Rhoda and Ivan Tantleff are shining examples for everyone throughout this great Nation to follow. I ask that all of my colleagues in the House of Representatives join me in congratulating Rhoda and Ivan on their past achievements and wishing them the best of luck in their future endeavors.

FATHER ROBERT F. DRINAN TALKS ON HUMAN RIGHTS

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 10, 1989

Mr. FASCELL. Mr. Speaker, our former colleague from Massachusetts, Robert F. Drinan, S.J., who is now a professor of law at the Georgetown University Law Center, published an eloquent treatise in last month's edition of America entitled, "International Human Rights and the Bush Administration." Father Drinan, who was a leading spokesman for human rights in the Congress and continues to be an active supporter of this noble cause, makes an excellent case for the need for the Bush administration—indeed, for any administration—to champion human rights as in integral element of our foreign policy.

I heartily concur with his recommendations and I want to take this opportunity to share the article with our colleagues.

The article follows:

INTERNATIONAL HUMAN RIGHTS AND THE BUSH ADMINISTRATION

(By Robert F. Drinan)

A new and dramatic dimension was added to U.S. foreign policy when President Gerald Ford signed a bill that withholds all economic and military aid from those nations that engage in a pattern of gross abuse of internationally recognized human rights. The Carter Administration used and emphasized that law in unprecedented—and possibly some unwise—ways.

The Reagan Administration tried at first to neglect the human-rights component added to U.S. foreign policy by the Congress over the objection of the State Department. But in the mid-1980's, the Reagan Administration came to like the law—at least as applied to Communist nations.

The Bush Administration inherits almost 15 years of theory and practice as to how strong the United States should be in making the observance of internationally recognized human rights a visible and even a dramatic part of the way the United States treats its friends and foes in the family of nations. George Bush has no track record in dealing with this issue, which played little if any role in the Presidential campaign. But international jurists and nongovernmental organizations specializing in human rights have an agenda and a consensus that is specific and solid.

On Dec. 8-10, 1988 academics and the major nongovernmental organizaions involved in human rights conducted a symposium on "The Next Administration and Human Rights" as part of the bicentennial of Georgetown University in Washington, D.C. The 200 conferees arrived at a list of recommendations with little controversy. This list expresses the consensus of the ever more numerous and influential groups of activists and academics working on behalf of those human rights that are now a part of customary international law

A parallel list of recommendations has been prepared by the Lawyers' Committee for Human Rights and a dozen law firms working *pro bono.* This 61-page document, along with the Georgetown statement, has been forwarded to the Bush Administration.

Among the firmest recommendations agreed upon by the human-rights communities here and abroad is the urgent necessity for ratification of the major human-rights treaties by the United States Senate. In 1979 President Jimmy Carter, alone among all Presidents, urged the ratification of four of the major treaties adopted by the United Nations, all of which have now entered into force as a part of international law. The U.S. Senate held extensive hearings on the treaties but did not vote on their ratification. Opposition to the treaties was almost nonexistent. Virtually all religious groups, including the U.S. Catholic Conference, urged adoption of the treaties, as did the American Bar Association and many civil rights groups.

The Reagan Administration never followed up on the initiative of the 1970's in the area of human rights. After years of procrastination the Reagan Administration did, however, cooperate with the Senate in the long-delayed ratification of the genocide treaty.

Specialists in international human rights are prepared to conduct a massive campaign of education on the treaties if the Bush Administration is interested. President Carter sent a package of four complicated treaties to the Senate for ratification accompanied by many reservations and understandings. The preparatory work done by the State Department under President Carter was excellent, but the Senate could have been overwhelmed at the immensity of the four treaties proposed for ratification: the international covenant on civil and political rights; the covenant on economic, social and cultural rights; the American Convention on Human Rights, and the International Convention on the Elimination of All Forms of Racial Discrimination.

There is some feeling that perhaps the Bush Administration could select one treaty for ratification, such as the International Convention on the Elimination of All Forms of Racial Discrimination. If that goes well, the other major human-rights covenants could be proposed.

One of the major reasons for ratification is to prevent further embarrassment to U.S. officials. The United States is the only major nation that has not ratified the principal United Nations treaties on human rights. The Convention on the Elimination of All Forms of Racial Discrimination has now been ratified by 129 nations. The credibility of the United States in denouncing apartheid is seriously weakened by its failure to ratify this treaty, which emerged and became world law precisely because of the existence of apartheid.

There is some apprehension and fear in the Senate and elsewhere that ratification of United Nations treaties might subject U.S. citizens to trial in foreign nations, impose fines on the United States for its conduct in foreign nations and prompt embarrassing complaints around the world concerning the way in which the United States treats its blacks and minorities. There is a deep feeling of xenophobia in the U.S. psyche. That feeling was one of the many reasons why the Reagan Administration withdrew from the jurisdiction of the International Court of Justice after Nicaragua sued the United States in that tribunal for mining the harbors of Managua.

If the Bush Administration refuses to propose the ratification of any of the human-rights covenants, there is little that the Congress or the country can do about it. One of the deeper frustrations of human-rights academics and activists during the Reagan years was the deafness on the part

of the Reagan White House and State Department to any talk about ratifying the treaties.

Human-rights specialists have recommendations for the Bush Administration that are less comprehensive than the adoption of the four major covenants for human rights. On Dec. 10, 1979, the United Nations by a unanimous voice vote adopted the Convention Against Torture and other cruel, inhuman or degrading treatment or punishment. Although the Reagan Administration never committed itself to urge the ratification of this treaty, it did some useful work along those lines. The Treaty Against Torture could be ratified with a minimum of difficulty. Its provisions would have little if any impact on the United States since in the recent past torture has not been an evil in this country. But ratification of the document by the U.S. Senate would proclaim a message to those 40 nations where torture is still a serious problem.

Nongovernmental groups involved in human rights have multiplied in the last decade. Units such as Helsinki Watch, Asia Watch, Americas Watch and others have sensitized the world to the abuses in human rights in those nations to which the United States grants significant benefits. A coalition of these groups helped to defeat President Reagan's first nominee for the position of Assistant Secretary for Human Rights and Humanitarian Affairs, Dr. Ernest Lefever.

That same coalition, now greatly strengthened, is prepared to work for the confirmation of an articulate spokesperson for human rights in the Bush Administration. Ways to strengthen the machinery for human rights in the State Department and other Federal agencies are numerous in the agenda prepared for the White House by human-rights activists and academics. The annual reports on human rights required by Congress must be improved and separated from ideology. The Bureau of Human Rights should be upgraded, its work more publicized and its status made more independent.

Another recommendation on which there is little dissent is the generation-old proposal that there be created a United Nations High Commissioner for Human Rights. This idea, long pending in the United Nations, won the support of the Reagan Administration. The hope is that the United Nations High Commission on Human Rights, like the United Nations High Commissioner on Refugees, could focus world attention on actual or threatened violations of human rights—as in Cambodia, Chile or Zaire.

More important than any new initiatives in the area of human rights is the attitude and tone toward human rights that the Bush Administration will adopt. The Carter Administration spoke openly and often to the world about human rights. Some foreign governments probably resented the criticism, but the dissidents, refuseniks and human-rights activists everywhere agree that the emphasis on human rights by the Carter Administration made a difference. It put the United States almost for the first time on the side of the oppressed and not the oppressors. It helped to restore democracy in Argentina, Brazil and elsewhere. It added a new and welcome dimension to the United States' foreign policy.

That approach was generally lacking in the Reagan Administration. The White House in the 1980's tended to merge ideology with human rights: It protested abuses only when they were carried out by governments aligned with Moscow. Actions by Congress and by human-rights groups, however, often induced the Reagan White House to be more activist toward human rights than it might otherwise have been.

The potential for education and enforcement in the field of human rights in the Bush Administration is almost incalculable. Even if the White House takes little initiative, the energy and thrust of nongovernmental organizations here and abroad may be such that the new Administration will simply be required to go forward. The Congress and the country have become concerned in the last generation that the United States should not be aligned—or even appear to be aligned—with oppressors or dictators of the right or of the left. The U.S. public wants the Federal Government to protect its interests overseas, but it also desires that the United States' ideals be proclaimed and vindicated.

In many ways the advancement of human rights has always been a part of the United States' foreign policy. One could say the containment of Communism—the core of U.S. foreign policy since World War II—is a way of preserving and protecting the human rights of people who are or who may be subjected to totalitarian tyranny. In 1974, Congress institutionalized that policy and decreed in Section 502B of the Foreign Assistance Act that the United States shall not give aid to nations that flout those basic human rights whose protection became in 1976 a part of international law. The Carter Administration and the Reagan Administration differed in their approach to Section 502B. Despite those differences, however, there is a deep consensus in Congress and in the country that the United States should be in the business of defending and enforcing those human rights—and educating people about those rights—that are now, for the first time in the history of the world, under the protection of international or world law.

The new reverence given to human rights in international law was the creation, largely, of the United States. It was President Harry S. Truman who agreed to the United Nations Charter in 1945 in San Francisco and the U.S. Senate that ratified it by an overwhelming vote. The United States seems to have forgotten its commitment to international human rights in the controversy over racial segregation in the 1950's. This country was distracted in the 1960's by the struggles over civil rights and Vietnam. The United States rediscovered its devotion to international human rights in the 1970's. Now for 15 years the United States has sought—enthusiastically but sometimes erratically—to carry out what international law and U.S. aspirations expect of a nation whose very existence has been grounded for 200 years in a dedication to human rights.

What will the United States think and do about human rights in the 1990's? That depends to some extent on the Bush White House. But perhaps more importantly it depends on how Americans believe their country should deal with nations that withhold from their people those fundamental rights that, always inherent in every human being, are now recognized and guaranteed by international law.

The United States more than any other nation gave the leadership that led to the formation of the United Nations and the emergence of more than 20 major treaties on human rights from that organization. In a sense, the United States transmitted the moral and spiritual principles underlying its own institutions to the family of nations. Consequently, the United States has a daunting moral and political responsibility to enhance the transcendence of human rights. With the right leadership, the United States in the 1990's could make the observance of internationally recognized human rights a reality of the human family.

MILLS SET A STANDARD OF PARLIAMENTARY EXCELLENCE

HON. NICHOLAS MAVROULES

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 10, 1989

Mr. MAVROULES. Mr. Speaker, Tuesday, May 2, 1989, marked the first time in 24 years that the name of Francis E. Mills did not appear on the ballot for Town Moderator in the town of Danvers, MA, which is located in the Sixth Congressional District that I represent. I have had the privilege of working with Frank Mills through the years. Frank Mills is a longtime administrator at Boston College and a friend to many of us in the Massachusetts delegation. His retirement ends a 23-year political institution in our system of local government and I know the good people of Danvers will miss his service.

Mr. Speaker, I would like to include a recent editorial from the Danvers Herald, which also highlights this distinguished career of public service and dedication.

The editorial follows:

[From the Danvers Herald, Mar. 2, 1989]

MILLS SET A STANDARD OF PARLIAMENTARY EXCELLENCE

Danvers is 237 years old and Frank Mills has wielded the gavel at Town Meeting for the last 23 of those years. The venerable Town Moderator set a standard of parliamentary excellence for all who will follow.

Mills presided over his last Town Meeting Monday night in Michael Armento Auditorium at the high school. Few can remember when Mills was not moderator. His retirement at age 73 is a milestone in local government.

Frank Mills was a political activist before the term became trivialized. He didn't carry signs or march in protest. Mills' activism was rooted in the democratic process.

Mills is a true believer of the unique democracy born in Philadelphia when men named Jefferson, Adams and Franklin sat down to create a document that set a country free and created a fledgling world leader.

Few men respect the laws of nation, state and community as deeply and sincerely as Frank Mills. He is not a lawyer, but he has been a diligent practitioner and staunch defender of the laws that men have made to rule themselves by.

Mills ruled Danvers Town Meeting with a velvet gavel for nearly a quarter century. He conducted Town Meeting as the people's business, which it was intended to be.

An expert in parliamentary procedure, Mills ran a tight ship at Town Meeting. He rarely let the democratic process get out of hand. There were occasions when Mills would have preferred to let his heart rule his gavel, but he almost always resisted the temptation.

Meeting members ruled out of order by Mills did not always agree with his interpre-

tation of Roberts' Rules, but they usually found him to be right. And Mills prided himself in letting everyone participate in Town Meeting, but not to excess. His meetings were swift and tight. He left no room for demagoguery.

It was not apathy that permitted Mills to go unchallenged as moderator for the 22 years following his initial victory. He was knowledgeable, tough, compassionate and—above all—fair. An opponent would have been hard-pressed to make a credible case against Mills, so no one did.

Francis F. Mills was an exemplary public servant. He will be succeeded, but not soon replaced in the hearts and minds of Danversites who know and respect government as our forefathers in Philadelphia believed it should be practiced.

IN SUPPORT OF THE RADIATION VICTIM COMPENSATION BILL

HON. WAYNE OWENS

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 10, 1989

Mr. OWENS of Utah. Mr. Speaker, today, together with six of my colleagues from involved Southwestern States, I am introducing the radiation victim compensation bill. This legislation would redress an outstanding national obligation to citizens in our region, who were unjustifiably and involuntarily sacrificed to advance our Nation's position during the cold war.

They are either the heirs of Colorado Plateau uranium miners who were unwittingly exposed to extraordinary levels of radiation in underground uranium mines, where ore for the Government's nuclear developments was mined during the 1950's, or they are the heirs and family members of fallout victims from the Government's nuclear testing in Nevada during this same era.

Both classes of victims have presented their cases to the judiciary system. In both cases court opinions were issued that the deaths and injuries were caused by the radiation exposures, and that Government officials knew of the risks and failed to act. However, because the courts also found that the Federal decisions to disregard these people's lives and safety were premeditated, Federal sovereign immunity laws were applied to bar their claims. Indeed it is because their deaths and injuries were deemed intended, or, in other words, a policy decision of the United States, that they have gone uncompensated.

They are the victims of the cold war who, unlike other war victims, could have chosen to live or work elsewhere had they been informed.

Both the Ninth and Tenth Circuit Courts of Appeals struggled in these cases with the unjust result imposed by applicable Federal sovereign immunity laws. The ninth circuit stated:

We agree with the district court that this is the type of case that cries out for redress, but the courts are not able to give it; Congress is the appropriate source in this instance.

This legislation would respond to these judicial recommendations with a national apology and modest, but long overdue compassionate payments, similar to those provided for victims of the Texas City disaster and Japanese-Americans who were unjustly interned during World War II. I invite you, Mr. Speaker, and my colleagues in the House of Representatives to join in resolving this outstanding national obligation.

H.R. —

A bill to provide jurisdiction and procedures for claims for compassionate payments for injuries due to exposure to radiation from nuclear testing

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Radiation Exposure Compensation Act".

FINDINGS

SEC. 2. As a result of testimony received before various committees of the Senate and the House of Representatives, the Congress finds that—

(1) fallout emitted during the Government's above-ground nuclear tests in Nevada exposed civilians who lived in the downwind affected area in Nevada, Utah, and Arizona to radiation that generated an excess of cancers among these civilians;

(2) the health of the civilians who were unwitting participants in these tests was put at risk to serve national security interests of the United States;

(3) radiation released in underground uranium mines that were providing uranium for the sole use and benefit of the nuclear weapons program of the United States Government exposed miners to massive doses of radiation that produced an epidemic of lung cancer and respiratory diseases among these miners;

(4) the United States should recognize and assume equitable and compassionate responsibility for the damages sustained by these civilians and provides herewith a procedure to make partial restitution to these individuals for the burdens they have borne for the nation as a whole; and

(5) Congress recognizes that the lives and health of uranium miners and of innocent citizens who lived downwind from the Nevada tests were sacrificed to serve the national security interests of the United States, and Congress apologizes to these citizens and their families on behalf of the Nation.

TRUST FUND

SEC. 3. (a) There shall be established in the Treasury of the United States, a trust fund known as the "Atmospheric Nuclear Testing Compensation Trust Fund" (hereafter in this Act referred to as the "Trust Fund" or the "Fund"), which shall be administered by the Secretary of the Treasury, and shall consist of—

(1) the sum of $100,000,000, appropriated to the Fund under subsection (e), and

(2) any amount credited to such Fund under any other provision of law.

(b) Amounts in the Fund shall be invested in accordance with section 9702 of title 31, United States Code and any interest on, and proceeds from any such investment shall be credited to and become a part of such Fund.

(c) Amounts in the Fund shall be available only for disbursement by the Board under section 6.

(d) The Fund shall terminate not later than the earlier of the date on which an amount has been expended from the Fund which is equal to the amount authorized to be appropriated to the Fund by subsection (e), and any income earned on such amount, or 15 years after the date of the enactment of this Act. If all of the amounts in the Fund have not been expended by the end of that 15-year period, investments of amounts in the Fund shall be liquidated and receipts thereof deposited in the Fund and all funds remaining in the Fund shall be deposited in the miscellaneous receipts account in the Treasury.

(e) There are authorized to be appropriated to the Fund $100,000,000. Any amounts appropriated pursuant to this section are authorized to remain available until expended.

BOARD OF DIRECTORS OF THE FUND

SEC. 4. (a) There is established the Atmospheric Nuclear Testing Compensation Trust Fund Board of Directors (hereafter in this Act referred to as the "Board"), which shall be responsible for making disbursements from the Fund in the manner provided in this section.

(b) The Board shall have exclusive jurisdiction to hear claims and make decisions concerning compassionate payments to be paid out of the Fund to claimants who present claims as provided pursuant to the provisions of this Act. Such claims shall be made against the United States for the personal injury or death of an individual, if such injury or death is due to exposure to radiation resulting from an above-ground nuclear test at the Nevada test site during the periods described in section 7 or as a result of employment as a uranium miner as described in section 8.

(c) The Board shall be composed of 7 members appointed by the President, 5 of whom shall be appointed upon the recommendations of several States as follows:

(1) one member shall be appointed upon the recommendation of the Governor of the State of Utah;

(2) one member shall be appointed upon the recommendation of the Governor of the State of Nevada;

(3) one member shall be appointed upon the recommendation of the Governor of the State of Arizona;

(4) one member shall be appointed upon the recommendation of the Governor of the State of Colorado; and

(5) one member shall be appointed upon the recommendation of the Governor of the State of New Mexico.

(d)(1) All recommendations to be made by the various States as specified in subsection (c) shall be made within 60 days after the date of enactment of this Act.

(2) All appointments to be made pursuant to this Act shall be made by the President within 90 days after the date of enactment of this Act.

(e) All members of the Board shall be appointed for terms of 3 years and may be reappointed.

(f) The first meeting of the Board shall be called by the President and shall be held within 120 days after the date of enactment of this Act.

(g) At the first meeting of the Board the Board shall select a chairman from among its members. The Chairman shall serve as such for his term and may be reselected as chairman if he is reappointed to the Board by the President.

(h) Four members of the Board shall constitute a quorum for voting purposes but a lesser number many conduct meetings.

(i)(1) A vacancy on the Board resulting from the death or resignation of a member prior to the expiration of the term for which such person was appointed shall be

filled in the same manner as the original appointment. A member appointed to fill such a vacancy shall be appointed only for the remainder of his predecessor's term but may be reappointed.

(2) All decisions to certify claims obligating funds must be made by a majority of the Board.

(j) The principal office of the Board shall be in the State of Utah. Whenever the Board deems that the convenience of the public or of the parties may be promoted, or delay or expense may be minimized, it may hold hearings or conduct other proceedings at any other place it deems necessary of appropriate.

POWERS AND ADMINISTRATIVE PROVISIONS

SEC. 5. (a) The Board is authorized to obtain the services of experts and consultants in accordance with the provisions of section 3109 of title 5, United States Code.

(b) The Board is authorized to enter into agreements with the General Services Administration for the procurement of necessary financial and administrative services, for which payment shall be made by reimbursement from funds of the Board in such amounts as may be agreed upon by the Chairman and the Administrator of General Services.

(c) The Board is authorized to procure supplies, services, and property, and make contracts in any fiscal year, only to such extent or in such amounts as are provided in appropriation Acts.

(d) The Board is authorized to enter into contracts with Federal or State agencies, private firms, institutions, and agencies for the conduct of research or surveys, the preparation of reports, and other activities necessary to the discharge of its duties.

(e) The Board or, on the authorization of the Board, any member thereof, may, for the purpose of carrying out the provisions of this Act, hold such hearings and sit and act at such times and places, and request the attendance and testimony of such witnesses and the production of books, records, memoranda, papers and documents as the Board or such member deems advisable. Subpenas may be issued to any person within the jurisdiction of the United States courts, under the signature of the Chairman, or any duly designated member, and may be served by any person designated by the Chairman or any such member. In case of the failure of any witness to comply with any subpena, or to testify when summoned under authority of this section, the provisions of section 102 through 104, inclusive, of the Revised Statutes (2 U.S.C. 192 et seq.), shall apply to the Board to the same extent as such provisions apply to the Congress.

(f) The Board, or on the authorization of the Board, any member thereof, may, for the purpose of carrying out this Act, have such printing and binding done, enter into contracts and other arrangements to such extent or in such amounts as are provided in appropriation Acts, and make such expenditures as the Board or such member deems advisable.

(g) The Board may acquire directly from any executive department, bureau, agency, board, commission, office, independent establishment, or instrumentality, information, suggestions, estimates, and statistics for the purpose of this Act. Each such department, bureau, agency, board, commission, office, establishment or instrumentality is authorized and directed to furnish, to the extent permitted by law, such information, suggestions, estimates and statistics directly to the Board, upon request by the Chairman.

(h) The Chairman of the Board is authorized to appoint, terminate, and fix the compensation, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, of such personnel as he deems necessary, at rates not to exceed a rate equal to the maximum rate for GS-18 of the General Schedule under section 5332 of such title.

(i) Upon request of the Board, the head of any Federal agency is authorized to make any of the facilities and services of such agency available to the Board or to detail any of the personnel of such agency to the Board, on a reimbursable basis, to assist the Board in carrying out its duties under this section, unless the head of such agency determines that urgent overriding reasons will not permit the agency to make such facilities, services, or personnel available to the Board and so notifies the Chairman in writing.

(j) The Board may use the United States mails in the same manner and under the same conditions as departments and agencies of the United States.

(k) Any member of the Board may administer oaths or affirmations to witnesses appearing before the Board or before such member.

(l) The Board may expend funds made available for purposes of this Act for printing and binding notwithstanding any other provision of law.

DUTIES OF THE BOARD

SEC. 6. (a) The Board shall make all decisions regarding awards to be made each year from the Trust Fund established pursuant to this Act and make certifications to request that the Treasury of the United States make disbursements from such Fund.

(b) Every official act of the Board shall be entered of record, and its hearings and records shall be open to the public. The Board is authorized to make such rules as are necessary for the orderly transaction of its proceedings.

(c) The Board shall hear specific claims made against the United States in accordance with the provisions of chapter 5 of title 5, United States Code, pursuant to the provisions of this Act, and the Board shall make specific findings and awards. Any such findings and awards shall be considered final actions subject to judicial review by the United States Claims Court. The court may reverse or modify the determination of the Board if the court finds that such action was clearly erroneous.

(d) The Board shall certify to the Treasury of the United States the awards be paid to claimants.

DETERMINATION OF COMPASSIONATE PAYMENTS FOR CERTAIN CLAIMS RELATING TO OPEN AIR NUCLEAR TESTING

SEC. 7. (a)(1) Any individual who resided in the affected area, as defined in this Act, for a period of at least 1 year during the period beginning on January 21, 1951, and ending on October 31, 1958, or resided in the affected area during the period beginning on June 30, 1962, and ending on July 31, 1962, and contracted a specified disease, as defined in this Act, resulting in personal injury or death, shall receive a damage award in the amount of $50,000, or the heirs of such individual shall receive a damage award in the amount of $50,000 on behalf of the estate of any such deceased individual, by filing a claim against the United States for such personal injury or death. Such claim shall be filed with the Board in accordance with the provisions of this subsection by, or on behalf of individuals described in paragraph (2).

(2) Upon a finding by the Board that such claim meets the requirements of this Act, the United States shall be irrebuttably presumed to be liable for the individual's injury or death, as the case may be, and the Board shall award the amount of compasssionate payment described in paragraph (1).

(b) The Board shall complete its determination of an award on each claim under subsection (a) not later than 12 months after the date such claim is heard by such Board.

(c) For purposes of this section, the term—

(1) "affected area" means: in the State of Utah, the counties of Washington, Iron, Kane, Garfield, Sevier, Beaver, Millard, and Piute; in the State of Nevada, the counties of White Pine, Nye, Lander, and Lincoln; and that part of Arizona that is north of the Grand Canyon and west of the Colorado River; and

(2) "specified disease" means leukemia (other than chronic lymphatic leukemia), multiple myeloma, and cancers of the thyroid, lung, female breast, stomach, colon, esophagus, and urinary tract.

DETERMINATION OF COMPASSIONATE PAYMENTS FOR CLAIMS RELATING TO URANIUM MINING

SEC. 8. (a)(1) Any individual employed in a uranium mine located in Colorado, New Mexico, Arizona, or Utah during the period beginning January 1, 1947, and ending on December 31, 1961 who—

(A) was exposed to 100 or more working level months of radiation if the individual was a nonsmoker, or

(B) was exposed to 250 or more working level months of radiation if the individual was a smoker, and who developed lung cancer or other serious respiratory disease, shall receive a damage award in the amount of $100,000, or the survivors of such individual shall receive a damage award in the amount of $100,000 on behalf of the estate of any such individual, by filing a claim with the Board against the United States for such injury or death. Such claim shall be filed in accordance with the provisions of this subsection.

(2) Upon a finding by the Board that such claim meets the requirements of this Act, the United States shall be irrebuttably presumed to be liable for the individual's injury or death, as the case may be, and the Board shall award the amount of the compassionate payment described in paragraph (1).

(b) The Board shall complete its determination of the compassionate payment under subsection (a) not later than 12 months after the claim is heard by the Board.

CLAIMS NOT ASSIGNABLE OR TRANSFERABLE

SEC. 9. (a) No claim cognizable under this Act shall be assignable or transferable.

(b) Payments made to individual claimants pursuant to the provisions of this Act shall not be subject to any tax under of the Internal Revenue Code of 1986 or any other provision of law.

(c) Payments made pursuant to the provisions of this Act shall be considered to be in full settlement and discharge of all claims against the Government of the United States by the parties to such claim.

TIME FOR FILING CLAIMS

SEC. 10. A claim to which this Act applies shall be barred unless the claim is filed—

(1) within 2 years after the date of the enactment of this Act, or

(2) within 2 years after the date on which the specified disease is discovered, or should have been discovered,

whichever is later.

ATTORNEY FEES

SEC. 11. Any attorney or agent fees awarded shall be paid out of the awards hereunder, and no attorney or agent on account of services rendered in connections with each claim shall receive in excess of 10 per centum of the amount paid, any contract to the contrary notwithstanding. Whoever violates the provisions of this Act shall be fined a sum not to exceed $5,000.

INSURANCE CLAIMS NOT AFFECTED BY AWARDS OF DAMAGES

SEC. 12. An award of damages made in accordance with this Act shall not be considered as any form of compensation or reimbursement for a loss for purposes of imposing liability on any individual receiving such an award, on the basis of such receipt, to repay any insurance carrier; nor shall such an award or a claim to which this Act applies affect any claim against an insurance carrier.

FEDERAL TORT CLAIMS ACT NOT APPLICABLE

SEC. 13. The provisions of chapter 171 of title 28, United States Code, commonly referred to as the Federal Tort Claims Act, shall not be deemed to apply to any action brought pursuant to the provisions of this Act.

LIABILITY OF THE UNITED STATES

SEC. 14. Notwithstanding any other provision of law, respecting the provisions of this Act relating to claims, the United States—

(1) shall be liable in the same manner and to the same extent as a private individual under like circumstances, and

(2) shall not have any immunity or defense regarding a claim based upon an act or omission of an employee in the Government, exercising due care, in the execution of a statute or regulation, or based upon the exercise or performance or the failure to exercise or perform a discretionary function or duty of the Government.

SEVERABILITY

SEC. 15. If any provision of this Act or the application thereof to any person or circumstance is held invalid, the remainder of the Act shall not be affected thereby.

CONGRESSIONAL SALUTE TO DARYL I. SALLADAY

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 10, 1989

Mr. MATSUI. Mr. Speaker, I rise today to pay tribute to an outstanding individual in my community who deserves to be recognized for his dedication and service to the public. May 1, 1989, marked the end of Daryl I. Salladay's 33 years of service as a Federal employee and it is an honor to share with you and my colleagues the stellar career of this remarkable public servant.

Mr. Salladay has spent the entire span of his career serving his country. After a short stint in military service, Daryl began his civil career working for the Sacramento District Corps of Engineers, serving the people of my home district with dedication and professionalism. Daryl has served in leadership positions for 21 years as a supervisory civil engineer with corps' engineering and planning divisions and has participated in planning for many major projects including the New Melones Dam and Reservoir, Merced County Streams, the Stockton Deep Water Ship Channel in California and the Little Dell Lake project in Utah.

In 1986, the citizens of Sacramento faced the disaster of flooding. However, thanks to the around-the-clock efforts of Daryl and the corps, our community was protected from this near calamity. Due to Daryl's expertise and experience in guiding the American River flood control studies, the groundwork has been laid toward building a consensus on the future of flood control in the Sacramento area. As the assistant chief of the planning division in the Sacramento District Corps of Engineers, Daryl continued to set an example of excellence. In recognition of his many achievements and devotion to the principles of responsible public service, Daryl was honored with the 1988 Meritorious Civilian Award.

Mr. Speaker, I, and all who have had the privilege of knowing Daryl I. Salladay, hold his technical expertise in water resources planning in the highest regard. Daryl I. Salladay is to be commended for his outstanding contribution to the city and county of Sacramento, the State of California and the Federal Government of the United States. I take great pride in saluting Mr. Salladay and know that my colleagues join me in extending best wishes to him in his retirement.

WARNINGS AND CHALLENGES FROM SENATOR BIRCH BAYH

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 10, 1989

Mr. ACKERMAN. Mr. Speaker, I rise to lend my strongest support to the ideas of our able colleague, Birch Bayh, the former Senator from Indiana.

When Senator Bayh graced the other body, he was a champion for the Constitution. The thoughts he expresses today declare that his commitment to the never-ending causes in that noble document has not diminished.

Senator Bayh issues us both ominous warnings and vigorous challenges. I share his words with you so you may be stirred, as I was.

[From Newsweek magazine, Apr. 17, 1989]

LET'S TEAR OFF THEIR HOODS

(By Birch Bayh)

When the voters of Metairie elected David Duke to the Louisiana Legislature, they sent a shock wave across the country. Newspapers everywhere carried front-page stories expressing disbelief that the president of the National Association for the Advancement of White People and former imperial wizard of the Ku Klux Klan could actually win an election. It was almost as if the returns from the 81st District of Louisiana had resurrected the Klan, like Lazarus, from the dead. To those who are startled to hear that the KKK is alive and well, one can only ask, Where Have You Been?

Have no doubt about it, the Klan—which lynched helpless black Americans, murdered civil-rights workers, burned its crosses and spread its divisive venom of prejudice across the land—has not disappeared. It continues to hawk its poison to any one who will listen. To make matters worse, the Klan today has been joined by other harbingers of hate such as the Skinheads, the Aryan Nations, Posse Comitatus, The Covenant, the Sword, and the Arm of the Lord. White Aryan Resistance (WAR) and the strident right-wing political cult of Lyndon LaRouche. Although the legal ties which bind these seemingly disparate groups together may be somewhat tenuous, similarities are undeniable. Bigotry and prejudice based on religion, race, ethnicity and sexual orientation as well as transgressions upon basic constitutional rights guaranteed all Americans permeate the spectrum of today's right-wing extremism. And this philosophy of hate is having an impact in community after community across the country.

During the last five years, the National Institute Against Prejudice and Violence, a nonprofit watchdog group, has catalogued these hate-filled acts, provided counsel to communities confronted with such activities and tried to inform a complacent public of the evil which lurks in all too many neighborhoods. A collection of these isolated incidents, when viewed from a national perspective, presents a truly alarming picture:

Ridgedale, Mo.—State trooper slain by a member of The Order extremists.

San Francisco, Calif.—Community Holocaust Memorial desecrated.

Bull Shoals Lake, Ark.—Officials uncover huge military cache at camp of Covenant, Sword, Arm of the Lord.

Reno, Nev.—Black man allegedly shot to death by two adolescent Skinhead supporters.

Beverly, Mass.—Swatikas and Nazi slogans scrawled on Temple B'nai Abraham.

Houston, Texas—"Death to Arabs" spraypainted on Islamic mosque; attempted burning of cars.

Coeur d'Alene, Idaho—White supremacists bomb a federal building, a business and a home.

Similar incidents have occurred in hundreds of other communities across America. Last year the Anti-Defamation League reported a 41 percent increase in acts of anti-Semitic harassment, threats and assaults over 1987. The New York City Police Department recorded 550 incidents motivated by race, religion, ethnic background or sexual orientation in 1988, a 100 percent increase in two eyars.

These senseless acts are not the dying vestiges of discrimination perpetrated by older Americans. Many of the Skinheads are not old enough to vote. Duke himself is still in his 30s—hardly a graybeard. Surveys conducted by the institute disclose that similar acts of prejudice are occurring on the antion's campuses. Over 20 percent of all minority students interviewed reported being harassed on at least one occasion; many reported multiple experiences. Incidents were reported on 174 different campuses. Among them: the dorm room of five Asian women students was broken into and vandalized with the letters KKK painted on their door (Macalester College); the words "Death Nigger" were carved on the office door of a counselor (Purdue University); an anti-

apartheid shanty was doused with gasoline and set on fire while two students sat inside (Johns Hopkins University); arson destroyed a black fraternity house (University of Mississippi).

Some of those incidents are the result of hostile, organized group activity, and some result from the latent bigotry which lies in the souls of all too many human beings. Unfortunately, there has been perilously little leadership at the highest levels of government urging Americans to follow a higher road, to think more noble thoughts. Regardless of the motivating factors involved, the number of these incidents of violence and prejudice continues to increase throughout the country. This is a record of shame.

Perhaps some good can come from the Duke election if we stop treating David Duke as an isolated example, an aberration of our political process. Let us recognize that Duke is one of a large and growing number of Americans who espouse prejudice and bigotry and who, if left uncontested, will divide and destroy our nation. The David Dukes of America do not live only in Louisiana. They exist in every region of our republic.

Let us use the Duke election as a catalyst to stimulate vigilance from each of us. Let each of us vow to stand up and speak out against those purveyors of hate and prejudice. Let us expose these right-wing haters as traitors to the American cause. Let us tear off their hoods, eradicate their brotherhoods and leave them naked in the light of day. Then must Americans insist that they, together with their thoughts and values, be sent to the alley with the rest of the garbage, rather than to the state legislature as heroes.

A TRIBUTE IN MEMORY OF MILDRED E. DOYLE

HON. JOHN J. DUNCAN, JR.

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 10, 1989

Mr. DUNCAN. Mr. Speaker, funeral services were held Tuesday in Knoxville for Mildred E. Doyle. Miss Doyle was the superintendent of Knox County Schools from 1946 to 1976.

Miss Doyle was one of the finest women I ever knew. She loved people, especially her children. She was active in politics and was a leading vote getter in Knox County at a time when few women were elected to high office. Mildred was a staunch Republican and was not afraid to let anyone know where she stood. She also was a great athlete and participated actively in sports for many years.

Mildred Doyle was a close personal friend and political ally of my father and the entire Duncan family. She was a great superintendent and a great lady, and she will be missed by many people.

The Knoxville News-Sentinel on Monday had a lead editorial and a column that I would like to have reprinted in the RECORD:

MILDRED E. DOYLE

An entire generation of adults educated in Knox County can associate their schooling with the name of Mildred E. Doyle.

Her death Saturday morning at age 84 is a personal loss for everyone educated under her tutelage as superintendent of Knox County Schools for 30 years as well as a loss to this community.

One can easily cite the accomplishments—and there were many—during her years in office. She presided over a system that was growing into its modern shape, from 17,000 students in 1946 to more than 27,000 in 1976, from one- and two-room schools to the construction of more than 40 new school buildings during her years in office. She was a driving force to get an alternative school, established in 1980, so suspended or expelled pupils from throughout East Tennessee could continue their education. During her tenure, 750,000 students passed through the county schools.

Doyle became head of the school system with little fanfare long before most women moved toward equality with men in executive positions. She also named other women to administrative positions, many for the first time in Knox County.

Yet, despite the successes, despite her hold on the superintendency and her heavy involvement in Knox County Republican politics, the one feature that stands out for those who walked the halls of the county's schools is an unmistakable style and personality: the red hair, the gravel voice, the frankness, the temper, the laughter, the warmth.

There also was the knowledge down deep that whatever differences one had with her, Mildred Doyle cared sincerely about children and their education. The 10-12 hour work days were routine. If she once admitted to being "a little bit autocratic," she was quick to take the unpopular stand for what she believed was best for the schools, whether it brought her into conflict with students and parents or members of the old Knox County Court.

Perhaps her finest compliment came from the man who defeated her in 1976 for reelection, Earl Hoffmeister, present superintendent of Knox County Schools. "Everyone's goal in education is to leave it better than we found it," Hoffmeister said, "and she certainly has done that."

One can add that education in Knox County is better because of Mildred E. Doyle.

MILDRED DOYLE'S CARING LEFT TOUCH ON THE LIVES OF HER MANY CHILDREN

(By Sam Venable)

According to newspaper accounts of her death, Mildred Doyle had no children.

That proves you shouldn't believe everything you read in newspapers.

Midred Doyle had thousands of children. Hundreds of thousands, actually. During the 30 years she served as superintendent of the Knox County school system, fully three-quarters of a million youngsters came under her care.

And you better believe we were "her" kids in the truest sense of the word.

She was the no-nonsense, quick-tongued mother hen who supervised our education, planned our meals, refereed our games, guarded our safety and guided our overall development from the moment we entered first grade till we exited with a high school diploma 12 years later.

Looking back on her life, which ended Saturday after 84 years, I found it difficult to imagine that virtually no one in today's student body has had contact, direct or otherwise, with this woman. Lord, I must be getting old myself.

But try this quiz on anyone who went through the county system between 1946 and 1976: Ask them to form the image of a signature in their mind. An important signature. A signature they associate with growing up and going to school.

A few—history buffs and insurance agents, I suspect—might recall the bold script of John Hancock on the Declaration of Independence. But the vast majority will remember the flowing "Mildred E. Doyle"—with the "E." and the "Doyle" connected—from the front of a report card, an attendance form, a certificate or any other piece of official school correspondence. It's one of those things you never forget.

Indeed, none of us will forget Miss Doyle.

Oh, and before some high-handed copy editor deletes the "Miss" from her name so my words conform to modern newspaper style, I caution against it. She was "Miss Doyle." Period. Some things are simply not meant to be changed.

In an era when female educators remained quietly in the classroom, Miss Doyle commanded the office of superintendent as none before her or since.

A politician? You better believe it. She was a master of the game, a staunch Republican to the soles of her feet. Mildred Doyle was comfortable and effective in any setting—an emotional public hearing, a heated school board meeting or a smoke-filled chamber behind some locked door at the courthouse.

But this was not politics for politics' sake. It was politics for the children of Knox County, a mission she guarded as nothing less than a sacred trust.

Mildred Doyle was to county schools what Andy Holt was to the University of Tennessee. Both were as plain as faded bib overalls, but their ability to extract dollars for education could make a riverboat gambler slink off in embarrassment.

Not every decision Miss Doyle reached was popular. Still, she rarely minced her words, no matter what the cost.

"The one thing you've got to do is say what's right," she once observed, "and not what the people want to hear."

One pronouncement a lot of children didn't want to hear was her order for Saturday classes. This was a decision she made in February 1960 after schools had been closed so many times because of snow. The only way to get back on schedule was double up on off-days.

Naturally, we kids protested.

Give up our Saturdays? No sleeping late? No cartoons? Aaaargh! The very thought was heresy. From Halls to Karns, Mount Olive to Mooreland Heights, the battle cry of "Mildred Doyle should be boiled in oil!" rang through the halls.

Oddly enough, we survived this cruel blow to our tender psyches. Even more amazing, we grew into adults—one might venture so far as to daresay educated adults—who learned to appreciate what a caring professional had touched our lives.

No children of her own? Baloney. She had us, all 750,000 of us, and we loved her for it.

Mildred Doyle was not boiled in oil. Thank God.

QUESTIONS CONCERNING FINANCIAL AID

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 10, 1989

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington report for Wednesday, May 10, 1989, into the CONGRESSIONAL RECORD:

QUESTIONS CONCERNING FINANCIAL AID

Federal student aid, the primary means by which the government helps low- and middle-income students afford higher education, is again under scrutiny. The financial aid program is designed to ensure all students the opportunity to pursue continued education after high school. As a country, we have a responsibility to provide a strong education to our children. Instituted in 1965 as part of the Higher Education Act, financial aid now provides postsecondary assistance to nearly six million students. The program is expensive, last year costing almost $9 billion.

Despite federal assistance, the rising cost of postsecondary education has made it increasingly difficult for many students to afford higher education. Since 1980, costs have risen 40% above inflation, while federal assistance has increased only 3% above inflation. The shift in emphasis from grants to loans has also hurt the students the government wants to help most. Grants awarded to students have stagnated while loans, once used mostly by middle-income people, are now often the only source of aid even for low-income students.

Many poorer students face large debts upon graduation and often cannot repay their loans. The default rate has risen dramatically, with the highest rates among students in schools traditionally serving low-income students, such as community colleges, trade schools, and historically black universities. In 1966, 7% of those receiving loans defaulted. Today, more than 14% default, at a cost to the government of $1.5 billion a year—over 40% of the annual budget for student loans.

An easy solution to these problems would be a dramatic increase in federal funding. Congress, however, has hesitated to increase financial assistance for several reasons. First, federal budget deficits have made it difficult to increase any spending program while others are being cut. Second, waste in student aid programs, both in overpayments and defaults, should be corrected before the program is increased. Finally, not everyone agrees on federal priorities in education, with some arguing that expanded programs for younger students would better benefit our students and our country.

Faced with these difficulties, Congress has attempted to curb waste and excess costs. Since 1985 the IRS has withheld tax refunds of defaulters. New rules have also been instituted to force banks and other lenders to make a greater effort to collect their student loans before collecting on the government guarantees. Although such efforts will help, more changes will be needed to address the long-term financial difficulties of the program.

Several proposals have been offered recently which would overhaul the student assistance program. Perhaps the most prominent, and most controversial, would link national service to student financial aid. Aid would be provided only to students who serve in the military, reserves, or a civilian "national service" corps. For two years of service, students would receive $20,000 for civilian duty and $24,000 for military duty (or $2,000 for every year spent in the reserves). This money would be provided to the students in the form of a voucher which could be used for postsecondary education or a down payment on a first home.

Advocates of this program argue that it would provide a pool of motivated, low-cost workers for the country, while instilling in them a sense of civic responsibility. Critics, however, question the overall costs of such a program—students would receive at least $20,000 as opposed to the average financial assistance today of about $12,000 over four years. The Pentagon also is concerned that such a program would drain off recruits after only two years of service, hindering military preparedness.

Another proposal would exclude from the student assistance program schools which have student loan default rates higher than 20%. Over one-fourth of participating schools have rates at 20% or higher, and the majority of them are for-profit vocational and trade schools. Advocates argue that many such schools are established simply to take advantage of students and the government. Yet caution is needed before changes are made that could prevent lower-income students from pursuing higher education opportunities.

A third proposal is based on social insurance. Students would receive financial assistance and, in return, a small portion of each paycheck a student received after graduation would be automatically placed in a trust to finance future assistance to other needy students. Paycheck deductions would continue until retirement, and the amount taken from each paycheck would be based on the ability to pay. This would allow students greater leeway in determining what career they pursue after graduation, and the program could include debt forgiveness for students who become teachers or work in social benefit efforts. The largest drawback of this proposal is its large start-up cost of several billion dollars.

A final proposal would make financial student assistance a federal-state matching aid program. The state would cover higher education costs beyond federal assistance for needy high school graduates who attended state-run schools. Students in private institutions would receive an equivalent sum. Once again, the main problem is cost. Total state costs each year could exceed $1 billion.

Federal student aid today is complex, costly, and confusing. Congress should work to find a way to decrease the default rate in order to free up funds for student aid. Grants to college students could be increased on the theory that the mix of aid has been allowed to swing too far toward loans in recent years. Debt repayments should be made more manageable, by basing repayment on income and allowing debts to be paid over extended periods. Other alternatives for reforming the student aid program need to be explored, although I am wary of changes such as national service that would significantly alter the structure of this popular program. Student aid is not cheap, but I do not know of a better social investment than that of the education of ambitious young people.

COMMUNITY IS UNDER ATTACK

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 10, 1989

Mr. STOKES. Mr. Speaker, I would like to bring to my colleagues' attention the following article entitled, "Community Is Under Attack." The article was published in the Cleveland Call and Post and written by a highly respected minister and a longtime friend, Dr. Otis Moss, pastor of Olivet Institutional Baptist Church.

Dr. Moss is an outstanding minister and Black leader in Cleveland. Dr. Moss has devoted over 20 years of direct involvement in the Civil Rights Movement, as a religious leader and community activist. During his career, he has also been a consultant to Government officials on moral and social issues facing the Nation.

"Community Is Under Attack" focuses on recent incidents involving the black community in Cleveland. The tragic images of which Dr. Moss refers are indicative of other scenarios taking place in every community all across our Nation. Black communities in every city in America are suffering from the ravages of drugs, violence, and poverty.

Mr. Speaker, I strongly urge my colleagues to read Dr. Moss' timely and thought-provoking commentary.

The article follows:

COMMUNITY IS UNDER ATTACK

(By Dr. Otis Moss)

The African American Community is under multiple attack but there is hope.

There are the attacks of historic systematic racism dating from 1619 (first slave ship) to the present. There is the internal attack of African Americans killing African Americans. This viciousness, violent, aggressive and homicidal process within our community is an ever present threat to our survival. The easy access to guns and drugs has released a "killer squad" of young men and women who make the risks of being killed in our own community greater than Vietnam over a decade ago.

There is the attack of multiple external invasions. Examples: 1. Indictments of Black officials and leaders. 2. Indictments of two Black male educators. 3. The focused news article series on one of the foremost business leaders of the Black Community. 4. The Feckner Case with its colossal blunders pain and high costs to the Black community. 5. The volatile politicization of school transportation (busing). 6. The violent racists attacks on the homes and lives of African Americans. 7. Fire bombings, shootings and vandalizing on an increasing basis. 8. The purging of thousands from the voter rolls. 9. The "legal dismantling of Affirmative Actions plans from state to state. 10. The loss of political gains in Chicago. 11. The inability to focus properly on the mayor's race in Cleveland. 12. The vicious attack on Dr. Julian Earls. 13. The 7.2% decline of male enrollment in higher education. 14. The gigantic increase of Black males in the prison population. 15. The subtle and not so subtle calls for the deratification of home rule and the refederalization of Washington, D.C. This is not a com-

prehensive list of the incessant attacks on African Americans.

How can an individual, group, organization or group of organizations respond effectively, forcefully, morally and spiritually to these type of jack hammer blows? How can any individual or group manage or master this kind of reign of multiple terrors without committing countless errors? How can we respond to each specific attack without being shallow, flippant and irresponsible? How can we respond to vitriolic attacks without becoming bitter? How can we respond to ugly violence without becoming ugly like it or worse? This is our profound moral challenge.

First, in the words of a Black leader some three score and ten years ago, "We must close ranks." When Mable Gant was burned, when Feckner sold drugs, when the home of Mr./Mrs. White was vandalized with all types of racist graffiti, when those young men were shot without provocation, no one asked the victims if they were Baptist, A.M.E., Pentecostal, Protestant, Catholic, Muslim, Democrats or Republicans. They were all African Americans, human beings and children of God. We must close ranks for God's sake, for our sake, for our children's sake and for the sake of our community, Black and white. The last three decades of daily struggles, deaths, assassinations, abandonment and disillusionment have left their scars and stress but also their stars, heroes, heroines, strengths and promises. Let us close rank around our strength, our hope, legacy, promises and our future.

Secondly, we face a greater threat of becoming traumatized and morally frozen, with everyone seeking his or her own election returns in an atmosphere of diminishing hope, service, commitment, sacrifice and spirituality. We need a series of meeting focusing on the the need for non-violence, drug-free homes, work places, schools and housing units. In short we need a moment of spiritual regeneration and racial reconciliation.

Thirdly, we must show special concern, support and compassion for those among us under serious and dangerous attack. We do not have such surplus of genius in any age group or race that we can dismiss it with the slight of hand like Adolph Eichmann sending his victims to the gas chambers with the slight movement of his hand. The most vicious form of slavery is the celebration of the wounding of our sisters and brothers. We must practice praying for and with each other. We need a revivial of renewal of values. Former president, Lyndon Johnson, after more than 30 years in Washington, D.C. and the agonies of Vietnam, said he was going back to his home community in Texas where people "know when you are sick and care when you die." If we do not care about each other in our suffering, we are an "endangered species."

In conclusion, I have a colleague in the ministry who played high school basketball. The coach sent him in a game to replace an injured teammate. The ball was passed to him in a fast action maneuver after he was shaken up by two players from the opposite team, he caught the ball and started dribbling rapidly toward the "wrong" goal, the crowd started yelling no! no! but he thought they were saying go! go! and rushed toward the goal and "scored" a shot in the wrong basket, helping his opponents win the game! More than 30 years later he still takes a little "heat" for scoring in the wrong hoop.

We are being hit from so many directions in the African American community that we find ourselves in a blinding state of semi-consciousness, politically and economically scoring points for the opposing team. Every time crack, cocaine, heroin and other drugs are bought and sold in our community we score a point for the "other" team and reduce our own options. Every time we practice political and economic homicide on a brother or sister we score a point for those who are enemies to our own progress.

VALLEY HIGH SCHOOL REPRESENTS NEVADA IN NATIONAL BICENTENNIAL COMPETITION

HON. JAMES H. BILBRAY

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 10, 1989

Mr. BILBRAY. Mr. Speaker, this week, in our Nation's Capital, over 950 young people from 44 States have gathered to participate in the National Bicentennial Competition on the Constitution and Bill of Rights. I am proud to announce that a team from Valley High School, Las Vegas, in my congressional district is representing Nevada. These young scholars have worked hard to reach the national finals by winning the district and the State competitions and I would like to wish them the best as they compete for the national title.

The members of the Nevada team are: Dustin Ackerman, Brad Allen, Travis Anderson, April Anstett, Chad Antrim, Shonna Clutters, Jane Conn, Daniella Eilat, Robin Evans, Hoberigh Fischer, Garet Griffin, Tylla Gudim, Holly Hyte, Gideon Jolley, Steve Kim, Debbie Mannino, John Michaelson, Niurka Oquendo, Andrea Prather, Elyse Pressler, Marjorie Sarmiento, Keren Speck, David Stein, Robert Vandorick, and Heidi Weber.

Along with the students, their teacher, Ms. Celile Rizzo, deserves much of the credit for the success of the team to date. As well, Ruth Joseph, the district coordinator, and Phyllis Darling, the State coordinator have worked hard to help their team reach the finals.

The National Bicentennial Competition on the Constitution and Bill of Rights is the most extensive educational program in the country developed to educate young people about the Constitution and Bill of Rights. With the support of Congress, the active involvement of Representatives and Senators, and the efforts of thousands of civic and education leaders, the program achievements over the past 2 years have been dramatic: 1,022,320 students have studied the curriculum; 14,381 teachers are teaching the course; 420 congressional districts and the 5 territories have fully functioning programs; 393 U.S. Representatives are participating in their districts; and 92 U.S. Senators are supporting the program in their States.

The program provides students with a specially designed 6-week course of study designated to provide upper elementary, middle, and high school students with a fundamental understanding of the Constitution and Bill of Rights and the principles and values they embody. Students complete the instructional portion of the program with a test designated to measure their constitutional literacy and receive a certificate of achievement signed by their U.S. Representative.

High school participants then enter a nationwide series of competitions at the congressional district, State, and national levels. Students testify before a panel of experts at a simulated congressional hearing designed to measure understanding and capacity to apply principles being learned to historical and contemporary events. Each year, the National Bicentennial Competition culminates in 3 days of intensive competition among classes from almost every State in the Union.

Mr. Speaker, the need to educate our young people about the Constitution and bill of rights is well documented. Studies have found that only slightly more than half of students surveyed were able to identify the original purpose of the Constitution. Nearly one-third thought he could adjourn Congress when he saw fit. Indeed, another survey conducted on behalf of the Hearst Corp. suggested that over half of Americans thought that the Marxist credo "from each according to his ability, to each according to his need" can be found in the Constitution. Most alarming was the finding that a greater proportion of today's students display antidemocratic attitudes than did students in 1952.

The benefits of this educational program are clear and it is making a difference among the over 1 million students who have studied the program. A recent study has shown that the National Bicentennial Competition Program has increased the constitutional literacy of our young citizens. Students in classrooms all over the country are debating the issues that concerned the Founding Fathers and demonstrating how the Constitution's basic principles apply to them today with an extraordinary level of understanding.

The preservation of our freedom and our Nation depends upon our young people, the decisionmakers of tomorrow. We have much to gain from educating them about the Constitution, the Congress, and the continuing responsibilities of citizenship. I am proud to have students from my congressional district in the national finals and I commend each of them and their teacher for their hard work.

TRIBUTE TO NATIONAL DRINKING WATER WEEK, MAY 1-7, 1989

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 10, 1989

Mr. RANGEL. Mr. Speaker, I rise to speak on the occasion of National Drinking Water Week. In this age of increased environmental awareness and concern for the safeguarding of our natural resources it is important that we the American public be cognizant of the need to conserve one of our most precious resources, our drinking water. Too often we take something like water for granted. Like the old saying goes "you don't miss your water til your well runs dry," you don't miss your water til there is a water crisis such as a drought or an environmental disaster like the Alaska oil-spill.

Currently the city of New York is experiencing a drought emergency which highlights the need to make people aware of conservation efforts. I want to strongly encourage my fellow New Yorkers to take part in the activities that the city and State have planned for National Drinking Water Week. They should also exercise diligence in efforts to conserve our ever scarce resource, drinking water. By each of us doing our part individually to conserve water usage and by avoiding wasteful water practices, we will be able to ensure an adequate supply of drinking water for all.

PERSONAL EXPLANATION

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 10, 1989

Mr. ACKERMAN. Mr. Speaker, I regret that a family commitment prevented me from being present Tuesday evening, May 9, 1989. Had I been present, I would have voted "no" on rollcall 47, the Dannemeyer amendment; and "yes" on rollcall 48, final passage of H.R. 7, the Perkins Act amendments.

THE MEXICAN DEBT NEGOTIATIONS

HON. RONALD D. COLEMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 10, 1989

Mr. COLEMAN of Texas. Mr. Speaker, the largest commercial banks in this country are the largest private creditors of Mexico. They have also been the slowest to act in negotiating debt reduction packages with that country—our neighbor.

It is not bank-bashing to suggest that these banks have a responsibility to the American taxpayer to negotiate in good faith with the Mexicans. Many if not all of the major creditor banks have already set aside reserves against at least a 25-percent discount on their bad loans. This House should insist on putting bank shareholders ahead of publicly funded contributions to the multilateral banks in looking for a solution to this problem.

Last year, Mexico paid foreign bankers $6.5 billion in interest. Mexico simply cannot bankrupt its economy to raise a similar amount of funds this year. The banks can afford such a write-down, and we should insist on it. I am submitting three articles on recent trends in these negotiations, from the Economist, the New York Times, and the Wall Street Journal, and commend them to your attention.

[From the Economist, Apr. 29, 1989]

OF BANKS, BORROWERS AND BRADY

Commercial banks must be encouraged to take the pain of reducing third-world debt. They can afford it.

When the debtors in Latin America have suffered, their creditors have prospered. The big provisions that many international banks made against their sovereign debts in 1987 have barely touched dividends or careers. But real incomes in the most heavily indebted Latin American countries are now lower than at the start of the decade. Their political fabrics are fragile. The danger is that steps taken towards democracy could all too easily be violently reversed if banks keep thinking that their debt problem will work itself out painlessly.

The banks, anyway, are no longer in a position of command, as they have been in the endless reschedulings since 1982, when Mexico first ran out of money. The new debt field-marshal is the International Monetary Fund. The Fund showed its primacy earlier this month, when it promised Mexico a loan of $3.6 billion. This happened before the country started talks with its bankers, which it did only this week. The IMF's move broke a tradition that it should make its loans conditional on an agreement between the debtor country and its banks. The break suggested that the Fund might lend to countries, such as Mexico and Costa Rica, which have met its targets but still cannot raise money from banks.

The debt-reduction ideas sketched out by the American treasury secretary, Mr. Nicholas Brady, will put more pressure on the banks. He suggested that the IMF and World Bank should lend to indebted countries to help them buy back their bank debts at a discount, and also guarantee interest and principal on long-dated bonds that banks could accept in lieu of such debts. This idea needs tightening up. The guarantees should be available only the envisaged debt swaps will cut deeply into the debtor's interest bill, thus leaving little chance that the guarantees would be called.

There are two reasons for this proviso. One is that the World Bank's AAA credit rating would take a knock if its guarantees were ever used—thus making the financing of new development projects more expensive. The others is that western taxpayers should not have, effectively, to bail out banks by paying the interest on World-Bank-guaranteed bonds that their borrowers are still too cash-strapped to service.

MEXICAN BARGAINING

In 1988 Mexico paid its foreign bankers around $6.5 billion in interest—or an almost unsustainable 30% of its export earnings. The figure must fall by at least $2.5 billion if foreign banks are not to be paid more than 20% of Mexico's export revenue this year. Mexico is now trying to get this relief by way of debt-reduction rather than by raising an extra $2.5 billion of new money.

In most past reschedulings, banks have lent fresh, short-term money in order to get repaid the interest on their existing (often overdue) loans, thus preserving their book value. If Mexico gets its way, this practice will stop. It wants banks to lend it new money for five or six years, rather than for one or two years as in the past. The extra risk involved in lending for so long will deter banks from lending enough to pay themselves all the interest due to them. So they will no longer be able to kid themselves and their accountants that their Mexican loans are worth their face value.

These tough Mexican terms on accepting new money should make the idea of swapping discounted bank loans for World-Bank-guaranteed bonds that much more attractive to the lending banks. However, to reduce Mexico's debt to a sustainable level, they will have to accept discounts of around 40% on their Mexican loans—compared with a discount of almost 60% in the secondary market at present. That will mean income losses both for British and for American banks: the discounts will go beyond the provisions they have already made against these loans. They should take such losses in their stride: with rare exceptions, they are strong enough to do so. The alternative, if Mexico fails to clinch a deal, will be much less interest: for a time, perhaps, none at all.

The Bank of England currently recommends provisions of at least 20% against Mexican loans for British banks. The way the tax system works in the United States means that American banks with provisions against Mexican loans of 35% could accept discounts of around 30% before they lost income, provided they have large offsetting foreign earnings.

If the banks go for debt reduction in a big way in Mexico, they cannot be expected to cover Mexico's (and other countries') external deficits, or even to provide much project finance. The World Bank and, with luck, the equity markets will have to be the main sources of development money. Provided they are seen to be lending to an economically virtuous Mexico, other heavily indebted countries should conclude that they are better off with an official IMF and World Bank debt-reduction scheme than with unilateral default.

[From the New York Times, May 5, 1989]

TALKS ON MEXICAN DEBT GET OFF TO A SLOW START

(By Jonathan Fuerbringer)

The crucial negotiations between Mexico and its commercial bankers on debt reduction have started slowly, according to participants, because the bankers have objected to the size of Mexico's proposal and are still uncertain about what incentives they will get from the International Monetary Fund and the World Bank.

And the commercial banks have rejected Mexico's request for interim financing until there is agreement on a broad debt package, Treasury Under Secretary-designate David Mulford said yesterday in testimony before the Senate Finance Committee.

The Mexican talks are the first since the United States and its allies endorsed a new third-world debt strategy, proposed by Treasury Secretary Nicholas F. Brady, that emphasizes debt reduction along with new lending. The outcome of these talks, which began in mid-April, will give the first indication of how successful debt reduction can be.

The Administration goal is to reduce the developing nations' bank debt of $350 billion by $70 billion, or 20 percent, over three years.

$4 BILLION PROPOSAL

Participants in the talks say Mexico has asked for a total package of new loans and debt reduction of $4 billion a year over six years.

Under the Mexican proposal, there would be two forms of debt reduction: First, the principal would be reduced through the swap of existing loans for new securities at around 50 percent of the face value. The interest on these securities would be at market levels. Second, the interest would be reduced through a similar swap of loans for securities in which the interest rate would be cut in half.

The Mexicans also want new loans from the banks and would like to have some of the interest they now owe added to their outstanding principal, which reduce annual payments.

"The Mexicans want a lot of money and the banks think they are asking for more

than they need," said one banker involved in the negotiations.

$100 BILLION DEBT

Mexico is negotiating with a bank advisory committee that includes 15 of the more than 300 banks with loans to that country. Mexico's outstanding debt is about $100 billion, of which about 75 percent is owed to banks.

The meetings are being held at the law offices of Shearman & Sterling in New York and are led by William R. Rhodes, a Citibank executive.

"Its a very tedious process," one banker said, referring to the numbing details that must be worked out.

"The conceptions are simple, the execution isn't," another banker said.

John S. Reed, the chairman of Citicorp, which is the lead banking company in the negotiations, convened a special meeting in New York on Tuesday to work on a formal response to Mexico. Although not unusual, his involvement signals the importance of the negotiations. The regular negotiating meetings continued yesterday.

Even reaching an agreement among the commercial bankers will be difficult because of the differing interests involved. Some banks, for example, just want to want to get rid of their Mexican loans. Others are interested in reducing size of the loans outstanding, while still others want to reduce the annual interest payments.

Some bankers think that the pace of the talks so far bodes ill for the Brady plan. But one banker was not as worried about the progress of the talks. "This is the normal kind of procedure of an negotiation," he said.

The important factor in any final package will be the guarantees the I.M.F. and the World Bank offer to help assure the continued payments of principal and interest if the banks accept the debt reduction. These guarantees, in effect, are incentives for debt reduction.

But one problem is that the banks involved in the talks are not clear what these incentives will be.

"Nobody knows," one banker said. "Mexico, the World Bank, the I.M.F.—they can't tell you what you can do."

[From the Wall Street Journal, May 3, 1989]

CRUCIAL TALKS ON LATIN DEBT BOG DOWN, DIMMING OUTLOOK FOR BRADY'S STRATEGY

(By Peter Truell)

WASHINGTON.—Mexico and Venezuela are slipping into a familiar, slow pattern in talks with bank creditors, dimming the outlook for Treasury Secretary Nicholas Brady's Third World debt strategy.

Even the Treasury seems eager to scale back expectations for the strategy, which emphasizes debt- and debt-service reduction over continued lending. Mexico and Venzuela are widely regarded as the two leading candidates for the new approach.

This week, Treasury Undersecretary-designate David Mulford acknowledged in a speech here that debtor countries and commercial banks don't appear close to any agreement regarding debt reduction. "The parties appear rather far apart," he said.

Some bankers are much gloomier. "The [Brady] strategy isn't going anywhere," said a senior officer at a large New York bank who is closely involved in the management of billions of dollars of loans to Latin America. Many such bankers say debt- and debt-service reduction can't easily meet Latin American countries' credit needs, and that new loans will remain the key to dealing with Third World debt problems.

RECONVENING TALKS

Today, Mexican officials are expected to reconvene in New York with the committee of bank creditors with whom Mexico negotiates debt arrangements. The banks will be responding to Mexico's debt-restructuring proposals. The chairmen of several big U.S. banks were set to meet late yesterday in New York to discuss the Mexican talks.

The banks say that Mexico is asking for too much in seeking about $4 billion—either in loans or reduced interest payments through debt reduction—for this year.

Last week, senior U.S. bankers involved in the Mexican negotiations visited the Treasury to make their case, bankers said. The bankers also don't like Mexico's request for an advance before the negotiations are completed. A Treasury spokesman wouldn't comment on the meeting.

Several big banks have aproached the Mexicans privately, outside the creditors' committee, to seek their own deals with the country, according to sources on both sides of the negotiations. Meanwhile, the banks are engaging in a sustained campaign to wear down Mexico's demands. They contend that Mexico's economic projections—and particularly its oil-price forecasts—are too conservative, and have led to overblown demands for money.

SCALING BACK

Citicorp Chairman John S. Reed and his chief debt negotiator, William Rhodes, flew to Washington late Monday to talk with Mexican Finance Minister Pedro Aspe. Their apparent mission was to get him to scale back his propsoals. Citicorp declined to comment on the meeting.

Mr. Aspe said in a speech here Monday that his country seeks to foster private investment. He listed steps it has taken to improve its economy, including liberalizing trade regulations, bringing down inflation, improving tax collection, and turning a 7% budget deficit in 1982 to a projected 7% budget surplus in 1989 despite falling prices for oil, Mexico's largest export.

"Now, it is time for the [industrialized country] governments to recognize their promises" to ease the debt burdens of countries such as Mexico, Mr. Aspe said, "and for banks to recognize losses that are already recognized by the market."

The banks, united behind Citcorp in the Mexican negotiations, are in no mood to do so. They are eager to push Mexico into accepting a settlement similar to one they negotiated with Brazil last year.

SWAPPING DEBT

In the Brazil settlement, banks agreed to swap billions of dollars of debt for equity in Brazilian companies. The swaps—in which banks would trade outstanding debt for local currency that was then used to buy into local companies—helped spur that country's soaring inflation rate.

But Mr. Aspe argued here Monday that Mexico only will agree to swaps if they involve privatizing publicly-owned concerns, because such arrangements wouldn't involve printing new local currency or issuing more domestic debt.

Venezuela also is making little progress with its banks. It met with its bankers Friday in New York. It still is discussing with them a proposed $600 million bank loan originally proposed months ago. * * *

THE RURAL RAIL SERVICE PRESERVATION ACT OF 1989

HON. BOB WHITTAKER

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 10, 1989

Mr. WHITTAKER. Mr. Speaker, virtually every American school child learns in history class that the railroads were the sinews that literally bound this Nation together as it expanded across the continent. Having seen maps of the Nation's rail system over time, from about 1830 to 1890, I can say that the system went from a few strands of steel along the eastern seaboard to a veritable spaghetti bowl of rail lines covering virtually the entire Nation. All of this was accomplished in barely over 50 years, a period that included the national upheaval of a civil war.

Proud and indeed awed as we should be by this amazing achievement, we also have to recognize that in the 20th century, and most particularly in the last two decades, the Nation's rail system has suffered such a severe shrinkage that it might be called an implosion. In my own State of Kansas, for example, roughly one-third of the lines that were in service at the end of the 1970's are now abandoned.

Part of this destruction of our infrastructure was the direct result of heavy-handed Federal regulation, principally by the Interstate Commerce Commission. Most of that particular problem was cured by enactment of the Staggers Rail Act in 1980. But giving the railroads the chance to price their services in a more market-oriented fashion could not undo the past destruction caused by long-term disinvestment. In fact, in the near term, the pace of rail abandonments actually accelerated after the passage of the Staggers Act, due to the reduced regulatory obstacles to showing a financial need for abandonment of a particular line.

But after several years of restructuring, the railroad industry seemed to be headed for an equilibrium of sorts. Although there were still a number of lines being shed by major carriers, an increasing number of those were being bought by short line or regional railroad entrepreneurs. These new operators, who generally had lower operating costs, and were more closely tied to and aware of community needs, helped keep rail service alive in many areas where it would have died. From the early 1980's until late 1987, the rise of these smaller railroads was one of the success stories of American industry.

Part of the financial underpinning for the new smaller railroads was the ability of major rail carriers to sell lines without having to pay the very high labor protection or severance benefits required in some types of transactions that are subject to ICC regulatory approval. But in late 1987, a Federal court ruled that the refusal of the selling railroad to pay labor protection could be considered to give rise to a so-called major dispute under the Railway Labor Act. In everyday terms, this meant that the work force of the selling railroad could hold the proposed line sale hostage to their own demand for labor protection,

and threaten a strike if that demand went unmet.

Since 1987, a number of court rulings have been issued on this subject, not all of them favoring the same side. And just a few weeks ago, the original case was argued before the U.S. Supreme Court. But the litigation has produced enough uncertainty to hamper if not totally prevent proposed line sales. As a result, the pace of abandonments has quickened. For example, more rail lines were abandoned in the first 8 months after the first court decision than in all of the previous year.

The areas hardest hit by these abandonments are rural and smalltown America. Often, rail service is a community's last hope for maintaining an existing industrial base or attracting new business. As we focus increasingly on rural development in the United States, it simply does not make sense to waste this precious and irreplaceable asset—the rail infrastructure built up at great cost and sacrifice during one of the most productive eras of our Nation's history.

While the railroad industry awaits a Supreme Court decision, on the legal standards governing line sales, the Nation continues to lose more of its rail infrastructure—rail lines that cannot be replicated in today's economic environment. To forestall this continuing attrition in an irreplaceable resource, I am today introducing the Rural Rail Service Preservation Act. This bill seeks to break the current line sale stalemate by assuring rail labor fair and immediate bargaining rights with the buyer of a rail line, as well as a generous severance benefit and hiring preference for displaced employees. On the other hand, the management of both the buying and selling railroads will be assured that the transaction will not be hamstrung by prolonged labor disputes over the effect of the transaction on employees.

The bill also seeks to correct some procedural abuses in the abandonment process—abuses that have arisen through regulatory short cuts sometimes taken by railroads and condoned by the ICC. First, the bill triples the current 30-day protest period now allowed to local communities who might wish to oppose an abandonment application. This provides a reasonable opportunity to evaluate the carrier's justification for the proposed abandonment and to decide whether a formal protest to the ICC is warranted.

Next, the bill reins in the regulatory laxness that has crept in through the ICC's overuse of the exemption process. The bill forbids the use of exemptions in abandonment matters. This is intended to halt the practice of some railroads—the habit of not complying with certain ICC requirements—such as advance notice of possible abandonments on system maps—on the assumption that the ICC will merely waive or exempt the transaction from such a requirement after the fact. Of course, a local community may never know that the exemption even existed, but its right to be heard on the proposed abandonment may nevertheless have been effectively eliminated by this procedure.

To allow more effective participation by local shippers and communities in the abandonment process, the bill makes a local hearing on the abandonment a matter of right in all cases involving lines 15 or more miles long, unless there is good cause for the ICC's dispensing with the hearing. The bill also addresses another abuse of the abandonment process—the application for an ICC abandonment certificate on a contingency basis, that is, as a carrier option to be exercised or not as the carrier may later decide. This produces tremendous uncertainty in the local communities affected, as they try to make alternative plans for transportation and land use. In at least one case where the carrier received a certificate but then changed its mind, a community's entire redevelopment plan was disrupted. To avoid this kind of situation in the future, this bill sets a 2-year lifetime on abandonment certificates issued by the ICC. A railroad must use or lose a certificate in that period, unless the case is prolonged by judicial review of the Commission's decision.

The bill also addresses the need for long-term local planning when an abandonment is threatened. It strengthens the current requirement in ICC regulations for advance notice of abandonments through the so-called system diagram maintained for each carrier's lines at the ICC. In this way, shippers and communities will be protected from short notice or exempt filings that undercut the regulations and the affected parties' entitlement to due process.

Finally, the bill addresses an abuse of the ICC's jurisdiction in railroad restructuring matters. In some instances, trackage rights or leases of lines among related rail carriers have been used to defeat the legitimate collective bargaining rights of the affected employees. Of course, some trackage or lease arrangements have legitimate business purposes. For that reason, the bill does not impair the ICC's authority to approve such transactions, but under this legislation, the Commission must first find that avoidance of collective bargaining agreements is not the principal purpose of the transaction. In this way, railroad employees can be protected against abuses of the regulatory process.

Through its comprehensive approach to the substantive standards and the regulatory procedures governing railroad line sales and abandonments, the Rural Rail Service Preservation Act will help maintain as much of our dwindling rail infrastructure as possible. I urge my colleagues to support the prompt enactment of this much needed legislation.

SUPER 301

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 10, 1989

Mr. CRANE. Mr. Speaker, last year when Congress considered the Omnibus Trade and Competitiveness Act of 1988, you may recall that I, along with several of my colleagues, fought to defeat its passage.

Although there are a number of problems with the new trade law, the Super 301 mechanism is potentially the most dangerous. For the United States to demand that other countries remove their trade barriers when we refuse to remove our own is truly a recipe for disaster. In effect, it is an attempt to force our trading partners, our best customers, to help us cure our deficit problems, when in fact, our own irresponsible overspending is the real cause of our fiscal dilemma. While inciting the ire of our trading partners, I am convinced that Super 301 will not achieve improved access for U.S. business.

I commend to the attention of my colleagues, the following article by Claude Barfield, which questions the wisdom of the Super 301 amendment.

WRONGHEADED U.S. TRADE POLICY

(By Claude Barfield)

Over the next few months, under a mandate from Congress, the Bush administration will be forced to conduct an exercise in futility and folly in the trade policy area.

The impetus for this misguided action is the Super 301 amendment to the 1988 trade act, which deals with unfair trade practices. Super 301 requires the U.S. trade representative by April 30 to identify, and thereby indict, a group of "priority" countries that "maintain a consistent pattern of import barriers and market distorting practices." The trade representative then must quantify the impact of the individual major barriers on U.S. exports and open negotiations with these countries to force them to eliminate all of the barriers within three years or face U.S. retaliation.

More than any other single provision of the 1988 Omnibus Trade Act, the Super 301 amendment symbolizes the perverse wrongheadedness of the trade act. It highlights the persistent refusal of Congress to admit that our trade problems and deficit stem from internal macroeconomic failures and the emergence of new economic competitors, not from the unfair trade practices of our rivals.

Defending their action at the time, Reagan administration officials noted the president retained the discretion at the end of the Super 301 process not to retaliate if he found that such action would adversely impact the U.S. economy or jeopardize national security. What this defense ignored is that the Super 301 process itself is likely to harm relations with some of our major trading partners.

There is both hypocrisy and gall in the Super 301 directive that the trade representative drag other nations to the negotiating table with a set of terms and deadlines unilaterally dictated by the United States.

The provision is hypocritical because the United States, with its steel, automobile, sugar, textile and machine tool quotas, its huge agricultural subsidies, and its leaky semiconductor cartel with the Japanese, is itself now vying for top honors in "maintaining a consistent pattern of import barriers and trade distorting practices."

And it is galling because, by expecting other nations supinely to submit to our demands, the Super 301 process makes no provision for the United States to place its own trade distorting practices on the bilateral negotiating table.

Moreover, the 1988 act expands the list of U.S.-defined unfair practices to include such hopelessly vague matters as export targeting, violations of workers' rights and the "toleration" by other governments of anticompetitive practices by private corporations.

Compounding the problem is that the document upon which the trade barriers are to be based, the National Trade Estimate Report, is without economic or statistical

foundation. The truth is that it is impossible to calculate with any accuracy the impact of individual barriers on U.S. exports.

In the unlikely event that a nation submits to the demands of Super 301, it will face another trap. Burried inside this provision is the economic nonsense of the Gephardt amendment. For a nation to prove that its alleged barriers are being removed, it must show an increase in U.S. imports annually over a three-year period—a stipulation that belies the fact that trade flows are determined overwhelmingly by macroeconomic policies and currency values, not differential trade barriers.

Finally, aggressive implementation of Super 301 will badly undercut U.S. leadership in the Uruguay Round of the General Agreement on Tariffs and Trade just as the negotiations are entering their most crucial period.

What should be done? The best and boldest course is for the president to announce that while bilateral talks will be undertaken, no nation would be under the dictates of Super 301. He should assure them publicly that he stands ready to invoke the escape clause if negotiations proceed in good faith.

The president also could take advantage of a "safety in numbers" strategy and publish the entire list of 40-odd nations now identified in the trade barriers report, stating that detailed prioritizing is impossible. Bilateral negotiations then could proceed as needed, just as they do today when differences must be ironed out.

The worst course would be to identify a small number of countries and launch full-scale Super 301 actions. This extraterritorial assertion of the authority of U.S. law is likely to trigger both nationalist defiance and an increase in protection all around.

The United States is in a difficult position, but it has only itself to blame. We can only hope that the Bush administration and Congress will not risk major disruption of the international trading system merely to demonstrate that the United States is the Rambo of international trade.

BLACKFOOT HIGH SCHOOL REPRESENTS IDAHO IN NATIONAL BICENTENNIAL COMPETITION ON THE CONSTITUTION

HON. RICHARD H. STALLINGS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 10, 1989

Mr. STALLINGS. Mr. Speaker, from May 1 through May 3, in our Nation's Capital, over 950 young people from 44 States have gathered to participate in the National Bicentennial Competition on the Constitution and Bill of Rights. I am proud to announce that a team from Blackfoot High School in my congressional district represented Idaho. These young scholars worked hard to reach the national finals by winning the district and the State competitions and I would like to congratulate them on a fine performance.

The members of the Idaho team are as follows: Tyler Anderson, Holly Barrett, Becky Bendixen, Kollette, Bowman, Kevin Briggs, Sandy Case, Kristi England, Tricia Evans, Jeff Haddock, Darren Hall, Brett Hamm, Wayne Hamon, Brandi Hawley, Tim Hong, Robert Jones, Janis Manwaring, Pam Mecham, Brady Mickelsen, Rakael Pope, Axel Roos, Sheri Slater, Bryce Stoutmeyer, Kevin Tanner, Brendon Taylor, and Rebecca Wadsworth.

Along with the students, their teacher, Joan Thompson, deserves much of the credit for the success of the team. In addition, Dr. Particia T. Whitefield, the district coordinator, and Dr. George D. Gates, the State coordinator, have worked hard to help their team reach the finals.

The National Bicentennial Competition on the Constitution and Bill of Rights is the most extensive educational program in the country developed to educate young people about the Constitution and Bill of Rights. With the support of Congress, the active involvement of Representatives and Senators, and the efforts of thousands of civic and education leaders, dramatic program achievements over the past 2 years have come to include the following: 1,022,320 students have studied the curriculum; 14,381 teachers are teaching the course; 420 congressional districts and the five territories have fully functioning programs; 393 U.S. Representatives are participating in their districts; and, 92 U.S. Senators are supporting the program in their States.

The program provides students with a 6-week course of study designed to provide upper elementary, middle, and high school students with a fundamental understanding of the Constitution and Bill of Rights and the principles and values they embody. Students complete the instructional portion of the program with a test designed to measure their constitutional literacy.

High school participants then enter a nationwide series of competitions at the congressional district, State, and national levels. Students testify before a panel of experts at a simulated congressional hearing designed to measure understanding and capacity to apply principles being learned to historical and contemporary events. Each year, the National Bicentennial Competition culminates in 3 days of intensive competition among classes from almost every State in the Union.

Mr. Speaker, the need to educate our young people about the Constitution and Bill of Rights is well documented. Studies have found that only slightly more than half of students surveyed were able to identify the original purpose of the Constitution. Nearly half of those surveyed thought the President could appoint Members of Congress and one-third thought he could adjourn Congress when he saw fit. Indeed, another survey conducted on behalf of the Hearst Corp., suggested that over half of Americans thought that the Marxist credo "from each according to his ability, to each according to his need" can be found in the Constitution. Most alarming was the finding that a greater proportion of today's students display antidemocratic attitudes than did students in 1952.

The benefits of this educational program are clear and it is making a difference among the over 1,000,000 students who have studied the program. A recent study has shown that the National Bicentennial Competition Program has increased the constitutional literacy of our young citizens. Students in classrooms all over the country are debating the issues that concerned the Founding Fathers and demonstrating how the Constitution's basic principles apply to them today with an extraordinary level of understanding.

The preservation of our freedom and our Nation depends upon our young people, the decisionmakers of tomorrow. We have much to gain from educating them about the Constitution, the Congress, and the continuing responsibilities of citizenship. I am proud that students from my congressional district participated in the national finals and I commend each of them and their teacher for their hard work.

INTRODUCTION OF A BILL TO AMEND THE IMMIGRATION AND NATIONALITY ACT

HON. FRANK HORTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 10, 1989

Mr. HORTON. Mr. Speaker, since the days of the great Roman Empire, there has been an almost universal belief that, if an individual serves honorably in the armed forces of a nation, they should have the right to live in that nation. I am sure my colleagues in the House will be shocked to realize that this is not always the case when it concerns the United States.

The provisions of this legislation are simple. After an individual serves honorably in the Armed Forces of the United States for 4 or more years, they and their families will be granted special immigrant status upon the recommendation of the executive department under which they served.

This bill is directed primarily toward nationals of the Republic of the Philippines who are today treated differently than other enlisted personnel. This is due to the fact that Filipino nationals often enlist in the United States Navy within the territorial jurisdiction of the Philippines. These enlistments are usually carried out under the terms of the military base agreement entered into between the United States and the Republic of the Philippines on March 14, 1947. All other aliens who want to serve in this country's Armed Forces must enlist in the United States after being admitted for lawful permanent residence. Filipinos enlisting under the military base agreement, however, are enlisted without having acquired an immigrant visa and obtain no immigrant status of any kind. This bill would simply treat Filipino's fairly for their dedicated service in the United States Armed Forces.

I remind my colleagues that one of the brave Marines who sacrificed his life in the Marine barracks in Beirut was a Filipino national who was not eligible for permanent residence status in our country. Mr. Speaker, our Filipino comrades in arms are worthy enough to live and serve with our American Armed Forces abroad—they are certainly worthy of living in our Nation after their service. I urge my colleagues in the House to join me in support of this legislation.

TRIBUTE TO DR. JOHN MADER

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 10, 1989

Mr. BONIOR. Mr. Speaker, it is a great pleasure for me to rise today to bring to the attention of my colleagues the accomplishments of Dr. John Mader, an outstanding educator and friend, on the occasion of his retirement as superintendent of the St. Clair County Intermediate School District [ISD].

After earning his various degrees from Western Michigan University, Florida State University, and Michigan State University, John spent several years teaching at the collegiate level in Alabama, Mississippi, and Michigan. He spent 6 years as the director of special education for Washtenaw County, MI, and then took over the position of hospital schools director for the University of Michigan Hospital in Ann Arbor.

It was this vast talent and experience both as an educator and an administrator that John brought to his current position as superintendent of the St. Clair County ISD 20 years ago.

Under his direction, the ISD has grown to meet the needs of an expanding community, and today includes 28 elementary schools, 23 secondary schools, and St. Clair Community College. The total enrollment at all levels currently exceeds 31,000 students. Twenty years later, John still takes a personal interest in every student and makes sure each one has the facilities and the attention needed to realize his or her potential. It is no surprise that his schools have consistently ranked among the top in the Nation.

Mr. Speaker, even though Dr. John Mader plans to retire this summer, I am sure he will continue to be one of our community's outstanding leaders. In the past he has served as president of both the Mississippi Speech and Hearing Association and the Michigan Council for Exceptional Children. His active participation in such community groups as the YMCA, DARES, the United Way, Port Huron schools advisory board, the criminal justice advisory board, and many others, exemplifies his firm commitment to serving others.

In fact, I have learned that his commitment to education will be carried on for years to come by four of his children who have entered the education field and are currently teaching their own classes across the country and in Michigan. His fifth child has shown a firm commitment to our Nation by currently serving in the U.S. military. I am sure that John and his wife Patricia are very proud of them all.

Mr. Speaker, Dr. John Mader has made a difference to thousands of young men and women throughout the Nation and at home in St. Clair County, MI. Thus, it is an honor for me to pay tribute to one of our State's most outstanding citizens and to wish him and his family the best in the years to come.

HONORING CARL F. GERDS, JR.

HON. DENNIS M. HERTEL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 10, 1989

Mr. HERTEL. Mr. Speaker, I rise today to honor the retirement of a great public servant, Carl F. Gerds, Jr. Carl's retirement from 38 years of full-time fire service with the East Detroit Fire Department is being celebrated on May 12 in East Detroit.

Carl has dedicated himself to protecting the citizens of the community through his service with the East Detroit Fire Department. He joined the volunteer fire department in July 1948 and began as a regular firefighter in March 1951. Carl served in that capacity until 1959 when he was promoted to sergeant at the East Detroit department. His courageous commitment to firefighting led to the following series of promotions: lieutenant—1966; captain—1974; fire marshal—1976; acting chief—1977; fire chief—1978. Carl Gerds, Jr., honorably served as the East Detroit fire chief for more than 11 years, from February 6, 1978 until his official retirement on April 14, 1989.

Chief Gerds has donated much energy and time to the people of Michigan through his participation in many other community organizations. He has been a life member of St. Peter's Lutheran Church in East Detroit and has been actively involved in its activities. Carl was president of St. Peter's Church, member of the board of education of St. Peter's School, and has served on various church committees. He has led organizational efforts for many church fundraising activities.

Carl has been often recognized for his church and civic contributions by the National Lutheran Fraternities of America, of which he is a past president.

Carl is a truly special person. In addition to his public service and charitable activities, Carl has been strongly committed to his family. He and his wife Dorothy raised three children, Cathy, Carl III, and Gordon.

Carl F. Gerds, Jr., has served the citizens of our Detroit community with distinction. He is known by his coworkers and those who have had the opportunity to serve with him as a man of great integrity and courage. Few public servants dedicate their time to charitable activities with such enthusiasm as Carl.

My dear colleagues, I ask that you join me in congratulating Carl F. Gerds, Jr., for his many years of extraordinary service to East Detroit. On behalf of the citizens of the State of Michigan, I thank Carl for his public leadership as chief of the East Detroit Fire Department and his continued commitment to community service.

RABBI ZOBERMAN REFLECTS ON ISRAEL AT 41

HON. OWEN B. PICKETT

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 10, 1989

Mr. PICKETT. Mr. Speaker, today, as we celebrate the 41st anniversary of the State of Israel, all Americans share with the Israelis a common hope for peace. Tragically, that has been an elusive goal throughout Israel's existence, but with greater understanding on all sides, history teaches us that progress can be made.

Recently, I read an essay by Rabbi Israel Zoberman of Virginia Beach that dealt with this theme very well. Rabbi Zoberman is the spiritual leader of Congregation Beth Chaverim and the president of the Virginia Beach Clergy Association. I think today is an appropriate time for it to be included in the RECORD.

ON THE ISRAELI-PALESTINIAN EQUATION

Is the gap between the Israeli and Palestinian as wide as we are led to believe? Is there no common ground that can possibly transcend the abyss of pain, alienation, and dehumanization separating the two? I submit that both sides to the long-standing and tormenting conflict share more than they are willing to admit, more than what divides them. Any workable political solution to the crisis, leading hopefully to regional peace, depends on concurring with this optimistic premise and promise.

The Israelis, in spite of four decades of independent experience, are not as secure as they appear. An outpost of Jewish life in a vast stretch of Arab-Moslem sovereignty, they know that the odds do not favor them; that is not a new Jewish condition though the devastating European Holocaust has sharpened its edges, convincing them that the impossible is tragically possible. While Israel rightfully prides itself on being a haven to a people marked by insecurity, it is to learn that true security lies in overcoming distrust and apprehension as much as acknowledging them. As Israel still struggles to survive in an inhospitable environment and given a traumatic past, it finds it difficult to internalize its own newly acquired relative prowess and the fact that it wields influence over the future of another people. It needs to confront an ideological as well as a psychological barrier, not without roots in reality, that regards the Palestinians as deadly rivals for the inheritance of the Land of Israel; all the descendants of Abraham, whether the children of Isaac or Yishmael, ought to find fulfillment and peace within the historical boundaries of a land that for too long has suffered the curse of strife despite its biblical yearning for the blessing of harmony.

The Palestinians too have not been spared history's harsh winds, dispersed as they are. Manipulated, exploited, and abused by colonial rulers and those who should have acted as the Arab brothers they were, rather than turning them into pawns in an all-consuming scheme to deny in word and deed Israel's presence in the matrix of Middle East life. Israel's control, benevolent as it was, of the West Bank and Gaza Strip following the victorious 1967 War which had been imposed on it, served to heighten the Palestinian sense of national identity and raise its expectation for self-rule. No doubt, the continuing uprising, the painful Intifadah, raging now for a second year, has placed Palestinian plight in a world focus with an urgency and sympathy that were priorily lacking, prodding, I believe, the United States to act, cognizant of and contributing to the PLO's emerging proclaimed modified posture that yet need be sustained in action, proving indeed a radical departure from its traditional, vehemently noncompromising stance vis-a-vis Israel.

Israel is challenged to adjust its perspective accordingly and not be blind to developments of immense consequence bearing fresh opportunities not to be missed while properly assessing the risks. But are the Palestinians, who also possess a tenacious will, ready to hear and believe that there is a vulnerable side to those who have a measure of power over their destiny and require reassurance that the outburst of Palestinian vigor and purpose would not be expressed at Israel's mortal expense? It is of critical impact to the eagerly awaited rapprochement process for the Palestinians to draw into a climate of dialog and negotiation the rest of the Arab camp that has failed to respond constructively to the breakthrough precedent set by the 1979 Israeli-Egyptian Peace Treaty that has begged to be the harbinger of a transformed Middle East, once again the birthplace of eternal vision, hope and shalom for humankind.

TRIBUTE TO DR. FRANZ E. HERKT

HON. JOSEPH M. McDADE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 10, 1989

Mr. McDADE. Mr. Speaker, today I am pleased to join many of my friends in congratulating Dr. Franz E. Herkt on his years of service to Schott Glass Technologies, Inc. On the occasion of his retirement, Dr. Herkt will be showered with many expressions of the affection and high regard from the people—on both sides of the Atlantic—that have been privileged to work with him.

Our Nation owes a great debt to Franz Herkt. Although a citizen of the Federal Republic of Germany, Dr. Herkt served in the U.S. Navy for over 5 years during which time he demonstrated moral and professional qualities which led to promotions from an enlisted rank to that of lieutenant. His language skill won him many commendations, but it was his initiative, energy, and enthusiasm that set him apart from his colleagues.

I am very pleased that he chose to bring that initiative, energy, and enthusiasm to northeastern Pennsylvania after winning his doctorate degree. Since 1975, Dr. Herkt has been president and CEO and a member of the board of directors of Schott Glass Technologies, Inc. in Duryea, PA.

Schott is a dynamic company which employs over 500 workers and is planning a work force expansion. In 1967 when Schott first started production in our area, the work force totaled fewer than 100. Dr. Herkt has been instrumental in greatly expanding Schott's sales. He is also responsible for establishing a full-fledged research and development facility which will further enhance Schott's ability to manufacture materials used in medicine, aerospace, laser, and fiber optics.

During Dr. Herkt's tenure at Schott, his community service record has also been distinguished. He has supported economic development in northeastern Pennsylvania and has been a significant force in bringing technology into our area.

Dr. Herkt will certainly be missed, and I am pleased to wish him all the best. I am confident that the coming years will be happy ones and hope that he will always remember that he has many, many friends in Pennsylvania.

TRIBUTE TO THE INTERNATIONAL ROTARY CLUB FOR THEIR POLIO PLUS PROGRAM

HON. JACK BUECHNER

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 10, 1989

Mr. BUECHNER. Mr. Speaker, I rise today to applaud the efforts of the International Rotary Club in their Polio Plus Program which is designed to remove polio from the face of the Earth. The Rotarians' dedication to this cause manifested itself in my home State of Missouri, as the Florissant Rotary held its first annual World Invitational Fishing Tournament

For centuries, polio was a seemingly insurmountable scourge upon the human race, killing many and crippling many more. Like some diseases today, it was, by most people, dismissed as a fact of life. But for the efforts of a courageous few, it would probably still be stealing our children's lives. Fortunately for all of us however, Jonas Salk and others like him refused to accept the inevitably of this disease. Instead of cursing it, or bemoaning it, or praying for it to pass, they fought polio, and in the end, found the means to defeat it.

I find it heartening that this spirit is still alive today, in the form of groups like the Rotarians, who find it unacceptable that this curable disease still afflicts humanity so many years after the advent of its cure. The Rotary Club has sworn to eradicate polio completely by the year 2000, and have already vaccinated 135 million children.

To paraphrase an old Chinese proverb, "many will curse the darkness, but only an insightful few will choose to strike a match." We should all be grateful for people like the Rotarians who have the courage to rise up against the problems of humanity, in the hope that one day all diseases might be vanquished.

The motto of the Rotary Club is "Service Above Self." Mr. Speaker, I enjoin the Members of this assembly to congratulate the Florissant Rotary Club for personifying that motto.

A HOLLOW ACCORD IN AFGHANISTAN?

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 10, 1989

Mr. MICHEL. Mr. Speaker, Americans have a tendency to forget about a problem once the television cameras have departed from the scene. Nowhere has the truth been more evident than in Afghanistan. We were told that Soviet troops had departed and we quickly lost interest. But have all Soviet troops departed in fact? Our colleague BILL MCCOLLUM says "no," and I believe our colleagues deserve to know what BILL has found out. We just have to get out of the habit of forgetting about a problem once media attention has been directed elsewhere. BILL does a great service in reminding us that the Soviet Union is still playing a role in Afghanistan.

At this point I wish to include in the RECORD, "A Hollow Accord in Afghanistan?" by BILL MCCOLLUM, published in the Washington Times, May 8, 1989.

[From the Washington Times, May 8, 1989]

A HOLLOW ACCORD IN AFGHANISTAN?

(By Bill McCollum)

(Bill McCollum is a Republican member of the House of Representatives from Florida)

It appears U.S. policy-makers have looked the other way, ignoring Soviet involvement in Afghanistan after the "official" Soviet withdrawal.

Conventional wisdom aside, Soviet forces in Afghanistan have not been completely withdrawn. In fact, reliable sources say more than 50,000 Soviet and Soviet-controlled troops remain there. By the autumn of 1988, 6,000 to 7,000 Soviet Uzbek, Tajik and Turkomen elite troops—known as Jowzjanis—had been secretly enrolled in the Afghan army.

Because Uzbeks, Tajiks and Turkomen live on both sides of the Soviet-Afghan border, they are indistinguishable from Afghans. In December, another 4,000 Jowzjanis were brought in, and most of them remain in the Kabul area. Some 20,000 Soviet elite forces—known as the Mongols by the rebels—operated in unmarked KGB uniforms in late 1988. These troops are also Soviet citizens from the Far East who were secretly "donated" by the Soviet Union to the Afghan army.

Since late 1988, they were also reinforced, although the exact number is not known. Another group of Soviet-controlled troops, the DRA, consists of some 20,000 young Afghan males who were taken from their villages in the early 1980s and then trained in the U.S.S.R. In other words, as the "official" Soviet army left Afghanistan, the clandestine Soviet army—better trained and more reliable—tiptoed into Afghanistan with supplies and new equipment awaiting them.

Just last week, sources from the battlefield said that three border guard brigades have reinforced the communist forces in Jalalabad. This is obviously a blatant violation of the accord, because these brigades consist of Soviet-controlled troops, including Jowzjanis and Mongols. The Soviets have also brought in two brigades of special palace guards that include Jowzjanis, Mongols and militia units from neighboring provinces.

Meanwhile, startling new information from mujahideen sources indicate that the Soviet-backed communists may unleash chemical gas attacks once again. They report that full gas protective outfits have been issued to all the communist troops in Jalalabad, and a communist army unit trained in decontamination has been deployed there, where a fierce battle now rages.

Also, sources indicate that the communists are using a new missile or artillery weapon that contains a deadly fuel/air explosive. High altitude bombing continues around the clock, thanks to supplies from Russia and India that land at least 25 times a day in Kabul. The Kabul puppet government is well-fed with Soviet weapons and supervision, due to the loopholes in the accord and U.S. policy-makers' peculiar reluctance to accept the Afghanistan reality.

Some critics blame America for prolonging the fighting because we gave arms to the freedom fighters. Actually, the mujahi-

deen need more weapons, not fewer. After all, the Soviets have "donated" mammoth stockpiles of weapons to the Kabul government, enough to last several Soviet divisions a few years.

The Soviet Union appears to be right on track in its long-term plan of dominating Afghanistan, and thus South Asia. The belief that nations alter their long-range goals when they merely change their short-term tactics is naive.

Revisions of such goals are deep, complex matters, and should be viewed cautiously if they are voiced so readily. A "good" Soviet-American relationship is meaningless if the Soviets don't display "real world" changes in their goal of determination. Soviet President Mikhail Gorbachev's soothing rhetoric just disguises the same foreign policy goals of earlier Russian leaders. Instead of the oafish Russian bear stumbling about, the Soviet Union is more like a sly cat on the prowl.

We need to work with all mujahideen factions to formulate a workable war plan. Sending supplies and equipment and leaving it to the Pakistanis to "advise" the freedom fighters is not enough. We must face the reality of continued Soviet presence, the vicious tactics they are employing, as well as the difficulties posed by current policies within parts of the government of Pakistan.

Pakistan worked in close alliance with the United States to aid the Afghan resistance prior to the fraudulent Soviet withdrawal, but some parts of the Pakistan government now appear interested in achieving hegemony over the region. These elements favor some resistance factions over others, thereby putting the entire resistance effort in grave danger. Furthermore, they have encouraged the use of tactics that preclude quick success in the face of the continued but unrecognized Soviet presence. U.S. policy-makers—in light of these Pakistani manipulations—should make it known that the United States will not tolerate any nation seeking hegemony over the region.

Until the mujahideen totally defeat the Soviet puppet government regime and drive the Soviets out of Afghanistan, no victory for freedom can be claimed.

As long as U.S. policy-makers ignore the reality of the situation, many more freedom fighters will die, and Soviet interests will prevail.

SHOULD THE POSTAL SERVICE RECEIVE OFF-BUDGET TREATMENT

HON. WILLIS D. GRADISON, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 10, 1989

Mr. GRADISON. Mr. Speaker, in recent years, there has been considerable debate about whether to move the Postal Service off budget. Until now, except for the Social Security trust fund, Congress has resisted the temptation to embark on a course that would render the unified budget meaningless.

Unfortunately, the bipartisan budget agreement, as well as the House and Senate versions of the budget resolution, would take us one more step down this road. As part of the agreement, the President and the leadership agreed to take the Postal Service off budget. In exchange for escaping direct budgetary oversight by Congress, the Postal Service would be expected to absorb $500 million in costs and adopt several unspecified reforms.

Additionally, the Federal deficit would appear to be reduced by roughly $2 billion, but that is only because this entity currently runs a deficit. This raises an interesting question; do we move the agency back on budget when it runs a surplus?

Supporters of off-budget status argue that the agency was once off budget and that, in any event, it does not rely on appropriations from the Treasury. In my view, whether the Postal Service was previously off budget is irrelevant to the issue of whether it should be. The fact is that the Postal Service has always been an agency of the Federal Government and it continues to receive Federal subsidies. Because of the budget agreement, we are now on the verge of granting budgetary independence to an agency of the Federal Government, thereby diluting congressional oversight, while continuing significant Federal subsidies to it.

For $500 million in annual savings, off-budget treatment, with all of its implications, apparently comes cheap. If the budget agreement is implemented, the Postal Service will be a semi-independent Federal agency. It will continue to hold a quasi-monopoly position in its industry as well as complete authority to enforce the private express statutes. It will be largely outside the budgetary supervision of Congress, yet will continue to draw on the taxpayers' pocketbook.

Postmaster General Anthony Frank, writing in the May 2 edition of the Washington Post, argues that all the Postal Service wants "is a fair chance to manage our own affairs." Fair enough, but if the Postal Service wants to operate outside the budgetary supervision of Congress, and it is the judgment of the President and the leadership that this is appropriate, it is only reasonable to eliminate all of its subsidies and statutorily mandated competitive advantages. The price for escaping from budgetary control ought to be complete privatization.

Complete independence for the Postal Service, eliminating all Federal subsidies including those laws that confer monopoly or near-monopoly benefits, would realize substantially more than $500 million in savings. Here are some of the potential savings:

First. Eliminate personnel subsidies: The Federal Government pays all COLA's and most health benefits for postal retirees. A truly independent Postal Service should be responsible for these personnel costs. In 1990, this would save taxpayers approximately $1 billion and would rise to over $2 billion by 1994.

Second. Eliminate revenue forgone: If Congress chose to eliminate preferential mail rates, nearly $500 million in savings could be realized in 1990. If Congress decides to continue to subsidize preferred mailers, at the very least competitive forces ought to be introduced to the process.

Third. Eliminate additional authorizations: The Postal Service has the authority to receive other subsidies through transitional and public service appropriations. Since 1970, when the Post Office Department was transformed into a Government corporation, the Postal Service has had authority to request appropriations to ease its transition to its new status. Although the Postal Service has never tapped this source of potential revenue, it remains on the books. A nearly 20 year transition period is probably sufficient—even for a Government agency. The Postal Service also has authority to request public service appropriations to support post offices in areas that are not self-sustaining—for example, where the salary of the postmaster is in excess of the revenue generated by the post office branch. The Postal Service has not requested these appropriations since 1982 and there is no need to continue their legal authority.

Fourth. Eliminate access to Treasury's credit window: The Postal Service has a $10 billion line of credit to FFB and a $2 billion line to Treasury for emergency purposes. Currently, the Postal Service has approximately $2 billion remaining on its FFB line of credit. A truly independent Postal Service should go to the private credit markets without any Federal guarantee.

Quite clearly, more than $500 million in savings could be realized by fundamentally altering the agency's status. In addition, without being encumbered by the demands accompanying Federal subsidies, the Postal Service would be in a much better position to carry out, in the Postmaster General's words, its "businesslike public service" in an "increasingly competitive communications marketplace."

In an editorial in its April 25 edition, the Washington Post argued cogently against the off-budget scheme:

> The budget is supposed to reflect the government's full impact upon the economy. Taking functions off budget masks that, and exempting some functions from the burden of reducing the deficit only increases the burden on the rest. The postal service says its operations are too vast and at the same time too intricate to be subject to such intrusions. But every agency says the same thing; why not also set up a trust fund and exempt the Pentagon?

Why not, indeed? If we are to reach back to the precedents of off-budget treatment to help solve the deficit problem, why stop there? One could, for example, also argue that because the Government must pay the interest on the public debt, about $169 billion in 1989, that it ought to be off budget as well. After all, interest on the debt is not a discretionary expense and is not subject to the appropriations process.

The potential gimmicks are endless and off-budget treatment for the Postal Service is one of the worst. We will fool no one by this action and Congress will damage once more what little credibility it has left as an honest budgeter. More importantly, the real deficit will not be reduced and Congress will inevitably lose some control over this Government agency. In my view, the costs clearly outweigh any conceivable gain.

For a long time, it has been assumed that the Postal Service performs a function that inherently is a function of Government. Perhaps it is time to test that assumption.

NEWARK'S CAPITAL READING PROJECT

HON. DONALD M. PAYNE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 10, 1989

Mr. PAYNE of New Jersey. Mr. Speaker, it is with great pride that I share with my colleagues in Congress the story of an exciting and ambitious project being undertaken by the schoolchildren of Newark, NJ.

When the Library of Congress designated 1989 as the Year of the Young Reader, our students in the Newark School District responded with youthful eagerness and determination. As part of the year-long celebration, they have pledged to read over 1 million books. Our students have embarked on a long, adventurous journey, placed side-by-side, the books would form a path stretching 215 miles from Newark, NJ, to Washington, DC.

Enthusiasm for our hometown venture, known as Newark's capital reading project, is shared by our entire community. Parents, teachers, school administrators, and students are all working together to attain this impressive goal.

Mr. Speaker, we frequently hear about the serious problems facing our urban areas, problems like drugs, crime, and illiteracy. Too often we overlook the many positive and innovative activities going on in our cities today. The capital reading project is an excellent example of a grassroots effort to enhance the lives of our children.

The multitude of books these students read will open up new worlds to their young and impressionable minds. During the Year of the Young Reader, it is important that we convey to our children the joy, magic, and lifetime rewards that reading brings. Books spark the imagination; they carry us back into history and propel us into the future. Books inspire us, teach us, entertain us and sometimes comfort us.

Mr. Speaker, I know my colleagues join me in offering best wishes to the students of Newark as they pursue the challenge before them.

INTRODUCTION OF COBRA EXTENSION LEGISLATION

HON. NANCY PELOSI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 10, 1989

Ms. PELOSI. Mr. Speaker, today I am introducing legislation that will assist disabled Americans in obtaining health insurance coverage at group rates.

The Consolidated Omnibus Budget Reconciliation Act [COBRA] of 1985 required that continuation of certain health insurance coverage be offered to employees who would otherwise lose coverage in an employer's group health plan due to termination of employment or other qualifying events. For most eligible beneficiaries the minimum continuation period is 18 months; for certain other situations, the minimum period is 36 months.

When a worker becomes disabled under provisions of title II of the Social Security Act, he or she is eligible for financial support 5 months after the onset of disability. Health coverage under Medicare is available after another 24 month waiting period. Thus, an individual who is disabled by a severe medical condition faces a 29-month waiting period from the date of onset of disability to the date of becoming eligible for coverage under Medicare.

This legislation would extend the minimum continuation period from 18 to 29 months for individuals who are disabled under title II of the Social Security Act.

This legislation will help improve access to health services and also help protect family financial resources. I urge my colleagues to support this proposal.

UNIVERSITY OF COLORADO SCIENTISTS HONORED FOR INVENTIONS

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 10, 1989

Mrs. SCHROEDER. Mr. Speaker, I would like to bring to the attention of my colleagues a special Colorado connection with last month's Inventor of the Year Awards, hosted by the Intellectual Property Owners Foundation, April 13, in the Cannon caucus.

One of the four scientists sharing the top award as Inventor of the Year is a University of Colorado graduate, and two medical doctors honored as distinguished inventors of 1989 collaborated while on the faculty of the University of Colorado Medical Center.

David Goeddel, a 1977 Ph.D. in biochemistry graduate of the University of Colorado, was one of four scientists at Genentech, Inc., who shared the $4,000 prize as Inventor of the Year for their creation of t-PA, tissue plasminogen activator, which dissolves blood clots in arteries, a major cause of heart attacks. The invention of t-PA is a good example of how biotechnology can be applied to everyday health care.

The University of Colorado should also be proud of the accomplishments of Drs. Charles A. Chidsey III and Guinter Kahn, who were honored as distinguished inventors of 1989 for their work in developing rogaine topical solution, a baldness treatment that was approved for sale last year by the Food and Drug Administration. Rogaine, like so many discoveries, was the spinoff of an unrelated study into hypertension drugs.

I salute Drs. Chidsey, Kahn, and Goeddel and I salute the Intellectual Property Owners Foundation for honoring their work.

PRESIDENT JIMMY CARTER

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 10, 1989

Mr. LIPINSKI. Mr. Speaker, I rise today to pay tribute the fine work of President Jimmy Carter. He has become a one-man traveling White House years after his departure from office. His familiarity with the situation in Panama, his willingness to travel to that country, observe the elections, and to return to brief this indecisive administration is a testament to President Carter's abilities and dedication.

The Republicans have been running against Jimmy Carter for 9 years. Now, in a time of crisis, they run to him. It is to his credit that he has responded to the calls of a candidate who vilified him and who continues to blame him for every problem for which the administration does not have an answer.

Jimmy Carter implemented vital and long-lasting foreign and domestic policies and hammered out historic agreements. The Camp David accords continue to be a model for settlement in the Middle East. The SALT II Treaty has served as a vital check on the arms race and helped lead the way to the historic INF Treaty. The Panama Canal Treaty will help protect the canal from the likes of Noreiga. Jimmy Carter was far-sighted on the issue of energy. In the aftermath of the Exxon oil spill and the rising dependence of our Nation on imported fossil fuels it is clear we need his leadership on energy conservation and renewable energy.

Jimmy Carter understood that the United States must lead the world on human rights and support for democracy. Leadership does not mean policy review and indecision. It is a relief and it is an honor to have President Carter on the job for the White House and the United States of America.

THE PHILADELPHIA MOUNTED PATROL: 100 YEARS OF SERVICE

HON. THOMAS M. FOGLIETTA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 10, 1989

Mr. FOGLIETTA. Mr. Speaker, I rise today to pay tribute to the mounted police patrol, who, this year, celebrate 100 years of service to the people of Philadelphia.

In 1858 Mayor Richard Vaux first experimented with the use of mounted officers in an attempt to combat civil disturbances and pursue criminals on horseback. His attempt failed, but just 31 years later it became apparent, again, that a mounted police patrol was needed. The mounted police patrol was originally made up of 98 officers, all formerly cavalrymen. For 60 years, they were a major force; effectively patrolling downtown Philadelphia, its parks and residential districts.

By the mid-1950's, however, many people began to question their effectiveness. One of their bleakest hours may have come in 1952, when the Philadelphia Police Department terminated the mounted patrols on the recommendation of the city government.

But the era of horse patrol did not end here. The Fairmont Park Guard, a division created in 1967, continued to patrol city parks on horseback. Eventually, the police department realized they had made a mistake and reestablished the mounted patrol in 1972.

Today, the mounted police patrol are a small yet highly visible division of the police force dedicated to serving the citizens of Philadelphia. Their major function is to assist other police officers in controlling crowds and escorting officials in parades. They also patrol the 8,700 acres of Fairmont Park, one of the largest urban parks in the world, and serve to expedite traffic in heavily congested areas of the city. The reputation of the force has prompted other cities to extend invitations to train their mounted police on numerous occasions.

This year marks the centennial of the establishment of the mounted patrol, and the Atwater Kent Museum is presenting an exhibit in celebration of 100 years of valued service. Mr. Speaker, I rise to salute the mounted police patrol's hard work and dedication, and wish them at least another century of success in their efforts.

TRIBUTE TO DALE POLLARD

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 10, 1989

Mr. SKELTON. Mr. Speaker, there are many heroic acts performed in an instant which call deserved attention to those who perform them. It is uncommon however, that deserved attention is given to those among us who are exceptional citizens simply because of the example they set and the leadership they provide in the way they live their everyday lives. Dale Pollard, a resident of Lexington, MO, is such an exceptional citizen. Deserved recognition has been bestowed upon Dale with the naming of Dale Pollard Drive at the Lake City Army Ammunition Plant in Independence, MO. Few people have streets named after them, it is an honor fitting Dale Pollard. The following summary about the dedicated life of Dale Pollard has been extracted from the Lake City Tracer:

Dale Pollard Drive * * * a special tribute to a special man whose ties to Lake City date all the way back to April 1941 when he began his career here as an Assistant to the Chief Timekeeper for Remington. After fulfilling his military obligation from September 1942 until January 1946, he returned immediately (three days after his discharge) to Lake City on January 21, 1946 as a Grade 2, Government Clerk. Today he is the Civilian Executive Assistant * * * always directly, always leading * * * and always showing us the way! That crisp walk, stern face and tassel of white hair are a familiar sight to all at Lake City, and those who know him best know that beind that stern face there's a twinkle in those eyes. The years have served him and this community well, as he has gone about his business of assisting in the operation of Lake City. Dale Pollard Drive stands as a reminder of 46 years of dedication!"

FRANK GEHRY: WINNER OF PRITZKER PRIZE, HONORED BY UNIVERSITY OF JUDAISM

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 10, 1989

Mr. LEVINE of California. Mr. Speaker, I rise today to congratulate my friend and constituent Frank Gehry who was recently awarded the prestigious Pritzker Prize for his outstanding architectural talents. His work will also be recognized by the University Women of the University of Judaism's 23d Annual Author-Artist Luncheon on June 13.

Many of the best examples of Frank Gehry's work may be found in the Los Angeles area. Over the past 25 years, he has left his mark on a wide variety of buildings, from private homes, to skyscrapers, and from museums to factories. His unique style is particularly notable for its artistic, rather than purely functional, treatment of those structures, and shows the strong influences of contemporary artists. Indeed, as the award itself put it, his work "emphasizes the art of architecture."

Christopher Knight's Los Angeles Herald Examiner article which announced Frank Gehry's selection for the 1989 Pritzker Prize, describes both the award and his work in greater detail. I commend it to my colleagues' attention.

The article follows:

FRANK GEHRY WINS 1989 PRITZKER PRIZE

(By Christopher Knight)

Among the manifold pleasures of living in the heart of Hollywood is having the Frances Howard Goldwyn Regional Branch Library as my neighborhood biblioteca.

You see, the Frances Howard Goldwyn Regional Branch Library was designed in 1983-84 by the architect Frank O. Gehry, he of chain-link fencing fame. To those like myself, for whom art is a habit of more than passing fancy, Gehry operates as an artist's architect, which adds distinctive charms to the abundant pleasures of using his buildings.

It's hard to say whether Gehry is exactly thought of as an artist's architect by the six jurors who had the great and good wisdom to bestow upon him the weighty Pritzker Architecture Prize, which is being announced today in Chicago by the Hyatt Foundation, sponsors of the accolade. I suspect he is. The 60-year-old architect, who was born in Toronto but who became a U.S. citizen in 1950 while a student at USC, has never been shy about declaring the importance to his work of contemporary art and artists.

They've helped shape his thinking about how building forms should arise. From the celebrated sculptors Donald Judd and Claes Oldenburg, to any number of artists in the burgeoning milieu of Los Angeles, where Gehry has long based his architectual practice, he has gleaned much insight about space, imagery and visual language.

The Pritzker Prize citation—which will be presented to Gehry at formal ceremonies in Japan later this month, along with a handsome bronze medallion and an even more attractive check for $100,000—is notable for an almost total absence of commentary about the influence of other architecture on his work and for the plethora of references to the visual arts.

As reported by the estimable Bill N. Lacy, secretary to the jury, the citation is rather pointed in its declarations:

Gehry's is "a sophisticated and adventurous asethetic that emphasizes the art of architecture."

His body of work "reflects his keen appreciation for the same social forces that have informed the work of outstanding artists throughout history, including many contemporaries . . ."

His buildings are "juxtaposed collages of spaces and materials . . ."

He works with "a sureness and maturity that resists, in the same way as Picasso did, being bound either by critical acceptance or his successes."

The italics are mine, but the sentiment seems clear. It may be too much to suggest that the jury was trying to send a larger message through its selection of this particular architect, who emphasizes a cross-disciplinary approach. Still, at a time when a high priority is being given to the difficult question of collaboration between architects and artists, the jury has singled out for applause a supremely gifted architect who for 25 years has been happy to raid the minds of artists.

(This year's jury, incidentally, was composed of Giovanni Agnelli, chairman of Fiat in Torino, Italy; J. Carter Brown, director of the National Gallery of Art in Washington, D.C.; Ada Louise Huxtable, former architecture critic of the New York Times; architect Ricardo Legorreta of Mexico City; 1982 Pritzker laureate Kevin Roche of Hamden, Conn.; and Jacob Rothschild, chairman of the board of trustees at London's National Gallery of Art.)

What has Frank Gehry learned from art and artists? I'm not so sure about Picasso, but some things are obvious.

The 1964 Danziger Studio on Melrose Avenue, which was Gehry's first important building, is a sculptural, stripped-down, minimalist form that seems fully of its moment. The hardware store materials for which he is famous—chain-link fence, corrugated sheet metal, plain old two-by-fours—arise from a network of impulses shared by assemblage and pop art. The row of false classical columns that march in front of the "mock court" on the campus of his much-lauded Loyola Law School (1981-84) are a witty popism. The huddled clauster of independent rooms, which collectively make up the celebrated Winton Guest House (1983) in Wayzeta, Minn., forms a tender composition reminiscent of nothing so much as a still-life painting by Giorgio Morandi.

Other relationships to art and artists are more difficult to describe, because more profound. Gehry's own house in Santa Monica—a notorious structure in which the architect started with an ordinary bungalow from the '20s, then built a second structure around it, much to the dismay of certain neighbors—is a case in point.

The kitchen/dining room of the house, an open-plan format that Gehry added on to the original bungalow, stands where the driveway sued to be. (Its floor is asphalt, reminding you of the recent history of the place; you can clean it with a garden hose.) One interior wall of this long room, which is still covered in clapboards, was formerly the exterior wall of the house. So, the living-room window now looks out onto the kitchen/dining room, and vice versa.

I once sat in this disarming room for a very long while before it finally occurred to

me why the place exerted such an extraordinarily vivid presence. Suddenly, I realized I was sitting outdoors and indoors at one and the same time.

Particularly in its domestic spin, this unnerving yet viscerally understandable experience owes a clear debt to Oldenburg-ian wit. Meanwhile, the simultaneity of inside-and-outside space arrives from a deep understanding of the radically disruptive sculpture of Donald Judd, in which the traditional separation is replaced by a seamless unity of interior and exterior.

I see I have managed to ensnare Gehry completely within a web of visual art here. Certainly, had pop art and minimalism never been, his architecture would be rather different than it is. But Gehry is an artist's architect, not an architect's artist. Even though it's hardly my area of expertise, at least a nod must go to architectural precedent and practice in understanding the fundamental importance of his work, and of its worthiness for the highest acclaim.

For what is Frank Gehry's house in Santa Monica but the architectural apotheosis of California's vaunted indoor-outdoor living? To be there is to physically inhabit a disjunctive image, which is neatly framed by the suburban picture window. It may not look it at first, but the Gehry House stands on a firm foundation whose bricks include historic haciendas and suburban tract housing, as well as the rather loftier aspirations of Richard Neutra and Rudolph Schindler.

The house also stands on principles derived from Russian constructivist sculpture and architecture early in the 20th century. But, let's not get into that, except to note that it represents a moment when heady attempts were being made to dismantle barriers between supposedly independent disciplines.

Instead, let's look forward with blissful anticipation to the building of his design for the $100 million Disney Concert Hall on Bunker Hill. And, let's gladly add Frank O. Gehry's name to the distinguished list of 11 previous Pritzker laureates, among them Philip Johnson, Luis Barragan, James Stirling, I.M. Pei and Richard Meier. It fits.

WHERE TO SEE GEHRY'S ART

As Frank O. Gehry's reputation has grown in the last 25 years, he's designed a wide variety of buildings in a diverse geographic area. He's built houses, restaurants, shopping centers, schools, museums, factories, and skyscrapers in cities as far-flung as Ames, Iowa, and Kobe, Japan.

Still, much of Gehry's best work is in L.A. Here is a list of a dozen structures Gehry has designed in the past quarter-century, including renovations of existing buildings:

Danziger Studio and Residence, 7001 Melrose Ave. (1964).

Faith Plating Co., 7141 Santa Monica Blvd. (1964).

Hollywood Bowl Renovation, 2300 N. Highland Ave. (1970-82).

Santa Monica Place, Colorado Avenue at Fourth Street (1973-80).

Gemini G.E.L., 8365 Melrose Ave. (1976-79).

Cabrillo Marine Museum, 3720 Stephen White Drive, San Pedro (1979).

World Savings Bank, 10064 Riverside Drive, North Hollywood (1980).

Loyola Law School, 1441 W. Olympic Blvd. (1981-84).

California Aerospace Museum, Exposition Park (1982-84).

The Temporary Contemporary at the Museum of Contemporary Art, 152 N. Central Ave. (1983).

Frances Howard Goldwyn Regional Branch Library, 1623 Ivar Ave. (1983-84).

Edgemar Shopping Center, 2437 Main St., Santa Monica (1988).

Mr. Speaker, I would like to ask my colleagues to join me in recognizing Frank Gehry's fine work, and congratulating him for being selected for this year's Pritzker Prize.

THE FSX DEAL

HON. LAWRENCE J. SMITH

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 10, 1989

Mr. SMITH of Florida. Mr. Speaker, I take this opportunity to voice the deep reservations I have about the proposed plan to codevelop a fighter plane with Japan, the FSX deal.

While it is true that in the past we have had "kit-form" coproduction with Japan for other weapons systems, we have never taken it to the point of research and development, especially the latter. I honestly believe that we are rushing into this deal before we have had ample opportunity to totally evaluate the cost/benefit ratio.

Some involved in this debate mention the economic benefits that we will derive. As the deal stands presently, United States firms involved in the project stand to gain 40 percent of the economic benefits derived from the program, or approximately $2 billion of the $5.2 billion that Japan is putting into the production end of the project and $480 million of the $1.2 billion that Japan is putting into the development stage of the program. I fail to see how big a dent this $2.480 billion will have in our trade deficit with Japan, a deficit that is upward of $50 billion annually. The bottom line is that this deal does not represent as large a piece of the total economic pie as some would believe.

I am further troubled by certain technology issues associated with this deal. First, I have to question what amount of technology we will receive from the Japanese that we do not already possess. Second, should the Japanese develop some new form of technology, I am troubled by what flowback mechanisms are in existence to ensure that we will benefit from this technology. Finally, I am greatly distressed at the possibility that Japan will gain the technology to threaten the lead that the United States has in the commercial and military aerospace industry.

Until these questions are sufficiently researched and answered, I will continue to harbor the doubts I have expressed. I urge my colleagues to exercise the most careful discretion in trying to reach a decision about the FSX. There is too great a risk to the United States economically and militarily to be hasty in our decision.

TRIBUTE TO THE UNITED BLACK FUND 17TH ANNUAL VICTORY LUNCHEON "EMPOWERING OUR COMMUNITY: TAKING CONTROL"

HON. RONALD V. DELLUMS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 10, 1989

Mr. DELLUMS. Mr. Speaker, I once again rise to enthusiastically salute the excellent service provided by the United Black Fund. On June 2, 1989, the United Black Fund will sponsor the 17th Annual Victory Luncheon which celebrates the successful United Way/United Black Fund Partnership Campaign. This year's theme "Empowering Our Community: Taking Control" is not only appropriate, but also timely.

The United Black Fund under the leadership of my good friend, Dr. Calvin W. Rolark, has become a beacon of hope for the citizenry of Washington, DC. The United Black Fund not only funds badly needed programs, but also offers guidance for today's concerns through the workshops offered at the luncheon. I am particularly impressed with the topic selection of this year's workshops, which gives hope to the future.

As we know, substance abuse is a major problem facing our community and the Nation. We, as leaders, are looked upon to stimulate discussion and facilitate answers to the burning questions of today. Therefore, I definitely see the need to examine society's contribution toward substance abuse. Over 20 years ago, the Kerner Commission predicted that as a result of our Nation's policy of benign neglect, our communities would suffer greatly. Our communities are indeed suffering.

It is imperative that we continue the present dialog and continue the actions in ridding our communities of the deadly menace called drugs. It has only been through collective action that we as a people have been able to overcome insurmountable odds in the past. We must continue to be vigilant. To the guests at the luncheon—we have a responsibility to ensure a better nation for our children and their children. I applaud your presence at the luncheon, but also ask that you not give up the struggle—I join you in making this a better world.

EDUCATION: RAISING AMERICA'S GRADE

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 10, 1989

Mr. PORTER. Mr. Speaker, Secretary Cavazos recently released the Department of Education's State education performance chart.

Despite greater financial commitment to elementary and secondary education, we are making almost no progress in student performance. Although we spent close to $200 billion last year, graduation rates improved less than 2 percent over 1982.

I was surprised to learn that between 1982 and 1988, teacher salaries increased by over 20 percent in real terms. Per pupil expenditures, which are higher here than in Germany or Japan, increased by over 26 percent in real terms. But I wasn't surprised to learn that for that same period, SAT scores improved by only 11 points, and ACT scores improved by 0.4 of a point.

These statistics suggest that more money is not the answer. The answer is accountability. Teachers, administrators, students, parents, and communities must all participate in the educational process. Goals must be set, progress measures, and individuals held accountable.

Mr. Speaker, the Secretary of Education tells us that, "as a nation our educational performance is merely average." I am not willing to settle for average, and neither should this Congress, nor the American people.

CELEBRATING THE 100TH ANNIVERSARY OF GRANT ELEMENTARY SCHOOL

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 10, 1989

Mr. BROWN of California. Mr. Speaker, on May 10, 1989, Grant Elementary School in Riverside, CA, is celebrating its 100th anniversary. I ask my colleagues to join me today in saluting the administration, teachers, students, and parents of Grant Elementary on the school's centennial.

The original Grant School was built from the first bond money voted in its district. Six acres were purchased at the corner of 14th Street and Walnut in Riverside for the princely sum of $7,500. The school itself was built for $53,295 and opened in 1889 as Riverside's first major school. The school opened with 400 students, accommodating both elementary and high school students. It was Riverside's first high school and first junior high school. In June 1890, the first Grant School graduates received their high school diplomas. This class consisted of seven students: four girls and three boys.

Grant School's structural design was considered the most outstanding of its time in California. Unfortunately, an earthquake in 1933 resulted in so much damage to the original building that it had to be torn down. The present structure, designed by G. Stanley Wilson, one of the architects of Riverside's historic Mission Inn, was built in 1935 with the help of Work Project Administration funds. Grant School was designated a cultural heritage landmark in 1978, in recognition of its historical significance.

In the past 100 years Grant School has brought pride to its graduates and to the community of Riverside. I join our community in saluting a century of excellence at Grant School.

LEGISLATION AMENDING THE ARCTIC RESEARCH AND POLICY ACT

HON. DON YOUNG

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 10, 1989

Mr. YOUNG of Alaska. Mr. Speaker, I rise today before my colleagues in the House of Representatives to introduce legislation amending the Arctic Research and Policy Act of 1984. The bill is designed to improve and clarify provisions within the act.

For the past 5 years, the Arctic Research and Policy Act [ARPA] has proved to be an extremely valuable mechanism by which scientists and scholars can analyze the growing strategic, economic, and scientific issues unique to the Arctic region. The exploration and development of natural resources along with advancements in military technology during the mid-1980's has clearly transformed the Arctic region into one of the world's most active and vital areas of scientific research for both the United States and the Soviet Union.

Recent events within Alaska have dramatically underscored the need for greater knowledge of the Arctic ecosystem. For example, the Arctic provides the greatest single concentration of food harvested for public consumption; the fishery resources of the North Pacific, North Atlantic, and the Bering Sea. This is merely one of many critical issues which deserve greater attention and analysis.

Since the implementation of the ARPA, significant recommendations have been made by the U.S. Arctic Research Commission, the National Science Board, and the Polar Research Board of the National Academy of Sciences. However, some technical and administrative modifications to the current act are needed to improve its effectiveness. For instance, this legislation offers amendments to the ARPA in order to expand the Arctic Research Commission from five to seven members, and require Federal agencies to actively respond to recommendations put forth by the Commission.

TRIBUTE TO NICOLE SMITH

HON. PETER SMITH

OF VERMONT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 10, 1989

Mr. SMITH of Vermont. Mr. Speaker, it is with great pleasure that I rise today to recognize a very outstanding citizen of Rutland, VT. I am referring to 14-year-old Nicole Smith, whose alert actions may have saved the life of an elderly woman. Nicole, a very admirable community member, has been selected as the first recipient of my Outstanding Citizen of the Month Congressional Award for the State of Vermont.

Nicole is a student at Rutland Junior High School and she holds a job as a newspaper delivery girl as well. It was during one of her usual early morning deliveries when Nicole noticed that 86-year-old Ruth Conlon had not picked up her newspapers or mail. There are some people who might not have noticed anything out of the ordinary, but Nicole sensed that something was wrong and notified her mother, who in turn informed the police of a possible problem. When the police arrived they found Ruth Conlon on the floor, semiconscious, bruised, and nearly dehydrated. Apparently, she must have fallen, and it is believed that she had been in this condition for about 2 days. If Nicole had not acted as quickly as she did, there is a strong possibility that Mrs. Conlon may have died.

Mr. Speaker, I initiated the Good Citizen of the Month Award to honor those Vermonters whose selfless deeds prove inspirational to society, and I can't think of a more fitting person than Nicole Smith to be the very first recipient of this award. On behalf of the citizens of the State of Vermont, I invite you and my fellow colleagues, to thank Nicole and wish her the best of luck for a bright future.

THE CONDITION OF INTERNATIONAL AVIATION

HON. BOB McEWEN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 10, 1989

Mr. McEWEN. Mr. Speaker, today I would like to share with my colleagues a recent speech which Bob Crandall, chairman and CEO of American Airlines, gave at the American Enterprise Institute Conference. Mr. Crandall discusses the condition of international aviation today, as well as its prospects for the future—he offers criticisms of the problems that may be encountered and possible alternatives to achieve a more dynamic industry. I include Mr. Crandall's entire address for the RECORD:

LET THE MARKETPLACE PREVAIL

Good afternoon, ladies and gentlemen. I'm sorry I wasn't with you earlier today—Dan Kasper tells me some of the discussion was pretty lively. Hopefully, the subject of international aviation will be the basis for a good dialogue this afternoon.

To get that dialogue under way, let me offer this proposition—the international aviation system is in chaos, and it's getting worse! Today, I'd like to suggest some alternative approaches which—utopian as they may sound—are in my judgment perfectly practical and would offer all of us—and the world's travelers—a far brighter future than today's policies seem likely to yield.

In one respect, at least, the aviation story is a good-news tale: Demand for airline seats is strong—very strong! All over the world, more and more people want to fly.

In a service-oriented world hungry for growth, jobs and wealth, you'd think governments would be going all out to exploit that demand by promoting aviation growth—but just the opposite is true. Around the world, aviation is hobbled. Capacity is short. Competition is constrained—and growth is stunted.

There's a distinct similarity between where we are today in international aviation and where we were a dozen or so years ago in domestic aviation. I'm sure many of you remember that world—before we got the regulation monkey off our backs. Carriers would send the CAB pound after pound of specious exhibits, diligently argue points of

minutia—and hope against hope they'd win a little something.

Eventually—sometimes—the omnipotent regulators would actually make a decision, most often a minuscule decision—and the chosen carrier would treat it like a major victory!

Like Des Moines. It took American Airlines 10 years get the right to fly to Des Moines—back in 1976! Since then, we've exited and entered twice—without anyone in Washington even noticing!

International aviation is still in what I call the Des Moines mode. Despite the fact that on many of the world's air routes load factors run in the 70's and 80's, new competitors can't add service. Governments tell airlines where they can fly, when they can fly, what equipment they can use and what they can charge. And more often than not, they say "no" to any new idea!

In today's international aviation world, the really intense issues of competition are things like—

Whether we will or will not put teeny TV's in each seatback;

Whether we will or will not use X or Y brand of caviar;

Whether we should or should not put after shave in the amenities kit;

And, whether our business-class seat is or is not two inches wider than yours!

More and more we are falling into the old airline habit of competing for the right to charge our customers $200 for $100 worth of goods—and cloaking the masquerade in the guise of quality service!

Our Government says it likes competition—but those things, ladies and gentlemen, do not constitute competition! Competition is frequency—competition is price—competition is daily service, everywhere. Competition drives the market, overcomes restraints, tests the limits of the possible—and creates opportunities galore!

If all this is true—and I think it is—how did we get into this mess? And how do we get out of it?

To some considerable extent, we are in a mess because the world's political leaders do not understand aviation's immense economic promise—and have failed to provide the physical environment needed to accommodate growth. Few, if any, governments—including our own—have carefully thought-out aviation policies. The United States of America, ladies and gentlemen, has no national aviation policy. That ought to be a high priority for the Bush administration—and I'm glad Sam Skinner has gone to work on it.

This lack of government policy—around the world—has had many adverse consequences, not the least of which is an acute—and growing—shortage of aviation infrastructure. Take the issue of air traffic control.

The U.S. has had, until recent years, a first-class air traffic control system—it doesn't anymore! Ours is still better than most, but it's woefully inadequate for today's traffic demands—and certainly inadequate for future growth. Abroad the problem is far worse. In Europe, there's Eurocontrol—and lots of country-specific air traffic control systems—together constituting a limited system often crippled by work stoppages about which governments seem unwilling to take decisive action.

There are lots of other constraints as well. There are far too few airports and runways—and the result is that slot controls, and rationing, are in place at many airports around the world.

And that's not all. Huge areas of the Southwest are off limits to civilian aircraft—to accommodate a very few military planes whose use of the space is non-intensive to say the least. In West Germany, our military's extensive use of Frankfurt International Airport is a terrible hindrance to civil aviation, is dangerous, and is a growing diplomatic concern.

With these and other problems so seemingly blatant, have the world's political leaders ever sat down to discuss—let alone solve—the aviation infrastructure crisis? Not to my knowledge. Indeed, most senior political leaders seem blissfully ignorant of the entire subject—which can only mean they haven't focused on aviation's growth potential—and the lost opportunities that untapped potential represents! I'd like to see the Bush administration take the lead in opening their eyes—by acknowledging the critical contribution that aviation makes to the global economy, and by according to the international aviation negotiating process the high-level attention it deserves.

Our problems are also partially a consequence of the fact that international aviation still operates under the terms of a complex web of agreements stemming from the International Civil Aviation Conference at Chicago in 1944—and I think we all must admit that 45 years ago, no one could possibly imagine the world of the 1990's.

Some argue that many old agreements are heavily weighted in favor of the U.S. Since all have been updated many times and since U.S. market shares are underwhelming by any measure, I would disagree. And if the original agreements did favor the U.S., it was because they reflected the economic realities of the times.

There are lots of other agreements which are anything but in U.S. interests—which are, in fact, heavily weighted in favor of our trading partners.

These latter agreements date from the late '70's, when the U.S. government—to its credit—bought into the gospel of deregulation. Washington decided it was so great that we should export it—whether the other guys wanted it or not. The U.S. was right to push liberalization—but wrong to attempt to implement it via agreements which swapped hard rights for soft ones. It would have been better to gain a consensus in favor of greater liberality before giving too much away.

Like it or not, today's agreements are there—and if we want change, we must start from the base they represent. We can neither sweep away the past—nor declare existing agreements irrelevant. Instead, we must find a way to reach new agreements—and we must have a new policy framework to hang them on.

As a first step toward creating that new framework, the U.S. should launch a real effort to achieve a consensus among our aviation partners—a new consensus tipped toward liberalization—and growth! Such a consensus is—first—in everyone's long-term interest, and—second—consistent with the competitive orientation of the deregulated aviation marketplace we advocate domestically.

As a first step, we must find a better way to measure the overall economic impact of civil aviation. We need an economic model that will enable all parties to an aviation negotiation to understand the macro-economic impact of proposed changes.

Consider, if you will, just one of many current discussions. Alitalia would like new U.S. routes, but is unwilling to let any U.S. carrier compete with its monopoly between Chicago and Rome/Milan—despite the fact that our bilateral explicitly permits it. The Italian Government is taking its advice from Alitalia and is clearly worrying more about its flag carrier than about the vigor of the Italian economy. If more people could conveniently travel to Italy, more dresses and shoes would be sold, more hotels would open, more restaurants would spring up, more gondoliers would be employed—and the entire Italian economy would benefit.

And if the Italians want to fly to Miami, to Atlanta—even to DFW—why not let them? What are we worried about? More competition?

In my opinion, we can't get agreement because neither side understands the overall impact of more service between Italy and the United States. Creating such an analytical model is not a trivial task—but neither is it impossible. The impacts are known—it's time they were quantified.

If governments were able to do accurate cost/benefit assessments, I think they would all see that while liberalization will inevitably disgruntle some existing interests, it will—in the long run—do far more good for far more people than today's protectionism. It's called free-market economics.

Second, we should urge all governments—our own included—to worry less about achieving perfectly "balanced" agreements. In any good business deal, all parties are winners—but not necessarily equal winners. The trick is to be sure that no one loses. We ought to stop worrying about a perfect balance of direct aviation benefits in every negotiation. In my view, if economic studies show that both countries will benefit—the deal ought to be done!

We also need to worry more about results and less about principles. For example, some of our trading partners argue that the U.S. should allow cabotage as a way of balancing fifth freedom rights granted—and paid for—long ago. Some U.S. interests, at the other extreme, take the view that cabotage is sacrosanct.

Neither view is realistic. Neither focuses on results. Both are long on principle and short on logic.

Those who argue that cabotage should be granted as a way of redressing ancient wrongs would be unlikely, in their personal lives, to make a voluntary second payment for an asset acquired years ago. And those who argue that cabotage—or any other subject—is non-negotiable—have clearly forgotten that the best way to end a discussion is to begin with the word "never."

The point is that by either making unrealistic demands or starting with an automatic "no," aviation leaders preclude progress.

Let's consider two current situations. First, if we are ever to have a fully developed North American aviation market, we must give the Canadian carriers broader competitive opportunities. Would some limited form of cabotage really be worse than the absurd limitations which constrain us today?

Second, we cannot seem to make any progress in the long-running U.S.-U.K. discussions—the two sets of negotiators say they can't find a balanced agreement. Yet what we have today is anything but balanced. British Airways is getting substantial benefits by using its many points of entry in combination with a code-sharing deal with United—but since it refuses to bless entry by U.S. carriers, and since the U.K. Government takes its cues from BA, U.S. carriers

aspiring to serve Britain are left with no recourse.

Wouldn't we be better off to prohibit code sharing—which is a consumer subterfuge at best—and trade limited cabotage rights . . . which BA wants and would clearly be good for it and for its country . . . for broader entry into the U.K.—which would be good for U.S. carriers, the U.S. and the U.K.?

These are obviously complex questions—and since I have neither perfect insight nor the model needed to evaluate the economic trade-offs, I can't even say precisely what terms I'd be willing to accept. I do know this: We must find some way to break the endless deadlocks that characterize today's environment. We must look at broader measures of gain than we consider today.

There is another step I think the U.S. should take which is of a fundamentally different character—and that's to insist that other governments honor the agreements they've already made.

Again, let me offer an example. Two years ago the U.S. made a deal which gave Swissair access to Atlanta in exchange for the Swiss Government's agreement that U.S. carriers would have the right to do their own ground handling and have their own customer service counters at Zurich and Geneva. Last year, the U.S. promised the Swiss an additional gateway in exchange for a number of things. One of those things, strangely enough—once again—was Swiss Government agreement to let U.S. carriers do their own ground handling and have their own customer service counters at Zurich and Geneva. Swissair hopes to launch service to its new gateway—which is Los Angeles—on November 1—despite the fact that we still don't have our own people or counters in Geneva . . . and won't have by November 1!

The past masters of this game are the Japanese. You've all heard a great deal about how new U.S. carriers can't get authority to serve Japan. The irony is that the original 1952 agreement between Japan and the U.S. permitted either side to designate multiple airlines. But when Washington certified United for Seattle-Tokyo Service in 1978—it took 4 years for the Japanese Government to accept it.

Since then, the U.S. Government has tacitly recognized that Japan will only permit new service in return for new concessions. So in 1985, in exchange for very limited Tokyo authority for American and Delta, the U.S. gave Japan additional routes—as well as permission for all Nippon and Nippon cargo to begin U.S. service.

My complaint is not that we gave so much—but that we got so little! Why not, now that both countries have multiple carriers, create open skies for all the airlines of both countries?

The failure of foreign governments to honor existing agreements puts the U.S. Government in the position of actively sustaining, abroad, the monopolies and duopolies it denounces here at home. It is ludicrous, for example, to get all lathered up about a hub monopoly in Detroit—to pick just one out of the air—while actively sustaining a much more important, much bigger, far more lucrative and vastly more anti-competitive U.S. duopoly in Tokyo.

Competition—a free marketplace—creates far more opportunities—for all—than monopoly ever will. To maximize those opportunities, the Bush administration must convince other countries to live up to the aviation agreements already on the books—and to accept its leadership in working toward a far more liberal international aviation regime.

In that effort, the U.S. faces two special problems. The first is that we will probably have to be among the first to accept win-win agreements in which the other side gets more than we do—because in many cases, others have little left to give. The Scandinavians, for instance, seek additional U.S. rights. since they have little with which to barter, there is little question but that they will get more routes out of any new agreement than we will.

Washington's second leadership problem stems from one of our great strengths—our highly competitive airline industry. What other Government gets so much conflicting advice from its own aviation community?

While these difficulties are real, they are political—and can thus be overcome if those who lead the Bush administration's aviation efforts have both clarity of vision and strength of will—and if the aviation industry will look beyond the end of the next quarter in deciding what to support and what to oppose.

As I said at the outset, airline seats are in great demand—but our marketplace is out of kilter. The aviation industry has far more to offer than it now provides. If the world wants what we can give, the system simply must change—and change dramatically.

To summarize: the Bush administration should take the lead:

First, to create the air traffic control, runway and airport capacity we need to accommodate a truly competitive system.

Second, to revise—slowly but surely—today's constraining agreements in favor of a broadly liberal regime built on a framework of macro-economic analysis . . . balanced but not necessarily equal agreements . . . and practical rather than theoretical underpinnings—in short, a market-driven, deregulated international aviation system.

And finally, to assure strict compliance—by every government—with both the letter and the intent of existing and future aviation agreements.

These steps will, over time, create new opportunities for all. An Optimized international aviation system is essential to world economic growth. We should all do everything we can to free aviation from the fetters of economic protectionism—and the perils of diplomatic dithering! Let the marketplace prevail!

Our country—our industry—and the world—deserve no less!

A TRIBUTE TO CHARLES CLAYBAUGH

HON. BENJAMIN L. CARDIN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 10, 1989

Mr. CARDIN. Mr. Speaker, I would like to call to the attention of my colleagues an outstanding citizen of Baltimore, Mr. Charles Claybaugh.

Mr. Claybaugh has dedicated himself to serving mature citizens in the Baltimore area. With his wife Leona at his side, he has worked tirelessly on behalf of our seniors to make their lives easier and more joyful.

He has been recognized as a leader in the community. Mr. Claybaugh is currently president of the Maryland Senior Citizens Hall of Fame, Inc., and a past president of the Maryland chapter of AARP, as well as past president of the Baltimore County Association of Senior Citizens Organizations [BCASCO].

Chuck Claybaugh has received many honors and accolades for outstanding service to his fellow seniors. I would like to add my voice to theirs, and offer my sincere appreciation and respect for a job well done. I urge my colleagues to join me today in honoring Charles Claybaugh.

VIEWS ON SECTION 89

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 10, 1989

Mr. LAFALCE. Mr. Speaker, I recently received a thoughtful letter from Robert P. Fine, Esq., concerning section 89 of the Internal Revenue Code and its impact on employers.

I believe that Mr. Fine's points warrant careful consideration as we seek to find workable solutions to the problems which employers have been having with section 89.

Accordingly, I ask that the letter be printed in the CONGRESSIONAL RECORD. I hope that our colleagues will have an opportunity to read Mr. Fine's remarks as they contemplate this important issue.

Mr. Fine's letter follows:

HURWITZ & FINE, P.C.,
ATTORNEYS AT LAW,
Buffalo, NY., April 24, 1989.

Congressman JOHN J. LAFALCE,
Chairman, Small Business Committee, House of Representatives, Washington, DC.

DEAR CONGRESSMAN LAFALCE: Hurwitz & Fine, P.C. represents a significant number of business entities of varying sizes. We have researched Section 89 of the Internal Revenue Code and urge the repeal of this Code provision.

We commend you on your efforts to address the problems created by this onerous tax measure. For the reasons set forth in this letter, we continue to believe that Section 89, even if simplified by current compromise proposals, will remain burdensome for employers and counterproductive to the achievement of its intended goals.

The currently suggested compromise measure would replace the complex multi-tiered discrimination test in the current law with a "simple" but still multi-tiered structure. While the current law's difficult scheme of "benefit valuation" will be abandoned under the compromise proposal in favor of a test tied to employer-paid premiums, businesses will still be faced with difficult testing concepts making compliance excessively burdensome. Employers will be forced to deal with complicated regulations governing the definitions of highly and non-highly compensated employees, the definition of what will constitute a plan for testing purposes, the treatment of "leased" and "former" employees, and the concept of aggregation where a business operates from more than one location. Employers nonetheless must continue to satisfy the complex, detailed qualification rules governing plan documentation. This is a significant burden for employers in the area of health and group term life insurance, an area in which costs already have escalated dramatically because of rising insurance premiums.

The implementation of discrimination testing and compliance with plan documentation rules will contine to be a costly, time-consuming process even under the compromise proposal. Based upon discussions with our clients and others in the businesss community, we believe that many employers simply will elect the less burdensome alternative of including the excess benefits in income of highly compensated employees rather than extending equivalent benefits to non-highly compensated employees. The proposed revisions, therefore, will not foster the law's goal of facilitating the extension of benefits to previously uninsured members of the labor force.

The compromise proposal apparently contemplates retention of the plan documentation rules. These rules alone constitute an incentive for many small employers to eliminate company-wide health and group term life insurance plans. Since highly-compensated employees will generally be in a better position to demand compensation for the loss of fringe benefits, the retention of Section 89, even in modified form, will result in an increase in discrimination in many businesses.

We have witnessed, over the past several years, a trend of increasingly restrictive nondiscrimination provisions in other areas of employee benefit programs, such as qualified retirement plans. Frequently, we find the employer's response to be an elimination of the benefit program entirely. Thus, the rank-and-file employees actually lose what they most seek.

Finally, those employers who continue to provide group plans may be forced to seek assistance from outside professional advisors to assure compliance. We believe that the cost of complying with Section 89 may outweigh the additional revenue obtained by the IRS. Even if Section 89 is modified, it may be a misallocation of societal resources.

We hope that these views will receive full consideration at the House Ways and Means Committee hearing to be held on May 2, 1989, and at the Senate hearings on May 9, 1989. We urge full repeal of Section 89.

Very truly yours,

ROBERT P. FINE.

JUST SAY NO—TO THE FSX DEAL

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 10, 1989

Mr. GAYDOS. Mr. Speaker, last week, the Christian Science Monitor ran a cartoon, showing President Bush, after signing the FSX deal with stars-and-stripes-clad Japanese, saying "Don't worry. We still have our secret decoder ring."

Well, that's about all we have left and it's time we started worrying. Because, Mr. Bush, everything is not "okey-dokey."

We're preparing to give away vital American technology. The F-16 technology that cost the American taxpayers $7 billion will be Japan's for $480 million—one-eighth—of that amount. Now, I have to give credit where credit is due: The Japanese are "smart shoppers."

But we're losing too many markets to Japanese industry in critical areas. We almost lost our steel industry, and our automobile and machinery industries have suffered greatly.

Today, only one American company makes televisions, and I don't have to ask anyone where we are getting our VCR's and stereos.

We've also lost ground in the semiconductor and computer chips industries.

And, here we go again selling our economic future and national security for a night out on the town.

The Japanese say they want the best possible aircraft now for their defense, but the earliest they'll have the FSX is 1997.

They could buy the best fighters in the world, the F-16, today at roughly one-third the cost of developing the FSX, even with our help.

We need to know where to draw the line in agreeing to the demands of our trading partners. At some point, we have to say no more. We must say no to the FSX deal. Because if the FSX deal goes through, there won't be any industry left for the Japanese to conquer.

HONORING ALEX BODNARIUK

HON. DENNIS M. HERTEL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 10, 1989

Mr. HERTEL. Mr. Speaker, I would like my colleagues to join me in acknowledging the retirement of Alex Bodnariuk, business manager of the the Roofers' Union, local 149. His wife Delores, and two children, Alex Jr., and Andrew, along with much of the labor community join us in paying tribute to Mr. Bodnariuk.

Having begun his long union career in 1952, Mr. Bodnariuk has been heard saying that he is retiring where most roofers spend their lives, on top. He began his administrative post with local 149 in 1971 and has proceeded to influence many individuals with the local. His peers have described him as a stalwart and stabilizing force in the building trades. He has also been noted as a rare individual in the sense that once his decision is made, after a thorough review, he will not amend the decision. With this strength, Mr. Bodnariuk lets his audience know where he stands.

Through a strong sense of dedication, Mr. Bodnariuk has served as an integral participant of many local councils. Both the Michigan and Detroit Building Trades Councils along with the Michigan Maritime Trades Port Council have benefited as a result of Mr. Bodnariuk's persistence.

Mr. Bodnariuk has made many lives better through his professional efforts. I am sure his retirement will be as rewarding as his career has been.

VOCATIONAL EDUCATION

HON. RON MARLENEE

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 10, 1989

Mr. MARLENEE. Mr. Speaker, I was pleased yesterday to join over 400 of my colleagues in passing H.R. 7, the reauthorization of the Applied Technology Act, which will provide $1.4 billion in vocational education funding for the next 5 years. As a strong advocate of vocational education, I was delighted to see this strong bipartisan vote of support for H.R. 7.

H.R. 7 was a positive major rewrite of Federal vocational education programs, which streamlines Federal aid and gives more power to the State to allocate the funds according to its needs. The legislation reorganizes the formula under which funds are allocated to school districts and community colleges to focus and target Federal aid to serve the poor, the handicapped, and students with limited English speaking skills.

The bill also provides a new "tech-prep" program in which the Federal Government will provide matching funds to support coordination of applied-technology programs between secondary schools and community colleges. The intent of Congress is to encourage traditional vocational education programs to modernize and become more competitive in the international marketplace.

With the pressing need for deficit reduction, I also commend the leadership of the Education and Labor Committee which had the courage to streamline several programs and agencies that deal with vocational education. Every Federal program deserves strict scrunity, even those with overwelming popular support. Included in H.R. 7 are plans to eliminate most set-aside programs, and to establish a new formula to target the most needy students.

This formula allocates grants to secondary schools according to the following priorities: 70 percent based on the number of poor students; 20 percent based on the number of handicapped; and 10 percent based on the total number of students. For postsecondary schools the priorities are: 70 percent of funds are tied to the number of Pell grant and Bureau of Indian Affairs assistance recipients; 20 percent to the number of vocational-rehabilitation students; and 10 percent to the number of students.

To prevent a major disruption of Federal vocational education funds over the next 5 years, I supported the amendment offered by Republican Representative MARGE ROUKEMA of New Jersey that would extend the "hold harmless" provisions to guarantee local education agencies [LEA's] 80 percent of the previous year's funding for next 3 years. In other words, Mr. Speaker, the Roukema amendment protects schools that experience a drop in student enrollment from losing their vocational education funds over the next 3 years. This amendment provides an adequate safety net for many rural school districts that have a dwindling student body.

In addition, H.R. 7 merges the current five State human resources councils, which were required under a variety of Federal education programs, into one, and consolidates the plan and application requirements, which will reduce paperwork hassles. I'm all for efficiency and eliminating redtape, and I was pleased to see the committee adopt these commonsense measures.

Mr. Speaker, we have created a world in which high school diploma no longer prepares a student for today's job market. The Applied Technology Act recognizes the complex

nature of education today and will go a long way toward improving our vocational technology system. I encourage my colleagues to continue to strongly support vocational education, and I hope that my friends in the other body will endorse this legislation.

HONORING STANLEY I. MINCH

HON. BENJAMIN L. CARDIN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 10, 1989

Mr. CARDIN. Mr. Speaker, on May 24, 1989, Stanley I. Minch will be honored by the Chizuk Amuno Congregation for his outstanding contributions to the Chizuk Amuno Congregation in Baltimore, MD.

Stanley Minch has been executive director of the congregation for 23 years. Under his leadership, Chizuk Amuno has grown into one of the most active synagogues in the area. Thanks to his foresight and vision, the Solomon Schechter Day School was founded.

Stanley Minch is one of the lights of the Baltimore Jewish community. No matter how busy, he will always make time for a friend or a congregant with a problem or question. His understanding, consideration, and respect for his fellow man is well-known, admired and deeply appreciated.

I would like to add my voice to the Congregation of Chizuk Amuno when they honor Stanley Minch for all he has done. Thank you, Stanley.

ANNIVERSARY OF THE STATE OF ISRAEL

HON. JAMES H. SCHEUER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 10, 1989

Mr. SCHEUER. Mr. Speaker, after 41 years, Theodore Herzl's vision of the Jewish people reunited in Israel continues to flourish.

The realization of Herzl's dream was a miraculous accomplishment.

No other nation in history has returned to its homeland to renew its language and culture after a separation of 2,000 years.

The State of Israel has brought together the heart, soul, and the aspirations of the Jewish people, and provided a safe haven for persecuted Jews throughout the world.

A citadel of freedom and democracy in the Middle East, Israel offers equal citizenship to Arabs, Jews and Christians alike, and has raised the standard of living for all its citizens.

During Israel's short modern day history, Israel has turned her deserts green and developed high tech industries that compete successfully in markets around the world.

This year was also special for Israel because it marked the 10th anniversary of the Camp David accords and the final phase of Israel's return of Egyptian territory.

Although the Arab world has prevented relations between Israel and Egypt from flourishing, the Camp David accords have ended war between Israel and Egypt and planted the seeds of peace.

In addition, Israel's territorial accommodation with Egypt clearly has demonstrated that Israel can and will negotiate in good faith and follow through with her commitments.

All of the concerned parties agree that the status quo in the West Bank and Gaza is painfully undesirable in the short term and totally unacceptable in the long term.

There is no question, however, that an independent Palestinian State, to which the PLO is committed, would be a destabilizing threat to Israel, where only 20 miles stand between Israel's safety and its destruction.

Prime Minister Shamir's recent peace initiative offers the Palestinians in the West Bank and Gaza free democratic elections to produce a delegation for negotiating with Israel.

If the PLO is committed to peace, then they must state this commitment clearly, allow the bulwark of democracy to work in the West Bank and Gaza and offer their hands of help in changing 41 years of Arab rejectionism to clear recognition of Israel.

In advance of such commitments Israel would be foolish to make major concessions which would threaten her security. Israel actions alone cannot deliver peace.

I look forward to the day when there is peace in the West Bank and Gaza and when Israel will be able not only to coexist with her Arab neighbors but also work with them to solve the problems of the region; to clean up the pollution in the Red Sea, to develop a regional water management plan, and to transform much more of the desert into fertile land for peace.

Israel has made miraculous accomplishments as a young nation of 41 years. To all those in Israel and in the Diaspora who help build the land of Israel, congratulations!

CENTENNIAL CELEBRATION OF SAN DIEGO TRUST & SAVINGS

HON. BILL LOWERY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 10, 1989

Mr. LOWERY of California. Mr. Speaker, it gives me great pleasure in recognizing the centennial celebration of San Diego Trust & Savings. I applaud their outstanding contributions to the growth and development of the city of San Diego. Under the guidance of Mr. Thomas Sefton, San Diego Trust & Savings has been recognized as one of the most charitable businesses in San Diego. This kind arm of generosity not only extends to the needy but also to the San Diego Police Department. Today, it can be said that San Diego and San Diego Trust & Savings have both grown to their positions of prominence together.

In 1889, on May 15, Joseph Sefton opened the doors to the State-approved incorporation, San Diego Savings Bank. Sefton's bank rapidly grew with the city of San Diego and our developing Nation. The panic of 1893 soon swept the country closing multitudes of banks; however, San Diego Savings Bank remained open. It is said that Sefton met the throngs head-on and masterfully turned the tides. In 1923, San Diego Savings Bank added a trust department.

Mr. Speaker, please join me in recognizing San Diego Trust & Savings as they celebrate this historic and well deserved event. They exemplify a fine example of what a business can do for a community. With constant support and involvement, they have assisted in making San Diego, America's finest city.

HEALTH CARE FOR VETERANS

HON. GEORGE J. HOCHBRUECKNER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 10, 1989

Mr. HOCHBRUECKNER. Mr. Speaker, eastern Long Island veterans concerned about the decline in their health care services may rest a little easier now that the House of Representatives has voted for a $216 million funding increase. The Bush administration budget contained no real growth for the newly established Department of Veterans' Affairs [DVA]. The DVA was honored with Cabinet status, but no real growth to offset inflation would have resulted in a significant cut for the DVA. Its precursor organization, the Veterans' Administration, had suffered a decade of neglect that had left it standing in a hole at the beginning of each new budget cycle.

Local vets may also take some comfort in knowing that the decision to close building 11 at the VA Medical Center [VAMC] in Northport has been put on hold. In fact, a congressional hearing will be held there on May 15 to consider health care services to our veterans on Long Island.

The United States has 27 million veterans of the Armed Forces. Of the nearly 2 million veterans residing in New York State, there are 155,410 in Suffolk County, and 177,530 in Nassau County, ranking fourth and second respectively in the State. I share the concern of many Long Islanders that difficult times may be ahead for VA hospitals and the veterans who use them. I am working to prevent any further decline in their health care services.

The House of Representatives on May 4 approved a fiscal year 1990 budget which contains a $216 million increase in spending for veterans' health care programs, a $264 million increase in DVA funding. In fact, the DVA was the only agency to receive an increase above levels reported by the House Budget Committee last week. The House budget resolution calls for a $31.2 billion DVA budget with $11.6 billion for DVA medical services.

I am pleased that the House unanimously approved this budget amendment. Through this vote we in Congress recognize and reverse the previous years of budget-cutting on the backs of veterans. In the past decade—through the Reagan years—health care funding for veterans has fallen by the wayside in several rounds of budget cuts, which caused staffing cuts, restricted eligibility for services, and closed medical centers and hospital wards. This deterioration of veterans' health programs must end. We owe a debt of gratitude to our veterans. With these past budget cuts, the administration reneged on the prom-

ise to provide for the health and dignity of veterans.

In real terms, the DVA budget has remained level since 1977, while demand for DVA health care has increased dramatically. This demand promises to continue rising as the veterans population ages. Moreover, medical costs have risen faster than the general pace of inflation, and the DVA has taken on new responsibilities, such as homeless veterans, and veterans with AIDS.

By October of this year, a severe shortfall in VA health-care funding may occur, according to predictions by the House Veterans' Affairs Committee and DVA officials. The committee estimates a $635 million shortfall for the remainder of fiscal year 1989. This shortfall could reach $1 billion to $1.5 billion in fiscal year 1990 without supplemental funds.

The current DVA funding shortfall has affected virtually every one of the 172 DVA hospitals, 226 outpatient clinics, and 119 nursing homes in the Nation, including the VAMC in Northport. The DVA VMAC has 744 beds, a medical staff of 214, nursing personnel numbering 613, and a total work force of 2,000. In 1988, it had 8,582 admissions and 200,000 outpatient visits. As you may know, the VMAC has reported plans to reduce its operating costs to deal with its share of the DVA budget shortfall by closing building 11.

Currently, Congress is considering the dire emergency supplemental appropriation bill for fiscal year 1989. This bill will provide additional funding for those programs which have depleted their funds before the end of the current fiscal year. Included in this bill is $340 million for veterans' medical services for the remainder of fiscal year 1989.

Mr. Speaker, President Bush's proposed budget for fiscal year 1990 for the DVA raises great concerns about the future availability of veterans' medical services. The Reagan administration's final budget proposal and President Bush's budget proposal for fiscal year 1990 both call for deep cuts in funding for health care employees, medical facility construction, and in the number of veterans who may receive DVA health care. In addition, the Reagan/Bush fiscal year 1990 budget proposals requested no new funding for nursing home construction, even though the number of veterans in need of nursing home care is increasing at an alarming rate. In fact, the DVA's top two priorities for hospital construction-renovation were deleted by President Reagan, and President Bush chose not to correct this shortsighted decision.

With veterans accounting for two-thirds of the American male population over age 65 by the turn of the century—over 9 million veterans—I believe that it is imperative that construction of veterans' nursing homes continues to be a top DVA priority.

I urge my colleagues to approve a full supplemental appropriation for the remainder of fiscal year 1989 to address immediate medical needs and to provide adequate funding for DVA medical services for next year's budget. We must oppose the Bush administration proposed DVA cuts to ensure quality medical services for those who served this Nation.

PERSONAL EXPLANATION

HON. RAYMOND J. McGRATH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 10, 1989

Mr. McGRATH. Mr. Speaker, I was absent due to illness, yesterday, May 9, 1989, hence missing votes taken in the House of Representatives. However, I would like to go on record that on rollcall votes No. 45 and 48, I would have voted in the affirmative on both occasions.

A SALUTE TO PROFESSOR CHARLES GABRIELE, COMPOSER OF THE "CHRISTOPHER COLUMBUS SUITE"

HON. CRAIG T. JAMES

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 10, 1989

Mr. JAMES. Mr. Speaker, a noted published and recorded composer, Prof. Charles Gabriele, a resident of Palm Coast, FL, has composed "Christopher Columbus Suite," a musical composition to commemorate the Quincentenary Jubilee, the 500th anniversary of Christopher Columbus' journey to the New World.

This beautiful suite of music contains three parts which can be performed separately or together, as a suite. The segments include: "Queen Isabella Pasodoble," a salute to the historical Queen; "New World Natives," vignettes honoring the natives who Columbus found upon his arrival in the New World; and "Christopher Columbus March," a parade march with words.

Professor Gabriele composed "Christopher Columbus March" in 1976 for inclusion in the American Bicentennial parades and to restore the image and history of Columbus in our classrooms nationwide. He composed the additional segments to create a piece suitable for concerts and Columbus Quincentenary Jubilee events.

This beautiful suite can be mastered by high school and community bands, both here and abroad. Excerpts have been previewed in Italy, Spain, and the United States. The full suite will be world premiered in October 1989.

Professor Gabriele is internationally renowned for his "Concertina for Clarinet" and "Ave Maria for Band and Chorus." His patriotic compositions include "Vietnam Veterans March" and "John Paul Jones March."

The 500th anniversary of Columbus' discovery of the New World will be commemorated in 1992. But the festivities will commence in October of this year and continue through October 1993 as part of the largest worldwide celebration in history.

Although all nations were impacted by Columbus' journey, the impact for Italy, Spain, and the United States was far-reaching and everlasting. Events ranging from school pageants to world fairs will take place across the globe as our world pauses to commemorate Columbus' discovery of America.

I salute Professor Gabriele for his beautiful musical creation; a lasting musical tribute to Christopher Columbus and the discovery of the New World.

HONORING RHODE ISLAND'S SMALL BUSINESS PERSON OF THE YEAR

HON. RONALD K. MACHTLEY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 10, 1989

Mr. MACHTLEY. Mr. Speaker, I would like to take this time to acknowledge an outstanding citizen in my State of Rhode Island, Mr. William Black.

Mr. William Black has been recognized by the U.S. Small Business Administration as Rhode Island's Small Business Person of the Year. In a State where over 97 percent of the commercial activity is performed by small businesses employing 500 individuals or less, to rise from such competition is quite an achievement.

William Black was educated in Rhode Island, at the University of Rhode Island, for which he received a dual BS/BA degree. As the president of JF Moran Co., based in Warwick, RI, William Black has put his education into making his business a lucrative and lasting career.

The kind of commitment that William Black has thrown into his business has made an impact on small business throughout my State. His understanding of international trade, and the potential of Rhode Island's small businesses to participate in that broader market, has had a marked effect upon the growth of Rhode Island industry.

Small business is essential to Rhode Island. In a State where virtually all of the merchant activity is based in small firms, Rhode Island jobs depend upon the success of the individual entrepreneur.

And as it can be seen from the work of individuals like William Black, the Rhode Island entrepreneur is doing pretty well. In fact, our small businessmen and women are doing remarkably well. In comparison with a national unemployment rate which hovered around 5.4 percent last year, almost 97 percent of the population in my State was employed.

As the newest member of the House Small Business Committee, I am proud to have the opportunity to represent William Black, and the many other talented individuals who have involved themselves with small firms in my State.

As Small Business Week—May 7-13—draws to a close, I hope that Americans will continue to remind themselves of the important contribution the American entrepreneur makes toward the growth and productivity of a strong U.S. economy. It is my hope that we will continue to applaud the efforts of people like William Black who have worked toward the development of independent, competitive, self-made firms.

FSX AGREEMENT WITH JAPAN

HON. MIKE ESPY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 10, 1989

Mr. ESPY. Mr. Speaker, under the FSX fighter aircraft agreement with Japan, we are selling America short and sacrificing our long-term competitiveness in the industry.

Japan is a competitive and aggressive country. We should not be subsidizing its development costs for the FSX and, as a result, helping them possibly beat us in research and development of materials, avionics, and system integration.

With the passage of the Omnibus Trade Act in the 100th Congress, we sent a strong message to foreign countries that we would no longer tolerate unfair trade practices. Under this agreement, we are encouraging just that.

We build the best aircraft fighters. We offer the best price. To sell this advantage away to Japan is not in the country's best interest.

We have no guarantee that U.S. companies will receive any of the more lucrative production work. The $480 million that our industries will receive is not a fair price for the technology. Japan needs the aircraft now. It will take them 8 years to build the first FSX. Why not buy from us?

We should push Japan for direct purchase of the United States aircraft or for the extension of coproduction of F-15's, thereby strengthening our bilateral relationship and reducing our annual $55 billion trade deficit with Japan.

If we want America to continue to grow, we must not be so willing to take actions which could damage our long-term competitiveness. Our industries have invested millions of dollars in research and development and will run the high risk of giving away those investment dollars with the production monopoly of the FSX.

We must get serious about these types of trade issues, and we must put the issue of competitiveness at the top of our agenda if we are to have a secure economic future in this country.

HONORING SERVICE TO COUNTRY: DR. EDWARD KRASS

HON. C. CHRISTOPHER COX

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 10, 1989

Mr. COX. Mr. Speaker, it is my privilege today to recognize a man whose entire life has been dedicated to service to community and country. Dr. Edward Krass, who will be honored on Saturday for his contributions as superintendent of the Santa Ana Unified School District, has contributed to our national well-being in countless ways: as a decorated veteran, a beloved teacher, and an admired education executive.

An officer of the U.S. Marine Corps, Dr. Krass was awarded the Silver Star, the Bronze Star, the Vietnamese Medal of Valor and the Purple Heart. While stationed at Camp Pendleton, one of the most important Marine Corps installations in the Nation, he was instrumental in developing procedures to enhance our national security.

An educator in the Santa Ana district, Dr. Krass' career culminated in his appointment as superintendent in 1985. Under his outstanding leadership, the school district has earned more California School Board Association Golden Bell Awards than any other district in the State. He coordinated the district's effort to cope with a burgeoning student population, successfully led the battle to build the district's first new high school in many years, and worked to foster a healthy relationship between the school district and the community. Recognizing the need for total community support, he expanded the relationship between business and education, a relationship that many consider to be the key to improving educational achievement.

But most importantly, throughout his career as superintendent, assistant superintendent, school principal, activities director, teacher and coach, Dr. Krass has helped shape and improve the lives of thousands of young people. In this, he has helped shape and improve our future.

Mr. Speaker, as Dr. Krass' friends and colleagues recognize his contributions upon his retirement from the Santa Ana Unified School District, so too should our Nation recognize him. I ask my colleagues to do so today. Dr. Krass is truly a public servant in the finest American tradition.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Thursday, May 11, 1989, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

MAY 12

9:00 a.m.

Armed Services

Readiness, Sustainability and Support Subcommittee

To resume open and closed hearings on proposed legislation authorizing funds for fiscal years 1990 and 1991 for the Department of Defense.

SR-222

Banking, Housing, and Urban Affairs

To hold hearings on the nominations of David Campbell Mulford, of Illinois, to be an Under Secretary of the Treasury, and Robert R. Glauber, of Massachusetts, to be an Under Secretary of the Treasury.

SD-538

Commerce, Science, and Transportation

To hold hearings on the nominations of Phillip D. Brady, of Virginia, to be General Counsel, Department of Transportation, Galen J. Reser, of Virginia, to be Assistant Secretary of Transportation for Government Affairs, and David P. Prosperi, of the District of Columbia, to be Assistant Secretary of Transportation for Public Affairs.

SR-253

9:30 a.m.

Appropriations

Labor, Health and Human Services, Education Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1990 for certain programs of the Departments of Labor, Health and Human Services, Education and Related Agencies.

SD-192

Rules and Administration

To hold joint hearings with the Select Committee on Indian Affairs on proposed legislation to establish a National Museum of the American Indian within the Smithsonian Institution.

SR-301

Select on Indian Affairs

To hold joint hearings with the Committee on Rules and Administration on proposed legislation to establish a National Museum of the American Indian within the Smithsonian Institution.

SR-301

10:00 a.m.

Agriculture, Nutrition, and Forestry

To hold hearings on the nominations of Charles E. Hess, of California, to be Assistant Secretary of Agriculture, Franklin E. Bailey, of Virginia, to be Assistant Secretary of Agriculture, and Alan C. Raul, of New York, to be General Counsel, U.S. Department of Agriculture.

SR-332

Finance

International Trade Subcommittee

To hold hearings to explore the problem of industrialized countries manipulating the value of their currencies to maintain a trade surplus, and to discuss the U.S. response to this practice.

SD-215

Foreign Relations

To hold hearings on the nomination of Donald Phinney Gregg, of Maryland, to be Ambassador to the Republic of Korea.

SD-419

Select on Indian Affairs

Investigations Subcommittee

To continue hearings to examine various matters relating to Indian affairs.

SD-628

10:30 a.m.

Commerce, Science, and Transportation

To hold hearings on the nominations of Michael R. Darby, of Texas, to be Under Secretary of Commerce, and Thomas J. Collamore, of the District

of Columbia, to be Assistant Secretary of Commerce.
SR-253

2:00 p.m.
Select on Indian Affairs
Investigations Subcommittee
To continue hearings to examine various matters relating to Indian affairs.
SD-628

3:00 p.m.
Foreign Relations
To hold hearings on the nomination of John Cameron Monjo, of Maryland, to be Ambassador to the Republic of Indonesia.
SD-419

MAY 15

9:30 a.m.
Environment and Public Works
Toxic Substances, Environmental Oversight, Research and Development Subcommittee
To hold hearings to review procedures relating to the use of chemicals in food crops.
SD-406

Governmental Affairs
Government Information and Regulation Subcommittee
To hold oversight hearings to review Federal policies relevant to information collection, analysis, and dissemination.
SD-342

10:00 a.m.
Finance
Social Security and Family Policy Subcommittee
To hold hearings to review proposed regulations to implement the Family Support Act of 1988.
SD-215

Judiciary
Technology and the Law Subcommittee
To hold hearings on computer viruses.
SD-226

Select on Indian Affairs
Investigations Subcommittee
To resume hearings to examine various matters relating to Indian affairs.
SD-628

1:30 p.m.
Appropriations
VA, HUD, and Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1990 for the Department of Housing and Urban Development.
SD-138

2:00 p.m.
Armed Services
Projection Forces and Regional Defense Subcommittee
To resume hearings on proposed legislation authorizing funds for fiscal years 1990 and 1991 for the Department of Defense, focusing on aircraft carrier force structure management.
SR-232A

Foreign Relations
To hold hearings on the nomination of Ivan Selin, of the District of Columbia, to be Under Secretary of State for Management.
SD-419

Select on Indian Affairs
Investigations Subcommittee
To continue hearings to examine various matters relating to Indian affairs.
SD-628

MAY 16

8:30 a.m.
Office of Technology Assessment
The Board, to meet to consider pending business.
EF-100, Capitol

9:30 a.m.
Agriculture, Nutrition, and Forestry
Rural Development and Rural Electrification Subcommittee
To resume hearings on rural development.
SR-332

Commerce, Science, and Transportation
Business meeting, to consider the nominations of Phillip D. Brady, of Virginia, to be General Counsel, Department of Transportation; Galen J. Reser, of Virginia, to be an Assistant Secretary of Transportation; and David P. Prosperi, of the District of Columbia, to be an Assistant Secretary of Transportation.
SR-253

Governmental Affairs
Oversight of Government Management Subcommittee
To hold oversight hearings on the use of off-the-shelf items by the Department of Defense.
SD-342

10:00 a.m.
Appropriations
Defense Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1990 for the Department of Defense, focusing on land warfare.
SD-192

Appropriations
VA, HUD, and Independent Agencies Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1990 for the Department of Housing and Urban Development.
SD-138

Foreign Relations
Business meeting, to resume mark up of S. 928, authorizing funds for fiscal years 1990 and 1991 for the Department of State, U.S. Information Agency, and the Board for International Broadcasting.
SD-419

Select on Indian Affairs
Investigations Subcommittee
To continue hearings to examine various matters relating to Indian affairs.
SD-628

11:00 a.m.
Armed Services
To hold hearings on the nomination of General Robert T. Herres, U.S. Air Force, for reappointment as Vice Chairman of the Joint Chiefs of Staff.
SR-222

2:00 p.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold hearings on issues relating to high definition television.
SR-253

Foreign Relations
Business meeting, to continue mark up of S. 928, authorizing funds for fiscal years 1990 and 1991 for the Department of State, U.S. Information Agency, and the Board for International Broadcasting.
SD-419

Labor and Human Resources
Handicapped Subcommittee
To resume hearings on S. 933, to establish a clear and comprehensive prohibition of discrimination on the basis of disability.
SD-430

Select on Indian Affairs
Investigations Subcommittee
To continue hearings to examine various matters relating to Indian affairs.
SD-628

2:30 p.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1990 for foreign assistance programs, focusing on the Office of the Inspector General, Office of Disaster Assistance, and American Schools and Hospitals Abroad.
SD-138

Select on Indian Affairs
Business meeting, to mark up S. 321, establishes certain preferences for Indians under Federal grants to Indian organizations, S. 402, to provide for the settlement of land claims of Puyallup Tribe of Indians in the State of Washington, S. 611, to establish administrative procedures to determine the status of certain Indian groups, and proposed legislation to establish an Indian museum in the District of Columbia.
SR-485

MAY 17

9:30 a.m.
Armed Services
Defense Industry and Technology Subcommittee
To hold hearings on the defense industrial base.
SR-222

Commerce, Science, and Transportation
To hold oversight hearings in conjunction with the National Ocean Policy Study on marine fisheries management.
SR-253

Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold hearings on space commercialization.
SH-216

Energy and Natural Resources
Business meeting, to mark up S. 783, to eliminate wellhead price and non-price controls on the first sale of natural gas and make certain technical and conforming amendments to the Natural Gas Policy Act of 1978 and other pending calendar business.
SD-366

Governmental Affairs
To hold hearings on biological weapons proliferation.
SD-342

Rules and Administration
Business meeting, to mark up S. 136, to establish a single poll closing time in the continental United States for Presidential general elections, S. 377, to establish a series of five Presidential primaries, S. 874, to establish national voter registration procedures for Presidential and Congressional elections, S. 326, to repeal a provision of the Federal Election Campaign Act allowing use of excess contributions, and S.J. Res.

98, to establish separate appropriation accounts for the Senate and the House of Representatives for the payment of official mail costs.
SR-301

10:00 a.m.
Agriculture, Nutrition, and Forestry
To resume hearings on trading practices in the commodity futures markets.
SR-332

Appropriations
District of Columbia Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1990 for the government of the District of Columbia, focusing on the Department of Corrections.
SD-138

Commerce, Science, and Transportation
Communications Subcommittee
To hold hearings on proposed legislation authorizing funds for the Federal Communications Commission.
SR-232A

Foreign Relations
Business meeting, to continue mark up of S. 928, authorizing funds for fiscal years 1990 and 1991 for the Department of State, U.S. Information Agency, and the Board for International Broadcasting.
SD-419

Judiciary
Patents, Copyrights and Trademarks Subcommittee
To hold hearings on S. 497, to provide that States be subject to suit in Federal court for infringement of copyright material.
SD-226

1:00 p.m.
Appropriations
Defense Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1990 for the Department of Defense, focusing on Army posture.
SD-192

2:00 p.m.
Armed Services
To hold hearings on proposed legislation authorizing funds for fiscal years 1990 and 1991 for defense programs of the Department of Energy.
SR-222

Foreign Relations
Business meeting, to continue mark up of S. 928, authorizing funds for fiscal years 1990 and 1991 for the Department of State, U.S. Information Agency, and the Board for International Broadcasting.
SD-419

MAY 18

8:00 a.m.
Veterans' Affairs
To hold hearings on certain provisions of S. 13, S. 165, S. 573, S. 574, S. 748, S. 900, and S. 947, bills to strengthen and improve Veterans' health care programs.
SR-418

9:00 a.m.
Commerce, Science, and Transportation
To continue oversight hearings in conjunction with the National Ocean Policy Study on marine fisheries management.
SR-253

9:30 a.m.
Energy and Natural Resources
Public Lands, National Parks and Forests Subcommittee
To hold hearings on miscellaneous public land measures, including S. 737, S. 267, S. 319, S. 393, and H.R. 310.
SD-366

Special on Aging
To hold hearings to examine the role of the Health Care Financing Administration in implementing the nursing home reform provisions that were included in the Omnibus Budget Reconciliation Act of 1987.
SD-628

10:00 a.m.
Appropriations
Defense Subcommittee
To continue open and closed hearings on proposed budget estimates for fiscal year 1990 for the Department of Defense, focusing on space programs.
SD-192

Appropriations
District of Columbia Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1990 for the government of the District of Columbia, focusing on the court system and school board.
SD-124

Appropriations
VA, HUD, and Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1990 for the Department of Housing and Urban Development and certain independent agencies.
SD-116

Appropriations
Commerce, Justice, State, and Judiciary Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1990 for the Federal Communications Commission
S-146, Capitol

Banking, Housing and Urban Affairs
Securities Subcommittee
To resume hearings on S. 648, the Market Reform Act of 1989.
SD-538

Foreign Relations
Business meeting, to continue mark up of S. 928, authorizing funds for fiscal years 1990 and 1991 for the Department of State, U.S. Information Agency, and the Board for International Broadcasting.
SD-419

Governmental Affairs
To hold hearings on nuclear and missile proliferation.
SD-342

Select on Indian Affairs
Investigations Subcommittee
To resume hearings to examine various matters relating to Indian affairs.
SD-628

1:30 p.m.
Agriculture, Nutrition, and Forestry
Conservation and Forestry Subcommittee
To hold hearings on the U.S. Forest Service appeals process.
SR-332

2:00 p.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1990 for foreign assistance programs, focusing on the Peace Corps, African Development Foundation, Inter-American Foundation, Overseas Private Investment Corporation, and Export-Import Bank.
SD-138

Select on Indian Affairs
Investigations Subcommittee
To continue hearings to examine various matters relating to Indian affairs.
SD-628

MAY 19

9:30 a.m.
Select on Indian Affairs
To hold oversight hearings on the U.S. Civil Rights Commission's effects on the White Mountain Apache Tribe.
SR-485

10:00 a.m.
Appropriations
VA, HUD, and Independent Aencies Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1990 for the Department of Housing and Urban Development and certain independent agencies.
SD-116

Environment and Public Works
Environmental Protection Subcommittee
To hold hearings on proposed legislation to control the manufacture, use, and disposal of ozone depleting substances.
SD-406

Finance
Medicare and Long-Term Care Subcommittee
To hold hearings to examine approaches to modify or change Medicare policies to improve the health care system in rural America.
SD-215

MAY 31

2:00 p.m.
Appropriations
Defense Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1990 for the Department of Defense, focusing on seapower.
SD-192

JUNE 1

9:30 a.m.
Commerce, Science, and Transportation
Merchant Marine Subcommittee
To hold hearings on proposed legislation authorizing funds for fiscal year 1990 for the Department of Transportation and Federal Maritime Commission.
SR-253

Energy and Natural Resources
To hold hearings on S. 710, S. 711, S. 712, bills to provide for a referendum on the political status of Puerto Rico.
SH-216

Governmental Affairs
Oversight of Government Management Subcommittee
To resume oversight hearings on the use of off-the-shelf items by the Department of Defense.
SD-342

10:00 a.m.
Appropriations
Defense Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1990 for the Department of Defense, focusing on Navy posture.
SD-192

Environment and Public Works
Environmental Protection Subcommittee
To hold hearings on S. 804, to conserve North American wetland ecosystems and waterfowl and other migratory birds and fish and wildlife that depend on such habitat.
SD-406

1:30 p.m.
Governmental Affairs
To hold hearings on alcohol abuse prevention.
SD-342

2:00 p.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1990 for foreign assistance programs, focusing on Central America.
SD-138

Energy and Natural Resources
To continue hearings on S. 710, S. 711, S. 712, bills to provide for a referendum on the political status of Puerto Rico.
SH-216

JUNE 2

9:30 a.m.
Energy and Natural Resources
To continue hearings on S. 710, S. 711, S. 712, bills to provide for a referendum on the political status of Puerto Rico.
SH-216

2:00 p.m.
Energy and Natural Resources
To continue hearings on S. 710, S. 711, S. 712, bills to provide for a referendum on the political status of Puerto Rico.
SH-216

JUNE 6

10:00 a.m.
Appropriations
Defense Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1990 for the Department of Defense, focusing on tactical airpower.
SD-192

2:00 p.m.
Energy and Natural Resources
Energy Research and Development Subcommittee
To hold hearings on the status of current and future use of alternative motor vehicle fuels in the United States.
SD-366

2:30 p.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1990 for foreign assistance programs, focusing on the Middle East, Pakistan, and Afghanistan.
SD-138

JUNE 7

9:30 a.m.
Commerce, Science, and Transportation
Aviation Subcommittee
To hold hearings on airline concentration.
SR-301

Commerce, Science, and Transportation
Consumer Subcommittee
To hold hearings on proposed legislation authorizing funds for the Federal Trade Commission.
SR-253

Governmental Affairs
To resume hearings on alcohol abuse prevention.
SD-342

10:00 a.m.
Appropriations
Defense Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1990 for the Department of Defense, focusing on Air Force posture.
SD-192

JUNE 8

8:35 a.m.
Veterans' Affairs
To hold hearings on certain provisions of S. 13 and S. 564, bills to provide for Veterans' health care benefits and other related measures.
SR-418

9:00 a.m.
Appropriations
Defense Subcommittee
To continue hearings on proposed budget, estimates for fiscal year 1990 for the Department of Defense, focusing on manpower and personnel programs.
SD-192

9:30 a.m.
Commerce, Science, and Transportation
Consumer Subcommittee
To continue hearings on proposed legislation authorizing funds for the Federal Trade Commission.
SR-253

JUNE 12

9:30 a.m.
Governmental Affairs
Government Information and Regulation Subcommittee
To hold hearings on proposed legislation authorizing funds for programs of the Paperwork Reduction Act.
SD-342

JUNE 13

9:00 a.m.
Appropriations
Defense Subcommittee
To resume open and closed hearings on proposed budget estimates for fiscal year 1990 for the Department of Defense, focusing on strategic programs.
SD-192

2:30 p.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1990 for foreign assistance programs.
SD-138

JUNE 14

9:00 a.m.
Veterans' Affairs
To hold hearings on certain provisions of S. 13, S. 86, S. 192, S. 405, and S. 846, bills to strengthen and improve VA health care programs, and related measures.
SR-418

JUNE 15

9:00 a.m.
Appropriations
Defense Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1990 for the Department of Defense.
SD-192

JUNE 16

9:30 a.m.
Governmental Affairs
Government Information and Regulation Subcommittee
To resume hearings on proposed legislation authorizing funds for programs of the Paperwork Reduction Act.
SD-342

JUNE 22

8:00 a.m.
Veterans' Affairs
To hold hearings on S. 404, H.R. 1415, and S. 898, to extend certain Department of Veterans' Affairs home loan guaranty provisions, and related measures.
SR-418

JULY 20

9:30 a.m.
Veterans' Affairs
Business meeting, to mark up proposed legislation to revise certain provisions of VA health care programs, including S. 13, S. 86, S. 165, S. 192, S. 263, S. 405, S. 564, S. 574, S. 748, and S. 846.
SR-418

POSTPONEMENTS

MAY 11

9:30 a.m.
Governmental Affairs
To resume hearings on export controls over chemical biological materials.
SD-342

MAY 18

9:00 a.m.
Commerce, Science, and Transportation
Aviation Subcommittee
To hold hearings on airline concentration.
SR-301

HOUSE OF REPRESENTATIVES—*Thursday, May 11, 1989*

The House met at 10 a.m. and was called to order by the Speaker pro tempore [Mr. BONIOR].

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
May 11, 1989.

I hereby designate the Honorable DAVID E. BONIOR to act as Speaker pro tempore on this day.

JIM WRIGHT,
Speaker of the House of Representatives.

PRAYER

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

May the gift of memory, O gracious God, ever be with us, and cause us to be grateful for the people who have gone before and on whose values and strengths we continue to build. Though we are aware of our own responsibilities, yet we know deep in our hearts that our efforts and deeds have been guided and blessed by parents and grandparents, by traditions of family and friends and colleagues. For all those whose lives and love have been our blessing, we offer these words of gratitude and thanksgiving. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. The Chair recognizes the gentleman from California [Mr. TORRES] to lead the House in the Pledge of Allegiance.

Mr. TORRES led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed without amendment a concurrent resolution of the House of the following title:

H. Con. Res. 71. Concurrent resolution authorizing the 1989 Law Enforcement Torch Run for Special Olympics to be run through the Capitol Grounds.

The message also announced that the Senate had passed a joint resolution of the following title, in which the concurrence of the House is requested:

S.J. Res. 128. Joint resolution authorizing a first strike ceremony at the United States Capitol for the Bicentennial of the Congress Commemorative Coin.

The message also announced that the Senate agrees to the amendments of the House to the joint resolution (S.J. Res. 37) entitled "Joint resolution designating the week beginning May 14, 1989, and the week beginning May 13, 1990, as 'National Osteoporosis Prevention Week'."

RECESS

The SPEAKER pro tempore. Pursuant to the order of the House of Representatives of May 4, 1989, the House will stand in recess subject to the call of the Chair to receive the former Members of Congress.

Accordingly (at 10 o'clock and 4 minutes a.m.), the House stood in recess subject to the call of the Chair.

RECEPTION OF FORMER MEMBERS OF CONGRESS

The SPEAKER pro tempore (Mr. BONIOR) presiding.

The SPEAKER pro tempore. On behalf of the Chair and the Chamber, I consider it a high honor and distinct personal privilege to have the opportunity of welcoming so many of our former Members and colleagues as may be present here on this occasion. We all pause to welcome them.

The Chair, at this time, recognizes the distinguished gentleman from Maryland [Mr. HOYER].

Mr. HOYER. Mr. Speaker, unfortunately the Speaker and the majority leader and majority whip are currently at the White House. Save for that single event they would be here. They would be here to welcome and recognize many who have been mentors of those present Members of Congress, many who have made historical contributions to the welfare of this democracy, many who have enhanced both this institution and our democracy. The Speaker would want me to say a special personal thanks for this day to the many Members with whom he served, with whom he labored to uplift the quality of life in this country.

Those Members who currently serve know that we do so as legatees of your prior service as legatees of the commitment and talent and knowledge that Members brought to the ever-expanding experiment in free government, in the creation of a just though yet imperfect society, but one that we believe is more perfect than any other yet tried by man, and one which these former Members, Mr. Speaker, individually and collectively, have enhanced. Indeed, we are pleased to again greet these Members.

There have only been, I think, approximately 11,000 persons who have been granted the privilege by their fellow citizens of serving in this body. As we are so proud to point out, there is only one way to get to the House of Representatives, unlike the U.S. Senate, unlike the Maryland State Senate which I serve and the House of Delegates in Maryland, most probably of the State legislators, only one way, and that is to be given the very high honor of having the faith and trust of our neighbors placed in Members, to speak for them and to serve them in this great democracy.

So to each and every one of the former Members, for those who now serve, we thank everyone.

I see my friend John Rousselot up here. I remember when I came to the Congress as perhaps some other Members did with an image of a Member because of his or her reputation. I came to the Congress, and I have told this to John not believing that John perhaps was the best guy that I was going to be a friend with in the Congress. He and I did not agree on all the issues, but in a very short period of time we became friends and I came to respect his commitment to his constituency and to his country. I think that is what happens with most Members. We differ on the issues. We have a different perspective, we represent different constituencies, but the overwhelming majority of Members with whom we have served, present and past, are Members who have a deep and abiding commitment to serving their constituency honestly and effectively. We ought to take pride in that. The former Members, I think, are probably concerned, as am I, Mr. Speaker, and as many Members of this body are now concerned, with the House of Representatives. It is important that the people of America have a respect and a confidence in the Con-

gress. It is my own personal view that that confidence is currently and has been warranted, merited, by the quality of service given by Members like yourselves. It is important that we all continue to convey that to the American public. We know that Members are doing that, and we thank the Members for that. It is a joint effort that all Members need to be involved in to uphold the strength of our democracy.

So, Mr. Speaker, in conclusion, let me again welcome each and every Member back to the House of Representatives. Their service is appreciated by all Members who currently serve and by all America.

Mr. ANDERSON. Mr. Speaker, will the gentleman yield?

Mr. HOYER. I yield to the gentleman from California, the distinguished chairman of the Committee on Public Works and Transportation.

□ 1010

Mr. ANDERSON. Mr. Speaker, let me say I am concerned. I mean, looking at them, I wonder, were they so much younger when they were here? Now they look so much younger than we do now. Why is that? Did the people elect them much younger in those days?

Mr. HOYER. Mr. President, I should observe that the gentleman from California must be speaking for himself.

Mr. ANDERSON. All right. I do that, too, sometimes.

Mr. HOYER. I thank the Chair.

The SPEAKER pro tempore (Mr. BONIOR). The Chair would note that the gentleman from California looks quite well for his age, and he is doing quite well.

The Chair would also note that when this Member came to this institution 13 years ago, he had the great honor and privilege to serve with Members whom I consider to be some of the giants in the Congress at that time, and at this time the Chair would now like to recognize one of those giants, the Honorable Richardson Preyer to take the chair.

(Mr. RICHARDSON PREYER of North Carolina assumed the chair.)

Mr. PREYER (presiding). The Chair recognizes the distinguished gentleman from Indiana, Mr. JOHN MYERS.

Mr. MYERS of Indiana. Mr. Speaker, I join my colleague, the gentleman from Maryland [Mr. HOYER], in welcoming all these strangers back. I apologize for our minority leader, the gentleman from Illinois [Mr. MICHEL], who had hoped to be here, but because of an extended meeting at the White House he is unable to be here to welcome you back on the Republican side.

Looking at each of you here today, I recall that I have had the privilege through the years of serving with a great many of you. As the gentleman from Maryland [Mr. HOYER] said, as we came here as freshmen, many of us have kind of forgotten all that experience through all these years, but as freshmen we remember, even though many of us did serve in legislatures and in other high positions, that when we got here, we were really on a strange field. Things were new, things were different, and we kind of carefully had to stick our toes in the water. And then it was kind of nice to have someone with us who had been in the water, not just sticking his toes in the water.

So as I look around, I see there are a great many of you here who were here when I got here 23 years ago to help welcome us and make life a little easier for freshman Members, particularly one from a little area in Indiana where I come from.

So personally, I say, thank you for the help you have given me and that you continue to give to those of us who are still here and have to make some of the decisions, decisions that are hopefully and prayerfully right decisions. It is good that you are still here to offer that counsel.

I can recall that as I came to the floor, it was with some confidence if I could look to a senior Member, one that I could go to and say, "I am troubled with this vote." I know all of us have been there. How nice it is to have someone of experience that we had confidence in, someone we could go to.

But how quick it all happened to us. Now there is no one for us to look to. We used to come to senior Members, as I say, and we still need help, even those of us who are here now, to make difficult decisions. So we still lean very heavily on your counsel.

I know a great many of you have written to each of us as we live through these troubled times and as we look to you for solutions for difficult problems. We thank you for your participation in this group that hopefully all of us will join someday—some of us maybe sooner than we would like—but in any event, we do appreciate the contributions you have made to our country and the sacrifices that you made back then. We also appreciate the contributions you continue to make.

So we are always pleased to have you come back, and we thank you very much for what your have done for the Nation and for each of us individually. So we say, welcome home. [Applause.]

Mr. PREYER (presiding). We thank the gentleman from Indiana [Mr. MYERS] and the gentleman from Maryland [Mr. HOYER] for their eloquent comments which emphasize the bipartisan spirit and nature of this undertaking.

The Clerk will now call the roll of the former Members of Congress.

The Clerk called the roll of former Members of the Congress, and following former Members answered to their names:

ROLLCALL OF FORMER MEMBERS OF CONGRESS ATTENDING ANNUAL MEETING, MAY 11, 1989

Thomas G. Abernethy of Mississippi;
Hugh Q. Alexander of North Carolina;
William H. Ayres of Ohio;
Lamar Baker of Tennessee;
Joseph W. Barr of Indiana;
J. Glenn Beall, Jr. of Maryland;
Edward P. Boland of Massachusetts;
Joel T. Broyhill of Virginia;
John H. Buchanan, Jr. of Alabama;
Howard W. Cannon of Nevada;
Elford A. Cederberg of Michigan;
Charles E. Chamberlain of Michigan;
Albert M. Cole of Kansas;
Jeffery Cohelan of California;
James C. Corman of California;
James K. Coyne of Pennsylvania;
Paul W. Cronin of Massachusetts;
William C. Cramer of Florida;
Edward J. Derwinski of Illinois;
Michael A. Feighan of Ohio;
James M. Hanley of New York;
Robert P. Hanrahan of Illinois;
Ralph R. Harding of Idaho;
Harry G. Haskell of Delaware;
William D. Hathaway of Maine;
Jeffrey P. Hillelson of Missouri;
A. Oakley Hunter of California;
Jed Johnson, Jr. of Oklahoma;
Walter H. Judd of Minnesota;
Frank M. Karsten of Missouri;
Hastings Keith of Massachusetts;
Martha Keys of Kansas;
Ernest L. Konnyu of California;
Horace R. Kornegay of North Carolina;
Peter N. Kyros of Maine;
Jim Lloyd of California;
William S. Mailliard of California;
James R. Mann of South Carolina;
Edwin H. May, Jr. of Connecticut;
George Meader of Michigan;
D. Bailey Merrill of Indiana;
Abner J. Mikva of Illinois;
Chester L. Mize of Kansas;
John S. Monagan of Connecticut;
Shirley Pettis of California;
Howard W. Pollock of Alaska;
Richardson Preyer of North Carolina;
James M. Quigley of Pennsylvania;
J. Kenneth Robinson of Virginia;
John H. Rousselot of California;
Philip E. Ruppe of Michigan;
Harold S. Sawyer of Michigan;
Richard S. Schweiker of Pennsylvania;
William L. Scott of Virginia;
Carlton R. Sickles of Maryland;
Garner E. Shriver of Kansas;
Alfred D. Sieminski of New Jersey;
Henry P. Smith III of New York;
David Michael Staton of West Virginia;
Gene Taylor of Missouri;
John H. Terry of New York;
Andrew Jackson Transue of Michigan;
Charles W. Whalen, Jr. of Ohio;

Larry Winn, Jr. of Kansas; and
Louis C. Wyman of New Hampshire.

□ 1020

Mr. PREYER (presiding). The Chair at this time recognizes the distinguished gentleman from Michigan, Mr. Elford A. Cederberg.

Mr. CEDERBERG. Mr. Speaker, I am pleased to report to you that our Congressional Alumni Association has successfully completed its 19th year. We end our second decade with renewed confidence in the value of our organization that our late beloved colleague, Mr. Hays of Arkansas, and our distinguished cofounder, Dr. Judd of Minnesota (who is with us today), called into existence in the spring of 1970.

We gather together on the House floor at a time of unprecedented resurgence of democracy throughout the world. Whether it be in the streets of Beijing or Tblisi, people are demanding self-determination, the rights of free speech, freedom of the press and the consent of the governed.

This is an historic opportunity for freedom loving men and women to work together to move the world a little closer toward governments of law and order that uphold the dignity of the individual and the right of self-determination through free and fair elections be they in Budapest or Panama.

The world is stirring and striving toward a new birth of freedom. Our association hopes to continue to play a small, but vital role in that expansion of new frontiers of freedom. Let me give you one current example. At our fifth seminar held in Berlin last month that the association sponsored bringing together members of the Congress with their counterparts from the German Bundestag we were challenged by the U.S. Ambassador to Hungary, Mark Palmer, to send teams to Budapest who can help provide the Hungarian Parliament technical assistance and expertise in building a multiparty parliamentary system with which they have had no experience in more than 40 years.

We want to encourage several other organizations to join with us in this endeavor such as the newly created Association of Former Members of the New Zealand Parliament, the Canadian Parliament and the Australian Parliament. We are pleased to have at our meeting John Reid, who served 20 years in the Canadian Parliament and is the president of the Canadian Association of Former Members of Parliament. We have conducted several programs with our Canadian colleagues including a "Wingspread" seminar in Wisconsin and campus fellows visits to United States college campuses by two former Canadian M.P.'s as well as having held our fall meeting in 1979 in Ottawa, Canada. So we have worked closely with our Canadian colleagues in the past and look forward to working with them in the future. Another of the projects that we are exploring with our Canadian friends is the undertaking of a comparative study of the Canadian Parliament and the United States Congress similar to the one we completed several years ago comparing the Japanese Diet and the United States Congress that has been published in both Japanese and English editions which are used widely in comparative government programs and in cross-cultural exchanges in both countries. Our German Bundestag-United States Congress study has been completed and the German edition was presented to the German Bundestag last week. The English edition is at the publishers and will be presented to the Congress this fall. This project was funded by the National Endowment for the Humanities, U.S.I.A. and the Friedrich-Naumann Foundation.

We are very proud of these studies and hope in the future to include a comparative study of the European Parliament and the Congress.

Each year over the past 7 years we have held a program with our colleagues in the Association of Former Members of the German Bundestag bringing Members of the Congress and Members of the Bundestag. These programs take the shape of seminars such as we held this spring in Berlin on the subject of "The European Economic Community and 1992" or in the form of bringing Bundestag members to visit individual congressional districts as we did in the 1986 and 1988 elections. These seminars and exchanges are cosponsored by the German Marshall Fund of the United States and U.S.I.A. to which we express our appreciation. Out of these congressional exchanges and seminars has grown a Congressional Study Group on Germany in the House with some 76 Members that this year is chaired by Representative TOM COLEMAN of Missouri. Senator ROTH of Delaware who participated in our Berlin seminar is in the process of creating a counterpart study group in the Senate.

We also this year continued our Congressional Fellowship Program for Japanese Diet staff members who come to the Capitol for 60 days and work in different congressional offices and committees to learn about our congressional system through firsthand experience. This program has been funded by the Japan-United States Friendship Commission and through a renewed grant will be continued this fall.

This year, under a contract from U.S.I.A., we brought to the United Statres for a 14-day visit a delegation from the Foreign Affairs Committee of the National Congress of the People's Republic of China. This delegation was the first from their Foreign Affairs Committee and they met with a number of the leaders of the Congress including the chairman of the House Foreign Affairs Committee, Mr. FASCELL, and a ranking member of the Senate Foreign Relations Committee, Mr. LUGAR.

Mr. Speaker, at this time I would like to insert at this place in the RECORD a letter and read the letter that I received from our colleague in China. This letter is addressed to me, and I thought it would be worth reading. It is dated April 11, 1989.

NATIONAL PEOPLE'S CONGRESS,
April 11, 1989.

HON. ELFORD A. CEDERBERG,
Association of Former Members of Congress, Washington, DC.

DEAR PRESIDENT CEDERBERG: My colleagues and I thank you and your Association for hosting in the United States the delegation from the Foreign Affairs Committee of the Chinese National People's Congress.

Our visit to your country was both successful and significant. Thanks to your thoughtful arrangements, we were able to meet and talk with people from political and economic circles as well as specialists and professors from various academic fields.

We believe such contacts are useful in bettering our mutual understandings and hope they can be continued to promote the friendship and cooperation between the two countries.

I am sincerely hoping that you and a delegation your Association organized will come to visit China soon.

Best wishes,

FU HAO,
Vice Chairman, Foreign Affairs Committee.

This year we also cosponsored our second conference at the Gerald R. Ford Library on democracy and participated in a planning session at the Carter Center of a second conference on human rights in the Soviet Union scheduled this fall.

Mr. Speaker, the program of which we are the proudest is our Campus Fellows Program where we sent to college campuses persons who have served in the Congress of the United States. This week our colleague, Robert Giaimo of Connecticut, is making such a visit to California Polytechnic University which is our 222d campus visit. I ask permission to list in the CONGRESSIONAL RECORD the names of those campuses visited as well as the names of fellows and the States from which they served. You will notice on that list we do not send anyone to a campus in the State from which they served in the Congress. This is to ensure maximum objectivity in this program to interpret the Congress as an institution. This program has been enormously successful and we expect in the next year to begin some innovations in the format which will extend the time of some of our visits.

COLLEGES AND UNIVERSITIES VISITED UNDER THE CONGRESSIONAL ALUMNI CAMPUS FELLOWS PROGRAM

COLLEGE/UNIVERSITY, STATE AND FELLOW

Alaska Pacific University, Alaska, William S. Mailliard (California).
Albion College, Michigan, David S. King (Utah).
Albion College, Michigan, Ted Kupferman (New York).
Albion College, Michigan, Martha Keys (Kansas).
Alfred University, New York, Frank E. Moss (Utah).
American College in Paris, France, David S. King (Utah).
American College in Paris, France, Byron L. Johnson (Colorado).
Arizona State University, Arizona, Gale W. McGee (Wyoming).
Arizona State Univeristy,[1] Arizona, Jacques Soustelle (France).
Assumption College, Massachusetts, Gale W. McGee (Wyoming).
Auburn University, Alabama, William L. Hungate (Missouri).
Auburn University,[1] Alabama, Alan Lee Williams (United Kingdom).
Avila College,[1] Kansas, Karin Hafstad (Norway).
Bainbridge Jr. College, Georgia, Gilbert Gude (Maryland)
Baylor University, Texas, James Roosevelt (California).
Baylor University,[1] Texas, Peter von der Heydt (Germany).
Bowling Green State University, Ohio, Robert P. Hanrahan (Illinois).
Bradley University, Illinois, Charles W. Whalen, Jr. (Ohio).
Brandeis University, Massachusetts, Abner J. Mikva (Illinois).
Brandeis University, Massachusetts, L. Richardon Preyer (North Carolina).
Brenau College, Georgia, Ralph W. Yarborough (Texas).
Brigham Young University,[1] Utah, Jacques Soustelle (France).
California Poly. State—San Luis Obispo, California, John B. Anderson (Illinois).
California Poly. State—San Luis Obispo, California, Frank E. Evans (Colorado).
California Poly. State—San Luis Obispo, California, Robert N. Giaimo (Connecticut).
California Poly. State—San Luis Obispo, California, Ralph W. Yarborough (Texas).
California Poly. State—Pomona, California, Robert R. Barry (New York).
Cameron University, Oklahoma, William D. Hathaway (Maine).
Cameron University, Oklahoma, William L. Hungate (Missouri).
Cameron University, Oklahoma, Dick Clark (Iowa).
Carleton College, Minnesota, William S. Mailliard (California).
Carroll College, Montana, Ralph W. Yarborough (Texas).
Chaminade College, Hawaii, Catherine May Bedell (Washington).
Chatham College, Pennsylvania, Catherine May Bedell (Washington).
Chatham College, Pennsylvania, Martha Keys (Kansas).
Charleston College, South Carolina, John M. Reid (Canada).
Clarke College, Georgia, William L. Hungate (Missouri).
Clark College, William S. Mailliard (California).
Colgate University, New York, William S. Mailliard (California).
College of the Sequoias, California, Gale W. McGee (Wyoming).
Colorado State University, Colorado, Alastair Gillespie (Canada).
Columbia College, South Carolina, Catherine May Bedell (Washington).
Columbia College, South Carolina, Martha Keys (Kansas).
Columbia College, South Carolina, James M. Quigley (Pennsylvania).
Columbia College, South Carolina, John M. Reid (Canada).
Columbia College, South Carolina, Henry S. Reuss (Wisconsin).
Concordia College, Michigan, Walter H. Moeller (Ohio).
Connecticut College, Connecticut, Ralph W. Yarborough (Texas).
Converse College, South Carolina, Jed Johnson, Jr. (Oklahoma).
Dartmouth College, New Hampshire, John O. Marsh, Jr. (Virginia).
Dartmouth College, New Hampshire, William S. Mailliard (California).
Davis & Elkins College, West Virginia, Frank E. Moss (Utah).
Davis & Elkins, West Virginia, J. Glenn Beall, Jr. (Maryland).
Denison University, Ohio, Frank E. Moss (Utah).
DePauw University, Indiana, Hugh Scott (Pennsylvania).
Dillard University, Louisiana, Georg Kahn-Ackermann (Germany).
Doshisha University, Japan, Catherine May Bedell (Washington).
Duke University, North Carolina, Georg Kahn-Ackermann (Germany).
Eckerd College, Florida, William L. Hungate (Missouri).
Elmira College, New York, Charles W. Whalen, Jr. (Ohio).
Friends University, Kansas, Henry P. Smith, III (New York).
Furman University, South Carolina, Jed Johnson, Jr. (Oklahoma).
Furman University, South Carolina, Charles W. Whalen, Jr. (Ohio).
Georgetown University, Washington, DC, Celio Borja (Brazil).
Grinnell College, Iowa, Neil Staebler (Michigan).
Guilford College, North Carolina, Gale W. McGee (Wyoming).
Gustavus Adolphus College, Minnesota, Charles W. Whalen, Jr. (Ohio).
Hamilton College, New York, William S. Mailliard (California).
Hartwick College, New York, Ralph W. Yarborough (Texas).
Hiram College, Ohio, Howard H. Callaway (Georgia).
Hiram College, Ohio, Roman L. Hruska (Nebraska).
Hope College, Michigan, Walter H. Judd (Minnesota).
Hope College, Michigan, Gale W. McGee (Wyoming).
Hope College, Michigan, Catherine May Bedell (Washington).
Idaho State University, Idaho, John R. Schmidhauser (Iowa).
Indiana State University, Indiana, Gordon L. Allot (Colorado).
Indiana Univ. Northwest, Indiana, Neil Staebler (Michigan).
Indiana Univ. Northwest, Indiana, William L. Hungate (Missouri).
Indiana Univ. Northwest, Indiana, Tom Railsback (Illinois).
Jackson State University, Mississippi, Allard K. Lowenstein (New York).
Johns Hopkins University, Maryland, Hugh Scott (Pennsylvania).
Johns Hopkins University, Washington, DC, Celio Borja (Brazil).
Kansai University, Japan, Frank E. Moss (Utah).
Kansas-Newman College, Kansas, Henry P. Smith, III (New York).
Kansas State University, Kansas, Paul N. McCloskey, Jr. (California).
Keio University, Japan, Frank E. Moss (Utah).
King College, Tennessee, Charles W. Whalen, Jr. (Ohio).
King's College, Pennsylvania, Philip Hayes (Indiana).
Kirkland College, New York, William S. Mailliard (California).
Kwansei Gakuin University, Japan, Frank E. Moss (Utah).
LaGrange College, Georgia, Ralph W. Yarborough (Texas).
Lake Forest College, Illinois, Ralph W. Yarborough (Texas).
Lindenwood College, Missouri, Gaylord Nelson (Wisconsin).
Longwood College, Virginia, Paul W. Cronin (Massachusetts).
Luther College, Iowa, Gilbert Gude (Maryland).
NcNeese University, Louisiana, William S. Mailliard (California).
Marshall University, West Virginia, John J. Gilligan (Ohio).
Mary Hardin Baylor College, Texas, Brooks Hays (Arkansas).
Matanuska-Susitna Community College, Alaska, William L. Hungate (Missouri).
Mesa Community College, Arizona, Gale W. McGee (Wyoming).
Miami University-Middletown, Ohio, James Roosevelt (California).
Miami University-Middletown, Ohio, James W. Symington (Missouri).
Mid-America Nazarene College, Kansas, John B. Anderson (Illinois).
Mid-America Nazarene College, Kansas, John Dellenback (Oregon).
Millsaps College, Mississippi, Allard K. Lowenstein (New York).
Montclair State College, New Jersey, Walter H. Judd (Minnesota).
Montclair State College, New Jersey, Ralph W. Yarborough (Texas).
Morehead State University, Kentucky, Dan Kuykendall (Tennessee).
Morehouse College, Georgia, William S. Mailliard (California).
Morehouse College, Georgia, William L. Hungate (Missouri).
Morris Brown College, Georgia, William S. Mailliard (California).
Morris Brown College, Georgia, William L. Hungate (Missouri).
Mount Vernon College, Washington, DC, Martha Keys (Kansas).
Murray State University, Kentucky, Brooks Hays (Arkansas).
Nanzan University, Japan, Catherine May Bedell (Washington).
New York University, New York, George McGovern (South Dakota).
Northern Illinois University, Illinois, William L. Hungate (Missouri).
Northern Kentucky University, Kentucky, Martha Keys (Kansas).
North Park College,[1] Illinois, Karin Hafstad (Norway).
Northwestern University,[1] Illinois, Karin Hafstad (Norway).
Oklahoma State University, Oklahoma, Ralph W. Yarborough (Texas).
Oregon State University, Oregon, Martha Keys (Kansas).
Otterbein College, Ohio, James Roosevelt (California).
Purdue University-Calumet, Indiana, William L. Hungate (Missouri).

Purdue University-Calumet, Indiana, Tom Railsback (Illinois).
Randolph-Macon College, Virginia, Gale W. McGee (Wyoming).
Randolph-Macon College,[1] Virginia, Hugh Scott (Pennsylvania).
Rockhurst College,[1] Kansas, Karin Hafstad (Norway).
Rose Hulman Institute of Technology, Indiana, Gordon L. Allott (Colorado).
St. Cloud State University, Minnesota, Charles W. Whalen, Jr. (Ohio).
St. Lawrence University, New York, Roman L. Pucinski (Illinois).
St. Mary-of-the-Woods, Indiana, Gordon L. Allott (Colorado).
St. Mary's College, Indiana, Gale W. McGee (Wyoming).
St. Michael's College, Vermont, Walter H. Judd (Minnesota).
St. Norbert's College, Wisconsin, Martha Keys (Kansas).
St. Olaf College, Minnesota, William S. Mailliard (California).
Salem College, North Carolina, Martha Keys (Kansas).
Sangamon State University, Illinois, Andrew J. Biemiller (Wisconsin).
Sangamon State University, Illinois, Martha Keys (Kansas).
Sangamon State University,[1] Illinois, Alan Lee Williams (United Kingdom).
Sangamon State University,[1] Illinois, Alastair Gillespie (Canada).
Siena College, New York, Frank E. Moss (Utah).
Siena College, New York, Charles W. Whalen, Jr. (Ohio).
Southeast Community College, Kentucky, Donald E. Lukens (Ohio).
Southern Illinois University, Illinois, John R. Schmidhauser (Iowa).
Southwestern College, Kansas, Henry P. Smith, III (New York).
Spelman College, Georgia, William S. Mailliard (California).
Spelman College, Georgia, William L. Hungate (Missouri).
SUNY-Binghamton, New York, John B. Anderson (Illinois).
SUNY-Plattsburg, New York, L. Richardson Preyer (North Carolina).
State University of Oswego, New York, Martha Keys (Kansas).
Syracuse University, New York, Charles W. Whalen, Jr. (Ohio).
Talladega College, Alabama, Ted Kupferman (New York).
Tougaloo Southern Christian College, Mississippi, Allard K. Lowenstein (New York).
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It is now my sad duty to report to the Congress the list of our deceased colleagues who have passed away since our report last spring: Gordon L. Allott of Colorado; Robert R. Barry of New York; Charles B. Brownson of Indiana; Price Daniel of Texas; Glenn R. Davis of Wisconsin; James P.S. Devereaux of Maryland; James Domengeaux of Louisiana; Thaddeus J. Dulski of New York; Charles R. Jonas of North Carolina; James Kee of West Virginia; Robert McClory Illinois; James G. O'Hara of Michigan; Ellis E. Patterson of California; Monroe M. Redden of North Carolina; David E. Satterfield III of Virginia; Gordon H. Scherer of Ohio; Leonor K. Sullivan-Archibald of Missouri; Stuart Symington of Missouri, and Basil Whitener of North Carolina.

I noticed in this morning's paper that we lost another of our colleagues, Kenneth Roberts of Alabama. I knew him so well. He passed away here I believe yesterday, for which we are very sad.

I ask for a moment of silence in their memory.

Mr. Speaker, it is now my pleasure to report to you that the gentleman from Illinois, Judge Mikva, who is our vice president, will become president the end of next month and lead the association in its 20th year. He will have as his vice president the able assistance of the gentleman from Arizona, Mr. Rhodes.

Each year we present a Distinguished Service Award. The list itself is a very imposing one, beginning in 1974 with Gerald R. Ford and continuing with John W. McCormack, Lewis Deschler, Sam Ervin, Jr., Nelson Rockefeller, George H. Mahon, Clare Boothe Luce, Edmund S. Muskie, Hugh Scott, Richard Bolling, Jacob K. Javits, J. William Fulbright, Walter H. Judd, Thomas P. O'Neill, Jr., and John J. Rhodes. This year it is my honor to present the 1989 Distinguished Service Award to our long-time colleague, Edward Boland, who served in this body with distinction for 36 years from Massachusetts.

I remember so well, if you will pardon just a little personal comment here, when we came together in the 83d Congress back in 1953, we had some pretty good guys in that Congress. Tip O'Neill, Johnnie Rhodes, Mel Laird, and many of us who came. We had a distinguished class. One of the most distinguished was our friend, the gentleman from Massachusetts.

Ed, if you will come up here now, I would like to present you with this gavel, but first, before I do that, we have a book of letters from many of your current and former colleagues, to you, telling you how much they think of you. I think they are all pretty good.

Ed, I would like to present this to you on behalf of the Former Members of Congress Association. We appreciate your being here very much.

Mr. BOLAND. Mr. Speaker, ever since my retirement I have moved to the conservative side of this aisle, so here I am.

Mr. Speaker, former Members of Congress, and present Members, I am deeply touched to be this year's Distinguished Public Service Award winner.

I want to thank President Al Cederberg, and the officers and members of the Assocation of Former Members of Congress for this great honor. The recognition of one's peers in an endeavor as challenging as politics is particularly meaningful, and I am truly appreciative of the good wishes that go with this award.

I am particularly pleased that my wife, Mary, is with me today. On many occasions during my service here, the demands of family meant that I had to fly from Massachusetts to some event in the Capitol alone, while Mary stayed at home in Springfield.

That we can now come to Washington together is one of the best "perks" of my new status as a former Member of Congress.

Two years ago, you honored former Speaker Tip O'Neill with the Distinguished Public Service Award. On the off chance that some of the notoriety which he enjoys is a byproduct of this award, I have been practicing the suitcase trick he does in his new hotel commerical. I want to be ready in case any casting agents call.

I spent 36 years in this Chamber, and I can tell you that it feels good to be back, if only for a day. There is no institution quite like the U.S. Congress. The privilege of serving here is one of the greatest gifts the citizens of our country can bestow.

To the people of western Massachusetts goes my gratitude for having been permitted to represent them in these halls for so much of my career in public life.

This Chamber holds many memories for me. I do not know the precise number of men and women with whom I served during my tenure, although I imagine it was in the thousands. But I do recall the frequent examples of courage, kindness, and grace under pressure that enriched the life of this institution.

I recall as well some of the great questions that were debated on this floor involving: the commitment of U.S. forces to hostile situations in countries far from our own, efforts to advance the cause of civil rights and human dignity in our own Nation, and throughout the world, the expansion of educational and economic opportunity, and the assurance of a place for the United States in the exploration of the universe. Those debates were long and arduous, sometimes punctuated by angry outbursts and heated exchanges. I can remember sometimes thinking to myself, when the issues seemed particularly intractable, and Congress had tied itself into knots, that these must truly be the worst of times.

But, with the benefit of perspective, I believe that they were, in many ways, the best of times. Being involved in the making of decisions that help move this country forward, is part of the exhileration that often characterizes service in the Congress. That exhileration was, for me, always matched by a keen sense of the scope of the responsibility that we shouldered. That this Nation has, for more than 200 years, entrusted to a relatively small number of its citizens the job of governing a large, complex, and diverse society is an act of faith that, for me, has always been a source of marvel.

It is in the shouldering of that responsibility that the current Members of Congress maintain the strength of the tie that binds them, not only to their colleagues of today, but to the James Madisons, Roger Shermans, and Frederick Muhlenbergs of the first Congress as well. This is the forum in which the work of democracy gets done. And it gets done because there exists, in this institution, a tradition of men and women of great ability and dedication who are willing to come together, often at considerable sacrifice to themselves and their families, to serve their country.

As Congress begins its third century, I think it is worth acknowledging that it remains the preeminent legislative body in the history of the world. My association with it has been, with the exception of my family, the single most satisfying association in my life. And I would expect that Members who

will come here decades from now will feel much the same way when their period of service is complete.

I wish the current Members, and those who will follow them, the best of luck in their efforts to grapple with those seemingly insoluable problems with which they will be confronted. If those of us who no longer carry a voting card can ever be of service, I hope the Association of Former Members of Congress will be recognized as an appropriate vehicle.

□ 1040

I want to express again my very deep gratitude for this great distinguished honor that has been conferred upon me.

Thank you very much.

Mr. CEDERBERG. Mr. Speaker, I move we adjourn.

Mr. PREYER (presiding). The Chair again wishes to thank the former Members of the House for their presence here today, and we thank our particular honoree, the gentleman from Massachusetts. He now understands what a pancake feels like after the syrup has been poured over it, or will before the weekend is over.

Before terminating these proceedings, the Chair would like to invite any former Members who have not already responded to their rollcall, to their name, to give their names to the reading clerks, please, for inclusion on the roll.

The Chair thanks all of the other Members, former Members, of Congress for their presence here today, an unusually fit looking group, undoubtedly coming from sufficient time spent in the House gym.

We wish good luck to all of you, and the Chair announces that the House will reconvene at 11 o'clock.

Accordingly (at 10 o'clock and 44 minutes a.m.), the House continued in recess until 11 a.m.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore [Mr. BONIOR] at 11 o'clock and 1 minute a.m.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will recognize Members for 1-minute speeches.

TODAY'S YOUNG WOMEN ARE FIVE TIMES MORE LIKELY TO END UP BEING SOLE SUPPORT OF FAMILIES

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, I think it is very interesting that the Department of Labor, the United States Department of Labor tells us that young women in school today are five times more likely than young men in school today to end up being the sole support of their families.

That is a world turned upside down from when I was in school.

Let me do it one more time: A young woman is five times more likely to end up being the sole support of her family in this country today than a young man in school sitting next to her.

What wage do most of those women make? They make the minimum wage; two-thirds of the people making the minimum wage are women and they are often supporting their family.

I certainly hope people vote for the minimum wage bill today. It is the least we can do as we watch the Michael Milkens and the greed follies going on around this country. The least we can do is recognize people who are at the minimum wage and hardly making it if they are at all.

FAMILY FARMLAND PRESERVATION ACT

(Mr. SCHULZE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHULZE. Mr. Speaker, the tradition of family farming in America is being threatened by the spiraling value of farmland in proximity to urban areas. As the value of land rises with increased development, the ability of families to pass their farms onto succeeding generations is being eliminated by enormous estate tax burdens. These taxes are based on the price the land could bring for development purposes, not its value if retained in farming.

Today, I am introducing the Family Farmland Preservation Act. My bill would protect family farmers from incredible estate tax burdens reflecting development value rather than farming value. It would not forgive the estate tax, but allow farmers to postpone payment and reduce the total tax burden for each 5 years a farm remains in production and is kept in the family.

Mr. Speaker, my bill is limited in scope and presents an environmentally sound approach to preserving our open space and the American family farm.

PRINTING OF PROCEEDINGS HAD DURING THE RECESS

Mr. GLICKMAN. Mr. Speaker, I ask unanimous consent that the proceedings had during the recess be printed in the CONGRESSIONAL RECORD and that all Members and former Members who spoke during the recess have the privilege of revising and extending their remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kansas?

There was no objection.

NORIEGA STOLE THE ELECTIONS IN PANAMA

(Mr. GLICKMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GLICKMAN. Mr. Speaker, as an observer in the recent Panamanian elections, it is clear that three things came out of those elections: No. 1, Noriega stole the elections from the Panamanian people. No. 2, there is no support for him at all by the Panamanian people other than his military henchmen. No. 3, I did not see any evidence of anti-Americanism and the United States is not viewed as a negative force.

Whatever the United States does, our obligation is to protect United States citizens and property including the canal and determine if the Panamanian people need our help to carry on the democratic principles.

We should not decide what is best for the Panamanian people but if we are genuinely called upon for help, we should not be afraid to provide help and assistance. There is no question that some of Panama's current problems have been caused by the misguided United States diplomatic and military policy in recent years and we do not go into this situation with totally clean hands. But we must be more than just neutral observers in dealing with the abuse of power by General Noriega.

To paraphrase the Italian poet, Dante: "The deepest place in hell is reserved for those who in a period of moral crisis claim neutrality."

Neutrality cannot be the basis of United States policy when the rights of the Panamanian people are being abused by the dictator Noriega.

GENESEE RIVER PROTECTION ACT OF 1989

(Mr. PAXON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PAXON. Mr. Speaker, today I rise to introduce the Genesee River Protection Act of 1989 to accompany legislation which my New York colleague, Senator MOYNIHAN, is introducing in the other body.

The purpose of this legislation is to protect the scenic beauty and ecological value of the Genesee River under the Wild and Scenic Rivers Act.

The Genesee River and Letchworth State Park located in the very heart of

my 31st Congressional District which I am proud to represent.

Affectionately known as the "Grand Canyon of the East," with cliffs that rise to over 600 feet at some points, this gorge is where the magnificent Genesee River spans some 17 miles as it roars over three major falls, one of which is more than 107 feet high.

The historic Letchworth State Park encompasses over 14,000 acres with boundaries accessed by main entrances in Portageville, Castile, and Perry in Wyoming County and Mount Morris in Livingston County and hosts close to 1 million visitors annually.

Mr. Speaker, I was privileged to grow up not far from this environmental wonder and after representing that same area during my 6-year tenure as a New York State assemblyman, I am pleased, extremely pleased, Mr. Speaker, to have the opportunity to introduce this legislation, the Genesee River Protection Act of 1989, that will preserve this natural resource for present and future generations to enjoy.

FAIR LABOR STANDARDS AMENDMENTS

(Mr. KILDEE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KILDEE. Mr. Speaker, I rise in strong support of the conference report on H.R. 2, the Fair Labor Standards Amendments, which raises the minimum wage for the first time since 1981. Today, in 1989, it is about time that we provide a decent hourly wage for the working men and women of America.

I have always felt strongly that we should do everything possible to make work more financially attractive than welfare. By keeping the minimum wage at $3.35, we have forced many American workers to work 40 hours a week, and yet earn only $6,968 per year.

The minimum wage is established by Congress. As a result, there have been no yearly increases for inflation and the real value of the wage today has gone down by almost 30 percent. We establish a variety of social service and employment programs here in Washington, such as the food stamps and supplemental security income programs, and ensure that they will receive inflationary increases. We do not do this for the minimum wage.

There are those who say that increasing the minimum wage will increase inflation. The working poor are not, and never have been the cause of the United States' huge debt burden. To look at inflation and the deficit, and conclude that the working poor are to blame is straining at a gnat while swallowing a camel. Each one of us here has contributed more to inflation than the working poor.

□ 1110

ARREST NORIEGA

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, Jimmy Carter said that General Noriega is a crook. He said that the general fraudulently disrupted the election in Panama. Now we all know that. But Jimmy Carter recommended to President Bush that he go slow. Now I have great respect for former President Carter, but one of the reasons, honestly, that he was not reelected, because at times he would just simply go too slow. We do not need a slow motion President. We have a drug smuggler that has been indicted, sitting in Panama, laughing at the United States. We have a $310 billion defense budget and we do not fund it to provide money for the neighborhood crime watch. Now is the time to use it.

I recommend that President Bush send the Marines to Panama and arrest General Noriega and let the world know America has had it with drug smugglers.

The SPEAKER pro tempore (Mr. BONIOR). The Chair wishes to remind all guests of the Congress not to express their feelings of approval or disapproval of the proceedings of the Congress, as it is in violation of the rules of the House.

WHAT HAPPENED TO THE DIRE EMERGENCY SUPPLEMENTAL?

(Mr. CONTE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CONTE. Mr. Speaker, on a day when the House has little on its schedule, the uninformed observer thinks we have little to do.

Well, what about the dire emergency supplemental? It has been more than 2 weeks since that bill, H.R. 2072, was pulled from the floor.

It has been more than 1 month since the President officially sent up his revisions on April 3, and more like 2 months since we found out what was in them.

It has been more than 4 months since President Reagan sent up the original supplemental requests for this fiscal year.

How can there be a dire emergency if we are sitting around on our hands?

How long does it take to figure out that the overwhelming rejection of the Foley amendment means that the House wants a lean and clean supplemental?

How long does it take to cross out the additional funding for programs that can wait a month for the regular bills?

Mr. Speaker, our veterans, our students, our forest rangers, our workers unemployed because of unfair foreign competition, the Soviet refugees, the southwest African peacekeepers, are waiting.

What are we waiting for?

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Hallen, one of its clerks, announced that the Secretary inform the House of Representatives that the Senate is ready to receive the managers appointed by the House of Representatives for the purpose of exhibiting articles of impeachment against Walter L. Nixon, Jr., judge of the U.S. District Court for the Southern District of Mississippi, agreeably to the notice communicated to the Senate, and that at the hour of 11 a.m. on Thursday, May 11, 1989, the Senate will receive the honorable managers on the part of the House of Representatives, in order that they may present and exhibit the said articles of impeachment against the said Walter L. Nixon, Jr., judge of the U.S. District Court for the Southern District of Mississippi.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 1593

Mr. HASTERT. Mr. Speaker, I ask unanimous consent that my name be removed as a cosponsor of H.R. 1593.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

THREE THIN DIMES

(Mr. HOYER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HOYER. Mr. Speaker, once again the House will be considering legislation to improve the lives of the 8.4 million working Americans who live in poverty. The conference report on the minimum wage which the House will be taking up today, would ensure that the paycheck America's workers bring home will be enough to provide for the basic necessities of life.

Can America do any less?

The minimum wage was designed to be a living wage. But, over the last 10 years, its purchasing power has been allowed to decline to its lowest level since 1955. It is no coincidence that as the minimum wage has been allowed to decline over the past 10 years, an increasing number of working Americans are poor and an increasing

number of working Americans are homeless.

Two-thirds of the American public believe that the wage ought to be raised. The problem, Mr. Speaker, comes down to this. Three thin dimes. That is the difference between the Congress and the President of the United States. Thirty cents. Three thin dimes which will make the difference between a living wage and poverty for millions of Americans. Mr. President, we are going to pass this conference report. I hope you will not veto it. Three thin dimes for the poorest working Americans who only want to be able to support themselves and their families. That is what America wants them to do. Let the Members give them an opportunity.

INTRODUCTION OF THE GOVERNMENTWIDE ETHICS ACT OF 1989

(Mr. SMITH of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SMITH of Texas. Mr. Speaker, today I am honored and privileged by the President to introduce his ethics law reform bill, the Governmentwide Ethics Act of 1989.

This bill is an unprecedented legislative opportunity to restore reason to public debate, to reaffirm commonsense standards of public service, to restore some common sense to government ethics. For that we need some government ethics that make sense.

Citizens have a vested interest in the President's proposal. It is the hope of citizens for easily understood, uniform standards that support public officials in their desire to do the right thing.

Members of Congress also have a vested interest in the President's proposal. Members will recognize the basic fairness and responsiveness to the unique constitutional role of Congress. In the broad, comprehensive approach it provides a starting point that Congress could not reach without the commitment and the cooperation of the President.

The alternative, a failure of this Congress to address and restate clear, simple, uniform standards of public service is unacceptable to the American people.

To my House colleagues I say, the President, on behalf of the American people, has given Members the legislative vehicle we need. President Bush has served in this institution, the House. He knows practices. He knows that here as nowhere else in government the people govern, and the people have spoken.

IN SUPPORT OF MINIMUM WAGE INCREASE

(Ms. PELOSI asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. PELOSI. I rise in support for the minimum wage bill today. Our colleague, the gentleman from Maryland [Mr. HOYER], pointed out that three thin dimes separate Members from the President. I urge my colleagues to support this minimum wage bill and urge the President to sign it, because those three thin dimes amount to $12 a week, only $50 a month, for working Americans.

How can we ignore the needs of the working poor in our country when I could stand here, Mr. Speaker, for hours and read off the list of people making over $1 million a year for their salaries.

□ 1120

Mr. Speaker, I will take the remainder of my 1 minute to read as many of these as I can who are making over $10 million a year. I am not going to use their names; I would rather go into the numbers instead.

No. 1, over $40 million a year;
No. 2, $32,135,000 a year;
No. 3, $21 million a year;
No. 4, $21 million a year;
No. 5, $16 million a year;
No. 6, $14 million a year;
No. 7, $12,960,000 a year;
No. 8, $11 million a year;
No. 9, $11.5 million a year;
No. 10, $11 million a year; and
No. 11, $11 million a year.

The list goes on and on. How can we in our society contend that we have any sense of fairness when there is even a debate over the fact that people in our country who work would get an increase of $12 a week? And that is only a small difference between our legislation and what the President will agree to sign.

Mr. Speaker, I ask the Members, please, let us not allow this disparity to continue. Support the minimum wage bill today.

NEED FOR FUNDS FOR VETERANS HEALTH CARE IS DIRE AND URGENT

(Mr. STEARNS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STEARNS. Mr. Speaker, I rise today to express my deep concern about funding for veterans programs. The supplemental appropriations bill which was originally scheduled for floor consideration included additional money for compensation and pensions as well as health care. Unfortunately, it also contained a lot of money for a host of other programs which, in my mind, did not merit the terms "dire or emergency."

The need for increased funding of veterans health care, however, is both dire and urgent. Veterans in Florida are being denied the care they have earned because there is simply not enough money to serve their needs. The longer we deliberate this, the longer these men and women will go without health care that may not be available to them in any other setting.

I urge my colleagues on the Appropriations Committee to reach an agreement that will allow Members to vote on needs that are truly emergencies. Funding for extraneous programs will only hold up passage of legislation which will address the health care needs of our Nation's former service men and women. I understand that a tentative agreement has been reached, and I hope that the committee has recognized the need for a package we can all vote for.

DEFAZIO SAYS OREGON NEEDS ADDITIONAL JUDGE, CITES INCREASE IN CRIME, CASELOADS

(Mr. DEFAZIO asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. DEFAZIO. Mr. Speaker, we have passed tough new laws. We have obtained more law enforcement officials. We are building more jail cells. President Bush says he may declare a national crime emergency. But all the declarations, laws, and police in the world will not solve our crime problem unless our courts can prosecute, convict, and sentence criminals.

The Oregon Department of Justice says that my State now ranks second in the Nation in the number of illegal drug lab seizures, third in the number of bank robberies, sixth in serious crime, and seventh in robberies.

Our Federal courts are swamped with cases, which leads to delays in indictments, prosecutions, and verdicts, particularly in the Federal court in my district where we are operating only with a magistrate.

Each of Oregon's Federal judges had more than 514 cases during 1988. The Judicial Conference says that there should be no more than 400 cases per judge per year.

We are arresting more criminals, but our courts cannot hear their cases. Law enforcement officials tell me their hands are tied until we reduce the backlog in our courts. We can talk tough about fighting crime until we are blue in the face, but we will have no effect until we give our courts the judges they need to put criminals behind bars.

Mr. Speaker, I urge my colleagues to lend me their support in considering and passing H.R. 2030, which would

authorize a new article III judge for the district of Oregon.

THE TRUE GAUGE OF OUR IRRESPONSIBILITY

(Mr. PORTER asked and was given permission to address the House for 1 minute.)

Mr. PORTER. Mr. Speaker, last Thursday the House passed a budget resolution that technically pushes our deficit below $100 billion and meets Gramm-Rudman deficit reduction targets. But Gramm-Rudman calculations don't tell the real story.

While we claim that the deficit will be only $100 billion this year, do you know how much our national debt will increase in fiscal year 1990? CBO predicts that when you subtract the trust fund surpluses and add the cost of the savings and loan bailout, the real deficit will be $264 billion. That's right. The real deficit, the real addition to our Nation's indebtedness, the amount our kids will be paying interest on all their lives, is really two-and-a-half times what the budget resolution says it is.

What good is it to craft a budget agreement that produces a deficit number that has no relation to the budget's impact on the national debt?

This summer, when we are passing a debt limit extension bill that authorizes the Treasury to borrow another $300 billion or so to get us through fiscal year 1990, ask yourself how real the $100 billion deficit figure is.

MINIMUM WAGE PROPOSAL DESERVES MEMBERS' SUPPORT

(Mr. HOAGLAND asked and was given permission to address the House for 1 minute.)

Mr. HOAGLAND. Mr. Speaker, there have been a number of excellent arguments presented here today in favor of the minimum wage bill that I hope will pass this afternoon. I would like to join those and dwell on one particular item that particularly concerns me in the proposal that will be before the House this afternoon, and that is that the compromise we have arrived at here in the House of Representatives only restores 86 percent of the loss that has been incurred due to inflation and will be incurred due to inflation since January 1, 1981, when we last increased the minimum wage.

The administration's proposal, coming with the veto threat, would only restore 81 percent of the loss. I think many of us here would like to restore 100 percent of the loss.

I know that in my conservative part of the Midwest, 74 percent of my constituents are in favor of increasing the minimum wage to the level of at least what we have here. I see no justification for a veto in a situation where the compromise we have arrived at here again only restores 86 percent of the loss over the last 9 years.

So, Mr. Speaker, I urge my colleagues to support the conference report, and I certainly urge the President to sign the bill.

SUPPORT A DECENT MINIMUM WAGE

(Mr. MINETA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MINETA. Mr. Speaker, the working people of America deserve a fair and decent minimum wage. For too long, our country's minimum wage level has remained stagnant, while the continuing creep of inflation has eroded its value and undercut the buying power of millions of hard working people.

Today we have the opportunity to change that, a chance to approve a long-overdue rejuventation of our basic wage standard.

Mr. Speaker, I urge my colleagues to support that conference report on raising the minimum wage. Most importantly, I urge the President to listen to the voices of millions of deserving American workers, and sign this bill. They deserve those "three thin dimes."

SUPPORT URGED FOR CONFERENCE REPORT ON FAIR LABOR STANDARDS ACT

(Mr. LEHMAN of California asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. LEHMAN of California. Mr. Speaker, I rise today to urge my colleagues to show their strong support for the conference report on the Fair Labor Standards Act. Let us show our commitment to the working men and women of America by raising the minimum wage. Let us say today that it is simply no longer acceptable for a man or a woman in this country to work 40 hours a week, 52 weeks a year, and still live in poverty.

This is a modest bill—three thin dimes. The administration claims that those dimes would cause job loss and high inflation—three dimes over 3 years. If history is our teacher, it is well documented that raising the minimum wage will cause no significant job loss or inflation.

Where is the concern for what inflation has done to people on the minimum wage? What this bill does is to restore the purchasing power of a minimum wage that is so eroded that it only buys $2.56 of today's goods and services.

There is more to this issue than just numbers. We are talking about restoring basic fairness to the workplace. No one in this country should work full time and live in poverty. No one should work full time and not be able to have a roof over their head. It is ridiculous to think that a head of household earning the minimum wage has absolutely no hope of supporting his or her family. In addition, it is imperative to provide an incentive for people to get off public assistance and enter the work force. By raising the minimum wage, we can accomplish this.

Mr. Speaker, the President would cut the capital gains tax for the rich today, but he would veto this legislation because of three dimes over 3 years. I say to the Members, let us draw a line in the dirt and stand our ground.

REMEMBERING THOSE WHO WILL NOT GRADUATE THIS SPRING

(Mr. PICKETT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PICKETT. Mr. Speaker, during the next several weeks, as Americans triumph in the graduation of loved ones from high school and college, this Nation needs to also think for a moment about the young people left behind, who, for whatever reason, have either dropped out of school or didn't have the chance to go in the first place. It is a tragedy that these young people will never reach their full potential. More alarming, a recent report by the Joint Economic Committee shows their numbers are growing.

This report, which I urge my colleagues to read, singled out education as, "perhaps the most prominent area where our Nation's shortcomings threaten to impose enormous long-term costs."

The committee found that we have a dropout rate between 40 and 50 percent for minority students and that some 13 percent of all 17-year-old Americans cannot read, write, or count. Many young people are unable to afford higher education. Tuition at America's colleges and universities has outpaced family income at a rate of 5 to 1 during this decade. Not surprisingly, college enrollment is down.

The future of this Nation is filled with too many challenges and too many opportunities to abandon so many young people. For their sake and for the sake of our future, we must do better.

□ 1130

ANOTHER REASON TO SUPPORT THE MINIMUM-WAGE CONFERENCE REPORT—ITS IMPACT ON WOMEN

(Mr. SABO asked and was given permission to address the House for 1

minute and to revise and extend his remarks.)

Mr. SABO. Mr. Speaker, and Members, I rise today in support of the minimum-wage conference report. There are many reasons to support it. Let me focus on one reason which is a little more narrow than others, its impact on young women, particularly on young women who are furthering their education.

Mr. Speaker, it has been my observation that there is real distinction in our society in the wages that a young woman can earn in comparison to a young man. A young woman who is trying to earn money to go on to college or to earn a few dollars while she is in school suffers immensely because of our wage inequity. This bill will help that.

Mr. President, as part of a kinder, gentler society, please sign this very modest increase in the minimum wage bill.

THE HISTORY OF THE MINIMUM-WAGE DEBATE

(Mr. NAGLE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. NAGLE. Mr. Speaker, I rise today in support of the minimum wage.

I sometimes think on occasion the debate that we have on the floor of this House actually comes out of the history of the walls around us, that what is said today has actually been said on many occasions before, and specifically with the minimum wage it is true. We hear dire processes again, as we did when the thing was first established, that great gloom and doom will happen to the countryside if we enact the minimum wage.

Mr. Speaker, as part of my preparation today I went back and looked to see what the original debate on the minimum wage said about it, and I was struck with the similarity of then and today. On December 14, 1937, for example, one Member rose in this body and probably stood in the place I now stand, and that Member predicted the establishment of a minimum wage rate of 40 cents an hour would replace our constitutional form of democracy with a despotic form of government, establish a dominion over industry by labor, and drain our countryside of farmworkers who would surely flock to the cities for such high wages.

Mr. Speaker, it did not happen then, and it will not happen today. We should not be misled by those who oppose decency for the American working people by giving them a decent wage. It has worked in this country for 50 years, and it will work again.

Mr. Speaker, we should pass, and the President should sign, the minimum wage bill later today.

PRESIDENT BUSH—THE BIGGEST OBSTACLE TO ENACTMENT OF A DECENT MINIMUM WAGE

(Mr. FORD of Michigan asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FORD of Michigan. Mr. Speaker, I rise in support of the conference report on H.R. 2, legislation to raise the minimum wage to $4.55 by October 1991.

This bill is solidly within a 50-year-old tradition in the United States, a tradition that holds that Americans who work should not be poor. The minimum wage is a social compact initiated by FDR in the New Deal that says to every American: If you work full time, year round, you will be able to support a small family without resort to welfare.

That tradition and that social compact are threatened today. At today's minimum wage of $3.35 an hour, no one can support a family. The poverty line of 1989 is $11,130 for a family of three. Full-time, year-round earnings at today's minimum wage are only $6,968—far below that poverty line.

President Bush is the biggest obstacle to enactment of a decent minimum wage. He wants to raise the minimum, he says, but not so high that it would lift a working family out of poverty.

In George Bush's version of a kinder and gentler America, the minimum wage would be—as he puts it—"not a penny more" than $4.25 an hour, and the three $0.30 increases to get it there would be phased in over 3 years. By the time the $4.25 figure took effect in 1992 it would fall dismally short of a living wage: $8,856 would be more than $4,000 below the estimated 1992 poverty line of $12,890 for a family of three.

President Bush's position on the minimum wage has to be viewed in the light of his position of the capital gains tax. To understand his view of fairness and economic justice, you have to contrast his treatment of the working poor with his treatment of the investing rich.

President Bush's capital gains tax proposal would give the wealthiest 1 percent of American taxpayers, those earning more than $225,000 a year, an average tax cut of $19,800—more than twice the entire annual income a worker would earn under the Bush minimum wage proposal.

The working poor would get "not a penny more" than 69 percent of a poverty level income. The wealthiest of the wealthy would get tax breaks big enough to hire two minimum wage workers each to take care of their gardens or to do their laundry.

Is this the Bush full employment program?

AT LEAST THE REPUBLICANS ARE EMBARRASSED ABOUT THEIR POSITION

(Mr. FRANK asked and was given permission to address the House for 1 minute.)

Mr. FRANK. Mr. Speaker, people sometimes ask if there are differences left between the parties. Today my colleagues see very graphically that there are.

Mr. Speaker, there has been an absence of Republican participation this morning. I will give them credit for the fact that they are somewhat embarrassed about the position they have to defend because it is a position that begrudges hard-working people a chance to earn a barely minimum wage. The President has apparently imposed on them the discipline that says, "Don't you dare vote that the poorest people in this society ought to make more than $4.25 an hour," an amount that everyone, including the President, understands is wholly inadequate to support a family.

Mr. Speaker, the position the administration is urging on its Republican followers is, "Don't let the poorest people in this society, those most disadvantaged by inadequate education, by the ravages of discrimination, by other problems that they have encountered, don't let them make more than 4.25 an hour as a matter of national policy."

That seems to me a tragic situation, and, as I said, I acknowledge the fact that my colleagues on the other side are at least embarrassed about that position not to take the opportunity to articulate it.

Mr. Speaker, the $4.55 that we are voting is also inadequate. Unfortunately it is probably the best we can do in this situation. We have an economy that has worked well. We have prosperity that benefits most of us. It would be wholly unfortunate if the great majority of us who are doing better than we have been begrudge the poorest and the weakest among us the chance to earn a little bit more of a pittance than they have been earning.

Mr. Speaker, I hope the conference report is passed overwhelmingly.

UNITED STATES-MEXICO DEBT FOR DEVELOPMENT PLAN

(Mr. BATES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BATES. Mr. Speaker, much concern has arisen in recent years about the magnitude of Mexico's external debt to the United States. Both the

Baker plan and the Brady plan have addressed Mexico's debt problem by encouraging banks to refinance the commercial debt owed to them by Mexico. At the same time, we have seen numerous deficiencies along the United States-Mexico border, involving issues including public works, poor health services, and serious environmental problems.

Mr. Speaker, I believe that our Government must demonstrate true leadership in the effort to relieve the Mexican debt, while assisting border development. Mexico currently owes $2 billion dollars to our Federal Government. I will introduce legislation in the near future which establishes a debt for development plan, in which our Government will exchange Mexican debt dollars for development projects along the United States-Mexico border. Through this plan, regional banks will finance essential projects to our border.

By initiating a debt for development plan with Mexico, our Government will take the first step in its commitment to assist our neighbor and create the North American alliance.

□ 1140

SUPPORT CONFERENCE AGREEMENT ON H.R. 2

(Mr. MARTINEZ asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MARTINEZ. Mr. Speaker, we in Congress have extended our hand to the administration by compromising on the training wage, which should actually be called the sub-sub minimum wage, since the current minimum wage itself is sub-minimum to what a family actually needs to survive. I have nothing against a training wage that provides people with decent wages and long-term employment. But I do not believe that it takes anyone 60 days to learn how to make a bed, sweep a floor or flip burgers—that is what this training wage really is.

Mr. Bush says that he will veto any legislation with a minimum wage above $4.25 an hour. Our bill mandates 30 more cents for workers. Will this be overly burdensome to industry? No!

The State of California unilaterally mandated a minimum wage 90 cents higher than the current Federal minimum wage. No jobs have been lost in my State as a result of this action. Indeed, California's economy continues to boom.

In short, what we are talking about is a difference of 30 cents. It is the least we can do.

I am not happy with the compromises we have been compelled to make as a result of the administration's intransigence. But we must at least do this much for our working men and women. I urge my colleagues to support the conference agreement on H.R. 2.

CONFERENCE REPORT ON H.R. 2, FAIR LABOR STANDARDS AMENDMENTS OF 1989

Mr. HAWKINS. Mr. Speaker, I call up the conference report on the bill (H.R. 2) to amend the Fair Labor Standards Act of 1938 to restore the minimum wage to a fair and equitable rate, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Pursuant to the rule, the conference report is considered as having been read.

(For conference report and statement, see proceedings of the House of May 8, 1989.)

The SPEAKER pro tempore. The gentleman from California [Mr. HAWKINS] will be recognized for 30 minutes, and the gentleman from Pennsylvania [Mr. GOODLING] will be recognized for 30 minutes.

The Chair recognizes the gentleman from California [Mr. HAWKINS].

Mr. HAWKINS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of the conference report on H.R. 2, the Fair Labor Standards Amendments of 1989.

This conference report represents a good faith attempt to offer a reasonable, yet meaningful adjustment in the Federal minimum wage.

While this measure is less than what we had originally hoped for, it is an essential step toward ensuring a fair and livable wage for the lowest paid workers.

I am disappointed by the President's threat of a veto. Congress has compromised enough on this bill. When we started this process 2 years ago, we proposed what I considered a very conservative increase, to $4.65, over 3 years.

Now, we have moved lower and added other provisions to satisfy administration and business demands. The President should sign this bill. If he wants to flex his muscle with a veto, do not pick on the lowest paid workers in society.

The real value of the minimum wage has declined by almost 40 percent since 1981. In order to maintain its former purchasing power, the minimum should be at $4.57 per hour today.

We have offered an olive branch to the President by including a 60-day, limited training wage, which goes against the very grain of the concept of Federal labor standards in the first place. This was a huge concession. Why should we legislate a poverty wage or legitimize a training wage that encourages exploitation and cutthroat competition?

The real opposition to Fair Labor Standards is not the President, but a small group of selfish business interests, who are willing to spend millions of dollars on phony studies and carefully orchestrated editorial and ad campaigns.

Their arguments today are recycled versions of those used each time we have legislated an increased since the original Fair Labor Standard Act of 1938. Then they said a minimum wage of 25 cents would create unemployment, result in millions of business failures, and increase inflation. Empirical evidence proved them wrong then, and continues to prove such misinformation inaccurate now.

To believe their prophecy of disaster and claim of leadership of the poor, disadvantaged masses, is to believe in the absurd. In their rhetoric, they are the saviors of the low-skilled, the minorities, the young, who will face astronomical job losses if their compassionate employers, who hire them at subminimal levels of decency, are required to pay a fair, living wage.

To accept this foolishness is to accept these selfish interests as the anointed biblical apostles, designated "to bring good news to the poor, to heal the broken-hearted . . . to proclaim liberty to captives, new sight to the blind, and to set the down-trodden free," (St. Luke, chapter 4, 18th verse).

If you believe the opposition's main concern is the welfare of minimum wage workers, then you must believe in the Tooth Fairy, the Easter Bunny and that Peter Pan never grows up.

I ask my colleagues to put aside the grandstanding, and don't let the opponents' exaggerated, unsubstantiated accusations of economic armageddon dissuade you from improving the economic conditions of the least advantaged among us. History shows that an increase in the minimum wage is good for low-wage workers, good for business, good for our entire economy and in practice results in more jobs, not less.

I urge my colleagues to support this very modest and reasonable offer by voting in favor of the conference report on H.R. 2.

Mr. GOODLING. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, earlier this week we brought to the floor of the House the Vocational Education bill. It was built on compromise and cooperation, but today we are being asked to adopt a conference report on the minimum wage, and regrettably, this is strictly a product of bipartisan politics. Throughout the minimum wage debate and, yes, again this morning, I have heard the President criticized for not compromising, for sending an ultimatum to the Hill.

Well, let me tell you, folks, you heard about three thin dimes awhile ago, that we are only three thin dimes apart. The President came nine thick dimes to meet the majority side, nine thick dimes.

Do not tell me that the President did not compromise. Nine thick dimes is a long way from three thin dimes. Let me tell you, those three thin dimes are surely on thin ice.

Just once, let us be honest and talk about who has really been willing to compromise and who has not.

□ 1150

There was no compromise on the part of the majority with H.R. 2. It was streamrolled through the committee, the House floor, marked up, subcommittee, full committee, brought to the House in a 3-week period, and then we had the Ridge-Robinson substitute, so-called. Do not tell me that that is a compromise, because that is about as phony as a $7 bill, and all of the Members know that, that it was brought here simply because they realized they did not have the votes to go with H.R. 2 as it came from the committee.

When we went to conference, was there compromise? Of course there was no compromise. There might have been a little out in the hall between the majority of the one body and the majority of the other body, but I will guarantee that there was not any compromise in relationship to what the President was interested in and what the majority wanted. The only compromise, as I said, was made between the same party members from the House and the other body out in the hall, and that was not much compromise either.

Let me now talk a little about this training provision. I have been hearing about this magnificent 60-day training provision. Come on, folks, people can read; people can understand. There is no 60-day training provision in the bill that we have before us today. Who is trying to kid who? Sixty days? First of all, if one worked 60 days for somebody, maybe 500 different employees, they are not included in the first place. One could work 20 minutes for one employer, a quarter of a day for another, 2 days for somebody else, and eventually they have 60 days and so they are not in any training wage whatsoever, but, boy, have they really been trained; they have jumped all over the place to get their 60 days. It sounds like 40 quarters in Social Security—60 days. So there is no 60-day training wage at all.

I will be the first to admit that the one that I presented can use some fine-tuning. I will admit that. But let us not try to convince the public that somehow or other we put a 60-day training wage in here when we know very well there is not. Who out there would fit in that category? There is not a soul. There is not a soul out there who has not had 60 days of employment somewhere, and so we have eliminated them. It prohibits the percentage of employment hours that can be spent on training from exceeding 25 percent. It suggests that the training period be at least 30 days, but above all, it excludes agricultural employees, and then as I said, it excludes anyone who has a cumulative work period of 60 days, not with any one employer or anything of that nature, just any employment for 60 days.

Mr. Speaker, that must be the part of this conference report that the other side is talking about when they talk about a compromise. That must be the only thing that I can find, and that compromise, Members, I hate to keep saying it, is about as phony as they come.

We have not had a minimum wage increase from 1981 to 1988. I have heard that over and over again. We are for one, but let me tell the Members that during that time we went from 600,000 people, heads of households, working at minimum wage in poverty, down to 300,000. We did not do anything during that period in relationship to minimum wage, and we went the right direction. We are now going to try to do something about it and see whether we can go the rest of the way.

Mr. Speaker, I think it is time to stop engaging in partisan politics. The longer workers are deprived of a wage increase, the more likely it is that that wage increase will not come about, and if we are going to just have this partisan rhetoric that we have seen and this noncompromising effort on the part of the majority, then nothing will happen.

They know it will be vetoed, I know it will be vetoed; they know it will be sustained, I know it will be sustained. So let us get on with the business of passing a minimum wage increase as a compromise where one person has come nine thick dimes to the other side's three phony thin dimes, and then we can get on to the real business that we need to do such as job training.

Mr. Speaker, I would urge my colleagues to vote against the conference report.

Mr. Speaker, I reserve the balance of my time.

Mr. HAWKINS. Mr. Speaker, I yield such time as he may consume to the distinguished chairman of the Subcommittee on Labor Standards of the Committee on Education and Labor, the gentleman from Pennsylvania [Mr. MURPHY].

Mr. MURPHY. Mr. Speaker, I rise today in support of the conference report on H.R. 2. This report represents an honest effort to help our lowest paid wage earners as well as to accommodate the concerns of many of the critics of the minimum wage, first among them President Bush.

As a longtime supporter of a raise in the minimum wage I welcome the new President's willingness to support an increase. After 8 years of silence and stonewalling from the White House I had hoped that with a new administration this important issue would finally be resolved. I believe many of my colleagues were also encouraged by the promise of cooperation. Unfortunately, although our committee and the majority in both the House and Senate have compromised, we are disappointed that since that action we have not heard from the President nor has he offered leadership on this issue.

Yes, Mr. Bush has proposed a minimum wage increase, and, yes, that is certainly a step in the right direction. But there is one thing on which we can all agree, no legislative proposal is perfect from the outset, including the President's. The legislative process is one that requires give and take. Democracy survives because we work out our differences instead of fighting over them. The President, however, adamantly refused to talk of compromise, he has said "take it or leave it" to the Congress and then turned his back on the process and our compromise.

This legislation which passed by both Houses of Congress by a bipartisan majority takes into consideration the concerns of many different Members. In our bill we have included a training wage, an issue that still troubles many of the Members from this side of the aisle. We have increased the tip credit, the small business exemption, and we have lowered the rate of increase from our committee bill. Democrats and Republicans have worked together to write this legislation in the hopes of accommodating many different points of view. Yet even with all this work, the President has not responded to our efforts.

On TV and in the newspapers we see this conflict presented as a major test of political will. The commentators often ask who will win in the end. What so many people do not understand is that there will be few winners in this battle. The political benefits of this fight will be fleeting. Unfortunately, the most lasting effect that this battle will have will be upon the millions of people who make up America's working poor.

It will be these people who will be asked to go on working and sacrificing every day. For the ninth year in a row the message to them is, "Don't expect to see any more relief or greater reward for your efforts." Once again these people will have been victims of partisan posturing. There may be no relief this year because Washington is too occupied with business as usual.

Four million American workers, many of them just barely getting by, are waiting for an answer. We must not let this opportunity pass.

I personally hope the President will favorably review what we have forged after a 4-year effort and find the compassion and wisdom to join in our effort to increase the minimum wage from $3.35 an hour to $3.85 this October and to $4.25 in October 1990 and a final step to $4.55 on October 1, 1991. I urge my colleagues to support the adoption of this conference report.

Mr. GOODLING. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Texas [Mr. ARMEY].

□ 1200

Mr. ARMEY. Mr. Speaker, we are at the beginning stages of a debate that is probably not going to be a very fun debate. Those Members of our body who propose increasing the minimum wage, despite the fact that it will destroy jobs across the Nation, and legislate away the right of the working poor to remain working, are going to argue that compassion is on their side of the argument. That is not correct. Mr. Speaker, compassion without understanding is cruel and mean-spirited, and the only compassion that is behind this proposal to destroy the right to work for the working poor is a compassion with its eyes closed to the fact of the matter, and that has been the manner in which we have approached this process from start to finish.

It will be said that they offered to compromise and others did not, and that is also not true. The President has offered a compromise with nine fat dimes in it, and the President's offer has been rejected out of hand.

It will be said that we do not have a more compassionate alternative, and that is not true. The fact of the matter is a compassionate policy would leave the working poor on the job, free to reach for more and better work in their life, and support them with increased income by which they can feed and care for their children, by which they might be able to reach for their tuition and their training. That is not what we are going to vote on here today.

I am going to ask my colleagues in this House, who will be thoughtful and who will care for the rights of the working men and women of America, to vote no on this proposal today. Save those jobs, give those folks a chance to get started in the world of work. Then when the President vetoes this outlandish proposal, I am going to ask my colleagues to come back and sustain that veto, and then join with the President in demanding that this Congress entertain a serious consideration of a proposal like that offered by our colleague, the gentleman from Wisconsin [Mr. PETRI].

When we are told, Mr. Speaker, that it is not within the jurisdiction of our committee, let us respond by saying the working men and women of America that voted us into office did not vote us to a committee, they voted us to look at every dimension of public policy that will have an effect on their life.

This is the wrong bill to bring to the floor, Mr. Speaker. It is a bill that is cruel and mean-spirited precisely to the working poor.

Who will benefit? Union wage negotiators will stand on the dead, beaten, battered bodies of those poor, abused, unskilled, untrained working men and women of America.

Vote no.

Mr. MURPHY. Mr. Speaker, I yield 4 minutes to my colleague, the gentleman from Pennsylvania [Mr. RIDGE].

Mr. RIDGE. Mr. Speaker, I rise in support of the conference report on H.R. 2.

I do so with some reservation. Not because I do not believe that a minimum wage of $4.55 by 1991 with a new, 60-day, new hire wage is fair. I believe it is fair and justified. It simply restores the purchasing power of the minimum wage and it takes an historic step in providing a new hire wage for this first time.

My reservation, therefore, is not over the substance of the conference report but over the breakdown in the usual negotiating process between the executive and legislative branch.

First, I want to applaud and thank President Bush for taking the first bold step in this process. He put forward a plan for a 90-cent increase over 3 years and rejecting appeals to battle any increase. He offered this initiative over the opposition of many within his own party—many who didn't even want to discuss minimum wage, let alone increase it. With his proposal, the President demonstrated his compassion and his sense of fairness. Second, I want to acknowledge the willingness of many in this Chamber to reduce their goals, $5.05, $4.65 what have you, and to provide, for the first time, a new hire wage which has been an anathema to many. Unfortunately, the other Chamber did nothing to contribute to this process. By virtually passing the House bill, no opportunity was created for a grand compromise and politics reigns over policy.

My colleagues, I still believe, however, that this Chamber took a valid first step toward such a bipartisan compromise by reducing the wage increase by 10 cents, or 25 percent of the difference, by providing for the first-time ever new hire wage and by increasing and expanding the small business exemption.

Unfortunately, the stalemate we sought to break continues. No negotiators were appointed, no negotiations took place. The administration's offer was said to be their final offer. My friends, we don't treat our worst enemies this way. We do not refuse to negotiate with trading partners or military adversaries. We negotiate with the whole world, but regrettably, on this issue, not with one another.

The arguments against the minimum wage have been the same since the Fair Labor Standards Act was approved in 1938. It is a valid concern over the potential loss of jobs. I will not deny that some jobs will be lost—although the numbers produced by the Department of Labor are based on outdated assumptions and are highly inflated. But since 1938, the Congress and past Presidents have been able to agree on what is a fair wage floor for any hard-working American.

In my view, the real argument this morning is over the value of work. What is the minimum value of a day of hard day's work and does it have more value than welfare or the risks of crime? Does this Congress believe that guaranteeing a minimum standard of living to anyone who works, good public policy? Or should we, through stalemate or by design, allow the minimum wage to decline in relative value until it is meaningless in terms of providing an incentive to work? Remember, the current minimum wage is worth $2.52 in 1981 dollars due to increases in the cost of living and it is moving downward. In current dollars, it would take $4.58 to restore the value of $3.35 in 1981. Clearly, $4.25 falls short of restoring the minimum wage to the poverty level for a family of three.

Yes, I know the marketplace determines the value of work. But, the Government has traditionally stepped in to protect the interest of its citizens and to provide minimal protection. We've done it with the minimum wage since 1938.

My colleagues, the conference report before us today does not increase the minimum wage—it simply restores it to the historically acceptable levels. It includes a new hire wage for the first time. It increases the small business exemption. It's reasonable and it's fair. It deserves your support.

Mr. GOODLING. Mr. Speaker, I yield 5 minutes to the gentleman from Wisconsin [Mr. PETRI].

Mr. PETRI. Mr. Speaker, I thank the gentleman from Pennsylvania for yielding me this time.

Mr. Speaker, this conference report is regrettable. Everyone knows that the President will veto it and the veto will be sustained. The result will be no minimum wage increase at all, and no other action to really help the working poor. This is a futile exercise in politics. The proponents of this conference report are trying only to score a few political points, but I doubt that even that effort will succeed.

What we should be doing here is trying to figure out how to really help the working poor. That is the supposed purpose of a minimum wage increase. But the truth is, I believe, that a minimum wage is a terribly crude tool for helping the working poor.

It actually hurts the poor through job losses and inflation.

Most of the people it helps are not poor—they are secondary earners from middle-class families. And most of those who are working poor family heads get no direct help from it because they are already capable of earning at least $4.55 but remain poor because of their large families.

Despite all that, the President has offered to accept 70 percent of what the minimum wage proponents originally wanted, together with provisions to minimize the loss of jobs. It is a generous offer, but those who claim to be minimum wage proponents have chosen to spurn it. They could have had most of what they asked, but they have chosen to play politics instead.

When this exercise is all over with, I hope we will return to the real question of how to help the working poor.

In the first place, I think the other side would be wise to accept the President's offer on the minimum wage. But beyond that, I think it is far more important to move on a tax credit approach to the problem. Almost everyone now agrees that is desirable, regardless of what happens on the minimum wage. It is the most direct, most targeted, and most efficient way to help working poor families with children. With a tax credit approach, we can provide direct wage supplements only to those who need them, and in proportion to their need as determined by the number and even the ages of their children.

The President, besides his minimum wage offer, has advanced a tax credit proposal also. The gentleman from New York, [Mr. DOWNEY] and I myself, and several other Members have put related proposals on the table.

I understand that the recent budget agreement assumes that money will be spent in this area. So let's get down to work and put together an agreement on an expanded earned income tax credit adjusted for family size.

Finally, Mr. Speaker, besides providing income support to the working poor, the President has also argued that we should be helping them improve their job skills so they can move up in the labor force on their own. In other words, we should supplement current earnings according to need, and we should help people improve their future earnings. In fact, there is plenty for us to do. Let's quit playing politics and get down to work.

□ 1210

Mr. MURPHY. Mr. Speaker, I yield 1 minute to the gentleman from Ohio [Mr. TRAFICANT].

Mr. TRAFICANT. Mr. Speaker, 8 million American workers are not asking for handouts today; they are asking for a helping hand. But the problem is that Congress has been brainwashed over the years by think-tank economists to believe that an increase in the minimum wage is going to hurt our country.

I say "baloney" and I say today I have never seen an economist in a soup line or in an unemployment line. Maybe it would be good for them if they were in a soup line. Then they would know what it would be like to try and keep a family together on $3.35 an hour.

Congress has been subsidizing American industry with food stamps and housing vouchers and, man, they love it. They love it so much they ship the $15 per hour jobs overseas and they keep the $3.35 an hour job for Uncle Sam.

I say today Congress must act. Our American workers should ride the elevator today because they have been getting the shaft too long. Today is not a day in Washington to read lips; today is a day to deal with the pocketbook.

Mr. GOODLING. Mr. Speaker, I yield 3 minutes to the gentleman from Iowa [Mr. GRANDY].

Mr. GRANDY. I thank the gentleman for yielding.

Mr. Speaker, there is not too much more we can say about this. We can talk about this conference report that probably could have been done by a FAX machine; $4.55 for the House, $4.55 for the Senate, agreed, $4.55, and then on through.

The think I want to talk about in the time I have is this three thin-dime argument. We are not talking about three thin dimes. If we want to nickel and dime this issue, let us talk about the 90 cents between the $3.35 and the $4.25 which is what this issue is about.

The President came 70 percent of the way.

If we want to do what I assume the minimum wage is supposed to do, which is to raise the wage base around the country for all of those millions of people who do not collect it and never will, $4.25 will do that. You have got what you want. But if you vote to sustain this conference report and send it to the President and have him veto it, you just delay the process.

You are hurting the people you are trying to help.

This is not labor policy, it is not economic policy, it is not social policy; it is politics. And the people that are getting hurt are the people who could be earning $4.25 right now if we were not playing this game. If we were not insisting on a 60-day meaningless training wage which for some reason exempts agricultural workers—and I do not know why, I guess nobody feels they need training—but it is absurd to think that 60 days of cumulative employment is any kind of a training wage at all. This is a paperboy empowerment act. It means nothing.

Mr. Speaker, I encourage the House to vote down this conference report. Let us go back to where we belong, $4.25.

The President has meant what he said. Let us get that bill back here and pass it and do something about the minimum wage.

Mr. MURPHY. Mr. Speaker, I yield such time as he may consume to the gentleman from Pennsylvania [Mr. KOLTER].

Mr. KOLTER. Mr. Speaker, I rise today to express my strong support for H.R. 2, the conference report on the minimum wage increase.

As a nation, we have seriously neglected to provide our lowest paid workers with an acceptable standard of living. Not since 1981 has the minimum wage been increased. Since that time, the purchasing power of the $3.35 per hour wage has diminished drastically. Had the minimum wage kept pace with inflation, it would now stand at $4.57.

Mr. Speaker, this situation is a national disgrace. All this time our lowest paid wage earners have continually lost ground in their fight to make a decent living for themselves and their families. They must be fairly compensated. Is this too much to ask? I say no.

This is a fair package. Smaller businesses and small farms are exempt from provisions of this bill. History has shown that warnings of decreased employment due to increases in the minimum wage do not hold true. The Nation as a whole can only benefit from enactment of this legislation.

This issue should not be one of partisanship. This issue is one of fairness and equity. I urge my colleagues to give this bill the full support that it deserves.

Mr. MURPHY. Mr. Speaker, I yield 1 minute to the gentleman from Illinois [Mr. HAYES].

Mr. HAYES of Illinois. I thank the gentleman for yielding.

Mr. Speaker, I just get sick and tired of listening to these bleeding hearts who are concerned about the loss of jobs on the part of people that would raise the minimum wage to $4.55 an hour over a 3-year period.

It has some similarity between this position and the people who control the minority, the majority in South Africa. When you talk about sanctions, they say one of the reasons why we should not impose sanctions in order that those people can have some sense of democracy, some semblance of democracy, it is that we will hurt the people we are trying to help.

This echo is something that is really bugging me. It is hogwash.

I was one and I am in the distinct position of having been one who was a

recipient in 1938 when the first minimum wage went into effect, the Fair Labor Standards Act, 40 cents an hour. I received a 15-cents-an-hour wage increase.

The same argument was used then that is being used now that it would hurt the people who we are trying to help.

Mr. GOODLING. Mr. Speaker, I reserve the balance of my time.

Mr. MURPHY. Mr. Speaker, I yield 1 minute to the gentleman from Montana [Mr. WILLIAMS], a member of the committee.

Mr. WILLIAMS. Mr. Speaker, there is a hallmark we have tried to reach and maintain for minimum wage. Following the passage of minimum wage more than half a century ago, it was decided that in order to continue to have good wages bubble up into the American economy and to protect workers at the lowest level, that minimum wage ought to be about one-half of the average nonsupervisory wage in this country.

We have maintained that through the years pretty well. In fact, in the 1950's and 1960's, in those great economic times, we actually had a minimum wage that was slightly above that hallmark of half of the other wages in the United States.

However, today we have fallen way below that standard. Today the minimum wage is only 39 percent of the average wage in the United States. And what is worse, the bill before us is so moderate that after the third increase envisioned by this bill, the minimum wage will have only reached 41 percent of the average wage in the United States.

Mr. GOODLING. Mr. Speaker, I yield 3 minutes to the gentleman from Texas [Mr. BARTLETT].

Mr. BARTLETT. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, today we are voting on the conference report. I think we all have to recognize there is no compromise here, that there has not been a compromise from the proponents of increasing the minimum wage since the day we started. The bottom line is what is in this conference report is a plain vanilla, 1934-style old way of thinking about minimum wage. The bottom line is it will cost at least 650,000 new jobs per year, the very people that we want to bring into the work force to help them become productive members of society get that first job and move up in the economic ladder, 650,000 of those new entrants into the work force will be denied that job every year, the first year and every year subsequently, and will be doomed into a life of unemployment and poverty.

Now what this House ought to do today is say "no" to this conference report. This conference report is not only not a compromise, it is the same tired old 1934-style increasing minimum wage and throwing people out of work that we have been doing since the 1930's.

Now is there a way to raise the minimum wage without costing those large number of jobs? Yes, there is. Is there a way to compromise this issue? Yes, there is.

President Bush has come 90 percent of the way, has offered a compromise, but his bottom line is neither he, nor should this House, compromise in a way that costs jobs. President Bush has offered a new-hire wage, has offered a package of minimum wage legislation that by the introduction of permitting a new-hire into an employer, permitting that new-hire to get his or her feet wet, to understand something about the job, to come into a job at the current minimum wage of $3.35 an hour and be a new-hire and get that first job as a new entrant to that employment.

□ 1220

President Bush has offered that training wage or that new higher wage as an effort to compromise. He has offered a higher minimum wage as a compromise that many Members would never have thought about offering. But the proponents of the minimum wage have refused to compromise, have refused to negotiate, have refused to even discuss anything different other than what has been proposed from the very beginning based on old style and based on the old laws.

Should there be a compromise? Yes. Do we know what the compromise is? The compromise is what President Bush has offered as a compromise. It is not what he wanted originally, it is not everything he wanted, but it comes 90 percent of the way for the proponents of a minimum wage increase to get what they say they want, which is an increase in the minimum wage, but it also does it in a way in which young people and new entrants into the work force will be not denied that first job.

There can be no further compromise that throws people out of work. President Bush has offered the compromise. The proponents ought to accept it.

Mr. MURPHY. Mr. Speaker, I am astonished to hear that the compromise is what the President wants. What if the compromise would be what I, personally, want? That is not the way the ballgame is played.

Mr. Speaker, I yield 1½ minutes to the gentleman from New Jersey [Mr. PAYNE].

Mr. PAYNE of New Jersey. Mr. Speaker, I rise today in support of an increase in the minimum wage, which is represented by the conference agreement offered in the House today.

As we know, it has been 8 years since the minimum wage was raised to a level that actually represents what President Roosevelt described as a "fair day's pay for a fair day's work." Since 1981 prices have increased by 39 percent, while the value of minimum wage slipped to a mere $2.64. Today that amount places a family of three more than 29 percent below the poverty line. In 1989, a minimum wage worker must work more than an hour to purchase a carton of milk in order to feed his child, and more than 3 weeks to pay the rent at current market prices. In 1992, the purchasing power of the current minimum wage would do more to institutionalize poverty than any other vehicle.

As U.S. Representatives, we have a duty to serve the interest of all people: the working poor as well as the rich. By refusing to raise the minimum wage to a rate that is fair and equitable, we ignore the interest of those citizens most in need. In other words, by compromising with the President any further, I believe that we not only compromise our ideals but our oath of office: To ensure domestic tranquility and promote the general welfare. In addition, by vetoing this agreement, Mr. Bush is refusing to abide by his campaign promise of establishing a kinder and gentler nation.

Mr. GOODLING. Mr. Speaker, I yield myself 1½ minutes.

The President came 70 percent of the way to the majority's proposal. Now the gentleman from Pennsylvania on my side of the aisle said we do not treat enemies that way, we do not treat trading partners that way. I surely hope we do not. I do not want to come 70 percent of the way to enemies, and I do not want to come 70 percent of the way to trading partners, and I hope we never do that, but the President did. He came 70 percent to the majority, 60-day training wage is written in it, no one can qualify. The purpose of the bill is to bargain for those who are way above the minimum, and to do that nicely at $4.25, so I repeat, Mr. Speaker, the longer we engage in partisan politics, the longer workers are deprived of a wage increase. Let us accept the President's proposal of $4.25, and move on to the other issues that are important such as job training.

Mr. MURPHY. Mr. Speaker, I yield 30 seconds to the gentleman from California [Mr. HAWKINS].

Mr. HAWKINS. Mr. Speaker, I hope the ranking minority member would yield to a question. The statement is being made that the President has compromised already, that he has come 70-some-odd percent of the way toward reaching a compromise. I would like to know where was he originally if he has come from someplace up to $4.25. Was he below $4 an hour?

Mr. GOODLING. He did not propose a minimum wage increase. When

Members proposed 4.60, he came to 4.25. So it was 3.35 to 4.25. That is mighty good.

Mr. HAWKINS. The answer is, he came from zero to $4.25 an hour?

Mr. MURPHY. Mr. Speaker, I yield 1 minute to the gentleman from New York [Mr. OWENS].

Mr. OWENS of New York. Mr. Speaker, the President has said as a matter of principle he must veto a bill which gives an additional 30 cents increase in the minimum wage to workers. At the same time the President has a bill before Members which is asking Members to vote for $157 billion, that is $157 billion to bail out the banking industry; $157 billion for the banks, and he will not give 30 cents for the workers, minimum wage workers who have not had a raise in 8 years, the longest period in history. Inflation has gone up 40 percent in that period. Rents have gone up 43 percent. The cost of public transportation has gone up 36 percent. Health care, 57 percent. All together, the minimum wage is worth about $1.50 less than what it was in 1981. This is the lowest it has been in 30 years.

This modest bill will not make up what minimum wage workers have lost due to our inaction. Minimum wage workers will still be working, however, making about 69 cents an hour less in real terms than they were 8 years ago after we complete the increases, if we go to $4.50 an hour.

I urge my colleagues to vote "No" on the $157 billion on the banks and vote "Yes" to give the workers an extra 30 cents.

Mr. MURPHY. Mr. Speaker, I yield 2 minutes to the gentlewoman from California [Mrs. BOXER].

Mrs. BOXER. Mr. Speaker, to me it is unbelievable that George Bush has decided to use the full weight of the Presidency to keep our poorest workers from earning an additional 30 cents per hour. The President claims he is worried about the inflationary impact of this 30 cents. With that attitude, the minimum wage would still be 40 cents an hour because we never would have raised it because we would have been worried that it was inflationary.

I say if the President is so worried about the economy, why not do something about the hostile takeovers? If he is so worried about the economy, why does he not do something about a national energy policy? If he is so worried about the economy, what is he going to do about the waste and fraud in the Pentagon?

But I will tell Members something. The President has drawn the line at 30 cents, so let us put things into perspective.

The top two executives of Walt Disney made a grand total of $72 million last year. What is that per hour, my friends? Fourteen thousand, four hundred per hour. The President never said that was inflationary. The top two executives of RJR Nabisco had to scrape by on a mere $43 million. That is only $8,600 per hour, and I did not hear the President say that that was inflationary. The chairman of Exxon, he is doing such a great job, he made $1.4 million last year. No one said that was inflationary. In 1988, average total compensation for executive increases in the annual Business Week survey topped $2 million for the first time.

□ 1230

The average compensation of a CBO has gone up 300 percent since 1980, and the minimum wage has not risen 1 cent since 1981. There are a lot of great executives in the United States of America, and I wish them well, but if they are able to earn all that money, the people at the bottom of the ladder have a right to 30 cents.

Mr. MURPHY. Mr. Speaker, I thank the gentlemwoman from California [Mrs. BOXER] for her very succinct remarks in support of the conference report.

Mr. Speaker, I yield such time as he may consume to the gentleman from Maryland [Mr. MFUME].

Mr. MFUME. Mr. Speaker, I rise without reservation in strong support of this conference report on the minimum wage.

Mr. FLORIO. Mr. Speaker, I rise in strong support of H.R. 2, legislation to increase the minimum wage to $4.55 an hour over the next 3 years. It has been 8 long years since the last increase in the minimum wage. The current minimum wage of $3.35 an hour is only 35 percent of the average wage in this Nation, the lowest it has ever been since the first minimum wage was enacted 51 years ago. Never before in the history of the minimum wage has so much time passed without an increase.

Mr. Speaker, the majority of minimum wage workers are adults; most are women or minorities. Many are single heads of households, struggling to support families. These are the people we call the "working poor." And I find it unconscionable that, here in America, the richest Nation in the world, we have hard-working women and men who are condemned to a life of poverty.

Our current minimum wage is not a living wage. And unless we act today, unless we vote to increase the minimum wage, the working poor of this Nation will simply fall farther and farther behind.

Today we have the opportunity to bring fairness and dignity back to the lives of our minimum wage workers, and to take a step toward eliminating the need to use that terrible phrase, "the working poor." I urge all my colleagues to vote in favor of H.R. 2.

Mr. KLECZKA. Mr. Speaker, today we are voting on a responsible, modest increase in the minimum wage.

This conference report is the product of many compromises negotiated over several years. As first introduced in 1987, the legislation would have indexed the minimum wage so it would automatically increase over time. A later version of the bill raised the minimum wage to $5.05.

But to meet the concerns raised by businesses and some Members of Congress, the Democratic leadership compromised. This year the minimum wage bill as introduced contained no provisions to index the wage and reduced the increase to $4.65. Since January advocates of a higher minimum wage have again compromised, this time by reducing the increase another 10 cents and creating a new training wage.

So does the final product increase the minimum wage too much? No. Since 1981, inflation has reduced the wage's value by 37 percent. This bill increases the minimum wage just enough to keep the wage's purchasing power relatively constant.

Yet President Bush says this is too much. He says that minimum wage workers should accept continued reductions in the value of their wages. For many minimum wage workers and their families accepting a smaller increase will mean less food on the table. It will mean an increase in the number of working Americans who are homeless.

We Democrats believe that the poorest American workers should not have the value of their wages reduced any further. These workers have already made enough sacrifices. In the name of fairness for American workers I urge my colleagues to support this legislation and I urge President Bush not to veto this bill.

Mr. CONYERS. Mr. Speaker, I rise in support of the conference report to accompany H.R. 2. There is a saying that "justice delayed is justice denied." How true this is. It has been 8 long years since the last increase in the minimum wage was put into effect. Since that time the cost of living has risen more than 30 percent. As a consequence, in today's dollars, the current minimum wage is worth only $2.56.

The case for increasing the minimum wage is urgent and compelling. Our opponents would have us believe that it should not be raised because most people who earn it are teenagers. However, the facts are that only about one-fourth are teenagers. Two-thirds of the minimum wage workers are women, nearly 7 million are full-time workers and nearly 4 million are heads of households.

Millions of Americans throughout this country have been driven into low-paying service jobs due to plant closing and layoffs. The low minimum wage drags down these workers and their families, as well as the wages of all other workers. The fundamental premise of raising the minimum wage is that it should be a living wage. No one who works for a living should be condemned to live in poverty.

Increasing the minimum wage to a livable wage will be one of the most important legislative goals for the 101st Congress. Basic human rights and economic survival are at stake. Economic justice must no longer be delayed or denied.

A minimum wage increase will put a few extra dollars in the hands of low-income workers; reduce Government expenditures for public assistance; restore a measure of dignity to low-wage workers; begin to approach a wage level that represents a fair day's pay for

a fair day's work; and generate more business because low-wage workers must spend virtually all of their income on basic necessities.

Inflation and delay have so eroded the traditional relationship of the minimum wage to average hourly earnings, that one would have to go back to the 1950's to witness the huge disparity of today. This situation is not acceptable; it must be changed.

I would have preferred a much stronger bill that increased the minimum wage to a higher level. In that sense, the conference report does not go far enough. It provides a modest increase. Nevertheless, I urge all of my colleagues in the House who care about protecting and enhancing the quality of life of the American people to vote for this report, and I urge the President to sign it without delay.

Mr. LIPINSKI. Mr. Speaker, I rise in support of the conference report on H.R. 2 because it is fair and it is long overdue. Today I ask my colleagues to look ahead. Look ahead to an issue which we have rarely had to face in our history. The issue of labor shortages. Today, in the context of this debate, we have a chance to address this issue before it becomes a crisis, a chance to act instead of react.

A report by the Department of Labor on the impending shortages reveals that many in the labor force lack basic skills. Potential employees are found lacking in spelling, writing, mathematics, initiative, attitudes, and work habits. The pool of laborers in the best position to fill this critical void are today struggling and failing to stay afloat earning $3.35 an hour. Could a wage earner possibly be inspired to make a real effort for a wage that yields no more than a welfare payment? Would this parent encourage his child to stay in school or would he allow that child to take a minimum wage job? At today's wage that parent would have no choice and the skills gap in the labor force will materialize as a crisis. I urge my colleagues to take a quick look back and see that increases in the minimum wage have been effective. More importantly I urge you to take a long look forward and see how costly the failure of this measure will be.

Mr. RANGEL. Mr. Speaker, I rise to add my voice to those who are arguing for economic justice for the working poor people of America—the more than 75 million people working in jobs subject to the minimum wage and the 7 million who are actually receiving it. Each week, the least paid of these workers take home less than $150 after 40 hours of work.

I believe the previous speakers have already made the financial case to raise the minimum wage to $4.65 an hour by 1992—isn't it enough that the lowest paid among us haven't been voted an increase by this body since 1977? I strongly agree with those arguments, but the dollars and cents facts are only part of the issue.

The bigger issue for me—and for millions of our fellow citizens watching this debate—is fairness.

To put it another way, how many of us could support our family on $150 a week—even with a husband or wife working? Let's not kid ourselves, the majority of those 7 million minimum wage earners I mentioned are either women with children or heads of households. That means, in many cases, that that pittance of a paycheck is feeding, clothing, and housing three or more people.

How many of us could manage on that? How much longer can we ask millions of working Americans to do that?

To those who argue that increasing the minimum wage will cause a loss of jobs to the economy, I point to other evidence from the Department of Labor that debunks such contentions. In fact, I would argue that increasing the minimum wage will be a dramatic incentive to some of the most dispirited elements in our society and thus serve to increase the overall vitality of the economy.

To those who argue that paying the neediest workers a little more will cost the country resources that are more desperately needed elsewhere, I disagree. How can we argue on one day to pledge $50 billion to bail out our failing banking institutions, and on the next deny a $1.20 bailout for failing families?

The fact is that we cannot afford to act other than positively on this matter on behalf of our working poor. At risk is our credibility before the majority of working Americans, some of whom already question our commitment to their priorities.

To anyone who would argue that Congress has a higher priority than increasing the minimum wage, I would ask, what priority is higher than fairness?

Mr. BORSKI. Mr. Speaker, I rise in support of the conference report on H.R. 2, the Fair Labor Standards Amendments of 1989. An increase in the minimum wage is long overdue. It is a matter of economic justice and human dignity. Clearly, it ought to be approved without further delay.

The fair labor standards amendment was established in 1938 to guarantee a living wage to the working people of this country. Since then, it has been periodically raised to compensate for inflation. However, the last time Congress increased the minimum wage was in 1977. At that time, it was raised in steps from $2.30 to $2.65 per hour in 1978, and to $3.35 per hour in 1981.

The minimum wage has stayed at $3.35 since 1981 and today its real value has decreased by more than 30 percent. It is no longer a living wage. In fact, the earnings of a full-time minimum wage worker supporting a 3-person family are 29 percent below the official poverty line.

Contrary to popular myth, the vast majority of minimum wage workers are not teenagers earning a little extra spending money. Approximately 70 percent of all minimum wage workers in 1986 were 20 years or older.

Despite President Bush's promise for a kinder, gentler nation, the administration is firmly opposed to H.R. 2. The President pledges to veto any increase that boosts the wage above $4.25. A wage set at that level would not even come close to replacing the purchasing power lost by minimum wage earners since 1981.

The House-Senate conference report is the best alternative. It raises the wage over 3 years from its current $3.35 an hour to $4.55 and it allows employers to pay first-time workers a training wage during their first 2 months on the job.

While the conference agreement provides reasonable minimum wages for workers, it also assures reasonable opportunity for growth of small businesses by exempting those companies with less than $500,000 in annual gross volume.

In conclusion, inflation and political delay have so eroded the traditional relationship of the minimum wage to average hourly earnings, that we would have to go back to the 1950's to witness the huge disparity of today. This situation is simply not acceptable; it must be remedied.

Mr. RAHALL. Mr. Speaker, I rise in strong support today for the conference report on H.R. 2, the Fair Labor Standards Amendments of 1989. I would like to begin by commending both the esteemed chairman of the Committee on Education and Labor, Chairman HAWKINS, and the able chairman of the Subcommittee on Labor Standards, the gentleman from Pennsylvania [Mr. MURPHY], for all the hard work they have put into this legislation. It has been a long, arduous process, with strong opposing views expressed along the way. In crafting both the original version of H.R. 2 and this conference report, the committee leadership did an excellent job of producing an equitable bill, taking into account the concerns expressed by all.

The Bush administration, on the other hand, has not budged an inch from its original proposal. The President continues to insist on a minimum wage level of only $4.25 per hour, in addition to a 6-month training wage of $3.35 an hour for all new hires. The compromise before us today is very reasonable and will certainly go a long way toward improving the quality of life for American workers while taking into account concerns expressed by the business community: The wage rate will be set at $4.55 an hour after 3 years, businesses with less than $500,000 in annual gross volume are exempt, the tip credit will be increased to 50 percent, and employers will be allowed to pay an eligible worker a training wage for a maximum of 60 days while the employee is engaged in on-the-job training.

We in this country agreed decades ago that the American worker deserved and needed protection against unfairly low wages, and, in fact, that we could determine a minimum wage below which no citizen of this country should work. We made a moral commitment to our workers that even those holding the most menial of jobs were entitled to a wage on which they could exist with dignity. By approving this conference report before us today, we will live up to this commitment. It will then be up to the President to decide whether or not he will live up to his campaign pledged of a kinder, gentler nation for all American citizens.

Mr. POSHARD. Mr. Speaker, let's tell the working men and women of America that we care about their future and that their lives matter.

Let's agree to bring them up to a decent, livable, working wage so they can participate in the American dream.

We're not talking about second homes and overseas vacations. We're talking about people being able to look at their kids in the eye and say "Yes, you can go to college."

If you want to leave behind the people who want to work and succeed, then vote no.

If you want to keep people on the borderline of poverty, forever dependent on Federal, State, and local aid programs, then vote no.

But if you, like me, want to improve the quality of life for minimum wage earners in this country, then vote yes on this minimum wage increase.

It's time for action. Millions of single parents, young people entering the work force, and the working poor are waiting to see if we care enough about them to do the right thing.

Mr. BROWN of California. Mr. Speaker, I rise in support of the conference report on H.R. 2, the fair labor standards amendment which will come before the House today. This measure will increase for the first time in nearly a decade the minimum level which employers can pay their workers, from $3.35 an hour to $4.55 by 1992.

Once enacted, the fair labor standards amendment will provide immediate relief for the estimated 2.1 million Americans who work full-time for the minimum wage, yet remain impoverished. The minimum wage traditionally has equaled 50 percent of the average hourly earnings; however, inflation has so eroded the value of the minimum wage that it has now slipped to less than 35 percent of the average hourly earning—an all-time low.

While I intend to vote to approve the conference report on H.R. 2, Mr. Speaker, I do so with some reservations. In the 100th Congress, my colleagues will recall, the House was considering legislation to raise the minimum wage to $5.05 an hour within 4 years—a substantially higher wage level than the measure before us today. It is disappointing that we have conceded so much in only a few months. I also object to the subminimum training wage provision. I feel this wage invites abuse by employers seeking to get around the minimum wage law. In conclusion, this measure only goes part of the way toward ensuring a fair wage for all workers.

In the interest of compromise, however, I will support the conference report. The conference report on H.R. 2, in its current form, represents a major concession by Congress bringing the bill very close to the proposal put forth by President Bush. It is unfortunate that the President feels compelled to take a hard line on this issue, and intends to veto the measure. It is my sincere hope that Mr. Bush will come to agree with Congress that this conference report, while not perfect, is far better than no minimum wage legislation at all.

Mr. GAYDOS. Mr. Speaker, I rise in support of the conference report on H.R. 2, which would increase the minimum wage to $4.55 over the next 3 years.

For President Reagan once said, "When it comes to the bottom line, all of us are striving for the same thing—a strong and healthy America and a fair shake for the working people."

Unfortunately, some of the working people of this country aren't getting a fair shake. Nearly 5½ million Americans make a mere $3.35 an hour—the minimum wage for the last 8 years—and are still below the poverty level.

Since the last increase in 1981, prices have risen 39 percent. After adjusting for inflation, the purchasing power of the minimum-wage earner is lower than it's been in more than 30 years.

There are those who argue that only teenagers and part-time workers work at the minimum wage. But we know that 84 percent of those workers at the minimum wage are 18 years of age or older, and almost one-half of those earning $3.35 an hour are working full time.

The original purpose of the minimum wage was to provide a living wage—at least a wage that allowed the American family to meet the necessities of life.

From 1959, the first year poverty statistics were collected, through 1981, a full-time, year-round minimum-wage worker earned 102.5 percent of the poverty level for a three-person household.

Today, a minimum-wage worker working full time earns $6,968 per year. Seven in ten of those minimum-wage workers are their family's only earner. They support their family on roughly $580 a month. That's 26 percent or nearly $2,500 below the three-person poverty level.

More than 25 percent of minimum-wage jobs are held by heads of households. During the 1970's, almost 60 percent of young men earned enough to support a three-person family above the poverty level. By 1985, just 44 percent of young men were able to do so.

Today, two-thirds of the 600,000 women who solely support their families and work at the minimum wage are in poverty. That number increases to three-quarters when the woman is black.

Today's outdated minimum wage is no longer a livable one, and it has created a rise in the numbers of working poor and working homeless.

The problem isn't a lack of jobs, but rather that those minimum-wage jobs don't pay enough for a person or a family to eat and afford housing at the same time.

During the 1980's, the number of working poor rose 47 percent. In 1987, the Census Bureau found that 8.4 million Americans worked for a living, but lived in poverty. Of those, almost one-fourth worked full-time, year-round.

The U.S. Conference of Mayors estimated that last year 22 percent of homeless people held full-time or part-time jobs. A count of residents in Connecticut shelters found that 20 percent were working full-time.

I hope that President Bush realizes that we have tried to go at least halfway by accepting a lower minimum base than originally considered as well as a 60-day training wage. He must compromise as well. And he must recognize the value of what we are doing. I hope that he does not veto H.R. 2.

I urge my colleagues to vote in favor of the conference report on H.R. 2 because what's good for the American workers is good for America.

Mr. COMBEST. Mr. Speaker, today is a dark day for agriculture, not because of drought, floods, or a bust in commodity markets, but because of a monster called H.R. 2, the Unfair Labor Standards Act. The burden that will be placed on the backs of a select group of people who clothe and feed the greatest Nation in the world is unbelievable.

Within this job destroying piece of legislation, is a farce provision called a training wage. The present proposal denies the farmers and ranchers of America the same right provided every other employer in the Nation, the right to a training wage. Although the training wage provision is basically ineffective, the stewards of the land will not be offered this wage rate. Granted, many farmers and ranchers will be exempt from payment of the Federal minimum wage, but over 25 percent will feel the wrath of the Unfair Labor Standards Act.

Even it the training wage provision was changed to include farm workers, it would not offset the damage that would be caused by this bill. In addition to increasing the annual inflation rate, H.R. 2 would cause a loss in job opportunities, force layoffs, and increase the overall cost of consumer products. Although there is some merit to a training wage, this bill does not provide a workable training program. I will continue to oppose any legislation that reduces the number of opportunities for employment and works to the detriment of the disadvantaged.

Although my support of this bill does not hinge on the inclusion of farm workers in the training wage, I am hopeful that the veto message from the President on this bill will include language stating that farm employers should not be discriminated against.

I encourage my colleagues to oppose this bill not only because it will raise the unemployment rate, force families into poverty, raise consumer prices, but also because it is discriminatory to the men and women who toil over the land for our great Nation.

Mr. BALLENGER. Mr. Speaker, I rise in opposition to the conference report on H.R. 2, the Fair Labor Standards Act Amendments of 1989.

Unemployment in our country is just over 5 percent, the lowest it has been in 15 years. But leave it to Congress to try and stop the current economic expansion by mandating a wage increase to $4.55 an hour. An increase of this magnitude will destroy thousands of job opportunities for the young, the low-skilled, and the disadvantaged. In addition, raising the minimum wage will adversely affect small businesses, which create 70 percent of all new jobs.

H.R. 2 will also result in higher inflation and interest rates. The direct cost to consumers will be over $12 billion. There will also be an impact on the Federal budget to the tune of $2 billion. Indirectly, we could expect to see the Federal budget increase another $5 billion through higher interest costs and higher benefits costs on programs. With a budget deficit of at least $147 billion, we don't need to be looking for ways to further increase the deficit, nor do we have the resources to pay for such an increase.

A workable alternative to the minimum wage does exist. The Family Living Wage Act shares an identical goal with that of increasing the Federal minimum wage. It would provide direct financial assistance to workers at the bottom rung of the income ladder and it would accomplish that goal without a harmful effect on the American economy.

Unfortunately, this sensible solution has not been considered by the Congress.

Vote "no" on this conference report and let's give the Family Living Wage Act the serious and thoughtful consideration that it deserves.

CALL OF THE HOUSE

Mr. MURPHY. Mr. Speaker, I move the call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members responded to their names:

[Roll No. 51]

ANSWERED "PRESENT"—390

Akaka	Dicks	Hochbrueckner
Alexander	Dixon	Holloway
Anderson	Donnelly	Hopkins
Andrews	Dorgan (ND)	Horton
Annunzio	Dornan (CA)	Houghton
Applegate	Douglas	Hoyer
Armey	Downey	Hubbard
Atkins	Dreier	Huckaby
AuCoin	Duncan	Hughes
Baker	Durbin	Hunter
Ballenger	Dwyer	Hutto
Barton	Dymally	Hyde
Bates	Dyson	Inhofe
Beilenson	Early	Ireland
Bennett	Eckart	Jacobs
Bentley	Edwards (CA)	James
Bereuter	Emerson	Jenkins
Berman	Engel	Johnson (CT)
Bevill	English	Johnson (SD)
Bilirakis	Erdreich	Johnston
Bliley	Evans	Jones (GA)
Boehlert	Fascell	Jones (NC)
Boggs	Fawell	Jontz
Bonior	Feighan	Kanjorski
Borski	Fields	Kaptur
Bosco	Fish	Kasich
Boucher	Flake	Kastenmeier
Boxer	Flippo	Kennedy
Brennan	Florio	Kennelly
Brooks	Foglietta	Kildee
Broomfield	Ford (MI)	Kleczka
Browder	Frenzel	Kolbe
Brown (CO)	Gallegly	Kolter
Bruce	Gallo	Kostmayer
Bryant	Garcia	Kyl
Buechner	Gaydos	LaFalce
Bunning	Gejdenson	Lagomarsino
Burton	Gekas	Lancaster
Bustamante	Gibbons	Lantos
Byron	Gillmor	Laughlin
Callahan	Gilman	Leach (IA)
Campbell (CA)	Gingrich	Leath (TX)
Campbell (CO)	Glickman	Lehman (FL)
Cardin	Gonzalez	Leland
Carper	Goodling	Lent
Carr	Gordon	Levin (MI)
Chandler	Goss	Levine (CA)
Clarke	Gradison	Lewis (CA)
Clay	Grandy	Lewis (FL)
Clement	Grant	Lewis (GA)
Clinger	Gray	Lightfoot
Coble	Green	Lipinski
Coelho	Guarini	Livingston
Coleman (MO)	Gunderson	Lloyd
Coleman (TX)	Hall (OH)	Long
Collins	Hall (TX)	Lowery (CA)
Combest	Hamilton	Lowey (NY)
Conte	Hammerschmidt	Luken, Thomas
Conyers	Hancock	Lukens, Donald
Cooper	Hansen	Machtley
Costello	Harris	Madigan
Coughlin	Hastert	Markey
Cox	Hatcher	Marlenee
Coyne	Hawkins	Martin (IL)
Craig	Hayes (IL)	Martin (NY)
Crane	Hayes (LA)	Martinez
Dannemeyer	Hefley	Matsui
Darden	Hefner	Mavroules
Davis	Henry	Mazzoli
DeFazio	Herger	McCloskey
Dellums	Hertel	McCollum
Derrick	Hiler	McCrery
DeWine	Hoagland	McCurdy
McDade	Quillen	Smith, Robert (OR)
McDermott	Rahall	Snowe
McEwen	Ravenel	Solarz
McGrath	Ray	Solomon
McHugh	Regula	Spence
McMillan (NC)	Rhodes	Spratt
McMillen (MD)	Richardson	Staggers
McNulty	Ridge	Stallings
Meyers	Rinaldo	Stangeland
Mfume	Ritter	Stearns
Michel	Roberts	Stenholm
Miller (CA)	Robinson	Studds
Miller (OH)	Roe	Stump
Miller (WA)	Rogers	Sundquist
Mineta	Rohrabacher	Swift
Moakley	Rose	Synar
Mollohan	Rostenkowski	Tallon
Moody	Roth	Tanner
Morella	Roukema	Tauke
Morrison (CT)	Rowland (CT)	Tauzin
Morrison (WA)	Rowland (GA)	Thomas (CA)
Mrazek	Sabo	Thomas (GA)
Murphy	Saiki	Torres
Murtha	Sangmeister	Torricelli
Myers	Sarpalius	Towns
Nagle	Savage	Traficant
Natcher	Sawyer	Traxler
Neal (MA)	Saxton	Unsoeld
Neal (NC)	Schaefer	Upton
Nielson	Schiff	Valentine
Oakar	Schneider	Vander Jagt
Oberstar	Schroeder	Vento
Obey	Schuette	Visclosky
Olin	Schulze	Volkmer
Ortiz	Schumer	Vucanovich
Owens (NY)	Sensenbrenner	Walgren
Owens (UT)	Sharp	Walker
Oxley	Shaw	Walsh
Packard	Shays	Watkins
Pallone	Shumway	Waxman
Panetta	Shuster	Weber
Parker	Sikorski	Weiss
Pashayan	Sisisky	Weldon
Patterson	Skaggs	Wheat
Paxon	Skeen	Whittaker
Payne (NJ)	Slattery	Whitten
Payne (VA)	Slaughter (NY)	Williams
Pease	Slaughter (VA)	Wilson
Pelosi	Smith (FL)	Wolf
Penny	Smith (IA)	Wolpe
Perkins	Smith (MS)	Wyden
Petri	Smith (NE)	Wylie
Pickett	Smith (NJ)	Yates
Pickle	Smith (TX)	Yatron
Porter	Smith (VT)	Young (AK)
Poshard	Smith, Denny (OR)	Young (FL)
Price	Smith, Robert (NH)	
Pursell		

□ 1250

The SPEAKER pro tempore. On this rollcall, 390 Members have recorded their presence by electronic device, a quorum.

Under the rule, further proceedings under the call were dispensed with.

CONFERENCE REPORT ON H.R. 2, FAIR LABOR STANDARDS AMENDMENT OF 1989

The SPEAKER pro tempore. The Chair recognizes the gentleman from Pennsylvania [Mr. MURPHY].

Mr. MURPHY. Mr. Speaker, I yield such time as he may consume to the gentleman from Pennsylvania [Mr. WELDON].

Mr. WELDON. Mr. Speaker, I rise in opposition to the conference report on H.R. 2. I do so reluctantly, as I agree that there must be an increase in the minimum wage. Members on the other side of the aisle have eloquently pointed out that the purchasing power of minimum wage has slipped significantly over the last decade.

The debate over this bill, however, has less to do with fair labor, decent wages, and inflation than it does with partisan political battles between Members of this body and the resident of the large house 16 blocks from here. It is another example of political symbolism triumphing over substantive action.

The President has supported an increase in the minimum wage. He did so during his campaign for that office, and renewed the pledge with his compromise proposal, one that would have increased the wage to $4.25 over 3 years. His proposal is an earnest and acceptable offer. It is a proposal that seeks to insulate small businesses from the impact of a sudden jump in the minimum wage by the initiation of a realistic training wage. It is a proposal that never had a chance.

Mr. Speaker, the debate on this bill has made several things very clear. It is clear that the Democrats do not have enough votes to override a presidential veto. It is also clear that the President does not have enough votes in Congress to pass his own minimum wage plan. Why, then, are we continuing with this charade?

Let us begin again. Let us remember that both the administration and the Congress have gone on record in support of a minimum wage increase. Let us negotiate a reasonable compromise that meets the needs of both workers and businesses. Let us take meaningful action that will result in legislative success. Let us remember that an increase in the minimum wage is important because it will help the American worker, not because it helps Congress in its power struggle against the President.

Let us stop treating the debate over the minimum wage as a vehicle for political posturing. It is a game that is of no benefit to the American worker, and we should not play it.

Mr. MURPHY. Mr. Speaker, I yield 30 seconds to the gentlewoman from Washington [Mrs. UNSOELD].

Mrs. UNSOELD. Mr. Speaker, when I was in the State legislature for 2 years we fibrillated, unable to vote for an increase in the minimum wage, so the public grows up, put that measure on the ballot through the initiative and it was overwhelmingly approved by 76 percent of the public.

I call on my colleagues, Mr. President, to follow our public and let us overwhelmingly approve this increase to the minimum wage.

Mr. MURPHY. Mr. Speaker, I yield such time as he may consume to the Speaker of the House, the gentleman from Texas [Mr. WRIGHT].

Mr. WRIGHT. Mr. Speaker, I rise in support of the conference report on the minimum wage bill.

What we consider today is a matter of the most elemental fairness. It goes to the very heart of what this country of ours is all about. Today we seek to provide fairness for the working poor of this country. There are at least 4 million of them who receive no more than the minimum wage. That minimum wage has not been increased since 1981.

During that period of time, their buying power has been reduced by some 30 percent. In 1981, a woman working on a minimum wage and trying to support two children on her own, with the work of 3 hours of pay could purchase a $10 sack of groceries. Today her 3 hours of pay will buy only a $7 sack of groceries.

These are not people who have political power. They are not people whose names appear on the donors' lists to political candidates. They are not prominent in society—for the most part—but they work, and they pay taxes and they contribute mightily to this economy of ours. They do the work that most other people do not want to do.

They are the people who look to us to represent them. They have nobody else to represent them. They are not organized. If they were organized workers, they would be paid much more than the minimum wage, but they are not.

They are not people who seek a handout. They are not asking for welfare, although some of them are homeless because the wages they receive are not adequate to pay for homes or to pay rent in the society in which we live today. And yet they work. They want to perform the dignity of work. It seems to me it is to those people that America owes a very great deal, because without the work that they perform the wheels of American commerce would grind to a halt.

Now let us just look at it from the standpoint of elemental fairness. Let us consider what has happened in these intervening 8 years since 1981. Since that time the minimum wage has fallen to its lowest historical level. Originally when it was established, the idea was that the minimum wage ought to be about half the average wage. But today it has fallen to only about 35 percent of the average wage.

What has happened to others in our society during those same 8 years? I want to show you in a very simple comparative way the difference between what has happened to the highest position in American government and what has happened to them.

Let us take, for example, the post of the Vice President. The Vice President's pay has been increased and would have been increased by recommendations made by the President by $40 an hour since 1981. There you have 400 dimes representing what would have happened to the Vice President's pay. Now I'm not saying it is not warranted. No doubt it is warranted. But that is what has happened in those years. That is an hourly increase of $40.

What has happened to the take-home keep-home income of the top 1 percent of the American people as the result of tax cuts that we have voted since 1981? As a result of the tax cuts that Congress has voted, let alone any other income that may have come to them, the average person in the top 1 percent of the income brackets in the United States will be allowed to keep $17.40 every hour more. Calculated on a 40-hour week, that is about $36,000 a year more in income that the top 1 percent has enjoyed as the result of tax cuts that we have voted. So there you have that comparative figure. That is hourly, that many more dimes an hour, 174 dimes.

Then if you were to add to that what is proposed by President Bush by way of a cut in the capital gains rate, the top 1 percent of America's income group would receive, on average, about $30,000 more a year, or 144 dimes, or $14.40 an hour more take-home pay. So there is what would be given by the Congress over this period of time in just tax cuts for the wealthiest 1 percent.

What then have we given to those at the bottom of our economic pyramid? Nothing, nothing at all. You see, they have lost.

Now what we propose to give is a very meager catch-up which will not even catch up to the buying power of the 1981 minimum wage by 1991.

The difference between what we propose and what President Bush says he would be willing to accept is three dimes. That is it. Three thin dimes.

Now, it is a question of elemental fairness in a country such as ours where we believe all work is dignified work, where we believe that those who do work ought to be protected—the basic American ethic, the fundamental idea that anybody who works for a living in the United States full time ought not to be poor, ought not to be needy, ought not to be homeless. If we believe these things, then surely we would be able to vote for this meager increase.

I hope that when we send it to President Bush he will reconsider it in light of the kinder, gentler admonitions that he has made. If this is to be a kinder and gentler country, certainly then those who work for a living ought to be able to have enough money, a day's pay, so that they will be able to afford hospitalization for their kids if the kids get sick, be able to have a roof over their heads, be able to have an adequate diet, and be able to have enough money to send those kids to school.

□ 1300

Those are the fundamental, elemental things, and this is fundamental, elemental fairness.

The gentlewoman from Washington State mentioned a moment ago a statewide vote in which 70 percent of those in her State voted for an increase in the minimum wage. If the polls I have read are to be believed, some 84 percent of the people nationwide favor this legislation.

Please, bear in mind, my friends, that these are people who have nobody else to look after their interests. They do not have any lobbies. They are not repesented by someone who comes and uses the blandishments and wiles of his persuasion to tell us that we ought to do something for them. They do not make contributions to political campaigns. They are the very people for whom we are elected, because we are the only voice they have.

Without us, they would be voiceless. We are the only source of power that they have. Without us and our concern for them, they would be powerless in this political democracy of ours, and I do not think we want to perpetuate that kind of a situation.

In a sense of fairness, a sense of justice, and a sense of what is just simply right, I ask the Members to vote for this bill and send the message to President Bush to consider it carefully and to sign the bill once we have sent it to him.

Mr. FAWELL. Mr. Speaker, the Fair Labor Standards Amendments of 1989 to raise the minimum wage sounds virtuous and laudable. It very well may be, but let us not fool ourselves into thinking that we are lifting the working poor out of poverty with an increase to $4.55. Raising the minimum wage is not an antipoverty weapon.

A large majority of minimum wage earners are young part-time workers. Ninety-three percent of those earning minimum wage do not maintain families. Of the 3.9 million on minimum wage, one-third work in restaurants where many of their incomes are supplemented by tips. Sixteen percent of minimum wage earners work in sales where many of these earn commissions, yet they are still counted as minimum wage workers.

We say we're trying to help the working poor while we actually will be helping young part-time workers. There is one thing, however, upon which there is agreement. Economists from all persuasions agree that increasing the minimum wage will mean lost jobs and it will mean inflation. The Congressional Budget Office estimates that 125,000 to 250,000 jobs will be lost; the Department of Labor's estimates range from 400,000 to 800,000. Of course, the first employees to suffer this reduction in jobs will be those that have the fewest skills and have the most to lose. We also know that increasing the minimum wage at this time will have a ripple effect on consumer prices. The last time we increased the minimum wage, from 1978 to 1981, inflation jumped from 7 percent to 12 percent and the prime rate more than doubled from 8 percent to over 20 percent. Inflation and recession are the cruelest taxes that we can levy on our working poor.

What is the best way to truly help the poor? First of all, the use of the earned income tax credit would allow us to target our efforts to those who are truly needy. Second, the creation of new jobs, a strong economy, and con-

tinued growth are components of the best employee-benefit program. During the last 7 years, there have been 19 million new jobs created. Sixty-three percent of our adults are now employed; this is a record. Let's keep this ball rolling and avoid any Government-imposed roadblocks. Instead, Congress must reduce its profligate overspending. The national debt now stands at $2.8 trillion, and we pay $240 billion a year in interest alone. Often overlooked, the Federal Government is also borrowing $140 billion a year from the Nation's trust funds. Mr. Speaker, vote "no" on the conference report of H.R. 2, and let's put our energy into efforts that will truly help the poor.

Mr. DE LUGO. Mr. Speaker, I rise today in support of the conference report on H.R. 2, the Fair Labor Standards Amendments of 1989.

I commend the members of the Education and Labor Committee for moving so quickly with this important bill from the subcommittee to the full committee and through conference.

Mr. Speaker, I regret that the President has not seen fit to support this important bill. The President has stated that he will veto this conference agreement if it is sent to him because the minimum wage will be raised 30 cents an hour more than he wants. H.R. 2 will increase the minimum wage from the current $3.35 an hour to $4.55 an hour over a 3-year period. The $4.55 an hour wage rate would begin October 1, 1991.

It is very unfortunate that an important bill such as H.R. 2 may be vetoed because of a 30-cents-an-hour difference with the President. H.R. 2 is a bill that will help millions of working people who are trying to make a better life for their families by working full time and yet continue to remain in poverty. I cannot believe that vetoing this bill will lead to a kinder and gentler nation that the President has said he wants to see. To the contrary, such action will be extremely brutal to the millions of families that can hardly survive on the current minimum wage.

Mr. Speaker, there has not been an increase in the Federal minimum wage since 1981, over 8 years ago. We must now act on behalf of the hard-working men and women of America to increase the minimum wage to a decent level. These workers deserve to be treated fairly.

I hope my colleagues will agree and support the conference report on H.R. 2.

Mr. MURPHY. Mr. Speaker, I move the previous question of the conference report.

The previous question was ordered.

The SPEAKER pro tempore (Mr. MOAKLEY). The question is on the conference report.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. GOODLING. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 247, noes 172, not voting 15, as follows:

[Roll No. 52]

AYES—247

Akaka	Gonzalez	Obey
Alexander	Gordon	Olin
Anderson	Gray	Ortiz
Andrews	Guarini	Owens (NY)
Annunzio	Hall (OH)	Owens (UT)
Anthony	Hamilton	Pallone
Applegate	Harris	Panetta
Aspin	Hatcher	Pashayan
Atkins	Hawkins	Payne (NJ)
AuCoin	Hayes (IL)	Pease
Bates	Hayes (LA)	Pelosi
Bellenson	Hefner	Perkins
Bennett	Hertel	Pickett
Bentley	Hoagland	Pickle
Berman	Hochbrueckner	Poshard
Bevill	Horton	Price
Bilbray	Hoyer	Rahall
Boehlert	Hubbard	Rangel
Boggs	Hughes	Richardson
Bonior	Jacobs	Ridge
Borski	Jenkins	Rinaldo
Bosco	Johnson (CT)	Robinson
Boucher	Johnson (SD)	Roe
Boxer	Johnston	Rose
Brennan	Jones (GA)	Rostenkowski
Browder	Jones (NC)	Rowland (CT)
Brown (CA)	Jontz	Russo
Bruce	Kanjorski	Sabo
Bryant	Kaptur	Sangmeister
Cardin	Kastenmeier	Savage
Carper	Kennedy	Sawyer
Carr	Kennelly	Scheuer
Clarke	Kildee	Schneider
Clay	Kleczka	Schroeder
Clement	Kolter	Schumer
Coelho	Kostmayer	Sharp
Coleman (TX)	LaFalce	Shays
Collins	Lantos	Sikorski
Conte	Leach (IA)	Sisisky
Conyers	Lehman (CA)	Skaggs
Costello	Lehman (FL)	Skelton
Coyne	Leland	Slattery
Crockett	Levin (MI)	Slaughter (NY)
Darden	Levine (CA)	Smith (FL)
Davis	Lewis (GA)	Smith (IA)
de la Garza	Lipinski	Smith (NJ)
DeFazio	Lloyd	Smith (VT)
Dellums	Long	Solarz
Dicks	Lowey (NY)	Staggers
Dingell	Luken, Thomas	Stallings
Dixon	Machtley	Stark
Donnelly	Manton	Stokes
Dorgan (ND)	Markey	Studds
Downey	Martin (IL)	Swift
Durbin	Martinez	Synar
Dwyer	Matsui	Tallon
Dymally	Mavroules	Tanner
Dyson	McCloskey	Torres
Early	McCurdy	Torricelli
Eckart	McDade	Towns
Edwards (CA)	McDermott	Traficant
Engel	McHugh	Traxler
Erdreich	McMillen (MD)	Unsoeld
Espy	McNulty	Vento
Evans	Mfume	Visclosky
Fascell	Miller (CA)	Volkmer
Feighan	Mineta	Walgren
Flake	Moakley	Walsh
Flippo	Mollohan	Watkins
Florio	Moody	Waxman
Foglietta	Morella	Weiss
Foley	Morrison (CT)	Wheat
Ford (MI)	Mrazek	Whitten
Ford (TN)	Murphy	Williams
Frank	Murtha	Wilson
Frost	Nagle	Wise
Garcia	Natcher	Wolpe
Gaydos	Neal (MA)	Wyden
Gejdenson	Neal (NC)	Yates
Gephardt	Nelson	Yatron
Gibbons	Nowak	Young (AK)
Gilman	Oakar	
Glickman	Oberstar	

NOES—172

Archer	Bilirakis	Byron
Armey	Bliley	Callahan
Baker	Broomfield	Campbell (CA)
Ballenger	Brown (CO)	Campbell (CO)
Bartlett	Buechner	Chandler
Barton	Bunning	Chapman
Bereuter	Burton	Clinger
Coble	James	Roth
Coleman (MO)	Kasich	Roukema
Combest	Kolbe	Rowland (GA)
Cooper	Kyl	Saiki
Coughlin	Lagomarsino	Sarpalius
Cox	Lancaster	Saxton
Craig	Laughlin	Schaefer
Crane	Leath (TX)	Schiff
Dannemeyer	Lent	Schuette
DeLay	Lewis (CA)	Schulze
Derrick	Lewis (FL)	Sensenbrenner
DeWine	Lightfoot	Shaw
Dornan (CA)	Livingston	Shumway
Douglas	Lowery (CA)	Shuster
Dreier	Lukens, Donald	Skeen
Duncan	Marlenee	Slaughter (VA)
Emerson	Martin (NY)	Smith (MS)
English	Mazzoli	Smith (NE)
Fawell	McCandless	Smith (TX)
Fields	McCollum	Smith, Denny (OR)
Fish	McCrery	Smith, Robert (NH)
Frenzel	McEwen	Smith, Robert (OR)
Gallegly	McGrath	Snowe
Gallo	McMillan (NC)	Solomon
Gekas	Meyers	Spence
Gillmor	Michel	Spratt
Gingrich	Miller (OH)	Stangeland
Goodling	Miller (WA)	Stearns
Goss	Montgomery	Stenholm
Gradison	Morrison (WA)	Stump
Grandy	Myers	Sundquist
Grant	Nielson	Tauke
Green	Oxley	Tauzin
Gunderson	Packard	Thomas (CA)
Hall (TX)	Parker	Thomas (GA)
Hammerschmidt	Parris	Thomas (WY)
Hancock	Patterson	Upton
Hansen	Paxon	Valentine
Hastert	Payne (VA)	Vander Jagt
Hefley	Penny	Vucanovich
Henry	Petri	Walker
Herger	Porter	Weber
Hiler	Pursell	Weldon
Holloway	Quillen	Whittaker
Hopkins	Ravenel	Wolf
Houghton	Ray	Wylie
Huckaby	Regula	Young (FL)
Hunter	Rhodes	
Hutto	Ritter	
Hyde	Roberts	
Inhofe	Rogers	
Ireland	Rohrabacher	

NOT VOTING—15

Ackerman	Courter	Molinari
Barnard	Dickinson	Moorhead
Bateman	Edwards (OK)	Pepper
Brooks	Fazio	Roybal
Bustamante	Madigan	Udall

□ 1320

The Clerk announced the following pairs.

On this vote:

Mr. Fazio for, with Mr. Barnard against.

Mr. Roybal for, with Mr. Courter against.

Mr. Bustamante for, with Mr. Dickinson against.

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. MURPHY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report on H.R. 2 just agreed to.

The SPEAKER pro tempore (Mr. LEWIS of Georgia). Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

EMMETT SANDERS LOCK AND DAM

Mr. ANDERSON. Mr. Speaker, I ask unanimous consent that the Committee on Public Works and Transportation be discharged from further consideration of the bill (H.R. 2178) to designate lock and dam numbered 4 on the Arkansas River, Arkansas, as the "Emmett Sanders Lock and Dam" and ask for it immediate consideration.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

Mr. HAMMERSCHMIDT. Mr. Speaker, reserving the right to object, I do not plan to object, and I yield to the distinguished gentleman from California [Mr. ANDERSON] chairman of the Committee on Public Works and Transportation, for an explanation of his request.

Mr. ANDERSON. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, H.R. 2178 would designate lock and dam No. 4 on the Arkansas River, AR, as the "Emmett Sanders Lock and Dam." I urge my colleagues to join me in support of this legislation.

Mr. Sanders served as mayor of the city of Pine Bluff, AR, in the 1940's and the 1970's, and had been a member of the Arkansas Basin Association since its inception in the 1930's. He served as the Association president and as a member of the coordinating committee, working with the various States that banded together to seek authorization and funding of the Arkansas River Basin project. His interest in transforming the Arkansas River from a menace to an asset continued until his death on March 21, 1989. Mr. Sanders played a leading role in bringing about the completion of the Arkansas River waterway system in a timely manner, and he has been by the Chief of Engineers for his work by being awarded the highest civilian award of the Department of the Army.

I believe that it is a fitting and appropriate tribute to the work of Mr. Sanders to designate lock and dam No. 4 in his behalf and I urge my colleagues to support the bill.

Mr. HAMMERSCHMIDT. Mr. Speaker, further reserving the right to object, I rise in support of H.R. 2178. This bill, which I introduced last week, would rename lock and dam No. 4 on the Arkansas River after Mr. Emmett Sanders, formerly of Pine Bluff, AR.

Mr. Speaker, I have long been an advocate of honoring our most distinguished leaders by renaming the public facilities which they have helped to erect in memory of their accomplishments. In my view, this measure of respect and gratitude is best bestowed in the twilight of ones years so that the recipient is able to fully appreciate the honor. Accordingly, I have, in the past, offered legislation to rename a number of public facilities after senior public figures who have played an important role in the life of their community. Such is the case with Emmett Sanders.

Mr. Sanders was the former mayor of Pine Bluff, AR, who, through tireless effort, worked to tame the Arkansas River, bringing navigation and a measure of flood protection to the area. He was an outspoken and extremely effective advocate of water resources development and progress and his efforts were met with not only success but the appreciation of the citizens of Pine Bluff. It is for these reasons that I have advocated legislation in the two preceding Congresses to honor Mr. Sanders by renaming lock and dam No. 4 on the Arkansas River at Pine Bluff as the "Emmett Sanders Lock and Dam."

Unfortunately, Mr. Sanders passed away earlier this spring. His passing was noted with deep regret as evidenced by local newspaper accounts which I would like to have inserted in the RECORD at the conclusion of my remarks. I only regret that we were unable to bestow this honor on Mr. Sanders while he was alive. With that, Mr. Speaker, I withdraw my reservation.

[From the Pine Bluff Commercial, Mar. 27, 1989]

EMMETT SANDERS: THE VISION BEHIND THE SERVICE

Behind his eye for economy, his businesslike manner and bookkeeper's exactitude, Emmett Sanders was a visionary. His dreams for Pine Bluff were as vast as his habits were regular. It was with his vision that some of Pine Bluff's most dramatic advances began, and through his unremitting efforts that they became reality.

For four decades, as mayor and alderman and public servant in general, Mr. Sanders served and shaped his city. He came as close as anyone to embodying local government during those years, and it was Pine Bluff's good fortune that he did. The minimal pay afforded public servants back then could not have brought the attention and devotion he lavished on this town freely. Emmett Sanders was always more interested in Pine Bluff's advancement than in his own.

Of his many visions, surely the idea of an Arkansas River converted from menace to asset was his greatest. And it included a thriving Port of Pine Bluff, the finest in the state. No one but a visionary could have foreseen all that in 1927, when the 100-year-flood came rampaging over the levees on both side of the river, sending refugees to seek shelter on the Free Bridge or any other structure that remained unsubmerged.

Emmett Sanders never forget the sight; it drove him year after year. He was an early member and later president of the Arkansas Basin Association. That lobby worked to make the vision real decade after decade, trip to Washington after trip to Washington, conference and report after conference and repaort . . . until the mean, twisted, treacherous old Arkansas was made over into the Kerr-McClellan River Navigation System. Thanks to dreamers—and workers—like Emmett Sanders, the Arkansas no longer disrupts but serves. It controls floods instead of bringing them. And Pine Bluff reaps the benefits every day.

Utterly reliable, Mr. Sanders was so absorbed in his duties and projects that he was just absent-minded enough to be endearing. A walker, he could be seen traversing the city regularly, looking at it up close as he went his way, noticing things.

Like any public servant, Mr. Sanders took his share of flak over the years but, unlike many, tolerated it with complete self-confidence, never yielding to the temptation to reply in kind. His devotion to his family, especially his two "girls," was as much part of him as his devotion to his city. If Mr. Emmett ever erred, it was never on the side of too small plans or too little ambition of his town and state.

As he grew older, Emmett Sanders' enthusiasm for various projects seemed to grow younger. He had a very American confidence in an ever expanding future, and it grew all the stronger with the years. He died last week at 89, but it should be noted that his vision of what this city would do never grew old.

[From the Pine Bluff News, Mar. 23, 1989]

'MR. EMMETT'

Pine Bluff lost one of its truly outstanding citizens this week with the death of Emmett Sanders.

"Mr. Emmett" was involved in so many of the major developments in Pine Bluff during the great growth periods of the community in the middle decades of this century, there is no way to fully credit his contributions to the progress and development of our city and county.

In his positions in city government and on industrial and river development groups, Mr. Sanders gave us the vision and leadership that was vital to the successful development of such things as our industrial parks, the outstanding port facility that has made Pine Bluff the major shipping port on the Arkansas River, our Civic Center and Convention Center, and practically anything else that has enhanced the life of the city in the past 40 years.

He had a vision of greatness for Pine Bluff and a great pride in its achievements. We can all have an equal pride in his life and his accomplishments for his community. He will be greatly missed.

Mr. HAMMERSCHMIDT. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the bill, as follows:

H.R. 2178

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DESIGNATION.

Lock and dam numbered 4 on the Arkansas River, Arkansas, constructed as part of the project for navigation on the Arkansas River and tributaries, shall hereafter be known and designated as the "Emmett Sanders Lock and Dam".

SEC. 2. LEGAL REFERENCE.

A reference in any law, regulation, document, or record of the United States to the lock and dam referred to in section 1 shall

hereafter be deemed to be a reference to the "Emmett Sanders Lock and Dam".

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. ANDERSON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 2178, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

LEGISLATIVE PROGRAM

(Mr. MICHEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MICHEL. Mr. Speaker, might I inquire of the distinguished majority leader, the gentleman from Washington [Mr. FOLEY], the program for next week?

Mr. FOLEY. If the distinguished Republican leader would yield to me, Mr. Speaker, this concludes the business for today and for this week. The House will not be in session tomorrow. The House will meet at noon on Monday next but there will be no legislative business.

The House will meet at noon on Tuesday and will consider 5 bills under suspension of the rules. We will withhold recorded votes that may be ordered on these suspensions until debate is concluded on all suspensions. But the suspensions, if they draw votes, will have those votes taken on Tuesday. They will not be postponed beyond Tuesday.

The suspensions are:

H.R. 968, Noise Reduction Reimbursement Act of 1989;

H.R. 838, to authorize the Secretary of Transportation to release restrictions on the use of certain property conveyed to the Peninsula Airport Commission for airport purposes;

H.R. 2214, to ratify certain agreements relating to the Vienna Convention on Diplomatic Relations;

H. Con. Res. 63, to commend the 30th anniversary of the Tibetan national uprising and to express the concern of Congress regarding human rights abuses in Tibet; and

H.R. 2145, to prohibit U.S. contributions to the United Nations if full membership as a state is granted to any organization or group that does not have the internationally recognized attributes of statehood.

Also Members should be advised of a possible resolution with regard to Panama which may be considered on Tuesday.

On Wednesday the House would normally, under the rules, meet at 10 o'clock, but I intend to offer a unanimous consent request that that be at 12 o'clock on Wednesday.

At 10 o'clock on Thursday to consider a conference report on the House Concurrent Resolution 106, the first concurrent resolution on the budget, subject to a rule; and H.R. 2072, the dire emergency supplemental appropriations for fiscal 1989, subject to a rule, and H.R. 643, to amend the Mineral Leasing Act relating to oil shale claims, subject to a rule.

On Friday, May 19, 1989, the House will not be in session.

Mr. Speaker, if the distinguished Republican leader would yield further, I would like to remind Members that on May 15 the House will change the schedule, under standing orders of the House, and will meet regularly at noon on Monday and Tuesday and at 10 a.m., rather than 2 p.m. on Wednesday, Thursday, and Friday.

Next week because of the pending Republican conference we will ask unanimous consent to meet at noon rather than at 10 a.m. on Wednesday. But the general rule will be 10 a.m. on Wednesday, Thursday, and Friday and noon on Monday and Tuesday.

Mr. MICHEL. I thank the distinguished majority leader.

ADJOURNMENT TO MONDAY, MAY 15, 1989

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at noon on Monday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

Mr. WALKER. Mr. Speaker, reserving the right to object, I do so just to ask one question if I may, and I will not object. On the resolution that may come up on Panama, would that come up under suspension of the rules?

Mr. FOLEY. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from Washington.

Mr. FOLEY. I thank the gentleman for yielding.

Mr. Speaker, it may come up under suspension of the rules or by unanimous consent. I cannot advise the gentleman at this time.

Mr. WALKER. I think the question on our side is, if it will come up under a procedure, will it be subject to an amendment?

Mr. FOLEY. I would advise the gentleman that I doubt very much it would come up on Tuesday in that form.

If it comes up on Tuesday it would be either under unanimous consent or under suspension. I do not think the Rules Committee would have an opportunity to consider a rule prior to Tuesday.

Mr. WALKER. Mr. Speaker. I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

HOUR OF MEETING ON WEDNESDAY, MAY 17, 1989

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that when the House adjourns on Tuesday, May 16, 1989 it adjourn to meet at noon on Wednesday, May 17, 1989.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

AUTHORIZING EXCHANGE OF CERTAIN FEDERAL PUBLIC LAND IN MADISON COUNTY, IL

Mr. ANDERSON. Mr. Speaker, I ask unanimous consent that the Committee on Public Works and Transportation be discharged from further consideration of the bill (H.R. 2119) to authorize the exchange of certain Federal public land in Madison County, IL, and ask for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER pro tempore (Mr. WISE). Is there objection to the request of the gentleman from California?

Mr. HAMMERSCHMIDT. Mr. Speaker, reserving the right to object, under my reservation I yield to the gentleman from California [Mr. ANDERSON], the chairman of the Committee on Public Works and Transportation, to explain his request.

Mr. ANDERSON. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, H.R. 2119 would authorize the United States to convey its interest in a parcel of land to the Blue Tee Corp. in exchange for the conveyance to the United States of the corporation's interest in another parcel of land.

The land owned by the United States was acquired in connection with the construction of the Melvin Price Locks and Dam project on the Mississippi River at Alton, IL. The land will

be under water when the pool behind the locks and dam is raised. This is expected to happen this September.

Local interests wish to develop a boating dock and marina in the area, and have determined that the land scheduled to be inundated would be the best location for the boating facilities if its elevation is raised by the placement of fill material.

The land owned by the United States was acquired in 1985 at a cost of $137,350. In 1988 the United States acquired a flowage easement over the land owned by the Blue Tee Corp. for the sum of $1.125 million. The remaining interest in the land held by the corporation, which would be conveyed to the United States, is valued at $200,000.

Mr. Speaker, the interests in the lands to be exchanged are of comparable value—if anything, the value of the land to be acquired by the Government is likely higher considering the lower 1985 market value of the land presently owned by the Government.

Enactment of this legislation at an early date is necessary so that the land to be used for boating facilities can be raised prior to its inundation. I urge enactment of the bill.

□ 1330

Mr. HAMMERSCHMIDT. Further reserving the right to object, Mr. Speaker, I thank the chairman for his explanation.

Let me commend the gentleman from Illinois [Mr. COSTELLO] for his hard work in developing a solution to a problem that seems to work out well for all concerned. This solution will allow an important business concern to relocate to a more desirable location. It will allow the city of Alton, IL to develop some valuable recreational facilities. And it will ensure that work on the Melvin Price Lock on the Mississippi River proceeds on schedule without any impairment of the Government's interest. It is my understanding the value of the lands in question is approximately equivalent and that enactment of the legislation will not result in any costs to the Federal Government.

Mr. Speaker, I yield to the gentleman from Illinois [Mr. COSTELLO].

Mr. COSTELLO. Mr. Speaker, and ranking member of the Committee on Public Works and Transportation the gentleman from Arkansas [Mr. HAMMERSCHMIDT], I thank the Members for their support of this bill, and the distinguished chairman of the Committee on Public Works and Transportation, the land swap agreement that will be decided through this legislation will be of great benefit to an economic development project in my congressional district. This is an opportunity for the Federal Government to assist local government in an economic development project at no cost to the taxpayers or to the Federal Government.

Mr. Speaker, I thank both of the gentlemen for their assistance.

Mr. HAMMERSCHMIDT. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore (Mr. WISE). Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The Clerk read the bill, as follows:

H.R. 2119

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. EXCHANGE OF FEDERAL PUBLIC LAND.

(a) EXCHANGE OF LAND.—Subject to section 2, at such time as the Blue Tee Corporation transfers all right, title, and interest in and to the land described in subsection (b)(1) to the Secretary of the Army, the Secretary shall transfer all right, title, and interest in and to the land described in subsection (b)(2) to the Blue Tee Corporation.

(b) DESCRIPTION OF LANDS.—The lands referred to in subsection (a) are the following:

(1) NON-FEDERAL LAND.—35.03 acres of land located in Madison County, Illinois, known as Government Tract Number 121 and owned by the Blue Tee Corporation.

(2) FEDERAL LAND.—58.64 acres situated in Madison County, Illinois, known as Government Tract Number 122 and administered by the United States Army Corp of Engineers, which is constructing the Melvin Price Lock and Dam Project on this land.

SEC. 2. CONDITIONS OF EXCHANGE.

The exchange of land authorized by section 1 shall be subject to the following conditions:

(1) DEEDS.—

(A) FEDERAL LAND.—The instrument of conveyance used to convey the land described in section 1(b)(2) to the Blue Tee Corporation shall contain such reservations, terms, and conditions as the Secretary of the Army considers necessary to allow the United States to construct, operate, and maintain the Melvin Price Lock on that land.

(B) NON-FEDERAL LAND.—The conveyance of the land described in section 1(b)(1) to the Secretary of the Army shall be by a warranty deed acceptable to the Secretary.

(2) REMOVAL OF IMPROVEMENTS.—The Blue Tee Corporation may reserve the right to remove any improvements on the land described in section 1(b)(1) belonging to them. The terms of such reservation shall be subject to approval by the Secretary of the Army. The Blue Tee Corporation shall hold the United States harmless from liability, and the United States shall not incur any cost, associated with the removal or relocation of such improvements.

(3) TIME LIMIT FOR EXCHANGE.—The land exchange authorized by section 1(a) must be completed within 2 years after the date of enactment of this Act.

(4) LEGAL DESCRIPTION.—The Secretary shall provide the legal description of the lands described in section 1(b). The legal description shall be used in the instruments of conveyance of such lands.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. ANDERSON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include therein extraneous material on H.R. 2119, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

ROBERT DOUGLAS WILLIS HYDROPOWER PROJECT

Mr. ANDERSON. Mr. Speaker, I ask unanimous consent that the Committee on Public Works and Transportation be discharged from further consideration of the bill (H.R. 923) to redesignate the Federal hydropower generating facilities located at Dam B on the Neches River at Town Bluff, TX, as the "Robert Douglas Willis Hydropower Project."

The Clerk read the title of the bill.

The SPEAKER pro tempore (Mr. WISE). Is there objection to the request of the gentleman from California?

Mr. HAMMERSCHMIDT. Mr. Speaker, reserving the right to object, let me just state that we have carefully reviewed the bill on our side of the aisle. We will have no objections to its passage.

Mr. Speaker, for many years, Mr. Willis was the general manager of the Sam Rayburn Municipal Power Authority. That authority served as the local sponsor for the hydroelectric facilities at the Town Bluff project, facilities which were constructed using 100 percent local financing.

It is a fitting tribute to Mr. Willis' efforts that a component of the project, more specifically Dam B on the Neches River, which will provide power to the surrounding area should be named after him.

Mr. ANDERSON. Mr. Speaker, will the gentleman yield?

Mr. HAMMERSCHMIDT. Further reserving the right to object, Mr. Speaker, I yield to the chairman of the Committee on Public Works and Transportation.

Mr. ANDERSON. Mr. Speaker, I am pleased to support the bill H.R. 923, which would redesignate the Federal hydropower generating facilities located at Dam B on the Neches River at Town Bluff, TX, as the "Robert Douglas Willis Hydropower Project."

Mr. Willis was connected prominently with public power and civic activities in east Texas for the majority of his adult life. Mr. Willis served as the executive director of the Sam Rayburn Municipal Power Authority from its creation in May 1980, until his death on May 14, 1988. During that time his public service has lead to the

development of reliable power supplies for the involved communities of east Texas. The renaming of these hydropower generating facilities has the support of the Sam Rayburn Municipal Power Authority, the Sam Rayburn Dam Electric Cooperative, the Sam Houston Electric Cooperative, and the Southwest Power Administration of the Department of Energy.

I urge my colleagues to join me in support of this legislation.

Mr. HAMMERSCHMIDT. Mr. Speaker, I withdraw my reservation.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the bill, as follows:

H.R. 923

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION. 1. REDESIGNATION OF HYDROPOWER FACILITIES.

The Federal hydropower generating facilities located at Dam B on the Neches River at Town Bluff, Texas, is redesignated as the "Robert Douglas Willis Hydropower Project".

SEC. 2. REFERENCES.

Any reference in a law, rule, map, document, record, or other paper of the United States to the Federal hydropower generating facilities located at Dam B on the Neches River at Town Bluff, Texas, shall be deemed to be a reference to the "Robert Douglas Willis Hydropower Project".

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. ANDERSON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks, and include therein extraneous material, on H.R. 923 the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

REMOVAL OF NAME AND MEMBER AS COSPONSOR OF H.R. 49

Mr. BEREUTER. Mr. Speaker, I ask unanimous consent that my name be removed as a cosponsor of H.R. 49.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

SOLOMON URGES PRESIDENT BUSH TO ABROGATE PANAMA CANAL TREATY

(Mr. SOLOMON asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. SOLOMON. Mr. Speaker, yesterday I took the floor of the House to let you, the Congress, and the American people know of a resolution I introduced urging President Bush to abrogate the Panama Canal Treaty.

The recent events connected with General Noriega's attempts to steal the election just held in Panama underline the urgency of this matter. Until such time as a properly elected, democratic government assumes legal control of the nation of Panama, the strategically located canal cannot be allowed to be threatened by the likes of General Noriega. Nor can we stand by and let this killer endanger the lives of American men and women stationed in the Panama Canal Zone.

Mr. Speaker, I would like to call the attention of my colleagues to an editorial I wrote over a year ago concerning this whole issue. In writing this editorial, I wanted not just to point out the dangers posed by General Noriega's presence in Panama, but to the fact that international law provides the basis for abrogation of treaties—such as the one now governing the canal, when certain unexpressed understandings connected with their negotiation prove to be false, and I am submitting the article for today's RECORD.

Mr. Speaker, now is the time for forceful action by our Government, backed by the unanimous consent of the Congress. It is not a time for backpeddling and hesitation. The world is watching and so is this killer, Noriega.

[From the Albany (NY) Times Mirror]

BUSH SHOULD LIMIT CANAL PACT

(By Gerald B. Solomon and Bruce Fein)

Shortly before he left office, President Reagan urged the reconsideration of the 1977 Panama Canal treaty because of the unreliability of Panamanian leader Manuel A. Noriega.

During his confirmation hearings before the Senate Foreign Relations Committee, Secretary of State James A. Baker III also expressed misgivings about the treaty.

One of the President Bush's first acts should be to declare the portion of the treaty transferring sovereignty to Panama to be provisionally inoperative. Congress should also play a constructive role in acting on these concerns.

Noriega mocks the transfer's presumption of continuing Panamanian good faith and ability to prevent sabotage of the canal, and to safeguard its openness and security. International law would thus justify Bush's suspension declaration.

In 1903 the Hay-Bunau-Varilla treated granted the United States perpetual use of and sovereignty over a 10-mile-wide, 50-mile-long Panama Canal Zone. Under U.S. sovereignty, the canal has operated reliably, and without sabotage or interruption. It has significantly boosted the commerce and national security of the United States.

During the Cuban missile crisis, 18 American warships transited the canal overnight, jumping ahead of commercial shipping to fortify a naval quarantine of Cuba. The U.S. warships would otherwise have consumed 13 days to navigate around Cape Horn.

Considering Panama's history of violence, chronic political turbulence and anti-Yankee sentiments, it is little wonder that the 1977 treaty considers good will and friendly relations as being indispensable to carrying out the treaty's terms. Since its birth, Panama has had four constitutions. During World War II, profascist President Arnulfo Arias denied the United States defensive rights outside the Canal Zone. In 1964 Panamanian students rioted in the Canal Zone, leaving four American soldiers dead and dozens wounded while the Panamanian police and national guard stood aloof.

During the 1977 treaty negotiations, participants from both Panama and the United States openly acknowledged a basic presumption of good faith and political will behind the treaty terms. For instance, Panamanian negotiator Carlos Lopez Guevaro trumpeted: "The canal has no defense without the friendship of the Panamanian people"—a view echoed by the Pentagon and President Carter. Similarly, Panama's chief treaty adviser, Romulo Escobar, insisted: "I think we must begin from one major premise: That the United States and Panama are not enemies." American Ambassador William J. Jorden recognized that "(a)gainst a threat of sabotage to the waterway, by far the best defense was the good will and cooperation of the Panamanian people and their national guard."

But Noriega's domestic- and foreign-policy gambits undermine that treaty assumption. He has thickened ties with Cuba, Libya and Colombian Marxist guerrillas, and harassed the 40,000 U.S. civilians and 12,000 U.S. troops in the zone. Indicted by the United States for complicity in drug trafficking and subject to a companion economic embargo, he exploits those actions domestically to bestir Panamanian ill will towards America.

The 1977 treaty terminates U.S. sovereignty over the Panama Canal and the Canal Zone in 1999. That stipulation, however, is limited by the higher treaty right of the United States to protect and defend the canal from armed attack "or other actions" that threaten its neutrality or security or the right of U.S. warships to transit the canal expeditiously in cases of emergency. The latter right requires maintaining U.S. troops in the zone whenever prevailing Panamanian conditions are inconsistent with good faith and Panama's capacity to honor its 1977 treaty obligations—circumstances that exist today.

International law empowers a treaty signatory to suspend provisions when a material unexpressed postulate of the negotiations proves to be false. Thus, during World War II, President Franklin D. Roosevelt declared a shipping convention suspended and inoperative because a continuation of peace was an essential premise of its provisions. Similarly, Bush should inform Noriega U.S. troops will remain in the zone and that zonal security will remain untransferred in 1999 unless the United States then concludes that Panama is both able and politically dedicated to preventing an interruption of canal operations or a violation of canal neutrality.

IN SUPPORT OF HOUSE-SENATE MINIMUM WAGE INCREASE AGREEMENT

(Mr. HAYES of Illinois asked and was given permission to address the

House for 1 minute and to revise and extend his remarks.)

Mr. HAYES of Illinois. Mr. Speaker, as a member of the minimum wage conference committee, I would like to express my support for the House-Senate minimum wage increase agreement, which will be considered on the floor later today. But, I would first like to thank my colleague, STENY HOYER, for convening these 1 minute speeches on this very important issue.

As a former trade unionist, I have strongly supported the need for an increase in the minimum wage since my election to this body. This Congress has waited too long to address the needs of working men and women. I supported the House-passed legislation, and now the conference agreement, because there is absolutely no question as to whether or not there is a need to increase the minimum wage.

As you are aware, the conference committee has approved the Fair Labor Standards Amendments of 1989 which raises the wage floor from $3.35 to $3.85 on October 1, 1989, to $4.25 a year later, and then to $4.55 in the third year. The minimum wage legislation also allows employers to pay a training wage of 85 percent of the minimum wage for up to 60 days that would be a one-time training wage and could not be imposed on a worker with more than 60 days of total job experience.

The basis for the enactment of the Fair Labor Standards Act of 1938 was to provide a decent wage at which working people can care for themselves and provide for their families. We, in the U.S. Congress, have neglected to honor this Nation's 50-year contract with workers to pay a better decent minimum wage. This oversight must now be rectified.

Now that our conference committee, headed by Chairmen KENNEDY and HAWKINS, has convened and completed its work, President Bush is the only remaining obstacle to a minimum wage increase, giving America's working poor their first pay raise in more than 8 years.

The President has stated his intent to veto the congressional agreement since the measure goes beyond his minimum wage ceiling of $4.25 an hour, with a 6-month training wage. I will continue to fight for an equitable minimum wage increase, regardless of this veto threat. While I reluctantly agreed to the training wage provisions in this legislation, I cannot in good conscience further compromise my beliefs and agree to a lower wage increase, which would keep hard working Americans in poverty.

Mr. Speaker, it has been a long and ongoing battle for us to reach this point. It took a great effort to gain consensus on the minimum wage issue, and I strongly urge my colleagues to stand in support of this wage increase, and the conference report to H.R. 2. We must all understand that we have to hold-the-line on this minimum wage raise, regardless of the President's veto threat. Keeping workers in poverty was clearly not the intent of the minimum wage ceiling, and we can no longer condone nor tolerate such occurrences.

IT'S TIME TO RAISE THE MINIMUM WAGE

(Mr. VISCLOSKY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. VISCLOSKY. Mr. Speaker, I rise in support of the conference report on the minimum wage. We have compromised long enough at the expense of the well-being of America's working men and women. Now is the time to act.

The 1980's could rightly be labeled the "lost decade" for the working poor. In the 8 years since the minimum wage was last increased, millions of American workers have suffered a serious decline in their living standard because of Federal inaction to ensure that the minimum wage kept pace with the cost of living. As we approach the 1990's, the evidence in favor of raising the minimum wage is overwhelming.

As everyone in this Chamber is well aware, the minimum wage of $3.35 an hour is the same as it was in 1981. The 8 years since the last adjustment marks the longest period without an increase since the law was first enacted in 1938. Due to inflation, the purchasing power of that wage has actually declined more than 30 percent. In other words, had the minimum wage kept pace with inflation, it would now be approximately $4.68 an hour.

The most compelling indicator of our need to act is the fact that the 5 million Americans who currently work full time for the minimum wage earn an income that keeps them below the poverty line. In fact, an individual working 40 hours per week at the minimum wage earns only $134 a week, before taxes and Social Security are deducted.

In March, I joined my colleagues in voting for legislation to raise the minimum wage to $4.55 over 3 years and to create a lower, training wage for employees who have never worked before. The bill represented a compromise over the original measure which would have raised the wage to $4.65 and included no training wage. It is my great hope that this compromise will convince President Bush to withdraw his pledge to veto any minimum wage increase over $4.25.

The arguments against the minimum wage are not new. Indeed, in the first congressional debate in 1938 on legislation to establish a minimum wage of 40 cents an hour, a Michigan Congressman argued that the proposed wage was "ill timed * * * and is neither in the interest of labor nor the Nation as a whole * * * enactment of the legislation will further increase unemployment, not reduce it."

Like their predecessors, present day opponents of an increase in the minimum wage assert that it would cause more harm than good. They now further argue that an increase is not needed since the majority of minimum wage earners are teenagers hoping to earn extra monty for discretionary spending on such luxury items as brand-name clothes and CD's. In reality, nearly 70 percent of minimum wage workers are over 20 years old, and more than 1 million are trying to support a family on the minimum wage alone. More than 60 percent of those earning the minimum wage are women.

In 1938, a Maine Congressman eloquently stated that:

> If we are sincerely in favor of improving working conditions throughout the Nation, especially to help those who are underpaid and unorganized, it is time to meet the situation businesslike and unselfishly, with friends and foes, Republicans and Democrats, willing to forget and forgive, to give and take.

Over 50 years later, these words retain their exactitude. For, if we seriously address the dismal condition of our Nation's working poor, who are increasingly joining the ranks of the homeless, we must establish a minimum wage that will provide an adequate standard of living. To do less and to continue to make the issue of raising the minimum wage a test of political will is to perpetuate a condition of poverty for those who deserve much more for their efforts.

IN SUPPORT OF CONFERENCE REPORT ON FAIR LABOR STANDARDS AMENDMENTS

(Mr. RICHARDSON asked and was given permission to address the House for 1 minute, to revise and extend his remarks, and to include extraneous material.)

Mr. RICHARDSON. Mr. President, do not veto the minimum wage bill. Do not appear in headlines saying, "Bush Vetoes Minimum Wage."

It is not going to say, "Bush Vetoes Bill That Is Different Between Republicans and Democrats."

Mr. President, we are talking about $500 per year for an individual who is working poor. We are talking about 7 percent of that individual salary in 1 year.

Mr. President, we are talking about 30 cents an hour.

Both sides have come a long way.

I think those of us on the majority side have a tip credit. We have a protection for small businesses. We have a

training wage. I think this side has come a long way.

Mr. President, it is important that you assume that pledge of a kinder, gentler Nation, and not veto the minimum wage bill over 30 cents an hour.

Mr. Speaker, tomorrow the House will consider the conference report on the fair labor standards amendments. Like my colleagues, I am greatly concerned about the working poor of my State and of this Nation.

The erosion of the minimum wage has led to a dramatic increase in the numbers of working poor. Statistics bare my statement out: In 1979, 6.5 million Americans lived below the poverty level. In 1987, 8.4 million Americans worked for a living but lived in poverty. The decline in the purchasing power of today's minimum wage is directly related to the escalation in the number of working poor.

The minimum wage was last increased in 1981 to its present level of $3.35. However, as a result of inflation, the purchasing power of minimum wage earners has declined over 20 percent. In other words, compared to 1981, the purchasing power of today's minimum wage is worth a mere $2.40. I would like to point out that in this same period, we increased Social Security benefits by 45 percent. In fact, when we adjust the minimum wage for inflation, we find that it is at its lowest level in four decades.

My friends and colleagues, I fear that we have been negligent. I say this because our silence over the past 8 years, has contributed to the rise of a new underclass in America—the working poor and homeless. I would remind my colleagues that today's minimum wage worker must provide food, shelter, and clothing for his or her family on just $7,000 a year.

In short, our failure to raise the minimum wage is having dire and dramatic consequences for millions of American workers and their families. We, in Congress, must right the wrong that we have committed. Moreover we are duty bound to help those who lack a political voice participate in the life and prosperity of the Nation by raising the minimum wage. In closing, I would hope that the President will remember his campaign promise of a kinder gentler nation.

". . . A fair day's pay for a fair day's work."—FDR on recommending legislation to establish a minimum wage May 24, 1937.

On March 23, 1989, the House passed a minimum wage increase by a vote of 248 to 171. The Senate passed its version on April 12 by a vote of 62 to 37.

The House will pass a conference report this week and the Senate is expected to act soon.

This Democratic bill would raise the minimum wage from its present level of $3.35 an hour to $4.55 an hour over three years ($3.85 on October 1 of this year; $4.25 on October 1 of 1990; and $4.55 on October 1 of 1991).

This bill also permits the payment of a sub-minimum "training wage" to certain employees for 60 days and expands the exemption from coverage of the minimum wage law for small businesses. Businesses with gross sales under $500,000 and family owned and operated businesses are exempt. The only employees eligible for the subminimum wage would be those whose total work experience is less than 60 days who is receiving "on-the-job" training for at least 30 days. This Democratic bill also contains other safeguards to ensure employers do not replace regular wage workers with subminimum wage workers.

The Bush Administration wants to pay a subminimum wage to all newly hired employees for six months, regardless of their past experience and training.

The Department of Labor's own calculations show that minimum wage jobs require, at most, 30 days of training, yet the President insists on 6 months. The reality is that Bush is trying to destroy the effectiveness of the minimum wage entirely by giving businesses a huge loophole allowing them to hire and fire low skilled workers as a routine business practice.

Today the minimum wage is $735 (or 9.5 percent) below the estimated 1988 poverty level for a family of two, $2,463 (or 26.1 percent) below the poverty level for a family of three, and $5,123 (42.4 percent) below the poverty level for a family of four.

The Pennsylvania Legislature found that many of the homeless in that state have jobs but do not make enough money to afford housing.

The U.S. Conference of Mayors estimated that last year 22 percent of homeless people held full-time or part-time jobs. In some cities, like San Antonio, more than half the homeless have jobs.

In 1987, a Gallup Poll revealed that the American people supported raising the national minimum wage to $4.65 in 1990 by a wide margin: 77 percent to 20 percent.

In 1988, a Gallup Poll revealed that the American people favored raising the national minimum wage to $5.05 by 1992 by a margin of 76 percent to 20 percent.

In 1989, a Washington Post/ABC News poll found 84 percent of Americans believed minimum wage should be increased, while only 14 percent thought it should be kept at the current level; 21 percent of respondents believed that such an increase should be given the highest priority, and 38 percent believed it should receive a high priority.

President Bush has threatened to veto any bill that increases the minimum wage beyond $4.25 per hour, or that fails to include a six-month training wage that could be paid to all newly hired employees, regardless of their past experience and training.

The Bush Administration sees no problem with hard working Americans taking home a paycheck of $134 per week after putting in a 40-hour week.

Bush claims he agrees that an increase is needed, but he is arguing about a mere 30 cents a week. At the same time he supports massive tax cuts for the very wealthy in the form of a capital gains tax break.

In other words, Bush has taken his first firm stand of this Administration by reaffirming the Republican commitment to the rich to the disadvantage of average working Americans.

While most Americans were better off during the last decade, the lowest fifth fell further behind. Bush says, "too bad!"

Nothing in the President's proposal requires real training, its just a recipe for abuse, a huge wink at big business to avoid paying the minimum wage.

Senator Bob Graham: "when I look at the President's proposal, it is not six months; it is potentially forever because a person could stay on that training wage time after time after time."

The minimum wage was last increased in 1981, when it was raised to its present level of $3.35 per hour. Had the minimum wage kept pace with inflation, it would now stand at $4.68 an hour.

While the minimum wage has remained frozen since January 1981, average hourly wages have risen 35.9 percent, and the cost of living has increased 39.8 percent.

The lack of change in the minimum wage during a period of rising prices has reduced the value of the current minimum wage to only $2.40 (in January 1981 dollars). This is the lowest purchasing power of the minimum wage since 1955.

Relative to the average hourly wage of all private-sector production and non-supervisory workers, the minimum wage has fallen to its lowest level since 1949.

This scandalous neglect of hard-working Americans has contributed to the rise of a new underclass in American society—the working poor and the working homeless.

Working for a living and living in poverty are no longer mutually exclusive conditions in the U.S. More than 1.1 million families cannot escape from poverty even though one or more persons within the family work full-time and year-round.

In 1987, 8.4 million Americans worked for a living, but lived in poverty, according to the Census Bureau.

From 1959 (the year poverty statistics were first collected) through 1981, the minimum wage was true to its original purpose: it provided a living wage. During these years, a full-time, year-round minimum wage worker earned, on average, 102.5 of the poverty threshold for a three-person household. Today a full-time minimum wage earner, working 40 hours a week for 52 weeks, earns $6,968 a year. The only type of "family" that keeps out of poverty is a single individual living alone.

From 1973 to 1987, the average cash income in constant after-inflation dollars dropped from $5,507 in 1973 for the bottom one-fifth of Americans. At the same time the top fifth froze from $60,299 to $68,775. In other words the average income of the lowest fifth dropped nearly 11 percent while those at the top fifth enjoyed a rise of 24 percent.

Bush has made his only other firm stand since assuming the presidency, his crusade to cut taxes for the wealthy. He proposes cutting the capital gains tax (a tax paid only by the richest Americans) to 15 percent, while working Americans pay up to 28 or 33 percent of their wages to taxes. His argument is that it will stimulate investment and lead to greater revenues in the U.S. Treasury, but economists disagree.

The Joint Committee on Taxation estimates the proposal would cost the Treasury nearly $25 billion in lost receipts over six years.

The President fights a 30-cent pay raise for working Americans in poverty, yet he proposes a capital gains tax cut to give the very wealthiest Americans a $30,000 tax cut. That cut is four times larger than the total annual income of Americans who work at the minimum wage.

"We are told we cannot afford 30 cents more an hour for the poorest of Americans but we can afford $30,000 for the wealthiest Americans." (Senator Majority Leader George J. Mitchell during Senate floor debate.)

A Kinder, Gentler Minimum Wage Is a Livable Minimum Wage

More than a decade ago, the U.S. Congress passed the 1977 amendments to the

Fair Labor Standards Act (FLSA). These amendments, through a series of step increases, raised the national minimum wage rate to $3.35 per hour as of January 1, 1981. While the minimum wage has remained unchanged since January 1981, average hourly wages have risen 35.6 percent, and the cost of living has increased 39.8 percent.

The lack of change in the minimum wage during a period of rising prices has reduced the value of the current minimum wage to only $2.40 (in January 1981 dollars). Had the minimum wage been adjusted over the past eight years to maintain its January 1981 value, it would have reached $4.68 per hour as of February 1988. But, as it is: The purchasing power of the minimum wage has declined to its lowest level since 1955, and relative to the average hourly wage of all private-sector production and non-supervisory workers, the minimum wage has fallen to its lowest level since 1949.

Allowing the value of the minimum wage to fall so steadily and for so long has not made life any kinder or gentler for those Americans who work at minimum wage jobs. It seems, in fact, all but certain that the stagnant and, hence, deteriorating minimum wage rate of the 1980's has contributed to the rise of a new underclass in American society—the working poor and the working homeless.

Working for a living and living in poverty are no longer mutually exclusive conditions in the United States. The plethora of statistics in Table 1 shows that poverty does not necessarily result from a lack of work effort but often results from insufficient rewards for work. When more than 1.1 million families cannot escape from poverty even though one or more persons within the family work full-time and year-round, the adequacy of the wages paid must be questioned.

TABLE 1—WORKING FOR A LIVING, BUT LIVING IN POVERTY

According to the latest Census Bureau data on poverty, in 1987: 8.4 million Americans worked for a living, but lived in poverty, 5.0 million Americans worked full-time, but remained in poverty, and 1.9 million Americans worked full-time, year-round, but remained in poverty.

Excluding those individuals who did not work in 1987, and generally would not have been expected to work, because they were ill or disabled, over the age of 65 and retired or between the ages of 15 and 21 and going to school; 56.4 percent of the individuals living in poverty worked during the year, 33.1 percent of the individuals living in poverty worked full-time, and 12.5 percent of the individuals living in poverty worked full-time and year-round.

With respect to the 7 million families mired in poverty in 1987: One or more persons worked full-time, year-round in 1 in 6 poor families, and one or more persons worked at least part-time, part-year in 57.2 percent of poor families.

Excluding those heads of households who did not work in 1987, and generally would not have been expected to work, because they were ill or disabled, retired, or single-parent mothers at home caring for children under the age of six: 70.7 percent of the householders worked during the year, 48.5 percent of the householders worked full-time, and 21.9 percent of the householders worked full-time and year-round.

Of those householders who worked part time: 52.4 percent were single-parent mothers with children under the age of 18, and 25.7 percent were single-parent mothers with children under the age of six.

The original purpose of the minimum wage was to provide a living wage—at least a wage that allowed the American family to meet the necessities of life. Upon proposing the legislation that established the national minimum wage rate, Senator Hugo Black explained:

"The bill is intended to prevent . . . the payment of wages which are below a necessary subsistence level. The bill is written upon the principle that the Congress should not attempt to make itself a wage fixing body. We believe that wages should be fixed by agreement between employer and employee, except that the bill has as its objective withdrawing from competitive conditions the wage level necessary for a person to live on, wherever he may be." (*Congressional Record*, June 27, 1937, p. 7651.)

From 1959 (the year that poverty statistics were first collected) through 1981, the minimum wage was true to its original purpose—it was a living wage. During those years, a full-time, year-round minimum wage worker earned, on average, 102.5 percent of the poverty threshold for a three-person household.

Today, however, the minimum wage no longer keeps a family above poverty. A full-time minimum wage earner, working 40 hours a week for 52 weeks, earns $6,968 a year. The only type of "family" that the wage keeps out of poverty is a single individual living alone. For the other American families, the minimum wage is inadequate. This is seen by the fact that: it is $735 (or 9.5 percent) below the estimated 1988 poverty level for a family of two, it is $2,463 (or 26.1 percent) below the estimated 1988 poverty level for a family of three, and it is $5,123 (or 42.4 percent) below the estimated 1988 poverty level for a family of four.

Without an increase in the minimum wage, the income gap for minimum wage workers will grow even wilder in 1989. This year, for example, assuming inflation does not accelerate above last year's rate, a full-time minimum wage worker will earn approximately $2,850 (or 29.0 percent) less than the projected poverty threshold for a family of three.

The link between the current minimum wage and poverty and homelessness has been repeatedly acknowledged by people directly involved in efforts to alleviate the plight of these unfortunate Americans. Their stories again demonstrate that the problem is often not the lack of jobs but that many jobs do not pay enough to enable a person or family to eat and afford housing at the same time.

The Pennsylvania legislature's Subcommittee on Health and Welfare found many of the homeless in that State have jobs but do not make enough money to afford housing. According to State Representative Michael Dawida: "What shocked the committee was when we went to Montgomery County, the wealthiest in the State, and found people sleeping on benches . . . There is almost no unemployment in that county, but many people can't afford the housing."

The U.S. Conference of Mayors, using information supplied by mayors' offices in 26 cities, estimated that last year 22 percent of homeless people held full-time or part-time jobs, up from 19 percent the year before. In some cities, like San Antonio, more than half the homeless have jobs.

David Christensen, executive director of the Harbor Interfaith Shelter, an agency that helps homeless families become self-supporting, estimated that minimum wage workers must set aside 70 percent to 80 percent of income for housing. About 30 percent of the families who come to the shelter have at least one wage-earner, Christensen explained; "You have to be the tightest money manager in the world to spend 70 percent to 80 percent of your money on rent."

A count of residents in Connecticut shelters found that 20 percent were working full-time. "It's probably the first time in American history that homelessness is appearing among employed people," explained Robert Hayes, counsel for the National Coalition for the Homeless." And it's on the upswing."

For those who have worked with, or studied, the problems of the working poor and homeless, a common response is to increase the minimum wage. The report of the Pennsylvania legislature's Subcommittee on Health and Welfare recommended increasing the minimum wage. As the counsel for the National Coalition for the Homeless points out, "the best place to begin" to deal with this social and economic calamity is "to increase the Federal minimum wage."

Opponents of legislation to raise the minimum wage attack this premise by arguing that minimum wage earners are mostly teenagers and other part-time workers whose earnings are not essential to their family's well-being. The U.S. Chamber of Commerce cites the following statistics in arguing against any increase in the minimum wage: Two-thirds of minimum wage-workers are part-time workers, 60 percent of minimum-wage workers are under 25 years of age, and most minimum wage workers are teenagers living in households with an employed adult.

While these statistics are technically correct, they are misleading in that they do not take into account those workers earning more than the current minimum wage but less than the proposed higher minimum wage. As shown in Table 2, for workers earning between the current minimum wage, $3.35 an hour, and the higher minimum wage of $4.65 an hour proposed by the Senate Labor and Human Resources Committee: Nearly half of these wage earners are full-time workers, more than 50 percent of these wage earners are over 25 years of age, and only 40 percent of these wage earners are children living in families.

For workers earning between $4.25 an hour, the minimum wage level proposed by the Bush Administration, and $4.65 an hour, the differences in the demographics are even greater. For these workers: More than 60 percent are full-time workers, nearly 60 percent are over 25 years of age, and only 30 percent are children living in families.

TABLE 2.—DEMOGRAPHICS OF LOW-WAGE WORKERS

[In percent]

	$3.35	$3.35 to $4.64	$4.26 to $4.64
Full-time workers	32.1	47.0	62.6
Part-time workers	67.9	53.0	37.4
Children in families	51.7	40.8	30.6
Teenagers	39.7	29.3	18.6
Non-teenagers	60.3	70.7	81.4
Under 25 year of age	61.8	51.8	41.6
Over 25 years of age	38.2	46.2	58.4

The problem with the figures cited by the U.S. Chamber of Commerce and other opponents of an increase in the minimum wage is the confusion they create as to who would

benefit from such an increase. This confusion was evidenced by a recent New York Times editorial which incorrectly stated that "most of those who do benefit from increased wages will be part-time workers from middle-income families."

The argument that those who would benefit most from an increase in the minimum wage would be teenagers or others working part-time jobs to earn a little extra "spending money" is simply not true. For example, nearly 1 to 5 workers earning $4.65 per hour or less are the only employed members of their family.

The contention that an increase in the minimum wage results in lost jobs is another age old myth that has always been cited by opponents of the minimum wage. So often has this contention been repeated that it, too, has become a common misconception cited as an ordinary fact. Last year, for example an editorial in the New York Times noted that raising the minimum wage would "push thousands of needy workers off the job rolls."

The employment effects of an increase in minimum wage, however, would not necessarily be evidenced by workers being thrown "off the job rolls." As University of Michigan Professor Charles Brown, former senior economist with the Mimimum Wage Study Commission has noted, "The reduction in employment predicted in the standard model is not necessarily accomplished by that number (or any number) of workers being discharged since turnover rates in minimum wage jobs are on the order of 12.5 percent per month, attrition is a speedy method of adjustment."

Whatever employment affects occur following an increase in the minimum wage they are likely to take place in terms of fewer jobs being created rather than existing jobs being lost.

While opponents suggest that raising the minimum wage is courting economic disaster, history reveals that the minimum wage has been repeatedly raised in the past without resulting in any economic calamity. As Secretary of Labor Willard Wirtz reported to Congress in 1966 "The record is that following the original establishment of the mimum wage there is clearly no evidence of decreased employment resulting from statutory minimum wage rate increase." Indeed as shown in Table 3, excluding those occasions when a change in the minimum wage has coincided with a severe recession, every increase in the minimum wage since 1950 has always been followed by a period of increased employment.

TABLE 3.—THE MINIMUM WAGE AND EMPLOYMENT

	Change in minimum wage	Change in employment [1]
January 1950	$0.40 to $0.75	+1,977,000
March 1955	$0.75 to $1.00	+962,000
September 1961	$1.00 to $1.15	+1,585,000
September 1963	$1.15 to $1.25	+1,282,000
February 1967	$1.25 to $1.40	+1,609,000
February 1968	$1.40 to $1.60	+2,066,000
May 1974	$1.50 to $2.00	−1,438,000
January 1975	$2.00 to $2.10	+1,634,000
January 1976	$2.10 to $2.30	+2,655,000
January 1978	$2.30 to $2.65	+3,585,000
January 1979	$2.65 to $2.90	+1,910,000
January 1980	$2.90 to $3.10	+28,000
January 1981	$3.10 to $3.35	−308,000

[1] Change in employment over the 12-month period following increase in minimum wage.

As mentioned previously, the idea that an increase in the minimum wage results in lost jobs comes from theoretical economic models that indicate some jobs may not be created with such an increase. The precise number of jobs involved is very unclear. Critics of an increase have charged that it could involve hundreds of thousands, perhaps, millions of jobs.

In testimony to the Senate Labor and Human Resources Committee on March 3, 1989, the Administration asserted that an increase to $4.65 would result in the loss of 650,000 jobs.

The U.S. Chamber of Commerce puts the number of lost jobs even higher. It projects 750,000 lost jobs if the wage is increased to $4.65.

A study by Clemson University economists estimated that an increase in the minimum wage to $4.65 would cost 1.9 million jobs by 1995.

While economists generally agree that an increase in the minimum wage would have some impact on employment, there is no general agreement that the magnitude of the impact would be as large as that claimed by critics of minimum wage legislation. In contrast to the studies cited above, other credible studies indicate that the number of theoretical jobs not created will be minimal.

A study by an economist with the U.S. Department of Labor's Office of Policy concluded that while "there are sound reasons to believe that increasing the minimum wage does reduce teenage employment, the evidence from the CPS time-series data is not very convincing."

The Minimum Wage Study Commission estimated that a 10 percent increase in minimum wage is associated with a reduction in teenage employment opportunities of about one percent.

A study at the University of Michigan under the supervision of the senior economists for the Minimum Wage Study Commission, found that a minimum wage increase of 10 percent is associated with a 0.56 percent decrease in employment opportunities and that there is no effect on the employment of young adults (age 20 to 24).

The bottom line is, as Professor Brown points out, the "effects of the minimum wage on employment are smaller" than supposed, and the economic impact of an increased minimum wage is "overrated."

COMPARISON BETWEEN MINIMUM WAGE CONFERENCE AGREEMENT AND BUSH PROPOSAL

WAGE RATE

Under the conference agreements, the minimum wage rate would be increased to $4.55 an hour by 1992;

Under the Bush proposal, the minimum wage rate would be adjusted to $4.25 an hour by 1992.

TRAINING WAGE

Under the conference agreement, employers are authorized to pay inexperienced workers 85 percent of the minimum wage for a maximum of 60 days for on-the-job training—$3.87 in 1992. Employees are eligible for the training wage until they have worked for a total of 60 days for all employers. Migrant and seasonal farm workers are exempt from the training wage.

Under the Bush proposal, employers could pay any new hire, regardless of prior work experience, 80 percent of the minimum wage for 6 months—$3.40 in 1992. No training would be required. The Bush proposal would exclude virtually all migrant farmworkers from regular minimum wage coverage and would subject approximately 40 percent of all low-wage workers to a subminimum wage.

MINIMUM WAGE REVIEW BOARD

The conference agreement establishes a bipartisan review board to submit periodic recommendations to the Congress on adjustments needed to preserve the purchasing power of the minimum wage and estimates of the economic effects of enacting such adjustments.

The Bush proposal does not provide for an objective means to examine the minimum wage rate.

TIP CREDIT

Both the conference agreement and the Bush proposal provide for an increase in the tip credit from 40 percent to 50 percent.

SMALL BUSINESS EXEMPTION

Both the conference agreement and the Bush proposal increase the small business exemption to $500,000. The conference agreement leaves current law's coverage for hospitals and schools unchanged; the Bush proposal would include hospitals and schools in the small business exemption.

OVERTIME EXEMPTION FOR REMEDIAL EDUCATION

The conference exemption would exempt employers from overtime provision up to a maximum of 10 hours per week while workers lacking a high school diploma receive remedial education; the Bush proposal has no comparable provision.

CONGRESSIONAL COVERAGE

The conference agreement would apply the rights and protections of the Fair Labor Standards Act to House and Senate employees; the Bush proposal has no comparable provision.

APPRECIATION TO PUBLIC SERVANT ALAN KRANOWITZ

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan [Mr. UPTON] is recognized for 5 minutes.

Mr. UPTON. Mr. Speaker, you know a lot of people come and go in this great institution, a lot of staff people. Some to seek their fortune, others to do other things. It is pretty rare when we actually see someone stay for years and years and years. A true public servant.

One of those that just left our service, Alan Kranowitz, a very good friend, very good staff member here in this institution, one that gave up so many things to serve our great country. Alan is a longtime friend of mine. In fact, when I used to head Congressional Affairs at the Office of Management and Budget, Alan had held that job back in the seventies as well, and worked for our good friend and former colleague, Tom Loeffler, for a number of years. I really got to know him when he came down to the White House and served as head of the House side of Congressional Affairs for many years.

In that capacity, I witnessed many daily meetings, luncheons, working out on the steps of the House, lobbying Members to vote one way or another. He had a tremendous understanding of the issues and the issues

that run this institution. He knew the personalities, and that is how this institution works, the personalities. That is what really makes things go.

We on the Republican side of the aisle, we do not have the votes on most of the issues. In fact, today we had only 175 out of 435 votes and for those early days particularly in the Reagan administration when Ronald Reagan was acclaimed across this great land as having a tremendous relationship with Congress, the tremendous battles that he was able to win, working with Congress and working through the initiatives that the Reagan team was able to get through, so many of them were responsible because of the guiding hand of Alan Kranowitz, knowing the issues, knowing the personalities, being able to build the coalitions to get things done.

We gave up quite a bit, Alan did, sacrificing that to serve this great institution, both in the White House and again later in the House of Representatives.

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Dick Cheney, now the Secretary of Defense, unopposed in our own leadership fight for minority whip this last year, and who probably became the fastest Member to get confirmed through the Senate once he was announced to become Secretary of Defense, worked closely with Alan Kranowitz. Alan Kranowitz had a great hand in Dick Cheney's success. Alan, for good reason, was going to be one of his top aides here on the House floor if Dick Cheney had stayed as whip.

When Alan announced his departure just 2 or 3 weeks ago, I know there was great sadness on my own side of the aisle, as well as on the Democratic side, knowing that we will miss a great friend, someone who has worked and toiled for countless hours, hundreds and hundreds of hours, for the cause.

Mr. Speaker, I know that all of us, in recognition of Alan Kranowitz' contributions to this great institution, wish him a great farewell, and I know that we will see him again soon.

THE 100TH ANNIVERSARY OF SAINT FRANCIS DE SALES CHURCH

The SPEAKER pro tempore (Mr. WISE). Under a previous order of the House, the gentleman from Pennsylvania [Mr. COYNE] is recognized for 5 minutes.

Mr. COYNE. Mr. Speaker, it was nearly 100 years ago, on September 15, 1889, that Bishop Richard Phelan laid the cornerstone for a new church on the corner of First and Mary Streets in McKees Port, PA. It would be called Saint Francis de Sales Church.

That must have been a happy occasion—and a very special occasion—for all the clergy and laity who were gathered there that day. But I am sure that none of them could have predicted that the next 100 years would see thousands of people at Saint Francis for worship, for counseling, for education, for solace. They could not have predicted the 9,385 baptisms, the 5,629 confirmations, the 2,863 weddings, the 3,084 deaths in the parish that they were starting.

The church building at First and Mary was the center of the parish until 1900, when the present church—which faces Chartiers Avenue at Margaret Street—was built.

From the start, an important part of the mission of Saint Francis de Sales was its school. Indeed, the building that was dedicated in 1889 had two floors, with the school on the first floor and the church on the second.

Excellence in education was always a hallmark of the Saint Francis de Sales School. That tradition continues to this day in McKees Rock Catholic School, which was formed 11 years ago when Saint Francis de Sales School merged with the parish schools of Saint Cyril and Methodius; Saint Mary, Help of Christians; and Saint Vincent de Paul.

A big part of the reason for the success of Saint Francis de Sales through the years has been the dedication and devotion of its pastors. Their names and the dates of their service are: Rev. Charles J. Coyne, 1889–1911; Rev. William Dunlea, 1911–1928; Very Rev. Philip J. Moore, 1929–1960; Rev. Michael A. Cusick, 1960–1966; Rev. John B. Maher, 1966–1969; Rev. William A. Lavelle, 1969–1972; Rev. Thomas M. Kirby, 1972–1985; and Rev. Richard J. Dorsch, 1985-present.

The motto of Saint de Sales was, "Ask for nothing, refuse nothing." The pastors, parishioners, and employees of his church have kept that standard for 100 years.

This is an appropriate time to mention two groups of unsung heroes and heroines. The first is the church's current staff and employees: Rev. Richard Dorsch, pastor; Father Regis Ryan; Delores Gallagher; Ellie Brown; Edward Shearer; Anna Grace Perrier; Deborah McGowan; Sister Michele Quinn; Ruth Dines; Margaret Flaherty; and Sarah Anderson. The second is Joe Colucci, chairman; Bill Arbanes; and all of their colleagues on the Centennial Committee who have given generously of their time, energy, and effort for 3 years now. Each of these individuals in their own special way deserves our praise and recognition for all their good work.

On May 21, Reverend Dorsch and his parishioners will commemorate the church's centenary with a mass, which will be celebrated by the bishop, and a banquet.

I know that my colleagues join me in congratulating them all and wishing them joy and happiness on that day.

LEGISLATION TO REFORM PROCEDURES IN SALE OF FARM PROPERTY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Nebraska [Mr. BEREUTER] is recognized for 5 minutes.

Mr. BEREUTER. Mr. Speaker, on April 26, I introduced H.R. 2113, a bill that I believe will help correct a situation that has arisen with the right of first refusal provision and the selling of inventory property under the Consolidated Farm and Rural Development Act as amended by the Agricultural Credit Act of 1987. The abuse I am referring to involves the former owners of their families or tenants of Farmers Home Administration [FmHA] inventory property who choose to exercise their right to purchase the farm property. It has come to my attention, however, that not surprisingly, in certain cases these former owners of farmers who chose to exercise this right did so for the prearranged purpose of selling it to an ineligible person.

Mr. Speaker, I have no objection to the original intent of Congress with regard to the FmHA offering the former owner or tenant the first opportunity to buy such property. I certainly have no objection to giving such farmers a chance to purchase this property if they are truly interested in the continued operation of the farm. The provision allowing the FmHA to offer inventory land to other eligible borrowers was also a positive although imperfectly crafted component of the Agricultural Credit Act. However, there provisions were imperfectly crafted by the amendment process and invited abuse. The disturbing reports of abuses in Nebraska and other States occurring with these sales are serious, and changes in procedures must be made.

A particularly troubling case for example, involved a tenant who chose to exercise his option to purchase FmHA land at the appraised value for the prearranged purpose of reselling it to an ineligible party. The ineligible party who supplied financing for the original FmHA sale then sold or traded the land to wealthy ineligible person for a profit. This is clearly not the intended result of the law that Congress passed.

In addition, I know, for example, that under current FmHA procedures for selling inventory property, persons who are not truly eligible to purchase this land are in effect, becoming eligible by improper methods. The current procedures for the disposition of inventory property require that the potential purchaser must be an eligible FmHA borrower who cannot obtain financing from a private bank. In turn, the county FmHA committee is then mandated by law to select an applicant who has the greatest need for farm income and best meets the criteria for eligibility.

However, it has been brought to my attention that literally dozens of farmers who wish to be considered for eligibility for the FmHA inventory property have asked their local banker to turn them down for a loan in order to meet FmHA eligibility criteria. It seems to me that we have presented

the county committees with the almost impossible task of selecting one eligible applicant out of many who claim to be eligible and are legitimately eligible.

It is my intention to correct these situations through the introduction of H.R. 2113. First, the bill would authorize the Secretary of Agriculture to use a deed restriction or covenant to restrict the tenant or other eligible persons who wish to purchase inventory property from transferring or selling this property for no less than 2 years. The bill would also remove the county committee from what is often the nearly impossible task of deciding which applicant has the greatest need as defined by law or regulations. Instead, the county committee would be able to use a random selection process to select a buyer from eligible persons.

Finally, Mr. Speaker, the bill would allow the sale of the inventory property to eligible persons based on the fair market value of the farmland rather than on its appraised value. The sale of inventory property at its fair market value will also help eliminate the abuses of third-party sales by insuring that inventory property is sold at a level comparable to private sales of other farmland.

LET US END THE FUSION CONFUSION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. STARK] is recognized for 5 minutes.

Mr. STARK. Mr. Speaker, over the last weeks, we have all been elated, inspired, and confounded by reports of the advent of "cold fusion."

Are we on the verge of a new era? An era without fossil fuel dependence, the greenhouse effect, dangerous radioactive waste, and implacable Persian Gulf political dilemmas. I sincerely hope so.

Yet, laboratories around the country have attempted to confirm the cold fusion claims, with little or no success. Recently, two prominent research centers, Cal Tech and MIT, have found significant errors in the original interpretation of the cold fusion experiments.

Were the original cold fusion claims overstated? I don't know. Indeed, it's remarkable how little is known about this phenomenon which has so inspired the American public.

And yet, some suggest that Congress divert funding from traditional fusion to cold fusion research. Clearly, Congress needs to get to the bottom of this controversy so that it can make informed decisions in its allocation of research moneys.

Today, my colleagues, Representatives BOXER, BATES, COLEMAN, DEFAZIO, SPRATT, and myself will introduce the following concurrent resolution. It recommends that the Department of Energy take immediate action to determine the validity of claims regarding recent cold fusion experiments. The resolution recommends that the Department provide a program to expedite the development of cold fusion, if its promise as an alternative energy source can be confirmed. Otherwise, the resolution calls on the Department to outline a program to expedite the development of traditional fusion research.

The potential benefits of fusion power are widely known. It is time to cut through the confusion surrounding fusion research and establish a national program to expedite the development of this promising source of limitless, clean energy.

H. CON. RES. 120

Whereas fusion energy offers the potential of safe, clean power which is unlimited in amount, is free of long-lived, high-level radioactive waste, and can have environmental advantages over other technologies;

Whereas budgetary constraints have forced the Department of Energy to cut back on fusion energy research programs;

Whereas the field of magnetic fusion research has a 30-year history of successful and mutually beneficial international cooperation;

Whereas the Office of Technology Assessment states in its recent report "Starpower: The U.S. and the International Quest for Fusion Energy" that the Department of Energy now sees more intensive international collaboration as a financial necessity;

Whereas the United States has been an active participant in international efforts to develop a conceptual design for a magnetic fusion reactor called the "International Thermonuclear Experimental Reactor", with the costs shared by the participants;

Whereas the conceptual design phase of the International Thermonuclear Experimental Reactor will conclude in the near future; and

Whereas failure to participate in the International Thermonuclear Experimental Reactor project could place fusion research in the United States far behind such research in Japan, Europe, and the Soviet Union and could force the United States to rely on foreign technology to satisfy the Nation's future energy needs: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That Congress strongly recommends that the Department of Energy continue to work closely with other nations in the field of magnetic fusion research, if such collaboration can take place without jeopardizing our national security interests or endangering our domestic fusion program; that the Department foster collaborative research in fusion materials to maximize the environmental advantages of fusion energy; and that the Department conduct, in an expeditious manner, a thorough analysis detailing the specific benefits, the existing obstacles, and the steps necessary to overcome such obstacles to participation in the engineering design phase of the International Thermonuclear Experimental Reactor.

LUMBEE RECOGNITION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina [Mr. ROSE] is recognized for 5 minutes.

Mr. ROSE. Mr. Speaker, more than 100 years ago the tribal leaders of Indians in southeastern North Carolina asked Congress to formally acknowledge their special heritage as native Americans. A year after the centennial of that first request, it is with great enthusiasm that I am introducing the "Lumbee Recognition Act," which will extend Federal recognition to the Lumbee Tribe of Cheraw Indians of North Carolina.

In December 1987 the Lumbee Indians filed a fully documented petition for Federal acknowledgement with the Bureau of Indian Affairs. This is the process which all tribes seeking recognition must now go through. In the case of the Lumbees, however, I feel it is necessary to circumvent the usual recognition process for several reasons. Foremost, I feel this legislation merely completes a process which Congress began in 1956 when it passed the Lumbee Act. As you may know, the 1950's marked a period when the Federal Government sought to end many of its trust relationships with native Americans. Although the 1956 legislation stopped short of formally acknowledging the Lumbees, it refers repeatedly to their heritage as Indians. None of the other tribes seeking recognition today can claim such a precedent. Furthermore, one other tribe with an almost identical legislative history, the Tiwa Tribe of Texas, was recognized through legislation during the Reagan administration.

Due to the backlog of pending petitions at BIA, the Lumbees have been told that their petition will not receive active consideration until 1993. This means a final ruling on the petition could be up to 10 years away. Such a timeframe makes it unlikely that tribal members whose expertise was so vital to the completion of the petition will be available for consultation when the BIA begins its consideration. Most importantly, I must keep in mind the interests of all the citizens of Robeson County, NC, where most of the Lumbee Indians reside. If the Lumbees were recognized under the BIA recognition process, they would be responsible for setting up their own criminal and civil justice system. Rather than risk undermining improving relations in this triracial community, I have included provisions to ensure that the State of North Carolina maintains its civil and criminal jurisdiction over this area.

In drafting this legislation, I have also kept in mind both budgetary restraints and the immediate needs of other federally recognized tribes. Included in the bill is a new funding mechanism, endorsed last year by Interior Assistant Secretary for Indian Affairs Ross Swimmer, which would establish BIA funding for the Lumbees as a new line item, totally separate from BIA outlays for other federally recognized tribes. The 1989 Lumbee Recognition Act does not provide for any appropriations, and it would be several years before Congress could even consider such appropriations.

The guidelines established at BIA to federally recognize American Indians fail to take into account the special circumstances which apply the Lumbee Indians. Theirs is truly a unique case, and I call on my colleagues to support this effort to extend the Lumbee Indians that status they deserve as a federally recognized tribe.

THE RESPONSIBLE BUDGET

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Mexico [Mr. SCHIFF] is recognized for 15 minutes.

Mr. SCHIFF. Mr. Speaker, I believe that the most significant legislation upon which I have voted since being elected to the U.S. Congress last year, was House Concurrent Resolution 106, the budget resolution for fiscal year 1990. The budget of the Government of the United States will deeply affect every American citizen and also many governments and individuals around the world.

I voted in favor of House Concurrent Resolution 106. I did so because it appeared that the failure of the Congress to pass this budget resolution, based upon the recent budget agreement between the administration and the bipartisan leaders of Congress would create a crisis in the budget making process. It appeared that the views of the Members of Congress are so diverse, that the entire budget process would be reduced to chaos, unless we enacted this budget.

Listening to the several alternative budgets proposed, anyone could see how they greatly differed from each other in terms of priorities and approaches, and understand that the chances of another agreement were very slim. I certainly did not want to see the budget process descend into chaos, particularly in the first few months of the administration of a new President. Even though I am a member of the President's political party, my desire for budget stability would be the same for a new President of the other party.

Nevertheless, Mr. Speaker, although we avoided one crisis, we have created another crisis because this budget resolution, fails, once again, to come to terms with the budget deficit.

This budget resolution contains provisions such as:

First, an admitted increase in the budget deficit of $9 billion over the administration's first proposal;

Second, limiting the admitted increase in the deficit to $9 billion only because the resolution includes an agreement to produce about $5 billion in revenues, without an agreement as to how to raise those revenues. This means that we may still have an impasse in Congress, which the bipartisan budget agreement was intended to avoid;

Third, meeting the Gramm-Rudman-Hollings deficit target for fiscal year 1990 only by such devices as counting trust account income, most notably from Social Security taxes, for purposes of calculating the deficit, when this income was never intended to be either used or counted in terms of general budgetary expenses; by changing the payment date of some expenditures and taking others off budget completely; and by basing the entire budget package upon the most optimistic predictions about economic performance during the next fiscal year, which may turn out to be unrealistic.

Mr. Speaker, the budget deficit is more than a theoretical exercise. In this fiscal year, interest on the accrued national debt accounts for nearly 15 percent of the entire Federal budget. We often debate the economic priority between military and domestic spending all around the fact that 15 percent of the budget goes to pay the interest on the national debt. These funds are not available for either military or domestic spending or for any other purpose. It is obvious that if this 15 percent of the budget were available for discretionary spending, the requests for both national defense and domestic programs, along with other requests for humanitarian assistance in other parts of the world, could be met. But, as we continue to permit the national debt to grow, we are increasing our interest payment obligations, which will only further reduce available money in the future.

Mr. Speaker, I hope that the next bipartisan accord for fiscal year 1991 will adequately and accurately address our budget deficit. But, if this does not happen for fiscal year 1991, that is, if a budget resolution is proposed which again fails to really address the deficit, then I intend to vote "no" and risk the budgetary chaos, because then the Congress will be compelled to confront the situation.

Mr. Speaker, I hope that in the upcoming budget discussions for fiscal year 1991, the administration and the leaders of Congress will agree to produce a fiscally responsible budget and not continue to add to the debt and to the interest we must pay. Otherwise they risk a majority of the Members voting "no" which would allow crisis and chaos to force us to do our jobs.

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THE NORTH AMERICAN WATERFOWL MANAGEMENT PLAN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan [Mr. DAVIS] is recognized for 10 minutes.

Mr. DAVIS. Mr. Speaker, today I am pleased to introduce legislation with the Honorable WALTER B. JONES, the Honorable DON YOUNG, the Honorable ARLAN STANGELAND, the Honorable LINDSAY THOMAS, and the Honorable PORTER GOSS to further the implementation of the North American waterfowl management plan.

The average number of ducks in North America in recent years has been lower than any comparable period on record. The number of breeding ducks currently averages only a little more than half the number present in the 1970's. The key factor in the alarming decline in our continent's waterfowl population is the continuing destruction of wetlands. In short, existing public and private wetland protection efforts have been inadequate.

The North American waterfowl management plan, signed in 1986 by the Minister of Environment for Canada and the Secretary of the Interior for the United States, outlines a far-reaching joint effort to identify the major management problems, establish objectives, and propose a series of strategies to protect waterfowl habitat, restore declining waterfowl populations, and enhance waterfowl research and management.

The plan extends to the year 2000 and will be implemented through action plans developed at the national, flyway, provincial, territorial, and State levels, which will then set out specific management details required for waterfowl conservation in both countries.

Successful rebuilding of waterfowl numbers will require the restoration, protection, and improvement of almost 6 million acres of habitat in six priority ranges in the United States and Canada. These areas are essential for the perpetuation of North American waterfowl and require immediate action. They are: Prairie potholes and park lands, lower Mississippi Valley, the gulf coast, California's Central Valley, Great Lakes-St. Lawrence lowlands, and the Atlantic coast.

The North American waterfowl plan when adopted in 1986, provided the framework addressing this habitat need; unfortunately the plan does not address funding.

Mr. Speaker, the legislation that I have introduced today provides a commitment for that funding. It does so by providing a structure that encourages partnerships among public agencies and private interests to protect, enhance, restore, and manage habitats for migratory birds and other fish and wildlife in North America. While waterfowl are the most visible and well-known wildlife species that rely on wetlands, they aren't the only beneficiaries of the plan. Shorebirds, upland game birds, and even endangered species use wetlands. A myriad of mammals, reptiles, amphibians, invertebrates, fish, and plants are a part of the wetlands. Saving wetlands for ducks also protects these areas for hundreds of other species.

In planning for the future of waterfowl, we must reflect upon the past, consider the present, and recognize and appreciate the tremendous efforts that have been made since the turn of the century on behalf of waterfowl conservation by many organizations. Millions of dollars have been expended to preserve and manage waterfowl habitat across the continent. The acquisitions made by the Migratory Bird Conservation Commission have spearheaded the Federal effort into wetland conservation. State and local agencies along with Ducks Unlimited and the Nature Conservancy have lead the fight on the local level for wetland protection.

We have carefully drafted this legislation to avoid any conflict with the actions of the Migratory Bird Commission which have been so successful in addressing the Federal wetlands conservation needs. The gentleman from

Michigan [Mr. DINGELL] and the gentleman from Massachusetts [Mr. CONTE] who are the Commissioners on behalf of the House of Representatives have provided an immense amount of guidance and support to those efforts and I look forward to working with them in further developing the concepts which are contained in the legislation, in order to make it, or some alternative, more efficient in furthering the goals of the plan.

Mr. Speaker, this legislation, summarized at the end of this statement, starts us on the road to protecting the habitats needed to bring waterfowl populations back to the level that we once enjoyed. Its an important step in coordinating the cooperation and financial contributions of all interested parties, both public and private.

The key to the success of this undertaking will be the participation not only of the national governments of the United States, Canada, and Mexico, but also the involvement of State, provincial, territorial, and local governments, and private individuals, conservation organizations, and businesses.

SUMMARY OF THE NORTH AMERICAN WETLANDS CONSERVATION ACT

SELECTION AND FUNDING OF WETLANDS CONSERVATION PROJECTS IN THE UNITED STATES, CANADA, AND MEXICO

The Act authorizes the Secretary of the Interior to match federal funds with non-federal funds for wetland conservation projects (acquisition, management, enhancement or restoration of lands and waters administered for long-term conservation) in Canada, Mexico and the United States.

A nine-member North American Wetlands Conservation Commission is established to recommend wetlands conservation projects to the Secretary for federal funding under the Act. Acquisition by the Secretary of Lands and Waters under the Migratory Bird Conservation Fund, Land and Water Conservation Fund or other laws would not be subject to this process or otherwise affected by the Act.

The Commission consists of the Director of the U.S. Fish and Wildlife Service, the Secretary to the Board of the National Fish and Wildlife Foundation and seven individuals appointed by the Secretary. Four of these individuals must live in different flyways and be directors of state fish and wildlife agencies directly responsible for conservation of fish, wildlife and wetlands. The other three must represent different charitable, non-profit organizations which are actively participating in implementation of the Plan.

The Commission's recommendations on funding of wetlands conservation projects are to be based on (1) the availability of sufficient non-federal monies to carry out any project; (2) the extent to which any project represents a partnership among public agencies and private entities; (3) the consistency of any project in the United States with the National Wetlands Priority Conservation Plan developed under the Emergency Wetlands Resources Act; (4) the substantiality of the character and design of any project; (5) the extent to which any project fulfills the purposes of the Act and the goals of the Plan; and (6) the recommendations of any partnerships among public agencies and private entities in Canada, Mexico or the United States, which are participating actively in carrying out any projects under the Act of the Plan.

The Secretary in consultation with the Migratory Bird Conservation Commission is required to approve the federal funding available under the Act for wetlands conservation projects in the order of priority recommended by the Commission unless the Secretary finds that any of those projects should not have been recommended based on consideration of the factors listed above. If the Secretary makes such a finding, the Secretary is required to provide the Commission and Congress with a written justification.

CONDITIONS RELATING TO WETLANDS CONSERVATION PROJECTS

The Secretary may convey any lands and waters purchased with federal funds to a state or another entity approved by a state. Any lands and water acquired, enhanced, managed or restored with federal funds cannot be converted for uses other than conservation without the approval of the Secretary. If lands and waters purchased with federal funds are not conveyed, they must be included in the National Wildlife Refuge System.

The Secretary may provide federal funds to public agencies in Canada or Mexico or entities approved by these agencies to assist in carrying out approved wetlands conservation projects.

FUNDING OF WETLANDS CONSERVATION PROJECTS

Funds to carry out wetlands conservation projects are provided as follows:

1. The interest earned through short-term investment of any federal excise tax revenues in the Pittman-Robertson fund that are not needed to meet a current year's withdrawals would be available to the Secretary under the Act (about $10 million annually). None of the fund's excise tax revenues (the fund's capital) would be allowed to be used by the Secretary. Thus, the Act would have no effect on the amount of the fund apportioned to any state or territory. Once the goals of the Plan are achieved, the interest earned each year from short-term investments would become available for apportionment to the states.

2. The penalties or fines, or funds from forfeitures or property under the Migratory Bird Treaty Act are authorized to be appropriated to carry out the Act (about $1 million annually).

3. In addition to the amounts above, the Act authorizes appropriation of $15 million annually to the Department of the Interior to carry out wetlands conservation projects.

ALLOCATION OF FUNDS

Up to 70 percent, but not less than 50 percent, of each year's funds must be allocated by the Secretary to carry out approved wetlands conservation projects in Canada and Mexico. Up to 4 percent of this amount may be used for administering the Act. The federal money for projects in Canada or Mexico must be matched by at least 25 percent non-federal money. The non-federal share may not be derived from federal grant programs.

At least 30 percent, but not more than 50 percent, of each year's funds must be allocated by the Secretary to carry out approved wetlands conservation projects in the United States. The federal money to carry out approved wetlands conservation projects in the United States must be matched by at least 50 percent non-federal money. The federal share may be 100 percent if the project is conducted solely on federal lands and waters or involves the acquisition of inholdings within such lands and waters. The non-federal share may not be derived from the federal grant programs.

REFUGE REVENUE SHARING

The Secretary is not allowed to acquire lands and waters for inclusion in the National Wildlife Refuge System with the funds under the Act unless full funding is provided under the Refuge Revenue Sharing Act for payments in lieu of taxes to counties with U.S. Fish and Wildlife Service lands.

RESTORATION, PROTECTION AND ENHANCEMENT OF WETLANDS AND MIGRATORY BIRD HABITAT ON FEDERAL LANDS

Each federal agency responsible for acquiring, managing or disposing of federal lands and waters is required, consistent with the agency's mission, to cooperate with the Director of the U.S. Fish and Wildlife Service to restore, protect and enhance the wetland ecosystems and other waterfowl and migratory bird habitats within its lands and waters.

REPORTS TO CONGRESS

The Secretary is required to report to Congress every two years with an assessment of the following:

(1) the estimated number of acres of wetlands and habitat for waterfowl and other migratory birds that were restored, protected or enhanced during such two-year period by federal, state and local agencies and private entities in the United States, Canada, and Mexico; and

(2) trends in the population size and distribution of North American migratory birds.

The Secretary also is required to report annually to Congress concerning the status of wetlands conservation projects, including an accounting of federal, state and private expenditures by Canadian and Mexican sources to carry out these projects.

REVISION TO THE PLAN

In 1991 and every five years thereafter, the Secretary is required, with the appropriate officials in Canada and Mexico, to revise the goals and other elements of the Plan in accordance with the information required above and with the other provisions of the Act.

ARTHUR C. GUYTON DAY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Mississippi [Mr. MONTGOMERY] is recognized for 60 minutes.

Mr. MONTGOMERY. Mr. Speaker, an event will be held in Mississippi on August 25 honoring one of our State's most outstanding citizens. It will be called "Arthur C. Guyton Day" in recognition of the more than 40 years Dr. Guyton has served the University of Mississippi and our entire State.

Dr. Guyton has already been honored with resolutions passed by both Houses of the Mississippi Legislature and will be feted at a reception for 4,000 at the Mississippi Coliseum on August 24, prior to the special ceremonies the following day.

Dr. Guyton's work as a physician, author, scientist, teacher, husband and father is truly a great story. I want to share an article written about Dr. Guyton by Brenda Owen and printed in the Northeast Mississippi Daily Journal in Tupelo.

The article follows:

ARTHUR C. GUYTON DAY—RENOWNED TEACHER, RESEARCHER TO BE HONORED

(By Brenda Owen)

In 1946, when he was a 27-year-old surgical resident, Dr. Arthur C. Guyton was stricken with polio.

The disease left him partially paralyzed, and his dreams of becoming a cardiac surgeon were shattered. He could have used this disability as an excuse to quit trying. Instead, he used it as an opportunity.

Although polio had affected his mobility, it had not affected his ability to research, to write and to teach.

And so his career as a scientist, author and teacher began.

Today, Guyton, a native of Oxford, is chairman of the physiology and biophysics department at the University of Mississippi Medical Center in Jackson, a position he has held more than 40 years.

He is a world-renowned scientist whose discoveries have become basic to treatment of heart patients. He is the author of the most widely used physiology textbook in the world. And he is a teacher who has given more than 4,000 medical students the benefits of his knowledge.

The measure of appreciation for Guyton and his accomplishments has been shown by the designation of August 25th as Arthur C. Guyton Day in Mississippi.

Thousands of Guyton's colleagues, friends and former students will gather in Jackson to commemorate the event. Highlights of the day will be a medical symposium at the Municipal Auditorium in the afternoon and a gala banquet at the Trade Mart at the Fairgrounds in the evening.

Jack Stuart, chairman of the committee in charge of Arthur C. Guyton Day, said he expects no problems finding the 2,000 sponsors needed to contribute the $200,000 tab for the event. To become a sponsor costs $100, with the right to purchase one banquet ticket for $15 and a second for $25.

"As Dr. Guyton nears retirement, we thought it only fitting that the community come together to show its deep respect and gratitude for his many contributions," Stuart said.

Guyton, at age 70, will officially retire in September.

Unofficially, however, Guyton said in a recent interview, "I don't plan to slow down a step."

He said he will continue his research and his writing as long as he feels like has has something to discover or something to say.

That could take a while since Guyton's life has always been one of challenge, courage and academic excellence. These traits were a family tradition.

Guyton's father, Dr. Billy Guyton, was dean of the medical school on the Oxford campus from 1936-1943. His mother has taught mathematics and physics as a missionary in China, and she encouraged her children in such studies.

Guyton did not disappoint them. He graduated from Ole Miss with special distinction in 1939 and went to medical school at Harvard. His post-graduate training in cardiac surgery at Massachusetts General Hospital was interrupted by service in the U.S. Navy.

He was assigned to secret physiological research projects at Camp Detrick, Maryland. His work there earned him an Army Commendation Citation.

The war over, he returned to Massachusetts General as a surgical resident. He was on his way to becoming a cardiac surgeon when he was stricken with polio.

During his nine-month recovery at Warm Springs, Ga., he pondered the plight of polio victims struggling with their useless limbs. He passed the time by trying to work out ways of helping them. By the time he had recuperated, he had invented a motorized wheelchair, a special hoist and a walking brace which freed thousands from the restraints of polio.

This work earned him a Presidential Citation.

Guyton returned to Oxford in 1947 to become associate professor of pharmacology in the School of Medicine, and a year later he accepted his present position as professor of physiology and chairman of the department. He played a leading role in establishing and planning the University of Mississippi Medical Center, which opened in Jackson in 1955.

During the years he taught in Oxford he wrote the textbook of Medical Physiology, which has become the most widely used physiology textbook in medical schools worldwide. It was published a year after he and the school of medicine moved to the new University of Mississippi Medical Center in Jackson, where the curriculum expanded to a four-year program. Since then he has written more than 500 publications, including several books and numerous articles.

His accomplishments will make him a hard act for the next chairman to follow.

During his tenure at UMMC, Guyton and his team have discovered some of the essential relationships between kidney function and blood pressure. He also has developed a computer mathematical model of the human body, containing more than 400 equations to make up the model's cardiovascular system alone.

These accomplishments are testimony to Guyton's genius as a scientist, but perhaps his most important personal contribution is the family he and his wife, Ruth, raised and inspired.

Of their 10 children, eight boys and two girls, nine are doctors, and the 10th—the youngest—will enter medical school this fall. Among them are eight Harvard graduates and five medical professors. They hold pestigious positions in hospitals and research centers in Maryland, Georgia, Texas, Washington, Massachusetts, Florida, Iowa and Mississippi.

Guyton said he and his wife did not intentionally pressure their children to enter the medical profession.

"I think the younger ones may have felt some pressure from the older ones, but I think they all enjoy their profession," Guyton said.

One legislator called the Guytons "Mississippi's most outstanding family."

Guyton said he appreciates having a day named in his honor, but he is modest about his long list of accomplishments, always crediting his department's help in his research discoveries.

"It's a team effort," he said, "and I'm just head of the team."

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. DICKINSON (at the request of Mr. MICHEL) for today on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. SCHIFF) to revise and extend their remarks and include extraneous material:)

Mr. UPTON, for 5 minutes, today.

Mr. BEREUTER, for 5 minutes, today.

Mr. DAVIS, for 10 minutes, today.

(The following Members (at the request of Mr. MCNULTY) to revise and extend their remarks and include extraneous material:)

Mr. COYNE, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. STARK, for 5 minutes, today.

Mr. ROSE, for 5 minutes, today.

Mr. MONTGOMERY, for 10 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. SCHIFF) and to include extraneous matter:)

Mr. FIELDS.

Mr. LIGHTFOOT.

Mr. GILMAN in three instances.

Mr. DAVIS.

Mr. GOODLING.

Mr. PORTER.

Mr. SMITH of New Jersey.

Mr. BARTON of Texas.

Mr. CONTE.

Mr. DOUGLAS.

(The following Members (at the request of Mr. MCNULTY) and to include extraneous matter:)

Mr. KAPTUR.

Mr. SKELTON.

Mr. FALEOMAVAEGA.

Mr. YATRON.

Mr. STARK.

Mr. GAYDOS.

Mr. MONTGOMERY.

Mr. BILBRAY.

Mr. PENNY.

Mr. WYDEN.

Mr. HOYER.

Mr. LEVINE of California in two instances.

Mr. WILLIAMS.

A BILL AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee did on the following dates present to the President, for his approval, a bill and joint resolution of the House of the following title:

On May 10, 1989:

H.R. 1385. An act to make permanent the Martin Luther King Jr., Federal Holiday Commission.

On May 11, 1989:

H.J. Res. 135. Joint resolution to designate the week beginning May 7, 1989, as "National Correctional Officers Week."

ADJOURNMENT

Mr. McNULTY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 55 minutes p.m.), under its previous order the House adjourned until Monday, May 15, 1989, at 12 noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1169. A letter from the Assistant General Counsel, Department of Defense, transmitting a report of individuals who filed DD Form 1787, report of DOD and defense related employment for fiscal year 1988, pursuant to 10 U.S.C. 2397(e); to the Committee on Armed Services.

1170. A letter from the Secretary of Defense, transmitting his views on the importance of the planned relocation of the 401st Tactical Fighter Wing from Spain to Italy; to the Committee on Armed Services.

1171. A letter from the Chairman, Federal Deposit Insurance Corporation, transmitting the 14th annual report of the Corporation's Office of Consumer Affairs, pursuant to 15 U.S.C. 57a(f)(6); to the Committee on Banking, Finance and Urban Affairs.

1172. A letter from the Secretary of Education, transmitting a copy of final regulations—General Education Provisions Act—Enforcement, pursuant to 20 U.S.C. 1232(d)(1); to the Committee on Education and Labor.

1173. A letter from the Administrator, Agency for International Development, transmitting a copy of the Eastern waters study report, pursuant to 7 U.S.C. 1727 nt.; to the Committee on Foreign Affairs.

1174. A letter from the Assistant Secretary of State for Legislative Affairs, transmitting text of ILO convention No. 168 and recommendation No. 176 concerning employment promotion and protection against unemployment as adopted by the International Labor Conference at its 75th session, at Geneva, June 21, 1988, pursuant to article 19 of the Constitution of the International Labor Organization; to the Committee on Foreign Affairs.

1175. A letter from the Assistant Secretary of State for Legislative Affairs, transmitting text of ILO convention No. 167 and recommendation No. 175 concerning safety and health in construction as adopted by the International Labor Conference at its 75th session, at Geneva, June 20, 1988, pursuant to article 19 of the Constitution of the International Labor Organization; to the Committee on Foreign Affairs.

1176. A letter from the Assistant Secretary of State for Legislative Affairs, transmitting copies of the original report of political contributions by Melvin F. Sembler, of Florida, Ambassador Extraordinary and Plenipotentiary-designate to Australia, and members of his family, pursuant to 22 U.S.C 3944(b)(2); to the Committee on Foreign Affairs.

1177. A letter from the Assistant Secretary of State for Legislative Affairs, transmitting copies of the original report of political contributions by Morris Dempson Busby, of Virginia, for the rank of ambassador as Coordinator for Counter Terrorism-designate, and members of his family, pursuant to 22 U.S.C 3944(b)(2); to the Committee on Foreign Affairs.

1178. A letter from the Chairman, Nuclear Regulatory Commission, transmitting the report of the nondisclosure of safeguards information for the quarter ending March 31, 1989, pursuant to 42 U.S.C. 2167(d); jointly, to the Committee on Energy and Commerce and Interior and Insular Affairs.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. RANGEL:

H.R. 2318. A bill to amend the Internal Revenue Code of 1986 to provide incentives to prevent the loss of low-income housing; to the Committee on Ways and Means.

By Mr. RANGEL (for himself, Mr. CARPER, Mr. ACKERMAN, Mr. MORRISON of Connecticut, Mr. SOLARZ, Mr. DONNELLY, Mr. DOWNEY, Ms. PELOSI, Mr. WEISS, Mr. BUSTAMANTE, Mr. NEAL of Massachusetts, Mr. ROWLAND of Connecticut, Mr. SCHUMER, Mr. JACOBS, Mr. TOWNS, Mrs. KENNELLY, Mr. MANTON, Mr. MRAZEK, Mr. GARCIA, Mr. JONTZ, Mr. COYNE, Mr. GUARINI, Mr. CARDIN, and Mr. GEPHARDT):

H.R. 2319. A bill to amend the Internal Revenue Code of 1986 to improve the effectiveness of the low-income housing credit; to the Committee on Ways and Means.

By Mr. BILBRAY:

H.R. 2320. A bill to designate certain lands in the State of Nevada as wilderness, and for other purposes; jointly, to the Committees on Interior and Insular Affairs and Agriculture.

By Mr. CARR (for himself, Mr. SABO, Mr. BROOMFIELD, Mr. DAVIS, Mr. TRAXLER, Mr. CONYERS, Mr. WOLPE, Mr. FORD of Michigan, Mr. KILDEE, Mr. SCHUETTE, and Mr. HENRY):

H.R. 2321. A bill to amend the Federal Aviation Act of 1958 to limit acquisitions of control of air carriers to ensure fitness; to the Committee on Public Works and Transportation.

By Mr. DAVIS (for himself, Mr. JONES of North Carolina, Mr. YOUNG of Alaska, Mr. STANGELAND, Mr. THOMAS of Georgia, and Mr. GOSS):

H.R. 2322. A bill to conserve North American wetlands ecosystems and waterfowl and other migratory birds and fish and wildlife that depend upon such habitats; to the Committee on Merchant Marine and Fisheries.

By Mr. WAXMAN (for himself, Mr. LEWIS of California, Mr. ACKERMAN, Mr. ALEXANDER, Mr. ANDERSON, Mr. ATKINS, Mr. BATES, Mr. BEILENSON, Mr. BERMAN, Mr. BILBRAY, Mr. BOEHLERT, Mr. BOSCO, Mrs. BOXER, Mr. BROWN of California, Mr. BRYANT, Mr. CARDIN, Mr. CLAY, Mr. COELHO, Mr. CONTE, Mr. DELLUMS, Mr. DIXON, Mr. DOWNEY, Mr. DREIER of California, Mr. DWYER of New Jersey, Mr. DYMALLY, Mr. EDWARDS of California, Mr. FAZIO, Mr. FISH, Mr. FLAKE, Mr. FLORIO, Mr. FORD of Tennessee, Mr. FRANK, Mr. GALLEGLY, Mr. GALLO, Mr. GARCIA, Mr. GEJDENSON, Mr. GILMAN, Mr. GOSS, Mr. GREEN, Mr. GUARINI, Mr. HAWKINS, Mr. HAYES of Illinois, Mr. HOCHBRUECKNER, Mr. HORTON, Mr. HOUGHTON, Mr. HOYER, Mr. HUGHES, Mrs. JOHNSON of Connecticut, Mrs. KENNELLY, Mr. LAFALCE, Mr. LAGOMARSINO, Mr. LANTOS, Mr. LEHMAN of California, Mr. LELAND, Mr. LEVINE of California, Mr. LOWERY of California, Mrs. LOWEY of New York, Mr. MCGRATH, Mr. MCHUGH, Mr. MARKEY, Mr. MARTIN of New York, Mr. MARTINEZ, Mr. MATSUI, Mr. MILLER of California, Mr. MINETA, Mrs. MORELLA, Mr. MORRISON of Connecticut, Mr. MRAZEK, Mr. NAGLE, Mr. NELSON of Florida, Mr. NOWAK, Mr. OWENS of New York, Mr. PACKARD, Mr. PALLONE, Mr. PANETTA, Mr. PASHAYAN, Mrs. PATTERSON, Mr. PAYNE of New Jersey, Ms. PELOSI, Mr. RANGEL, Mr. RAVENEL, Mr. RICHARDSON, Mr. ROE, Mrs. ROUKEMA, Mr. ROWLAND of Connecticut, Mr. ROYBAL, Mr. SABO, Mr. SAXTON, Mr. SCHEUER, Ms. SCHNEIDER, Mrs. SCHROEDER, Mr. SCHUMER, Mr. SHAYS, Mr. SIKORSKI, Mr. SKAGGS, Mr. SMITH of New Jersey, Mr. SMITH of Vermont, Ms. SNOWE, Mr. SOLARZ, Mr. SOLOMON, Mr. STARK, Mr. STUDDS, Mr. TORRES, Mr. TORRICELLI, Mr. VENTO, Mr. WALGREN, Mr. WEISS, Mr. WYDEN, Mr. HUNTER, Mr. MCCANDLESS, and Mrs. SAIKI):

H.R. 2323. A bill to amend the Clean Air Act to provide for the attainment of the national ambient air quality standards in areas which have failed to attain those standards, and to provide for maintenance of such standards, and for other purposes; to the Committee on Energy and Commerce.

By Mr. DAVIS (by request):

H.R 2324. A bill to authorize appropriations for the Coast Guard for fiscal years 1990 and 1991, and for other purposes; to the Committee on Merchant Marine and Fisheries.

H.R. 2325. A bill to establish a domestic liability and compensation system for oil pollution from vessels and facilities and to implement the 1984 protocols to the 1969 civil liability and 1971 fund conventions concerning seagoing tanker-source oil pollution; jointly, to the Committees on Public Works and Transportation, Merchant Marine and Fisheries, and Ways and Means.

H.R. 2326. A bill to transfer administration of bridges and causeways over navigable waters from the Secretary of Transportation to the Secretary of the Army, and for other purposes; jointly, to the Committees on Public Works and Transportation and Merchant Marine and Fisheries.

By Mr. DORGAN of North Dakota (for himself and Mr. SYNAR):

H.R. 2327. A bill to direct the Administrator of the Health Care Financing Administration to provide grants under the rural health care transition grant program for transforming rural hospitals into medical assistance facilities; jointly, to the Committees on Energy and Commerce and Ways and Means.

By Mr. GILMAN:

H.R. 2328. A bill to amend title II of the Social Security Act to eliminate the earnings test for individuals who have attained retirement age, and to provide for an in-

crease in the exempt amount under the earnings test for beneficiaries who have not attained retirement age; to the Committee on Ways and Means.

By Mr. GOODLING (for himself and Mr. SMITH of Vermont):

H.R. 2329. A bill to improve the operation of vocational education programs under the Carl D. Perkins Vocational Education Act by promoting accountability, making the act more flexible, reducing administrative burden, and fostering economic development and the improvement of vocational education personnel, and for other purposes; to the Committee on Education and Labor.

By Ms. KAPTUR:

H.R. 2330. A bill to permit secondary mortgage market financing for residential properties that include small day care centers; to the Committee on Banking, Finance and Urban Affairs.

By Mr. McCLOSKEY:

H.R. 2331. A bill to amend title 39, United States Code, to designate as nonmailable matter solicitations of donations which could reasonably be misconstrued as a bill, invoice, or statement of account due, solicitations for the purchase of products or services which are provided either free of charge or at a lower price by the Federal Government, and solicitations which are offered in terms implying any Federal Government connection or endorsement, unless such matter contains an appropriate conspicuous disclaimer, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. MORRISON of Connecticut (for himself, Mr. GEJDENSON, Mrs. KENNELLY, Mrs. JOHNSON of Connecticut, Mr. ROWLAND of Connecticut, and Mr. SHAYS):

H.R. 2332. A bill to amend title 28, United States Code, to provide for the appointment of two additional district judges for the District of Connecticut; to the Committee on the Judiciary.

By Mr. PAXON (for himself, Mr. HOUGHTON, and Ms. SLAUGHTER of New York):

H.R. 2333. A bill to provide for the protection of the Genesee River in New York State; to the Committee on Interior and Insular Affairs.

By Mr. PICKLE (for himself, Mr. WRIGHT, Mr. ANDREWS, Mr. ARCHER, Mr. ARMEY, Mr. BARTON of Texas, Mr. BROOKS, Mr. BRYANT, Mr. BUSTAMANTE, Mr. CHAPMAN, Mr. COLEMAN of Texas, Mr. COMBEST, Mr. DE LA GARZA, Mr. DELAY, Mr. FIELDS, Mr. FROST, Mr. HALL of Texas, Mr. LAUGHLIN, Mr. LEATH of Texas, Mr. LELAND, Mr. ORTIZ, Mr. SARPALIUS, Mr. SMITH of Texas, Mr. STENHOLM, Mr. WILSON, Mr. GONZALEZ, and Mr. BARTLETT):

H.R. 2334. A bill to redesignate the Post Office located at 300 East Ninth Street in Austin, TX, as the "Homer Thornberry Judicial Building;" to the Committee on Public Works and Transportation.

By Mr. ROSE:

H.R. 2335. A bill to provide Federal recognition for the Lumbee Tribe of North Carolina; to the Committee on Interior and Insular Affairs.

By Mr. SCHULZE (for himself, Mrs. MARTIN of Illinois, Mr. LAGOMARSINO, Mr. DONALD E. LUKENS, Mr. STANGELAND, Mr. BOEHLERT, and Mr. HATCHER):

H.R. 2336. A bill to amend the Internal Revenue Code of 1986 to increase the benefits of the special estate tax valuation of farmland where the land continues to be farmed for an extended period; to the Committee on Ways and Means.

By Mr. SMITH of Texas:

H.R. 2337. A bill to ensure that serving with honor is the aspiration of every employee in our Government and to provide for the equitable treatment of all Government officers and employees under the laws of the United States, and for other purposes; jointly, to the Committees on the Judiciary, Post Office and Civil Service, House Administration, Ways and Means, Armed Services, and Rules.

By Mr. WALKER:

H.R. 2338. A bill requiring the National Science Foundation to submit to the Congress a report concerning science and mathematics education and career potential for the underprivileged; to the Committee on Science, Space, and Technology.

By Mr. WHITTAKER (by request):

H.R. 2339. A bill to amend the Federal Railroad Safety Act of 1970 to authorize the imposition of rail safety user fees; to the Committee on Energy and Commerce.

By Mr. WILLIAMS:

H.R. 2340. A bill to direct the Secretary of Agriculture to dismiss frivolous administrative appeals of decisions made by the Forest Service; to the Committee on Agriculture.

By Mr. YOUNG of Alaska (for himself and Mr. McDERMOTT):

H.R. 2341. A bill to amend section 21 of the Alaska Native Claims Settlement Act of 1971; jointly, to the Committees on Interior and Insular Affairs and Ways and Means.

By Mr. GILMAN:

H.J. Res. 267. Joint resolution designating October 16, 1989, and October 16, 1990, as "World Food Day"; to the Committee on Post Office and Civil Service.

By Mr. STENHOLM (for himself, Mr. CRAIG, Mr. ROBERT F. SMITH, Mr. CARPER, Mr. FISH, Mr. GIBBONS, Mr. ANDERSON, Mr. ANDREWS, Mr. ANTHONY, Mr. ARCHER, Mr. ARMEY, Mr. BAKER, Mr. BALLENGER, Mr. BARNARD, Mr. BARTLETT, Mr. BARTON of Texas, Mr. BATEMAN, Mr. BATES, Mr. BENNETT, Mrs. BENTLEY, Mr. BEREUTER, Mr. BEVILL, Mr. BILBRAY, Mr. BILIRAKIS, Mr. BLAZ, Mr. BLILEY, Mr. BOEHLERT, Mr. BOSCO, Mr. BRENNAN, Mr. BROOMFIELD, Mr. BROWDER, Mr. BROWN of Colorado, Mr. BUECHNER, Mr. BUNNING, Mr. BURTON of Indiana, Mr. BUSTAMANTE, Mrs. BYRON, Mr. CALLAHAN, Mr. CAMPBELL of Colorado, Mr. CAMPBELL of California, Mr. CHANDLER, Mr. CHAPMAN, Mr. CLARKE, Mr. CLEMENT, Mr. CLINGER, Mr. COBLE, Mr. COLEMAN of Missouri, Mr. COMBEST, Mr. COSTELLO, Mr. COUGHLIN, Mr. COURTER, Mr. COX, Mr. CRANE, Mr. DANNEMEYER, Mr. DARDEN, Mr. DAVIS, Mr. DELAY, Mr. DERRICK, Mr. DEWINE, Mr. DE LA GARZA, Mr. DICKINSON, Mr. DORGAN of North Dakota, Mr. DORNAN of California, Mr. DOUGLAS, Mr. DREIER of California, Mr. DUNCAN, Mr. DYSON, Mr. EDWARDS of Oklahoma, Mr. EMERSON, Mr. ENGLISH, Mr. ERDREICH, Mr. ESPY, Mr. FAWELL, Mr. FIELDS, Mr. FLIPPO, Mr. FRENZEL, Mr. GALLEGLY, Mr. GALLO, Mr. GEKAS, Mr. GILLMOR, Mr. GINGRICH, Mr. GOODLING, Mr. GORDON, Mr. GOSS, Mr. GRANDY, Mr. GRANT, Mr. GUNDERSON, Mr. HALL of Texas, Mr. HAMMERSCHMIDT, Mr. HANCOCK, Mr. HANSEN, Mr. HARRIS, Mr. HASTERT, Mr. HATCHER, Mr. HAYES of Louisiana, Mr. HEFLEY, Mr. HEFNER, Mr. HENRY, Mr. HERGER, Mr. HILER, Mr. HOLLOWAY, Mr. HOPKINS, Mr. HORTON, Mr. HUBBARD, Mr. HUCKABY, Mr. HUNTER, Mr. HUTTO, Mr. INHOFE, Mr. IRELAND, Mr. JACOBS, Mr. JAMES, Mr. JENKINS, Mrs. JOHNSON of Connecticut, Mr. JOHNSON of South Dakota, Mr. JONES of Georgia, Mr. JONES of North Carolina, Mr. JONTZ, Mr. KASICH, Mr. KOLBE, Mr. KYL, Mr. LAGOMARSINO, Mr. LANCASTER, Mr. LAUGHLIN, Mr. LEACH of Iowa, Mr. LEATH of Texas, Mr. LENT, Mr. LEWIS of California, Mr. LEWIS of Florida, Mr. LIGHTFOOT, Mr. LIVINGSTON, Mrs. LLOYD, Mr. LOWERY of California, Mr. THOMAS A. LUKEN, Mr. DONALD E. LUKENS, Mr. MADIGAN, Mr. MARLENEE, Mr. MARTIN of New York, Mrs. MARTIN of Illinois, Mr. McCANDLESS, Mr. McCOLLUM, Mr. McCURDY, Mr. McDADE, Mr. McEWEN, Mr. McGRATH, Mr. McMILLAN of North Carolina, Mr. McMILLEN of Maryland, Mrs. MEYERS of Kansas, Mr. MICHEL, Mr. MILLER of Ohio, Mr. MILLER of Washington, Mr. MOLINARI, Mr. MONTGOMERY, Mr. MOORHEAD, Mr. MORRISON of Washington, Mr. NEAL of North Carolina, Mr. NELSON of Florida, Mr. NIELSON of Utah, Mr. OLIN, Mr. ORTIZ, Mr. OWENS of Utah, Mr. OXLEY, Mr. PACKARD, Mr. PALLONE, Mr. PARKER, Mr. PARRIS, Mrs. PATTERSON, Mr. PAXON, Mr. PAYNE of Virginia, Mr. PENNY, Mr. PETRI, Mr. PICKLE, Mr. PORTER, Mr. POSHARD, Mr. PRICE, Mr. PURSELL, Mr. QUILLEN, Mr. RAVENEL, Mr. RAY, Mr. REGULA, Mr. RICHARDSON, Mr. RIDGE, Mr. RITTER, Mr. ROBERTS, Mr. ROBINSON, Mr. ROGERS, Mr. ROHRABACHER, Mr. ROSE, Mr. ROTH, Mr. ROWLAND of Georgia, Mr. ROWLAND of Connecticut, Mrs. SAIKI, Mr. SANGMEISTER, Mr. SARPALIUS, Mr. SAXTON, Mr. SCHAEFER, Mr. SCHIFF, Mr. SCHUETTE, Mr. SCHULZE, Mr. SENSENBRENNER, Mr. SHAW, Mr. SHUMWAY, Mr. SHUSTER, Mr. SKEEN, Mr. SKELTON, Mr. SLAUGHTER of Virginia, Mr. SMITH of New Jersey, Mr. DENNY SMITH, Mr. SMITH of Texas, Mr. SMITH of Mississippi, Mr. SMITH of Vermont, Mr. SMITH of New Hampshire, Mrs. SMITH of Nebraska, Ms. SNOWE, Mr. SOLOMON, Mr. SPENCE, Mr. STALLINGS, Mr. STANGELAND, Mr. STEARNS, Mr. STUMP, Mr. SUNDQUIST, Mr. TALLON, Mr. TANNER, Mr. TAUKE, Mr. TAUZIN, Mr. THOMAS of Wyoming, Mr. THOMAS of Georgia, Mr. THOMAS of California, Mr. UPTON, Mr. VALENTINE, Mr. VANDER JAGT, Mr. VOLKMER, Mrs. VUCANOVICH, Mr. WALKER, Mr. WALSH, Mr. WATKINS, Mr. WEBER, Mr. WELDON, Mr. WHITTAKER, Mr. WILSON, Mr. WOLF, Mr. WYLIE, Mr. YOUNG of Florida, and Mr. YOUNG of Alaska):

H.J. Res. 268. Joint resolution proposing an amendment to the Constitution to provide for a balanced budget for the U.S. Government and for greater accountability in the enactment of tax legislation; to the Committee on the Judiciary.

By Mr. BUSTAMANTE (for himself, Mr. ANDREWS, Mr. ARCHER, Mr. ARMEY, Mr. BRYANT, Mr. CHAPMAN, Mr. COLEMAN of Texas, Mr. FROST, Mr. HALL of Texas, Mr. LEATH of Texas, Mr. LELAND, Mr. ORTIZ, Mr.

PICKLE, Mr. STENHOLM, Mr. WILSON, Mr. LAUGHLIN, Mr. SARPALIUS, Mr. OWENS of New York, Mr. FAUNTROY, Mr. SIKORSKI, Mr. RANGEL, Mr. FUSTER, Mr. BERMAN, Mr. FRANK, Mrs. BOXER, Mr. GREEN, Mr. LEVINE of California, and Mr. DE LA GARZA):

H. Con. Res. 119. Concurrent resolution honoring the Texas-Israel Exchange program for its contributions to the agricultural interests of Texas and Israel; to the Committee on Post Office and Civil Service.

By Mr. STARK (for himself, Mr. BATES, Mrs. BOXER, Mr. COLEMAN of Texas, Mr. DEFAZIO, and Mr. SPRATT):

H. Con. Res. 120. Concurrent resolution recommending that the Department of Energy take immediate action to determine validity and potential to the Nation's energy needs of recent cold fusion experiments that may create energy from nuclear fusion and that the Department also make recommendations to the Congress regarding future nuclear fusion programs; to the Committee on Science, Space, and Technology.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

82. By the SPEAKER: Memorial of the Legislature of the State of Maine, relative to the ICC oversight of Maine railroads; to the Committee on Energy and Commerce.

83. Also, memorial of the Legislature of the State of Texas, relative to the construction of a natural gas pipeline between Canada and the United States; to the Committee on Energy and Commerce.

84. Also, memorial of the Legislature of the State of Arizona, relative to improved roads on the Indian reservations; to the Committee on Interior and Insular Affairs.

85. Also, memorial of the Senate of the State of Hawaii, relative to the Wailua sewage treatment plant expansion project; to the Committee on Public Works and Transportation.

86. Also, memorial of the Legislature of the State of Alaska, relative to air service subsidy for the city of Valdez; to the Committee on Public Works and Transportation.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 6: Mr. GUNDERSON, Mr. FLAKE, and Mr. ROGERS.

H.R. 140: Mr. WISE, Mr. PEPPER, Ms. SCHNEIDER, Mr. HOCHBRUECKNER, and Mr. PERKINS.

H.R. 211: Mr. CONYERS.

H.R. 214: Mr. OBERSTAR.

H.R. 215: Mr. WELDON and Mr. SWIFT.

H.R. 237: Mr. CONYERS.

H.R. 286: Mr. BALLENGER.

H.R. 368: Mr. CONTE, Mr. ESPY, Mr. STAGGERS, Mr. BALLENGER, and Mr. HAMMERSCHMIDT.

H.R. 369: Mr. ENGLISH, Mr. PENNY, Mr. GUNDERSON, and Mr. LANCASTER.

H.R. 371: Mr. LAUGHLIN, Mr. DENNY SMITH, Mr. GLICKMAN, and Mr. SKELTON.

H.R. 401: Mrs. VUCANOVICH.

H.R. 543: Mr. MARTINEZ, Mr. BOSCO, Mr. SHAW, Mr. STEARNS, and Mr. MCCOLLUM.

H.R. 586: Mr. BROOMFIELD.

H.R. 736: Mr. KILDEE, Mr. MARKEY, and Mr. PEASE.

H.R. 762: Mr. SOLOMON, Mr. ROGERS, Mr. SAVAGE, Mr. LEWIS of Florida, Mr. MRAZEK, Mr. RHODES, Mrs. VUCANOVICH, and Mr. RAVENEL.

H.R. 799: Mr. CAMPBELL of Colorado and Mr. MARLENEE.

H.R. 806: Mr. PANETTA, Mr. NEAL of North Carolina, Mr. TOWNS, Mr. LEWIS of Georgia, and Mr. MORRISON of Connecticut.

H.R. 895: Mr. WEBER, Mr. SHARP, Mr. CONYERS, Mr. ARMEY, Mr. DORNAN of California, Mr. ROHRABACHER, Mr. VANDER JAGT, Mr. ROWLAND of Connecticut, Mr. FRENZEL, Mr. BURTON of Indiana, Mr. CRANE, and Mr. STENHOLM.

H.R. 901: Mr. BOUCHER and Mr. MCCRERY.

H.R. 980: Mr. FRANK, Mr. ACKERMAN, Mr. OWENS of New York, Mr. BENNETT, Mr. FAWELL, Mr. TALLON, Mrs. SAIKI, Mr. HUTTO, Mr. SMITH of Florida, Mr. DYSON, Mr. LAFALCE, Mr. DWYER of New Jersey, Mr. ERDREICH, Mr. ATKINS, Mr. BRYANT, Mr. LIPINSKI, Mr. ENGEL, Mr. MINETA, Mrs. LOWEY of New York, Mr. DE LUGO, Mr. NELSON of Florida, Mr. KOLBE, Mr. RINALDO, Mr. HAMILTON, and Mr. DAVIS.

H.R. 982: Mr. LEVINE of California.

H.R. 1030: Mr. GAYDOS.

H.R. 1068: Mr. MATSUI, Mr. HALL of Ohio, Mr. DE LUGO, Mr. MARLENEE, Mr. GORDON, Mr. EMERSON, Mr. CARDIN, and Mr. CAMPBELL of California.

H.R. 1074: Mr. VALENTINE, Mr. BRENNAN, Mr. CAMPBELL of California, Mr. TRAXLER, and Mr. BILBRAY.

H.R. 1083: Mr. SHAYS, Mr. TALLON, Mr. FOLEY, Mr. HORTON, Mr. WATKINS, Mr. RITTER, Mr. HEFNER, Mr. MANTON, Mr. MCGRATH, Mr. KANJORSKI, and Mr. MURPHY.

H.R. 1141: Mr. PARRIS.

H.R. 1206: Mrs. JOHNSON of Connecticut.

H.R. 1243: Mr. HILER, Mr. HUBBARD, Mr. LANCASTER, Mr. TALLON, Mr. GRAY, Mr. SCHUMER, Mr. VENTO, Mr. SABO, Mr. CRAIG, Mr. ROBERTS, Mr. GRANT, Mr. HUCKABY, Mr. LAUGHLIN, Mr. HATCHER, Mr. WISE, Mr. JENKINS, Mr. SMITH of Florida, Mr. BRUCE, Mr. FAZIO, and Mr. LEWIS of Georgia.

H.R. 1406: Mr. LOWERY of California.

H.R. 1416: Mr. HILER, Mr. MCDADE, Mr. MYERS of Indiana, Mr. HOUGHTON, Mrs. SAIKI, Mr. WOLF, Mr. DICKS, Mr. BURTON of Indiana, Mr. PAYNE of Virginia, Mr. SOLOMON, Mr. LANCASTER, Mr. BROOKS, Mr. SISISKY, Ms. SCHNEIDER, Mr. SCHIFF, Mr. BARNARD, Mr. KYL, Mr. DENNY SMITH, Mr. CALLAHAN, Mrs. VUCANOVICH, Mr. BROWDER, Mr. STUMP, Mr. COLEMAN of Missouri, Mr. PAYNE of New Jersey, and Mr. ROGERS.

H.R. 1457: Mr. TORRICELLI, Mr. HERTEL, Mr. CLEMENT, Mr. GARCIA, and Mr. CARDIN.

H.R. 1493: Mr. STAGGERS, Mr. SOLARZ, Mr. EVANS, Mr. PEPPER, Mr. DWYER of New Jersey, Mr. WILSON, Mr. DE LUGO, and Mr. MILLER of California.

H.R. 1648: Mr. DE LUGO, Mr. PENNY, Mr. CROCKETT, and Mr. WOLPE.

H.R. 1658: Mr. SHUMWAY.

H.R. 1679: Mr. ATKINS, Mr. FUSTER, Mr. RANGEL, and Mr. TOWNS.

H.R. 1757: Mr. HANCOCK and Mr. UPTON.

H.R. 1957: Mr. SHAYS, Mr. UPTON, Mr. ROGERS, Mrs. JOHNSON of Connecticut, Mr. RAY, and Mr. JOHNSON of South Dakota.

H.R. 2022: Mr. FEIGHAN, Mr. LEVIN of Michigan, Mr. MARKEY, Mr. DONALD E. LUKENS, Mr. MCHUGH, Mr. DELLUMS, Mr. SOLARZ, Mr. MCGRATH, Mr. BROWN of California, Mrs. MORELLA, Mr. GILMAN, Mrs. BOXER, Mr. NELSON of Florida, Mr. PORTER, Mr. NEAL of Massachusetts, Mr. CHAPMAN, Mrs. LOWEY of New York, Mr. WHEAT, Mr. MRAZEK, and Mr. SMITH of Florida.

H.R. 2051: Mr. DERRICK.

H.R. 2055: Mr. WELDON.

H.R. 2098: Mr. FROST, Mr. BUSTAMANTE, Mr. MOAKLEY, Mr. MORRISON of Connecticut, Mr. MFUME, Mr. UPTON, Mr. OBERSTAR, Mr. NEAL of Massachusetts, Mr. MURPHY, Mr. ROWLAND of Connecticut, Mr. DICKS, Mr. TRAFICANT, Mr. BURTON of Indiana, Mr. WHEAT, Mr. COLEMAN of Texas, Mr. DE LUGO, Mr. MAZZOLI, Mr. BROOMFIELD, Mr. CROCKETT, Mr. ROGERS, Mr. PAYNE of New Jersey, Mr. PENNY, Mr. RAY, Mr. GRANT, and Mr. MCDADE.

H.R. 2145: Mr. MRAZEK and Mr. SCHUETTE.

H.R. 2191: Mr. DOUGLAS and Mr. WALSH.

H.R. 2217: Mr. ACKERMAN, Mrs. BOXER, Mr. TOWNS, Mr. JACOBS, and Mr. KOLTER.

H.R. 2273: Mr. TOWNS, Mrs. KENNELLY, Mr. GRAY, Mr. WHEAT, Mr. GEPHARDT, Mr. LEVINE of California, Mr. FORD of Tennessee, Mr. RAHALL, Mr. AKAKA, and Mr. MOAKLEY.

H.J. Res. 31: Mr. WALGREN.

H.J. Res. 54: Mr. MATSUI, Mr. RUSSO, and Mrs. UNSOELD.

H.J. Res. 104: Mr. HASTERT, Mr. ANDERSON, Mr. GREEN, Mr. TRAXLER, Mr. LEVIN of Michigan, Mr. COLEMAN of Missouri, Mr. BORSKI, Mrs. MARTIN of Illinois, Mr. ENGLISH, and Mr. LANTOS.

H.J. Res. 147: Mrs. MARTIN of Illinois.

H.J. Res. 168: Mr. DEWINE.

H.J. Res. 177: Mr. FISH, Mr. ATKINS, Mr. FUSTER, Mr. DEFAZIO, Mr. NEAL of North Carolina, Mr. OWENS of New York, Mr. RANGEL, Mr. SMITH of Florida, Mr. PAYNE of New Jersey, Mr. ACKERMAN, Mr. RAY, Mr. FAWELL, and Mr. TOWNS.

H.J. Res. 185: Mr. HATCHER, Mr. OWENS of Utah, Mr. JOHNSON of South Dakota, Mrs. BOXER, Mr. EVANS, Mr. FISH, Mr. MARTINEZ, Mr. WYDEN, Mr. EMERSON, Ms. PELOSI, Mr. DYSON, Mr. JOHNSTON of Florida, Mr. THOMAS A. LUKEN, Mr. OWENS of New York, Mr. SCHAEFER, Mr. BILIRAKIS, Mr. KENNEDY, Mr. ENGLISH, Mr. ENGEL, Mr. EARLY, Mr. BROWN of California, Mr. PEPPER, Mr. LEWIS of Georgia, Mr. ROBERT F. SMITH, and Mr. DEWINE.

H.J. Res. 194: Mr. PICKETT, Mr. THOMAS of Georgia, Mr. LANTOS, Mr. COBLE, Mr. EVANS, Mr. MRAZEK, Mr. SPRATT, Mr. DARDEN, Mr. MCDADE, Mr. DURBIN, Mr. DEWINE, Mr. ALEXANDER, Mr. BALLENGER, Mr. NAGLE, Mr. ROYBAL, Mr. TALLON, Mr. RAHALL, Mr. APPLEGATE, Ms. SNOWE, Mr. DORGAN of North Dakota, Mr. DENNY SMITH, Mr. STENHOLM, Mr. GEJDENSON, Mr. HOYER, Mr. FISH, Mr. ROGERS, Mr. LEHMAN of California, Mr. HEFNER, Mr. JOHNSON of South Dakota, Mr. CONTE, Mr. POSHARD, Mr. UPTON, Mr. ROBERTS, Mr. SKEEN, Mrs. KENNELLY, Mr. MADIGAN, Mr. SAVAGE, Mr. LEWIS of Georgia, Mr. WISE, Mr. FLIPPO, Mr. OLIN, Mrs. LOWEY of New York, Mr. SYNAR, and Mr. BOUCHER.

H. Con. Res. 99: Mr. FLAKE.

H. Res. 104: Mr. WISE, Mr. MOAKLEY, Mr. JONTZ, Mr. WEISS, Mrs. LOWEY of New York, Ms. KAPTUR, Mr. LEWIS of Georgia, Mr. MORRISON of Washington, Mr. MINETA, and Mr. SKELTON.

H. Res. 141: Mr. MAVROULES, Mr. GRANT, Mr. DARDEN, Mr. MORRISON of Connecticut, Mr. DONNELLY, Mrs. MORELLA, Mr. MRAZEK, Mrs. PATTERSON, Mr. KOSTMAYER, Mr. SAXTON, Mr. JAMES, and Mr. PARKER.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 49: Mr. BEREUTER.
H.R. 1593: Mr. HASTERT.

PETITIONS, ETC.

Under clause 1 of rule XXII,

39. The SPEAKER presented a petition of the city of Compton, CA, relative to the National League of Cities; which was referred to the Committee on Government Operations.

SENATE—*Thursday, May 11, 1989*

(Legislative day of Tuesday, January 3, 1989)

The Senate met at 10:45 a.m., on the expiration of the recess, and was called to order by the Honorable RICHARD BRYAN, a Senator from the State of Nevada.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray:

Gracious God, loving Heavenly Father, we thank Thee for our mothers and honor them with the tribute to godly women by the author of the book of Proverbs. Concerning a "virtuous woman," he wrote: "* * * her price is far above rubies. The heart of her husband doth safely trust in her. * * * Her children arise up, and call her blessed; her husband also, and he praiseth her * * * a woman that feareth the Lord, * * * shall be praised."—Proverbs 31: 10, 11, 28, 30. We thank Thee for their incalculable influence which, from before our birth until long after they are gone, continues to guide us. We praise Thee Lord for the power of mothers.

Gracious Father, as Mother's Day approaches, may your abundant blessing be upon our mothers and the mothers of our children. And may the memories of godly mothers sustain us in truth and righteousness.

In the name of Him who is incarnate love. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDENT OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. BYRD].

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, May 11, 1989.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable RICHARD BRYAN, a Senator from the State of Nevada, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. BRYAN thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE ACTING MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The acting majority leader is recognized.

SCHEDULE

Mr. FOWLER. Mr. President, I thank the Chair. The leadership of the Senate is presently meeting at the White House with President Bush as we await the formal receipt of the resolution of impeachment from the House of Representatives in the matter of Judge Walter L. Nixon, Jr. We expect the receipt of that resolution at approximately 11 o'clock. I would like to announce to Senators that their presence will be necessary on the floor at or around 11, or shortly thereafter, in order to be sworn in and to hear the House managers in the matter of Judge Walter L. Nixon, Jr. and the impeachment resolution.

In a moment, I will put in a quorum call which will be a live quorum.

IMPEACHMENT OF JUDGE WALTER L. NIXON, JR.

The ACTING PRESIDENT pro tempore. The acting majority leader is recognized.

Mr. FOWLER. Mr. President, I ask unanimous consent that the secretary inform the House of Representatives that the Senate is ready to receive the managers appointed by the House for the purpose of exhibiting articles of impeachment against Walter L. Nixon, Jr., judge of the U.S. District Court for the Southern District of Mississippi, agreeably to the notice communicated to the Senate and at the hour of 11 a.m. on today, Thursday, May 11, 1989, the Senate will receive the honorable managers on the part of the House of Representatives in order that they may present and exhibit the said articles of impeachment against the said Walter L. Nixon, Jr., judge of the U.S. District Court for the Southern District of Mississippi.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. FOWLER. Mr. President, I ask unanimous consent that the following counsel and staff of the House of Representatives and counsel for Judge Nixon be permitted the privileges of the floor during today's proceedings with respect to the trial of the impeachment of Judge Nixon. They are as follows: Daniel Freeman, Alan Barron, Catherine Leroy, William Jones, Peter Keith, Pam Naughton, Coleen Kiko, and David Stewart.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

CALL OF THE ROLL

Mr. FOWLER. Mr. President, I suggest the absence of a quorum. This will be a live quorum. We will, as further stated and under the rule, meet at 11 o'clock for the swearing in of Senators to proceed with the impeachment matter.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll and the following Senators entered the Chamber and answered to their names:

[Quorum No. 4]

Bryan	Metzenbaum	Thurmond
Fowler	Stevens	Wirth

The ACTING PRESIDENT pro tempore. A quorum is not present.

The clerk will call the names of the absent Senators.

The assistant legislative clerk resumed the call of the roll and the following Senators entered the Chamber and answered to their names:

Adams	Gore	McConnell
Baucus	Gorton	Mikulski
Biden	Graham	Mitchell
Bingaman	Gramm	Moynihan
Boren	Grassley	Murkowski
Boschwitz	Harkin	Nickles
Bradley	Hatch	Nunn
Breaux	Hatfield	Packwood
Bumpers	Heflin	Pell
Burdick	Helms	Pressler
Burns	Hollings	Pryor
Byrd	Inouye	Reid
Coats	Jeffords	Riegle
Cochran	Johnston	Robb
Cohen	Kassebaum	Rockefeller
Conrad	Kasten	Roth
Cranston	Kennedy	Rudman
D'Amato	Kerrey	Sanford
Danforth	Kerry	Sarbanes
Daschle	Kohl	Sasser
Dixon	Lautenberg	Shelby
Dodd	Leahy	Simon
Dole	Levin	Simpson
Domenici	Lieberman	Specter
Durenberger	Lott	Symms
Exon	Lugar	Wallop
Ford	Mack	Warner
Garn	Matsunaga	Wilson
Glenn	McClure	

The PRESIDENT pro tempore. The Senate will be in order. The staff will take their seats. The Senators wishing to converse will retire to the Cloakroom.

A quorum is present.

The secretary of the majority.

The secretary of the majority, C. Abbott Saffold, announced their presence as follows:

Mr. President, I announce the presence of the managers on the part of the House of Representatives to conduct proceedings on behalf of the House concerning the impeachment of Walter L. Nixon, Jr., judge of the U.S.

District Court for the Southern District of Mississippi.

The PRESIDENT pro tempore. The managers on the part of the House will be received and assigned to their seats.

(The Sergeant at Arms escorted the managers to the seats assigned to them in the area in front of the Chair.)

The PRESIDENT pro tempore. The Sergeant at Arms will make the proclamation.

The Sergeant at Arms, Henry K. Giugni, made a proclamation, as follows:

Hear ye! Hear ye! Hear ye! All persons are commanded to keep silent, on pain of imprisonment, while the House of Representatives is exhibiting to the Senate of the United States articles of impeachment against Walter L. Nixon, Jr., judge of the U.S. District Court for the Southern District of Mississippi.

The PRESIDENT pro tempore. The managers on the part of the House will proceed.

Mr. Manager BROOKS. Mr. President, the managers on the part of the House of Representatives are here present and ready to present the articles of impeachment which have been preferred by the House of Representatives against Walter L. Nixon, Jr., judge of the U.S. District Court for the Southern District of Mississippi. The House adopted the following resolution, which with the permission of the President of the Senate, I will read:

HOUSE RESOLUTION 150, IN THE HOUSE OF REPRESENTATIVES, MAY 10, 1989

VIII. *Resolved,* That Mr. Brooks, Mr. Edwards, Mr. Cardin, Mr. Sensenbrenner, and Mr. Dannemeyer, Members of the House of Representatives, are hereby appointed managers to conduct the impeachment trial against Walter L. Nixon, Jr., judge of the United States District Court for the Southern District of Mississippi. Pursuant to the authorities granted in H. Res. 150 and H. Res. 151, the managers now appear before the Senate of the United States and at the bar thereof in the name of the House of Representatives and of all the people of the United States to try the impeachment of Walter L. Nixon, Jr., of high crimes and misdemeanors in office and to exhibit to the Senate of the United States the articles of impeachment against that judge which have been agreed upon the the House of Representatives. These managers hereby demand that the Senate take order for the appearance of Walter L. Nixon, Jr., to answer such impeachment, and demand his conviction and appropriate judgment thereon.

IX. With the permission of the President and the Senate, I will now read the articles of impeachment.

HOUSE RESOLUTION 87, IN THE HOUSE OF REPRESENTATIVES, MAY 10, 1989

X. *Resolved,* That Walter L. Nixon, Jr., a judge of the United States District Court for the Southern District of Mississippi, be impeached for high crimes and misdemeanors, and that the following articles of impeachment be exhibited to the Senate:

Articles of impeachment exhibited by the House of Representatives of the United States of America in the name of itself and all of the people of the United States of America, against Walter L. Nixon, Jr., a judge of the United States District Court for the Southern District of Mississippi, in maintenance and support of its impeachment against him for high crimes and misdemeanors.

Article I

On July 18, 1984, Judge Nixon testified before a Federal grand jury empaneled in the United States District Court for the Southern District of Mississippi (Hattiesburg division) to investigate Judge Nixon's business relationship with Wiley Fairchild and the handling of the criminal prosecution of Fairchild's son, Drew Fairchild, for drug smuggling. In the course of his grand jury testimony and having duly taken an oath that he would tell the truth, the whole truth, and nothing but the truth, Judge Nixon did knowingly and contrary to his oath make a material false or misleading statement to the grand jury.

The false or misleading statement was, in substance, that Forrest County District Attorney Paul Holmes never discussed the Drew Fairchild case with Judge Nixon.

Wherefore, Judge Walter L. Nixon, Jr., is guilty of an impeachable offense and should be removed from office.

Article II

On July 18, 1984, Judge Nixon testified before a Federal grand jury empaneled in the United States District Court for the Southern District of Mississippi to investigate Judge Nixon's business relationship with Wiley Fairchild and the handling of the prosecution of Fairchild's son, Drew Farichild, for drug smuggling. In the course of his grand jury testimony and having duly taken an oath that he would tell the truth, the whole truth, and nothing but the truth, Judge Nixon did knowingly and contrary to his oath make a material false or misleading statement to the grand jury.

The false or misleading statement was, in substance, that Judge Nixon had nothing whatsoever officially or unofficially to do with the Drew Fairchild case in Federal court or State court; and that Judge Nixon "never handled any part of it, never had a thing to do with it at all, and never talked to anyone, State or Federal, prosecutor or judge, in any way influence anybody" with respect to the Drew Fairchild case.

Wherefore, Judge Walter L. Nixon, Jr., is guilty of an impeachable offense and should be removed from office.

Article III

By virtue of his office as a judge of the United States District Court for the Southern District of Mississippi, Judge Nixon is required to uphold the integrity of the judiciary, to avoid impropriety and the appearance of impropriety, and to obey the laws of the United States.

Judge Nixon has raised substantial doubt as to his judicial integrity, undermined confidence in the integrity and impartiality of the judiciary, betrayed the trust of the people of the United States, disobeyed the laws of the United States and brought disrepute on the Federal courts and the administration of justice by the Federal courts by the following:

After entering into an oil and gas investment with Wiley Fairchild, Judge Nixon conversed with Wiley Fairchild, Carroll Ingram, and Forrest County District Attorney Paul Holmes concerning the State criminal drug conspiracy prosecution of Drew Fairchild, the son of Wiley Fairchild, and thereafter concealed those conversations as follows:

(1) Judge Nixon concealed those conversations through one or more material false or misleading statements knowingly made to an attorney from the United States Department of Justice and a special agent of the Federal Bureau of Investigation during an interview of Judge Nixon conducted in Biloxi, Mississippi, on April 19, 1984. The substance of the false of misleading statements included the following:

(a) Judge Nixon never discussed with Wiley Fairchild anything about Wiley's son's case.

(b) Wiley Fairchild never brought up his son's case.

(c) At the time of the interview Judge Nixon had no knowledge of the Drew Fairchild case and did not even know Drew Fairchild existed, except for what the judge previously read in the newspaper and what he learned from the questioners in the interview.

(d) Nothing was done or nothing was ever mentioned about Wiley Fairchild's son.

(e) Judge Nixon had never heard about the Drew Fairchild case, except what he told the questioners in the interview, and certainly had nothing to do with the case.

(f) Judge Nixon had done nothing to influence the Drew Fairchild case.

(g) State prosecutor Paul Holmes never talked to Judge Nixon about the Drew Fairchild case.

(2) Judge Nixon further concealed his conversations with Wiley Fairchild, Paul Holmes, and Carroll Ingram concerning the Drew Fairchild case by knowingly giving one or more material false or misleading statements to a Federal grand jury during testimony under oath in Hattiesburg, Mississippi, on July 18, 1984. The substance of the false or misleading statements included the following:

(a) Paul Holmes never discussed the Drew Fairchild case with Judge Nixon.

(b) To the best of his knowledge and recollection, Judge Nixon did not know of any reason he would have met with Wiley Fairchild after the Nixon-Fairchild oil and gas investment was finalized in February 1981.

(c) Judge Nixon gave the grand jury all the information that he had and that he could, and had withheld nothing during his grand jury testimony.

(d) Judge Nixon had nothing whatsoever unofficially to do with the Drew Fairchild criminal case in State court.

(e) Judge Nixon never talked to anyone, including the State prosecutor, about the Drew Fairchild case.

(f) Judge Nixon never had a thing to do with the Drew Fairchild case at all.

(g) Judge Nixon "never talked to anyone, State or Federal, prosecutor or judge, in any way influence anybody" with respect to the Drew Fairchild case.

Wherefore, Judge Walter L. Nixon, Jr., is guilty of an impeachable offense and should be removed from office.

XI. Mr. President, the House of Representatives by protestation, saving to themselves the liberty of exhibiting at any time hereafter any further articles of accusation or impeachment against the said Walter L. Nixon, Jr., district judge of the United States for the southern district of Mississippi, and also of replying to his answers which he shall make unto the articles preferred against him, and of offering proof to the same and every part thereof, and to all and

every other article of accusation or impeachment which shall be exhibited by them as the case shall require, do demand that the said Walter L. Nixon, Jr., may be put to answer the misdemeanors in office which have been charged against him in the articles which have been exhibited to the Senate, and that such proceedings, examinations, trials, and judgments may thereupon be had and given as may be agreeable to law and justice. Mr. President, the managers on the part of the House of Representatives, by the adoption of the articles of impeachment which have just been read to the Senate, do now demand that the Senate take order for the appearance of the said Walter L. Nixon, Jr., to answer said impeachment and do now demand his conviction, and appropriate judgment thereon.

The PRESIDENT pro tempore. The Chair on the part of the Senate thanks the managers on the part of the House.

The majority leader is recognized.

Mr. MITCHELL. Mr. President, at this time the oath should be administered in conformance with article I, section 3, clause 6 of the Constitution, and the Senate's impeachment rules. I move that the Senator from South Carolina [Mr. THURMOND] be designated by the Senate to administer the oath to the President pro tempore, the Senator from West Virginia [Mr. BYRD].

The PRESIDENT pro tempore. The question is or agreeing to the motion.

The motion was agreed to.

Mr. THURMOND. Do you solemnly swear that in all things appertaining to the trial of the impeachment of Walter L. Nixon, Jr., judge of the U.S. District Court for the Southern District of Mississippi, now pending, you will do impartial justice according to the Constitution and laws. So help you God.

The PRESIDENT pro tempore. I do.

Mr. MITCHELL. Mr. President, the oath shall now be administered by the President pro tempore to all Senators. This is an appropriate time for any Senator who has cause to be excused from service in this impeachment to make that fact known. If there is no Senator who desires to be excused, I move that the President pro tempore administer the oath to Members of the Senate.

The PRESIDENT pro tempore. The question is agreeing to the motion.

The motion was agreed to.

The PRESIDENT pro tempore. Senators will now raise their hands and take the oath.

Senators shall now be sworn: Do you solemnly swear that in all things appertaining to the trial of the impeachment of Walter L. Nixon, Jr., judge of the U.S. District Court for the Southern District of Mississippi, now pending, you will do impartial justice according to the Constitution and laws. So help you God.

SENATORS. I do.

The PRESIDENT pro tempore. The majority leader is recognized.

Mr. MITCHELL. Mr. President, any Senator who was not in the Senate Chamber at the time the oath was administered to the other Senators will make that fact known to the Chair so that the oath may be administered as soon as possible to the Senator.

The Secretary will note the names of the Senators who have been sworn, and will present to them for signing a book which will be the Senate's permanent record of the administration of the oath.

Mr. MITCHELL. Mr. President, on behalf of myself and the distinguished Republican leader, Mr. DOLE, I send to the desk a resolution that provides for the issuance of a summons to Judge Walter L. Nixon, Jr., for Judge Nixon's answer to the articles of impeachment against him, and for a replication by the House, and ask for its immediate consideration.

The PRESIDENT pro tempore. The clerk will report the resolution.

The legislative clerk read as follows:

A resolution (S. Res. 127) to provide for issuance of a summons and for related procedures concerning the articles of impeachment against Walter L. Nixon, Jr.

The PRESIDENT pro tempore. Is there objection to the immediate consideration of the resolution.

There being no objection, the Senate proceeded to consider the resolution.

The PRESIDENT pro tempore. The question is on agreeing to the resolution.

The resolution (S. Res. 127) was agreed to, as follows:

S. RES. 127

Resolved, That a summons shall be issued which commands Walter L. Nixon, Jr., to file with the Secretary of the Senate an answer to the articles of impeachment no later than May 31, 1989, and thereafter to abide by, obey, and perform such orders, directions, and judgments as the Senate shall make in the premises, according to the Constitution and laws of the United States.

SEC. 2. The Sergeant at Arms is authorized to utilize the services of the Deputy Sergeant at Arms or another employee of the Senate in serving the summons.

SEC. 3. The Secretary shall notify the House of Representatives of the filing of the answer and shall provide a copy of the answer to the House.

SEC. 4. The managers on the part of the House may file with the Secretary of the Senate a replication no later than June 12, 1989.

SEC. 5. The Secretary shall notify counsel for Walter L. Nixon, Jr., of the filing of a replication, and shall provide counsel with a copy.

SEC. 6. The Secretary shall provide the answer and the replication, if any, to the Presiding Officer of the Senate on the first day the Senate is in session after the Secretary receives them, and the Presiding Officer shall cause the answer and replication, if any, to be printed in the Senate Journal and in the Congressional Record. If a timely answer has not been filed the Presiding Officer shall cause a plea of not guilty to be entered.

SEC. 7. The articles of impeachment, the answer, and the replication, if any, together with the provisions of the Constitution on impeachment, and the Rules of Procedure and Practice in the Senate when Sitting on Impeachment Trials, shall be printed under the direction of the Secretary as a Senate document.

SEC. 8. The provisions of this resolution shall govern notwithstanding any provisions to the contrary in the Rules of Procedure and Practice in the Senate When Sitting on Impeachment Trials.

SEC. 9. The Secretary shall notify the House of Represantatives of this resolution.

Mr. MITCHELL. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDENT pro tempore. The majority leader is recognized.

S. RES. 128

Mr. MITCHELL. Mr. President, on behalf of myself and the distinguished Republican leader, Mr. DOLE, I send a resolution to the desk on the appointment of an impeachment trial committee, and ask for its immediate consideration.

The PRESIDENT pro tempore. The clerk will report the resolution. The legislation clerk read as follows:

A resolution (S. Res. 128) to provide for the appointment of a committee to receive and to report evidence with respect to articles of impeachment against Judge Walter L. Nixon, Jr.

The PRESIDENT pro tempore. Is there objection to the immediate consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

The PRESIDENT pro tempore. The question is on agreeing to the resolution.

The resolution (S. Res. 128) was agreed to, as follows:

S. RES. 128

Resolved. That pursuant to rule XI of the Rules of Procedure and Practice in the Senate When Sitting on Impeachment Trials, the Presiding Officer shall appoint a committee of twelve senators to perform the duties and to exercise the powers provided for in the rule.

SEC. 2. The majority and minority leader shall each recommend six members to the Presiding Officer for appointment to the committee. The committee shall designate one of its members to be chairman and one of its members to be vice chairman.

SEC. 3. The committee shall be deemed to be a standing committee of the Senate for the purpose of reporting to the Senate resolutions for the criminal or civil enforcement of the committee's subpoenas or orders, and for the purpose of printing reports, hearings, and other documents for submission to the Senate Under Rule XI.

SEC. 4. During proceedings conducted under rule XI the chairman of the committee is authorized to waive the requirement under the Rules of Procedure and Practice in the Senate When Sitting on Impeachment Trials that questions by a Senator to a witness, a manager, or counsel shall be re-

duced to writing and put by the Presiding Officer.

SEC. 5. In addition to a certified copy of the transcript of the proceedings and testimony had and given before it, the committee is authorizd to report to the Senate a statement of facts that are uncontested and a summary, with appropriate references to the record, of evidence that the parties have introduced on contested issues of fact.

SEC. 6. The actual and necessary expenses of the committee, including the employment of staff at an annual rate of pay, and the employment of consultants with prior approval of the Committee on Rules and Administration at a rate not to exceed the maximum daily rate for a standing committee of the Senate, shall be paid from the contingent fund of the Senate from the appropriation account "Miscellaneous Items" upon vouchers approved by the chairman of the committee, except that no voucher shall be required to pay the salary of any employee who is compensated at an annual rate of pay.

SEC. 7. The Secretary shall notify the House of Representatives and counsel for Judge Walter L. Nixon, Jr., of this resolution.

Mr. MITCHELL. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDENT pro tempore. The majority leader is recognized.

Mr. MITCHELL. Mr. President, in accordance with the resolution on the appointment of an impeachment trial committee, I recommend to the Chair the appointment of Senators FOWLER, HEFLIN, WIRTH, REID, ROBB, and KOHL.

The PRESIDENT pro tempore. The minority leader is recognized.

Mr. DOLE. Mr. President, in accordance with the resolution on the appointment of an impeachment trial committee, I recommend to the Chair the appointment of Senators HATCH, DANFORTH, CHAFEE, MURKOWSKI, JEFFORDS, and MACK.

The PRESIDENT pro tempore. Pursuant to Senate Resolution 128 on the appointment of an impeachment trial committee and impeachment rule XI, the Chair appoints upon the recommendations of the two leaders the following Senators to be members of the committee to receive and report evidence in the impeachment of Judge Walter L. Nixon, Jr.:

Senators FOWLER, HEFLIN, WIRTH, REID, ROBB, KOHL, HATCH, DANFORTH, CHAFEE, MURKOWSKI, JEFFORDS, and MACK.

The majority leader is recognized.

Mr. MITCHELL. Mr. President, the resolution on the appointment of an impeachment trial committee provides that the committee shall designate one of its members to be chairman and one of its members to be vice chairman. The Committee on Rules and Administration will be providing its hearing room, SR-301, to the impeachment committee for an organizational meeting on Tuesday, May 16, at 4 p.m.

The PRESIDENT pro tempore. The Senate will take further proper order, and notify the House of Representatives, and counsel for Judge Nixon.

Mr. MITCHELL. Mr. President, that completes action on this matter.

I now suggest the absence of a quorum.

The PRESIDENT pro tempore. The absence of a quorum has been suggested. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

RESERVATION OF LEADER TIME

Mr. MITCHELL. Mr. President, I reserve the remainder of my leader time and I also reserve the time of the distinguished Republican leader, Senator DOLE.

The PRESIDENT pro tempore. Without objection, it is so ordered.

MORNING BUSINESS

The PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of routine morning business for not to extend beyond the hour of 1 p.m. with Senators permitted to speak therein for not to exceed 5 minutes each.

The Senator from Iowa is recognized.

Mr. GRASSLEY. I thank the Chair.

(The remarks of Mr. GRASSLEY pertaining to the introduction of legislation are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. MITCHELL. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore (Mr. LIEBERMAN). The absence of a quorum having been suggested, the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. KOHL). Without objection, it is so ordered.

PANAMA

Mr. DOLE. Mr. President, it seems there is no bottom to the abyss into which Gen. Manuel Noriega has tossed his own country.

It seems there is no end to Noriega's affront to his own people—and to peaceful, democratic people everywhere.

We all know that the most recent prank of Panama's drug-dealing dictator was to steal an election from a majority of people who cast their vote for a new government, but events of the last few days have truly brought Noriega to new lows.

Thousands of Panamanian citizens lined the streets to bear witness to a fact everyone already understood: The election was clearly won by opposition candidates Guillermo Endara, Ricardo Arias Calderon and Guillermo Ford.

Instead of declaring the Endara ticket the victor, Noriega voided the election and sent his thugs after the Panamanian people with water cannons, tear gas, clubs, and bullets.

Endara, Arias, and Ford were administered sound beatings, and today the popularly elected leaders of Panama are in hiding.

Now Noriega would have the world believe that this situation is the result of overbearing North American neighbors. Will not wash. Ask any Panamanian, foreign observer, reporter, or the Catholic Church: Noriega stole the election and went on a rampage against his own people.

Unfortunately, some of those few who believe Noriega live in Moscow. Yes, Moscow.

This morning's Washington Post reports that Secretary Baker and Foreign Minister Shevardnadze made some progress on regional issues, including Central America. But as Baker wound up his first official Moscow visit, Tass was saying that Noriega was right to nullify the election because the United States rigged the election.

The Soviets cannot have it both ways. If they want good relations with us, if they want us to believe that glasnost and perestroika really mean a new foreign policy, then this sort of verbal assault will have to stop.

Let us face it, perestroika or not, the Kremlin still controls Tass. So what is Moscow's position? They just had an election, of sorts, in the Soviet Union, and it was a much freer election than thay had in Panama. At least in Moscow, and in some places around the Soviet Union some people were elected for the first time in a long, long time. So, are the Soviets going to stand up for democracy and freedom or take cold war pot-shots at Uncle Sam?

It is also time for some plain talk to Manuel Noriega. In addition to his own citizens, he has set his thugs lose to harass American military and diplomatic personnel and their families. We cannot and will not tolerate this.

Earlier this morning, the Republican and Democratic leadership in the House and Senate met with President Bush at the White House. We were advised that later this afternoon, at 4 o'clock, he will make an announcement of what measures he feels are necessary at this time—I underscore "at this time," because this matter is

changing, almost as we speak, in Panama—to protect Americans and American interests in Panama. And we do have an interest in Panama. In addition to the Panama Canal; there are estimates of 40,000 Americans in Panama and the Panama Canal Zone.

I think it is fair to say here and now that whatever the President decides, he will have bipartisan support in Congress. He will have the overwhelming support of the American people. I know the President has been consulting with leaders in central America and around the world. It seems to me that there should be an outcry and an outrage from Panama's neighbors, as well as the people in Panama.

In my view, that would have a most important impact upon General Noriega. So when President Bush announces the measures he plans to take, I hope, believe, and I feel certain that they will be greeted with bipartisan approval from nearly every Member of Congress in the House and the Senate.

Again, there are preliminary steps. Who knows what may happen tomorrow or the day after or next week? That will depend on the conduct of General Noriega.

Mr. President, I reserve the remainder of my time.

Mr. WIRTH addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Colorado [Mr. WIRTH].

Mr. WIRTH. I thank the Chair.

(The remarks of Mr. WIRTH pertaining to the introduction of legislation are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

FAREWELL TO KEVIN KNOBLOCH

Mr. WIRTH. Mr. President, we have all had the painful experience of bidding farewell to valued staff members, and today I want to share my impressions of a most valued member of my staff, Kevin Knobloch. Kevin has been my legislative director—both in the House and Senate—since the summer of 1985. During Kevin's tenure, the Wirth legislative operation—which has always been, in my opinion, one of the best on the Hill—has far exceeded even my own high—some might say unrealistically so—standards and expectations.

To a very large extent, the effective functioning of this group of talented individuals has been due to Kevin's outstanding leadership abilities. His grasp of the issues, fluency with pen, pencil, and word processor, understanding of the State of Colorado, intimate knowledge of the workings of Congress and ability to guide and inspire other staff members are skills I fear I will be hard-pressed to find in any replacement.

Moreover, I will sorely miss the benefit of Kevin's counsel. As many of my colleagues will attest, the single most important quality to find in a senior staff person is the ability to say, "No. I don't think that is such a good idea. Here are the reasons * * *." Kevin has been the central individual I could always count on to provide me with a direct, honest, and accurate evaluation of any proposal or position. That capability has served me very well for nearly 4 years.

I recognize that few of us can hope to retain the services of any one highly skilled staff member here on the Hill forever. Neither the lifestyle nor the compensation in general are such that outside opportunities will not ultimately beckon. In Kevin's case, I am pleased that he will be going to work with an organization that I have long respected, the Union of Concerned Scientists. He will be handling their arms control issues and I have to say that they could not have found anyone with greater integrity, ability, or sincerity to drive that very important agenda for them. He will be sorely missed in the Wirth operation but, at least, we are giving him up to a very good cause.

I know that my staff feel the same sense of loss as I. Kevin has filled very big shoes in the Wirth operation for a long time. His sense of humor, his warmth and his total unwillingness to get ruffled are traits that have made everyone's job here a good deal easier and a lot more fun. We wish Kevin the very best in the coming years. As he just became a father for the first time last month, I can earnestly say that he has a future full of exciting challenges and immense rewards—which he richly deserves.

Mr. MITCHELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT—SENATE JOINT RESOLUTION 113

Mr. MITCHELL. Mr. President, I ask unanimous consent that, during the consideration of Senate Joint Resolution 113, the FSX disapproval resolution, only amendments or motions relevant to the subject matter of the joint resolution be in order.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER TO PROCEED TO THE CONSIDERATION OF SENATE JOINT RESOLUTION 113

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of the FSX disapproval resolution (S.J. Res. 113) at 2 p.m. today.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL 2 P.M.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate stand in recess until 2 p.m. today.

There being no objection, the Senate, at 12:53 p.m., recessed until 2 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. LIEBERMAN].

Mr. COHEN. Mr. President, I ask unanimous consent that I be allowed to proceed for 2 minutes as if in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE EVENTS IN PANAMA AS MONITORED BY THE SOVIET UNION

Mr. COHEN. Mr. President, the recent unfortunate events in Panama, which are being followed so closely here at home, are being monitored with equal interest by our friends in the Soviet Union, as indicated by an Associated Press account of a dispatch today from Tass, the official news agency.

I believe all of us are aware of the fact that Mr. Gorbachev has attempted to improve the situation in the Soviet Union with his policies of "glasnost" and "perestroika." I think they have generated considerable attention in this country and throughout the world. They have created a certain feeling that there is a softening of the attitude of the Soviet Union toward the West, a more civilized and harmonizing approach, I might say.

But this dispatch from Tass leaves a vastly different impression. It indicates to me that Mr. Gorbachev's restructuring evidently has not penetrated into the depths of the Tass newsroom, where old school fingers were clearly at the keys of the typewriter that produced this report.

The Panamanian opposition, according to Tass—and I would like to quote it—"instigated by the United States, violated election laws and attempted to rig the results."

As those results came in, Tass continued, "the opposition, directly instigated by the United States, started heightening the atmosphere by resorting to obviously provocative and subversive actions."

Mr. President, I find these reports both disturbing and rather remarkable. They seem to me to be a product of news-speak. Facts are twisted into lies, and they are paraded about as truth, like the Orwellian nightmare in which we saw hate twisted into love and were told that ignorance was the equivalent of wisdom, that slavery would be equal to freedom, that two plus two equaled five.

Well, unfortunately for Tass and those reporting on its behalf, the camera does not blink. Millions of people were able to see the brutality that was carried out against the Panamanian opposition—those people who are striving for freedom—and it gives lie to the facts as reported by Tass.

I will say, Mr. President, that if this is the Soviets' new thinking, then glasnost and perestroika are moving very slowly indeed, and we have a lot further to go than many thought in establishing a much better relationship with the Soviet Union.

Mr. President, I ask unanimous consent that the Associated Press report be printed in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

SOVIETS BLAME INVALIDATED PANAMA ELECTION ON OPPOSITION

Moscow.—The nullification of elections in Panama was necessary because the opposition, instigated by the United States, violated election laws and attempted to rig the results, the official Tass news agency claimed today.

The Electoral Tribunal in Panama City late Wednesday invalidated Sunday's election, saying the stealing of ballots, vote-buying and missing tally sheets made proclamation of a new president impossible.

Both sides had claimed victory in the balloting, which international observers and the opposition claimed were rigged by forces loyal to strongman Gen. Manuel Antonio Noriega.

Tass, in a dispatch from Panama City, claimed supporters of opposition presidential candidate Guillermo Endara had violated election procedures.

"They blockaded polling stations, preventing ballot boxes from being taken to the commission's headquarters in good time," Tass said. "A considerable number of ballot papers were stolen or destroyed and several ballot boxes were burned."

Witnesses and international observers said soldiers loyal to Noriega had stolen ballots from polling stations where voting heavily favored the opposition.

Tass said that as results were coming in, "The opposition, directly instigated by the United States, started heightening the atmosphere by resorting to obviously provocative and subversive actions."

Tass said allowing the election results to remain valid posed "unpredictable consequences for the country's future."

The decision to nullify the election "appears to be extraordinary, but the only correct one," the news agency said.

MAKING A SPECIAL EFFORT: JAMES FENIMORE COOPER HIGH SCHOOL

Mr. CRANSTON. Mr. President, I recently received letters from four young constituents of mine inviting me to attend their school's graduation ceremony. Because the Senate is scheduled to be in session on the day of their graduation, I told them I would be unable to join them. However, I did tell them I would be with them in spirit. And I meant that.

I'd like to tell my colleagues here a little about the school these young people attend because I believe that it and the students there deserve some special recognition.

James Fenimore Cooper High School in San Pedro, CA, is 1 of 5 opportunity high schools in the Los Angeles Unified School District. Created by statute to respond to the high dropout rate in California, opportunity schools face an even greater challenge in meeting the needs of its students than do more conventional schools because the needs of its students are so great.

When assigned to the opportunity school like Cooper, a student has usually been transferred from one or more traditional schools—in some cases, as many as eight schools—because he or she has had difficulty either socially or academically or both. Truancy and poor behavior are the primary reasons these students were asked to leave the traditional schools.

What makes an opportunity school different from other schools which have tried to work with troubled students is its approach. Opportunity schools recognize the synergistic relationship between self-esteem and academic achievement. In other words, schools like Cooper High realize that students who think of themselves as losers will not do well at school—cannot, in fact, do well. And conversely students who do poorly—for whatever reason—will think poorly of themselves. Opportunity schools seek to break this negative cycle and help the students recognize themselves for what they are: unique individuals with the potential to achieve whatever they set their minds to.

James Fenimore Cooper's students, its faculty, its administration and all those in the community who make the school possible deserve recognition for their special commitment to America's future. Each of them can learn from each of them the most important lesson of all—do not give up.

A VISION FOR SCHOOLS

Mr. CRANSTON. Mr. President, Dr. JoAnn Shaheen is a former constituent of mine and presently director of Elementary Education in South Orangetown, NY. Her skills as an educator and administrator have earned her numerous recognitions and awards, including being named one of 100 outstanding U.S. educators in 1984. Dr. Shaheen's professional accomplishments are rooted in the sheer love of children, respect for their teachers, and a clear vision of schools in which teachers are able to teach and children are able to learn.

In the winter 1988 edition of "Democracy and Education," Dr. Shaheen shares her experience and her hopes for humane, excellent schools. Her article was written when she was principal of the William O. Schaefer School in Tappan, NY. I ask unanimous consent that the article, "Democratic Discipline, Democratic Lives" be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

DEMOCRATIC DISCIPLINE, DEMOCRATIC LIVES

(By JoAnn Shaheen)

I want to share with you what we at Schaefer School are about and why. As I do this, I hope each of you will take stock of where you are and where you want to be. I hope the steps we have taken will suggest ways for you to bridge the gap between where you are and where you want to be. Just as importantly, you will have a chance to see which pieces of the Schaefer program may not fit well into your dreams and goals.

It is so difficult to teach in today's schools. In order to survive, each of us can succumb to relying on memories to get feelings of satisfaction rather than create new dreams for ourselves and those whom we teach. Urie Bronfenbrenner has written much about the necessity for somebody to be irrationally crazy about a kid, if that kid is to become a competent and compassionate member of our society. It often seems to us that it is increasingly difficult to become irrationally crazy about a kid in today's schools.

Let me explain a key reason for this difficulty. One of my teachers recently asked me to approve a letter which he wished to send to the parents of his students. I ask all teachers to share with me all communication going to all parents in their classrooms so that I know what is going on before I get telephone calls. This is Don's letter:

DEAR PARENTS: I am sorry to report to you that I was unable to teach your child reading or language arts this week. However, I am happy to report that I, and possibly your child, were somehow involved in the following:

"Bicycle Safety Program, Fire Prevention Program, Handicapped Program, Class Mother Program, Probe Program, Computer Program, Parent Conferences, Ghost and Goblin Fair, Law-related Eduction,

"Metrics Program, Class Pictures, Elks' Free Throw Contest, Costume Workshop, Independent Reading, Book Orders, Outdoor Education, Mock Elections, Career Eduction Program,

"Playground Clean-up Program, Humanities Grant Program, Trade-Offs (Economics Program), Gifted and Talented Screening, Classroom Physical Education, Gem and Mineral Demonstration, Substitute Teacher Evaluation Program, and N.Y.S. Physical Fitness Testing Program.

"All of these "special" programs are laudable and educationally sound programs. I hope you'll agree.

"Sincerely,

DON GERARD."

The curriculum burgeons. Teachers fight time. The expectations grow for today's schools. Everyone, it seems, wants us to fix everything or at least take responsibility for everything that is difficult so that he/she can label us as responsible and feel free to drop the problems or dilemmas. But many of us remain in the schools although other jobs might pay more, or the work might be easier, or we might have closure after eight hours a day. Why? Because most of us are irrationally crazy about kids—at least enough of the time so that we only write our resignations in pencil.

But life is too short to be little. All of us who remain in education need to feel in the inner, very private core of our beings the power we have for good. All of us, if we are not to become withered and passive and truly worn-out human beings, need to feel the exaltation which comes when we form caring, giving relationships with kids and with our colleagues. We need to feel the exuberance that comes from being intellectually, ethically, and emotionally on the move.

All of us can create energy within ourselves when we lead ourselves and our students (be they five-year-olds or seventeen-year-olds) in a search for justice and wisdom, when we run after truth, beauty, and goodness. Some of us beleive today that we have to make this run apologetically because these words—justice, wisdom, truth, beauty, and goodness—seem to have an old-fashioned, out-of-vogue and out-of-touch, embarrassingly innocent tinge to them. I believe that these feelings are wrong. In the lingering malaise of Vietnam, of Watergate, and of the recent Contra hearings, we cannot give up the dreams and voyages we must take in order to become good persons and to contribute personally to the maintenance, continuance, and extension of our forefathers' promises.

To feel truly alive in a world where antiheroes are popular, I believe that each of us, at least once in a while, must feel like a hero. Being in a school with children can give each of us a chance to feel and behave like a hero. In doing so, we will assuredly have many opportunities for laughter and love, for learning and challenge, for accomplishments and achievements. And is there really anything else that matters?

I would like to talk with you about my experiences and beliefs. These are very important if you are to understand why we at Schaefer have designed a series of programs [See boxes throughout this article.] to help us create a setting in which children can grow in the attitudes and skills necessary for citizenship in our country.

TO TEACH, TO LEARN

Let me begin with our two, immediate, absolutely imperative goals. We want teachers to be able to teach and children to be able to learn. We want this in every one of our classrooms. It is an essential beginning and is really our reason for being. Once I attended a conference at which a principal and several teachers described a wonderful educational program they wished us to adopt. They began with, "Let me tell you about our school." Their first descriptive statement was, "The children run the school: they really do!" I thought, "How tragic. They are taking away the children's childhood. Child development makes it absolutely clear that limits, structures, routines are part of children's basic needs."

Next, they told us, "We had the longest bunny hop in history." And I thought, "What wonderful fun for the children. The children will remember it forever and that is nice. However, if that is one of the most important things you have to say about your school, if 'fun' is all we are about, we can accomplish that much more cheaply at a zoo or an amusement park."

Finally, they urged us to do what they do. They said, "At the beginning of the year, the children choose where they want to sit, and that is it! The children stay that way until they want to change it." I thought, "How cruel! How about the child who is inevitably lonely, assertively rejected, the handicapped child who needs help in becoming a member? As an adult, the teacher has an obligation to assist the children in making such important decisions."

Last year, I had a third grader who was disrupting the classroom. She was not fulfilling her excellent educational potential. She was losing, her classmates were losing, and the teacher was unable to use her own talents, knowledge, and experience. The teacher's voice became shrill and loud, her manner curt, her goals and teaching objective primitive. I moved the child to another classroom (both teachers and the parents were in agreement). The child threw tantrums at home and at school; however, for only a short time. The child told me she hated me—that I was unfair, that I was separating her from her friends. I did not back down—not because I am so wonderful, but because I remembered the words of Paul Tillich: "A leader must be just and full of love."

Emily, my lovely, gifted, underachieving third grader, earned an outstanding final report card. Her mother reported to me that she had questioned Emily about how she had been able to accomplish so much in such a short time. Emily responded, "Oh, that's easy. I didn't have any friends to talk to in my room, so I decided that I might as well do my work."

ON BEING DEMOCRATIC

Everyone at our school—parents, teachers, and children—knows that we explicitly follow our New York State Code, which demands, "Every child has a right to be and to feel safe at school and to learn." One of my major roles as principal is to be as sure as I can be that this expectation is carried out in every classroom in our school. Classrooms cannot be viewed as small, democratic communities—not even at the senior high level. It is ridiculous to think of a classroom in terms of a political democracy. The teacher has more authority than one equal vote. Students do not determine the curriculum. Students do not choose the purpose of the school. Students cannot withdraw.

A good system of discipline must not be wishy washy. More than anything else, discipline means that the leader of the school (the principal) and the leaders of the classrooms (the teachers) must make absolutely clear that "Every student in this school has a right to be and to feel safe at achool and to learn." But that is not enough; we need to deepen our perspective of where we want to get to.

We have just as strong an obligation to be able to prepare children to live in a democratic society. We cannot discipline in ways which necessitate that an authority figure be ever present. We cannot discipline students in ways which necessitate hiring a personal police person for each citizen or which shallowly justify the formation of mobs, bigoted clans, or cults. If I'm standing here with my foot on someone, that person is not free. But neither am I because I can't take my foot off. I believe that we used to consider only the first part of the statement: "If I stand with my foot on someone, I control that person." Today we know enough to recognize the widsom of the second clause of the statement: "But neither am I free because I cannot take my foot off." We realize that compliance granted only because of fear of punishment is not truly good education. If I only educate in ways which produce obedience to greater power, I am not educating in ways that assure the continuance of our democratic way of life.

We want to educate students who can live in the future—they have no choice. We created the world in which they grow up, and in many ways, we have provided them a great heritage. We also leave them a great many problems. They must be able to cope with a different world—be able to make decisions, solve problems, settle conflicts, negotiate, compromise, mediate. Because a sense of isolation, selfishness, and helplessness increases with age, our children as adults will have to find ways to cope with these feelings or go mad.

Certainly we must dream and dare to hope that we are educating in ways which will enable most of our students to realize the full development of their individual capacities. We must dream that many of our children will have the kind of education which will enable them to shed crude egocentricity for self-realization—to shed self-absorption so they can help build a community healthy enough for human beings.

THE CHALLENGE WE FACE

A tall order? yes, indeed! The problems are tough because society, as we live it today, seems to create more and more problems, and society's problems do not stop at the schoolhouse door! The children bring them into the classroom.

Let me tell you about Jonathan, a second grader. He drew a picture of a house and his family using only strong black crayon. He wrote this story to accompany his family portrait: "This is my house. It is made of iron. Even the clouds and the sun hear the yelling. It is a sad house. It is terribly unhappy." Last year my school nurse gave me a note describing an incident on the playground that morning. The note read: "JoAnn, don't want to interrupt your meeting, but while I was on bus duty this AM, buses were arriving and Mike took a toy gun out of his pocket, put it to his head, and said, 'BANG.' When I said how terrible it was, he said, 'No, it would be great; I wouldn't have to live anymore.' " Alcoholic father * * * family in the midst of divorce * * * Mike often ill. Mike is one of the eight children in our school who talked openly of suicide last year.

Last year, too, notes from parents started to arrive at school regularly: "To Whom It May Concern: Robert is not to leave the school with anyone other than myself [Mother] or Mary [grandmother]." Perhaps nine or 10 times during the year we were involved with messy, messy divorces—parents sued one another, police became involved, childen screamed for help. We even hired a private security guard for the first two days of school because the police informed us that there was a possibility one father would try to abduct his son from school at gunpoint. We have a small counseling pro-

gram. Of the 12 kindergarten and first grade children identified and involved in this program, nine are messed up because of drug and alcohol abuse in their immediate families. The teachers identified the children as needing help before we knew the backgrounds. One child sobbed to the counselor, "My grandmother stays home to take care of me because I am a child, but I have to take the bottles away from her. My mom says I am to pour the liquor down the toilet, but my grandmother gets so mad. * * *"

Those who study psychopathic behavior believe that it is on the increase in our country. Psychopathic people are guiltless, insensitive, amoral, and loveless. They will affect our communities and our lives.

Should we be angry with ourselves because we don't have answers to all this? No, we should be furious with ourselves if we do not continue to become learners. We all must unashamedly remain learners if we are to take up the educational challenges of today: to find ways to enable children to live in a democratic society in the 21st century; to find ways to enable children to become as fully human as possible. Our greatest sin today is not to seek to learn.

TOWARD DEMOCRATIC DISCIPLINE

It is impertive today that each school have an excellent system of discipline and classroom management. These tortured, mixed-up, sad, and angry kids are not easy to teach; they are not easy to reach. But I have learned that an effective system of discipline must not damage a person's self-esteem. We must nurture and encourage human potential. We must not destroy that kernel of greatness in each human being, no matter how small it is. Ridicule, sarcasm, public admonishments have no place in a good school.

Several years ago my stepmother died after a long illness. The day before she died, I went to the hospital to visit. She shared with me her sorrow that her sisters and brothers had not come to visit her. I think that she knew that she was dying, and she wanted to say good-bye to them. I criticized them severely. She took my hand and gently admonished me: "Don't blame them, JoAnn. I raised them, you know. I could have done a better job, but in school they always told me I was dumb, and when they didn't say it, I knew they thought it. And later in life, sometimes I would try to do things, and I found I could. Why did they do this to me? My life could have been so diferent. * * *"

Mildred, a fourth grader, taught me where the real power for good is in the school. One day I was in my office—running late for a meeting at Central Office. As I pulled on my coat, my secretary said, "Mildred is waiting for you." I was in a hurry, but I had to deal with Mildred, a child with many academic and even more behavioral problems. I said, "Mildred, what is the problem?"

Mildred responded quietly and slowly. "Have you ever had a day when everything you did got you in trouble?"

"Yes, I think so," I replied. I knew enough to know that Mildred needed to talk, so I pulled off my coat and led her to a bench where we could sit down.

Mildred spoke again. "And, have you ever had a day when everybody did everything that hurt you and they probably didn't mean to?" I again responded that I thought I knew this feeling. Mildred and I talked about the day, and she described the many things that had gone wrong.

Then, still in a hurry, I said to her, "Mildred, what can I do for you?" Because, of course, I thought I could do something—fix Mildred—and rush to my meeting at Central Office.

Mildred looked at me, took my two shoulders in her hands, faced me, and quietly said, "You can't do anything for me. . . . You can just listen!!!"

Here Mildred and I were, in a very good school with thousands of dollars of hardware and software and lots of aides and specialists—almost everything educators could want; and Mildred was saying, "Please, please, just listen to me." Whenever I lose my dream and think I'm not good enough to reach so high, I think of my step-mother and Mildred. I know you, too, have memories to keep you seeking "the best."

Let me tell you about Jack, the sophisticated terror of the third grade, a non-reader, and an effective negative leader. As an elementary school guidance counselor, I was asked to help. I worked with Jack on phonics, using all kinds of word games. As we worked and trust grew, I found out that Jack cooked, fed three younger children, polished his shoes and the shoes of all the other chidlren each night, saw to it that the three younger children were dressed and spic and span each morning. In school we were treating him as a small boy. He was aware that he was in the bottom reading group, lacking status and failing in school. He also knew that he had many important things to accomplish in caring for a family where there was no father and where the mother, working in a factory from 6:30 a.m. to 3:30 p.m. each day, was too overwhelmed to care much.

Jack helps to point up the proper place of order and control in our classrooms. There must be order and control in these classrooms if learning is to take place. Hopefully, none of us refutes the need for order. Hopefully none of us promotes permissiveness, but this does not mean that we believe that stand-up sit-down raise-your-hand-before-thinking-or-acting is indicative of good teaching.

All of us know that there are classrooms in which the students will say nothing because they are afraid of the teacher. We also know that significant learning is not taking place in those classrooms. The conclusion is obvious: just having order and control in a classroom does not necessarily mean that learning is taking place; nor does having an orderly classroom make one an excellent teacher. I think many people judge teachers only by their ability to control children, not by the teacher's ability to truly teach. There are some teachers who erroneously judge themselves good teachers by the same criteria.

Professional teachers are always good disciplinarians. Yet a close look at these great teachers reveals that they are not the kind who carry clubs. They are disciplinarians in a human way. They set standards for acceptable student behavior and are somehow and some way consistently successful in getting children to meet the standards. They help meet the human needs of children like Jack by involving them in positive ways with the teacher and with learning.

Robert's teacher helped Robert, a bright sixth grader, completely change his behavior. Robert would not do his work in school or his homework at home. He mimicked his teacher, causing one disruption after another. One day, I had had it. When he was sent in to me, I flung a yellow pad at him and asked him to go into the library and write for me what was going on. He wrote:

"During my lunch recess I haven't been behaving. I have been doing everything I'm not supposed to do. We, that is my friends and I, have been purposely annoying the aide. We've been hitting kids with our hats. I have known I'm not supposed to do these things and I've done the following:

"(1) pushed over milk cartons,
"(2) got in one fight,
"(3) annoyed all the children outside,
"(4) chased kids,
"(5) handcuffed them,
"(6) chased them on a bicycle,
"(7) hit some with a stick,
"(8) took some kid's ball,
"(9) threw snowballs,
"(10) had a good fight,
"(11) fooled around in gym,
"(12) fooled around in art,
"(13) gone off school grounds, and
"(14) didn't come in when Miss Shaheen told me to.

"I've also got a reputation for being a trouble maker. Also I moved one of the big garbage cans. I haven't tried to stop my friends from getting in trouble. I don't look forward to going to school. None of the teachers like me. I guess the more freedom I get, the less I appreciate it. I'm sorry that I have caused so much trouble and I know this time that I won't do it again. I'm sorry. I've had some trouble at home and I guess I take my aggression out at recess.

Sincerely,

ROBERT."

Robert's teacher and I sat down with him that afternoon. He trusted us enough to tell us that he had had it with our saying that we had had it and that he was sick of hearing from his parents that they had had it. Robert was a very ethical, unusually moral, rational sixth grader. In solving their problems the adults had torn this young boy apart. He truly could not endure any longer the screaming, yelling, deceit, hurt, and sorrow of the family members he loved. As teachers, we must be more alert than ever to children who come to school with their basic mental or physical needs unfulfilled. Robert was able to change his behavior, but only because a teacher was willing to listen and respond with love and humanity.

DON'T GET TOUGH

The current "get tough" message in our schools is wrong. It is ethically and morally wrong. Our schools must not model toughness. The world is rampant with models of toughness and the results of that toughness. Each night the television pumps toughness into the living rooms of our children, into their bedrooms, their kitchens, and in some homes even into the bathroom so that no three minutes of violence may be missed. Instead, our schools must model gentleness. The sickness of America today—and America and the American people are hurting—is that we don't know how to be gentle. There are few models because only the true strong and competent can be gentle. Think for a minute when you last heard a gentle, sensitive, caring, compassionate news item. If there was ever a time in history when our children need to have models for what it means to be gentle, it is now. Swirling about the children who attend many of our schools are images of egocentric adults. We must be gentle because we are strong and because we know what we are doing and accept responsibility for our actions.

Our schools must create excitement for and with children. If we do not create excitement, the children will create their own. I learned early in my teaching career that it was safer for me to plan excitement than to

let the children design it. I do not believe that school must always be fun, that we must be a live Sesame Street show. I really resent this notion. I do believe that school should consciously build memories: a talent show, a snow festival, a field day. Once we have launched these memories, the important thing is that we let them fly, not that we get them back.

School should have the excitement that comes from being a part of solving problems so that everyone, young and old, student and teacher, feels better about the time spent at school. School should have the excitement of helping other children, of mastering number facts even in the age of calculators, of learning how to write, and of sharing feelings with audiences of all kinds.

Our schools must have administrators and teachers who stand for something. The days when school teachers and school principals could be wishy-washy are gone. The schools must reflect such landmark ideals of our country as truth, beauty, faith, love, and justice. These ideals must be the very hallmarks of what happens between people in the school.

TAKING THE TIME TO CARE

We cannot teach beauty in a school where there is not time each day for people to stop just to think of something beautiful. We once asked our third graders to ask their parents what was beautiful to them. One little boy wrote this for his homework: "My mommy says that I was the most beautiful thing she ever saw when I was born. My daddy says that my mommy is beautiful." We cannot teach faith in a school where we raise expectations only to dash them callously. We cannot teach truth in a school, where textbooks carry unsupported or unchallenged distortion or only teach facts, events, and interpretations which will displease no one. We cannot teach love in a school "rigged" against young people, in a school which throws an arm of support around some—the obviously beautiful—while the other arm pushes others out the schoolhouse door. And we cannot teach justice in a school or in classroom bereft of due process, of fair treatment, of adherence to our Bill of Rights.

Every school must deal as rationally as possible with all the human beings for whom it is responsible. We did not teach citizenship from our "Civics" textbooks, and we will not teach rational problem solving out of newer textbooks. We will teach these and all other subjects more effectively through the experiences we have with each other during each day at school.

JACOB'S STORY

This is not easy. I remember my failures more than my successes. I remember Jacob. Jacob was the daily bane of my existence. I understood his problem, I thought, but we could not seem to meet his needs academically, through involvement, or through firm, fair, consistent discipline.

Nothing seemed to work with him. During the last week of school, Jacob got into trouble with me for deciding that he would scribble some everlasting graffiti on our bathroom walls. He spent a little time that last week washing walls. Then, the last day of school, Jacob got onto the bus to leave school, to leave his home town to live with his other parent in Florida. His sixth grade teacher came dashing out to the bus because the kids had reported that Jacob had a bag of bits of paper which he was going to throw out the window.

I grabbed Jacob off the bus; told him to call his mother to have her pick him up. I was angry. As he went in to call his mother, he dug deep into his jeans pocket and thrust a crumpled piece of paper at me, saying, "I almost forgot to give this to you." I stuck it in my pocket. A week later I found that wadded-up piece of paper when I was readying that skirt for the laundry. It read:

"DEAR DR. SHAHEEN: I want to say I'm sorry for what happened in the boys' bathroom. I also want to apologize for all the other problems that I caused you in the last couple of years.

JACOB."

I was not proud of my irrational behavior. I could have simply taken his bag of papers from him. But I have learned from my experiences with Jacob and with others: I have learned that I must be ever rational, ever gentle, ever respecting of each child if I am to feel the joy of accomplishment and the magnificent wash of trying to be good at what I do and at what I am.

It is not easy. But it is far easier than it is to be mediocre, to settle for being less than I might be. And if you or I need re-convincing every once in a while, then we can think about the children we miss in every school—children from cities or suburbs or farm communities, children who are rich or poor. Of course we "miss" children in every school—the tattling, wasting, bullying, chattering, bragging, bossing, over-bearing children; the dependent, complaining, slavish-to-should and ought children; the cruel and disabling children; the crumpled and withered "old" childrren. All these are children we have lost.

I sometimes think that if one of these children would just once speak openly, honestly, directly—in an eyeball to eyeball confrontation—the child might say, "Look at me * * * look at me. * * * don't you see that I really am hurting? Can't you see my hurt? Can't you see my disdain for me? My lack of respect for me? You must see it * * * I see it so clearly. * * * Well, you're wrong. I am so a good person. I know I am a good person. You are the one who isn't a good person. But wait a minute * * * I am the one who must be awful because you are a teacher or a principal. You are supposed to be good and intelligent and right. * * * You lead the way. * * * If you weren't all of these things, you wouldn't be a teacher or a principal. You must be o.k."

I believe that these children can grow into amoral anti-social adults. They can become adults who often are incapable of truly ethical decisions, who are dependent upon alcohol, narcissism, drugs, cults, even rampages against society. They are not helpful to their families, to their society, to themselves.

We must heed the advice which Jewish parents often give to their children. "You never know what will be taken from you. You can never be sure that what you own or collect will always be yours. You can be sure only of what you carry with you as an educated, loving person. You must have important experiences tucked away in your heart—experiences with truth, beauty, justice, and responsibility."

We know that, as teachers and as human beings, we will have days that are dark, filled with alienation or terror, with heartbreaking anguish. When we watch a parent die, when a mate asks for a divorce, when a child is sick with fever, when such powerful feelings of inadequacy wash over us that we can't catch our breaths, when a job is lost and there is no other in sight, when. * * * I know that you, too, can add to this list. But we must never forget the importance of helping others tuck away in their hearts experiences filled with truth, beauty, justice and responsibility.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is now concluded.

DISAPPROVING THE EXPORT OF TECHNOLOGY TO CODEVELOP OR COPRODUCE THE FSX AIRCRAFT WITH JAPAN

The PRESIDING OFFICER. Under the previous order, the clerk will now report the joint resolution.

The assistant legislative clerk read as follows:

A joint resolution (S.J. Res. 113) prohibiting the export of technology, defense articles, and defense services to codevelop or coproduce the FSX aircraft with Japan.

The Senate proceeded to consider the joint resolution.

The PRESIDING OFFICER. The Chair recognizes the Senator from Rhode Island [Mr. PELL].

Mr. PELL. Mr. President, earlier today, the Committee on Foreign Relations considered Senate Joint Resolution 113, a resolution to disapprove the administration's proposal for the joint development of a new fighter aircraft, the FSX, with Japan.

A motion to report the resolution favorably failed narrowly by a one-vote margin. Voting in favor of the resolution of disapproval were Senators BIDEN, SARBANES, DODD, KERRY, SIMON, SANFORD, HELMS, and MCCONNELL. Voting against the resolution of disapproval were Senators CRANSTON, MOYNIHAN, ROBB, LUGAR, KASSEBAUM, BOSCHWITZ, MURKOWSKI, MACK, and PELL.

The committee then considered a motion to report the resolution with a negative recommendation. That motion was approved by voice vote, with a quorum present and voting.

The proposal was formally transmitted on May 1. On May 10, the committee received testimony from Senators DIXON, BINGAMAN, and D'AMATO. The committee then heard from Secretary of Defense Richard P. Cheney, Secretary of Commerce Robert A. Mosbacher, and Deputy of State Lawrence S. Engleburger. Earlier today, the committee considered a matter related to the sale in closed session with intelligence community witnesses.

Mr. President, I must tell you first that I found the proposal very troubling. The testimony allayed some of my major concerns, as well as those of some other members. Clearly, however, the committee was quite divided in reaching conclusions on certain aspects of the deal and in reaching the determination that this proposal is in the national interests of the United States. In the end, speaking for

myself, I concluded, with some misgivings, that our new President deserved the benefit of the doubt.

Clearly, the previous administration did not do at all well either in consultations with Congress or in coordinating internally among its own departments. As a result, a deal was formulated which raised a number of concerns whether our national security, foreign policy, and economic interests had been properly served. President Bush was quite correct to take the advice of a number of Members of Congress, as well as senior administration officials, and direct a reevaluation. That led to further discussions with the Japanese and the side letters of April 28.

I wish that this had not been such a contentious proposal. It need not have been. We and the Japanese have many interests in common and should be interacting with greater harmony. The contentiousness and suspicion which has been brought about in our economic and commercial relations has clearly infected our political and security relationship. Even if this proposal is allowed by the Congress, the Japanese Government and industry would be well advised to take our debate as a warning that the economic and commercial relationship must change substantially for the better. It is intolerable for us to be, in effect, the guarantors of Japanese security interests and have Japan still reluctant to give a fair deal on the economic front.

If this is understood here in Washington and, more important in Tokyo, I would hope that this proposal, if allowed, will serve as a bellwether of a new relationship in which the Japanese will comport themselves so as to quickly allay the fears and concerns now evident. If so, the debate will be markedly different several years from now when the Congress is asked to approve a coproduction arrangement for the FSX. I would hope by then the concerns and mistrust so evident now will have been replaced by economic, commercial, diplomatic, and security relationships marked across the board by mutual trust and fairness.

Mr. President, I see that the sponsor of the joint resolution is with us. In view of the fact that I voted against his resolution, I think it would be more appropriate for him to handle the managing of it on this side.

The PRESIDING OFFICER. The Chair recognizes the Senator from Illinois [Mr. DIXON].

Mr. DIXON. Mr. President, may I say to the distinguished senior Senator from Rhode Island and the distinguished chairman of the Foreign Relations Committee, that it is another indication of his kindness and his many accommodations to his colleagues over the years that, notwithstanding the very close result against this Senator in his committee, he would accommodate this Senator by permitting me to manage the question of the resolution of disapproval of the FSX deal here on the floor of the Senate.

Senator PELL is a great Senator. He is a Senator who has served for many years and served not only his State but this Nation with great distinction. I regret very much that he has been unable to support this Senator on this particular occasion but I would observe that in the many years I have spent in politics, I have found that good men of integrity often differ on matters of importance. I honor him. I honor his judgment. And I thank him for his continued kindnesses and deem it a great honor to have served in this institution for a period of time with such a great Senator.

Mr. President, having said all that, I must observe, first, that I am disappointed with the result in the committee. But the Senate ought to know that we come here to discuss a resolution of disapproval of the FSX deal that was not agreed to by the committee by a very narrow vote 8 to 9, against this Senator, with two members not present who did not leave proxies.

It remains open to my colleagues in the Senate ultimately to make their judgment about this question. Clearly, Mr. President, this is not an issue that comes to us with some kind of a special mandate from the committee. Oh, no.

I have taken this floor many times in my short 9 years of service to support the committee process. I have done that when my great friend, the distinguished senior Senator from Georgia, the chairman of the Armed Services Committee has honored me by permitting me to serve as his assistant when he manages the Department of Defense authorization bill. That, as the President knows, is a bill that takes, sometimes, many days, sometimes weeks here. And I have always argued: support the committee process.

Many times with complicated issues, after the committee has spent hundreds and hundreds of hours and many weeks and months in the process on the Department of Defense authorization bill or on this recent, massive thrift legislation you have a right to suggest to your colleagues and friend on the floor that the committee function is paramount. Not so here.

My friend, the chairman of the Foreign Relations Committee, has been his usual fair, impartial, understanding self in the committee. At the same time may I again observe that the vote was exceedingly close. The vote is now closed, but two members did not vote. And those two members had the power to change the result.

So I think we come to this floor unburdened by the committee process. We come here to look at the issue of whether this administration is right in going forward with the negotiation process that has not yet received the approval of the Congress.

Let me make this one particular point, Mr. President, because the occupant of the Chair is a lawyer of great reputation and skill who served as attorney general of his State. In the Armed Services Subcommittee the other day, Chaired by my distinguished friend and capable colleague, Senator JEFF BINGAMAN, the Departments of State, Defense, and Commerce were represented. First of all, Commerce had nothing to do with the FSX deal; nothing at all until January this year. It never had a fingerprint on this.

Commerce was finally brought in at the end by the new President. Secretary Mosbacher, U.S. Trade Representative Carla Hills, Mr. Sununu, and others, shocked by this agreement at first, are now telling us they negotiated it and changed it sufficiently so that now it is acceptable.

When they came before that subcommittee they said the President and the Congress have endorsed the FSX deal. And my thoughtful friend, Senator CARL LEVIN of Michigan, who is insightful about these things, said to the witness: "Wait a minute. We haven't done anything in the Congress on this yet. We are not part yet of this package".

"Oh," but that man said, "you will be."

That is the question, Mr. President; whether we will be. We had not been consulted in this process. We were not a party to what has so far transpired. This deal belongs to the administration; not us. It is not our deal. It is not our deal until we lend this thing our votes.

And I say: Do not do that. There are some that say that this deal has been improved; some who will vote against this resolution, such as my distinguished friend from Missouri, Senator DANFORTH, whom I consider to be a great Senator, have come to us and said: Well, now we can vote for it. You know, the deal is done. They fixed it up a little bit at the end.

But I say: Did they really fix it up a little bit at the end?

Senator DANFORTH, a fine Senator on the other side of the aisle who now says he will vote for this, has, in effect, said: I would not have voted for the deal if commerce had not become involved in January.

Well, has the deal really changed? Here I would like to quote Clyde Prestowitz, Jr., who probably has been quoted more on this transaction than any other American. He is a man of prestige, a man of knowledge on this subject matter. He is a senior associate at the Carnegie Endowment for International Peace in Washington and

author of "Trading Places, How We Allowed Japan To Take the Lead."

This is an article in the Tribune, May 5, just a few days ago. He says: "The new financial deal hardly differs from the original."

Let us start with this understanding. Even those who will hold their nose and vote for this deal admit it was a bum, bad deal before January.

Some are coming to us now and saying: They cleaned it up a little since January. Malarkey. They fiddled around the edges a little bit, moved a sentence here, a little comma here, put an exclamation point where there used to be a period. This is the same old deal, Mr. President, a bad, bad deal for America.

One of my friends who is going to be here in a minute, one of the leaders in this debate, the senior Senator from Kentucky, is going to read you an editorial from a Lexington newspaper that has a headline that says the "S" in FSX is for sucker.

Here is this deal. So the American taxpayers can know the deal, I want to tell them that we spent $7 billion of the American taxpayers' money. As my old friend, Senator Everett McKinley Dirksen, one of the great leaders in this institution who even has buildings named after him, said, "Even if you say that fast, it is a lot of money." Seven billion dollars of the American taxpayers' money we spent to build the finest fighting aircraft in the world. Not the second best, Mr. President. The winner. The best in the world.

In 50 hostile situations around the world Mr. President, 50 times our best fighting aircraft the F-16, has gone up against the best in the world, and do you know what the score is? Fifty kills, no losses for the best fighting aircraft in the world. That is what we have here. We spent $7 billion for the F-16. Now we are going to let Japan have it for about $400 million. For a little more than $400 million, we are going to let them have it.

My arithmetic is not real good, but already I do not like this deal on the math of it. I see taxpayers in the balcony. I will bet none of them like the deal much either.

Supporters of this agreement say, "Do not worry; we are going to get something in return from the Japanese for this." I said, "What? Tell me about it? What are we going to get?" "Oh," they said, "we're going to get two good things." You will love this. We are going to get composite wing technology. That is one. Then we are going to get advanced radar technology. That is two. We are going to get those two things.

We asked the General Accounting Office to look into this. Let me tell you something. The people from Defense, including General Yates, said these folks are fair. That is his testimony, "They are fair. We agree with everything they said. We endorse it."

Well, what did they say? I went to a 1-hour briefing last Friday. I will tell you, there were other Senators there. There was Senator CONRAD BURNS from Montana from the other side of the aisle; Senator QUENTIN BURDICK, the senior Senator from North Dakota, who has served for many years here and is one of our most senior Members; Senator BRYAN of Nevada. This Senator was there. Here is what they said.

The GAO told me there are two technologies we would receive from the Japanese. One is composite wing technology. That is good, and it is further explained to all of us gathered at the briefing it won't require the use of bolts anymore, and the material from which it is made is lighter than what we have now and it will fly further and cheaper.

I said, "Well, now, are the Japanese better than us at that?" The fellow thought for a minute. "No, not as good." I said, "Wait a minute. Wait a minute, now. We are getting this technology from them, as part of the deal, but they are not as advanced in this field as us?" He said, "No, they're not." I said, "Well, I don't understand that." He said, "They are still working on it and they are real good at working on stuff." I said, "We are pretty good at working on stuff, too. Now you are telling me that their composite wing technology is not as good as ours. You, the General Accounting Office, tell me this. When I go on the floor of the U.S. Senate where my colleagues can see me, I am going to make this statement to America that they cannot make composite wing technology as good as ours." They said, "That is what we are telling you." I said, "All right, that is what I am going to tell America they are getting. We are selling them something which we spent $7 billion of the taxpayers' money for and we are getting back $400 million and with that get some composite wing technology, only it ain't as good as ours." He said, "That's the deal." I said, "Good."

When my folks back home hear about it, they will understand what kind of deal we are getting. I said, "Now, then, I guess it is the radar." I said, "It must be the radar. It has to be the radar where we get the good part of the deal." They said, "Well, no." I said, "How come?" They said, "Well, their radar is only as good as our 1983 radar." I said, "Wait a minute, this is 1989. We're getting their 1983 radar which ain't as good as our 1989 radar? They are 6 years behind us?" They said yes. I said, "I'm going to tell them that on the floor of the Senate, too."

So that is the original deal. Is that not a honey of a deal? I say the Lexington newspaper is right, the S in FSX is sucker. That is what it is for, sucker. Old Uncle Sugardaddy got took.

Some say, "Well, that's true, but look, if we don't do this with them, they may go somewhere else." The first thing I say in response is we should have sold them the F-16 off the shelf, 130 to 170 of them. They can buy those for $30 million apiece less—I hope people back home are listening—for $30 million apiece less than this deal. That is what they can buy them for. If they want good defense from the best fighting aircraft in the world that took on the whole world and is 50 to 0 in hostile situations, they can have it for $30 million apiece less. That is No. 1.

Some say, "Well, they don't want to do it that way. If we do not do this deal with them, they're going to go into their own aircraft business." I say, "Fine, let them." They built the F-1. If they want to, they can take all the time they want to take to go into the airplane business. Let me tell you something, this is a free country and most of the places in the world, thank God, are free. If they want to build an airplane, let them build an airplane. I am for competition, but I am not for giving them everything that we have to help them get competitive. It makes about as much sense as saying in a football game, "Looks like they'll beat us anyhow, why don't we just give them our plays right now to see if it will help any?" I do not understand how that type of thinking is allowed to be the framework of our negotiations.

Some say, "Well, Senator, notwithstanding all you have said, they are our great ally, and we owe them." I heard one Senator say that.

Yes, they are our ally and they are our friends. But I want to say this to an ally and a friend: "Hey, pal, we had a $54 billion deficit with you in trade last year. Buying these airplanes would help a whole lot. Hey, pal, when you talk about buying an airplane or an engine or a platform from the British or the French, remember this: 'Are they the ones keeping the Persian Gulf open for you so you can burn that oil and are they the ones protecting your island for you and are they the ones who are essentially your best friend in Asia?' "

Friendship, Mr. President, requires sharing, and I want to know when we get our share.

The other day my office brought me something about an inch thick. This is not it, Mr. President. I do not want to misrepresent this as demonstrative evidence, but they brought me something about an inch thick. I said, "What's that?" They said, "That's the super 301 violations by the Japanese." Inside the document was a listing of all the places and all the products and

all the goods being dumped into our country at disadvantageous price levels hurting American workers and American business.

Is that the action of a friend?

Now, let us say another thing about allies. I want my friends in the Senate to understand this as well. In this memorandum of understanding with Mitsubishi, from which the Japanese Government and Mitsubishi will do the work on the FSX with General Dynamics, Mitsubishi is, of course, allowed to do a lot of subcontracting and other things with other Japanese companies. I think it is very clear, that they can do things with Toshiba. That is not barred by the memorandum of understanding.

Toshiba, which sold the secret submarine technology to the Soviet Union, an act which will cost the American taxpayers about $30 billion and which puts every man and woman in American uniform at risk on all the seas of the world.

Let me say this further. On the basis of everything I know and understand—and let me cite the Detroit News story which suggested that Mitsubishi was involved in the manufacture of canisters for poison nerve gas in Libya which could be used against our allies and our friends in the Mideast, there are significant security issues involved in this deal.

Mr. President, at this point in time I would like to introduce into the RECORD an article from the Detroit News by John E. Peterson of the Washington News Bureau of that newspaper that outlines the story of the involvement of Mitsubishi with other Japanese companies in connection with the Libyan gas plant. May I have consent to put that in the RECORD?

There being no objection, the article was ordered to be printed in the RECORD, as follows:

JAPANESE FIRM TIED TO LIBYA GAS PLANT

(By John E. Peterson)

WASHINGTON.—Japan's leading aerospace firm has installed equipment that enables Libya to make poison gas bombs at a chemical complex in the desert south of Tripoli, Defense Department and congressional sources have told The Detroit News.

Sources said the CIA, in a closed-door briefing last Wednesday for the Senate Foreign Relations Committee, revealed that Mitsubishi Heavy Industries has a team of about 50 technicians and engineers at the complex. The sources spoke on condition they not be identified.

The Japanese technical experts installed metal-machining equipment used to make bomb canisters that contain the poison gases, the sources said, and the CIA contends the equipment has enabled Libya to stockpile hundreds of poison gas bombs.

Calls for comment to Mitsubishi Heavy Industries representatives in the United States were referred to Tokyo officials, who could not be reached Tuesday. The CIA also told the committee that Intek, a West German company, sold air-to-air refueling equipment to Libya and trained more than three-dozen Libyan fight crews to use it. The equipment and training could for the first time allow Libyan bombers to fly round-trip to Israel.

The CIA and other Western intelligence agencies fear the Libyan gas bombs and refueling capacity endanger Israel to such a degree that the balance of power in the Middle East could be altered.

Senators on the Foreign Relations subcommittee declined to comment, saying the briefings were intended to be secret. However, several indicated privately that there could be political repercussions.

Mitsubishi Heavy Industries' involvement in Libyan gas bomb production may spur moves to block a plan for General Dynamics to provide the company with designs to build an advanced "FSX" fighter plane modeled on U.S. F-16 fighters.

The joint venture was negotiated by the Pentagon last year and is under review by the Bush administration.

The Detroit News reported in September that another Japanese company, Japan Steel Works, erected the building that houses the production line for poison gas canisters. Japan Steel Works initially denied the story, then admitted it built the plant, but said it was intended to remove salt from salt water.

The CIA is skeptical of that claim; the plant is near Rabta, about 65 miles southwest of Tripoli and about 70 miles from the Gulf of Sidra, the nearest body of salt water.

The CIA reports indicate that Mitsubishi Heavy Industries is working inside the plant built by Japan Steel Works.

Mitsubishi Heavy Industries is one of several large Japanese companies that use the Mitsubishi name. While they cooperate, share heritage and exchange technology, they legally are independent of one another.

The bomb plant reports have implicated two other Japanese firms. Sources said the CIA disclosed that Mitsubishi Heavy Industries' involvement in the project was arranged by Mitsubishi Shoji, the world's largest trading company, and C. Itoh.

C. Itoh is the trading company that arranged the sale of silent submarine technology from Toshiba Machine Co. to the Soviets. And Toshiba Electric Company, another subsidiary of Toshiba Corp., recently admitted supplying electrical equipment to the Libyan plant as a subcontractor for Japan Steel Works.

Is the plant built by Japan Steel Works, Mitsubishi technicians are overseeing production lines for the poison gas canisters, sources said.

The plant is next to a large chemical production facility that was completed in the mid-1980s. Libya claims the chemical plant makes pharmaceuticals and pesticides; U.S. officials have charged that poison gas is produced there.

The first plant in the complex, to make poisons, was built largely by West German firms. When German involvement was revealed last fall, a resulting scandal shook the foundation of Helmut Kohl's ruling party.

Libyan officials, fearing that the U.S. or Israelis might bomb the complex, have surrounded it with families in tents.

In a public session before the private briefing last week, CIA Director William Webster said the Libyans are producing mustard and nerve gases. Nerve gas causes death in minutes by attacking the brain and central nervous system. Mustard gas, used in World War I trench warfare, blisters the skin and lungs, causing serious injury or death.

In the private briefing, sources said, the CIA said Mitsubishi Heavy Industries has set up two production lines for poison gas canisters and that Libya is preparing to install a third line to produce guided missiles. The CIA indicated the missile production contract might go to a Southeast Asian firm, sources said.

In the public session, Webster discussed Libya's new refueling capability. Asked to comment on a map of the Middle East that showed the expanded list of targets Libyan bombers could strike with the new refueling capability, Webster said:

"I think you have illustrated one of the really strategic changes that this kind of weaponry can have. It moves it off the battlefield and puts it into the cities and strategic areas of the whole region."

Webster also was asked to comment on reports that members of the West German air force were involved in the refueling project, during or after their period of service. "I would prefer to discuss it this afternoon (in closed session)," he replied, "but you're right on target."

The CIA director also deferred until the closed session a question by Sen. Jesse Helms, R-N.C., the committee's ranking GOP member, about Mitsubishi Heavy Industries involvement.

Helms' aide William Triplett said the senator likely will introduce legislation seeking sanctions against Japanese firms involved in the gas canister plant.

"This upsets the balance of power and jeopardizes Israel's security," he said.

Sen. Claiborne Pell, D.—R.I., chairman of the Foreign Relations Committee, declined to discuss the closed-door briefing. But aide Frank Sieverts said, "He's very concerned about the whole subject of technology. . . . He's already introduced a bill that would levy a variety of tough sanctions against countries and companies that transfer chemical or biological materials and technology" to unfriendly nations.

Another committee member, Sen. Paul Simon, D.—Ill., said he was unaware of Mitsubishi's involvement with the nerve gas plant, but added, "If they are involved, I think we should protest to the Japanese government in the strongest possible terms."

Simon said, "I had heard that the Japanese were involved in constructing an extension to the (nerve gas) plant, but that's different. I was even a bit taken aback by that." Simon said he attended the public portion of last Wednesday's meeting of the committee, but that he was not present for the private session.

He also said that if Mitsubishi Heavy Industries is involved in the Libyan plant, "I would think we would have to review any involvement with that company" in the F8X airplane agreement.

The Bush administration began a review of the agreement in mid-February to see if the transfer of aerospace technology would hurt U.S. competitiveness. Bush reportedly was not to approve the agreement by Friday.

One Senate expert said the technology transfer involved in the fighter project "would move Japan's aerospace industry up an express elevator from the ground floor to the penthouse overnight."

"You're talking about giving them secrets that only the U.S. has at this time," he said.

Mitsubishi Heavy Industries' participation in the production of nerve gas delivery systems for Libya raises the question of whether shared technology could compromise U.S. security if Japanese firms are willing to sell it to nations unfriendly to the United States.

Mr. DIXON. In short: There is a nerve gas plant in Libya. Next to the nerve gas plant as a supporting manufacturing system is sort of a metal fabrication plant. Do not hold me to the precise description because, again, I tell you that these are not my areas of expertise, but the metal plant, which is next door to the poison gas plant where the canisters, shells, and bombs are made for this insidious, deathly nerve gas was in large part developed by Japanese concerns, with some involvement by Mitsubishi.

I would also like to put in the RECORD, Mr. President, the statement by Clyde Prestowitz, Jr., "The New FSX Deal Hardly Differs From the Original."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Chicago Tribune, May 5, 1989]

THE NEW FSX DEAL HARDLY DIFFERS FROM THE ORIGINAL

(By Clyde V. Prestowitz, Jr.)

The FSX mountain has labored and brought forth a mouse. For several months the Bush administration appeared to be raising the priority of defense of U.S. technologies leadership in the deal with Japan to codevelop its next generation fighter as a derivative of the U.S. F-16. Yet the administration now seems to have settled for little more than the original deal of last December.

Under the agreement, the United States was to turn over to Japan F-16 technology—developed at the cost of $3 billion to $5 billion—in return for 40 percent of the development work on four FSX prototypes ($460 million), a vague expression of "best effort" to achieve a similar U.S. workshare on the eventual 130-plane production run, and an equally vague promise of access to undefined Japanese technology. Flowback to the U.S. of Japanese technology "essentially" derived from U.S. technology was to be free of charge, while indigenously developed Japanese technology would be available for a royalty.

Critics pointed out that the wildly unbalanced nature of this deal (similar to others the U.S. had come to regret) probably would accelerate Japan's drive toward world-class aircraft manufacturing status and narrow the U.S. lead in its last industrial stronghold.

In response, President Bush ordered a review and then asked Japan to agree to certain improvements in the deal. Specifically, the President demanded: (1) revision of the basic memorandum of understanding to obtain clear assurances of a 40 percent U.S. production workshare; (2) restriction on the transfer of key software source codes for the plane's computers; and (3) a clearer definition of the term "essentially" derived from U.S. technology with regard to the flowback of technology to the U.S.

When made in February, the President's demands amounted to a denial of the assertion by the Pentagon and State Department, as well as by former Secretaries of Defense Frank Carlucci and Caspar Weinberger, that the deal as originally negotiated was the best one possible. In particular, the President obviously questioned their insistence that the United States "had every reason to expect that it would receive 40 percent of the eventual production work."

He had good cause. Bitter experience had taught that the words "best effort" in this kind of deal really mean "it will never happen." Experience with the F-15 and others also indicated a U.S. readiness to transfer increasing increments of technology for very little or nothing in return.

Nothing confirmed the wisdom of the President's course and confounded the partisans of the original deal more than the Japanese response. Three months of haggling ensued. Where the Pentagon had earlier insisted that the U.S. "had every reason to expect" a 40 percent production workshare, the Japanese proposed 28 percent, then inched up to 32-35 percent.

The stakes in this game were the engines. At a 40 percent U.S. workshare, if the Japanese were to keep the avionics and other sophisticated work in Japan, the U.S. would have to get most of the engines that contained new and important technology in which the U.S. has a substantial lead.

Similar haggling occurred over technology transfer issues. For most of that time the administration held firm for the President's demands with, amazingly, the State Department taking the lead as the tough guy.

Then, suddenly, it all fell apart. Shortly after Prime Minister Noboru Takeshita's resignation statement, an agreement on the FSX was announced. Under it, the U.S. is to get "approximately" 40 percent of the production workshare. Mention of restriction on transfer of source codes was made, but it is agreed that the U.S. will transfer all codes necessary to realization of the FSX project's objectives.

The terms of the U.S. access to possible Japanese technology were somewhat clarified, and the U.S. agreed that it would not preclude the possibility of Japanese production of the engine. Moreover, these changes were contained in an exchange of letters rather than in the memorandum of understanding itself as the President had requested.

One can only wonder what all the fuss was about. This is essentially the same deal as that announced in January. What is "approximately" 40 percent. Is at 20 percent or 35 percent? Certainly it is not 45 percent. Any suggested restrictions on source code transfer are meaningless as long as they are qualified by the need to "reach project objectives." In time, "reaching objectives" will result in virtually total transfer.

Why did the U.S. back down? One can only speculate, but it appears to be a reassertion of the traditional primacy of defense over economic consideration in U.S. diplomacy. With Takeshita on the skids, the U.S. became concerned that a new prime minister could not agree to any deal on the FSX. Concerned that Japan would not have an adequate fighter in the 21st Century, the U.S. appears to have pressed for a quick deal with Takeshita was still around to do it, proving once again that, between the U.S. and Japan, nothing ever changes.

Mr. DIXON. Mr. President, let me interrupt myself for one moment in order that I may ask unanimous consent that Randy Ferryman of my staff be allowed on the floor during the debate on this resolution.

The PRESIDING OFFICER. Is there objection?

The Chair hears none, and it is so ordered.

Mr. DIXON. Mr. President, you heard me tell the story about what we are getting from the Japanese in return with respect to the composite wing technology and with respect to the radar technology. That has been substantiated in a full hour discussion with the General Accounting Office in a separate meeting on Friday a week ago and it has been substantiated again in a subcommittee of the Armed Services Committee meeting the other day, but just to make the record eminently clear I hold in my hand, Mr. President, a letter from the U.S. General Accounting Office, Washington, DC, National Security and International Affairs Division dated May 8, 1989, addressed to this Senator. I want to read a sentence. In time I may read the whole letter, but I want to put the whole letter in the RECORD now but read this sentence. "Our preliminary observations are that, overall, the United States has superior"—superior—"composites technology and appears to be ahead in the radar development."

On composite technology and radar development, the United States of America is superior to the country with which we want to do business. Japan would be giving us technology in which the GAO says we are superior.

I ask unanimous consent that this letter from the General Accounting Office be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MAY 8, 1989.

Hon. ALAN J. DIXON,
U.S. Senate.

DEAR SENATOR DIXON: On January 30, 1989, you requested that we review various aspects of the proposed FS-X support fighter codevelopment program between the U.S. government and the government of Japan. As arranged with your office, we are furnishing the information we have obtained to date on two Japanese technologies that will be available to the United States under the program. These technologies, which relate to composites and the active phased array radar, are discussed in detail in enclosures I and II.

In October 1987, the government of Japan decided to develop the FS-X support fighter using the General Dynamics F-16 C/D as the baseline aircraft. In November 1988, the Department of Defense (DOD) and the Japan Defense Agency signed the Memorandum of Understanding for the cooperative development of the aircraft. In January 1989, Mitsubishi Heavy Industries, the Japanese prime contractor, and General Dynamics, the U.S. manufacturer of the F-16 signed a Licensing and Technical Assistance Agreement.

According to DOD, the FS-X program was not pursued with the primary objective of obtaining access to Japanese technology or balancing the exchange of technology.

Other strategic and national priorities dominated. However, once Japan agreed in principle to codevelop the FS-X and a negotiating position was developed, the United States stressed the importance of obtaining access to the new aircraft's technologies. DOD officials have emphasized the potential value of these technologies in a general sense and are impressed with Japan's overall manufacturing capabilities, particularly its cost-effective electronics production.

Our preliminary observations are that, overall, the United States has superior composites technology and appears to be ahead in the radar development. Our view has to be qualified because there are many unknowns about these Japanese technologies and the United States still has limited information from which to make meaningful comparisons.

In doing our work, we obtained information from various U.S. government and industry sources. We reviewed program files and had extensive discussions with DOD program and technical officials. We met with structural, design, and avionics engineers at the Air Force's Wright Research Development Center, Dayton, Ohio. We also met with industry representatives from Hughes, Westinghouse, Texas Instruments, McDonnell Aircraft, and General Dynamics to assess U.S. capabilities and obtain information, to the extent available, about Japanese capabilities. Because our review was underway at the time of the renewed negotiations between the two governments to clarify certain aspects of the program, we did not visit Japan.

We are continuing our efforts to fully respond to your request and hope this information will assist you in your deliberations.

Sincerely,

FRANK C. CONAHAN,
Assistant Comptroller General.

Mr. DIXON. Mr. President, I called John Peterson, the reporter for the Detroit News, who wrote the article that you have admitted into the RECORD. I asked if there had been any administration denial of the story.

The State Department accepted Mitsubishi's denial but Peterson's CIA sources told Peterson that his article is absolutely accurate.

I have checked before I made these statements on the floor, not to reveal anything that is classified but to make sure that what I say is accurate and unclassified.

Mr. President, shortly, others will be here to engage in this discussion with this Senator. But I want to say a few things in the meantime.

In the hearing held by my distinguished friend, Senator BINGAMAN—a very fine Senator and very, very informed in this field, and a man for whom I have infinitely high regard—some of the folks who were witnesses for the Government were anxious to try to make it appear that giving some military aircraft technology to a country does not necessarily mean they are going to end up having an advantage in commercial aviation.

Dr. Robert Barthelemy, the U.S. National Aerospace Plane Program Director, recently addressed a group of Senate staffers at an NASP—everything has an initial around here, you know, Mr. President; those are initials for National Aerospace Program, NASP—at an NASP luncheon on April 20, 1989, less than a month ago. During his remarks, Dr. Barthelemy referred to his October 1988 trip to Japan. The purpose of his trip was to assess the pace and goals of the Japanese aerospace industry. Here is what he says: Essentially the Japanese informed him that they "plan to excel in the aerospace industry." When asked how, since the Japanese have neither an aviation history nor the background technology in this field, the Japanese, responded that they "have a long-term commitment."

Remember that terminology. They have long-term commitments on these things. And they do not believe that the United States shares this philosophy. That is sad, Mr. President. They are right, are they not? What a shame. One of the things that they have done in the last several generations over the last several decades is beat us in a lot of fields because they have a long-term commitment, and we do not have one.

Dr. Barthelemy also explained how the Japanese Government is committed to spending $16 billion to achieve their goal to become advanced in this field—$16 billion they are going to advocate spending in that country in their long-term commitment to get this job done.

Here is a statement in the Japan Economic Journal, January 21, 1989, by Yotaro Iida, the President of MHI:

The technology we will develop and accumulate during the [FSX] project will be instrumental in the development of next-generation planes such as hypersonic and supersonic transports.

That, you may rest assured, is the plan of our friends in Japan in connection with this deal.

I see a colleague here who may be prepared to make some remarks. I will have plenty more to say on this subject. Let me offer another quotation from John R. Harbison, vice president, Booz, Allen and Hamilton, Inc. He says:

The Japanese are not trying to develop a plane; they are trying to develop an industry. Why else would they pay two times more for this plane than for some aircraft they can buy off the shelf? This plane will not give them two times the performance.

Oh, how true. How true, Mr. President.

A lot of people in the balcony may not know who this Senator is, but I will bet everybody in the balcony knows who Mr. Iacocca is. Everybody in the country does. They know who Jane Pauley is too. I want to quote from the "Today Show," January of this year. Jane Pauley interviewed Lee Iacocca and said to him, "As I understand it, the Japanese have targeted certain industries for development over the past few decades."

Remember about my talking about long-term commitment, Mr. President? She then went on and said, "The fifties were cameras."

I can remember that. I hate to admit that, but I can remember that.

"The sixties were videos."

I can remember that.

"The seventies were autos."

Oh, boy, they really worked us over good on that one.

"And the eighties were microchips. What's next?"

Iacocca says, "Aircraft." Aircraft, Mr. President—aircraft. That is what is next.

And here in the next several days, the Senate of the United States will find out whether it gives that to them on a platter, or whether we say, "Oh, go make it yourself, you want to so much. Go make it yourself."

I am not going to give it to them, not with this Senator's vote.

If I were to be so fortunate to be on this floor 9 or 10 years from now, I am prepared to say, Mr. President, without any doubt whatsoever, that if this administration gets its way and moves forward with this FSX deal, they will dominate in commercial aviation and aerospace within the decade of the nineties. And I will be here to say we gave it to them.

Oh, what a tragedy for America, Mr. President. What a tragedy for America.

I yield the floor.

Mr. HELMS addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the distinguished Senator from North Carolina [Mr. HELMS].

Mr. HELMS. Mr. President, I thank you very much.

We have a situation that is like an anomaly. I do not know who is managing each side. Senator PELL, the distinguished chairman of the Foreign Relations Committee, voted against the resolution of disapproval this morning. I am the ranking member. I voted for the resolution of disapproval. The resolution of disapproval was defeated by a one-vote margin, nine to eight, with two Senators courageously not being present to vote.

Second, I am not sure how the time will be yielded, even though there is no time agreement. I understand that. But I want to make it clear that I am not representing any Republican other than myself. There are some who agree with me, and there are some who do not. I expect the same situation exists on the other side.

So maybe this is somewhat of a free-for-all, and it may go on a little while, maybe until next week.

Now, let me propound two or three parliamentary inquiries just to set the record straight. First of all, there is no time agreement—that is correct, is it not, Mr. President?

The PRESIDING OFFICER. The Senator is correct. There is no time agreement.

Mr. HELMS. Second, I ask the Chair if the resolution of disapproval, which came to the floor with an unfavorable report, and which is now pending, is amendable?

The PRESIDING OFFICER. Senator, the resolution is fully amendable.

Mr. HELMS. I thank the Chair.

Now, then, let me pay my respects to my distinguished friend from Illinois. I have been sitting here patting my foot as he spoke. As he well knows, I am a cosponsor of this resolution of disapproval and am honored to be one. I support him in all that he has done and said. Yesterday we had a hearing before the Foreign Relations Committee. We had the distinguished Secretary of Commerce, Mr. Mosbacher, the distinguished Secretary of Defense, Mr. Cheney, and the No. 2 man in the State Department, Mr. Larry Eagleburger. They did the best they could with what they had, but it was not quite good enough. They were giving answers to simple questions. I was reminded of something I learned back in high school—now, get ready—"when promulgating your esoteric cogitations or articulating your superficial sentimentalities, beware of platitudinous ponderosities."

[Laughter in the Chamber.]

Mr. DIXON. You will clarify that for the record, will you not, Senator?

Mr. HELMS. That is the kind of gobbledygook we got. The distinguished Secretary of Defense read me a whole list of advantages we were going to get from this deal. As I clicked them off in my mind, and he was going rapidly, I did not hear one that we did not already have, none.

The distinguished Senator from Illinois said that the "S" in FSX stands for sucker. It could stand for simpleton. Take your choice. I just do not understand how we arrived at such a deal. I have said so from the very beginning. As the Senator from Illinois has pointed out, the Department of Commerce was left entirely out of the loop until the bottom half of the ninth inning, and then the other agencies said, "OK, boys, come on in. But just be good boys, because we are going to tell you what to do." And dutifully, they came along.

I wish I could discuss in the Senate, for the Senate, some classified information. I cannot discuss it, but a lot needs to be studied and considered about what goes on with respect to the Japanese consuming obsession to make a buck, or a yen, or billions of them. I want to know more about what the Japanese did with respect to that poison gas plant over in Libya. Oh, yes, we are told they are great allies, but I want to see some evidence of it. I like them fine. I have been to Tokyo, like everybody else. I think very highly of their leaders. I think we all do. But the fact remains that for a country such as the United States, which was subjected to a great deal of torment, beginning on December 7, 1941, and which finally won that war and then rebuilt that country, I do not see a lot of gratitude.

I am like the Senator from Illinois; I want to see something. In North Carolina they talk about people "eating our lunch for us." The people from North Carolina, like the people of Illinois, understand when our country is "being had," as the expression goes.

So here we are on the floor of the Senate on a Thursday afternoon, 5 minutes to 3; and we are going to be called upon, I suppose next Monday or Tuesday, to decide what the United States is going to do in terms of U.S. participation in the FSX. But indirectly, as the Senator from Illinois has eloquently emphasized, we are also going to be deciding whether we will help create another new, dominant industry for the Japanese, to wit: the aerospace industry.

Now, the decision on FSX is really just one part of a larger decision about the survival of the United States as the world's preeminent economic and military power. We already know about the diminution of that. A lot of it is our fault; I acknowledge that, but the stakes are critical. It seems to me that the proponents of FSX must meet an extremely high standard of proof in what they say. Blandishments will not do. Lobbying among Senators will not do. But the proponents, Mr. President, simply cannot meet an extremely high standard of proof for one simple reason: the FSX is a bad deal for America. It was a bad deal when it was signed last November. It is a bad deal today—in spite of the fact that under pressure from congressional opponents of the program, the administration did close a few of the loopholes in the recent negotiations with Japan, but they did not close enough.

Let me tell you why the FSX, in my judgment, is a bad deal. The United States not only believes in, but practices, free trade. Japan says that Japan believes in free trade, but it practices what you might call "mercantilism." That is a pretty fancy word, but it means that Japan closes its markets and refused to buy our highly competitive products, including fighter planes. In short, the Japanese are protectionists of the first order.

Do you want a good example of Japanese protectionism? I cannot think of a better one than their refusal to buy the world's best, the world's least expensive fighter aircraft, the F-16 Fighting Falcon. Instead, the Japanese are going to reinvent the wheel, as they have, using so much of U.S. technology, so much of American know-how. They are going to build their own plane, and the Illinois Senator was exactly right when he said, "Why, if they were not concentrating on building their industry at our expense, they would be good businessmen and buy the cheaper, better aircraft from us, which is available to them."

Now, what about common defense? The Senator from Illinois also touched on that. Does FSX provide for better common defense? No, sir, it does not. You see, the Soviets had a big buildup of their Far Eastern forces in the early and mid-1980's.

How did the Japanese respond to that? Zilch. They did not respond. If the FSX development goes perfectly, and nothing in this kind of business goes perfectly, but let us assume for the sake of discussion that this development should move ahead without any hitch whatsoever, the first FSX will be ready to defend the Japanese and United States forces when? In 1997. That is about 15 years after the Soviet buildup began. Now who is and who has been paying for the defense of Japan during all that time? You have it right. Uncle Sucker, the good old American taxpayer. But I am here to tell you, Mr. President, that the people out across America, if I judge from the deluge of mail and telegrams and telephone calls coming into my office, the people of America may not understand all the nuances, but they know when they are being had.

And they do not like it.

They have a gut understanding and I think it is an absolutely correct gut instinct that this is not good for our country and they are opposed to it. I have not seen any polls on it. I do not suppose there have been any polls.

But what about after 1997, under the ideal circumstances that I just described, when the FSX is introduced—will the FSX be such an advanced fighter that it is worth the risk the Japanese are forcing us to take today with our common security? Again the answer is no, not at all. As Senator DIXON said, the FSX will be no better than the then-current version of the F-16. So the alliance really does not gain one bit of military advantage once the FSX comes on line.

Mr. President, parenthetically, let me say that I have on the minority staff of the Foreign Relations Committee a fine young man who is about as knowledgeable as anybody in the country on this question. His name is Kevin Kearns. He is Pearson Fellow assigned to the staff of the Committee on Foreign Relations out of the Department of State. And there is a precedent for the unanimous consent that I am about to make and I do make it: I ask unanimous consent that Mr. Kearns may be present on the floor to provide such information and counsel as may be needed, today and during the pendency of this matter,

and on rollcall votes pertaining thereto.

The PRESIDING OFFICER (Mr. WIRTH). Is there objection?

Without objection, it is so ordered.

Mr. HELMS. I thank the Chair.

Senator DIXON has addressed the cost of the FSX and without being too repetitive let me say a few words about that just to emphasize what I regard as the total accuracy of what the Senator said.

Japan spends about $35 billion a year on defense. The United States spends $285 billion a year, 9 times the amount the Japanese spend.

And maybe it is a foolish hope, but I would hope that the Japanese would spend their small defense resources carefully. Unfortunately they do not. There comes that obsession with taking over yet another industry, in this instance the aerospace industry, because instead of buying 130 F-16's from the United States for about $3 billion they are going to spend three times that much money to develop the same number of FSX aircraft.

The Senator is right. He asked the Chair why; why? And that is a rhetorical question because the Senator knows the answer, the Chair knows the answer, and this Senator knows the answer. They are investing in the development of a new industry which will dominate the world market, pure and simple. That is what it is.

So the question comes down to this, I suppose. Is there really anything in the FSX program for the United States?

The proponents claim, and they claimed yesterday, and they are good men—I like them all, all of them, Mr. Cheney, Mr. Mosbacher, Mr. Eagleburger—and they were sent up here to do a selling job, and maybe they succeeded, maybe they did not. We will see when the vote is taken on this question.

But the proponents claim that there is access to advanced Japanese technology. Yesterday I asked them for an example: What technology? I was read a list of things but I didn't get much of an answer, just a lot of fast talk, a lot of syllables. But the point is, Mr. President, in a General Accounting Office study that I requested, along with other Senators, the GAO has found that the claim of advanced technology is a false claim. There is no advanced Japanese technology in the two areas our Department of Defense is interested in: The phased area radar and the cocured composite wing. The fact is that at this point, unless and until we give it away, the United States is far ahead in these areas, thanks to the U.S. companies that have spent a lot of money on R&D.

So I will raise anew the question that Senator DIXON raised. What is the FSX deal really all about? I can tell you what it is not about. It is not about the common defense, or Japan would be hastily buying F-16's today in order to meet this current Soviet threat. It is not about saving scarce defense resources, or Japan would be buying United States aircraft instead of spending billions of extra dollars on the FSX.

No. What the FSX is really about for the Japanese is meeting their stated national goal of having a full-fledged aircraft industry with which to challenge the United States in the next century. Maybe I will not be around then. I hope I am. But the Senate by design of the Constitution is supposed to consider such matters carefully in an unhurried atmosphere. In other words, do it right the first time.

But the haste which has been pushed upon the Senate, as if this is something that is going to cause the world to fall apart tomorrow night at 11:57, is unseemly. There was very little debate in the Foreign Relations Committee and we heard the administration witnesses yesterday and that was it. Bang, bang, bang—we vote on it today.

The FSX is part of a sophisticated Japanese national effort to develop a viable aircraft industry that they intend to become preeminent. No other face can be put upon it.

The FSX will be the laboratory and the training ground from which will spring the design, the production, the avionics and other engineering teams necessary for the Japanese civilian aircraft industry. It we cannot see that, then we need to go to the eye doctor. If they want an aircraft industry to try to compete with us that is fine. I do not blame them for that. But we should not, at great sacrifice to ourselves, help them in their process.

I do not think we ought to give them one bit of technology that will further that goal. The very existence of the FSX Program provides a kind of university in which Japanese engineers will learn the systems integration skills necessary to compete with us not only in military aircraft but commercial aircraft, as well. And that is where the body is buried.

So I think it is time that the Senate pull upon the reins a little bit, think about this. All of us want to be helpful to the administration and certainly I want to be helpful to the administration when I can. But there was scarcely an input, as I understand it, from either side of the Hill. It was not requested.

And I have told this administration, as I have told others, that if you expect me to be in on the crash landing, let me be in on the takeoff as well. But this one is going to crash. We may not see it this year or next year, but down the road it will crash in terms of what it does to America.

This debate is about our national future. And I say again, Mr. President, that the FSX is a bad deal for America and I intend to vote against the U.S. participation in this program and I certainly hope Senators, after due consideration, will do the same.

Now, let us play a little bit of a game about fact versus fiction. True or false. That is fair enough in any debate. We can engage in all the rhetorical exercises that we want, but when push comes to shove, we ought to make our determination on fact, not because we like the President of the United States—and I do—not because we want to go along with any reasonable proposition—and I do.

But let us look at a few of the facts and the fictions. There is the fiction, for example, that the FSX is no big deal because the F-16 already has been coproduced in eight other countries since 1979. It is illogical to prevent allies such as Japan from having the same privileges.

Do you know who said that? Frank Carlucci, former Secretary of Defense. That was published in the Washington Post on February 9 of this year.

Well, what is the fact? Yes, the F-16 has been coproduced in other countries. However, the United States-Japan agreement is for codevelopment. And there is a difference, an important distinction. Codevelopment and coproduction are two totally different things. Coproduction involves assembling prebuilt parts, but codevelopment involves research and testing and development. And while the United States is looking for partners in other codevelopment projects for the future, the United States has no plans whatsoever to buy any FSX's.

Mr. DIXON. Will my friend yield at that point?

Mr. HELMS. Yes, I am delighted to yield to my friend.

Mr. DIXON. I just want to say to my friend, as he goes through this, he is making a tremendous contribution to the understanding of the separate 100 Senators about this thing, because in fairness to all of us, we are busy in a lot of things. I noticed in both hearings I have attended that people do not understand the distinction that my colleague from North Carolina has just drawn. We have all kinds of coproduction deals. Japan does a coproduction on the F-15E with McDonnell Douglas right across the river from where this Senator lives in Belleville, IL, out in St. Louis. We do a lot of that.

The only time anybody ever wanted to do a codevelopment with us on an airplane was the Israelis and I would argue that they are great friends. And in the end, we jawboned them out of it.

Now that is accurate. My friend is accurate. This is the first attempt to

go to a codevelopment where they get the research and testing and other things. That is a quantum difference.

My friend is pointing out something so important to my colleagues when he makes this distinction. People on the committee the other day, I noticed, did not understand that distinction. I do not mean that to make fun of them because, before I got into this, this Senator did not understand the distinction, but it is a terribly important distinction. I thank the Senator for that contribution to the understanding of every Senator to the distinction between what we are doing here and what we have done in the past.

Mr. HELMS. I thank the Senator. And, as Senator Dixon has said, all of us have many committee assignments. We have many meetings to go to, many important issues to consider, which is a strong argument for not hastily rushing into something. And I fear that we have rushed into this without due consideration.

But I thank the Senator. He knows how much I admire him.

Frank Carlucci, again, in the Washington Post of February 9, said, "The F-16 technology is old 1970's technology." Well, the fact is that this agreement calls for the United States to send F-16C block 40 technology, the most up-to-date technology on the plane. And this technology is 1980's technology.

While the Japanese continue to insist our technology is old, they are also insisting upon receiving the source codes that control the F-16's computers. And besides, Mr. President, any technology that a country does not have is new technology.

Japan does not have it. They want it. We have it.

Fiction: Again, Frank Carlucci writing in the Washington Post on February 9, this year. He said, "There are no commercial applications for this technology."

Now, I like Frank Carlucci, but I say to him in response to that: Bullfeathers. When Mitsubishi Heavy Industries, the prime FSX contractor, completed a production line of F-15's, they began using many of the same technologies on the production of their own MU-300 Diamond commercial jet. And the reference on that is the Congressional Quarterly Weekly Report, March 11 of this year.

So the point is this: By giving the Japanese this technology, they are able to gain experience in producing their own plane.

Fiction: This from Time magazine, March 27, this year. "If the United States does not complete this agreement, we will not have access to any new technological developments that the Japanese have developed."

Again, bullfeathers, because the fact is there are provisions in the 1983 Exchange of Notes between Japan and the United states that would allow for United States access.

Furthermore, there are no indications whatsoever that the Japanese even have this technology. Those who have looked at what the Japanese do have, including the General Accounting Office of our Government and the CIA, have concluded that this new technology does not exist.

Ted Reinhard, the chief Air Force materials engineer at Wright Patterson Air Force Base, has said, "They"—meaning the Japanese—"don't have anything that we would really need. I don't see why we are going to trade technology for a technology that we can't use."

The Wall Street Journal is a publication which I admire. A good friend of mine, I would say to my friend from Illinois, is Vermont Royster. He is the editor emeritus of the Wall Street Journal, now retired, and living in Chapel Hill, NC.

But the Wall Street Journal fell for this line. On February 24 the Wall Street Journal said, "Proponents of scrapping the FSX deal are protectionists." Well, the true protectionists in this case are the Japanese.

Under the principles of free trade, a nation should purchase a plane which has the lowest cost. As the Senator from Illinois has pointed out, the FSX is approximately $20 million per copy more expensive than a F-16 purchased off the shelf.

Well, then, they say if the FSX the agreement is rejected, the Japanese are likely to go it alone. This was said over and over again yesterday morning in the hearing before the Foreign Relations Committee.

Well, probably. They may try to go it alone. But you have to remember, Mr. President, that the Japanese have a very poor track record in military aviation. Japan's previous effort, the F-1, cannot be flown at night. It has a fatal blind spot. And the former Japan Defense Agency defense policy bureau director, Osamu Kaihara, has stated that Japan cannot do it—meaning develop the FSX—alone.

If the Japanese do push forward on FSX, it is highly doubtful that they will be able to bring the FSX in at the $1.2 billion projected cost. It is estimated that the total cost of the developmental stage will be at least 400 billion yen, not the 165 billion yen budgeted.

Well, let us go back to Time magazine again, from March 27, 1989. The magazine stated flatly, "If we do not aid the Japanese, they will turn to the Europeans." Again, that was said yesterday at the hearing by the three distinguished officials of the administration.

Well, I will say: Possible. But not probable. Because the Japanese have consistently stated that if the deal fails, if the deal falls through, they will develop the FSX themselves.

But the Japanese must also face the fact that it is doubtful that the Europeans would go forward with such a deal. The EFA has been delayed many, many times over the issue of who will build and develop what.

Then we hear, oh, the FSX will be a top-flight plane. The fact is that even proponents have admitted that the FSX will be unable to deal with the current top Soviet fighters, much less the next generation that is expected to be on line by the time the FSX is operational in the late 1990's. We are not talking about something that is going to be developed and produced in the next 18 months. No, sir, we are talking about a lot of years down the line. A Japanese military analyst, Kazuhisa Ogawa, has acknowledged that it will take 20 years to fix, as he put it, the R&D, research and development, system to the point necessary to produce a superior aircraft. That was in The Economist magazine, February 25, 1989.

Then, you hear over and over again the Japanese have not purchased United States aircraft off the shelf since 1955. That is not so. The Japanese have purchased both the E-2 Hawkeye, and the C-130 cargo plane, right off the shelf.

The Wall Street Journal, I believe it was about February 24, said flatly, "The Japanese purchases $1 billion in defense technology from the United States every year."

That figure is correct for this year. But the number is a one-time phenomenon based more on the purchase of Aegis technology than any longstanding trend. On average, the Japanese purchase about half that amount.

Mr. President, I do not want to hold the floor if any other Senator is ready to speak. But let me just quickly run down a few of the reasons why the revised FSX deal is still a bad deal for America.

Issue 1: Workshare. Both old and new agreements promise the United States 40 percent of the $1.2 billion development budget. That means that we are transferring $7 billion worth of F-16 technology for $480 million.

The old deal had only a very ambiguous guarantee of a U.S. share in production. And the new deal is only slightly better, if that. The new deal says we will get, "approximately 40 percent" of the production program if the program goes into production and if there is a new production agreement signed. So the figure 40 percent is there, but the Japanese could decide to cancel the program, in which case we get only a $50 million cancellation fee.

The Japanese could also decide to go ahead, but to drive a hard bargain on the production agreement. DOD

claims that since the Japanese will need our engine to go ahead with the plane, DOD will have all the leverage. Well, we will have to wait and see about the accuracy of that. Because the record is pretty clear about caving in to the Japanese to protect the security relationship.

Issue 2: Compensation. The 40 percent of the production share is estimated to be about $2 billion and this amount, plus the development share of $480 million equals about $2.5 billion. An outright buy would have been $3 billion. So the administration is arguing that there is little difference between the FSX program and a buy.

The answer is that in a buy the money would have come right up front in 2 or 3 years. The FSX program will last about 20 years and the money will be spread over the period. So the FSX money will have a lot less effect on our deficit with Japan.

Issue 3: Spare parts. In addition, neither the old or the new agreement has any provision for U.S. participation in spare parts. Over the life of the program, spares generally cost two to three times the value of the original buy or $6 to $9 billion in this case. So that amount of money has been totally neglected by the administration.

Issue 4: Technology. The new agreement says that all technology in the FSX program except four specified areas is defined a priori as U.S.-origin technology. It will flow back to us free of charge under the program. This is an improvement over the old agreement which was vague.

However, the four technologies defined as Japanese technologies are the radar, the inertial reference system, the mission computer hardware and the electronic countermeasures. We must formally request these items under the 1985 technology transfer agreement and pay for them.

In addition, the administration says it has gone through the list of F-16 technologies and deleted certain items that have commercial applicability. The problem is that the administration can change its mind at any time and release formerly nonreleasable items to the Japanese. In fact, the Japanese request such releases and the administration complies all the time.

For example, the new agreement says the United States will release sensitive computer source codes to the extent necessary to make the Japanese computer program work. However, the administration is saying to Congress that the Japanese won't get the sensitive source codes. But if the Japanese aren't successful in making their own source codes work, won't they ask for and receive release of our source codes? The answer is most probably yes.

Finally the administration says it is releasing such items as the source codes for the fire control computer—which controls the plane's weapons—because they don't have commercial applicability. However, military items are also commercial items if we sell them to other countries, or even when DOD buys them. The FSX program sets the Japanese up in the business of manufacturing military end items which have the potential to compete with our military products if the Japanese cabinet ban on export of military items is lifted.

Issue 5: Engines. The old agreement is silent on engines during the production phase. The new agreement says that the Japanese may be allowed to produce the engines under license. Because the wording is vague, the Japanese can interpret this portion of the new agreement as guaranteeing them the right to produce at least a portion of the engines.

I see the distinguished Senator from New York [Mr. D'AMATO] on the floor. As Senator DIXON has said earlier, I am prepared to go on and on like Tennyson's brook on this matter. But I do not want to inhibit any other Senator and I yield the floor, and I say hello to my friend from New York.

The PRESIDING OFFICER. The Senator from New York.

Mr. D'AMATO. Mr. President, I thank my distinguished colleague, Senator HELMS, for giving me an opportunity to rise on this occasion and speak to this most significant and important issue.

Let me first say, Mr. President, that I deeply admire Senator HELMS for his fearlessness in calling it the way it is. That is a rare quality today in political life and it is certainly unusual to find a man who is unafraid to stand up, even in the face of opposition that comes from one's own administration and one's own party.

Mr. President, I deeply appreciate having the opportunity to also work with Senator DIXON, from Illinois, in his spearheading the opposition to the proposed codevelopment and production agreement with the Japanese concerning the FSX.

Mr. President, I indicated to a number of people in the media just a short time ago when questioned about the FSX, that last week I had an opportunity to be home.

My dad was in the hospital. I visited him, and he said to me, "Son, what is happening? What is going on in the Senate?" I told him. I discussed with him the proposed transfer of technology and the proposed FSX agreement between Japan and the United States. Dad, who is a World War II veteran, said to me, "Son, it sounds to me like this is Pearl Harbor without bombs."

Mr. President, I think this is even more serious because, you see, Mr. President, we did not have an opportunity to prevent Pearl Harbor from taking place. That was a sneak attack. This is an attack that maybe the Japanese will attempt to disguise, but we should know better. We have ample opportunity, ample warning.

Later on tomorrow, or on Tuesday, when we have further extended debate, we will demonstrate specifically the technologies that the Japanese have targeted, technologies that really give us the capability to remain a modern industrial society, technologies that, one dominated by the Japanese, will make it impossible for this Nation—impossible—to cost-effectively produce our planes, our ships, and our missiles. Yes, my friends, we will have people who will say, as it relates to cost-effectiveness, that we have no alternative but to buy from the Japanese because they can produce superior quality and cheaper products in these areas. And, indeed, we will find it difficult, if not impossible, by any measurable standard to resist those arguments, particularly if they are factual.

So, Mr. President, I rise today reluctantly because I believe that President Bush and particularly Secretary Mosbacher have done all they possibly could to attempt to change or modify a bad agreement, a bad deal that they inherited. Indeed there have been some improvements. There are letters of agreement that talk about coproduction, and yet when the Japanese Minister of Foreign Affairs goes back home, he says, "Do not worry about that; that is not really true. We do not have to address that until several years from now and it may not be."

So in one voice we hear that yes, there will be coproduction. Let me suggest to you that we are selling out for the 30 pieces of silver now.

Some companies—General Dynamics—will agree to anything. They will get some additional work. We have heard a lot of things here about flowback. My, how the editorial writers like to think they have some kind of superior esoteric knowledge. Oh, the United States can pick up some technology flowback. What do we hear the flowback is going to be? In the area of advanced radar systems, who is number one? The United States of America. Not only in applied technology, but that which looks to the future. Oh, we hear about if we have this codevelopment and this production agreement, we are going to gain some advances from getting these composite materials and they are rather important advances.

Let me tell the American people what we are talking about regarding composite materials. These are the composite materials we talk about. They are co-cured. These materials are tougher than steel, much lighter. Incredible. And who are the leading developers of composite materials in the world? The United States of America.

Oh, General Dynamics says we are going to advance, we are going to advance because we do not have it. Yes, General Dynamics, you may not have it, but let me suggest to you when my staff requested from the General Accounting Office a review of certain contracts, and these are the contracts that have been in effect as it relates to composite materials, General Dynamics, who may get some additional work out of this, said, "We don't have this composite material," but Boeing has been working on it and developing it, and so have Northrop, Rockwell, and Grumman.

What are we being told? How is it that the Congress of the United States has not been dealt with in a forthright manner? Why is it that we have been told half truths and been given this line of malarkey that we are going to be ahead as a result of this flowback when we already have the best? I will tell you who is going to be ahead. Do you really think the Japanese are going to pay $.5 billion for old, antiquated technology? Why is it on one hand they say they can get it anywhere and yet they are ready to put up $500 million? Let us wake up. We cannot stand the truth. We cannot handle it. An element called fairness.

By the way, let me tell you about composite materials. Let me show you the pictures of what we have been doing. We are years ahead. Aerospace is one of the few industries where we are ahead of the Japanese and yet we are ready to turn it over. This is a picture of co-cured composite materials that have been used in a tail and that have been applied for 10 years now. It has been produced. It has been applied. The Boeing people use it now, but we are going to get this technique from the Japanese. That is malarkey. It is nonsense. It is not true.

How come we indulge that? Why do we tell that to people? Why do we tell that to the Congress? So General Dynamics will get something? The Japanese are not going to be paying $500 million for old, antiquated technology that cost the taxpayers of this Nation $7 billion. They want our systems integration skills.

We hear we are going to protect these systems, these secrets just like we did when we gave them the F-15 materials and went into coproduction with them. When we got the General Accounting Office report of 1982, it said that we systematically turned over all of these secrets to them, and do you know who went and did it? The same people who are the architects of this ridiculous agreement, the Defense Department. The Defense Department. Read the report, and I challenge you, if you are really going to be conscientious and do what you should be doing, and I say this to the Members of this body, read this report of October 1982 and tell me that the same thing is not going to happen here. No, we have made promises; we are not going to do it again. Do not believe it.

Burden sharing; oh, this a new thing. Terrific. I want to tell you something; the same people who invent these magnificent names, star wars, secret pebbles, what is it, little pebbles, colored pebbles—this is incredible. Now we are onto burdensharing. We should go through with the FSX deal for burden sharing. Nonsense.

We tell the Japanese, "Listen, you have to pick up a greater share of the defense in the Pacific." They say, "Fine, we need 130 planes. We will build an FSX." Supposedly we said to them, "Why not buy our plane?" I do not even know if we did. Supposedly they just said no way, no how.

Then we got into this business of codeveloping the FSX. What a bunch of suckers. Codeveloping. Incredible. We take your technology at bargain rate prices, we develop it, maybe we will give you something back.

By the way, what part of the production do you think the Japanese are going to give us? They will give us the assembly work. They are not going to give us the high-technology part, the integration part, the computer systems, et cetera. So we will have some people who may be working for a while, and eventually we will have American working the assembly lines at the low end, the low-wage area when they want to give us that work, if they want to give us that work in the future. Oh, but this is burden sharing.

Look, let me suggest to you very candidly, I think somehow we are afraid to take credit for producing the best plane in the world, which is the F-16. We have absolutely lost our resolve to say we have the finest plane in the world and why do the Japanese not buy it because it is fair, because it is the right thing to do. It is the right thing to do not only as it relates to the balance of trade and treating partners fairly and dealing with them forthrightly.

It is not only the right thing morally to do, but it is important as it relates to our own relationship so that the American people and the Americna Congress and Government can say, look, we have real allies, true allies. They do not come under false pretenses or stand on ceremony. This ceremonial business of our national honor and we do not buy planes abroad, we have to manufacture them ourselves, true burdensharing would be saying, who has the best plane? Where would it be most cost-effective to buy? True burdensharing would say, United States of America, you have the best plane; you can produce it at one-third the cost. You can guarantee delivery starting 5 years earlier than if we go through this coproduction of an FSX.

We think it makes sense and we know it makes sense and we are going to buy it. If the United States of America had been suggesting to the Japanese that they buy a plane that we made just because we made it, just because we wanted to keep people working—and that plane was an inferior plane and that plane cost more and that plane could not do the job, then they would be absolutely right. They would be correct.

Burdensharing? Nonsense. What you call it is looking ahead and targeting an industry, one of the few areas where we have a surplus as it relates to our foreign trade. It is projected that it will generate about $17 to $18 billion in trade surplus from sales abroad. We are in a sorry state when we have our own people in the administration, the bureaucrats, the Defense Department in particular, cutting deals like this. What do you expect from an unelected group that has become policymakers for this country yet feels they must apologize for American strength? They should run for office if they want to do that—we'd have stronger policy with a little backbone.

We hear people saying, "If we don't go through with the FSX deal, what will people say about us keeping our word?" I want to suggest again to the editorialists and writers who say we have to go through with this agreement because if we do not, nobody is going to believe our President, that we have a Constitution, and it prescribes the methods and modalities by which laws are enacted, agreements are made, et cetera. Should we apologize because we are asking for the Congress of the United States to work its will on this agreement? We do not have a dictatorship; we do not have a monarchy, thank God. We have a democracy. I do not think we should be apologizing because we have a superior plane and because there are those of us who say "buy our plane"—it is cheaper; it is better.

We should not be blackmailed. There is a subtle influence being exerted around here. Nobody wants to say it. We are being blackmailed, absolutely. "We give you 30 pieces of silver today and, by God, if you do not take this, you fellas, we are not going to let you produce it anyway."

What happens if the Japanese decide to retaliate, retaliate because we are doing what is right? Incredible. The threat is that they will not buy our bonds, our debt. We are being held hostage, economic hostage. Do you think it is going to get better 2 years from now, 3 years from now, 5 years from now, 10 years from now? I suggest the FSX is an issue so clearcut that if we do not have the courage to

do what is right, now, when will we? We are not suggesting rejection of this deal because there is going to be a plane in the future that is going to be better, faster, or cheaper for the United States. We are being told to take this deal in spite of the fact that there are lots of questions that are open—technology transfer, secrets that will flow from this that are not supposed to, jobs that are lost, targeting of an industry, aerospace, both military and domestic. We are being told, notwithstanding we have the best product, the cheapest product, that does not count. Somehow it does not count.

Let me tell you something. If we are not careful, we will have a defense industry that will be based in Japan and maybe they will let us produce some of the things—maybe. Maybe—and it will not just be planes; it will be ships; it will be missiles. I am going to suggest to you that Sushi and Sonys and Toyotas are enough. Enough. I do not want to hear the nonsense some day, "We can't compete. They've got a better missile system. We've got to buy it."

What about our national defense? What about the spare parts for our weapons? Who is going to be supplying these? So for 30 pieces of silver we lack the courage to stand up for what is right and say, "My gosh, if we are truly allies and friends and partners, we expect you to do what is right." I hope the Members of this body will do what is right, that is, to approve this resolution of disapproval, to stand up now for America before it is too late.

I thank the Chair.

Mr. BRYAN. Mr. President, The specifics of the FSX agreement have been debated in this Chamber the past 2 days. I would like to make some further general comments on the agreement and its broader implications.

To me, the basic flaws of the FSX agreement are apparent:

This is a deal in which the United States gives very valuable technology to Japan in return for only vague and speculative benefits to this Nation.

I think that arrangement—negotiated mainly by the Department of Defense during the preceding administration and revised by the current administration—cannot be responsibly approved.

Some may say that the deal should go through because this Nation has made a commitment, and that to change course now would undermine our credibility or damage the integrity of the Japanese Government.

To those I say that it is time we stand up for our country, and our industries, and take a long-range view of our economic destiny before it is too late to do so.

This deal was not done by Congress—and Congress has an independent responsibility to review it in the context of the long-term best interests of the Nation—and Congress should stand up for the United States.

I think that it is time to reexamine the Nation's attitude as well as our policy toward our role in international trade.

We often hear that our country must be "responsible" in our international dealings. And we have been.

Now I think the operative word should be "tough."

There has been much talk the last few years about reducing our budget and trade deficits. Unfortunately, talk, rather than tough actions have characterized our actions in both areas.

Until we act—and act decisively—our economic future is in doubt.

Last year our Nation experienced a trade deficit in the range of $137 billion. Our trade with Japan accounted for about 40 percent of that deficit.

Approval of the FSX agreement—and providing to Japan the technology base needed to further their own commercial and military aircraft industry—in the long run can only act to increase our trade deficit.

The United States is without question the world's most advanced and successful producer of military and commercial aircraft. It is a great success story that the Nation should be proud of.

The Japanese are our greatest economic competitor—and they do not plan for just the next year.

The Japanese are willing to invest today in order to secure a long-term advantage in the world's marketplace.

Through the coproduction agreement we are providing the technological base for Japan to become, over the next few years, a major force in the aerospace market—our strongest industrial export sector.

It is time we adopt a long-range view toward our trading partners that is fair—but also which implements a long-term strategy for enhancing our role in international trade.

The fact is Japan has not displayed an active approach to reducing the massive—$55 billion—trade deficit that exists between our countries.

By purchasing our existing F-16's Japan could be displaying a good faith effort toward reducing the trade imbalance—and they would be receiving one of the most successful military aircraft ever produced at a very reasonable cost.

It has been estimated that the FSX may cost as much as $30 million more per aircraft than if existing F-16's were purchased directly—existing F-16's could be purchased directly for one-third to one-half the cost of the FSX.

By rejecting this agreement, the Congress can start to put the United States back on the course of actively guiding our Nation's economic future.

We can learn a lesson from Japan—and that lesson is not how to build military aircraft.

The lesson we can learn from Japan is that aggressive government economic development and trade policies can be effective if they are part of a coordinated strategy.

The Japanese economy is successful largely because of aggressive policies to invest in and promote markets in which they can compete effectively. And they protect their domestic markets.

Despite talk of opening its markets to U.S. goods, the fact is that progress has been painfully slow. Instead of a promised 20-percent share of the semiconductor market U.S. producers have only about 11 percent.

It is still difficult to export our agriculture products to Japan.

Our U.S. Trade Representative, Carla Hills, recently released a report in conjunction with the Trade and Competitiveness Act of 1988 which addressed trade barriers in foreign nations.

Trade barriers were found in Japan to United States exports of in many fields—superconductors, agricultural products, telecommunications, optical fibers, aluminum, and construction. I suggest that if the Japanese aircraft producers were competitive today, we might very well have United States aircraft on the list of products which were difficult to sell to Japan as well.

In conclusion, I view our actions today as critical to tomorrow's economic future—the FSX agreement should be rejected in the best interests of our future.

The PRESIDING OFFICER. The Senator from Washington.

Mr. ADAMS. Mr. President, I rise today in opposition to the proposed codevelopment agreement of the FSX fighter aircraft, and I want to compliment my colleague from Nevada on his excellent remarks on this subject.

Mr. President, only occasionally do we have an opportunity to debate a subject such as this agreement, which involves both foreign policy and military policy, in an open forum with enough time that we can present these issues and present them in a manner in which the American people can look at their economic future.

The Senator from Colorado, who presently is in the Chair, is one of the great experts in the United States on our industrial development and on where we can or cannot go, in terms of free trade, our economic future, the industrial future of the United States, and the quality of life of the United States. His global warming bill is a very important one.

This particular bill goes to the technology that we all face, whether it be global warming, whether it be the defense of the United States, as has been

eloquently addressed by other Members on this subject, or to what I want to talk about today, Mr. President, with regard to this particular agreement; and that is, the trade aspects. This is one of the first times we have debated, as a trade matter, our military sales, or our military coproduction agreements.

Mr. President, I am opposed to this FSX fighter aircraft agreement.

I might say I represent a State that presents a picture to the world of a free-trading State. One job in five in our State depends upon free trade. And, yet, we manufacture a few airplanes. The State of Washington probably manufactures more domestic airplanes than any other single State in the United States, and we are very proud of that.

I might say that I have not been contacted by members of my aircraft industry in the State with regard to this proposition. I state those background facts, Mr. President, because I also believe in free trade and fair trade. The people in my State believe in free trade and in fair trade. We certainly want to expand our trade with the Pacific rim, so why is it that the Senator from the State of Washington stands and says that this coproduction agreement is not in the best interests of the United States?

It is simply this, Mr. President: I do not believe in giving away an evolutionary technology to a mercantile country when we are involved in a trade fight throughout the entire world against very strong economic competitors.

Mr. President, we have almost dropped from our vocabulary the word "mercantile" nation in our desire to have free trade and in our desire to compare our trade to that of bloc nations, or to the old-fashioned ideas of socialistic blocs and free-trading countries versus the bloc trading countries.

It is a new world, Mr. President, and in this new world we have, once again, the growth of the mercantile nations among the free-trading nations, and a mercantile nation, simply stated, is one that looks into a free-trading market, and for its own self-interests, make certain that each deal benefits that country's economic position and runs, develops, and establishes a strategy for taking advantage of other nations in every opportunity.

You can say that that is just the competitive system, but here there is far more than that. There is a pattern here, Mr. President. There is a cycle, one that we must break. We must recognize that Japan, as a mercantile nation, has, is, and will demonstrate a pattern of industrial planning and developing, aimed systematically at acquiring a technological expertise and developing a manufacturing base to sustain an export-oriented economy.

This is not to be criticized as something that is foolish, something that is simply evil; they are absolutely dependent upon this type of an orientation, this type of an economy, this type of a mercantile strategy. We have, until recently, been an import-oriented, self-sustaining, internally directed economy, an economy that traded 95 percent with itself. As this has changed rapidly in the last 10 years, and we have become part of the world's trading base, we must understand what we are competing with and what exists in a free world market, and that is what we are going to have in the next 10 years. The Japanese have a definite strategy of acquiring the technological expertise and developing a manufacturing base to sustain this export-oriented economy.

Consequently, Japan has systematically developed new industries, new industrial capacities that far outstrip any domestic requirements that they have, whether it is in automobiles, electronics, or semiconductors. Their economy is based upon—created for an export trade. Ours has not been. Ours has been on the recipient end, and there is no wonder in the world at all that, though we may be technologically equal, and we may be larger in size, we may be smarter, and we may be every bit as competitive, that without this type of strategy, and without this type of devoted effort, they are going to export, and we are going to import, and that leaves us with a trade deficit.

We have to think about these things, and this debate on this product is a perfect place to demonstrate this, to talk about it, and to begin to develop and build our trade strategy and our ability to trade with the Japanese. We have had a great deal of experience in the State of Washington on the west coast with this. Prior to coming back to Government, from 8 years out of it, I was in the private practice of international trade, doing a great deal of trade with the Pacific Rim, and with Japan, and with China. And their system is directed toward exporting to the United States. They have a very small domestic internal automobile industry, and if you wish to determine in great detail exactly how this is done, and exactly what is about to be done in the airline industry, I would suggest a reading of the book by David Halberstein, "The Reckoning." If you read "The Reckoning," it sets forth in enormous detail a 15-year plan to penetrate the American auto industry, and penetrate it sector by sector, company by company, geographic area by geographic area, not evil, not the wrong thing to do in the world if you want to set up a standard of right and wrong, but a precise, directed effort to become the equal of the American manufacturing industry.

When I attended the briefing—and it was a military briefing, it was classified, all of that kind of thing—on this project, I think the last thing that I could think of to say as I left the room was in response to comments that this was not really our most advanced technology and that by the year 2000 the Japanese would just be catching up with us, or maybe not even catching up with us. I said, "If you allow this strategy to be pursued to its ultimate end I can guarantee you the Japanese will deliver you an Okuro fighter aircraft in the year 2000 and if they miss it by a year or two, they will have it by 2005 and they will sell it head to head with you all over the world and you will wonder why it is they beat you."

To those who are saying that you can go to the European technology or the Japanese will and they will get it there, they do not have to do that.

As Transportation Secretary and as a Congressman long before that, I am very familiar with the European aircraft technology. It is a good one but it is one that is way behind ours; even though they build a very good air bus, it has taken them a tremendous effort, and the Japanese will bypass that with very little effort once they acquire the necessary technology, apply the strategy, and apply their industrial base to it.

They are not going to sell these airplanes in Japan. All Nippon Airways and Japan Air Lines can absorb very few of them. But the market of all the expanding nations in Asia can absorb them.

I do not understand why at this point in our life we need to do this type of agreement. It would be different if we were in a position to where we needed to sustain the Japanese economy, which we had to do in the 1950's and 1960's in order to bring it back into its full industrial capacity. But we are ignoring the economic fact of life that the Japanese economy as of today is doing very, very well, so well in fact that there is a trade deficit with Japan and the United States where the Japanese are receiving in excess of $1 billion per week from us as part of a trade deficit.

Japan is our valued and respected strategic ally, but it is also a tough economic competitor, and when you have a tough economic competitor it is like any competitor in the American sports arena, you do not give away your play book to the opposition. The Seattle Seahawks do not give their playbook to the Denver Broncos before they play them. The Supersonics do not hand over their game plan to the Portland Trailblazers, and the aerospace industry should not give away its playbook to the Japanese.

The supporters of the FSX agreement have said we have little to fear from the FSX because the technology

we are transfering to the Japanese is several years old and it is not on the cutting edge of United States advanced military aircraft technology. They miss the whole point. The Japanese do not need tomorrow's military technology today. They are not designing an airplane to defeat us militarily as the Soviets might. They are not interested in selling an airline to the transport business that is going to be a Stealth transcontinental aircraft. No. The Japanese are buying the technology and the ability to handle integrated circuits and the ability to completely manufacture a total aircraft from us when they need it, and they need it now to build their aircraft manufacturing base.

That is their right and they can build this base on their own and that is their right. But it is also our right not to sell it to them in an evolutionary chance so that they will simply move that much farther ahead of us that much faster.

We should not go through with the deal, Mr. President, that jeopardizes our long-term economic and technological competitiveness because of a transitory short-term gain. We are going to be in the trading business and this competition a long, long time.

I would point out to my colleagues that the International Association of Machinists, who represent over 20,000 men and women working for General Dynamics, including 10,000 who work directly on the F-16 have gone on record opposing this deal.

We just cannot be complacent about maintaining our lead in aerospace.

The MIT "Made in America" report on U.S. productivity released last week concluded that the U.S. manufacturing industries will continue to suffer in the world market because of their dismal productivity performance.

One of the industries examined in detail was a study of the commercial aircraft industry, and one of the reasons that it was singled out was because this industry is suffering now from an erosion in its technological lead. The report concluded the U.S. aerospace industry already constitutes "a deteriorating industrial base," in other words, our jigs are old. Our ability to make aircraft is old; it is slowly beginning to deteriorate. We must update it, and we are just about to take one of the best parts of it and give it to someone else who will build a brand new industry. We did this in the steel industry. We did this in the auto industry and we are about to do it in the aerospace industry.

I might say parenthetically, Mr. President, that you may wonder why then if they are not going to build the Stealth transcontinental aircraft and they are not going to compete with us militarily, what is the danger, what is the problem.

The United States got into the air transport business out of the military transport business, through that technology. The dash 7 was the 707, and now the development costs for new aircraft are enormous.

The Japanese have determined a very simple and a very clever system for redoing what we did in the 1950's.

The warning signals are out and for our own good we better hear them. Proceeding with codevelopment, coproduction agreements with Japan where critical technology is involved is not in our national interest.

Mr. President, I urge a vote in favor of this resolution to disapprove the FSX.

The aerospace industry is important to my State of Washington and it is important to the Nation; both in terms of economics and in terms of national security. The aerospace industry employs more than 100,000 people in Washington State with a payroll of roughly $60 million per year. These dollars, in turn, generate more than $4.4 billion a year of Washington State's "gross State product." Nationally, the commercial aircraft industry is the single largest net contributor to the U.S. balance of payments. According to the recent Massachusetts Institute of Technology study on American productivity, "Made in America," commercial aircraft exports provide between 4 and 7 percent of the total U.S. exports with the entire aerospace industry providing an obviously larger share.

The record level of orders for U.S. commercial aircraft is affirmation of our international competitiveness in this area and our sales to foreign customers is a bright spot in an otherwise frustrating and bleak balance-of-trade picture.

While it is harder to quantify the value of the United States aerospace industry to our national security, there is no question that we depend upon our technological advantages to counter the larger numbers of Soviet aircraft, tanks, and surface ships.

To quote from an October 1988 report by the Defense Science Board on the status of the U.S. Defense Industrial and Technology Base,

> "We have chosen not to match our adversaries soldier for soldier and bullet for bullet. Instead, we have chosen to maintain a degree of technological superiority sufficient to overcome our numerical disadvantage.

As the Board noted in its report, we are quickly losing our technological and industrial base in key defense areas. In some areas, such as U.S. maritime industries, the board concluded that we simply do not have the capability required by our defense plans to transport our forces overseas. In other areas, we have not slipped as far, but drastic action is required. There can be little question that maintenance of technological superiority in aerospace technologies is essential to our national security.

We cannot afford to jeopardize the competitiveness of the U.S. aerospace industry and I am absolutely convinced that this agreement will do so.

First, it is clear that Japan is intent on buying more in this agreement than a fighter plane for its national defense. If Japan wanted a fighter plane, they could buy existing United States aircraft for less than half the cost of the FSX. Instead, the Japanese Government is buying access to technology that they do not now possess and a multibillion-dollar production program to develop experience with that technology. Supporters of the FSX are quick to point out that Japan had intended to proceed with the development of a new fighter plane on its own and the Reagan administration convinced them to proceed with codevelopment.

Therefore, the argument goes, the United States comes out ahead. This scenario only underscores my point, which is that Japan's primary goal in pursuing the development of this new aircraft was, and is, to develop its aircraft design and manufacturing base. This fact is not changed one iota by FSX.

Japan has had a longstanding policy of developing its domestic aircraft industry through coproduction agreements for military aircraft. This effort goes back to the 1950's when Japan's aircraft industry was revived after World War II. In the 1950's, Japan coproduced the F-86 and the T-33. In the 1960's, it coproduced the F-104, the F-4, and the P2V-7. In the 1970's, it coproduced the P-3C and the F-15. At every step, the level of technological know how has increased. What has also changed over time is the boldness with which Japan has moved to expand its aircraft industry; an industry that has a very small civilian market and a even smaller military market because of Japan's policy prohibiting military exports and its constitutional restrictions on its military forces.

In its strategic plans, or vision statements, Japan's Ministry of International Trade and Industry—known as MITI—has repeatedly designated aerospace as one of the three key targeted technologies for the 21st century. To help make this vision a reality, MITI has been heavily involved in promoting coproduction agreements, most recently the F-15 fighter, as a means of developing Japan's aircraft industry.

This issue was extensively examined by the General Accounting Office in 1982 in a report that was strongly critical of the way in which the United States handled these coproduction agreements, especially the F-15.

Whereas GAO concluded that the United States entered coproduction agreements primarily to achieve national security objectives, GAO found that Japan and other nations invariably entered into coproduction agreements with the United States to obtain advanced technology, to enhance their high-employment technology base, and to develop future export industries, in addition to national security.

The 1982 GAO report documented a systematic three part Japanese strategy to expand its domestic aircraft industry by: First, establishing consortia of Japanese aircraft manufactures; second, entering into international joint ventures; and third, providing Government financing for aircraft R&D and production contracts.

Earlier this year, in response to the FSX proposal, GAO looked at this issue again. GAO reaffirmed that the United States continued to look at these agreements, including FSX, primarily to advance the military capabilities of foreign countries and to promote compatibility among United States and allied forces. GAO also reaffirmed that Japan is as intent as ever in using military coproduction agreements to expand and enhance its aircraft design and production capability if not more so.

These conclusions are supported by the "Made in America" report of the MIT Commission on Industrial Productivity released last week. The MIT report found that the Japanese Government funds half of both the development and production costs of its aviation consortia versus very small percentages of U.S. Government funded aerospace research from NASA and DOD.

It is also worth pointing out that the 1982 GAO report also recommended that the United States develop a new national policy toward the whole issue of coproduction agreements to make sure that U.S. economic interests were protected including the direct involvement of the U.S. Commerce Department. Unfortunately, the Reagan administration failed to heed any of this advice.

It also comes as little surprise that the 1989 GAO report still found that the United States did not have a coherent policy of safeguarding U.S. economic interests in coproduction agreements. In point of fact, the give-away of U.S. economic interests in the FSX deal was so flagrant that even the Bush administration was unable to support it in its original form.

The problem is that despite Commerce Secretary Mosbacher's actions, the fact remains that the FSX deal still gives away far too much to our most aggressive economic competitor. What it gives away is the advanced design technology and expertise needed to develop and manufacture an entire advanced aircraft. Unlike previous coproduction agreements, which transferred manufacturing capability for a limited set of aircraft components, the FSX encompasses an entire aircraft including the integration of advanced electronic and computer systems.

While the transfer of manufacturing technology under previous agreements may ultimately prove to have been economically damaging to the United States, the FSX agreement would constitute a quantum increase in the type of expertise being transferred to Japan and I have no doubt that it would damage the United States aerospace industry economically. I have examined the only two technologies that the United States is, in theory, to gain access to from this transaction; the composite wing technology and radar technology. I am not convinced that the United States will gain anything at all in these two areas, much less offset the loss of technology we are transferring to Japan. Japan is an economic competitor that is taking aim at one of the few United States industries where the United States still maintains international leadership.

I will close, Mr. President, by saying that those of us who have been involved in the international trading system of the world and now have an opportunity to talk about American Government policy are at a juncture and for us to be taking one of our last remaining technologies and giving to one of our toughest competitors the advantage that we used in the 1950's and 1960's to develop an aerospace industry so that they have a 5- to 10-year jump on what they would be otherwise is simply not the way to proceed.

And as my colleague from Illinois stated so very well in his earlier remarks we are doing this for a competitor and instead of their just buying our airplane, which I think they should do, this idea that we must do all these things just does not make sense to me. We have troops in Japan. We have troops in Korea. We have an entire fleet to make the Pacific safe. We maintain a nuclear umbrella. We defend this Nation and other nations such as Japan from the threat of war. We limit their defense budget to 1 percent. Ours will not reach 1 percent in my lifetime. It is much larger. So as we are spending ourselves into a deficit to protect a competitor, I do not see why that competitor should be demanding from us the terms by which they will help defend themselves.

I hope for a little bit of cooperation, help, and assistance from them to say they will pick up part of the defense burden and not require this kind of an agreement, because we are not on an even footing. We are $55 billion per year in debt to them every year under the present policies. I think we deserve better. I hope the Senate will stand to give us better and will vote down this FSX proposal.

I thank the Chair and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Mr. President, I ask unanimous consent that I be allowed to proceed as if in morning business on a subject not related to the FSX matter.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The remarks of Mr. REID pertaining to the introduction of legislation are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

The PRESIDING OFFICER (Mr. SANFORD). The Senator from Illinois is recognized.

Mr. SIMON. Mr. President, I thank you.

I would like to comment briefly on the FSX agreement that is before this body and tell why I have reached the opinion that I have reached. I served on the Foreign Relations Committee, as my colleagues about it. I have listened and read documents on this.

First, I want to commend my colleague from Illinois, the senior Senator from Illinois.

Mr. DIXON. The very senior Senator from Illinois.

Mr. SIMON. Frequently I say the very senior Senator from Illinois but I should not do that too frequently.

But my colleague from Illinois, by vigorously bringing this question up and causing us to take a close examination of this issue, I think, has performed a real public service. In addition to everything else, I know more about the technology of this country today than I did before this whole matter was questioned. And I am grateful to my colleague and I think all of us in the Senate on both sides of the aisle are.

First, I think we have to talk about this in connection with the atmosphere that is here today. We are not dealing with this just in isolation.

There is, in part, an atmosphere that is not healthy and I am not talking about my colleagues in the Senate here when I talk about this. But the phone calls and some of the responses that I have sensed at town meetings in regard to, first, our relations with Japan. There is a little of the racist tinge occasionally to some of the remarks. Second, there is an understandable but not healthy response on the part of some: We were attacked at

Pearl Harbor, we have to get some revenge.

I do not for a moment suggest anyone in the Senate is part of that but it is out there. And while I understand the feeling it is not a good basis for policy.

There are two other things that are more understandable that have to be weighed in all of this. One is the trade deficit. People understand that this trade deficit with Japan is far beyond anything this Nation has ever experienced. I believe, and my colleague from Illinois is on the floor right now, I believe the trade deficit with Japan this last year was about $70 billion; approximately that amount.

That is far, far in excess of the trade deficit this Nation usually had, years on end. We had trade surpluses, as a matter of fact, generally. But there is an understandable concern about the trade deficit, a concern that we ought to share here.

Second, there is a concern because we are paying and we are footing too much of the military bill, as far as the protection—not only of Japan but of much of that area of the world where Japan has such a dominant influence.

Japan spends 1 percent of her GNP on defense. We spend 6 percent. Our friends in Western Europe spend about 3.3 percent. We are doing a disproportionate amount for the defense of Japan.

In fairness to Japan it has to be said that General MacArthur imposed that on Japan. Unfortunately, General MacArthur did not impose that on the Soviet Union and the United States and other places, too. But we are at a substantial disadvantage because we are doing a disproportionate amount to protect Japan.

When Japan, which gets a good chunk of her oil, the majority of her oil from the Persian Gulf, needs someone to defend Japan, we go there to defend that oil supply. That causes part of the feeling on the part of this body that somehow there ought to be some redress in the balance.

We are spending money on research on better and more powerful nuclear weapons while they are spending money on better television sets and toasters and other things. And our friends that each of us know do not want to buy nuclear warheads, they want to buy television sets and toasters.

Anyway, that is part of the overall atmosphere. Then on the agreement itself. The agreement itself, and here I differ from my colleagues because, although I end up on the same side in voting as my colleague from Illinois, the agreement itself, it seems to me, while it is not a gigantic tilt in either direction, the agreement itself it seems to me, on balance, is probably a good thing for the United States.

The agreement itself—we end up getting some jobs. If it is rejected the Japanese will either develop their own plane or they will enter an agreement with the French or the British or the Swedes or someone else. I think that is the reality.

The choice is not this or rejecting the deal and then our FSX agreements. One of the political realities that the Presiding Officer and my colleagues here on the floor understand also is this deal is going through. I do not know what the vote is going to be on the floor of the Senate. If I were to guess, my guess is the resolution to disapprove will carry but not by a sizable margin.

The President will veto that. And there will not be a two-thirds vote to override the veto.

Then, if that is the case, I have the opportunity to cast a vote, not just on the agreement itself but a vote that is very visible that says: We have to get our trade policies in order with Japan. I want to send a signal to Japan. I want to send a signal to this administration: We are going to have to do much, much better in our trade with Japan. And by voting against this resolution I send the most visible signal I know how to the administration and to the Japanese Government that we have to change our trade policies.

It is true that part of the trade deficit is caused by our own folly. Our budget deficit is, in large part, responsible for the trade deficit. We keep ducking facing reality.

Last year we did not face the budget deficit situation because we said this year we are going to have a new President.

This year we are not facing it because the new President has said I feel obligated because of my campaign pledges, read my lips, no new taxes, and we are getting whispered to by the new administration. Next year, we will face reality. Next year, Congress is going to be up for reelection and maybe we are not going to have it next year. We keep finding excuses for not facing the budget deficit. That is part of it.

But part of it is also, frankly, and this is true not just of this administration, it is the previous administrations we have stumbled, we have been very inept in handling our trade relations with Japan. Japan has had seasoned people in there negotiating trade. They have put stipulations there that are just totally unreasonable.

Cars built in Japan today have 26 dollars worth of American auto parts. When you buy a Ford, Chevrolet, or Plymouth here, you have 600 dollars' worth of Japanese auto parts. A small part of that is because of the quality of the products.

I met with the vice minister for trade from Japan and explained my concerns on the auto parts field, and he said you must understand the Japanese corporations cooperate with one another. Well, I knew that. That is why I was having the meeting. We have to be able to have access to markets. We have to stand up. That is part of it.

Part of it is also, frankly, Japan has just been very tough, and we have not been tough in response. By voting for the resolution to disapprove, I want to send a signal to Japan, I want to send a signal to this administration that I want us to get tougher in this whole area of trade negotiations. We are going to have to do much better.

I do not know what the prospect is for this resolution, as I indicated earlier. My guess is that it will be approved by this body, not overwhelmingly, but it will be approved, and that the deal ultimately will go through because the President will veto whatever resolution is agreed to. I hope the message from all of this reaches the administration and reaches our friends in Japan. We just cannot go on with the kind of trade deficit we have had up to this point.

Mr. DIXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DIXON. Mr. President, I simply wanted to say while my dear friend and colleague from Illinois is still on the floor that he honors me greatly by his statement and his vote in the committee in support of my resolution of disapproval. There is no more thoughtful man in the U.S. Senate than my colleague from Illinois, Senator PAUL SIMON.

I have had the pleasure and the distinction and the honor of serving with PAUL SIMON in public service since we were very young men in the Illinois House of Representatives in the very early 1950's. As many here know, we do not always vote the same way, so that his vote here was not a vote to be voting the same as ALAN DIXON. His vote here was a thoughtful and careful vote that he arrived at after hearing all the evidence. I just would like to tell one story about my colleague, Mr. President, who I have the deepest personal affection and the greatest personal admiration for.

One time many years ago when we were very young men in the Illinois House, there was a tremendously popular man in our State who was auditor of public accounts, and he came from our part of the world from southern Illinois. He was from Granite City, I was from Belleville and PAUL was from Troy. We were each about half an hour away from this fellow, the auditor of public accounts. Everybody was fond of him. Everybody said he would be Governor sometime soon.

He had an appropriation bill to substantially increase the appropriation for the operation of his office as audi-

tor of public accounts. Everybody in the House of Representatives voted for it save one. Everybody thought, how in the world could PAUL SIMON vote against that appropriation for our popular friend who is auditor of public accounts? Frankly, many were very critical of him. He was a very young man in either his first or very early term in the Illinois House.

Mr. President, that auditor of public accounts was indicted for stealing millions from the State of Illinois out of the funds in his office. He was sent to the penitentiary and served many years' time in this penitentiary of our State, and one thoughtful man in all of the legislature at that time had the good sense and the courage to vote no on his appropriation bill.

I have been watching PAUL SIMON's votes all my life since then, Mr. President. No man has the integrity and the mission and the purpose that I have ever known that I find in my colleague and friend. I am deeply honored that he is supporting me in what I consider to be this very worthy cause, and I express to him my profound personal appreciation.

Mr. President, I yield the floor because I look forward to hearing some words from my good friend, the President pro tempore and our former distinguished leader of this body.

The PRESIDING OFFICER. The Senator from West Virginia is recognized.

Mr. BYRD. Mr. President, I thank my friend from Illinois, and I support his efforts in this matter. I probably will have more to say on that subject later, perhaps not today. But I want to address the Senate on another matter.

PANAMA'S ELECTION

Mr. BYRD. Mr. President, the events in Panama yesterday and over the course of the election have been saddening and maddening for all of us. Our hearts go out to the citizens of Panama for the frustrations which they have endured in having their democratic rights trampled in front of them. Our concern goes out to the brave opposition politicans who ran against a hand-picked lackey, and beat him overwhelmingly by a ratio of 3 to 1, only to have Noriega declare his defeat null and void and order his goons to beat up the victors.

Mr. President, the rightful winners of the Presidential election and the people are being denied the fruits of their democratic victory. We have had the spectacle of a crass cabal executed by General Noriega. Noriega has exhausted any pretense of respectability in Panama. He should step down immediately, but I am sure that has been said before.

The joint leadership of the Congress met with the President on this matter this morning. I was invited to be present. I listened carefully to the President's remarks then, and again this afternoon. I support the President fully.

The President took a position that was right, cautious, yet firm, not jingoistic but stating his clear intent and his obligation to take whatever action is necessary to protect American lives in Panama.

It is my firm conviction that the United States should embark on an intensive diplomatic offensive throughout the hemisphere and throughout the world to isolate Noriega and his associates from the fruits of international economic, political and diplomatic intercourse in this hemisphere, to rally the democratic political forces of the hemisphere against him.

I think a summit meeting of the leaders of the democracies in our hemisphere would be an effective forum for a new multinational effort regarding Panama.

In our anger, there is the temptation to call for the violent overthrow of his government, to call for military action, but, Mr. President, cool heads must prevail. The people of Panama and the peoples of the United States, Venezuela, and the Central American countries understand what has happened in Panama in recent days, and understand what our President is saying.

The President said that he would live up to our obligations under the treaties and that he expects Panama to live up to theirs.

The amendment which Senator Howard Baker, the then Republican leader of the Senate, and I offered to the Panama Canal Treaties when they were being debated in the Senate authorizes the United States to take whatever action is necessary to keep that canal open to the vessels of the world. So our interests are protected by the treaties, and I fully support the President in his determination to live up to the treaties but also to see to it that the other side does likewise.

Let us not divert attention from the problem by inviting the possibility of condemnation of the United States for heavy-handed military interference in Panama. In that sense, we would be playing Noriega's game. In response to those who would say, "Let's act now; Let's take military action at this time; Let's don't wait;" let us be cool about this. Let us focus the considerable economic and diplomatic powers of the United States to galvanize the hemisphere on this issue, bringing in all the international institutions which are willing to play a responsible role so as to achieve a solution that will avoid the bloodshed of law-abiding Panamanians and, of course, of Americans living in Panama.

Mr. President, there are those who argue that the strategic interests of the United States—that is, the viability of the canal—are now in jeopardy and that the United States needs to take some kind of action.

The action usually cited is to shelve the Canal Treaties. The treaties, themselves, as I have already indicated, provide adequately for the protection of the strategic interests of the United States; they give us the right to "defend the canal against any threat" and "to act against any aggression or threat directed against the canal or against the peaceful transit of vessels through the canal—not only now but also in the year 2000 and thereafter when, under the treaties, the Panamanian Government would take over the operation of the canal. Those amendments that were approved when the Panama Canal Treaties were being debated, and to which the Senate gave its consent, provide fully for the protection of our rights even after the Panamanian Government takes over under the treaties. So our rights are protected now and in perpetuity.

Our legitimate legal right in this respect is not in jeopardy, and, if the events occur which require us to exercise that right, then I, for one, would fully support whatever action is needed to fulfill that responsibility.

At the present time, that situation does not pertain and is not relevant to the issue of the system of democracy which Noriega himself is attacking in Panama.

If the actions of the Noriega regime are threatening the safety of United States dependents in Panama, then I again support whatever prudent actions need to be taken, including relocating dependents and augmenting our forces in the region to provide that safety or whatever else is required under the circumstances. The President has made clear the purpose for which he is sending the brigade-sized force to Panama, and he has indicated that we are not sliding into American military intimidation and possible action against Noriega without due provocation.

The opportunity for American leadership in the Panama situation stares us in the face, and after the President's action today, I am optimistic that a sound strategy can be implemented to engage in an intensive diplomatic offensive in the hemisphere, including a vigorous effort at public diplomacy to isolate Noriega, and promote the prospects for a peaceful democratic transition in Panama.

Mr. President, I congratulate the President on the actions that he has outlined. I think he has acted prudently, carefully, deliberately, cautiously enough, not provocatively but firmly, saying we will protect our people, we will protect Americans living there, and we will protect our interests.

Mr. President, I yield the floor.

Mr. President, my friend Senator DIXON, I understand, is returning to the floor shortly. In the meantime, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. FORD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. LAUTENBERG). Without objection, it is so ordered.

DISAPPROVING THE EXPORT OF TECHNOLOGY TO CODEVELOP OR COPRODUCE THE FSX AIRCRAFT WITH JAPAN

The Senate continued with consideration of the joint resolution.

Mr. FORD. Mr. President, what is the parliamentary situation at the moment?

The PRESIDING OFFICER. The pending business is Senate Joint Resolution 113.

Mr. FORD. Is there any time limit?

The PRESIDING OFFICER. There is no time limit.

Mr. FORD. Mr. President, I want to talk about Senate Joint Resolution 113, which is the resolution of disapproval of the sale of the FSX to Japan.

You know, I am somewhat pleased that the paper in my State, one of the large papers, a very good paper, listened to the debate and researched the reasons for this sale. Their headline has been used quite a bit here this afternoon. The headline of that editorial in the Lexington Herald-Leader, Lexington, KY, says "The 'S' in FSX stands for sucker."

I would like to read that editorial, Mr. President, into the RECORD.

> U.S. Sen. Wendell Ford is right. The Bush administration's proposed FSX aircraft deal with Japan brings to mind P.T. Barnum's famous line about the birth rate of gullible people.
>
> Ford, the Democrat from Kentucky, is leading a fight to keep Americans from being played for suckers in this deal; and well he should. It's a one-way transaction. The United States gives the Japanese the technology they need to *compete*—
>
> I underscore "compete"—
>
> with us in aircraft production. In return, we get nothing we don't already have.
>
> Sure, General Dynamics, the aircraft company that will work with Mitsubishi Heavy Industries on this new version of the F-16 fighter, will get the benefit of Japanese radar and composite materials technology. But that will only help General Dynamics catch up with its domestic competitors—Boeing, Lockheed and Northrup, for instance—who already are competitive with the Japanese in this area.
>
> To get technology that we already have, we give away the secrets to our leadership in airframe construction and electronics—secrets the Japanese can use to enter the commercial aircraft market. And that, as the president of Mitsubishi has indicated publicly, is what this *deal*—
>
> I underscore "deal"—
>
> is all about. Why else would Japan agree to pay twice the price of an F-16 for a slightly better version of the same plane?
>
> Of course, there is nothing wrong with Japan developing an aircraft industry. Competition in any industry is good. But we don't have to hand everything to the Japanese on a platter. Let them incur their own research and development expenses, instead of buying the technology wholesale. And let General Dynamics do the same on the domestic front.
>
> The figure has been used of $7 billion of hard-earned taxpayers' dollars that have gone into the development of the finest military aircraft in the world, the F-16. So here in a flick of a pen a deal is struck to give that technology, that research, that development away for a pittance. I do not know what other Senators are hearing. But let me tell you when you get outside the Beltway—in case anyone listening to me does not know what the Beltway is, that is the highway that runs around Washington, DC, 72 miles, I guess—when you get beyond that, beyond the Potomac River, people do not like this arrangement. And it would be my guess that the mail is going to be almost as heavy in opposition to this arrangement as it was to the pay increase.
>
> Telephone calls are coming in my office, and letters are being received by the boxes and bags full. When our constituents get through telling us, I do not believe there will be a Senator who should support this arrangement with Japan. Some will. Some are loyal even if the people they are following are wrong. You cannot fault loyalty, but you can also fault being wrong.
>
> I know what good business with the Japanese is. There is a perfect example in my State. Toyota has built a plant in Georgetown, KY, and is manufacturing Camrys with American workers and American parts. They get the revenue; we get the jobs. There is nothing wrong with that. Why give them the revenue and the jobs both? In my opinion, that plant in Georgetown, KY, is a good business transaction—this one is not—because in that situation in Georgetown, KY, there is no erosion of American jobs, no giving away of valuable technology, no giving away—and this is what really get to me—of the capability to establish a lead in the commercial aviation industry and take away our predominance, our one last area of manufacturing predominance, from us.
>
> We are approaching the Japanese decade of the aircraft, having suffered through the decade of the automobile and the decade of the microchip; and we are handing it to them on a silver platter—maybe green. I think if we took time, as I said earlier, to listen to our constituents, and what they are saying, not one Member of this body would have to think about how to vote on the resolution of disapproval. The decision would be automatic, and it would be a resounding vote of no sale, no sale.
>
> The working men and women of this great country of ours have a stake in what we do now and how it develops the future. You know, the American dream is to invest at night and be rich in the morning. It does not happen to many people. It takes a while to work and develop, and it takes a demand in the American system to make a go of things. As we say in Kentucky, "It would take a while."
>
> The working men and women know what this is, and union knows the difference between a short-term gain and a long-term loss. This morning I received a very interesting letter from the International Union of Electronic Workers. This union represents some 47,000 workers at General Electric who manufacture the jet engines which will be involved in the FSX deal.
>
> Listen to what the union president says, William H. Bywater:
>
> The net effect of this deal will be to give Japan a leg up in another vital industry, resulting in the loss of jobs for U.S. workers, who have built the U.S. aerospace industry into the strongest industry of its kind in the world.
>
> They paid their taxes, they worked hard, and now we say to them, with all your payment of taxes, all your hard work, we are going to give that away. We say, down in Kentucky, something about that: "That ain't right."
>
> Likewise, it misses the boat in its failure to hold out for full production of the FSX. Production where? In the United States of America, if we hold out for a full production of the FSX in the United States, as a down payment by Japan on longstanding commitments to bring down the $55 billion trade bonanza it enjoys over this country.
>
> The union has not been fooled, not for a minute, by the fleeting promise—and I underscore "fleeting"—of a temporary workload. They understand the tradeoff between short-term gain and long-term loss. Why do we not here on Capitol Hill understand it as well?

So, Mr. President, I ask unanimous consent that a letter written to me by William H. Bywater, president of the International Union of Electronic, Electrical, Salaried, Machine and Furniture Workers be printed in the RECORD at this time, along with the news release.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

> INTERNATIONAL UNION OF ELECTRONIC, ELECTRICAL, SALARIED, MACHINE, AND FURNITURE WORKERS, AFL-CIO,

Washington, DC, May 9, 1989.

Re FSX Fighter Jet Agreement with Japan—S.J. Res. 113.

Hon. WENDELL FORD,
Russell Senate Office Building, U.S. Senate, Washington, DC.

DEAR SENATOR FORD: As you know, the IUE represents approximately 200,000 American workers, more than half of whom are employed by firms in defense related industries. Among these are 1,000 workers who build jet engines at the GE manufacturing facility in Madisonville, Kentucky. These workers are very concerned about the Bush Administration's recent agreement to co-develop the FSX fighter aircraft with Japan. We understand that Senator Dixon's Resolution, S.J. Res. 113 to disapprove the FSX agreement, will come before the Senate within the next few days. We are writing to urge you to support S.J. Res. 113, to stop the Administration from concluding the FSX deal.

The Japanese have made no secret of their intention to develop an aerospace industry which will be a strong competitor on the world market. Aerospace is one of the few remaining manufacturing industries in which the United States has an advantage in international trade. There are strong indications that the FSX agreement will threaten the competitive position of that vital U.S. industry.

At a time when the critical task of reducing our $55 billion bilateral trade deficit with Japan is prominent on our national agenda, this agreement virtually guarantees the further decay of our trade position. The Japanese could quite easily, and economically, meet their military needs by purchasing sophisticated F-16 aircraft from the U.S. and thereby contribute substantially to an improvement in the trade deficit. Instead, the deal may cause further damage if the Pentagon chooses to import FSX fighters from Japan.

These possibilities do not seem far-fetched to the American workers who have built the strength of the U.S. aerospace industry. They have watched as other sectors of the economy have been destroyed by imports. In many cases, the competitive foundations for those imports were laid by public and private agreements to transfer technology.

We urge you to join with your colleagues in Congress to reject the FSX agreement by voting in favor of S.J. Res. 113, the Disapproval Resolution sponsored by Senator Dixon.

Thank you for your consideration of our views on this very important issue.

Sincerely,

WILLIAM H. BYWATER,
International President.

[News Release from the International Union of Electronic, Electrical, Salaried, Machine and Furniture Workers, AFL-CIO; May 10, 1989]

BYWATER CALLS ON CONGRESS TO REJECT FSX DEAL

Calling for Congressional rejection of the Administration's agreement with the Japanese to co-develop the FSX fighter aircraft, President William H. Bywater of the International Union of Electronic Workers said clarifications offered by the Bush Administration did "little or nothing to answer the critical concerns of American workers."

"The net effect of this deal," Bywater said, "will be to give Japan a leg up in another vital industry, resulting in the loss of jobs for U.S. workers who have built the U.S. aerospace industry into the strongest in the world. At the same time, it undermines our national security interests in the face of the transfer of sophisticated technology to a foreign government.

"Likewise, it misses the boat in its failure to hold out for full production of the FSX in the United States as a downpayment by Japan on longstanding commitments to bring down the $55 billion trade bonanza it enjoys over this country."

The IUE represents some 47,000 workers at GE, including 5,000 in Massachusetts and nearly 1,000 in Kentucky, who manufacture the jet engines which will be involved in the FSX deal. The IUE also represents thousands of workers at Westinghouse, United Technologies, Rockwell International, Unisys and hundreds of other companies, large and small, which manufacture defense-related products.

The furor over the FSX has occurred just as many in Congress are demanding that the U.S. Trade Representative apply the provisions of the 1988 Trade Act to Japan. Yet, while the U.S. trade deficit with Japan continues to skyrocket, the Administration has negotiated yet another giveaway to the Japanese. "The FSX deal shows that President Bush is not serious about balancing the trade deficit. Aerospace is one of the few remaining industries in which we run a trade surplus. This deal sows the seeds of future catastrophe in that sector just as previous agreements have paved the way for Japan to acquire world leadership in other industries such as consumer electronics."

The Administration has justified the FSX giveaway by saying that it is in the national security interests of the United States. Yet, the Defense Department, itself, has said that Japan is targeting the aerospace industry for extensive development in the near future. Japan has, thus far, limited its sales of military products to the United States. "In ten or fifteen years, we'll be buying our fighters jets from the Japanese, just like we now import our VCRs."

"Our national security and our economic security cannot be divorced from one another", said Bywater. "If we don't protect and maintain our manufacturing industries and the livelihoods of our people, how will our nation be secure?" While the production details have not yet been settled, it was agreed in the FSX development agreement that 60% of the production of FSX components would be done in Japan. It was also understood that the licensed production of engines may well be a part of that Japanese portion.

"Having offered precious few actual details, the Administration claims it has answered all complaints about the FSX. The U.S. track record on similar trade deals does not justify such blind acceptance by the Congress," Bywater said.

Mr. FORD. Let me just pose two questions, if I may, that I wish to submit to my colleagues here in the Senate: Why is it that those of us who recognize the FSX trade agreement for what it is, a bad deal, are accused of Japan-bashing, when all we are doing is calling it like it is?

"You ought to let the State Department and the Administration make the deal." Well, we have to approve or disapprove. As Hamilton said, referring to the Congress, that "In these halls, the people's voice shall be heard by their immediate representative." I will guarantee you that the people's voice in my State is being heard by this immediate representative, and I promise you that when the time comes next Tuesday or next Wednesday, I will support the resolution to reject this arrangement.

I have said it all along, that the business transactions of Japanese companies are business transactions. Country to country, that takes away business; it takes away jobs. It is not a good business transaction, and when Government puts our people out of work by making arrangements that we know are not right, then we, as Members of the Senate and of the House, should reject that agreement.

And why is it that no one who is in favor of this proposal has passionately or even aggressively defended it on the floor? I do not hear anybody coming out here and questioning me, saying, "Ford, you do not really understand this."

I understand $7 billion in tax money that has gone in to develop the finest military aircraft in the world and now we want to give away that technology. That is a simple "no" to me.

Maybe we will get some defense before we vote on it. But I suspect that defense will be more in offices and on the phones than it will be out here publicly defending this agreement.

The reason is that this is a proposal that is simply indefensible. It is difficult to defend it. It was originally negotiated by the wrong people for the wrong reason, by the people with tunnel vision, and was left to the Bush administration to handle.

The Commerce Department was not even included in this discussion under the previous administration. They have just been brought in recently. They complained and the new Secretary complained that it was a bad deal, but he said, "It has already been done, so let us go ahead and complete it."

If he said it is a bad deal as a businessman he would not complete it.

There was absolutely nothing that could be done to make it an acceptable package because it is fundamentally wrong.

I heard of a football team win a football game that they should not have been able to win, and you ask the coach, "Why did you win this game? What was different about this game"? He said, "We just carried out our fundamentals, what we practice on, the fundamental way of carrying the ball."

The fundamentals in this arrangement are wrong. They do not work. The plays are not correct.

This is a fumble.

The administration tried and was only able to make a cosmetic change—you heard it—just something out here on the edge on the fringes that makes it look different. But the guts of it is

not. The bottom line remains that this sale disguises the fact.

We are establishing a Japanese commercial aviation industry and we are developing it for them and at the taxpayers' expense. We are giving them an aviation industry at bargain basement prices.

It is startling to me that we have arrived at this point. I thought those who opposed it within the administration and said so publicly and then said, "We have already made it; let us go on and carry it out," that somehow or another there would be enough bumps in the road that our position today would not have occurred.

But it has. Our responsibility as Senators representing our constituents is to look at it thoroughly, be briefed, have hearings, and look at the agreement, look at the long-term effect, look at the increase in balance of trade.

So, Mr. President, I am not into statistics or that sort of thing that people can get the calculators out and start hitting these little buttons and start telling you all the numbers, how quick it is, how much we are going to make, and how great it is going to be.

But, you know, I have seen a lot of things in the short period of time I have been here: People say if you increase the tax, you will get more money. People come back and say if you decrease the tax, you will get more money. I have not been able to figure that out. It is kind of hard, kind of tough to understand.

Then you tell us this is a good deal for the working men and women of this country and the working men and women of this country studied it and looked at it hard; they know that a short-term gain and a long-term loss is not in the best interest of their future or their children.

Oh, we are going to hear Senators come out here now and represent districts or States, or something, say that business will make that short-term gain and try to defend it. I do not believe they can say anything to change the constituents' minds as it relates to this issue.

I think it is always distasteful to vote against the administration regardless of who it is. I have had to do that to the President of my party. I have had to do it to the President of the other party or the administration of my party or the administration of the other party.

I think my percentage is pretty good, though.

There is one of those I think and look back on or maybe two of them.

I voted against the Canadian Free Trade Agreement. You try to get uranium enrichment worked out today and see what the price is, the spot market and all that. I voted against that.

I voted against the Panama Canal Treaties. I voted against my President.

Both of those votes are beginning to look a little better.

I feel the same way about this resolution of disapproval. It came from a very strong thinker, very hard worker, a fellow who listens to his constituents, the distinguished Senator from Illinois [Mr. DIXON]. When he goes home, he has his town meetings, and he listens to his people. Hopefully I follow in his footsteps. We are listening. I said I believe the cards and letters and phone calls are coming, and they will come—let me just say in bunches or bundles. They will come in bundles.

This is not one that we want to carry out.

Mr. President, I thank you for the opportunity of allowing me to make a few remarks in opposition to this arrangement with the country of Japan and giving me an opportunity to express what I felt in the last few days for my constituents and compliment those who are leading this fight, and I go back to my editorial. You know, people make a living out of, they say, word merchants. Most of them refer to lawyers as word merchants. But this is the first time in my years I have been here that an editorial from my State has been laid on the Senators' desks, and it has already been quoted at least three times this afternoon. I suspect it is going to be quoted some more. It is going to be quoted some more before this vote occurs.

I am sure the college professors of this day will probably find some way to offset it and their wheels are already turning, but I think it was a mighty fine headline anyhow.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. Mr. President, I am sure that it is not the headline that our dear colleague from Kentucky likes so much as the first line of the article which says, "U.S. Senator Wendell Ford is right."

Mr. FORD. Mr. President, will the Senator yield for me to acknowledge that?

Mr. GRAMM. I am happy to yield.

Mr. FORD. Mr. President, I say to my friend from Texas, it pleases me, but not often changes my mind.

Mr. GRAMM. Mr. President, if an editorial were written by one of the great papers of Texas saying that I was right, I would be encouraged, and I would distribute it to every desk, and I would refer to it on many occasions.

Mr. President, I rise in opposition to the resolution of disapproval. I want to make it clear that I am not impugning the motives of anybody who supports it. There is not a Member of this body that I have a higher regard for than the distinguished Senator from Illinois [Mr. DIXON]. He is perhaps our most effective Member, and I always look with some degree of unhappiness on a situation where I am opposing him on an issue, be it small or large.

Let me also say, Mr. President, that there is no doubt that if we ran America by opinion polls, this agreement would be soundly rejected. The American people have a clear preference that we should be building this fighter, here in the United States, and I share that preference with them, but that is not an option that we have before us. Our responsibility to our constituency is basically to get the facts, to listen to their opinions, and to use our best judgment, as God gave us the wisdom to use that judgment, to try to do what is right for America and what is right for the things that we stand for around the world.

Mr. President, first of all, the ideal circumstance, from the point of view of the United States and I believe from the point of view of Japanese taxpayers and freedom-loving people all over the world, would have been for the Japanese to have decided to have bought an off-the-shelf F-16 which would have been produced in Fort Worth, TX. That would be a great thing for many, many reasons.

But the cold, hard reality, Mr. President, is that no major industrial nation for the last 10 years has bought an off-the-shelf fighter from any other nation. In fact, Mr. President, if you look at the pattern for the last decade—and it is not an encouraging pattern—you will find that the major industrial nations that have sought a new fighter have built their own. The British, the Germans, the French, the Italians have all developed their own fighter and their own technology. In fact, we are at this compromise because the Japanese proposed to follow the path of the British and the French and the Germans and the Italians and to develop their own technology and to build their own fighter.

Our counterproposal, not surprisingly, was "Don't build your own fighter. Let us build a fighter and sell it to you." In fact, Mr. President, that is the proposal that we made to the British and the French and the Germans and the Italians, and that proposal was rejected by them.

We have before us a compromise. It is a compromise that is somewhere between kissing Sophia Loren in the moonlight and kissing your maiden aunt at the nursing home. But, Mr. President, this compromise is greatly preferable to the alternative. Because the cold, hard alternative is that if, in fact, we should disapprove this sale, the Japanese would do what they initially intended to do, which is to go out and develop their own technology and build their own fighter. And I argue, Mr. President, that that is not

in America's interest, and it is not in America's interest for several reasons.

First of all, 40 percent of $6 billion, which is the projected production costs—and the 40 percent is the ballpark figure that we are using as America's share for dollars and for jobs—is $2.4 billion. That is a lot of money, even in the Federal city.

If the Japanese go it alone, develop their own technology, produce their own plane, then we will get 100 percent of zero, which, unfortunately, is zero. So I prefer $2.4 billion of money spent in the United States creating jobs for America's workers, as opposed to getting nothing out of the building of this new fighter.

Mr. President, there are two other important reasons why I think this sharing arrangement is a good arrangement for the United States.

First of all, we are not indifferent to Japan's ability to defend itself. In fact, I have been on this floor on many occasions and heard my colleagues rant and rave and speak and exhort the Japanese to defend themselves, to do more. Here we have Japan ready to spend $6 billion in its own defense to build a fighter that will give it the capacity to project air power out 1,000 miles from the Japanese homeland. In the process, this would reduce the necessity for the United States to defend its own military bases in Japan and, to some extent, in Korea, thereby lessening the burden on the American taxpayer of defending the free world.

But, more importantly, what is neglected in the argument against this sale is that one of the most important provisions of the sale is that the technology that will be developed and the technology that will be licensed cannot be used by the Japanese to produce a fighter that they can sell to the Koreans, to Singapore, to Taiwan, to the Philippines, and all over the world in direct competiton with the American aerospace industry.

The advantage of the joint production agreement is that it preserves our ability to limit their capacity to compete. As I understand it, Mr. President, that is a principal concern here, and it is one that we should not be indifferent to.

In addition, I have no doubt, given the superiority of the American aerospace industry, that if Japan develops a fighter on its own, not only will it try to sell that fighter all over the world—which it will have to do because it is going to cost them a lot of money to do it—but that fighter will not do the job that an upgraded F-16 will do. And if the day should ever come when we need the help of the Japanese in keeping Ivan back from the gate, I want the Japanese pilots to have the best planes in preserving the lives of the thousands of American servicemen in Asia and protecting American interests in that region.

Mr. President, I hear concern expressed about technological transfer. I think only a fool would not be concerned about that. But this concern is expressed in isolation from the facts. The Japanese, first of all, under a license, built the F-4. The Japanese, under a license, built the F-104. And, Mr. President, a point that is totally neglected in all these arguments is that the Japanese, even as we speak, are building the F-15 under license. That aircraft is in some way technologically superior to the F-16; in other ways it is not. So the plain truth is that many of these concerns exist in the agreement that is currently in force in the joint production of the F-15.

But, Mr. President, if our objective is to maintain technological superiority, is it not wise that we should preserve our control through licenses over technologies that they would use? Is it not wise that we should enter into an agreement where they must share with us new technology that is developed as a result of our joint effort, rather than simply encouraging them, as this resolution would do, to engage in the activity that, after all, we talked them out of doing; namely, going it alone, developing their own technology?

I cannot understand, if your concern is over the Japanese developing this new technology, if your concern is over the Japanese entering the aerospace industry and competing against us, why we ought to pass a resolution that forces them to do what they wanted to do to begin with. It makes absolutely no sense to me.

Let me add, Mr. President, that I am concerned that this debate is occurring, in large part, because we are talking about Japan.

I did not hear this level of debate, Mr. President, when the British tried to sell us the Harrier. My colleagues will remember that we bought this jump-jet that has these nozzles that move and the plane takes off straight up and then turns and flies off. When the British, our great ally, sought to sell us the Harrier, what did we do? Were great objections raised? No. We negotiated a deal. Did we say: Well, of course, we will just buy it right off the shelf, we will buy your technology; send the planes over here?

What did we do, Mr. President? We said: No, we are not going to buy the plane built in Britain. We will only buy it if it is built in the United States of America.

I understand that Japan is protectionist, more protectionist than we are but less protectionist than we claim. We are more protectionist than we claim. I deeply resent the fact that Japan cheats its workers, lowers their living standard, distorts world trade, all in the name of protecting narrow greedy special interest groups that hurt the very people that have created the Japanese miracle.

I believe, Mr. President, that we should do everything in our power to pressure the Japanese to open up their markets, not just for our good, but for theirs.

But, Mr. President, taking action to deny us the ability to coproduce a plane and create $2.4 billion of income for Americans is not wise policy. At a time when we desperately are calling on our allies to shoulder a greater degree of the burden of defending the free world, I do not understand why we are discouraging the Japanese from developing a defense industry and investing their money in helping us preserve world peace and protect our freedom.

So, Mr. President, if the choice were between the F-16 bought off the shelf and produced in the United States of America and this agreement, I would opt for the plane built in the United States. But, Mr. President, no major nation in 10 years has made such a transaction, and we certainly have not.

In fact, of all nations that can complain about protectionism, we are the nation in the Western alliance that has the dirtiest skirts when it comes to trade in defense articles.

In fact, Mr. President, let me just read how absurd American protectionism in defense is. Under section 8010 of the fiscal year 1989 Defense Appropriations Act we have an absolute prohibition on the purchase of any of the following items from any of our allies:

> Any article or item of food, clothing, tents, tarpaulins, covers, cottons and any other natural fiber products, woven silk or woven silk blends, spun silk yarn for cartridge cloth, synthetic fabric or coated synthetic fabric, canvas products, or wool—

Need I go on and on? In fact, Mr. President, I am willing to assert and would be happy to take it back if anybody could demonstrate it were not true: Of all members of NATO, we are the most protectionist, in terms of defense purchases.

We have hardly set the example in defense procurement that we would like other nations to follow. In fact, we have a larger trade surplus in the defense industry, including the aerospace industry, than in any other major component of our trade relations. Of all areas that we should not be encouraging protection in, this is it.

So, Mr. President, in an ideal world where we could choose between domestic production versus this arrangement whereby we get 40 percent of the pie, I would take 100 percent of $6 billion rather than 40 percent. But that is not our choice. Our choice is between 40 percent of $6 billion and 100 percent of zero.

When I learned arithmetic in the third grade that anything times zero is zero, I decided to try to stay away

from zeros if my objective was to put money in my pocket or in the pocket of our Nation.

I am not jumping up and down, saying this is a wonderful agreement. But there is one thing that is certainly worse than this agreement. The one thing that is certainly worse than this agreement is to reject it and to encourage the Japanese to build their own fighter so that we get none of the jobs, growth, and opportunity that come with the FSX proposal. We would then have a competitor on the world market that has invested heavily in technology and that therefore finds the need, and clearly it possesses the desire, to go out and sell that technology.

I hope my colleagues will reject this resolution, as well intended as it is. As good as the rhetoric is, the reality is that to reject this proposal and pass this resolution would be contrary to the interests of the United States. It would work against peace and democracy. This resolution is a bad idea, and it ought to be rejected.

I yield the floor.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DIXON. Mr. President, I want to very briefly comment on an earlier remark made by the senior Senator from North Carolina when he was on the floor, that I believe merits further expansion for the record and for my colleagues in the Senate who may be paying attention to this discussion.

The administration is trying to create a belief in the country, a feel-good belief, that the F-16 technology we are selling is old technology.

Earlier, the Senator from North Carolina correctly pointed out that the agreement calls for the United States to send F-16C technology on the plane. This technology is recent technology. While the Japanese continue to insist the technology is old, they are also insisting upon receipt of the source codes that control the F-16 computers.

Do you hear that language? They are insisting upon receipt of the source codes that control the F-16's computers.

Mr. President, I hold in my hand one of the letters of clarification—the side letters of agreement, I guess they are called, Mr. President—to the FSX memorandum of understanding. Then there has been exchanges of letters, side letters of agreement, concerning the memorandum of understanding.

I want to read what the Secretary of State, James A. Baker III, the Secretary of State, says to His Excellency, Mr. Matsunaga, Ambassador of Japan. This is the Secretary of State, talking to the Ambassador of Japan. He says:

In this regard the Japanese Defense Agency should be assured that, under the terms of the FSX MOU, the memorandum of understanding, Japan will receive access to the source codes necessary to develop the mission control computer.

That is key language. I think that indicates that in reality what the Japanese will be getting is our current best technology in respect to the F-16 airplane.

I want to make one other point. My friend from Kentucky spoke eloquently about public opinion on this question, Mr. President. I would want to carefully couch these remarks because I would not want them misinterpreted. I do not think anybody ought to follow public opinion in cases where, in our own conscience, we believe from time to time that the general opinion in the passion of the moment could be in error. But I think some do not understand the depth of public opinion in its opposition to what the administration wants to do in respect to this agreement.

I want to say again that I have been home as recently as last week doing townhall meetings all over the State of mine in Illinois, and at every meeting, spontaneously, people express their outrage about this. It is almost never the case that one can say as a public person that opinion seems to be almost unanimous.

On almost all the controversial issues of our time, Mr. President, whether it is the question of prolife groups or prochoice groups or the National Rifle Association, as distinguished from those who believe in gun controls, you have differences of opinion. You go home and talk to townhall meetings, and obviously there are differences of opinion. But the sense of outrage about this is a sense of almost unanimous outrage.

Then I began doing radio call-in shows where the people on major radio networks who are communicating daily with the citizens of their communities, big stations in St. Louis and Chicago, and other communities in my State and those bordering on my State. I was struck by the fact that everyone was opposed to this deal, Mr. President. Not 9 in 10, all the calls and the radio personalities handling those calls are tremendously opposed to this situation.

Last night, and I expect the President was at the black-tie dinner last night, I joined my colleagues on this side of the aisle in a black-tie dinner and was asked to leave there at 10 o'clock to do a television call-in show with a representative of the aerospace industry. We did that for 45 minutes. There were innumerable calls on the subject matter. Unbelievably in the end, I found myself trying to defend the person with whom I was debating. The calls were so vitriolic, they were so angry that I felt compelled to defend the person that I was invoved in a debate with: "Wait, this is an honorable man. He is not trying to do harm here. He is expressing his honest opinion. Give him a break."

I really feel compelled to say to my colleagues that there is a depth of feeling and a passion about this in the country that has not yet been measured and I think is not yet understood and it is powerful. I think that the administration will come to know that.

Mr. President, the AFL-CIO [American Federation of Labor and Congress of Industrial Organizations] has sent out a letter to every Senator. This letter is dated May 9. It is signed by Robert McGlotten, the director of the department of legislation for the American Federation of Labor, Congress of Industrial Organizations. It says:

DEAR SENATOR: The Senate will take up S.J. Res. 113, a joint resolution to disapprove the development of the FSX with Japan this week.

The AFL-CIO supports the disapproval of the FSX sale for the following reasons:

Despite Presidential assurances about the protection of sensitive U.S. aerospace technology, we believe that the Japanese will gain direct access to technology that we developed at a cost of $7 billion. Given our experience with color TV's, VHS's, and semiconductors, we believe that the Japanese want access to key software and other aircraft components. This is the only economic explanation for paying more for the FSX as opposed to buying F-16's off the shelf.

The direct purchase of F-16's instead of the coproduction of the FSX would have had an important impact on the Japanese trade surplus with the United States. That surplus last year was over $52 billion.

Just think of it, Mr. President; a $52 billion deficit with the Japanese last year.

This is another example of the failure of the Japanese to open their markets to U.S. products. When given the opportunity to purchase the F-16 directly, the Japanese declined. It is for this reason that the Congress and the administration should place increased reliance on aggressive enforcement of super 301 to open Japan to U.S. products.

May I say, I certainly support that, Mr. President, and will speak later on my views about that.

The assurances of both the Japanese and the Bush administrtion of a 40 percent U.S. share of the potential $6.2 billion FSX is suspect. A careful review of the documents makes clear that any significant U.S. share is dependent on a future decision to produce the FSX.

Absolutely correct, Mr. President. The agreement, the MOU only addresses the first six airplanes that will be built and does not address the follow-on 130 to 170 airplanes. There will be a separate and following memorandum of understanding about that.

Therefore, the economic benefits to the United States are still uncertain. As we have learned from the semiconductor agreement, economic benefit from negotiations with the Japanese are not a certainty.

The semiconductor agreement that my friends in the AFL-CIO referred to

is the agreement in which the United States share of the Japanese market would be permitted to reach 20 percent and we did not get it. My understanding of this, and I stand to be corrected if anybody can show otherwise, is in the end the Japanese denied they had that agreement with us, notwithstanding the fact their own newspapers printed articles to the effect that that negotiated agreement had taken place.

Mr. McGlotten, of the AFL-CIO says:

In conclusion the FSX represents an uncoordinated and ill-advised U.S. policy decision and the Congress should not agree to it. As a nation, we can no longer afford to give away our technology to placate our leading creditor. We must move to reduce trade imbalances without mortgaging our future through the sale of important aviation technology.

"The AFL-CIO urges the Senate to adopt S.J. Res. 113," my joint resolution of disapproval, Mr. President, "and disapprove the FSX agreement."

An interesting thing, Mr. President, in connection with that is from the business side of the ledger, I just want to call the attention of my colleagues to a statement I made the other day that already Mitsubishi is denying business to American business houses that have been involved in the process all the time up until now.

This is an article, Mr. President, that comes from a paper the President would be familiar with, the New York Times. The New York Times of May 10 talks about a company that is named in this article, and that company has been brought to my attention, the BASF Corp. of Parsippany, NJ. That name, may I say, Mr. President, has a lovely ring to it—Parsippany, NJ. I like it. The Chair would be aware of Parsippany, NJ.

This company, less than 2 weeks after President Bush approved the Japanese-American FSX fighter project, a sector of the American aircraft industry, is already crying foul saying it will be shut out of the bidding on a critical component. This American-based maker of a fiber reinforced plastic used in aircraft parts says it was told by the Japanese prime contractor, Mitsubishi Heavy Industries, that its sister unit, the Mitsubishi Rayon Co., would provide the material known as preimpregnated fiber reinforcement, or prepreg.

I do not really know what prepreg is, I must confess. As I said earlier, I do not pretend to have any technical expertise about these things, but I understand prepreg is something they use in making golf club shafts and fishing rods and other things, and also it has a useful participatory part in the making of aircraft to some extent.

So I just want to say to my friend, the President, as he is leaving the room, that a Parsippany, NJ, company is aggrieved. I know staff will correct me if I misrepresent this fact. As I understand it, this company has been making this type of prepreg for General Dynamics in the past in the manufacture of F-16 airplanes. That is what I want the record to show.

Here is an American company that has been making this prepreg for General Dynamics for the F-16's. And what is happening now? The first thing, the first thing, Mr. President, when it looks like we are going to have a deal, this company is out the window because Mitsubishi wants a Japanese company, in this case part of their conglomerate, to make it.

One hand washes another, I guess. The point is, do not be fooled into thinking they are going to give us any breaks. Do not be thinking there is going to be any free lunch. There will not be. The Japanese will get the business, the Japanese will keep the business, and the folks that were building this material in Parsippany, NJ—I love the name Parsippany—how large is Parsippany, NJ, may I ask my friend from New Jersey.

Mr. LAUTENBERG. I would guess about 40,000 to 50,000 people. Growing rapidly. They are not persnickety in Parsippany.

Mr. DIXON. I thank the Senator. The distinguished Senator from New Jersey addressing Parsippany, NJ, a town the same size as my hometown, Belleville, IL. May I say to the Chair, Belleville stands for beautiful city in French, although most of the people there are Dutch. But the point I make is we have not made the deal and already the Japanese are stealing the business.

As this Senator said earlier and will say many times, this will not be the end of it because we are going to see the day, if I have the good fortune to be here in a few years—and if I am here I know I will be here with the distinguished minority leader, who obviously will be here for an eternity because of the high regard of the people of Kansas—I am going to make my "I told you so" speech. Mr. President, I warn you now, because you will be here a long time with the great regard you are going to achieve in this Senate, and if I am here with you I am going to make my "I told you so" speech. I want to warn the Senator from Kansas now, he has to work for the administration, and he does a wonderful, marvelous job and I love him, I am going to make my "I told you so" speech.

Mr. President, you will be here, I know the Senator from Kansas will be here, and the Senator from New Jersey, but about 1996 or so, if I am fortunate enough to join you, I will make my "I told you so" speech. That will be when the Japanese are making all of the parts that used to be made in Parsippany, NJ, and are making all the engines and all the platforms and all the airplanes and are dominant in the commercial aviation industry and in aerospace. If I am here in 1996, I am going to come back here and say "I told you so, I told you so."

Now, I am greatly impressed, Mr. President, to see that both the majority leader and the minority leader are ready to do something and I am prepared to yield to my leader—

Mr. DOLE. Why not just reject this on a voice vote.

Mr. DIXON. If he is prepared to take his spot. I yield the floor, Mr. President.

Mr. MITCHELL addressed the Chair.

The PRESIDING OFFICER (Mr. ROBB). The Chair recognizes the majority leader, Senator MITCHELL.

Mr. MITCHELL. May I suggest to the Senator from Illinois that if he has any summary or closing remarks, he might deliver them while I confer with the distinguished Republican leader. I did not want to interrupt him. He seemed to be just getting warmed up.

Mr. DIXON. I am delighted to take the floor once again.

The PRESIDING OFFICER. The Chair recognizes the Senator from Illinois for his closing remarks.

Mr. DIXON. Mr. President, while the majority leader and minority leader are conferring, I simply want to say on behalf of the 40,000 people of Belleville, IL, we are on this floor expressing as warmly as we can our regard and our concern for the 40,000 people of Parsippany, NJ, and for others similarly situated in America who will see these jobs go away.

I want to talk about that a minute, Mr. President. The biggest job opportunity in my town was not building prepreg like they do at BASF Corp. in Parsippany, NJ. The biggest deal in my town was a brewery and they made Stag beer there. It was a very good beer, Mr. President. We will all miss it. Finally, Heidelman Brewery, which is a very big brewery in the country, as you know, makes Old Style, Export, and other beers, a great many different beers, bought Stag Brewery which had been in existence in my home town all of my lifetime and long before that—maybe as much as a century. I do not know. I would have to go look at the record. Just this year they closed that brewery. Many of us did everything in the world we could do to try to save it by interesting others in buying the brewery, but it got to be old. Very fine people worked there in very good jobs. Several hundred people lost work.

Now, that is no laughing matter because that was the biggest employer in town other than the two hospitals. You are looking at a Senator who understands that and went through that experience this year. I am compelled

to say that a lot of what we are concerned about here flows from those kinds of experiences that occur over and over again for a variety of reasons all over America.

The point I make is that this fine town in New Jersey will not be the only town in America that will have this experience, losing some business and the jobs going elsewhere because of this FSX deal. That is why the AFL-CIO wrote this letter to the members and that is why many other labor groups and business interests in the country are concerned. That is why when we go home to the townhall meetings, they are outraged and that is why when I participate in radio talk shows people call in and express their outrage; they are talking about jobs, Mr. President, jobs, good jobs, American jobs to build American products in American factories. That is part of the issue as well.

Mr. President, I see the majority leader and the minority leader have conferred, and I am delighted to have had the opportunity to make these closing remarks.

I thank the President and the majority leader and all in attendance for their kindness and their cooperation. I am delighted to yield the floor to listen to the majority leader and his words of wisdom about what the future holds for the Senate after this moment.

The PRESIDING OFFICER. The Chair recognizes the majority leader, Senator MITCHELL.

Mr. MITCHELL. Mr. President, for the information of Senators, there will be no rollcall votes today. I have asked the distinguished Republican leader to meet with me and with the Senator from Illinois and with a Senator who will be representing the point of view in opposition to that of the Senator from Illinois to discuss the schedule for the further handling of this matter following the debate this evening.

We are now awaiting the arrival of those persons necessary for such a discussion.

If the Senator wishes to continue, I am momentarily going to yield the floor because it will take a few moments to assemble the persons necessary for that discussion. If not, I will suggest the absence of a quorum.

Mr. President, I will suggest the absence of a quorum. Before I do that, Mr. President, it is my hope to be able to indicate to Senators in a very short time the schedule for tomorrow, Monday, and Tuesday, so Senators will be able to make their plans accordingly. It awaits only the discussion with the distinguished Republican leader, the Senator from Illinois, and others involved in this issue.

I now suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Kalbaugh, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

ANNUAL REPORT OF THE CORPORATION FOR PUBLIC BROADCASTING—MESSAGE FROM THE PRESIDENT—PM 43

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Commerce, Science, and Transportation:

To the Congress of the United States:

In accordance with the Communications Act of 1934, as amended (47 U.S.C. 396(i)), I transmit herewith the Annual Report of the Corporation for Public Broadcasting for Fiscal Year 1988.

GEORGE BUSH.

THE WHITE HOUSE, *May 11, 1989.*

MESSAGES FROM THE HOUSE

At 10:49 a.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has agreed to the following resolutions:

H. Res. 87. Resolution impeaching Walter L. Nixon, Jr., Judge of the United States District Court for the Southern District of Mississippi, of High Crimes and Misdemeanors; and

H. Res. 150. Resolution appointing managers on the part of the House to conduct the impeachment trial against Walter L. Nixon, Jr., a judge of the United States District Court for the Southern District of Mississippi.

The message also announced that Mr. BROOKS, Mr. EDWARDS of California, Mr. CARDIN, Mr. SENSENBRENNER, and Mr. DANNEMEYER have been appointed managers for the trial of the impeachment of Walter L. Nixon, Jr., a judge of the United States District Court for the Southern District of Mississippi.

At 12:31 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that pursuant to the provisions of section 4(a) of title 5, Public Law 99-180, the Speaker appoints as members of the Commission on the Ukraine Famine the following Members on the part of the House: Mr. HERTEL, Chairman, Mr. DORGAN of North Dakota, Mr. BROOMFIELD, and Mr. GILMAN.

ENROLLED JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on today, May 11, 1989, he had presented to the President of the United States the following enrolled joint resolution:

S.J. Res. 68. Joint resolution to designate the month of May 1989 as "Trauma Awareness Month".

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. PELL, from the Committee on Foreign Relations, unfavorably without amendment:

S.J. Res. 113. Joint resolution prohibiting the export of technology, defense articles, and defense services to codevelop or coproduce the FSX aircraft with Japan.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. WARNER, from the Committee on Armed Services:

H. Lawrence Garrett, III, of Virginia, to be Secretary of the Navy (Exec. Rept. No. 101-5).

(The above nomination was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. NUNN, from the Committee on Armed Services:

Mr. NUNN. Mr. President, from the Committee on Armed Services, I report favorably the attached listing of nominations.

Those identified with a single asterisk (*) are to be placed on the Executive Calendar. Those identified with a double asterisk (**) are to lie on the Secretary's desk for the information of any Senator since these names have already appeared in the CONGRESSIONAL RECORD and to save the expense of printing again.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The nominations ordered to lie on the Secretary's desk were printed in the RECORD on April 4, April 12, April 17, and April 18, 1989 at the end of the Senate proceedings.)

*In the Navy there are 34 promotions to the grade of rear admiral (lower half) (list begins with Don Wilson Baird) (Reference No. 95)

**In the Marine Corps there are 130 promotions to the grade of colonel (list begins with Joseph T. Anderson) (Reference No. 252)

**In the Army there are 11 promotions to the grade of colonel (list begins with John S. Cooke) (Reference No. 271)

**In the Army there are 1,099 appointments to the grade of captain and below (list begins with Timothy F. Abbott) (Reference No. 272)

*Lieutenant General Henry Doctor, Jr., USA, to be placed on the retired list in the grade of lieutenant general (Reference No. 283)

*In the Army Reserve there are 27 appointments to the grade of major general and below (list begins with David H. Lueck) (Reference No. 285)

**In the Air Force there are 19 appointments to the grade of colonel and below (list begins with John E. Hill) (Reference No. 286)

**In the Marine Corps there are 400 appointments to the grade of lieutenant colonel (list begins with Clifford M. Acree) (Reference No. 287)

*In the Army there are 3 appointments to the grade of major general and below (list begins with Richard D. Cameron) (Reference No. 296)

*Admiral James B. Busey, USN, to be placed on the retired list in the grade of admiral (Reference No. 298)

**In the Air Force Reserve there are 25 promotions to the grade of lieutenant colonel (list begins with Patrick J. Belanger) (Reference No. 299)

**In the Army there are 2 promotions to the grade of lieutenant colonel and below (list begins with Juan M. Rico) (Reference No. 300)

**In the Naval Reserve there are 7 appointments to the grade of commander (list begins with Douglas Gibson) (Reference No. 301)

Total: 1,759.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. GLENN (for himself, Mr. LEVIN, Mr. NUNN, Mr. ROTH, Mr. COHEN, and Mr. BINGAMAN):

S. 968. A bill to delay the effective date of section 27 of the Office of Federal Procurement Policy Act; ordered held at the desk.

By Mr. MOYNIHAN:

S. 969. A bill to establish the President's Award for Addiction Research; to the Committee on Labor and Human Resources.

By Mr. FOWLER (for himself, Mr. LEAHY, Mr. GORE, and Mr. CRANSTON):

S. 970. A bill to promote low-input agricultural production systems, to maintain farm profitability to encourage land, resource, and wildlife stewardship in connection with Federal farm programs and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. GRASSLEY (for himself and Mr. DECONCINI):

S. 971. A bill to authorize and encourage Federal agencies to use mediation, conciliation, arbitration, and other techniques for the prompt and informal resolution of disputes and for other purposes; to the Committee on Governmental Affairs.

By Mr. WIRTH:

S. 972. A bill to transfer to the Secretary of Health and Human Services the authority of the Secretary of Energy to conduct epidemiological studies of the effects of radiation and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. LUGAR (for himself, Mr. BOSCHWITZ, and Mr. DOLE):

S. 973. A bill to create a Rural Capital Access Program within the Department of Agriculture to encourage lending institutions to provide loans to certain businesses, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. REID (for himself and Mr. BRYAN):

S. 974. A bill to designate certain lands in the State of Nevada as wilderness, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. METZENBAUM (for himself, Mr. HATCH, Mr. PELL, Mrs. KASSEBAUM, and Mr. KENNEDY):

S. 975. A bill to amend the Job Training Partnership Act to encourage a broader range of training and job placement for women, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. WARNER:

S. 976. A bill to postpone the effective date of section 511(e)(3)(B) of the Controlled Substances Act, relating to the disposition of forfeited property and State law; to the Committee on the Judiciary.

By Mr. DOMENICI (for himself, Mr. BOSCHWITZ, Mr. LEVIN, and Mr. DIXON):

S. 977. A bill entitled the "White House Conference on Small Business Authorization Act"; to the Committee on Small Business.

By Mr. INOUYE (for himself, Mr. FORD, Mrs. KASSEBAUM, Mr. DOMENICI, Mr. PACKWOOD, Mr. BAUCUS, Mr. BURDICK, Mr. DASCHLE, Mr. COCHRAN, Mr. MCCAIN, Mr. GORTON, Mr. RUDMAN, Mr. KENNEDY, Mr. ADAMS, Mr. CONRAD, Mr. D'AMATO, Mr. HATFIELD, Mr. BURNS, Mr. BRADLEY, Mr. RIEGLE, Mr. SIMON, Mr. PRESSLER, Mr. DECONCINI, Mr. MURKOWSKI, Mr. SANFORD, Mr. DODD, Mr. WIRTH, Mr. MATSUNAGA, Mr. REID, Mr. BINGAMAN, Mr. KERREY, Mr. STEVENS, Mr. KOHL, Mr. METZENBAUM, and Mr. MOYNIHAN):

S. 978. A bill to authorize the establishment within the Smithsonian Institution of the National Museum of the American Indian, to establish a memorial to the American Indian, and for other purposes; to the Committee on Rules and Administration.

By Mr. DASCHLE (for himself and Mr. CONRAD):

S. 979. A bill to provide grants for designating rural hospitals as medical assistance facilities; to the Committee on Finance.

By Mr. MITCHELL (for himself, Mr. DANFORTH, Mr. HEINZ, Mr. SANFORD, Mr. DODD, Mr. RIEGLE, Mr. KENNEDY, Mr. COHEN, Mr. LAUTENBERG, Mr. PELL, Mr. LEVIN, Ms. MIKULSKI, Mr. MOYNIHAN, Mr. SARBANES, Mr. D'AMATO, Mr. GORTON, Mr. DURENBERGER, Mr. KERRY, Mr. CHAFEE, Mr. LIEBERMAN, Mr. BOREN, Mr. BAUCUS, Mr. PRYOR, Mr. FORD, Mr. SPECTER, Mr. SHELBY, Mr. SASSER, Mr. ROCKEFELLER, Mr. BURDICK, Mr. SIMON, Mr. MCCAIN, Mr. BOND, Mr. INOUYE, Mr. HARKIN, Mr. MCCONNELL, Mr. CRANSTON, Mr. ADAMS, Mr. BREAUX, Mr. JOHNSTON, Mr. COATS, Mr. CONRAD, Mr. BINGAMAN, Mr. LUGAR, Mr. SYMMS, Mr. DIXON, Mr. GORE, Mr. GRASSLEY, Mr. BUMPERS, Mr. RUDMAN, Mr. GRAHAM, Mr. LEAHY, Mr. DOLE, Mr. LOTT, and Mr. DASCHLE):

S. 980. A bill to amend the Internal Revenue Code of 1986 to improve the effectiveness of the low-income housing credit; to the Committee on Finance.

By Mr. BOSCHWITZ:

S. 981. A bill to amend the Internal Revenue Code of 1986 to provide a partial exclusion for capital gain from certain sales of real property acquired from the Federal Savings and Loan Insurance Corporation; to the Committee on Finance.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. MITCHELL (for himself and Mr. DOLE):

S. Res. 127. Resolution to provide for issuance of a summons and for related procedures concerning the articles of impeachment against Walter L. Nixon, Jr.; considered and agreed to.

By Mr. MITCHELL (for himself and Mr. DOLE):

S. Res. 128. Resolution to provide for the appointment of a committee to receive and to report evidence with respect to articles of impeachment against Judge Walter L. Nixon, Jr.; considered and agreed to.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. GLENN (for himself, Mr. LEVIN, Mr. NUNN, Mr. ROTH, Mr. COHEN, and Mr. BINGAMAN):

S. 968. A bill to delay the effective date of section 27 of the Office of Federal Procurement Policy Act; by unanimous consent, ordered held at the desk until the close of business on May 12, 1989.

DELAY IN IMPLEMENTATION OF SECTION 27 OF THE OFFICE OF FEDERAL PROCUREMENT POLICY ACT

Mr. GLENN. Mr. President, last October the Congress unanimously passed a very important statute concerning the integrity of the Government procurement process as an amendment to the Office of Federal Procurement Policy Act [OFPPA]. Section 6 of Public Law 100-679 created a new section 27 of the OFPPA, entitled "Procurement Integrity"—hereafter section 6. The Reagan-Bush administration indicated its support for section 6 and other provisions of

the legislation in a letter from Acting OMB Director Joseph Wright to me.

The bill was signed by the President in November 1988 and enacted into law. By the terms of Public Law 100-679, section 6 was scheduled to become effective 6 months after the date of enactment, which date is May 16, 1989. It was recognized by the House and Senate Members who played an active role in shaping section 6 that implementing regulations would be necessary to provide specific guidance for the statutory terms of the bill. In fact, the delay in implementation was designed to allow the promulgation of such regulations pursuant to subsection (m) of section 6.

The Defense Acquisition Regulatory Counsel [DARC] at DOD took charge of drafting the required regulations. Other government entities, particularly OFPP under Acting Director Allen Burman, and representatives of industry worked with the DARC and DOD in an effort to craft those regulations. Unfortunately, that process took too long, and it was only Tuesday, May 9, 1989, that the latest draft of the interim regulation has been made available to interested parties, including government procurement authorities and company personnel who are required to comply with the law. This result has frankly been very disappointing to me, but it is a fact. It may tell us something about how unwieldy our system has become that implementation has taken longer than we anticipated. It also tells us that the good people in both industry and government may need a little more time to study the interim regulations in order to adequately implement the law without confusion or inordinate and unreasoned concern.

The administration, particularly DOD, and representatives of industry, which include but are not limited to the Aerospace Industries Association [AIA], the Electronic Industry Association [EIA] and the Professional Services Counsel [PSC] have all requested a 60-day delay in implementation. I have attached to my statement a series of letters from these government and private entities, and I ask unanimous consent that they appear in the RECORD at the end of my statement.

For this reason, as chairman of the Governmental Affairs Committee [GAC], I have agreed to sponsor a short, but I believe, helpful additional time period of 60 days before the provisions of section 6 go into effect. I am pleased that other Senators from the Governmental Affairs Committee who participated in obtaining passage of the OFPP amendments last year, including Senators LEVIN, NUNN, BINGAMAN, ROTH, and COHEN have joined me in sponsoring this legislation.

By taking this action to delay implementation from May 16, 1989 to July 16, 1989, no one should perceive a slackening of congressional intent and interest in seeing section 6 promptly and completely implemented. We intend to see that this law is fully implemented, and we have only reluctantly taken this step of delaying implementation. We will not be reopening the law to any reexamination other than this step at this time.

At a time when the Congress is considering a whole host of issues concerning ethics and integrity legislation, I recognize and share the concern that too many well intentioned laws may choke good people in a sea of regulations and requirements. I do not believe this particular law is the problem.

I look forward to a decidedly speedy passage of this bill to permit the executive branch and industry a short respite before implementation.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

THE DEPUTY SECRETARY OF DEFENSE,
Washington, DC, May 10, 1989.

Hon. JOHN GLENN,
Chairman, Committee on Governmental Affairs, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: This week the Department of Defense and other Federal agencies will publish in the Federal Register a regulation to implement Section 27 of the Office of Federal Procurement Policy Act, estabishing additional restrictions on the conduct of Federal employees involved in procurement activities and those in industry with whom they deal. Section 27 takes effect on May 16, 1989 under the provisions of the Office of Federal Procurement Policy Act Amendments of 1988 (P.L. 100-679).

A sixty day period for training DOD procurement personnel and industry personnel is necessary to ensure fair and effective implementation of the statute and regulation. We urge Congress to pass legislation to extend to July 16, 1989 the effective date of Section 27, to provide for the training period.

We look forward to working with you to strengthen the defense acquisition process.

The Office of Management and Budget advises that there is no objection to the submission of this letter from the standpoint of the Administration's program.

Sincerely,

DONALD J. ATWOOD,
Deputy Secretary of Defense.

OFFICE OF MANAGEMENT
AND BUDGET,
Washington, DC, May 10, 1989.

Hon. JOHN GLENN,
Chairman Committee on Governmental Affairs, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: Section 6 of the Office of Federal Procurement Policy Act Amendments of 1988 (P.L. 100-679) contains provisions to ensure integrity in the Federal procurement system. That section prohibits certain actions by Government officials, employees, consultants and advisers, and those of contractors competing for a Federal agency procurement. The Act prescribes contractual, civil, and criminal penalties. Section 6 of the Act is effective on May 16, 1989.

Regulations to implement Section 6 are scheduled to be published in the Federal Register by the end of this week. This schedule will allow only two to three working days between the effective date of Section 6 and the availability of the implementing regulations. Since strict criminal and civil penalties apply to certain violations of Section 6, additional time should be allowed to provide for dissemination of information and training of those persons who will be affected by the new provisions. Accordingly, I urge Congress to pass legislation to extend the implementation date of Section 6 to July 16, 1989. This will allow a more orderly and effective implementation process.

Sincerely,

FRANK HODSOLL,
Executive Associate Director.

AEROSPACE INDUSTRIES
ASSOCIATION OF AMERICA, INC.,
Washington, DC, May 10, 1989.

Hon. JOHN GLENN,
Chairman, Committee on Governmental Affairs, U.S. Senate, Washington, DC.

DEAR JOHN: I am writing to reiterate our request for your support for an extension of the effective date of the procurement integrity provisions (Section 6) of the OFPP Reauthorization Act. The regulations implementing this section of the statute have been released to the Federal Register, and will become effective on May 16, as now required by the Statute. However, neither industry nor the Exective Branch agencies have had any opportunity to interpret and explain the regulations or conduct training for those who will be affected by them. We believe it is essential to allow at least 60 days to accomplish this and thus ensure a reasonable smooth transition. Without this, extension it seems certain we will experience delayed procurements, less than evenhanded application of the regulations, and counterproductive posturing.

Accordingly, I urge your support to delay the effective date of Section 6 by 60 days to facilitate the necessary familiarization and training. We greatly appreciate your continued consideration of this important matter.

Sincerely,

DON FUQUA,
President.

ELECTRONIC INDUSTRIES ASSOCIATION
Washington, DC, May 9, 1989.

Hon. JOHN GLENN,
Chairman, Committee on Governmental Affairs, U.S. Senate, Washington, DC.

DEAR SENATOR GLENN: The Electronic Industries Association, on behalf of our many member companies who provide products and services to the federal government, is concerned with the pending issuance of regulations implementing the "Procurement Integrity" provisions of the Office of Federal Procurement Policy (OFPP) Reauthorization Act of 1988. We fully support the goal of this legislation that the federal procurement process must operate at all times in a context of fairness and integrity, and that any corruption and wrongdoing should be rooted out and punished to the full extent of the law.

Although we remain concerned with the anticipated treatment of some issues in the interim regulation, we believe at this stage that the fundamental concern must be to provide those in government and industry with the opportunity to be thoroughly trained in the requirements of the rule prior to being asked to apply its provisions in their day to day business dealings. Given the tremendous complexity of the regulatory coverage and the severity of the penalties for violation, we believe that a reasona-

ble period to assimilate its provisions is essential if the goals of the statute are to be met without major disruption to the procurement process.

For this reason, we request your consideration of a 60-90 day delay in implementation of the statute for the express purpose of giving government and industry time to train their respective personnel in the provisions of the interim rule.

We appreciate your consideration of this request, and look forward to working with you and your staff to provide for workable implementation consistent with the intent of Congress. A similar letter has been sent to Senator Roth, and to Congressmen Brooks, Conyers and Horton.

Sincerely,

PETER F. MCCLOSKEY,
President.

PROFESSIONAL SERVICES COUNCIL,
Washington, DC, May 10, 1989.

Hon. JOHN GLENN,
Chairman, Committee on Governmental Affairs, U.S. Senate, Washington, DC.

DEAR SENATOR GLENN: The Professional Services Council (PSC) respectfully requests that Section 6 of the Office of Federal Procurement Policy Reauthorization Act (OFPP Act) be amended to extend the requirement for the issuance of implementing regulations beyond the statutory deadline of May 16, 1989, by sixty days.

PSC is a trade association representing more than one hundred (100) companies and firms providing professional and technical services. While many PSC members are involved actively in serving agencies of the federal government on a wide variety of matters, member companies also have clients in the private sector and act sometimes as subcontractors to major government prime contractors. In all of these roles, PSC members have a substantial interest in the implementing regulations for Section 7 of the OFPP Act.

PSC is in full accord with the spirit and intent of the legislation, but is concerned that the FAR Council cannot do justice to the large number of comments which were filed on the proposed FAR rule. This rule is one of the most important that has occurred in some time, and PSC believes that this rulemaking effort cannot be conducted in a thorough and methodical manner by May 16, 1989. Many PSC members will not be in a position to comply with the law and implementing regulations by that date. Furthermore, we believe that it is virtually impossible for the government to properly orient and train its operating organizations to implement the rule given the limited time available.

Accordingly, PSC would urge that Congress quickly enact legislation delaying the effective date to such time as will provide the FAR Council with the time it requires to issue a rule that has fully and fairly considered all comments that were submitted.

We very much appreciate your consideration of our request.

Very truly,

MARK SCHULTZ,
President.

By Mr. MOYNIHAN:

S. 969. A bill to establish the President's Award for Addiction Research; to the Committee on Labor and Human Resources.

PRESIDENT'S AWARD FOR ADDICTION RESEARCH

● Mr. MOYNIHAN. Mr. President, it is with great expectation that I introduce today a bill to establish a Presidential award for significant contributions in the field of drug addiction research. For the first time, we are able to examine as a problem of public health what has often been considered solely an issue of criminality. In our efforts to understand the drug epidemic, although such epidemics are cyclical occurrences, we find ourselves having learned something. Namely, that addiction and its effects are no longer cause for spurn but rather are now understood as a combination of biochemical, genetic, and psychological factors treated as a disease.

My colleagues have not infrequently heard me on this floor cite the accomplishments of our drug legislation which we passed in the last hours of the 100th Congress. We established, for the first time, a balance between supply reduction and demand reduction and in so doing are now ready to invest in treatment, in the knowledge that without treatment we will not have begun to solve the problem.

When we called for treatment on demand in that legislation, we knew that for most who need it treatment is not available and when it is there can be waiting lists of 8 months or more.

The talking therapies offer hope to many, but they are so labor intensive that they cannot possibly be offered to all those who need them before it is too late to help. A pharmacological treatment exists for opium based drugs, that is to say methadone, and several new treatments, including desipramine and carbamazepine have shown promise for the coca based drugs. But without more research—well supported and well rewarded research—the vast majority of crack cocaine addicts who desire help will be left to fend for themselves.

That such research is not well supported and well rewarded now is evident. The person who cracks the AIDS puzzle will receive a nobel prize. The person who cracks the cocaine puzzle will receive * * * what? Dr. Vincent Dole, who developed methadone as a treatment for heroin users during the 1960's, was only recently recognized by his profession, with a Lasker Prize this past November 17.

There is something in this legislation which is new. To wit, that we address ourselves to a problem in a wholly new and appropriate way. There is also, however, something of the old here, at least for me, which I have been with for now over 25 years.

President Kennedy had wanted a system of civil honors and in the course of such things it fell to me to do it. Secretary Goldberg at Labor had asked me if I had wanted to take it on.

I was at the time involved in the cotton textile negotiations and so was flying back and forth to Europe regularly, and learned what I could about the French Legion of Honor and, when in London, talked about their honor system and subsequently found out some fascinating things. I found out that, like most of the ancient institutions of the British Government, the honor system was a late Victorian invention—the Knights of St. Michael and St. George and such like. In any event, I drafted a memorandum from Goldberg to the President. It said, "You asked how you could set up a system of civil honors—how can you get a system of civil honors in this country—we've looked into it, and we've come to the conclusion that you can't; men at least as good as you have tried and they never get anywhere; it doesn't work. If you want a system of civil honors, the thing to do is to say you've got one, and start doing it." In turn, we found this Medal of Freedom which had been given to spies—those who weren't really military and for whom there weren't any real civil honors—in World War II. We decided that we would call it the Presidential Medal of Freedom.

There was some concern in the Government that these things would be given out so often that they would degenerate. I think I knew enough about government to know, as a matter of fact, that the opposite is the tendency. They wither out; they don't get given out.

We worked out a scheme which we announced on Washington's Birthday 1963, while the President was in Florida, that the Presidential Medal of Freedom, which is the highest civil honor conferred by the President for services in peace-time, will henceforth only be given out once a year, and it will be given out for services to the arts and other civil services, and it will be announced on the Fourth of July. President Kennedy liked that fine.

We established a commission to propose the award to the President. George Ball was made its chairman. Mary McGrory was on it as was Henry Cabot Lodge. Everybody was really very excited and pleased by it. Names were selected and announced by President Kennedy to be conferred at such time when the President's schedule would permit. The date selected as the fates would have it was about 10 days after the assassination.

The presentations were made, now by a new President with different thoughts about the Presidency. But he made them, nonetheless, and on the last day the decision was made to award them posthumously to Pope John and to President Kennedy. I wrote Johnson's statement at that time which were the last words in the last volume of the Kennedy Presidential papers.

This legislation, which provides a Presidential citation, a gold medal and a $50,000 prize does tribute to the spirit of John Kennedy's understanding of public as well as civil contributions to society, and to those whose commitment to research in the field of drug addiction broadens our understanding, methods of treatment and compassion.●

By Mr. FOWLER (for himself, Mr. LEAHY, Mr. GORE, and Mr. CRANSTON):

S. 970. A bill to promote low-input agricultural production systems, to maintain farm profitability, to encourage land, resource, and wildlife stewardship in connection with Federal farm programs, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

FARM CONSERVATION AND WATER PROTECTION ACT.

Mr. FOWLER. Mr. President, I rise today to introduce legislation to help American farmers protect our environment, conserve our agricultural resources, and guard the health both of themselves and the general public.

The Farm Conservation and Water Protection Act encourages farmers to make the transition toward low input and sustainable systems—and away from an overreliance on pesticides, fertilizers and other potentially harmful agricultural chemicals. We can exercise this responsible stewardship without compromising the long term production or profits of our farmers.

The reliance on heavily intensive farming methods, sold as a panacea to farmers by Government and industry since the end of World War II, has caused a number of problems of national proportions, and has raised important questions of public policy.

Not the least of these is degradation of the basic resources on which our agricultural productivity depends. The heavy-input, fence row to fence row practices of the 1970's did boost production, as the Federal Government had urged. These practices also produced record erosion levels that we, as responsible stewards of the land, could not tolerate—and which our farmlands could not physically sustain.

As our agricultural policies strayed from the traditional ecological common sense of our farmers, other important natural resources were imperiled, as well. The loss of wetlands to agriculture has increased in recent years to nearly half a million acres annually. Of these essential wildlife habitats and water purifiers, less than half or our original American wetlands remain. The runoff of agricultural chemical contaminants into our waterways has been greatly increased by keeping other unstable, highly eroding croplands in production.

Another ill trend of the intensification of American agriculture is the health threat to farmers from direct exposure to chemicals. From the San Joaquin Valley to Sweden, studies of farmers have suggested a link between pesticide use and certain cancers, with the risk increasing dramatically since the advent of heavy chemical imputs in farming after World War II. A National Cancer Institute study in Wisconsin found that the risk to farmers of contracting non-Hodgkins lymphoma doubled in a 9-year period from 1968 to 1976.

As we all know from recent publicity, this health risk is being passed on to American consumers at the grocery store. While there may be disagreement over the degree of health risk posed by specific agricultural chemicals in our food, there is no doubt that residues of the billion pounds of pesticides applied to crops every year in this country remain in our food. The Environmental Protection Agency reported that these chemical residues in our food supply could pose the third greatest cancer risk in the United States today.

Perhaps the most unacceptable threat to an unsuspecting public is the potential contamination of water supplies by agricultural runoff. Just outside of Washington, DC, we can see the damage that has been done to the Chesapeake Bay: The loss of natural beauty, wildlife and the economic opportunities that go with them.

That is the harm of waters fouled by pesticides and fertilizers that we can plainly see. The invisible threat is contamination of ground water and other drinking water supplies. Ground water contamination by agricultural chemicals suspected of causing cancer, birth defects and mutations has been reported in 26 States. Because there is no extensive and reliable system of water testing in the agricultural sector, we have no idea how serious this problem really is.

Instead of ordering regulatory agencies to solve these problems in Washington, DC, my legislation attempts to address them at the source, in our agricultural practices and policies. Our farmers are interested in what they can do to help. They don't want their own families to drink from contaminated wells. They don't want to ship food to market that threatens the health of American consumers. They want to know how they can address these problems without sacrificing their livelihood. The success of the conservation provisions of the 1985 farm bill—Swampbuster, Sodbuster and the CRP—shows what farmers can do themselves to protect our environment, including our farmland, when the Government works with them to develop a comprehensive and intelligent strategy.

That is why we must begin with a concerted effort to disseminate information on promising advances in low input systems, conservation, integrated pest management and best management practices. These less intensive methods, which reduce reliance on dangerous chemicals, can actually increase yields over the long run. The Agricultural Extension Service can carry the news of how to keep production up—through soil building, crop rotation, ground cover, conservation tillage, natural weed control and other methods that keep chemical production costs down—to every county in America. I am calling for the creation of the Farmers Conservation Service to serve this purpose, as a new arm of the huge advisory network already in place.

Second we must remove all institutional barriers and disincentives that prevent our farmers from taking advantage of improved agricultural methods. Again, the Federal Government is a major culprit. Currently, farmers risk loss of eligibility for Federal farm programs if they employ low-input rotations such as legumes. My legislation would prevent farmers from being penalized with the loss of their base for these nontraditional rotations.

I want to emphasize that this legislation is based entirely on voluntary participation by our farmers, and does not impose punitive measures on those who continue to practice the status quo.

Finally, it will be necessary to create incentives for farmers to make the transition from the practices they are familiar with to low-input and sustainable systems. Research and demonstration programs focused in this area will play an important role. We can also facilitate the transition by offering credit, crop insurance and low-input certification to farmers who are willing to invest in new directions.

My bill would also provide broad protection for natural resources endangered by ag practices. This includes an expansion of the Conservation Reserve Program to 60 million acres. The 28 million plus acres of highly eroding cropland that have already gone into the CRP as grass and trees saves the United States nearly 700 million tons of soil a year. We need to expand this successful program to reduce the run-off of agricultural chemicals and provide more protective buffers for our lakes and streams.

This also includes a new grain policy for wetlands, with a target of restoring 1 million acres a year. While we are working to reverse previous damage and re-establish these ecologically important buffers, we must also try to take stock of the contamination of our water systems that has already occurred. That is why I am proposing, as part of this legislation, representative

USDA well testing of farms in federal programs.

For too long industry and ag policies have promoted practices that degrade our national and agricultural resources, and pose threats to the health of our people. We have already waited longer than we should to reverse this trend and restore American agriculture to a safe, sound course for the future.

The beneficial changes I am attempting to promote will not come about unless Government takes the lead in redirecting its energies and investing its resources in low input and sustainable agriculture. The investments I am calling for are inconsequential compared to the costs of reclaiming infertile and eroded soils, of cleaning up our waters once they are irretrievably contaminated, of paying the health care costs of catastrophic illnesses caused by dangerous chemicals. This is a very modest proposal to invest the resources and knowledge we already possess, so that we never will have to wrestle with these unthinkable consequences.

In conclusion, I want to thank the wide array of conservation and environmental groups, as well as farmers and agribusiness, that contributed to this process. This legislation has been a year and a half in the making, but it could not be more timely now. Citizens have shown their concern about food purity and the integrity of our environment. They want to know what can be done, and they want it done without delay. Low input and sustainable agriculture can go a long way to help our farmers get back to what they have done so well in the past: produce safe, wholesome and plentiful food for American families and the world.

Mr. CRANSTON. Mr. President, I am pleased today to join with Mr. FOWLER and others in cosponsoring the Farm Conservation and Water Protection Act, legislation to promote low input sustainable agriculture [LISA]. This legislation is a timely and creative approach to meeting the needs of farmers and consumers by reducing our dependency on pesticides and fertilizers and replacing them with safer, more environmentally sound farming practices such as crop rotation, diversification, integrated pest management, and reduced input strategies.

According to the EPA, the use of chemical pesticides has grown exponentially since World War II. Of the 1.1 billion pounds of pesticide chemicals used in 1984, EPA estimates that 77 percent were used in agricultural applications. We are now feeling the effects of that overreliance on chemicals in contaminated ground water supplies, high levels of soil erosion, higher costs to the farmer and the rising concern over pesticide residues on food.

I am hearing from a growing number of California farmers who would like to turn to integrated pest management practices, but who are frustrated because they can't get Federal crop insurance if they do. Moreover, most farmers simply do not have enough information about low input farming practices to make an educated decision. For example, last year California's Monterey County, which alone generates over $2 billion in fruit and vegetable sales, had only one entomologist to advise farmers on integrated pest management programs. In addition, farmers who want to grow resource-conserving crops are discouraged from doing so because it would reduce the base acreage on which Federal payments are determined.

A 1988 report by the House Committee on Government Operations on low input farming systems found that despite the clear advantages of low input agricultural systems, the barriers to their widespread adoption were overwhelming. These barriers include the lack of information available to farmers on low input practices, the influence of agricultural chemical dealers, the economic pressures on farmers in the face of limited research on low input systems, unreliable support from the USDA, and the very structure of federal commodity and loan programs.

The Farm Conservation and Water Protection Act addresses these disincentives. It protects farmers from crop insurance discrimination and from losing base acreage when they use low input practices, and helps them receive loans for conservation activities. It establishes a low input sustainable agriculture demonstration program to gather, analyze, and disseminate information on successful methods of changing from traditional chemical farming to low input sustainable agriculture. It establishes a program for testing private wells that have not been included in Federal and State monitoring for pesticides in ground water. It improves the conservation reserve program which has removed highly erodible land from production and reduced run off of agricultural chemicals, and establishes a wetlands protection and restoration program. It provides for new safeguards against conversion of prime agricultural lands to non-agricultural uses. In short, it aims at reducing costs to the producer, reducing environmental damage, reducing the fears of consumers, and still maintaining or increasing crop yields.

This legislation goes to the heart of our agricultural practices and policies in an attempt to conserve our agricultural resources without compromising the production and profits of our farmers. This legislation is common sense.

By Mr. GRASSLEY (for himself and Mr. DECONCINI):

S. 971. A bill to authorize and encourage Federal agencies to use mediation, conciliation, arbitration, and other techniques for the prompt and informal resolution of disputes, and for other purposes; to the Committee on Governmental Affairs.

ADMINISTRATIVE DISPUTE RESOLUTION ACT

Mr. GRASSLEY. Mr. President, the 18th century French philosopher, Voltaire, once observed: "Only twice in my life have I felt utterly ruined—once when I lost a lawsuit, and once when I won." It is likely that Voltaire's lament is often repeated 200 years later by individuals and businesses put through the litigation ringer before Federal agencies.

Today, tens of thousands of administrative agency decisions and court cases are today handled through highly adversarial procedures that are all too often complex, costly, and lengthy.

In the private sector, consensual dispute resolution has long been used to great advantage to produce quicker, better, less expensive decisions.

These methods—often referred to as alternative dispute resolution [ADR]—include arbitration, negotiation, mediation, and minitrials, among others.

The Federal Government has much to learn from these experiences.

Over the past 50 years, as we have seen the Federal bureaucracy sprawl in every direction, a variety of agency boards and offices have been established.

Whole new specialties of lawyers have sprung up to carry on litigation over energy, contract, environmental, safety and we can name many others. Unfortunately, existing procedures often serve to increase the contentiousness of parties to the administrative process.

An increase in agency litigation is undoubtedly good for the business of the more than 600,000 U.S. lawyers now in practice. However, with legal expenditures growing at a faster rate than the gross national product, our Nation's overall productivity is almost certainly harmed by this drain on valuable resources.

Other costs of agency litigation cannot be measured so easily, but are just as real. Enthusiasm for ADR stems from the hope that it will reduce this burden on courts, agencies, and the economy, as well as provide more satisfying means of acquiring justice for all parties.

The Federal Government is in an ideal position to be in the forefront of alternative dispute resolution. Instead, most Federal agencies lag far behind private and other public entities that must resolve disputes. ADR must cease being a subject that receives almost

universal endorsement in theory, but substantially less in practice.

Mr. President, today I am introducing, along with Senator DECONCINI, the Administrative Dispute Resolution Act. Its purpose is to encourage and extend the use of ADR by Federal agencies.

The bill will give impetus for meaningful change by sending a clear signal to agencies, reviewing courts, and regulated persons that informed, thoughtful efforts to use ADR will be supported.

The bill amends the Administrative Procedure Act to authorize the parties to agree to use mediation, or other mutually agreeable processes to resolve Federal disputes. By authorizing parties to use the process to fit the case at hand, this bill affords a good deal of flexibility.

Specific statutory provisions that inhibit effective negotiation—for instance, parts of the Federal Tort Claims Act and Contract Disputes Act—are amended. The bill also repeals the GAO's overly restrictive prohibition on arbitration in cases where arbitration can be used consistent with the public interest.

Importantly, this bill recognizes that ADR is not appropriate for all cases involving the Government, just as with private disputes.

However, as a constitutional matter, the voluntary assignment of discrete issues to arbitration need not give rise to legal concerns. These initiatives will be complemented by informed, periodic, congressional oversight, and by creation of incentives for high-level executive branch officials and other agency personnel to use ADR.

There have been a number of positive developments since I introduced this legislation in the last Congress. In the 100th Congress, two productive hearings were held before both the Senate and House Judiciary Committees. The Senator from Michigan, the chairman of the Government Affairs Oversight Subcommittee, has pledged to take up the bill at the first available opportunity.

Mr. President, as we all know, it is a truism to say: "Justice delayed or excessively costly is justice denied." Administrative justice need not be so expensive or time-consuming. Congress and the executive should accept the challenge of fashioning a better agency approach to dispute resolution. The success of ADR in other arenas make likely similar success on the Federal level.

I hope my colleagues will join in this effort. Mr. President, I ask unanimous consent that a copy of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 971

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Administrative Dispute Resolution Act".

SEC. 2. FINDINGS.

The Congress finds that:

(1) administrative procedure, as embodied in chapter 5 of title 5, United States Code, and other statutes, is intended to offer prompt, expert, and inexpensive means of resolving disputes as an alternative to litigation in the Federal courts;

(2) administrative proceedings have become marked increasingly by formality, costs and delays and often result in unnecessary expenditures of the time of individuals and the resources of society and decreased likelihood of achieving consensual resolution of disputes;

(3) alternative means of dispute resolution (including settlement negotiations, conciliation, facilitation, mediation, factfinding, minitrials, and arbitration) have been used in the private sector for many years and, in appropriate circumstances, have yielded decisions that are faster, less expensive, and less contentious;

(4) such alternative means also lead to more creative, efficient, and sensible outcomes that foster stability because of the acceptability of such means to the parties involved and the public in general;

(5) such alternative means may be used advantageously in widely varied administrative programs;

(6) explicit authorization of use of well-tested dispute resolution techniques will eliminate ambiguity of agency power under applicable law and will encourage use of common sense procedures in appropriate cases;

(7) every agency shall undertake a careful review of programs and the disputes involved to ensure increased application of appropriate alternative means;

(8) Federal agencies may not only receive the benefit of techniques that were developed in the private sector, but may also take the lead in the further development and refinement of such techniques; and

(9) the availability of a wide range of dispute resolution procedures, and an increased understanding of the most effective use of such procedures, will enhance the operation of the Government and better serve the public.

SEC. 3. PROMOTION OF ALTERNATIVE MEANS OF DISPUTE RESOLUTION.

(a) PROMULGATION OF AGENCY POLICY.—Each agency is encouraged to promulgate policies that address the use of the full range of alternative means of dispute resolution and case management in each administrative program of such agency. In developing policy, each agency is encouraged to—

(1) consult with the Administrative Conference of the United States, the Federal Mediation and Conciliation Service, and professional associations; and

(2) examine procedures for resolving every kind of dispute including controversies that arise as part of—

(A) formal or informal adjudication;

(B) rulemaking;

(C) enforcement;

(D) issuing or revoking permits;

(E) settling disputes; and

(F) litigation brought by or against the agency.

(b) DISPUTE RESOLUTION SPECIALISTS.—Each agency shall designate a senior official to be the dispute resolution specialist of the agency. Such official shall implement—

(1) the provisions of this Act with regard to such agency; and

(2) the agency policy promulgated pursuant to subsection (a).

(c) TRAINING.—Each agency shall provide for training to be made available regularly to the dispute resolution specialist of the agency and other employees involved in implementing the policy of the agency under this Act. Such training may encompass theory and practice of negotiation, mediation, arbitration, or related techniques. The dispute resolution specialist shall periodically recommend to the agency head a list of agency employees for similar training.

(d) PROCEDURES FOR GRANTS AND CONTRACTS.—

(1) Each agency shall review each of its standard contract, grant, and other assistance agreements and shall amend them to authorize and encourage use of alternative means of dispute resolution at all stages where disputes under future contracts or agreements may arise. The Office of Federal Procurement Policy of the Office of Management and Budget shall consult with agencies and other persons to develop guidance and standard clauses for contracts. Each agency shall revise its future grant agreements to permit and encourage its grantees to use an alternative means of dispute resolution with respect to any dispute with a subgrantee, contractor, or other adverse party, which the grantee would be permitted to use with respect to a dispute with the Federal government.

(2) Within 1 year after the date of enactment of this Act, the Civilian Agency Acquisition Council and the Defense Acquisition Council, in consultation with the Administrative Conference of the United States, shall adopt any amendments to the Federal Acquisition Regulation, or propose any statutory changes, necessary to adapt acquisition procedures to the requirements of the dispute resolution process.

SEC 4. ADMINISTRATIVE PROCEDURES.

(a) ADMINISTRATIVE HEARINGS.—Section 556(c) of title 5, United States Code, is amended—

(1) in paragraph (6) by inserting before the semicolon at the end thereof: "or by use of alternative means of dispute resolution as provided by subchapter IV of this chapter"; and

(2) by redesignating paragraphs (7) through (9) as paragraphs (9) through (11), respectively and inserting after paragraph (6) the following new paragraphs:

"(7) inform the parties as to the availability of one or more alternative means of dispute resolution, and encourage use of such methods;

"(8) require the attendance at any conference held pursuant to section (6) of at least one representative of each party who has authority to negotiate concerning resolution of issues in controversy;".

(b) ALTERNATIVE MEANS OF DISPUTE RESOLUTION.—Chapter 5 of title 5, United States Code, is amended by adding at the end thereof the following new subchapter:

"Subchapter IV—Alternative Means of Dispute Resolution in the Administrative Process

"§ 581. Definitions

"For the purposes of this subchapter—

"(1) 'agency' has the same meaning as in section 551(1) of this title;

"(2) 'administrative program' means any program administered by an agency and in-

cludes a Federal function which involves protection of the public interest and the determination of rights, privileges, and obligations of private persons through rulemaking, adjudication, licensing, or investigation, as such terms are used in section 551 of this title;

"(3) 'alternative means of dispute resolution' means any procedure that is voluntarily used to resolve issues in controversy, including but not limited to, settlement negotiations, conciliation, facilitation, mediation, factfinding, minitrials, and arbitration, or any combination thereof;

"(4) 'dispute resolution communication' means any oral or written communication or conduct made in confidence in connection with a dispute resolution proceeding by any party, neutral, non-party participant, or other source of information relevant to the proceeding;

"(5) 'dispute resolution document' means any written material that is—

"(A) prepared for the purpose of, in the course of, or pursuant to a settlement proceeding, including memoranda, notes, and work product of the neutral and the parties; or

"(B) provided to the neutral or other parties in confidence for purposes of the dispute resolution proceeding.

An agreement or arbitral award reached as a result of a dispute resolution proceeding is not a dispute resolution document unless the parties agree in writing and the law otherwise allows that it shall be regarded as such.

"(6) 'dispute resolution proceeding' means any process in which an alternative means of dispute resolution is used to resolve an issue in controversy in which a neutral is appointed and identified parties participate;

"(7) 'in confidence' means that the information is provided—

"(A) with the expressed desire of the source that it not be disclosed; or

"(B) under circumstances that would create the reasonable expectation on behalf of the source that the information will not be disclosed;

"(8) 'issue in controversy' means a question that is material to a decision concerning an administrative program about which persons who would be substantially affected by the decision or the agency disagree;

"(9) 'neutral' means an individual who, with respect to an issue in controversy, serves as a conciliator, facilitator, mediator, factfinder, or arbitrator, or otherwise functions specifically to aid the parties in resolving the controversy;

"(10) 'party' means—

"(A) for proceedings with designated parties, the same as in section 551(3) of this title; and

"(B) for proceedings without designated parties, a person who will be significantly affected by the decision and who participates in the proceeding;

"(11) 'person' has the same meaning as in section 551(2) of this title; and

"(12) 'roster' means a list of persons qualified to provide services as neutrals.

"§ 582. General authority

"(a) Each agency may use a dispute resolution proceeding for the resolution of any issue in controversy that relates to an administrative program, if the parties agree to such procedures.

"(b) In determining whether the use of a dispute resolution proceeding is appropriate, an agency and the parties shall consider whether—

"(1) a definitive or authoritative resolution of the matter is required for precedential value, and, if so, whether such a proceeding is likely to be accepted generally as an authoritative precedent;

"(2) the matter involves or may bear upon significant questions of Government policy that require additional procedures before a final resolution may be made, and, if so, whether such a proceeding may serve to develop a recommended policy for the agency;

"(3) maintaining established policies is of special importance, so that variations among individual decisions are not increased and, if so, whether such a proceeding would likely reach consistent results among individual decisions;

"(4) the matter significantly affects persons or organizations who are not parties to the proceeding;

"(5) a full public record of the proceeding is important, and, if so, whether a dispute resolution proceeding can provide such a record; and

"(6) the agency must maintain continuing jurisdiction over the matter with authority to alter the disposition in the light of changed circumstances, and, if so, whether a dispute resolution proceeding would interfere with the agency's fulfilling that requirement.

"§ 583. Neutrals

"(a) A neutral may be a permanent or temporary government employee or a private individual that is acceptable to the parties to a dispute resolution proceeding. A neutral shall have no official, financial, or personal conflict of interest with respect to the issues in controversy, unless such interest is fully disclosed in writing and all parties agree that the neutral may serve.

"(b) A neutral who serves as a conciliator, facilitator, or mediator serves at the will of the parties.

§ "584. Confidentiality

"(a) A neutral in a dispute resolution proceeding shall not voluntarily nor through discovery or compulsory process be required to disclose or testify concerning any dispute resolution document or any dispute resolution communication, unless—

"(1) all parties to the dispute resolution proceeding and the neutral consent in writing, and if the dispute resolution communication or dispute resolution document was provided by a non-party participant, that participant also consents in writing;

"(2) the request is for a document that was provided to the neutral in a public meeting or is otherwise already in the public domain;

"(3) the dispute resolution communication or dispute resolution document is required by statute to be made public, but only if no other person is reasonably available to provide the document or disclose the communication; the neutral shall make a good faith effort to inform the parties to a dispute resolution proceeding as early as possible or any such requirements that may be relevant; or

"(4) a court determines that such testimony or disclosure is necessary to—

"(A) prevent a manifest injustice,

"(B) reveal a violation of law, or

"(C) protect the public health or safety

of sufficient magnitude in the particular case to outweigh the integrity of dispute resolution proceedings in general by reducing the confidence of parties in future cases that their communications will remain confidential.

"(b) A party to a dispute resolution proceeding shall not voluntarily nor through discovery or compulsory process be required to disclose or testify concerning any dispute resolution document or any dispute resolution communication, unless—

"(1) all parties to the dispute resolution proceeding consent in writing;

"(2) the request is for a document already in the public domain;

"(3) the dispute resolution communication or dispute resolution document is required by statute to be made public;

"(4) such testimony or disclosure is necessary to—

"(A) prevent a manifest injustice,

"(B) reveal a violation of law, or

"(C) protect the public health and safety

of sufficient magnitude in the particular case to outweigh the integrity of dispute resolution proceedings in general by reducing the confidence of parties in future cases that their communications will remain confidential; or

"(5) the dispute resolution document or dispute resolution communication is relevant to the resolution of dispute concerning existence or meaning of an agreement that resulted from the proceeding or to the enforcement of such an agreement or award.

"(c) The parties may—

"(1) agree that subsections (a) or (b) will not apply to their dispute resolution proceeding; or

"(2) modify the terms of subsection (a) or (b) by an agreement in which case that agreement will prevail to the extent authorized by law.

The parties shall inform the neutral prior to the commencement of the dispute resolution proceeding of any modifications to the provisions of subsections (a) that will govern the confidentiality of the dispute resolution proceeding. If the parties do not so inform the neutral, subsection (a) shall apply.

"(d) If a demand, by way of discovery request or other legal process, is made for disclosure by the neutral of a dispute resolution document or dispute resolution communications, the neutral shall make reasonable efforts to notify the parties and any affected non-party participants. Any party or affected non-party participant that is provided such notice and does not offer to defend the refusal of the neutral to disclose or testify concerning the dispute resolution communications or dispute resolution document shall be regarded as waiving any objection to such disclosure or testimony.

"(e) Nothing in this section shall prevent the discovery or admissibility of any evidence that is otherwise discoverable merely because it was presented in the course of a dispute resolution proceeding.

"(f) Subparagraphs (a) and (b) shall have no effect on the information and data that are required to document an agreement or order nor on the parts of a dispute resolution proceeding that are or are not open to the public either as a matter of law or policy.

"(g) Subsections (a) and (b) do not prevent the gathering of information for statistical or research purposes or educational efforts in cooperation with other agencies, governmental entities, or dispute resolution programs, so long as the parties or the specific issues in controversy are not identifiable.

"(h) Subsections (a) and (e) do not apply to any action concerning a dispute between the neutral in a dispute resolution proceeding and a party or participant, but only to

the extent that the communication document or is used resolving that dispute and not any issue in controversy in the dispute resolution proceeding.

"§ 585. Authorization of arbitration

"(a)(1) Arbitration as provided by this subchapter may be used whenever all parties consent, either before or after a dispute has arisen. An agency may not require any person to consent to arbitration as a condition of entering into a contract or obtaining any benefit. A party may agree to—

"(A) submit only certain issue in controversy to arbitration; or

"(B) arbitration on the condition that the award must be within a range of possible outcomes.

"(2) Any arbitration agreement that sets forth the subject matter submitted to the arbitrator shall be in writing.

"(b) Any agency official may offer to use arbitration for the resolution of issues in controversy, if such official—

"(1) has authority to enter into settlement stipulations concerning a matter; or

"(2) is otherwise specifically authorized by the agency to consent to use of arbitration.

"§ 586. Enforcement of arbitration agreements

"An agreement to arbitrate is enforceable pursuant to section 4 of title 9, United States Code, and no action brought to enforce such an agreement shall be dismissed nor shall relief therein be denied on the grounds that it is against the United States or that the United States is an indispensable party.

"§ 587. Arbitrators

"(a) The parties shall be entitled to participate in the selection of the arbitrator.

"(b) The arbitrator shall be a neutral who meets the criteria of section 583 of this title.

"§ 588. Authority of the arbitrator

"An arbitrator to whom a dispute is referred under this subchapter may—

"(1) regulate the course of and conduct arbitral hearings;

"(2) administer oaths and affirmations;

"(3) issue subpoenas for attendance of witnesses and production of evidence at the hearing, enforceable under the provisions of section 7 of title 9, United States Code, except that no subpoena shall be issued except for material that is clearly relevant to the resolution of the issues and is necessary to achieve justice in the matter; and

"(4) make awards.

"§ 589. Arbitration proceedings

"(a) The arbitrator shall set a time and place for the hearing and notify the parties not less than 5 days prior to the hearing.

"(b) Any party wishing a stenographic record of the hearing shall—

"(1) be responsible for the preparation of such record;

"(2) notify the other parties and the arbitrator of the preparation of such record;

"(3) furnish copies to all parties and the arbitrator; and

"(4) pay all costs for such record, unless the parties agree otherwise or the arbitrator determines that costs should be apportioned.

"(c)(1) The parties are entitled to be heard, to present evidence material to the controversy, and to cross-examine witnesses appearing at the hearing.

"(2) The arbitrator may, with the consent of the parties, conduct all or part of the hearing by telephone, television, computer, or other electronic means, if each party has an opportunity to participate.

"(3) The hearing shall be conducted expeditiously and in an informal manner.

"(4) The arbitrator may receive any oral or documentary evidence, except that irrelevant, immaterial, unduly repetitious, or privileged evidence may be excluded by the arbitrator.

"(5) The arbitrator shall interpret and apply relevant statutory and regulatory requirements, legal precedents, and policy directives.

"(d) No interested person shall make or knowingly cause to be made to the arbitrator an unauthorized ex parte communication relevant to the merits of the proceeding, unless the parties agree otherwise. If a communication is made in violation of this subsection, the arbitrator shall assure that a memorandum of the communication is prepared and made a part of the record, and that an opportunity for rebuttal is allowed. Upon receipt of a communication made in violation of this subsection, the arbitrator may, to the extent consistent with the interests of justice and the policy underlying this subchapter, require the offending party to show cause why his claim of such party should not be resolved against the offending party as a result of the improper conduct.

"(e) The arbitrator shall make the award within 30 days of the close of the hearing, including the filing of any briefs authorized by the neutral, unless—

"(1) the parties agree to some other time limit, or

"(2) the agency provides by rule for some other time limit.

§ 590. Arbitration awards

"(a) Unless the agency provides otherwise by rule, the award in an arbitration proceeding shall include a brief, informal discussion of the factual and legal basis, but formal findings of fact or conclusions of law shall not be required. The award shall be filed with all relevant agencies, along with proof of service on all parties by the prevailing party.

"(b) The award shall be final and binding on the parties to the matter, and may be enforced pursuant to section 9 of title 9, United States Code. No action brought to enforce such an agreement shall be dismissed nor shall relief therein be denied on the grounds that it is against the United States or that the United States is an indispensable party.

"(c) An award entered under this subchapter may not serve as an estoppel in any other proceeding for any issue that was resolved in the proceeding, nor may the award be used as precedent or otherwise be considered in any proceeding, whether conducted under this subchapter, by an agency, in a court, or in any other arbitral proceeding.

§ 591. Judicial review

"(a) Any person adversely affected or aggrieved by an award made in a proceeding conducted under this subchapter may bring an action only pursuant to the provisions of sections 9 through 13 of title 9, United States Code.

"(b) Section 10 of title 9, United States Code, is amended by adding a new subsection (f) that reads as follows:

"(f) Where the award was issued pursuant to section 595 of title 5, United States Code, if in consideration of the factors listed in section 589(b) of title 5, the consent of the agency to use arbitration to resolve the issues in controversy was a gross abuse of discretion.".

"(c) Any agency action relating to decisions to use or not to use a dispute resolution proceeding shall not be subject to judicial review. Any agency action relating to a decision to terminate an arbitration proceeding conducted pursuant to this subchapter shall be subject to judicial review only as provided in section 589(b) of title 5, United States Code, and section 10(f) of title 9, United States Code.

"§ 592. Authorization to use services of employees of other agencies

"An agency may use the services of one or more employees of other agencies to serve as neutrals in dispute resolution proceedings. The agencies may enter into an interagency agreement that provides for the reimbursement by the user agency or the parties of the full or partial cost of the services of an employee.

"§ 593. Qualifications and roster of neutrals; procurement

"(a) In consultation with the Federal Mediation and Conciliation Service, the Community Relations Service of the Department of Justice, and professional organizations in the area of dispute resolution, the Administrative Conference of the United States may—

"(1) establish standards for neutrals (including experience, training, affiliations, diligence, actual or potential bias or conflicts of interest, and other qualifications) to which agencies may refer;

"(2) maintain a roster of individuals who meet such standards and are otherwise qualified to act as neutrals, which shall be made available upon request;

"(3) enter into contracts for the services of neutrals that may be used by agencies on an elective basis in dispute resolution proceedings; and

"(4) develop procedures that permit agencies to obtain the services of neutrals on an expedited basis.

"(b) Any agency may contract with any person on a roster established under subsection (a) or a roster maintained by other public or private organizations or individuals for services as a neutral, or for training in connection with alternative means of dispute resolution. An agency may enter into an inter-agency agreement with the Administrative Conference of the United States to contract for the services of any person on a roster established under subsection (a) to serve as a neutral. The agency shall pay for the services of the neutral. An agency may negotiate a contract for the services of a neutral with any qualified person at compensation that the agency detemines is fair and reasonable to the Government.

"§ 594. Support services

"(a) The Administrative Conference of the United States shall compile and maintain data on the use of alternative means of dispute resolution in conducting agency proceedings. Agencies shall supply such additional information required to enable the Chairman of the Administrative Conference of the United States to comply with this subsection. The Administrative Conference of the United States shall transmit periodic reports to the Congress containing data and recommendations concerning the use of alternative means of dispute resolution.

"(b) The Chairman of the Administrative Conference of the United States may pay all or part of the expenses of using an alternative means of dispute resolution. Such expenses may include, but are not limited to, the costs of neutrals, the costs for certain parties determined to be eligible for assistance in accordance with section 595, admin-

istrative costs, and training costs. The determinations with respect to payments under this section shall be at the discretion of the Chairman in furthering the use of alternative means of dispute resolution by Federal agencies.

"(c) For the purposes of this subchapter, an agency may use the services and facilities of other Federal agencies and public and private agencies, and individuals (with or without reimbursement) with the consent of such agencies and individuals. An agency may accept such voluntary and uncompensated services without regard to the provisions of section 1342 of Title 31, United States Code.

"§ 595. Funding of participation

"(a)(1) Any agency may pay a reasonable amount to enable participation, if the agency determines that—

"(A) it is in the public interest to obtain the participation of one or more persons in a dispute resolution proceeding; and

"(B) such persons are unable to participate without receiving financial assistance to reimburse expenses.

"(2) In making a determination under paragraph (1) the agency shall consider:

"(A) the need for representation in the proceeding of a fair balance of interests;

"(B) the complexity and importance of the issues involved; and

"(C) the potential savings to the Government of using the particular type of proceeding instead of another procedure to resolve the issue in controversy.

"(b) A person seeking financial assistance, to reimburse expenses of participation in an alternative means of dispute resolution, may submit an application to the Chairman of the Administrative Conference of the United States requesting such assistance. No such application shall be considered by the Chairman, unless the agency notifies the Chairman in writing of a determination under subsection (a) that participation by such person in the alternative proceeding is necessary and in the public interest.

"(c)(1) Agency funds used to defray the travel expenses of any advisory committee as authorized by section 7 of the Federal Advisory Committee Act (5 U.S.C. App. 2) shall be from the general funds of the agency, and not from any amount restricted to travel from appropriations to the agency.

"(2) For the purpose of paragraph (1), the term "advisory committee" shall have the same meaning as such term is defined under section 3(2) of the Federal Advisory Committee Act (5 U.S.C. App. 2).".

"(c) TECHNICAL AMENDMENT.—The table of sections for chapter 5 of title 5, United States Code, is amended by adding at the end thereof the following:

"Subchapter IV—Alternative Means of Dispute Resolution in the Administrative Process

"581. Definitions.
"582. General authority.
"583. Neutrals.
"584. Confidentiality.
"585. Authorization of arbitration.
"586. Enforcement of arbitration.
"587. Arbitrators.
"588. Authority of the arbitrator.
"589. Arbitration proceedings.
"590. Arbitration awards.
"591. Judicial review.
"592. Authorization to use services of employees of other agencies.
"593. Qualifications and roster of neutrals; procurement.
"594. Support services.
"595. Funding or participation.".

SEC. 5. GOVERNMENT CONTRACT CLAIMS.

(a) CONTRACTING OFFICERS.—Section 6(a) of the Contract Disputes Act of 1978 (41 U.S.C. 605(a)) is amended by adding at the end thereof: "The contracting officer shall make all reasonable efforts to resolve a claim or dispute consensually, before or after making a decision under this section.".

(b) ALTERNATIVE MEANS OF DISPUTE RESOLUTION.—Section 7 of the Contract Disputes Act of 1978 (41 U.S.C. 606) is amended—

(1) by redesignating such section as subsection (a) of section 7; and

(2) adding at the end thereof the following new subsections:

"(b) No provision of this Act may be construed to prevent the contractor and a contracting officer from using any alternative means of dispute resolution under subchapter IV of title 5, United States Code, or other mutually agreeable procedures for resolving claims including binding arbitration of claims not in excess of $250,000. Any agency action relating to decisions to use or not to use a dispute resolution proceeding shall not be subject to judicial review. Any agency action relating to a decision to terminate an arbitration proceeding conducted pursuant to this subchapter shall be subject to judicial review only as provided in section 589(b) of title 5, United States Code, and section 10(f) of title 9, United States Code.

"(c) Agencies' authorization to engage in arbitration pursuant to section (b) shall cease to be effective on October 1, 1995, except that it shall continue in effect with respect to then pending arbitration proceedings which, in the judgment of the agencies that are parties to such proceedings, require continuation until such arbitrations terminate.".

(c) EXPEDITED PROCESS.—Section 8(f) of the Contract Disputes Act of 1978 (41 U.S.C. § 607(f)) is amended by striking out "$50,000" and inserting in lieu thereof "$250,000".

(d) JUDICIAL REVIEW OF ARBITRAL AWARDS.—Section 8(g) of the Contract Disputes Act of 1978 (41 U.S.C. § 607(g)) is amended by adding at the end thereof the following subsection:

"(3) All aspects of an award by an arbitrator shall be reviewed pursuant to sections 9 through 13 of title 9, United States Code, except that the court may set aside any award that is found to violate limitations imposed by Federal statute.".

SEC. 6. FEDERAL MEDIATION AND CONCILIATION SERVICE.

Section 203 of the Labor Management Relations Act, 1947, (29 U.S.C. 173) is amended by adding at the end thereof the following new subsection:

(f) The Service may make its services available to Federal agencies to aid in resolution of disputes under the provisions of subchapter IV of title 5, United States Code. Functions performed by the Service may include, but are not limited to, assisting parties to disputes relating to administrative programs, training persons in skills and procedures employed in alternative dispute resolution, and furnishing personnel to act as neutrals, as defined in section 581 of title 5, United States Code. Personnel assigned to act as neutrals should be qualified in accordance with section 593 of Title 5, United States Code. The Service may consult and cooperate with the Administrative Conference of the United States and other agencies in maintaining rosters of neutrals and arbitrators, and to adopt such procedures and rules as necessary to carry out the services authorized in this subsection.".

SEC. 7. GOVERNMENT TORT AND OTHER CLAIMS.

(a) Section 2672 of title 28, United States Code, is amended by inserting at the end of the first sentence the following—

"Except that any such award, compromise, or settlement may be effected without prior written approval to the extent the authority to do so is delegated to the head of the agency by the Attorney General of the United States. Such delegations may not exceed the authority delegated by the Attorney General to the United States Attorneys to settle claims for money damages against the United States. Each Federal agency may use arbitration, or other means of dispute resolution under the provisions of subchapter IV of title 5, United States Code, to settle any tort claim against the United States, not in excess of the agency's authority to award, compromise, or settle without prior written approval of the Attorney General or his designee. Any agency action relating to decisions to use or not to use a dispute resolution proceeding under this section shall not be subject to judicial review, except as provided by section 589(b) of title 5, United States Code.".

(b) Section 3711(a)(2) of title 31, United States Code, is amended by striking out "$20,000" and inserting in lieu thereof "$250,000".

SEC. 8. USE OF NON-ATTORNEYS.

(a) REPRESENTATION OF PARTIES.—Each agency, in developing a policy on the use of alternative means of dispute resolution under this Act, shall identify any of its administrative programs with numerous claims or disputes before the agency and determine—

(1) to extent individuals are represented or assisted by attorneys or by persons who are not attorneys; and

(2) whether the subject areas of the applicable proceedings or the procedures are so complex or specialized that only attorneys may adequately provide representation or assistance.

(b) REPRESENTATION AND ASSISTANCE BY NON-ATTORNEYS.—A person who is not an attorney may provide representation or assistance to any individual in a claim or dispute with an agency, if—

(1) such claim or dispute concerns an administrative program identified under subsection (a);

(2) such agency determines that the proceeding or procedure does not necessitate representation or assistance by an attorney under subsection (a)(2); and

(3) such person meets any requirement of the agency to provide representation or assistance.

(c) DISQUALIFICATION OF REPRESENTATION OR ASSISTANCE.—Any agency that adopts regulations under this section to permit representation or assistance by persons who are not attorneys shall review the rules of practice before such agency to—

(1) ensure that any rules pertaining to disqualification of attorneys from practicing before the agency shall also be made applicable as appropriate to other persons who provide representation or assistance; and

(2) establish effective agency procedures for enforcing such rules of practice and for receiving complaints from affected persons.

SEC. 9. AUTHORIZATIONS OF APPROPRIATIONS.

To carry out this Act, and notwithstanding section 576 of title 5, United States Code, there are authorized to be appropriated to the Administrative Conference of

the United States amounts not in excess of $1,000,000 for each of the fiscal years 1990, 1991, and 1992.

By Mr. WIRTH:

S. 972. A bill to transfer to the Secretary of Health and Human Services the authority of the Secretary of Energy to conduct epidemiological studies of the effects of radiation, and for other purposes; to the Committee on Energy and Natural Resources.

RADIATION RESEARCH REORGANIZATION ACT

Mr. WIRTH. Mr. President, every day tens of thousands of Americans report to work at the Rocky Flats Plant in Colorado, Fernald Plant in Ohio, Savannah River Plant in South Carolina, and the eight other major nuclear weapons production facilities located across the country. These dedicated individuals, employed by the Department of Energy [DOE] or one of several private contractors hired by DOE to operate its facilities, are a vital link in our national security chain.

In fulfilling their crucial mission, these employees are required to work with some of the most dangerous substances known to man: plutonium, uranium, beryllium, tritium and others. While extensive precautions are taken to ensure their safety, many questions remain unanswered about how exposure to these substances affects their health, and how we can better protect them from adverse health effects.

Some of these DOE facilities are located near major population centers. For example, the Rocky Flats plant is located just 16 miles from downtown Denver, while the Fernald Plan is only 20 miles northwest of Cincinnati. A number of radiation leaks or releases from these plants have occurred over the years, potentially exposing nearby residents to various amounts of radiation. Radioactive waste stored at a number of these plants has contaminated soil and ground water. We know that radiation can be dangerous to human health. But we do not know to what extent such radiation leaks and contamination may actually be affecting the health of these residents.

This uncertainty is unacceptable. We have a responsibility to vigorously seek answers to the question of whether these plants pose a health risk, and to do so in a manner which gains the confidence and trust of both the employees at DOE facilities and the populations residing near these facilities.

Yet the department with primary responsibility for assessing the health risks associated with our nuclear weapons complex, the Department of Energy, is the very department that is responsible for meeting a demanding production schedule for these nuclear materials and weapons.

The conflict of interest inherent in this arrangement is clear. Health and safety interests can—and often do—compete with production and budgetary goals. This appearance of "the fox guarding the chicken coop" has inevitably led to a dramatic failure to win employee and public confidence in the health research conducted by DOE.

DOE employees' concerns were clearly stated in a February 21, 1989, statement on protecting safety, health, and the environment at DOE nuclear facilities, when the executive council of the AFL–CIO asserted that "production (at DOE facilities) has been placed above safety and health concerns."

The lack of public confidence and trust was driven home in an October 1988 Time magazine cover story on health risks associated with the nuclear weapons production complex. The story was titled, "They lied to us." The "they" in question is the Federal Government and, more specifically, the Department of Energy. The title quote concisely summarizes the strong feelings of a number of families from communities near nuclear weapons plants who blame releases of radioactive emissions for the cancers that have killed or made seriously ill their spouses or children.

This mistrust of the Department of Energy has been compounded by the release of new information on releases of radiation from DOE facilities. For example, on May 4, 1989, the Washington Post reported that "as much as 3.1 million pounds of uranium dust and other radioactive materials were released from the feed materials production plant near Fernald (Ohio) between 1951 and 1985". The Department of Energy had previously estimated the amount at between 395,000 and 555,000 pounds.

The way in which epidemiological work has been carried out by the Department of Energy and the Department's reaction to negative findings have further exacerbated the situation. For example, in 1977, Dr.'s Thomas Mancuso, Alice Stewart and George Kneale published the results of a study which found an association between cancer and exposure to low-level radiation. Their research had been conducted under a DOE contract. However, upon publication of the results, DOE moved to sever the contract. Shortly thereafter, several powers critical of the Mancuso study were published by other DOE-sponsored researchers. Employees of DOE nuclear operations have since been unsure of the extent to which they can trust the results of DOE-sponsored health-effects studies—if, indeed, they can trust them at all.

Confidence in DOE research has been further undermined by the Department's practice of contracting with a limited number of DOE-supported laboratories or consortiums for the bulk of its health effects research. These contractors, which include the Oak Ridge Associated Universities [ORAU], Battelle Northwest Laboratories [BNL], and Los Alamos National Laboratory, have studied at least a dozen different radiation-exposed populations. A number of these studies have found significant excess cancer deaths. And yet, the DOE and contract researchers have insisted on characterizing these results as "preliminary and inconclusive." Dr. C.C. Lushbaugh, supervisor of the ORAU work, has stated, "We don't think anybody should have alarm about them. * * * We just don't consider them substantive conclusions."

DOE has also fueled the controversy by the way in which it restricts access to the data from these studies. Data supporting the conclusions of DOE-sponsored studies is unavailable to independent researchers. Consequently, independent researchers are unable to fully evaluate the results and verify the conclusions of these DOE-sponsored studies, and the public and workforce is left without any outside assessment of the quality and legitimacy of DOE's research.

DOE's data-access policy is at the center of an ongoing lawsuit between the Three Mile Island Fund, created in the aftermath of the 1979 incident at the Three Mile Island nuclear plant, and the Department of Energy. The fund has requested access to the records of 300,000 DOE workers to help in determining the health implications of exposure to low-level radiation. The Department of Energy, instead of doing everything possible to facilitate such a study, has consistently blocked access to a significant portion of these records.

Finally, DOE has refused to allow labor representation on its advisory and peer review committees. This has served to underscore the doubts of those who are the most vulnerable and the most directly affected—the workers.

Mr. President, we clearly have a major problem with the health research program of the Department of Energy. The Department's conflicting responsibilities for weapons production and for health research, combined with past and present practices, have resulted in an untenable situation: neither the DOE's own workforce nor the American public is convinced that their health and well-being is the Department of Energy's No. 1 priority.

Mr. President, my intent here is not to challenge the validity of DOE's health research or to assert unequivocably that DOE's nuclear weapons plants are a health risk to the work force or to neighboring populations. We have yet to achieve a national concensus about radiation exposure and its potential adverse effects on health. Some in the scientific community have supported the work of DOE and some

have roundly criticized it. The problem is that we are unable to objectively determine whether DOE's epidemiological work is accurate and adequate. We simply do not know with any precision the full extent of the health hazard posed by these plants. This factual void results in a largely emotional debate.

Neither is it my intent to question the intentions or dedication of the DOE employees and contractors charged with health research. But as long as a conflict of interest is perceived by the work force and the public, this research will not have the credibility we so urgently need it to have. The result is unfair to the public, unfair to the DOE's work force, and unfair to the researchers who are doing their best to perform objective work.

The wisdom of giving DOE this dual role of nuclear weapons manufacturer and health researcher was questioned as long ago as 1979, when an Interagency Task Force on the Health Effects of Ionizing Radiation, established by then-HEW Secretary Joseph Califano, called for an objective agency to be responsible for conducting this critical research. That recommendation was later echoed in 1983 in the final report of the Rocky Flats Blue Ribbon Citizens' Committee, convened by myself and then-Governor Richard Lamm, and again in 1984 by the Governor's Rocky Flats Employees Health Assessment Group.

The report of the Governor's Health Assessment Group read as follows:

> The committee believes that care should be taken in the next series of Rocky Flats cancer studies—studies which could have results with political and economic consequences to various parties and entities—to ensure that individuals and organizations with political and economic stakes in the outcome are not in a position where their judgment might be swayed, or perceived to be swayed, by such considerations.

Mr. President, the solution is clear: the surest way to gain public and worker confidence is by placing the authority for conducting health effects research with an agency primarily responsible for health issues—and by transferring that authority away from an agency primarily responsible for operating energy and defense programs. The Department of Health and Human Services (HHS), with the Agency for Toxic Substances and Disease Registry, the Centers for Disease Control, the National Institutes of Health, and the Food and Drug Administration under its umbrella, is the logical home for health research of all kinds. These various entities have all studied, from their particular perspectives, the health effects of radiation. HHS is well suited to accept and pursue this mission with the credibility so necessary if we are to find the answers we need.

Mr. President, today I am introducing the Radiation Research Reorganization Act of 1989, an expanded version of legislation I introduced in the 99th Congress. This bill will restore worker and public confidence in our program of research into the health effects of exposure to radiation.

Under the provisions of this bill, responsibility for epidemiological research into the health effects of expsoure to radiation will be transferred from the Department of Energy [DOE] to the Department of Health and Human Services [HHS].

The bill will also trasnfer to HHS the staff positions and other resources of DOE that are presently being used to health effects research.

The Secretary of HHS is directed to undertake a comprehensive research program to identify the nature and magnitude of the risk to the public and to DOE's work force from radiation generated by DOE nuclear facilities.

Additional provisions will:

Ensure that HHS has adequate access to all relevant DOE records and data;

Ensure that HHS has adequate funding to carry out this research;

Ensure that HHS has access to or is able to develop reliable data on radiation releases and exposure levels;

Direct HHS to coordinate research with appropriate State agencies responsible for public health, such as the Colorado Department of Public Health; and

Require that HHS conduct a comprehensive review of existing information and studies related to the effects of exposure to radiation on health, including studies conducted by DOE, Federal and State agencies, and independent researchers.

My bill will also create an advisory panel to assist the Secretary of Health and Human Services in carrying out the transferred functions. This panel will consist of nine members, appointed by the President with the advice and consent of the Senate. The panel will be composed of epidemiologists and others knowledgeable about the health effects of radiation, including at least one representative of each of the following: Public interest groups, State public health agencies from States with a DOE nuclear facility in their territory, organized labor unions active at DOE facilities, and the Department of Energy.

This legislation will specifically address the need to ensure confidentiality and safeguard classified material.

Mr. President, in November of 1988 the American Public Health Association adopted a resolution that recommended that—

> Responsibility for research into the * * * health of workers and nearby populations [of the Department of Energy's nuclear weapons facilities] be reassigned to the U.S. Department of Health and Human Services.* * *.

The shift of health research responsibility from DOE to HHS is also supported by a wide variety of public interest, scientific, labor, and environmental groups, including Physicians for Social Responsibility, the Union of Concerned Scientists, the Nuclear Control Institute, the Sierra Club, the Natural Resources Defense Council, and the United Steelworkers of America local 8031 at Rocky Flats.

Mr. President, the men and women who make up the Department of Energy's work force are worried. The mothers and fathers and children who live around the DOE's nuclear weapons facilities are worried. They know that these facilities are vital to our national defense, but they also know that, because of past, and, possibly, future practices, these facilities are potential killers. We owe it to these people to take this vital health research responsibility out of the Department of Energy, where it has never belonged, and to place it instead in a department where health and human welfare are the primary goal, the Department of Health and Human Services. My legislation will accomplish this. I urge my colleagues to support this bill, and I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 972

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Radiation Research Reorganization Act of 1989".

SEC. 2. FINDINGS.

The Congress makes the following findings:

(1) After many years of study there remain unresolved questions about the magnitude and nature of the risk to human health posed by exposure to radiation from sources such as nuclear bomb tests, the manufacture of nuclear weapons, residing near nuclear production facilities, nuclear power plants, and radioactive wastes, and the medical uses of nuclear materials.

(2) The risk to human health posed by present and future Department of Energy facilities is and must continue to be a crucial factor in decisions affecting these facilities. Informed decisions cannot be made without reliable and credible information on the risks to human health that may result.

(3) Public health authorities must be able to direct research and data collection efforts so that the true nature and magnitude of the past and present risk posed by human exposure to radiation can be determined, and so that effective means of protecting the public against dangerous exposure can be developed and implemented.

(4) The Secretary of Energy's responsibility for production of nuclear materials and weapons conflicts with the Secretary of Energy's responsibility under the Energy Reorganization Act of 1974 (42 U.S.C. 5801 et

seq.), to study the health impacts of activities of the Department of Energy.

(5) There is considerable public doubt as to the integrity of health impact studies conducted by or on behalf of the Department of Energy. Past practices of the Department of Energy have amplified this doubt; ultimately, however, it stems from and is the inescapable consequence of the dual and conflicting responsibilities assigned to the Secretary of Energy. This doubt can be relieved only by reassigning the responsibility for epidemiological research into the health effects of exposure to radiation to an independent department of the government with no responsibility for the production or maintenance of nuclear weapons.

SEC. 3. DEFINITIONS.

For purposes of this Act:

(1) The term "epidemiological studies" means scientific studies of the incidence, distribution, and control of a disease or diseases in a population.

(2) The term "radiation release" means the routine or accidental release of a radionuclide into the workplace or the environment.

(3) The term "dose reconstruction" means the identification of the types and quantities of radionuclides to which an individual or a population is or has been exposed.

(4) The term "health risk assessment" means the determination of the magnitude and probability of actual or potential harm to the public health or environment.

(5) The term "related studies" means scientific studies, including health risk assessments and radiation release and dose reconstruction studies, which are undertaken as part of or in support of epidemiological studies into the health effects of exposure to radiation.

(6) The term "Department of Energy facilities" means facilities of the Department of Energy that are involved in the design, production, processing or reprocessing, assembly, fabrication, testing, storage, disassembly, or destruction of nuclear materials or weapons.

SEC. 4. TRANSFER.

(a) IN GENERAL.—(1) There is transferred to the Secretary of Health and Human Services the authority of the Secretary of Energy to conduct, under section 103 of the Energy Reorganization Act of 1974 (42 U.S.C. 5813) and any other law, epidemiological studies of the effects of exposure to radiation.

(2) In carrying out the function transferred by this subsection, the Secretary of Health and Human Services shall consult with—

(A) the Administrator of the Agency for Toxic Substances and Disease Registry;

(B) the Director of the Centers for Disease Control and the Director of the National Institute for Occupational Safety and Health;

(C) the Director of the National Institutes of Health and the Directors of the National Cancer Institute and of the National Institute of Environmental Health Sciences;

(D) the Commissioner of the Food and Drug Administration and the Director of the Center for Devices and Radiological Health; and

(E) the Directors of State Public Health Agencies of States in which a Department of Energy nuclear facility is located.

(b) ANCILLARY TRANSFERS.—There are transferred to the Secretary of Health and Human Services—

(1) the professional and administrative positions overseen;

(2) the property and records now being used or held;

(3) the obligations and commitments made; and

(4) the unexpended balances of appropriations, allocations, and other funds available (or to be made available) for use,

by the Secretary of Energy in connection with the function transferred by subsection (a).

(c) OMB REVIEW.—The Director of the Office of Management and Budget, at such time or times as the Director shall determine, shall make—

(1) such determinations as may be necessary with regard to the functions transferred by subsection (a); and

(2) such incidental dispositions of personnel, assets, liabilities, grants, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds held, used, arising from, available to, or to be made available in connection with such function,

as may be necessary to carry out the transfer of functions.

SEC. 5. STUDIES BY THE SECRETARY OF HEALTH AND HUMAN SERVICES.

(a) RESPONSIBILITIES OF THE DEPARTMENT OF HEALTH AND HUMAN SERVICES.—(1) The Secretary of Health and Human Services shall undertake a comprehensive program of epidemiological research, including related studies, into the health effects of exposure to radiation.

(2) The aim of the research program described in paragraph (1) shall be the identification of the nature and magnitude of the risk to the public and to the workforce of the Department of Energy resulting from Department of Energy activities.

(b) COORDINATION WITH STATE PUBLIC HEALTH AGENCIES.—The Secretary of Health and Human Services shall ensure that research activities are coordinated with appropriate State agencies responsible for public health.

SEC. 6. REPORTS BY THE SECRETARY OF ENERGY.

(a) REPORT OF AVAILABLE DATA AND RECORDS.—Not later than 60 days after the date of enactment of this Act, the Secretary of Energy shall prepare and submit to the Secretary of Health and Human Services and the Congress a complete listing of data and records held or maintained by the Department of Energy and of potential use in the conduct and evaluation of epidemiological and related studies.

(b) REPORT OF PAST LEVEL OF FUNDING.—Not later than 60 days after the date of enactment of this Act, the Secretary of Energy shall prepare and submit to the Secretary of Health and Human Services and the Congress a complete record of funds expended by the Department of Energy on research related to the health effects of exposure to radiation during each of the 5 years preceding the date of enactment of this Act.

SEC. 7. ACCESS TO DATA AND RECORDS.

(a) DEPARTMENT OF ENERGY DATA AND RECORDS.—(1) The Secretary of Energy shall provide to the Secretary of Health and Human Services or the Secretary's designees access to all data and records maintained or held by the Secretary of Energy and not transferred to the Department of Health and Human Services under section 4(b) if—

(A) such records are deemed by the Secretary of Health and Human Services to be useful to epidemiological research health risk assessments, radiation release studies, or dose reconstruction studies; and

(B) the Secretary of Health and Human Services has taken such steps as shall be necessary to ensure the confidentiality of information pertaining to individuals who are the subjects of the records.

(2) Specifically included in the data and records to be made available by the Secretary of Energy to the Secretary of Health and Human Services or the Secretary's designees are data and records relating to worker health, worker exposure to radiation, and routine and accidental releases of radionuclides.

(3) Access to data and records described in paragraphs (1) and (2) shall be provided to the Secretary of Health and Human Services or the Secretary's designees within 30 days following receipt by the Secretary of Energy of a written request for access to data or records.

(4) The Secretary of Health and Human Services shall not grant access to any employee of the Department of Heath and Human Services to classified material under paragraph (1) unless such employee possesses an appropriate security clearance and has a legitimate need to see the classified material in question.

(b) DEPARTMENT OF HEALTH AND HUMAN SERVICES DATA AND RECORDS.—The Secretary of Health and Human Services shall grant access to data and records held or developed by the Department of Health and Human Services, including data and records obtained from the Department of Energy, to the public in accordance with the established practices of the Department of Health and Human Services.

SEC. 8. FUNDING FOR THE DEPARTMENT OF HEALTH AND HUMAN SERVICES.

(a) LEVEL OF FUNDING.—The annual level of funding provided to the Department of Health and Human Services for the purpose of carrying out the responsibilities transferred in section 4(a) shall in no event be less than the greatest of the annual amounts reported by the Department of Energy pursuant to section 6(b).

(b) USE OF FUNDS.—Funds provided to the Department of Health and Human Services for the purposes of this Act may be used to support the direct and indirect costs of a program of epidemiological research, including related studies, into the health effects of exposure to radiation, and for such other uses as the Secretary may deem appropriate. Funds provided for the purposes of this Act may be used to support activities of State public health agencies that are compatible with the purposes of this Act.

SEC. 9. RADIATION RELEASE AND DOSE RECONSTRUCTION STUDIES AND HEALTH RISK ASSESSMENTS.

(a) STUDIES BY THE SECRETARY OF HEALTH AND HUMAN SERVICES.—The Secretary of Health and Human Services is authorized to undertake—

(1) such research and studies into radiation releases and dose reconstruction; and

(2) such health risk assessments,

as the Secretary may deem necessary in order to properly and fully carry out the duties transferred in section 4(a).

(b) REVIEW OF DEPARTMENT OF ENERGY STUDIES BY SECRETARY OF HEALTH AND HUMAN SERVICES.—The Secretary of Health and Human Services is authorized to review research and studies conducted by the Department of Energy after enactment of this Act relating to radiation releases, dose reconstruction, or health assessments.

SEC. 10. REVIEW OF EXISTING RESEARCH AND RECOMMENDATIONS.

(a) REVIEW OF RESEARCH INTO AND DATA RELATING TO HEALTH EFFECTS OF RADIATION.—(1) The Secretary of Health and Human Services shall conduct a comprehensive review of existing epidemiological studies and data relating to health effects of exposure to radiation.

(2) The review may include—

(A) studies conducted by the Department of Energy and its contractors;

(B) studies conducted by Federal, State, County, and local agencies;

(C) studies conducted by or on behalf of international organizations and foreign governments; and

(D) studies conducted by independent researchers, groups, companies, and private and public universities.

(3) The review shall—

(A) identify areas where additional research needs to be undertaken;

(B) establish priorities to be used in the allocation of resources to research activities; and

(C) make recommendations for specific research activities to be undertaken by the Department of Health and Human Services.

(4) The review shall be completed and submitted to the President and the Congress not later than 180 days after enactment of this Act.

(b) REVIEW OF HEALTH RISK ASSESSMENTS AND RADIATION RELEASES AND DOSE RECONSTRUCTION.—(1) The Secretary of Health and Human Services shall conduct a comprehensive review of existing and ongoing health risk assessments and of existing and ongoing studies relating to radiation releases and dose reconstruction efforts.

(2) The review may include—

(A) studies conducted by the Department of Energy and its contractors;

(B) studies conducted by Federal, State, County, and local agencies;

(C) studies conducted by or on behalf of international organizations and foreign governments; and

(D) studies conducted by independent researchers, groups, companies, and private or public universities.

(3) The review shall—

(A) identify areas where additional research needs to be undertaken;

(B) establish priorities to be used in the allocation of resources to research activities; and

(C) make recommendations for specific research activities to be undertaken by the Department of Energy or the Department of Health and Human Services.

(4) The review shall be completed and submitted to the President and to Congress not later than 180 days after enactment of this Act.

SEC. 11. ADVISORY PANEL ON RADIATION RESEARCH.

(a) ESTABLISHMENT OF ADVISORY PANEL.—(1) To advise the Secretary of Health and Human Services in carrying out the function transferred by section 4(a) there is established an advisory panel, to be known as the "Advisory Panel on Radiation Research".

(2) The advisory panel shall consist of 9 members appointed by the President by and with the advice and consent of the Senate. Members of the panel shall be appointed within 90 days of enactment of this Act. At least 5 of the 9 members shall be from outside the Federal service. Among the 9 members of the panel, there shall be at least one representative of—

(A) organized labor unions active at the Department of Energy's nuclear facilities;

(B) the Secretary of Energy;

(C) public interest groups concerned about the health effects of radiation; and

(D) State public health departments and agencies of States having a Department of Energy nuclear facility in their territory.

(b) DUTIES OF THE PANEL.—(1) The Advisory Panel on Radiation Research shall ensure the development and dissemination of reliable and credible information on the true nature and magnitude of the past and present risk posed by human exposure to radiation.

(2) In carrying out paragraph (1), the advisory panel shall review and evaluate the content and implementation of the program of research by the Department of Health and Human Services into the health effects of exposure to radiation. The advisory panel shall make specific recommendations to ensure that the health of workers and of the general population is being adequately protected.

(c) EXPENSES OF MEMBERS.—(1) Except as provided in paragraph (2), members of the Advisory Panel on Radiation Research shall—

(A) be entitled to receive the daily equivalent of the annual rate of basic pay in effect for grade GS-18 of the General Schedule for each day, including traveltime, during which they are engaged in the actual performance of duties vested in the panel; and

(B) while away from their homes or regular places of business and while serving in the business of the panel, be entitled to receive transportation expenses as prescribed by section 5703 of title 5, United States Code.

(2) Members of the panel who are full-time officers or employees of the United States shall receive no additional pay, allowances, or benefits by reason of their service on the panel.

(d) ADMINISTRATIVE SUPPORT.—The Secretary of Health and Human Services shall provide such administrative support services as the advisory panel may reasonably request.

By Mr. LUGAR (for himself, Mr. BOSCHWITZ, and Mr. DOLE):

S. 973. A bill to create a Rural Capital Access Program with the Department of Agriculture to encourage lending institutions to provide loans to certain businesses, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

RURAL CAPITAL ACCESS ACT

● Mr. LUGAR. Mr. President, I rise today to introduce legislation to promote economic development in our Nation's rural areas.

During the unprecedented growth of the last 7 years, rural America has lagged behind urban America in economic growth.

The Department of Agriculture's Economic Research Service recently reported that, despite nearly full employment at the national level, the unemployment rate in rural America remains substantially above the metropolitan rate. For the Nation as a whole, the preliminary data indicates that the national unemployment rate was 5.5 percent in 1988. Urban unemployment was 5.1 percent while unemployment in rural areas was 6.9 percent.

The growth that has occurred in rural areas has represented mostly a rehiring of the unemployed rather than an expansion of the labor force. The nonmetro labor force grew only 0.9 percent in 1988 versus metro growth of 1.7 percent. These statistics demonstrate a need for increased and varied business and job development in our rural areas.

Studies indicate that a major impediment to rural economic development is the lack of available credit for business creation, expansion and retention. My bill seeks to address this need. It is based upon a successful program in Michigan which makes credit more readily available to businesses by creating a reserve fund for losses that banks can tap when loans made under the program default.

My proposal, called the Rural Capital Access Program, or RCAP, provides a nonbureaucratic tool for banks to make loans that are somewhat riskier than conventional loans. RCAP creates a reserve fund that banks can access when an economic development loan defaults.

Under the program, the borrower makes a premium payment of between 1.5 and 3.5 percent of the loan amount. The bank matches that payment and RCAP matches the combined lender/borrower payment which will range between 3 and 7 percent of the amount of the loan. Thus, the total reserve for any loan is between 6 and 14 percent of the loan amount. In effect, RCAP serves as a catalyst for private lending in which the bank exercises its own credit judgment, but benefits from some increased protection for risk taking.

Let me also point out that State involvement in this program, in the form of rebates to lenders and borrowers of some or all of their RCAP payments, is certainly possible if a State desires to provide such assistance. In fact, in view of some concerns I have heard about the premium levels in my bill, I encourage State participation along these lines and welcome any suggestions to facilitate it.

The reserve fund is earmarked for each bank so that every institution has its own reserve fund to draw upon if a loan defaults. If no default occurs, the funds stay in the reserve.

The earmarked reserve allows a bank to be more aggressive in its loan making. However, if a bank's losses were to exceed the amount in the reserve, the bank would be at risk for the excess loss. Thus, the bank is compelled to remain prudent in its credit decisions.

Borrowers benefit from the program because the reserve fund allows access to credit that they otherwise could not obtain.

The Government benefits from the additional economic activity in our rural areas. The Government's cost exposure is also limited to its matching contribution which contrasts to a loan guarantee where it may be liable for up to 100 percent of the outstanding loan principal.

The program provides an excellent ratio of public to private dollars. Thus far, Michigan receives $18.10 of private capital for each $1 it contributes. There is also very little overhead in terms of staff and infrastructure. By using institutions that already exist in rural areas, namely commercial banks, we ensure that the money is spent on economic development, not staff and buildings. Moreover, the program would operate throughout rural America, not just in limited areas. Thus, the Government would not be forced into picking winners and losers which would be the case for programs that operated on a smaller geographic scale.

The premium obviously adds an additional cost to borrowing that financially strong borrowers will want to avoid. Many economic development incentives are criticized as providing benefits to businesses that do not need the assistance. RCAP allows the marketplace to allocate the resources to those in need because creditworthy borrowers would be discouraged from using the program.

Given our current Federal deficit situation, an important consideration for any new legislation in its cost. According to our preliminary discussions with Congressional Budget Office and Office of Management and Budget, RCAP is a cost-effective program. The Federal Government's exposure is limited to its contributions to the reserve fund and outlays would only occur in those case where a loan defaulted.

One of the important elements of my bill is its low administrative cost. Given the limited Federal funds available, our money should be spent on programs, not on bureaucracy, staff and offices. When designing any rural development program, we should look to see if currently existing programs or agencies have the same, or a similar function, and then use or modify those that already exist. In that way, we will have the most efficient utilization of scarce Federal resources.

Mr. President, this bill does not address all of the problems facing rural America. Many other problems could also be described in such areas as communications, education and infrastructure. My bill is an effort to address just one of these areas—business creation, expansion and retention.

Attempting to solve the difficult problems of rural America is complex, and many of these issues are beyond the jurisdiction of the Agriculture Committee. That is why I am pleased that majority leader MITCHELL and Republican leader DOLE created a bipartisan Rural Development Task Force earlier this year to develop multijurisdictional legislation to address all of these problems. On the Agriculture Committee, my friend Chairman LEAHY and I, along with Senators MCCONNELL and HEFLIN and others, have been studying possible solutions for several months.

During the drafting of this bill, I sought input from a variety of groups and individuals, including rural bankers. I look forward to the continued counsel of these groups and individuals and also the comments and suggestions of my colleagues as we proceed with our rural development debate.

Finally Mr. President, I urge my colleagues to work together to produce responsible multijurisdictional rural development legisaltion this year and I urge my colleagues to seriously consider this concept as a major component of the business financing section of our final rural development bill.

Mr. President, I ask unanimous consent that a copy of the summary, the section-by-section explanation, and the text of the bill be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 973

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Rural Capital Access Act of 1989".

SEC. 2 DEFINITIONS.

As used in this Act:

(1) ELIGIBLE COUNTY—The term "eligible county" means a country that does not contain an area designated as a standard metropolitan statistical area by the Office of Management and Budget.

(2) FUND.—The term "Fund" means the Rural Capital Access Fund established under section 3(b).

(3) PROGRAM.—The term "Program" means the Rural Capital Access Program established under section 3(a).

(4) SECRETARY.—The term "Secretary" means the Secretary of Agriculture.

(5) STATE.—The term "State" means each of the 50 States of the United States.

SEC. 3. RURAL CAPITAL ACCESS.

(a) ESTABLISHMENT OF PROGRAM.—The Secretary shall establish a program to be known as the "Rural Capital Access Program" through which the Secretary shall provide incentives to lending institutions to encourage such institutions to provide new loans to certain businesses.

(b) ESTABLISHMENT OF FUND.—

(1) IN GENERAL.—The Secretary shall establish and maintain a fund to be known as the "Rural Capital Access Fund" that shall serve as a reserve account to protect lending institutions that participate in the Program from losses associated with certain loans.

(2) AMOUNTS IN FUND.—The fund established under paragraph (1) shall contain amounts received under this Act from the Federal government, participating lending institutions, and eligible borrowers. The amounts obligated to the Fund shall remain in the Fund until expended.

SEC. 4. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—To carry out this Act there are authorized to be appropriated $100,000,000 for each of the fiscal years 1990 through 1994.

(b) AMOUNTS NOT TO REMAIN AVAILABLE.—The amounts appropriated during each fiscal year pursuant to paragraph (1), that are not obligated to the Fund during such fiscal year, shall not remain available for use under the Program after the fiscal year for which such sums are appropriated.

(c) ADMINISTRATIVE EXPENSES.—No funds appropriated under this Act shall be used for the administrative expenses of State agencies or institutions participating in the Program.

SEC. 5. ALLOCATION.

(a) IN GENERAL.—Of the amount appropriated under section 4, the Secretary shall allocate to each State at the beginning of each fiscal year an amount for use under the Program equal to an amount that bears the same ratio to the total amount of such appropriation as the number of individuals residing in eligible counties in such State bears to the number of individuals residing in eligible counties in all States.

(b) REALLOCATION.—Any portion of the allocation under subsection (a) for use within a State during a fiscal year that the Secretary determines is not obligated to the Fund by June 1 of such fiscal year shall be released by the Secretary for obligation under the Program in connection with loans made in any other State.

SEC. 6. ADMINISTRATION OF THE PROGRAM.

(a) NOTIFICATION AND APPLICATION.—

(1) IN GENERAL.—A State that desires to participate in the Program shall notify the Secretary in writing of its intent to participate, and shall provide such information as the Secretary shall require, including a designation of the State agency or private institution that shall administer the Program within the State.

(2) PRIVATE INSTITUTION.—If a State fails to—

(A) submit a notification to the Secretary within 6 months after the date of enactment of this Act; or

(B) designate a State agency or private institution to administer the Program;

a private institution within such State may apply to the Secretary to participate in the Program on behalf of such State. Within a reasonable period of time following the receipt of such application, the Secretary shall approve such institution for participation in the Program unless good cause exists to reject such application. If more than one such application is received from institutions within the State, the Secretary shall select from among the applicants one institution to participate in the Program.

(3) DUTIES.—The participating State agency or private institution shall—

(A) promote the Program within the State;

(B) recruit lending institutions within the State to participate in the Program;

(C) enter into agreements with participating lending institutions that outline the rights and obligations of such institutions;

(D) encourage participating lending institutions to use the Program to expand the funding activity of such institutions in eligible counties and avoid displacing commercial loans that could otherwise be made without the incentives provided under the Program; and

(E) maintain such books and records of its activities under the Program, as specified by the Secretary and grant the Secretary reasonable access to such books and records.

(b) ELIGIBLE LENDING INSTITUTIONS, BORROWERS, AND LOANS.—

(1) ELIGIBLE LENDING INSTITUTIONS.—To be eligible to participate in the Program, a lending institution must be legally able to make loans within eligible counties in the State.

(2) ELIGIBLE BORROWERS.—An eligible borrower must be a corporation, partnership, joint venture, sole proprietorship, retail business, cooperative, individual, or any other entity, whether profit or nonprofit, that conducts or is planning to conduct business in an eligible county in a State.

(3) ELIGIBLE LOANS.—To be eligible for protection under this Act a loan made by an eligible lending institution shall—

(A) be made to an eligible borrower;

(B) be used by the borrower for economic activity that is located in an eligible county;

(C) not be used for the construction or purchase of residential property;

(D) not be used to finance any real estate purchase primarily for investment purposes, without developing or improving such real estate, or without intending to use such real estate in connection with the business of the borrower;

(E) not be an existing loan of the lending institution (or an affiliate of such institution) that is not in the Program unless the institution increases the outstanding balance of such loan and places the refinanced loan into the Program only to the extent that the principal of such loan is increased;

(F) not be made to a director, officer, or principal shareholder of the lender or a member of the immediate family of a director, officer, or principal shareholder of the lender; and

(G) not exceed $3,000,000.

SEC. 7. OPERATION OF THE PROGRAM.

(a) LOAN PROCESS.—A lending institution that enters into an agreement with the administering agency or institution may make loans to eligible borrowers and such loans shall be protected by the subaccounts contained in the Fund.

(b) CREATION OF SUBACCOUNTS.—

(1) IN GENERAL.—A subaccount shall be created in the Fund for a lending institution that enters into an agreement with the administering agency or institution that shall contain amounts derived from contributions made by the lending institution, the borrower, and the Federal government.

(2) CONTRIBUTIONS.—

(A) MINIMUM.—The minimum contributions in connection with any eligible loan on the subaccount of a lending institution under this subsection shall be—

(i) an amount equal to not less than 1.5 percent of the amount of the loan to be paid by the borrower;

(ii) an amount equal to the amount contributed under clause (i) to be paid by the lending institution; and

(iii) an amount equal to the amounts paid under clauses (i) and (ii) to be paid by the Secretary.

(B) MAXIMUM.—The maximum contributions in connection with any eligible loan to the subaccount of a lending institution under this subsection shall be—

(i) an amount equal to not greater than 3.5 percent of the amount of the loan to be paid by the borrower;

(ii) an amount equal to the amount contributed under clause (i) to be paid by the lending institution; and

(iii) an amount equal to the amounts paid under clauses (i) and ii) to be paid by the Secretary.

(C) DETERMINATION.—The amount of the contribution to be made by a borrower in connection with any eligible loan made under the Program shall be established through an agreement between the lender and the borrower.

(3) INTEREST.—The subaccount of each lending institution shall earn interest at a rate equal to the current average market yield on outstanding marketable obligations of the United States.

(4) WITHDRAWAL.—A lending institution shall only be permitted to withdraw funds from the subaccount of such institution to reimburse such institution for losses suffered on eligible loans made under the Program.

(c) PROCEDURE.—

(1) NOTIFICATION.—After entering into an agreement with the administering agency or institution to participate in the Program, a lending institution shall notify such agency or institution before concluding a loan agreement to provide an eligible loan to any eligible borrower to ensure that the Secretary has sufficient funds available for use in such State to pay the contribution required of the Secretary under subsection (b)(2).

(2) TIME FOR CONTRIBUTIONS.—

(A) LENDING INSTITUTION AND BORROWER.—The lending institution shall pay the required contribution, and collect and pay the required contribution of the borrower, to the administering agency or institution not later than 10 working days after the applicable loan agreement is entered into.

(B) TRANSFER TO SECRETARY.—Not later than 5 working days after the receipt of funds under subparagraph (A), the administering agency or institution shall transfer such funds to the Secretary.

(C) SECRETARY.—As soon as practicable after the administering agency or institution transmits the contributions required under subsection (b)(2) to the Secretary, such contributions and the matching funds required to be provided by the Secretary, shall be deposited by the Secretary into the subaccount of the institution created within the Fund in accordance with subsection (b)(1).

(d) CLAIMS AGAINST THE FUND.—

(1) DETERMINATION OF CHARGE OFFS.—A lending institution shall determine when and how much to charge off on a loan eligible for protection under this Act in a manner that is consistent with the normal methods used by such institution for making such determinations concerning its commercial business loans not covered under the Program.

(2) FILING OF CLAIM.—A lending institution shall file a claim for assistance under this Act with the administering agency or institution at the time that such lending institution charges off all or part of an eligible loan.

(3) AMOUNT OF CLAIM.—

(A) IN GENERAL.—A claim filed by a lending institution under this subsection may include the full amount of the principal of the loan that is charged off, any interest accrued on the loan, and any out-of-pocket expenses incurred by such institution in connection with the loan.

(B) LIMITATION.—If the amount of a loan that is protected under this Program is less than the total amount of the loan principal charged off by the lender, the amount of principal and accrued interest that may be included in a claim shall not exceed the principal amount of such loan that is protected under the Program in addition to any accrued interest attributable to such principal.

(4) REVIEW OF CLAIMS.—

(A) IN GENERAL.—A claim submitted under this section shall be promptly delivered by the administering agency or institution to the Secretary who shall, not later than 20 days after the receipt of such claim, review the claim and make a payment to the lending institution from the subaccount of such institution in the amount of the claim.

(B) LIMITATION.—Except as provided in section 9(c), the amount of payment made to a lender on any claim under this Program shall not exceed the total amount that such lending institution has in its subaccount in the Fund.

(C) GROUNDS FOR DENIAL OF CLAIM.—The Secretary shall only deny a claim submitted under this subsection, or a portion thereof, if the Secretary determines that the lending institution that submitted the claim has knowingly—

(i) violated a provision of this Act;

(ii) violated a provision of the agreement of the institution with the administration agency or institution;

(iii) allowed interest to accrue on the loan for an unreasonable period of time after the loan became delinquent without taking prudent action to collect the principal; or

(iv) submitted a false claim.

(e) REVIEW BY SECRETARY.—The Secretary may review the operations of any lending institution that participates in the Program under this Act.

SEC. 8. INACTIVE LENDING INSTITUTIONS.

If, for a period of at least 24 consecutive months, the amount in the subaccount of a lending institution exceeds the outstanding balance of all loans of such institution protected under this Program, the Secretary may withdraw any such excess amounts so that the amount of funds remaining in the subaccount are equal to 100 percent of the outstanding balance of such loans. Such excess shall be transferred to a general account within the Fund to be utilized by the Secretary for other contributions under section 7(b)(2).

SEC. 9. INITIAL PROGRAM INCENTIVES.

(a) PURPOSE.—To encourage lending institutions to participate in the Program and to make eligible loans during the early stages of the implementation of the Program, the Secretary shall provide two special incentives as provided in subsections (b) and (c).

(b) ADDITIONAL CONTRIBUTION.—The Secretary shall contribute an amount, under section 7(b)(2), equal to 150 percent of the amount of the contributions made by the lending institution and the borrower, in connection with any loan protected under the Program, with respect to the first $2,000,000 of principal on loans made by such institution that are protected under the Program.

(c) PAYMENT OF CLAIMS WITH FUTURE CONTRIBUTIONS.—

(1) AVAILABILITY.—The provisions of this subsection shall only apply to the first $5,000,000 of principal on loans made by a lending institution that are protected under the Program.

(2) INCENTIVE.—If a claim is filed under section 7(d) on a loan that meets the requirement of paragraph (1), and at the time that such claim is made there is not a sufficient amount of funds in the claiming lending institution's subaccount to pay the full amount of such claim, the lending institution may withdraw all of the funds in such

subaccount and, to the extent such institution continues to make eligible loans under this Act that result in additional contributions to such subaccount, such institution may withdraw such additional funds from the subaccount at the time such funds are deposited as may be necessary to exhaust the full amount of any such claim.

(3) LIMITATION.—The Secretary shall limit withdrawals from the subaccount of any lender under this subsection so that the amount withdrawn by the lending institution to reimburse such institution for a prior claim, shall not exceed 75 percent of the amount in such subaccount immediately prior to such subsequent withdrawal.

SUMMARY OF SENATOR LUGAR'S RURAL CAPITAL ACCESS PROGRAM

A major impediment to rural economic development is the lack of available commercial credit for business development and retention. This bill is based upon a successful program in Michigan which makes credit more readily available to businesses by creating a reserve fund for losses that banks can tap when loans made under the program default.

The Lugar proposal, called the Rural Capital Access Program (RCAP), provides a non-bureaucratic tool for banks to make loans that are somewhat riskier than conventional loans. In effect, RCAP serves as a catalyst for private lending in which the bank exercises its own credit judgment, but with greater flexibility for risk-taking.

RCAP creates a reserve fund that banks can tap when an economic development loan defaults. Under the program, the borrower makes a premium payment (1.5 to 3.5 percent of loan amount). The bank matches that payment and RCAP matches the combined total of the two payments (between 3 and 7 percent). Thus, the reserve for any loan is between 6 and 14 percent of the loan amount.

The reserve fund is earmarked for each bank so that every institution has its own reserve fund to draw upon if a loan defaults. If no default occurs, the funds stay in the reserve. The earmarked reserve allows a bank to be more aggressive in its loan-making. However, if a bank's losses were to exceed the amount in the reserve, the bank would be at risk for the excess loss. Thus, the bank is compelled to remain prudent in its credit decisions.

Borrowers benefit from the program because the reserve fund allows access to credit that they otherwise could not obtain. Creditworthy borrowers would not use the program because of the premiums.

The government benefits from the additional economic activity in our rural areas. The government's cost exposure is also limited to its matching contribution which contrasts to a loan guarantee where it may be liable for up to 100 percent of the outstanding loan principal.

Thus far, Michigan receives $18.10 of private capital for each $1.00 it contributes. There is also very little overhead in terms of staff and infrastructure. By using institutions that already exist in rural areas, namely commercial banks, we ensure that the money is spent on economic development, not staff and buildings.

SECTION-BY-SECTION EXPLANATION OF S. 973, RURAL CAPITAL ACCESS ACT OF 1989

SECTION 1.—SHORT TITLE

The short title of this act is the "Rural Capital Access Act of 1989".

SECTION 2.—DEFINITIONS

This section defines 5 terms used in the act: eligible county; Fund; Program; Secretary; and State.

The term "eligible county" means any county that does not contain an urban area referred to by OMB as a standard metropolitan statistical area; in other words, rural counties. The program established by the act is available only for the purpose of financing economic activity in eligible counties.

The terms "Fund" and "Program" refer to the Rural Capital Access Fund and the Rural Capital Access Program which are both established by this act.

The terms "Secretary" and "State" mean the Secretary of Agriculture and the 50 states of the U.S., respectively.

SECTION 3.—RURAL CAPITAL ACCESS

Subsection (a) provides for the establishment of the Program, under which the Secretary will provide incentives to lending institutions to provide loans to businesses to finance activities in eligible counties.

Subsection (b) provides for the establishment and maintenance of the Fund by the Secretary. The Fund will consist of reserve accounts set up for each participating lending institution to protect such institution against covered losses on loans participating in the program. Reserve accounts in the fund are lender specific and will consist of the money contributed under the program by the lender, its participating borrowers, and the Federal Government.

SECTION 4. AUTHORIZATION OF APPROPRIATIONS

Subsection (a) authorizes appropriations of $100 million annually for 1990 through 1994.

Subsection (b) provides that annual amounts appropriated but not obligated to the fund will be not be available for use in subsequent years.

Subsection (c) provides that no funds appropriated under the act can be used to pay administrative expenses of the Program or any institution participating in the Program.

SECTION 5. ALLOCATION

Subsection (a) provides that the funds appropriated annually to implement the Program shall be allocated for use among the 50 states on the basis of rural population. Specifically, the allocation of funds available to be committed under the Program to participating institutions in a state would be that share of the total appropriation for the year proportionately equal to the share of that state's rural population of all 50 states.

Subsection (b) provides that any funds allocated for use in a particular state that have not been committed by June 1 of the year (as determined by the Secretary), will be released for use under the Program by participating lenders anywhere in the 50 states.

SECTION 6. ADMINISTRATION OF THE PROGRAM

Subsection (a) provides that any state that desires to participate in the Program shall notify the Secretary of that interest and provide information as required by the Secretary. As part of the notification, the state must designate a state agency or a private institution to administer the Program in the state.

If, within 6 months after enactment of this act, a state has not notified the Secretary of its intent to participate in the Program, or failed to designate an agency or institution to administer the Program, a private institution can apply to participate for the state. The Secretary is required to approve any such application within a reasonable time period unless there is good cause to reject it. If more than one application is received, the Secretary is authorized to select one of the applicants and reject the others.

This subsection also provides that the duties of the administering agency or institution within a state will be—to promote the Program and recruit lending institutions to participate in it; to enter into agreements with lending institutions which outline the rights and obligation of the institutions under the Program; to encourage participating lenders to expand their lending in eligible counties and not to use the Program to displace loans that would otherwise be made without the Program incentives; and to maintain books and records of Program activities as required by the Secretary and to give the Secretary reasonable access to them.

Subsection (b) provides that a lender is eligible to participate in the Program if it is legally able to make loans in eligible counties within the state. An eligible borrower is defined as an individual or business entity (including corporations, partnerships, cooperatives and other types of business organizations whether operated for profit or not) that is planning to conduct business in an eligible county.

A loan eligible for protection under the Program must be made by an eligible lender to an eligible borrower for use in financing economic activity in an eligible county. The maximum loan amount eligible for participation in the program is $3 million. An eligible loan cannot be used for the purchase or construction of residential property, or to finance the purchase of real estate primarily for investment purposes unless the borrower intends to develop or improve the property or to use it in connection with the borrower's business. In addition, a lender cannot enter previously made loans into the Program except to the extent that such a loan is refinanced and the principal amount increased. In such a case the loan could be put into the program but only to the extent of the increase in the amount of principal outstanding. Finally, any loan made by a lender to a director, officer, or principal shareholder of the lender or an immediate family member of any of such persons is not eligible for protection under the Program.

SECTION 7. OPERATION OF THE PROGRAM

Subsection (a) provides that an eligible lender that has entered into an agreement with the administering agency or institution for a state can make loans to eligible borrowers which will be protected by the money in that institution's reserve account in the Fund.

Subsection (b) defines the levels of contribution applicable to loans participating in the Program. Equal contributions to the lender's reserve account in the Fund, of not less than 1.5 percent nor more than 3.5 percent of the loan amount, are required of both the lender and the borrower for each loan placed in the Program. The exact amount of the contribution will be determined by agreement between the lender and the borrower. The Secretary is required to make a matching contribution to the lender's reserve account in an amount equal to the combined lender/borrower contribution. Amounts deposited in the lender reserve accounts will earn interest at a rate comparable to that paid on outstanding obligations of the U.S. Funds deposited in a lender's re-

serve account are only available to be withdrawn by that lender and only for purposes of reimbursing that lender for losses suffered on a loan participating in the program.

Subsection (c) requires that participating lenders notify the applicable administering agency or institution for a state before concluding a loan agreement with a borrower to confirm that funds allocated for use in the state under the Program are available for commitment by the Secretary with respect to the loan.

A participating lender is required to collect the borrower's contribution on a participating loan and to forward that money along with its own contribution on the loan to the administering agency or institution within 10 working days after a loan agreement is concluded. The administering agency or institution then has 5 working days to transfer these funds to the Secretary. As soon as practicable after the Secretary receives a transfer of funds from such agency or institution, the Secretary is required to deposit the funds along with the Federal matching contribution into the reserve account of the lender.

Subsection (d) provides that the lender has sole authority to determine when and how much to charge off as a loss on a loan participating in the Program. However, the lender must act in a manner that is consistent with the normal method used by the lender for making such determinations in connection with its commercial business loans that are not participating in the Program. This subsection contemplates that a lender will make reasonable and prudent efforts to collect on any loan collateral or other security of the borrower before the lender determines the amount of a loss on the loan for purposes of this Program.

A claim for assistance under the Program (that is, a claim for reimbursement of a loss on a loan) must be filed by the lender with the administering agency or institution for the state at the time the lender makes the determination of the amount of the loss. A claim may include the full amount of any loan principal that is charged off plus accrued interest on the loan and any out-of-pocket expenses incurred by the lender in connection with the loan. In any case where the full amount of the principal of a loan is not protected under the Program and the amount of the loan charged off exceeds the amount of principal protected, the size of the claim will be limited to the amount of principal covered plus the accrued interest attributable to such principal.

This subsection further requires the administering agency or institution to promptly deliver any claim it receives to the Secretary and provides that the Secretary shall review and make payment on the claim to the lender within 20 days after receiving it. Payment of any claim shall be made from the funds in the lender's reserve account and the amount of such payment cannot exceed the total funds in such account.

The Secretary may deny a claim, or a portion thereof, made under the program only if the Secretary determines that the lender knowingly—submitted a false claim; violated a provision of the act or of its agreement with the administering agency or institution; or allowed interest to accrue on the loan for an unreasonable period of time after the loan became delinquent without making a prudent effort to collect on the loan.

Subsection (e) authorizes the Secretary to review the operations of any participating lender under the Program.

SECTION 8. INACTIVE LENDING INSTITUTIONS

This section authorizes the Secretary to adjust the total dollar balance in the reserve account of a lender if, for a period of at least 24 consecutive months, the balance in such account exceeds the outstanding balance of all loans the lender has participating in the Program. In the event of such an adjustment, the Secretary would transfer from such lender's account any funds, in excess of 100 percent of the outstanding balance of such outstanding loans, to a general account maintained by the Secretary within the Fund for use by the Secretary under the Program.

SECTION 9. INITIAL PROGRAM INCENTIVES

Subsection (a) states that the purpose of this section is to encourage lender participation and loan making in the Program during the early stages of its implementation by authorizing two lender incentives.

Subsection (b) requires the Secretary, in connection with the first $2 million of loan principal entered into the Program by each lender, to make a contribution to the lender's reserve account of 150 percent of the combined contribution made by the lender and the borrower. For loans made subsequently by the lender the Secretary's contribution would be made at 100 percent of such combined amount.

Subsection (c) applies only to the first $5 million of loan principal entered into the Program by each lender. Under this subsection, if a claim, made on a loan within the category, exceeds the total funds in the lender's reserve account at the time the claim is made, such lender may withdraw all of the funds in the account and, in addition, may apply future contributions to the account toward the payment of the claim. Any withdrawal of future contributions under this provision shall take place at the time the contributions are made, but may not exceed 75 percent of the amount in such account immediately prior to the withdrawal.●

By Mr. REID (for himself and Mr. BRYAN):

S. 974. A bill to designate certain lands in the State of Nevada as wilderness, and for other purposes; to the Committee on Energy and Natural Resources.

NEVADA WILDERNESS PROTECTION ACT

Mr. REID. Mr. President, this year we celebrate the 25th anniversary of the Wilderness Act of 1964. The passage of this legislation brought with it, of course, obligations.

Once we craft and improve legislation, our job is not over. We are accountable, in many cases, to implementing the laws that we create.

Such is the case with the 1964 Wilderness Act. The act established a national wilderness preservation system to be composed of areas that we in Congress designate legislatively as wilderness.

Congressional action was to be predicated on recommendations made by the National Forest Service.

In effect, Mr. President, Congress and the President decided 25 years ago that there were certain forest areas that should be set aside in their natural state; the reason being, of course, that civilization was taking over these beautiful pristine areas and destroying them. So after Congress passed that act, the job of the Forest Service was to identify areas that were subject to wilderness designation and then it was up to Congress to do the designation.

Until such legislation was enacted, all undeveloped or primitive Forest Service lands were to be protected as wilderness.

The Forest Service made its recommendations, and, in the next 25 years, Congress fulfilled its obligations under the 1964 Act, passing wilderness legislation on a State-by-State basis. There is now just one State left that has not fulfilled that obligation, and that is the State of Nevada. It is only fitting that, on the silver anniversary of the Wilderness Act, we fulfill our obligation to Nevada, the Silver State.

Today, I am joined by my colleague from Nevada, Senator RICHARD BRYAN, in introducing the Nevada Wilderness Protection Act of 1989.

Our bill is a response to a mandate given to Congress a quarter of a century ago.

It is time to conclude this lingering obligation.

When I served in the House of Representatives, Mr. President, a wilderness bill for Nevada passed. It died in the Senate. After I left the House of Representatives, the House of Representatives once again passed a wilderness bill for the State of Nevada which again died in the Senate.

Because Nevada has not passed any wilderness bill, over 3.2 million acres of land remain protected as de facto wilderness, in accordance with, court decisions and the 1964 act.

Until we pass this bill, the land tied up in 1964 will remain off limits.

If the legislation introduced today becomes law, 733,000 acres of land will be designated as wilderness in the State of Nevada.

Nearly 2.4 million acres will be released for multiple uses, including development, mining, and, of course, ranching and recreation. From the viewpoint of environmentalists, industrialists, and farmers, Congress has an imperative to act.

In recent months, the concern for preserving our environment has assumed prominence in the collective consciousness of our Nation and this Congress.

The disastrous Alaska oil spill is destroying what some call America's last wilderness frontier.

While this place of beauty is being enveloped by a black cloak of oil, we travel to the Amazon rainforests and beseech Brazil to preserve its valuable tropical treasures.

Our concern for the rainforests is well-justified. As a matter of fact, yesterday I introduced a joint resolution outlining U.S. policy for rainforest conservation.

But I find it troubling and hypocritical that we can offer our support to foreign nations for the preservation of their disappearing rainforests, when we, in the United States, cannot fully extend the same help to our own country to preserve its disappearing wilderness.

Let us apply the same standards at home that we are trying to apply abroad.

Brazilian President Jose Sarney acknowledges that his country must act to conserve the rainforests. He says: "We are accused of something we cannot accept—of destroying our own territory."

To invoke President Sarney's words, we cannot accept the destruction of our territory either.

The legislation introduced today will ensure that wilderness lands are designated and preserved as an enduring resource, not only for the State of Nevada, but this Nation as a whole.

It is interesting to note that one wilderness opponent, who recently spoke out in Nevada, is a top exploration official for Exxon. Exxon, in fact, cosponsored a seminar to say we do not want wilderness in Nevada.

Well, I say to Exxon, Mr. President, that we in Nevada can decide which of our beautiful forestlands should be set aside. We do not need the people who are trying to ruin Alaska to come to Nevada to tell us what we need to do with our forests.

This person from Exxon spoke of wilderness as a form of economic obstructionism. In reality, the proposed Nevada Wilderness Protection Act will provide economic opportunism. What the Exxon official and other wilderness detractors do not realize or acknowledge is that this legislation will free up 2.4 million acres that is currently protected as de facto wilderness.

That is a huge expanse of land, which makes me wonder whether opponents really understand that they will also greatly benefit from this legislation.

Ranchers, miners, producers of oil, timber and gas, they will all benefit.

We must remind ourselves of the meaning of wilderness, as defined by Congress in 1964.

Wilderness, according to the act, is a "contrast with those areas where man and his own works dominate * * * an area where the Earth, and its community of life, untrammeled by man—where man himself is a visitor."

That is what the 1964 Act, some 25 years ago, indicated. So I encourage my colleagues to support swift passage of this bill introduced today because our action will demonstrate our oft-spoken commitment to preserve our environment. Our action will also release lands for multiple uses desired by those pursuing recreation and making a living and put an end to 25 years of not knowing what really would be wilderness and what would not be wilderness.

Finally, our action will fulfill a long-standing obligation to ensure that Congress obeys its law.

Mr. President, I submit that the State of Nevada is more than a place to test weapons. The State of Nevada is more than a place to do high-level aircraft training for our Air Force, our Navy. It is a place that is more than the bright lights of Las Vegas and Reno. It is a place that is the most beautiful State in the United States, a series of intersecting mountain ranges, with beautiful meadows and high mountaintops; an area where we can go to America's newest national park and see a glacier; the oldest living things in the world, the bristlecone pine. If we go to the wilderness areas that will be in this legislation that will be introduced in a few minutes, we will see elk, we will see mountain goats, mountain sheep, we will see beaver, all kinds of animals in this beautiful wilderness.

So I submit to this body, Mr. President, that this legislation is 25 years past due, and I look forward to its speedy passage in this body this year.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 974

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Nevada Wilderness Protection Act of 1989".

SEC. 2. DESIGNATION OF WILDERNESS AREAS.

In furtherance of the purposes of the Wilderness Act (16 U.S.C. 1131-1136), the following lands in the State of Nevada are designated as wilderness, and, therefore, as components of the National Wilderness Preservation System:

(1) certain lands in the Toiyabe National Forest, which comprise approximately 38,000 acres, as generally depicted on a map entitle "Alta Toquima Wilderness—Proposed", dated May, 1989, and which shall be known as the "Alta Toquima Wilderness";

(2) certain lands in the Toiyabe National Forest, which comprise approximately 115,000 acres, as generally depicted on a map entitled "Arc Dome Wilderness—Proposed", dated May, 1989, and which shall be known as the "Arc Dome Wilderness";

(3) certain lands in the Inyo National Forest, which comprise approximately 10,000 acres, as generally depicted on a map entitled "Boundary Peak Wilderness—Proposed", dated May, 1989, and which shall be known as the "Boundary Peak Wilderness"

(4) certain lands in the Humboldt National Forest, which comprise approximately 36,000 acres, as generally depicted on a map entitled "Currant Mountain Wilderness—Proposed", dated May, 1989, and which shall be know as the "Currant Mountain Wilderness";

(5) certain lands in the Humboldt National Forest, which comprise approximately 36,900 acres, as generally depicted on a map entitled "East Humboldts Wilderness—Proposed", dated May, 1989, and which shall be known as the "East Humboldts Wilderness";

(6) certain lands in the Humboldt National Forest, which comprise approximately 48,500 acres, as generally depicted on a map entitled "Jarbidge Wilderness Addition—Proposed", dated May, 1989, and which are incorporated in the Jarbidge Wilderness designated as wilderness by section 3(a) of the Wilderness Act (16 U.S.C. 1132(a));

(7) certain lands in the Toiyabe National Forest, which comprise approximately 28,000 acres, as generally depicted on a map entitled "Mt. Rose Wilderness—Proposed", dated May, 1989, and which shall be known as the "Mt. Rose Wilderness";

(8) certain lands in the Humboldt National Forest, which comprise approximately 27,000 acres, as generally depicted on a map entitled "Quinn Canyon Wilderness—Proposed", dated May, 1989, and which shall be known as the "Quinn Canyon Wilderness";

(9) certain lands in the Humboldt National Forest, which comprise approximately 90,000 acres, as generally depicted on a map entitled "Ruby Mountains Wilderness—Proposed", dated May, 1989, and which shall be known as the "Ruby Mountains Wilderness";

(10) certain lands in the Toiyabe National Forest, which comprise approximately 43,000 acres, as generally depicted on a map entitled "Mt. Charleston Wilderness—Proposed", dated May, 1989, and which shall be known as the "Mt. Charleston Wilderness";

(11) certain lands in the Toiyabe National Forest, which comprise approximately 98,000 acres, as generally depicted on a map entitled "Table Mountain Wilderness—Proposed", dated May, 1989, and which shall be known as the "Table Mountain Wilderness";

(12) certain lands in the Humboldt National Forest, which comprise approximately 50,000 acres, as generally depicted on a map entitled "Grant Range Wilderness—Proposed", dated May, 1989, and which shall be known as the "Grant Range Wilderness";

(13) certain lands in the Humboldt National Forest, which comprise approximately 82,000 acres, as generally depicted on a map entitled "Mt. Moriah Wilderness—Proposed", dated May, 1989, and which shall be known as the "Mt. Moriah Wilderness"; and

(14) certain lands in the Humboldt National Forest, which comprise approximately 31,000 acres, as generally depicted on a map entitled "Santa Rosa Wilderness—Proposed", dated May, 1989, and which shall be known as the "Santa Rosa Wilderness".

SEC. 3. MAPS AND DESCRIPTIONS.

As soon as practicable after enactment of this Act, the Secretary of Agriculture shall file a map and a legal description of each wilderness area designated by this Act with the Committee on Interior and Insular Affairs of the House of Representatives and with the Committee on Energy and Natural Resources of the Senate. Each such map and description shall have the same force and effect as if included in this Act, except that correction of clerical errors in each such map and description may be made by the Secretary. Each such map and description shall be on file and available for public inspection in the Office of the Chief of the Forest Service, Department of Agriculture.

SEC. 4. ADMINISTRATION OF WILDERNESS.

Subject to valid existing rights, each wilderness area designated by this Act shall be administered by the Secretary of Agricul-

ture in accordance with the provisions of the Wilderness Act governing areas designated by the Wilderness Act as wilderness, except that any reference in such provisions to the effective date of the Wilderness Act shall be deemed to be a reference to the date of enactment of this Act.

SEC. 5. WILDERNESS REVIEW CONCERNS.

(a) FINDINGS.—The Congress finds that—

(1) the Department of Agriculture has completed the second roadless area review and evaluation program (RARE II); and

(2) the Congress has made its own review and examination of National Forest System roadless areas in the State of Nevada and of the environmental impacts associated with alternative allocations of such areas.

(b) DETERMINATION.—On the basis of such review, the Congress hereby determines and directs that—

(1) without passing on the question of the legal and factual sufficiency of the RARE II final environmental statement (dated January 1979) with respect to National Forest System lands in the State of Nevada, such statement shall not be subject to judicial review with respect to national Forest System lands in the State of Nevada;

(2) with respect to—

(A) the National Forest System lands in the State of Nevada that were reviewed by the Department of Agriculture in the second roadless area review and evaluations (RARE II); and

(B) the lands described in subsection (d),

that review and evaluation or reference shall be deemed for the purposes of the initial land management plans required for such lands by section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974 (16 U.S.C. 1604) to be an adequate consideration of the suitability of such lands for inclusion in the National Wilderness Preservation System, and the Department of Agriculture shall not be required to review the wilderness option prior to the revisions of the plans, but shall review the wilderness option when the plans are revised, which revisions will ordinarily occur on a 10-year cycle, or at least every 15 years, unless, prior to such time, the Secretary of Agriculture finds that conditions in a unit have significantly changed;

(3) areas in the State of Nevada reviewed in such final environmental statement or referenced in subsection (d) and not designated as wilderness in section 2 shall be managed for multiple use in accordance with land management plans pursuant to section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974 (16 U.S.C. 1604), *provided*, that such areas need not be managed for the purpose of protecting their suitability for wilderness designation prior to or during revision of the initial land management plans;

(4) in the event that revised land management plans in the State of Nevada are implemented pursuant to section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974 (16 U.S.C. 1604) and other applicable law, areas not recommended for wilderness designation need not be managed for the purpose of protecting their suitability for wilderness designation prior to or during revision of such plans, and areas recommended for wilderness designation shall be managed for the purposes of protecting their suitability for wilderness designation as may be required by the Forest and Rangeland Renewable Resources Planning Act of 1974 (U.S.C. 1600-1614) and other applicable law; and

(5) unless expressly authorized by Congress, the Department of Agriculture shall not conduct any further statewide roadless area review and evaluation of National Forest System lands in the State of Nevada for the purpose of determining their suitability for inclusion in the National Wilderness Preservation System.

(c) REVISIONS.—As used in this section, and as provided in section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974 (16U.S.C. 1604), the term "revision" shall not include an "amendment" to a plan.

(d) APPLICATION OF SECTION.—Lands identified by reference to this subsection are—

(1) National Forest System roadless lands in the State of Nevada of less than 5,000 acres; and

(2) Those National Forest System roadless areas, or portions thereof in the State of Nevada, identified in the unit plans listed below, which are not designated as wilderness in section 2:

	Unit plan
National forest:	
Humboldt	Santa Rosa.
Humboldt	Ruby Mt./E. Humboldt.
Toiyabe	Mt. Charleston.
Toiyabe	Central Nevada.

SEC. 6. GRAZING IN WILDERNESS AREAS.

(a) LIVESTOCK GRAZING.—Grazing of livestock in wilderness areas designated in section 2 that was established prior to the date of enactment of this Act shall be administered in accordance with section 4(d)(4) of the Wilderness Act (16 U.S.C. 1133(d)(4)) and section 108 of the Act entitled "An Act to designate certain National Forest System lands in the States of Colorado, South Dakota, Missouri, South Carolina, and Louisiana for inclusion in the National Wilderness Preservation System, and for other purposes (16 U.S.C. 1133 note).

(b) REVIEW.—The Secretary of Agriculture is directed to review all policies, practices, and regulations of the Department of Agriculture regarding livestock grazing in National Forest Wilderness areas in Nevada in order to insure that such policies, practices, and regulations fully conform with and implement the intent of Congress regarding grazing in such areas, as such intent is expressed in this Act.

(c) REPORTS.—Not later than 1 year after the enactment of this Act, and at least every 5 years thereafter, the Secretary of Agriculture shall submit to the Committee on Interior and Insular Affairs of the House of Representatives and the Committee on Energy and Natural Resources of the Senate a report detailing the progress made by the United States Forest Service in carrying out the provisions of subsections (a) and (b).

SEC. 7. MT. ROSE SNOWMOBILE CORRIDOR EXCEPTION.

(a) EXCEPTION.—Notwithstanding any other provision of this Act or the Wilderness Act (16 U.S.C. 1131-1136), the corridor located in Mt. Rose described in subsection (b) shall be available for snowmobiles beginning January 1 of each year and ending April 30 of such year.

(b) DESCRIPTION OF CORRIDOR.—The corridor referred to in subsection (a) is described as follows:

Northeast corridor boundary line running from the common corners of sections 3, 4, 9, and 10 to a point one quarter mile east of the common corners of sections 10, 11, 14, and 15, on the boundary between sections 11 and 14. The southwest corridor boundary line running from the common corner of sections 1, 10, 11, and 15 to a point one quarter mile south of the common corners of sections 3, 4, 9, and 10 on the boundary between sections 9 and 10. The corridor is approximately one mile long and approximately one quarter mile wide.

SEC. 8. PROHIBITION OF BUFFER ZONES.

Congress does not intend that the designation of wilderness areas in the State of Nevada implies the creation of protective perimeters or buffer zones around each wilderness area. The fact that nonwilderness activities or uses can be seen or heard from within a wilderness area shall not, of itself, preclude such activities or uses up to the boundary of the wilderness area.

SEC. 9. WATER ALLOCATION AUTHORITY.

(a) FINDINGS.—The Congress finds and declares that—

(1) where it exists in wilderness, water is vital to those natural values and recreation uses that wilderness, as defined by this Act and the Wilderness Act (16 U.S.C. 1131-1136), is meant to provide for and preserve;

(2) the Federal water rights reserved by this Act shall be in addition to express or implied water rights previously reserved by the United States for other than wilderness purposes;

(3) except as provided in subsection (b)(1), this Act is not intended to define the existence or scope of any express or implied reserved water right created in or arising from other Federal legislation; and

(4) the express reservation of water for the lands designated by this Act is in lieu of the rights that would otherwise be reserved by implication when areas are included in the National Wilderness Preservation System.

(b) DETERMINATION.—(1) On the basis of such findings, the Congress determines and directs that the United States reserves a quantity of water sufficient to fulfill the purposes of the wilderness areas created by this Act.

(2) The priority date of the water rights reserved in paragraph (1) shall be the date of enactment of this Act.

(3) The Secretary shall file a claim for the quantification of the water rights reserved in paragraph (1) in an appropriate stream adjudication and shall take all steps necessary to protect such rights in such an adjudication.

SEC. 10. STATE FISH AND WILDLIFE AUTHORITY.

As provided in section 4(d)(7) of the Wilderness Act (16 U.S.C. 1133(d)(7)), nothing in this Act shall be construed as affecting the jurisdiction or responsibilities of the State of Nevada with respect to wildlife and fish in the national forests in Nevada.

SEC. 11. ALLOWANCE OF CLIMATOLOGICAL DATA COLLECTION.

Within the appropriate wilderness areas designated in section 2, the Wilderness Act (16 U.S.C. 1131-1136) shall not be construed to prevent the installation and maintenance of hydrologic, meteorologic, or climatological collection devices subject to such conditions as the Secretary of Agriculture deems desirable, where such facilities or access are essential to flood warning, flood control, and water reservoir operation purposes.

By Mr. METZENBAUM (for himself, Mr. HATCH, Mr. PELL, Mrs. KASSEBAUM, and Mr. KENNEDY):

S. 975. A bill to amend the Job Training Partnership Act to encourage a broader range of training and job placement for women, and for other purposes; to the Committee on Labor and Human Resources.

NONTRADITIONAL EMPLOYMENT FOR WOMEN ACT

● Mr. METZENBAUM. Mr. President, equal opportunity in employment is the law of the land. Yet despite the Equal Pay Act and the antidiscrimination laws enacted in the 1960's, women in this country still earn only 70 percent of what men earn. One of the reasons for this persistent wage gap is that men and women work at different jobs. Occupational segregation of the sexes is very much a reality in the American workplace.

Women are 99 percent of dental assistants, and men are 91 percent of dentists. Women are 87 percent of data entry keyers, and men are 87 percent of data processing equipment repairers. Women are 95 percent of all registered nurses, and men are 98 percent of all construction workers. And it is no secret that the occupations dominated by women pay less than the jobs typically held by men. As an example, data entry keyers earn $290 per week, but data processing equipment repairers earn $515 per week.

The reasons behind occupational segregation are varied and complex. We face cultural stereotypes about the roles of men and women, and biased attitudes about the types of work that women can perform. We also must recognize the failure of our education and training systems to overcome these stereotypes and biases. Moreover, women who do choose to pursue nontraditional employment often are the victims of sexual harrassment or more subtle forms of discrimination.

If we are to promote true equal opportunity in the workplace, we must work to break down occupational segregation. Women deserve a shot at the higher paying jobs that currently are dominated by men. We must encourage businesses to think of hiring women for traditionally male jobs. We must encourage women to go after these better paying jobs.

Accordingly, today I am introducing legislation to expand employment opportunities for women. It is a modest but important measure that will help erode the occupational segregation that pervades our work force. I am pleased to be joined in this effort by the ranking Republican on the Labor Committee, Senator HATCH, as well as Senators PELL, KASSEBAUM, and KENNEDY.

The Nontraditional Employment for Women Act—the NEW Act—amends the Job Training Partnership Act to provide women greater access to occupations traditionally held by men. In doing so, the bill will assist women across the country to acquire skills in jobs that provide good wages and benefits and long-term economic security.

There is a clear reward for women who seek employment in fields traditionally dominated by men. It is no secret that carpenters earn more than cashiers, and technicians earn more than typists. Employment in traditionally male fields can offer women greater wages, benefits, and advancement potential than traditionally female fields of work.

During the 100th Congress, I chaired a hearing of the Subcommittee on Labor to explore the employment of women in nontraditional fields. At the hearing we heard from women who had been frustrated in their efforts to become highway construction workers. We heard from one of the first female electricians in the Boston area about what it was like to be the only tradeswoman at the worksite. We heard from women who broke the welfare cycle by becoming computer technicians. These women enjoyed not only higher wages, but also an enhanced self-esteem. At the same time, they spoke of their struggles in overcoming barriers to meaningful training and successful job placement.

Despite language in the Act to the contrary, women who participate in training programs under the Job Training Partnership Act often are steered into secretarial, bookkeeping, and other traditionally female occupations. These are not jobs that lead to long-term financial independence. These are predominantly dead-end, low-wage jobs.

Changes are needed in the Job Training Partnership Act so that women are encouraged to seek training and employment in nontraditional fields of work. The NEW Act will provide for these opportunities by focusing additional attention and resouces on training and placing women in nontraditional jobs. The act accomplishes this objective in two ways.

First, the NEW Act requires service delivery areas and States to include goals in their annual job training plans for training and placing women in nontraditional employment. This requirement will focus attention early in the planning stages on how to provide for nontraditional opportunities for women. The bill also includes provisions to facilitate coordination between Job Training Partnership Act programs and activities offered through the Carl D. Perkins Vocational Education Act and other sources.

Second, the NEW Act creates a 4-year demonstration program to foster the development of programs to train women for nontraditional employment. One of the reasons given for the low number of women in traditionally male training programs is cost. Because of cultural stereotypes, educational differences, child care needs, and a variety of other reasons, it often costs more to train women for nontraditional work than for traditionally female work. This cost factor acts as a disincentive to service delivery areas that might otherwise seek to increase the number of women offered training in nontraditional fields.

Under the NEW Act, the Secretary of Labor will select up to six States per year for demonstration grants. Governors may use the funds to award grants to service providers for the purpose of training women for nontraditional employment. They also may use this money to award grants to service delivery areas that excel in training and placing women in nontraditional fields of work. Through this approach, we will facilitate the development of model programs for training women in nontraditional fields, which then can be replicated by other States and service delivery areas.

Mr. President, the NEW Act offers a simple and straightforward means to provide a wider range of employment opportunities for women who participate in programs under the Job Training Partnership Act. One of the fundamental purposes of JTPA is to increase the earning potential of participants. Women have not received their fair share of the training available for the jobs with the best earning potential. The Nontraditional Employment for Women Act will help to bring about these needed opportunities. I urge my colleagues to join Senator HATCH and me in supporting the NEW Act.

I ask unanimous consent that the text of the Nontraditional Employment for Women Act be printed in the RECORD, along with a summary of the bill.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 975

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Nontraditional Employment for Women Act".

SEC. 2. FINDINGS.

The Congress finds that—

(1) over 7,000,000 families in the United States live in poverty, and over half of those families are single parent households headed by women;

(2) women stand to improve their economic security and independence through the training and other services offered under the Job Training Partnership Act;

(3) women participating under the Job Training Partnership Act tend to be enrolled in programs for traditionally female occupations;

(4) many of the Job Training Partnership Act programs that have low female enrollment levels are in fields of work that are nontraditional for women;

(5) employment in traditionally male occupations leads to higher wages, improved job security, and better long-range opportu-

nities than employment in traditionally female-dominated fields;

(6) the long-term economic security of women is served by increasing nontraditional employment opportunities for women; and

(7) older women reentering the workforce may have special needs in obtaining training and placement in occupations providing economic security.

SEC. 3. STATEMENT OF PURPOSE.

The purposes of this Act are—

(1) to encourage efforts by the Federal, State, and local levels of government aimed at providing a wider range of opportunities for women under the Job Training Partnership Act;

(2) to provide incentives to establish programs that will train, place, and retain women in nontraditional fields; and

(3) to facilitate coordination between the Job Training Partnership Act and the Carl D. Perkins Vocational Education Act to maximize the effectiveness of resources available for training and placing women in nontraditional employment.

SEC. 4. DEFINITION.

Section 4 of the Job Training Partnership Act (hereinafter referred to as the "Act") is amended by adding at the end thereof the following new paragraph:

"(30) The term 'nontraditional employment' as applied to women refers to occupations or fields of work where women comprise less than 25 percent of the individuals employed in such occupation or field of work.".

SEC. 5. SERVICE DELIVERY AREA JOB TRAINING PLAN.

Section 104(b) of the Act is amended—

(1) by redesignating paragraphs (5), (6), (7), (8), (9), (10), and (11) as paragraphs (6), (7), (8), (9), (10), (11), and (12), respectively;

(2) by inserting after paragraph (4) the following new paragraph:

"(5) goals for—

"(A) the training of women in nontraditional employment; and

"(B) the training-related placement of women in nontraditional employment and apprenticeships;

and a description of efforts to be undertaken to accomplish such goals, including efforts to increase awareness of such training and placement opportunities;"; and

(3) in paragraph (12), as redesignated in paragraph (1) above, by—

(A) striking "and" at the end of subparagraph (B);

(B) striking the period at the end of subparagraph (C) and inserting in lieu thereof a semicolon; and

(C) adding after subparagraph (C) the following new subparagraphs:

"(D) the extent to which the service delivery area has met its goals for the training and training-related placement of women in nontraditional employment and apprenticeships; and

"(E) a statistical breakdown of women trained and placed in nontraditional occupations, including—

"(i) the type of training received, by occupation;

"(ii) whether the participant was placed in a job or apprenticeship, and, if so, the occupation and the wage at placement;

"(iii) the participant's age;

"(iv) the participant's race; and

"(v) information on retention of the participant in nontraditional employment.".

SEC. 6. GOVERNOR'S COORDINATION AND SPECIAL SERVICES PLAN.

(a) IN GENERAL.—Section 121(b) of the Act is amended by—

(1) redesignating paragraphs (3), (4), and (5) as paragraphs (4), (5), and (6), respectively; and

(2) by inserting after paragraph (2) the following new paragraph:

"(3) The plan shall include goals for—

"(A) the training of women in nontraditional employment through funds available under the Job Training Partnership Act, the Carl D. Perkins Vocational Education Act, and other sources of Federal and State support;

"(B) the training-related placement of women in nontraditional employment and apprenticeships;

"(C) a description of efforts to be undertaken to accomplish such goals, including efforts to increase awareness of such training and placement opportunities; and

"(D) a description of efforts to coordinate activities provided pursuant to the Job Training Partnership Act and the Carl D. Perkins Vocational Education Act to train and place women in nontraditional employment.".

(b) SPECIAL PROGRAMS.—Section 121(c) of the Act is amended by—

(1) redesignating paragraphs (9) and (10) as paragraphs (10) and (11), respectively; and

(2) inserting after paragraph (8) the following new paragraph:

"(9) providing programs and related services to encourage the recruitment of women for training, placement, and retention in nontraditional employment;".

SEC. 7. STATE JOB TRAINING COORDINATING COUNCIL.

Section 122(b) of the Act is amended by—

(1) redesignating paragraphs (5), (6), (7), and (8) as paragraphs (9), (10), (11), and (12), respectively; and

(2) inserting after paragraph (4) the following new paragraphs:

"(5) review the reports made pursuant to subparagraphs (D) and (E) of section 104(b)(12) and make recommendations for technical assistance and corrective action, based on the results of such reports;

"(6) prepare a summary of the reports made pursuant to subparagraphs (D) and (E) of section 104(b)(12) detailing promising service delivery approaches developed in each service delivery area for the training and placement of women in nontraditional occupations, and disseminate annually such summary to service delivery areas, service providers throughout the State, and the Secretary;

"(7) review the activities of the Governor to train, place, and retain women in nontraditional employment, including activities under section 123, prepare a summary of activities and an analysis of results, and disseminate annually such summary to service delivery areas, service providers throughout the State, and the Secretary;

"(8) consult with the sex equity coordinator established under section 111(b) of the Carl D. Perkins Vocational Education Act, obtain from the sex equity coordinator a summary of activities and an analysis of results in training women in nontraditional employment under the Carl D. Perkins Vocational Education Act, and disseminate annually such summary to service delivery areas, service providers throughout the State, and the Secretary;".

SEC. 8. STATE EDUCATION COORDINATION AND GRANTS.

(a) STATE EDUCATION COORDINATION AND GRANTS.—Section 123(a) of the Act is amended by—

(1) striking "and" at the end of paragraph (2);

(2) striking the period at the end of paragraph (3) and inserting in lieu thereof a semicolon and "and"; and

(3) inserting the following new paragraph at the end thereof:

"(4) to provide statewide coordinated approaches, including model programs, to train, place, and retain women in nontraditional employment.".

(b) USE OF FUNDS.—Section 123(c) is amended—

(1) in paragraph (2)(B) by striking "(1) and (3)" and inserting in lieu thereof "(1), (3), and (4)"; and

(2) in paragraph (3) by striking "(1) and (3)" and inserting in lieu thereof "(1), (3), and (4)".

SEC. 9. USE OF FUNDS.

Section 204 of the Act is amended by—

(1) redesignating paragraphs (27) and (28) as paragraphs (28) and (29), respectively; and

(2) inserting after paragraph (26) the following new paragraph:

"(27) outreach, to develop awareness of, and encourage participation in, education, training services, and work experience programs to assist women in obtaining nontraditional employment, and to facilitate the retention of women in nontraditional employment, including services at the site of training or employment,

SEC. 10. DEMONSTRATION PROGRAMS.

Part D of title IV of the Act is amended by adding at the end thereof the following new section:

"DEMONSTRATION PROGRAMS

"SEC. 457. (a)(1) From funds available under this part for each of the fiscal years 1990, 1991, 1992, and 1993, the Secretary shall use $1,500,000 in each such fiscal year to make grants to States to develop demonstration and exemplary programs to train and place women in nontraditional employment.

"(2) The Secretary may award no more than 6 grants in each fiscal year.

"(b) In awarding grants pursuant to subsection (a), the Secretary shall consider—

"(1) the level of coordination between the Job Training Partnership Act and other resources available for training women in nontraditional employment;

"(2) the extent of private sector involvement in the development and implementation of training programs under the Job Training Partnership Act;

"(3) the extent to which the initiatives proposed by a State supplement or build upon existing efforts in a State to train and place women in nontraditional employment;

"(4) whether the proposed grant amount is sufficient to accomplish measurable goals;

"(5) the extent to which a State is prepared to disseminate information on its demonstration training programs; and

"(6) the extent to which a State is prepared to produce materials that allow for replication of such State's demonstration training programs.

"(c)(1) Each State receiving financial assistance pursuant to this section may use such funds to—

"(A) award grants to service providers in the State to train and otherwise prepare women for nontraditional employment; and

"(B) award grants to service delivery areas on the basis of exceptional performance in training, placing, and retaining women in nontraditional employment.

"(2) Each State receiving financial assistance pursuant to subsection (c)(1)(A) may only award grants to—

"(A) community based organizations,

"(B) educational institutions, or

"(C) other service providers that have demonstrated success in occupational skills training.

"(3) Each State receiving financial assistance pursuant to subsection (c)(1)(B) may only award grants to service delivery areas that have demonstrated exceptional performance in training, placing, and retaining women in nontraditional employment that is not attributable or related to the activities of any service provider awarded funds under subsection (c)(1)(A).

"(d) In any fiscal year in which a State receives a grant pursuant to this section such State may retain an amount not to exceed 10 percent of such grant to—

"(1) pay administrative costs,

"(2) facilitate the coordination of statewide approaches to training and placing women in nontraditional employment, or

"(3) provide technical assistance to service providers.".

SEC. 11. REPORT AND RECOMMENDATIONS.

(a) REPORT.—The Secretary of Labor shall report to the Congress within 5 years of the date of enactment of this Act on—

(1) the extent to which States and service delivery areas have succeeded in training, placing, and retaining women in nontraditional employment, together with a description of the efforts made and the results of such efforts; and

(2) the effectiveness of the demonstration programs established by section 457 of the Job Training Partnership Act in developing approaches to train and place women in nontraditional employment, including a summary of activities performed by grant recipients under the demonstration program authorized by section 457 of the Job Training Partnership Act.

(b) RECOMMENDATIONS.—The report described in subsection (a) shall include recommendations on the need to continue, expand, or modify the demonstration programs established by section 457 of the Job Training Partnership Act, as well as recommendations for legislative and administrative changes necessary to increase nontraditional employment opportunities for women under the Job Training Partnership Act.

SEC. 12. EFFECTIVE DATE.

This Act and the amendments made by this Act shall take effect upon the date of enactment of this Act, except that the requirements imposed by sections 5, 6, and 7 of this Act shall apply to the plan or report filed or reviewed for program years beginning on or after July 1, 1990.

SUMMARY OF THE NONTRADITIONAL EMPLOYMENT FOR WOMEN ACT

Purpose: To encourage greater efforts to train and place women in nontraditional employment through the Job Training Partnership Act.

Planning and Reporting Requirements: The NEW Act requires states and service delivery areas to set goals for training and placing women in fields traditionally dominated by men, and to report on results.

Review: The State Job Training Coordinating Council is directed to review the planning and reporting activities of the Governor and the service delivery area, to make recommendations for future activities, and to disseminate information on successful approaches to training and placing women in nontraditional fields of employment.

Coordination: Governors and State Job Training Coordinating Councils are directed to coordinate between the Job Training Partnership Act and the Carl D. Perkins Vocational Education Act with respect to efforts to train and place women in nontraditional employment.

Demonstration Programs: A four-year demonstration program is established to aid in developing programs to train and place women in nontraditional employment. The Secretary of Labor is directed to make grants totaling $1.5 million annually out of existing funds, with funds going to not more than six states per year. Governors may then use the funds to (1) award grants to service providers to train women for nontraditional employment, and/or (2) award grants to service delivery areas on the basis of exceptional performance in training, placing, and retaining women in nontraditional employment.

Evaluation: The Secretary of Labor is directed to report to Congress on the efforts made at the federal, State, and local levels to train, place, and retain women in nontraditional fields of employment, together with recommendations for legislative and administrative changes necessary to increase nontraditional training opportunities for women under JTPA.●

By Mr. WARNER:

S. 976. A bill to postpone the effective date of section 511(e)(3)(B) of the Controlled Substances Act, relating to the disposition of forfeited property and State law; to the Committee on the Judiciary.

DISPOSITION OF FORFEITED PROPERTY

Mr. WARNER. Mr. President, I rise today to introduce legislation dealing with a provision in the Anti-Drug Abuse Act of 1988—Public Law 100-690—that is of great concern to the Commonwealth of Virginia.

Section 6077 of the Anti-Drug Abuse Act of 1988 amended section 511(e) of the Controlled Substances Act (21 U.S.C. 881(e)) to restore equitable sharing principles to the transfer of forfeited assets from Federal to State and local agencies under the Controlled Substances Act. This provision restored language that was inadvertently deleted by the Anti-Drug Abuse Act of 1986.

I am concerned, however, with (a)(3)(B) which added new language to prohibit any transfer "to circumvent any requirement of State law that prohibits forfeiture or limits use or disposition of property forfeited to State or local agencies." This language was not in the Senate version of the legislation, but was added in conference.

In the past, asset sharing from Federal law prosecutions directly benefited the Virginia local and State law enforcement agencies participating in the seizure. Article VII, section 8 of the Constitution of Virginia, however, requires all fines and forfeitures to go to the State literary fund. Therefore, subsection (a)(3)(B) forecloses Federal sharing of forfeited assets with Virginia local law enforcement agencies.

I am in no way advocating that Virginia's or any other State's laws be circumvented by the forefeited asset sharing provisions of Federal law. I am concerned, however, that (a)(3)(B) will prevent local and State law enforcement agencies from sharing in forfeiture assets during the time necessary to amend Virginia's Constitution.

I have been advised that the last session of the Virginia General Assembly passed legislation to amend the constitution to allow State and local law enforcement officials to share in forfeited assets. However, to amend the constitution in Virginia, a proposed amendment must be passed twice by the general assembly with an intervening election and the amendment must then be ratified by the voters. Therefore, the Virginia Constitutional amendment process allows ratification of this recently passed measure in November 1990 at the very earliest.

Subsection (c) of section 6077 was intended to provide some relief for this problem by postponing the effective date of this provision until September 30, 1989. Unfortunately, a typographical error in the legislation applies the postponed effective date to section 551(e)(3)(a) rather than section 511(e)(3)(B).

Virginia stands ready with trained and experienced law enforcement officials and institutions to help in the war against drugs. But these agencies need additional funds to obtain necessary information about the drug world. Sharing of forfeited assets provides local and State law enforcement officials with these additional resources and encourages cooperation in Federal and State law enforcement efforts.

While the process is already underway, Virginia needs additional time to amend its constitution to comply with the change in the law made last Congress. This legislation addresses this problem. I wish to work with my colleagues here and in the House to craft a solution which addresses the purpose of language in the Anti-Drug Abuse Act of 1988 while allowing States like Virginia adequate time to address the change in the law.

I urge my colleagues to join me in providing an extension of the effective date of section 511(e)(3)(B) for a period of time sufficient for Virginia to amend its constitution and any other States in a similar situation to revise their laws.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 976

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 6077(c) of the Anti-Drug Abuse Act of 1988 is amended by striking "September 30, 1989" and inserting "September 30, 1991".

By Mr. DOMENICI (for himself, Mr. BOSCHWITZ, Mr. LEVIN, and Mr. DIXON):

S. 977. A bill entitled the "White House Conference on Small Business Authorization Act"; to the Committee on Small Business.

WHITE HOUSE CONFERENCE ON SMALL BUSINESS AUTHORIZATION ACT

● Mr. DOMENICI. Mr. President, I am proud to introduce legislation today to make permanent an authorization for a White House Conference on Small Business.

I am pleased that Senators BOSCHWITZ, LEVIN, and DIXON have joined me as original cosponsors.

This is most appropriate since President Bush has proclaimed this week as Small Business Week, with the theme "Small Business Is America's Future."

I introduced legislation quite similar to this bill during the 100th Congress. That bill was S. 818. I also introduced the bill in the preceding Congress as S. 2588.

My bill passed the Senate last year as an amendment to S. 2619, the SBA reauthorization bill. Unfortunately, it was not accepted by the House conferees.

But I remain absolutely convinced of the need for this legislation.

And I believe that is the strong sentiment of many of my colleagues in the Senate. S. 818 last year was cosponsored by 45 Members of the Senate.

The bill I am offering today would authorize a White House Conference on Small Business not later than 1991, and require that future conferences be held every 4 to 6 years thereafter.

Too often, we think of business only in terms of large corporations. In reality, men and women in most communities are employed by someone other than a large corporation. Very frequently the employer is a small business owner.

No two small businesses, of course, are alike. Different small businessowners have different problems. A White House Conference on Small Business provides a way for these different problems and concerns to be evaluated, setting priorities to assist the Congress and the President.

The first national small business conference was held in 1980. It was a great success.

In 1986, more than 1,800 small businessowners came to our Nation's Capital as delegates to the 1986 White House Conference on Small Business, following conferences in each State, as well as a series of regional conferences.

Those 1,800 men and women came here on their own time and at their own expense. They came to discuss mutual concerns in operating a small business, and to offer solutions to these problems.

That 1986 conference, including the State and regional conferences, cost about $15 million. The Federal Government provided $4.6 million toward this cost. The remainder was contributed by the private sector.

And the delegates paid their own expenses to Washington.

In a set of 60 final recommendations, these delegates included one drafted by the New Mexico Conference delegates, a proposal to provide permanent authorization for a White House Conference on Small Business. I commend New Mexico's chairman, Bill Trembly, for his efforts to have this included among the final recommendations.

The Senate Small Business Committee held a hearing on S. 818 in 1987. Several witnesses expressed concern over what they considered to be shortcomings of previous conferences, and they suggested ways to improve future conferences.

I was pleased to listen to their suggestions. Before offering my amendment last year, I worked with the distinguished chairman of the Senate Small Business Committee, Mr. BUMPERS, to develop the best legislation possible.

The bill I send to the desk today is identical to the amendment I offered to last year's SBA reauthorization bill. This legislation would provide for conferences very similar to the previous two, with the national conference proceeded by conferences at the State and regional level.

However, at the suggestion of Chairman BUMPERS, my bill now seeks to expand the role to be carried out by the Government's experts in this area, the Small Business Administration. The President will continue to appoint a White House Conference staff, but the conference staff will be encouraged to utilize the resources of the SBA to a greater extent.

When I introduced my bill, I noted the very real concern over the ability of American business to compete in the world market. Since last year, our position has grown far stronger.

Nevertheless, we can improve upon by exploring ways that smaller businesses can grow stronger, addressing their needs and concerns to enable them to be more effective competitors in the world market.

Small business is indeed America's future. America's 15 million small businesses provide jobs for nearly one-half of our Nation's private-sector work force. They provide on-the-job training for our youth and account for about 40 percent of our gross national product.

This bill would assure America's small businessowners that their Government will listen to their needs and concerns. Support for my bill would prove to the "little guy" that his elected officials are concerned about his livelihood.

I urge my colleagues to support this legislation, and I ask unanimous consent that a copy of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 977

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This title may be cited as the "White House Conference on Small Business Authorization Act".

SEC. 2. AUTHORIZATION OF CONFERENCE.

(a) IN GENERAL.—The President shall call and conduct a National White House Conference on Small Business (hereinafter referred to as the "Conference") to carry out the purposes described in section 3. Each National Conference shall be preceded by State and regional conferences as determined by the executive director.

(b) STATE AND REGIONAL CONFERENCES.—Participants in the Conference and other interested individuals and organizations are authorized to conduct conferences and other activities at the State and regional levels prior to the date of the Conference, subject to the approval of the Administrator of the Small Business Administration, and shall direct such conferences and activities toward the consideration of the purposes of the Conference described in section 3 in order to prepare for the National Conference.

(c) SCHEDULE OF CONFERENCES.—National Conferences under this title shall be held at least once during each 6-year period, but not more often than once in each 4-year period. No conference shall be held during a presidential election year. The first National Conference under this title shall be concluded not later than July 1, 1991, and each subsequent National Conference shall be concluded by July 1 of the year in which it is called.

SEC. 3. PURPOSE OF CONFERENCE.

The purpose of the Conference shall be—

(1) to increase public awareness of the essential contribution of small business;

(2) to identify the problems of small business;

(3) to examine the status of minorities and women as small business owners;

(4) to assist small business in carrying out its role as the nation's job creator;

(5) to assemble small businesses to develop such specific and comprehensive recommendations for executive and legislative action as may be appropriate for maintaining and encouraging the economic viability of small business and, thereby, the Nation; and

(6) to review the status of recommendations adopted at the preceding White House Conference on Small Business.

SEC. 4. CONFERENCE PARTICIPANTS.

(a) SMALL BUSINESS PARTICIPANTS.—In order to carry out the purposes specified in section 3, the Conference shall bring together individuals concerned with issues relating to small business. No small business concern

representative may be denied admission to any State or regional conference, nor may any fee or charge be imposed on any small business concern representative except an amount to cover the cost of any meal provided to such representative plus a registration fee of not to exceed $10.

(b) SELECTION OF DELEGATES.—Delegates, including alternates, to the National Conference shall be elected by participants at the State conferences. In addition—

(1) each Governor and each chief executive official of the political subdivisions enumerated in section 4(a) of the Small Business Act may appoint one delegate and one alternate;

(2) each Member of the United States House of Representatives, including each Delegate, and each Member of the United States Senate may appoint one delegate and one alternate; and

(3) the President may appoint 50 delegates and alternates.

Only individuals from small businesses shall be eligible for appointment pursuant to this subsection.

SEC. 5. PLANNING AND ADMINISTRATION OF CONFERENCE.

(a) FEDERAL AGENCY SUPPORT.—All Federal departments, agencies, and instrumentalities are authorized and directed to provide such support and assistance as may be necessary to facilitate the planning and administration of the Conference.

(b) SMALL BUSINESS SUPPORT.—In carrying out the provisions of this title, the Administrator of the Small Business Administration through the Administration's district and regional offices—

(1) shall provide such assistance as may be necessary for the organization and conduct of conferences at the State and regional levels as authorized under section 2(b); and

(2) is authorized to enter into contracts or agreements with public agencies, private organizations, and academic institutions to carry out the provisions of this title, except that the Administration shall take such actions as it deems appropriate—

(A) to ensure that activities under any such contract or agreement do not constitute or imply an endorsement by the Administration of the products or services of the agency, organization, or institution involved,

(B) to avoid unnecessary promotion of the products or services of the agency, organization, or institution involved, and

(C) to minimize utilization of any one agency, organization, or institution in any area.

(c) CHIEF COUNSEL FOR ADVOCACY SUPPORT.—The Chief Counsel for Advocacy shall assist in carrying out the provisions of this title by preparing and providing background materials for use by participants in the Conference, as well as by participants in State and regional conferences.

(d) PARTICIPANT EXPENSES.—Each participant in the Conference shall be responsible for his or her expenses related to attending the Conference and shall not be reimbursed either from funds appropriated pursuant to this title or the Small Business Act.

(e) STAFF.—(1) The President is authorized to appoint and compensate an executive director and such other directors and personnel for the Conference as he may deem advisable, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates. Not to exceed 30 personnel may be employed under this paragraph.

(2) Upon request by the executive director, the heads of the executive and military departments are authorized to detail employees to work with the executive director in planning and administering the Conference without regard to the provisions of section 3341 of title 5, United States Code.

SEC. 6. REPORTS REQUIRED.

Not more than 6 months after the date on which a National Conference is convened, a final report of the Conference shall be submitted to the President and the Congress. The report shall include the findings and recommendations of the Conference as well as proposals for any legislative action necessary to implement the recommendations of the Conference. The final report of the Conference shall be available to the public.

SEC. 7. FOLLOWUP ACTIONS.

The Small Business Administration shall report to the Congress annually during the 3-year period following the submission of the final report of a National Conference on the status and implementation of the findings and recommendations of the Conference.

SEC. 8. AVAILABILITY OF FUNDS.

(a) IN GENERAL.—There are hereby authorized to be appropriated not to exceed $4,000,000 for each National Conference and associated State and regional conferences under this title. Such sums shall remain available until expended. New spending authority or authority to enter contracts as provided in this title shall be effective only to such extent and in such amounts as are provided in advance in appropriation Acts.

(b) USE OF OTHER FUNDS PROHIBITED.—No funds appropriated to the Small Business Administration shall be made available to carry out the provisions of this title other than funds appropriated specifically for the purpose of conducting the Conference. Any funds remaining unexpended at the termination of the Conference, including submission of the report pursuant to section 6, shall be returned to the Treasury of the United States and credited as miscellaneous receipts.●

● Mr. DIXON. Mr. President, I rise today in support of the bill introduced by Senator Domenici which provides permanent authorization for a White House Conference on Small Business.

Small business is the primary employment generator for the economy of the United States. Between 1980 and 1986, small businesses created 63.5 percent of all new jobs. Small businesses also provide on-the-job training for our youth. Small businesses continue to be a strong contributor to our economic growth.

The need for a forum in which the issues crucial to the viability of this economic sector can be reviewed is obvious. The White House Conference on Small Business serves as a platform to assist small business in developing an agenda for action, to enlighten the public and Government agencies as to the contributions and needs of small business, and to bring representatives of this sector together to formulate recommendations for the executive and legislative branches of Government to assure the continuance of their economic growth.

Our Nation was founded by small businesses. They gave birth to our economy. Today's entrepreneur seeks to maintain this true economic independence. Free enterprise is more than an economic theory for them; it is a practical necessity. This is a segment of our economy that must be acknowledged for its contributions to this Nation, as well as for its maintenance of our image as the land of opportunity.

The range of issues affecting small business is broad. The goals of small businesses are sometimes at odds with those of bigger businesses. Small business needs our attention and support. Permanent authorization of the White House Conference on Small Business would demonstrate our commitment to insure a healthy, competitive small business environment, and provide a forum for identification and understanding of actions necessary to continue the development and growth of our workforce and economy.●

By Mr. INOUYE (for himself, Mr. FORD, Mrs. KASSEBAUM, Mr. DOMENICI, Mr. PACKWOOD, Mr. BAUCUS, Mr. BURDICK, Mr. DASCHLE, Mr. COCHRAN, Mr. MCCAIN, Mr. GORTON, Mr. RUDMAN, Mr. KENNEDY, Mr. ADAMS, Mr. CONRAD, Mr. D'AMATO, Mr. HATFIELD, Mr. BURNS, Mr. BRADLEY, Mr. RIEGLE, Mr. SIMON, Mr. PRESSLER, Mr. DECONCINI, Mr. MURKOWSKI, Mr. SANFORD, Mr. DODD, Mr. WIRTH, Mr. MATSUNAGA, Mr. REID, Mr. BINGAMAN, Mr. KERREY, Mr. STEVENS, Mr. KOHL, Mr. METZENBAUM, and Mr. MOYNIHAN):

S. 978. A bill to authorize the establishment within the Smithsonian Institution of the National Museum of the American Indian, to establish a memorial to the American Indian, and for other purposes; to the Committee on Rules and Administration.

NATIONAL AMERICAN INDIAN MUSEUM ACT

● Mr. INOUYE. Mr. President, it is with great pleasure that I rise today to introduce a bill to establish the National Museum of the American Indian within the Smithsonian Institution and to authorize the transfer of the collection of the Museum of the American Indian, Heye Foundation to the Smithsonian Institution.

Mr. President, earlier this week, the Board of the Regents of the Smithsonian Institution announced their approval of an agreement between the Museum of the American Indian, Heye Foundation and the Smithsonian Institution which will bring the priceless Heye collection of over 1,000,000 objects and artifacts representing the art and culture of the indigenous people

of North, Central and South America to our Nation's Capital, and specifically to the Smithsonian Institution. This agreement enjoys the support of the elected representatives of New York, including the attorney general of the State of New York and the mayor of the city of New York. The legislation which I rise to introduce today will implement that agreement.

Mr. President, in the 27 months of my tenure as chairman of the Select Committee on Indian Affairs, I have traveled to many parts of Indian country, including the Pacific Northwest and Alaska, and I have visited reservations and met with tribal leaders in New Mexico, Arizona, California, Montana, South Dakota, North Dakota, Florida, Oklahoma, Minnesota and Washington State. I have had the opportunity to witness first hand the conditions that American Indians must face in their everyday lives—poverty and unemployment that is as high as 95 percent on some reservations, mortality rates from alcoholism, diabetes, hypertension, and cancer that far exceed the national average, and in Alaska, a suicide rate among Native males aged 20 to 24 that is 20 times the national average. I have come to learn of life in a Navajo hogan, or in Indian housing in other parts of the country where there is no electricity or running water, and no sanitation facilities. I have spoken with tribal youth who are desperately seeking solutions to an epidemic of teenage suicide on the reservations, and I have seen the hope in their eyes that the future may hold something better for them than it has for their parents and grandparents.

Many of us know very little about Indian people and life in Indian country, and sadly, few people know that before there were such miserable statistics describing Indian life, there were hundreds of years of great achievements in the history of Indian people—a reverence for the Earth and nature that brought all of the natural resources to us intact and undepleted, arts and cultures and traditions, languages and dance that are unequalled in their creativity and beauty. The Indians had a great civilization before the advent of the white man, with sophisticated governments upon which our own system of government was modeled. The Indian people exercised dominion over 500 million acres of land at one time in this Nation's history—and they cared for that land and nurtured the fish and wildlife that they found there, so that today we still have wilderness that retains the pristine condition in which the Indians delivered it to the settlers. At one time, it is estimated that there were over 50 million Indians in the United States.

Today, there are fewer than 2 million Indian people, residing on the 50 million acres of land that are still in tribal ownership. These are people who survived a decimation of their population during the Indian wars, and who have survived countless trails of tears that were designed to remove them from their ancestral land so that those lands could be settled by non-Indians. They have survived subjugation and slavery by Spanish conquerers, and fluctuations in Federal policy that sought to acheive the assimilation of their culture and traditions, and which resulted in the punishment of Indian children when they sought to speak in their native tongue or dance in their traditional ways. These people, this Nation's very first citizens, are a testament to the perserverance and tenacity of Indian nations, Indian religions, and Indian cultures. They have survived not because we helped them to survive, but almost in spite of us.

And so I believe that it is particularly fitting and appropriate that today we can do a very small thing in commemorating the historic grandeur of Indian people and the rich cultural legacy that they have placed before American society, by establishing what I hope will be a great museum in their honor, and in the honor of their magnificent ancestors. This museum will be a living memorial to the American Indian people—and it will provide an opportunity for all Americans, Indian and non-Indian, to learn that this culture is something more than an account in history books—that it is a living and thriving culture that represents the fastest growing population in the United States today.

This Nation's first Americans have much to teach us, and there is no doubt that we have much to learn. Indian children should be able to grow up with the feeling of pride in themselves and in the contributions that their ancestors have made to our society. Non-Indian children should be able to learn about native people from a positive perspective, rather than the anachronistic manner in which they are treated in history textbooks. I believe that this museum will enable all young people to have access to information and ideas, works of art and precious artifacts, outstanding crafts and creative innnovations, belief systems and values that the Indian people of this Nation hold and practice in their daily lives.

I believe that Indian people have survived the centuries to teach us much that we need to learn, and it is my hope that the National Museum of the American Indian will provide a place where we may all learn to honor the native peoples of this country.●

By Mr. DASCHLE (for himself and Mr. CONRAD):

S. 979. A bill to provide grants for designating rural hospitals as medical assistance facilities; to the Committee on Finance.

RURAL MEDICAL ASSISTANCE FACILITIES ACT OF 1989

● Mr. DASCHLE. Mr. President, I rise today to introduce the Rural Medical Assistance Facilities Act, a bill that will evaluate the long-term feasibility of medical assistance facilities as an innovative alternative to our traditional rural health care delivery system. The ultimate goal of this measure is to ensure that rural citizens everywhere have access to the quality health services they deserve.

There are several steps we need to take to alleviate the health care crisis in rural America. I view this bill as one step toward addressing the multitude of rural health care problems. Yesterday, I introduced legislation that addresses the severe physician shortage facing many of our rural communities across the country. In addition, I have also introduced a bill that helps sole community hospitals deal with their immediate financial risks.

Across the country, our small rural hospitals are struggling to survive in the face of a rapidly changing rural health care environment. This bill attempts to help these hospitals adapt and adjust to these changes. Our investment in health care research demonstrations will not only assist our rural communities but will also enhance the quality of rural health care policy for the 1990's. Where we invest our health care dollars today, will largely determine the future shape of our health care system.

Our rural health care system is in serious trouble. Inequitable Medicare payments, declining inpatient capacity, and cost-containment pressures threaten the financial viability of our already troubled rural hospitals—the mainstay of the existing rural health care system. The statistics are sobering: since 1980, 163 rural community hospitals across the country have been forced to close their doors, and many more than that—an estimated 600—currently are on the brink of closure.

In my home State of South Dakota, 54 of our hospitals are rural, and most of them lost money on Medicare in 1988, with average profit margins for small rural hospitals of minus 5 percent. With 16 counties in my State already without a hospital, South Dakota, as well as many other rural States, can ill afford to lose more providers.

Unfortunately, those rural hospitals on the brink of closure are most likely to be the ones that serve the most vulnerable populations, such as the poor and the elderly living in rural areas. While the elderly comprise 12 percent of the total population in the United States, they account for over 20 percent of the population in South Dakota. When the local rural hospital

closes, these elderly are often left without access to any inpatient health services. I believe it is essential to preserve access to quality health care for these rural elderly.

The elderly, in South Dakota as in all rural areas, pay the same Medicare premium as their urban counterparts. It is only fair and equitable that they be given the same access to health care. Why should people be discriminated against through their health care system simply because of where they choose to live?

During my frequent visits to the State, I have witnessed the severe health care crisis in many of our rural communities. I am convinced that our rural hospitals cannot survive if they continue to receive Medicare payments that are 12 to 40 percent less than urban hospitals receive for performing the same medical procedure. I, along with 36 of my colleagues have cosponsored Senator BENTSEN's and Senator DOLE's Equity for Rural Hospitals Act, which would eliminate this payment differential. While this bill will give our rural hospitals long-overdue equity in their Medicare payments, we need to be looking ahead to what we can do to help rural hospitals respond to their changing rural health care environment.

Across the country, rural areas struggle with the challenges of delivering quality health care. Hospital administrators tell me they are forced to choose between either shutting down their half-full hospitals, which would jeopardize access to health care, or struggling to keep their doors open, in spite of significant financial losses. The hospital administrators in my State should not have to face such a dilemma. South Dakota's rural communities, like other rural communities across the country, will be faced with many difficult questions concerning the most appropriate and affordable health care delivery system to best meet their needs. Clearly, the Federal Government has a role in disseminating information on the different approaches to health care delivery in rural areas. Rural communities need to know what does and what doesn't work before they commit their valuable time and resources to implementing alternative health care delivery models.

The legislation I am introducing today addresses our obligation to help the citizens in our rural communities adjust to their changing health care environment. My bill calls for a 4-year Health Care Financing Administration demonstration, using 10 to 15 sites across the country, for the purpose of evaluating the long-term feasibility of Medical Assistance Facilities (MAF's) as an alternative health care delivery system in rural areas. MAF's provide an attractive alternative because they allow hospitals the opportunity to "down-size" their operations.

Unlike other hospitals, MAF's provide only limited inpatient care by virtue of their 4-day inpatient limitation. In addition, MAF's are staffed primarily by physician assistants and nurse practitioners, responding to the physician availability problem in rural areas.

Currently, Montana is the only State for which HCFA is granting a waiver to experiment with MAF's. During a recent Senate Finance Committee hearing on rural hospitals, witnesses testified to the need to develop alternative approaches to our traditional rural health care delivery system. Many of the witnesses urged Congress to allow for greater experimentation with the MAF concept by allowing a number of States to participate in a national demonstration.

In order to make sound policy decisions concerning the future of health care in rural America, it is critical that we invest in national health care delivery demonstrations. While I commend HCFA's involvement in the Montana demonstration, we still need to determine the long-term feasibility of MAF's in different, more traditional rural areas. Now is the time for the Health Care Financing Administration to examine alternative health care delivery models. Our rural citizens cannot afford to have such critical research put on hold. The health care of my fellow South Dakotans who live in rural communities will benefit from this research initiative.

I ask unanimous consent that the text of the bill as well as a summary appear following my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 979

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION. 1. SHORT TITLE.

This Act may be cited as the "Rural Medical Assistance Facilities Act of 1989".

SEC. 2. ESTABLISHMENT OF DEMONSTRATION PROGRAM FOR DEVELOPMENT OF MEDICAL ASSISTANCE FACILITIES.

(a) IN GENERAL; LIMITATIONS.—(1) Not later than 6 months after the date of the enactment of this Act, the Secretary of Health and Human Services, acting through the Administrator of the Health Care Financing Administration (hereafter in this section referred to as the "Administrator") shall make 4-year grants to not more than 6 eligible States for providing 90 percent of the costs of transforming a rural hospital into a medical assistance facility (as defined in section 1861mm(2) of the Social Security Act) (as added by section 3(b) of this Act).

(2) The amount of funds provided in a single year under each grant awarded under paragraph (1) may not exceed $100,000.

(3) The Administrator may not award fewer than 10 or more than 15 grants under paragraph (1).

(b) ELIGIBILITY; ADMINISTRATION.—(1) The Administrator shall provide technical assistance to States receiving grants under subsection (a) during the course of the grant program.

(2) A State is eligible to receive a grant under subsection (a) if it submits to the Administrator, at such time and in such form as the Administrator may prescribe by rule, an application containing such information as the Administrator may require.

(3) No funds may be provided through grants under subsection (a) after January 1, 1995.

(4) The chief public health officer of each State, in consultation with the State Office of Rural Health (where appropriate), shall be responsible for submitting applications for grants under paragraph (2) and for administering the grant program in the State.

(c) AUTHORIZATION OF FUNDS FOR GRANT PROGRAM.—There are authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act.

SEC. 3. MEDICARE COVERAGE OF SERVICES OF A MEDICAL CARE ASSISTANCE FACILITY.

(a) COVERAGE.—

(1) PART A.—Section 1812(a)(1) of the Social Security Act (42 U.S.C. 1395d(a)) is amended by inserting "and inpatient care in a medical assistance facility".

(2) PART B.—Section 1832(a)(2) of such Act (42 U.S.C. 1395k(a)(2)) is amended—

(A) by striking "and" at the end of subparagraph (F);

(B) by striking the period at the end of subparagraph (G) and inserting "; and"; and

(C) by inserting after subparagraph (G) the following new subparagraph:

"(H) health care services (other than inpatient care) of a medical assistance facility.".

(b) DESCRIPTION OF MEDICAL ASSISTANCE FACILITY AND RELATED DEFINITIONS.—Section 1861 of such Act (42 U.S.C. 1395x) is amended by adding at the end the following new subsection:

"Medical Assistance Facility and Related Definitions

"(mm)(1) The term 'medical services of a medical assistance facility' means the following services provided by or under arrangements with a medical assistance facility—

"(A) inpatient care, except that obstetric services shall not be considered inpatient care under this subparagraph unless such services are performed in accordance with protocols developed by the Secretary;

"(B) emergency visits;

"(C) ambulatory care provided in accordance with standards to be established by the Secretary, in consultation with appropriate provider and consumer organizations and State public health officers;

"(D) outpatient surgical care provided in accordance with protocols to be established by the Secretary;

"(E) stabilization care for transfer to another facility; and

"(F) such services and supplies furnished as an incident to services provided by a medical assistance facility which the facility is legally authorized to provide and which would otherwise be covered if furnished by a physician or as an incident to physicians' services.

"(2) The term 'medical assistance facility' means a facility which—

"(A)(i) is located in a rural area (as defined in section 1886(d)(2)(D)),

"(ii) is located not less than 30 miles from a hospital, and

"(iii) has less than 50 beds;

"(B) provides emergency care, stabilization care, and basic inpatient care for stays not exceeding 96 hours (unless otherwise approved by a peer review organization);

"(C) if it provides obstetric services, provides such services in accordance with the protocols described in paragraph (1)(A);

"(D) provides ambulatory care in accordance with the standards described in paragraph (1)(C);

"(E) if it provides outpatient surgical care, provides such services in accordance with the protocols described in paragraph (1)(D);

"(F)(i) has a written quality assurance plan approved by the Secretary under which the Secretary shall conduct regular evaluations of the facility in accordance with a quality assurance protocol to be developed by the Secretary, and (ii) has entered into a contract with a hospital or with a utilization and quality control peer review organization with a contract in effect under part B of title XI for the performance of utilization review with respect to services provided by the facility;

"(G) has entered into an agreement to participate under the State program approved under title XIX in the State in which the facility is located;

"(H) has a board of directors and a medical director (who shall be a doctor of medicine or osteopathy) responsible for its operation, the members of which shall include representatives of physicians, nurses, and other health care providers;

"(I) has in effect a transfer agreement (meeting such terms as the Secretary may specify) and an agreement regarding discharge planning between the facility and appropriate referral hospital or hospitals;

"(J) has in effect an affiliation agreement with a hospital or teaching hospital for providing continuing education services to the facility's physicians, nurse practitioners, and physician assistants; and

"(K) meets the additional requirements specified in paragraph (3) (relating to inpatient care).

A medical facility may meet the requirements of this paragraph with respect to provision of medical care (including pharmacy services) through a contract that assures, in a manner satisfactory to the Secretary, the availability of such care.

"(3) The additional requirements of this paragraph (relating to inpatient care) are as follows:

"(A) To the extent inpatient services are actually being provided, the facility must meet such staffing requirements as would apply under subsection (e) to a hospital located in a rural area, except that care may be provided by nurse practitioners and physician assistants in accordance with protocols developed by the Secretary for the purpose of providing flexibility for such facilities in meeting physician 'on-call' requirements.

"(B) The facility must have an on-site director (who may be a nurse practitioner) present at all times during which the facility is open.

"(C)(i) Except as provided in this subparagraph, the facility must meet the same standards as apply with respect to the provision of inpatient hospital services under this title with respect to a hospital located in a rural area.

"(ii) The facility need not meet hospital standards relating to the number of hours during a day, or days during a week, in which the facility must be open.

"(iii) The facility, instead of having a full-time, on-site dietician, pharmacist, laboratory technician, medical technologist, and radiological technologist, may provide for quality control of services provided by such individuals through such individuals on a part-time, off-site basis.".

(c) PAYMENT.—

(1) INPATIENT SERVICES.—Section 1814 of such Act (42 U.S.C. 1395f) is amended—

(A) in subsection (b) in the matter preceding paragraph (1), by inserting "subsection (l) and" after "subject to the provisions of"; and

(B) by adding at the end the following new subsection:

"Payments for Inpatient Care of Medical Assistance Facilities

"(l)(1)(i) Except as provided in clauses (ii) and (iii), the amount paid to a medical assistance facility with respect to inpatient care for which payment may be made under this part shall be an amount equal to the payment amount that would be established under section 1886(d) if such care were deemed to be inpatient hospital services provided by a subsection (d) hospital.

"(ii) The amount paid to a medical assistance facility with respect to inpatient care for which payment may be made under this part may, in the case of discharges occurring on or after the expiration of the 540-day period that begins on the date of the enactment of this subsection, be determined under any new methodology which the Secretary, in consultation with the Office of Rural Health Policy, may develop for determining the amount of such payments.

"(iii) The provisions of section 1886(g)(1) shall not apply to payments with respect to the capital-related costs of inpatient hospital services of a medical assistance facility.

"(2) In the case of an individual who receives inpatient hospital services after receiving inpatient care in a medical assistance facility, the payment otherwise provided under section 1886 shall be reduced by such amount as is necessary to reflect the payments made for the inpatient care under this subsection. The Secretary shall periodically review the allocation of payments for inpatient services between medical assistance facilities and hospitals under this paragraph.".

(2) OUTPATIENT SERVICES.—

(A) Section 1833(a) of such Act (42 U.S.C. 1395l(a)) is amended—

(i) in paragraph (2), in the matter before subparagraph (A), by striking "and (G)" and inserting "(G), and (H)";

(ii) in paragraph (4), by striking "and" at the end;

(iii) in paragraph (5), by striking the period at the end and inserting "; and"; and

(iv) by inserting immediately after paragraph (5) the following new paragraph:

"(6) in the case of services described in section 1832(a)(2)(H), the amounts described in section 1834(f).".

(B) Section 1834 of such Act (42 U.S.C. 1395m) is amended by adding at the end the following new subsection:

"(f) PAYMENTS FOR HEALTH SERVICES (OTHER THAN INPATIENT CARE) IN A MEDICAL ASSISTANCE FACILITY.—The amount of payments for health services (other than inpatient care) provided in a medical assistance facility under this part shall be the amounts determined by the Secretary under a payment system established by the Secretary which takes into account the relative value of the services furnished compared to other professional services.".

(d) TREATMENT AS PROVIDER OF SERVICES.—

(1) Section 1861(s)(2)(K)(i) of such Act (42 U.S.C. 1395x(s)(2)(K)(i)) is amended by inserting "medical assistance facility," after "hospital,".

(2) Section 1861(u) of such Act (42 U.S.C. 1395x(u)) is amended by inserting "medical assistance facility," after "hospital,".

(3) Section 1861(w)(1) of such Act (42 U.S.C. 1395x(w)(1)) is amended by inserting "medical assistance facility," after "hospital,".

(4) Section 1863 of such Act (42 U.S.C. 1395z) is amended by striking "and (dd)(2)" and inserting "(dd)(2), and (mm)".

(5) Section 1864(a) of such Act (42 U.S.C. 1395aa(a)) is amended, in the first and second sentences, by inserting ", medical assistance facility," after "hospital".

(6) Section 1865(a) of such Act (42 U.S.C. 1395bb(a)) is amended by striking "or 1861(dd)(2)" and inserting "1861(dd)(2), or 1861(mm)".

(e) MEDICAID COVERAGE OF SERVICES OF MEDICAL ASSISTANCE FACILITIES.—Section 1905(a) of the Social Security Act (42 U.S.C. 1396d(a)) is amended—

(1) by striking "and" at the end of paragraph (20);

(2) by redesignating paragraph (21) as paragraph (22); and

(3) by inserting after paragraph (20) the following new paragraph:

"(21) medical services of a medical assistance facility (as defined in section 1866mm(2)); and".

(f) EFFECTIVE DATE.—The amendments made by subsections (a), (c), (d), and (e) shall take effect upon the expiration of the 6-month period that begins on the date of the enactment of this Act, without regard to whether or not regulations have been promulgated to implement such amendments before the expiration of such 6-month period.

SEC. 4. REPORTS.

(a) INTERIM.—Not later than March 1, 1993, the Secretary of Health and Human Services (hereafter in this section referred to as the "Secretary") shall submit to Congress a report analyzing the grant program described in section 2 and the effect of the establishment of medical assistance facilities on the availability and quality of cost-effective health care for individuals in rural areas, including a summary of quality assurance reviews conducted pursuant to section 1861mm(2)(C) of the Social Security Act (as added by section 3(b) of this Act).

(b) FINAL.—Not later than March 1, 1995, the Secretary shall submit a final report to Congress updating the report submitted under subsection (a) and including recommendations regarding the feasibility of establishing a long-term program of assistance for medical assistance facilities.

SUMMARY OF THE RURAL MEDICAL ASSISTANCE FACILITIES ACT

CURRENT LAW

All hospitals that receive Medicare reimbursement must comply with Medicare's "conditions of participation" or quality standards in order to receive Medicare reimbursement for the services they provide. Rural hospitals, because of their small size, declining patient populations, and physician shortages are finding it increasingly difficult to comply with Medicare's strict staffing and medical service delivery requirements. These hospitals are forced to either close their half-full hospitals, severely jeopardizing access to health care, or keep their hospital open, no matter how expensive.

Recognizing the difficulty small, rural hospitals face surviving under rules devel-

oped primarily for larger ubran hospitals, HCFA is currently funding a demonstration in Montana to evaluate the feasibility of a new type of rural health care facility called Medical Assistance Facilities (MAFs). The medical services provided by these facilities are more limited than a full-fledged hospital, and staffing is provided primarily by physician assistants and nurse practitioners under a protocol and in collaboration with a physican. MAFs provide a viable "downsizing" option for some rural communities that need to sustain access to a set of basic services.

DASCHLE PROPOSAL

Development.—

National four-year demonstration;

The Secretary will provide funding for up to 10 to 15 MAFs located in 6 states; and

The facilities must be existing rural hospitals with less than 50 beds, and located at least 30 miles from the nearest hospital.

Cost.—Federal funds would be available on a cost-share basis of 90% federal and 10% state.

Reimbursement.—MAFs would receive Medicare payments based on DRGs during their first year of operation. The Secretary shall waive as necessary the requirements of Title XVII to provide payments as necessary to experiment with and evaluate the effectiveness of different payment methodologies. HCFA shall work with the HHS Office of Rural Health Policy to arrive at a fair and equitable payment methodology.

Medical Services.—

MAFs must offer the following basic services: emergency medical services, stabilization and primary care;

The Secretary shall evaluate the effects of models that offer obstetrical and outpatient surgery under a protocol;

Depending on the medical services offered, MAFs would not be required to be open 7 days a week/24 hours a day; and

MAFs would have a 96-hour inpatient limitation.

Staffing.—Services could be provided by a wide range of certified practitioners including physicians and mid-level professionals. Services provided by nurse practitioners and physician assistants would be in accordance with state law. Services provided by nurse practitioners and physician assistants would be provided under a written protocol with supervision frequency specified by the Secretary.

Referral Arrangements.—MAFs would be required to have a transfer agreement with a nearby hospital for purposes of transferring patients who need further inpatient care or providing other services needed for maintaining quality of health care delivered.

Quality Assurance Review.—MAFs would be required to have a written quality assurance program. The Secretary would be required to set quality standards, establish a quality protocol and conduct quality reviews.

Effective Dates.—The Secretary would have 6 months, beginning October 1, 1990 to select the participating states. The selected states would then have 6 months to select the MAF sites to be located in their state.

Reports to Congress.—The Secretary shall submit an interim and final report to Congress evaluating the effect of MAFs on access, quality of care, and cost-effectiveness.

RATIONALE

HCFA, as well as other health care experts, agree that the Montana Demonstration alone is not sufficient for evaluating the long-term feasibility of MAFs as an alternative health care delivery system. These health care experts agree that HCFA should allow for greater experimentation with the MAF concept by including more states in the demonstration and encouraging development of these facilities in more traditional rural areas rather than restricting them to solely frontier regions of the nation. A national demonstration with a number of sites across the country allows HCFA to conduct a full-scale evaluation of the feasibility of MAFs in various rural areas.●

By Mr. MITCHELL (for himself, Mr. DANFORTH, Mr. HEINZ, Mr. SANFORD, Mr. DODD, Mr. RIEGLE, Mr. KENNEDY, Mr. COHEN, Mr. LAUTENBERG, Mr. PELL, Mr. LEVIN, Ms. MIKULSKI, Mr. MOYNIHAN, Mr. SARBANES, Mr. D'AMATO, Mr. GORTON, Mr. DURENBERGER, Mr. KERRY, Mr. CHAFEE, Mr. LIEBERMAN, Mr. BOREN, Mr. BAUCUS, Mr. PRYOR, Mr. FORD, Mr. SPECTER, Mr. SHELBY, Mr. SASSER, Mr. ROCKEFELLER, Mr. BURDICK, Mr. SIMON, Mr. MCCAIN, Mr. BOND, Mr. INOUYE, Mr. HARKIN, Mr. MCCONNELL, Mr. CRANSTON, Mr. ADAMS, Mr. BREAUX, Mr. JOHNSTON, Mr. COATS, Mr. CONRAD, Mr. BINGAMAN, Mr. LUGAR, Mr. SYMMS, Mr. DIXON, Mr. GORE, Mr. GRASSLEY, Mr. BUMPERS, Mr. RUDMAN, Mr. GRAHAM, Mr. LEAHY, Mr. DOLE, Mr. LOTT, and Mr. DASCHLE):

S. 980. A bill to amend the Internal Revenue Code of 1986 to improve the effectiveness of the low-income housing credit; to the Committee on Finance.

LOW-INCOME HOUSING CREDIT ACT OF 1989

Mr. MITCHELL. Mr. President, Senator DANFORTH and I, joined by 52 of our colleagues, are today introducing the Low-Income Housing Credit Act of 1989. This legislation will make a number of changes to improve the effectiveness of the low-income housing tax credit and to repeal the December 31, 1989, expiration date of this program.

This legislation is largely based on recommendations made by a low-income housing industry task force organized by Senator DANFORTH and myself last year. The Mitchell-Danforth Task Force on the Low-Income Housing Tax Credit was made up of 13 individuals representing all segments of the low-income housing community, including the State agencies which allocate the credit, urban and rural developers, nonprofit organizations, credit syndicators, academic experts, and tenant representatives.

The task force met several times during 1988 and produced a series of recommendations in a report that was made public in January of this year. These recommendations, many of which are included in this legislation, are designed to improve the efficiency and effectiveness of the credit program. Many of the provisions in this bill would impose new restrictions on the use of the credit to maximize program objectives with the least expenditure of tax benefits. Other provisions would remove unnecessary impediments in current law to using the credit.

The basic outline of the current program is preserved. It will continue to be a tightly targeted, 10-year tax incentive for the construction, rehabilitation, and acquisition of housing provided to families with less than 60 percent of median income who pay rent not in excess of 30 percent of their income. Within that basic framework, a number of changes are proposed to improve the program.

To understand why we are proposing these changes, it is helpful to understand the circumstances under which the low-income housing credit was enacted as part of the Tax Reform Act of 1986. The provision originated in the Senate Finance Committee and was designed as a more efficient alternative to a variety of then-existing tax incentives for low-income housing.

The bill reported from the Senate Finance Committee proposed a credit only for new construction that could not be used in conjunction with any other Federal housing program. That was a limited proposal of doubtful utility that was substantially altered on the Senate floor and in the conference committee between the House and Senate.

What is noteworthy about this is that the credit program was written without the benefit of any prior hearings late in the tax reform process. It should therefore be expected that this complicated new program is in need of certain modifications that would further the housing policy objectives of the law consistent with sound tax policy.

Following enactment, there was a good deal of skepticism that the program would work. Those doubts were only reinforced in the first year of the credit when the development community, busy learning about this complicated new program, was able to use less than 20 percent of the total amount of tax credits allocable by States in 1987.

Since that time, the program has turned to be a far more effective means of stimulating low-income housing development than was first anticipated. That is in part due to the innovative work of the development community and the strong efforts of the State allocating agencies to promote this program.

It is also due to the more than two dozen statutory modifications to the program that were included in the Technical Corrections and Miscellane-

ous Revenue Act of 1988. As a result of the changes in that legislation—primarily the new project carryover rules—credit allocations in 1988 increased considerably above 1987 to approximately 70 percent of the credit cap nationwide.

Because the program expires at the end of the 1989, low-income housing developers are applying now for credit allocations on property which is intended to be completed this year and over the next 2 years. This will likely cause many States to allocate their entire credit authority in 1989.

While we are pleased with the level of credit activity today, we believe there are a number of changes that are needed to improve the operation of the program to maximize the housing policy objectives of the credit.

Our objective is to improve the efficiency and effectiveness of the credit program. In some respects, that will mean new restrictions on the credit program while in other cases liberalizations of current law are in order.

Ideally, we would like to see a low-income housing credit program where demand for tax credits, both by investors and developers, far exceeds supply so that only the best projects receive credit allocations and those projects command maximum equity capital per credit dollar.

The tax credit is proving to be a valuable incentive for developers to build and rehabilitate low-income housing. But in most cases—approximately 77 percent of all units built with the credit last year—other subsidies were necessary to make these projects work. Because rents are strictly controlled under the tax credit program, cash flow is insufficient to support high levels of debt. Since the equity that is attracted through the tax credit usually cannot make up the difference, most of these projects have a gap which must be filled in other ways.

One of the exciting aspects of the low-income housing credits is the way it is currently serving as a catalyst to bring other sources of funds to low-income housing development to bridge the gap between the amount that is necessary for project development and the amount that can be provided through tax credit equity and the primary debt on the property.

Nonprofit and for profit are putting together innovative deals which require multiple sources of funds attracted from State and local governments, the Federal Government, charitable foundations, community funds, and corporations.

The low-income housing tax credit is working today during a period of scarce housing resources. State and local governments, working with the private sector and nonprofit developers, are using the credit to bring together disparate sources of funds that enable low-income housing to be built. Regardless of the changes we propose in this legislation to improve the program, the credit must be permitted to continue.

The low-income housing tax credit is 1 of about 13 tax programs which either expired at the end of last year or will expire at the end of this year. Most of the programs have large constituencies which present compelling reasons why they should be extended in the Tax Code. During this period of budgetary restraint, in a year when the tax writing committees have to come up with more than $5 billion to reduce the deficit next year, it will be particularly difficult to extend any of the expiring tax provisions.

I believe the low-income housing credit deserves special consideration. It is unfortunate, and inappropriate, that this program finds itself on the list of tax incentives that expire. Unlike most other expiring tax provisions, incentives for low-income housing have traditionally been a part of the tax system. What is new is the treatment of low-income housing under tax reform when all existing incentives were replaced with a limited credit program that is subject to strict per capita volume caps.

If the low-income housing tax credit is permitted to expire, low-income housing—rented to tenants who cannot afford to pay rents that can support the property—will receive the same tax treatment as other residential housing and only marginally better tax treatment than commercial real estate. Low-income housing would receive far worse treatment than historic rehabilitation real estate which today receives generous subsidies unencumbered by an expiration date.

Today, during a decade when the gap between low-income housing needs and Federal housing assistance is so great, we cannot permit this program to expire. According to recent figures compiled by the Census Bureau and the Department of Housing and Urban Development, America is in the midst of an affordable housing crisis. Under HUD standards, housing is considered affordable for a low-income household if it consumes no more than 30 percent of the household's income. Yet, recent data indicate that as many as five of every six poor renter households pay more than 30 percent of their income. Almost half paid at least 70 percent of their income for housing costs according to data from 1985.

There are undoubtedly many factors contributing to this housing affordability crisis, including a decline in the average income of lower income families. Another major factor contributing to the shortage of low-income housing is the declining Federal support for assisted housing. Appropriations for HUD's subsidized housing program have declined more than 80 percent in this decade. Farmers Home direct loan housing programs have been cut nearly 70 percent. The number of families below the poverty level not receiving any housing assistance has increased by more than one-third in the last decade.

The low-income housing credit is a small program that will not even begin to solve this Nation's housing problems. But it does have an important role to play in the overall mix of Federal housing programs. I urge my colleagues to cosponsor and actively support this legislation.

I ask unanimous consent that a copy of the legislation and a summary of its provisions be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 980

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

(a) SHORT TITLE.—This Act may be cited as the "Low-Income Housing Credit Act of 1989".

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

SEC. 2. CHANGES IN LOW-INCOME HOUSING CREDIT.

(a) CREDIT MADE PERMANENT.—Section 42 (relating to low-income housing credit) is amended by striking subsection (n).

(b) 1-YEAR CARRYOVER OF UNUSED CREDIT AUTHORITY.—

(1) IN GENERAL.—Paragraph (3) of section 42(h) (relating to State housing credit ceiling) is amended by redesignating subparagraphs (D), (E), and (F) as subparagraphs (E), (F), and (G), respectively, and by striking subparagraph (C) and inserting the following new subparagraphs:

"(C) STATE HOUSING CREDIT CEILING.—The State housing credit ceiling applicable to any State for any calendar year shall be an amount equal to the sum of—

"(i) $1.25 multiplied by the State population,

"(ii) the unused State housing credit ceiling (if any) of such State for the preceding calendar year, plus

"(iii) the amount (if any) allocated under subparagraph (D) to such State by the Secretary.

For purposes of clause (ii), the unused State housing credit ceiling for any calendar year is the excess (if any) of the amount described in clause (i) over the aggregate housing credit dollar amount allocated for such year.

"(D) UNUSED HOUSING CREDIT CARRYOVERS ALLOCATED AMONG CERTAIN STATES.—

"(i) IN GENERAL.—The unused housing credit carryover of a State for any calendar year shall be assigned to the Secretary for allocation among qualified States for the succeeding calendar year.

"(ii) UNUSED HOUSING CREDIT CARRYOVER.—For purposes of this subparagraph, the unused housing credit carryover of a State for any calendar year is the excess (if any) of the unused State housing credit ceiling

for such year (as defined in subparagraph (C)(ii)) over the excess (if any) of—

"(I) the aggregate housing credit dollar amount allocated for such year, over

"(II) the amount described in clause (i) of subparagraph (C).

"(iii) FORMULA FOR ALLOCATION OF UNUSED HOUSING CREDIT CARRYOVERS AMONG QUALIFIED STATES.—The amount allocated under this subparagraph to a qualified State for any calendar year shall be the amount determined by the Secretary to bear the same ratio to the aggregate unused housing credit carryovers of all States for the preceding calendar year as such State's population for the calendar year bears to the population of all qualified States for the calendar year. For purposes of the preceding sentence, population shall be determined in accordance with section 146(j).

"(iv) QUALIFIED STATE.—For purposes of this subparagraph, the term 'qualified State' means, with respect to a calendar year, any State—

"(I) which allocated its entire State housing credit ceiling for the preceding calendar year, and

"(II) for which a request is made (not later than May 1 of the calendar year) to receive an allocation under clause (iii)."

(2) CONFORMING AMENDMENTS.—

(A) Subparagraph (E) of section 42(h)(5) is amended by striking "subparagraph (E)" and inserting "subparagraph (F)".

(B) Paragraph (6) of section 42(h) is amended by striking subparagraph (B) and by redesignating subparagraphs (C), (D), and (E) as subparagraphs (B), (C), and (D), respectively.

(c) BUILDINGS ELIGIBLE FOR CREDIT ONLY IF MINIMUM 30-YEAR COMMITMENT TO LOW-INCOME HOUSING.—

(1) IN GENERAL.—Subsection (h) of section 42 is amended by redesignating paragraphs (6) and (7) as paragraphs (7) and (10), respectively, and by inserting after paragraph (5) the following new paragraph:

"(6) BUILDINGS ELIGIBLE FOR CREDIT ONLY IF MINIMUM 30-YEAR COMMITMENT TO LOW-INCOME HOUSING.—

"(A) IN GENERAL.—No credit shall be allowed by reason of this section with respect to any building for the taxable year unless an extended low-income housing commitment is in effect as of the beginning of such taxable year.

"(B) EXTENDED LOW-INCOME HOUSING COMMITMENT.—For purposes of this paragraph, the term 'extended low-income housing commitment' means any recorded agreement between the taxpayer and the housing credit agency—

"(i) which requires that the applicable fraction (as defined in subsection (c)(1)) for the building for each taxable year in the extended use period will not be less than the applicable fraction specified in such agreement,

"(ii) which allows individuals who meet the income limitation applicable to the building under subsection (g) (whether prospective, present, or former occupants of the building) the same rights as such agency to enforce in any State court the requirement of clause (i), and

"(iii) which is binding on all successors of the taxpayer.

"(C) ALLOCATION OF CREDIT MAY NOT EXCEED AMOUNT NECESSARY TO SUPPORT COMMITMENT.—The housing credit dollar amount allocated to any building may not exceed the amount necessary to support the applicable fraction specified in the extended low-income housing commitment for such building.

"(D) EXTENDED USE PERIOD.—For purposes of this paragraph, the term 'extended use period' means the period—

"(i) beginning on the 1st day in the compliance period on which such building is part of a qualified low-income housing project, and

"(ii) ending on the later of—

"(I) the date specified by such agency in such agreement, or

"(II) the date which is 15 years after the close of the compliance period.

"(E) EXCEPTIONS IF FORECLOSURE OR IF NO BUYER WILLING TO MAINTAIN LOW-INCOME STATUS.—

"(i) IN GENERAL.—The extended use period for any building shall terminate—

"(I) on the date the building is acquired by foreclosure (or instrument in lieu of foreclosure), or

"(II) on the last day of the period specified in subparagraph (I) if the housing credit agency is unable to present during such period a qualified contract for the acquisition of the low-income portion of the building by any person who will continue to operate such portion as a qualified low-income building.

Subclause (II) shall not apply to the extent more stringent requirements are provided in the agreement or in State law.

"(ii) EVICTION, ETC. OF EXISTING LOW-INCOME TENANTS NOT PERMITTED.—The termination of an extended use period under clause (i) shall not be construed to permit—

"(I) the eviction or the termination of tenancy (other than for good cause) of the tenant of any low-income unit on the termination date, or

"(II) any increase in the gross rent with respect to such unit in excess of that permitted under subsection (g), so long as such tenant continues to meet the income limitation applicable under subsection (g) to such unit.

"(F) QUALIFIED CONTRACT.—For purposes of subparagraph (E), the term 'qualified contract' means a bona fide contract to acquire (within a reasonable period after the contract is entered into) the low-income portion of the building for an amount not less than the applicable fraction (specified in the extended low-income housing commitment) of—

"(i) the sum of—

"(I) the outstanding indebtedness secured by, or with respect to, the building,

"(II) the adjusted investor equity in the building, plus

"(III) other capital contributions not reflected in the amounts described in subclause (I) or (II), reduced by

"(ii) cash distributions from (or available for distribution from) the project.

The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out this paragraph, including regulations to prevent the manipulation of the amount determined under the preceding sentence.

"(G) ADJUSTED INVESTOR EQUITY.—

"(i) IN GENERAL.—For purposes of subparagraph (E), the term 'adjusted investor equity' means, with respect to any calendar year, the aggregate amount of cash taxpayers invested with respect to the project increased by the amount equal to—

"(I) such amount, multiplied by

"(II) the cost-of-living adjustment for such calendar year, determined under section 1(f)(3) by substituting the base calendar year for 'calendar year 1987'.

An amount shall be taken into account as an investment in the project only to the extent there was an obligation to invest such amount as of the beginning of the credit period and to the extent such amount is reflected in the adjusted basis of the project.

"(ii) COST-OF-LIVING INCREASES IN EXCESS OF 5 PERCENT NOT TAKEN INTO ACCOUNT.—Under regulations prescribed by the Secretary, if the CPI for any calendar year (as defined in section 1(f)(4)) exceeds the CPI for the preceding calendar year by more than 5 percent, the CPI for the base calendar year shall be increased such that such excess shall never be taken into account under clause (i).

"(iii) BASE CALENDAR YEAR.—For purposes of this subparagraph, the term 'base calendar year' means the calendar year with or within which the 1st taxable year of the credit period ends.

"(H) LOW-INCOME PORTION.—For purposes of this paragraph, the low-income portion of a building is the portion of such building equal to the applicable fraction specified in the extended low-income housing commitment for the building.

"(I) PERIOD FOR FINDING BUYER.—The period referred to in this subparagraph is the 1-year period beginning on the date (after the 14th year of the compliance period) the taxpayer submits a written request to the housing credit agency to find a person to acquire the taxpayer's interest in the low-income portion of the building.

"(J) SALES OF LESS THAN LOW-INCOME PORTION OF BUILDING.—In the case of a sale or exchange of only a portion of the low-income portion of the building, only the same portion (as the portion sold or exchanged) of the amount determined under subparagraph (F) shall be taken into account thereunder.

"(K) EFFECT OF NONCOMPLIANCE.—If, during a taxable year, there is a determination that an extended low-income housing agreement was not in effect as of the beginning of such year, such determination shall not apply to any period before such year and subparagraph (A) shall be applied without regard to such determination if the failure is corrected within 1 year from the date of the determination.

"(L) PROJECTS WHICH CONSIST OF MORE THAN 1 BUILDING.—The application of this paragraph to projects which consist of more than 1 building shall be made under regulations prescribed by the Secretary."

(2) CONFORMING AMENDMENT.—Subparagraph (C) of section 42(b)(3) is amended by striking "subsection (h)(6))" and inserting "subsection "(h)(7)".

(d) CREDIT FOR ACQUISITION OF EXISTING BUILDING TO APPLY ONLY IF BUILDING TO BE REHABILITATED; INCREASE IN REQUIRED REHABILITATION EXPENDITURES.—

(1) IN GENERAL.—Subparagraph (B) of section 42(d)(2) is amended by striking "and" at the end of clause (ii), by striking the period at the end of clause (iii) and inserting ", and", and by adding at the end thereof the following new clause:

"(iv) a credit is allowable under subsection (a) by reason of subsection (e) with respect to the building."

(2) CREDIT PERIOD FOR EXISTING BUILDINGS NOT TO BEGIN BEFORE REHABILITATION CREDIT ALLOWED.—Subsection (f) of section 42 (relating to definition and special rules relating to credit period) is amended by adding at the end thereof the following new paragraph:

"(4) CREDIT PERIOD FOR EXISTING BUILDINGS NOT TO BEGIN BEFORE REHABILITATION CREDIT ALLOWED.—The credit period for an existing

building shall not begin before the 1st taxable year of the credit period for rehabilitation expenditures with respect to the building."

(3) INCREASE IN REQUIRED REHABILITATION EXPENDITURES.—Paragraph (3) of section 42(e) is amended—

(A) by striking "$2,000" in the text of subparagraph (A) and inserting "$3,000", and

(B) by striking "$2,000" in the heading and inserting "$3,000".

(e) CHANGES IN RULES RELATING TO RENT RESTRICTIONS.—

(1) REDUCTION IN AREA MEDIAN GROSS INCOME NOT TO REQUIRE REDUCTION OF RENT.—Subparagraph (A) of section 42(g)(2) (relating to rent-restricted units) is amended by adding at the end thereof the following new sentence: "For purposes of the preceding sentence, the amount of the income limitation under paragraph (1) applicable for any period shall not be less than such limitation applicable for the earliest period the building (which contains the unit) was included in the determination of whether the project is a qualified low-income housing project."

(2) HIGHER RENT PERMITTED FOR UNITS OCCUPIED BY HIGHER INCOME INDIVIDUALS IF PROJECT HAS OPERATING DEFICIT.—Paragraph (2) of section 42(g) is amended by adding at the end thereof the following new subparagraph:

"(D) HIGHER RENT PERMITTED FOR UNITS OCCUPIED BY HIGHER INCOME INDIVIDUALS IF PROJECT HAS OPERATING DEFICIT.—

"(i) IN GENERAL.—A unit in a project described in clause (ii) shall be treated as a rent-restricted unit under paragraph (1) if—

"(I) the income of the occupants of the unit is more than 100 percent (but not more than 140 percent) of the income limitation applicable under paragraph (1) to such occupants, and

"(II) the gross rent with respect to such unit does not exceed 30 percent of the income of such occupants.

"(ii) PROJECT DESCRIBED.—A project is described in this clause for any calendar year if—

"(I) the project would (without regard to the treatment under clause (i)) have an operating deficit for such calendar year,

"(II) the project's expenses for taxes, utilities (including garbage collection), operating maintenance services, and insurance are increasing in the aggregate at a rate (when compared to the preceding calendar year) in excess of the rate of increase of area median gross income, and

"(III) the housing credit agency for such project approves the treatment under clause (i).

"(iii) OPERATING DEFICIT.—The term 'operating deficit' means, with respect to any calendar year, an excess of—

"(I) the expenses necessary for the operation of the project (including debt service) during such calendar year, over

"(II) the aggregate of the gross rent receipts (including amounts described in clauses (i) and (ii) of subparagraph (B)) attributable to such calendar year and other available funds (including operating reserves)."

(3) DETERMINATION OF APPLICABLE AREA MEDIAN GROSS INCOME.—

(A) Subsection (g) of section 42 is amended by redesignating paragraphs (4), (5), and (6), as paragraphs (5), (6), and (7), respectively, and by inserting after paragraph (3) the following new paragraph:

"(4) INCOME OF INDIVIDUALS; AREA MEDIAN GROSS INCOME.—

"(A) IN GENERAL.—For purposes of this section, the income of individuals and area median gross income shall be determined by the Secretary in a manner consistent with determinations of lower income families and area median gross income under section 8 of the United States Housing Act of 1937 (or, if such program is terminated, under such program as in effect immediately before such termination).

"(B) AREA MEDIAN GROSS INCOME APPLICABLE TO UNIT BASED ON NUMBER OF BEDROOMS IN UNIT.—Determinations under subparagraph (A) shall include adjustments for family size. For purposes of determining the income limitation applicable under subsection (g)(1) to individuals occupying a residential unit, there shall be deemed to be—

"(i) 1 individual occupying the unit if the unit does not have a separate bedroom, and

"(ii) 1.5 individuals occupying the unit for each separate bedroom in such unit.

In the case of a project with respect to which a credit is allowable by reason of this section and for which financing is provided by a bond described in section 142(a)(7), the preceding sentence shall also apply for purposes of the last sentence of section 142(d)(2)(B)."

(B) Paragraph (5) of section 42(g), as redesignated by subparagraph (A), is amended by striking "(2) (other than subparagraph (A) thereof),".

(4) USE OF STATE MEDIAN GROSS INCOME FOR DETERMINING QUALIFIED LOW-INCOME HOUSING PROJECT STATUS, ETC.—Subsection (g) of section 42 (relating to qualified low-income housing projects) is further amended by adding at the end thereof the following new paragraph:

"(8) USE OF STATE MEDIAN GROSS INCOME IN CERTAIN CASES.—

"(A) IN GENERAL.—For purposes of this section, area median gross income shall be treated as not being less than State median gross income in the case of a building—

"(i) which was, immediately before its acquisition by the taxpayer, owned or financed by a Federal, State, or local governmental agency,

"(ii) which is a federally-assisted building described in clause (i), (ii), or (iii) of subsection (d)(6)(B)), and

"(iii) which is described in clause (i) or (ii) of subparagraph (B).

"(B) ADDITIONAL DESCRIPTION.—

"(i) A building is described in this clause if the building is at least 6 months in arrears in payments on the mortgage loan thereon and the agency described in subparagraph (A)(i) with respect to such building makes a determination that—

"(I) the building requires substantial rehabilitation, and

"(II) pursuant to an analysis of certified financial statements relating to the building, the building is not then generating cash flow sufficient to pay costs of maintenance, operations, and payments of principal and interest on a current basis.

"(ii) A building is described in this clause if the building was acquired by a Federal, State, or local governmental agency by reason of foreclosure or instrument in lieu of foreclosure."

(f) ADDITIONAL BUILDINGS ELIGIBLE FOR WAIVER OF 10-YEAR PERIOD APPLICABLE TO ACQUISITIONS OF EXISTING BUILDINGS.—

(1) IN GENERAL.—Subparagraph (A) of section 42(d)(6) is amended by striking "or" at the end of clause (i), by striking the period at the end of clause (ii) and inserting a comma, and by adding at the end thereof the following new clauses:

"(iii) to avert default on a loan made or held by any State or agency thereof, or

"(iv) to facilitate the sale of the building if—

"(I) the mortgage loan on the building is held by the Department of Housing and Urban Development,

"(II) the building is owned by such Department following its acquisition (by such Department or the mortgage loan lender) by foreclosure (or by instrument in lieu of foreclosure), or

"(III) the building is owned by the Farmers Home Administration."

(2) LOW-INCOME BUILDINGS WHERE MORTGAGE MAY BE PREPAID.—Paragraph (6) of section 42(d) is amended by adding at the end thereof the following new subparagraph:

"(C) LOW-INCOME BUILDINGS WHERE MORTGAGE MAY BE PREPAID.—A waiver may be granted under subparagraph (A) (without regard to any clause thereof) with respect to a federally-assisted building described in clause (ii) or (iii) of subparagraph (B) if—

"(i) at any time within 1 year after the date of the application by the taxpayer for such a waiver, the mortgage on such building is eligible for prepayment under subtitle B of the Emergency Low Income Housing Preservation Act of 1987 or under section 502(c) of the Housing Act of 1949, and

"(ii) the appropriate Secretary or Administrator certifies to the Secretary that it is reasonable to expect that such building will cease being a low-income building if the waiver is not granted, and

If a waiver is granted under subparagraph (A) with respect to such building, no person shall be eligible to prepay such mortgage without the approval of the appropriate Secretary."

(3) CERTAIN MULTI-FAMILY HOUSING.—Subparagraph (B) of section 42(d)(6) is amended by adding at the end thereof the following new sentence: "Such term includes any building which has more than 4 residential rental units and the mortgage on which was originated by, or is insured or guaranteed by, the Federal Government."

(g) ADDITIONAL TYPES OF HOUSING ELIGIBLE FOR CREDIT.—

(1) SINGLE-ROOM OCCUPANCY UNITS RENTED ON A MONTHLY BASIS.—Subparagraph (B) of section 42(i)(3) (relating to low income unit) is amended by adding at the end thereof the following new sentence: "For purposes of the preceding sentence, a single-room occupancy unit shall not be treated as used on a transient basis merely because it is rented on a month-by-month basis."

(2) SPECIAL NEEDS HOUSING.—

(A) CONSIDERATION OF REQUIRED FEES FOR SUPPORTIVE SERVICES IN CALCULATION OF GROSS RENT.—Subparagraph (B) of section 42(g)(2) (relating to gross rent) is amended—

(i) in clause (i), by striking "and" at the end,

(ii) in clause (ii), by striking the period at the end and inserting ", and", and

(iii) by adding at the end the following new clause:

"(iii) includes any fee assessed for a supportive service (as defined in paragraph (9)) if payment of the fee is required as a condition of occupancy, unless—

"(I) the fee is paid by any governmental program of assistance in which the amount of assistance provided for rent is not separable from the amount of assistance provided for supportive services, or

"(II) the project would not be economically feasible without the required fee and a governmental agency regulates the fee to ensure that it is reasonable."

(B) ELIGIBILITY OF SPECIAL NEEDS HOUSING.—Subsection (g) of section 42 (relating to qualified low-income housing project) is further amended by adding at the end the following new paragraph:

"(9) ELIGIBILITY OF SPECIAL NEEDS HOUSING.—

"(A) IN GENERAL.—A residential rental property shall not be treated as failing to be a qualified low-income housing project for purposes of this section solely because individuals occupying residential units in the property are provided supportive services. The preceding sentence shall not apply if section 7872 does not apply to any individual occupying a residential unit in the property (or such individual spouse) by reason of subsection (g) thereof.

"(B) SUPPORTIVE SERVICE.—For purposes of this paragraph, the term 'supportive service' means any service provided under a planned program of services designed to enable residents of a residential rental property to remain independent and avoid placement in a hospital, nursing home, or intermediate care facility."

(3) SCATTERED SITE PROJECTS.—Subsection (g) of section 42 (defining qualified low-income housing project) is further amended by adding at the end thereof the following new paragraph:

"(10) SCATTERED SITE PROJECTS.—Buildings which would (but for their lack of proximity) be treated as a project for purposes of this section shall be so treated if all of the dwelling units in each of the buildings are rent-restricted (within the meaning of paragraph (2)) residential rental units."

(h) ELIGIBLE BASIS FOR NEW BUILDINGS TO INCLUDE EXPENDITURES BEFORE CLOSE OF 1ST YEAR OF CREDIT PERIOD.—

(1) NEW BUILDINGS.—Paragraph (1) of section 42(d) (relating to eligible basis for new buildings) is amended by inserting before the period "as of the close of the 1st taxable year of the credit period".

(2) EXISTING BUILDINGS.—Subparagraph (A) of section 42(d)(2) (relating to eligible basis for existing buildings) is amended by striking "subparagraph (B)" and all that follows through the end of clause (i) and inserting "subparagraph (B), its adjusted basis as of the close of the 1st taxable year of the credit period, and".

(3) CONFORMING AMENDMENTS.—

(A) Subparagraph (C) of section 42(d)(2) is amended by striking "ACQUISITION COST" in the heading and inserting "ADJUSTED BASIS" and by striking "cost" in the text and inserting "adjusted basis".

(B) Paragraph (5) of section 42(d) is amended by striking subparagraph (A), by redesignating subparagraphs (B) and (C) as subparagraphs (A) and (B), respectively, and by striking the paragraph heading and inserting the following:

"(5) SPECIAL RULES FOR DETERMINING ELIGIBLE BASIS.—".

(C) Paragraph (5) of section 42(e) is amended by striking "subsection (d)(2)(A)(i)(II)" and inserting "subsection (d)(2)(A)(i)".

(i) CHANGES IN RULES LIMITING BENEFITS WHERE BUILDING FINANCED WITH TAX-EXEMPT BONDS OR BELOW MARKET LOANS.—

(1) FEWER BUILDINGS TREATED AS FEDERALLY SUBSIDIZED.—

(A) Subparagraph (A) of section 42(i)(2) is amended by adding at the end thereof the following: "The preceding sentence shall not apply if—

"(i) the aggregate of the obligations and loans referred to therein does not exceed 75 percent of the aggregate basis of the building and the land on which it is located (other than so much of such basis as is attributable to any developer fee), and

"(ii) any additional credit which is allowable under subsection (a) by reason of clause (i) is supported by an allocation of housing credit under subsection (h)."

(B) Subparagraph (D) of section 42(i)(2) (defining below market Federal loan) is amended by inserting "50 percent of" after "less than".

(2) CREDIT VOLUME CAP NOT APPLICABLE TO BUILDING IF 50 PERCENT OR MORE OF BUILDING IS FINANCED WITH TAX-EXEMPT BONDS SUBJECT TO BOND VOLUME CAP.—Subparagraph (B) of section 42(h)(4) is amended—

(A) by striking "70 percent" in the text and inserting "50 percent", and

(B) by striking "70 PERCENT" in the heading and inserting "50 PERCENT".

(j) HOUSING CREDIT MAY BE ALLOCATED ON PROJECT BASIS.—

(1) IN GENERAL.—Paragraph (1) of section 42(h) is amended by adding at the end thereof the following new subparagraph:

"(F) ALLOCATION OF CREDIT ON A PROJECT BASIS.—

"(i) IN GENERAL.—In the case of a project which includes (or will include) more than 1 building, an allocation meets the requirements of this subparagraph if—

"(I) the allocation is made to the project for a calendar year during the project period,

"(II) the allocation only applies to buildings placed in service during or after the calendar year for which the allocation is made, and

"(III) the portion of such allocation which is allocated to any building in such project is specified not later than the close of the calendar year in which the building is placed in service.

"(ii) PROJECT PERIOD.—For purposes of clause (i), the term 'project period' means the period—

"(I) beginning with the 1st calendar year for which an allocation may be made for the 1st building placed in service as part of such project, and

"(II) ending with the calendar year the last building is placed in service as part of such project."

(2) CONFORMING AMENDMENT.—Subparagraph (B) of section 42(h)(1) is amended by striking "or (E)" and inserting "(E), or (F)".

(3) PROJECTS WITH MORE THAN 1 BUILDING MUST BE IDENTIFIED.—Paragraph (3) of section 42(g) is amended by adding at the end thereof the following new subparagraph:

"(D) PROJECTS WITH MORE THAN 1 BUILDING MUST BE IDENTIFIED.—For purposes of this section, a project shall be treated as consisting of only 1 building unless, before the close of the 1st calendar year in the project period (as defined in subsection (h)(1)(F)(ii)), each building which is (or will be) part of such project is identified in such form and manner as the Secretary may provide."

(k) OWNER-OCCUPIED BUILDINGS HAVING 4 OR FEWER UNITS ELIGIBLE FOR CREDIT WHERE DEVELOPMENT PLAN.—Paragraph (3) of section 42(i) is amended by adding at the end thereof the following new subparagraph:

"(D) OWNER-OCCUPIED BUILDINGS HAVING 4 OR FEWER UNITS ELIGIBLE FOR CREDIT WHERE DEVELOPMENT PLAN.—

"(i) IN GENERAL.—Subparagraph (C) shall not apply to the acquisition or rehabilitation of a building pursuant to a development plan of action sponsored by a State or local government or a qualified nonprofit organization (as defined in subsection (h)(5)(C)).

"(ii) LIMITATION ON CREDIT.—In the case of a building to which clause (i) applies, the applicable fraction shall not exceed 80 percent of the unit fraction.

"(iii) CERTAIN UNRENTED UNITS TREATED AS OWNER-OCCUPIED.—In the case of a building to which clause (i) applies, any unit which is not rented for 90 days or more shall be treated as occupied by the owner of the building as of the 1st day it is not rented."

(l) ALLOCATION OF CREDIT AMONG PARTNERS.—Paragraph (5) of section 42(j) (relating to certain partnerships treated as the taxpayer) is amended by redesignating subparagraph (C) as subparagraph (D) and by inserting after subparagraph (B) the following new subparagraph:

"(C) ALLOCATION OF CREDIT AMONG PARTNERS.—The allocation of the credit determined under this section to a partner shall be treated as having substantial economic effect for purposes of section 704(b) if—

"(i) such allocation is made on the basis of such partner's share of some other substantial partnership item and such allocation has substantial economic effect for such purposes, and

"(ii) appropriate adjustments are made under regulations prescribed by the Secretary in the gain chargeback rules to take into account the amount of such credit which is allowed to a partner during the period such partner's capital account is negative."

(m) CHANGES IN RULES RELATED TO DEEP RENT SKEWED PROJECTS.—

(1) Clause (iii) of section 142(d)(4)(B) is amended by striking "⅓" and inserting "½".

(2) Paragraph (5) of section 42(g) (relating to certain rules made applicable), as redesignated by subsection (e)(3), is further amended by striking "(other than section 142(d)(4)(B)(iii))".

(n) ADJUSTED GROSS INCOME PHASEOUT FOR $25,000 EXCEPTION FROM PASSIVE LOSS RULES TO APPLY BASED ON SUCH INCOME BEFORE INITIAL INVESTMENT.—Paragraph (3) of section 469(i) is amended by adding at the end thereof the following new subparagraph:

"(C) YEAR-BY-YEAR TEST OF ADJUSTED GROSS INCOME NOT TO APPLY TO LOW-INCOME HOUSING CREDIT.—If any portion of the passive activity credit for the taxable year is attributable to the credit determined under section 42 with respect to any project, the taxpayer's adjusted gross income for such year shall be treated for purposes of this subsection as being equal to the taxpayer's adjusted gross income for the last taxable year ending before the date of the taxpayer's earliest substantial investment in the project. The preceding sentence shall apply only with respect to investments the taxpayer was obligated (on a recourse basis) to make as of the close of such last taxable year."

(o) HOUSING CREDIT AGENCIES MUST ADOPT PLANS FOR ALLOCATION OF CREDIT AMONG PROJECTS.—Subsection (h) of section 42 (relating to limitation on aggregate credit allowable with respect to projects located in a State), as amended by subsection (c), is further amended by inserting after paragraph (7) the following new paragraph:

"(8) HOUSING CREDIT AGENCIES MUST ADOPT PLANS FOR ALLOCATION OF CREDIT AMONG PROJECTS.—

"(A) IN GENERAL.—Notwithstanding any other provision of this section, the housing credit dollar amount with respect to any building shall be zero unless such amount was allocated pursuant to a qualified allocation plan of the housing credit agency

which is approved by the governmental unit (in accordance with rules similar to the rules of section 147(f)(2)) of which such agency is a part.

"(B) QUALIFIED ALLOCATION PLAN.—For purposes of this paragraph, the term 'qualified allocation plan' means any plan—

"(i) which sets forth selection criteria to be used to determine housing priorities of the housing credit agency which are appropriate to local conditions, and

"(ii) which gives preference in allocating housing credit dollar amounts among selected projects to—

"(I) projects serving the lowest income tenants,

"(II) projects obligated to serve qualified tenants for the longest periods, and

"(III) projects which provide the largest number of units per dollar of credit.

"(C) CERTAIN SELECTION CRITERIA MUST BE USED.—The selection criteria set forth in a qualified allocation plan must include—

"(i) project location,

"(ii) housing needs characteristics,

"(iii) project characteristics,

"(iv) sponsor characteristics, and

"(v) tenant populations with special housing needs.

"(D) APPLICATION TO BOND FINANCED PROJECTS.—Paragraph (4) shall not apply to any project unless the project satisfies the requirements for allocation of a housing credit dollar amount under the qualified allocation plan applicable to the area in which the project is located."

(p) CREDIT ALLOCATED NOT TO EXCEED AMOUNT NECESSARY TO ASSURE PROJECT FEASIBILITY.—Subsection (h) of section 42 is further amended by inserting after paragraph (8) the following new paragraph:

"(9) CREDIT ALLOCATED TO BUILDING NOT TO EXCEED AMOUNT NECESSARY TO ASSURE PROJECT FEASIBILITY.—

"(A) IN GENERAL.—The housing credit dollar amount allocated to a project shall not exceed the amount the housing credit agency determines is necessary for the financial feasibility of the project and its viability as a qualified low-income housing project throughout the compliance period or such longer period as such agency determines to be appropriate.

"(B) AGENCY EVALUATION.—In making the determination under subparagraph (A), the housing credit agency shall consider—

"(i) the sources and uses of funds and the total financing planned for the project, and

"(ii) any proceeds or receipts expected to be generated by reason of tax benefits.

Such a determination shall not be construed to be a representation or warranty as to the feasibility or viability of the project.

"(C) APPLICATION TO BOND FINANCED PROJECTS.—Paragraph (4) shall not apply to any project unless the governmental unit which issued the bonds (or on behalf of which the bonds were issued) makes a determination under rules similar to the rules of subparagraphs (A) and (B)."

(q) STUDENTS IN GOVERNMENT-SUPPORTED JOB TRAINING PROGRAMS NOT TO DISQUALIFY UNIT.—Paragraph (3) of section 42(i), as amended by subsection (k), is further amended by adding at the end thereof the following new subparagraph:

"(E) STUDENTS IN GOVERNMENT-SUPPORTED JOB TRAINING PROGRAMS NOT TO DISQUALIFY UNIT.—A unit shall not fail to be treated as a low-income unit merely because it is occupied by an individual who is enrolled in a job training program receiving assistance under Federal or State law or who is otherwise receiving job training assistance under Federal or State law."

(r) CHANGES RELATING TO AT-RISK RULES.—

(1) APPLICATION OF AT-RISK RULES WHERE HISTORIC REHABILITATION CREDIT ALLOWED.—Paragraph (8) of section 46(c) (relating to certain nonrecourse financing excluded from credit base) is amended by adding at the end thereof the following new subparagraph:

"(G) SPECIAL RULES WHERE BOTH HISTORIC REHABILITATION CREDIT AND LOW-INCOME HOUSING CREDIT ALLOWED.—In the case of a building with respect to which—

"(i) credit is allowable by section 38 which is attributable to the rehabilitation percentage in subsection (b)(4)(A)(ii), and

"(ii) credit is allowable by section 38 which is determined under section 42 (relating to low-income housing credit),

the provisions of this paragraph, paragraph (9), and section 47(d)(1) shall be applied as modified by section 42(k)."

(2) APPLICATION OF AT-RISK RULES WITH RESPECT TO CERTAIN FINANCING PROVIDED BY QUALIFIED NONPROFIT ORGANIZATIONS.—Subparagraph (D) of section 42(k)(2) (relating to application of at-risk rules) is amended by adding at the end thereof the following new sentence:

"In the case of a qualified nonprofit organization which is not described in section 46(c)(8)(D)(iv)(II) with respect to a building, clause (ii) of this subparagraph shall be applied as if the date described therein were the 90th day after the earlier of the date the building ceases to be a qualified low-income building or the date which is 15 years after the close of a compliance period with respect thereto."

(s) CREDIT PERCENTAGES DETERMINED ON SEMIANNUAL BASIS.—Subparagraph (C) of section 42(b)(2) is amended—

(1) by inserting "for any month" after "subparagraph (B)" in the material preceding clause (i),

(2) by striking clause (ii) and inserting the following:

"(ii) by using a discount rate equal to 72 percent of the average of the annual Federal mid-term rates and the annual Federal long-term rates applicable under section 1274(d)(1) to months during the most recent semiannual period ending before such month and compounded annually, and", and

(3) by adding at the end thereof the following new sentence:

"For purposes of clause (ii), the term 'semiannual period' means the 6-month period ending June 30 and the 6-month period ending December 31."

(t) ACQUISITION OF PARTNERSHIP TREATED AS ACQUISITION OF BUILDING HELD BY PARTNERSHIP.—Subparagraph (D) of section 42(d)(2) is amended by adding at the end thereof the following new clause:

"(iv) ACQUISITION OF PARTNERSHIP TREATED AS ACQUISITION OF BUILDING HELD BY PARTNERSHIP.—

"(I) IN GENERAL.—If 90 percent or more of the capital and profits interests in a partnership are acquired by purchase (within the meaning of subparagraph (B)(i)) in a single transaction within a 12-month period, the assets of such partnership shall be treated for purposes of subparagraph (B)(i) as so acquired.

"(II) CONTINUING PARTNERS NOT ALLOWED CREDIT.—In a case to which subclause (I) applies, no credit shall be allowed by reason of this section to any person unless such person acquired his interest in the partnership by purchase (within the meaning of subparagraph (B)(i)) as part of or after the transaction referred to in subclause (I)."

(u) APPLICATION OF CREDIT TO ESTATES AND TRUSTS.—Subsection (i) of section 42 (relating to special rules) is amended by adding at the end thereof the following new paragraph:

"(6) APPLICATION TO ESTATES AND TRUSTS.—In the case of an estate or trust, the amount of the credit determined under subsection (a) and any credit recapture amount under subsection (j) shall be apportioned between the estate or trust and the beneficiaries on the basis of the income of the estate or trust allocable to each."

(v) ADMINISTRATIVE PROVISIONS.—

(1) CERTIFICATIONS WITH RESPECT TO 1ST YEAR OF CREDIT PERIOD MADE WITH INCOME TAX RETURNS.—Paragraph (1) of section 42(l) (relating to certification with respect to 1st year of credit period) is amended by striking so much of the text as precedes "the taxpayer shall" and inserting "Not later than the last day prescribed by law for filing the return of tax for the 1st taxable year in a credit period (including extensions) with respect to any qualified low-income building,".

(2) AUTHORITY TO PRESCRIBE PROCEDURES FOR HOUSING CREDIT AGENCIES TO CORRECT ERRORS.—Subsection (m) of section 42 (relating to regulations) is amended by striking "and" at the end of paragraph (2), by striking the period at the end of paragraph (3) and inserting ", and", and by adding at the end thereof the following new paragraph:

"(4) providing the opportunity for housing credit agencies to correct administrative errors and omissions with respect to allocations and record keeping within a reasonable period after their discovery, taking into account the availability of regulations and other administrative guidance from the Secretary."

(w) INCREASE IN CREDIT FOR BUILDINGS IN HIGH COST AREAS.—Paragraph (5) of section 42(d) is further amended by adding at the end thereof the following new subparagraph:

"(C) INCREASE IN CREDIT FOR BUILDINGS IN HIGH COST AREAS.—

"(i) IN GENERAL.—In the case of any building located in the portion of a qualified census tract or difficult development area which is designated for purposes of this subparagraph—

"(I) in the case of a new building, the eligible basis of such building shall be 130 percent of such basis determined without regard to this subparagraph, and

"(II) in the case of an existing building, the rehabilitation expenditures taken into account under subsection (e) shall be 130 percent of such expenditures determined without regard to this subparagraph.

"(ii) QUALIFIED CENSUS TRACT.—

"(I) IN GENERAL.—The term 'qualified census tract' means any area in which 50 percent or more of the families have an income which is less than 60 percent of the area median gross income.

"(II) LIMIT ON AREAS DESIGNATED.—The portion of a qualified census tract which may be designated for purposes of this subparagraph shall not exceed an area having 20 percent of the population of such tract.

"(III) DETERMINATION OF AREAS.—For purposes of this clause, each metropolitan statistical area shall be treated as a separate area and all nonmetropolitan areas in a State shall be treated as one area.

"(iii) DIFFICULT DEVELOPMENT AREAS.—

"(I) IN GENERAL.—The term 'difficult development areas' means any area designated by the Secretary of Housing and Urban Development as an area which has high construc-

tion, land, and utility costs relative to area median gross income.

"(II) LIMIT ON AREAS DESIGNATED.—Only 20 percent of the metropolitan statistical areas in the United States may be designated for purposes of this subparagraph and only 20 percent of nonmetropolitan areas in the United States may be so designated.

"(iv) SPECIAL RULES AND DEFINITIONS.—For purposes of this subparagraph—

"(I) population shall be determined on the basis of the most recent decennial census for which data are available,

"(II) area median gross income shall be determined in accordance with subsection (g)(4),

"(III) the term 'metropolitan statistical area' has the same meaning as when used in section 143(k)(2)(B), and

"(IV) the term 'nonmetropolitan area' means any county (or portion thereof) which is not within a metropolitan statistical area."

(x) ELIGIBLE BASIS OF BUILDING ACQUIRED IN CERTAIN FORECLOSURES.—

(1) IN GENERAL.—Subsection (d) of section 42 (relating to eligible basis) is amended by adding at the end thereof the following new paragraph:

"(8) ELIGIBLE BASIS OF BUILDING ACQUIRED IN CERTAIN FORECLOSURES.—The eligible basis of a building acquired as described in subsection (k)(3) shall be an amount equal to the lesser of—

"(A) the eligible basis calculated under this subsection without regard to this paragraph, or

"(B) the amount chargeable to capital account (before the close of the 1st taxable year of the credit period for such building) which is—

"(i) in connection with the actual construction and development of the building,

"(ii) of a character subject to the allowance for depreciation, and

"(iii) without regard to any—

"(I) basis adjustment resulting from a transaction in which a gain or loss is realized in connection with the building, or

"(II) section 754 basis adjustment in connection with such an acquisition or occurring thereafter."

(2) APPLICATION OF AT-RISK RULES TO BUILDING ACQUIRED IN CERTAIN FORECLOSURES.—Subsection (k) of section 42 (relating to application of at-risk rules) is amended by redesignating paragraphs (3) and (4) as paragraphs (4) and (5), respectively, and by inserting after paragraph (2) the following new paragraph:

"(3) SPECIAL RULES FOR DETERMINING QUALIFIED PERSON IN THE EVENT OF FORECLOSURE.—For purposes of paragraph (1)—

"(A) IN GENERAL.—If—

"(i) the requirements of subparagraph (B) are met with respect to financing provided by any person who acquired a building by foreclosure (or by instrument in lieu of foreclosure) of any purchase money-security interest held by such person,

"(ii) such building is resold by the person within 12 months after the date of foreclosure (or instrument in lieu of foreclosure), and

"(iii) the requirements of paragraph (2)(D) regarding repayment of principal and interest are met with respect to such financing, except that the phrase 'the date which is 10 years after the date of such financing' shall be substituted for clause (ii) of paragraph (2)(D),

then the determination of whether such financing is qualified commercial financing with respect to any qualified low-income building shall be made without regard to whether such person is a person described in section 46(c)(8)(D)(iv)(II).

"(B) PORTION OF BUILDING ATTRIBUTABLE TO FINANCING.—The requirements of this subparagraph are met with respect to any financing of a building for any taxable year in the compliance period if, as of the close of such taxable year, not more than the lesser of—

"(i) 60 percent of the eligible basis of the qualified low-income building, or

"(ii) the amount of the purchase money-security interest upon which the person described in subparagraph (A) foreclosed (or accepted an instrument in lieu of foreclosure),

is attributable to such financing (reduced by the principal and interest of any governmental financing which is part of a wrap-around mortgage involving such financing).

"(C) DETERMINATION OF ELIGIBLE BASIS.—The eligible basis of a building acquired as described in this paragraph shall be determined under subsection (d)(8)."

(3) PRESENT VALUE OF FINANCING.—Section 42(k)(4) (relating to present value of financing), as redesignated by paragraph (2), is amended—

(A) by inserting after the first sentence: "If the rate of interest on any financing described in paragraph (3) is less than the rate which is 1 percentage point above the applicable Federal rate as of the time such financing is incurred, then the qualified basis (to which such financing relates) of the qualified low-income building shall be the present value of the amount of such financing, using as the discount rate 1 percentage point above such applicable Federal rate."; and

(B) by striking "the preceding sentence" in the last sentence and inserting "this paragraph".

(y) CERTAIN PURCHASE OPTIONS DISREGARDED.—Subsection (i) of section 42 (relating to definitions and special rules) is further amended by adding at the end thereof the following new paragraph:

"(7) CERTAIN PURCHASE OPTIONS DISREGARDED.—For purposes of this title, the determination of whether any qualified low-income building is owned by the taxpayer shall be made without regard to any option by a qualified nonprofit organization (as defined in subsection (h)(5)(C)) to acquire such building at less than fair market value after the close of the compliance period if no financing with respect to such building is provided during such period by such organization (or a related person (as defined in subsection (d)(2)(D)(iii)) to such organization).".

(z) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as otherwise provided in this subsection, the amendments made by this section shall apply to determinations under section 42 of the Internal Revenue Code of 1986 with respect to housing credit dollar amounts allocated from State housing credit ceilings for calendar years after 1989.

(2) BUILDINGS NOT SUBJECT TO ALLOCATION LIMITS.—Except as otherwise provided in this subsection, to the extent paragraph (1) of section 42(h) of such Code does not apply to any building by reason of paragraph (4) thereof, the amendments made by this section shall apply to buildings placed in service after December 31, 1989.

(3) 1-YEAR CARRYOVER OF UNUSED CREDIT AUTHORITY.—The amendments made by subsection (b) shall apply to calendar years after 1989, but clauses (ii) and (iii) of section 42(h)(3)(C) of such Code (as added by this section) shall not apply to unused allocations for 1989 or any preceding year.

(4) ADDITIONAL BUILDINGS ELIGIBLE FOR WAIVER OF 10-YEAR RULE.—The amendments made by subsection (f) shall take effect on the date of the enactment of this Act.

(5) AMENDMENT TO PASSIVE LOSS RULES.—The amendment made by subsection (n) shall apply to any investment in a project after December 31, 1989, but only if the taxpayer's earliest substantial investment in such project is after such date.

(6) DETERMINATION OF CREDIT PERCENTAGE.—The amendment made by subsection (s) shall apply to months after December 1989.

(7) ACQUISITION OF PARTNERSHIP TREATED AS ACQUISITION OF BUILDING HELD BY PARTNERSHIP.—The amendment made by subsection (t) shall apply to acquisitions after December 31, 1989.

(8) CERTIFICATIONS WITH RESPECT TO 1ST YEAR OF CREDIT PERIOD.—The amendment made by subsection (v)(1) shall apply to taxable years ending on or after December 31, 1989.

(9) RULES RELATING TO PROPERTY ACQUIRED IN CERTAIN FORECLOSURES.—The amendments made by subsection (x) shall apply to property placed in service after the date of the enactment of this Act.

(10) CERTAIN RULES WHICH APPLY TO BONDS.—Paragraphs (8)(D) and (9)(C) of section 42(h) of such Code, as added by this section, shall apply to obligations issued December 31, 1989.

(11) CLARIFICATIONS.—The following amendments shall apply as if included in the amendments made by section 252 of the Tax Reform Act of 1986:

(A) Paragraph (1) and (2) of subsection (g) (relating to units rented on a monthly basis and special needs housing).

(B) Subsection (h) (relating to eligible basis for new buildings to include expenditures before close of 1st year of credit period).

(C) Subsection (l) (relating to allocation of credit among partners).

(D) Subsection (q) (relating to students in government-supported job training programs not to disqualify unit).

(E) Subsection (u) (relating to application of credit to estates and trusts).

(F) Subsection (v)(2) (relating to authority to prescribe procedures for housing credit agencies to correct errors).

(12) REGULATIONS ON DIFFICULT DEVELOPMENT AREAS.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Housing and Urban Development shall prescribe initial regulations on the designation of difficult development areas under section 42(d)(5)(C) of the Internal Revenue Code of 1986, as added by this section.

SUMMARY OF THE LOW-INCOME HOUSING TAX CREDIT ACT

EXTENSION OF CURRENT LAW

The low-income housing tax credit would be made permanent.

EXTENDED LOW-INCOME USE OF PROPERTY

Limitations on the ability of owners to transfer or convert property benefiting from the credit would be imposed to encourage the property to remain low income for a period longer than the 15 years required in current law. Tax credit property would be required to be in compliance with the targeting rules for a period of 15 years. Owners desiring to convert or transfer the property

for non low-income use after the 15 years compliance period would be required to give the state allocating agency 12 months to find a purchaser for the low income units at a price related to the original cost of the property with some adjustments.

The purchase price governing the property in a sale arranged by the allocating agency would be no less than an amount equal to outstanding debt plus "adjusted investor equity", plus additional capital contributions not supported by debt on the property made after the initial equity investment. This amount would be reduced by cash distributions available from the project. Adjusted investor equity would be the original equity invested in the project increased annually by the CPI, not to exceed 5 percent annually.

If the allocating agency is not able to locate a buyer within the 12 month period, the owner of the property may transfer or convert the property without use or purchase price restriction except that existing tenants cannot be evicted without cause under local housing laws. The extended use period would terminate in the event the property is taken in foreclosure or deed in lieu of foreclosure.

ALLOCATION PLANS AND SELECTION CRITERIA

Credit allocating agencies would be required to establish, publish and hold hearings on allocation plans setting forth the standards on which credit allocations will be made. Such allocation plans should include certain selection criteria the agency must take into account in awarding credit allocations. The intent of this change in law is to require states to establish a ranking system where credits are awarded, not on a first come first serve basis, but based on the housing needs and priorities of the state.

In the allocation plans, credit allocating agencies would be required to establish selection criteria for allocating credits among projects according to the housing priorities of the housing agency as are appropriate to local conditions. The selection criteria would be established within certain basic categories, including: project location, housing needs characteristics, project characteristics, sponsor characteristics, and tenant population with special needs housing. In addition, priority would be required to be given to projects which produce the most units per credit dollar, serve the lowest income tenants, and obligate to serving qualified tenants for the longest period.

PROJECT EVALUATION

Under current law, allocating agencies have the authority to provide a lesser credit amount than the maximum permitted. This authority is rarely being exercised currently although it is anticipated that agencies will modify their practices as demand for credits exceed supply.

The bill would encourage agencies to exercise their existing authority to provide a lower credit amount. The objective is to have allocating agencies utilize their limited credit resources in the most efficient manner by limiting the amount of credit for each project only to that amount which is necessary to make the project financially feasible and viable as a qualified low-income housing project throughout the compliance period. In determining feasibility and long-term viability the allocating agency will consider the sources and use of funds and the total financing contemplated for the project as well as the proceeds expected to be generated from the tax benefits. Each agency would be given considerable discretion in constructing its evaluation process.

RENT RESTRICTIONS

Median Income.—Under current law, as median income in an area falls, rents charged to tenants in targeted low income housing tax credit units would also fall. The bill provides that median income for purposes of determining rent levels and tenant qualification would not be reduced below the initial median income level when the property was placed in service.

Gross Rent.—Owners would be permitted to raise rents to 30 percent of actual income rather than 30 percent of qualifying income in certain circumstances. The amendment would apply to tenants in rent restricted units whose income rises above qualifying income in projects with an operating deficit where certain operating expenses are increasing at a faster rate than median incomes. The owner would have to obtain approval of the credit allocating agency before raising rents above 30 percent of qualifying income.

For this purpose, operating expenses would include taxes, utilities (including garbage collection), and insurance. An operating deficit would occur when the amount necessary for the operation of the project exceeds the rent receipts and other funds available to the project, including reserves.

Rent Determination.—For purposes of determining family size to establish rent limitations, in units with at least one bedroom, family size would be determined with reference to the number of bedrooms in the rent restricted unit rather than the actual size of the family. Those units with at least one bedroom would be considered to have the mean between one and two person per bedroom (1.5 family members per bedroom) for purposes of determining median family income.

State Median Income.—Qualifying tenant income would be the higher of state or area median income in the case of qualifying property. Such property would include federally-assisted housing requiring substantial rehabilitation, acquired through foreclosure by a Federal, state or local agency following at least 6 months of arrears on the mortgage.

TEN YEAR HOLDING PERIOD

Additional circumstances would be established that would permit the Treasury Department to waive provisions in current law denying the credit to property which has been placed in service within the prior ten year period.

First, a waiver would be possible for property in financial distress: (1) to facilitate the sale of a project whose mortgage is held by HUD; and (2) to facilitate the sale of a project which is owned by FmHA or is owned by HUD following its acquisition by HUD or the lender by foreclosure or deed-in-lieu of foreclosure.

Second, a waiver would be possible for federally-assisted low-income property (221(d)(3) and 236 mortgages) which HUD has determined, on the basis of market and marketability analyses: (1) is eligible to prepay its mortgage, and (2) could charge market rents and thus could repay. The waiver would be granted only to those owners who elect not to prepay their federal mortgage.

Third, a waiver would be possible for federally-assisted housing facing the threat of default to a State housing agency. Finally, a waiver would be possible for multifamily property in financial distress on which a mortgage originates from the federal government or is federally insured or guaranteed by which receives no federal assistance.

INVESTOR INCOME LIMITATIONS

If in individual's adjusted gross income is less than $200,000 in the year preceding the investment in low-income housing, the full credit will be available for the balance of the investment period.

HIGHER COST AREAS

Allocating agencies will be given discretion to provide a credit which is 130 percent of the credit amount otherwise permitted in two cases. First, in qualified census tracts" where fifty percent of the population has an income which is less than sixty percent of the metropolitan statistical area median income (or statewide nonmetro income). The designated census tracts within each area would not comprise more than 20 percent of the population in the area. Second, in "difficult development areas", comprising no more than 20 percent of the statistical areas nationwide, designated by HUD as an area which has high construction, land and utility costs relative to area median income.

CREDIT PENALTIES

The definition of "federally subsidized" buildings would be modified to only include buildings which, as a percent of aggregate basis and land, not including developer fees, are financed more than 75 percent with tax exempt or below market federal loans which are less than one half the AFR.

The tax exempt bond financing threshold for purposes of determining whether credit/bond property must receive a state allocation would be reduced from 70 percent to 50 percent.

CREDIT ALLOCATIONS

Projects qualifying for tax exempt bond financing must receive allocations from the state allocating agency. Credits allocated to bond projects using the 30 percent present value credit would not come out of the state credit cap. Bond projects using more than a 30 percent present value credit would be allocated from the state credit cap to the extent of the value of the credits in excess of 30 percent of the present value.

ACQUISITION CREDIT

Acquisition would not be creditable unless they involve substantial rehabilitation. The definition of substantial rehabilitation would be raised from $2,000 to $3,000.

USES OF CREDIT

The bill would facilitate use of low-income housing tax credits and multifamily bonds to build single room occupancy (SRO) facilities and special needs housing. Facilities would not be disqualified solely because tenants in the property are provided supportive services. Gross rent would not include fees assessed for mandatory supportive services when the fee is paid by a government program or otherwise regulated by a government agency for reasonableness. An eligible SRO may have as short as month to month occupancy.

The prohibition against credits for units in buildings of less than four units where one unit is occupied by the owner of the other units would be modified to permit use of the low-income housing credit where such property is purchased or rehabilitated under a development plan of action sponsored by a state or local government or nonprofit organization.

PLACED IN SERVICE RULES

All expenses properly charged to the capital account of the project incurred within the first year of the credit period should be included in the creditable basis.

STATE CARRYOVER OF UNUSED CREDITS

A state would be allowed to carryover the credits it does not allocate in one year to the next year. Carryover credits are used after current year credits. The nonprofit percentage allocation would also carryover. If after the carryover, the credit is still not used by the state, the credits would go into a national pool allocated to states with excess credit demand in relation to population.

PARTNERSHIP ALLOCATIONS

For purposes of the regulations under Section 704(b), the allocation of the credit will be considered to have substantial economic effect if allocated on the basis of the partner's share of a substantial partnership item.

CONTINUOUS COMPLIANCE FOR INCOME LIMITS

The existing rent skewing rules for both the tax credit and bond programs would be applied where market rate rents are 200% instead of 300% of the low income rents. The rules would also reflect that state and local, as well as Federal Section 8, assistance would not be taken into account for determining the low income rent.

PROJECT AND BUILDING ISSUES

Scattered Site.—Section 42 would be amended to provide that scattered site housing with a common scheme of financing and ownership may be treated as a project for purposes of allocating the credit and complying with the targeting rules as long as the project is 100 percent low income.

Compliance with Targeting Rules.—Multi-building developments which qualify as a project (common scheme of financing and ownership) are eligible to receive an allocation on a project basis. The amount of the credit per building would not be fixed until buildings are placed in service. Compliance with the set aside rules would be satisfied on a project basis. Therefore, as long as the next available unit in the project is rented to a low income tenant so that the project overall meets the targeting requirements, there would be no credit recapture on buildings falling below the original targeting, nor additional credit on buildings exceeding the original targeting. If an owner elects to be treated as a project, the unit comparability rules would be determined on a project basis.

STUDENTS

Current law would be clarified to provide that tenants enrolled in qualifying, federal or state supported job training programs would not be considered students.

AT-RISK RULES

The at-risk rules for purposes of the historic rehabilitation credit will be the same as the at-risk rules for purposes of the low-income credit when such project utilizes both credits.

Financing provided by a qualified nonprofit organization in the case of buildings not acquired from the nonprofit organization would be repayable at the end of the extended use period.

CREDIT PERCENTAGE

The tax credit rate should be established semi-annually rather than monthly.

NONPROFIT RULES

The bill would permit qualified nonprofit organizations to enter into an option agreement to acquire credit property at less than fair market value at the end of the compliance period.

Current law would be clarified to permit apportionment of the credit between an estate or trust and the beneficiaries.

PURCHASE OF PARTNERSHIP INTERESTS

Transfer of at least 90 percent of the capital and profits interests in a partnership in a single transaction within a twelve month period would qualify as a transfer of the building.

Mr. SASSER. Mr. President, I rise to express my strong support and cosponsorship of the bill introduced today by the distinguished majority leader and the distinguished Senator from Missouri to make the low-income housing tax credit permanent. I know that this legislation is the product of a painstaking and exhaustive study on the part of these two Senators and I thank them for their devotion to the cause of low-income housing. This issue is one in need of champions and I'm pleased that it is now in the spotlight.

I don't need to remind my colleagues that our Nation is facing a housing crisis. The numbers of homeless, especially homeless children, have reached record proportions and our supply of decent public housing is dwindling. Moreover, rising costs and interest rates have pushed homeownership out of the reach of many of our young people.

In housing today, the participation of the private sector is more important than ever before. The low-income housing tax credit is an excellent incentive for private developers to build projects that provide affordable housing to low-income individuals.

The Low-Income Housing Tax Credit Act that we have before us now represents a significant departure from the approach that we have taken to this tax credit in the past. It is a long-term approach. By adding new low-income use restrictions, projects benefiting from the tax credit will remain available to low-income individuals for up to 30 years. Importantly, low-income tenants that are presently living in units that are converted to a non-low-income use would be allowed to remain and could not be evicted without cause.

This bill retains the tight targeting requirements that ensure that truly needy individuals are the beneficiaries. Only families with less than 60 percent of median income will be allowed to participate. Further, families cannot be charged rents in excess of 30 percent of their income. This compares to the current trend where almost two-thirds of low-income individuals are paying more than half of their income for rent.

I have long supported the low-income housing tax credit. It helps guarantee that a steady supply of new housing will remain available to our poor. While this tax credit cannot be expected to eliminate all of our housing shortages, it is a key element in encouraging the private sector to build multi-family housing for lower income families. Moreover, I assume that the fiscal impact of the credit will not be significant; indeed, I assume it to be revenue neutral.

I urge the support of all of my colleagues for this important legislation.

I yield the floor.

Mr. DANFORTH. Mr. President, today Senator MITCHELL and I are introducing a bill to extend permanently and modify the low-income housing tax credit. The low-income housing tax credit, the only remaining tax incentive for the production of low-income housing, expires at the end of this year.

The low-income housing tax credit was established in the 1986 Tax Reform Act to encourage investment in areas and projects that Congress considered desirable, but unlikely to attract capital on their own because of their high risk, high cost, and low projected rate of return. Mr. President, this type of investment is crucial to our Nation's poor who need affordable places to live.

Our country is in the midst of a vast and growing housing affordability and availability crisis. Clearly, most Americans are better housed today than at any time in our history. However, a significant number of people are struggling against a growing gap between available income and the cost of decent housing. Homelessness is the most tragic and visible indicator of the low-income housing crisis. As many as 700,000 people were homeless on a given night in 1988. Considerably more could experience homelessness in the course of a year. National estimates range from 350,000, from a report by the Department of Housing and Urban Development, to more than 3 million, according to the National Coalition for the Homeless. In Missouri, an estimated 40,000 people seek emergency shelter, live in cars, or live on the street during a 1-year period.

These housing problems point out the need for an optimum Low-Income Housing Tax Credit Program. The credit is the primary tax incentive for stimulating low-income housing production and rehabilitation. Unfortunately, because of the complexity and inaccessibility of the credit, it has been unable to produce a meaningful amount of affordable housing. Due in part to the Tax Reform Act, multi-family housing has dropped considerably since 1985. In fact, 1987 was the first year since the recession of 1982 that multi-family housing starts dropped below 500,000 units.

Despite the complexity of the credit, its use has grown over the last year from 19 percent of the allocation available in 1987 to approximately 70 percent of that available in 1988. In Missouri, 129 projects are being developed in eight of the State's nine congressional districts. Senator MITCHELL and I would like to see complete utilization of the credit allocation, as well as a

higher level of efficiency in its use to produce affordable housing.

For these reasons, Senator MITCHELL and I are introducing legislation to improve the low-income housing credit. This legislation will extend the duration of low-income use of these projects, define the types of projects eligible for the credit, affect the application of the credit to a project, and improve the overall efficiency of the program either in its administration or in the development and management of the credit financed project.

These modifications to the low-income housing tax credit are primarily based on the recommendations made by the Mitchell-Danforth Task Force on the Low-Income Housing Tax Credit. Senator MITCHELL and I organized this task force last year. Members of the task force were 13 individuals representing all segments of the low-income housing industry, including state agency credit allocators, urban and rural developers, nonprofit organizations, credit syndicators, academic experts, and tenant representatives. This task force produced a series of recommendations to improve the efficiency and effectiveness of the tax credit program, many of which we have included in this legislation.

Mr. CHAFEE. Mr. President, today I am pleased to join in introducing legislation that will help fill the housing needs of low-income Americans. Our proposal would improve the structure of the low-income housing tax credit and make it permanent.

We created the low-income housing tax credit as part of the Tax Reform Act of 1986 to encourage construction and rehabilitation of housing for low-income Americans. The credit provides a valuable tax incentive to nonprofit and for-profit developers to fund the production of low-income rental housing. But, unless we act to extend the program, the tax credit will expire on December 31, 1989.

Extension of the tax credit is one of the chief provisions of the National Affordable Housing Act of 1989, of which I am a cosponsor. The Affordable Housing Act is comprehensive legislation that addresses the overall problem of the dearth of affordable housing. It is an innovative approach to this country's housing crisis and has many excellent provisions, but none is more direct than providing permanent authority for the low-income housing tax credit.

In my State, Rhode Island housing is using the tax credits to address the critical need for low-income housing, and the loss of these credits would be a very tough blow to their efforts. Rhode Island combines equity raised through the sale of tax credits with bond financing and zero interest second mortgages to produce low-income housing in one of this country's most expensive housing markets. Our State was also one of only nine States to use 100 percent of its 1988 credit allocation. In addition, current demand for the 1989 credit allocation far exceeds available supply.

In 1988, four Rhode Island nonprofit developers received tax credit financing for the production of a total of 261 units of low-income rental housing. According to the National Council of State Housing Agencies, Rhode Island allocated a higher percentage of 1988 low-income housing tax credits to nonprofit housing developers than any State in the country. In 1988, 89.5 percent of Rhode Island's $1,232,500 tax credit supply went to nonprofit developers.

Rhode Island housing is projecting that tax credits will help produce over 200 additional low-income housing units within the State during 1989. Without this valuable resource, none of these units would be under construction today.

Providing the necessary housing supply for the poor is a long-term job, for both State housing agencies and developers. The State housing agencies that assist with these programs must invest a considerable amount of time and resources in the development of the necessary administrative capacity to operate the program. In addition, private housing developers must have considerable lead time for the projects. If they are to make the required investments in time and resources, these necessary participants in the program need to know that it will be extended past 1989.

Our proposal preserves the basic structure of the credit by tightly targeting the program to provide housing for families whose income is less than 60 percent of median income for the State. In addition, a family's monthly rental cost for a unit in a low-income housing project must not exceed 30 percent of their monthly income.

This bill includes one of the main proposals advanced in last year's Rouse-Maxwell report and in the recommendations of the recent Mitchell-Danforth Task Force on the low-income housing tax credit: The indefinite extension of the Low-Income Housing Tax Credit Program. In addition, the Mitchell-Danforth Task Force produced a series of recommendations to improve the efficiency and effectiveness of the tax credit program. All of these recommendations for improving the operation of the credit have been included in this legislation.

One of the most important provisions in the bill for the issue of continued availability of low-income housing would encourage longer term low-income use of a project. This is accomplished by establishment of a three step process for conversion of the property to other than low-income use.

Experience has shown that investment in low-income housing is highly dependent on the tax benefits provided by this credit. The low-income housing tax credit is one of the most direct and efficient ways to subsidize the production of low-cost, affordable housing for low-income Americans. I would urge my colleagues to give this bill their full support.

ADDITIONAL COSPONSORS

S. 6

At the request of Mr. MCCAIN, the name of the Senator from Oklahoma [Mr. NICKLES] was added as a cosponsor of S. 6, a bill to grant the power to the President to reduce appropriated funds within 10 days after the date of enactment of a bill appropriating such funds.

S. 82

At the request of Mr. THURMOND, the name of the Senator from Michigan [Mr. LEVIN] was added as a cosponsor of S. 82, a bill to recognize the organization known as the 82d Airborne Division Association, Inc.

S. 122

At the request of Mr. INOUYE, the name of the Senator from South Dakota [Mr. DASCHLE] was added as a cosponsor of S. 122, a bill to amend title XVIII of the Social Security Act to provide coverage for social worker services furnished at rural health clinics.

S. 273

At the request of Mr. HEINZ, the name of the Senator from Illinois [Mr. SIMON] was added as a cosponsor of S. 273, a bill to amend title 39, United States Code, to designate as nonmailable matter solicitations of donations which could reasonably be misconstrued as a bill, invoice, or statement of account due, solicitations for the purchase of products or services which are provided either free of charge or at a lower price by the Federal Government connection or endorsement, unless such matter contains an appropriate, conspicuous disclaimer, and for other purposes.

S. 306

At the request of Mr. BENTSEN, the names of the Senator from Kentucky [Mr. FORD], the Senator from Florida [Mr. GRAHAM], the Senator from Nebraska [Mr. KERREY], the Senator from New Hampshire [Mr. HUMPHREY], and the Senator from Indiana [Mr. LUGAR] were added as cosponsors of S. 306, a bill to amend the Social Security Act to make certain modifications in the Medicare Program with respect to payments made under such program to hospitals located in rural areas, to improve the delivery of health services to individuals residing in such areas, and for other purposes.

S. 355

At the request of Mr. RIEGLE, the names of the Senator from South Carolina [Mr. THURMOND], the Senator from New Hampshire [Mr. RUDMAN], and the Senator from Montana [Mr. BAUCUS] were added as cosponsors of S. 355, a bill to amend the Internal Revenue Code of 1986 to extend through 1992 the period during which qualified mortgage bonds and mortgage credit certificates may be issued.

S. 370

At the request of Mr. CHAFEE, the name of the Senator from Oregon [Mr. PACKWOOD] was added as a cosponsor of S. 370, a bill to amend the Land and Water Conservation Fund Act and the National Historic Preservation Act, to establish the American Heritage Trust, for purposes of enhancing the protection of the Nation's natural, historical, cultural, and outdoor recreational heritage, and for other purposes.

S. 375

At the request of Mr. HOLLINGS, the name of the Senator from Colorado [Mr. ARMSTRONG] was added as a cosponsor of S. 375, a bill to provide for the broadcasting of accurate information to the people of Cuba, and for other purposes.

S. 416

At the request of Mr. DOMENICI, the name of the Senator from Nevada [Mr. REID] was added as a cosponsor of S. 416, a bill to provide that all Federal civilian and military retirees shall receive the full cost of living adjustment in annuities payable under Federal retirement systems for fiscal years 1990 and 1991, and for other purposes.

S. 430

At the request of Mr. DASCHLE, the name of the Senator from New Mexico [Mr. BINGAMAN] was added as a cosponsor of S. 430, a bill to amend title XIX of the Social Security Act to provide coverage for certain outreach activities undertaken at the option of a State for the purpose of identifying pregnant women and children who are eligible for medical assistance and assisting them in applying for and receiving such assistance, and for other purposes.

S. 461

At the request of Mr. GRASSLEY, the name of the Senator from Alaska [Mr. MURKOWSKI] was added as a cosponsor of S. 461, a bill to amend title XVIII of the Social Security Act to permit payment for services of physician assistants outside institutional settings.

S. 519

At the request of Mr. LAUTENBERG, the names of the Senator from Minnesota [Mr. BOSCHWITZ] and the Senator from Colorado [Mr. WIRTH] were added as cosponsors of S. 519, a bill to prohibit smoking on any scheduled airline flight in intrastate, interstate, or overseas air transportation.

S. 543

At the request of Mr. SIMON, the name of the Senator from New Jersey [Mr. LAUTENBERG] was added as a cosponsor of S. 543, a bill to amend the Job Training Partnership Act to strengthen the program of employment and training assistance under that act, and for other purposes.

S. 585

At the request of Mr. LAUTENBERG, the name of the Senator from California [Mr. CRANSTON] was added as a cosponsor of S. 585, a bill to implement the national objective of pollution prevention by establishing a source reduction program at the Environmental Protection Agency, by assisting States in providing information and technical assistance regarding source reduction, and for other purposes.

S. 643

At the request of Mr. CONRAD, the name of the Senator from South Dakota [Mr. PRESSLER] was added as a cosponsor of S. 643, a bill to amend the Internal Revenue Code of 1986 to allow an individual a credit against income tax for certain expenditures for the purpose of reducing radon levels in the principal residence of the individual, and for other purposes.

S. 662

At the request of Mr. SYMMS, the name of the Senator from Idaho [Mr. MCCLURE] was added as a cosponsor of S. 662, a bill to amend the Internal Revenue Code of 1986 to increase and index the calendar quarter wage threshold for determining agricultural labor employers for purposes of imposing the Federal unemployment tax.

S. 663

At the request of Mr. HEFLIN, the name of the Senator from Mississippi [Mr. LOTT], the Senator from Mississippi [Mr. COCHRAN], and the Senator from Tennessee [Mr. GORE] were added as cosponsors of S. 663, a bill to provide for additional contingent termination liability for the Advanced Solid Rocket Motor Program.

S. 685

At the request of Mr. METZENBAUM, the names of the Senator from California [Mr. CRANSTON], the Senator from Hawaii [Mr. INOUYE], and the Senator from Maryland [Mr. SARBANES] were added as cosponsors of S. 685, a bill to amend title I of the Employee Retirement Income Security Act of 1974 to clarify the applicability of rules relating to fiduciary duties in relation to plan assets of terminated pensions plans and to provide for an explicit exception to such rules for employer reversions meeting certain requirements.

S. 714

At the request of Mr. MCCLURE, the names of the Senator from Alaska [Mr. STEVENS] and the Senator from Virginia [Mr. WARNER] were added as cosponsors of S. 714, a bill to extend the authorization of the Water Resources Research Act of 1984 through the end of fiscal year 1993.

S. 734

At the request of Mr. REID, the name of the Senator from North Carolina [Mr. HELMS] was added as a cosponsor of S. 734, a bill to authorize and direct the General Accounting Office to audit the Federal Reserve Board, the Federal Advisory Council, the Federal Open Market Committee, and Federal banks and their branches.

S. 783

At the request of Mr. JOHNSTON, the name of the Senator from Mississippi [Mr. COCHRAN] was added as a cosponsor of S. 783, a bill to amend the Natural Gas Policy Act of 1978 to eliminate wellhead price and nonprice controls on the first sale of natural gas, and to make technical and conforming amendments to such act.

S. 857

At the request of Mr. GLENN, the name of the Senator from Nebraska [Mr. EXON] was added as a cosponsor of S. 857, a bill to amend title 10, United States Code, to reduce the premium paid by retired members of the uniformed services for coverage for their survivors under the Survivor Benefit Plan and to provide a new Supplemental Survivor Benefit Plan to offset the effect of the two-tier annuity computation under the Survivor Benefit Plan for spouse and former spouse beneficiaries.

S. 877

At the request of Mr. DECONCINI, the names of the Senator from North Dakota [Mr. CONRAD] and the Senator from Illinois [Mr. SIMON] were added as cosponsors of S. 877, a bill to require the posting on certain aircraft of information relating to the date of manufacture of the aircraft, and for other purposes.

S. 893

At the request of Mr. LAUTENBERG, the name of the Senator from Indiana [Mr. LUGAR] was added as a cosponsor of S. 893, a bill to establish certain categories of Soviet and Vietnamese nationals presumed to be subject to persecution and to provide for adjustment to refugee status of certain Soviet and Vietnamese parolees.

S. 948

At the request of Mr. HATFIELD, the name of the Senator from Montana [Mr. BAUCUS] was added as a cosponsor of S. 948, a bill to amend title 28, United States Code, to divide the ninth judicial circuit of the United States into two circuits, and for other purposes.

SENATE JOINT RESOLUTION 10

At the request of Mr. THURMOND, the name of the Senator from Nebraska [Mr. KERREY] was added as a cospon-

sor of Senate Joint Resolution 10, a joint resolution to designate the month of May 1989 as "National Foster Care Month."

SENATE JOINT RESOLUTION 55

At the request of Mr. SIMON, the name of the Senator from Alaska [Mr. MURKOWSKI] was added as a cosponsor of Senate Joint Resolution 55, a joint resolution to designate the week of October 1, 1989, through October 7, 1989, as "Mental Illness Awareness Week."

SENATE JOINT RESOLUTION 71

At the request of Mr. HELMS, the names of the Senator from Georgia [Mr. FOWLER] and the Senator from Illinois [Mr. SIMON] were added as cosponsors of Senate Joint Resolution 71, a joint resolution designating April 16 through 22, 1989, as "National Ceramic Tile Industry Recognition Week."

SENATE JOINT RESOLUTION 72

At the request of Mr. RIEGLE, the names of the Senator from Illinois [Mr. SIMON] and the Senator from Kansas [Mrs. KASSEBAUM] were added as cosponsors of Senate Joint Resolution 72, a joint resolution to designate the period commencing May 7, 1989, and ending May 13, 1989, as "National Correctional Officers Week."

SENATE JOINT RESOLUTION 76

At the request of Mr. HELMS, the names of the Senator from Georgia [Mr. NUNN] and the Senator from Utah [Mr. GARN] were added as cosponsors of Senate Joint Resolution 76, a joint resolution to designate the period commencing on June 21, 1989, and ending on June 28, 1989, as "Food Science and Technology Week."

SENATE JOINT RESOLUTION 78

At the request of Mr. BENTSEN, the names of the Senator from New Jersey [Mr. BRADLEY], the Senator from Ohio [Mr. METZENBAUM], the Senator from Georgia [Mr. NUNN], the Senator from Virginia [Mr. ROBB], the Senator from Minnesota [Mr. BOSCHWITZ], the Senator from Iowa [Mr. GRASSLEY], the Senator from New Hampshire [Mr. HUMPHREY], the Senator from Wyoming [Mr. SIMPSON], the Senator from Kentucky [Mr. FORD], and the Senator from Virginia [Mr. WARNER] were added as cosponsors of Senate Joint Resolution 78, a joint resolution to designate the month of November 1989 and 1990 as "National Hospice Month."

SENATE JOINT RESOLUTION 85

At the request of Mr. ARMSTRONG, the names of the Senator from Hawaii [Mr. INOUYE], the Senator from Illinois [Mr. DIXON], the Senator from Rhode Island [Mr. CHAFEE], the Senator from Alaska [Mr. MURKOWSKI], the Senator from Oklahoma [Mr. BOREN], the Senator from Virginia [Mr. WARNER], the Senator from Utah [Mr. HATCH], the Senator from Ohio [Mr. METZENBAUM], the Senator from Tennessee [Mr. GORE], the Senator from Montana [Mr. BURNS], the Senator from Minnesota [Mr. DURENBERGER], the Senator from Kansas [Mr. DOLE], the Senator from New Mexico [Mr. DOMENICI], the Senator from North Dakota [Mr. CONRAD], the Senator from Indiana [Mr. LUGAR], the Senator from Indiana [Mr. COATS], the Senator from Arizona [Mr. DECONCINI], the Senator from Delaware [Mr. ROTH], the Senator from South Dakota [Mr. DASCHLE], the Senator from Alabama [Mr. SHELBY], the Senator from Nebraska [Mr. EXON], the Senator from Nevada [Mr. REID], the Senator from Maryland [Mr. SARBANES], the Senator from Minnesota [Mr. BOSCHWITZ], and the Senator from Mississippi [Mr. COCHRAN], were added as cosponsors of Senate Joint Resolution 85, a joint resolution to designate the week of July 24-30, 1989, as the "National Week of Recognition and Remembrance for Those Who Served in the Korean War."

SENATE JOINT RESOLUTION 86

At the request of Mr. RIEGLE, the names of the Senator from Nebraska [Mr. EXON], the Senator from Missouri [Mr. BOND], and the Senator from Illinois [Mr. SIMON] were added as cosponsors of Senate Joint Resolution 86, a joint resolution designating November 17, 1989, as "National Philanthropy Day."

SENATE JOINT RESOLUTION 110

At the request of Mr. SIMON, the name of the Senator from Rhode Island [Mr. CHAFEE] was added as a cosponsor of Senate Joint Resolution 110, a joint resolution designating October 5, 1989, as "Raoul Wallenberg Day."

SENATE JOINT RESOLUTION 112

At the request of Mr. GRASSLEY, the names of the Senator from Arizona [Mr. DECONCINI], the Senator from Maine [Mr. COHEN], the Senator from Rhode Island [Mr. CHAFEE], the Senator from Kentucky [Mr. FORD], the Senator from Pennsylvania [Mr. HEINZ], the Senator from Minnesota [Mr. BOSCHWITZ], the Senator from Ohio [Mr. GLENN], the Senator from Indiana [Mr. COATS], the Senator from North Carolina [Mr. SANFORD], the Senator from Connecticut [Mr. LIEBERMAN], the Senator from Texas [Mr. GRAMM], the Senator from Oklahoma [Mr. NICKLES], the Senator from Oklahoma [Mr. BOREN], the Senator from Mississippi [Mr. COCHRAN], the Senator from North Dakota [Mr. CONRAD], the Senator from New York [Mr. D'AMATO], the Senator from New York [Mr. MOYNIHAN], and the Senator from Florida [Mr. MACK] were added as cosponsors of Senate Joint Resolution 112, a joint resolution designating May 29, 1989, as the "National Day of Remembrance for the victims of the U.S.S. *Iowa*."

SENATE JOINT RESOLUTION 113

At the request of Mr. DIXON, the name of the Senator from Michigan [Mr. RIEGLE] was added as a cosponsor of Senate Joint Resolution 113, a joint resolution prohibiting the export of technology, defense articles, and defense services to codevelop or coproduce the FSX aircraft with Japan.

SENATE CONCURRENT RESOLUTION 9

At the request of Mr. HUMPHREY, the names of the Senator from Oklahoma [Mr. BOREN], the Senator from Mississippi [Mr. LOTT], and the Senator from North Carolina [Mr. HELMS] were added as cosponsors of Senate Concurrent Resolution 9, a concurrent resolution establishing procedures for expedited consideration by the Congress of certain bills and joint resolutions submitted by the President.

SENATE CONCURRENT RESOLUTION 21

At the request of Mr. RIEGLE, the name of the Senator from North Dakota [Mr. CONRAD] was added as a cosponsor of Senate Concurrent Resolution 21, a concurrent resolution expressing the sense of the Congress that the current Federal income tax deduction for interest paid on debt secured by a first or second home should not be further restricted.

SENATE RESOLUTION 99

At the request of Mr. BOSCHWITZ, the names of the Senator from New Jersey [Mr. BRADLEY], the Senator from Pennsylvania [Mr. HEINZ], the Senator from Connecticut [Mr. DODD], and the Senator from Florida [Mr. GRAHAM] were added as cosponsors of Senate Resolution 99, a resolution requiring the Architect of the Capitol to establish and implement a voluntary program for recycling paper disposed of in the operation of the Senate.

AMENDMENT NO. 100

At the request of Mr. JOHNSTON, the name of the Senator from New Mexico [Mr. BINGAMAN] was added as a cosponsor of amendment No. 100 intended to be proposed to S. 406, a bill to authorize competitive oil and gas leasing and development on the Coastal Plain of the Arctic National Wildlife Refuge in a manner consistent with protection of the environment, and for other purposes.

SENATE RESOLUTION 127—PROVIDING FOR THE ISSUANCE OF A SUMMONS AND FOR RELATED PROCEDURES CONCERNING IMPEACHMENT AGAINST WALTER L. NIXON, JR.

Mr. MITCHELL (for himself and Mr. DOLE) submitted the following resolution; which was considered and agreed to:

S. RES. 127

Resolved, That a summons shall be issued which commands Walter L. Nixon, Jr., to file with the Secretary of the Senate an answer to the articles of impeachment no

later than May 31, 1989, and thereafter to abide by, obey, and perform such orders, directions, and judgments as the Senate shall make in the premises, according to the Constitution and laws of the United States.

SEC. 2. The Sergeant at Arms is authorized to utilize the services of the Deputy Sergeant at Arms or another employee of the Senate in serving the summons.

SEC. 3. The Secretary shall notify the House of Representatives of the filing of the answer and shall provide a copy of the answer to the House.

SEC. 4. The Managers on the part of the House may file with the Secretary of the Senate a replication no later than June 12, 1989.

SEC. 5. The Secretary shall notify counsel for Walter L. Nixon, Jr., of the filing of a replication, and shall provide counsel with a copy.

SEC. 6. The Secretary shall provide the answer and the replication, if any, to the Presiding Officer of the Senate on the first day the Senate is in session after the Secretary receives them, and the Presiding Officer shall cause the answer and replication, if any, to be printed in the Senate Journal and in the Congressional Record. If a timely answer has not been filed the Presiding Officer shall cause a plea of not guilty to be entered.

SEC. 7. The articles of impeachment, the answer, and the replication, if any, together with the provisions of the Constitution on impeachment, and the Rules of Procedure and Practice in the Senate When Sitting on Impeachment Trials, shall be printed under the direction of the Secretary as a Senate document.

SEC. 8. The provisions of this resolution shall govern notwithstanding any provisions to the contrary in the Rules of Procedure and Practice in the Senate When Sitting on Impeachment Trials.

SEC. 9. The Secretary shall notify the House of Representatives of this resolution.

SENATE RESOLUTION 128—PROVIDING FOR THE APPOINTMENT OF A COMMITTEE TO RECEIVE AND REPORT EVIDENCE WITH RESPECT TO THE ARTICLES OF IMPEACHMENT AGAINST JUDGE WALTER L. NIXON, JR.

Mr. MITCHELL (for himself and Mr. DOLE) submitted the following resolution; which was considered and agreed to:

S. RES. 128

Resolved, That pursuant to Rule XI of the Rules of Procedure and Practice in the Senate When Sitting on Impeachment Trials, the Presiding Officer shall appoint a committee of twelve senators to perform the duties and to exercise the powers provided for in the rule.

SEC. 2. The Majority and Minority Leader shall each recommend six members to the Presiding Officer for appointment to the committee. The committee shall designate one of its members to be chairman and one of its members to be vice chairman.

SEC. 3. The committee shall be deemed to be a standing committee of the Senate for the purpose of reporting to the Senate resolutions for the criminal or civil enforcement of the committee's subpoenas or orders, and for the purpose of printing reports, hearings, and other documents for submission to the Senate under Rule XI.

SEC. 4. During proceedings conducted under Rule XI the chairman of the committee is authorized to waive the requirement under the Rules of Procedure and Practice in the Senate When Sitting on Impeachment Trials that questions by a Senator to a witness, a manager, or counsel shall be reduced to writing and put by the presiding officer.

SEC. 5. In addition to a certified copy of the transcript of the proceedings and testimony had and given before it, the committee is authorized to report to the Senate a statement of facts that are uncontested and a summary, with appropriate references to the record, of evidence that the parties have introduced on contested issues of fact.

SEC. 6. The actual and necessary expenses of the committee, including the employment of staff at an annual rate of pay, and the employment of consultants with prior approval of the committee on Rules and Administration at a rate not to exceed the maximum daily rate for a standing committee of the Senate, shall be paid from the contingent fund of the Senate from the appropriation account "Miscellaneous Items" upon vouchers approved by the chairman of the committee, except that no voucher shall be required to pay the salary of any employee who is compensated at an annual rate of pay.

SEC. 7. The Secretary shall notify the House of Representatives and counsel for Judge Walter L. Nixon, Jr., of this resolution.

NOTICES OF HEARINGS

SUBCOMMITTEE ON WATER AND POWER

Mr. BRADLEY. Mr. President, I would like to announce for the public that a hearing has been scheduled before the Subcommittee on Water and Power of the Senate Committee on Energy and Natural Resources.

The hearing will take place on May 18, 1989, beginning at 2 p.m. in room SD-366 of the Senate Dirksen Office Building in Washington, DC.

The purpose of the hearing is to receive testimony on S. 635, a bill to prevent the unintended licensing of federally nonjurisdictional pre-1935 unlicensed hydroelectric projects.

Those wishing to submit written testimony should address it to the Committee on Energy and Natural Resources, room 364, Dirksen Senate Office Building, Washington, DC 20510.

For further information, please contact William B. Conway, Jr., senior counsel for the subcommittee at (202) 224-7149.

COMMITTEE ON VETERANS' AFFAIRS

Mr. CRANSTON. Mr. President, I announce, for the information of Senators, that the Committee on Veterans' Affairs, which I am privileged to chair, is scheduled to hold a hearing Monday, May 15, 1989, in SR-418 at 1:30 p.m. on the nomination of Frank Q. Nebeker to be Chief Judge of the United States Court of Veterans Appeals.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. BUMPERS. Mr. President, I would like to announce for the public that a hearing has been scheduled before the Subcommittee on Public Lands, National Parks and Forests of the Committee on Energy and Natural Resources.

The hearing will take place on June 8, 1989, beginning at 9:30 a.m. in room SD-366 of the Senate Dirksen Office Building in Washington, DC.

The purpose of the hearing is to receive testimony on three bills currently pending before the subcommittee. The measures are:

S. 555, a bill to establish in the Department of the Interior the De Soto Expedition Trail Commission, and for other purposes;

S. 624, a bill to provide for the sale of certain Federal lands to Clark County, NV, for national defense and other purposes; and

S. 830, a bill to amend Public Law 99-647, establishing the Blackstone River Valley National Heritage Corridor Commission, to authorize the Commission to take immediate action in furtherance of its purposes and to increase the authorization of appropriations for the Commission.

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, anyone wishing to submit written testimony to be included in the hearing record is welcome to do so. Those wishing to submit written testimony should send two copies to the Subcommittee on Public Lands, National Parks and Forests, SD-364, Washington, DC 20510.

For further information regarding the hearing, please contact Tom Williams of the committee staff at (202) 224-7145.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. BINGAMAN. Mr. President, I would like to announce for the public that a field hearing has been scheduled before the Subcommittee on Mineral Resources Development and Production.

The hearing will take place Thursday, May 25, 1989, at the University of New Mexico Continuing Education Conference Center, 1634 University Boulevard NE., Albuquerque, NM. The hearing will begin at 8:30 a.m.

The purpose of the hearing is to receive testimony on the availability, production, and distribution of clean-burning fuels.

Those wishing to submit written testimony should address it to the Subcommittee on Mineral Resources Development and Production, room 364 Dirksen Senate Office Building, Washington, DC 20510.

For further information, please contact Patricia Beneke of the committee staff at (202) 224-2383.

AUTHORITY FOR COMMITTEES TO MEET

SUBCOMMITTEE ON EMPLOYMENT AND PRODUCTIVITY

Mr. PELL. Mr. President, I ask unanimous consent that the Subcommittee on Employment and Productivity, of the Committee on Labor and Human Resources, be authorized to meet during the session of the Senate on Thursday, May 11, 1989, at 10 a.m. to conduct a hearing on JTPA Youth Employment Amendments of 1989, S. 543.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INTELLIGENCE

Mr. PELL. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Thursday May 11, 1989, at 2 p.m. to hold a closed hearing on intelligence matters.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INDIAN AFFAIRS

Mr. PELL. Mr. President, I ask that the Select Committee on Indian Affairs be authorized to meet on May 11, 1989, beginning at 2:30 p.m., in 485 Russell Senate Office Building, on S. 321, amendments to the Buy Indian Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON MANPOWER AND PERSONNEL

Mr. PELL. Mr. President, I ask unanimous consent that the Subcommittee on Manpower and Personnel of the Committee on Armed Services be authorized to meet on Thursday, May 11, 1989, at 2 p.m. in open session to receive testimony on manpower programs in the amended Defense authorization request for fiscal years 1990 and 1991.

The PRESIDING OFFICER. Without objection, it is so ordered.

SPECIAL COMMITTEE ON INVESTIGATIONS

Mr. PELL. Mr. President, I ask unanimous consent that the Special Committee on Investigations of the Select Committee on Indian Affairs be authorized to meet during the session of the Senate on May 11, 1989, at 10 a.m. to hold hearings pursuant to Senate Resolution 66, section 21, agreed to February 28, 1989.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. PELL. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on May 11, 1989, 9 a.m., to hold a hearing on the nominations of Carol Crawford to be Assistant Attorney General, Shirley Peterson to be Assistant Attorney General, and Ferdinand Fernandez to be U.S. circuit judge for the Ninth Circuit.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON ENERGY REGULATION AND DEVELOPMENT

Mr. PELL. Mr. President, I ask unanimous consent that the Subcommittee on Energy Regulation and Development of the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate 2 p.m., May 11, 1989, for a hearing to continue hearings on S. 83, uranium enrichment legislation, and proposed Senate amendment No. 10, to provide for uranium revitalization and tailings reclamation.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mr. PELL. Mr. President, I ask unanimous consent that the full Committee on Environment and Public Works be authorized to meet during the session of the Senate on Thursday, May 11, beginning at 10 a.m., to consider the nomination of F. Henry Habicht, nominated by the President to be Deputy Administrator, U.S. Environmental Protection Acency.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON DEFENSE INDUSTRY AND TECHNOLOGY

Mr. PELL. Mr. President, I ask unanimous consent that the Subcommittee on Defense Industry and Technology of the Committee on Armed Services be authorized to meet on Thursday, May 11, 1989, at 1:30 p.m. in open session to receive testimony on recommendations for an acquisition policy agenda.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON SCIENCE, TECHNOLOGY, AND SPACE

Mr. PELL. Mr. President, I ask unanimous consent that the Subcommittee on Science, Technology, and Space, of the Committee on Commerce, Science, and Transportation, be authorized to meet during the session of the Senate on May 11, 1989, at 9:30 a.m. to hold a hearing on the President's fiscal year 1990 space transportation budget request and related policy issues.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

NATIONAL CORRECTIONAL OFFICERS WEEK

● Mr. ROCKEFELLER. Mr. President, on Tuesday, the Senate approved House Joint Resolution 135, Representative TRAXLER's legislation declaring this week as "National Correctional Officers Week." I think this is a fitting tribute to America's dedicated corrections officials.

I rise today to pay homage to a specific group of correctional officers—those who work at the correctional facilities in my home State of West Virginia.

Hidden away behind a great stone wall at Moundsville; situated in remote rural areas in Randolph, Tucker, Greenbrier, and Taylor Counties; encircled by a high chain-link fence at Salem; on busy downtown streets in Charleston, Huntington, and Beckley. These are the work sites for a very special group of West Virginia State employees—our correctional officers.

Headed by the very capable Corrections Commissioner Ron Gregory, the West Virginia Department of Corrections employs well over 500 correctional officers at a number of facilities throughout the State: At the West Virginia State Penitentiary at Moundsville; the Huttonsville Correctional Center at Pruntytown; the Anthony Center in Neola; the Industrial Home for Youth in Industrial; the Davis Center in Davis; the West Virginia Corrections Academy in West Liberty; and the work study centers in Beckley, Charleston, and Huntington.

What is a correctional officer, Mr. President?

A correctional officer is a civil servant employed with the State Department of Corrections. In West Virginia, he or she earns an entry-level salary of $967 per month and can advance to the rank of correctional officer III, earning $2,358 per month.

A correctional officer's job description lists innumerable duties. Since each correctional facility is established to assist the department of corrections in carrying out its mandate to provide for the custody, care, and treatment of sentenced offenders from the West Virginia Circuit Courts, the correctional officer is on the department's front line in carrying out this mandate. Through the correctional officer, sentenced offenders encounter the rules, regulations, and procedures of the corrections department, which are designed to provide for the offenders' custody and care. Correctional officers are on the cutting edge of corrections, and the department's success or failure depends on them.

Correctional officers perform a wide variety of tasks, from the seemingly mundane, such as issuing clothing, supervising dining areas, and writing reports, to counseling inmates on personal problems or institutional adjustment, counting inmates to assure all are present and accounted for, and searching for escapees. The correctional officer is charged with instructing and supervising inmate chores and work details, evaluating work performed and behavior exhibited, and preventing escapes from custody. They escort offenders to court, funerals, and hospitals. They inspect living quarters

for cleanliness and security, conduct searches of persons and living quarters for weapons or contraband, and settle disputes and break up fights among inmates.

The job is stressful and can be life-threatening on occasion. Correctional officers carry no weapons in prison. It is a job hidden away from public view and lacking in glamor. Yet, to the care and custody of these officers is placed those men and women of all ages who have been unable or unwilling to conduct law-abiding lives. Correctional facilities operate 24 hours a day, each and every day of the year.

Mr. President, it is this dedicated group of men and women whom I, along with West Virginia Corrections Commissioner Ron Gregory and the State Department of Corrections, recognize and salute this week.●

RALPH ANDERSON, SMALL BUSINESS SUBCONTRACTOR OF THE YEAR

● Mr. DOMENICI. Mr. President, "Small Business is America's Future" is the theme of this year's Small Business Week.

As part of this celebration, prime contractors and subcontractors from each of the Small Business Administration's 10 regions are honored.

I know my colleagues join me in honoring the selection of Ralph Anderson as this year's "Subcontractor of the Year" from SBA region VI.

Ralph is the president of General Technology Corp. [GTC] in Albuquerque. GTC was formed in 1981 to develop and produce electromechanical devices and printed circuit boards.

Today, GTC has grown to 115 employes, including technicians and engineers, who provide services to defense, medical, and aerospace industries.

Ralph's contributions do not stop at GTC. He is very active in community affairs, as a member of the Greater Albuquerque Chamber of Commerce, the Rotary Club, and the Professional Aerospace Contractors Association. Mr. Anderson is also the president-elect of the New Mexico Entrepreneurs Club and is treasurer for the Association of Commerce and Industry.

Innovators like Ralph Anderson will become even more important to our economy in the near future. Researchers worldwide predict an acceleration in the rate of technological breakthroughs in the days and years ahead, breakthroughs that will change the ways we conduct business in the manufacturing world.

Small businesses are best prepared for this challenge. They are able to adjust to market conditions faster than large businesses, and are often at the forefront of developing new products for the marketplace. They can also provide the training ground for our young workers.

I know that the entire Senate joins me in congratulating Ralph Anderson on his selection as region VI "Small Business Subcontractor of the Year".●

NOTICE OF DETERMINATION BY THE SELECT COMMITTEE ON ETHICS UNDER RULE 35, PARAGRAPH 4, PERMITTING ACCEPTANCE OF A GIFT OF EDUCATIONAL TRAVEL FROM A FOREIGN ORGANIZATION

● Mr. HEFLIN. Mr. President, it is required by paragraph 4 of rule 35 that I place in the CONGRESSIONAL RECORD notice of Senate employees who participate in programs, the principal objective of which is educational, sponsored by a foreign government or a foreign educational or charitable organization involving travel to a foreign country paid for by that foreign government or organization.

The select committee has received a request for a determination under rule 35, for Laurie Schultz a member of the staff of Senator JEFFORDS, to participate in a program in Cuba sponsored by the Presbytery of New York and the Ecumenical Council of Churches of Cuba from March 26 to April 2, 1989.

The committee has determined that participation by Ms. Schultz in the program in Cuba, at the expense of the Presbytery of New York and the Ecumenical Council of Churches of Cuba is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35, for Thomas W. Cohen, a member of the staff of Senator HOLLINGS, to participate in a program in London, England, sponsored by the International Institute of Communications, from February 2 to 5, 1989.

The committee has determined that participation by Mr. Cohen in the program in England, at the expense of the International Instutute of Communications, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35, for Carolyn Brickey, a member of the staff of Senator LEAHY, to participate in a program sponsored by the Congress-Bundestag Staff Exchange, from April 14 to 30, 1989.

The committee has determined that participation by Ms. Brickey in the program in Germany, at the expense of the Congress-Bundestag Staff Exchange, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35, for Ms. Elizabeth Gardner, a member of the staff of Senator HEFLIN, to participate in a progam in China, sponsored by the United States-Asia Institute from March 18, through April 2, 1989.

The committee has determined that participation by Ms. Gardner in the program in China, at the expense of the United States-Asia Institute, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35, for Ruth Kurtz, a member of the staff of the Joint Economic Committee, to participate in a program in France, Portugal, and the United Kingdom, sponsored by the European Community's Visitors Program, from June 12 to 30, 1989.

The committee has determined that participation by Ms. Kurtz in the program in Western Europe, at the expense of the European Community's Visitors Program, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35, for Robert G. Bell, a member of the staff of the Armed Services Committee, to participate in a program in London, England, sponsored by the International Institute for Strategic Studies, from May 3 to 5, 1989.

The committee has determined that participation by Mr. Bell in the program in London, England, at the expense of the International Institute for Strategic Studies, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35, for John Hanford, a member of the staff of Senator LUGAR, to participate in a program in Cuba, sponsored by the Presbytery of New York of the Presbyterian Church, from March 26 to April 1, 1989.

The committee has determined that participation by Mr. Hanford in the program in Cuba, at the expense of the Presbyterian Church (USA) and the Ecumenical Council of Churches of Cuba, is in the interest of the Senate and the United States.●

RON SOLIMON: NEW MEXICO'S SMALL BUSINESS PERSON OF THE YEAR

● Mr. DOMENICI. Mr. President, President Bush has proclaimed this week as "Small Business Week," with the theme "Small Business is America's Future."

What an appropriate theme that is for the man selected as New Mexico's Small Business Person of the Year, Ronald Solimon.

Ron is the president and general manager of Laguna Industries, Inc. He is dedicated to bringing jobs to locations in New Mexico where jobs are most certainly needed—the American Indian reservations.

Ron is only the second native American to be selected as a statewide "Small Business Person of the Year"

since the awards were established 25 years ago.

His success story began 5 years ago when the Laguna Pueblo started Laguna Industries, Inc. Led by Ron, this effort has blossomed into a highly successful business.

I remember working closely with Laguna Pueblo and Ron in those early days. I successfully offered amendments to the Department of Defense appropriations bill for 2 years, to give the Secretary of Defense discretionary authority to contract directly with Indian tribes.

This authority served as an inspiration to Laguna Industries and DOD to identify business opportunities through DOD's minority business programs. Under Ron's leadership, contracts were identified and negotiated.

When Laguna Industries was awarded its first defense contract in 1985 under the Small Business Administration's section 8(a) program, the company had only 10 employees. One year later, employment had expanded to 94 workers. Today, Laguna provides jobs for more than 220 persons.

During this period, this initial defense contract of $10.5 million for the construction of communication shelters has grown to $55.5 million. It was an honor for me to be present to help Laguna Industries celebrate the completion of their first communication shelter.

With the assistance and dedicated efforts of Raytheon, Inc., Laguna has matured into a multifaceted business. Not only does it manufacture the communication shelters, Laguna also tests these units in the field and it provides training for U.S. Army personnel.

That is a real success story. I know that my colleagues share my feeling that small businessmen and businesswomen across America, men and women like Ron Solimon, represent what is great about America and our future.

Communities of every size are learning that small business is often the most appropriate source of economic growth. Small businesses are better-equipped to adapt to changing market conditions, discover new markets, and develop new products. They are the source of most of the job growth in our economy.

I congratulate Ron Solimon and each of our Nation's small business winners.●

MOTHER'S DAY SERMON

Mr. COCHRAN. Mr. President, last year a friend of mine, R. Douglas Hudgins, brought to my attention a Mother's Day sermon delivered by Dr. Franklin Pollard at the First Baptist Church in Jackson, MS.

As Mother's Day approaches again, it is appropriate that we turn our attention to those we honor on that day. I invite all Senators to read this excellent tribute to motherhood.

A WORTHY CAREER—II TIMOTHY 1:3; EXODUS 20:12

(By Rev. Dr. Franklin D. Pollard)

Paul is writing his young son in the ministery, Timothy. In verse 3, he says to him: "I thank God whom I serve as my forefathers did with a clear conscience as night and day I constantly remember you in my prayers. Recalling your tears, I long to see you so that I may be filled with joy. I have been reminded of your sincere faith which first lived in your grandmother Lois, and your mother Eunice, and I am persuaded now lives in you, also."

In Exodus 20 are the Ten Commandments. Ted Koppell reminded the Duke graduating class last spring that they are the Ten Commandments, not the ten suggestions. But the Ten Commandments contain this statement made in chapter 20, verse 12: "Honor your father and your mother that you may live long in the land which the Lord your God is giving you."

My favorite columnist is Erma Bombeck. She has all the wit and wisdom of Lewis Grizzard with a lot more conscience and character. She wrote: "When God was creating mothers, He was into the sixth day of overtime. When the angel appeared and said, 'You're fiddling around a lot with this one.' 'Have you seen the specifics on this model?' asked the Lord. 'Why, she has to be washable, yet not plastic. Have 180 moveable parts, all of them replaceable. Run on black coffee and leftovers. Have a laugh that disappears when she stands up. Have a kiss that cures everything from broken legs to disappointed love affairs, and six pairs of hands.'

"Six pairs of hands?" shook the angel. "Impossible!" "Well, it's not the pairs of hands that bother me so much," said the Lord, "as it is the three pairs of eyes that mothers have to have." "That's on the standard model?" asked the angel. "Yes," said the Lord. "Two for seeing through closed doors when she asks 'What's going on in there?' when she already knows what's going on in there. Two for seeing things that she shouldn't see but has to know about, and two here in the front for looking at a child when he or she messes up and says 'I understand and I love you' without uttering a word."

The angel tugged the Lord slightly on the sleeve and said: "Why don't you go to bed?" "I can't," said the Lord, "not when I'm so close to creating something so very close to myself. Why, I already have a woman who can heal herself when she's sick, can feed a family of six on a half-pound of hamburger, and get a nine-year-old to stand under a shower."

The angel walked slowly around the model of the mother and said, "It's too soft." "But tough," said the Lord, "you'd be amazed at what this model can do and endure." "Can it think?" asked the angel. "Yes," said the Lord, "and can reason and compromise too."

The angel bent over and wiped something from the face of the mother and said, "I knew you were putting too much into this one. It leaks!"

"It's not a leak," said the Lord, "it's a tear." "A tear? What's it for?" "Well, it's for joy, sadness, and disappointment and pain, and loneliness and pride."

"You're a genius," said the angel. The Lord looked somber. "I didn't put the tear there."

You and I put tears on the cheeks of our mothers. For joy or sadness, for pain or pride. And it's right that we stop and thank God for this wonderful gift to us.

Today I want to say just one thing. I really want to say one thing. I heard about a fellow who said: "I have been going to church twenty years expecting my pastor to say something. And just as sure as I miss a Sunday, that'll be the Sunday he says something." Well, I want to say something to you. I want to say that being a mother is a worthy career. Now I'm not saying that mothers should all stop their jobs and stop other careers and concentrate just on child rearing. That would be a wonderful thing but not all can do that. Have you heard this?

The bride leaning on her cane,
Her footsteps needing guiding,
While down the aisle with a wan, toothless smile,
The groom in a wheelchair came riding.
Who is this elderly couple just wed?
You'll find if you closely explore it
That is that rare and conservative pair
Who waited 'til they could afford it.

Now I'm not saying that all mothers should give up their other work. Some cannot. I'm not saying that every woman should have children and be a mother. I'm just saying that those who choose the profession of motherhood are choosing a worthy career.

Now this is a reaction. It's a reaction to two articles I read a couple of years ago. One was found in the *Reader's Digest*, and that shocked me. It's the kind of statement you would expect to read in those expensive, slick, "you've come a long way, baby" type magazines you see nowadays on the newsstands. You know, those that appeal to those whose pseudosophistication has outlived their sense. But this is in the *Reader's Digest*. It was entitled "Ten Most Challenging Careers for Women." And being a mother wasn't even mentioned. And, my soul, I believe *the* most challenging career of all for women is to be a mother.

The other article was in the paper quoting a New York City lady who said: "The best and the brightest of today's women do not choose to be mothers." Well, I have a reaction to that. I think that is in keeping with intelligence of the original statement: "NUTS!" Some of the brightest and very best of all the people I know choose to be mothers. And I want to say today that being a mother is a worthy career. Now it's much more than that. It is the most challenging and worthy career of all, but quite honestly, it seems as though getting this society to accept the fact that being a mother is a worthy career is going to be more than just a day's work. But it is. It's a worthy and exciting thing, for it's much more important to build a person than to build a portfolio; much more important than developing a clientele is developing a child. For when you're dealing with people, you're dealing with the most important thing in all our society. When you're dealing with the development of a human being you can't be involved in any more important and challenging business than that. Being a mother is a worthy career!

In II Kings 18, there is a Biblical episode when King Hezekiah and his people at Jerusalem are almost demoralized. They're almost out of water. They're almost out of food. The Assyrian army has surrounded the city simply waiting for it to surrender. There's a conference between two of King

Hezekiah's representatives and the Assyrian general outside the gates of Jerusalem. They're so close to the wall that the people standing on the wall can hear it. And in II Kings 18, this conversation is recorded in which the Assyrian general tells King Hezekiah's representatives: "Go tell your king he's a fool. He's trusting in something for strength that isn't strength at all. He's made an arms pact with the king of Egypt. Even now he's probably in his tower looking toward the east, looking for that telltale cloud of dust which means the king of Egypt has come through and the horses and chariots are on their way. You tell your king, and this is in verse 23: "You tell your king that my king will drive two thousand horses through his gates if he can prove he has anyone to ride them." Now you see, that's the trouble with horses, planes, businesses, and anything. You have to have people to direct them. And if you don't have the right kind of people, there's not much sense of having anything else. And where are the right people developed? How does a nation lead people in the way they ought to go?

Well, it's very certain that in our secularistic society they are not going to get this from media. It's very unlikely that movies or television or magazines or newspapers are going to do much to increase the value system of our nation. For you see, our media are not all that interested in telling us what is right and wrong. They simply want to find out from us what we think is right and wrong, what is acceptable and what is unacceptable. So then they can sell us what we want. And they'll not spend much time at all telling you what is good or what is bad or what is right or what is wrong or what is unacceptable and acceptable, but they will simply say: "What do you think?" And they'll take polls, they'll take surveys because they are in the business of giving you what you want and not necessarily what you need. And they will tell you what you want to hear. They will present dramas and programs that tell the stories that they think you want to hear and reflect the kind of lifestyle they think you want to watch. In doing that they can attract sponsors who can use this as an opportunity to sell products to you and me, not necessarily the products we need, but the products they think we want. And those products may be injurious to our health. They may be responsible for killing many of us, but you see that's not the factor. The factor is profit. Now I'm not saying that's all bad or all wrong. I'm saying that's just the way it is, that we are not going to be directed by media to find our moral values in this land.

Christian television should be different. But with the notable exception of the ACTS Network, it seems that Christian TV seems to have a greater motivation of fleecing the sheep than feeding or nurturing them.

So where are you going to get it? Well, you have to get it in homes. You have to find the character in the homes. If we're going to be the kind of people we need to be, that has to happen at home. I've heard people talk about the crime rate and all kinds of studies about how to solve the crime problem. Many have said poverty is what causes crime. Folks, that just isn't so. Crime is an equal opportunity attractor. There are rich and poor criminals. In fact, some of the very slickest of them are rich. That's how they got rich. Having things does not stop anyone being a criminal. You know, during the great depression this nation had twenty-five percent unemployment. It also had its lowest crime rate in all of history, because we had homes back in those days that taught values.

My mother, as a young mother, lost her first husband in the depression. He had nothing: no insurance, no property. He left her with three boys under eight years of age. She got a job for fifty cents a day at a steam laundry in the little town of Olney, Texas. That laundry was located in a tin building, and she worked ten hours a day for that fifty cents. She got one room, kind of a shed, a lean-to, behind one of the stores downtown. That's where she lived with her three boys. While she was working, my three brothers just had to sort of walk the streets and try to sell papers, or sweep the sidewalks, or do whatever they could do to get what they could get.

One day my brother Miles walked into a variety store to try to sell the man there a paper, and he saw a toy truck. He'd never had a toy truck. It was the most beautiful looking thing to him he'd ever seen. He picked that toy truck up and put it in his pocket. Now the first night he was able to hide that from my mother but you can't hide much in one room for very long. And it wasn't long until she found the toy.

After she had worked ten hours in the steam laundry that day, she came home and she said: "Son, you and I are going to make this right." The man who owned that store lived two miles out in the country. My brother Miles said that he was seven years old and that my mother walked twenty yards behind him. She said: "I don't want to be seen walking with a thief." She walked twenty yards behind him all the two miles out to that man's house. When my brother, seven years old, knocked on the door, my mother stood around the corner so she couldn't be seen. My brother gave the toy back that he had stolen and apologized for that. He said: "I've never stolen anything since then."

My brother is one of the most respected people in his community. He is the county tax assessor and collector in Wichita Falls. He also is a pastor and preaches to many of the people he collects taxes from. I've envied him that position on many occasions. Year after year, he runs unopposed as one of the most respected people among the folks where he lives and where he grew up. My brother is a great man because he had a great mother. And she taught him that honesty is an unconditional thing.

Now I believe in social ministries. I dream one day of our having a fulltime social minister to look after needs in our church. Our Lord Christ tells us that when we can help people we should. And part of our judgment is going to be faced because of that. I certainly believe in that, but I also know that if there'd been some social ministers in the days of Abraham Lincoln, they may have just taken him out of the thing that was very best for him. For you see, Lincoln lived in a log cabin that didn't even have a south wall, but what he had was so much greater than what he didn't have, because Abraham Lincoln had a great mother. And after she died he had an even greater stepmother. They taught him that honor and honesty are unconditional, and he lived that all of his life. He was known to be Honest Abe because of that.

But that's where it happens. We say: "What about the church?" Well, God created the home first and then the church. And the church is to help the home in what it's doing. But unless the people in the home live the life that's preached in the church, unless there's the undergirding of that kind of ministry, then the church cannot have a great deal of impact upon society. We have some, but not the impact on a life that a home can have.

I read a thing the other day that was sad. The first four lines went like this:

Mary had a little boy,
His soul seemed white as snow.
But he didn't go to Sunday School,
Because Mary didn't go.

And it went on and on from there. It told about how the boy's life was destroyed.

Being a mother is a worthy career. Now we know there are sometimes when parents can do everything they can do and the child just doesn't turn out well because we all have this decision possibility within us. Individuals can decide to go with what they've been taught or not.

In the Bible we read in Judges 13-16 of Samson, a promising young man, so very promising. In Chapter 13:8, we read that his father Manoah prayed for him, dedicated him to the Lord when he was born, that his father and mother reared that child in the fear and admonition of the Lord; but Samson never paid any attention to what his parents were saying. He bullied everybody that came in his way. He practiced unlimited sex. He was a young man who simply destroyed himself and many other people. Here was a case of good parents not having good success with a child.

There is in the case of Jonathan, a young man who seemed to be the generation gap in reverse. He had many qualities that his father Saul just didn't have. But I think the normal and what usually happens is what's portrayed when Paul wrote to Timothy. He said: "I thank God whom I serve, as my forefathers did . . . as night and day I constantly remember you in my prayers. Recalling your tears, I long to see you, so that I may be filled with joy. I have been reminded of your sincere faith, which first lived in your grandmother Lois and in your mother Eunice, and, I am persuaded, now lives in you also . . ." (II Timothy 1:3-5).

Being a mother is a worthy career. It's a worthy career because it just may be the only hope of survival for this land and for this world. That's what Moses was saying in Exodus 20. You see, Moses was not a preacher. He was not some religious lecturer giving ten suggestions for those who thought they might like to be religious. That's not what the Ten Commandments are about. Moses was the leader of a brand new nation. And this was a nation of people who for the first time were freed. For more than four hundred years they had been slaves. They had worked where the government told them to work, lived where the government told them to live, worked as long and at what job the government told them to work. For the last generation, every boy baby born among them had been slaughtered by the government. And now they were free: free to make some choices for the first time in their lives. And of course we know that that's all freedom is: it is the ability to make some choices. If you use your freedom to make the wrong choices, you lose it. So our Lord was saying to them in the Ten Commandments. He was telling a nation how to keep free.

Now every time there's something that's negative in God's Word there will always be a positive preamble. And the positive preamble to the Ten Commandments is this: "I am the Lord your God. I brought you out of Egypt."

So the conversation between God and these people could go something like this. "You're free. Right?" And they said: "Yes, we're free!" He said: "God made you free. Is that right?" And they would have to say: "Yes! God made us free! He brought us out of Egypt. He opened the water. He gave us our freedom. God made us free!" "Then your God wants you to be free. Is that right?" And they said: "Surely it must be right. He did this because God wants us to be free." And our Lord said: "Alright. Now let me tell you how to keep it." And that's what the Ten Commandments are. And when He says: "Honor your father and your mother that you may live long in the land that the Lord your God gives you," He is not saying: "Be nice to your mother and daddy and you'll live to be eighty." What He is saying is that if you're to live long in the land that the Lord your God has given you, then you may be able to keep the land. You may be the kind of people with the character it takes to keep freedom. You may have the inner strength and stability that is needed to maintain the land that the Lord your God gives you. But that's what He was saying.

You know there is one thing and almost every government in the world today agrees about when you can get a statement from them about it. In the Communist world, forty percent of the world, in the free world, and in what's called the third world, there is one thing that all governments seem to agree upon. And that is that families are the key to survival. It hasn't always been that way.

Plato dreamed of his Syracuse, of its kind of communal living where everything would be wonderful, the people did exactly what they wanted to do and worked at their strengths. By when Syracuse was put into action, though it looked good on paper, it didn't work.

You remember the Bolshevik Revolution, the Russian Revolution. Communal living was to be the way of life. They were going to do away with the concept of family. When people had children, children would be put in places where they were to be raised by experts and raised to become their highest potential and the parents would be free to do the things they did best. They tried that, but it didn't work. It was a dismal failure. And now Russians, I'm sorry to say even more than we, are saying that the key to our nation's survival is the family.

In 1917 in upstate New York a group of people were brought together into a community called Oneida, people who had money, education, and culture—attributes and possessions which would have classified them on the world's scales as "the brightest and the best". They were going to show and demonstrate how true communal and communistic-type living would work. The experiment was a dismal failure. And now all over this world, all the governments, all the people are saying one thing and that is that the family is the hope for the future, because they know that if they don't produce people with character, then they won't last long.

That's the trouble with horses., You've got to have someone to ride them.

Many years ago there was a revival in this land, the kind of revival that some of us are praying for to happen gain. One instrument in that revival was a preacher named Jonathan Edwards. Jonathan Edwards was a small little guy who read every word of his sermon from a manuscript and hardly ever looked up. He had a sermon called "Sinners in the Hands of an Angry God", and when he would read that sermon to congregations, people would come under the conviction of the spirit of God and hundreds of them would be saved. He led revivals all over the land, especially the eastern part of our land and was an instrument in a great revival. Jonathan Edwards was married to a lady named Sarah Pierpoint. Jonathan and Sarah Edwards had eleven children.

Jonathan Edwards must have been a wonderful father and Sarah was certainly a wonderful mother. She gave one hour a week to those children individually. And she gave a lot of her time to them. She gave her life to helping those children know God through Jesus Christ and develop what they could be for His glory.

Somebody followed the generations of Jonathan and Sarah Edwards. These are the things that are not nearly so important as you'd like to know the real important things, but these are the things you can learn only from the kinds of way we keep history. By 1900, the descendents of Jonathan and Sarah Edwards had produced thirteen college presidents, sixty-five college professors, fifty-six medical doctors, one dentist, fifty-six people who were lawyers, one became the dean of a prestigious law school, thirty were judges. There were eighty serving in elected positions in government. Among those were three United States senators, three governors of states, three mayors of large cities, one comptroller of the U.S. Treasury, and one vice-president of the United States.

There were more than one hundred overseas missionaries to come from that family, and scores and platoons of leaders of churches and clergymen. Now don't tell me that Sarah Edwards did not pursue a worthy career. Don't tell me that's not important. Don't tell me that she didn't do something that makes a lot of difference because she probably made more difference than any other woman or any other person of her day.

And I'm here to simply say one thing: That being a mother is a worthy career, and we salute those who give themselves to it.

"We're all blind until we see that in the human plan nothing is worth the making if it does not make the man. Why build these cities glorious if man unbuilded goes, In vain we build the world unless the builder also grows."●

LEE IACOCCA

● Mr. SIMON. Mr. President, one of the most stimulating and thoughtful and common sense leaders on the American scene today is Lee Iacocca, chairman of the board of Chrysler Corp.

Recently, he gave a talk to the National Association of Manufacturers that hits the nail so squarely on so many issues that I ask to insert it in the RECORD.

He calls on us to face up to our problems in trade, in education, and on the deficit.

Right now we are stumbling around on trade, and completely ducking on education and the deficit.

I urge my colleagues in the House and Senate to read the Iacocca speech.

The speech follows:

REMARKS BY L.A. IACOCCA AT THE NATIONAL ASSOCIATION OF MANUFACTURERS, MARCH 22, 1989

Thank you, Dick (Heckert), and good afternoon to all of you.

I appreciate the introduction and the reception. I've learned that you never know what to expect when you come to Washington. In fact, I gotta tell you, I feel a little like John Tower being invited back to lunch in the Senate dining room.

You see, when I was in town 10 years ago looking for some loan guarantees to save Chrysler, NAM was telling everybody on the hill "don't give him a dime." I know it wasn't personal—there was a principle involved.

I can tell you now, that hurt. But, of course, everybody knows that I'm not the kind of guy that holds a grudge! (At least not for over 10 years at a time—so here I am.)

And then, of course, I remember running into Sandy Trowbridge at the Lake Placid Olympics not long afterward. He'd just taken over as head of NAM, and he said, "Lee, the whole fleet of Plymouth Horizons (60 of them) we just bought for our field force are all running great!"

That really impressed me, and I had a lot of encounters like that. You see, we found that a lot of people who opposed Government help for Chrysler in principle, were still rooting for us, and actually helped us later on. They didn't really want to see a great old company go bankrupt and 600,000 people lose their jobs. But there was this principle involved!

Well, this year is the 10th anniversary of the whole Chrysler loan-guarantee debate. I don't want to open any old wounds, but I think we should all remember what almost happened. Chrysler was going down for the third time, and for the sake of principle some purists were saying "Let her sink. It will be a good example of free enterprise at work."

At about the same time, if you'll recall, we were sending dollars to Latin America by the boatload. (Those were smart loans, of course, while Chrysler's was a bailout.) And in the spirit of good old-fashioned American entrepreneurship, we deregulated the S&L's and said, "Hey, you guys go do your own thing. And don't worry, we'll back you up all the way."

I guess there were some principles involved there, too.

Well, let me abbreviate history for just a minute. In fact, Chrysler never did take a dime of Federal money. We just asked the Government to co-sign a few notes. In return, when we paid those notes off 7 years early, the Federal treasury made almost $350 million profit.

What happened to all those safe loans to Latin America? They're still on the books—about $70 billion worth—with a lot of embarrassing asterisks next to them.

And how about those great bastions of free enterprise, the S&L's? A one hundred billion dollar blunder that will come right out of taxpayers' pockets. (That's you and me.)

Now, I didn't come here today just to say "I told you so," or to talk about some of our double standards in this country. I think (at least I hope) we're all a little smarter in 1989 than we were in 1979. In fact, helping Chrysler was a dangerous precedent back then—unless you happened to look at the consequences of letting us die. Moving away from our tried and true principles in this

country is still dangerous—unless sticking to them blindly winds up taking us over a cliff.

I keep telling people what we need here in Washington are a few more Chrysler "bailouts." I don't mean underwriting every failing business that comes along, but I do mean breaking some old rules and traditions if that's what it takes in order to compete.

You see, I'm a businessman, not a politician. All I've ever done in my life is manage a business, and every day I ask myself "what do I have to do to compete?" And every time I come to this town, I try to get people here to ask the same question "What does America have to do to compete?"

And you're all business people, too. What would you like to see happen? What would help you compete? How about interest rates at 8 percent instead of 12? Would that help? I'm building a new research center and a new plant right now—at a billion dollars each—let me do them at 8 instead of 12 and watch how competitive I get. But it won't happen as long as the government is spending a half billion bucks a day more than it takes in . . . as long as we've got $2.6 trillion dollars of debt on our backs (with interest alone running over $200 billion or 15 percent of or total budget) . . . and as long as my competitors in Japan are paying less than one-third what I am for capital.

And, how would you like to compete with the same rules for everybody? Example: Toyota and Nissan want to come here and compete with me, so they sign up a Chrysler dealer and put their logo right next to mine. But I'm trying to sell in Japan, right now, and I'm prohibited from using their dealers so I have to start a whole new distribution network of my own. And yet every day, it seems, I read about another Japanese tycoon saying that we Americans aren't trying hard enough, or just don't understand the Japanese market.

Or how about taxes? Would a few changes in the tax code help you compete? The individual rates have come down, sure, but only because business people like you and me picked up $120 billion more of the load. (And only American business, by the way—Toyota got a better deal than I did.) We're out of sync with everybody else because we tax mostly savings and investment while they tax consumption. After 74 years, we finally changed the tax code, and maybe made it a little fairer (not simpler, mind you). But it did not cut the deficit or make us more competitive in trade—our two biggest problems. So why did we make the trip?

Oh, and a full third of those taxes go for defense—about $1,200 for every man, woman and child in America compared to $150 in Japan. Imagine how competitive we'd suddenly get if they were defending us! (Or at least helping out.)

And here's one that hits all of you—how would you like to compete without this albatross around your necks called runaway health care costs? For me, it's $700 a car, and still going up at twice the rate of inflation. Other countries put those costs in their taxes, but we put them into the price of our products. That's not very healthy for competing with the other guys.

Or, how about if we'd just stop suing each other at the drop of a hat. Would that make us more competitive? Japan graduates 10 engineers for every lawyer, and we graduate 10 lawyers for every engineer. Does that tell you something? They train people to build a better mousetrap, and we train people to sue the guy with the mousetrap. So who's the smart guy?

I could go on, but we are getting less and less competitive in this country, and some of the biggest reasons don't have anything to do with what we do on the factory floor; they have to do with policies here in Washington. I should say lack of policies, because I honestly don't know what our game plan is on some of these issues—if we have one at all.

We are groping—and I mean really groping—for solutions, starting with what to do with our debt load. I was on the National Economic Commission that unceremoniously folded its tent three weeks ago. We worked hard for almost a year and agreed on only one major thing—that deficits are bad for the country!

Pretty profound—huh? (That makes us geniuses, right? I expect to get my Nobel Prize in the mail any day now.)

We listened to every reputable economist, including Paul Volcker and Alan Greenspan, who told us that a credible whack at the budget (say $30-40 billion a year for 4 years) would drop interest rates a couple of points almost overnight.

We split up because we couldn't agree on a little sacrifice to take that whack. We were worried about what the voters might say to a little nickel or dime tax on a gallon of gas. That might cost you $100 a year. (Just whispering the word "taxes" in this town today is like quoting the Satanic Verses to the Ayatollah. You could get a contract put out on you.)

Actually, we were asking the wrong question. We should have been asking, "How would you like to see you mortgage payments go down a couple thousand dollars a year? And, how would you like to lower your car payments, and your credit card payments?" And imagine the magic it would weave on South American debt repayments, and on the S&L insolvencies and bailouts—you name it. Hell, most of all, that $200 million interest bill on our national debt would drop like a rock. We should have told the American people about some of those things. And we certainly should have told them that high interest rates are the most insidious taxes of all (make no mistake about it).

I was on the NEC as a businessman, concerned about competing. That was what was so frustrating. Those deficits have made us, by far, the biggest debtor in the world. And if you look back in history you'll find that in this world it's always the guy holding the IOU's who calls the shots. He's the guy in the best shape to compete. Debtors cannot be leaders—economically, militarily or any other way.

We're groping on the budget deficit, and groping on the other big deficit, too—the trade deficit. Japan is eating our lunch, and yet here in Washington it seems everybody is heading off in different directions. No coordinated policy at all.

At Commerce and the Special Trade Representative's office, they'd like to level the playing field a little, but the State Department doesn't want to ruffle any feathers . . . the Pentagon wants to keep Japan on our side in case the Russians act up . . . and Treasury is scared to death the Japanese won't show up at the bond auctions next Tuesday. Everybody in town has his own agenda with Japan, but the United States of America has none! We got an 1,100 page trade bill last year, but nobody seems to know how to use it.

I grew up believing protectionism—the old classic kind where you shut yourself off from the rest of the world—was pretty dumb, and I still do. But somewhere along the line we stopped being idealists and started being patsies. I don't want to close off the American market, and I don't want to toss out the idea of free trade. But I want to use the American market to make damn sure that trade is free for Americans for a change.

If that means using market access as a weapon to open up foreign markets to us and defend free trade, what's wrong with that?

I'd like to see trade policy and national competitiveness elevated to the same rank and importance as national security!

Now, I said that we can't get our act together when it comes to Japan, but let me tell you, they have a plan, and the clout to make it work. The Political Action Committee that represents Japanese auto dealers in this country gave $2.6 million to congressional campaigns last fall. That's more than General Motors, Ford, Chrysler and the United Auto Workers gave, put together.

Last year alone, the Japanese paid more than $100 million to their lobbyists and other agents in this country. And do you know where a big chunk of that dough goes? To hire away our own trade negotiators. About one third of the senior people in the U.S. Trade Representative's office in recent years have left to work for foreign governments and companies.

Think about it, if a CIA agent quit one day and hired on with the Russians the next, we'd throw him in the slammer. But when our trade negotiators defect to the Japanese, nobody bats an eye! This really is a very strange town.

Well, the budget . . . trade . . . the tax code . . . all the rest of them—these are competitiveness problems we could solve, and solve fast, if we just had the political will to do it, and, of course, some coherent policies and good dedicated people to carry them out.

But let me tell you about our biggest problem of all. And this one can't be solved overnight. It's going to take a long time, but I guarantee you, without solving it, forget ever being able to compete. (Nothing else will matter.) What I'm referring to is the absolutely crummy job that we're doing in this country in education. We're just not giving our kids the tools they'll need to compete, and we'll pay a stiff competitive price for that for a lot of years to come.

We're turning out high school graduates who will have a hard time even understanding the problems, let alone tackling them. Somebody did a study (oh, hell, we're always doing studies). Seventy-five percent of our high school students don't know what inflation is . . . 66 percent don't know what profits are . . . and 55 percent don't have a clue as to what a government budget deficit is. (So the size has no meaning to them.)

Hell, 600,000 of our graduates last year could barely read their diplomas. (I couldn't read mine either, but it was in Latin. Theirs were in English.)

Sure, we have some great schools . . . and plenty of dedicated teachers. Many of our high school graduates are as well prepared as you'll find anywhere. But when you talk about competing as a Nation, you compete on the basis of your averages. How does the average U.S. student stack up? That's what determines how competitive we'll be.

Well, ours are now dead last among industrialized countries in math and science. Is there any doubt that we'll fall flat on our faces trying to compete in a high tech world when we're turning out students who are

dead last in math and science? And they're near the bottom in reading, too.

I'll bet you didn't know this—you and I and all the rest of American industry are spending more money teaching remedial math to our employees than all the grade schools, high schools and colleges in this country spend on math education—combined!

Hell, I'm in the business of building cars not teaching remedial math!

We spend $117 million a year at Chrysler on training, and almost 10 percent of it goes to teaching people the three R's they didn't learn in school.

At Motorola, they found that it costs $200 to train an American worker in statistical process control. Teaching the same technique to a Japanese worker costs 47 cents. Basically, all they have to do over there is hand the guy the book. We can't do that here because there's a good chance our guy can't read it.

Functional illiteracy in Japan runs at about 5 percent. Here it's between 20 and 30 percent, depending on whose figures you use.

We used to write our training material at Chrysler at the 9th to 12th grade reading levels. But we found we were out of sync because a lot of the people in the plants were only reading at the sixth grade levels. So we had to translate everything into sixth grade reading because that's all some of them could handle.

Sometimes even sixth grade is too tough. On one of our assembly lines, we had a button on a computer, labeled with three simple words: "bad hood fit." We had to replace it with graphics—a picture of a hood.

Now remember, in Detroit we draw our workforce from a city where the high school drop-out rate is 50 percent . . . the daily school attendance rate is about 75 percent . . . and where less than 30 percent of the school budget actually goes to basic education. (The other 70 percent is for administration and "support" services.) I've got over 91 percent of my people designing, building and selling cars. Imagine if I only had 30 percent doing that and 70 percent was pure overhead. How long would I last? Could you stay in business that way?

It goes without saying that we as manufacturers have a huge stake in education. Would you believe maybe survival? I know what factory workers in Japan and Korea can do. I've seen them. I also see what we're getting from our schools, and I'm scared. Everybody can get the same technology today, but if you don't have people who are smarter than the robots they work with, the game is over. You are simply not going to compete.

We employers have to get more involved in education. And I don't mean spending more time teaching our own people how to read or do long division, either. We've gotta go to the core of the problem and help our schools turn out the kind of people we need to run our plants.

And just throwing money at the problem isn't enough. We'll spend $328 billion on education this year, more than for any other public service, including national defense. And we spend a lot more of our GNP on education than any of our overseas competitors—including Japan and Germany.

So we deserve more productivity and efficiency for the billions in tax dollars that we're already putting into education.

We also have to demand higher standards. The first thing some youngsters flunk these days is life itself. That's because they've been passed from one grade to another, and eventually graduated, even though they've been failing at every step. The only problem is, nobody's told them. In attempting to shield these kinds from failure, we've guaranteed it. You know what that is (we hear a lot about it these days), it's called malpractice. Malpractice in the schools.

Now, for some youngsters today it's already too late. They're so far behind they may never catch up. We can do a patch job on some, but we really need to make sure that we don't blow another crop. That means starting now with the K through 6 kids. Just like in our plants—"Do it right the first time!" We can't keep trying to make repairs at the end of the assembly line.

More than anything else, we have to find ways to help teachers themselves do their jobs. We're asking a helluva lot of them right now. We're asking them to be cops, and social workers, and surrogate parents, and drug counselors, and psychologists. And we're making them do all that alone.

I talked to the National Education Association a couple of weeks ago in San Diego. I found out that only 25 percent of parents ever visit their children's schools. Let me ask you—could you turn out a quality product if you never even got to talk to the suppliers that send you your raw materials? I couldn't!

I have to get my suppliers involved in my business or I can't fit together those 12,000 parts that make a car. If you can't get the parents involved, I don't know how you fit all the parts together into that complex mosaic called a human being.

But that's what we're asking those teachers to do. It's not fair, is it?

The schools themselves, of course, are our major suppliers. We can't just get mad at the quality of what they're sending us. We have to work with them to fix that quality.

Like a lot of other companies, we're trying to do that at Chrysler. And we're doing it as hard-headed business people who understand it's a responsibility we have to take on in order to help ourselves compete.

One thing we're trying to do is create a better awareness in this country of just how big our education problems are.

Starting next Monday night, we're sponsoring a five-part PBS series entitled "Learning in America" with Roger Mudd (an ex-teacher, by the way) as the host. It's an in-depth look at what we're doing wrong in this country, some of the things we're doing right, and most important, whether or not our schools are preparing our kids to compete.

Secondly, we've just made a half-million dollar grant to the National Board for Professional Teaching Standards. This is a new organization, just over a year old. Dick Heckert is on the board. The aim is to create for the first time a set of national standards and an accreditation process for teachers that will help give the teaching profession the stature it deserves.

In Japan, teachers are up on a pedestal, like they were here when I was a kid. They're among the highest paid of all Japanese professionals, and in prestige they're right up there next to "king" (or Emperor)—not only respected, but revered. Boy, they've really got their priorities straight.

Then—and this may be the most lasting contribution we can make—we just provided the largest grant in history, $2.1 million, to Reading Is Fundamental. That's a program I've been involved in since it began.

I've learned that the average primary school student in this country only spends 7 or 8 minutes a day actually reading. Maybe that's our whole problem, or at least the root of it. Reading really is fundamental to everything else.

And we have to start young. The problems are in the early years. Our universities and graduate schools are still magnets for the best and the brightest from all over the world (would you believe 60 percent of engineering Ph.D.'s in this country go to foreign students?) So we must be doing something right at that level. But nobody is lining up to come and enroll in our kindergartens. That's where we're falling down—we're failing our own kids, right from the start.

Now, we know that everything we're doing at Chrysler to support education is really just a drop in the bucket, because it's such a huge problem. We've searched for a few ways to help, and I hope every company in this room looks for ways to get involved, too.

President Bush, who'll be here tomorrow, says he wants to be the "Education President." I think every one of us ought to do everything we can to help him get his wish. I talked to Mrs. Bush last night, and I have a strong feeling that with that lady by his side on this issue, he stands a good chance of making education the brightest of his thousand points of light.

I sure hope so. The kids entering first grade next fall will be the first high school class to graduate in the 21st century. We should focus on that class. We've already let some of the older kids down, but this class will tell how well America will be able to compete in the 21st century.

You know, the year 2000 is already getting a magic ring to it. Everything seems to be pointing to it—the dawn of the Third Millenium. But I hope we don't look pass the decade of the nineties. Because what we do between now and the end of this century will determine what kind of country we're going to be in the next one.

Some people like to say that we've lost the competitive edge we once had because Americans have gone soft. I don't believe that for a minute. But I do think we're living in the past. We're still living in the so-called "American Century." And we think its going to go on and on.

Well, I hate to tell you, but it's over. The Asians and the Europeans have an equal say now. And that's not all bad. In fact, that's what American policy has tried to do over the last 45 years—help build a world where people are competing in the marketplace instead of on the battlefield.

But that means we're going to have to learn to compete in a world that we no longer dominate. I don't think we've fully realized yet what that means.

It means that competing has to become the main policy goal in this city, and across the country.

I was glad to read last week that President Bush has appointed Vice President QUAYLE, who'll be up here in just a few minutes, to head a new White House task force on competitiveness. I can't think of a more challenging, or more important, role for the No. 2 man in our Government than to lead the effort to get us more competitive.

And I, for one, am glad to see that America's economic competitiveness is getting that kind of top priority treatment by the new administration.

Just about everything we do in this country, right or wrong, has an impact on our ability to compete. We need a broad-based solution to our competitiveness problem. And it has to be led from the highest levels.

Because competitiveness is a national problem. We're not just competing with foreign engineers and workers, we're competing against their schools, and their trade policies, and their health care systems, and all the other factors that go into this issue.

That will take leadership . . . it will take involvement . . . and it will also take a willingness to challenge a few old ideas, and maybe even to bend a sacred principle or two when they get in the way of our ability to compete.

Ten years ago, some men and women of both parties up on Capitol Hill had the courage and the vision to bend a few principles and vote to give Chrysler a chance to compete. DAN QUAYLE, by the way, was one of them.

Now that he's our new competitiveness czar, I hope he'll be able to convince some others in this town that we aren't betraying anything this country has ever stood for by doing whatever it takes to give our kids the change to compete in this new world.

But we sure betray them . . . those kids . . . if we don't.

Thank you very much. It's been good to be back. And Sandy, I hope you're still buying our cars! Good day.●

THE ARMED CITIZEN

● Mr. MCCLURE. Mr. President, I recently shared with my colleagues an article from the Washington Post which recounts a harrowing instance of an honest citizen defending himself and his elderly father from brutal attack by an intruder. I was pleased to see the coverage of this story, for it belies the mistaken impression that firearms cannot be safely used for self-defense.

I would not want to give the impression that such successful occurrences are uncommon. Every day, ordinary people exercise this right. We depend on the police to enforce the law, but the police cannot be everywhere. The May 1989 column, "The Armed Citizen," from the American Rifleman discusses other instances in which crime is thwarted by a self-reliant, armed citizen.

Again, I remind my colleagues: Every year, some 650,000 citizens defend themselves against violent crime using firearms.

Mr. President, I ask that the following article be inserted in the RECORD.

The article follows:

[From the American Rifleman, May 1989]

THE ARMED CITIZEN

(Mere presence of a firearm, without a shot being fired, prevents crime in many instances, as shown by news reports sent to The Armed Citizen. Shooting usually can be justified only where crime constitutes an immediate, imminent threat to life or limb or, in some circumstances, property. The accounts below are from clippings sent in by NRA Members. Anyone is free to quote or reproduce them.)

A Baltimore County, Md., woman was robbed in front of her house, and after the armed robber had taken the items on her person he forced Gwendolyn Harrison into her home to look for more valuables. Once inside, however, the armed man was wounded by Harrison's husband, who pulled a handgun from under a pillow and shot his wife's assailant. The wounded robber fled, but he and an accomplice were later arrested at a hospital. (The Sun, Baltimore, Md. 3/11)

Sheila Wagner was in her Omaha, Nebr., home when a man broke in through a bedroom window. The intruder lunged at her and yelled, "She's in here," to another man climbing through the window. The 41-year-old social worker picked up her registered handgun when the first man grabbed her by the neck and began firing. Wounded, the attacker was helped back out of the house by his accomplice; both were later arrested by police. (The World-Herald, Omaha, Nebr. 2/13)

A 59-year-old handicapped man was sleeping in a chair in his Akron, Ohio, home when he was awakened by someone breaking in. Unable to move, the homeowner saw a man's shadow and the intruder told him not to move or he'd kill him. The resident reached for a handgun, which he'd bought for protection after previous robbieries, and shot the robber. The wounded intruder and two accomplices were later arrested and charged with aggravated burglaary. The homeowner was not charged. (The Beacon Journal, Akron, Ohio 1/31)

A man sought by authorities on at least two warrants broke into the home of Michael and Irene Wilson of Pendleton, Oreg. When the man threatened the couple with a knife and scissors, Wilson fatally shot the man with a rifle. The slain man had been wanted on theft and drug possession charges. (The Oregonian, Portland, Oreg. 2/16)

A knife-weilding man who'd just robbed a Lancaster, Pa., store started for his car, but the clerk's cries alerted Fred Ringbloom. The citizen began chasing the robber; a delivery van driver who heard the commotion blocked in the man's car, forcing the thief to try to escape on foot. Ringbloom, meanwhile, had been joined by another man, and they chased the robber down the street. Apparently winded, the man stopped and brandished a knife at his pursuers. Ringbloom, though, drew his registered semi-automatic handgun and held the man for police. (The Intelligencer Journal, Lancaster, Pa. 1/28)

On her 52nd birthday Kathryn Cleckler of Selma, Ala., was awakened in the early morning hours by the sounds of an intruder trying to break in the front door of her mobile home. She managed to dial 911 just as the man entered, and when the man rushed toward her, she drew a pistol and shot him. Cleckler ran from the house; her attacker followed but collapsed not far from the trailer. (The Advertiser And Alabama Journal, Montgomery, Ala. 12/10)

Abducted at gunpoint from her Wheeling, W.Va., workplace by a teenager, a 43-year-old convenience store clerk was forced to drive her pickup truck to a desolate area. She was sexually assaulted by her captor, but the woman was able to grab her gun out of the truck. In an exchange of gunfire, the clerk shot and killed her attacker. (The News-Register, Wheeling, W.Va. 1/16)

Two men, one of whom was armed and wearing a ski mask, entered Gregory Ferris' San Antonio, Tex., gunshop and ordered Ferris and two customers to lie on the floor. After stuffing gym bags with handguns and stealing the people's wallets, one robber asked if the owner had handcuffs. Ferris directed the man to another part of the store, and when he saw that the man covering him with a gun was distracted, he bolted behind a counter where he was able to get his loaded shotgun. Ferris fired, critically wounding one man and forcing the other to surrender. (The Express-News, San Antonio, Tex. 2/16)

Springfield, Mo., TV anchorwoman Leanne Gregg asked a male friend to accompany her home because she was nervous about a previous break-in. Gregg and friend began checking the apartment room by room, and when she entered the dark bedroom she was attacked. The friend rushed into the room, and during an ensuing struggle drew a registered handgun and shot and killed the assailant. Police said the incident appeared to be justifiable homicide. (The Post-Dispatch, St. Louis, Mo. 3/2)

Sixty-year-old Mary Arendale of Holly Ridge, Miss., was home along while her husband was out hunting. Hearing noises in the family's country store, Arendale armed herself and investigated. Her one-year-old poodle, Rambo, led her to a man standing on a sink in the store. When the intruder lunged at her, Arendale opened fire—killing the man. Authorities found a stolen car near the scene. (The Clarion-Ledger/Daily News, Jackson, Miss. 1/14)

After several break-ins at the tool shed behind his Windsor, Calif., home, Victor Gavin rigged an electronic burglar alarm to the shed. When the alarm's buzzer sounded in the middle of the night, Gavin took his shotgun and investigated. He found a man in the shed shining a flashlight over the contents and captured the burglar for sheriff's deputies. "I told him what a shotgun could do to someone at that range . . . he was very cooperative," the homeowner said. (The Press Democrat, Santa Rosa, 2/19)●

DR. WALTER R. NICKEL

● Mr. WILSON. Mr. President, I rise today to pay my respects to the late Dr. Walter R. Nickel, a personal friend and one of California's truly outstanding citizens. Dr. Nickel passed away recently at the age of 81, after practicing medicine in San Diego for over 40 years.

Dr. Nickel served the people of San Diego as both a physician and as a noted community leader. Walter Nickel founded the division of dermatology at the University of California, San Diego Medical School. He also was a founder of four professional societies in the field of dermatology: the American Society of Dermatopathology, the Pacific Dermatologic Association, the Sonoran Dermatology Society, and the San Diego Dermatologic Society.

In 1983, Walter Nickel was named Citizen of the Year by the San Diego City Club, as well as Physician of the Year by the San Diego County Medical Society. He was a Mason for more than 50 years affiliated with San Diego Lodge 35, and a member of the San Diego Downtown Rotary Club. He was an enthusiastic supporter of the San Diego Zoo, the Boy Scouts, the San Diego Opera, and the San Diego Symphony.

Indeed, Dr. Nickel will be remembered as a pioneer of his field; he was the author of numerous books and articles and, no doubt, will serve as an inspiration to those who hope to

achieve his high standards of excellence. His expertise and unyielding enthusiasm will be sadly missed by the students, colleagues, and friends whose lives he touched. Mr. President, I would like to submit the following article from the San Diego Union in memory of Dr. Walter Nickel.

The article follows:

DR. WALTER NICKEL, NOTED DERMATOLOGIST

Dr. Walter R. Nickel, a leading San Diego dermatologist and a past president of the San Diego County Medical Society, died Sunday at his Point Loma home at the age of 81.

Dr. Nickel practiced for more than 40 years and treated more than 100,000 patients in the Medico-Dental Building downtown. His practice is now being carried on by his partner, Dr. John Lindholm.

In addition to his private practice, Dr. Nickel was the founding chairman of the Division of Dermatology at the UCSD Medical School, taught residents at the Naval Hospital for 40 years and taught at USC on a weekly basis for 20 years.

In 1983, he was named Citizen of the Year by the San Diego City Club as well as Physician of the Year by the San Diego County Medical Society.

He was native of Ohio and graduated from Hillside College in Michigan. He received his medical training at the University of Minnesota and the Mayo Clinic. During World War II he served in the U.S. Army Medical Corps as a major. His duties included service in the Philippines. He settled in San Diego in 1946.

His five sons participated in scouting through Troop 500 in Point Loma. they were the first family in the United States to have five brothers all attain the rank of eagle scout.

Dr. Nickel was a Mason for more than 50 years affiliated with San Diego Lodge 35, and a member of the downtown Rotary Club. He supported a broad spectrum of local civic, artistic and charitable activities with particular emphasis on the Boy Scouts, the San Diego Zoo, the San Diego Opera and the San Diego Symphony. He served on the board of directors of the Symphony Association.

In 1981, Dr. Nickel was named Practitioner of the Year, a national award given by the Dermatology Foundation. He was instrumental in establishing the field of dermatopathology as a recognized medical subspecialty. He was a founder and past president of our professional societies: the American Society of Dermatopathology, the Pacific Dermatologic Association, the Sonoran Dermatology Society and the San Diego Dermatologic Society.

In addition, he was an active member of numerous other professional societies including the prestigious American Dermatologic Association and the American Academy of Dermatology. He was the author of numerous books and articles.

He is survived by his wife of 50 years, Mona E.; five sons, James, Charles, Thomas and John, all of San Diego, and Russel of San Francisco, a brother in Ohio, and six grandchildren.

A memorial service is scheduled for 11 a.m. Saturday at the Point Loma Community Presbyterian Church, where he was a member for more than 40 years. Cremation is planned.

The family has suggested memorial contributions to the San Diego Dermatologic Society, the Boy Scouts or Hillsdale College. Contributions to any of these may be sent in care of P.O. Box 81829, San Diego 92138.●

AMERICANS WITH DISABILITIES ACT

● Mr. GRAHAM. Mr. President, it gives me much pleasure to be an original cosponsor of legislation which will prohibit discrimination against citizens with disabilities, the Americans with Disabilities Act of 1989.

Disabled individuals are one of the only segments of our population not afforded full protection from discrimination. They suffer from lack of access to education, employment, housing, and transportation.

The Rehabilitation Act of 1973 provided protection against discrimination in federally funded programs or entities. The Fair Housing Act of 1988 addressed housing discrimination against the handicapped. However, no comprehensive legislation fully provides equal opportunities for the handicapped. Clearly, it is time to integrate disabled individuals into every aspect of life.

The Federal Government spends almost $60 billion each year in benefits and programs for the handicapped. Much of this expense could be defrayed if the doors to the work place were opened for the disabled. Approximately 75 percent of unemployed disabled citizens between 16 and 64 years are unemployed, but surveys show that as many as two-thirds of these citizens would like to work. Subtle misconceptions and stereotypes continue to hinder successful and continuous employment for the disabled who desperately want their independence. This legislation will help to open those doors.

As Governor of Florida, I supported many legislative efforts to extend opportunities to the handicapped, and this bill is consistent with my efforts.

By encouraging independent living and self-sufficiency, we are accomplishing a meaningful social objective. As one representative from the National Federation of the Blind said, "You don't realize what it is like to have to rely on someone else for everything. Freedom and mobility are the greatest gifts you can give to the disabled."

Mr. President, the Americans with Disabilities Act will help us create an unrestricted and accessible environment for our Nation's disabled without imposing unreasonable restrictions or demands on the private sector. Our country's disabled deserve the chance to live self-sufficient and dignified lives. I commend Senator HARKIN for his leadership on this issue, and I urge my colleagues to support swift passage of this crucial initiative.●

MAYOR JAMES A. ALFORD

● Mr. LEVIN. Mr. President, on Saturday, May 13, 1989, a Sault Ste. Marie institution will formally retire—Mayor James A. Alford.

A member of the city commission continuously since 1967, Jim Alford has served as mayor of Sault Ste. Marie for the past 6 years. He has been a public servant in the truest sense of the word.

"Mayor Jim" has been honored as the Sault Sportsman of the Year and the Veterans of Foreign Wars "Citizen of the Year"; he is a member of the Upper Peninsula Sports Hall of Fame. In addition to his duties as mayor, he has served on the Puller Ice Arena Board of Directors, the Community Service Board, the City Economic Development Corporation Board, and the Safety Council.

Although his tenure as mayor has reached an end, Jim Alford will continue to be a vital force in Sault Ste. Marie affairs, as he has been for more than 40 years, and I will continue to call him "friend" because he has been that to me as well as to the Sault.●

STEEL VOLUNTARY RESTRAINT AGREEMENT PROGRAM

● Mr. HOLLINGS. Mr. President, this month, the administration is considering ways to implement President Bush's commitment to extend the Steel Voluntary Restraint Agreement Program. In the next few months, the Senate will be discussing legislation to extend the VRA Program. This issue is one of great national importance because steel is an essential part of our industrial base and our national security.

I would like to call to the attention of my colleagues an insightful, informative article recently published in the Washington Post. The article was written by the junior Senator from West Virginia, Senator ROCKEFELLER. Senator ROCKEFELLER has assumed the chairmanship of the Senate Steel Caucus this Congress. As a member of that caucus, I appreciate his leadership on this important issue. The article entitled "Steel and the Banner of Free Trade," documents the pervasive unfair trade practices of other nations in steel.

I commend this article to the attention of my colleagues and ask that it be printed in full in the RECORD.

The article follows:

[From the Washington Post, Apr. 19, 1989]

STEEL AND THE BANNER OF FREE TRADE

(By Jay Rockefeller)

President Bush announced in early November that he is planning to extend the steel voluntary restraint agreement (VRA) program which is due to expire in late September. It made sense for him to come to that decision, and it made sense to announce it early.

The issue is not free trade v. protectionism. Without question, the United States is the world's most open market among those of any significant size. In fact, this is a crucial part of the problem—no other major market will accept steel imports without severe restrictions. That makes the U.S. market the focal point of every country's steel exports.

Nor is the issue one of consumer costs. Unlike many other products, the real price of steel sold by U.S. producers is 20 percent below what it was at the beginning of this decade.

The issue is not one of price competition. Because of the sacrifices made by the industry and its workers, domestic steel is now produced at a price competitive with imported steel.

Has the need for VRAs passed? Although the industry had returned to profitability in 1987 and 1988, this performance must be put into perspective. From 1982 through 1986, the U.S. industry lost almost $12 billion, and for the 1980s as a whole its cumulative net income has been a negative $6.4 billion. Fifteen percent of domestic capacity is in Chapter 11, and most of the industry's securities remain rated below investment grade.

The steel issue is not primarily one between American consumers and American steel makers. It is a struggle between American producers and their foreign, often state-financed rivals. The primary problem facing American producers, who are among the world's leaders in productivity, is that steel around the world is massively subsidized.

For example, European producers alone received more than $40 billion from their governments in the 1980s. This is more than America has put into its space program during those same years. Without this aid, most of the integrated producers in Europe could not have exported steel to our market, but would have gone out of business altogether.

Italy plans to pour another $5.8 billion into its state-owned steel group, an entity that has not broken even for more than 15 years. Brazil wrote off more than $12 billion in debt for its state steel group.

New Zealand put nearly $650 million into its steel producer. Canada spent nearly $750 million, Spain more than $6 billion. France has provided about $8 billion to its two state steel groups, and Indonesia spent more than $500 million.

Korea, through exchange-rate manipulation, subsidies and protection of its domestic market, has become a major supplier to the U.S. market.

What operating subsidies has the U.S. government provided to its steel industry? Not one cent.

Massive subsidies not only have enabled foreign producers to sell below cost in the United States for sustained periods, but also to invest heavily in modern equipment despite losses that would have driven private enterprises into insolvency. Other countries, such as Japan, that are not even close to being cost-competitive in this market, must sell at substantial dumping margins in order to compete in the United States at all.

Every time there is an economic downturn, subsidized and protected foreign mills, which are usually state-owned, have continued to produce steel at a high rate, despite enormous losses, and have driven private firms both here and abroad into bankruptcy.

Following successive waves of dumping, the United States has ended up as the only major industrial country that is a net steel importer. This is a worrisome sign that the United States is the only country that has not realized the importance of domestic steel production. Steel is essential to our national security and serves as a cornerstone of our industrial base.

It is no wonder that the president has pledged to continue the steel program and that his trade representative, Carla Hills, has said that foreign steel subsidies and protection must be brought under effective international discipline.

And it is no wonder that 55 senators and representatives have cosponsored legislation I introduced with Rep. Jack Murtha to extend the current VRA program another five years after its scheduled expiration on Sept. 30.

For the first time an administration has announced at the outset what its steel trade policy will be. It has reduced the uncertainties for American producers and given them the basis for continued investment in efficiency, modernization, restructuring and upgrading technology.

There will continue to be critics of the program, those who naturally wish access to the cheapest steel whether dumped or subsidized or both, as well as those who ignore the harsh realities of the international competition in steel.

But the better informed the debate is, the more likely the consensus will be reached that the United States can no longer afford to wrap itself in the banner of free trade while ignoring the injurious industrial policies of foreign governments.●

ISRAELI INDEPENDENCE DAY

● Mr. RIEGLE. Mr. President, I rise today in commemoration of one of the most important events of the post-World War II era—the creation of the State of Israel. For 41 years, Israel has represented hope and freedom for the Jewish people throughout the world. Furthermore, it has been a symbol of modern democracy in a region of frequently unstable regimes. The tremendous success of this young state since 1948 is a tribute to the patience, courage, and fortitude of the Jewish people.

In ancient times, Jews first built their nation on the eastern shore of the Mediterranean Sea in a region once known as Palestine. After Israel succumbed to a series of conquests nearly 2,000 years ago, the Jewish people were forced into diaspora throughout Europe and the Middle East. Although faced with the genocidal campaigns of various anti-Semites, including the Cossacks and most recently the Nazis, Jewish culture and tradition remained alive. The critical turning point in Jewish history, however, occurred only 90 years ago, when Theodor Herzl, a Hungarian Jew, acted upon his aspiration to return Jews to their historical land east of the Mediterranean.

Herzl was a dreamer and a prophet. He knew that the Jews would have to leave Europe before they were driven out by anti-Semitism and pogroms. Still, before the Second World War, he could have not have foreseen the mass extermination of 6 million Jews carried out by the Nazis in Germany. After this nightmare in Jewish history, and 50 years after Herzl announced his dream, the U.N. General Assembly voted to establish the State of Israel.

Following its creation, this small country faced the onslaught of several hostile neighbors. Fighting for its very existence, Israel has managed to survive four wars and years of vicious terrorism. Yet, the courage and determination forged during centuries of exile enabled Jews to face these problems with vigor and unwavering tenacity.

Israel has not only been successful in defending its territorial sovereignty, but it has developed in a world leader in scientific and technologicial advancement. From medical research to advanced agricultural techniques, Israel has effectively carved out its place as a leader among nations.

With the exception of NATO, there has not been a more enduring relationship in the postwar era than the one between the United States and Israel. For 41 years, the maintenance of the security, territorial integrity, and the independence of Israel has been a pillar of United States foreign policy. This must not change. To turn our backs on this country would be to reject the values of liberty and respect for human dignity which has been the moving spirit for both of our nations.

The long, arduous, but successful fight for sovereignty, as well as the political and economic development of the last 41 years, give the people of Israel and the world much to be proud of. I am, therefore, pleased to join my colleagues in paying tribute to the citizens of Israel on its day of independence.●

MOTHER'S DAY

Mr. KOHL. Mr. President, Mother's Day is an appropriate time to acknowledge the women and families of this great Nation, Mr. President. The economic pressures that have come to bear on American families are not only altering our workplaces and our homes, but are mandating that we adjust our policies—public and private—to accommodate those changes.

The fastest growing segment of the work force is married mothers with children under 2 years. Today, 3.1 million work, a 129-percent increase since 1970. In addition, half of mothers of infants under the age of 1 are employed outside of the home. Yet less than 1 percent of private workplaces provide child care.

Seventy-three percent of women in prime childbearing years are in the work force today, compared to 35 percent in 1950. Yet 60 percent of female employees work for companies with no disability policies.

The demographics of our aging society are staggering. With longer life expectancies, more middle-aged workers—generally women—must care for their parents, as well as their children. It was recently brought to my attention that the average woman will spend 17 years caring for a child and 18 years caring for parents. Where are our commitments to caregiver and care recipient? We must help the family in its long-term care needs.

We have hobbled through a decade of latchkey children, of faltering scores in academic performance, of inadequate nutrition and access to health care, of increased rates of infant mortality and low birthweight. We have watched women struggle for equal opportunity, pay, pension and retirement equity. We have seen the consequences of our failure to provide adequate resources and support to American families. And it is our failure, Mr. President. We must expand the choices available to the family.

The future of this Nation—our ability to compete in the international area, our investment in health research, our export of peace and understanding instead of war and guns—depends on our children. Strengthening the family, providing universal access to health care and giving our children a real head start, Mr. President, those must be priorities for us even in the most lean of fiscal years.

Today, I want to declare my support for the Act for Better Child Care, the Family and Medical Leave Act, and for a public/private partnership on family support programs. Our colleague from Maryland was quoted a few months ago as saying, "This is our year for a real family policy." I hope she is right.

To the millions of working women both in and out of the home, my respect. To their children—and to the refreshing dreams and hopes they offer all of us—my pledge to do all that I can to make this a better, healthier, safer world.●

TRIBUTE TO BROWARD COUNTY SENIOR VOLUNTEERS

● Mr. GRAHAM. Mr. President, I would like to take this opportunity to pay tribute to Florida's 1989 electees to the Dr. Nan S. Hutchison Senior Hall of Fame. During the month of May, which is "Older Americans Month," I think it is particularly fitting to pay tribute to senior citizen volunteers who embody the spirit of voluntarism by generously giving their time and talent to many deserving enterprises.

I salute: Lottie Albert, of Lauderdale Lakes, for her extensive work in Broward County and her successful efforts to secure grants for the Medivan; Bessie Ashley, of Fort Lauderdale, for her work in education and her outstanding contributions to the community; Jean Booher, of Fort Lauderdale, for her continuous assistance and care for children who have been abused, abandoned, or neglected and her assistance with legal matters to those in need; Lillian Cousin, of Fort Lauderdale, for her creative support of and care for her neighborhood and community; Ray Fox, of Deerfield Beach, for his leadership in various fundraising projects and his efforts for the improvement of his community; Arnold and Margot Gottlieb, of Hollywood, for their contributions to Memorial Hospital and their community service.

I commend: Dr. William Perlman, of Tamarac, for his dedicated work with Alzheimers disease groups; Sally Sandler, of Fort Lauderdale, for her far-reaching support of and contributions to her community; Kenneth Schifferson, of Tamarac, for his considerable assistance with Amvets Post 2 of Tamarac and with Cancer Hotline, Inc.; Constance J. Senatore, of Cooper City, for her involvement with the American Cancer Society's Reach for Recovery Program and American Red Cross, and her gift of entertainment.

I am especially proud of the spirit of voluntarism that these special senior volunteers display. Volunteer service represents an investment of human resources by the participants and in the recipients, and it is an important element of life in the United States. I applaud these outstanding Americans, and wish them success in their future endeavors.●

TRIBUTE TO RICHARD GREEN

● Mr. DURENBERGER. Mr. President, there is an old Chinese proverb that goes like this:

If you plan for a year, plant a seed. If you plan for ten years, plant a tree, if you plan for a hundred years, teach the people.

The people of Minnesota and America lost a man who had committed his life to the 100-year plan of education, Richard Green.

I first met Richard in the early seventies, when I held my first public office, president of the Burroughs Elementary PTA. Richard, newly appointed as superintendent of the Minneapolis public schools, attended our first meeting. He served in that post with incredible energy, devotion, and success for 8 years. Recently, he assumed one of the greatest challenges in public service in the Nation: restoration of the New York City Public Schools. His work was cut short by his sudden and tragic death yesterday.

Mr. President, we cannot begin to calculate the value to our society of people like Richard Green. America's children do not vote, or control economic power or have a clear voice in the decisions which shape our country. And yet they literally are our future. We should all be thankful for champions like Richard Green, who fight for children and in the process, fight for us all. His passing is a call to all of us in public life to take up his challenge and move on.

I ask that a number of articles and tributes to Dr. Green appear at this point in the RECORD.

The material follows:

[From the Minneapolis Star-Tribune, May 11, 1989]

RICHARD GREEN: EDUCATION'S FIERCE WARRIOR

New York City lost a chancellor of schools, public education lost a fierce advocate and Minneapolis lost one of itrs special sons Wednesday with the passing of Richard Green. He died of asthma-related heart failure in New York. Green suffered from the illness most of his life, but the condition worsened when he moved to New York a year ago to take on what many considered the toughest job in education—rejuvenation of the city's failing public schools.

As a teacher, principal and then superintendent of the Minneapolis school district, Green was a warrior for those he considered the forgotten children in American education, the poor and otherwise disadvantaged He pushed through programs he believed would lift them onto the ladder of opportunity. The innovations he implemented made Minneapolis a leader among urban school districts. He put a strong and steady hand on the tiller at a time when the district was drifting.

When he left to take the chancellor's position friends feared he had taken on a hopeless task, but in a little more than a year he had made a start—if barely that—at turning the city's schools around. His charge to New York teachers typified the single-mindedness that made many educators love him. "Keep your eye on the prize, the children are the prize," he exhorted teachers, as he promised to be their No. 1 cheerleader.

A Minneapolis native who grew up poor, Green didn't share most Minnesotans' aversion to confrontation. He could be brusque with parents as well as staff, and openly hostile to critics. He gathered power with great jealousy. He fought program changes he felt would help some children at the expense of poor kids, angering many middle-class parents in the process. He was too quick at times to raise racism as an issue when opponents spoke up. But in an era when many public officials lack passion, Richard Green held high the sword for children who couldn't fight for themselves. The nation could use more like him.

[From the Minneapolis Star-Tribune, May 11, 1989]

GREEN'S LEGACY IS FOR ALL CHILDREN

How did a street fighter from north Minneapolis become one of the great educators in America, Harry?

Tell us, what is the distance from a settlement house in Minneapolis to the chancellor's office of the world's biggest school district in New York City? Tell us, so that we can measure that distance in sweat and hunger and the electric surges of a restless, exploring mind.

Explain what there was inside, Richard Green that we should mourn most, Harry, because most of us didn't walk the street that Richard Green walked.

"The street he walked to school every day as a boy took him past pimps and prostitutes and drifters," Harry Davis said. "He

didn't have many illusions about the world by the time he was in grade school." Nor did he have many visions of the future when he was a kid, no silent furies driving him toward some personal chalice.

"What he had," Harry said, "was belief and confidence. He knew he was different, and one way or another Richard Green would matter, whether it was in a playground fight, the classroom or someplace else. He mattered more than he could possibly have guessed when he was a kid. And now he's gone."

Harry said it often enough Wednesday to accept the reality of it. Richard dead—the nursery school kid he met nearly 50 years ago at the Phyllis Wheatley House; the cheeky boy to whom he gave a pair of boxing gloves a few years later, telling him there was a better way than duking it out in the street; the man who sat beside him at school board meetings in Minneapolis, presiding as superintendent; the man he heard addressing the Urban League in Minneapolis just two weeks ago, seemingly healthy and vigorous, speaking from the maturity of a mind now grappling with the futures of nearly a million children.

"I'll never forget the conversation we had when the list for the New York City job had been pared down and he was one of the finalists. He asked me what I thought about it. I said, 'You're not going to take that job? You have to be crazy.' He had that habit of tilting his head a little when he talked, always moving, light on his feet. And he said, 'Hey, you always taught me to go for it. And here's a chance for that snot-nosed kid you knew years ago to become chancellor of the biggest school system in the country.' He laughed, and there was no turning back. There shouldn't have been. He was right, and he was the best man for the job."

Expect no public tears from Harry Davis in the death of Dr. Richard Green, to whom he gave what most fathers give their sons: a hug, a direction, forgiveness and trust. If that is love, it is what Harry gave to Richard. Harry is not Jesse Jackson and he is not Martin Luther King. There are leaders who can define the tragedy, the yearnings and the greatness of their people in language so powerful and lyrical that it can ignite all people.

Harry is not one of those. He is a calm and understated man whose canvas is smaller. He has been a teacher and friend and a public man, a school board member. Somewhere in that process he has, incidentally, saved thousands of lives. But he will tell you that Richard Green was saved and ultimately turned into a figure of national leadership by two people—his mother, Gertrude, and by Richard Green.

"She did day work, cleaned houses, to feed her kids, She took them to church. She gave them her energies," Harry said. "Nobody else gave Richard what was inside of him. He was aggressive and smart and full of energy. Any group he was in, he was the leader. Sometimes he was a peacemaker and sometimes he was the enforcer. He was a persuasive kid. He was an athlete and he could think on his feet. I would put him in with kids of more experience because he was more mature. In the kind of world he grew up in, you had to be able to run or fight. Richard could do both. Racism was everyday then. It was part of your life. It was thick then. You had to find a way to deal with it. It's why I got into Golden Gloves. The kids could take out their aggressions that way.

The Phyllis Wheatley settlement house in north Minneapolis was a refuge and learning center. Long before desegregation decisions and Martin Luther King, before the slogans of black pride, it was a house of black brotherhood and a door to survival for the kids. Their role models were Cecil Newman and Gertude Brown and other blacks in the community who had stood up to racism and in whatever way seemed serviceable, stung the conscience of the institution. Wheatley nurtured young men whose names later occupied the forefront of the black movement of the middle century; Roy Wilkins, Whitney Young, Carl Stokes, Carl Rowan and others.

Athletes good enough to play for the University of Minnesota football team lived at Wheatley. They were good enough to play, but not good enough, or white enough, to live in the university dorms. In the Wheatley of those years, teenagers like Harry Davis adopted kids like Richard Green as their students and projects.

"He was a terrific student, but he was also disruptive. He was assigned to Vocational High School, which in those years was a kind of work opportunity school. Gradually he grew out of the tough guy mentality. It was more satisfying to use his mind. He wasn't satisfied with the street vocabulary. He worked on his own from grade school."

Sometimes he would tell one of the dudes, at 9 or 10 years of age. "How come you're so belligerent?"

I'm what?

"It means push. You can look it up."

From Vocational, there was a scholarship to Augsburg, teaching in Minneapolis, assistant principal, principal at North, a doctorate from Harvard, upward for Richard Green.

The commencements were starting to get sloppy at North when he came in, Green stopped that. Graduating from high school meant that you had done something, that you counted. Feel it. Wear it. He told the girls to come in formals and the boys in tuxes the next time. They still do.

The man who gave Richard his boxing gloves at Wheatley was the one who urged him to apply for the Minneapolis school superintendency. "When the interviews started." David said, "I feel good about that. We had a lot of good candidates but Richard stood above them. He had the information. You asked him, and he looked you straight in the eye and he gave you answers. When he was in the job, he didn't back away from hard decisions. He closed 18 schools in one year because it had to be done. He irritated some people because of his straight-ahead style. They called it arrogance. Another name for it is leadership. He'd write to me from New York, telling me of bits of progress here and there. He really was excited about doing something for those kids. He was restless about it. Education was everything for him. He said nobody can give excuses for learning."

He felt it deeply not only because he was a professional educator, but because he was black. He knew better than most drawing from his years in north Minneapolis, the truth about quality education: It is as vital as blood and air for people in want. In a rough way, his life mirrored the struggle of his people. As a boy he felt the abuse, he responded with protest and defiance, and finally he saw that the most durable way for Richard Green—without discounting the other ways—was the way of the school. He carried that message to city kids of all colors for the rest of his life, and from this city to New York, it will ring loud and clear.

[From the Minneapolis Star-Tribune, May 11, 1989]

FORMER MINNEAPOLIS SCHOOL CHIEF GREEN DIES—NEW YORK DOCTORS SAY ASTHMA CAUSED 52-YEAR-OLD'S DEATH

(By Mike Meyers)

After 14 months in one of the most prestigious and punishing jobs in U.S. education, New York City Schools Chancellor Richard Green died after an asthma attack Wednesday morning. He was 52.

The former Minneapolis schools superintendent, who had suffered spells of asthma since early childhood, was rushed to Roosevelt Hospital at 2:40 a.m. yesterday after he stopped breathing in the bedroom of his Manhattan apartment.

Gwen Green had awakened to the sight of her husband walking with difficulty and showing signs of labored breathing. She said he told her, "I'm not going to make it."

Soon he lost consciousness. His wife performed cardiopulmonary resuscitation, with the help of instructions from an operator at the 911 telephone switchboard, but her efforts failed to revive him. Emergency teams arrived within five minutes of her call and found a doorman holding open an elevator to take them to Green's 34th-floor apartment, near Lincoln Center on Manhattan's West Side. He was declared dead at 3:09 a.m. New York time.

Green, who left Minneapolis for New York in March 1988, died of acute and chronic asthma, according to an autopsy performed by the New York City Medical Examiner's Office.

The chancellor's body will lie in state from 4 p.m. to 8 p.m. today at the Cathedral of St. John the Divine in New York City. His family is expected to attend a memorial service at 11 a.m. Friday at the cathedral. The funeral is expected to be held Saturday morning in Minneapolis, but the site and time had not been finalized last night. Donations in Green's memory are being accepted by the Frank S. Hale House for Infants, 154 W. 122nd St., New York, N.Y. 10027.

In Minneapolis, a memorial service will be held for students at 10:15 a.m. today at North High School, where Green was principal and a teacher before he became superintendent.

Green had been admitted to a hospital briefly after an asthma attack about three years ago, said his mother, Gertrude Green, 74, of Minneapolis. But family members said he appeared in good health recently.

While many people in Minneapolis were aware of his continuing health problem with asthma, few in New York outside a close circle of friends and colleagues knew about it. A doctor consulted by the New York Board of Education had declared Green fit for the rigorous job of chancellor.

One of Green's daughters, Kelley, 25, who works for a record company in New York, accompanied her father and mother to the hospital early yesterday. Green was the father of three other children, Craig, 31; Kimberlee, 24, and Sherri; 23, all of Minneapolis.

"I was just talking to my dad yesterday," Kelley Green said. "We were just joking and talking. The asthma wasn't bothering him at all." But after Green and his wife returned from dinner with friends, Kelley said, he was having trouble breathing.

Stress is linked with asthma attacks, and Green's $150,000-a-year job was an endless string of 12-hour days and six-day weeks that involved shuttling among five city boroughs, Albany and Washington, D.C., in

search of moral, political and financial support to fulfill his dreams for New York children.

The mental and emotional strains of the post also were burdensome. By virtue of his title and his personality, Green frequently played the role of sparring partner for elected officials, educators, parents and editorial writers who took swipes at the strife in New York City schools. Last fall, a local magazine ran a profile of Green under the headline: "Green, Without Envy—Chancellor in the Snake Pit."

In recent weeks, Green had been at the center of big battles over big money. He lobbied hard to keep the financially strapped state and city governments from cutting aid to New York schools, which don't have the authority to levy taxes. Green had proposed an 11 percent spending increase, putting him in charge of a $6.2 billion budget—roughly enough money to keep the city of Minneapolis operating at current levels for 28 years.

New York school officials said Green displayed an athlete's stamina, rarely complaining of his asthma and never missing a day of work because of his physical condition.

As the city's first black chancellor, Green at first was greeted warmly by many New Yorkers as a fresh hope for solving many of the rancorous divisions in a school system that many whites and upper-income residents fled long ago. The child of a poor family, Green came out of a Minneapolis housing project, earned a doctorate in education from Harvard and won a national reputation for improving the quality of education in Minneapolis schools. Green seemed a role model that educators, parents and students could embrace.

Yet the legacy he leaves for New York schools remains unclear.

Within hours of Green's death, he was praised by politicians, educators and union officials, some of whom had needled, castigated and undercut him almost from the day he was installed to lead a school system made up of 1 million students, 62,000 teachers and a panoply of problems, including weapons, drugs, racism, corruption and crumbling classrooms.

Cuomo suggested naming a New York City school building after Green.

Mayor Edward Koch, who displayed something of a love-hate relationship with Green in many clashes over policy issues, lamented the loss of the chancellor within minutes of his death. Koch arrived at the hospital less than an hour after Gwen Green had dialed 911 for help.

"We'll miss him," Koch told reporters at the hospital. "I was a great admirer of him. I thought that he had the ability to have a major positive impact on the school system. In the short time he was here, he demonstrated that."

Several weeks ago, Republican mayoral candidate Ronald Lauder publicly urged the New York Board of Education to fire Green, saying that New York schools had gotten worse during his tenure. Soon thereafter, New York City Council President Andrew Stein and U.S. Sen. Alfonse D'Amato, R-N.Y., held a press conference to claim that Green had failed to do enough to stop the spread of drugs among teachers and students.

On both occasions, Board of Education President Robert Wagner Jr. defended Green's performance and said the chancellor's critics were overlooking his accomplishments in starting pilot drug education programs, cutting school bureaucracy, fighting for more public spending on education and establishing an independent agency to rebuild or replace scores of decaying schools.

Wagner echoed that theme yesterday at a news conference in the Board of Education meeting room in Brooklyn. Only a few feet behind Wagner was Green's empty chair, with his name written in gold leaf.

"He became a true New Yorker and has given us a tough act to follow," Wagner said. "Rather than take steps back, we must now travel up the path Richard Green put us on."

Lauder, Stein and D'Amato yesterday issued statements praising Green for his contribution to New York education.

"After all, people can disagree about policies and personnel, but I think everyone recognizes that Richard Green was a sincere and caring man," Lauder said. "Public life is poorer whenever we lose a man with those qualities."

From his first day in New York, Green lived a grueling schedule that was filled with challenges. Wagner and other school officials praised Green for his disdain for grabbing headlines and using education issues as political levers to wrest money from City Hall and the State Capitol. But in the eyes of critics, Green's cautious attitude about publicity was no virtue.

Again and again, Green was taken to task by editorial writers and critics quoted in newspaper articles for taking too long to study the problems of New York schools and being too slow to take action. One observer said the chancellor's job description called for "a cross between Mother Teresa and Rambo." But Green was always cautious about shooting from the lip, especially when it came to trading fire with Koch—a mayor who often used the school system as a target for barbs.

"Many people have wondered: If a person initiates ideas in education, is that person running the system?" Green said in an interview that touched on his relationship with Koch and other New York politicians.

"Absolutely not," Green said. "My view is that we all have something to bring to the table. . . . My style has been to listen very carefully and then decide if the suggestions have merit."

But school officials said yesterday that Green could take credit for a long list of accomplishments achieved during his short tenure.

Some were symbolic, such as eliminating time clocks teachers once had to punch when arriving and leaving school. Some were administrative, including his paring of more than 600 jobs from the central office of the school district—a blow to bureaucracy that freed $34 million for classroom instruction.

Green also was quick to take charge of four community school boards where elected officials had been indicted on charges of patronage or accepting kickbacks from school vendors. But battling corruption seemed to be a full-time job in itself. At least 21 of the city's 32 community school boards are being investigated for possible law violations.

Perhaps Green's greatest accomplishment was persuading New York legislators to create an independent agency to raise capital for and oversee construction of new schools and remodeling projects. In the next five years, Green had hoped to replace as many as 100 decaying schools with billions of dollars' worth of new classrooms.

[From the Minneapolis Star-Tribune, May 11, 1989]

FORMER MINNEAPOLIS SCHOOL CHIEF GREEN DIES—WHEN IT CAME TO CHILDREN, NONSENSE GREEN WAS TEMPERED BY COMPASSION

(By Mary Jane Smetanka)

Richard Green's legacy is not in brick and mortar or school rules or benchmark tests. It's in dreams like the one Peter Hutchinson was mulling over Wednesday, sitting in his Minneapolis office high over the city Green cared so much about.

"He was cantankerous sometimes, and he argued sometimes, but you knew he listened and you knew he loved the kids," said Hutchinson, a vice president for Dayton Hudson Corp. "That's pretty damn big stuff. There are few people in this world who are convinced of the innate worth of all people. . .

"It's the belief, the dream that counts . . . that we can make the school system and the community work for every person here, no matter who they are. That's what Richard Green stood for."

Green, a scrappy kid from north Minneapolis, carried his compulsion for achievement from the sandlot football fields of his youth to New York City as chancellor of the nation's largest school system. In almost eight years as Minneapolis superintendent he made more structural changes in the schools than any leader in recent memory. But his bigger achievement was helping to change the way those with money and power thought about children who had neither.

"He truly believed that you judge a society on what it does for its least fortunate members," said school board Chairwoman Pat Scott. "He helped us all to commit ourselves to make our system work for everybody."

As a school administrator and a man, Green often was an enigma. Rude and intimidating one minute, he could be warm and funny the next. Subordinates say he was demanding but never inconsiderate. Corporate leaders found a soul mate in the no-nonsense workaholic who turned on the charm when he needed to. Friends describe a steadfast friend who expressed affection with a bear hug. While he was hailed as a hero when he left Minneapolis, some parents had tired of what they called his arrogance and were glad he left.

In his year in New York, Green lived in society. But friends say Green's actions, there and here, always reflected his childhood in a north Minneapolis housing project. His abruptness was tempered by compassion, especially where children were concerned.

When a little girl was hit and killed by a Minneapolis school bus several years ago, Superintendent Green and a colleague went to the funeral home only to discover the small casket standing stark and alone. Green angrily said it was wrong for a child to have no flowers and told the funeral parlor to buy some and charge them to him. When School Board Member Phil Olson was dying of cancer, too ill to drive himself to radiation therapy, Green found time to do it himself.

"I think he really felt he had been given so much and had to give back for all the opportunities that he had had in his life," said Joy Davis, who was school board chairwoman during Green's tenure as superintendent.

"He was very straightforward, no nonsense. . . . But he could also be the most extraordinarily caring, touching person. If

people could only see him in a closed room with a student during an expulsion hearing. Richard Green was an incredible person: very firm but gentle, loving, making an impact on some kids who could be very hostile."

Green grew up poor on the North Side, raised by his mother who moved to Minneapolis from Arkansas with three small children when Green was 2 years old. He recalled later that persistent asthma sometimes forced him to sleep sitting up in bed, but he fought the disability and excelled in sports. As a teenager, Green had a brush with juvenile authorities and did a short stint in reform school. After that he directed his energy toward academics and sports at the old Vocational High School.

He won a scholarship to Augsburg College, majoring in business before switching to education. Years later, he said his Minneapolis teachers had made an impact on him, remembering them as a group of strict women, all white, whose sole disciplinary tool was a stern stare.

For several years Green taught at a residence for delinquent boys, then moved to Minneapolis schools as a special-education teacher. His ability and ambition were noticeable from the start and he rose through the ranks to assistant principal, then principal and area superintendent. Support from city businesses helped send Green to Harvard University, where he earned his Ph.D.

In 1980, with city schools floundering under a weak administration, Green became superintendent. He was the city's first black school chief, a precedent he would set again in New York.

Minneapolis schools were transformed during the Green years. Eighteen schools were closed and some of the district's most popular high school and elementary school programs were created. The district was desegregated and freed from federal court supervision that had lasted more than a decade. Uniform curriculum requirements were imposed on schools, giving all students access to classes such as foreign language. Citywide discipline codes were established. Cooperation with business and outside agencies increased.

One of Green's most ambitious efforts was to end social promotion, the practice of automatically moving children from grade to grade. With benchmark tests, Minneapolis became the first district in the nation to flunk kindergartners.

The reforms reflected Green's most basic belief. All children deserve the best from schools, and every one can learn. That message earned Green lasting impact in the district, said Louise Sundin, president of Minneapolis Federation of Teachers Local 59. "He instilled in us the heartfelt belief that every child is worthwhile and can succeed if we believe they can," she said,

During the latter years of Green's superintendency, there was speculation that he would leave. Many of his goals had been accomplished. At the same time, a pocket of vocal parent discontent developed. They complained that the district wasn't receptive to their concerns, wasn't flexible enough, was too centralized, wasn't putting enough effort into helping average and good students. The discontent culminated in a bitter 1987 school board election, When Green himself bacame an issue and two board members were unseated.

In an office conversation a few days after the election, a subdued Green said it was time for him to leave the superintendency. He said he would never seek another urban school superintendency; that most such jobs were doomed to fail because of the enormity of the problems and complex politics. He also mentioned the stress. "I don't need it," he said, speculating that perhaps there was a future in nonprofit administration.

Not long afterward, Green's name surfaced as a finalist for the New York City job. When the announcement of his appointment was finally made early in 1988, news media there presented Green as the savior of New York City schools.

The honeymoon lasted about as long as Green's sentimental two-month farewell to Minneapolis. Friends here maintained contact with the new chancellor by letter, phone calls and encounters at conventions and during his frequent visits home. They said Green chafed at the political limits of his new job, struggled to master the system's incredible bureaucracy and was continually irritated by the aggressive New York press.

"The frustration came in its normal manner with him; he was impatient and wanted to see things done," said Earl Bowman, a friend since childhood and president of Minneapolis Community College.

Last winter, Green appeared weary and ill, according to several friends. But he seemed a new man when he visited Minneapolis three weeks ago for an Urban League dinner. While he still battled the asthma that for years had made him audibly wheeze during school board meetings (the driver who picked him up at the airport stopped at a drugstore so Green could pick up medication), Bowman and others say Green was upbeat and seemed healthier than he had in a long time.

Bowman talked with Green at length that weekend and played golf twice, Green an avid golfer, beat Bowman twice and the two joked about trading their dollar bet back and forth all summer. In conversation, Green would gesture at close friends nearby and say, "This is what I miss."

The news of Green's death spread quickly yesterday in rounds of early morning phone calls. Many, including Joy Davis, said they were upset but not really surprised. Green was always compulsive about work, she said, driving himself hard no matter how tired or ill.

Hutchinson, vice president for external affairs for Dayton Hudson, wanted to talk about Green. The only person who influenced him more, he said, was his father.

"I think what Richard helped me do is believe, as I know he did, that we really can make a community for all our people," he said. "If he was cantankerous, and he clearly was, it was because he believed in the dream and other people didn't. Yeah, he drove people crazy, that's what dreamers do. But I felt lucky that Richard Green came into my life and helped me appreciate the power of dreaming and the power to change things. Because without a dream of how it could be, it won't be."

[From the Minneapolis Star-Tribune, May 11, 1989]

A CHAMPION FOR POOR AND POWERLESS PEOPLE HAS FALLEN

Many Minnesotans expressed sorrow Wednesday on the death of Richard Green and spoke of his accomplishments. Excerpts follow:

Gov. Rudy Perpich: Dr. Green proved himself to be one of our nation's foremost educators and certainly ranks as one of the finest public servants in the history of Minnesota. He was a brilliant, decent and honorable man who will be missed by those who knew and loved him, and by succeeding generations of students deprived of his vision and leadership.

Ruth Randall, state commissioner of education: It's a terrible tragedy. He was really in the prime of his life in contributing to education and all of society. When he was here last month for the Urban League annual meeting it was my privilege to introduce him. It was a delight to see so many people shake his hand and greet him or give him a hug. And I said to him, "You are nurtured when you come back to Minnesota," and he agreed.

Minneapolis Mayor Don Fraser: I think he was one of Minneapolis' most distinguished citizens. He made a great contribution to our schools and he was a very energetic, vital person who I think really impressed everyone he dealt with. He's the one that got me involved in worrying about young people.

Alice Rainville, Minneapolis City Council president: It's a real tragedy for the minority community. This morning I asked that the flag at City Hall fly at half staff in tribute to Dr. Green. The minority community needs male role models. The loss of Dr. Green really robs them of an outstanding model.

Robert Carothers, chancellor of the State University System: What I always valued most about Dick was his combination of creativity and persistence. He would never lose sight of what he was trying to accomplish, but he was always aware of new ways to get there. It's like you send in the artillery and then you work out a way to find peace.

The Rev. Curtis A. Herron, senior pastor, Zion Baptist Church, Minneapolis: (Green was a member of the church since childhood.) We feel a great loss because he was someone with whom we could identify who had overcome great obstacles to achieve great success. And we feel a loss because a champion for poor and powerless people has fallen.

Gleason Glover, president, Minneapolis Urban League: The death of Dr. Green was a shock to all of us in the black community. But we have also lost a highly respected educator who had a vision for improving the educational system for this country. He was a model to many black and disadvantaged youth who felt that if Dr. Green could make it with his background, so could they. The Urban League has lost a very dear supporter and I have lost a personal friend.

Ron Edwards, president of KMOJ radio: I think Richard left a tremendous legacy, not only to the community but to the entire state of Minnesota and the institution of education. In my own personal estimation, as an individual who saw Richard as a hero as I grew up in this city, he represented all that was success and was truly an inspiration to hundreds of us.

David Tilsen, Minneapolis school board member: He touched a lot of lives. Richard dedicated his life to convincing society that without children, none of us have a future. To people who said that New York City was not solvable, he always answered that "we don't have a choice. If public education can work in New York City, it can work anywhere."

Judy Farmer, Minneapolis school board member: The real tragedy was that someone who was going to be 53 years old on the 27th of May is not going to have a chance to have more time to do the kinds of things for children that he wanted to do.

David Bennett, St. Paul superintendent of schools: Richard and I were more than colleagues across the river, we were close personal friends and we continued to see each other frequently after his move to New York City. In our most recent conversation, he expressed strong conviction that his efforts at redirecting the New York City school system were gaining a foothold. That makes his passing at this time all the more tragic.

Richard Mammen, executive director, Minneapolis Youth Coordinating Board: Richard was a friend. This community has never had a stronger advocate for children than Dr. Green. He did more to draw attention to the needs of kids, particularly troubled kids, than anyone has ever been able to do. Kids respected him because he respected them.

John Davis, former Minneapolis superintendent of schools: He was a crusader and the world needs more of them. His life was a personal triumph and many are the beneficiaries.●

ARMENIAN GENOCIDE

● Mr. RIEGLE. Mr. President, I rise to ask my colleagues to recall the atrocious act of genocide committed against the Armenian people in 1915. It is vital that we never forget this dark chapter in history and remember the approximately 1.8 million Armenians massacred in order to reaffirm our commitment to the prevention of genocide.

Genocide, as defined by the United Nations sponsored Convention on the Prevention and Punishment of the Crime of Genocide, which the United States has ratified, is the "intentional destruction of any national, ethnic, racial, or religious group." Turkish military campaigns against the Armenian people, first initiated in 1894, are examples of such abhorrent crimes against humanity. These slaughters reached a peak during World War I. By 1918, an estimated 1.8 million Armenians had been murdered while thousands more were driven out of their homes and forced to flee to other countries.

On April 24, 1989, hundreds of thousands of Armenians gathered in the streets of the republic's capital, Yerevan, in the first commemoration of the victims of genocide officially approved by the Soviet Union. Though the Armenian people have celebrated this anniversary in the past, Soviet officials have continually denied Armenians legal remembrance of their victimized ancestors. This year's commemoration is the first to be declared an official holiday by the Soviet Government.

Armenians have finally obtained this long-deserved recognition through persistent efforts to demonstrate their feeling of national identity. Mass nationalist protests over the last year have gained worldwide attention despite obstacles such as the military-supervised curfew imposed by Soviet authorities and the devastating earthquake which took the lives of approximately 25,000 Armenians.

The history of the Armenian people is burdened with periods of death and subjugation. These memories evoke strong sentiments among peoples of all nations to actively strive for the protection of human rights. I ask that when my colleagues recall the tragic incident of genocide committed in 1915, they also keep in mind the fortitude of the Armenian people and their endless struggle for national and human rights.●

ORDER OF PROCEDURE

Mr. MITCHELL. Mr. President, for the benefit of Senators, as I indicated earlier, there will be no rollcall votes today, and after disposition of a relatively few matters by unanimous consent, the Senate will shortly recess until tomorrow. On tomorrow, there will be no rollcall votes. There will be debate continuing on the resolution of disapproval of the FSX transaction.

We will also on tomorrow morning seek to obtain unanimous consent for the disposition of that resolution and it is my hope that disposition will include following debate tomorrow resumption of the debate on that resolution on Tuesday with a final vote on the matter sometime during Tuesday, most likely in the afternoon.

That will be important to accomplish because there will be several important matters before the Senate next week in addition to disposition of the FSX transaction.

We expect to have the conference report on the budget resolution. We expect to have the conference report on the minimum wage. And we will have the supplemental appropriations bill.

It is imperative—I repeat, imperative—that we complete action on the supplemental appropriations bill before the Senate recesses at the end of next week. With all of these matters before us, Senators should be aware that sessions during the evening on next Tuesday and Wednesday, and if necessary on Friday, are possible if not likely. So that Senators may be forewarned in adjusting their schedules, we may not be able to adhere to the 7 p.m. limit on rollcall votes on Tuesday and Wednesday as we have tried to do throughout this session so far.

I emphasize that we expect to get, or we hope to get a supplemental appropriations bill from the House on Wednesday. There will then be required action by the Senate Appropriations Committee which we hope will be prompt and we will then get it sometime on Thursday, if that is possible, and I know that the distinguished chairman of the Appropriations Committee will as always be fully cooperative in that regard. But that committee is going to want to act on it and then we have to complete that before we leave next week. This is imperative.

There are some very important matters in the supplemental appropriations bill.

I have discussed this with many of my colleagues including the distinguished Republican leader, and Senators should be aware that we will stay here next week until we finish the supplemental appropriations bill, whatever that takes.

So Senators may now be aware of the schedule in summary it is as follows: There will be no rollcall votes today. The Senate will be in session tomorrow debating the FSX matter. There shall be no rollcall votes tomorrow. The Senate will not be in session on Monday. The Senate will be in session on Tuesday and we hope then to complete action on the FSX matter pursuant to the unanimous-consent agreement which we will seek to obtain on tomorrow. Thereafter, we will take up the conference report on the budget, the conference report on minimum wage, and the supplemental appropriations bill.

Before I move to the other unanimous-consent matters for this evening, I yield to the distinguished Republican leader if he has any comments or questions.

Mr. DOLE. Mr. President, I only indicate that I agree totally with the distinguished majority leader on the FSX matter on this side of the aisle. The proponents of the FSX agreement time on this side has been managed by the distinguished Senator from Indiana [Mr. LUGAR] and, as the majority leader knows, we had an informal discussion with Senators LUGAR, DANFORTH, and DIXON and the two leaders. It is our hope we can complete action on the resolution before us on Tuesday next, and I know Senator LUGAR will cooperate in every way that he can.

I also believe that it is good to give notice now, as the majority leader has, on the other matters next week which are very important, particularly the supplemental. The others are important and they can be acted on rather quickly, but the supplemental can take some time.

In addition to passing that bill, I assume we have to in some way go to conference depending on what happens in the House and still have maybe a conference report next week, so in addition to the bill itself there has to be some time for a conference and perhaps the conference report can be dealt with on a voice vote.

In any event, I appreciate knowing in advance the majority leader's intentions as far as working beyond the 7 p.m. hour next—that would be Tuesday, Wednesday, Thursday, and

Friday and we will so notify Members on this side.

Mr. MITCHELL. I thank the distinguished Republican leader.

As he has indicated we discussed this matter informally with the Senator from Indiana who has been designated as in charge of allocation of time in behalf of the opponents of the resolution of disapproval as well as with the Senator from Illinois [Mr. DIXON], who is the sponsor of the resolution of disapproval. We have received from them an indication that they have no objection to and agree to the schedule as we have outlined it here subject to being able to obtain a unanimous-consent agreement that will formalize that. We hope to do that in the morning and complete action on Tuesday.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. MITCHELL. Mr. President, I now ask unanimous consent that the Senate proceed to executive session to consider the following nominations:

Calendar 113. Herman J. Cohen to be an Assistant Secretary of State,

Calendar 114. Charles E. Redman to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Sweden;

Calendar 115. Morris B. Abram to be the Representative of the United States of America to the European Office of the United Nations;

Calendar 116. Walter J.P. Curley to be Ambassador Extraordinary of the United States of America to France;

Calendar 117. Ronald F. Lehman II, to be Director of the United States Arms Control and Disarmament Agency; and

All nominations placed on the Secretary's desk in the Foreign Service.

I further ask unanimous consent that the nominees be confirmed, en bloc, that any statements appear in the RECORD as if read, that the motions to reconsider be laid upon the table, en bloc, that the President be immediately notified of the Senate's action, and that the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations considered and confirmed en bloc are as follows:

DEPARTMENT OF STATE

Herman Jay Cohen, of New York, a career member of the Senior Foreign Service, class of Career Minister, to be an Assistant Secretary of State.

Charles Edgar Redman, of Florida, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Sweden.

UNITED NATIONS

Morris Berthold Abram, of New York, to be the Representative of the United States of America to the European Office of the United Nations, with the rank of Ambassador.

DEPARTMENT OF STATE

Walter J. P. Curley, of New York, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to France.

U.S. ARMS CONTROL AND DISARMAMENT AGENCY

Ronald Frank Lehman II, of Virginia, to be Director of the U.S. Arms Control and Disarmament Agency.

NOMINATIONS PLACED ON THE SECRETARY'S DESK IN THE FOREIGN SERVICE

Foreign Service nominations beginning Jo Ann Clifton, and ending John T. Sheely, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of April 18, 1989.

STATEMENT ON THE NOMINATION OF HERMAN JAY COHEN

Mr. HELMS. Mr. President, I am pleased to support the President's nomination of Ambassador Herman Jay "Hank" Cohen to be Assistant Secretary for African Affairs. Ambassador Cohen has already demonstrated his willingness to be open and accessible to members of the committee—characteristics which are a breath of fresh air in this position. I am hopeful that Mr. Cohen will bring a fresh approach in substance as well as style.

Africa has been, and will no doubt continue to be, a major area of focus for United States policy; I am optimistic about Mr. Cohen's policy inclinations, but also pleased with the forthright manner in which he responded to questions. We did not always agree on issues discussed during his hearing on May 3, but I was impressed with his knowledge of the issues and his willingness to speak openly and honestly on areas of concerns to members of the committee.

Mr. President, the United States and South Africa continue to suffer the adverse effect of the congressional override of the President's veto of the South African sanctions legislation in 1986. The dire political and economic consequences that were cautioned against have indeed come to pass. Black South Africans, the alleged beneficiaries of American sanctions, have suffered the most from United States sanctions. Among the white population, the proponents of reform have suffered electoral setbacks while forces opposed to all reform have made enormous gains.

Certainly the United States is concerned with the present situation in South Africa, but we must also be concerned with what may follow it. As outlined in the 1988 Republican platform, the challenge before the new administration is how best to promote equal rights and a peaceful transition to a truly representative constitutional form of government for all South Africans. Our policy should be to assist any and all South Africans to achieve such objectives through an open and peaceful process; we should deplore the violence employed against innocent blacks and whites from whatever source.

One element in the evolution of black political progress must be black economic progress; actions designed to pressure the Government of South Africa must not have the effect of adversely affecting the rising aspirations and achievements of black South African entrepreneurs and workers and their families. These individuals make up a vital component in South Africa's future leadership, and should be encouraged and developed, not stifled by counterproductive measures.

Mr. Cohen's and the administration's, challenge extends throughout southern Africa in particular. The so-called peace accords signed in December 1988 were supposed to bring peace to the region and ultimate independence to Namibia. Instead, we have seen a deliberate and widespread violation of the accords by SWAPO terrorists who poured across the border from Angola at the beginning of what was to have been the implementation of U.N. Resolution 435.

Mr. President, during his confirmation hearing, Mr. Cohen acknowledged that SWAPO's action in crossing the border into Namibia was a clear violation of the agreement. Indeed, he indicated that SWAPO forces had never moved north of the 16th parallel, as they were supposed to have done under the agreement. In contrast, he indicated that South Africa had been scrupulously complying with the agreement.

In a written response to another question filed with the nominee, Mr. Cohen indicated that the United States sanctions against Namibia, applied as a part of the Comprehensive Anti-Apartheid Act of 1986, are having an adverse impact on United States support for the implementation of U.N. resolution 435, and that the State Department would support the rescission or modification of sanctions on Namibia now, at a time when its successful transition to independence requires a strong infusion of economic resources.

While the Angola-Namibia agreement was mediated by the United States, specifically former Assistant Secretary Chester Crocker, it does not protect United States interests in the region, especially Dr. Jonas Savimbi and his UNITA forces. Specifically, the agreement is frontloaded in that the Angolans and Cubans get what they want right up front; by the end of 1989 Namibia is to have elections leading to independence. However, the Cubans do not have to leave Angola until July 1, 1991, a year and a half later.

SWAPO's violation of the agreement already implicates Cuba and Angola as having conspired together with SWAPO in violation of the agree-

ments. It is my understanding, for instance, that the Cubans or Angolans, or both, assisted Sam Nujomo in transportation to the southern border of Angola just prior to the invasion of Namibia. Clearly, they were aware of SWAPO's preinvasion activities. Why should we think the Cubans or Angolans will meet other obligations of the agreements?

And what of Dr. Savimbi? One of the United States objectives is supposed to be the achievement of genuine national reconciliation in Angola. But this objective is not achieved by the agreement; indeed, it was not attempted. Dr. Savimbi was not included in the negotiations, and yet he must now defend himself without assistance from South Africa and with no guarantee at all that the Cubans will not try to finish him off before they leave.

Some of my colleagues have expressed skepticism about information I mentioned, earlier this year, about the possible use of chemical weapons in Angola. More information is coming out of Angola which substantiates my concern. Another medical team has reached similar conclusions about gas use in Angola. Recent discoveries of gas masks in Afghanistan suggest that the Soviets are providing chemical weapons to their surrogates.

Professor Heyndrickx, head of Ghent University (Belgium) Toxicology Department is a recognized expert on chemical warfare who led a U.N. team which confirmed poison gas use in Iraq. He has made several trips to Angola and has consistently warned about chemical weapons use in Angola. In a recent letter, Professor Heyndrickx stated:

> From the analyses that we are doing at the moment in my laboratory of a Russian bomb used in a recent attack we are having a 100-percent proof of the use of chemical warfare agents. We face again the big problem of decontamination and treatment of the patients.

Ambassador Cohen agreed to meet with Professor Heyndrickx to discuss his findings, a meeting I hope to be able to facilitate. Mr. Cohen concurred that it would a dramatic escalation of the war in Angola if, indeed, the Angolans or the Cubans have begun using poison gas, and he indicated that he would seek United States intelligence confirmation of Professor Heyndrickx's findings.

Mr. Cohen also expressed a willingness to talk with a West German journalist, Mr. Andreas Horst, who has just returned from Angola. It is reported to me that Mr. Horst also substantiates very recent poison gas use—specifically a form of hydrogen cyanide—near Cuito Cuanavale, the site of previously reported poison gas use.

Regarding another war-torn country, Mozambique, Mr. Cohen demonstrated a willingness to pursue a new approach by meeting with representatives from the Mozambique National Resistance [RENAMO], thus breaking with the intransigence of his predecessor. Reports indicate that RENAMO's position has gotten stronger. Some have suggested that the United States might have a role to play in hosting talks between the Communist government of FRELIMO and the anti-Communist RENAMO. Mr. Cohen also demonstrated support for diplomatic initiatives which have already begun between third countries and other intermediaries to being peace and reconciliation in Mozambique.

Mr. President, I ask unanimous consent that certain questions posed to Mr. Cohen, and his answers thereto, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

NAMIBIAN SANCTIONS

Question. Do sanctions against Namibia impede U.S. assistance to UNTAG forces in that country? Would it be reasonable to lift sanctions so long as South Africa continues to comply with the provisions of the peace accords of December 1988?

Answer. Yes, sanctions against Namibia have prevented some U.S. firms from contracting for UNTAG business. For example, they have made it impossible for U.S. air carriers to participate in the U.N. High Commissioner for Refugees' airlift of Namibian refugees to Namibia. The State Department would support the rescission or modification of sanctions on Namibia now, at a time when its successful transition to independence requires a strong infusion of economic resources.

U.N. INSTITUTE FOR NAMIBIA

Question. The U.N. Institute for Namibia is, as you know, controlled by a "senate" which is controlled by SWAPO.

What mechanisms are in place to insure that the Institute for Namibia is not used by SWAPO during the forthcoming election campaign?

It is being reported that the Institute for Namibia will send its students to Namibia to work as "campaign managers." It looks as if these students will remain under U.N. scholarships, which are funded in part by the U.S., during this time. Are these facts accurate? Is the U.S. prepared to protest these steps if they occur?

Answer. The U.N. Institute for Namibia is one of the bodies affected by the U.N.'s adherence to the impartiality package. As such, it cannot support any single party during the Namibian independence transition.

We are not aware of any plan for U.N. Institute students to work in Namibia as "campaign managers" during the election campaign.

If they were to work for any political party in Namibia while receiving U.N.-funded scholarships, that would clearly be in violation of the impartiality principles.

We would certainly be prepared to protest to the U.N. should that occur and would attempt to halt this or any other UN support for any Namibian political party.

MURDER OF EVO FERNANDES

Question. The Mozambican Embassy in Washington recently issued an interesting press release in which they indicated that they were refusing a request by the Portuguese government to waive diplomatic immunity for one of their Lisbon employees who was under suspicion in the murder of Evo Fernandes, RENAMO's representative in Portugal.

What are Portugal's allegations in the Fernandes murder?

What is the U.S. assessment of the validity of these allegations?

Answer. The government of Portugal alleges that Rafael Custodio Marquest, a Mozambican diplomat attached to the Embassy of Mozambique in Lisbon, has come under suspicion in the murder of Evo Fernandes. Marquest was reportedly identified by the two confessed murderers of Fernandes as the man who arranged the assassination. However, the investigation is continuing and it is still far from clear for whom the self-confessed murders were working and what the real political motive of the Fernandes murder was. The Government of Mozambique denies any involvement in Fernandes' assassination.

We are not able to assess the validity of these allegations. The Portugese Foreign Ministry has refused comment while the matter is under judicial investigation. We will have to await the outcome of the trial.

THIRD COUNTRY MEDIATION IN MOZAMBIQUE

Question. What is your assessment of initiatives which are allegedly taking place in third countries to urge reconciliation between RENAMO and FRELIMO?

Answer. We are not able to evaluate the initiatives allegedly involving third countries and other individual intermediaries since we have not been involved in those contracts. The fact that these initiatives have been carried out with the knowledge of the Government of Mozambique suggests Maputo is showing increased flexibility in seeking an end to its ruinous civil strife. We strongly support these efforts.

AFRICAN NATIONAL CONGRESS

Question. The 1986 Comprehensive Anti-Apartheid Act provided that the U.S. would encourage the ANC—and the Pan Africanist Congress—to (1) suspend terrorist activities, (2) make a commitment to a free and democratic post-apartheid South Africa, (3) agree to negotiations with the South African Government and other groups representing black South Africans, and (4) reexamine their ties to the South African Communist Party. The law indicated that the U.S. would "adjust" its actions toward South Africa to reflect progress or lack of progress made by the ANC in meeting these objectives.

To what extent has the ANC met the objectives set forth in the 1986 legislation? By what specific criteria has progress been measured? Please supply relevant supporting documentation.

Answer. The ANC has taken several measures consistent with the objectives outlined in the Comprehensive Anti-Apartheid Act. It is clear, for example, that the ANC is evaluating and/or debating its position on a number of issues, including violence, its vision of a post-apartheid South Africa, negotiations, and its ties to the SACP, as evidenced by the public comments of ANC officials and official ANC statements. These comments and statements have appeared widely and frequently in the Western press.

Question. Specifically,

(a) Has the ANC suspended terrorist activities?

Answer. Numerous acts of violence have been committed in South Africa since the passage of the Comprehensive Anti-Apart-

held Act in 1986. By and large, the perpetrators of that violence have been anonymous. Various observers have blamed the ANC, the South African Government, vigilantes, or other groups or organizations for certain violent acts. The ANC has claimed credit for several bombings in South Africa. We have condemned all violence in South Africa and have urged all parties, including the ANC, to renounce it. The ANC has yet to heed our call.

Question. (b) Has the ANC made any commitment to a truly free and democratic post-apartheid South Africa?

Answer. The ANC has stated numerous times that it wants to see a democratic, nonracial South Africa. The organization is now in the process of clarifying its vision of a post-apartheid South Africa. The draft constitutional guidelines issued by the NAC last year contain several provisions that suggest that the ANC is taking into account the desires of the vast majority of South Africans, who want to enjoy equal rights in a fully democratic society.

Question. (c) Has the ANC agreed to negotiations with the South African Government?

Answer. Although both sides embrace the objective of a negotiated solution to South Africa's dilemma, neither side has yet to agree on conditions for convening such negotiations. The ANC, however, has held discussions in recent months with a number of groups of prominent and respected white South Africans in an effort to narrow that gap.

Question. (d) Has the ANC reexamined its ties to the South African Communist Party?

Answer. The ANC's ties to the SACP have long been a topic of debate within the ANC itself. The debate has varied in intensity, but has been constant.

Question. (e) Has the ANC severed its ties to the South African Communist Party?

Answer. No.

Question. To what extent should U.S. policy toward the ANC be adjusted, as provided in the 1986 legislation?

Answer. Our policy has been to encourage the ANC to renounce violence, to clarify its vision of a democratic South Africa in constitutional terms, and to pursue a negotiated political settlement in South Africa. We should take advantage of any and every opportunity that would help us to achieve those objectives.

Question. One provision of the December peace accord for Angola and Namibia is that ANC training camps in Angola are to be dismantled and ANC forces removed from Angola.

(a) Where will these forces be relocated?

Answer. The December peace accords do not formally provide for the removal of ANC training camps from Angola, although the ANC has undertaken, in its contacts with the parties, to do so. The ANC has not yet announced where it plans to relocate its armed elements, although locations in East Africa, possibly Tanzania, are a likely destination.

Question. (b) Have any of them been relocated yet?

Answer. We believe that some ANC elements have departed Angola.

Question. Last year, Phil Christenson of the Committee's staff conducted a staff investigation of human rights abuses of black South African exiles, including those held prisoner against their will by the ANC.

What actions will be undertaken to ensure that no ANC prisoners are forcibly relocated with the ANC if their desire is freedom from that organization?

Answer. The ability of the U.S. to intervene with the ANC on behalf of any of its members is extremely limited, as is our ability to investigate allegations of human rights abuses by the organization.

SUPPLEMENTAL APPROPRIATION

Question. Under Chapter IX, Department of Transportation, of the House Appropriations Committee's supplemental appropriation bill, H.R. 2072, a provision states that, "Notwithstanding any other provision of this or any other law, none of the funds provided by this or any previous Act of the Department of Transportation shall be withheld from State or local grantees for any reason related to the adoption by any such grantee of a policy prohibiting the procurement of products manufactured or fabricated in the Republic of South Africa.

Isn't this provision a contradiction of Sec. 606 of the Comprehensive Anti-Apartheid Act of 1986, P.L. 99-440?

What is the Administration's position on the inclusion of the House Committee language in the supplemental bill?

Answer. (a) Yes. Section 606 of the Comprehensive Anti-Apartheid Act of 1986 limited the grace period for such State and local sanction to 90 days after the date of enactment of the Act, a period which expired over two years ago. The cited provision of H.R. 2072 would effectively reinstate this grace period.

(b) The Administration opposes the inclusion of this language in the supplemental bill.

MEASURE HELD AT THE DESK—S. 968

Mr. MITCHELL. Mr. President, I ask unanimous consent that S. 968, a bill to delay the effective date of section 27 of the Office of Federal Procurement Policy Act, introduced earlier today by Senator GLENN and others, be held at the desk until the close of business Friday, May 12.

The PRESIDING OFFICER. Without objection, it is so ordered.

NATIONAL DAY OF REMEMBRANCE FOR THE VICTIMS OF THE U.S.S. "IOWA"

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of House Joint Resolution 247, a joint resolution designating May 29, 1989, as the "National Day of Remembrance of the Victims of U.S.S. *Iowa*."

The PRESIDING OFFICER. The joint resolution will be stated by title.

The assistant legislative clerk read as follows:

A joint resolution (H.J. Res. 247) designating May 29, 1989, as the "National Day of Remembrance for the Victims of the U.S.S. *Iowa*."

The PRESIDING OFFICER. Is there objection to the immediate consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution.

Mr. GRASSLEY. Mr. President, I am honored to offer some remarks upon the passage of a joint resolution to designate May 29, 1989 as "National Day of Remembrance for the Victims of the U.S.S. *Iowa*."

I appreciate the swift consideration the Senate has given this joint resolution since it was introduced 10 days ago. I want to thank especially Senator BIDEN and Senator THURMOND for their willingness to waive the usual procedures of the Judiciary Committee. I also want to thank the Senators who cosponsored this joint resolution, and there were 40 when I counted last. I am pleased that so many Senators share my view that establishing a special remembrance for the 47 sailors is an appropriate means of demonstrating our respect for the crew members and all who know them.

However, I regret that there was a need for this joint resolution in the first place. The loss of these 47 men is tragic, and the lives of their families and friends have been changed forever. To designate just 1 day to remember their fate is a small offering, inconsequential to the supreme sacrifice these people have made.

I can only imagine the anguish President Bush must have felt when he addressed the families, friends, and colleagues of the 47 men at a memorial service on April 24, 1989. Like many of the President's duties, delivering this address was not an enviable task. With obvious sorrow, the President offered some comforting words when he said:

> To all who mourn a son, a brother, a husband, a father, a friend, I can only offer you the gratitude of a nation; for your loved one served this country with distinction and honor. I hope that the sympathy and appreciation of all the American people provide some comfort.

It is for this reason that I felt compelled to offer Senate Joint Resolution 112. I know that I am not alone in my desire to offer a tribute to the brave men who met death suddenly and unexpectedly. We will not soon forget their contributions to the United States of America.

The PRESIDING OFFICER. Without objection the joint resolution (H.J. Res. 247) will be read the third time and passed, and the preamble is agreed to.

Mr. MITCHELL. Mr. President, I move to reconsider the vote by which the joint resolution was passed.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

THE CALENDAR

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of calendar Nos. 51, 52, and 53 en bloc; that these resolutions be agreed to en bloc; that motions to reconsider the

vote by which the resolutions were agreed to be tabled en bloc, that the preambles, where indicated, be agreed to; and that these actions appear separately in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROVISION OF ASYLUM TO VIETNAMESE REFUGEES

The concurrent resolution (S. Con. Res. 26) urging first asylum countries of the Association of Southeast Asia Nations [ASEAN] to reinstate the practice of providing refuge to all asylum seekers from Vietnam, and for other purposes, was considered and agreed to.

The preamble was agreed to.

The concurrent resolution, and the preamble, are as follows:

S. CON. RES. 26

Whereas the refugee crisis in Southeast Asia remains unresolved and large numbers of refugees continue to flee from Vietnam, Laos, and Cambodia;

Whereas, although Hong Kong and ASEAN first asylum countries are to be commended for their past actions on behalf of refugees in the region, concerns remain over the failure to provide refuge to all asylum-seekers arriving in Hong Kong and in ASEAN member countries;

Whereas, in June 1989, the United Nations will convene the International Conference on Indochinese Refugees in Geneva, Switzerland;

Whereas representatives of the ASEAN member countries, the United States, Canada, Australia, Hong Kong, the European Community, Vietnam, Laos, and other interested and affected countries gathered on March 7-9, 1989, in Kuala Lumpur, Malaysia, for the Preparatory Meeting for the International Conference on Indochinese Refugees;

Whereas the countries represented at the Preparatory Meeting unanimously adopted a draft declaration and comprehensive plan of action to be presented for ratification at the June United Nations Conference in Geneva;

Whereas the draft declaration agreed to by all countries present at the meeting in Kuala Lumpur includes provisions for region-wide screening of asylum-seekers and for the encouragement of voluntary repatriation under the auspices and monitoring of the United Nations High Commissioner for Refugees (UNHCR) or persons determined not to be refugees;

Whereas the ongoing program in Thailand for the screening of Lao asylum-seekers has had major and continuing problems;

Whereas the ASEAN member countries have announced that all asylum-seekers from Vietnam arriving in ASEAN countries on or after March 14, 1989, will be screened to determine their refugee status; and

Whereas the Socialist Republic of Vietnam has demonstrated its hostility to those leaving Vietnam illegally and, in particular, to those refusing to return to Vietnam voluntarily: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That (a) it is the sense of the Congress that—

(1) ASEAN first asylum countries should reinstate the practice of providing adequate refuge for all Vietnamese asylum-seekers, while carrying out the screening of such individuals;

(2) early access should be given to the United Nations High Commissioner for Refugees (UNHCR) to provide humane care and protection to such asylum-seekers;

(3) no repatriation of Vietnamese asylum-seekers should occur until a strong and effective internationally approved mechanism is in place to guarantee that such asylum-seekers will be returned in conditions of safety and dignity and will not be subjected to persecution in any form;

(4) given Vietnamese attitudes toward illegal departure, forced repatriation of refugees to Vietnam should not be considered a viable option;

(5) continuing effort should be made to improve the screening program of Laos asylum-seekers in Thailand;

(6) the United States should remain committed to a generous and humane Southeast Asian refugee resettlement policy; and

(7) the United States should urge its Western allies to implement or continue generous and humane Southeast Asia refugee resettlement policies.

(b) For purposes of this resolution—

(1) the term "ASEAN" means the Association of Southeast Asian Nations; and

(2) the term "ASEAN first asylum countries" includes any country which is a member of the ASEAN group of countries and which is the first to receive an individual seeking asylum.

SUPPORT FOR THE NORTH ATLANTIC TREATY ORGANIZATION

The resolution (S. Res. 124) expressing strong support for the North Atlantic Treaty Organization on the occasion of its 40th anniversary; confirming continued dedication to NATO's founding principal, which is the commitment by democratic nations to their common defense; and urging energetic and cooperative paricipation by NATO member states in the development and implementation of joint policies aimed at strengthening the East-West military balance while upholding and promoting democratic values, was considered, and agreed to.

The preamble was agreed to.

The resolution, and the preamble, are as follows:

S. RES. 124

Whereas the North Atlantic Treaty was signed in Washington on April 4, 1949; was ratified by the United States pursuant to Senate consent; and entered into force on August 24, 1949;

Whereas the Atlantic Alliance now comprises 16 member-nations and will celebrate NATO's 40th anniversary at a summit meeting beginning May 29, 1989;

Whereas the North Atlantic Treaty Organization has facilitated effective cooperative participation by member-nations in their common defense since the inception of the Alliance;

Whereas the North Atlantic Assembly has, since 1955, fostered active participation by elected representatives throughout NATO in discussions leading to recommendations and cooperative policies on essential Alliance issues;

Whereas open discussion, meaning the full airing of views, among member-states of the Alliance is fundamental to the nature of a voluntary alliance of democratic nations;

Whereas experience has demonstrated that a firm and coherent NATO position is crucial to effective East-West arms control; and

Whereas the common interests of Alliance members continue to outweigh any disagreements on particular issues of defense posture and arms control negotiating strategy: Be it therefore

Resolved, That this resolution may be referred to as the "Renewed Commitment to NATO Resolution," passed on the occasion of NATO's 40th anniversary.

That the United States Senate remains dedicated to the North Atlantic Alliance as a critical instrumentality for maintaining an effective Western defense of the principles and institutions of democratic freedom;

That it remains in the overwhelming interest of the United States and other members of NATO that recurring disputes concerning defense posture and arms control negotiating strategy be resolved in a spirit of comity and compromise, and with a continuing emphasis on the larger purposes NATO has so effectively served for forty years.

CONGRATULATING THE KINGDOM OF NORWAY ON 175 YEARS OF CONSTITUTIONAL GOVERNMENT

The resolution (S. Res. 125) congratulating the Kingdom of Norway on its 175 years of constitutional government, was considered, and agreed to.

The preamble was agreed to.

The resolution, and the preamble, are as follows:

S. RES. 125

Whereas, May 17 is the 175th anniversary of the adoption of the Norwegian Constitution in 1814;

Whereas, the Norwegian Constitution was inspired in important aspects by the Constitution of the United States;

Whereas, The Norwegian Constitution was one of the first written constitution adopted by a monarchy recognizing the sovereignty of the people, emphasizing the importance of human rights, and delineating the roles of the monarchy, the legislature, and the judiciary;

Whereas, the Norwegian Constitution has been an essential element in Norway's long tradition of democratic government, political and social tolerance, and devotion to freedom and self-determination;

Whereas, the people of Norway heroically resisted a brutal occupation during World War II,

Whereas, Norway has been one of America's staunchest allies in NATO; and

Whereas, immigrants from Norway have enriched American life and culture: Therefore, be it

Resolved, That the Senate of the United States congratulates the Kingdom of Norway on its 175 years of constitutional government.

ORDERS FOR FRIDAY, MAY 12, 1989

RECESS UNTIL 9:30 A.M. TOMORROW

MORNING BUSINESS

Mr. MITCHELL. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until 9:30 a.m. tomorrow, Firday, May 12, and that following time for the two leaders there be a period for morning business not to extend beyond 10 a.m., with Senators permitted to speak therein for up to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

RESUME CONSIDERATION OF SENATE JOINT RESOLUTION 113 AT 10 A.M.

Mr. MITCHELL. Mr. President, I further ask unanimous consent that at 10 a.m. tomorrow the Seante resume consideration of Senate Joint Resolution 113, the FSX disapproval resolution.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL TOMORROW AT 9:30 A.M.

Mr. MITCHELL. Mr. President, if the Republican leader has no further business, and if no Senator is seeking recognition, I now ask unanimous consent that the Senate stand in recess under the previous order until 9:30 a.m., Friday, May 12, 1989.

There being no objection, the Senate, at 6:40 p.m., recessed until Friday, May 12, 1989, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate May 11, 1989:

DEPARTMENT OF STATE

JOHN HUBERT KELLY, OF GEORGIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AN ASSISTANT SECRETARY OF STATE, VICE RICHARD W. MURPHY, RESIGNED.

DEPARTMENT OF TRANSPORTATION

JAMES BUCHANAN BUSEY IV, OF ILLINOIS, TO BE ADMINISTRATOR OF THE FEDERAL AVIATION ADMINISTRATION, VICE T. ALLAN MCARTOR, RESIGNED.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 11, 1989:

DEPARTMENT OF STATE

HERMAN JAY COHEN, OF NEW YORK, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF CAREER MINISTER, TO BE AN ASSISTANT SECRETARY OF STATE.

CHARLES EDGAR REDMAN, OF FLORIDA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO SWEDEN.

UNITED NATIONS

MORRIS BERTHOLD ABRAM, OF NEW YORK, TO BE THE REPRESENTATIVE OF THE UNITED STATES OF AMERICA TO THE EUROPEAN OFFICE OF THE UNITED NATIONS, WITH THE RANK OF AMBASSADOR.

U.S. ARMS CONTROL AND DISARMAMENT AGENCY

RONALD FRANK LEHMAN II, OF VIRGINIA, TO BE DIRECTOR OF THE U.S. ARMS CONTROL AND DISARMAMENT AGENCY.

DEPARTMENT OF STATE

WALTER J. P. CURLEY, OF NEW YORK, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO FRANCE.

THE ABOVE NOMINATIONS WERE APPROVED SUBJECT TO THE NOMINEES' COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.

FOREIGN SERVICE

FOREIGN SERVICE NOMINATIONS BEGINNING JO ANN CLIFTON, AND ENDING JOHN T. SHEELY, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON APRIL 18, 1989.

EXTENSIONS OF REMARKS

JEWISH HERITAGE WEEK

HON. BENJAMIN A. GILMAN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Thursday, May 11, 1989

Mr. GILMAN. Mr. Speaker, recently this body voted to approve legislation, House Resolution 136, which I introduced designating the week of May 7–14, 1989, as "Jewish Heritage Week." Yesterday, I was pleased to join friends and colleagues in the Jewish community at a White House ceremony commemorating this event. Yesterday, as many will recall, was also the 41st anniversary of Israel's independence, one of the prominent dates noted in the legislation.

Among the speakers at yesterday's ceremony were Lynne Cheney, Chairman of the National Endowment for the Humanities; Dr. James Billington, Librarian of Congress; and Michael Miller, executive director of the Jewish Community Relations Council of New York City. Having spearheaded Jewish Heritage Week legislation each year, the Jewish Community Relations Council of New York City was also well represented by Martin Begun, president of the JCRC, to whom I was pleased to present President Bush's proclamation. Also present was Bernard Charles, a member of New York Gov. Mario Cuomo's Advisory Committee on Minority Affairs.

Mr. Speaker, in light of the many events taking place this week to highlight the contributions made by the American Jewish community to this Nation, I would like to insert the remarks delivered by Mrs. Cheney and Mr. Billington for my colleagues' review. I also request that President Bush's Jewish Heritage Week proclamation, which was also relayed to those in attendance, be reprinted at this point in the CONGRESSIONAL RECORD:

JEWISH HERITAGE WEEK, 1989

(By the President of the United States of America)

A PROCLAMATION

The rich heritage of the Jewish people has been an inspiration to Americans since the founding of our Nation. The Judaic traditions of defending freedom, promoting justice, and assisting those in need are embraced by our Nation's own laws and customs.

Like so many others, Jews came to the United States in search of freedom and a chance to build a better life. They found this land rich in educational and economic opportunities and have taken advantage of them. In return, they have made important contributions to every sphere of American life, from medicine and academia to the arts, business, and community service.

At this time of year, it is appropriate to reflect on the suffering in recent Jewish history, as well as the grounds for hope. In early May, we commemorate the courage and faith of the six million European Jews who perished at the hands of Nazis between 1939 and 1945. On May 10, we celebrate 41 years of Israeli independence. The establishment and survival of the State of Israel following the Holocaust is a powerful reminder that hope can conquer tragedy and that freedom can survive even the most ruthless attempts to defeat it. Its anniversary is a fitting occasion for Americans to rededicate ourselves to the cause of liberty and justice for all.

The Congress, by Senate Joint Resolution 25, has designated the period of May 7 through May 14, 1989, as "Jewish Heritage Week" and has requested the President to issue a proclamation in observance of this event.

Now, therefore, I, George Bush, President of the United States of America, do hereby proclaim the week of May 7 through May 14, 1989, as "Jewish Heritage Week." I call upon the American people, State and local government agencies, and interested organizations to observe this week with appropriate ceremonies, activities, and programs.

In witness whereof, I have hereunto set my hand this first day of May, in the year of our Lord nineteen hundred and eighty-nine, and of the Independence of the United States of America the two hundred and thirteenth.

GEORGE BUSH.

REMARKS BY JAMES H. BILLINGTON, THE LIBRARIAN OF CONGRESS

As a lover of books with special responsibilities for the world's largest collection of them, I feel a special regard for the People of the Book and am especially honored to be participating in Jewish Heritage Week. The collections of the Library of Congress, including some 88 million objects—books, films, maps, prints, photographs, sheet music, etc.—demonstrate the exceptional hospitality of our country to the civilizations and cultures of all those who came here in search of religious or political freedom. This treasure house of America's intellectual and cultural heritage is rich in testimony to the extraordinary contribution of the Jewish community. Just 75 years ago, Jacob H. Schiff, a noted New York financier and philanthropist, purchased two extraordinary collections of Hebrew books for the national library. These collections form the nucleus of what is today one of the world's great collections of Judaica and Hebraica, containing letters from Presidents Washington, Madison, Jefferson, and Lincoln, among others, to prominent American Jewish leaders of their times; music composed by Leonard Bernstein, the Gershwins, Irving Berlin, and Arnold Schoenberg; the papers of Felix Frankfurter and Sigmund Freud; important manuscripts of Albert Einstein; and great Hebraic literary as well as religious treasures spanning centuries. In the Hebraic Section alone, we count some 125,000 books, periodicals, and rarities. There is scarcely a corner of the great collections that together make up the nation's library that do not attest the "important contributions made by Jewish Americans to the cultural development of our country."

We will bring these Judaic treasures before the nation through a 75th anniversary exhibition commemorating the founding of our Hebraic Section at the Library in the summer of 1990. It will be called "From the Ends of the Earth: Judaic Treasures at the Library of Congress," and a version of this exhibit will travel to selected cities across the United States. University of Rochester Professor Abraham J. Karp, guest curator of the exhibition, has been working patiently to prepare it and has excited all of us with his continuous discovery that there are important Judaic treasures in almost ever section of this Library with all its different formats and languages—attesting to the remarkable way in which Jewish Americans have contributed to the cultural history of this country.

The Library will also be producing later this year an exquisite facsimile of a 15th century illuminated Hebrew manuscript, the Washington Haggadah, together with a commentary volume so that this great Judaic treasure can be shared with the broader public in connection with this 75th anniversary.

As a cultural historian and the first Librarian of Congress to be a specialist in foreign cultures, I am also appreciative of the extraordinary world-wide range of the Jewish cultural heritage and the richness of its contributions to so many different cultures of the world—in particular, those of eastern Europe, which I study and which would be altogether unintelligible in their modern formation without a full appreciation of the Jewish contribution. I have had the privilege of being a guest professor twice in Israel in the 1980's, and my memory goes back with particular warmth to my participation, along with my Oxford mentor, Sir Isaiah Berlin, in the memorial colloquium for the late Jacob Talmon of the Hebrew University in 1982. I remember attending a dinner in the Jewish quarter of the Old City of Jerusalem with some distinguished Israeli scholars and asking them the question I always ask of a foreign-language culture when I am beginning to become acquainted with it: What is your greatest lyric poetry, and does it make your hair stand on end? I was speaking to scholars who worked on the extraordinary discoveries from the Cairo Genizah that filled in some of the missing centuries of the Hebrew literary legacy, and one of the scholars began reciting some of that remarkable and long-lost poetry. Even without understanding Hebrew, my hair *did* stand on end.

I also think of my researches on the Soviet Union. The effect of the Habima (Hebrew) Theater in Moscow in the 1920's in the Soviet period was to present a voice of extraordinary power and authenticity in the midst of a gathering culture of masked, and in some cases, even approved repression. The gradual disappearance of that independent Hebrew theater and, later, of the rich Yiddish tradition within the Soviet Union is one of the real tragedies of the Stalin era. It represents one of the lost creative opportunities of eastern Europe and, of course, a very great human tragedy.

My thoughts also go back to the year I spend in Moscow with my family in 1966–1967 and the way in which the authorities,

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

at the end of that period when the Middle Eastern war had broken out, rebuked me as an American both for our support of Israel and indeed for the battlefield successes of the Israeli forces. The more the figures in the foreign section of the Academy of Sciences—who were, of course, not themselves scholars—rebuked me as the nearest available target, the more I felt the rightness of my own country's friendship with Israel. I felt, indeed, a sense of identification with the anxieties of the Jewish community in Russia over the gathering storm of repression in the Brezhnev period.

Now that that period is recognized even in the Soviet Union as one of "stagnation" and renewed repressive measures, it is well to record how the Jewish community provided, as they so often have, an early warning to the broader human community about a prospective drift into repressive tendencies. So, we are all indebted to this community not just for its cultural contributions but for its special sensitivity to repression wherever it occurs. I am pleased and honored to be able to pay tribute here both to the diversity of the Jewish contribution to our common American life and to the broader Jewish contributions to world culture which have been a subject of interest and an inspiration to me as a cultural historian.

JEWISH HERITAGE WEEK

(Remarks by Lynne V. Cheney, chairman, National Endowment for the Humanities)

The contributions of Jewish people have enriched this country immeasurably. Indeed, they have enriched the whole of world civilization. I am happy to be able to speak today about a few of the many awards we have made at the National Endowment for the Humanities to preserve the memory of those contributions as well as to make them better known to all Americans: grants to the Jewish Theological Seminary in New York, for example, and to the Jewish National and University Library in Jerusalem, and to the American Jewish Archives in Cincinnati, grants which will help preserve and provide access to documents ranging from 9th century manuscripts to the 20th century records of the World Jewish Congress. The NEH has provided funding for 6 volumes in the famed Yale Judaica Series, volumes that translate classical works of Jewish heritage into English. We have supported the work of the National Museum of American Jewish History in Philadelphia to catalog its collection so that researchers can more easily use it.

Since I am from the Western United States myself, one NEH award that I find particularly compelling was made to the Judah L. Magnes Museum in California. NEH funds have helped that institution produce a catalog detailing its rich archival and oral history collections detailing the role of Jewish people in the settling of the American West.

Preserving the record of Jewish contributions is essential to preserving memory of them, but our efforts go beyond that—to museum and television programs and other projects that bring knowledge of those contributions to wide public audiences.

A grant to the National Foundation of Jewish Culture is making possible a series of conferences in New York, Chicago, and San Francisco on Jewish culture in Israel and America. NEH support is helping scholars in Michigan and Ohio plan public programs planned for 1992, the 500th Anniversary of Columbus' voyage. These programs will focus on such subjects as the important role that Jewish scientists and cartographers played in that amazing and world-altering time known as the Age of Discovery.

One of our public projects has become particularly well-known, and that is the fine film on the partisans of Vilna—a documentary that explores in a moving and thoughtful way Jewish resistance in Poland during World War II. Seen by millions in theaters and on television, the *Partisans of Vilna* has been honored by many awards. Another film we have helped make possible—a documentary about the *Forward*, the celebrated Yiddish language newspaper in New York—will, I hope, soon be seen by millions on PBS.

We at NEH are grateful that we have been able to contribute through these and dozens of other projects to preserving and honoring Jewish heritage. An important part of that heritage, of course, is the stress that it places on our obligation to battle oppression not only against ourselves, but against others. In emphasizing that theme during this year's commemoration of Jewish heritage, you remind us again of the immortal words of the Talmud:

If I am not for myself, who will be for me?
And if I am not for others, what am I?
And if not now—when?

I am honored to be with you today.

TRIBUTE TO PASTOR GUNTHER STIPPICH

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 11, 1989

Mr. YATRON. Mr. Speaker, I rise today to pay tribute to Pastor Gunther Stippich of Zion St. Johns Lutheran Church of Stouchsburg, PA. Reverend Stippich will be celebrating his 50th anniversary of ordination in June and I wish to congratulate him on this occasion. I would also like to extend my thanks for all he has done to enhance the lives of so many citizens.

In celebrating this golden anniversary, I am sure that Reverend Stippich has much to reflect back upon—many accomplishments for which he can be justifiably proud. As a spiritual leader, the pastor has dedicated his life to the most admirable and honorable of callings. For 50 years he has played an integral part in the spiritual affirmation of our community and for this, we are all most grateful. He has been a great source of strength for countless individuals, continuously providing the guidance, support and inspiration sought so frequently. Certainly the congregation of the Zion St. Johns Lutheran Church has been a fortunate beneficiary of Reverend Stippich's good deeds and efforts.

I believe we can all look to Reverend Stippich as an example of how we can make this world a better place to live, grow and worship. I am certain my colleagues will join me in offering congratulations on his golden anniversary, and will extend warmest wishes also for his continued happiness and success in his special work.

LEGISLATION TO CURTAIL DECEPTIVE MAILING PRACTICES

HON. FRANK McCLOSKEY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 11, 1989

Mr. McCLOSKEY. Mr. Speaker, there has been widespread congressional concern about companies which use official insignia or other terms or symbols connected with the Federal Government in order to misrepresent themselves as having Federal connections or sanctions. Today, I am reintroducing legislation which passed overwhelmingly in the House of Representatives last year which will amend title 39 of the United States Code to curtail such deceptive mailing practices.

Clearly legislation is needed to address these practices, especially since many of these deceptive mailings appear to be targeting the elderly. In 1987, the Commissioner of Social Security testified before the Select Committee on Aging that there were at least 14 organizations which used deceptive mailing practices to appeal for contributions for services which relate to Social Security benefits. Many of these organizations imply that Social Security or Medicare benefits, two vitally important issues to senior citizens, are in danger of being cut, unless a donation is made to this group masquerading as having Federal approval. This practice must stop.

The Deceptive Mailings Prevention Act requires disclaimers to be placed on mailings which are falsely presented as bills or invoices. The bill also provides for disclaimers on mailings and envelopes from firms offering for a fee products or services which the Federal Government provides for free or at a lower cost.

In addition, any mailing with insignia or any term or symbol implying any Federal connection, endorsement, or approval must have similar repudiating notices on the envelope and inside piece.

I am concerned about a few organizations, individuals, or businesses whose solicitations and promotional practices are extremely misleading if not deceptive. This legislation will deter direct mailings which are fraudulent, deceptive or misleading and I urge all of my colleagues to support it.

H.R. 2319, THE LOW INCOME HOUSING TAX CREDIT ACT OF 1989

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 11, 1989

Mr. RANGEL. Mr. Speaker, today I am introducing along with 23 of my colleagues the Low Income Housing Tax Credit Act of 1989. The most important feature of this legislation is that it makes the credit, which came into existence in the Tax Reform Act of 1986 permanent.

The bill also makes several changes in the credit program designed to improve its effec-

tiveness. These changes are being proposed as a result of a task force of housing experts convened by Senator GEORGE MITCHELL of Maine and Senator JOHN DANFORTH of Missouri. This task force addressed several of the issues that have been facing developers and investors. I was very impressed with their work and joined the Senators in drafting this legislation in response to their recommendations. Similar legislation to the bill I am introducing with my colleagues is today being introduced in the other body by these two distinguished Senators and several of their colleagues.

The legislation continues the basic structure of the credit. It will continue to be a tax incentive targeted to provide housing for those with incomes below 60 percent of the median income at rents not exceeding 30 percent of their incomes. The changes are designed to make the credit more efficient, to provide greater certainty for developers, to encourage longer term availability of subsidized units, to help meet the problem of defaulting HUD financed and insured units, to encourage the use of tax exempt bonds with tax credits for low-income housing, to encourage owners not to convert to market rate existing low-income units and to result in more equity being invested in the projects by those applying the credits against their tax liabilities.

I have for years said that I would rather see direct Federal spending to subsidize mortgages and rents for low-income housing since they are more efficient than tax incentives, but since the last administration chose to cut those direct subsidies by 80 percent over the last 8 years I have been compelled to seek support for housing for low-income tenants in the Tax Code. Our goal in this legislation is to make the credit as efficient and fair as possible.

The credit had a slow start after enactment in 1986. However, as the rules became clear and developers and investors began to understand how to use credits production picked up. By 1988 more than two-thirds of the credit allocated to the States was used and in 1989 the amount used is expected to be higher. The credits issued so far will assist the development of over 150,000 housing units. With its extension it is likely that the credit will even produce more housing at a greater pace over the next several years.

I include the following summary of the bill:

LOW-INCOME HOUSING TAX CREDIT ACT OF 1989

SUMMARY OF MAJOR PROVISIONS

Program termination

The credit would be made permanent.

Extended low-income use of property

Under current law, projects benefiting from the credit are subject to a low income use restriction for a period of 15 years. The bill includes provisions to encourage longer term low income use of the property by establishing a three step process for conversion of the property to non low-income use.

Step one: After the 15 year compliance period the owners can sell the property at any price subject to an additional 15 years low income targeting. Step two: If the owners do not utilize this process, they must permit the state credit allocating agency to find a buyer who would pay a limited price related to the original cost of the property and agree to keep the property low income for another 15 years. The purchase price limitation would be based on the original cost of the property increased by an inflation factor for the equity portion. Step three: If no purchaser is found, then the owners may convert the property to non low-income use subject to a requirement that existing tenants not be evicted without cause.

Allocation plans and selection criteria/ project evaluation

Under current law, no administrative or allocation plans are required of credit allocating agencies. Under the bill, credit allocating agencies would be required to establish, publish and hold hearings on allocation plans setting forth the standards on which credit allocations will be made. The bill also includes provisions encouraging agencies to exercise their existing authority to provide a lower credit amount by requiring that each project be evaluated by the state agency to determine the specific amount of credit needed.

Rent restrictions

Median Income: To be consistent with the Section 8 housing program, the bill provides that rent levels would not have to be reduced below the initial rent in the project when area median income falls.

Rent Determination: For purposes of determining the 30% of the income limitation, family size would be established according to the number of bedrooms in a unit.

Investor income limitations

Under current law, the low-income housing credit can only be claimed in any given year by taxpayers with adjusted gross income of less than $250,000. Under the bill, if an individual's adjusted gross income averages less than $200,000 for the three years preceding the investment in low-income housing, the full credit will be available for the balance of the investment period.

Higher credit amounts

Allocating agencies will be given discretion to provide a credit which is 130 percent of the credit amount otherwise allowable in certain low median income, high construction cost areas.

Credit penalties

Under current law, federally subsidized buildings must use the lower, 30 percent present value credit. Under the bill, the definition of federally subsidized building would be modified.

Acquisition credit

Under current law, the acquisition cost of an existing building qualifies for the lower credit amount regardless of whether rehabilitation expenditures are incurred. Under the bill, acquisitions are not creditable unless they involve substantial rehabilitation, which would be redefined as expenditures of at least $3,000 per unit.

Uses of credit

Current law would be clarified and modified to facilitate use of the low-income housing tax credit and multifamily housing bonds to build single room occupancy (SRO) facilities.

State carryover of unused credits

A state would be allowed to carryover the credits it does not issue in one year to the next. Unused, carryover credits would go into a national pool administered by HUD and allocated to those states in relation to their excess demand for credits.

At-risk rules

The at-risk rules for purposes of the historic rehabilitation credit would be the same as the at-risk rules for purposes of the low-income credit when such project utilizes both credits.

Credit percentage

The tax credit rate would be established semi-annually rather than monthly.

APPLIED TECHNOLOGY AMENDMENTS OF 1989

HON. MIKE SYNAR

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 11, 1989

Mr. SYNAR. Mr. Speaker, on May 9, I voted for H.R. 7, the Applied Technology Education Amendments of 1989.

I believe that H.R. 7 offers vo-tech students in Oklahoma and other States access to a better technical education by modernizing high school vocational education. The bill will improve vo-tech programs by ensuring funding for schools in some of our poorest areas and increasing the emphasis on high technology.

Today's students must be able to compete in a world where technical and academic competence are equally important. To ensure that our students are given the educational tools they need, this bill requires that Federal funds go only to vo-tech programs that combine academic and technical education.

I also want to reiterate my support of the tech-prep program which was included in the markup of H.R. 7. As introduced in H.R. 22 by Representative WILLIAM FORD, the program will provide grants to encourage the creation of 4 year vocational education programs—2 years in high school and 2 years in a community college or other postsecondary institution.

I commend my colleague from the Oklahoma delegation, Representative WES WATKINS, for incorporating amendments to H.R. 7 which address some of the concerns we heard from the Oklahoma State Department of Vocational and Technical Education. The amendments will help to ensure that area vo-tech schools receive a fair share of the funds authorized in H.R. 7. I hope and expect that we can resolve any remaining concerns about the bill's effect on Oklahoma's vo-tech program as the measure continues on to conference with the Senate.

I voted against the amendment offered by Representative WILLIAM DANNEMEYER barring the use of Federal funds by school districts and community colleges which prohibit voluntary school prayer. Mr. DANNEMEYER did not afford the Members of this body with a copy of his language, preventing us from being able to analyze the amendment. Given the history of Supreme Court decisions on this issue, I believe that the amendment was unconstitutional. This type of demagoguery does not contribute to the making of public policy, and, in this case, tainted an otherwise sound bill. While I could not support the Dannemeyer amendment, I do want to reiterate my support of a moment of silence in schools and remind my colleagues that nothing in current law prohibits voluntary prayer in the classroom.

TRIBUTE TO KEN BOXLEY

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 11, 1989

Mr. LEVINE of California. Mr. Speaker, the best in American life is reflected by the many people among us who regularly do good for the sheer joy of doing so—without seeking credit, without trying to gain advantage, and often anonymously: the only true form of charity, as the Bible reminds us.

He would probably be embarrassed by my doing this, but I would like to bring to the attention of the Congress today one such American. His name is Ken Boxley.

Ken Boxley's good deeds are too numerous to mention here, and a great many are anonymous by design.

But there is one that I can discuss here, because it was referred to in the Washington Post a few days ago. Mr. Boxley is establishing two full Paul Robeson college scholarships to Rutgers University for deserving students as part of Carl Rowan's "Project Excellence" program.

This work by Messrs. Boxley and Rowan reminds us, as Courtland Milloy points out in the following column, that for every well publicized youngster involved in crime or drugs in this city, there are hundreds who study hard and will grow up to make positive contributions to society.

When they do so, they will have no better role model than Ken Boxley. He never had it easy, but he succeeded through hard work, ingenuity, and plain guts.

Mr. Boxley exemplifies America at its best. And I wanted to bring his example to the attention of my colleagues. At this point, Mr. Speaker, I would like to have Courtland Milloy's Washington Post article reprinted for the benefit of my colleagues.

The article follows:

[From the Washington Post, May 2, 1989]

GROWTH OF A CONCEPT OF EXCELLENCE

(By Courtland Milloy)

In the wake of the death of Herbert H. Denton Jr., who was a reporter and editor for this newspaper, I am comforted by the work of another colleague, Carl T. Rowan, who is doing an outstanding job with a program Rowan founded in 1987 called "Project Excellence."

Herb devoted much of his life to improving the communication skills of the reporters he worked with. Rowan has picked up the ball in a most magnificent way, by offering scholarships to outstanding black high school achievers in writing and speaking as well as those students who have made the greatest progress in developing those skills.

When the annual Project Excellence awards dinner is held at the Washington Hilton on May 12, this city will bear witness to a concept that has grown far beyond Rowan's wildest dreams.

Ken Boxley, a Los Angeles businessman, is offering a $40,000 Paul Robeson scholarship for a talented—and lucky—student to attend Rutgers University, Robeson's alma mater. He plans to do the same year. The Gannett Foundation will present 10 $4,000 scholarships. The Washington Post and the Chicago Sun-Times also will be on hand to reward Washington area students for their pursuit of academic excellence.

The dinner costs $100 per plate, of which $74 goes to the scholarship fund. All scholarship winners eat free. You just can't beat that.

Rowan really didn't want me to brag about him. After all, he could do that himself as a nationally syndicated columnist and broadcaster. But what he has done—indeed, is doing—is worth a thousand pats on the back.

"This city has gone through a lot of bad news about drugs and crime, and it has blinded a lot of people to the reality that there are many, many thousands of marvelous black youngsters in this town, especially in this school system, who have picked up the challenge of not yielding to peer pressure," Rowan told me.

"They don't take drugs, they are not dumb and they do not refuse to use good English out of fear that they will be accused of talking like 'whitey.' "

For the past weeks, Rowan and a distinguished crew of journalists and educators have listened to the speeches and read the works of hundreds of nominees. The judges included Maureen Bunyan of WUSA-TV, Juan Williams of The Post, Barbara Reynolds of USA Today, Bernard Shaw of Cable News Network, Andrew E. Jenkins, superintendent of D.C. public schools, and Ralph Neal, principal of Eastern High.

There were 52 winners, representing a cross-section of neighborhoods and family life styles. Each had at least a 3.5 cumulative grade point average (2.0 if nominated in the "greatest progress" category). All are prospective graduating seniors in Washington area high schools who have applied to an accredited college or university.

Altogether, the students will receive more than a quarter of a million dollars in scholarship money. Ann Landers has sent checks, as have Steve Allen, Friends of Henry and Jessica Catto, Rich Adams of WUSA-TV, Paul Berry of WJLA-TV and Jim Vance of WRC-TV and many more. The Cafritz Foundation gave $80,000 for 20 scholarships.

It is truly wonderful that so many people believe in our children.

As Rowan said, "When you sit all day listening to marvelous teen-agers give magnificent five-minute speeches, you understand that there are kids who have tremendous heart, brain power and guts.

"The people who come to this dinner will not only hand out money for scholarships next year, but they will get a chance to see that neither Washington, D.C.—nor America—is totally going to hell in a handbasket."

Even though the dinner may be sold out, as it was early on last year, donations to the scholarship fund are always welcomed. For further information on the dinner and the donations, call Project Excellence program administrator, Judith Plunkett, at 966-8668.

"My prayer," says Rowan, "is that Project Excellence—Washington is only a beginning—is only a marvelous example of what can be done for bright black children in New York, Chicago, Los Angeles, Philadelphia, if only those cities are stirred to action by the Bryant Gumbels and Bill Cosbys, the Eddie Murphys and Whitney Houstons, the Oprah Winfreys and John H. Johnsons, the Ray Charleses and Sugar Ray Leonards. . . ."

Meanwhile, we can give thanks that Carl Rowan has stirred Washington to action, making last year's Project Excellence affair the greatest scholarship dinner ever held in black America.

Let's keep it that way.

THE PROBLEM OF HOUSING AND FRAIL ELDERLY

HON. RON WYDEN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 11, 1989

Mr. WYDEN. Mr. Speaker, last week the Aging Committee held a hearing on housing and the frail elderly. The administrator of the Oregon Senior Services Division, Mr. Dick Ladd, was one of the key witnesses to testify.

It is clear that our country is aging. In 1989 the elderly represent 12 percent of the population. By 2030, when the "baby boom" reaches 65, they will represent 21 percent of the population.

The number of elderly living alone in Federal subsidized housing—public housing and section 202 housing—is over 600,000. This population will continue to grow and will continue to age.

Data indicates that a large number of the elderly in Government subsidized housing are "aging in place." This term simply refers to the fact that the elderly who entered housing 10 to 15 years ago at age 65 are still living in the same housing. These elderly are generally more apt to be frail elderly, as the likelihood of being frail and in need of some services to remain independent increases with age.

I have inserted Mr. Ladd's comments into the RECORD because he has accurately summarized for us the key issues facing this country and explains how the State of Oregon has chosen to address those issues.

TESTIMONY OF RICHARD C. LADD

I would like to thank the committee and Chairman Roybal for the opportunity to testify before you today. I hope my testimony answers all of the questions you asked me to report on in your invitation. The subject you are investigating, "the congregate service needs of the frail elderly in government funded housing," is of extreme national importance. The human suffering caused by the archaic and less than enlighted policies of the federal government on long-term care are well documented. We lag far behind most all other developed countries in the provision of humane and effective long-term care services. You have an opportunity to begin changing these policies, and I sincerely hope you do so.

BACKGROUND

The November 1988 GAO report to this committee entitled "Long-Term Care For The Elderly; Issues of Need, Access, and Cost" estimates that 6.2 to 6.5 million elderly Americans need long-term care services. It also stated that most of these elderly (perhaps as high as 75 percent) are receiving this care from family or friends, or not at all. Most formal long-term care funded by federal and state dollars, the report noted, is provided in nursing homes.

In 1960, the United States institutionalized 2.3 percent of the elderly population in nursing homes, today we institutionalize about 5.2 percent. Our national policy has been to provide primarily nursing home care, with very little support for homecare or care provided in other congregate settings. Federal agencies have defended this policy by stating that an increase in homecare would cause a vast increase in the number of people utilizing these services (because this is what the elderly overwhelmingly prefer). It is therefore less expensive, they have stated, to provide mainly nursing home care. This phenomenon has been labeled the "woodwork effect," because the elderly would come out of the woodwork to take advantage of alternative services. I and most all of my colleagues around the country consider this philosophy to be not only wrong but immoral.

The November, 1988 GAO report estimates that by 2020, 14.3 million elderly will be in need of long-term care services, more than double the present number. The present system of long-term care will breakdown long before 2020. The cost of providing mainly nursing home care and the continued human suffering indicative of our present system, will force policy changes.

The states are already recognizing that something must be done. According to the National Council of State Legislatures long-term care is the top priority of 17 state legislatures this year. Nearly every state is attempting to control nursing home utilization and increase alternative care. Whether or not the federal government considers these policy changes to be cost-effective, the states know that they are, and are proceeding accordingly.

The basic problem with our current method of providing long-term care is our propensity to consider aging a disease and to treat it in medical model facilities: i.e. nursing homes. According to the Recent health Care Financing Administration snapshot of nursing homes in the United States, Oregon has the most imparied nursing home population in the country. Yet, even in Oregon only 7 percent of the nursing home population have complex medical needs. Indeed, over half of our nursing home population have no more medical needs than the elderly living in the general population. Long-term care is not a medical problem, it is a social/functional problem. A quote from a nationally recognized expert in long-term care, Dr. Rosalie Kane of the University of Minnesota helps put this in better perspective:

"Long-term care consists of those personal care and supportive services needed to compensate for functional limitations. . . .the long-term care services themselves are often unspecialized and untechnical. The functional impairments of older people can be divided into those affecting the ability to do basic personal care (such as walking, bathing, dressing, using the toilet, getting in and out of bed, and eating), and those affecting the ability to manage a household (such as cooking, cleaning, shopping, and managing money)."

Because federal and state governments spend so much on the Medicaid nursing home program, there is very little left for other alternative long-term care services. Social Service Block Grant funds are spent primarily on children programs, with little going towards the care of elderly. Older American Act funds are spent primarily on congregate meals and transportation, with Title III/D reserved for homecare, but this is limited to 5 million dollars nationally. Medicaid Home and Community Based Waivers, authorized by Congress in 1981, spent less on alternative services nationally in 1985 than the New York City Personal Care program alone. Personal Care and Home Health Care are Medicaid's largest noninstitutional long-term care programs in terms of dollars spent, but these programs are so medically oriented that they fail to meet the needs of many elderly. I am aware of no long-term care services at all being provided through Housing and Urban Development programs.

State and local governments are attempting to fill the gap, and provide alternative services, but their ability to do so is severely limited. The need is too great for their resources, and without additional help from the federal government, we can expect long-term care to continue to deteriorate. Some states, like Oregon, have attempted to reorganize long-term care services, and provide more rational, more social-functional, less expensive alternative services. These attempts have been accomplished despite federal foot-dragging, and at times outright opposition. It is almost impossible, for example, for any state to expand its Home and Community Based Care Waiver program to meet the needs of the elderly: Federal regulations, pertaining to 1915(c) Waivers, require an empty nursing home bed for each person served in alternative settings.

OREGON'S LONG-TERM CARE SYSTEM

Oregon reorganized its state government in 1981 to place all elderly and disabled long-term care services in one state agency: The Senior Service Division. Oregon also allowed, at local option, for all long-term care services to be managed locally by Area Agencies on Aging. Programs under the supervision of the Senior Service Division include: Older American Act programs, Social Service Block Grant programs, Medicaid (nursing homes, personal care, home health, and home and community based waivers), and a state only funded homecare program: Oregon Project Independence. In addition, most local areas of the state contribute local funds toward alternative services.

Oregon also passed in 1981 legislation titled "The State Policy on Aging". This legislation called for placement of individuals needing long-term care in the least restrictive settings that met their social, function, medical and economic needs. The Senior Service Division has designed its service delivery system to meet the goals of the State Policy on Aging.

Oregon was the first state to receive a 1915(c) Home and Community Based Waiver; Oregon is the only state to have an active 1915(d) Home and Community Waiver; and Oregon is among the very few states which serve more people in their own homes than in nursing homes. Table 1 on the next page shows the results to date of Oregon's reorganization of long-term care. The table shows actual caseloads and expenditures in 1979 compared to actual and expected (without intervention) caseloads and expenditures in 1989. The bottom line shows that in 1989 we will serve almost 1,000 more people and spend more than 30 million dollars less, than if we had not intervened and reorganized our long-term care system in 1981.

TABLE 1.—COMPARISON OF ACTUAL AND EXPECTED [1] GROWTH IN THE OREGON LONG-TERM CARE SYSTEM FOR THE ELDERLY AND PHYSICALLY DISABLED 1979 TO 1989

Program	Monthy average cases	Monthly average cost per each case	Total expenditures
Actual expenditures in 1979:			
Nursing homes	8,079	550.33	53,353,393
Federal-State supported community based care	3,412	123.02	5,036,931
State-only community based care	2,750	51.32	1,693,565
Total	14,241	351.59	60,083,889
Expected expenditures in 1989 without intervention:			
Nursing homes	10,992	1,035.37	136,568,397
Federal-State supported community based care	4,642	277.47	15,457,050
State only community based care	3,741	90.33	4,055,669
Total	19,376	671.30	156,081,117
Actual expenditures in 1989:			
Nursing homes	7,321	1,089.87	95,746,995
Federal-State supported community based care	7,205	292.08	25,252,834
State only community based care	3,896	95.09	4,445,529
Risk intervention care	1,800	0.00	0
Total	20,222	516.95	125,445,358

[1] Expected equals the growth rate of the population age 75 plus and assumes the cost per case would have been 5 percent less than the 1989 activity and represents an estimate of conditions that would probably exist in 1989 had not interventions been made in the Oregon Long-Term Care system.

Oregon has accomplished this enviable record by implementing several different policies.

Starting in 1981, Oregon made nursing home placement our placement of "last resort."

In 1980, Oregon implemented Pre-admission Screening for all Medicaid nursing home applicants, and to date have diverted from nursing home placement to alternative placement about 8,000 persons.

In 1982, Oregon implemented the relocation program, where each nursing home resident is periodically reviewed for the potential of being able to benefit from an alternative placement. Since 1982, Oregon has relocated from nursing homes to alternative settings about 7,000 persons.

In 1982, 25 staff statewide were assigned to develop alternative resources. As a direct result of this action Oregon has doubled the homecare program, and increased the Adult Foster Home program (a home like setting for 5 or fewer persons) from about 1500 in 1981 to about 7,000 today. An interesting result of the Adult Foster Home program is that 70 percent of these placement are used by private paying clients.

In 1983, Oregon implemented the Risk Intervention program, which uses state funded casemangers to locate private funding and volunteers to provide long-term care services for those who do not qualify for federal and state funded programs.

Oregon has shown that it is *not* more expensive to provide alternative services; that providing alternative services will *not* increase caseloads unrealistically through the "woodwork effect;" and that while long-term care costs will continue to increase, they need *not* cost as much as current national estimates would indicate.

Oregon does not consider its long-term care system reorganization to be complete. At least two additional steps need to be taken, before we can face the future growth of the elderly population, confident of success without bankruptcy. We presently have a grant from the Robert Wood Johnson foundation to develop actuarial tables for long-term care insurance, and to develop a

public-private affordable long-term care insurance policy for state and local employees. We estimate current long-term care policies to be too focused on nursing home care and to cost between 3 and 4 times as much as necessary. This is primarily so because of the lack of actuarial data on alternative services, and because the risk pool is too narrow (only the elderly it seems are buying long-term care insurance).

Secondly, we are working very hard to fill a gap in our current system: The placement of many persons, who do not have medical problems, in nursing homes because no other placement can accommodate their needs. Generally, we always try to provide long-term care services to persons in their own homes whenever possible. When this is not possible (usually because of the need for more than a few hours of supervision each day) we try to make a placement in Adult Foster Homes. An Adult Foster Home placement becomes very difficult when people need night-time care (usually help in using the toilet). It is extremely difficult for one person to take care of four or five residents during the day and also be up several times during the night providing care. Most of these persons then are placed in nursing homes, even though their medical needs may be minimal. Our Assisted Living program is being designed to fill this gap.

ASSISTED LIVING

Assisted Living, in Oregon, is an environment where individuals can live in their own apartments independently and receive many of the intermediate nursing care services that they would otherwise have to receive in a nursing home. Assisted Living services are provided to residents in a "social model" that begins with the premise of looking for their capabilities and strengths in day to day activities. In this social model there is an assumption that all individuals should have a right to live independently with respect for their privacy and dignity, free from restraints. The environment of the apartment complex is one where staff are available on a 24 hour basis, providing services based on the needs of the resident. The resident, family members and other significant people sit down together to assess what is needed to support the resident in their capacity for living independently.

Assisted Living structurally and programmatically promotes the residents involvement in all decisions that effect their lives, with an emphasis on choice, dignity, privacy, individuality, independence, and homelike surroundings.

The Oregon Assisted Living model was developed by Dr. Keren Brown Wilson of Portland State University, and has been operating for the past five years at Park Place Living Center in Tigard, Oregon. A second center (Regency Park) was developed two years ago by the same company, Milestone Management, in the same area. The Senior Service Division placed 22 medicaid residents, all of whom were eligible for nursing home care, in this facility two years ago to test its ability to provide the care needed to fill our current gap of services. Almost all of these people would have had to been placed in nursing homes were not this facility available.

The results of this test show not only a higher level of satisfaction among these residents, but also a greater improvement of functioning, especially mobility, than we have seen among similarly impaired residents of Intermediate care nursing facilities. We are convinced that Assisted Living can provide the services and meet the needs of at least half of those currently placed in nursing homes, and we are working very hard to expand the program. Senior advocates, frail elderly and their families, many current nursing home operators, and several developers are very interested in Assisted Living.

Currently, in Oregon 10 nursing homes are at various stages of remodeling to Assisted Living 17 other types of facilities are also remodeling to Assisted Living, and about 48 new facilities are being developed. Because of federal regulations, very few if any of these facilities are using federal housing assistance. We are in the process of changing state regulations to take advantage of this new model, and would greatly appreciate similar changes in federal housing assistance laws and regulations.

It is interesting to note, that while each resident of an Assisted Living facility has their own apartment, the cost of Assisted Living is currently 80 percent of the cost of Intermediate care nursing facilities for both public and private residents. This is true primarily because each resident is expected to do as much for themselves as possible, thereby requiring fewer staff; and because limitations on what staff can perform and when, as required by regulations in nursing homes, does not apply to Assisted Living.

OREGON'S LONG-TERM CARE SYSTEM AS A MODEL FOR THE COUNTRY

Each state has developed its own system of long-term care, dependent on political considerations and resources available. We would *not* recommend that any state model its long-term care programs in its entirety after Oregon. The Oregon model fits Oregon, but most probably not any other state. Parts of the Oregon model, however, can be adopted by other states, and indeed several have done so. For example, almost every state in the country is expanding (as best they can with limited federal resources) alternative services. In addition, we see Assisted Living being developed in other states at the present time though it usually does not provide as many services to residents.

We feel, however, that the federal government should take steps to learn what has not only been accomplished in Oregon, but also in several other states, such as Wisconsin, Maine, Arkansas, Washington, New York, and Texas. Several innovative methods of providing long-term care services are being implemented by the states. With the exception of a six state study recently completed by Diane Justice of the National Governors Association (on loan from the National Association of State Units on Aging), the federal government seems to have little interest in state progress. It has been our experience, that most federal agencies, especially the Health Care Financing Administration, hold state innovative efforts in long-term care in low regard, and usually see such innovations as just another way of receiving more federal dollars.

LINKING CONGREGATE SERVICES TO GOVERNMENT SUBSIDIZED HOUSING PROGRAMS

Most government subsidized housing projects provide no long-term care services to their residents. Such projects consider residents to be living in their own apartments as they would in their own house, and any long-term care services they require should be provided by other federal, state and local resources. Indeed, many residents are required to move each year from government subsidized housing projects because they have physically or mentally deteriorated to such a degree that they are no longer considered suitable. We know of several "horror" stories in Oregon alone, where residents of subsidized housing have hid in their apartments, because they were afraid of being sent to a nursing home.

Progressive operators of subsidized housing projects, such as Michael DeShane of Kirkland Union Manor in Portland, Oregon, are trying to alleviate these problems by working with local and state programs to provide services. It is a sad fact that they must presently do so mostly surreptitiously. Current federal laws and regulations are a prime example of sticking ones head in the sand, and ignoring a very real phenomena of the elderly: they continue to age and in so doing will eventually need long-term care services. Providing services to allow the elderly to "age in place," not only makes good moral sense, it also makes good fiscal sense.

Anything Congress could do to provide funds for services (or even allow existing project funds to be used for services) in subsidized housing, and to provide funds to coordinate services with other government programs, would be a major step in the right direction. Such action would recognize the needs and wishes of those who reside in these projects to remain in familiar settings as long as possible. Such action may well start a new federal philosophy concerning long-term care, a philosophy that would put humanitarian concerns above, or at least equal to, fiscal concerns.

Thank you, Mr. Chairman and members of this committee for allowing me to present testimony today.

DR. RICHARD R. GREEN

HON. TIMOTHY J. PENNY

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 11, 1989

Mr. PENNY. Mr. Speaker, our Nation has lost a great individual and a great educator. Dr. Richard R. Green, long-time Minneapolis teacher and administrator, who for the past 14 months had served as chancellor of the New York City schools, died yesterday in New York City. We extend our sympathy to his wife Gwendolyn, his daughters, Kelley, Kimberlee, and Sherri, his son, Craig, and to his family and many friends.

Dr. Green's accomplishments were many, but are perhaps best summed up by this morning's New York Times editorial which stated Dr. Green's educational philosophy in his own words: "My mission is to serve children." On behalf of those children whom he served, we are grateful.

WHAT CHANCELLOR GREEN STARTED

Just over a year ago, Richard Green swept confidently into New York City on a powerful wave of expectation that he could turn a badly demoralized school system around. Politicians and educators had reached a rare consensus on the need for reform; everyone looked expectantly to the man from Minneapolis, the city's first black Chancellor. But Dr. Green, who died yesterday at the age of 52, always put his task in simpler terms. "My mission is to serve children," he said.

He began with great self-confidence. During his first appearance at City Hall he instructed Mayor Edward Koch, hovering at his side, to sit down. Mr. Koch, not easily upstaged, quickly obeyed. Yet nothing in

Chancellor Green's career as a teacher, principal and school administrator could have prepared him for New York's huge scale and gritty politics.

His tenure as Chancellor got off to a slow start, but his first budget outlined a sensible, coherent program. In the months before his death he finally appeared more comfortably in charge. At his installation 14 months ago, Dr. Green marched to the stage accompanied by six kindergarten students, members of the high school class of the year 2000. "One thing we cannot disagree on," he said. "We owe to the children of New York a better day."

Over and over, he made clear that nothing was more important to him than creating an atmosphere in which all children could learn—which is why he fought the outmoded rules that can keep incompetent principals in place for life, the outlandish contract that allowed janitors to ignore basic maintenance, the self-protective instincts of a bloated Board of Education bureaucracy.

Chancellor Green believed that every child could succeed and he sought to remove anything, whether time clocks or weapons, that impeded teachers and school professionals. In establishing that standard, his short tenure leaves a lasting impression.

RURAL ELECTRIC COOPERATIVES

HON. ROBIN TALLON

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 11, 1989

Mr. TALLON. Mr. Speaker, I want to commend to my colleagues, Bob Bergland's insightful comments on the continued viability of rural electric cooperatives. The strength, the involvement, and the interest of the rural electric cooperatives in South Carolina is indisputable. We are fortunate to have their leadership.

MEETING THEIR MATCH: POWER COMPANY STUNG BY SOUTH CAROLINA CO-OPS

(By Bob Bergland)

In South Carolina an old enemy has been on the prowl for months now, looking for rural electric cooperatives to take over.

South Carolina Electric & Gas Company has spent hundreds of thousands of dollars since late last summer in an advertising campaign aimed at discrediting rural electric systems and creating dissension among co-op members.

But the company has run into a stone wall of opposition on two fronts: first at the grass roots level where rural electric leaders are rallying members behind a stalwart "no sale" stance, and secondly in the state legislature, where the co-ops are trying to protect themselves against "shark attacks" by strengthening state law.

Last month, the South Carolina House of Representatives voted 108 to 6 in favor of a rural electric-sponsored amendment requiring a vote by two-thirds of the membership to dissolve a co-op. After the vote, the company threw in the towel, saying it would not contest the legislation when it came before the Senate.

The co-ops have won a crucial battle, but it is thought SCE&G will continue to pursue co-op takeover efforts. The record reveals that this is a stubborn outfit that doesn't seem to mind getting bloodied in battle with rural electrics.

Although SCE&G has a long history of anti-rural electric activities, South Carolina co-ops and the company had been at relative peace in recent years. That changed in 1988, when the rural electrics decided to seek the revision in state law.

While publicly disclaiming any great interest in the bill, SCE&G lobbyists maneuvered behind the scenes to defeat it. Meanwhile, they launched their campaign aimed at a takeover of several co-ops, saying that if South Carolinians could shop for electric rates, they'd shop at SCE&G, not the co-ops.

SCE&G acted in the face of some daunting information it had obtained about the loyalty of co-op members. In the interrogatory process involving one of the lawsuits between the co-ops and SCE&G, the company had to disclose the contents of a survey it had commissioned last July of 803 members of four cooperatives.

In the executive summary, Market Research, a Columbia, S.C., firm, concluded: "These electric cooperatives are in a strong position. Their members perceive them as delivering high quality electric service at a better price than private or state-owned utilities. Moreover, most feel cooperatives are better for electricity consumers than other kinds of utilities.

"Loyalty to the cooperatives is also demonstrated by the relatively high level of participation in annual meetings. . . ."

The surveyors concluded that the one avenue of company appeal that might be open to rural electric consumers was lower rates:

"A massive communications program, mounted unopposed to change this perception, might be sufficient to weaken loyalty to cooperatives. It is our expectation, however, that such a campaign is not likely to be unopposed, and cooperatives are likely to react strongly. While a price advantage might be enough to provide a workable tool in changing opinion, a private utility would have to overcome significant inertia and would face a strong challenge in trying to purchase an electric cooperative."

Indeed, the co-op launched a counterattack. Co-op leaders analyzed company tactics and developed countermeasures. The statewide launched its own advertising campaign. When SCE&G raised the federal subsidy issue, rural electrics ran ads citing facts and figures from Security and Exchange Commission reports showing the investor-owned company had enjoyed subsidies from the federal government several times those received by the co-ops.

The company sought the support of local chambers of commerce and other business organizations in the legislative fight. But that tactic failed as well.

At this moment a lot of hard work by dedicated rural electric leaders in South Carolina appears to have paid off.

But just as we've learned elsewhere, even a string of co-op victories doesn't necessarily mean the end of the takeover threat. Experience demonstrates we can never let down our guard.

The ability of a cooperative to resist attack is directly dependent upon the involvement, the interest and the strength of its membership.

ELIMINATION OF THE LIMITATION ON SOCIAL SECURITY BENEFITS

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 11, 1989

Mr. GILMAN. Mr. Speaker, I would like to take this opportunity to draw the attention of my colleagues to a bill I am introducing, H.R. 2328, which eliminates the earnings test for Social Security beneficiaries over the age of 65 who choose to work. Furthermore, this legislation will also raise the cap on outside earnings for those Social Security beneficiaries between the ages of 62 and 65 who return to work.

Under current law, Social Security beneficiaries under the age of 70 who are employed or self-employed receive their full benefits unless their earnings exceed the annual earnings limitation. My bill would eliminate this earnings test for senior citizens over the age of 65, and would raise the present limitation on exempt income from $6,480 to $8,535 for senior citizens who are between the ages 62 to 65.

I strongly believe that ambitious, hardworking seniors should not be denied the benefits to which they are entitled simply because they choose to work in their retirement years. I am hopeful that my legislation will, in part, rectify this inequitable situation.

The principal premise of Social Security has been that the benefits are intended to replace income lost due to retirement. Consistent with that belief, the Social Security system has imposed an earnings test limitation or retirement test since enactment of the original 1935 statute.

Initially the law restricted benefits for any month in which a worker received any wages covered by employment. In 1939, Congress amended the law to permit beneficiaries to earn up to $15 a month in outside income. In 1950, the $15 exempt income level was increased to $50 and benefits were provided to those age 75 or older who continued to work in recognition of the need to guarantee some return on contributions made to the Social Security system. Since 1950, the annual exempt amount has increased significantly and the 75 age ceiling has been lowered.

I trust that the irrationality of requiring workers to pay into Social Security all of their working lives only to be denied their full benefits at retirement age merely because they choose to continue working is not lost on my fellow colleagues.

Furthermore, today's service industry is in need of workers and many employers are hiring older Americans. Currently, the earnings test discourages senior citizens from continuing in the work force after retirement. Yet our Nation's senior citizens are rapidly becoming a greater and greater percentage of the population. This trend is leaving an increasingly smaller percentage of the work force available for our growing service industry. Our senior citizens are ready and eager to work and, with the removal of the earnings test, senior citi-

zens will be able to return to the labor force without facing the loss of any benefits.

Additionally, the removal of the earnings test, and subsequent return of the retired to the work force, will help to combat a serious drawback of retirement; boredom and loneliness.

As of 1985, roughly 1.6 million persons between the ages of 65 to 69, 10.5 percent of that age group, were members of the labor force. Obviously, this is a significant segment of our society, a segment, I might also add, that often does not report their income because they cannot afford to lose any portion of their Social Secutiry benefits.

I am optimistic that the increased tax revenues from those working senior citizens who will be encouraged to report their income as a result of the adoption of this legislation will help to offset any additional outlays brought about by the liberalization of the earnings test.

We are all too familiar with the heavy financial burden already borne by seniors citizens. This, coupled with the depression and solitude that often accompanies the later years in an individual's life, speaks for the need to encourage older Americans to continue being productive, enterprising members of our community.

Additionally, I hope that the Committee on Ways and Means will move swiftly to consider H.R. 2328 and that the many Members on both sides of the aisle who have advocated liberalizing or repealing the earnings test in the past will support this legislation.

Mr. Speaker, I insert the full text of H.R. 2328 at this point in the CONGRESSIONAL RECORD and I invite my colleagues to cosponsor this important measure:

H.R. 2328

Be it enacted by the Senate and House of Reprsentatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Social Security Earnings Test Amendments of 1989".

SEC. 2. ELIMINATION OF EARNINGS TEST FOR INDIVIDUALS WHO HAVE ATTAINED RETIREMENT AGE.

(a) IN GENERAL.—Section 203 of the Social Security Act (42 U.S.C. 403) is amended—

(1) in paragraph (1) of subsection (c) and paragraphs (1)(A) and (2) of subsection (d), by striking "the age of seventy" and inserting "retirement age (as defined in section 216(1))";

(2) in subsection (f)(1)(B), by striking "was age seventy or over" and inserting "was at or above retirement age (as defined in section 216(1))";

(3) in subsection (f)(3), by striking "331/3 percent" and all that follows through "any other individual," and inserting "50 percent of such individual's earnings for such year in excess of the product of the exempt amount as determined under paragraph (8)," and by striking "age 70" and inserting "retirement age (as defined in section 216(1))";

(4) in subsection (h)(1)(A), by striking "age 70" each place it appears and inserting "retirement age (as defined in section 216(1))"; and

(5) in subsection (j), by striking "Age Seventy" in the heading and inserting "Retirement age", and by striking "seventy years of age" and inserting "having attained retirement age (as defined in section 216(1))".

(b) CONFORMING AMENDMENTS.—

(1) ELIMINATION OF REDUNDANT REFERENCES TO RETIREMENT AGE.—Section 203 of the Social Security Act (42 U.S.C. 403) is amended—

(A) in the last sentence of subsection (c), by striking "Nor shall any deduction" and all that follows and inserting "Nor shall any deduction be made under this subsection from any widow's or widower's insurance benefit if the widow, surviving divorced wife, widower, or surviving divorced husband involved became entitled to such benefit prior to attaining age 60."; and

(B) in subsection (f)(1), by striking clause (D) and inserting the following: "(D) for which such individual is entitled to widow's or widower's insurance benefits if such individual became so entitied prior to attaining age 60,".

(2) CONFORMING AMENDMENT TO PROVISIONS FOR DETERMINING AMOUNT OF INCREASE ON ACCOUNT OF DELAYED RETIREMENT.—Section 202(w)(2)(B)(ii) of such Act (42 U.S.C. 402(w)(2)(B)(ii)) is amended—

(A) by striking "either"; and

(B) by striking "or suffered deductions under section 203(b) or 203(c) in ammounts equal to the amount of such benefit".

SEC. 3. INCREASE IN EXEMPT AMOUNT UNDER EARNINGS TEST FOR BENEFICIARIES UNDER RETIREMENT AGE.

(a) IN GENERAL.—Section 203(f)(8)(D) of the Social Security Act (42 U.S.C. 403(f)(8)(D)) is amended to read as follows:

"(D) Notwithstanding any other provision of this subsection, the exempt amount which is applicable to an individual shall be $711.25 for each month of the individual's taxable year ending after 1989 and before 1991.".

(b) CONFORMING AMENDMENTS.—

(1) Section 203(f) of such Act (42 U.S.C. 403(f)) is further amended—

(A) in paragraphs (1), (3), and (4)(B), by striking "the applicable exempt amount" and inserting "the exempt amount";

(B) in paragraph (8)(A), by striking "the new exempt amounts (separately stated for individuals described in subparagraph (D) and for other individuals) which are to be applicable" and inserting "a new exempt amount which shall be effective"; and

(C) in paragraph (8)(B)—

(i) by striking "the exempt amount" and all that follows through "whichever" in the matter preceding clause (i) and inserting "the exempt amount for each month of a particular taxable year shall be whichever";

(ii) by striking "corresponding" in clause (i); and

(iii) by striking "an exempt amount" in the last sentence and inserting "the exempt amount".

(2) Section 203(h)(1)(A) of such Act (42 U.S.C. 403(h)(1)(A)) is amended by striking "the applicable exempt amount" and inserting "the exempt amount".

(3) Section 223(d)(4) of such Act (42 U.S.C. 423(d)(4)) is amended by striking "which is applicable to individuals described in subparagraph (D) thereof" and inserting "which would be applicable to individuals described in subparagraph (D) thereof as in effect on December 31, 1989, but for the amendments made by the Social Security Earnings Test Amendments of 1989".

SEC. 4. EFFECTIVE DATE.

The amendments made by this Act shall apply with respect to taxable years beginning after December 31, 1989.

NATIONAL TRANSPORTATION WEEK

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 11, 1989

Mr. YATRON. Mr. Speaker, the President recently proclaimed the week of May 14, 1989, as National Transportation Week. This week has been set aside to officially recognize the special and significant role that our country's transportation systems play in the U.S. economy as well as in our national defense structure.

National Transportation Week provides an excellent opportunity for us to reflect on the importance of America's transportation systems in the success of the United States. We are blessed with the most efficient and effective transportation network in the world. Americans can travel freely with ease and convenience and can also rely on the free and efficient flow of goods in commerce. Our transportation network forms an integral part of both U.S. commercial and military interests.

On May 17, 1989, the Reading Traffic Club of Reading, will hold a special luncheon in recognition of National Transportation Week. The Reading Traffic Club is made up of men and women in the transportation industry who are responsible for the development of the first-rate transportation networks that all Americans now enjoy. National Transportation Week affords us an opportunity to recognize groups like the Reading Traffic Club for their many accomplishments.

Mr. Speaker, I commend all of the members of the Reading Traffic Club for their past contributions and continuing commitment to our Nation's transportation network. Their efforts along with the efforts of similar groups throughout the United States are responsible for the success of our Nation's transportation systems and I know that my colleagues will join me in recognizing the entire transportation industry during National Transportation Week.

CONGRATULATIONS TO THE U.S. GOVERNMENT CLASS OF CASTLE HIGH SCHOOL, NEWBURGH, IN

HON. FRANK McCLOSKEY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 11, 1989

Mr. McCLOSKEY. Mr. Speaker, last week, a group of U.S. Government students from Castle High School in Newburgh, IN came to Washington, DC for the National Bicentennial Competition on the Constitution and Bill of Rights. This group of students and their teachers worked very hard for the State of Indiana and I would like to commend them on a job well done.

The State of Indiana was well represented at the national competition by the members of the Castle High School team: Gerardo Arnaez, Tamilyn Ballard, Sean Bliss, Dena Bozarth, Rebecca Briggs, Melissa Campbell, Charles

Chappell, Angela Dembowski, Leann Devaisher, Brian Durham, Matt Edwards, Rachel Erdley, Julie Gerhardt, Donna Hodges, Ruth Kercher, Bill Kish, Greg Lamar, Laura Lancas, Brenda Langhorst, Allison Long, Kim Midkiff, A.J. Neese, Kent Newton, Kim Plamer, John Parke, Michael Rush, Tracey Steele, Brett Virgin, Lee Walts, Julie Wheeless, Jason White, Kerri Willis, and Lisa Wilsbacher, all seniors at Castle High School, who performed admirably at the district, state and national levels. This competition proved to be an enriching experience for all of them.

I would also like to thank Stan Harris on his outstanding job of coordinating the eighth district competition in addition to his duties as the coach of the Castle High School team. Stan is a wonderful teacher and without his help the competition would not have been possible. I would also like to thank William Baker, Rick Borries, Duane Chattin, Bobbie Hudson, Robert Leming, and Tonda Mason for all their hard work and dedication to the program.

The sponsors for the State of Indiana include Kappa Kappa Kappa, Aluminum Company of America and General Foods Corporation, all of the Evansville, IN area. Others giving financial assistance are the State Bar Association, and its young lawyers section and the affiliated Indiana lawyers auxiliary and Indiana Lawyer Commission. The Indiana Department of Education and the Governor's task force on citizenship education also cooperated in the program.

Again, I would like to thank everyone for their team work and dedication to the bicentennial competition.

H.R. 2318, THE LOW INCOME HOUSING PRESERVATION TAX ACT OF 1989

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 11, 1989

Mr. RANGEL. Mr. Speaker, I am today introducing legislation to provide tax incentives to encourage the preservation of existing federally and State aided multifamily housing for low- and moderate-income families. The legislation is similar to H.R. 3663 that I sponored in the 100th Congress.

I remain concerned that the owners of housing for low- and moderate-income tenants will exercise provisions allowing them to prepay their debt and relieve themselves of restrictions requiring them to continue to rent to low- and moderate-income tenants.

I acknowledge that the housing acts of 1987 and 1988 and the laws of several States, including my own, New York, which include conditions that must be met before an owner may convert his low- and moderate-income project to market rate. I intend that this legislation is coordinated with these provisions allowing owners generous tax incentives if they will follow the process set forth in these statutes designed to insure that there remains adequate housing for low- and moderate-income tenants.

I wish to point to the record of the March 3, 1988, hearings of the Subcommittee on Select Revenue Measures of the Committee on Ways and Means as evidence of the potential loss of 240,000 to 800,000 units of low- and moderate-income housing by 1995 if owners are free to prepay their mortgages and convert their buildings to market rate projects.

I am particularly concerned about the Mitchell-Lama housing in New York City. The owners of these projects for tenants of moderate income can also prepay their mortgages and convert their buildings to market rate units or co-ops or condominiums. This stock of housing is crucial to New York City which has a dwindling supply of affordable housing for its large middle class.

The proposal also includes provisions to encourage low- and moderate-income housing cooperatives to continue in that status. The bill would settle a dispute that such co-ops are having with the IRS over the taxation of income from reserves maintained under requirements of their HUD insured mortages.

A summary of the bill follows:

PROPOSAL FOR LOW-INCOME HOUSING PRESERVATION TAX ACT OF 1989

This legislation following H.R. 3663 of the 100th Congress provides tax incentives to encourage the preservation of housing for low and moderate income tenants and cooperators. It is different this year in that the redepreciation incentives are only available to owners of buildings for which HUD has already judged needing assistance under the Housing Acts of 1987 and 1988 or similar state programs. It also modifies the passive loss rules for qualifying buildings. The legislation includes the following provisions:

SECTION 1

Short Title.

SECTION 2

The bill restores the basis in a qualified building that the owner agrees to maintain as a low or moderate income building for a 20 year period. The owner would be required to insure the building was in good physical condition before he could secure tax relief. This will allow the owner to tax depreciation deductions for the building although it has already been depreciated. The depreciation would be deductible against any income if the qualified building also met the occupancy standards of the Low Income Housing Credit. Recapture provisions would be similar to those for the low income housing credit. In any event no taxpayer could reduce his income tax liability by such deductions by more than 50% of the liability remaining after the application of all other deductions and credits.

SECTION 3

The bill allows the seller of a subject building to exclude from gain the noncash gain (the gain equal to his remaining mortgage obligation) if it is sold to an owner who agrees to maintain the building for low or moderate income tenants for 20 years beyond the original obligation of the seller.

SECTION 4

A building is qualified if the Secretary of HUD has approved a plan for the preservation of the building under the Housing Acts of 1987 and 1988. A building not subject to these two Housing Acts would be qualified if the state agency that administers the state program to which the building is subject has a similar program requiring a plan for the provision of similar incentives in return for a long term agreement (20 years or more) to retain the building for low or moderate income families.

SECTION 5

The bill waives for moderate income co-ops the 80/20 rule that limits the income of a co-op from nonmembers to no more than 20% of the co-op's total income. This will allow moderate income co-ops to earn as much as they can from the commercial space in their buildings. (Same as H.R. 3663, 100th Cong.)

SECTION 6

The bill declares that interest earned on mandated reserves by moderate income co-ops is not taxable income for the co-op as long as the co-op remains a moderate income co-op. It also retroactively relieves moderate income co-ops of any tax liability for such interest where the co-op agrees to continue as a moderate income co-op for at least ten years. (Same as H.R. 3663, 100th Cong.)

PROTEST INDIA'S BLOCKADE OF NEPAL

HON. MIKE SYNAR

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 11, 1989

Mr. SYNAR. Mr. Speaker, yesterday I cosponsored House Concurrent Resolution 115 with Congressman DICK DURBIN to protest India's blockade of Nepal.

Ties between India and Nepal have traditionally been very strong. However, the two countries have recently been unable even to come to the negotiating table to resolve their differences regarding their Trade and Transit Treaties which were allowed to lapse in March. India's closing of 13 of the 15 border crossings between the two countries at that time has exacerbated the trade dispute by making it even more difficult for goods to enter Nepal.

Congressman DURBIN and I had the opportunity to visit Nepal earlier this year. Our trip focused on the programs run by the United States Agency of International Development and private voluntary organizations such as Save the Children and CARE, as well as the work done by the 128 Peace Corps volunteers in Nepal.

With a per capita income of $160, Nepal along with Bangladesh is the fourth poorest country in the world. Our U.S. AID programs, which total $12 million in 1989, are therefore extremely important to the nation's development.

Since the Trade and Transit Treaties between India and Nepal were allowed to lapse in late March, the resulting lack of petroleum products has greatly reduced the effectiveness of our aid program in Nepal. After driving for hours on the hilly terrain in and around Nepal's capital, Khathmandu we can appreciate the necessity of stable petroleum supplies for the execution of development programs in much of Nepal.

The current shortage of petroleum and other products is, of course, affecting more than just United States operations in Nepal. Short-run damage to the economy, especially the area around Khathmandu, is already evi-

dent. The Nepalese Government recently predicted that economic growth will drop from 5 percent to zero percent this year, and that inflation will rise from 8 percent to 20 percent.

The long-run effects of the trade and transit disputes are also alarming. With kerosene unavailable, most Nepalis are now substituting wood fuel for their cooking and heating needs. This will only accelerate the trend toward deforestation in Nepal, a trend which United States reforestation projects are attempting to reverse. Congressman DURBIN and I discussed the linkage of deforestation in Nepal to the flooding in Bangladesh with development officials in both countries during our trip to the region.

We introduced this resolution in response to the three main effects of the trade and transit dispute on Nepal: the effect on aid and development programs in the country, the effect on the economy and the daily life of the average Nepali, and the effect on the regional environment.

The resolution urges India, as a responsible regional superpower, to take the initiative in proposing a date, time, and place certain for negotiations on the trade and transit dispute. It also calls for the reopening of the 13 border crossings in order to better facilitate the passage of goods into Nepal. Finally, it requests the State Department to monitor the situation and to brief Congress on this important issue. It is my hope that passage of this resolution will help bring India and Nepal back to the table where they may work out a mutually beneficial agreement and restore confidence in what has been a traditionally friendly relationship.

TRIBUTE TO RON OLSEN

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 11, 1989

Mr. LEVINE of California. Mr. Speaker, I rise today to recognize my friend and a highly respected community leader, Ron Olson who will be honored with the American Jewish Committee's Learned Hand Award this evening. This award is given each year to an outstanding member of the legal profession who, through dedication to the principles of our Constitution, has been a voice of understanding and good will.

Ron Olson has shown himself to be more than worthy of this great honor, and an outstanding choice for the Learned Hand Award. He is a natural-born leader who has used his talents to further good of his community to a degree that few have. Throughout his life, he has maintained a commitment to charitable concerns, and to improving the welfare of those around him. His work should serve as an example to us all.

Ron's leadership in both the Los Angeles community and the legal profession has been truly extraordinary. In addition to his responsibility to his own law practice, Ron has found time to become actively involved in a wide variety of humanitarian projects and organization. The common thread in these activities is his commitment to justice for those who are less able to pay for proper representation in our legal system. His pursuit of justice for the less fortunate members of our community has intensified over the years and he has taken on a great number of leadership positions through which he could influence his colleagues to join in that pursuit. As a young lawyer, and president of the Los Angeles County Barristers, part of the county bar association, he pushed for an association rule change calling for a mandatory pro bono work commitment from all young lawyers. Later, as resident and president and then director of the Legal Aid Foundation of Los Angeles, and as a member of the board of governors to the State Bar of California, he continued to encourage his colleagues to contribute their time and their expertise to represent needy individuals, all the while leading the way by his own example.

Ron has also been a leader in the growing movement toward alternative dispute resolution. He has written dozens of articles for professional journals, participated in numerous seminars, and held many leadership positions designed to investigate alternatives to litigation within the court system. And yet, he has continued to take a hands-on approach to leadership. Recently he has become the informal negotiator for the homeless residents of Los Angeles in their certificates with city authorities.

The entire Olson family has joined Ron in the pursuit of excellence in their respective lives and in the furtherance of humanitarian concerns. His wonderful wife Janie was a founding member of the Interfaith Center to Reverse the Arms Race, and has been active in a number of other community organizations. Their three great kids have also stood out among their peers. Kristen, a Harvard graduate is, I understand, currently teaching in France, and is preparing to enter the Johns Hopkins School of Advanced International Studies here in Washington. Steve, is a junior at Stanford, and is spending the year studying in Italy. Amy, the youngest, is a senior in high school, and will be entering Carleton College in the fall.

Mr. Speaker, I would like to ask my colleagues to join me in congratulating Ron Olson for being selected for this great honor, and in recognizing his exemplary humanitarian works.

NATIONAL RECYCLING POLICY

HON. CHUCK DOUGLAS

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 11, 1989

Mr. DOUGLAS. Mr. Speaker, today New Hampshire joins in the fight against mounting solid waste by calling for a national recycling policy. This policy would initiate a drive to preserve and protect our environment; maintain the beauty of our Nation which is so evident in the State of New Hampshire; preserve our national resources; and set an example of leadership for the rest of the world in the area of recycling.

As a cosponsor of successful legislation to designate May as "National Recycling Month," I ask that both Congress and the President consider the plea of the New Hampshire Legislature in its call for a national recycling policy. To contribute to this effort, I will shortly be introducing legislation to implement a national policy in the area of plastics recycling.

STATE OF NEW HAMPSHIRE,
HOUSE OF REPRESENTATIVES,
Concord, NH, April 20, 1989.

Hon. CHARLES DOUGLAS,
Longworth House Office Building, Washington, DC.

DEAR CONGRESSMAN DOUGLAS: On March 16, 1989, the New Hampshire House of Representatives adopted and sent to the New Hampshire Senate House Concurrent Resolution No. 3, petitioning the United States Congress for a national recycling policy.

On April 13, the New Hampshire Senate adopted same.

A copy of this resolution is enclosed. It has been signed by the Speaker of the House and the President of the Senate.

Respectfully,

JAMES A. CHANDLER,
House Clerk.

Enclosure.

HOUSE CONCURRENT RESOLUTION No. 3

Whereas, we live in a world of finite resources where society cannot be sustained without careful conservation of natural resources; and

Whereas, inadequate attention to resource recycling is contributing to resource depletion, air and water pollution, and economic inefficiency; and

Whereas, the materials discarded daily in the United States could help assure availability of basic materials for our manufacturing industry; and

Whereas, American recycling industries, a major source of raw materials, are forced to compete with heavily subsidized virgin materials extraction and processing industries; and

Whereas, the states and cities could reduce their expensive burden of solid waste by one-third to one-half in markets for recyclable materials; and

Whereas, a national recycling policy could encourage the growth of markets for recyclable materials; Now, therefore, be it

Resolved by the House of Representatives, the Senate concurring: That the State of New Hampshire join with the New England Resource Recovery Conference, the New York State Legislative Commission on Solid Waste Management, and the board of directors and the membership of the National Recycling Coalition to petition the President and Congress of the United States to instruct the administrative agencies and departments, including the Environmental Protection Agency and the Departments of Interior, Commerce, Agriculture, and Treasury, to prepare recommendations and guidelines establishing a national recycling policy utilizing data already developed by the Council on Environmental Quality, the National Commission on Supplies and Shortages, and the National Commission on Materials Policy; and

That this policy shall encourage and provide incentives for the development and use of goods produced from recycled materials and reduce unfair competition from, and subsidies for, non-renewable resource industries; and

That copies of this resolution, signed by the speaker of the house and the president of the senate, be by them forwarded to the

President of the United States and to the members of the New Hampshire congressional delegation.

DEPARTMENT OF VETERANS' AFFAIRS HONORS OUTSTANDING NURSING PERSONNEL

HON. G.V. (SONNY) MONTGOMERY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 11, 1989

Mr. MONTGOMERY. Mr. Speaker, the Department of Veterans' Affairs [DVA] has selected three nursing personnel within its hospital system to receive the Secretary's Award for Excellence in Nursing. The award, established in 1985, pays recognition to exceptional standards in DVA nursing care.

The 1989 recipients, chosen from more than 60,000 nursing personnel, are: Mertis Scott, a registered nurse at the Jackson, MS, DVA Medical Center; Mary Bethea, a licensed practical nurse at the Salem, VA, DVA Medical Center; and Robert Lancaster, a nursing assistant at the Tuscaloosa, AL, DVA Medical Center.

EXCELLENCE IN NURSING AWARD WINNERS OF 1989

Mertis Scott, R.N., is nurse of the Hemodialysis/Renal Unit at the DVA Medical Center in Jackson, Miss., where she began her nursing career. Even as a young staff nurse, she displayed the professionalism, enthusiasm and leadership skills for which she is recognized today. Early in her career, she rose to become head nurse of a busy medical/surgical unit and took a special interest in caring for the most complicated cases. Transferring to the Hemodialysis Unit, she became known for her expertise in renal medication regimens and renal diets, and other hospital staff frequently sought her advice. Able to handle the most difficult patients with skill and compassion, she has earned the respect of physicians, nurses, technicians and patients. Having assumed the role of renal clinic nurse one day each week, Scott became a "trouble shooter" for home dialysis patients, sometimes talking patients and family through life-threatening situations. In order to help patients maintain their dignity and remain independent for as long as possible, she began a pilot project for the now highly successful Home Training Nurse Program. She conducts training sessions for patients, and created and distributed to hospital staff materials on the special problems of renal patients. Recognizing the stress on the families of home dialysis patients, Scott initiated and coordinated a Dialysis Respite Care Program. She has served as an EEO counselor, and is a member of the hospital's EEO committee, the Nurse Professional Standards Board and virtually all nursing service committees.

Mary Bethea is a licensed practical nurse at the DVA Medical Center in Salem Va. Working a 12-hour shift on an acute medical ward, Bethea regularly cares for critically ill patients, many with complex conditions such as cancer and AIDS. She is closely attuned to patients' reactions, and spends extra time with them to allay their fears. She provides emotional support, encourages rehabilitation and works with patients to help them maintain their independence. Her patients look to her not only as a caregiver but also as a friend. She is ever alert to their needs and monitors their behavior, recently saving the lives of two patients by performing the Heimlich maneuver. Because of her professionalism and enthusiasm, new licensed practical nurses are assigned to work with her. Last year, Bethea received special recognition for her perfect 14-year attendance record.

Robert Lancaster is a nursing assistant at the DVA Medical Center in Tuscaloosa, Ala., where he has worked for approximately 34 years. He has demonstrated a unique ability to establish a rapport with the most difficult patients, winning their trust through his patience and understanding. He can detect the needs of patients who are unable to express them, and on occasion has helped to defuse potentially dangerous situations. Making special efforts to know each patient's behavior patterns, he recently saved the life of a patient by performing the Heimlich maneuver. Lancaster motivates other personnel, especially those who are new to the psychiatric unit. He also motivates patients through an awards program he established to improve their behavior and to involve them in their treatment plans. Lancaster spends much of his free time visiting hospitals and nursing homes.

Mr. Speaker, each of the Department's 172 medical centers submitted nominations for the awards, which will be presented May 12 at the Department's Central Office here in Washington. I know my colleagues will want to join with me in congratulating these health care employees for the high caliber of their work and for the exceptional manner in which they are taking care of our veterans.

THE CELEBRATION OF ISRAEL'S INDEPENDENCE DAY

HON. CARDISS COLLINS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 11, 1989

Mrs. COLLINS. Mr. Speaker, on May 10 Jews everywhere celebration the 41st anniversary of the creation of the State of Israel. I would like to join in the celebration.

As Americans we realize how important our own Independence Day is. Each July we stop to remember the successes of the early American patriots, their perseverance for the causes of freedom and liberty. More than 200 years ago our fledgling democracy began with some determined leaders and a somewhat willing citizenship. Over time and as our Nation grew, the ideas that they espoused became the rules by which we lived. Today we do not claim that our process or our people are perfect. But we do work every day to strengthen our democracy and serve as an example for people and patriots around the world.

Israel is one of our democratic partners in the Middle East. We all know of the hardship Israel has endured during the early years. But I also am sure that through everything, the Israeli people will continue to uphold the democratic principles in which Theodore Hertzel, who promoted the idea of a Jewish homeland, and Chaim Weizmann and Golda Meir, who were early leaders of the Jewish State, believed so strongly.

Our Nation extends from coast to coast, but Israel, a nation the size of New Jersey, is nestled in an area of the world where democracy is the exception rather than the rule. Israel's strategic position in the Middle East is vital for the future of democracy. We must believe that Israel and its neighbors will be able to make peace, and we must do what is appropriate to facilitate this process.

The festival of Passover has just ended. I remember a Passover I spent in Jerusalem when I first came to Congress. I am happy now to celebrate the creation of a homeland for the Jewish people. Congratulations Israel on your 41st birthday! May your democracy remain ever strong.

VETERANS WIN RULING ON AGENT ORANGE

HON. H. MARTIN LANCASTER

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 11, 1989

Mr. LANCASTER. Mr. Speaker, I would like to call your attention to a matter of great importance to thousands of Vietnam veterans throughout the United States.

As some of my colleagues may know, Vietnam veterans have finally won a victory that was long overdue. Recently, a Federal judge in California agreed with a group of Vietnam veterans who brought a lawsuit to make the Government agree that agent orange caused them severe health problems. The Department of Veterans' Affairs has long argued that there was no scientific evidence of any connection between use of the chemical defoliant and the health problems of veterans and their children. The court held that only a "significant statistical association between exposure and illness" is required to establish a claim. Previously, the Department of Veterans' Affairs has required a veteran to show "proof of a causal relationship." Veterans found this standard nearly impossible. Only 5 of the 33,272 veterans who have claimed the herbicide harmed them have ever been granted direct benefits for agent-orange exposure from the Government.

The ruling of Judge Henderson requires that the VA put an end to the 10-year denial and now accept compensation claims from veterans. Every denial of an agent-orange claim since 1985 must now be reviewed.

Mr. Speaker, this ruling will have major implications for our Vietnam veterans. As cochairman of the House Vietnam Veterans in Congress, I urge my fellow colleagues in the House and Senate to support legislation that will fairly compensate the victims of agent orange.

I commend the following article from the Washington Post, written jointly by Mary R. Stout, president of the Vietnam Veterans of America, and H.F. Gierke, national commander of the American Legion, to the attention of every Member of this body.

[From the Washington Post, May 11, 1989]

NO MORE DELAYS ON AGENT ORANGE—SET COMPENSATION RULES FOR VIETNAM VETS—NOW

(By Mary R. Stout and H.F. Gierke)

The recent ruling by U.S. District Judge Thelton Henderson striking down the government's Agent Orange compensation regulations should remind the nation that the Agent Orange issue is far from dead.

Members of the Vietnam Veterans of America and the American Legion have been fighting an uphill battle for the past decade to obtain justice for the veterans exposed to this defoliant during the Vietnam War. Judge Henderson's decision, a result of a class-action suit brought by VVA, along with the legion's recently completed study of Vietnam veterans, confirms that the government has not done its part to put an end to the suffering from the Vietnam War.

A decade ago the media were ablaze with reports that the dioxin contaminant in Agent Orange may have produced adverse health effects such as cancer and birth defects. News reports regularly featured the plight of Vietnam veterans with rare diseases and their pleas to the federal government for assistance. But with time, press interest in the story dwindled.

The vacuum in the media was a credit to the game plan devised by the executive branch. The first part of the strategy was to delay resolution of the issue as long as possible in the hope that the public pressure to compensate Agent Orange victims would subside with time. "We need scientific evidence," said the Veterans Administration (responsible by law to provide compensation for service-related injuries), "and sufficient scientific studies have not yet been conducted."

When Congress called this bluff in 1979 by requiring the VA to conduct an epidemiology study of the veterans who were exposed, the executive agencies were up to the task of delay. First, the VA dallied for years with the chore of writing a protocol for the study. Then, in 1983, it threw up its hands and tossed the study to the Centers for Disease Control.

The CDC was even more creative. After spending four years and tens of millions of taxpayer dollars, it concluded in 1987 that the congressionally mandated study simply could not be done because not enough veterans could be found who had been exposed to Agent Orange. By then, the issue had so subsided in the media that few noticed that this conclusion defies common sense. The military admits it sprayed more than 10 million gallons of the herbicide over the battlefield—so much that even the VA's rules say it must assume that all those sent to Vietnam were in fact exposed.

The second part of the government's strategy was to adopt the principle that compensation can be provided only if scientists agree there is a cause-and-effect relationship between Agent Orange and the veteran's illness. This ensured that no one would be compensated during his or her lifetime because, as the decades it took for scientists to nail down the cause link between smoking and cancer make clear, it's exceedingly difficult for scientists to reach agreement over the cause-and-effect status of any toxic agent.

But in the end the government's strategy has unraveled. Private veterans' organizations spent years and thousands of their own dollars to prevent the book on Agent Orange from being prematurely closed. In a study commissioned by the American Legion five years ago and published last December, the legion proved that, contrary to CDC's conclusion, a valid epidemiology study of exposed Vietnam veterans can in fact be conducted. The legion's researchers also documented that many of these veterans suffer from serious and often rare disorders.

Then Judge Henderson, agreed with the Vietnam Veterans of America's analysis that the VA's requirement of a cause-and-effect relationship unlawfully stacks the deck against Vietnam veterans. The judge concluded that the VA has never in its history premised receipt of disability benefit on such a strict standard of proof. Moreover, the VA ignored the mandate by Congress to adjudicate Agent Orange claims under the less onerous ground rules applied to all other veterans, including the precept that doubt on any issue must be resolved in the veteran's favor.

As a result of the Vietnam Veterans of America's lawsuit, the VA will now have to reformulate its compensation rules for Agent Orange and readjudicate every one of the thousands of claims for benefits it previously rejected. As a result of the Legion's study, Congress may hold hearings on why the epidemiology study it long ago agreed to has never been done. And the Agent Orange issue is back in the media.

It is unfortunate, to say the least, that prolonged public pressure is necessary to force the executive branch to live up to its moral and legal obligations to those who risked their lives in service to this country. Congress must share part of the blame for the shabby treatment Vietnam Veterans have received. True, Congress stepped in to force the VA to provide medical care to Agent Orange victims. But the legislature has continued to defer to the executive branch on the issue of compensation long after it became apparent that it was shirking its responsibilities.

The appropriate response now is to call a halt to the tactic of delay and media control. We do not need to wait for more studies on Agent Orange. We do not need to wait for the VA to rethink how much evidence is enough to support compensation. We need Congress to bite the bullet and set the compensation rules based on the ample scientific studies that already exist on industrial workers, farmers, veterans and laboratory animals documenting that it is reasonable to conclude that many diseases are associated with Agent Orange.

WELCOME TO OUR NEWLY NATURALIZED CITIZENS

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 11, 1989

Mr. GILMAN. Mr. Speaker, it is with sincere pleasure that I congratulate the residents of New York's 22d Congressional District who have chosen to become citizens of the United States with all the privileges, freedoms, and responsibilities that American citizenship entails.

Our beautiful Hudson Valley region in New York State is proud of its newest citizens, and I invite my colleagues to join me in welcoming the following newly naturalized Americans and extending to them our best wishes for a happy and prosperous life in their new homeland:

Alfred Baumann, Attila Presser, Aldene Ferdinand, Thomas Park, Francisca Flores, Alempideh Aslani, Fernando Bueno, Yvonne White, Louis Fevier, Eduardo Hernandez, Kevork Lazyan, Arzina Jaffer, Sedat Tuncer, Sophy Kong.

Ofer Nurkin, Franca Zoppi, Rene Pierre-Lou, Denise Samuels, Osric Laws, Cecilia Garcia, Steven Talkjan, Nichola Baynes, Mary Siu-Wai La, Sun Park Kim, George P. Levy, Toby Gluck, David Millette, Marija Ciceran.

Adelia Rosell, Maria Decabrera, Kookie Cheng, Partha Bhattachar, Gabino Lau, Nina Tushinsky, Helen Delaurenti, Yong Nan Warren, Aveline Palisoc, Kevin McGovern.

Marie Levy, Oya Tugal, John Lu, Rachel Breuer, George Kemp, Antonio Larcia, John W. Smith, Judith Sanchez, Reynaldo Padilla.

Joan O. Nelson, Shahid Qazi, Eon Byer, Marlen Messian-Pe, Anna Lee, Maria Gregor, Angela Lau.

Jean Fidel, Prema Prasad, Daisy Rosario, Julio Cano, Maria Mesh, Norberto Nepomuceno, John Berio, Hieronim Rudzinski, Abraham Thomas, Eileen Nepomuceno.

Jonathas Fils-Aime, Ruben Rubinos, Mirella Betances, Mohammed Karamat, Si Iun Yong, Sandra M. Chuck, Julio Fernandez, Virginia Ventillo, Francisco Reyna-Gonz, Maria Ledesma.

Marian M. White, Ramon Pichardo, Kiyoung K. Kim, Glen Ford Fernandez, Paul Li Horng, Sencion Soriano, Wade Ran Lin, Fernando Betances, Cristina Vasquez, Li-Hui Yang.

Zafer Kalkan, Heiderose Conroy, Shaukat Malik, Jayantibha Patel, Patrick Joseph, Ariela Schwarzber, Lucia Villa, Anthony C. Sargeant, Natividad Toribio, Miriam Gensler.

Emelita Faunlagui, Dinesh Maharaj, Ester Tapales, Rochel Neiman, Adan Rodriguez, Mariette Francis, Yolanda Blanco, Ivy May Davis, Moses Portillo, Yuri Tushinsky.

Theresa Davis, Trevor Chase, Alrica Paisley, Felicula Cebrian.

Atilio Ciceran, Eleanor Gaus, Daniel Mou Long L, Jorge Avila, Gregory Aslani, Halina Rubinstein, Stuart Watt, Yolanda Rodriguez, Wascar Martinez, Wilfreid Guillaume.

Elizabeth Nepomuceno, Neil James McQuade, Jose Giraldo, Manuel Gutierrez, Marie Schindler, Olga Taller, Sameer Desai, Chetanaben Amin, Derek Ian Simpson, Pam Cane.

Sergo Dieu, Marie Morency, Pushpalath Sawker, Cheng Chang, Margaret McGovern, Susan Bohm, Braulio Calaustro, Kourosh Bagheri, Nereyda Lopez, Dimitri Dewes.

Maria Schultz, Sara Turner, Antonio Henriquez, Ayala Malach, Ernesto Faunlagui, Guadalupe Viray, Merceditas Rivas, Maria Resinger, Sara Gluck, Napoleon Ledesma.

Sandra Jones, David Ngo, Maria D'Agostino, Maria J. Ruiz, Ashvin A. Shah, Gil Samson, Mordechaj Krausz, Rama Katragadda, Issac Nurkin, Hari Menon.

Michael Mesh, Joaquina Abou-Hamda, Vernoica Herskovic, Geula Efrati.

Joanne Park, Sofia Quintero-P, Raymond Ahmadi, Panagiota Hatzis, Piero Olcese, Joseph Procopio, Kenneth Levine, Doroteo Ocampo, Annamma Kaduvettoo, Mary Leahy.

Paulina Quilicot, Paulin Noelizaire, Angelia Newell, Lily You Horng, Lisa Chen, France Toussaint, Ayala Englanoff, Pierre Bernard, Macario Larcia, Edwin Burrow.

Josephine Novak, Peter Elie, Sydney Newell, Aida Guirguis, Michele Branca, Maru Maria D Escudero, Asha Badlani, Ve-

ronica Alimurung, Josefa Cabrera, Daisy Santana.

Juan R. Manuel, Varughese Abraham, Chao-Tsui Lin, Shao Hua Huang, Marek Nosal, Oristil Orisca, Felipa Perez, Margarita Giles, Fernando Betances, Madhuben Patel.

Julia Moronta, Frida Held, Manuel Araujo, Gopi Nayar, Jose Blanco, William Marte, Lanny Kong, Che-Ming Huang, Dimitri Dellis, Herminigil Luistro.

Bhanumati Vasa, Cornelis Jong, Reina Llanos, Joseph Giuliano.

Jacob Herskovic, Esmeralda Rozon, Yuhg Li, Sheng-Yu Cheng, Mary Li, Dometila Manuel, Margarette Voyard, Abraham Klein, Helen Yu Hsia, Varughese Abraham Jr.

Victor Costa, Humberto Begaz, Gladys Avila, Frank Nelson, Nelson Ocampo, Salvatore Sparta, Myriam Castillo, Beatriz Salvilla, Andre Bouville, Hanni Petersen.

Yva Lapointe, Mariana Bjorkander, Rueyjen Lee, David Landau, Urmela Maharaj, Astleyman Tyrell, Rosa Nunez de D, Vikramchan Maharaj, Ma Corazon Calaustro, Abel Ruben Villanueva.

Il Young Lee, Rosalucia Zimmermann, Dezi Knapic, Julia Ann Bianchi, Jill Eliza Muller, Renato De Samonte, Lunise B. McBean, Betty C.O. Ting, Balbina Aguilu, Ellen Engelberg.

Neelu Bhatia, Averil Baynes, Josephine Whriter, Joyce I. Dickson, Michael Chen, Donesia McGregor, Arax Tamazian, Erica Tyrell, Jorge Acosta, Hitesh Thaker.

Meir Efrati, Mirtha Morgan, Wilfrid Fenelon, Catherine Bae.

Maria Campa, Cathleen Logan, Yolanda White, Gitanjali Maharaj, Moshe Horowitz, Elizabeth Salamon, Moshe Schwarzber, Patrick A. Barnes, Bassam Naber, Jorge LaSprillo.

Shyla Cantor, Jose Gomez, Ping-Po Chang, Lualhati Samonte, Axel Portillo, Stephen Kim, Marie Meniel, Lewis John Portelli, Guy Gerard, Ciriaco Villarosa.

A TRIBUTE IN MEMORY OF DR. RICHARD R. GREEN

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 11, 1989

Mr. RANGEL. Mr. Speaker, I rise today to honor and pay tribute to a man who will be sorely missed by all who had the pleasure and the good fortune of knowing him; a man who was very much admired by his peers and colleagues during his entire teaching and administrative career; and a man who worked diligently and unselfishly so that others could benefit from his wisdom. The man of whom I speak is Dr. Richard R. Green who held the post of New York City Schools Chancellor.

We are all saddened by the sudden passing of Dr. Green who was taken from us on May 10, 1989 at the age of 52. He was a revered leader, one who was capable of bringing people together for a common cause, that being the education of children. He was a man who truly cared, not only about the children, but about the entire New York City educational system. He was determined to give hope and a new spirit to this system for the benefit for all. He was determined to make a difference.

Mr. Speaker, allow me to share with you and my colleagues at this time, some of the highlights of Dr. Green's career.

He began teaching in Minneapolis in 1959. In 1972, he became the citywide administrative assistant for desegregation and integration. He went on to become principal of North Community High School and administrative head of the region. He was appointed superintendent in 1980, the first black in that post. Dr. Green reorganized the administration and introduced benchmark tests to show whether students had minimum competence in mathematics, science, and writing. Though his tenure as a chancellor was brief, he made an impact that will long be felt by all.

Dr. Richard Green was an energetic man who gave his all to whatever he was involved in. He was not afraid to fight for what he believed in and was well known for his ability to overcome problems. He brought a great deal to the New York City school system. We shall never forget his many contributions, his strength of character, and his willingness to do whatever it took to improve opportunities for all children and to provide them with a chance for a decent education. As he stated in his inaugural address during his installment ceremony last year, "We owe to the children of New York a better day. We are a service-delivery system from this day on."

We will miss this great man who touched the lives of so many people. His beacon of light will shine for years to come. To his wife, Gwendolyn, and his family, we share with you in your time of grief and have you in our thoughts.

DR. PHILIP CASH RETIRES FROM EMMANUEL COLLEGE

HON. JOE MOAKLEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 11, 1989

Mr. MOAKLEY. Mr. Speaker, I want to alert my colleagues to the fact that one of our Nation's distinguished educators, Dr. Philip Cash, will be leaving his post at Emmanuel College in Boston this year. For 30 years Dr. Cash has been a mainstay of Emmanuel's history department, and also has served as its chairman.

It is easy in remarks such as these to state these simple facts of the case. But as any historian can tell us, facts alone do not tell the story. We also must explain their impact. And in Philip Cash's case, his impact has been extraordinary. In fact, his students describe him as nothing short of an experience.

It is fitting that Dr. Cash's field is American history, and more particularly the Revolutionary period, because questioning the validity of established authority and accepted truth is his forte. His approach to teaching is to assail every comfortable assumption, to demythologize every idol, to unmask every complacency, and to restructure the minds of his hearers into finely honed analytical tools. Philip Cash understands that the development of critical thinking ability is the central mission of the educator and the final goal of the liberal arts education process. And he understands also that the study of history is one of the best means to fulfill that mission and achieve that goal.

We hear a lot these days about alarming deficiencies in critical thinking and analytical ability among American students. No such problems exist for the generations of Emmanuel history majors who have had the benefit of Philip Cash's tutelage. He accepts no pat answers—he has more respect for an honest "I don't know" than for an unquestioned verity. He must despair of the platitudes we hear so frequently from those who will populate tomorrow's history books, just as he revels in revealing for his students the naked pomposities of yesterday.

As a member of the Steering Committee of the Northeast-Midwest Congressional Coalition, I am particularly impressed with the scholarly attention which Dr. Cash has devoted to the impact of regionalism as a shaping force in American history. It is convenient today to think of regional differences as a thing of the past. We in Congress know that they are still thriving, not so much as eccentricities to be savored as de Tocqueville did, but as critical policy issues affecting the economic future of us all.

In the Northeast and Midwest, we pride ourselves particularly on the human resources that historically have been our strong point and continue today as the source of our resurgence. For that reason, I am pleased that, although Dr. Cash will be leaving the teaching profession, our region will not be losing his talents since he intends to pursue further his research and writing interests and to lend his special touch to the conquering of yet more new worlds.

SALT, START, AND INF—THE ARMS-CONTROL PROBLEMS

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 11, 1989

Mr. ACKERMAN. Mr. Speaker, I want to call the attention of my colleagues to Strobe Talbott's commentary "Why Kohl Is Right," in this weeks issue of Time Magazine.

Talbott, Washington bureau chief of Time and an outstanding expert on arms-control problems, makes the right point when he stresses that the United States must work together with its European allies to develop a coherent strategy to deal with the Soviets in the coming years. In light of the revolutionary changes in the Soviet Union and Eastern Europe, and in light of Gorbachev's arms-control proposals, we must find a more constructive strategy to deal with the Soviet Union. We need negotiations on all kinds of weapons, including short range nuclear missiles, in order to stop the arms race, and in order to stabilize the military balance. But we also need these talks in order to avoid a split between NATO members.

Mr. Speaker, Strobe Talbott received journalistic awards for his outstanding books "Endgame" and "Deadly Gambits" dealing with the SALT, START and INF talks. He also

deserves our appreciation for his outstanding commentary.

[From Time, May 15, 1989]

WHY KOHL IS RIGHT

(By Strobe Talbott)

Helmut Kohl has infuriated the Bush Administration by trying to save his political skin with a call on the superpowers to negotiate over short-range nuclear weapons. But however pusillanimous his notives may be. Kohl happens to be right in what he recommends. Tactical nuclear weapons have never made sense, especially concentrated in West Germany, the putative battlefield were World War III would begin. If American tactical missiles were ever fired in anger, they would raise mushroom clouds over German territory and probably kill more local civilians than the foreign invaders. If, on the other hand, the missiles were not fired, they would become irresistible targets for devastating pre-emptive strikes by the enemy. Hence the bitter saying in Bonn, "The shorter the range, the deader the German."

Nuclear weapons deter their own use. Arguably that is all they are good for. But tactical nukes, because they frighten allies whom they are supposed to protect, are good for even less. In fact, these weapons are good for nothing except as bargaining leverage to remove similar Soviet missiles in Eastern Europe. Thus the current furor is surprisingly only in that it took so long, and so much pressure from the left, for a West German Chancellor to adopt Kohl's present position.

The U.S. has been holding the line against short-range-weapons talks out of fear that negotiations will lead to a supposedly terrible state of affairs in Europe known as "denuclearization"—the removal of all nuclear weapons from the Continent. Accordingly to the NATO catechism, denuclearization would make Europe "safe" for a conventional war that the Warsaw Pact, with its much vaunted superiority in soldiers and tanks, might be tempted to start and could likely win. According to another article of the dark faith, a denuclearized Western Europe would be "Finlandized": France, Italy and Belgium, but, above all, the Federal Republic of Germany, would be sucked away from their traditional protector on the far side of the Atlantic into the Soviet orbit. These countries would end up, like Finland, being allowed to manage their internal affairs as they saw fit but obliged to calibrate their foreign policies to the wishes of Moscow.

Because of where they live, most. Europeans see more clearly than most Americans how implausible and irrelevant that danger is becoming. All they have to do is look at their neighbors on the other side of the Iron Curtain to realize that there is indeed such a thing as Finlandization, but it is happening in the East, not the West. Moreover, it is happening with the approval of Moscow, which is encouraging its comrades to turn toward Paris, Bonn, London and Rome not just for economic help but also for political institutions and values.

As for the threat of conventional war, Mikhail Gorbachev is already committed to unilateral reductions in troops, armor and artillery. He might go further in the talks with the West not taking place in Vienna, and further still if shortrange nuclear weapons are on the table.

Once the Bush Administration stops cursing Kohl under its breath, it will probably do what he is asking. Some formula will be found to permit the talks that Kohl wants and Washington hates. Too bad the U.S. will have been dragged kicking and screaming into a decision that it should have reached on its own. The leader of the alliance will be in the anomalous and undignified position of following its allies to the negotiating table, and the American hand will be weaker as a result, both with the West Europeans and with the Soviets.

TRIBUTE TO LAW ENFORCEMENT OFFICIALS IN TEXAS

HON. SOLOMON P. ORTIZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 11, 1989

Mr. ORTIZ. Mr. Speaker, I rise today to commend a distinguished group of law enforcement officials for their dedication and hard work in an investigation of vital importance to my congressional district and our Nation's war on drugs. The individuals I speak of are Sheriff Alex Perez of Cameron County, TX, sheriff's Lt. George Gavito, U.S. Customs Agent Oran Neck, Drug Enforcement Administration Agent Armando Ramirez and Head Commandant Juan Benitez Ayala of the Mexican Federal Judicial Police.

I wish to commend these men here today because of their efforts in the investigation of a series of murders, discovered in April of this year, which took place near Matamoros, Mexico near the United States-Mexico border. The drug-smuggling gang which perpetrated these heinous crimes was involved in Satanic rituals and many of its victims were the subjects of human sacrifice.

The herculean efforts of the officials I have mentioned, and others like them, led to the discovery of the gang's activities and the apprehension of its members, including most recently the leader of the cult. By cooperating closely with one another, these individuals representing different entities of different governments were able to conduct a comprehensive, efficient, and highly effective investigation. Their hard work and commitment to serving the citizens of their communities is deserving of recognition and praise by us here today.

Among the victims of these crimes was Mark Kilroy, a student of the University of Texas who was kidnaped by the cult while on spring break. None of us can truly know the grief experienced by the parents of Mark Kilroy. But throughout this horrible ordeal, they have kept their dignity and have relied on their faith in God to comfort them. The only solace we can offer them is that the death of their son lead to the discovery and elimination of this brutal and barbaric drug-smuggling gang.

Again, I wish to praise the law enforcement work of Alex Perez, George Gavito, Oran Neck, Armando Ramirez, and Juan Benitez Ayala. They truly embody the dedication and commitment which define the term "public servant."

TRIBUTE TO PRINCIPAL ADA J. BARNES

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 11, 1989

Mr. LEHMAN of Florida. Mr. Speaker, Opa-locka elementary schools and the entire Dade County Public School System is losing a valuable asset: Ada J. Barnes is retiring from teaching, after nearly four decades of service.

As a former teacher, and as a former member and chairman of the Dade County School Board, I know from firsthand experience that dedicated, talented principals like Ada Barnes are an essential ingredient to good education. In that regard, Opa-locka Elementary School has been very lucky, because the faculty and students there have benefited from Ada Barnes' leadership and caring for the past 15 years.

The faculty and staff at Opa-locka Elementary and the entire community of Opa-locka are honoring Mrs. Barnes on May 19, "Ada Barnes Day," and I want to join with them in honoring a truly outstanding educator. We thank Mrs. Barnes for the positive difference she has made in the lives of so many thousands of our children, and we hope that she will enjoy a happy and healthy retirement. I know that the example of achievement Mrs. Barnes set and her good advice—aim for the sky—will continue as a guide to her students and to those in our community whom she served so well.

Mr. Speaker, I would like to share with my colleagues the following Miami Herald article about Ada Barnes.

SCHOOL'S OUT FOR LONGTIME EDUCATOR

(By Luchina Fisher)

Ada J. Barnes is moving out of her second home. She's giving up her patio, her private office and her 1,100 children.

After 15 years as principal of Opa-locka Elementary, 25 years with Dade County schools and 38 years in education, Barnes, 59, is retiring.

She's not going to fish or play golf. She might travel some. But mostly she's going to do what she likes best—work with kids.

"I'm just so attached to the boys and girls in this community," said Barnes, who plans to spend time with her three grandchildren, volunteer at a junior high and work on projects for her church and sorority.

She said the school at 600 Ahmad St. has been her second home, a family place where all the kids walk from within two miles of the school and parents feel free to visit.

Rarely do principals stay at one school as long as Barnes has, she said. But each time she was encouraged to move, Barnes would ask if she could take with her the patio with its green grass, cement benches and shade trees in the center of the school. Knowing that was unlikely, Barnes would ask to stay at Opa-locka Elementary.

"I feel such a need to work with the boys and girls here," Barnes said.

The teachers stay, too. "There is very little turnover, I think, because of her ability to guide us and direct us," said Linda Brent, the music teacher for nine years and this year's Teacher of the Year at the school. "We follow her guidance almost to the letter."

Barnes, whose replacement has not been picked, has tired to guide students and teachers to realize their potential. Each morning over the loudspeaker, she shares with them a motivating message such as Jesse Jackson's: "If you can believe it, you can achieve it." "Believe in yourself" or "Aim for the sky."

Said Barnes: "My fight has been to have high expectations and that's not easy where you have the majority of kids being minority."

Nadene Young, one of the first teachers Barnes hired, said Barnes knows every student either by name or incident. The kids are unafraid of Barnes, though she can quiet a room just by walking into it.

"When the children speak, she listens with her ears, but she hears with her heart," Young said.

Sixth-grader Iteshia Rogers said Barnes is always there when you need her. "Like if you don't know how to do something and school is closed, you can go to Miss Barnes."

Education was valued so much in Barnes' family that "I just grew up knowing I wanted to be a teacher," said Barnes a native of Savannah, Ga.

She once toyed with the idea of being a nurse—until a high school basketball game where a fellow player's nose was bloodied and Barnes "was on the ground before the blood was."

In 1949 at 18. Barnes graduated from Savannah State College in Georgia, where she majored in social studies and elementary education. She took a job as a high school social studies teacher in Evans County, Ga. She took a year off in 1959 to get a masters in education at South Carolina State College in Orangeburg. In 1964, she moved to Dade County and began teaching at Bunche Park Elementary.

Barnes never left Northwest Dade. After Bunche Park, she taught at Miami Gardens and M.A. Miami elementary schools. In 1973, after much encouragement, she took a job as assistant principal at North County Elementary, and in 1974 came to Opa-locka as principal.

On May 19, "Ada Barnes Day," the entire school and members of the community and Barnes' friends will salute Barnes. Two days later, she will be honored at a banquet at the Sheraton Americas in Hialeah.

"Ada has prepared us to work under just about anybody," said teacher Laura Johnson. "We don't feel fearful. We just feel we'll miss Ada."

NATIONAL CORRECTIONAL OFFICERS WEEK

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 11, 1989

Mr. MAZZOLI. Mr. Speaker, I would like to take this opportunity during this week which President Bush has proclaimed National Correctional Officers Week to honor and recognize the men and women who work in the correctional institutions of the Commonwealth of Kentucky.

As we in Congress—and lawmakers in the State and local governing bodies—enact tougher laws to crack down on drug-related crime, our prisons and jails are being filled to capacity and in many areas are overflowing. This puts increasing demands and pressure on the men and women who staff these institutions. They have the difficult task of providing public protection while encouraging rehabilitation of those behind bars.

This is no easy task, Mr. Speaker, and it is getting more dangerous and difficult daily.

As a sponsor of the House resolution calling on the President to set aside this week in honor of the correctional officers of Kentucky and of our Nation, I am pleased to join in this tribute. These men and women do not receive much public recognition for the work they do on behalf of society, but our communities in Kentucky are better, safer places to live and raise our children because of their noble efforts. They deserve our admiration and our thanks.

INTRODUCTION OF THE WORLD FOOD DAY RESOLUTION

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 11, 1989

Mr. GILMAN. Mr. Speaker, today I am introducing House Joint Resolution 267, legislation to designate October 16, 1989 and October 16, 1990 as "World Food Day."

Legislation commemorating World Food Day has been supported by the Congress for the past 8 years. National coordinator Pat Young and volunteers across the nation ensure that substantive discussions, meetings and conferences take place and their findings are dispersed to key policymakers around the world.

Our House Select Committee on Hunger through extensive hearings and studies confirms that the only way to eradicate hunger is to mobilize the political will necessary to tackle the issue.

Yet, despite the impressive outpouring of support, the problem of world hunger persists. According to recent reports 3 million people are at risk of starving in Angola. UNICEF informs us that every 24 hours, 42,000 children under the age of 5 die as a result of hunger and related diseases.

These grim statistics underscore the critical need for a continued commitment of private and government funds to ending hunger. But emergency relief aid is not enough. A concerted effort must be made to improve the deteriorating conditions that result in tragedy after tragedy—the same conditions that allow famine and starvation to persist and remain a reality in a world with more than enough resources to feed its population. It is time for us, for our Nation and the world of nations to work to prevent disasters from occurring—to solve the problems.

World Food Day continues to play the key role in doing just that and I applaud Pat Young and World Food Day volunteers. Accordingly, I urge my colleagues to cosponsor House Joint Resolution 267.

The bill follows:

H.J. RES. 267

Whereas hunger and malnutrition remain daily facts of life for hundreds of millions of people throughout the world;

Whereas the children of the world suffer the most serious effects of hunger and malnutrition, with millions of children dying each year from hunger-related illness and disease, and many others suffering permanent physical or mental impairment because of vitamin or protein deficiencies;

Whereas the United States and the people of the United States have a long tradition of demonstrating humanitarian concern for the hungry and malnourished people of the world;

Whereas there is growing concern in the United States and around the world for environmental protection and the dangers posed to future food security from misuse and overuse of precious natural resources of land, air, and water and the subsequent degradation of the biosphere;

Whereas efforts to resolve the world hunger problem are critical to the maintenance of world peace and, therefore, to the security of the United States;

Whereas the Congress is particularly concerned with the continuing food problems of Africa and is supportive of the efforts being made there to reform and rationalize agricultural policies to better meet the food needs of Africans;

Whereas the United States, as the largest producer and trader of food in the world, has a key role to play in assisting countries and people to improve their ability to feed themselves;

Whereas although progress has been made in reducing the incidence of hunger and malnutrition in the United States, certain groups, notably Native Americans, migrant workers, the elderly, and children, remain vulnerable to malnutrition and related diseases;

Whereas the Congress is actually aware of the paradox of enormous surplus production capacity in the United States despite the desperate need for food by people throughout the world;

Whereas the United States and other countries should develop and continually evaluate national policies concerning food, farmland, and nutrition to achieve the well-being and protection of all people and particularly those most vulnerable to malnutrition and related diseases;

Whereas improved agricultural policies, including farmer incentives, are necessary in many developing countries to increase food production and economic growth;

Whereas private enterprise and the primacy of the independent family farmer have been basic to the development of an agricultural economy in the United States and have made the United States capable of meeting the food needs of most of the people of the United States;

Whereas increasing farm foreclosures threaten to destroy the independent family farmer and weaken the agricultural economy in the United States;

Whereas conservation of natural resources is necessary for the United States to remain the largest producer of food in the world and to continue to aid hungry and malnourished people of the world;

Whereas participation by private voluntary organizations and businesses, working with national governments and the international community, is essential in the search for ways to increase food production in developing countries and improve food distribution to hungry and malnourished people;

Whereas the member nations of the Food and Agriculture Organization of the United Nations unanimously designated October 16 of each year as World Food Day because of the need to increase public awareness of world hunger problems;

Whereas past observances of World Food Day have been supported by proclamations by the Congress, the President, the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, and the territories and possessions of the United States, and by programs of the Department of Agriculture, other Federal departments and agencies, and the governments and peoples of more than 140 other nations;

Whereas more than 400 private voluntary organizations and thousands of community leaders are participating in the planning of World Food Day observances in 1989, and a growing number of these organizations and leaders are using such day as a focal point for year-round programs; and

Whereas the people of the United States can express their concern for the plight of hungry malnourished people throughout the world by fasting and donating food and money for such people: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That October 16, 1989, and October 16, 1990, are designated as "World Food Day", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe World Food Day with appropriate ceremonies and activities, including worship services, fasting, education endeavors, and the establishment of year-round food and health programs and policies.

TRIBUTE TO THE LATE HIGH CHIEF SUAAVAMULI PO'U PINE SOLIAI

HON. ENI F.H. FALEOMAVAEGA

OF AMERICAN SOMOA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 11, 1989

Mr. FALEOMAVAEGA. Mr. Speaker, American Samoa has experienced a great loss with the death of High Chief Suaavamuli Po'u Pine Soliai who passed away at the age of 51, on Saturday, April 15, 1989.

High Chief Suaavamuli served with distinction in the American Samoa Legislature for 8 years. As a member of the House of Representatives, he served as the chairman of the Economic Development Committee, vice chairman of Government Operations, and a member of various other committees. Chief Suaavamuli will be remembered by the legislature and people of American Samoa for his many years of public service.

High Chief Suaavamuli will also be missed by the members of the Church of Jesus Christ of Latter-Day Saints. In addition to the many duties he willingly carried out for his church, he served in the very important roles of bishop's councillor and on the stake high council.

High Chief Suaavamuli will be sorely missed by his family. He was the devoted and beloved husband of Leutu Teleso Soliai and father of three daughters, Si'itia Faimafili, Tupito Leutu and Naumau Mele; and two sons, Fotuolepalaau Carl and Misipopo Elekana.

Mr. Speaker, I add my personal condolence to the family of High Chief Suaavamuli and ask that the territorial House concurrent resolution expressing the sympathies of the legislature of American Samoa to the family of Suaavamuli Fotu Pine Soliai, be submitted along with my statement as part of the RECORD.

Text of resolution follows:

HOUSE CONCURRENT RESOLUTION

A House concurrent resolution expressing the sympathies of the legislature of American Samoa to the Family of Suaavamul Po'u Pine Soliai who passed away.

Whereas, Suaavamuli Po'u Pine Soliai, at the age of 51, passed away on Saturday afternoon April 15, 1989, at the Lyndon Baines Johnson Tropical Medical Center; and

Whereas, Suaavamuli Soliai served in the House of Representatives, having been first elected to the Twelfth Legislature for the years 1971-1972; and, having been next elected to the Fourteenth through Seventeenth Legislatures for the years 1975-1982; and

Whereas, among his last assignments as a Legislator, Suaavamuli Soliai served as Chairman of the Economic Committee; as Vice-Chairman of the Government Operations Committee; and, as a member of the Budget and Appropriations, Public Works, and Parks and Recreation Committees; and

Whereas, Suaavamuli Soliai will be remembered by the Legislature and the People of American Samoa for his many years of public service as a Legislator; and

Whereas, Suaavamuli Soliai was also active in the performance of his religious duties, having been a missionary for the Church of Jesus Christ of Latter-Day Saints; a Bishop's Councilor; President of the YMMIA of the Nu'uuli Ward; and, a member of the Pago Pago East Stake presidency; and

Whereas, Suaavamuli Soliai will be remembered by the members of his church for his many years of church service; and

Whereas, Suaavamuli Soliai was the devoted and beloved husband of Leutu Teleso Soliai and the father of five children; and

Whereas, the passing away of Suaavamuli Soliai is a great tragedy and loss to the members of his family, his church as well as the community: Now, therefore, be it

Resolved by the House of Representatives of the Territory of American Samoa, the Senate concurring.

STRATEGIC PETROLEUM RESERVE ACQUISITION PROGRAM

HON. MICKEY LELAND

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 11, 1989

Mr. LELAND. Mr. Speaker, on April 18, I introduced legislation which would save taxpayers millions of dollars and enhance our energy security. H.R. 2047 would permit using private sources for increases and improvements to the Strategic Petroleum Reserve [SPRO].

As we attempt to balance the Federal budget, funding for certain programs is bound to be reduced or eliminated. To prevent the termination of vital programs, Congress must look for alternative methods to reduce spending.

H.R. 2047 implements a new SPRO acquisition program which will take Government out of the business of funding the reserve, and thereby furnish taxpayers with more than $1 billion per year in savings. Under provisions of this bill:

First. The SPRO fill rate will increase to 100,000 barrels per day or more than 36 million per year;

Second. Importers of crude and refined products will store about 2 percent of their imports at the SPRO. This provision simply makes mandatory the current discretionary authority of the Secretary of Energy under the Energy Policy and Conservation Act.

Third. As imports fluctuate, the Department of Energy [DOE] will adjust each importer's storage percentage in order to avoid overfill and underfill.

Fourth. Importers of refined products will contribute a crude oil equivalent because the SPRO only contains crude oil.

Fifth. Contributions of actual crude are not required. Rather, exchanges, "paper" swaps, credits and payments would be used by the DOE to minimize unnecessary shipping costs and ensure storage of the proper grade and mix of oil.

Sixth. Importers will coontinue to own the oil in the SPRO and will receive the sales revenue when the SPRO oil is used.

Seventh. The DOE would first consider using the privately owned oil during a crisis in order to maximize the present value of the privately owned oil and spur private trading of these "SPRO futures."

Eighth. Future costs for construction, maintenance, and administration of SPRO facilities will be borne by importers.

An added advantage of this bill is an improved energy security. The key to SPRO's effectiveness is its size and ability to rapidly provide large volumes of oil to consumers. This fill rate will provide an additional 150 million barrels by 1994.

Mr. Speaker, this bill will greatly improve our energy security, and do so by decreasing Government spending. I urge my colleagues to support this energy security insurance policy and cosponsor this bill.

HOWARD B. OWENS SCIENCE CENTER: A DECADE OF EXCELLENCE

HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 11, 1989

Mr. HOYER. Mr. Speaker, this year a unique educational facility in Prince George's County is celebrating its 10th anniversary.

The Howard B. Owens Science Center was the dream of its namesake, a science educator in Prince George's County for 15 years. Dr. Owens' vision was of a central teaching facility to improve teacher competency in science education and to expose young people to the joys of the study of science.

If our Nation is to remain competitive in the world, then we must continue to maintain our special strength, the knowledge, and innovation of our citizens. Science education is essential in this effort, in order to awaken the curiosity and interest of our young people. The Howard B. Owens Science Center, with its

fascinating exhibits and instructional programs makes science accessible to children.

Since first opening its doors on October 30, 1978, 750,000 students have participated in the programs of the Owens Science Center. Originally designed to accommodate 50,000 students annually, teachers across the school system sought to avail their classes of this opportunity for expanded science education.

The Owens Center now is visited by 80,000 students annually. In addition, thousands more have benefited from the Owens Center Summer Science Enrichment Program.

When you consider that Prince George's County has just over 100,000 students in its schools system, you can see that the impact of the Science Center on our young people has been immeasurable.

From the time the Owens Center first opened under the direction of Dr. Hays B. Lantz, Jr., it has been dedicated to the belief that science education is basic education for all students and that science is best learned and taught as it is practiced in the real world—in a hands-on setting. To this end the expertise of hundreds of scientists, engineers, mathematicians, educators, and countless others have contributed to the rapid evolution of the programs, exhibits, and services of the Owens Center. Goddard Space Flight Center and the U.S. Deparetment of Agriculture at Beltsville have been major supporters.

The design of the Owens Center's activities has been most visionary and on the cutting edge of science education due to a competent and committed staff of educators and support persons. The science labs, planetarium, exhibits, and programs developed during the first decade have been emulated by many school districts and science centers across the country. Friday night planetarium programs keep the public up-to-date on advanced astronomy and space exploration, and teach people how to track stars, constellations, and planets from their own backyards.

The Owens Science Center, under the direction of Mrs. Winnie S. Wooley, launches its second decade with the addition of its new Challenger Center, a simulated environment for space missions. The pioneering spirit that guided the Owens Center through its initial decade of excellence will provide the necessary momentum as the Challenger Center, the first of its kind in a public school district and the second one in the world, elevates its passengers to new dimensions in space science education.

I hope that the Members of the House learning about the Owens Science Center will spread the word to their own congressional district about the innovative approach to science education. Surely school systems across the United States could benefit from our experience in Prince Georges County.

INTRODUCING TEXAS-ISRAEL EXCHANGE RESOLUTION

HON. ALBERT G. BUSTAMANTE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 11, 1989

Mr. BUSTAMANTE. Mr. Speaker, I am introducing today a joint resolution honoring the Texas-Israel Exchange Program for its contributions to the agricultural interests of the United States and Israel. Twenty-seven of my colleagues have joined me as original cosponsors to this resolution.

The Texas-Israel Exchange Program was the first joint economic development agreement between Israel and an individual State. This successful program has become the model that other States have followed to promote economic development projects with Israel. Many States have already explored such opportunities including Virginia, California, Massachusetts, Washington, Oklahoma, Ohio, New Jersey, Kentucky, Illinois, Florida, Indiana, Missouri, Minnesota, Wisconsin, Michigan, Connecticut, and Iowa.

In Texas' case the agreement with Israel was designed to expand agricultural cooperation between the two States. The program has brought Israeli expertise in arid-land farming to a part of the world where water shortage and optimal water usage are new concerns due to the greenhouse effect. Through a demonstration farm in Laredo, TX, the program is showing farmers how they can use technology to increase yields and grow new crops while using much less water. These water saving techniques could have wide application in the arid Southwestern and Midwestern areas of the United States. In addition, the water saving techniques could prove crucial for farmers in northern urban States where water supplies must be shared with households and industry.

The demonstration farm located in my district is demonstrating the successful application of innovative agricultural technologies and diversified crops not commonly found in Texas. The project encourages the long-term viability of small acreage farms by demonstrating an effective system for producing high-yield, high-value products.

A second major component of the project is developing a vocational agriculture curriculum for students at the Laredo Junior College. The curriculum includes hands on experience at the demonstration farm. The curriculum goes hand in hand with stimulating community-based economic development and fostering an agricultural work force well trained in the new practices demonstrated on the farm. Continuing education and training courses for area farmers and ranchers are also planned, with the possibility of cooperative courses with universities in Mexico.

A third component of the farm is designing and constructing the necessary farm buildings, packing sheds and cold storage using low-cost, resources-efficient building technologies. This building program uses indigenous materials and adapts building methods to local economic and geologic conditions. The project focuses on the use of solar energy for greenhouses, refigeration, water purification, and crop drying.

Overall, the farm project is to promote innovation in Texas agricultural production and present new opportunities for economic revitalization in the agricultural sector of the State. It also provides a new model for joint practical cooperation between countries, agencies, and the public and private sectors. Last, but not least, an added benefit of the program is the strengthening of ties between America and Israel on a real people-to-people basis.

Mr. Speaker, I look forward to the further success of this cooperative program with Israel and to the expansion of similar programs to all the States of the Union.

THE 125TH ANNIVERSARY OF ARGO B'NAI B'RITH CHAPTER 5399

HON. CONSTANCE A. MORELLA

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 11, 1989

Mrs. MORELLA. Mr. Speaker, I would like to take this opportunity to both share my heartiest congratulations with Argo B'nai B'rith Chapter 5399 on its 125th anniversary, and to bring special attention to their anniversary exhibit of local Jewish artifacts.

Argo Unit 5399 traces its origin to 1864. It is the area's oldest and largest B'nai B'rith group. Argo lodge members have included Supreme Court Justices Brandeis, Frankfurter, and Goldberg, and many Members of Congress.

Some of the remarkable programming highlighted in the exhibit includes Presidents Taft's and Wilson's speeches to the Argo membership, and the granting of "Statesmen of the Year" awards to Senators Jacob Javits and Henry Jackson, House Speaker John McCormack, and to Canadian Ambassador Ken Taylor for the role which he played in rescuing Americans from Iran in 1979.

The Argo B'nai B'rith group's ability to be both respectful of history and responsive to current issues is reflected in the exhibit. In 1981, Argo was host to then-Egyptian Ambassador Ashraf Ghorbal in a program dedicated to the Arab-Israeli agenda after the assassination of President Anwar Sadat. It was the first time that an Arab Ambassador had addressed a local B'nai B'rith group. I am especially pleased to salute the Argo B'nai B'rith unit, because, in 1987, it changed its status from a lodge to a unit to allow for membership of women.

Items on display at the exhibit include handwritten minutes of meetings dating back to 1899, a ceremonial menorah presented to Argo in 1906, documentation of the lodge's activities since 1864, photos of its prominent members as well as a collection of its bulletin, the Argo News, probably the oldest continuously published group publication of B'nai B'rith.

The exhibit is housed in the Lillian and Albert Small Jewish Museum of Washington, the original Adas Israel Synagogue, at Third and G Streets NW. and is curated by the Jewish museum's director Hadassah Thursz. The commitment and dedication of current Argo unit officers Henry Compart, Basil Herzstein, Saul Lubar, Samuel Skolnick, and Frederick Wohl are also very evident in the collection. The exhibit will be open to the public until the end of July.

I would like to extend an invitation to all my House and Senate colleagues to celebrate Argo B'nai B'rith's 125 years of service by visiting this unique exhibit of memorabilia depict-

ing the involvement in the Greater Washington Community of the oldest and largest B'nai B'rith group in the area.

APPLAUSE FOR ZAIRE

HON. JACK FIELDS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 11, 1989

Mr. FIELDS. Mr. Speaker, I would like to join the applause coming from my colleagues and numerous observers of Zaire, congratulating this great country for the substantial progress accomplished recently by its government, under the leadership of President Mobutu Sese Seko.

Mr. Speaker, Zaire has been constantly striving to implement numerous structural reforms in order to secure a higher level of economic performance for the country, as well as higher standards of living for the people. An increasingly competent and dedicated staff of public servants has effectively implemented reforms, taking into account the recommendations of international organizations. As a recent joint report from the World Bank and the United Nations indicates, these efforts are starting to pay off. Zaire ranks among the group of African nations cited by the report which exhibit encouraging signs of economic recovery.

Mr. Speaker, Zaire has also made significant progress in the area of human rights. I am confident that the conclusions of the United Nations Commission on Human Rights have been reported to you and my fellow members, but let me comment on this new development by reminding this audience of the remarkable innovations Zaire has brought to the African continent. For instance, the creation of the Department of Citizens' Rights and Liberties in 1986 was an initiative that set an example among African nations. Although Zaire is still struggling to completely eradicate all forms of human rights abuses, it deserves our encouragement for its achievements to date.

Mr. Speaker, I cannot emphasize enough the importance of Zaire's friendship and support in the central African region. Zaire is indeed a cornerstone for Western values in Africa and thus deserves all our support and encouragement.

JEWISH HERITAGE WEEK

HON. BOB CLEMENT

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 11, 1989

Mr. CLEMENT. Mr. Speaker, I'd like to address my colleagues about Jewish Heritage Week, May 7 to 14. This week marks a number of events of major significance to the American Jewish community. Those events include the 40th anniversary of Israel's independence, Holocaust Memorial Day, Jerusalem Day, Passover, and the anniversary of Warsaw ghetto uprising.

During this week American Jews and others are learning about Jewish history, heritage, religion, and culture. I was recently in Germany and I had an opportunity to learn first hand about the darkest hours in Jewish history.

Over 6 million Jews were systematically killed in extermination and concentration camps during World War II. I toured the Dachau Concentration Camp in Munich, Germany. Hundreds of thousands of prisoners were confined at Dachau which was the first concentration camp ever built. It opened in 1933 and remained opened longer than any other camp. Even though Dachau was not specifically designated as an "extermination" camp, thousands of men, children, and even entire families died there from a variety of causes in the systematic effort to eliminate groups of people whose political, religious, or social philosophies differed from Adolf Hitler and his Nazi regime.

Standing on the same spot where such untold human suffering occurred made me acutely aware of the horror and pain so many people endured. Persons of Jewish heritage, Gypsys, Jehovah's Witnesses, Catholics, Ukranians, Communists, and many others suffered and died because the beliefs of an evil mind were allowed to endure.

When I observed the pictures of emaciated bodies stacked one on top of another, I shuddered. My God, I thought, how could this have happened?

But more importantly, could this ever happen again?

History does tend to repeat itself. We must ensure that in this instance it never does. We must do that by remembering the lessons of the past.

That is why Jewish Heritage Week is so important.

May 2, I had the privilege to attend the national civic commemoration "Days of Remembrance" sponsored by the U.S. Holocaust Memorial Council at the Capitol rotunda here in Washington.

Again the memories of the unholy acts committed against entire races and groups of people were stirred. I ask my colleagues to pause for a moment and reflect on what happened, and how it happened.

Then I ask my colleagues to join me in a personal pledge to promise to prevent horrors of the past from happening again.

We owe this promise to the brave Jewish men, women, and others who were persecuted and to generations to come—so we may ensure that their forefathers did not die or suffer in vain.

CHARLES AND PETER DeROSE NAMED CITIZENS OF THE YEAR

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 11, 1989

Mr. CONTE. Mr. Speaker, I rise today to pay a very special tribute to two brothers who have achieved the American dream by devoting their lives to keeping the people of Northampton, MA, informed.

Charles and Peter DeRose are newspaper men. They are the publishers of one of the best papers in Massachusetts, the Daily Hampshire Gazette. Charlie and Pete were recently named "Citizens of the Year" by the Greater Northampton Chamber of Commerce. They will officially receive this award May 17. Mr. Speaker, I cannot think of two men more deserving of this honor. They have contributed enormously to the people of western Massachusetts by consistent, honest, unbiased news coverage.

Although their integrity and professionalism are well known, these virtues are not the only reason Charlie and Pete received this award. They were chosen because of the extensive time and considerable financial support they have given the community. I'd like to just name a few of the local causes that have received their enduring support: the March of Dimes "Walkathon", the Teen Center, the Hampshire recreational YMCA, the Cooley Dickenson Hospital, and many other civic and municipal boards.

Charlie and Pete, both in their late forties, were born and raised in Northampton. Both are graduates of the University of Vermont. Peter attended Northampton High School and Charles the Williston Academy. However, following college graduation, their careers in newspapers followed different paths. Pete studied in graduate school at Vermont, then worked as an engineer for Systems Engineering Corp. of New Orleans. This proved to be important training when he returned to Northampton in 1966 to oversee the newspaper's conversion to offset printing.

After graduating from college, Charlie took a job at the Burlington Free Press in Burlington, VT. He worked there 2 years before becoming the Gazette's advertising manager.

Mr. Speaker, the DeRose brothers have carried on a family tradition that began in 1929 when their late grandmother, Harriet DeRose, bought the Gazette. Harriet DeRose was a remarkable businesswoman. In fact, she was one of the first women in the country to publish a daily newspaper. Even today that is an outstanding accomplishment.

Charlie and Pete's father also was a formidable newspaper man. Charles N. DeRose, publisher of the Gazette and president of WHMP radio, received the same "Citizen of the Year" award, posthumously, after his death in 1970. The two sons accepted the award in their father's absence. I'm sure the memory of that day in 1970 will be heavy on their minds on May 17 when they become the 25th and 26th recipients of this prestigious honor.

I knew Charles DeRose. A great news man, he really cared about the Gazette, meticulously supervising every word of print that went on the page. Yes, he cared about the paper with all his heart. And his sons have followed in his footsteps to continue a mighty tradition.

Mr. Speaker, it is important to note that these days, most of the newspapers in the country are owned by big chains and multinational conglomerates. One by one the smaller, personal, family owned papers have been sold to these corporations. They are sold to businesses that know little about the people in the communities and are incapable of the personal feelings the family owners once put into every single issue. The residents of western Massachusetts are lucky to have Charlie and

Pete at the Gazette because they put so much of themselves into the paper. They have been an integral part of the Northampton community, and they care very deeply about the people there.

In my 31 years as a Member of Congress, I have had many opportunities to work with Charlie and Pete; many times—both on the campaign trail and during daily congressional business—our paths have crossed. It has been a great personal pleasure to work with these admirable men. We've worked together, we've hunted together, we've spent countless hours helping the community of Northampton prosper. Anyone who knows how much Primo meant to me will know how highly I think of Charlie to have given him one of Primo's pups. Their selection as Citizens of the Year is no surprise. They certainly deserve this honor. Charlie and Pete exemplify the undying optimism and dedication that made this country great. I would like to thank them for their devotion to accurate, honest news coverage and congratulate them on this award. May their children and grandchildren love the Northampton community as much as Charile and Pete do, and may the generations to come continue this splendid family tradition.

INTRODUCTION OF THE CLEAN AIR RESTORATION ACT

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 11, 1989

Mr. WAXMAN. Mr. Speaker, it is a pleasure today to join more than 100 of my colleagues in introducing the Clean Air Restoration Act of 1989.

This bill is a tribute to bipartisanship. Republicans and Democrats from across our Nation have come together this morning to chart a new course for cleaning our polluted skies.

I want to make special note of the extraordinary leadership that Congressman JERRY LEWIS has provided in developing this bill. Without his perseverance and ideas, this vitally important consensus would not have been possible. Many other Members—including JIM FLORIO, DAVID DREIER, BRUCE VENTO, BILL GREEN, BILL RICHARDSON, JIM SCHEUER, SILVIO CONTE, and GERRY SIKORSKI—have been instrumental in crafting this legislative breakthrough.

The product of this compromise effort, the Clean Air Restoration Act of 1989, offers a sensible and effective response to the very serious air pollution problems plaguing our cities.

Some 150 million Americans—well over half of our Nation's population—now live in cities with pollution levels that EPA and other experts consider unsafe. Almost every American city violates the health standard for either ozone air pollution, carbon monoxide air pollution, or both. In addition, many areas violate EPA's recently established health standard for small particulate matter.

And the pollution is increasing. According to EPA, last summer's ozone levels were the worst of the decade. Many areas reported record high ozone levels and 28 new cities, with 15 million more Americans, violated the act's standards.

We need sensible new pollution control requirements to reverse this trend—and we need them now. Unless tough measures are adopted, the combination of more cars and global warming will lead to ever higher ozone levels. The National Association of State Air Pollution Officials has termed the outlook for future pollution levels "frightening."

The health impacts of such high pollution levels are very real, and very serious. Ozone pollution causes a range of maladies that includes coughing, wheezing, shortness of breath, and scarring of the lung tissue. It is particularly a danger to those with respiratory ailments, like asthma or emphysema. Young children, who have small, developing airways, are especially vulnerable.

Carbon monoxide pollution creates equally serious problems. It interferes with the ability of blood to bring oxygen to the body's tissues. More than 9 million Americans with heart disease or angina are particularly vulnerable. And we have had disturbing testimony that exposure of expectant mothers to levels of carbon monoxide common in many cities can cause permanent brain damages in fetuses. This is all the more troubling because some 38 percent of all expectant mothers in the United States live in areas with levels of carbon monoxide greater than the EPA considers safe.

Concern over these public health impacts and the billions of dollars of pollution damage each year to forests and agricultural crops is the driving force behind the overwhelming public support for cleaning up our Nation's air.

The Clean Air Restoration Act will clear the air pollution that is choking our cities. This is a sensible bill. It extends the Clean Air Act deadlines for America's cities, while requiring additional air pollution control efforts to bring healthful air quality to our Nation's cities. It removes the possibility of construction bans or other sanctions for areas that have not achieved the standards.

To achieve the needed reduction in pollution the Clean Air Restoration Act relies upon a fair division of control requirements for the two most important general categories of pollution sources: Motor vehicles and local pollution sources.

Cars, trucks, and buses are the largest single source of urban air pollution. They are also the most cost-effective sources to regulate. Unless we control their emissions, we won't attain the standards. We would, however, be forced to impose unfair and unnecessarily burdensome additional pollution reductions on local pollution sources as we try to make up the difference.

The Clean Air Restoration Act establishes a host of measures to reduce emissions from motor vehicles. Tighter tailpipe emission standards are established for hydrocarbons and nitrogen oxides—the two key components of ozone pollution. In addition, a tighter standard is put in place for carbon monoxide under cold-weather conditions. The Clean Air Restoration Act also calls for new requirements to reduce hydrocarbon pollution coming from the evaporation of gasoline while cars are running, parked, or refueled.

Local sources must do their share as well. But control requirements for these sources are tailored to the severity of each area's pollution problem. Areas violating the standard are placed into one of four categories: Moderate, serious, severe, and extreme; and granted deadline extensions which vary from 4 to 16 years.

Each area is required to put in place special measures established for its category. The longer the period of extension, the more controls each area has to implement.

The Clean Air Restoration Act also includes an aggressive alternative fuels program for the Nation's most polluted cities. Low-polluting fuels, such as methanol, ethanol, and compressed natural gas, hold tremendous potential in reducing automotive pollution.

Moreover, the Clean Air Restoration Act seeks to tap free market forces to get more efficient pollution control. It authorizes areas to use economic measures, such as emission fees or marketable permits, to lower pollution levels. Funds raised by fees may be used to help develop lower polluting processes or to reward companies that reduce pollution by paying for innovative and effective technologies.

Finally, the Clean Air Restoration Act puts in place a fair and equitable sanctions policy. Areas that act in good faith and implement promised control measures, but still fail to meet the act's standards, would not be penalized for their efforts. Traditional economic sanctions, such as a cut-off of Federal highway funds, would apply only to areas that act in bad faith and fail to implement their air pollution programs. Sanctions under the Clean Air Act would no longer include a construction ban.

We have developed a state-of-the-art clean air bill that rejects pie-in-the-sky solutions. We take into account not only the new trends in air pollution, but some of the best suggestions that have been proposed during the last year. Our bill will require the best data available, utilize the administration's free market and clean fuels ideas, and emphasize the most cost-effective reductions.

In short, this bill puts us on a fair and straight path to clean air without imposing economic hardship. Thanks to the efforts of my colleagues, we have joined good environmental policy with sound economics.

I look forward to moving this vitally important bill through the Congress as rapidly as possible. We will hold hearings on this issue on May 23 and 24 and move to a mark-up in June. We cannot afford to delay. The health of 150 million Americans is at stake.

SUMMARY OF CLEAN AIR RESTORATION ACT OF 1989

The Clean Air Restoration Act establishes a program of incentives and requirements to reduce smog in the nation's cities, and bring our country's urban areas into compliance with the health based air quality standards established under the Clean Air Act. Almost every American city is today in violation of the Clean Air Act's December 31, 1988, deadline for attaining these standards. At present, 150 million Americans live in cities with air quality in violation of the health standard for either ozone or carbon monoxide air pollution, or both. In addition, many areas violate EPA's recently established air

quality standard for small particulate matter.

The basic approach in the Clean Air Restoration Act is to grant deadline extensions for areas not meeting the standards, conditioned upon the adoption of control measures to assure that cities make continued progress toward achieving the standards. Areas with more severe pollution problems are given more time to meet the standards, but required to take more aggressive pollution control steps.

To achieve the needed reduction in pollution the Clean Air Restoration Act relies mainly upon control programs for the two most important general categories of pollution sources: motor vehicles and local pollution sources. In addition, Federal leadership is provided to help states grapple with interstate pollution problems, to help states in identifying available control technologies, and to help in the development of lower polluting consumer products.

CONTROL OF LOCAL SOURCES OF OZONE POLLUTION

Classification of Areas.—In order to tailor local source control requirements to the general severity of each area's ozone pollution problem, areas violating the standard are placed into one of four categories: moderate, serious, severe, and extreme. The period of the deadline extension varies among the categories. Moderate areas get 4 additional years to attain the standard, serious areas get 8 years, severe areas get 12 years, and extreme areas get 16 years.

Special Measures.—Each area is required to put in place Special Measures for the Achievement of Reduction Targets (Special measures) established for its category. The longer the period of extension, the more controls each area has to implement. While the Special measures, for moderate areas include little more than required under current law, serious and severe area Special measures include a growing menu of controls, and Special measures for extreme areas include a long list of control steps. These measures range from tighter control of new pollution sources to requirements for greater use of lower polluting alternative fuels.

Targets and Milestones.—The Clean Air Restoration Act calls for EPA to establish a series of emission reduction milestones to keep areas on track toward achievement of the standards. At four-year intervals each area not attaining the standards is required to demonstrate compliance with an emission reduction milestone specially tailored for that area. The milestones are keyed toward the achievement of EPA established emission reduction targets which give each area a concrete target as to how much they must do to attain the air quality standard.

Time for State Planning and Data Development.—The Clean Air Restoration Act recognizes the complexity of developing effective state strategies for controlling ozone pollution. It gives states four years to gather data, assemble emission inventories, and develop implementation plans. In the interim, while the long-term plans are being developed, the states are required to continue to reduce pollution under short-term compliance strategies.

Free Market Economic Incentives.—The Clean Air Restoration Act seeks to tap free market forces to get more efficient pollution control. It authorizes areas to use economic measures, such as emission fees or marketable permits, to lower pollution levels. And the bill provides that funds raised by fees may be used to help develop lower polluting processes, or to reward companies that reduce pollution by paying for innovative and effective technologies.

CONTROL OF LOCAL SOURCES OF CARBON MONOXIDE AND PM10 POLLUTION

The Clean Air Restoration Act adopts a similar approach to controlling carbon monoxide and small particulate (PM10) pollution, while recognizing that these pollutants each pose their own unique problems. Areas in violation of carbon monoxide standards are placed into three categories—moderate, serious, and severe—and specific Special measures are established each area. Areas in violation of PM10 standards are placed in two categories—serious and severe—with specific Special measures likewise established for each.

MOBILE SOURCE CONTROLS

Cars, trucks, and buses are the largest single source of urban air pollution. The Clean Air Restoration Act establishes a host of measures to significantly reduce emissions from motor vehicles.

Tailpipe Standards.—Tighter tailpipe emission standards are established for hydrocarbons and nitrogen oxides—the two key components of ozone pollution. In addition, tighter standards are put in place for carbon monoxide, including a special standard for cold-weather conditions.

Evaporative Emissions.—The Clean Air Restoration Act also calls for new requirements to reduce hydrocarbon pollution coming from the evaporation of gasoline while cars are running, parked, or refueling. Such evaporative emissions are the greatest single source of automotive air pollution.

A Longer Useful Life for Auto Emission Controls.—New requirements are established to mandate that emission controls last the full useful life of the automobile. At present pollution controls are only required to remain effective for the first 50,000 miles of vehicle use. This amounts to about half of the full life of most autos.

Alternative Fuels in Areas with Especially Serious Air Quality Problems.—The Clean Air Restoration Act includes an aggressive alternative fuels program for the nation's most polluted cities. Low-polluting fuels, such as methanol, ethanol, and compressed natural gas hold tremendous potential in reducing automobile pollution. In fact, some estimates suggest that certain alternative fuels can reduce ozone formation from motor vehicles by as much as 90%.

SANCTIONS

Under the Clean Air Restoration Act, areas that act in good faith and implement promised control measures, but still fail to meet the Act's standards, would not be penalized for their efforts. Such areas would be moved up to the next nonattainment category (e.g., serious to severe) and required to put in place the associated control requirements. Traditional economic sanctions (e.g., a cut-off of Federal highway funds) would apply only to areas that act in bad faith and fail to implement effective programs.

THE CLEAN AIR RESTORATION ACT OF 1989—SECTION BY SECTION SUMMARY

TITLE I. GENERAL PROVISIONS

Section 101. Improved Data Collection.—requires EPA to develop guidelines for use by states to improve monitoring and inventories of air pollution levels.

Section 102. Maintenance of Standards.—Requires state planning to assure that areas continue to maintain air quality, once pollution standards are attained.

Section 103. Nonattainment Area Boundaries.—Authorizes EPA to designate areas as attainment or nonattainment, and established boundaries for nonattainment areas.

Section 104. Permits.—Establishes general provisions governing permit requirements in nonattainment areas.

TITLE II. OZONE NONATTAINMENT PROVISIONS

Section 201. Local Source Requirements for Nonattainment Areas.—This section includes deadline extensions and new pollution control requirements for ozone nonattaiment areas.

Classification.—Nonattainment areas are divided into four categories based on ozone pollution levels: moderate, serious, severe, and extreme. EPA is authorized to adjust the classification of borderline areas.

Deadline extensions.—Areas with more severe problems are granted more time to attain the standard, but are required to put more aggressive pollution control measures in place. Deadline extensions are for periods of 4 years (moderate areas), 8 years (serious areas), 12 years (severe areas), or 16 years (extreme areas). Areas that fail to attain the standard by the deadline are bumped up to next category, except for extreme areas which can qualify for an extension of up to four years if they have met specified requirements and emission reduction timetables. Extreme areas not meeting deadlines are required to put in place a 3 to 1 offset requirement and a program of economic incentives to reduce emissions.

SMART Measures.—Special Measures for Achievement of Reduction Targets (SMART measures) are established for each classification. The SMART measures for each classification include the steps described below:

Moderate areas: new pollution sources are required to obtain pollution offsets at a 1.2 to 1.0 ratio (a 1.0 to 1.0 ratio is required in current law).

Serious areas: required to use a 1.3 to 1.0 offset ratio; new source review for pollution sources releasing more than 25 tons per year of ozone-forming pollution; enhanced auto pollution Inspection and Maintenance programs; stage II vapor recovery for large gas stations; a permit program for existing sources releasing 50 tons or more per year of ozone forming pollution; new municipal transit buses purchased after January 1, 1992, must be powered by a low polluting fuel (e.g. methanol, ethanol or natural gas).

Severe areas: Same requirements as serious areas except as follows: new source review for sources down to 10 tons; permits for existing sources down to 25 tons per year; after 1992, new additions to centrally fueled fleets of 15 or more vehicles must use low polluting fuel; offsets at a 1.5 to 1.0 ratio; areas to implement EPA program to have 30 percent of new vehicles clean-fuel powered by 1998; area transportation program to include reasonably available techniques for reducing vehicle travel.

Extreme areas: Same requirements as serious areas except as follows: utility, industrial and commercial boilers to use clean fuels or advanced control technology for nitrogen oxides; permits for existing sources down to 25 tons per year; areas to implement EPA program designed to shift to clean-fuel vehicles on following schedule: 10 percent of new vehicles by 1994; 30 percent by 1996; 70 percent by 1998; and 100 percent by 2000.

Rural Transport Areas.—EPA is authorized to adjust the classification of rural areas that have pollution problems caused by transport of ozone pollution from other

areas, or to alter the control requirements that apply to such areas.

Emission Reduction Targets and Milestones.—EPA is to establish emission reduction targets especially tailored for each area. At four year intervals each area is to achieve pollution reduction milestones set by EPA to assure that areas stay on track. Areas that fail to meet emission reduction milestones either bump up to the next category, or may elect to put in place further emission reduction measures or a program of economic incentives for pollution control, depending on the area's classification.

State Air Quality Planning.—States are given two years to assemble comprehensive pollution inventories and four years to develop and submit state air quality implementation plans (SIPs). These plans must include the applicable SMART measures, and must provide for emission reductions adequate to meet the emission reduction target, and any interim milestones. Short-term compliance plans are to be put in place, pending submission of SIPs.

Sanctions.—Economic sanctions, including a cut-off of Federal highway funds, apply for failure to adopt or implement an adequate plan. No sanctions apply for areas that adopt and implement an approved plan, but fail to attain the standard.

Section 202.—Control of Interstate Ozone Air Pollution. A program is established for control of interstate ozone. An ozone transport region is established in the Northeast U.S., and the EPA is authorized to establish additional transport regions. Ozone Transport Commissions are established to review interstate pollution issues.

Section 203.—Additional Federal Measures to Reduce Ozone Pollution. This section includes measures to reduce pollution from sources amenable to Federal control, and other programs to help the states in their control efforts.

Commercial and Consumer Solvents and Coatings: EPA is to develop a program establishing rules limiting emissions of volatile organic compounds from commercial and consumer products.

Control Technique Guidelines Defining Reasonably Available Control Technology: EPA is to establish guidelines to help states define what technologies are reasonably available for 12 pollution source categories and vessel loading.

TITLE III. CARBON MONOXIDE NONATTAINMENT PROVISIONS

Section 301.—Local Source Requirements Applicable to Carbon Monoxide Nonattainment Areas.—The program for carbon monoxide nonattainment areas is similar to the program for ozone nonattainment areas with some important exceptions.

Classification.—Nonattainment areas are divided into three categories based on Carbon Monoxide pollution levels: moderate, serious, and severe. EPA is authorized to adjust the classification of borderline areas.

Deadline extensions.—Deadline extensions are for periods of 4 years (moderate areas), 8 years (serious areas), or 12 years (severe areas). Areas that fail to attain the standard by the deadline are bumped up to next category, except for severe areas which are required to put in place a program of incentives and requirements to reduce vehicle miles travelled.

SMART Measures.—Special Measures for Achievement of Reduction Targets (SMART measures) are established for serious and severe areas. Since carbon monoxide is largely a motor vehicle problem, these measures are less extensive than those applying in ozone nonattainment areas. The SMART measures for serious areas include an enhanced auto pollution Inspection and Maintenance program and an oxygenated fuels program. Severe area SMART measures also include: a 1.5 to 1.0 offset requirement for new pollution sources; a permit program for new sources releasing more than 50 tons per year; new additions to centrally fueled fleets of 15 or more vehicles must use low-polluting fuel; area transportation program to include reasonably available techniques for reducing vehicle emissions.

Milestones.—EPA is to establish carbon monoxide concentration milestones at four year intervals to assure that areas stay on track. Areas that fail to meet emission milestones either bump up to next category, or may elect to put in place further emission reduction measures, including a program of economic incentives and requirements to lower vehicle miles travelled.

State Air Quality Planning.—States are given one year to develop and submit state air quality implementation plans. These plans must include the applicable SMART measures, and must provide for emission reductions adequate to meet the applicable milestones and meet the standard by the applicable deadline.

Sanctions.—Economic sanctions, including a cut-off of Federal highway funds, apply for failure to adopt or implement an adequate plan.

TITLE IV. SMALL PARTICULATE MATTER (PM 10) NONATTAINMENT PROVISIONS

Section 401. New Requirements for PM 10 nonattainment areas.—

Classification.—EPA is to provide PM 10 nonattainment areas into two categories based on PM pollution levels, and the time likely to be required to attain the standard.

Deadline extensions.—Deadline extensions are for periods of 4 years (serious areas), or 8 years (severe areas). Serious areas that fail to attain the standard by the deadline are bumped up to severe category. Severe areas that do not meet the standard are required to put in place a series of best available control measures and techniques for PM 10 established by EPA.

SMART Measures.—Special Measures for Achievement of Reduction Targets (SMART measures) are established for serious and severe areas. The SMART measures for serious areas include a 1.3 to 1 offset requirement. Severe area SMART measures include: a 1.5 to 1.0 offset requirement for new pollution sources; and a permit program for new sources releasing more than 25 tons per year and existing sources releasing more than 50 tons.

Milestones.—EPA is to establish a PM 10 concentration milestones at the four-year mark for severe areas. Areas that fail to meet milestones must put in place sufficient best available control measures and techniques, as described in EPA guidelines, to achieve the standard by the deadline.

State Air Quality Planning.—States are given two years to develop and submit state air quality implementation plans. These plans must include the applicable SMART measures, and must provide for emission reductions adequate to meet the applicable milestones and meet the standard by the deadline.

Sanctions.—Economic sanctions, including a cut-off of Federal highway funds, apply for failure to adopt or implement an adequate plan. No sanctions apply for areas that adopt and implement an approved plan, but fail to attain the standard.

TITLE V. PROVISIONS FOR CONTROL OF MOTOR VEHICLE EMISSIONS

Section 501. Emission Standards for Motor Vehicles.—This section establishes tailpipe emission standards for new cars, trucks and buses for pollutants contributing to ozone air pollution, carbon monoxide air pollution, and PM10 air pollution. For passenger cars two phases of tailpipe standards are provided. Effective model year 1992 or 1993 autos must achieve the following tailpipe emission standards.

	Grams per mile
Hydrocarbons	0.25
Nitrogen Oxides	0.4
Carbon monoxide	3.4
Particulate Matter	0.08

Effective model year 2000, passenger cars must achieve the following tailpipe emission standards:

	Grams per mile
Hydrocarbons	0.125
Nitrogen Oxides	0.2
Carbon monoxide	1.7

These standards apply for the full useful life of the vehicle, as provided in current law.

Section 502. Low Polluting Vehicles.—EPA is directed to establish tailpipe standards for autos fueled by low-polluting alternative fuels such as ethanol, methanol, propane and natural gas. The Agency may require production of vehicles powered by the lower-polluting fuels if necessary to fulfill mandates in Title I.

Section 503. Non Road Use Engines.—EPA is directed to establish standards for emissions of carbon monoxide, hydrocarbons, and nitrogen oxides from internal combustion engines not designed for road use. Where possible, such standards are to be comparable to those applying to similar automotive engines.

Section 504. Motor Vehicle Testing and Certification.—The Federal test procedure by which autos are certified as meeting EPA emission standards is required to be representative of real world driving conditions. The useful life of an auto for purposes of emission control certification and recall is defined to be 100,000 miles.

Section 505. Compliance by Vehicles In Use.—Tampering with emission control devices is made a violation of Federal Law.

Section 506. Control of Running Loses.—EPA is to establish regulations to control evaporative emissions from operating vehicles.

Section 507. Motorcycle Emissions.—Emission standards are established for motorcycles.

Section 508. Onboard Diagnostics.—EPA is to establish requirements providing that new vehicles include onboard diagnostic equipment to evaluate the effectiveness of emission control systems.

Section 509. Motor Vehicle Fuels.—This section provides for the establishment of limits on the volatility of gasoline (9.0 pounds per square inch Reid vapor pressure).

Section 510. Control of Vehicle Refueling Emissions.—EPA is to establish regulations requiring new passenger cars to be equipped with onboard vapor recovery equipment to capture emissions released while refueling.

Section 511. Cold Temperature Certification for Carbon Monoxide.—A new requirement is established limiting carbon monoxide emissions from autos at low tempera-

tures. Effective 1993, light-duty vehicles must reduce CO emissions at 20 degrees by half of the 1981 to 1985 average. Effective 2000, the vehicles must reduce CO emissions to 3.4 gpm at 20 degrees.

TITLE VI. MISCELLANEOUS PROVISIONS

Section 601. Outer Continental Shelf Sources.—Air pollution sources located on the outer continental shelf are to be regulated as if they were located on the adjacent land area.

Section 602. PM 10 Increments in PSD Areas.—EPA is authorized to conform the current increment system for particulate matter in Clean Air areas with the Agency's new standard for PM 10.

Section 603. Definitions.—This section includes definitions of terms used in this Act.

Section 604. Indian Tribes.—This section provides circumstances under which Indian Tribes may be treated as states under the Clean Air Act.

Section 605. New Standards.—This section provides EPA with authority to put in place a program for attainment of any new ambient air quality standards which the Agency might establish.

Section 606. Data Collection on Pollution Control Technology.—EPA is to establish a database to collect and make available to states and the public information on air pollution control technology required or in place on pollution sources.

Section 607. Conforming Amendments.—Other provisions of the Clean Air Act are amended to conform to the provisions of the bill.

Section 608. Enforcement.—This section amends the enforcement provisions of the Clean Air Act to increase sanctions and streamline enforcement procedures.

TRIBUTE TO HON. EDDIE BOLAND

HON. BILL GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 11, 1989

Mr. GREEN. Mr. Speaker, on this day when we welcome former Members of Congress, I want to join with my colleagues in paying tribute to one Member whose contributions during his years here make him sorely missed.

Eddie Boland, who retired less than 6 months ago is one of the men and women who make me proud to serve in this body. Eddie dedicated virtually his entire professional life to this body, which he loved dearly. His accomplishments, in housing, space, and intelligence policy, to name just a few, will endure long after smaller contributions of many of us here today have faded.

However, those of us who knew Eddie best recognize that the most ringing tributes we can give are to Eddie Boland, the man. Although a Member in an exceptionally powerful position, he always had time to listen to any Member, regardless of seniority or party affiliation. Many is the time when we would sit in markup and Eddie could mention that a specific project should receive our consideration because a Member had let him know how important it was to his district.

Eddie believed that those of us in the Congress had a responsibility to the less fortunate in our society. He believed and often stated that dollars spent on public housing where among the best we could spend. That money for this program remains today after numerous attempts to eliminate it in the last decade is a tribute to him.

Mr. Speaker, those of us who had the good fortune to serve with Eddie feel his absence most keenly. As we recognize him here today, I know the other Members will want to join me in wishing him and his family good luck and good health in the years ahead.

IT'S TIME TO STAND UP TO DICTATORS

HON. JAMES M. INHOFE

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 11, 1989

Mr. INHOFE. Mr. Speaker, yesterday's vicious attack on Panamanian opposition leaders is deeply shocking—but not really surprising. General Noriega has proved himself to be a thug who uses other thugs to do his dirty business. While I have no doubt that there are many fine people in the Panamanian Defense Forces, it's high time they stood up in defense of their people.

Just as it's high time the countries of this hemisphere show a little backbone. It's time we face the fact that the people of Panama are being held hostage by a man who is unmoved by diplomatic pressure or disapproval. Noriega is unmoved because words of outrage don't put a dent in his power.

On Sunday, the Panamanian people made a choice in their Presidential election that would threaten Noriega's power. Noriega's reaction was to send his thugs to beat up the opposition and its supporters, and then to annul the election. Without some help from elements of the Panamanian Defense Forces or from the democratic nations of the Western Hemisphere, the Panamanian people are defenseless against Noriega's thugs.

That's not right, Mr. Speaker, and it's high time the big-talking democrats—and I mean small "d" democrats—of this hemisphere do something about it. Is President Arias going to stand up for the rights of Panamanians? How about President Salinas? How about President Bush?

In times past, the people of this world have said that never again would we stand idly by while a nation was subjugated by a ruthless dictator. But we have. And millions died in Cambodia, in Ethiopia, in Uganda, in Afghanistan, in Argentina.

Mr. Speaker, the time has come for the free nations of the Western Hemisphere to do more than just talk about human rights. It's time to stand up to dictators.

MEDICAL ASSISTANCE FACILITIES: THE FUTURE OF RURAL HEALTH CARE DELIVERY

HON. BYRON L. DORGAN

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 11, 1989

Mr. DORGAN of North Dakota. Mr. Speaker, one of the most pressing issues that Congress must address this year is what to do to save rural health care. That fact is evidenced by simply looking at the proliferation of bills that have been introduced that are designed to address a variety of challenges that threaten the survival of health care in rural areas. Dozens of bills have been introduced that seek to rectify the inadequacies and inequities in Medicare reimbursement; continue and expand current programs that have successfully provided assistance to rural hospitals; and rebuild the supply of health care professionals in rural areas. All these bills seek to address the critical condition of our rural health care delivery system.

It appears that there is indeed a heightened awareness of the special needs of rural health care. The alarming rate of rural hospital closures in recent years signals that access to health care in rural areas is in jeopardy. Something must be done to provide immediate assistance to rural hospitals and establish long-term solutions that will guarantee access to health care in rural areas into the next century. I am encouraged by the tremendous support we have seen this year for rural health concerns. It is my hope that based on the initiatives we have seen so far that we will pass significant legislation to help rebuild our rural health care delivery system.

Today, Mr. Speaker, I am introducing a bill that reaches to the future of rural health care. Those of us who are concerned about rural health care know that it simply is not feasible to expect that all rural hospitals must continue to exist in their present form. What we do know is that access to health care must continue. The legislation I am introducing today is designed to set the stage for establishing the rural health care facilities that will ensure that essential health care is available in rural areas in the next decade and beyond.

This legislation will establish a demonstration project whereby 10 to 15 rural hospitals throughout the country will be transformed into a new type of health care facility called a medical assistance facility. Medical assistance facilities are short-stay, low-intensity facilities that provide ambulatory, emergency, and limited inpatient care. Unlike hospitals, as we traditionally know them, medical assistance facilities provide inpatient for a maximum of 96 hours and stabilization care for transfer to another facility. Medical assistance facilities may not necessarily have a physician present at all times. These facilities will rely heavily upon nurse practitioners, physician assistant, and other allied health professionals for staffing needs. Medical assistance facilities provide a viable down-sizing option for rural hospitals that are faced with high fixed costs, low occupancy rates, and physician availability problems.

Medical assistance facilities would receive funding through a portion of the Rural Health Care Transition Grant Program whereby funds would be available on a cost-share basis. Each medical assistance facility would be authorized to receive $100,000 per year for a 4-year demonstration period. Ninety percent of this annual authorized amount would be provided through the Rural Health Care Transition Grant Program. The remaining 10 percent

would be provided by the State or local community.

In order to participate in the demonstration program, a medical assistance facility must meet the following minimum criteria: First, have an approved written quality assurance plan; second, be a conversion of an existing hospital in a rural area and located at least 30 miles from the nearest hospital; third, establish a transfer agreement with a nearby hospital for the purpose of transferring patients who need further inpatient care or other services; fourth, have a formal affiliation agreement with a nearby hospital for the purpose of continuing education programs for physicians, physician assistants, and nurse practitioners and for quality assurance support; and fifth, provide ambulatory care, emergency medical care, stabilization care, outpatient services, and limited inpatient care.

Medical care provided in medical assistance facilities would be covered by Medicare and Medicaid in agreement with the State in which the Medical Assistance Facility is located. Inpatient, outpatient, ambulatory, and emergency care would all be covered. Coverage for care provided by nurse practitioners and physician assistants would be covered in accordance with current law.

My intent in drafting this legislation is to provide for the maximum amount of flexibility so that the Health Care Financing Administration, together with State and local communities, will take the initiative to establish these new types of health care facilities. At the present time it is very difficult to determine precisely how Medicare should reimburse these types of facilities. For this reason, I am proposing that medical assistance facilities receive reimbursement based on DRG's for at least the first year of the program. After the first year, the Health Care Financing Administration would have the flexibility to experiment with various methodologies for the purposes of reimbursing these new types of facilities.

Essential to this demonstration project will be the close participation and study of the Department of Health and Human Services. My legislation requires that the Health Care Financing Administration conduct evaluations of these facilities and provide a quality assurance review. The Health Care Financing Administration would be required to provide and interim report to Congress as well as a final report which will include a cost-effective analysis and recommendations.

The purpose of this demonstration project is to establish a new way of delivering quality health care; examine experimental payment methodologies; and study alternative health care facilities that are viable, efficient, and provide quality health care in rural areas. I believe that we need to begin working for the future by establishing and studying these new types of facilities, and by developing an effective and prudent policy for guaranteeing access to health care in rural areas.

Mr. Speaker, changes in demographic patterns, medical practice, and health care consumer choices have altered the character of the health care delivery system in rural areas. These trends have left many rural hospitals ill-equipped to adapt to their changing environments. Declining admissions has restricted revenue resources for rural hospitals and has left many beds empty. Rural hospitals have been confronted with rapidly increasing demands for outpatient services. As a result, rural hospitals are struggling, in part because of inadequacies and inequities in Medicare reimbursement and in part because of the inability to adapt to the changing environment of rural health care delivery.

My legislation will encourage a handful of rural health care facilities to experiment and transform into viable and efficient health care facilities. I look forward to working with my colleagues who are concerned about health care delivery in examining my proposal and establishing a new program whereby we can ensure access to essential health care in rural areas through viable and efficient facilities.

The text of my bill is as follows:

H.R. —

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION. 1. SHORT TITLE.

This Act may be cited as the "Rural Medical Assistance Facilities Act of 1989."

SEC. 2. ESTABLISHMENT OF DEMONSTRATION PROGRAM FOR DEVELOPMENT OF MEDICAL ASSISTANCE FACILITIES.

(a) IN GENERAL; LIMITATIONS.—(1) Not later than 6 months after the date of the enactment of this Act, the Administrator of the Health Care Financing Administration (hereafter in this section referred to as the "Administrator") shall make 4-year grants to not more than 6 eligible States for providing 90 percent of the costs of transforming a rural hospital into a medical assistance facility (as defined in section 1861mm(2) of the Social Security Act) (as added by section 3(b) of this Act).

(2) The amount of funds provided in a single year under each grant awarded under paragraph (1) may not exceed $100,000.

(3) The Administrator may not award fewer than 10 or more than 15 grants under paragraph (1).

(b) ELIGIBILITY; ADMINISTRATION.—(1) The Administrator shall provide technical assistance to States receiving grants under subsection (a) during the course of the grant program.

(2) A State is eligible to receive a grant under subsection (a) if it submits to the Administrator, at such time and in such form as the Administrator may prescribe by rule, an application containing such information as the Administrator may require.

(3) No funds may be provided through grants under subsection (a) after January 1, 1995.

(4) The chief public health officer of each State, in consultation with the State Office of Rural Health (where appropriate), shall be responsible for submitting applications for grants under paragraph (2) and for administering the grant program in the State.

(c) USE OF RURAL HEALTH CARE TRANSITION FUNDS FOR GRANT PROGRAM.—Section 4005(e)(9) of the Omnibus Budget Reconciliation Act of 1987 (42 U.S.C. 1395ww note) is amended by striking "under this subsection" and inserting "under this subsection and section 2 of the Rural Medical Assistance Facilities Act of 1989".

SEC. 3. MEDICARE COVERAGE OF SERVICES OF A MEDICAL CARE ASSISTANCE FACILITY.

(a) COVERAGE.—

(1) PART A.—Section 1812(a)(1) of the Social Security Act (42 U.S.C. 1395d(a)) is amended by inserting "and inpatient care in a medical assistance facility".

(2) PART B.—Section 1832(a)(2) of such Act (42 U.S.C. 1395k(a)(2) is amended—

(A) by striking "and" at the end of subparagraph (F);

(B) by striking the period at the end of subparagraph (G) and inserting "; and"; and

(C) by inserting after subparagraph (G) the following new subparagraph:

(H) health care services (other than inpatient care) of a medical assistance facility".

(b) DESCRIPTION OF MEDICAL ASSISTANCE FACILITY AND RELATED DEFINITIONS.—Section 1861 of such Act (42 U.S.C. 1395x) is amended by adding at the end the following new subsection:

"Medical Assistance Facility and Related Definitions

(mm)(1) The term 'medical services of a medical assistance facility' means the following services provided by or under arrangements with a medical assistance facility—

(A) inpatient care, except that obstetric services shall not be considered inpatient care under this subparagraph unless such services are performed in accordance with protocols developed by the Secretary;

(B) emergency visits;

(C) ambulatory care provided in accordance with standards to be established by the Secretary, in consultation with appropriate provider and consumer organizations and State public health officers;

(D) outpatient surgical care provided in accordance with protocols to be established by the Secretary;

"(E) stabilization care for transfer to another facility; and

"(F) such services and supplies furnished as an incident to services provided by a medical assistance facility which the facility is legally authorized to provide and which would otherwise be covered if furnished by a physician or as an incident to physicians' services.

"(2) The term 'medical assistance facility' means a facility which—

"(A)(i) is located in a rural area (as defined in section 1886(d)(2)(D), and (ii) is located not less than 30 miles from a hospital;

"(B) provides emergency care, stabilization care, and basic inpatient care for stays not exceeding 96 hours (unless otherwise approved by a peer review organization);

"(C) if it provides obstetric services, provides such services in accordance with the protocols described in paragraph (1)(A);

"(D) provides ambulatory care in accordance with the standards described in paragraph (1)(C);

"(E) if it provides outpatient surgical care, provides such services in accordance with the protocols described in paragraph (1)(D);

"(F)(i) has a written quality assurance plan approved by the Secretary under which the Secretary shall conduct regular evaluations of the facility in accordance with a quality assurance protocol to be developed by the Secretary, and (ii) has entered into a contract with a hospital or with a utilization and quality control peer review organization with a contract in effect under part B of title XI for the performance of utilization review with respect to services provided by the facility;

"(G) has entered into an agreement to participate under the State program approved under title XIX in the State in which the facility is located;

"(H) has a board of directors and a medical director (who shall be a doctor of medi-

cine or osteopathy) responsible for its operation, the members of which shall include representatives of physicians, nurses, and other health care providers;

"(I) has in effect a transfer agreement (meeting such terms as the Secretary may specify) and an agreement regarding discharge planning between the facility and appropriate referral hospital or hospitals;

"(J) has in effect an affiliation agreement with a hospital or teaching hospital for providing continuing education services to the facility's physicians, nurse practitioners, and physician assistants; and

"(K) meets the additional requirements specified in paragraph (3) (relating to inpatient care).

A medical facility may meet the requirements of this paragraph with respect to provision of medical care (including pharmacy services) through a contract that assures, in a manner satisfactory to the Secretary, the availability of such care.

"(3) The additional requirements of this paragraph (relating to inpatient care) are as follows:

"(A) To the extent inpatient services are actually being provided, the facility must meet such staffing requirements as would apply under subsection (e) to a hospital located in a rural area, except that care may be provided by nurse practitioners and physician assistants in accordance with protocols developed by the Secretary for the purpose of providing flexibility for such facilities in meeting physician 'on-call' requirements.

"(B) The facility must be capable of staffing inpatient beds within 2 hours of the time of need, and must have an on-site director (who may be a nurse practitioner) present at all times during which the facility is open.

"(C)(i) Except as provided in this subparagraph, the facility must meet the same standards as apply with respect to the provision of inpatient hospital services under this title with respect to a hospital located in a rural area.

"(ii) The facility need not meet hospital standards relating to the number of hours during a day, or days during a week, in which the facility must be open.

"(iii) The facility, instead of having a full-time, on-site dietician, pharmacist, laboratory technician, medical technologist, and radiological technologist, may provide for quality control of services provided by such individuals through such individuals on a part-time, off-site basis.".

(c) PAYMENT.—

(1) INPATIENT SERVICES.—Section 1814 of such Act (42 U.S.C. 1395f) is amended—

(A) in subsection (b) in the matter preceding paragraph (1), by inserting "subsection (1) and" after "subject to the provisions of"; and

(B) by adding at the end the following new subsection:

"Payments for Inpatient Care of Medical Assistance Facilities

"(l)(1)(i) Except as provided in clauses (ii) and (iii), the amount paid to a medical assistance facility with respect to inpatient care for which payment may be made under this part shall be an amount equal to the payment amount that would be established under section 1886(d) if such care were deemed to be inpatient hospital services provided by a subsection (d) hospital.

"(ii) The amount paid to a medical assistance facility with respect to inpatient care for which payment may be made under this part may, in the case of discharges occurring on or after the expiration of the 540-day period that begins on the date of the enactment of this subsection, be determined under any new methodology which the Secretary, in consultation with the Office of Rural Health Policy, may develop for determining the amount of such payments.

"(iii) The provisions of section 1886(g)(1) shall not apply to payments with respect to the capital-related costs of inpatient hospital services of a medical assistance facility.

"(2) In the case of an individual who receives inpatient hospital services after receiving inpatient care in a medical assistance facility, the payment otherwise provided under section 1886 shall be reduced by such amount as is necessary to reflect the payment made for the inpatient care under this subsection. The Secretary shall periodically review the allocation of payments for inpatient services between medical assistance facilities and hospitals under this paragraph.".

(2) OUTPATIENT SERVICES.—

(A) Section 1833(a) of such Act (42 U.S.C. 13951(a)) is amended—

(i) in paragraph (2), in the matter before subparagraph (A), by striking "and (G)" and inserting "(G), and (H)";

(ii) in paragraph (4), by striking "and" at the end;

(iii) in paragraph (5), by striking the period at the end and inserting "; and"; and

(iv) by inserting immediately after paragraph (5) the following new paragraph:

"(6) in the case of services described in section 1832(a)(2)(H), the amounts described in section 1834(f).".

(B) Section 1834 of such Act (42 U.S.C. 1395m) is amended by adding at the end the following new subsection:

"(f) PAYMENTS FOR HEALTH SERVICES (OTHER THAN INPATIENT CARE) IN A MEDICAL ASSISTANCE FACILITY.—The amount of payments for health services (other than inpatient care) provided in a medical assistance facility under this part shall be the amounts determined by the Secretary under a payment system established by the Secretary which takes into account the relative value of the services furnished compared to other professional services.".

(d) TREATMENT AS PROVIDER OF SERVICES.—

(1) Section 1861(s)(2)(K)(i) of such Act (42 U.S.C. 1395x(s)(2)(K)(i)) is amended by inserting "medical assistance facility," after "hospital,".

(2) Section 1861(u) of such Act (42 U.S.C. 1395x(u)) is amended by inserting "medical assistance facility," after "hospital,".

(3) Section 1861(w)(1) of such Act (42 U.S.C. 1395x(w)1)) is amended by inserting "medical assistance facility," after "hospital,".

(4) Section 1863 of such act (42 U.S.C. 1395z) is amended by striking "and (dd)(2)" and inserting "(dd)(2), and (mm)".

(5) Section 1864(a) of such Act (42 U.S.C. 1395aa(a)) is amended, in the first and second sentences, by inserting ", medical assistance facility," after "hospital".

(6) Section 1975(a) of such Act (42 U.S.C. 1395bb(a)) is amended by striking "or 1861(dd)(2)" and inserting "1861(dd)(2), or 1861(mm)".

(e) MEDICAID COVERAGE OF SERVICES OF MEDICAL ASSISTANCE FACILITIES.—Section 1905(a) of the Social Security Act (42 U.S.C. 1396d(a)) is amended—

(1) by striking "and" at the end of paragraph (20);

(2) by redesignating paragraph (21) as paragraph (22); and

(3) by inserting after paragraph (20) the following new paragraph:

"(21) medical services of a medical assistance facility (as defined in section 1866mm(2)); and".

(f) EFFECTIVE DATE.—The amendments made by subsections (a), (c), (d), and (e) shall take effect upon the expiration of the 6-month period that begins on the date of the enactment of this Act, without regard to whether or not regulations have been promulgated to implement such amendments before the expiration of such 6-month period.

SEC. 4. REPORTS.

(a) INTERIM.—Not later than March 1, 1993, the Secretary of Health and Human Services (hereafter in this section referred to as the "Secretary") shall submit to Congress a report analyzing the grant program described in section 2 and the effect of the establishment of medical assistance facilities on the availability and quality of cost-effective health care for individuals in rural areas, including a summary of quality assurance reviews conducted pursuant to section 1861mm(2)(C) of the Social Security Act (as added by section 3(b) of this Act).

(b) FINAL.—Not later than March 1, 1995, the Secretary shall submit a final report to Congress updating the report submitted under subsection (a) and including recommendations regarding the feasibility of establishing a long-term program of assistance for medical assistance facilities.

THE REAUTHORIZATION OF THE CARL D. PERKINS VOCATIONAL EDUCATION ACT

HON. WILLIAM F. GOODLING

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 11, 1989

Mr. GOODLING. Mr. Speaker, I am pleased to introduce the President's bill for the reauthorization of the Carl D. Perkins Vocational Education Act. We are faced in this country with everincreasing concerns over trained labor and changes in the demographics of persons entering the job market. We must address these concerns through vocational programs that access equity groups into vocational education and training programs while meeting the needs of industry.

The current program has been burdened by crushing paperwork and onerous fiscal constraints. The President's bill attempts to correct the current programs failures while meeting the needs of special populations. The bill retains the current percentages for program improvement and for the access for equity groups into vocational education, but the State would decide on the relative percentages for each group.

The bill also recognizes the need to coordinate other similar Federal programs by working to coordinate the Carl D. Perkins Vocational Education Act with the Job Training Partnership Act. Given the changing demographics of our country and the need for improved vocational training, I am pleased to work with the administration and introduce this bill for the reauthorization of the Carl D. Perkins Vocational Education act.

TRIBUTE TO JOHN E. "JACK" FITZGERALD

HON. GEORGE E. SANGMEISTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 11, 1989

Mr. SANGMEISTER. Mr. Speaker, it is with great pride that I rise to salute a constituent, and a friend, who has dedicated most of his life to the service of his community. After 22 years of service as the mayor of Manhattan, Will County, IL, John E. "Jack" Fitzgerald is retiring and I ask my colleagues in the House to join with me in paying tribute to this exceptional public servant.

Jack Fitzgerald's dedicated public service to the village of Manhattan is exemplary. Jack was a village trustee of Manhattan from 1965 to 1967 and served as mayor of that village from 1967 to 1989. In addition, he has been a member of the volunteer fire department for 32 years; has been assistant fire chief since 1967 and in 1987 was named paramedic of the year for the Will-Grundy system which covers 2,000 square miles that includes area fire departments and private systems.

His public service career is marked by continuous achievement concerning the overall welfare, growth, and safety of the village of Manhattan and its residents. The village of Manhattan has gone through many changes, and Jack Fitzgerald served as the catalyst for many of them: forming the local civil defense organization [ESDA], developing a comprehensive plan for the growth of the village, obtaining revenue sharing funds, expanding the police force, and improving the street program as well as building a new sewer treatment plant and water tower. Over the years of his tenure, Manhattan has seen a population growth now exceeding 2,000 residents.

Jack Fitzgerald was born, raised, and educated in Manhattan and never left. He and his wife raised their five children there and they in turn are raising their families there. In addition to his public service, Jack is active in many civic, community, and church affairs. I offer to my colleagues a quote from a newspaper article which I feel eloquently expresses why Jack Fitzgerald is held in such high esteem by the residents of Manhattan: "He sacrifices his time for those who need him, not for financial reward, but for his love of Manhattan. He knows no other way."

Mr. Speaker, the residents of Manhattan have been most fortunate to have someone of Jack Fitzgerald's ability and quality to lead them. He has done a lot of good for them, and in their behalf and as a friend of mine, I thank him and wish him well in the future.

SMALL DAY CARE CENTER ASSISTANCE ACT

HON. MARCY KAPTUR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 11, 1989

Ms. KAPTUR. Mr. Speaker, I invite my colleagues to join me in removing an impediment to provision of day care by cosponsoring the "Small Day Care Center Assistance Act." This bill which I am introducing today, and which is being introduced in the other body by Senator DAVID DURENBERGER, would amend the Federal charters of the Federal National Mortgage Association and Federal Home Loan Mortgage Corporation to permit these agencies to purchase mortgages on homes containing family day care centers.

Today, there are many small, family-operated day care services which are run out of peoples' homes. For many working parents, these neighborhood centers offer a reliable, familiar, community setting in which to leave their children when they go off to their jobs.

Unfortunately, Fannie Mae, Freddie Mac, and Ginnie Mae, the secondary mortgage institutions which purchase most home mortgages, are limited by their charters to involvement with residential mortgages. What this means for the owner of a house whose spouse operates a day care center on its premises is that he or she cannot refinance the mortgage because the local lender couldn't sell that mortgage to the secondary mortgage market. Or, it means that a couple, who depend on the income from the wife's small day care operation to qualify for a mortgage, cannot get the mortgage without giving up the day care service.

We are all familiar with the many statistics which indicate a growing need for day care services. Day care centers operated in residential homes are, by their very nature, not huge, impersonal businesses. They are, in fact, the type of day care preferred by many working parents. Furthermore, because most States have regulations or licensing requirements setting standards for numbers of children being served and the quality of care provided, they are safe, clean environments for provision of this care. We can enhance access to day care by passing this bill and I hope you and the other Members of this body will support it.

CLEAN AIR RESTORATION ACT OF 1989

HON. CHRISTOPHER H. SMITH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 11, 1989

Mr. SMITH of New Jersey. Mr. Speaker, I am pleased to join with my colleagues today to introduce the Clean Air Restoration Act of 1989, offered by Mr. WAXMAN of California. This bill constitutes the second phase of our efforts to reauthorize the Clean Air Act in the 101st Congress. Earlier this year, I joined with over 140 of my colleagues to introduce the Acid Deposition Control Act to combat acid rain. Soon we will be introducing legislation to control toxic emissions of particulates. These three pieces of legislation will form the basis for reauthorizing the Clean Air Act.

Mr. Speaker, on April 27 of this year, I signed a letter to President Bush with over 150 of my colleagues, calling upon him to send to Congress comprehensive clean air legislation. The President has indicated his support for just an approach and I look forward to working with the Administration this year to enact a Clean Air Act reauthorization bill.

However, we cannot afford to wait one day longer to take action to protect the air we breathe. Mr. Speaker, it has now been almost two decades since the passage of the Clean Air Act, and over a decade since the Clean Air Act Amendments of 1977 were passed. As you know, the cornerstone of the law was the establishment of the national ambient air quality standards [NAAQS]. States and metropolitan areas were given deadlines to meet these standards or face a series of sanctions. Unfortunately, these standards still have not been met.

Mr. Speaker, the Environmental Protection Agency reports that over 150 million Americans live in nonattainment areas, due to unhealthy levels of either ozone or carbon monoxide. As President Bush has said, the time for action is now.

The Clean Air Restoration Act of 1989, which I am proud to cosponsor, would grant deadline extensions to those areas which have not been able to achieve the attainment standards, however, these extensions would be conditioned upon the adoption of additional pollution control measures. Areas with the most severe pollution problems would receive longer extensions, but would also be required to implement the most aggressive pollution control steps.

Mr. Speaker, the basic approach of this legislation is to provide each State with the flexibility to meet the standards by granting extensions of 4 years for moderate areas, 8 years for serious areas, 12 years for severe areas and 15 years for extreme areas. Each area granted an extension would then be required to put into place special measures for the achievement of reduction targets [SMART] based upon the classification by the EPA. New targets and milestones would be set up for each area to insure their compliance, and new assessments would be made every 4 years.

This legislation gives States 4 years to gather data, assemble emission inventories, and develop implementation plans for controlling ozone pollution. However, States are required to continue to implement short term measures to continue their existing compliance strategies. Free market economic incentives would be authorized, such as emission fees or marketable permits as an alternative to command and control approaches used so often in the past.

Mr. Speaker, this legislation attacks mobile sources in addition to stationary sources. New and tougher tailpipe standards would be established for automobile emissions to control hydrocarbon and nitrogen oxide emissions. There would be new requirements to mandate that auto emission controls last for the life of the car, not just for 50,000 miles as currently required. In addition, this legislation aggressively promotes the use of ethanol, methanol, and other alternative fuels which contribute fewer pollutants.

Finally Mr. Speaker, let me say that the protection of our air has always been foremost among my legislative priorities while in Congress. I am proud to have received the Clean Air Champion Award from the Sierra Club last

Congress. However, I am not satisfied with the progress of clean air legislation in recent years. This must be the year that we pass clean air legislation so that we can give our children, and their children, a healthy and safe environment, just as God gave it to us.

INDIA AND THE SUPERCONDUCTING SUPER COLLIDER

HON. JOE BARTON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 11, 1989

Mr. BARTON of Texas. Mr. Speaker, today, I wish to draw this House's attention to yet another dimension which has been added to the ties between India and the United States. Not only do these two nations share democratic values, but they also share a like quest for scientific discovery. India possesses the third largest reservoir of trained scientific and technical manpower in the world. Many of her scientists and engineers have studied in this country, and in turn, have enriched our colleges and universities. They include Nobel Laureates Dr. Har Govind Khorana, known for his pioneering works on the structure of the gene, Dr. S. Chandrashekhar for his work on astrophysics, as well as other renowned scientists in different fields. Now there are excellent prospects of joint collaboration between these two countries on the superconducting super collider [SSC] project.

The superconducting super collider will be a unique facility with a 53-mile race track style ring containing over 10,000 superconducting magnets. It is expected that this facility will help us observe new particles of matter. The SSC will not only revolutionize our knowledge of science, but will also have a tremendous potential for commercial applications.

Discoveries in science and technology have led the course of development during this century. India is proud of her pioneering contributions to the progress of science and remains foremost amongst the developing nations in absorbing new technology and constructively applying it toward economic development.

MEDICARE COVERAGE DECISIONMAKING

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 11, 1989

Mr. PORTER. Mr. Speaker, I would like to raise some difficult questions concerning the Health Care Financing Administration [HCFA] process of excluding medical treatments from Medicare coverage. HCFA, which makes reimbursement policy for the Medicare and Medicaid programs, does not pay for treatments that it deems ineffective. Private insurance companies often follow HCFA decisions regarding effectiveness of treatment.

This sensible policy is, unfortunately, coupled with some not very sensible methods of determining what does and doesn't work. To start, when HCFA makes a nationwide coverage decision on a medical treatment, it is exempt from the usual administrative law protections that every other agency must follow.

HCFA isn't required to review all the scientific facts concerning a treatment when it decides to exclude that treatment from Medicare coverage, and sometimes it doesn't.

Because of this exemption, HCFA isn't required to consider what American citizens think about a decision to exclude a treatment from coverage, and sometimes HCFA ignores them.

Because of this exemption, HCFA doesn't need to consult with medical professionals on both sides of an issue to determine all the facts, and sometimes it doesn't.

Mr. Speaker, I see several problems here. First, because private insurers often follow HCFA decisions with regard to coverage, HCFA's decisions have an impact that goes far beyond the Medicare and Medicaid programs. Second, I see a fundamental problem with fairness, when usual notice and hearing procedures that all other Government agencies must follow are waived. I see a problem when the agency can ignore the opinions of those who will be most directly affected by its decisions.

I am concerned that HCFA's truncated decisionmaking process may lend itself to abuse, and I hope that HCFA will consider the recommendations of the United States Administrative Conference in revising its decisionmaking procedures.

THE AL CAPONE OF LATIN AMERICA

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 11, 1989

Mr. BROOMFIELD. Mr. Speaker, it is clear that General Noriega has become the Al Capone of Latin America. Long after he is gone—and I hope that is soon—his regime will be remembered for nothing more than thugs and drugs.

It is an illegitimate regime. It rules neither with the consent of the governed nor by force of moral authority. Yet, President Bush is wise to discourage talk about a military option. His restraint, at this point, is simply a matter of political prudence.

That is not to say that military force might not become a legitimate option as the situation changes. The common good of the Panamanian people and the national security interests of the United States would best be served by unseating General Noriega.

If President Bush is forced by the turn of events to take swift, decisive, and bold action, I hope he will have the overwhelming bipartisan support of Congress.

COMMENDATION OF DR. JOSEPH A. WITKOWSKI—PRESIDENT, NATIONAL PRESSURE ULCER ADVISORY PANEL

HON. WILLIAM H. GRAY III

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 11, 1989

Mr. GRAY. Mr. Speaker, I wish to bring to the attention of my colleagues the outstanding work of one of my constitutents, Dr. Joseph A. Witkowski, Clinical Professor of Dermatology at the University of Pennsylvania.

In Washington last month, in his capacity as President of the National Pressure Ulcer Advisory Panel [NPUAP], Dr. Witkowski led a group of over 200 health professionals at the first national consensus conference on pressure ulcers.

Pressure ulcers are wounds which result when pressure against the skin causes fine capillaries or blood vessels to collapse. With average hospital treatment ranging from $2,000 to $30,000 per case, pressure ulcers are a very costly medical condition. Also known as pressure sores, bedsores, or decubitus ulcers, they cause tremendous suffering, and can even prove fatal if left unattended.

According to the consensus report issued following the conference, the incidence of pressure ulcers is on the rise among the elderly, spinal cord injured, and other victims of serious trauma. The report estimates the prevalence of pressure ulcers to be from 3 percent to 14 percent in acute care settings, and from between 15 to 25 percent among the patients admitted to long-term facilities.

At the conclusion of the conference Dr. Witkowski noted, "This is the first time health care professionals representing many disciplines have spoken with a unified voice on the incidence, cost and risk assessment of pressure ulcers." He concluded by saying that, "arriving at a consensus on the impact of pressure ulcers on individuals and the Nation's health care system is a necessary first step toward achieving our goal of a 50 percent decrease in incidence by the year 2000."

I applaud Dr. Witkowski and his colleagues for bringing to our attention the consequences of pressure ulcers and their determination to eradicate this serious health problem.

NEVADA WILDERNESS PROTECTION ACT OF 1989

HON. JAMES H. BILBRAY

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 11, 1989

Mr. BILBRAY. Mr. Speaker, today I am introducing the Nevada Wilderness Protection Act of 1989, a bill which designates 14 Forest Service wilderness areas totaling 733,400 acres in the State of Nevada. The bill is nearly identical to H.R. 2142, which I sponsored and which passed the House by voice vote in the 100th Congress.

Mr. Speaker, I am very proud of this piece of legislation. It represents several years of

negotiation, compromise, and diligence on the part of the entire Nevada delegation. I truly feel that the legislation I am introducing today best represents the desires and concerns of all Nevadans. Together with Senator REID and Senator BRYAN, who are sponsoring nearly identical legislation in the Senate, I am hopeful and confident that the Nevada Wilderness Protection Act will move swiftly through both Houses of Congress and be signed into law by President Bush. Swift consideration and passage of this legislation would make a strong statement by Congress as we celebrate the 25th anniversary of the Wilderness Act of 1964.

Mr. Speaker, the Nevada Wilderness Protection Act is truly a compromise piece of legislation. Over the years, proposals for wilderness designation in the State of Nevada have ranged from a minimum of 132,000 acres to a maximum of 1.4 million acres. At 733,400 acres, my bill is almost exactly in the middle of these two extremes, and I hope my colleagues will realize that the piece of legislation I am introducing today represents the most realistic proposal for passage in this body, as well as what is best for the citizens of Nevada.

Over 3.2 million acres of Forest Service roadless areas were studied for wilderness designation. This allows over 2.4 million acres of studied land to be released for other multiple use purposes if this bill becomes law. In actuality, this bill designates only a fraction of the total acreage of the State of Nevada as wilderness; only 1.03 percent of the total 76 million acres of Nevada would be designated wilderness.

Mr. Speaker, the introduction of the Nevada Wilderness Protection Act of 1989 represents an historic moment for the State of Nevada. Finally, the people of Nevada and the Members of the U.S. Congress have before them a proposal that reflects their desires and concerns. The time has come for Congress to take action to protect those scenic and undisturbed lands so crucial to the environmental and ecological fiber of Nevada. I urge my colleagues to join me in supporting the Nevada Wilderness Protection Act of 1989.

TRIBUTE TO JAMES P. COX

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 11, 1989

Mr. SKELTON. Mr. Speaker, I rise today to pay tribute to a good friend and constituent, James P. Cox of Jefferson City, MO. On April 30, Jim retired as administrator of Charles E. Still Hospital after 14 years of service and 8 years at that post. Fortunately, Jim will remain as a consultant at Still Hospital.

During his tenure as administrator, the hospital established an employee scholarship fund, helped create a fitness trail at Memorial Park, and started a home health agency and a skilled nursing facility. He also merged Still Hospital's ambulance service with the one run by St. Marys Health Center to form Jefferson City Ambulance Service, which is owned and operated by Still Hospital.

Jim became administrator in 1981 with an operating budget of $17 million and retires with a budget of $37 million. In that period he completed $4.1 million and $1.8 million hospital expansion projects. Two other accomplishments that Jim is personally proud of are the founding of the physical medicine and rehabilitation service, and the employee assistance program for alcohol, drug, and psychiatric treatment in 1975, long before such programs were widely available.

Jim has influenced my interest and work on rural health care issues here in the House. He has provided me with information and encouragement in the area of health care delivery. He was also successful in gaining rural referral status from the Federal Health Care Financing Administration, which oversees the Medicare system, for Still Hospital.

During Jim's administration he has enjoyed the cooperation and respect of Jefferson City's two other hospitals. One competitor, Memorial Community Hospital, paid tribute to Jim by establishing two $500 nursing scholarships in his name.

I am proud to count Jim among my friends and advisers. Also, I am happy that Jim will continue to serve Still Hospital and the Jefferson City community. I wish he and his wife Peg all the best in the future. I am sure that all of you will join me in saluting this fine citizen.

THE FRIVOLOUS APPEALS ELIMINATION ACT OF 1989

HON. PAT WILLIAMS

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 11, 1989

Mr. WILLIAMS. Mr. Speaker, in 1976 the Congress established an orderly system of land planning for the U.S. Forest Service. The laws Congress passed at that time were designed to produce long-term plans for each of our national forests to allow the open, efficient management of our Federal lands and resources. The Congress also established a system of public participation that would allow any citizen in this country to participate in the formulation of those management plans. This concept of citizen participation and right-to-know has been the hallmark of our democracy, and I believe is an important part of good, stewardship of our land. Each of us are owners of this Nation's public lands, and each of us should have a say in the uses of those lands.

There are many folks now, however, who believe the system of citizen participation in the planning process has gone awry and that some individuals are using the process of appeals on our forests to stall appropriate planning, not facilitate it. There is a widespread belief in the wood-products industry that the forest service land-planning appeal system is being abused for the furtherance of a political agenda. For a price of a 25-cent stamp, it is believed, folks with little or no knowledge of the forests or the land planning issues involved can stop management decision for indefinite periods of time. This was not the intent of Congress when they established the planning process, and the Congress cannot allow the stagnation of planning because of inappropriate use of that planning process.

The legislation that I today rise to introduce is a step necessary to bring order to our forest service appeals program. This past February the Forest Service completed, on the urging of myself and other members of Congress, a revision of how the agency handles citizen appeals. These changes established predetermined levels of appeal review and compacted time frames to hear those appeals and make recommendations. My legislation gives the statutory authority to the chief of the Forest Service to establish a standard for folks who wish to participate in appealing decisions made under our forest plans. If any individual does not abide by the timely and appropriate consideration of appeals, this legislation grants the Forest Service the right to stop that individual's right to participate in the appeals process. This should be an important component in assuring that the planning process is not stalemated.

The vast majority of appeals are of course, good and well thought out. Nevertheless a small number of folks actually abuse the right to have their concerns heard by Federal land planners. We have seen appeals filed in my state which were actually referencing planning decisions on forests in California. We have seen appeals that fail even to change internal references to planning abuses to match the forest on which the appeal was filed. These types of appeals ought not be allowed to clog the process, and the Forest Service should have the authority to eliminate those appeals from consideration.

A right of citizens to review their government's decisions is a sacred and paramount right, one which should never be taken away. But all citizens who chose to exercise that right also have the responsibility to act in a fashion which is constructive and appropriate. My legislation would establish the ground rules for that participation and ultimately make citizen participation in land planning a more effective process.

A TRIBUTE TO CHIEF TANTAQUIDGEON

HON. SAM GEJDENSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 11, 1989

Mr. GEJDENSON. Mr. Speaker, today I would like to bring to your attention a man who exemplifies the great heritage of native American Indians. The man I speak of is Chief Harold Tantaquidgeon of the Mohegan Tribe. Chief Tantaquidgeon died on April 4, 1989, in Uncasville, CT. The chief was a direct descendant of the great Mohegan Chief Uncas and the Reverend Samson Occum, founder of Dartmouth College.

Chief Tantaquidgeon's philosophy is embodied by his belief that to remain forever young, one must love not only children, but also one must change, for the future in what youth represents. His fondness of change confers upon him "grandfather" status to those who over the last few decades have

participated in the movement to popularize the historical contributions of the American Indian heritage to all aspects of modern life. Most of us viewed Chief as wise beyond his years. The chief has been honored many times by his community. He was the recipient of the Connecticut Friends of Education Award, and designated as a Hometown Hero by Governor O'Niell.

Chief Tantaquidegeon is fondly remembered by his family and friends as a man who loved to amuse chidren with funny hats and expressions and never tired of demonstrating his vast collection of wind-up toys. His love of children led him to devote a great deal of time as a volunteer for the Boy Scouts of America. His achievements include building a living Indian village at Camp Wakenah on Gardner's Lake in Connecticut and then recreating that encampment in Washington, DC at the request of President Roosevelt. he also spent a great deal of time traveling to 4-H camps in eastern Connecticut sharing old Indian tales with the children.

Mr. Speaker, it is an honor to stand before you and my colleagues in the House of Representatives to acknowledge Chief Tantaquidgeon's many achievements. The chief died peacefuly and proudly at his home on April 4 and was buried on April 9 at the sacred Mohegan Burial Ground at Fort Shantok. Connecticut and the entire Nation has lost a great national hero.

DR. SMELTZER SERVES PARK VISTA FOR 36 YEARS

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 11, 1989

Mr. TRAFICANT. Mr. Speaker, I would like to pay tribute to Dr. James Smeltzer, a gentleman from my 17th District of Ohio who has contributed a great deal to the growth and quality of care at Park Vista Retirement Community, located in Youngstown, OH. Dr. Smeltzer has given Park Vista 36 years of leadership and expertise, and I commend him for his contributions to elderly care.

Dr. Smeltzer's medical accomplishments are numerous. Upon graduation from Duke University School of Medicine, Dr. Smeltzer served his internship in internal medicine at Stanford University. He earned his license in 1952 and was certified by the Board of Internal Medicine in 1955. Dr. Smeltzer served 2 years in the U.S. Navy in Portsmouth, VA where he was in charge of internal medicine for all military dependents hospitalized in Portsmouth Naval Hospital.

Since 1952, Dr. Smeltzer has held a specialty practice in internal medicine in Youngstown, OH, in addition to his role as medical director at Park Vista since 1953. He has served as president of the Eastern Ohio Heart Association and is a past trustee of the Ohio affiliate of the American Heart Association. Dr. Smeltzer's list of accomplishments also includes serving as a member of the Child and Adult Mental Health Board, and on the teaching staff of Youngstown Hospital Association, now the Western Reserve Health Care System.

I commend Dr. Smeltzer for his 36 devoted years at Park Vista. It is an honor for me to represent this man as his Congressman. I know the employees and residents at Park Vista join me in this salute to Dr. Smeltzer, and I wish him the best of luck and health in his next 36 years.

T. BOONE PICKENS AND THE FOREIGN OWNERSHIP DISCLOSURE ACT

HON. JOHN BRYANT

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 11, 1989

Mr. BRYANT. Mr. Speaker, I am sure that my colleagues have read news accounts of the recent experience of my fellow Texan, T. Boone Pickens, in Japan. On March 31, 1989, Mr. Pickens' investment banking and investment advisory firm, Boone Co., acquired a 20.2 percent interest in Koito Manufacturing Co., Ltd., a publicly traded Japanese company that is Japan's largest auto and aircraft parts manufacturer.

Prior to making the acquisition, Boone Co. applied for approval from Japan's Ministry of Finance as required by the Foreign Exchange Control Law.

Despite Boone Co.'s compliance with Japan's preclearance law, Koito initially refused to register the shares. Although Koito finally registered Boone Co.'s, shares, it has now denied Boone Co. a seat on its board of directors. Toyota Motor Corp., which owns less stock than Boone Co., has three representatives on the Koito board.

Although Boone Co. has described this acquisition as a long-term investment rather than a takeover attempt, it has been met with tremendous hostility by the Japanese public.

Boone Co.'s, experience in investing abroad calls attention once again to the issue of foreign investment and how various countries monitor it.

Every other country in the world tracks foreign ownership better than the United States—a shortcoming in our economy which would be remedied by enactment of my Foreign Ownership Disclosure Act, H.R. 5.

Most countries—as Mr. Pickens has learned first-hand in Japan, which is notorious for its restrictive investment policies—require preclearance of investments that are restricted in a variety of complex and discriminatory ways.

Japanese interests—as well as lobbyists for other countries, all of which require more of potential investors than the simple registration provisions of my Foreign Ownership Disclosure Act—have said that H.R. 5, which has twice been approved by sizable bipartisan majorities in the House, is disciminatory because it requires the systematic registration of major foreign ownership with the Commerce Department.

I do not suggest that the United States should establish barriers like Japan's to foreign investment, only that we keep track of the most dramatic phenomenon occurring in our economy. In fact, I think America should act to encourage other countries like Japan, to emulate the free and open investment policies of the U.S.—a policy that would remain unchanged under the Foreign Ownership Disclosure Act.

Mr. Speaker, I would like to submit for the RECORD and the inspection of my colleagues, recent articles describing Mr. Pickens' experience in Japan and illustrative of the lack of reciprocity in the Japanese approach to foreign investment.

[From the Wall Street Journal, Apr. 20, 1989]

PICKEN'S FORAY IN JAPAN MAKES HEADWAY—HIS RESILIENCE IN BATTLE WITH KOITO SURPRISES MANY

(By Marcus W. Brauchli)

TOKYO.—T. Boone Pickens Jr., surprising those who doubted he could make headway in Japan's cozy financial world, may end up opening the nation to wider foreign investment and to unfamiliar ideas as well.

"The odds given Mr. Pickens were pretty low." says Ron Napier, a Salomon Brothers Inc. analyst.

Yet, since his Boone Co. merchant bank emerged as the largest shareholder with a 20.2% stake in a $6 billion automotive parts company, Mr. Pickens has shown remarkable resilience. If Boone Co. holds onto its stake in Koito Manufacturing Co., many observers predict its foray could turn Tokyo's financial world upside down.

One investment banker compares Mr. Pickens's arrival in Tokyo's market to the arrival in 1853 of U.S. Commodore Mathew C. Perry, who demanded that cloistered Japan open to the world. Many Japanese had been in favor of opening up anyway, and Commodore Perry gave them the external excuse they needed.

In a market where few but the biggest investors have a say in the way companies do business, Mr. Pickens is loudly championing shareholder rights. In an interwoven corporate sphere where unwanted investors are bought out or squeezed out, Mr. Pickens is advocating dialogue with the uninvited. In a xenophobic country where outsiders usually have stayed out, Mr. Pickens sees bountiful opportunities for foreign investors.

Not least, of course, for T. Boone Pickens.

HARD TO SAY NO

As foreigners take a bigger role, they increasingly will demand a voice in corporate matters though, and that could bring changes. "It's difficult to oppose more shareholder rights," especially when a company's biggest shareholder is demanding them, says Kasuhisa Okamoto, chief strategist at Nikko Securities Co. "How can you say no?"

Already, there are signs that Mr. Pickens, who says he might increase his holdings in Koito, may be gaining ground in his avowed goal of taking a "positive" role in the company. The automotive-parts company, which agreed to meet with Mr. Pickens today, said it would rescind an earlier attempt to block Mr. Pickens's registration of Koito shares and even promised to consider allowing a Boone Co. representative on its board, although a Koito spokesman was skeptical about the prospect.

Koito's apparent friendliness is a stark change from its initial stance. When it first learned of Mr. Pickens' investment, Koito and analysts here accused him of attempting "greenmail." That occurs when a company arranges to have an unwanted shareholder bought out at a premium. Toyota Motor Corp., Koito's other main shareholder, was the obvious choice to buy Boone Co.'s stake,

but the maker is apparently unwilling to set a precedent. (In April 1987, the company bought out a domestic speculator in Toyota Automatic Loom Works Ltd., an affiliated company, and many analysts believe a repeat buyout would expose Toyota to repeated greenmailing.)

Then Koito asked the government to stop Mr. Pickens, arguing that he hadn't properly declared his ownership in the company. To the amazement of many Japanese, the government has declined to review the purchase.

Suddenly, nobody wants to be caught underestimating the significance of this foreign incursion. Indeed, Mr. Pickens, with his revolutionary ideas on Japan's corporate world, may not long be the anomaly. Already, other foreign corporations are looking at buying into Japan. Citi-corp, the New York-based banking giant, has discussed taking over at least two Japanese mutual banks; Chairman John Reed says the bank intends to acquire a domestic branch network in Japan. On the corporate front, investment bankers say, representatives of the Bass family of Texas were in Tokyo during the past month, looking at possible acquisitions. Even British investor Lord Hanson, who runs Hanson Trust PLC, is known to be watching closely the outcome of Mr. Pickens's investment. (At the moment, foreigners own slightly less than 4% of Japanese listed stocks.)

"What happened in corporate America in the 1960s will make its way into corporate Japan in the 1990s," Mr. Pickens predicts. His view also echoed in a recent interview with Takami Takahashi, chairman and chief executive officer of Minebea Co., a Japanese precision-parts company that was the target of Japan's first, unsuccessful foreign takeover attempt in 1985. "The concept is changing in Japan," he declares. "The style is changing."

PERCEIVED INEQUITIES

To many Americans, that's all to the good. Mr. Pickens, who is contemplating a gubernatorial run in Texas, says he has received overwhelmingly favorable comments from people in Washington and elsewhere in the U.S. about his investment in Koito. He attributes the support to concerns that Japan, which was the largest foreign investor in the U.S. last year with direct investments of $15.09 billion, is unilaterally buying up U.S. companies without any reciprocal rights for Americans.

"They feel there have been inequities back and forth," Mr. Pickens says. "They think the Japanese have been buying up America. I see the whole thing as a global economy. I have no fear of Japanese investment in America. But I think that America doesn't have the same access to Japan."

Japanese officials don't agree. "Foreign investors might have some difficulty managing Japanese companies, but they can buy them," says Keji Kashiwaya, a deputy director-general at the Finance Ministry.

For foreign investors, the real attraction of Japanese companies is their strong cash flow and the prospect of improving it, investment bankers say. Many Japanese manufacturing concerns have large, secure markets and haven't expanded much overseas. There is room for business tie-ups with foreign companies in the same businesses.

EXPANDING OVERSEAS

Koito is a case in point: it is Toyota's main supplier of automotive lighting—almost half of its estimated 111 billion yen ($845 million) in sales this year will be in discounted sales to Toyota—yet it has almost no overseas presence. Mr. Pickens says he would like Koito to consider expanding in Europe or the U.S. Some analysts say they expect Mr. Pickens to ask Koito to start charging Toyota higher prices, too.

The Texan insists, however, that he won't try to force changes on Koito against the company's will. "We're not trying to run over Koito," he says. "We're not trying to run Koito," he says. We just made a big investment. . . . We see no reason why we can't work together."

Until Mr. Pickens came along, though, many Japanese did. Traditionally, Japanese companies' ownerships interlock with those of their banks, suppliers, clients and a handful of institutional investors. Koito is a perfect example. About 60% of its shares are held by so-called stable shareholders, who include clients Toyota, with its 19% stake, and Nissan Motor Co., with a 5.9% holding; supplier Matsushita Electric Industrial Co., with 5.3%; and Japan's biggest institutional investor, Nippon Life Insurance Co., with 4.5%.

Koito says it would like Mr. Pickens to become a stable shareholder, too. But Mr. Pickens doesn't like the idea. "I don't know whether that means you're in the stable or you're a stockholder that's not going to be active," he says. "We certainly will be."

[From The Dallas Morning News, Apr. 24, 1989]

WHY JAPANESE WISH PICKENS HAD STAYED AT HOME

(Staff writer Richard Alm reports on international business and economics for The Dallas Morning News.)

TOKYO.—Until three weeks ago, few Japanese had ever heard of T. Boone Pickens. After his well-publicized visit last week, most Japanese probably wish they still hadn't.

With one stock transaction, Mr. Pickens has shaken Japan. Kasuhisa Okamoto, chief strategist at Nikko Securities Co., goes as far as comparing the corporate raider from Amarillo to an American of a bygone era—Commodore Matthew Perry, whose "Black Ships" forced Japan to open itself to the outside world in 1853.

Mr. Pickens' bold gambit—buying a 20.2 percent stake in a Japanese automobile-parts manufacturer, then demanding a say in management—isn't a problem for just one Japanese company. It's a frontal assault on the cozy way Japan Inc. does business.

In this country, most big investors are corporate cousins, content to sit quietly aside and let management run the company. In a business culture built on consensus and long-term, stable alliances, the intrusion of any outsider—especially a foreigner—can only be seen as threatening.

Shareholders' rights to a fair return on their investment, a main tenet of Mr. Pickens' soapbox campaign in the United States, is totally alien to the way Japan does business. To an extent unknown in America, companies pinch dividends so they hoard cash.

The Japanese business elite doesn't want Mr. Pickens upsetting the status quo, a comfortable and profitable system for them. Yet, there doesn't seem to be an easy way to deal with the brash oilman, who struck it rich more than once with abortive takeovers in the United States.

If Koito Manufacturing Co. or Toyota Motor Corp., its cash-rich patron, buy off Mr. Pickens, it's only likely to open the door to takeover artists, both foreign and domestic. Toyota got burned paying "greenmail" once before—in April 1987, to protect its affiliate Toyota Automatic Loom Works Ltd.—and it doesn't want to do it again.

Taking Mr. Pickens in might be even more traumatic. With the clout of being Koito's largest single shareholder, the Texan would be in a position to shake up not only that company but Toyota as well. He might, for example, press for more aggressive pricing in sales to Toyota, something Japan's captive suppliers rarely do.

"What happened in corporate America in the 1980s will make its way into corporate Japan in the 1990s," Mr. Pickens said. The fear that Mr. Pickens may be right is what makes the Koito affair so menacing to Japan. In the end, it could lead to an erosion of management privilege as it encourages others to press for their shareholders' rights.

In this situation, the pro-business Japanese government can't offer much help. Prime Minister Noboru Takeshita, left with a dismal 3.9 percent public approval rating because of the Recruit Cos. scandal and unpopular new consumption tax, has to worry about Mr. Pickens' becoming a *cause celebre* in Washington.

Any official meddling that appears to be an attempt to frustrate Mr. Pickens will only give added fodder to U.S. lawmakers who complain that Japan isn't open enough to U.S. business. For Japan, Mr. Pickens' challenge comes at a particularly sensitive time: U.S. Trade Representative Carla Hills is working on a list of countries with unfair trade practices for possible retaliation under the "super 301" provision of last year's trade bill.

"The Japanese are being aggressive overseas," said Ron Napier, an analyst in Salomon Brothers Inc.'s Tokyo office. "How can you justify a situation where you don't allow foreigners to buy your companies? They realize the sensitivity of the case in terms of international relations."

Mr. Pickens may be the only person less popular in Japan than Mr. Takeshita. Most Japanese are glad the financier has gone back to Texas, and they probably hope he never comes back.

They must know, however, that Mr. Pickens, or someone else, will. Other potential foreign investors, including Citicorp and Fort Worth's Bass family, are already shopping in Japan.

Now that it's achieved financial power, Japan no longer can justify an insider-only economy. Throughout Japanese history, change has often come only because of a catalyst from abroad. Starting with Mr. Pickens, this may prove true for Japan's closely knit corporate culture.

Mr. Pickens, for one, considers the Koito deal a test case of Japanese openness: "The Japanese are making a big mistake when they don't invite Americans into Japan, as America has invited the Japanese in."

[From the U.S. News & World Report, Apr. 17, 1989]

A TEXAS RAIDER ROCKS CLUB JAPAN

It was inevitable that T. Boone Pickens's first major foray into Japan would stir alarm. *Acquisition* is a dirty word there. One term used in *baishu*, which also means bribery. Another is *nottori*, a synonym for hijacking. So the worst interpretations swept Tokyo last week when Pickens, a pioneer of corporate raiding, revealed that he paid $800 million for a 20 percent stake in

Tokyo's Koito Manufacturing, a maker of automobile and aircraft parts.

What alarmed Japan's industrial samurai was the fear that Pickens may have found a way to penetrate the nearly seamless regulatory and cultural web woven around Japanese companies. The Finance Ministry is probing some 30 securities firms to find out how Pickens crashed the gate.

The main barrier to foreigners is Japan's system of interlocking ownership. Most companies are owned by a dozen or so sympathetic institutions. "These industrial friendships are closed to the outside world," observes Akio Mikuni, a Tokyo credit-rating executive.

Though Pickens said he brought the Koito stake as an investment, the Japanese suspect greenmail—the practice of buying into a firm and threatening a takeover, thus persuading management to buy back the shares at a higher price. There were rumors on Kabutocho, Tokyo's Wall Street, that other big U.S. players, such as the Bass brothers, may also be taking Japanese lessons. "This would be a great place for greenmail," says an American banker in Tokyo. "Japanese companies have tons of cash—and they're xenophobic."

SENATE—*Friday, May 12, 1989*

(Legislative day of Tuesday, January 3, 1989)

The Senate met at 9:30 a.m., on the expiration of the recess and was called to order by the President pro tempore [Mr. BYRD].

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Have I not commanded thee? Be strong and of a good courage; be not afraid, neither be thou dismayed: for the Lord thy God is with thee whithersoever thou goest.—Joshua 1:9.

God of Abraham, Isaac, and Israel, may Your gracious promise to Joshua, Moses' successor, be received by all of us in the confidence that we may enjoy Your constant, continual care, personally and corporately. Help us to realize that we are never alone. Whether it is the hour of trial, or discouragement, or frustration, or duty, or decision, Thou art with us, loving us, guiding us. Grant to each of us this awareness and help us to remember that nothing can separate us from Thee except our own refusal to receive Your sovereign, wise providence. Thank Thee, Father in Heaven, for this irrefutable assurance of Your faithful oversight. Help us to love You, Lord, to trust You, to follow You. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The majority leader is recognized.

THE JOURNAL

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Journal of proceedings be approved to date.

The PRESIDENT pro tempore. Without objection, it is so ordered.

ORDERS OF PROCEDURE

Mr. MITCHELL. Mr. President, following the time for the two leaders, there will be a period for morning business not to extend beyond 10 this morning with Senators permitted to speak therein for up to 5 minutes each.

At 10 a.m. the Senate will resume debate on Senate Joint Resolution 113, the FSX disapproval resolution.

RESERVATION OF LEADERS' TIME

Mr. MITCHELL. Mr. President, I reserve the remainder of my leader time.

I also ask that the leader time of the distinguished Republican leader be reserved.

I suggest the absence of a quorum.

The PRESIDENT pro tempore. Without objection, the time of the leaders will be reserved. The absence of a quorum has been suggested. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

MORNING BUSINESS

Mr. GORTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered. The Senator from Washington is recognized for not to exceed 5 minutes in morning business.

GRANTING TO THE PRESIDENT ENHANCED RESCISSION AUTHORITY

Mr. GORTON. Mr. President, last week in passing the Senate version of the 1990 budget resolution, we took a halting and inadequate move forward in our efforts to control the budget deficit. We can take a more decisive—and permanent—step toward fiscal responsibility by acting to control one of the most time honored practices of Congress: Pork barrel spending.

Past Congresses have appropriated $200,000 to build a replica of the Great Wall of China, $33 million to rebuild 10 miles of beach in front of fancy hotels and expensive condominiums and $180,000 to conduct a census and 3-year study on the feeding habits of lizards in the Caribbean. Given the current state of the Federal budget, the Nation can no longer afford to freely pass out money for every project that comes along. We must act to restore our financial and fiscal health.

I am pleased to be one of the cosponsors of S. 6, the Spending Control Enhancement Act, a bill which has steadily gained the support of my distinguished colleagues. S. 6 grants to the President much needed authority to rescind in full or in part appropriations bills which he determines to contain frivolous or inappropriate projects. This bill also reforms the procedures for congressional override of the exercise of that authority.

The natural tendency of Congress is to spend. Only once in the past 25 years has the Federal Government not run a deficit. The growth of the Federal debt is being slowed not because Congress wants to do so, but only because it has been forced to do so by Gramm-Rudman.

Last week, I expressed my concerns about the budget resolution for fiscal year 1990. Although the budget resolution represents a wonderful political compromise, I am convinced that it does not address adequately the difficult fiscal and financial issues confronting the Nation today.

With 100 Senators and 435 Representatives each vying for moneys to fund their special interests, Congress has been either unwilling—or unable—to act adequately to control the budget. There is little accountability on the part of any individual Member of Congress. Leadership is too diffused.

I believe that the President, armed with enhanced rescission authority, can provide the additional leadership necessary in the effort to reduce the deficits which continue to plague this Nation. The President is in the unique position of being able to focus on issues which are primarily national rather than regional.

On March 1 of this year, reports of the National Economic Commission were submitted to the White House and both Houses of Congress. The majority report recommended that steps should be taken to enhance the President's power to rescind appropriations or to veto line items. The majority commissioners concluded that the balance of power on budget issues has swung too far from the executive and toward the legislative branch. I agree.

Under the current budget process, once an appropriations bill has been passed by Congress, there is very little that the President can do to get rid of pork barrel spending. The bill may be vetoed in its entirety, but this option is rarely exercised.

The President can also exercise his limited rescission power to request denial of budget authority on specific projects. However, this power is largely without substance. If Congress does not agree with the President, Members do not have to vote to reject his actions. All Congress needs to do is merely ignore the President's rescission request for 45 days, and it goes

away. Simple as that. Congress is not forced to account for its actions or should I say, inactions?

Thus, under our current budget process, the President is virtually forced to spend everything he is told by Congress to spend. Does this make sense at a time when the Nation is struggling to unbury itself from the Federal debt? I think not.

Since the early days of this Republic until the 1970's, Presidents had the power to impound appropriated funds. For example, Thomas Jefferson made the first impoundment and declined to spend appropriated money for gunboats, and later Presidents used the impoundment power for a variety of reasons. The Presidential power to effect postcongressional changes to the budget was sharply curbed in 1974 in exchange for a new budget process: The current budget process.

I believe that S. 6 will help restore the power of the President to make tough budget decisions which Congress is reluctant to make. Under S. 6, Congress must affirmatively act to override Presidential exercise of rescission authority. No longer will Congress be able to sit idly by waiting for the President's rescission request to lapse quietly. Congressional reconsideration and action will be focused on the vetoed projects, and conducted in full view of public scrutiny.

I would like to underscore that unlike a number of previous line item vetoes or enhanced rescission proposals, S. 6 does not call for a constitutional amendment. By statutorily granting the President enhanced rescission authority, Congress preserves for itself the flexibility to modify or abrogate those powers in order to meet the dictates and fiscal demands of different Presidents and of different economic conditions.

Congress has been unwilling or unable to put the Federal budgetary house in order, and the President does not have the necessary tools to ensure that the taxpayers' money is spent wisely and frugally. By giving the President the means to eliminate frivolous pork barrel spending, we will continue to move forward in our common efforts to achieve the fundamental goal of national financial and fiscal responsibility. As elected Representatives, we must strive to do no less.

I yield the floor.

Mr. REID addressed the Chair.

The PRESIDENT pro tempore. The senior Senator from Nevada [Mr. REID] is recognized for not to exceed 5 minutes.

(The remarks of Mr. REID pertaining to the introduction of legislation are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. SANFORD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The Senator from North Carolina is recognized.

Mr. SANFORD. Mr. President, I ask unanimous consent that we continue for 2 minutes as if in morning business.

The PRESIDENT pro tempore. Without objection, it is so ordered.

FOREIGN LANGUAGES IN NORTH CAROLINA A FIRST IN THE NATION

Mr. SANFORD. Mr. President, it would be difficult to read a foreign language journal today which did not have some reference to foreign language teaching at the elementary school level or some comment about the advantage of learning a foreign language or languages as a young child. It is clear that one area in which many nations surpass the United States is in producing proficient linguists who have begun their foreign language training early. Thus, a real challenge for the United States is to provide more early foreign language instruction for its children.

Among the foreign language programs which address this need, North Carolina has devised the most comprehensive statewide plan of all. By 1993 North Carolina will have in place one of the Nation's most ambitious foreign language programs for elementary school students. Foreign language instruction will be required for public school children in grades kindergarten through five and must be available to students through grade 12.

The North Carolina first in foreign languages is being supported vigorously by a number of efforts designed to provide an optimal climate for students and teachers alike. North Carolina provides foreign language immersion camps for students from grades 4 to 12, and has Governor's Language Institutes for intensive immersion training of teachers. In addition, North Carolina has an extensive network of "Academic Alliances" groups in which teachers from grade schools, junior highs, and secondary schools meet with teachers from colleges and universities to form a local professional organization. And, the Foreign Language Association of North Carolina supports the North Carolina initiative in foreign language through an annual conference, workshops, and a variety of publications.

North Carolina is proud to be "first in freedom," "first in flight," and now "first in foreign language!"

RECOGNITION OF JESSE VUNCANNON ON HIS RETIREMENT FROM NORTH CAROLINA DEPARTMENT OF PUBLIC INSTRUCTION AND THE CLOSE-UP FOUNDATION

Mr. SANFORD. Mr. President, I would like to recognize the accomplishments of a fine program and an individual who has been highly instrumental in its development in my home State. In 1975, through the strong support of the North Carolina Department of Public Instruction, the Close-Up Foundation began working with students and educators in North Carolina. As you know, the Close-Up Foundation conducts a variety of civic education programs geared to involving citizens in the democratic process of Government.

Jesse Vuncannon, the chief consultant for social studies in the Department of Public Instruction, has been the catalyst responsible for the overall coordination of Close Up's programs in the State. What he has administered for 14 years is now one of the most widespread and effective services of civic education activities in this country. Since Close Up's inception in North Carolina, from the mountains "to the coast" and in every congressional district of the State, there are young people who better understand and appreciate their rights and responsibilities as citizens. Since 1975, over 7,000 North Carolina students and teachers alone, have participated in Close Up's Washington seminars and workshops about American Government.

Furthermore, through Jesse's initiative and leadership, thousands more students have traveled to Raleigh for North Carolina Close Up, creating additional education opportunities for our young people and giving them a greater sense of involvement in the affairs of their State. The accomplishment of which I am particularly proud is the formation of programs on the county level—over 20 to date—which annually teach thousands of high school students about the roles they can play in local government.

Most recently, Jesse and the Department of Public Instruction have implemented Close Up's Citizen Bee competition across our State, providing our young people with even more incentives to learn about American history, Government, current events, geography, the free market system and developing an exciting forum in which to demonstrate their knowledge.

Close Up's success in North Carolina is a result of the innovative efforts of countless educators, civic leaders, public officials and members of the private sector. Jesse has always been at the center of these collective efforts and his generous personal encouragement and well-known dedication have

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always generated a high and productive spirit of volunteerism. North Carolina will see the fruits of his labors for many years to come. For his longstanding and measurable contributions to young people and educators, I wish to commend and offer personal good wishes to Jesse Vuncannon as he retires this year from the North Carolina Department of Public Instruction.

Mr. President, I yield the floor.

THE RAILROAD STATION AT KILTIMAGH—AN ENDURING LINK BETWEEN IRELAND AND AMERICA

Mr. KENNEDY. Mr. President, on June 18, 1989, the historic railroad station in Kiltimagh, County Mayo, in the beautiful west of Ireland will be dedicated as a memorial and museum to the tens of thousands of Irish men, women, and children who boarded the trains there for the ports of embarkation and the perilous journey a century and a half ago across the ocean to a new land and a new life in the United States. As the poet wrote, "They are going, going, going, and we cannot bid them stay."

Many did not survive the journey in the vessels called coffin ships across the ocean called the bowl of tears. But those who did, who reached our shores, became part of one of the greatest migrations in history. Fleeing famine in their own land, they found opportunity in the United States, and they made the most of it.

They built our factories and mills and cities, they dug the canals that opened up the interior of our country, they fought in the Civil War to preserve our Union, and they built the railroads that took America to the West. Even today, it is said, under every railroad tie an Irishman is buried.

Irish blood now flows in the veins of one American in every seven. There are more Irish in the United States today than in the Ireland they left behind. And they have left their mark on every aspect of American life. Wherever we look, in business and the professions and the labor movement, in literature and music and the arts, in sports and science and religion, in politics and public service at every level of government, citizens of Irish descent have built our Nation and helped to make it great.

My own great grandparents left Ireland during the famine years. And a century later, when President John Fitzgerald Kennedy returned to Ireland in 1963 as the first American President to visit Ireland during his term of office, he spoke at Eyre Square in the city of Galway, not far from Kiltimagh. As he said that day:

> If the day was clear enough, and if you went down to the bay, and you looked west, and your sight was good enough, you would see Boston, Massachusetts. And if you did, you would see down working on the docks there some Dohertys and Flahertys and Ryans and cousins of yours who have gone to Boston and made good.

All of us in the United States are proud of that shared heritage and history. Today, in Boston and throughout New England, countless families trace their roots to Mayo and Galway and many other parts of Ireland. May the historic railroad station at Kiltimagh stand forever as a symbol of these enduring ties of friendship and freedom.

AN APPEAL ON BEHALF OF YURI SEMENOVSKY

Mr. EXON. Mr. President, I rise today to speak on Yuri and Tanya Semenovsky, Soviet Jews who have been refused visas by the Soviet Government.

We live in a time of rising expectations regarding the Soviet Union's attitudes and policies on issues ranging from arms control, to environmental protection, and to human rights.

However, it is important for all to recognize that before the Soviet Union attempts to seize the highground in terms of international opinion, it must first confront its longstanding attitudes and poor record of accomplishment in fulfilling its responsibilities toward its own citizens' human rights. Nowhere is this dismal record more evident than in the case of Soviet leadership's treatment of Soviet Jews, who often become pawns in pursuit of larger Soviet goals on the international scene.

The Semenovskys' case is typical. They are both victims of a repressive Soviet bureaucracy, the very bureaucracy that Mr. Gorbachev says he is committed to reforming. That bureaucracy has denied Mr. Semenovsky and his wife, Tanya, a visa. A visa they first applied for in October of 1986.

Mr. Semenovsky is 41 years old and is by profession a scientist, having received a master's degree from the Physics and Technical Institute in 1966.

Tanya Semenovsky is 30 years old and is a railroad technician by training.

For many years, Yuri Semenovsky worked on atmospheric hydrodynamics, meteorology and computer mathematics. At the same time, Mr. Semenovsky was active in the cause of justice for Soviet Jews. He is currently involved in gathering stories on Jewish life in the U.S.S.R. These activities have not gone unnoticed by Soviet authorities, and are doubtless a major reason for the inability of the Semenovsky's to obtain a visa.

When the Semenovskys applied for a visa in October of 1986, they were refused on spurious grounds, and both lost their jobs shortly thereafter.

Let us all remember the plight of the Semenovskys, as it is typical of so many Soviet Jews who wish to leave the Soviet Union, and underscores the real state of progress and reform in the Soviet Union in the area of human rights.

It will be hard to accept that real change has occurred in the Soviet Union until we see greater respect for basic human rights. This, like many of Gorbachev's proposed reforms, remains unfulfilled. I hope that Soviet officials will soon honor the Semenovsky's request and adopt a more humanitarian posture toward their own citizens.

NEVADA STATE PRESS ASSOCIATION AWARDS

Mr. REID. Mr. President, freedom of the press is not just a singular right guaranteed by the U.S. Constitution; it is a prerequisite for a free society. Without freedom of the press, not one of us could truly be free.

The first amendment says it perfectly: "Congress shall make no law * * * abridging the freedom of speech, or of the press."

Walter Lippman pointedly explained in 1965 how reporters help Government officials do a better job. Lippman said in a throughtful address at the International Press Institute Assembly in London, "Without criticism and reliable and intelligent reporting, the Government cannot govern."

This criticism and scrutiny may not always be pleasant. But that is the way it was meant to be. The United States is the first and best example of a society where the Government is made up of servants, not rulers. Freedom of the press helps preserve this relationship of a government elected to serve and represent the people.

Today I would like to acknowledge the working members of the Nevada press who were honored during ceremonies conducted by the Nevada State Press Association in Carson City, NV, last Saturday, May 6, 1989.

The professional standard achieved by these journalists and news organizations is a yard stick by which reporters and editors across our country and the entire world can be judged. These individuals and their colleagues personify the reliable and intelligent reporting—and sometimes, yes, criticism—without which people could not be free and government could not govern.

Here, appropriately enough, is the unedited Associated Press story on the Nevada State Press Association Awards:

There being no objection, the article was ordered to be printed in the RECORD, as follows:

> CARSON CITY.—The Reno Gazette-Journal won the general excellence award, the Las

Vegas Sun won the community service award, and Las Vegas Review-Journal reporter Dan Njegomir was named outstanding young journalist during Nevada State Press Association ceremonies Saturday.

Longtime Reno journalist Rollan Melton got the NSPA's silver makeup rule at the association's annual awards banquet. And the Nevada Appeal got the freedom of the press award.

Wyoming Press Association members who judged the Nevada papers said the Gazette-Journal deserved first place for general excellence among daily newspapers because of its "good local coverage, wonderful use of color, and great imagination in the layout."

The Review-Journal took second place and the Nevada Appeal took third place for general excellence among dailies.

For weeklies, the North Lake Tahoe Bonanza took the excellence award for having what judges termed "a beautiful, but meaty, paper." The Gardnerville Record-Courier ran second and the Tahoe World ran third.

Njegomir was picked as outstanding young journalist on daily papers for showing versatility in writing on varied subjects, extraordinary news-gathering ability. "His story on the safety records at the Henderson rocket fuels plant was particularly impressive," judges said.

Paul Szydelko of the Henderson Home News was named outstanding journalist on Nevada weeklies. Judges said he handled many different tasks and showed ability to tackle several different aspects of journalistic writing.

The Las Vegas Sun got the community service award for its special section following last year's disastrous explosion at the Pacific Engineering and Production Co. plant in Henderson.

Among dailies, the Gazette-Journal took second place for its stories on water issues and the Review-Journal took third place for its coverage of the PEPCON explosion.

For weeklies, the North Lake Tahoe Bananza took first for community service for reports on Kings Beach. The Tahoe World took second for drought stories, and the Mason Valley News took third for reports on possible closure of the local hospital.

Here's a summary of other awards:

FREEDOM OF THE PRESS

Dailies: 1st, Nevada Appeal, Don Ham; 2nd, Review-Journal, Rafael Tammariello; 3rd, Gazette-Journal, Bruce Bledsoe.

Weeklies (two categories): 1st, Elko Independent, no 2nd or 3rd.

1st, Record-Courier, Shiela Gardner; 2nd, Sagebrush, Brian Allison; 3rd, Tahoe Daily Tribune, Jeff Ackerman.

BEST TYPOGRAPHY

Dailies: 1st, Reno Gazette-Journal; 2nd, Las Vegas Review-Journal; 3rd, Nevada Appeal.

Weeklies: 1st, North Lake Tahoe Bonanza; 2nd, Sagebrush; 3rd, Las Vegas Business Press and Tahoe World.

BEST SPOT NEWS STORY

Dailies: 1st, High Desert Advocate, Howard Copelan; 2nd, Comstock Chronicle, Gary Elam; 3rd, Comstock Chronicle, Gary Elam.

Weeklies: 1st, Sierra Sun, Barbara Barté; 2nd, Mason Valley News, Marv Snow; 3rd, Henderson Home News, Mark Brennan and Katherine Scott.

BEST FEATURE WRITING OR SERIES

Dailies: 1st, Las Vegas Review-Journal, Pat Morgan and Mike Weatherford; 2nd, Reno Gazette-Journal, Guy Richardson; 3rd, Reno Gazette-Journal, Barbara Anderson.

Weeklies: 1st, Sparks Daily Tribune, Faith Bremner; 2nd, North Lake Tahoe Bonanza, Brett Pauley; 3rd, Sierra Sun, Barbara Barté.

BEST NEWS FEATURE WRITING OR SERIES

Dailies: 1st, Las Vegas Review-Journal, Ed Vogel; 2nd, Review-Journal, Major Garrett and Warren Bates; 3rd, Gazette-Journal, Jim Mitchell.

Weeklies (two categories): 1st, North Lake Tahoe Bonanza, staff; 2nd, Record-Courier, Lisa Wixon; 3rd, Henderson Home News, Paul Szydelko and Mark Brennan.

1st, Elko Independent, Lin Anderson; 2nd, Elko Independent, Lori Gilbert and Lin Anderson; 3rd, High Desert Advocate, Howard Copelan.

BEST BUSINESS STORY

Dailies: 1st, Las Vegas Sun, Stacey Welling; 2nd, Las Vegas Sun, Stacey Welling; 3rd, Reno Gazette-Journal, Jim Gold.

Weeklies: 1st, Record-Courier, Sandi Wright; 2nd, North Lake Tahoe Bonanza, Nina Banister; 3rd place tie, Pahrump Valley Times and Las Vegas Business Press.

BEST INVESTIGATIVE-INTERPRETIVE REPORTING

Dailies: 1st, Reno Gazette-Journal, Pat Harrison and Kate Santich; 2nd, Gazette-Journal, Doug McMillan and Don Vetter; 3rd, Review-Journal, Howard Stutz and Alan Tobin.

Weeklies: 1st, Tahoe Tribune, Jim DiPeso; 2nd, Sierra Sun, Barbara Barté; 3rd, High Desert Advocate, Howard Copelan.

BEST LOCAL COLUMN

Dailies: 1st, Las Vegas Sun, Mike O'Callaghan; 2nd, Gazette-Journal, Guy Richardson; 3rd, Las Vegas Sun, Jeff German.

Weeklies (two categories): 1st, Elko Independent, Lin Anderson. No 2nd, 3rd.

1st, Gateway Gazette, Slim Sirnes; 2nd, Sparks Tribune, Andy Barbano; 3rd, Mason Valley News, Bob Ausmus.

BEST WRITING BY RURAL CORRESPONDENT

1st, Comstock Chronicle, 1st, Martin Lane; 2nd, Record-Courier, Mary Settlemeyer; 3rd, Gateway Gazette, Virginia Ridgeway.

BEST LOCAL SPORTS STORY

Dailies: 1st, Nevada Appeal, Lou Thomas; 2nd, Gazette-Journal, Don Cox; 3rd, Las Vegas Sun, Paul Arnett.

Weeklies: 1st, Record-Courier, Dave Price; 2nd, Tahoe Daily Tribune, Brad Melin; 3rd, Mason Valley News, Jim Sanford and Keith Trout.

BEST LOCAL SPORTS FEATURE STORY

Dailies: 1st, Nevada Appeal, Lou Thomas; 2nd, Las Vegas Sun, Dean Juipe and Steve Beatty; 3rd, Review-Journal, John Henderson.

Weeklies: 1st, Comstock Chronicle, Mary Beth Hepp; 2nd, North Tahoe Bonanza, Guy Clifton; 3rd, Tahoe World, Brian Liebenstein.

BEST LOCAL SPORTS COLUMN

Dailies: 1st, Gazette-Journal, Steve Sneddon; 2nd, Nevada Appeal, Lou Thomas; 3rd, Review-Journal, John Henderson.

Weeklies: 1st, Henderson Home News, Paul Szydelko and Pat McDonnell; 2nd, Tahoe World, Brian Liebenstein; 3rd, Record-Courier, Dave Price.

BEST EDITORIAL

Dailies: 1st, Review-Journal, Rafael Tammariello; 2nd tie, Las Vegas Sun, editorial staff, and Reno Gazette-Journal, John Miller; 3rd, Nevada Appeal, Richard Cornett.

Weeklies: 1st, Daily Sparks Tribune, Randy Frisch; 2nd, North Lake Tahoe Bonanza, Chris Fotheringham; 3rd, Tahoe Tribune, Jeff Ackerman.

BEST EDITORIAL PAGE

Dailies: 1st, Nevada Appeal, Don Ham; 2nd Gazette-Journal; 3rd, Las Vegas Sun.

Weeklies: 1st, Tahoe World; 2nd, Sparks Tribune, Bill Will; 3rd, Record-Courier.

BEST EDITORIAL CARTOON

Dailies: 1st, Las Vegas Sun, Mike Smith; 2nd, Review-Journal, Jim Day; 3rd, Review-Journal, Jim Day.

Weeklies: 1st, Sagebrush, Calder Chism; 2nd, Ely Daily Times, Kent Harper; 3rd, Ely Daily Times, Kent Harper.

BEST BLACK AND WHITE SPOT NEWS PHOTO

Dailies: 1st, Las Vegas Sun, Craig Wallace Chapman; 2nd, Las Vegas Sun, Lee Zaichick; 3rd, Review-Journal, Russell Yip.

Weeklies (two categories): 1st, Tahoe Tribune, Scott Locker; 2nd, North Lake Tahoe Bonanza, Cathleen McCampbell Allison; 3rd, Record-Courier, David Lowe.

1st, Comstock Chronicle, Gary Elam; 2nd, Elko Independent, Lin Anderson, no third.

BEST COLOR SPOT NEWS PHOTO

1st, Las Vegas Review-Journal, Jeff Scheid; 2nd, Reno Gazette-Journal, Marilyn Newton; 3rd, Gazette-Journal, Marilyn Newton.

BEST BLACK AND WHITE FEATURE PHOTO

Dailies: 1st, Las Vegas Sun, Craig Chapman; 2nd, Las Vegas Sun, James Kenney; 3rd, Las Vegas Sun, Lee Zaichek.

Weeklies: 1st, Mason Valley News, Marv Snow; 2nd, Record-Courier, Jay Aldrich; 3rd, Sparks Tribune, Ken Johnston.

BEST COLOR FEATURE PHOTO

Two categories: 1st, Gazette-Journal, Tom Spitz; 2nd, Gazette-Journal, Jean Dixon Aiken; 3rd, Gazette-Journal, Marilyn Newton.

1st, Tahoe Daily Tribune, Scott Locker; 2nd, Tahoe Daily Tribune, Steven Nelson; North Lake Tahoe Bonanza.

BEST BLACK AND WHITE SPORTS PHOTO

Dailies: 1st, Las Vegas Sun, James Kenney; 2nd, Las Vegas Sun, James Kenney; 3rd, Review-Journal, Wayne Kodey.

Weeklies: 1st, North Lake Tahoe Bonanza, Cathleen McCampbell Allison; 2nd, Sparks Tribune, Ken Johnston; 3rd, North Lake Tahoe Bonanza, Judy Jones.

BEST COLOR SPORTS PHOTO

Two categories: 1st, Gazette-Journal, Mark Zaleski; 2nd, Review-Journal, Jeff Scheid; 3rd, Review-Journal, Jeff Scheid.

1st, Tahoe Daily Tribune, Scott Locker; 2nd, Record-Courier, Jay Aldrich; 3rd, Sierra Sun, Ed Cicenas.

BEST PHOTO ESSAY

Dailies: 1st, Las Vegas Sun, Lee Zaichick; 2nd, Gazette-Journal, Tom Spita; no 3rd.

Weeklies: 1st, North Lake Tahoe Bonanza, Kathleen Allison; 2nd, Sierra Sun, Ed Cicenas; 3rd, Sierra Sun, Ed Cicenas.

BEST ILLUSTRATED PHOTO

Two categories: 1st, Gazette-Journal, Mark Zaleski; 2nd, Gazette-Journal, Patrick Forden; 3rd, Review-Journal, Russell Yip.

1st, Tahoe Daily Tribune, Scott Locker; 2nd, Tahoe Daily Tribune, Scott Locker; 3rd, Gateway Gazette, Virginia Ridgeway.

BEST SPECIAL SECTION

Dailies: 1st, Las Vegas Sun; 2nd, Nevada Appeal; 3rd, Gazette-Journal.

Weeklies (two categories): 1st, Tahoe Tribune; 2nd, Record-Courier; 3rd, Humboldt Sun.

1st, Comstock Chronicle; 2nd, Comstock Chronicle; no 3rd.

BEST LOCAL ADVERTISEMENT

Dailies: 1st, Reno Gazette-Journal, Aline Polikalis; 2nd, Gazette-Journal, Dihan Rosenburg; Review-Journal.

Weeklies (two categories): 1st, Sparks Tribune, Debbie Block and Paul Horn; 2nd, Record-Courier, Bev Davis; 3rd, North Tahoe Bonanza, Chris Fotheringham.

1st, High Desert Advocate; 2nd, Comstock Chronicle.

FAREWELL AND BEST WISHES TO JEANNE BOLO DeAMICIS

Mr. WIRTH. Mr. President, although the Congress has yet to enact the parental leave and child care bills into law, a highly valued member of my staff will be leaving today to put both parental leave and child care into practice. I wish to say farewell and wish the very best fortunes to Jeanne Bolo DeAmicis, who will be leaving my Washington Senate staff to care for her soon-to-be-born baby.

Jeanne has served admirably as my legislative assistant for health and human service issues for the past 4 years. I have come to grow greatly dependent on her sound judgment, well-reasoned counsel, and unswerving commitment to progressive public policy. Jeanne moved to Washington from Boulder, CO, when she joined my staff, and she has worked hard on Colorado's behalf. Her staff work has been consistently excellent.

Beyond formal job titles, however, Jeanne has served as the invaluable voice of reason and social conscience on my staff. She has been an advocate, in the truest sense of the word, for her many constituencies: educators and students, the elderly, the poor, those seeking to exercise their civil liberties, and, perhaps most importantly, children. She has tirelessly fought for those who are often forgotten in the system.

But while Jeanne has been an unyielding advocate, she is also a realist who knows we must find ways to pay for vitally needed social programs. Accordingly, she has worked to ensure that social legislation is fiscally responsible. At the same time, I have counted on Jeanne to dig in her heels and stand firm when the budgetary ax looms over an essential program that has already taken too many cuts.

Jeanne has shown to me and members of my staff what is worth fighting for and when not to back down. This commitment, when coupled with Jeanne's superb legislative skills, makes for a combination that is very difficult to replace.

Too often careers on the Hill become all consuming. As demanding as I know my office can be, however, Jeanne has somehow managed to keep her perspective on the important balance between work and home. Her example has helped to remind the staff—many of whom, because of their tremendous commitment, can be found at their desks late into the evening—to take time to enjoy a personal life outside the office.

I know I speak for all of the Wirth operation, when I say that Jeanne's warmth, wit and sage advice will be sorely missed. It is with some comfort that I know that in her new endeavor Jeanne will continue to use her valuable skills and knowledge by passing on her convictions and perspective to the next generation. I want to say thank you to Jeanne for her service to me and to Colorado, and to wish Jeanne, her husband Don and baby DeAmicis the very best.

WAIVER OF TRADE RESTRICTIONS ON SOVIET UNION

Mr. HELMS. According to this morning's news reports, President Bush will announce later today his intention to work with Congress on granting a waiver on the Jackson-Vanik trade restrictions on the Soviet Union should the Soviets enact and faithfully carry out laws opening up Soviet emigration.

Any Soviet promise of open emigration is welcome. However, our Government risks making a grave error if it were to rush to lift trade restrictions before it is certain that opening of Soviet emigration is a permanent reality.

The Jackson-Vanik restrictions of the Trade Act of 1974 represent perhaps the greatest tool our country has to leverage open emigration policies out of the Kremlin. Under these restrictions, Communist countries are prohibited from receiving a range of trade benefits from the United States until the President determines, that among other things, the country no longer denies its citizens the right to emigrate.

The President may, however, temporarily waive these restrictions if he determines that the waiver will promote open emigration, and if he has received assurances that emigration practices will lead substantially to open emigration.

In considering this waiver, it is incumbent on the President and the Congress to recognize some important, yet often overlooked factors:

First, granting a waiver has much the same effect as a total lifting of trade restrictions. Once a waiver is in place, multiyear contracts will be negotiated, and then protected by contract sanctity in the event restrictions are reimposed.

Second, because a waiver is tantamount to a permanent lifting of trade restrictions, the United States must be very certain that any new Soviet emigration policies are real, permanent, and apply to all persons wishing to emigrate.

Third, the Soviets have cheated on just about every treaty they have signed and commitment they have made. In light of this, no waiver should be granted until after open emigration policies have been in effect over a long enough period to prove the Soviets are committed to permanent open emigration.

Mr. President, the Soviet economy is bankrupt. But of course, what else could be expected of a society bereft of basic freedom and liberties? Now the Kremlin wants the West to bail it out of its economic predicament, with subsidized and guaranteed credits and other trade benefits.

To bail out the Soviets before they are committed to a free society would be a mistake which can only come back to haunt America and the cause of freedom.

SMALL BUSINESS WEEK

Mr. HEFLIN. Mr. President, today marks the end of the Small Business Week, as proclaimed by President Reagan, in recognition of the 17 million small businesses in this country.

It has been a busy week for those involved in the Small Business Week process. In my own home State of Alabama, the Small Business Administration and the Chambers of Commerce across the State have celebrated with receptions for honorees and special seminars on the small business world.

Mr. President, small businesses are the backbone of the American economy. The 17 million small business owners provide for half of the Nation's private employment, which is almost 40 percent of national production in the Nation. Small businesses also create about two of every three new jobs in this country. We can attribute 38 percent of our gross national product to small businesses.

In my home State of Alabama, there were 61,917 business establishments in Alabama in 1986. Of these, 54,199, or 87.5 percent, were small businesses with fewer than 500 employees, and they employed 47.6 percent of Alabama's work force.

Mr. President, while it is unfortunate that the rate of new business formation has been declining nationally, I am proud to say that Alabama continues to have stable new business growth. In Alabama, small business generated almost all of the 32,200 new jobs created in Alabama between 1980 and 1984.

Mr. President, I believe that women and ethnic minorities have both benefited greatly in the past few years through small businesses. The Small Business Administration has special

programs geared to assist women and minorities in opening businesses.

From 1977 to 1984, the number of businesses owned by women increased by 11 percent annually in America. I can state with pride that according to data from the Department of Commerce, Alabama had the 30th largest women-owned business population (33,576) and the 24th largest minority-owned business population (8,137) in the Nation in 1982.

Not only that, Mr. President; minority business ownership in this country has also rapidly increased in recent years. Black-owned businesses increased 46.7 percent from 1977 to 1982, and Hispanic and Asian-owned business also increased during that time.

The Small Business Administration has played an important and vital role in the success of small businesses in this country. Without assistance from the SBA, many small businesses would not be in existence today. The SBA's Office of Advocacy is specifically mandated by Congress to be an advocate for America's 18 million small businesses.

I once heard someone say that small business people are the true adventurers in this country. What a wonderfully accurate statement. For who else but the small business person starts with a dream, goes into unknown territory, struggles against all odds, takes on extra risks, all the while knowing that he or she might never see this dream come to fruition? American small business people have what I call true American pioneer spirit.

Mr. President, I want to commend and congratulate all those who have ever had a dream and felt a tug of that pioneer spirit, and then have gone ahead against the odds to achieve their dream. I am happy that President Reagan has dedicated a week to their fine achievements, and I would like to congratulate them all.

I thank you, Mr. President.

TRIBUTE TO DR. VERNON ST. JOHN

Mr. HEFLIN. Mr. President, I rise today to pay tribute to Dr. Vernon St. John who was recently inducted into the Alabama Educational Leadership Hall of Fame. Dr. St. John devoted his entire life to improving the educational system in the State of Alabama and is most deserving of this great honor.

Dr. Vernon St. John served as an Alabama State senator for two terms where he was instrumental in providing financing for the operation of Alabama's public schools. He was the youngest senator ever elected in Alabama and soon carved out a niche. His understanding of the importance of education led to respect from his colleagues and a lifelong commitment to education. Dr. St. John's efforts were crucial to the passage of the Alabama sales tax and the funds that provides for education. One of his first duties in the Alabama senate was to help draft the still-used Alabama Minimum Program for financing schools.

Dr. St. John has held almost every position in the field of education. He has been a coach, a teacher, and a principal. He served with distinction in each of these positions but is most well known for the job he did as superintendent of the Opp City Schools. For a quarter of a century, from 1945 until 1971, Dr. St. John led the Opp School System to a level of excellence reached by few systems. Under his guidance, Opp became only one of three fully accredited school systems in the State. When he retired, Opp was also one of the only system which provided 30 percent of the education funds from local efforts.

Throughout the past 50 years, Dr. St. John has served willingly and devotedly to improve education in Alabama. The State has benefited greatly from his wisdom and experience in each venture he undertakes. Alabama has been fortunate to have someone with his talents and abilities working to improve the State. It is seldom that someone of Dr. Vernon St. John's caliber receives the recognition which he is due. His selection to the Alabama Educational Leadership Hall of Fame and the attention it has brought him represent a small step toward recognizing the tremendous commitment which he has made to the education of Alabama's children.

I ask unanimous consent that the attached newspaper article appear in the RECORD following my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Opp News, Mar. 23, 1989]

DR. ST. JOHN NAMED TO HALL OF FAME

Dr. Vernon L. St. John, superintendent of Opp City Schools from 1945-1971, and Dr. James A. Street, former executive director of the Alabama Council for School Administration and Supervision, and present superintendent of schools in Tallassee, will be inducted into the Alabama Educational Leadership Hall of Fame at Troy State University Thursday, April 20th.

The distinguished educators will be honored at a formal induction dinner in TSU's Adams Center Ballroom and will have their portraits placed with other Alabama education leaders inducted previously.

Dr. Street began his educational career as a coach in the Taylor County, Florida school systems in 1956. He has been coach, teacher, counselor and principal at schools in Cordele, Georgia, Sheffield, and Selma. He was executive director for the Alabama Council for School Administration and Supervision from 1975-1986.

Dr. Street became superintendent of the Tallassee City School System in 1986.

Dr. Street's professional activities have been abundant and varied. He has served as a member of the Governor's Committee on Education and Economic Development, the National Commission on Administrator Relationships, the Governor's Leadership and Management Improvement Program, the Governing Board of the Alabama Leadership Hall of Fame, and The Governor's Education Reform Commission. He holds memberships in eight professional organizations.

Since assuming the superintendency of the Tallassee City Schools, Dr. Street has received two national public relations awards, the National School Public Relations Association Award of Honor, and the NSPRA Golden Achievement Award.

In 1934, as the youngest senator ever elected in Alabama, Vernon L. St. John was appointed to the Recess Education Committee while the legislature was not in session. This committee prepared and presented to the legislature the Alabama Minimum Program for financing schools, a law still in effect. He also led the fight for the passage of the Alabama Sales Tax which would provide funds for the operation of schools.

Later, as superintendent of Opp City Schools, Dr. St. John assumed a leadership role in local as well as state education. At the time of Dr. St. John's retirement from the Opp system in 1971, Opp was one of only three school systems in the state that was fully accredited by the State Department of Education. It was also one of the few systems which provided thirty percent of local financial effort in Alabama at that time.

Dr. St. John has been a teacher, coach, and principal, as well as superintendent. He served as State Senator for two terms and has been active in just about every project for the improvement of public education in Alabama for the past 50 years.

The Alabama Educational Leadership Hall of Fame is a joint project sponsored by the Alabama Council For School Administration and Supervision, the Alabama Association of School Boards, and Troy State University. The Hall of Fame is displayed at the Troy State University School of Education in McCartha Hall on the Troy State University main campus.

TRIBUTE TO LAWRENCE COUNTY HIGH SCHOOL BAND

Mr. HEFLIN. Mr. President, I am pleased to rise today to pay tribute to the Lawrence County High School band. Over the years, this band has won numerous awards and gained widespread recognition for their excellence. The band has played a role in shaping the lives of hundreds of Lawrence County students. Each member of the band has worked hard and deserves the recognition the band has gained.

The Lawrence County High School band has compiled an impressive record over the past 5 years. They have marched in numerous football games and parades, presented at least two concerts each year, as well as participated in countless community events. Each of these performances has enriched the lives of both those who performed and those who enjoyed the music. We normally recognize the benefit to the audience but seldom the benefit to the performers. Each of these students lives has been enriched by their exposure to the music they studied. The students have grown culturally to appreciate the self-discipline

and gruelling work behind each performance.

Mr. President, the Lawrence County High School band has compiled an incredible performance record over the past 5 years. Although I cannot begin to list all their awards, I would like to tell you a few of their accomplishments. For 3 years, they won first place, the Challenge Cup, and all superior ratings while finishing third, fifth, and seventh in the Columbia Central Marching Contest. They have been the best band in their class at the University of Alabama Festival of Bands, the Hoover Invitational, the Mid-Alabama Marching Festival, the Northwest Alabama Marching Center, and the Music Bowl. Over the past 15 years the band has received over 200 awards for superior ratings and first place competition places.

This incredible record stands as a testimony to the hard work of both the students and their band director, Freddie Meadows. I congratulate Mr. Meadows for all that he has done to make this program a success while influencing the students lives. His efforts serve to enhance the learning experience and indeed stay with his students throughout their lives. I wish him the best of luck and look forward to the continued success of the Lawrence County High School band.

SITUATION IN PANAMA

Mr. HEFLIN. Mr. President, I rise today to address a problem of growing concern to this Nation. The situation in Panama following the recent national elections has grown steadily worse. Gen. Manuel Noriega has shown blatant contempt for the will of the Panamanian people and for the rights of American citizens there. I applaud President Bush's timely announcement yesterday of his efforts to protect American citizens but question whether these efforts are sufficient to control the situation in Panama.

Authorities have known since at least 1978, that General Noriega had ties to illegal narcotics. In addition to his involvement with drug trade, Noriega has been linked to the gunrunning and money laundering of the evil Colombian drug cartel. Although Noriega has been indicted for his involvement in drug trafficking, repeated efforts to oust him have failed.

I want to recall back to a few months ago when we felt we could impose sanctions on the American dollar going into Panama, and that that country would have to do something pertaining to ousting Noriega because the American dollar was their currency, and it would run out because of the fact that we were not allowing it to go to Panama.

Unfortunately, they found American dollars elsewhere. Still, Noriega found other means to continue. He seems to have support from many, many other countries. There is even some evidence that he has support from Cuba and perhaps the Soviet Union.

He certainly has continued his corrupt regime. A little while back we increased the garrison at the Panama Canal Zone by approximately 1,300 troops. We are now sending an additional 2,000 troops, and America should have over 13,000 troops in Panama within a few days.

We must take prompt action to ensure that this situation does not get out of hand and that Noriega is removed from power. I am therefore calling on President Bush to organize a multinational army, drawn primarily from Latin American countries, which would stand ready for any effort that might require the use of armed forces. This multinational force would serve the dual purpose of supplementing American forces and showing legitimate Latin American support for our condemnation of General Noriega's actions.

On Thursday, May 4, the Senate unanimously passed Senate Resolution 120, expressing support for true democracy in Panama and condemnation of General Noriega's attempts to steal the election for his hand-picked Presidential candidate, Carlos Duque. Unfortunately, reports of the election indicate that the election was indeed rife with fraud.

Both opposition sources and international observers report that opposition Presidential candidate Guillermo Endara won the election by a substantial margin. Noriega denied these reports, attempted to steal the election, and in the face of wide-spread support for the opposition, annulled the Sunday's elections.

Throughout the week, unrest in Panama spread. As more Panamanians realized the extent of Noriega's fraud, the opposition sought to gain support for their cause. The opposition Presidential and Vice-Presidential candidates gathered in a park in Panama City. Plainclothes officers attacked the gathering, beating people with boards and tire irons. Presidential candidate, Guillermo Endara was beaten with an iron bar and is still recovering in a Panamanian hospital. Police forces, which are led by Noriega, stood by while the beatings occurred and did nothing to intervene.

In my judgment, the time to act has come. The United States must make it clear that we will no longer tolerate the actions of Gen. Manuel Noriega. This election fraud represents only the latest episode in Noriega's long record of corruption. The present focus on the massive fraud in the Panamanian elections presents us with an opportunity to act against Noriega while world opinion is polarized against Noriega.

The problem for this country looms larger than General Noriega. With respect to General Noriega the issue really should be: "Are we going to do what it takes to fight the war against drugs?" After all, our aversion to Noriega stems from his corruption which is fueled by his position as the leader of Panama's drug-running strongmen. At this time, American sanctions against Panama have failed to remove the Noriega regime. We must ask ourselves, "Have we done enough to remove General Noriega?" In my judgment, we should encourage Latin American countries to take action against Noriega. While American sanctions might be viewed by Panamanians as outside intervention, sanctions by neighboring countries could help strengthen popular Panamanian opposition to Noriega. These sanctions might also help influence the honest members of the Panamanian Defense Forces to drop their support of General Noriega.

General Noriega was indicted for his involvement in drug smuggling and has continued his control of the Panamanian Defense Forces. He has encouraged the harassment of American civilian and military personnel involved with the operation of the canal. His influence extends not just to the Americans in Panama, but to Americans in this country. Noriega and his type have penetrated the entire country of the United States with their drug network. Rural areas and urban areas alike have been touched by the effects of drugs.

We must stand united against individuals like Noriega who insist on undermining this country by smuggling drugs on such a large scale. Obviously we must work to control the spread and growth of drug use within our borders, but we must also work from outside our borders to eliminate the threat presented by the massive amounts of drugs being smuggled into the country.

Gen. Manuel Noriega has obviously shown his contempt for America. He continues to harass our citizens in Panama and advocates extreme violence to suppress the opposition forces. I abhor the actions of General Noriega. The United States should take the appropriate steps to ensure that Noriega is removed from power. I repeat my call for President Bush to encourage the organization of a multinational army, made up primarily of Latin Americans, to stand ready for any effort which might require troops. By taking these steps, we can show our support for the democratic process which elected Guillermo Endara while also removing from power the corrupt drug smuggling regime of Gen. Manuel Noriega. If we are to remain committed to fighting the war on

drugs, we must move to ensure the removal of General Noriega.

CONCLUSION OF MORNING BUSINESS

The PRESIDENT pro tempore. Is there further morning business? If not, morning business is closed.

DISAPPROVING THE EXPORT OF TECHNOLOGY TO CODEVELOP OR COPRODUCE THE FSX AIRCRAFT WITH JAPAN

The PRESIDENT pro tempore. Under the order, the Senate will resume consideration of Senate Joint Resolution 113.

The clerk will report the joint resolution.

The assistant legislative clerk read as follows:

A joint resolution (S.J. Res. 113) prohibiting the export of technology, defense articles, and defense services to codevelop or coproduce the FSX aircraft with Japan.

The Senate resumed consideration of the joint resolution.

Mr. LUGAR addressed the Chair.

The PRESIDENT pro tempore. The Senator from Indiana [Mr. LUGAR].

Mr. LUGAR. Mr. President, I am advised that in a few minutes the distinguished Senator from Illinois [Mr. DIXON] will be present, and he will be managing the bill on his side. I will be managing on our side.

For the moment, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The absence of a quorum has been suggested.

The clerk will call the roll.

The assistant legislative clerk proceeded the call the roll.

Mr. LUGAR. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. LUGAR addressed the Chair.

The PRESIDENT pro tempore. The distinguished Senator from Indiana [Mr. LUGAR] is recognized.

Mr. LUGAR. Mr. President, I thank the Chair.

This morning, in my initial remarks I will outline my reasons for support of the FSX agreement that has been submitted to the Congress by President Bush, and which was commended by the Senate Foreign Relations Committee by a vote of 9 to 8 yesterday.

In particular, Mr. President, the vote was on a motion of rejection of the FSX situation which Senator DIXON proposed. And the committee, having turned down Senator DIXON's motion by a vote of 9 to 8, proceeded to send the issue to the floor for his debate which we are now having.

I think it is important to note that in the consideration which we enjoyed yesterday in the Senate Foreign Relations Committee there was bipartisan support for the agreement. In particular, five Republicans and four Democrats comprised the nine who voted in favor of the agreement. This bipartisanship is important I suspect to note in the deliberations which we will have today.

The management of the joint resolution today comes from Senator DIXON, and for the moment the distinguished Senator from North Carolina, Senator SANFORD, will manage in his stead.

I have been asked as one on the Foreign Relations Committee to support the deal, or be opposed to the disapproval, and to manage the time on our side which I shall attempt to do.

I am hopeful that during the course of the day, with the assistance of the distinguished majority and minority leaders, we will be able to arrive at a time certain for a vote in the early part of next week, but after very thorough deliberations. We have the hours ahead of us today for all Senators to have thoughts about the FSX situation to make them known.

Mr. President, I come to this proposition with the basic thought that the relationship the United States and Japan have in foreign policy and economies, and in development of political ideas around the world is very important. We have important relationships in NATO. We, of course, are deeply concerned about the progress of countries in our own hemisphere. We have an abiding hope that world trade will increase generally because we believe that our prosperity increases accordingly. But we center in this debate upon our relationship with Japan. It is of critical importance.

I suspect the first thing that must be recognized about the thought of the development of a Japanese fighter aircraft is that many persons in Japan, many leaders in politics, economics, certainly in their aircraft industry in the late 1980's came to the conclusion that Japan ought to develop a fighter aircraft on its own; that the economy, that the technological assets of that country were sufficient to do that. This came as somewhat of a surprise to many of us in the United States of America, who had worked successfully with Japan on various other aircraft that have been helpful to the defense of that country. As a result, it was at our initiative that the United States visited with the Japanese and said, "It is critically important that we continue to develop these aircraft together, the Japanese and Americans together, in this situation."

That was at our insistence, and the beginning of the agreement that we looked at today comes not because the Japanese pressed us to make an agreement; it was because we said we think it is important for the United States of America to be involved in the Japanese aircraft industry, all the way through, and continuing. That, I think, is the critical element of this debate, Mr. President; it is at our initiative that this is being sought.

I suppose the fact that at the end of the Reagan administration and the oncoming of the Bush administration, there was, as in all grave policies of state, a review. And a number of people in the Bush administration, having surveyed this, felt that we ought to tidy up some of the language, firm up some of the agreements, especially in terms of the commercial aspects of this. Specifically, how many jobs for the United States, how much business, what kind of a change in terms of the balance of payments would this amount to? That tidying up, that refinement of the agreement, has occurred and has been agreed to by the Japanese.

Mr. President, I come to the conclusion, having heard this debate, having visited with our leadership, having visited with Japanese leadership, that we simply have a very essential question in front of us to decide. The question is basically this: Do we want the Japanese to proceed alone to build the fighter plane? Do we want the Japanese to develop an industry which will have a figher plane as its objective, as its achievement, and totally independent of us?

If the answer to that is yes, or we really do not care, then clearly the debate is a simple one for Members. Some Members have come to a conclusion that, of course, we really want to monitor this, we want to stay involved, we are deeply interested in Japanese developments. Some Members have a lurking feeling that the Japanese really do not have the capabilities to do this, at least very fast. Some Members would say, well, in due course the Japanese could develop first-class fighter aircfaft that would meet their capabilities, but it would take them a lot of time. They are more advanced in the state of the art in various ways than we are, and even if they went to the Europeans, it would still take them time, some time longer than the area contemplated now by this agreement.

I have no way of making a definitive estimate on that, Mr. President, as to how long it would take the Japanese to build fighter aircraft. Having watched Japanese developments in other areas, I suspect and my own conclusion is, that they would have the capability of doing that at some point.

Furthermore, I am convinced, having talked to many people in Japan, that a very large percentage of Japanese would like to do it that way. They would like to have the United States out of the picture altogether. I think that is a potentially dangerous course for Japan and for the United States, and so do a majority of Japa-

nese leaders, at this point in history. They want the United States to be involved in the protection of Japan and the Far East. They want our involvement at each stage of military thoughts, which they might have.

They have had a very difficult history this century, in which people of a strong military mind carried the day in Japan, gained dominance over domestic politics, and created havoc in Asia for that country; they do not want to revisit that. The sober, thoughtful, prudent leaders of Japan want the United States to be involved. That is what this agreement is about, that we are to be involved and involved in a very large way.

We believe that since we have the resources—looking at it from a Japanese standpoint, since they have the resources to do that, they ought to do it right. They want to spend the money to do this. That has made it incumbent upon negotiators on our side to try to balance the commercial aspects of this, and we have been assured by the Secretary of Defense, Cheney, Secretary of Commerce, Mosbacher, the Deputy Secretary of State, Mr. Eagleburger, that in terms of commerce, buying F-16's off the shelf, for however much a copy they are now worth, and buying developments and buying production in American factories, in both deals amount to about $2.5 billion; that proceeding in the codevelopment in this FSX agreement ultimately the United States of America will receive $2.5 billion of business and the jobs that that means, and the enhancement of our capability in our aircraft industry that that means; that we are not losing business by failure to sell the F-16 off the shelf.

Mr. President, during the course of the debate already, the question has arisen several times, if the Japanese want a fighter aircraft for a mission of patrolling 1,000 miles from Japan, of performing a mission that is important in our alliance with Japan, because we want them to undertake this burden of defending their own country, keeping an eye on the Soviets, or on others that might invade, the question is, why not buy the F-16; is it not state of the art presently to handle that mission?

The Japanese answer to this question is simply that they believe that the F-16 is a remarkable aircraft. It embodies very great technological advances, particularly in the 1970's, when most of the development occurred. The Japanese are saying, for the aircraft that we want for the year 1999, 10 years from now, we want it to embody the state of the art in the 1980's and the 1990's. We want a better aircraft. We think we can get a better aircraft, almost a generation later, than the basic development of the F-16.

Mr. President, Senators will differ on how tightly the agreements are drawn, whether renegotiation of all of this in the mid-1990's might dilute, in any form, that amount of business, and that is certainly subject to debate and to scrutiny by the Senate. It surely has been by the administration, but the assurance of the administration in direct testimony are that the same amount of business is going to be done either way.

So the question then comes, will we have a better aircraft, having codeveloped the state of the art, as we move along now, sharing together research of both countries on this project? I think the logical answer is that we will have a better aircraft. We are learning things all the time about a fighter aircraft that are going to be incorporated in this one, and we are going to have the benefit of what we discover, and the benefit of what the Japanese discover. We are both going to benefit by this exercise of very dedicated and brilliant technicians in both countries cooperating in this venture, for an aircraft that is to be produced about 10 years from now, for a specific defense objective of the Japanese-United States relationship.

I mention all this, Mr. President, because questions arise as to whether the technology that we will give is worth a great deal more than the technology that we will get and only history will define this as precisely as many Members of the Senate attempt to do now.

But I think it is fair to say, having listened to this argument, that much of the technology that we will be giving is technology that we developed many years ago. It is not technology that has the forward implications that are often described in this debate. It is technology that is still ours, probably unknown or basically unknown in many particulars by the Japanese but probably on the advent of being discovered at some point or being developed in some other way by them.

In short, it is not demonstrable that we are giving away very much. It is not demonstrable that we will gain very much.

Members have heard testimony behind closed doors about the technologies. They try to evaluate how much they are worth, whether it is logical that things the Japanese now have can be incorporated into anything else we are doing, and it is clearly debatable, perhaps and perhaps not, certainly to put a dollar figure on or a time figure.

The basic point is Mr. President, that the technologies we are giving are technologies developed some time ago, diminished perhaps by time, than the values at least that we would subscribe to them presently. We retain the technologies that we believe are truly competitive with regard to either the fighter aircraft or derivatives in the commercial aircraft, because the argument is made that in fact the FSX deal, although it is designed for defense and to enhance the Japanese-American alliance in the Pacific, is the forerunner of a Japanese commercial aircraft industry, that that commercial aircraft industry will simply take off from this particular deal. I am not persuaded the case will be made that it will take off from this deal.

I have heard testimony by many Japanese leaders in both the military and civilian components, that they want to build the civilian aircraft industry, that they have the capital, the wherewithal, the technicians to do that in their country at some point.

I think it is predictable they are going to do that. I do not think that FSX will influence that basic decision of their commerce one whit to be truthful. But nevertheless, it is an arguable point as to what extent the technologies we are giving up enhance competition in the domestic side in our aircraft industries.

I submit, Mr. President, that if the aircraft industry in this country was generally worried about that aspect, the aircraft industry in this country would not be backing the FSX agreement with the fervor that we see backing it.

Clearly, most people in the aircraft industry here believe that the Japanese are an excellent customer of our aircraft industry, some might even say the best. The possibilities, given the wealth, the size of their economy, the requirements that they may have for worldwide aircraft offer a great avenue for progress of our domestic civilian aircaft industry.

I think those in the business see that clearly. Clearly in Congress we have to be worried about the secret technology, about the sinews, at least, of our strategic posture, and we are worried about that a good bit and weighing it carefully.

But, Mr. President, I think it is very hard to make the case that we are going to debilitate our aircraft industry by entering into an agreement that provides substantial business for us and gives up technology that is somewhat dated and protects that which is really the state of the art, offers us at least at the margins new ideas we may not have had or triggers at least the imagination and development that is important to us.

It seems to me all of these situations leave a level playing field as one looks at the development of the aircraft industry in which we are going to have to be competitive in this decade, in the next decade, and the one after that in order to get our share of the business, not to be guaranteed to us by having a few more secrets than others have, and we know that out there the Japa-

nese may be much more competitive on that civilian side but that I think is going to occur anyway, that they have already testified they are going to do.

Our question once again comes back to our relationship with Japan.

I come back to that issue in a different way, Mr. President, than I commenced, because I talked about our alliance, about the missions the Japanese could fly, about an aircraft that is better than anything we now have and that we would coproduce. We would know about it as well as they would know about it.

But I sense, Mr. President, in much of the argument on the FSX agreement that there is a sense of mistrust of the Japanese on occasion, antipathy toward the Japanese.

Arguments intrude that are interesting but I think irrelevant to this deal. Let me just simply put them on the table. Arguments intrude that the Japanese have been buying land in America, they have been buying some of our office buildings and our hotels in Hawaii in particular, that they have been purchasing shares of stock in some of our firms taking a very strong equity position.

It has long been noted that the Japanese buy our securities and indeed in a topical instance in the week we are in, the failure of the Japanese to buy as many of the bonds in the Treasury auctions as investors hoped they would buy led to some thoughts that interest rates might go higher. On the demand side the Japanese demand was a little light, maybe only 25 percent of the issue, as opposed to higher percentage that investors had hoped for.

We anticipate every time we have an auction that the Japanese will purchase a large percentage of the bonds; in essence, that they will purchase a good part of our domestic deficit week by week.

And as Members know, Mr. President, we argue about the deficit and whether the deficit should be $100 billion or $150 billion. Every dollar must be paid for by a bond, by a borrowing. We count on Japanese and European friends and others to buy a lot of those bonds in recent years and up to the present.

But those sorts of purchases have been seen as benign as securities that come and go. The money is repaid and other borrowings come. Whereas, investments in the real estate and basic industries in the country have been seen in another way.

We have an ambivalence about this, Mr. President. In my State of Indiana and most States in the midwestern part of the country we witnessed an avid competition for Japanese automobile plants, and indeed near Lafayette, IN, one is being built. It will employ, we are advised, about 1,700 or 1,800 people in the State of Indiana. It will purchase materials from many counties around. It will be a very strong impetus for growth in the economy of Tippecanoe County and surrounding counties of Indiana.

So it will be in Kentucky, has been in Tennessee, Illinois, and Ohio where similar plants occurred. In short, Mr. President, many of us have welcomed this investment and have competed for the investment. It has been very important in our current prosperity.

I make this point, Mr. President, because at the same time as polls are taken of Americans, should any other country or nationals of any other country own factories, stores, land in our States, a large percentage of Americans say "no." That negative is not devoted just to the Japanese. It is devoted to any foreign ownership at the very time that we are running enormous balance-of-payments deficits, that these must be paid in some fashion, often by the purchase of our securities and long-term bonds but on occasion by purchase of other assets in our country.

One could argue as an American that if Japanese investors bought these assets of real estate at a time that the yen was 260 to the dollar and have witnessed the fall to the current 135 yen to the dollar value those Japanese who bought the assets lost about half of their money. There are risks in buying real estate, buildings, and other things in this country. It is hardly a one-way street. If the dollar would have fallen in value some more, so would the losses grow for Japanese or other investors.

And others have pointed out, Mr. President, that if we are taking a look at ownership in our country, citizens of Great Britain, or citizens of that country in combination with Americans and multinationals, are by far the largest foreign investor in our country. Typically, they have been followed by West Germany and Japan, and the Netherlands are in close competition for third place and fairly far down in terms of the historic accumulative amount owned in America. So that is important to note.

But I bring it to this debate because I hear, as I listened to the debate in the Foreign Relations Committee and now on the Senate floor, at least ripples of anxiety about the Japanese, about a feeling that somehow that relationship is not going well at all in terms of commerce; that the Japanese by running this huge balance-of-payments deficit in their favor of about $55 billion in the last year alone, are insensitive to the relationship with us, insensitive to the relationship with the rest of the world.

Mr. President, I think that there is some justification in that allegation of insensitivity. The Japanese economy, run on an export basis with forced savings, with deprivation really of consumer interest in that country, has led to very large deficits in terms of the United States and most other trading partners with Japan. And that does hang over the issue.

So Americans or U.S. Senators ask: Is this deal in any way going to affect that balance of payments? Or if you look at it from a negative standpoint and you come to the judgment that it will be a negative effect, try to describe how, in fact, our aircraft industry, a winner at this point, might become a loser, along with many other American industries that have fallen in that competition. And you worry about the long-term relationship with Japan even if you cannot peg a dollar figure on this deal or indicate that this in any way is likely to help or hinder the situation.

I put all this out on the table, Mr. President, because I think most Senators understand that predicament. They understand the yearning of our constituents for some hope that we are going to come into a better balance with the Japanese in terms of trade, that somehow we will not lose jobs perpetually in various industries that are stricken, whether they be our basic automobile and steel industries or others that are now coming under fire. And whether one understands how the FSX commerce will go, this debate offers a forum for venting these emotions and anxities that are deeply felt by Senators and by the American people.

I suppose the point that I want to make, Mr. President, is that I feel those anxieties the same as any other Senator does. I am inclined to believe at the margin the FSX agreement is helpful. It is $2½ billion worth of business which we shall have if we agree to the deal and, correspondingly, $2½ billion which we shall not have if we do not. We are talking about $2½ billion worth of jobs or no jobs from the situation.

The solid fact is the Japanese will proceed on their own and they will build it all by themselves. They will not spend $2½ billion here. They will not coproduce anything here. So it is a plus factor. One can say a small one, given a $55 billion deficit on an annual basis, but it at least is a contribution in a small way to that situation.

The basic reason for the deal, Mr. President, is not commerce and it is not technologies we might obtain, it finally comes down to our reading of history. And, Mr. President, I want to underline this in any way that I can to bring this to the fore in the debate. It is important that we stay together with Japan, that we maintain that alliance, that cooperation, cooperation even to the point of our intrusion into their aircraft industry, our deliberate intrusion, to make certain that this aircraft that is about to be built, state-of-the-art jet fighter, is ours as well as

theirs; that that cooperation continues right through this century, through the 10 years that it is going to take to get some of these aircraft actually off the production lines out into the mission in behalf of both of our countries they are designed to serve.

During the January recess, Mr. President, I had the privilege of visiting a number of countries in Asia and specifically I visited with the Prime Minister of Singapore, Lee Kuan Yew. Lee Kuan Yew and the distinguished President of South Korea, President Roh, both made the same point in a very eloquent way, as did, to a lesser extent, the Prime Minister of Malaysia and Foreign Minister of Thailand. They simply said the presence of the United States of America in the Far East is of the essence if we are going to continue to have the prosperity to which we have become accustomed and if we are going to have military and political security. The United States is the umbrella, it is the glue factor, it is the essential.

They made the point that they are watching carefully our negotiations that will commence this year on bases in the Philipppines and our presence there, which is very important to all of the countries that I have named, in addition to our friends in the Philippines. They are hopeful that the Philippines and the United States will come to an agreement that will make it possible for us to be a presence in that area for some time. They are hopeful that we will continue to fulfill our obligations in Korea and in Japan with a physical presence.

But the point all of them wanted to make was that if, for various reasons, a breakdown of political understanding or simply fatigue on our part that, we are tired of offering the shield of liberty or being the glue factor in the situation—or lack of money, that we have a budget crises, that we need to move people back from countries in the forward lines back to the United States, maybe cut down the size of our Armed Forces altogether, undertake fewer obligations, whatever reason; and they fear any or all of these might be a scenario for the coming decade—they point out that for the moment, Japanese leadership wants the United States of America to provide this shield; Japanese leadership wants to have a limited cooperative role with the United States of America in the defense of these countries as well as of Japan in the Pacific.

Thoughtful Japanese do not want to proceed into a military route. Thoughtful Japanese—even though they are lectured by some folks in America frequently that they ought to do precisely what we are doing, namely, spend 5 percent of gross national product on defense—thoughtful Japanese and thoughtful Americans realize that 5 percent of the growing Japanese GNP would translate into a military juggernaut of very great significance that would change the balances of world military understanding very considerably.

(Mr. BRYAN assumed the Chair.)

Mr. LUGAR. Mr. President, this is one of these cases where if you get your wish, you may want to wish that you get it back again. Out of pique, out of frustration, out of our own financial difficulties, we demand the Japanese do this or that when, in fact, in a sober light we really do not want that to occur, nor does Japanese leadership want that to occur.

The point that I try to make, Mr. President, is that if we move off from the Japanese at this point in history and if, for various reasons, we begin to decide to leave Asia and to say others really need to take care of this situation—burden sharing means just that, we are dropping the load—leaders in Asia say, Mr. President, the Japanese will have to assume that load. They may do so reluctantly, but they will do so. And they have the wherewithall to do so.

At that point it will not be just the independent development of a fighter aircraft on their own. It will be the development of whatever else seems to be appropriate for that defense as leadership, as it evolves, sees that.

I would just say distinguished leaders of other countries in Asia ask the United States, plead with the United States, do not send us back through that wringer of history, at a time in which all parties really would wish to cooperate, would wish in fact to work together as we have a wonderful option of doing so presently.

Our option finally comes down to this, Mr. President. We can stay with our Japanese friends and the FSX offers a good moment in history to make that determination. We can work together as technicians, as coproducers, as people who find out how the mission is to be performed: Joint production, at least 40 percent right here is the United States of America, all of the fruits of the research whatever they may be, and we will come to the end of this century still working with the Japanese together with an American presence, technically, physically in the picture. I believe that would be safer for Japan. I thiunk it will be safer for the United States of America. I think it will be safer for the world.

We could, at this point in our history, out of our anxiety and frustration with the Japanese, say the FSX deal is not a big thing but it offers a moment for us simply to cry in despair that we are tired of the relationship, we think it is going badly, it is going against us. And, in a signal vote, we just want to speak out, send a shot across the bow, of our frustration and our pique. We could do that, Mr. President, but it would be a bad mistake historically. It would be a very terrible mistake in terms of the history of our country.

I am hopeful as this debate evolves, Members will weigh in the balance these important historical relationships and our role in the Pacific, our role in history, our relationship with the Japanese, and will appreciate no agreement is perfection, no agreement is tied down on all four corners. But this is a good agreement for the United States of America, just on its face. It is a vital one in terms of the relationship and the fact that we must not let the drift occur now.

Once that boat leaves the shore, it may be very difficult to recall and there is no need for the separation, as I see it. Mr. President, in due course I will speak more to the issue but for the moment I yield the floor to my colleague.

The PRESIDING OFFICER. The Senator from North Carolina is recognized.

Mr. SANFORD. I have enjoyed very much the debate of my distinguished colleague, a man whom I have admired for many, many years and I am pleased to be serving with him in the U.S. Senate.

I do not disagree with anything that he has put into the RECORD as part of the presentation of the view that we ought to go forward. I agree with virtually every part of that argument I think, however, there is a far more profound question, a far more profound argument.

I remember, in the Hamlet Railroad switchyards, a question of whether to put this additional few boxcars on a train or not took up a great deal of argument, until computers made the answer more obvious. But the answer is not whether to put another boxcar on. The answer really is what switch to throw. Because it seems to me that the profound question is not what we ought to do in this particular instance, but what we ought to be doing in our overall relationship with a very valued ally.

The distinguished Senator almost threw me off course about what I wanted to talk about, because he raised a question that causes me great fear. It does not have to do with just Japan, but it has to do with our deficit, our debt and our inability to face the problem. He said it does not make any difference whether we have a $100 billion deficit or a $150 billion deficit, we will have to sell bonds. And he quite properly pointed out that the people who buy those bonds can put us in economic jeopardy at almost any point.

We simply have placed ourselves in the vulnerable position that we have to rely on the good will of investors from all over the world. And if those investors get out of sorts with us, if, for example, we do not go along with

building a fighter plane with them, if they feel they do not want to support our bonds, this kind of debt exposes ourselves to added jeopardy.

What I would like to say to the Senator, before I go forward with the discussion under debate, is that I have a little piece of legislation called S. 101. It would give us an honest budget. It is a start toward the reduction of the debt. I point out that the budget we finished yesterday afternoon does not have a $100 billion deficit that might jump to $150 billion. It has in there, in figures, in hard, cold numbers, a deficit of $264 billion, approved by Congress.

We will not have to sell bonds for the $100 billion or $150 billion deficit. We will have to sell bonds next year for a $264 billion deficit.

So, as we look at this minor problem, minor in comparison with our great problems, we have to bring our deficit under control if we are going to deal with any trading partner, and we do not want to find ourselves at the mercy of forces that we cannot bring under control.

But I want to go now to this particular matter.

Mr. LUGAR. Would the Senator yield just for a short comment?

Mr. SANFORD. Certainly.

Mr. LUGAR. I appreciate the Senator's indulgence. Obviously, the Senator is correct, if we have these mountainous deficits and the potential there for others to buy our assets, whether our bonds or factories or what have you, we are in growing jeopardy.

I agree with that entirely and I praise the Senator, whether his bill goes forward or something comparable, that we will get a handle on that.

But I agree what we are discussing here is very, very small in comparison because others will be calling the tune. But I trust in a bipartisan way the Senator's wisdom and his leadership will be helpful in reducing this liability, so we finally come down to a level lie on the deficit and can argue, then, about defense and strategy.

Mr. SANFORD. I knew the Senator was on the side of that particular need in this Nation, and I look forward to working with him.

Mr. President, as I said in my opening sentence, this question we are talking about is far more profound than whether we want to go forward with a particular kind of weapons system. It is an agreement that we are probably going to have, no matter how this body votes. And it is an agreement that probably is sloppy.

But it would not make any difference to me, whether it was sloppy or not, in terms of whether or not we ought to pursue this course. I think there are some very profound reasons that we should not.

Let me lay the groundwork for my own biases and prejudices and points of view. I happen to have participated over the years as Governor and later counseled other Governors and people in North Carolina, to welcome Japanese industry, not only to welcome Japanese industry but to speak to Japan and say: See how you could improve your business if you were in North Carolina.

So, we have a great many Japanese industries in North Carolina, and these industries contribute a great deal to the economy.

We certainly should, under no circumstances in this country—we settled that 100 years ago—let prejudice enter into our thoughts in our public affairs, or even personal dealings, this is an economic matter.

I look at it from a point of view of world economy, and I think that is the way we need to look at our relationship with Japan. We are looking at it because of a particular decision that needs to be made now. But we need to look at this particular decision in the broader sense of our future with Japan.

There have just recently been published three very excellent books aimed at this particular point, where are we going? One is by Karel van Wolferen, a Dutchman, "The Enigma of Japanese Power." Another is written by Chalmers Johnson, "MITI, the Organization of Trade, the Ministry of Trade, and the Japanese Miracle," And the third is written by James Fallows, entitled "Containing Japan."

Throughout my statement I will be citing these works.

James Fallows is the Washington editor of the Atlantic Monthly. He is a Rhodes scholar, a thoughtful person, and an excellent writer. His book was partially summarized by him in the May edition of the Atlantic Monthly. I am satisfied the Senator has doubtless read it and a great many other people have begun to read it, look at it, about the points raised in these three approaches.

I want to summarize a few of his arguments and then, Mr. President, I want this Atlantic Monthly article printed in the RECORD.

Fallows makes this point, first of all, the Japanese-American relationship is unlike our relationship with Great Britain or with Canada or with Germany or any other European countries. Japanese-American relationships, he says, have a fragile walking-on-eggs quality, which makes people think that it is dangerous to talk frankly in public about this relationship.

He writes that the American fraternity of Japan handlers, which includes most diplomats and a number of businessmen, scholars, and journalists, instinctively stifles outright complaints about Japan; we do not want to offend them. We are so afraid that something will happen to this relationship. This indicates that maybe we are not quite as confident as we ought to be about the solidarity of our relationship with Japan. But we must have that kind of solidarity; we must have that kind of willingness to be candid and frank.

He points out, I think, very accurately, excessive politeness prevents Japan and the United States from facing the conflict that in the long run endangers their relations much more than the comments of any bigoted Japan-bashers could, and I think that is true.

There is not any question, as pointed out here, that in the foreseeable future Japan will be America's single-most valuable partner—it is now—because of what it can do in three areas. First is the military. The United States-Japan military understanding is that Japan will not build a big military establishment; that it will leave the Pacific to the United States. This prevents an arms race throughout Asia in which all other countries would try to defend themselves from the Japanese, as the Senator pointed out. We do not want that. They do not want that. Nobody in that area wants that. It violates the agreement we had at the end of the war. And so this is one of the areas where we are cooperating and need to continue to cooperate.

The second area is finance. Japan has become America's financier, providing investment capital and covering much of the United States Government's debt.

And the third area is business. Japanese-American business relations provide technology, markets, talent, supplies, and other essential elements to the benefit of both nations' economies.

So as Fallows now says, these three realities tempt many people, especially American diplomats, to assume a fourth; that Japanese and American interests do not clash in any fundamental way.

He writes what I think is obvious, that this assumption is wrong. There is a basic conflict between Japanese and American interests, notwithstanding is the fact that each country needs the other, notwithstanding is the fact that we are friends indeed.

So, it would be better to face this difference directly than to pretend it does not exist. The conflict arises, as Fallows and several others point out, because of Japan's inability or unwillingness to restrain the one-sided and constructive expansion of its economic power.

The expansion is one-sided because Japanese business does to other countries, including the United States, what Japan will not permit to be done to itself. It is destructive because it will lead to exactly the kind of isolation and ostracism that Japan feels

and fears, because it will recognize the postwar system of free trade that made Japan and many other nations prosperous, and because it will ultimately make the United States-Japanese partnership impossible to sustain.

The Japanese, of course, do not want these results, and when Prime Minister Nakasone was in power, the Government attempted to look at this imbalance, what might be done about it, and how they might go about obtaining a better balance.

Unfortunately, the major threat to America's ability to pay the cost of leadership is Japan's uncontrolled, unbalanced economic growth. They know that and we know that, and to keep a world trade system going, the strongest powers must be willing to make certain sacrifices. One example is keeping Japanese markets open despite domestic political objectives, and they have not been able to do that. Japan's destructive habits are potentially more harmful to the rest of the world than America's bad habits are, and if Japan cannot restrain the excesses of its own economy, then the United States, to save its partnership with Japan, should impose limits from the outside.

Truly we should do it in a diplomatic way. Surely we should do it in a friendly, considerate, understanding way, but we need to help them save themselves save our relationship.

The same country that has the biggest cash surpluses and largest overseas investment in the world, also has the highest consumer prices, the highest proportion of unpaved roads among developed countries, the lowest per capita endowment of parks, sporting areas, and other public facilities. The Japanese life is, across the board, a lesser materially bountiful life.

"The Enigma of Japanese Power" by Wolferen says, "For what ultimate purpose do the Japanese deprive themselves of comfort and risk the enmity of the world?" His answer is that individual Japanese, rather than depriving themselves, are deprived by the country's major power centers, the big corporations and the Government regulators, which are always struggling to keep from losing ground to one another or to foreign competitors.

Chalmers Johnson, "MITI and The Japanese Miracle," points out that an equally obvious indication of imbalance involves trade statistics. Japan's trade is somewhat more balanced than it used to be, and he discusses at great length the effect of the yen and points out ultimately that they predicted by the time the dollar got down to 190 yen, the trade deficit would have disappeared.

The dollar crashed through the 190 level more than 3 years ago and spent most of the past year in the 120's, yet, Japan still has the largest trade surpluses in the world.

In fact, this concept of the high yen has not worked out at all. Japanese companies cut costs and hold down their retail prices to be competitive in the United States, and at the same time, not the Japanese people but the Japanese establishment, hold their prices up in Japan, despite savings on imported supplies, which in effect means penalizing the Japanese consumer to preserve the market share overseas. This is the pattern they call the "47th Street Photo Paradox," that you could buy Japanese products on 47th Street, sell them in Tokyo, and get rich. That is one factor that has kept the economy where it is.

I am going to put this entire article in the RECORD because I think it is important for staff members and Members of Congress to have it available. It is certainly a book that ought to be read.

But an interesting parallel is spelled out here, and that is, the United States was very much in the same position, as Japan after World War II. We had it all. Everything we wanted to make, we could sell. We could have monopolized everything we wanted to monopolize. But what did the United States do that now Japan is not able or not willing to do? My suggestion is that they are willing but not able. What did the United States do? It readily, hurriedly, and deliberately opened its markets to imports. Through the use of the Marshall plan, it helped rebuild foreign factories so that they could produce something for Americans to buy.

In 1947, the United States trade surplus represented 4.5 percent of the GNP. This figure is comparable to Japan's surplus. By 1950, 3 years later, it had been driven down to ½ percent by our deliberate actions made for the good of ourselves, and the good of the world—the good of the world—but the point ought not be missed now, we are talking about for the good of Japan.

At that time it was regarded as a great accomplishment because it opened American markets. It gave Japan a break. It opened markets to Japan.

You will remember that at about that time, the Nakasone government released the Maekawa report, which concluded that they needed to take a step almost as dramatic as the Marshall plan. The report outlined a radical reorientation of Japan's economic structure. No longer would salaried men be admired for toiling 18 hours a day in order to expand Japan's market share. No longer would Japan's standard of living be so far out of line with its paper wealth, and no longer would Japan view its trade surplus as an indication of its superiority over the West.

Japan would then, the report suggested, take its place as a normal capitalist nation producing, but also consuming, and making some advanced products—this, I might emphasize, in response to the Senator—producing but also consuming, making some advanced products, but leaving others for competitors, no longer scrambling desperately to catch up with the West, which in so many ways it had already surpassed.

Well, this was announced, this new plan, by Haruo Maekawa, the former Bank of Japan governor who supervised the study. Everybody was cynical. The questions were, when will it start? Will it ever happen? That was the response, and that has been about all that has happened to it. Because as is pointed out in this article, the zoku—the politicians who support budget increases for their favorite agencies, the informal alliances of government bureaucracies and the military-industrial complex, are simply too influential. The construction zoku, the most lucrative group, protects the industry against foreign competition and divides up public money appropriated by part of the triangle of participants. The Ministry of Agriculture does its best to protect farmers and fishermen against any kind of imports.

They have begun a program of some foreign aid, as the Senator knows, but the difference is that they do it in zoku fashion. They attempt to tie it, so that the purchase orders come back to the complex in Japan. They attempt to relate it to their trade, to their benefit, and, at the same time, they are not really opening their markets. They have looked to us to provide them a lucrative market, as we all know. We provided it. They have not provided us a comparable market, even a relatively comparable market.

But they have done one other thing. We have had to absorb most of the products of the emerging countries around the world. Japan has not done it. We have done it. They have not opened their markets. They have not helped the developing world. I hope now, as I see some changes, that Japan is beginning to take a new look at how foreign aid can be properly expended, not for selfish gain but for the welfare of the country, which, indeed, is the welfare of Japan.

Now, what does this have to do with the particular direct question before us? I have other points to be made, but those points will be well made by this article in the RECORD.

The argument that I have laid out is to make a case for containing Japan's expansion. How do we make that case? What does this particular project have to do with it? Not a great deal, except it is one more indication that they want it all, that they need it all, that they intend to take and embrace all they can. They are not satisfied to let the United States continue to be the leader in the area of aeronautical engineering and construction. They are

unwilling to see that they have something to gain by helping others in their markets. We have done one thing, and I think we can do one more. It is not that large an event. We did pass a trade bill that does say to Japan that we now have the tools, you are going to have to open your markets to us, and you are also going to have to open your markets to the developing world.

That is what that trade bill says. For whatever shortcomings it might have, it is a strong bill that will help us help Japan. I return to the thrust of this article. Japan needs help. They tried to help. They cannot push past their establishment. They need some external force, so we have sent them a signal. They should have received that signal, and they did last fall. This is another signal. I see no reason for the United States to put Japan in a new industry that they ought not to be in to any appreciable extent.

We do not have the capacity to keep them out of it. But we have the capacity to say let us go back to a broad concept of how Japan can be a part of the industrial world, and how you look to the needs of the total economy instead of to the selfish gain of Japan, for the sake of Japan itself.

This is another signal, not a signal that we are worried about, and not a signal that we are afraid of. We should not be afraid of any country in terms of technology. But we have not gone about this in a way that says to Japan that you indeed have to open up your markets. You have to change. You cannot have it all.

I do not think that given this little event we should move in this direction. Once more it says to Japan do it any way, you want to; it will be all right. I think we should say to them we know there are many, many people in Japan who want the system changed and who want their own standard of living increased.

If we are the allies that I think we are, and if they are our allies as they think they are, then we have the obligation, I believe, to say the time has come for change, not because we are talking about one airplane project. We are talking about the whole style of doing business. We are talking about the profound relationship that affects the rest of the world. I think we should do something about it. I think it is an indication that we intend to do what we can to help Japan help itself, if we start by now saying, "wait a minute."

I think we can talk candidly about the needs, the shortcomings and the weaknesses of our great friendship. I think this is simply a small step that will not throw us off course if we go ahead and have the agreement. But whether we have the agreement or not, we should make it our policy to help Japan do what it should do in managing its own economy.

Thank you, Mr. President.

I yield the floor.

Mr. LUGAR addressed the Chair.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. LUGAR. Mr. President, I listened with great interest to the distinguished Senator from North Carolina. Certainly his mention of James Fallows' article and his book as well as the Senator's own experience, and interpretation makes a great deal of sense. I am particularly in agreement about the conclusion in the Fallow's book and article that Japan has simply not been able to control its economic power, and the Senator has indicated the FSX agreement we are debating on now is a small part of that problem, but nevertheless it offers us occasion to focus on this relationship, upon the friendship that we have with Japan, as a good friend, and our recognition of the problem that they have.

I say from my own experience that a number of Japanese leaders testified very eloquently on that very point. I recall a member of the Japanese Diet visiting the Senate and saying with a great deal of precision that the dilemma we have is a country that came after World War II with its assets devastated, a country demoralized, and we pulled ourselves up by the bootstraps. We continue to work, and we have never been able to stop.

Indeed, the Maekawa report that Senator SANFORD mentioned was a profound attempt to do something in Japan akin to the Marshall plan to try to change things substantially. Presently Japanese businesses stop for a few holidays. We are told that a significant percentage of Japanese no longer work all day Saturday, that a number of work practices that have been a part of the Japanese ethos before the case are being mooted, especially by young Japanese, people coming up through the schools, and colleges now coming into industry having a different point of view that addresses the question of the distinguished Senator from North Carolina. Why this preoccupation with export, with the material goods piling up all around but not enjoyed by a significant number of Japanese people? On this thought, I am stimulated by the reasoning of the distinguished Senator from North Carolina clearly. For most Japanese the prosperity that we see on the average is not a part of their lives. As the Senator from North Carolina pointed out, one reason it is not a part of their lives is that the structure of Japanese Government and business is to accumulate capital, and to export that capital much to the expense of consumers in Japan.

It has often been argued that if the Japanese ever developed a consumer movement like our own in which the Japanese people demanded a lower price for food for one thing, certainly a lower price for shelter and housing—the predicament for the normal Japanese family is to live in a very small situation that is very expensive, and to pay much more for food than is at all necessary.

A similar situation can be found in South Korea where there is no consumer movement in which a sense of the central government has decreed that saving must occur and saving occurs. It comes out of the hide of the living standards of the people involved. It comes from the development of exports, and in the building up of state power through those exports.

Mr. President, I have no quarrel with the dilemma in the relationship, and it is one that we should not walk on eggs with. We ought to be very candid. As you know, Mr. President, as we have opportunities to visit with members of the Diet as they visit the United States Senate or as Members of the Senate have occasion to visit in Japan, we need to be candid about these things. We need to discuss what the purpose of our governmental policies is, and how we might assume the responsibilities of world leadership that are ours and the strength of the alliance.

But I would have to say in terms of this limited debate on the FSX question, we get back to the admission that whatever occurs is only going to have a miniscule influence on the relationship on the money, and on the structure. I tried to make the point early on that by sticking with the Japanese aircraft industry, by codeveloping, by hanging in there for the next decade as opposed to splitting off at least in a small way, we begin to exercise a degree of control we should not have otherwise.

Even if one buys totally the argument of the distinguished Senator from North Carolina that essentially the Japanese need to have a good friend that says control yourself, that brings your power into bounds, use it productively for the world. Use it for your own people, for your own consumers. I question, Mr. President, who is going to be this good friend, who will be giving these points of advice, if not ourselves, and if not from the inside of the relationship?

Does the Senator from North Carolina really seriously suggest that we are going to have more control over the destiny of Japan and be listened to more seriously by the Japanese if we reject the FSX deal and, in essence, tell the Japanese to go ahead and build the plane, if you can, on your own terms, at your own speed, with your own technology; and in essence out of a fit of pique, we simply want to just say something to you, and we are saying, "goodby," with regard to the

FSX and the aircraft situation, and are hopeful that somehow they will get a message in that that would lead to any of the constructive intent that is part of the argument of the Senator from North Carolina.

I am inclined to believe, Mr. President, by far, a better course is to stay with Japanese friends, keep talking, keep sharing, to keep imbibing in each other's research with regard to this specific project, keep track of what is occurring in the Pacific with regard to defense and diplomatic objectives.

I would just say, Mr. President, I am certain that Japanese friends of the United States feel that way about it. I say that because over the last weekend, Senator BRADLEY, Senator KASSEBAUM, Senator ROCKEFELLER, and I had the privilege of visiting with five leaders of the Japanese Diet.

We talked about many issues. The FSX obviously was one of them, and we asked our Japanese friends, "In the event that this agreement should fail in the Senate or the House or be rejected by our Government, what would be the consequences, as perceived by Japanese leaders, of our rejection?" Well, the Japanese leaders said to us, and I quote not any one of the five, but the collective comments as I jotted them down from that conversation, that if the FSX does not pass the Congress and is not really ratified or stated—I suppose now in the parliamentary condition we are in, if the motion of rejection is not stopped, then this will terminate really the relationship with regard to the aircraft. There will be no business for the United States, no purchase of $2.5 billion worth of business, no sharing of the technology that is involved. In essence, the hopes of those who have a bent in Japan to go it alone will be realized.

Our Japanese friends said they were among those who argued in the Diet that friendship with the United States of America was the most important objective in this, not the development of a Japanese fighter aircraft, but friendship, solidarity with America.

Our friends from the Diet pointed out, at considerable political risk, that they had obtained an appropriation authority which terminated March 31 over very considerable objection from many in Japanese industry and those interested in the military, who said this is the time to break it off, go alone; but our friends in the Japanese Diet gained this appropriation. We could not affirm the agreement President Reagan made by March 31.

So once again, in a precarious way, friends in the Diet kept this in the budget and proceeded with the appropriation, because it would have died March 31, while we were still temporizing about whether an agreement made by President Reagan was still valid. So they kept it in the budget. That budget, as you have read, Mr. President, is a course of great controversy right now in the Diet, as a change in basic leadership is occurring in the Government of Japan. But even in this transition, our friends in Japan have affirmed the changes we wanted that Secretaries Baker and Mosbacher and Cheney and the President have said are needed to perfect this agreement, and the Prime Minister of Japan has affirmed that that will be fine with Japan, and they will go along with that situation.

Now, our friends from Japan also pointed out that the weapons industry in Japan is in a fledgling state of growth, very important for the friendship now with America, to shape how that is to work out in the destiny of Japan. No one knows. It is a source of debate within Japan, as to how they ought to proceed. And to adopt the language of the Senator from North Carolina from his previous speech, that sense of counsel, of advice, being there at least at a point which Japanese attitudes and policies are shaped, that is an important privilege for the United States. We are not going to be able to determine that.

We might say, Mr. President, that we believe the Japanese do not have control of their situation, but we are not going to be able to exercise that control. We are going to have to continue to argue, to advise, to reason, to try to point out the way we think the world works, to be persuasive.

Mr. President, I have great confidence in the ability of our country to do that. We have been persuasive in the basic objectives that we have fostered in this country for the building of democratic institutions, the movement toward market economics. These institutions have been perfected to a very great extent in Japan. They will be perfected some more, as well as a will to take a look at the broader picture of humanity in general. Mention has been made in this debate of our movement into the Marshall plan, at a time in which the United States, after World War II was dominant, 50 percent of the world GNP at that point, an unprecedented hegemony over resources.

In this body and the administration of that time under the bipartisan guidance of President Truman and Senator Arthur Vanderberg of Michigan, a number of bipartisan things came forward, but the Marshall plan was among them, and it was a very important decision. The Maekawa plan of the Japanese might have been a similar one, but as Senator SANFORD pointed out, its implementation has been weak, it barely moved along. All the Japanese friends believe we have not given credit for the movement that has occurred.

In the Marshall plan we came up against the fundamental question of our foreign policy, should we see the world expand, and will we be stronger if the world trade system does expand? Our answer was, yes, we will be stronger, if the rest of the world is stronger, as opposed to husbanding our half of more of the world's resources and saying to the rest of the world, develop if you can; do the best you can, but we are going to keep our 50 percent here.

Stories have pointed out, Mr. President, that because we made the decision for the Marshall plan, our wealth under a per capita basis, in real terms, for every American has increased by approximately four times since World War II; we have become four times as wealthy as we were than when we had half of everything, when now we have barely a quarter of everything.

Others are major players now. As they became major players, they became customers of ours; they became boosters of our industries, and they became part of our wealth. The world is now making a similar argument to Japan; we are making that argument to Japan. We are asking Japan, in the multinational assistance initiative in the Philippines, to make a very substantial contribution of resources, much larger than any we have pledged to make, or even suggested. We are saying to the Japanese that you can play a role in national and international security through your assistance to other countries, in which we both have an objective of helping.

And the Japanese by that agreement, as opposed to building up their military, they are building up their foreign assistance.

Senator SANFORD. is correct that most figures say that 30 percent of that foreign aid is directly tied, almost in barter arrangements, but very closely tied to industries in Japan for enhancement of business. But an increasing percentage is in the form of grants, in the form of development assistance to other countries so they can be stronger and thus better friends but also better customers, people who are more peaceful with regard to ourselves and Japan. That is an important thing.

And the Philippine example offers a forerunner of a good number of things we shall suggest to the Japanese with our experience with the Philippine MAI, which is that they are receptive.

It is in that context that I would argue once again that we need to stick with it, to stay with the Japanese in partnership as opposed to dismissing them to go alone.

The distinguished Senator from North Carolina said that we might be putting Japan in a new industry and it ought not to be with our help that they get there. Of course, my argument has been Japan is heading toward a new industry with or without

us. Conceivably our help might get them there a year or 2 or 5 before they would have gotten there, but I am not confident that is so in the next decade of time.

The growth of the Japanese in industries where they made a concerted push is often rapid.

Our question is simply: Given the fact they are headed there, do we want to be with them, have some degree of cooperation and control, friendship, expertise, interchange throughout the process so we come to the end of that decade still working together as opposed to a very, very strategic mistake, in my judgment, of seeing the Japanese aircraft industry develop all by itself and with no American insight and now a very competitive juggernaut without cooperation, control, or sharing any of the intelligence that was involved?

Finally, Mr. President, I would say that the trade bill that this body passed last year and the final outcome of the Congress with regard to trade is a very important piece of legislation. Even as we have this debate, the trade representative of our country and the offices of Mrs. Hills will be discussing whether Japan has in fact created situations in which the so-called super 301 clause ought to be invoked.

The super 301 clause as a part of the trade bill, and one of the more dramatic parts, simply tries to address are there specific grievances that need to be addressed by a country that is so large and so imbalances our relationship that we need to point them out. Those are the so-called super 301 list of countries that are egregiously out of balance.

Mr. President, even while we are discussing the FSX in cooperation, Mrs. Hills, our trade representative, has listed a long list of ways in which the United States is investigating where the Japanese stand, and we think they do not stand very tall in relationship in that long list that is now under scrutiny. I have no idea of predicting Mr. President, whether Japan will be on the super 301 list with a long list of practices that need to be remedied. But, if so, the trade bill says that we must work with Japan to eliminate those barriers to our exports or those nontariff barriers that are hidden or various other ways in which free and fair trade is controlled and that, in the event that cooperation does not occur over the period of time that is given, then further sanctions will be imposed.

That is part of the law. That is part of the context in which we are discussing the FSX.

This is no blind eye toward deficiencies in the relationship or toward specific malpractices as we perceive them in Japan.

We are heading down the road, Mr. President, during this month, toward those decisions and toward that public either recognition or criticism that is involved. But even in the face of all of that—and it is very important I come back again to this particular agreement as one that is critically important—I believe in the political military sense of our cooperation with a strong ally, with a country that is going to develop an aircraft industry, whether we like it or not, whether we are with it or not, and an agreement that gives us not only a share of the business, 2½ billion dollars' worth, but strong ties of relationships throughout all of this period of time in which there are going to be many other arguments going on with Japan, many other decisions that will be very, very tough to make with Japan. And this particular agreement offers us an avenue whatever is going on industry by industry to continue to pursue this technical and strategic cooperation that I believe is vital to our country and to our history with a very important country.

Mr. President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DIXON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DIXON. Mr. President, first, let me say that I consider it a distinct honor and a privilege to be involved in this debate with the distinguished senior Senator from Indiana who has over the years been an important Senator here and has made a profound contribution to our national interests by his exceptional service in the early to mid eighties as the chairman of the Foreign Relations Committee. He is a fine Senator and a thoughtful man and his point of view is always worthy of our consideration.

I say with every affection for him and with the highest personal regard for his ability and his service here that on this occasion I take exception to his view and find mine not only more acceptable, in my view, to the country as a whole but, in my view, in the best interest of the Nation. But we have this place to discuss these things. Thank God that we live in a great country where even in these matters where we from time to time express in a very passionate way our differences of opinion, we let the majority rule, and go about our business. And it is a great nation as a consequence of that experience, Mr. President.

Now, I want to make some comments. My dear friend and distinguished colleague, Senator FRITZ HOLLINGS of South Carolina, the other day made a speech about the proposed FSX fighter deal which I had an occasion to look at in the RECORD. He is a great Senator and one for whom I have always had the highest regard. I think he is a credit to our side.

He provided on this occasion some very eloquent remarks in the debate on the FSX deal being proposed by the administration. I think Senator HOLLINGS had some very persuasive arguments. Many of those arguments I would agree with, but I do not agree with my colleague in his conclusion that we should give our aerospace technology to the Japanese.

Many years ago, Mr. President, I heard a story about several Americans who were in the photography business, and they were touring a camera plant in Japan. It was a great factory, a very extensive factory, spotlessly clean. All the employees were hard at work, not at all distracted by the visiting Americans. One American kept asking to see the research department. "Later, later," the host kept saying.

As the tour was winding down, the American businessman repeated his request. He said, "Please let us see your research department."

"Very well," said the Japanese hosts. So they led the Americans down into the bowels of the basement. Far back in a tiny corner, almost in a closet, the Americans were shown the research department for this vast camera building complex. And there, in this little closet, sat a tiny, elderly, bewhiskered man in a spotless white smock, holding a pair of calipers in one hand and a German Leica camera in the other.

Now, this story is probably a little farfetched, Mr. President, but it illustrates the point I have been trying to make for weeks and months on our proposed giveaway of American technology to our friends, the Japanese, to build the FSX fighter plane. Because the Japanese researchers will dig out their calipers and copy our technology, technology which the American taxpayer has paid for at a cost, in the case of the F-16 airplane, of approximately $7 billion.

As the administration contemplates this giveaway, Mr. President, all I can think of is that damage of that Japanese researcher in the camera factory with the calipers in the one hand and the German Leica camera in the other.

In this new modern-day example, it will be high-tech scientific equipment on the one hand and American aerospace technology for free in the other.

No way you can cut it, Mr. President, is this, in my view, a good deal for the United States. It is a rotten deal. I think the Lexington newspaper is still correct: The "S" in FSX stands for "sucker."

Senator HOLLINGS talked about history, Mr. President. My good friend talked about American history and about Japanese history. And we must not forget history.

Let me recall what the history teachers used to teach us about Japan in our courses on world civilization, Mr. President. There was a very simple three-word phrase which described the Japanese philosophy of business and trade that has guided the Japanese approach to economic matters 40 or 50 years or more. Those words from my world civilization teacher are emblazened in my memory today. The words which describe the way the Japanese do business are these: adept, adopt, adapt.

Adept, adopt, adapt.

Those words were operative, descriptive, and vital to Japanese policy a half century ago. And nothing has changed, nothing, in the intervening decades. They are still at it and that is why they are so desperate to get our FSX technology. They are adept—adept—at creating a new industry when they choose to do so. They want to adopt our FSX technology and they will adapt that technology to their own needs.

Worse than that, however, they will adapt that technology in such a way that they will certainly create an entire new aerospace industry in Japan which will be in direct competition with ours here in America. It will be a repeat of the Japanese invasion of the American automobile industry. We are still reeling from that debacle, Mr. President. And this new Japanese enterprise, based on the principles of adept, adopt, adapt, may prove to be even more disastrous.

Why can my colleagues not see this disaster coming? It is so clear to me. My teacher from world civilization would understand what I am talking about. What does it take, I wonder, to get others to understand in this place?

I think the country understands. The mail, the phone calls, the participation on the radio and television call-in shows all over America show a passion beyond the understanding, I think, of the Senate; a forceful opposition to what the administration wants to do in this negotiated FSX deal.

Let us take a close look at several issues surrounding this proposed FSX agreement again. Proponents say that the F-16 has been coproduced in eight other countries since 1979 so why should not our Japanese allies do the same? Mr. President, coproduction is not the same as codevelopment. This is our first attempt at codevelopment of a fighter airplane with any other country in the world and are proposing to do it with the Japanese.

We will be helping our fiercest trading competitor build a top-notch aerospace industry and we will be creating a competitor, which is not the case with any of those other countries.

Just think of it. The other countries we have coproduction with, eight countries we have coproduction with, none of which will become a fierce competitor and now we want to go into codevelopment with the one country that is absolutely certain to be the fiercest competitor on the globe.

Proponents keep saying that the F-16 technology we are providing is old technology. But it is not old if you do not have it to begin with. And I want to say this about that technology once again: This F-16 aircraft is the finest fighting aircraft in the world. Fifty times in the world at large in hostile situations this F-16 aircraft has proven it is the best in the world because it has 50 kills without a loss.

In addition to that, in addition to getting battle-proven technology, this proposed deal will give the Japanese an ability that they do not now have: The knowledge to develop and to integrate a sophisticated military system.

Supporters of this deal say there are no commercial applications for this technology but the Japanese have other ideas. When Mitsubishi Heavy Industries, the prime FSX contractor, completed a production line of F-15's, they immediately began using many of the same technologies from that F-15, originally developed by McDonnell Douglas, in producing their own MU-300 Diamond commerical jet.

So they have done it before. The evidence is there.

According to a 1982 General Accounting Office report, the Japanese Ministry of International Trade and Industry believes there are commercial spinoffs from developing military aircraft.

Some aerospace observers claim that to remain competitive, firms need codevelopment programs to benefit from technological advances, to capture market shares and to cut development costs. Proponents say that we will not have access to new Japanese technology if this deal does not proceed. However, Japan entered into an agreement with the United States in 1983 that called for our access to their technology.

Besides, what known technology do they have to give us, Mr. President? Nothing, according to the General Accounting Office, which has recently reviewed the technologies that the Japanese have been touting. I want to get back to this again, this threadbare argument, Mr. President, this, I say, facetious argument, that we are going to get back something in return.

The administration embraces passionately the idea that we are going to get back two wonderful technologies: Composite wing technology and advanced radar technology. But the General Accounting Office in every hearing we have held has said that their composite wing technology is inferior to ours. We have been doing more with it for years. And the truth is, Mr. President, that many of our aircraft people are ahead in composite wing technology now.

To suggest that America will gain is not so. The best composite wing technology now known, the most advanced now known, and the only technology employed in flying aircraft in wings now, is American technology developed by Americans in American industry with American scientists and American working people.

The radar technology? The General Accounting Office says that their technology is about equivalent to our 1983 radar technology. And the proof of that is that they buy our AEGIS technology at great price.

The interesting point about that, Mr. President, is they buy the AEGIS, but they do not buy the ships.

My distinguished colleagues from Mississippi and Louisiana will be the first to tell you about that. My friend from Louisiana, I think I am right about this—my friend from Louisiana, the distinguished senior Senator from Louisiana, Senator BENNETT JOHNSTON was on this floor only within the last year, saying, essentially, on behalf of the people of Louisiana: You buy our best stuff, and you will not take the rest, you will not take the ship, you just want the AEGIS radar technology.

I supported him. Sadly he did not get many votes. But he was right. And that is just another example.

There are thousands of these examples.

Another argument is that the Japanese will go it alone or they will turn to the Europeans for assistance. Well, they probably would build their own aircraft if they could, but they have a poor track record in military aviation, Mr. President. Osamu Kaihara, and I hope Mr. Kaihara has had his name pronounced correctly by this Senator, a former Japan Defense Agency Defense Policy Bureau Director, has stated that Japan simply cannot develop FSX alone.

If the Japanese turn to the Europeans, which I think is highly unlikely, well, then, let the Europeans provide for Japan's defense. Let them open the Persian Gulf. Let them defend their island.

Mr. President, in the Subcommittee on Readiness, Sustainability and Support of the Senate Armed Services Committee that I have the honor of chairing every year, we authorized funding for all kinds of things in Japan, for quality of life and other things for our people over there, who are defending that nation.

Mr. President, this FSX issue is part of a much larger and complex economic and military relationship that we have with Japan. Until recently our military relationship with Japan has overshadowed our economic interests. But this cannot continue. We have a negative trade imbalance with the Japanese and last year they received

$55 billion more from us than we obtained from them; and this has been the pattern for years and we have lost hundreds of thousands of good paying jobs in the automobile industry and thousands more in high-technology industries such as the semiconductor and television industries. Clearly this cannot be sustained indefinitely.

(Mr. ROBB assumed the chair.)

Mr. DIXON. Why do they not buy it off the shelf? They say it is for their national defense; it will take them 6 or 7 years to get the FSX on line using our technology, and if they want to defend their island, they can get the F-16 off the shelf and defend themselves now. Why do they not do that?

At the same time, they reduce our trade imbalance with their country to the delight of Americans, the appreciation of Americans. They would accomplish a great deal to improve the attitudes that exist in these two nations. Just think of this, Mr. President: The world's largest debtor nation, the United States of America, is providing for the defense of the world's largest creditor, Japan. We have to address this balance. There is no better place to start than right now with the FSX.

I am talking about the commercial aspects of this deal, the economic aspects of this and my friend, Senator LUGAR, knows one of the great spokesmen on their side over the years who made a magnificient contribution in the trade bill that we passed, the distinguished senior Senator from Missouri. He has said to us, and we already knew it, that Commerce was not involved in the negotiating process at all until this administration came into power. What I am referring to here is this massive trade deficit, the fact that they have been eating our lunch for decades, eating our lunch, and yet we do not have Commerce in on the deal. Defense and State, the military-industrial complex. But Commerce was not involved. Commerce finally got a fingerprint on it after this administration came in January. I give them credit, and I give Secretary of Commerce, Secretary Mosbacher, and I give the International Trade Representative, and I give high marks to all the people there who were involved for differing with what had been done. If they had gotten us a deal you and I could live with, that would be great, but they did not. They did their best and muddled around the edges a little bit and did some cosmetic-type surgery, pulled in a wrinkle or two. Same bum deal. The "S" in FSX still stands for sucker.

Clyde Prestowitz wrote an article in the Chicago Tribune on May 5 analyzing the whole issue. It is in the RECORD for my colleagues and friends to look at. It says same deal; essentially the same deal.

Seven billion dollars' worth of technology that every American taxpayer paid for is being given to them for $400 million and nothing in return. Composite wing technology may flow back but we have better technology. Radar may flow back yet they have only 1983 level technology. They are buying our technology stuff. Boy, that is a deal. And then trying to sell the public that this is going to be a good deal because we get 40 percent of the value of the work.

I hope everybody understands, in the first place, the MOU, the memorandum of understanding only talks about a solid 40 percent on the first six planes built. On the rest there has to be a separate memorandum of understanding. They will say we will try to make it approximately 40 percent. Let me tell you something, there is no track record in the world to show they will keep their word on that. There is a Japanese newspaper article that says they are already trying to get out of that. Let me tell you when they got us a little bit pregnant with this deal with the building of the first six airplanes, we will take what we can get and thank them for it, and we will get nothing to speak of for it.

On the engines, the St. Louis Post Dispatch, a great newspaper in my part of the world—I come from Belleville, IL, Mr. President, right across the river, and I read that newspaper—it said in an editorial, well, it will probably be all right if we can get the engines. The first six engines are either going to be Pratt & Whitney or General Electric engines. After that there is nothing in this current understanding that spells out what will happen with the engines during co-production. But you can bet we will share the production of those engines.

I cannot remember the name of my favorite town in New Jersey. "Persippanus"? That is not the name of the town and it is not parsimonius either. I know what parsimonius is. I wish my friend, Senator LAUTENBERG, from New Jersey was here. That nice little town of 30,000 to 40,000 in New Jersey. Parsippany. Parsippany, NJ. A town of 30,000 or 40,000 people. They have a company what makes prepreg. The President might have been in the Chair when we talked about that town yesterday.

I wonder if my dear colleague fishes from time to time because with prepreg you can make fishing rods. I confess to playing a little golf, not as good as the Vice President and not as good as the distinguished chairman of the Armed Services Committee, but I play some golf from time to time, and they make golf shafts. They also make composite material that goes into the F-16 airplane.

I do not understand it fully, Mr. President, and I do not mean to imply that I do. But these good folks in that fine town in New Jersey work for a company that makes a fine American product for the F-16 American fighting airplane, the finest fighting aircraft in the world. But will that company make it now? No.

The New York Times of May 10, 1989, says that Mitsubishi has already told them they will not be involved in the production of parts for the FSX because the Japanese are going to have one of their conglomerates make it. The Japanese have not made it very well up until now, but now they are going to learn how since they will have our F-16. Mr. President, U.S. jobs are being lost on this deal.

Mr. President, we should scrap this deal. We should return to the negotiating table with the same high level resolve that we showed in persuading Israel not to build the Lavi fighter aircraft. If we do not, Mr. President, a tiny, elderly and bewhiskered man with calipers and camera in hand will be waiting in the research department to eat our lunch once more.

Here is the only other codevelopment we ever talked about. Our friends, the Israelis. Who are better friends of ours than the Israelis? I do not care if you disagree with everything they have ever done. That is not the issue. As friends come and as friends go, you show me two other countries in the world, other than Israel and the United Kingdom, that stand with us when it is tough. Man, they are there on the days when you have to put up the chips and bet it all; they are there. They do not say you cannot bring your nuclear ship into our port. They do not say you cannot fly your airplane through our air space. No, sir; they say, "When do you want to get down there and grovel? We are with you." But when they wanted to codevelop a fighter with us, we could not let them.

These are articles I am going to print in the RECORD: "U.S. Steps Up Efforts To Get Israel to Scrap Jet Project." "U.S. Jolted By Israeli Vote Urges Warplanes Cancellation." "Controversial Israeli Jet Inferior to U.S. Aircraft, Weinberger Says." "U.S. Pressing Israelis To Drop Costly Jet Effort." And, finally, we won. Poor little Israel. What were they going to do? We just beat on them and beat on them, and they said, "OK, give up." So, "Israelis Will Scrap Costly Warplane Project."

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Washington Post, Aug. 11, 1987]

U.S. IS PRESSING ISRAELIS TO DROP COSTLY JET EFFORT

(By Michael R. Gordon)

WASHINGTON, August 11.—The United States urged Israel today to scrap its costly program to produce a new jet fighter known as the Lavi.

The American statement came as the Israeli Cabinet neared a decision on the fate of the fighter, which has been under devel-

opment primarily with American financial aid.

The jet has proved considerably more costly than Israel had estimated.

"Given the budgetary realities we and Israel face, we believe a decision by Israel to terminate the Lavi would be in the interest of both our countries," the State Department spokesman, Charles E. Redman, said.

HALF A BILLION YEARLY FOR PLANE

The United States has already contributed about $1.5 billion toward the plane, which is being built in Israel with the participation of American companies.

Officials here contend that the program is too expensive and should be abandoned so Israel can spend its funds on other weapons.

[From the Los Angeles Times, Feb. 19, 1987]

CONTROVERSIAL ISRAELI JET INFERIOR TO U.S. AIRCRAFT, WEINBERGER SAYS

WASHINGTON.—A congressional agency reports it will cost Israel $1 billion a year beginning in 1990 to produce the Lavi fighter-bomber, sources said Wednesday, and Defense Secretary Caspar W. Weinberger termed the plane inferior to U.S. aircraft.

The report by the General Accounting Office, the investigative arm of Congress, supported Pentagon assertions that Israeli expenditures on the F-16 look-alike will consume too much of the $1.8 billion in U.S. military aid granted annually, leaving little for other major weapons purchasers, the sources said.

Israel is on the verge of deciding whether to proceed with production of the Lavi jet, which it estimated would cost $550 million a year to build. One source said the GAO report "might have some effect" on its decision.

ENTIRELY THEIR BUSINESS

Testifying before the House Foreign Affairs Committee, Weinberger for the first time publicly criticized the Lavi and Israel's plans to manufacture it, saying U.S. military aid to the Jewish state could be put to better use.

"If the Israelis wish to build an airplane that's inferior to the one they've already bought from us, that's entirely their business," he said. "We don't think they should use United States military assistance funds that are designed to strengthen their military in ways that will not strengthen their military."

Israel has bought U.S.-built F-15 and F-16 fighters.

The unclassified GAO report was requested in June by Rep. Lee H. Hamilton (D-Ind.), chairman of a House Foreign Affairs subcommittee.

Sources said he is holding up its release until Monday because of Israeli Prime Minister Yitzhak Shamir's visit to Washington this week. Shamir is to meet today with Weinberger. A subcommittee staff member declined to say why the report was being withheld.

ISRAEL'S COST ESTIMATE

The government-owned Israel Aircraft Industries seeks to build 300 Lavis for the Israeli air force and estimated that each plane would cost $15.5 million. A Pentagon analysis put the cost at $22.1 million. The GAO said it would be $17.8 million, sources said.

"We think the GAO figures are wrong and ours are right," Weinberger told the House panel. It is "just too expensive an airplane."

Further, the report said that annual costs for the plane would reach $1 billion in 1990 and increase to $1.4 billion by the year 2000, the sources said, confirming figures that first appeared in Defense Week, an industry newsletter.

[From the Washington Post, Aug. 12, 1987]

U.S. JOLTED BY ISRAELI VOTE, URGES WARPLANE'S CANCELLATION

The Reagan administration, jolted by an Israeli parliamentary vote backing the Lavi warplane, yesterday urged the Jerusalem government to cancel the controversial aircraft, which has become so expensive that it cannot be financed without crimping other vital Israeli defense projects.

Although U.S. criticism of Israel's plan to design and produce its own high-performance warplane is not new, recent developments in Washington and Jerusalem seem to be pointing toward a rare confrontation between the United States and its closest Mideast ally.

Almost all the money for the project comes from the United States in the form of military aid. About $1.5 billion has been spent so far and, according to the latest estimates, the production of 300 Lavis would cost the American taxpayer $2.5 billion more than the tab for supplying Israel with the same number of U.S.-produced F16 jets.

On Sunday, the Israeli Knesset endorsed the plan. Although the parliamentary action is not binding, the 20-to-6 vote with three abstentions increased prospects for the project in advance of the Cabinet's decision, which is expected Sunday, on whether to continue or scrap the airplane.

[From the Christian Science Monitor, Jan. 9, 1987]

U.S. STEPS UP EFFORTS TO GET ISRAEL TO SCRAP JET PROJECT

(By Mary Curtius)

TEL AVIV.—The war between Israel and the United States over the future of Israel's multi-billion dollar Lavi jet-fighter project has escalated, only days after the first Lavi prototype's maiden flight.

In the past year, the Reagan administration has stepped up criticism of the Lavi and is now publicly pressuring Israel to abandon the costly project. On a just-ended visit to Israel, a US Defense Department team offered Israel what it said were several less costly alternatives.

American officials here admit that their battle to woo Israel from the Lavi is an uphill one, acknowledging a reluctance of any Israeli government to take the politically explosive decision to end the plane's development.

Killing the project would throw thousands of technicians out of work—in a nation extremely sensitive to unemployment and already suffering from a brain drain. The Lavi's supporters include its producer, Israel Aircraft Industries, Israel's largest single employer.

The project also is defended by Prime Minister Yitzhak Shamir and Foreign Minister Shimon Peres, both of whom have described it as a "national project."

Not only is the project vital to Israel's defense and technological advancement, its backers say, but its completion is inexptricably linked to national pride. Mr. Peres has likened Israel's pursuit of the project to the US's exploration of space.

Israel began developing the Lavi in 1974 and hopes to start producing it in 1992. More than $1.2 billion—most of it in US aid—has so far been spent on the state-of-the-art fighter plane. The annual $550 million development costs come out of US military grants to Israel.

Critics note that the Lavi's Dec. 31 maiden flight was three months behind schedule. But even they say that bringing a prototype of such a sophisticated jet to the test-flight stage is impressive. The plane made a second test flight Thursday.

[From the Washington Times]

ISRAELIS WILL SCRAP COSTLY WARPLANE PROJECT

(By Andrew Meisels)

JERUSALEM.—The Israeli government decided yesterday to give up development and production of the Lavi warplane—the most ambitious and the most expensive project in the nation's history.

In its place, the government accepted a U.S. proposal for co-production of the American F-16. And it vowed to press for an Israeli role in the development and production of an advanced F-16, dubbed "Agile Falcon."

The United States has promised to consider the issue. Israel wants a role in the project to keep its aeronautical technology at a high level.

An Israeli government source said that since Israel had given in to Washington's repeated calls for scrapping the Lavi, it expects a "sympathetic hearing" when the matter of cooperation on Agile Falcon comes up in talks between Israeli and American defense specialists next month.

Dov S. Zakheim, former deputy under-secretary of defense for planning and resources, who led the Pentagon's study team on the Lavi project last year, said: "This is a courageous decision by the Israeli government. It was in Israel's national security interest to do what it did. And there are no losers, only winners."

The government decision to ground the Lavi was reached by the slightest possible margin. Health Minister Shoshanna Arbelli-Almozlino, a supporter of the Lavi, came under intense pressure from her Labor Party to change her vote.

She gave in and abstained, thus bringing the Lavi down by a vote of 12 to 11. Immediately after the vote, Mrs. Arbelli-Almozlino ran from the government meeting and burst into tears.

One source said: "[Prime Minister Yitzhak] Shamir thought he had the votes [to keep the project going], but he miscalculated."

Minister without Portfolio Moshe Arens of the Likud, himself an aeronautical engineer and considered by many the "father" of the Lavi project, announced that he would resign.

"I cannot be a partner to this tragic decision," the U.S.-educated Mr. Arens, a former defense minister and former Israeli ambassador to Washington, told his fellow ministers. "It would be a betrayal of what I believe."

Likud ministers, headed by Prime Minister Shamir, immediately began trying to convince Mr. Arens not to leave the government.

When the government decision to scrap the Lavi became known, workers at the Israel Aircraft Industries (IAI) in Lod streamed out of the plant and blocked the highway in a spontaneous demonstration of their fury.

Leaders of the IAI works committee talked the workers into ending the demonstration, but they said they "could not be responsible" for what the workers might do

in the future. And they said organized protests against the decision would be stepped up.

Thousands of IAI employees will lose their jobs as the result of the decision. The works committee says 5,000 will be fired, the government says about 2,000.

The government said $100 million a year will be invested in IAI, to continue developing avionic systems and for other defense projects.

To date, $1.5 billion has been spent on the Lavi project, which has been plagued by massive cost overruns. The project has eaten up a good part of the $1.8 billion in annual U.S. military aid to this country.

The Reagan administration has been urging Israel to abandon the project, warning that it would not increase its aid in order to fund the Lavi.

On the eve of yesterday's government meeting, U.S. Ambassador Thomas Pickering circulated a letter from the administration among top Israeli ministers, again calling on them to give up the Lavi.

In a 10-point memorandum, Mr. Pickering promised that Washington would help Israel enhance its existing research and development infrastructure. It offered to continue helping Israel finance test flights of the Lavi prototype to develop avionic systems.

The memorandum offered to let Israel convert up to $400 million of U.S. aid into Israeli shekels for use in the local development of weapons systems other than the Lavi, and to cover the costs of cancelling the project.

Mr. DIXON. Mr. President, Japan is the only country in the world that will come away from the negotiation table with us 100 percent of the time with 100 percent of what was on the table. Absolutely without fail. It is a remarkable thing, absolutely remarkable.

Mr. President, this great debate is going on at a time when we are about to look at what has happened under super-301. Here is a partial list, only a partial list—this is not all of it—of Japanese products that may be subjected to higher tariffs and duty increases because, through either subsidization or dumping, they violate trade agreements the Japanese made with the United States. Telecommunications switching apparatus; telephone sets; cellular phones; telephonic equipment—parts, modems, datasets; telephone answering machines; third-party radio transceivers and parts; radio-paging receivers; optical fibers and cables; large-size flat panel display screens; communication satellites; satellite signal apparatus; other telephonic apparatus; and parts relating to all of the above. Semiconductor manufacturing equipment and parts—microlithography, automatic test equipment, assembly equipment; semiconductors. Oh, boy, did we get a deal in semiconductors with them one time. Was that not a honey. That was a deal. They were going to give us 20 percent of the market; only after they had the deal, they even denied they had a deal. We really got hoodwinked on that one. That was a beauty there, semiconductors. That was a honey.

Aluminum nitride powders and fabricated components; high-frequency quartz crystals, cosmetics; certain high-speed photocopiers; minivans. Security alarm systems, burglar; radar detectors for motor vehicles. Tron-based equipment and softwear; and parts for all of the above.

And that's just part of the list. I did not have time to copy a whole lot. The list I just read from is about an inch thick.

I guess we might as well give them the commercial aircraft and aerospace industry too, Mr. President. It is all we have left. It is all we have left.

Allow me to read a letter to me dated today from House Members of both political persuasions.

DEAR SENATOR DIXON: We are writing to you to express our strong support for your resolution of disapproval of the FSX fighter aircraft agreement between the United States and Japan.

Despite the negotiated modifications made to the original agreement, we continue to have serious objections to the FSX agreement in principle, and to the specific agreement itself.

The FSX agreement should never have been signed. It is a bad deal from many standpoints, especially trade and technology transfer. The United States leads the world in the aerospace industry. We made the best planes at the best price. The Japanese have often said that if the U.S. would only make competitive products, we would be able to sell in their market.

Do you remember them saying that? Oh, if the United States would only make a competitive product, we would buy it.

How many thousand times have I heard them say it. "The reason your products can't get in here is you don't make a better product at a cheaper price than us." Yet the F-16 is a better product at a cheaper price—$30 million an airplane cheaper—and they do not want it.

Yet they refuse to purchase our F-16s off the shelf.

It is in both our countries' interests to overturn this agreement. Last year, the United States suffered a trade deficit with Japan of more than $50 billion. If the Japanese are serious about addressing this trade imbalance, there would be no better way to make a dent in this deficit than by purchasing our planes.

The Japanese have targeted the aerospace industry as their next field of international conquest, just as in previous years they targeted automobiles, consumer electronics, and semiconductors. The FSX deal facilitates their entry into the sector, and hastens the day when our dominance and huge trade surplus in aerospace vanishes like it has in these other sectors.

We stand ready to work with you in any way possible to pass the resolution of disapproval of the FSX deal.

Yours very truly.

This letter is signed by 61 Members of the House.

I ask unanimous consent to print it in the RECORD, Mr. President.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

COSIGNERS OF MAY 12, 1989, LETTER TO SENATOR ALAN J. DIXON

Richard A. Gephardt, Mel Levine, Martin Lancaster, Pat Williams, Lane Evans, Dan Glickman, Jim Traficant, William Ford, Terry Bruce, Tim Johnson, William Lipinski, Bob Torricelli, Claude Harris, Dennis Eckart, Bruce Morrison, Sandy Levin, Tony Coelho, Ed Jenkins, Ronnie Flippo, Greg Laughlin, Marvin Leath, David Bonior, Norman Mineta, Brian Donnelly, John Bryant, Jimmy Hayes, Bill Richardson, Mike Synar, Marcy Kaptur, Dave Obey, Duncan Hunter.

Helen Delich Bentley, Bob Carr, Jerry Costello, Jim Bilbray, Tom Lewis, Craig Jones, Richard Neal, Tom Luken, George Sangmeister, Nick Rahall, Jim Jontz, Michael McNulty, Dan Burton, Frank Guarini, Dennis Hertel, Bill Whittaker, Glenn English, Sam Gibbons, Roy Dyson, Dick Durbin, Don Pease, Henry Waxman, Jim Florio, Bob Wise, Carl Perkins, Jim Bates, Mike Espy, Charlie Rose, Bill Hughes, John Dingell.

I am going to conclude for a minute, because one of the people I love around this place is the great, kind judge in Alabama who served with such marvelous distinction on the supreme court in the sovereign State of Alabama, and who I know is going to bless us with his knowledge about some subject matter. I do not know what it is, but whatever it is, when he has completed his statement, each of our minds will be more enlarged by the views he will express.

I yield the floor.

Mr. DIXON addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Illinois [Mr. DIXON].

Mr. DIXON. Mr. President, I think others are prepared to come over here to be involved in the debate. We had an indication that Senator D'AMATO would be here about 1 o'clock.

If there are any other Senators who care to come over here, I would urge them to come over in this window of opportunity that exists right now until 1 o'clock, because I think the distinguished senior Senator from Indiana and the Senator from Illinois have been venting their spleen, unless you have something else you would like to say, Senator.

The PRESIDING OFFICER. The Chair recognizes the Senator from Indiana [Mr. LUGAR].

Mr. LUGAR. I would join my colleague in inviting the Senators to come to the floor. This is a good opportunity. As the Chair is aware, attempts are being made by the leadership to see if the agreement can come to vote on Tuesday, so there will be additional opportunities to debate the issue on Tuesday. But those opportunities are certainly abundant today, as the Chair would observe.

I would like to take this moment, while we are awaiting the presence of

other Senators, to respond to the eloquence of my colleague from Illinois.

Senator DIXON essentially said the Japanese refused to buy the F-16 off the shelf, refused to help out our balance-of-payments problem in that way, which, obviously, if they made that purchase, they could evidence the good faith in that way. In other words, they refused to make a dent in this huge $55 billion deficit we have with the Japanese.

Mr. President, I think we just have to repeat the thought that the Japanese do not want the F-16. We wish that they did. We attempted to sell the F-16 to the Japanese. This is not their requirement. They are looking for an aircraft to be utilized in the year 1999 or thereafter, which meets the objective of patroling a thousand miles off the Japanese shore and has other aspects that are useful to the United States in our alliance with Japan, in addition to being useful to Japan's own defense mission. The F-16, in their judgment, does not fulfill those requirements.

Furthermore, the Japanese believe that after coproduction and the discoveries of the coming decade, they will have a better aircraft, 10 years from now, than the F-16 technology, which is a remarkable aircraft, but simply not the one that they want to buy. We can continue to argue here that whether they want the aircraft or not, whether it fits their requirements, whether it really is the best defense for Japan and the United States, they ought to buy it, and that this simply is an act of good faith in giving us the business; but that is not persuasive to the Japanese or really very logical to most Americans.

I simply say, Mr. President, that the Japanese do not want the F-16, which is about 2½ billion dollars worth of business. That is the point I think the Senator from Illinois is making. They do want to buy 2½ billion dollars worth of the FSX.

In terms of the dent in the balance of payments, there is no difference in the two deals. I think that is simply important for all Americans to recognize. We are going to get 2.5 billion dollars worth of business; and it will not be the F-16; it will be the FSX, an aircraft the Japanese want. We may find it useful to help coproduce for our own military benefits and our own intelligence.

I suggest that my distinguished colleague from Illinois, when he states that in absolute terms, he said "Absolutely, without fail when we negotiate with the Japanese, they take away 100 percent every time, everything." The Senator makes the point that the Japanese have been good negotiators. Perhaps we should have been better. But I mention, Mr. President, in this particular deal, I believe our negotiators have done very well. We started from the point at which the Japanese did not want to discuss the issue at all. They wanted to build the plane. We have come to a point at which we have insisted that we discuss it. We have insisted that we coproduce it. We have insisted they give us 2.5 billion dollars worth of business, as opposed to zero. We have insisted that we share in all of the technology that they have now in this regard, the fighter aircraft, and everything that will come. I think we have negotiated well.

The Senator from Illinois has paid tribute to the incumbent Secretary of Commerce, Mr. Mosbacher and indicated that he has come into the debate, had made a useful contribution, and I would affirm that. I would say that Mr. Mosbacher and Mr. Eagleburger and Mr. Cheney as they appeared before the Foreign Relations Committee, all said that none of them had any part of the negotiation of this in the last administration. They really had no advocacy for this at all. They came to the agreement. They have made a difference in the agreement. They believe that the agreement is in the best interest of the United States of America, quite apart from the importance of the United States-Japanese relationship.

They do not approach it from the standpoint that these three Secretaries of Commerce, State, and Defense, gave away the store, 100 percent of everything. They did not lose it. As a matter of fact, they gained it. There are very substantial beneifts, in my judgment, for the United States of America.

I want to address the technical points that the Senator from Illinois has mentioned, and he has cited a distinguished American, Clyde Prestowitz, who has written a great deal about the subject of our trade with Japan, who found considerable deficiencies and is persuasive. I am persuaded in many of the arguments that Clyde Prestowitz has made in his book. When it comes to the FSX, it seems to me that the better part of the argument with Mr. Prestowitz comes in the rejoinder by Frank Carlucci, the former Secretary of Defense, during the latter part of the Reagan administration. Carlucci starts by hitting head on the question raised by the distinguished Senator from Illinois. Carlucci says, "The U.S. Government is not giving away the store to Japan."

On January 29, Clyde Prestowitz, author of the Outlook article, "Giving Japan a Handout," "Why fork over $7 billion in aircraft technology, conjured up images of a multibillion dollar giveaway and a misleading portrayal of the recently concluded United States agreement with Japan to develop the next generation support fighter aircraft. In fact, this bilateral arrangement makes good sense for both American industry and U.S. defense interests." Carlucci says, "Prestowitz makes three principal complaints regarding the FSX project. First, he said that the resources Japan is devoting to FSX could better be spent on immediate procurement of U.S. warplanes, and the project is thus needlessly adding to an inequitably heavy burden in defending a freeloading Japan."

Secondly, he charges that U.S. negotiators in government and industry failed to consider the project's long-term impact on U.S. industrial competitiveness. His third claim is that the government and industry have pledged to transfer expensive technology to Japan for an insignificant return.

To this Carlucci said:

All of these arguments are factually wrong and analytically flawed. They reflect an image of Japanese negotiators as supermen and an equally unhealthy view that assumes America cannot hold its own at the negotiation table.

The fact is that Japan currently spends more dollars on defense than traditional allies such as Britain, France and West Germany. To deal with the formidable Soviet presence in the northwest Pacific, the Japanese will have 60 destroyers in their maritime Self-Defense Force by 1990, including two with the "Aegis" air defense system. By way of comparison, the United States at present has approximately 25 destroyers in the 7th Fleet.

Carlucci goes on:

No one familiar with these and other realities could regard Japan as a militarily insignificant client state to which America can dictate its wishes. Japan remains a strong friend and ally that has done more in recent years to improve its own defense capability than any other U.S. ally, and it continues to chart substantial progress for the future. It is within this framework that the FS-X program must be viewed.

The long-term competitive posture of U.S. industry and the trade balance will both be enhanced by the FS-X project and similar programs.

Carlucci said:

Mr. Prestowitz says that the United States has invested $5 billion to $7 billion in developing and refining the F-16.

I cite that figure, Mr. President, because that is often the figure used by those who say $7 billion is about to be given to the Japanese for a pittance.

Carlucci states:

That number bears no relation to this project, as it includes an array of technologies that will not be transferred to Japan under the FS-X agreement. He also failed to mention that the F-16 has been coproduced, to varying extents, in eight other countries since 1979, and in its present form does not represent leading-edge U.S. technology. There will be absolutely no U.S. advanced tactical fighter (so-called ATF) technology involved in building the FS-X.

Similarly, there are no technological spinoffs from the F-16 that Japan could apply to the wide-bodied commercial aircraft industry, since there are significant differences between specialized fighter planes and commercial jets. Export controls in the FS-X agreement as well as long-standing Japanese government policy prohibiting the export of weapons preclude Japan from

using the F-16, F-16 technology or the FS-X to compete abroad with U.S. aircraft manufacturers.

Finally:

Mr. Prestowitz insists that Japan should purchase off-the-shelf U.S. aircraft immediately to meet its defense needs. Regardless of his views, the government of Japan simply does not agree, and indeed, has not made such an off-the-shelf purchase since 1955. Japan has concluded that a significantly improved FS-X, rather than an off-the-shelf product, will afford it the best means for containing the Soviet threat in the mid-1990s.

I make these points Mr. President, because, first of all, we are not giving away $7 billion worth of technology. We are not giving away leading edge technology in any event. We have already coproduced the plane many times before with eight other countries, and my distinguished colleague from Illinois finds it lamentable that it did not proceed with Israel as all of us do.

I suspect that is of us who favor the Lavi project and voted for this, consistently regret that it did not work out. But one basic difference, Mr. President, is that unlike the FSX situation in which Japan will be paying for the codevelopment, finally giving us $2½ billion worth of business, the Lavi situation was one in which our contribution was substantially more than $1½ billion. By far the largest portion of development came down to a question of whether funds used on the Lavi were better spent in the joint Israel-United States defense projects on something else, and Israel determined "on something else" was the proper answer given the fact that resources were not infinite in terms of assistance to Israel.

So I make that point, Mr. President, because I suspect we get back once again to the fundamental issue of our relationship with Japan.

I agree with my distinguished colleague that the trade balance is unacceptable. I have earlier outlined today the Japanese attitude with regard to the rest of the world mercantilist, aggressive, pulling together of capital, literally a starving of the consumer. A pushing of this on the world is not a good posture.

Senator SANFORD earlier on today raised the question why do the Japanese want to accumulate all this material gain and having done so and having thought about it in the Maekawa report, which might have been comparable to our Marshall plan, still just cannot make it in terms of trying to think in ways in which they could make the world safer for them and us and everybody else as opposed to this relentless push.

I join my colleague in wishing that the Japanese long ago had recognized our sensitivities and those of others and were much more cooperative. But, I come back to the fact that in its modest way this agreement does make a small dent in the balance of payments. No agreement makes no dent and, I think, no sense if you are arguing the balance of payments problem.

This agreement keeps us hands on with the Japanese in their development. No agreement means they proceed alone and we may blithely estimate that they simply cannot make it by themselves or it will take many, many years for them to do so.

I suspect those who argue that in the automobile industry a short while back, have come to regret those estimates or would prefer to hide them. I would guess that the Japanese are fully capable, given the resources they have, given the personnel they have, given other contacts with other nations they have, to be very competitive.

Our question is do we want to grow with them, stay with them, continue to exercise good counselorship and advice to them, and I think the answer is "yes."

That is sensible for us, for them, for the world, for Asia.

So for these reasons, Mr. President, I hope that we will finally come to a conclusion of support for this agreement, but I appreciate that at this point we are once again looking for additional Senators to join the debate. So I would issue that invitation on behalf of my distinguished colleague from Illinois and myself, and I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DIXON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DIXON. Mr. President, I notice that the Senator from New York is here and going to speak on this issue. He is a fine man, Mr. President. But the other day in the committee he presented his evidence on composite wing technology. Now, he was absolutely correct in what he said about composite wing technology.

But the people from the Chicago Tribune in my State, Mr. President, at that moment took a picture and they put it in the newspaper. It shows ALFONSE D'AMATO of New York State there holding the plastic composite wing technology in front of the face of the Senator from Illinois.

I want to express my concern about the fact that he keeps blocking me out in these pictures, Mr. President. Other than that, he seems to be a decent sort. [Laughter.]

Mr. D'AMATO. Mr. President, first let me apologize for waving the composite material around. I was so excited to actually have it in my possession, it was strictly inadvertent.

I want you to know that I sustained a cut now because the composite material was so razor sharp.

Mr. President, I ask unanimous consent that Mr. Philip Bechtel and Mr. David Reese be granted access to the floor during the pendency of the FSX question now before the Senate. Both of these gentlemen are congressional fellows serving on my personal staff and they have been invaluable to me.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DIXON. Mr. President, will the Senator from New York yield for a comment?

Mr. D'AMATO. Yes.

Mr. DIXON. Mr. President, may I advise my friend from New York State that we have been informed by the majority leader that upon the conclusion of his remarks—and it has been agreed to by the distinguished manager on his side, the Senator from Indiana—at the conclusion of the remarks of the Senator from New York we will conclude today's business.

I thank the Senator.

Mr. D'AMATO. I thank my colleague.

THE FSX DEAL AND JAPAN'S DRIVE FOR DOMINANCE IN AEROSPACE

Mr. D'AMATO. Mr. President, I recently heard the following story, one that I hasten to add is fiction:

The President was leaving Air Force One and bumped his head. He was knocked unconscious, and he didn't wake up for 3½ years.

Vice President QUAYLE was with Bush when he came to President Bush asked, "Well, what happened?"

Vice President QUAYLE said, "you banged your head getting off the plane and you've been unconscious for 3½ years."

President Bush, worried, asked "What's the economy like?"

QUAYLE said, "There's smoke from every chimney."

Bush asked, "What's the unemployment rate?"

QUAYLE answered, "2 percent; anybody who wants to work is working."

The President said, "Well, what about the homeless situation?"

Vice President QUAYLE replied, "It's much better, everyone has housing."

Then the President, much reassured, asked his last question: "What does a loaf of bread cost?"

Vice President QUAYLE responded, "12,000 yen."

I have begun my remarks today with a funny story—or at least a story that is funny now—because the rest of what I have to say is not funny at all. In fact, it is deadly serious.

I have spoken on the Senate floor against the pending FSX deal with Japan on several previous occasions. Today, we are debating Senate Joint

Resolution 113, the resolution to disapprove the FSX deal.

I object to the FSX deal because it is a bad deal for America. Once again, we are on the short end of a deal, selling $7 billion of F-16 technology for $480 million and some technology we already possess.

Worse than getting less than 10 cents on the dollar, worse than getting flim-flammed on the technology flowback part of the deal, is the fact that we will be helping the Japanese gain dominance over one of the last high technology areas in which we are the world's leader.

This is not just a trade or industrial policy concern, it is a national security concern. Unlike automobiles, VCR's, and cameras, we cannot retain an independent ability to defend ourselves or to lead the Western alliance without retaining leadership in aerospace technology and industrial production.

If we give away critical aerospace technology to the Japanese, we are giving away our ability, ultimately, to defend our country and secure our future. That is what is at stake here, nothing less.

Let me suggest, Mr. President, it has been that ability of the United States to be the leader in the free world that has brought about such a change. We see democracy thriving and rising above even those most brutal of dictators.

The Japanese want us to feel grateful that they have allowed us to participate in what was ostensibly going to be an all Japanese development program!

Well, I, for one do not feel at all grateful. I feel foolish. I think we are being taken for a ride again by the Japanese, this time behind the thin veil of national security excuses.

Let me tell you what is really going on. In 1988, we ran a trade deficit with Japan of $55.4 billion. People are pleased because this 1988 number is down from the record $59.8 billion deficit we recorded in 1987.

But before we become euphoric about this 1-year improvement, let me make a couple of other points. That deficit is figured on all commodities traded including agricultural commodities, an area in which we have a substantial positive balance of trade with Japan.

When the trade deficit in manufactured goods alone is examined, the picture is not nearly so bright. In 1988, our manufactured goods trade deficit with Japan was $70.5 billion! Last year, we imported $92.5 billion in manufactured goods from Japan, and exported only $22 billion to Japan.

One of our strongest export areas is aerospace equipment. Tariff schedule category 79, "Aircraft and transport equipment, nonspecific," gives a good snapshot of this industrial sector's contribution to our international trade. In 1988, we exported $21.7 billion in this category.

According to the March 1989 Department of Commerce document entitled, "U.S. Manufacturers Trade Performance," that category ranked fourth in dollar value of all U.S. manufacture exports, behind only road vehicles, office and A.D.P. machines, and electric machinery. In sum, our aerospace industry is a bright spot in an otherwise not-so-bright trade picture.

But what does the future hold? Last year, Booz, Allen & Hamilton, the world's largest management and technology consulting firm, published a report entitled, "Japan's Emerging Aerospace Industry: Implications for Global Markets," by vice president John R. Harbison. The report contains some revealing analysis that bears directly on this body's responsibilities in evaluating and acting upon the proposed FSX deal.

The report begins,

Aerospace: A new target industry for Japan. Aerospace/defense is a strategic industry central to Japan's vision of its future world role—a vision it has so far pursued with enormous success in a range of industries. Based on our independent research and experience, we believe that Japanese growth will far surpass that of the rest of the aerospace industry, even beyond the aggressive projections currently being made by the Japanese Government. We expect the Japanese aerospace industry to grow from $7 billion today to $25 to $30 billion on constant dollars by the year 2000. This growth will continue well into the 21st century.

The report continues,

The Japanese are seeking technology leadership rather than cost leadership. Our analysis indicates that they will emerge as leaders in certain segments far faster than is generally expected and will demonstrate rapid movement up the value-added chain as they assume more complex systems integration roles.

Japan's market structure is highly concentrated, with the top three companies comprising in excess of 70 percent of the market. This concentration is the result of a deliberate policy to achieve world-class capability quickly, with each company dominating specific niches. This formula has proven extremely successful in other industries and offers a substantial approach in aerospace as well.

What does this mean to the United States. It means we are in trouble, and we are getting ourselves deeper into trouble.

In February of this year, the Foreign Policy Institute of the School of Advanced International Studies of Johns Hopkins University published a report entitled, "Foreign Ownership of U.S. Defense Companies—Where Do We Draw the Line?" authored by my friend Bernard L. Schwartz, the chairman and chief executive officer of Loral Corp., a New York defense electronics manufacturer. He sounds the alarm at the beginning of his report, writing as follows:

The U.S. defense industrial base is shrinking. Critical technologies, manufacturing capacity and components are being sold to foreigners at ever-increasing rates. We may even be approaching a time when decisions about the defense of the United States of America will be made by foreigners.

Later, Mr. Schwartz writes,

The flow of technology resulting from foreign acquisitions * * * is almost certainly unfavorable to the United States. The absence of restrictions on foreign investment permits foreigners to buy advanced technological know-how, repatriate it, and then exploit the technology to compete directly against U.S. companies. In this sense, quite apart from the potential implications of technology transfers for U.S. national security interests, the United States may be literally selling off its economic advantages.

The worst part of the FSX deal is that it is not the result of private business decisions, but of deliberate U.S. executive branch policy decisions! Yet here we are, "selling off our economic advantages," just as Mr. Schwartz fears.

Discussions further the impacts of foreign ownership. Schwartz continues:

Most important, the foreign owner controls the enterprise in critical ways that may or may not support U.S. defense objectives. Overall, the real risk of foreign ownership stems from America's losing control of today's defense technology and its ability to influence investments in tomorrow's technology which are vital for U.S. defense. The United States cannot maintain its technological lead without R&D supportive of its national defense objectives. Once ownership control passes out of U.S. hands, there is no assurance that the company's priorities will continue to support the priorities of the U.S. defense establishment.

A potentially serious problem for the Defense Department concerns a trend toward increasing dependence on foreign sources for variety of materials, parts, and components used in weapons and other military equipment. This is not a problem of equipment incorporating classified technologies, but involves more common items such as bearings, forgings and castings, and electronic chips. The concern is that such shipments could be cut off in a protracted crisis or war, either directly or through political pressure on the source nation, crippling this country's ability to sustain its defense effort. * * *

The real problem is * * * subtle and long term. It concerns the fundamental vitality of industries that would be central to defense production in any protracted war. Acquisitions can and have been used by foreigners to drive out our competitors. Such behavior has special long-term negative consequences for American defense preparedness. Similarly, foreign acquisitions that result in consolidations of manufacturing facilities could adversely affect the U.S. defense industrial base. Foreign direct investments that result in the transfer of research and development activities abroad and the concentration in the United States of assembly-type operations could also impair defense preparedness.

While Mr. Schwartz was addressing foreign investment in the United States, his remarks apply with double

force to a situation such as the FSX sale, in which we are giving technology to a competitor. If we get a share of FSX production, which is by no means certain, we will have accomplished what Bernard Schwartz warns against—giving the lead in important research and development activity to Japan, while we simply build what they develop.

Mr. President, the time has come to draw the line—to draw the line against the FSX deal. We cannot and must not mortgage our national future by agreeing to help Japan's plan to dominate the world aerospace market.

I urge my colleagues to join with me in voting for Senate Joint Resolution 113, to block the FSX deal. It is my hope that the Senate will reject this agreement and all that it implies about U.S. loss of leadership in aerospace.

Thank you, Mr. President.

Mr. DIXON. Mr. President, one of the charges that the proponents of FSX make is that if we turn down the FSX deal, then irremedial harm will be done to our diplomatic and security relationship. Therefore, according to these people, we must pull all our punches when we speak about Japan or make diplomatic demarches to the Japanese. If we raise our voices ever so slightly, the Japanese will get upset and we cannot have that. It is as though we must conduct a relationship walking on eggshells.

Mr. President, it is high time that we put an end to this special treatment. It is time we spoke directly to and about the Japanese. I think it is wrong to continue to treat the Japanese as though they were a fragile flower, one that can be raised only in a specially constructed hot house.

Because that is what the situation is today, Mr. President. Japan lives in a special security and economic hot house that we helped them construct after World War II in order to help them recover from the devastation of the war.

Mr. President, there is no need for that hot house today. It is time that we dismantled that obsolete structure. Japan must take her place among the mature nations of the world and act accordingly to the duties and responsibilities of an important and mature ally.

It is demeaning to the Japanese to argue, as the FSX proponents do, that Japan must continue to receive special treatment. Why? The Japanese are big boys, Mr. President. They will not wilt in the give and take of the real world.

The FSX proponents act as though if this one deal does not go through, our entire relationship will fall apart. How can that be Mr. President? Does this mean that the Japanese will refuse to let us protect them? Will a nation that depends profoundly on the United States for its conventional and nuclear defense ask us to leave? Not likely, Mr. President. Japan would be virtually defenseless without our military umbrella? It is shear nonsense to think that Japan would ask us to withdraw if FSX does not go through.

What about our economic relationship if FSX falls through? The suggestion is made indirectly that the Japanese will stop buying our treasury bills and stop financing our debt. How do you think we finance our defense budget, Mr. President? How do we pay for all those Japanese consumer goods? Do the proponents of FSX really think that the Japanese economy is totally independent of ours? Do you really think that the Japanese can afford to shut down our economy?

And what kind of allies do the FSX proponents really think the Japanese are, Mr. President. What kind of ally threatens implicitly to destroy your economy? And why do FSX proponents suggest that the Japanese must do more with economic aid and that we should not expect Japan to do more militarily. What does that mean? Are the Japanese not to be trusted? Will they start another war if they do more militarily?

If the FSX proponents do not trust the Japanese militarily, then why on earth are they saying that we must give them our leading edge technology in the F-16. I think there is a great deal of confusion in the thinking of the FSX proponents. Either the Japanese are trustworthy militarily or they are not. Either they are mature enough to handle the responsibilities of a modern military or they are not? I ask the FSX proponents which is it? Are the Japanese trustworthy militarily or not?

And I do not want to hear that Japan's neighbors will be upset if Japan does more militarily. China and Korea and other Asian nations have very old civilizations. They have a lot of experience with the Japanese throughout the centuries. If they feel threatened if the Japanese do more militarily, then they are mature enough nations to work out their problems together.

What does the fact that Japan's neighbors feel threatened mean to the FSX proponents? It means no problem, Mr. President, the good old American taxpayer will bear the burden. The American taxpayer will alleviate the worries of Japan's neighbors. This type of thinking is just plain wrong. We cannot afford to bear these types of burdens any longer, Mr. President.

I think that argument is most demeaning to the Japanese. If they are not trustworthy, then why are we giving them the F-16 technology?

Mr. D'AMATO. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. KERREY). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE UNITED STATES SENATE: THE SENATE SERGEANT AT ARMS

Mr. BYRD. Mr. President, I am continuing today with another in my series of talks on the history of the Senate, and today's subject is the Senate Sergeant at Arms.

Mr. President,* the sergeant at arms is the principal law enforcement and protocol officer of the United States Senate. His various powers and responsibilities are derived and have developed over time from several primary sources: from the statutes; from rules and regulations adopted by the Senate; from policies, regulations, and guidelines approved by the Committee on Rules and Administration; and from customs and precedents that have developed over the Senate's two hundred years of operation.

On April 7, 1789, the day after senators established their first quorum, they elected James Mathers of New York as "Door-Keeper," a post similar to the one he had held for the Continental Congress. The "Door-Keeper's" position was particularly significant because the Senate decided to bar the public and keep its proceedings secret, from 1789 to 1795. It was not until 1798 that the Senate adopted the designation "Sergeant-at-Arms," following the practice of the English Parliament and the U.S. House of Representatives.

The new title reflected the growing responsibilities of the post. On March 3, 1791, when the First Congress was preparing to adjourn, it passed a resolution authorizing Mathers to take care of the Senate chamber and committee rooms in their absence, "and also to make the necessary provision of fire wood for the next Session."

Even more significant for the evolution from "Door-Keeper" to sergeant at arms was the authorization of James Mathers to compel attendance of senators and to arrest others sought by the Senate. The framers of the Constitution in 1787 had been profoundly disturbed by the chronic absences that had crippled the Congress under the Articles of Confederation. Accordingly, in Article I, section 5, they provided that, in each house of the new Congress, a smaller number than a quorum might "be authorized to compel the attendance of absent members, in such manner and under such penalties as each house may pro-

* This chapter is derived from addresses delivered on May 28 and June 4, 1980.

vide." A member of one state ratifying convention observed, "When it is known of how much importance attendance is, no senator would dare to incur the universal resentment of his fellow citizens by grossly absenting himself from his duty."

Senators of the First Congress did not need to be reminded of the consequences of the inability to compel members to attend sessions. Those eight who arrived on March 4, 1789, the appointed day for the beginning of the new government, constituted only two-thirds of the number necessary to form a quorum. Nearly five weeks passed before the twelfth senator arrived and a quorum was achieved on April 6. One of the first orders of Senate business was the preparation of a set of rules of procedure. The drafting committee borrowed heavily from the rules of the Continental Congress, one of which provided that "No member shall leave Congress without permission of Congress or his constituents." In revised form, that provision became Rule 19: "No member shall absent himself from the Service of the Senate without leave of the Senate first obtained." Today, that ancient cornerstone of Senate operations appears in slightly modified form in Rule VI.

Between 1789 and 1801, the Senate achieved an opening-day quorum during only half of its first fourteen annual sessions. In 1794, following a delay of fifteen days in obtaining a quorum, the Senate established a committee to revise its rules to compel attendance of members; but there is no record that the committee ever made a recommendation. So frustrated was the House of Representatives at the Senate's delay on this occasion, that it proceeded to conduct business without waiting for the Senate to organize. Near the end of the first session of the Third Congress, in May 1794, five senators refused to enter the Senate chamber in Philadelphia, during a vote on a peace treaty with Great Britain. Vice President John Adams angrily described this deliberate avoidance of a vote as "the greatest curiosity of all." But under the existing rules, Adams lacked specific authority to compel senators' attendance.

In July 1797, Senator William Blount faced charges of conspiring with the British to incite Indians to seize frontier lands in Spanish Florida and Louisiana. As a result, the Senate conducted an inquiry into his fitness to continue as a senator. When Blount was slow in returning to the Senate to respond to the charges, Vice President Thomas Jefferson, by order of the Senate, wrote a letter to Blount stating, "You are hereby required to attend the Senate in your place without delay." In response to the Senate's order, Senate Doorkeeper Mathers reported that Senator Blount "could not be found." Soon, however, Blount returned of his own accord, and the Senate voted to expel him. On the same day that the Senate was considering Blount's expulsion, the House voted to impeach him.

On February 5, 1798, as the Senate prepared for Blount's impeachment trial, it resolved that "the Doorkeeper of the Senate be, and hereby is, invested with the authority of Sergeant-at-Arms, to hold such office during the pleasure of the Senate, whose duty it shall be to execute the commands of the Senate, from time to time, and all such process as shall be directed to him by the President of the Senate."

Four months after establishing the position of sergeant at arms, the Senate added to its standing rules provisions that empowered him to prohibit unauthorized absences by members: "In case a less number than a quorum of the Senate shall convene, they are hereby authorized to send the Sergeant-at-Arms, or any other person or persons, by them authorized, for any or all absent members." During the next half century, Senate orders to its sergeant at arms were expressed in direct and assertive language. He was to "summon and command the absent members and appear before the Senate immediately," taking "all practicable means to enforce their attendance." As time passed, the tone of these orders softened so that the sergeant at arms was simply to "request the attendance of absent members."

The first sergeant at arms, James Mathers, a man of tact and patience, was well suited to these duties. A native of Ireland, he came to the American colonies shortly before the start of the Revolutionary War. He enlisted to serve under George Washington and participated in combat throughout the war. He was wounded several times, once severely. In recognization of his valor, Mathers earned appointment as sergeant at arms and doorkeeper to the Continental Congress, and later to the United States Senate. By all accounts, the Senate chose well. Mathers served faithfully for nearly twenty-three years until his death in 1811 at the age of sixty-seven.

Although Mathers had authority to "take all practicable means to enforce" the attendance of senators, the Senate's records for those early years do not reveal any occasion when a senator was physically compelled to enter the chamber, or fined for his absence. By the middle of the nineteenth century, reflecting the failure of efforts at compulsion, the Senate modified its rules to the effect that the sergeant at arms be directed to "request" the attendance of absent members. Nevertheless, in the face of chronic absences during the crisis years of the Civil War, Senator John P. Hale of New Hampshire supported restoration of a rule, similar to the practice of the House of Representatives, to "compel" attendance of absentees. Senator Hale disliked the "cautious, guarded, and modest shape" of the language then used to invite members back to do their duty. Senator John Conness of California was among those senators who successfully blocked Hale's motion. Conness observed that "all these rules will prove ineffective unless the minds of Senators and the feeling of duty that they owe to the country keep them in their seats." The California senator believed, perhaps naively, "that it should only be necessary on this subject to direct the attention of Senators to the degree to which the public business is retarded by their absence in order to have their presence in the Senate hereafter."

In frustration, Senator William Pitt Fessenden of Maine, de facto leader of the Senate by virtue of his position as chairman of the Finance Committee, proposed publishing a list of absentees. "The fact of the frequent want of a quorum in this body has become notorious," he declared, ". . . it is shameful and discreditable to the body. . . . The fact that it occurs so frequently, day after day, especially at this [late] period of the session when we have so much important work to do is discreditable." Until that time, the Congressional Globe (forerunner of the CONGRESSIONAL RECORD] included only the yeas and nays for each roll-call vote. The Senate then adopted Fessenden's half-way measure to publish "a separate list of absentees on the call of the yeas and nays," to embarrass members into attendance. (In 1892, the Senate removed some of the sting of this listing by substituting the words "not voting" for "absent.")

This still left the various sergeants at arms of the period in a quandary as to the extent of their powers to secure senators' attendance if their initial "request" failed to have the desired effect. During a Saturday evening session in April 1872—the quality of life not being then what it is now—the presiding officer ruled out of order a motion, in the absence of a quorum, that the sergeant at arms "compel the attendance of absentees." He made this ruling on the grounds that the minority of members present did not have the power to change the existing rules. Judiciary Committee chairman Lyman Trumbull asserted: "We have no way of forcing the attendance of Senators; we can only request them to attend; and that has always been supposed in the history of the Senate to be a sufficient summons for a Senator to attend. It has always been supposed that a Senator acting upon his honor would report himself when his attendance was requested by the Senate."

Finally, in 1877, to remove this obstacle and as part of a general revision of its rules, the Senate adopted a rule

providing that in the absence of a quorum "a majority of Senators present may direct the Sergeant-at-Arms to request, and, when necessary, to compel the attendance of absent Senators, which order shall be determined without debate; and pending its execution and until a quorum shall be present, no debate nor motion, except to adjourn, shall be in order." This rule received the unanimous recommendation of the Rules Committee. Maine's Senator Hannibal Hamlin, whose Senate service extended back to 1848, successfully argued that the authority to compel attendance, although included in the Constitution, must be spelled out in Senate rules. This action would end the frustration of having to adjourn when members failed to answer their colleagues' pleas to attend.

Yet, the problem of compulsion persisted. On a winter evening in February 1883, the sergeant at arms reported to the Senate that "a number of senators are reported to be at a dinner at Senator [Zachariah] Chandler's, where the host refused admission to officers sent to notify them." After repeated futile efforts to convince the dining senators to answer their call to duty, the Senate adjourned at 10:00 p.m. Several years later, in 1891, a coalition of southern Democrats and a minority faction of western Republicans stayed away from the Senate in an ultimately successful effort to block passage of a "Force bill" providing for federal supervision of elections. Shortly after midnight on a cold, rainy Saturday, the Republican leadership secured enough votes to direct the sergeant at arms "to use all necessary means to compel the attendance of absent Senators." At various times during the all-night session the sergeant at arms reported that seven members were too ill to comply with the Senate's request, that one said he was "much too fatigued to attend," and that others simply refused to answer the knock at their doors. The sergeant at arms related how he had found Senators James Berry and Matthew Butler in the Democratic cloakroom, and that Berry had said "he would come when he got ready," while Butler simply ignored the Senate officer.

In the ensuing debate, senators were unable to decide by what means the sergeant at arms was to "compel" absentees, or what might be the penalties for absenteeism. Following inconclusive discussion, the Senate finally secured a quorum at nine-thirty the next morning and proceeded in an unsuccessful attempt to shut off the minority's filibuster.

Matters had changed little by 1915. That year, in the midst of a filibuster on President Woodrow Wilson's Ship Purchase bill, a frustrated Senate debated a proposed rule change that would require senators to remain in the chamber unless excused by the Senate and would hold violators in contempt of the Senate. Although this rule was not adopted, the thirty-three day filibuster, which prevented passage of three major appropriations bills, did lead to enactment of the Senate's first cloture rule.

A dozen years later, at twelve-thirty on the morning of February 23, 1927, during a filibuster that had snarled legislation to harness the water resources of the lower Colorado River, my predecessor from West Virginia, Matthew M. Neely, moved successfully that warrants of arrest be issued for absent senators. This was the first known instance of the Senate issuing such arrest warrants for its own members. The sergeant at arms was ordered to bring the absent senators before the bar of the Senate, and he spent until 6:30 a.m. trying to do so. He received an interesting variety of excuses: one senator was preparing to attend a funeral; another said he would come later, if necessary, but he was already in bed; another reported that he was too tired, and would not come; another said he would think it over. Finally, as the sun rose over Washington, the Senate achieved its hard-fought quorum, and the arrest warrants were rescinded.

A more explosive event occurred on Saturday night, November 14, 1942, during a Senate debate on anti-poll-tax legislation. Shortly after 1:00 p.m., with only twenty-six members present, the Senate agreed to Majority Leader Alben Barkley's motion to direct the arrest of missing senators. In the course of this action, additional senators arrived, reducing the number needed for a quorum to five. Forty-two senators were known to be out of town, so the search narrowed to the remaining eight members believed to be in Washington. The missing eight were all Democrats, including Kenneth McKellar of Tennessee, Burnet Maybank of South Carolina, Berkley Bunker of Nevada, Lister Hill of Alabama, Wall Doxey of Mississippi, W. Lee O'Daniel of Texas, Richard Russell of Georgia, and John Overton of Louisiana. Sergeant at Arms Chesley Jurney sent his men to the Senate office building now named, as a result of the resolution which I introduced and helped to pilot through the Rules Committee of the Senate, I being a member of the Rules Committee at that time and at the present, for Richard Russell. Jurney deputized the custodian to unlock the office doors of the missing senators; but only Senator Bunker was found, and he walked to the Senate chamber. A deputy sergeant at arms drove to the home of Senator Maybank, who without objection accepted the offer of a ride to the Capitol. Two other senators returned to the chamber on their own, apparently unaware of the sergeant at arms' search.

Kenneth McKellar, the Senate's third most senior member, was resting at his apartment at the Mayflower Hotel when another deputy sergeant at arms, Mark Trice, arrived with his warrant. After the seventy-three-year old senator failed to answer the house telephone, Trice enlisted the help of a hotel maid, who persuaded McKellar to open his door. The senator seemed taken aback to see Trice standing in the hall but willingly accepted his offer to ride back to the Senate. Trice never mentioned the warrant, but, as the car climbed Capitol Hill, the Tennessee senator realized that he was being used to help the leadership foil the tactics of his fellow southern senators. As a Senate press gallery official later recalled, "His face grew redder and redder. By the time the car reached the Senate entrance, McKellar shot out and barrelled through the corridors to find the source of his summons . . . He was so angry with [Majority Leader] Barkley that he would not speak to him for months." With the arrival of Senator McKellar, a quorum was present, but the Senate still failed to end the filibuster. It continued to fail when the legislation was brought up again in 1944, 1946, and 1948. Not until 1962 were the anti-poll-tax provisions enacted by Congress to become the Twenty-fourth Amendment to the Constitution. Senator McKellar did not quickly forget his "arrest." At the Democratic caucus at the beginning of the next Congress, McKellar advanced his own candidate for sergeant at arms, and Jurney resigned rather than face a contest. Ironically, the new sergeant at arms was former Senator Wall Doxey, who, himself, had been among the absent senators that night in 1942.

On June 9, 1950, at the request of Majority Leader Scott Lucas, the Senate again issued warrants for the arrest of absent senators, as members answered quorum calls and then returned home. Simply issuing warrants was sufficient to produce the missing senators, and no arrests were necessary. More than a quarter century passed until October 2, 1976, when a majority whip, in the absence of Senator Mike Mansfield, I moved for the issuance of warrants to arrest absent members. It was during the hectic conclusion of the Ninety-fourth Congress before adjournment for the 1976 elections. Several important actions remained, obstructed by the threat of a filibuster. At that time, I said: "We are playing games. There are senators in the reception room and in the cloakroom who have not come to the floor." Apparently my words reached enough ears and the vote on my motion to arrest senators was 46 to 11. Absent senators hurried into the chamber,

and a quorum call was quickly established. The chair then ruled that the sergeant at arms would not have to issue warrants, and we were able to complete our work and adjourn the Ninety-fourth Congress.

Nordy Hoffmann was then serving as sergeant at arms. In a recent oral history, he recalled: "The Senate was about to tell me to go out and arrest the senators and bring them in. But I knew where Senator Cliff Hansen of Wyoming was in his hideaway. I went to get him, and I said, 'Senator, I don't like to have to come and get you. Why don't you come in so we can break this. After all, I'm a new man on the block. It makes the Senate look bad and it makes me look bad.' He said, 'You talked me into it.' He came in and we were able to get the vote and we didn't have to arrest anybody."

Our current sergeant at arms, Henry Guigni, was not quite as fortunate. In February 1988, during a filibuster against a bill to curtail the cost of senatorial campaigns, I made a motion for the Senate to arrest members who were boycotting the quorum calls. "The Senate shouldn't have to arrest senators," I said at that time. "They should come to the floor." Around midnight, Sergeant at Arms Guigni and several Capitol policemen moved through the Senate office buildings and Capitol hideaway offices to round up hiding senators. Some members ran when they saw the sergeant at arms. Some refused to accompany him. Senator Bob Packwood agreed to walk to the chamber with the sergeant at arms, but would not enter it. Two policeman, therefore, carried him into the chamber. Needless to say, this incident drew considerable press attention. Since the Senate so rarely has ordered the arrest of its own members, the media treated the incident as if it were unprecedented. But, as I have pointed out, there were precedents for the issuance of such warrants, and only the physical carrying of a senator into the chamber was really unique on this occasion. Senator Packwood, I should note, had only praise for the conduct of the sergeant at arms, who, he conceded, was simply doing his job, as directed by the Senate.

Senators are not the only people subject to arrest by the sergeant at arms. Whenever the Senate has called a reluctant witness to testify, whether before a committee or before the Senate as a whole, the sergeant at arms has been sent out on the manhunt. This was true in 1800 when the sergeant at arms brought newspaper editor William Duane before the bar of the Senate; it was still true in 1951, when Sergeant at Arms Joe Duke won some national notoriety for rounding up such underworld figures as Jacob "Greasy Thumb" Guzik, one of Al Capone's mobsters, to testify before Estes Kefauver's crime investigating committee. Of course, Joe Duke had some help from the FBI, especially since he had sworn in J. Edgar Hoover as a deputy sergeant at arms of the Senate.

As the chief law enforcement official of the Senate, the sergeant at arms can be empowered to arrest any member of the Senate, including the leadership, the president of the Senate, and, indeed, even the president of the United States. It was the Senate's sergeant at arms who presented President Andrew Johnson with the notification of his impeachment trial in the Senate chamber.

Furthermore, sergeants at arms have served as jailers. Twice in the nineteenth century, the Senate held newspaper correspondents prisoners in committee rooms inside the U.S. Capitol hoping to force them to divulge sources of Senate secrets they had published. John Nugent was held for leaking the still-secret Treaty of Guadalupe-Hidalgo to the New York Herald in 1848. At that time, Senate Sergeant at Arms Robert Beale placed the prisoner in the Committee on Territories room at the Capitol and took him home in the evenings to feed him dinner and make sure he had a good night's sleep. Similarly, in 1871, the sergeant at arms held two reporters for the New York Tribune in the room of the Senate Committee on the Pacific Railroad while the Senate waited for them to tell who gave them the still-secret Treaty of Washington. Again, the sergeant at arms provided a comfortable environment for the prisoners, who had daily visits from their wives and friends, received books and flowers, and dined in the Senate restaurant. In fact, the prisoners were entrusted with the key to their own committee-room cell! In neither case, by the way, did the correspondents divulge the source of their secret information, and the Senate since then has wisely abandoned the practice of arresting newspaper correspondents, at least for that reason.

Today, the sergeant at arms is a member of the Capitol Police Board (along with the sergeant at arms of the House and the architect of the Capitol), which oversees the policing of the U.S. Capitol Building and grounds by the Capitol Police. In addition, since 1867, the Senate sergeant at arms has had the authority to make any regulations necessary to preserve the peace and prevent the defacement of the Capitol and Senate office buildings, and to protect the public property in these buildings. Since 1878, the sergeant at arms has been empowered to prevent any part of the Capitol grounds and terraces from being used as a playground, thereby protecting the turf. And, as part of his policing responsibilities, the sergeant at arms, as a member of the Capitol Police Board, shares control over traffic around the Capitol, including parking and impoundment of vehicles. These are not matters to be taken lightly, for it has often been stated that the two most important issues on Capitol Hill are neither political nor legislative but, rather, office space and parking space.

Mr. President, when one tallies it up, the number of responsibilities that the Senate assigns to its sergeants at arms is somewhat staggering. The sergeant at arms is in charge of the doorkeepers, who maintain order in the galleries and in the surrounding lobbies. He greets and escorts important visitors to the Capitol, including presidents, prime ministers, kings and queens. The sergeant at arms directs the work of such Senate facilities as the service department (once known as the folding room), which prepares printed material for mailing to constituents; the computer center; telephone and telecommunications services; the Senate recording studio; the Senate post offices; official Senate automobiles; and the rental of home state offices for senators. In addition, the sergeant at arms directs the work of the maintenance workers, janitors, housekeeping staff, restroom attendants, elevator operators, cabinetmakers, upholsterers, and locksmiths; he is in charge of selling or disposing of surplus or worn-out office equipment and other furnishings; and he is in charge of the Senate barbershops and beauty salon.

The sergeant at arms, along with the secretary of the Senate, leads the formal processions of the Senate, whether to a joint session, an inauguration, or other ceremonial events. He accompanies us even unto death, at least as far as the cemetery, since, by custom, the sergeant at arms heads the delegation representing the Senate at the funeral of a deceased Member. The largest funeral Nordy Hoffmann oversaw was for Senator Hubert Humphrey, who died in Minnesota but who lay in state in the Capitol Rotunda. Hoffmann arranged with the White House for the use of the presidential jet to bring the coffin and the Senator's family to Washington and then coordinated activities with the military and other Federal agencies involved. What he most remembers from that event, however, was meeting Ambassador to Japan Mike Mansfield at the airport. "Isn't this a long way to come for a funeral?" he asked the former Senator. "No place is too far to come for a friend," replied Senator Mansfield, underscoring the seriousness that this collegial institution places upon such occasions.

With all these responsibilities, which keep growing every day, the Senate has been fortunate to have had outstanding individuals serving as sergeant at arms. After the first sergeant at arms, James Mathers, we had such

men as Mountjoy Bayly, who served 22-years, including that fateful August in 1814 when British troops burned the Capitol Building. George T. Brown was sergeant at arms during the Civil War and Reconstruction, when special security was needed at the Capitol—considering that some of the war was fought in the suburbs of Washington. There was Daniel Ransdell, a Civil War veteran whose arm was shattered at the battle of Roseca, and who served as sergeant at arms from 1900 to 1912. Known as the "Pooh-Bah of the Senate," Ransdell prided himself in being the Senate's chief housekeeper, making sure that Senators were always comfortable. According to the newspapers, no matter what problem arose around the Senate, the answer would always be the same: "Ask Ransdell about it."

One of the most colorful men to hold the post was David S. Barry, author of a fascinating memoir, Forty Years in Washington, which he published in 1924 while serving as sergeant at arms. Barry first came to the Senate in 1875 as a page, recommended by Senator Isaac Christiancy of Michigan. Young Barry made the most of his service as a page, using his time off to study stenography from the official reporters of debate. Later, he was employed as secretary to a number of Senators and Representatives, most notably to Senator Nelson Aldrich of Rhode Island, long the unofficial Republican leader of the Senate and, by the way, the maternal great-grandfather of my distinguished colleague from West Virginia, Jay Rockefeller.

In 1879, Barry also became the Washington correspondent for the Detroit Post and Tribune, beginning a 40-year career as a newspaper reporter. Over the years, he wrote for major papers in Chicago, Detroit, St. Louis, Cleveland, Cincinnati, and New York, and became editor in chief of the Providence Journal, then a major Republican paper. During all those years, he built many friendships in the Senate and the House. In 1919, when the Republicans returned to the majority in the Senate, they elected David Barry as sergeant at arms.

Fourteen years later, when the Republicans were swept out of the majority by the Great Depression, Barry made plans to retire. During the long interregnum that then existed between the November election and the March inauguration (before the Twentieth Amendment to the Constitution advanced the date to January), Barry drafted several articles containing his observations on Congress. He sent these to the New Outlook magazine, under the stipulation that they not be published until he left office. Unfortunately, one article entitled "Over the Hill to Demagoguery" appeared in print a month too soon and contained an especially injudicious sentence, "There are not many Senators or Representatives who sell their votes for money, and it is pretty well known who these few are."

Offended Senators called sergeant at arms Barry to the floor of the Senate to explain himself. The Senate Judiciary Committee held 2 days of hearings on the matter, and while Barry argued that he had really written in defense of the majority of Members of Congress, the committee was not mollified. It voted to recommend his removal as sergeant at arms, which the Senate agreed to by a vote of 53 to 17 on February 7, 1933. The then-chairman of the Judiciary Committee, George Norris of Nebraska, commented that, had the statement been written by a newspaper correspondent, the Senate would have paid it no attention. David Barry, however, was an officer of the Senate, elected by a rollcall vote, and his impropriety cost him his position.

Barry's departure left his young deputy, J. Mark Trice, as acting sergeant at arms for a month. That month included the inauguration of Franklin D. Roosevelt as President of the United States, which was, indeed, a trial by fire for a staunch Republican like Mark Trice. But Trice was equal to the challenge. Later, during the Eighty-third Congress, he served as secretary of the Senate, and for many years he was the secretary to the Republican minority in the Senate.

When I first came to the Senate in 1959, I was greeted warmly by the then-sergeant at arms, Joe Duke. Duke learned of the difficulties associated with arresting unwilling persons early in his life. In 1930, while a student at the University of Arizona, he held a part-time job with the Miami, Arizona, police department. One day while pursuing fugitives, he was ambushed and shot in the stomach. He managed to struggle into his automobile and drove to town for medical aid, arriving just in the nick of time. Several years later, he came to the Senate, first on the staff of Arizona Senator Henry F. Ashurst, and then with Senator Carl Hayden. In 1949 he became Senate sergeant at arms, a post he held until 1965, except for the 2 years of the Republican Eighty-third Congress. Hubert Humphrey once referred to Duke as "the Houdini of Washington, who can produce the almost impossible on short notice."

When I first became Senate Majority Leader, in 1977, I could always count on the able assistance of Nordy Hoffmann. In fact, I had known Nordy for several years previously; he served for 8 years as executive director of the Democratic Senatorial Campaign Committee, and, earlier, he was an official of the United Steelworkers of America. Anyone who has ever seen Nordy Hoffmann can attest that he looked like a sergeant at arms. He had and has still a football player's physique, and indeed he played football at Notre Dame from 1929 to 1931, under the legendary coach, Knute Rockne. He, Nordy Hoffmann, was named guard on the top All-America Selections in 1931 and starred for the East in the East-West Shrine Football Classic in San Francisco. In 1978, I was pleased to add my name to those of all 100 Senators and Presidents Gerald Ford and Jimmy Carter to a recommendation that Nordy be recognized by the National Football Foundation; and indeed he was inducted into their Hall of Fame. As sergeant at arms, he stood six foot three inches and weighed 290 pounds, which was big enough to arrest and bring to the Senate chamber any member.

Having been coached by Knute Rockne gained an additional dimension when a star of the Knute Rockne Story was elected president in 1980. The change in party in the Senate during that election also meant a change in sergeants at arms, and Howard Liebengood replaced Nordy Hoffmann. Hoffmann tells a story about greeting the president-elect when he arrived at the Capitol before the inauguration. As they waited for the limousine, Mr. Liebengood realized that he did not know what title to use in addressing a president-elect. "Do you call him 'President-elect,' 'Governor,' or what?," he asked The Republican Leader. Senator Howard Baker said, "Well, watch Nordy, he knows." When the limousine pulled up and Ronald Reagan emerged, Nordy Hoffmann said, "Hiya, Gipper." "I couldn't do that!" said Liebengood, who decided to address the president-elect more formally. But as Nordy Hoffmann explained, "Well . . . he wasn't President, it wasn't an insult. He liked to be called the Gipper"—especially, one imagines, from someone who actually knew the legendary Coach Rockne.

During the six years that the Republicans held the majority in the Senate, from 1981 to 1987, there were three sergeants at arms: Howard Liebengood, who had first come to the Senate as a staff member of the Watergate committee; Larry Smith, at thirty-four the Senate's youngest sergeant at arms; and Ernest Garcia, the first Hispanic-American to serve in the post. As Senator Mark Hatfield said, in commending Smith's service: "The Senate Sergeant at Arms must be a politician along with the best of us. His constituency, however, is made up of 100 Senators with ample egos to be massaged." Certainly, each of these sergeants at arms performed his constituent services admirably, in the tradition set by predecessors dating back to James Mathers.

Henry Kuualoha Giugni was elected sergeant at arms on January 6, 1987. A native of Hawaii and the first Polynesian-American to become sergeant at arms, Giugni had previously served for twenty-four years, from 1963 to 1987, as administrative assistant to Senator Daniel Inouye. He knows the Senate, its members, its staff, its physical plant, and its multitude of needs.

From modest beginnings, the office of sergeant at arms and doorkeeper of the Senate has developed over two centuries into the largest single entity within the Senate. Today, that office comprises an administrative services organization employing, as of this date, 1,465 persons and involving a dozen major departments and activities. The Senate would have a difficult time functioning without its Capitol police, computer specialists, janitors, postal workers, parking attendants, carpenters, or barbers, all of whom perform their duties under the careful eye of the Senate sergeant at arms.

Mr. President, I ask unanimous consent that a list of all the Senate sergeants at arms, from 1789 to 1989, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SENATE SERGEANTS AT ARMS, 1789–1989

James Mathers, April 7, 1789 to September 2, 1811.

Mountjoy Bayly, November 6, 1811 to December 9, 1833.

John Shackford, December 9, 1833, to his death (date unknown) in 1837.

Stephen Haight, September 4, 1837 to June 7, 1841.

Edward Dyer, June 7, 1841 to December 9, 1845.

Robert Beale, December 9, 1845 to March 17, 1853.

Dunning R. McNair, March 17, 1853, to his death (date unknown) in 1861.

George T. Brown, July 6, 1861 to March 22, 1869.

John R. French, March 22, 1869 to March 24, 1879.

Richard J. Bright, March 24, 1879 to December 18, 1883.

William P. Canady, December 18, 1883 to June 30, 1890.

Edward K. Valentine, June 30, 1890 to August 7, 1893.

Richard J. Bright, August 8, 1893 to February 1, 1900.

Daniel M. Ransdell, February 1, 1900 to August 26, 1912.

E. Livingstone Cornelius, December 10, 1912 to March 4, 1913.

Charles P. Higgins, March 13, 1913 to March 3, 1919.

David S. Barry, May 19, 1919 to February 7, 1933.

Chesley W. Jurney, March 9, 1933 to January 31, 1943.

Wall Doxey, February 1, 1943 to January 4, 1947.

Edward F. McGinnis, January 4, 1947 to January 3, 1949.

Joseph C. Duke, January 3, 1949 to January 3, 1952.

Forest A. Harness, January 3, 1953 to January 5, 1955.

Joseph C. Duke, January 5, 1955 to December 30, 1965.

Robert G. Dunphy, January 14, 1966 to June 30, 1972.

William H. Wannal, July 1, 1972 to December 18, 1975.

F. Nordy Hoffman, December 18, 1975 to January 4, 1981.

Howard S. Liebengood, January 5, 1981 to September 12, 1983.

Larry E. Smith, September 13, 1983 to June 2, 1985.

Ernest E. Garcia, June 3, 1985 to January 5, 1987.

Henry K. Guigni, January 6, 1987 to present.

Mr. BYRD. I yield the floor.

Mr. MURKOWSKI addressed the Chair.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. MURKOWSKI. I thank the Chair.

Mr. President, I assume it is in order to speak on the FSX issue which is before the body.

The PRESIDING OFFICER. That is the pending business.

DISAPPROVING THE EXPORT OF TECHNOLOGY TO CODEVELOP OR COPRODUCE THE FSX AIRCRAFT WITH JAPAN

The Senate continued with the consideration of the joint resolution.

Mr. MURKOWSKI. Mr. President, the Senator from Alaska has for some time, as a member of both the Foreign Relations Committee and the Intelligence Committee, had more than a passing interest on the status of the sale of our technology to our allies friend and the Japanese. More specifically, as it relates to the issue of the FSX.

I do not question the importance of our relationship with our friends and allies in Japan. It has been cited time and time again that it is the most important bilateral relationship in the world. Our former Ambassador to Japan, Ambassador Mike Mansfield, has echoed this on numerous occasions. In fact, there is somewhat of a joke that was uttered on occasion by Prime Minister Nakasone, that as a consequence of Mike Mansfield's comments on the importance of this relationship being the most important bilateral relationship, bar none, the Japanese were referring to our Embassy in Japan as the bar-none ranch. I think that little story relates, again, our fondness for the extraordinary relationship which we enjoy with the Japanese.

However, as a number of my colleagues have indicated, as evidenced by the action taken in the Foreign Relations Committee yesterday with regard to the Dixon amendment, there is concern on how the FSX agreement was initially negotiated. I think if one goes back and reviews to the original MOU that was signed back in November of 1988, it did not address adequately the issue of coproduction. Safeguards on technology transfers were also inadequate, especially for flight controls and mission controls. The MOU did not leverage-in a position for the United States, clearly defining and insuring the role we would play.

Now we are satisfied that in April modifications were made that have dramatically improved the MOU. The MOU now covers codevelopment and production, but, Mr. President, it only covers development and production of the first six airplanes. Production share and technological transfer have been clarified in side letters, but in the early 1990's, we will have to negotiate new MOU to cover production of the additional production of approximately 130 planes.

One wonders, and I think it is quite legitimate, to question what leverage we are going to have in the 1990's? It was interesting to note in the Foreign Relations Committee yesterday Secretary Cheney, Deputy Secretary Eagleburger, and Secretary Mosbacher indicated they were, so to speak, the new kids on the block. They had not negotiated the November 1988 MOU.

Mr. President, we have the same exposure associated with what will happen in the early 1990's. Currently, the MOU does not address production of the engine. We want to build them, obviously. Well, so does Japan. One would ask why we do not settle this now. If this were a private business negotiation, every effort would be made to reduce the areas of misunderstanding so we can focus in on our respective roles in the manufacture and production of the engine.

So that disturbs me. We requested clarifications on coproduction and technology safeguards and we do have a better agreement than we had in November, but there are still concerns over the FSX, as I have indicated, and I am glad that many of my colleagues share that concern. I see my friend from Illinois is on the floor, who had led this issue, pointing out some of the inconsistencies associated with it.

I think there is another issue that we simply cannot ignore; and that is, can we separate the FSX from the general trade debate with our friends, the Japanese? Obviously, it is difficult not to address trade considerations when we consider major sales of technology. To some, this agreement symbolizes Japan's willingness to place considerations of commerical nature over those of security. We have already debated the question of why Japan did not buy off the shelf. I think it is a foregone conclusion, as noted by Secretary Cheney, Secretary Mosbacker and Deputy Secretary Eagleburger that, indeed, if the FSX agreement falls through, the Japanese will go ahead and produce their own indigenous fighter, regardless of the cost.

We have already addressed the issue of why Japan did not buy, off the shelf, the F-16's. Some say that if the agreement fails Japan will go elsewhere, to Europe. I do not think they will, because more often than not, the European technology is for twin engines. From time to time, we have to remind our Japanese neighbors that it was the United States flag that was flying over vessels in the Persian Gulf, and is still flying over those vessels, that ensured the free flow of oil for the benefit of the world, but mostly for Japan.

Now, as we reflect on the merits of my resolution, I think it needs an examination, Mr. President, because there is strong evidence that Japanese corporations have assisted Libya in the fabrication of metal components for a chemical war weapons arsenal. This is a matter of public record.

As a member of both the Foreign Relations and the Intelligence Committee, I have an opportunity to assess security documents. But this is a matter of public knowledge, and it has appeared through various media in Japan that, indeed, Mitsui, Toshiba, to name a few, as well as Japan Steel Works, have played a role in fabricating portions of the metallurgical facilities that were built out in the desert of Libya.

Now, Japanese assistance in any form to the Libyan chemical weapons programs undermines the trust and the confidence necessary for the security relationship between the United States and Japan. From the standpoint of policy, it is my hope that my resolution would be in the sense of the Senate that the proposed export of technology, defense articles, or defense services, pursuant to an agreement with Japan to codevelop or coproduce the support fighter, or the FSX weapon system, should not be implemented, Mr. President, until the President of the United States receives assurances from the Government of Japan and transmits those assurances to the chairman and the ranking members of the Committee on Foreign Relations of the Senate two things: One, Japanese personnel involved with any respect of chemical weapons production have been withdrawn from Libya, and no Japanese assistance of any kind will be provided in the future to the Libyan chemical weapons program.

Now, I do not think that is being unreasonable. We are simply reminding our Japanese friends of the moral fallout associated with chemical weapons and germ warfare. We abhor the advancement of this technology, and it is appropriate that we use the leverage we have in the FSX, which is before us, to convey that.

I want to clarify for anyone who doubts the position of the junior Senator from Alaska with regard to the motion which was before the Foreign Relations Committee yesterday. It was a motion of disapproval, and the Senator voted in favor of the administration's position, to go ahead with the FSX argreement.—Not that I believe it is ideal, as I have already outlined, but simply because it is the best arrangement we can make under the circumstances. But this gives us an opportunity to send a message, and that is the basis for the resolution, as I have proposed, or will propose, given the opportunity.

I think it is further appropriate to note that the Parliamentarian can accommodate this resolution by eliminating the identification of the country by the name Libya. If that will satisfy the Parliamentarian, that is what the Senator from Alaska proposes to do. So it is not the intent of this Senator to go on a bashing mission with our friends, the Japanese. I have the utmost respect for them, and I have dealt with them in business for over 23 years, and they respect consistency and strength and continuity; and if you are weak, you might think you are taken advantage of. They simply feel that they are doing business with someone who perhaps does not have the expertise or commitment of others.

So I simply recognize that for what it is, good business dealings. But there are sources of frustration. It is important that we have an opportunity in this body to express and expand on those areas of frustration, because they represent attitudes prevailing in the United States, and this is an appropriate forum. Japan has benefited from open investment policy in the United States. We have expressed concern over increased Japanese Government participation in investment. We have seen the Japanese investing in excess of $2 billion in construction in the United States. There is absolutely nothing wrong with that. We would simply like to have the opportunity to do the same thing in Japan. Our investments in Japan, as far as commercial construction, have consisted primarily of two Mrs. Fields' cookie store fronts in downtown Tokyo. You offset that with $2 billion worth of construction mainly in New York, California and Hawaii, $2 billion, and you have some idea that indeed we are hardly in pace with our Japanese friends.

We have attempted to negotiate at great length the participation of United States firms in the Kansai International Airport project, one of the construction wonders of the world, currently being built in Japan. We have been absolutely stonewalled. We are not interested in going over and bidding on rock laying or highways, but what we have to offer is architectural, engineering, design, construction supplies; we have expertise in people movers at airports, in spite of what you think when you go out to Dulles, and we have expertise in flight kitchens, and air traffic control. We want the opportunity to bid on these portions of the project.

We also have frustration seeing more and more, not foreign investment from Japan, which I encourage, but foreign government participation in that foreign investment. I would advise my colleagues that there is a significant difference, because oftentimes when foreign governments invest they provide financing at less than market rates

It provides a participation by financiers in the sense that they take an equity interest; they can come in and penetrate a market at lower than cost, until the competitors have gone. These are things we have to be sensitive to, and we have to have an open communication. I can say that from the standpoint of representatives of Japan in the United States the Ambassador Matsunaga and the Embassy staff have been both forthcoming and responsible in the junior Senator's efforts to communicate his concerns. I am not being at all critical of that. They have been very, very responsive. I simply think we have to have plain, down to Earth talk.

Now, to give you some idea, prior to closing, Mr. President, we have seen one of our more colorful investors, T. Boone Pickens, decide that he is going to participate in the miracle of Japan. He purchased 21 percent of Koito, which is a large auto parts manufacturing supplier which supplies primarily to Toyota.

Now he currently owns more stock than Toyota owns in Koito. The significance is that currently the Toyota group has four board members on the Koito board. T. Boone Pickens, with 21 percent of the stock, approximately, cannot get a seat on the board of directors.

The discussion has gone something like this.

"Why shouldn't I have the same representation?"

"Well, how did you finance your stock?"

"I understand that in this country it is nobody's business. If you own a stock and paid for it, that is enough."

"Well, how did you finance your stock?"

It even goes further, Mr. President. It moves into the area of the shareholders. Obviously, he is a shareholder, a significant shareholder with 22 percent.

He has asked to take his attorney to the shareholders' meeting as well as an interpreter. He may be denied because it has been asserted that only he can go to represent the interest of the shareholder since he was the shareholder representing T. Boone Pickens' interest.

So he countered by offering to sell a portion of his stock to his attorney as well as his interpreter. He was denied that right because of a timeframe, in order for them to be eligible to come, that had to be concluded prior to the annual shareholders' meeting in June, the stock would have to be transferred 60 days before the meeting.

So here we have an occasion, rather humorous, of a colorful United States investor going to the Japanese market for a significant acquisition, and he may go into the shareholder meeting without an interpreter, and obviously until he can read the minutes and have them transcribed at a later date he may be at a significant disadvantage.

I am just raising this to point out that indeed the Japanese business community has not prepared for the extended interest of United States investors and they really do not know how to handle it as is indicated by the steps to date.

It will be interesting to see what ultimately happens. I would not be surprised if the Japanese simply offer him twice his investment to encourage him to leave with a profitable return. Hopefully, T. Boone Pickens will not care to do that.

Again, as we look at other areas, when we raise burden sharing, we are told to look at the increase in Japan's foreign aid. We are very pleased that Japan increased their aid. But it is important that we look at how the aid is spent because in reality it is tied to the purchase of goods from Japan. Sixty percent of Japan's foreign aid to the LOC's is not grants; it is loans. That compared with 9 percent of U.S. aid in loans.

So what the Japanese have done, business as usual, is simply tied their assistance as loans which will result in purchases of Japanese products. There is nothing wrong with that by any means, but it does reflect a little different point of view from the standpoint of the assistance.

We must share the blame. We are not aggressive enough in pursuing commercial interests, but I have watched U.S. companies go into the market. One of the excuses is you cannot come into the Japanese market because you do not have the experience.

I can embellish at great length with adjectives on that, but the reality is, of course, you are in a catch-22. How are you going to get the experience if you do not get in?

I have been critical of the Department of Defense and the State Department for not seeing the relationship between our economic well-being and the national security. An example that comes to mind is bid rigging on United States bases in Japan.

Mr. President, I ask unanimous consent that a response I received from the Navy covering this be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF THE NAVY,
OFFICE OF THE ASSISTANT SECRETARY,
Washington, DC, April 10, 1989.

Hon. FRANK H. MURKOWSKI,
U.S. Senate,
Washington, DC.

DEAR SENATOR MURKOWSKI: This is in response to your letter of February 27, 1989, requesting information concerning bid-rigging activities at Yokosuka Naval Base, Japan. A Naval Investigative Service (NIS) investigation uncovered collusive bidding among some 160 contractors, organized as an association, officially known as the "U.S. Military Construction Safety Technical Research Association". The unofficial title was the "Star Friendship Association". The NIS investigation concentrated on the larger or more active contractors involved in the conspiracy.

The Japan Fair Trade Commission has also investigated the activities of the Star Friendship Association in relation to bid-rigging on construction projects ordered by the U.S. Navy. Based on this investigation, enclosure (1) notified the Officer in Charge of Construction, Far East (OICC-FE), that the Japan Fair Trade Commission was issuing warnings and mischarge payments against seventy (70) companies involved in collusive bidding in the Star Friendship Association, in violation of the Japanese Antimonopoly Act. The list of seventy companies, which you requested, is contained in enclosure (1). This list has now been publicly released in Japan.

The Commander-in-Chief U.S. Pacific Fleet has forwarded proposed debarment actions against nine Japanese contractors from Yokosuka to this office as a result of the NIS investigation which developed adequate evidence of collusive bidding practices on U.S. Navy contracts. Those nine firms recommended for debarment are included in the list of seventy companies found guilty of violating Japan's Antimonopoly Act.

The Navy Debarment Committee is reviewing these cases at the present time and will be making a recommendation concerning their disposition in the near future.

I have been informed by the NIS that investigations of collusive bidding have also been conducted in Okinawa.

If we can be of further assistance, please let me know.

Sincerely,

EVERETT PYATT,
Assistant Secretary of the Navy,
Shipbuilding and Logistics.

FAIR TRADE COMMISSION,
Tokyo 100, Japan, December 8, 1988.

Mr. J.B. GREEN, JR.,
Captain, Civil Engineer Corps, U.S. Navy,
Officer in Charge of Construction Far East.

DEAR MR. GREEN: Enclosed please find a copy of our press release, to be made public today, with respect to the warning and surcharge payment orders against the bid rigging on construction projects ordered by the U.S. Navy's OICCFE. In addition to this, I am enclosing a list of the 70 companies which the Fair Trade Commission (FTC) ordered to pay a surcharge under Section 48-2 of the Antimonopoly Act. I would be very grateful if you would keep this list confidential, because the FTC will not disclose the names of the companies involved except for those listed in the Tokyo Stock Exchange.

I would like to thank you very much for your cooperation during the course of our investigation.

Sincerely,

MITSURU SUZUKI,
Director, First Investigation Division.

DECEMBER 8, 1988.

FAIR TRADE COMMISSION

Having investigated the case of suspected violation of the Antimonopoly Act with respect to bidding on construction projects ordered by the United States Navy's Officer in Charge of Construction Far East (hereinafter referred to as OICCFE), the Fair Trade Commission (FTC) has today issued a warning and surcharge payment orders as described below.

1. Parties subject to the warning and to the surcharge payment orders:

Warning—139 members of the former US Military Construction Safety Technology Research Group and Kajima Corporation.

Surcharge payment order—69 members among the members of the former US Military Construction Safety Technology Research Group—the members who received orders for the aforementioned construction projects (excluding those who face a surcharge payment of less than 200,000 yen) and Kajima Corporation.

Note: The former United States Military Construction Safety Technology Research Group had its office in Yokosuka City, Kanagawa Prefecture. Its membership consisted of entrepreneurs who submit bids on construction projects, etc. for which orders had been placed by the OICCFE. Voluntarily established on March 27, 1984, it was ultimately dissolved on October 8, 1987.

2. Outline of the illegal act and application of the law thereto:

The former United States Military Construction Safety Technology Research Group (hereinafter referred to as the Group), substantially restricted competition in the field of transactions involving construction projects ordered by the OICCFE (hereinafter referred to as US Navy-ordered projects) by having its members designate expected order recipients from among its members for construction projects ordered during the period March 27, 1984 to October 8, 1987. This act constitutes a violation of Section 1, Clause 1, Article 8 of the Antimonopoly Act.

Kajima Corporation (hereinafter referred to as Kajima), in collaboration with members of the Group, also designated expected order recipients, thereby substantially restricting competition, against public interests in the field of transactions involving US Navy-ordered projects. This act constitutes an undue trade restriction as stipulated in Clause 6, Article 2 of the Antimonopoly Act and a violation of Article 3 of the Act (see the appendix "Background Information and Application of the Law").

3. Outline of the measures taken:

(1) Warning—As described above, the Group and Kajima had been engaging in illegal acts. The FTC issued a strong warning to Kajima and the former members of the Group as the Group had been dissolved in the interim. The warning obliged the parties involved to refrain from further such activity and instructed that necessary measures be taken to prevent a recurrence of illegal acts.

(2) Surcharge payment order—Since the aforementioned illegal acts under Clause 1,

Article 7-2 of the Antimonopoly Act, the FTC ordered 69 former members of the Group and Kajima to pay a surcharge amounting to 1.5 percent of the sales generated from US Navy-ordered projects that had been undertaken during the period of illegal activity as described below.

(A) The period during which the illegal acts were committed.

(i) Commencement date: The date of first bidding on or after March 27, when the Group was established.

(ii) Termination date: October 8, 1987, on which date the Group was dissolved.

(B) Surcharge: The total amount is set at 289,890,000 yen.

(C) Payment deadline: February 9, 1989.

APPENDIX—BACKGROUND INFORMATION AND APPLICATION OF THE LAW

1. BACKGROUND INFORMATION

(1)(A) The United States Military Construction Safety Technology Research Group (hereinafter referred to as the Group) had its office at 4-banchi, 3-chome, Wakamaisu-cho, Yokosuka City, Kanagawa Prefecture. Its membership consisted of entrepreneurs who submit bids on construction projects, etc. that had been ordered by the Officer in Charge of Construction Far East (hereinafter referred to as OICCFE), under authority of the United States Navy. The Group was voluntarily established on March 27, 1984, set up its bylaws, instituted the post of chairman, secretary general, etc., and had 145 members as of October 8, 1987.

Though its bylaws stipulated that the Group's purpose was to conduct research into safety technology relating to the aforementioned construction projects, the Group was actually attempting to designate order recipients of the construction work projects.

(B) Members of the Group received most of the orders for construction projects that were tendered in Japan by the OICCFE (hereinafter referred to as US Navy-ordered projects).

(C) Kajima Corporation (hereinafter referred to as Kajima) is headquartered at 2-ban 7-go, 1-chome, Motoakasaka, Minato-ku, Tokyo, and engages in the construction business. Although it did not become a member of the Group, Kajima has participated in bidding on US. Navy-ordered projects.

(D) The OICCFE offered the majority of the construction projects via the tendering process.

(2)(A) Prior to the establishment of the Group entrepreneurs participating in the bidding for US Navy-ordered projects formed an organization called Yokakai which attempted, among other things, to prevent the prices of the projects from falling. However, because the number of non-Yokakai bidders increased after 1983, the organization began to experience difficulties in achieving its objectives.

Therefore, the directors and officers of Yokakai decided to set up the Group as a new entity to replace Yokakai. On November 10, 1983, they held a meeting to explain their objectives at Yokosuka Kenko Kaikan, located in Yokosuka City, Kanagawa Prefecture. The approximately 110 entrepreneurs, participating in the bidding for the aforementioned projects who were present at the meeting, were requested to join the Group.

Subsequently, the directors and officers of Yokakai and others held a general assembly to establish the Group at the Yokosuka Kenko Kaikan on March 27, 1984.

(B) At the aforementioned general assembly, the following matters relating to US Navy-ordered projects were decided by the Group:

(i) Henceforth, members of the Group would designate the one who should receive orders (hereinafter referred to as expected order recipients) after holding consultations among participants in the bidding.

(ii) To implement (i),

(a) members of the Group, upon receiving tendering information, would report the project number and project name to the secretariat of the Group;

(b) the secretariat and directors of the Group, by taking part in meetings to get instructions at projects sites, etc., would endeavor to obtain information concerning those who would be expected to participate in the bid; and

(c) the secretariat of the Group would notify expected bid participants of the date, time and venue of the meeting where expected order recipients would be determined (hereinafter referred to as an arrangement meeting).

(C) The Group, by holding arrangement meetings on the basis of the aforementioned criterion, had its members who received tendering documents for US Navy-ordered projects determine expected order recipients. In addition, matters were arranged in such a way that the bid price of the expected order recipients would be the lowest by arranging the bid prices of other participants.

(3) Kajima attended both the meeting to explain objectives and the general assembly to establish the Group. In collaboration with the members of the Group at arrangement meetings, it also determined expected order recipients and arranged matters in such a way that the bid price of the expected order recipients would be the lowest by arranging the bid prices of other participants.

(4)(A) The Group was dissolved as a result of a resolution adopted at its extraordinary general assembly held on October 8, 1987, at Hotel Centraza, located in Yokosuka City, Kanagawa Prefecture.

(B) The former members of the Group and Kajima have not designated expected order recipients on the basis of the aforementioned criteria since the dissolution of the Group.

2. APPLICATION OF THE LAW

(1) As described in the above items (1), (2), and (4), the Group was a trade association subject to Clause 2, Article 2 of the Antimonopoly Act. The Group worked to substantially restrain competition in the field of transactions of US Navy-ordered projects by having its members designated expected order recipients for the projects. Such actions constitute a violation of Section 1, Clause 1, Article 8 of the Antimonopoly Act.

(2) As described in the above items (1), (2), (3), and (4), Kajima violated the public interest by working in collaboration with members of the Group, to substantially restrain competition against public interest in the field of transactions involving US Navy-ordered projects by determining expected order recipients with regard to the projects. Such actions constitute undue restraints of trade as set forth in Clause 6, Article 2 of the Antimonopoly Act, and constitute a violation of the regulations in Article 3 of the Act.

LIST OF 70 COMPANIES

1. Ikeda Kensetsu.
2. Ishimoto Kensetsu.
3. Inoue Kogyo.
4. Usuko Sangyo.
5. Umemura Gumi.
6. Ohiwa Gumi.
7. Okayama Komuten.
8. Ebara Plant Kensetsu.
9. Gakunan Kensetsu.
10. Kajima Road.
11. Kato Tokoten.
12. Kaishin Kogyo.
13. Kitamura Shokai.
14. Kinnou Kensetsu.
15. Kuribayashi Kensetsu.
16. Keihin Densetsu.
17. Kouka Plant.
18. Koudensya.
19. Goyo Kensetsu.
20. Kitashio Industrial.
21. Saito Denki Syokai.
22. Sakakura Toso.
23. Sanei Kohji.
24. Sanwa Daiei Denki Kogyo.
25. Shimizu Kensetsu.
26. Shinyo.
27. Shinwa Biso.
28. Swan Shokai.
29. Seibu Sogo Setsubi.
30. Sogo Kensetsu Kogyo.
31. Taisei Kensetsu.
32. Taiken Kogyo.
33. Taihei Denki.
34. Takenori.
35. Chuo Kensetsu.
36. Chiyoda Chemical Engineering & Construction.
37. Denki Kogyo.
38. Toa Kensetsu Kogyo.
39. Toho Inc.
40. Toho Densetsu Kogyo.
41. Toyo Kensetsu.
42. Toyoko.
43. Nagasaki Jyotaki Kensetsu.
44. Nagisa Kogyo.
45. Nishimatsu Kensetsu.
46. Nippi Kosan.
47. Nihon Kigyo.
48. Nihon Kokan Koji.
49. Nihon Tatemono.
50. Nihon Tsushin Kensetsu.
51. Nihon Denki Shijyo Kaihatsu.
52. Nihon Nekka Kogyo.
53. Nohmi Bosai Kogyo.
54. Hanasaki Sangyo.
55. Fuji Sogyo.
56. Fuso Denki.
57. Howa Sangyo.
58. Hokuto Kensetsu Kogyo.
59. Hosaka Kensetsu.
60. Maeda Road.
61. Mabuchi Kensetsu.
62. Mamoru Kensetsu.
63. Mikawa Toso Kogyo.
64. Mitaka Kogyosyo.
65. Miyuki Gumi.
66. Yokoso.
67. Wakachiku Kensetsu.
68. Hitachi Zosen.
69. Fuji Kensetsu.
70. Kajima Corporation.

Mr. MURKOWSKI. But the facts are that there are over 140 accounts that have been communicated to the United States Navy concerning bid rigging in Japan on approximately 70 of those that were noted, action has been taken by the Japanese Government. Yet our Department of Defense has failed to respond in kind by removing these particular bid rigging corporations from their list of qualified contractors.

We have had some discussions with the Secretary of Defense on this matter. I would hope it gets his attention, because what we are doing here is we are excluding U.S. firms that want to participate in construction projects on U.S. bases in Japan from being allowed to come in and bid competitively.

It is rather interesting to note that those who are drawing up the specifications for the most part are Japanese nationals that are hired to work in the base procurement offices. One wonders why the U.S. Navy and Department of Defense do not give him U.S. personnel, who are over there stationed, or their dependents.

Further, both my colleagues and I have had great concern over the recent negotiations which have been taking place with regard to the drift-net interception matter, and we have seen not only the Japanese, but the Koreans and Taiwanese become involved in the high seas interception of salmon under the guise of a fishery known as a squid factory.

What happens is our salmon, during the juvenile stage are intermingling in the North Pacific and they are growing up out there, and this is way beyond 200 miles.

We have seen situations where as many as 400 vessels from one country, Taiwan alone, are out with nets 30 miles long.

The ability to patrol that area is very, very limited, but when you have the Japanese, the Taiwanese, and the Koreans out ther with nets, those are horribly efficient. They take in not only squid but salmon as well as marine mammals, seals, dolphins, sea birds, and we have a real problem and the ability to get their attention is rather difficult.

We are involved in negotiations currently with the Japanese and while we have found the Japanese responsive in some respects to a number of observers on the boat we are only talking about 22 observers and we are talking about 350 boats and also talking about them increasing their surveillance from 5 boats to 6, hardly adequate. And they are wanting to increase their northern boundaries approximately 2 degrees or 120 miles.

Obviously, this will enable them to intercept more immature salmon and simply expand the problem.

So the senior Senator from Alaska and I feel quite strongly that now is the time to send the strong message that somebody has to speak for the fish or we are not going to have any because we have this unlimited fishery occurring out there. It is unfair to focus just on the Japanese because of the Koreans and the Taiwanese. We do not even have an opportunity to initiate the formal discussion on a restriction for drift-net interception, but indeed we have to concern ourselves with where we leave off in our negotiations with the Japanese, because if we ever get one we will start at that point.

We simply are losing our salmon resources to interception on the high seas, and at a time when we have had the disastrous oilspill in Prince William Sound and seen a tremendous danger on the replenishment of fisheries in that area, we have to do everything we can on the high seas to insure that the runs will be maintained. We are not talking just about Alaska. We are talking about California. We are talking about Oregon, Washington, British Columbia, as well as Asiatic stocks.

So in conclusion, Mr. President, I think that I shared with my colleagues some understanding over the concern that we have and the idea that perhaps the FSX is an appropriate vehicle to communicate those concerns, and I am sure, if the tables were turned our friends in Japan would rightly express their own concern.

Lastly, as a consequence of a briefing that I had down at the Pentagon this morning, I would urge that my colleagues join with me and the senior Senator in expressing a concern over the current situation in Panama as it relates to an area in our national security that is outside the parameters of our authority where our military personnel will be involved; namely, the safeguards of the Panama Canal corridor.

But, adjacent to that, approximately 20 miles and outside our scope of authority is a pipeline that runs 81 miles from the Pacific coast to the Atlantic. It carries some 600,000 to 800,000 barrels of Alaskan North Slope oil each day.

The safety of that pipeline is directly related, obviously, to the necessity that we have that oil in the gulf coast refineries, because that oil after it is transferred down from Alaska on the Pacific side and moves through that pipeline on the 81 miles across the isthmus it is then picked up in smaller U.S.-flag vessels and dispersed throughout the gulf coast.

The pipeline is currently under the control and the defense of Noriega's national guard. I encourage my colleagues to recognize the significance that this oil represents some 5 to 8 percent of the total crude oil produced in the United States each day. And when one considers the calamity associated with concerns over price and pull down of inventories when the pipeline from Prudhoe Bay to Valdez was interrupted after the spill and the reaction, one should note the vulnerability that we have from the standpoint of our national security in not being able to include this pipeline in our overall consideration of our position in Panama.

I thank the Chair. I recognize my colleagues have been waiting for some time.

I see the majority leader on the floor. I will be willing to yield to him.

The PRESIDING OFFICER. The majority leader.

Mr. MITCHELL. I thank the Senator from Alaska for his courtesy. It is my intention now to propound a unanimous-consent request regarding the pending matter. Let me describe it in advance so that Senators will be aware of it before I formally propound it.

It is my intention, after consultation with the managers on both sides of this legislation, the distinguished Senators from Illinois in behalf of the resolution of disapproval and the distinguished Senator from Indiana in opposition to the resolution of disapproval, to shortly recess the Senate, now having completed over 4 hours of debate on this matter today. It is my intention to have the Senate return at 9:30 on Tuesday morning, go back to this matter at 10 o'clock on Tuesday morning, to then have 2½ hours of further, and hopefully final, debate on this resolution, recess for the respective party caucuses between 12:30 and 2:15, and a final vote on this resolution at 2:15 with no amendments to it being in order.

If this resolution of disapproval is defeated, as part of my unanimous-consent request, I will ask that the Senate then proceed to the immediate consideration of Senator BYRD's resolution of approval of the transaction—that is Senate Joint Resolution 123—that there would be, in my agreement, no request for limitation of time or with respect to possible amendments to Senator BYRD's resolution when it comes before the Senate under the circumstances I have just outlined.

I will also ask that I, after consultation with the distinguished minority leader, have the authority to turn to consideration of the supplemental appropriations bill should this matter go on longer than anticipated. As I have said many times and as I believe all of my colleagues agree, the supplemental appropriations bill is of critical importance, and we must act on it next week before going out on recess next Friday.

UNANIMOUS-CONSENT REQUEST

Mr. MITCHELL. Mr. President, I now ask unanimous consent that no amendments or motions be in order to Senate Joint Resolution 113.

I further ask unanimous consent that a vote on final passage of Senate Joint Resolution 113 occur at 2:15 p.m. on Tuesday, May 16.

I further ask unanimous consent that if Senate Joint Resolution 113 is defeated, then the Senate proceed to the immediate consideration of Senate

Joint Resolution 123, Senator BYRD's resolution of approval.

I further ask unanimous consent that the majority leader after consultation with the minority leader may at any time turn to consideration of the supplemental appropriation bill.

Mr. MURKOWSKI. Reserving the right to object, for the benefit of the majority leader and my colleagues, I had hoped that there could be an accommodation made, and it may be possible, I say to the majority leader, that we can work out an agreement on a resolution which, like Senator BYRD's resolution, was discussed at substantial length in the Foreign Relations Committee and has been approved by the administration.

The resolution related to Japanese involvement in assisting the development of chemical warfare capabilities in Libya, in metallurgical facilities specifically, and having the resolution as a freestanding resolution right after the disposition of the Dixon resolution, recognizing the leader has changed the order. I had been assured that a majority of my colleagues on the Foreign Relations Committee at least would support this freestanding resolution.

It is my understanding the Parliamentarian has had some objection because it deals with a third country. I find the interpretation rather ironic. While we are dealing with a message to send to our allies, our friends in Japan, I feel that it is inappropriate that this resolution not receive the consideration of this body.

There have been efforts throughout the day to try to work out some accommodation. I implore the leader for consideration of this. I should also add that my senior colleague, Senator STEVENS, and I have a concern over driftnet legislation that is presently pending in the form of a resolution.

While we have few opportunities to pursue appropriate legislation, I say to the majority leader, I would wonder—and I certainly want to work toward the timeframe, but if I am precluded I must object.

Mr. MITCHELL. If I may respond to the Senator from Alaska, two points have been raised. First, with respect to the Senator's provision, I had been advised the Senator had been satisfied and did not intend to offer that as an amendment. Is that what he is now saying? Is the Senator from Alaska now saying that he does wish to offer his amendment?

Mr. MURKOWSKI. It is the intention of the Senator from Alaska to offer a freestanding resolution. That was what I intended to do in the Foreign Relations Committee and was generally agreed to as far as appropriate procedure. It was not going to be in the form of an amendment.

Mr. MITCHELL. If that is the Senator's intention, then, obviously, if it is relevant to the pending resolution, he has that right and will be able to do so, and therefore is perfectly within his rights to object to this agreement. With respect to the amendment of the senior Senator from Alaska, under the existing unanimous-consent agreement, he has no right to offer that to the pending resolution. Therefore, he is unaffected by that part of this unanimous-consent request which deals with the pending resolution, and indeed this unanimous-consent request creates a vehicle, the Byrd resolution, in the event the pending resolution is defeated, to which he could offer it.

Mr. MURKOWSKI. I appreciate the majority leader pointing out that parliamentary track. I would be willing to commit my colleague and myself for that opportunity, I say to the majority leader. I would simply, in addition, ask for the assurance to have the opportunity to bring up the resolution at an appropriate time after the disposition of the Dixon resolution of disapproval, which I understand would be the initial pending business before the Senate in the order that the Senator has outlined.

Mr. MITCHELL. I am unable to do that now because I do not, personally, know who may have objection to the Senator's resolution and in what form, and therefore this is an open-ended circumstance in which each new issue raises two new issues. I had announced yesterday that we would seek this unanimous-consent agreement today. Unfortunately, despite our best efforts of about 5 hours, we have been unable to do so, I must say in all candor, in large part because Senators, many Senators have simply not made their wishes known or taken the time and interest to be here during the period in which we are attempting to obtain this agreement. Accordingly, Mr. President, in view of the objection of the Senator from Alaska, I can see no alternative but to simply——

Mr. DANFORTH. Mr. President, will the leader withhold? I just wanted to clarify the situation before the majority leader withdrew his unanimous-consent request.

I heard most of what the Senator from Alaska said but did not hear the end. It was not my understanding that he was going to object to the unanimous-consent request. Am I wrong?

Mr. MURKOWSKI. The Senator from Alaska has indicated his willingness to try to ensure that I was given an opportunity to bring up my resolution which would be nonamendable. While, obviously, the sequence of events is within the authority of the leadership, I was under the impression it would be after the disposition of the Dixon amendment. I am not quite sure whether I understand the reason why the leader is unable to make that particular assurance.

Mr. MITCHELL. Because I do not know whether or not there is any Senator who might object to my agreeing to bring up the Senator's resolution. This is a similar situation to when, if someone here were asking me to commit to bringing up a resolution to which the Senator might have objection but the Senator was not here, the Senator would, of course, want someone to interpose that objection.

I do not know. I am advised by the staff now that the Senator's resolution is not germane to the pending resolution of disapproval, and, therefore, as with the resolution of the senior Senator from Alaska, the distingished junior Senator from Alaska could not bring his resolution up with respect to the pending resolution in any event.

So he does not lose anything by this unanimous-consent request, and he gains a possibility. It is difficult for me to understand the reason for objecting under those circumstances.

Mr. MURKOWSKI. With all due respect, I think what we are asking for is the same consideration given Senator BYRD in the manner in which his resolution is being given an opportunity to have the assurance of a vote.

Mr. MITCHELL. The difference is this: Senator BYRD's resolution is relevant to the underlying Dixon resolution. He could offer it as an amendment to the pending Dixon resolution any time he chooses. He has agreed to forbear from doing so to permit a vote on the Dixon resolution so long as he gains the ability to have his resolution voted on should the Dixon resolution fail. The distinguished Senator from Alaska is not in a comparable position. The Parliamentarian has indicated that the resolution of the distinguished Senator from Alaska is not relevant. The Senator from Alaska is not in the position to offer it as an amendment.

Mr. MURKOWSKI. In the spirit of cooperation, I would be willing, in spite of the fact that I disagree with the Parliamentarian's interpretation that a third country being named eliminates it from the appropriate procedure, to eliminate the name of the Third World country so it would conform if that would expedite the leader's efforts to proceed with this because, as the leader is well aware, I was a party to the discussion earlier in previous days, and we have proceeded through the Foreign Relations Committee in the manner in which is generally prescribed. And in the spirit of cooperation we almost had a vote on Senator BYRD's amendment as well as my own. Unfortunately, the quorum seemed to have vanished at the last minute.

So, if the leader would consider that, I would amend my resolution to conform with the Parliamentarian.

Mr. MITCHELL. I will repeat what I said before. I personally have no objection to that. But since I am unaware, I am not at this moment informed as to what Senators may or may not have objection to. I feel constrained to protect the rights of any such Senator. I think what we have gotten into here is sort of like a game of pickup sticks. Every time we pull one, two others move. So I think, as Senator BYRD often reminded me during past years or reminded all of us, there comes a time when we recognize that we just cannot get an agreement.

The rules of the Senate are that in order to get an agreement every single Senator must agree. We have reached a point where despite good faith efforts by all concerned, including the distinguished Senator from Alaska, we cannot get an agreement on it. So, therefore, there is no point in prolonging the agony today.

Mr. MURKOWSKI. If I might interrupt the leader, I am wondering if he would not agree that we had notified well in advance the significance of what we felt this meant. I feel that we are being put in a light of being responsible for objecting to what the leader wants. That concerns the Senator from Alaska a great deal because I always want to cooperate with the leadership.

I guess the nuance that I fail to understand is now that I have been willing to take my resolution and eliminate the reference to a third country, that basically should make my resolution germane, and the fact the leadership has seen fit to accommodate Senator BYRD's resolution it seems that my resolution is in the same category as his.

With all due respect, it appears the majority leader is accommodating his because it is germane.

All I am asking for is accommodate mine in the same vein.

Mr. MITCHELL. I want to make it clear, Mr. President, that I intended no criticism whatever of the distinguished Senator from Alaska. He is correct. He has raised this all along. We had a colloquy on the floor earlier this week. It is just one of those things we cannot resolve.

I am now advised that there may be objection on his side to the aspect of this request which deals with the Byrd resolution proving that if you keep a target up long enough, there will be new marksmen to shoot at it.

So, therefore, Mr. President, it now appears that we have regressed since I got up and started discussing this potential agreement. Therefore, I withdraw my request, and state to Senators that we definitely will renew the effort early next week in the hopes that by Tuesday we can reach some agreement to dispose of these matters in a manner that each Senator finds acceptable.

I simply repeat what I said yesterday. We are going to complete action on the supplemental appropriations bill, the budget conference report, and the minimum wage conference report next week. We hope also to complete action on this.

Absent agreement, why, then, it may take many, many hours, but the Senate will be in session for as many hours as it takes. I repeat: I ask all staff to notify their Senators that the previously announced schedule in which I indicated there would be no votes after 7 p.m. on Tuesday and Wednesday, and no votes after 3 p.m. on Friday, will be very difficult if not impossible to adhere to next week, particularly in light of these developments.

Senators should be prepared for the possibility of lengthy sessions and vote well into the evening every night next week as well as remaining in session for as long as it takes to pass the supplemental appropriations bill.

The Senate will not go into recess until we pass the supplemental appropriations bill. We are going to do that, whatever it takes, and I look forward to dealing with that matter when we get to it.

Now, Mr. President, I thank the distinguished Senator from Alaska very much, as well as the managers of the bill. I repeat what I said. We were not able to accomplish this agreement today. We will renew our efforts promptly on Monday morning, and perhaps by Tuesday we can do so in a manner that accommodates all Senators.

It is my expectation now that we will be recessing very shortly.

The PRESIDING OFFICER. Without objection, the majority leader's unanimous-consent request is withdrawn.

Mr. MURKOWSKI. I thank the majority leader.

Let me assure him that the Senator from Alaska is not responsible, nor did he have knowledge of any further efforts on this side to object to his motion. I want to make it clear that both myself and my colleague, Senator STEVENS, wish to pursue a clear, freestanding sense-of-the-Senate resolution before the FSX disapproval resolution under unanimous consent is finalized. But I think we have discussed that to the extent it is appropriate.

(Mr. DASCHLE assumed the chair.)

THE GLOBAL ENVIRONMENT

Mr. GORE. Mr. President, it has been quite a week where global climate change has been concerned. The week started with President Bush's administration overruling the head of the EPA, and calling for no action to respond to the greenhouse effect during the negotiations in Geneva.

On the same day that we heard the news, we found that the administration had censored the scientific testimony of a NASA scientist who was testifying before a Senate subcommittee hearing on global climate change. Then we had a period of several days during which there was enormous political controversy and a good deal of criticism coming from Senators, both on the Democratic side of the aisle and the Republican side of the aisle, urging the President to change his mind and to change his policy.

Then last night, we found that the President had made a partial change, cabling his negotiators in Geneva to put on the table a proposal for a United States-sponsored workshop on global warming. And now today, this afternoon, a statement has been released from the White House to the effect that President Bush is reconsidering his position on whether or not there should be an international convention to deal with solutions to global climate change. And he now appears to be inching toward the international convention that many other Western nations have already endorsed.

I commend the President for the small, timid step he has now taken. But in the process, I want to note the stark contrast between the response of this administration and the kind of leadership being provided by some leaders of other nations, like Prime Minister Margaret Thatcher of Great Britain, such as some of our other allies, such as the Federal Republic and France.

Once again President Bush has been dragged slowly, kicking and screaming, toward the correct position when he should have been there all along and should have been providing some leadership. And, after all, we still have nothing more than words—no concrete proposals, no suggestions on how we might solve this problem, no urging of other nations to move forward quickly. It is progress, but it is not nearly good enough.

It reminds me of the way the Bush White House responded to the Alaskan oil spill. Their initial instinct was to do absolutely nothing at all. And then, as the magnitude of the problem became more apparent and as they began to suffer enormous political damage for their failure to act, finally they managed to announce the bare minimum action necessary to be able to say that they were doing something.

That is essentially what has happened here with the announcement today on an international convention on the greenhouse effect. He is not announcing a convention. He is announcing a workshop designed to promote a better understanding of the problem

and he has said that eventually he hopes it will move toward a convention. I applaud that step, again, as far as it goes. But, Mr. President, it was only days ago that we saw the actions I referred to a moment ago.

The cable last night to the U.S. team participating in the negotiations of the response strategies working group of the International Panel on Climate Change is welcome, if late.

Let me quote from the Presidential statement that was just released. He talked about the workshop and then says, "I expect that these efforts will lead to formal negotiations on the establishment of a framework convention on global climate."

Well, I welcome this decision to finally begin recognizing the importance of global climate change as an international issue demanding attention. But it is far too early for any rave reviews of a policy developed in the atmosphere of political damage control in response to congressional pressure from Republicans and Democrats alike. It remains to be seen whether or not this administration will really find a way to become serious about this issue.

This issue is the most important environmental issue humankind has ever confronted, by far. Even with enlightened, bold leadership, it will be difficult, at best, to solve this problem. With the kind of timid, foot-dragging, belated, minimalist response that we have seen this week from the Bush White House, it is going to be much more difficult than it should be.

Mr. President, we had a hearing in the Commerce Committee just yesterday, again, on the Valdez oilspill. I must say that I felt in that regard as well that administration's response was very timid to an environmental catastrophe and only after much pulling and prodding did they finally put the Coast Guard in charge. And they accepted at face value some of the statements from Exxon when they should not have been accepted at face value.

I think one of the reasons the administration is having a difficult time dealing with some of these environmental questions is the list of appointees to top positions dealing with environmental policy.

First of all, I want to note and underscore the appointment of William Reilly as head of the Environmental Protection Agency. This was an outstanding selection. He is doing an outstanding job. He was expected to. His credentials are impeccable. He is performing up to and even exceeding the high expectations people had for him in that position.

But there are many other appointees to key positions in parts of the Federal Government dealing with the Federal Government's resources and environmental policies where their points of view are diametrically opposed to the kind of concern that William Reilly has always expressed with regard to the environment.

I will ask unanimous consent to have printed in the RECORD at the conclusion of my remarks a column that appeared recently by John Oakes, detailing some of these concerns.

I will also, with permission, put in a copy of a more lengthy speech which I made recently on the subject of global climate change.

Mr. CHAFEE. I wonder if the Senator would reply to one question?

I did hear, yesterday, the Senator make that same comment about a number of individuals. I am curious about whom he is talking. I am not trying to embarrass anybody. But, first, under this administration there have been precious few people appointed. In the Interior Department, we have others here who are more familiar with that than I am, but outside of the Secretary of the Interior, for example, there are none of the others in major positions appointed that I know of.

It would be helpful to me, anyway, to know whether the Senator is referring to holdover individuals from the prior administration or this administration's appointees, who fall in the category that he was discussing of 10—I think yesterday the Senator said "clones of James Watt."

Mr. GORE. I will be glad to share with the Senator the analysis of this subject to which I referred earlier. I will provide it for the RECORD and provide a copy to the Senator personally.

The individuals fall in both categories and the reference to the former Secretary of the Interior, James Watt, is not a loose rhetorical device because, as the Senator will see from the analysis, many of the individuals who are mentioned in the analysis have had a very close working relationship on the subject of environmental policy with James Watt.

As the article will make clear, there are quite a few of them. I will be glad to share it with the Senator.

Let me just conclude, if I can, by saying that I do welcome the step which has been taken today. It is the very least that could have been done in response to the enormous political criticism that the administration faced for appearing to completely reverse its commitment during the campaign of last year to be active on environmental issues and on the issue of global climate change in particular. But it falls far short of what we really need in the way of activists, bold leadership in taking this Nation to the forefront of the issue and helping to organize an international response to the most serious environmental problem we have ever faced.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the New York Times, Apr. 29, 1989]

BUSH "ENVIRONMENTALISTS"—WHO'S WATT, AND WHY

(By John B. Oakes)

If President Bush believes that all he had to do to prove himself an "environmentalist" was to name William K. Reilly head of the Environmental Protection Administration, he is dead wrong.

The President's muted reaction to the Alaska oil spill is strong evidence that he fails to understand what environmental leadership is all about. Even stronger evidence comes from the caliber of his top-level environmental appointees—E.P.A. alone accepted.

The appointment of Manuel Lujan, Jr., an amiable New Mexico politician, to head the Interior Department was bad enough. But what is one to make of the decision to give James F. Cason, a clone of Ronald Reagan's first Interior Secretary, the savagely anti-environmental James G. Watt, controlling power over the Forest Service?

Or of the equally disturbing appointment of James Ridenour, described by informed Indiana environmentalists as Mr. Watt's "ideological soul mate," to be director of the National Park Service?

Or of the nomination of Delos Cy Jamison, at one time an aide to Mr. Watt and more recently to a virulently anti-conservationist Montana Congressman, to head the Bureau of Land Management? That is the agency responsible for the use (and misuse) of some 300 million acres of public lands.

Or of the proposed nomination of Constance Harriman, a lawyer in the Interior Department with minimal environmental but strong political qualifications, to the crucial post of assistant secretary in charge of fish, wildlife and parks?

Or of the failure to revive the moribund Council on Environmental Quality, the Congressionally mandated long-range advisor to the White House on environmental affairs?

As a high official of the Reagan Interior Department, Mr. Cason has promoted Federal giveaways of shale-oil claims (some have been sold to claimants for $2.50 an acre and immediately resold to speculators for $2,000). He has undercut regulations against strip mining. He has pushed for oil and gas leasing in the very national forests that, as Assistant Secretary of Agriculture, he is supposed to protect.

The Forest Service is under tremendous political pressure to continue the subsidized devastation of the nation's most valuable timberlands—for benefit of a few American lumber companies and many Japanese consumers. Mr. Cason's appointment can only add to that pressure.

His record is so bad that leaders of 10 national environmental organizations have written President Bush that "given Mr. Cason's proven record of antagonism toward the environment and his extreme bias in favor of those who financially benefit from the exploitation of the nation's public land resources, he is unsuited for the position to which he has been nominated."

Of similar stripe is Mr. Ridenour, new director of the National Park Service, who was finance chairman for one of Vice President Quayle's earlier campaigns and later director of Indiana's Department of Natural Resources.

As such, Mr. Ridenour consistently favored commercial development over environmental protection. In one suit involving destruction of a historic site, an Indiana court held he had acted "not solely for

public purposes and in good faith but instead in bad faith and for the benefit of private persons and entities." He was sworn in last week.

Mr. Jamison has been the cattlemen's, oil men's, lumber men's and miners' best friend as a staff aide on the House Interior Committee. If he is confirmed as director of the Bureau of Land Management, the erosion, pollution and deforestation of America's already gravely mutilated and overgrazed public lands will certainly continue with enthusiastic support from the top.

What these various appointments say is that while President Bush may talk a good line—on the destruction of Brazilian rain forests, for example, or control of global warming—when it comes to the crucial domestic environmental issues with political overtones, he folds up and silently steals away.

That isn't good environmental leadership. It isn't good economics. It isn't even good politics.

REMARKS OF SENATOR AL GORE, FORUM ON GLOBAL CHANGE AND OUR COMMON FUTURE, NATIONAL ACADEMY OF SCIENCES, MAY 1, 1989

Many of us have come to this gathering because of a shared belief that humankind has suddenly entered into a brand new relationship with the planet Earth, and that human civilization is, in its current pattern, causing grave and perhaps soon irreparable damage to the ecological system which supports life as we know it.

My purpose is to sound an alarm loudly and clearly—of imminent and grave danger—and to describe a strategy for confronting this crisis, with changes in our collective behavior and thinking which, if made, can forestall and prevent the horrendous prospect of an ecological collapse.

First, why is such an alarm necessary? Do we need a crisis before we can act?

Sometimes in human affairs a pattern is well set before its implications are felt in our daily lives. This is true both in politics and in science. When shattered glass filled the streets of Berlin on Kristallnacht, few could conceive of the holocaust to follow. But from a distance, the pattern is now clear. When the first atom was split, few could conceive of nuclear bombs. But when Einstein wrote Roosevelt, the pattern was clear.

How much information is needed by the human mind to recognize a pattern? How much more is needed by the body politic to justify action in response?

It took a long time for the world to respond to Hitler. Because of Hitler, it took only a short time for Roosevelt to respond to Einstein.

In a classic experiment often cited, a frog dropped into a pot of boiling water quickly jumps out. But the same frog, put in the water before it is slowly heated, will remain in place until it is boiled.

The meaning of a pattern is conveyed by contrast as opposed to sameness. Sameness lulls the senses and conveys an absence of danger. Gradual change sometimes resembles sameness, obscuring danger from minds which reserve their alertness for sharp contrasts. Exponential change it first resembles sameness, then gradual change, then explosive contrast.

It is often hard to recognize the shape of an exponential curve before it reaches the explosive stage. It is difficult because the contrast essential to understanding very large patterns is sometimes visible only from a distance.

If an individual or a nation is accustomed to looking at the future one year at a time, and the past in terms of a single lifetime, then many large patterns are concealed. If a political body looks at policies in the context of a single nation, then the global impacts will remain invisible.

When you consider the relationship of the human species to the planet Earth, not much change is visible in a single year, in a single nation. Yet, if you look at the entire pattern of that relationship from the emergence of the species until today, May Day 1989, a distinctive contrast in very recent times clearly conveys the danger to which we must respond. It took ten thousand human lifetimes for the population to reach two billion. Now, in the course of a single human lifetime—mine and yours—it is rocketing from two billion toward ten billion, and is already halfway there.

Startling graphs showing the loss of forest land, topsoil, stratospheric ozone, and species all follow the same pattern of sudden, unprecedented acceleration in the latter half of the 20th century. And yet, so far, the pattern of our politics remains remarkably unchanged.

The earth's forests are being destroyed at the rate of one football field's worth every second, one Tennessee's worth every year. An enormous hole is opening in the ozone layer, reducing the earth's ability to protect life from deadly ultraviolet radiation. Living species die at such an unprecedented rate that more than half may disappear within our lifetimes. Chemical wastes, in growing volumes, seep downward to poison groundwater and upward to destroy the atmosphere's delicate balance. Huge quantities of carbon dioxide, methane, and chlorofluorocarbons dumped in the atmosphere are trapping heat and raising global temperatures.

In 1987, carbon dioxide levels in the atmosphere began to surge with record annual increases. Global temperatures are also climbing: 1987 was the second hottest year on record; 1988 was the hottest. Scientists now predict our current course may raise world temperatures almost five degrees Celsius in the lifetimes of people in this room. The last time there was such a shift, it was five degrees colder: New York City was under one kilometer of ice. If five degrees colder over thousands of years produces an ice age, what could five degrees warmer produce in one lifetime?

Why are these dramatic changes taking place? Because the human population is surging, because the industrial, scientific, and technological revolutions magnify the environmental impact of these increases, and because we tolerate self-destructive behavior and environmental vandalism on a global scale.

The problem in organizing our response is that the worst effects seem far off in the future, and they are so unprecedented they seem to defy common sense. While right now, in the present, millions of people are suffering in poverty and dying of starvation, warfare, and preventable diseases. How do we deal with these immediate problems and at the same time confront the problems of the future? One of the philosophers of the environmental movement, Ivan Illich, in a recent interview, explained the sudden environmental activism of Margaret Thatcher, Mikhail Gorbachev, and other world leaders previously uninterested in the global environment by saying "what has changed is that our common sense has begun searching for a language to speak about the shadow our future throws."

Science already has such a language. Have you ever seen the picture showing how time and space are shaped by mass, with a black hole pictured as a deep well in a grid, with the space and time around the well sloping toward it? Human political awareness is shaped by history in precisely that way. Our political awareness of the world is shaped and bent by events. Large events like World War II exert a powerful gravitational pull on every idea we have about the world around us. The Holocaust shapes every idea we have about human nature.

And just as in Einstein's theory, future events can exert the same gravitational pull on our thinking as events in the past—even though the events in the future have not yet occurred.

Time is relative in politics as in science. The political will which made possible the mass political protests against escalating the nuclear arms race came from awareness of a downslope toward a future we did not want to see. Many felt us being pulled toward a nuclear war that would crush human history forever into a black hole. We are now changing our course away from that downslope, we hope, and taking a new direction—even though 99.9 percent of all human beings on earth have never seen, heard, or personally felt nuclear destruction. The awareness of that potential future event came from political communication, with abstract symbols, like words.

Now, throughout the world, we are witnessing the emergence of a new political will to take a different course in order to avoid the slope toward global environmental destruction. We see the catastrophe coming, we hear Rachel Carson's Silent Spring. The slope seemed gradual at first but now it is steep. We feel strongly pulled toward ecological collapse by the policies we are now pursuing.

I personally became deeply involved in the effort to avoid a nuclear holocaust nine years ago because I felt the slope toward that horrendous possibility. And I tried to bring to the task the skills of my profession. I believe all this talk about the global environment as a national security issue makes a great deal of sense in political terms.

For the past 13 years, as a citizen and as a member of the United States Congress, I have had long-standing interests in both the environmental threat and in national security. As a practical matter, I have dealt with these subjects as separate intellectual accounts: involving distinct areas of public policy, each with its own completely different set of concerns and participants.

Yet, they grow more and more alike. National security comprises matters that directly and imminently menace the interests of the state, or the welfare of the people. As such, these issues command the attention of political leaders at the highest level, with a proportionate claim on the resources of government and the wealth of the nation. If society were an organism, national security would involve the instinct for survival.

To this point, the national security agenda has been dominated by issues of military security, embedded in the context of global struggle between the United States and the Soviet Union: a struggle which the protagonists have often waged through distant surrogates, but which has always harborded the risk of direct confrontation and nuclear war.

Given the changes in Soviet behavior which have begun under Gorbachev, there

is growing optimism that this long, dark period may be passing. There is also hope this will open the international agenda for other urgent matters and for the release of enormous resources, now committed to war, toward other objectives.

Many hope that the global environment will be the new Dominant Issue. They assert that a collective, international struggle for stability in the ecosystem will succeed the old pattern of national struggle for temporal power, and will justify the preemption of enormous resources, and reshape the public consciousness in support of another long, global struggle.

I am deeply in sympathy with this view, and yet as someone who has worked hard on both issues, I believe the analogy must be used very cautiously. The US-Soviet struggle has lasted almost half a century, consumed several trillions of dollars, cost us close to one hundred thousand American lives in Korea and Vietnam, and has profoundly shaped the psychological and social consciousness of our people. Much the same could be said of the Soviets, who, if anything, have endured far more than have we for the sake of their ideology.

Nothing is automatic or foreordained about the course of US-Soviet relations, no matter how many editorial writers now claim the "Cold War is Over." Nothing relieves us of our present responsibilities for defense or of the need to conduct painstaking negotiations to limit arms and reduce the risk of war. The old agenda is with us still, exacting its price in wealth, creativity and the attention of statesmen.

And yet, the environmentalists are right.

Certainly, there is strong evidence the new enemy is at least as real as the old. For the general public, the shocking images of last year's drought, or of beaches covered with medical garbage, inspired a sense of peril once sparked only by Soviet behavior. But for environmental specialists, the steady flow of data from scientific investigation of the environment—often ambiguous, but always menacing—is eerily equivalent to intelligence collection against the more familiar Soviet threat. The U2 spy plane, for example, now is used to monitor not missile silos but ozone depletion.

Already, we are seeing governments struggling to resolve issues whose domains go far beyond anything in our experience. Debate over the disposition of radioactive wastes, for example, involves choices that must remain valid across geological time. The species now disappearing at an unprecedented rate will never return. The global climate pattern could shift to a new equilibrium and never regain its former pattern.

In the not distant future, there will be a new "sacred agenda" in international affairs: policies that enable the rescue of the global environment. This task will one day join, and then perhaps even supplant, preventing the world's incineration through nuclear war, as the principle test of statecraft.

However, in thinking about environmentalism as a national security concern, it is important to differentiate between what would—in military jargon—be called the level of threat. Certain environmental problems may be important but are essentially local; others cross borders, and in effect represent theaters of operations; and still others are global and strategic in nature.

On this scale, even phenomena as important as the slow suffocation of Mexico City, the deaths of northern forests in America and Europe, or even the desertification of large areas of Africa, will likely not be regarded as full scale national security issues.

However, the greenhouse effect and stratospheric ozone depletion fit the profile of national security issues of global significance. The phenomena certainly will in time produce effects big enough to threaten international order, even at the level of war and peace. In the case of global warming, the fact that some of the worst effects will not fully manifest themselves until the middle of the next century is offset by the fact that actions we take now will determine the extent of the damage later.

When nations perceive that they are threatened at the strategic level, they may be induced to think of drastic response, involving sharp discontinuities from everyday approaches to policy. In military terms, this is the point when the United States begins to think of invoking nuclear weapons. The global environment may well involve responses that are, in comparative terms, just as radical. Not just business as usual, not just incremental variations but massive departures from the norm.

Nuclear war is an apocalyptic subject, and so is global environmental destruction. We are dealing here with increasingly credible forecasts of climatic dislocations, vast changes in growing cycles, innundations of coastal areas and the loss to the sea of vast territories—some of them very heavily developed and populated. We also are dealing not only with a threat to human health, but unpredictable and potentially vast changes to all life at the surface of the earth and the seas, as the result of prolonged exposure to increased ultra-violet radiation.

What's more, despite some progress made toward limiting some sources of the problem, such as CFCs, we have to face the stark fact that we have barely scratched the surface. Even if all other elements of the problem are solved, a major threat is still posed by emissions of carbon dioxide, the exhaling breath of the industrial culture upon which our civilization rests. The implications of the latest and best studies on this matter are staggering. We must be honest about them. Essentially, they tell us that with our current pattern of technology and production, we face a Hobsian Choice between economic growth in the near term, and massive environmental disorder as the subsequent penalty.

This central fact cuts across the face of all environmental strategies as we generally think of them. It suggests that the notion of environmentally sustainable development at present may be an oxymoron, rather than a realistic objective. It declares war, in effect, on routine life in the advanced industrial societies. And—central to the outcome of the entire struggle to restore global environmental balance—it declares war on the Third World.

The Third World does not have a choice about whether or not it will develop economically. If it does not develop economically, poverty, hunger and disease will consume entire populations. And long before that, whole societies will experience revolutionary political disorder. Rapid economic growth is a life-or-death imperative throughout the Third World. The peoples and governments of the Third World will not be denied that hope, no matter the longer-term costs for the global environment.

And why should they accept what we, manifestly, will not accept for ourselves? Who is so bold as to say that any nation in the developed world is prepared to abandon industrial and economic growth? Who will proclaim that any nation in the developed world will accept even serious compromises in levels of comfort, for the sake of global environmental balance? And who will apportion these sacrifices; who will then bear them?

Development, of course, is part of the problem as well as the solution. We know that, just as we know that nuclear deterrence depends on the weapons we are trying to render obsolete.

The effort to solve the nuclear arms race has been complicated not only by simplistic stereotypes of the enemy and the threat he poses. It also has been complicated by simplistic demands for immediate unilateral disarmament, without any basis for a widely shared confidence that the original threat is no longer real.

My own belief is that perceptions must evolve simultaneously in both superpowers as technology evolves simultaneously in both countries, as conscious efforts are made to improve information about the other, about the nature of the threat, and the confidence we can summon that the threat is in fact changing and receding.

In similar fashion, the effort to solve the global environmental crisis will be complicated not only by blind assertions that more and more environmental manipulation and more and more resource extraction are essential for economic growth. It will also be complicated by the emergence of simplistic demands that development, or technology itself, must be stopped for the problem to be solved. This is a crisis of confidence which must be addressed.

This speech, if you'll permit me a personal moment, is the first time I've spoken in public on any subject in six weeks. My wife and I have been in John Hopkins Hospital, at the bedside of our son, who was hit by an automobile. I've been living in the world of medical science, pursuing the goal of restoring our son to health. Ten years ago, a child with his injuries would have had several surgical interventions which doctors now realize are unwise, given the greater likelihood of the body healing itself where some injuries are concerned.

Yet, two days after the accident, when doctors were unable to stabilize internal bleeding, my wife and I naively hoped that same natural healing process would take care of that problem and make any surgery unnecessary. If the doctor had relied not on science but on us, we would have unwisely urged against an operation. But doctors have acquired sufficient knowledge to realize that the body should be allowed to heal itself when it can do so. At the same time, they know there are some instances where intervention is essential to save life.

Similarly, we must acquire sufficient knowledge of the earth's system to judge when it can heal itself, and when it is necessary for us to intervene. For example, when 40,000 children die of disease and starvation every 24 hours, we obviously must intervene. But it is past time to recognize that many of society's interventions in the environment have been and are unwise. Much ecological destruction is subsidized by governments. We need more knowledge, more experience, and the kind of sensitive judgments that modern doctors have learned to make.

The cross-cut between imperatives of growth and the imperatives of environmental management, represents a supreme test for modern industrial civilization. The test is whether we can devise very dynamic new

strategies which will accommodate economic growth within a stabilized environmental framework.

That is an extreme demand to place upon technology. There is no real assurance that such a balance can in fact be struck. Nevertheless the effort must be made. And because of the urgency, scope and even the improbability of complete success in such an endeavor, I am strongly tempted to use a military term for a metaphor. To deal with the global environment, we will need the environmental equivalent of the Strategic Defense Initiative, a Strategic Environment Initiative.

I have been an opponent of the military SDI. But even opponents of SDI recognize this effort has been remarkably successful in drawing together previously disconnected government programs, in stimulating the development of new technologies, and in forcing upon us a wave of intense new analysis of subjects previously thought to have been exhausted.

We need the same kind of focus and intensity, and similar levels of funding, to deal comprehensively with global warming, stratospheric ozone depletion, species loss, deforestation, ocean pollution, acid rain, air and water and groundwater pollution, and all of the problems degrading the world's environment. In every major sector of economic activity—energy, agriculture, manufacturing, and transportation, for example—a Strategic Environment. Initiative must identify and then spread sets of increasingly effective new technologies: some that are already well in hand; some that need further work, though well understood in principle; and some that are revolutionary ideas whose very existence is now a matter of speculation.

Let me briefly illustrate:

Energy is the lifeblood of development. Unfortunately, today's most economical technologies for converting energy resources into usable forms of power (as in burning coal to make electricity) release a plethora of pollutants. An Energy SEI should focus on producing the energy of development without compromising the environment. Chief on the near-term list of alternatives are energy efficiency and conservation; on the mid-term list, solar power, possibly new generation nuclear power, biomass (with no extraneous pollutants and a closed carbon cycle), as well as enhanced efficiency; and long-term, nuclear fusion, as well as enhanced versions of solar, biomass, and nuclear energy, and energy efficiency.

In agriculture, we have witnessed vast growth in Third World food production through the Green Revolution, but often that growth relied on heavily subsidized fertilizers, pesticides, irrigation, and overall mechanization, sometimes giving the advantage to rich farmers over poor ones. We need a second green revolution, to address the needs of the Third World's poor: a focus on increasing productivity from small farms on marginal land, with low-input agricultural methods. These technologies, whose components are not only technological, but financial and political, may be the key to satisfying the land hunger of the disadvantaged and the desperate who are slashing daily into the rainforest of Amazonia—leaving behind the depleted soil of their first homesteads. It may also be the key in the battle to arrest the desertification of sub-Saharan Africa, where human need and climate stress are now operating in a deadly partnership.

Fortunately, the next wave of agricultural improvements is almost upon us—from biotechnology. In my view, we should carefully push forward work on new crop strains with genetic encoding that allows "natural" resistance to pests, disease, and droughts; not to mention improved yield. Of course, biotechnology will not completely solve the problems that arise from inadequate distribution of food supplies—they are most often due to a failure of politics, not crops.

In addition, new industrial processes, new materials, and increased use of recycled materials, will all become important to "sustainable" development.

Needed in the U.S. probably more than anywhere, is a Transportation SEI focusing in the near term on improving the mileage standards of our vehicles, and encouraging and enabling Americans to drive less. In the mid-term, come questions of alternative fuels, such as biomass-based liquid fuels or electricity. And in the mid- and long-terms come the inescapable need for re-examining the entire structure of our transportation sector, and its inherent demand on the personal vechicle for efficient transport.

Funds to promote these research objectives could be drawn from very modest U.S. energy taxes, eventually perhaps even a CO_2 tax, although that is not yet politically viable. The U.S. government should organize itself to finance the export of energy-efficient systems, and of renewable energy sources. That means preferential lending arrangements through the Export-Import Bank, and Overseas Private Investment Corporation.

Encouragement for the Third World should also come in the form of attractive international credit arrangements for energy efficient and environmentally sustainable processes. Funds for this lending stream would be generated by institutions such as the World Bank, which, in the course of debt swapping, might dedicate new funds to the purchase of envrionmentally sounder technologies.

Finally, the United States, other developers of new technology, and international lending institutions, should establish centers of training at locations around the world, to create a core of environmentally educated planners and technicians, in order to "make the ground fertile" for sowing environmentally attractive technologies and practices; an effort not unlike that which produced agricultural research centers throughout the world during the Green Revolution.

With this SEI, we must transform science and technology to make it more efficient, consume less of the earth's natural resources, and emphasize waste minimization, recycling, and the use of renewable resources in harmony with the natural world. We must start by quickly obtaining massive quantities of information about the global processes now underway—through, for example, the Mission to Planet Earth program of NASA.

And we also must target first the most readily identifiable and correctable sources of environmental damage. Today, for example, I have introduced a new comprehensive legislative package to effectively halt chlorofluorocarbon, carbon tetrachloride, methyl chloroform, and halon emissions, and to promote development of technologies to replace those that now rely on CFC's. Earlier this year, I introduced the World Environment Policy Act of 1989, a far-ranging bill to address virtually every aspect of the global environmental crisis, including CFC's and CO_2.

In order to accomplish our goal we also must transform global politics, shifting from short-term concerns to long-term concerns, from conflict to cooperation.

The evidence of the last six months leads me to believe we have the capacity for this change. Just as the equilibrium of an environmental system can suddenly change from one state to another, the equilibrium of one political system can suddenly change from one state to another. We politicians are frequently adept at symbolic action, a pretense of change without the substance of change. And for that reason, my optimism is tempered by awareness of the power in the forces of greed and fear. But I do believe we have the capacity for what is needed—because the challenge can now be accurately described in terms of national security.

Some may believe that the idea of the environment as a national security issue is just rhetoric. Most of us in this room, however, accept it as a statement of fact. But, we also know that just as the world has been living with the possibility of man-made disaster in the form of nuclear war, so it now lives with the growing threat of man-made disaster in the form of catastrophic environmental failure.

In many ways, it is the same basic dilemma. In each case, our survival was threatened at a basic, primal level—the fear of death from attack by an enemy, the fear of death from running out of food. To each threat, we responded with more and more efficiency. The increasing sophistication of our technology has enabled us to confront each threat to our survival with a more powerful response. And in each case, the effort to secure our survival has instead threatened our survival.

Moreover, even if we are successful this time in meeting the needs of our survival and preserving the world environment, it probably won't be the last time we'll face this basic problem. Genetic engineering may pose the same dilemma all over again. In the effort to protect ourselves against disease, we're creating a new and more powerful technology that ultimately will confront us with the same historic challenge to human nature and the same hubristic relationship of our species to the limits nature has designed for us as part of the world ecological system.

As a result, it is hard to escape the conclusion that we must also transform ourselves—or at least the way we think about ourselves, our children, and our future. This last transformation is the most essential, and yet the most difficult. If there is one cause for the prevailing pessimism about our ability to meet this unprecedented challenge, it is the belief by many that we are incapable of the change in thinking required.

And yet, there are precedents which give cause for realistic hope. Human sacrifice and slavery were both once commonplace in human societies, yet both are now obsolete. Our thinking was transformed. These changes, like most changes in global climate patterns, took place over a long period of time. But now, just as climate changes are telescoped into short periods of time, we must create in a single generation changes in human thinking of a magnitude comparable to the change that brought about the abolition of slavery. Yet once again, we must remind ourselves that the pattern of change required is visible only from a distance.

In this case, we cannot rely on science to give us a new point of view for it is partly responsible for the problem. In ways not yet fully understood, the scientific revolution

itself changed the way we saw ourselves in relation to the world. We detached ourselves from nature to examine the physical world. In a kind of Heisenberg Principle writ large, we altered—without realizing it—the nature of what we began to examine. The new pattern of thinking we must now create is one in which we once again see ourselves as a part of the ecological system in which we live. What we now lack is a sense of the proper location of our species in the ecosystem. We have lost our ecolibrium.

How then can we gain sufficient distance from ourselves to see a pattern which contains ourselves in a larger context? My own religious faith teaches me that we are given dominion over the earth, but that we also are required to be good stewards of the earth. If we witness the destruction of half the living species God put on this earth during our lifetimes as a result of our actions, we will have failed in the responsibility of stewardship. Are those actions, because of their result, "evil"? The answer depends not upon the everyday nature of the actions, but upon our knowledge of their consequences. In an examination of Hitler's lieutenants, Hannah Arendt coined the memorable phrase "the banality of evil." The individual actions which collectively produce the world's environmental crisis are indeed banal when they are looked at one by one: the cutting of a tree, the air conditioning of a car.

"Evil," and "good" are terms not used frequently by politicians. But in my own view, this problem cannot be solved without reference to spiritual values found in every faith. For many scientists on the edge of new discoveries in cosmology and quantum physics, the reconciliation of science and religion sometimes now seems near at hand. It is a reconciliation not unlike the one we seek between man and nature.

But even without defining the problem in religious terms, it is possible to conclude that the solutions we seek will be found in a new faith in the future of life on earth after our own, a faith in the future which justifies sacrifices in the present, a new moral courage to choose higher values in the conduct of human affairs, and a new reverence for absolute principles that can serve as guiding stars by which to map the future course of our species and our place within creation.

Mr. MURKOWSKI. Will my colleague from Tennessee first yield for a question?

Mr. GORE. I am happy to yield for a question.

Mr. MURKOWSKI. I thank my friend. I noted there was a reference to the action associated with the administration in regard to the Valdez spill. I wonder if my friend from Tennessee would agree to allowing me to enter in the RECORD after the fact the specific action taken by the administration and the presence of administration officials as well as Government personnel in the U.S. Coast Guard and approximately 1,000 that were involved within 2 days of the spill.

It might help enlighten my friend as to the extent of Federal participation that occurred in spite of the perception that indeed there was very little Federal presence.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

There are 1,236 Department of Defense personnel assigned to the oil spill joint task force (1,062 military, 80 civilian, 94 contract personnel). Support by service is as follows: 151 Army (71 military, 80 civilian); 3 Army National Guard; 936 Navy (842 military, 94 contract personnel); 93 USMC; and 53 Air Force.

U.S. NAVY SUPPORT

1. Deputy JTF/CTG 36.7; RADM E.B. Baker, Jr., USN. Embarked in USS *Juneau* (LPD-10).

2. Amphibious Assault Ships (Task Group 36.7).

USS *Juneau* (LPD-10) Capt. T.A. Willandt, USN:

LCM-6 with crews (42 personnel	9
Zodiac boats with USMC crews (31 personnel)	16
LARC V	2
HMMV	3
CH-46 with USMC crews (34 personnel) (HMM-166 det)	2
5-ton truck	1
Tactical Air Control Det (3 personnel)	1
Beach Master Unit Det (16 personnel) (BMU ONE Det)	1

Civilians currently berthed: 343 males and 123 females.

USS *Fort McHenry* (LSD-43) CDR G.S. Rhodes, USN:

LCM-6 with crews	6
LCM-8 with crews	4
CH-46 with USMC crew to transfer to JUNEAU on arrival	1
2,000' containment boom	1
3. Naval Sea Systems Command:	
Contractor personnel	94
Skimmers	20
VOSS skimmers	2
Tow boats	10
Boom vans (2,000')	11
Mooring systems	20
Shop vans	2
Rigging vans	2
Command vans	2
Cleaning vans	2
Inflatable boats	4
POL pump system	1

National Guard Assets Committed

1. Equipment:	
Van	1
Lightweight decontamination apparatus (LDA)	186
2. Personnel: Army Guard	3

3. Support mission: Provide public affairs support to the Alaska Department of Emergency Services, and aviation AVIM maintenance support to U.S. Army.

U.S. Army Support

1. Equipment:	
Helicopters	9
CH-47	2
UH-1	2
UH-60	3
OH-58	2
Army Corps of Engineers dredges	2
2. Personnel:	
Military	71

U.S. Army Support—Continued

Civilians	80
Total	151

U.S. Air Force Support

	Sorties	Tons
1. Flight information:		
C5	17	992.3
C141	5	112.0
C130	6	17.0
C12	42	(1)
Total	68	1,121.3

[1] PAX only.

2. Dedicated assets:	
C-130	8
C-12	3
3. Personnel: Military	53

Mr. GORE. I do not know if the Senator from Alaska wishes to endorse the responses of the Bush administration to the Alaskan oil spill. It has been my understanding that it was not really the kind of all-out response that many of us hoped would take place, but the Senator's statement will speak for itself.

The PRESIDING OFFICER. The Senator from New York.

PANAMA

M. D'AMATO. Mr. President, if I might, with the indulgence of my colleagues and the Chair, be permitted to digress just for several minutes from the question of the FSX. I do not have a prepared statement that I intend to read and it is many, many pages but it is this big print because I have difficulty as we get older reading the small print.

I would like to refer, if I might, to the question of Panama. This is an issue that we are all concerned with. It is an issue that I think most of us have commended our President for acting in the manner in which he has, in a measured manner.

I just received a very disturbing phone call. When I say "just," I mean about 25 minutes ago. A Rebecca Cook called my office. She is a resident in Panama. She is a U.S. citizen who works for the Canal Commission.

She called in reaction to the President's declaration that U.S. citizens not in secure military or Canal Commission housing would be relocated to such housing or evacuated.

Mrs. Cook told a member of my staff—and she is a member of the Canal Commission housing neighborhood association—that there was no such relocation going on and, in her estimation, there are some very real problems.

Eight hundred families reside in five different neighborhoods. These are neighborhoods that abut the old Panama Canal Co. land that is now in the hands of the Noriega supporters. They are located in close proximity to the police barracks. The positions are

totally indefensible, and the residents are very concerned.

Literally, this phone call has come, as I indicated, within the past hour. I asked my staff to continue to monitor this.

She went to the administrator of the Canal. She approached him about a possible evacuaton and she says that the request was not even really acknowledged.

The last sentiment that my staffer gave me, she said that the tension is very high.

I rise today to make this point that there is a very real concern among the American dependents who are there—and there are in the area of about 40,000 in addition to our troops—there is concern for their safety and that of their families.

We are going to continue to monitor this and turn this information over to the State Department. I think it is important that these people, particularly those who have anxieties, and children and family, have that opportunity to be moved to secure places. It is absolutely important.

In addition, Mr. President, we are sending today a letter to the President commending him for his efforts to help the Panamanian people free themselves from the grip of the Noriega dictatorship.

I say "we," Senator HELMS and myself.

The letter goes on to say:

The United States is in a position to send a powerful message on behalf of democracy by recognizing Guillermo Endara as the President-elect of Panama.

Mr. President, I think that is absolutely essential. We have to recognize that the Panamanian people showed incredible courage in coming out and voting and fighting for democracy. And to simply say that because Mr. Noriega does not recognize him and suspends him, we should go forward and we should urge all Latin American countries recognizing Mr. Endara as the duly-elected President of Panama.

President-elect Endara and his supporters should receive immediate access to the U.S. armed force television and radio stations in Panama. This will enable them to communicate their message of freedom and democracy to the Panamanian people.

We believe these additional steps will give continued momentum to the democratic aspirations of the Panamanian people.

Now, we have sent this letter today. It is in the process of being sent to the President. We commend him and I think it is important.

MICHELLE HAAHR

Mr. PRESSLER. Mr. President, today is a sad day in the Pressler office. We are losing one of the most dedicated, hard working and professional legislative assistants on Capitol Hill. As is all too often the case in the high turnover world of the Hill, Shelly Haahr's tenure has been too brief. She leaves us for Phoenix, AZ, where her husband has joined the law firm of Lewis & Roca.

Shelly has been with us 2 short years. But in that time she has demonstrated all the best qualities of a congressional staffer. It has been a real joy for me to watch her develop from a raw recruit with only gumption and a positive attitude into one of the best professionals I've ever had.

Shelly is an incredibly bright individual. But when she arrived she had no previous experience with the Senate or with the myriad issues assigned to her. With sheer determination and an unconquerable spirit she dug in with a tenacity that I have rarely seen. She drove herself to constant 12 and 18 hour days. She studied, was never afraid to ask questions or admit to ignorance, and always worked to improve her skills. She was never comfortable with "good enough." Of herself she always demanded better.

Shelly listened to advice carefully, and always analyzed any mistakes or perceived shortcomings—however minor. While mistakes from Shelly were rare, I have never seen one repeated. That is one of her truly outstanding qualities. She had the understated self confidence to know that "not knowing" wasn't a sin, but rather an opportunity to learn. Unafflicted by the Washington "waffle-and-fake-it-if-you-don't-know-the-answer" syndrome, Shelly was able to develop into a true expert on issues as diverse as education, labor, and congressional pay. I could always trust her facts completely, and relied heavily on her sound advice.

Shelly Haahr knows how to get things done. It is one thing to know facts and give advice to others. It is quite another to be able to take direction and get the job done yourself. Her pleasant disposition and confidence in dealing with people have gained her considerable respect on the Hill, with the various agencies and the private sector contacts with whom she dealt. For any employer, followthrough on the details is a much sought after trait. With Shelly, I never had to ask for anything twice. You always had the peace of mind in knowing that the assigned project would be done.

Not only was Shelly extremely efficient, but she has a creative mind full of ideas and initiatives she was eager to try out. She had many accomplishments here in the Senate. The one for which I am particularly proud was her work on defeating the proposed 50-percent congressional pay raise. As the author of the successful Senate resolution rejecting the raise, I can safely say that it may well have never happened but for Shelly's tireless effort. At the very least, she played an instrumental role in seeing that particular piece of legislation through. With her usual tenacity she bit into this issue already in the last Congress, established herself as a leader and as an expert on the issue, and carried out her task brilliantly. Her efforts on that issue are too overwhelming to detail here, but were vintage Shelly Haahr—and I am very proud of them.

And finally, and perhaps most noteworthy, is Shelly's incredible disposition. Her positive attitude toward work and toward her colleagues made her a joy to be around and, I believe, is the basis for all that she has been able to become and accomplish in the Senate.

She has been one of the true standouts of this business. Her presence will be sorely missed, but not forgotten. It is with bittersweet feelings that we say goodbye to Shelly. Of course I hate to see her go, but take great pride in seeing her develop so meteorically and completely in the professional world. We are hoping that some day we might coax her back. Shelly Haahr will always have a job in the Pressler office, and my eternal gratitude for a job well done.

FORT SCOTT MEDAL OF HONOR CEREMONY

Mr. DOLE. Mr. President, tomorrow morning at 10 o'clock a military honor guard will snap to attention, and a special ceremony will begin at Fort Scott National Historic Site in Fort Scott, KS.

Fort Scott and the people who lived and served there are a proud part of our Kansas heritage. During the Civil War Fort Scott was an active Union Army installation, a supply depot and a staging area for campaigns in western Missouri, Arkansas and the Indian territories—later to become Oklahoma.

This occasion, taking place in the poignant setting of Evergreen Cemetery, will honor three soldiers from Fort Scott who received our Nation's highest military award for bravery and valor—the Congressional Medal of Honor.

Two of these soldiers, who fought in the Civil War, are buried in Evergreen Cemetery.

The third, a native son of Fort Scott and veteran of World War II, rests in Punchbowl National Memorial Cemetery in Hawaii.

In May 1864, Pvt. George F. Pond was one of three Union cavalrymen to mount a nighttime attack against a Confederate guerrilla force of 40 men in Drywood, KS—routing the Confederates and freeing 25 Union prisoners. After the war, Private Pond lived in Fort Scott for 46 years.

Pvt. William H. Longshore spent 44 years in Fort Scott after the Civil War. He was 1 of 150 Union infantry-

men who, in May 1863, volunteered for a suicide assault on fortified Confederate positions at Vicksburg, MS. of the 150 men who went into action, 125 were killed or seriously wounded. Fifty-three—including Private Longshore—were awarded the Medal of Honor.

The heroic deeds of Privates Pond and Longshore will be remembered at this ceremony and for all time with the dedication of special Medal of Honor headstones to mark their graves.

1st Lt. William Dean Hawkins, a native of Fort Scott, died in action November 21, 1943, on the Pacific Island of Tarawa.

The commander of a Marine Scout/Sniper Platoon, he was personally responsible for neutralizing many fortified enemy positions. He continued leading the charge after being struck three times in the chest by enemy machinegun fire.

The Medal of Honor Historical Society along with Fort Scott Superintendent Stephen M. Miller and Fort Scott Site Historian Arnold W. Schofield are to be congratulated for their efforts to commemorate these three men.

The State of Kansas and our Nation owe these men a debt of gratitude. And while we pray this Nation will never again face the circumstances that produce such heros, we must nevertheless recognize the singularity of this event: Three Medal of Honor winners from the same town in Kansas.

Mr. President, it is said that a hero is simply "a man who does what he can."

Now it is entirely appropriate that we do what we can to properly honor these three heroes with such strong ties to Kansas and Fort Scott.

The PRESIDING OFFICER. the Senator from Colorado.

FOREIGN POLICY

Mr. WIRTH. Thank you very much, Mr. President. I note on the floor this afternoon there are two Democrats and two Republicans here to talk about, among other things, the issue of global warming, global climate change, in response to the White House.

I note that, Mr. President, because I think it is very important that we try to approach this in every way possible as we have in a completely bipartisan or nonpartisan fashion. This is probably the most important challenge that we are going to face for the remainder of our lives, certainly a long time to come. If we are not capable of developing the kind of partnerships and cooperation that have so far characterized our relationships on this, we will not succeed. So I think this is just a very good commentary right here.

These are troubling times, Mr. President. Yesterday, we saw the President make what I thought was the correct initiative related to Panama, and I hope that we have bipartisan support on that front. We have seen a lot of efforts being made on Central America. I was one who just voted for that and supported the President's initiative on the budget, although we all might disagree on that, and plan to be supportive of the administration in its initiative with the Japanese on the FSX.

So this spirit of cooperation is the one that we want to pursue wherever we can.

Two further examples today, Mr. President: One, the President's announcement later this afternoon related to confidence and security building measures and, second, his announcement of the working program on global warming and climate change.

I would like to comment briefly on both of those, if I might, Mr. President. First of all, on confidence and security building measures. We all remember that coming out of the Helsinki Final Act in 1975, and then Stockholm in 1985, were a series of agreements between the United States and the Soviet Union to, together, monitor various military programs so that each of us would come to a better understanding of what the other side was doing.

This is monitoring of exercises, prenotification of exercises, the invitation of observers from the other side to come look at your exercises, unannounced inspections on short notice, a variety of steps that were being taken. That was added to last year by officer exchanges for the first time and those are going on: Admiral Crowe and his counterpart; Secretary Carlucci and his counterpart.

The purpose of these is for each side to understand what the other is doing, to understand how the other's troops are configured, to reduce ambiguity wherever possible, and most importantly, to therefore reduce the likelihood and the threat of surprise attack.

Why is that? Well, if we reduce the likelihood or threat of surprise attack, each of us is less likely to be at the edge of the trigger finger, each of us is going to be less likely to configure our forces as far forward. Not only is that more safe for the world but it is also going to save each side a lot of money.

A number of us have been pushing for more. Recently, along with Senator NUNN and Senator LEVIN, we wrote to the President, urging him to take on greater steps in the area of confidence and security building measures and that is a letter of May 3d, which I would like to have printed in the RECORD at the end of my remarks.

We suggested the monitoring of depots, taking confidential building measures further, transportation nodes, military activities, officer exchanges, discussions of doctrine, and so on. These are important building blocks in monitoring the promised unilateral cuts. We have said that we are going to cut, they are going to cut, on the basis of conventional armaments on both sides. We are getting slowly but surely to understand what the other side is doing.

The more of this we do, the more understandings there are, the better we are going to be able to define if each side is complying with what the other side is doing.

This evening, President Bush is going to propose the further steps in this direction at Texas A&M University. He is going to follow up on a proposal made many years ago by President Eisenhower on the "open skies" approach.

I ask unanimous consent that that section of his statement be printed in the RECORD as well at this point, Mr. President. There being no objection, the material was ordered to be printed in the RECORD, as follows:

TEXT OF REMARKS BY THE PRESIDENT AT TEXAS A&M UNIVERSITY, G. ROLLIE WHITE COLISEUM, COLLEGE STATION, TX, MAY 12, 1989

My sincerest congratulations go to every graduate, and to your parents. In this ceremony, we celebrate nothing less than the commencement of the rest, and the best, of your life.

When you look back to your days at Texas A&M, you will have a lot to be proud of—a university that is first in baseball and first in service to our Nation. Many are the heroes whose names are called at Muster. Many are those you remember in Silver Taps.

We are reminded that no generation can escape history. Parents—we share a fervent desire for our children, and their children to know a better world, a safer world. Students—your parents and grandparents have lived through a world war, and helped America to rebuild the world. They witnessed the drama of postwar nations divided by Soviet subversion and force, but sustained by an Allied response most vividly seen in the Berlin Airlift.

Wise men—Truman and Eisenhower, Vandenberg and Rayburn—Marshall, Acheson and Kennan—crafted the strategy of containment. They believed that the Soviet Union, denied the easy course of expansion, would turn inward and address the contradictions of its inefficient, repressive and inhumane system. And they were right. The Soviet Union is now publicly facing this hard reality.

Containment worked. Containment worked because our democratic principles, institutions and values are sound, and always have been. It worked because our alliances were and are strong; and because the superiority of free societies and free markets over stagnant socialism is undeniable.

We are approaching the conclusion of an historic postwar struggle between two visions—one of tyranny and conflict, and one of democracy and freedom. The review of U.S.-Soviet relations that my Administration has just completed outlines a new path toward resolving this struggle.

Our goal is bold—more ambitious than any of my predecessors might have thought possible. Our review indicates that forty years of perseverance have brought us a

precious opportunity. Now it is time to move beyond containment, to a new policy for the 1990s—one that recognizes the full scope of change taking place around the world, and in the Soviet Union itself.

In sum, the United States now has as its goal much more than simply containing Soviet expansionism—we seek the integration of the Soviet Union into the community of nations. As the Soviet Union moves toward greater openness and democratization—as they meet the challenge of responsible international behavior—we will match their steps with steps of our own. Ultimately, our objective is to welcome the Soviet Union back into the world order.

The Soviet Union says it seeks to make peace with the world, and criticizes its own postwar policies. These are words we can only applaud. But a new relationship cannot be simply declared by Moscow, or bestowed by others. It must be earned. It must be earned because promises are never enough. The Soviet Union has promised a more cooperative relationship before, only to reverse course and return to militarism. Soviet foreign policy has been almost seasonal—warmth before cold, thaw before freeze. We seek a friendship that knows no season of suspicion, no chill of distrust.

We hope perestroika is pointing the Soviet Union to a break with the cycles of the past—a definitive break. Who would have thought we would see the deliberations of the Central Committee on the front page of *Pravda*, or dissident Andrei Sakharov seated near the councils of power? Who would have imagined a Soviet leader who canvasses the sidewalks of Moscow and Washington, D.C.? These are hopeful—indeed, remarkable—signs. Let no one doubt our sincere desire to see perestroika continue and succeed. But the national security of America and our allies is not predicated on hope. It must be based on deeds. We look for enduring, ingrained economic and political change.

While we hope to move beyond containment, we are only at the beginning of our new path. Many dangers and uncertainties are ahead. We must not forget that the Soviet Union has acquired awesome military capabilities. That was a fact of life for my predecessors. That has always been a fact of life for our allies. And that is a fact of life for me.

As we seek peace, we must also remain strong. The purpose of our military might is not to pressure a weak Soviet economy, or to seek military superiority. It is to deter war. It is to defend ourselves and our allies, and to do something more—to convince the Soviet Union that there can be no reward in pursuing expansionism—to convince the Soviet Union that reward lies in the pursuit of peace.

Western policies must encourage the evolution of the Soviet Union toward an open society. This task will test our strength. It will tax our patience. And it will require a sweeping vision—let me share with you my vision. I see a Western Hemisphere of democratic, prosperous nations, no longer threatened by a Cuba or a Nicaragua armed by Moscow. I see a Soviet Union that pulls away from ties to terrorist nations—like Libya—that threaten the legitimate security of their neighbors. I see a Soviet Union which respects China's integrity, and returns the Northern Territories of Japan; a prelude to the day when all the great nations of Asia will live in harmony.

But the fulfillment of this vision requires the Soviet Union to take positive steps, including:

First: Reduce Soviet forces. Although some small steps have already been taken, the Warsaw Pact still possesses more than 30,000 tanks, more than twice as much artillery and hundreds of thousands more troops in Europe, than NATO. They should cut their forces to less threatening levels, in proportion to their legitimate security needs.

Second: Adhere to the Soviet obligation—promised in the final days of World War II—to support self-determination for all the nations of Eastern and Central Europe. This requires specific abandonment of the Brezhnev Doctrine. One day it should be possible to drive from Moscow to Munich without seeing a single guard tower or a strand of barbed wire. In short, tear down the Iron Curtain.

Third: Work with the West in positive, practical—not merely rhetorical—steps toward diplomatic solutions to regional disputes around the world. I welcome the Soviet withdrawal from Afghanistan and the Angola agreement. But there is much more to be done around the world. We're ready. Let's roll up our sleeves and get to work.

Fourth: Achieve a lasting political pluralism and respect for human rights. Dramatic events have already occurred in Moscow. We are impressed by limited, but freely contested, elections. We are impressed by a greater toleration of dissent. We are impressed by a new frankness about the Stalin era. Mr. Gorbachev, don't stop now.

Fifth: Join with us in addressing pressing global problems, including the international drug menace, and dangers to the environment. We can build a better world for our children.

As the Soviet Union moves toward arms reduction and reform, it will find willing partners in the West. We seek verifiable, stabilizing arms control and arms reduction agreements with the Soviet Union and its allies. However, arms control is not an end in itself, but a means of contributing to the security of America, and the peace of the world. I directed Secretary Baker to propose to the Soviets that we resume negotiations on strategic forces in June. And, as you know, the Soviets have agreed.

Our basic approach is clear. In the Strategic Arms Reduction Talks, we wish to reduce the risk of nuclear war. In the companion Defense and Space Talks, our objective will be to preserve our options to deploy advanced defenses when they are ready. In nuclear testing we will continue to seek the necessary verification improvements in existing treaties to permit them to be brought into force. We will continue to seek a verifiable global ban on chemical weapons. We support NATO efforts to reduce the Soviet offensive threat in the negotiations on Conventional Forces in Europe. And, as I've said, fundamental to all of these objectives is simple openness.

Make no mistake, a new breeze is blowing across the steppes and cities of the Soviet Union. Why not, then, let this spirit of openness grow, let more barriers come down. Open emigration, open debate, open airwaves—let openness come to mean the publication and sale of banned books and newspapers in the Soviet Union. Let the 19,000 Soviet Jews who emigrated last year be followed by any number who wish to emigrate this year. Let openness come to mean nothing less than the free exchange of people, books and ideas between East and West. And let it come to mean one thing more.

Thirty-four years ago, President Eisenhower met in Geneva with Soviet leaders who, after the death of Stalin, promised a new approach toward the West. He proposed a plan called "Open Skies," which would allow unarmed aircraft from the United States and the Soviet Union to fly over the territory of the other country. This would open up military activities to regular scrutiny and, as President Eisenhower put it, "convince the world that we are . . . lessening danger and relaxing tension."

President Eisenhower's suggestion tested Soviet readiness to open their society. The Kremlin failed that test. Let us again explore that proposal, but on a broader, more intrusive and radical basis—one which I hope would include allies on both sides. We suggest that those countries that wish to examine this proposal meet soon to work out the necessary operational details, separately from other arms control negotiations.

Such surveillance flights, complementing satellites, would provide regular scrutiny for both sides. Such unprecedented territorial access would show the world the meaning of the concept of openness. The very Soviet willingness to embrace such a concept would reveal their commitment to change.

Where there is cooperation, there can be a broader economic relationship. But economic relations have been stifled by Soviet internal policies. They have been injured by Moscow's practice of using the cloak of commerce to steal technology from the West. Ending discriminatory treatment of U.S. firms would be a helpful step. Trade and financial transactions should take place on a normal commercial basis.

And should the Soviet Union codify its emigration laws in accord with international standards and implement its new laws faithfully, I am prepared to work with Congress for a temporary waiver of the Jackson-Vanik Amendment, opening the way to extending Most Favored Nation trade status to the Soviet Union. The policy I have just described has everything to do with you.

Today you graduate. You will start careers and families. And you will become the leaders of America in the next century. What kind of world will you know? Perhaps the world order of the future will truly be a family of nations.

It is a sad truth that nothing forces us to recognize our common humanity more swiftly than a natural disaster. I am thinking of Soviet Armenia, just a few months ago—a tragedy without blame, warlike devastation without war.

My son took our 12-year-old grandson to Yerevan. At the end of a day of comforting the injured and consoling the bereaved, father and son sat down together amid the ruins and wept. How can our two countries magnify this simple expression of caring? How can we each convey the goodwill of our people?

Forty-three years ago, a young Lieutenant by the name of Albert Kotzebue, class of 1945 at Texas A&M, was the first American soldier to shake hands with the Soviets at the banks of the Elbe River. Once again, we are ready to extend our hand. Once again, we are ready for a hand in return. Once again, it is a time for peace.

Mr. WIRTH. What we are seeing here, slowly but surely, an understanding there is a so-called softer side to arms control. The President is picking up on this. I think this is a very welcome first step. Open skies is but the

beginning of a whole series of steps that a number of us believe ought to be taken but I wanted to take this moment to add my words of encouragement to the White House and my words of praise for them in stepping out in this very important area.

Finally, Mr. President, I wanted to speak very briefly on the global warming issue and the President's initiative; I think a very welcome, again, first step on their part. Not as much as some of us would like to have seen but it gets us moving in the right direction.

We know this is a major crisis. We know that the EPA has done some superb studies on this front and have made some very strong recommendations to the White House and I think the White House is now getting up to speed.

At the Commerce Committee hearing last week I asked if any of the members of the White House staff, to the knowledge of various people in the scientific community or members of senior staff at OMB, had been gotten up to speed on this and other environmental issues. Apparently they had not.

It is my hope that we might get them further up to speed, Mr. President. I will be writing to the President today, joined by some of my colleagues, offering to set up an overall seminar on the issue of, not only global climate change, but important environmental issues altogether, to make sure that senior administrators in the White House, senior officials at OMB, understand the enormous urgency of moving out rapidly not only on global climate change but other very severe environmental issues as well.

Finally I spoke this afternoon with officials of the National Center for Atmospheric Research in Boulder, CO. Together, we are going to be sending an invitation to the President to come to NCAR, probably the most significant research facility in the country in the area of global warming; the facility where Time magazine's famous conference was held last fall on global warming and global environmental issues, to invite President Bush to come out to Boulder, CO, to the National Center for Atmospheric Research and to receive firsthand not only a briefing but a very clear understanding of the extraordinary science that is going on and also the enormous importance of this issue.

So that will be going to the President very soon. We look forward to his response and look forward to working with him, not only on this issue but on so many others.

Mr. President, I have a number of accompanying documents to go with my statement, and I ask unanimous consent they be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
COMMITTEE ON ARMED SERVICES,
Washington, DC, May 3, 1989.

The PRESIDENT,
1600 Pennsylvania Avenue,
Washington, DC.

DEAR MR. PRESIDENT: Last December, Soviet General Secretary Gorbachev at a speech at the United Nations outlined his government's intent to implement a far-reaching unilateral reduction of military forces by 1991. He specifically indicated that six tank divisions would be withdrawn from East Germany, Czechoslovakia and Hungary as part of a reduction of 5,000 Soviet tanks in those countries, as well as a total of 10,000 tanks, 8,500 artillery pieces and 800 aircraft to be withdrawn from east of the Urals. These promised Soviet unilateral reductions were soon followed by similar pledges from most of the Soviet Union's East European allies, and by further specific details of the planned implementation of the reductions themselves.

Most Western defense analysts agree that successful implementation of General Secretary Gorbachev's reductions package would significantly reduce the Warsaw Pact's potential for short-warning attack in Central Europe. As we begin the negotiations on conventional force limitations at Vienna, the promised Eastern reductions could also serve as an important stimulus to the talks, as well as becoming a kind of "confidence building measure" in their own right.

Yet important questions remain about how the Soviets plan to go about these unilateral cuts and how we in the West will be able to monitor effectively the reductions. To complicate matters, the Soviet Union appears to be contemplating a restructuring of its armed forces at the same time that the proposed reductions are to take place, thereby making a Western assessment of the good faith implementation of these cuts potentially more difficult.

The Eastern unilateral reductions represent a dramatic change from previous Soviet policy and may be an important opportunity to begin restructuring the post-war security order in Europe to provide more stability with less burden. These reductions began last week and Western observers, including media, were invited to witness the first Soviet withdrawals from Hungary.

We believe that the United States, in coordination with its NATO allies, should propose to the Soviet Union and its Warsaw Pack allies appropriate confidence-building measures to reduce ambiguity about the nature and scope of the Eastern unilateral force reductions. Such measures need not await formal agreement on "transparency" measures under discussion at the Vienna negotiations, and may serve as pilot verification projects to be applied to a future CFE agreement.

We know that your Administration will continue to follow closely the implementation of Mr. Gorbachev's unilateral force reductions, and sincerely hope that the United States government will take advantage of every opportunity to clarify for ourselves the true meaning of Mr. Gorbachev's actions.

With best wishes,
Yours sincerely,
SAM NUNN.
TIMOTHY E. WIRTH.
CARL LEVIN.

PRESIDENTIAL STATEMENT

1. The United States delegation to the steering group of the response strategies working group on climate change carried instructions to move the international community forward in establishing a process for considering how to respond to climate change. I am pleased to note that the nations meeting in Geneva have agreed to a workshop this fall looking at the range of financial, economic, technical and legal issues for responding to climate change.

2. The United States looks forward to playing a significant role in efforts to assess and respond to global climate change.

3. I expect that these efforts will lead to formal negotiations on the establishment of a framework convention on global climate. It is important that this process lead to international scientific consensus on the seriousness of the issue for the environment and for the world economy. At the same time, we should ensure that the interests of developing countries are taken into account in this process.

4. The United States will host a meeting under the auspices of the response strategies working group this fall that is intended to advance our understanding and promote consensus. I look forward personally to reviewing its results.

[From the White House, Situation Room, May 12, 1989]

To RUEHGV/U.S. Mission, Geneva:

Please deliver the following message to U.S. mission Geneva for immediate attention of Assistant Secretary of State Bernthal, head of U.S. delegation to the steering group of the response strategies working group from chief of staff, John Sununu.

1. The President appreciates your efforts and is encouraged by the reports of progress thus far. We consider the reported emerging agreement on an advanced preparatory program to address global climate response issues comprehensively to be extremely positive. To further this process, please make every effort to obtain agreement on a global warming workshop this fall, hosted by the United States. This workshop should be designed to identify the scientific, legal, technical and economic issues critical to further progress on beginning negotiations on an international convention on global climate change.

2. We would encourage strongest efforts by U.S. delegation to attain approval of this preparatory program. The scope and importance of this issue are so great that it is essential for the U.S. to exercise leadership role. We should seek to develop full international consensus on necessary steps to prepare for a formal treaty negotiating process. However, because the size of the potential problem is so large, improper or ill-advised actions could have enormous unintended environmental, economic and social consequences. At the same time we should ensure that the interests of developing countries are taken into account in considering responses to climate change.

3. Serious and sustained scientific technical, economic and legal analysis will be critical to successful completion of any global climate convention negotiations. In addition to prompt development of these analysis, the workshop, under the auspices of the RSWG, should be structured to help identify the elements that should be included in a framework convention on global climate, as well as identifying key domestic and eco-

nomic policies of all countries that must be included in any comprehensive process.

[From the Washington Post, May 12, 1989]

BUSH SUGGESTS WORKSHOP ON GLOBAL WARMING

(By Ann Devroy)

Accused by environmentalists of backing off his pledge to lead the international response to global warming, President Bush yesterday offered to host a "global workshop" here in the fall to prepare for later negotiations on an international treaty to limit the problem.

According to administration officials, the White House sent new instruction last night to the U.S. team attending an intenational meeting in Geneva on the issue. The 30-nation gathering, sponsored by the United Nations, is trying to lay the groundwork for a formal identification of global warming as a world environmental threat.

Environmentalists are pressing for an international convention that would lead to treaty negotiations on limiting emissions of gases, mainly carbon dioxide, which are known to trap solar heat like a greenhouse, causing the atmospheric temperature to rise.

Although Bush promised in the campaign last year to have the United States lead the world in solving the problem, his team was told last week to take a cautious approach until more is known of the scientific, economic and other effects of global warming and the costs of addressing it.

But last night, officials said, the U.S. team was given new instructions in language worked out by White House Chief of Staff John H. Sununu and Environmental Protection Agency Administrator William K. Reilly. The instructions, as read to The Washington Post by an administration official, call on the U.S. team to press the other nations to attend a "global workshop," hosted by the United States, aimed at identifying issues "critical to further progress" on beginning treaty talks.

The instructions note that the "scope and importance" of the issue are so important that a U.S. leadership role is "essential." The team in Geneva is charged with helping to develop an international consensus on the steps necessary "to prepare for a formal treaty negotiating process."

The workshop, the instructions note, should be structured to identify the elements that "should be included in a framework" for later negotiations.

The immediate reaction from environmentalists, who had accused Bush of stalling, was to view the move as progress, but not enough. Rafe Pomerance, head of the World Resources Institute, called the move a "waffle," saying many of the issues involved in the problem have been addressed and Bush's move did not amount to a "clear-cut declaration" for a speedy international negotiation. Pomerance said many nations want to move quickly and the Bush move adds several more months to the process.

The president has been buffeted by competing advice, with some aides such as Reilly pushing for more immediate action and a U.S. initiative at this conference, while others urged caution. Administration officials insisted that the new instructions were a sign "the president does intend the U.S. take the lead" and "does support international treaty negotiations" after concerns, particularly economic ones, are examined.

[From the New York Times, May 12, 1989]

U.S. IN A SHIFT, SEEKS TREATY ON GLOBAL WARMING

[By Philip Shabecoff)

WASHINGTON, MAY 11.—In an important switch, the White House authorized American negotiators in Geneva tonight to lead the way toward an international treaty to control global warming.

The new development followed widely published reports that the White House staff, concerned about the costs and the technical feasibility, was resisting calls from the State Department and the Environmental Protection Agency that the United States take such a lead.

In an interview tonight, the White House chief of staff denied any resistance to the idea. But a Bush Administration official acknowledged that the initial instructions to the American delegation at Geneva, where a United Nations conference on global warming is under way, had made no reference to any Washington initiative toward a treaty.

The fresh instructions by the White House were contained in a telegram from the chief of staff, John H. Sununu which called for a "global warming workshop" to be held in the United States this fall.

The workshop would prepare analyses of legal, scientific, economic and social issues that must be resolved in order to reach agreement on a treaty to deal with a growing scientific consensus; that gases resulting from industrial and other human activity are trapping the heat from the sun and will cause the earth's surface to warm by 3 to 9 degrees by the middle of the next century, portending immense environmental consequences.

In his telegram, Mr. Sununu directed the American delegation to take a leadership role in planning the workshop, whose studies would then be used to develop "full international consensus on necessary steps to prepare for a formal treaty negotiating process."

In the telephone interview tonight, Mr. Sununu said President Bush was optimistic that an agreement on the workshop would be reached Friday and was prepared to send a note of congratulation to participants at the Geneva meeting.

"This is the thing we were hoping to get," be said, although adding. "It is important that we make sure we deal with the problem in a reasoned scientific and technical way."

There were two reasons for the turnaround by the White House, an Administration official said, One was that the progress of the Geneva meeting had been so encouraging that members of the delegation thought more could be accomplished with a more positive role by the United States.

The other reason, the official said, was this week's congressional and public criticism that Mr. Bush was failing to exercise the leadership on global warming that he promised in his Presidential campaign last year.

On Monday, the British Prime Minister, Margareret Thatcher, called for a convention on climate changes caused by global warming, but the United States had no specific response. The State Department and environmental officials have been debating with budget and agriculture officials over a treaty. A NASA scientist testified Monday that the White House budget office had softened his testimony prepared for Congress on the problems of the greenhouse effect.

In his telegram to the delegation, which is headed by Assistant Secretary of State Frederick Bernthal, Mr. Sununu urged "strongest efforts" to persuade other nations to attend the workship in the United States this fall. "The scope and importance of this issue are so great that it is essential for the U.S. to exercise a leadership role," the message said.

Mr. Sununu warned, however, that because "the size of the potential problem is so large, improper or ill-advised actions could have enormous unintended environmental, economic and social consequences."

Concern about these consequences had prompted the White House staff, including the Office of Management and Budget, to urge a go-slow approach toward a global warming treaty. Secretary of State James A. Baker 3d and Environmental Protection Agency administrator William K. Reilly have been urging the President to move more quickly to establish a United States leadership role on the global warming issue.

Mr. Sununu told the delegation that in preparing for a global warming treaty, the interests of developing countries be taken into account.

Economists have pointed out that countries just beginning the industrialization process cannot afford, and do not have the technical capability of developing, the kind of pollution control measures that would be required to come to grips with the global warming problem. Accordingly, it is widely accepted that the industrialized nations will have to transfer the necessary technology to the developing nations if those poorer countries are to be enlisted in the struggle with the greenhouse effect.

Mr. WIRTH. I yield the floor.

Mr. HEINZ addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania.

CONVENTION ON GLOBAL WARMING

Mr. HEINZ. Mr. President, today I join with a number of my Senate colleagues to take note of the announcement by the White House in the directive issued by the Chief of Staff, John Sununu, involving this administration in the work ultimately leading to a convention that will pose and adopt solutions to the problem of global warming.

As I reviewed the documents, as well as the news reports, I think it is quite evident today the United States has reestablished its diplomatic, its scientific, and its environmental leadership in one of the most pressing environmental issues that we are facing or are ever likely to face, that of global warming. Specifically by calling for an international conference, a workshop to come up with solutions, President Bush has assured that our scientific leadership is matched by our diplomatic leadership.

Mr. President, those of us who have had the opportunity to study the reports and review the science, have come to the conclusion that the issue of global warming is a problem that no nation of the world, developed or developing, can ignore. Solving the pending climate change crisis is going to

take action on every conceivable front. That means technical and scientific; it means economic; it means political. The workshop that President Bush has proposed is going to guarantee the highest level attention to those issues. Global problems can only be solved with global resolve, and that is what the President has demonstrated in this case.

We have achieved and we are now achieving world progress on the ozone problem, the progress that in the recent past would have been thought impossible. The treaty process initiated with the signing of the Montreal protocol can be duplicated again to tackle global warming, and I suggest and submit that, indeed, it must be duplicated.

I think it is important for people to understand what the President and his administration have done. I say this for the point of emphasis. As perhaps some will recall, the United States chairs one of these global warming working groups; the so-called response strategies working group. They are the problem solvers, the designated hitters, Mr. President, on this issue.

In calling for a workshop on response strategies, what the President is saying is that it is time to get down and analyze the nuts and bolts of solutions. We need to look at the economics of those solutions; we need to look at the scientific aspects of those solutions to make sure there are no unintended consequences; we need to look at the diplomatic consequences of those solutions to make sure they are workable and practical, and do not run into unanticipated political objections. This is a problem-solving commitment by the administration, which I want to commend them for.

It is the first and, in my judgment, necessary step in a process that will lead ultimately to a convention and treaty on global warming. It is the job of this working group between now and the time of the convention, to make sure the homework is done so that when this meeting takes place, the issues are as close to resolution as possible.

In that regard, to those who will be a part of this working group, be they Americans or others, I urge them to take into most specific account the need to look for and find innovative, so-called least cost solutions to these problems. As the Senator from Colorado and I have proposed previously last year, there is a compendium of potential market-based solutions which, if applied intelligently and carefully, can bring about much lower cost solutions than some of the traditional command and control strategies that we have used in the past and might be tempted to use more of in the future.

It is vital to this Senator that we minimize the political opposition to making progress on controlling greenhouse gasses and mitigating global warming. We should not underestimate how much political resistance where economic costs or economic hardship may be involved. The best way, and the judgment is shared by many scientists and economists, to minimize that political resistance is to have strategies that allow the marketplace to make the most efficient decisions on obtaining environmental goals. By minimizing the excess cost that a so-called command and control and control strategy can impose market incentives can achieve greater environmental protection. If the working group bears this in mind and applies rigorously its considerable expertise, not only to the solutions, but to the methodology, I think it will produce results that will be acceptable diplomatically, economically, scientifically and, most important, move us in a major way toward a convention, an agreement of international scope to mitigate and hopefully head off the potential planetary catastrophe that global warming obviously implies.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CHAFEE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

GLOBAL CLIMATE CHANGE CONVENTION

Mr. CHAFEE. Mr. President, I would hope that all Senators would join me in congratulating the administration and, of course, by the administration we mean President Bush, on pressing forward with efforts that I am sure would lead to the establishment of a convention on global climate change. This is a very wise and constructive step that the President has taken. What I am, of course, referring to is the cable that the President sent to our representatives in Geneva at the conferences taking place there and especially constructive, in my judgment, is the administration's recognition of the need to ensure that the interests of developing countries are taken into account when there is to be held a convention on global climate change.

It is also significant that the United States will next fall host a workshop under the auspices of the Intergovernmental Panel on Global Climate Change.

That workshop, which is a necessary preliminary to a global climate convention—and a convention, of course, is a word of art that means there will follow on a treaty dealing with the global climate activities—is very good news, and in the ensuing weeks I think it is very important that all of us work with the administration in their efforts to do something about the warming that is taking place throughout our globe.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CHAFEE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Kalbaugh, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the PRESIDING OFFICER laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. HOLLINGS from the Committee on Commerce Science, and Transportation, without amendment:

S. 104: A bill to authorize a certificate of documentation for the vessel *Liberty* (Rept. No. 101-22).

S. 255: A bill to authorize appropriations for the Local Rail Service Assistance Program (Rept. No. 101-23).

S. 475: A bill to authorize a certificate of documentation for a vessel (Rept. No. 101-24).

S. 572: A bill to authorize a certificate of documentation for the vessel *Navatek I* (Rept. No. 101-25).

S. 638: A bill to authorize a certificate of documentation for the vessel *Nor'wester* (Rept. No. 101-26).

By Mr. BIDEN from the Committee on the Judiciary with amendments:

S. 593: A bill to exempt certain activities from provisions of the antitrust laws.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents which were referred as indicated:

EC-1105: A communication from the Director of the Office of Management and Budget, transmitting, pursuant to law, a report on six proposed rescissions of budget

authority; pursuant to the order of January 30, 1975, as modified on April 11, 1986, referred jointly to the Committee on Appropriations, the Committee on the Budget, the Committee on Banking, Housing, and Urban Affairs, the Committee on Environment and Public Works, the Committee on Energy and Natural Resources, the Committee on the Judiciary, the Committee on Labor and Human Resources, the Committee on Armed Services, the Committe on Agriculture, Nutrition, and Forestry, the Committee on Foreign Relations, the Committee on Finance, and the Committee on Commerce, Science, and Transportation.

EC-1106. A communication from the Director of the Office of Management and Budget, transmitting a draft of proposed legislation entitled the "Farm Credit Improvement Act of 1989;" to the Committee on Agriculture, Nutrition, and Forestry.

EC-1107. A communication from the Secretary of the Interior, transmitting a draft of proposed legislation to provide for funding of the wildfire protection, wildfire suppression, and emergency burn rehabilitation activities of the Department of Agriculture, and for other purposes; to the Committee on Appropriations.

EC-1108. A communication from the Chief of Legislative Affairs of the Department of the Navy transmitting, pursuant to law, notification of the intent of the Navy to offer for lease a naval vessel to the Government of Mexico; to the Committee on Armed Services.

EC-1109. A communication from the Director of Administration and Management, Office of the Secretary of Defense, transmitting, pursuant to law, a report on real and personal property of the Department of Defense; to the Committee on Armed Services.

EC-1110. A communication from the Chairman of the Federal Deposit Insurance Corporation, transmitting, pursuant to law, the fourteenth annual report of the Corporation's Office of Consumer Affairs; to the Committee on Banking, Housing, and Urban Affairs.

EC-1111. A communication from the Secretary of Commerce, transmitting a draft of proposed legislation to amend section 18 of the Export Administration Act of 1979, as amended, to authorize appropriations for fiscal year 1990; to the Committee on Banking, Housing, and Urban Affairs.

EC-1112. A communication from the Chairman of the National Research Council, transmitting, pursuant to law, a report entitled "Improving School Bus Safety;" to the Committee on Commerce, Science, and Transportation.

EC-1113. A communication from the Secretary of the Interior, transmitting, pursuant to law, an annual report entitled "Research and Demonstration Projects in Alternative Coal Mining Techniques;" to the Committee on Energy and Natural Resources.

EC-1114. A communication from the Acting Administrator of the General Services Administration, transmitting, pursuant to law, copies of three lease prospectuses; to the Committee on Environment and Public Works.

EC-1115. A communication from the deputy general counsel of the Department of Defense, transmitting a draft of proposed legislation to modify the tax treatment of gain on sales of residences by certain members of the Armed Forces; to the Committee on Finance.

EC-1116. A communication from the Acting Secretary of Health and Human Services transmitting, pursuant to law, a report on expenses incurred by Medicare beneficiaries for outpatient prescription drugs using data from the 1987 National Medical Expenditure Survey; to the Committee on Finance.

EC-1117. A communication from the special counsel of the U.S. Merit Systems Protection Board, transmitting, pursuant to law, the report of the Secretary of the Interior; to the Committee on Governmental Affairs.

EC-1118. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report on their systems and plans to correct identified weaknesses; to the Committee on Governmental Affairs.

EC-1119. A communication from the Chairman of the Board of Governors of the Federal Reserve Board, transmitting, pursuant to law, the annual report of the Board under the Freedom of Information Act for the calendar year 1988; to the Committee on the Judiciary.

EC-1120. A communication from the Attorney General, transmitting, pursuant to law, the reports on the Department of Justice Assets Forfeiture Fund and on forfeited property with respect to which funds were not deposited in the Fund; to the Committee on the Judiciary.

EC-1121. A communication from the Secretary of Education, transmitting, pursuant to law, Final Regulations for the Magnet Schools Assistance Program; to the Committee on Labor and Human Resources.

EC-1122. A communication from the President of the Legal Services Corporation, transmitting, pursuant to law, the Legal Services Corporation's Fact Book for 1987–1988; to the Committee on Labor and Human Resources.

EC-1123. A communication from the Secretary of Transportation, transmitting a draft of proposed legislation to amend the act creating the Saint Lawrence Seaway Development Corporation to eliminate the transfer of the Corporation's toll revenues to the harbor maintenance trust fund, and for other purposes; to the Committee on Environment and Public Works.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. REID (for himself, Mr. BRYAN, Mr. WARNER, Mr. SIMON, Mr. CRANSTON, Mr. DECONCINI, Mr. MITCHELL, Mr. METZENBAUM, Mr. THURMOND, Mr. HATCH, Mr. DASCHLE, Mr. BRADLEY, Mr. HOLLINGS, Mr. MCCAIN, Mr. ROCKEFELLER, Mr. WIRTH, Mr. SHELBY, Mr. PELL, Mr. GRAHAM, Mr. CHAFEE, Mr. SANFORD, Mr. MATSUNAGA, Mr. MOYNIHAN, Mr. RIEGLE, Mr. SASSER, Mr. HARKIN, Mr. BURDICK, Mr. KOHL, Mr. KERRY, Ms. MIKULSKI, Mr. GARN, Mr. ADAMS, Mr. GORE, Mr. ROBB, Mr. LEVIN, and Mr. KENNEDY):

S. 982. A bill to repeal a provision of Federal tort claim law relating to the civil liability of Government contractors for certain injuries, losses of property and deaths and for other purposes; to the Committee on the Judiciary.

By Mr. REID:

S. 983. A bill to provide Public Housing Authorities with waivers of the procedures, required in section 6(k) of the United States Housing Act of 1937; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. METZENBAUM (for himself, Mr. HEINZ, Mr. WIRTH, Mr. BUMPERS, Mr. CONRAD, and Mr. JEFFORDS):

S. 984. A bill to amend the Motor Vehicle Information and Cost Savings Act; to the Committee on Commerce, Science, and Transportation.

By Mr. LEVIN:

S. 985. A bill to amend the Internal Revenue Code of 1986 to allow the Secretary of the Treasury to release information to participants of a qualified pension plan; to the Committee on Finance.

By Mr. LAUTENBERG:

S. 986. A bill to require Federal review and approval of oil discharge contingency plans, and for other purposes; to the Committee on Commerce, Science, and Transportation.

S. 987. A bill to require the Secretary of Transportation to conduct a study of discharges of oil and hazardous substances into the waters of New York Harbor, the Delaware River, and adjoining waters; to the Committee on Commerce, Science, and Transportation.

By Mr. DASCHLE (for himself, Mr. CONRAD, Mr. BURDICK, Mr. BOSCHWITZ, and Mr. HEFLIN):

S. 988. A bill to amend the Internal Revenue Code of 1986 to treat rural electric or telephone cooperatives in the same manner as other cooperatives for purposes of the book income preference under the minimum tax; to the Committee on Finance.

By Mr. SARBANES:

S.J. Res. 130. A joint resolution designating February 11 through February 17, 1990, as "Vocational-Technical Education Week"; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. REID (for himself, Mr. BRYAN, Mr. WARNER, Mr. SIMON, Mr. CRANSTON, Mr. DECONCINI, Mr. MITCHELL, Mr. METZENBAUM, Mr. THURMOND, Mr. HATCH, Mr. DASCHLE, Mr. BRADLEY, Mr. HOLLINGS, Mr. MCCAIN, Mr. ROCKEFELLER, Mr. WIRTH, Mr. SHELBY, Mr. PELL, Mr. GRAHAM, Mr. CHAFEE, Mr. SANFORD, Mr. MATSUNAGA, Mr. MOYNIHAN, Mr. RIEGLE, Mr. SASSER, Mr. HARKIN, Mr. BURDICK, Mr. KOHL, Mr. KERRY, Ms. MIKULSKI, Mr. GARN, Mr. ADAMS, Mr. GORE, Mr. ROBB, Mr. LEVIN, and Mr. KENNEDY):

S. 982. A bill to repeal a provision of Federal tort claim law relating to the civil liability of Government contractors for certain injuries, losses of property, and deaths, and for other purposes; to the Committee on the Judiciary.

RADIATION VICTIMS FAIR TREATMENT ACT

Mr. REID. Mr. President, "The Day They Bombed Utah" is a book of fact, not fiction. It describes in detail what happened to the people in Utah when

atmospheric tests were conducted on the Nevada testing range.

Mr. President, there is not a book called "The Day They Bombed Nevada," but the facts are certainly there. The book to which I previously referred details what happened when those above-ground tests were conducted. It talks about sheep dying very slow deaths, having sores in their eyes and their mouths for unending periods. It talks about people in Saint George, UT, a quiet peaceful little community downwind from where the tests were set off. It talks about people dying of cancer, not one or two or three or four, but scores of people dying in Saint George, UT, as a result of atomic radiation. Atomic radiation, Mr. President, plays no favorites.

The sad part about all this is that the Federal Government was lying to the people in Nevada and in Utah. The Government knew there were problems with radiation. They failed to tell the people who were downwind from those tests. To this day, there are people who are suffering as a result of those tests.

That is why, Mr. President, I rise to reintroduce my Radiation Victims Fair Treatment Act. I am joined by a long list of original cosponsors—BRYAN, WARNER, SIMON, CRANSTON, DECONCINI, MITCHELL, METZENBAUM, THURMOND, HATCH, DASCHLE, BRADLEY, HOLLINGS, MCCAIN, ROCKEFELLER, WIRTH, SHELBY, PELL, GRAHAM, CHAFEE, SANFORD, MATSUNAGA, MOYNIHAN, RIEGLE, SASSER, HARKIN, BURDICK, KOHL, KERRY of Massachusetts, MIKULSKI, GARN, ADAMS, GORE, ROBB, LEVIN, and KENNEDY. There will be others, Mr. President.

We all recognize that a grave injustice was done to the many victims of radiation exposure, and they have been effectively denied their day in court.

Thousands of Americans were exposed to radiation from nuclear weapons tests at the Nevada test site. Those exposed included veterans, test site workers, and civilians who worked and lived near the test sites. These victims of radiation exposure are unable to have a fair hearing in court because the Federal Government is still being unfair to them. In this particular instance, the Federal Government has claimed immunity from being sued. Another provision of the law prevents the contractors from being sued. The legislation that I introduce creates no automatic damages but a right to go forward in court.

The legislation we are proposing would repeal the section of law which protects the nuclear weapons testing contractors from being sued. It will allow the radiation victims to seek redress in court for those contractors' acts or omissions which in many cases have resulted in premature death or painful disability.

The testing of nuclear weapons was and is done to provide for the defense of our Nation. The Government, therefore, must provide some remedy for those who have been injured as a result of these tests. It is time for Congress to act. It is time for the victims of radiation exposure to be given fair treatment—to be given their day in court, their opportunity for justice. That time, Mr. President, is running out. The tests were in the fifties, some 30 years ago. These people need help before they literally pass from this Earth.

So, Mr. President, I ask that we reflect on what tragedy was brought about as a result of these tests that took place and the suffering that the people have gone through over these many years, and that they at least be able to bring their cases before the court, before an impartial trier of fact to determine if in fact they have been damaged.

Mr. SIMON. Mr. President, I rise today in support of this legislation which would restore the legal rights of individuals, both veterans and civilians alike, who were exposed to radiation in connection with the U.S. Atomic Weapons Testing Program.

By way of background, during the years 1946 to 1962 approximately 235 atomic tests were conducted by the United States. Until 1985 individuals who incurred injuries as a result of this exposure could file suit against contractors who participated in the testing programs. The contractors were indemnified by the Government for the cost of litigators, judgments, and settlement.

The 1985 Defense Authorization Act, Public Law 98-525, included a provision, section 1631, which drastically altered the legal rights of these individuals by establishing the United States as the defendant in such suits and providing that these cases fall under the Federal Tort Claims Act [FTCA]. Limiting radiation-exposed civilians and veterans to suits under the FTCA deprives potential plaintiffs of a variety of previously held rights, including the fundamental right to a jury trial.

Furthermore, because the United States is provided with certain defenses unavailable to the contractors, judgments on behalf of veteran and civilian claimants against the U.S. Government are effectively barred. The practical result of section 1631 is to leave the vast majority of those exposed to radiation in the atomic weapons testing program with no legal remedy.

The bill being introduced today would repeal section 1631 and restore to individuals the right to seek redress in court for contractors' acts and omissions. The bill does not guarantee compensation, but rather simply restates a basic American right, the right to a day in court. An identical bill, which I sponsored, was reported by the Judiciary Committee in the last Congress.

It is my hope that Congress will act promptly to ensure that those who were injured as a result of the testing program will receive the treatment they deserve. It is time to do the right thing for these victims and then put this episode honorably behind us.

By Mr. METZENBAUM (for himself, Mr. HEINZ, Mr. WIRTH, Mr. BUMPERS, Mr. CONRAD, and Mr. JEFFORDS):

S. 984. A bill to amend the Motor Vehicle Information and Cost Savings Act; to the Committee on Commerce, Science, and Transportation.

AUTOMOBILE FUEL ECONOMY ACT

● Mr. METZENBAUM. Mr. President, I rise today to introduce legislation that will increase the corporate average fuel economy [CAFE] standards for automobiles.

Nowhere in our economy other than passenger vehicles do we find the potential for such great savings of oil so readily, nor the need so great. By increasing the CAFE standards from their current level of 27.5 miles per gallon to 34 miles per gallon by 1996, we will save from 400,000 to 600,000 barrels of oil a day. This is two times the amount of oil spilled by Exxon in Alaska's Prince William Sound. And CAFE will save this tremendous amount of oil every day of every week of every year, indefinitely. Two oil-spills worth of savings daily. Two oil-spills worth of lowered supertanker shipments every day.

Since they were first enacted in 1975, the CAFE standards have been a smashing success. New cars now average over 27 miles per gallon, a doubling since the standards were put in place. And these improvements have come without loss of desired traits: over the same period that fuel efficiency was doubling, the average roominess of cars remained constant, many luxury features have been added, highway safety has never been better, and the average horsepower went up by 20 percent.

Despite the clear benefits of the standards, progress has eroded in recent years as the Reagan administration rolled back the CAFE standard for 4 straight years. Such a relaxation not only removed the legal and financial pressure to improve fuel economy, but it sent a very clear message to the car companies: that efficiency doesn't matter anymore, that the automakers can do whatever they want, regardless of its impact on the rest of society. And the companies certainly did not miss that message, as the New York Times recently wrote:

At a time when oil imports are rising, domestic oil production is decreasing and environmentalists are warning of the need to curb atmospheric pollution, car makers are

lobbying for relaxed fuel efficiency standards.

New cars now meet the existing standard but there is no longer any incentive for automakers to improve the performance of their fleets. Rather than worrying about global warming or skyrocketing oil imports, auto companies are worried about horsepower wars and zero-to-60 times.

This bill will change all that. This bill will reinstate the policy that was first put into place in 1975 with the passage of the Energy Policy and Conservation Act: that auto fuel economy should continue to increase steadily into the future to the "maximum feasible" level, until all practical technologies have been exhausted. And considering the technological prowess of domestic and foreign automakers, I am confident that there will continue to be breakthroughs and improvements for many years to come.

The simple truth is that we have the technology today to make our cars more fuel-efficient without sacrificing size, safety, or horsepower. We must not ignore this perfect opportunity to help consumers and our environment.

The big three automakers have always had dire predictions about the impact of Federal regulations on cars, whether it was for safety, air pollution, or fuel economy. In 1975 they were saying that if we passed CAFE then everyone would have to be driving Pintos in 1985.

Well, the automakers were dead wrong; 1985 came and went, and the auto-driving public wasn't stuck in Pintos, thank Heavens. Despite the companies' protests, technical ingenuity carried the day, bringing us widespread use of fuel injection, lighter materials, better aerodynamics, front-wheel drive, and a host of other improvements. Rather than driving smaller cars, the American public is driving better performing and more fuel-efficient cars of all sizes.

The doubling of new car gas mileage brings with it some excellent success stories, such as the Pontiac Grand Am—no one's idea of an economy car—that with GM's Quad-4 engine gets 32 miles per gallon; the comfortable and sporty Chrysler LeBaron, also at 32 miles per gallon; the upscale Toyota Camry at 33 miles per gallon; the large Buick Century wagon at 31 miles per gallon.

And this is not to mention the better gas mileage of currently popular smaller cars, such as the Ford Escort, Chevy Geo, or Dodge Colt, never mind the ultra-high-efficiency prototypes under development.

I recently chaired hearings on CAFE before the Energy Regulation and Conservation Subcommittee; and other committees have held hearings on fuel efficiency. During those hearings we heard the same protests from the auto companies that we've been hearing all along: tighter CAFE standards cannot be accomplished without severely limiting their output of certain large cars. Just as they did in the 1970's, they neglect the role of technology in meeting a reasonable CAFE standard.

There have been several independent analyses performed of how far the automakers can boost fuel efficiency without losing interior space or horsepower. Studies by the Department of Energy and the Office of Technology Assessment determined that a CAFE of 33 to 35 miles per gallon by 1995 would be practical and cost-effective, and doesn't require a shift in size mix or performance.

Most Senators left those hearings with the same conclusion that I came to, realizing the practicality and necessity of what I call the "No-Sacrifice CAFE:" A schedule for improvements in auto fuel efficiency that can be met strictly by deploying familiar, off-the-shelf technologies throughout the fleet. Technologies as commonplace as 4-valve engines, overhead cams, and 4-speed automatic transmissions. These technologies are as practical for large cars as small ones, so that we can register the savings for all car classes, and not prevent those customers who desire a large car from buying one.

By pursuing a strong CAFE that relies on technological improvements we are also asking American workers to make no sacrifice. The automakers have in the past complained that fuel economy standards would throw U.S. workers out of their jobs. In fact the evidence runs quite contrary to this assertion: First, if we hadn't passed CAFE and thereby pushed automakers into pursuing fuel economy they would have lost even more market share to Japanese imports following 1979's tripling of prices; second, when CAFE standards were rolled back by the Reagan administration we saw a rapid increase in the importation of small cars by the domestic manufacturers—and with it the exportation of small-car jobs.

The Automobile Fuel Economy Act of 1989 that I am introducing today with Senators HEINZ, WIRTH, BUMPERS, JEFFORDS, and CONRAD will make the "No-Sacrifice CAFE" the law of the land.

This legislation has four parts.

First, it would set up a schedule for slowly increasing CAFE standards to 34 miles per gallon over the next few years. According to the Energy Information Administration this will save 400,000 to 600,000 barrels of oil per day. This dramatic step is the single biggest step we can take toward conserving petroleum: and with it the benefits of lower imports and less air pollution.

Second, the legislation would establish a "no-backsliding" provision. The CAFE's of several automakers, primarily the Japanese as they strive to corral our high-end auto market, have been steadily declining over the last several years, and this provision would put a quick stop to that practice. Additionally, the no-backsliding requirement would prevent domestic automakers from moving the production of larger cars overseas—and the many thousand associated jobs—that is possible under the current rules. Since it would prevent backsliding with respect to their imported sub-fleets, which now average about 40 miles per gallon, they would be very hard pressed to move large car production out of the United States.

Third, the legislation would increase the penalties for noncompliance with CAFE, from the current $5 per tenth mile to $10 per tenth; and the bill would give the Secretary of Transportation the authority to increase the penalty up to $20 per tenth for auto companies that display a continuing pattern of noncompliance—companies such as Mercedes and Jaguar who disregard the standards year after year after year.

Finally, the bill would authorize formal studies by the Departments of Energy and Transportation and the Environmental Protection Agency regarding automotive technologies and fuel economy testing procedures. Following these studies we may want to revisit the CAFE issue to ensure that the standards established by this bill are adequately aggressive.

The necessity of passing CAFE legislation as soon as possible—and reestablishing the importance of the efficient use of oil—is starkly brought home by the recent catastrophic Alaska oil spill. Additionally, the scientific community is currently determining the magnitude and timing of global warming, but the fact that there will be warming is well beyond debate, as is the fact that carbon dioxide is a leading culprit. One-fifth of greenhouse gases are generated in the United States, one-third of which comes from the transportation sector. Similarly, our ground level air pollution problems, such as ozone, are also worsened by our extensive production and use of gasoline.

The Alaska spill also reminds us of our skyrocketing dependence on petroleum imports, now shooting up toward all-time highs. Imports are up 16 percent over last year, 50 percent over the last 3 years—now representing over 40 percent of total oil use—and are still climbing. Soon they will certainly cross the 50 percent threshhold—a level of import use that this country has never seen, even in the 1970's. In January of this year, President Reagan officially declared that "petroleum imports threaten to impair the national security." Such dependency on foreign sources puts an untenable

pressure not only on this country's military and foreign policy but on our domestic economy—placing at risk our homeowners, factories, and, of course, everyone who depends on their automobile.

Alternative fuels hold great promise here. The Alternative Motor Fuels Act of 1988 gives CAFE credits to vehicles powered by alternative fuels, such as compressed natural gas and methanol. But this incentive is meaningful only if there are strong CAFE standards in place—without CAFE automakers can remain indifferent to alternative fuels.

But nothing can work as quickly, as effectively, as economically, as the efficient use of energy. With the price of gasoline at historically low levels consumers are discouraged from purchasing fuel-efficient models; however autos and trucks remain on the road typically for 10 to 15 years, during which time gasoline prices will certainly increase.

The disruption in supplies following the *Exxon Valdez* spill prompted speculation and panic buying that gave rise to tremendous price increases in gasoline prices nationwide. This has been bad enough, but is small potatoes compared to the kind of price rise we would see if our increasing import dependency leads to even a temporary cutoff of supplies into this country.

I urge Members of the Senate to join us in cosponsoring this important legislation. The Automobile Fuel Economy Act of 1989 will encourage the use of American technological ingenuity in our automobiles. It will save energy and protect jobs.●

By Mr. LEVIN:

S. 985. A bill to amend the Internal Revenue Code of 1986 to allow the Secretary of the Treasury to release information to participants of a qualified pension plan; to the Committee on Finance.

RELEASE OF INFORMATION TO PENSION PLAN PARTICIPANTS

● Mr. LEVIN. Mr. President, current law prohibits the IRS from disclosing individual taxpayer information. Although this concern with privacy is understandable and necessary, I have recently come across a case, involving an employer-sponsored pension plan, were the application of these disclosure restrictions has resulted in a serious hardship to the pension plan's beneficiaries.

Under current law, an IRS review of a case involving a company's pension plan may take many months, or even years, before it is finally resolved. During that time, those who depend on their pension benefits are even denied information regarding the status of the inquiry into the plan, as the company is considered to be the taxpayer by the IRS. Instead, the plan participants are expected to wait patiently for the eventual conclusion of the review, despite the fact that their own retirement income is at stake.

The wheels of bureaucracy too often turn slowly. To our constituents who have already retired or are facing retirement, several years of slowly turning wheels, without even knowing the issues under review, represents Government at its worst. Pension benefits, which are, in essence, deferred wages, make a critical difference in the way an individual lives in retirement. As such, they deserve to be informed about decisions which have such a profound impact on their lives.

In order to help correct this situation, I am introducing legislation today to allow participants and beneficiaries of certain pension plans to be provided with information about the particular plan under review. This information includes a description of the issues under review, the progress of the action, and the anticipated completion date.

It is important to note that this legislation would not make the affected employees participants in an IRS review, but simply informed observers. As such, it will let plan participants and beneficiaries observe the progress of a review of their own pension benefits.

I ask unanimous consent that the text of this legislation be included in the RECORD immediately following my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 985

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DISCLOSURE OF INFORMATION TO PENSION PLAN PARTICIPANTS.

(a) IN GENERAL.—Subsection (e) of section 6103 of the Internal Revenue Code of 1986 (relating to disclosure to persons having material interest) is amended by redesignating paragraph (7) as paragraph (8) and by inserting after paragraph (6) the following new paragraph:

"(7) PARTICIPANTS AND BENEFICIARIES OF PENSION PLANS.—

"(A) IN GENERAL.—If—

"(i) an employer—

"(I) terminates a pension plan which is part of a qualified trust (within the meaning of section 402(a)(5)(E)(iii)), or

"(II) transfers employees and participants in such a plan to another plan maintained by a subsidiary of the employer, and

"(ii) there is any action under this title in connection with such termination or transfer which may directly or indirectly affect the rights of any participant or beneficiary,

then, notwithstanding the provisions of this section or any other provision of law, the Secretary shall provide to any participant or beneficiary the information described in subparagraph (B).

"(B) INFORMATION TO BE PROVIDED.—The information provided under subparagraph (A) shall consist of:

"(i) A description of the issues under review, the progress of the action and the anticipated completion date.

"(ii) Any interim or final decisions in the action which directly or indirectly affect the participant's or beneficiary's rights under the plan.

"(iii) Any right of intervention which the participant or beneficiary may have."

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to any action pending on or after the date of the enactment of this Act.●

By Mr. LAUTENBERG:

S. 986. A bill to require Federal review and approval of oil discharge contingency plans, and for other purposes; to the Committee on Commerce, Science, and Transportation.

S. 987. A bill to require the Secretary of Transportation to conduct a study of discharges of oil and hazardous substances into the waters of New York Harbor, the Delaware River, and adjoining waters; to the Committee on Commerce, Science, and Transportation.

OILSPILL LEGISLATION

● Mr. LAUTENBERG. Mr. President, today I am introducing a bill that addresses a major gap in oilspill prevention and responses: the adequacy of contingency planning.

This gap was all too clearly exposed by the tragic Valdez spill. There, the unthinkable happened. What they said could never take place, did.

In the span of a few short hours on March 24, 10 million gallons of crude oil poured out of the *Exxon Valdez*. In the time it takes to watch a football game, one of the most pristine, valuable natural areas we have was devastated. In those early morning hours an environmental mess was made that may not be cleaned up for decades. If ever.

I went to Valdez a few days after the spill. To those who haven't been to that area, it's hard to describe the scene. It's an environment that's unlike virtually any other in this country.

As we looked around, we saw towering, snow-peaked mountains, falling sharply into the sea. But there things changed. In the water, and on the beaches, there was the thick crude, what's referred to as "mousse."

That area is changed forever. And even if, years from now—and it will be years from now—the oil is wiped from the beaches, and the fish and wildlife recover, the memory of this spill can't be wiped from the memories of those who depend on the waters of the Prince William Sound. And it shouldn't be wiped from the memories of those of us responsible for writing the laws to help prevent future oilspills.

The blame for the Valdez spill can be spread almost as widely as the spill itself. There's the role alcohol may have played. I've introduced legislation to help the Coast Guard identify alcohol abusers, so they can keep

them out of positions of trust and safety.

But that was only a part of the problem. The bigger question is, How did the system let Captain Hazelwood get control of the tanker in the first place? And how could a so-called contingency plan assume that a spill like this would never happen?

The legislation I'm introducing today gets at those issues. I want the Federal Government to have the authority and the responsibility to review and approve spill contingency plans. The Coast Guard should be able to look at a plan like the Valdez one, and say "you haven't done enough. You're underestimating the risk, and you've got to do more."

When it comes to spills, an ounce of prevention may be worth 10 million gallons of oil.

My legislation would also make sure the Federal Government, and not the spiller, decides when the cleanup is over.

Consistent with the credo that the "polluter pays," my bill would allow the Federal Government to recoup the costs of reviewing and approving contingency plans.

And if the Government determines that an adequate plan is not in place, it could deny access to our ports by unprotected ships.

My bill would also address another weakness that's become so evident in Alaska—cleanup technology. It's absurd, that in a time when we can send a probe to explore Venus, we have men and women wiping oil off rocks with paper towels. As Secretary Skinner said recently, if the oil industry had put the time and effort into preparing for a spill like this that they put into exploration, we might not be in the mess we are today.

It may be inevitable that spills will happen. If so, we've got to be able to respond to them. I want to know where our R&D efforts are going, and find out how to bring oilspill cleanups into the 20th century.

Mr. President, there are other issues that must be addressed. We've got to get an oilspill liability fund in place. The direct costs of cleaning up this spill will likely top $300 million. In a way, we've been lucky. So far, at least, Exxon has been paying the bills. But that may not always be the case. When that day comes, we've got to know that the resources will be there.

I've joined the distinguished majority leader and Senator BAUCUS in introducing a bill to establish a $500 million liability fund. I understand the administration will also be submitting liability legislation. I am hopeful that, in the wake of the Valdez spill, we'll finally be able to get a liability fund in place.

The Valdez spill raised another point—could it happen somewhere else? I think the answer is yes. It could happen in the Puget Sound off the Coast of California, in Louisiana, and it could happen here.

I don't think most people know this, but the Delaware River is the single largest point of entry for foreign oil into the United States. And oil is the largest commodity moving through New York Harbor. Into these two areas flows as much oil as comes out of Valdez.

How well prepared are we to handle a spill there? Not well enough. According to the Coast Guard, both on the Delaware and in New York, a spill of over 1 million gallons or so would overwhelm our response system. That's about one-tenth of what spilled in Alaska.

Some may say the chances of a spill of that size are slim and none. Well, that's what they said in Alaska.

Mr. President, like other tragedies, the Valdez accident forces us to reevaluate our policies and laws. It's essential that we come away from this experience better prepared to prevent spills, and respond to them when they happen. My bill would help us do that, in Valdez, and throughout the country.

Today I am also introducing a second bill, one that requires the Secretary of Transportation to conduct a study of oilspills in New York Harbor, the Delaware River, and adjoining coastal waters off New Jersey.

This second bill will further our understanding of the nature and cause of spills in my region. This understanding is essential to preventing such spills and lessening their impact when they do happen.

I would note that my colleague in the House, the distinguished FRANK PALLONE, will soon be introducing legislation in that body that would also call for such a study. I look forward to working with Congressman PALLONE, who shares my interest and concern for the important issues of protecting our waters and our shoreline from the dangers of oilspills.

Mr. President, I ask unanimous consent that the text of these two bills be included in the RECORD.

There being no objection, the bills were ordered to be printed in the RECORD, as follows:

S. 986

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

APPROVAL OF OIL SPILL CONTINGENCY PLANS

SECTION 1. Section 311(c) of the Federal Water Pollution Control Act (33 U.S.C. 1321(c)) is amended by adding at the end thereof the following:

"(3)(A) Within 12 months following the date of the enactment into law of this paragraph, the President shall issue such regulations as may be necessary to enable him to determine each area for which a local oil and hazardous substance discharge contingency plan is necessary, and to require the preparation thereof by terminal operators, vessel operators, and other parties directly involved in the transport of oil or hazardous substances within the area covered by such plan. Pursuant to such regulations, plans thereunder shall be prepared by each terminal operator, vessel operator, or other party directly involved in the transport of oil or hazardous substances within the area covered by such plan, but may, at the discretion of the concerned parties, be prepared jointly. The President, by regulation, is authorized to impose on any such operator or party submitting a plan under this subsection a fee in an amount determined by the President to be sufficient to defray the costs involved in the review and approval of such plan.

"(B) Each plan under subparagraph (A) shall include—

"(i) proof of financial capability to implement the provisions of such plan;

"(ii) requirements for the periodic testing of such plan;

"(iii) procedures and techniques which will be employed in identifying, containing, dispersing, and removing oil or hazardous substances under the plan;

"(iv) identification, procurement, maintenance, and storage of equipment and supplies necessary to such plan;

"(v) means of obtaining additional equipment and supplies, as may be necessary; and

"(vi) any other factors the President considers appropriate.

"(C) Pursuant to regulation, each vessel operator, terminal operator, or other party directly involved in the transport of oil or hazardous substance shall be required to submit each local discharge contingency plan to the President for his approval on a periodic, regular basis, or as otherwise required by the President. In reviewing such plan, the President, for each area covered by the plan, shall consider—

"(i) the nature and volume of vessel traffic within the area covered by the plan;

"(ii) the volume and type of oil or hazardous substances being transported within the area covered by the plan;

"(iii) the availability of rescue, containment, and cleanup equipment, and manpower;

"(iv) navigational hazards, such as marine geography and weather;

"(v) any history of prior discharges of oil or hazardous substances;

"(vi) the value and sensitivity of natural resources and wildlife within the area covered by the plan;

"(vii) the comments of potentially affected third parties; and

"(viii) any other factors the President considers appropriate.

"(D) Such regulation shall require each terminal operator, vessel operator, or other party directly involved in the transport of oil or hazardous substance to immediately notify the President, in writing, of any significant change in any factor set forth under subparagraph (B), in order for the President to require changes, if needed, in the plan submitted by such operator or party.

"(E) Such regulations shall further provide that in the event of a discharge of oil or hazardous substance into an area within the purview of paragraph (1) of this subsection, the President shall be responsible for seeing that the removal plan covering such discharge is properly implemented and for immediately requiring any changes or other modifications to such plan as he may determine necessary. In overseeing the implementing of such plan, the President shall

take into consideration comments made, in accordance with such regulations, by affected third parties, and shall insure, to the maximum extent possible, that the removal of the discharge under the plan will protect existing natural resources, and restore, to the extent possible, natural resources adversely affected by the discharge, and will protect human life and health.

"(F) Regulations issued pursuant to this paragraph (3) shall be published in the Federal Register.

"(G) Within 6 months following the date of the enactment of this paragraph into law, the President shall report to the Congress on the state of the technology, procedures, and research which are available on means of preventing, containing, and removing discharges of oil and hazardous substances into an area within the purview of paragraph (1) of this subsection. In making such report, the President shall include his recommendations as to actions which could be taken to expedite the development and implementation of such technologies, procedures, and research, together with ways and means of encouraging cooperative efforts between public and private sector parties.

"(H)(i) The President is authorized to deny entry into any port of the United States of any vessel involved in the transport of oil or hazardous substances, or deny movement of oil or hazardous substance through any terminal facility, if the vessel operator or terminal operator, as the case may be, does not have in effect a current local contingency plan approved pursuant to this subsection.

"(ii) The provisions of clause (i) of this subparagraph shall take effect upon the expiration of the 90-day period following the date on which the President issues his regulation pursuant to subparagraph (A) of this paragraph (3).".

S. 987

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress Assembled,

(a) The Secretary of Transportation shall conduct a study of discharge of oil and hazardous substances, as defined in section 311(c) of the Federal Water Pollution Control Act (33 U.S.C.A. 1321(c) into the waters of New York Harbor, the Delaware River, and adjoining waters.

(b) The study required in (A) shall include, but not be limited to:

(1) quantities and types of substances discharged;

(2) causes of such discharges;

(3) environmental impact of such discharges;

(4) economic costs of such discharges;

(5) discussion of the role double-bottom construction or other modifications might have played in preventing or mitigating such discharges;

(6) procedural or other modifications required, imposed, or adopted as a result of any such discharges;.

(7) recommendations for procedural or other modifications to assist in the prevention of and response to such discharges.

(c) not later than 270 days after the date of enactment of this Act into law, the Secretary of Transportation shall submit a final report, including findings and recommendations, to the Congress.●

By Mr. SARBANES:

S.J. Res. 130. Joint resolution designating February 11 through February 17, 1990, as "Vocational-Technical Education Week"; to the Committee on the Judiciary.

VOCATIONAL-TECHNICAL EDUCATION WEEK

● Mr. SARBANES. Mr. President, I am introducing today a joint resolution designating February 11 through February 17, 1990, as "Vocational-Technical Education Week." As you know, this is the week recognized traditionally each year throughout the Nation by the vocational-technical education community. As the sponsor of a resolution passed in the 100th Congress to designate a week recognizing vocational-technical education, I am pleased to have the opportunity to reintroduce this legislation in the current Congress.

Federal aid for vocational-technical education programs began with the Smith-Hughes Act of 1917 and is authorized through the current fiscal year by the Carl D. Perkins Vocational Education Act. It is especially important to recognize the importance of vocational-technical education as the Congress continues its consideration of legislation to reauthorize the Perkins Act.

Vocational-technical education plays an integral role in ensuring the availability of a skilled work force. In my own State of Maryland, Federal assistance dispensed through the Perkins Act helped provide quality vocational-technical education to over 229,000 citizens last year. It is clear that vocational-technical education in Maryland is thriving, as are other vocational-technical education programs throughout the Nation.

It is my hope that passage of this resolution will serve to emphasize the need for renewed Federal support for vocational-technical education programs and their importance to the well-being of our citizenry and the economic development of our Nation. I look forward to the celebration of next year's Vocational-Technical Education Week," as well as a continued Federal commitment to vocational-technical education through the reauthorization of the Perkins Act.

Mr. President, I urge swift consideration and passage of this important resolution.●

ADDITIONAL COSPONSORS

S. 6

At the request of Mr. MCCAIN, the names of the Senator from Washington [Mr. GORTON] and the Senator from Iowa [Mr. GRASSLEY] were added as cosponsors of S. 6, a bill to grant the power to the President to reduce appropriated funds within 10 days after the date of enactment of a bill appropriating such funds.

S. 9

At the request of Mr. DOLE, the name of the Senator from Mississippi [Mr. LOTT] was added as a cosponsor of S. 9, a bill to amend title II of the Social Security Act to phase out the earnings test over a 5-year period for individuals who have attained retirement age, and for other purposes.

S. 100

At the request of Mr. ROCKEFELLER the names of the Senator from Minnesota [Mr. DURENBERGER] and the Senator from Tennessee [Mr. GORE] were added as cosponsors of S. 100, a bill to amend title XVIII of the Social Security Act with respect to coverage of, and payment for, services of psychologists under part B of Medicare.

S. 171

At the request of Mr. KASTEN, the name of the Senator from Mississippi [Mr. LOTT] was added as a cosponsor of S. 171, a bill to amend the Internal Revenue Code of 1986 to provide a variable capital gains tax differential for certain capital assets to index the basis of capital assets, and for other purposes.

S. 185

At the request of Mr. DIXON, the name of the Senator from Michigan [Mr. RIEGLE] was added as a cosponsor of S. 185, a bill to amend title 18 of the United States Code to punish as a Federal criminal offense the crimes of international parental child abduction.

S. 223

At the request of Mr. MOYNIHAN, the name of the Senator from North Dakota [Mr. BURDICK] was added as a cosponsor of S. 223, a bill to establish a grant program for research, treatment, and public education with respect to Lyme disease.

S. 231

At the request of Mr. MOYNIHAN, the name of the Senator from Massachusetts [Mr. KENNEDY] was added as a cosponsor of S. 231, a bill to amend part A of title IV of the Social Security Act to improve quality control standards and procedures under the Aid to Families With Dependent Children Progam, and for other purposes.

S. 342

At the request of Mr. DANFORTH, the name of the Senator from Mississippi [Mr. LOTT] was added as a cosponsor of S. 342, a bill to amend the Internal Revenue Code of 1986 to provide that certain credits will not be subject to the passive activity rules and for other purposes.

S. 570

At the request of Mr. DANFORTH, the names of the Senator from Indiana [Mr. LUGAR] and the Senator from Louisiana [Mr. JOHNSTON] were added as cosponsors of S. 570, a bill to amend the Internal Revenue Code of 1986 to enhance the incentive for increasing research activities.

S. 618

At the request of Mr. SARBANES, the name of the Senator from Texas [Mr.

BENTSEN] was added as a cosponsor of S. 618, a bill to authorize the Indian American Forum for Political Education to establish a memorial to Mahatma Gandhi in the District of Columbia.

S. 623

At the request of Mr. HARKIN, the name of the Senator from North Dakota [Mr. BURDICK] was added as a cosponsor of S. 623, a bill to amend the Federal Food, Drug, and Cosmetic Act to prescribe labeling requirements for foods which contain vegetable oils and for other purposes.

S. 730

At the request of Mr. COATS, the names of the Senator from Hawaii [Mr. MATSUNAGA] and the Senator from Kansas [Mr. DOLE] were added as cosponsors of S. 730, a bill to request the President to award gold medals on behalf of Congress to Frank Capra, James M. Stewart, and Fred Zinnemann, and to provide for the production of bronze duplicates of such medals for sale to the public.

S. 731

At the request of Mr. COATS, the names of the Senator from Hawaii [Mr. MATSUNAGA], and the Senator from Kansas [Mr. DOLE] were added as cosponsors of S. 731, a bill to request the President to award a gold medal on behalf of Congress to Robert Wise and to provide for the production of bronze duplicates of such medals for sale to the public.

S. 893

At the request of Mr. LAUTENBERG, the names of the Senator from Connecticut [Mr. DODD] and the Senator from Wisconsin [Mr. KOHL] were added as cosponsors of S. 893, a bill to establish certain categories of Soviet and Vietnamese nationals presumed to be subject to persecution and to provide for adjustment to refugee status of certain Soviet and Vietnamese parolees.

S. 944

At the request of Mr. KASTEN, the name of the Senator from Idaho [Mr. SYMMS] was added as a cosponsor of S. 944, a bill to authorize the establishment of a United States-Taiwan Free Trade Area.

S. 978

At the request of Mr. INOUYE, the name of the Senator from Kansas [Mr. DOLE] was added as a cosponsor of S. 978, a bill to authorize the establishment within the Smithsonian Institution of the National Museum of the American Indian, to establish a memorial to the American Indian and for other purposes.

SENATE JOINT RESOLUTION 74

At the request of Mr. GORE, the names of the Senator from Washington [Mr. ADAMS], the Senator from Colorado [Mr. ARMSTRONG], the Senator from Texas [Mr. BENTSEN], the Senator from Missouri [Mr. BOND], the Senator from Minnesota [Mr. BOSCHWITZ], the Senator from New Jersey [Mr. BRADLEY], the Senator from Arkansas [Mr. BUMPERS], the Senator from North Dakota [Mr. BURDICK], the Senator from Rhode Island [Mr. CHAFEE], the Senator from Indiana [Mr. COATS], the Senator from Mississippi [Mr. COCHRAN], the Senator from North Dakota [Mr. CONRAD], the Senator from California [Mr. CRANSTON], the Senator from Missouri [Mr. DANFORTH], the Senator from Arizona [Mr. DECONCINI], the Senator from Illinois [Mr. DIXON], the Senator from Connecticut [Mr. DODD], the Senator from Minnesota [Mr. DURENBERGER], the Senator from Georgia [Mr. FOWLER], the Senator from Ohio [Mr. GLENN], the Senator from Alabama [Mr. HEFLIN], the Senator from North Carolina [Mr. HELMS], the Senator from South Carolina [Mr. HOLLINGS], the Senator from Vermont [Mr. JEFFORDS], the Senator from Louisiana [Mr. JOHNSTON], the Senator from Michigan [Mr. LEVIN], the Senator from Nebraska [Mr. KERREY], the Senator from Massachusetts [Mr. KERRY], the Senator from Connecticut [Mr. LIEBERMAN], the Senator from Indiana [Mr. LUGAR], the Senator from Florida [Mr. MACK], the Senator from Hawaii [Mr. MATSUNAGA], the Senator from Idaho [Mr. MCCLURE], the Senator from Ohio [Mr. METZENBAUM], the Senator from Maine [Mr. MITCHELL], the Senator from New York [Mr. MOYNIHAN], the Senator from Georgia [Mr. NUNN], the Senator from Rhode Island [Mr. PELL], the Senator from Nevada [Mr. REID], the Senator from Delaware [Mr. ROTH], the Senator from North Carolina [Mr. SANFORD], the Senator from Maryland [Mr. SARBANES], the Senator from Tennessee [Mr. SASSER], the Senator from Alabama [Mr. SHELBY], the Senator from Illinois [Mr. SIMON], the Senator from Wyoming [Mr. SIMPSON], the Senator from Alaska [Mr. STEVENS], the Senator from South Carolina [Mr. THURMOND], the Senator from Virginia [Mr. WARNER], the Senator from California [Mr. WILSON], and the Senator from Colorado [Mr. WIRTH] were added as cosponsors of Senate Joint Resolution 74, a joint resolution to designate the month of May 1989 as "National Digestive Disease Awareness Month."

SENATE JOINT RESOLUTION 109

At the request of Mr. THURMOND, the names of the Senator from Oklahoma [Mr. BOREN], the Senator from Minnesota [Mr. BOSCHWITZ], the Senator from New Jersey [Mr. BRADLEY], the Senator from Arkansas [Mr. BUMPERS], the Senator from North Dakota [Mr. BURDICK], the Senator from Rhode Island [Mr. CHAFEE], the Senator from Mississippi [Mr. COCHRAN], the Senator from New York [Mr. D'AMATO], the Senator from Connecticut [Mr. DODD], the Senator from Kansas [Mr. DOLE], the Senator from Minnesota [Mr. DURENBERGER], the Senator from Alabama [Mr. HEFLIN], the Senator from South Carolina [Mr. HOLLINGS], the Senator from Hawaii [Mr. INOUYE], the Senator from Vermont [Mr. JEFFORDS], the Senator from Louisiana [Mr. JOHNSTON], the Senator from Wisconsin [Mr. KASTEN], the Senator from Michigan [Mr. LEVIN], the Senator from Indiana [Mr. LUGAR], the Senator from Idaho [Mr. MCCLURE], the Senator from Ohio [Mr. METZENBAUM], the Senator from Maryland [Ms. MIKULSKI], the Senator from Georgia [Mr. NUNN], the Senator from Rhode Island [Mr. PELL], the Senator from Arkansas [Mr. PRYOR], the Senator from Nevada [Mr. REID], the Senator from Michigan [Mr. RIEGLE], the Senator from Virginia [Mr. ROBB], the Senator from North Carolina [Mr. SANFORD], the Senator from Maryland [Mr. SARBANES], the Senator from Tennessee [Mr. SASSER], the Senator from Illinois [Mr. SIMON], and the Senator from California [Mr. WILSON] were added as cosponsors of Senate Joint Resolution 109, a joint resolution to designate the period commencing September 11, 1989, and ending on September 15, 1989, as "National Historically Black Colleges Week."

SENATE JOINT RESOLUTION 118

At the request of Mr. RIEGLE, the names of the Senator from Indiana [Mr. COATS], the Senator from Arizona [Mr. DECONCINI], the Senator from Illinois [Mr. DIXON], the Senator from Hawaii [Mr. INOUYE], the Senator from Wisconsin [Mr. KASTEN], the Senator from Rhode Island [Mr. PELL], the Senator from Pennsylvania [Mr. SPECTER], and the Senator from Virginia [Mr. WARNER] were added as cosponsors of Senate Joint Resolution 118, a joint resolution designating October 6, 1989, as "German American Day."

SENATE CONCURRENT RESOLUTION 10

At the request of Mr. SIMON, the name of the Senator from Hawaii [Mr. INOUYE] was added as a cosponsor of Senate Concurrent Resolution 10, a concurrent resolution to express the sense of the Congress with respect to continuing reductions in the Medicare program.

SENATE CONCURRENT RESOLUTION 25

At the request of Mr. GRASSLEY, the name of the Senator from New Jersey [Mr. LAUTENBERG] was added as a cosponsor of Senate Concurrent Resolution 25, a concurrent resolution expressing the sense of the Congress that the number of refugees admitted to the United States and the appropriation for programs for refugee migration and resettlement should be increased and that the Department of Justice should reestablish the presumption that Jews and members of other religious minorities emigrating from the Soviet Union qualify for ref-

ugee status for admission to the United States.

SENATE RESOLUTION 80

At the request of Mr. KASTEN, the names of the Senator from Mississippi [Mr. LOTT], and the Senator from New Hampshire [Mr. HUMPHREY] were added as cosponsors of Senate Resolution 80, a resolution relating to legislation which would require interstate mail-order companies to impose State taxes on items mailed across State borders.

SENATE RESOLUTION 99

At the request of Mr. BOSCHWITZ, the names of the Senator from Arkansas [Mr. PRYOR], the Senator from Tennessee [Mr. SASSER], the Senator from Illinois [Mr. SIMON], and the Senator from Alaska [Mr. MURKOWSKI] were added as cosponsors of Senate Resolution 99, a resolution requiring the Architect of the Capitol to establish and implement a voluntary program for recycling paper disposed of in the operation of the Senate.

SENATE RESOLUTION 126

At the request of Mr. BAUCUS, the name of the Senator from Pennsylvania [Mr. HEINZ] was added as a cosponsor of Senate Resolution 126, a resolution expressing the sense of the Senate that the Prospective Payment Assessment Commission does not equitably represent the proportion of Medicare beneficiaries living in rural America, and that four additional Commissioners with experience in rural health care delivery should be appointed to the Commission to help correct the inequity.

AMENDMENT NO. 100

At the request of Mr. JOHNSTON, the name of the Senator from Kentucky [Mr. FORD] was added as a cosponsor of Amendment No. 100 intended to be proposed to S. 406, a bill to authorize competitive oil and gas leasing and development on the Coastal Plain of the Arctic National Wildlife Refuge in a manner consistent with protection of the environment, and for other purposes.

NOTICES OF HEARINGS

SUBCOMMITTEE ON PUBLIC LANDS, THE NATIONAL PARKS AND FORESTS

Mr. BUMPERS. Mr. President, I would like to announce that there has been a change in the hearing scheduled before the Subcommittee on Public Lands, National Parks and Forests of the Committee on Energy and Natural Resources on Thursday, May 18, 1989. Two of the measures originally scheduled to be heard, S. 319, a bill to effect an exchange of lands between the U.S. Forest Service and the Salt Lake City Corp. within the State of Utah, and for other purposes, and S. 393, the Camp W.G. Williams Land Exchange Act of 1989, will not be heard at that time, but will be considered at a later date.

For further information regarding the hearing, please contact David Brooks of the subcommittee staff at (202) 224-9863.

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. GLENN. Mr. President, I would like to announce that the Governmental Affairs Committee will hold a hearing on Wednesday, May 17, at 9:30 a.m., in SD-342 Dirksen on the subject of: biological weapons proliferation. For further information, please call Len Weiss, staff director, at 224-4751.

Mr. President, I would like to announce that the Governmental Affairs Committee will hold a hearing on Thursday, May 18, at 9:30 a.m., on the subject: nuclear and missile proliferation. For further information, please call Len Weiss, staff director, at 224-4751.

COMMITTEE ON RULES AND ADMINISTRATION

Mr. FORD. Mr. President, I wish to announce that the Committee on Rules and Administration will meet in SR-301, Russell Senate Office Building, on Wednesday, May 17, 1989, at 9:30 a.m., to mark up pending legislative business.

The agenda will include the following items: Senate Joint Resolution 98, to establish separate appropriation accounts for the Senate and the House of Representatives for the payment of official mail costs; S. 136, to establish a single poll closing time in the continental United States for Presidential general elections; S. 377, to establish a series of five Presidential primaries at which the public may express its preference for the nomination of an individual for election to the Office of the President of the United States; S. 326, to amend the Federal Election Campaign Act of 1971 to repeal a provision allowing use of excess contributions; an original bill authorizing appropriations for the Federal Election Commission for fiscal year 1990; an original bill authorizing appropriations for the American Folklife Center for fiscal year 1990 through 1994; legislation to authorize the establishment of the National Museum of the American Indian within the Smithsonian Institution; Senate Concurrent Resolution 19, to authorize printing of a collection of the inaugural addresses of the Presidents of the United States; an original resolution authorizing printing of a compilation of the rules of procedure of Senate committees; Senate Joint Resolution 77, recognizing the National Fallen Firefighters' Memorial at the National Fire Academy in Emmitsburg, MD, as the official national memorial to volunteer and career firefighters who die in the line of duty; and an original resolution to clarify the intent of Senate Resolution 369, 98th Congress, 2d session, relating to the Senate flag, that committees and officers of the Senate are permitted to display the flag.

For further information concerning this markup, please contact Carole Blessington of the Rules Committee staff on extension 40278.

AUTHORITY FOR COMMITTEES TO MEET

SUBCOMMITTEE ON INTERNATIONAL TRADE

Mr. DIXON. Mr. President, I ask unanimous consent that the Subcommittee on International Trade of the Committee on Finance be authorized to meet during the session of the Senate on May 12, 1989, at 10 a.m. to hold a hearing on currency manipulation.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. DIXON. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to meet during the session of the Senate on May 12, 1989, at 10:30 a.m. to hold a hearing on the following nominations at the Department of Commerce: Dr. Michael Darby to be Under Secretary of Commerce for Economic Affairs, and Thomas J. Collamore to be Assistant Secretary for Administration.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. DIXON. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to meet during the session of the Senate on May 12, 1989, at 9 a.m. to hold a hearing on the following nominations at the Department of Transportation: Phillip D. Brady to be General Counsel, Galen J. Reser to be Assistant Secretary for Governmental Affairs, and David P. Prosperi to be Assistant Secretary for Public Affairs.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. DIXON. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be allowed to meet during the session of the Senate Friday, May 12, 1989, at 9 a.m. to conduct hearings on the nominations of David C. Mulford and Robert R. Glauber to be Under Secretaries of the Department of the Treasury.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON READINESS, SUSTAINABILITY, AND SUPPORT

Mr. DIXON. Mr. President, I ask unanimous consent that the Subcommittee on Readiness, Sustainability,

and Support of the Committee on Armed Services be authorized to meet on Friday, May 12, 1989, at 9 a.m. in open and closed session to receive testimony on the amended defense authorization request for fiscal years 1990 and 1991.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INDIAN AFFAIRS

Mr. MITCHELL. Mr. President, I ask that the Select Committee on Indian Affairs be authorized to meet on May 12, 1989, beginning at 9:30 a.m., in 301 Russell Senate Office Building, on a bill to establish a national Indian museum within the Smithsonian Institution.

The PRESIDING OFFICER. Without objection, it is so ordered.

SPECIAL COMMITTEE ON INVESTIGATIONS

Mr. DIXON. Mr. President, I ask unanimous consent that the Special Committee on Investigations of the Select Committee on Indian Affairs be authorized to meet during the session of the Senate on May 12, 1989, at 10 a.m. to hold hearings pursuant to Senate Resolution 66, section 21, agreed February 28, 1989.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. DIXON. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on June 1 and 2, 1989, to hold hearings on the status of Puerto Rico.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. DIXON. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Friday, May 12, at 3 p.m. to hold a nomination hearing on John Cameron Monjo to be Ambassador to Indonesia.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. DIXON. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Friday, May 12, at 10 a.m. to hold a nomination hearing on Donald Gregg to be Ambassador to Korea.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. DIXON. Mr. President, I ask unanimous consent that the Committee on Agriculture, Nutrition, and Forestry be authorized to meet during the session of the Senate on Friday, May 12, 1989, at 10 a.m. in SR-332 to hold a nominations hearing on Eugene Bailey to be Assistant Secretary of Agriculture for Governmental and Public Affairs, Charles Hess to be Assistant Secretary of Agriculture for Science and Education, Alan Raul to be General Counsel of the Department of Agriculture, and Jo Ann Smith to be Assistant Secretary of Agriculture for Marketing and Research Services.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

GEORGE MARCOTTE

● Mr. LEAHY. Mr. President, it has been my pleasure to have appointed George Marcotte as a Senate page for the spring semester. George has been a valued addition not only to the Senate page staff but has become a welcome addition to the extended Leahy family here in Washington.

The Senate Page Program is an extremely worthwhile program, in my estimation. It gives young Americans the opportunity to see government in action and to be a participant. I commend George and his colleagues, and I ask that the attached article from the Burlington Free Press be entered into the RECORD.

The article follows:

[From the Burlington (Vt.) Free Press, May 1, 1989]

RINGSIDE SEATS TO CONGRESS OFFER LEARNING

(By David Bauman)

WASHINGTON.—Most folks probably still are on their second cup of coffee when George Marcotte, 16, of South Burlington, is well into his day as a Senate page.

As one of about 100 congressional pages, Marcotte's workday begins at 6 a.m. with 4½ hours of school, followed by running up to 15 miles through the marble corridors and underground passageways of the U.S. Capitol on errands for lawmakers—a task that often extends well past 5 p.m.

"I love it," said Marcotte of his ringside seat to Congress. "It's a hands-on experience. You really get to see what goes on."

While the demands on a page's time are strict, the opportunity to observe Congress at work is unsurpassed. Pages earn $9,090 annually, or $757 a month.

Out of that, they pay $300 a month for the dormitory room and five week-night dinners they are required to share. Pages must also buy their uniforms, dark blue suits, black ties, black shoes and socks, and long-sleeved white shirts.

Although disclosures of sexual misconduct prompted Congress to tighten control over the page system in 1982, page duties have changed little since Sen. Daniel Webster of Massachusetts hired the first Senate page nearly 160 years ago.

Today the program is restricted to high school juniors—70 in the House and 30 in the Senate—who prepare the congressional chambers for business. All pages are housed in a supervised co-ed dormitory two blocks from the Capitol, with strict curfews that curtail the after-hours freedom they formerly enjoyed.

"There's a lot of cafeteria food," said Marcotte, who is away from home for the first time. "Dorm life is like a pre-college experience. I'm learning a lot about living with roommates and budgeting my time."

When on the floor, pages sit on the rostrum at the front of the chamber and are expected to be inconspicuous, but ready to run errands, distribute bills, fetch glasses of water, pillows, or whatever at the snap of a senator's fingers.

"Senators are really down to earth, approachable people,"' said Marcotte. "They may seem remote, but most have a great sense of humor."

Page appointments are reserved for senior members of Congress. Marcotte's sponsor is Sen. Patrick Leahy, D-Vt., the Agriculture Committee chairman who has served 15 years in the Senate.

"Because of my seniority, I'm allowed to appoint one page," said Leahy. Recalling his failure to land a Capitol Hill job when he was a law student, Leahy makes half-year page appointments so that "more Vermonters get the chance to see how government really works."

Each weekday, Senate pages attend a special school offering a course of study equivalent to the junior year of high school. Classes start at 6:10 a.m. and conclude at 9:45 a.m. to allow the pages time to get to their jobs at the Capitol, which start at 10 a.m.

Because of the short hours, classes are restricted entirely to academic subjects; Marcotte's course load includes calculus, political science, chemistry and English literature. Yet despite his close-up view of Congress, Marcotte wants to be a doctor.

"I've seen a lot of government," he said, noting he also was a page for the Vermont Legislature. "But I'm real interested in biology. I had to drop that course to come here."

But Marcotte agreed daily rounds as a Senate page are exciting.

Since January, he has witnessed debates on a number of issues, but the highlight, so far, was President Bush's first address to Congress in February.

When the Congress holds joint sessions, the Senate gathers to walk as a body, escorted by the pages, across the Capitol to the House chamber, Marcotte explained.

"Cameras were clicking and all these people were watching," he recalled. "Then we entered the House. Even though the pages had to stay in the back row, I had a perfect view of the President, his Cabinet and members of the Supreme Court."●

S. 978, THE NATIONAL AMERICAN INDIAN MUSEUM AND MEMORIAL ACT

● Mr. D'AMATO. Mr. President, I rise today as an original cosponsor of the National American Indian Museum and Memorial Act.

Today's legislation is the icing on the cake of nearly a decade of controversy surrounding the Indian Museum. I am pleased that this compromise has been reached and I would like to commend my good friend from Hawaii for introducing this legislation and for his commitment and perseverence in working toward a resolution of this issue.

The National Museum of the American Indian's proposed location on the Mall will provide convenient access to the millions of tourists that visit the

Capitol each year. Opening up the U.S. Custom House in New York City will allow a portion of the priceless collection to remain in New York.

On Monday, the Smithsonian Board of Regents gave their approval to the proposal. Passage of this legislation will finalize the process. I urge my colleagues to pay tribute to the long and often sad history of the American Indian by passing this legislation.●

THE RECENT COURT DECISION CONCERNING AGENT ORANGE

● Mr. KERRY. Mr. President, it is a new day for the Vietnam veteran in this country.

The Federal court decision last week striking down the Government's agent orange regulations has dramatically altered the debate on this important issue. It is, in my opinion, a vindication for the thousands upon thousands of Vietnam veterans across this Nation.

The dioxin contaminant contained in agent orange is one of the most toxic substances known to man. During the Vietnam war we sprayed nearly 11 million gallons of agent orange in Vietnam. Many of the veterans who were exposed have since suffered adverse health effects such as cancer and birth defects.

Last week U.S. District Court Judge Henderson ruled that the veteran should be given the benefit of the doubt about whether an ailment is related to his or her military service. Mr. President, this is exactly what I and others in the Congress have been arguing for several years.

Finally, I want to commend the Secretary of the newly created Department of Veterans' Affairs for his decision not to appeal the decision of Judge Henderson. With this decision, Secretary Derwinski has shown himself to be a genuine advocate for the Vietnam veteran.

I ask that two articles be included as part of the RECORD:

The articles follow:

[From the Washington Post, May 11, 1989]

(By Mary R. Stout and H.R. Gierke)

NO MORE DELAYS ON AGENT ORANGE: SET COMPENSATION RULES FOR VIETNAM VETS—NOW!

The recent ruling by U.S. District Judge Thelton Henderson striking down the government's Agent Orange compensation regulations should remind the nation that the Agent Orange issue is far from dead.

Members of the Vietnam Veterans of America and the American Legion have been fighting an uphill battle for the past decade to obtain justice for the veterans exposed to this defoliant during the Vietnam War. Judge Henderson's decision, a result of a class-action suit brought by VVA, along with the legion's recently completed study of Vietnam veterans, confirms that the government has not done its part to put an end to the suffering from the Vietnam War.

A decade ago the media were ablaze with reports that the dioxin contaminant in Agent Orange may have produced adverse health effects such as cancer and birth defects. News reports regularly featured the plight of Vietnam veterans with rare diseases and their pleas to the federal government for assistance. But with time, press interest in the story dwindled.

The vacuum in the media was a credit to the game plan devised by the executive branch. The first part of the strategy was to delay resolution of the issue as long as possible in the hope that the public pressure to compensate Agent Orange victims would subside with time. "We need scientific evidence," said the Veterans Administration (responsible by law to provide compensation for service-related injuries), "and sufficient scientific studies have not yet been conducted."

When Congress called this bluff in 1979 by requiring the VA to conduct an epidemiology study of the veterans who were exposed, the executive agencies were up to the task of delay. First, the VA dallied for years with the chore of writing a protocol for the study. Then, in 1983, it threw up its hands and tossed the study to the Centers for Disease Control.

The CDC was even more creative. After spending four years and tens of millions of taxpayer dollars, it concluded in 1987 that the congressionally mandated study simply could not be done because not enough veterans could be found who had been exposed to Agent Orange. By then, the issue had so subsided in the media that few noticed that this conclusion defies common sense. The military admits it sprayed more than 10 million gallons of the herbicide over the battlefield—so much that even the VA's rules say it must assume that all those sent to Vietnam were in that exposed.

The second part of the government's strategy was to adopt the principle that compensation can be provided only if scientists agree there is a cause-and-effect relationship between Agent Orange and the veterans' illness. This ensured that no one would be compensated during his or her lifetime because, as the decades it took for scientists to nail down the causal link between smoking and cancer make clear, it's exceedingly difficult for scientists to reach agreement over the cause-and-effect status of any toxic agent.

But in the end the government's strategy has unraveled. Private veterans' organizations spent years and thousands of their own dollars to prevent the book on Agent Orange from being prematurely closed. In a study commissioned by the American Legion five years ago and published last December, the legion proved that, contrary to CDC's conclusion, a valid epidemiology study of exposed Vietnam veterans can in fact be conducted. The legion's researchers also documented that many of these veterans suffer from serious and often rare disorders.

Then Judge Henderson agreed with the Vietnam Veterans of America's analysis that the VA's requirement of a cause-and-effect relationship unlawfully stacks the deck against Vietnam veterans. The judge concluded that the VA has never in its history premised receipt of disability benefits on such a strict standard of proof. Moreover, the VA ignored the mandate by Congress to adjudicate Agent Orange claims under the less onerous ground rules applied to all other veterans, including the precept that doubt on any issue must be resolved in the veteran's favor.

As a result of the Vietnam Veterans of America's lawsuit, the VA will now have to reformulate its compensation rules for Agent Orange and readjudicate every one of the thousands of claims for benefits it previously rejected. As a result of the legion's study, Congress may hold hearings on why the epidemiology study it long ago ordered has never been done. And the Agent Orange issue is back in the media.

It is unfortunate, to say the least, that prolonged public pressure is necessary to force the executive branch to live up to its moral and legal obligations to those who risked their lives in service to this country. Congress must share part of the blame for the shabby treatment Vietnam veterans have received. True, Congress stepped in to force the VA to provide medical care to Agent Orange victims. But the legislature has continued to defer to the executive branch on the issue of compensation long after it became apparent that it was shirking its responsibilities.

The appropriate response now is to call a halt to the tactic of delay and media control. We do not need to wait for more studies on Agent Orange. We do not need to wait for the VA to rethink how much evidence is enough to support compensation. We need Congress to bite the bullet and set the compensation rules based on the ample scientific studies that already exist on industrial workers, farmers, veterans and laboratory animals documenting that it is reasonable to conclude that many diseases are associated with Agent Orange.

[From the Boston Globe, May 9, 1989]

JUDGE CALLS UNITED STATES TOO STRICT ON AGENT ORANGE PROOF STANDARDS

WASHINGTON.—In a ruling that could have profound implications for thousands of Vietnam veterans, a federal judge has declared that the government has defined too strictly the standard of proof required of veterans claiming injury from the defoliant Agent Orange and has directed the government to reexamine the issue.

A spokesman for the Vietnam Veterans of America, which had challenged the agency's rules, yesterday hailed the ruling as "a major victory with far-reaching implications." One official predicted the decision would allow "tens of thousands" of veterans to reopen rejected claims for Agent Orange injuries.

Until now, the government has granted direct benefits for Agent Orange exposure to only five of the 33,272 veterans who have claimed the herbicide harmed them when it was used to defoliate jungles in Vietnam. All five were said to have suffered a skin condition linked to the herbicide.

Veterans' groups have alleged that Agent Orange, which contains the chemical dioxin, caused ailments including cancers, heart conditions, skin problems, and infertility. But Government officials maintained that a scientific panel appointed by Congress in 1984 was unable to find a direct link between the sprayings and the diseases.

A spokeswoman for the Department of Veterans Affairs, which has maintained that the Vietnam spraying was so massive that any person who served "in country" was exposed to the chemical, had no comment on the ruling.

In the 48-page ruling, U.S. District Judge Thelton E. Henderson of San Francisco held last Wednesday that former Veterans Administration head Thomas K. Turnage had

imposed "an impermissibly demanding test" for determining whether an ailment could be linked to dioxin. The judge said Congress required only a "significant statistical association" between exposure and illness, but the VA insisted on "proof of a causal relationship."

Moreover, the judge said Turnage "compounded" that finding by failing to give any ailing veteran "the benefit of the doubt in meeting that demanding standard."

Mary R. Stout, president of the Vietnam Veterans of America, said yesterday that the ruling "validates what Vietnam veterans have been saying for years, that the VA has failed to give Agent Orange victims a fair hearing."●

MEDICAID PREGNANT WOMEN, INFANTS AND CHILDREN AMENDMENTS

● Mr. HEINZ. Mr. President, this administration has made the improved health and education of America's children a top priority. In introducing the Medicaid Pregnant Women, Infants and Children Amendments of 1989, President Bush sent a strong message to Congress that America's dismal record on prenatal care is inexcusable. I rise today in support of this legislation.

The tragic truth is that America ranks as one of the most dangerous places to be born in the industrialized world. Each day 100 of our babies die from preventable complications associated with low birth weight. Many of these babies would be saved if their mothers had received simple prenatal health care screening or nutrition counseling. The guarantee of a healthy baby may require nothing more dramatic than monthly vitamin supplements for the mother during pregnancy.

Part of the problem is that over one-fourth of the 56 million women of childbearing age have no health insurance coverage for maternity care. Those women most likely to lack coverage are young and poor.

But another part of the problem lies with well-intentioned Federal programs that fall short on implementation by the States. Few States, for example, including my home State of Pennsylvania, have taken full advantage of the 1987 extension of Medicaid to permit optional coverage of pregnant women and children living in poverty.

In 1980, the Surgeon General set a goal to reduce the number of underweight newborns from 6.8 percent of live births to not more than 5 percent in 1990. Our most recent statistics show that we are near the end of the decade and far from achieving this goal.

In Pennsylvania the rates continue at almost double the targeted percentage. From 1980 to 1986, the rate in Pittsburgh has remained at approximately 1 in every 10 babies born. In Philadelphia, the percent of low weight births actually increased slightly to 10.8 percent in the same time period. A black baby born in my State is less likely to live to the age of 1 than a baby born in Cuba or Bulgaria.

Good prenatal care should be every baby's birthright; good preventive care is every infant's due. The President's bill honors both of these obligations through expanded Medicaid coverage for pregnant women and children and an expanded vaccination program for low-income preschool children. I urge my colleagues to join in passing the legislation. There are 100 reasons every day to do so.●

OILSPILL EMERGENCY RESPONSE ACT OF 1989

● Mr. BINGAMAN. Mr. President, I rise today to join my distinguished chairman, Senator JOHNSTON, in sponsoring the Prince William Sound Oilspill Emergency Response Act of 1989, Senate amendment No. 100.

This legislation is an appropriate and timely response to the events of March 24 in Alaska's Prince William Sound.

The tragic spill of more than 10 million gallons of crude oil into one of the most pristine waters in the world requires an urgent and effective response by the Congress. This is an interim and emergency response, focusing on the *Exxon Valdez* oilspill, the movement of Alaska crude, and the potential consequences of other development in the Alaskan Arctic. The legislation should be followed by broader, long-term reforms, including the passage of a comprehensive oilspill liability law.

This bill would force the oil industry to recognize that protecting the environment is just as much a part of doing business as hiring talented engineers, exploring for oil, managing debt, maintaining machinery, and turning a profit. Once the law makes that clear, those running the energy corporations will pay the necessary attention to cutting the risk of environmental degradation, just as they aim to protect workers in the oilfields.

The legislation will place the costs of protecting the environment from spills of Alaska crude and the costs of enforcement on the oil industry, not the public. And it will place a top priority on the enforcement of safety regulations.

Senator JOHNSTON'S bill would extend the standard of joint, several, and strict liability for damage now applicable to the trans-Alaska pipeline to all areas of the North Slope, onshore and offshore. It would increase the strict liability damage levels for these areas tenfold, from $50 million to $500 million. Strict liability for each spill or discharge of North Slope crude would increase from $100 million to $500 million. Reimposition of a nickel per barrel fee on all oil flowing through the pipeline would boost revenues available for cleanup and damages in the trans-Alaska pipeline liability fund from $100 million to $500 million.

Also, a new $200 million oilspill avoidance and readiness trust fund would be established to update and improve the vessel traffic control system for Valdez and the sound, to research the effects of spills and oil and gas development on fish, wildlife, and the marine environment, and to supplement Federal agency budgets for necessary manpower and equipment. The fund would be financed by a new 5-cent-per-barrel fee on oil moved through the trans-Alaska pipeline.

The legislation would give the Secretary of Transportation the emergency authority to issue regulations within 30 days to heighten safety precautions in hazard areas; require full-time Coast Guard radar monitoring of tankers in hazard areas; require qualified local harbor pilots to assist the captain on the bridge while in Prince William Sound; require two officers on board qualified to navigate through hazard to navigation areas; and prompt installation of radar responders at Bligh Reef and other hazard areas.

The bill also would require, within 30 days, new regulations on alcohol and drug use that might have averted the *Exxon Valdez* tragedy. These include mandating drug and alcohol testing procedures, including random testing, patterned after those in the aviation industry.

The Secretary would be authorized to require, within 90 days, new icebreaking vessels in the sound for tanker assistance, double bottoms and segregated hull compartments on Alaska tankers, and other vessel design or operational changes.

This is important legislation that responds effectively to the horrible disaster in Alaska. I encourage my colleagues to join me in supporting the legislation.●

FINANCIAL DISCLOSURE

● Mr. LEAHY. Mr. President, my Senate public financial disclosure report is on file with the Secretary of the Senate's Office of Public Records. I am adding additional material relating to my net worth, beyond what is required by the U.S. Senate.

Senate salary	$89,500
Additional income (honoraria, interest, et cetera, as reported on Senate public financial disclosure report)	43,692
Total income	129,672
Taxes (Federal, State of Vermont, and local)	38,139
Charitable contributions (including honorarium designated to charity)	6,010

Equity in Vermont residence: area residence	93,310
Equity in Washington, DC, area residence	373,779
Value of personal property (savings accounts, cars, furniture, books, et cetera)	50,000●

TERRY ANDERSON

● Mr. MOYNIHAN. Mr. President, today marks the 1,518th day of captivity for Terry Anderson in Beirut.

I ask the profiles of the hostages in Beirut prepared by the Associated Press be printed in the RECORD.

The profiles follow:

PROFILES OF WESTERN HOSTAGES OF LEBANESE KIDNAPPERS

(By the Associated Press)

Here are brief sketches of nine Americans and other non-Lebanese kidnap victims still missing in Lebanon:

Terry A. Anderson, 41 (birthdate Oct. 27, 1947), chief Middle East correspondent for the Associated Press, kidnapped March 16, 1985. He was born in Lorain, Ohio, reared in Batavia, N.Y., and graduated from Iowa State University. He worked at AP bureaus in Tokyo and Johnannesburg before being assigned to Beirut.

Thomas Sutherland, 58, acting dean of agriculture at the American University of Beirut, abducted June 9, 1985. A Scottish-born American who studied agriculture at Iowa State University, he was on leave from the faculty of Colorado State University and had worked in Beirut for two years. His wife, Jean also taught at American University.

Frank Herbert Reed, 56, the American director of the Lebanese International School, kidnapped Sept. 9, 1986. From Malden, Mass., he had spent nine years in Lebanon and was a convert to Islam. His wife is Syrian.

Joseph James Cicippio, 58, acting comptroller at the American University in Beirut, kidnapped Sept. 12, 1986. He spent most of his life in Norristown, Pa. He moved to Beirut in 1984, and in 1985 converted to Islam and married a Lebanese woman, a U.S. Embassy secretary.

Edward Austin Tracy, 58, west Beirut resident and self-described writer. Revolutionary Justice Organization claimed on Oct. 21, 1986, to have abducted him. A native of Rutland, Vt., he had traveled and lived around the world most of his adult life and was divorced from a West German woman.

Robert Polhill, 54, originally of New York City, a Certified Public Accountant and a lecturer in accounting at Beirut University College since February 1986, kidnapped Jan. 24, 1987. A Cornell University graduate, he formerly worked as an accountant in New York City. He is married to a Lebanese woman.

Alann Steen, 50, a communications instructor at Beirut University College, kidnapped Jan. 24, 1987. A Boston native, Steen was graduated and completed master's degree programs at Humboldt State University in Arcata, Calif. His wife, Virginia A. Rose, is a fine arts professor at Beirut University College.

Jesse Jonathan Turner, 41, a visiting professor of mathematics and computer science at Beirut University College, kidnapped Jan. 24, 1987. A native of Boise, Idaho, he holds degrees from Boise State University and the University of Idaho. His wife is Lebanese.

U.S. Marine Lt. Col. William R. Higgins, 44, head of observer group attached to U.N. peacekeeping force in Lebanon, kidnapped Feb. 17, 1988. Born in Danville, Ky. A decorated Vietnam veteran, he is married to Marine Maj. Robin Higgins and has a 17-year-old daughter. Higgins graduated from high school in Louisville, Ky., and from Miami University of Ohio on ROTC scholarship in 1967. He earned master's degrees in human resources management at Pepperdine University in California and in political science at Auburn in Alabama.

Terry Waite, 49 British envoy of the Anglican Church who has been seeking the release of foreign hostages, disappeared Jan. 20, 1987. He reportedly is being held by pro-Iranian kidnappers though no group has claimed responsibility for his abduction.

Alec Collett, 66, British. A New York-based journalist on assignment for the U.N. Relief and Works Agency, kidnapped March 25, 1985, while traveling south of Beirut. On April 23, 1986, the Revolutionary Organization of Socialist Moslems said it killed Collett in retaliation for British complicity in the April 15 U.S. air attack on Libya. A videotape purporting to show Collett hanged was made public.

John McCarthy, 32, British television journalist, kidnapped April 17, 1986, en route to the Beirut airport.

Italian businessman Alberto Molinari, a long-term Beirut resident, kidnapped Sept. 11, 1985, on the city's dividing Green Line.

Brian Keenan, 38, an Irish teacher of English at the American University of Beirut, kidnapped April 11, 1986, in Beirut.

Jan Cools, a 32-year-old Belgian physician, disappeared May 21, 1988, after leaving his residence in Rashidiyeh, a Palestinian refugee camp in south Lebanon. On Dec. 16, a previously unknown group, the Soldiers of Justice, claimed it kidnapped him and accused him of being a spy.

Islamic Jihad has claimed responsibility for many of the kidnappings, but other groups claiming involvement include the Revolutionary Organization of Socialist Moslems, believed linked to the Abu Nidal Palestinian terrorist organization.

In exchange for their hostages, Islamic Jihad demanded the release of 17 people convicted in Kuwait of the December 1983 terrorist bombings of the U.S. and French embassies. Three of the 17 have been sentenced to death by hanging, and the rest to prison terms ranging from five years to life.

Eight foreigners, including two Americans, have been killed by kidnappers:

William Buckley, 57, a U.S. Embassy political officer in Beirut, kidnapped March 16, 1984, Islamic Jihad claimed Oct. 4, 1985, it killed Buckley, but no body was found. On Jan. 20, 1987, Vice President George Bush confirmed that Buckley had been killed. A bachelor from Medford, Mass., Buckley joined the State Department and went to Beirut in 1983, after 18 years as a U.S. Army civilian employee. Published reports said he was CIA station chief in Beirut.

Peter Kilburn, 62, of San Francisco, an American University librarian, disappeared Dec. 3, 1984, and was found shot to death with two British hostages April 17, 1986. A nearby note said Arab Revolutionary Cells killed them in retaliation for the April 15 U.S. air attack on Libya.

Leigh Douglas, 34, a British professor at the American University, disappeared March 28, 1986, in west Beirut. He was found shot dead with Kilburn.

Philip Padfield, 40, a British language teacher, disappeared at the same time as Douglas. He also was found dead with Kilburn.

Nicolas Kluiters, a Dutch Roman Catholic priest, disappeared in eastern Lebanon March 14, 1985. His body was found strangled in the area April 1, 1985.

Denis Hill, a Briton who taught English at the American University, failed to show up for work May 27, 1985, and was found shot to death May 29, 1985.

Soviet cultural attache Arkady Katkov, 32, abducted Sept. 30, 1985, with three other Soviet diplomats, was found murdered Oct. 2, in a west Beirut suburb. The three other Soviets were freed.

Michel Seurat, a French academic researcher, kidnapped May 22, 1985. On March 5, 1986, an Islamic Jihad statement claimed the 37-year-old Seurat had been "executed." His wife wrote in a book in 1988 that French officials told her he was dead.●

SMALL BUSINESS IS AMERICA'S FUTURE

● Mr. LIEBERMAN. Mr. President, I join my colleagues today in recognizing the significant impact small business owners contribute to our Nation's economy. Tomorrow concludes the 25th anniversary of observing Small Business Week. Appropriately enough, the theme for this year's observance was, "Small Business is America's Future."

Mr. President, I believe in small business. The thriving spirit of the entrepreneur serves as the backbone of our economic development. Small business is one of our greatest resources, an underutilized resource.

Across the country 19 million small businesses are in existence, ranging from mom and pop storefronts with just a few employees to much larger operations. Oftentimes, the entire economic structure of a city is built on the success of small business—from a restaurant to an electrical contractor, a realtor to car wash owner. The range of small businesses and the products and services they offer is limited only by the imagination.

Small businesses serve as an incredible outlet to mobilize resources and generate new jobs. Nationally, 6 out of every 10 people are employed in small business. When you realize that over 50 percent of our work force relies on small businesses you can begin to imagine the important role they play in the overall economic picture.

They represent a force which can't be ignored, and, quite honestly, Mr. President, I believe small businesses hold the key to revitalizing our economy.

I am intrigued by new information on small business contributions to the U.S. export picture. A recent study by the SBA suggests that small businesses may account for a larger share of U.S. manufactured products sold overseas than previously believed, which was well below 25 percent.

The study indicates that businesses with fewer than 500 employees ac-

count for over 12 percent of the value of American goods exported directly by manufacturers via oceangoing transport to other countries.

The future for small business exports looks promising; it is a challenging prospect, but one which I believe the small businesses of America will meet head-on.

I salute the small businesses of America for your hard work and tenacity as we draw a close to the 25th anniversary celebration of Small Business Week.●

YVONNE G. ALLEN

● Mr. SASSER. Mr. President, I would like to call the attention of my colleagues to the outstanding achievements of one of my constituents, Ms. Yvonne G. Allen of Bolivar, TN. Ms. Allen is the principal of Whiteville Elementary School and has recently been honored as the recipient of the American Hero in Education Award, 1 of 10 such awards in the Nation.

I would like to take this opportunity to congratulate Ms. Allen on her accomplishments. While I am pleased that she is being nationally recognized for the outstanding job she has done in west Tennessee, her accolades come as no surprise to those of us who have known her and have witnessed her selfless service to her community and to the education of its youth.

Yvonne Allen is one of the most skillful educators in the Midsouth. Indeed, in the entire Nation. When she first started at Whiteville Elementary 10 years ago, the school had some of the lowest standardized test scores in the State, faculty morale was low, and the school building itself was a shambles. One of her first acts at Whiteville was to roll up her sleeves and scrub the peeling paint off of the walls and the dirt off of the floors.

Her willingness to do anything that needed to be done quickly won the respect of the faculty at Whiteville and inspired them to greater diligence. Soon, the students were energized by the new atmosphere, test scores began to improve, and the community began to support the school with greater enthusiasm.

Mr. President, educators like Yvonne Allen are exactly what our country needs to prepare today's youth for the challenges that await us in the 21st century. I congratulate her on her designation as a hero in education and I wish her the best of continued success in what promises to be a long and distinguished career.●

TRANSPORTATION TAKEOVERS

● Mr. PRESSLER. Mr. President, earlier this week I had the opportunity to appear before the Interstate Commerce Commission [ICC] to testify on an issue of crucial importance. The focus of the ICC hearing was on the possible hostile takeover of the CNW Corporation by a group of investors known as Japonica Partners. But the hearing addressed a bigger question: "Should the takeover of a public carrier be treated in the same fashion as any other stock transaction?"

South Dakotans and other Midwesterners are sorting through information dealing with the future of the CNW Railroad and Northwest Airlines, the target of another takeover bid. My testimony at the ICC compared my constituents to a nest of baby chicks watching as two hungry foxes continue to circle the nest. While the wheeler-dealers of Wall Street are at play with these transactions, South Dakotans and others must watch helplessly as their future is being decided.

South Dakota is in a delicate position when it comes to rail transportation. The situation at one time had deteriorated to the point that the State had to invest tens of millions of dollars to purchase and rehabilitate 900 miles of Milwaukee Road track.

Another important chapter in South Dakota railroad history occurred in 1986 when the Chicago and North Western attempted to abandon over 500 miles of track in my State. Working with South Dakota shippers, we successfully stopped the proposed abandonment. We then hammered out an agreement with the CNW which resulted in the creation of the Dakota, Minnesota, and Eastern [DM&E], a regional railroad that provides a badly needed service in the middle of my State.

These illustrations accentuate the commitment of my State to preserving accessible and affordable rail transportation. Although only 158 miles of CNW track runs in South Dakota, the railroad employs 80 South Dakotans with a payroll of $2.5 million. The future of the rail system that has risen from the ashes of the Milwaukee Road bankruptcy and the CNW proposed abandonment depends on what happens between CNW management and the Japonica Partners. That is the reason for our concern.

The Japonica Partners plan to borrow $600 to $800 million to finance the transaction, which would double the CNW's current debt load and could lead to negative pressures. The takeover of Northwest Airlines would be financed in similar fashion.

What happens when this heavy debt becomes too burdensome for the new owners? We can only speculate, but many experts tell us that sparsely populated areas or light traffic routes will suffer first and suffer most. If a rail line or airline route isn't abandoned, service could be lessened considerably. Because it takes so much money to service the debt, there could be little or no reinvestment in equipment and capital improvements.

The Government needs to watch the actions of these takeover foxes to protect the public interest chicken coop. Although there is substantial concern about the impact of these dealings on national transportation policy, it remains to be seen who will exercise the authority to take a closer look at what's happening. I am advocating a more forceful Government role in these matters when our national transportation policy is at risk.

The ICC has taken the first step toward trying to understand this dilemma. Many other steps must be taken before we can be assured that the public interest nest is being protected from the takeover foxes.●

THE ARIZONA WOMEN OFF WELFARE PROJECT

● Mr. DECONCINI. Mr. President, the east valley of Phoenix, AZ, has experienced and continues to experience a tremendous increase in population density in the last decade. In response to this increase, and the need to eliminate welfare, I have worked closely with Mesa United Way, Maricopa County's Private Industry Council, Arizona Works, Arizona Department of Economic Security, and the Mesa Chamber of Commerce to develop and implement Women Off Welfare, a demonstration project sponsored by a public/private partnership program with the Conference on Welfare Reform. Women Off Welfare addresses the special needs of single parent mothers who receive welfare assistance. In light of the celebration of Mother's Day this Sunday, I would like to draw special attention to the mothers who are participants in this project. In salute to the many people and organizations that made this project possible, I would also like to draw the attention of my fellow colleagues and the Nation to what I consider an alternate proposal of significant merit.

All across America, we are witnessing a unique series of public/private partnerships forming to solve human service problems as congressional and State allocations continue to diminish. Creative joint ventures are succeeding where unilateral efforts, usually Federal and State only, have consistently fallen short. The current trend in welfare reform legislation is to encourage demonstrations of such joint ventures.

Certain legislative versions under consideration by Congress tend to permit some sort of flexible block grant approach in the use of funds which encourage community-based public/private partnerships to evolve. The goal of these partnerships is to help single women heads of households achieve financial independence.

This independence can be achieved only if the programs coordinate all pertinent resources and successfully attack the barriers to stabilization and self-sufficiency.

Women Off Welfare offers the single women heads of households who are participating in the demonstration project the opportunity to achieve this financial independence. This public/private partnership program recognizes the absolute need to coordinate the many players who together comprise a team. The Mesa United Way, in cooperation with the Arizona Department of Economic Security [DES] through its Arizona works program and the Maricopa County Private Industry Council/Job Training Partnership Act [PIC/JTPA], will coordinate a massive assault on welfare in Mesa—Phase 1—and the east valley of the Greater Phoenix Metropolitan Area—Phase 2. This public/private partnership will also incorporate the support of the city of Mesa, Mesa Chamber of Commerce, Mesa Ecumenical Council, Mesa Community Council, and all relevant human care agencies, public and private.

PROBLEM

As of the 1985 special census, Mesa, AZ, contained a population of approximately 265,000. According to Arizona Department of Economic Security [DES] statistics of October 9, 1987, 1,039 single-parent families received support from aid to families with dependent children [AFDC].

To put these figures in perspective, testimony before the "Arizona Women in Poverty Statewide Hearings" by the Maricopa County Human Resources Department in October, 1986 stated:

All other things being equal, if the portion of the poor who are in female-headed families were to increase at the same rate as it did from 1967 to 1977, they would comprise 100% of the poverty population by about the year 2000. The Arizona poverty population includes over 17,000 female head of household families with no husband present and with children under 18 years of age * * *.

Thus, Mesa and the remainder of the east valley of the Greater Phoenix Metropolitan Area include, by projection, a sizable number of women in poverty who are heads of single-parent families. These women must move away from dependence on welfare into stable long-term employment and self-sufficiency. That transition will require a new kind of public/private partnership which can maximize all available resources and community support.

MISSION

A 3-year demonstration effort will determine if the approach utilized can dramatically and specifically reduce the current 1,039 AFDC case load in Mesa, AZ—Phase 1—in a cost-efficient manner.

Phase 2 will extend this approach to the east valley. The east valley includes five incorporated communities: Mesa, Chandler, Gilbert, Tempe, and Guadalupe—a Yaqui Indian/Hispanic town—as well as the unincorporated areas of Maricopa County surrounding these communities. According to the U.S. Special Census of 1985, the approximate population of the east valley is 450,000.

PLAN

In phase 1, Mesa United Way, in cooperation with JTPA—State and county—and the Mesa Chamber of Commerce, will mobilize the community to participate in the program by:

Finding and offering employment to AFDC recipients completing DES job training or retraining in the Arizona works program and at the Maricopa County Private Industry Council Eastern Training Center [PIC/JTPA].

Enhancing self-esteem by offering professional, supplemental self-worth, self-improvement, appearance, and self-confidence training for Arizona works and PIC/JTPA trainees.

Providing professional case management assistance to DES and county PIC/JTPA staff from intake through job training and job placement, and continued after job placement, in order to establish employment and family stability.

Organizing the Mesa social work community into a network that provides additionally needed support services for participants and families.

Providing a complementary support network composed of a cadre of paraprofessionals and volunteers.

Providing—at no extra cost to the mothers—offices, support staff, limited transportation—in part using a United Way van—continued publicity, overall coordination on behalf of the private sector, and services of a fiscal agent for the demonstration.

IMPACT OF THE PUBLIC/PRIVATE PARTNERSHIP ON THE EMPLOYMENT OF AFDC WELFARE RECIPIENTS

This demonstration will be under the direction and coordination of the Mesa United Way in cooperation with the department of economic security [DES] Arizona works and the Maricopa County Private Industry Council [PIC/JTPA] eastern training center management. A team of local and State agency staff will coordinate all the relevant programs which address the employability of welfare women who are the mainstay of their family support system.

For the first 18 months, phase 1 will focus on Mesa's population of AFDC mothers including the balance of Maricopa County to its eastern boundary. If determined appropriate, phase 2 will broaden this effort to the east valley communities of Chandler, Tempe, Guadalupe, Gilbert, and the balance of the county areas.

The project aims to motivate the chamber of commerce in Mesa—Phase 1—and those of the other east valley communities—phase 2—to take an integral role in the placement and follow-up of this welfare population. The project plans to involve Mesa chamber members in orientation of clients to the world of work and in-service training. Chamber members will have the opportunity to meet these mothers when the chamber first gets involved in the demonstration. We plan to ask business representatives to work with a number of these mothers on a 1-to-1 basis throughout the program. We are hopeful that the mothers will identify with business representatives as their advisers on an individualized basis and that this identification will lead to a more intensified and successful search for pertinent and stable employment on the client's behalf.

ORGANIZATION OF THE COORDINATED PARTNERSHIP EFFORT

A director will lead the United Way, DES, county PIC/JTPA management team in this demonstration. The director will be a community leader who can create the basis for cooperation at the community level. This individual will also be expected to work smoothly and effectively with the business and corporate leadership to develop new resources for training and meaningful work assignments.

The primary operational director—that is, deputy director—will be an upper management staff person with extensive job training and placement experience. DES will loan the operational director to the demonstration. This individual will be skilled in the techniques of case management and resource coordination and will understand agency operating procedures.

A third kind of specialist will concentrate on job placement and will create employment contacts particularly suited to this project. The specialist's employment contacts will be in both corporate and small business settings. The specialist will establish the kinds of supportive environments which will encourage each participating welfare mother to experience the greatest opportunities for growth and upward mobility.

PROGRAM COMPONENTS AND PROCEDURES

In 1967, Mesa United Way's leadership discovered that the city was sorely lacking State, county, and private social services. For assistance, residents were often forced to travel to the Phoenix office, a distance of 50 miles roundtrip.

In 1974, Samaritan Health Services and the first director of DES helped create Arizona's first true multiservice center at the Tri-City Community Service Center in downtown Mesa. It serves the communities of Tempe, Chandler, Gilbert, Guadalupe, Mesa,

Scottsdale, and the balance of the county in the east valley.

Tri-City also offers all DES programs from job service to food stamps, department of corrections services, county health services, legal aid, and Mesa Human Resources—an advocacy/case management agency. At this time, both a common intake, information, and referral service, and a maxistaffing case management and problem-solving demonstration are operating. Both of these programs are under the auspices of the Mesa Community Council, in cooperation with the center's management.

SELECTION OF CLIENTS

As previously indicated, the initial focus of phase 1 of this demonstration will be the approximately 1,039 Mesa AFDC mothers identified in conjunction with Maricopa County PIC/JTPA and DES Arizona works. Appropriate numbers of these mothers will be served each year of the 3-year demonstration. Phase 2 will extend this demonstration to AFDC mothers in the east valley incorporated communities and the balance of the county areas.

EVALUATION OF NEEDS

A team of DES, county PIC/JTPA staff, and private case management agencies and programs will access each AFDC single parent mother as to her employability. The team will also develop an employability plan. If short-term training, self-esteem orientation, vocational rehabilitation, day care, transportation, and housing are required, then each client will be provided with a casework plan for tracking, advocacy, and assistance. Immediate placement, where appropriate, will be the priority. The Arizona health care cost containment system [AHCCCS] will provide health screening. AHCCCS is a unique Medicaid, Social Security Act, title XIX demonstration.

SPECIAL TRAINING IN SELF-ESTEEM AND EMPLOYER EXPECTATIONS

Certain clients, other than those ready for immediate placement, or those for whom the standard county PIC/JTPA motivational training is not sufficient, will undergo a brief, but comprehensive program in ego enhancement or self-esteem enhancement and orientation to on-the-job employer expectations. The demonstration project staff will directly conduct this training.

JOB PLACEMENT

The demonstration project will create a network of special focus subcommittees of the Mesa Chamber of Commerce—phase 1—and of the east valley chambers of commerce—phase 2—to work hand in glove with the demonstration team to develop jobs which are individually focused on client strengths. The project will encourage placements that: Offer opportunities for sustained employment and vertical job mobility—that is, a future with more than the minimum wage; provide inservice training when appropriate; make available an affordable health benefit system; and maintain a supportive employee environment—for example, through a buddy system.

From the beginning, chamber of commerce employer subcommittees, commencing with Mesa, will acquaint themselves with a representative sample of clients on a 1-to-1 basis. The purpose of this procedure is to help the chamber representatives better understand the importance of working with the demonstration team.

Throughout the processs of providing appropriate and creative employment, the project will attempt to persuade employers in small businesses and corporations to reexamine their work settings and find new ways to provide access and entry-level jobs which meet the above-described four characteristics. These efforts will afford the special population AFDC mothers a chance to become employed and accepted in long-term, stable, and challenging work.

VOLUNTEER PARTICIPATION

Volunteers will be recruited, trained, and placed throughout this demonstration. For example, the project will utilize volunteers in unison with professional staff as client advocates. Volunteers will learn to work in tandem with the mothers and their children and assist them in gaining independence.

The project will help find appropriate resources for clients with transportation, food stamp eligibility, health services, and other ancillary problems. Volunteers may staff a cooperative venture day-care center to lessen the burden of these kinds of costs.

The project will recruit health care personnel to accomplish health screening and wellness training at no cost for welfare mothers and their families. A cadre of volunteer physicians will be asked to provide at least two to three visits per family. The project will ask hospitals to volunteer acute emergency health care. However, the county health system may cover this care.

Fortunately, AFDC mothers are automatically eligible for county health care through AHCCCS. The problem, however, arises when the mother finally gains employment. At that point, many different kinds of subsidized benefits evaporate and must be replaced for a limited period of time in order to effect long-term success. This is the point where Federal waivers must keep the services flowing for a reasonable period of time.

SUPPORTIVE SERVICES

We believe that advocacy, health care, day care, and transportation are essential services which will assist AFDC mothers to achieve long-term, challenging employment which pays an amount sufficient enough to permanently remove them from the welfare roles. All the contemporary national welfare reform demonstrations which have proven successful—from Massachusetts to New Jersey to San Diego—included some portion of day care, health care, and transportation services after employment. Consequently, these kinds of ancillary services must be part of the replication of these national approaches in Mesa, AZ.

PARTNERSHIP AGREEMENT

We will establish a partnership with Maricopa County's Private Industry Council [PIC/JTPA], through collaboration with their eastern training center and Arizona works of the department of economic security [DES].

Either Arizona works or the county PIC/JTPA will initiate the process and establish the plan for case management. Case tracking will begin with eligibility determination and orientation, plus testing and evaluation. Then, all eastside AFDC clients will be assigned to the eastern training center to continue to work with the clients in motivational orientation or self-esteem enhancement. For those AFDC clients in need of specialized motiviation/self-esteem training, the United Way demonstration will provide a specialized training experience.

If the clients are lacking in education, the eastern training center will educate them to the point of employability. This education will address such problems as a lack of high school diploma or dificulty in utilizing English as a second language. The clients, according to their employability plan, will also be responsible to participate in necessary training in their own unique programs—for example, clerical—or through individualized contracts with programs—that is, those offered by the community college system. This program will utilize the training resources of the county PIC/JTPA.

A coordinated attack on the myths of welfare will augment job placement. Attention will be given to the value of this partnership approach for creating a qualified pool of stable labor which will be readily available to the small businesses and corporations. This effort will focus on the United Way, in coordination with the chamber of commerce and the county PIC/JTPA.

The integrated approaches of all three entities will perfect case management in an advocacy mode. This will begin the data base established initially by Arizona works or county PIC/JTPA. The eastern training center will carry the case management through, while the Mesa Community Council's maxistaffing project coordinator will reassess and direct case management. The information available within the Tri-City Community Service Center and its information and referral program—the latter being

funded jointly by the city of Mesa and DES community services administration—will also contribute to successful case management.

The unique aspect of this entire demonstration, in addition to the relationships established through the partnership, will be an attempt to supply essential support services, when needed, to keep the AFDC mothers employed once other benefits begin to evaporate.

As previously discussed, these will include: Transportation, day care and quasi-health maintenance service program. The project will encourage the volunteer sector to contribute their talents to diminish the costs of most of these kinds of support services.

MARKETING FOR SUCCESS

Effective community relations are an integral part of the success of all projects of this kind. United Way organizations throughout the United States have learned to be effective publicists in order to capture the public's imagination on behalf of the human service agencies they represent. Their expertise lies in their ability to communicate well with print and broadcast media to utilize up-to-date telecommunication technology to their advantage. The Mesa United Way has mastered all of these approaches in order to enhance the public's understanding and commitment to its many pilot projects and its annual campaign.

In addition to the standard kinds of community relations and publicity, the project will attempt to utilize videotaping—with appropriate client releases regarding confidentiality—to capture the highlights of many features of this comprehensive demonstration. The project will use the tapes for public service announcemnts, documentaries, and in-service training.

The objective of the partnership approach in this project is to do everything possible to increase the employability and employment of AFDC mothers. We propose that the United Way demonstration be used to increase, not duplicate, the number of AFDC mothers served, and to improve their image as stable and capable workers in the eyes of the business and corporate community in Mesa, east Mesa, and eastern Maricopa County. As a result, the demonstration project will serve more AFDC mothers and move them into the rapidly expanding pool of quality and challenging jobs.

We suggest a team approach among county PIC/JTPA, DES Arizona works staff and the United Way demonstration to dramatically magnify and expand the impact of the JTPA dollars available to eastern Maricopa County. Interagency agreements will specify how these county PIC/JTPA sponsored services will mesh together and what kinds of measurable outcomes will be included and reflected in the performance standards as part of these agreements. All three parties will actively negotiate the cooperative details. For example, the United Way demonstration will negotiate with the county PIC/JTPA executive director on a line of credit to expand the training dollar available to serve additional clients.

Since the eastern training center, as the PIC/JTPA eastern Maricopa County representative, is committed to serve so many AFDC clients the first fiscal year, the United Way demonstration will attempt to serve an equal and additional number for the same period of time.

SUMMARY

In summary, our project will address and answer the following questions:

Can a unified city or metropolitan area stamp out and prevent welfare dependency with an enlightened plan and leadership?

Can employers' attitudes be changed concerning welfare recipients' employability and their willingess to work?

Can gradually diminishing day care subsidies and health-care services applied immediately after employment keep single parent AFDC women with families from recycling back onto welfare?

Can the United Way, the chamber of commerce, county priviate industry council and Arizona works officials and volunteers pool their efforts on a problem as a big and complex as welfare dependency and at the same time improve the way business is done?

Can the department of economic security [DES] work effectively with the Federal Government to obtain the programmatic waivers essential to make this demonstration successful by extending services beyond employment?

We believe that these questions will be answered in the affirmative. We will mold the cooperative partnership out of currently available resources and will test the strength of the partnership on all the typical welfare problems. People have explained by AFDC women have historically faced unemployability with a variety of reasons. These reasons include barriers such as: Lack of capabilities; poor attitude; teenage pregnancy; adult illiteracy; alcohol or substance abuse; absence of placement services; inadequate support services such as day care, health care and transportation; lack of coordination of resources by existing social service agencies; no commitment from the business community; poor self-esteem; and limitations in congressional Law.

This demonstration project is committed to tackle and overcome any barrier that an individual welfare family might face. Our objective is to break the cycle of welfare dependency. By giving these AFDC mothers the opportunity for gainful and challenging employment, along with a postemployment support system, we are confident that we can successfully achieve this objective.●

"DOING GOOD" WITH THE MINIMUM WAGE

● Mr. BOSCHWITZ. Mr. President, I would like to bring to the Senate's attention a recent editorial in the Washington Times titled "'Doing Good' With the Minimum Wage" by Paul Craig Roberts. I find the story most intriguing in light of the ongoing debate over raising the minimum wage.

In the editorial, Mr. Roberts relates an experience he had as an aspiring young economist working in the Labor Department. His first assignment was to study the impact of minimum wage laws on the lesser-developed economy of Puerto Rico. The results of his efforts contradicted the claims of minimum wage advocates and certainly came as a surprise to those who had commissioned the study.

It seems that by the time of Mr. Roberts' investigation, entire industries in Puerto Rico had already been wiped out as a result of mandatory wage increases. A thriving needlework industry which provided some of the poorest people with money income had become virtually extinct. In effect, Puerto Ricans suffered a dramatic increase in unemployment in exchange for higher wage scales.

Repeated efforts were made by minimum wage proponents to rationalize and ultimately suppress Mr. Roberts' findings, diluting his clear conclusion that increased mandatory wage rates had had a very destructive influence on the Puerto Rican economy.

Mr. President, I cannot help but think of how the Puerto Rican situation is analogous to the situation in rural America. One of the few advantages rural areas have in this economy is the cost of labor. In many rural areas, existing wage rates are considerably lower than those in more urban settings.

My fear is that a fate similar to the 1962 incident described by Mr. Roberts in Puerto Rico awaits rural communities if wage rates are excessively hiked. Small businesses provide the bulk of jobs in rural areas and it is small businesses that will be most harmed by the minimum wage increase. The bottom line is fewer jobs for the rural work force.

Mr. President, as the Senate knows, I have led the fight for some time now for an approach to this problem which is much more efficient than increasing the minimum wage. That approach calls for expanding the earned income tax credit [EITC], and varying it by family size. Many Members of this

body have recognized the merit of this approach and supported me in the past. It is my hope that Congress will finally recognize the negative effect of a minimum wage increase and look instead to my proposal as a more effective solution.

Mr. President, I ask that the editorial be printed in the RECORD. I thank the Chair.

The editorial follows:

[From the Washington Times, May 5, 1989]

"DOING GOOD" WITH THE MINIMUM WAGE

(By Paul Craig Roberts)

With Congress pressing for a higher minimum wage than President George Bush is willing to accept, it is worth recalling an encounter in the Kennedy administration with this tool for doing good.

As an economics graduate student at the University of Virginia, I had two professors from Harvard who responded to my liberal idealism by helping me land a spot in a new White House program started by the Kennedy administration. I drew a job in the Labor Department and reported for work in the summer of 1962.

By that time minimum wage laws had been on the books long enough for economists to study their effects. Most had concluded that they hurt the people they were supposed to help.

At the Labor Department I was assigned to look into this, specifically with regard to the impact of the minimum wage law on the lesser-developed economy of Puerto Rico. The law required that the minimum wage in Puerto Rico be raised as rapidly as possible to the U.S. mainland level, with the provision that the minimum wage increases avoid a substantial increase in unemployment.

Industry boards were set up which routinely raised the minimum wage and reported no adverse effects on employment. By the time of my investigation, entire industries had been wiped out.

It soon became apparent that the people who served on these boards were pleased with the opportunity to "do good" by raising wages. Whenever unemployment resulted, some other explanation was found to account for it.

For example, there had once been a thriving art needlework industry on the island which embroidered handkerchiefs and linens. Though there were some production shops, it was basically a household industry that provided some of the poorest people with a money income.

It was also an industry whose capital equipment was easy to remove, and as wages were forced up, the entrepreneurs began moving their machines to other locations. Puerto Ricans were saved from working for "substandard wages" by unemployment.

When I pointed this out, I was confronted with the argument that the handkerchief industry had been wiped out by technological change—the advent of Kleenex.

Curious, I checked the import statistics and found that the product was now streaming in from foreign locations not subject to the U.S. minimum wage. When I pointed this out, I was told these foreign imports were a different product.

More determined to get to the bottom of the issue than the Labor Department wanted, I found samples of the Puerto Rican product in an old report and sent them to the customs inspectors in New York, who had been classifying the product for years. A written affidavit came back that it was the same product.

By now the people who were proud of how much good they had done by raising wages were angry at me. The administrator of the Wages, Hours and Public Contracts division slammed his fist on the table and accused me of being against "bread and shoes for the workers." Dumbfounded, I replied that I was merely reporting on the process that had deprived poor people of money wages.

There was an uproar, and I was told that my report would not be published. My idealism flashing, I replied that in that case I would publish an article about the episode. With that, things calmed down, and I received some half-hearted pats on the back for having done such a thorough job. After all, I had two sponsors who were in with the Kennedys.

I went on to the University of California at Berkeley to study more economics. At Christmas a Labor Department economist with whom I had worked came to visit his parents. I asked if my study had been published, and he replied in the affirmative. Had it stopped the process of pricing Puerto Rican labor out or markets? I eagerly asked.

No. He explained I had made one mistake. By so thoroughly proving the case, my report was too long and opponents were able to seize on its length and demand editing. As paragraphs and tables disappeared, the message became confused.

Outraged, I threatened to protest, but my friend assured me that in his experience no one ever looked at the reports anyway, as the prospect that a person could be hurt by higher wages was not easily perceived by most people.

Years later I told this story to a governor of Puerto Rico. He thought it was a good thing that the low wage jobs had been lost. Puerto Rico had replaced them, he said, with high wage pharmaceutical jobs.

Had the needleworkers become chemists? I asked. No, he replied, they were on welfare or had moved to New York.●

THE CONTRIBUTIONS OF LORRAINE W. FRANK

● Mr. DECONCINI. Mr. President, this Sunday, on Mother's Day, we across the Nation will give special recognition to the women in our lives who have provided each of us with emotional, moral, intellectual, and increasingly, economic support. Too often, a mother's contributions to our individual lives and to the well-being of the entire community, go unnoticed. So, every spring, we reserve one day to remember her value and to say thank you for all the times over the past year that she reached out a helping hand without the expectation of a personal reward.

Mr. President, I would like the opportunity to express my most sincere gratitude to a very distinguished woman who has most diligently and graciously served Arizona and the Nation, Lorraine W. Frank. Today, she and Walter Cronkite will receive the honorary degree of doctor of humane letters from Arizona State University. This honorarium is only one reflection of a lifetime of selfless service to the entire Arizonan community.

Over 30 years ago, Lorraine left Washington, DC, where she had worked as a journalist, and subsequently, as an economist with the Department of Labor. As was the common practice for women of her generation, Lorraine left both a professional career and a start in law school to rear her five children. During her early years in Maricopa County, AZ, she involved herself heavily in the life of the community. When the youngest of her children turned nine, Lorraine returned as a professional careerwoman in nonprofit sector organizations and activities to serve the public.

In 1965, Lorraine served as a staff member for the Choate Foundation, an organization devoted to improving the life of poor and disadvantaged families, particularly children, by encouraging them to reach for higher ambitions and aspirations. In 1968, Lorraine left the Choate Foundation to serve as the director of Arizona Job Colleges. She was responsible for planning and creating a project to educate, train, and rehabilitate families of poor rural migrant workers. She also planned and secured funding of a $5.5-million 3-year operational budget, built a community to house and provide support services—including health care, child care, and recreation—for 100 families, and hired and managed professional staff through startup of the project.

From 1970 to 1971, Lorraine worked as a consultant for the Ford Foundation, where she assisted Southwestern Native-Americans and Hispanics in creating and securing funding for programs in housing, social services, and economic development. During this time, she held the position of director of relocation and social services for the city of Scottsdale Redevelopment Agency. She was responsible for relocating families for the development of Scottsdale mall. She created new housing and relocation plans for Yaqui Indians and other residents who lived in a frequently flooded bed of the Indian Bend Wash. Furthermore, she created and developed the multiservice Vista Del Camino Community Center. For her outstanding service, Lorraine received the 1971 city of Scottsdale award for civic service.

In 1973, Lorraine became the founding executive director for the Arizona Humanities Council, a position which she will continue to hold until her retirement in September of this year. As the director for the council, she is responsible for planning, initiating, and coordinating public programs in the humanities for the people of Arizona. This requires a commitment to literature, history, philosophy, and other bodies of knowledge that deal with values and ideas essential to the education of citizens in a democracy and

to the continuing health of the world of ideas. Since its foundation, the council has distributed between $2 and $3 million in over 500 grants to make possible discussions throughout Arizona on such diverse topics as the cultural heritage of Arizona's people, the lives of Arizona women, capital punishment, contemporary American literature, the future of knowledge, Beowulf, and the ethical issues in health care.

For 16 years, Lorraine has represented the council and its program to academic and nonacademic groups in the State, helping to build its role in the cultural life of Arizona. The program—and Lorraine's work as director—has so broadly affected the awareness and understanding of the humanities that Lorraine has received formal personal recognition by two of the State's universities. In 1985, Lorraine received the honorary degree of doctor of humanities as well as the Arizona State University distinguished achievement award. Today, she receives her third such award of recognition; the honorary degree of doctor of humane letters from Arizona State University.

Lorraine's commitment to excellence reaches far beyond the professional arena. Lorraine is a devoted volunteer for a variety of noteworthy organizations. She is a member of the Arizona committee of selection of Rhodes scholars. She is on the advisory council for Valley leadership and the board of directors for Arizona Academy. Currently, she affiliates herself with Phoenix Together, the Charter 100, Maricopa County Mental Health Association, Opera Dames, Phoenix Art Museum League, associate Alumnae of Vassar College, and Seven College Conference. She has previously served on the board of directors for the Jane Wayland Child Guidance Center and for the Friendly House. She served on the founding board of directors for Valley Leadership. She was a board member for various PTA's and Scottsdale PTA council. She sat on the National Committee for Support of the Public Schools, National Mental Health Law Project, and was vice-chair of the advisory committee of the Arizona State University School of Social Work.

Lorraine has demonstrated a commitment to the public with her support for the democratic process and with public service. She is a member of the executive committee of the Democratic National Committee and is active at all levels of party organization. She is presently the chairman of the reelection committee of Arizona's incumbent governor, Rose Mofford. She has served as the co-chair of the Mayor's Reelection Campaign Committee and as co-chair of the advisory committee of the Mayor's Reelection Campaign Committee. She is a member of the National and of the Arizona women's political caucus. Lorraine has served on such city boards and commissions as the municipal aeronautics advisory board, the judicial selection advisory board, the citizen bond advisory committee, the transit advisory committee, and chair of the transit subcommittee of the citizens bond committee.

Lorraine is also active in the health field. She presently serves as a member of the council on trusteeship for the Arizona Hospital Association. She sits on the board of directors for Camelback Mental Health Systems, and is vice-chair of the Camelback Hospitals Management Corporation. She sat on the board of directors of the Camelback Thunderbird Samaritan Hospitals Association, the board of directors of the Camelback Mental Health Foundation, and the Arizona Health Planning Advisory Council. For Camelback Hospitals, she has, over a 16-year period, held such positions as member of the executive committee, vice-chair, chair, and board member on the board of directors. Her service as chair included her participation during a period of dramatic growth with the opening of three new facilities, the development of several significant treatment programs, and the planning of two new hospitals. As a tribute to Lorraine upon her retirement from the board, Lorraine was recognized as a "caring and articulate ambassador for Camelback Hospitals; Lorraine Frank helped the organization step into the 1980's as a leader in the provision of mental health services."

Not only has Lorraine pursued an astonishingly rich and productive career, but she is also the wife of a distinguished constitutional lawyer and legal scholar and historian, and mother of five children. Lorraine is a shining example of the type of dynamic family and career woman that stands in the forefront of America's reach for excellence. As Stephen Leacock once said, ". . . those who do most, dream most." Thank you, Lorraine Frank, for your vision, and for the desire and courage to reach for the realization of your vision; Arizona and all America has profited immeasurably from your quest. For that, I salute you, I congratulate you on the receipt of the honorarium today, and I wish you a "Happy Mother's Day."●

COMMENDING COMMUNITY TRASHBUSTERS WEEK

● Mr. McCAIN. Mr. President, I am pleased to take this opportunity to recognize and applaud a program taking place this week called "Community Trashbusters Week." The program is a communitywide cleanup effort by hundreds of volunteers in Tuba City and Moencopi, AZ, to help restore the beauty of their communities. The project is a grassroots effort whose success will hopefully spread to other communities around the Nation.

Volunteers from all parts of the Tuba City and Moencopi communities, including local businesses, schools, city officials, the fire station, the local National Guard unit, tribal departments, the Bureau of Indian Affairs and the Indian Health Service, are all contributing their time to this effort. Together, they are utilizing a variety of innovative ideas to get all the members of the community involved in the cleanup effort.

Mr. President, this cleanup project is a perfect example of the spirit of volunteerism and community-mindedness which you have encouraged all Americans to take part in. Community Trashbusters Week has developed a unique type of partnership between public and private sectors to help meet the real needs of our cities. This project not only provides for cleanup and restoration, but also gives neighbors a chance to become better acquainted, while donating their time to the project.

Some of the creative efforts being used include trash cleanup days, wherein businesses release their employees for a half day to pick up trash, and a "trash-a-thon" where nonprofit organizations solicit pledges from community members for each bag of trash picked up. Another activity, the removal of abandoned junk vehicles, has been facilitated by the generous efforts of the National Guard and a local trucking company. And recycling stations have been set up to both educate the community on recycling and encourage participation in the cleanup by selling recyclable materials for proceeds.

Local schools have also played a major role in stimulating interest in the program. They have initiated the "Adopt-A-Trash Can" project, since the Tuba City and Moencopi areas do not have city dumpsters. Local businesses take responsibility for emptying their adopted 55-gallon drums. Poster and essay contests are also taking place at local schools to help drum up interest in the project. Working with the schools, local businesses have contributed food and money for a cookout to raise funds for the cleanup effort.

These creative efforts, by those in Tuba City and Moencopi, to volunteer their time and resources are an example to other communities that the spirit of volunteerism is still alive and well. Our Nation was founded on these principles of generosity, selflessness, and helping others. Without the contributions of volunteers, a countless number of community projects and essential services would have never been available.

In conclusion Mr. President, I wish to salute each individual who has volunteered his or her time and energy to support this project to beautify this Arizona community. I can only hope that the "Community Trashbusters Week" in Tuba City will serve as a catalyst to encourage other communities to participate in similar cleanup projects in both Arizona and across the Nation.●

NATIONAL ASIAN PACIFIC AMERICAN HERITAGE WEEK

● Mr. GORTON. Mr. President, this week has been proclaimed by President Bush to be "National Asian Pacific American Heritage Week." I would like to join in recognizing and saluting the contributions and achievements made by Americans of Asian and Pacific Island descent.

Contrary to what many believe, Asian Pacific Americans are among our earliest settlers. Although the majority of Asians and Pacific Islanders came here after the turn of the century, Filipinos have been here even before the United States was founded. This year marks the 226th anniversary of Filipinos in America.

As Asians and Pacific Islanders emigrated to the United States, they brought to this country a variety of rich and distinctive traditions and cultures. The heritage of each group is similar but by no means alike. Asian Pacific Americans are intensely proud both of being American, and also of their heritage.

Overcoming great hardships, Asian Pacific Americans have made historic contributions to this Nation. Workers of Chinese ancestry were instrumental in building the first east-west transcontinental railroad. The 442d Regimental Combat Team, composed entirely of Japanese Americans who fought in World War II, became the most decorated fighting unit in U.S. military history.

Today, Asian Pacific Americans are among the leaders of industry, especially in the high-technology field. As we enter into what some have called the Era of the Pacific Rim, Asian Pacific Americans will act as a nature bridge to link the United States with our trading partners in the Far East and Southeast Asia.

Asian Pacific Americans will be among our business and community leaders of tomorrow. Asian Pacific American students have achieved high scholastic marks in our finest schools and universities. In addition, they are entering in record numbers professions in which they were typically underrepresented, such as politics and law.

The United States is a nation of immigrants and their descendants, who together bring richness and diversity to all of our lives. As Asian Pacific Americans have become part of the American fabric, they have contributed notably to the histories of this great Nation and of my home state of Washington. It is with great pleasure that I salute all Asian Pacific Americans, not only during this special week of recognition, but throughout the year as well.●

AUTHORITY FOR RECORD TO REMAIN OPEN

Mr. WIRTH. Mr. President, I ask unanimous consent that the RECORD remain open until 5 p.m. today for the introduction of bills and statements.

The PRESIDING OFFICER. Without objection, it is so ordered.

TO DELAY THE EFFECTIVE DATE OF SECTION 27 OF THE OFFICE OF FEDERAL PROCUREMENT POLICY ACT

Mr. WIRTH. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of S. 968, now at the desk.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (S. 968) to delay the effective date of section 27 of the Office of Federal Procurement Policy Act.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the bill (S. 968) was considered, ordered to a third reading, read the third time, and passed, as follows:

S. 968

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DELAY OF EFFECTIVE DATE.

Section 6(b) of the Office of Federal Procurement Policy Act Amendments of 1988 (Public Law 100-679; 102 Stat. 4068) is amended by striking out "180 days after the date of the enactment of this Act" and inserting in lieu thereof "July 16, 1989".

Mr. WIRTH. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. CHAFEE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

JOINT REFERRAL OF BILL—S. 978

Mr. WIRTH. Mr. President, I ask unanimous consent that S. 978, a bill to authorize the establishment of the National Museum of the American Indian within the Smithsonian Institute, be jointly referred to the Committees on Rules and Administration and Indian Affairs.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR STAR PRINT—S. 711, S. 712

Mr. WIRTH. Mr. President, I ask unanimous consent that S. 711 and S. 712, two bills dealing with the status of Puerto Rico, be star printed to reflect the changes I now send to the desk.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WIRTH. Mr. President, I further ask unanimous consent that a statement by Senator JOHNSTON appear at this point in the RECORD and that the two bills be printed in the RECORD following his remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSTON. Mr. President, on April 5, 1989, Senator MCCLURE and I introduced three bills: S. 710, S. 711, and S. 712, to provide for referendums on the future political status of Puerto Rico. The purpose of these bills is to give the people of Puerto Rico an opportunity to express their preference between the three status options: statehood, commonwealth, and independence. The reason that three bills were introduced was to reflect the uncertainty which exists regarding the level of specificity which the Congress will achieve in defining these three status options. S. 710 defines the options with just a few words. S. 711 would define them in general terms and in a few pages, while S. 712 would define the options in complete detail including legislative language on transition and implementation procedures.

As I stated upon introduction of these bills on April 5, the initial definitions of the status options for S. 711 and S. 712 were to be provided by the three political parties on May 9. Accordingly, the appropriate places in the bills were left blank.

Mr. President, I am very pleased that the three parties have dedicated themselves to this difficult task, and to our ambitious schedule. They have submitted their respective definitions as anticipated, and they are to be commended for their efforts.

The issue of Puerto Rican status is wide-ranging and necessarily involves matters of concern of many Members, and committees, of the Senate. If Puerto Rico is to hold a plebiscite in 1992, then we must enact legislation in the 101st Congress. This means completing action in the Senate this year. Otherwise, the House will not have sufficient time to consider this legislation next year, and the referendum will not be able to be held in Puerto Rico before the 1992 election campaign gets underway. Such a delay would push the referendum into 1992, and cause it to become confused by other issues. Accordingly, because of this time constraint, and the wide range of issues covered by this legislation, I encourage my colleagues to

study these definitions carefully so that we can work together to resolve any concerns promptly.

In order to facilitate this process of review the committee has scheduled a staff briefing for Monday, May 22, at 1:30 in the Energy Committee hearing room, SD-366. Invitations to this briefing have been sent to all Senate Offices, and I encourage the attendance of staff, from Member offices and committees. The briefing will include short presentations by a representative of each of the parties on their respective definitions of statehood, commonwealth, and independence, and they will be available to answer questions.

On June 1 and 2, the committee will begin its formal consideration of these three bills. These hearings will continue to Puerto Rico in mid-June and then will return to DC to receive testimony from the administration in July.

Mr. President, I am very pleased that this process remains on schedule. With these initial proposed definitions, the real work now begins. These definitions represent the desires of the three principal political parties, but now the Congress must consider them, and modify them, to reflect the concerns of the Federal Government. Only after congressional consideration, and definition of the status options, can a meaningful referendum be held in Puerto Rico. This is because only Congress has the authority to change the island's political status.

This issue is of great importance to the Nation and to the people of Puerto Rico. The leadership of the island has asked for our assistance and consideration in consulting on future political status. We have a responsibility to respond, and I look forward to working with my colleagues in meeting this responsibility.

S. 711

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That—

(1) the United States of America recognizes the principles of international law with respect to its relationship with Puerto Rico; and

(2) the United States is committed to a process of consultation and negotiation with the people of Puerto Rico leading to a referendum on the issue of political status to be conducted in a fair and equitable manner.

SEC. 2. REFERENDUM.

(a) IN GENERAL.—An islandwide referendum shall be held in Puerto Rico in which qualified voters of the Commonwealth of Puerto Rico shall be represented a choice of negotiating one of three status options for Puerto Rico as follows:

(1) Statehood;

(2) Independence: or

(3) Commonwealth.

For the purpose of these negotiations it is understood that the initial position of the people of the Commonwealth of Puerto Rico and of the Congress of the United States is that the terms shall be as follows;

(b) INITIAL DEFINITIONS.—

(1) STATEHOOD.—Upon admission as a state, Puerto Rico would cease being a territory of the United States. The Commonwealth of Puerto Rico would be admitted as a sovereign state of the Union, with its current Constitution, on an equal footing and in true permanent union with the other fifty states.

The new State of Puerto Rico shall be known as The Commonwealth of Puerto Rico. In Spanish it shall be known as "Estado Soberano de Puerto Rico".

Admission to the Union has historically been a flexible and varied process which has been adapted to the individual circumstances of each new state. Congress, which has the constitutional power to facilitate the admission of new states, would provide for a smooth process of adjustment from the tax structure of the territorial status to the federal fiscal system.

The Commonwealth of Puerto Rico would be assured of its reserved state right under the Constitution to continue to maintain both Spanish and English as its official languages, as well as of its right to preserve and enhance its particular cultural characteristics.

Statehood creates the only permanent union with the United States that is consistent with the "more perfect union" of equal states established by the United States Constitution.

Statehood would entail fundamental political and economic betterment for the Commonwealth of Puerto Rico.

Statehood means economic self-reliance and social justice, including parity for its residents in those aspects of federal legislation that cover the residents of the several states at the time of admission and in the future.

Statehood means political equality, and, specifically, the right to participate in the process of election of the President and Vice-President of the United States as well as the right to elect two (2) U.S. Senators and the corresponding number of members of the U.S. House of Representatives.

Statehood means that all benefits and protections of the United States Constitution would be fully bestowed on the People of the Commonwealth of Puerto Rico together with the guarantee of full protection by the Federal judicial system.

Statehood entails the immediate full extension of federal entitlements and legislation providing parity for the residents of Puerto Rico in all Federal programs. The Commonwealth will assume all responsibilities of a State of the Union.

Statehood is a political formula recongized by the international community through Resolution 1541 (XV) of the General Assembly of the United Nations and through Resolution 1469 (XIV) of that body, which was adopted upon the admission of the new states of Alaska and Hawaii.

Statehood embodies the highest degree of autonomy and sovereignty in true permanent union with the several states.

(2) INDEPENDENCE.—

(A) In order to ensure the legitimate interests of Puerto Rico and the United States, to strengthen bonds of friendship and cooperation, and to provide for equitable economic relations between both nations, the United States shall recognize the independence of Puerto Rico in accordance with the principles set forth below, thus guaranteeing the necessary conditions for a rational and mutually advantageous transition before and after the proclamation of Puerto Rico's independence.

(B) The following shall constitute the Principles under which the Congress shall recognize Puerto Rico's independence in accordance with the provisions of Section 3:

(I) HUMAN RIGHTS.—The people of Puerto Rico shall, through a Constitutional Convention, establish a republican form of government which shall guarantee the full protection of fundamental human rights.

(II) CITIZENSHIP.—The Republic of Puerto Rico shall establish its own citizenship, and there shall be agreements between the United States and the Republic of Puerto Rico to ensure the compatibility between the citizenships of both nations.

(III) DEFENSE.—The United States and the Republic of Puerto Rico shall enter into agreements that will make possible the ultimate demilitarization of the Republic of Puerto Rico.

(IV) TRADE.—The United States shall allow free access into its market to all imports of goods and services originating in the Republic of Puerto Rico for a period of twenty years after the proclamation of independence.

(V) TAXATION.—The United States shall guarantee that the tax credit currently allowed under Section 936 of the Internal Revenue Code shall remain in full effect upon the proclamation of Puerto Rico's independence and during the fifteen years immediately thereafter.

(VI) PUBLIC DEBT.—The Republic of Puerto Rico shall assume the outstanding debts and obligations of the Commonwealth of Puerto Rico, its instrumentalities and municipalities, and the United States shall for a period of twenty-five years maintain the income tax exemption currently provided by law on interest payments derived from debts and obligations incurred into before or after the proclamation of independence.

(VII) VESTED RIGHTS.—The United States shall guarantee all vested rights and benefits accruing to residents of Puerto Rico under the laws of the United States from past services or contributions, such as benefits for Veterans of the Armed Forces of the United States and their relatives, benefits for retired government employees, and old age and/or disability payments under the Social Security Act, until their extinction under the applicable laws of the United States; and contributions made to the Social Security System by those not yet eligible for benefits at the time of the proclamation of independence shall be transferred for administration by the Republic of Puerto Rico.

(VIII) ECONOMIC ASSISTANCE.—The United States shall guarantee the continuation of transfer payments to individuals, and to the Government of Puerto Rico, its instrumentalities and municipalities, at current-level funding in the form of block grants for the discretionary use of the government of the Republic of Puerto Rico for ten years after the proclamation of independence, and thereafter for ten additional years on a decreasing basis.

(IX) CURRENCY.—The Republic of Puerto Rico may establish its own monetary system, provided that during the ten years following the proclamation of independence both the U.S. dollar and Puerto Rican currency shall be accepted as legal tender in all transactions in Puerto Rico.

(X) FRIENDSHIP AND COOPERATION.—To ensure the effectiveness of the purposes of this Act after the proclamation of the independence of Puerto Rico, the United States and the Republic of Puerto Rico shall set

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forth the details of their bilateral relations in a Treaty of Friendship and Cooperation.

(3) ENHANCED COMMONWEALTH.—

Subpart 1.—Statement of Purposes

In 1952 the Congress of the United States, fully recognizing the principle of government by consent, and the People of Puerto Rico, in the exercise of their right to self-determination, entered upon a compact which established a Commonwealth relationship between Puerto Rico and the United States.

Under the compact the People of Puerto Rico adopted in their own sovereign right their own Constitution and formed an autonomous political community in permanent union with the United States of America based on the irreversible bond of American citizenship.

In 1953 the General Assembly of the United Nations recognized the creation of the Commonwealth and removed Puerto Rico from the list of nonself-governing territories.

This association has enabled the People of Puerto Rico to advance their economic and social development and to preserve their distinct historical heritage and cultural personality.

As inherent in all political relationships freely entered upon, it was based on the understanding that it would evolve and develop within its particular political nature upon mutually agreeable terms.

It is the purpose of Section 2(b)(3) to provide for the enhancement of the Commonwealth relationship by enlarging the scope of self-government of the Puerto Rican people upon the approval of a proposition to that effect by a majority of the eligible voters of the Commonwealth of Puerto Rico.

Subpart 2.—Referendum Proposition: Commonwealth

The referendum proposition regarding Commonwealth, to be presented to, and voted upon, by the People of Puerto Rico shall be as follows: "The Commonwealth association with the United States shall be enhanced to enable the People of Puerto Rico to accelerate their economic and social development and attain maximum cultural and political autonomy within permanent union with the United States based on the irreversible bond of American citizenship, a common defense, a common market, and a common currency."

The proposition will appear in the ballot, in Spanish, as follows: "El Estado Libre Asociado se fortalecerá para acelerar el desarrollo económico y social y alcanzar la máxima autonomía cultural y politica del pueblo de Puerto Rico en su unión permanente con los Estados Unidos sobre los pilares de común defensa, común mercado, común moneda, y el vinculo indisoluble de la ciudadania americana."

Subpart 3.—Principles of Commonwealth

When the Governor certifies to the President and to the Congress of the United States in accordance with Section 2(d) that the decision of the People of Puerto Rico which received the majority of the votes cast favors the proposition of enhanced Commonwealth in permanent union with the United States, as set forth in subpart 2, above, Section 1 of the Puerto Rico Federal Relations Act, 39 Stat. 954, as amended, 48 U.S.C. Section 731, shall be repealed, and replaced by the following:

"(1) The provisions of this Act shall apply to the Commonwealth of Puerto Rico, an autonomous body politic joined in permanent union with the United States on the basis of common citizenship, common defense, common market and common currency.

"(2) The policy of the United States shall be to enhance the Commonwealth relationship enjoyed by the Commonwealth of Puerto Rico and the United States to enable the People of Puerto Rico to accelerate their economic and social development and attain maximum cultural and political autonomy within permanent union with the United States, to secure more equitable participation for the People of the Commonwealth of Puerto Rico in all federal programs that provide grants or services to citizens of the United States as individuals, to secure increased participation by the People of Puerto Rico in U.S. governmental decisions affecting them, to safeguard the distinct cultural identity of the People of Puerto Rico, and to protect the bilateral nature of the relationship between the Commonwealth of Puerto Rico and the United States."

Subpart 4.—Implementation of Federal Policy

When the new federal policy is established in accordance with subpart 3, then Section 9 of the Federal Relations Act, 39 Stat. 954, as amended, 48 U.S.C. Section 734, is amended by inserting at the beginning thereof the term "(a)" and by adding at the end thereof the following:

"(b) A federal statutory law, or provision of such law, is locally inapplicable unless it is consistent with the policy established under subpart 3 and unless such federal statutory law has proper regard for the economic, cultural, ecological, geographic, demographic and other local conditions of the Commonwealth of Puerto Rico. This subsection shall not apply to:

"(i) any federal statutory law in which the Congress makes a specific finding that there is an overriding national interest that such law should apply to the Commonwealth of Puerto Rico, or

"(ii) any federal statutory law, or provision thereof, establishing directly or indirectly grants and/or services to citizens of the United States as individuals, or

"(iii) any federal statutory law or provision thereof relating to citizenship, or

"(iv) any federal statutory law or provision thereof pertaining to the foreign relations, defense or national security of the United States that requires uniform applicability throughout the United States, including the Commonwealth of Puerto Rico, to achieve its intended purposes.

"(c) In addition to judicial determinations of the inapplicability of federal laws under subsection (b), the Governor of the Commonwealth of Puerto Rico may certify from time to time to the Speaker of the House of Representatives, the President of the Senate, and the President of the United States, that a federal statutory law or provision thereof, other than one excluded from the operation of subsection (b), is inconsistent with a Puerto Rican statute and the policy established under subsection (b). Unless, within 60 days of the receipt of such certification, a statute is enacted embodying the finding required under subsection (b)(i), the President shall issue a proclamation that such federal statutory law or provision thereof identified in the Governor's certification is not applicable in Puerto Rico.

"(d)(i) The Commonwealth of Puerto Rico may continue to enter in its own right into international cultural, commercial, educational and sports agreements, and other agreements of like nature.

"(ii) In addition, the Governor of the Commonwealth of Puerto Rico may take any official action to promote the international interests of Puerto Rico that requires the consent of the United States Government and is not expressly prohibited by law. The Governor of the Commonwealth of Puerto Rico shall provide written notice to the President of the United States of any official action he contemplates taking pursuant to the authorization of this part of this subsection and not pursuant to any other authorization or consent. The President may, within 30 days of his receipt of such notice, sign and transmit to the Governor of the Commonwealth of Puerto Rico a document expressing his determination that the contemplated official action would imperil the foreign relations or national defense of the United States, in which case the authorization hereby granted shall be withdrawn as regards such contemplated official action.

"(e) All departments and agencies of the Government of the United States shall be guided by the policy stated in subpart 3 when carrying out their duties under federal statutory laws and federal regulations applicable in or affecting the Commonwealth of Puerto Rico. Every such department or agency shall, before taking any major federal action applicable in or affecting the Commonwealth of Puerto Rico, separately evaluate the consistency of such action with such policy and shall state, on a document accompanying the major federal action, the extent, nature, and result of its consideration.

"(f) Any rule, as defined in U.S.C. sec. 551(4), issued by an agency, as defined in 5 U.S.C. sec. 551(1), shall apply in the Commonwealth of Puerto Rico only to the extent that it is consistent with the policy set forth in Subsection (b). After the effective date of this amendment, when any such rule, other than a rule issued after notice and hearing required by statute, that does not in terms provide that it is inapplicable in the Commonwealth of Puerto Rico is published in the Federal Register, the Governor of the Commonwealth of Puerto Rico may submit to the agency within 30 days in writing (or such longer period as the agency may have prescribed as the period between publication of the rule and its effectiveness) the Governor's determination that such rule is inconsistent with the policy stated in subsection (b). Thereupon, the agency shall reconsider the question of consistency of the rule with the policy stated in Subsection (b) and shall, within 45 days of its receipt of the Governor's determination, publish in the Federal Register its finding either that there is an overriding national interest that the rule be applicable in the Commonwealth of Puerto Rico, in which case the rule, whether or not previously applicable in the Commonwealth of Puerto Rico, shall thereafter be so applicable, or that the rule is not compatible with such policy, in which event such rule, whether or not previously applicable in the Commonwealth of Puerto Rico shall not be so applicable. Unless the agency for good cause finds that a rule that is the subject of such determination by the Governor of Puerto Rico as is described in this subsection shall be applicable to the Commonwealth of Puerto Rico pending its consideration of such determination, and publishes such finding in the Federal Register, such rule, whether or not previously applicable to the Commonwealth of Puerto Rico, shall not be so applicable pending such consideration. An agency's decision to

make a rule applicable or inapplicable in Puerto Rico shall be subject to judicial review.

"(g) The laws, rules and regulations of the United States applicable in the Commonwealth of Puerto Rico when the new federal policy is established in accordance with subpart 3 shall continue in effect except to the extent repealed or modified by this Act, or inconsistent with it, and except as hereafter modified, suspended or repealed in accordance with law."

Subpart 5.—Substantive Areas of Enhancement

In the event the status option of enhanced Commonwealth in permanent union with the United States receives a majority of the votes cast in the referendum, the negotiations contemplated in Section 3 hereof shall develop implementing legislation to enhance the Commonwealth relationship in the following areas, as hereafter established:

1. AVIATION.—Amend the Federal Aviation Act to authorize the Commonwealth of Puerto Rico to seek on its own behalf bilateral air transportation agreements governing the operation of air services by United States and foreign air carriers between the Commonwealth and foreign points, and between the Commonwealth and the United States for foreign air carriers.

2. DEVELOPMENT OF TOURISM.—Amend the Coastal Barrier Resource Act to clarify congressional intent to exclude the Commonwealth of Puerto Rico from the application of this federal statute that never was intended to apply to a Caribbean island, thus enhancing the autonomy of the Commonwealth to decide for itself how best to develop its coastal zone, including the promotion of tourism that is so important to the economic well-being of Puerto Rico.

3. INTERNATIONAL TRADE.—

(a) TARIFF AUTHORITY.—Enable the Commonwealth of Puerto Rico to impose tariff duties on foreign origin products imported into Puerto Rico to the extent it can do so consistent with the international obligations of the United States.

(b) GENERALIZED SYSTEM OF TRADE PREFERENCES.—Secure enactment of a policy statement by the United States encouraging other countries to consider Puerto Rico as a developing territory for purposes of their respective general or regional systems of trade preferences.

(c) CONSULTATION ROLE IN THE NEGOTIATION OF TRADE AGREEMENTS.—Establish arrangements to assure that the President consults with the Governor of the Commonwealth of Puerto Rico concerning the potential impact of any proposed tariff rate reductions on the economy of Puerto Rico before the President concludes any such trade agreements under Section 1102 of the Omnibus Trade and Competitiveness Act of 1988. Arrangements shall also be sought to provide for appropriate participation by the Commonwealth of Puerto Rico, at its request, in the negotiations of trade agreements affecting them.

4. MARITIME.—Enable the Commonwealth of Puerto Rico to establish its own maritime authority, which will exercise exclusive jurisdiction to establish and enforce uniform and non-discriminatory rates for trade between ports in the United States and ports in Puerto Rico to assure Puerto Rico the lowest possible rates.

5. MARITIME RESOURCES.—Amend federal law to enable the Commonwealth of Puerto Rico to acquire jurisdiction over the territorial waters, seabed and submerged lands surrounding Puerto Rico and presently under the jurisdiction of the United States. Amend federal law to exclude the Commonwealth from the coverage of the Magnuson Act and permit the Commonwealth to receive financial benefits from countries other than the United States for maritime resources to which the Commonwealth may lay claim.

6. INTELLECTUAL PROPERTY.—Looking to the future and the critical importance of information in the economic development that will occur in the next century, secure new means of encouraging such information-related economic development in Puerto Rico, including new forms of intellectual property protection for computer chip manufacturers and industrial designers.

7. FEDERAL FUNDS AND PROGRAMS.—

(a) CONSOLIDATION OF GRANT-IN-AID PROGRAMS.—Amend federal law to authorize the Commonwealth of Puerto Rico to consolidate any or all federal grant-in-aid programs, except those that directly or indirectly provide payments or services to persons as individuals for any fiscal year or years.

(b) EQUITABLE TREATMENT IN SOCIAL PROGRAMS.—Achieve equitable allocations to Puerto Rico with the goal of achieving full parity with the states over a period no longer than four years in the following programs: Nutrition Assistance Program (NAP), Aid to Families with Dependent Children (AFDC), and Medicaid, and over a period no longer than eight years in the Supplemental Security Income Program (SSI), as is currently enjoyed with regard to other federal programs.

8. PROTECTION OF WORKERS.—Delegate to the Labor Relations Board of Puerto Rico all the functions presently exercised by the National Labor Relations Board, regarding labor relations in the Commonwealth of Puerto Rico.

Puerto Rico shall continue to have exclusive jurisdiction to legislate employee benefits, including but not limited to Christmas bonuses, sick and vacation pay, and workman's compensation, excluding the federal minimum wage and overtime pay legislation which shall continue to apply.

9. PUERTO RICO PARTICIPATION IN FEDERAL APPOINTMENTS.—Assure the participation of Puerto Rico in designating candidates for the highest ranking federal appointments serving in Puerto Rico, including Presidential appointments subject to Senate confirmation.

10. REPRESENTATION IN THE SENATE.—Secure representation of Puerto Rico's interests in the United States Senate by a second Resident Commissioner.

11. FEDERAL JUDICIARY.—

(a) PRIMARY JURISDICTION OF PUERTO RICO COURTS.—Assure that federal courts abstain from construing an unconstrued Puerto Rico statute or regulation or deciding an undecided point of substantive Puerto Rico non-statutory law without first giving the courts of Puerto Rico an opportunity to construe such statute or regulation or to rule upon such point of Puerto Rico law, which constructions shall be binding on the federal courts.

(b) USE OF SPANISH LANGUAGE.—Enact legislation requiring the United States District Court for Puerto Rico to conduct its proceedings in the Spanish language, upon the request of any party to the proceeding.

(c) Enact a statutory provision for the certification to the District of Columbia Court of Appeals of the actions or controversies arising under, and involving the Puerto Rico Federal Relations Act, as amended by this Act, and for the transfer by the Commonwealth of Puerto Rico, its departments, agencies and instrumentalities, as well as officials and agents, in both their official and personal capacity, of any action brought against them from the District Court for Puerto Rico to the District Court for the District of Columbia.

12. PASSPORTS.—

(a) RESTORING PUERTO RICO'S ISSUANCE OF U.S. PASSPORTS.—Restore Puerto Rico's authority to issue U.S. passports.

(b) SPECIAL TEMPORARY VISIT VISAS.—Consistent with prohibitions imposed by the President on the entry of aliens from specified countries, authorize the Government of Puerto Rico to secure Puerto Rico-only temporary visas, for a period not to exceed thirty days, for nonresident aliens invited by the Government of the Commonwealth of Puerto Rico. The District Office for Puerto Rico of the Immigration and Naturalization Service shall issue these special temporary visit visas, as well as other entry visas.

(c) The District Office for Puerto Rico of the Immigration and Nationality Service shall issue the special temporary visit visas, as well as other entry visas.

13. LAW ENFORCEMENT.—Amend federal law to authorize the Commonwealth to supplement United States efforts to patrol Puerto Rico's borders and make them secure against illegal traffic in drugs and aliens, including joint enforcement of relevant federal laws.

14. HISTORIC SITES AND CONSERVATION LANDS.—Title to lands and properties acquired by the United States under the cession of Spain in the Treaty of Paris entered into on December 10, 1898, as well as of ownership of the Caribbean National Forest, shall be transferred to the Commonwealth of Puerto Rico. Continued use and administration by the federal government of these lands and properties may be negotiated with the Commonwealth of Puerto Rico.

15. COMMUNITY VALUES.—Authorize the Governor of the Commonwealth of Puerto Rico to grant antitrust exemptions for voluntary joint efforts by broadcasters to foster local programming and to foster community and cultural values, including the possible adoption of codes limiting the violence, pornography, and substance-abuse depicted in broadcast programming.

16. ASSUMPTION OF BUDGETARY RESPONSIBILITIES AND TRANSFER OF FEDERAL FUNCTIONS.—The Commonwealth of Puerto Rico shall assume the expenses inherent in all governmental authority transferred pursuant to this Act. The Government of the United States, or any agency thereof, may from time to time delegate to the Commonwealth of Puerto Rico the total or partial performance of functions vested in the United States, including the administration of such federal laws and programs on the island, as may be mutually agreed.

Subpart 6.—Future Enhancements

The enhancements to the Commonwealth relationship resulting from this Act shall form part of the Compact entered upon by the Congress and the People of Puerto Rico in 1952. It may be amended in the same manner as entered upon in order to provide for the continuing enhancement of the Commonwealth relationship.

(c) DATE OF REFERENDUM.—The first referendum shall occur upon the call of the Governor, and during calendar year 1991.

(d) RETURNS OF REFERENDUM.—The returns of the referendum held under this Act shall be made to the Governor of Puerto Rico, who shall cause them to be canvassed in the manner provided by law for the canvass of votes cast in general elections in the Commonwealth of Puerto Rico. If there is not a majority in favor of one of the three options, then there shall be, upon the call of the Governor, and during calendar year 1991, a runoff referendum between the two status options which had received the largest number of votes. The Governor shall certify to the President and to the Congress of the United States that decision of the people of Puerto Rico which received a majority of the votes cast.

(e) APPLICABLE ELECTION LAWS.—The election laws of the Commonwealth of Puerto Rico shall apply to the referendum held under this Act.

SEC. 3. NEGOTIATIONS TO DEVELOP LEGISLATION BASED ON REFERENDUM.

(a) NEGOTIATIONS.—Following certification by the Governor as provided in section 2(d), then the process, involving representatives of the principal political party representing the status option selected, and in full consultation with the other two principal political parties, shall begin to develop implementing legislation encompassed within the principles as set forth in section 2(b), and in consultation with the Committee on Energy and Natural Resources of the United States Senate and the appropriate committees of jurisdiction in the United States House of Representatives. Such legislation shall, upon enactment, authorize a further referendum of the people of Puerto Rico to approve or disapprove the selected status as defined in the legislation. A change of status shall not be effective unless or until approved in such a referendum.

(b) TIME LIMIT.—The second referendum to approve or disapprove the selected status as defined in the legislation developed under this section shall occur no later than the end of the Congress which is in session on the fourth anniversary of the date of the Governor's certification provided for under section 2(d), or as may be otherwise provided in such legislation.

S. 712

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That—

(1) the United States of America recognizes the principle of self-determination and other applicable principles of international law with respect to Puerto Rico; and

(2) the United States is committed to a process of consultation and negotiation with the people of Puerto Rico leading to a referendum on the issue of political status to be conducted in a fair and equitable manner.

TITLE I

SEC. 2. REFERENDUM.

(a) IN GENERAL.—An island-wide referendum shall be held in Puerto Rico in which qualified voters of the Commonwealth of Puerto Rico shall be presented a choice of three status options for Puerto Rico as follows:

(1) statehood;

(2) independence; or

(3) commonwealth

as set forth in titles II, III, and IV of this Act.

(b) DATE OF REFERENDUM.—The first referendum shall occur on ———, 1991, or on a date as may be mutually agreed by the three principal political parties, and during the summer of calendar year 1991.

(c) RETURNS OF REFERENDUM.—The returns of the referendum held under this Act shall be made to the Governor of Puerto Rico, who shall cause them to be canvassed in the manner provided by law for the canvass of votes cast in general elections in the Commonwealth of Puerto Rico. If there is not a majority in favor of one of the three options, then there shall be, on ———, 1991, or on a date as may be mutually agreed by the three principal political parties, and during the summer of calendar year 1991, a runoff referendum between the two status options which had received the largest number of votes. Such referendum shall also include an option of "None of the Above". The Governor shall certify to the President and to the Congress of the United States that decision of the people of Puerto Rico which received a majority of the votes cast, if a majority is obtained.

(d) APPLICABLE ELECTION LAWS.—The election laws of the Commonwealth of Puerto Rico shall apply to the referendum held under this Act.

(e) Upon the effective date of this Act, the status option which has been certified by the Governor pursuant to subsection (c), shall go into effect in accordance with the appropriate title of this Act.

TITLE II—STATEHOOD

Whereas upon admission as a state, Puerto Rico would cease being a territory of the United States.

Whereas the Commonwealth of Puerto Rico would be admitted as a sovereign state of the Union, with its current Constitution, on an equal footing and in true permanent union with the other fifty states.

Whereas the new State of Puerto Rico shall be known as the Commonwealth of Puerto Rico; in Spanish it shall be known as "Estado Soberano de Puerto Rico".

Whereas admission to the Union has historically been a flexible and varied process which has been adapted to the individual circumstances of each new state.

Whereas Congress has the constitutional power to facilitate the admission of new states.

Whereas Congress is willing to provide for a smooth process of adjustment from the tax structure of the territorial status to the federal fiscal system.

Whereas the Commonwealth of Puerto Rico assured of its reserved state right under the Constitution to continue to maintain both Spanish and English as its official languages, as well as of its right to preserve and enhance its particular cultural characteristics.

Whereas statehood creates the only permanent union with the United States that is consistent with the "more perfect union" of equal states established by the United States Constitution.

Whereas statehood entails fundamental political and economic betterment for the Commonwealth of Puerto Rico.

Whereas statehood entails economic self-reliance and social justice, including parity for its residents in those aspects of federal legislation that cover the residents of the several states.

Whereas statehood means political equality, and, specifically, the right to participate in the process of election of the President and Vice-President of the United States as well as the right to elect two (2) U.S. Senators and the corresponding number of members of the U.S. House of Representatives.

Whereas statehood means that all benefits and protections of the United States Constitution would be fully bestowed on the People of the Commonwealth of Puerto Rico together with the guarantee of full protection by the Federal judicial system.

Whereas statehood entails the immediate full extension of federal entitlements and legislation providing parity for the residents of Puerto Rico in all Federal programs.

Whereas the Commonwealth will assume all responsibilities of a State of the Union.

Whereas statehood is a political formula recognized by the international community through Resolution 1541 (XV) of the General Assembly of the United Nations and through Resolution 1469 (XIV) of that body, which has adopted upon the admission of the new states of Alaska and Hawaii.

Whereas statehood embodies the highest degree of autonomy and sovereignty in a true permanent union with the several states: Therefore: be it

Resolved:

SEC. 2. Subject to the provisions of this Act, and upon issuance of the proclamation required by section 7 of this Act, the Commonwealth of Puerto Rico (hereinafter referred to also as "the state") is declared to be a State of the United States of America, is declared admitted into the Union on an equal footing with the other States in all respects whatever, in compliance with the democratic mandate of the plebiscite held on — for the resolution of Puerto Rico's final political status. The Constitution adopted by a vote of the People of Puerto Rico in the election held on June 4, 1951, has been found by Congress to be republican in form and in conformity with the Constitution of the United States and the principles of the Declaration of Independence, and was accepted, ratified, and confirmed, through Public Law 447 of the 82nd Congress, March 3, 1952.

CONSTITUTION

SEC. 3. The constitution of the Commonwealth of Puerto Rico shall always be republican in form and shall not be repugnant to the Constitution of the United States and the principles of the Declaration of Independence. The current Constitution of the Commonwealth of Puerto Rico is hereby accepted as the constitution of the state.

TERRITORY AND BOUNDARIES

SEC. 4. Subject to the provisions of this section, the State shall consist of all of the territory, together with the territorial waters, of the Commonwealth of Puerto Rico.

STATE TITLE TO LANDS AND PROPERTY

SEC. 5. (a) The State and its political subdivisions shall have and retain title to all property, real and personal, which it currently holds.

(b) Any lands and other properties that, as of the date of admission of Puerto Rico into the Union, are set aside pursuant to law for the use of the United States under an (A) Act of Congress, (B) Executive order, (C) proclamation of the President, or (D) proclamation of the Governor of the Commonwealth of Puerto Rico, shall remain the property of the United States; except that the Commonwealth of Puerto Rico (the state) shall have the exclusive right to explore, exploit, lease, possess and use all seabed, natural and mineral resources lying within the 200 mile economic zone continental shelf boundary around the waters of the

Archipelago of Puerto Rico; however, all other rights of sovereignty in regards to the continental shelf and waters, shall belong to the United States except those already vested in Puerto Rico.

(c) Not later than five years after the date of admission of the Commonwealth of Puerto Rico as a state of the Union, each Federal agency having control over any land or property that is retained by the United States pursuant to this section shall submit a report to the President and the Congress concerning the need for such land or property. If the President determines that any such land or property is no longer needed by the Federal Government, it shall be forthwith conveyed to the Commonwealth of Puerto Rico.

(d) All laws of the United States reserving to the United States the free use or enjoyment of property which vests in or is conveyed to the Commonwealth of Puerto Rico or its political subdivisions pursuant to this section or reserving the right to alter, amend, or repeal laws relating thereto, shall cease to be effective upon the admission of the state into the Union.

COMPACT WITH THE UNITED STATES; CLAIMS TO FEDERAL LANDS AND PROPERTY

SEC. 6. (a) As a compact with the United States, the Commonwealth and its people recognize all rights and titles to any lands or other property not granted or conferred to the Commonwealth or its political subdivisions by or under the authority of this Act, the right or title to which is now held by the United States or subject to disposition by the United States.

(b)(1) Nothing contained in this Act shall recognize, deny, enlarge, impair, or otherwise affect any claim against the United States, and any such claim shall be governed by applicable laws of the United States.

(2) Nothing in this Act is intended or shall be construed as a finding, interpretation, or construction by the Congress that any applicable law authorizes, establishes, recognizes, or confirms the validity or invalidity of any such claim, and the determination of the applicability of any law to any such claim shall be unaffected by anything in this Act.

(c) No taxes shall be imposed by the State upon any lands or other property now owned or hereafter acquired by the United States.

(d) Notwithstanding any other provision of this Act or any other provision of law, in compensation for the lands now held by the United States, the Congress shall appropriate federal payments to be assigned to the Commonwealth of Puerto Rico, in the amount of —— annually, during the next —— years, for the sole purpose of assisting the state in the payment of its present public debt and liabilities.

ELECTIONS AND ADMISSION REFERENDUM

SEC. 7. (a)(1) Not more than sixty days after the date of certification by the Governor of the Commonwealth of Puerto Rico as provided by this act, the President of the United States shall certify the admission of Puerto Rico into the Union to the Governor of the Commonwealth of Puerto Rico. Not more than thirty days after such certification, the Governor of the Commonwealth of Puerto Rico shall issue a proclamation for the election of two United States Senators and the corresponding number of the United States Representatives in Congress as provided in this act. The Governor of the State shall certify the election of the Senators and Representatives in the manner required by law. The Senators and Representatives elected shall be entitled to be admitted to seats in Congress and to all the rights and privileges of Senators and Representatives of the other States in the Congress of the United States. The office of Resident Commissioner shall cease to exist upon the swearing in of the first member of the House so elected.

(2) In the first election of Senators from the State (pursuant to Section 7(a)(1)) the two senatorial offices shall be separately identified and designated, and no person may be a candidate for both offices. No such identification or designation of either of the two senatorial officers shall refer to or be taken to refer to the terms of such offices, or in any way impair the privilege of the Senate to determine the class to which each of the Senators elected shall be assigned.

(b) Election returns shall be made and certified in such manner as provided by the electoral laws of Puerto Rico and in such a manner as the Commonwealth of Puerto Rico may prescribe. The Governor of the Commonwealth of Puerto Rico shall certify the results of such elections to the President of the United States.

(2) The constitution of the Commonwealth of Puerto Rico, ratified by the people at the referendum held on June 4, 1951, shall become the Constitution of the State of Puerto Rico. The new State of Puerto Rico shall be known as The Commonwealth of Puerto Rico.

(3) Any legal dispute or controversy arising out of the electoral processes conducted under this act shall be adjudicated by the United States District Court for the District of Puerto Rico, and the Appellate Federal Court System. The Courts of the Commonwealth of Puerto Rico shall not have jurisdiction to entertain any suit, appeal, writ of revision or legal action, arising out of these elections, plebiscites and referendums.

(4) The individuals holding legislative, executive, and judicial offices of the Commonwealth of Puerto Rico, shall continue to discharge the duties of their respective offices. Upon the issuance of the proclamation by the President of the United States and the admission of the Commonwealth of Puerto Rico as a state of the Union, the officers elected or appointed under the provisions of the constitution and laws of the Commonwealth shall proceed to exercise all the functions pertaining to their offices in, under, or by authority of the government of the State, as provided by the constitution and laws of the State.

SEC. 8. The Commonwealth of Puerto Rico upon its admission into the Union shall be entitled to — Representatives, until the taking effect of the next reapportionment, and such Representatives shall be in addition to the membership of the House of Representatives as now prescribed by law.

LAWS IN EFFECT

SEC. 9. Upon admission of the Commonwealth of Puerto Rico into the Union, all of the territorial laws then in force in the Commonwealth of Puerto Rico shall be and continue in force and effect throughout the state, until amended, modified or repealed by the Commonwealth. All of the laws of the United States shall have the same force and effect within the State as elsewhere in the United States.

CONTINUATION OF SUITS

SEC. 10. (a) No writ, action, indictment, cause, or proceeding pending in any court of the Commonwealth of Puerto Rico, shall abate by reason of the admission of the Commonwealth of Puerto Rico into the union, but shall proceed within such appropriate state courts as are now established under the Constitution of the Commonwealth, or shall continue in the United States District Court for the District of Puerto Rico, as the nature of the case may require.

(b) All civil causes of action and all criminal offenses which shall have arisen or been committed prior to the admission of the Commonwealth, but as to which no writ, action, indictment, or proceeding shall be pending at the date of such admission, shall be subject to prosecution in the appropriate state courts or in the United States District Court for the District of Puerto Rico in like manner, to the same extent, and with like right of appellate review, as if such State had been created and such State courts had been established prior to the accrual of such causes of action or the commission of such offenses. The admission of the State shall effect no change in the procedural or substantive laws governing causes of action and criminal offenses which shall have arisen or been committed, and any such criminal offenses as shall have been committed against the laws of the Commonwealth of Puerto Rico, shall be tried and punished by the appropriate courts of the State, and any such criminal offenses as shall been committed against the laws of the United States shall be tried and punished in the United States District Court for the District of Puerto Rico.

APPEALS

SEC. 11. Parties shall have the same rights of judicial review of final decisions of the United States District Court for the District of Puerto Rico or the Supreme Court of the Commonwealth of Puerto Rico, in any case finally decided prior to the admission of the State of Puerto Rico into the Union, whether or not an appeal therefrom shall have been perfected prior to such admission. The United States Court of Appeals for the First Circuit and the Supreme Court of the United States, shall have the same jurisdiction in such cases as by law provided prior to the admission of the State into the Union. Any mandate issued subsequent to the admission of the State, shall be to the United States District Court for the District of Puerto Rico or a court of the State, as appropriate. Parties shall have the same rights of appeal from and appellate reviews of all orders, judgments, and decrees of the United States District Court for the District of Puerto Rico and of the Supreme Court of Puerto Rico, in any case pending at the time of admission of the State into the Union, and the Supreme Court of the Commonwealth of Puerto Rico and the Supreme Court of the United States shall have the same jurisdiction therein, as by law provided in any case arising subsequent to the admission of the State into the Union.

MILITARY LANDS

SEC. 12. (a) Subject to the subsection (b) and notwithstanding the admission of the Commonwealth of Puerto Rico into the Union, authority is reserved in the United States for the exercise by the Congress of the United States of the power of exclusive legislation, as provided by article I, section 8, clause 17, of the Constitution of the United States, in all cases whatsoever over such tracts or parcels of lands as, immediately prior to the admission of the State, are controlled or owned by the United

States and held for defense or Coast Guard purposes.

(b)(1) The Commonwealth of Puerto Rico shall always have the right to serve civil or criminal process within such tracts or parcels of land in suits or prosecutions for or on account of rights acquired, obligations incurred, or crimes committed within the State but outside of such tracts or parcels of land.

(2) The reservation of authority in the United States for the exercise by the Congress of the United States of the power of exclusive legislation over such lands shall not operate to prevent such lands from being a part of the Commonwealth of Puerto Rico, or to prevent the State from exercising over or upon such lands, concurrently with the Federal government, any jurisdiction which it would have in the absence of such reservation of authority and which is consistent with the laws hereafter enacted by the Congress pursuant to such reservation or authority.

(3) The power of exclusive legislation shall vest and remain in the United States only so long as the particular tract or parcel of land involved is controlled or owned by the United States and used for defense or Coast Guard purposes, except that the United States shall continue to have sole and exclusive jurisdiction over such military installations as have been or may be determined to be critical areas as designated by the President of the United States or the Secretary of Defense.

UNITED STATES NATIONALITY

SEC. 13. No provision of this Act shall operate to confer United States nationality, to terminate nationality lawfully acquired, or to restore nationality terminated or lost under any law of the United States or under any treaty to which the United States is or was a party.

REPEAL AND AMENDMENT OF INCONSISTENT LAWS

SEC. 14. All Acts or parts of Acts in conflict with the provisions of this Act, whether passed by the Legislature of the Commonwealth of Puerto Rico or by Congress, are hereby repealed or amended to conform with the provisions of this act.

NATIONAL FEDERAL LANDS AREA

SEC. 15. (a) The Federal Lands reserved for the United States government referred to in section 4 are those now held by the Federal government.

ECONOMIC ADJUSTMENT FROM TERRITORY TO STATE

SEC. 16. Congress adopts the following economic provisions to expedite the adjustment of the Commonwealth of Puerto Rico from the tax structure of the territory to the fiscal and economic system of the state.

(a) Provisions of the Internal Revenue Code concerning Federal Income Taxes shall immediately apply to Puerto Rico, provided that the proceeds of said taxes shall be transferred to the Treasury of Puerto Rico in an amount to be diminished by — % of the monies collected each year for a — year period. Existing income tax laws of the Commonwealth shall stand repealed upon admission of the state.

(b) Provision shall be made by Congress so that economic and fiscal exceptions of the Internal Revenue Code, already granted, such as those allowed under Section 936 of said code, shall remain in full effect for — years and will be smoothly and gradually phased out thereafter, in such a way as to eliminate the prevalent uncertainty which impairs an orderly planning and which impedes the fulfillment of the job creation requirements for such credit, thus promoting investments and higher rate of employment, which will in turn reduce governmental and individual dependence while enhancing the economy of the state and the fiscal soundness of its government.

(c) Pursuant to Congress' powers under the Constitution, an omnibus act with multiple provisions shall be enacted to ensure that the people of Puerto Rico attain equal social and economic opportunities with the residents of the several states. Said omnibus act shall also provide for measures necessary to assure appropriate continuity in the treatment given to Puerto Rico as a principal coffee producer and in the treatment of alcohol excise taxes; and shall also continue to provide for the transfer to the Treasury of Puerto Rico, for a period of — years, of the proceeds of Federal customs and duties levied on imports coming from foreign sources to Puerto Rico.

[Detailed economic provisions, addressing the above proposals among others, will be furnished to the Committee as soon as final technical work is completed.]

TERMS AND CONDITIONS

SEC. 17. The Commonwealth of Puerto Rico is assured of its reserved state right under the Constitution to continue to maintain both Spanish and English as its official languages, as well as of its right to preserve and enhance its rich Hispanic cultural heritage. However, all records and proceedings of all agencies, departments, offices and courts of the United States Federal government operating in Puerto Rico, shall continue to be conducted and kept in the English language as heretofore. The Commonwealth of Puerto Rico's present Official Languages Act, 1 L.P.R.A. 51-55 (Laws of Puerto Rico, 1902), making Spanish and English official state languages is a state prerogative protected by the Constitution of the United States.

SEC. 18. The State shall never enact any law restricting or abridging the right of suffrage on account of race, color, previous condition of servitude, or ability to read, write, speak, and understand any language sufficiently; and the rights, privileges and immunities of citizens of the United States shall be respected in Puerto Rico according to the provisions of paragraph 1 section 2 of article IV of the Constitution of the United States.

TITLE III—INDEPENDENCE

Subtitle 1.—Statement of Purposes

First: The United States hereby recognizes that Puerto Rico is historically, socially and culturally a Latin American nation which has been under the sovereignty of the United States since 1898.

Second: The United States recognizes Puerto Rico's inalienable right to independence.

Third: In order to best promote Puerto Rico's development according to its needs and resources and within the framework of present day interdependence, the United States recognizes Puerto Rico's sovereignty as a means to provide Puerto Rico with the political powers and the flexibility necessary to achieve this objective.

Fourth: In order to insure lasting friendship, equitable economic relations, and the gradual elimination of the burden which Puerto Rico's extreme economic dependence represents for both nations, the United States declares its intention to guarantee all necessary conditions for a rational and mutually advantageous transition before and after independence.

Fifth: It is the purpose of this Title to recognize the independence of Puerto Rico as a sovereign and democratic nation, to provide the conditions necessary for an orderly transition from the present status to independence, and to guarantee the legitimate interests of both Puerto Rico and the United States.

Subtitle 2.—Transition Process Prior to Proclamation of Independence

SEC. 2.1. CONSTITUTIONAL CONVENTION.

(a) Should the results of the referendum provided for in Title I of this Act favor independence as a status alternative for Puerto Rico, the Legislative Assembly of the Commonwealth of Puerto Rico shall provide for the election of delegates to a Constitutional Convention to formulate and draft a Constitution for the Republic of Puerto Rico. The election of delegates must be held within six months after the celebration of the aforementioned referendum.

(b) Those qualified to vote in the election of delegates of the Constitutional Convention shall be: (1) all persons born and residing in Puerto Rico; (2) all persons residing in Puerto Rico and one of whose parents was born in Puerto Rico; (3) all persons who at the time of the adoption of this Act shall have resided in Puerto Rico for a period of twenty years or more; and (4) all persons who established their residence in Puerto Rico prior to attaining voting age and still reside in Puerto Rico; and (5) spouses of all persons included in (1), (2), (3) and (4) above.

(c) The laws of the Commonwealth of Puerto Rico relating to additional voter qualifications and the electoral process shall apply to this election.

(d) The Constitutional Convention shall meet within three (3) months of the election of delegates at such time and place as the Legislative Assembly of the Commonwealth of Puerto Rico shall determine.

(e) The Constitutional Convention shall exercise jurisdiction over all of the territory of Puerto Rico ceded to the United States by Spain by virtue of the Treaty of Paris the 10th day of December 1898.

SEC. 2.2. CHARACTER OF THE CONSTITUTION.

(a) The Constitutional Convention mandated under the previous Section shall formulate and draft a Constitution establishing a republican form of government which shall guarantee the protection of fundamental human rights.

(b) The fundamental human rights guaranteed by the aforementioned Constitution shall include such rights as due process and equal protection under the law, freedom of speech, press, assembly, association, and religion, as well as the rights of the accused, and economic, social and cultural rights such as the right to education, adequate nutrition, health services, adequate housing, and work or employment.

SEC. 2.3. RATIFICATION OF THE CONSTITUTION.

(a) The Constitution elaborated by the Constitutional Convention shall be submitted to the people of Puerto Rico for its ratification or rejection.

(b) The Legislative Assembly of the Commonwealth of Puerto Rico shall call for a special election for such ratification or rejection, to be held within three (3) months of the adoption of the Constitution elaborated by the Constitutional Convention.

(c) The special election providing all qualified voters the opportunity to cast a vote for

or against the proposed Constitution shall be held in the manner prescribed by the Legislative Assembly of the Commonwealth of Puerto Rico.

(d) Those qualified to vote in this election shall be those possessing the qualifications established in Section 2.1 of this Title.

SEC. 2.4. ELECTION OF OFFICERS OF THE REPUBLIC.

(a) Within thirty (30) days of the ratification of the Constitution as provided for by Section 1.3 of this Title, the Governor of the Commonwealth of Puerto Rico shall issue a proclamation calling for the election of such officers of the Republic of Puerto Rico as may be required by the ratified Constitution.

(b) The election of officers of the Republic shall be held not later than six (6) months after the date of ratification of the Constitution.

(c) The aforesaid election shall be held in accordance with the procedures and requirements established in the Constitution of the Republic of Puerto Rico.

(d) The Governor of the Commonwealth of Puerto Rico shall certify the results of the election to the President of the United States.

SEC. 2.5. JOINT TRANSITION COMMISSION.

(a) A Joint Transition Commission shall be appointed in equal numbers by the President of the United States and the Constitutional Convention of Puerto Rico as soon as the favorable results for the independence option in the referendum provided for in Title I of this Act are announced.

(b) The Joint Transition Commission shall be responsible for expediting the orderly transfer of all functions currently exercised by the Government of the United States in Puerto Rico, or in relation to Puerto Rico; including the recommendation of appropriate legislation.

(c) Any necessary task forces under the aegis of the Joint Transition Commission shall be constituted in the same manner as the Commission.

(d) The Government of the Commonwealth of Puerto Rico and the agencies of the Government of the United States shall collaborate with the Joint Transition Commission and subsequently with the new officers of the Republic of Puerto Rico, to provide for the orderly transfer of the functions of government.

(e) All members representing the Puerto Rican side on the Joint Transition Commission or on any task force shall be bona-fide supporters of Puerto Rican independence.

SEC. 2.6. RESOLUTION OF CONTROVERSIES PRIOR TO INDEPENDENCE.

(a) From the date of the referendum provided for in Title I of this Act, and until the date of proclamation of independence, the Supreme Court and all inferior courts of the United States shall have no jurisdiction over any case or controversy arising from the operation of this Act.

(b) Any question arising from the operation of this Act shall be referred to the Joint Transition Commission established in Section 2.5 for disposition through negotiation. Should the Commission be unable to reach a negotiated solution to a question, it shall submit all points in question to international arbitration.

Subtitle 3.—Proclamation of Independence

SEC. 3.1. PROCLAMATION BY THE PRESIDENT OF THE UNITED STATES AND THE HEAD OF STATE OF THE REPUBLIC OF PUERTO RICO.

(a) Not later than one month after the official certification of the elected officers of the Republic of Puerto Rico under Section 2.4, the President of the United States shall by proclamation withdraw and surrender all rights of possession, supervision, jurisdiction, control or sovereignty then existing and exercised by the United States over the territory and people of Puerto Rico, and shall furthermore recognize on behalf of the United States of America the independence of the Republic of Puerto Rico and the authority of the government instituted by the People of Puerto Rico under the Constitution of their own adoption. The proclamation shall state that the effective date of withdrawal of the sovereignty of the United States and recognition of independence shall be the same as the date of the proclamation of independence, as provided in subsection (c).

(b) The President of the United States shall forward a copy of the proclamation issued by him to the presiding officer of the Constitutional Convention of Puerto Rico within a week after signature.

(c) Within one (1) week after receiving the Presidential proclamation and with the advice of the officer elected as head of state of the Republic, the presiding officer of the Constitutional Convention shall determine the date in which the Government of the Republic shall take office, and shall so notify the Governor of the Commonwealth of Puerto Rico and the President of the United States.

(d) Upon taking office, the head of state of the Republic of Puerto Rico shall immediately issue a proclamation declaring: (1) that Puerto Rico has become a sovereign, independent nation; (2) that the Constitution of the Republic is thenceforth in effect; (3) that the Commonwealth of Puerto Rico and its Government have ceased to exist; and (4) that the Government of the Republic will henceforth exercise its powers and duties under its Constitution.

Subtitle 4.—Effects of the Proclamation of Independence

SEC. 4.1. ON LEGAL AND CONSTITUTIONAL PROVISION.

(a) Upon the proclamation of independence as provided in this subtitle, and except as otherwise provided in this title or in any separate agreements hereinafterward concluded between the United States and the Republic of Puerto Rico,

(1) all property, rights and interests which the United States may have acquired over Puerto Rico by virtue of the Treaty of Paris of 1898, and thereafter by cession, purchase, or eminent domain, with the exception of such land and other property, rights, or interests as may have been sold or otherwise legally disposed of prior to the enactment of this Act, shall vest ipso facto on the Republic of Puerto Rico;

(2) all laws of the United States applicable to the Commonwealth of Puerto Rico immediately prior to the proclamation of independence shall no longer apply in the Republic of Puerto Rico; and

(3) all laws and regulations of the Commonwealth of Puerto Rico in force immediately before the proclamation of independence shall continue in force and shall be read with such modifications, adaptions, qualifications and exceptions as may be necessary to bring them into conformity with the Constitution of the Republic of Puerto Rico until such time as they shall be replaced with the new legislation, provided that any provisions that may be incompatible with the sovereignty of the Republic of Puerto Rico shall be deemed invalid.

SEC. 4.2. ON JUDICIAL PRONOUNCEMENTS.

(a) The Republic of Puerto Rico shall recognize and give effect to all orders and judgments rendered by United States or Commonwealth courts prior to the proclamation of independence pursuant to the laws of the United States then applicable to the Commonwealth of Puerto Rico.

(b) All judicial proceedings pending in the courts of the Commonwealth of Puerto Rico prior to the proclamation of independence shall be continued in the corresponding courts under the Constitution of the Republic of Puerto Rico.

(c) Upon the proclamation of independence, the judicial power of the United States shall no longer extend to Puerto Rico. All proceedings pending in the United States District Court for the District of Puerto Rico shall be transferred to the corresponding Puerto Rican court of competence under the Constitution of the Republic of Puerto Rico for disposition in conformity with laws applicable at the time when the controversy in process arose. All proceedings pending in the United States Court of Appeals for the First Circuit, or in the Supreme Court of the United States, which may have initiated in the courts of the Commonwealth or in the United States District Court for the District of Puerto Rico shall continue until their final disposition and shall be submitted to the competent authority of the Republic of Puerto Rico for proper execution; provided that neither the United States nor any of its officers is a party, in which case any final judgment shall be properly executed by the competent authority of the United States.

Subtitle 5.—Transition Aspects Subsequent to Proclamation of Independence

SEC. 5.1. CITIZENSHIP AND MIGRATION.

(a) Every person who, having been born in Puerto Rico, is on proclamation of independence a citizen of the United States and a resident of Puerto Rico, shall become a citizen of the Republic of Puerto Rico on that date.

(b) Every person born in Puerto Rico after proclamation of independence, and subject to the jurisdiction thereof, shall be a citizen of the Republic of Puerto Rico.

(c) Every person born in Puerto Rico but not a resident thereof on proclamation of independence shall become a citizen of the Republic of Puerto Rico upon residing for six months and taking the oath of allegiance.

(d) Every person not born in Puerto Rico before or after proclamation of independence, and residing therein, shall become a citizen of the Republic of Puerto Rico if either of his parents becomes a citizen of the Republic of Puerto Rico pursuant to subsections (a), (b), and (c).

(e) Every person not born in Puerto Rico but married to a citizen of the Republic of Puerto Rico before or after proclamation of independence shall become a citizen of the Republic upon residing in Puerto Rico for six months and taking the oath of allegiance.

(f) All other persons not specified in subsections (a), (b), (c), (d), and (e) but residing in Puerto Rico shall be granted citizenship in accordance with the Constitution and laws of the Republic.

(g) (1) Every person who is a citizen of the United States and a citizen of the Republic of Puerto Rico in accordance with subsections (a), (b), (c), (d), (e), and (f) shall retain his United States citizenship and all rights, privileges, benefits and obligations pertain-

ing thereto in an equal footing with all other United States citizens, provided that while residing in Puerto Rico that person shall not be subject under United States laws to compulsory military registration and service or to any other condition or obligation contrary to the sovereignty of the Republic of Puerto Rico.

(2) Every person specified in subsection (g) (1) shall retain his Puerto Rican citizenship and all rights, privileges and benefits pertaining thereto in an equal footing with all other Puerto Rican citizens, and shall retain all of his obligations as a Puerto Rican citizen, except that while residing in the United States that person shall not be subject under Puerto Rican laws to compulsory military registration and service or to any other condition or obligation contrary to the sovereignty of the United States.

(h) Every citizen of the United States who becomes a citizen of the Republic of Puerto Rico in accordance with subsections (a), (b), (c), (d), (e), and (f), can elect: (1) to relinquish his United States citizenship in accordance with United States laws; or (2) to relinquish his Puerto Rican citizenship in accordance with the laws of the Republic.

(i) United States citizens residing in Puerto Rico, but not citizens thereof shall be entitled to the fundamental rights and freedoms accorded to all persons in Puerto Rico but shall not be eligible for political office and shall not be entitled to vote. They shall also be entitled to be naturalized as citizens of the Republic in accordance with nondiscriminatory laws of the Republic.

(j) Citizens of the Republic of Puerto Rico residing in the United States but not citizens thereof shall be entitled to the fundamental rights and freedoms accorded to all persons in the United States but shall not be eligible for political office and shall not be entitled to vote in the United States. They shall also be entitled to be naturalized as citizens of the United States in accordance with nondiscriminatory laws of the United States.

(k) Citizens of the Republic of Puerto Rico who are not United States citizens may, for a period of twenty-five years after proclamation of independence, enter into, lawfully engage in occupations, and establish residence as immigrants in the United States. These immigrants may be subject to nondiscriminatory limitations as provided for by laws and regulations of the United States.

(l) Every resident of the United States born in Puerto Rico but not a citizen thereof, and his sons and daughters, may enter into, lawfully engage in occupations, and establish residence as immigrants in Puerto Rico subject to nondiscriminatory laws and regulations of the Republic.

(m) Every person lawfully admitted for permanent residence within the United States and who is a resident of Puerto Rico on proclamation of independence shall continue as resident and shall be entitled to be naturalized as citizens of the Republic of Puerto Rico in accordance with nondiscrimatory laws of the Republic.

SEC. 5.2. DEFENCE.

(a) The United States shall collaborate with the Republic of Puerto Rico towards the ultimate goal of disarmament, peace and international relations based on the principles of equality, mutual respect and interdependence. Furthermore, the United States recognizes the right of the People of Puerto Rico to strive towards the total demilitarization of its territory, with the purpose of gearing all its efforts and resources to the goals of economic and social development.

(b) The Republic of Puerto Rico shall be closed to any and all military forces of foreign nations. In furtherance of this policy, and to expedite the orderly and gradual transfer of properties presently under the control of the United States for military purposes in Puerto Rico, the governments of the United States and the Republic of Puerto Rico shall prescribe a separate agreement for a reasonable and mutually convenient period of transition.

(c) Negotiations leading to the eventual agreement provided in paragraph (b) shall begin in a special task force designated for such purposes by the President of the United States and the Constitutional Convention of Puerto Rico pursuant to Section 2.5 of this Title. Should this special task force be unable to reach an agreement prior to the proclamation of independence, the negotiations shall continue between representatives appointed by the United States and the Republic of Puerto Rico, until such time as an agreement may be reached.

(d) The Republic of Puerto Rico shall be a nuclear free zone. The United States and the Republic of Puerto Rico shall adhere and fully comply with the provisions of the Treaty for the Proscription of Nuclear Weapons in Latin America of 1967 (Treaty of Tlatelolco).

(e) The government of the Republic of Puerto Rico shall, as soon as may be practicable, seek integration into the Inter-American defense system by subscribing to the provisions of the Treaty of Mutual Defense of 1948 (Treaty of Rio de Janeiro).

SEC. 5.3. TRADE RELATIONS.

(a) Until proclamation of independence: (1) no trade barriers or quotas of any kind shall be imposed on merchandise and articles going into Puerto Rico from the United States or coming into the United States from Puerto Rico; and (2) trade relations shall be as currently provided by law.

(b) During the twenty years following the proclamation of independence, the United States shall not impose trade barriers or quotas of any kind on merchandise and articles coming into the United States from the Republic of Puerto Rico.

SEC. 5.4. TAXATION

(a) The tax credit currently allowed under Section 936 of the U.S. Internal Revenue Code shall remain in full effect upon proclamation of independence and during the fifteen years thereafter with respect to income derived by corporations that begin to fulfill or continue to fulfill the current requirements for such credit.

(b) On the tenth year after proclamation of independence, a Joint Commission on Taxation shall be appointed in equal numbers by the President of the United States and the head of state of the Republic of Puerto Rico to study and report on changes to be made, if any, to the tax credit allowed under subsection (a) at the expiration of the fifteen-year period. If no agreement is reached with respect to such changes, then all earning repatriations received by residents of the United States shall be subject to taxation by the United States, beginning on the sixteenth year after the proclamation of independence, at a rate that shall increase on a straight-line basis by ten percent of the regular United States corporate tax rate each year until it reaches one hundred percent of said regular rate in the twenty-fifth year after the proclamation of independence, provided that a tax credit will be allowed on such earning repatriations pursuant to subsection (e). If the regular corporate tax rate of the United States is changed before said twenty-fifth year, the difference between the rate to which the earning repatriations are subject during the year of said change and the new regular rate shall be divided, if the latter is higher, by the number of years remaining from the year which follows the year of said change until said twenty-fifth year, and the result of such division shall constitute the extent to which the rate applicable to the dividends shall increase every year from the year which follows the years of said change until said twenty-fifth year. If the new regular United States corporate tax rate is lower than the rate to which the earning repatriations are subject during the year of said change, then the new lower rate shall immediately apply to such repatriations. No other change shall occur before the expiration of said twenty-fifth year with respect to income derived by companies subject to this subsection.

(c) With respect to income not subject to subsections (a) or (b), the profits of an enterprise of either nation shall be taxable only in the nation of residence of said enterprise, unless the enterprise carries on business in the other nation through a permanent establishment situated therein. If the enterprise carries on business as aforesaid, the profits of the enterprise may be taxed in the other nation but only so much of them as is attributable to that permanent establishment.

(d) Each nation shall have taxing jurisdiction over income earned by individuals who are residents of either nation from sources within its territorial jurisdiction, property situated therein, including transfers of such property by gift or at death, and products consumed therein.

(e) Where a resident of either nation derives income from the other nation, the amount of tax payable in that other nation in respect to that income pursuant to subsections (c) and (d), and the amount of tax payable in the Republic of Puerto Rico that does not exceed for any specific year the amount of tax payable in the United States for that same year pursuant to subsection (b), shall be allowed as a credit against the tax payable in respect to that income in the nation of residence of the taxpayer. A withholding tax on dividends shall be considered a tax on income for these purposes. If the United States amends its laws concerning the provision of tax sparing credits or if the United States reaches an agreement on the provision of a tax sparing credit with any other nation, Puerto Rico shall *ipso facto* be granted the most favorable degree of tax sparing credit allowed under such amended laws or such agreement or agreements.

(f) The determination under this section of the residence of any taxpayer, the source of any income, the situs of any property or any other necessary definitions shall be made according to the terms of a joint treaty for the avoidance of double taxation to be entered into by both nations promptly upon the proclamation of the Republic of Puerto Rico. Negotiations leading to such treaty shall be initiated by a special task force designated pursuant to Section 2.5 of this Title. Until such treaty is executed, such determination shall be made according to the current tax laws of the United States and the Commonwealth of Puerto Rico.

SEC. 5.5. CURRENCY AND FINANCE.

(a) After proclamation of independence, the Republic of Puerto Rico shall have all powers concerning the issuance and control of currency and all powers concerning monetary and financial matters, provided that during the ten years following the proclamation of independence both United States currency and Puerto Rican currency shall be accepted as legal tender in all transactions in Puerto Rico.

(b) The current value of all stock bought by Puerto Rican banks in the Federal Reserve System, Federal Deposit Insurance Corporation and the Federal Home Loan Bank System will be transferred to the Republic of Puerto Rico, including the proportion held by U.S. national, Spanish and Canadian banks that correspond to the level of activities of their/its branches operating in Puerto Rico during the year immediately prior to the proclamation of independence.

(c) The monetary authority of the Republic of Puerto Rico shall establish an integrated system of insurance for deposits in Puerto Rico's financial institutions similar to the Federal Deposit Insurance Corporation. Negotiations will be undertaken with United States monetary authorities to obtain their assistance in the design and establishment of the insurance system, and to determine the extent of financial support to be provided for the system by United States insurance organizations in which Puerto Rico's financial institutions currently participate.

(d)(1) The guarantees provided by the government of the United States to investors in the secondary market for loans, particularly mortgage loans guaranteed by the Government National Mortgage Association (G.N.M.A.), the Federal National Mortgage Association (F.N.M.A.), the Federal Home Loan Mortgage Corporation (F.H.L.M.) and other United States government instrumentalities, shall be maintained for Puerto Rico-originated loans until maturity.

(2) Negotiations shall be carried out to ensure that after proclamation of independence Puerto Rico-originated loans, particularly housing mortgage loans, can continue to be guaranteed by G.N.M.A., F.N.M.A., F.H.L.M. and other United States government instrumentalities and can continue to be sold to investors in the United States secondary markets.

SEC. 5.6. PUBLIC DEBT.

(a) The debts, liabilities and obligations of the Commonwealth of Puerto Rico, its municipalities and instrumentalities, valid and outstanding upon proclamation of independence, shall be assumed by the Republic of Puerto Rico.

(b) After proclamation of independence the United States shall maintain full income tax exemption, as currently provided by law, on interest payments derived from debts of the Commonwealth of Puerto Rico assumed by the Republic, as specified in subsection (a).

(c) During the twenty-five years following the proclamation of independence, the United States shall extend full income tax exemption, as currently provided by law, to interest payments derived from debts of the Republic of Puerto Rico.

SEC. 5.7. INDIVIDUAL RIGHTS TO ECONOMIC BENEFITS AND GRANTS TO THE REPUBLIC OF PUERTO RICO.

(a) All vested rights and benefits which accrue to residents of the Commonwealth of Puerto Rico under the laws of the United States from past services or contributions, such as rights and benefits for veterans or relatives of veterans of the armed forces of the United States, retired government employees, or beneficiaries of old age, disability of survivors' insurance benefits under the Social Security Act, shall not be interrupted after the proclamation of independence but will continue until such time as said rights and benefits are completely extinguished according to the applicable laws of the United States. All services which must be rendered as part of these rights and benefits shall be made available through the Government of the Republic of Puerto Rico in accordance with agreements reached by the two nations.

(b) Notwithstanding the provisions in subsection (a), all contributions made by employees and employers in Puerto Rico to the Social Security System with respect to persons who, upon the proclamation of independence, are residents of the Republic of Puerto Rico and are not yet eligible for old age, disability, or survivors' insurance benefits under the system, shall be transferred to the government of the Republic of Puerto Rico once said government establishes its own social security system. The government of the Republic of Puerto Rico may not use these funds for any purpose other than the establishment and operation of a social security system. Upon the transfer described herein, the obligations of the United States Government under the Social Security Act with respect to such residents of the Republic of Puerto Rico shall cease.

(c) All other Federal transfer payments to individuals and to the Government of the Commonwealth of Puerto Rico shall be maintained in the form of annual block grant to be used discretionally by the government of the Republic of Puerto Rico.

(1) During the ten fiscal years following the proclamation of independence, the annual block grants shall amount to the annual aggregate funding of all programs which currently extend as the Commonwealth of Puerto Roco, or of all programs which shall have been extended to the Commonwealth of Puerto Rico during the fiscal year immediately prior to the proclamation of independence, whichever shall be greater.

(2) The annual block grants shall decrease thereafter on a straight-line basis, at the rate of ten percent each year, beginning on the eleventh fiscal year after the proclamation of independence. At any time during the aforementioned transition period the terms of this subsection may be modified by agreement between the United States and the Republic of Puerto Rico.

Subtitle 6.—Relations Between the United States and the Republic of Puerto Rico

SEC. 6.1. TREATY OF FRIENDSHIP AND COOPERATION.

To insure that all provisions of this Title which shall have effect after the proclamation of independence will in effect be binding, the United States and the Republic of Puerto Rico shall embody said provisions in a treaty of friendship and cooperation.

TITLE IV—COMMONWEALTH

Subpart 1.—Statement of Purposes

In 1952 the Congress of the United States, fully recognizing the principle of government by consent, and the People of Puerto Rico, in the exercise of their right to self-determination, entered upon a compact which established a Commonwealth relationship between Puerto Rico and the United States.

Under the compact the People of Puerto Rico adopted in their own sovereign right their own Constitution and formed an autonomous political community in permanent union with the United States of America based on the irreversible bond of American citizenship.

In 1953 the General Assembly of the United Nations recognized the creation of the Commonwealth and removed Puerto Rico from the list of nonself-governing territories. This association has enabled the People of Puerto Rico to advance their enonomic and social development and to preserve their distinct historical heritage and cultural personality.

As inherent in all political relationships freely entered upon, it was based on the understanding that it would evolve and develop within its particular political nature upon mutually agreeable terms.

It is the purpose of this Act to provide for the enhancement of the Commonwealth relationship by enlarging the scope of self-government of the Puerto Rican people upon the approval of a proposition to that effect by a majority of the eligible voters of the Commonwealth of Puerto Rico.

Subpart 2.—Referendum Proposition: Commonwealth

The referendum proposition regarding Commonwealth, to be presented to, and voted upon, by the People of Puerto Rico shall be as follows: "The Commonwealth association with the United States shall be enhanced to enable the People of Puerto Rico to accelerate their economic and social development and attain maximum cultural and political autonomy within permanent union with the United States based on the irreversible bond of American citizenship, a common defense, a common market, and a common currency."

The proposition will appear in the ballot, in Spanish, as follows: "El Estado Libre Asociado se fortalecerá para acelerar el desarrollo económico y social y alcanzar la máxima autonomía cultural y política del pueblo de Puerto Rico en su unión permanente con los Estados Unidos sobre los pilares de comú defensa, común mercado, común moneda, y el vinculo indisoluble de la ciudadanía americana."

Subpart 3.—Principles of Commonwealth

Section 1 of the Puerto Rico Federal Relations Act, 39 Stat. 954, as amended, 48 U.S.C. Section 731, shall be repealed, and replaced by the following:

"(1) The provisions of this Act shall apply to the Commonwealth of Puerto Rico, an autonomous body politic joined in permanent union with the United States on the basis of common citizenship, common defense, common market and common currency.

(2) The policy of the United States shall be to enhance the Commonwealth relationship enjoyed by the Commonwealth of Puerto Rico and the United States to enable the People of Puerto Rico to accelerate their economic and social development and attain maximum cultural and political autonomy within permanent union with the United States, to secure more equitable participation for the People of the Commonwealth of Puerto Rico in all federal programs that provide grants or services to citizens of the United States as individuals, to secure increased participation by the People of Puerto Rico in U.S. governmental decisions affecting them, to safeguard the distinct cultural identity of the People of Puerto Rico, and to protect the bilateral nature of the relationship between the Commonwealth of Puerto Rico and the United States.

Subpart 4.—Implementation of Federal Policy

Section 9 of the Federal Relations Act, 39 Stat. 954, as amended, 48 U.S.C. Section 734, is amended by inserting at the beginning thereof the term "(a)" and by adding at the end thereof the following:

"(b) A federal statutory law, or provision of such law, is locally inapplicable unless it is consistent with the policy established under subpart 3 and unless such federal statutory law has proper regard for the economic, cultural, ecological, geographic, demographic and other local conditions of the Commonwealth of Puerto Rico. The subsection shall not apply to:

(i) any federal statutory law in the Congress makes a specific finding that there is an overriding national interest that such law should apply to the Commonwealth of Puerto Rico, or

(ii) any federal statutory law, or provision thereof, establishing directly or indirectly grants and/or services to citizens of the United States as individuals, or

(iii) any federal statutory law or provision thereof relating to citizenship, or

(iv) any federal statutory law or provision thereof pertaining to the foreign relations, defense or national security of the United States that requires uniform applicability throughout the United States, including the Commonwealth of Puerto Rico, to achieve its intended purposes,

(c) In addition to judicial determinations of the inapplicability of federal laws under subsection (b), the Governor of the Commonwealth of Puerto Rico may certify from time to time to the Speaker of the House of Representatives, the President of the Senate, and the President of the United States, that a federal statutory law or provision thereof, other than one excluded from the operation of subsection (b), is inconsistent with a Puerto Rican statute and the policy established under subsection (b). Unless, within 60 days of the receipt of such certification, a statute is enacted embodying the finding required under subsection (b)(i), the President shall issue a proclamation that such federal statutory law or provision thereof identified in the Governor's certification is not applicable in Puerto Rico.

(d)(i) The Commonwealth of Puerto Rico may continue to enter in its own name into international cultural, commercial, educational and sports agreements, and other agreements of like nature.

(ii) In addition, the Governor of the Commonwealth of Puerto Rico may take any official action to promote the international interests of Puerto Rico that requires the consent of the United States Government and is not expressly prohibited by law. The Governor of the Commonwealth of Puerto Rico shall provide written notice to the President of the United States of any official action he contemplates taking pursuant to the authorization of this part of this subsection and not pursuant to any other authorization or consent. The President may, within 30 days of his receipt of such notice, sign and transmit to the Governor of the Commonwealth of Puerto Rico a document expressing his determination that the contemplated official action would imperil the foreign relations or national defense of the United States, in which case the authorization hereby granted shall be withdrawn as regards such contemplated official action.

(e) All departments and agencies of the Government of the United States shall be guided by the policy stated in subpart 3 when carrying out their duties under federal statutory laws and federal regulations applicable in or affecting the Commonwealth of Puerto Rico. Every such department or agency shall, before taking any major federal action applicable in or affecting the Commonwealth of Puerto Rico, separately evaluate the consistency of such action with such policy and shall state, in a document accompanying the major federal action, the extent, nature and result of its consideration.

(f) Any rule, as defined in 5 U.S.C. sec. 551(4), issued by an agency, as defined in 5 U.S.C. sec. 551(1), shall apply in the Commonwealth of Puerto Rico only to the extent that is consistent with the policy set forth in Subsection (b). After the effective date of this amendment, when any such rule, other than a rule issued after notice and hearing required by statute, that does not in terms provide that it is inapplicable in the Commonwealth of Puerto Rico is published in the Federal Register, the Governor of the Commonwealth of Puerto Rico may submit to the agency within 30 days in writing (or such longer period as the agency may have prescribed as the period between publication of the rule and its effectiveness) the Governor's determination that such rule is inconsistent with the policy stated in subsection (b). Thereupon, the agency shall reconsider the question of consistency of the rule with the policy stated in Subsection (b) and shall, within 45 days of its receipt of the Governor's determination, publish in the Federal Register its finding either that there is an overriding national interest that the rule be applicable in the Commonwealth of Puerto Rico, in which case the rule, whether or not previously applicable in the Commonwealth of Puerto Rico, shall thereafter be so applicable, or that the rule is not compatible with such policy, in which event such rule, whether or not previously applicable in the Commonwealth of Puerto Rico, shall not be so applicable. Unless the agency for good casue finds that a rule that is the subject of such determination by the Governor of Puerto Rico as is described in this subsection shall be applicable to the Commonwealth of Puerto Rico pending its consideration of such determination, and publishes such finding in the Federal Register, such rule, whether or not previously applicable in the Commonwealth of Puerto Rico, shall not be so applicable pending such consideration. An agency's decision to make a rule applicable or inapplicable in Puerto Rico shall be subject to judicial review.

(g) The laws, rules and regulations of the United States applicable in the Commonwealth of Puerto Rico when the new federal policy is established in accordance with subpart 3 shall continue in effect except to the extent repealed or modified by this Act, or inconsistent with it, and except as hereafter modified, suspended or repealed in accordance with law.

Subpart 5.—Aviation

Section 1102 of the Federal Aviation Act is amended by adding a new Section (e) to read as follow:

"(e)(i). The Government of the Commonwealth of Puerto Rico shall have authority to negotiate on its own behalf air transportation agreements governing the operation of air services by United States and foreign air carriers between the Commonwealth and foreign points. Such agreements may also include authorization of service by United States and foreign air carriers to use any point in the Commonwealth as an intermediate or beyond point on routes between points in the United States and foreign nations for which the carrier holds certificate or foreign air carrier operating authority from the Department of Transportation. Such agreements may authorize such carriers to engage in common carriage of persons and property between such authorized points in the United States and the Commonwealth, notwithstanding the provisions of sections 416(6)(7) and 1108 of this Act.

(ii) Operating rights contained in Commonwealth bilateral air transportation agreements shall be subject to the grant of necessary operating authority by the Department of Transportation and the Administrator. The responsibilities of the Department and the Administrator under subsection (a) of this section shall extend to such bilateral agreements.

(iii) Operating authority issued by the Department of Transportation in implementation of bilateral agreements negotiated by the Government of the Commonwealth of Puerto Rico shall be subject to the President's right of disappoval as contained in section 801(a) of this Act.

(iv) The officials of the Federal Aviation Administration of the United States are directed to assist and cooperate with the appropriate officials of the Commonwealth of Puerto Rico in the implementation of any air transportation agreement entered into pursuant to the authority herein established."

Subpart 6.—Development of Tourism

Section 4a(1) of the Coastal Barrier Resources Act of 1982, 16 U.S.C. Section 3503(a)(1), is amended by adding to the end of the subsection: "Notwithstanding the foregoing, no area within the Commonwealth of Puerto Rico shall be included within the Coastal Barrier Resources System."

Subpart 7.—International Trade

(a) Section 2 of the Act of April 12, 1900, 48 U.S.C. 739, is amended by inserting the following subsection:

"1. To the extent consistent with the international obligations of the United States, the Commonwealth of Puerto Rico is authorized to impose tariff duties on foreign origin products imported into Puerto Rico. Such tariff duties shall be in addition to the general tariff duties applicable to products imported into the customs territory of the United States."

(b) Section 1102 of the Omnibus Trade and Competitiveness Act of 1988, 19 U.S.C. § 2902, is amended by adding a new subsection (e) as follows:

"(e) During the negotiation of any trade agreement affecting Puerto Rico under subsections (a), (b), and (c), the President shall seek the participation of the Commonwealth of Puerto Rico in the negotiation process, and shall consult with the Governor of the Commonwealth of Puerto Rico concerning the potential impact of any proposed tariff rate change on the economy of Puerto Rico.

The Government of the United States shall seek to obtain favorable treatment from foreign countries for exports from the Commonwealth of Puerto Rico and shall encourage other countries to consider Puerto Rico as a developing area for purposes of their respective General Systems of Trade Preferences, and any such regional systems of trade preferences."

Subpart 8.—Maritime

(a) Section 9 of the Puerto Rican Federal Relations Act, 48 U.S.C. Section 744, is

amended to add at the end of the provision: "except that those provisions of the Shipping Act, 1916, administered by the Federal Maritime Commission shall not be applicable to the trade between Puerto Rico and the States of the United States. The Commonwealth of Puerto Rico is authorized to establish its own maritime commission which, when established in accordance with Puerto Rico law shall exercise exclusive jurisdiction over service, rates, fares, and practices governing the trade between Puerto Rico and the states of the United States."

(b) Section 1 of the Shipping Act, 1916, as amended, 46 U.S.C. App. Section 801, is amended by inserting after the second "possession of the United States" and at the end of the provision, the following phrase: "not including the Commonwealth of Puerto Rico."

Subpart 9.—Jurisdiction Over Maritime Resources

(a) Amend Section 3(21) of the Magnuson Fishery Conservation and Management Act, as amended, 16 U.S.C. 1802(21) to read as follows:

"(21) The term 'State' means each of the several States, the District of Columbia, American Samoa, the Virgin Islands, Guam, and any other territory or possession of the United States, but does not include the Commonwealth of Puerto Rico."

(b) Amend the first sentence of Section 2(6) of the Magnuson Fishery Conservation and Management Act, as amended, 16 U.S.C. 1802(6) to read as follows: "The term 'exclusive economic zone' means the zone established by Proclamation Numbered 5030, dated March 10, 1983, except that such zone shall not include zones contiguous to the territorial sea of the Commonwealth of Puerto Rico, provided that the Commonwealth of Puerto Rico shall take no action that would purport to restrict or charge fees to vessels of the United States for the right to fish for highly migratory species of fish within any fishing jurisdiction the Commonwealth of Puerto Rico may establish beyond its territorial waters."

Subpart 10.—Intellectual Property

(a) Section 101 of Title 17 of the United States Code is amended as follows:

(1) By inserting the following new definitions in alphabetical order:

"The 'design of a useful article,' hereinafter referred to in this Title as a 'design,' consists of those aspects or elements of the article, including its two dimensional or three dimensional features of shape and surface, which make up the appearance of the article, and shall include a 'typeface' as herein defined.

A design is 'of Puerto Rican origin' (a) if more than 50 percent of its development costs have been incurred within the Commonwealth of Puerto Rico, irrespective of whether such design is fixed in a useful article in the Commonwealth of Puerto Rico; or (B) if it is first fixed in the Commonwealth of Puerto Rico in a useful ariticle intended to be distributed to the public for commercial purposes.

A 'typeface' consists of a set of letters, numbers, or other symbolic characters, whose forms are related by repeating design elements consistently applied in a notational system, to the extent that the repeating design elements in the combination employed in a notational system are (A) original, (B) distinct, and (C) incorporated in a useful article whose normal use is in composing text or other cognizable combination of characters."

(2) By adding, after the semicolon in the second sentence of the definition of "Pictorial, graphic, and sculptural works," the following: "except where a design of Puerto Rican origin is involved,".

(b) Section 102 of Title 17 of the United States Code is amended by adding a new subsection 102(a)(8) as follows:

"(8) designs of useful articles, where such designs are of Puerto Rican origin."

(c) Section 113 of Title 17 of the United States Code is amended by adding a new subsection (d) as follows:

"(d) in the case of a design of Puerto Rican origin, the scope of exclusive rights in a copyrighted work does not extend to a design that is (i) staple or commonplace, such as a standard geometric figure, familiar symbol, emblem, or motif, or other shape, pattern, or configuration which has become common, prevalent, or ordinary; (ii) different from a design excluded by (i) hereof only in insignificant details or in elements which are variants commonly used in the relevant trades; (iii) dictated primarily by a utilitarian function of the article in which it is fixed; (iv) composed of three-dimensional features of shape and surface with respect to men's, women's, and children's apparel; or (v) fixed in a semi-conductor chip product that is protected under Chapter 9 of this title. Notwithstanding the foregoing, the scope of exclusive rights shall not be limited by the employment in the design of subject matter excluded under (i) through (iii) hereof, if the design is a substantial revision, adaptation, or rearrangement of said subject matter: *provided*, however, that such exclusive rights shall be available for a design employing subject matter protected under Chapters 1 through 8 of this title, or Title 35 of the United States Code, only if such protected subject matter is employed with the consent of the proprietor thereof. Such protection shall be independent of any subsisting protection in subject matter employed in the design, and shall not be construed as securing any rights to subject matter excluded from protection or as extending any subsisting protection."

(d) Chapter 3 of Title 17 of the United States Code is amended by the addition of new Section 306 as follows:

"§ 306. DESIGNS OF PUERTO RICAN ORIGIN

(a) The provisions of Section 302 through 305 of this Chapter shall not apply to copyrights in design of Puerto Rican origin.

(b) Copyright in a design of Puerto Rican origin subsists from its creation and endures for a period of ten years.

(c) A term of copyright provided by this section shall run to the end of the calendar year in which it would otherwise expire."

(e) Section 407 of Title 17 of the United States Code is amended by adding the following language before the semicolon in Section 401(b)(1): ", or, in the case of a design of Puerto Rican origin, the symbol Ⓓ (the letter D in a circle), or the words 'Design Copyright,' or the abbreviation 'Des. Copr.'."

(f) Section 407 of Title 17 of the United States Code is amended by striking the period at the end of Section 407(c) and adding the following language: ",or the work is a design of Puerto Rican origin."

(g) Section 901(a) of Title 17 of the United States Code is amended by adding a new subsection (10) as follows:

"(10) a mask work is 'of Puerto Rican origin' (a) if more than 50% of its development costs have been incurred within the Commonwealth of Puerto Rico, irrespective of whether such mask work is fixed in a computer chip in the Commonwealth of Puerto Rico; or (B) if it is first fixed in the Commonwealth of Puerto Rico in a computer chip intended to be distributed to the public for commercial purposes."

(h) Section 906 of Title 17 of the United States Code is amended by adding at the end thereof the following:

"(c) The limitations on exclusive rights provided under subsections (a) and (b) of this section shall not apply to mask works of Puerto Rican origin."

(i) The foregoing Sections (a) through (h) shall apply after the date of enactment to all acts of manufacture or distribution that occur in the United States after such date, to all acts of importation into the United States that occur after such date, and to all violations of the exclusive rights of the copyright's owner under of Title 17, United States Code that occur after such date.

Subpart 11.—Federal Programs

(a) CONSOLIDATION OF GRANT-IN-AID PROGRAMS.—The Puerto Rico Federal Relations Act is amended by inserting a new Section 59, as follows:

"SEC. 59.—In order to minimize the burden caused by existing application and reporting procedures for grant-in-aid programs available to the Commonwealth of Puerto Rico it is hereby declared to be the policy of the Congress, notwithstanding any provision of law to the contrary, that:

(a) At the request of the Governor of the Commonwealth, any department or agency of the government of the United States which administers any Act of Congress which specifically provides for making grants to the Commonwealth under which payments received may be used by the Commonwealth only for certain specified purposes (other than direct payments to classes of individuals, but not limited to, Aid to Families with Dependent Children, Title IV-A of the Social Security Act, 42 U.S.C. 601; Medicaid, Title XIX of the Social Security Act, 42 U.S.C. 2396; Supplemental Security Income, Title XVI of the Social Security Act, 42 U.S.C. 1381; Foster Care, Title IV-E of the Social Security Act, 42 U.S.C. 670; and Nutrition Assistance Program, 7 U.S.C. 2028) shall, acting through appropriate administrative authorities of such department or agency, consolidate any or all grants made to the Commonwealth for any fiscal year or years;

(b) Any consolidated grant for the Commonwealth shall not be less than the sum of all grants which the Commonwealth would otherwise be entitled to receive for such year;

(c) The funds received under a consolidated grant shall be expended in furtherance of the programs and purposes authorized for any of the grants which are being consolidated, which are authorized under any of the Acts administered by the department or agency making the grant, and which would be applicable to grants for such programs and purposes in the absence of the consolidation, but the Commonwealth shall determine the proportion of the funds granted which shall be allocated to such programs and purposes; and

(d) Each department or agency making grants-in-aid shall, by regulations published in the Federal Register, provide the method by which the Commonwealth may submit: (i) a single application for a consolidated grant for any fiscal year period, but not more than one such application for a consolidated grant shall be required by any de-

partment or agency unless notice of such requirement is transmitted to the appropriate committees of the United States Congress together with a complete explanation of the necessity for requiring such additional applications, and (ii) a single report to such department or agency with respect to each such consolidated grant: *Provided,* That nothing in this paragraph shall preclude such department or agency from providing adequate procedures for accounting, auditing, evaluating, and reviewing any programs or activities receiving benefits from any consolidated grant. The administering authority of any department or agency, in its discretion, may (i) waive any requirement for matching funds otherwise required by law to be provided by the Commonwealth and (ii) waive the requirements that the Commonwealth submit an application or report in writing with respect to any consolidated grant.

(b) EQUITABLE TREATMENT IN SOCIAL PROGRAMS.—The Puerto Rican Federal Relations Act is amended by inserting a new Section 60 as follows:

"SEC. 60.—(a) It is the policy of the United States that the allocations to the Commonwealth of Puerto Rico of the following programs shall achieve full parity with the States of the Union as soon as possible but in no event later than the fifth anniversary of the date of enactment hereof with allocations to States of the Union in the following programs or their successor thereof: Nutrition Assistance Program (NAP); Aid to Families with Dependent Children (AFDC); and Medicaid; and in no event later than the ninth anniversary of the date of enactment hereof with allocations to States of the Union for the Supplemental Security Income (SSI) program, or its successor.

Subpart 12.—Protection of Workers

(a) Amend Section 3 of the Labor Management Act, as amended, 29 U.S.C. § 153(b), by adding after the first sentence:

"; with the exception of cases arising under the jurisdiction of the Commonwealth of Puerto Rico which are hereby exclusively delegated to the Labor Relations Board of Puerto Rico. Decisions of the Labor Relations Board of Puerto Rico may be appealed to the Federal Court of Appeals for the First Circuit.

(b) The Puerto Rican Federal Relations Act is amended by adding a new section 61, as follows:

"Puerto Rico shall maintain exclusive jurisdiction over employee benefits, other than the benefits currently covered under the Fair Labor Standards Act, the Employee Retirement Income Security Act, and the Occupational Safety and Health Act. Puerto Rico's exclusive jurisdiction shall include, but not be limited to Christmas bonuses, sick and vacation pay, workman's compensation, and any other benefits not covered under the current aforementioned federal legislation."

Subpart 13.—Puerto Rico Participation in Federal Appointments

Section 301 of Title 3, is amended by inserting at the beginning thereof the term "(a)" and by adding at the end thereof the following:

"(b) The highest ranking federal officer serving in the Commonwealth of Puerto Rico for any federal department and agency, or division thereof, and any other appointment in the Commonwealth of Puerto Rico subject to Senate confirmation, shall be appointed by the President from a list of eligible candidates recommended by the Governor of the Commowealth of Puerto Rico."

Subpart 14.—Representation in United States Senate.

Section 36 of the Puerto Rican Federal Relations Act, 48 U.S.C. Section 891-895, is amended as follows:

"SUBCHAPTER V. RESIDENT COMMISSIONERS.

SEC. 891. RESIDENT COMMISSIONERS; ELECTION.

The qualified electors of Puerto Rico shall choose a Resident Commissioner to the United States Senate and a Resident Commissioner to the United States House of Representatives at each general election, whose terms of the office shall be four years from the 3d of January following such general election, and who shall be entitled to receive official recognition as such commissioner by all of the departments of the Government of the United States, upon presentation, through the Department of State, of a certificate of election of the Governor of Puerto Rico.

SEC. 892. QUALIFICATIONS OF COMMISSIONERS; APPOINTMENT TO FILL VACANCY.

No person shall be eligible to election as a Resident Commissioner who is not a bona fide citizen of the United States and who is not more than twenty-five years of age, and who does not read and write the English language. In case of a vacancy in either office of Resident Commissioner by death, resignation, or otherwise, the Governor by and with the advice and consent of the Senate of the Commonwealth of Puerto Rico shall appoint a Resident Commissioner to fill the vacancy, who shall serve until the next general election and until his successor is elected and qualified.

SEC. 893. SALARY OF COMMISSIONERS; ALLOWANCES, FRANKING PRIVILEGE.

The Resident Commissioners shall receive a salary payable monthly by the United States. The Resident Commissioners shall be allowed the same sum for stationary and for the pay of necessary clerk hire as is allowed Members of the Senate of the United States and Members of the House of Representatives of the United States. The Resident Commissioners shall be allowed the franking privilege granted Members of Congress.

SEC. 894. SALARY AND TRAVELING EXPENSES; PAYMENT.

The salary and traveling expenses of the Resident Commissioners from Puerto Rico to the United States shall be paid in the same manner as the salaries of the Members of the Senate and the House of Representatives are paid.

SEC. 895. OTHER PRIVILEGES.

The appropriate sections of Title 2 of the United States Codes and any other statutory law that relates to the privileges afforded United States Senators shall be amended to include the Resident Commissioner from the Commonwealth of Puerto Rico to the United States Senate."

Subpart 15.—Judiciary

Section 42 of the Puerto Rico Federal Relations Act, 48 U.S.C. Section 864, is amended by deleting the last sentence and inserting the following paragraph:

"Notwithstanding any other provision of law:

(1) The District Court shall not undertake to construe a theretofore unconstrued Puerto Rico statute or regulation or decide a theretofore undecided point of substantive Puerto Rico nonstatutory law without having given the Supreme Court of Puerto Rico the opportunity to construe such statute or regulation or to rule upon such point of Puerto Rico law.

(2) The proceedings of the U.S. District Court for the District of Puerto Rico shall be conducted in the Spanish language upon the request of any party to the proceedings.

(3) Any issue of law arising under the Puerto Rico Federal Relations Act in any action or controversy brought in federal court shall be certified to the District of Columbia Court of Appeals. In addition, the Commonwealth of Puerto Rico, its departments, agencies and instrumentalities, as well as officials and agents, in both their official and personal capacity, may transfer any action brought against them in the District Court for Puerto Rico to the District Court for the District of Columbia.

Subpart 16.—Passports

(a) Section 211a of Title 22, is amended by adding after the provision "by the chief or other executive officer of the insular possessions of the United States,": "and the Governor of the Commonwealth of Puerto Rico,".

(b) The following new section shall be added to Title 22 as Section 211b;

"SEC. 211b. U.S. PASSPORT OFFICE IN PUERTO RICO

The Secretary of State shall establish a Passport Office for the Caribbean located in San Juan, Puerto Rico and shall authorize the Governor of the Commonwealth to administer such office as required by law."

(c) Section 212 of the Immigration and Nationality Act, 8 U.S.C. Section 1182 is amended by adding a new subsection (m) as follows:

"(M) COMMONWEALTH OF PUERTO RICO; WAIVER OF REQUIREMENTS; NONIMMIGRANT VISITORS

(1) The requirement of paragraph 26(B) of subsection (a) of this section shall be waived by the Attorney General upon the request of the Government of the Commonwealth of Puerto Rico, in the case of an alien applying for admission as a nonimmigrant visitor at the invitation of the Government of the Commonwealth and solely for entry into and stay in the Commonwealth of Puerto Rico for a period not to exceed thirty days. The District Office for Puerto Rico of the Immigration and Nationality Service shall issue the special temporary entry visit visas, as well as other entry visas.

(2) If adequate appropriated funds to carry out this subsection are not otherwise available, the Director of the Immigration and Nationality Service is authorized to accept from the Government of the Commonwealth of Puerto Rico such funds as may be tendered to cover all or any part of the cost of administration and enforcement of this subsection."

Subpart 17.—Law Enforcement

Section 287 of the Immigration and Nationality Act, 8 U.S.C. Section 1357, is amended as follows: "(a) Any officer or employee of the Service authorized under regulations proscribed by the Attorney General, and any officer of employee of and within the Commonwealth of Puerto Rico authorized by the Governor of the Commonwealth of Puerto Rico shall have the power without warrant . . ."

Subpart 18.—Historic Sites and Conservation Lands

Section 8 of the Puerto Rico Federal Relations Act, 48 U.S.C. Section 749 is amended

by redesignating it Section 8A and enacting a new Section 8B:

"SEC. 8B.—(a)(i) Lands. Title to all lands, buildings, and interests in lands, and other property now owned by the United States and within the territorial limits of the Commonwealth of Puerto Rico, and the harbor areas and navigable streams and bodies of water and submerged lands underlying the same in and around the island of Puerto Rico and the adjacent islands and waters, owned by the United States, which may have been acquired in Puerto Rico by the United States under the cession of Spain in the treaty of peace entered into on December 10, 1898, and the lands owned by the United States, and administered under the Caribbean National Forest, is hereby conveyed to the people of Puerto Rico and placed under the control of the Government of the Commonwealth of Puerto Rico; *provided*, That the United States and the Commonwealth of Puerto Rico may negotiate to establish mutually agreed terms and conditions for the continued use and administration of such lands and properties.

(ii) The conveyance described in subsection (i) of this section shall be effective thirty days after the enactment of this section and the Legislature of the Commonwealth of Puerto Rico shall have the authority to legislate as it shall deem advisable with respect to all such Crown Lands conveyed under this section.

Subpart 19.—Community Values

The Puerto Rican Federal Relations Act is amended by inserting a new Section 61 as follows:

"SEC. 61. (a) Definitions

(1) The term 'antitrust laws' has the same meaning given such term in the first section of the Clayton Act, 15 U.S.C. Section 12, and shall also include section 5 of the Federal Trade Commission Act, 15 U.S.C. Section 45.

(2) The term 'person in the entertainment industry' means any organization, or an individual connected with any organization, that produces, distributes, transmits, or exhibits any form of audio or visual entertainment; and

(3) The term "audio or visual entertainment" includes:

(i) video, audio, or mixed programs transmitted via electromagnetic waves of any frequency, whether transmitted to all receivers of a given type within transmission range, or to only selected receivers on the basis of a subscription fee or any other criteria.

(ii) programs transmitted by cable systems as defined in section 602(5)-(6) of the Cable Communications Policy Act of 1984, 47 U.S.C. Section 522 (5)-(6), except that reference in 47 U.S.C. Section 522(6) to "video" shall be read as "video or audio" and references in 47 U.S.C. Section 522(6) to 'television' shall be read as 'television or radio', and

(iii) motion pictures, which include entertainment, using film, videotapes, videocassettes, compact discs, or any other functionally substantially equivalent medium, if admission is generally charged for such entertainment, or if such entertainment is generally made available to the public on a rental or purchase basis for private viewing.

The term 'audio or visual entertainment' does not include printed or otherwise written material unless such printed or otherwise written material is used in any form of audio or visual entertainment described above.

"(b) Upon declaration by the Governor of Puerto Rico (the Governor) and publication of such declaration in the official register of the Commonwealth of Puerto Rico, the antitrust laws shall not apply to any joint discussion, consideration, review, action, or agreement by or among persons in the entertainment industry for the purpose of, and limited to, developing and disseminating voluntary guidelines designed to alleviate the negative impact of violence, pornography, alcohol and drugs in all audio or visual entertainment in Puerto Rico, or in any subset of audio or visual entertainment in Puerto Rico as the Governor may designate in any declaration under this section, provided that

(1) no declaration by the Governor under this section shall operate to exempt from the antitrust laws any joint discussion, consideration, review, action, or agreement that results in a boycott of any person, and

(2) no declaration by the Governor under this section shall operate to exempt from the antitrust laws any activities conducted more than 36 months after such declaration by the Governor. The Governor may limit the effect of any such declaration to a shorter period if he or she does so in the declaration itself.

(c) A declaration by the Governor under section 2 concerning any forms of audio or visual entertainment shall not limit his or her authority to make future declarations concerning those forms of audio or visual entertainment.

Subpart 20.—Assumption of Budgetary Responsibilities and Transfer of Federal Functions.

The Puerto Rican Federal Relations Act is amended by inserting a new Section 63, as follows:

The Commonwealth of Puerto Rico shall assume the expenses inherent in all governmental authority transferred pursuant to this Act. The Government of the United States, or any agency thereof, may from time to time delegate to the Commonwealth of Puerto Rico the total or partial performance of functions vested in the United States, including the administration of such federal laws and programs on the island, as may be mutually agreed.".

Subpart 21

The enhancements to the Commonwealth relationship adopted pursuant to this Act shall form part of the Compact entered upon by the Congress and the People of Puerto Rico in 1952. It may be amended in the same manner as entered upon in order to provide for the continuing enhancement of the Commonwealth relationship.

TIME LIMITATION AGREEMENT, BUDGET CONFERENCE REPORT

Mr. WIRTH. Mr. President, I ask unanimous consent that when the Senate considers the budget conference report, House Concurrent Resolution 106, the time be limited to 1 hour, to be equally divided in the usual form, with an additional 15 minutes under Senator ARMSTRONG's control.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. WIRTH. Mr. President, I ask unanimous consent that the Senate proceed to executive session to consider the following nominations:

Calendar 103. John E. Robson to be Deputy Secretary of the Treasury,

Calendar 118. H. Lawrence Garrett III, to be Secretary of the Navy,

Calendar 119, 120, and 121. Promotions in the Army,

Calendar 122 and 123. Promotions in the Navy, and

All nominations placed on the Secretary's desk in the Air Force, Army, Marine Corps, and Navy.

Mr. President, I further ask unanimous consent that the nominees be confirmed, en bloc, that any statements appear in the RECORD as if read, that the motions to reconsider be laid upon the table, en bloc, that the President be immediately notified of the Senate's action, and that the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations considered and confirmed en bloc are as follows:

DEPARTMENT OF THE TREASURY

John E. Robson, of Georgia, to be Deputy Secretary of the Treasury.

DEPARTMENT OF DEFENSE

H. Lawrence Garrett III, of Virginia, to be Secretary of the Navy.

IN THE ARMY

The following-named officer to be placed on the retired list in grade indicated under the provisions of title 10, United States Code, section 1370:

To be lieutenant general

Lt. Gen. Henry Doctor, Jr. [redacted], U.S. Army.

The U.S. Army National Guard Officers named herein for appointment in the grades indicated below, under the provisions of title 10, United States Code, sections 593(a), 3385, and 3392:

To be major general of the line

Brig. Gen. David H. Lueck, [redacted]

Brig. Gen. Wafford H. Merrell, Jr., [redacted]

Brig. Gen. Averill E. Hawkins, [redacted]

ADJUTANT GENERAL'S CORPS

To be major general

Brig. Gen. John W. Shaeffer, Jr., [redacted]

To be brigadier general of the line

Brig. Gen. Raymond F. Rees, [redacted]

Brig. Gen. Joseph C. Boyersmith, [redacted]

Col. Fred H. Casey, [redacted]

Col. Richard C. Friess, [redacted]

Col. Joseph P. O'Leary, [redacted]

Col. Robert J. Poirot, [redacted]

Col. James D. Polk, [redacted]

Col. George W. Schuler, [redacted]

Col. Harold J. Sykora, [redacted]

Col. Richard J. Valente, [redacted]

Col. James F. Campbell, Jr., [redacted]

Col. Wallace W. Farragut, [redacted]

Col. Roscoe Lindsay, Jr., [redacted]

Col. Joseph Perugino, xxx-xx-xxxx.
Col. Robert E. Schulte, xxx-xx-xxxx.
Col. Jackie D. Stephenson, xxx-xx-xxxx.

To be brigadier general of the line

Col. Harold A. Uttley, xxx-xx-xxxx.

ADJUTANT GENERAL'S CORPS

To be brigadier general

Col. Leslie J. Custer, xxx-xx-xxxx.
Col. Edward G. Perez, xxx-xx-xxxx.
Col. Harold Roberts, xxx-xx-xxxx.
Col. Haruo Shigezawa, xxx-xx-xxxx.
Col. James H. Burns, xxx-xx-xxxx.
Col. Tebbs S. Moore, xxx-xx-xxxx.

The following-named Army Medical Corps officers for appointment in the Regular Army of the United States to the grade indicated under the provisions of title 10, United States Code, sections 611(a) and 624(c):

To be permanent major general

Brig. Gen. Richard D. Cameron, xxx-xx-xx... xxx-..., U.S. Army.
Brig. Gen. Girard Seitter, III xxx-xx-xxxx, U.S. Army.

To be permanent brigadier general

Col. James E. Hastings, xxx-xx-xxxx, U.S. Army.

IN THE NAVY

The following-named Captains in the Line of the United States Navy for promotion to the permanent grade of rear admiral (lower half), pursuant to title 10, United States Code, section 624, subject to qualifications therefor as provided by law:

UNRESTRICTED LINE OFFICER

Don Wilson Baird.
Brent Martin Bennitt.
Steven Russell Briggs.
Philip James Coady, Jr.
Jon Suber Coleman.
Philip Alphonse Dur.
George Williams Emery.
David Maxwell Goebel.
Howard W. Habermeyer, Jr.
George Arthur Huchting.
Robert Charles Jones.
Wesley Earl Jordan, Jr.
Douglas Jeffrey Katz.
James Anthony Lair.
Theodore Charles Lockhart.
Thomas Joseph Lopez.
Anthony Ray Maness.
Larry Roy Marsh.
William Walter Mathis.
William Rankin McGowen.
William Edward Newman.
Lafayette Ferguson Norton.
John Davis Pearson.
Joseph Wilson Prueher.
Merrill Wythe Ruck.
Robert Johnson Spane.
George Rudolph Sterner.
Thomas Edward Stone.
Louise Currie Wilmot.
Richard Alexander Wilson.

ENGINEERING DUTY OFFICER

Edward Stillman McGinley, II.
Ray Cowden Witter.

AERONAUTICAL ENGINEERING DUTY OFFICER

Donald Richard Eaton.

SPECIAL DUTY OFFICER (PUBLIC AFFAIRS)

Brent Baker.

The following-named officer to be placed on the retired list in the grade indicated under the provisions of title 10, United States Code, section 1370.

To be admiral

Adm. James B. Busey, xxx-xx-xxxx/1230, U.S. Navy.

NOMINATIONS PLACED ON THE SECRETARY'S DESK IN THE AIR FORCE, ARMY, MARINE CORPS, NAVY

Air Force nominations beginning John E. Hill, and ending Clay M. Nichols, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of April 17, 1989.

Air Force nominations beginning Major Patrick J. Belanger, xxx-xx-xxxx, and ending Major Betty J. Kupp xxx-xx-xxxx, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of April 18, 1989.

Army nominations beginning John S. Cooke, and ending Alexander M. Walczak, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of April 12, 1989.

Army nominations beginning Timothy F. Abbott, and ending Samuel Sayson, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of April 12, 1989.

Army nominations beginning *Juan M. Rico, and ending *Raymond J. Struth, Jr., which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of April 18, 1989.

Marine Corps nominations beginning Joseph T. Anderson, and ending Joseph C. Yannessa, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of April 4, 1989.

Marine Corps nominations beginning Clifford M. Acree, and ending Robert R. Zimmerman, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of April 17, 1989.

Navy nominations beginning Douglas Gibson, and ending James N. Wheeler, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of April 18, 1989.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will now return to legislative session.

ORDERS FOR TUESDAY, MAY 16, 1989

RECESS UNTIL 9:30 A.M.

PERIOD FOR MORNING BUSINESS

Mr. WIRTH. Mr. President, I ask unanimous consent that when the Senate completes business today, it stand in recess until 9:30 a.m., Tuesday, May 16, and that following the time for the two leaders, there will be a period for morning business not to extend beyond 10 a.m., with Senators permitted to speak therein for up to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECESS FROM 12:30 P.M. UNTIL 2:15 P.M.

Mr. WIRTH. Mr. President, I ask unanimous consent that on Tuesday, the Senate stand in recess from 12:30 to 2:15 in order to accommodate the party conferences.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL TUESDAY, MAY 16, 1989, at 9:30 A.M.

Mr. WIRTH. Mr. President, if the distinguished acting Republican leader has no further business, and if no Senator is seeking recognition, I now ask unanimous consent that the Senate stand in recess under the previous order until 9:30 a.m., Tuesday May 16.

There being no objection, the Senate, at 4:02 p.m., recessed until Tuesday, May 16, 1989, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate May 12, 1989:

DEPARTMENT OF STATE

EDWARD N. NEY, OF NEW YORK, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO CANADA.

DEPARTMENT OF DEFENSE

DONALD B. RICE, OF CALIFORNIA, TO BE SECRETARY OF THE AIR FORCE, VICE EDWARD C. ALDRIDGE, JR., RESIGNED.

SEAN CHARLES O'KEEFE, OF VIRGINIA, TO BE COMPTROLLER OF THE DEPARTMENT OF DEFENSE, VICE CLYDE O. GLAISTER, RESIGNED.

DEPARTMENT OF THE INTERIOR

FRANK A. BRACKEN, OF INDIANA, TO BE UNDER SECRETARY OF THE INTERIOR, VICE EARL E. GJELDE, RESIGNED.

DEPARTMENT OF LABOR

JENNIFER LYNN DORN, OF MARYLAND, TO BE AN ASSISTANT SECRETARY OF LABOR, VICE MICHAEL E. BARODDY, RESIGNED.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 12, 1989:

DEPARTMENT OF THE TREASURY

JOHN E. ROBSON, OF GEORGIA, TO BE DEPUTY SECRETARY OF THE TREASURY.

DEPARTMENT OF DEFENSE

H. LAWRENCE GARRETT III, OF VIRGINIA, TO BE SECRETARY OF THE NAVY.

THE ABOVE NOMINATIONS WERE APPROVED SUBJECT TO THE NOMINEES' COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.

IN THE ARMY

THE FOLLOWING-NAMED OFFICER TO BE PLACED ON THE RETIRED LIST IN GRADE INDICATED UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 1370:

To be lieutenant general

LT. GEN. HENRY DOCTOR, JR., xxx-xx-xxxx U.S. ARMY.

THE U.S. ARMY NATIONAL GUARD OFFICERS NAMED HEREIN FOR APPOINTMENT IN THE GRADES INDICATED BELOW, UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTIONS 593(A), 3385, AND 3392:

To be major general of the line

BRIG. GEN. DAVID H. LUECK, xxx-xx-xxxx.
BRIG. GEN. WAFFORD H. MERRELL, JR., xxx-xx-xxxx.
BRIG. GEN. AVERILL E. HAWKINS, xxx-xx-xxxx.

ADJUTANT GENERAL'S CORPS

To be major general

BRIG. GEN. JOHN W. SHAEFFER, JR., xxx-xx-xxxx.

To be brigadier general of the line

BRIG. GEN. RAYMOND F. REES, xxx-xx-xxxx.
BRIG. GEN. JOSEPH C. BOYERSMITH, xxx-xx-xxxx.
COL. FRED H. CASEY, xxx-xx-xxxx.
COL. RICHARD C. FRIESS, xxx-xx-xxxx.
COL. JOSEPH P. O'LEARY, xxx-xx-xxxx.
COL. ROBERT J. POIROT, xxx-xx-xxxx.
COL. JAMES D. POLK, xxx-xx-xxxx.
COL. GEORGE W. SCHULER, xxx-xx-xxxx.
COL. HAROLD J. SYKORA, xxx-xx-xxxx.
COL. RICHARD J. VALENTE, xxx-xx-xxxx.
COL. JAMES F. CAMPBELL, JR., xxx-xx-xxxx.
COL. WALLACE E. FARRAGUT, xxx-xx-xxxx.
COL. ROSCOE LINDSAY, JR., xxx-xx-xxxx.

COL. JOSEPH PERUGINO, xxx-xx-xxxx,
COL. ROBERT E. SCHULTE, xxx-xx-xxxx,
COL. JACKIE D. STEPHENSON, xxx-xx-xxxx,
COL. HAROLD A. UTTLEY, xxx-xx-xxxx.

ADJUTANT GENERAL'S CORPS

To be brigadier general

COL. LESLIE J. CUSTER, xxx-xx-xxxx,
COL. EDWARD G. PEREZ, xxx-xx-xxxx,
COL. HAROLD ROBERTS, xxx-xx-xxxx,
COL. HARUO SHIGEZAWA, xxx-xx-xxxx,
COL. JAMES H. BURNS, xxx-xx-xxxx,
COL. TEBBS S. MOORE, xxx-xx-xxxx.

THE FOLLOWING-NAMED ARMY MEDICAL CORPS OFFICERS FOR APPOINTMENT IN THE REGULAR ARMY OF THE UNITED STATES TO THE GRADE INDICATED UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTIONS 611(A) AND 624(C).

To be permanent major general

BRIG. GEN. RICHARD D. CAMERON, xxx-xx-xxxx, U.S. ARMY.

BRIG. GEN. GIRARD SEITTER, III, xxx-xx-xxxx, U.S. ARMY.

To be permanent brigadier general

COL. JAMES E. HASTINGS, xxx-xx-xxxx, U.S. ARMY.

IN THE NAVY

THE FOLLOWING-NAMED CAPTAINS IN THE LINE OF THE U.S. NAVY FOR PROMOTION TO THE PERMANENT GRADE OF REAR ADMIRAL (LOWER HALF), PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 624, SUBJECT TO QUALIFICATIONS THEREFOR AS PROVIDED BY LAW:

UNRESTRICTED LINE OFFICER

DON WILSON BAIRD.
BRENT MARTIN BENNITT.
STEVEN RUSSELL BRIGGS.
PHILIP JAMES COADY, JR.
JON SUBER COLEMAN.
PHILIP ALPHONSE DUR.
GEORGE WILLIAMS EMERY.
DAVID MAXWELL GOEBEL.
HOWARD W. HABERMEYER, JR.
GEORGE ARTHUR HUCHTING.
ROBERT CHARLES JONES.
WESLEY EARL JORDAN, JR.
DOUGLAS JEFFREY KATZ.
JAMES ANTHONY LAIR.
THEODORE CHARLES LOCKHART.
THOMAS JOSEPH LOPEZ.
ANTHONY RAY MANESS.
LARRY ROY MARSH.
WILLIAM WALTER MATHIS.
WILLIAM RANKIN MCGOWEN.
WILLIAM EDWARD NEWMAN.
LAFAYETTE FERGUSON NORTON.
JOHN DAVIS PEARSON.
JOSEPH WILSON PRUEHER.
MERRILL WYTHE RUCK.
ROBERT JOHNSON SPANE.
GEORGE RUDOLPH STERNER.
THOMAS EDWARD STONE.
LOUISE CURRIE WILMOT.
RICHARD ALEXANDER WILSON.

ENGINEERING DUTY OFFICER

EDWARD STILLMAN MCGINLEY, II.
RAY COWDEN WITTER.

AERONAUTICAL ENGINEERING DUTY OFFICER

DONALD RICHARD EATON.

SPECIAL DUTY OFFICER (PUBLIC AFFAIRS)

BRENT BAKER.

THE FOLLOWING-NAMED OFFICER TO BE PLACED ON THE RETIRED LIST IN THE GRADE INDICATED UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 1370.

To be admiral

ADM. JAMES B. BUSEY, xxx-xx-xxxx/1230, U.S. NAVY.

IN THE AIR FORCE

AIR FORCE NOMINATIONS BEGINNING JOHN E HILL, AND ENDING CLAY M NICHOLS, WHICH NONIMATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF APRIL 17, 1989.

AIR FORCE NOMINATIONS BEGINNING MAJOR PATRICK J. BELANGER, xxx-xx-xxxx, AND ENDING MAJOR BETTY J. KUPP, xxx-xx-xxxx, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF APRIL 18, 1989.

IN THE ARMY

ARMY NOMINATIONS BEGINNING JOHN S. COOKE, AND ENDING ALEXANDER M. WALCZAK, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF APRIL 12, 1989.

ARMY NOMINATIONS BEGINNING TIMOTHY F ABBOTT, AND ENDING SAMUEL SAYSON, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF APRIL 12, 1989.

ARMY NOMINATIONS BEGINNING * JUAN M. RICO AND ENDING * RAYMOND J. STRUTH, JR., WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF APRIL 18, 1989.

IN THE MARINE CORPS

MARINE CORPS NOMINATIONS BEGINNING JOSEPH T ANDERSON, AND ENDING JOSEPH C YANNESSA, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF APRIL 4, 1989.

MARINE CORPS NOMINATIONS BEGINNING CLIFFORD M ACREE, AND ENDING ROBERT R ZIMMERMAN, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF APRIL 17, 1989.

IN THE NAVY

NAVY NOMINATIONS BEGINNING DOUGLAS GIBSON, AND ENDING JAMES N. WHEELER, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF APRIL 18, 1989.

HOUSE OF REPRESENTATIVES—*Monday, May 15, 1989*

The House met at 12 noon.

The Reverend Barbara St. Andrews, Espiscopal Diocese of California, San Francisco, CA, offered the following prayer:

Holy One, whose purpose is love, we pause at the beginning of this new day, mindful of the responsibilities You entrust to all those who lead and asking for Your enabling strength and discernment. Cleanse the windows of perception, O Lord, that beyond issues and divisions we may seek the whole and not the partial and find with compassion the common purpose of Thy will. Grant to those who govern quiet centered certainty, pure heart, clear conscience, and genuine faith. Through the power of Thy Spirit, lift us from rushing restlessness to mountaintop visions. Disturb us with Your challenge to human power and privilege; remind us of selflessness and service; guide and heal us in all our individual needs; and unite us in comprehending possibilities we refuse to see. Unleash the unlikely in and through us, and make us always grateful for the benefits of Your prevailing grace. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from New York [Mr. HOUGHTON], please come foward and lead us in the Pledge of Allegiance?

Mr. HOUGHTON led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had agreed to the following resolutions:

S. RES. 123

Resolved, That section 6 of Senate Resolution 38, One Hundred First Congress, is amended to read as follows:

"SEC. 6. The actual and necessary expenses of the committee, including the employment of staff at an annual rate of pay, and the employment of consultants with prior approval of the Committee on Rules and Administration at a rate not to exceed the maximum daily rate for a standing committee of the Senate, shall be paid from the contingent fund of the Senate from the appropriation account "Miscellaneous Items" upon vouchers approved by the chairman of the committee, except that no voucher shall be required to pay the salary of any employee who is compensated at an annual rate of pay.".

S. RES. 127

Resolved, That a summons shall be issued which commands Walter L. Nixon, Jr., to file with the Secretary of the Senate an answer to the articles of impeachment no later than May 31, 1989, and thereafter to abide by, obey, and perform such orders, directions, and judgments as the Senate shall make in the premises, according to the Constitution and laws of the United States.

SEC. 2. The Sergeant at Arms is authorized to utilize the services of the Deputy Sergeant at Arms or another employee of the Senate in serving the summons.

SEC. 3. The Secretary shall notify the House of Representatives of the filing of the answer and shall provide a copy of the answer to the House.

SEC. 4. The Managers on the part of the House may file with the Secretary of the Senate a replication no later than June 12, 1989.

SEC. 5. The Secretary shall notify counsel for Walter L. Nixon, Jr., of the filing of a replication, and shall provide counsel with a copy.

SEC. 6. The Secretary shall provide the answer and the replication, if any, to the Presiding Officer of the Senate on the first day the Senate is in session after the Secretary receives them, and the Presiding Officer shall cause the answer and replication, if any, to be printed in the Senate Journal and in the Congressional Record. If a timely answer has not been filed the Presiding Officer shall cause a plea of not guilty to be entered.

SEC. 7. The articles of impeachment, the answer, and the replication, if any, together with the provisions of the Constitution on impeachment, and the Rules of Procedure and Practice in the Senate When Sitting on Impeachment Trials, shall be printed under the direction of the Secretary as a Senate document.

SEC. 8. The provisions of this resolution shall govern notwithstanding any provisions to the contrary in the Rules of Procedure and Practice in the Senate When Sitting on Impeachment Trials.

SEC. 9. The Secretary shall notify the House of Representatives of this resolution.

S. RES. 128

Resolved, That pursuant to rule XI of the Rules of Procedure and Practice in the Senate When Sitting on Impeachment Trials, the Presiding Officer shall appoint a committee of twelve Senators to perform the duties and to exercise the powers provided for in the rule.

SEC. 2. The majority and minority leader shall each recommend six members to the Presiding Officer for appointment to the committee. The committee shall designate one of its members to be chairman and one of its members to be vice chairman.

SEC. 3. The committee shall be deemed to be a standing committee of the Senate for the purpose of reporting to the Senate resolutions for the criminal or civil enforcement of the committee's subpoenas or orders, and for the purpose of printing reports, hearings, and other documents for submission to the Senate under rule XI.

SEC. 4. During proceedings conducted under rule XI the chairman of the committee is authorized to waive the requirement under the Rules of Procedure and Practice in the Senate When Sitting on Impeachment Trials that questions by a Senator to a witness, a manager, or counsel shall be reduced to writing and put by the presiding officer.

SEC. 5. In addition to a certified copy of the transcript of the proceedings and testimony had and given before it, the committee is authorized to report to the Senate a statement of facts that are uncontested and a summary, with appropriate references to the record, of evidence that the parties have introduced on contested issues of fact.

SEC. 6. The actual and necessary expenses of the committee, including the employment of staff at an annual rate of pay, and the employment of consultants with prior approval of the Committee on Rules and Administration at a rate not to exceed the maximum daily rate for a standing committee of the Senate, shall be paid from the contingent fund of the Senate from the appropriation account "Miscellaneous Items" upon vouchers approved by the chairman of the committee, except that no voucher shall be required to pay the salary of any employee who is compensated at an annual rate of pay.

SEC. 7. The Secretary shall notify the House of Representatives and counsel for Judge Walter L. Nixon, Jr., of this resolution.

The message also announced that the Senate had passed without amendment a joint resolution of the House of the following title:

H.J. Res. 247. Joint resolution designating May 29, 1989, as the "National Day of Remembrance for the Victims of the U.S.S. *Iowa.*"

The message also announced that pursuant to Senate Resolution 128, 101st Congress, the President pro tempore, upon the recommendation of the majority leader and the minority leader, appoints Mr. FOWLER, Mr. HEFLIN, Mr. WIRTH, Mr. REID, Mr. ROBB, Mr. KOHL, Mr. HATCH, Mr. DANFORTH, Mr. CHAFEE, Mr. MURKOWSKI, Mr. JEFFORDS, and Mr. MACK, as members of the committee to receive and report evidence in the impeachment of Judge Walter L. Nixon, Jr., judge of the U.S. District Court for the Southern District of Mississippi.

□ This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

The message also announced that the Senate had passed a bill and concurrent resolution of the following titles, in which the concurrence of the House is requested:

S. 968. An act to delay the effective date of section 27 of the Office of Federal Procurement Policy Act; and

S. Con. Res. 26. Concurrent resolution urging first asylum countries of the Association of Southeast Asian Nations [ASEAN] to reinstate the practice of providing refuge to all asylum-seekers from Vietnam, and for other purposes.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

Washington, DC., May 11, 1989.

Hon. JIM WRIGHT,
The Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Pursuant to the permission granted in clause 5 of rule III of the Rules of the U.S. House of Representatives, I have the honor to transmit a sealed envelope from the White House at 5:14 p.m. on Thursday, May 11, 1989, and said to contain a message from the President whereby he transmits the 1988 annual report of the Corporation for Public Broadcasting.

With great respect, I am,

Sincerely yours,

DONNALD K. ANDERSON,
Clerk, House of Representatives.

ANNUAL REPORT OF THE CORPORATION FOR PUBLIC BROADCASTING FOR FISCAL YEAR 1988—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Energy and Commerce:

To the Congress of the United States:

In accordance with the Communications Act of 1934, as amended (47 U.S.C. 396(i)), I transmit herewith the Annual Report of the Corporation for Public Broadcasting for fiscal year 1988.

GEORGE BUSH.

THE WHITE HOUSE, *May 11, 1989.*

PERMISSION TO FILE CONFERENCE REPORT ON HOUSE CONCURRENT RESOLUTION 106, CONCURRENT RESOLUTION ON THE BUDGET—FISCAL YEAR 1990

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that the managers may have until 5 p.m. today, May 15, 1989, to file a conference report to accompany the concurrent resolution (H. Con. Res. 106) setting forth the congressional budget for the U.S. Government for the fiscal years 1990, 1991, and 1992.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

NATCHER HAS NEVER ACCEPTED A CAMPAIGN CONTRIBUTION

(Mr. NATCHER asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. NATCHER. Mr. Speaker, in a story that appeared in the Washington Post on May 11, 1989, entitled "PAC Support Scoreboard: The House," I am listed as having accepted $8,507 of PAC support. The story starts out with the statement that "during last year's campaign season, every Member of the House received contributions from political action committees, either in direct cash contributions or indirectly through independent expenditures made by a PAC in support of a candidate, according to a Washington Post computer analysis of data collected by the Federal Election Commission through the end of 1988."

I have never accepted a campaign contribution since I have been a Member of Congress and none have been accepted for me. On a great many occasions I have returned contributions that were sent to me and this is disclosed in the records of the Clerk's Office here in the House of Representatives and in the office of the Federal Election Commission.

The article referred to pertains to the 1988 election of Members of Congress. During the year of 1988, I spent out of my own funds $8,404.97. In the primary election that year I spent out of my own funds $5,728.94 and in the 1988 general election I spent out of my own funds the sum of $2,767.03. Mr. Speaker, I have completed 35 years and 10 months as a Member of Congress and have never accepted campaign contributions.

After reading the article in the Post, I contacted Donnald Anderson, the Clerk of the House of Representatives, calling his attention to the article in the Post and then I contacted the Federal Election Commission. The record in the Clerk's Office shows that I have never accepted a campaign contribution since I have been a Member of Congress. This is a public record as you and I know, Mr. Speaker, and any reporter from any newspaper can check this record. In contacting the Federal Election Commission about the story that appeared in the Post, one of the Commissioners, Scott E. Thomas, had the records checked at the Commission and on the same date, May 11, 1989, directed a letter to me as follows:

FEDERAL ELECTION COMMISSION,
Washington, DC, May 11, 1989.

Hon. WILLIAM H. NATCHER,
House of Representatives, Washington, DC.

DEAR CONGRESSMAN NATCHER: As a follow-up to our conversation today, I have enclosed a 1988 and 1990 Federal Election Commission (FEC) computer summary of reported activity affecting your 1988 campaign. The 1988 summary probably was utilized by the Washington Post. This summary can be broken down into three categories: PAC contributions reportedly sent to your 1988 campaign; communication costs made by labor organizations on your behalf; and independent expenditures made by a PAC on your behalf.

The 1988 computer summary indicates that the American Federation of State, County and Municipal Employees—PEOPLE; Marion Laboratories Inc., Political Action Committee; Pepsi-Cola General, Bottlers PAC; and Travelers Corporation PAC sent contributions of $1,000, $300, $250, and $1,500, respectively, to your committee. The computer summary indicates that your 1988 committee returned these four contributions to the sending PAC. The computer summary further indicates that the Build Political Action Committee of the National Association of Home Builders reported making a $1,000 contribution to your 1988 committee. That committee's reports that appear on the 1988 summary apparently don't reflect any return, refund, or voiding of that contribution. The 1990 computer summary, however, does reflect the voiding of Build Political Action Committee's contribution in that committee's 1990 cycle reports.

The computer summary indicates that the American Federation of State, County and Municipal Employees, AFL-CIO (D.C.); the Committee on Letter Carriers Political Education; the Kentucky State AFL-CIO; and the United Mine Workers of America Coal Miners Political Action Committee made communication costs of $2,671, $45, $2,829 and $18 on your behalf for a total of $5,563.

Finally, the computer summary indicates that the National Committee to Preserve Social Security PAC made two independent expenditures of $1,057 and $887 on your behalf for a total of $1,944.

It appears that the Washington Post figure of $8,507 was reached by adding the $1,000 contribution reportedly made by the Home Builders PAC together with the communication costs ($5,563) and independent expenditures ($1,944). To the extent that the Post article categorized as contributions from political action committees the communication costs and independent expenditures, it is simply inaccurate.

I have also enclosed FEC brochures that describe the FEC computerized information, independent expenditures and labor organization communications. If you have any further questions, please do not hesitate to contact me at (202) 376-5118.

Sincerely,

SCOTT E. THOMAS,
Commissioner.

In the last paragraph in the Washington Post story we find this statement:

In some cases where the total contribution is small, the amount represents independent expenditures on behalf of a candidate by a

PAC and not direct contributions, which a number of House Members refuse to accept.

I have never accepted contributions from any PAC and no PAC has ever received authority from me to spend any money or anything of value in support of my candidacy at any time since I have been a Member of Congress.

I am proud of the record I have established and I do not intend to permit my record to be altered or changed by virtue of allegations that money was expended by some individual or organization in support of my candidacy which was unknown by me and without my knowledge or consent.

Mr. Speaker, I have never accepted a campaign contribution and no one has accepted any for me since I have been a Member of the Congress.

NORIEGA'S ESCAPE ROUTE

(Mr. BROOMFIELD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BROOMFIELD. Mr. Speaker, from what I have read in recent days, no one knows the whereabouts of Gen. Manuel Noriega. Clearly he is hiding from the verdict of the Panamanian people.

Wherever he is, I hope he has access to the same news we are getting here. President Bush over the weekend has given him some good advice.

As I read it, the President is telling Noriega that he can run and he can hide: that he can escape to one of the two or three countries that don't have an extradition treaty with the United States, and that the long arm of American law will not be able to serve its indictment on him there.

President Bush is making Noriega an offer he should not refuse. If General Noriega has the best interests of the Panamanian people at heart, or if he simply wants to save his own skin, I suggest he carefully consider President Bush's suggestion.

DELAYING EFFECTIVE DATE OF SECTION 27 OF THE OFFICE OF FEDERAL PROCUREMENT POLICY ACT

Mr. FRANK. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 968) to delay the effective date of section 27 of the Office of Federal Procurement Policy Act, and ask for its immediate consideration in the House.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

Mr. NIELSON of Utah. Mr. Speaker, reserving the right to object, I do so in order that the gentleman from Massachusetts [Mr. FRANK] may have an opportunity to explain this request.

Mr. FRANK. Mr. Speaker, will the gentleman yield?

Mr. NIELSON of Utah. I yield to the gentleman from Massachusetts.

Mr. FRANK. Mr. Speaker, I would be prepared at this point to defer to the majority leader or the minority leader.

Mr. NIELSON of Utah. Mr. Speaker, I yield to the majority leader.

Mr. FOLEY. Mr. Speaker, I thank the gentleman from Utah for yielding.

Mr. Speaker, I think some words of explanation might be in order, considering the unusual undertaking of both sides of the aisle to consider some very limited legislative business today.

This is an unusual circumstance that came to our attention at the last moment. It does involve a 60-day postponement of regulations which otherwise would take effect tomorrow. I think it is in the interest of proper administration. It is supported by both the majority and the minority, by the committees, and by the other body, and it is important that we go forward with this delay.

If there should be a rollcall vote ordered on this legislation, I believe it will be our intention to move that it be postponed until tomorrow. In any event, it is important that we make as much progress as we can today, and I hope the legislation may be enacted today.

Mr. MICHEL. Mr. Speaker, will the gentleman yield?

Mr. NIELSON of Utah. Under my reservation, I yield to the minority leader.

Mr. MICHEL. Mr. Speaker, I appreciate the gentleman's yielding.

Mr. Speaker, I simply want to embrace wholeheartedly the statement of the majority leader and indicate that it is an extraordinary circumstance under which the gentleman has taken or we jointly have taken this action today. As the majority leader indicates, if there should be a rollcall vote, that would be taken tomorrow, although I suspect that we may very well get by without it.

□ 1210

Mr. FRANK. Mr. Speaker, will the gentleman yield?

Mr. NIELSON of Utah. I yield to the gentleman from Massachusetts.

Mr. FRANK. Mr. Speaker, if the gentleman from Utah [Mr. NIELSON] will allow me to proceed, I am appearing here on behalf of the gentleman from Michigan [Mr. CONYERS].

Let me note, Mr. Speaker, that the bill we are now considering, if we get the unanimous consent, is the one that came from the other body just 4 or 5 minutes ago, and I hope that the other body will in the future show similar expeditious consideration in legislation which leaves us. If we get this kind of comity, we will be in good shape for the rest of the year.

Mr. Speaker, last year legislation was passed by the Committee on Government Operations, and then through both branches, which puts strict regulations on potential abuses involving government procurement. The great majority of people, obviously, who work for us in the procurement area are quite honest, as are the great majority of most who do business with the Government, but it is our responsibility to protect ourselves and the taxpayers against the minority who would abuse. Legislation was passed last year that would do that. It called for regulations to be promulgated. The law was signed into effect in November 1988, and it had an effective date 188 days after the enactment, but the regulations did not come until March 24, 1989. There was a 4-month delay.

As a result, Mr. Speaker, we have regulations which are now supposed to go into effect tomorrow which have concerned some people, some small business people in particular, who point out quite correctly that they do not have the resources to monitor the Federal regulations in the detail that others do. The gentleman from Michigan [Mr. CONYERS], the chairman of the Committee on Government Operations, in the statement which I have inserted, has said that he does not regard this as a first step in amending or repealing the legislation. He is doing this and agreeing to do it at the request of the Department of Defense and the Office of Management and Budget for the sole purpose here of giving an additional 60 days so that people can become familiar with the regulations. He, as I say, does not see this as an invitation to change them. Obviously other Members are free to do as they wish, but I did want to make it clear that in the view of the chairman of the committee this is being done, accommodating the request by the administration. The other body acted late last week. That is why we are imposing on the Members, as the two leaders explained, having promised them that there would be no legislative business. We are doing legislative business, but of a minimal sort.

Mr. Speaker, we make today no substantive change in any piece of legislation. We simply postpone for 60 days the effective date of regulations carrying out legislation which in itself remains unchanged.

Mr. NIELSON of Utah. Mr. Speaker, I thank the gentleman from Massachusetts [Mr. FRANK] for that explanation.

The administration is in favor of this bill. It gives them 60 more days to get the provisions of the rules incorpo-

rated into the organization. It is their request. Congress has agreed to do it.

Mr. CONYERS. Mr. Speaker, I rise in support of S. 968. This bill would extend for 60 days the effective date of the procurement integrity provisions contained in section 6 of Public Law 100-679, the Office of Federal Procurement Policy Act Amendments of 1988.

These provisions, which will become effective on May 16, contain both criminal and civil sanctions for certain proscribed activities dealing with: First, gifts or other gratuities offered to or solicited by Federal procurement officials; second, the receipt of contract source selection information by Federal contractors; and third, so-called revolving door practices of Federal employees.

Although the statute, which was signed into law on November 17, 1988, contained an effective date of 180 days after the date of enactment, proposed regulations were not promulgated until March 24, 1989—over 4 months after enactment. These regulations meet with much industry criticism and some provisions were substantially revised in response to these comments. However, the revised rules were not published as interim regulations until May 11—just 5 days before the scheduled implementation date of the law.

Both DOD and OMB have contacted the Committee on Government Operations requesting that Congress extend the effective date for another 60 days so that both government and industry could have an opportunity to train their personnel regarding the new regulations. Given the fact that the law carries with it both civil and criminal penalties, we are urged to give Government and industry some breathing room before these regulations become effective.

I strongly support this law and believe that the regulations, for the most part, adequately and fairly carry out its provisions. The committee has been assured both by the administration and by industry representatives that the requested extension is not masking an intent to seek legislative repeal or modification of the act or otherwise work substantial changes to the regulations.

It is important to note that we are at this point because of bureaucratic delay by the writers of the regulations, and that the law was and remains necessary because of the unethical and illegal practices of some of the larger contractors to the Government. While I have little sympathy for these unethical business practices and for a request by the administration to extend the effective date because of its own delay in writing regulations, I am very much concerned that small business concerns be afforded an equitable opportunity to study and become acquainted with the new regulations and the law.

These small firms, generally, do not subscribe to the Federal Register and can ill afford to maintain a presence in Washington, DC, to monitor regulatory change. They deserve a fair chance to know the rules of the game especially when a violation of these rules carries with it severe civil penalties and prison terms. Small business should not be made to pay for the mistakes and inattention of the regulation writers or for unethical practices of some big businesses.

I, therefore, urge my colleagues to support S. 968. If the bill is enacted, I would also call upon the Federal Acquisition Regulatory Council to direct an educational program primarily designed to advise smaller businesses of the terms of the new regulations. Finally, I would expect that each agency head will use the extension to train its personnel, and I can assure the House that the Committee on Government Operations will monitor this activity very closely.

Mr. NIELSON of Utah. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 968

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DELAY OF EFFECTIVE DATE.

Section 6(b) of the Office of Federal Procurement Policy Act Amendments of 1988 (Public Law 100-679; 102 Stat. 4068) is amended by striking out "180 days after the date of the enactment of this Act") and inserting in lieu thereof "July 16, 1989".

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. FRANK. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise and extend their remarks on S. 968, the Senate bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

PATTERN OF PERVASIVE POLITICS OVER PROFESSIONALISM IN THE PARK SERVICE

(Mr. VENTO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. VENTO. Mr. Speaker, I have long been concerned that the proud tradition of the National Park Service has been damaged by the increasing politicization of this agency. Political considerations are overwhelming professional judgment. The pervasive pattern of politics over professionalism in the National Park Service is very disappointing. A revised vacancy announcement for the Assistant Director of Visitor Services of the National Park Service is the most recent point of concern. When this position was first advertised last November, this job announcement called for applicants from the Department of the Interior. As of today, it has been changed so that applicants from all sources—anywhere—can apply specifically to this unique accommodation of political friends. The job announcement also says that those who applied before—and there were many applicants—need not apply again—there included but unfortunately not likely to pass the new political test that is reflected in this revised announcement.

This change—subtle in its wording but not its potential effects—is more than a slap at the professionalism of the National Park Service—it is a outright assault. By specifying all sources the administration is telling all of us that they do not believe that well qualified people exist in the National Park Service—for this position of Assistant Director of Park Service.

This position oversees many of the key functions of the National Park Service—for park ranger activities including park fees, law enforcement, fire management; for land acquisition including mining and mineral issues; for maintenance and engineering, and for concessions. In other words the person in this position oversees everything from the fires, such as those at Yellowstone Park last year, to the antidrug efforts, to food and lodging for park visitors. The Assistant Director is also responsible for such controversial issues as grazing uses and wilderness management. This position covers many of the key purposes of the National Park Service. This position must not become a political plum reward instead of a professional position. This sends a chilling message of politics first and professionalism second with National Park Service.

I am writing to the Office of Personnel Management to request an investigation of this situation which I fear is simply a preselection of an outside person for the position of Assistant Director for visitor services. I find it both surprising and preposterous that the person who should be a park ranger's ranger can now be an outsider to the National Park Service.

Mr. Speaker, this coming Thursday the Subcommittee on Parks and Public Lands will be reviewing new legislation, H.R. 1484, that would prevent the continued political erosion of the National Park Service. It is apparently needed today in this new administration as much as has been evident the past decade.

REV. BARBARA ST. ANDREWS

(Mr. FOLEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FOLEY. Mr. Speaker, I would like to express the appreciation of the House to the Reverend Barbara St. Andrews who has honored the House today by being our guest chaplain.

Mr. Speaker, Rev. Barbara St. Andrews is a member of the Episcopal Di-

ocese of San Francisco, and she has been the guest chaplain in the other body, in the U.S. Senate, as well as the guest chaplain here.

She is the first woman chaplain to do so. Members present today have observed an historic appearance by a guest chaplain. We are honored by her presence and her ministration to the House, and we wish to express our sincere appreciation and thanks to her.

INTRODUCTION OF LEGISLATION AUTHORIZING ICC TO REVIEW MAJOR RAILROAD TRANSACTIONS

(Mr. TAUKE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TAUKE. Mr. Speaker, many of us from the Midwest have been watching with concern the efforts of a New York investment firm to effectuate a hostile takeover of a major midwestern railroad, the Chicago & Northwestern [CNW]. The CNW is by far the dominant railroad in my home State of Iowa with 40 percent of the current operating rail lines, but it has also become a major shipper of coal from Wyoming—adding a new element of competition to shipments from the Powder River Basin—and is a critical east-west rail bridge.

A number of midwestern Congressmen and Senators have expressed concerns about the public interest aspects of the proposed CNW takeover and have asked the Interstate Commerce Commission to examine this hostile leveraged takeover. However, it appears that the ICC may soon conclude that it does not have sufficent statutory authority to scrutinize this transaction to ensure that this sale serves the public interest. The reason for this is a technicality—that the company attempting this hostile takeover is not currently a rail carrier. Therefore, it does not fall under the statutory guidelines requiring ICC approval. The proposal to take over the CNW will add hundreds of millions of dollars in new debt to the railroad and will likely bring about a drastic restructuring of its current system. Obviously, if our policies designed to protect the public interest mean anything, this transaction should be subject to ICC review.

To accomplish that goal, I am today introducing legislation to rectify this shortfall in the authority of the ICC to review major railroad transactions and to ensure that the public interest is protected.

RAISING THE EXEMPTION FOR CHILDREN FROM $1,950 TO $3,000

(Mr. DUNCAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DUNCAN. Mr. Speaker, today is the day after Mother's Day, and I cannot think of any more appropriate time to introduce legislation to substantially raise the allowance for children on income tax returns for American families.

Mr. Speaker, my bill would raise this exemption from $1,950, as on the returns we just filed, to $3,000.

Edwin Feulner, chairman of the Heritage Foundation, wrote recently in the Washington Times that, if this credit had been indexed for inflation, it would be $6,300 today. My bill is a modest and fair increase to less than half that amount.

Mr. Speaker, contrary to media impressions, the vast majority of American children are well fed, well clothed, and well cared for. The mothers and fathers of America are doing a good job, but they could do more and better things for their children if the Government did not take so much of their money.

We do not have a daycare crisis in this country today, and we certainly do not need some massive and expensive day-care bureaucracy in this Nation. All this would really do is end up helping a bunch of bureaucrats who would get higher paying jobs.

Mr. Speaker, what we really need is to encourage people to have more children and to allow American families to keep a little more of their own money so that they can do more for their own children.

□ 1220

GEN. VARTAN RETIRING AFTER 35 YEARS' SERVICE

The SPEAKER pro tempore (Mr. SKELTON). Under a previous order of the House the gentleman from Mississippi [Mr. MONTGOMERY] is recognized for 5 minutes.

Mr. MONTGOMERY. Mr. Speaker, I rise to commend one of our country's truly outstanding and dedicated military officers, Brig. Gen. Walter G. Vartan, Air Force Reserve after 35 years of service.

General Vartan was born July 17, 1932, in Chicago. He graduated from Amundsen High School, Chicago, and went on to Grinnell (Iowa) College, where he earned his bachelor of arts degree in business and was commissioned as a second lieutenant through the Reserve Officer Training Corps Program in 1954. He continued his formal education at Carnegie Institute of Technology, Pittsburgh, pursuing an advanced degree in management. He completed Nuclear Weapons School in 1956; Air Command and Staff College in 1972 and Senior Officer Professional Military Education at the Air War College in 1983.

In 1955, General Vartan entered pilot training at Malden Air Force Base, MO., earning his wings in August 1956. His first operational assignment after graduation was to the Strategic Air Command's 307th Bombardment Wing, Lincoln Air Base, NE, flying in B–47's.

The general joined the Air Force Reserve in 1963 and was assigned to the 928 Troop Carrier Group at Chicago-O'Hare International Airport. In November 1974 he became commander of the 64th Tactical Airlift Squadron at Chicago-O'Hare, and in November 1977 he was assigned as deputy commander for operations, 928th Tactical Airlift Group. From October 1979 to May 1980, he was assigned as mobilization augmentee to the deputy chief of staff, operations, Headquarters U.S. Air Force Reserve, Robins Air Force Base, GA. General Vartan then returned to Chicago-O'Hare International Airport as commander of the 928th Tactical Airlift Group. He assumed his present duties in July 1981.

General Vartan is a command pilot with more than 4,000 flying hours in T–34's, T–28's, C–119's and C–130's. He also has additional time in A–37's, F–4's, HH–3's and KC–135's. He was qualified as a flight instructor in C–119's and C–130's.

After 35 years of service, Brigadier General Vartan, currently mobilization assistant to the deputy to the chief of Air Force Reserve will retire from active service.

The general's civic affiliations include numerous positions in the Reserve Officers Association culminating in election to national president in 1983. He is active in the Air Force Association having received a National Air Force Association Outstanding Chapter Award as president of Chicagoland O'Hare chapter. He received an Air Force Association Presidential Citation for his role in the creation of defense symposiums in the Great Lakes region. General Vartan received the Chicagoland and Armed Forces Council Award for achievement as a civilian and military leader in promoting awareness of military and community relations. He was selected by; the chief of Air Force Reserve as Air Reserve Citizen of the Year for 1983. He also serves on the Air Force Reserve Objective Plan Committee. The general is active in technical and managerial organizations associated with his civilian professional field.

General Vartan is married to the former Karen Hofmann of Haddonfield, NJ. He has four daughters: Jeanene Marie, Victoria Lee, Valerie Jean, and Marianne Irene.

Mr. Speaker, I want to commend General Vartan for his years of outstanding and dedicated service to the Air Force, the Congress and his country. He is one of the best of this country's citizen airmen.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. ANNUNZIO] is recognized for 5 minutes.

[Mr. ANNUNZIO addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. OWENS] is recognized for 60 minutes.

[Mr. OWENS of New York addressed the House. His remarks will

appear hereafter in the Extensions of Remarks.]

IMPORTANT WORK BY ARMED SERVICES COMMITTEE ON MILITARY EDUCATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Missouri [Mr. SKELTON] is recognized for 30 minutes.

Mr. SKELTON. Mr. Speaker, today I begin a series of discussions on the House floor concerning work by the Armed Services Committee, and particularly the Panel on Military Education, which I had the honor to chair over the past year.

I might give some background and history of it and do some initial discussion because this has been a very important piece of work by the Armed Services Committee and will have far-reaching and long-lasting positive effects on our military.

Mr. Speaker, on November 13, 1987 the House Armed Services Committee chairman, the gentleman from Wisconsin [Mr. ASPIN] established this Panel on Military Education and he appointed this speaker as chairman and seven other members of the Armed Services Committee on this bipartisan panel. The creation of this panel signified recognition by Congress that rigorous high quality professional military education is vital to the national security. It is an invesment in the future military leadership for both war and peace.

The committee interest in professional military education is a direct consequence of its earlier work from 1982 until 1986 on the defense reorganization issue. This culminated with the passage of what is now known as the Goldwater-Nichols Department of Defense Reorganization Act of 1986. Congress reached back on the lessons concerning the importance of joint military operations and implemented those in the Goldwater-Nichols Act.

The primary objective of that 1986 Act is to strengthen the joint elements of the military, especially the Chairman of the Joint Chiefs of Staff and the Commanders in Chief, also known as CINC's, of the Combat Commands. The primary method of that act is to change organizations and their responsibilities. The organizational changes are found in title II, Military Advice and Command Function, which designated the Chairman of the Joint Chiefs of Staff as the principal military adviser to the President and the National Security Council and the Secretary of Defense. It gave the Commanders in Chief, or the CINC's, as we call them, clear command authority over subordinate commands and forces assigned.

Now, Mr. Speaker, in order to benefit fully from these organizational changes, Congress believes it had to improve the performance of officers assigned to joint elements. The required personnel changes are contained in title IV of that 1986 act, entitled "Joint Officer Personnel Policy." Those personnel changes are designed to insure quality in two related factors, both experience and education.

This study conducted by our panel focuses on education. Education is important, both for learning facts and for affecting attitudes, as well as values.

Specifically, joint education can broaden an officer's knowledge beyond his own military service in joint multiservice matters and can help the officer develop a joint perspective.

Using educational change to supplement and reinforce organizational change is not unique to the Goldwater-Nichols Act.

Back in 1898, the Spanish-American War made it clear that the Army's organization suffered from divided authority, that it could not meet the 20th-century needs.

Secretary of War Roots established the Army War College in 1901, and by 1903 had legislation creating a Chief of Staff and the Army General Staff. All three changes increased integration of the Army.

After World War II, the Joint Schools were established; namely, the National War College and the Industrial College of the Armed Forces in 1946 and the Armed Forces Staff College in 1947, which is located in Norfolk, VA.

Further, the National Security Act of 1947, later amended in 1949, created the Secretary and Department of Defense and formally established the Joint Chiefs of Staff.

Again, both organizational and educational steps were unifying ones.

Military leaders are not the only ones who have emphasized the importance of military education. Winston Churchill, among others, made it clear about the importance of military education and how the military officer was educated to successfully prosecute World War II.

This panel, appointed by Chairman ASPIN, was asked to review the overall professional military personnel of our Nation, and that we did. The panel's charter, setup by the chairman, asked that we study two areas of professional military education. The first was to assess the ability of the current Department of Defense military education system to develop professional military strategists, joint war fighters and tacticians.

Along this line, I became quite concerned a little over a year ago and made a series of five speeches on strategy and the need to educate future American strategists, and out of those speeches came this panel and our charter.

The second was to review the Department of Defense plans for implementing the joint professional military educational requirements set forth in title IV of the Goldwater-Nichols Act with a view toward assuring that this education provides the proper linkage between the service competent officers and competent joint officers.

The third area of inquiry, though not specifically stated, but was quite implicit in the terms of the panel's charter and also explicit upon examination, was the area of quality. Accordingly, the report addresses all three of these areas, Mr. Speaker: strategy, jointness and quality.

The scope of the study was to determine where to concentrate our efforts. The panel had to relate the areas of its examination to levels of existing professional military education schools. The first level of military education, precommissioning education, is accomplished in service academies and the ROTC Corps, which are units of civilian colleges and the officer candidate schools.

□ 1230

There are levels of military education after the commissioning. The first is the primary level where courses are normally attended within the first 8 years after commissioning, and they are focused on the officers' branch for specialties such as armor, infantry, artillery, submarines, and the like. The second level is that of intermediate level, and the courses there are normally attended between the 10th and the 15th year of service when the officer is a major in the Army or Air Force or lieutenant commander in the Navy or major in the Marines, and at the Army Intermediate School at Fort Leavenworth, the primary focus is not on how a single branch operates but on how various branches such as infantry and armor and artillery fight together in what they call combined arms as a team. The third level, the senior level, are courses normally attended between the 16th and 23d year of service when the officer is a lieutenant colonel or colonel or a Navy commander or captain. While the curricula vary, the war colleges generally study about operational art and strategy.

The three service war colleges, the two joint colleges, the National War College and the Industrial College of the Armed Forces make up the senior category of schools. The Marine Corps, I might point out at this point, has no senior school, but it does a good job of sending its officers to the other senior schools.

There is a fourth level known as the general officer or flag officer level, and the services created short courses for flag officers, and by the 1980's, it

had established a joint staff course known as Capstone for newly selected general and flag officers.

Our panel, the military education panels, settled on the highest three levels, the intermediate, senior and general flag officer, and we did not look at the primary or precommissioning education. The panel's focus on formal military education excluded detailed inquiry into a number of closely related areas. It did not talk about on-the-job experience, which is so very important. It did not talk about self-development, although I might point out that Gen. Carl Vuono of the Army Chief of Staff put a great deal of importance on development of an Army officer's career in his testimony before our panel a few months ago. This also did not touch on the specialized joint military schools such as the management college at Fort Belvoir or the Intelligence College at Bolling Air Force Base and the like, and did not talk about the foreign professional military schools or the service graduate education institutions.

Mr. Speaker, after the panel was chartered, the Committee on Armed Services established this program under this panel, and we did ask that we be allowed to proceed for hearings and to visit the various schools, which we did. We conducted some 28 hearings, had 48 witnesses at those hearings, and interviewed over 100 civilian and military, both active duty and retired, people in connection with our study. The panel also visited all 10 of the senior and intermediate-level military schools and held hearings at most of them, with the exception of those here in the Washington area, where we held the hearings here on Capitol Hill.

We also attended classes. We talked separately with the school faculties, senior staff, and students, and the panel supplemented the visits with data, interviews and briefings, and previous reports, as well as other literature that we were able to obtain. We heard the testimony from the Deputy Secretary of Defense, the Chairman of the Joint Chiefs of Staff, all four service chiefs, four commanders in chief, four CINC's of combat commends, civilian educators, former service chiefs, civilian defense officials and military educators. Mr. Speaker, we also visited and were briefed at various British, French, and West German military schools, and had the opportunity to compare their professional military education with the American intermediate and senior-level military schools.

Mr. Speaker, I will conclude my remarks today with the undertanding that I will continue speaking on this subject from time to time and hopefully we will have a full discussion for our Members to understand and have within the RECORD so we will know the full extent of the work of the Panel on Military Education done by the Committee on Armed Services, which I chair.

TRIBUTE TO JUDGE GERALD W. HEANEY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota [Mr. OBERSTAR] is recognized for 10 minutes.

Mr. OBERSTAR. Mr. Speaker, I take this opportunity to pay tribute to a distinguished American jurist, Judge Gerald W. Heaney, of the U.S. Circuit Court of Appeals for the Eighth Circuit. On December 31, 1988, Judge Heaney assumed senior status after serving for 22 years as a circuit court judge.

Gerald Heaney was born January 29, 1918, in Goodhue, a rural community in southeastern Minnesota. In that productive farming area of the State of Minnesota, Jerry Heaney learned the value of a close family, honesty, and hard work, qualities which have characterized his private life and which have been the hallmark of his public service.

Judge Heaney received his undergraduate education at the College of St. Thomas in St. Paul, MN, and later his law degree from the University of Minnesota, in 1941.

Mr. Speaker, at the outbreak of World War II, Jerry Heaney entered the U.S. Army, rising to the rank of captain. As a member of a distinguished ranger battalion, Jerry Heaney participated in the historic D-Day landing at Normandy. For his war service, he was decorated with the Silver Star for extraordinary bravery in the Battle of La Pointe du Hoc at Normandy, and he also won the Bronze Star and five Battle Stars.

At the end of the war Judge Heaney returned home to marry Eleanor Schmitt, now his wife of some 43 years. He entered into private law practice in Duluth, spending 20 years with the firm of Lewis, Hammer, Heaney, Weyl & Halverson, and during that time he was instrumental in improving the educational system in Minnesota, working with the Governor and the State legislature to pass a State school aid formula which remains in use today and is a model for the whole country, and serving on the distinguished board of regents of the University of Minnesota.

As a lawyer in private practice, Judge Heaney concentrated in the area of labor law, dedicating himself to service of the disadvantaged. He also represented the teachers in Duluth and helped the Duluth school district become the first in Minnesota to adopt the same pay scale for both men and women.

In 1966, with the support of Senators Eugene McCarthy and Walter Mondale, as well as then Vice President Hubert H. Humphrey, and my predecessor, Congressman John A. Blatnik, President Lyndon B. Johnson appointed Judge Heaney to a newly created vacancy on the Eighth Circuit Court of Appeals.

On the bench Judge Heaney has been a leader in protecting the rights of the disadvantaged. The essence of his career was summed up by his own words in a recent interview that:

> My view is that if we are going to preserve our democracy, the single most important thing we can do is make sure that every person has equal opportunity for an education, a job, and a home. I felt an obligation for those in our society who are poor, who are less educated, who do not have the advantages that some of the rest of us have had, but who, nevertheless, deserve the protection of the Constitution.

Throughout his tenure on the court, Judge Heaney has gained a reputation as a hard-working, well-prepared, and fair-minded jurist. He has been a leader in handling school desegregation cases in St. Louis, Little Rock, Kansas City, and Omaha. He takes pride in pointing out that in St. Louis today 12,000 black students are enrolled in suburban schools, and class sizes in the inner-city schools have dropped from 35 to 22 students.

Judge Heaney has been a leader in assuring fair treatment for Social Security claimants and in assuring decent and humane conditions of confinement for prisoners. He also authored the opinion in a decision in In re Ahlers, which served as a model for protections that this body afforded family farmers in the recently enacted chapter 12 of the Bankruptcy Code.

Judge Heaney has left his mark on the landscape of the law. His colleague, Donald P. Lay, chief judge for the Eighth Circuit Court of Appeals, said it beautifully:

> In my judgment he is the most outstanding judge ever to serve, not only on the Eighth Circuit but throughout the United States, in the last 25 years. He is the most well-prepared judge in the circuit. His industry and dedication to law are unparalleled. His compassion and understanding of human problems is unique. He is a scholar and true gentleman in all respects.

□ 1240

Former Vice President Walter Mondale said of Judge Heaney:

> I have served many years in public life and one of the best things I did was to support the nomination of Gerald W. Heaney to be a Circuit Judge for the Eighth Circuit. His career has been brilliant, it has been energetic, but above all it has been just. He has shown that special depth, that seasoning, and that caring that is rare. We want all of our Judges to show that wisdom and depth, but few have demonstrated those qualities as fully as Judge Heaney.

As Judge Heaney assumes senior status and has time to spend more of his time with his warm, and gracious, and beautiful Eleanor, and gives a bit

more of his seemingly limitless energy and attention to his two children, Carole and Bill, and four grandchildren, Megan, Erin, Kelly, and Matthew, I wanted to take this opportunity to call the attention of the House, and through the House this entire country to the appreciation that I have and that I think all fellow citizens should have for Gerald W. Heaney's years of dedication and service to the citizens of his State and his country. We look forward to many more years of good health and good service as he assumes senior judge status.

CONFERENCE REPORT ON HOUSE CONCURRENT RESOLUTION 106

Mr. PANETTA submitted the following conference report and statement on the concurrent resolution (H. Con. Res. 106), setting forth the congressional budget for the U.S. Government for the fiscal years 1990, 1991, and 1992:

CONFERENCE REPORT (H. REPT. 101-50)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the concurrent resolution (H. Con. Res. 106), setting forth the Congressional Budget for the United States Government for the fiscal years 1990, 1991, and 1992, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment, insert the following:

That the Congress determines and declares that the concurrent resolution on the budget for fiscal year 1990 is established and the appropriate budgetary levels for fiscal years 1991 and 1992 are set forth.

MAXIMUM DEFICIT AMOUNTS

SEC. 2. The following levels and amounts in this section are set forth for purposes of determining, in accordance with section 301(i) of the Congressional Budget and Impoundment Control Act of 1974, as amended by the Balanced Budget and Emergency Deficit Control Act of 1985 and the Balanced Budget and Emergency Deficit Control Reaffirmation Act of 1987, whether the maximum deficit amount for a fiscal year has been exceeded, and as set forth in this concurrent resolution, shall be considered to be mathematically consistent with the other amounts and levels set forth in this concurrent resolution:

(1) The recommended levels of Federal revenues are as follows:

Fiscal year 1990: $1,065,500,000,000.
Fiscal year 1991: $1,144,700,000,000.
Fiscal year 1992: $1,216,500,000,000.

(2) The appropriate levels of total budget authority are as follows:

Fiscal year 1990: $1,329,400,000,000.
Fiscal year 1991: $1,426,200,000,000.
Fiscal year 1992: $1,479,400,000,000.

(3) The appropriate levels of total budget outlays are as follows:

Fiscal year 1990: $1,165,200,000,000.
Fiscal year 1991: $1,233,100,000,000.
Fiscal year 1992: $1,282,300,000,000.

(4) The amounts of the deficits are as follows:

Fiscal year 1990: $99,700,000,000.
Fiscal year 1991: $88,400,000,000.
Fiscal year 1992: $65,800,000,000.

RECOMMENDED LEVELS AND AMOUNTS

SEC. 3. (a) The following budgetary levels are appropriate for the fiscal years beginning on October 1, 1989, October 1, 1990, and October 1, 1991:

(1) The recommended levels of Federal revenues are as follows:

Fiscal year 1990: $776,300,000,000.
Fiscal year 1991: $831,800,000,000.
Fiscal year 1992: $884,400,000,000.

and the amounts by which the aggregate levels of Federal revenues should be increased are as follows:

Fiscal year 1990: $5,800,000,000.
Fiscal year 1991: $6,200,000,000.
Fiscal year 1992: $6,300,000,000.

and the amounts for Federal Insurance Contributions Act revenues for hospital insurance within the recommended levels of Federal revenues are as follows:

Fiscal year 1990: $69,900,000,000.
Fiscal year 1991: $75,200,000,000.
Fiscal year 1992: $79,900,000,000.

(2) The appropriate levels of total new budget authority are as follows:

Fiscal year 1990: $1,041,400,000,000.
Fiscal year 1991: $1,116,000,000,000.
Fiscal year 1992: $1,148,400,000,000.

(3) The appropriate levels of total budget outlays are as follows:

Fiscal year 1990: $945,000,000,000.
Fiscal year 1991: $1,001,500,000,000.
Fiscal year 1992: $1,041,600,000,000.

(4) The amounts of the deficits are as follows:

Fiscal year 1990: $168,700,000,000.
Fiscal year 1991: $169,700,000,000.
Fiscal year 1992: $157,200,000,000.

(5) The appropriate levels of the public debt are as follows:

Fiscal year 1990: $3,122,700,000,000.
Fiscal year 1991: $3,374,300,000,000.
Fiscal year 1992: $3,600,700,000,000.

(6) The appropriate levels of total Federal credit activity for the fiscal years beginning on October 1, 1989, October 1, 1990, and October 1, 1991, are as follows:

Fiscal year 1990:
(A) New direct loan obligations, $19,300,000,000.
(B) New primary loan guarantee commitments, $107,300,000,000.
(C) New secondary loan guarantee commitments, $93,200,000,000.
Fiscal year 1991:
(A) New direct loan obligations, $19,600,000,000.
(B) New primary loan guarantee commitments, $115,000,000,000.
(C) New secondary loan guarantee commitments, $97,100,000,000.
Fiscal year 1992:
(A) New direct loan obligations, $19,500,000,000.
(B) New primary loan guarantee commitments, $119,600,000,000.
(C) New secondary loan guarantee commitments, $100,900,000,000.

(b) The Congress hereby determines and declares that the appropriate levels of budget authority and budget outlays, and the appropriate levels of new direct loan obligations, new primary loan guarantee commitments, and new secondary loan guarantee commitments for fiscal years 1990 through 1992 for each major functional category are:

(1) National Defense (050):
Fiscal year 1990:
(A) New budget authority, $305,500,000,000.
(B) Outlays, $299,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1991:
(A) New budget authority, $319,200,000,000.
(B) Outlays, $310,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1992:
(A) New budget authority, $332,500,000,000.
(B) Outlays, $322,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(2) International Affairs (150):
Fiscal year 1990:
(A) New budget authority, $18,300,000,000.
(B) Outlays, $16,700,000,000.
(C) New direct loan obligations, $1,900,000,000.
(D) New primary loan guarantee commitments, $6,400,000,000.
(E) New secondary loan guarantee commitments, $200,000,000.
Fiscal year 1991:
(A) New budget authority, $18,600,000,000.
(B) Outlays, $16,700,000,000.
(C) New direct loan obligations, $2,000,000,000.
(D) New primary loan guarantee commitments, $6,700,000,000.
(E) New secondary loan guarantee commitments, $200,000,000.
Fiscal year 1992:
(A) New budget authority, $19,700,000,000.
(B) Outlays, $17,100,000,000.
(C) New direct loan obligations, $2,000,000,000.
(D) New primary loan guarantee commitments, $6,900,000,000.
(E) New secondary loan guarantee commitments, $200,000,000.
(3) General Science, Space, and Technology (250):
Fiscal year 1990:
(A) New budget authority, $14,400,000,000.
(B) Outlays, $14,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1991:
(A) New budget authority, $15,000,000,000.
(B) Outlays, $14,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1992:
(A) New budget authority, $15,600,000,000.
(B) Outlays, $15,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(4) Energy (270):
Fiscal year 1990:
(A) New budget authority, $6,100,000,000.

(B) Outlays, $4,200,000,000.
(C) New direct loan obligations, $2,000,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1991:
(A) New budget authority, $6,300,000,000.
(B) Outlays, $4,300,000,000.
(C) New direct loan obligations, $2,100,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1992:
(A) New budget authority, $6,900,000,000.
(B) Outlays, $4,700,000,000.
(C) New direct loan obligations, $2,300,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(5) Natural Resources and Environment (300):
Fiscal year 1990:
(A) New budget authority, $17,200,000,000.
(B) Outlays, $17,400,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1991:
(A) New budget authority, $18,000,000,000.
(B) Outlays, $18,300,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1992:
(A) New budget authority, $18,700,000,000.
(B) Outlays, $18,700,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(6) Agriculture (350):
Fiscal year 1990:
(A) New budget authority, $18,300,000,000.
(B) Outlays, $15,000,000,000.
(C) New direct loan obligations, $10,100,000,000.
(D) New primary loan guarantee commitments, $5,400,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1991:
(A) New budget authority, $20,600,000,000.
(B) Outlays, $16,600,000,000.
(C) New direct loan obligations, $10,200,000,000.
(D) New primary loan guarantee commitments, $5,500,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1992:
(A) New budget authority, $21,300,000,000.
(B) Outlays, $16,000,000,000.
(C) New direct loan obligations, $9,700,000,000.
(D) New primary loan guarantee commitments, $5,400,000,000.
(E) New secondary loan guarantee commitments, $0.
(7) Commerce and Housing Credit (370):
Fiscal year 1990:
(A) New budget authority, $13,300,000,000.
(B) Outlays, $8,500,000,000.
(C) New direct loan obligations, $3,300,000,000.
(D) New primary loan guarantee commitments, $60,500,000,000.
(E) New secondary loan guarantee commitments, $93,000,000,000.
Fiscal year 1991:
(A) New budget authority, $25,500,000,000.
(B) Outlays, $20,200,000,000.
(C) New direct loan obligations, $3,300,000,000.
(D) New primary loan guarantee commitments, $66,400,000,000.
(E) New secondary loan guarantee commitments, $96,900,000,000.
Fiscal year 1992:
(A) New budget authority, $25,100,000,000.
(B) Outlays, $20,500,000,000.
(C) New direct loan obligations, $3,400,000,000.
(D) New primary loan guarantee commitments, $69,600,000,000.
(E) New secondary loan guarantee commitments, $100,700,000,000.
(8) Transportation (400):
Fiscal year 1990:
(A) New budget authority, $29,900,000,000.
(B) Outlays, $29,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1991:
(A) New budget authority, $30,600,000,000.
(B) Outlays, $29,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1992:
(A) New budget authority, $31,700,000,000.
(B) Outlays, $30,900,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(9) Community and Regional Development (450):
Fiscal year 1990:
(A) New budget authority, $7,200,000,000.
(B) Outlays, $6,700,000,000.
(C) New direct loan obligations, $1,000,000,000.
(D) New primary loan guarantee commitments, $500,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1991:
(A) New budget authority, $7,100,000,000.
(B) Outlays, $6,800,000,000.
(C) New direct loan obligations, $1,100,000,000.
(D) New primary loan guarantee commitments, $500,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1992:
(A) New budget authority, $7,300,000,000.
(B) Outlays, $6,900,000,000.
(C) New direct loan obligations, $1,100,000,000.
(D) New primary loan guarantee commitments, $500,000,000.
(E) New secondary loan guarantee commitments, $0.
(10) Education, Training, Employment, and Social Services (500):
Fiscal year 1990:
(A) New budget authority, $41,500,000,000.
(B) Outlays, $38,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $13,100,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1991:
(A) New budget authority, $42,900,000,000.
(B) Outlays, $42,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $13,600,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1992:
(A) New budget authority, $43,800,000,000.
(B) Outlays, $43,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $13,900,000,000.
(E) New secondary loan guarantee commitments, $0.
(11) Health (550):
Fiscal year 1990:
(A) New budget authority, $57,700,000,000.
(B) Outlays, $56,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $400,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1991:
(A) New budget authority, $63,000,000,000.
(B) Outlays, $61,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $400,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1992:
(A) New budget authority, $69,200,000,000.
(B) Outlays, $68,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $400,000,000.
(E) New secondary loan guarantee commitments, $0.
(12) Medicare (570):
Fiscal year 1990:
(A) New budget authority, $123,900,000,000.
(B) Outlays, $98,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1991:
(A) New budget authority, $136,300,000,000.
(B) Outlays, $113,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1992:
(A) New budget authority, $149,600,000,000.
(B) Outlays, $128,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(13) Income Security (600):
Fiscal year 1990:
(A) New budget authority, $185,600,000,000.
(B) Outlays, $145,600,000,000.
(C) New direct loan obligations, $100,000,000.

(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1991:
(A) New budget authority, $217,300,000,000.
(B) Outlays, $155,500,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1992:
(A) New budget authority, $220,500,000,000.
(B) Outlays, $164,600,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(14) Social Security (650):
Fiscal year 1990:
(A) New budget authority, $5,400,000,000.
(B) Outlays, $5,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1991:
(A) New budget authority, $4,300,000,000.
(B) Outlays, $4,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1992:
(A) New budget authority, $5,000,000,000.
(B) Outlays, $5,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(15) Veterans Benefits and Services (700):
Fiscal year 1990:
(A) New budget authority, $31,100,000,000.
(B) Outlays, $30,000,000,000.
(C) New direct loan obligations, $800,000,000.
(D) New primary loan guarantee commitments, $21,000,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1991:
(A) New budget authority, $32,200,000,000.
(B) Outlays, $31,700,000,000.
(C) New direct loan obligations, $700,000,000.
(D) New primary loan guarantee commitments, $21,900,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1992:
(A) New budget authority, $33,200,000,000.
(B) Outlays, $32,900,000,000.
(C) New direct loan obligations, $700,000,000.
(D) New primary loan guarantee commitments, $22,900,000,000.
(E) New secondary loan guarantee commitments, $0.
(16) Administration of Justice (750):
Fiscal year 1990:
(A) New budget authority, $10,700,000,000.
(B) Outlays, $10,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1991:
(A) New budget authority, $11,800,000,000.
(B) Outlays, $11,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1992:
(A) New budget authority, $12,400,000,000.
(B) Outlays, $12,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(17) General Government (800):
Fiscal year 1990:
(A) New budget authority, $10,100,000,000.
(B) Outlays, $9,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1991:
(A) New budget authority, $10,400,000,000.
(B) Outlays, $10,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1992:
(A) New budget authority, $10,900,000,000.
(B) Outlays, $10,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(18) Net Interest (900):
Fiscal year 1990:
(A) New budget authority, $197,500,000,000.
(B) Outlays, $197,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1991:
(A) New budget authority, $214,200,000,000.
(B) Outlays, $214,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1992:
(A) New budget authority, $226,800,000,000.
(B) Outlays, $226,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(19) Allowances (920):
Fiscal year 1990:
(A) New budget authority, −$19,400,000,000.
(B) Outlays, −$17,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1991:
(A) New budget authority, −$42,000,000,000.
(B) Outlays, −$45,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1992:
(A) New budget authority, −$66,000,000,000.
(B) Outlays, −$65,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(20) Undistributed Offsetting Receipts (950):
(A) Fiscal year 1990:
(A) New budget authority, −$32,900,000,000.
(B) Outlays, −$40,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1991:
(A) New budget authority, −$35,300,000,000.
(B) Outlays, −$35,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1992:
(A) New budget authority, −$35,800,000,000.
(B) Outlays, −$36,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

SENSE OF THE CONGRESS

SEC. 4. It is the sense of the Congress that—
(1) Congress shall present the revenue portion of the reconciliation bill to the President at the same time as the spending reduction provisions of the reconciliation bill; and
(2) the specific measures composing the governmental receipts figure will be determined through the regular legislative and constitutional process, and agreements reached between the administration and the Committee on Ways and Means and the Committee on Finance on revenue legislation reconciled pursuant to this resolution will be advanced legislatively when supported by the President of the United States.

RECONCILIATION

SEC. 5. (a) Not later than July 15, 1989, the committees named in subsections (b) and (c) of this section shall submit their recommendations to the Committees on the Budget of their respective Houses. After receiving those recommendations, the Committees on the Budget shall report to the House and Senate a reconciliation bill or resolution or both carrying out all such recommendations without any substantive revision.

SENATE COMMITTEES

(b)(1) The Senate Committee on Agriculture, Nutrition, and Forestry shall report (A) changes in laws within its jurisdiction that provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget and Impoundment Control Act of 1974, (B) changes in laws within its jurisdiction that provide spending authority other than as defined in section 401(c)(2)(C) of the Act, or (C) any combination thereof,

sufficient to reduce budget authority and outlays as follows: $1,100,000,000 in budget authority and $1,020,000,000 in outlays in fiscal year 1990.

(2) The Senate Committee on Banking, Housing, and Urban affairs shall report (A) changes in laws within its jurisdiction that provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget and Impoundment Control Act of 1974, (B) changes in laws within its jurisdiction that provide spending authority other than as defined in section 401(c)(2)(C) of the Act, or (C) any combination thereof, sufficient to reduce budget authority and outlays as follows: $0 in budget authority and $187,000,000 in outlays in fiscal year 1990.

(3) The Senate Committee on Commerce, Science, and Transportation shall report (A) changes in laws within its jurisdiction that provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget and Impoundment Control Act of 1974, (B) changes in laws within its jurisdiction that provide spending authority other than as defined in section 401(c)(2)(C) of the Act, or (C) any combination thereof, sufficient to reduce budget authority and outlays as follows: $450,000,000 in budget authority and $450,000,000 in outlays in fiscal year 1990.

(4) The Senate Committee on Environment and Public Works shall report (A) changes in laws within its jurisdiction that provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget and Impoundment Control Act of 1974, (B) changes in laws within its jurisdiction that provide spending authority other than as defined in section 401(c)(2)(C) of the Act, or (C) any combination thereof, sufficient to reduce budget authority and outlays as follows: $450,000,000 in budget authority and $450,000,000 in outlays in fiscal year 1990.

(5)(A) The Senate Committee on Finance shall report (i) changes in laws within its jurisdiction that provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget and Impoundment Control Act of 1974, (ii) changes in laws within its jurisdiction that provide spending authority other than as defined in section 401(c)(2)(C) of the Act, or (iii) any combination thereof, sufficient to reduce budget authority and outlays as follows: $0 in budget authority and $2,300,000,000 in outlays in fiscal year 1990.

(B) The Senate Committee on Finance shall report changes in laws within its jurisdiction sufficient to increase revenues: $5,300,000,000 in fiscal year 1990.

(C) In addition to the instructions in subparagraphs (A) and (B), the Senate Committee on Finance shall report changes in laws within its jurisdiction sufficient to reduce outlays $468,000,000 in fiscal year 1990.

(6) The Senate Committee on Governmental Affairs shall report (A) changes in laws within its jurisdiction that provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget and Impoundment Control Act of 1974, (B) changes in laws within its jurisdiction that provide spending authority other than as defined in section 401(c)(2)(C) of the Act, or (C) any combination thereof, sufficient to reduce budget authority and outlays as follows: $3,400,000,000 in budget authority and $2,870,000,000 in outlays in fiscal year 1990.

(7) The Senate Committee on Labor and Human Resources shall report (A) changes in laws within its jurisdiction that provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget and Impoundment Control Act of 1974, (B) changes in laws within its jurisdiction that provide spending authority other than as defined in section 401(c)(2)(C) of the Act, or (C) any combination thereof, sufficient to reduce budget authority and outlays as follows: $70,000,000 in budget authority and $70,000,000 in outlays in fiscal year 1990.

(8) The Senate Committee on Veterans' Affairs shall report (A) changes in laws within its jurisdiction that provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget and Impoundment Control Act of 1974, (B) changes in laws within its jurisdiction that provide spending authority other than as defined in section 401(c)(2)(C) of the Act, or (C) any combination thereof, sufficient to reduce budget authority and outlays as follows: $496,000,000 in budget authority and $666,000,000 in outlays in fiscal year 1990.

HOUSE COMMITTEES

(c)(1) The House Committee on Agriculture shall report (A) changes in laws within its jurisdiction that provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget and Impoundment Control Act of 1974, (B) changes in laws within its jurisdiction that provide spending authority other than as defined in section 401(c)(2)(C) of the Act, or (C) any combination thereof, sufficient to reduce budget authority and outlays as follows: $1,168,000,000 in budget authority and $1,088,000,000 in outlays in fiscal year 1990 and $1,168,000,000 in budget authority, and $1,151,000,000 in outlays in fiscal year 1991.

(2) The House Committee on Banking, Finance and Urban Affairs shall report (A) changes in laws within its jurisdiction that provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget and Impoundment Control Act of 1974, (B) changes in laws within its jurisdiction that provide spending authority other than as defined in section 401(c)(2)(C) of the Act, or (C) any combination thereof, sufficient to reduce budget authority and outlays as follows: $0 in budget authority and $187,000,000 in outlays in fiscal year 1990 and $0 in budget authority, and $17,000,000 in outlays in fiscal year 1991.

(3) The House Committee on Education and Labor shall report (A) changes in laws within its jurisdiction that provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget and Impoundment Control Act of 1974, (B) changes in laws within its jurisdiction that provide spending authority other than as defined in section 401(c)(2)(C) of the Act, or (C) any combination thereof, sufficient to reduce budget authority and outlays as follows: $40,000,000 in budget authority and $40,000,000 in outlays in fiscal year 1990 and $40,000,000 in budget authority and $40,000,000 in outlays in fiscal year 1991.

(4) The House Committee on Energy and Commerce shall report (A) changes in laws within its jurisdiction that provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget and Impoundment Control Act of 1974, (B) changes in laws within its jurisdiction that provide spending authority other than as defined in section 401(c)(2)(C) of the Act, or (C) any combination thereof, sufficient to reduce budget authority and outlays as follows: $399,000,000 in budget authority and $2,699,000,000 in outlays in fiscal year 1990 and $399,000,000 in budget authority and $2,699,000,000 in outlays in fiscal year 1991.

(5) The House Committee on Government Operations shall report (A) changes in laws within its jurisdiction that provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget and Impoundment Control Act of 1974, (B) changes in laws within its jurisdiction that provide spending authority other than as defined in section 401(c)(2)(C) of the Act, or (C) any combination thereof, sufficient to reduce budget authority and outlays as follows: $3,400,000,000 in budget authority and $1,770,000,000 in outlays in fiscal year 1990 and $550,000,000 in budget authority in fiscal year 1991; and to increase outlays by $570,000,000 in fiscal year 1991.

(6) The House Committee on Interior and Insular Affairs shall report (A) changes in laws within its jurisdiction that provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget and Impoundment Control Act of 1974, (B) changes in laws within its jurisdiction that provide spending authority other than as defined in section 401(c)(2)(C) of the Act, or (C) any combination thereof, sufficient to reduce budget authority and outlays as follows: $299,000,000 in budget authority and $299,000,000 in outlays in fiscal year 1990 and $299,000,000 in budget authority and $299,000,000 in outlays in fiscal year 1991.

(7) The House Committee on Merchant Marine and Fisheries shall report (A) changes in laws within its jurisdiction that provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget and Impoundment Control Act of 1974, (B) changes in laws within its jurisdiction that provide spending authority other than as defined in section 401(c)(2)(C) of the Act, or (C) any combination thereof, sufficient to reduce budget authority and outlays as follows: $200,000,000 in budget authority and $200,000,000 in outlays in fiscal year 1990 and $200,000,000 in budget authority and $200,000,000 in outlays in fiscal year 1991.

(8) The House Committee on Post Office and Civil Service shall report (A) changes in laws within its jurisdiction that provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget and Impoundment Control Act of 1974, (B) changes in laws within its jurisdiction that provide spending authority other than as defined in section 401(c)(2)(C) of the Act, or (C) any combination thereof, sufficient to reduce budget authority and outlays as follows: $3,400,000,000 in budget authority and $2,870,000,000 in outlays in fiscal year 1990 and $550,000,000 in budget authority in fiscal year 1991; and to increase outlays by $70,000,000 in fiscal year 1991.

(10) The House Committee on Veterans' Affairs shall report (A) changes in laws within its jurisdiction that provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget and Impoundment Control Act of 1974, (B) changes in laws within its jurisdiction that provide spending authority other than as defined in section 401(c)(2)(C) of the Act, or (C) any combination thereof, sufficient to reduce budget authority and outlays as follows: $496,000,000 in budget authority and $666,000,000 in outlays in fiscal year 1990 and $553,000,000 in budget authority and $723,000,000 in outlays in fiscal year 1991.

(11)(A) The House Committee on Ways and Means shall report (i) changes in laws within its jurisdiction that provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget and Impoundment Control Act of 1974, (ii)

changes in laws within its jurisdiction that provide spending authority other than as defined in section 401(c)(2)(C) of the Act, or (iii) any combination thereof, sufficient to reduce budget authority and outlays as follows: $0 in budget authority and $2,300,000,000 in outlays in fiscal year 1990 and $0 in budget authority and $2,300,000,000 in outlays in fiscal year 1991.

(B) The House Committee on Ways and Means shall report changes in laws within its jurisdiction sufficient to increase revenues as follows: $5,300,000,000 in fiscal year 1990 and $5,300,000,000 in fiscal year 1991.

(C) In addition to the instructions in subparagraphs (A) and (B), the House Committee on Ways and Means shall report changes in laws within its jurisdiction sufficient (i) to reduce outlays, (ii) to increase revenues, or (iii) any combination thereof, as follows: $400,000,000 in fiscal year 1990 and $400,000,000 in fiscal year 1991.

SALE OF GOVERNMENT ASSETS

SEC. 6. (a) It is the sense of the Congress that—

(1) from time to time the United States Government should sell assets to nongovernment buyers; and

(2) the amounts realized from such asset sales will not recur on an annual basis and do not reduce the demand for credit.

(b) For purposes of allocations and points of order under section 302 of the Congressional Budget and Impoundment Control Act of 1974, the amounts realized from asset sales or prepayments of loans shall not be allocated to a committee and shall not be scored with respect to the level of budget authority or outlays under a committee's allocation under section 302 of such Act.

(c) For purposes of this section—

(1) the terms "asset sale" and "prepayment of a loan" shall have the same meaning as under section 257(12) of the Balanced Budget and Emergency Deficit Control Act of 1985 (as amended by the Balanced Budget and Emergency Deficit Control Reaffirmation Act of 1987); and

(2) the terms "asset sale" and "prepayment of a loan" do not include asset sales mandated by law before September 18, 1987, and routine, ongoing asset sales and loan prepayments at levels consistent with agency operations in fiscal year 1986.

RESERVE FUND FOR CHILDREN

SEC. 7. (a)(1) In the Senate, it is assumed that budget authority and outlays may be allocated to the Senate Committee on Finance for increased funding for children, including funding through tax credits, if the Committee on Finance or the committee of conference reports funding legislation that—

(A) will, if enacted, make funds available for that purpose; and

(B) to the extent that the costs of such legislation are not included in this resolution, will not increase the deficit in this resolution for fiscal year 1990, and will not increase the total deficit for the period of fiscal years 1990 through 1992.

(2) Upon the reporting of legislation pursuant to paragraph (1), and again upon the submission of a conference report on such legislation (if such a conference report is submitted), the Chairman of the Committee on the Budget of the Senate may file with the Senate appropriately revised allocations under section 302(a) of the Congressional Budget Act of 1974 and revised functional levels and aggregates to carry out this section. Such revised allocations, functional levels, and aggregates shall be considered for the purposes of such Act as allocations, functional levels, and aggregates contained in this resolution. The Committee on Finance shall report revised allocations pursuant to section 302(b) of such Act for the appropriate fiscal year (or years) to carry out this section.

(b)(1) In the House, budget authority, outlays, and new entitlement authority shall be allocated to the House Committee on Ways and Means for increased funding for children's programs, including funding through tax credits, if the Committee on Ways and Means reports legislation that—

(A) will, if enacted, make funds available for that purpose; and

(B) to the extent that the costs of such legislation are not included in this resolution, will not increase the deficit in this resolution for fiscal year 1990, and will not increase the total deficit for the period of fiscal years 1990 through 1992.

(2) Upon the reporting of legislation pursuant to paragraph (1), the Chairman of the Committee on the Budget of the House shall file with the House appropriately revised allocations under section 302(a) of the Congressional Budget Act of 1974 and revised functional levels and aggregates to carry out this section. Such revised allocations, functional levels, and aggregates shall be considered for the purposes of such Act as allocations, functional levels, and aggregates contained in this resolution. The Committee on Ways and Means shall report revised allocations pursuant to section 302(b) of such Act for the appropriate fiscal year to carry out this section.

RESERVE FUND FOR MEDICAID

SEC. 8. (a) In the Senate, budget authority and outlays may be allocated to the Senate Committee on Finance for increased Medicaid funding if the Committee on Finance or the committee of conference reports Medicaid funding legislation that—

(1) will, if enacted, make funds available for that purpose; and

(2) to the extent that the costs of such legislation are not included in this resolution, will not increase the deficit in this resolution for fiscal year 1990, and will not increase the total deficit for the period of fiscal years 1990 through 1992.

(b) Upon the reporting of legislation pursuant to subsection (a), and again upon the submission of a conference report on such legislation (if such a conference report is submitted), the Chairman of the Committee on the Budget of the Senate may file with the Senate appropriately revised allocations under section 302(a) of the Congressional Budget Act of 1974 and revised functional levels and aggregates to carry out this section. Such revised allocations, functional levels, and aggregates shall be considered for the purposes of such Act as allocations, functional levels, and aggregates contained in this resolution. The Committee on Finance shall report revised allocations pursuant to section 302(b) of such Act for the appropriate fiscal year (or years) to carry out this section.

SEC. 9. RECONCILIATION IN THE SENATE.

It is the sense of the Senate that in the event that a committee of the House of Representatives acts in response to section 5 of this resolution to report to the House Committee on the Budget recommendations for legislation that would provide for increased Medicaid funding, the Senate shall adopt a revision of the instructions in section 5 of this resolution changing the instructions for the Senate Committee on Finance to incorporate the assumption for Medicaid increases reflected in this resolution and reflected in the allocations to the Committee on Finance under section 302(a) of the Congressional Budget Act of 1974.

And the Senate agree to the same.

LEON E. PANETTA,
THOMAS S. FOLEY,
MARTY RUSSO,
ED JENKINS,
MARVIN LEATH,
CHARLES SCHUMER,
BARBARA BOXER,
JIM SLATTERY,
JAMES L. OBERSTAR,
BILL FRENZEL,
BILL GRADISON,
BILL GOODLING,
WM. THOMAS,
JACK BUECHNER,
AMO HOUGHTON,
Managers on the Part of the House.

JIM SASSER,
DON RIEGLE,
PAUL SIMON,
TERRY SANFORD,
TIMOTHY E. WIRTH,
PETE V. DOMENICI,
CHUCK GRASSLEY,
PHIL GRAMM,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the Senate and the House at the conference on the disagreeing votes of the House on the amendment of the Senate to the concurrent resolution (H. Con. Res. 106) setting forth the congressional budget for the United States Government for the fiscal years 1990, 1991, and 1992, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

EXPLANATION OF CONFERENCE AGREEMENT

The following tables show the functional allocations and budget aggregates included in the conference agreement. The fiscal year 1990 columns show the budget aggregate and functional allocations for the budget resolution for fiscal year 1990. The columns for fiscal year 1991 and fiscal year 1992 show budget aggregates and functional allocations which the conferees consider appropriate for those years.

Conference agreement

	Billions
Fiscal year 1990:	
Budget authority	1,329.4
Outlays	1,165.2
Revenues	1,065.5
Deficit	−99.7
Debt subject to limit	3,122.7
Fiscal year 1991:	
Budget authority	1,426.2
Outlays	1,233.1
Revenues	1,144.7
Deficit	−88.4
Debt subject to limit	3,374.3
Fiscal year 1992:	
Budget authority	1,479.4
Outlays	1,282.3
Revenues	1,216.5
Deficit	−65.8
Debt subject to limit	3,600.7

CONFERENCE AGREEMENT TOTAL BUDGET

[In billions of dollars]

	1990	1991	1992
Budget authority	1,329.4	1,426.2	1,479.4
Outlays	1,165.2	1,233.1	1,282.3
Revenues	1,065.5	1,144.7	1,216.5

CONFERENCE AGREEMENT TOTAL BUDGET—Continued

[In billions of dollars]

	1990	1991	1992
Deficit [1]	−99.7	−88.4	−65.8
050 National Defense:			
Budget authority	305.5	319.2	332.5
Outlays	209.2	310.2	322.4
150 International Affairs:			
Budget authority	18.3	18.6	19.7
Outlays	16.7	16.7	17.1
250 General Science, Space and Technology:			
Budget authority	14.4	15.0	15.6
Outlays	14.1	14.9	15.3
270 Energy:			
Budget authority	6.1	6.3	6.9
Outlays	4.2	4.3	4.7
300 Natural Resources and Environment:			
Budget authority	17.2	18.0	18.7
Outlays	17.4	18.3	18.7
350 Agriculture:			
Budget authority	18.3	20.6	21.3
Outlays	15.0	16.6	16.0
370 Commerce and Housing Credit:			
Budget authority	13.3	25.5	25.1
Outlays	8.5	20.2	20.5
400 Transportation:			
Budget authority	29.9	30.6	31.7
Outlays	29.0	29.8	30.9
450 Community and Regional Development:			
Budget authority	7.2	7.1	7.3
Outlays	6.7	6.8	6.9
500 Education, Training, Employment and Social Services:			
Budget authority	41.5	42.9	43.8
Outlays	38.9	42.0	43.3
550 Health:			
Budget authority	57.7	63.0	69.2
Outlays	56.0	61.9	68.0
570 Medicare:			
Budget authority	123.9	136.3	149.6
Outlays	98.5	113.0	128.0
600 Income Security:			
Budget authority	185.6	217.3	220.5
Outlays	145.6	155.5	164.6
650 Social Security:			
Budget authority	317.0	345.3	374.2
Outlays	249.1	266.6	284.0
700 Veterans Benefits and Services:			
Budget authority	31.1	32.2	33.2
Outlays	30.0	31.7	32.9
750 Administration of Justice:			
Budget authority	10.7	11.8	12.4
Outlays	10.1	11.7	12.3
800 General Government:			
Budget authority	10.1	10.4	10.9
Outlays	9.8	10.3	10.2
900 Net Interest: [2]			
Budget authority	181.0	191.3	197.0
Outlays	181.0	191.3	197.0
920 Allowances:			
Budget authority	−21.2	−44.0	−68.0
Outlays	−19.3	−47.2	−67.9
950 Undistributed Offsetting Receipts:			
Budget authority	−38.2	−41.2	−42.2
Outlays	−45.3	−41.5	−42.6

[1] Debt increase as one measures of the deficit: The amounts of the increase in the public debt subject to limitation are as follows: 1990, 264.3; 1991, 251.6; 1992, 226.4.

[2] Gross interest on the public debt: The corresponding levels of gross interest on the public debt are as follows: 1990, 262.5; 1991, 282.7; 1992, 297.9

CONFERENCE AGREEMENT ON-BUDGET [1]

[In billions of dollars]

	1990	1991	1992
Budget authority	1,041.4	1,116.0	1,148.4
Outlays	945.0	1,001.5	1,041.6
Revenues	776.3	831.8	884.4
Deficit [2]	−168.7	−169.7	−157.2
050 National Defense:			
Budget authority	305.5	319.2	332.5
Outlays	299.2	310.2	322.4
150 International Affairs:			
Budget authority	18.3	18.6	19.7
Outlays	16.7	16.7	17.1
250 General Science Space and Technology:			
Budget authority	14.4	15.0	15.6
Outlays	14.1	14.9	15.3
270 Energy:			
Budget authority	6.1	6.3	6.9
Outlays	4.2	4.3	4.7
300 Natural Resources and Environment:			
Budget authority	17.2	18.0	18.7
Outlays	17.4	18.3	18.7

CONFERENCE AGREEMENT ON-BUDGET [1]—Continued

[In billions of dollars]

	1990	1991	1992
350 Agriculture:			
Budget authority	18.3	20.6	21.3
Outlays	15.0	16.6	16.0
370 Commerce and Housing Credit:			
Budget authority	13.3	25.5	25.1
Outlays	8.5	20.2	20.5
400 Transportation:			
Budget authority	29.9	30.6	31.7
Outlays	29.0	29.8	30.9
450 Community and Regional Development:			
Budget authority	7.2	7.1	7.3
Outlays	6.7	6.8	6.9
500 Education, Training, Employment and Social Services:			
Budget authority	41.5	42.9	43.8
Outlays	38.9	42.0	43.3
550 Health:			
Budget authority	57.7	63.0	69.2
Outlays	56.0	61.9	68.0
570 Medicare:			
Budget authority	123.9	136.3	149.6
Outlays	98.5	113.0	128.0
600 Income Security:			
Budget authority	185.6	217.3	220.5
Outlays	145.6	155.5	164.6
650 Social Security:			
Budget authority	5.4	4.3	5.0
Outlays	5.4	4.3	5.0
700 Veterans Benefits and Services:			
Budget authority	31.1	32.2	33.2
Outlays	30.0	31.7	32.9
750 Administration of Justice:			
Budget authority	10.7	11.8	12.4
Outlays	10.1	11.7	12.3
800 General Government:			
Budget authority	10.1	10.4	10.9
Outlays	9.8	10.3	10.2
900 Net Interest:			
Budget authority	197.5	214.2	226.8
Outlays	197.5	214.2	226.8
920 Allowances:			
Budget authority	−19.4	−42.0	−66.0
Outlays	−17.5	−45.2	−65.9
950 Undistributed Offsetting Receipts:			
Budget authority	−32.9	−35.3	−35.8
Outlays	−40.1	−35.7	−36.1

[1] The on-budget numbers exclude the trust fund surpluses.

[2] Deficit levels excluding trust fund surpluses: The amounts of the surpluses of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund are as follows: 1990, 69.0; 1991, 81.3; 1992, 91.4.

The amounts of the deficits excluding the receipts and disbursements of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund are as follows: 1990, −168.7; 1991, −169.7; 1992, −157.2.

The amounts of the deficits excluding the receipts and disbursements of all Federal trust funds are as follows: 1990, −239.6; 1991, −238.1; 1992, −224.9.

CONFERENCE AGREEMENT OFF-BUDGET

[In billions of dollars]

	1990	1991	1992
Budget authority	288.0	310.2	331.0
Outlays	220.2	231.6	240.7
Revenues	289.2	312.9	332.1
Deficit(−)/Surplus(+)	+69.0	+81.3	+94.1
050 National Defense:			
Budget authority			
Outlays			
150 International Affairs:			
Budget authority			
Outlays			
250 General Science, Space and Technology:			
Budget authority			
Outlays			
270 Energy:			
Budget authority			
Outlays			
300 Natural Resources and Environment:			
Budget authority			
Outlays			
350 Agriculture:			
Budget authority			
Outlays			
370 Commerce and Housing Credit:			
Budget authority			
Outlays			
400 Transportation:			
Budget authority			
Outlays			
450 Community and Regional Development:			
Budget authority			
Outlays			

CONFERENCE AGREEMENT OFF-BUDGET—Continued

[In billions of dollars]

	1990	1991	1992
500 Education, Training, Employment and Social Services:			
Budget authority			
Outlays			
550 Health:			
Budget authority			
Outlays			
570 Medicare:			
Budget authority			
Outlays			
600 Income Security:			
Budget authority			
Outlays			
650 Social Security:			
Budget authority	311.6	341.0	369.2
Outlays	243.7	262.3	279.0
700 Veterans Benefits and Services:			
Budget authority			
Outlays			
750 Administration of Justice:			
Budget authority			
Outlays			
800 General Government:			
Budget authority			
Outlays			
900 Net Interest:			
Budget authority	−16.5	−22.9	−29.8
Outlays	−16.5	−22.9	−29.8
920 Advances:			
Budget authority	−1.8	−2.0	−2.0
Outlays	−1.8	−2.0	−2.0
950 Undistributed Offsetting Receipts:			
Budget authority	−5.3	−5.9	−6.4
Outlays	−5.2	−5.8	−6.5

SENATE-PASSED RESOLUTION BY FUNCTION

[In billions of dollars]

Function	1990	1991	1992
Budget authority	1,327.4	1,423.5	1,476.4
Outlays	1,164.9	1,234.3	1,281.7
Revenues	1,065.5	1,144.3	1,216.0
Deficit	−99.4	−90.0	−65.7
050 National Defense:			
Budget authority	305.5	317.8	330.5
Outlays	299.2	311.0	322.1
150 Interional Affairs:			
Budget authority	18.3	18.6	19.7
Outlays	16.7	16.7	17.1
250 General Science, Space and Technology:			
Budget authority	14.2	14.8	15.5
Outlays	14.0	14.8	15.1
270 Energy:			
Budget authority	6.1	6.4	7.0
Outlays	4.2	4.2	4.6
300 Natural Resources and Environment:			
Budget authority	17.4	18.3	19.1
Outlays	17.4	18.5	19.0
350 Agriculture:			
Budget authority	18.3	20.6	21.3
Outlays	15.0	16.5	15.9
370 Commerce and Housing Credit:			
Budget authority	21.0	26.4	16.9
Outlays	18.1	17.9	12.4
Transportation:			
Budget authority	30.4	31.0	32.1
Outlays	29.1	30.0	31.2
450 Community and Regional Development:			
Budget authority	7.3	7.2	7.3
Outlays	6.6	6.9	6.9
500 Education, Training, Employment, and Social Services:			
Budget authority	40.7	42.0	42.9
Outlays	38.7	41.2	42.4
550 Health:			
Budget authority	57.5	62.9	69.0
Outlays	55.8	61.8	67.9
570 Medicare:			
Budget authority	122.4	134.8	148.1
Outlays	98.2	112.6	127.7
600 Income Security:			
Budget authority	185.4	216.1	220.4
Outlays	145.6	155.4	164.3
650 Social Security:			
Budget authority	317.0	345.3	374.2
Outlays	249.4	267.3	285.2
700 Veterans Benefits and Services:			
Budget authority	30.8	31.7	32.7
Outlays	30.0	31.4	32.5
750 Administration of Justice:			
Budget authority	11.1	12.0	12.6
Outlays	10.4	11.9	12.5
800 General Government:			
Budget authority	10.2	10.7	11.3
Outlays	9.9	10.5	10.7

SENATE-PASSED RESOLUTION BY FUNCTION—Continued

[In billions of dollars]

Function	1990	1991	1992
900 Net Interest:			
Budget authority	181.0	191.04	197.0
Outlays	181.0	191.4	197.0
920 Allowances:			
Budget authority	−0.3	−0.1	−0.1
Outlays	−1.4	−0.6	−0.6
950 Undistributed Offsetting, Receipts:			
Budget authority	−66.8	−84.4	−101.1
Outlays	−72.8	−85.1	−102.2

HOUSE-PASSED RESOLUTION BY FUNCTION

[In billions of dollars]

Function	1990	1991	1992
Budget authority	1,350.925	1,470.125	1,547.075
Outlays	1,165.250	1,232.725	1,281.275
Revenues	1,065.525	1,144.675	1,216.450
Deficit	−99.725	−88.050	−64.825
050 National Defense:			
Budget authority	305.500	319.175	332.500
Outlays	299.200	310.175	322.425
150 International Affairs:			
Budget authority	18.300	18.100	18.850
Outlays	16.700	16.575	16.675
250 General Science, Space and Technology:			
Budget authority	14.400	15.050	15.675
Outlays	14.125	14.925	15.325
70 Energy:			
Budget authority	5.775	6.000	6.600
Outlays	3.800	3.925	4.350
300 Natural Resources and Environment:			
Budget authority	17.050	17.850	18.525
Outlays	17.525	18.250	18.575
350 Agriculture:			
Budget authority	18.050	20.350	21.075
Outlays	14.950	16.350	15.725
370 Commerce and Housing Credit:			
Budget authority	13.250	25.450	25.050
Outlays	8.125	19.625	19.875
400 Transportation:			
Budget authority	29.850	30.525	31.675
Outlays	29.000	29.750	30.800
450 Community and Regional Development:			
Budget authority	7.150	7.050	7.250
Outlays	6.775	6.850	6.825
500 Education, Training, Employment and Social Services:			
Budget authority	41.975	43.325	44.275
Outlays	39.075	42.475	43.750
550 Health:			
Budget authority	57.825	63.125	69.325
Outlays	56.200	62.050	68.125
570 Medicare:			
Budget authority	123.850	136.250	149.550
Outlays	98.350	112.775	127.825
600 Income Security:			
Budget authority	185.675	217.400	220.775
Outlays	145.625	155.575	164.700
650 Social Security:			
Budget authority	316.975	345.250	374.200
Outlays	249.075	266.575	284.025
700 Veterans Benefits and Services:			
Budget authority	31.225	32.325	33.350
Outlays	29.975	31.775	32.925
750 Administration of Justice:			
Budget authority	10.375	11.525	12.075
Outlays	9.925	11.450	12.000
800 General Government:			
Budget authority	10.050	10.425	10.875
Outlays	9.650	10.225	10.175
900 Net Interest:			
Budget authority	181.025	191.300	196.875
Outlays	181.025	191.300	196.875
920 Allowances:			
Budget authority	0.000	0.000	0.000
Outlays	−19.275	−47.200	−67.925
950 Undistributed Offsetting Receipts:			
Budget authority	−37.375	−40.350	−41.425
Outlays	−44.575	−40.700	−41.775

CONFERENCE AGREEMENT CREDIT SUMMARY

[In billions of dollars]

Function	1990	1991	1992
Function 150:			
Direct Loans	1.9	2.0	2.0
Primary Guarantees	6.4	6.7	6.9
Secondary Guarantees	.2	.2	.2
Function 270			
Direct Loans	2.0	2.1	2.3
Primary Guarantees			

CONFERENCE AGREEMENT CREDIT SUMMARY—Continued

[In billions of dollars]

Function	1990	1991	1992
Function 300:			
Direct Loans	.1	.1	.1
Function 350:			
Direct Loans	10.1	10.2	9.7
Primary Guarantees	5.4	5.5	5.4
Function 370:			
Direct Loans	3.3	3.3	3.4
Primary Guarantees	60.5	66.4	69.6
Secondary Guarantees	93.0	96.9	100.7
Function 400:			
Direct Loans			.1
Function 450:			
Direct Loans	1.0	1.1	1.1
Primary Guarantees	.5	.5	.5
Function 500:			
Direct Loans			
Primary Guarantees	13.1	13.6	13.9
Function 550:			
Direct Loans			
Primary Guarantees	.4	.4	.4
Function 600:			
Direct Loans	.1	.1	.1
Function 700:			
Direct Loans	.8	.7	.7
Primary Guarantees	21.0	21.9	22.9
Total:			
Direct Loans	19.3	19.6	19.5
Primary Guarantees	107.3	115.0	119.6
Secondary Guarantees	93.2	97.1	100.9

SENATE PASSED CREDIT SUMMARY

[In billions of dollars]

Function	990	1991	1992
Function 150:			
Direct Loans	2.0	2.1	2.2
Primary Guarantees	6.4	6.7	6.9
Secondary Guarantees	.2	.2	.2
Function 270:			
Direct Loans	2.0	2.1	2.3
Primary Guarantees			
Function 300:			
Direct Loans	.1	.1	.1
Function 350:			
Direct Loans	10.0	10.2	9.7
Primary Guarantees	4.9	4.9	5.0
Function 370:			
Direct Loans	3.3	3.3	3.4
Primary Guarantees	60.5	66.4	69.6
Secondary Guarantees	93.0	96.9	100.7
Function 400:			
Direct Loans	[1]	.1	.1
Function 450:			
Direct Loans	1.0	1.1	1.1
Primary Guarantees	.5	.5	.5
Function 500:			
Direct Loans	[1]	[1]	[1]
Primary Guarantees	12.9	13.4	13.7
Function 550:			
Direct Loans	[1]	[1]	[1]
Primary Guarantees	.4	.4	.4
Function 600:			
Direct Loans	.1	.1	.1
Function 700:			
Direct Loans	.8	.7	.7
Primary Guarantees	21.0	21.9	22.9
Total:			
Direct Loans	19.3	19.8	19.7
Primary Guarantees	106.6	114.2	119.0
Secondary Guarantees	93.2	97.1	100.9

[1] Less than $50 million.

HOUSE PASSED CREDIT SUMMARY

[In billions of dollars]

Function	1990	1991	1992
Function 150:			
Direct Loans	1.775	1.800	1.850
Primary Guarantees	6.425	6.675	6.950
Secondary Guarantees	NA	NA	NA
Function 270:			
Direct Loans	2.000	2.100	2.250
Primary Guarantees			
Function 300:			
Direct Loans	.050	.075	.075
Function 350:			
Direct Loans	10.050	10.225	9.675
Primary Guarantees	5.400	5.475	5.425
Function 370:			
Direct Loans	3.200	2.300	3.375
Primary Guarantees	60.500	66.350	69.625
Secondary Guarantees	NA	NA	NA

HOUSE PASSED CREDIT SUMMARY—Continued

[In billions of dollars]

Function	1990	1991	1992
Function 400:			
Direct Loans	.050	.050	.050
Function 450:			
Direct Loans	1.000	1.050	1.100
Primary Guarantees	.5	.525	.550
Function 500:			
Direct Loans	.025	.025	.025
Primary Guarantees	13.125	13.550	13.850
Function 550:			
Direct Loans	[1]	[1]	[1]
Primary Guarantees	.375	.400	.400
Function 600:			
Direct Loans	.050	.050	.050
Function 700:			
Direct Loans	.825	.750	.700
Primary Guarantees	21.000	21.900	22.900
Total:			
Direct Loans	19.025	19.425	19.150
Primary Guarantees	107.325	114.875	119.700
Secondary Guarantees	NA	NA	NA

[1] Less than $12.5 million.

Reconciliation Instructions

The House resolution included reconciliation instructions to eight House committees to report legislation to achieve savings in fiscal years 1990-92. The Senate amendment included instructions to eight Senate Committees for fiscal year 1990. The conference agreement includes reconciliation instructions directing ten House Committees for a period of two years and eight Senate Committees for fiscal year 1990.

The House resolution required that instruced committees respond by June 30, 1989. The Senate amendment required instructed committees to report by June 15, 1989. The conference agreement provides that committees must report by July 15, 1989.

RECONCILIATION IN CONFERENCE AGREEMENT BY SENATE COMMITTEE

[In millions of dollars]

	1990
Spending:	
Budget authority	−5,966
Outlays	−8,481
Revenues (REV)	−5,300
Total deficit reduction	−13,781
Agriculture:	
Agriculture programs:	
Budget authority	−1,100
Outlays	−1,020
Banking:	
Unspecified reconciliation:	
Budget authority	0
Outlays	−187
Commerce:	
Unspecified reconciliation:	
Budget authority	−450
Outlays	−450
Environment and Public Works:	
Unspecified reconciliation:	
Budget authority	−450
Outlays	−450
Finance:	
Medicare savings:	
Budget authority	0
Outlays	−2,300
Unspecified reconciliation:	
Budget authority	0
Outlays	−468
Revenues (REV)	−5,300
Total, Finance	−8,068
Governmental Affairs:	
Federal pension and postal reform:	
Budget authority	0
Outlays	−1,100
Postal Service off-budget:	
Budget authority	−3,400
Outlays	−1,770
Total, Governmental Affairs:	
Budget authority	−3,400
Outlays	−2,870

RECONCILIATION IN CONFERENCE AGREEMENT BY SENATE COMMITTEE—Continued

[In millions of dollars]

	1990
Labor and Human Resources:	
Unspecified reconciliation:	
Budget authority	−70
Outlays	−70
Veterans:	
Housing loan sales:	
Budget authority	−496
Outlays	−496
Unspecified reconciliation:	
Budget authority	0
Outlays	−170
Total, Veterans:	
Budget authority	−496
Outlays	−666

RECONCILIATION IN CONFERENCE AGREEMENT BY HOUSE COMMITTEE

[In millions of dollars]

	1990	1991
Spending:		
Budget authority	−5,703	−2,910
Outlays	−7,750	−4,760
Unspecified Ways and Means deficit reduction (DR)	−400	−400
Revenues (REV)	−5,300	−5,300
Total deficit reduction	−13,450	−10,460
Agriculture:		
Unspecified user fees:		
Budget authority	−68	−68
Outlays	−68	−68
Repeal Bumpers amendment:		
Budget authority	−500	−500
Outlays	−420	−483
Farm program savings:		
Budget authority	−600	−600
Outlays	−600	−600
Total, Agriculture:		
Budget authority	−1,168	−1,168
Outlays	−1,088	−1,151
Banking, Finance and Urban Affairs:		
National Flood Insurance Fund:		
Budget authority	0	0
Outlays	−187	−17
Education and Labor:		
GSL fees:		
Budget authority	−40	−40
Outlays	−40	−40
Energy and Commerce:		
NRC user fees:		
Budget authority	−299	−299
Outlays	−299	−299
SEC user fees:		
Budget authority	−50	−50
Outlays	−50	−50
FCC user fees:		
Budget authority	−50	−50
Outlays	−50	−50
Medicare savings [1]:		
Budget authority	0	0
Outlays	−2,300	−2,300
Total, Energy and Commerce:		
Budget authority	−399	−399
Outlays	−2,699	−2,699
Government Operations:		
Postal Service off-budget [1]:		
Budget authority	−3,400	−550
Outlays	−1,770	570
Interior and Insular Affairs:		
NRC user fees [1]:		
Budget authority	−299	−299
Outlays	−299	−299
Merchant Marine and Fisheries:		
Coast Guard user fees:		
Budget authority	−200	−200
Outlays	−200	−200
Post Office and Civil Service:		
Federal pension and postal reform:		
Budget authority	0	0
Outlays	−1,100	−500
Postal Service off-budget [1]:		
Budget authority	−3,400	−500
Outlays	−1,700	570
Total, Post Office and Civil Service:		
Budget authority	−3,400	−550
Outlays	−2,870	70
Veterans' Affairs:		
VA housing loan origination fees:		
Budget authority	0	0
Outlays	−170	−170
Veterans vendee loan sales:		
Budget authority	−496	−553

RECONCILIATION IN CONFERENCE AGREEMENT BY HOUSE COMMITTEE—Continued

[In millions of dollars]

	1990	1991
Outlays	−496	−553
Total, Veterans:		
Budget authority	−496	−553
Outlays	−666	−723
Ways and Means:		
Medicare savings [1]:		
Budget authority	0	0
Outlays	−2,300	−2,300
Unspecified Ways and Means deficit reduction (DR)	−400	−400
Revenue increases (REV)	−5,300	−5,300
Total, Ways and Means spending		
Budget authority	0	0
Outlays	−2,300	−2,300

[1] Joint jurisdiction, savings counted only once in total savings.

SENATE COMMITTEE BUDGET AUTHORITY AND OUTLAY ALLOCATIONS PURSUANT TO SECTION 302 OF THE CONGRESSIONAL BUDGET ACT FOR 1989

[In millions of dollars]

Committees	Direct spending jurisdiction		Entitlements funded in annual appropriations	
	Budget authority	Outlays	Budget authority	Outlays
Appropriations	657,542	658,138		
Agriculture, Nutrition and Forestry	12,776	14,035	23,689	18,993
Armed Services	46,882	32,778	0	0
Banking, Housing, and Urban Affairs	8,036	4,076		
Commerce, Science, and Transportation	1,629	−194	404	402
Energy and Natural Resources	1,369	991	48	48
Environment and Public Works	14,691	470		
Finance	766,610	657,788	67,151	67,175
Foreign Relations	8,786	8,963		
Governmental Affairs	65,760	42,662	0	0
Judiciary	2,321	2,224	98	98
Labor and Human Resources	3,375	2,893	5,525	5,600
Rules and Administrations	40	9		
Small Business	0	0		
Veterans' Affairs	1,918	1,564	16,219	15,539
Select Indian Affairs	436	436		
Not allocated to committees	(262,771)	(261,633)		
Total	1,329,400	1,165,200	113,134	107,855

SENATE COMMITTEE CREDIT AUTHORITY ALLOCATIONS PURSUANT TO SECTION 302 OF THE CONGRESSIONAL BUDGET ACT FOR 1990

[In millions of dollars]

Committees	Direct loans	Loan guarantees
Appropriations	8,621	68,609
Agriculture, Nutrition and Forestry	9,001	4,208
Armed Services		
Banking, Housing, and Urban Affairs	515	19
Commerce, Science, and Transportation	2	0
Energy and Natural Resources		
Environment and Public Works	298	0
Finance		
Foreign Relations		
Governmental Affairs		
Judiciary		
Labor and Human Resources	0	13,500
Rules and Administrations		
Small Business		
Veterans' Affairs	825	21,000
Select Indian Affairs		
Not allocated to committees	37	−36
Total	19,300	107,300

ALLOCATIONS OF SPENDING AND CREDIT RESPONSIBILITIES TO HOUSE COMMITTEES

ALLOCATION OF SPENDING RESPONSIBILITY TO HOUSE COMMITTEES PURSUANT TO SEC. 302(a) OF THE CONGRESSIONAL BUDGET ACT—FISCAL YEAR: 1990

[In millions of dollars]

	Budget authority	Outlays	Entitlement authority
APPROPRIATIONS COMMITTEE			
Current Level (Enacted Law)			
050 National Defense	155	155	0
150 International Affairs	911	911	0
270 Energy	355	355	0
300 Natural Resources and Environment	1,989	1,900	0
350 Agriculture	9,633	646	0
370 Commerce and Housing Credit	3,030	2	0
400 Transportation	456	459	0
450 Community and Regional Development	1,476	1	0
500 Education, Training, Employment, and Social Services	9,456	9,562	0
550 Health	42,269	41,818	0
570 Medicare	36,663	36,663	0
600 Income Security	45,764	45,273	0
650 Social Security	192	192	0
700 Veterans Benefits and Services	16,382	15,858	0
750 Administration of Justice	180	179	0
800 General Government	5,430	5,431	0
Subtotal	174,340	159,495	
Discretionary Appropriations Action (Assumed Legislation)			
050 National Defense	306,101	299,787	0
150 International Affairs	19,000	17,000	0
250 General Science, Space, and Technology	14,300	13,985	0
270 Energy	5,683	5,098	0
300 Natural Resources and Environment	17,131	17,341	0
350 Agriculture	2,638	2,467	0
370 Commerce and Housing Credit	3,965	4,300	0
400 Transportation	12,520	28,674	0
450 Community and Regional Development	5,535	5,640	0
500 Education, Training, Employment, and Social Services	30,217	28,500	0
550 Health	15,327	14,673	0
570 Medicare	0	2,400	0
600 Income Security	17,310	23,857	0
650 Social Security	0	2,141	0
700 Veterans Benefits and Services	13,300	13,140	0
750 Administration of Justice	10,561	10,144	0
800 General Government	9,296	9,158	0
950 Undistributed Offsetting Receipts	−283	−218	0
Subtotal	482,602	498,087	0
Discretionary Action by Other Committees (Assumed Entitlement Legislation)			
500 Education, Training, Employment, and Social Services	−70	−70	0
550 Health	200	200	0
600 Income Security	15	15	0
700 Veterans Benefits and Services	457	412	0
Subtotal	602	557	0
Committee total	657,544	658,138	0
AGRICULTURE COMMITTEE			
Current Level (Enacted Law)			
270 Energy	933	250	0
300 Natural Resources and Environment	421	413	0
350 Agriculture	12,215	13,230	10,533
400 Transportation	48	48	0
450 Community and Regional Development	52	903	0
800 General Government	307	310	307
Subtotal	13,976	15,155	10,840
Discretionary Action (Assumed Legislation)			
350 Agriculture	−1,168	−1,088	−600
Subtotal	−1,168	−1,088	−600
Committee total	12,808	14,066	10,240

ARMED SERVICES COMMITTEE

Current Level (Enacted Law)

050 National Defense	11,213	11,227	2
500 Education, Training, Employment, and Social Services	4	1	0
600 Income Security	35,470	21,409	21,409
700 Veterans Benefits and Services	182	138	138
Subtotal	46,869	32,775	21,549
Committee total	46,869	32,775	21,549

BANKING, FINANCE, AND URBAN AFFAIRS COMMITTEE

Current Level (Enacted Law)

150 International Affairs	0	−496	0
370 Commerce and Housing Credit	14,917	13,779	0
450 Community and Regional Development	17	222	0
600 Income Security	567	634	0
800 General Government	6	6	0
900 Net Interest	21	21	0
Subtotal	15,530	14,167	0

Discretionary Action (Assumed Legislation)

370 Commerce and Housing Credit	−8,794	−9,737	399
450 Community and Regional Development	0	−187	0
Subtotal	−8,794	−9,924	399
Committee total	6,736	4,243	399

DISTRICT OF COLUMBIA COMMITTEE

Current Level (Enacted Law)

750 Administration of Justice	19	19	19
Subtotal	19	19	19
Committee total	19	19	19

EDUCATION AND LABOR COMMITTEE

Current Level (Enacted Law)

500 Education, Training, Employment, and Social Services	25	12	5,153
600 Income Security	81	80	6,948
Subtotal	106	92	12,101

Discretionary Action (Assumed Legislation)

600 Income Security	0	0	15
Subtotal	0	0	15
Committee total	106	92	12,116

ENERGY AND COMMERCE COMMITTEE

Current Level (Enacted Law)

370 Commerce and Housing Credit	50	49	0
550 Health	8	16	38,486
600 Income Security	12,985	12,379	9,691
800 General Government	7	7	7
Subtotal	13,050	12,451	48,184

Discretionary Action (Assumed Legislation)

270 Energy	−299	−299	0
370 Commerce and Housing Credit	−100	−100	0
550 Health	0	0	200
Subtotal	−399	−399	200
Committee total	12,651	12,052	48,384

FOREIGN AFFAIRS COMMITTEE

Current Level (Enacted Law)

150 International Affairs	7,979	8,604	0
600 Income Security	805	356	356
800 General Government	4	4	0
Subtotal	8,787	8,964	356
Committee total	8,878	8,964	356

GOVERNMENT OPERATIONS COMMITTEE

Current Level (Enacted Law)

800 General Government	20	17	0
Subtotal	20	17	0
Committee total	20	17	0

HOUSE ADMINISTRATION COMMITTEE

Current Level (Enacted Law)

500 Education, Training, Employment, and Social Services	8	9	0
800 General Government	32	0	64
Subtotal	40	9	64
Committee total	40	9	64

INTERIOR AND INSULAR AFFAIRS COMMITTEE

Current Level (Enacted Law)

270 Energy	219	−117	0
300 Natural Resources and Environment	195	143	9
450 Community and Regional Development	432	432	367
550 Health	3	3	0
800 General Government	664	676	698
Subtotal	1,512	1,137	1,073

JUDICIARY COMMITTEE

Current Level (Enacted Law)

370 Commerce and Housing Credit	205	202	0
500 Education, Training, Employment, and Social Services	870	940	0
600 Income Security	31	9	5
750 Administration of Justice	692	550	98
800 General Government	523	523	523
Subtotal	2,321	2,224	626
Committee total	2,321	2,224	626

MERCHANT MARINE AND FISHERIES COMMITTEE

Current Level (Enacted Law)

300 Natural Resources and Environment	362	385	0
370 Commerce and Housing Credit	56	53	0
400 Transportation	0	67	404
600 Income Security	12	3	0
800 General Government	6	6	0
Subtotal	437	514	404

Discretionary Action (Assumed Legislation)

400 Transportation	−200	−200	0
Subtotal	−200	−200	0
Committee total	237	314	404

POST OFFICE AND CIVIL SERVICE COMMITTEE

Current Level (Enacted Law)

370 Commerce and Housing Credit	3,400	1,770	0
550 Health	0	−552	3,229
600 Income Security	53,335	31,891	31,891
800 General Government	12,387	12,387	0
Subtotal	69,122	45,496	35,120

Discretionary Action (Assumed Legislation)

370 Commerce and Housing Credit	−3,400	−1,770	0
950 Undistributed Offsetting Receipts	0	−1,100	−550
Subtotal	−3,400	−2,870	−550
Committee total	65,722	42,626	34,570

PUBLIC WORKS AND TRANSPORTATION COMMITTEE

Current Level (Enacted Law)

270 Energy	703	375	0
300 Natural Resources and Environment	182	179	0
400 Transportation	17,099	−0	0
450 Community and Regional Development	4	4	0
800 General Government	1	1	0
Subtotal	17,989	559	0
Committee total	17,989	559	0

SCIENCE, SPACE AND TECHNOLOGY COMMITTEE

Current Level (Enacted Law)

250 General Science, Space, and Technology	70	70	0
270 Energy	65	65	0
500 Education, Training, Employment, and Social Services	1	1	0
Subtotal	136	136	0
Committee total	136	136	0

VETERANS' AFFAIRS COMMITTEE

700 Veterans Benefits and Services	2,414	2,213	18,702
Subtotal	2,414	2,213	18,702

Discretionary Action (Assumed Legislation)

700 Veterans Benefits and Services	−496	−666	457
Subtotal	−496	−666	457
Committee total	1,918	1,547	19,159

WAYS AND MEANS COMMITTEE

Current Level (Enacted Law)

500 Education, Training, Employment, and Social Servicesa	1,089	0	4,077
570 Medicare	137,447	112,017	111,650
600 Income Security	28,948	19,497	42,842
650 Social Security	324,456	254,434	248,063
750 Administration of Justice	117	116	0
800 General Government	372	222	333
900 Net Interest	264,632	264,632	264,632
Subtotal	757,061	650,918	671,597

Discretionary Action (Assumed Legislation)

570 Medicare	0	−2,300	−2,300
9 Undistributed Offsetting Receipts	0	−400	−400
Subtotal	0	−2,700	−2,700
Committee total	757,061	648,218	668,897

UNASSIGNED TO COMMITTEES

Current Level (Enacted Law)

050 National Defense	−11,969	−11,969	0
150 International Affairs	−9,589	−9,319	0
250 General Science, Space, and Technology	30	45	0
270 Energy	−1,857	−1,826	0
300 Natural Resources and Environment	−2,943	−2,915	0
350 Agriculture	−5,018	−255	0
370 Commerce and Housing Credit	−78	−97	0
400 Transportation	−23	−48	0
450 Community and Regional Development	−317	−315	0
500 Education, Training, Employment, and Social Services	−100	−55	0
550 Health	−7	−58	0
570 Medicare	−50,210	−50,279	0
600 Income Security	−9,724	−9,803	0
650 Social Security	−7,648	−7,668	0
700 Veterans Benefits and Services	−1,139	−1,095	0
750 Administration of Justice	−868	−907	0
800 General Government	−18,955	−18,949	0
900 Net Interest	−83,653	−83,653	−63,368
920 Allowances	−21,200	−19,300	0
950 Undistributed Offsetting Receipts	−37,568	−43,233	0
Subtotal	−262,838	−261,699	−63,368

Discretionary Action (Assumed Legislation)

300 Natural Resources and Environment	−137	−137	0
550 Health	−100	−100	0
Subtotal	−237	−237	0
Committee total	−263,075	−261,936	−63,368
Total—Current level	860,890	684,641	757,268
Total—Discretionary action	468,510	480,560	−2,779
Grand total	1,329,400	1,165,200	754,489

ALLOCATION OF CREDIT RESPONSIBILITY TO HOUSE COMMITTEES PURSUANT TO SECTION 302(a) OF THE CONGRESSIONAL BUDGET ACT—CONFERENCE REPORT FISCAL YEAR 1990

[In millions of dollars]

House committee	Direct loans	Primary guarantees
Current level (enacted law):		
Agriculture	9,001	4,208
Banking, Finance and Urban Affairs	515	19
Education and Labor	0	13,120
Energy and Commerce	0	380
Merchant Marine and Fisheries	2	0
Public Works and Transportation	298	0
Veterans' Affairs	825	21,000
Way and Means	(1)	0
Unassigned	38	−36
Subtotal	10,679	38,691
Discretionary action (assumed legislation) appropriations	8,621	68,609
Subtotal	8,621	68,609
Grand total	19,300	107,300

[1] Less than $500,000.

FUNCTION 050

The House-passed resolution included $305.5 billion in budget authority and $299.2 billion in outlays. The Senate amendment and conference agreement each included $305.5 billion in budget authority and $299.2 billion in outlays. These levels correspond to those set forth in the Bipartisan Budget Agreement between the President and the Joint Leadership of Congress.

FUNCTION 150

The House-passed resolution included $18.3 billion in budget authority and $16.7 billion in outlays. The Senate amendment and conference agreement each included $18.3 billion in budget authority and $16.7 billion in outlays. These levels correspond to those set forth in the Bipartisan Budget Agreement between the President and the Joint Leadership of Congress.

FUNCTION 250

The House-passed resolution included $14.4 billion in budget authority and $14.125 billion in outlays. The Senate amendment included $14.2 billion in budget authority and $14.0 billion in outlays. The conference agreement includes $14.4 billion in budget authority and $14.1 billion in outlays.

FUNCTION 270

The House-passed resolution included $5.775 billion in budget authority and $3.8 billion in outlays. The Senate amendment included $6.1 billion in budget authority and $4.2 billion in outlays. The conference agreement includes $6.1 billion in budget authority and $4.2 billion in outlays.

FUNCTION 300

The House-passed resolution included $17.05 billion in budget authority and $17.525 billion in outlays. The Senate amendment included $17.4 billion in budget authority and $17.4 billion in outlays. The conference agreement includes $17.2 billion in budget authority and $17.4 billion in outlays.

FUNCTION 350

The House-passed resolution included $18.05 billion in budget authority and $14.95 billion in outlays. The Senate amendment included $18.3 billion in budget authority and $15 billion in outlays. The conference agreement includes $18.3 billion in budget authority and $15 billion in outlays.

FUNCTION 370

The House-passed resolution included $13.25 billion in budget authority and $8.125 billion in outlays. The Senate amendment included $21 billion in budget authority and $18.1 billion in outlays. The conference agreement includes $13.3 billion in budget authority and $8.5 billion in outlays.

FUNCTION 400

The House-passed resolution included $29.85 billion in budget authority and $29 billion in outlays. The Senate amendment included $30.4 billion in budget authority and $29.1 billion in outlays. The conference agreement includes $29.9 billion in budget authority and $29 billion in outlays.

FUNCTION 450

The House-passed resolution included $7.15 billion in budget authority and $6.775 billion in outlays. The Senate amendment included $7.3 billion in budget authority and $6.6 billion in outlays. The conference agreement includes $7.2 billion in budget authority and $6.7 billion in outlays.

FUNCTION 500

The House-passed resolution included $41.975 billion in budget authority and $39.075 billion in outlays. The Senate amendment included $40.7 billion in budget authority and $38.7 billion in outlays. The conference agreement includes $41.5 billion in budget authority and $38.9 billion in outlays.

FUNCTION 550

The House-passed resolution included $57.825 billion in budget authority and $56.2 billion in outlays. The Senate amendment included $57.5 billion in budget authority and $55.8 billion in outlays. The conference agreement includes $57.7 billion in budget authority and $56 billion in outlays.

FUNCTION 570

The House-passed resolution included $123.85 billion in budget authority and $98.35 billion in outlays. The Senate amendment included $122.4 billion in budget authority and $98.2 billion in outlays. The conference agreement includes $123.9 billion in budget authority and $98.5 billion in outlays.

FUNCTION 600

The House-passed resolution included $185.675 billion in budget authority and $145.625 billion in outlays. The Senate amendment included $185.4 billion in budget authority and $145.6 billion in outlays. The conference agreement includes $185.6 billion in budget authority and $145.6 billion in outlays.

FUNCTION 650

The House-passed resolution included $316.975 billion in budget authority and $249.075 billion in outlays. The Senate amendment included $317 billion in budget authority and $249.4 billion in outlays. The conference agreement includes $317 billion in budget authority and $249.1 billion in outlays.

FUNCTION 700

The House-passed resolution included $31.225 billion in budget authority and $29.975 billion in outlays. The Senate amendment included $30.8 billion in budget authority and $30 billion in outlays. The conference agreement includes $31.1 billion in budget authority and $30 billion in outlays.

FUNCTION 750

The House-passed resolution included $10.375 billion in budget authority and $9.925 billion in outlays. The Senate amendment included $11.1 billion in budget authority and $10.4 billion in outlays. The conference agreement includes $10.7 billion in budget authority and $10.1 billion in outlays.

FUNCTION 800

The House-passed resolution included $10.05 billion in budget authority and $9.65 billion in outlays. The Senate amendment included $10.2 billion in budget authority and $9.9 billion in outlays. The conference agreement includes $10.1 billion in budget authority and $9.8 billion in outlays.

FUNCTION 900

The House-passed resolution included $181.025 billion in budget authority and $181.025 billion in outlays. The Senate amendment and conference agreement each included $181 billion in budget authority and $181 billion in outlays.

FUNCTION 920

The House-passed resolution included $0.000 in budget authority and $−19.275 billion in outlays. The Senate amendment included $−0.3 billion in budget authority and $−1.4 billion in outlays. The conference agreement included $−21.2 billion in budget authority and $−19.3 billion in outlays.

FUNCTION 950

The House-passed resolution included $−37.375 billion in budget authority and $−44.575 billion in outlays. The Senate amendment included $−66.8 billion in budget authority and $−72 billion in outlays. The conference agreement includes $−38.2 billion in budget authority and $−45.3 billion in outlays.

REVENUES

The House-passed resolution, Senate amendment, and conference agreement each provided for a fiscal year 1990 revenue level of $1,065.5 billion. Consistent with the Bipartisan Budget Agreement between the President and the Joint Leadership of Congress, this level assumes a $5.3 billion increase from changes in tax law and a $0.5 billion increase from an IRS tax compliance initiative. Revenue resulting from an appropriation for this initiative, which is not within the jurisdiction of the tax-writing committees, is not subject to, nor credited towards, reconciliation.

ECONOMIC ASSUMPTIONS

The Conferees accepted the economic assumptions used in the House- and Senate-passed resolutions as the basis for the aggregate budget estimates. These economic assumptions were the basis for the Bipartisan Budget Agreement, and were prepared by the administration for the budget revisions submitted to the Congress in February. The economic assumptions are displayed in the table below.

ECONOMIC ASSUMPTIONS

[Calendar years]

	Actual 1988	Projected 1989	1990	1991	1992
Annual averages:					
Gross national product (billion dollars)	4,860	5,219	5,577	5,947	6,304
Percent change	7.4	7.4	6.9	6.6	6.0
Real GNP (billion 1982 dollars)	3,994	4,126	4,257	4,399	4,541
Percent change	3.8	3.3	3.2	3.3	3.2
GNP deflator (percent change)	3.4	4.0	3.6	3.2	2.7
Consumer Price Index (percent change)	4.0	3.8	3.7	3.2	2.7

ECONOMIC ASSUMPTIONS—Continued

[Calendar years]

	Actual 1988	Projected 1989	1990	1991	1992
Civilian Unemployment Rate (percent)	5.5	5.3	5.2	5.0	5.0
3-month Treasury bill rate (percent)	6.7	7.4	5.5	4.5	4.0
10-year Treasury note rate (percent)	8.9	8.6	7.2	6.0	5.0
Taxable incomes (billion dollars):					
Wages and salaries	2,436	2,609	2,783	2,973	3,163
Corporate profits before tax	302	352	399	442	475
Fourth quarter to fourth quarter (percent change):					
Gross national product	6.8	7.3	7.0	6.4	5.8
Real GNP	2.6	3.5	3.4	3.3	3.2
GNP deflator	4.1	3.7	3.5	3.0	2.5
Consumer Price Index	4.3	3.6	3.5	3.0	2.5
Civilian unemployment rate (percent, fourth quarter level)	5.4	5.2	5.1	5.0	5.0

Report Language

The Conferees intend that language in the reports of the Senate and House Committees on the Budget on the concurrent resolution on the budget that has not been modified by this conference report remains as a source of legislative history on the drafters' intent on the concurrent resolution.

Miscellaneous Provisions

The House resolution contained one provision stating the sense of the Committee on the Budget regarding items provided in the Bipartisan Budget Agreement Between the President and the Joint Leadsership of Congress.

The Senate amendment contained 22 miscellaneous provisions regarding: the debt increase as one measure of deficit, the deficit levels excluding trust fund surpluses, the corresponding levels of gross interest on the public debt, the sale of government assets, a reserve fund for subsidized housing contract renewals, a reserve fund for Medicaid, a reserve fund for IRS compliance, fuel excise taxes, further deficit reduction, Social Security trust fund surpluses, Anti-Drug Abuse Act of 1988 funding, more truthful presentation of deficit, a reserve fund for children, funds for prison expenses, a biennial budget process, the current services baseline, World Health Organization and PLO membership, reducing the generation of carbon dioxide, the national aerospace plane, Bipartisan Budget Agreement language on revenue legislation, implementation of deficit reduction, disaster assistance, and the public debt limit.

The conference agreement contains the following four miscellaneous provisions on the sense of the Congress regarding Bipartisan Budget Agreement language on revenue legislation, the sale of government assets, a reserve fund for children, and a reserve fund for Medicaid.

Bipartisan Budget Agreement Language

Section 23 of the Senate amendment stated the assumption that (as stated in paragraph 10 of the Bipartisan Budget Agreement) agreements reached between the administration and the Congressional tax-writing committees on revenue legislation reconciled pursuant to this resolution will be advanced legislatively when supported by the President.

Section 4 of the House resolution stated the intent of the House Committee on the Budget that (as stated in paragraph 5 of the Bipartisan Budget Agreement) Congress shall present the revenue portion of the reconciliation bill to the President at the same time as the spending reduction provisions of the reconciliation bill, and that (as stated in paragraph 10 of the Bipartisan Budget Agreement) the specific measures composing the governmental receipts figure will be determined through the regular legislative and constitutional process, and agreements reached between the administration and the Ways and Means Committee on revenue legislation reconciled pursuant to this agreement will be advanced legislatively when supported by the President.

The conference report contains a sense of the Congress provision similar to the House provision that also notes the participation of the Committee on Finance.

Sale of Government Assets

Section 7 of the Senate amendment was a provision on asset sales identical to that in the concurrent resolution on the budget for fiscal year 1989. That provision, in turn, was a combination of two provisions in the concurrent resolution on the budget for fiscal year 1988. The section would prevent the use for spending in fiscal year 1990 of the proceeds from asset sales and loan prepayments. It would do this by prohibiting the counting of asset sales for purposes of the allocations to committees under section 302 of the Congressional Budget Act of 1974. This provision is consistent with section 251(a)(6)(I) of the Balanced Budget and Emergency Deficit Control Act of 1985, which prohibits counting asset sales and loan prepayments for the purposes of determining whether that Act calls for across-the-board cuts.

The House resolution had no such provision, but report language addressed this rule.

The conference report includes the provision.

Reserve Fund for Children

Section 16 of the Senate amendment provided a reserve fund for children similar in form to the language for the Medicare catastrophic insurance initiative in the Senate in the concurrent resolutions on the budget for fiscal years 1988 and 1989 and the anti-drug initiative in both Houses in the concurrent resolution on the budget for fiscal year 1989. Specifically, section 16 of the Senate amendment provided that budget authority and outlays may be allocated to the Senate Committee on Finance for increased funding for children (including funding through tax credits) if the Committee on Finance or the conference committee reports funding legislation that will make funds available for that purpose and will not increase the deficit in the resolution. When that legislation is reported and again upon the submission of a conference report, the Chairman of the Committee on the Budget may file with the Senate appropriately revised allocations under section 302(a) of the Congressional Budget Act of 1974 and revised functional levels and aggregates to carry out this section.

The House resolution had no such provision.

The conference report includes the provision plus a similar, parallel section covering the House. The House provision does not include reference to conference committees because the House conferees believe that the language regarding the Committee on Ways and Means will also cover a report submitted by the committee of conference on legislation that originated in the Committee on Ways and Means.

Reserve Fund for Medicaid

Section 9 of the Senate amendment set forth a reserve fund provision for Medicaid funding that is very similar to that for children in the Senate amendment and those for the Medicare catastrophic insurance initiative in the Senate in the concurrent resolutions on the budget for fiscal years 1988 and 1989 and the anti-drug initiative in both Houses in the concurrent resolution on the budget for fiscal year 1989. Specifically, section 9 of the Senate amendment provided that budget authority and outlays may be allocated to the Senate Committee on Finance for increased Medicaid funding if the Committee on Finance or the conference committee reports funding legislation that will make funds available for that purpose and will not increase the deficit in the resolution. When that legislation is reported and again upon the submission of a conference report, the Chairman of the Committee on the Budget may file with the Senate appropriately revised allocations under section 302(a) of the Congressional Budget Act of 1974 and revised functional levels and aggregates to carry out this section.

The House resolution had no such provision.

The conference report contains the provision, applicable only in the Senate.

Reconciliation in the Senate

The conference report also contains a section stating the sense of the Senate that in the event that a House Committee intended in its response to the reconciliation instructions of this resolution to the House Committee on the Budget recommendations for legislation that would provide for increased Medicaid funding, the Senate shall adopt a revision of the reconciliation instructions in this resolution changing the instructions for the Senate Committee on Finance to incorporate the assumption for Medicaid increases reflected in this resolution and reflected in the allocations to the Committee on Finance under section 302(a) of the Congressional Budget Act of 1974.

Implicit Marginal Tax Rates on the Income of the Elderly

The Conferees request that the Senate Committee on Finance and the House Committee on Ways and Means examine the combined impact on the implicit marginal tax rates on the income of the elderly caused by:

(1) Federal income tax rates,

(2) taxation of Social Security benefits,

(3) the Social Security earnings test, and

(4) the income-related premium for Catastrophic Health Insurance.

Funding for Subsidized Housing Contract Renewals

It is the intent of the Senate Conferees and the Republican House Conferees that the amounts assumed in the CBO alternative baseline for subsidized housing contract renewals shall be provided for such contract renewals, consistent with the Bipartisan Budget Agreement. Further, it is the intent of the Senate Conferees that the concurrent resolutions on the budget for 1991 and the out-years will also reflect the commitment to renewing all expiring contracts when the resources necessary for renewing this assistance to low-income families will be so much greater. The Senate Leadership, the Chairman of the Senate Committee on Appropriations, and the Chairman of the Subcommittee on Veterans, HUD, and Independent Agencies of the Senate Committee on Appropriations have indicated their intention

that such funding will be provided in the appropriate legislation.

It is the intent of the Democratic House Conferees that the amounts assumed in the resolution for subsidized housing contract renewals shall be provided for such renewals without prejudice to the form or length of such renewals. Further, the House Leadership and the Chairman of the Subcommittee on Veterans, HUD and Independent Agencies of the House Committee on Appropriations have indicated their intention that such funding will be provided in the appropriate legislation.

FUNDING FOR IRS COMPLIANCE

It is the intent of the conferees that the amounts assumed in the resolution for IRS compliance shall be provided in order to raise the assumed amounts of additional revenues from increased IRS compliance funding consistent with the Bipartisan Budget Agreement. The House Leadership has indicated its intention that such funding will be provided in the appropriate legislation.

OTHER MISCELLANEOUS PROVISIONS IN THE SENATE AMENDMENT

The Conferees for the Senate adhere to the following positions on anti-drug and law enforcement funding, more truthful presentation of deficit, reducing the generation of greenhouse gases, implementation of deficit reduction, and disaster assistance.

ANTI-DRUG AND LAW ENFORCEMENT FUNDING

The Senate Conferees assume that sufficient funding is available to support the increases provided in the Anti-Drug Abuse Act of 1988 and that such funding is consistent with the need to maintain the even balance in that Act between new spending to reduce drug supply and new spending to reduce drug demand.

The Senate Conferees also assume that within function 750, there are sufficient funds available to support a Federal expenditure level of $1 billion in drug-related correctional activities at the Federal, state and local levels.

MORE TRUTHFUL PRESENTATION OF DEFICIT

The Conferees for the Senate find that:

(1) this concurrent resolution on the budget for fiscal year 1990 is within the parameters established by the President, and even if inadequate, is essential to keep the Government in operation;

(2) this resolution sets forth the deficit at only $99,700,000,000;

(3) one measure of the deficit, the increase in the public debt subject to limitation, is fully $264,300,000,000;

(4) the Federal debt will rise to fully $3,122,700,000,000 in 1990; and

(5) the level of gross interest on the public debt will be $262,500,000,000 in fiscal year 1990;

The Conferees for the Senate believe that:

(1) as set forth in the Senate amendment, the budget submitted by the President under section 1105 of title 31 of the United States Code and the concurrent budget resolution for fiscal year 1991, in order to more truthfully set forth the deficit, should reflect at least the following changes:

(A) all Social Security and other Federal retirement funds must be accounted for separately;

(B) all gross interest on the public debt subject to limitation must be fully reported and reflected; and

(C) the increase in the gross Federal debt that is subject to the legal debt limit should be shown as a measure of the deficit.

(2) Because a multi-year plan of debt and deficit reduction, based on sound economic assumptions, appears imperative, the President is requested to advise the Congress of any proposals relative to the reduction of the national debt, and to inform the Congress whether additional revenues are required for debt and deficit reduction, and if so, the President is invited to make specific revenue recommendations.

REDUCING THE GENERATION OF GREENHOUSE GASES

The Senate Conferees find that:

(1) the concentration of the so-called "greenhouse" gases—including carbon dioxide, methane, nitrous oxide, chlorofluorocarbons, and tropospheric ozone—is rising;

(2) since the advent of the industrial revolution 150 years ago, a number of scientific experts estimate that the atmospheric concentration of

(A) carbon dioxide, the most prevalent of these gases, has increased by 25 percent;

(B) methane has increased by 100 percent;

(C) nitrous oxide has increased by 10 percent;

(D) chlorofluorocarbon compounds (CFC's) have increased from zero 60 years ago at an average rate of 5 percent per year; and

(E) tropospheric ozone continues to increase by 1 percent per year;

(3) a large number of the world's leading scientists, including members of National Science Foundation, have warned policy makers that

(A) increased concentrations of these gases will alter climate; and

(B) such climatic alterations could have devastating effects on weather patterns, agricultural productivity, coastal population centers due to rising sea levels, and biological health;

(4) the majority of these gases are generated in the production of energy;

(5) in 1988, the Department found, based on data collected for the 1985 National Energy Policy Plan, that the United States' generation of carbon dioxide would increase from 1985 levels by 38 percent in the year 2010;

(6) leading scientific experts of the world, including members of the National Academy of Sciences, the National Academy of Engineering, and the Institute of Medicine have urged the President to take action to reduce the generation of these gases by the United States;

(7) international negotiations are underway to develop strategies to reduce the generation of these gases;

(8) the United States is chair of the Response Strategies Working Group of the Intergovernmental Panel on Climate Change (IPCC), which was established by the United Nations Environment Programme and the World Meteorological Organization;

(9) at the first meetings of the IPCC's Response Strategies Working Group, the Secretary of State urged that global solutions to global climate change be as specific and cost-effective as they can possibly be;

(10) it is imperative that the United States and all nations take immediate steps to protect the global environment; and

(11) without action by the United States to protect the global environment, our ability to convince other nations to act on concerns such as global climate change will be constrained.

The Senate conferees believe that United States policy on global warming should be:

(1) to reduce the generation of greenhouse gases;

(2) to hold, in 1989, a global conference on the environment, hosted by the President;

(3) to encourage other nations to undertake measures to reduce the generation of greenhouse gases;

(4) to develop binding multilateral agreements with other nations by the end of calendar year 1992, or as early as practicable, to reduce the global generation of greenhouse gases;

(5) to encourage the worldwide protection of tropical rain forests;

(6) to require each Federal agency to examine its programs to determine the impact of global warming on its missions and activities and to evaluate and propose policies under its authority that could reduce the generation of greenhouse gases;

(7) to develop new technologies and better utilize existing technologies that will provide reliable supplies of energy and service for the citizens of the United States while reducing the generation of greenhouse gases.

The Senate conferees also believe that the United States Government should adopt a position with respect to a "Framework Global Climate Convention," and through its representative to the Intergovernmental Panel on Climate Change, should begin discussions on such a convention when it chairs the next meeting of the "Response Strategies Working Group."

To the maximum extent practical, the priorities set forth in this section should be reflected in the Federal budget.

IMPLEMENTATION OF DEFICIT REDUCTION

The conferees for the Senate find:

(1) The Bipartisan Budget Agreement represents the action most probable to avoid a budget impasse and sequester.

(2) The achievement of a reduction in the Federal budget deficit through agreement rather than confrontation between the President and Congress is in the national interest.

(3) National security and international leadership rest on the foundation of a strong economy, capable of financing internally its investment needs.

The conferees for the Senate believe that:

(1) The Bipartisan Budget Agreement should be fully and quickly implemented;

(2) The Leadership of Congress and the Administration should immediately authorize resumption of negotiations aimed at a multi-year deficit reduction package, leading to a balanced Federal budget;

(3) The economic and budgetary assumptions underlying the multi-year agreement should be based on sound and realistic forecasts; and

(4) The bipartisan, cooperative effort that made the Bipartisan Budget Agreement possible should be sustained in addressing the nation's remaining budgetary problems.

DISASTER ASSISTANCE

The Senate conferees believe that legislation should be adopted to mitigate financial hardship caused by the current drought. The Senate conferees find the following:

(1) agricultural producers in several Midwestern and Southwestern States have experienced adverse weather conditions since planting the 1989 crop of winter wheat, including a lack of rainfall, freeze damage, high-velocity windstorms, and record-breaking high temperatures;

(2) such extreme conditions have combined to severely damage winter wheat production in several States, including Kansas,

Oklahoma, Texas, Nebraska, Colorado, and New Mexico;

(3) the Kansas Wheat Quality Council, after a recent 3-day tour of these States, estimated that production in the Texas and Oklahoma Panhandles would be only one-third of normal;

(4) the mean average of 68 estimates of the 1989 crop of winter wheat in Kansas projected only 209,000,000 bushels of wheat; and

(5) current budget estimates reveal there will be substantial savings resulting from higher prices and lower deficiency payments that could be applied toward disaster payments for drought-stricken winter wheat producers through an extension of the Disaster Assistance Act of 1988 (7 U.S.C. 1421 note).

In light of these conditions, the Senate conferees believe that:

(1) legislation should be enacted to extend the Disaster Assistance Act of 1988 (7 U.S.C. 1421 note) to apply to losses due to adverse weather conditions in 1988 or 1989 for agricultural commodities planted in 1988 for harvest in 1989;

(2) such legislation should not add to the deficit and such legislation should not discriminate against other program crops;

(3) such legislation should not discriminate against producers who are currently covered by Federal crop insurance; and

(4) drought assistance should be enacted in a timely fashion so as to ensure that savings from higher prices and lower deficiency payments offset the cost of such assistance.

PUBLIC DEBT LIMIT IN THE HOUSE

Rule XLIX of the House of Representatives sets forth a procedure for increasing the level of the public debt. The rule blends the public debt limit increase into the congressional budget process which, by setting the budget totals, determines what amount of debt must be outstanding.

Upon final passage by both bodies of the concurrent resolution on the budget, the public debt level for fiscal year 1990 set forth in the resolution becomes the substance of a joint resolution, is deemed passed by the House, and is sent to the Senate for its approval. If the Senate approves the joint resolution without amendment, the joint resolution is sent to the President for signature. The public debt level in the joint resolution becomes effective upon signature by the President. (If the Senate amends the joint resolution, then it would return to the House for further action.)

Pursuant to the rule, the text of the joint resolution would be as follows:

That subsection (b) of section 3101 of title 31, United States Code, is amended by striking out the dollar limitation contained in such subsection and inserting in lieu thereof $3,122,700,000,000.

Legislative jurisdiction over the public debt remains in the Committee on Ways and Means. The rule does not preclude that committee from originating public debt bills whenever necessary.

LEON E. PANETTA,
THOMAS S. FOLEY,
MARTY RUSSO,
ED JENKINS,
MARVIN LEATH,
CHARLES SCHUMER,
BARBARA BOXER,
JIM SLATTERY,
JAMES L. OBERSTAR,
BILL FRENZEL,
BILL GRADISON,
BILL GOODLING,
WM. THOMAS,
JACK BUECHNER,
AMO HOUGHTON,
Managers on the Part of the House.

JIM SASSER,
DON RIEGLE,
PAUL SIMON,
TERRY SANFORD,
TIMOTHY E. WIRTH,
PETE V. DOMENICI,
CHUCK GRASSLEY,
PHIL GRAMM,
Managers on the Part of the Senate.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. FRANK) and to include extraneous matter:)

Mr. MONTGOMERY, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. SKELTON, for 30 minutes, today.

Mr. MORRISON of Connecticut, for 5 minutes, on May 16.

Mr. BILBRAY, for 5 minutes, on May 16.

Mr. SCHUMER, for 60 minutes, on May 16.

Mr. SKELTON, for 30 minutes, on May 16.

Mr. GONZALEZ, for 60 minutes, on May 16.

Mr. GONZALEZ, for 60 minutes, on May 17.

Mr. GONZALEZ, for 60 minutes, on May 18.

Mr. HOCHBRUECKNER, for 60 minutes, on May 24.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. OBERSTAR, for 10 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Member (at the request of Mr. DUNCAN) and to include extraneous matter:)

Mr. CONTE in three instances.

(The following Members (at the request of Mr. FRANK) to revise and extend their remarks and include extraneous material:)

Mr. ANDERSON in 10 instances.

Mr. GONZALEZ in 10 instances.

Mr. BROWN of California in 10 instances.

Mr. ANNUNZIO in six instances.

Mr. SKELTON.

Mr. ROE in two instances.

Mr. LAFALCE.

Mr. COELHO.

Mr. BORSKI.

Mr. ECKART.

Mr. DELLUMS.

Mr. HAMILTON.

Mr. RICHARDSON in two instances.

SENATE CONCURRENT RESOLUTION REFERRED

A concurrent resolution of the Senate of the following titles was taken from the Speaker's table and, under the rule, referred as follows:

S. Con. Res. 26. Concurrent resolution urging first asylum countries of the Association of Southeast Asia, Nations (ASEAN) to reinstate the practice of providing refuge to all asylum-seekers from Vietnam, and for other purposes; to the Committee on Foreign Affairs.

ENROLLED JOINT RESOLUTION SIGNED

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a joint resoluition of the House of the following title, which was thereupon signed by the Speaker:

H.J. Res. 247. Joint resolution designating May 29, 1989 as the "National Day of Remembrance for the Victims of the U.S.S. *Iowa*."

SENATE ENROLLED BILL AND JOINT RESOLUTION SIGNED

The SPEAKER announced his signature to an enrolled bill and a joint resolution of the Senate of the following titles:

S. 968. An act to delay the effective date of section 27 of the Office of Federal Procurement Policy Act; and

S.J. Res. 37. Joint resolution designating the week beginning May 14, 1989, and the week beginning May 13, 1990, as "National Osteoporosis Prevention Week."

ADJOURNMENT

Mr. OBERSTAR. Mr. Speaker, I move that the House do now adjourn.

The motion was ageed to; accordingly (at 12 o'clock and 42 minutes p.m.) the House adjourned unti tomorrow, Tuesday, May 16, 1989, at 12 noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1179. A letter from the Deputy Secretary of Defense, transmitting a baseline deviation notice received from the Navy concerning the T45TS program, a defense enterprise program, pursuant to 10 U.S.C. 2437; to the Committee on Armed Services.

1180. A letter from the Director for Administration and Management, Office of the Secretary of Defense, transmitting a report on real and personal property of the Department as of September 30, 1988, pursuant to 10 U.S.C. 2701(b); to the Committee on Armed Services.

1181. A letter from the Deputy General Counsel, Department of Defense, transmitting a draft of proposed legislation to authorize appropriations for fiscal years 1990

and 1991 for military functions of the Department of Defense and to prescribe military personnel levels for such Department for fiscal years 1990 and 1991, and for other purposes, pursuant to 31 U.S.C. 1110; to the Committee on Armed Services.

1182. A letter from the Deputy General Counsel, Department of Defense, transmitting a draft of proposed legislation to amend title 10 and 37, United States Code, and other authorities to extend and to make permanent certain expiring laws; to the Committee on Armed Services.

1183. A letter from the General Counsel, Department of the Treasury, transmitting a draft of proposed legislation to provide for participation by the United States in a capital increase of the Inter-American Development Bank, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

1184. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on Foreign Affairs.

1185. A letter from the Assistant Secretary of the Army (Civil Works), transmitting an informational copy of a report of the Chief of Engineers, dated December 17, 1987, which recommends modification of the previously authorized flood protection plan on the Rio Grande Floodway. Truth or Consequences Unit, NM, with other pertinent reports; to the Committee on Public Works and Transportation.

1186. A letter from the Acting Administrator, General Services Administration, transmitting informational copies of various lease prospectuses, pursuant to 40 U.S.C. 606(a); to the Committee on Public Works and Transportation.

1187. A letter from the Acting Administrator, General Services Administration, transmitting an informational copy of a repair and alteration prospectus for the B.F. Sisk Federal Building-U.S. Courthouse in Fresno, CA; to the Committee on Public Works and Transportation.

1188. A letter from the Deputy General Counsel, Department of Defense, transmitting a draft of proposed legislation to establish certain positions in the Department of Defense at level IV of the Executive Schedule; jointly, to the Committees on Armed Services and Post Office and Civil Service.

1189. A letter from the Comptroller General, General Accounting Office, transmitting a copy of the report "Homelessness—HUD's and FEMA's Progress in Implementing the McKinney Act" (GAO/RCED-89-50, May 1989), pursuant to 42 U.S.C. 11304; jointly, to the Committees on Banking, Finance and Urban Affairs and Government Operations.

1190. A letter from the Comptroller General, General Accounting Office, transmitting results of the audit of the Federal Housing Administration Fund's statement of financial position as of September 30, 1988 (GAO/AFMD-89-3, May 1989), pursuant to 31 U.S.C. 8016(a); jointly, to the Committees on Government Operations and Banking, Finance and Urban Affairs.

1191. A letter from the Secretary of Veterans' Affairs, transmitting a draft of proposed legislation to amend title 10 and title 38, United States Code, to make certain improvements in the educational assistance programs for veterans and eligible persons, and for other purposes; jointly, to the Committees on Veterans' Affairs and Armed Services.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 643. A bill to amend section 37 of the Mineral Leasing Act relating to oil shale claims, and for other purposes; with an amendment (Rept. 101-49). Referred to the Committee of the Whole House on the State of the Union.

Mr. PANETTA: Committee of conference. Conference report on House Concurrent Resolution 106 (Rept. 101-50). Order to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. MONTGOMERY (by request):

H.R. 2342. A bill to amend title 38, United States Code, to revise the provisions relating to refinancing loans and manufactured housing loans to veterans, to modify the procedures for the sale of loans by the Secretary of Veterans' Affairs, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. TAUKE:

H.R. 2343. A bill to extend the jurisdiction of the Interstate Commerce Commission to include approval of the acquisition of control of certain rail carriers by persons that are not carriers; to the Committee on Energy and Commerce.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

87. By the SPEAKER: Memorial of the General Assembly of the State of Indiana, relative to Federal funds for interstitial cystitis public education and research; to the Committee on Energy and Commerce.

88. Also, memorial of the Legislature of the State of Idaho, relative to compensation for U.S. Senators and U.S. Representatives; to the Committee on the Judiciary.

89. Also, memorial of the General Assembly of the State of Indiana, relative to the 10 amendment to the Constitution of the United States; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 40: Mr. COX.

H.R. 49: Mr. HANCOCK, and Mr. PAXON.

H.R. 132: Mr. BOSCO, Mrs. UNSOELD, Mr. FORD of Michigan, and Mr. FRANK.

H.R. 182: Mr. WEISS, Mr. ATKINS, Mr. DYMALLY, and Mr. GILMAN.

H.R. 250: Ms. SNOWE.

H.R. 534: Mr. SMITH of New Jersey.

H.R. 646: Mr. BILIRAKIS.

H.R. 720: Mr. STUDDS.

H.R. 799: Mr. SMITH of Texas.

H.R. 854: Mr. RINALDO and Mrs. SAIKI.

H.R. 901: Mr. JOHNSON of South Dakota.

H.R. 1101: Mr. OLIN, Mr. PICKETT, Mr. PEPPER, and Mr. HOPKINS.

H.R. 1102: Mr. BUECHNER.

H.R. 1292: Mr. ATKINS.

H.R. 1467: Mr. SCHUETTE.

H.R. 1593: Mr. REGULA, Mr. HILER, Mr. LELAND, Mr. GARCIA, Mrs. UNSOELD, Mr. FROST, Mr. SAVAGE, Mr. BEREUTER, Mr. BUECHNER, Mr. GEJDENSON, Mr. RAVENEL, Mr. RIDGE, Mr. JACOBS, Mr. TAUKE, Mr. MCEWEN, Mr. HAYES of Illinois, Mr. RAY, Mr. BROWN of California, Mr. SCHAEFER, Mr. FUSTER, Mr. BROOMFIELD, Mr. CLAY, Mr. FAZIO, Mr. FAWELL, Mr. BARNARD, Mrs. COLLINS, Mr. ATKINS, Mr. STUDDS, Mr. HORTON, and Mr. DANNEMEYER.

H.R. 1605: Mr. SAXTON, Mr. NEAL of Massachusetts, Mr. BATEMAN, and Mr. ENGEL.

H.R. 1645: Mr. SHUMWAY and Mrs. VUCANOVICH.

H.R. 1706: Mr. APPLEGATE, Mr. HENRY, and Mr. DYMALLY.

H.R. 1730: Mr. PALLONE and Mrs. JOHNSON of Connecticut.

H.R. 1850: Mr. WHEAT.

H.R. 1851: Mr. WHEAT.

H.R. 2049: Mr. HUGHES, Mr. KENNEDY, Mr. GUNDERSON, Mr. UPTON, Mr. RAY, Mr. KLECZKA, and Mr. KOLTER.

H.R. 2102: Mr. PARRIS and Mrs. BENTLEY.

H.R. 2124: Mr. GUARINI.

H.R. 2126: Mr. GUNDERSON, Mr. LEWIS of Georgia, Mr. LANCASTER, Ms. PELOSI, Mr. TOWNS, Mr. WAXMAN, and Mr. LIPINSKI.

H.R. 2131: Mr. TORRICELLI, Mr. PAYNE of New Jersey, and Mr. COYNE.

H.R. 2145: Mr. CARR, Mr. COURTER, Mr. JAMES, and Mr. MARTINEZ.

H.R. 2238: Mr. HENRY, Mr. TRAFICANT, Mr. FUSTER, Mr. TOWNS, Mr. HERTEL, Mrs. SAIKI, and Mr. KOLTER.

H.R. 2290: Mr. MRAZEK, Mr. WOLF, and Mr. FUSTER.

H.J. Res. 123: Mr. DAVIS, Mr. GEKAS, Mr. HOPKINS, Mr. IRELAND, Mr. KASICH, Mr. WISE, Mr. TRAFICANT, Mr. OWENS of Utah, Mr. SCHUETTE, Mr. BENNETT, and Mr. COYNE.

H.J. Res. 174: Mr. THOMAS A. LUKEN, Mr. NAGLE, Mr. MOLLOHAN, Mr. WOLPE, Mr. MADIGAN, Mr. SMITH of Vermont, Mr. WHITTEN, Mr. GEKAS, Mr. PACKARD, Mr. HOPKINS, Mrs. KENNELLY, Mr. ERDREICH, Mr. APPLEGATE, Mr. MCCLOSKEY, Mr. UPTON, Mr. NOWAK, Mr. RAY, Mr. SHAYS, Mrs. LOWEY of New York, Mr. WAXMAN, Mr. OWENS of Utah, Mr. SMITH of Iowa, Mr. OBERSTAR, Mr. RICHARDSON, Mr. HOYER, Mr. GARCIA, and Mr. ROTH.

H.J. Res. 241: Mr. CONYERS, Mr. SAVAGE, Mr. PACKARD, Mr. KILDEE, Mr. HAYES of Illinois, Mr. DINGELL.

H.J. Res. 243: Mr. WILSON, Mr. SMITH of New Jersey, Mr. RANGEL, Mr. ATKINS, Mr. GREEN, Mr. LAGOMARSINO, Mrs. BOXER, Mr. WEISS, Mr. LANCASTER, Mr. FROST, Mr. BONIOR, Mrs. ROUKEMA, and Mr. AUCOIN.

H. Con. Res. 66: Mr. DURBIN and Mr. BATES.

H. Con. Res. 77: Mrs. UNSOELD.

H. Con. Res. 105: Mr. LEWIS of Georgia, Mr. REGULA, Mr. PAXON, Mr. LEVINE of California, and Mrs. BENTLEY.

H. Res. 120: Mr. DICKS, Mr. GEJDENSON, Mrs. MORELLA, Mr. FAUNTROY, Mr. WOLPE, Mr. HORTON, Mr. ATKINS, Mr. OWENS of New York, Mr. LAGOMARSINO, Mr. FALEOMAVAEGA, Mr. PAYNE of New Jersey, Mr. LEVIN of Michigan, Mr. FOGLIETTA, and Mr. OBERSTAR.

H. Res. 122: Mrs. BYRON.

PETITIONS, ETC.

Under clause 1 of rule XXII,

40. The SPEAKER presented a petition of Hunt County Commissioners Court, Greenville, TX, relative to employee benefit plans; which was referred to the Committee on Ways and Means.

EXTENSIONS OF REMARKS

SECRETARY MOSBACHER ON GOVERNMENT-INDUSTRY PARTNERSHIP

HON. JOHN J. LaFALCE
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Monday, May 15, 1989

Mr. LaFALCE. Mr. Speaker, I would like to insert in the RECORD Commerce Secretary Mosbacher's speech on "America's Economic Security," delivered this past Monday before the Economic Club of Detroit. I believe the speech constitutes a breakthrough because it represents the first time that a senior member of either the Reagan or Bush administrations has publicly acknowledged the need for an active and explicit government-industry partnership to enhance American competitiveness.

I am struck sometimes when people talk about "industrial policy," or "government-industry partnership," as though it is a completely new and untested idea. The truth is that we have had such partnerships in a number of areas for many decades now. I think it is fair to say that in some cases those partnerships were a complete flop, like the effort to build the supersonic transport in the early 1970's. But other government-industry partnerships have been phenomenally productive.

For instance, the Federal and State governments have funded between one-half and three quarters of all agricultural R&D, both basic and applied, over the past 50 years, during which time productivity has grown faster in agriculture than in any other broadly defined sector of the economy. And how many people know that before the early 1950's the Federal Government funded all significant aspects of R&D on computers, was the sole purchaser of computers, and, by sponsoring research and conferences, created the community of scientists that would become the foundation of the modern-day computer industry? A similar story can be told for semiconductors—both the silicon transistor and the integrated circuit were developed with the military envisioned as the first large customer.

However, if Secretary Mosbacher is serious about government-industry partnership, why does the Bush administration oppose funding the Competitiveness Policy Council called for in last year's omnibus trade bill? Their position makes no sense to me. We are not talking about a lot of money. But we are talking about an advisory council that can provide what so many people both in and out of government have called for—a systematic, government-wide approach to identifying profitable areas for government-industry-labor-academic partnerships to enhance American competitiveness. What are we waiting for? Secretary Mosbacher, we need to get beyond the rhetoric of a speech, and establish a mechanism to make industry-government-labor cooperation a reality.

Mr. Speaker, I insert the full text of Secretary Mosbacher's speech in the RECORD:

AMERICA'S ECONOMIC SECURITY—
RECAPTURING THE LEAD IN THE 1990'S

Thank you. I am pleased to speak in your great industrial center about America's challenge to ensure this Nation's economic security in the 1990s.

By way of introduction, let me say that I come here as one of you. I am a businessman, the only difference being I'm on furlough to do government work.

I've been in business 40 years of my life. I'm a wildcatter. I'm a competitor. I've met a payroll. Above all, I believe that economic liberty, free markets and industrious and inventive people are the keys to a prosperous and strong America.

It was in behalf of that cause that I answered the call from President Bush, my friend of over 30 years. I want to bring more business awareness to Washington—and more people with business experience who understand how to solve real world problems.

I believe Government should be your partner, not your patorn. But as partners, we must kindle a greater sense of urgency to solve this Nation's problems.

America is not in decline. However, America does stand at a crossroads. We have restored this country's ability to grow. Now we must act quickly and decisively to strengthen America's ability to compete in a dramatically changing world.

Looking across the oceans toward the horizon of the 1990s, one is struck by two profound changes in the relationships between nations of the world.

Change number one is the rising importance of economic power in the equation of national security and world leadership.

Change number two is the leading role of high technology in the sweekstakes of world competition, and the lightening speed with which technology transforms industries, enabling strong economies to create, capture or control markets of the future.

Certainly, I don't have to tell the leaders of the auto industry why total quality management and applying state of the art technology from advanced materials to electronics, is a must for production of top performance, world class cars.

Foreign competition forced you to face a stark choice: adapt or die. And, the way you adapted your production to build new model cars can serve as a role model for other industries.

Today, Detroit is an automotive center and a high tech center. Your work in robotics and composite materials keeps you at the forefront of U.S. technology.

Fortunately, others are adapting, too. We see proof not just in industries like aerospace, telecommunications, biotechnology and medical products, where we lead, but also in selected company situations in industries such as apparels.

We ARE doing good thinks. My concern is that we are still not doing as MUCH and as WELL as our competitors. Unless we do better, others will ride the waves of knowledge and technologies, and they, not we, could determine what America's future will be.

Consider a moment how the reality of economic power, driven by high techology, is changing the course of history.

Thirty years ago, Nikita Kruschev came to America and boasted that socialism would bury the West. Many believed him.

Well, the Soviets have discovered the heavy burdens of trying to impose their will with a first-rate military and a third-rate economy. Thus, the wrenching decisions called "Perestroika."

I do not suggest that we can let down our guard. On the contrary, as we remain militarily strong, America must gird itself to meet new challenges to our security from political allies who are now also powerful economic rivals.

This Nation's economic security rests on a strong industrial base oriented toward global demand for products and services of the future. Yet, our new rivals are moving to control industries we pioneered and capture critical markets for our future.

Our steel industry has struggled to survive and adapt. Yet, as we know, cars today use less steel. And weapons, such as bazookas, are no longer fired with steel-made triggers, but with keyboards directed by computer guidance systems.

What will happen if we cannot make the right system?

The stakes are awesome. If this Nation surrenders to complacency, if we lose control of industries and the production of products vital to our defense and way of life, at stake is not just American jobs and prosperity, but America's freedom.

So, when the U.S. recorded its first high-tech trade deficit in 1986, that was a red flag of warning.

When nearly half of all U.S. patents awarded went to foreign investors in 1987, that was one more red flag of warning.

Unquestionably, we command formidable strengths:

We are blessed with gifted scientists, superb universities and strong traditions of entrepreneurship and innovation.

We lead the world in new knowledge and new technologies.

But we could lose the most important race for the future—the race to apply and commercialize new ideas and technology; the race to move ideas from designers labs and design boards to the marketplace.

Technology can revolutionize industries in a few years, sometimes in a matter of months—as microelectronics did computers.

But, if American business sacrifices research for short-term profits, the United States will end up trying to light the road to the future with lanterns, while our competitors are lighting it with lasers.

The United States will permit profit sanctuaries and technology sanctuaries to flourish in industries of Japan, Korea, Taiwan and Germany.

My intention here is not to rebuke our competitors. In fact, I admire their accomplishments.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

We must continue to defend the Pacific and work for democracy together. And we'll have no cause for complaint in commercial relations, if we can compete on a level playing field.

I am not here to condemn our competitors but to challenge America. If our allies in the struggle for democracy are now competitors in the struggle for economic security, then let us say to them:

We stand shoulder to shoulder with you in the first struggle, but we will strive to be head and shoulders above you in the second.

Ladies and gentlemen, the United States needs a strategy to compete in the world marketplace of the 1990s—and to win.

We need a strategy to innovate, produce, market and sell world class products in each and every industry.

Here is what I believe our strategy for victory must be:

We can recapture the lead with an industry-led, business-government partnership to produce, in this country, consumer products of the future that drive American research and manufacturing.

Products such as HDTV, high-tech automobiles and smart homes and products from biotechnology and superconductors.

How can that strategy succeed? By summoning the American people to meet four great challenges for the 1990s:

Strengthening our research base and workforce skills.

Accelerating commercialization.

Manufacturing superior, quality products, and

Competing and winning new global markets.

Now, when I say an industry-led, business-government relationship, I mean that we in government will work to improve the conditions for risk-taking and research. We will contest restrictive trade barriers and help you locate and gain access to global markets.

But you in the American business community must lead the way and make the critical choices. We need your R&D. We need your commitment to compete. We need your leadership to win.

Here is how I believe our partnership must work.

Our first challenge—strengthening our research and workforce skills—calls for a great national drive to mobilize to the fullest America's human and financial capital.

In Washington, the President will fight to lower the capital gains tax rate. Some resist, upset that he may help the wealthy.

They miss the central point: The real question is how much longer the U.S. grants Germany and Japan a unilateral advantage to lend more money, more cheaply, to finance their ideas and technologies, because they're competing to win, and we're not.

Lowering the capital gains tax creates jobs, reduces the cost of capital and makes business think long-term. We must lower the capital gains tax for all industries. And there is no better example of where this will be helpful than in HDTV and other high-tech industries.

We must do many things to to stimulate more research.

We must make the R&D tax credit permanent.

We must create new partnerships to carry out basic public-private research in universities and in our national labs.

And, we must consider reforming anti-trust laws so that consortia such as sematech and other innovative entities can pool research teams from small and large firms to take on the European and Japanese giants.

We also believe Government procurement should be used as a tool to supply capital to help America compete. IBM just won a $3.6 billion award to redesign all our traffic controller computer systems. Now a part of that contract includes bids for work on the control station screens. Yet only SONY made a bid.

Why? Why shouldn't an American company, or consortium of companies, bid on that contract?

New vigilance is needed to safeguard technology and protect intellectual property rights. We're being robbed of $40-60 billion a year or more by foreign companies who infringe on our patents, copyrights, trademarks and semiconductor designs. We're working for an international agreement to protect intellectual property rights.

Also, foreign competitors often face lower product liability insurance premiums, because ours vary state to state. We support passage of a uniform Federal law to solve this problem.

Finally, I believe society should begin to bestow greater honor and compensation on people who can apply knowledge to make things work.

Education's mission as described by Thomas Edison, "The seeing of things in the making," is of paramount importance. We need a graduation line that's on-line with the future. We need a bigger pool of electrical engineers and software engineers.

Above all, we need a workforce of literate skilled men and women who understand basic math and english, who can perform in a sophisticated, hightech environment and also change and adapt.

More research is one side of the coin. Better directed, more purposeful research—research that leads to products made and sold is the other.

Commercializing our ideas is America's Achilles Heel, and accelerating commercialization is our second great challenge.

We can start by borrowing a page from our competitor's playbook. Their corporations, universities and governments rarely conduct research in a vacuum. They've developed a strong strategy and spirit of teamwork to push all their research toward developing and fulfilling their commercial objectives.

What's more, their company divisions do not work in separate specialized stages, but concurrently. In Japan and Germany, researchers, design engineers and manufacturing engineers all work together in cohesive teams beginning with the initial product concept phase.

Concurrent engineering hastens product development, and increases productivity and companies' ability to compete by permitting modifications and improvements at every stage of production.

It also permits "Spin-Ons"—the transferring of research knowledge from one division to any other divisions that can apply it to improve a product or to create a new one.

We are now seeing more examples of concurrent engineering in America. Ford Motors has a large effort underway to promote spin-ons in everything from autos to aerospace.

We must make it our goal to instill a similar sense of mission and teamwork throughout the United States:

To improve government-university-private sector research cooperation;

To bring better direction to the $65 billion a year in government-supported research where more thought can be given to serving America's commercial and competitive needs; and

To streamline the regulatory process, so pharmaceutical companies do not have to wait 7 or 10 years and spend up to $150 million to move a new drug from a chemist's lab to the pharmacy.

The end product of strong research, inspired management and smart and dedicated workers is total quality manufacturing.

Superior quality is America's third great challenge and our economic security can demand no less. The United States will not have it made, until made in the USA stands for the best quality.

I will use my position as business's point man to honor examples of excellence with the Mac Baldrige National Quality Award. Quality must be the cornerstone of American enterprise.

Nothing else we do to increase competitiveness will matter if our products are not first rate. Quality begins with personal effort.

Just as top quality must stand for what we sell, so free and fair trade must stand for the policies we pursue. Winning the battle to compete and sell in foreign markets is our fourth great challenge.

I am a free trader, but free trade must be a two-way street. If it's not two-way street, it's a dead-end street for America.

We have enough trade laws. What we need it vigorous enforcement of the laws on the books. And with that resolve by government, let us see the fierce determination by American companies to compete and win, and to start preparing now for exciting new opportunities—such as Europe 1992.

We have the ability. We have the people. We have the ideas. We have the dreams to make great things grow.

I refuse to believe the only country on earth to send men to the moon, cannot succeed in sending far more of our products to foreign markets—and cannot meet the other challenges to our economic security in the 1990's. We surely can.

Thank you very much.

INSIGHT INTO GUN OWNERSHIP

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Monday, May 15, 1989

Mr. RICHARDSON. Mr. Speaker, in the past months the issue of semi-automatic weapon ownership and gun ownership have come under very close, if not prejudiced, scrutiny. The Congress, having been inundated with information of varying degrees of accuracy, should take note of testimony delivered before the Senate judiciary committee's subcommittee on the Constitution. The testimony of David B. Kopel offers unique insight into the issues of gun owernship and the proposed banning of semi-automatic weapons. I commend this very informative testimony to my colleagues for their review.

STATEMENT OF DAVID B. KOPEL OF GUARDIAN GROUP INTERNATIONAL

ABSTRACT OF TESTIMONY

Despite a string of arrests for offenses including robbery, illegal weapons sales, and assault on a police officer, Stockton murderer Patrick Purdy was never imprisoned for

more than a few weeks—even after a mental health report warned that Purdy was "a danger to himself and others." Covering the tracks of failure, California's authorities have sealed Purdy's criminal and mental health records. We urge that the coverup be ended and the records be opened, as the first step in a critical reexamination of the serious flaws of the California and national justice systems.

Purdy's criminal record demonstrated that he already knew how to buy illegal guns. Despite California's strict 15-day waiting period, he bought 5 handguns there. The only control that could have stopped Purdy from finding and using an illegal gun was prison. The tragedy in Stockton must spur the Nation into a hard look at our social control systems which are not controlling criminals. In particular, our underfunded police, prosecutorial, prison, and mental health systems need more resources.

The second amendment does not protect a right to own guns for hunting. It does guarantee an individual's right to own guns for personal defense. With the increasing prevalence of gang violence, citizens need reliable guns with quick-firing capacity.

"A well-regulated militia being necessary to the security of a free state," the second amendment guarantees all members of the militia—all adults—the right to own militia, military-type weapons for national defense. The civilian militia was most recently called to duty in World War II by the Governors of Hawaii, Virginia, and Maryland.

Criminals will easily evade any restrictions on semi-automatic firearms, just as they currently evade restrictions on handguns.

Restrictions or bans on semi-automatics will lead to disrespect for the law, because so many otherwise law-abiding citizens will refuse to obey laws against semi-automatics.

Careful analysis of laws against "assault weapons" shows that they can be used to ban most pistols and long guns, including hunting rifles and shotguns.

EXCERPT FROM TESTIMONY

[The following is a short excerpt from the written testimony presented to the Senate. Space limitations prevent printing the full analysis of all topics mentioned above in the abstract.]

This testimony is offered collectively by four law enforcement professionals, to urge that Congress take a careful, rational look at the highly charged issue of self-loading firearms. We are: Chief Gerald Arenberg, executive director of the National Association of Chiefs of Police; Deputy Sheriff Dennis Ray Martin, national president of the American Federation of Police; retired officer Stephen P. D'Andrilli, a 15-year decorated veteran of the New York City Police Department, currently president of Guardian Group International Corp., a security consulting firm; and David B. Kopel, formerly an Assistant District Attorney in New York City, currently a policy analyst for Guardian Group. [Organizations listed for identification only; we believe it improper for law enforcement executives to claim to speak on behalf of their rank and file without even consulting the rank and file.]

Too much of the debate on self-loading firearms concerns the irrelevant issue of sporting use. The Constitution does not guarantee a right to hunt, or to bowl or to hang glide. Self-loading firearms are often used for hunting or target shooting, but that is not why they deserve Constitutional protection. They deserve protection because they are militia guns—because they are made for personal and national defense.

As law enforcement officers, we have sworn to uphold the Constitution, including the provision which guarantees, in the words of Massachusetts Revolutionary War patriot Josiah Quincy, "a well-regulated militia composed of the freeholder, citizen and husbandman, who take up their arms to preserve their property as individuals, and their rights as freemen."

As Josiah Quincy's words highlight, the Second Amendment guarantees an individual right to armed self-defense. That guarantee remains valid today; a vote of the National Association of Chiefs of Police showed that 84% believe the inability of the police to protect all persons at all times justifies the civilian ownership of firearms.

Self-loading firearms are often essential for self-defense. For example, pleasure boat owners in the Gulf Coast have been stocking up on Uzis. Why? Because drug smugglers commonly pull alongside pleasure boats, murder all the passengers, use the boat to transport a load of drugs to the mainland, and then abandon the boat. The drug runners do their killing with high-powered guns stolen from the military, or bought on the same international black market that supplies cocaine by the pound.

Boat owners who hope to survive an encounter with the smugglers must arm themselves with highly reliable weapons capable of firing at several attackers in quick succession.

Anyone who reasonably fears attack by a gang—such as a store-owner in the middle of a Miami riot—could reasonably conclude that the reliability and rapid-fire capability of an Uzi or an AR–15 is the only effective way to protect his or her family from murder.

As the Supreme Court declared in *U.S.* v. *Miller* (1939), guns that are useful for the militia or for militia training are the only ones that are protected by the Constitution. Thus, it is precisely the Kalashnikovs, Uzis, AR–15s, M–14s and other civilian versions of military guns that are most clearly secured by the right to bear arms.

The *Miller* Court echoed the founders' clear understanding of the militia: "all males physically capable of acting in concert for the common defense . . . expected to appear bearing arms supplied by themselves and of the kind in common use at the time." The modern United States Code follows the Constitutionally-mandated definition, making subject to militia duty all able bodied males between the ages of 17 and 45.

Arguments that the militia is obsolete fail to consider contemporary history.

Not long ago the last Soviet troops left Afghanistan, driven out by a popular guerrilla army. The mujahedeen made effective use of, among other weapons, AK–47s which they captured from the Soviets, received from the Chinese, or constructed themselves with simple tools. While American Stinger missiles helped devastate the Soviet airforce, the missiles did not arrive until 1986, by which time the guerrillas had fought the mightiest army in world history to a draw for seven years.

During World War II, the Japanese seized several Alaskan islands, and strategists feared more Axis landings. Hawaii's governor summoned armed citizens to man checkpoints and patrol remote beach areas. The Governor of Maryland called on "the Maryland Minute Men," including "members of Rod and Gun Clubs, of Trap Shooting Clubs and similar organizations," for "repelling invasion forays, parachute raids, and sabotage uprisings," as well as for patrolling beaches, water supplies, and railroads. Over 15,000 volunteers brought their own weapons to duty. Gun owners in Virginia were also mustered into home service. Americans everywhere armed themselves in case of invasion.

After the National Guard was federalized for overseas duty, the "militia proved a successful substitute for the National Guard," according to a Defense Department study. Militiamen, providing their own guns, were trained in patrolling, roadblock techniques, and guerrilla warfare.

It has been more than 40 years since the last invading troops left American soil. No invasion is plausible in the foreseeable future. But Constitutional rights are for all time. Only the most naive believer in American omnipotence or the nuclear umbrella can feel certain that America will never again need the militia.

Further, as the late Vice President Hubert Humphrey explained, domestic dictatorship will aways be a threat: "The right of citizens to bear arms is just one more guarantee against arbitrary government, one more safeguard against the tyranny which now appears remote in America, but which historically has proved to be always possible."

A few weeks ago in the Soviet state of Georgia, the Gorbachev regime confirmed how useful firearms are to freedom-loving people. After ethnic unrest and demands for autonomy, the Communist government used registration lists to confiscate all hunting rifles.

As law enforcement professionals, we have seen that restrictions on lawful gun ownership have no impact on criminal access to guns. The supply of self-loading weapons in the United States is already more than sufficient to supply the criminal market for stolen guns.

Moreover, a competent backyard mechanic can build even a fully automatic rifle. Indeed, Afghan peasants, using tools considerably inferior to those in the Sears catalogue, have built fully automatic rifles capable of firing the Soviet AK–47 cartridge. Illegal home production of handguns is already common; a Bureau of Alcohol, Tobacco and Firearms study found that one-fifth of the guns seized by the police in Washington, D.C. were homemade.

The day that semi-automatics become illegal, organized crime will swiftly supply the criminal market with mass-produced illegal guns. Tulane Professor James Wright, author of the National Institute of Justice study of criminal gun use, argues that gun controls are less likely to reduce the pool of criminal guns than to provide organized crime with lucrative new business.

In 1986, the National Association of Chiefs of Police surveyed every major police official in the country: 97 percent believed that a firearms ownership ban would not reduce crime or keep criminals from using guns; 89 percent believed that gun control laws such as those in Chicago, Washington, D.C., and New York City had no effect on criminals; and 90 percent believed that if firearms ownership was banned, ordinary citizens would be more likely to be targets of armed violence.

Even the most severe controls on honest citizens do not stop criminals. Since 1934, anyone who wishes to buy a fully automatic weapon, such as the Thompson Submachine gun, must pass a rigorous licensing process that requires a federal fingerprint check, an F.B.I. background investigation, a letter of permission from the local police chief, a

wait of up to six months, and hundreds of dollars in fees and taxes. The system works marvelously; no licensed automatic has ever been used in a crime.

And the system does not work at all. Automatic weapons, including the hundreds of thousands of guns missing from U.S. military arsenals, are readily obtainable, even by teenage gang members. A system that cannot control full autos will not work any better on semi-autos.

In Chicago, Washington, and New York City, gun bans have disarmed the citizenry and thereby increased crime. Please do not cause more crime by depriving American citizens of the firearms they need for self-defense in these dangerous times.

Some people contend that because self-loading rifles are more dangerous than the guns in existence in 1789, they are not protected by the Constitution.

James Madison never watched television, or talked on the telephone. Yet the first amendment protects the speech of TV reporters, and the fourth amendment protects the privacy of telephone conversations. The Bill of Rights did not speak of particular technologies, but of categories of rights: the freedom of speech, the right to keep and bear arms, the right to freedom from searches without probable cause. As technology creates new ways to exercise these rights, the Constitution provides a continuing structure for their protection.

Besides, most other Constitutional freedoms are more dangerous now than they were 200 years ago: *60 Minutes* or the *Miami Herald* can instantly destroy a person's national reputation. The publication of leaked national security information during a war could lead to the death of American soldiers minutes later. A national security leak during a superpower confrontation could damage negotiating positions, and lead in the worst case to nuclear war.

Destructive religious cults did not exist 200 years ago. But today, freedom of religion can kill people—as we learned at Jonestown—and can cripple minds—as we see in victims of Sun Myung Moon's 20th century brainwashing techniques.

New technologies such as telephones and automobiles make possible the existence of criminal organizations of vastly greater scale—and harm—than before.

Para-military guns have killed fewer people in the last decade than Jim Jones did in one day. Despite some misinformed claims, we do not face an assault rifle crisis requiring the abrogation of Constitutional rights. Studies by the National Institute of Justice, by the B.A.T.F., and by weapons experts from the New York, Chicago, and Los Angeles police forces confirm that criminals, including drug dealers, only rarely use assault rifles. Criminals prefer the portability and concealability of handguns and sawed-off shotguns.

In these dangerous times when criminal gangs are on the rampage, the government must not infringe the American people's right to keep and bear arms that are essential for self-defense. We do not believe that any of our Constitutional rights should be put aside because it is alleged that those rights are more dangerous now. If the Constitution is obsolete—and we do not believe it is—the proper approach is to amend it, not to flout it.

Constitutional rights are for all time.

TRIBUTE TO ST. ANDREW THE APOSTLE CHURCH OF CLIFTON, NJ, ON THE CELEBRATION OF ITS GOLDEN JUBLIEE

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, May 15, 1989

Mr. ROE. Mr. Speaker, it is with the deepest reverence and the greatest pride that I rise today to salute an outstanding house of worship in my Eighth Congressional District of New Jersey which, for the last half century, has been a spiritual focal point and a beacon of faith for countless numbers of worshipers in the greater northern New Jersey area.

I am speaking of St. Andrew the Apostle Roman Catholic Church of Clifton, NJ, which will culminate the celebration of its golden jubilee with a banquet on Saturday, May 20, 1989, at the Robin Hood Inn in Clifton, NJ. Mr. Speaker, I know this celebration is a great source of pride to St. Andrew's most distinguished pastor, Msgr. Peter A. McBride, who has been his church's guiding force for the past 14 years, and who was elevated to Monsignor just 2 months ago.

Indeed, Mr. Speaker, the golden jubilee celebration itself is a fitting tribute to Monsignor McBride's unparalleled vision, leadership, and love for his congregation and has special meaning to all of those people whose lives have been fortified by this fine parish.

Mr. Speaker, in order to acquaint you and our colleagues more fully with this outstanding house of worship, I would like to insert, for the RECORD, the official history of St. Andrew the Apostle Roman Catholic Church:

When The Most Reverend Thomas H. McLaughlin, the first bishop of Paterson, commissioned new churches in his fledgling diocese, it was his wish that they bear the names of the first men called to be apostles. Thus, in December, 1938, the second church was named St. Andrew the Apostle, after the second man called by Christ to follow Him. The first pastor of the Church was Father (later Msgr.) Carmel J. Scanlan, appointed on January 1, 1939.

Mass and other religious services were held at the Poor Farm Building, across Mt. Prospect Ave. from the church's present location, until May 26, 1940, when Bishop McLaughlin dedicated the present church building. There were fewer than 300 families in the parish at the time of its inaugural.

Fr. Scanlan was responsible for setting up many of the various organizations that are still the backbone of parish life today, including the choir, Rosary Society and youth organizations. He also saw to the acquisition of the parish organ, which formerly belonged to Alfred Ringling of the Ringling Brothers, and part of which is still used in the current church organ.

Joe Weisbrod, one of the original members of St. Andrew's parish, remembers Fr. Scanlan as a "warm and loving person, well-spoken yet humble; a real priest with whom one always felt at home."

Following World War II, the United States experienced a tremendous expansion in housing and families, and St. Andrew's was not immune to this growth. On December 31, 1946, Fr Scanlan was transferred to another church and was succeeded as pastor by Fr. Francis J. Doogan. During Fr. Doogan's seven year tenure, St. Andrew's built and began a parish school and convent, staffed by the Sisters of the Presentation of the Blessed Virgin Mary. However, it was not an easy task.

Fr. Doogan wrote at the time, "There was great difficulty in procuring Sisters for the school. We began communicating with various orders in Sept., 1951, and were unsuccessful with so many that we had almost given up all hope . . . on March 23 [1952], the Mother [of the Presentation Sisters] called and accepted my invitation to staff the school. . . . they were the first Sisters I ever knew, when they tought me as a boy in Ireland . . . I am so very proud to have them in my school . . ."

The cornerstone for St. Andrew's School was laid on Nov. 2, 1952, and the school opened on Monday, Feb. 2, 1953, with Sister Mary Dorothea serving as the school principal and a total of 150 pupils in grades K-4.

Fr. Gabriel S. Stone replaced Fr. Doogan as pastor on Jan. 21, 1954, and served for 17 years, the longest tenure of any pastor thus far. Under his direction, St. Andrew's church and school expanded to accommodate Clifton's thriving Allwood and Richfield sections.

These changes were part of a long-term Building Fund project. In June of 1956, Fr. Stone wrote, "All the volunteers who met to canvass the parish for funds for an addition of six classrooms and the enlargement of the cafeteria were praised and thanked at the Masses. The parishioners were requested . . . to fulfill pledges to advance the Catholic education of our youth and young children."

The church building added two "wings" in 1962, doubling its seating capacity to 1,000, and during this time the church and rectory were first connected. In the meantime, the school added the downstairs section along St. Andrew's Boulevard and enlarged the cafeteria. These renovations were much needed; the parish registration had increased to more than 1500 families, and school enrollment during the period from 1959 to 1963 averaged more than 730, peaking at 753 pupils in 1960-61.

In the meantime, the Roman Catholic Church was undergoing changes of its own in the form of Vatican Council II, and St. Andrew's was renovated to comply with the Council's Norms during the time Fr. Eugene L. Romano served as pastor. He succeeded Fr. Stone, who died on May 26, 1971.

The removal of the altar rail, the movement of the organ from the loft, and the modernization of the altar's appearance were some of the changes instituted by Fr. Romano.

As the Catholic Church faced a worldwide storage of priests at this time, steps were taken to combat this problem on a local level as well. In 1974, Deacon Albert Schwind, a candidate in the first Permanent Diaconate Class in the Paterson Diocese, was assigned to St. Andrew's. Lay people were given an increasing role in the liturgy; in 1975, Fr. Peter A. McBride, who had succeeded Fr. Romano as pastor on January 29, introduced Eucharistic Ministers to assist in the distribution of Communion both at Mass and to the sick at home. In addition, programs were implemented to assist the homebound and to provide spiritual guidance for individuals and groups.

Under Fr. McBride's stewardship, St. Andrew's Church installed air conditioning in 1984, and, in 1985, began the Rite of Christian Initiation of Adults (RCIA), whereby

converts are received into the Catholic Church. So far, 24 such people have joined St. Andrew's Church through this program.

Fr. McBride, reflecting on the growth of St. Andrew's Parish over the last 50 years, remarked, "We have every reason to be truly proud of all Pastors and Associates as well as Sisters and lay people who have worked together in building a strong, vibrant Christian Community. Today, we look forward with renewed enthusiasm to continue the work already begun, and with Divine assistance, to bring the message to the yet unborn.

Mr. Speaker, I appreciate this opportunity to present a brief portrait of the long and storied history of St. Andrew the Apostle Roman Catholic Church as it celebrates a half century as a true beacon of faith to so many people in the northern New Jersey area. And I invite you and our colleagues to join me in saluting this outstanding house of workshop which has made its community, State and our Nation a better place to live, St. Andrew the Apostle Roman Catholic Church of Clifton, NJ.

JOHN BOYLAN EARNS EAGLE SCOUT AWARD

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 15, 1989

Mr. YATRON. Mr. Speaker, today I want to give special recognition to a young man from the Sixth Congressional District of Pennsylvania who has demonstrated qualities of leadership and responsibility. The young man I am speaking of is John Boylan, a member of the Boy Scouts of America, Troop 45 in Ashland, PA. On June 4, 1989, John will receive the Eagle Scout Award for his outstanding achievements as a Boy Scout. The Eagle Scout Award is the highest honor a scout can earn and it is illustrative of John Boylan's ability to excel in a given situation.

Mr. Speaker, I commend John Boylan for his many accomplishments as a Boy Scout and congratulate him for earning this high honor. John's commitment to excellence is manifest in the Eagle Scout Award and he can be proud of the distinction to be bestowed upon him on June 4.

HONORING CHIEF JOSEPH J. ZOITO ON HIS RETIREMENT

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 15, 1989

Mr. CONTE. Mr. Speaker, I rise today to pay tribute to Joseph J. Zoito, Jr. who has recently completed 34 years of service on the police force in Williamstown, MA, including 26 years as chief. Chief Zoito began his career as a full-time officer on September 27, 1956. He has touched literally thousands of lives and gained respect and gratitude for his innumerable achievements.

Chief Zoito's career has been marked by dedicated service to his country, to his community of Williamstown, and to his fellow man. During World War II, he was awarded the Bronze Star and five battle stars while serving with the Army Combat Engineers in Europe. In 1960, while serving his community as a police officer, he was awarded the American Legion medal for outstanding heroism for rescuing a 4-year old boy from his burning home while off-duty. While serving as chief of police, he helped direct the growth of his department from a few officers to a total of ten regular and five reserve officers. Chief Zoito also found the time to serve as president of the Massachusetts Police Chiefs' Association in 1971 and pursue a degree in criminal justice, which he earned in 1972.

There is more than one child whose life has been saved by the quick action of Chief Zoito and there are numerous other incidents that will attest to the bravery of this fine officer. However, in his modest manner he will toss these acts off as being done in the line of duty or because simply he was there at the right time. He may be leaving the force, but Chief Zoito is a man who will never retire.

During the 1960's and early 1970's wherever large groups of young people gathered in small towns and large communities across America, violent outbreaks and demonstrations sometimes took place. It is to Chief Zoito's credit and to the credit of all of his officers, that his tenure in office lacked any significant confrontations in the town of Williamstown. In his own special way he has managed to quietly handle potentially serious situations from getting out of hand.

Joseph Zoito has played an important role as chief of police in Williamstown. His dedication to his work, his love for his family, and his devotion to his church has earned him the admiration of the community. On June 14, a dinner is being held in Chief Zoito's honor. It will give all of us who have admired the chief an opportunity to express our gratitude for his selfless endeavors. It is my hope, Mr. Speaker, that Chief Joseph Zoito will be retired in name only and will continue to pursue the goal of maintaining a peaceful and safe community.

TRIBUTE TO RON OLSON

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 15, 1989

Mr. LEVINE of California. Mr. Speaker, I rise today to recognize my friend and a highly respected community leader, Ron Olson who will be honored with the American Jewish Committee's Learned Hand Award this evening. This award is given each year to an outstanding member of the legal profession who, through dedication to the principles of our Constitution, has been a voice of understanding and good will.

Ron Olson has shown himself to be more than worthy of this great honor, and an outstanding choice for the Learned Hand Award. He is a natural-born leader who has used his talents to further good of his community to a degree that few have. Throughout his life he has maintained a commitment to charitable concerns, and to improving the welfare of those around him. His work should serve as an example to us all.

Ron's leadership in both the Los Angeles community and the legal profession has been truly extraordinary. In addition to his responsibility to his own law practice, Ron has found time to become actively involved in a wide variety of humanitarian projects and organizations. The common thread in these activities is his commitment to justice for those who are less able to pay for proper representation in our legal system. His pursuit of justice for the less fortunate members of our community has intensified over the years and he has taken on a great number of leadership positions through which he could influence his colleagues to join him in that pursuit. As a young lawyer, and president of the Los Angeles County Barristers, part of the county bar association, he pushed for an association rule change calling for a mandatory pro bono work commitment from all young lawyers. Later, as president and then director of the Legal Aid Foundation of Los Angeles, and as a member of the board of governors to the State Bar of California, he continued to encourage his colleagues to contribute their time and their expertise to represent needy individuals, all the while leading the way by his own example.

Ron has also been a leader in the growing movement toward alternative dispute resolution. He has written dozens of articles for professional journals, participated in numerous seminars, and held many leadership positions designed to investigate alternatives to litigation within the court system. And yet, he has continued to take a hands-on approach to leadership. Recently he has become the informal negotiator for the homeless residents of Los Angeles in their conflicts with city authorities.

The entire Olson family has joined Ron in the pursuit of excellence in their respective lives and in the furtherance of humanitarian concerns. His wonderful wife Janie was a founding member of the Interfaith Center to Reverse the Arms Race, and has been active in a number of other community organizations. Their three great kids have also stood out among their peers. Kristen, a Harvard graduate is, I understand, currently teaching in France, and is preparing to enter the Johns Hopkins School of Advanced International Studies here in Washington. Steve, is a junior at Stanford, and is spending the year studying in Italy. Amy, the youngest, is a senior in high school, and will be entering Carleton College in the fall.

Mr. Speaker, I would like to ask my colleagues to join me in congratulating Ron Olson for being selected for this great honor, and in recognizing his exemplary humanitarian works.

NEXT WATER WAR ENCOURAGES DIVISIVENESS

HON. TONY COELHO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 15, 1989

Mr. COELHO. Mr. Speaker, at the invitation of the editors of Issues in Science and Tech-

nology, a magazine published by the National Academy of Sciences, I prepared the following response to an article that appeared in the winter 1988–89 issue of the magazine. Portions of my response were published in the magazine's spring 1989 issue. The article, "The Next Water War: Cities Versus Agriculture," was written by Marc Reisner, author and former staffer for the Natural Resources Defense Council [NRDC] in San Francisco. While the article professes to be a cold, detached examination of irrigated agriculture in the West, it offers a distorted picture of Western agriculture to justify NRDC's goal of eliminating farming in many areas of California and the other western states. Mr. Reisner apparently hopes to advance this agenda by driving a wedge between urban and agricultural water users.

My response to Mr. Reisner's article follows:

Marc Reisner, in his "cold, detached" look at Western agriculture and its use of water (Winter issue), ignores or gives scant attention to a number of facts that do not support his assertion that society and the environment would be better served if water were moved from agriculture to the cities.

To begin with, he completely disregards the numerous social and environmental problems we already face as a result of growing urbanization and the ever-increasing concentration of people and their wastes in metropolitan areas. Reisner also disregards or distorts facts about California's water and agriculture. For example, he asserts that "agriculture accounts for 85 percent of all water use" in California. The perception is that farmers consume a huge amount of all the water in the state and leave very little for anyone else. The facts tell a different story.

According to the California Department of Water Resources, the state's total potential surface water supply is about 78 million acre-feet, of which agriculture uses about 27 million acre feet, or about 35 percent. Urban and other uses, including environmental purposes, account for slightly more than 7 million acre-feet. That does not include an additional 2 million acre-feet dedicated solely to environmental preservation by the Wild and Scenic Rivers Act. In all, nearly 60 percent of California's total surface water supply remains untapped in rivers, streams and lakes. The state's developed supply is approximately 34 million acre-feet, of which 80 percent is used by agriculture and 16 percent by cities. However, those figures do not reflect the fact that much of what is produced by irrigated agriculture is consumed by urban dwellers. Clearly, farmers are not gobbling up vast amounts of water for their personal use.

Reisner also minimizes agriculture's place in the social and economic fabric of California. According to state figures, the gross value of agricultural production in 1987 was $15.6 billion. The state's 78,000 farms employed about one-half million people directly. Indirectly, these farms provided 2.3 million jobs, or one out of every five jobs in the state.

His criticism of irrigated pasture, alfalfa, cotton and rice is a superficial view of a complex situation. Pasture, alfalfa and cotton seed, for example, are important elements in the production of meat and milk. These two commodities account for a large portion of California's agricultural output and are major ingredients in the diets of consumers across the country. Exports of the San Joaquin Valley's high-quality cotton and other California agricultural products totaled $3.3 billion in 1987, and helped offset imports of foreign manufactured goods.

The California agricultural community is not flatly opposed to the idea that the marketing of water should be part of the solution to the state's water problems. But water marketing is an extremely complex issue that raises a variety of difficult legal, social and economic questions. I wholeheartedly agree with Reisner that the first priority must be to protect the local economies that could be hurt by massive water transfers.

I also agree that there is enough water in California to meet the legitimate needs of agriculture, cities and the environment. Meeting those needs will, of course, require making some tough choices. We can make wise choices only if we work together without engaging in the divisive tactic of pitting city dwellers against farmers.

DAME AT SEA

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, May 15, 1989

Mr. SKELTON. Mr. Speaker, having been aboard the U.S.S. *Iowa* last December, and seeing the fine young men aboard that wounded ship, I think it fitting that this article by Joan M. Stapleton from the New Republic be shared with my colleagues:

[From the New Republic, May 22, 1989]

DAME AT SEA

(By Joan M. Stapleton)

I'm in the gun room of number Two turret aboard the USS *Wisconsin*, sister ship to the wounded USS *Iowa*. The ledge and railing where I stand are covered with a thin film of oil, not slippery but viscous enough to remind me I'm inside a well-lubricated machine. As if gazing into a well, I can see beyond the railing to the lowermost floor five decks below. I feel dizzy from the humidity, the height, and the pungent smell—noticeable almost everywhere on board, but particularly redolent here. "The silk bags of propellant and the projectiles are elevatored to this room from the powder magazines and the shell decks below and then loaded into the gun right here," a young gunner's mate says, pointing to the gaping barrel of the largest gun on earth. The technology of this fearsome weapon is scarcely different from that of the cannons on Nelson's wooden flagship. To fire it, our gunner and his numerous mates must do a carefully choreographed dance of destruction, first sliding the projectile into the breech, then gingerly placing the cylindrical silk bags of black powder, then ratcheting the contraption shut. An ominous red stripe on the wall of the turret just inches from the railing marks the boundary of the gun's recoil. It's a dangerous place. The young gunner's enthusiasm as he mimes the firing seems eerie. Amid this massive steel and brass, I am acutely aware of the flimsiness of flesh and blood.

I had been invited along with other publishers and media types on a four-day Navy tour. Not only would we be visiting some of the Navy's finest vessels during maneuvers in the Atlantic, but we would have the opportunity to meet the brass and hobnob with our fighting men at sea. When I called the public affairs officer to RSVP, he intimated that I was the first "lady" they'd ever asked on such a tour. In my imagination, a deckful of glistening gobs in bellbottoms and rakishly angled sailor caps instantly burst into "There Is Nothing Like a Dame," saluting me with their mops. Heavens, how could I possibly decline?

But then, the very day we are to depart for Norfolk, that disastrous explosion occurs on board the *Iowa*, killing 47 men. Immediately, my mischievous anticipation gives way to sadness and anxiety. I also must admit a grim interest in how a public relations junket will be handled in the wake of such a cataclysm. Will it be canceled or substantially changes? No—except for a few minor details, the show goes on. The same officers who had been serving as offical Navy spokespersons with the press and the *Iowa* crew families rush to keep their appointments with us. Our host, the charismatic Adm. Powell F. Carter Jr., Commander in Chief, U.S. Atlantic Fleet (CINCLANT, pronounced "sink-lant," in Navy shorthand), forgoes his planned remarks at our first morning briefing to recount to us the dreadful details of the accident: the efforts at recovery; the lack of wounded survivors; the painstaking process of seeking out next of kin and notifying them, as the Navy has always done, in person.

Three days pass and we have trooped on and off a nuclear submarine and its tender, an amphibious Landing Craft Air Cushion, the battleship, and Marine Corps tanks, jeeps, rafts, and helos. Saturday brings the showiest leg of the tour: a visit to an aircraft carrier, the USS *Dwight D. Eisenhower*. The only way to land on an aircraft carrier short of being lowered in a net is to travel in a plane equipped to be wire-caught by a tailhook. We are fitted out in life vests and torturously tight helmets aptly called cranials, and strapped four different ways into our seats in a windowless, prop-driven COD, or Carrier Onboard Delivery cargo plane. My back to the pilot, I whiteknuckle my way through a swooping descent, my gasps keeping time with a flashing red sign that warns. Prepare for arrested landing. Suddenly a great metallic screech cuts through the roar of the engines, and we are thrown violently forward against our straps, held there for an instant, then flung backward and jammed against our seat backs. Finally, we are shudderingly, rattlingly brought to a stop. Light-headed, we trot triumphantly from the rear of the craft, like a football team at the start of the game.

Did you know that an aircraft carrier's full complement is 5,500 men—no women sailors allowed aboard combat vessels, you know—and that the average age is about 20? As I stroll, climb, and hoist myself through the narrow passageways of the ship, I encounter reactions among the men that range from blushing abashment to out-and-out horror. You can cut the testosterone with a knife. By the time our small band visits the ship's store to purchase mementos, I'm so intoxicated by my vast outnumbering that I can't resist asking the clerk loudly in my best Marilyn Monroe voice, "Excuse me, sir, but do you carry nail polish remover?" A burst of laughter rings through the metal commissary—amazing, explosive laughter, from heads popping and flipping like the bells and levers in a pinball machine. For a blissful moment, I feel a hint of what it must be like to do a USO tour with Bob Hope.

Nothing beats the shows an aircraft carrier provides. Unable to sleep (jets slamming onto the deck a few floors above my head may have something to do with it), I tiptoe into the officer's lounge and commandeer the XO—the Executive Officer—who is happy to escort me to the flag deck to watch flight ops in the moonlight. We pad into a darkened room of windows high above the catapults and landing tracks. The crew below are directing activity with glowing colored torches that seem to dance and weave on their own power. Above the din, I stare in wonder at mammoth F/A-18 Hornets and F-14A Tomcats gliding past my nose as they coast in to land, trailing rainbows. An occasional approaching plane is waved off into the blackness, but mostly they touch down effortlessly, then fold and tuck their wings to slip snugly into their diagonal parking spaces on the deck. Others stretch their wings open and blast vertically into the night. "I never get tired of this," my XO murmurs, echoing a refrain I've heard from officers and enlisted men alike on every ship we've visited. "It's just too much fund."

Properly dazzled by the colorful ballet on the deck of the carrier, decorated with the insignia, pins, and collar buttons of bashful boys, and indoctrinated to the credo of peace through preparedness, my colleagues and I are finally COD-loaded and "catlaunched" (thrown by catapult, an exhilarating process that slingshots you from 0 to 150 mph in 2.5 seconds) from the deck of the *Ike* at 1300 hours on Sunday. As we head for shore, I reflect on the intelligence of the personnel we met on all levels, the ingeniousness of the systems with which our ships are fitted, the efficiency of Navy operations big and small—and on a world that demands such a heavy price, in dollars and in the lives of our young men, to assure our readiness for war while our domestic problems loom ever larger. Early for my flight home, I watch sadly as arriving fathers, mothers, and wives, their faces drawn, wander past me in the air terminal, drifting listlessly toward a table marked "U.S.S. *Iowa* Information."

NATIONAL DRUG POLICY

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Monday, May 15, 1989

Mr. RICHARDSON. Mr. Speaker, William J. Bennett, Director of the Office of National Drug Control Policy, recently solicited suggestions from all 50 States for the formulation of a national drug policy. In my home State of New Mexico, the department of public safety, under the direction of C. Robert Kemble, has formulated a plan which could easily serve as a model for other States and our Nation. I applaud the important work of Mr. Kemble and the department of public safety in New Mexico. Their efforts can and will have a significant impact on how our Nation faces the challenge posed by drugs. I commend to my colleagues' attention an outline of this strategy as forwarded to Mr. Bennett:

STATE OF NEW MEXICO
DEPARTMENT OF PUBLIC SAFETY,
Santa Fe, NM, May 4, 1989.

Attention Bruce Carnes.

Dr. WILLIAM J. BENNETT,
Director, Office of National Drug Control Policy, Washington, DC.

DEAR DR. BENNETT: This is in response to your recent letter to Governor Carruthers. He has asked me to respond for him. New Mexico wishes you every success in your critically important development of a national drug control strategy. To that end and without elaboration, we submit the following thoughts.

GENERAL PRINCIPLES

Whatever plans you develop from a "strategic" sense, they obviously must be designed for long-term continuity and on a non-partisan basis. We believe that above all, the reduction of drug demand must succeed or all other efforts will fail. Accordingly, as a nation we should concentrate, though not exclusively, on prevention efforts particularly in our 5 to 15 year age group and, in doing so, involve and strengthen families. Furthermore, we need to get much tougher with the so-called "casual" and "social" users who keep the pushers in business.

As in any "unlimited war", every potential resource should be considered. More specifically:

DEMAND REDUCTION

(1) We need a major national public awareness campaign using the pro bono assistance of the best professional minds in advertisement, public relations, and media. In the final analysis, the drug war must be won at the grass roots level. A World War II level of public information and consequent commitment can do far more than all of the—albeit necessary—drug treatment and law enforcement efforts combined. (In that regard, the media should be asked to consider stricter policies on alcohol advertisements and corporate sponsors should be asked to refuse sponsorship of television programs which glamorize alcohol/drug use.)

(2) Related to that campaign, there are several sets of highly potential resources that are helping but are not yet fully tapped. National civic club organizations are an excellent example. If Rotary, Kiwanis, Optimists, Elks, Lions, Jaycees, and others would jointly commit to public awareness, as well as other drug prevention activities, they could effectively touch virtually every community of any size in the nation.

(3) Likewise, the business community and leadership have not been fully marshalled, either in their own substantial capabilities for influencing public attitude nor in their efforts to insure their own drug-free workplace. The business arena is still too often in the "denial" posture.

(4) National and state associations of Chambers of Commerce could make substantial contributions by taking a positive position on the importance of communities to have control of the drug situation for their own economic welfare.

(5) The broad resources of universities and colleges also need to be activated and coordinated, not only in aggressively handling their own on-campus problems (they too are still "denying the problem"), but in bringing to bear the capabilities of their colleges of education, schools of journalism, departments of social studies, medical schools, graduate research capacities, et al, in support of local and state endeavors. An active successful substance abuse prevention program ought to be a requirement for schools to receive federal funds.

(6) Our churches and synagogues certainly can do more in several ways, including bolstering, both publicly and within their congregations, the all-important family unit.

(7) A greater effort toward an international *prevention* network, not just law enforcement interaction, could be valuable. Perhaps the World Health Organization should be more intensely involved.

DRUG ENFORCEMENT

In the drug enforcement and supply reduction area, we have a number of suggestions.

(1) We believe you should seriously consider establishing several control centers for combined drug enforcement operations. The designated director and operations staff would include representatives of each of the major sectors (federal, state, and local enforcement agencies, et al) as well as appropriate support activities. They would coordinate regional drug activities on a daily basis working in a facility which has all of the necessary command and control communications and intelligence sharing capabilities of any military operational center. Indeed, we would be pleased to see such a regional control center located in Albuquerque, perhaps at Kirtland Air Force Base for security.

(2) We believe the federal agencies can considerably enhance their operations and thereby ours in several ways.

(a) Federal agencies need to be provided greater local autonomy and operate under the clear policy expectations that they would jointly develop drug enforcement strategies with one another and the states on a regional basis.

(b) It is absolutely essential that there be a free flow, with appropriate security controls, of criminal intelligence between agencies of all levels. That situation does not now exist.

(c) The existing inter-agency communications problems are apparently encouraged by a funding and recognition system that for too long has been based on quantitative measurements, such as how many drug busts or pounds of substances seized. Where recognition and funding follow those kinds of measurements, there is a decided disincentive toward truly joint activities.

(d) Federal agencies should review their self-imposed restrictive regulations with an eye to providing greater flexibility and responsiveness. Even though we are all working from the same constitutional base, state agencies can often respond quicker and with considerably less red tape. (See attached.)

(e) Closer coordination with the FAA in identification of low flying aircraft coming into the U.S. should be effected.

CRIMINAL JUSTICE SYSTEM ENHANCEMENT

Whatever we do in strengthening drug enforcement capabilities is meaningless unless the criminal justice system is enhanced.

(1) Some kind of augmentation of district attorneys, public defenders, and judges to elminate backlogs is essential.

(2) In turn, those enhancements become meaningless unless there is more prison space and more intensive probation and parole resources. Inactive federal and state facilities should be considered. A comprehensive examination of effective alternative punishments should be undertaken.

(3) Some model criminal justice augmentation programs should be tried to measure

their effect. We would again suggest Albuquerque as a model for a two to three-year program. We are confident that the number of arrests and convictions, and subsequent deterrence, will rise dramatically.

(4) There needs to be a national review of states' sentencing guidelines related to drug offenses to provide greater uniformity between states and within states.

(5) We would recommend your encouragement of nationally organized court-watch activities, as well as regular media reports on the number of convictions and levels of sentences throughout the court system. This would seem an excellent role for the American Association of Retired People.

DEPLOYMENT OF FEDERAL FINANCIAL RESOURCES

The effectiveness of federal resources can be improved:

(1) In general, federal funding should be made as simple and flexible as possible. Ideally all federal funds should come through a single agency and be provided in block form to each state for further distribution, upon evidence that the state has a truly comprehensive drug control plan which is broadly representative of all levels. For example, New Mexico's drug problems are in some significant ways measurably different from other states, e.g. our border with Mexico. It's our belief that we can more effectively deploy funds for this state based on New Mexico's critical needs. That principle applies to others.

(2) Along those lines, less cumbersome processes for requests and less restrictive language should allow grant applicants and state authorities to make better use of federal funds. When funds are "fenced" for limited type activities, applicants tend to become "grant chasers". Additionally, complicated application requirements discourage efforts to seek legitimately needed funding, especially from small communities and agencies.

(3) Overall, on the demand reduction side, it is our perception that the return on federal investments will be enhanced if applied in greater proportion to prevention than to treatment.

(4) Forfeiture funds can be better deployed. Consider a formula approach which gives a strong incentive portion to the agency which made the case with a bonus for joint operations. The remaining funds could then be pooled for redistribution to all states, on some proportionate basis, for furtherance of their drug control endeavors.

RESEARCH

We need more and better directed research. Some specific suggestions:

(1) We need assistance in establishing ways and means of evaluating our drug control progress or failures.

(2) Help us identify prevention, intervention, and treatment programs which work best.

(3) Research of student users would be more helpful if directed at grade school and 9th grade levels than at 12th grade, because by that time a number of users have dropped out of school, thus skewing the results.

(4) We suggest that the non-user community should be studied to learn what characteristics are most prominent in that group in order to direct our positive reinforcement. In that regard, university level research on other countries which have limited drug problems could prove helpful.

(5) We believe that the posse comitatus laws should be re-examined with an eye to updating them to meet modern standards and requirements.

(6) Similarly, we recommend review of the RICO statutes in order to make them more applicable.

(7) Clearly, as in any unlimited war, industry and the military have a research role to play in developing more sophisticated high-tech tools, e.g., drug sensors, improved intelligence networks, et al.

SOME MISCELLANEOUS THOUGHTS

(1) As a centrally located border state on the primary land entry of drugs into the U.S., we observe firsthand and commend INS for their endeavors. To assist them, the U.S. Attorney and ourselves, we suggest that the definition of "the border" be expanded to a much broader zone than just the land immediately adjacent to the border.

(2) We recommend a coordinated series of joint training programs outlined by your office bringing together federal, state, and local participants in both the demand and supply reduction endeavors. Joint training not only enhances knowledge but develops personal relationships which will be important to the overall effectiveness of our various programs.

(3) We need to strengthen the interface between prevention and treatment services, particularly among youth. The recidivism rate is too high. Special post-treatment schools which permit the youthful addict to continue counseling and be separated from the environment which helped encourage his addiction, while permitting his advancement in school, would do much to improve treatment success.

(4) We support a general "toughening" of drug policies and fixing of state responsibilities. Parallel to withholding federal highway funds from states and institutions which do not comply with national speed limits, we endorse withholding federal funds from states who do not comply with appropriate tougher regulations.

(5) We encourage the expanded use of our national and state military capabilities—particularly in the detection and direct support areas. In the next few months, we will be running a series of tests on a range of ways and means to use the New Mexico National Guard and will be pleased to provide you followup reports. Likewise, we are seeking ways to work wiht the substantial federal military forces here in New Mexico, particularly in developing a comprehensive drug intelligence network. In that area, we will seek the opportunity to provide you and your staff a fuller briefing of our plans and, as may be appropriate, your support.

(6) Continued progress in establishing federal laws as tools in the drug war will be important. Clearly we have major problems regarding the control of prescription drugs and use of inhalants that need attention. Development of a federally accepted and approved program to control illicit prescriptions would be a major contribution. We would also commend for your consideration stiff civil fines for possession of illegal substances, continued strengthening of drug-free school zone laws, and *adjustable* precursor chemical laws relating to the ever-changing world of designer drugs.

In closing, obviously, there is a good deal more that could be said. Again, we wish you great success in your difficult and formidable undertaking. We believe that we may be a bit ahead of many other states, at least in our endeavors to coordinate and focus the minimal resources which we have. We would welcome a visit by you and your staff for discussion of our plans and an opportunity to share thoughts from our perspective with you. New Mexico, in addition to the drug problems of sister states, has a major international drug gateway with which to deal, 12,000 miles of state and federal highway drug pipelines to police and vast remote areas which encourage drug manufacture and cultivation. Our population is relatively small but our experience base is broad.

Best wishes,

C. ROBERT KEMBLE,
Cabinet Secretary.

Attachment.

DEPARTMENT OF PUBLIC SAFETY,
STATE POLICE DIVISION,
April 28, 1989.

To: Secretary C. Robert Kemble,
From: Sgt. Gilbert C. Baca,
Subject: Comparison of State and Federal Requirements.

Following is a list of state and federal requirements pertaining to the recording of telephonic and non-telephonic conversations for use as evidence in court proceedings:

STATE

1. One agent must be part of recorded conversation.

FEDERAL

1. Justify in writing to immediate supervisor why the recording is needed.
2. Supervisory authority must be obtained.
3. Follow-up information teletype must be sent to Washington, D.C.
4. Concurrence of U.S. Attorney must be received.
5. Party whose conversation is being recorded sign consent forms.

State and federal requirements for conversations recorded during reversals for use as evidence in court proceedings are as follows:

STATE

1. District Court Order.

FEDERAL

1. Party to be recorded must be listed in NADDIS.
2. Must be identified as Class I/Class II drug violator.
3. Approval of Special Agent in Charge.
4. Teletype to D.C.

CONGRESSIONAL SALUTE TO DR. STEPHEN J. KLEINSCHUSTER III, DISTINGUISHED DEAN OF COOK COLLEGE, RUTGERS UNIVERSITY OF NEW JERSEY

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, May 15, 1989

Mr. ROE. Mr. Speaker, it is with the greatest pride that I rise today to salute a truly distinguished and outstanding scholar, administrator and innovator from my home State of New Jersey whose vision and strong guiding hand have brought Cook College of Rutgers University and the New Jersey Agricultural Experiment Station to the forefront of agricultural and academic progress.

I am speaking of Dr. Stephen J. Kleinschuster III, who for the past 4 years has served as both dean of Cook College and executive director of the New Jersey Agriculture Experiment Station, and under whose leadership

these institutions have thrived and earned respect the world over. Those of us from New Jersey are indeed proud of all of the remarkable accomplishments that have been achieved under the leadership of Dean Kleinschuster.

Mr. Speaker, Dean Kleinschuster, who lives in West Windsor, NJ, with his lovely wife, Karen, and his two sons, Stephan and Luke, received his B.S. and M.S. degrees at Colorado State University. He earned his doctorate in cellular and molecular biology at Oregon State University and was a postdoctoral fellow in Developmental Biology at the University of Chicago.

Dean Kleinschuster's résumé is an outstanding and voluminous compendium of professional, academic and administrative accomplishments that would do credit to any scholar or administrator anywhere in the world. Perhaps the greatest of all of his accomplishments has been the way his leadership has created world class programs at Cook College and the New Jersey Agricultural Experiment Station.

Mr. Speaker, in order to gauge the importance of Dean Kleinschuster's work to the State of New Jersey, I would briefly like to describe the vital work being done at this facility. According to the most recent report on the Station, its "contributions over the years have included the discovery of the antibiotic that cured tuberculosis, pioneering work in mosquito control and other efforts to improve human health, and the development of such successful plant varieties as the world famous Rutgers tomato. Today the station is important to our State's $15 billion food, agricultural and marine industries and other elements of our economy, ranging from pharmaceuticals to tourism. The station also makes key research contributions to the quality—as well as the quantity—of life for us all.

For example, the station works to combat pollution of our air, water and soil, reduce erosion along our shoreline and improve the nutritional value of foods while increasing the availability of natural additives in processed foods. The station also works to enhance agricultural production through such diverse strategies as increased use of greenhouses and the latest techniques in genetic engineering.

As a means of paying tribute to Dean Kleinschuster's unceasing efforts which have such broad implications for all of us, Mr. Speaker, I would like to insert, for the RECORD, the following resolution which delineates and extols some of his major accomplishments at Rutgers University:

Whereas the New Jersey Agricultural Experiment Station annually . . . and perennially . . . struggled during the past two decades with insufficient operating funds and for nearly 40 years with woefully inadequate physical facilities, and

Whereas Dr. Stephen J. Kleinschuster assumed the dual positions of dean of Cook College and executive director of the New Jersey Agricultural Experiment Station on July 1, 1985 bringing a new spirit of leadership to the state, college and station, and

Whereas Dr. Kleinschuster and his senior associates developed Vision 21, the strategic master plan to move the college and station into the ranks of premier land-grant institutions in the country, later complemented by the establishment of the Committee for the Advancement of Agricultural Research and Technology, a broad cross-section of New Jersey citizenry from the fields of agriculture, the environment, business, education, the media and consumer interests, which promulgated sweeping financial strategies for Cook/CAES, and

Whereas Dr. Kleinschuster has brought a new day to Cook/NJAES characterized by four buildings under construction; three high technology institutes in process; numerous world-class scholars/teachers added to the faculty; national prominence for Cook/NJAES; renewed enthusiasm and success among students, faculty, staff, parents and alumni; and a rededication and redefinition of today's land-grant institution as responsive to the needs of the state: therefore, be it

Resolved, That Dr. Stephen J. Kleinschuster, III, now Executive Dean for Agriculture and Natural Resources of Rutgers, the State University of New Jersey, be commended in the highest terms for his foresight, ability, and stamina in creating a new look at Cook College and the New Jersey Agricultural Experiment Station and thus in providing outstanding leadership to the state's $15 billion food, agriculture and marine industry and its renewable natural resources."

While we in New Jersey take great pride in what the achievements of Dean Kleinschuster have meant to Rutgers, our State University, and to our State of New Jersey as well, it is clear that his work transcends state and even international boundaries, and has broad implications for people the world over.

And so it is with the deepest admiration, Mr. Speaker, that I invite you and our colleagues to join me in saluting a truly outstanding scholar, administrator, innovator and leader, Dr. Stephen J. Kleinschuster, Dean of Cook College of Rutgers University and Executive Director of the New Jersey Agricultural Experiment Station, whose work has made New Jersey, the Nation and the world a better place to live.

WERNERSVILLE BOROUGH CELEBRATES 75TH ANNIVERSARY

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 15, 1989

Mr. YATRON. Mr. Speaker, on May 26, 1989, the Borough of Wernersville in Berks County, PA, will celebrate its 75th year of incorporation. The long existence of the Borough of Wernersville is a tribute to the sense of community that has been established by Wernersville's residents and a testament to the ties that bring all of us together as friends and as neighbors.

Borough officials have planned a wide array of activities over a 4-day period to commemorate this worthy occasion. I congratulate the residents, officials, and friends of the Borough of Wernersville for their long history of community spirit and wish them continued success and good fortune for the future.

CHARLES AND PETER DEROSE BEING NAMED CITIZENS OF THE YEAR

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 15, 1989

Mr. CONTE. Mr. Speaker, I rise today to pay a very special tribute to two brothers who have achieved the American dream by devoting their lives to keeping the people of Northampton, MA, informed.

Charles and Peter DeRose are newspapermen. They are the publishers of one of the best papers in Massachusetts, the Daily Hampshire Gazette. Charlie and Pete were recently named "Citizens of the Year" by the Greater Northampton Chamber of Commerce. They will officially receive this award May 17. Mr. Speaker, I cannot think of two men more deserving of this honor. They've contributed enormously to the people of western Massachusetts by consistent, honest, unbiased news coverage.

Although their integrity and professionalism are well known, these virtues are not the only reason Charlie and Pete received this award. They were chosen because of the extensive time and considerable financial support they have given the community. I'd like to just name a few of the local causes that have received their enduring support: the March of Dimes "Walkathon," the Teen Center, the Hampshire recreational YMCA, the Cooley Dickenson Hospital and many other civic and municipal boards.

Charlie and Pete, both in their late forties, were born and raised in Northampton. Both are graduates of the University of Vermont. Peter attended Northampton High School and Charles the Williston Academy. However, following college graduation, their careers in newspapers followed different paths. Pete studied in graduate school at Vermont, then worked as an engineer for Systems Engineering Corp. of New Orleans. This proved to be important training when he returned to Northampton in 1966 to oversee the newspaper's conversion to offset printing.

After graduating from college, Charlie took a job at the Burlington Free Press in Burlington, VT. He worked there 2 years before becoming the Gazette's advertising manager.

Mr. Speaker, the DeRose brothers have carried on a family tradition that began in 1929 when their late grandmother, Harriet DeRose, bought the Gazette. Harriet DeRose was a remarkable businesswoman. In fact, she was one of the first women in the country to publish a daily newspaper. Even today that is an outstanding accomplishment.

Charlie and Pete's father also was a formidable newspaper man. Charles N. DeRose, publisher of the Gazette and President of WHMP radio, received the same "Citizen of the Year" award, posthumously after his death in 1970. The two sons accepted the award in their father's absence. I'm sure the memory of that day in 1970 will be heavy on their minds on May 17 when they become the 25th and 26th recipients of this prestigious honor.

I knew Charles DeRose. A great news man, he really cared about the Gazette, meticulously supervising every word of print that went to the page. Yes, he cared about the paper with all his heart. And his sons have followed in his footsteps to continue a mighty tradition.

Mr. Speaker, It is important to note that these days, most of the newspapers in the country are owned by big chains and multinational conglomerates. One by one the smaller, personal, family owned papers have been sold to these corporations. They are sold to businesses that know little about the people in the communities and are incapable of the personal feelings the family owners once put into every single issue. The residents of western Massachusetts are lucky to have Charlie and Pete at the Gazette because they put so much of themselves into the paper. They have been an integral part of the Northampton community, and they care very deeply about the people there.

In my 31 years as a Member of Congress, I have had many opportunities to work with Charlie and Pete; many times—both on the campaign trail and during daily congressional business—our paths have crossed. It has been a great personal pleasure to work with these admirable men. We've worked together on many issues and we've spent countless hours helping the community of Northamption prosper. Anyone who knows how much my good old faithful dog Primo meant to me will know how highly I think of Charlie to have given him one of Lady's pups sired by Primo. Charlie and Pete's selection as Citizens of the Year is no surprise. They certainly deserve this honor. Charlie and Pete exemplify the undying optimism and dedication that made this country great. I would like to thank them for their devotion to accurate, honest, news coverage and congratulate them on this award. May their children and grandchildren love the Northampton community as much as Charlie and Pete do, and may the generations to come continue this splendid family tradition.

ENVIRONMENTAL PROTECTION

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 15, 1989

Mr. HAMILTON. Mr. Speaker, I recently cosponsored several environmental protection bills which I believe should be enacted in the 101st Congress. We need to take immediate steps to address pressing national and global environmental threats. We need to become more familiar with the environmental problems we face, and take action to maintain and restore the quality of our environment. The United States should recognize the benefits of protecting our natural resources, and regain its world leadership in environmental protection.

I urge my colleagues to act promptly and favorably on the following bills:

H.R. 37, National Ground Water Contamination Research Act of 1989. This bill authorizes a comprehensive federal ground water research effort by the U.S. Geological Survey, the Environmental Protection Agency, and the Department of Agriculture. It would coordinate these efforts under a Ground Water Research Committee.

H.R. 104, Volunteer House Recycling Program. This bill would instruct the Architect of the Capitol to design a volunteer program for House of Representatives offices to separate trash by source.

H.R. 683, the Agricultural Commodity-based Plastics Development Act of 1989. This bill would promote the development of degradable plastic by requiring the Government to identify products that can be made of degradable plastic and encouraging federal procurement of these products.

H.R. 876. American Heritage Trust Fund. This bill would create a self-supporting trust fund federal, state, and local land acquisition for parks, forests, refuges, and other public lands.

H.R. 980, Global Environment Research and Policy Act of 1989. This bill would coordinate existing federal research to give us a better understanding of the possible effects of global warming. It would require federal agencies to consider the global consequences of their actions, and would establish a Council on Global Environmental Policy to analyze and recommend national policies for handling the impacts of global warming.

H.R. 1087, the Scenic Byways Study Act of 1989. This bill would instruct the Transportation Secretary to conduct an inventory of all roadways in the United States that could be classified as scenic or historic. This would provide the basis for a cooperative program between federal, state and local governments designed to identify, protect, and enhance our Nation's scenic and historic roads, placing a special emphasis on preservation.

H.R. 1216, the Renewable Energy and Energy Efficiency Technology Competitiveness Act of 1989. This bill would improve the competitiveness of American renewable energy technologies by requiring the Department of Energy to enter into joint ventures with industry involving such technologies. The bill would also establish performance goals for renewable energy research programs and provide stable authorization levels for those programs.

H.R. 1268, the National Biological Diversity Conservation and Environmental Research Act. This bill would establish a national policy for conserving biological diversity and create a National Center for Biological Diversity Research. It would also make biological diversity an explicit part of the environmental impact statement process.

H.R. 1457, Waste Reduction Act. This bill would provide technical assistance to the states to promote waste reduction in private industry. It would improve collection of data by the Environmental Protection Agency and assist states in reducing sources of pollution.

H.R. 1746, Wetlands No Net Loss Act of 1989. This bill would authorize the creation of a nonprofit Wetlands Preservation Trust to acquire wetlands and former wetlands to ensure their preservation and restoration. It would also establish a wetlands office within the U.S. Fish and Wildlife Service. Other federal agencies would be required to conduct an inventory of the wetlands areas they own or manage and to prepare a management plan for the preservation and enhancement of those areas.

PERSONAL EXPLANATION

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, May 15, 1989

Mr. COURTER. Mr. Speaker, due to absence, I was not present for several recent rollcall votes. Had I been present I would have voted "yes" on Journal vote Nos. 45, 46, 48, and 50, and I would have voted "no" on Journal vote No. 35.

FLORIO HAILS FATHER WALSH FOR OUTSTANDING SERVICE TO CHURCH AND COMMUNITY

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, May 15, 1989

Mr. FLORIO. Mr. Speaker, it is a rare occasion when we, as Members of Congress, have an opportunity to bring to the attention of our colleagues and their respective constituencies a person who has truly devoted himself to the betterment of the individual, the family, and the community. Such an individual is Father Edward Walsh of the First Congressional District in New Jersey.

Ordained a priest in the Roman Catholic Church in 1964, Father Walsh has consistently responded to the needs of his parishioners and neighbors with thoughtfulness and compassion. On May 21, the people he has served so well will have an opportunity to pay tribute to him upon the occasion of his silver jubilee.

Father Walsh's efforts are centered in numerous civic and religious organizations that serve virtually every age group and region in southern New Jersey. From the Community Planning and Advocacy Council to the United Way, Father Walsh has proven to be an advocate of those individuals truly in need. He is the embodiment of those Judeo-Christian principles we all respect and admire.

As public servants, we can certainly appreciate the importance of the role he plays in his church and community. We in government are keenly aware of the need for quality individual's participation in the administration of public programs. Father Walsh is that individual and I commend him for his selfless efforts.

Mr. Speaker, I respectfully ask that my colleagues join with me in praising Father Walsh and wishing him much success and happiness in the many years to come.

SALUTE TO SARAH COVINGTON FULCHER

HON. BILL LOWERY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 15, 1989

Mr. LOWERY of California. Mr. Speaker, it is with great admiration and pride that I rise to commend Sarah Covington Fulcher for one of

this Nation's most remarkable athletic accomplishments.

Last year, Sarah completed a "Run Around America." She ran for 438 continuous days around the perimeter of our Nation, covering a total of 11,134 miles. In so doing, she set the world record for distance running and is now listed in the Guinness Book of World Records.

Averaging 32 miles every day through rain, snow, heat, and holidays she broke the women's record for a solo continuous run when she passed the 3,824-mile mark in Battle Creek, MI.

Running through 35 States, in temperatures ranging from 50 degrees below zero in Utica, NY, to 124 degrees in Concord, CA, Sarah Fulcher was out to promote youth fitness.

In her efforts to promote and raise funds for the U.S. National Fitness Academy she jogged through 26 pairs of running shoes, 15 pairs of shorts, 6 sweatshirts, and 20 "Run Around America" T-shirts.

Before completing this fete, the sponsoring organization ran out of money threatening to leave Sarah and her crew stranded. One of the two support vehicles was stolen in New York and their money disappeared in Vermont. But, she continued the run and completed the journey in October, raising over a million dollars for the foundation.

This was not the first lengthy adventure for this 5'7" 120 pound dynamo. In 1986, she became the first woman to run 2,727 miles across the Continent of Australia. She accomplished the trek for the Australian Hunger Campaign. She plans to continue several more transcontinental runs in the future.

Sarah Covington Fulcher has demonstrated the enthusiasm and energy that sets an incomparable example of pride and spirit for this Nation to honor.

THE 75TH ANNIVERSARY CELEBRATION OF SOUTH HEIDELBERG TOWNSHIP

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 15, 1989

Mr. YATRON. Mr. Speaker, on May 26, 1989, South Heidelberg Township in Berks County, PA, will celebrate its 75th year of incorporation. The long existence of South Heidelberg Township is a tribute to the sense of community that has been established by South Heidelberg's residents and a testament to the ties that bring all of us together as friends and as neighbors.

Township officials have planned a wide array of activities over a 4-day period to commemorate this worthy occasion. I congratulate the residents, officials, and friends of South Hidelberg Township for their long history of community spirit and wish them continued success and good fortune for the future.

HONORING WILLIAM STEINECKE ON HIS RETIREMENT

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 15, 1989

Mr. CONTE. Mr. Speaker, I rise today to pay tribute to Mr. William Steinecke who, after 27 years of service is retiring from teaching. For almost three decades, Bill Steinecke has been a guiding force for the students in the Sunderland, Whatley, Conway, and South Deerfield district public schools. Bill exemplified for us the ideals of commitment and dedication to a profession crucial to the literacy and competence—the very existence—of our society. His extensive service to more than a generation of students officially began in 1962 at Turners Falls High School where he remained for 6 years before transferring to Frontier Regional High School in 1968. He then taught at Frontier for the next 21 years. But Steinecke's love for learing began even before his undergraduate studies at Brown University, from which he graduated in 1949. At Brown, Steinecke majored in literature and writing, with a minor in history, and a combination of these fields served Steinecke well as he taught English, and creative writing and journalism at Frontier High School. This love of learning, coupled with William Steinecke's dedication to the education of younger generations, led him to become involved in the community far beyond his call of duty as an educator.

Prior to his illustrious teaching career, Mr. Steinecke spent 3 years in the service of his country and 13 years with his hometown newspaper, the Greenfield Recorder, as a reporter. He flew missions with the 8th Air Force Division in World War II and served his country with the dignity and vigor he always brought to the classroom. As a veteran of World War II myself, Mr. Chairman, I can fully appreciate Mr. Steinecke's bravery and devotion.

Mr. Speaker, it is an honor to pay tribute to William Steinecke on the occasion of his retirement from teaching high school English and journalism. William Steinecke brought quality education to thousands of young men and women, and made remarkable achievements. Mr. Steinecke was praised many times for this teaching and was honored by receiving two very prestigious awards: The Weyguard Award for Outstanding Teaching and the National High School Journalism Teacher of the Year Award.

America is a Nation made strong and honorable by the education of its young people. William Steinecke has truly added to the strength, honor, and quality of his country through his long career of dedicated teaching. The citizens of my district and, indeed, from all over New England, should be extremely proud of William Steinecke, who has dedicated his life to the furthering of knowledge for us all. I wish him the best in his retirement and hope he will continue to be an inspiration for aspiring students as well as teachers.

LEGISLATION CLARIFYING ALASKA NATIVE CLAIMS SETTLEMENT ACT

HON. DON YOUNG

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 15, 1989

Mr. YOUNG of Alaska. Mr. Speaker, I recently introduced legislation to clarify section 21 of the Alaska Native Claims Settlement Act with respect to the tax basis of property conveyed under the Act.

In 1971, Congress enacted the Alaska Native Claims Settlement Act [ANCSA]. The purpose of ANCSA was to provide just compensation to the Alaska Natives for the extinguishment of their aboriginal claims. The Alaska Natives were given cash, land, and—in some cases—rights to natural resources in exchange for their claims. The greater value of what the natives received was in land and rights to resources.

As a means of effecting the settlement, it was required that regional and village corporations be formed to select the property to be transferred.

Because the transfer of cash and property was compensatory in nature, Congress provided that the settlement was to be free of tax. In drafting the statute, however, Congress created an unfortunate and probably unintended ambiguity. Congress specifically provided in 43 U.S.C. 1620(a), which governs the tax treatment of cash under ANCSA, that the cash transfers from the Alaska Native fund are nontaxable to the Native Corporation, and also when distributed by the Corporation to shareholders. However, 43 U.S.C. 1620(c), which governs the tax treatment of land and natural resources, contains language which is broader, but also is less clear. That section provides that the "receipt of land or any interest therein pursuant to this chapter * * * should not be subject to *any form* of Federal, State, or local taxation," (italic added). Under ANCSA, the Alaska Natives received a basis in their stock in the Native corporations equal to their pro rata share of the value of cash, land, and other assets received by the Corporation.

Due to circumstances largely beyond anyone's control, selection by the Native corporations of the land and natural resources to which they were entitled was delayed for almost a decade. As luck would have it, shortly after the selections were made in 1980, the value of the natural resources which were transferred to the Natives declined significantly. Since timber rights were, by far, the most important asset which most Native corporations received, this resulted in losses to many Native corporations. In plain fact, therefore, the Native corporations did not receive in value nearly what it was intended that they receive.

To attempt to recoup, and also to create at least the possibility of providing their shareholders with income levels which will provide survival with dignity, some Native corporations have invested the proceeds from the sale—albeit at a loss—of their ANCSA assets in

businesses which, it is hoped, will generate earnings with the next several years.

The potential that some Native corporations will generate current earnings and profits has created the possibility that amounts distributed to Native shareholders will be taxed as dividends. Under this result the effect would be to compel current taxation even if the distribution were funded by amounts received from the sale of property transferred to a Native corporation in a nontaxable compensatory context. This result is at odds with the congressional intent to transfer nontaxable compensatory amounts in extinguishment of Native claims. It would be ironic if the shareholders of an Alaska Native Corporation, having received far less in real economic value than was intended under ANCSA, should find themselves taxed if and when these lesser amounts are distributed by the corporations.

This legislation would clarify that land received pursuant to ANCSA should not be subject to Federal income tax—either to the Corporation or to the shareholder in the form of payment from the Corporation. The legislation would simply preclude taxation of Corporation distributions as dividends until the value of land received under ANCSA is paid out. This is the result intended by section 21 of ANCSA.

OUTRAGE AT GENERAL NORIEGA

HON. DENNIS E. ECKART

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, May 15, 1989

Mr. ECKART. Mr. Speaker, last Sunday elections were held in Panama to choose a new leader. I rise today to express my outrage at the way drug-running dictator, Gen. Manuel Noriega, has conducted those elections. The Panamanian people apparently chose Guillermo Endara, Noriega's opposition, as their new leader. According to press reports, Endara won the election by a margin of 3 to 1, even though Noriega and his government attempted to falsify ballots giving them a 2-to-1 majority in the final tally.

Noriega nullified the election on Thursday. Not only did he annul the election, it has been reported that Noriega has expressed his anger at losing the election by beating, wounding, and arresting his political opponents. He has also, apparently, sent his troops through Panama City complete with riot gear, using tear gas, water cannons, and shotguns to disperse crowds which had gathered to cheer on the opposition.

The Panamanian people unequivocally expressed their desire for a new leader in this election, yet Noriega refuses to comply with the standards of democracy. The circumstances which have resulted from this fraudulent election are outrageous and the democratic nations of the world must not sit idly by while General Noriega continues violating the basic tenets of democracy and denying the citizens of Panama their right to express themselves and freely choose their future leaders.

TRIBUTE TO JAMES I. MARVIN, U.S. SMALL BUSINESS ADMINISTRATION'S SPRING PERSON OF THE YEAR

HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 15, 1989

Mr. TORRES. Mr. Speaker, today I rise to bring to the attention of my colleagues the tremendous accomplishments of Mr. James I. Marvin, who has been named by the U.S. Small Business Administration as their spring small business person of the year. Mr. Marvin is the president and chairman of Santa Fe's Plastics Research Corp. and is a prime representative of the cutting edge of the true entrepreneur spirit of this country.

As president and founder of Plastics Research—a once small business that developed from a $15,000 initial investment and is now a company with $11.5 million in sales—is to be recognized for his outstanding achievements in the business industry and is a leading example of a small business success story.

Mr. Marvin received the small business person of the year honor for turning around Plastics Research Corp. from the throes of bankruptcy through his outstanding marketing and business skills. He moved the Excelsior Dr. design and manufacturing plant from the red and into the black. This effort which saw his company at a once low $1.3 million loss 4 years ago to a current $1 million pre-tax profit last year and an expected $1 million plus figure this year is only one story that summarizes the abilities of this true businessman.

Mr. Marvin, who received his business degree from University of Southern California, was the original draftsman of Plastic Research Corp. Plastics Research was founded in 1973 in a Cerritos facility not much larger than a garage by Mr. Marvin and two associates—one a relative. The idea for a manufacturing business came to the trio when they worked at Trend Western Technical Corp. When Mr. Marvin joined the business fulltime in 1977, after spending much of his time getting the firm off the ground, he soon bought out his partners.

Plastics Research Corp. is a manufacturing firm that produces fiberglass composite containers for the defense industry. The firm is 95 percent involved in serving the needs of the defense industry and specific defense contractors who must transport military cargo from the assembly line to the military. The containers that Plastics Research Corp. developed and now manufactures allow the defense industry to transport high priority cargo, such as the Tomahawk missile, safely and efficiently. The containers, which can be used over and over, allow the military to save thousands and thousands of dollars. This is especially important during today's economic and budget difficulties. The efforts of Mr. Marvin have insured that 144 jobs and an annual $1 million remain in our economy.

Mr. Speaker, it is with great honor and admiration that I speak of this hardworking and dedicated man. Mr. Marvin is truly an asset as well as a gifted representative of the spirit of the American ideal of a businessman. In closing, I hope that this body would join me in recognizing the achievement and honor that Mr. Marvin has received from the U.S. Small Business Administration. It is men such as Mr. Marvin that allow our Nation's small businesses to represent the foundations of our community and business philosophies.

HONORING FATHER JUDGE HIGH SCHOOL ON ITS 35TH ANNIVERSARY

HON. ROBERT A. BORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 15, 1989

Mr. BORSKI. Mr. Speaker, I rise today to honor Father Judge High School on its 35th anniversary.

Father Judge High School was founded in Philadelphia in 1954. The school was named after Father Thomas Judge, a prominent religious leader, humanitarian, and social worker who lived by the saying, "Be the best that you can be in whatever you do." His example is a guiding force for the student body of Father Judge High School.

During the past 35 years, the school has undergone a transitional period in which lay faculty have been incorporated into the religious staff. This cooperation has established a well-balanced curriculum of academics and values.

There have been a few disheartening times for the faculty and students at Father Judge, the worst of which occurred during the Vietnam conflict. The Father Judge community suffered a tremendous loss when 27 of its young alumni were killed in active duty.

It was in these times, however, that the Father Judge motto, "Non Excidet," meaning "He will not fail," embodied the spirit of the school. The time was ripe for Father Judge to embark on a journey of community service that would give new meaning to the words "Judge Pride." Through tremendous effort, the faculty and students pulled together and started many new programs that would have a direct impact on their community.

During the 1960's, Father Judge became one of the first high schools to participate in Operation Santa Claus which provides toys for deprived children at Christmastime. Father Judge also became involved in the Presidential Classroom, an activity in which the top students from across the Nation attend various seminars in Washington, DC. Father Judge is one of only four high schools in the Nation to be involved in this program every year since it began 20 years ago.

In the 1970's, the school started other service activities such as the unique Father Judge Marathon for Leukemia. This event, which raises funds for the fight against leukemia, involves students and teachers in a relentless marathon of basketball games over a period of a few days. In the 15 years of the marathon's existence, Father Judge has raised over $3,000 and is one of the few high schools on the east coast that contributes to the leukemia fund.

Father Judge is also involved in fundraisers to fight hunger in the immediate community, such as the Bread Basketball, an archdiocesan canned good drive in which the school donates large amounts of food to the poor and hungry. In 1983 the school became involved in the American Red Cross Bloodmobile Program, contributing over 1,200 pints of blood from faculty and students.

Another Father Judge organization, the Community Service Corps, reflects the school's dedication to helping others. The CSC involves approximately 30 students per year who volunteer to perform numerous acts of community service such as tutoring, helping disabled children, and feeding the poor. This involvement gives students a chance to learn more about themselves and their fellow human beings. The CSC, as well as other programs that serve the school community, fosters a spirit of honor and pride that is deeply rooted in the foundation of Father Judge.

When Father Judge students become alumni, they continue to serve the community in various ways. After graduation, a high percentage of students continue to develop an awareness of the world around them in institutions of higher learning. Many others go on to directly serve the city of Philadelphia in the police and fire departments.

I commend Father Judge High School for its 35 years of dedication to education and community service in the city of Philadelphia, and I wish that fine institution great success in the coming years.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Tuesday, May 16, 1989, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

MAY 17

9:30 a.m.
Armed Services
Defense Industry and Technology Subcommittee
To hold hearings on the defense industrial base.
SR-222

Commerce, Science, and Transportation
To hold oversight hearings in conjunction with the National Ocean Policy Study on marine fisheries management.
SR-253

Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold hearings on space commercialization.
SH-216

Energy and Natural Resources
Business meeting, to consider S. 85, to authorize the acceptance of certain lands for addition to Harpers Ferry National Historical Park, West Virginia, H.R. 964, to correct an error in Private Law 100-29 (relating to certain lands in Lamar County, Alabama), H.R. 999, to authorize funds for the Advisory Council on Historic Preservation, S. 750, to authorize the Federal Energy Regulatory Commission to extend time limitations on certain hydroelectric projects, S. 783, to eliminate wellhead price and nonprice controls on the first sale of natural gas and to make technical and conforming amendments to the Natural Gas Policy Act of 1978, and other pending calendar business.
SD-366

Governmental Affairs
To hold hearings on biological weapons proliferation.
SD-342

Rules and Administration
Business meeting, to mark up S. 136, to establish a single poll closing time in the continental United States for Presidential general elections, S. 377, to establish a series of five Presidential primaries, S. 326, to repeal a provision of the Federal Election Campaign Act allowing use of excess contributions, and S.J. Res. 98, to establish separate appropriation accounts for the Senate and the House of Representatives for the payment of official mail costs, S. 874, to establish national voter registration procedures for Presidential and Congressional elections, and other pending calendar business.
SR-301

10:00 a.m.
Agriculture, Nutrition, and Forestry
To resume hearings on trading practices in the commodity futures markets.
SR-332

Appropriations
District of Columbia Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1990 for the government of the District of Columbia, focusing on the Department of Corrections.
SD-138

Banking, Housing, and Urban Affairs
To hold hearings to review a report of the Inspector General of HUD on mismanagement in the moderate rehabilitation program.
SD-538

Commerce, Science, and Transportation
Communications Subcommittee
To hold hearings on proposed legislation authorizing funds for the Federal Communications Commission.
SR-232A

Environment and Public Works
Business meeting, to consider the nomination of Frank Henry Habicht II, of Virginia, to be Deputy Administrator, Environmental Protection Agency.
SD-406

Finance
To hold hearings on miscellaneous tax bills, S. 353, S. 442, S. 659, S. 800, S. 838, and S. 849.
SD-215

Foreign Relations
Business meeting, to continue mark up of S. 928, authorizing funds for fiscal years 1990 and 1991 for the Department of State, U.S. Information Agency, and the Board for International Broadcasting.
SD-419

Judiciary
Patents, Copyrights and Trademarks Subcommittee
To hold hearings on S. 497, to provide that States be subject to suit in Federal court for infringement of copyright material.
SD-226

1:00 p.m.
Appropriations
Defense Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1990 for the Department of Defense, focusing on Army posture.
SD-192

2:00 p.m.
Armed Services
To hold hearings on proposed legislation authorizing funds for fiscal years 1990 and 1991 for defense programs of the Department of Energy.
SR-222

Foreign Relations
Business meeting, to continue mark up of S. 928, authorizing funds for fiscal years 1990 and 1991 for the Department of State, U.S. Information Agency, and the Board for International Broadcasting.
SD-419

MAY 18

8:35 a.m.
Veterans' Affairs
To hold hearings on certain provisions of S. 13, S. 165, S. 573, S. 574, S. 748, S. 900, S. 947, and S. 899, bills to strengthen and improve Veterans' health care programs.
SR-418

9:00 a.m.
Commerce, Science, and Transportation
To continue oversight hearings in conjunction with the National Ocean Policy Study on marine fisheries management.
SR-253

9:30 a.m.
Energy and Natural Resources
Public Lands, National Parks and Forests Subcommittee
To hold hearings on S. 737, to authorize the Secretary of the Interior to acquire certain lands adjacent to the boundary of the Rocky Mountain National Park in the State of Colorado, S. 267, to authorize the Secretary of the Interior to convey certain lands in

Idaho to Mr. and Mrs. Kenneth Blevins of Kuna, Idaho, and H.R. 310, to remove a restriction on land in Roanoke, Virginia, in order for that land to be conveyed to the State of Virginia for use as a veterans' nursing home.
SD-366

Governmental Affairs
To hold hearings on nuclear and missile proliferation.
SD-342

Special on Aging
To hold hearings to examine the role of the Health Care Financing Administration in implementing the nursing home reform provisions that were included in the Omnibus Budget Reconciliation Act of 1987.
SD-628

10:00 a.m.
Appropriations
Defense Subcommittee
To continue open and closed hearings on proposed budget estimates for fiscal year 1990 for the Department of Defense, focusing on space programs.
SD-192

Appropriations
District of Columbia Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1990 for the government of the District of Columbia, focusing on the court system and school board.
SD-124

Appropriations
VA, HUD, and Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1990 for the Department of Housing and Urban Development and certain independent agencies.
SD-116

Appropriations
Commerce, Justice, State, and Judiciary Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1990 for the Federal Communications Commission.
S-146, Capitol

Banking, Housing, and Urban Affairs
Securities Subcommittee
To resume hearings on S. 648, the Market Reform Act of 1989.
SD-538

Foreign Relations
Business meeting, to continue mark up of S. 928, authorizing funds for fiscal years 1990 and 1991 for the Department of State, U.S. Information Agency, and the Board for International Broadcasting.
SD-419

Judiciary
Business meeting, to consider pending calendar business.
SD-226

Select on Indian Affairs
Investigations Subcommittee
To resume hearings to examine various matters relating to Indian affairs.
SR-485

11:00 a.m.
Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To resume hearings on proposed legislation to coordinate and strengthen efforts at the Federal, State, local, and private and non-profit sector levels to combat illiteracy in the United States.
SD-430

1:30 p.m.
Agriculture, Nutrition, and Forestry
Conservation and Forestry Subcommittee
To hold hearings on the U.S. Forest Service appeals process.
SR-332

2:00 p.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1990 for foreign assistance programs, focusing on the Peace Corps, African Development Foundation, Inter-American Foundation, Overseas Private Investment Corporation, and Export-Import Bank.
SD-138

Armed Services
Conventional Forces and Alliance Defense Subcommittee
Projection Forces and Regional Defense Subcommittee
Strategic Forces and Nuclear Deterrence Subcommittee
To hold joint closed hearings on Department of Defense classified programs.
S-407, Capitol

Armed Services
Readiness, Sustainability and Support Subcommittee
To hold open and closed hearings on proposed legislation authorizing funds for fiscal years 1990 and 1991 for the Department of Defense, focusing on ammunition programs.
SR-222

Energy and Natural Resources
Water and Power Subcommittee
To hold hearings on S. 635, to prevent the unintended licensing of federally nonjurisdictional pre-1935 unlicensed hydroelectric projects.
SD-366

Foreign Relations
To resume hearings on the future of U.S.-Soviet relations, focusing on defense and arms control policy.
SD-419

Select on Indian Affairs
Investigations Subcommittee
To continue hearings to examine various matters relating to Indian affairs.
SR-485

Select on Intelligence
To resume closed hearings on proposed legislation authorizing funds for fiscal years 1990 and 1991 for the intelligence community.
SH-219

Joint Economic
To hold hearings on the effects of the Third World debt on U.S. agriculture.
2359 Rayburn Building

2:30 p.m.
Labor and Human Resources
Aging Subcommittee
To hold oversight hearings on activities of the Administration on Aging, Office of Human Development Services, Department of Health and Human Services.
SD-430

MAY 19

9:30 a.m.
Armed Services
Strategic Forces and Nuclear Deterrence Subcommittee
To hold closed hearings on operational requirements of the U.S. Space Command, and proposed budget request for fiscal years 1990 and 1991 for the U.S. Space Command.
S-407, Capitol

Select on Indian Affairs
To hold oversight hearings on the U.S. Civil Rights Commission's effects on the White Mountain Apache Tribe.
SR-485

10:00 a.m.
Appropriations
VA, HUD, and Independent Agencies Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1990 for the Department of Housing and Urban Development and certain independent agencies.
SD-116

Environment and Public Works
Environmental Protection Subcommittee
To hold hearings on proposed legislation to control the manufacture, use, and disposal of ozone depleting substances.
SD-406

Finance
Medicare and Long-Term Care Subcommittee
To hold hearings to examine approaches to modify or change Medicare policies to improve the health care system in rural America.
SD-215

Foreign Relations
To hold hearings on the nominations of Bernard William Aronson, of Maryland, to be Assistant Secretary of State for Inter-American Affairs, and Chic Hecht, of Nevada, to be Ambassador to the Commonwealth of The Bahamas.
SD-419

Judiciary
Constitution Subcommittee
Business meeting, to markup S.J. Res. 14, proposing an amendment to the Constitution of the United States to allow the President to veto items of appropriation, and S.J. Res. 23, proposing an amendment to the Constitution of the United States authorizing the President to disapprove or reduce an item of appropriation.
SD-226

MAY 31

2:00 p.m.
Appropriations
Defense Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1990 for the Department of Defense, focusing on seapower.
SD-192

JUNE 1

9:30 a.m.
Commerce, Science, and Transportation
Merchant Marine Subcommittee
To hold hearings on proposed legislation authorizing funds for fiscal year 1990 for the Department of Transportation and Federal Maritime Commission.
SR-253

Energy and Natural Resources
To hold hearings on S. 710, S. 711, S. 712, bills to provide for a referendum on the political status of Puerto Rico.
SH-216

Governmental Affairs
Oversight of Government Management Subcommittee
To resume oversight hearings on the use of off-the-shelf items by the Department of Defense.
SD-342

10:00 a.m.
Appropriations
Defense Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1990 for the Department of Defense, focusing on Navy posture.
SD-192
Environment and Public Works
Environmental Protection Subcommittee
To hold hearings on S. 804, to conserve North American wetland ecosystems and waterfowl and other migratory birds and fish and wildlife that depend on such habitat.
SD-406

1:30 p.m.
Governmental Affairs
To hold hearings on alcohol abuse prevention.
SD-342

2:00 p.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1990 for foreign assistance programs, focusing on Central America.
SD-138
Energy and Natural Resources
To continue hearings on S. 710, S. 711, S. 712, bills to provide for a referendum on the political status on Puerto Rico.
SH-216

JUNE 2

9:30 a.m.
Energy and Natural Resources
To continue hearings on S. 710, S. 711, S. 712, bills to provide for a referendum on the political status of Puerto Rico.
SH-216

10:30 a.m.
Judiciary
To hold hearings to review the nomination rating process used by the American Bar Association.
SD-226

2:00 p.m.
Energy and Natural Resources
To continue hearings on S. 710, S. 711, S. 712, bills to provide for a referendum on the political status of Puerto Rico.
SH-216

JUNE 6

10:00 a.m.
Appropriations
Defense Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1990 for the Department of Defense, focusing on tactical airpower.
SD-192

2:00 p.m.
Energy and Natural Resources
Energy Research and Development Subcommittee
To hold hearings on the status of current and future use of alternative motor vehicle fuels in the United States.
SD-366

2:30 p.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1990 for foreign assistance programs, focusing on the Middle East, Pakistan and Afghanistan.
SD-138

JUNE 7

9:30 a.m.
Commerce, Science, and Transportation
Aviation Subcommittee
To hold hearings on airline concentration.
SR-301
Commerce, Science, and Transportation
Consumer Subcommittee
To hold hearings on proposed legislation authorizing funds for the Federal Trade Commission.
SR-253
Governmental Affairs
To resume hearings on alcohol abuse prevention.
SD-342

10:00 a.m.
Appropriations
Defense Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1990 for the Department of Defense, focusing on Air Force posture.
SD-192

JUNE 8

8:35 a.m.
Veterans' Affairs
To hold hearings on certain provisions of S. 13, and S. 564, bills to provide for Veterans' health care benefits and other related measures.
SR-418

9:00 a.m.
Appropriations
Defense Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1990 for the Department of Defense, focusing on manpower and personnel programs.
SD-192

9:30 a.m.
Commerce, Science, and Transportation
Consumer Subcommittee
To continue hearings on proposed legislation authorizing funds for the Federal Trade Commission.
SR-253
Energy and Natural Resources
Public Lands, National Parks and Forests Subcommittee
To hold hearings on S. 555, to establish in the Department of the Interior the De Soto Expedition Trail Commission, S. 624, to provide for the sale of certain Federal lands to Clark County, Nevada, for national defense, and S. 830, authorizing funds for the Blackstone River Valley National Heritage Corridor Commission.
SD-366

JUNE 12

9:30 a.m.
Governmental Affairs
Government Information and Regulation Subcommittee
To hold hearings on proposed legislation authorizing funds for programs of the Paperwork Reduction Act.
SD-342

JUNE 13

9:00 a.m.
Appropriations
Defense Subcommittee
To resume open and closed hearings on proposed budget estimates for fiscal year 1990 for the Department of Defense, focusing on strategic programs.
SD-192

9:30 a.m.
Commerce, Science, and Transportation
To hold hearings on S. 561, to provide for testing for the use, without lawful authorization, of alcohol or controlled substances by the operators of aircraft, railroads, and commercial motor vehicles.
SR-253

2:30 p.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1990 for foreign assistance programs.
SD-138

JUNE 14

9:00 a.m.
Veterans' Affairs
To hold hearings on certain provisions of S. 13, S. 86, S. 192, S. 405, and S. 846, bills to strengthen and improve VA health care programs, and related measures.
SR-418

JUNE 15

9:00 a.m.
Appropriations
Defense Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1990 for the Department of Defense.
SD-192

2:00 p.m.
Appropriations
Foreign Operations Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1990 for foreign assistance programs, focusing on the World Bank, International Development Association, International Finance Corporation, International Monetary Fund, and Multilateral Investment Guaranty Agency.
SD-138

JUNE 16

9:30 a.m.
Governmental Affairs
Government Information and Regulation Subcommittee
To resume hearings on proposed legislation authorizing funds for programs of the Paperwork Reduction Act.
SD-342

JUNE 22

8:00 a.m.
Veterans' Affairs
To hold hearings on S. 404, H.R. 1415, and S. 898, to extend certain Department of Veterans Affairs home loan guaranty provisions, and related measures.
SR-418

JULY 20

9:30 a.m.
Veterans' Affairs
Business meeting, to mark up proposed legislation to revise certain provisions of VA health care programs, including S. 13, S. 86, S. 165, S. 192, S. 263, S. 405, S. 564, S. 574, S. 748, and S. 846.
SR-418

POSTPONEMENTS

MAY 18

9:00 a.m.
Commerce, Science, and Transportation
Aviation Subcommittee
To hold hearings on airline concentration.
SR-301

SENATE—*Tuesday, May 16, 1989*

(Legislative day of Tuesday, January 3, 1989)

The Senate met at 9:30 a.m., on the expiration of the recess, and was called to order by the Honorable RICHARD H. BRYAN, a Senator from the State of Nevada.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray:

For my people have committed two evils; they have forsaken Me the fountain of living waters, and hewed them out cisterns, broken cisterns, that can hold no water.—Jeremiah 2:13.

God of Abraham, Isaac, and Israel, in our contemporary culture we commit the same evils. We give preeminent attention to the body—aerobics, jogging, diets—and bodily appetites prevail. Shallow minds, dried up souls, empty hearts result. We indulge ourselves physically and starve ourselves spiritually.

Patient, gracious Father in Heaven, forgive us and turn our hearts to Thee for the refreshing renewal and spiritual health we need. In the name of Him who is the Way, the Truth, and the Life, we pray. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. BYRD].

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, May 16, 1989.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable RICHARD H. BRYAN, a Senator from the State of Nevada, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. BRYAN thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE ACTING MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The Chair recognizes the acting majority leader.

THE CHAPLAIN'S PRAYER

Mr. FOWLER. Mr. President, I thank the Chaplain for his morning prayer and his continued service to our Creator and to this body. It was a wonderful prayer reflecting the words of Paul in his letters to the Romans:

I beseech you therefore, brethren, by the mercies of God, that ye present your bodies a living sacrifice, holy, acceptable unto God, which is your reasonable service.

I thank him for his continued stewardship on behalf of the people of this country and on behalf of all of us who serve.

THE JOURNAL

Mr. FOWLER. Mr. President, I ask unanimous consent that the Journal of the proceedings be approved to date.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

SCHEDULE

Mr. FOWLER. Mr. President, following the time for the two leaders, there will be a period for morning business not to extend beyond the hour of 10 a.m., with Senators permitted to speak therein for up to 5 minutes each.

At 10 o'clock this morning the Senate, Mr. President, will resume debate on the Senate Joint Resolution 113, the FSX disapproval resolution.

The Senate will also recess today from 12:30 p.m. to 2:15 p.m. to accommodate the party conferences.

The minority leader, I believe, is also at the White House this morning with the majority leader.

RESERVATION OF LEADER TIME

Mr. FOWLER. Mr. President, I will reserve at this time, without objection, both leaders' time.

QUORUM CALL

Mr. FOWLER. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. REID. Mr. President, are we in morning business now?

The ACTING PRESIDENT pro tempore. We are not yet in morning business.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business not to extend beyond the hour of 10 a.m., with Senators permitted to speak therein for not to exceed 5 minutes each.

LONG-RANGE ENERGY POLICY

Mr. REID. Mr. President, in 1974 I came to Washington, DC, and I was impressed, as everyone was at that time, by the tremendously long gas lines, people lined up for blocks and blocks waiting to fill their cars with gasoline. I had never seen anything like it.

It was not until a few months later that these same long gas lines were in Nevada. They were all over the United States. The gas crisis came and it went.

But in spite of this, the fact that we should recognize is the fact that a gas crisis could come again, and we have done nothing about establishing a long-range energy policy in this country.

In fact, Mr. President, we are importing more oil than ever, both in real terms and in percentage terms. There is presently no Government emphasis, no Government stimulus, no Government stress, no Government tax policy that would cause us to spend additional money on oil shale development, solar energy, wind energy, geothermal. No, we have no long-range energy policy and we are not developing one.

You would think, with the disaster that just occurred in Alaska, that it may help us see the light that we should have a long-range energy policy, but probably it will not. The sad part is this is not the only area of failure of this country to develop a long-range policy.

Mr. President, what do manganese, cobalt, platinum group metal, and chromium have in common? Mr. President, these are all materials critical to either the economic or the political security of the United States, but are available predominantly from countries of questionable reliability.

The United States is about 75-percent reliant on imports of chromium from South Africa, Zimbabwe, Yugo-

slavia, and Turkey. Chromium, essential for the construction of automobiles, aircraft, insulation of high-temperature furnaces, and many other industrial applications, is being imported.

Mr. President, 95 percent of the United States cobalt supply is provided through imports from Zaire, Zambia, Canada, and Norway. This is crucial in the forging of alloys, the building of tool bits, and the refining of oil.

Manganese is crucial in the alloy process of certain high-strength steels used in various weapons systems crucial to this Nation's defense. One hundred percent of our manganese supply is imported from South Africa, Brazil, and Gabon.

Platinum group metals are essential in petroleum refining, chemical processing, and automobile exhaust treatment. They are also used in telecommunications equipment, medical and dental equipment. Ninety-two percent of our supply is imported from South Africa and the Soviet Union, with a little from Great Britain.

Without these materials many basic products we have all come to rely on would simply not be available. As my colleagues can see, we are very vulnerable to a complete or partial embargo of these materials. There are several policy options to consider to guard against such an eventuality. Two that spring immediately to mind are stockpiling and developing substitutes for these materials. But to do this, it will take a coordinated effort at the national level to devise a policy to address this problem. Within the White House is a council charged with exactly this mission. This was established in 1985. Unfortunately, in its 4 years of existence the National Critical Materials Council has done nothing to study, recommend, or in any other way further the development of a national critical materials policy.

Each year the administration has recommended no funding. For the fiscal year 1990 budget again they have recommended that it be defunded. And even though Congress has funded it in each of those years, the agency has simply not worked because the administration for reasons unknown has not wanted it to work.

I think this is a perfect example, Mr. President, of the words of Harold Laski that we must plan our civilization or perish. And certainly in the area of energy policy and a minerals policy we must plan or perish.

Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The absence of a quorum having been suggested, the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. WILSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The Senator from California is recognized.

(The remarks of Mr. WILSON pertaining to the introduction of legislation are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. WILSON. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. FORD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

CONGRESSIONAL CALL TO CONSCIENCE VIGIL

Mr. COCHRAN. Mr. President, despite recent signs of change in the U.S.S.R., many Soviet citizens are still denied their basic human rights. This is particularly true of many Jews, who suffer discrimination in housing, education, and employment, and are often denied permission to leave the Soviet Union to live in another country. We in the United States must continue to call attention to the plight of these persons and to press for greater religious tolerance, freedom of travel, and fundamental human rights.

The Congressional Call to Conscience Vigil is an annual opportunity for Members of Congress to speak out on the denial of basic freedoms to Soviet Jews. Since 1978, Members participating in the vigil have made statements for the RECORD to heighten public awareness of cases of special need. I rise in this year's call to conscience to bring the attention of the Senate to the plight of the Uspensky family.

Igor and Inessa Uspensky are Soviet entomologists who previously worked at the Institute of Medical Parasitology and Tropical Medicine in Moscow. Igor is the son of Irina Voronkevich, a distinguished biologist, and Inessa is the sister of Alexander Yofee, an eminent Moscow mathematician and a leading refusenik. The Uspenskys have two children, Ilya, born in 1962, and Slava, born in 1968.

In 1979, the Uspenskys asked permission to leave the U.S.S.R. Soviet authorities not only refused them visas to emigrate to Israel; they also isolated Inessa and Igor from their scientific contacts and even threatened colleagues who remained in touch with them. After a lengthy campaign for their dismissal, the institute declared the Uspenskys "redundant," and by the end of 1983 they were without professional employment.

Visitors reported in January 1984 that Inessa had no job outside the home, and Igor was working part-time as an elevator operator. He continually worried that he might lose even that employment, since KGB agents were telephoning at intervals checking on his position. His fears were well-founded; he did lose his job on December 31, 1986.

In July 1987, the Uspenskys again asked permission to emigrate and were again refused, this time on grounds of "state security," under Soviet emigration regulations issued in January 1987 permitting officials to deny emigration to applicants having knowledge of "state secrets." Use of this regulation in the case of the Uspenskys was highly questionable, since Igor's work at the institute had never given him contact with classified material.

Beginning January 1, 1988, all Soviet Jews were required to provide evidence of first-degree relatives abroad in order to become eligible to apply for emigration. Under this requirement, the Uspensky's son, Slava, was informed on January 19, 1988, that his application to leave the Soviet Union could not be authorized. Later that same year, the entire Uspensky family was told they could not apply for emigration again until 1997, on the grounds, this time, that Igor's mother, Irina Voronkevich, held "state secrets." Since Irina, born in 1912, left her work at the Ministry of Agriculture in 1976, the Soviets in effect are claiming that she will possess classified secrets for 9 more years, until she is 85 years of age and has been out of government employment for 21 years.

Mr. President, Igor Uspensky and his family are still waiting for the opportunity to pursue their lives outside the Soviet Union. We want them to know—and we want the Soviet Government to know—that we are concerned about the Uspenskys and others who suffer denial of basic human rights. We call their case to the conscience of free men and women everywhere, and we urge our Government to continue to seek effective means to persuade Soviet authorities to relent in this situation and in similar cases.

AIDS UPDATE

Mr. CRANSTON. Mr. President, according to the Centers for Disease Control, as of April 30, 94,280 Americans have been diagnosed with AIDS; 53,544 Americans have died from AIDS; and 40,736 Americans are currently living with AIDS.

Mr. President, 3,290 more Americans have developed AIDS and 1,933 Ameri-

cans have died from this horrible disease during the month of April.

Nearly 1 year ago, on May 25, 1988, I first began placing in the RECORD the most recent statistics concerning AIDS. At that time, 62,200 Americans had been diagnosed with AIDS and 35,051 Americans had died. Over the last 12 months, the number of individuals diagnosed with AIDS and the number of individuals who have died from AIDS have increased by more than 50 percent. After more than 8 years, this epidemic continues to claim American lives at an alarming rate. AIDS is still very much a crisis and, more likely than not the experts say, will remain one well into the next decade.

We cannot afford to become complacent. We must continue to be vigilant in fighting this virus. Although we succeeded in enacting sweeping legislation last year regarding many aspects of the AIDS epidemic, much, much more still needs to be done.

The spring 1989 edition of Issues in Science and Technology includes an article that puts forth a blueprint for action on AIDS. The article, entitled "A National Strategy on AIDS," is a reprint of a white paper that was written by Robin Weiss, director for AIDS activities at the Institute of Medicine [IOM]. It is based on the IOM report "Confronting AIDS: Update 1988."

The white paper calls on the Bush administration to take several actions to slow the spread of the epidemic, including developing a comprehensive plan for financing the care of individuals infected with the HIV, initiating a forceful program for the treatment of substance abuse, and instituting an aggressive and unambiguous educational campaign. The recommended nine point plan, if implemented, would bring us closer to the day when AIDS is eradicated. But we must begin now. We must not allow foot dragging to delay actions until hundreds of thousands more lives are lost and millions more are threatened. I will ask unanimous consent that the article be printed in the RECORD at the conclusion of my remarks and urge all my colleagues to read it.

Finally, Mr. President, I want to express my gratitude to Dr. C. Everett Koop for his years of service to the country as the Surgeon General of the Public Health Service. I was saddened to learn about Dr. Koop's decision to resign his post. He will be greatly missed by all who care deeply about stopping the AIDS epidemic and other vital public health issues. Dr. Koop is a man of dedication and conscience. He has been an outspoken voice for sound AIDS policy when others in the Reagan administration were silent. He has been a compassionate voice when others in the Reagan administration advocated counterproductive and ideologically based policies.

Mr. President, I will miss Dr. Koop's eloquence and candor, but I know he will continue to contribute to the development of AIDS policy and look forward to working with him. I join with many other Members of Congress in wishing Dr. Koop well.

I ask unanimous consent that the article to which I referred be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

A NATIONAL STRATEGY ON AIDS

Early in January 1989, the presidents of the National Academy of Sciences and the Institute of Medicine observed the following in a letter to then President-Elect George Bush: "Americans have generated an enormous fund of knowledge about AIDS. We know its cause, we can test for the presence of HIV in the body, and we know what measures would, if successfully applied, slow its spread. Furthermore, the scientific understanding that lays the groundwork for the development of effective vaccine and drug treatment grows daily. Yet despite these triumphs, we have not successfully confronted the epidemic. Your Administration inherits the opportunity to harness our knowledge and turn the tide against AIDS."

The letter accompanied a "white paper"—a wide-ranging nine-point national program—designed to help turn that tide. Such a comprehensive strategy requires presidential commitment and leadership. But it also depends on the consent, participation, and skills of great numbers of people, in both the public and the private sectors, who contribute to progress in science, technology, and health and who facilitate its enlightened application. Thus the editors of this magazine thought that its readers would appreciate seeing the NAS/IOM white paper on AIDS:

During the next four years in this nation, the epidemic of human immunodeficiency virus (HIV) infection and its most severe manifestation, acquired immune deficiency syndrome (AIDS), will claim over 200,000 lives. The U.S. Public Health Service estimates that 1 million to 1.5 million people are currently infected with the virus. In the absence of effective therapy, the vast majority of those infected will develop AIDS and die. Although AIDS now kills fewer people than heart disease or cancer, its rank as a cause of mortality is quickly rising, and the primary sufferers of AIDS come from what is ordinarily a healthy and productive population group: young adults.

Stemming this agonizing epidemic requires presidential leadership. The epidemic poses dilemmas both for the public and the private sectors which will best be solved by forceful, coherent national policy. The obligation to formulate AIDS policy spans a variety of federal government departments and reaches beyond the Department of Health and Human Services (HHS) to the departments of Justice, Education, State, Defense, Energy, the Veterans' Administration, and other components of the Executive Branch. In addition, private organizations, foundations, volunteer groups, professional organizations, and state and local governments already have taken the initiative to create educational programs, formulate laws and regulations, and address other aspects of the epidemic. These efforts are an enormous contribution to the progress that has been made thus far against HIV infection and AIDS. Nevertheless, the absence of coherent national direction condemns many localities to begin anew when it comes to setting local policy and increases the likelihood that failed experiments will be repeated from place to place. The Bush administration can furnish overarching direction for all segments of the government and the private sector. Equally important, the president can set a tone that encourages aggressive action yet resists hysteria and insensitivity to the civil rights of infected persons.

Furthermore, foreign leaders will turn to the president of the United States for assistance and wisdom in addressing their own countries' HIV problems. The World Health Organization estimates that between 5 million and 10 million persons are infected with HIV worldwide. By 1991, AIDS may double the mortality rate for young and middle-age adults in some developing countries, and perinatal transmission in those countries may reverse hard-won advances in child and infant survival.

This paper proposes that the Bush administration take several actions, which we believe will help slow the spread of HIV and limit its damaging effects on this nation and on other countries: (1) Use the National Commission on AIDS effectively; (2) protect HIV-infected persons from discrimination; (3) develop a comprehensive plan for financing the care of those with HIV infection and AIDS; (4) initiate a forceful program for the treatment of substance abuse and the prevention of the associated spread of HIV; (5) institute aggressive and unambiguous educational programs and evaluate their effects; (6) ensure that HIV testing and other public health measures are used only when their purposes are clear and their results productive; (7) bolster efforts in surveillance, case reporting, and the gathering of information about risk behavior; (8) ensure that biomedical research (including drug and vaccine development and regulation) continues to follow fruitful paths; and (9) recognize our special responsibility in international health efforts to control AIDS.

USE THE NATIONAL COMMISSION ON AIDS EFFECTIVELY

President Reagan recently signed into law the AIDS Amendments of 1988, which establish a National Commission on Acquired Immune Deficiency Syndrome. Although the creation of a national commission is an important step, the commission's existence alone does not guarantee its effectiveness. The Bush administration can maximize the commission's impact in the following ways:

The president will appoint five members of the 15-member body, two of whom will be selected from the general public (the other three are the Secretary of Health and Human Services, the Administrator of Veterans' Affairs, and the Secretary of Defense). The two other appointees should be senior experts of national stature in areas of particular relevance to AIDS. They should not be chosen because they hold any particular political ideology.

The commission will submit its reports to the president and to the appropriate committees of Congress. In addition, however, the chairman should have direct access to the Oval Office. The work of the commission will have the greatest possible effect on policy if it is widely perceived that its chairman has the ear of the president. The president can endow the commission with sufficient national stature and credibility for its advice to influence all participants in the struggle against AIDS.

The commission is required to report its recommendations one and two years after its constitution. Although the reports will identify needed action, the commission will be most valuable if it is also consulted on a continuing basis as policy questions arise within the executive branch.

PROTECT HIV-INFECTED PERSONS FROM DISCRIMINATION

HIV transmission occurs through sexual contact, the use of contaminated needles or syringes, exposure to infected blood or blood products, transplantation of infected tissue or organs, and from mother to child either across the placenta or during delivery (and probably during breastfeeding). There is no evidence that HIV is transmitted by casual contact or by insects. Therefore, there are no grounds for discriminating against persons with HIV infection or AIDS because of fears that they pose a health risk through casual contact in schools, in the workplace, in housing, or in customary social interchanges.

However, such discrimination does exist, and fear of discrimination discourages some individuals at risk for infection from participating in testing programs, contact notification, and other potentially effective public health measures. Public health measures crucial in controlling the HIV epidemic depend on voluntary cooperation; for that cooperation to occur, people must believe that they will be protected from discrimination.

The president should ask Congress to enact legislation designed to prevent discrimination on the basis of HIV infection or AIDS in both the public and the private sectors.

DEVELOP A COMPREHENSIVE PLAN FOR FINANCING THE CARE OF THOSE WITH HIV INFECTION AND AIDS

The average lifetime medical expenses per AIDS patient in the United States, from diagnosis to death, are from $65,000 to $80,000. In 1986, estimated total direct costs for AIDS were approximately $1.64 billion—$1.1 billion for personal medical care and $542 million for nonpersonal expenses—representing 0.4 percent of total U.S. health expenditures. By 1991, direct costs associated with AIDS are projected to be $10.8 billion and to account for approximately 1.5 percent of national health care expenditures. Although the proportion of total health care expenditures devoted to AIDS will continue to be small through 1991, in certain metropolitan areas the economic burden to the health care sector will be great. For instance, in San Francisco, AIDS patients are expected to occupy 12.4 percent of all medical/surgical hospital beds.

According to the Health Care Financing Administration, Medicaid provides health care coverage for approximately 40 percent of all patients with AIDS. Public hospitals in states with stringent Medicaid eligibility requirements are faced with growing numbers of uninsured AIDS patients; the result is that many public hospitals are incompletely reimbursed for the care they provide. Medicare currently covers only 1 percent of AIDS patients, in part because they often do not survive the required 24-month waiting period to qualify for benefits. Private health insurance may pay for a dwindling share of AIDS patients as more poor and nonworking persons become sick and because insurers are making plans to limit their exposure to financial risk.

Solutions to financing AIDS health care can reflect the pluralism of the current health care financing system. Elements of a comprehensive financing strategy could include: enabling HIV-infected persons to secure or maintain private insurance through insurer tax incentives and government subsidy of premiums; modifying existing state Medicaid programs to make them more uniform and more efficient; shortening or eliminating the 24-month waiting period for Medicare benefits; establishing state risk pools; and establishing an AIDS federal grant program to direct funds to the states on the basis of a formula that reflects individual states' AIDS caseloads and resources.

The Secretary of HHS should develop an AIDS federal grant program to the states to ensure that AIDS patients and those with HIV-related conditions have access to appropriate and cost-effective care. This approach would offer some immediate financial relief to those hard-hit states and medical institutions that currently bear a disproportionate burden of AIDS care.

Another immediate need is to remove financial barriers to drug therapies. The Secretary of HHS should require all state Medicaid programs to reimburse for costly AIDS drugs that have been approved for marketing or that are under the Food and Drug Administration's (FDA) new mechanism allowing certain drugs still under investigation to be distributed.

Piecemeal solutions to the problems of health care financing must not sidetrack the need for a more comprehensive scheme. The Secretary of HHS should take the lead in developing a comprehensive national plan for delivering and financing care for needy HIV-infected and AIDS patients. The following principles should guide the development of such a financing strategy: (1) coverage from the time HIV infection is discovered, (2) consideration of relief for hard-hit communities, (3) shared responsibility between public and private sectors, and (4) payment mechanisms that encourage the most cost-effective types of care.

Initiate a forceful program for the treatment of substance abuse and the prevention of the associated spread of HIV. The gross inadequacy of efforts to reduce HIV transmission among intravenous (IV) drug abusers, when considered in relation to the scope and implications of such transmission, is the most serious deficiency in current programs to control HIV infection in the United States. IV drug abusers are the second largest group of AIDS sufferers, and the most likely to transmit HIV beyond the current high-risk groups. Several actions are necessary:

First, the Secretary of HHS should order a rapid, large-scale expansion of residential drug-free treatment, outpatient treatment, and methadone maintenance in order to provide immediate access for all addicts who request treatment. Methadone maintenance, an effective therapy for some heroin addicts, does not treat cocaine addiction. Yet IV cocaine abuse is increasingly related to transmission of HIV infection. Research to find effective treatment for cocaine addiction is urgently needed.

Second, innovative intervention programs must be begun to reach those IV drug abusers who are not in treatment. Former IV drug abusers, functioning as community health workers, can provide individual risk-reduction counseling; in addition, trials of sterile needle exchange programs, in which sterile needles and syringes are provided to drug abusers, should be implemented and evaluated.

Finally, long-term drug abuse prevention strategies are needed that begin with teens and preteens. Research and evaluation are necessary to determine which prevention methods work best.

Institute aggressive and unambiguous educational programs and evaluate their effects. Educational efforts to foster and sustain behavioral change are the only practical means now available to stem the spread of HIV infection. Information about the modes of HIV transmission must be conveyed in an understandable, yet scientifically accurate form. The message of AIDS education programs must also address sexual behavior and drug abuse, matters that are regarded by some as morally unsuitable for description in public health campaigns. Unsubstantiated concern that frank, straightforward educational programs can encourage IV drug abuse or sexual relations has stymied educational efforts. Explicit information on the risks associated with unsafe sex and drug abuse, and the way those risks can be minimized, does not promote or encourage such activities. Its sole function is to help people avoid an illness that endangers their lives and those of their sexual partners and children, and costs the nation billions of dollars.

Government at all levels should continue to fund factual educational programs designed to foster behavioral change. This may mean supporting AIDS education effors that contain explicit, practical, and perhaps graphic advice, targeted at specific audiences, about safer sexual practices and how to avoid the dangers of shared needles and syringes. This is the approach followed in the United Kingdom and in other western European countries.

In addition, the Secretary of HHS should see that more studies are conducted to determine the effects of various types of educational campaigns on specific populations. For example, there have been few systematic assessments of the effect of AIDS education programs or media presentation on the behavior of heterosexuals (as opposed to the impact on their beliefs or understanding about the disease). It is also essential to develop effective methods for reaching school-age children, youth who are just becoming sexually active, and persons at risk for HIV infection within minority communities.

The urgency of the HIV epidemic warrants a multiplicity of educational efforts, including the use of paid advertising to convey all types of AIDS-prevention messages on television and in other media. Although a number of federal government entities, including the military, the postal service, Amtrak, and the U.S. Mint, currently spend more than $300 million yearly for advertising, administrative restrictions from HHS have precluded the Centers for Disease Control (CDC) from paying for advertising in the past. But the recently enacted AIDS Amendments of 1988 now allow the CDC to purchase advertising time.

The Secretary of HHS should direct the CDC to purchase advertising for educational messages and should make certain that funds are supplied to do so.

Ensure that HIV testing and other public health measures are employed only when their purposes are clear and their results productive. The ability to detect antibodies to HIV has prompted various proposals for testing individuals and screening populations for evidence of HIV infection. However, these proposals must be assessed carefully to evaluate what they might add to interventions that are possible in the absence of

testing. The president can encourage a level-headed approach to testing strategies by conveying the belief that HIV testing alone is not a panacea. Several considerations follow.

First, it is essential that the purpose of any proposed testing plan be clearly spelled out; test results should be linked to actions that achieve individual or public health objectives. For example, donated blood, tissue, organs, and semen can be tested, and infected material discarded, thereby preventing transmission. This purpose is sound and has been achieved: The screening of blood for antibodies to HIV, combined with self-disqualification by potential donors at high risk for infection, has almost eliminated the transmission of HIV through blood and blood products. A common rationale for medical testing—to identify infected, asymptomatic persons so that they can be treated early—cannot be applied to HIV infection, since no therapy yet exists that prevents the progression of HIV infection to overt illness.

Another frequently cited purpose of testing, that knowledge of one's antibody status may encourage behavioral change, is a hoped-for but still unproven effect. In addition, it has been argued that uninfected persons can use the knowledge of others' test results to protect themselves from infection; or, in some situations (e.g., the military, jails, and other closed populations), authorities can intervene to protect uninfected persons by testing and then segregating infected persons. Extension of these strategies to the general population, however, is inappropriate and infeasible because 1 million or more people may be infected, the mean incubation period is eight to nine years, and the virus is not transmitted by casual contact. The testing of applicants for marriage licenses has also been tried, but such testing is costly, identifies very few infected individuals, and is not clear in its intent (if one of the applicants were infected, would marriage or pregnancy be prohibited?).

At this time, the only mandatory screening appropriate for public health purposes is that of donated blood, tissue, and organs. Voluntary testing, however, will play an increasingly useful role against the spread of HIV infection. The Secretary of HHS should ensure that voluntary testing, combined with pretest and posttest counseling, is available to all those who may be at risk for exposure to HIV. For example, serologic testing and counseling should be extended immediately to all settings in which IV drug abusers are seen or treated.

The technical aspects of HIV testing must also be considered. Although the current tests for HIV antibody are highly accurate, there will inevitably be false-positive and false-negative results (and the proportion of positive test results that are false is largest when the test is applied to populations with a low prevalence of infection).

The federal government should give more attention to establishing standards for laboratory proficiency in HIV antibody testing, setting criteria for interpreting assays, and instituting quality assurance procedures.

Other public health measures should also be carefully considered for their potential effectiveness in controlling the spread of HIV and for their conformity with social values.

Voluntary contact notification, for instance, may be useful in preventing the spread of HIV infection. Contact notification programs allow local public health officials or physicians to inform the sexual or needle-sharing partners of HIV-infected individuals who are afraid, embarrassed, or unwilling to notify partners themselves. These programs are of greatest value when directed at those who otherwise could be unaware that they had risked infection.

Mandatory reporting of persons who test positive for HIV antibodies, on the other hand, should not be required at this time. In fact, the effect of mandatory reporting may be to discourage individuals from seeking voluntary testing, a cost that does not justify its potential benefit. For determining how many people in a population are infected, well-designed studies are more useful than random reporting of cases.

Bolster efforts at surveillance, case reporting, and the gathering of information about risk behavior. By November 1988, over 76,000 AIDS cases had been reported to the CDC. Of these, over 40,000 have died. An additional 10 to 20 percent of cases are believed to have been missed by the case surveillance system. The Public Health Service predicts that by the end of 1992, 365,000 cases of AIDS will have been diagnosed.

Estimates of the total number of persons infected with HIV are less certain. Methods used to estimate the number of currently infected persons rely on information that is itself uncertain—for example, the prevalence of infection in certain subgroups (such as homosexual men and IV drug abusers), the sizes of these subgroups, and the latency period between infection and the onset of AIDS.

It is essential to maintain reliable data on current AIDS cases, to refine estimates of the extent of current HIV infection, and to predict accurately future trends in the epidemic. Several actions will serve these ends:

The Secretary of HHS should ensure that the CDC's personnel, space, and technical resources are adequate to the task of continuing epidemiological research and surveillance, including the development of mathematical models of the HIV epidemic.

The Secretary should also see that adequate research support is provided to the social and behavioral sciences so that more can be learned about sexual behavior, IV drug abuse patterns, and how to influence behavioral change.

Ensure that biomedical research continues to follow fruitful paths. Substantial progress has been made in defining the genetic structure of HIV and understanding how the virus replicates; less well understood, however, is how HIV compromises the human immune system and causes disease. Understanding the processes and consequences of HIV infection is crucial to the development of therapies and vaccines against HIV and AIDS. This understanding, in turn, is rooted in all basic research in the areas of cellular biology, virology, immunology, and genetics. For this reason, increasing the amount of funds devoted to AIDS at the expense of all other basic biomedical research is shortsighted.

Funding for basic research in all areas of biology should remain strong rather than be reduced in favor of AIDS-targeted research.

Current knowledge of the HIV proteins and their functions offers several potential targets for rational drug design. The search for therapeutic agents must also encompass the screening of existing compounds for potential antiviral activity. Both of these approaches to drug development require organizational cooperation among the government, the pharmaceutical industry, and academic health centers.

Once a drug appears to be a candidate substance for the treatment of HIV infection or AIDS, it begins the long journey toward licensure. The U.S. drug approval process, which is regulated by the FDA, is the most rigorous in the world: it generally involves tests in animals and then a three- or sometimes four-phase series of clinical (human) trails for safety and efficacy. Although the process has been criticized as slow and cumbersome, it has also been credited with protecting the American public from the harmful effects of inadequately tested drugs. In response to the AIDS crisis, the FDA has moved to speed up some portions of its review and has established a category of investigational new drugs (IND) called the "treatment IND," which allows manufacturers to distribute a drug for use (if the drug meets certain criteria) while it is still under investigation. Zidovudine (AZT), which was approved in September 1986 under a prototype treatment IND mechanism, received the fastest evaluation that has ever occurred within the FDA. In addition, new FDA regulations will allow the approval and marketing of certain drugs after Phase II testing.

However, the diversion of FDA personnel necessary to approve zidovudine resulted in a backlog of applications in the FDA's Division of Anti-Infective Drug Products. As the number of applications for treatment IND status grows, these personnel problems may become more severe. At present, the FDA is not a bottleneck in the availability of new drugs to treat HIV infection and AIDS. The paucity of new drugs is related more to shortcomings in the science of antiviral agents than to the drug approval process. However, as more promising new drugs are discovered or designed, the FDA, without additional resources, could become an impediment to speedy availability.

FDA's resources for new drug approval should be commensurate with the task. The need to borrow personnel from other parts of the agency should be relieved; the need for work space, which appears to be particularly acute, should also be addressed.

Although the FDA has responded with ingenuity to hasten the availability of new drugs against HIV, a note of caution is warranted. The treatment INDs (and certainly the widespread use of unapproved drugs obtained here or abroad) could interfere with the ability to execute conclusive clincial trials because new experimental drugs will be available to patients earlier than in the past.

In light of these concerns, the Secretary of HHS should direct the FDA to seek an outside evaluation of the treatment IND process and other new regulations designed to hasten drug approval or availability. This evaluation should take place after enough time has elapsed to determine whether new regulations have unanticipated consequences for any new drugs.

The urgency of the AIDS situation has brought the traditional scientific method for evaluating the effectiveness of treatment—randomized controlled clinical trials—under scrutiny. Criticism of this method grows in part from the frustration, fear, and anger of people with HIV infection, who may feel a lack of urgency in the drug development process. Yet, carefully controlled trials remain the fastest, most efficient way to determine what treatments work. Conducting well-designed trials from the beginning will benefit more patients, sooner, than any other approach. Poorly designed trials, or administering drugs without controls and "observing" the course of disease, can be inconclusive or lead to incorrect

conclusions. The widespread distribution of untested drugs makes it difficult to determine whether they are effective, especially if the benefits are real but small. The result of these approaches could include the continued prescribing of useless or harmful therapies.

Although the best-designed clinical trial would enroll the fewest people needed to demonstrate drug effectiveness, many persons with HIV infection want to participate in clinical trials.

The National Institutes of Health (NIH) should provide wider access to clinical trials by broadening their geographic base; by extending trials to previously untapped populations including women, IV drug abusers, and pediatric patients; and by testing all compounds that appear to have a possibility of effectiveness.

The prevention of HIV infection by vaccination continues to pose fundamental difficulties. Experiments with candidate vaccines in animals induce antibodies that fail to block subsequent HIV infection. These experimental results tend to mirror clinical observations of natural infection in patients, in which disease progresses despite the presence of antibodies and other immune responses. The advent of a licensed vaccine against HIV remains a distant prospect. Nonetheless, innovative research continues and may produce more promising results in the future.

In the meantime, the FDA has approved human trials for two vaccine candidates. These tests, designed to assess the safety and immunogenicity of the vaccine candidates, were approved in the absence of proof of protective efficacy in animals, a generally accepted prerequisite to human vaccine trials.

In the future, the FDA should approve human trials for HIV vaccine candidates only when protection against infection has been demonstrated in a suitable animal model or when the candidate rests on new knowledge of the relevant human response that cannot be adequately modeled in animals.

In addition, NIH, CDC, and other relevant government agencies should begin now to plan for large-scale human efficacy trials of as yet undeveloped vaccines. Such trials are complex to design, and their results will be difficult to evaluate. Because the trials must enroll sufficiently large numbers of subjects at sufficiently high risk of infection, the sites for vaccine efficacy tests will most likely include African and other developing countries. A process should be agreed on for joint decisionmaking among the countries involved; the World Health Organization is currently developing guidelines for the conduct of these trials.

The development of model systems, in which an animal infected with HIV or a similar animal virus shows the same symptoms and exhibits the same course of disease progression found in human AIDS patients, is essential to the campaign against the disease. Yet there is currently no such model. Chimpanzees and other primates are imperfect but nevertheless useful animal models, but they are in short supply for research purposes.

Plans for breeding, conserving, and otherwise expanding the present stock of chimpanzees should be examined. This expansion may require increased funding. In addition, the development of a mouse (or other small animal) model for AIDS is of utmost importance. A promising development in this area is the transplantation of human fetal immune system elements into immunodeficient mice. As long as efforts to develop small animal models are carried out under safe laboratory conditions, further work in this area should be strongly supported.

Existing facilities are inadequate for further advances in research against HIV: Very few laboratories are equipped to handle the virus safely.

The director of NIH, in consultation with research scientists from within and without the institutes, should assess the need for and costs of new intramural and extramural facilities for AIDS research. This information should be forwarded to the Secretary of HHS and to Congress for evaluation and subsequent action.

Federal appropriations for AIDS research have been growing steadily. At the present rate of increase, funding will reach the goal (previously recommended by the Institute of Medicine and the National Academy of Sciences) of $1 billion annually by 1990.

When federal research expenditures for AIDS reach this figure, an assessment of the need for further increases should be made. It is important to ensure that other research programs are not penalized by a long-term disproportionate growth of the AIDS budget.

Recognize our special responsibility in international health efforts to control AIDS. The rationale for U.S. involvement in international AIDS activities is more broadly based than the protection of American troops and tourists. AIDS can destabilize the work forces and the economies of developing countries whose advancement has been aided by U.S. dollars. AIDS can also reverse the child survival figures in countries where our help only recently has improved infant and child survival. Finally, some countries of the world offer important opportunities for collaborative AIDS research because they present varieties and prevalences of disease that do not exist in the United States.

The United States has an additional responsibility to international health efforts to control AIDS because of our exceptional resources in public health specialists and biomedical scientists, the large number of infected persons in the United States, and our relative affluence. American activities in international work against AIDS are conducted by many federal agencies. In addition, U.S. contributions to the World Health Organization Global Programme on AIDS (which provides support to national AIDS control and prevention programs and conducts global AIDS surveillance and research) were $1 million in 1986, $5 million in 1987, and about $15 million in 1988.

The Bush administration should plan now to provide a substantial increase in resources over the next few decades to be devoted to international AIDS prevention and control, reaching $50 million annually by 1990. Funds will also be needed to ensure that today's predominantly educational methods for preventing HIV transmission can be supplemented with appropriate vaccines and drugs if and when they become available.

Important as the above responses are, a further resource in the nation's efforts against AIDS is solely the provenance of the president—a resolve that the devastation caused by HIV infection will be prevented and its sufferers provided compassionate care, and an attitude that bespeaks the resolve.

THE STATUS OF THE IMPROVED PROCESSING INSPECTION [IPI] REGULATIONS

Mr. DASCHLE. Mr. President, when Congress passed the Processed Products Improvement Act in 1986, it intended that public health safety would be raised. Instead, the regulations that the Department of Agriculture has promulgated for processing inspection pursuant to the act could at the least create the impression of decreased public safety. Despite the recent rash of food scares, such as cyanide in Chilean grapes, the United States food supply is probably the safest food supply in the world. However, as the recent scares illustrate, the public's confidence is easily shaken. The last thing the meat industry needs is a loss of consumer confidence.

Maintaining consumer confidence in the food supply should be a primary task of both the administration and the Congress. The best way to maintain confidence is to ensure that the inspection programs we operate, have the input and blessing of all parties involved in the industry, as well as that of consumers.

A recent tour of a packing plant emphasized for me the difficulties inherent in trying to base a discretionary inspection system on computer-analyzed statistics. Which tasks do you include in the data that is collected? What discretion do inspectors have to make decisions based on other factors not included in the official criteria? All of these are questions that the industry can help to answer. The industry should have been given more of an opportunity to help design the new regulations.

Every interested party, from the industry to the consumer groups, has called for the withdrawal of these regulations, because of USDA's failure to involve them in the formulation process. I fully endorse the withdrawal of these regulations. Once withdrawn, all of us can work together to develop regulations that will work and will fulfill the intent of the 1986 act.

Secretary Yeutter has delayed a decision on this issue until he has staff in place. I am hopeful that, with new people finally coming on board at USDA, we will be able to see the withdrawal of these regulations. Senator PATRICK LEAHY asked the nominee for Assistant Secretary for Marketing and Inspection Services, Jo Ann Smith, her views on withdrawing the regulations at her confirmation hearing last Friday. She said she was not allowed to comment at that time because the comment period was still open.

If Mrs. Smith is confirmed, by the time she assumes her post she will be free to make a decision on the regulations. I shall urge her to withdraw the regulations. With her extensive background in the beef industry I am hope-

ful that she will share the views of all interested parties.

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. The period for morning business has expired. Morning business is closed.

DISAPPROVING THE EXPORT OF TECHNOLOGY TO CODEVELOP OR COPRODUCE THE FSX AIRCRAFT WITH JAPAN

The Senate resumed consideration of the joint resolution.

The ACTING PRESIDENT pro tempore. The clerk will report the pending business.

The assistant legislative clerk read as follows:

A joint resolution (S.J. Res. 113) prohibiting the export of technology, defense articles, and defense services to codevelop or coproduce the FSX aircraft with Japan.

Mr. FORD. Mr. President, we are back to the discussion of the resolution of disapproval of the so-called FSX deal with Japan.

There was a great deal of intriguing debate last week as it related to the reasons for this particular arrangement with Japan. There was a lot of concern I think expressed by Members of this body why we should spend $7 billion of the taxpayers' money to develop the finest military aircraft in the world, and then we make arrangements with a country that has a deficit in balance of trade with us of roughly $50 billion a year, and that we have prospects of getting somewhere in the neighborhood of $400 million for a $7 billion investment.

I have never heard in the 14 years I have been in the Senate an attempt to substantiate a deal by some of my colleagues whose hearts are not in the position they are being required to take. As most of us know, this arrangement was made under the previous administration. This administration does not like it. This administration made an attempt to change it. Some high officials in this administration testifying before the committees indicated that the deal was already made, that we were already boxed into the corner and so let us go on with it.

Well, that left Congress out of the loop. At least we have an opportunity to debate it. We have an opportunity to look at the facts. We have an opportunity to look at the long-term effect on this country, our industry, and our working men and women.

Japan spends about $35 billion a year on defense, whereas the United States spends nine times that amount. One would, therefore, hope that the country of Japan would carefully spend their apparent small defense resources. This arrangement does not appear to be so.

Instead of buying 130 F-16's for about $3 billion, they are going to spend $1.2 billion on development, $8 billion on production, a total of approximately $9 billion. That is three times what the same number of F-16's would cost. There has to be a reason for this type of arrangement and this kind of expenditure from a country that the world has recognized as an economic power because of its ability to produce.

It is also possible that the cost of development will triple the stated Japanese estimate, or it would go to $3.6 billion instead of $1.2 billion in the development phase. How can any proponent of the FSX justify the extra $5 to $8 billion cost of the FSX in light of scarce defense resources on both sides of the Pacific? Do not forget that this money will be spent while the Department of Defense will be trying to get the Japanese to spend more money annually to meet our common defense goals. Proponents of the FSX also tried to justify the program on the grounds that a 40-percent work share of development will earn General Dynamics $480 million, and the roughly 40 percent work share of production will be around $2 billion for a total of $2.5 billion. They say that this amount is close to the $3 billion that GD would have gotten if the Japanese had bought the plane off the shelf.

That is strange. We are saying that General Dynamics is the only one invovled in this and so by lettting the Japanese develop the FSX General Dynamics will still get almost as much as they would have gotten had they sold this plane off the shelf.

Let us go back and think a minute what are the reasons for wanting to participate in an arrangement that is so bad, apparently, that it would cost the country of Japan so much more money than if they were just buying the airplane for defense. I think everyone agrees that the F-16 is the best and most sophisticated military aircraft in the world. There has to be a reason.

Let us think a minute about General Dynamics and their profit and what labor people have decided. They say the short-term gain is a long-term loss. The President of the union that represents 40,000-some workers at General Electric, William H. Bywater, stated:

The net effect of this deal will be to give Japan a leg up in another vital industry resulting in the loss of jobs for U.S. workers who have built the U.S. aerospace industry to the strongest industry of its kind in the world.

He goes on to say:

Likewise, it misses the boat in its failure to hold out for full production of the FSX in the United States of America as a down payment by Japan on longstanding commitments to bring down the $55 billion annual trade bonanza it enjoys over this country.

It is my opinion that the union is not fooled one bit by the fleeting promise of 40 percent of a temporary—and I underscore "temporary"—workload. They understand the tradeoff, and they understand it well. The tradeoff is short-term gain and long-term loss. Why do we on Capitol Hill not understand what the working men and women of this country understand very well?

Let me make another point or two. The argument of not buying the F-16's off the shelf ignores the fact that the Japanese are going to waste—really, are they going to waste it—billions of additional dollars reinventing the F-16.

It also ignores the fact that, if Japan bought off the shelf, it would also have to buy all spare parts for the life of the Aircraft Program. They would have to buy them from the United States and parts made by American workers.

Spare parts cost two to three times the original purchase price. Think about that. So if the purchase price is X, we are going to receive Y in spare parts. I think we are giving up double here, maybe triple. It is another whammy on the working men and women of this country, and it is an increase in our deficit as it relates to balance of trade.

So the total F-16 buy from the United States would be about $12 billion over the life of this program. The guarantee of $2.5 billion falls far short of the $12 billion that a buy would generate.

We hear the argument, "Oh, they will buy it from somebody else. They will enter into a consortium with somebody else."

Well, if they are going to buy something inferior, I doubt seriously that they would want to enter into those contracts. They cannot make the deal with anyone else apparently, or they do not want to make the arrangement with someone else. They want to make it with good old Uncle Sugar so we can spend more taxpayers' money and lose more American jobs.

Over the last few years we have given away $1 trillion in deficit and balance of trade, and millions of American jobs. And we are standing here today proposing to do more of the same. What is in the deal for the United States? Let us look at it for a minute. What is in this deal for us? The proponents claim that there is access to advanced Japanese technology. Well, Japan is good at promoting, and they are always promoting and proclaiming their so-called advanced technology.

But let us be honest. The Japanese have not been major players in the aerospace industry. In order to find out if there was in fact advanced Japanese technology to be gained, several

other Senators and myself commissioned a GAO study of the question. The GAO has just concluded their study, and has found that the claim of advanced technology by Japan is false. Their claim of advanced technology to offer this country is false. There is no advanced Japanese technology in two areas of our Department of Defense interest: The phase array radar and the composite wing. U.S. companies are far, far ahead in those two areas.

The report in the Washington Post this morning, "GAO Criticizes FSX Jet Fighter Deal With Japan." The General Accounting Office of this Government criticizes that arrangement. Now, just because a few of us are out here saying it was a bad deal, we have substantially weighted our position with the General Accounting Office's report that it is a bad deal.

The report says in the second headline, "U.S. Has Little To Gain From Joint Project, Senate Vote Scheduled Today."

Let me read the first paragraph of this report.

The General Accounting Office yesterday directly challenged assertions by the Bush administration that the United States will gain access to superior Japanese technology by joint development of a new generation fighter plane, the FSX.

The GAO in a declassified report released on the eve of our vote, said: "The United States is superior to Japan."

The Government's General Accounting Office says the United States "is superior to Japan" in the composites technology needed to produce a light but strong wing made of plastics, and is ahead in radar technology. These are the two areas in which the administration officials said the United States could gain technology from Japan. Here our own Government offices say they are wrong, and that we are ahead. Then why should we give them this technology? What do we benefit in return? We not only lose in the short term in my opinion, but we lose badly in the long term. There has to be only one reason why Japan is willing to pay billions and billions of dollars more than it is worth to secure this arrangement with this country; and, that is, to get into the aerospace business, and to be in competition with us after we give them our highest technology, technology that is much better than theirs. They will have that.

Why, the building of the FSX and the knowledge they gain from us will be like sending their engineers to college. They will earn a degree in construction of aircraft for the next decade, and into the future to be in competition with us. If they are so great at all of this technology, if they are supposed to be superior to this country in their ability to put communications and all the technology together, let them do it.

Let us not give away taxpayers' dollars. Let us not give away American jobs. I hear a lot about free trade. "This administration is for free trade." I did not know we were for giveaway trade. There ought to be something fair, fair trade, and in my opinion, there is nothing about this that is fair to the taxpayers of this country, the men and women who have worked so hard to make us the dominant power in aerospace. We say to them that we are going to take all this technology and give it to someone else at bargain basement prices, so they can come back and take your jobs away from you.

Now, down in Kentucky, Mr. President, we have a saying for that: "Something about that ain't right." Let me just make a few more points, and the distinguished Senator from Illinois is here, and I want him to take the floor. Let us look behind the reasons maybe; let us kind of get them out on the table and see if we can find the reason for the Japanese being so anxious to have this arrangement. Why not buy the world's best—and to them the least expensive—fighter aircraft, the F-16 Fighting Falcon? Why are they going to reinvent the wheel, as they have done so many times, and build their own airplane? I think there is just one word, Mr. President, and that is "protectionism," on their part, pure and simple.

It will take at least 10 years to build the FSX fighter, 10 years during which the Soviet threat will be handled by American taxpayers, with our F-16's sitting at Misawa Air Base in Northern Japan. F-16's are good enough now to defend them, but it is not good enough to buy off the shelf. The Soviet defense buildup of their Far East forces began in the early 1980's. This is the threat, the reason for the FSX. How did Japan initially respond? They just kept on producing their old fighter, the F-1, an inferior aircraft that cannot stand up to the Soviets either now or during the next 10 years. "Uncle Sugar" is there with their F-16's at Misawa defending their country. The F-1 cannot operate at night and has a blind spot so big that it is easy for an opposing pilot to kill in a dog fight.

So how are they responding now? Again, they are letting us defend them while they build their own unique, and I underscore "unique," airplane. You see, they need a unique airplane, a Japanese airplane, to handle the Soviet threat. And the first unique airplane will be ready to defend against that threat maybe by 1997, about 15 years after the Soviet buildup began.

The word they use is "unique." Let us talk about uniqueness for a moment. This is the same argument the Japanese used to exclude our commercial products, uniqueness. The mud in Kansai Bay is unique, so American construction firms cannot help at Kansai airport. They are over here building ours. They will not let us get over there because the mud must be unique. Japanese rice is unique, so they cannot import United States rice. Japanese stomachs are unique, so they cannot eat United States beef. The truth is that any one of several American fighter planes, with minor modifications, can fly the so-called special Japanese mission.

So, Mr. President, there must be some motive here, a motive somewhere that would cause them to spend so much more money to get something, and there is something wrong when we make a deal, when our own General Accounting Office says they have nothing to offer to us; they have nothing to offer to us in return. The Chair knows, and I know, and I think all of us know, it is about the Japanese meeting their stated national goal of having a full-fledged aircraft industry with which to challenge the United States by the beginning of the next century.

The last decade of this century will be their decade of the airplane. Lee Iacocca said, I believe, that the Japanese have had decades of this and decades of that, and the next decade will be the decade of the airplane. And we are helping them get ahead of us, if nothing else, in the giveaway of jobs. I just think the FSX is part of a sophisticated national effort to develop a viable aircraft industry, to be in competition with American workers.

As I said earlier, the work on this airplane could be the university where the Japanese engineers will go to school. It will be the laboratory and the training ground from which will spring the design, production, avionics, and other engineering teams necessary for the Japanese civilian aircraft industry. That is why the Japanese are so adamant with proceeding with the FSX. They see their military aircraft industry as a necessary and critical component to the high-tech industrial future, and we are giving it away. If the Japanese want an aircraft industry to try to compete with us, that is fine, but we should not be participants in a giveaway, so that they might proceed in that direction.

It is very naive to argue, I think, as does the administration, that they have scrubbed the F-16 technology list to remove commerically applicable technologies. The very existence of the FSX program provides a kind of university, as I said earlier, in which all these skills will be completed.

It is time that we realize that the stakes in the FSX program are a lot higher than whether Japan can build one military aircraft.

This debate, I sincerely believe, is about our national future. It just does not make sense to this country boy that they want to spend billions and billions and billions of dollars more than it would cost them to get the most sophisticated military aircraft in the world, to develop this new one for their own unique ability, and we will defend them for the 15 years it takes to put this in the marketplace.

If the Japanese continue to ignore free trade principles, then what kind of alliance can there be down the road? If they are going to go their own way, then so be it.

But let us not be deceived into thinking that they are acting as steadfast allies and trading parties, when in this particular case, it is this Senator's opinion, and I think you will find many other Senators' opinions, that it is not.

Mr. President, I hope my colleagues will think long and hard about the future, that they will look at what is in store for the future employment, future of the aviation industry in this country and the defense of this country.

Mr. President, I yield the floor.

The PRESIDING OFFICER (Mr. LIEBERMAN). The Chair recognizes the Senator from Indiana [Mr. LUGAR].

Mr. LUGAR. Mr. President, let me introduce for the RECORD some important arguments on this issue that have been presented to the Senate, first all in the form of a letter to the majority leader, Senator MITCHELL, from the Aerospace Industries Association. This letter is written by Mr. Don Fuqua, president of Aerospace Industries Association and it says:

DEAR SENATOR MITCHELL: You will soon be voting on S. 113, the resolution to disapprove the FSX agreement. I strongly urge you to vote against that resolution.

This association, which represents every major aerospace company in this country, supports the FSX agreement. We do so because Japan is our most important overseas market for both military and commercial aircraft. Our $3 billion in aerospace exports to Japan each year represents roughly 65,000 American jobs in the aerospace industry. Killing the FSX program will open up the Japanese market to our European counterparts and undercut our preeminent position in the Japanese and world market over the long run. Furthermore, it will likely result in a higher level of technology transfer to the Japanese.

The aerospace industry is neither naive nor suicidal. We have worked with Japanese companies for three decades. We have codevelopment and coproduction programs with companies all over the world. We believe we are fully capable of protecting the transfer of American technology, both in terms of the security restraints set by our government, and with respect to technology which is of commercial use to potential competitors.

Every time efforts have been made unilaterally to deny wealthy countries a product, whether soybeans to Japan, grain or pipelayers to the Soviet Union, or F-15's to Saudi Arabia, the net result has been a loss of American jobs and exports, and a boon to our competitors. This case is no different. Our competitors have been making overtures to the Japanese in recent weeks (see Defense News article with respect to the French). We would much rather our companies maintain their market in Japan, and have the U.S. control what technology is transferred, than turn the market and control over to our competitors.

I urge you to vote against the resolution. Our industry has every intention of maintaining its dominant world position and our market in Japan. Removing us from a role in Japan's fighter aircraft program for the next two decades will not help American aerospace, it will help our competition. I appreciate your attention and assistance to this matter.

Sincerely,

DON FUQUA.

I make that a part of the RECORD in full, and recite it, Mr. President, because I think it is important. We are talking about competition, what is best for American workers and what is best for American industry. U.S. industry ought to be allowed an argument, and it is interesing that all six major aircraft companies are in favor of the FSX, largely because 65,000 jobs are involved, as are billions of dollars of exports each year. That is not hypothetical; that is actual fact, and no wonder that the aerospace industry speaks out on this.

To be more specific, Mr. President, testimony was offered by Herbert F. Rogers, president and chief operating officer of General Dynamics Corp., a company that will be heavily involved in the FSX situation, before the Subcommittee on Arms Control, International Security, and Science of the House of Representatives on May 10, 1989. I quote in part from testimony offered by the president of General Dynamics. He says:

The FSX is intended to fulfill Japanese Air Self Defense Force mission requirements in the late 1990's. The threat which friendly fighters will face then will be at the very limits of the capabilities of fighters like the F-16 flying today.

I pause and offer this comment about that, Mr. President: We keep discussing the perceived mission of this aircraft as if it were identical with the capabilities and technologies of the 1970's. The Japanese and the United States concur that in order to have by the end of this century a fighter aircraft which meets the mission that we want Japan to undertake, there must be capabilties that are not contained in the F-16. This is the reason for the development of another aircraft with another mission, for another time, another decade and technology which is not presently there.

Mr. Rogers continues:

In the case of the United States, we will meet these future threats with very high technology platforms like the Advanced Tactical Fighter (ATF) and the Advanced Tactical Aircraft (ATA), systems now being developed which will incorporate technologies beyond today's F-16.

Japan recognized the magnitude of this future threat, weighed the options and chose to develop and build an aircraft of her own design. Based upon some thirty years experience in the licensed production of all their fighters and that acquired in the design and manufacture of FS-X's predecessor, the F-1, it was clear that Japan was fully capable of achieving this goal.

Namely the goal of building its own aircraft.

All of this was painfully apparent to General Dynamics; we have been trying unsuccessfully to sell F-16s in Japan since the late 1970s.

I think that is an important point, Mr. President. This is not a first offer. General Dynamics tried to sell the F-16 to Japan for about a decade. The problem that is painfully apparent to Japan and the United States is that the F-16 will not fulfill the agreed-upon defense mission. Also painfully apparent is that Japan was prepared to build an aircraft whatever time or money it took on its own.

Fortunately, Secretary Weinberger held to a course which sought U.S. involvement. He reached agreement in mid-1987 with his Japanese counterpart to jointly develop an aircraft which would meet the Japanese requirement based upon an existing U.S. system. This solution not only addressed the politically sensitive trade deficit, but ensured interoperability with U.S. forces in a critical theater of operations. The F-16 was subsequently chosen out of an all-U.S. field as the base-line aircraft to meet these requirements.

But the base line aircraft, not the specific aircraft to meet the requirements.

Indeed, I believe that the two major U.S. commercial aircraft manufacturers, Boeing and McDonnell Douglas, both support the concept of the FS-X program.

In the letter I have just read, Mr. President, earlier in this speech, all of the companies support FSX.

This is not surprising. The U.S. commercial aircraft industry was wise and confident enough to provide Japan with a key role in the production of the jetliners which she purchased in large numbers.

From the United States.

This approach, while entailing the transfer of some technology, has ensured continued U.S. dominance in the single largest overseas commercial aircraft market.

F-16 technologies have little application to commercial aircraft design or manufacturing. In those very few cases where a connection might be inferred, such as the digital flight control, the Administration has already made it clear that Japan will not be provided the critical know-how behind this technology. It is important to bear in mind that what is being provided is the "what", not the "how", of the basic F16 design. Be assured that the art of design is something that General Dynamics in its own competitive self-interest will not give up to anyone.

THE TRANSFER OF CRITICAL TECHNOLOGIES WILL BE CLOSELY MONITORED

The F-16 advanced technology—like digital flight control—will be protected in three ways. All data will be reviewed by the U.S. Government under thorough and long-

standing technology review and release procedures in which all U.S. agencies having relevant interest participate. A technical steering committee headed on the U.S. side by a general officer will have hands-on supervisor responsibilities over the program. Finally, General Dynamics calling on the experience garnered in many off-shore F-16 co-production programs, will most carefully control the flow of proprietary know-how.

VALUABLE TECHNOLOGIES WILL FLOW BACK TO THE U.S. AS A RESULT OF FS-X

It is important to note that all of the FS-X modifications which enhance F-16 performance come from and are fully funded by the Japanese. In other words, the U.S. will have the unique opportunity to participate in the advancement of the state-of-the-art on a cost and technological risk-free basis.

Two technologies which are of special interest to the U.S. are the composite co-cured wing—a large, integrated composite aerodynamic structure—and the gallium arsenide phased-array radar—a radar which brings a unique degree of efficiency, resolution and reliability together in a small package. The essential but often overlooked point about these two technologies is not that they are unknown in the U.S.—indeed, much attention has been paid to them—but that the Japanese have applied their unique manufacturing skills to them. Preliminary evidence suggests that they have succeeded in developing mass producible, cost-effective systems—something yet to be done in the U.S. If that is the case, then FS-X advances will be directly applicable to improving the F-16 to meet U.S. needs in the severely constrained budget environment already upon us.

JAPAN IS AMERICA'S LARGEST AEROSPACE MARKET: KILLING FS-X WILL HARM THE UNITED STATES MORE THAN JAPAN

The potential loss of revenues, of export opportunities, for U.S. firms will far exceed the nominal 2.5-3.0 billion dollar FS-X program. Here's why.

Disapproval of FS-X may force Japan into an indigenous development program, their originally intended course of action. This approach will be considerably more expensive than FS-X co-development. When considering Japan's defense budget, this will produce two principal effects. In the short term, monies that could have been spent on off-the-shelf purchases of other U.S. aerospace defense systems like AWACS and AEGIS will no longer be available. This could represent a very near term loss of 3-5 billion dollars in U.S. exports, while reducing Japan's ability to effectively contribute to the defense burden in the Western Pacific.

Some will say that Japan will not "go it alone" but, failing in the United States, will seek help elsewhere. This I submit is an even worse prospect. Only one other region can and will offer the assistance which Japan will seek—Europe. Forcing Japan into the willing embrace of the Europeans will result in all of the bad effects of which I have already spoken while enhancing the competitive strength and market penetration of America's principal fighter competitor. The spector of a Japan-Europe aerospace connection is a sobering thought.

INTERNATIONAL COOPERATION IN AEROSPACE IS GOOD BUSINESS

Aerospace leadership is preserved and enhanced by competing and working in the marketplace—not by dropping out of it. We must guard against excessive nationalism at a time when international interdependence is a fact of life. Cooperating with Japan on the FS-X will enhance the U.S. position by progressing the state of the engineering art, providing jobs which would otherwise not exist, generating the flow of dollars back to America. Participation in FS-X ensures that the U.S. approach to design continues as a Japanese standard, with the important side-effect that Japan's weapons are usually ours, compatible and interoperable with our own. The use of a U.S. baseline system by Japan brings with it U.S. control over the markets to which that system when fully modified might be introduced—a kind of control with important political and economic consequences. Cooperation ensures that new technologies can be acquired on a more cost-effective basis at a time when even the simplest technology is expensive to obtain. But, most importantly, cooperating with Japan ensures that the two aerospace industries will complement each other and helps to maintain a vital relationship which is important to the military and economic defense of the free world.

In conclusion, there has been an important debate going on about our national economic objectives, policies and supporting strategies. It has been about America's competitiveness, our standard of living and how to protect it, about the global exercise of free and fair trade. Fundamentally, however, it has been about how to balance national security and foreign policy objectives with national economic objectives. I believe that such a debate is healthy and timely, and perhaps it has been fortunate that the FS-X program has been the catalyst for this debate. On the other hand, I believe that the FS-X is an excellent example of a program that realistically promises to achieve that desired balance and should be supported by Congress accordingly.

Mr. President, that statement, coming from the President of General Dynamics, speaks to the heart of the competitiveness issue. The heart of the technical problem, the heart of the transfer of dollars from Japan to the United States. This is testimony by a U.S. company that is expecting to get the business. It is a company that abhors the thought, as I do, that that business is going to Europe, that there could be a Japanese-European axis of cooperation and development of an aircraft that would leave us out in the cold.

I heard earlier this morning, Mr. President, the distinguished Senator from Kentucky say somehow we spend $7 billion and we are going to get $400 million back for that. I respectfully suggest to my distinguished colleague that we have not given away $7 billion. Most of that amount is sunk costs which we have already paid to develop the F-16, costs which have been incurred whether or not the Japanese or anyone else buys the aircraft. In point of fact, the Japanese will pay back to the U.S. some of the cost of developing the F-16 and these funds go directly to the U.S. Treasury. We are, in fact, setting in motion new technology research that others are going to pay for.

We still have the F-16. We are going to continue to make sales of the F-16. We probably will improve the F-16, given this cooperative research, but Japan is going to pick up the entire tab for this research. We are going to receive 40 percent of the work share in terms of both the development and the production of the aircraft and, most importantly, Mr. President, we are going to stick with the Japanese effort.

In Friday's debate, I pointed out that critical in my own understanding of this entire situation is the fact that the Japanese were fully prepared to go it alone. We did not come into the situation blindly. We came in because of our self-interest. Secretary Weinberger, Secretary Shultz, and President Reagan said to Japan, "We don't want you proceeding out there alone developing an aircraft industry, developing a war potential, developing an independence of activity that does not bode well for the history of Asia, for the history of the world."

The Japanese agreed, or at least a majority did. There are many in Japan fully prepared to go it alone. They say, "We have the money. We have the skills. We have the ties around the world to build this aircraft, to proceed now independently in our defense effort, in our foreign policy."

Mr. President, this debate is about whether the United States is going to stay with Japan, to be often intrusive into Japan's affairs, by developing an aircraft that we jointly see and share the fruits of that technology and the product of that alliance. It is very important in our own history; very important, I believe, in terms of peace for our children. As we take a look at the geopolitics in this world, this, I think, will be perceived as a debate that was a turning point, one way or the other.

We asked Japan to stay with the FSX. In fact, we have demanded of Japan attention to our position because, as the distinguished Senator from Kentucky pointed out, we protect Japan. And we have said, "Because of that, we are a very special friend. We have a very special position in your affairs." And they have agreed.

They have ceded to all of the requests that we have made with regard to paying for this, while we look in, to giving us 40 percent of the production and development with jobs in this country, 2½ billion dollars' worth of business in this country, for which we have no risk, and which helps our balance of payments. And, in return for all of that, for the rest of the century, we stick together and we keep an eye on developments in Japan and Asia and likewise make certain we do not have the adverse combination of Japan and European countries ganging up against us in this competition in the aerospace business.

For these reasons, Mr. President, it is very important to defeat this resolution of disapproval, to proceed with support of the President, support of our country's position which has been negotiated by two administrations.

I yield the floor.

The PRESIDING OFFICER. The Chair recognizes the Senator from Kansas [Mrs. KASSEBAUM].

Mrs. KASSEBAUM. Mr. President, I doubt that there are very many Kansas constituents who would look on this sale as one of their top priorities. I think that would be true for the majority of constituents in most of our States. There is a great deal of concern abroad in the land today about the United States role with Japan. But I think it is very important for us at this time to keep this particular relationship and sale in perspective.

I heard the distinguished Senator from Kentucky [Mr. FORD] who chairs the Aviation Subcommittee, speak to this being potentially the decade of the airplane for Japan. I just do not believe that is so and I have shared his concerns about aviation.

I would like, Mr. President, to say why I support the FSX agreement that we have concluded with the Japanese and will vote against the resolution of disapproval.

In my view, this agreement does not raise the specter of America in decline. In fact, I believe this agreement is an important symbol of how we can successfully pursue a defense policy for the 1990's and beyond, that is consistent with a viable economic policy.

I would like to commend the Bush administration for its responsiveness to many of the concerns that were expressed in Congress in January and for its successful efforts in obtaining clarifications from the Japanese to the original memorandum of understanding.

In assessing the FSX deal, I believe we must start by recognizing that the United States strongly supported Japan's efforts to acquire a new fighter which would be capable of meeting the security needs in the Pacific in the late 1990's. One of the main criticisms of the deal is that Japan should have bought the F-16 fighters off the shelf. If is argued that this purchase would have expedited the Japanese acquisition of the fighter planes and also would have been a significant contribution to our trade balance.

Mr. President, I believe this option has been blown out of proportion. The F-16 has not been sold off the shelf for over the past 15 years and is a plane which we produce jointly with a number of our allies. Furthermore, Japan has never bought off-the-shelf technology where large numbers of planes were involved. The Japanese have either attempted their own development, as with the F-1, or entered into a licensed joint production agreement, as in the case of the F-14, the F-15, and the P-3.

I believe it is important to underscore, Mr. President, that the option that the Japanese preferred was to develop their own fighter to meet their own specific needs. It was the United States that argued for a joint development/production deal.

The American public's concern about our trade imbalance is strongly shared by everyone in this body, but the fact of the matter is that our fiscal policies, our large deficits, are much more closely related to our trade imbalance than any aspect of this agreement. I think, as a matter of fact, Mr. President, we should be far more concerned that we have to rely on the Japanese to contribute about $62 billion to our budget. That weakens our hand far more in any negotiation than this type of agreement.

In testimony before the Foreign Relations Committee, Commerce Secretary Mosbacher estimated that the financial return to the United States from the FSX joint development deal equaled the benefits from any direct purchase of the F-16.

Under the agreement, the United States would receive 40 percent of the work share of the development and production phases of the FSX. The administration has estimated that U.S. industry will receive about $2.5 billion of work during the life of the program and about 22,000 man-years of labor over the life of the deal. All will be financed by the Japanese.

It would be the same money and jobs if the F-16 were sold directly. This is the first military joint development—in contrast to production—program that the United States has entered into with an ally and it should be closely scrutinized. I believe this agreement meets the test.

One of the major benefits of this deal is that it provides us the ability to be directly involved in the Japanese military aircraft industry and to gain access to the technological improvements. This, obviously, would not be the case if the Japanese pursued development alone.

Perhaps an even more disadvantageous outcome for the United States would have been if the Japanese had decided to develop their new fighter with one of our major European competitors in the aviation industry, as was so, I think, succinctly stated by the Sentor from Indiana, Mr. LUGAR.

The agreement clearly provides for a significant technology flow back from Japan to the United States. This is an important reversal of the usual pattern of technology flow. Under the agreement, there is an automatic flow back to the United States of technology that the Japanese derive from United States technology, and the United States is guaranteed the option to purchase solely Japanese-developed FSX technology.

The Bush administration also ensured that the technology transfer to Japan is appropriately limited and carefully controlled. U.S. technical data and data that is derived from U.S. technology cannot be transferred to a third country. And the FSX itself cannot be sold or transferred without the consent of the United States.

I believe these are important facets of the agreement.

Furthermore, I do believe that the terms of this agreement protect our aviation industry in the four major areas of concern: airframe, avionics, the engine, and the software.

The airframe technology that we are providing is 15 to 20 years old. The avionics will be developed by Japan and the technology will be available to the United States. Strict supervision of the software is provided under the agreement. And the engines for the development phase will be provided off the shelf from the United States.

The arrangements for the engines in the production phase remain to be worked out, but the Japanese have already been put on notice, and many of us have expressed concerns about this in the production phase, that under no circumstances will sensitive United States engine technology be transferred.

Mr. President, I believe it is very important that, when we look at our relationship with the Japanese that we neither exaggerate their diplomatic or technical prowess, or underestimate our own. We simply cannot just sit on the sidelines and let others become the dominant players in the next decade. There is nothing to be feared in this agreement. In fact, I think it is something that should be viewed as an opportunity and a challenge.

I urge my colleagues to defeat the resolution of disapproval.

I yield the floor, Mr. President.

The PRESIDING OFFICER. The Chair recognizes the Senator from Illinois [Mr. DIXON].

Mr. DIXON. Well, Mr. President, may I first say, before I make a few remarks of my own in opposition to the FSX sale, that I am always disappointed to have to disagree with the distinguished lady from Kansas who, I think, brings a wonderful sense of good common sense to this place. I have been delighted to agree with her a number of times on a variety of issues, including budgetary issues on one occasion where I supported her good idea for a freeze several years ago that would have saved us a lot of the budget problems we have now.

If I was not a Democrat I would wear a "Run, Nancy, Run" button like they all do on the other side, Mr. President, because she is a great lady and a wonderful person. I admire her

and have the deepest personal affection for her.

There have been a lot of good discussions here about what this deal is about. I made a few speeches myself. I want to talk just a little bit more this morning on a few points that I think are important to be shared with my colleagues about this deal. I think I have about eight points that I would like to make in sort of a cogent way to share with my colleagues some of my thoughts about this FSX deal as we get down to voting time.

Here is the first one: This is not sharing the burden. We talk about sharing the burden. In the first place, nobody shares the burden with poor old Uncle Sam, and this is not sharing the burden.

Mr. President, based on current estimates, the final cost of the FSX Program for Japanese taxpayers will be roughly $48 million a plane for each of the minimal 130 planes that will be built—$48 million. This will make the FSX considerably more expensive than any fighter we ever produced in this country. It will cost about 2½ times what the F-16 cost. Think of that: 2½ times what the F-16 cost, the finest fighting aircraft in the world; 50 to nothing; 50 kills, no losses in hostile situations, 2½ times as much, over 50-percent more than the cost of a new F-18, about 20-percent more than the cost of an F-15.

Further, the estimates on FSX unit costs may rise markedly before production is complete in the late 1990's. My experts tell me they will rise and many believe that development costs have been significantly underestimated and that production costs are likely to increase as well. Here we have something in the first instance immensely expensive to the Japanese taxpayers, a tremendous cost to them when they are not carrying their share of the burden right now in connection with the defense of Asia.

The second point: I think it is inconceivable that we should be selling our technology to help our greatest competitor build yet another industry that will compete against our own. Given our current deficits, Mr. President, why are we not pressing the Japanese to spend this money more efficiently as we did in the case of the Israeli Lavi Program? Israel is a great ally of ours, but we jawboned them and we jawboned them—I put it in the RECORD, the RECORD is replete with it—until we talked them out of a codevelopment program.

Now, listen to this, I say to my colleagues, with the FSX money Japan is going to buy, Japan instead could buy 130 F-16's off the shelf—bang, they have them right now—130 F-16's off the shelf, plus have enough to equip an F-16 wing to replace the United States 432d F-16 wing at Misawa, Japan, right now. In other words, they can have all these F-16's, build them—130—and then have enough more F-16's to replace our entire United States 432d F-16 wing at Misawa, Japan, and bring home those Americans to America and have burdensharing where the Japanese do the job that they ought to be doing in that part of the world. They would even have money for associated costs as well. This will permit us to save millions of dollars by deactivating the 432d. We would gain the profits from the same in a short period of time and still have the defense that both our countries require.

Mr. President, we annually spend, believe it or not, $35 to $45 billion; up to $45 billion on our Pacific forces. We are borrowing money to do it. We need new ideas, and if they are unwilling to constructively respond, I think we ought to reconsider that relationship. It is just that simple.

Let me talk about mission requirements. Some of the FSX proponents in this deal have said that the F-16 cannot perform the 1,000-nautical-mile mission that is planned by the Japanese. That is not what a Department of Defense factfinding team found, Mr. President. What did they find? A team of military experts from this country, the Sullivan mission, went to Japan in 1987. The Department of Defense sent them there. What did they conclude? They concluded that the FSX design was too narrowly defined and that any of three existing American planes—the F-15, the F-16, or the F-18—would serve Japanese defense needs more adequately—more adequately—than the FSX, and if the Japanese based the new planes along the coast rather than inland, the 1,000-mile requirement would not even be needed in the first place.

Let us talk about defense needs neglected. That is point three. I think one clear insurmountable shortcoming of the FSX is the very long waiting period before it is available for delivery—a long, long wait as compared to buying off the shelf the F-16. Building roughly one FSX per month for 10 years to meet a Soviet threat that exists now I think is ludicrous. Experts say that Japan cannot now defend their northern island of Hokkaido, and they cannot do it now, yet it will take 15 years—15 years—to completely replace the aircraft they now have defending the island, the F-1. I think that is irresponsibility.

Let me make another point. Point four: Japan is serious about building a world-class aerospace industry. I have probably said that 100 times in the last week. In this last day, I want that burned into the minds of my colleagues. I want it burned into the mind of every American because the record will show I am right on this. Years from now they will say, "You were right." The Japanese Government is serious about building a world-class aerospace industry.

Here is a quote from our own U.S. Trade Representative. The U.S. Trade Representative has signed off now. I am not picking on her. I want to make a direct quote, as we say in southern Illinois:

> The Japanese Government plans to make aircraft production one of Japan's major industries within 20 years.

I love their long-term plans. Mr. President, why do we not plan anything in long terms? Why does not our Government think ahead by decades instead of worrying about now, today, what is going to happen tomorrow? Mr. President, what is going to happen in the year 2000 when my 2-year-old grandson is old enough to understand? Let us plan. But the Japanese Government plans to make aircraft production one of Japan's major industries within 20 years.

The U.S. Trade Representative, direct quote:

> This would mean direct competition with the U.S. aerospace industry, which is the largest in the non-Communist world.

I could go on. I will exclude parts that are not particularly important.

> If Japan's target goal is met, future lost sales to the U.S. industry would be significant.

That is the U.S. Trade Representative of this administration.

Here is a consulting firm of Booz-Allen and Hamilton—

> reasonably predicted that the Japanese aerospace industry is poised for extremely rapid growth projecting that the industry sales will rise—

Now, listen to this—

> from $7 billion today to $29 billion by 2000 expressed in constant dollars.

They are thinking, Mr. President, they are thinking ahead.

As far as the world market for commercial airliners is concerned, the extremely high cost involved in developing and producing these planes makes the ability to raise capital absolutely critical to succeed, thus the very deep pockets of Japanese industry, especially when backed by the Japanese Government, make Japan unusually well suited to compete in this market.

Who can argue with that?

Point 5. I call it gaining valuable experience. The most important aspect of the FSX agreement to the Japanese is likely to be the experience they will again gain in developing and—listen to this—integrating—remember that word, integrating—a complex modern aircraft. What Japan's competitiveness in the airplanes parts business has not provided Japanese industry with is an understanding of systems integration—systems integration—the art of fitting together all of the tremendously complex systems that go into a modern jet aircraft. The FSX exercise requires the modification of virtually

every system involved in the aircraft—the whole schmeer as we used to say in southern Illinois, the whole schmeer. Aircraft analysts argue that this is one of the most difficult tasks in the development of any plane and of fighters in particular, and if the FSX can be made to fly, the Japanese will take a quantum leap forward in the area of aircraft manufacturing. There they go, Mr. President, zooming away with our technology.

Point 6. This agreement places that American stamp of approval—bang—on a plan which provides that the Japanese will once again produce a product domestically in their country which they could buy from the United States of America and get a product of at least equal quality and at a dramatically much lower price.

Why do we continue to go along with that? Some people say free trade, free trade, free trade, free trade because it is cheaper, free trade because it develops competition, free trade because it drives down the price. No, this deal does not drive down the price. This deal drives up the price. Why? It drives up the price, lets them make the aircraft at more money and at the expense of American workers.

Point 7. Trade imbalance. The cumulative effect of this deal is to add, Mr. President—not subtract, add—to the already dangerous trade imbalance. I hate to tell you this, Mr. President. I was elected in 1980, and I came here in January 1981. Listen to this. In 1980, the United States had a $9 billion trade deficit with Japan. Is that not unbelievable, $9 billion? That is only 9 years ago. By 1984, the deficit jumped to over $30 billion, and for the last 4 years it has averaged over $50, and in total—listen to this; this is staggering. I am on the Armed Services Committee. Authorized for the year in which we are now operating is $300 billion. Listen to this. This is for the defense of the United States of America, the greatest free nation of the world—authorized for 1 year $300 billion—we have had to borrow $303 billion from the Japanese since the end of 1980 to cover the cost of Japanese products which we were not able to pay for by selling goods or services to Japan. We have cost ourselves more than the cost of an annual defense of this Nation in connection with that one imbalance of trade—$303 billion—and we want to add to it today.

Finally, point 8, competition. My friend, and he is my friend—he is a great Senator—the senior Senator from Indiana in one of his talks last week on this issue—and I respect him very much—stated that this FSX program would net nearly the same amount of money that would be gained from an outright sale of the F-16. I guess that is the administration's position.

With all due respect to him and the administration, that is not the case. The $3 billion received from an outright purchase would be in hand within a few years; we would have it, and would be followed by a spare parts and support package that is often three times the cost of the planes themselves over the course of the plane's lifetime. So listen to this. This means the United States would gain approximately $12 billion by an outright sale during the lifetime of the plane rather than the $2.5 billion that we will receive under the terms of the contract because of the spare parts and support package.

Mr. President, I will have more to say later, but I want to make this final comment. This deal has no features in my view—and I will examine that later before the vote—not one, in the interest of the United States. We are selling it too cheap. We are getting back nothing in return—Washington Post article today and the General Accounting Office cleared it. We are selling it to an ally that in the end will not give us a good deal on the later negotiations, and finally we are selling it to an ally that in the past has transferred secret information to other countries. All of that, I think, is in the worst interests of the United States, not the best interests of the United States.

I will have more to say about that later, Mr. President, but I thank my colleagues for permitting me to make these eight salient points at this point in time. I will develop later my thesis on the fact that there is nothing in this contract, nothing in this memorandum of understanding, nothing in the letters of understanding supporting the MOU that in any way develops a decent deal for the United States in connection with this arrangement.

I yield the floor.

The PRESIDING OFFICER. The Chair recognizes the Senator from Washington [Mr. GORTON].

Mr. GORTON. Mr. President, I have listened with great interest to the eloquent statement of my friend and colleague from Illinois. I disagree with him on the bottom line of this proposal and intend to vote against his resolution. I simply wish to point out at this stage the distinguished Senator from Illinois has built an elaborate and a beautiful and a highly desirable structure, perhaps one even could call it a castle, but he has built it upon a foundation of sand. The sand foundation upon which the arguments of the Senator from Illinois are based is the proposition that if his resolution of disapproval should be accepted by the Congress over the objection of the President, the Government of Japan, an economically strong and viable and highly independent nation, will suddenly change direction and purchase, for the purpose for which it has designed the FSX, the F-16 aircraft from the United States.

Mr. President, that will not be the consequence of rejecting this sale and passing this resolution of disapproval. I doubt that there is a Member of this body who would not have preferred a Japanese purchase of F-16 aircraft. I doubt that there is a Member of this body who would not have preferred that many of our allies and friends around the world purchase American systems for their defense rather than building their own.

But the fundamental fact with which we must deal here today in the Senate of the United States is that for good reasons or bad, for valid or invalid, most of our major allies in this world wish to have a capability to provide their own defense equipment. The inevitable consequence of the acceptance of this resolution will be that the Government of Japan will build its own FSX or possibly, I believe the possibility to be remote, that it will build it on an agreement similar to the one which is before us today with the Government of France or with some European consortia.

The Japanese Government is simply not going to buy F-16's. Because that is true, the entire edifice, as lovely and attractive as it is, constructed for us by the Senator from Illinois will come crashing to the ground. As we take this particular opportunity and weigh this particular opportunity against the consequences which will inevitably ensue, if this resolution of disapproval is accepted by the Congress, we have the alternative where the Japanese will go ahead on their own, and will almost certainly sooner or later be able to develop the same techniques and the same technologies that we, partnered with them, will include in this aircraft. And we will simply be out $2 to $2.5 billion or so which will be the share of General Dynamics in connection with this agreement. And we will certainly be without any new technologies which are developed as a result of the FSX agreement.

Also, I have been told, as an ally and a friend of the world, for some reason or another it is totally untrustworthy, and that in fact we really are not good allies of the Government of Japan. It would be a mistake to reject this proposed sale on the ground that there is a better solution which we have any potential opportunity to create. We do not.

Much has been made by proponents of this resolution of disapproval of the loss of American technology, of the creation of a competitor in the field of production of civilian aircraft. I think that argument underestimates far too greatly the genius and effectiveness of Americans in this world. The implication of almost all of the arguments in favor of this motion of disapproval is

that we are somehow or another inferior, that we simply cannot compete in this field or in any other field unless we somehow create an artificial advantage for ourselves.

Mr. President, I am not so pessimistic about the American future in any field of technology, much less aircraft. Nevertheless, I would not offer myself to this body as an independent expert on civilian aircraft technology. As the President well knows, I represent the single State which is most dependent upon the production of civilian aircraft, whose economy has the greatest and the most to lose if the Senator from Illinois is correct.

It would certainly have been negligent of me not to have consulted with the Boeing Co. in connection with this agreement. I did that shortly after I learned of this controversy in February of this year, and was told by the chief executive officer of the Boeing Co. that they not only did not disapprove of the agreement, but that they recommended that I vote in favor of it. The Boeing Co. did not fear the competition which could potentially be created by this agreement—I emphasize not between the Government of Japan and the Boeing Co., but between the Government of Japan and General Dynamics, a competitor of the Boeing Co., and in many areas.

The Boeing Co. itself, as is the case with almost everyone else in this field, has entered into certain joint production arrangements not only with Japan but with the wide range of other companies which wish to purchase its equipment but want to get some technology out of those purchases.

More recently, as recently as last week, the Boeing Co. and other members of the aerospace industry were asked to testify before a House committee on this very subject. I have here, Mr. President, the statement of Philip M. Condit, the executive vice president of the Boeing Commercial Airplane Co. I ask unanimous consent that it be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

BOEING TESTIMONY—TECHNOLOGY TRANSFER IMPLICATIONS OF THE UNITED STATES/JAPAN FSX AGREEMENT FOR THE HOUSE COMMITTEE ON SCIENCE, SPACE, AND TECHNOLOGY, MAY 11, 1989

I wish to thank the Committee for extending an invitation to Boeing to participate in today's hearings. I am Phil Condit, Executive Vice President of Boeing Commercial Airplanes.

Boeing has not been directly involved in the FSX arrangement and has, therefore, not been exposed to the details of the Memorandum of Understanding (MOU) agreement other than through public reports, I, therefore, cannot respond to specifics concerning that agreement, but I offer the following observations to provide perspective on Boeing's view of its relationship with Japanese industry in the commercial airplane arena. We hope that this perspective will be helpful in understanding the issues being raised in the FSX debate.

Boeing's relationship with Japanese industry has evolved from subcontracting, to risk sharing participants in a Boeing airplane program, to discussing a planned equity relationship in a new airplane program. Subcontracting began in the early 70s when Mitsubishi Heavy Industries (MHI), Kawasaki Heavy Industries (KHI) and Fuji Heavy Industries (FHI) built trailing edge flaps and rudders for the 747 SP Joint venture discussions were initiated with the Japanese industry in 1972 and ultimately resulted in a risk sharing Program Participant role on the 767 in which Japanese industry shares the market and resulting financial risk. An MOU was signed in March 1986 by Boeing and Japan Aircraft Development Corporation (JADC, a quasi-government owned consortium) and MHI, KHI and FHI to jointly develop, produce and market an all new short-to-medium range, medium size commercial transport, designated the 7J7. The Japanese companies would collectively have a 25% equity role, would share in all investments, risks, sales financing and revenues in proportion to their equity position and would share in jointly developed technology in an agreed upon manner.

Boeing feels that its cooperation with Japanese industry has enhanced our long term objectives of growth, stability and profitability and that this cooperation will continue to enhance these objectives as we engage in commercial aircraft competition for world markets. The trend toward internationalization recognizes that global markets require global cooperation. Accordingly, we think that arrangements of this type are likely to increase in the future. We must recognize this trend in our business planning and government policy to assure that U.S. industry has adequate opportunity to compete in this environment.

The Japanese aerospace manufacturers are typically a small part of a larger, broader based heavy manufacturing company. Even the largest aerospace manufacturer, Mitsubishi Heavy Industries, has only 6,500 employees in its aerospace operations, and its aerospace business accounted for $1.8 billion, or 15% of the total company sales, in the fiscal year 1987. Comparable figures for Boeing were 136,000 employees and sales of $15.5 billion in 1987.

Although Japan's international cooperative relationship in aerospace has substantially increased through licensed production of U.S. military aircraft, a role in Boeing's 767 Program and subcontracts from both U.S. and European aircraft manufacturers during the last 15 to 20 years, the employment in Japan's aircraft industry has not increased. The statistical data published by the Society of Japanese Aerospace Companies in 1989 indicates the total Japanese aircraft industry employment in 1969 was 27,540 and has remained relatively stable for approximately 20 years. It was 27,410 at the end of 1987.

Through our frequent contacts with Japan's Ministry of International Trade and Industry (MITI) and the Japanese aircraft industry, we are familiar with the stated Japanese interest and objectives in commercial aircraft. A major challenge that Japan would face in independent development is the fact that opportunities for launching new commercial airplanes are very limited and that they would have to compete in the same world market against well established U.S. and European manufacturers. Japanese industry and MITI are well aware that any commercial transport airplane program is characterized by high commercial and technical risks and a relatively low rate of return.

Japan's national project, the YS-11, a 60 passenger turboprop civil transport, and such independent private sector undertakings as the development and production of the MI II MU 2/300 and the FHI FA 200/300, were not commercially successful. Moreover, the industries in which Japan has achieved significant commercial success have traditionally been those with large domestic markets such as steel, textiles, shipbuilding, consumer electronics, cameras, watches and automobiles. Unlike these industries, the Japanese domestic aircraft market is small, representing about 5% of the world commercial market. Because of these factors, the government is promoting international cooperative programs to develop commercial airplanes, rather than an independent approach.

With the exception of the YS-11 in the 1960's, Japanese airlines have depended on foreign made commercial aircraft, particularly those made in the U.S. Japan is the largest foreign customer of Boeing Commercial Airplanes in terms of total dollar value of aircraft purchased. Boeing's latest forecast indicates that Japan is expected to remain the largest foreign customer for the foreseeable future.

A valid concern regarding global cooperation is the sharing of technology and know-how, both in military and commercial cooperation. We must recognize that the U.S. does not have a monopoly on technology and that reasonable international cooperation can be structured so that both parties benefit from the arrangement. We believe the government has established institutional safeguards that prevent the irresponsible transfer of technology, which we assume are in place to judge the FSX arrangement.

Boeing has become a leader in the commercial airplane industry by providing a family of superior products. It is our objective to remain a leader in the industry by continuously advancing technology, product quality, safety and productivity to new levels. We feel we can, and must, accommodate increasing industrial cooperation in a changing business environment.

Mr. GORTON. I do not need to read extensively from that testimony. I can perhaps summarize it by reading one paragraph of a statement at the same hearing made by Joel Johnson, the vice president, International Aerospace Industries Association of America, on the 10th of May at that House hearing, less than a week ago.

Mr. Johnson says:

To conclude, we believe that at this time the FSX deal as negotiated is probably about the best agreement that is realistically achievable. We would encourage the Congress to allow for its implementation, with the proviso that the U.S. Government should monitor closely the willingness of Japan to make available technology to the United States. We do not believe it would be in our interest to encourage the Japanese to walk away from this agreement and pursue their original objective of building a new aircraft without U.S. involvement.

There is a great deal in that statement, Mr. President. First, of course,

the idea of this agreement was not a proposal of the Government of Japan. The Government of Japan proposed to build this FSX on its own. It was the previous administration which insisted with the Japanese that we have a co-development or coproduction agreement. This was this current Bush administration which insisted on increased safeguards in connection with the agreement. If Japanese industry had its way, it would be going it alone on this project. So by rejecting the agreement we cut off our noses to spite our faces.

I believe in this case we should follow the advice of the experts, the people in the American aerospace industry, as to what the future implications of the agreement are, and follow their advice by rejecting this resolution of disapproval.

I wish to debate one other set of comments. It has seemed to me increasingly clear as this debate has gone on not only in the last few days in this body but ever since the agreement first became public that the debate in which we are engaged here is a surrogate debate. I do not believe it is so much about the FSX and this agreement within the narrow bounds of the details of the proposal as it is about the overall relationship between Japan and the United States.

The senior Senator from Illinois clearly referred to that in his last set of remarks. He pointed out quite accurately the alarming increase in our bilateral trade deficit with Japan from some $9 billion in 1980 to more than $55 billion last year.

It is the concern which Americans rightly have developed over the imbalance in that relationship, and over what it means to the economy of the United States, which is the true undercurrent surrounding this debate on the FSX.

I not only do not deprecate or minimize that concern; I share it, and I share it overwhelmingly. I simply point out that that issue ought to be debated on its own merits and on a much broader field than this debate over the FSX.

Before the end of the month, under the terms of the 1988 Trade Act, the administration will be required to designate certain countries with unfair trade practices for treatment under the so-called super 301 provisions. It seems to me overwhelmingly clear that Japan should and must be included as just such a nation. I believe we have for far too long a period of time ignored or minimized the artificial restraints upon the sale of United States goods and services in Japan, and that our unwillingness to negotiate decisively or to take precise, firm, and tough positions, has exacerbated the trade deficit, which the Senator from Illinois so rightly criticizes. Nor am I willing simply to accept at the end of any such debate the fact that only 10 or 15 or 20 percent of our bilateral trade deficit from Japan may result directly from unfair restrictions on the sale of American goods and services in Japan.

I believe firmly that this Nation should set a goal for the reduction of that bilateral trade deficit, rather than negotiating toward the reduction of restrictions on particular commodities, items or services. I believe that it is appropriate and necessary for the trade representatives and for the President to set very publicly what those goals are, and to have sanctions readily available, and with a willingness to use those sanctions, if the goals which we set from the point of view of the progress of our own economy are not met.

That, it seems to me, Mr. President, the use of trade legislation, which we have on the books, partly due to the good work of the Senator from Texas, who is here on the floor today, and perhaps a followup to that legislation, if it is necessary to do so, should be used to reduce dramatically the imbalance in trade between the United States and Japan.

This FSX issue, however, should not be used as a surrogate for that debate. Taken on its own terms, the FSX agreement is good for the United States, as well as being good for Japan. It is vastly preferable to its alternative.

We should reject this motion of disapproval and should move on to debate over those overall trade relationships, with a goal which will benefit the United States, not only in the long run, but in the short run, as well.

Mr. BRYAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. BRYAN. Thank you, Mr. President. This marks the third occasion that I have taken the opportunity to express my opposition to the proposed transfer of American technology. My initial reaction, when I heard it, was one of skepticism; the more I have learned about it, the less I have liked it. Indeed, I must say that after spending some days in Nevada, from Reno to Las Vegas, from Carson City to Wells, from Eureka to Laughlin, I am always impressed with the great common sense that the American people have.

One of the distinguishing characteristics of the American democratic system is the great faith and wisdom that we place in the average American citizen. Since the election of Andrew Jackson in 1828, that has been one of the hallmarks of our system.

I must say, as I visited with my fellow Nevadans, they asked me, "Senator, why are we proposing to advance and transfer this technology to the Japanese?" I am hard-pressed to come up with a satisfactory answer. Indeed, I say that that innate common sense that served us so well as a nation is reflected by the view, in my judgment, of the overwhelming number of Americans, certainly the overwhelming number of Nevadans in my State, which is that this makes no sense at all.

Last year our Nation experienced a trade deficit in the range of $137 billion, and the largest trade deficit on a country-by-country review is with Japan. That amounted to some $55 billion, or about 40 percent of that deficit.

The approval of the FSX agreement in providing this technology to Japan will enable them to further their own commercial and military aircraft industry. In the long run, Mr. President, it will only enhance our trade deficit. The United States is, without question, the world's most sophisticated and successful producer of military and commercial aircraft, and as Americans, we ought to be very proud of that fact. The Japanese, our friends, our allies, are also our greatest economic competitor.

Mr. President, they do not just plan for this year or this session of Congress; they plan for the future, the end of this decade, and into the next century. As we have painfully learned, the Japanese are willing to invest today at a considerable loss in order to secure a long-term advantage in the world's marketplace. Through the coproduction agreement which this proposed sale involves, we provide in effect a technological base for Japan to become, over the next few years, a major force in the world's aerospace market, our strongest industrial export sector.

Mr. President, that simply makes no sense. It is time for America to review our trade policy and to adopt a long-range view of what that policy ought to be with our trading partners. Free trade, yes, Mr. President, but fair trade as well. The Japanese have been superb negotiators. In my view, we have negotiated this agreement to their advantage, not to our own.

Mr. President, we can be fair, but we must be tough. The fact is that Japan has not displayed a very active approach in reducing this massive $55 billion trade deficit that exists between our countries. By purchasing our existing F-16's, Japan would be displaying a good-faith effort in reducing this trade imbalance, and by so doing, acquire the world's most sophisticated fighter aircraft and enabling them to perform the mission which we have asked them to provide, and that is protecting the sealanes in the Pacific. It has been estimated that the FSX may cost as much as $30 million more per aircraft than if they purchased the existing F-16's directly.

Mr. President, we have heard a lot about our responsibilities to our trading partners and to our allies—particularly, that this negotiation was initially consummated by the previous administration, that some changes have been made, some improvements, and some refinements, and that we somehow have an obligation to go forward, to make sure that this is complete. We are told that the Japanese are working to reduce that trade imbalance, and, yet, as we hear that echoing throughout this Chamber, we are also made painfully aware that our United States Trade Representative, Carla Hills, just released a report in conjunction with the Trade and Competitiveness Act of 1988 which addressed the trade barriers in foreign nations.

Trade barriers were found in Japan to United States exports of many fields: Superconductors, agricultural products, telecommunications, optical fibers, aluminum, and construction, just to name a few.

We are told, Mr. President, that those markets will eventually open up, but I think we need to ask ourselves when, how soon, and why, when there is an opportunity to make meaningful improvement in that trade deficit with the purchase by Japan of F-16 fighter aircraft, are they delaying?

We began this morning's deliberation in this body, as we do each and every day, by invoking the aid of the Diety. Our distinguished colleague, the junior Senator from Georgia, served as the acting majority leader this morning, and he shared with us a biblical Scripture of St. Paul to the Romans.

The Romans had an expression, Mr. President, that I think addresses precisely what we need to hear and what we need to do. In Latin, it is "factum non verbum"—deeds, not words.

So, Mr. President, I respectfully submit that it is time for us to listen less to talk and to call upon our Japanese friends, our allies, for deeds. And those deeds, Mr. President, will do more to address the trade imbalance between our two countries, with all of the talk and all of the discussion which has characterized those trade relations for the last 8 or 9 years.

In my view, Mr. President, this agreement makes no sense for America, for our trade situation, and for America's future, and I would respectfully urge my colleagues to support the resolution that is offered in disapproval.

(Mr. KOHL assumed the chair.)

Mr. BENTSEN. Mr. President, a few months ago, Masaaki Kurokawa, who is the chairman of Nomura Securities, came up with an interesting way he thought Japan could solve the American trade deficit. He said, "Let's strengthen the yen. Let's lower the value of the dollar. Let's bring it down from 135 to the dollar to 100 to the dollar." He said, "That is the way to take care of it."

Very simply, what would the United States have to do in return? Just one thing: we would give Japan California, or at least turn it into a joint economic zone to be shared by both countries.

There are those that think Japan already owns California. Actually, they have a way to go. But proposals like that one make me doubt that Japan is very serious when we ask them for the kind of help that we have given them for decades.

We went through the process of devaluation of the dollar; resulting in a 30-percent increase in our exports to other countries. What effect did it have on Japan? Minimal, if anything at all. We have actually seen our trade imbalance since that time increase with Japan.

They are absolutely determined to have market dominance. How did they react to the reduction of the value of the dollar? They dropped their prices and dumped products in the United States. We had an interesting situation where the Japanese would come to the United States to find products that were made in Japan selling far below the price that they sold for in Japan.

There were some interesting Japanese merchandisers who decided to take advantage of that situation. They set up a marketing deal where they would buy Japanese products in the United States and ship them back to Japan. They made enormous profits, until the Japanese Government caught on and began to put up barriers to stop them.

Japan means to dominate any sector of the economy that is at the high end, calling for top research, top salaries and long-term top profits.

We have extended help to all of our allies. Why? Because we wanted a system of mutual security for the allied democracies that depended not just on tanks and guns and planes—and certainly we have enough of those—but on the freedom to buy and sell to each other, whether we are talking about selling beef to the Japanese or Toyotas to people in the United States.

One of the ways we did that was by deliberately reducing our trade surplus, which was overwhelming at the time Harry Truman—and General George Marshall, Secretary of State Marshall—laid down the Truman doctrine before the Congress in 1947. As James Fallows has pointed out in his recent piece in the Atlantic, the U.S. trade surplus from 1946 to 1950 just about vanished. It was a good thing. Open markets for the exports of our allies improved standards of living far beyond anything that happened in any Communist country. Now, Japan's per capita income has substantially passed ours. It has an enormous budget surplus. The rest of the world owes it more money than to any other country in the world.

Now, today, we are asking the Japanese to reciprocate. I do not know of any better example of their recalcitrance than the FSX. It is not a cultural problem. It is not some ingrained belief that they cannot buy from another country; not, as one of their spokesmen told us, when we were talking about beef, that "their intestine is of a different length than ours," and, therefore, they should not be buying our beef.

Is the FSX the best deal that we can get from the Japanese? Maybe it is. Certainty Secretary Mosbacher has worked hard and long trying to turn that deal around and has markedly improved the terms of the deal over what the last administration had done.

If we had this deal to do over, I would not accept the terms of what has been accomplished; but, under these circumstances and with the assurances now specified in black and white, I am not going to oppose this codevelopment and coproduction plan.

I have listened to my good friend, the senior Senator from Illinois, who has eloquently articulated his position I agree with so much of it. But my concern is that the horse is out of the barn. It has gone too far. We cannot put it back together.

But the story of the FSX points to three important lessons that will cost us dearly to ignore.

First, how did we set about to negotiate the deal? We sent the Pentagon and the State Department—people seeking some foreign policy objective for our country, not really concentrating on the domestic economy and how important that is to the national security of our country.

I have just returned from a trip to Brussels. As I said a few moments ago to the President of the United States, in Brussels, they are forming Europe 1992—where they are trying to set up industrial standards and procurement policies that will affect the rest of the world, where the walls are coming down within Europe. The question is—Will there be a wall built around Europe and how will it affect us? An economy will be created with 80 million more people than we have, with a gross national product comparable to our own. You go to Brussels and find that Gucci Gulch has moved there. We have over 2,000 consultants working around here. Now they have over 2,000 consultants in Brussels. Major companies around the workd are represented there as they work out their agreements. The USTR has one person in our mission to the European Community; the Agriculture Department has five.

Do you know how many people the Department of Commerce has there?

Zilch; none; not one. There is a turf fight between the State Department and the Commerce Department. Commerce people are excluded. Europe is talking about industrial standards, an arcane field in some ways. It requires expertise in commercial production to understand the implications of standards. This could be another FSX deal at its initiation.

Let us be involved in Europe 1992. Let us send the kind of people to Europe who understand where we are coming from and what it means, who can explain and sell our point of view. The Finance Committee was just in Europe. We made our points on financial services. Some of us had backgrounds in that. I think we had an impact. They changed their regulations on financial services, insofar as the recommendation of the European Commission to the various parliaments of the 12 countries.

But we have to keep our commercial interests in mind in negotiation. We did not do that, in my opinion, when it came to the question of the FSX, until very late in the day.

The second part of the lesson is that our problems with competitiveness are inextricably linked with national security. Unless we are strong here at home, we cannot maintain the defense efforts that we have to support.

Is it that we are becoming less competitive because of a lack of American ingenuity? Do not believe that.

When it comes to Nobel prizes, the Japanese have won fewer than 10. Americans? Over 150. That is the sort of thing we have been able to do with research and ingenuity.

If you look around your homes you will see the fruits of American ingenuity today. The problem is the labels on them. Who developed the microwave? American scientists at Raytheon. Who makes them? Japanese and Korean companies make 90 percent of them.

Who invented color TV? American scientists at RCA. Who makes them? European and East Asian companies make 97 percent of them; and 85 percent of those bought by Americans.

Who invented the VCR that stands right beside your television set? Stick out your chest—it was Americans. And then duck your head because—who makes them today? Japanese, Koreans, and European companies produce over 99 percent of them.

It is no better when we walk into our factories. Who invented the world's first memory chip? AT&T and Texas Instruments. Today, Japanese companies produce over 80 percent of the world's memory chips. And how dependent our Defense Department is on those memory chips.

In our country, we say, "Read my lips." The Japanese say "Read my chips." It works. We buy them, even at the Defense Department.

We cannot let America become the research laboratory for the manufacturers in the rest of the world. We have to be as strong on the assembly line as we are at the drafting board. We have to accelerate the transfer of research to applied technology in commercial production.

Now, look at what is happening with the FSX. We are a leader in world aviation. Europe, on the other hand, has spent from $10 to $12 billion subsidizing the Airbus, with no profits for the foreseeable future.

Do you have any illusions about the Japanese wanting to dominate that market? To be premier in that market? To develop that kind of competitive force in that product?

Do you have any doubts about that?

Look at the numbers. It will cost the Japanese two to three times as much per plane to coproduce the FSX as it would have to buy the F-16 off the shelf, the most modern fighter aircraft in the world. If they wanted to add something to it, we could have well done that. Clearly, they want that technology so they can build not just the FSX, but an aircraft industry.

I think they want to be premier in every line of high technology that pays the top salaries, involves top research, and results in long-term top profits.

There are those that argue we ought not to be offended by that or by the Japanese attitude toward trade; that they are merely showing the tough, hard-nosed competition that is the sort of thing we admire in America.

I think in many cases that is true. I also know there remains in America strains of the anti-Japanese virus created during World War II. The fact is that Japan has done much that is admirable. We must be careful not to excuse our own failures by laying them at the doors of competitors.

But I know how the hired guns in Washington react. Any time you criticize Japan around here, there will be some who will immediately charge us with Japan bashing. Are we overlooking some things? The Japanese are not just competitors; they are our allies. Moreover, they profit enormously by the fact that we shoulder the defense burdens of our allies. Right now it costs us from $5 to $7 billion a year for the United States to maintain its forward presence in Japan. Our purpose is to defend the democracies of Asia. Japan pays less than half of that.

Am I for rearming the Japanese? No. However, I think they can do some things for defensive purposes. But if they became once again the dominant military power of Asia, they would strike fear throughout that area.

I was talking to a group of Japanese businessmen last year. They said, "Senator, your trade deficit is the result of your budget deficit."

I said, "Well, that is interesting. I have seen a number of countries that have a budget deficit that have a surplus in trade."

I said, "I think about the disparity between the amount of money we spend for defense and the amount you spend. You spend 1 percent; we spend 5 percent. We keep 55,000 American troops in Japan. It costs us a substantial amount of money. You are the No. 2 economic power in the world; yet, we pay about $1,100 per person per year for defense while our Japanese counterparts pay about $163."

I said, "Why don't you, as the No. 2 economic power in the world, belly up to that responsibility? Why don't you pick up the tab for the American forces that are here to help defend the democracies of Asia? "

I said, "I will tell you something else. If we spent the 1 percent you spend instead of 5 that we spend we would have a substantial budget surplus. If we spent 1 percent, I will tell you you would have chaos in Japan because 53 percent of your oil comes from the Persian Gulf and you would not have the American Navy down there to keep those sealanes open."

There are those who argue that the FSX is a national security issue for the Japanese. In fact, no national security consideration could seriously have prohibited Japan from buying the F-16. Where is the difference between the mutual security interests of Japan and the United States today as allies? There are none in the Northeastern Pacific. Japan has no basis for invoking the GATT exception for national security on the FSX deal.

There are those who point to the persistent cultral forces in Japan blocking truly open free trade. That is one of the points made by James Fallows. But the Japanese decision on the FSX was not the result of some cultural difference. It was purely a Government decision. It was not someone in a supermarket in Japan deciding, "Well, I remember this Japanese product. I am comfortable with this. This I am going to buy." Or someone who says, "Well, it is made in our country, therefore, I am going to buy it." None of that kind of an ancestral reaction.

It was a decision by the top policymakers of a country. It was a decision by the same people who said when Nakasone was the Prime Minister, let us send a buying mission to America to show them we are going to turn it around, that we truly want to buy American products. There was a lot of television, a big fanfare. They bought a few American baseball bats, some California wine, but after the television extravaganza was over, that deficit remained and even grew subsequent thereto.

And then there was the Maekawa Commission, let by the former presi-

dent of the Bank of Japan—and I believe he is sincere when he made this kind of an offer. He called for redirecting Japanese consumption inward—as they did after the 1986 agreement on semiconductors, which promised a much more open market for our producers than actually occurred, as they did after the recent agreement to buy paging devices from Motorola, when they excluded motorola from the profitable areas of the financial districts while giving those to the domestic producers.

In contrast to our attitude after World War II, Japan seems bent on subordinating everything to running $50 to $60 billion a year trade surplus, even to the point of excluding superior imports and endangering the national security of the United States.

It is not just America that gets excluded from the Japanese markets. Japan is an equal opportunity protectionist. It freezes us all out. The policy endangers all allied democracies. While talking to Europeans, they said that is their fear, that is their concern, and that is the kind of resentment that is building up. Japan must understand that. This happened to them before. They felt walled in, they felt excluded, and they meant to break out of it, and finally resorted to the military to try to accomplish that.

But as I talked to people in Europe, they said, "We are not worried about you. You have an open market. You are the biggest consumer in the world. You are our largest customer. We do not want to hit you."

I said, "Well, I think that is true. I do not really think you do, but it is the ricochets that worry me as you try to include us and exclude them.

My friends in Japan should keep that in mind because such a policy carried on and on will endanger Japan. It will create barriers to their products around the world.

In Mending Wall, Robert Frost's narrator describes a man who says good fences make good neighbors. But then the narrator goes on to say, "Before I build a wall, I'd ask to know what I was walling in or walling out."

Deals like the FSX are building blocks in the wall around Japan. They will block not foreign competition, but the friendship and the openess Japan will need from its allies. It is a wall that needs to be dismantled block by protectionist block. Tough competition is well and good, but Japan should not expect us to give away the store in the process, much less California, and the administration should not let them.

Mr. President, I yield the floor.

Mr. D'AMATO addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from New York [Mr. D'AMATO].

Mr. D'AMATO. Mr. President, the whole manner of the FSX deal has been bothering me more and more each day. I think what upsets me the most is the deliberate confusion of the facts by many of the proponents of this deal. I am even bothered by the initials FSX.

People in the Pentagon are famous for coming up with catchy acronyms for their programs, but this one just does not roll off the tongue—FSX. There have been some gems, though. Take, for instance, the passive infrared guidance system, PIGS, or the global atmospheric research program, GARP, or how about the study of advanced technological targets for intelligence research and exploitation, SATTIRE.

To make the name FSX easier to say, I think we would pronounce it fiddlesticks. Webster's unabridged dictionary's definition of fiddlesticks is one word—"nonsense." That is just what this deal is, nonsense. It is nonsense for the Japanese to spend three times as much and take twice as long to get a fighter airplane. It is nonsense for the United States to sell $7 billion worth of F-16 technology for a song, and it is nonsense to believe that Japanese technology will flow back to the United States when we are the leaders in all of the areas involved. As we clear away the fog and the smoke that has been generated and sue the spin doctors for malpractice, what is left? What is the essence of the argument on whether we should allow this agreement to go through or not? A noted scholar long ago pointed out that politics is the business of deciding who gets what. Perhaps an examination of who is getting what in the fiddlesticks deal will lend clarity to the matter.

The first and foremost player in this political game is Japan. What is it they want from this deal? From history and negotiations, their consistent statements, their paramount goal is to have a fighter development program. It is also true that they are concerned about the defense of their homeland.

But if that was their primary concern, Mr. President, the defense of their homeland, then would they not buy the F-16 off the shelf, have them cheaper, have them quicker than fiddlesticks? No, Mr. President, the Japanese want to develop not only fighter airplanes but a whole new industry. This is their goal. We should not forget it or be distracted by secondary arguments.

Mr. President, my colleagues have heard the arguments. Invariably when I talk to them, whether on the record or off the record, I hear statements like this: "Well, if we could get the Japanese to buy the F-16, it would be great. It's the fair thing, it's the right thing." But they will not. Is that what we teach our children? Is that how we deal with friends? We admit that it is the fair thing, it is the right thing, it is the economical thing, it is the best way of burdensharing.

I am sick and tired hearing my colleagues come to this floor and say Japan is sharing the burden. Is this true burdensharing? No. Far less. True burdensharing, true comity, as it relates to friends, means meeting legitimate needs and in this case would be to buy the F-16.

If we do not have the courage and the guts to stand and say to our friends, "Do what is right," how are we going to ask anybody else to do what is right? We have an area that is so clear. This is not shaded. Maybe it is about time we said to our allies and so-called friends, be fair. There is not a legitimate reason for them to turn down the purchase of the F-16. The United States of America now is acting in a cowardly manner. Every area of the executive has sold out. The Defense Department should hang their heads in shame. What nonsense to talk about technological flowback. When one reads the GAO report, it clearly states there is none. We are superior in all these areas, and yet we have make-believe comity. Is it because we are afraid that we may be held hostage as a result of the great economic clout that Japan has? If we continue to conduct ourselves in this manner and give away our industrial base and technological achievements, what will the future hold? How will we deal with the Japanese if in a matter that is so clear they are able to give us the business with fiddlesticks, with nonsense? What happens when there are areas of true disagreement, shades, where the question is not so crystal clear? What happens then? I fear that matters will grow worse. Talk about the economic colonization of America. No one could have believed it a few years ago. We have people writing about the purchase of California, making it a free area, the Japanese yen being used as our currency.

Two weeks ago, Mr. President, I visited my dad in the hospital. He is recovering from minor surgery. He asked me what we were doing in the Senate. I told him about the FSX. My dad is a veteran of World War II. He listened and asked some questions and I tried to answer as best I could. He said to me, "Son, it sounds to me like this is Pearl Harbor without bombs." He said, "Worst of all, it sounds to me that here we have a clear warning and your and your fellows down there don't have the courage to do what you should be doing."

Mr. President, we are not talking about the purchase of sushi, and Sonys, and Toyotas. We are talking about the sale of our industrial base in an area that is important. My staff has developed a very comprehensive paper on the strategic areas where the Japanese have targeted our technolog-

ical areas of expertise. Nine of them concern areas as they relate to fighter airplanes, 8 of them related to submarines, 20 some odd in areas that will determine whether or not the United States is able to be competitive in future centuries and Japan has targeted them. Are we going to continue to sell and give away the technological achievements that in so many cases we, the United States, have discovered and have literally frittered away?

Mr. President, if we cannot stand now, if we succumb to the pressure and the subtleties of those who say, "Oh, this would be terrible if we insisted on doing what was right?" Can you imagine? That is the argument. No one will argue about the merits of whether or not the Japanese should purchase the F-16. They simply respond, "Well, they won't do it."

Mr. President, we have not lost the ability then to take measured response to the request of a reasonable proposition. We still are a valued trading partner and still have economic clout of our own. But if in this instance we are fearful of asking the Japanese to do what is right, what is proper, what will be in our mutual interest as it relates to defense and trade, then when can we be expected to stand up and ask for fairness and assert ourselves for what is right.

I thank the Chair.

Mr. CHAFEE addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Rhode Island.

Mr. CHAFEE. I wonder if the Senator from New York will yield for a couple of questions.

Mr. D'AMATO. I yield for a couple of questions.

Mr. CHAFEE. What does the Senator propose? Here we have a situation where the Japanese said they are not going to buy the F-16 and so working from that decision we work it around until we end up getting 40 percent of the deal. It seems to me that is pretty good bargaining. The Senator talked about getting tough.

Mr. D'AMATO. May I respond?

Mr. CHAFEE. Let me finish, if I might. The Senator said, "Let's get tough." What is the solution of the Senator from New York in getting tough? What do you do?

Mr. D'AMATO. As the Senator has indicated, there have been statements to the effect that the Japanese indicated long ago they would not buy the F-16. Never did we seriously pursue that. Never did we, or did our people in our deliberations say we insist that you buy the best plane at the cheapest cost, that we are not going to codevelop and that if you go it on your own and turn us down as it relates to this, then we will have to take actions that will treat your products in a similar way. You cannot have it two ways and say on one hand that we should have the right to free access to your markets, where our products are superior and cost about the same or less and on the other when you have them saying, "No, America, we have the right to turn you down."

Mr. CHAFEE. Now, let us just pursue this. First of all, bear in mind that the French produced their own fighter, the British produced their own fighter, and the F-16 is licensed to a series of other countries. But you have not yet crossed that threshold. They do not yield to our persuasion. They are not going to buy it. They are going to build their own. What are the further steps one takes?

Mr. D'AMATO. The distinguished Senator from Rhode Island knows there are many. There are many subtleties that can be practiced before one embarks upon a course of action that makes it known that he is serious. I suggest that there is a great array of weapons in the arsenal of trade, and that this is a matter of trade and fairness, and that we have not been treated fairly. I also suggest that the Congress of the United States is a legitimate place to say enough is enough. There are those who say this will embarrass the administration, no one will take our word.

We have a democracy. A deal is not a deal until we the Congress have signed off.

The distinguished Senator from Rhode Island could mention any number of actions that would be appropriate. But we have failed to stand up to the Japanese and insist on fairness. That is my point.

Mr. CHAFEE. We are in a very unusual situation here where if somebody does not buy our product——

Mr. D'AMATO. Which is the best.

Mr. CHAFEE. For their own reasons they choose not to buy our product. Assume it is the best.

Mr. D'AMATO. The cheapest.

Mr. CHAFEE. The cheapest.

Mr. D'AMATO. And can be produced earlier.

Mr. CHAFEE. It can be produced earlier. Every one of those facets can be met, just as the Europeans could have bought our Boeings and our McDonnell Douglas aircraft and they chose not to. They chose to go ahead and build an Airbus. They were illogical. They were unreasonable. They were not fair, but they did it.

Now the Japanese are saying the same thing. And by the way, there is nothing secret——

Mr. D'AMATO. Will the Senator yield?

Mr. CHAFEE. Could I just finish.

There is nothing secret about building an airplane. The Japanese do not have to rely on our technology or these codes. If they concentrate on it, they can build a good airplane just as we are doing.

Mr. D'AMATO. Will the Senator——

Mr. CHAFEE. But the Senator has not yet told me. So there is the situation. They are not going to buy it and he is going to get tough. Tell us, what is the Senator going to do?

Mr. D'AMATO. There is a whole array of things that the Senator from Rhode Island knows are available to us. Let us not forget that there is a great difference between a country that is running a $50 billion a year trade surplus, which is Japan, and our European allies. There is a matter of trade and we are inextricably linked. I should think that the Senator from Rhode Island would concede that the Japanese are not spending $500 million for nothing; that certainly the Japanese have never given away money, and in their purchase of this technology they are receiving a bargain.

Mr. CHAFEE. Well, I have tried to get an answer.

The PRESIDING OFFICER. Under the previous order, the Senate is supposed to stand in recess at this time.

Mr. CHAFEE. I ask unanimous consent we might continue for 10 minutes.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. CHAFEE. Mr. President, I have great respect for the Senator from New York, and I have listened to this debate here, much of it carried on at the top of the lungs of various participants, but we have not yet received an answer about what we can do. I wish the Japanese would buy the F-16 and, as the Senator from New York has pointed out, that makes sense. It makes sense from their point of view, from our point of view, from the defense point of view. But they are not going to do it. So we have worked out this deal.

I think it is a pretty good deal. I think the fact that we went from zero up to 40 percent is pretty good going. What do we have? What is our leverage?

Mr. D'AMATO. If the Senator will yield, I know the next thing that will be said is, "You are going to start a trade war." But I think there comes a point in time when America can and should say if you are not going to buy the best and cheapest, deliver it at the earliest, we will selectively bar certain products from coming into this country where our industries can benefit.

It is an incredible irony while the Congress is being called upon to stop the production of the F-14, the best plane that we have serving the Navy at the present time, we are going to coproduce this plane because we are being blackmailed into it because we do not have the courage to stand up and say to the Japanese "Treat us fairly."

If we want to consider any number of products which come to the United

States from Japan, we can say they will not come in. Now, some may suggest that this will start a trade war but at some point and some time we have to stand, and if we cannot stand now when the issue is so clear, we are talking about fundamental fairness, I suggest it is going to be much more difficult in the future.

Mr. CHAFEE. We have a very interesting proposal here, that because somebody does not buy our product we think they ought to buy, we turn to them and say, "All right; if you won't buy our product which we think you ought to buy and we say it is a very fine product, therefore we are going to prevent you from selling other products here in the United States."

Mr. D'AMATO. That is a question of fairness and fair play. Is that not the principle of which we talk about free trade and fair trade? Is that not the underlying principle? Do we not have reciprocity, or is it just free trade and fair trade when you are allowed to sell your products here, but when we have something that is superior, you say, "Oh, no; we are going to do our own." I do not think that is free trade and fair trade. If you want to call me a protectionist for saying let us see to it that these principles are adhered to, then I take the burden and I will accept that label. But I do not think that is being protectionist.

Mr. CHAFEE. That is an unusual definition of not being protectionist, but I will point out to the Senator in addition, if his proposals were followed, we would be violating treaties that we ourselves have entered into. Maybe he wants to brush right by that and is not concerned. But we are starting down, I think, a very slippery path. If we are saying to somebody if you do not buy what we have, we say to other nations in the world, if you are buying an airbus, you ought to be buying a McDonnell Douglas. It is the best plane going. We say we have objectively analyzed it, and therefore, if you do not, we are going to prevent you from selling your products in the United States. That is a very interesting proposal. We might as well understand the terms that we are talking about here.

Mr. LEVIN. If the Senator from Rhode Island will yield, how is that any different from Super 301 where we say if you will not buy our telecommunications or you will not buy our auto parts or you will not buy this and that, we then have the right to put some restrictions on your VCR's, your cars, and your cameras? They are different products, but we authorize the President in his Super 301—to put pressure on the President—to finally respond to Japanese unfair trading practices, and that is the gut issue here.

They should buy our F-16's and there is a way to make them buy our F-16's. That is to tell the Japanese that if they will not buy our product that we can make cheaper and better than they can—and the F-16 is a cheaper, better product that can be made more quickly than the FSX—if they will not buy the product that we can make more efficiently, more cheaply, and more quickly to meet their military needs, then we are going to have to place some restrictions on our goods because we need a two-way street in trade.

We are not beginning down a slippery slope. We have slid down a slippery slope. We are at the bottom of that slope. We have a $40 billion trade deficit.

I am not mad at the Japanese. This is not Japan-bashing. I am mad at us. I am mad at us because we will not act to protect our own economy and our own jobs.

So, focus the fire right here on Washington. We are not aiming this at Tokyo. This is aimed right here at Washington. We should act to protect our own economic interests. They should buy our F-16's. That is the issue.

Mr. CHAFEE. That is a wonderful way to proceed. I have a house to sell. People are not buying it. They ought to buy it. What is the matter with them? They are not paying the price I am asking. Something is wrong, and I think I have a right to sue them.

Mr. LEVIN. Is the Senator saying there is no unfairness in the area of trade?

Mr. CHAFEE. The Senator's interpretation of 301 was certainly a highly unusual one. I am somewhat familiar with it, having been involved with that for a number of years. But the interpretation that the Senator has given to it is somewhat broader than Super 301 is. But all I am saying is those who are out there objecting to this deal ought to come up with a solution.

I think whoever worked this deal out did a good job. They came from a situation where people were not going to buy it at all, are going to manufacture their own, and worked it up until we are now getting 40 percent of the work. That is a pretty good deal, I would say, and whoever bargained that, I think, should be commended.

I urge that we vote down this resolution of disapproval.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The Senator from West Virginia.

AMENDMENT NO. 101

(Purpose: Relating to the cooperative arrangement with Japan regarding the FS-X weapon system)

Mr. BYRD. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from West Virginia [Mr. BYRD], for himself, and Mr. PELL, Mr. DANFORTH, and Mr. MOYNIHAN, proposes an amendment numbered 101.

Mr. BYRD. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Strike out all after the first word and insert in lieu thereof the following:

SECTION 1. CODEVELOPMENT OF THE FSX WEAPON SYSTEM.

(a) IN GENERAL.—The President shall ensure that all technology, defense articles, and defense services provided by the United States or any United States corporation or entity to Japan pursuant to the agreement described in subsection (b) to codevelop the Support Fighter Experimental (FSX) weapon system shall be subject to the requirements of subsections (a), (c), and (d) of section 3 of the Arms Export Control Act.

(b) DESCRIPTION OF AGREEMENT.—The agreement referred to in subsection (a) is the agreement for which the President submitted a certification pursuant to section 36(d) of the Arms Export Control Act on May 1, 1989 (transmittal no. MC-9-89).

SEC. 2. COPRODUCTION OF THE FSX WEAPON SYSTEM.

(a) IN GENERAL.—In the event that the United States and Japan seek to coproduce the FSX weapon system—

(1) the United States and Japan shall negotiate and sign a Memorandum of Understanding (MOU) containing the terms and conditions for that coproduction; and

(2) such MOU shall—

(A) prohibit the transfer to Japan of critical engine technologies (including, but not limited to, hot section and digital fuel control technologies); and

(B) prohibit the sale or retransfer by Japan of the FSX weapon system or any of its major subcomponents codeveloped or coproduced with the United States.

(b) APPLICATION OF ARMS EXPORT CONTROL ACT.—Technology, defense articles, and defense services resulting from any coproduction of the FSX weapon system by the United States and Japan shall be subject to the requirements of subsections (a), (c), and (d) of section 3 of the Arms Export Control Act.

(c) POLICY ON UNITED STATES WORKSHARE.—It is the sense of the Congress that any Memorandum of Understanding (MOU) between the United States and Japan on coproduction should specify that the United States share of the total value of the coproduction shall be not less than 40 percent of that value, including the value of manufacturing spare parts and other support items which are part of the lifetime maintenance costs of the FSX weapon system.

SEC. 3. GAO REPORT.

(a) IN GENERAL.—Beginning 6 months after the date of enactment of this joint resolution, and every 12 months thereafter, the Comptroller General of the United States, after consultation with appropriate officials of United States agencies represented on the Technical Steering Committee, shall submit to the Speaker of the House of Representatives and the chairman of the Committee on Foreign Relations of the Senate a report describing the progress made in implementing the Memorandum of Understanding (MOU) Between the United States

Department of Defense and the Japan Defense Agency on Cooperation in the Development of the FSX Weapon System, signed on November 29, 1988, and related documents thereto.

(b) DEFINITION.—For purposes of this subsection, the term "Technical Steering Committee" refers to the FSX Technical Steering Committee established jointly by the Japan Defense Agency and the United States Department of Defense.

SEC. 4. IMPACT OF MOU'S RELATING TO THE FSX WEAPON SYSTEM ON THE COMPETITIVE POSITION OF THE UNITED STATES.

(a) SOLICITATION OF RECOMMENDATIONS.—In the implementation of the Memorandum of Understanding (MOU) and related agreements between the United States and Japan regarding the codevelopment of the FSX weapon system, and in the negotiation, renegotiation, and implementation of future memoranda of understanding and related agreements concerning coproduction of the FSX weapon system, the Secretary of Defense shall regularly solicit and consider comments or recommendations from the Secretary of Commerce with respect to the commerical implications and such agreements and the potential impact on the international competitive position of United States industry.

(b) REVIEW BY SECRETARY OF COMMERCE.—Whenever the Secretary of Commerce has reason to believe that any such memorandum of understanding or related agreement has, or threatens to have, a significant adverse impact on the international competitive position of United States industry, the Secretary of Commerce may request a review of the agreement. If, as a result of the review, the Secretary of Commerce determines that the strategic commercial interests of the United States are not being served, the Secretary of Commerce shall recommend to the President any modification to the agreement he deems necessary to ensure an appropriate balance of interests.

(c) CONSIDERATION OF RECOMMENDATIONS.—(1) The President shall consider the recommendations of the Secretary of Commerce concerning—

(A) the commerical implications of any such memorandum of understanding or related agreement, and

(B) the potential impact on the international competitive position of United States industry,

in determining whether such memorandum of understanding or related agreement shall be implemented or agreed upon.

(2) Any such memorandum of understanding or related agreement shall not be implemented or agreed upon if the President determines that such agreement is likely to have a significant adverse impact on United States industry that outweighs the benefits of implementing on entering into such an agreement.

SEC. 5. DEFINITIONS.

As used in this joint resolution, the terms "defense article" and "defense service" shall have the same meanings as are given to those terms in paragraphs (3) and (4), respectively, of section 47 ot the Arms Export Control Act.

AMENDMENT NO. 102 TO AMENDMENT NO. 101

(Purpose: To prohibit the export of technology, defense articles, and defense services to codevelop the FSX aircraft with Japan)

Mr. DIXON. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Illinois [Mr. DIXON] proposes an amendment numbered 102 to amendment No. 101.

Mr. DIXON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

Mr. LEAHY. Mr. President, reserving the right to object, will there be an explanation of what these two amendments are?

Mr. DIXON. In due time, may I say, Mr. President, there will be an explanation. I would be glad to explain very briefly.

Mr. LEAHY. That is all right. I do not object.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Strike out all after "section" on line 3, page 1, and insert in lieu thereof the following:

(a) the proposed export of technology, defense articles, or defense services pursuant to a license and technical assistance agreement with Japan described in subsection (b) to codevelop the Support Fighter Experimental (FSX) aircraft is prohibited.

(b) An agreement referred to in subsection (a) is an agreement for which the President submitted a certification pursuant to section 36(d) of the Arms Export Control Act on May 1, 1989 (transmittal No. MC-9-89).

Mr. LEVIN addressed the Chair.

The PRESIDENT pro tempore. The Senator from Michigan.

Mr. LEVIN. Mr. President, I would be happy to withhold the request for recognition if the majority leader seeks recognition. I did want an opportunity, if I could, to seek unanimous consent to delay recess for 10 additional minutes so that I can make a statement. If that does not fit with the leader's plans, so be it.

Mr. MITCHELL. I thank the Senator from Michigan.

OATH ADMINISTERED REGARDING IMPEACHMENT TRIAL OF WALTER L. NIXON, JR.

Mr. MITCHELL. Mr. President, I note the presence in the Chair of the President pro tempore and the presence in the Senate Chamber of the distinguished Senator from Rhode Island, and I understood the distinguished Senator from Texas was here as well, and that the swearing in of the Senators from Rhode Island and Texas in connection with the pending impeachment proceeding is required. I ask that the Chair proceed to the swearing in.

Could I have the attention of the Senator from Michigan. It is my understanding that the Senator from Michigan also was not sworn in connection with the impeachment proceedings.

Mr. LEVIN. That is correct.

Mr. MITCHELL. Then I ask that the Chair administer the oath, as soon as the Senator from Texas enters, which I understand will be momentarily. Mr. President, I ask unanimous consent, to accommodate the Senator from Michigan, that following such swearing in, that the recess for the party caucuses under the previous order not commerce until the hour of 12:55 p.m.

The PRESIDENT pro tempore. Without objection, both requests are granted.

Mr. MITCHELL. Mr. President, I note the presence now of the distinguished Senator from Texas, and I ask that the President pro tempore administer the oath to the Senators from Rhode Island, Texas, and Michigan.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The Senators will please raise their hands and be sworn. Do you solemnly swear that, in all things appertaining to the trial of the impeachment of Walter L. Nixon, Jr., judge of the U.S. District Court for the Southern District of Mississippi now pending, you will do impartial justice according to the Constitution and the law, so help you God.

SENATORS. I do.

DISAPPROVING THE EXPORT OF TECHNOLOGY TO CODEVELOP OR COPRODUCE THE FSX AIRCRAFT WITH JAPAN

The Senate continued with the consideration of the joint resolution.

Mr. CHAFEE. Mr. President, I have been listening with great interest to my colleagues debate the fighter support experimental, or FSX, agreement. Those in opposition are adamant frequently at the top of their lungs, in their belief that the United States would be unwise to proceed with this agreement. Their reasoning, is based on their view of Japan as an unreliable ally and an unfair economic adversary.

I wish to say a few words in support of the FSX agreement. I disagree with its opponents, that Japan is an unreliable ally. Quite the opposite: I think this is a relationship that is important to the United States and which should be cultivated, not severed. And second, I believe that the FSX agreement will not diminish the competitiveness of American industry. Indeed, I think this agreement helps, not hinders, our companies, and it decreases, not increases, our trade deficit with Japan.

Let us look at the facts:

First, many opponents of this FSX deal argue that Japan should buy American-made F-16 aircraft outright, off the shelf. Now, no one in his right mind would dispute that this would be the most desirable outcome for the United States.

In the mid-1980's, it became apparent that Japan needed to modernize its aging F-1 aircraft—which were built in Japan—in order to continue to pull its weight in terms of the common defense in the Pacific. In 1987, the Senate voted unanimously for a resolution expressing its sense that Japan should purchase F-16 aircraft from us, rather than develop its own. This would have been the most lucrative option for the United States, the most comfortable in terms of protecting our technology, and arguably the cheapest option for the Japanese Defense Agency.

But the fact is, the Japanese were determined to develop their own advanced fighter aircraft. They have the money to do so, they have plenty of time and patience, and they are not proscribed by any treaty or agreement from doing so. In short, there is nothing stopping the Japanese from going ahead with their plans to develop this new plane, just as the French and the British do.

So it was in the economic and security interest of the United States to persuade Japan to allow us to codevelop, and eventually coproduce, the FSX. Otherwise, there would be no work for United States companies, no Japanese yen coming into this country, no hope of obtaining technology from the Japanese, no control over the future use or sales of the FSX, nothing.

I will make this point again. The emphasis of the last few days' debate has been misleading. The choice between the FSX agreement and an outright purchase of our F-16 aircraft by the Japanese does not exist. Rather, it is a choice between participation in this cooperative endeavor, or no participation whatsoever. Let us keep this straight.

In fact, we would be doing Japan a favor by rejecting this deal. The Japanese Government has been under a great deal of domestic pressure not to go through with it. They would be quite glad to keep all the business within their borders, and delighted to retain autonomy over the final product. And I am certain that they would be relieved not to live through a debate such as this one. At any rate, we should bear in mind that the FSX agreement is our idea, not theirs. We pursued it because it is in our interest.

Another point that I have heard made and that I have read in various editorials is that this deal is somehow a giveaway to Japan. I fail to see how this is a giveaway. Again, let us look at the facts:

The entire cost of the FSX program will be funded by Japan.

Based on an estimated development budget of $1.2 billion, the U.S. development work share will be about $450 million.

Based upon an estimated production budget of $5 billion for 130 planes, the U.S. production work share will be about $2 billion.

This deal stands to create more than 22,000 man-years of employment in the United States.

There will be automatic flowback to the United States of FSX technology that is derived from F-16 technical data.

Mr. President, this doesn't look like a giveaway to me. On the contrary, it looks like a pretty good deal.

For those of us who are troubled by our large trade deficit with the Japanese—about $50 billion—this deal should come as good news. In the course of development and production of the FSX, this agreement stands to eliminate 5 percent of this trade deficit.

For those who have called upon Japan to assume a greater share of the defense burden, this agreement should be heartening. Japan has committed $6.2 billion for this program. The decision to build a new class of fighter aircraft, in order to fulfill the mission of sea-lane surveillance and antishipping, is an important part of an overall trend in Japan to spend more on its defense and on cooperation with its military allies. This trend should be encouraged.

The technology transfer involved in FSX codevelopment has also been a sticking point. Many critics of this deal fear that: First, sensitive, state-of-the-art F-16 technology will be transferred to the Japanese, allowing them to advance significantly in the civilian aviation industry; second, the Japanese will sell the FSX to third countries for profit, or worse yet, they will sell it illegally to our adversaries; third, the technology the United States gets in return has no real value to us; and fourth, the Commerce Department has not given its input as to whether this deal will hurt U.S. industrial competitiveness.

It is essential to point out that the F-16 technology that would be transferred to the Japanese does not represent the leading edge of United States fighter aircraft technology. According to former Secretary of Defense Frank Carlucci, this technology is over 10 years old. Furthermore, the United States is developing its own advanced tactical fighter [ATF] capability, not a speck of which is part of the FSX deal.

Nor is this transfer of F-16 technology without precedent. Belgium, Denmark, the Netherlands, Norway, Israel, and Turkey have all coproduced portions of the F-16.

There is much disagreement over whether Japan could use this technology to develop a commercial aviation industry. But the fact remains that no one has proven that fighter jet technology is applicable to wide-bodied commercial planes. And what astounds me as I listen to the debate on this point, is that the aerospace industry in this country supports the FSX agreement. Not merely General Dynamics, which will codevelop the plane with Mitsubishi Heavy Industries, but also Boeing and McDonnell Douglas and Rockwell and Raytheon. All of these companies are for the deal.

The very industry that opponents of the FSX agreement want to protect does not want to be protected.

If Japan wants to develop a commercial aviation industry, it will. I have no doubt that Japan can do it. But our companies do not seem daunted by this prospect, and with good reason. The American aeorspace industry leads the world, and has what it takes to stay on the cutting edge.

Critics of this deal argue that the Commerce Department did not have the opportunity to gauge the deal's potential effect on U.S. industrial competitiveness.

Again, I think these critics are overzealous. After all, it was Secretary of Commerce Mosbacher who urged that the Bush administration take a fresh look at this deal, which had been negotiated by the Reagan administration. At his urging, greater restrictions were placed on the flow of commercially applicable American technology to Japan. At his urging, stronger assurances were obtained that the United States would garner a 40-percent share in the production of the FSX.

Now Secretary Mosbacher supports the deal, and urges us to do the same. I for one am prepared to take his word for it that the Commerce Department had significant input in the final FSX agreement.

To conclude, I urge my colleagues to look clearly and realistically at the FSX agreement with Japan.

If the Congress disapproves this venture, the United States stands to lose: Jobs; funds that would decrease our trade deficit; access to useful technology; control over future use of the FSX aircraft; a say in transmission of FSX technology to third countries; the willingness of Japan to contribute to the common defense; and the good will of an important ally.

I hope other Senators will take a good look at this deal, and realize it is in the best interest of the United States.

Mr. LEVIN addressed the Chair.

The PRESIDENT pro tempore. The Chair recognizes the Senator from Michigan.

Mr. LEVIN. Senator BINGAMAN's subcommittee held hearings on the FSX. During those hearings I asked a witness from the Pentagon whether the F-16 would meet the military requirements that Japan had for a new fighter. His answer was that the F-16 could meet Japan's needs. I also asked this witness whether Japan could meet its

commitment to defend the sealanes more quickly if it purchased our F-16's than if it were to develop and produce the FSX. His answer was that there was no doubt that this commitment could be met more quickly if Japan purchased the F-16. I then asked a witness from the Commerce Department if it was cheaper for Japan to buy the F-16 than to produce the FSX. Her answer was "Yes."

Mr. President, the F-16 is adequate to meet the defense mission requirements that Japan has for a new fighter aircraft, and Japan can fulfill their commitment to defend the sealanes more quickly with the F-16, and it is cheaper for Japan to buy the F-16 than it is to develop and produce the FSX.

That being true, there is a question that permeates this debate—it is the underlying question, the fundamental issue—why will Japan not buy our aircraft? We buy their TV's, we buy their cameras, their VCR's, their cars; why will Japan not buy our F-16? It is the best plane for the best value.

Now, one answer to that question is contained in a recent report called the National Trade Estimate, which is produced by the U.S. Trade Representative. Under the category of aerospace, the report states the following:

> Japan has targeted its aerospace industry development. A coherent Japanese plan is in effect, and the Japanese Government plans to make aircraft production one of Japan's major industries within 20 years. This would mean direct competition with the U.S. aerospace industry, which is the largest in the non-Communist world.

If we need further indication, we should listen to the Japanese themselves. Yotara Eda, president of MHI, who testified in the Japan Economic Journal in January of this year, said, "The technology that we will develop and accumulate during the FSX project will be instrumental in the development of next generation planes, such as hypersonic and supersonic transports."

Now, I realize, Mr. President, that there is significant debate on the question of whether the FSX deal will provide Japan with information which will be transferable to their commercial aerospace industry. At a recent hearing, I asked the Commerce Department witness if this agreement would help Japan to further their commercial aerospace industry, and the answer was that it would help, but only minimally, because the United States will control the technologies that will be transferred to Japan.

The assumption is that we will not provide the Japanese with technological information that will allow them to get knowledge about aircraft systems integration that could be transferred to the commercial sector. Well, then you have to ask the question, why is it that Japan is willing to spend an estimated two to three times more to develop and produce the FSX than it would cost them to purchase the same number of F-16's, and why is it that this agreement would mark the first time that the United States would assist Japan in designing and developing a fighter aircraft?

The answer comes again from the Japanese themselves. We should remember very, very clearly what it is that they are saying about the FSX deal. I quote them again, the president of MHI, "The technology that we will develop and accumulate during the FSX project will be instrumental in the development of next generation planes, such as hypersonic and supersonic aircraft."

I think one of the key questions which has been asked here has been pressed by our friend from Rhode Island. That question is: They will not buy our F-16's; how are you going to force them to do it? What do you do if they refuse to buy the plane which makes the most sense for them, at least in the short term, in terms of carrying out their military mission, a plane which we know from testimony, unanimous testimony, can carry out the Japanese military mission, which can be produced more cheaply than the FSX; what do we do about it, if they refuse to buy our products? What do we do if they refuse to buy our—and then you can fill in the list yourself in any State that you happen to represent. It might be rice or might be timber, might be citrus or auto parts, or it might be telecommunications equipment. It is a long list.

But what do we do? Are we helpless, and do we say in that case, heck, we will take 40 percent of the jobs? So what if we are digging a hole for our own aerospace industry and helping the Japanese to put us out of business. We will take what we can get. Is that our response to the challenge here? My answer is, it must not be. We must end that kind of response. We must at long last tell the Japanese and others, because they are not alone in discriminating against American goods, that if you will not buy our planes, that we are not going to be able to buy the items that you produce in the quantity that you are now selling them in the United States.

That is what Super 301 is all about. It is to put some pressure, finally, on our own administration to respond to unfair trading practices, and this is an unfair trading practice. They should buy our F-16's, the way they should buy our rice and auto parts and our citrus, and on and on and on, and our beef. Why do we tolerate restrictions on American beef going to Japan if they are free to sell everything that they produce here? It is costing us jobs, and it is going to cost us part of our future, and we have to put an end to it.

And if you get away from that question, once you leave that question, then you start rationalizing this sale. But come back to the question: Why will they not buy our F-16's and what can we do to force them to open their markets to our products?

What can we do? We have to tell them simply, honestly, straightly, as an ally and as a friend, in a very straightforward fashion, that there is going to have to be a change. "You are going to have to buy our products or we are going to have to put some restrictions on your products."

There is no other way that you can function in this world. If you cannot trade your things to the other countries, then you are going to end up being a second- or third-rate economic power if you continue to buy and buy and buy and buy without being able to sell.

I believe it is that prospect, that there would be some restrictions, some reciprocal restrictions on their sales here of the products that they flood our market with, that prospect and that prospect alone is going to persuade the Japanese to engage in fair trade and to buy the products that we make better and that we make cheaper and that we make faster, and that is the F-16.

Again, if you assume they will not buy our F-16's and that you cannot do anything to force the issue, and if you assume that they can get away with it, then you start justifying the argument that 40 percent of the loaf is better than none.

And that is the assumption that we have ot turn around. We have to blow the whistle on the one-way traffic in trade. We must say firmly to Japan that, "If you will not buy our F-16's, that your government, which closes markets of Japan to so many of our goods, that your government's actions are going to precipitate a response here and we are going to have to treat you no better than you treat us in the area of trade."

So a vote to ratify the FSX deal, Mr. President, is much more than that. It is a ratification of Japan not buying our F-16's. That is what this vote is all about.

It is not just, "Are you for the FSX deal?" The vote is whether or not we are going to accept the situation where they will not buy the plane which can be made faster, better, and cheaper and which will meet their military needs. It is a ratification, I believe, if we do ratify this deal, of the seeds of the destruction of our competitive edge in aerospace.

We have a long history of coproducing aircraft with the Japanese, but we have never before worked with them on the design and development of a military aircraft. This agreement will allow them to work in concert with

one of the masters of the U.S. aerospace industry, General Dynamics, in the design and manufacture of a highly sophisticated aircraft.

This situation is analogous to a circumstance in which a person with little experience decides to become a master woodworker, a profession that demands a high degree of skill and knowledge. This person has two choices—to learn about the subject on their own and work through the trials and failures until they get it right, or to become an apprentice to a master woodworker. To observe the master's technique and tricks of the trade, would allow the apprentice to become more proficient at this profession in significantly less time than it would take to learn it alone.

I believe that even if stringent technology transfer restrictions are observed, by being apprenticed to General Dynamics in this project, the Japanese will learn more that is useful to their commercial aircraft industry in a shorter period of time than they would have on their own.

And what can they learn in spite of controlled technology transfer—systems integration.

This is the process of getting past all the obstacles that arise when manufacturing a very complex machine like a modern fighter aircraft.

Even though we will be withholding the computer codes for the flight computer, we will be assisting the Japanese in making the whole aircraft fit together.

In collaborating with GD on the development and design of the FSX, Japan will get a firsthand understanding of how to design and manufacture a first-rate airframe and then fit all the other complex parts such as the engine and the other hardware and software.

According to a recent MIT study on Japanese aircraft production—

> Systems integration—with its blend of stiff technical and managerial requirements—is the most challenging aspect of aerospace production and, given the infrequency of full scale production programs, also the hardest set of skills to develop.

And, when Japan has acquired enough knowledge to sustain a productive domestic commercial aerospace industry, the United States aerospace industry can kiss away the Japanese market; and more—we will have helped put in place the competitor who will cut into our market. Aircraft trade is one of the few areas where the United States enjoys a huge surplus with Japan, as well as worldwide. United States exports in aircraft and components to Japan have risen significantly over the past few years. For example, in 1988 the United States exported $2.7 billion in aircraft and related items to Japan, while we imported just $425 million in these items from Japan.

But, we must remember that the United States has a huge $55 billion trade deficit with Japan. Our trade deficit with Japan is larger than the next five largest trade deficits we have with other nations. This deficit has arisen in part because the Government of Japan has a policy of putting up massive trade barriers that protect their domestic industries and keep United States products out. This policy was recently highlighted in the USTR report, which alleged that here were currently over 30 trade barriers constructed by the Japanese Government.

If Japan constructs a viable commercial aircraft manufacturing industry you can then add a few more billion to our present trade deficit, further eroding our economic and national security.

Finally, Mr. President, let me reiterate: Nobody should get mad at the Japanese or any other country that takes advantage of our foolish trade policies. The focus of our people's anger for our shortsighted policies should be right here in Washington. We can control our own economic destiny like other countries control their economic destinies and like other countries fight against that one-way street in trade.

This FSX deal is bad for America, simply because Japan should be buying our planes, not our expertise. They should be buying our planes. And it is that simple and it is that vital to our country's future.

So I want to commend our friend from Illinois for the fight he has been leading here. It is a much more important fight than one deal, one vote on one deal. The implications of this vote, I believe, are far reaching and will have a dramatic impact on what the understanding is in other countries about our determination or our lack of will to insist that our economic future is going to be a bright one because the street in trade is going to be a two-way street and not a one-way street.

I thank the Chair and I yield the floor.

Mr. DIXON. Mr. President, I think now it is appropriate for us to go out for the conference luncheons and return about 2:15 or so after the conference luncheons.

But I want to say, in as strong a manner as I possibly can, that every Senator here ought to be indebted to the Senator from Michigan for his very clear articulation of what we can do if they will not buy the F-16. All this talk boils down to all our friends saying "Oh,"—when they wring their hands—"I might as well go along with this. The horse is out of the barn. The deal is done. Nothing we can do about it. What are we going to do if they don't buy the F-16?"

The Senator from Michigan told us what we can do if they do not buy the F-16. The Senator from Michigan has articulated what the policy of the United States of America ought to be. And I congratulate him, because, in his usual, clear, concise, cogent manner, the Senator from Michigan has gone right to the heart of this thing and said, "Yes, sir, yes, ma'am, there is something we can do. When we have the best product at the cheapest price and they will not buy it, there is something we can do."

And the challenge, the challenge, Mr. President, for the Senate, the challenge for the Congress, if this administration does not have the willingness to do it, is to go foward and to do it ourselves. And that is what this great debate is about.

I am indebted, as I usually am, to the intellectual capacity and the precise ability of my friend from Michigan to articulate perfectly the simple issue involved here.

I suggest, Mr. President, that we recess now until after the two conferences on the two sides and return at 2:15.

RECESS UNTIL 2:15 P.M.

The PRESIDING OFFICER. The Senate will stand in recess until 2:15.

Thereupon, the Senate, at 12:55 p.m., recessed until 2:15 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. STANFORD].

DISAPPROVING THE EXPORT OF TECHNOLOGY TO CODEVELOP OR COPRODUCE THE FSX AIRCRAFT WITH JAPAN

The Senate continued with the consideration of the joint resolution.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. ROCKEFELLER. Mr. President, I oppose the resolution of disapproval of the FSX agreement. I believe that the proposed arrangement on FSX, now that it contains the so-called clarifications that President Bush successfully obtained from Japan, is acceptable. It is not an ideal agreement. I would have preferred that Japan buy a fighter off-the-shelf from the United States, but that was never a realistic possibility. The current agreement will result in $2.5 billion for the United States in the codevelopment and the coproduction stages of this project, which translates into 22,000 man-years of work. Rejection of this agreement would mean that Japan will either develop a fighter indigenously or negotiate an arrangement with a European country for coproduction. In either of these cases, it would result in no sale by the United States.

I am also satisfied with the understandings on technology flow, in both directions, that are in the clarifica-

tions obtained by the President. Most important, and I think this is the most significant aspect of the entire FSX issue, I am pleased that the Department of Commerce, USTR, and other agencies concerned about American trade and competitiveness have finally become part of the process when considering this type of defense arrangement. It will require vigilant monitoring by the Congress to ensure that these agencies continue to be integrally involved in that process, and I, for one, will work hard to make sure that happens.

Finally, this agreement contributes to our security goals in Asia. The FSX will help Japan meet the defense commitments it made in the early 1980's to defend its territory, coastal waters, airspace, and sealanes to 1,000 miles, an important priority of the United States. It also means that the integration of Japanese and American forces will grow and our defense relationship will remain strong.

Throughout the postwar era, America's relations with Japan and many other countries have been defined principally by traditional security and foreign policy concerns. The world has changed, however, and trade, technology, economic, and financial matters have taken on a much greater importance in defining the U.S. national interest. We no longer have the luxury of a defense policy that excludes these vital components of our national strength. We must learn to blend our defense interests with equally important economic interests into a unified, manageable, and coherent foreign policy. The FSX issue has forced us, for the first time, to address this conflict between our traditional defense policy and critically important trade and competitiveness issues. It is unfortunate that it took such an internal battle to force those who would prefer to look at the world only through the narrow focus of defense to open the decisionmaking process to the realities of today. But it was necessary, and it succeeded.

Let me review the history of the FSX to demonstrate just how far we have come. Earlier this decade, Japan recognized the need for a new fighter to deal with the expected threat in the Northwest Pacific in the late 1990's and beyond. Initially, Japan wanted to build an indigenous fighter, independent of United States or other foreign technology. This would have been a mistake. American military aircraft are the best in the world. Japan would have had to spend far more than if they had purchased a fighter from the United States and would probably end up with a less capable aircraft. Scarce Japanese defense funds would probably be diverted from other important projects. Following considerable pressure on Japan, including an amendment to the trade bill that I fully supported, Japan decided, in October 1987, not to follow the route of domestic development and instead to enter into discussions on codevelopment and coproduction with the United States.

In November of last year, the two governments signed a memorandum of understanding on codevelopment, and in January, General Dynamics, the manufacturer of the F-16 on which the FSX will be based, signed an agreement on codevelopment with Mitsubishi Heavy Industries, the prime contractor in Japan.

Until this point, the government-to-government negotiations were carried out in the traditional way with the Department of Defense talking directly to its counterpart, the Japan Defense Agency. The Department of Commerce and other agencies responsible for our trade and technology policies were not involved in these negotiations, despite the direction contained in the Fiscal Year 1989 Defense Authorization Act that the Secretary of Defense must, when considering defense-related agreements, solicit and consider information and recommendations from the Secretary of Commerce about the effects on the U.S. industrial base.

The memorandum of understanding dealt only with the development stage of the FSX and did not include the proportion of production that would be allocated to American industry. Also, questions were raised about technology that would be transferred to Japan—technology that might hasten Japan's development of a competitive aircraft industry. Finally, there were doubts as to whether Japan would actually transfer technology back to the United States as a result of FSX development.

Congress stepped into the picture, with many of us insisting that the President seek clarifications from Japan before formally notifying the Congress of the FSX agreement. We also introduced measures, not yet enacted, to make the Secretary of Commerce a statutory member of the National Security Council and explicitly to strengthen the role of the Secretary of Commerce in the negotiation and implementation of defense memorandums of understanding such as this one to assure that adequate consideration is given to the impact on U.S. industry's international competitiveness.

The result of this activity is the agreement before us. As I said before, it is not an ideal agreement, but it is one that helps enhance our security objectives while not damaging America's competitiveness.

We face a unique situation in our relationship with Japan, and that is what has made this matter so difficult for us. Japan is at the foundation of our strategic and political relations in Asia and the Pacific. Japan is the key to our defense strategy in the Pacific and to the regional elements of our global defense commitments. We have no more important or closer ally in Asia.

At the same time, Japan represents the greatest economic challenge, or threat if you prefer that word, we have ever faced. In sector after sector, Japan is challenging our ability to compete in the world and in our own domestic marketplace. Never before in history has our principal economic competitor also been one of our closest military and political allies. We must determine how to cooperate in defense while also maintaining our economic security. These two elements, each vital to U.S. security, need not be mutually exclusive. We must learn how to blend the two elements, and I believe that we have begun this learning process with the FSX. This change in thinking in the United States is something that many of us have been insisting upon for years. I think the change has come as quite a shock to Japan and our other allies who watch us so closely. It has come as a shock to many Americans as well.

There are three messages that I hope will emerge from the FSX debate. These messages are directed at Japan, at our other military allies and trading partners, and at the administration.

First, the United States remains a strong ally of Japan. We will meet our defense commitments, and we expect Japan to do the same. Second, it is no longer business as usual where we permit a one-way flow of civilian and defense technology from the United States to Japan. If Japan expects to be treated as an equal partner, it had better act like one. The bilateral agreements we signed in 1983 and 1985, for example, under which Japan was to allow the unrestricted export of military technology to the United States, can no longer be ignored. The Science and Technology Agreement with Japan that we revised and renewed last year, and which includes provisions for a more equitable and balanced access to research facilities in Japan, must show results. Third, the United States is redefining the term "national security" to include both the traditional defense component and economic factors. We will give a higher priority to trade, technology, and competitiveness concerns as we make national decisions in the future.

My final point relates to the general problem of implementation of agreements with Japan. Americans believe that once you sign an agreement, you have a contract that will be self-enforcing. This is not the case with Japan where an agreement is only the first half of the process. Equal effort must go into the implementation phase, monitoring and assuring en-

forcement of the agreement. Our Government, unfortunately, has a history of inattention to this critical stage. We stop paying attention after the agreement is signed and are then surprised 6 months, or a year, or 2 years later to find that nothing has happened. This cannot be allowed to occur with the FSX.

In sum, I believe the FSX debate has resulted in positive change in our policymaking process. We must work hard to ensure that these changes are institutionalized in our Government. We must also watch closely to assure that Japan fully complies with the terms of this agreement. I will vote to defeat the resolution of disapproval.

Mr. GRASSLEY addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. I thank the Chair.

This controversy over how and when and under what conditions Japan will develop an advanced fighter aircraft is not just on that issue alone because it seems to me like it is only part of the significant questions that ought to be raised about our military and trade policies, and specifically trade policies, with one country, Japan.

While no one can deny that the United States has a strategic interest in defense cooperation with Japan, we must not forget and we ought to remind the Japanese that as with trade, defense cooperation has to be a two-way street.

The real question that we have to ask ourselves is will this proposal be a good deal for both parties. From what I have been able to glean from the various briefings that I have attended, I have concluded the answer to that question may legitimately be "maybe." The major concerns I have with this deal are, it is my understanding that the agreement was intended to provide the United States with future technology and manufacturing processes. Yet, in the briefings that I had, I was informed that the technology we may be talking about in a few years is either available and superior to technology currently available in Japan or potential technology that we may gain from Japan in this codevelopment is just that, potential technology.

Mr. President, I have particular concerns regarding the approximate 40 percent of the work share in the codevelopment of the FSX. First of all, as it has been reported, the work share percentage is not even in the memorandum of understanding. It is in a side letter that was subsequently negotiated. As we all know, side letters have questionable legal status. Some have even argued that side letters are not worth the paper on which they are written. In addition, it is unclear what the term "approximately 40 percent" means. Does it mean more than 30 percent, but not more than 40 percent? We do not know. Furthermore, how will the work share be calculated? It is just not very clear, and that troubles me.

More importantly, this shaky work share agreement only applies to the development stage or the first six aircraft. A whole new memorandum of understanding has to be renegotiated for the production phase. This should be of great concern to our country. After development has been completed, the Japanese will clearly be in the driver's seat. At this point technology transfers will have been completed and the crucial experience in systems integration of which the Japanese have dreamed will have been gained. What will happen during the new negotiations when the United States demands this 40 percent work share on the production phase? Well, it may be at that point the Japanese can say to us, "Thank you very much; it has been nice doing business with you, but we don't need you any more."

At that point the United States will either capitulate or be cut out of the deal completely. Apparently, to the best of my knowledge, no one has been able to verify anything of substance the Japanese currently have that would even give a glimmer of value to the United States for what we are about to give up in technology. In fact, Mr. President, the General Accounting Office—this is from a briefing we had—concluded that its research of the facts could point only to what the United States was giving up to the Japanese, but the GAO was not able to point to anything specific that the United States was gaining from the transaction.

We have heard that the Japanese planned to build an advanced fighter aircraft with or without the assistance of the United States. We have heard that the Defense Department lobbied strongly for the United States to go into the codevelopment arrangements with the Japanese. The reasons that the Department of Defense gave for such an arrangement were that it had—and I want to stress the word "had"—the potential of getting back advanced technology and learning new manufacturing processes to enable us to reduce the cost of building an aircraft.

In all fairness to the Department of Defense, I should say that they did tell us it was not the flowback of technology that was of initial consideration but, rather, protecting U.S. interests and having control over the aircraft from reexport.

Mr. President, we have heard that the Japanese want to build this aircraft for reasons of national pride and security. Quite honestly, I can accept that premise. What I cannot accept, however, is whatever happened to the United States doing similar things for our own security and, more importantly, when will national pride be of as much concern to our Government.

When you talk about the Japanese, you so often hear the reason they cannot buy American products is that they do not meet the quality level expected by the Japanese or they do not meet the specific needs and requirements of the Japanese due to cultural considerations or they might say that national pride does not permit.

Mr. President, with a situation of an advanced fighter plane for the Japanese, in this particular case, it is a situation where American technology, cultural and quality considerations, when you take all those into consideration, we clearly meet or exceed any excuse for not buying American.

Mr. President, in March 1982, the General Accounting Office report on military coproduction of the F-15, several things caught my eye that I believe are relevant to our discussions on codevelopment of the FSX. This report talked about how Japanese producers had made large capital investments in new plant facilities and purchased advanced equipment such as Boron composites, titanium processing, titanium chemical milling, new profiles, siding presses, and modern surface and heat treatment facilities and equipment. In addition to these purchases they also had employee training from U.S. coproduction partners.

Now, you may ask what does all this have to do with the codevelopment of the FSX. What it has to do with our discussion today is directly related to what the report so clearly stated as far back as 1982. For example, we need to understand that the major aircraft manufacturers in Japan are subsidiaries of firms that are engaged in a variety of heavy industry other than aircraft, industry such as shipbuilding, automobiles, electric and nuclear powerplants; and we also need to recognize that in Japan military and civil aircraft are mixed throughout the production process. But, more important, we need to understand that the civil aircraft production reaps benefits from the advanced processes and technology.

Mr. President, let me now get to the heart of that discussion. According to the 1982 GAO report, they talked about MITI's strategy for the Japanese aircraft industry. Apparently MITI has outlined a development approach and strategy for the aircraft industry through joint ventures, consortia of Japanese producers and Government support. Through these efforts MITI hopes that Japan will gain sufficient experience and standing to increase its share of the world aircraft market.

Mr. President, my concern is that while I have talked about the possible offshoots from military to civilian

aviation, I am also concerned about other commercial applications. I am concerned about the economic and national security aspects of the United States, and I am concerned about the trade deficit we currently are experiencing with our trading partners in Japan.

Mr. President, I am concerned that while we have looked at this codevelopment agreement in the view of safeguards and not wanting to either let potential technology be lost, we have done so without a clear understanding of the potential gains and losses.

We need to begin to look at the effects on our own economic and national security and the loss of technological superiority that we now clearly own. We need to reinstill in American workers our confidence in their ability to compete in the world market, based on their management, labor, and intellectual skills. As a government, we need to provide the tools for the American worker, not just to compete with foreign counterparts, but with the foreign governments who are an integral part of many industries of the MITI strategy.

If we learn nothing from this agreement, other than a need for our Government to get all of the various agencies working hand in glove on future agreements, this debate will have offered a major contribution to the country's future.

In other words, I am talking about DOD getting into it early, Commerce Department getting into it late, and the Special Trade Representative, I do not believe, in it at all.

Mr. President, I began my statement a few minutes ago by saying that there is no clear evidence that the agreement is either blatantly good or bad. However, Mr. President, I will conclude by saying that everything I have learned to date has not convinced me that it is fair. And that, in my estimation, is the bottom line, when I look at a transaction, whether it be selling military equipment or agricultural products. The point is, Mr. President, that we are looking at a great big deep black hole.

There are so many ends, unanswered questions, and unknown variables in this whole FSX process, that no one knows where the process will lead us. I am afraid it may lead to disaster, and I believe this uncertainty effectively undermines any argument for proceeding with the agreement as it is currently written.

It is for these reasons that I plan to vote for the resolution of disapproval.

I yield the floor.

UNANIMOUS-CONSENT AGREEMENT

Mr. MITCHELL. Mr. President, I now ask unanimous consent that the vote on a Dixon second-degree amendment to the Byrd amendment occur at 4 p.m. today.

I further ask unanimous consent that the remaining time for debate on the Dixon amendment be equally divided between Senators LUGAR and DIXON on their designees.

I further ask unanimous consent that if the Dixon amendment is defeated, there be a time limitation on Senator BYRD's pending first-degree amendment of 1 hour to be equally divided between Senator BYRD and Senator LUGAR or their designess.

I further ask unanimous consent that there be 10 minutes on a Heinz perfecting amendment to the Byrd amendment relating to a GAO report and that there be 10 minutes on a Dixon perfecting amendment to the Byrd amendment relating to a report to the relevant congressional committees.

I further ask unanimous consent that the vote occur on the Byrd amendment after the time has been used or yielded back.

I further ask unanimous consent that if Senator DIXON's amendment is agreed to, the Senate then vote immediately on the Byrd amendment, as amended.

I further ask unanimous consent that immediately upon the disposition of the Byrd amendment the Senate proceed without any intervening action to third reading and final passage of Senate Joint Resolution 113.

I further ask unanimous consent that no other amendments or motions be in order to the resolution and that the agreement be in the usual form.

I further ask unanimous consent that immediately following the disposition of Senate Joint Resolution 113 and a motion to reconsider and table, the Senate turn to the consideration of a resolution by Senator MURKOWSKI relating to Japanese involvement in Libyan chemical weapons development and it be considered under the following time agreement: 30 minutes on the resolution to be equally divided between Senators PELL and MURKOWSKI or their designees, that no amendment be in order, that no motions to commit be in order, and that the agreement be in the usual form.

Mr. DANFORTH. Mr. President, reserving the right to object.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. DANFORTH. Mr. President, if I could direct a question to the majority leader, whom I congratulate for his efforts to put together this agreement, suppose that the Dixon amendment is agreed to. Is it my understanding the majority leader has asked that if the Dixon amendment is agreed to, we then vote on the Byrd amendment?

Mr. MITCHELL. That is correct. It would be the Byrd amendment as amended by the Dixon amendment.

Mr. DANFORTH. Mr. President, let us assume that the Dixon amendment is defeated. Then we would proceed to the Byrd amendment. Is that correct?

Mr. MITCHELL. That is correct.

Mr. DANFORTH. Then let us suppose that the Byrd amendment is defeated. Would we then be back on the Dixon resolution and vote on that?

Mr. MITCHELL. According to this, we would go without any intervening action to third reading and final passage of the resolution.

Mr. DANFORTH. Mr. President, I do not want to be a fly in the ointment. I would like to speak for about 15 minutes sometime before the first vote. There is plenty of time to accommodate that, but it dependes on who gets recognized and how many Senators are on the floor. I wonder if the agreement could build in, or if the representation of the Republican floor leader could build in to either a formal or informal agreement that I might be recognized for 15 minutes.

Mr. LUGAR. Mr. President, may I respond to the distinguished Senator that, because the Senator is going to vote against the Dixon amendment—therefore, time will be controlled by this Senator—we would be willing to yield 15 minutes of the time allotted to this side to the Senator from Missouri.

Mr. SHELBY. Mr. President, reserving the right to object, I, too, would have really no objection to the unanimous-consent request except I would like at least 10 mintues to speak on behalf of Senator DIXON's resolution.

Mr. DIXON. Mr. President, I have no problem at all in allocating from my time 10 minutes to the distinguished Senator from Alabama if we have time to do this adequately. I might also say I am told that the senior Senator from South Dakota has also indicated he would like 5 minutes. But I do not know. I am also told the Senator from Ohio [Mr. METZENBAUM] would like 7 minutes. So I have a little difficulty in knowing which side those numbers would be subtracted from. I do not know how much time we are going to have left. That presents a little bit of a dilemma.

Mr. MITCHELL. Mr. President, in order to accommodate the various requests that have been made, and to permit the managers to proceed, may I suggest that my request be amended to seek a vote on the Dixon second-degree amendment to the Byrd amendment at 4:30 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MITCHELL. Mr. President, was the unanimous-consent agreement just approved?

The PRESIDING OFFICER. Is there objection?

Mr. LUGAR. Mr. President, reserving the right to object, and I shall not

object, but I wanted to raise the question at this point with regard to the vote of the Byrd amendment. Is it my understanding, and I think the majority leader has clarified this, but let me ask again, that in the event that the Dixon amendment expressing disapproval of the FSX deal is adopted, therefore that kills the deal at least so far as that amendment, that the Byrd amendment is to this in essence failed resolution. In other words, the Dixon resolution has the impact of a negative to kill the deal.

Mr. MITCHELL. That is correct.

Mr. LUGAR. My query is the logic of attaching an amendment to a motion which has in essence stopped something as opposed to somebody proceeding forward and therefore there being conditions to that constructive action.

Mr. MITCHELL. The answer is I believe that it presents Senators with a choice. If they are for proceeding with the transaction, they should vote against the Dixon second-degree amendment. If they are in opposition to the transaction, they should vote for the Dixon second-degree amendment. if that prevails, that in effect becomes what the Senate will be approving.

Mr. LUGAR. I understand that answer. I suppose I again wonder aloud in the event that Senators vote to stop the deal, to then offer amendments to that stoppage, sort of gratuitous action I suspect, would not have any effect in policy except maybe as a statement perhaps to be observed without particular import.

Mr. MITCHELL. The answer to the Senator's question is that in the provisions of the unanimous-consent agreement which I have sought, if Senator DIXON's amendment is agreed to, then the Senate will vote immediately on the Byrd amendment as amended by the Dixon amendment. There will be no intervening amendments. In effect, Senator DIXON's position will have prevailed.

Mr. LUGAR. If the leader will indulge me for one further inquiry, at what point should the 10 minutes on the Heinz perfecting amendment and the 10 minutes on the Dixon perfecting amendment happen?

Mr. MITCHELL. Those will ocurr in the event the Dixon amendment is defeated.

Mr. LUGAR. Only in the instance of defeat.

Mr. MITCHELL. That is correct.

Mr. LUGAR. So they would not intervene before the vote on this.

Mr. MITCHELL. That is correct.

Mr. WIRTH. Reserving the right to object, Mr. President, I will not object, but just for a point of information we have the time split evenly divided between a quarter of 3 and 4:30. Is that not the case under the pending unanimous-consent request?

Mr. MITCHELL. That is correct.

Mr. WIRTH. Of the time that is available on the side controlled by the distinguished Senator from Indiana, 15 minutes to date has been allocated to the Senator from Missouri. Is that correct?

Mr. LUGAR. That is correct.

Mr. WIRTH. How much time does that leave under the control of the Senator from Indiana?

Mr. LUGAR. As I read the clock, roughly 40 to 50 minutes.

Mr. WIRTH. Remains to the Senator from Indiana.

Mr. LUGAR. Minus 15; so 30 to 40 minutes.

Mr. WIRTH. I understand the desire to move along. I know the distinguished Senator from New Mexico wants an allocation of time, and I do as well. Is this the time to ask the distinguished Senator from Indiana, and the majority leader, to be included in this unanimous-consent request? I would like to be able to speak for 7 minutes. I do not want to speak for the Senator from New Mexico. It seems to me as long as we are allocating this time we do not want to be left with a minute or 2 at the end of the afternoon.

Mr. LUGAR. Let me respond to help the leader, and I will make time available both to the distinguished Senator from Colorado and New Mexico following the adoption of the request.

Mr. MITCHELL. Mr. President, may I amend the request to ask that the vote on the Dixon second-degree amendment to the Byrd amendment occur not later than 5 p.m.? Let me explain that—so that all of the Senators who have expressed an intention to speak to this important issue be accommodated. I think it is very important that no Senator feel he or she has been cut off or prevented from expressing this views. This is an important issue. I want to emphasize that. Every Senator ought to have the full opportunity to express his or her views but in the event all of the time is not used we do not then just have to wait around. So that under this request, as amended, the vote would occur not later than 5 p.m., if the time is not all used and yielded back. And the vote will occur as soon as that occurs.

Mr. GRASSLEY. Reserving the right to object, does that take into consideration the fact that I had no conditions on my speaking at the time I gave up the floor for this unanimous-consent agreement? I would like to finish my remarks and not be hurt by any agreement. That is why I came over here early in the first place.

Mr. MITCHELL. The Senator has full opportunity to express his views. I think if he spoke for 50 or 60 more minutes, he would present problems for the manager on this side. But I take that not to be the Senator's intention.

Mr. GRASSLEY. That is not the case.

Mr. MITCHELL. So, Mr. President, therefore, I renew the request, as amended, that the vote occur not later than 5 p.m.

The PRESIDING OFFICER. Is there objection? If not, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT

Mr. MITCHELL addressed the Chair.

The PRESIDING OFFICER. The majority leader.

Mr. MITCHELL. Mr. President, I now ask unanimous consent that the majority leader, after consultation with the minority leader, return to the consideration of the conference report on the minimum wage, H.R. 2.

I further ask unanimous consent that when the Senate considers that conference report, it be under the following time limitations: 2½ hours equally divided between Senators KENNEDY and HATCH, or their designees, with 30 minutes of Senator KENNEDY's time under the control of the majority leader.

I further ask unanimous consent that at the conclusion or yielding back of time the Senate proceed without any intervening action to vote on the conference report.

The PRESIDING OFFICER. Is there objection?

Mr. LUGAR. Mr. President, reserving the right to object, I shall not object, I simply want to state that this request has been cleared with the minority leader, and on his behalf I am prepared to accept the request.

The PRESIDING OFFICER. Is there objection? If not, it is so ordered.

Mr. MITCHELL. Mr. President, I thank my colleagues.

DISAPPROVING THE EXPORT OF TECHNOLOGY TO CODEVELOP OR COPRODUCE THE FSX AIRCRAFT WITH JAPAN

The Senate continued the consideration of the joint resolution.

Mr. BINGAMAN addressed the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. LUGAR. I yield 10 minutes to the distinguished Senator from New Mexico.

Mr. BINGAMAN. Mr. President, I rise today to speak in opposition to the resolution before us, which would disapprove the proposed FSX agreement between the United States and Japan.

I do so with some reluctance because I regret finding myself on the opposite side of this issue from my good friend from Illinois, Senator DIXON, with

whom I have worked closely on the Armed Services Committee on many matters and on this issue in particular.

Our paths on this issue have only recently separated. And I will explain in a few moments why they have.

But first let me make a few general points about the context in which this issue arises.

I have followed this matter closely for 3 years now. I saw from the outset a very high potential for this issue to become a lightning rod for broader frustrations in the United States-Japan relationship. I share those frustrations over an intractable trade deficit which Japanese protectionist policies exacerbate, over Japanese carelessness in exporting technology to the Soviet Union in the Toshiba case and to Libya in the chemical weapons case, and over Japanese reluctance to take on a greater role in our common defense and on third world debt.

I have been particularly concerned about the trade deficit. When I first visited Japan in early 1985, a senior Japanese official predicted to me that the bilateral trade deficit, then about $35 billion, had turned the corner. Any further increase in the Japanese surplus would be as unacceptable there as it is here. Now the deficit stands at $55 billion and it is likely to worsen significantly if the dollar continues its recent gravity-defying climb. And we have an administration locked in debate over whether to cite Japan under the Super 301 provisions of last year's trade bill. That should not even be a close call.

I have fought for honest implementation of the semiconductor agreement with Japan and supported sanctions for Japan's failure to live up to that agreement. I have criticized Japanese performance under the telecommunications agreement, and believe that that needs to be cited by the administration in its 301 actions.

I recognized from the outset of my involvement in the FSX deal back in 1986 that we could not keep these trade tensions separate from our defense relationship with Japan. That was essentially Secretary Weinberger's stand. I did not think then nor do I think now that such delinkage of defense from trade was possibly sustainable.

That is why I worked with Senator BYRD and Senator DANFORTH in 1987 to try to get this issue before the Congress and to try to change the way it was being viewed by the State Department and the Defense Department. In the summer of 1987 I was a cosponsor of the Byrd-Danforth amendment to the trade bill which urged Japan to buy an off-the-shelf American aircraft. That amendment was passed by the Senate 96-0. But frankly the amendment got more attention in Japan than it did here. I think it did play a role in convincing the Japanese not to pursue a totally indigenous aircraft and instead to codevelop and coproduce a variant of the F-16.

The Japanese announced that decision in the late summer of 1987. My view at the time was that that was potentially a step in the right direction, if the codevelopment and coproduction agreement were properly negotiated. I regretted that we had not been able to persuade the Japanese to buy an F-16 off-the-shelf. I regret that we didn't make a stronger attempt to persuade the Japanese that summer. I agree with my colleague from Illinois that that would have been the better alternative from the point of view of both the common defense and reducing the bilateral trade deficit.

This codevelopment decision by the Japanese Government was fundamentally protectionist, at least as mainstream American economists define protectionism. It reflects a Japanese industrial policy aimed at preeminence in the long run in high technology, high value added industries where they believe their natural comparative advantage lies.

But I would point out that the Japanese are in lots of company in taking a protectionist approach to the aerospace industry. Our European allies are currently developing both the European fighter aircraft and the Rafale. And Sweden is beginning production of the Gripen. We as an alliance are suffering from our economic rivalries. The term often used for this state of affairs is "structural disarmament." Unlike the Soviet Union, which truly is the arsenal of the East bloc, we in the West habitually duplicate R&D and production of weapons systems. Only the United States can afford to produce enough aircraft to get unit prices down. Our allies all produce very expensive aircraft in small quantities. I do not condone this state of affairs. I hope someday that the Nunn amendment for cooperative development and production will lead to a more productive Western arsenal.

But if we judge the FSX deal as clarified by President Bush in comparison with the European developments, it looks pretty good. The Japanese are modifying a United States plane, as we requested our European allies to do. The Japanese will pay for this entire development. Not a cent will come from U.S. taxpayers. Indeed, it is vital that we look at this agreement on its own merits compared to realistic alternatives. We cannot use it to solve all the problems in our relations with Japan or all the problems we have internally in this country with fostering an environment that will arm us for competition in the international marketplace.

Last year, the Armed Services Committee took two actions on the FSX deal as it was then evolving.

First, we were concerned that the Japanese had taken the lead in defining what codevelopment and coproduction meant. In the committee's report last year, we made it very clear that simply transferring American technology to Japan in exchange for a license fee would be unacceptable. We laid down conditions that I think are still appropriate to our consideration of the FSX deal today. Our conditions were that the United States get meaningful workshare in both the development and production phases and that that technology derived from U.S. technology in the development of the plane flow back to us expeditiously and without charge. Privately we told the Defense Department that "meaningful" meant 35 to 45 percent.

I ask unanimous consent that the Armed Services Committee's report language be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

JAPANESE FIGHTER DEVELOPMENT (FSX/F-16)

The committee has closely followed the discussions between the United States and Japanese Governments on the development and production of the FSX aircraft for Japan.

Last year, the Japanese Government decided to codevelop and coproduce the FSX with General Dynamics on the basis of F-16 technology. While the committee would have preferred outright purchase by Japan as the most efficient use of defense resources, particularly in light of a 1987 trade deficit with Japan of over $60 billion, the committee regarded codevelopment and coproduction as the next best alternative.

The committee is concerned, however, that the United States and Japan have very different views of the way in which a codevelopment and coproduction program should be carried out. The committee's view is that U.S. officials should ensure that before export licenses are issued for detailed F-16 airframe technical data, agreed U.S. participation in the codevelopment and coproduction provides meaningful workshare for U.S. industry on the FSX/F-16 airframe and that Japan flows back expeditiously and without charge any technological improvements substantially derived from technology provided by the United States. The U.S. Government should not enter into a memorandum of understanding with the Japanese Government on FSX/F-16 that simply transfers American technology and jobs to Japan with nothing more than a license fee in return.

Mr. BINGAMAN. Mr. President, the second thing we did last year was that we urged DOD to get the Commerce Department involved in the negotiation of this and similar MOU's with our allies. We were concerned that DOD and State were not adequately factoring in U.S. economic interests. We thought that our allies did a much better job of integrating their national security and economic policies.

The allies do this almost as a matter of personnel policy. In the FSX case, one of the chief Japanese negotiators from the Japanese Defense Agency,

Mr. Yamamoto, is actually on detail from MITI, the Ministry of International Trade and Industry. He naturally thinks of trade and economic development first and defense second.

What we did with last year's Defense bill is include a provision, section 824, which directed the Secretary of Defense to regularly solicit and consider the views of the Secretary of Commerce in the negotiation of MOU's such as the FSX MOU.

I ask unanimous consent that that provision be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

PROVISION AS AUTHORED BY SENATOR BINGAMAN IN THE 1989 DEFENSE AUTHORIZATION BILL

SEC. 824. DEFENSE MEMORANDA OF UNDERSTANDING.

Chapter 148 of title 10, United States Code, as amended by section 821, is further amended by inserting after section 2503 the following new section:

"§ 2504. Defense memoranda of understanding

"In the negotiation and renegotiation of each memorandum of understanding between the Secretary of Defense, acting on behalf of the United States, and one or more foreign countries (or any instrumentality of a foreign country) relating to research, development, or production of defense equipment, the Secretary of Defense shall—

"(1) consider the effect of such proposed memorandum of understanding on the defense industrial base of the United States; and

"(2) regularly solicit and consider information or recommendations from the Secretary of Commerce with respect to the effect on the United States industrial base of such memorandum of understanding.".

Mr. BINGAMAN. That is where we stood last summer. Congress had given pretty clear direction to the Reagan administration. While the Defense authorization bill did not ultimately become law until September 29, it was clear by late June that these provisions would be included in any bill that did emerge after the President's initial veto of the bill.

But my strong sense is that the Reagan administration did not take these matters to heart. The Commerce Department was not involved in the FSX negotiation or given a copy of the proposed MOU and side letters until after it was signed last November.

Thus early this year I was not satisfied with the FSX agreement from the point of view of both the substance of the agreement and the process by which it was reached. The production workshare language was, in my view, totally deficient. The technology flowback provisions had significant holes in them. And General Dynamics appeared ready to transfer technologies beyond any that I had previously envisioned.

I expressed my concerns personally to General Scowcroft at the end of January prior to the Prime Minister Takeshita's visit. I joined Senator HELMS in authoring a letter which nine other Senators cosigned expressing our reservations about the agreement and asking President Bush to order a comprehensive and deliberative interagency review of the FSX agreement.

I commend President Bush for ordering the review we requested. I commend Secretary of Commerce Mosbacher and the other civilian agency officials for the responsible approach they followed once brought into the process. I think the interagency debate leading up to the President's mid-March decision to seek clarifications from the Japanese on key points of the MOU was very constructive. It uncovered the problem areas in the Reagan administration agreement and came up with potential solutions to those problems if the Japanese wanted the agreement to work.

I was in Japan at the end of March with the House majority leader, Congressman FOLEY, and other House Members. It was not at all clear, at that time whether the Japanese would accept these clarifications. They regarded them as onerous. I told them that the President could not sell the agreement in the Congress without them.

Ultimately, the President did announce an agreement on April 28, and all of the points of concern I had raised with the Reagan agreement were addressed.

We now have an approximately 40 percent production work share, worth at least $2 billion and probably much more. This is in addition to the $480 million development work share previously negotiated. At a hearing last week in the Armed Services Committee, Mr. William Clark of the State Department said that 35 or 37 percent would not be approximately 40 percent in the U.S. view. He said 40 percent is essentially a floor for the U.S. production work share. This is an enormous improvement over the still classified production work share language negotiated earlier.

Second, many significant technologies included in the licensing and technical assistance agreement between General Dynamics and Mitsubishi Heavy Industries will be scrubbed from that agreement. Others have already cited that list.

I ask unanimous consent that a point paper on this be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

FSX TECHNOLOGY TRANSFER

OBJECTIVE

To restrict the release of sensitive military and commercial technology in the FSX program.

RESTRICTIONS

Items not to be released because Japanese are developing their own unique systems:

AN/APG-68V Fire Control Radar;

Electronic Warfare Suite;

LN-39 Inertial Navigation System;

General Avionics Computer Hardware.

Items not released due to military sensitivity:

AMRAAM—Advanced Medium Range Air-to-Air Missile;

LANTIRN—Low Altitude Navigation and Targeting Infrared for Night Systems;

Nuclear Capability;

Software for the above items purged or deleted from released Operational Flight Programs.

Items not released due to commercial sensitivity:

All designer notes and comments purged from released software source code;

Digital Flight Control Software Source code;

Parametric experimental methods;

Airfoil and Wing Design methods;

Advanced CAD/CAM technology;

Carbon/Carbon Technology;

High Temperature materials technology;

VHSIC microcircuit design or manufacturing technology;

Engine Hot Section and Electronic Fuel Control technology (in development phase, engines will be sold as end items only).

CONCLUSIONS

FSX technology release has been thoroughly reviewed and is consistent with USG release policy and prior program precedence.

Restrictions were imposed to protect both national security and national competitive advantages.

Sensitive US technology is adequately protected in the FSX program.

Mr. BINGAMAN. Finally, the technology flowback provisions have been greatly clarified. The Japanese Ambassador has listed only four items as nonderived technology—the radar, electronic countermeasures, inertial reference system, and mission computer hardware. We will have full access to all other technologies free of charge. The four nonderived technologies will also be available if we can reach agreement with Japan on the terms.

I know there has been a great deal of discussion over the past few days about whether we will really get any technology flowbacks from Japan.

I accept the GAO criticism of the cocured composite wing technology and the phased array radar modules. These are very high risks areas on which we should not count for flowback. But it is inconceivable to me that Japan has no technology in which we would be interested.

Japan spends 2.9 percent of its GNP on research and development. Almost all of that research, over 2.8 percent of GNP, goes to civilian and commercial purposes. In contrast we spend only 1.9 percent of GNP on civilian research, and another 0.8 percent on defense research. Their comparative advantage is in dual use technology and in manufacturing excellence as we all

know from our experience as American consumers.

Last week the Defense Department released a report comparing the United States with NATO and Japan in the 22 technologies they deemed most important to our long-term security. In five of those technologies Japan was deemed to be significantly ahead at least in some niches: Microelectronic circuits and fabrication, machine intelligence and robotics, integrated optics, superconductivity, and biotechnology. In gallium arsenide, fiber optics, and composite materials, they are judged to be capable of making major contributions. In phased array radars they were not.

There should be little doubt that Japan is the other technological superpower. We can and must learn from them. This agreement will give us the opportunity to do so.

Mr. President, I believe the agreement is now acceptable. It is not a technological giveaway with nothing in return. It meets America's economic and defense interests as well as it possibly can in a negotiated environment.

The key will be implementation. The Commerce Department must play a major role in implementation of the FSX agreement and my understanding is that they will serve on the technical steering committee that will oversee implementation.

I also support legislation introduced by Senator DANFORTH to further strengthen Commerce's role in the negotiation and implementation of MOU's so that we don't repeat the disarray of the FSX case in the future.

Finally, we have a check on implementation of this MOU. A production MOU will be needed in 1993 or 1994 before the plane can be produced. American engines will be needed. Many of us intend to ask GAO to monitor this agreement over the next 4 years and provide us with regular reports. If the development MOU is not properly implemented, I think the next administration will have a very difficult time selling any production MOU to the Congress.

In conclusion, let me ask what is the real alternative before the Senate today.

It is not Japan buying F-16's off the shelf. That is no longer an option. If that were ever to happen, it would need to have happened in 1986 or 1987.

The real alternative is Japanese indigenous production, probably with European assistance. Compared to that alternative the deal before us provides us with 2.5 to 3 billion dollars' worth of exports and the potential technological benefits of cooperating with the other great technological superpower.

We need to learn how to cooperate and how to compete with Japan. This agreement could be a good start on cooperation if it is properly implemented.

The PRESIDING OFFICER (Mr. ROBB). The Chair recognizes the Senator from Illinois [Mr. DIXON].

Mr. DIXON. Mr. President, I yield 10 minutes of my side to the distinguished Senator from Alabama, a principal cosponsor of this resolution and a man who has made a very significant contribution to this good resolution.

The PRESIDING OFFICER. The Chair recognizes the Senator from Alabama.

Mr. SHELBY. Mr. President, I rise today to express my unqualified support for Senate Joint Resolution 113, the resolution of disapproval of the United States-Japanese agreement on the FSX.

I wish to take this opportunity to thank my good friend and fellow member of the Armed Services Committee, Senator ALAN DIXON for his leadership in this effort.

I first wish to discuss a number of questions that I have formulated in my consideration of this agreement. These questions are:

What are the technology transfer implications of this deal as it relates to the recent Japanese record in dealing with our adversaries?

What, if any, new technologies will we be receiving from Japan as a result of the FSX Program?

Why are the Japanese willing to spend so much more money on this deal than seems necessary? Could it be that the driving factor behind this agreement is its commercial applications? What will be the ultimate effect of this arrangement on American industry?

And finally, is this an issue of national security or is it really a trade issue?

Mr. President, a subquestion to the first question posed must be explored and satisfactorily answered before any deal with Japan should be consumated.

Should we be dealing with a company that has been accused of aiding Libya in its production of poison gas?

This question must be asked because it is essential to our security and that of the free world.

I direct my colleagues attention to a recent article by John E. Peterson that appeared in the Detroit News. I believe that my good friend from Illinois has already entered this article in the RECORD. I would, however, like to read from it. The article states, and I quote, "Japan's leading aerospace firm has installed equipment that enables Libya to make poison gas bombs at a chemical complex in the desert south of Tripoli. * * *" The firm that is being referred to is Mitsubishi Heavy Industries, our partner in the FSX agreement.

That article also mentions a couple of old friends, C. Itoh of Japan and Toshiba, and implies that these two Japanese companies may be involved in the manufacture of this poison gas which could be used in terrorists acts against Americans.

We all remember C. Itoh and its role as middle man with the Soviet Union in arranging the sale of sophisticated submarine technology from Toshiba to that nation. In addition, it appears that C. Itoh may have acted in a similar capacity with Mr. Qadhafi.

I am sure that my friend from Illinois remembers this fine organization, for he introduced legislation in the 100th Congress calling for sanctions against organizations like C. Itoh that arrange these types of deals. The second old friend is Toshiba again. This time another subsidiary, the Toshiba Electric Co. has admitted to supplying electrical equipment to the Libyan plant.

What we have here is a clear pattern of disregard by Japanese firms of the security interests of the free world. The Almighty dollar, or in these cases, the yen, takes precedence over all else. Therefore, I ask my colleagues again, can we trust Mitsubishi not to sell technology derived from this partnership, and I use this word loosely, to the Soviet Union?

One must remember that while Toshiba was telling us that the propeller sale was an isolated incident, they were dirty dealing with Libya and possibly other United States enemies.

Much has been made of the wonderful new composite wing and radar technologies that the United States will receive as a result of this deal. We now know that this is not true. A number of us asked the General Accounting Office to review this agreement. GAO has now told us that it is the United States, not Japan, that has superior composite technology and appears to be ahead in radar.

On the other hand, many are saying that the Japanese are receiving old 1970's F-16 technology. Again, this is simply not true. The agreement calls for the United States to send F-16C technology developed in the 1980's. The Japanese are also insisting upon receipt of the source codes that control F-16 computers, as has been debated here.

Now, proponents of this arrangement are singing the praises of Japanese manufacturing techniques. Are they trying to say that the American people do not produce a good product? All one has to do is look at the F-16, the best production fighter aircraft in the world.

In addition, I do not see any great manufacturing techniques that we can learn from the production of a fighter that the Japanese could be buying for a total of $3 billion. Instead, they are going to spend at least $9 billion to develop the FSX. In other words, it ap-

pears as if they are going to spend $30 million more per aircraft than they would have if they had bought the F-16 off the shelf.

This leads me to wonder what exactly is going on here? The Japanese are smart people. They are not dumb. Yet the numbers do not appear to justify this deal. Thus, there must be another reason for Japanese interest. Could it be that the Japanese have a longer-range goal? Could it be that the Japanese would like to develop their own commercial aircraft industry with the much needed assistance of the United States? Could that be the reason why they are willing to pay the higher unit cost to codevelop the FSX? You bet it is. You know it is.

It is common knowledge that the next long-term goal of Japan is to excel in the aerospace industry. As far back as 1980, the Japanese Ministry of International Trade and Industry [MITI], reported in JPE Aviation Report Weekly:

> Although cost and performance requirements for commercial and military aircraft are different, development and production techniques are closely related. Therefore, research and development of commercial and military aircraft should be carried out in tandem.

We all know why they want this deal. The FSX effort will be of invaluable assistance in achieving this goal. It will also be of great value to the Japanese in developing other types of advanced transportation systems, including space transportation systems.

Mr. President, I submit that the United States and Japan assign different meanings to the term national security. To the United States national security means guns and missiles and alliances with our allies; to the Japanese national security is defined in terms of industrial competitiveness. In this case, we bent to the Japanese definition of national security. The United States will not gain any military advantage from the FSX deal, but, the Japanese will be even more competitive, or as some would say, more superior on an industrial level.

The Japanese see this agreement as a means to an end. They are a very patient, goal-oriented people. They focus on the long-term. Their interests are centered on learning methods of developing and integrating sophisticated military systems into the Japanese system. We, in the United States view things differently. We look at the short-term advantages. And the short-term advantage of this deal can be summed up in the "half a loaf is better than none" theory, or in this case 40 percent of a loaf. However, I argued that in exchange for 40 percent of a loaf, we are giving up the oven.

Proponents of the agreement state that if we do not agree to this deal, we will get nothing. The Japanese will turn around and build their own airplane or go to Europe and make a deal with the French or British. Thus, this is the best we could do—we can get forty percent of this deal—so let's sign up to it. Something is certainly better than nothing. But, we do have something—we have the best fighter plane in the world.

Sometimes it is better to have it or nothing. There are times in which we have to stand on principle. In this case the principle is trade. We pour billions of dollars of United States taxpayer money into the defense of Japan. At the same time, Japan is racking up, year after year, a huge trade surplus with our Nation.

In 1988, the United States trade deficit with Japan was around $55 billion. Buying F-16's off the shelf from the United States would show Japanese intent to work toward the goal of lowering this deficit. They would also get the best fighter aircraft in the world.

Let us draw the line here. Let us tell the Japanese that this is your opportunity to act in good faith. We have been paying for your defense for 4 years. The least you could do is buy our planes.

Mr. President, this is a bad deal. We are risking the real possibility of high technology finding its way into the hands of our adversaries. We are risking the virtual sacrifice of our lead in aerospace technology. We are risking the long-term future of our commercial aviation industry. We are risking even greater trade deficits. What do we get for the risks we are taking? I submit, nothing.

Alternatively, we can send our own signal to the White House and Japan: We are not willing to give up our aerospace future for 40 percent of one loaf. We can send this signal by voting for Senate Journal Resolution 113. I urge my colleagues to support the resolution sponsored by the senior Senator from Illinois.

The PRESIDING OFFICER. Who yields time?

Mr. LUGAR. Mr. President, I yield 15 minutes to the distinguished Senator from Missouri [Mr. DANFORTH].

The PRESIDING OFFICER. The Chair recognizes the Senator from Missouri [Mr. DANFORTH].

Mr. DANFORTH. Mr. President, let me explain to the Senate what I think the issue is and what I think the issue is not, as we approach our vote on whether or not to disapprove the FSX agreement.

I believe that the most fundamental issue before the Senate does not have very much to do with whether or not Japan is going to build a new fighter aircraft. That Japan will build a new fighter aircraft is, I think, an accomplished fact.

Japan has said quite clearly that it intends to develop its own aircraft industry. Japan has stated as a matter of Government policy that it has focused on aerospace as a core technology of the 21st century.

Therefore, in the minds of Japanese officials, the model that has occurred with respect to automobiles, televisions, semiconductors, and other products—a pattern of massive subsidies and import protection—is to be repeated in aerospace. Japan intends to develop an aerospace industry, and it intends to compete with the United States and the rest of the world in this field.

Now, we might lament that fact—and I do lament that fact—but to complain about the targeting of aerospace by Japan is not to do anything to stop the targeting of aerospace by Japan. They have made that decision.

Many of us have said that we wish the Japanese would buy F-16's or F-18's off the shelf from the United States. In July 1987, Senator BYRD offered an amendment to the trade bill that was adopted by a vote of 96 to zero urging our administration to press Japan to buy American fighter aircraft off the shelf. That is what we would prefer. That would give some meaning to the concept of comparative advantage, because if there is one thing we can do in this country, it is build aircraft, particularly fighter aircraft. We gave Japan the opportunity to buy this product off the shelf, and they said no. And that is lamentable.

This was an opportunity for Japan to redress some of the persistent trade tensions that we continue to experience, to turn back at least somewhat the surging trade imbalance that we now experience. It was an opportunity for Japan to exercise a leadership role, to exercise statesmanship with respect to international trade. And Japan said no. I lament that, but that is their decision.

With or without the FSX agreement, Japan is going to get into the aerospace business. With or without the FSX agreement, Japan is going to build fighter aircraft. Some believe that the speed and level of Japan's technology development will be accelerated if we do not proceed with the FSX agreement because then they will be thrown on their own devices. Others believe this agreement will give them the necessary leg up to eventualy become competitive. The point is that one way or another, Japan is going to get into the aerospace business.

So I do not think that that is the issue before the Senate now. I think that there is another issue, which involves the trade policy and the policy-making process of the new administration. What is going to be the approach of the Bush administration in dealing with other countries in international trade? Is there going to be a change of tactics between the Reagan administration and the Bush administration?

That is the issue, I think, that is before us.

The original FSX agreement was negotiated during the Reagan administration, and it was negotiated without any input whatever from any department or agency of the Federal Government that concerns itself with the economic and commercial interests of the United States. The original FSX agreement was negotiated by the Department of Defense. The Commerce Department played no role at all; the U.S. Trade Representative played no role at all in negotiating that agreement. It was viewed as a purely defense oriented transaction. Whether the United States was giving away technology and contributing to the erosion of our own competitive position was a matter of little or no concern to the Department of Defense during the Reagan administration.

Then, Mr. President, we had a change in administrations. In comes President Bush and his new team, and the heartening thing that happened with the advent of the Bush administration was that the new U.S. Trade Representative and the new Secretary of Commerce became very much involved in the FSX issue. They went to the President, and they asked the President to revisit the FSX deal before signing off on it, and the President agreed.

Secretary Mosbacher and Ambassador Hills became deeply involved in the details of the agreement, and they were able to clarify certain aspects of the relationship between Japan and the United States with respect to the FSX.

Some people think that these new understandings are of great moment. Other people tend to downplay them and say they are not of much significance. I am not going to debate that one way or another. As a person with zero scientific and engineering skills, I do not feel that I have the expertise to debate whether or not these modifications are of great technical importance.

But the fact is that a new administration had taken office, and it showed a new concern, a new sensitivity to the commercial interests of the United States. It was able to revisit the agreement. And I believe that that is right. I believe that that was the correct approach to take. I compliment Secretary Mosbacher, and I compliment Ambassador Hills for their forcefulness, their aggressiveness in reopening this transaction.

Now the question is, Where do we go from here? Was this exercise a momentary lapse on the part of the new administration, a momentary, casual, fleeting concern for the future of a major American industry? Or does the reopening of the FSX deal indicate that this administration is going to be much more solicitous about American commercial interests than was its predecessor?

We do not know the answer to that question. But I think, Mr. President, that it would be a serious mistake to pull the rug out from under the new administration immediately after it concludes the new negotiations on the FSX deal. Therefore, I believe that voting for the Dixon resolution would constitute a disavowal of the new administration at the very time when it is at least giving some indication of an important change in tactics and a change in policy.

So I oppose the Dixon resolution, but I strongly support the substitute that has been offered by Senator BYRD. The key to the Byrd substitute is that it provides for a key role for the Commerce Department in both the implementation of the current agreement and the negotiation and implementation of the followon memorandum of understanding relating to the production of the FSX.

The amendment offered by Senator BYRD contains language that is very similar to S. 578, a bill which Senator BYRD and I introduced in March. That legislation provides that, as a general rule—not only in connection with the FSX but as a general rule—the Commerce Department is to play a key role in negotiating and implementing memoranda of understanding involving defense-related equipment.

Mr. President, I believe that it is important for the Congress to clarify the role of the Commerce Department because I believe that if we do not, we will very soon slide back to the old days where the State Department and the Department of Defense are our exclusive negotiators in matters involving international relations, even when these matters affect the commercial interests of our country.

I noticed with some dismay an article in today's New York Times. The first couple of paragraphs of this article read,

> As the Bush administration approaches its first major decision on trade policy, the American Embassy in Tokyo is urging Washington to refrain from tough action to retaliate against Japan for its trade barriers.
>
> In confidential cables to the State Department, the Embassy has warned that there could be "an emotional outburst" in Japan if the country is listed under a new Federal law as one of the worst violators of free trade principles.

Mr. President, it seems to this Senator, having watched the players for some 12 years, that the general position of the State Department and the general position of the Department of Defense is that American commercial interests always take a backseat to other considerations, and they are the first things to be given up at the negotiating table. That is exactly what happened when the FSX agreement was initially negotiated. It is my hope that this new administration has truly given us a change in direction, but that remains to be seen.

I hope, therefore, that we can adopt the Byrd substitute so as to codify the new active role of the Commerce Department. If we do not codify that status, I believe that the Defense Department will be back in the controlling position with respect to the FSX deal and with respect to the future of subsequent related memoranda of understanding.

My own position, Mr. President, is that I intend to vote against the Dixon resolution. If we have a chance to vote for the Byrd substitute, I intend to vote for the Byrd substitute.

If that fails, then I reserve the right to reopen my own consideration as to the appropriateness of the Dixon resolution. We will have another opportunity to vote on it. And we will very possibly be voting on the question of whether to sustain or override a Presidential veto on this matter.

Again, I would say that the principal issue before us today is not an airplane. The principal issue is not a Defense Department deal. The principal issue is whether the Government of the United States is going to take a tougher and stronger stance in defending the commercial interests of the United States of America or whether, once again, we are going to let the future of basic industries slide because we care more about some defense arrangement or other foreign policy arrangement with another country.

Mr. President, if I have any time remaining, I yield it back.

The PRESIDING OFFICER. The Senator's time has expired.

Who yields time?

The Senator from Illinois.

Mr. DIXON. Mr. President, I yield 10 minutes from my time to the distinguished senior Senator from Pennsylvania [Senator HEINZ].

The PRESIDING OFFICER. The Chair recognizes the Senator from Pennsylvania [Mr. HEINZ] for 10 minutes.

Mr. HEINZ. Mr. President, this agreement presents a difficult decision for many of us. It is tempting to support the resolution of disapproval for the wrong reasons—reasons that color our view of Japan generally rather than reasons that relate directly to the proposed FSX agreement.

One such reason is my longstanding concern over the dangers of handing over critical technology to trading partners who will have little hesitation in using it to compete against us later on. In a perfect world, technology would flow freely in both directions, but, Mr. President, we do not live in such a world, and the Japanese clearly do not live in such a world. If we are to preserve our competitive edge, we must preserve critical technologies. It is as simple as that, and much of my

analysis of this proposed agreement has focused on determining what technologies, if any, are at risk.

It is also tempting to vote out of the frustration that many in this body share over the continuing unsatisfactory state of our economic relations with Japan—persistent trade deficits that are unresponsive to macroeconomic changes like an effective 100 percent reevaluation of the yen, penetration of our market through unfair and predatory tactics, lengthy but inconclusive market access negotiations, and sectoral agreements broken time and time again.

Until recently, most Americans welcomed Japan's unsurpassed prosperity. But in the last decade, the perception has steadily grown that Japan's success is achieved at the expense of others, especially the United States. The United States deficit with Japan went down only 7 percent in 1988 at the same time our deficit with the European Community went down by half and that with the LDC's was reduced by 20 percent. Most current projections indicate that it will increase once again this year. And this after a 50-percent appreciation of the yen. Last year, Japan accounted for only 15 percent of our trade but over 40 percent of our trade deficit. There is no doubt in the American mind that these numbers demonstrate an unbalanced relationship highly resistant to even very large macroeconomic policy changes.

So, it would be satisfying to cast a vote as a reaction to what has been a one-sided relationship where we are clearly getting the short end of the stick.

At the same time, I am tempted to vote against the FSX deal as an expression of my dissatisfaction with the way our country makes decisions about technology—technology development, technology investment, and technology diversion. There is no permanent, interagency system in place for our Government to make thoughtful decisions about threatened or needed technology, nor about ways to protect or develop it. The absence of an interagency process where trade considerations, as a matter of routine procedure, can be taken into account is one of the reasons the FSX deal is in such trouble right now.

Conversely, Japan handles the range of technology issues exceedingly well. In a sense, our greatest weakness as a government confronted the greatest strength of the Japanese Government in the original negotiations over this fighter. Inevitably, the Japanese got what they wanted in the areas of defense, technology access, and commercial applications. And our side got what it was bargaining for in defense, and in defense only, because that is all our negotiators cared about. We ended up stuck with a bad deal, a real lemon.

When President Bush reopened negotiations, he did the right thing. And the revised agreement he sought reflects his recognition of the much broader scope of issues this sale represents.

Mr. President, you cannot make a silk purse out of a sow's ear, and the FSX agreement is in my judgment, still flawed, despite significant improvement. And it is over the contents of the agreement that the debate must be held and our votes cast.

When I wrote on this subject in the Washington Post on March 30, I detailed three major deficiencies that needed to be repaired to make this an acceptable deal:

First, the absence of any guarantee of the U.S. workshare in the production phase of the project;

Second, the lack of technology transfer safeguards to ensure that FSX technologies were not diverted either domestically to the commercial aviation or other advanced sectors or externally to our adversaries; and

Third, the lack of safeguards against Japanese demands for followon technologies in the future.

As a result of these missing pieces, I called this a bad business deal with the signs of a fire sale written all over it.

Unfortunately, what has happened since March 30 is insufficient to put out the fire.

We now have a figure for the U.S. share of the production process—40 percent. But the word "approximately" appears in front of that number rather than "at least," and I have also learned through our difficult experience with the semiconductor agreement not to trust anything that appears in a side letter instead of a contract.

There is some reassurance on the technology transfer issue. The items of the greatest relevance and usefulness—the source codes—will either be transmitted in sanitized form or not transferred at all, but my concern about putting the technology they will be getting to commercial use continues. The agreement does not prevent that; indeed, it is probably impossible to prevent it short of blocking the agreement entirely.

Followon technology transfer claims will apparently be adequately limited by provisions in the agreement between General Dynamics and Mitsubishi.

Mr. President, these improvements, and there are others besides these, including some changes in the process by which these agreements will be negotiated, simply are not enough to make this deal acceptable.

What these deficiencies mean is that we are entering into an agreement with too few protections and too many dangers.

We are not adequately protected against being cut out of the production phase of this deal. That would mean the transfer of some 7 billion dollars worth of technology in current dollars for roughly $500 million.

There is no protection at all against the commercial exploitation of the technology we are transferring, either for commercial aircraft or aerospace, and we are fools if we believe that possibility has escaped Japanese notice.

There is always the risk of technology diversion to Eastern bloc nations. Procedures have been improved in the wake of the Toshiba case, but they are not foolproof.

Taken together, these add up to considerable downside risk—risk we cannot afford in our current competitive situation.

Mr. President, I think there are also some general lessons we might learn from this episode that I hope will help us handle the next such arrangement more effectively.

First, the role of the Congress has been made more clear. Congress has serious reservations with the agreement, has made those reservations known in a number of fora, and to the credit of the Bush administration, has had some of them addressed. The constitutional responsibility of the Senate to advise and consent is operating in a meaningful way.

Second, the role of economic security interests has properly gained in importance. The FSX deal confronts us with the broadening context of national security beyond what is directly related to military matters. We have entered an era in which economic security interests that touch upon the health of our industrial base must be given as much weight as purely military concerns. If one single lesson emerges from this issue it is the precedent it sets for making sure Defense Department decisions about critical technologies are not made in a vacuum. The views of Commerce and USTR need to be heard, and Congress needs to be confident that interagency procedures are in place to ensure that happens.

We also need to legislate once again to strengthen our export control and technology transfer system. I am convinced now more than ever that our system is fundamentally flawed, and that it is incapable of making thoughful and serious judgments about technology transfer cases. Obviously, simply voting against this agreement will not improve the system. Early next month, however, I will have more to say about my own proposals in this area.

Third, the need for a well-thought-out trade policy has become more clear. In my view, the previous administration had its priorities backward. It first struck a deal with Japan, and

then asked for an assessment of its probable effect on the vitality of the American aerospace industry. As I said before, fire sales are for people going out of business, not for countries wanting to stay competitive.

Fourth, we have learned the desirability of public debate. Secrecy can only go so far. This deal was secret from the beginning, and the results are clear. One cannot fault a country for being reluctant to reopen the negotiations once the two governments signed the agreement. I am sure that Japan would have loved to keep the MOU secret because, as we discovered during the hearings, there were no hard numbers included for the production phase. The Bush administration is to be commended for responding to the public outcry and reopening the negotiations.

Mr. President, up to this point if these comments reflect mixed feelings about this agreement, then they are being accurately interpreted. It is not as bad as it initially was. But it is still a long way from being in our interest. There remains in addition, however, a directly related issue, and that is what we intend to do when other nations target our critical industries for their exploitation with their governments' help.

Mr. President, in other words, we need to come to a conclusion about whether and how we will confront other nations' industrial policy initiatives. It is clear that Japan sees the FSX as a means to bootstrap itself into aerospace industry leadership. And the Japanese Government sees the FSX deal with a United States aerospace leader as the means to learn what it needs to become a world-class competitor in yet another critical industry. The question, therefore, becomes whether we wish not just to acquiesce, but also to become an accomplice to helping Japan into yet another international market, where we have a clear lead, while they continue to keep their markets closed. This Senator does not believe that American Government and shortsighted businessmen should be such accomplices. Therefore, I cannot support this agreement.

The PRESIDING OFFICER. Who yields time?

Mr. LUGAR. Mr. President, I yield 8 minutes to the distinguished Senator from Colorado [Mr. WIRTH].

The PRESIDING OFFICER. The Senator from Colorado [Mr. WIRTH], is recognized for 8 minutes.

Mr. WIRTH. I thank the Senator from Indiana for his kindness, and I thank the Chair.

Mr. President, I intend to vote against the resolution of disapproval offered by my good friend, the Senator from Illinois. This was not an easy decision, and I will in a moment outline my reasons for deciding to support the administration's agreement with Japan on FSX. But first, I would like to discuss the broader context in which this issue is being debated.

Mr. President, we are now in the midst of an incredible transition from the post-war era to a new political, military, and economic order which will define the early decades of the 21st century. Much has changed since the end of the Second World War, and the cumulative effect of this change is manifest daily. New leadership in the Soviet Union has challenged the fundamental assumptions of postwar security arrangements. The emergence of Japan and her East Asia neighbors as world economic players has caused sometimes painful dislocation here at home. In Europe, the pending integration of the EEC by 1992 has redoubled political coordination within Europe, and this coincides with the emergence of a new generation in Germany which, unhampered by direct involvement in the Second World War, is more insistent on asserting German interests.

These events have influenced American power—economic, political, military—as has been chronicled and analyzed by many, including Paul Kennedy in his work "The Rise and Fall of Great Powers." The message I take from Dr. Kennedy's book is not that we are in a kind of superpower free-fall, but rather that the world has grown up around us. The greatest threat we face is the temptation to deny that basic fact, to act as if the world has not changed.

The debate on FSX, Mr. President, contains within it many threads of this much more fundamental debate about America's position in the world. In my view, we cannot stem the rise of other nations, but must instead redouble our own efforts to be competitive and innovative in world markets, to be visionary and astute in guiding political developments in our own interests, to be prudent and thoughtful in providing for the common security.

Several issues have arisen in the FSX controversy. The most fundamental is the argument that Japan should, in order to redress both the trade imbalance and the burden sharing issue, procedure all 130 aircraft off the shelf from the United States. Without doubt, this would help with the trade balance and would represent the most efficient expenditure of Japan's limited defense budget. The problem with this option is that the Japanese simply will not do it, although then-Secretary of Defense Carlucci tried to convince them otherwise. In fact, there is strong Japanese interest in a purely indigenous all-Japanese fighter—an option pushed hard by Japanese industry. Between an all-United States option and an all-Japanese option is the option of cooperative development and production effort. The Senate Armed Services Committee Report accompanying the fiscal year 1989 Defense authorization bill noted that "the Committee regarded codevelopment and coproduction as the next best alternative (to off-the-shelf-purchase)."

An additional concern is that Japan Inc. is determined to challenge America's domination of the world civilian aviation market in the 21st century—and that the FSX represents the laboratory to help them compete with Boeing and McDonnell Douglas. Mr. President, if Japan wants to develop an aviation industry, we cannot stop that development. The issue is how to position the United States in the face of this challenge. Some argue that we should reject cooperation on FSX and force Japan to go it alone—thereby costing them more to develop the aircraft, but also denying ourselves a window on their efforts. The other option is to pursue a cooperative effort in which Japan advances, but we share in the work, jobs, and technology along the way.

Technology sharing is a major concern in terms of what we and the Japanese stand to gain from this arrangement. Some proponents are downplaying the amount of technology the Japanese are to receive—especially pointing to the fact that the source codes—the computer software—will be protected—and assert that there will be significant technology flow-back, especially in composite materials and radar. Proponents also point to the fact that the Japanese will gain experience in integrating the production of aircraft, but that they will not gain the critical design integration experience necessary to become an aircraft manufacturer. Opponents claim that we won't learn much from the Japanese and that we will give up far too much.

A technology transfer risk assessment was completed by the Air Force in March of this year, and that study concluded that the FSX codevelopment agreement would hold the transfer of critical technologies to an absolute minimum and that the agreement did not pose a major risk to the American defense industrial base. I believe that the advantages in this arrangement outweigh the risks—especially when compared to a situation in which Japan develops an FSX alone or with European help.

Following the government-to-government memorandum of understanding signed last November, an industry-to-industry agreement between Mitsubishi and General Dynamics was signed in January outlining the work share of the codevelopment project. The primary concern raised earlier this year focused on the extent to which we would be giving sensitive American technology to Mitsubishi in this ar-

rangement. This concern was exacerbated by the fact that Commerce and the special trade representative had no role in the decision by the State Department and Defense Department to proceed. A letter was sent to President Bush in February urging an interagency review of the FSX agreement—and I joined with many of my colleagues in signing that letter.

In response to this expression of congressional concern, the Bush administration initiated a thorough review of the entire FSX issue—with the active participation of Secretary Mosbacher at the Commerce Department. As a result of this review, the administration renegotiated elements of the original memorandum of understanding with the Japanese and submitted the revised agreement to the Senate.

Regarding the potential threat to U.S. civil aviation industry posed by the FSX agreement, I would like to quote the testimony provided by the Commerce Department to the Senate Armed Services Committee on May 9 by Deputy Under Secretary of Commerce Joan McEntee:

> One of the key questions for the Department of Commerce thus became whether the knowledge transferred to Japan under the FSX project would be sufficient to allow it to narrow the gap with the United States in commercial aerospace production. . . . I can assure you that the agreement in its current form—including the limitations on technology transfer which the interagency review produced—effectively limits the competitive threat to our industry in the future. It leaves the key decisions regarding technology transfer in U.S. hands. Equally important, by making us partners with highly skilled Japanese contractors, it positions the United States to benefit from the technological advances which would be generated in the process.

I believe we have achieved an important and valuable victory in the FSX saga at the level of process: no longer will we allow diplomats and generals alone to make decisions on behalf of the United States which involve critical commercial and technology issues. As a result of the FSX issue, the role of the Commerce Department in the review of all future defense equipment transactions is assured. And the implementation of the FSX agreement will undoubtedly be very carefully monitored to assure that U.S. interests are protected.

The question of substance remains: Is this deal on balance in the interests of the United States? If one accepts the premise that Japan will develop and produce an FSX regardless of whether the United States is involved, logic dictates that a joint program in which the United States has control over the flow of technology to Japan, access to some of the technology being developed in the program, and $2.5 billion in United States contracts is on balance in our interest.

I accept that premise and believe that the Senate should reject the pending resolution of disapproval.

I intend to vote against the resolution offered by the Senator from Illinois, and I hope that my colleagues will join me in doing so.

I thank the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Illinois, Mr. DIXON.

Mr. DIXON. Mr. President, I yield from my time 15 minutes to the distinguished senior Senator from New Mexico [Mr. DOMENICI].

The PRESIDING OFFICER. The Chair recognizes the Senator from New Mexico [Mr. DOMENICI] for 15 minutes.

Mr. DOMENICI. I thank the Chair. Mr. President, I thank my friend from Illinois.

Mr. President and fellow Senators, obviously the new administration has made a bad agreement better. The distinguished junior Senator from Colorado has just said in his closing remarks that this is a close call. He comes down on the side of supporting the agreement renegotiated to some extent by President Bush.

I am not so sure it is a close call, but if it is I regret to say that I come down the other way, and I would like to explain why I am going to support the Dixon amendment.

First of all, I have been told by many people whom I respect that the principal reason for voting for this agreement is that if it is turned down, what we are apt to get is something worse because the Japanese may indeed go it alone with perhaps some European allies.

Mr. President, that probably is a good argument for some. As far as this Senator from New Mexico is concerned, that is not good enough. I really do not believe that will happen. I honestly believe that if this agreement were turned down, it would be a very strong message that this is not the way for Japan to treat—I am going to say this because I believe it—the very best friend they have ever, ever had in their entire history.

The people of the United States of America, albeit some might say selfishly, and not altruistically, nonetheless have provided an environment in this world that permitted this new democratic capitalistic country that borrowed our ideas, encapsulated them in their constitution, all of which should make us proud, to flourish beyond anything they could have ever expected.

While they are giants now on the economic front, they owe a substantial portion of that success to the United States of America. So that no one will think that the Senator from New Mexico thinks that the Japanese are totally responsible for our inability to compete in a world market, let me say right up front I am not one of those because I honestly believe we have many things to do at home with our economy, with our people, with our labor, with our industrial leaders, with our own analysis of where we spend and waste our resources, and that is an American problem. But, Mr. President, when the United States of America has an ally and a friend, and they claim to be—and they are, and we claim to be their friend and we are—when we have provided them with the kind of safe haven for the development and evolution of that democratic capitalistic country to the extent that they are, I venture to say without our defense they would not be where they are.

Without our economy, which is like a sponge, buying up billions and billions of dollars of their products, and I do not quibble with their competitiveness, and the quality of their product, and the genius of American consumers when they buy the best—I submit to you we have to fix our own up.

But I do not believe it is the action of an ally, a friend, a partner, when along comes an opportunity for them to buy an American product which we could tailormake for them, an industry which they know and we know we are superior in, and we are told the best you can get is a half-baked deal, they are going to buy something from us, they are going to develop with us, but instead they tell us they are going to build their own. And we are told if you do not do it this way, they are going to do it another way.

Well, Mr. President, and fellow Senators, it seems to me that the simple message that I want to give is when they are ahead in technology, we buy their product. Are they prepared today, since they are ahead in high definition television, to say, we will share it with you? Of course not.

We are almost frantic about the situation, and I do not blame them for being ahead of us. I merely ask the question. We are unequivocally the world's leader in aerospace, in aviation, engineering technology, and manufacturing. It is a very simple proposition. We are.

Why is it that when we are ahead and could supply what they need that we are told, this is the best deal you can get, take it or leave it?

I submit that is not the way a true partner, one that understands what we have done for them, would treat this situation. The idea that they might tailor-make a fighter here in America to meet their needs was discounted instantly according to what we hear. And there are some who would say the Senator from New Mexico is even wrong on the balance of trade. We may get more out of this than the other way. Well, we may and we may not.

So I submit that this is an opportunity to send a signal, lodge a bit of a protest, and in a very real sense if the agreement fails, to start over.

I want to take my closing minutes to say two things. I support the idea and concepts encapsulated in the Byrd amendment. I believe we ought to do that. I am not trying to add any insult to injury, but I truly believe there is great risk over the next 8 or 9 years that we will end up getting what we think we were supposed to get. I believe this is not totally a defense issue. I think this is a defense and a commerce issue. I truly believe there is commerce involved, and getting into a major market on the civilian side that is part and parcel of the Japanese plan here.

So I will support that if I get a chance, and I hope I do. But my last remarks have to do with anybody reading or listening to my remarks getting a conclusion or drawing a conclusion that the Senator from New Mexico expects the Japanese to refurbish the American economy. I do not. I have just said, and I repeat, that one of the real transition problems for our people, our business, our labor, and our education is to come to the realization that we are living in a brand new world.

We are living in a world that produces goods for the marketplace the same way America did for decades; and we have to do ours better and compete with them; increase our productivity. And I do not vote for the Dixon amendment and against the agreement based upon wanting anything for free from the Japanese. But essentially it appears to this Senator that there is a much different attitude about the relationship between the two countries and the notions that are ours versus the ideas and sensitivities that are theirs. I truly do not believe they understand at all a $55 billion trade deficit even if it is the result exclusively of competitiveness. I am not sure it is all of that; most of it, but even if it is clearly the United States has done very little to thwart that other than to encourage our own industries, our own labor, and our own manufacturing skills to get better.

For a country that has said to the Japanese, we want you to be free, we want you to be independent, we will not exert any influence over you, in fact we want to help you by defending you, it seems to me that when along comes a proposal, an idea on the defense side when they do not say, "Let us go with our ally where they are strong, where they do it the best, and let us buy from them," it seems to me to be a failure to understand the significance of the relationship and the significance of our striving year by year to get better here at home in an open world market and compete.

So I repeat, in an area where we are superior, do they not want to get into that area and become equal? Some would say no. I believe yes. In areas where they are superior, do they want to share with us under some development agreement? I think the answer is "No." One might say it is very different, because one if defense and one is not. I submit this is only part defense, this agreement and this proposal. It is part something else.

It clearly is the beginning of and the evolution of an aerospace and aircraft industry in Japan, and I am not saying they should not have one. I am merely saying that it is not quite the way one would have expected a friend to treat a friend, especially where we spend $285 to $290 billion on defense, part of which goes to the eastern Pacific and keeping peace in the world. And I am not referring to burden sharing. I think I am just asking that we be treated as fairly as we have treated them, especially in a situation like this one, where it clearly could have been done differently, in observation of that fairness, and our sensitivity toward their development, their freedom, and their growth.

I thank the Senator for yielding.

The PRESIDING OFFICER. The time of the Senator from New Mexico has expired.

Mr. DOMENICI. I yield the floor.

Mr. LUGAR addressed the Chair.

The PRESIDING OFFICER (Mr. KERREY). The Senator from Indiana.

Mr. LUGAR. I yield to the Senator from Virginia for 5 minutes.

Mr. ROBB addressed the Chair.

The PRESIDING OFFICER. The Senator from Virginia has 5 minutes yielded to him.

Mr. ROBB. Mr. President, I thank the Senator from Indiana, and I thank my colleague from Illinois who was prepared to take the Chair to allow this Senator to speak in opposition to his amendment. That is a degree of collegiality that may not always be fully understood or appreciated elsewhere, but I want to specifically thank the Senator from Illinois for that courtesy.

Mr. President, today I am going to vote against the resolution of disapproval, as I did in committee and, hence, in favor of the administration's FSX codevelopment agreement reached with Japan. I understand that this issue has aroused some very strong passions among my distinguished colleagues, and I certainly share many of their concerns. There is no question in my mind that they are on the right side, politically.

Indeed, it seems to me that the Japanese Government should take this debate in Congress as a strong signal that United States-Japanese economic and commercial relationships can substantially affect our political and security relationships.

However, after careful review, weighing the broad foreign policy implications of this agreement along with the security and commercial interests, I believe, that it is in the best interests of the United States to proceed with the agreement.

It is important that the American people not labor under the popular misconception that there were easy alternatives.

There was never any real prospect that the Japanese would purchase the American F-16 off the shelf.

They would otherwise adopt a go-it-alone strategy, either developing the plane all by themselves, which is still favored by many Japanese business and political leaders or with European assistance.

Moreover, if after the protracted negotiations, in the last several weeks, the United States were to disapprove this agreement, in light of Japan's internal domestic situation, the Japanese could well end up on the slippery slope toward pursuing increasingly independent economic, financial and security policies.

I would submit that that result would not be in our best interests.

Furthermore, it would send the wrong signal at the wrong time to the Japanese, as well as to our other allies, about our reliability in keeping our commitments.

Mr. President, there are larger dimensions to this debate.

Though Japan may be an economic competitor, it remains an overarching fact that Japan is also one of our strongest and most important political and military allies.

Our treaty agreements with Japan are at the foundation of our strategic and political relations throughout the Pacific.

Our deployment of forces is the key to our forward defense strategy in the region, both as a hedge against Soviet aggression and other contingencies.

Mr. President, America remains the leader of the free world.

One task of such leadership, however, is preserving and managing alliances, especially as they undergo change and stress.

This agreement, in my judgment, will enhance Japan's defense capability, allow Japan to assume a larger share of the common defense burden, and strengthen the overall alliance, in addition to whatever economic benefit it may bring to Japan.

It is this larger consideration that persuades me to support the FSX agreement.

Concerning a few specifics of the agreement:

I am generally satisfied by the administration's assurance that sensitive American technologies will be protected.

It is important, that the administration and the Congress closely monitor the technology sharing arrangements and ensure that they are faithfully implemented.

I am also persuaded by the fact that the United States, did not originally enter into this agreement with the intention of seeking technology from Japan.

Under the clarified terms, however, a framework has been established that will enable the United States to receive technology flowback from the Japanese that results from this project.

This is access that otherwise would have been unavailable.

The Japanese must transfer derived technologies to United States companies, without charge, and they must allow the United States the opportunity to buy any non-derived technologies.

Thus, a new cooperative arrangement has been set in motion that brings benefits to the United States.

Nor should we underestimate the fact that U.S. industry will get 40 percent of the work in the development phase, and approximately 40 percent during production. And fully 40 percent if the Byrd amendment is agreed to.

This means roughly $2 billion for American industry in a program that will be completely funded by the Government of Japan.

I trust this agreement, the first military codevelopment project between the world's two most technologically advanced countries, sets a precedent for what we should do with similar arrangements with our allies in the future.

We must do a better job of tying together our economic and security policies.

And we must exercise the kind of leadership that preserves American and Western security interests while sustaining our alliances wherever possible.

Thank you, Mr. President.

I yield.

Mr. DIXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DIXON. Mr. President, I yield 5 minutes to the distinguished senior Senator from South Dakota [Mr. PRESSLER].

Mr. PRESSLER. This is somewhat of a painful moment for me, because I love President Bush and support him. I love our Republican leaders in this Senate and usually support them. I must part company today however, because I also love the American farmers and workers, whom I am convinced will be hurt by this agreement. I shall vote for the Dixon amendment, and I shall oppose this FSX deal.

I have the declassified GAO report here today, which says that in fact the technology that Japan is giving us is out of date, and the technology we are giving them is our best technology, the best aeronautics technology in the world.

This is a General Accounting Office report. It is an extremely important report. Every Member of the Senate should read it, and so should our fellow countrymen.

Today's Washington Post has a major ariticle entitled, "GAO Criticizes FSX Fighter Jet Deal With Japan." I intend to insert that article in the RECORD.

Also, Mr. President, I feel strongly that this agreement should be linked to farm exports. I come from a farm State. The fact of the matter is that Japan has broken agricultural agreements with us. Japan refuses to take our beef in. It says it will take our beef, but it inspects and reinspects the beef. Japan refuses to trade on an equal playing field. Our farmers are suffering because of that.

At the same time, the Japanese are coming here to buy up farm land. The New York Times had a major article Sunday in the business section on the agricultural activities of the Japanese in the United States, particularly in California.

This is totally unfair in comparison with what our companies can do there.

Mr. President, I have talked to several businessmen and others who tried to do business in Japan. Their products inspected and reinspected. There are holdups. It is not an equal playing field.

I believe very strongly in the United States keeping its competitive edge.

I am the ranking member on the Science Subcommittee and just today we had a hearing on high-definition TV. The same thing is happening in that area, and I asked today why U.S. companies cannot compete in high-definition TV.

Let us remember that the only VCR's for sale in the United States are those made abroad. There are none made in the United States anymore. All VCR's are made abroad.

That is a dramatic statement. I told my staff to check that because it sounded unbelievable.

We cannot compete in these areas because the Japanese use government subsidies, monopoly practices, unfair pricing practices, cutting the floor out from the small businessmen and women, using trade practices that our own people cannot use, and getting credit in excess of what our own people can get in this country.

I think it is time we send a signal to the Japanese, a clear signal, that the Senate of the United States is tired of this. We want equality.

Our people can compete, if they have an equal playing field, if things are fair.

Mr. President, I wish to submit the New York Times article on Japanese agricultural practices for the RECORD.

I wish to say in closing that we live in a global world. We cannot close things off, but we also cannot give away the aeronautics technology that we have, the one area in which we have a lead. We cannot give away to a foreign power the jobs of American small businessmen, of American workers, or of American farmers. What is happening today in the Senate has a much broader impact than the FSX agreement.

There should be linkage of the FSX agreement to agricultural treaties and to the behavior of the Japanese in other trade areas. We need linkage of some of these treaties, just as we use linkage in arms control agreements.

So, Mr. President, I shall vote enthusiastically for the Dixon amendment, and I shall enthusiastically oppose this FSX deal.

The PRESIDING OFFICER. Does the Senator ask unanimous consent to print some additional material in the RECORD.

Mr. PRESSLER. Yes.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Washington Post, May 16, 1989]

GAO CRITICIZES FSX JET FIGHTER DEAL WITH JAPAN

(By Stuart Auerbach)

The General Accounting Office yesterday directly challenged assertions by the Bush administration that the United States will gain access to superior Japanese technology by joint development of a new generation fighter plane, the FSX.

The GAO, in a declassified report released on the eve of a Senate vote on the FSX deal, said the United States is "superior to Japan" in the composites technology needed to produce a light but strong wing made of plastics and is probably ahead in radar technology. These are the two areas in which administration officials said the United States could gain technology from Japan.

Critics have denounced the deal as a giveaway of U.S. aeronautics technology that will enable the Japanese to develop their own civilian aircraft industry. But Defense Secretary Richard B. Cheney insists that U.S. manufacturers will gain access to superior Japanese technology through the joint development of the proposed advanced fighter.

"Suggestions that the Japanese have nothing in which we would be interested underestimates Japanese technological capabilities . . . and denies our defense industry the synergistic benefit of technological cooperation," Cheney said in recent congressional testimony.

But the GAO report, which has floated around Capitol Hill in a classified form during the past two weeks, disputes that conclusion.

"Our preliminary observations are that, overall, the United States has superior composites technology and appears to be ahead in radar development," Assistant Comptroller General Frank C. Conahan wrote Sen. Alan J. Dixon (D-Ill.), a leader of the bipartisan congressional effort to derail the agreement.

To defeat the FSX agreement, the Senate and House each must pass resolutions of disapproval and be prepared to muster the two-thirds majorities needed to override an almost-certain presidential veto. The Senate is due to vote this afternoon; the House will not vote on the FSX unless the Senate defeats the agreement, which is considered unlikely.

In its report, the GAO called the Japanese design for an FSX wing made of composites a "high risk" strategy that was rejected by the United States after tests in the 1970s "because of costs and risks." Even if Japan succeeds, the GAO continued, the design presents "potential problems" that could overcome the advantage of reduced weight.

Furthermore, the GAO said American manufacturers possess an expertise in advanced composites for aircraft that is "excellent and superior to Japan" with "a demonstrated and proven capability" in production.

"Should the Japanese prove successful in making an economically competitive wing box [of composites], the U.S. requirement for this technology may be modest," the GAO concluded.

The GAO was less definitive on the question of phased array radar, the other area in which the administration said the United States could learn from Japanese technology. The GAO report cited a paper prepared in March by the Air Force's Wright Research and Development Center that said Japan needs to develop radar for the FSX to catch up with U.S. technology.

"The report stated that Japan appeared to have less radar experience than the United States and lacked vital knowledge in terms of defining module performance. The report stated it was unlikely that any significant technology flow from Japan would result from the FSX agreement," the GAO stated.

It added that U.S. knowledge of Japanese radar technology is limited "because Japanese officals have refused to release detailed test and evaluation data," which "has been identified as proprietary and classified."

[From the New York Times, May 14, 1989]

JAPAN'S NEW FARM BELT

(By Andrew Pollack)

SAN FRANCISCO.—In California's agricultural belt, a meat-packing plant that has been closed for years reopened recently with new financial backing—Japanese. In the same city, Fresno, a Japanese textile company, is building what will be the first cotton mill west of the Mississippi River.

In the Napa Valley, California's famous wineries will soon be joined by a sake factory built by a Japanese brewing company, complete with the obligatory tasting room for tourists.

From the California wine country to the Florida citrus groves and Montana ranches, a wave of Japanese investment is sweeping through American agriculture and food processing.

Much of the investment has been spurred by trade agreements signed last year that opened Japan's market to increased imports of beef, citrus products and other foods. Production costs here are far lower than in Japan, the land of the $25 melon and the $20-a-pound sirloin. To compete against cheap imports, Japanese companies are establishing their own sources of inexpensive food in the United States.

"It's very economical to produce here and export to Japan," said Taizo Sano, a representative here of the Kagome Company, Japan's largest ketchup and fruit drink factory in Los Banos, Calif.

The Japanese investment is generally welcomed, for it is helping revitalize depressed American farm areas and is providing a new market for American agricultural products. In fact, California officials recently completed a trip to Japan specifically to court food companies.

But the trend is also stirring some uneasiness. After similar waves of investment in factories, banks and real estate, even the American cowboy now seems to be falling under Japanese sway. And some feel frustrated that after the United States finally pried open Japan's food market to American food exports, it is the Japanese companies that are positioning themselves to benefit, possibly blocking American competitors.

Some cattlemen, although not many, have raised concern, said Thomas M. Cook, director of industry affairs for the National Cattlemen's Association in Washington, which at its last convention resolved to monitor the situation. "They want to sell them the beef, not the operations," he said.

But Japanese companies argue that they need food production facilities to tailor the products to Japanese tastes. For example, Japanese consumers prefer a fatty, highly marbled beef, they say.

"Our American consumer now is geared to the lean type of beef. They can't really go out on the open market and buy the cattle they want," said Gene Davis, president of Mount Shasta Beef, in Cottonwood, Calif., which is partly Japanese owned.

To be sure, Japanese investment is still in its infancy, and might prove to be as inconsequential as the feared Arab invasion in the 1970's, which led Congress to require disclosure of foreign purchases of farm land.

Altogether, foreigners own only 12.5 million acres, or just under 1 percent of the 1.3 billion acres of privately owned American farmland and timberland, according to the Department of Agriculture, and Japanese own only 218,000 acres, less than 2 percent of that held by foreigners.

Still, after holding steady for many years, the amount of Japanese-owned farmland jumped more than 40 percent in 1988. Japanese made 42 purchases totaling 65,000 acres in 1988, a steep rise from the 15 acquisitions totaling less than 5,000 acres in 1987.

The major purchases in 1988 included the $3.5 million purchase of a 31,000-acre ranch in Colorado by Otaka International and a $54 million stake in the huge 25,000-acre Fellsmere citrus grove in Florida by the Sumitomo Corporation. The Zenchiku Company, a major meat wholesaler, bought Montana's 28,000-acre Selkirk Ranch, but too late to be included in the Agriculture Department's 1988 tally.

Tetsusaburo Hayashi, director of agriculture for the Japan External Trade Organization, a trade promotion agency affiliated with the Japanese Government, said that at least 40 Japanese food companies had some factory or other facilities in the United States, with about half of those in California. But he expects the number to grow rapidly.

"Every restaurant chain and supermarket is forced to think about the possibility in order to compete with other companies or with imported food," said Mr. Hayashi, who is based in Los Angeles. "It's still low key, but below the water many companies are doing research or feasibility studies."

Under a trade agreement reached last June, Japan's import quotas on beef and oranges will be raised each year until they disappear in April 1991. Orange juice quotas will end in April 1992. Quotas on other products, including tomato sauce, apple juice and ice cream will end at various times during the next three years under a separate agreement signed about a month later.

Even with the quotas, Japan has become the largest export market for American farm products, surpassing all the Western European nations combined. But with the quotas being lifted, some analysis say the market for American products, particularly beef and fruit juices, could easily double or triple.

Japanese companies are attracted to the United States in part by the comparatively low prices—raw food products like tomatoes are one-fifth their cost in Japan, where land is limited. But other factors are also important, including the weakness of the dollar against the yen and the lower cost of American packaging materials, like aluminum cans. Those factors make it economical for companies like Kagome to produce and package ketchup and fruit drinks in California, rather than Japan.

So far, much of the action appears to be in beef. Japanese beef consumption is only one-fifth the American level per capita at present, so Japan could become a big market for American beef producers, who are facing a decline in domestic consumption.

Earlier this month, a Japanese company named Stamina Foods and the Marubeni Corporation, a Japanese trading company, announced that they would build a beef-processing plant in Fremont, Neb., to produce special cuts of meat for export to Japan. Japanese companies have also bought the Washington Beef Company, a processor in Yakima, Wash., and half of Colonial Beef in Philadelphia.

In California, Masaaki Tanabe, an exporter, has put together a network of joint ventures with Americans, including a ranch to breed cattle, feeding lots to fatten them and packing houses to slaughter and butcher them into Japanese-style cuts. Mount Shasta Beef, as well as Southfield Beef Packing Inc., which took over the deserted meat-packing plant in Fresno, are two of these ventures. Americans run them and are part owners.

The meat from this vertically integrated network will then be exported by Mr. Tanabe's South Pasadena company, Mercury Overseas, which is partly owned by the Hannan Corporation, a major meat wholesaler in Osaka.

Other food areas are also seeing Japanese investments. At least five California wineries have been bought in the last few years by Japanese brewers and pharmaceutical companies, eager to learn about wine in general and to supply the growing Japanese market, where California wine is starting to make inroads.

Several American bottling companies are already bottling fruit and soft drinks for Japanese companies.

Even rice, the product Japan has given the most protection, is seeing some action. While rice cannot be imported easily, some products made from rice can. A Japanese-owned company called American Sunny Foods, based in Stockton, Calif., began exporting rice flour to Japan last year, mixing it with sugar to skirt the import barriers. The sugar is removed and sold in Japan, and the flour is used to make rice pastries known as mochi, a spokesman said.

The American production of sake, a rice wine, goes mainly to supply Japanese restaurants in this country, but California officials expect exports to begin eventually. The Napa sake factory, which will be the fourth in California, is being built by Kohnan Inc., which is owned by Satsuma Shuzo, a Japanese brewing company. Kohnan also bought a Napa winery, which it has renamed the Silverado Hills Cellars, according to Kojiro (Mike) Iwasaki, its president.

One long-term threat to American food and agriculture companies is that the Japanese will use their United States facilities not only for exports but also to penetrate the American market. Indeed, the Fresno cotton mill—being built by a Japanese textile producer, Nisshinbo Industries, along with Kanematsu Gosho Ltd., a trading company—is aimed at selling to the American market where there are barriers to imported textiles.

Mr. Sano of Kagome said the company was also thinking eventually of expanding its California facility to move into the United States ketchup market, first by producing for American companies. The factory in Los Banos will only use one-quarter of the land the company bought. "We have room to grow," he said.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DIXON. Mr. President, I am delighted to yield 7 minutes to the distinguished Senator from Ohio, Senator METZENBAUM.

Mr. METZENBAUM. I thank the Senator from Illinois.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. METZENBAUM. I thank the Chair.

Mr. President, I wish to speak not in substance as to whether this is a good deal or a bad deal. I have concluded in my own mind that I do not like the deal and I am going to vote to support the Dixon proposal.

But, I wish to speak for a few minutes about the obsession with secrecy that has surrounded and enclosed this FSX deal.

It is amazing that this deal has become a very secretive kind of matter. Most of the facts on this deal are being kept hidden from the public. Why? I cannot understand why anything has to be secret. Nobody is asking to know the specifics of how you build the plane, or the engines, or the wings. The question is why are the terms of the deal not being made available to the American people? They are entitled to know. A Senator can go look at the document which is about that thick but a member of his or her staff cannot look at it. And the American people do not know what the deal is all about except what they read in the paper or hear on the nightly news.

The memorandum of intent between the United States and Japan, which lays out the terms of the deal, is secret. Nobody can know. Why?

There are secret side agreements between our Secretary of State and Ambassador Matsunaga, according to information this Senator has.

I understand there are secret oral agreements. What are they? To what point do they address themselves?

Is there something there that the American people cannot know?

I have tremendous respect for our President and for our Secretary of State. But I believe that government ought to be conducted in public as much as possible and that the people have a right to know.

Who is insisting on all this secrecy? We do not even know that.

Is it our side? And if it is our side why are we insisting upon it? Is it the Japanese Government? And if it is the Japanese Government why are they insisting upon all this secrecy?

Rumor has it—and I do not know that this is a fact, but I cannot find out the fact—that our Department of Defense has insisted on the secrecy because the Japanese want it.

And you have to say why is our Department of Defense insistent upon protecting the Japanese because they want secrecy? This is a big deal. This is an important deal. I can understand secrecy with respect to classified material. I can understand secrecy with respect to certain intelligence information. But I do not understand secrecy with respect to the matter of building an airplane, and nobody is asking what the details of that construction are. All we want to know is what are all the terms.

If this is such a fair deal, why do the Japanese believe it is in their interest to keep the details hidden from public view?

If it is such a great deal, why is our own side so insistent that it not be made public? Even more important, why is the Bush administration complying with the Japanese request about secrecy?

How does the administration expect to raise public support for a deal, the very details of which are being kept hidden from the American people?

The American people put $7 billion into the F-16. They paid for it. They have a right to know the facts.

It makes me very suspicious. More and more, in recent years, the cloak of secrecy is being used to hide what is either a bad deal, a major cost overrun, or a poorly managed weapons program.

You name it. If it is a bad deal, then we should not be making it. Is that the reason it is blacked out? I do not know.

Secrecy is not an appropriate way for two close allies to operate on a project that requires close cooperation every step of the way.

Secret agreements are impossible to verify, and difficult to implement down the road.

We should have the facts on the table now, before we help Japan gain an edge in yet another high technology industry.

Mr. President, I stand before you and I say that I have concluded to vote against this agreement because I do not think it is right, but if there were no other reason to vote against it, I would be prepared to vote against it because the facts are being kept from the American people.

Mr. President, I yield back the remainder of my time.

Mr. DIXON. I thank the distinguished Senator from Ohio.

Mr. President, I understand from my colleague, the manager on the other side, that the distinguished minority leader will be here momentarily to state the position of the administration as the leader on their side.

So I suggest the absence of a quorum until such time as the minority leader gets to the floor, Mr. President.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legisltive clerk proceeded to call the roll.

Mr. DIXON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LUGAR. Mr. President, I yield 10 minutes to the distinguished Republican leader, Senator DOLE.

The PRESIDING OFFICER. The Republican leader is recognized.

Mr. DOLE. Mr. President, I want to thank my colleague, the distinguished Senator from Indiana, for his efforts on behalf of the administration, and I think efforts in the right direction, to defeat the disapproval resolution.

I certainly know the frustrations. I listened to my friend from New Mexico, Senator DOMENICI, say we ought to renegotiate. Well, a lot of us think we ought to renegotiate the budget agreements, too. Nothing is perfect around here. But I assume some of us will vote for the budget conference report even though we do not think it is quite the way it should be.

I assume that all of us can find fault with the Japanese when it comes to trade, but I think we all know that we are friends and we are allies. Many of our problems are ours and many may have been caused by unfair competition.

We are all upset when we read about the noncompliance with the semiconductor agreement in 1986 that is going to cost the United States a great deal of money, some say as much as $5 billion in sales. And we are upset when we find the Japanese exclude us from the $12½ billion Japanese supercomputer market. We are upset when we cannot get some of our farm products into the Japanese market—cannot get citrus or beef. They do buy a lot of

grain, and of course they pay when they buy.

This Senator was one of the first Members of the Congress to urge our trade representatives to cite the Japanese for failure to abide by the Moss telecommunications agreement. Those violations may have cost U.S. manufacturers a couple billion dollars in sales.

But all those things are trade practices. And that is not before us today. We are going to have a chance when we get into the Super 301 violators and all those things to do a lot of talking about what we should do to make certain we have a level playing field with the Japanese on trade.

Ambassador Carla Hills has indicated she will use every weapon at her disposal to take on unfair trade barriers. Competition is one thing; unfair trade barriers are something else.

What we are considering today and what has been debated on the floor is an agreement—an agreement developed by the administration and signed and sealed by the President of the United States. It has been reviewed time and time again by experts in the Pentagon, the White House, private industry, Commerce, the State Department, and the Halls of Congress. The consensus of those experts is that this is a good deal for the United States.

Mr. President, 2 years ago Japan decided to develop and produce its own fighter jet aircraft. Perhaps we could have convinced them to purchase the F-16. The Byrd-Dole-Danforth sense-of-the-Senate amendment in July 1987 encouraged just such an off-the-shelf purchase. However, that would have been an unprecedented achievement because no other major industrial nation buys advanced fighters abroad.

In any event, that time has passed. So today we can either accept a 40-percent share of the estimated $6 billion in development and production revenues from this deal, which translates into approximately a $2.5 billion reduction in our trade deficit, or we can simply walk away. And several of our allies, I might add, are hoping we take the walk, because they are eager to take our place and make the deal with the Japanese.

Opponents of the FSX agreement argues that the deal will facilitate Japan's entry into the commercial aviation industry. No one denies Japan would like to be competitive with the United States in commercial aviation. If it succeeds and if the FSX agreement is implemented, many will point to this agreement as the reason for Japan's success. Yet many of my colleagues should be aware the Japanese Government has already entered into coproduction agreements with our major commercial aircraft manufacturers.

Moreover, the F-16 technology which Japan will receive under this agreement has only very marginal relevance to civil aircraft. In addition, the use of any technologies which are potentially sensitive, such as fire control or computer source codes, is restricted to the FSX Program. And, again, that was underscored and underlined by the Secretary of Commerce, Secretary Mosbacher, in a meeting with a number of us just about a week ago.

They cannot be transferred to commercial endeavors. That is why all major U.S. commercial aviation manufacturers support this initiative.

Finally, the administration's agreement specifies that Japan cannot enter into FSX production without negotiating a separate memorandum of understanding with the United States. So we are going to have another opportunity. We are going to have a chance to review this all again and review its final terms before production begins.

Under the existing FSX agreement, for example, the United States will supply all engines used during the development phase. When the production phase is negotiated, Congress will be able to ensure that U.S. engines are again included.

Mr. President, the FSX agreement now before the Congress is in the national interest of the United States for sound military and economic reasons.

So it seems to me for all the reasons stated by those who support the FSX—and some are experts in this matter. And I do not profess to be an expert, but I do believe that there is something to be said, as the President told many of us this morning. This agreement was made last November. It is an agreement. It was made by President Reagan. Some people complained about the agreement. It was tightened up by President Bush, but it is still an agreement with the Government of Japan and that agreement ought to be honored unless there is some compelling reason not to do so.

But the Secretary of Defense, the Secretary of Commerce, the U.S. Air Force and others have testified that this agreement will not give Japan what it takes to become an aerospace competitor. Therefore, I see many reasons to support this agreement and none, given the realities before us, to oppose it.

Mr. President, I ask unanimous consent that letters from the Secretary of Commerce, Mr. Mosbacher; the Secretary of Defense, the President's Security Adviser, and the Secretary of State be printed in the RECORD, all of which support the FSX package.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

SECRETARY OF COMMERCE,
Washington, DC.

Hon. ROBERT J. DOLE,
Republican Leader, U.S. Senate, Washington, DC.

DEAR SENATOR DOLE: I have thoroughly reviewed the FSX co-development project with Japan and have determined that proceeding with this agreement is in the best interests of the United States. I urge you to support this project for the following reasons:

The U.S. workshare will be approximately 40 percent for both the development and production phases.

Based on an estimated development budget of $1.2 billion, the U.S. development workshare will be approximately $480 million.

Based on an estimated production budget of $5 billion, U.S. production workshare will be about $2 billion.

The entire cost of the program will be funded by Japan.

The United States will receive from Japan free of charge any technology that is derived from U.S. F-16 technical data.

The United States is guaranteed the right to purchase any FSX technology developed solely by Japan.

The FSX Agreement is now structured to carefully control the flow of sensitive U.S. technologies, including flight and fire control computer software, engine and other sensitive technologies.

To assure oversight of the agreement, a bilateral Technical Steering Committee, chaired by a U.S. and Japanese General Officer, will be established to implement the provisions of the Memorandum of Understanding and to monitor workshare and technology flow issues. A Commerce representative will participate on the Committee.

As a result of the clarifications received from the Government of Japan, my initial concerns regarding this project have been satisfied, and I am confident that co-development of the FSX fighter with Japan is in the economic and security interests of the United States.

Sincerely,

ROBERT A. MOSBACHER.

SECRETARY OF DEFENSE,
Washington, DC, May 16, 1989.

Hon. ROBERT DOLE,
U.S. Senate, Washington, DC.

DEAR SENATOR DOLE: The FSX agreement with Japan has received considerable attention in recent weeks. Unfortunately, in addressing the concerns about the potential impact on U.S. industrial competitiveness, the fact that the FSX is meant to significantly enhance the mutual security of Japan and the United States in the Northwest Pacific seems to have been lost in the debate.

The FSX agreement will provide Japan with a modern support fighter to allow the Japanese Self Defense Forces to better meet their mission of defense of Japan—including the 43,000 U.S. military men and women residing there—and the sea lanes out to 1,000 nautical miles. It will do this by delivering an aircraft with longer range and more effective weapons capability for the envisioned mission than the baseline F-16 aircraft from which it was developed.

The FSX agreement, as clarified by President Bush, builds on and maintains our complementary defense policy with Japan. Failure of this agreement would encourage those in Japan who would like to see a more independent security policy vis-a-vis the

United States, and would vindicate those who advocated development of an indigenous fighter because they felt the U.S. was not a reliable security partner.

Under the leadership of President Bush, economic factors have taken a higher priority in our overall strategic thinking. I assure you that Secretary Mosbacher and I fully understand the desire in the Congress that we consider fully the economic impacts in all future negotiations of this type. We are pledged, under the guidance of President Bush, to make sure that this process reflects the proper concerns of you and your colleagues. It is my firm belief that the present FSX agreement strikes the proper balance between concerns about the future economic competitiveness of our aerospace industry and the need of the U.S.-Japan alliance for a modern fighter aircraft to meet mutual security requirements in the Northwest Pacific.

I would ask that, as you enter the final deliberations on the FSX issue, you keep in mind this balance. Clearly there is a trade imbalance with Japan. This agreement helps correct that imbalance by insuring that American firms will share in over $2 billion in the development and production of the FSX. This agreement is good for the United States, from the standpoint of national security and our economic interests.

Sincerely,

DICK CHENEY.

THE WHITE HOUSE,
Washington, May 15, 1989.

Hon. ROBERT BYRD,
Minority Leader, U.S. Senate, Washington, DC.

DEAR SENATOR DOLE: From my vantage point as National Security Advisor, the most important points in the FS-X debate are: how the FS-X will contribute to the mutual defense in the Northwest Pacific; implications of the FS-X for the American economy; and the precedent set by the FS-X review for negotiating similar agreements in the future.

At U.S. urging in 1981 Japan agreed to take responsibility for defending critical sealanes 1,000 miles outward from Japan. Under the FS-X program Japan will supply 130 advanced fighters for this mission. The FS-X will have performance characteristics not found in current F-16s, including a significantly larger combat radius which will result from extensive use of co-cured composites, an improved engine, larger fuel tanks, and a larger wing. Increased range, combined with improved air-to-surface missile capability, will allow Japan to patrol the sealanes in ways that would not have been possible with current F-16s. Japanese R&D funds, amounting to $1.2 billion, will be used to develop a plane to provide extended sealane defense without recourse to aircraft carriers. When this capability is in place, Japan's contribution to the burden of mutual defense in the Northwest Pacific will have been significantly increased.

The FS-X will contribute significantly to the American economy by providing 22,700 man-years of employment as well as $2.5 billion in relief for our bilateral trade imbalance with Japan. U.S. companies will receive a $480 million (40%) share of the development work and approximately $2 billion (40%) in production work. Sensitive U.S. technology is fully protected and Japan will not receive direct access to the state-of-the-art technology of our latest F-16s. Japan will pay R&D recoupment charges on the baseline F-16, thereby compensating the U.S. taxpayer for part of the original sunk costs of the F-16 program. Japan will also pay a royalty for every FS-X produced.

The FS-X negotiation, thorough interagency review, and subsequent clarifications with Japan have established a precedent by putting U.S. economic interests into the national security equation more explicitly than ever before. This broader concept of national security will be a hallmark of the Bush Administration.

Much of what has been written about the FS-X agreement has been either misleading or erroneous, but after careful review of all of the arguments and the resulting improvments in the terms of the deal, I believe the current agreement clearly represents the best interests of the United States. I urge you and your colleagues to support the President and vote against S.J. Res. 113.

Sincerely,

BRENT SCOWCROFT.

THE SECRETARY OF STATE,
Washington, May 16, 1989.

Hon. ROBERT DOLE,
U.S. Senate.

DEAR BOB: I am writing to seek your support for the FSX agreement and to voice my strong opposition to Senate Joint Resolution 113.

FSX represents not only an agreement between the United States and Japan but a serious effort by the Administration to respond to concerns expressed by the Congress. When the President entered office, he ordered an interagency review of FSX, with particular attention to its economic and technological implications for the United States. That review was undertaken with great care; there was no rush to judgment.

Under the FSX agreement, benefits to American workers and industry are substantial. We will receive 40% of the development work and approximately 40% of production—some 22,000 man-years of jobs and $2.5 billion for US industry over the course of the project, approximately the same return as if Japan had bought F-16's "off-the-shelf." In addition, we have full access to all Japanese technologies in the project, and we have ensured that US technologies which might have application to the civil aerospace industry are not transferred to Japan.

In examining FSX, we also kept in mind the larger dimensions of our security ties and our overall relationship with Japan. The US-Japan Treaty of Mutual Cooperation and Security is the foundation for our political and strategic relations throughout the Pacific. FSX will bolster Japan's defense capability, strengthen our alliance and help Japan assume a larger share of the common defense burden. As the first military co-development project between the world's two most technologically advanced countries, FSX sets an important precedent for future US-Japan cooperative defense efforts.

Having considered all of these factors, the President, Secretary Mosbacher, Secretary Cheney and I concluded that the FSX agreement clearly serves our national interests. I am hopeful that you will agree, and that we will be able to count on your support for the agreement and your opposition to Senate Joint Resolution 113.

Sincerely yours,

JAMES A. BAKER III.

Mr. DOLE. Mr. President, I yield back any time I may have remaining.

Mr. LUGAR. Mr. President, I yield 5 minutes to the distinguished Senator from South Carolina.

Mr. THURMOND. Mr. President, I rise in opposition to the resolution of disapproval. I want to state, however, that I do so with some trepidation. My esteemed colleagues who oppose the agreement to codevelop the FSX are sincere in their disagreement and have presented some very convincing arguments.

Mr. President, many of my constituents and considerable public opinion are against the proposal. In my heart, I understand their concerns. In South Carolina, the textile industry is a prime example of what foreign competition can do to an industry. I am against giving away technology. As my colleagues will remember, I cosponsored legislation to prevent the sale of certain military technology to China. I will continue to oppose any giveaway of technology that has the potential of being used against our country.

I believe, Mr. President, that the concerns of the American public are not only about giving away technology. My constituents and the public are especially concerned about the trade imbalance between the United States and Japan. I am also concerned over this trade imbalance. The President and the Congress have to do better in breaking down the Japanese trade barriers and ensuring fair and open trade between the United States and Japan.

Mr. President, I support the FSX agreement because it is not just a matter of technology, but also a matter of foreign affairs, economics, and defense.

I would like to quote Mr. Brent Scowcroft, national security advisor to the President, regarding the FSX program. I believe it gives the best description of this vital program:

At United States urging, in 1981 Japan agreed to take responsibility for defending critical sealanes 1,000 miles outward from Japan. Under the FSX program, Japan will supply 130 advanced fighters for this mission. The FSX will have performance characteristics not found in current F-16's, including a significantly larger combat radius which will result from extensive use of cocured composites, and improved engine, larger fuel tanks, and a larger wing. Increased range, combined with improved air-to-surface missile capability, will allow Japan to patrol the sealanes in ways that would not have been possible with current F-16s. Japanese R&D funds, amounting to $1.2 billion, will be used to develop a plane to provide extended sealane defense without recourse to aircraft carriers. When this capability is in place, Japan's contribution to the burden of mutual defense in the Northwest Pacific will have been significantly increased.

The FSX will contribute significantly to the American economy by providing 22,700 man-years of employment as well as $2.5 billion in relief for our bilteral trade imbalance with Japan. United States companies will receive a $480 million—40 percent—in pro-

duction work. Sensitive United States technology is fully protected and Japan will not receive direct access to the State-of-the-art technology of our latest F-16's. Japan will pay R&D recoupment charges on the baseline F-16, thereby compensating the United States taxpayer for part of the original sunk costs of the F-16 program. Japan will also pay a royalty for every FSX produced.

The FSX negotiation, through interagency review, and subsequent clarifications with Japan have established a precedent by putting United States economic interests into the national security equation more explicitly than ever before. This broader concept of national security will be a hallmark of the Bush administration.

Much of what has been written about the FSX agreement has been either misleading or erroneous, but after careful review of all the arguments and the resulting improvements in the terms of the deal, I believe the current agreement clearly represents the interests of the United States.

Mr. President, This is not the best agreement. I would have preferred our F-16's over the skies of Japan. This agreement, however, is in the best interest of our Nation and the good relations between the United States and Japan. I recommend that this distinguished body support the agreement.

I wish to express my appreciation to the leaders.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DIXON. Mr. President, after consultation with the distinguished manager on the other side, I ask unanimous consent that the distinguished President pro tempore be recognized for a period not in excess of 30 minutes, essentially to close for this side, reserving to the two managers 3 minutes apiece for whatever final remarks may be necessary before the vote transpires.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. DIXON. I yield to the President pro tempore.

The PRESIDING OFFICER. The President pro tempore is recognized.

Mr. BYRD. Mr. President, I thank the very distinguished Senator from Illinois [Mr. DIXON].

First, I compliment him on the excellent leadership that he has demonstrated throughout the debate. And I also congratulate Mr. LUGAR, on the excellent leadership that he has shown in support of the agreement.

There are others to be congratulated on both sides.

Mr. President, the basic problem here is systemic. Many others have already talked about it. The fact is that we do not understand our adversary in this instance. We do not understand that Japan is a people who are conservative, they are traditional, they are homogeneous and the emphasis is on the group rather than on the individual.

In the United States of America, the customer is king. In Japan, the customer comes last. In Japan, the emphasis is on what is best for the group, what is best for the nation. And the Japanese associate economic strength with national security.

We have not learned that lesson, apparently. The Japanese are a great deal like our early settlers. They stick together, they work together, they raise the barns together, they fix the wagon wheel together and they circle the wagons and take on all comers, and they win.

We put the emphasis on who has the most missiles, the most aircraft carriers, the most guns, and or economic strength is something separate and aside.

We have not yet come to realize that our economic strength is our national security and that trade is a major pillar of our economic well-being.

I will not go into the litany of the areas in the American industrial landscape over which the Japanese have become supreme. Others have done that. Others have talked at length about it. But we have seen how they have taken over industry after industry after industry: radios, black and white television sets, color television sets, computers, fiber optic cables, steel, shipbuilding.

I was a welder in the last war. I will not have to weld in the next one. We will not be building any ships. They have taken over the financial institutions. They are the leading financier in the world today. Our United States Treasury turns to Japan with knees trembling when we go out to sell our bonds. Will they buy? What are the Japanese going to do?

I do not say this to bash the Japanese. I say it to salute them; to salute them. I say it to bash ourselves; bash ourselves.

So we come, now, to the matter before the Senate. The FSX project troubles me from a variety of standpoints, most fundamentally from the perspective of how we define our national security. If we cannot compete in the world markets, how, then, can we defend ourselves on the battlefield? It is an ironic situation in which the world's largest creditor is defended by the world's largest debtor, and the debtor borrows from the creditor and pays interest on the moneys borrowed. The cart is before the horse. The Omnibus Trade Bill of 1988 made it clear that international military and economic security are two sides of the same coin. That is what we Senators said when we wrote that bill. Yet, as the FSX agreement clearly demonstrated, it is still business as usual for the Departments of Defense and State. Business as usual means deals like the FSX rise or fall on their military merits only, military merits as perceived by negotiators who are not charged with looking after the industrial and commercial interests of the United States.

Despite the congressional attempts to involve the Department of Commerce in issues of technology transfer, the Department of Commerce was not even consulted until after the memorandum of understanding had been completed, and then the horses were out of the barn.

The United States can no longer afford to conduct business in this manner. We must consider military and economic security as one and inseparable. The FSX debate is important not simply because the arrangement arrived at by our negotiators represents what appears to be an unbalanced flow of technology from the United States to Japan. It is the fundamental nature of the United States-Japan relationship itself which is at issue here today.

The debate is healthy because it is surfacing some attitudes and opinions and frustrations on both sides of the Pacific that need to be aired for the relationship to be put back onto a healthy track.

As Mr. James Fallows points out in his current article in the May issue of the Atlantic magazine, an article to which has been alluded many times here, many people think the Japanese-American relationship is so fragile that it is dangerous to talk frankly in public. It appears to me that frank talk has not only not occurred in public, it may not have occurred in our private conversations with the Japanese either. The United States-Japan relationship would be unnecessarily damaged if we continue to tiptoe around our trade problems.

There are fundamental misperceptions on what is expected from each partner in this broad-ranging alliance. We on our side do not believe every arrangement, particularly in the security arena, should be approached as a commercial contest between negotiating teams. Mutual give and take are essential for any alliance to work. From our side, we should not expect the Japanese to give up commercial advantages that are unwarranted, but we do have a right to expect the Japanese to agree to arrangements that further the mutual interests of our security relationship and further to recognize that a strong American economy enhances the strength of our mutual security, and our security is their security.

It is very important and very unfortunate that the Japanese refuse to take the opportunity of the FSX deal to take action which could have been highly beneficial for the broad reach of our relationship and instead chose to use it as one more negotiating forum to get the best deal it could to further its own commercial interests.

As Mr. Fallows points out in his article, in dealing with each other, certain of the Japanese approach this project from essentially a commercial point of view. Had they approached the arrangement as a military problem, there is no question but that they would have purchased F-16's off the shelf.

Everyone agrees. F-16's would be much cheaper than the FSX. Everyone agrees that F-16's would be available to counter the Soviet threat much quicker. Everyone agrees that a straight buy of F-16's would do more to enhance the interoperability of Japanese and American forces, and everyone agrees that purchasing F-16's would be a much more efficient use of scarce Japanese defense resources than spending billions on developing the FSX.

The Japanese also did not enter this arrangement because of a desire to improve relations with the United States. If that were their concern, then once again the logical route would have been to purchase the F-16's. The United States is the acknowledged world leader in the aerospace industry, and we have an obvious comparative advantage. We make the best, lowest cost fighter in the world and purchasing that fighter, the F-16, would have shown a real commitment from the Japanese to reduce the $55 billion bilateral trade deficit which is the source of so much of the tension between our two nations.

Neither military nor diplomatic concerns were the primary impetus for the FSX program from the Japanese point of view. I have to conclude that the primary motivation on the part of the Japanese was commercial. They are determined to build an aerospace industry. That is no surprise. It is no secret. It is the stated goal of the Japanese Government. They want an aerospace industry to enhance their industrial base. They want it to provide an internal market for their computer and electronic industries. Most importantly, they want an aerospace industry that will eventually be competitive in the world market, competitive with U.S. companies who in this field are the best in the world. I am not suggesting that we blame the Japanese for wanting to do these things. I am not suggesting that at all, but we ought to have recognized the reality of what they are doing. At least we ought to do that.

We entered this deal for military and diplomatic reasons. The Department of Defense handled the negotiations, and the very last concern was to get some real piece of the action for American industry. The Reagan administration managed to get the Japanese to compromise and to agree to a codevelopment project. It would not be as expensive nor as time-consuming as an indigenously developed Japanese fighter, and it would provide part of the work for American companies.

So it served the Defense Department's requirements, but the Japanese were negotiating a commercial deal. They kept their eyes on the ball. They know that the strongest economic system is the strongest base for a strong national security. Their perspective was fundamentally different from our own. We should have been talking from a different perspective, a commercial perspective, an economic perspective, as well as from the perspective of balancing the burdensharing in defense. Those considerations should have part of the basis for negotiation.

The Japanese depend on the United States for their defense. The United States has kept the peace now for many decades. The United States has protected the Japanese all through these postwar years. Not only that, but the United States has helped them to build and rebuild their war-torn industries. They spend only 1 percent of their GNP on their military. They rely on the United States' nuclear deterrent to protect them from the Soviet Union. They rely on the United States Navy to keep the oil flowing from the Middle East.

People tend to overlook Japan's economic dependence on the United States. We buy their products. One-third of all Japanese exports come to the United States. There has been talk about how the Japanese have financed our Federal budget deficit and, if they stop investing in the United States, our interest rates would go up.

If the United States stopped buying Japanese products, what would be the impact on the Japanese economy? Do they want to kill the goose that lays the golden egg? The United States has plenty of leverage to use in any negotiation but we tippy toe, tippy toe, tippy toe when it comes to Japan. We tippy toe even after years of experience with getting the short end of the trade deals. We tippy toe after years of having our toes stepped on by a Japanese Government that always puts the Japanese economy first and does not fret so much about the fragile United States-Japan relationship. So we do it. We keep on butting our heads against the wall.

I am reminded of the individual who kept butting his head against the wall and he was asked why. He said because it felt so good when he stopped butting his head against the wall. But we do not want to stop it. We want to keep butting our heads against the wall. When are we going to stop it so we will know how good it feels?

Instead of negotiating from our strength, we approach the talks from the perspective that given the Japanese threat to develop the aircraft alone, a somewhat dubious proposition given the state of their aerospace industry, we should be glad to get a codevelopment program of some kind. So on the basis of that assumption, the negotiators got the best they could, or best they thought they could get. They played defense when what is needed with Japan is a good tough offense.

Mr. President, our negotiators and representatives overseas have to be tough, like the Japanese are tough—what is wrong with that—in promoting United States interests. And so it had to be disturbing—I have heard others say it—to see reports as in today's New York Times where cables have been sent by our diplomatic representatives in Tokyo advocating the Super 301 provisions of the trade bill be in essence gutted. These cables advocate that Japan not be listed by our trade representative as engaging in unfair, market-closing trade practices.

The story is entitled "Embassy Asks Trade Caution Cables From Tokyo Oppose Retaliation."

WASHINGTON, May 15.—As the Bush administration approaches its first major decision on trade policy, the American Embassy in Tokyo is urging Washington to refrain from tough action to retaliate against Japan for its trade barriers.

In other words, if you walk out on the street and some guy starts cuffing you around, do not hit him back because you might make him mad.

In confidential cables to the State Department, the Embassy has warned that there could be "an emotional outburst in Japan" if the country is listed under a new Federal law as one of the worst violators of free trade principles.

That is what is wrong, our wimpy diplomats are saying to the world, "Disregard the laws that are passed by the United States Congress."

The cables from the United States Embassy provide insights into Japanese politics, Japanese-American relations and the Embassy's tendency to protect the local country—

Now get this—

from the full force of congressional displeasure over trading practices. Such consideration for the host country is not unusual among American embassies.

Japan is not the only country that would resent designation as an unfair trading partner. On Friday, Donald P. Gregg, the Ambassador-designate to South Korea, said there would be "demonstrations in the streets" of Seoul if Korea was named.

In one cable, the American Embassy in Tokyo quoted an official at the Japanese Foreign Ministry as saying that designation of Japan as an unfair trading nation, combined with recent disagreements over joint production of the FSX fighter plane, "would poison the atmosphere" for the future economic cooperation between Tokyo and Washington.

Mr. President, we cannot be driven by fear. We cannot be driven by threats of retaliation.

Our diplomatic representatives fear an emotional reaction in Tokyo. That

is spineless. That is what is wrong. We have wimpy, spineless, diplomats when it comes to standing up for the best interests of the United States of America.

We are not saying that we want to force our way into Japanese markets. We want the Japanese to have a choice. Let us be fair. They are supposed to be an ally. Let them act like an ally.

This New York Times article is a report which reaffirms my view that we need a more offensive team, not a team that walks off the playing field because the other team might get emotional. The other team might get emotional.

The FSX proposal is not by itself a horrible deal, although it was badly negotiated because key aspects were not nailed down specifically in advance of production, but it is an important symbol of the problems in our relationship with Japan. Now we must decide whether the FSX proposal should go forward. I think that the United States would be far better off in the long run if we reject the FSX package because that rejection sends the message that we believe the time has come to adjust this relationship.

The United States and the Japanese peoples are friends but friends respect each other's needs. Friends can speak frankly without walking off the field, without rupturing the friendship. The time has come for frank talk and mutual respect before the seeds of resentment that have already been sown take root.

Mr. President, I have referred to wimpy diplomats. We have a lot of brave diplomats. We have a lot of diplomats who work daily and nightly to uphold the interests of the United States, but what we read stories like the one which has already been put into the RECORD, how can we help but feel we have some diplomat's abroad who are looking out after the interests of the host country and who are suggesting that if the law is implemented that the Congress has passed it will cause demonstrations in the streets and we ought to not do it—do not list them, out of fear and trepidation. Mr. President, those are the wimpy diplomats.

The FSX debate is at bottom an inquiry over the state of our alliance with Japan and whether we can act as allies when our national security is at stake with appropriate give and take. I do not suggest that if the agreement were to be withdrawn by the United States, the Japanese would buy our F-16's. I do not suggest that.

I am suggesting that it is time we take a new look at this relationship. Some say, "Well, if we reject it, they'll build it themselves." So what?

It may take some years to build it—years and years and years. I say we should not be bent upon contributing to their becoming a world-class aerospace manufacturer.

They will become that much faster with this agreement than they will if it is rejected. Some say, well, they will go to the French or they will go to the British. Well, let them go to the French and British. Let the French and British protect Japan. Let them look to the French and the British for the protection that they get from the United States. They spend 1 percent. There is a big argument over whether .90 or .95 or .99 of Japan's GNP will be spent on defense. We spend 6 to 7 percent. If we spend 1 percent, we would not have any budget deficits. We would have plenty of money to pass around for the other needs of America.

There is also an inquiry over whether our negotiators of trade and security agreements will do what is necessary to protect and enhance U.S. vital interests because clearly our national security incorporates industrial health as a key element. Rejecting the FSX will be the right medicine to cure misperceptions by Japan over the proper behavior of an ally and refocus our negotiations' attention on what is important for United States economic health.

At some point we have to call a halt. When are we going to do it? If we keep on and keep on, it is almost too late now. Above all, we cannot be stampeded into validating bad agreements through fear of retaliation or rejection. We have to do what is right and let the chips fall as they may.

Mr. President, how much time do I have left?

The PRESIDING OFFICER. Two minutes.

Mr. BYRD. Mr. President, I ask unanimous consent for 3 additional minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, go out and ask those who have lost their jobs in optic fiber, cameras, computers, radios, black and white television sets, color television sets, shipbuilding, steel. Ask them how they would vote today. You will get an answer, and it will not be a wimpy answer.

Mr. President, the point here is this: We have to send a message to Japan that we are not going to take it lying down any more. And we have to send a message to our own wimpy diplomats and to our own negotiators that we are not going to take it lying down any more.

We have to send a message to the Japanese that if we are going to be allies, we need to work together, they need to be concerned about the budget deficits, and we need to clean up our own house. And I think we are beginning to get that underway. We have a President who has indicated a willingness to work with the Congress in working out budget agreements that will reduce that. So we have our own house to put in order. Again, if there is any bashing that I have done it has been intended for a bashing of our own way of doing things, and our own failure to face up to reality.

Mr. President, I think this is the place to start, here and now. This is a bad deal. And I am not going to vote for a bad deal.

Mr. President—

When you get all you want
In your struggle for pelf,
And the world makes you king for a day,
Then go to a mirror and look at yourself,
And see what that guy has to say.

It isn't your father, mother or wife
Who judgment upon you must pass.
The fellow whose verdict means most in your life
Is the man looking back from the glass.

He's the fellow to please, never mind all the rest,
For he is with you clear down to the end,
And you have passed your most difficult, most dangerous test
If the man in the glass is your friend.

You may be a Jack Horner and chisel a plum,
And think, "Boy, you are a wonderful guy,"
But the man in the glass will just say you're a bum
If you can't look him straight in the eye.

You may fool the whole world down the pathway of years,
And get pats on the back as you pass;
But your final reward will be heartaches and tears
If you cheated the man in the glass.

It is about time we stopped cheating the man in the glass, and now is a good time to start it.

I hope the Senate will support the amendment by Mr. DIXON. I intend to vote for it, and I hope it carries. I urge the Senate to vote for it.

The PRESIDING OFFICER. The managers of each side have 3 minutes to close.

Mr. BRADLEY addressed the Chair.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. BRADLEY. I ask unanimous consent that I be granted 8 minutes to speak before the managers close.

The PRESIDING OFFICER. Is there objection?

Mr. RIEGLE. Mr. President, reserving the right to object, and I will not object, I am wondering how many additional comments are going to come in here because I have not spoken. I strongly agree with the Senator from West Virginia, and if we are going to continue to debate, I have things to say as well. Is there any understanding at this point as to how much farther we are going to go here?

Mr. DIXON. May I respond to that, Mr. President? The distinguished manager on the other side and I have, frankly, been accommodating to one another during this rather passionate debate. Our relationship has been quite amicable. The fact is, all the

time has been used. There is unanimous consent for each manager to have 3 minutes. That is already an imposition upon the agreement by 9 minutes.

I have no objection to granting additional time to my friend from New Jersey. I have a request from my friend from North Dakota and my friend from Arkansas, each for a minute or two. I see the Senator from Michigan, and there are others here as well. I would like to accommodate everybody for brief moments.

I just want to state what the situation is. I think we could easily conclude it in 15 or 20 minutes in any event. But I would want to indicate to the manager on the other side, the distinguished minority leader, that while I know my friend from New Jersey is speaking against my interest, I have no objection to his speaking.

Mr. RIEGLE. Mr. President, I wonder if we are going to make an agreement, if we ought not make the agreement so we understand how much time is going to be left, and how it is going to be divided up.

Mr. LUGAR. Mr. President, may I respond?

The PRESIDING OFFICER. The Senator from Indiana.

Mr. LUGAR. The agreement is that the distinguished manager, Senator DIXON, and I would both have 3 minutes each. The request is by Senator BRADLEY for 8 minutes. I think that needs to be examined on its merits. I would object to any further extension of time. I think debate has come to a conclusion at that point.

The PRESIDING OFFICER. I have a request for time, and I ask for objection. Does anybody object to the Senator from New Jersey requesting additional time?

Mr. DIXON. May I say, as a manager on this side, I have no problem with his 8 minutes. I recognize the meritorious position of my friends from Michigan, North Dakota, and Arkansas, who would like to take a couple of minutes each. If we are going to accommodate the Senator from New Jersey, I think that their requests should also be heard. I want to make it clear, I do not object to the request of the Senator from New Jersey.

Mr. RIEGLE. Reserving the right to object, and it is not my intention to object, because I want the Senator from New Jersey to be heard, but if we are going to add 8 minutes to the debate on one side of the issue, I want some additional time added to the other side of the debate, and I wanted to be listed as one of the people on the other side of the debate. I am not looking for a lot of time. I would settle for 3 minutes. If we are only going to have one unanimous consent request agreed to and others not, that unbalances the debate, then I am not prepared to accede to that. What I am looking for is some equal measure of time here.

I want the Senator from New Jersey to be heard, but in that case, I want at least 3 minutes myself to express my view.

Mr. PRYOR. Mr. President, the distinguised Senator from Illinois has mentioned that the Senator from Arkansas is requesting time. I am not actually requesting time. I will save the Senate's time. I have just submitted my statement for the record. I thank the Chair.

The PRESIDING OFFICER. I have a request for 8 minutes to the Senator from New Jersey. Is there objection?

Mr. DIXON. Reserving the right to object, and I do not object at this time. I thank the Senator from Arkansas for his usual accommodation of everyone. That has been the history of this great Senator. The manager on the other side said we might give 8 minutes equally divided to the distinguished Senators from Michigan and North Dakota to accommodate this point of view by 8 minutes to the Senator from New Jersey. That would be accommodating from this manager's standpoint.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The Senator from New Jersey.

Mr. BRADLEY. Mr. President, I offer my apologies to the manager of the bill for coming in at this time with a request, but I had no alternative, and I thank them for their courtesy.

Mr. President, I wish to make a few points about this issue. We have heard that what the Japanese should do is to buy an F-16—that is the answer—and that there are American jobs at stake. Well, the fact of the matter is that if the Japanese bought an F-16, they would not be purchasing an F-16 until 1995 or 1996, because the purpose of the new plane is to meet the fourth generation Soviet aircraft and to protect the sealanes out 1,000 miles from Japan.

So the argument that you should buy an F-16 will produce no jobs in the United States in 1989, in 1990, 1991 or 1992 or 1993 or 1994. That is point No. 1. If you go the F-16 route, no jobs are created in the United States until 1995, 1996 or maybe 1997. So let us put that issue aside.

The choice is between, really, codevelopment of the FSX or the Japanese development of it by themselves. That is the only choice. When the Japanese looked at their needs for the late 1990's, the early 21st century, they saw they needed an aircraft that had a shorter takeoff, greater missile loading and longer-range capability than the F-16. They decided that the F-16 was not a sufficiently capable plane, and that they should develop their own plane not only to meet their own needs but also to meet common needs, identified by the United States, for them to defend their sealanes out to 1,000 miles. So they decided to build their own plane. We then came in and said, "Do not build your own plane. Let us codevelop it with you." The decision was taken to go ahead with codevelopment. That means development in this country and more jobs in this country. To decide no, as the resolution of disapproval, would mean no more jobs. So, Mr. President, let us face the question of jobs up front.

Next, there is a fear expressed that if we go through with this deal, it will mean greater development of the Japanese aerospace industry. Mr. President, I submit that if the Japanese have to go their own way, have to develop all their research and development capabilities themselves, have to go down all those blind alleys that we have gone down from time to time and find out all those things that you find out only when you design a fighter aircraft entirely on your own, that 10 years from now the Japanese aerospace industry would be further ahead than if we codevelop it with them.

So, Mr. President, I argue that the Japanese aerospace industry, 10 years from now, will be further ahead if they develop the FSX themselves that if we codevelop it with them.

The next point: Who in Japan would like to see them develop the airplane alone? I know one company that would, Mitsubishi. In the political debate in Japan they were vociferous in saying that "We want to develop the plane ourselves; we do not want codevelopment with the United States." So here in the U.S. Senate, if the disapproval resolution is approved, we say, "Mitsubishi, you have won, you will be the prime contractor; you develop it yourself. We are out of the ball game." We are not in the room learning; we are not in the room sharing. We are out.

So, Mr. President, the next point: We have heard on this floor throughout this debate that this is a trade issue. Mr. President, the problem is a trade imbalance. The way out of that imbalance is not cutting back imports, but expanding exports. We have a provision in the trade bill, Super 301, that allows us to expand exports to Japan, to get across to the Japanese market. That is the place where we should address the trade issue, not on an agreement that was signed in 1987, delivered in 1988 by one President, reviewed and renegotiated by another President. His Commerce Department, State Department, and Defense Department all signed on the line. We should not reject the President.

Mr. President, one other point: A question has been made about the ability of Japan to protect any technology. Let me submit that post-Toshiba, the Japanese put in an export con-

trol system that is superior to the Germans or the French.

The next point: You have to consider the Japanese political situation. The entire cabinet has resigned; they are in a state of flux, different from any time since the late 1950's. This kind of disapproval on an issue of such high visibility in Japan at this critical time in their political process will have unpredictable results. I am not saying it will be a disaster or there will be a dramatic swing to nationalism. And I am not saying that the die will be cast for the Japan-United States relationship for the next decade. But it will have an unpredictable result, possibly damaging.

Mr. President, the last point I would like to make is this: We have heard a lot of talk about the Soviet Union, about how the Soviet Union might be changing. Well, I think it was Franklin Roosevelt who said that the world was divided between human freedom and human slavery.

Ever since that time we have known which side we were on. We were against Imperial Japan, the Nazis, Communist China, and the Communist Soviet Union.

But, Mr. President, what if things really are changing? What if the threat from the Soviet Union is decreasing? Then we can no longer define ourselves by saying what we are not. We have to begin to say what we are, and I know there are a lot of people in the political process in this country who will find that very disquieting. They will be reaching for an enemy somewhere. I hope that they will not be looking at Japan.

Mr. President, the fact of the matter is, this world will not have as much prosperity, will not have as much democracy, and will have more poverty if the United States and Japan do not develop a workable relationship for the next decade and beyond.

So, Mr. President, I submit that this is a vote about more than jobs, although on jobs the disapproval resolution fails. This is a vote about more than the development of an aerospace industry, although the disapproval resolution would accelerate the longer-term development of the aerospace industry in Japan. This is a vote about more than simply trade, although this resolution of disapproval would clearly exacerbate the environment for opening Japanese markets.

Mr. President, this is a vote about the future of the relationship and the prospect for prosperity and democracy in our world.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. BRADLEY. I thank the Chair.

The PRESIDING OFFICER. The Senator from South Dakota has 4 minutes.

Mr. CONRAD. Mr. President, I want to associate myself with the remarks of Senator BYRD. I believe he hit the nail on the head. I believe America needs to wake up.

One question goes through my mind over and over, and that question simply is what if the situation were reversed? What if we told the Japanese that we will not buy your cars, we will not buy your computers, we will not buy your consumer electronics, but we will allow you to share those technologies with us, and by the way, we will give you 40 percent of the action?

Would our friends in Japan sign on to an agreement like that? I doubt it.

Mr. President, free trade is two-way trade. Free trade requires each partner to purchase from the other when it enjoys a comparative advantage.

Mr. President, I believe it is time to send that message to our friends in Japan.

I yield the floor.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. RIEGLE. Mr. President, much has been said in this debate, and I think many of the sentiments expressed by Senator BYRD of West Virginia are both accurate and they express the sentiments of this Senator.

The idea that we are going to solve our economic problems with this agreement I think is a very, very serious mistake and to have as a recent speaker just did here the argument put forward that because this was negotiated by the last President, who according to a column in the New York Times is about to go over and receive, if the Safire column is right, a $2 million fee for spending a week over in Japan giving speeches around that country, to feel that somehow we are obligated by a deal made by that administration or that President, I think is just wrong thinking.

Japan is taking out of this country right now every month somewhere between $4 and $5 billion net. That is the net balance in their favor out of the trade deficit, and it is running month after month after month, year after year after year, and there is no serious turn in that situation.

They are still the largest country in terms of a trade surplus with the United States, and the predatory trading practices are there in every direction.

It turns out that one of the few areas where we have a trade surplus in our balance of payments is in the sale of aircraft around the world. The people working in MITI over in Japan have seen that. They want that for themselves.

I can understand that. I can understand that kind of an economic impulse.

What I cannot understand is why this country would surrender to it and that is precisely what is being advocated here if this deal is accepted. We are surrendering in that area. And the trade deficit over time will continue to go higher.

Nicholas Brady, the Treasury Secretary, the other day said that in his view the main cause for the stock market crash of 2 years ago was when the Japanese stepped back from buying our Government securities, drove the interest rates up and helped precipitate the market crash. Others have a different view. That is his view, and I think it is a view worth considering.

The fact of the matter is we put ourselves in that position by this enormous trade deficit, and this airplane deal makes that problem worse.

It is time for the United States to stand up against trade cheating that has been going on principally by Japan but being copied by Taiwan and Korea and many others in the months since.

We just had the new Treasury Under Secretary candidate before the Senate Banking Committee. He admitted in public testimony that he has been told he cannot even show up in Korea to discuss this issue because of the fact that the United States is finding itself more and more pressured by our so-called allies who are not allies in the area of the kind of trading practices that we see.

So this country ought to say "No" to this deal and we ought to say "Yes" to developing the economic strength of this country.

There is an enormous amount at stake here in terms of jobs and in terms of just our ability to continue to exercise control over our own economic destiny.

If we continue to bend over backward in these kinds of deals and tiptoe around and give away the strategic strength of this country, we will reach a point of no return, and we are very close to that today.

The New York Federal Reserve Board estimates that as a nation we are going to owe the rest of the world a trillion dollars by 1992, and it is precisely based on deals like this, of caving in to foreign pressure. There is always a reason—political crisis in Japan, deal negotiated by the last administration; we really cannot do anything about it.

We can do something about it. The people of this country expect us to do something about it, and that is why we ought to pass the resolution of disapproval by the Senator from Illinois.

The PRESIDING OFFICER (Mr. CONRAD). The Senator's time has now expired.

Mr. DIXON. Mr. President, would it accommodate my colleague if I went first?

Mr. LUGAR. Fine.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DIXON. Mr. President, this has been at times a passionate and vitriolic debate.

My colleague on the other side, the distinguished senior Senator from Indiana, throughout the debate in his usual fine sense has been a perfect gentleman. I thank him for the kindness he has extended to this Senator and the many courtesies over the years that I have been here on the Senate floor and dealt with him are brought, I think, into fruition in this debate. He is in every sense a fine Senator, and I thank him for his courtesies.

Mr. President, this deal was a secret deal negotiated mostly in the dark. The debate on it that has dissected the deal shows that it is a bad deal for America. Last year, we had a $54 billion present trade deficit with the Japanese but in the one thing where we have a surplus, a $19 billion surplus, in commercial aviation and aerospace, we want to give it to them on a silver platter.

I say "buy the F-16" and for those who come here and say that horse is out of the barn, for those who come here who say the deal is done, I say if they will not buy the F-16 we will not buy their cars, their cameras, their color TV's, and their telephones, and the other things that are part of an honorable exchange in commerce between two great nations.

This, Mr. President, is a tragically flawed deal for America, and the Lexington Herald Leader of Thursday, May 11, 1989, is right when it says "The 'S' in FSX stands for sucker."

Mr. President, vote for this resolution and send a message to the world that Uncle Sam is tired of being the sucker.

The PRESIDING OFFICER. The Senator from Indiana is recognized.

Mr. LUGAR. Mr. President, I thank the Chair. I thank the distinguished Senator from Illinois for his courtesies and for his strong leadership in this debate.

Mr. President, many of the speeches today understandably have been filled with emotion. The distinguished Senator from Illinois, the manager of this bill, the Senate President pro tempore, Senator BYRD, the distinguished Senator from Michigan, who we just heard, have said let us send messages, send messages to the Japanese we are not going to take this lying down anymore, send messages we are not going to cave in, send messages this is a bad deal made in secret.

In understand the sense of their frustration and their emotion.

Let me, Mr. President, at least as calmly as I can, assess the fact that we have a very serious vote ahead for our country in the next few minutes.

The distinguished Senator from West Virginia [Mr. BYRD] put the issue of the relationship with Japan very well. It was his view, as I heard him, that we are at a crucial point with the Japanese, that this is the time and this is the vote where we make a significant break with our allies.

The distinguished Senator said that in the event we break off on this deal and the Japanese strike a deal with the British or the French, that they should tell the British and the French to defend them. If we break off the deal and they go alone, the distinguished Senator said, let them go alone. Other Senators have suggested that it would take them a long time to go it alone and that it would cost them more money to go it alone. There would be penalties for them down the trail, that we would teach them, we would give them a lesson, we would not cave in again and, in this decisive vote, we will tell them literally where to go; namely, go by yourselves and produce a plane on your own.

Mr. President, this is not the time to reorder the entire relationship with Japan. That is a serious job for the President of the United States, working with the Congress. It is a job that must be done. This particular deal is for an aircraft. It is our opportunity to shape that aircraft deal, to shape that aircraft industry, to stay with Japan, to stay with our ally, and to obtain $2.5 billion of business and the jobs that are attendant to it. Otherwise we get no jobs. We need to continue to impart some confidence in the countries of the Far East that we know what we are about, that we have a sense of responsibility and a sense of mission.

It is a serious vote, Mr. President, about our relationship with Japan. And I, for one, believe the relationship should continue. I think peace in the Far East depends on that relationship continuing. So Senators have an important vote. They can send messages and they can break the relationship and they can tell the Japanese where to go and throw them into the arms of others or to tell them to rely on their own resources. But that, I believe, Mr. President, will be historically a very bad mistake and very shortsighted at a time when Senators want to vent their emotions, as opposed to depending on their intelligence and their sense of statesmanship.

Mr. President, I ask that the Senate reject the motion of disapproval and support the agreement that our President has negotiated.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. DIXON. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficent second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Illinois [Mr. DIXON]. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from New York [Mr. MOYNIHAN] is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced; yeas 47, nays 52, as follows:

[Rollcall Vote No. 66 Leg.]

YEAS—47

Adams	Ford	Metzenbaum
Baucus	Glenn	Mikulski
Biden	Graham	Mitchell
Boren	Grassley	Nunn
Breaux	Harkin	Pressler
Bryan	Heflin	Pryor
Bumpers	Heinz	Reid
Burdick	Helms	Riegle
Byrd	Kasten	Rudman
Coats	Kerrey	Sanford
Conrad	Kerry	Sarbanes
D'Amato	Kohl	Sasser
Dixon	Leahy	Shelby
Dodd	Levin	Simon
Domenici	Lieberman	Wilson
Exon	McConnell	

NAYS—52

Armstrong	Gore	McClure
Bentsen	Gorton	Murkowski
Bingaman	Gramm	Nickles
Bond	Hatch	Packwood
Boschwitz	Hatfield	Pell
Bradley	Hollings	Robb
Burns	Humphrey	Rockefeller
Chafee	Inouye	Roth
Cochran	Jeffords	Simpson
Cohen	Johnston	Specter
Cranston	Kassebaum	Stevens
Danforth	Kennedy	Symms
Daschle	Lautenberg	Thurmond
DeConcini	Lott	Wallop
Dole	Lugar	Warner
Durenberger	Mack	Wirth
Fowler	Matsunaga	
Garn	McCain	

NOT VOTING—1

Moynihan

So, the amendment (No. 102) was rejected.

Mr. LUGAR. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Under the previous order of the Senate, the Byrd amendment is now before us. There is 1 hour equally divided under the control of the Senator from Indiana and the President pro tempore.

The Senator from West Virginia.

Mr. BYRD. Mr. President, I thank the Chair. Let me say again, I congratulate both managers. I congratulate Mr. DIXON and I congratulate Mr. LUGAR on the excellent leadership that both gave on the matter in connection with which we have just voted.

I listened to my distinguished friend from Illinois as he closed the debate. Let the RECORD show that this Senator does not propose severing the relationship with our ally. This Senator has

not proposed severing our friendship, but this Senator is saying there is a lot of anger out there in the hills and valleys and plains and plateaus and mountains of America, and the sooner the Japanese recognize it and the sooner our own negotiators recognize it, and start talking frankly and understandingly with one another then the better off our mutual relationship will be.

Mr. President, the amendment I have offered is intended to enhance the protection of vital American technology in connection with the FSX deal to closely monitor the codevelopment project as it proceeds to establish key congressional areas of interest in how the coproduction arrangement is later developed and finally to establish a better system of looking out for American industrial, commercial, and competitive interests when we negotiate and implement transfers of technology for military purposes.

This amendment is intended to be a constructive contribution to the FSX project to strengthen the benefits, hopefully. It is not intended to kill the project, that is for sure. The Senate has already voted on that proposition. It does not require the renegotiation of the memorandum of understanding. It is not intended as harassment of either the administration or of the Japanese. It will not delay the implementation of the project. So it is not a killer amendment. It does not impose any limiting conditions on the parties that have not already been clearly understood.

The debate on the FSX has pointed out not only that it was negotiated without due consideration for U.S. industrial base and competitive concerns in mind, but also that the imprecision and vagueness on key aspects of the deal could potentially lead to future misunderstandings and rancor between Japan and the United States.

There are areas of uncertainty that might well be cleared up now, and it is my hope that this amendment will help to give our negotiators additional leverage with their Japanese counterparts when the crucial details of the future memorandum of understanding is negotiated several years from now.

There is a second MOU that has to be negotiated. That is what we are looking at. I was gratified to see reported on this past Saturday, May the 13th, that our Special Trade Representative, Mrs. Hills, has publicly indicated that the provisions in the omnibus trade bill, particularly the Super 301 provision, have had the salutory effect of giving the administration additional leverage with our trading partners to begin correcting the market distorting mechanisms that are inhibiting American access to their markets, and that is constructive leverage. In the same vein, I hope and intend that this provision on the FSX project will provide constructive leverage for our negotiators.

There should be no illusions about the long and tough negotiations that lie ahead for U.S. negotiators on this matter with the Japanese. That unfortunately is the history of our relationship with Japan on all matters dealing with high technology, whether they are for our mutual security interests and benefit or not.

First, the amendment prohibits in the context of the production memorandum of understanding, the transfer of vital jet engine technologies to the Japanese. We all can sympathize with the American members of the codevelopment team. In such a situation, there begins to develop a team spirit and the members of the team would naturally want the project to succeed. However, in desiring it to succeed, there can be a temptation to transfer technologies to the other side that were not contemplated in establishing the parameters of the deal.

There have been indications that such behavior has occurred in connection with coproduction deals with the Japanese in the military area before. This engine technology prohibition is designed to make it clear that such transfers, which the administration has told us will not be allowed, just will not occur under any circumstances.

In addition, there is a provision in the amendment which would not permit the Japanese to sell or transfer the FSX aircraft or technology to third parties. No one expects the Japanese to turn this system into an export item, and this provision simply makes it impermissible for the Japanese to use the specific systems they are getting from us to enter the international market.

Those two items are mandatory. In addition, there is a provision which makes it the sense of the Congress that, in the MOU for production, no less than 40 percent of the workshare of the aircraft, including the value of the lifetime costs of the aircraft, be allocated to the American manufacturers. Since the development costs are allocated specifically to give 40 percent to the U.S. manufacturers, it seems logical for the production allocation to be the same. Indeed, the United States has long pressed the Japanese to be specific on this point and not to leave the allocation up for future negotiation after the United States has transferred the vital technologies in connection with the aircraft's development to the Japanese. Indeed, Secretary Baker tried to get the Japanese to agree to a 40 percent share in his trip to Tokyo this year, but he was turned down. Even in the so-called clarification of the FSX project in Ambassador Matsunaga's letter, the best we could get is approximately 40 percent of the production work to go to the United States.

What does "approximately" mean? What do the Japanese think it means? They and we do not agree on the definition of the word "open," so perhaps we do not agree on the word "approximately."

This simply invites further negotiation with tenacious and unyielding Japanese negotiations, spelling, in boxcar letters, trouble ahead. I think the Japanese ought to know that the Congress wants a 40-percent floor, and wants a fair allocation of this type to be extended to the whole weapons system, including the highly valuable future market in spare parts. Spare parts have not been addressed specifically in this deal so far, and I think this leaves an important area without needed specificity and certainty.

Mr. President, I am hopeful that congressional involvement in this situation can enhance U.S. leverage in this deal as it is implemented and in connection with negotiating the MOU for production. Therefore, I have included a requirement for periodic GAO reports on the progress of the development project. This is particularly important considering the unique nature of this arrangement. The United States has engaged in numerous coproduction projects over the years with various allies, including coproduction of the F-15 with Japan, but this is the first time we have codeveloped a major weapons system. Codevelopment means significantly closer cooperation and sharing of technological expertise. Monitoring the progress of this arrangement will be extremely important. GAO has already been actively involved and is knowledgeable on the parameters of the arrangement. It has already been reporting to Congress on it, and I would require that it continue to do so.

Last, Mr. President, we have included in the negotiations of these valuable transfers of U.S. technology an institutional way to protect our industrial base. Japanese motives in negotiating the FSX have been discussed at length in this debate. I will not belabor them here, except to say that it would be foolhardy not to be vigilant in protecting our aircraft industry and the vital technologies associated with it. Therefore, I have joined with Mr. DANFORTH in constructing a provision which gets the Commerce Department into the loop on these arrangements. This provision in my amendment is designed to be related specifically to the FSX deal, but I would hope it will be extended, during the debate on the DOD authorization bill this year, to all such weapons transfers. In some cases, the commercial considerations of such arrangements can have such a deleterious effect on our competitive base that it would be foolish to go for-

ward. Many Senators believe this to be the case with the FSX, partly because the deal was negotiated without the participation and knowledge of officials in the Commerce Department who could have raised early red flags on what was contemplated to be transferred. So, as the deal is implemented, this provision gets Commerce into the act.

Mr. President, we have to start asking ourselves some basic questions about our relationship with Japan. How much longer can we continue to subjugate United States interests to Japanese economic hegemony? How much longer can we tolerate these huge trade imbalances? How much longer can we continue to afford to defend Japan or anyone else if we allow our economy and our industrial base to wither? How much longer will the American people tolerate watching American jobs leave our shores? In my view, Congress must continue to take an interest in any agreement which affects U.S. competitiveness and jobs. My amendment intends to contribute to the viability of this deal and future agreements of this kind. This Nation needs to get our economic relationship with Japan on a saner and sounder track. We have to start considering the interests of the United States of America first. We have to go to the negotiating table with a full deck to make sure that the hand we deal ourselves is a balanced one. The amendment I have offered is a step in that direction.

The PRESIDING OFFICER. Who yields time?

Mr. LUGAR addressed the Chair.

The PRESIDING OFFICER. The Senator from Indiana is recognized.

Mr. LUGAR. Mr. President, I appreciate the reasoning of the distinguished Senator from West Virginia as he has presented an important amendment. Certainly the work that he has performed in the drafting of this amendment, the collaboration with the distinguished Senator from Missouri, Mr. DANFORTH, is evident, as are the considerations of the participation of the Department of Commerce. It presents a general overview of what we ought to do in negotiating these agreements. These are points that should come forward in the debate, and they have been well presented.

Let me just say, Mr. President, I will oppose the amendment offered by the distinguished Senator from West Virginia because I believe this amendment and the refinements of these agreements are an unfortunate intrusion upon the negotiating powers of the President of the United States.

I make this point not to be contentious with regard to the specifics of participation by the Department of Commerce in discussion of trade agreements, but simply to point out that the Secretary of Commerce is appointed to his position by the President of the United States. He is a part of the President's Cabinet.

It is the intent of the amendment, as I read it—and I quote—

* * * the Secretary of Commerce may request a review of the agreement. If, as a result of the review, the Secretary of Commerce determines that the strategic commercial interests of the United States are not being served, the Secretary of Commerce shall recommend to the President any modification to the agreement he deems necessary to ensure an appropriate balance of interests.

Then it goes on to say:

The President shall consider the recommendations of the Secretary of Commerce concerning—

(A) the commercial implications of any such memorandum of understanding or related agreement, and

(B) the potential impact on the international competitive position of United States industry,

in determining whether such memorandum of understanding or related agreement shall be implemented or agreed upon.

Mr. President, this may be a subtle criticism of the current administration. Maybe it is general judgment on how Government works. There may be a suggestion that the Secretary of Commerce is so remote from the President of the United States who appointed him that by law the Congress of the United States must mandate that the Secretary have the opportunity to request a review and even stipulate the reasoning of the President in taking a look at the product of that review.

I submit that in a normal executive line chain of command the President of the United States obviously would call upon those who are important in any understanding. He would ask them for their points of view and he would think carefully about what they have to say.

But ultimately, the President of the United States negotiates on behalf of our country. He has done so in the case of the FSX deal with Japan. Two Presidents have negotiated—President Reagan and then President Bush, and we have been debating President Bush's product today.

I submit that the logic of the situation is that after that negotiation is completed, the President of the United States gives formal notification to the Congress. In this case, the President of the United States has suggested that the Congress of the United States ought to consider the product of his negotiation, and that in a 30-day period we have an opportunity as Members of the Senate and the House, if we act upon a resolution of disapproval, to indicate our disapproval. He has furthermore the ability to veto that resolution of disapproval, and thus commit the United States to the negotiations that he commenced, and therefore will complete.

This afternoon we have faced that issue in a very important vote. By a vote of 52 to 47 the Senate of the United States voted down the resolution of disapproval. It approved the product of President Bush's administration. In this case the President was not a distant person with regard to all of this—a third party who did not know about the agreement. The President of the United States actively has asked Members of the Senate to support him in his agreement.

The Vice President of the United States in fact on this very day just down the hallway asked Senators, and when they refused to respond affirmatively to him, in fact argued with them the merits of this. This is hands-on Government with President George Bush and Vice President DAN QUAYLE actively involved in negotiating an agreement.

Furthermore, we know from testimony before the Foreign Relations Committee that Secretary Mosbacker, the Secretary of Commerce; the deputy Secretary of State, Mr. Eagleburger; the Secretary of Defense, Mr. Cheney—all testified that they had not only been involved but they enthusiastically support this agreement that the Senate affirmed this afternoon by a vote of 52 to 47. This is very hands on. In fact, all three sat together in front of the committee at one time. They heard each other's testimony. Members of the committee who were present heard that testimony directly.

Mr. President, there is no doubt that this administration wants this agreement. In fact all of the major Cabinet officials have been consulted, and all have argued and all have affirmed that they want this agreement. And the Senate has voted to support the President's negotiations.

Now we come to an amendment which suggests that somehow or other, additional conditions ought to be applied, or stipulates that the Secretary of Commerce, for one, ought to be involved. And, Mr. President, I suggest this is redundant, and could in fact impinge upon the powers of the President of the United States. The drafting of the amendment uses words such as "sense of the Senate" on occasion so that perhaps one could consider this an editorial comment after the fact, a memorandum for the future but this is serious business, Mr. President.

I suggest that there is no good purpose served by adopting an amendment which comes after the fact of the Senate's action which affirms the agreement the President of the United States, the Vice President, and relevant Cabinet members have all testified they want and have asked personally the Senate to affirm, as we have today. For these reasons, Mr. Presi-

dent, I ask tht the Byrd amendment be defeated. I am hopeful that the slate will be clear as we end the day, that support for the President and his agreement will be absolutely clear, not only to him, the American people, but to all abroad who looked to this body for leadership.

Mr. DIXON addressed the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. DIXON. Mr. President, will my friend from West Virginia yield time to this Senator?

Mr. BYRD. How much time does the Senator wish? Ten minutes it is.

The PRESIDING OFFICER [Mr. SIMON]. The Senator from Illinois is recognized for 10 minutes.

Mr. DIXON. Mr. President, I rise in support of the amendment by my distinguished friend, the senior Senator from West Virginia. This amendment to the Dixon resolution will change the resolution of disapproval to a resolution of approval with very tight constraints.

What this resolution of approval says is that all of the things that were said against this memorandum of understanding are essentially correct. This amendment that would amend the memorandum of understanding guarantees that the United States of America will get 40 percent of the value of all work, not just in the development of the first six airplanes, but all work in the coproduction process that will go on for years and years. That is a very good amendment.

This amendment says that every year the General Accounting Office will report to the Congress on the implementation of the FSX agreement signed on November 29, 1988, and further says that the Secretary of Commerce, who was denied his part in all the negotiations process up until this year, will be part of the process in the future.

I might say to my friend from West Virginia, and to my friend from Missouri who I see on the other side of the aisle and others, that I cannot think of anything more fundamentally important in the future in what we do dealing with the Japanese than seeing to it that the Secretary of Commerce is an integral part of the process at all times.

I will offer shortly when this time has expired an amendment to the amendment of my friend from West Virginia, and I think he is amenable to, that would simply say when the reports are filed on an annual basis with the Speaker of the House for the committees of the House, that in addition to the filing with the Foreign Relations Committee in the Senate, the report should be filed with the Armed Services Committee, the Commerce Committee, and the Banking, Housing, and Urban Affairs Committee which has jurisdiction over the Export-Import Administration Act.

I think that will make this a very strong resolution of approval concerning this memorandum of understanding, and all of the letters of clarification that took place.

Permit me to say this, Mr. President: The administration may in the end, I say, be more compromised by what we do in this resolution of approval with tight constraints that it would have been in the adoption of the resolution of disapproval that received 47 votes because I think it is entirely possible—I congratulate my friend from West Virginia when I say this—that we can receive sufficient support in the U.S. Senate and later in the whole Congress, certainly in the House, to have the necessary two-thirds vote to override an expected veto by the President of the United States. By passing this legislation, the Congress will send the strongest possible message about the fact that this entire memorandum of understanding and the exchange letters, done in the dark, mostly flawed, was against the best interests of the United States of America.

I just want to say this in conclusion: In my support of this amendment, I think we have sent a very strong message. No one would have believed that this Senator's resolution of disapproval would receive 47 votes. I think it is a powerful message to the country and a powerful message to the world, and a powerful message to Japan, that we feel that this is a terribly flawed agreement that our Nation has entered into with the Japanese. I think that when this resolution is adopted with the Byrd amendment—and I believe it will be—that when it goes to the House, it will be strengthened even more, to protect the interests of this country in connection with an outrageous, bad deal, poorly done from the beginning, and against the best interests of our country.

I am delighted to support this amendment. I thank the Senator from West Virginia for his valuable input. I think in the 9 years that I have been here, his speech today was the most magnificent speech that I have heard in this place, a barnburner, by anybody's standards; and I think his contribution on this amendment is an important contribution, to bring about the kind of message here in the Congress that may very well be the kind of message that this administration and our friends in Japan cannot ignore. I am delighted to support the amendment and to offer, at the conclusion of the major debate on this amendment, a perfecting amendment by this Senator that will bring all the jurisdictional committees in the U.S. Senate into the approval process, along with the Foreign Relations Committee.

I yield back whatever time remains.

The PRESIDING OFFICER. Who yields time?

Mr. DANFORTH. Will the Senator from West Virginia yield 3 minutes?

Mr. BYRD. I yield 3 minutes.

Mr. DANFORTH. Mr. President, I strongly support the amendment offered by the Senator from West Virginia. I think that this is very, very important to the trade policy of the United States.

I want to make it clear to Senators on our side, who, when they see the name of the Senator from West Virginia on legislation, say, "Oh, this must be some sort of plot by the other side of the aisle." The core of the amendment that has been offered by Senator BYRD is legislation that I introduced with his cosponsorship some months ago about the whole process of entering into memoranda of understanding.

Mr. President, the question before us is whether the Commerce Department, which should be the guardian of America's commercial and industrial interests, has a place at the bargaining table when we enter into high-tech, very important deals with other countries. The basic problem with the FSX negotiations from the beginning was that this was something that was brought about by the Department of Defense, with zero input from the Commerce Department and zero input from the U.S. Trade Representative—none. It was not until the beginning of the Bush administration that they had any role to play at all.

Now the question is, will they have a continued role to play? Repeatedly, the administration has been asked whether they will agree in a written statement to a continuing role by the Commerce Department with respect to the memorandum of understanding for production. Repeatedly, the answer has been, no, to a formal assurance. Therefore, it is absolutely essential for the Congress of the United States to speak.

The FSX deal is going to go forward; there is no doubt about it. But, Mr. President, we cannot, as a country, continue forever to make significant deals with Japan and other countries, with no one sitting at the table who has any interest in the industrial and commercial future of the United States of America. That is why the Byrd amendment is essential.

The PRESIDING OFFICER. Who yields time?

Mr. ROCKEFELLER. Will my distinguished senior colleague yield me 4 mintues?

Mr. BYRD. Yes.

I thank the distinguished Senator from Missouri, and I also appreciate his cosponsorship and the leadership he has consistently shown.

How much time does my colleague wish?

Mr. ROCKEFELLER. Four minutes.

Mr. BYRD. I yield 4 minutes to the Senator from West Virginia.

Mr. ROCKEFELLER. I ask to be added as a cosponsor of this resolution.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROCKEFELLER. I voted against the resolution of disapproval, as I stated earlier in the debate, because I believe that going forward with the FSX arrangement is a positive and a good idea. It is also in the best interest of the United States that we obtain every possible advantage and clarification that we can. Japan must understand—and surely they will after this debate—that the Senate of the United States is apprehensive about the concept of reciprocity and fairness with respect to trade.

This resolution includes the sense of the Senate that the MOU for coproduction of the FSX should specify that the U.S. share shall be not less than 40 percent. In other words, not approximately, but at least 40 percent. That is a very important improvement.

Secondly, the resolution calls for that minimum 40-percent figure to apply not only to the initial production of the FSX, but also to spare parts and other support items over the life of the entire system. The exchange of letters, on the other hand, between Secretary Baker and Japanese Ambassador Matsunaga, applies only to the production phase. Postproduction procurement will vastly surpass the value of initial production.

We should do everything possible to assure that we secure the maximum sales possible throughout the second phase.

Mr. President, this resolution tasks GAO with periodic reporting on FSX implementation. We are really saying that we will be watching. The Congress of the United States will closely watch the implementation of this memorandum of understanding.

Finally, this resolution speaks to provide a firmer institutional role for the Secretary of Commerce when we negotiate and implement this type of agreement. This is truly critical to our national interest.

I have been appalled by our Government's lack of understanding about the negotiating process with Japan. Reaching a signed agreement, in the American way, is equivalent to completion of the deal; with the Japanese, it is only a first part, a first step. The implementation phase is extraordinarily important. We do not have negotiators that stay year in and year out; ours change. Administrations come and go. The Japanese negotiators, on the other hand, stay year in and year out, and they build up tremendous expertise. We must commit resources of people, attention, and commitment to the implementation phase of this agreement.

Our Government must begin to learn how to deal with Japan. I think the discussion in this body today will help. The adminstration should learn the concerns we in the Senate have, and it should also be useful to the Japanese understanding. They must understand that bilateral trade is an extraordinarily important item on the agenda of the United States Congress.

I commend my senior colleague for his initiative and encourage all my colleagues to join him and join me in supporting this resolution.

Mr. BIDEN addressed the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. BIDEN. Will the Senator yield me 30 seconds for a unanimous consent request?

Mr. BYRD. I will be glad to.

Mr. BIDEN. Mr. President, the FSX deal that we have been asked to support by the administration is fundamentally flawed, and has been from the very start.

It is fundamentally flawed because is is based on a faulty premise: That if we don't agree to the FSX deal, Japan will go off and develop a fighter on its own, possibly with the assistance of the Europeans.

Starting from that premise, I suggest to my colleagues, placed us in a losing position from which we could not recover. Any leverage we might have had went out the window, and the advantage in the negotiations shifted to Japan.

This is a bad deal, both from an economic and military standpoint. And it raises fundamental questions about the United States-Japan alliance which I believe are worth examining.

AN OFF-THE-SHELF DEAL—WAS IT POSSIBLE?

The Bush administration contends that this deal is much improved from the original FSX agreement signed by the Reagan administration. That may be so. But even if it is, the question remains, why are we doing this in the first place?

When this issue first arose, the United States attempted to sell American fighters off-the-shelf to Japan, which required a successor to its F–1.

Indeed, it was logical for us to do so, since we make the best fighters in the world at the cheapest price. In fact, we are the world's leader in the aerospace industry, which last year had a $17.8 billion surplus.

But Japan rejected this approach, and insisted on domestic development of its own aircraft. In doing so, Japan sent a very strong signal to the United States: Our market is not open to your finest products.

The administration now contends that an off-the-shelf purchase was never a likely option in the first place, arguing that most industralized nations develop their own fighter aircraft, and thus it was not realistic to expect Japan to buy ours.

But most nations, to be sure, do not have a enormous trade imbalance with the United States. And most nations spend more than 1 percent of GNP on defense.

In rejecting an off-the-shelf purchase from the United States, Japan sent another important signal—they're not interested in helping to bring down the United States trade deficit.

Last year our trade deficit with Japan was $55 billion, over 40 percent of our overall deficit. Deficits of that size are not just unsustainable, they are intolerable.

Of course, some blame for our trade problems lies here at home:

In our failure to address the budget deficit;

In the declining competitiveness of American companies; and

In the failure of many United States companies to try to penetrate the Japanese market.

But let's be honest—Japan must shoulder some of the blame as well. Their trading practices in various sectors are unquestionably unfair.

When pressed to buy American products, the Japanese often say that our goods are inferior, and that the Japanese people don't have confidence in American workmanship.

That excuse doesn't wash with our fighters. Had they bought our planes as we asked them, Japan would have purchased not only terrific fighters, but also an enormous amount of goodwill in this country on the trade question.

The argument has also been made that the FSX will have a unique mission, and that none of the U.S. planes could have fulfilled that mission.

But this argument cleverly obscures the fact that Defense Department officials went to Tokyo early on and told Japan that any of three American planes—the F-16, the F-15, and the F-18—could fulfill Japan's mission.

And the "unique mission" argument is just a smokescreen, and for the Japanese, a familiar one. In fact, they have been using the uniqueness argument for a long time to keep out our commercial goods.

The mud in Kansai Bay is unique, so American construction firms can't build Kansai airport. Japanese rice is unique, so they can't import United States rice. Japanese intestines are unique, so they can't eat United States beef. And so on.

The truth is that any one of several United States fighters, with only minor modifications, can fly the so-called special Japanese mission.

IS IT SOUND MILITARILY?

Let's assume for a moment that the FSX is a good deal.

A fundamental question then ought to be, is it sound for our mutual de-

fense? And it's here that I come up with a lot of question marks.

First, one can argue that Japan needs new fighters now, not 8 or 10 years from now when the FSX will be deployed.

The FSX replaces Japan's F-1, a domestically developed plane which hasn't been terribly successful. Indeed, in the early 1980's, the Japan Defense Agency was worried that the F-1 avionics were already obsolete, and that the airframe was suffering from metal fatigue.

Given the substantial Soviet buildup in the Far East, it makes sense that Japan should have bought United States planes to fill this gap.

Proponents of FSX dismiss this notion, arguing that because of a backlog of orders at General Dynamics, the F-16's wouldn't have been deployed until 4 or 5 years from now.

But that argument cleverly ignores the fact that Japan began considering a replacement for the F-1 in the mid eighties. Thus, if they had bought our planes then as they should have, the new fighters would be in operation today.

A second question mark militarily is the interoperability of the FSX with other U.S. assets in the region.

Interoperability is a key procurement strategy—the ability to use similar parts on different assets.

The administration has argued that because the FSX will be based on the F-16, it will thus be interoperable with U.S. assets in the Far East.

Last week Secretary Cheney testified before the Foreign Relations Committee that "Fueling and some ground support will be compatible, as will certain maintenance functions."

But what he didn't say is that the FSX will carry different weapons. And I am not reassured by his qualifying remarks about ground support and maintenance.

The final question mark about the FSX's military efficacy is that it will drain scarce resources from the mutual defense.

As everyone knows, Japan limits its defense spending to 1 percent of GNP. I support this policy. I am not eager to see Japan become a military power.

But the FSX will cost Japan two to three times as much as buying American. Maybe more, because the cost estimates for the FSX are just that—estimates—and the final costs could be much higher.

Japan has every right to spend this money. But because of Japan's ceiling on defense spending, they will then have less funds to devote to mutual defense projects.

What does that say about Japan's commitment to our mutual defense?

WHAT DOES THE UNITED STATES GET IN RETURN?

The next question that we should raise in examining this agreement is what the United States will obtain in return. For it seems only logical that the United States must not enter agreements unless they are mutually beneficial.

What will we get in return? The proponents of FSX argue that Japan has developed technology which will be applicable to our next generation fighter.

Specifically, these two technologies are in composites and phased-array radars. However, it is not clear that the United States will reap significant benefits from these technologies. Because the simple truth is that the United States has been involved in these fields for years, and is ahead of Japan in both of them.

An official from Hercules Aerospace in my own State of Delaware told a House Committee: "The United States is the indisputable world leader in the field of carbon fiber composites."

A preliminary study by the General Accounting Office reached the same conclusion: "The United States is superior to Japan in composites technology and appears to be ahead in radar development."

The argument by FSX proponents has now been refined. It's not that Japan is ahead in these technologies, the argument goes, it's that their manufacturing processes may be better than ours.

But this too is a smokescreen. The fact is we are really not sure what the Japanese have, but we are dying to find out.

And why not? I don't doubt that the United States would gain by seeing what Japan has accomplished in these fields.

But do we need the FSX deal to do it? We already have an agreement with Japan, reached 6 years ago, to share military technology.

Unfortunately, it has not worked very well. But perhaps we have not tried hard enough to make it work.

FSX proponents say that the agreement will ensure that new technology will flow back to the United States.

But if little technology has flowed back under the 1983 agreement, how can we be sure that it will under this one?

WHAT WILL JAPAN GAIN?

It is important to keep in mind what Japan hopes to gain from the FSX deal.

Japan has targeted aerospace as a key technology for the 21st century. They have made no secret of this.

The fact that Japan is willing to spend billions on a grossly inefficient production run—just 130 planes—should tell you that their primary goal in the FSX deal is not improved military capability, but increased potential as an aerospace manufacturer.

And while it is not clear that this military technology will be applicable to commercial aviation, one thing is clear: Even if we protect all of our key technologies, the FSX will allow Japan to advance on the learning curve in aerospace.

A whole generation of Japanese engineers will gain vital experience in building a state-of-the-art fighter, from drawing board to assembly line. In addition, Japan will build up its production base in aviation.

There is no reason why they should not. There is also no reason why we should help them.

My point is simply this: the United States holds the lead in aerospace technology. It is our number one manufacturing export. Why should we make an agreement that potentially threatens that lead?

PREVIOUS AGREEMENTS WITH JAPAN—A LESSON FOR FSX

When considering the FSX deal, it is instructive to look back at previous coproduction agreements with Japan.

In 1978, the United States and Japan agreed to coproduce the F-15. The agreement listed those technologies which would not be releasable for national security reasons.

According to a 1982 report by the General Accounting Office, however, Japan has repeatedly requested and successfully negotiated release of much of this technology.

I do not necessarily blame Japan for this. When Japan requested this technology, we should have said no, plain and simple.

Unfortunately, U.S. officials were apparently too concerned about continuing the momentum of the program to call a halt to the technology flow.

Who is to say it will not happen again? For example, the administration contends that the FSX agreement limits Japan's access to the source codes for the flight computer. That may reassure some in this body, but it does not satisfy this Senator.

In fact, I am a little nervous about the agreement on this point. Indeed, the oral exchange which accompanied the side letters between Secretary Baker and the Japanese Ambassador is imprecise on this issue.

Let me quote from the oral exchange, which Secretary Mosbacher told us is similar to a colloquy on the floor:

In the section titled "Technology Transfer" it reads:

Japan wishes to confirm that software will be made accessible to Japan as much as possible in order to make the FSX * * * substantively effective.

It seems to me that Japan could drive a truck through this provision, and use it demand access to the source codes for the flight computer.

The precedent I cited in the case of the F-15 agreement is not comforting. If the United States could not say no then, how can we be sure that we will this time?

Secretary Mosbacher assured us last week that "we have the leverage to make sure the agreement is followed."

With all due respect to Secretary Mosbacher, we had the leverage in the F-15 coproduction agreement, and it did not amount to much.

JAPAN'S REACTION

The proponents of the FSX agreement have argued that congressional objections to the FSX are puzzling to Japan, and will do great harm to the alliance.

In my view, this argument insults the intelligence of the Japanese and underestimates their ability to understand our system of government.

The Japanese were fully aware that Congress would play a role in reviewing this measure. And they knew all along that many in Congress were unhappy with the FSX deal.

IS OUR COMMITMENT TO THE PACIFIC THREATENED?

The argument has also been made that the FSX deal will cement our military relationship with Japan, and that if we cancel it, our commitment to the alliance and the security of the Pacific will be questioned.

This too is absurd.

The United States has over 50,000 troops in Japan, over 40,000 in South Korea, and two major bases in the Philippines.

In addition, the new multilateral aid initiative for the Philippines should ease anyone's fears that we are going to leave the region anytime soon.

So let us put aside any notion that we're not committed to the defense of the Pacific.

THE UNITED STATES-JAPAN ALLIANCE

The FSX question is symbolic of a much larger issue—a bilateral relationship that is severely imbalanced and dangerously frayed.

In my view, the scales have been tipped in Japan's favor for too long. While we have maintaned free and open markets, Japan has worked to protect many of its domestic industries.

And Japan has undercut many of our key industries, industries upon which we rely for our national security. For example, Japan has become a dominant player in semiconductors—an industry that is crucial to modern warfare—to the point where we are increasingly reliant on Japan.

In my view, Japan's actions in decimating our semiconductor industry calls into question their commitment to the defense alliance. For if Japan is so willing to undercut a key defense industry in this country, how can they expect us to continue to provide for her defense?

I am not suggesting that we pack up and go home. I am suggesting that Japan needs to be more sensitive to our defense needs.

As Ambassador Mike Mansfield has pointed out, our relationship with Japan is one of our most important. As two of the world's leading economic powers, close ties between the United States and Japan are crucial to world stability.

I am deeply concerned about the continuing tensions in the alliance, which have been exacerbated in recent years by our mounting trade imbalance. These concerns, however, do not require me to support a deal that I believe is not in the interests of the United States.

IN SUM: A BAD DEAL NOT WORTH THE PRICE

In the final analysis, we must keep in mind one fact: Japan intends to become a competitor in the aerospace industry, and the FSX deal will serve as a stepping stone toward that goal.

There is no doubt that Japan believes that the FSX will help Japan compete in this field. In fact, cooperation with the West in military ventures is a key part of their competitiveness strategy.

Let me quote from a report issued last summer by the Ministry for International Trade and Industry called Japan's choices:

> In order not to lag behind the West in international competitiveness in the future, it is undoubtedly necessary to participate * * * in the military sector through close contact with top rank Western firms.

We should be honest about what Japan wants out of this deal. They want to increase their ability to compete in the aerospace field.

Why should we help them move toward this goal?

It seems to me the burden of proof in the case of the FSX should be on the proponents. And they have failed to make the case.

In my view, there are too many uncertainties and too many risks involved to go forward with this agreement.

I strongly oppose the FSX deal, and I urge my colleagues to join me in voting against it.

Mr. WALLOP. Mr. President, I would like to begin by briefly recapping the history of this agreement. It seems to me, as I look back over the course of events, that at every stage this process has been characterized by the unwillingness of the opponents of the FSX arrangement to take "yes" for an answer:

Initially, the Japanese wanted to domestically produce the FSX. The Reagan administration and Members of Congress strongly objected to this approach and the Japanese agreed to enter into a cooperative venture with the United States.

Last year, as part of its report on the fiscal year 1989 budget, this committee included language specifying conditions that should be included in an FSX MOU. The MOU signed in November 1988 embodied those recommendations.

In January of this year, a number of Senators wrote to President Bush urging him to conduct an interagency review of the FSX agreement, to include the Commerce Department and the U.S. Trade Representative. The President agreed to conduct such a review.

In March, under continued pressure from critics, President Bush announced his intent to proceed with the FSX agreement pending Japanese acceptance of certain clarifications. In April the Japanese agreed to these changes, but some are still not satisfied.

In my opinion, the administration is to be commended for negotiating an excellent agreement which balances both the economic and national security interests of the United States. From an economic point of view, this agreement guarantees the United States a 40-percent work share during both the development and production phase of the FSX project. This 40-percent share translates into at least $2.5 billion in business and 22,700 man years of work for U.S. industry. In addition, the United States will benefit from the flowback of any advanced Japanese technology developed during the course of the FSX project.

From a national security point of view, this deal will do the most to improve Japanese air self-defense capabilities—thereby reducing the burden on the United States—by providing the Japanese with an aircraft superior to both current United States fighters and any possible indigenous Japanese aircraft. Despite the fact that we now find ourselves in an era of glasnost, Soviet military capabilities in the Pacific continue to grow and the threat that the FSX is designed to counter is a real one.

We seem to be losing sight of the fact that Japan is our closest ally in the Pacific. The United States is committed by treaty to the security and defense of Japan. Therefore, it is in the interest of the United States for Japan to have a modern, well-equipped military force. This agreement contributes to that goal.

Despite the criticisms we have heard about Japanese defense efforts, we should keep in mind that the Japanese are currently the third largest defense spender in the world, with a record of increasing their defense budget in real terms by approximately 5 percent each year over the past decade. In addition, the Japanese contribute over $2 billion a year to support United States forces stationed in Japan. The argument made by some that Japan is not concerned with its own defense just does not stand up under scrutiny.

I think it is also important for us to consider what the alternative would be to the current agreement. An off-the-shelf purchase of F-16's is not an

option. The Japanese have never seriously entertained that possibility, and in my opinion it is hard to fault them for taking such a position. This is a trend that is seen worldwide as nations increasingly refuse off-the-shelf purchases of foreign defense equipment and insist instead on performing a portion of the work at home. We have seen this happen with our NATO allies, a number of whom are coproducing the F-16. We are not immune from this trend here in the United States.

The only viable alternatives to the current FSX agreement are Domestic Japanese production of a fighter; or—more likely—Japanese codevelopment and coproduction with Europeans. With this latter option, European companies will not only get the $2 to $3 billion in business that would have otherwise gone to the United States, the Europeans will also receive the advances in Japanese technology that result from the project as well as make deep inroads into the Japanese military market from which to obtain possible future defense contracts with Japan.

It is important to keep in mind that by rejecting this agreement at this late date and after the President has gone the extra mile to clarify important aspects of the agreement, we threaten not only the FSX deal but all future defense sales to Japan. The United States currently enjoys a virtual monopoly on defense trade with Japan—95 percent of all Japanese purchases of foreign defense equipment come from the United States. In 1988, the Japanese purchased over $1.5 billion in defense items from the United States—that is more than the combined purchases of Great Britain, France, and Italy. By contrast, the United States buys very little from Japan—approximately 90 million dollars' worth of components.

We will threaten this entire defense trade relationship, to say nothing of our overall relationship with Japan, if the United States is proven through this FSX process to be an unreliable trading partner.

Opponents of the FSX deal argue that FSX codevelopment will be a catalyst to the emergence of Japan as a major competitor for the United States aerospace industry. Leaving aside the fact that the United States aerospace industry supports this deal—and surely it is in the best position to know if this deal will create a competitor—the best way to ensure Japanese competition is to reject this agreement. If the United States allows the Japanese and the Europeans to marry their resources, with no United States control of the project, it is certain a formidable competitor to the United States will emerge.

By contrast, I am hard-pressed to find any disadvantages for the United States in proceeding with this agreement.

Mr. LUGAR. I yield as much time as the Republican leader may require.

The PRESIDING OFFICER. Senator DOLE, the Republican leader, is recognized.

Mr. DOLE. Mr. President, I would like to commend my colleague from West Virginia on his mastery of the legislative process—this amendment, if adopted, would certainly set a new precedent.

We just had a vote on the disapproval resolution, and the vote was 52 to 47.

This amendment would set forth a whole new way of doing business—in effect it would let the Congress negotiate technology transfer, and maybe that is fine. Maybe that is another way to kill the FSX deal. That is precisely what this amendment is all about. It was offered by one who is opposed to the transfer, and he made a great speech on his opposition.

Without looking at the merits of the new conditions put forth in the Byrd amendment, my question is why weren't these issues raised when the President—seeking a bipartisan consensus—came to us at the beginning of the year seeking our suggestions?

This amendment is the third bite of the apple. We were consulted in the Reagan administration, consulted in the Bush administration, now we want to be consulted once again. So, maybe what this amendment really says is let the Congress negotiate.

But the way this matter has been handled by Congress to date, leads me to believe that even a congressionally negotiated deal couldn't get through here without further congressional conditions.

Now that the Dixon amendment has been dealt with, I ask my colleagues, why are we voting on another amendment relative to FSX?

Mr. President, again as I have noted the Byrd amendment is simply another bite at the apple. What my distinguished colleague from West Virginia proposes will clearly result in further negotiations with the Japanese. I ask you, how many times are we going to require the administration to go back and renegotiate?

The Senate expressed its intent with respect to the FSX MOU in language on the defense authorization bill last year, and the administration complied. Further, this spring, at the request of Members of this body, renegotiations were initiated to address additional Member concerns. A better agreement resulted, and that brings us to today. Now we want to add more conditions to the agreement.

Is there any question in anyone's mind why our allies find us occasionally unreliable? We will have our day in court when a production MOU comes before us. As for now, the Japanese have been notified that critical engine technologies such as those described in this amendment will not be transferred to Japan by the United States under this program. The MOU already prohibits the sale or transfer of the FSX or any of its subcomponents without prior approval of the U.S. Government. Any absolute prohibition, however, would require negotiation.

Mr. President, I think we are plowing new ground with the Byrd amendment and its many conditions on the sale. I oppose it strongly on procedural grounds relative to the Arms Export Control Act—this is clearly a new way of doing business. From a policy standpoint, I made myself clear earlier that, although I would have preferred an outright purchase from the Japanese, we have now negotiated what I consider a supportable agreement and I, for one, don't feel that the codevelopment MOU requires any more conditions.

This is really the third bite at the apple, not the second but the third. We were consulted in the Reagan administration, consulted in the Bush administration. Now we want to be consulted once again. That is what precisely this amendment will do. So what it says in effect, is maybe Congress ought to negotiate; maybe they should. We negotiate nearly everything else now. We keep chipping away at Presidential powers, particularly in foreign policy areas, and now in trade areas.

It seems to me that if we start down this road every time something comes up why not just have a resolution of approval and we will put on all those conditions and maybe they are good conditions depending on your point of view. Why let the executive branch do anything without certain conditions and without Congress renegotiating with the Japanese or anybody else?

I do not know why we are voting on another amendment to the FSX. I thought the amendment was disapproval or approval.

So it seems to me that while I certainly respect my friend from West Virginia, the administration opposes this amendment. There is no doubt about it if this amendment should be adopted, get through the House and signed into law, it is going to require further negotiations with the Japanese.

How many times are we going to go back to the administration and ask them to negotiate?

I would say to those people who voted against the disapproval resolution what you are doing here if you change your vote you are voting now to switch your vote, and I am not certain that is what some would intend to do.

The Senate expressed its intent with respect to the FSX MOU in language

on the defense authorization bill last year and the administration complied.

Further this spring at the request of Members of this body renogtiations were initiated to address additional Member concern and a better agreement resulted and that brings us to today, and now we want to add more conditions to the agreement.

Is there any question in everyone's mind why our allies find us occasionally unreliable?

We will have our day in court when a production MOU comes before us and then we are going to have another chance. Congress is going to have another chance.

As for now, the Japanese have been notified that critical engine technology such as those described in this amendment will not be transferred to Japan by the United States under this program. The MOU already prohibits the sale or transfer of the FSX or any of its subcomponents without prior approval of the U.S. Government. Any absolute prohibition however would require negotiation.

So it just seems to me—and again I always defer to my friend from West Virginia as the expert when it comes to legislative strategy—but it seems to me, we are plowing new ground with the Byrd amendment. This is not just some little, simple resolution. It is a way to kill the FSX deal. There is no doubt about it.

That is why the Senator from Illinois stands up and praises it and says "It is even better than what I was trying to do," in effect.

So I do not think anybody should be deceived by the amendment.

I oppose it strongly on procedural grounds, relative to the Arms Export Control Act. It is clearly a new way of doing business, and if we are going to start a whole new way of doing business then this is one way to do it.

From a policy standpoint I made myself hopefully clear that although we would have preferred an outright purchase from the Japanese we have negotiated what a majority, 52 Senators, feel is a supportable agreement.

It seems to me that codevelopment MOU does not require any more conditions.

Some say it is only a sense of the Congress on the 40 percent. What really is at issue here, as I understand it, is whether or not the Commerce Department is going to have a role to play and they should have a role to play.

And I disagree with those in the administration who deny the Commerce Department a prior role.

This is in my view not just a defense matter, it is also a trade matter. But I would say to my colleagues who just voted against the disapproval resolution, this is in effect the same vote. It is just cleverly disguised. Oh, just a little approval resolution.

If this should become law this deal is dead. If that is what you want, that is one way to view it.

But it would seem to me and I would only quote briefly from the letter from Mr. Eagleburger:

The Administration's objections to these resolutions are based on the fact that they are unnecessary, and they impede the notification process. As you know, a resolution of approval is not procedurally required for notifications submitted pursuant to section 36 of the AECA. In our opinion, support for proceeding with approval of the commercial technical assistance and manufacturing licensing agreement, as notified, is properly expressed by defeating any joint resolution of disapproval.

Additionally, such resolutions of approval or affirmation, which include additional and unnecessary co-development and co-production directives, inhibit rather than facilitate implementation of co-production and co-development programs.

For those and other reasons, as I have indicated, the letter will be made a part of the RECORD, and the administration is opposed to this amendment.

I raised it with the President this morning. He indicated his opposition to it, not the author of the amendment but to the amendment.

The President feels he has negotiated in good faith. He has consulted the Congress. He has made changes. We have had our vote and let us move on with it, and that is precisely the point I would like to make.

Mr. President, I ask unanimous consent to have the letter from Secretary Eagleburger printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE DEPUTY SECRETARY OF STATE,
Washington.

Hon. ROBERT DOLE,
United States Senate.

DEAR SENATOR DOLE: I am writing you to express the Administration's strong opposition to joint resolutions of approval or affirming conditions relating to the export of technology and defense articles and services for co-development of the FS-X weapon system with Japan and with respect to coproduction of the system. Such resolutions have been proposed in response to the May 1, 1989 notification that was submitted to Congress pursuant to section 36(d) of the Arms Export Control Act (AECA) concerning the proposed approval by the Department of State of a commercial technical assistance and manufacturing licensing agreement for the FS-X program.

The Administration's objections to these resolutions are based on the fact that they are unnecessary, and they impede the notification process. As you know, a resolution of approval is not procedurally required for notifications submitted pursuant to section 36 of the AECA. In our opinion, support for proceeding with approval of the commercial technical assistance and manufacturing licensing agreement, as notified, is properly expressed by defeating any joint resolution of disapproval.

Additionally, such resolutions of approval or affirmation, which include additional and unnecessary co-development and co-production directives, inhibit rather than facilitate implementation of co-production and co-development programs. The terms of the Memorandum of Understanding that has been concluded with Japan on co-development of the FS-X weapon system, and related understandings reached between the United States and Japan, are consistent with the underlying objectives of these resolutions—protection of U.S. security, economic, and technological strengths and interests. Implementation of additional conditions through a resolution of approval or affirmation, which would require renegotiation in some cases, would not materially advance these objectives.

The Administration strongly urges that the Senate take into account these objections.

Sincerely,

LAWRENCE S. EAGLEBURGER.

Mr. DOLE. I thank my colleague for yielding.

The PRESIDING OFFICER. Who yields time? The Senator from Indiana.

Mr. LUGAR. Mr. President, I yield myself as much time as I require.

Mr. President, let me follow up on the argument offered by the distinguished Republican leader and give it at least one more view so that Members of the Senate can come to grips with one of the basic issues of the Byrd amendment.

It suggests, in fact the Byrd amendment states, that the President shall consider the recommendations of the Secretary of Commerce, and then it goes through various things that the President shall do.

The problem with an amendment of this variety in a constitutional sense, Mr. President, is that the Congress is mandating that the President of the United States consider the recommendations of one of the Cabinet Members that he has appointed. The resolution does not give any leeway. It says the President shall consider the recommendations of the Secretary of Commerce.

I would raise the question, Mr. President, for sake of constitutional argument what if the President of the United States did not consider the recommendations of his Secretary of Commerce? What if he told the Secretary of Commerce, whom he has appointed as a part of his administration, that frankly, I don't think your idea is any good. Quite frankly you have an interesting point of view or you are trying to push a deal, but this is the Government of the United States of America. I am the President, and I frankly think that your argument is deficient. I really don't want you fooling around any more in this.

Mr. President, would that mean that here on the floor of the Senate we would hear anguished cries that the President of the United States has defied the Congress, that in fact he is in violation of the law, that the President of the United States by our mandate had to consider those recommen-

dations, that he had to do just what we said he had to do when he ever thought about any of these agreements, in negotiating them and working through his own thought process?

The amendment is mischievious on the fact of it because it delves into the administrative processes of the U.S. Government and the powers of the President.

The authors are well-meaning. They want to make certain that trade aspects of any deal are considered, and indeed they ought to be. Any President ought to consider those and it is a fair criticism that a President has not considered them.

Then the memorandum of understanding or the agreement such as the one we have had today before us ought to be rejected by the Congress as deficient because it did not come in from all sides.

That has not been the argument, Mr. President, about the FSX deal. It is freely admitted that Secretary Mosbacher played a very important role, that he personally came to the Foreign Relations Committee and other committees, confirmed his role and confirmed his support, that he was fully involved. The President of the United States and the Vice President have so affirmed.

But this amendment does not leave that alone. It is attached to the FSX deal. It mandates that the President must do these things, shall do these things. What are the penalties, Mr. President, if he does not?

I would just simply say, before Senators quickly dismiss all of this as simply an afterthought, that there are real problems, constitutional problems, in terms of the relationship with the President and the Congress, involved in this that ought not to be considered lightly.

There are many ways in which the Congress can deal with the President, but clearly the Constitution affords us the opportunity for advice and consent on his nominee for Secretary of Commerce. We have oversight of various activities of that role, of whoever the Secretary is, of the agencies under his control and his activities. There are many ways in which we go back and forth in our checks and balances.

But as an afterthought on the FSX deal, that we have affirmed this afternoon by a vote of 52 to 47, to begin to stipulate and to suggest that in fact a president who does not follow all of the course of thought that we deem for him to follow is in violation of the law seems to me to be a very unfortunate point of view and mischievous with regard to the constitutional process.

I am hopeful, Mr. President, that we will not adopt this amendment, that we will clear the decks, at least on the FSX question, by rejecting the amendment. I would say that failure to do that is to invite difficulty down the trail. That ought to be clearly perceived by all who have heard this debate.

Mr. President, I know of no further speakers on our side. I inquire of the distinguished author of the amendment if he is prepared to speak or to yield back time.

Mr. BYRD. Mr. President, I believe I only have 3 minutes remaining.

The PRESIDING OFFICER. The Senator from West Virginia is recognized.

Mr. BYRD. How much time remains to this side?

The PRESIDING OFFICER. Three minutes and 17 seconds.

Mr. BYRD. Mr. President, I hope that Senators will not be persuaded by these specious arguments concerning the Constitution. This amendment only says the President shall consider the recommendations of the Secretary of Commerce. It does not say the President shall accept the recommendations. If it were to try to command the President to accept the recommendations, then there might be some constitutional problem.

Mr. President, the provision developed with Mr. DANFORTH and the Armed Services Committee conforms to a draft agreement between the Commerce and Defense Departments as to how they should together, working together, better represent U.S. interests across the board in implementing and negotiating agreements with other nations. No further negotiations are required by the amendment for the MOU on development.

I listened to my good friend, the distinguished Republican leader, as he attempted to draw that thin brush across the picture. Mr. President, no further negotiations are required by this amendment. No conditions to the memorandum of understanding are included. None. It is an attempt to enhance the interests of the United States.

The administration has already said that Commerce will have a role and we are just attempting to write that into the record; that the Commerce Department will have a role.

We accept the President's word, but why not write it into the law? It is not just this administration, Mr. President. Administrations previous to this one have erred in their judgment in such arrangements. But this is a protection for all administrations and for the American people under all administrations. Let the administration change, then see how fast the footwork will change. This will protect the American people and their interests, the industrial and commercial interests of this country, under all administrations.

It is not a resolution of approval. If I understood what the distinguished Republican leader was saying, it is not a resolution of approval. As I understood from his reading of the letters from the administration, it is not a resolution of approval.

Mr. President, I hope that the Senate will adopt this amendment. It is offered in good faith. It is not an attempt to torpedo the agreement. This is looking down the road to the next agreement and merely saying to the administration, "You said the Commerce Department will have a role. We want to make sure the Commerce Department has a role." We are asking the President to consider any recommendations that the Secretary of Commerce makes. He will make the judgment on those recommendations.

Mr. President, if I have any time remaining, I yield it back.

The PRESIDING OFFICER. The Senator's time has expired.

The Senator from Indiana controls the remaining time.

Mr. LUGAR. Mr. President, does the Senator require time?

Mr. DIXON. No, thank my colleague. I was going to send my amendment to the amendment of the distinguished Senator from West Virginia to the desk and kind of expedite the procedure.

Mr. LUGAR. Mr. President, I will speak briefly and then yield back the time. I would simply indicate, as the Republican leader pointed out, that the President of the United States opposes the amendment. The administration opposes the amendment strongly.

We believe that it would not be useful, with regard to this agreement and with regard to constitutional misunderstanding, to adopt the amendment. Having said that, Mr. President, I yield back all time on our side.

The PRESIDING OFFICER. All time has been yielded back.

The Senator from Illinois.

AMENDMENT NO. 103 TO AMENDMENT NO. 101

Mr. DIXON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Illinois [Mr. DIXON] proposes an amendment 103 to amendment No. 101.

Mr. DIXON. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 3, line 20 of the pending amendment, strike "Committee on Foreign Relations of the Senate" and insert in lieu thereof: "Committees on Foreign Relations, Armed Services, Commerce, Science and Transportation, and Banking, Housing, and Urban Affairs of the Senate".

Mr. DIXON. Mr. President, all this amendment does is, on page 3 of the

amendment by my distinguished friend from West Virginia, his amendment suggests, beginning 6 months after the date of the enactment of this resolution and every 12 months thereafter, the Comptroller General of the United States, after consultation with appropriate officials of our country, will submit to the Speaker of the House of Representatives and the chairman of the Committee on Foreign Relations of the Senate a report describing the progress made in implementing the MOU between the two countries.

Now, I apologize because I have not served in the U.S. House of Representatives and do not know exactly how this is handled over there. But I am told by colleagues here who served there that the submission of this to the Speaker of the House means that it will go to the jurisdictional committees on the subject matter in the House. That is why they do not identify the various committees in the House. All I am doing is broadening my friend's amendment here so that it is not just the Foreign Relations Committee, but it is also Armed Services, Commerce, and Banking, Housing, and Urban Affairs.

Now, clearly those four committees are all jurisdictional on the subject matter for the obvious reasons. In case anybody wonders why Banking, Housing, and Urban Affairs, as my friend from Pennsylvania, who serves on that committee, knows, and he has been very involved in this, the Export Administration Act is always considered in Banking, Housing, and Urban Affairs. So that is a jurisdictional committee.

So all we are trying to do here is have the Senate involved in the process to the same extent that the House is involved.

My friend from West Virginia has no objection to this. I will not belabor the point further if there is no objection to the amendment, which I think is sound and in good order.

The PRESIDING OFFICER. Is there any further discussion?

Who yields time?

Mr. LUGAR. Mr. President, I yield myself as much time as I may require on the opposition side.

I simply will speak not in opposition but to indicate that on our side we are prepared to accept the amendment.

Mr. DIXON. I thank my distinguished colleague on the other side. I have no further comments and ask for a vote on the amendment.

Mr. BYRD. Mr. President, I certainly have no objection to the amendment and support it, likewise.

The PRESIDING OFFICER. Do the Senators yield back their time?

Mr. DIXON. Mr. President, I yield back my time.

Mr. LUGAR. Mr. President, I yield back my time.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment.

The amendment (No. 103) was agreed to.

Mr. DIXON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HEINZ. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Pennsylvania.

AMENDMENT NO. 104 TO AMENDMENT NO. 101

Mr. HEINZ. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Pennsylvania [Mr. HEINZ] proposes an amendment numbered 104 to amendment No. 101.

Mr. HEINZ. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of paragraph (a) of section 3 of the amendment offered by the Senator from West Virginia [Mr. BYRD], add the following:

"Such report shall state—

"(1) whether any technology involved in development of the FS-X weapon system has been transferred to the Japanese space shuttle program or any other part of the Japanese aviation sector or aerospace technology;

"(2) whether any such technology has been diverted to any third party country unauthorized to receive such technology, in violation of the license and technology assistance agreement for the FS-X weapon system; and

"(3) whether any such technology has been made available, legally or illegally, to adversaries who could use such technology to the detriment of the North Atlantic Treaty Organization (NATO), the United States, any other member country of NATO, Japan, Australia, or New Zealand."

Mr. HEINZ. Mr. President, I made my reservations known concerning the lack of adequate safeguards over technology transfer in this agreement and certainly it is true that the Bush administration sought and received certain clarifications to the agreement. I join many Senators who have already said so. I applaud that effort.

But, in my view that effort, although meaningful, just did not go far enough and, therefore, because I am still concerned about the lack of sufficiently stringent technology safeguards in both the government-to-government MOU, and in the General Dynamics-Mitsubishi Heavy Industry Licensing and Technical Assistance Agreement, I am offering a clarification to the Byrd amendment regarding GAO's reporting requirements in section 3.

It is, briefly, my intention to require GAO in the report, the one that it submits pursuant to section 3 of Senator BYRD and Senator DANFORTH's amendment, effectively to tell us and, if possible, to certify that F-16 technology transferred under the LTAA will be properly safeguarded once it arrives in Japan. Specifically, the amendment calls for the GAO, in its report, to state three things:

First, whether any technology involved in development of the FSX weapons system has been transferred to the Japanese space shuttle program or any other part of the Japanese aviation sector or aerospace industry;

Second, whether any such technology has been diverted to any third party country unauthorized to receive such technology in violation of the license and technology assistance agreement for the FSX weapons system;

And, third, whether any such technology has been made available, either legally or illegally, to adversaries who could use such technology to the detriment of the North Atlantic Treaty Organization, NATO—the United States or any other member country of NATO—Japan, Australia, or New Zealand.

In sum and substance, Mr. President, what we want the GAO to do is to track and see how well the representations and requirements that have been agreed to and laid down are, in fact, followed through. It is my hope that at each and every turn, which means each and every report, all of us will be satisfied that the agreements are being adhered to and we will have, as the basis, something other than somebody's word that may or may not be verifiable that that is so.

So, I hope my colleagues will adopt the amendment.

The PRESIDING OFFICER. Who yields time?

Mr. BYRD. Mr. President, do I have control of the time on this amendment?

The PRESIDING OFFICER. The Senator from Illinois controls the time.

Mr. DIXON. I yield my time to the Senator from West Virginia.

Mr. BYRD. It is an amendment to my amendment. Would I not control the time on this side?

Mr. HEINZ. Mr. President, if I have any time, I yield it to the Senator from West Virginia, if I control the time.

Mr. DIXON. So do I.

The PRESIDING OFFICER. The Senators from Pennsylvania and Illinois yield time to the Senator from West Virginia.

Mr. BYRD. I think it is a good amendment. I do not remember how

that agreement was written but I will not argue the point now.

I like the amendment and I support it. I am willing to accept it and yield back the remainder of the time on this side.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. LUGAR. Mr. President, to the best of my knowledge, the control of time is with the distinguished Senator from West Virginia and the Senator from Pennsylvania. But I inquire of the Senator from Pennsylvania if he would yield 2 minutes to the distinguished Senator from Rhode Island who wishes to be heard?

Mr. HEINZ. If I am in control of the time, I will be happy to yield.

Mr. CHAFEE. Mr. President, I wanted to speak on the overall Byrd amendment rather than the various other amendments here.

I would hope——

The PRESIDING OFFICER. Who yields time?

Mr. CHAFEE. I will need just 1 minute.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. LUGAR. Mr. President, just for clarification, as I recall the unanimous-consent agreement, 10 minutes was provided for the Heinz amendment, 5 minutes to a side.

The PRESIDING OFFICER. That is correct.

Mr. LUGAR. So I am not certain which side would yield the 2 minutes to the distinguished Senator from Rhode Island, but I have asked, I have appealed, that one side or the other controlling time do so.

Mr. HEINZ. Mr. President, how much time remains to either side?

The PRESIDING OFFICER. The Senator from Indiana has 1 minute and 4 seconds left; the Senator from Illinois has 4 minutes and 29 seconds left.

The Senator from Illinois.

Mr. DIXON. Mr. President, if I might accommodate my friend from Rhode Island, I would be delighted to yield several minutes to him for his speech if we could first adopt the Heinz amendment, by my friend the distinguished senior Senator from Pennsylvania, to which there is apparently no objection.

Why do we not just adopt that and then let my friend from Rhode Island make his speech?

The PRESIDING OFFICER. The Chair would point out that the time has expired for debate on the Byrd amendment. So that if the Senator from Rhode Island wishes to speak, it is probably wise for someone to yield him 1 or 2 minutes at this point.

Mr. HEINZ. Mr. President, let me make the following unanimous-consent request that might facilitate moving on; that is at the disposition of the Heinz amendment that the Senator from Rhode Island be yielded 2 minutes.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

There being no further debate, the question is on agreeing to the amendment offered by the Senator from Pennsylvania.

The amendment (No. 104) was agreed to.

Mr. HEINZ. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. DIXON. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Rhode Island is recognized for 2 minutes.

Mr. CHAFEE. Mr. President, that only took 3 minutes to get that 2 minutes, and I appreciate it. I just say this, Mr. President, briefly, I think this is an unfortunate amendment. I just do not understand quite why it is being presented. I have heard the discussions on both sides. It seems to levy the most extraordinary requirements in here and says that the Secretary of Commerce, when he has reason to believe that any such memorandum of understanding has an adverse effect, shall recommend to the President any modification he deems necessary.

I mean, if we have ever had a case of micromanagement, this is it. We are determining what the Secretary of Commerce's relationships will be with the President of the United States; a person who he is serving under and subject to.

I just do not understand why this amendment is being brought forward. I would hope it would not prevail. I have heard the arguments of our leader on the Republican side, the view of the administration on this amendment. It is going to make life, certainly, more difficult for them.

And I further understand, am I not correct, and I would ask the distinguished Senator from Indiana, when they get to the production agreement, then do they not have to come up with a further memorandum of understanding and get the approval of that in the Senate of the United States?

Mr. LUGAR. That is correct.

Mr. CHAFEE. In other words, if we do not like what is taking place we get another bite at the apple. So, it seems to me enough is enough. Let us get on with this agreement.

What will happen is, I think, probably the President will veto this if this prevails. It will delay the whole thing, exacerbate our relationships with Japan unnecessarily and the point they are trying to make here will be taken care of subsequently when we get to the approval of the memorandum of understanding on the production agreement.

So, I think it is unfortunate and I hope it would not prevail. I want to thank everybody who gave me this splendid 2 minutes.

The PRESIDING OFFICER. The question before the Senate is agreeing to the amendment offered by the Senator from West Virginia, as amended.

Mr. BYRD. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. There is a request for the yeas and nays. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. There being no further debate, the question is on agreeing to the amendment of the Senator from West Virginia [Mr. BYRD], as amended.

The yeas and nays have been ordered. The clerk will call the roll.

The legislation clerk called the roll.

Mr. CRANSTON. I announce that the Senator from New York [Mr. MOYNIHAN] is necessarily absent.

The PRESIDING OFFICER (Mr. ROCKEFELLER). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 72, nays 27, as follows:

[Rollcall Vote No. 67 Leg.]

YEAS—72

Adams	Exon	Lott
Baucus	Ford	McConnell
Bentsen	Fowler	Metzenbaum
Biden	Glenn	Mikulski
Bingaman	Gore	Mitchell
Boren	Graham	Murkowski
Boschwitz	Grassley	Nunn
Breaux	Harkin	Pell
Bryan	Heflin	Pressler
Bumpers	Heinz	Pryor
Burdick	Helms	Reid
Burns	Hollings	Riegle
Byrd	Humphrey	Robb
Coats	Inouye	Rockefeller
Cohen	Johnston	Rudman
Conrad	Kasten	Sanford
Cranston	Kennedy	Sarbanes
D'Amato	Kerrey	Sasser
Danforth	Kerry	Shelby
Daschle	Kohl	Simon
DeConcini	Lautenberg	Stevens
Dixon	Leahy	Warner
Dodd	Levin	Wilson
Domenici	Lieberman	Wirth

NAYS—27

Armstrong	Gramm	McClure
Bond	Hatch	Nickles
Bradley	Hatfield	Packwood
Chafee	Jeffords	Roth
Cochran	Kassebaum	Simpson
Dole	Lugar	Specter
Durenberger	Mack	Symms
Garn	Matsunaga	Thurmond
Gorton	McCain	Wallop

NOT VOTING—1

Moynihan

So the amendment (No. 101), as amended, was agreed to.

Mr. DIXON. I move to reconsider the vote by which the amendment was adopted.

Mr. HEINZ. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MITCHELL. Mr. President, may we have order.

The PRESIDING OFFICER. Senators will leave the well and cease their conversations so the majority leader can be heard.

Mr. MITCHELL. Mr. President, for the benefit of my colleagues who have asked about the schedule for the remainder of the evening, there remains for disposition the resolution by the distinguished Senator from Alaska. I understand that he does not seek a rollcall vote, nor does any other Senator. I also understand that no Senator is seeking a rollcall vote on final disposition of the pending resolution. This being the case, then, there will be no further rollcall votes tonight.

We will continue until we complete action on those two matters. The Senate will be in session tomorrow afternoon for disposition of the conference report on the minimum wage, and there will be a rollcall vote on that tomorrow afternoon.

Mr. CRANSTON. Mr. President, today I would like to join with several of my colleagues to give my support to the FSX agreement now before the Senate.

There have been three major concerns raised by opponents of this agreement: the trade deficit, the transfer of sensitive technology, and the interests of our civilian aviation industry.

With respect to the trade deficit, while it is clear that the most satisfactory arrangement for the United States would be for the Japanese to purchase our F-16's directly, it is equally clear that this option is not available. The Japanese have steadfastly refused to buy the F-16: They want an aircraft that will meet specific mission requirements that the F-16 is not designed for. It is unreasonable to demand that Japan purchase an aircraft that does not respond to Tokyo's needs. Even if they want the F-16, it would seem unreasonable for us to demand that the Japanese purchase it "off the shelf" when we do not make the same demand of our other allies, few of whom purchase aircraft "off the shelf" from us.

When it became clear that the Japanese would not purchase our F-16's, we began negotiations with them for the coproduction agreement. We argued, rightly, that the Japanese should be purchasing United States goods when possible in order to reduce the trade imbalance. This issue is addressed satisfactorily by the FSX agreement, which stipulates that 40 percent of the production is to be done in the United States—which will translate into 2.5 billion dollars' worth of work for the United States. This agreement also provides for 22,000-man hours of work. And it is 100 percent financed by the Japanese.

On the issue of the transfer of sensitive technology, I believe the initial agreement did not provide adequate safeguards to protect our technology. However, I believe the renegotiated agreement provides sufficient safeguards to ensure that only technology essential to the project is transferred. Moreover, this technology is largely distinct from technology used in the civilian aircraft industry.

I share the concerns expressed by many of my colleagues regarding the need to maintain the competitive edge of our civilian aviation industry. I believe we must ensure that the long-term interests of private industry are not sacrificed. In this case, I believe our civilian aircraft industry is not fundamentally threatened. We will not be giving the Japanese significantly more aircraft technology than they have already obtained through our F-15 coproduction agreement, or could obtain on the open market.

Mr. President, in order to better safeguard America's commercial interests in the future, I recently introduced legislation in the Senate which would give the Commerce Department representation in the National Security Council. This legislation will ensure that future proposals to export sensitive technology are evaluated from an economic perspective as well as defense viewpoint.

I believe that the FSX agreement is far from ideal. But it is one that was entered into at our Government's initiative, and the Bush administration's demands for clarification and safeguards have been largely met.

Mr. President, I am prepared to support this agreement in good measure because I am committed to working with our friends and allies in Japan, not against them. I regret that there are many who are too quick to point a finger at Japan, to blame Japan for all our trade woes. It is my conviction that while Japan, indeed, continues to engage in several unfair trade practices, much of the blame for decreasing American competitiveness rests with ourselves. We need to do a better job of education and training, of analyzing and penetrating foreign markets. We need to lower our voices and pull up our socks. "Japan-bashing" is no prescription for future success in industrial competition. And while the FSX agreement is by no means perfect, it is a deal we should move forward with, with the determination to do a better job in the future both at home, and in our relations with our valued friends in Japan.

WAKE UP, AMERICA

Mr. D'AMATO. Mr. President, I rise today in continued strong opposition to the FSX deal with Japan. FSX is a bad deal for America and should be rejected.

If we sell F-16 technology to Japan as proposed by the FSX memorandum of understanding, we are taking a major step toward undermining our own national security. One of Japan's declared goals is to build a world-class aerospace industry. They will build it at our expense, using our technology as its foundation, just as they built the VCR and television industries.

Unlike televisions and VCR's, our aerospace industry is essential to our national security. In the 21st century, our ability to maintain our independence and sovereignty, to preserve and protect our freedom, will depend upon our military industrial base. The aerospace industry is a very major part of that military industrial base.

We learned about the importance of our military industrial base in World War II by Francis Walton, he wrote:

> In 1944 industry had performed its most significant service: The rescue of the free world from tyranny. Its production alone had made America the dominant power among nations.
>
> The United States in 1944—
>
> Built one plane every five minutes;
>
> Produced 150 tons of steel every sixty seconds;
>
> Turned out 8 aircraft carriers a month, and launched 50 merchant ships each day.
>
> * * *

Mr. President, the shipyards that launched those aircraft carriers and merchant ships are largely shuttered and dark. The skilled workers have retired or moved on to other employment. Today's most productive shipyards are located in Japan, Korea, and Taiwan.

The steel mills that smelted the steel that won World War II are also largely gone. They, too, are victims of foreign competition—and our own shortsightedness.

Only the aircraft factories remain. They don't build as many planes now as they did in 1944, but they are still there, as are the talented and dedicated men and women who work in them.

The Department of Commerce, in its 1989 U.S. Industrial Outlook, predicted that the aerospace industry would run a trade surplus of $17.1 billion in 1989. It is, simply stated, one of the strongest manufacturing sectors in U.S. foreign trade.

Yet, here we are trying to sell it for a handful of silver. Yes, it will be nice to have the money—$480 million—from the FSX codevelopment program. The promise of a 40-percent share of the coproduction is attractive.

The program is that we spent $7 billion for this technology, and the promise of coproduction is just that—a promise. And one that, according to Japanese press reports, the Japanese Ambassador has denied.

In World War II, the critical technologies were steel, rubber, ball bearings, and machine tools. American factories and refineries gave us the tools without which our soldiers, sailors, and airmen could not have won.

In the 21st century, what technologies will be critical?

Last year, section 823 of the Defense Authorization Act, Public Law 100-456, required the annual submission of "* * * A plan for developing the 20 technologies considered by the Secretary of Defense and the Secretary of Energy to be the technologies most essential to develop in order to ensure the long term qualitative superiority of United States Weapons Systems."

This year, the Department of Defense submitted the first of these required critical technology plans.

In this plan, DOD identified 22 critical technologies.

I won't read this list to you. In a separate chart inside the study, DOD identified 14 of these 22 technologies as essential to aircraft.

In this same chart, DOD identified 13 of these technologies as essential to submarines.

Mr. President, this report was presented to the Armed Services Committee on March 17. It was reported by the media, but without much fanfare—just another day, boring Government report.

But in appendix A to the report, where the Defense Department went into detail about each individual technology, there was important information about Japan.

Eight of the thirteen critical technologies identified as essential to submarines in this report are Japanese targets, according to this appendix.

The Japanese have also targeted 9 of the 14 technologies identified by the report as being critical to aircraft.

Let me explain what I mean when I say that the Japanese have targeted these technologies. I will start with the first critical technology, microelectronic circuits and their fabrication. The report stated:

Today, Japan is considered the leader in memory device manufacture (such as dynamic random access memories) while the U.S. leads in microprocessors and application—specific integrated circuits. Japan is believed to be equal to (or slightly ahead of) U.S. efforts in Gallium arsenide integrated circuit fabrication techniques.

Current trends suggest that the United States continues to lose ground to Japan in a growing number of microelectronics fabrication technologies. The most rapid decline appears to be in basic materials, packaging, and mask blanks. Today, the U.S. appears to have a clear lead in only two key areas—In Computer-Aided Design and in implantation. In every other key area, Japan is judged to be at least equal to the U.S. or has taken the lead. If current trends continue the United States can be expected to become dependent on Japanese suppliers of many key materials and production and test equipment by the year 2000.

Let's look at the second critical technology area, the "Preparation of Gallium Arsenide and other compound semiconductors." The report said:

Japan is the undisputed leader in the preparation of Gallium Arsenide materials technology, making many of the major fabrication advances in the late 1970s and early 1980s. In fact, the Japanese are now poised to take a clear leadership position over the United States if current trends continue for several more years.

The fifth critical area of technology, machine intelligence and robotics, is the next one identified as essential to submarines and aircraft. The report states:

Japanese robotics R&D will benefit from a $500 million 10-year project called the fifth-generation computer. Additionally, in 1983 a 7-year joint project was formed under the ministry of international trade and industry (MITI) to advance Japanese Robotic R&D. The MITI project addresses sensors for sight and touch; vision control; versatile robot arms capable of both high precision and high weight capability; efficiency motors for robots; and low-weight, high-strength materials for robots.

Also identified as essential to aircraft and submarines is the seventh critical technology, integrated optics. The report states:

Japan is pursuing research and development in all areas of optical processing. Government, industry, and Universities are all heavily involved. The key government participant is the Ministry of International Trade and Industry (MITI). Most of the large electronics companies in Japan have made a commitment to this effort. The optoelectronic industry and technology development association * * * is a special trade organization founded in 1980 to coordinate industrial activity, foster cooperation, and encourage standardization. Universities in Japan are also playing a key role. They perform much of the basic materials research on which the technology development is so dependent. In summary, Japan has a large, well coordinated program addressing all aspects of optics.

Next, we have fiber optics. The report states:

Japan clearly leads the world in converting fiber optic technologies to various commercial applications and has manufactured considerable amounts of law loss optical fibers. * * * In 1988 the Japanese (FUJITSU) demonstrated the first broadband optical information service.

Rather than going through the entire list, I'm going to skip ahead to the next to the last critical technology, and the last one identified as essential to aircraft and submarines, superconductivity. The report states:

Among friendly nations Japan maintains the most vigorous superconductivity program, one of magnitude on a par with that of the U.S. Their program is well balanced, extending across both low temperature superconductivity and high temperature superconductivity and across both small-scale and large-scale applications. Of particular concern is their commanding position in low temperature superconductivity digital electronics, which could very well comprise the technology of choice for a future and much-higher-performance generation of supercomputers. Moreover, being first in low temperature superconductivity digital electronics builds a strong foundation for leadership in high temperature superconductivity digitalelectronics as well.

Mr. President, what we are doing with the FSX deal is pouring gasoline on a fire. You will recall how many times the Japanese Ministry of International Trade and Industry [MITI] was mentioned in the report. It could have been mentioned more often, because it and the Japanese defense agency are the key coordinators of this effort to dominate these technologies.

Remember, nine of these critical technologies are Japanese targets.

This is our problem. We need to retain dominance in the technologies that are essential to these weapons systems and our ability to support and produce these weapons systems. Yet here we are, about to seel the F-16 technical data package to Japan, data from which they can learn many things.

Let us go back to the major issue. This next chart shows all of the areas identified in the DOD critical technologies report where the Japanese are making major effort.

Wake up America.

This is our future—our national security is at stake.

It must not be for sale, for the sake of good relations or for any other reason. Japanese dominance in these areas will tie our hands, putting limits on our foreign policy and on our ability to act in a crisis.

If we have to go to Tokyo for parts—or for entire weapons systems—we will also have to go to Tokyo for approval of our policies. When they speak, we will listen. When they object, we will hesitate to act.

This is unacceptable. Now is the time for us to act. We must say no to the FSX deal and make it stick.

In closing, I again urge my colleagues to remember those closed shipyards and steel mills, and what they contributed to our national survival in World War II. FSX goes to the heart of our future security. We must not let our aerospace industry experience the same fate as our smokestack industries, or our security will be in the hands of Japanese bureaucrats.

Mr. PELL. Mr. President, the distinguished President pro tempore [Mr. BYRD], and the Senators from Missouri [Mr. DANFORTH] and New York [Mr. MOYNIHAN], and I are offering an amendment that would apply critically important safeguards to the FSX co-development arrangement, as well as to any future agreement or coproduction.

In drafting this amendment, we took care to ensure that our amendment would not detract from the vigorous and well-informed debate on the merits of the case. Most particularly, we did not see our amendment as an alternative to the resolution of disapproval offered by the Senator from Illinois [Mr. DIXON]. We saw this

amendment as a necessary safeguard in the event the administration's proposal succeeded, as now appears will be the case. We believe that it is important that the Senate put safeguards in place and do so now. We believe further that the amendment merits the broad, bipartisan support of both supporters and opponents of the arrangement.

Mr. President, I must tell you that I personally have a number of concerns regarding this sale. In the end, I decided that the President should be given the benefit of the doubt. Accordingly, I voted against the Dixon resolution. At the same time, I believe it is crucial that the Congress enact the controls incorporated in our amendment, in order to ensure that this is a fair deal for the U.S. Government, as well as for the commercial firms involved and for American workers.

Mr. President, the purpose of our amendment is to ensure the Governments of the United States and Japan clearly understand that the Congress insists upon strict standards in the joint development phase, as well as in the coproduction phase, should the FSX project proceed into production.

Our amendment would apply an important standard in the codevelopment phase. The amendment would require that all technology, defense articles and defense services provided to Japan by the United States Government or any United States corporation or entity to codevelop the FSX shall be subject to the requirements of section 3 of the Arms Export Control Act. This would make certain that the controls regarding third-party transfers normally applied to regular sales would be applied fully to the codevelopment.

In an unprecedented and, possibly, precedent-setting arrangement such as this, it is crucial to be absolutely certain that these safeguards are assuredly in place.

With regard to any coproduction phase, the amendment would apply the same standard on third-party transfers. In addition, the resolution expressly prohibits the sale or retransfer by Japan of the FSX weapons system or any of its major subcomponents that may be codeveloped or coproduced with the United States. This will ensure that the FSX weapon will be utilized solely in Japan's national defense and not be ultimately in competiton with United States aircraft on the international market.

In addition, the amendment would prohibit the transfer to Japan of critical engine technologies. This prohibition would include, but not be limited to, hot section and digital fuel technologies. This prohibition is consistent with an assurance given to the Committee on Foreign Relations by Secretary of Defense Richard B. Cheney. The amendment serves the important purpose of making this assurance a matter of law. This will safeguard against any Japanese effort to proceed alone with engine production instead of purchasing the engines or obtaining them through a carefully constructed licensed coproduction agreement with us.

Finally, with regard to controls, the resolution expresses the sense of the Congress that any coproduction memorandum of understanding should specify that the U.S. share of the total value of that coproduction shall not be less than 40 percent of that value, including spare parts and support. This will make clear the importance that Congress attaches to the assurances given in the April 28, 1989, exchange of letters between Secretary of State Baker and the Japanese Ambassador, Nobuo Matsunaga.

The amendment will also require that the Comptroller General monitor the codevelopment closely and report annually thereon to the Congress. In addition, the amendment will ensure that the Secretary of Commerce is a key player as this arrangement progresses and in subsequent phases.

Mr. President, I regret that this has been such a contentious and troubling issue. That need not have been the case.

Clearly, the previous administration did not do at all well either in consultations with Congress or in coordinating internally among its own departments. As a result, a deal was formulated which raised a number of concerns whether our national security, foreign policy, and economic interests had been properly served. President Bush was quite correct to direct a reevaluation, after hearing of congressional and executive branch concerns. The reevaluation led to further discussions with the Japanese and the side letters of April 28. I believe that the side letter removed some key concerns. Nonetheless, I hope the administration realizes that a better handling of the negotiation from the start would have obviated the need for the subsequent fixes.

We and the Japanese have many interests in common and should be interacting with greater harmony. The contentiousness and suspicion which has been brought about in our economic and commercial relations has clearly infected our political and security relationship. Even if this proposal is allowed by the Congress, the Japanese Government and industry must see this debate as a clear warning that the economic and commercial relationship must change substantially—and as soon as possible—for the better. It is intolerable for us to be, in effect, the guarantors of Japanese security interests and have Japan still reluctant to give a fair deal on the economic front. We have stood by them and intend to continue doing so. As we do so, however, we must be treated honestly and fairly.

If this is understood here in Washington and in Tokyo, I would hope that the Japanese will make it clear to us that they will comport themselves so as to quickly allay the fears and concerns now evident. If so, the debate will be markedly different several years from now when the Congress is asked to approve a coproduction arrangement for the FSX. I would hope by then the concerns and mistrust so evident now will have been replaced by economic, commercial, diplomatic, and security relationships marked across the board by mutual trust and fairness.

Mr. SIMPSON. Mr. President, I rise in opposition to the resolution of disapproval of the joint agreement to develop the fighter support-experimental, or FSX.

The agreement was carefully worked out in the Reagan administration and now "fine tuned" by the current administration, and it is one that is mutually beneficial to both the United States and Japan, and it is acceptable to the aerospace industry in this country. Under the agreement, Mitsubishi and General Dynamics will work closely together to modify F-16 fighter jets. Japan will fund the entire cost of the program.

This agreement assures United States firms 40 percent of production contracts, and it assures that Japanese access to certain sensitive software will be restricted. Any technology that is developed from F-16 technical data will be returned to the United States, and we will have the exclusive option to purchase any technology that the Japanese develop.

Japan and the United States are allies and this agreement works to benefits both of us. The Japanese were not interested in purchasing the existing F-16, but they were very interested in developing their own technology. This agreement protects our interests—both security and commercial.

World War II ended nearly 45 years ago. This is not a trade war issue. We still disagree with our fine ally from time to time, but this is an occasion on which we can and should link arms and work together to implement this peacetime agreement.

Ms. MIKULSKI. Mr. President, today's vote on the F-16 codevelopment and coproduction agreement with Japan represents one of the knottiest issues the Senate has faced in a long time. On the one hand is the promise of short-term financial gains and U.S. employment; on the other hand is the danger of transfering sensitive technology to our major economic competitor.

I will vote to disapprove the agreement.

The technology we are proposing to transfer in this package is not state of the art, but it is a significant step forward for the Japanese. In the past the Japanese have built major sectors of their economy on technologies legitimately obtained from United States sources. They transformed these into high quality consumer goods aggressively marketed around the world. I have every reason to believe that they could, and would, do the same with our aerospace technology.

If the Japanese were simply interested in acquiring an aircraft to fulfill the mission of protecting their sealanes, then it would make more sense to buy the F-16. It is less than half the cost of the FSX. Another option is to coproduce the F-16 with the United States retaining all sensitive technology.

If their main interest is to find a way to keep their aircraft workers employed as their F-15 and F-1 production lines wind down, then coproduction would do the job.

If, on the other hand, their goal is to obtain advanced aeronautic expertise to develop their own industry—as Japanese leaders have acknowledged openly—then it is clearly not in our best long-term interest to create a competitor to our own industry by handing over billions of dollars in United States technology. A Japanese aerospace industry could not sustain itself merely by supplying domestic needs; it would have to enter the world market.

Let us look to the future. Let us learn from the past.

U.S. ingenuity and know-how have produced the world's best military and civilian aircraft. Despite intense competition from other governments, we are the supplier of choice in world markets. Aircraft sales are one of the few bright spots in our dismal trade record. We will need to maintain our superiority in the years to come, and we won't be able to do that if we give a leg up to one of the world's most dynamic economies. It would not be wise to risk the future of U.S. aerospace workers in exchange for the U.S. jobs to be gained on this one project.

The Japanese economy has already built upon United States technology to establish extraordinarily successful electronics and auto industries. Let us not add aircraft to that list.

Japan is an ally, and defense and economic ties must be maintained. I am not convinced, however, that the FSX agreement is necessary to fill a defense need. I believe that it can only exacerbate the tense trade situation that now exists between our two countries.

Mr. BOND. Mr. President, the FSX deal, under which General Dynamics will codevelop with Mitsubishi Heavy Industries a new fighter based on the F-16 has been a topic of hot debate on the floor for many months now.

We have heard Members on both sides of the issue give extensive and detailed arguments in support of their position. I do not intend to go over all of the issues that have been raised. A fact which probably pleases everyone.

However, I would like to discuss a few points that I believe Senators ought to be considering as they decide how they will vote on the resolution now before us.

I will support the agreement because, although I agree with my colleague from Missouri that in future deals we need to ensure that our economic concerns are given appropriate weight earlier on in the process, I believe that the modifications negotiated by the Bush administration make the deal a good one for the United States.

I would also agree with my colleagues who have said that everyone would be much happier if the Japanese simply bought American fighters off the shelf. However, the Japanese are not going to do that, and I do not believe we are in a position to force them to do so. I wish we were. But this is 1989, not 1949.

Mr. President, if we do not follow through on this deal, it is clear the Japanese will proceed on their own with the development and production of the FSX. It is important to remember that, initially, that was the course the Japanese wanted to pursue. It was only after strong objection from Members of Congress and the administration that the Japanese Government agreed to negotiate a deal with United States aerospace companies.

We all know that the Japanese have a history of unfair trade practices and protectionism. I believe as much as anyone that we must hold them accountable for their actions and pressure them to open their markets. What I do not think we should do, however, is throw up our hands and say that by our so-called giving away of 15-year-old technology, that somehow the Japanese will whiz by us and take away our aerospace business.

Implicit in this argument is that American workers cannot compete with their Japanese counterparts. I find this line of reasoning offensive. We do compete, in fact we're winning, and I know we will continue to do so.

I say this as a representative of one of the Nation's largest aerospace producing States—as someone who is vitally interested in U.S. aerospace jobs and in the long-term health and competitiveness of our aerospace industry.

Instead, the way for us to maintain our critical lead in aerospace is by supporting the development of new technology through programs such as the national aerospace plane.

Therefore I believe it is a mistake to try to maintain our leading position in the aerospace field by spending all our time looking back, checking to see who, if anyone is gaining on us. We should stick with what got us so far ahead to start with, always looking forward, developing the next generation technologies, as the competition tries to figure out or copy our old.

Mr. President, I hope my colleagues will vote to support this deal. I yield the floor.

Mr. HELMS. Mr. President, I have said many times during the past few months that the FSX proposal is a bad deal for America, and I have given a detailed listing of the reasons why it is a bad deal. Today, since we will vote shortly on the resolution of disapproval of the FSX program I would like to discuss several misleading arguments put forth by the proponents of FSX that should not go unchallenged.

But before I do, I would like to read a letter from Tom Clancy, the best selling author, to the Business and Industrial Council on the subject of FSX. I had the privilege to attend the Army-Navy game with him last year and I know him to be a thoughtful and reflective man who understands well the importance of U.S. leadership in technology. I quote him with his permission. Here is what he wrote about the FSX program:

> SIR: I find myself in total agreement with you on the FSX issue. At the most benign level, it smacks of GM sending R&D money to Ford. More disturbingly, however, why do we refer to Japan as an ally? What military or strategic services have they ever performed for us? The bases we have on Japanese soil, I seem to recall, we won the old fashioned way. An alliance is an exchange of services and interests, and I see that element of exchange somewhat lacking in this case. This is the opinion, I hasten to add, of the number one best-selling author in Japan. I am against the FSX deal. If they want some good fighter planes, let them purchase the planes, for cash, just as I purchase Nikon cameras and Sony electronics gear.
>
> If there is anything I can do to assist you on this issue, please let me know.
>
> Regards,
>
> Thomas L. Clancy, Jr.

I think the letter speaks for itself and there is nothing that I need to add to it directly. I might say though that my mail, and I understand the mail of quite a few other Senators, is, like Mr. Clancy's letter, running strongly against the FSX. The American people are not fooled one bit by the false claims made by the proponents of FSX.

Now let me turn to some of the more misleading arguments that have been put forth by the FSX advocates. The proponents of FSX make much of the fact that they believe approximately $2.5 billion worth of work will come to the United States as a result of the FSX program. They think that the United States should be very satisfied that the Japanese are going to give us this workshare. What's more, they say

that it is about equal to what the United States would have gotten had there been an outright buy of F-16's.

Let us do a litle simple arithmetic, Mr. President, to see if the FSX proponents are correct in their claim. General Dynamics offered to sell the Japanese the 130 airplanes they need for the FSX mission for about $3 billion. If the Japanese had been fair and cooperative allies, they would have begun purchasing those planes a year or two ago, in order to meet the very real Soviet threat which exists today.

If the Japanese had done the fair and cooperative thing, the first F-16's could be in Japan now and we wouldn't be standing here discussing FSX at all. And in the next year or two, all 130 planes could have been delivered. That means that the entire $3 billion of a direct buy could have come to American companies and the American workers by 1991 or 1992.

Let's look again at the current FSX agreement. Right now the FSX deal guarantees the United States only $480 million during the development program, which will last until 1996 or so. After that, if, and that's a mighty big if, the FSX goes into a production phase, the Japanese say in a side letter the United States will get approximately 40 percent of the production program—again that is if the program goes into production and if the Japanese live up to the side letter.

Now I am not an economist, Mr. President. But I do not have to be one to understand that the FSX program will provide a guarantee of only $480 million between now and 1996 and the hope of $2 billion between 1997 and 2007. You will note that I said 2007 because that is how long the FSX production program will take. I do not have to be an economist to know that the total proposed FSX share of $2.5 billion over the next 18 or 19 years does not equal the $3 billion we should have earned by 1992 from the sale of F-16's. Cash up front is always better than payment in dribs and drabs over a 20-year period.

But that is what the administration is telling us, Mr. President. They have said over and again that the FSX earnings would be about the same as the earnings from a direct buy of F-16's would have been. That is total nonsense, Mr. President. I think the American people understand that the Japanese and the FSX proponents are in cahoots on this one. They are trying to put the best face on the figures to lull us into thinking that we got as good a deal as if the Japanese had bought F-16's. But that is simply not true.

And what about spare parts for the FSX? I am sure, Mr. President, you will not be surprised to learn that there are no provisions in the FSX agreement for American companies and workers to make FSX spare parts. Our negotiators, who claim they did such a good job on the FSX agreement, never thought to address the question of spare parts. Even in the review and renegotiation of the FSX deal ordered by the President, there was no consideration given to spare parts.

Spare parts are not a very exciting subject. I will be the first to admit that, Mr. President. But they are very important economically. Because, over the life of an aircraft, the spare parts necessary for maintenance, add up to about 3 times the original purchase price of the aircraft. Again a little simple arithmetic will tell us that three times the original $3 billion purchase price of 130 F-16's is $9 billion in spare parts over the life of the program.

So let us continue with our arithmetic lesson, Mr. President. If the Japanese had done the right thing and bought F-16's—and I have not heard one person, even those for the FSX, say that a buy of F-16's isn't the right thing for Japan to do—then the total income to the United States would have been $3 billion for the airplanes and $9 billion for spare parts. That's a total of $12 billion. That is a little bit more than the $2.5 billion that the FSX proponents are crowing about.

Let us look one more time at the earnings we are supposed to be getting out of FSX. First, we are transferring $5 to $7 billion of our finest aerospace technology. If everything goes perfectly with FSX, we will get $2.5 billion in return. Mr. President, even if we take the lower figure of a $5 billion American taxpayer investment in the F-16, and then we subtract the $2.5 billion the FSX proponents say we will earn, the result is still a net loss of $2.5 billion to the United States. That does not sound like a very good deal to me, Mr. President.

I just do not know how the FSX proponents can claim the FSX program equals about what a direct buy would have been. Their willingness to support the FSX for $2.5 billion in spite of all the legitimate defense and commercial reasons not to do so implies that they can be swayed by the prospect of earning a few bucks. In other words, they do not care how much of their scarce defense resources the Japanese waste on the FSX, as long as a high enough percentage of it comes America's way. This type of thinking is just plain wrong. No wonder our $55 billion trade deficit with Japan doesn't seem to faze the FSX proponents.

There is also a corollary argument offered by FSX proponents. They say that we would get nothing if we turn down FSX. The Japanese would go their own way and build their own plane. So, their thinking goes, we had better take the $2.5 billion, even at the price of giving up $7 billion in F-16 technology. If we do not, we will get nothing.

First, I do not agree with the underlying premise of this argument. It is a defeatist premise, one that does our country a great deal of harm. Essentially, the premise is that we must accept the fact that the Japanese will not buy our best products. Thus we must negotiate the best deal we can given the circumstances. But, Mr. President, I submit that such is not the case. We have all sorts of leverage that we can and should use to make the Japanese buy our products. Continued access to our markets is one that comes to mind immediately.

There are other levers we could use very effectively, but don't. For example, not once during the FSX negotiations was the power of the office of the President of the United States brought to bear to influence the Japanese.

Second, even if the Japanese were to build their own plane, they would still need to buy foreign engines to power that plane. They admit that they simply do not have the technology necessary to make the advanced jet engines. That is why they are so interested in getting licensed production of one of the new F-16 engines from Pratt & Whitney or General Electric for the FSX engine. They want to grab as much of our technology as they can.

The point is that the Japanese would have to come to the United States for the engine if they stay with a single engine plane. We have the only engines in the free world in this class. If the Japanese reverted back to their original twin engine design, there are two possible engine candidates, Rolls Royce and General Electric. I admit it is not clear what the outcome would be, but again, we do have the leverage to make them buy our engines. And if they went to the British just to spite us, I can think of a number of ways in which the favor could be returned.

So why are the FSX proponents so fond of arguing that we will get nothing if the Congress in its wisdom turns down the FSX deal? Why are they so defeatist and pessimistic about the ability of our companies to compete with the British for the engine business?

The FSX proponents do not want to analyze what really might happen if the FSX were turned down. They would rather use scare tactics instead. Go through with FSX or you'll get nothing. They do not want to put together a serious strategy to maximize our national objectives and to preserve our national security. They just throw up their hands and say, "We've just got to accept unfair Japanese behavior and take the best offer they make us."

This coddling of the Japanese is not the attitude that made our Nation great. It is not an attitude that will preserve this Nation as one after the other of our finest industries are destroyed. If we are to survive as a great Nation, we must take a stand. That is what this vote is all about today. It's about whether we have the courage to fight for American interests in the face of Japanese intransigence. We must reject the posture of the FSX proponents, who want to cave in to the Japanese whenever the going gets rough.

Apparently, it is fine with the FSX proponents if the Japanese spend three times what an F-16 would cost to make an FSX. It is fine with them if the Japanese use their scarce, one-percent-of-GNP defense resources to subsidize the building of an aerospace industry. It is fine with them if the American taxpayer has to continue paying to protect Japan for another 18 years until the last FSX is finally in place in 2007. All their objections fade simply because the Japanese have offered us $2.5 billion. It seems like a lot of money, Mr. President, but when you look at the stakes, American interests are being sold short for peanuts.

As I have said, I do not believe that we would get nothing if the Japanese went their own way. I think that there is probably a billion dollars or more of work in the engines and other components that we could sell the Japanese. But let us suppose that the FSX proponents are right, Mr. President. Suppose that there was absolutely nothing for us if the Japanese went their own way. Mr. President, I would rather have nothing from FSX than to give the Japanese a big boost in aerospace.

Because that is what the FSX deal is, Mr. President, it is an elevator ride to the top for the Japanese, in our elevator. To sell out in our one remaining profitable high tech industry, one that earns us many billions each year, for the price of $2.5 billion over 19 years is just ridiculous, Mr. President. And it shows how misguided the proponents of FSX are. They are willing to let American industry and American working men and women pay any price, rather than rock the boat with the Japanese.

And that brings us to another one of the false charges that FSX proponents make. They say that if we turn down the FSX deal, then irremedial harm will be done to our diplomatic and security relationship with Japan. Therefore, they say, we must always pull all our punches when we speak about Japan. If we raise our voices ever so slightly, the Japanese will get upset and we cannot have that. It is as though we must conduct a relationship walking on eggs.

Mr. President, it is high time that we put an end to this special treatment. It is time we spoke directly to and about the Japanese. I think it is wrong to continue to treat the Japanese as though they were a fragile flower, one that can be raised only in a specially constructed hot house.

Because that is what the situation is today, Mr. President. Japan lives in a special economic and security hot house that we helped them construct after World War II in order to help them recover from the devastation of the war.

Mr. President, there is no need for that hot house today. It is time that we dismantled that obsolete structure. Japan must take her place among the mature nations of the world and act according to the duties and responsibilities of an important and mature ally.

It is demeaning to the Japanese to argue, as the FSX proponents do, that Japan must continue to receive special treatment, that we must overlook the fact that they refuse to abide by the rules of free trade and buy our incomparable F-16's.

The FSX proponents act as though if this one deal does not go through, our entire relationship will fall apart. How can that be, Mr. President? Does this mean that the Japanese will refuse to let us protect them? Will they tell us to take our bases and go home? Will a nation that depends profoundly on the United States for its conventional and nuclear defense ask us to leave? Not likely, Mr. President. Japan would be virtually defenseless without our military umbrella. It is sheer nonsense to think that Japan would ask us to withdraw if FSX does not go through.

What about our economic relationship if FSX falls through? The suggestion is made indirectly by the FSX proponents that the Japanese will stop buying our Treasury bills and stop financing our debt. How do you think we finance our defense budget to protect them, Mr. President? How do we pay for all those Japanese consumer goods? Are the Japanese willing to stop sending us cars, televisions and VCR's? Do the proponents of FSX really think that the Japanese economy is totally independent of ours?

Again, Mr. President, these arguments are premised on the fact that FSX proponents think that the Japanese need or deserve special treatment. There is no real analysis or logic behind the arguments of the FSX proponents, just an intuitive sympathy for the Japanese point of view. Well, I reject that rationalization of the Japanese viewpoint, Mr. President. I believe it is about time that the American point of view received strong consideration, and strong representation, by the executive branch in our dealings with the Japanese. And if the executive branch cannot or will not do that, Mr. President, then it is up to the Congress to see that American interests are properly protected.

Another disturbing argument by the FSX proponents is that the Japanese have special mission requirements for the FSX and that no foreign plane could meet those requirements. So the Japanese of necessity had to design and build their own plane. I was disappointed to hear our new Secretary of Defense, Mr. Cheney, make this specious argument before the Foreign Relations Committee. Now I am sure Secretary Cheney will prove to be a fine Secretary but he needs better briefers on this topic. They should give him the position of DOD's own technical experts.

When DOD's Sullivan team went to Tokyo in April 1987, they told the Japanese that we rejected the notion that the FSX had a special or unique mission. In fact, they told the Japanese that any one of our most modern fighters, the F-14, F-15, F-16, or F-18, could perform the multiple missions that we foresaw for the FSX. This information was confirmed in testimony before the Armed Services Committee last week. The F-16 can perform the FSX mission superbly. The Sullivan team told the Japanese that we regarded the Japanese claim of a special or unique mission as nonsense. It was simply an attempt to rig the process and exclude American aircraft from consideration.

Now 2 years after we thought that Japanese argument had been put to rest, we find the American Secretary of Defense raising it on behalf of the Japanese before the United States Senate. Now I know that Mr. Cheney came to this matter recently, but his staff has done him, and us, a great injustice in feeding him Japanese lines of argumentation. The Japanese must be smirking to hear the American Secretary raise an argument that his own technical experts rejected out of hand 2 years ago.

The Japanese use the unique argument all the time to exclude our products from the markets. It is not only that the FSX mission is unique, so the Japanese do not have to buy United States fighters. The Japanese argue that their snow is unique, so they do not have to buy foreign skis. That is right, they actually claimed that foreign skis would not work on their snow. They claim that the mud in Kansai Bay is unique, so that American construction firms would not know how to deal with it and, therefore, could not build the new airport there. They claim that Japanese intestines are unique, they are 5 feet longer than those in other human beings, so that the Japanese cannot digest United States beef. And so on. Needless to say, Mr. President, the uniqueness argument is pure hogwash.

Mr. President, having addressed some of the more misleading arguments of the FSX proponents, I would like to review quickly a few additional reasons why the FSX is such a bad deal for America. The United States not only believes in, but also practices free trade. Japan says it believes in free trade, but practices mercantilism. That fancy word means Japan closes its markets and refuses to buy our highly competitive products.

Instead of having access to world class American products, Japanese consumers, businesses, and Government departments are forced to buy inferior Japanese imitations of our best products. In the meantime, the Japanese import the technology behind our best products and keep trying until they perfect products almost as good as ours. Then they dump those products on our markets below cost and destroy our industries. Finally, after our industries have been decimated, the Japanese open their markets partially, but we have no products left to sell because they have put us out of business. In short, the Japanese are protectionists of the first order. And that is what they intend to do to us in aerospace, Mr. President.

What could be a better example of Japanese protectionism than their refusal to buy the world's best, and least expensive, fighter aircraft, the F-16 Fighting Falcon? Instead, they are going to reinvent the wheel—as they have with so many high quality American products—and build their own plane. That is protectionism pure and simple.

And what about the cost of the FSX? Japan spends about $35 billion a year on defense. The United States spends about $285 billion, or nine times the Japanese amount. One would hope that the Japanese would spend their small defense resources carefully. Unfortunately, they do not. Instead of buying 130 F-16's for about $3 billion, they are going to spend $1.2 billion on development and $8 billion on production, a total of about $9 billion. That is three times what the same number of F-16's would cost.

And that figure of only three times the cost of the F-16 is extremely optimistic. The respected British magazine, The Economist, estimated in a recent issue that the development costs would be triple the Japanese estimate, or $3.6 billion instead of $1.2 billion. I do not think that any proponent of the FSX can justify the extra $5 to $8 billion cost of the FSX in light of scarce defense resources on both sides of the Pacific. And, ironically, while the FSX Program is wasting billions of dollars, DOD will almost certainly be engaged in long, drawn-out burden sharing negotiations with Japan, trying to get the Japanese to ante up another $100 million or so to meet common defense goals.

Aside from the much-ballyhooed $2.5 billion, is there really anything in the FSX Program for the United States? The proponents claim that there is access to advanced Japanese technology. The Japanese are always trumpeting their so-called advanced technology. But let us be honest about it—the Japanese are not now major players in aerospace. It is unlikely that they have the technology that they claim to have. But to be fair and to be thorough, several other Senators and I commissioned a GAO study in order to find out if there was in fact advanced Japanese technology. The GAO has just concluded their study and they have found that the claim of advanced technology is a false claim. There is no advance Japanese technology in the two areas of DOD interest, the phased area radar and the cocured composite wing. U.S. companies are far ahead in these areas.

But the thing that I fear, Mr. President, is that the Japanese will be given access to the advanced United States technologies in these areas during the course of the FSX Program once they have failed in their own attempts. Then, in order to show that the FSX did provide advanced Japanese technologies, we will make a purely political decision and import back Japanese technologies that are built on our technology. And that technology will be incorporated into future versions of the F-16 just to show how good the FSX Program was. And the United States companies that invented the technology in the first place, they will be closing their doors, while the Japanese companies will be adding a second shift to pump out the items for United States fighter aircraft.

So what is it that the Departments of State and Defense really want from the FSX Program, Mr. President? According to the GAO report, State and DOD admit that their reasons for promoting the FSX Program are not commercial or technological. They admit, Mr. President, that their reasons are purely political. What DOD and State really want is to protect the status quo with Japan. They are willing to pay any price to see that their heretofore comfortable political and security relationship is not disturbed. But they are living in the past. That relationship was built on an economic and political situation that does not exist today. It cannot endure on a false foundation.

And what is the FSX deal really all about for the Japanese? It is not about the common defense or Japan would be buying F-16's today in order to meet the current Soviet threat. It is not about saving scarce defense resources, or again Japan would be buying United States aircraft instead of spending billions of extra dollars on the FSX.

What FSX is really about for the Japanese is meeting their stated national goal of having a full fledged aircraft industry with which to challenge the United States in the next century. As John Harbison of Booz, Allen and Hamilton, wrote 2 weeks ago in the Sunday New York Times: "The Japanese are not trying to develop a plane; they are trying to develop an industry." FSX is part of a sophisticated Japanese national effort to develop a viable Japanese civilian aircraft industry. That's why the Japanese are so adamant about proceeding with FSX. They see their military aircraft industry as a necessary precursor and a critical component of their high tech aerospace future.

If they want an aircraft industry to try to compete with us that is fine, but we should not help them one bit. We should not give them one piece of technology that will further their goals on either the military or commercial side. It is very naive to argue, as the administration does, that they have scrubbed the F-16 technology list to remove commercially applicably technologies. The very existence of the FSX Program provides a kind of aerospace university in which Japanese engineers will learn the systems integration skills necessary to compete with us in both military and commercial aircraft.

It is time that we realize the stakes in the FSX Program are a lot higher than whether Japan can build one military aircraft. This debate is about our national future and the future of our alliance with Japan. If the Japanese continue to ignore free trade principles and common defense interests, then there can be no alliance in the future. If they are going to go their own way, so be it—but let us not be deceived into the thinking that they are acting as steadfast allies when they are not.

If, as some newspaper reports indicate, the Japanese will turn to the Europeans or the Israelis for help if the FSX deal is not approved, again so be it. If those are the true Japanese colors, it would be good to see them now, while we can still take appropriate action. And if they do go to those countries, then maybe the Europeans or Israelis should also be made responsible for Japan's defense.

For all these reasons, Mr. President, the FSX is a bad deal for America. The United States should not participate in or encourage this program in any way. The decision on FSX is really part of a larger decision about the survival of the United States as the world's preeminent economic and military power. I intend to protect America's preeminence and to vote against U.S. participation in the FSX Program. I urge my colleagues to do the same.

Mr. HEFLIN. Mr. President, I rise today to address the proposed technol-

ogy transfer to Japan so they can build the FSX fighter plane.

When consideration of the transfer of the United States F-16 fighter plane technical data to the Japanese began, a tremendous debate broke out ove the exchange. When the Senate first considered the transfer of technology to enable the Japanese to build their own FSX fighter aircraft, I felt that the deal had not been fully explored and voted to encourage the President to delay the transfer. After reviewing the administration's revised agreement, I still feel that the technology transfer would not be in the United States' best interests.

In my judgment, the transfer of this advanced fighter technical data to Japan could have severe long-term economic and national security consequences. I have seen nothing about this deal which would be to the United States' best interest except what some might call "a show of good faith." If this deal were the drawing of straws, Japan would get the long straw each time.

Supposedly, Japan will bear the entire cost of the program. They will pay us around $400 million for our most advanced technology which is worth over $7 billion. That does not sound like a good deal. The Japanese could get the same protection by purchasing American F-16's off the shelf. If the Japanese bought the F-16's, Americans would do 100 percent of the work. With the FSX, Americans will do only approximately 40 percent of the work. That does not sound like a good deal. The Japanese could buy the F-16's at a savings of $30 million per plane but have instead chosen to produce the more expensive FSX. That does not sound like a good deal. In exchange for our technology, the Japanese will give us their technology in areas in which we already hold the lead. That does not sound like a good deal. The General Accounting Office has said that in both composite wing technology and advanced radar technology, the United States holds the lead. The Japanese decided not to purchase the existing and proven F-16 fighters and honor their commitment to help reduce the growing trade deficit. That does not sound like a good deal either. This does not sound like a good deal for one reason—it is not a good deal.

The only way the exchange of information for the FSX fighter sounds like a good deal is if you are the Japanese Government with plans to create a dominant aviation industry. Every aspect of this trade gives the Japanese an unfair competitive advantage by selling our most advanced technology for a small price. The aviation industry remains a place where the United States has a large comparative advantage over the rest of the world. We should not throw away this advantage by giving the Japanese this technology on a gold platter. All factors of this trade indicate that the Japanese are more interested in creating a competitive aviation industry than in their actual defense.

We have seen this pattern before and will not have learned anything if we allow this trade to occur. The Japanese have consistently acquired technology from a country and soon competed against the original owner in the world market. Should we allow our comparative advantage in the aviation industry to disappear by giving away this technology as we did the technology for TV's, VCR's, and semiconductors?

Mr. President, let me touch just a moment on the technology transfer aspect of this deal. The F-16 is our most advanced fighter aircraft. The administration says that the F-16 technology transferred to Japan will be protected and the advanced technology developed in the FSX program can only be used for this limited program. However, this is virtually unverifiable. We fell into the same situation recently with highly sensitive submarine propeller technology. Toshiba leaked this important information to the Soviets. We still do not know the extent of the damage of this intelligence leak—only that it will cost us billions to overcome. Are we going to fall into the same trap again? I certainly hope not.

Also, Mr. President, I am very disturbed by recent reports that Mitsubishi Heavy Industries, the Japanese company that will build the FSX, possibly was involved in the construction of the plant in Libya which is suspected of producing dangerous chemical weapons. I believe that this matter must be cleared up before we jump headlong into the FSX deal.

Mr. President, the Japanese spend only 1 percent of their GNP on defense and we should not allow them to squander these funds. They should purchase the F-16 fighters from the United States and save $30 million per plane. This would reduce the trade deficit, allow Japanese defense funds to be spent elsewhere, provide 100 percent American jobs for the fighters, preserve the American lead in the aviation industry, and provide for the Japanese defense much sooner than the FSX fighters. That sounds like a good deal because it is a good deal. We should scrap the FSX and sell the Japanese F-16 fighters.

Thank you, Mr. President.

Mr. KERRY. Mr. President, the FSX deal is not just an airplane deal. It simultaneously concerns broad issues of defense, foreign affairs, and the economy—indeed, the very definition of national security in the coming decades.

As I've been saying for some time, we cannot be the strongest nation in the world militarily if we are not the strongest nation in the world economically. Our Federal budget and trade deficits—including a $55 billion trade deficit with Japan—are evidence of fundamental economic problems that if uncorrected threaten our national strength.

The trade deficit is not something new. It's been in tens of billions a year now for most of the eighties and shows no real signs of abating. Throughout that period, we've found oursleves seeking to redefine our economic relationship with Japan by getting it to buy our goods. These efforts have largely failed.

Now, comes the FSX deal, which in many ways is a response to that environment.

On the one hand, the FSX deal is evidence that Japan can be encouraged to buy American technology when we make it in their interest to do so. Under the terms of the deal, they would be purchasing some $2.5 billion of American goods and know-how in codeveloping the plane.

On the other hand, the FSX deal is evidence that Japan continues to refuse to buy American-made goods even when they are cheaper than what Japan can manufacture. We know, and so do the Japanese, that Japan could buy state-of-the-art F-16's for many billions less than the cost of the FSX. Japan has no interest in doing that, however, because they have a second goal: To gain knowledge about how to build planes, and to them that is worth a lot of money.

So it is fair to say that the FSX deal is indeed characteristic of our relationship with Japan generally. The Japanese will buy from us—but only as a means of developing further the ability to produce the goods later on their own. The question that we then need to ask ourselves, is it in the interest of the United States to help them do so?

Let us look at the details of just what each side promises under the deal.

The United States will give Mitsubishi Heavy Industries, the prime contractor on the deal, detailed technical data on the F-16, including design and test data. General Dynamics, the prime U.S. subcontractor on the deal, will not only supply Mitsubishi with the design information, but provide technical assistance throughout the development process, and produce parts of the prototypes for the plane.

In return, United States firms are to be granted access to any new Japanese technology derived from the technology provided by the United States, as well as other technologies developed by Japan in the course of the project. Mitsubishi will allocate 40 percent of the development work to U.S. companies. And the administration has stated that Japan has committed to

giving United States firms 40 percent of the production work as well.

So, the potential good brought about by the FSX deal is—

First. That the United States gets some new access to current Japanese technology's high-strength materials and radar, and

Second. That the United States gets whatever "flow back" takes place in new Japanese developments from the codevelopment, as the Government describes it, "automatically and at no cost," and finally,

Third. That United States companies get some additional business with Japan, amounting to about $480 million for the codevelopment, and perhaps $2 billion for production.

That summarizes the upside.

The downside can be summarized much more simply—the risk that the deal will help Japan develop an aviation industry that kills off our aviation industry through predatory competition.

It has happened before.

We all know where Japan's economy was after the end of World War II, and where it is today, and where our economy was then, and where it is today. Then, the United States produced goods for the world. Now, Japan does. Then, the United States was the biggest creditor nation in the world. Now Japan is, and the United States is the biggest debtor nation in the world. Then, we were the economic leaders, the technical innovators, now Japan is.

The phenomenon has been called "Trading Places," which is also the title of a recent book by former Reagan administration trade negotiator Clyde Prestowitz, Jr., subtitled "How We Allowed Japan To Take the Lead." The book is a sobering description of how in industry after industry, the United States allowed Japan to reverse places with the United States.

In the opening chapter of his book, Prestowitz recounts case after case to document the reversal in our country's economic fortunes over the past 20 years:

> The United States had effectively lost its consumer electronics industry by the mid-1970's and had also been forced to protect its textile and steel industries. In 1981, it begged Japan to restrain auto exports.
>
> In 1984, the President's Defense Science Board warned that the nation was falling behind in high technology.
>
> On 5 November 1985, members of the President's cabinet met at the White House to consider the crisis in the semiconductor industry. The heart of the high technology underpinning both the nation's prosperity and its defense, this key industry was being devastated by Japanese competition. Nevertheless, most present opposed taking any action, believing, as one of the President's top advisors remarked—that "If our guys can't hack it, we ought to let them go."
>
> On 24 October 1986, Japan's leading computer manufacturer, Fujitsu Corporation, made an offer to buy Fairchild Semiconductor Company, but withdrew it after opposition was voiced by Secretary of Commerce Baldrige and Secretary of Defense Weinberger on the grounds that the US was becoming too dependent on Japan for critical technology.
>
> Over the summer of 1987, as the US became the world's largest debtor, interest rates continued to rise as foreign investors, primarily Japanese, demanded a higher return for investing in an increasingly risky US market. One French leader noted that the US now had two central banks, the Federal Reserve system and the Japanese insurance companies.
>
> In late 1987, as the US international debt surpassed that of Mexico and Brazil combined, US payments to foreign investors exceeded US income from holdings abroad for the first time in fifty years. Meanwhile, Japan became the world's largest creditor and passed the United States in per-capita gross national product.

Prestowitz argues that the situation has become a serious threat to United States national security, and is the result of "a critical misunderstanding about the nature of Japanese society and economic thinking * * * to them, promotion of key industries is not economically harmful but is, on the contrary, necessary to ensure the future prosperity of the nation, which they see as inextricably linked to its power."

"As a result of policies based on false assumptions and ignorance, the power of the United States and the quality of American life is diminishing rapidly in every respect," Prestowitz writes. He then quotes a former official of the Japanese Ministry of International Trade and Industry or MITI who had one of the most powerful positions in Japan, Keichi Konaga, who asked Prestowitz one question about United States relations with Japan—"why don't you wake up?"

Why do we not wake up, indeed? If the Japanese do use the FSX deal to develop an industrial base for an aerospace industry, how will we repair the damage?

In 1970, the United States produced 90 percent of phonographs sold in the United States—today 1 percent. In 1970, we produced 90 percent of the color TV's, today 10 percent. In 1970, we produced essentially 100 percent of machine tools, today 40 percent; 99 percent of telephone sets, today 25 percent; 89 percent of semiconductors, today, only 64 percent.

I for one, am not willing to take the risk that the U.S. aerospace industry that today reduces our trade deficit by $16 billion a year will join those industries.

The administration contends that the U.S. commercial aircraft industry need not fear from the FSX deal, because commercial and military technologies differ.

Yet the 1989 National Trade Estimate Report on Foreign Trade Barriers published by the Office of the U.S. Trade Representative suggests that the opposite is true. According to the report:

> Japan has targeted its aerospace industry for development. The government had formulated a plan and taken significant steps to enhance the competitiveness of its domestic industry. The effects of Japan's targeting efforts have not yet hindered U.S. industry, but there is a potential for negative effects.
>
> The Japanese government plans to make aircraft production one of Japan's major industries within 20 years. This would mean direct competition with the U.S. aerospace industry which is the largest in the noncommunist world. Japanese competition could come earlier in the rotocraft and aircraft components industries. * * * [I]f Japan's target goal is met, future lost sales to the U.S. industry would be significant although now impossible to quantify.

Dr. Robert Barthelemy, the United States National Aerospace program director, recently addressed a group of Senate staffers, and told them that the Japanese have informed him that they intended to excel in the aerospace industry, and were committed to spending $16 billion to achieve the goal.

That is not a change—the Japanese have been looking to build a civilian aerospace industry for a long time. In September 1980, MITI—the Japanese Ministry of International Trade—reported that:

> Although costs and performance requirements for commercial and military aircraft are different, development and production techniques are closely related. Therefore, research and development of commercial and military aircraft should be carried out in tandem.

In the words of MIT Prof. Richard Samuels, who heads the MIT-Japan program, we should believe the Japanese—

> When they say clearly that this project is an important step for Japanese producers who seek to establish a global position in aerospace in the 21st century * * * for the Japanese this is not just about creating jobs, but about creating comparative advantage * * * the FSX is a next major step in the development of the Japanese aerospace industry.

I believe we are endangering a $16 billion a year industry in return for a one-time payment less than $3 billion; that the Japanese will use the deal to consolidate technologies which they will then transfer to the civilian aviation industry, and that we are giving them the means to take away our markets in yet another essential industry.

We should also recognize that the deal allows Japan again to fail to honor its promises to buy American products when they are superior in price and quality; and to share less of the defense burden for Japan by spending billions to develop an aircraft that will be less capable than planes already available.

Indeed, in a way, the FSX deal itself is a consequence of a Japanese unfair trade practice—its unwillingness to

buy our F-16 planes, which are completely sufficient to meet Japan's needs for national defense.

I believe it is not in the interests of the United States or the American people to help Japanese firms become global competitors with United States firms in the aerospace industry. Unless and until our economic relations with Japan generally have been put on a far more equal basis than they are today, we should make it our national policy to promote United States penetration of Japanese market shares in essential industries, not the other way around.

We should remember that our aviation industry did not grow up in a vacuum, but rather traces its technological roots and branches to an extraordinary investment on the part of the American people through years of spending on our air force. Every one of us paid the price to make sure that no country in the world had a more sophisticated capacity to defend its skies.

Having made that investment, it would be foolhardy for the American people to permit their Government to turn these technologies over, virtually free of charge, to a close and valued ally, who is also a tough and sometimes predatory competitor.

Mr. President, it defies common sense for us to give away this investment to the Japanese, and allow them to use it to take away our markets in the future. This is not a statement of hostility to Japan or its people. It is simply not rational economic behavior on the part of the United States to provide Japan with essential technologies and experience in the aerospace industry, allowing them to shortcut the development process that we went through.

I urge the Senate to affirm the Dixon resolution to disapprove the FSX deal.

Mr. KOHL. Mr. President, after carefully examining the proposed cooperative development program for the FSX fighter between the United States and Japan, I have come to the conclusion that it is not in our national self-interest. Accordingly, I intend to vote against the agreement. Let me explain why.

To begin with, I think it is misleading to suggest that this is a military deal. Clearly Japan is not approaching this agreement from a military perspective. After all, if their interest was in getting a sophisticated fighter, they could have had the F-16, for about a billion dollars less than they will spend on the FSX. And they could have had it now, rather than waiting for years until the FSX is produced. They aren't looking for a plane; they are looking for a technology.

It is also clear that Japan is not entering into this agreement in order to reduce its $52 billion a year trade surplus with the United States. The most effective way to achieve that goal would have been to buy the F-16 or eliminate some of the trade barriers which prevent our products from entering their markets. They are not looking for a way to reduce the trade surplus; they are looking for a way to develop an industry.

No, Mr. President, this is not a military deal—it is a deal that has to be evaluated in terms of its effect on our economic security.

Now in that context, some of the proponents of this sale tell us that it really is good for our economy. They tell us that working with Japan on the FSX will allow our industry to learn about new technologies which the Japanese have and we do not. That may be what the proponents of the sale tell us, but it sure isn't what the objective General Accounting Office of the United States says. The GAO reported on May 8, 1989 that the FSX program, according to Department of Defense itself, "was not pursued with the primary objective of obtaining access to Japanese technology or balancing the exchange of technology." The GAO did report that once the deal was agreed to in principle, then the United States started to talk about trying to get access to any technology Japan might have. But, in the two areas touted as giving the United States a technological boost, the GAO concluded that "the United States has superior composits technology and appears to be ahead in the radar development."

Of course, even if we do not get any technological benefits, we are supposed to get an economic boom from the deal. Not as much, clearly not as much, as we would get if Japan simply bought our F-16's off the shelf, but still some benefits. After all, we are told, the new and improved agreement which the administration negotiated is designed to make sure that we get "approximately" 40 percent of the work for both the development and production phases of the agreement.

If we could be sure that we could get 40 percent of the work, that would be something. But we ought to look at that commitment very closely before we start to get too excited.

When the agreement was negotiated by the Reagan administration, it included the 40-percent standard just for the development work. In terms of production, all we were told was that there would be a "good faith effort" made to achieve a similar division of the work. The Bush administration, particularly the Commerce Department, was not satisfied and attempted to get a more concrete agreement. When the renegotiation began, Japan is reported to have tried to translate its "good faith effort" into language which assured the United States 28 percent of the work. If "good faith" equals 28 percent, then it is possible that "approximately" will turn out to be 30 percent. In fact, it is possible that the value to America of production work may be nothing since this agreement covers only development—we would have to negotiate a new agreement if Japan decided to produce the plane. The point is that we do not have any firm understandings about our workshare of the production; we do not even have vague understandings about the more lucrative spare parts market which may be worth as much as two or three times the original deal; and what we do have is included in an exchange of letters rather than in the memorandum of agreement itself.

Well, if we do not get much from the deal, what do the Japanese get? Mr. President, they get what they have always wanted: the technology to develop their own aerospace industry.

I would ask my colleagues to take a look at "Made in America: Regaining the Productive Edge" by Michael Dertouzos, Richard Lester, Robert Solow and the MIT Commission on Industrial Productivity. Their analysis of the aircraft industry begins on a bright note: "among all the industries studied," they report, "the commercial-aircraft industry is the strongest exporter and has the healthiest trade balance." But, they go on to suggest that our position is not really secure. We all know about the competition coming from Airbus, but the MIT study also tells us that "the Japanese Government has designated aerospace as one of three key technological areas for the 21st century, and Japan looms as a potential independent competitor." But if Japan is to become a major competitor, they have to develop their technology. They are: the MIT study reports that in Japan "by the early 1980's government aid to jet engines almost equaled that given to computers and exceeded that for telecommunications, energy, and new base technologies." Their advances in this area make them a substantial player; the FSX deal will make them a major player since, as MIT concludes, "international partnerships inevitably tend to diffuse new technologies among the cooperating nations." And that is true, Mr. President, no matter how tightly one tries to restrict the technology transfer.

Mr. President, I want to work with Japan. I want to see them pick up more of the burden of defending themselves. I want to see our trade relationship improve. But giving away the store is not the best way to improve relationships or protect our own interests.

Mr. President, I was in business for a long time. I know that deals are never all good or all bad. I recognize that once Japan decided not to buy our F-

16's, they were going to get some technological benefit. I also suspect that if we do not make this deal with Japan, they will try to reach an agreement with other nations in an effort to get the technology they want. And if that happens, we will not enjoy the "approximately" 40 percent of the work that this deal does give us. So I know there is a downside to rejecting this proposal.

But Mr. President, it comes down to this: I do not see why we ought to cooperate in our own destruction. I do not understand why we do not put up a stronger fight for our own interests. I can not comprehend why we simply roll over and play dead. We ought not make it easier for Japan, or any other nation, to gain an advantage over us. This deal does just that—and that is why I will oppose it.

THE FSX SALE

Mr. PRYOR. Mr. President, we are about to vote on whether America should hand over to Japan, specifically to Mitsubishi Heavy Industries, the technology behind the world's finest fighter, the F-16 Fighting Falcon.

Mr. President, Americans believe in free trade and we practice it in those areas of international commerce where there is reciprocal free trade. Unfortunately, Japan has too often practiced protectionism in its trade dealings with America, which has led to a whopping $54 billion a year trade deficit with the United States.

Nowhere is this unfair Japanese approach to trade more apparent than in our rice trade, or, more accurately, our lack of rice trade with Japan. In short, Mr. President, we are completely shut-out of the Japanese market for rice.

This is not free trade? It is not fair trade?

Let us talk for a moment about whether this FSX deal is a free and fair trade. Mr. President, we are giving the Japanese roughly 7 billion dollars' worth of F-16 technology that they will use to develop their military and commercial aviation industries. It is hardly a secret that one of Japan's long range goals is to develop an indigenous aircraft industry that could challenge United States aviation leadership.

What are we getting in return? Based on what I have learned I would say that we are getting some false hopes. We are being promised $400 million in return for $7 billion worth of our technology. We are also being promised that the Japanese will hand over two new technologies developed in Japan.

However according to the General Accounting Office, these so-called new Japanese technologies are available and of superior quality in the United States.

Is it a fair trade, Mr. President. I say no.

At issue is this debate is not whether we support our military allies. Japan is an important ally, but we have proven our dedication to protecting Japan's interest over and over again. We prove it by spending a good deal of our defense budget on projecting the United States military umbrella to include Japan. We have proven it by putting our Navy in harms way to keep sea lanes open in the Middle East through which oil crucial to Japan's economy must be transported.

Finally, Mr. President, we have proven our dedication to Japan's defenses by offering to build for them as many F-16's as they want to buy. Mr. President, it does not make sense and it is not fair that we are now being told that we must again prove our loyalty by giving away the technology underlying the F-16.

Mr. President, America spends almost $300 billion a year on our military. Japan spends roughly $35 billion. If the ultimate goal is to strengthen Japan's defenses, then it would make sense for Japan to commit its limited military budget to purchasing advanced aircraft from the United States rather than embarking on an expensive and risky venture into building its own advanced aircraft.

No, Mr. President, the FSX deal we vote on shortly is not a good deal or a fair deal and if it goes through we have no one to blame but ourselves.

I will vote for the Dixon amendment to disapprove of the FSX agreement.

Mr. PELL. Mr. President, I think the Senator from Illinois [Mr. DIXON] has put forth a cogent and interesting case. Nonetheless, I have concluded that I must, with reluctance, vote against his Senate Joint Resolution 113.

I have made this decision for the following reasons:

I do not believe that we could have achieved a substantially better arrangement with Japan. I would have preferred very much that the Japanese had purchased the F-16 aircraft, which is a frontline fighter in our own inventory and would have served them well. Unfortunately, that was not an option, and our realistic choice was to allow the Japanese to go it alone or in partnership with some other nation. Frankly, I believe the correct choice has been to craft a workable, cooperative arrangement, rather than to have the Japanese go in another direction. Had the Japanese pursued a different course, I believe it would have made it much more likely that they would compete with us on the international market at a measurable cost in American jobs and income.

We have been arguing for some years with the Japanese that they should take on a greater share of their own defense and that we would cooperate with them in this. Having encouraged them in that direction, it does not make sense for us to impede their own efforts in that direction.

This arrangement will benefit American industry and labor. The codevelopment project could mean that the United States will gain about $500 million. If this cooperative arrangement proceeds into a production arrangement, it could mean considerable profit to the United States with workshare yielding perhaps $2 billion or more.

The President has, in reaction to congressional criticism and substantial dissent within the administration, acted to improve the deal. As a result, the safeguards in the arrangement are much more clearly spelled out.

The President achieved an important new control on any future production by achieving an arrangement that the U.S. workshare will be approximately 40 percent. This workshare has been a highly contentious matter and the President was most prudent in determining that clarification was essential.

Having reviewed this deal carefully, Senators BYRD, DANFORTH, MOYNIHAN, and I, as well as others, have concluded that additional safeguards were feasible and could be achieved. We have incorporated these safeguards into an amendment which I believe merits and will receive the support of the Congress.

Finally, against this background, I believe that the President can safely be given the benefit of the doubt. There are sufficient protections and the Committee on Foreign Relations, which I chair, as well as the full Senate will be following this matter closely as the codevelopment arrangement proceeds. Given the debate, I am sure that the administration will wisely consult closely with the Congress as it moves toward a coproduction agreement.

Mr. BAUCUS. Mr. President, we are witnessing a unique debate on the Senate floor today.

Japan is a close and trusted ally of the United States.

The very idea that a major military agreement with a close ally could be endangered by trade concerns was unheard of even a few years ago.

So what has changed?

Mr. President, the real issue we are debating here today is much bigger than the FSX fighter.

Senators have not taken the floor to vigorously argue against this agreement because they believe Japan is not a trustworthy ally.

Senators have taken the floor because the economic relationship between the United States and Japan is fundamentally out of balance.

The $55 billion United States trade deficit with Japan is the most obvious symptom, but there are others.

Simply put, Japan has refused to play by the rules.

As James Fallows eloquently pointed out, Japan has pursued an economic policy of discouraging imports and encouraging exports. A policy that called for Japanese economic dominance in all sectors.

In an interdependent world economy, that is an unacceptable national policy.

Japan—perhaps more than any other nation—has prospered from free and open world markets. But Japan has not been willing to open its own market.

Mr. President, 2 weeks ago, the U.S. Trade Representative released the National Trade Estimate.

The National Trade Estimate—commonly referred to as the NTE—is a listing of foreign trade barriers.

In the NTE, 18 pages were devoted to simply listing Japanese trade barriers. No other nation warranted more than 10 pages.

The NTE listed Japanese trade barriers ranging from restrictions on forest product exports to violations of the Semiconductor Trade Agreement to barriers limiting United States exports of supercomputers.

And the NTE is only the latest in a large body of evidence.

Two recent studies, one by the Brookings Institute and one by the Institute for International Economics, concluded that Japan imports 25 percent to 40 percent less than would be expected for a nation at its level of development.

A recent report by the President's private sector trade policy advisory group estimated that Japanese trade barriers may be costing the United States as much as $30 billion each year.

The evidence is so overwhelming that distinguished U.S. business groups, such as the U.S. Chamber of Commerce, the National Association of Manufacturers, and the Emergency Committee for American Trade—long unflinching advocates of free trade, have asked the U.S. Government to take action against Japanese trade barriers.

The refusal of the Japanese Government to buy the United States F-16, instead opting to produce its own aircraft, is only the latest example of a very consistent pattern of behavior.

The debate today demonstrates that the U.S. Senate is no longer willing to accept the status quo.

We can no longer afford to open our market to Japanese products while Japan closes the door to our exports.

We can no longer afford to have the Defense Department and the State Department negotiate agreements without regard for U.S. trade and economic interests.

In large part to address the problem of Japanese unfair trade practices, the Trade Act of 1988 contained a provision known as Super 301.

Super 301 established a procedure for identifying those nations that maintain extensive trade barriers and initiating negotiations to eliminate those barriers.

Although no nations were specifically referenced in the provision, the main target of Super 301 is Japan.

As this debate goes on in the Senate, another debate is raging within the administration over whether or not to use Super 301 to attack Japanese trade barriers.

According to the New York Times this morning, the State Department is vigorously arguing against using Super 301 on Japan.

I hope that the administration takes note of the sentiments expressed in this Senate debate and uses Super 301 to attack Japanese trade barriers.

If the administration fails to use Super 301 on Japan, the consequences could be far graver than just losing the FSX agreement.

I plan to reluctantly vote against approval of the FSX agreement. The choice I am faced with is very difficult.

We should have pushed harder to convince Japan to simply buy our F-16's.

Also, I believe we should have considered our economic interests earlier rather than waiting to the end of the process when there is no alternative to turning the agreement down.

I understand the irritation turning this agreement down causes our Japanese allies. They thought they had a deal.

But my patience has run out.

According to the GAO and other unbiased observers, the FSX agreement is a bad deal for the United States.

The agreement will help Japan fulfill its long-term goal of establishing a world-class aerospace industry—an aerospace industry that would soon be competing head-to-head with the most successful sector of the United States manufacturing industry.

We cannot sit by and watch America's competitive edge be wiped out in yet another industry.

Economic and trade issues must be given greater weight in future dealings with Japan.

Apparently, the only way to get that message to the administration is to take drastic action. That is a very unfortunate reality for executive-congressional relations.

The United States and Japan need each other. The underlying relationship between the United States and Japan is strong. And a continuing strong bilateral relationship is vital to both countries.

But the inequitable trade relationship is undermining the positive aspects of the United States-Japan relationship.

In the interest of preserving a strong relationship into the next century, the United States and Japan must immediately begin to solve the trade and economic problems.

Finding a more equitable solution to the FSX issue is the first step down that road. I hope that we use Super 301 as a springboard to go further.

The Congress will no longer stand by and see economic problems swept under the rug.

Mr. DIXON. Mr. President, I simply wanted to say while my dear friend and colleague from Illinois is still on the floor that PAUL SIMON honors me greatly by his statement and his vote in the committee in support of my resolution of disapproval. There is no more thoughtful man in the U.S. Senate than my colleague from Illinois, Senator PAUL SIMON.

I have had the pleasure and the distinction and the honor of serving with PAUL SIMON in public service since we were very young men in the Illinois House of Representatives in the very early 1950's. As many here know, we do not always vote the same way, so that his vote here was not a vote to be voting the same as ALAN DIXON. His vote here was a thoughtful and careful vote that he arrived at after hearing all the evidence. I would just like to tell one story about my colleague, Mr. President, who I have the deepest personal affection and the greatest personal admiration for.

One time many years ago when we were very young men in the Illinois House, there was a tremendously popular man in our State who was auditor of public accounts, and he came from our part of the world from southern Illinois. He was from Granite City, I was from Belleville and Paul was from Troy. We were each about half an hour away from this fellow, the auditor of public accounts. Everybody was fond of him. Everybody said he would be Governor sometime soon.

He had an appropriation bill to substantially increase the appropriation for the operation of his office as auditor of public accounts. Everybody in the House of Representatives voted for it save one. Everybody thought, how in the world could PAUL SIMON vote against that appropriations for our popular friend who is auditor of public accounts? Frankly, many were very critical of him. He was a very young man in either his first or very early term in the Illinois House.

Mr. President, that auditor of public accounts was indicted for stealing millions from the State of Illinois out of the funds in his office. He was sent to the penitentiary and served many years' time in this penitentiary of our State, and one thoughtful man in all of the legislature at that time had the good sense and the courage to vote no on his appropriation bill.

I have been watching PAUL SIMON'S votes all my life since then, Mr. President. No man has the integrity and the mission and the purpose that I have ever known that I find in my colleague and friend. I am deeply honored that he is supporting me in what I consider to be this very worthy cause, and I express to him my profound personal appreciation.

Mr. DURENBERGER. Mr. President, I want to commend the proponents of this resolution for their broad exposition of the troubling issues surrounding the FSX codevelopment arrangement entered into between the United States and Japan. They have presented cogent and well-reasoned arguments as to why the United States should hesitate before entering into a technology transfer arrangement of the proportions of the agreement currently before us.

And I want to commend the opponents of this resolution for placing the FSX arrangement in a broader geopolitical perspective and for their forthright response to the many concerns that everyone of us in this body have concerning this transaction. On balance, this has been one of the most elucidating and important debates we have had in the Senate in many years.

Mr. President, before casting their votes, I urge my colleagues to consider precisely the nature of the issue that we will soon vote on, and the forseeable consequences that will surely result if this codevelopment arrangement is disapproved or if it is approved. In that context, I would point out that the issue before us is not whether the Japanese should purchase the General Dynamics F-16 fighter aircraft off the shelf as part of its effort to upgrade its air defense forces. That is not the issue currently being debated and was never a viable option.

The reason the Government of Japan decided to upgrade its air defense forces is because it made a commitment earlier in this decade, to assume primary responsibility for protecting Japanese airspace, coastal waters, and sea lanes out to 1,000 miles. In deciding what fighter would be most suitable for this task well into the next century, the Japanese Government has always considered only two development options. The first option, strongly supported by Japanese defense contractors, was to manufacture an entirely new fighter aircraft relying exclusively on Japanese domestic technology. The second option considered was to develop jointly with the United States a modified version of the F-15, F-16, or F-18, or to codevelop a modified version of the British Tornado fighter in conjunction with the West Germans and the Italians.

In 1987, when evidence began to mount that the Government of Japan was leaning strongly toward the go-it-alone first option, the Government of the United States entered into a series of high level negotiations in an effort to convince the Japanese to instead agree to joint development of a new fighter aircraft using a United States fighter as the basis for the project. Bowing to United States pressure, the Japanese in October 1987, announced that it would forego domestic development of a new fighter and instead decided to spend approximately $6 billion developing an advanced version of an American fighter, namely the F-16.

After more than a year of negotiations aimed at implementing the memorandum of agreement [MOU] between the two countries, the Reagan administration finalized the agreement in late 1988. However, when questions arose concerning some of the technology proposed to be transferred, and the exact share of the project that would be awarded to the American subcontractor, the new administration successfully sought to reopen the agreement.

I am convinced that the final package negotiated between the two countries is a significant improvement over the original agreement by not only protecting sensitive computer software source codes, but also ensuring that American industry will receive a fair percentage of the development work associated with this project.

Mr. President, what should be eminently clear today is that the agreement that we are debating is an agreement that was: First, actively sought and pursued by the United States Government and the U.S. defense contractors who will participate in a large share of the project; and second, reopened and renegotiated at the request of the U.S. Government.

I ask my colleagues the simple question: "What will happen if we disapprove this agreement that was initiated at our request?" Japan's vast financial resources and advanced technological expertise guarantee that it will not turn around and decide to purchase off-the-shelf F-16's. It will either begin to develop and produce the FSX on its own, or it will seek to collaborate with the advanced aerospace companies in Western Europe to develop another version of the FSX. In either case, one thing is certain: Defense contractors in the United States and thousands of their employees will not receive a single dollar of the nearly $3 billion in development work that can be expected from this agreement. That money will either stay in Japan or be funneled to our European aerospace competitors.

Mr. President, I have heard many arguments in the past week that the FSX arrangement is a one-sided giveaway of American technology that will ultimately build the foundation of a vigorous Japanese competitor to the American aerospace industry. Although I have some misgivings about sharing some of our most advanced aerospace technology with the Japanese, I am not that concerned that this agreement is such a one-sided giveaway.

In the first place, the Japanese will license the F-16C block 40 design which is a second generation redesign of the 1978 version of the fighter. I would note that this is not even the most advanced version of the F-16, since General Dynamics is currently developing a block 50 design that contains even more advanced electronic systems than the block 40. Moreover, our defense contractors are currently developing far more sophisticated and advanced fighter aircraft than the F-16, specifically the Stealth F-19 fighter, which will ensure U.S. preeminence in military aircraft technology for the foreseeable future.

More importantly, this is not a one-way deal that only benefits the Japanese. The time is long gone when the United States can believe that it holds a monopoly on all high technology development and production. In fact, there are several areas where experts would concede that the United States can learn many lessons from the Japanese about how to produce high technology products more efficiently and effectively. I believe the United States may turn out to learn as much from this arrangement about high technology production as the Japanese will learn about aircraft production from the agreement.

For example, we will surely gain many insights into Japan's technological advantages in composite technologies and phased array radars. More importantly, the Japanese have agreed to return any improvements they make in the production process at no charge to the United States and to make available any original Japanese technology used in the FSX development project that is specifically requested and paid for. In effect, this agreement may well serve to improve United States military aerospace technology and production through the transfer from the Japanese of much of their commercial manufacturing and electronics expertise.

Mr. President, this morning the Defense Department released a report indicating that the Japanese currently have a significant lead in developing 6 of 22 technologies that the Pentagon considers crucial to national security and the long-term qualitative superiority of American weapons systems. For example, the report found that Japan is ahead of the United States in certain areas of microelectronic circuitry and integrated optics.

Certainly if these rapidly developing technologies are incorporated into the FSX, the United States will be able to

share in technological and security benefits that are associated with these advances. To reject this codevelopment project is to walk away from gaining intimate access to these extraordinary advances.

Mr. President, underlying this entire debate is less a fear that Japan will become a significant military competitor to the United States than that it will use the manufacturing technologies developed in this project to become a significant threat to our commercial aviation industry. What is indeed most surprising is that none of this Nation's premier commercial aerospace companies, including world leader Boeing, oppose this agreement. And the reason the commercial aerospace industry does not oppose the project is because the industry knows that most of the military technology transferred pursuant to the FSX project will not facilitate Japan's entry into the commercial aviation industry because most of the critical manufacturing processes and technological specifications for military hardware are far different than are necessary for commercial aviation.

In addition, because of the extremely high development costs and risks associated with new generation commercial aircraft, the commercial aerospace industry is already well ahead of our military in codevelopment projects involving jet engine technology and airframe development. In fact, the Japanese are already engaged in coproducing portions of the advanced Boeing 767 commercial airliner and have been engaged in a joint research project with Boeing on the next generation of fan-jet commercial aviation known as the 7J7.

Finally, Mr. President, we should not overlook the fact that Japan is not only our most important economic partner in the Pacific but also serves as the foundation of our strategic interests in the Pacific. At the very moment that we are debating the issue of our military and economic relations with the Japanese, the leaders of the Soviet Union and the People's Republic of China are meeting in Beijing to attempt to rebuild a relationship that fell apart 30 years ago. The implications of this renewed partnership offers great possibilities for future peaceful change in the Pacific region. But it also could serve to diminish U.S. influence in this part of the world and undermine our strategic interests in the region.

Mr. President, all of us will concede that Japan must do more to open its markets to our commercially competitive products. It is neither in Japan's best interests, nor ours that our bilateral trade deficit continues to run at the level of the past recent years. But we should not allow the commercial tensions between our two countries to serve as the vehicle to undermine the vital political and military interests that we hold in this region.

I believe that our military, economic, technological, and political interests will be best served if we fulfill our commitment to carry out this codevelopment project. If we renege on this commitment, the long-term consequences to our bilateral relations could reverberate well into the 21st century.

Mr. GORE. Mr. President, if Congress votes against the FSX contract, we shall have turned a very important corner. Such a vote would mean that Congress—having weighed Japan's value as a military ally on the one hand, and Japan's threat as an economic competitor on the other, is prepared to give greater consideration to the latter.

It will signify our readiness to invite the Government of Japan to do whatever it then deems to be in its best interests, and live with the consequences of that, rather than proceed with the FSX contract.

This is not a minor matter. It can have a profound impact upon the thinking of the Japanese people, as well as of their government. The fact that such a decision will come at a moment when we are at loggerheads over nuclear modernization with another major ally—the Federal Republic of Germany—only underscores the strength of the centrifugal forces now at work on the system of collective security, which this country created, and of which it remains the necessary center.

And yet, the economic stakes are very great: far outstripping the immediate value of shares of production and access to technology in and around the FSX project itself. The game here ultimately concerns aerospace: one of the few areas where the United States retains a marked advantage.

It is obvious that the FSX has its place in a larger Japanese interest, far transcending the need for a new military aircraft. Were military necessity to be all that is at work here, then Japan ought to have purchased the F-16, or worked out a coproduction arrangement. Instead, Japan's first preference was to have developed the FSX entirely on their own, but failing that, to codesign it with us. And the reason for that is clear. This is the way in which Japan can gain experience in advanced materials, engine design, avionics, and systems integration: not for the next military aircraft, but for a larger scale venture into commercial aerospace.

Like other Members of the Senate, I have scrutinized information provided us about the details of the FSX contract. I hoped to find guidance there as to whether we should proceed or not. But it would be possible to vote against the FSX even if the contract were itself in perfect order. The choice involves issues larger than the local technicalities of this deal.

This will be instead, an apples and oranges decision. A decision in which national military security and national economic security must be balanced, even though they are values measured in different units of account.

The only bridge between these values is not in place. It would be a forward looking United States strategy aimed at sustaining our lead in aerospace, not just against potential competition from Japan, but against actual ongoing competition from Europe. Europe after all is hot on our tails with real products: Europe is competing with us for the civil aviation market; the military aviation market, and the space-launch market. Not 10 years from now. But right now.

And what is the U.S. Government's plan for aerospace? A vacuum. We are ditching the national aerospace plane—and, yes, I know it is to be transferred from the Department of Defense to NASA—but it will arrive there destitute. This was to have been the program that would push us into the far frontier of materials technology, propulsion technology, and avionics. We are about to abandon it.

We have invited our major aerospace companies to enter the field of commercial launch services in space. And there they encounter present and rising future competition from launch vehicles backed to the hilt by foreign governments. Left to fend for themselves in that environment, our private companies are going to take a bath. Where is the prospective remedy for that? Not visible.

We see every day that the U.S. computer industry, which is parent to avionics, is under seige. And what is our answer to that? Nothing.

We are even told by the administration that the FSX codesign project is to be the first of others. Indeed it may well be. What foreign government worth its salt will be interested in merely coproducing an aircraft with us, if instead it can get to where the value is really added: in designing and integrating the project. How many other systems will be codesigned, until the overseas market for U.S. aircraft is gerrymandered, and our lead in both technology and production is dissolved?

If there is no sign of the dawn of strategic commercial thinking in this government, then it is just as well that we have a crisis to wake us up: just as well that we have to confront the stakes in the FSX issue.

This debate should be an alarm in the night for the Bush administration. It cuts across party lines. It involves people who have no immediate concerns about the aerospace industry—but who are deeply concerned about

the security of the Nation. It says that we are at the point where the national interest is no longer clear enough to sustain consensus; not even clear enough to sustain a clean party-line view. It says we have a form of chaos, where each of us must reason alone.

In this process, the first and only question is what benefits the United States most, in the balance. And here is how I reason:

Rejecting the FSX contract will administer a major shock to the United States-Japanese security relationship.

Rejecting the FSX contract will also have an impact on general Japanese political opinion, by undermining the perceived value of a security relationship with us.

Rejecting the FSX contract will liberate the Japanese Government to seek its objectives by means totally independent of us.

Rejecting the FSX contract will provide another major instance of U.S. inconsistency and unreliability as a partner: An example that will affect our standing in many other places and circumstances.

Rejecting the FSX will cause direct financial damage to the U.S. defense industry.

Rejecting the FSX will impede, but not stop Japan's search for entry into the aerospace market. It will do nothing at all about competition from Europe and elsewhere.

Rejecting the FSX will not substitute for the lack of a proactive U.S. Government plan for the future of this country in aerospace.

Rejecting the FSX will do nothing to redress other grievances we have against Japanese trade practices. On the contrary, it may make it harder for us to make progress with them because of its impact on the overall psychology and politics involved in trade bargaining.

Therefore, rejecting the FSX will harm us militarily by damaging ties with a vital ally, and by keeping that ally weaker than it should be in order to do its part. But rejecting the FSX will do nothing to secure our long-term economic interests.

For these reasons, and with misgivings, I shall vote to support the FSX venture. It is just barely the right thing to do. And if the Bush administration doesn't want to see this kind of scene repeated with variations, again and again, it had better take a hint.

This country needs proactive economic and commercial strategy. We need a strategy based on growth, on investment, on innovation, on education. Without it, we will eventually retreat ever further into protectionism and withdrawal. And as we do so, the stable world order we created based on the free trade of goods and ideas will collapse, leaving behind the tragic memory of a golden age which could not be sustained, for want of wisdom.

Mr. DASCHLE. Mr. President, I have examined the administration's agreement with Japan to codevelop the FSX fighter aircraft. I have reviewed the Foreign Relations Committee's findings on the resolution of disapproval that is before us today. I have spoken with my colleagues and with constituents. And I have listened intently to the arguments of my good friends who oppose this agreement.

The FSX codevelopment project is a difficult and emotional issue. As its opponents have underscored on the Senate floor over the past week, our choice is not clear cut.

Yet, after careful evaluation of the arguments on both sides of the debate, I believe President Bush's FSX agreement with Japan serves the best interests of the United States. I would like to take this opportunity to outline why I have come to this conclusion.

The United States has been negotiating with Japan about the development of a fighter aircraft for over 2 years. After the first agreement was presented to Congress, many Members, including myself, expressed concern to the administration about the need for stricter safeguards to preserve the security of U.S. technology. In response, the administration reopened negotiations with Japan and secured the assurances we demanded—protection of our technology. Those protections are the foundation of the argument for proceeding with the codevelopment project.

Mr. President, Japan is a strong ally of the United States. That nation plays a very important role in maintaining a peaceful climate in the Pacific. Our debate on the FSX agreement is being followed in Japan, and we should be cognizant of its impact.

I understand how passionate Members are about their convictions on this issue. Yet, it is undeniable that the misinformation and emotional rhetoric surrounding the negotiations on the FSX agreement affects our relationship with Japan.

I certainly understand the concern of those Americans who fear the growing economic reach of Japan. It should not be minimized. At the same time, however, U.S. policymakers must approach complex trade issues such as the FSX codevelopment project with clear objectives in mind, paying attention to both the immediate and longer-term implications of our policy. The FSX agreement is an example of an issue that should be debated within the context of the present and with a eye toward the future.

Since 1960, Japan has been using the F-1 aircraft to defend crucial sealanes. The FSX is designed to replace this aging fighter plane.

At the beginning of our bilateral discussions about the development of a new fighter, Japan indicated its desire to develop and produce the fighter in Japan. The United States argued that Japan should base the FSX on an American aircraft. After intense negotiations, Japan abandoned its plan for indigenous development and opted for a codevelopment project with the United States based on the F-16 aircraft.

Under the final agreement negotiated by the administration, the Japanese Government will bear the entire financial responsibility for the project. United States firms will receive 40 percent of the work share in the development phase, and, if production occurs, the American work share will be approximately 40 percent of the value of the project. In addition, all Japanese technological developments that are based on United States technology will flowback to the United States at no cost.

This arrangement will mean approximately $2.4 billion to American industry. Secretary of Defense, Richard Cheney told the House Foreign Affairs Committee that this agreement will result in thousands of man-years of quality work and more than $2 billion for American industry. If Congress rejects the administration agreement, we will have nothing. Japan will go it alone.

Furthermore, this agreement is consistent with United States demands for Japan to assume a greater share of the defense burden in Asia. Because of Japan's spectacular economic success, many in Congress and the administration have urged that stronger efforts be made to ease the military burden the United States bears for the Japanese Government. I support that objective.

Japan has done more in recent years to improve its own defense capabilities than any other United States ally and has set impressive goals for the future. Japan currently spends more on defense then our traditional allies in Europe. Its military budget has risen at an average of 5 percent a year for the last 8 years. The New York Times recently reported that this year, when Pentagon spending is expected to be frozen, Japan's military outlays will rise 5.9 percent, to $31.4 billion.

Japan is willing to spend $6 billion to develop its own fighter plane, which, in turn, will ease the United States defense burden in the Pacific rim. Japan's willingness to lessen our burden should be encouraged, not criticized.

Having acknowledged the benefits of the FSX agreement, I have also evaluated its potential liabilities. As I mentioned earlier, my primary concern about this agreement is maintenance of the security of United States technology. This is a serious consideration.

Critics maintain that the administration agreement makes precious United States technology vulnerable to com-

mercial exploitation by the Japanese. Yet, the technology we would share with Japan is over 10 years old and will not be applicable to their commercial industry.

I examined the technology issue by dividing it into three distinct areas: The airframe; the engine; and the software. According to Secretary Cheney, the airframe technology to be shared with Japan is more than 15 years old, and the engines will be bought off-the-shelf from an American company.

Two issues lie at the heart of the software debate. The first is flight source codes—the codes controlling the avionics systems. The second is mission source codes—the codes dealing with fire control.

The United States has a clear lead in flight code software. This software is easily applicable to the commercial industry. Under the President's agreement, Japan will be required to write its own flight code software—our codes will not be shared. The avionics will be produced solely by Japan.

We will, however, share some mission source codes affecting fire control. Japan will have to write its own codes for other functions of the mission's computer—navigation, radar, etcetera. According to the administration agreement, Japan will not have access to software that could benefit its commercial industry.

Critics of the agreement point out that Japan could buy the F-16 off-the-shelf from the United States, which would benefit the American economy.

Japan, however, has indicated that it has no interest in buying anything off-the-shelf from anyone. Japan says it has a legitimate need for a new fighter aircraft. It anticipates future mission and design requirements of the aircraft that no existing off-the-shelf aircraft would provide. Japanese leaders ask what European country wouldn't expect to be allowed to develop an indigenous fighter. The F-1 was developed indigenously by the Japanese, and Japan entered into production agreements in the cases of the F-4, F-15 and P-3.

The Japanese Government simply will not consider purchasing an aircraft off-the-shelf. If Japan indicated a willingness to purchase a fighter, I would insist the United States built F-16 be considered. If denied that option, I would prefer that Japan co-develop the project with the United States rather than look elsewhere to meet its defense needs. Our economy would not benefit from the latter scenario.

Critics say we are giving away 7 billion dollars' worth of F-16's for a deal that only means, at the most, $3 billion to the United States. If the Japanese government bought F-16's off-the-shelf, the purchase price is estimated $2.9 billion. We are receiving approximately that amount in the co-development project.

Critics also report that many American companies have found problems with some of the single-wing composite technology Japan will likely be sharing with us under the flow-back provisions of the agreement. Likewise, they maintain that the radar systems that will be shared have been known to Hughes Aircraft and others for as long as ten years. However, Commerce and Defense Department officials refute these assumptions and cite these technologies as an important part of our continued commercial and military aircraft production.

Moreover, the United States did not predicate this agreement on the flow-back of technology. The Air Force has specifically indicated great interest in this technology. Under the codevelopment agreement, the Japanese will be paying us almost $3 billion to watch them develop, produce and test this technology. We would save the expense of testing this technology ourselves, and if we don't pursue this agreement, we will incur the expense of trying to acquire this technology from Japan after the fact.

Mr. President, the American relationship with Japan is strong and growing. One hopes that wise leadership and clear vision, in the United States and Japan, will build on this foundation for the benefit of both countries and the world. On balance, the FSX agreement is good for the bilateral relationship and good for America. The resolution of disapproval should be rejected.

Mr. MITCHELL. Mr. President the Government of Japan has elected not to purchase an existing American aircraft for its next-generation support fighter, the FSX. This decision appears to be based upon economic considerations rather than national security considerations.

If the Japanese Government had decided to select the most capable aircraft to do the job, it would have selected an existing American aircraft. If the Japanese Government had decided to make the most cost-effective decision, it would have selected an existing American aircraft. If the Japanese Government had decided to use its defense resources most efficiently, it would have selected an existing American aircraft and used the balance of the dollars saved on other defense needs. If the Japanese Government had decided to make a meaningful gesture of their commitment to reducing the enormous trade imbalance between our two countries, it would have selected an existing American aircraft.

The Government of Japan decided not to base its decisions on any of the above considerations. Instead, it selected the route of development of a new aircraft, based on the design of the United States F-16 with substantial Japanese technology.

The current imbalance in our trade relations with Japan must be corrected. The Japanese Government must make a commitment to end that imbalance and must follow up that commitment with concrete actions. These actions do not include refusing to buy our products—especially our military aircraft, which are the best in the world—or investing resources to develop their own aerospace industry to compete with ours. If we proceed with this agreement, we may be assisting in the creation of our own future competition.

I do not believe we should lend our assent to such a development.

If this agreement is permitted to go into force, it could be interpreted as an endorsement of the path of codevelopment, when a purchase of our own aircraft would have been the preferred course. At some point, the practice of refusing to purchase U.S. products while continuing to acquire U.S. technology must be reversed.

Our relations with Japan are important. Japan and the United States enjoy a close security and military relationship which should be strengthened and developed. It clearly serves the naitonal interests of both countries. At the same time, our economic relationships have developed an imbalance which threatens to weaken the security relationship. The proper way to address this potential problem is to correct the imbalances in the trade and economic flow. Each government must commit to that course as well. In this case, the Japanese have passed up an opportunity to take an important step in that direction.

We must send the message that it is time for a change in the manner in which our economic relations have been conducted. As a practical matter, issues of trade and issues of military cooperation are now linked. The economic and commercial factors must be taken into consideration in making defense cooperation decisions. The Japanese Government clearly understands this and acts accordingly. The United States must as well.

FSX AND THE PRAYING MANTIS

Mr. DIXON. Mr. President, there is a fatal flaw in the efforts of the administration to give away our American technology on the FSX fighter plane to the Japanese.

That flaw is that the American negotiators have taken the short run view. Several of my colleagues and I have argued that the long-run view is vital in this matter—vital to the well-being of the American aerospace industry, vital to the overall well-being of the American economy.

Mr. President, I would like to cite a new book on Japan that makes some telling points that are right on the

mark on this FSX proposed deal. In a moment, I am going to cite some of those very salient points. But first, I would like to say I would like to see the folks at the State Department and the Defense Department focus on some key points in this book.

I have not tried to digest the entire volume, Mr. President, and it is truly a weighty treatment of a weighty subject. Some observers would immediately say it is a dull book. There is an important distinction I have discovered over the years, Mr. President: There is unimportant dull, and there is important dull. If the experts view the book as dull, I want them to know that "The Enigma of Japanese Power," by Karel Van Wolferen is important reading. At least I have found it so in relation to the FSX package the administration is trying to peddle up here on the hill.

Let me quote from the book, Mr. President:

The greatest apparent international advantage the Japanese system has enjoyed so far lies in Western misconceptions concerning the Nature of the Japanese challenge. The United States has been especially vulnerable to Japan's industrial onslaught in that the U.S. Government agencies overseeing its interests in this respect have no institutional memory. Every two years or so, new sets of U.S. officials must learn afresh that the Japanese economy does not operate in the same way as our own. Hence the continued self-imposed handicap of doctrinal adherence to inapplicable free-trade theories. The result has been misguided stopgap policies. * * *

What the author is saying, Mr. President, is that our negotiators are easily hornswoggled in deals with the Japanese. The plain fact is that we do not think the way the Japanese think. We do not take the long-range view the Japanese take in the negotiations. Another plain fact is that the Japanese economy truly does not operate the way our American economy works. In short, Mr. President, we end up with misguided stopgap policies and the Japanese end up with another industrial base in their economy to the detriment of our manufacturing industry and our competitive edge in trade. We end up looking at the short end of the stick when the long end of the stick is what we should be concentrating on, least we end up with no stick at all.

Let us look at this deal after it's been in effect for a while. The way the deal is skewed presently, we will get 40 percent of whatever transpires. The Japanese, however, will have our technology. They will build these planes in Japan. They will sell them abroad. The author of the book I've cited points out another important fact: The Japanese move into foreign markets with rock-bottom prices. After this deal gets rolling real good, Mr. President, we will wake up to find a brand spanking new aerospace industry in Japan, a new trade competitor in the world and a bad case of how did we ever let this happen jitters once it is too late to do anything about it.

Maybe I can best sum up the point made in this book that is so relevant to the FSX deal. Keyes Beech hit directly upon the point in his thoughtful review of the book when he posed the key question I find pertinent to this debate. The question is this: Is it possible for international free trade to survive when the West, and particularly the United States, does not have a trade strategy to match that of Japan, especially when the Japanese target and kill off entire industries in a host country?

And how do the Japanese kill off entire industries? Accordingly to Charles Furguson, a Massachusetts Institute of Technology postdoctoral research associate, the Japanese do it this way:

Strategically, the system involves exclusion of foreign competitors; systematic acquisition of external technology; rapid design cycles and short product life spans; a progression from technically mature, low-cost mass markets to advanced and differentiated high-technology markets; flexible mass production of related but customized products, and long-term links with other domestic industries and suppliers. It has proved an excellent system for highly integrated, computerized production processes and is especially well suited to high-technology industries, where competition takes place in global markets that are volatile and differentiated.

Furguson further states that historically, with the aid of cooperation between industry, finance, and the government, Japanese high-technology firms "systematically excluded United States firms from Japanese markets; imported, copied, and stole United States technologies; and eventually launched export drives into the American market."

The fact that the Japanese target countries and target industries when it is to their advantage is a very real phenomenon that we Americans—and especially our negotiators—ignore at our peril, Mr. President. This business of targeting an industry, killing it off in a host country and usurping the market in international trade calls to mind the praying mantis, Mr. President. The praying mantis is opportunistic, tackling anything that looks edible. The mantis fools its prey because it raises its front legs as if praying. This marks the position of the mantis when it is hunting. Once the mantis stops praying and starts eating, everything disappears from view. That's what is happening on the FSX, Mr. President. I asked by staff to check, and I must report here today that the praying mantis is a part of the landscape in Japan.

My plea to our American negotiators is twofold, Mr. President. I ask them to read the relevant parts of this new book dealing with the enigma of Japan. Secondly, I ask that they be fully aware of the presence of the praying mantis in Japan. My counsel is this: Be wary of this deal on the FSX fighter. America and Americans stand to lose far too much to let this deal become a reality. It will become a matter of our everlasting regret as a Nation if we give away our technology, if we give away our competitive edge in trade, if we hand the Japanese a whole new industry without getting anything worth one whit of value in return. The mantis appears to be praying before it strikes. Let us never, ever forget that. We will be sorry unto our last days if we do.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. The joint resolution having been read the third time, the question is, shall the joint resolution pass?

So the joint resolution (S.J. Res. 113) as amended, was passed, as follows:

S.J. RES. 113

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CODEVELOPMENT OF THE FSX WEAPON SYSTEM.

(a) IN GENERAL.—The President shall ensure that all technology, defense articles, and defense services provided by the United States or any United States corporation or entity to Japan pursuant to the agreement described in subsection (b) to codevelop the Support Fighter Experimental (FSX) weapon system shall be subject to the requirements of subsections (a), (c), and (d) of section 3 of the Arms Export Control Act.

(b) DESCRIPTION OF AGREEMENT.—The agreement referred to in subsection (a) is the agreement for which the President submitted a certification pursuant to section 36(d) of the Arms Exports Control Act on May 1, 1989 (transmittal no. MC-9-89).

SEC. 2. COPRODUCTION OF THE FSX WEAPON SYSTEM.

(a) IN GENERAL.—In the event that the United States and Japan seek to coproduce the FSX weapon system—

(1) the United States and Japan shall negotiate and sign a Memorandum of Understanding (MOU) containing the terms and conditions for that coproduction; and

(2) such MOU shall—

(A) prohibit the transfer to Japan of critical engine technologies (including, but not limited to, hot section and digital fuel control technologies); and

(B) prohibit the sale or retransfer by Japan of the FSX weapon system or any of its major subcomponents codeveloped or coproduced with the United States.

(b) APPLICATION OF ARMS EXPORT CONTROL ACT.—Technology, defense articles, and defense services resulting from any coproduction of the FSX weapon system by the United States and Japan shall be subject to the requirements of subsections (a), (c), and (d) of section 3 of the Arms Export Control Act.

(c) POLICY ON UNITED STATES WORKSHARE.—It is the sense of the Congress that any Memorandum of Understanding (MOU) between the United States and Japan on coproduction should specify that the United States share of the total value of the coproduction shall be not less than 40 percent of that value, including the value of manufacturing spare parts and other support items which are part of the lifetime maintenance costs of the FSX weapon system.

SEC. 3. GAO REPORT.

(a) IN GENERAL.—Beginning 6 months after the date of enactment of this joint resolution, and every 12 months thereafter, the Comptroller General of the United States, after consultation with appropriate officials of United States agencies represented on the Technical Steering Committee, shall submit to the Speaker of the House of Representatives and the chairman of the Committees on Foreign Relations, Armed Services, Commerce, Science and Transportation, and Banking, Housing, and Urban Affairs of the Senate a report describing the progress made in implementing the Memorandum of Understanding (MOU) between the United States Department of Defense and the Japan Defense Agency on Cooperation in the Development of the FSX Weapon System, signed on November 29, 1988, and related documents thereto.

Such report shall state—

(1) whether any technology involved in development of the FSX weapon system has been transferred to the Japanese space shuttle program or any other part of the Japanese aviation sector aerospace technology;

(2) whether any technology has been diverted to any third party country unauthorized to receive such techology, in violation of the license and technology assistance agreement for the FSX weapon system; and

(3) whether any such technology has been made available, legally or illegally, to adversaries who could use such technology to the detriment of the North Atlantic Treaty Organization (NATO), the United States, any other member country of NATO, Japan, Australia, or New Zealand.

(b) DEFINITION—For purposes of this subsection, the term "Technical Steering Committee" refer to the FSX Technical Steering Committee established jointly by the Japan Defense Agency and the United States Department of Defense.

SEC. 4. IMPACT OF MOUS RELATING TO THE FSX WEAPON SYSTEM ON THE COMPETITIVE POSITION OF THE UNITED STATES.

(a) SOLICITATION OF RECOMMENDATIONS.—In the implementation of the Memorandum of Understanding (MOU) and related agreements between the United States and Japan regarding the codevelopment of the FSX weapon system, and in the negotiation, renegotiation, and implementation of future memoranda of understanding and related agreements concerning coproduction of the FSX weapon system, the Secretary of Defense shall regularly solicit and consider comments or recommendations from the Secretary of Commerce with respect to the commercial implications of such agreements and the potential impact on the international competitive position of United States industry.

(b) REVIEW BY SECRETARY OF COMMERCE.—Whenever the Secretary of Commerce has reason to believe that any such memorandum of understanding or related agreement has, or threatens to have, a significant adverse impact on the international competitive position of United States industry, the Secretary of Commerce may request a review of the agreement. If, as a result of the review, the Secretary of Commerce determines that the strategic commercial interests of the United States are not being served, the Secretary of Commerce shall recommend to the President any modification to the agreement he deems necessary to ensure an appropriate balance of interests.

(c) CONSIDERATION OF RECOMMENDATIONS.—(1) The President shall consider the recommendations of the Secretary of Commerce concerning—

(A) the commercial implications of any such memorandum of understanding or related agreement, and

(B) the potential impact on the international competitive position of United States industry.

in determining whether such memorandum of understanding or related agreement shall be implemented or agreed upon.

(2) Any such memorandum of understanding or related agreement shall not be implemented or agreed upon if the President determines that such agreement is likely to have a significant adverse impact on United States industry that outweighs the benefits of implementing or entering into such an agreement.

SEC. 5. DEFINITIONS.

As used in this joint resolution, the terms "defense article" and "defense service" shall have the same meanings as are given to those terms in paragraph (3) and (4), respectively, of section 47 of the Arms Export Control Act.

Mr. DIXON. Mr. President, I move to reconsider the vote by which the joint resolution, as amended, was passed.

Mr. LUGAR. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. LAUTENBERG. Mr. President, I voted to go forward with the joint United States-Japanese development of the FSX fighter aircraft because I believe it is in our commercial and national security interests, and because it will create jobs in this country.

Under the agreement, U.S. firms will receive 40 percent of the work share in the development phase of the aircraft, estimated to be worth $480 million. When the FSX goes into production, the U.S. work share will be about 40 percent of the value of the project, estimated to be about $2 billion. So, the FSX deal will mean $2.5 billion in business for the United States and at least 22,700 man years in employment, the same benefit to our trade deficit that would have resulted from off-the-shelf purchase of our F-16's.

All Japanese technological developments that are based on U.S. technology will flow back to the United States at no cost. In four areas—radar, electronic countermeasures, inertial navigation, and mission computer hardware, the technology used will be entirely Japanese, and the United States can buy it if it wants. All other technology is, by definition, United States technology, and any improvements the Japanese make on it flow back to the United States free of cost. A Technical Steering Committee consisting of defense representatives of the two governments, and one from Commerce, is established to oversee the implementation of the agreements and to monitor the use of the technology by the two contractors.

Further, Japan will contribute 130 highly advanced aircraft to the defense of the Northwest Pacific in the 1990's. Japan's defense establishment will remain heavily dependent on United States weapons technology for the remainder of this century.

Opponents of this deal argue that Japan should buy the F-16 off the shelf to narrow the trade gap between the two countries. Let me make clear that I, too, would have preferred that the Japanese buy our F-16's off the shelf. But that is just not in the cards.

Japan's alternative to the joint FSX development agreement is to develop its own advanced fighter, their initial preference, or to codevelop with Europe. That might take longer, but it would leave American firms and workers in the cold. Japan would never have bought the F-16 off the shelf. It has not purchased that way since the 1950's, and all the indications at the outset of the negotiations were that it would not do so again.

The FSX deal will actually help the trade deficit. We'll get about $480 million from the codevelopment and $2 billion from the production phase. That translates into $2.5 billion in Japanese business the United States would not have without the agreement, approximately the same as the dollar value of a straight sale of F-16's. Buying 130 planes off the shelf at about $20 million apiece would yield us about $2.5 billion.

Opponents of the sale argue that it will aid the development of the Japanese aerospace industry, and the development of a civilian aircraft manufacturing capability. But the representatives of the aerospace industry, the Aerospace Industry Association, support the agreement. So do the two major U.S. commercial aircraft builders, Boeing and McDonnell Douglas. Why would they do so if they believed that this agreement would contribute to the creation of a Japanese competitor?

In fact, most aircraft experts believe there is very little technology directly transferable from a military aircraft like the FSX to the process of designing and manufacturing a civilian aircraft. While it is well known that the Japanese are committed to developing their own aerospace industry, little in the FSX agreement will contribute directly to that goal.

Opponents to the deal argue that the United States is giving away $7 billion worth of technology and getting nothing in return. But the F-16 did

not cost $7 billion to develop, it cost about half of that. And those expenses have long been paid for by the American taxpayer. The United States is not giving away but is selling knowledge, and will recoup development costs which were expended many years ago.

Further, the United States is not providing its leading edge technologies. Many of the technologies used in designing and building the FSX should not be shared with the Japanese, and much of the F-16 technology is now 15 years old. In fact, most of the technology to be transferred in the FSX is widely available in the global aerospace market, and could be easily provided by many European companies. The United States would not be providing Japan with our state-of-the-art technology on our latest F-16's under the agreement.

In turn, the deal's opponents have underestimated the benefits of what we will get from the Japanese. The Air Force and American companies are very interested in the technologies that may be developed, such as the manufacturing process used in the radar and the cocured composite wing. These processes are not currently possessed by U.S. companies. According to the Air Force, the Japanese are ahead of us in cocuring of structural and surface components of large and complex structures. The Japanese have already made a small wing using cocured composite technology, and although it's not clear that they will be able to make the large wing, if they can't, the risk and cost is all on them.

In the process of designing the FSX, we should learn more about advanced Japanese technology, including radar systems and composite fabrications, than Japan's aircraft will benefit from American advances.

Opponents of the deal argue that the recent revelation that Mitsubishi Heavy Industries helped Libya to build its chemical weapon plant is only the latest in a series of incidents that cast serious doubt on Japan's ability, or willingness, to protect the sensitive technical data and manufacturing technology to be transferred under the agreement. This is certainly a concern I take seriously. I believe we need to carefully monitor the agreement to make sure that this concern is kept in mind and continuously assessed.

However, I would point out to the critics that there are restrictions on retransfer of U.S. technologies and these controls have been reaffirmed as a result of the letters of clarification exchanged between the two countries. These also clarified the provisions for flowback of technology, identifying those technologies which are provided exclusively by the Japanese which the United States may have access to.

A Japanese-American committee, including representatives from Commerce and Defense, will ensure that the United States has access to FSX technology developed by Japan, and that American engine technology and software are protected as specified in the joint development agreement. If the United States feels that Japan has not held up its end of the bargain, the United States can bring the project to a halt. Without the American fuselage and engines, there will be no FSX.

Mr. President, any agreement is only as good as our willingness to enforce it. I believe the terms of the FSX deal are in our interest, and we need only make sure that these provisions are vigorously and faithfully enforced.

In short, I believe this deal is in America's best interests, and should go forward.

JAPANESE INVOLVEMENT IN LIBYAN WEAPONS PROGRAMS

The PRESIDING OFFICER. Under the previous order, the Senator from Alaska is to be recognized. The Senate will be in order. The Senator from Alaska is recognized.

Mr. MURKOWSKI. I thank the Chair. Mr. President, I rise and on behalf of myself and Senator BRADLEY I send a resolution to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the resolution.

The assistant legislative clerk read as follows:

A resolution (S. Res. 129) relating to Japanese involvement in Libyan weapons programs.

The Senate proceeded to consider the resolution.

Mr. MURKOWSKI. Mr. President, it is my understanding that this resolution has been cleared by the majority.

The reason for the resolution specifically is that the Toshiba incident raised concern over Japanese commitment to export controls enacted for the protection of the Western Alliance. These concerns were revived when we learned that Japanese firms had basically had an involvement in building the metallurgical complex at Rabat, which ultimately we have reason to believe were part of Libya's chemical weapons effort.

I think it is important to recognize in the trust and security relationship which we enjoy with Japan that the pending FSX proposal should be undertaken in an atmosphere of mutual trust between our friends, the Japanese, and ourselves. Trust is essential to the maintenance of our security relationship. We seek to, of course, understand the motivation of our Japanese allies. And I think that our contribution to their defense over the last 40 years proves that we have a genuine interest. We also hope that our Japanese neighbors understand our interests as well, but we do have specific sensitivities.

The resolution calls attention to our friends in Japan to what we are sensitive to, which to our reading is a form of a breach of mutual trust. It should not be necessary to explain how we feel about chemical weapons—this body and the House, the administration and Americans in general have enunciated their attitude very clearly—nor should we have to explain to our friends how we feel about terrorist regimes emanating out of Libya.

It should be clear to everybody in the world, including our friends, the Japanese, that our opposition to placing the means of packaging and delivering poison gas into the hands of Libyans—Mr. President, may I have order and the attention of my colleagues?

The PRESIDING OFFICER (Mr. ROCKEFELLER). The Senate will be in order. The Senator from Alaska is correct. The Senate will not proceed until the Senate is in order.

The Senator from Alaska may proceed.

Mr. MURKOWSKI. I thank the Chair.

I think we should not have to pass legislation informing our Japanese friends of our objections to what their commercial activities have done to aid the Libyan chemical effort. However, it is necessary that before we embark on the very significant FSX arrangement we have some clear understanding. We must understand each other on the specific point where we have seen testimony in the Foreign Relations Committee centered on whether the various terms of the deal are clearly stated. Well, we have lots of questions on this. This body has gone over that at great length.

We know in 1990 for instance that there is going to be another agreement that will necessitate MOU's before production is to be initiated on the FSX fighter. It is not necessarily clear what that agreement will contain. Much is unclear about the FSX deal. Much is left to negotiate.

I congratulate my colleagues, the junior Senator from New York, and the Senator from Illinois, for bringing these points out in this discussion as well as the senior Senator from West Virginia through the last action of this body.

The amendment sends a clear signal to our friends in Japan making it perfectly clear how we feel about past actions with respect to the Libyan chemical warfare program and how we would feel about any further Japanese assistance to that program.

Mr. President, this is not anything more than pure communication. The resolution is not binding. It does not require the Japanese Government to do anything that they could not easily do. This simply clears the air, and clears the communications between

our two parties. That is the very nature of friendship.

I would also in conclusion call my colleagues' attention to the reality that very few Japanese activities occur overseas without the knowledge of the Japanese Government through the organization of MITI which basically controls their activities.

So I urge in conclusion my colleagues to join me in sending a very clear communication as we embark upon this important agreement with our allies in Japan.

Mr. DIXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Illinois.

The Senator from Rhode Island controls the time.

Mr. DIXON. Will my friend from Rhode Island yield 3 minutes?

Mr. PELL. Yes.

Mr. DIXON. I thank the distinguished chairman of the Foreign Relations Committee for yielding me 3 minutes.

I support, may I say, what is being done by my friend from Alaska. But I want my colleagues and the folks in the country to know that the discussion we are having here which the Senate of the United States is now unanimously endorsing is a resolution that recognizes that the Japanese were involved in the nerve gas plant in Libya, and the information, the classified information that we cannot spell out in full on this floor, is that Mitsubishi, which will be involved in this deal without question, is involved as well in the manufacture of canisters for the nerve gas to be used against their enemies in the Mideast.

So let my colleagues in the Senate know that when we adopt this resolution we are adopting as fact what this Senator and others have said on this floor, that they have been involved in Libya against the interests of the United States. Mitsubishi has been involved, Toshiba was involved, and gave the secret submarine technology to the Soviet Union against the interests of the United States at a cost to the American taxpayers of $3 billion, placing at risk every man and woman in America on the high seas of the world.

I want to say it is a final message that ought to be made in the RECORD. This is a bad deal. The Senate narrowly rejected the resolution of disapproval. The Senate wisely overwhelmingly adopted a resolution of approval with very tight constraints, and I say this will always be remembered as one of the truly, truly bad deals for America.

I support the resolution by my friend from Alaska. It is wisely done. It is well put, and it should be adopted by all 100 Senators.

The PRESIDING OFFICER. Who yields time?

Mr. PELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. PELL. Mr. President, I have had the opportunity to go over this resolution. Some small changes were made in it by the Senator from Alaska. I think on balance it is a good resolution, and we are prepared to yield back our time. I urge my colleagues to support it.

The PRESIDING OFFICER. Does the Senator from Alaska yield back his remaining time? The Senator does.

All time is yielded back.

The question is on agreeing to the resolution.

The resolution (S. Res. 129) was agreed to.

The preamble was agreed to.

The resolution, with its preamble reads as follows:

S. RES. 129

Whereas, Libya's chemical weapons program has been using a metal-fabrication facility that Japanese corporations helped to equip at the Rabta technical-industrial complex; and

Whereas, the past association of Japanese corporations with this metal-fabrication facility at Rabta revived doubts about the effectiveness of Japan's control over strategic technologies; and

Whereas, Japanese corporations ended all activities associated with this facility when the Government of Japan advised them, on the basis of information provided by the United States, that the Government of Libya was using it for chemical weapons; and

Whereas, Japanese assistance, in any form, to the Libyan chemical weapons program would, in the future, undermine the trust and confidence necessary for the security relationship between the United States and Japan: Now, therefore, be it

Resolved, That it is the sense of the Senate that the proposed export of technology, defense articles or defense services pursuant to an agreement with Japan to codevelop or coproduce the Support Fighter Experimental [FSX] shall not be implemented until the President of the United States receives assurances from the Government of Japan, and transmits those assurances to the Chairman and ranking member of the Senate Committee on Foreign Relations, that:

1. No Japanese personnel are involved with any aspect of chemical weapons production in Libya; and

2. No assistance of any kind will be provided, in the future, to the Rabta complex or to any other part of the Libya chemical weapons program by any Japanese corporation.

Mr. DIXON. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. MURKOWSKI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DIXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Illinois.

ORDER OF PROCEDURE

Mr. DIXON. Mr. President, we are all finished with the work on this. My distinguished colleague on the other side and I have been asked by the leadership on the two sides to do the cleanup work in a moment. We will but, Mr. President, we have to step off the floor, and I suggest the absence of a quorum only for a brief couple of minutes.

Mr. CHAFEE. Mr. President, I wonder if he will hold on that. I have a piece of legislation which I would like to introduce.

Mr. DIXON. Mr. President, if my friend will yield, we are delighted for him to take up time for several minutes while the Senator from Indiana and I are off the floor for about 3 minutes.

Mr. CHAFEE. Let us put it in a gentler fashion. "Take up"—why do we not say the Senator is delighted to have me have the opportunity to introduce the worthwhile piece of legislation, with the accompanying material?

Mr. DIXON. I am truly delighted, and may I say I only regret that I am leaving the floor and cannot be further enlightened for the first few moments. But I look forward in the future to being enlightened by my friend from Rhode Island.

Mr. CHAFEE. Good. I will make sure the Senator receives copies of all of this.

Mr. DIXON. I thank the Senator.

(The remarks of Mr. CHAFEE pertaining to the introduction of legislation are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mrs. KASSEBAUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Kansas.

Mrs. KASSEBAUM. I ask unanimous consent to speak as if in morning business.

The PRESIDING OFFICER. Without objection, the Senator may proceed.

SPECIAL FAVORS SHOULD BE REMOVED FROM SAVINGS AND LOAN BILL

Mrs. KASSEBAUM. Mr. President, I read with alarm and disappointment that the House has added to the savings and loan bill numerous special exemptions for individual institutions. The practical affect of such provisions is to put well-connected individuals above the law. Mr. President this must not be tolerated.

Such favoritism threatens the credibility of Congress. Surely no one can forget the public outcry against the favors bestowed in the Tax Reform Act of 1986. Citizens felt cheated when asked to comply with laws from which well-connected individuals were excluded. They read with outrage how lobbyists were paid enormous fees and flaunted their ability to carve out exemptions. This fiasco must not be repeated. The average citizen views such

favoritism as little more than organized and sanctioned bribery. The taint of such favoritism stains not only the Members who sponsored the exceptions but all of Congress for allowing it to occur.

I have no doubt the public rebellion against the pay raise was fueled in large part by the resentment against Congress for permitting favoritism at the expense of the common taxpayer.

I am very pleased that the chairman of the Senate Banking Committee, Senator RIEGLE, has announced he will remove all clauses bestowing special favors. We should all support him in this effort. When the conference bill reaches the floor, we must insist that any special exemption be detailed and its presence, as well as the actual name of its beneficiary, be fully explained. There should be no provision that cannot withstand public debate.

It is my hope that the threat of this scrutiny will be such that when the bill emerges from conference we can all be assured that no one is placed above the law because of their connections or money.

Mr. President, I yield the floor.

MESSAGES FROM THE PRESIDENT RECEIVED DURING RECESS

Under the authority of the order of the Senate of January 3, 1989, the Secretary of the Senate, on May 12, 1989, during the recess of the Senate, received a message from the President of the United States, transmitting a nomination; which was referred to the Committee on Labor and Human Resources.

(The nomination received on May 12, 1989 is printed in today's RECORD at the end of the Senate proceedings.)

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Kalbaugh, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

ANNUAL REPORT OF THE NATIONAL SCIENCE FOUNDATION—MESSAGE FROM THE PRESIDENT—PM 44

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Labor and Human Resources:

To the Congress of the United States:

I am pleased to transmit the annual report of the National Science Foundation for Fiscal Year 1988. This report describes research supported by the Foundation in the mathematical, physical, biological, social, behavioral, and computer sciences; engineering; and education in those fields.

Achievements such as the ones described here are the basis for much of our Nation's strength—its economic growth, national security, and the overall well-being of our people.

Federal investments in research and development should be increased even beyond the current strong levels. Such investments should focus on basic research.

As we move into the 1990's, the Foundation will continue its efforts to expand our Nation's research achievements, our productivity, and our ability to remain competitive in world markets through innovation and discoveries.

I commend the Foundation's work to you.

GEORGE BUSH.

THE WHITE HOUSE, *May 16, 1989.*

ANNUAL REPORT OF THE NATIONAL ENDOWMENT FOR THE ARTS AND THE NATIONAL COUNCIL ON THE ARTS—MESSAGE FROM THE PRESIDENT—PM 45

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Labor and Human Resources:

To the Congress of the United States:

In accordance with the provisions of the National Foundation on the Arts and Humanities Act of 1965, as amended (20 U.S.C. 959(b)(c)), I transmit herewith the Annual Report of the National Endowment for the Arts and the National Council on the Arts for Fiscal Year 1988.

GEORGE BUSH.

THE WHITE HOUSE, *May 16, 1989.*

MESSAGES FROM THE HOUSE RECEIVED DURING RECESS

Under the authority of the order of the Senate of January 3, 1989, the Secretary of the Senate, on May 15, 1989, during the recess of the Senate, received a message from the House of Representatives announcing that the House has passed the following bill, without amendment:

S. 968. An act to delay the effective date of section 27 of the Office of Federal Procurement Policy Act.

ENROLLED BILL AND JOINT RESOLUTIONS SIGNED

The message also announced that the Speaker has signed the following enrolled bill and joint resolutions:

S. 968. An act to delay the effective date of section 27 of the Office of Federal Procurement Policy Act;

S.J. Res. 37. Joint resolution designating the week beginning May 14, 1989, and the week beginning May 13, 1990, as "National Osteoporosis Week"; and

H.J. Res. 247. Joint resolution designating May 29, 1989, as the "National Day of Remembrance for the Victims of the U.S.S. *Iowa.*"

Under the authority of the order of the Senate of January 3, 1989, the enrolled bill and joint resolutions were signed on May 15, 1989, during the recess of the Senate, by the Vice President.

MESSAGES FROM THE HOUSE

At 12:14 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 7. An act to amend the Carl D. Perkins Vocational Educational Act to extend the authorities contained in such act through the fiscal year 1995;

H.R. 923. An act to redesignate the Federal hydropower generating facilities located at dam B on the Neches River at Town Bluff, TX, as the "Robert Douglas Willis Hydropower Project";

H.R. 2119. An act to authorize the exchange of certain Federal public land in Madison County, IL; and

H.R. 2178. An act to designate lock and dam numbered 4 on the Arkansas River, AR, as the "Emmett Sanders Lock and Dam."

MEASURES REFERRED

The following bills were read the first and second times by unanimous consent, and referred as indicated:

H.R. 7. An act to amend the Carl D. Perkins Vocational Educational Act to extend the authorities contained in such act through the fiscal year 1995; to the Committee on Labor and Human Resources.

H.R. 923. An act to redesignate the Federal hydropower generating facilities located at dam B on the Neches River at Town Bluff, TX, as the "Robert Douglas Willis Hydropower Project"; to the Committee on Environment and Public Works.

H.R. 2119. An act to aurhorize the exchange of certain Federal public land in Madison County, IL; to the Committee on Environment and Public Works.

H.R. 2178. An act to designate lock and dam numbered 4 on the Arkansas River, AR, as the "Emmett Sanders Lock and Dam"; to the Committee on Environment and Public Works.

ENROLLED BILL AND JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on May 15, 1989, he had presented to the President of the United States the following enrolled bill and joint resolution:

S. 968. An act to delay the effective date of section 27 of the Office of Federal Procurement Policy Act; and

S.J. Res. 37. Joint resolution designating the week beginning May 14, 1989, and the week beginning May 13, 1990, as "National Osteoporosis Prevention Week."

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents which were referred as indicated:

EC-1124. A communication from the Secretary of the U.S. Senate, transmitting pursuant to law, the full and complete statement of the receipts and expenditures of the Senate, showing in detail the items of expense under proper appropriations, the aggregate thereof, and exhibiting the exact condition of all public moneys received, paid out, and remaining in his possession from October 1, 1988, through March 31, 1989; ordered to lie on the table.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. HOLLINGS, from the Committee on Commerce, Science, and Transportation:

Phillip D. Brady, of Virginia, to be General Counsel of the Department of Transportation;

Galen Joseph Reser, of Virginia, to be an Assistant Secretary of Transportation;

David Philip Prosperi, of the District of Columbia, to be an Assistant Secretary of Transportation;

Thomas Jones Collamore, of the District of Columbia, to be an Assistant Secretary of Commerce; and

Michael Rucker Darby, of Texas, to be Under Secretary of Commerce for Economic Affairs.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. LEAHY, from the Committee on Agriculture, Nutrition, and Forestry:

Alan Charles Raul, of New York, to be General Counsel of the Department of Agriculture;

Richard Thomas Crowder, of Minnesota, to be a member of the Board of Directors of the Commodity Credit Corporation;

Jack Callihan Parnell, of California, to be a member of the Board of Directors of the Commodity Credit Corporation;

Franklin Eugene Bailey, of Virginia, to be an Assistant Secretary of Agriculture;

Charles E. Hess, of California, to be an Assistant Secretary of Agriculture; and

Jo Ann D. Smith, of Florida, to be an Assistant Secretary of Agriculture.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. CRANSTON, from the Committee on Veterans' Affairs:

Frank Quill Nebeker, of Virginia, to be chief judge of the U.S. Court of Veterans Appeals for the term of 15 years.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. PELL (by request):

S. 989. A bill to provide for participation by the United States in a capital increase of the Inter-American Development Bank, and for other purposes; to the Committee on Foreign Relations.

By Mr. WILSON (for himself, Mr. BOREN, and Mr. HUMPHREY):

S. 990. A bill to restrict the use of congressional frank for mass mailings and newsletters; to the Committee on Rules and Administration.

By Mr. WIRTH:

S. 991. A bill to continue the suspension of the duty on d-6-Methoxy-a-methyl-2-naphthaleneacetic acid and its sodium salt; to the Committee on Finance.

By Mr. CRANSTON:

S. 992. A bill to amend Section 8e of the Agricultural Adjustment Act (U.S.C. 608e-1), reenacted with amendments by the Agricultural Marketing Agreement Act of 1937 so as to add kiwi fruit, peaches, pears, nectarines, and plums to the list of imported commodities that must meet the minimum quality standards of domestically produced fruits, vegetable and specialty crops; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. KOHL (for himself, Mr. PRYOR, Mr. HATFIELD, Mr. GLENN, and Mr. LEAHY):

S. 993. A bill to implement the Convention on the Prohibition of the Development, Production, and Stockpiling of Bacteriological (Biological) and Toxin Weapons and Their Destruction, by prohibiting certain conduct relating to biological weapons, and for other purposes; to the Committee on the Judiciary.

By Mr. METZENBAUM (for himself, Mr. THURMOND, Mr. SIMON, Mr. DECONCINI, Mr. LEAHY, and Mr. HATCH):

S. 994. A bill to amend the Clayton Act regarding interlocking directorates and officers; to the Committee on the Judiciary.

By Mr. METZENBAUM (for himself and Mr. THURMOND):

S. 995. A bill to amend the Clayton and Sherman Acts regarding antitrust procedures; to the Committee on the Judiciary.

By Mr. METZENBAUM:

S. 996. A bill to amend the Clayton Act regarding damages for the United States; to the Committee on the Judiciary.

By Mr. MITCHELL (for himself and Mr. DASCHLE):

S. 997. A bill to amend title XVIII of the Social Security Act to provide for eligibility for home health services on the basis of a need for occupational therapy; to the Committee on Finance.

By Mr. PRYOR (for himself, Mr. HEFLIN, Mr. BOREN, Mr. FOWLER, Mr. CONRAD, Mr. DASCHLE, and Mr. FORD):

S. 998. A bill to improve rural medical data and information transmission, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. HOLLINGS (for himself, Mr. DANFORTH, Mr. INOUYE, and Mr. BRYAN):

S. 999. A bill to amend the Communications Act of 1934 regarding the broadcasting of certain material regarding candidates for Federal elective office, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. McCLURE (for himself, Mr. CONRAD, Mr. DASCHLE, and Mr. GORTON):

S. 1000. A bill to amend the Agricultural Act of 1949 to require the Secretary of Agriculture to exclude the malting barley price from the national weighted market price for barley in determining the payment rate used to calculate deficiency payments for the 1989 and 1990 crops of barley, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. GORE:

S. 1001. A bill to establish policies and procedures necessary to develop, as a domestically based industry in the United States, a high definition television enterprise in the United States, together with ancillary products and services; to the Committee on Commerce, Science, and Transportation.

By Mr. DURENBERGER (for himself, Mr. LUGAR, and Mr. COATS):

S. 1002. A bill to amend the Solid Waste Disposal Act; to the Committee on Environment and Public Works.

By Mr. CRANSTON (by request):

S. 1003. A bill to amend title 10 and title 38, United States Code, to make certain improvements in the educational assistance programs for veterans and eligible persons, and for other purposes; to the Committee on Veterans Affairs.

S. 1004. A bill to amend title 38, United States Code, and other provisions of law, to improve the administration of veterans' health care benefits and personnel management in the Department of Veterans Affairs and for other purposes; to the Committee on Veterans Affairs.

By Mr. HARKIN (for himself, Mr. PRESSLER, Mr. SIMON, Mr. GRASSLEY, and Mr. DASCHLE):

S. 1005. A bill relating to the sale, purchase, or other acquisition of certain railroads; to the Committee on Commerce, Science, and Transportation.

By Mr. LEAHY (for himself and Mr. THURMOND):

S. 1006. A bill to encourage innovation and productivity, stimulate trade, and promote the competitiveness and technological leadership of the United States; to the Committee on the Judiciary.

By Mr. CHAFEE (for himself and Mr. WILSON):

S. 1007. A bill to amend title 23, United States Code, regarding the reduction in apportionment of Federal-aid highway funds to certain States, and for other purposes; to the Committee on Environment and Public Works.

By Mr. DURENBERGER (for himself, Mr. BURDICK, and Mrs. KASSEBAUM):

S.J. Res. 131. Joint resolution to designate November 1989 as "National Diabetes Month"; to the Committee on the Judiciary.

By Mr. SASSER (for himself, Mr. STEVENS, and Mr. WILSON):

S.J. Res. 132. Joint resolution designating September 1 through 30, 1989 as "National Alcohol and Drug Treatment Month"; to the Committee on the Judiciary.

By Mr. SPECTER (for himself and Ms. MIKULSKI):

S.J. Res. 133. Joint resolution designating October 1989 as "National Domestic Violence Awareness Month"; to the Committee on the Judiciary.

By Mr. LEAHY:

S.J. Res. 134. Joint resolution to designate the week of October 1, 1989, through October 7, 1989, as "National Disability Awareness Week"; to the Committee on the Judiciary.

By Mr. PELL (for himself, Mrs. KASSEBAUM, and Mr. GORE):

S.J. Res. 135. Joint resolution to establish a National Commission on Human Resource Development; placed on the Calendar.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. MURKOWSKI (for himself and Mr. BRADLEY):

S. Res. 129. Senate resolution relating to Japanese involvement in Libyan weapons programs; considered and agreed to.

By Mr. HARKIN (for himself, Mr. BENTSEN, Mr. BURDICK, Mr. SHELBY, Mr. COCHRAN, Mr. MCCLURE, Mr. EXON, Mr. CONRAD, Mr. STEVENS, Mr. SANFORD, Mr. THURMOND, Mr. BURNS, Mr. BOREN, Mr. PRYOR, Mr. LUGAR, Mrs. KASSEBAUM, and Mr. GRASSLEY):

S. Con. Res. 37. Concurrent resolution expressing the sense of the Congress that the differential in Medicare payments made to urban and rural hospitals be eliminated; to the Committee on Finance.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. PELL (by request):

S. 989. A bill to provide for participation by the United States in a capital increase of the Inter-American Development Bank, and for other purposes; to the Committee on Foreign Relations.

INTER-AMERICAN DEVELOPMENT BANK REPLENISHMENT ACT

● Mr. PELL. Mr. President, by request, I introduce for appropriate reference a bill to provide for participation by the Untied States in a capital increase of the Inter-American Development Bank, and for other purposes.

This proposed legislation has been requested by the Department of the Treasury, and I am introducing it in order that there may be a specific bill to which Members of the Senate and the public may direct their attention and comments.

I reserve my right to support or oppose this bill, as well as any suggested amendments to it, when the matter is considered by the Committee on Foreign Relations.

I ask unanimous consent that the bill be printed in the RECORD at this point, together with the letter from the General Counsel of the Department of the Treasury to the President of the Senate, dated May 10, 1989.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 989

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Inter-American Development Bank Act (73 Stat. 299, as amended, 22 U.S.C. 283) is amended by adding at the end thereof the following new section:

"SEC. 32. (a)(1) The United States Governor of the Bank is authorized to vote for resolutions—

"(A) which were transmitted by the Board of Executive Directors to the Governors by resolution of April 19, 1989;

"(B) which are pending before the Board of Governors of the Bank; and

"(C) which provide for—

"(i) an increase in the authorized capital stock of the Bank and subscriptions thereto; and

"(ii) an increase in the resources of the Fund for Special Operations and contributions thereto.

"(2)(A) Upon adoption of the resolutions specified in paragraph (1), the United States Governor of the Bank is authorized on behalf of the United States to—

"(i) subscribe to 760,112 shares of the increase in the authorized capital stock of the bank; and

"(ii) contribute $82,304,000 to the Fund for Special Operations.

"(B) Any commitment to make such subscriptions to paid-in and callable capital stock and to make such contributions to the Fund for Special Operations shall be effective only to such extent or in such amounts as are provided in advance in appropriation Acts.

"(b) In order to pay for the increase in the United States subscription and contribution provided for in this section, there are authorized to be appropriated, without fiscal year limitation, for payment by the Secretary of the Treasury—

"(1) $9,169,559,712 for the United States subscriptions to the capital stock of the Bank; and

"(2) $82,304,000 for the United States share of the increase in the resources of the Fund for Special Operations.".

DEPARTMENT OF THE TREASURY,
Washington, DC, May 10, 1989.

Hon. DAN QUAYLE,
President of the Senate, Washington, DC.

DEAR MR. PRESIDENT: Transmitted herewith is a draft bill, "To provide for participation by the United States in a capital increase of the Inter-American Development Bank, and for other purposes."

The draft bill authorizes the Secretary of the Treasury to take the necessary actions for the United States to participate in the recently negotiated Seventh Replenishment of the Inter-American Development Bank (Bank).

The Bank now faces an unprecedented challenge in restoring significant growth to developing countries in Latin America and the Caribbean. In the 1980's, Latin America experienced one of the worst economic setbacks in its history. The countries of Latin America have yet to recover the levels of per capita output, income and consumption that prevailed in the 1979-81 period. For the period 1980 to 1988, real gross domestic product per capita declined, and now stands at a level first reached a decade earlier. Average unemployment has been at relatively high levels over the last decade, and social outlays have declined in per capita terms at a time when the needs of low income persons have been growing rapidly.

The Seventh Replenishment is the Bank's answer to this challenge. Negotiated over a period of years, it will result in major changes in Bank organization and operations, and increased Bank lending (over $3 billion in disbursements annually) to meet the regional demand for external financing and investment. To this end, the Seventh Replenishment is designed to support a total lending program of $22.5 billion from 1990 to 1993. It involves a capital increase of $26.5 billion and an increase of the Fund for Special Operations (FSO) of $200 million.

In negotiations for the Seventh Replenishment, the United States obtained agreement on such key issues as the decision-making structure for ordinary capital loans, country programming, enhancing environmental protection, and sector lending that be linked to sector lending by the World Bank. The Seventh Replenishment is a major accomplishment supportive of fundamental United States foreign economic policy goals.

The draft bill authorizes the Secretary of the Treasury to vote for the capital increase and the increase of the FSO, to subscribe to 760,112 shares of the capital stock of the Bank, and to make a contribution of $82.3 million to the FSO. The Administration will not request appropriations or program limitation for this subscription prior to the FY 1991 budget. While the draft legislation authorizes the appropriation of slightly more than $9 billion United States participation in the Seventh Replenishment will only involve budgetary authority of approximately $78 million annually a year over a four-year period.

It would be appreciated if you would lay the proposed bill before the Senate. An identical proposal has been transmitted to the Speaker of the House of Representatives.

The Office of Management and Budget has advised that there is no objection from the standpoint of the Administration's program to the presentation of this proposed bill to the Congress and that its enactment would be in accord with the program of the President.

Sincerely,

EDITH F. HOLIDAY,
General Counsel.●

By Mr. WILSON (for himself, Mr. BOREN, and Mr. HUMPHREY):

S. 990. A bill to restrict the use of congressional frank for mass mailings and newsletters; to the Committee on Rules and Administration.

RESTRICTING THE USE OF THE CONGRESSIONAL FRANK

Mr. WILSON. Mr. President, yesterday, at the west front of the Capitol, President Bush presented a plan to provide necessary funding for our war against drugs.

This plan, if passed by the Congress—both as an authorization and appropriation—will just about meet the commitment we made in last

year's drug bill. In many ways, that bill was a rubber check, for while it promised $2.7 billion in various kinds of relief and additional funds, to fight the war on drugs, it, unfortunately, has delivered well less than half of that amount—only about $1 billion of the $27 billion promised.

President Bush's plan calls for a more fully funded effort, at a cost of almost $1.2 billion in addition to what he has already requested. And, he has properly recommended that offsetting savings be found elsewhere in the budget to pay for these vital enhancements.

Unlike the standard operating procedure for Congress—which is to spend money on less important programs and then raise the deficit at the end to pay the serious, the important efforts like the anti-drug efforts—the President has forced the issue at the start at the very beginning, of the appropriations process. What he is telling us, and properly so, is that we must put antidrug programs first, and then divvy up the money for the rest of the domestic programs.

Well, Mr. President, I have an idea where we can find a good down payment on the President's request. All we have to do to kick-in $100 million for the fight against drugs is to stop our promiscuous spending on self-promotion in the form of congressional newsletters.

Recently, the Senate did commit to this swap for the public good during our consideration of the fiscal year 1990 budget resolution. We voted to transfer $100 million from the account that pays for newsletters and put it into the account used to fight crime. Now is the time to make good on that commitment.

Mr. President, I am today introducing a bill that would ban newsletters, thereby saving at least $100 million that would otherwise be wasted by the Congress next year. The original request for congressional mailing costs for next year was over $114 million, but recently the clerk of the House said that $20 million more would be needed, for a total close to $135 million—of which at least $100 million would support the mailing of congressional newsletters.

Mr. President, I am in no way trying to cut down on meaningful communications between the Congress and the American people. This legislation would not limit mailings of press releases to the news media designed to engender broad dissemination of information to the public. It would not limit mailings to the leaders of civic groups, corporations, labor unions, and public interest organizations who in turn could spread the word to their constituent members. And, my bill would of course not prevent Members of Congress from replying to constituent inquiries.

Indeed, all that a constituent needs to do is to write one letter on a matter of interest to that constituent and his or her Senator or Congressman could provide regular updates on that very matter.

What my bill is designed to prevent is congressional junk mail—mail that is uninvited, and invariably unwanted by the recipient.

Mr. President, my bill, which I am pleased to say is being cosponsored by the Senator from New Hampshire [Mr. HUMPHREY] and the Senator from Oklahoma [Mr. BOREN] will not simply deal with the profligacy of newsletters, but also with other related problems in the law that engender unrestrained spending.

For example, present law allows us to spend unlimited amounts of money on franked mail—even beyond what has been appropriated. This is possible because we have exempted ourselves from the Antideficiency Act which otherwise prevents spending beyond appropriation levels. If we fail to provide after-the-fact supplemental funds, the Post Office must absorb the difference.

The bill I am introducing would place the same spending restraint on Congress that is placed on every other Federal agency by prohibiting us from spending more than is appropriated.

The bill would also split the present unified congressional mail account into separate House and Senate accounts. Each House would be required to make an allocation from these accounts to each Representative and Senator. A report on expenditures for mass mail would be printed quarterly in the CONGRESSIONAL RECORD. By requiring public reports, we may encourage a reduction in the level of spending on our mail even after newsletters have been banned.

Mr. President, the bottom line question is what is the best way to spend $100 million in taxpayers' money: On newsletters or on the war against drugs?

What the American public needs to know is that a Member of Congress who sends out newsletters is using money that is desperately needed for and that should instead be devoted to the war against drugs.

He is using that money, instead, on a newsletter.

Let us get our spending priorities in order. Let us ban newsletters.

Mr. President, I ask unanimous consent that the text of the bill and a section-by-section analysis be printed at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 990

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. (a) Subsection (a) of section 3210 of title 39, United States Code, is amended—

(1) in paragraph (3)(B), by striking out "congressional newsletter or";

(2) in paragraph (5)(D) by striking out "candidate for public office. For the purpose of this clause (D), the term 'mass mailing' shall mean newsletters and similar mailings of more than 500 pieces in which the content of the matter mailed is substantially identical but shall not apply to mailings—" and inserting in lieu thereof "candidate for public office, provided that this prohibition shall not apply to mass mailings—"; and

(3) in paragraph (6) to read as follows:

"(6)(A) It is the intent of Congress that a Member of, or Member-elect to, Congress may only mail a mass mailing as franked mail if it is specifically describerd in subparagraph (C) of this paragraph and is otherwise not restricted by law or the rules of the Senate or the House of Representatives for Members or Members-elect of each respective House.

"(B) For purposes of this section, the term "mass mailing" means a mailing of more than five hundred pieces in which the content of the matter mailed is substantially identical.

"(C) The only mass mailings eligible to be mailed as franked mail are mass mailings—

"(i) which are in direct response to inquiries or requests from the persons to whom the matter is mailed;

"(ii) to colleagues in the Congress or to elected or appointed Government officials (whether Federal, State, or local);

"(iii) of news releases to the communications media;

"(iv) which consist of individually addressed responses on a specific issue to constituents who have previously written on the issue;

"(v) which consist of news announcements on a specific issue individually addressed to the chief officer or any member of the board of directors of an organization with an interest in the specific issue;

"(vi) which consist of materials not prepared by or relating to a Member of, or Member-elect to, Congress; or

"(vii) the sole purpose of which is to give notice of a town meeting and which is mailable as a 'postcard' as that term is defined in the Domestic Mail Classification Schedule maintained by the Postal Rate Commission.

"(D) The Select Committee on Ethics of the Senate and the Commission on Congressional Mailing Standards of the House of Representatives shall prescribe for each respective House such rules and shall take other actions as the Committee or the Commission considers necessary and proper for Members and Members-elect to comply with the provisions of this paragraph and other pertinent regulations. Such rules shall include, but not be limited to, provisions prescribing the time within which mailings shall be mailed or delivered to any postal facility and the time when the mailings shall be deemed to have been mailed at or delivered to comply with the provisions of this paragraph."

(b) Subsection (c) of section 3210 of title 39, United States Code, is amended by striking out "newsletters,".

SEC. 2. (a) Effective October 1, 1989, subsection (A)(2) of section 3216 of title 39, United States Code, is amended by striking out "by a lump sum appropriation to the legislative branch" and inserting in lieu

thereof "from funds appropriated to (or otherwise available from) the Senate (for costs attributable to the Senate) and from funds appropriated to (or otherwise available from) the House (for costs attributable to the House of Representatives)".

(b) Subsection (c) of section 3216 of title 39, United States Code, is repealed and subsection (d) of such section is redesignated subsection (c).

SEC. 3. Effective October 1, 1989, there shall be—

(a) within the contingent fund of the Senate, a separate appropriation account to be known as the "Senate Official Mail Costs Account", which shall be administered by the Secretary of the Senate, and

(b) within the fund for Contingent Expenses of the House, a separate appropriation account to be known as the "House Official Mail Costs Account", which shall be administered by the Clerk of the House of Representatives.

SEC. 4. The Senate Select Committee on Ethics and the House Commission on Congressional Mailing Standards shall prescribe for each respective House rules and regulations governing any franked mail. Such rules and regulations shall include, for each Member of each respective House, an allocation from the amount appropriated for official mail. For Members of the Senate, such allocation shall be related to the population of the state represented. The costs for postage for such franked mail mailed by or for a Member in excess of the amount of the allocation shall be charged to such Member and shall be paid by such Member (if the allocation is from the Senate) in accordance with rules and regulations as may be prescribed by the Senate Committee on Rules and Administration, and (if the allocation if from the House) in accordance with such rules and regulations as may be prescribed by the House Commission on Congressional Mailing Standards.

SEC. 5. (a) Two weeks after the close of each calendar quarter, or as soon as practicable thereafter, the Sergeant at Arms and Doorkeeper of the Senate shall send to each Senator a statement of the cost of postage and paper and of the other operating expenses incurred as a result of mass mailings, as defined in subparagraphs (iv) through (vii) of section 3210(a)(6)(C) of title 39, United States Code, processed for such Senator during such quarter. The statement shall separatetly identify the cost of postage and paper and other costs, and shall distinguish the costs attributable to different classes of mass mailings. The statement shall also include the total cost per capita in the State. A compilation of all such statements shall be sent to the Committee on Rules and Administration. A summary tabulation of such information shall be printed in the Congressional Record next printed after the statements are received by the Committee and shall be included in the semiannual Report of the Secretary of the Senate. Such summary tabulations shall set forth for each Senator the following information: the Senator's name, the total number of pieces of mass-mail mailed during the quarter, the total cost of such mail, and the cost of such mail divided by the total population of the State from which the Senator was elected.

(b) Two weeks after the close of each calendar quarter, or as soon as practicable thereafter, the House Commission on Congressional Mailing Standards shall send to each Member of the House of Representatives a statement of the cost of postage and paper and of the other operating expenses incurred as a result of mass mailings, as defined in subparagraphs (iv) through (vii) of section 3210(a)(6)(C) of title 39, United States Code, processed for such Member during such quarter. The statement shall separately identify the cost of postage and paper and other costs, and shall distinguish the costs attributable to different classes of mass mailings. The statement shall also include the total cost per capita in the district from which such Member was elected. A compilation of all such statements shall be sent to the House Committee on House Administration. A summary tabulation of such information shall be printed in the Congressional Record next printed after the statements are received by the Committee and shall be included in the quarterly Report of the Clerk of the House. Such summary tabulations shall set forth for each Member the following information; the Representative's name, the total number of pieces of mass-mail mailed during the quarter, the total cost of such mail, and the cost of such mail divided by the total population of the district from which the Member was elected.

DESCRIPTION OF WILSON NEWSLETTER BILL

The purpose of the bill is to prohibit the sending of congressional newsletters under the congressional frank and to otherwise prevent unlimited congressional mailings.

SECTION 1

(a)(1) Conforming amendment.

(b)(2) Conforming amendment.

(c)(3) This is the central provision of the bill, rewriting paragraph (6) of 39 U.S.C. 3210(a):

Paragraph (6)(A) establishes the basic rule that the only mass mailings allowed to be mailed under the frank are those that are specifically listed in paragraph (6)(C).

Paragraph (6)(B) defines a "mass mailing" as a mailing of more than 500 pieces of mail in which the material sent is substantially identical.

Paragraph (6)(C) lists those types of mass mailings that are allowed:

(i) Mail in direct response to incoming inquiries or requests.

(ii) Mail to government officials.

(iii) Press releases.

(iv) Follow-up mail to prior incoming letters inquiries.

(v) Mail to leaders of organizations of interest to the organization.

(vi) Materials not prepared by or about the member who is sending them—e.g., consumer booklet prepared by the Commerce Department.

(vii) Town meeting notices printed on a post card.

Paragraph (6)(D) requires the Senate Ethics Committee and the House Commission on Congressional Mailing Standards to establish rules implementing these rules and limitations.

(b) Conforming amendment.

SECTION 2

(a) This provision contains a conforming amendment to section 3. Section 3 splits the congressional franking account into separate House and Senate accounts. This subsection conforms 39 U.S.C. 3216(a)(2), which is the law that establishes the mechanism for paying the Postal Service for the costs of congressional mailings.

(b) The Anti-Deficiency Act generally limits federal agencies from spending more than has been appropriated. However, 39 U.S.C. 3216(c) exempts the Congress from the Anti-Deficiency Act by stating that the Postal Service shall accept as payment in full any amount forwarded by Congress. Subsection (b) of section 2 of the bill repeals this exemption.

SECTION 3

Section 3 establishes separate House and Senate official accounts. Under present law, there is a single congressional account.

SECTION 4

This section requires that the House of Representatives and the Senate allocate to each member of Congress a proportion of the total appropriation made to that House. The Senate appropriation shall be related to the size of the state represented.

SECTION 5

Subsections (a) and (b) of this section require a compilation of statistics on the costs of certain mass mailings—i.e., follow-up mail, press releases to leaders of organizations, government publications, and town meeting notices. Such information is to be summarized and printed in the Congressional Record and in the quarterly expense reports made by the House and Senate.

Mr. HUMPHREY. Mr. President, I am pleased to join the Senator from California as a cosponsor of legislation to restrict the use of congressional mass mailing.

This bill proposes reasonable restraints on the use of congressional mailings. The bill will ban the use of congressional newsletters and restrict the use of other mass mailings. This legislation will save the American taxpayer hundreds of millions of dollars over the next few years.

The bill will also, for the first time, introduce accountability into the congressional franking system. The bill will split the congressional franking account into separate House and Senate accounts. Each House and Senate Member shall receive an individual allocation for official mail, and any postage costs in excess of this allocation shall be charged to the Member.

Under this bill, the Clerk of the House and the Secretary of the Senate shall publish in the CONGRESSIONAL RECORD a quarterly tabulation of the mail costs for each Member. This tabluation shall include the Members name, the total number of pieces of mass mail which were mailed during the quarter, the total cost of the mail, and the cost of this mail divided by the total population of the Member's district.

While the Secretary of the Senate currently reports similar information for the Senate, the House does not. This change, combined with the publication in the RECORD, will create an incentive for each Member to be more frugal with his use of the frank.

According to the Congressional Research Service, over the last 18 years, Congress has spent over $1 billion for official mail. The cost of congressional mailings has escalated from $54 million in fiscal year 1981 to $114 million in fiscal year 1988. During fiscal year

1988, the House of Representatives received 157 million pieces of mail, and sent out 549 million pieces for a total cost of $77.9 million. The Senate received 54 million pieces of mail, and sent out 257 million pieces, for a total cost of $35.5 million.

Thus, last year, Congress spent a total of $114 million on mail costs, and sent out approximately 5 pieces of mail for each letter it received.

If you divide the 806 million pieces of mail sent out by Congress in 1988 by the number of working days in a year, this works out to slightly over 3 million pieces of mail per working day. If you divide that number by the 535 Members of Congress, this means that in 1988, Congress sent out an average of 5,765 pieces of mail, per day, per Member. It would seem to me that if any Senator wants to complain about the high volume of junk mail that he receives in his post office box, he should start pointing the finger at himself.

Since there is traditionally a 25- to 30-percent difference in mails costs between election and nonelection years, the U.S. Postal Service has estimated that Congress would only spend a "mere" $83.3 million in mail costs for fiscal year 1989. However, Congress only appropriated $53.9 million for mail costs, and currently there will be a deficiency of almost $30 million. If Congress does not act to cover this deficiency, the Postal Service will be forced to pick up the tab for these costs.

And how has the Senate responded to this outrageous pattern of spending? On February 28 of this year, the Senate approved legislation which lifted the Senate's self imposed restraints on mass mailings. This system, which had been in effect since 1986, limited mass mailings by imposing a paper allotment on each Senator. Under the new rules passed in February, each Senator would be allowed to send out as many as 6 mailings per year for each postal patron in their State—the same as the current limitation in the House. Senator WILSON has estimated that if each Senator took full advantage of this new rule, the Senate could theoretically spend over $180 million on mass mailings this year—an increase of 500 percent over last year.

Why, Mr. President, was this change made? According to its sponsors, it was an attempt to force the House to evenly divide the annual appropriation for mailing costs. Mr. President, increasing the amount of money the Senate spends on postage, as a method of forcing the House to get in line, makes about as much sense as cutting down the tree to save a cat.

I would also like to point out some information which was reported in the Washington Post on April 19. Last year, the Senate paid $250,000 to purchase a new printing press, which for the first time will allow extensive use of two-color production. Combined with the fact that the removal of the mass mail limits will allow each Senator to send eight page newsletters instead of four, the U.S. Senate could give many daily newspapers a real run for their money.

According to estimates which the Clerk of the House made in January 1989, Congress will send out 777 million pieces of mail in fiscal year 1990, at a cost of $134.7 million. Of this amount, the House will spend $94.6 million. However, these estimates do not even include the increased mass mail allowances which were passed by the Senate in February. It appears likely that with these changes, Congress will easily set another all-time high for mailing costs.

One Member of the House of Representatives is quoted in the May 2 issue of the CONGRESSIONAL RECORD as saying that when he first became a Member of that body, a more senior Member advised him to do three things in order to ensure reelection. "First, you use the frank; second, you use the frank; third, if need be, you abuse the frank."

With this legislation, Senators are presented with an opportunity to eliminate the continued abuse of the franking privilege. Not only will this bill reduce the total amount of mail costs for the House and Senate, but by creating fair and open accounting methods, each Member will be held responsible for individual use of the mail privilege.

For too long, Congress has failed to limit its shameless self promotion. Senator WILSON's bill is an effective way to limit this problem, and it is certainly worthy of support.

By Mr. CRANSTON:

S. 992. A bill to amend section 8e of the Agricultural Adjustment Act (U.S.C. 608e-1), reenacted with amendments by the Agricultural Marketing Agreement Act of 1937 so as to add kiwi friut, peaches, pears, nectarines, and plums to the list of imported commodities that must meet the minimum quality standards of domestically produced fruits, vegetables and specialty crops; to the Committee on Agriculture, Nutrition, and Forestry.

AMENDMENTS TO AGRICULTURAL ADJUSTMENT ACT

Mr. CRANSTON. Mr. President, I introduce for appropriate reference a bill to amend section 8e of the Agricultural Adjustment Act, reenacted with amendments by the Agricultural Marketing Agreement Act of 1937, to add kiwi fruit, peaches, pears, nectarines, and plums to the list of imported commodities that must meet minimum quality standards of domestically produced fruits, vegetables, and specialty crops.

The Agricultural Marketing Agreement Act authorizes producers and handlers of fruits, vegetables, and specialty crops to enter into an agreement with the Secretary of Agriculture to develop programs to stabilize and improve markets for their products. These programs, known as marketing orders, can be put into effect only if approved by a majority of the producers of the commodity in a producer referendum. Once approved, however, all producers and handlers in a defined production area are subject to the provisions of the marketing order. The marketing orders can include collection of uniform assessments to fund production and marketing research, generic advertising and promotion, regulation to assure orderly flows to market, and minimum quality standards for products commercially sold.

Currently some 50 agricultural commodities, including kiwi fruit, peaches, pears, nectarines, and plums, are marketed under the provisions of a marketing order. The Federal marketing order for kiwi fruit was established in 1984. It provides for minimum grade, size, and maturity requirements. California fresh pears, plums, and peaches have operated under a marketing order since the 1940's. A separate marketing order for nectarines was established in 1958. The marketing orders for these four fruits also provide for minimum quality standards. These minimum quality provisions ensure that consumers receive a high quality product and help enhance industry sales.

However, efforts by a domestic industry to market only high quality produce under the auspices of a marketing order can be severely undercut by imports of a like commodity that is of inferior quality. Consumers often cannot distinguish between fresh fruits and vegetables that are domestically grown and those that are imported. Section 8e of the Agricultural Marketing Agreement Act provides a remedy to this problem by providing that if domestic producers adopt through a marketing order a plan to establish minimum quality standards for a particular commodity, then the imported commodity marketed domestically must also meet these minimum quality standards. Section 8e thus ensures quality consistency and benefits domestic and foreign producers equally to the extent that the market is enhanced through improved product quality.

Currently there are 20 agricultural commodities being marketed under the auspices of section 8e. California kiwi fruit, peach, pear, nectarine, and plum growers are asking that their products be added to this list of section 8e crops. The State's kiwi fruit industry is relatively new and the kiwi fruit market is heavily dominated by

first-time buyers. The industry believes that consumption of kiwi fruit can be maintained and expanded if consumers have available to them a consistently high quality, tasteful product. However, consumer preference can be easily destroyed by one bad experience especially if it is the consumer's introduction to the fruit. Imports of kiwi fruit have been increasing significantly and include fruit that tends not to ripen enough to result in a high quality product. Unfortunately, this influx of lower quality imported fruit has economically hurt California kiwi fruit growers. The California peach, pear, nectarine, and plum industries have well developed markets, supplying consumers with fruit that is attractive and of good eating quality. However, imports of peaches, pears, nectarines, and plums also have increased substantially over the last 5 years. The upward trend in imports is expected to continue. California growers of these products are interested in amending section 8e so that their past achievements in marketing quality peaches, pears, nectarines, and plums can be successfully continued.

The bill I am introducing today would ensure that kiwi fruit, peaches, pears, nectarines, and plums produced in foreign countries and marketed in the United States have the same minimum quality standards of fruit produced and marketed domestically. It will give the same section 8e coverage already afforded 20 other agricultural commodities.

Mr. President, I ask unanimous consent that the text of the bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 992

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Section 8e of the Agricultural Adjustment Act (7 U.S.C. 608e-1), reenacted with Amendments by the Agricultural Marketing Agreement Act of 1937 is amended as follows: In "a" of Section 8e in the first sentence, before the word "eggplants" the word "or" shall be deleted and a comma added and after the word "eggplants" a comma shall be inserted and the words "kiwi fruit, peaches, pears, nectarines, or plums" added.

By Mr. KOHL (for himself, Mr. PRYOR, Mr. HATFIELD, Mr. GLENN, and Mr. LEAHY):

S. 993. A bill to implement the Convention on the Prohibition of the Development, Production and Stockpiling of Bacteriological (Biological) and Toxin Weapons and Their Destruction, by prohibiting certain conduct relating to biological weapons, and for other purposes; to the Committee on the Judiciary.

BIOLOGICAL WEAPONS ANTI-TERRORISM ACT

● Mr. KOHL. Mr. President, Senator PRYOR and I, along with Senators LEAHY, HATFIELD, and GLENN, are today introducing legislation to prohibit the development and production of biological weapons. The Biological Weapons Anti-Terrorism Act of 1989 will close a loophole in the Criminal Code and complete the implementation of an important international treaty. It will help combat terrorism and, at the same time, reaffirm our Nation's commitment to arms control. Similar legislation has been introduced in the House by ROBERT KASTENMEIER, my colleague from Wisconsin.

In 1972, the United States signed the Convention on the Prohibition of the Development, Production and Stockpiling of Bacteriological (Biological) and Toxin Weapons and Their Destruction. The Senate unanimously ratified this convention in December 1974. In all, 103 countries, including the Soviet Union, have agreed to its terms.

The convention prohibits signatory governments from developing biological weapons "in any circumstances." Parties to the convention pledge that they will not maintain biological agents or toxins "that have no justification for prophylactic, protective or other peaceful purposes." Article IV of the convention obligates each party to "take any necessary measures to prohibit and prevent the development, production, stockpiling, acquisition, or retention" of biological weapons "within the territory of each such State, under its jurisdiction or under its control anywhere." While several nations have interpreted article IV to require enactment of prohibitions in their domestic criminal laws, the United States has not yet taken this crucial step.

Our Biological Weapons Anti-Terrorism Act will put teeth into article IV of the convention by making it illegal for private persons to develop biological weapons. Implementation legislation will send a signal to the rest of the world: The United States remains firmly opposed to biological weapons at a time when developments in genetic engineering render germ warfare ever more threatening.

Our bill is simple, effective, and straightforward. It would make it a criminal offense knowingly to develop "any agent, toxin, or delivery system for use as a weapon of mass destruction." It would also authorize the Attorney General to seize and destroy such creations. The bill additionally imposes penalties on those who assist foreign nations in acquiring biological agents for use as weapons.

However, the measure would create a safe harbor for research and development that "is for a prophylactic, protective, or other peaceful purpose." Thus, for example, a medical researcher would not face liability for trying to understand a virus. Nor would the Attorney General be authorized to interfere with the dissemination of scientific ideas. In short, the bill poses no danger to the growing biotechnology industry. Moreover, it does not affect the Defense Department's existing Biological Defense Research Program.

Mr. President, even if this legislation were not required by the 1972 convention, we would still be wise to enact the bill to help combat terrorism. Surprisingly, there is no uniform statute that criminalizes the development of biological devices or organisms that are meant to kill others. We cannot rely on existing statutes that may arguably regulate one or another aspect of the problem—for instance, the Toxic Substances Control Act. The prospects of biological terrorism are too ghastly to permit a loophole in our law. As a Chicago Tribune article recently explained, the biological agents necessary for weapons "can be cultivated in an unsophisticated college laboratory from snake venom or a variety of bugs that infect humans or farm animals."

I am pleased to note that President Bush has repeatedly expressed his abhorrence of biological weapons. For example, in accepting his party's nomination in August 1988, Mr. Bush stated:

> Ban chemical and biological weapons from the face of the Earth. That will be a priority with me.

It is a priority for me, too, and I am confident that this proposal will become law in the 101st Congress. I urge my colleagues to support the Biological Weapons Anti-Terrorism Act of 1989.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 993

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act my be cited as the "Biological Weapons Anti-Terrorism Act of 1989".

SEC. 2. TITLE 18 AMENDMENTS.

(a) IN GENERAL.—Title 18, United States Code, is amended by inserting after chapter 9 the following:

"CHAPTER 10—BIOLOGICAL WEAPONS

"Sec.
"175. Prohibitions with respect to biological weapons.
"176. Seizure and destruction.
"177. Injunctions.
"178. Definitions.

"§ 175. Prohibitions with respect to biological weapons

"Whoever, in the United States or under the jurisdiction or control of the Government of the United States anywhere—

"(1) knowingly develops, produces, stockpiles, transfers, acquires, retains, or posesses any agent, toxin, or delivery system for use as a weapon of mass destruction; or

"(2) knowingly assists a foreign state or an international organization (as defined in section 1116 of this title) to manufacture or otherwise acquire any agent, toxin, or delivery system for use as a weapon of mass destruction;

shall be fined under this title or imprisoned for life or any term of years, or both.

"§ 176. Seizure and destruction

"(a) IN GENERAL.—The Attorney General may seize and provide for the destruction of—

"(1) any agent, toxin, or delivery system that exists by reason of conduct prohibited under section 175 of this title; and

"(2) any agent or toxin of a type or in a quantity useful primarily as a weapon of mass destruction.

"(b) DEFENSE.—It is a defense against a seizure under subsection (a) of this section that—

"(1) such agent or toxin is for a prophylactic, protective, or other peaceful purpose; and

"(2) such agent or toxin is of a type and quantity reasonable for that purpose.

"(c) PROCEDURE.—The same procedures and provisions of law relating to a forfeiture under section 924(d) of this title shall so far as applicable extend to a seizure under this section.

"(d) NONEXISTENCE OF PROPERTY RIGHTS.—No property right shall exist in any agent, toxin, or delivery system that is subject to seizure under this section.

"§ 177. Injunctions

"(a) IN GENERAL.—The United States may obtain in a civil action an injunction against—

"(1) the conduct prohibited under section 175 of this title;

"(2) the planning, preparation, solicitation, attempt, or conspiracy to engage in conduct prohibited under section 175 of this title; or

"(3) the development, production, stockpiling, transferring, acquisition, retention, or possession, or the attempted development, production, stockpiling, transferring, acquisition, retention, or possession, of any agent or toxin of a type or in a quantity useful primarily as a weapon of mass destruction.

"(b) DEFENSE.—It is a defense against an injunction under subsection (a)(3) of this section that—

"(1) the conduct sought to be enjoined is for a prophylactic, protective, or other peaceful purpose; and

"(2) such agent or toxin is of a type and quantity reasonable for that purpose.

§ 178. Definitions

"As used in this chapter—

"(1) the term 'agent' means any micro-organism, virus, or infections substance, capable of causing—

"(A) death, disease, or other biological malfunction in a human, an animal, a plant, or another living organism;

"(B) deterioration of food, water, equipment, supplies, or material of any kind; or

"(C) deleterious alteration of the environment;

"(2) the term 'toxin' means, whatever its origin or method of production—

"(A) any poisonous substance produced by a living organism; or

"(B) any poisonous isomer, homolog, or derivative of such a substance;

"(3) the term 'delivery system' means—

"(A) any apparatus, equipment, device, or means of delivery specifically designed to deliver or disseminate an agent, toxin, or vector; or

"(B) any vector;

"(4) the term 'vector' means a living organism capable of carrying an agent or toxin to a host; and

"(5) the term 'use as a weapon of mass destruction' means—

"(A) use or the threat to use; or

"(B) causing, permitting, or facilitating use;

as a weapon of mass destruction and

"(6) the term 'whoever' includes governmental entities and personnel.".

(b) CLERICAL AMENDMENT.—The table of chapters for part I of title 18, United States Code, is amended by inserting after the item relating to chapter 9 the following new item:

"10. Biological Agents and Toxins..... 175.".●

● Mr. PRYOR. Mr. President, I am happy to join Senator KOHL today as a cosponsor of the Biological Weapons Anti-Terrorism Act of 1989.

Mr. President, the possibility of terrorists using simple biological weapons within U.S. borders is horrible but unfortunately imaginable. It is horrible because lethal biological agents can spread through a population from a single source causing mass destruction on the order of a nuclear attack. It is imaginable because, unlike nuclear weapons, biological weapons are relatively cheap and easy to procure and produce.

Mr. President, realizing the uncontrollable destructive nature of biological weapons, the United States and 102 other nations, including the Soviet Union, signed a convention outlawing the production, stockpiling, or use of such weapons in 1972. We destroyed our stockpiles and today perform only defensive biological weapons research.

The executive branch attempted but failed on two occasions to have legislation enacted to implement the 1972 convention enacted by Congress. The bill was introduced in 1973 when the convention was submitted to the Senate but it was not acted upon because ratification of the convention was delayed until 1975. A second effort was made late in 1980, but Congress was unable to act before the end of the session.

The bill we are proposing is not unlike the measures introduced by previous administrations. It would establish strict criminal penalties, including tough fines and the potential for life imprisionment, for any individual or corporation that knowingly develops or produces biological agents, toxins, or delivery systems for offensive use, or that assists any foreign person in such activities. While it cannot guarantee that a determined group will not gain access to a biological weapon, legislation will minimize the threat by providing direction and a course of action for law enforcement efforts and by creating a stronger incentive for the scientific community to carefully police their work.

Our bill will not affect the current $63 million per year Defense Department Biological Defense Research Program. Nor will it have any impact on the U.S. offensive chemical weapons program. Finally it will not prohibit the use of biological agents for commercial purposes.

With this bill we will send a strong message to those who would make criminal use of biological agents. The message is that such activity will be dealt with severely and with certain punishment. This legislation will also put the United States in a stronger position to assail violations of the 1972 convention by other nations and it will help to fulfill President Bush's pledge to punish violators of biological weapons agreements.

Mr. President, tomorrow the Governmental Affairs Committee will hold an important hearing on biological weapons proliferation. I hope that in that hearing the administration can begin to form its support for this legislation.

I commend Senator KOHL's leadership in this area and urge my colleagues to support his future efforts in the Judiciary Committee and on the Senate floor to see this bill passed.●

● Mr. GLENN. Mr. President, I wish to commend my colleagues Senators KOHL and PRYOR for introducing legislation which will implement article IV of the 1972 Biological Weapons Convention. The bill will make it a criminal offense to knowingly develop, produce, stockpile, transfer, acquire, retain, or possess any agent, toxin, or delivery system for use as a weapon of mass destruction. Moreover, the legislation makes it a criminal offense to knowingly assist a foreign state or an international organization to manufacture or otherwise acquire any agent, toxin, or delivery system for use as a weapon of mass destruction.

The legislation will fulfill a U.S. responsibility in meeting its treaty obligation. At the second Review Conference on the Biological Weapons Convention in 1986, the majority of the States Party to this treaty agreed to encourage the passage of domestic legislation to ensure the physical security of laboratories and research facilities and to prevent the transfer of biological warfare agents, toxin, and weapons. In discussions with members of the Governmental Affairs Committee, officials from the Departments of State and Defense indicate that they are also supportive of measures to implement article IV and discourage the activities of individuals or corporations that violate the Convention.

S. 993 is clearly not an attempt to slow the development of the rapidly growing biotechnology industry. America is the world's leader in this

vital scientific area and we have no desire to hamper legitimate and peaceful biomedical research. However, as Judge William Webster, Director of the Central Intelligence Agency, and others have said, a threat to the U.S. and its allies from biological weapons does exist. Therefore, we must do all that we can to prevent our domestic activities from promoting development of these heinous weapons abroad, especially where they might fall into terrorist hands.

I became an original cosponsor of this legislation because I feel strongly that it will send a clear message to the world of our country's strong commitment to chemical and biological arms control. This is an important message to send at a time when the number of nations considering arming themselves with chemical or biological weapons may be increasing. As the technology to produce biological weapons becomes simpler and more widely known it is more likely that states will resort to their use. It is my hope that this legislation will herald more serious attempts by the U.S. to participate actively in developing verification schemes that will improve the chemical weapons treaty and put stronger teeth into the Biological Weapons Convention.●

By METZENBAUM (for himself, Mr. THURMOND, Mr. SIMON, Mr. DECONCINI, Mr. LEAHY, and Mr. HATCH):

S. 994. A bill to amend the Clayton Act regarding interlocking directorates and officers; to the Committee on the Judiciary.

INTERLOCKING DIRECTORATES AND OFFICERS

Mr. METZENBAUM. Mr. President, today I am introducing legislation to reform and modernize section 8 of the Clayton Act which regulates interlocking directorates. Section 8 prohibits an individual from serving as a director of two competing companies. Last year, the Senate approved the modifications to section 8 that are contained in this bill. The changes were supported by the Justice Department. I have worked with Senator THURMOND to develop this legislation and welcome him as a cosponsor, along with Senators SIMON, DECONCINI, LEAHY, and HATCH.

Section 8 was enacted in 1914. The principal sections of the act concerning interlocking directors have not been modified since this original enactment. Consequently, it is appropriate that the Congress review the statute and revise it to address current competitive concerns.

The measure I am introducing today addresses three concerns about the current provisions. First, it is appropriate that the threshold jurisdictional requirement regarding the size of corporation covered by the act be updated. Our bill raises the threshold enacted in 1914, 1 million dollars in net worth, to ten million dollars.

Second, our bill addresses the need for a de minimus exception to the flat bar on a single person serving on the board of competing companies. It is appropriate to prevent the potential sharing of information and other related anticompetitive behavior which may result from the same person serving as a director of competing corporations. However, corporations covered by the act have raised the legitimate concern that in some cases a qualified director cannot serve on a board even though the competitive overlap with another corporation represents only an insignificant portion of either company's sales. In these cases the statute is not serving any useful purpose in preventing harm to competition, but is only hindering the freedom of qualified individuals to serve as directors.

Our bill addresses this issue by providing for three de minimus categories, or safe harbors. If the competitive overlap does not exceed these safe harbors, the bar on a common director would not apply. The bill provides for a safe harbor if the affected sales constitute less than: First $1 million for either company; second 1 percent of either company's sales; or third, 4 percent of both company's sales.

Finally, our bill addresses the concern that the current ban covers only corporate directors, not senior officers. The current provision is illogical because a common senior officer presents an equal or greater potential for reducing competition. The bill would extend the bar to officers of competing corporations.

I appreciate the cooperation of Senator THURMOND who has provided extremely useful and thoughtful suggestions. We have worked to pursue this bill in a spirit of compromise and I hope my colleagues will see fit to support this measure.

I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 994

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 8 of the Clayton Act is amended to read as follows:

"SEC. 8. (a)(1) No person at the same time shall be a director or officer of any two corporations, each of which has capital, surplus and undivided profits aggregating more than $10,000,000, as adjusted pursuant to this subsection, engaged in whole or in part in commerce, other than banks, banking associations, trust companies, and common carriers subject to subtitle IV of title 49, United States Code, if such corporations are by virtue of their business and location of operation, competitors so that the elimination of competition by agreement between them would constitute a violation of any of the provisions of any of the antitrust laws.

"(2) Notwithstanding the provisions of paragraph (1), simultaneous service as a director or officer of two corporations shall not be prohibited by this section if (A) the aggregate competitive sales of either corporation are less than $1,000,000, as adjusted pursuant to this subsection, (B) the aggregate competitive sales of either corporation are less than 1 percent of that corporation's total sales, or (C) the aggregate competitive sales of each corporation are less than 4 percent of that corporation's total sales. For purposes of this paragraph, 'aggregate competitive sales' means the aggregate gross revenues for all products and services sold by one corporation in competition with the other, determined on the basis of annual gross revenues for such products and services over the last completed fiscal year. For purposes of this section, 'total sales' means the aggregate gross revenues for all products and services sold by one corporation over the last completed fiscal year.

"(3) The eligibility of a director or officer under the provisions of paragraph (1) shall be determined by the capital, surplus and undivided profits of each corporation at the end of that corporation's last completed fiscal year.

"(4) For purposes of this section, the term 'officer' means an officer elected or chosen by the Board of Directors.

"(5) For each fiscal year commencing after September 30, 1988, the $10,000,000 and $1,000,000 thresholds in this section shall be increased (or decreased) as of October 1 each year by an amount equal to the percentage increase (or decrease) in the Gross National Product, as published by the Department of Commerce or its successor, for the year then ended, over or under the level so established for the year ending September 30, 1987. At the beginning of October of each year, the Federal Trade Commission shall publish the adjusted amounts required by this paragraph.

"(b) When any person elected or chosen as a director or officer of any corporation subject to the provisions of this Act is eligible at the time of his election or selection to act for such corporation in such capacity, his eligibility to act in such capacity shall not be affected and he shall not become or be deemed amenable to any of the provisions hereof by reason of any change in the capital, surplus and undivided profits, or affairs of such corporation from whatsoever cause, whether specifically excepted by any of the provisions hereof or not, until the expiration of one year from the date on which an event causing ineligibility occurred, or, if practical, the next regularly scheduled election of directors, whichever occurs first."

Mr. THURMOND. Mr. President, I am pleased to introduce, along with Senator METZENBAUM, this legislation which will amend section 8 of the Clayton Act regarding interlocking directorates and officers. I am also pleased that Senators HATCH, DECONCINI, LEAHY, and SIMON have joined as original cosponsors. This bill, which is identical to legislation which was passed by unanimous consent in the Senate last Congress, is long overdue and much needed to modernize the treatment of interlocking directorates.

The amendment contains three provisions: First, it raises the jurisdictional threshold for companies covered by section 8 from $1,000,000 to

$10,000,000; second, it specifically creates certain de minimis exceptions to coverage; and, third, it expands section 8 to include officers elected or chosen by the Board of Directors.

Section 8, which prohibits the same person from sitting on the board of directors of competing corporations, was enacted in 1914 and has remained virtually unchanged since that time. The changes which we are proposing today will do nothing to alter the basic concept of section 8, but will only update it to take into account the economic and competitive changes which have occurred in the last 75 years. This is particularly important with respect to raising the jurisdictional threshold from $1,000,000 to $10,000,000, and establishing certain de minimis exceptions.

The substantial increase in price levels since 1914 means that the size of corporations now covered by section 8 is substantially lower than what Congress originally intended. Such corporations are not likely to be engaged in so significant a degree of commerce as to warrant coverage of the act. The same is true with respect to establishing de minimis exceptions. Current case law precludes the application of any de minimis exceptions. Yet, there is nothing to be accomplished by prohibiting individuals from serving on the boards of two companies if the amount of competitive overlap between the two companies is so small as to be competitively insignificant.

Mr. President, this legislation is an important modernization of one aspect of our antitrust laws. It is apparent from the list of original cosponsors and from the previous action on this legislation, that it has strong bipartisan support. I am pleased to be one of the cosponsors, and I encourage all of my colleagues to support these changes to section 8.

By Mr. METZENBAUM (for himself and Mr. THURMOND):

S. 995. A bill to amend the Clayton and Sherman Acts regarding antitrust procedures; to the Committee on the Judiciary.

ANTITRUST PROCEDURES IMPROVEMENT ACT

Mr. METZENBAUM. Mr. President, today I am introducing legislation to reform and modernize certain procedural aspects of the antitrust laws. Several provisions of this bill are identical to those which passed the Senate in the 100th Congress. Last Congress, the Senate approved changes to the Hart-Scott-Rodino premerger notification provisions of the Clayton Act which would close the partnership loophole for premerger filings, extend the review period for acquisitions, and raise thresholds for reporting mergers. This bill includes, in addition, provisions which would increase criminal fines and civil penalties available to the Government for violations of the antitrust laws, permit the Federal Trade Commission to prosecute violations of premerger notification requirements, and establish filing fees for premerger notification forms. I am pleased to be joined in this effort by Senator THURMOND.

The reforms contained in this bill are needed to give the antitrust enforcement agencies tools to police more effectively the laws of free competition. Merger and acquisition activity is again on the rise, with billions of dollars in assets changing hands each year. And the deals are getting bigger and bigger. Just this past year we witnessed three of the largest mergers in history: Campeau's buyout of Federated Department Stores for $6.5 billion; Phillip-Morris' acquisition of Kraft for $13 billion and Kohlberg Kravis & Robert's acquisition of RJR Nabisco for $25 billion. In February, Time, Inc., announced plans to merge with Warner Communications to create a media giant worth over $18 billion. This current merger wave will have lasting effects on our economy and on competition.

The time has come to strengthen the antitrust laws. We must put more teeth in the laws and put more resources in the hands of the enforcement agencies. We cannot afford to sit idly by while our economy becomes more and more concentrated, and while certain companies and individuals continue to flout the laws of free competition. Consumers deserve to know that we are committed to enforcement of the antitrust laws. This bill reaffirms that commitment.

I. CRIMINAL FINES

This legislation would increase the fines for criminal violations of the Sherman Act to $10 million for corporations and to $250,000 for individuals. The current penalties are simply not sufficient to deter criminal behavior, as is evidenced by the dramatic increase in the number of criminal price fixing and bid rigging convictions in the past few years. The penalties for this type of anticompetitive, anticonsumer conduct must be onerous enough that they are not viewed simply as a cost of doing business.

II. HART-SCOTT-RODINO ACT AMENDMENTS

This measure proposes several modifications to the Hart-Scott-Rodino Antitrust Improvements Act of 1976. After more than a decade of experience with reviewing proposed acquisitions under this section of the Clayton Act, the time has come to fine tune what has proven to be an invaluable enforcement tool for the antitrust agencies.

A. TIME FOR REVIEW OF MERGERS

The proposal would lengthen the time given to the antitrust enforcement agencies to complete their review in the case of large or complex mergers and in the case of cash tender offers. These extensions were appoved by the Senate without opposition last Congress.

While current law contains different waiting periods for mergers occurring by means of a cash tender offer and mergers effected in other ways, there is no correlation between the way in which an acquisition is structured and the antitrust issues it raises. Under existing law for cash tender situations, the enforcement agencies have an initial 15-day period to determine whether a more detailed investigation of a proposed acquisition is warranted and to request additional information from the merging parties. The statute currently gives the agency only 10 days to review materials submitted by the parties. In a noncash tender situation, the initial period is 30 days and the second period is 20 days. The proposal extends both the initial waiting period and the second waiting period for cash tender acquisitions to 20 days.

In addition, the bill provides for a process by which the enforcement agencies may seek additional time to review particularly complex mergers. Under this provision, the agencies may request that a court extend the statutory waiting period by an additional 25 days under certain circumstances.

Given the complex antitrust issues posed by the recent spate of stock acquisitions in the food industry, among others, it is unreasonable to expect that the enforcement agencies are not hindered in their review by the very brief time periods originally contained in the Hart-Scott-Rodino Act. The extensions proposed strike a balance between the need for thorough antitrust scrutiny of cash tender transactions and the desire not to interfere unduly with cash tender offers.

B. PARTNERSHIP LOOPHOLE

This provision would close a loophole that currently exists in the Clayton Act which allows wealthy individuals and corporations to evade the requirements of the premerger notification program merely by forming a partnership. The attempted takeover of Goodyear by Sir James Goldsmith and the attempted takeovers of Phillips Petroleum and Shamrock Oil by T. Boone Pickens were structured to take advantage of this loophole. This type of transaction continues to evade antitrust review merely by relying on an artifice that is not accountable under the FTC's current interpretation of its notification rules.

Last year, the FTC promulgated a rule which requires any person holding a controlling interest, that is, 50 percent or more, in a partnership to file premerger notification forms with the enforcement agencies as the parent entity of the partnership. This rule does not, however, require partnerships in which no partner controls at least 50 percent of the venture to

file. As a result, while FTC has narrowed the loophole somewhat by its new rule, the loophole still exists whereby wealthy individuals and corporations can create a new partnership with no partner holding 50 percent and avoid the filing requirements of the Clayton Act. For example, a partnership made up of Exxon, Mobil, and Chevron, each holding a one-third interest, could create a entity to purchase the assets of some business and the transaction would not be reportable because, under current interpretations, no person controls the partnership. Under this bill, any general partner that meets the size of person test may be required to file notification as determined by the Federal Trade Commission.

Many people, including the FTC and the business community, have realized that this loophole exists and is utilized by companies hoping to avoid reporting transactions. As a result, the FTC has recently proposed another rule and is reviewing five options for closing the loophole. If the FTC effectively closes the loophole, our proposal would not be necessary. However, if the FTC is not able to fashion a rule that closes the partnership loophole once and for all, this legislation would accomplish that goal. Large, sophisticated companies should not be able to avoid filing merely by forming a partnership. The intent of the premerger notification program was not to favor certain transactions effected by means of a partnership.

C. FILING FEES

The bill provides for filing fees for those persons making premerger notification reports. It is time to recognize that merger enforcement is in a state of crisis. One cause is easy to understand—the enforcement agencies do not have sufficient resources. Just this year, the Federal Trade Commission fired 30 employees to meet a $4.3 million shortfall and may be required to release additional employees to meet the budget reductions contained in the fiscal year 1990 budget proposal. According to Chairman Oliver, "further budget reductions would necessarily have some adverse impact on our law enforcement activities." Similarly, the proposed 1990 budget for the Justice Department includes a further reduction of five positions in the staff of the Antitrust Division.

And the trend in resources committed to merger enforcement is even more alarming. At the Federal Trade Commission, the workyears devoted to the Commission's antitrust mission fell from 759 in 1980 to 457 in 1988. In 1989, the Antitrust Division of the Department of Justice was staffed with 409 attorneys; in 1988, the Department had only 237 attorneys. This represents a decrease of nearly 60 percent in staffing for antitrust enforcement.

Over the same period of time, the number of merger filings has increased dramatically. In 1980, the agencies received 784 Hart-Scott-Rodino filings; in 1988 the number was 2,746—an increase of more than 300 percent. In addition, the size of mergers has reached incomparable proportions. The number of multibillion-dollar megamergers hit an all time high in 1988, including the three largest mergers in history. These statistics alone define the problem: The agencies have a decreasing work force to deal with an increasing workload imposed by an explosion in the number of merger filings.

The filing fees contained in this bill are designed to alleviate some of the strain placed on the agencies by the current merger craze. Filing fees are a logical way to deal with the problem of how to budget resources devoted to merger enforcement in advance without knowing with certainty the number of mergers likely to take place in a given year. In addition, filing fees are fair in that the parties to a merger—and not the general taxpaying public—bear the cost of the premerger notification program.

Filing fees are common with several other regulatory agencies that deal with specific business transactions. For example, the U.S. Patent Office collects application fees for processing patents and trademarks and for various services offered by the Patent Office, 37 CFR section 1. In 1987, the Patent Office collected over 50 percent of its total budget through application fees. Similarly, the Federal Communications Commission collects general application fees for licenses. Those fees range from $25 to $2,000 per application. Again, this income amounted to one-half of the FCC's operating budget for 1988. The Federal Energy Regulatory Commission has established filing fees for a variety of applications which require regulatory approval, including annual filings that are required by law. Fees effective May 1988 range from $100 for review of remedial orders concerning small projects to a maximum of $19,450 for pipeline certificate applications.

The Securities and Exchange Commission uses a variety of application fees for processing filings related to securities transactions and registration statements. These fees are based on a percentage of the value of the transaction. For example, an applicant must pay a fee equal to one-fiftieth of 1 percent of the "maximum aggregate price at which the securities are proposed to be offered," or a minimum fee of $100, upon filing a registration statement; 15 U.S.C. section 77f(b). Fees collected by the SEC are deposited in the U.S. Treasury and amounted to nearly 200 percent of the total budget of the SEC in 1988.

The fees contained in this bill would amend the existing requirements for Hart-Scott-Rodino premerger filings. The acquiring person would pay a fee of one-fiftieth of 1 percent of the value of the transaction, with a maximum fee of $50,000, in conjunction with filing its notification form. For those transactions in which the precise value of the transaction is not known, the Federal Trade Commission may establish rules for determining the fee to be paid. This fee system would generate approximately $20 million to be divided evenly between the FTC and the Department of Justice for use in antitrust enforcement activities.

These fees would be a nominal additional cost for most transactions and would not be unreasonable in light of the strain that premerger review places on the resources of the enforcement agencies. As an example, the recent takeover of RJR Nabisco by Kohlberg Kravis Roberts & Co. was valued at more than $25 billion. KKR alone received a $75 million fee for arranging the transaction; lawyers, brokers and bankers collected hundreds of millions more. The filing fee required under our proposal would have been a mere $50,000. In fact, according to Fortune magazine, fees paid to brokers and financial analysts in the biggest deals of 1988 were typically over 1 percent of the value of the transaction. Thus, in a typical-sized merger of $30 million, transaction costs would be about $300,000 plus attorney's fees; the proposed fee for the Hart-Scott-Rodino filing would be $6,000. Filing fees of this magnitude would be insignificant in comparison with the enormous transaction costs associated with even the most mundane merger.

D. ENFORCEMENT

This bill would permit the Federal Trade Commission to sue on its own behalf for violations of its premerger notification rules. The Federal Trade Commission is currently empowered to investigate violations of Hart-Scott-Rodino filing requirements and to establish rules necessary to carry out the purposes of the premerger notification program; 15 USC section 7A(D). This bill would allow the Commission to seek a remedy from the court once it determines that it has reason to believe that the statute or its rules were violated. This would facilitate FTC enforcement of premerger notification violations and reduce the burden on the Department of Justice in bringing these suits in behalf of the FTC.

E. CIVIL PENALTIES

This proposal would increase the penalty for violations of the premerger notification requirements of the Clayton Act. Currently, the penalty for such violations is $10,000 for each day the company is found to be in violation. Yet this does not deter

companies from thwarting the law and engaging in reportable transactions without notifying the Government. Once a company surpasses the statutory threshold for reporting stock transactions, it must suspend its purchases for 30 days to give the Government the opportunity to review the purchase. But those who speculate in stocks don't want to wait. In a typical case, the company or individual will continue to trade, often buying and selling stock at tremendous profits, knowing that the cost of getting caught is more than offset by the profits to be gained. This type of evasion is motivated by nothing but greed. The only way to deter such behavior is to increase the cost of violating the law. This bill would increase the daily penalty to $100,000, and would permit the court to order additional relief.

F. FILING THRESHOLD

Under current standards, a proposed merger must be reported to the antitrust agencies if: First, either party to the merger is engaged in commerce or an activity affecting commerce; second, one party has total assets or annual net sales of $10 million or more, and the other party has total assets or annual net sales of $100 million or more; and third, after the acquisition, the acquiring person would hold 15 percent or more of the voting securities or assets of the acquired person, or more than $15 million of the acquired person's voting securities and assets.

This bill would raise the minimum dollar amounts for the "size of person" and "size of transaction" tests originally contained in the Hart-Scott-Rodino Act. The proposal would raise the threshold for persons required to file from $10 million to $15 million, and would raise the threshold for exempt transactions from $15 million to $30 million. These thresholds have not been changed since the law was passed in 1976. These thresholds in essence exempt small companies from the premerger notification reporting requirements where it is unlikely that the transaction would raise antitrust issues.

I appreciate the cooperation of Senator THURMOND who has provided extremely useful and thoughtful suggestions. We have worked to pursue this bill in a spirit of compromise and I hope my colleagues will see fit to support this measure.

I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 995

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Antitrust Procedures Improvement Act of 1989".

CRIMINAL FINES

SEC. 2. Section 1 of the Sherman Act (15 U.S.C. 1) is amended by—

(1) striking out "one million" and inserting in lieu thereof "ten million"; and

(2) striking out "one hundred" and inserting in lieu thereof "two hundred-fifty".

HART-SCOTT-RODINO ACT AMENDMENTS

SEC. 3. (a)(1) Section 7A of the Clayton Act is amended by adding at the end thereof the following new subsection;

"(k) For purposes of this section, annual net sales and total assets of an acquiring person shall, in the case of a partnership, be based upon the annual net sales or total assets of: (1) any general partner, (2) any partner having the right to 50 per centum or more of the profits of the partnership, or (3) any partner having the right in the event of dissolution to 50 per centum or more of the assets of the partnership, provided that the partner or partners required to file notification under this subsection shall be determined by the Federal Trade Commission in accordance with subsection (d).".

(2) This subsection and the amendments made by this subsection shall become effective 120 days after the date of enactment of this section.

(b)(1) Section 7A(a) of the Clayton Act is amended—

(A) in paragraph (2), by striking out "$10,000,000" each place it appears in subparagraphs (A), (B), and (C) and inserting in lieu thereof "$15,000,000".

(B) in paragraph (3)(B), by striking out "$15,000,000" and inserting in lieu thereof "$30,000,000".

(2) Section 7A(b)(1)(B) of the Clayton Act is amended—

(A) by substituting "twentieth" for "fifteenth"; and

(B) by striking out "or (g)(2)" and inserting in lieu thereof the following ", (g)(2), or (g)(3)".

(3) Section 7A(e) of the Clayton Act is amended—

(A) by substituting "20-day" for "15-day" each place it appears;

(B) in paragraph (2) by striking out "(or in the case of a cash tender offer, 10 days)"; and

(C) by striking out "only" from the last sentence of paragraph (2) and inserting at the end thereof the following: "or (g)(3)".

(4) Section 7A(g) of the Clayton Act is amended—

(A) in paragraph (1), by striking out "$10,000" and inserting "$100,000" in lieu thereof; by striking the period at the end of the first sentence and inserting: ", in addition to such equitable relief as the court finds appropriate."; and by inserting the following at the end thereof: "or the Federal Trade Commission."; and

(B) by adding the following at the end thereof: "(3) The court may extend the additional period for up to 25 days if, due to the complexity or scope of the information or documentary material to be evaluated, the Federal Trade Commission or the Assistant Attorney General reasonably requires such additional time to determine whether the proposed acquisition may, if consummated, violate the antitrust laws."

(5) This subsection and the amendments made by this subsection shall become effective 120 days after the date of enactment of this section.

FILING FEE

SEC. 4. The Clayton Act is amended by inserting between section 7A and section 8, the following:

"FILING FEE

SEC. 7B. (a)(1) Notwithstanding the provisions of section 7A, no notification shall be considered filed until the acquiring person filing such notice pays the filing fee required by this section.

"(2) The fee required by paragraph (1) shall be equal to one-fiftieth of 1 percent of the value of the transaction involved in such merger, provided that the Federal Trade Commission may establish rules pursuant to subsection (d) for transactions in which the precise value is not known, but in no event shall the fee exceed $50,000.

"(b) All fees collected pursuant to the provisions of this section shall be evenly divided between the Department of Justice and the Federal Trade Commission and shall be allocated to such agencies for the enforcement of the antitrust laws.".

Mr. THURMOND. Mr. President, I am happy to rise today as a cosponsor of the Antitrust Procedures Improvement Act of 1989. This legislation incorporates amendments, which the Senate passed unanimously in the last Congress, to the Hart-Scott-Rodino Pre-merger Notification Act. It also includes, for the first time, proposals to increase the criminal fines for violations of the Sherman Act, and the imposition of a filing fee in connection with Hart-Scott premerger notification.

The amendments to the Hart-Scott-Rodino Pre-merger Notification Act include closing the "partnership loophole" which has allowed many partnership transactions to escape premerger reporting. Under this legislation, these transactions would have to be reported if any general partner or any partner with a 50-percent or more interest in the partnership meets the "size of person" requirement.

In addition, this bill would also increase the size of person and size of transaction tests which govern whether an entity is required to file a premerger notification. These changes have been proposed to keep pace with inflation and other economic developments which have occurred since the notification requirements were originally enacted. Such changes should reduce the number of required filings and should ease the reviewing burden for both the Federal Trade Commission and the Department of Justice. At the same time, because the significance of a transaction is tied to the size of the parties and the size of the transaction, it is unlikely that these changes will exempt competitively significant mergers from premerger filing and subsequent agency review.

As was the case with the Hart-Scott amendments last Congress, this bill also includes provisions which extend the waiting period for cash tender offers from a total of 25 days—an original 15 and subsequent 10—to a

total of 40 days—an original 20 and an additional 20. These changes allow the reviewing agency a greater time frame within which to screen the merger, but at the same time are consistent with requirements under the Williams Act. Finally, under certain circumstances, the reviewing agency can seek an additional extension of 25 days by application to the court.

As to those provisions which are new to this bill, one involves raising the Sherman Act criminal fines from $1,000,000 to $10,000,000 for corporations, and from $100,000 to $250,000 for individuals. The second would require a filing fee in connection with Hart-Scott premerger notifications. This fee is patterned after similar fees required by the SEC, and would be set at one-fiftieth of 1 percent of the value of the transaction, but in no event more than $50,000. The revenues from these fees would be divided evenly between the FTC and the Department of Justice for antitrust enforcement. In that way, any budget deficits experienced by these agencies could be offset by these revenues.

Mr. President, I believe the proposals contained in this bill are sound, and they deserve our careful consideration, study and support.

By Mr. METZENBAUM:

S. 996. A bill to amend the Clayton Act regarding damages for the United States; to the Committee on the Judiciary.

GOVERNMENT REMEDIES IMPROVEMENT ACT

Mr. METZENBAUM. Mr. President, today I am introducing legislation to provide for treble damages for the United States for violations of the antitrust laws. The proposal amends the Clayton Act to permit the Government to recover treble damages in civil suits arising out of the antitrust laws. Several recent grand jury investigations into price fixing and bid rigging have actually involved procurement fraud against the Government. This shows that fraud against the Government is not just an academic issue—the United States can be victimized by price-fixing and bid-rigging schemes. The penalty for defrauding the Government should be no less than the penalty for committing antitrust crimes against citizens.

I hope my colleagues will see fit to support this measure. I ask unanimous consent that a copy of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 996

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Government Remedies Improvement Act of 1989."

TREBLE DAMAGES FOR THE UNITED STATES

SEC. 2. Section 4A of the Clayton Act (15 U.S.C. 15a), is amended by striking out "actual" and inserting in lieu thereof "threefold the".

By Mr. MITCHELL (for himself and Mr. DASCHLE):

S. 997. A bill to amend title XVIII of the Social Security Act to provide for eligibility for home health services on the basis of a need for occupational therapy; to the Committee on Finance.

OCCUPATIONAL THERAPY HOME HEALTH BENEFITS

Mr. MITCHELL. Mr. President, today I am introducing legislation to expand the Medicare Home Health benefit to include occupational therapy as the fourth skilled service which will qualify beneficiaries for home care.

Under current law, occupational therapy services are available only after a Medicare beneficiary has otherwise qualified for home health care. Occupational therapy services may continue to be provided to a beneficiary after his or her need for qualifying services has ended.

Occupational therapy is medically prescribed treatment concerned with restoring functions impaired by illness or injury so that the individual can regain his or her ability to function independently. Like physical or speech therapy, occupational therapy is a skilled health service which assists patients in making the transition between an institution and self-care in the home.

Occupational therapy is an important part of the home health care provided to many Medicare beneficiaries. It is especially necessary for persons who are victims of strokes, heart attacks, diabetes, multiple sclerosis, or spinal cord injury, who are disabled by severe arthritis, or who have suffered physical injury as a result of a fall or some other accident.

Occupational therapy focuses on increasing the patient's functional level. The application of this service often plays a critical role in ensuring the patient's full recovery, the prevention of further disability, and a successful readjustment to the home and community environment.

The occupational therapist establishes a treatment program designed to increase the patient's level of physical function. The therapist also teaches the patient, and those family members or others who will care for the patient, compensatory techniques which permit the patient to function more independently with feeding, dressing, and personal hygiene.

This legislation was originally part of a bill introduced during the 100th Congress by Senator BRADLEY and myself. Because we did not have a cost estimate on this provision until recently, the occupational therapy provision was not included in the Omnibus Budget Reconciliation Act of 1987 or the Catastrophic Health bill, like most other provisions contained in the original Bradley/Mitchell bill.

The Congressional Budget Office is now completing its cost estimate on this legislation.

I believe that adding occupational therapy as a qualifying home health service is a reasonable and needed improvement which will strengthen the home health benefit under Medicare. I urge my colleagues to join me in support this legislation, and I ask unanimous consent that a copy of this legislation be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 997

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. ELIGIBILITY FOR HOME HEALTH SERVICES ON THE BASIS OF A NEED FOR OCCUPATIONAL THERAPY.

(a) PART A.—Section 1814(a)(2)(C) (42 U.S.C. 1395(a)(2)(C)) is amended by striking "or speech therapy" and all that follows through "therapy;" and inserting in lieu thereof ", occupational, or speech therapy;".

(b) PART B.—Section 1835(a)(2)(A) (42 U.S.C. 1395n(a)(2)(A)) is amended by striking "or speech therapy" and all that follows through "therapy, (ii)" and inserting in lieu thereof ", occupational, or speech therapy, (ii)".

(c) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall apply to items and services provided on or after October 1, 1989.

By Mr. PRYOR (for himself, Mr. HEFLIN, Mr. BOREN, Mr. FOWLER, Mr. CONRAD, Mr. DASCHLE, and Mr. FORD):

S. 998. A bill to improve rural medical data and information transmission, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

HEALTH LINK IMPROVEMENTS ACT

● Mr. PRYOR. Mr. President, I joined Senator HARKIN in submitting a concurrent resolution, cosponsored by 15 Senators, that called for the elimination of the inequitable urban/rural Medicare hospital reimbursement differential. Today, I am pleased to introduce the Health Link Improvements Act of 1989, a bill that will provide needed assistance to many of the very rural health care facilities who have been victimized by unfair Federal reimbursement policy.

The primary goal of Health Link is to propel rural health care into the modern area. The bill establishes the Rural Electrification Administration [REA] as the agency responsible for managing funds to provide increased communications between rural and urban health care facilities. The REA would be charged with administering

the construction of data transmission lines, the accompanying computer technology, as well as the support personnel linking less densely populated areas to those that currently have access to quality medical services.

Under this legislation, the REA will allocate funding to establish mobile care clinics, patient transportation services and improved educational opportunities for senior citizens, handicapped, disabled, and other needy people in underserved regions. This will result in more efficient delivery of care and, as a result, may well help prevent hospital closures.

As the rest of the Nation has moved ahead in technology, it has become harder and harder for rural areas to keep pace. Because rural areas are often seen as a high-risk investment, the private sector has been reluctant to invest time, energy and money into these regions. As a result, rural health care facilities have had a difficult time delivering the types of services needed by their community and necessary to keep their facilities financially viable. This, combined with inadequate and inequitable Federal rural health reimbursement policies, has significantly weakened the rural health care delivery system.

Mr. President, almost one-fourth of the United States' population is located in nonmetropolitan areas. Yet, for no other reason than the location of their homes, this 25 percent of our population has been forced to live with economic and Federal policy changes that threaten access to needed health care services. I believe that Health Link has great potential to serve as a crucial foundation for the revitalization of health care in rural America.

It is time that investment into rural development be given top priority. Rural communities and their residents should no longer remain an untapped source. Health Link addresses many of the challenges facing rural health care providers and will pay large dividends in terms of improved access to quality health care and, as a result, lives saved.

Mr. President, this is a modest but important piece of legislation. It sends the message to rural America that we care about their health and well-being, and I urge all of my colleagues to join me in support of it.●

By Mr. HOLLINGS (for himself, Mr. DANFORTH, Mr. INOUYE, and Mr. BRYAN):

S. 999. A bill to amend the Communications Act of 1934 regarding the broadcasting of certain material regarding candidates for Federal elective office, and for other purposes; to the Committee on Commerce, Science, and Transportation.

CLEAN CAMPAIGN ACT

● Mr. HOLLINGS. Mr. President, I am introducing today, along with Senator DANFORTH, Senator INOUYE, and Senator BRYAN, legislation that furthers the intent and improves the effectiveness of the political broadcasting laws. The Clean Campaign Act of 1989 seeks to ensure greater balance and accountability in political campaigns. This legislation is identical to the one I introduced 4 years ago. A hearing was held on that bill, but we believed it required further study before moving forward. I believe that in light of the problems that have arisen in recent political campaigns, this legislation is now ripe for action.

The Clean Campaign Act addresses two specific problems that arise in the use of broadcast stations for political campaigns. The first problem involves the use of broadcast time to attack opponents. While such attacks are not new, with the advent of sophisticated uses of electronic media, such attacks are becoming more and more insidious and are contributing less and less to the debate about candidates' qualifications for office. We have all seen and heard on the broadcast media just about every form of animal and every type of hired performer make incorrect or misleading remarks about a candidate's opponent. What's more, the very nature of the broadcast media makes these attacks difficult, if not impossible, to rebut, especially if they occur late in a campaign. Everyone who has run for office knows that rebuttals take plenty of time and are very expensive.

I know full well that we cannot limit—nor would we want to limit—a candidate's discussion of an opponent's character, record, and other qualifications to hold office. This is a fundamental part of political campaigns. On the other hand, the objective of this activity is to inform the voter so an educated choice can be made. The voter deserves that such a discussion be clear and direct. It should not occur through surrogates who have no real responsibility. It is for these reasons that I am only proposing that if a candidate wants to discuss an opponent in a broadcast advertisement, he do so in person. In this way, candidates can discuss whatever they wish about their opponents, while being more responsible for what they say.

The second problem involves the use of PAC money to air advertisements on broadcast stations. We all have seen how PAC's can seriously damage the balance in a campaign through the expenditure of enormous amounts of money. In effect, a candidate budgets to fight one well-financed opponent but then ends up fighting many.

While the existing political broadcasting laws give a candidate equal opportunities vis-a-vis an opposing candidate, the laws offer far fewer protections when it comes to PAC's—and even these protections will evaporate if the Federal Communications Commission has its way. The current requirements of lowest unit advertising rate or free response time or just the ability to respond promptly do not apply with PAC's. In addition, when a candidate responds to a PAC, he then triggers the equal opportunities provision of the law. In the end, he finds he keeps making one statement for two or more on the other side. How can he hope to compete fairly? To cure this problem, my legislation again takes a straightforward approach, which in no way limits the ability of PAC's to advertise: If a broadcaster airs PAC advertisements, the broadcaster must then give the candidate who is opposed or otherwise not supported free response time within a reasonable period.

In conclusion, the approach taken in this legislation is reasonable and infringes on no person's free speech rights. It will improve the accountability of candidates and the balance in campaigns. In the end, the public will benefit by having the best information possible on which to make an intelligent choice.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 999

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Clean Campaign Act of 1989".

SEC. 2. (a) Section 315 of the Communications Act of 1934 (47 U.S.C. 315) is amended—

(1) by redesignating subsections (b), (c), and (d) as subsections (d), (e), and (f), respectively; and

(2) by inserting immediately after subsection (a) the following new subsections:

"(b)(1) If any legally qualified candidate for any Federal elective office (or an authorized committee of any such candidate) who utilizes rights of access and conditions of access under the provision of this Act uses a broadcasting station to refer, directly or indirectly, to another legally qualified candidate for that office, such reference shall be made in person by such legally qualified candidate.

"(2) If any licensee permits a broadcasting station to be used in a manner not in accordance with the requirements of paragraph (1) of this subsection, such licensee shall provide, within a reasonable period of time, to the candidate to whom reference was made the opportunity to use, without charge, the same amount of time on such broadcasting station, during the same period of the day, as was used by the legally qualified candidate (or by an authorized committee of such legally qualified candidate).

"(c)(1) If any licensee permits a person to use a broadcasting station to broadcast ma-

terial which either endorses a legally qualified candidate for any Federal elective office or opposes a legally qualified candidate for that office, such licensee shall, within a reasonable period of time, provide to any legally qualified candidate opposing the candidate endorsed (or to an authorized committee of such legally qualified candidate), or to any legally qualified candidate who was so opposed (or to an authorized committee of such legally qualified candidate), the opportunity to use, without charge, the same amount of time on such broadcasting station, during the same period of the day, as was used by such person.

"(2) For purposes of this subsection, the term 'person' includes an individual, partnership, committee, association, corporation, or any other organization or group of persons, but such term does not include a legally qualified candidate for any Federal elective office or an authorized committee of any such candidate.".

(b) Section 315(a) of the Communications Act of 1934 (47 U.S.C. 315(a)) is amended by striking "section" and inserting in lieu thereof "subsection".

(c) Section 315(e) of the Communications Act of 1934, as so redesignated by subsection (a) of this section, is amended—

(1) by redesignating paragraphs (1) and (2) as paragraphs (2) and (3), respectively; and

(2) by inserting immediately after "section—" the following new paragraph:

"(1) the term 'authorized committee' means, with respect to any candidate for nomination for election, or election, to any Federal elective office, any committee, club, association, or other group of persons which receives contributions or makes expenditures during a calendar year in an aggregate amount exceeding $1,000 and which is authorized by such candidate to accept contributions or make expenditures on behalf of such candidate to further the nomination or election of such candidate;".

SEC. 3. If any provision of this Act or the application of it to any person or circumstance is held invalid, the remainder of this Act and the application of the provision to any other person or circumstance shall not be affected by such invalidation.●

● Mr. DANFORTH. Mr. President, today I join my colleague Senator HOLLINGS in introducing the Clean Campaign Act of 1989. This bill does two things to restore balance and accountability in political campaign advertising.

First, the bill requires Federal candidates who refer to their opponents in broadcast ads to make those references in person. If an ad is broadcast in which a candidate refers to his opponent, but does not do so in person, his opponent receives free response time. This provision doesn't prevent negative advertising, but it is designed to increase accountability. If a candidate wishes to sling mud at his opponent, the public should be able to see the candidate's dirty hands.

Second, this legislation addresses independent political ads placed by political action committees or other third parties. The bill provides that if a third party runs an ad opposing a Federal candidate, then that candidate will get free response time. If a third party airs an ad endorsing a Federal candidate, then the opponents of that candidate get free response time. This bill does not eliminate or restrict ads by third parties. But it does attempt to restore balance into a campaign in which independent ads are aired. This provision will give candidates some ability to respond to messages that otherwise might be unanswerable.

The goal of this legislation, Mr. President, is to address perhaps the most troubling aspect of current American politics—the increasing negativism of political campaigns. We have always had negative campaigns. But the use of the electronic media, and the development of the independent political ad have exacerbated the problem. This bill does not make it illegal to run a negative campaign. But it does allow the public to hold accountable the candidate who runs such a campaign.

Mr. President, this bill, which amends the Communications Act of 1934, is the same bill that I introduced with Senator HOLLINGS in 1985. We held a hearing on that bill 4 years ago, but did not move the bill forward. Considering the increasingly negative tone of recent campaigns, I think the time is right to move this legislation. After all, Mr. President, what is more important than improving our political process?●

By Mr. McCLURE (for himself, Mr. CONRAD, Mr. DASCHLE, and Mr. GORTON):

S. 1000. A bill to amend the Agricultural Act of 1949 to require the Secretary of Agriculture to exclude the malting barley price from the national weighted market price for barley in determining the payment rate used to calculate deficiency payments for the 1989 and 1990 crops of barley, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

DEFICIENCY PAYMENTS FOR 1989 AND 1990 CROPS OF BARLEY

● Mr. McCLURE. Mr. President, I rise today to introduce a bill which will provide some equity to the barley producers of this Nation.

In the feed grain provision of the 1985 farm bill, the target price for feed grains, sorghum, barley, and oats were to be set at a comparative level to the target price of corn in a manner that yields a value that is reasonable and fair. The USDA decided to set target prices between the feed grains based on their comparative feed energy value to corn. In short, the barley target price was based on its relative feed value to corn with no consideration given to the barley that is malted for human consumption and sells at a premium price.

However, when USDA calculates the barley deficiency payment, they include both the feed barley price and the malt barley price. In order to be reasonable and fair, it is important that the malt barley price be dropped from the barley deficiency payment calculation because malt barley is not included when calculating the target price. If target prices are based on relative feed value, then it only makes sense that the deficiency payment calculation should be based on feed prices.

In December 1988, the USDA announced that the 5-month national average price of barley—June through October—was $2.83 per bushel, well above the target price. USDA then announced that barley growers would have to repay all of the 30-cent advanced deficiency payment given them in the spring of 1988. This places barley growers at a distinct disadvantage—one not faced by corn growers because they are the base by which all other feed grains are set. Barley growers feel that it is unfair to include malting barley in the calculation of the target price because the target price was originally based on barley's relative feed value in relation to corn. Because, malting barley is not a feed, it should not be included when determining the barley deficiency payment.

Only about 30 percent of the barley produced in the United States is used in the malt industry. Almost 70 percent of the barley produced is marketed as feed barley. The USDA is actually punishing the majority of the barley producers by including the malt barley price in the deficiency payment calculation.

In an ideal world there should be a separate farm program for feed barley and malt barley. In reality, separating the two classes of barley would be difficult and costly to administer. The fact is, all barley is feed until someone buys it for malt. There is no method of stopping rejected malt barley production from entering the feed barley channels. Trying to administer a program which dropped or separated feed barley from malt barley would be a nightmare to administer and would also be very costly. That is why it makes better sense to simply drop the malt barley price from the barley deficiency payment calculation, especially when it is not considered in setting the target price in the first place.

Some suggest that the barley growers will be making more money if the malting barley price is deleted from the calculation. In fact, malting barley varieties are generally lower yielding and need a higher degree of management thus is more costly to grow. In addition, malt barley growers face a higher risk than a feed barley grower. Thus it is doubtful that, in the long run, barley growers will be making more money if this change is made. The majority of those producers raising malt barley varieties sell their barley as feed. Since only about 30

percent of the barley produced in the United States is used in the malt industry the USDA is penalizing 70 percent of the growers by including malt barley prices in the barley deficiency payment. The truth is that the majority of them will never see a malt barley premium.

Barley growers are being treated unfairly. The current formula used is inconsistent and unfair. Malt barley is not being included during the target price determination. Therefore, it should not be included when the USDA calculates the barley deficiency payments. If the value of malt barley and the total value of feed barley were included in the target price formula, the barley target price would be above or equal to corn. If the target price were higher, barley growers would not have to repay the advanced deficiency payment. Barley growers want only to be treated as they should be under the farm bill, with fairness in relation to all other feed grains. This bill will provide fairness. I hope that my colleagues will join me in passing this measure this year.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1000

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DEFICIENCY PAYMENTS FOR 1989 AND 1990 CROPS OF BARLEY.

Effective only for each of the 1989 and 1990 crops of barley, section 105C(c)(1)(F) of the Agricultural Act of 1949 (7 U.S.C. 1444e(c)(1)(F)) is amended by adding at the end thereof the following new sentence: "The payment rate for each of the 1989 and 1990 crops of barley shall be based on the national weighted average price received by producers during the first 5 months of the marketing year for barley (other than malting barley), as determined by the Secretary.".●

By Mr. GORE:

S. 1001. A bill to establish policies and procedures necessary to develop, as a domestically based industry in the United States, a high definition television enterprise in the United States, together with ancillary products and services; to the Committee on Commerce, Science, and Transportation.

DEVELOPMENT OF U.S. HIGH DEFINITION TELEVISION INDUSTRY

Mr. GORE. Mr. President, by every estimate, HDTV stands to be the next wave in consumer electronics. Even this understates its more fundamental importance. HDTV is itself a potentially huge market for another product; semiconductors. Well before the market for HDTV is fully developed, HDTV production will consume more semiconductors than the U.S. personal computer industry. Indeed, because HDTV's essentially are computers, it is likely that both product lines will begin to fuse.

If the United States does not secure a large portion of the HDTV market, it will forgo the opportunity to produce electronic components in numbers high enough to provide economies of scale. Without economies of scale, neither price nor qualitative competition is possible in the electronics industry. Therefore, failure to seize this chance to reenter consumer electronics means that in due course the United States will lose what is left of the semiconductor industry. Thereafter, the chances increase that we will also lose leadership in the computer industry, much of which is already highly dependent on components imported from foreign competitors.

We have only one purely U.S. firm still manufacturing television sets. To speak of capturing a significant share of the market in HDTV's is, therefore, to speak of reconstituting an industry. Left to market forces, that is impossible. The investment costs are too high, the risks too great, and the U.S. manufacturing base too thinned out. But with the Federal Government as prime mover, operating in league with American industry, it might be done.

It is apparent to this Senator that the United States cannot allow HDTV to slip by; that while private industry is key, the Federal Government has to provide at least an initial impulse; but that it is not certain government will step up to this challenge unless encouraged by Congress.

At any rate, in order to encourage this process, I have today submitted a bill designed to assure that the U.S. Government does at least think through in detail what would be needed if an HDTV industry is to be established in the United States. This bill does not seek to move large amounts of money around. It does not attempt to define policy. It merely directs that by a date certain, both the President and Congress shall have received a detailed breakdown of everything which must be done.

Recently, the American Electronics Association released its concept of such a plan. Now, we need an equally detailed response from the Federal Government. Whether we subsequently carry out any such grand plan then becomes a matter of political choice. But first we must have some idea of how to proceed, in what stages, with what kinds of support from the Government, with what division of tasks within the Government, and with what levels of cooperation in industry.

I hope that the bill I have introduced will induce the U.S. Government to take the first and most necessary step: to evaluate our situation, and to formulate a strategy.

Mr. President, I ask unanimous consent that the text of the bill and a summary of its provisions be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1001

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. (a) On or before the expiration of the 90-day period following the date of the enactment into law of this, the Secretary of Commerce shall submit to the President of the United States and the Congress a report concerning the establishment, as a domestically based industry within the United States, of a high definition television enterprise or enterprises, together with ancillary products and services.

(b) The report required under subsection (a) shall identify the requirements for establishing in the United States of a viable industry for the production of high definition television, the components of such television, production and transmission equipment relating to television programming, and the development and manufacture of derivative and hybrid products relating to the computer and telecommunications industries.

(c) The report required under subsection (a) shall—

(1) be comprehensive, including not only issues such as the encouragement of technologies, but issues pertaining to licensing, regulations, international standards, international trade, and specialized financing problems; and

(2) separately detail the recommendations of the Secretary of Commerce for the value of the Federal Government in the development of such enterprise, including missions for individual elements of the executive branch, timelines and methods for attaining full coordination, requirements for legislative action necessary to the development of such enterprise, and anticipated funding needs.

(d) For purposes of this Act, an enterprise shall mean—

(1) an entity—

(A) formed in the United States;

(B) operating its productive facilities in the United States; and

(C) owned in its entirety by citizens of the United States; or

(2) a foreign owned entity if such entity—

(A) establishes and operates research facilities in the United States for the purpose of developing and producing high definition television in the United States;

(B) all personnel of such entity engaged in such research in connection with high definition television in the United States are citizens of the United States;

(C) the research product of such entity is available for licensing without bias to any public and private entity or agency within the United States, and on an equal footing with any foreign entity or agency;

(D) establishes and operates production facilities in the United States for the purpose of manufacturing finished components, components and subcomponents relating to high definition television, and its ancillary equipment and its spinoff products; and

(E) all personnel of such entity engaged in the establishment and operation of such production facility are citizens of the United States.

SEC. 2. There is authorized to be appropriated such sum as may be necessary to carry out this Act.

SUMMARY OF BILL

The legislation gives the Secretary of Commerce 90-days from its enactment to submit to Congress and the President a detailed report on the establishment of a HDTV industry. That report would:

Identify the requirements of such an industry, the components of such television, production, and transmission equipment related to HDTV programming, and the development and manufacture of products also related to the computer and telecommunications industries;

Include not only issues covering technological incentives, but also issues related to licensing, regulations, international standards, international trade, and specialized financing problems; and

Separately detail the recommendations of the Secretary of Commerce on the value of federal action, including the responsibilities of different Administrative agencies, timelines and plans for coordination, requirements for legislative action and, for funding.

"There's only one U.S. company still manufacturing television sets. When we talk about capturing a significant share of the HDTV market, we're talking about rebuilding an industry. Left to market forces, that would be impossible. The investment costs are too high, the risks are too great, and the U.S. manufacturing base too thin. But if industry and government work together, it can be done."

"Our first major step must be a detailed analysis of how to promote a U.S. HDTV industry. We must have some idea of how to proceed, in what stages, with what kinds of support from the government, with what division of tasks within the government and, with what levels of cooperation with industry."

By Mr. DURENBERGER (for himself, Mr. LUGAR, and Mr. COATS):

S. 1002. A bill to amend the Solid Waste Disposal Act; to the Committee on Environment and Public Works.

SOLID WASTE DISPOSAL ACT AMENDMENTS

● Mr. DURENBERGER. Mr. President, I am today introducing legislation to amend the Resource Conservation and Recovery Act [RCRA] with respect to the cleanup of hazardous wastes at steel and aluminum manufacturing facilities across the country. This legislation has been developed in consultation with representatives of the steel industry. I am pleased that Senator LUGAR and Senator COATS have agreed to join me on this bill.

In 1984, the Congress amended RCRA adding two new requirements for the cleanup of facilities releasing hazardous waste into the environment. One provision mandated the cleanup of all existing units at any facility before any new unit could receive a permit for waste treatment or disposal. The other provision gave EPA the authority to order cleanup at units which are known to be releasing wastes. EPA has been working diligently over the past 4 years to develop regulations that will implement these two legislative mandates. It is expected that the so-called corrective action regulations may soon be promulgated, and when they are, many industrial facilities which have disposed of waste onsite will be facing a big cleanup job.

This task will be especially difficult for the steel industry where many plants have been operating—and disposing of waste—on the same site for decades. Some of the larger steel producing facilities may have dozens of separate units on a single piece of property. The way RCRA works, each of those units must be cleaned up to the boundary of the unit, before any new waste management operation at the site can receive a permit.

Some companies in the industry commissioned a study of the potential cost of this cleanup task. The study, which was based on a thorough analysis of waste disposal practices for a hypothetical integrated steel making plant located in a river valley and disposing of waste onsite since the early part of this century, estimates the average costs of cleanup under RCRA as currently written at $40 million per facility—$34 million of that expense is capital costs. Most of those costs are for ground water cleanup, an extraordinarily expensive undertaking. It goes without saying that the American steel industry would find it very difficult to finance that kind of cleanup expense given the economic circumstances which it faces.

Environmental managers for some of the companies looking at these costs asked if there might be a more rational way to approach the problem—to provide adequate environmental safeguards, but take into account the nature of the industry and the way it has developed. And they have recommended an approach which is somewhat different than current law. Their recommendation is that we move the point of compliance for environmental standards from the boundary of each individual solid waste management unit to the property boundary for the whole facility. Let me say again that most large plants will contain many existing units. And RCRA requires that they all be cleaned up right to the edge of the unit, even if that means cleanup in the middle of a large operating steel plant.

The alternative is compliance at the boundary of the entire facility. This alternative would reduce average cleanup costs to approximately $8 million but would continue to afford protection for health and environmental resources anywhere outside the plant's fenceline. To assure that no contaminants crossed the boundary at levels that would be hazardous, each facility would have to conduct ground water monitoring within the plant area and at a distance from the boundary sufficient to assure that cleanup measures could be implemented before any contaminated plume of ground water affected environmental quality outside the plant. The monitoring would continue so long as the plant was in operation. When operations ceased, plant owners would be required to provide financial assurances sufficient to operate the monitoring equipment and any remedies in effect for a period of 30 years. The assurances would also include a contingency for any corrective action that might become necessary after plant closure.

Mr. President, I would ask that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1002

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 3004(u) of the Solid Waste Disposal Act is amended by inserting "(1)" after "(u)" and by adding at the end thereof the following new paragraph:

"(2) For the purposes of this subsection and section 3008(h), corrective action with respect to ground water at any existing solid waste management unit at any facility that is in Standard Industrial Classification Code 331 and 3334 shall be construed to mean—

"(A) the selection and implementation of corrective measures that assure that ground water protection standards are met at the facility property boundary during the period such facility remains in operation and the additional period provided under subparagraph (C);

"(B) the implementation of ground water monitoring at the facility property boundary and at appropriate points within the facility taking into account the nature of the solid waste management units, any releases, and the hydrogeologic setting, so that, to the extent practicable and necessary to ensure that ground water protection standards are met at the facility property boundary, corrective measures can be taken in advance of hazardous constituents reaching the facility property boundary; and

"(C) the inclusion in the schedule of compliance contained in a permit or order of a requirement that upon cessation of industrial operations at the facility in which the solid waste management units are located, if all hazardous waste and hazardous constituents in concentrations in excess of media protection standards are not removed from such facility, the owner or operator of such facility shall establish a fund or provide other assurance of financial responsibility in accordance with subsection (t) in an amount adequate to assure monitoring and the operation and maintenance of corrective measures under this paragraph for a period of thirty years after such cessation of operations, including a reasonable contingency for additional corrective measures that may prove necessary during such period. For the purpose of this subparagraph, the sale or other transfer of the facility to another entity that intends to continue industrial operations at such facility and accepts the obligation to continue corrective measures under this paragraph shall not constitute a cessation of operations.".●

By Mr. CRANSTON (by request):

S. 1003. A bill to amend title 10 and title 38, United States Code, to make certain improvements in the educational assistance programs for veterans and eligible persons, and for other purposes; to the Committee on Veterans' Affairs.

VETERANS' EDUCATIONAL ASSISTANCE IMPROVEMENT ACT

Mr. CRANSTON. Mr. President, as chairman of the Veterans' Affairs Committee, I have today introduced, by request, S. 1003, the proposed Veterans' Educational Assistance Improvements Act of 1989. The Secretary of Veterans' Affairs submitted this legislation by letter dated May 10, 1989, to the President of the Senate.

My introduction of this measure is in keeping with the policy which I have adopted of generally introducing—so that there will be specific bills to which my colleagues and others may direct their attention and comments—all administration-proposed draft legislation referred to the Veterans' Affairs Committee. Thus, I reserve the right to support or oppose the provisions of, as well as any amendment to, this legislation.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD at this point, together with the May 10, 1989, transmittal letter and enclosed section-by-section analysis of the proposed bill.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1003

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; REFERENCES TO TITLE 38, UNITED STATES CODE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Veterans' Educational Assistance Improvements Act of 1989."

(b) REFERENCES TO TITLE 38.—Except as otherwise specifically provided, whenever in the Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of title 38, United States Code.

(c) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

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Sec. 204. Technical and Clerical Amendments.

TITLE I—EDUCATIONAL ASSISTANCE AND VOCATIONAL REHABILITATION PROGRAM IMPROVEMENTS

SEC. 101. VOCATIONAL TRAINING FOR CERTAIN PENSION RECIPIENTS.

(a) Elimination of Mandatory Evaluation Requirement.—

(1) section 524(a) is amended—

(A) by striking out paragraphs (a) (1) and (4) and redesignating paragraphs (2) and (3) as paragraphs (a) (1) and (2), respectively;

(B) in paragraph (a)(1) (as so redesignated) by striking out "subject to paragraph (3)" and all that follows through "applies" and inserting in lieu thereof "subject to paragraph (2) of this subsection, if a veteran who is awarded pension on or before January 31, 1992, applies"; and

(2) Section 524(b)(4) is amended by striking out "following" and all that follows through the period and inserting in lieu thereof "following the award of pension to the veteran as described in subsection (a)(1) of this section."

(b) Trial Work Period—Section 524 is amended—

(1) by redesignating subsections (c) and (d) as subsections (d) and (e), respectively; and

(2) by inserting after subsection (b) the following new subsection:

"(c) The pension being paid to a veteran who, while participating in a vocational training program under subsection (b) of this section, secures employment in the objective of the veteran's individualized written rehabilitation plan, or in a related field which requires reasonably developed skills and use of some or all of the training or services furnished the veteran under such plan, shall not be terminated by reason of either the veteran's capacity to engage in such employment or the income received from such employment (but only if veteran's annual income from the other sources would, taken alone, not result in the termination of the veteran's pension) unless the veteran maintains that employment for 12 consectutive months.".

SEC. 102. ACCEPTING ALTERNATE SECONDARY SCHOOL CREDENTIALS FOR MONTGOMERY GI BILL ELIGIBILITY.

(1) Section 1411(a)(2) is amended by striking out "(or an equivalency certificate)" and inserting in lieu thereof "(or the equivalent as determined by the Secretary concerned, pursuant to regulations prescribed by the Secretary)".

(2) Section 1412(a)(2) is amended by striking out "(or an equivalency certificate)" and inserting in lieu thereof "(or the equivalent as determined by the Secretary concerned, pursuant to regulations prescribed by the Secretary)".

(3) Section 2132(a)(2) of title 10, United States Code, is amended by striking out "(or an equivalency certificate)" and inserting in lieu thereof "(or the equivalent as determined by the Secretary concerned, pursuant to regulations prescribed by the Secretary)".

SEC. 103. ESTABLISHMENT OF DATE BY WHICH CERTAIN INDIVIDUALS MUST ELECT NOT TO PARTICIPATE IN THE MONTGOMERY GI BILL.

(a) Section 1411(c)(1) is amended by striking out "at the time" and inserting in lieu thereof "within 14 days after the date".

(b) Section 1412(d)(1) is amended by striking out "at the time" and inserting in lieu thereof "within 14 days after the date".

SEC. 104. PROVISION FOR PERMANENT PROGRAM OF INDEPENDENT LIVING SERVICES AND ASSISTANCE.

Section 1520 is amended—

(1) by striking out subsection (b);

(2) in subsection (a)—

(A) in paragraph (1)—

(i) by striking out "(1) During fiscal years 1982 through 1989, the" and inserting in lieu thereof "The";

(ii) by striking out "paragraph (7) of this subsection" and inserting in lieu thereof "subsection (f) of this section"; and

(iii) by striking out "paragraph (2) of this subsection" and inserting in lieu thereof "subsection (b) of this section";

(B) in paragraph (2), by striking out "and who is selected" and all that follows through "subsection";

(C) in paragraph (3), by striking out "paragraph (2) of this subsection" and inserting in lieu thereof "subsection (b) of this section";

(D) in paragraph (6) by striking out "of the fiscal years 1982 through 1989" and inserting in lieu thereof "fiscal year";

(E) in paragraph (7) by striking out "paragraph" and inserting in lieu thereof "subsection"; and

(F) by striking out paragraph (5) and redesignating paragraphs (2), (3), (4), (6) and (7) as subsections (b), (c), (d), (e) and (f), respectively.

SEC. 105. DELETION OF PROVISIONS FOR ADVANCED PAYMENT OF THE WORK-STUDY ALLOWANCE.

Section 1685(a) is amended by striking out the last sentence thereof.

SEC. 106. PROVISION FOR WORK-STUDY BENEFITS FOR SERVICE-DISABLED VETERANS.

(a) IN GENERAL.—Section 1685(b) is amended—

(1) in the first sentence by striking out "are pursuing" and all that follows through the period and inserting in lieu thereof "(1) are pursuing full-time programs of education or training under chapter 30, 32, or 34 of this title, (2) are pursuing programs of rehabilitation on at least a half-time basis under chapter 31 of this title (excluding programs where pursuit is based on limited work tolerance), or (3) have disabilities rated at 50 percent or more for purposes of chapter 11 of this title and are pursuing programs of education or training on at least a half-time basis under chapter 34 of this title."; and

(2) in the last sentence by striking out "full-time student" and inserting in lieu thereof "veteran-student as described in clause (1), (2), or (3) of this subsection".

(b) CLERICAL AMENDMENT.—Section 1685 is amended by striking out "per centum" each place it appears and inserting in lieu thereof "percent".

TITLE II—Administrative and Miscellaneous Provisions.

SEC. 201. ELIMINATION OF REHABILITATION SUBSISTENCE ALLOWANCE ADVANCE PAYMENT.

(a) IN GENERAL.—Section 1508 is amended by striking out subsection (i) in its entirety.

(b) Conforming Amendments.—Section 1780 is amended by—

(1) striking out in subsection (d)(1) "or subsistence";

(2) striking out in subsection (d)(2) "or subsistence allowance, as appropriate,"; and

(3) striking out in subsection (e) "or subsistence".

SEC. 202. ACCEPTING SCHOOL CERTIFICATION FOR RENEWAL OF EDUCATIONAL BENEFITS AFTER UNSATISFACTORY PROGRESS.

Section 1674 is amended by striking out clauses (1) and (2) and inserting in lieu thereof the following:

"(1) the veteran will be resuming enrollment at the same educational institution in the same program of education and the educational institution has both approved such veteran's reenrollment and certified it to the Department of Veterans Affairs; or

"(2) in the case of a proposed change of either educational institution or program of education by the veteran—

"(A) the cause of the unsatisfactory conduct or progress has been removed;

"(B) the program proposed to be pursued is suitable to the veteran's apptitudes, interests, and abilities; and

"(C) if a proposed change of program is involved, the change meets the requirements for approval under section 1791 of this title.".

SEC. 203. CLOCK-HOUR MEASUREMENT OF CERTAIN UNIT COURSES OR SUBJECTS CREDITABLE TOWARD A STANDARD COLLEGE DEGREE.

Section 1788(e) is amended to read as follows:

"(e)(1) For the purpose of measuring clock hours of attendance or net of instruction under clause (1) or (2), respectively, of subsection (a) of this section for a course—

(A) which is offered by an institution of higher learning, and

(B) for which the institution requires one or more unit courses or subjects for which credit is granted toward a standard college degree pursued in residence on a standard quarter- or semester-hour basis, the number of credit hours (semester or quarter hours) represented by such unit courses or subjects shall, during the semester, quarter, or other applicable portion of the academic year when pursued, be converted to equivalent clock hours, determined as prescribed in paragraph (2) of this subsection. Such equivalent clock hours then shall be combined with actual weekly clock hours of training concurrently pursued, if any, to determine the total clock hours of enrollment.

(2) For the purpose of determining the clock-hour equivalency described in paragraph (1) of this subsection, the total number of credit hours being pursued will be multipled by the factor resulting from dividing the number of clock hours which constitute full time under clause (1) or (2) of subsection (a) of this section, as appropriate, by the number of semester hours (or the equivalent thereof) which, under clause (4) of such subsection, constitutes a full-time institutional undergraduate course at such institution.".

SEC. 204. TECHNICAL AND CLERICAL AMENDMENTS.

Title 38 is amended as follows:

(1) Section 1434 is amended—

(A) in subsection (a)(1) by inserting "1780(f)," after "1780(c),";

(B) redesignating subsections (c) and (d) as subsections (d) and (e), respectively; and

(C) by inserting after subsection (b) the following new subsection:

"(c) Payment of educational assistance allowance in the case of an eligible individual pursuing a program of education under this chapter on less than a half-time basis shall be made in a lump-sum amount for the entire quarter, semester, or term not later than the last day of the month immediately following the month in which certification is received from the educational institution that such individual has enrolled in and is pursuing a program at such institution. Such lump-sum payment shall be computed at the rate determined under section 1432(b) of this title.".

(2) Section 1633 is amended by adding at the end the following new subsection:

"(d) For any month in which an individual fails to complete 120 hours of training, the entitlement otherwise chargeable under subsection (c) of this section shall be reduced in the same proportion as the monthly benefit payment payable is reduced under subsection (b) of this section.".

(3) Section 1790 is amended—

(A) in subsection (a)(2) by striking out "and prepayment"; and

(B) in subsection (b)(3)(A) by inserting "30," before "32".

SECTION-BY-SECTION ANALYSIS

SHORT TITLE; REFERENCES TO TITLE 38, UNITED STATES CODE

[NOTE.—The terminology in the draft bill reflects the conversion of the Veterans Administration to the Department of Veterans Affairs (VA) pursuant to Public Law 100-527. This bill assumes that appropriate technical and conforming amendments to title 38, United States Code, mandated by section 14 of Public Law 100-527 have been made.]

SECTION 1

Subsection (a) provides that the draft bill may be cited as the "Veterans' Educational Assistance Improvements Act of 1989."

Subsection (b) provides that, unless otherwise specified, whenever in the draft bill an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of title 38, United States Code.

Subsection (c) sets forth the table of contents for the draft bill.

TITLE I—EDUCATIONAL ASSISTANCE PROGRAM IMPROVEMENTS

SECTION 101

This amendment would make two changes to the temporary program of vocational training for certain new pension recipients established under 38 U.S.C. § 524. First, it would make participation in the program completely voluntary by eliminating the requirement that veterans under age 50 who are awarded pension during the program period must participate in an evaluation to determine whether achievement of a vocational goal is reasonably feasible. Instead, any veteran awarded pension on or before January 31, 1992, the end of the program period, who desires to participate would simply apply for vocational training under the program. Second, the amendment would provide a trial work period of 12 consecutive months during which the participant's pension would not be terminated either by reason of his or her having the capacity to engage in suitable employment or by reason of the income earned therefrom.

These changes are designed to improve both program participation and results. Our experience in providing program evaluations has indicated that veterans over 50 who could participate in the program on a voluntary basis did so to a substantially greater degree than veterans under age 50 awarded pension during the program period who were required to participate in an evaluation. The cost of evaluations is by far the largest single cost in administering this program. Reduction of this expense by eliminating the mandatory requirement for evaluation in the under 50 group awarded pension during the program period will improve program effectiveness without in any way impairing veterans' access to services.

The addition of a trial work period would provide an additional incentive for veterans to elect to train and secure employment under this program. The veteran's pension would not be reduced unless he or she is employed for 12 consecutive months in an occupation consistent with the objective of the veteran's individualized written rehabilitation plan. This change would provide the veteran with a reasonable certainty that pension would not be reduced until his or her ability to maintain employment has been established.

SECTION 102

This section would amend the Montgomery GI Bill secondary school completion requirements (sections 1411(a)(2) and 1412(a)(2) of title 38 and section 2132(a)(2) of title 10) by eliminating the reference to an equivalency certificate. Instead, an individual would have to have certain alternate school credentials accepted by the Armed Forces, pursuant to regulations promulgated by the Secretary of the military department concerned.

The current law provides that to be considered eligible for the Montgomery GI Bill, an individual must have a secondary school diploma or an equivalency certificate. We believe that the secondary school requirement was intended to assist the military in obtaining high caliber personnel and, therefore, the requirement should conform to the standards acceptable to the Armed Forces.

SECTION 103

In order to establish a uniform period for all of the Armed Forces and to clarify a somewhat ambiguous provision in the current law, this section would amend sections 1411(c)(1) and 1412(d)(1) to authorize a period of 2 weeks after the date of the individual's initial entry on active duty within which he or she may elect not to participate in the chapter 30 Montgomery GI Bill program.

Under the provisions of chapter 30, an individual first entering the Armed Forces or first entering active duty on or after July 1, 1985, automatically becomes a participant unless he or she makes an affirmative election not to participate. However, these provisions do not contain clear statements as to how much time an individual actually has after entry on active duty to make the requisite election. This amendment supplies the specific time period for the election.

SECTION 104

This provision would amend section 1520 to provide that the program of independent living services for service-disabled veterans become a permanent part of chapter 31. Enactment of this proposal would enable se-

verely-disabled veterans for whom vocational rehabilitation is not currently feasible to live more independent lives.

Currently, the law provides for a program of independent living services only through September 30, 1989, and permits initiation of such programs by no more than 500 veterans in each fiscal year to that date. This amendment removes the September 30, 1989, termination date, but retains the 500 veteran cap on program initiations per fiscal year.

SECTION 105

This section would amend section 1685 of title 38, United States Code, by eliminating a provision in subsection (a) which requires the advance payment of a portion of the work-study allowance payable to an individual participating in the veteran-student services program authorized under that section.

Under current law, in return for a veteran's promise to perform a specified number of hours of work under a work-study agreement, an amount equal to 40 percent of the total payable under the agreement is paid to the veteran-student prior to the performance of any services. Remaining amounts become payable on an incremental basis once the individual has completed performance of the number of hours of work which formed the basis for the advance payment.

Overpayments in the work-study program totaled $543,291 during Fiscal Year 1987 creating liability for some 2,582 new debtors. In Fiscal Year 1988 overpayments equaled $447,785 with 2,170 new debtors. In many of these cases, the debtor dropped out of school so that administrative collection by offset is not feasible. Moreover, since the average work-study overpayment is relatively small, recovery through enforced collection generally is not cost-effective.

Enactment of this proposal would virtually eliminate accounts receivable in this program and would result in limited administrative cost savings for the Department; i.e., less than $100,000 in any fiscal year.

SECTION 106

This proposal would enable service-disabled veterans to be eligible for work-study benefits if they are pursuing training or attending school at a half-time or higher rate under chapter 31, or chapter 34 if the veteran's service-connected disability is rated at 50 percent or more disabling. The amendment would not apply to veterans under chapter 31 who have been determined to have limited work tolerance. These veterans are expected to pursue training to the extent their conditions permit. Thus, payment of subsistence allowance at the full-time rate recognizes that they are, in effect, pursuing a rehabilitation program on what is full time for them and providing work-study benefits in these cases would contradict the basis for payment of full-time subsistence allowance.

Currently, 38 U.S.C. §1685(b) provides work-study eligibility for veteran-students who are pursuing only full-time programs of education or training under chapter 30, 31, 32, or 34 of this title. However, veterans frequently pursue training and education programs on less than a full-time basis because they must work part time to meet family responsibilities. The employment which is secured sometimes results in extremely difficult schedules which the disabled veteran, in particular, may find difficult to maintain. Amending the law to allow certain service-disabled veterans in less than full-time programs to use work-study benefits would provide an additional resource in developing a program which such veterans could successfully pursue.

TITLE II—ADMINISTRATIVE PROVISIONS

SECTION 201

This section would amend provisions of sections 1508 and 1780 of title 38 to eliminate the Secretary's authority to make advance payments of subsistence allowances under chapter 31.

Under current law, certain veterans who are eligible to receive educational assistance allowances under various VA programs, or rehabilitation subsistence allowances under chapter 31 of title 38, United States Code, may, upon request, be provided an advance payment equal to as much as 2 months' educational assistance allowance or subsistence allowance, respectively, prior to actual entry into a program of education or vocational rehabilitation. These advance payments are intended to assist veterans in paying a portion of tuition and fees which many schools require prior to the commencement of training and to meet living expenses during initial periods of training.

In view of the fact that the VA pays all of a chapter 31 participant's training costs, advance payment of subsistence allowance is not warranted. In addition, since chapter 31 participants are eligible to receive advances from the Revolving Fund under section 1512 of title 38, there is little need for the current statutory authorization for advance payments.

SECTION 202

The Secretary is permitted, under 38 U.S.C. §1674, to resume payment of educational assistance allowance to an otherwise eligible veteran, following the termination of such allowance because of his or her unsatisfactory conduct or progress, if the Secretary finds that the cause of the problem has been removed and the program of education is suitable to the veteran's aptitudes, interests, and abilities.

This amendment would permit the VA to accept a school certification of reenrollment as showing that the cause of the veteran's unsatisfactory conduct or progress is removed and the program is suitable. The proposal's application would be limited to resumption of the same program at the same educational institution which reported the unsatisfactory progress.

Our experience has shown the Department's development of evidence for purposes of the required determination seldom provides any cogent information which would support a continued denial of benefits. Moreover, the development requirement adds substantially to the time it takes to process these claims to award benefits.

SECTION 203

This amendment would replace the current text of section 1788(e) with provisions for measuring such course enrollment by converting the credit hours being pursued to equivalent clock hours combining this number with the actual number of clock hours concurrently pursued, if any, to determine training time under section 1788(a)(1) or (2). This method, unlike the existing complex procedures of section 1788(e) which necessitate creation of an artificial measurement scale in each case, simply converts credit hours to equivalent clock hours, enabling measurement in the same unit expressed in section 1788(a)(1) or (2). Moreover, the Department has found that measurement under current law requires a far greater number of calculations than would be necessary under this amendment. Thus, the proposal would greatly simplify such measurement determinations and yield more readily understandable and consistent results.

Currently, section 1788(e) sets forth a method for determining full-time pursuit of a course not leading to a standard college degree which is offered by an institution of higher learning and for which the institution requires one or more unit courses of subjects creditable toward a standard college degree. This method provides for reducing the number of clock hours otherwise required for full-time study, under section 1788(a)(1) or (2), by the percentage which the number of credit hours (represented by such unit courses of subjects) being pursued is of the number of credits required for full time under section 1788(a)(4).

SECTION 204

(1) This subsection would amend section 1434(a) to except section 1780(f) from applicability to chapter 30 and would add a separate section of similar content but referencing chapter 30 rates.

Section 1434(a) currently incorporates by reference certain enumerated portions of chapter 36 which shall apply to the administration of the chapter 30 education benefits program. One such applicable provision, section 1780(f) of chapter 36, which deals with payment for less than half-time training, inappropriately authorizes rates which are inapplicable to chapter 30.

(2) This provision would amend section 1633 to provide for a proportionate reduction in chapter 32 entitlement in accordance with the reduction in monthly educational assistance allowance paid when a veteran pursuing an apprenticeship or other on-job training program under chapter 32 fails to work 120 hours in a month.

(3) This subsection makes two amendments to section 1790. First, it would amend section 1790(a)(2) which provides that the Secretary may disapprove educational institutions for the enrollment of eligible veterans or eligible persons when the institution would deny them the benefits of prepayment allowances. Since the VA no longer prepays education benefits, this amendment would delete reference to such payments.

Second, this section would amend section 1790(b)(3)(A) to add chapter 30 to the list of chapters enumerated therein.

Currently, section 1790(b)(3)(A) provides that the VA can suspend benefits if the school offering a course has violated one or more of the recordkeeping or reporting requirements of chapter 32, 34, 35, or 36. However, there is no express provision which would permit the VA to suspend benefits if an institution violated these same requirements under chapter 30. This results in the anomalous situation whereby the VA may suspend benefits under chapter 30 for violations of the recordkeeping or reporting requirements of other chapters but not of chapter 30 itself.

More importantly, the chapter 30 program, now a permanent program under the Montgomery GI Bill, is a major education benefits program which surely was intended to be embraced by a general provision for assuring proper payment of benefits by the VA.

VETERANS' ADMINISTRATION,
OFFICE OF THE ADMINISTRATOR OF
VETERANS AFFAIRS,
Washington, DC, May 10, 1989.

Hon. DAN QUAYLE,
President of the Senate, Washington, DC.

DEAR MR. PRESIDENT: There is transmitted herewith a draft bill "To amend title 10 and title 38, United States Code, to make certain improvements in the educational assistance programs for veterans and eligible persons, and for other purposes." I request that this measure be referred to the appropriate committe and promptly enacted.

This measure entitled the "Veterans' Educational Assistance Improvements Act of 1989," would make a number of amendments to the Veterans' Administration educational and vocational rehabilitation programs to facilitate the administration of the programs and make certain provisions more equitable.

Title I of the draft bill would make the pilot program of vocational training for certain pension recipients voluntary and provide participants a trial work period; amend the Montgomery GI Bill to broaden the secondary school credentialing requirements necessary for entitlement and authorize a period of 14 days after initial entry on active duty within which an individual may elect not to participate in the chapter 30 program; make permanent the program of independent living services for service-disabled veterans under chapter 31; and modify the title 38 work-study program by eliminating the authority to make advance payments and by making the program available to certain service-disabled veterans attending school on a half-time or greater basis.

Title II of the draft bill contains administrative provisions that would remove the VA's authority to make advance payments of chapter 31 rehabilitation subsistence allowances; permit the VA to accept a school's certification for renewal of educational benefits following termination for unsatisfactory conduct or progress; and streamline measurement of combined clock-hour, credit-hour course pursuit. Further, technical and clerical amendments to title 38 are included which would correct an erroneous chapter 30 reference to a chapter 36 provision for computing less than half-time training; conform the entitlement charge for on-job/apprenticeship training under chapter 32 when less than 120 hours are worked in a month; delete an outdated reference to prepayment allowances; and add chapter 30 to the list of chapters under which the VA can suspend benefits in certain situations.

The cost or savings implications of these proposals are estimated to be insignificant.

The Office of Management and Budget advises that there is no objection from the standpoint of the Administration's program to the submission of this legislative proposal to the Congress.

Sincerely yours,
EDWARD J. DERWINSKI,
Secretary.

By Mr. CRANSTON (by request):

S. 1004. A bill to amend title 38, United States Code, and other provisions of law, to improve the administration of veterans' health care benefits and personnel management in the Department of Veterans Affairs, and for other purposes; to the Committee on Veterans' Affairs.

ADMINISTRATION OF VETERANS HEALTH CARE PROGRAMS

Mr. CRANSTON. Mr. President, as chairman of the Veterans' Affairs Committee, I have today introduced, by request, S. 1004, a bill to amend title 38, United States Code, and other provisions of law, to improve the administration of veterans' health care benefits and personnel management in the Department of Veterans Affairs, and for other purposes. The Secretary of Veterans Affairs submitted this legislation by letter dated May 10, 1989, to the President of the Senate.

My introduction of this measure is in keeping with the policy which we have adopted of generally introducing—so that there will be specific bills to which my colleagues and others may direct their attention and comments—all administration-proposed draft legislation referred to the Veterans' Affairs Committee. Thus, reserve the right to support or oppose the provisions of, as well as any amendment to this legislation.

I do, however, feel a need to make one clarifying statement regarding section 7 of this legislation, which would amend section 4208 of title 38, United States Code, to provide that VA's Veterans' Canteen Service [VCS] is the exclusive agency for providing any retail or other vending operations in VA facilities. In the "Analysis of Proposed Bill" enclosed with the Secretary's transmittal, it is stated, "Since the Service was created in 1946, it has operated for more than 40 years without challenge as the exclusive means of providing any retail services in VA facilities * * *." However, it should be noted that, under the Randolph-Sheppard Act (20 U.S.C. 107 et seq.), the State of Minnesota has challenged the exclusiveness of VCS' retail rights and the matter is currently pending in arbitration. The Randolph-Sheppard Act generally provides for the authorization of blind individuals—with a preference for certain State-licensed blind persons—to operate vending facilities on Federal property.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD at this point, together with the May 10, 1989, transmittal and letter and enclosed analysis of the proposed bill.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1004

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled, That (a) Except as otherwise expressly provided, whenever in this Act an amendment is expressed in terms of an amendment to a section or other provision, the reference shall be considered to be made to a section or other provision of title 38, United States Code.

SEC. 2. Section 620(a)(2) is amended—

(a) by striking clause (A) and inserting in lieu thereof the following:

"(A) the amount equal to 45 percent of the cost of care furnished by the Department of Veterans Affairs in a general hospital under the direct jurisdiction of the Department (as such cost may be determined annually by the Secretary) in the State in which such institution is located;"

(b) by striking the period at the end of clause (B) and inserting "; or" in its place; and

(c) by inserting a new clause (C) as follows:

"(C) the amount equal to 50 percent of the cost of care furnished by a community general hospital under contract with the Department of Veterans' Affairs (as such cost may be determined annually by the Secretary) in Alaska or Hawaii."

SEC. 3. Section 628(a)(2) is amended by striking the word "found" and all that follows and inserting in lieu thereof "a participant in a vocational rehabilitation program as defined in section 1501(9) and is medically determined to have been in need of care or treatment to make possible such veteran's entrance into a rehabilitation program, or prevent interruption of a rehabilitation program, or hasten the return to a rehabilitation program which was interrupted because of such illness, injury, or dental condition; and".

SEC. 4. Section 4107(b)(2) is amended by striking the period at the end of the first sentence and inserting in lieu thereof the following:

"or is a physician or dentist serving in a comparable position in the Central Office of the Veterans Health Services and Research Administration."

SEC. 5. Section 4114(a)(3) is amended—

(a) by striking the penultimate sentence in paragraph (A) and inserting in lieu thereof the following:

"Temporary full-time appointments of persons who have successfully completed a full course of training as a physical therapist, practical/vocational nurse, occupational therapist or pharmacist in a recognized school for that occupation, approved by the Secretary, and who are pending registration/licensure in a State or certification by a national board recognized by the Secretary, shall not exceed two years."

(b) by inserting after the penultimate sentence in paragraph (C) the following:

"A student who has a temporary appointment under this paragraph and who is pursuing an academic program leading to a degree in physical therapy, occupational therapy or pharmacy approved by the Secretary may be reappointed for a period not to exceed the duration of such student's academic program."

SEC. 6. Section 4205 is amended—

(a) by striking the phrase "or other interest bearing accounts"; and

(b) by adding the following at the end:

"Money in the revolving fund not required for current disbursements shall be invested and reinvested by the Secretary of the Treasury in interest bearing obligations of the United States or in obligations guaranteed as to both principal and interest by the United States, taking into consideration current market yields on outstanding marketable obligations of the United States. The income on such investments shall be credited to and form a part of the Fund."

SEC. 7. Section 4208 is amended by deleting the old text and inserting in lieu thereof:

"Notwithstanding any other law, the Service shall be under the exclusive control and supervision of the Secretary, and shall: (1) function as an independent unit in the Department of Veterans' Affairs; (2) have exclusive control over all activities of the Service, including sales, procurement and supply, finance, including disbursements, and personnel management; and (3) have sole and exclusive authority to provide articles of merchandise and services, under this chapter, at any Department of Veterans' Affairs facility under the control or jurisdiction of the Secretary."

(b) The table of sections at the beginning of chapter 75, title 38, United States Code, relating to section 4208 is amended to read as follows:

"4208. Service to be independent unit and exclusive."

SEC. 8. Section 115 of Public Law 100-322 is amended—

(a) by striking "1989" in subsections (d) and (e) and inserting in lieu thereof "1992";

(b) by striking "1988" in subsection (e) and inserting in lieu thereof "1991"; and

(c) by striking subsection (f) in its entirety and redesignating subsection "(g)" as "(f)".

ANALYSIS OF PROPOSED BILL

Section 2 would amend section 620 to provide that in Alaska and Hawaii, those states without a VA general hospital, the per diem cost of community nursing home care purchased by VA will not exceed 50 percent of the cost of care purchased by VA in a community general hospital in that State. Currently, the per diem rate is limited to "45 percent of the cost of care furnished by the Veterans' Administration in a general hospital . . . or . . . 50 percent of such costs, if such higher amount is determined necessary by the Administrator." This has been interpreted to allow the 45 or 50 percent factor to be applied to a VA medical district average or a VA index hospital, if necessary, to purchase adequate care for veterans. The proposed amendment would rectify a problem in Alaska where, in light of increasing costs, the current formula threatens to limit VA's capability to obtain the care needed.

This provision would allow a higher general hospital index rate for Alaska and Hawaii, which would permit VA to establish a higher maximum community nursing home rate in those States and thereby enable the Department to purchase needed care. Enactment of this proposal would not have any significant cost impact.

Section 3 would amend 38 U.S.C. § 628 to clarify that VA has the authority to pay for emergency medical services for veterans participating in a vocational rehabilitation program under 38 U.S.C., Chapter 31, when the veteran cannot reasonably obtain medical care through VA or other Government facilities. Under existing law, VA may generally pay for the care of certain categories of veterans in private non-Federal facilities only when the care has been authorized in advance. Section 628 provides an exception to that rule for certain veterans when a medical emergency exists and a VA or other Government facility is not reasonably available at the time of the emergency. Among the veterans eligible for reimbursement of such emergency care are some, but not all veterans participating in a vocational rehabilitation program under Chapter 31. Specifically, section 628 applies if a veteran is found to be "(i) in need of vocational rehabilitation under Chapter 31 of this title and for whom an objective had been selected or (ii) pursuing a course of vocational rehabilitation training and is medically determined to have been in need of care or treatment to make possible such veteran's entrance into a course of training, or prevent interruption of a course of training, or hasten the return to a course of training which was interrupted because of such illness, injury, or dental condition."

Since section 628 was first enacted, changes have been made in the VA's vocational rehabilitation programs. For example, VA now conducts a program of independent living that does not necessarily involve a so-called "course of training" with a specific vocational goal. This proposal would authorize VA coverage of emergency care for a veteran in such a program by amending section 628 to include all veterans participating in a vocational rehabilitation program as that term is defined in 38 U.S.C. § 1501(9). This amendment is also intended to cover an individual who has just completed a course of training under the vocational rehabilitation program, but has not yet obtained employment. In that case, the individual is still a participant in the program, and VA would still be providing vocational rehabilitation services. The proposal would clarify that all participants in vocational rehabilitation programs are authorized emergency medical care if a VA or other Federal medical facility is not available to provide the needed care. Enactment of this provision would result in insignificant costs as we anticipate only a few cases would arise.

Section 4 of the draft bill would amend section 4107(b)(2) of title 38, United States Code, to authorize the Department of Veterans' Affairs to use the Director grade in the "Physician and Dentist Schedule" in section 4107(b)(1) for a physician or dentist position in the Central Office of the Department's Veterans Health Services and Research Administration which is comparable to the position of Director of a Department, medical center, domiciliary, or independent outpatient clinic.

Currently, section 4107(b)(2) restricts use of the Director grade to Directors of the Department's health-care facilities mentioned above. Therefore, only the Executive or Medical Director grades are available for Central Office physician and dentist positions, even though the Director grade (which is between the two other grades in pay) might be more appropriate. This proposal would allow relating the pay for these positions more closely with the level of responsibility and improve the administration of physician and dentist assignments and advancements.

Section 5 would amend 38 U.S.C. § 4114(a)(3) to authorize the appointment of graduate physical therapists, graduate practical/vocational nurses, graduate occupational therapists, and graduate pharmacists under 38 U.S.C. § 4114(a)(3)(A). Current provisions of 38 U.S.C. § 4104(3) provide for the appointment of licensed physical therapists, licensed practical or vocational nurses, pharmacists and occupational therapists. However, although not cited by position title, these personnel may also be appointed as medical support personnel under 38 U.S.C. § 4114(a)(3)A) for a period not to exceed one year pending receipt of licensure or certification.

The proposed amendment to 38 U.S.C. § 4114(a)(3)(A) would authorize the Department to appoint graduate physical therapists, graduate practical/vocational nurses, graduate occupational therapists and graduate pharmacists for more than one year. This authority would apply to graduates who have successfully completed a full course of training in a recognized school for that occupation, approved by the Secretary, and who also are awaiting licensure in a State or certification by a national board recognized by the Secretary.

By adding the categories of personnel listed above to those authorized for appointment for up to two years under section 4114(a)(3)(A), the proposed change would enable these personnel to obtain health benefits and life insurance. Current Office of Personnel Management regulations do not allow employees with temporary appointments of one year or less to receive these benefits. Graduate physical therapists, graduate practical/vocational nurses, graduate occupational therapists and graduate pharmacists appointed to VA health care facilities are employed with the expectation that they will be converted to a probationary appointment upon attainment of licensure or certification. Nearly all such appointees ultimately receive permanent appointments under 38 U.S.C. § 4104(3). However, until that time, they remain ineligible for health and life insurance benefits.

The proposed legislative change is expected to enhance the VA's ability to recruit new graduates and to compete successfully with private sector health care providers. In drafting the proposed amendment VA adopted language from a similar provision of 38 U.S.C. § 4114(a)(3)(A) which permits the appointment of graduate nurse technicians for a period not to exceed two years. No significant additional costs are expected to result from this proposed change.

38 U.S.C. § 4114(a)(3)(A) is further amended by adding a new sentence, preceding the last sentence in paragraph (C), which would permit the appointment of physical therapy, occupational therapy and pharmacy students as technicians beyond one year. Current provisions of 38 U.S.C. § 4114(a)(3)(A) restrict appointment of medical support personnel to one year. This authority can be used to appoint students who are enrolled in good standing at an accredited school in one of these occupations, but the one-year limitation terminates the appointment, in many cases, before the student receives his or her degree and thus fosters a drain of potential career personnel in these occupations for the VA.

The proposal would amend 38 U.S.C. § 4114 to allow VA health care facilities to reappoint physical therapy, occupational therapy and pharmacy students as technicians for a period not to exceed the duration of their academic program leading to a degree.

This proposal is patterned on existing authority under 38 U.S.C. § 4114(a)(3)(C) which permits VA to reappoint nursing students for a second year and would extend this opportunity for reappointment to physical therapy, occupational therapy and pharmacy students as well. This wording provides for reappointment after one year as opposed to extending the initial appointment period, thus allowing the period of initial appointment to serve as an opportunity for VA to assess the student's performance and potential. No additional costs are expected to result from this change.

Section 6 would amend chapter 75 of title 38, United States Code, to clarify that monies in the VCS revolving fund may be invested in Treasury securities. Current law (as amended by section 414 of Public Law 100-322) provides that designated amounts from the VCS revolving fund may be depos-

ited "in checking accounts or other interest-bearing accounts . . . ."

Prior to this amendment, the bulk of VCS monies were maintained in non-interest bearing Treasury accounts. With the enactment of Public Law 100-322, and after much discussion with officials of the Department of the Treasury, VCS officials began depositing funds in Treasury Direct accounts and purchasing "T-bills"; however, the investment options under such an arrangement are somewhat limited.

Other provisions of law are more specific, authorizing the Secretary of the Treasury to invest certain agency monies in interest-bearing obligations of the United States. (See, for example, 10 U.S.C. §§ 1461, 1467; 38 U.S.C. § 5228.) The legislative record strongly suggests that Congress intended to provide investment authority for VCS monies at least as broad as that afforded those other agencies' funds which may be invested in Treasury activities.

The legislative history indicates that Congress' purpose in enacting this provision was to enable VCS to maximize returns on its surplus monies. Notes from the Subcommittee hearings explain Congress' view that, "[p]rudent financial management calls for investment of funds which are not needed to meet current VCS demands . . . and that explicit authority to invest surplus is consistent with the goals and mission of the VCS."

The proposed revision which is intended to clarify this provision is patterned on existing investment authority and would serve to clarify VCS authority to invest in a variety of Treasury securities, including participation in the "Federal Investment Counseling Program." The new language directs that the Secretary of Treasury "shall invest and reinvest in interest bearing obligations" those funds designated by the VCS as surplus, thereby, facilitating the administration of VCS investment monies and allowing VCS to take advantage of Treasury expertise. Ultimately, the proposed revision will enable VCS to effectuate the goal set by Congress when initially amending § 4205, to foster investments which yield the highest return on surplus monies from the VCS revolving fund.

Section 7 would amend section 4208 of title 38, United States Code, to make it clear that the Veterans' Canteen Service, under the control and supervision of the Secretary, is the exclusive agency for providing any retail or other vending operations in VA facilities. Since the Service was created in 1946, it has operated for more than 40 years without challenge as the exclusive means of providing any retail services in VA facilities, particularly hospitals and homes, where the Secretary determined VCS services were needed. This provision would simply amend the VCS statute to explicitly provide what has long been at least implicit—that the Secretary has exclusive authority under the VCS law to provide merchandise and services, including vending machines, at any VA facility.

Section 8 would amend section 115 of Public Law 100-322 to extend for three years from September 30, 1989, to September 30, 1992, the VA's authority to provide community-based care for homeless chronically mentally ill veterans. Congress initially authorized VA to provide such care in Public Law 100-6. Public Law 100-322, enacted on May 20, 1988, repealed the program authorization established under Public Law 100-6 and specifically directed VA to conduct a pilot program for homeless chronically ill veterans, and established a September 30, 1989, expiration date for it. In addition, Section 115 of Public Law 100-322 directed that the Administrator of Veterans' Affairs submit a report on the pilot program to the authorizing committees by February 1, 1989, with recommendations as to whether the pilot program should be continued. As required, in January 1989 the Administrator reported to Congress on the program's success.

In the interim, Congress has enacted various provisions in support of VA's pilot program for the homeless. The "Urgent Relief for the Homeless Supplemental Appropriations Act of 1987" appropriated an additional $5 million for the program through September 30, 1988. Section 501 of Public Law 100-628, the Stewart B. McKinney Homeless Assistance Amendments Act of 1988, authorized additional funding for Fiscal Years 1989 and 1990. Despite these supplemental funding provisions, Congress did not extend the program's September 1989 expiration date. In light of continued congressional support (evidenced by the supplemental appropriations) and early evidence of the program's success, we recommend that the pilot program be extended for another three years. The draft bill would accomplish this and thus enable VA to gain additional data and assess the merits of the pilot program over a longer term. Extension of this pilot program would not entail any additional costs.

VETERANS' ADMINISTRATION,
OFFICE OF THE ADMINISTRATOR OF VETERANS' AFFAIRS,
Washington, DC, May 10, 1989.

Hon. DAN QUAYLE,
President of the Senate,
Washington, DC.

DEAR MR. PRESIDENT: There in transmitted herewith a draft bill "To amend title 38, United States Code, and other provisions of law, to improve the administration of veterans' health care benefits and personnel management in the Department of Veterans' Affairs, and for other purposes." We request that it be referred to the appropriate committee for prompt consideration and enactment.

The enclosed draft bill would amend several provisions of law in an effort to enhance operations of the VA health care system by improving medical center personnel and management procedures, extending an expiring program targeted to assist the homeless and clarifying statutory language to facilitate the administration of veterans' health care benefits and the provisions of retail and vending services at VA facilities.

CONTRACT NURSING HOME CARE

Among its provisions, the draft bill would resolve what we believe may become a serious problem in those States without a general VA hospital (Alaska and Hawaii). Under existing law, the maximum per diem rate VA may pay for contract nursing home care is 45 percent of the cost of care in a VA general hospital or, where deemed necessary, 50 percent of that cost. With the increasing cost of nursing home care, the current formula threatens to limit VA's capability to obtain such needed care in Alaska, for example. We recommend that Congress amend the law to set maximum per diem rates in Alaska and Hawaii to a level pegged to rates in community general hospitals, as provided in our draft bill. With enactment of a higher general hospital index rate for Alaska and Hawaii, VA will be able to obtain the care needed for veterans in those States. Enactment of this proposal would not result in any significant cost increase to the Department.

FLEXIBILITY IN HIRING

Currently, section 4107(b)(2) of title 38, United States Code, prohibits the Veterans' Health Services and Research Administration (VHS&RA) in the Department of Veterans' Affairs from using the Director grade under the "Physician and Dentist Schedule" in section 4107(b)(1) for anyone other than the Director of a VA medical center or independent outpatient clinic. The pay for the Director grade is comparable to the General Schedule grade GS-16 ($67,038 for Step 1, effective January 1, 1989).

Because of this restriction, the VA is prevented from using the Director grade as an option mainly when it reassigns or promotes physicians or dentists to positions in the VA Central Office. Instead, we can generally only give these physicians or dentists either the Executive or Medical Director grade, unless the position is specified by statute. The Executive grade, which is generally given to Chiefs of Staff at medical centers, is between the General Schedule grades GS-15 and 16 ($61,900 for Step 1). The Medical Director grade is comparable to GS-17 ($76,990 for Step 1).

The draft bill would amend section 4107(b)(2) to authorize the Department to use the Director grade for Central Office physicians and dentists if the position is comparable to the positions of a medical center director.

We believe that there are Central Office physician and dentist positions with responsibilities, qualification requirements, and complexities that are comparable to those of a Director of a VA medical center. There could also be future positions in Central Office where the Director grade would be more appropriate than either the Executive or Medical Director grade. Providing the VA with the option to use the Director grade would allow us to more closely relate the pay for these positions with the level of their responsibilities.

The additional flexibility to use all three grades (Executive, Director, and Medical Director) would also improve administration or assessments and advancements of physicians and dentists to Central Office positions. This would particularly assist the Department in recruiting Chiefs of staff who are in the Executive grade.

There are no increased costs associated with this proposal. We believe that any cost savings that may arise from assigning physicians or dentists to the Director, rather than the Medical Director, grade would be minimal and speculative.

Another provision of the draft bill would expand the appointment authority under 38 U.S.C. § 4114. Section 5 of the draft bill would amend 38 U.S.C. § 4114(a)(3)(A) by authorizing VA to appoint graduate physical therapists, graduate practical/vocational nurses, graduate occupational therapists and graduate pharmacists for more than one year, subject to a maximum of two years, provided they have successfully completed a full course of training in a recognized school for that occupation, approved by the Secretary and are awaiting licensure in a State or certification by a national board recognized by the Secretary. In addition, the proposed change would permit VA to offer such graduates the opportunity to obtain health and life insurance. Under OPM regulations employees with temporary appointments of one year or less are ineligi-

ble for such benefits. This places VA at a serious disadvantage when competing against private institutions for this scarce pool of health care professionals. Private health care institutions typically offer such benefits to graduates when they are first employed. The proposed amendment would empower VA to compete more effectively with the private sector in this regard. No significant cost would arise from this marginal change in VA appointment authority.

Section 5 of the draft bill would also authorize VA to appoint physical therapy, occupational therapy and pharmacy students for a period not to exceed the duration of their academic program. Under the present authority, which limits temporary appointments to one year, many students are required to terminate employment before completing their academic training. Because at that juncture they have not yet obtained a degree, they are ineligible for appointment as probationary permanent employees. This interruption in the "internship" works against the possibility that promising students may work continuously with VA and ultimately become career VA health care providers. The opportunity to employ, observe, and identify promising students is thus less valuable under the current one year limit.

Under the draft bill, to qualify for reappointment these students must maintain good academic standing in a program approved by the Secretary leading to a degree in physical therapy, occupational therapy or pharmacy. With appropriate orientation and supervision, such students could be appointed as technicians and perform duties of increasing sophistication consistent with the level of training they have completed. Moreover, because the draft bill would enable more stable employment relationships with students during their training, it may make VA employment more attractive to the students. Thus, the proposed change would help VA meet current staffing needs in these occupations as well as enhance the Department's opportunity to recruit and retain promising students for career service. No significant cost increase would result from enactment of this provision.

EXTENSION OF HOMELESS CHRONICALLY MENTALLY ILL PILOT PROGRAM

In Public Law 100-6 Congress provided funding and authority for VA to develop a program to provide community-based psychiatric rsidential treatment for homeless chronically mentally ill veterans. That law transferred $5 million in FY 1987 funds to VA's medical care account for this program. Pursuant to Public Law 100-6, the VA established the Homeless Chronically Mentally Ill program (HCMI). In the summer of 1987, Congress enacted the "Urgent Relief for the Homeless Supplemental Appropriations Act of 1987" as part of Public Law 100-71. It provided additional spending authority by appropriating an additional $5 million for the HCMI program to be available through September 30, 1988. Section 115 of Public Law 100-322 enacted on May 20, 1988, repealed the program authorization established in Public Law 100-6 and specifically directed the conduct of an HCMI pilot program. Section 115 established a September 30, 1989, expiration for the pilot, but directed that the Administrator of Veterans' Affairs submit a report on the pilot program to the authorizing committees by February 1, 1989, to include a recommendation as to whether the pilot program should be continued.

On January 17, 1989, the Administrator provided Congress the report required by section 115, advising, in essence, that data collected demonstrated that the pilot program has been operated in a cost effective manner. Our experience with the program indicates that it has been very successful in reaching out to the target population, veterans who are both homeless and chronically mentally ill, and providing a wide range of services to this seriously ill population of veterans.

We note that in section 501 of Public Law 100-628, the Stewart B. McKinney Homeless Assistance Amendments Act of 1988, Congress in November 1988 authorized additional appropriations for each of Fiscal Years 1989 and 1990 of $30 million, of which $15 million is to be available for the HMCI program. Congress did not lift the program's September 30, 1989, "sunset" provision, however, and provided no evidence of an intent to impliedly repeal it. To the contrary, Congress also let stand the requirement in section 115 of Public Law 100-322 that the Administrator report on the Agency's experience with the program.

In view of the early evidence of the program's success, we recommend that it be extended for another three years to enable us to gain additional data and assess the merits over a longer term. We anticipate that the extension of this pilot program would entail no new costs.

CLARIFYING AMENDMENTS

This draft bill also includes a provision to clarify that the Veterans' Canteen Service (VCS) is the exclusive authority for providing retail or other vending operations in VA facilities.

In addition, we propose more specific wording of 38 U.S.C. § 4205, as amended by Public Law 100-322, to clarify that money in the VCS revolving fund not required for current disbursement is to be invested in Treasury securities. Finally, the draft bill would clarify our authority to pay for the medical costs of veterans participating in a VA-sponsored vocational rehabilitation program when those costs are incurred in a medical emergency, and a VA or other Federal health-care facility is unavailable to provide the needed care. Enactment of these provisions would not result in significant costs.

The Office of Management and Budget advises that there is no objection from the standpoint of the Administration's program to the submission of this legislative proposal to the Congress.

Sincerely yours,

EDWARD J. DERWINSKI,
Secretary.

By Mr. HARKIN (for himself, Mr. PRESSLER, Mr. SIMON, Mr. GRASSLEY, and Mr. DASCHLE):

S. 1005. A bill relating to the sale, purchase, or other acquisition of certain railroads; to the Committee on Commerce, Science, and Transportation.

REVIEW OF PROPOSED RAILROAD ACQUISITIONS

● Mr. HARKIN. Mr. President, today, Senators PRESSLER, SIMON, GRASSLEY, DASCHLE, and I are introducing legislation that would require the Interstate Commerce Commission to review proposed acquisitions of class I railroads if such acquisitions could potentially result in a reduction in service or in an increase in a railroad's debt. The legislation would not increase the jurisdiction of the ICC in regard to the purchase of shortline railroads.

Railroads are crucial to the movement of agricultural commodities, manufactured goods, coal and many other products. Their maintenance and continued operation at a proper level of service is essential for our national productivity.

The Nation's railroad and highway systems are the arteries and veins that facilitate commerce. The granting of large tracts of land to railroads in the 19th century represented the transfer of great wealth to an industry which was recognized as crucial to the development of our Nation. It was an important investment and it was key to the economic development of the country.

The Interstate Commerce Commission has the authority to prevent anticompetitive railroad mergers. It is incumbent upon ICC to consider proposed abandonment of trackage—even the possible abandonment of small segments on isolated branch lines that will affect only a few shippers—to determine whether that abandonment would jeopardize the public's interests.

However, according to a letter that a number of my Senate colleagues and I received yesterday from the ICC, the Commission feels that it may not have jurisdiction over the possible purchase of the CNW railroad by the Wall Street investment partnership, Japonica Partners. The ICC arrived at this conclusion after holding a hearing on this question on May 9. I must note that the position is not held unanimously by the five commissioners.

Commissioner J.J. Simmons III asserted—

The majority's statement, that the Commission's chances of success in litigation resulting from any assertion of jurisdiction are "questionable," is apparently grounded in a disinclination to become involved. The Commission should not adopt this constricted interpretation of its responsibilities.

Commissioners Andre and Lamboley also made separate comments that the Commission may have jurisdiction over this issue depending on certain questions.

The possibility is very real that a Japonica leveraged buy-out could destroy the CNW. And, this type of a transaction could threaten other major railroads that serve wide areas of the country. I believe that we must ensure that the ICC oversee this type of transaction to protect national interests.

The Chicago and Northwestern operates track in Iowa, Minnesota, Wisconsin, Nebraska, South Dakota, Wyoming, Missouri, Illinois, and Michigan—nine States. The railroad is expected to operate 40 billion revenue ton miles this year. It receives a billion dollars in revenue. The CNW moved 270,000 carloads of grain in 1988 and

three quarters of that grain was corn or soybeans. The CNW transported 115 million tons of coal. The railroad is a major mover of steel, automobiles, auto parts, and all types of consumer goods. CNW employees are expected to work 16 million hours in 1989. The Federal Government has provided over $200 million in assistance to the railroad to improve the quality of its track.

In Iowa, the CNW operates 40 percent of the rail trackage in the State—1,945 miles. And, it moves about that same percentage of our corn and soybeans to market. Trains use much of the CNW trackage in Iowa as gathering lines for grain. These same lines are also crucial for a large number of manufacturers. If branch lines cease to operate or if service sharply deteriorates, the adverse economic impact on the State of Iowa would be tremendous. From both an Iowa and a national perspective, continued operation of the CNW railroad is crucial to the Nation's transportation system.

If the Japonica tender offer goes through, the CNW would accrue a significant amount of debt. CNW's present debt of $536 million would soar by an additional $615 million if this tender offer were finalized. Few people believe that the CNW would be able to continue with its track modernization program with that kind of an increase in debt. Under the railroad's current plans, $82 million is to be spent on track maintenance in future years. What would be the maintenance level with a doubling of the railroads debt? Wouldn't there be added pressure to sell various segments of the railroad with the increased debt load?

The result of the Japonica leveraged buy-out, in my view, is likely to be a series of abandonments and sales of significant segments of the railroad under the pressure of debt. I suspect that we will see deterioration of service that would lead to a decline in traffic. When traffic declines, the ICC will begin to hear that lines should be abandoned because operations are no longer profitable.

It would not be reasonable for the ICC to look only at such individual actions that are likely to result from a successful Japonica tender offer when they did not rule on the logic of the purchase itself.

The legislation we're introducing today would correct this problem. It would require that the ICC examine any proposed acquisition of a class I railroad in a leveraged buy-out scenario or in other scenarios if the transaction is likely to be destructive to the operation of a railroad.

Frankly, I developed this legislation because of my concern about possible immediate damage to a major railroad that is crucial to Iowa and the Midwest. However, I'm also troubled that railroads, by their nature, have a tendency to be takeover targets. Like farmland near cities, railroad property can often be worth far more as land than as a railroad. The owners may be able to make a killing. But, the national economy will suffer greatly.

I ask unanimous consent to submit for the RECORD an article that appeared in the weekend Washington Post which discusses the possibility that certain entities may be interested in purchasing Conrail, and I ask unanimous consent that the article be printed following my remarks. I am sure that there are many other potential railroad targets around the country.

I want the management of our Nation's railroads to be running the railroads instead of spending their time figuring out how to block unfriendly leveraged buy-outs or developing their own exotic financing schemes so management can buy a railroad from its stockholders.

I urge that the Senate consider and pass this legislation.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

IS CONRAIL ON THE TAKEOVER TRACK?—WITH STOCK CURB SET TO END, RAIL FIRM PREPARES FOR THE FUTURE

(By John Crudele)

Consolidated Rail Corp. has the best poison pill of any company around. The railroad has Congress forbidding anyone to buy even one-tenth of its shares.

But, alas, all good things come to an end, and Conrail is said to be preparing for the day next April when its congressional shield is removed.

"They don't specifically talk about fears of a takeover," says Andrew Geller, who follows Conrail for Philadelphia's Provident National Bank. "But they understand what might be out there after April."

Under the 1986 law that pieced together Conrail—a now-profitable freight carrier serving the Northeast—nobody was allowed to buy more than 10 percent of the company's stock. That prohibition ends next April. Geller says Conrail's management is painfully aware that it must get the company's stock price (around $36) higher if it is to avoid the risk of a takeover attempt. And he believes an increase in the company's $1.20 a share dividend is one thing Conrail will probably do in an effort to improve its stock price.

What else is Conrail doing? The scuttlebutt on Wall Street is that the company is keeping a very watchful eye for signs of anyone accumulating its stock.

D.F. King & Co., Conrail's proxy solicitation firm, is said to have been put on alert by the railroad for any signs of concentrated stock buying. Recent activity in Conrail's stock shows just how interested investors might be in the railroad once the takeover restraints are removed.

When Drexel Burnham Lambert analyst Linda Dunn issued a report on May 5 on Conrail's financial strength and the chances of a restructuring of the company, Conrail's stock climbed sharply on twice its normal trading volume. Dunn says that Conrail's financial prowess "could trigger either [its] restructuring or an outsider taking an interest."

How much is Conrail worth? Even though the rail line isn't the type of company that can be broken up, some analysts still think Conrail could command $55 a share in a buyout. But investors will have to wait until April Fools Day for even a chance to collect.●

● Mr. SIMON. Mr. President, I am pleased to join my friend from Iowa and our other distinguished colleagues as an original cosponsor of this important legislation. This bill will allow the Congress and the executive branch to be sure that the hostile takeover/leveraged buyout game will not wreak havoc on the Nation's rail transportation system. It does this by granting the Interstate Commerce Commission explicit jurisdiction over acquisitions of Class I railroads by a non-carrier.

A broad interpretation of the ICC's mandate might allow the agency to exert jurisdiction without a change in the law. Its recent reluctance to do so, however, in the matter of the ongoing hostile takeover attempt of CNW Corp., the parent company of the venerable Chicago and North Western Railroad, by Japonica Partners, Ltd., apparently requires some clear direction from Congress.

I have long been concerned that many hostile takeovers, mergers, and leveraged buyouts cause the disruption of local economies, unwarranted job losses, a dangerous buildup of corporate debt and a preoccupation with short-term profits at the expense of carefully considered investment in a longer-term future. This deal exhibits many of these traits and one other important characteristic.

The firm that Japonica has put in play doesn't process food, make tires or sell cosmetics—it provides rail freight and commuter passenger service crucial to the economic well-being of my home State of Illinois and eight other states in the Midwest and West. This aspect of the proposed transaction requires the special attention of an accountable body—in this case the Interstate Commerce Commission—that can protect the public interest.

We must be sure that any acquirer of a major railroad will continue to provide the markets it serves with dependable and efficient rail transportation service which meets the needs of shippers, consumers and rail passengers. Some important questions must be answered by any party who proposes to make such an acquisition, but particularly by a non-carrier.

The acquirer must be able to show that it possesses the expertise in the railroad business to continue to provide efficient service. It must describe its post-acquisition plans for the railroad in reasonable detail. Finally, the buyer must demonstrate that the financial structure of the transaction does not include a new debt load that

might threaten either the long-term viability of the carrier or rail transportation service in affected markets. A highly-leveraged deal might require the buyer to conduct an emergency auction of large chunks of the railroad's trackage or capital assets which could disrupt service and make it difficult for the railroad to survive a recession.

Mr. President, in my judgment, Japonica has thus far failed to meet this burden of proof.

In order to finance this transaction, Japonica proposes to add $768 million in long-term debt to the $427 million CNW already carries. About $141 million of the present debt load is in low-interest notes held by the Federal Railroad Administration. On an annualized basis, this amounts to $85 million in additional interest expenses. This figure is greater than CNW's earnings for any of the last 3 years.

To pay down this new $1.2 billion dollar debt load, Japonica says it will take cost-cutting measures, sell certain unspecified CNW real estate holdings, excess capital equipment and the road's Chicago area commuter service.

Japonica apparently has no real operating plan for CNW, only ideas. A full-blown operating plan will be devised after the transaction is completed.

This lack of specificity in Japonica's plans, coupled with the massive debt Japonica would add to CNW's balance sheet, could have grave consequences in the event of an economic downturn for the farmers, businesses and commuters CNW now serves.

As the ICC noted in a response to Senator HARKIN'S inquiry on this transaction:

> The possibility that a combination of increased leverage, recession economics and a log jam in the formation [divestiture] of short-line operations might prompt cessation of service over otherwise operable properties is the most serious risk posed by this transaction.

I am concerned that this scenario is far more likely to be the operative one than that propounded by Japonica.

I have a special interest in the fate of the commuter rail service the CNW provides to the Chicago metropolitan area. Last year, I led the successful effort to pass emergency legislation extending the mandatory cooling-off period in CNW's negotiations with the Railway Brotherhoods in order that the 40,000 people who depend on those lines to get to their jobs could do so without interruption.

I think this transaction poses a far greater danger to Chicago's regional transportation system than the transitory threat of a strike. My old friend and colleague from Illinois and the author of the last mass transit authorization bill set out this serious flaw in Japonica's proposal in a letter to Alan Greenspan, the Chairman of the Federal Reserve Board, relating to the Japonica deal. Senator DIXON pointed out that Metra, the public entity that operates the CNW commuter lines, is heavily subsidized from Federal, State and local resources, but particularly by the Federal mass transit program.

He added that Metra, the only possible purchaser of the CNW commuter lines, would not be able to buy those lines from a Japonica-owned CNW without a significant infusion of new Federal money from the mass transit program. Senator DIXON stated that those funds will simply not be available. I think it is doubtful that State and local governments could make up the difference.

Japonica is counting on the tens of millions of dollars it would receive from the sale of the CNW commuter lines to significantly reduce the massive debt it caused CNW to incur. If Japonica can't sell those lines, we won't need an economic downturn to see a serious disruption in CNW's rail operations.

Mr. President, I think the need for this legislation is clear and I hope my colleagues will act quickly to give the ICC the authority it needs to preserve the integrity of the Nation's rail transportation system.●

By Mr. LEAHY (for himself and Mr. THURMOND):

S. 1006. A bill to encourage innovation and productivity, stimulate trade, and promote the competitiveness and technological leadership of the United States; to the Committee on the Judiciary.

NATIONAL COOPERATIVE RESEARCH ACT EXTENSION OF 1989

Mr. LEAHY. Mr. President, I am pleased to introduce the National Cooperative Research Act Extension of 1989. This legislation would promote the competitiveness, technological leadership, and economic growth of the United States by extending the National Cooperative Research Act of 1984—the 1984 Antitrust R&D Act—to permit joint manufacturing ventures as well as joint research and development ventures. This legislation will enable American firms to respond to the growing pressures generated by technology and international competition without risking harm to the competitive marketplace or the integrity of our antitrust laws.

I am pleased to be joined in this effort by my distinguished colleague from South Carolina, Senator THURMOND. We will be working together on this legislation during the coming months, as we have on many other bills in the past.

The need for firms to pool their resources and enter into joint manufacturing ventures is essential if American business is to remain competitive in the world marketplace. The high-definition television [HDTV] industry is just one example of yet another technology that may be lost to foreign competitors if American companies are unable to pool their manufacturing capabilities. The immense cost required to develop the HDTV technology and catch up with Japanese and European HDTV industries makes it very difficult for any one American firm to undertake the initiative. The cost of not pursuing the HDTV technology is enormous, however. HDTV technology potentially could create such a large demand for related components, such as semiconductor chips, that the failure to develop the technology could place U.S. high-technology companies at a severe competitive disadvantage. In addition, high definition display screens will become essential for more detailed and more accurate information in everything from the medical to the defense industries. This legislation will enable American companies to compete effectively and will help curb the erosion of the United States' industrial base.

Importantly, the legislation will enable small businesses and individual inventors to assist in the manufacturing of new technologies. Much of our national inventive dynamism is located in our small enterprises—particularly in the field of high technology. If they can maintain their small-unit creativity and yet join with other firms for R&D and manufacturing when a project is too big or costly or risky to do alone, the entire Nation will be the beneficiary.

Our foreign competitors do not labor under the same antitrust restrictions that confront American businesses. Their R&D and manufacturing muscle is unlimited, and their R&D and manufacturing ventures are formed on strictly pragmatic grounds: What is needed and what will work. Consequently, in many industries, such as videocassette recorders and HDTV, the Japanese and Europeans either have captured the market or are years ahead of the United States. As the world's largest consumer electronics market, we simply cannot afford to keep losing these key components of the electronics industry. We must stimulate rather than straitjacket American business.

The 1984 R&D Act has been very successful. In the last 5 years, companies have established nearly 100 joint research ventures, which are developing everything from chipmaking and steelmaking processes to superconductors. Sematch, the semiconductor industry's facility to develop superior chipmaking methods, has made significant advances in only 2 years and has charted a course to surpass Japan's chipmaking prowess by 1995.

The Council on Competitiveness, a group of 150 corporate CEO's, recently concluded, however, that America's

achilles heel is the failure to convert scientific discoveries into commercial products. Over and over again we find American innovations mass marketed by our key trade competitors.

It is time for Congress to help American firms jump from the petri dish to the product bin. That is what this bill is designed to do. It does so by making the logical extension to the 1984 act by allowing joint manufacturing and processing as well.

No one should fear that passage of this bill will weaken our antitrust laws. By extending rather than supplanting the 1984 R&D Act, this legislation retains the 1984 act's protections against antitrust violations. The Department of Justice and the Federal Trade Commission retain their authority to investigate the scope and structure of a joint R&D or manufacturing venture. The 1984 act's safeguards against price-fixing and market allocation arrangements are maintained, as are its notice provisions which I worked on with Senator THURMOND and others on the Judiciary Committee 5 years ago.

This legislation recognizes that the creativity, knowledge, and economic resources necessary to develop innovative technologies rarely will be limited to one firm. It removes a significant impediment to the creation of joint manufacturing and processing ventures. Companies will be able to pool both assets and risks. Projects previously too expensive for a single company to undertake may now be started. Programs that promise technological breakthroughs in medicine, engineering, and many other areas can now be initiated for the betterment of society.

Mr. President, I urge my colleagues to support this legislation and ask unanimous consent that the text of the legislation be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1006

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Cooperative Research Act Extension of 1989".

JOINT MANUFACTURING VENTURES

SEC. 2. The National Cooperative Research Act of 1984 (15 U.S.C. 4301 et seq.) is amended—

(1) in section 2(a)(6) by—

(A) inserting "or manufacturing" after "development" the first place it appears;

(B) redesigning subparagraphs (D) and (E) as subparagraphs (E) and (F), respectively;

(C) inserting the following new subparagraph between subparagraph (C) and subparagraph (E), as redesignated:

"(D) the manufacturing and processing of equipment and materials,";

(2)

(D) inserting "and manufacturing" after "research" in subparagraph (E); and

(E) inserting "(D), and (E)" after "(C)" in subparagraph (F), and inserting "and development or manufacturing," after "research," in the matter following subparagraph (F);

(2) in section 2(b) by—

(A) inserting "or manufacturing" after "development" the first place it appears;

(B) striking "conduct the research and development that is the" in paragraph (1) and inserting in lieu thereof "carry out the"; and

(C) inserting "or manufacturing" after "development" in subparagraph (3)(B);

(3) in section 3 by inserting "or manufacturing" after "development" the first place it appears, and by inserting "or product" the second place it appears;

(4) in section 4 by inserting "or manufacturing" after "development" each place it appears in subsections (a)(1), (b)(1), (c)(1), and (e);

(5) in section 5(a) by inserting "or manufacturing" after "development";

(6) in section 6 by inserting "OR MANUFACTURING" after "DEVELOPMENT" in the section heading;

(7) in section 6 by inserting "and any party to a joint manufacturing venture, acting on such venture's behalf, may, not later than 90 days after entering into a written agreement to form such venture or not later than 90 days after the date of enactment of the National Cooperation Research Act Extension of 1989, whichever is later," after "Act"; and

(8) in section 6 by inserting "or manufacturing" after "development" each place it appears in subsections (d)(2) and (e).

Mr. THURMOND. Mr. President, today we are introducing legislation to amend the National Cooperative Research Act of 1984 [NCRA] to extend its coverage to manufacturing joint ventures. It is our expectation that these amendments will enable American businesses to respond more effectively to scientific and technological advances and to improve their competitiveness in international markets. The National Cooperative Research Act, also known as the joint research and development bill, enjoyed broad support in 1984, and we believe that these proposed amendments will receive the same broad support.

Mr. President, competition in worldwide markets is strong and is getting stronger every year. American firms cannot afford to settle for less than the most advanced means of manufacturing if they are to be successful, not only in exporting their products, but also in retaining their positions in their markets right here at home. This means that they must make substantial investments in state-of-the-art facilities. Such investments, however, are often too costly for one firm to undertake. Joint manufacturing ventures may provide just the answer for firms which cannot make the needed investments in new production technology, but do not want to merge their entire operations to achieve the benefits that the venture can provide. Moreover, through the joint participation of two or more companies, firms may obtain economies of size or efficiencies in manufacturing that would otherwise not be available. Such benefits may make the difference between successful U.S. competition and conceding markets to more efficient foreign producers.

However, Mr. President, under the current antitrust damage system, the threat of private treble-damage actions, however ill-founded, may discourage firms in the same industry from entering into such ventures. The perception of serious antitrust risk may make firms hesitant to build joint facilities to exploit new technology.

Mr. President, in 1984 the Committee on the Judiciary was confronted with many of the same concerns regarding joint research and development of technology. At that time, the committee forwarded to the Congress a carefully crafted approach in the NCRA to encourage research and development. The NCRA has two major features: First, the NCRA guarantees that joint research and development ventures, if they are ever called into question under the antitrust laws, will be analyzed under the rule of reason standard so that the competitive benefits of such ventures may be considered; and, second, antitrust liability with respect to a joint venture disclosed to the Government under the NCRA is limited to actual damages plus prejudgment interest.

The NCRA has been very successful, Mr. President. It has removed a potential deterrent to procompetitive projects while leaving the antitrust laws in place as a safeguard against any possible anticompetitive conduct. It is my understanding that over 100 joint research and development ventures have been disclosed to the Department of Justice since the NCRA went into effect. Many of these joint efforts were, no doubt, encouraged by the reduction of potential antitrust damage liability.

Mr. President, this is a matter that calls for our prompt attention. The basic groundwork has already been laid in the crafting of the NCRA in 1984. We anticipate broad support for this important, narrowly tailored measure, and we urge that hearings be held at the first opportunity so that the Congress may enact this legislation without delay.

By Mr. CHAFEE (for himself and Mr. WILSON):

S. 1007. A bill to amend title 23, United States Code, regarding the reduction in apportionment of Federal-aid highway funds to certain States, and for other purposes; to the Committee on Environment and Public Works.

NATIONAL HIGHWAY FATALITY AND INJURY REDUCTION ACT

Mr. CHAFEE. Mr. President, today I am introducing the National Highway

Fatality and Injury Reduction Act of 1989.

The purpose of my legislation is simple and twofold: It seeks to save lives and reduce the injuries that result from car and motorcycle crashes. In addition, it seeks to decrease the staggering health care costs borne by our society because of highway crashes.

In order to achieve this goal, this legislation gives each State that does not have a safety belt law and a universal motorcycle helmet law, 3 years to pass such a law. A State which is not in compliance will lose 5 percent of its highway construction funds the first year it is not in compliance and 10 percent each year thereafter. This bill also provides $95 million in grants out of the Highway Trust Fund to States with safety belt and helmet laws that meet certain criteria for education and enforcement activities. An additional $5 million is made available to the National Highway Traffic Safety Administration [NHTSA] to assist the States in these activities.

In 1988, approximately 47,000 people were killed on our highways. This would be the equivalent of a major airplane crash killing 28 people every single day of the year. Approximately 4 million people were injured last year on our highways. Every 10 minutes someone dies in a traffic accident and every 8 seconds someone is injured. If you live to be 75 years old, the odds are you will experience on the average 5 police reported traffic accidents, and you will have a 10-percent chance of suffering a serious injury.

If we choose to do nothing more about highway safety, over 60,000 people will die every year by the year 2000 and over 85,000 will die every year by the year 2020 assuming the fatality rate stays the same and the number of miles driven increases at the projected rate. Injuries will nearly double as well by 2020.

Motor vehicle crashes are the leading cause of death for people from 1 to 44 years of age. Road trauma produces more paraplegics and quadriplegics each year in the United States than all other causes combined and it is a leading cause of new cases of epilepsy.

One of the major Federal responsibilities in the 1990's during the post-Interstate era must be the reduction of fatalities and injuries on our Nation's highway system. Over 2.5 million people have been killed on our highways since the beginning of the automobile, more Americans than were killed in all the wars our country has been involved in since that time. And many, many millions more have been injured. This is a tragedy, and it is one of the largest public health problems our country is facing today.

This is also an economic burden we cannot afford at the Federal, State or local level. Motor vehicle injuries and fatalities occurring in 1986 accounted for at least $29.5 billion in present and future costs. Included in this total are $16.4 billion for lost productivity, $4.1 billion for medical costs, and $9 billion for insurance administration, legal and other costs. This does not include $27.4 billion in property damage. Based on the cost of $29.5 billion, the injuries and fatalities that could have been avoided in 1987 in those States that did not have motorcycle and safety belt usage laws would have resulted in a total present and future cost savings of $675 million. There is a growing body of evidence that many of the costs of motor vehicle injuries are being borne by the public.

Mr. President, the evidence is clear that the use of safety belts and helmets saves lives and reduces the severity of injuries. Through research done by NHTSA and others, models have been developed that show that safety belts reduce the risk of being killed by about 45 percent, and motorcycle helmets reduce it by about 29 percent.

Safety belts have saved 15,200 lives from 1983 through 1988. More than 10,300 of those have been credited directly to safety-belt use laws. If all front seat occupants had worn seat belts, it is estimated that 15,000 lives would have been saved in 1987.

Motorcycle helmets saved an estimated 4,645 lives from 1982 to 1987. If all motorcyclists had worn helmets during this time, approximately 9,030 lives would have been saved.

And helmets and safety belts have saved tens of thousands of people from serious injuries.

A study done in North Carolina after it enacted a safety belt law in 1985 indicated that a reduction of approximately 1,100 severe or fatal injuries per year can be attributed to the safety belt law in North Carolina.

Texas' experience shows that after its helmet law was repealed in 1977 the number of fatalities and injuries increased dramatically. Texas recently passed a motorcycle helmet law.

Mr. President, safety belt and motorcycle helmet laws increase usage.

Over 30 countries have passed mandatory safety-belt use laws. The United States is virtually the only developed nation that has not passed national safety belt legislation. Other countries report a dramatic increase in use after a safety belt law is passed. In Canada belt use increased from 30 percent to 76 percent after a national law was passed. After England passed a law, belt use increased from 37 percent to 93 percent.

New York was the first State to pass a safety belt use law in 1984. Approximately a year after the first safety belt law was passed, national usage rose to 27 percent, compared to 13 percent in 1984. Today it is 46 percent nationwide. Much of that increase is due to the safety belt use laws passed by 33 States and the District of Columbia. NHTSA estimates show that in States with safety belt use laws, 52 percent buckle up while only 37 percent do so in States without laws.

The effect of motorcycle helmet laws on usage is even more dramatic. In 1984, helmet use rates for areas with mandatory laws were over 98 percent for all riders. In locations with no or limited use laws, the rates were 51.3 percent for drivers and 34.8 percent for passengers. Twenty-two States, the District of Columbia and Puerto Rico now have universal motorcycle laws. An additional 23 States require helmets under a specified age, usually 18. One State requires passengers to wear helmets.

Between 1966 and 1975 when helmet laws were enacted, the motorcycle fatality rate per 10,000 motorcycles fell from about 13 to less than 7. But from 1976 to 1979 during which time 27 States repealed or weakened their helmet laws, the death rate rose from 7 to about 10 persons for every 10,000 motorcycles.

Mr. President, the cost of not using safety belts and helmets is very high. The loss of life and the effect of serious injury is tragic enough, but in addition, look at the costs that are being borne by the public through rising medical costs, motor vehicle and health insurance premiums, public assistance programs for medical care and long-term rehabilitation, and Social Security survivor benefits. Of the leading causes of death, road-related trauma is second only to cancer in economic burden.

Michigan experienced an 11.6-percent decrease in injuries the first 6 months after it passed a safety belt law. There was also a significant reduction in the rate of fatalities for front seat occupants during this time. The annual injury cost savings for Michigan is over $40 million, and over $85 million was saved annually as a result of the reduction in fatalities.

A study of accident claims paid by League General Insurance Co. in Michigan showed that after Michigan's mandatory safety belt law was in place, injury claims in 1987 dropped 25 percent over the previous year and 15 percent since the law took effect in July 1985.

In an example of who increasingly is paying medical costs, a study of 105 motorcycle trauma patients seen during 1 year at the Harborview Medical Center in Seattle showed that 63.4 percent of the initial medical care costs were paid for by public funds. None of the victims were receiving public assistance prior to the accident but became eligible because of anticipated long hospital stays.

Data on Texas' experience analyzed by the Texas Department of Health and the Department of Public Safety

shows that unhelmeted riders averaged twice as many days in the hospital as helmeted riders and the average hospital charge for unhelmeted cyclists was nearly 2.5 times greater than for helmeted cyclists. Forty-one percent of the unhelmeted cyclists, compared to 27 percent of the helmeted cyclists, had no hospital insurance.

Finally, Mr. President, this is not an individual liberty issue. Driving on our highways is a privilege, not a right. Every level of government has a responsibility to see that the road system is designed as safely as possible, and that those who use it do so as safely as possible.

The constitutionality of motorcycle helmet and safety belt laws have been upheld by the courts. A Massachusetts lower court opinion upheld by the Supreme Court make the argument well:

While we agree with plaintiff that the act's only realistic purpose is the prevention of head injuries incurred in motorcycle mishaps, we cannot agree that the consequences of such injuries are limited to the individual who sustains the injury . . . The public has an interest in minimizing the resources directly involved. From the moment of the injury, society picks the person up off the highway; delivers him to a municipal hospital and municipal doctors; provides him with unemployment compensation if, after recovery, he cannot replace his lost job, and, if the injury causes permanent disability, may assume the responsibility for his and his family's subsistance. We do not understand a state of mind that permits plaintiff to think that only he himself is concerned.—Simon vs. Sargent.

It is time to take action. Education programs are crucial. Enforcement of these laws is absolutely necessary and increases their effectiveness. Additional funding would benefit the State's efforts. But I am convinced having safety belt and helmet laws is by far the most effective way to save lives and reduce injuries.

Many States provide exemptions from safety belt laws for certain vehicles such as pickup trucks. While this legislation does not require States to make changes in their safety belt laws, it is my hope that they will consider reviewing their laws to provide this protection for everyone.

But the first step is to have a safety belt and motorcycle helmet law passed in every State. While highway construction sanctions are not the most popular mechanism, they are clearly the most effective. Our experience with the helmet law is a good example. After the safety standards were passed in the 1966 Highway Safety Act, all but three States passed effective helmet laws. When Congress prohibited the Department of Transportation from imposing sanctions in 1976, 26 States had repealed their laws by 1978 and as a result many people have been killed and seriously injured because people were given the message that they did not have to wear a helmet.

Training motor vehicle and motorcycle drivers is very important and must be emphasized as well. But no matter how good the training is, or how experienced the driver, there will always be crashes and in that moment when a crash occurs, it is the safety belt and the helmet which have the best chance of saving your life.

Mr. President, I hope my colleagues will join with me in supporting this legislation.

Mr. President, I ask unanimous consent that the following documents be placed in the RECORD following my statement: The text of the bill; a summary of the National Highway Fatality and Injury Reduction Act of 1989. A list of the organizations which support this legislation.

Summaries of:

The Economic Cost to Society of Motor Vehicle Accidents, 1986 Addendum, NHTSA.

A Model for Estimating the Economic Savings from Increased Safety Belt Use, NHTSA.

A Model for Estimating the Economic Savings from Increased Motorcycle Helmet Use, NHTSA.

The following studies:

The Cost of Treating Head Injured Unhelmeted Motocyclists in Texas.

Impact of the Re-Enactment of Motorcycle Helmet Law in Louisiana.

Prospective Study of the Effect of Safety Belts on Morbidity and Health Care Costs in Motor-Vehicle Accidents, Elizabeth Mueller Orsay, et al.

The Public Cost of Motorcycle Trauma, Frederick P. Rivara, et al.

The following letters:

Dr. William H. Hollinshead, medical director, Divisions of Family Health, Department of Health, State of Rhode Island.

Edward J. Walsh, chief coordinator, Governor's Office on Highway Safety, Department of Transportation, State of Rhode Island.

Jane Mattson, Jane Mattson Associates, Inc.

M.J. Hannigan, commissioner, Department of California Highway Patrol.

The executive summary of "A Statewide Survey of Public Opinion on the Proposed Mandatory Safety Belt Legislation."

Testimony presented to the California Senate Transportation Committee.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1007

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. This Act may be cited as the "National Highway Fatality and Injury Reduction Act of 1989."

SEC. 2. Chapter 1 of title 23, United States Code, is amended by adding at the end thereof the following new sections:

"Sec. 159. Motorcycle Helmets and Safety Belts.

"(a)(1) The Secretary shall withhold 5 per centum of the amount required to be apportioned to any State under each of sections 104(b)(1), 104(b)(2), 104(b)(5), and 104(b)(6) of this title on the first day of fiscal year 1992, if it is lawful in that State for any person:

"(A) to operate or ride a motorcycle without wearing a motorcycle helmet;

"(B) to occupy a front seating position in a passenger car without using a safety belt or child safety restraint while the vehicle is in forward motion; or

"(C) to act both as described in (A) and as described in (B).

"(a)(2) The Secretary shall withhold 10 per centum of the amount required to be apportioned to any State under each of sections 104(b)(1), 104(b)(2), 104(b)(5), and 104(b)(6) of this title on the first day of each fiscal year succeeding fiscal year 1992, if it is lawful in that State for any person:

"(A) to operate or ride a motorcycle without wearing a motorcycle helmet;

"(B) to occupy a front seating position in a passenger car without using a safety belt or child safety restraint while the vehicle is in forward motion; or

"(C) to act both as described in (A) and as described in (B).

"(b)(1) Any funds withheld under this section from apportionment to any State on or before September 30, 1993, shall remain available to such State as follows:

"(A) If such funds would have been apportioned under section 104(b)(5)(A) of this title but for this section, such funds shall remain available until the end of the fiscal year for which such funds are authorized to be appropriated.

"(B) If such funds would have been apportioned under section 104(b)(5)(B) of this title but for this section, such funds shall remain available until the end of the fiscal year for which such funds are authorized to be appropriated.

"(C) If such funds would have been apportioned under section 104(b)(1), 104(b)(2), or 104(b)(6) of this title but for this section, such funds shall remain available until the end of the third fiscal year following the fiscal year for which such funds are authorized to be appropriated.

"(b)(2) If, before the last day of the period for which funds withheld under this section from apportionment are to remain available for apportionment to a State under paragraph (1), the State makes effective a law which is in compliance with subsection (a), the Secretary shall on the day following the effective date of such law apportion to such State the funds remaining available to such State that had been withheld under the subsection.

"(b)(3) Any funds apportioned pursuant to paragraph (2) shall remain available for expenditure as follows:

"(A) Funds apportioned under section 104(b)(5)(A) of this title shall remain available until the end of the fiscal year succeeding the fiscal year in which such funds are so apportioned.

"(B) Funds apportioned under section 104(b)(5)(B) of this title shall remain available until the end of the second fiscal year succeeding the fiscal year in which such funds are so apportioned.

"(C) Funds apportioned under section 104(b)(1), 104(b)(2), or 104(b)(6) of this title shall remain available until the end of the third fiscal year succeeding the fiscal year in which such funds are so apportioned.

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Sums not obligated at the end of such period shall lapse or, in the case of funds apportioned under section 104(b)(5) of this title, shall lapse and be made available by the Secretary for projects in accordance with section 118 of this title.

"(b)(4) If, at the end of the period for which funds withheld under subsection (a) of this section from apportionment are available for apportionment to a State under paragraph (1), the State has not made effective a law which is in compliance with the applicable subsection, such funds shall lapse or, in the case of funds withheld from apportionment under section 104(b)(5) of this title, such funds shall be made available by the Secretary for projects in accordance with section 118 of this title.

"(b)(5) No funds withheld under this section from apportionment to any State after September 30, 1994, shall be available for apportionment to such State.

"SEC. 160. Motorcycle Helmet and Safety Belt Incentive Grant Program.

"(a) Subject to the provisions of this section, the Secretary shall make grants to those States which adopt and implement effective programs to increase traffic safety by ensuring that persons riding on motorcycles wear helmets and receive adequate rider training and that persons riding in other motor vehicles not only use safety belts and child safety restraints but use them correctly. Such grants may only be used by recipient States to implement and enforce such programs.

"(b) No grant may be made to a State under this section in any fiscal year unless the State enters into such agreements with the Secretary as the Secretary may require to ensure that such State will maintain its aggregate expenditures from all other sources for motorcycle safety programs, safety belt programs and child passenger safety programs at or above the average level of such expenditures in its two fiscal years preceding the date of enactment of this section.

"(c) No State may receive grants under this section in more than three fiscal years. In any fiscal year, the Federal share payable for any grant under this section shall not exceed 50 per centum of the cost of implementing and enforcing the programs under the grant.

"(d) Subject to subsection (c), the amount of a grant made under this subsection to any State which is eligible for a grant under subsection (e)(1) shall equal 30 per centum of the amount apportioned to the State for fiscal year 1989 under section 402 of this title.

"(e)(1) A State is eligible for a first-year grant if the State—

"(A) requires each person occupying a front seating position in a passenger car to use a safety belt or child safety restraint correctly;

"(B) requires each person riding on a motorcycle to wear a motorcycle helmet;

"(C) provides for a comprehensive community-based program to educate the public about motorcycle safety and safety belt and child safety restraint use, involving public health and education agencies, hospitals, and related organizations;

"(D) provides for a statewide police training program on the enforcement of helmet use requirements and safety belt and child safety restraint use requirements; and

"(E) provides for the monitoring of helmet use and safety belt use rates by methods that provide a measure of statewide usage.

"(2) A State is eligible for a second-year grant if the State—

"(A) meets the requirements of subsection (e)(1);

"(B) achieves a helmet use rate of 75 per cent and a safety belt use rate for front seat occupants of 50 percent.

"(3) A State is eligible for a third-year grant if the State—

"(A) meets the requirements of subsection (e)(1); and

"(B) achieves a helmet use rate of 85 per cent and a safety belt use rate for front seat occupants of 70 per cent.

"(f) There is authorized to be appropriated to carry out this section $25,000,000 for fiscal year 1991 and $35,000,000 per fiscal year for each of fiscal years 1992 and 1993, all out of the Highway Account of the Highway Trust Fund. Such sums shall remain available until expended. Approval by the Secretary of a grant with funds authorized by this subsection shall establish a contractual obligation of the United States for the payment of such grant."

SEC. 3. There is authorized to be appropriated to carry out public education and information activities in support of State and community motorcycle safety and safety belt and child safety restraint use programs $5,000,000 for fiscal year 1990, out of the Highway Account of the Highway Trust Fund. Such sums shall remain available until expended. Approval by the Secretary of Transportation of the payment of such sums shall establish a contractual obligation of the United States to pay such sums.

SEC. 4. The Secretary of Transportation may issue regulations to implement section 411 of title 23, United States Code.

SUMMARY OF THE NATIONAL HIGHWAY FATALITY AND INJURY REDUCTION ACT OF 1989

Section 1 is the short title.

Section 2 provides that any State which does not have in place a safety belt law for persons in the front seat of a passenger car, and a motorcycle helmet law by September 30, 1991, (three years after the date of enactment of this legislation) will lose five percent of its Interstate, Interstate 4R, Primary, Secondary and Urban highway apportionments.

Failure to pass a safety belt and helmet law will result in the withholding of 10 percent of a State's highway apportionments in each year following fiscal year 1992.

States which comply with this law by September 30, 1994 will have all apportionments returned which have not lapsed. Any apportionments withheld on or after October 1, 1994 will not be returned.

Section 2 creates a three-year incentive grant program to implement and enforce helmet and safety belt laws. Grants cannot exceed a 50 percent Federal match and will not be more than 30 percent of a State's FY 1989 402 apportionment.

A State is eligible for a first year grant if it:

(1) has a safety belt law for front seat passengers in passenger cars;

(2) has a universal motorcycle helment law;

(3) has a comprehensive community-based program to educate the public about motorcycle safety, safety belt use and child safety restraint use;

(4) has a monitoring system to determine statewide helmet and safety belt use.

A State is eligible for a second-year grant by meeting the additional requirement of achieving a helmet use rate of 75 percent and a safety belt use rate of 50 percent.

A State is eligible for a third-year grant by achieving a helmet use rate of 85 percent and a safety belt use rate of 70 percent.

This section provides $25 million in fiscal year 1991 and $35 million for each of fiscal years 1992 and 1993 out of the Highway Trust Fund for the grant program.

Section 3 provides $5 million out of the Trust Fund to NHTSA for public education and information programs in support of State and community motorcycle safety, safety belt, and child safety restraint use programs.

ORGANIZATIONS WHO SUPPORT THE CONCEPT OF THE NATIONAL HIGHWAY FATALITY AND INJURY REDUCTION ACT OF 1989

American Academy of Orthopaedic Surgeons.
American Academy of Pediatircs.
American Association of Critical-Care Nurses.
American Coalition for Traffic Safety, Inc.
American College of Emergency Physicians.
American College of Preventive Medicine.
American College of Surgeons.
American Medical Association.
American Nurses' Association.
American Public Health Association.
American Trauma Society.
Association of Operating Room Nurses.
Association of State and Territorial Health Officials.
Center for Injury Prevention, San Francisco.
Child Welfare League.
Epilepsy Foundation of America.
Massachusetts Head Injury Association.
Massachusetts Seat Belt Coalition.
Motorcycle Industry Council.
Motor Vehicle Manufacturers Association.
National Council on the Handicapped.
National Head Injury Foundation.
National Safety Council.
Rhode Island Association for Retarded Citizens.
Rhode Island Chapter, National Head Injury Foundation.
Rhode Island Safety Belt Coalition, Inc.
Snell Memorial Foundation.
Students Against Drunk Driving.
West Virginia Head Injury Foundation.
West Virginia Traffic Safety Now, Inc.

[From the Office of Plans and Policy, National Highway Traffic Safety Administration, Sept. 1987]

THE ECONOMIC COST TO SOCIETY OF MOTOR VEHICLE ACCIDENTS—1986 ADDENDUM

NHTSA estimates that the total economic cost to society of motor vehicle accidents was $74.2 billion in 1986. Included in this loss are medical costs, productivity losses, property damage, legal and court costs, insurance administration, emergency service costs, coroner and medical examiner costs, public assistance administration and government programs. These costs resulted from traffic accidents which caused over 46,000 deaths, 3.4 million injuries, and 45 million damaged vehicles. Tables 1 through 5 summarize economic costs by injury level and cost category.

Roughly $59.7 billion of the overall cost represents losses that could be reduced in a roughly proportionate manner if traffic accidents, injuries, and fatalities were to decrease. The remaining portion, totalling $14.5 billion, represents costs which are relatively fixed, i.e., that will not change in direct response to foreseeable changes in

the accident or injury rate. These costs include primarily insurance underwriting costs, which are the administrative costs of writing and maintaining insurance policies, and the cost of government agencies that were established to improve vehicle or highway safety.

The largest source of loss is property damage, which accounts for roughly $27.4 billion or 37 percent of the total cost. The high incidence of accidents that involve no personal injury (over 90 percent of all accidents) is responsible for this result.

Insurance expense is the second highest contribution to overall costs, totalling $20.9 billion and accounting for 28 percent of total cost. However, a substantial part of total insurance expense, roughly $14.2 billion, is a relatively fixed expense associated with insurance underwriting. The variable portion of insurance administrative expense totals $6.7 billion and represents only 11 percent of total economic costs that could be expected to vary with changes in the accident rate.

Among injury related costs, productivity losses account for $16.4 billion or over 22 percent of all costs while legal and court costs and medical costs each account for about $4 billion or roughly 6 percent of total costs.

Note that these cost estimates do not include any allowance for pain and suffering or value of life. They therefore only represent one portion—the monetarily tangible economic costs—of the total cost that is incurred by members of society due to motor vehicle accidents.

Note also that this updated estimate should not be directly compared to previous estimates. Changes in the basis for determining incidence makes comparison between this and previous cost estimates inappropriate for determining trends.

A MODEL FOR ESTIMATING THE ECONOMIC SAVINGS FROM INCREASED SAFETY BELT USE

1. INTRODUCTION

Safety belt usage is by far the most important step that vehicle occupants can take to protect themselves in the event of a crash. It has been estimated that wearing these devices increases a person's chance of surviving a crash by 45 percent, and of avoiding a serious injury by 50 percent. Unfortunately, only about 42 percent of all automobile occupants currently use their safety belts. This failure of nearly 60 percent of automobile occupants to use their belts results in approximately 8,700 additional deaths and 120,000 moderate to critical injuries each year. An additional 2,600 persons die and 31,000 are injured unnecessarily in light trucks and vans because of low belt usage. These needless deaths and injuries (those that could be prevented by proper belt use) cost society an estimated $6 billion annually in medical costs, lost productivity, and other injury-related expenses.

These costs, many of which are ultimately borne by state welfare and assistance programs, could be significantly reduced if safety belt usage were to increase. This report describes a method whereby individual states can estimate the deaths and injuries that could be prevented and the economic cost savings that could result if they take measures which increase safety belt use. This method basically involves a three step process: first, determining the incidence of death and injury now experienced in the state; second, determining the potential safety improvement through increased belt usage in the particular state; and thirdly, combining the potential safety benefits with their associated economic costs. The resulting estimates should provide a reasonable "order of magnitude" indicator of safety and economic benefits that could result from increased safety belt use. They should not, however, be characterized as a precise prediction of these savings.

A MODEL FOR ESTIMATING THE ECONOMIC SAVINGS FROM INCREASED MOTORCYCLE HELMET USE

I. INTRODUCTION

This paper provides a methodology that can be used with state specific crash injury data to estimate the safety and economic benefits that would result from taking measures which increase motorcycle helmet usage. In 1986, over 4,500 motorcycle riders were killed and roughly 170,000 were injured in crashes on our nation's highways. The loss of life and bodily injury resulting from these crashes is a major cause of personal grief and economic hardship for the immediate victims as well as their families and friends.

Motorcycles are the most hazardous form of motor vehicle transportation. While representing only 3 percent of all registered vehicles and accounting for only 0.5 percent of all vehicle miles traveled (VMT), motorcycle occupants make up nearly 13 percent of all occupant traffic fatalities. More than 80 percent of all motorcycle crashes result in injury or death to the motorcyclist. This increased fatality and injury rate is due to both a higher incidence of crash involvement and a higher risk of injury in the event of a crash. Motorcycles obviously lack many features found on most other vehicles such as safety belts and enclosed compartments which restrain and protect occupants in the event of a crash. In addition, motorcyclists suffer far more ejections—one of the more serious injury causing events during a vehicle crash.

Helmet usage is by far the most important step that motorcycle riders can take to protect themselves in the event of a crash. It has been estimated that wearing a helmet can prevent over 60 percent of all serious and fatal injuries to the head region, which accounts for roughly 40 percent of all serious injuries. This added protection increases a person's chance of surviving a crash by 27 percent, and of avoiding a serious injury by 13 percent. Unfortunately, only about 59 percent of all motorcycle riders currently wear helmets. This failure of over 40 percent of motorcycle riders to use a helmet results in approximately 700 additional deaths, 3,600 moderate to critical injuries and 3,300 minor injuries each year. These needless deaths and injuries (those that could be prevented by helmet use) cost society an estimated $300 million annually in medical costs, lost productivity, and other injury-related expenses.

These costs, many of which are ultimately borne by state welfare and assistance programs, could be significantly reduced if motorcycle helmet usage were to increase. This report describes a method whereby individual states can estimate the economic cost savings that could result if they take measures which increase helmet use. This method basically involves a three step process: first, the determination of the incidence of death and injury now experienced in the state; second, determining the potential for improvement through increased helmet usage in the particular state; and third, combining the potential safety benefits with their associated economic costs.

The resulting estimate should provide a reasonable "order of magnitude" indicator of safety and economic benefits that could result from increased motorcycle helmet use. It should not, however, be characterized as a precise prediction of these savings.

THE COSTS OF TREATING HEAD INJURED UNHELMETED MOTORCYCLISTS IN TEXAS

[June 1987—November 1988]

INJURY COSTS

Preliminary statistics indicate that 2,204 motorcyclists received a non-fatal head injury in Texas between June 1987 and November 1988. Of those whose helmet status is known (2173), 1,874 (86%) were unhelmeted.

In Texas, hospital and physician costs can be conservatively estimated at $17,172 per initial hospitalization for a head injured unhelmeted motorcyclist. Thus, the costs for initial treatment of these 1,874 can be conservatively estimated at over $32 million.

Of the unhelmeted motorcyclists who received a head injury during this time period, an estimated 3% (56) were discharged to a rehabilitation center or nursing home for continuing medical care. Estimating a daily charge of $400 per patient, charges would total $22,400 per day, or $672,000 every month for the 56 receiving care.

In a study by the Texas Department of Public Safety, in cooperation with the Texas Department of Health, involving 763 motorcycle patients in 18 hospitals across the state, 59% of the unhelmeted motorcycle accident patients did not have health insurance. Thus, a large percentage of initial medical costs is borne by the public sector and eventually by insurance rate payers.

FATALITY COSTS

Preliminary statistics indicate that there were 462 motorcycle fatalities in Texas between June 1987 and November 1988.

365 (80%) of those who died were unhelmeted.

Lost earnings of 365 persons (mostly males), whose estimated average age is 25 years, can be estimated to be more than $511 million at an expected average lifetime annual earnings of $35,053 per person.

Other costs associated with these fatalities have not been included.

Source Notes: Preliminary motorcycle injury and death statistics provided by the Department of Public Safety statistical division.

Calculations involving costs are based on assumptions and data from a variety of sources. For clarification or further information, contact David Zane, Texas Department of Health.

[From the National Highway Traffic Safety Administration, Dec. 1984]

IMPACT OF THE REENACTMENT OF THE MOTORCYCLE HELMET LAW IN LOUISIANA

SECTION IV—SUMMARY AND CONCLUSIONS

The repeal of the mandatory Louisiana helmet law and subsequent re-enactment provided the basis for systematic study and comparison of injury types and severity, fatalities, and costs associated with safety helmet use.

The study incorporated the time frames of June-September, 1981 (during the post-repeal period) and June-September 1982, subsequent to the re-enactment of the helmet law. Geographic study locations included Lake Charles, Baton Rouge, and New Orleans. Additionally, fatalities were stud-

ied for the entire state for both calendar years.

The Louisiana Highway Safety Commission provided general motorcycle accident data for both study years. This information was used as a data base in tracking motorcycle accidents and victims from the time of occurrence to final patient disposition.

Roadside observations were conducted to ascertain levels of compliance with the law. The mean use rate was 95.70%, which compares favorably with results from similar studies conducted in South Dakota (99.6%) and Kansas (99.7%) during periods of enactment of motorcycle helmet usage laws.

With respect to age and helmet use, it was found that younger riders involved in accidents in 1981 did not demonstrate a higher helmet usage rate than older riders involved in similar accidents, even though the repeal of the law did not exempt the under age 19 group from wearing safety helmets. This fact indicates the helmet laws aimed at younger riders are not directed toward an age group with decreased usage rates in accidents.

In both study years, data indicated that about 93% of drivers were male. Among all drivers, safety helmet usage increased from 46% in 1981 to a documented 72% (an observed 95.7%) in 1982. These data were abstracted from state accident reports and apply only to injury accidents—as noted previously, observational studies indicated a 95.70% compliance. This difference in usage rates suggests that non-helmeted riders experience a greater frequency of accidents than the motorcyle rider population-at-large.

As observed in roadside studies, not all helmeted riders used eye protection. The mean safety helmet usage among observed drivers was 95.6%, while the mean use of eye protection was 88.53%. Passenger use of eye protection was somewhat lower at 70.22%.

In terms of fatally injured motorcyclists, there was a significant decrease of 30% from 1981 to 1982, or a total of 40 fewer deaths in spite of a 5.9% increase in motorcycle registrations. Death certificates were located for 198 of the fatally injured cyclists in 1981 and 1982. The most common injury cited as the primary cause of death was head injury (55%).

It was also shown that whereas fatal head injuries occurred 2.2 times more often than fatal injuries before the law was reinstated, they occurred only as often as other injuries in 1982. Findings were just as dramatic in non-fatal accidents. Of 135 cases studied in-depth, 27% were head/face injuries classified as most severe in 1981, with only 8.7% noted as such in 1982. In terms of first, second, and third most severely injured body regions, head injuries decreased from 14% in 1981 to 10% in 1982 of total injuries. Combined data for both years demonstrate a rate of 285.71 head injuries per 1,000 helmeted injured riders as compared to 634.92 for non-helmeted motorcyclists. At AIS Level 3, head injuries increased by 500%, from a rate of 15.9 per thousand helmeted riders to 95.2 per thousand non-helmeted riders. AIS Level 4 was also significant at a 100% increase in the non-helmeted riders. AIS Levels 5 and 6 were significant at 100% and 1200% increases respectively in injury rates per thousand non-helmeted riders.

Financial impact of the re-enactment of the mandatory helmet law was also investigated. The average cost per accident decreased 48.61% from 1981 and 1982 with re-enactment of the helmet statute.

Dramatic differences were found in lengths of hospital stay between helmeted and non-helmeted riders in both study years. For 1981-1982, the combined average length of hospital stay for helmeted riders was 0.71 days while the average LOS for non-helmeted riders was 3.75 days. Such dramatic differences reinforce the effectiveness of mandatory helmet laws in decreasing severity of injuries.

Reduction of costs in 1982 was significant in all areas. While the reduction in property damages is not immediately traced to cause, the reduction in medical costs is clearly a function of reduction in the nature and severity of injuries, and thus, the length of stay and the amount of medical resources utilized. Length of stay declined 58.6% from 1981 to 1982, a statistically significant difference.

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PROSPECTIVE STUDY OF THE EFFECT OF SAFETY BELTS ON MORBIDITY AND HEALTH CARE COSTS IN MOTOR-VEHICLE ACCIDENTS

(By Elizabeth Mueller Orsay, MD; Timothy L. Turnbull, MD; Mary Dunne, MD; John A. Barrett, MD; Patricia Langenberg, PhD; Charles P. Orsay, MD)

To assess the impact of safety belt use on the extent of injuries sustained in motor-vehicle accidents and the incurred health care costs, 1364 patients were prospectively evaluated at four Chicago-area hospitals. Of these, 791 (58%) were wearing a safety belt whereas 573 (42%) were not. The mean injury severity score for safety belt wearers was 1.8 ± 0.07 vs 4.51 ± 0.31 in those not wearing a safety belt. Only 6.8 of safety belt wearers required admission vs 19.2% of those not wearing a safety belt. Restrained occupants incurred mean charges of $\$534 \pm \$67$ compared with $\$1583 \pm \$201$ in unrestrained occupants. Thus, safety belt wearers had a 60.1% reduction in severity of injury, a 64.6% decrease in hospital admissions, and a 66.3% decline in hospital charges. Our findings demonstrate the significant societal burden of nonuse of safety belts in terms of morbidity and the cost of medical care.

Trauma resulting from motor-vehicle accidents (MVAs) represents a major challenge to our health care delivery system and a significant societal burden Motor-vehicle accidents are the leading cause of death in Americans aged 5 to 34 years and the seventh leading cause of death overall.[1] In 1982, an estimated 3.2 million people were injured in MVAs, of whom approximately 1.4 million were treated in emergency departments and 350,000 required hospitalization.[2] As a result of MVA-associated injuries, 1.3 million years of potential life before age 65 years were lost in 1984.[3] The overall economic loss to the United States attributable to MVAs in 1980 has been estimated to be $57.2 billion.[4]

The Department of Transportation postulates that universal use of safety belts would reduce MVA-related fatalities by 50% and injuries by 65%.[5] Previous studies, based on police reports[6] or National Highway Traffic Safety Administration records,[7] report a reduction of serious injury of belted front-seat occupants of 43% to 52%[6] and a decline in fatalities of 43%[7] To our knowledge, no prospective studies based on medical data have specifically attempted to assess the efficacy with which safety belt use may prevent injury from motor-vehicular trauma. We undertook the following prospective study to assess the effect of safety belt use on the extent of injuries sustained during MVAs as well as the economic impact of their use.

MATERIALS AND METHODS

During the period of Jan. 1 to July 1, 1986, data were collected on patients who presented after an MVA to the emergency department or trauma unit of four Chicago-area hospitals. Two of these hospitals (Mercy Hospital and Medical Center of Illinois Masonic Medical Center, Chicago) were urban community hospitals, one was a public inner-city hospital (Cook County Hospital, Chicago), and the fourth was a large suburban community hospital (Lutheran General Hospital, Park Ridge, Ill). These four hospitals were selected because they cover a wide geographic area within Cook County and a wide range of socioeconomic groups. In addition, the selected hospitals receive patients from a large assortment of urban crash settings, including expressways (high speeds) and city streets (lower speeds). Patients involved in MVAs that occurred in rural areas were not included.

All patients who presented with complaints referable to an MVA that had taken place within the previous 24 hours were eligible for inclusion. Pedestrians, bicyclists, motorcyclists, bus passengers, and those in trucks with more than two axles were excluded. Each weekday, the logs of each emergency department or trauma unit were reviewed in an attempt to identify any missed motor-vehicle injury cases. Cases thus identified were resubmitted to the examining physician with the medical record for completion and inclusions in the study.

Initial data were collected prospectively for all study subjects by the examining physician. The physician administered a structured questionnaire that included the following data: (1) determination of safety belt usage, (2) position of subject in vehicle, (3) mechanism of injury (front-end, rear-end, or broadside collision), (4) posted speed limit at location of MVA, (5) mode of transport to hospital, and (6) final disposition (discharge, transfer to another facility, admission to hospital, or death in emergency department). The examining physician also noted on the questionnaire if there was evidence of alcohol use, ie, clinical intoxication, a smell of alcohol on the breath, or an alcohol level. The data were then analyzed as yes/no variables. Alcohol levels obtained for legal use were sent to state laboratories; the

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Footnotes at end of article.

results were not made available for the purposes of this study and therefore are not included. For all subjective data collected, independent confirmation was sought from paramedics, police, or others whenever possible.

The medical records (emergency and inpatient, if applicable) of all subjects were subsequently reviewed by a member of the research team. Additional collected data included the time of registration, nature of injuries, and payment status. An injury severity score (ISS) was then calculated based on the *Abbreviated Injury Scale Manual* (1985 edition).[8] A numerical score (1 to 5) is assigned to the severity of injury in each region; the squares of the three highest scores are then summated to obtain the ISS. Financial records were analyzed to determine the total hospital (excluding physician fees) and emergency department charges generated as a direct result of the MVA for each subject. The costs of consultants, admitting physicians, rehospitalizations, and rehabilitation were not included.

Study subjects were divided into two groups (restrained and unrestrained by safety belts) for the purposes of data analysis. Preliminary power calculations were made for an alpha of 0.05 and a power of 0.90 to detect a difference in ISS score of at least 0.5. The principal statistical test used were t tests for comparisons of means of continuous variables and x^2 tests for drawing inferences concerning proportions. Analyses of covariance and logistic regression analyses were performed to compare safety belt users with nonusers, controlling for possible confounding variables. The SAS statistical package on an IBM mainframe at the University of Illinois at Chicago was used to perform the analyses.

RESULTS

A total of 1364 patients were entered into the study. The mean age of the patients was 33.03±0.42 years (mean ±SEM); 52.5% were men, 63.6% were drivers, 24.6% were front-seat passengers, and 11.3% were back-seat passengers. There was no significant difference noted in the month patients sere seen (January through June), but there was a difference noted in the time they were registered; 37.1% were registered from 7 AM to 3 PM, 42.1% from 3 to 11 PM, and 20.8% from 11 PM to 7 AM (P>.001).

Seven hundred ninety-one patients (58%) claimed to be wearing safety belts, and 573 (42%) did not. Of those wearing safety belts, 603 (76.2%) were wearing a shoulder harness and lap belt, 121 (15.3%) were wearing a lap belt only, and in 67 (8.5%) the safety belt type was not known. Differences were noted between the two groups with respect to age, sex, and reported mechanism of injury. Safety belt wearers were slightly older, more often female, and more likely to be involved in a rear-end collision. In addition, safety belt users were less likely to have used alcohol and less likely to require transport by ambulance. The groups were similar with respect to the posted speed limit where the accident occurred (Table 1).

TABLE 1.—CHARACTERISTICS OF SAFETY BELT WEARERS VERSUS NONWEARERS

Characteristic	Safety belts: Yes (n=791)	Safety belts: No (n=573)	P [1]
Mean ± SEM age, y	35±0.5	31.9±0.7	0.004
Male (percent)	49.7	55.8	.028
Reported mechanism of injury (percent):			
Rear-end collision	40.8	26.2	
Front-end collision	24.1	37.6	
Struck broadside (passenger)	20.0	20.5	.001
Struck broadside (driver)	12.8	9.4	
Other	1.2	1.9	
Unknown	1.2	4.4	
Alcohol use (percent)	5.6	19.5	.0001
Ambulance transport (percent)	36.4	57.6	.0001
Posted speed limit (mph) (percent):			
<30	40.5	39.6	
30–45	39.6	35.1	
≧55	8.5	8.6	NS
Unknown	11.5	16.8	

[1] Percentages were compared by the Pearson x^2 test. Means were compared by the two-tailed t test. NS indicates not significant.

SEVERITY OF INJURY

The mean ISS for safety belt wearers was 1.8±0.07 as opposed to 4.51±0.31 for those not wearing safety belts ($P<.001$). Patients who had worn safety belts, whether they were drivers front-seat passengers, or back-seat passengers, fared significantly better than their unrestrained counterparts.

When the reported mechanism of injury was evaluated, striking differences in ISS were noted between safety belt users and nonusers in front-end collisions (2.15±0.18 vs 6.12±0.64, $P<.001$). Benefit was also provided by safety belts in broadside collisions, where restrained occupants had an average ISS of 2.01±0.14 as opposed to 3.6±0.34 for unrestrained occupants ($P<.001$). Smaller but significant differences in ISS were noted between the groups in rear-end collisions. Safety belt wearers had a mean ISS of 1.38±0.06 vs 2.47±0.14 for nonusers ($P<.001$).

Admission to the hospital may be another indication of severity of injury. A significantly greater number of unrestrained subjects required admission (including those who died in the emergency department). Only 54 (6.8%) of the total 791 safety belt wearers required admission. However, 110 (19.2%) of the 573 patients who did not wear safety belts required admission ($P<.001$). Thus, two thirds of patients who required hospital admission were not wearing safety belts at the time of injury. Significant differences in ISS between the restrained and unrestrained groups remained in both the admitted and discharged groups. Regardless of admission status, unrestrained occupants utilized significantly more hospital days than restrained occupants (1.2±0.2 days vs 0.4±0.08 days, $P<.001$).

When only the most severely injured patients are considered, ie, those with an ISS of 12 or greater, again, the overwhelming majority were unrestrained. Thirty-six (81.8%) were not wearing safety belts; eight (18.2%) were ($P<.001$). There were five deaths during this study, all among patients who did not wear safety belts.

Multivariate methods, including analysis of covariance and logistic regression, were used to assess the independent effect of safety belt usage on ISS scores, controlling for other variables. Since age, alcohol use, and type of accident were observed to be associated with safety belt use and also may be associated with the severity and cost of injury, they were assumed to be possible confounding variables. The posted speed limit was also included. Although there were sex differences in safety belt usage, there is no reason to believe that ISSs or costs should differ by sex, other factors being equal. Therefore, analyses of covariance were carried out comparing the ISSs of safety belt users and nonusers, with age in years, alcohol usage (yes or no), and type of accident (entered as dummy variables; front-end collision, rear-end collision, or other) as covariates. Results (Table 2) indicate that unrestrained patients had an ISS that was two points higher on average, even when all the confounding variables were controlled for. Alcohol users scored one point higher on average, as did patients who were involved in a front-end collision. Those in a rear-end collision had somewhat lower scores on average. Scores averaged higher with increasing age and slightly higher for a posted speed limit of 30 to 45 mph. Mean ISSs for restrained and unrestrained subjects were adjusted for differing values of the covariates in the two groups; safety belt wearers were observed to have a significantly lower adjusted mean ISS than nonwearers ($P=.0001$).

Logistic regression analysis was used to assess the association of safety belt use with severe injury, defined as an ISS of 12 or greater. Proportions of restrained and unrestrained subjects with severe injury were compared, using alcohol use and type of collision as covariates. Results (Table 3) indicate that the odds of severe injury were 4.8 times greater for nonusers of safety belts when other significant variables were controlled for. The odds ratio for front-end collisions was similarly large, while alcohol usage was not independently associated with severe injury. Since age was entered as a continuous variable, an odds ratio is not available. However, the proportion of patients with severe injury increased significantly with increasing age.

TABLE 2.—COMPARISON OF SAFETY BELT USERS AND NONUSERS ON INJURY SEVERITY SCORE AND COST [1]

Variable	Injury severity score [2]: Coefficient	Injury severity score [2]: P	Cost [3]: Coefficient	Cost [3]: P
Safety belt nonuse	1.88	0.0005	596.2	0.0005
Alcohol use	1.13	.0016	730.1	.007
Front-end collision	0.79	.0039	583.0	.005
Rear-end collision	−0.71	.0048	−381.7	.047
Posted speed limit, mph:				
30–45	0.74	.001	470.2	.0006
>55	0.51	.81	394.8	.17
Age, y	0.032	.0001	22.7	.0001

[1] Analysis of covariance.
[2] Adjusted mean±SD injury severity score was 2.42±0.23 for safety belt users and 4.30±0.22 for nonusers ($P=.0001$).
[3] Adjusted mean±SD cost was $912.80±$172.90 for safety belt users and $1508.90±$179.60 for nonusers ($P=.0005$).

HEALTH CARE COSTS

Significant differences were also found in the health care costs of safety belt users and nonusers. Unrestrained occupants incurred mean charges of $1583±$201, nearly three times the charges for restrained occupants ($534±$67, $P<.001$; Fig 1, right).

When the patient's position in the vehicle was evaluated, nonwearers consistently incurred higher charges than safety belt wearers (Fig 2, right). This difference reached statistical significance in drivers and front-seat passengers only. However, the number of back-seat passengers for statistical comparison was small (N=158).

Patients who did not wear safety belts who required hospital admission demonstrated a trend toward higher charges (Fig 3, right; $7250±$851 vs $5300±$603, $P=.076$), though the sample size was small (N=162). However, in patients who were dis-

charged or transferred from the emergency department, a significant difference was demonstrated, with restrained occupants incurring average charges of $175±$5 vs $228±$8 for unrestrained occupants ($P<.001$). This represents a 23.3% reduction in charges for safety belt wearers (Fig 3, right).

TABLE 3.—LOGISTIC REGRESSION RESULTS COMPARING SAFETY BELT USERS AND NONUSERS BY INJURY SEVERITY SCORE

Variable	Injury severity score>12		
	Odds ratio	95 percent confidence interval	>
Safety belt use	4.94	2.03–12.02	0.0004
Front-end collision	4.74	2.10–10.66	.0002
Alcohol use	1.59	0.68–3.74	.29
Posted speed limit, mph:			
30–45	1.94	0.91–4.15	.09
>55	1.43	0.37–5.58	.60
Age (20-year difference)	2.01	1.35–2.99	.006

Evaluation of payment status showed that the majority of unrestrained passengers either had no payment (49.2%) or were receiving governmental assistance (5% public aid, 3% Medicare). Of safety belt wearers, 57% had private insurance or were enrolled in a health maintenance organization, and 3% were covered by workman's compensation ($P<.001$, Fig 4).

Multivariate analyses were also conducted to assess the independent effect of safety belt use on health care costs, controlling for the covariates age, type of collision, posted speed limit, and alcohol usage (Table 2). The adjusted mean costs differed by about $600 ($P=.0008$); alcohol users incurred charges approximately $700 higher on average. Costs were higher in front-end collisions, lower in rear-end collisions, higher at 30 to 45 mph, and increased with the age of the patient.

COMMENT

This study suggests that safety belts provide a significant benefit in reducing injury and health care costs. We demonstrated a 60.1% reduction in severity of injury (51% after adjusting for other variables), a 64.6% decrease in hospital admissions, and a 66.3% decline in hospital charges (49% for adjusted means) in safety belt wearers. To our knowledge, this is the first study evaluating the efficacy of safety belt use in the United States based on medical data. By utilizing the ISS system, an objective assessment can be made of the number and severity of injuries in relation to safety belt use. Previous studies[6] and government reports[9] used police reports in assessment of injury. In this system, the police officer assigns the accident victim an injury score of A, B, C, or K (severe, moderate, minor, or fatal injury). Obviously, data obtained by this system are of questionable reliability. In addition, this study is unique in that it also assessed the hospital charges associated with the care of the injured motorist.

Actual hospital and emergency department charges were used to estimate health care costs in this analysis. These are conservative estimates, in that direct charges generated by pre-hospital emergency services, rehospitalizations, and rehabilitation were not included. Furthermore, indirect costs resulting from time lost from work, increased insurance premiums, and lost productivity of those who die or are permanently disabled by MVAs were not measured. Inclusion of these costs may have resulted in even greater differences in cost estimates. The cost to care for patients who required hospitalization was higher for those who did not wear safety belts, though statistical significance was not reached (Fig. 3, right). However, the sample size in this subgroup was small, suggesting a beta error. Larger sample sizes may demonstrate a statistically significant difference.

The four hospitals participating in the study were geographically scattered throughout Cook County to include a variety of roadways (highways and urban and suburban roads). Only rural roads were not represented. Baker et al,[10] however, stated that mortality from MVAs may be highest in areas of low population density; this suggests that we omitted from our sample roads responsible for high mortality from MVAs. The months of January through June were chosen to cover a variety of road conditions in winter, spring, and summer in Chicago. In addition, the four hospitals admit patients from a wide variety of socioeconomic groups, with an assortment of vehicles and driving habits.

Throughout this study, we relied on patient reporting and/or paramedic reporting of safety belt use. The actual safety belt use rate in Illinois at the time of the study was 36%.[9] Actual safety belt use may be appreciably different than reported, as it may be impossible to obtain physical evidence of safety belt use. Paramedics were asked to verify the presence or absence of restraint use at the scene. However, the accident victims were often out of their vehicles when the ambulance arrived. In only 23 of the 618 cases with patients transported to the hospital by ambulance was there disagreement on safety belt usage between paramedics and patients. If we assume, however, that restraint use is only overreported, ie, unrestrained patients stated that they were wearing a safety belt and not vice versa, then there would be an even greater benefit in reducing injury and cost if the true incidence were known.

It should be noted that only those patients who presented to the hospital following an MVA were included. Patients who did not present to the hospital, who presented over 24 hours following injury, or who went directly to the morgue were not included. In Cook County, paramedics must transport all seriously (or fatally) injured MVA victims to a hospital unless the patient has dependent lividity, rigor mortis, or decapitation, all unlikely events in traffic accidents. It is therefore unlikely that any fatalities were not included in the study due to direct transport to a morgue. The number of uninjured motorists who did not present to a hospital is unknown and is not available through the Department of Transportation.

Studies conducted in other countries, many of which assessed the effects of safety belt legislation, also demonstrate the benefit of safety belt use.[11–22] Henderson and Wood[11] reported a 25% decrease in predicted deaths in the year following safety belt legislation in New South Wales, Australia. In an evaluation of the Swedish experience, Mellbring et al[12] reported a reduction in the number of MVA victims admitted to hospitals following legislation despite a 40% increase in reported MVAs. In England, a retrospective study comparing the 12 months preceding and following the enactment of safety belt use legislation revealed a mean ISS of 4.94 before and 2.8 after the law. A 42% reduction in the number of front-seat occupants who required hospital admission and a 27% decline in the number of deaths following introduction of the law was reported.

In the United States, New York was the first state to pass a mandatory-use safety belt law. In the first nine months after the law was enforced, MVA fatalities decreased by 17%, resulting in the lowest highway fatality rate (per 100 million miles driven) in several decades.[3] In Illinois, where safety belt legislation took effect in July 1985, an estimated 55 to 60 lives were saved and 8000 serious injuries were prevented in the first year following enactment.[9] Nationwide, the National Highway Traffic Safety Administration reported that safety belt usage of fatally injured MVA victims was about half the usage of those whose injuries were less incapacitating.[23] Unrestrained occupants were 40% more likely to be injured in an MVA and twice as likely to require hospitalization as restrained occupants.[24]

Compulsory safety belt use legislation appears to be the most effective agent in increasing safety belt usage. Usage rates increased from just under 40% to 95% in England,[14] from 20% to 80% in Sweden,[12] from 15% to 90% in Australia,[15] and from 21% to 47% in New York state[25] after such legislation. Insurance incentives[26] and mass-media campaigns[27] have been ineffective in altering the rate of safety belt usage. Other efforts to promote safety belt usage, including safety belt pledge cards, incentive plans, and "awareness" programs have met with variable success.[28]

Mandatory safety belt use legislation has been a controversial topic in the United States. To date, 33 states and the District of Columbia have enacted such legislation, while two additional states had safety belt laws and later repealed them (Massachusetts and Nebraska). Worldwide, over 30 countries have passed mandatory-use laws. The United States is virtually the only developed nation that has not passed national safety belt legislation.[29]

The Department of Transportation estimated the cost to society of injuries sustained in MVAs at about $15.3 billion in 1980.[4] Our results indicate a 66.3% decreased cost attributed to safety belt use. If this reduction is applied to the estimated $15.3 billion, universal safety belt usage would save $10.1 billion each year. In our era of rising health care costs, the safety belt may be a very efficient mechanism for saving lives and reducing costs.

Society bears the burden of MVAs, not only in direct health costs but also in lost productivity of workers (indirect costs). There were over 11 million lost workdays for survivors of MVAs in 1985.[24] The administrative and overhead cost of motor-vehicle and health insurance premiums totaled nearly $13.8 billion in 1980.[4] Furthermore, in 1980, the federal government spent an estimated $7.5 billion and state and local governments spent an estimated $3.4 billion for MVA-associated expenses.[4]

This study analyzed automobile safety belt use and subsequent health care costs. Our data suggest that, in an urban setting, safety belt utilization was associated with decreased severity of injury from motor-vehicle trauma and reduced the medical care costs of injured motorists. This analysis in combination with existing evidence supports a more aggressive national posture toward safety belt usage for the benefit of both the individual and the American people.

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THE PUBLIC COST OF MOTORCYCLE TRAUMA

(By Frederick P. Rivara, MD, MPH; Barbara G. Dicker, MA; Abraham B. Bergman, MD; Ralph Dacey, MD; Clifford Herman, MD)

Despite the effectiveness of motorcycle helmet legislation, many states have repealed these laws during the last decade. Aspects often neglected by policymakers are who pays for the care of these victims and how much of this cost is subsidized by public funds. To determine the extent of this subsidy, we studied the cost of care of 105 motorcyclists hospitalized at a major trauma center during a 12-month period. Total direct costs for these 105 patients, followed up for a mean of 20 months, were more than $2.7 million, with an average of $25,764 per patient. Only 60 percent of the direct costs were accounted for by the initial hospital care; 23 percent of costs were for rehabilitation care or readmission for treatment of acute problems. The majority (63.4 percent) of care was paid for by public funds, with Medicaid accounting for more than half of all charges.) (*JAMA* 1988; 260:221-223)

Motorcycle trauma is an important cause of mortality and morbidity in the United States.[1] In 1985, four thousand four hundred twenty-three motorcyclists were killed, accounting for nearly one of every ten motor vehicle fatalities.[2] For every motorcyclist killed there are about 90 others who require medical care for the treatment of their injuries.[3] Well known to health professionals are the facts that most deaths and serious disabilities are due to head injuries,[4] that helmets significantly reduce the chances of death and disability,[5-7] and that compulsory helmet laws appreciably increase the proportion of helmeted motorcycle riders.[8] This knowledge led Congress in 1966 to enact legislation to withhold federal funds for highway construction from states without compulsory motorcycle helmet laws. The result was that by 1975 forty-seven states required all motorcyclists to use helmets, leading to a striking diminution in mortality rates.[6] Reacting to strong pressure from motorcycle rider groups, in 1976 Congress withdrew the authority of the Department of Transportation to withhold highway funds from noncompliant states. Twenty-six states promptly repealed or weakened their helmet laws.[8] These actions were associated with a 44 percent increase in motorcycle fatalities nationally between 1976 and 1979.[6]

In dealing with this issue, policy makers have tended to neglect an important aspect of motorcycle trauma: who pays for the costs of care.[9] Several studies have shown that a high proportion of motorcyclists lack insurance to cover the costs of their medical care, resulting in heavy subsidization by taxpayers.[6,10-12] These studies, however, have only considered the immediate period of hospitalization and have not explored subsequent costs for rehabilitation and home care, costs for support of dependents when an injured head of the household is not able to work, or indirect costs from lost productivity. We therefore examined all costs generated by injured motorcyclists treated at a major trauma center during a one-year period.

METHODS

Harborview Medical Center (HMC), Seattle, is the only level I trauma center serving the four-state area of Washington, Alaska, Idaho, and Montana. As a level I trauma center, HMC has resources available around the clock to care for any type of trauma emergency, including appropriate medical specialists, support services, and immediate operating room availability. Approximately 80% of the admissions are from King County (population, 1.4 million); an additional 20% are from the rest of the region. All injured motorcyclists admitted for care during 1985 were identified through the Harborview Trauma Registry, a computerized listing of all trauma admissions. Injury Severity Scores (ISSs) were calculated from the Abbreviated Injury Scale-1980 [13] using the method of Baker et al.[14] The Glasgow Coma Score (GCS) was calculated by the treating physician as described by Teasdale and Jennett.[15]

Direct costs of care were determined as those incurred by the study group during the follow-up period (mean, 20 months). Although there is a distinction between costs and charges,[16] payer-specific charges were used as a proxy for costs of care. Hospital charges and source of payment for the acute-care hospitalization, rehospitalization at HMC, or rehabilitation care at HMC were obtained from the hospital billing office. Costs for hospital care constitute 93% to 94% of charges. Charges for professional fees were obtained froim the billing office of the Harborview physician group practice. For patients who received rehabilitation care elsewhere, after consent was obtained the patient's family, treating physician, and treating facility were contacted to determine charges for care on discharge from HMC. Finally, a search by state personnel

[1] Footnotes at end of article.

was made of records for use of funds from Aid to Families of Dependent Children, Supplemental Security Income, the Division of Vocational Rehabilitation, and Medical Assistance (Medicaid) by the injured motorcyclists during the follow-up period. With the assurance that only aggregate data would be used, the study was approved by the institutional review board of the University of Washington.

Indirect costs were estimated using the human capital approach outlined by Rice et al [17] for a subset of the study population in whom the time lost from work as a result of the injury was known. Costs were based on age- and sex-specific national estimates of mean annual earnings in 1980. The estimates take into account the 1980 employment rates published by the US Bureau of the Census and described by Rice et al.[17] Earnings include the value of housekeeping services for women not in the labor force and for employed men and women. For individuals with fatal or totaly incapacitating injuries, indirect costs were estimated as the expected lifetime earnings for age and sex, discounted at the conservative rate of 6%.

RESULTS

One hundred eleven motorcyclists were treated for injuries at HMC during 1985. Medical records were unavailable for four patients, leaving 107 for review.

TABLE 1.—*Selected characteristics of motorcyclists admitted to Harborview Medical Center during 1985*

Characteristic	No. of motorcyclists (N = 107)
Sex:	
Male	91
Female	16
Mean age, Y	28.6
Injury Severity score:	
<14	52
14–25	39
25 +	16
Glasgow Coma Score:	
<9 (severe)	17
9–13 (moderate)	11
13–15 (mild)	72
Unknown	7
Mean length of stay, d	19.6
Outcome:	
Death	7
Persistent vegetative state/severe disability	18
Moderate disability/good recovery	82

TABLE 2.—COMPONENTS OF DIRECT COSTS

Type of cost	No. of motorcyclists	Total cost	Average cost	Percent of total
Acute-care hospitalization:				
Initial inpatient	105	$1637217	$15,592	60.5
Readmission	26	123,650	4,756	4.8
Rehabilitation:				
Harborview Medical Center	8	190,977	23,872	7.0
Other inpatient rehabilitation	9	309,211	34,357	11.4
Nonhospital charges:				
Skilled nursing care	5	41,099	8,220	1.5
Physician fees	105	360,621	3,434	13.3
AFDC/SSI [1]	4	12,972	3,243	0.5
Vocational retraining	3	5,832	1,944	.2
Equipment	11	16,875	1,534	.6
Transportation	14	4,942	353	.2
Home health care	4	1,847	462	.07
Total	105	2,705,244	25,764	100

[1] AFDC indicates Aid to Families With Dependent Children; and SSI, Supplemental Security Income.

PATIENT PROFILES

Characteristics of the injured cyclists are shown in Table 1. The majority of patients were men, with a mean age of 28.6 years. The mean length of stay was 19.6 days (range, one to 258 days). Nearly half of the patients (49%) had an ISS less than 15 while 15% had an ISS greater than 25. There were 61 patients (57%) with head injuries; in 33 patients these were mild, with a GCS between 13 and 15. Eleven patients had moderate head injuries, with a GCS between 9 and 12; head injuries were severe, with a GCS less than 9, in 17 patients. There were seven deaths; 18 patients were severely disabled or in a persistent vegetative state on discharge from the hospital.

DIRECT COSTS

Complete financial information was available on 105 patients (Table 2). Total direct costs for these 105 patients, followed up for a mean of 20 months, were more than $2.7 million, or an average of $25 764 per patient, Sixty percent of these costs were accounted for by charges for initial hospital care. Rehabilitation care accounted for an additional $500 188, or 18.4% of the total direct costs. Twenty-two patients had 26 readmissions for treatment of acutecare problems related to the initial injury, generating an additional $123 650 (4.6% of total) in charges. Non-hospital-related charges accounted for only 1% of all direct costs. The three patients with the most severe injuries accounted for 18% of the total direct costs; patients with severe head injuries had costs almost fivefold higher than those with moderate or minor head trauma.

TABLE 3.—SOURCES OF PAYMENT (N=105)

Source	Charges	Percent of total charges
Medicaid	$1,522,090	56.3
Other state/public funds	192,171	7.1
Federal AFDC/SSI [1]	12,972	
Division of vocational rehabilitation	5,832	
Military health care	60,060	
State reimbursement for indigent care	113,307	
Commercial	595,165	22.0
Self-pay	19,086	0.7
Other/unknown	367,732	13.9
Total	2,705,244	100.0

[1] AFDC indicates Aid to Families with Dependent Children; and SSI, Supplemental Security Income.

SOURCES OF PAYMENT

The majority (63.4%) of care of injured motorcyclists was paid for by public funds in one form or another, with Medicaid payments accounting for slightly more than half of all charges (Table 3). None of the victims were receiving public assistance prior to being injured. The patients qualified instead for the "medically indigent" category of Medicaid after admission in anticipation of a long hospital stay because of their serious injuries, resulting in $113,307 in charges reimbursed by the state. Injury-related disability also resulted in direct transfer of payments to three patients with Supplemental Security Income funds and to the dependents of two patients with funds from Aid to Families With Dependent Children. Three patients received state support for vocational rehabilitation training. Finally, one patient received part of his treatment in the military health care system. Commercial insurance plans accounted for 22% of charges, while less than 1% of charges were paid directly by the injured motorcyclist or his family.

TABLE 4.—HARBORVIEW MEDICAL CENTER (HMC) CHARGES AND INJURY SEVERITY

Injury severity score (No. of motorcyclists)	HMC charge	Average charge
1–8 (27)	$123,189	$4,563
9–15 (35)	387,812	11,080
16–24 (26)	561,751	21,606
25–34 (13)	506,747	38,981
35–49 (3)	365,322	121,744
50+ (1)	6,928	6,928
Total (105)	1,951,749	

DIRECT COSTS AND INJURY SEVERITY

As expected, average costs for care were directly related to injury severity (Table 4). More than half (59%) of the patients had injuries with ISSs of 15 or less. These patients, however, accounted for only 26.2% of acute-care hospital costs. There were 39 patients (37%) who had ISSs between 16 and 34; these patients accounted for 54.7% of acute-care hospital costs. The three patients with the most severe injuries (ISSs between 35 and 49) had an average direct cost of $121,744 and accounted for 18.7% of hospital costs. The patient with the most severe injuries generated a relatively small hospital charge because he died soon after admission.

The direct costs of care also varied directly with the severity of the head injury (Table 5). Patients with a GCS less than 9 had 4.7-fold higher average costs than did those with scores of 9 or more.

TABLE 5.—HARBORVIEW MEDICAL CENTER CHARGES AND GLASGOW COMA SCORE

Glasgow coma score (No. of motorcyclists)	Total charge	Average charge
<9 (16)	$750,976	$46,936
>9 (84)	835,727	9,949
Unknown (5)	365,145	73,029
Total (105)	1,951,848	

INDIRECT COSTS

The indirect costs, representing the value of lost output because of cessation or reduction of productivity caused by death or disability are shown in Table 6. The average losses from fatal injuries are somewhat low because of the inclusion of one 71-year-old man. This individual was an unusual motorcycle fatality by virtue of his age. Only 1.9% of patients with motorcycle injuries were 65 years of age or older and only 0.5% of motorcycle trauma victims dying in the United States in 1985 were aged 65 years or older.[2] If this individual is excluded, the average indirect cost from fatal injuries is $410,850.

Indirect costs were based on employment data available from 44 individuals at the mean follow-up time of 20 months. These represent minimal estimates of the lost productivity for the entire group. The total direct and indirect costs are thus conservatively estimated at more than $7.1 million.

TABLE 6.—INDIRECT COSTS FROM LOST PRODUCTIVITY

Cause of cost	No. of motorcyclists	Productivity losses	
		Total	Average
Mortality	7	$2,477,768	$353,967
Morbidity	44	1,924,335	43,735
Total	51	4,402,103	

COMMENT

At this urban level I regional trauma center, 64% of the total direct costs for motorcycle trauma victims in 1985 were paid by public funds. The study is consistent with prior studies. Acute-care hospital charges at the Massachusetts General Hospital from 1982 to 1983 for injured motorcyclists averaged $15,114.[11] The authors found that 46% of their 47 patients had no medical insurance. A study of charges for orthopedic injuries to motorcyclists in a level I trauma center in California found that 82.3% were paid from public funds.[10]

In addition to supporting these previous findings, our study extends them by examining charges for care beyond the initial hospitalization and by estimating the indirect costs of the motorcycle injuries. Follow-up care, rehabilitation care, and physician services accounted for an additional $1 million, or 39.5% of total charges. Because many insurance policies do not cover long-term rehabilitation or nursing home needs and because they provide limited coverage of outpatient expenses, most of these additional charges are paid by public funds.

Although indirect costs accrue mainly to the individual who is injured, they do reflect a societal cost. Society is not only deprived of the individual's contributions, but it may need to provide support to him or his family as well. The indirect costs arrived at in this study are not precise. They may be overestimated because they are based on age- and sex-specific national estimates of annual mean earnings. Since a disproportionate share of the sample lacked health insurance coverage, these individuals may have had jobs with below-average wages. On the other hand, the indirect costs are underestimates of the total since they are based on follow-up data from only a portion of the total group.

As a regional center attracting the most seriously injured patients, our population may not be representative of all motorcycle injury victims. However, these cost estimates, even if only representative of one region, are alarming.

There are many approaches that could be used to decrease the public cost of motorcycle trauma. One relatively easily implemented solution would be to require helmets. Although we did not compare helmeted and unhelmeted motorcycle riders, other studies have shown that motorcycle helmets are clearly effective in decreasing the severity of head injuries and in lowering the rate of fatal injuries. One study that compared the risk of death in a motorcycle crash of an unhelmeted rider with that of a helmeted rider on the same motorcycle found that the unhelmeted rider had a 27% greater chance of dying.[7] Other studies have documented that states with an enforced helmet law maintain a compliance rate of more than 90% while in states without such a law helmet usage remains at the 50% level.[18] Decreasing head injuries through a mandatory helmet law would therefore be expected to significantly reduce the costs of care.

The impact of the cost of motorcycle injuries on society was perhaps best expressed 16 years ago by a Massachusetts court:[19]

We cannot agree that the consequences of such (motorcycle) injuries are limited to the individual who sustains the injury. From the moment of injury, society picks the person up off the highway; delivers him to a municipal hospital and municipal doctors; provides him with unemployment compensation if, after recovery, he cannot replace his lost job, and, if the injury causes permanent disability, may assume the responsibility for his and his family's subsistence.

This study was supported by contract 6500-53379 from the Washington State Department of Social and Health Services, grant CCRO-02570-01 from the Centers for Disease Control, and contract N00014-84-C-0725 from the Office of Naval Research.

We would like to thank Susan Pilcher, RN, of the Harborview Trauma Registry for identifying the patients; Linda Carbone, Mike Matthews, and Mary Ann Olmstead for providing the hospital and physician charges; and the Washington State Department of Social and Health Services for providing the follow-up financial information.

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DEPARTMENT OF HEALTH,
Providence, RI, May 12, 1989.

Hon. JOHN H. CHAFEE,
The U.S. Senate, Dirksen Senate Office Building, Washington, DC.

DEAR SENATOR CHAFEE: I am writing both as a physician and as Director of a Family Health Program with enthusiastic support for your proposed bill on seat belt and motorcycle helmet laws. Statistics and experience speak for themselves; injuries from use of motor vehicles is the most important cause of deaths and serious disabilities among children and young adults. Judged in terms of lost opportunity, productivity, and human suffering, these injuries may be our most important health problem. They're certainly a huge cost, both to families and to public finances.

We have proven by actual experience that both mandated helmet and seat belt use greatly reduces serious injuries. I have no doubt that the proposed legislation would quickly lead to state action, as we had in the early seventies. All of us concerned about the prevention of death and disability, especially among the young people of this country, applaud this proposal to mandate simple, direct preventive measures.

If we can assist you in any way with the data on injuries in Rhode Island or in the New England region, please do not hesitate to call.

Sincerely yours,
WILLIAM H. HOLLINSHEAD, M.D.,
Medical Director, Divisions of Family Health.

RHODE ISLAND MEDICAL SOCIETY,
Providence, RI, May 15, 1989.

Hon. JOHN H. CHAFEE,
U.S. Senator, Dirksen Senate Office Building, Washington, DC.

DEAR SENATOR CHAFEE: The purpose of this letter is to express the support of the Rhode Island Medical Society for your legislation requiring states to enact mandatory motorcycle helmet and automobile safety belt laws, or risk losing a portion of their federal highway funds.

Numerous scientific studies have clearly demonstrated the efficacy of both motorcycle helmets and automobile safety belts in saving lives and reducing the severity of traumatic injury to operators and passengers.

In addition to reducing the number of deaths and reducing serious injuries, passage of this legislation would mitigate the spiraling costs of medical care. A recent study in the Journal of the American Medical Association revealed that the vast majority of motorcyclists are medically uninsured. Thus, the cost of their hospitalization and rehabilitation is indirectly underwritten by taxpayers and the insured.

In short, the passage of these measures would save countless lives, prevent serious bodily injuries and reduce the expensive medical costs associated with traumatic injury. The Rhode Island Medical Society commends you for this initiative, and urges your colleagues in the Senate to join you to secure its passage.

Sincerely,
BOYD P. KING, M.D.,
President.

DEPARTMENT OF TRANSPORTATION,
GOVERNOR'S OFFICE ON HIGHWAY SAFETY,
Providence, RI, April 24, 1989.

Senator JOHN H. CHAFEE,
U.S. Senate, Dirksen Senate Office Building, Washington, DC.

DEAR SENATOR: After reading your proposed legislative draft, I want to applaud your idea of a mandatory helmet law and seat belt law. Withholding up to 10% of a state's Federal-aid highway construction funds will definitely force the states to enact these measures, which, I feel, are long overdue.

As you are aware, we have not been able to pass a seat belt law in the Rhode Island House for the last eight years. We were, however, the second state to pass a Child Restraint Law, which was raised in 1987 to include youngsters up to age thirteen.

Your idea of an incentive program to provide funds for education and for the enforcement of these laws is excellent. May I suggest that the law should require belting of front and back seat passengers. Also of real importance is the fact that 5 million dollars in Fiscal Year 1990 is not enough money to allocate. Under your present formula Rhode Island would receive only $25,000 to educate the public, too low a figure to be effective statewide.

The grant procedure is too stringent. If you are serious about a national helmet and seat belt law, then make the offer more attractice to the states by not making the eligibility requirements so difficult to meet.

Also there is a certain ambigiuty in my mind concerning the community-based program. Does the measure call for a program in each of the thirty-nine communities in Rhode Island?

I hope that I have been of some assistance to you in reviewing this bill and wish you success in enacting this legislation.

Sincerely,

EDWARD J. WALSH,
Chief Coordinator.

JANE MATTSON ASSOCIATES, INC.,
King of Prussia, PA, April 10, 1989.

JOHN H. CHAFEE,
Ranking Minority Member, Committee on Environment and Public Works, U.S. Senate, Washington, DC.

DEAR SENATOR CHAFEE: I applaud and support your concern for highway safety outline in your letter of March 29, 1989, and would be pleased to provide assistance any way possible.

Most of my work involves catastrophic medical case management. Over 50% of my cases are with persons with traumatic brain injury. I am asked to provide cost estimates to insurance companies on almost every case. Additionally, I testify as an expert providing expected lifetime costs, based on the individual case situation. Several years ago I developed ideal models of care and costs for those with traumatic brain injury for a very large HMO. I am also a Ph.D. candidate at the Heller School of Brandeis in health policy. Most interesting, in my course on public policy we just did mock testimony, and one of the topics was seat belt legislation.

I am aware that over two million people have survived motorcycle and automobile accidents. Much of my work is in Texas and Massachusetts which have repealed respectively helmet and seat belt laws.

Although I work with individual cases, when you add up the number of people whose lives have been irrevocably altered by these kinds of accidents since 1980, we are most assuredly in excess of 600,000 people. For the purposes of clarity, I have broken down the level of functioning into five areas:

(1) Persistent Vegetative State.—Those who start out in coma and remain in a persistent vegetative state, requiring maintenance care for the remainder of their lives. (Very few families can maintain them and most of these reside after awhile in special units in nursing homes. Those with only Medicaid and no funds have worsening levels of care.)

(2) Extremely Severe Dependency.—Those people spend a great deal of time in an ICU unit and still more in a rehab hospital. They need extensive services for many years. Most of these will need total care for the remainder of their lives, and most run out of health insurance funds, relying only on Medicaid and Medicare.

(3) Moderate Dependency.—Mostly severe behavioral problems. These people spend one to three years in ICU units and rehab hospitals. They still require caregiving in many areas and cannot generally function without supervision once released.

(4) Behavioral Dependency.—These people spend time in ICU units then several months in rehab hospitals. They generally bounce from program to program, and often wind up in institutions or on the streets. Most of them wind up with only Medicare and Medicaid funding.

(5) "Walking Wounded."—These are people whose time in hospitals vary from almost no time to a few months. They generally require a minimum of services but generally have a difficult time being productive for the rest of their lives.

It is impossible to determine exact breakdown or functional levels of persons with traumatic brain injury. Suffice it to say, however, that the following statistics would be true:

(1) 5,000 persons per year—persistent vegetative state
(2) 15,000 remain severely disabled
(3) 30,000 remain moderately disabled
(4) 8,000 have severe behavioral problems
(5) 14,000 walking wounded

Note:—There are still others who have head injuries and accidents who could fit into the last category, but have few, if any, initial costs.

My best estimate is that 50% of those with severe head injury start out with some form of commercial insurance, either Blue Cross/Blue Shield, HMO or a PPO. Another 15-20% might be Medicaid eligible. The remainder have no coverage at all. By the third year, 85% have no coverage; 60% of these might draw on Medicare/Medicaid.

The attached table, Hypothetical Needs/Cost for 1989, is a reasonable estimate of traumatic head injury costs today in the United States. The staggering needs/cost of $61 billion certainly would be mitigated with improved highway safety laws. Additionally, the taxpayer would find relief in reduced Medicare and Medicaid funding requirements. The above cost considerations do not speak of the family grief and hardships, as well as the loss of income that are part and parcel in head injury.

Of the almost 70,000 who are injured annually, 50,000 will never be productive again. The average profile for a person with traumatic brain injury is an age 27 male. We can look at the figures for lost wages in a number of ways. Each year there is approximately $1 billion lost in wages from these people. If we look at the years preceding 1989, we are probably talking about $10 billion in lost wages and at least $4 billion in Social Security Disability Income funds.

These figures have been adjusted for those states that have passed seat belt laws. With mandatory seat belt and helmet laws, the real change in costs among those with moderate and severe disabilities, as well as those who remain in a vegetative state would be enormous. If all states were to uphold these laws, it is believed that the real cost to the taxpayer might be cut by approximately 40%.

Sincerely,

JANE MATTSON,
OTR/L, CRC, CIRS.

Enclosure.

Hypothetical needs/cost for 1989

	Millions
I. Persistent vegetative state:	
5,000 first year at $250,000/year	$1,250
45,000 at $100,000/year maintenance	4,500
(Assume 50 percent cost reduction at 75 percent Medicare/Medicaid = $2,156,000,000/year.)	
II. Severely disabled injury:	
15,000 first year at $320,000/year	4,800
140,000 severe survivors at $150,000/year maintenance	21,000
(Assume 50 percent cost reduction at 75 percent Medicare/Medicaid = $9,675,000,000/year.)	
III. Moderate injury:	
30,000 first year at $250,000/year	7,500
60,000 ongoing maintenance at $180,000/year	10,800
180,000 minimum maintenance at $50,000/year	9,000
(Assume 50 percent cost reduction at 75 percent Medicare/Medicaid = $10,237,000,000/year.)	
IV. Behavioral problems:	
8,000 first year at $200,000/year	1,600
24,000 ongoing maintenance service at $180,000/year	4,320
40,000 minimum maintenance at $50,000/year	2,000
(Assume 50 percent cost reduction at 75 percent Medicare/Medicaid = $2,970,000,000/year.)	
V. Walking wounded:	
14,000 first year at $100,000/year	1,400
112,000 maintenance at $10,000/year	1,120
(Assume 50 percent cost reduction at 75 percent Medicare/Medicaid = $945,000,000/year.)	
Total annual estimated needs/cost.	61,865
Total annual Medicare/Medicaid	25,983

DEPARTMENT OF CALIFORNIA
HIGHWAY PATROL,
Sacramento, CA, March 8, 1989.

Mr. ANDREW MCGUIRE,
Executive Director, Mary Martin Trauma Center, San Francisco, CA.

DEAR MR. MCGUIRE: The Governor asked me to respond to your letter about California Highway Patrol motorcycle officers wearing helmets.

Since January, 1975, CHP motorcycle officers have driven more than 13 years and 80,819,309 miles without a fatality. We attribute this zero fatality rate to two important factors: training and helmet use. The CHP's fatality rate contrasts sharply with the 1986 national fatality rate for motorcycle riders of 36 deaths for each 100 million miles driven, as estimated by the National Federal Highway Administration.

The CHP has always trained its motorcycle officers. However, in 1968 we redesigned our motorcycle training program, placing more emphasis on defensive driving techniques that help officers avoid accidents. In the mid-1970s, the Department further enhanced its motorcycle training efforts by developing an intensive three-day program in which officers participate every two years. In addition, officers must receive eight hours of training every quarter at their local offices.

The CHP began using motorcycle helmets October 1, 1956. Since that time, CHP motorcycle officers have been required to wear helmets while operating Departmental motorcycles as a condition of their employment with the CHP. The before and after fatality rate results of wearing motorcycle helmets and participating in intensive training programs are shown below:

	Number Fatalities	Number of Miles Driven	Rate of Fatalities
1. Pre-Helmet (1/1/29–10/1/56)	47	112,563,488	41.75
2. Post-helmet (10/1/56–12/31/88)	23	219,571,669	10.47
3. Post-helmet/intensified training (1/6/75–12/31/88)	0	80,819,309	0

[1] Rate of fatalities for each 100,000,000 miles driven.

As motorcycle helmet safety technology improved over the years, the CHP purchased newer, safer helmets. Since 1970, it has been CHP policy to replace motorcycle helmets every five years to take advantage of new technology as well as to assure that helmets do not deteriorate because of age. All current CHP motorcycle helmets meet the 1985 Snell Foundation standards, which meet and exceed both the American National Standards Institute (ANSI Z90) and Department of Transportation (DOT-218) standards. The Snell Foundation is a nonprofit organization that developed the first helmet tests and established performance standards for helmets.

It also has been, and continues to be, CHP policy to replace any officer's helmet that has been impacted, even though it may have sustained no visible damage. The crushable liner of the helmet is designed for single impact protection and the integrity of the protection system of a helmet worn by a CHP officer must be fully maintained.

I have given you this rather lengthy history of the CHP's motorcycle officer training program and helmet use to substantiate my answer to your question—yes, CHP motorcycle officers should wear helmets; they must also be trained. The combination of training and helmet use has greatly reduced the fatal and injury accidents incurred by our motor officers.

I trust that this information has been helpful. I appreciate this opportunity to explain the life-saving effect helmets have had in the CHP. Please let me know if I can be of further assistance.

Sincerely,

M.J. HANNIGAN,
Commissioner.

A STATEWIDE SURVEY OF PUBLIC OPINION ON THE PROPOSED MANDATORY SAFETY BELT LEGISLATION, MARCH 29, 1989

EXECUTIVE SUMMARY

Methodology

A survey of 403 Rhode Islanders was conducted to determine attitudes towards safety belt and the mandatory safety belt law. Respondents were contacted through random digit dialing techniques. Sex and region were controlled for and call back procedures were utilized to minimize the likelihood of the sampling containing a disproportionate number of people more likely to be home.

Sample

A description of the sample is as follows:

Sex: Males, 48.4 percent; Females, 51.6 percent.

Region:

Blackstone Valley—23.3 percent, Burrillville, N. Smithfield, Smithfield, Woonsocket, Cumberland, Lincoln, Central Falls, Pawtucket.

Providence—17.6 percent.

Suburbs—23.3 percent, Cranston, Warwick, E. Greenwich, W. Warwick, Johnston, N. Providence.

East Bay—19.1 percent, includes Newport, Middletown, Portsmouth, Jameston, East Providence, Barrington, Bristol, Warren, Tiverton, Little Compton.

Southern R.I—9.7 percent, Exeter, No. Kingstown, So. Kinstown, Hopkinton, Richmond, Westerly, Charlestown, Narragansett, Block Island.

West—6.9 percent.

Age: 18–24, 14.9 percent; 25–34, 28.0 percent; 35–44, 23.6 percent; 45–59, 15.9 percent; 60 plus, 17 percent.

SUMMARY OF FINDINGS

How do Rhode Islanders feel about mandatory safety belt laws?

71.7% of all respondents favor mandatory safety belt laws (42.4% favor them strongly).

Who is more/less likely to favor mandatory safety belt laws?

The heavier the use, the more likely they are to favor mandatory safety belt laws. However, those indicating light usage while driving are split on the issue (47.9% favor, 48.7% oppose).

East Bay and South County residents are more likely to favor (79.2 and 76.9 respectively)

A higher percentage of women favor the law (76.4%—66%)

Those driving more than 20,000 miles per year are less likely to favor the law (64.3% favor)

Those who think safety belts are only somewhat effective, as opposed to very effective are less likely to favor the law (Very: 81.4% favor, somewhat: 64.4%)

More than 80% of those in the 45–54 and 60–64 age categories favor the law, while the least support comes from the 30–34 age group (64.3% favor) and the 40–44 age group (65.2% favor)

Respondents with 2 or more children are more likely to favor mandatory laws (roughly 80%)

Why do people oppose mandatory safety belt laws?

For all respondents, the strongest reason to oppose was the enforcement issue: 44.9% said it was a strong reason and 16.9% somewhat of a reason.

While respondents considered violation of rights to be a strong reason or somewhat of a reason for opposing mandatory seat belt laws, well over half of these people still favor such laws.

What are the effects of various arguments on mandatory safety belt laws?

The argument that non-usage of safety belts raises insurance rates was the strongest argument in persuading opponents of the law to be more inclined to favor it. Overall, 72% said that they would be much more or somewhat more likely to support mandatory safety belt laws based on that argument. Of those opposed to such a law, 36.5% said they would be much more or somewhat more likely to support the law if it affected the rates of health insurance costs. 60.6% said it made no difference.

When told safety belt laws were effective in increasing usage 81.7% of those opposed said it makes no difference and only 16.3% were much more or somewhat more likely to support (only 1.9% much more likely) mandatory seat belts laws

When told there were less deaths and injuries in states with laws, 63.8% said the argument made no difference, while 30.8% said they were much more or somewhat more likely to support the law.

The fact the Massachusetts repealed its mandatory safety belt law had little effect on respondents' opinions regarding a Rhode Island law.

The fact that 31 other states have a mandatory safety belt law made no difference to 89.4% of those opposing the law.

What effect will a mandatory law have on safety belt usage?

Overall, 78.2% said they would wear a safety belt always or most of the time (59.1% always) if a mandatory safety belt law existed.

Almost half of those opposing the law said they would wear a safety belt always or most of the time if such a law existed.

How strictly should laws be enforced?

Of all respondents, 79.9% felt the law, if passed, should be very or somewhat strictly enforced (very—47.5%). Those favoring the law favored stricter enforcement (90.3% very of somewhat with 54% very) and those opposed less strict (53.8% very or somewhat with 31.7% very).

Are safety belts needed with air bags?

41.2% felt they were needed, 14.4% responded no, while 44.4% did not know.

INTERIM HEARING OF THE SENATE TRANSPORTATION COMMITTEE, NOVEMBER 9, 1987, STATE CAPITOL, SACRAMENTO, CA,. ON MOTORCYCLE HELMET USE

Committee members: Wadie P. Deddeh, Chairman; Marian Bergeson, Robert G. Beverly, Jim Ellis, V. Ch., Cecil Green, Gary Hart, Quentin L. Kopp, Rebecca, Q. Morgan, Dan McCorquodale, Alan Robins, Newton R. Russell, John Seymour, Rose Ann Vuich.

Committee staff: Mehdi Morshed, Staff Director; Steven J. Schnaidt, Senior Consultant, Jone D. McCarthy, Committee Secretary. Reported by: Evelyn Mizak, Shorthand Reporter.

Chairman DEDDEH. Thank you very much.

Our next two witnesses are from the Motorcycle Safety Foundation, Mr. Peter Fassnacht and Dave Clark.

Mr. FASSNACHT. Thank you, Mr. Chairman and Committee Members. My name is Peter Fassnacht, and I am the Vice President of the Motorcycle Safety Foundation.

I might point out that I am an active motorcyclist, as is my wife and most of our friends.

I have with me today Mr. David Clark, who's our Director of Research. And we would both like to offer you some comments about the research observations that we have monitored and the issues relating to the subject at hand.

By way of background, the Motorcycle Safety Foundation is a national not-for-profit organization. Our national resource offices are located in Costa Mesa, California.

Our purpose is to improve the safety of motorcyclists on the nation's streets and highways. Our staff are active in the development and promotion of rider training programs that train in excess of 75,000 motorcyclists each year. They work in conjunction with various state government agencies to research and develop ways to implement effective operator licensing tests. They conduct program-related research, public awareness campaigns for motorists and motorcyclists alike.

This safety interest extends to the California citizens who operate some 700-plus thousand motorcycles registered in this State.

I'd like to provide to you some vital information that will contribute to your understanding of the use of helmets, but first I'd like to express policy concerning helmet use that is our Foundation's position.

The Motorcycle Safety Foundation and its member companies strongly recommend the use of a Department of Transportation (DOT) approved helmet—and from this point on, whenever I refer to helmets, we refer to an approved helmet. They do need to meet certain minimum standards—at all times when riding a motorcycle, scooter or moped.

Accident analyses show that head and neck injuries account for a majority of serious and fatal injuries to motorcyclists. Research also shows that, with few exceptions, head and neck injuries are reduced by the proper wearing of an approved helmet.

Adopting a law requiring helmet usage has been shown to raise the 40–50 percent voluntary helmet use level to that of over 90 percent. While the safety and economic benefits of such laws are obvious, the Board of Trustees of the Motorcycle Safety Foundation believes any decision to mandate a helmet usage should be made by the citizens and the Legislators of each State.

However, the Motorcycle Safety Foundation, in its commitment to programs to reduce accidents and injuries, will not oppose the mandatory use of helmets if the Legislature determines it is in the best interests of the State. Further, we will continue to require the use of helmets for all instructors and students participating in Motorcycle Safety Foundation courses and activities at recognizing training sites.

Helmet use, along with rider education, operator licensing and public awareness to prevent accidents from occurring, is an important component of a comprehensive motorcycle safety program. The Motorcycle Safety Foundation is committed to these programs and will continue to cooperate as an information resource with parties involved in motorcycle safety issues.

On the subject of any offsetting or disadvantages in the use of helmets, I'd like to offer some additional comments.

As you may have become aware, the mandatory use of helmets has generated considerable opposition. I do not wish to address the social issues of lawmaking; however, I feel it is necessary to address the misinformation spread by helmet and mandatory use law opponents.

These folks often try to make you believe that helmets cause neck injuries; they impair hearing; or they constrain vision, or cause overheating. These points are simply not supported in fact.

Without a doubt, not having a helmet in a crash or collision situation is far worse than having one, and most importantly, the simple truth is that no one has the ability to predict when they're going to be involved in a crash or collision. The logic is quite obvious, that wearing a helmet at all times is the most prudent approach. They can happen any time, some would say especially when you least expect it.

The primary cause of neck injuries, with or without a helmet, is the crash or collision that the unfortunate motorcyclist is involved in. And while we heard a great deal about the relative risks of the individuals involved in motorcycling, the most typical or dominating crash experience is one where an automobile driver somehow violates the path of the motorcyclist and causes the collision. So, the relative risk of the individual involved may be of little point when the cause of the accident may in fact be beyond the immediate control of the rider.

Helmets do reduce the sound level to the rider; however, they do this to all sounds. It's important for us to understand this, because it's a factor that you hear very often. In order for a rider to take advantage of sound to avoid collisions, that sound has to be louder than the other sounds around him. Just as I can hear you in this room, it's because your sounds are louder than the ambient sounds of the air conditioning, or the rumbling of the audience present.

If it is, as are the sounds here, you can hear it. Helmets do moderate or reduce the sound somewhat, but it does it to all sounds.

Helmets can reduce wind noise, which can be of significant benefit, and wind noise is a significant distracter to the driving task. So on the point of hearing, I'd like to say if you can hear it, you'll be able to hear it, and that helmets can reduce the wind noise that will permit you to hear some of those sounds around you that may or may not help you.

It's also very important to point out that research in motorcycle accident causes has not identified one instance where hearing something would have provided that rider with any kind of an advantage in having to deal with that collision or avoid that collision. Simply put, if you can hear the cause of the accident that's about to occur, it's too late. A helmeted rider can hear more than the insulated cars with stereos blaring, in any case.

The important point is that vision dominates the rider collision information gathering system. Most accidents that occur, occur with situations that occur or that develop immediately in front of the rider, which is well within their visual field. Which raises the issue of vision.

Helmets do not restrict a rider's ability to see, especially those situations most critical to the rider developing in front of him.

While it is true that helmets intrude slightly into the complete human visual field, they do so to protect the head regions, the vital face and temple regions, not to do anything other than that.

Senator RUSSELL. Question.

You're saying that the helmets do impair peripheral vision?

Mr. FASSNACHT. I'm saying that humans have the ability in their peripheral field, to see a very wide region. In some helmets, those that meet approvals, that can be in the immediate or the far reaching of the peripheral field. They can do that. They do that in order to protect that region of your face that is right adjacent to your eyes.

Senator RUSSELL. I thought we heard this morning that they are required to not protrude beyond the 4:00 o'clock area, which would be behind them in 180 degree peripheral vision.

Mr. FASSNACHT. That's true, but in terms of the maximum or the field that people are able to see, it does extend quite wide. It's very close to the limits of human vision.

Senator RUSSELL. With some slight reduction in peripheral vision.

Mr. FASSNACHT. I think a more important point, though, and this is very important to the traffic safety issue relating to whether or not a helmet intrudes into that field, is that they don't prevent the rider from moving his eyes. You are allowed to turn your eyes from one side to another, and more importantly, you are allowed to turn your head, as you would in your automobile, scanning mirrors, checking over your shoulder for other traffic. That's a task that's demanded of all of our drivers and should not be unexpected in a motorcyclist.

One of the issues raised is that of overheating, and another fact is that helmets do not cause overheating. When it's uncomfortably hot outside, it's uncomfortably hot, whether or not you're wearing a helmet, riding a motorcycle, or driving a car, walking down the street.

A recent study done by Bob Carpenter in "Road Rider" magazine, a respected editor who has a great deal of—intense respect for truth in motorcycling, shows quite clearly that while surface temperatures on a motorcycle helmet can get quite hot in the hot sun, and I quote:

"Temperatures inside a properly fitting helmet rarely rise more than one or two degrees above normal body temperatures."

And that helmet interior temperature tends to stabilize at or near body temperature even when it's colder, and it can be much colder, outside. So in most helmets, there is a beneficial heatrelated effect. The potential in those helmets can moderate against the potentially fatal effects of hypothermia, whose early stages are very much like alcohol intoxication.

We have with us today a video tape program prepared by Professor Hurt and his research staff at the University of Southern California as a part of their major research study done earlier this decade. It addresses the issues relating to helmet effectiveness, and it reviews specific case studies showing similar situations, riders under similar conditions, going to their destinations and being involved in similar crashes, one rider being without the benefit of a helmet, and the other being with the benefit of a helmet. It identifies quite clearly the positive effect that that has shown.

In the interests of time, I'm not able to show this film to you. However, I will submit it to the Committee. I urge you to review this privately or in your post-hearing considerations.

I also have with me for your review a Motorcycle Information Kit, published by and distributed by the Motorcycle Industry Council, who we work closely with, who incidentally are in favor of mandatory helmet use laws.

I'd like to now turn this portion of our presentation over to our Director of Research, Mr. Dave Clark.

Senator RUSSELL. May I just ask a question?

Would you share with us your training in statistical analysis?

Mr. CLARK. Certainly.

I have my Bachelor's Degree in mathematics, and my Master's Degree is in business administration, and I have an emphasis in quantitative methods and marketing.

Senator RUSSELL. Thank you.

Mr. CLARK. It is the Motorcycle Safety Foundation's belief that there are no significant disbenefits associated with helmet use. The major USC study, "Motorcycle Accidents Cause Factors and Identification of Countermeasures", provides strong evidence to this fact, and no substantial research has come to MSF's attention to the alternative.

While the research by Dr. J.P. Goldstein attests that helmet use increases the severity of neck injuries past a critical impact velocity to the helmet, based upon my experience and statistical work, I feel that the

technical problems are so great in this study that the results cannot be relied upon. These technical problems include very small and incomplete sample base, nonindependent variables, and based upon comments from Professor Harry Hurt, faulty equations and definitions within the report.

Furthermore, Leonard Evans and Michael Frick, representing the General Motors Research Laboratories, have reported major problems in this study within a recent helmet effectiveness study.

We have provided for your review a much more detailed evaluation of Dr. Goldstein's study.

Chairman DEDDEH. Excuse me.

Is the art of sampling and studying samples, and so on, is that an abstract, undisputable science? Or could you have two studies coming to different conclusions? Is that a possibility?

Mr. CLARK. I think that as far as sample sizes, that's a pretty definite science.

Chairman DEDDEH. It's the size.

Mr. CLARK. Right.

Chairman DEDDEH. You take 100 people here, but is it not true that within the science, even medicine, that you could have two physicians, or three or four, and they'll give you two, three or four different diagnoses of what the problem is with some person, or finding? Is that not a possibility.

Mr. CLARK. Well, perhaps to some extent, but I think that, for example, in this particular situation, there is only about 50 sample sizes that they were based upon, and I think that most statisticians would say that that would be a very, very small example to make a large involved study with.

Chairman DEDDEH. Is it possible for Dr. Goldstein to take Professor Hurt's findings and say they are flawed? Is that a possibility?

Mr. CLARK. Yeah, I mean, it's possible that they could find limitations in it.

Chairman DEDDEH. Sure.

Mr. CLARK. Sure.

Chairman DEDDEH. So then, what I am trying to get from you is that while I respect what Dr. Hurt's findings are, I have no reason personally to doubt Goldstein's findings, too, unless I am biased in favor of Hurt, or I am biased against Goldstein.

Mr. FASSNACHT. Independent of a bias for the results, a review of the research by our staff uncovered a considerable number of methodological flaws that caused us great concern, especially a study that has this kind of opportunity for impact that would be used for public policy making purposes.

I would feel uncomfortable with leaving you with the notion that it's simply a matter of professional opinion. There's large numbers of very respectable researchers now who do not feel at all comfortable with the methodology used by Dr. Goldstein in his economic research.

Senator RUSSELL. Are they comfortable with Professor Hurt's——

Mr. FASSNACHT. Yes, indeed. Recognizing that in just about any form of research undertaken, including today's research opportunity, that there will be limitations.

Chairman DEDDEH. That's fair. Go ahead.

Mr. CLARK. All right.

At this point, I'd like to also provide you statistics related to motorcycle use among the states, and the use and effectiveness of helmets; specifically how do accident, injury, and fatality rates vary among states with and without helmet laws. Can any differences among states be attributed primarily to the existence or nonexistence of a helmet requirement, or are there other factors which also could account for the variations?

Based upon our current reports from the Motorcycle Safety Foundation's annual survey of states, there were 5,023,780 registered motorcycles in the U.S. in 1986. And based upon our current information as of May, '87, there were 19 states, plus the District of Columbia, with full helmet laws. And this applies to all operators, whether they have high risk or low risk, and it's required for both operators and passengers.

These 19 states, plus District of Columbia, account for 35 percent of the '86 motorcycle registrations. Also, there are 26 states, including California, which have partial helmet laws, such as for minors only. And these 26 states account for 53 percent of motorcycle registrations. And finally, there are 5 states with no helmet laws at all, and they account for 12 percent of the motorcycle registrations.

A comparison of accidents, fatalities and registrations for states with full mandatory helmet laws versus states with partial or no helmet laws during 1985 and '86 provides some evidence as to the effectiveness of helmet laws. The most important indication of helmet law effectiveness from these statistics would be fatalities per 100 accidents. In 1986, fatalities per 100 accidents were 15.7 percent less in helmet law states than in non-helmet law states. In 1985, fatalities per 100 accidents were 7.6 percent less in helmet law states than non-helmet law states.

Fatalities per 100 accidents is by far the more important indicator than some of the others that you might use, such as accidents per 10,000 registrations or fatalities per 10,000 registrations, since the primary helpfulness of a helmet is to reduce the severity of an accident once it has occurred, rather than to prevent an accident from occurring.

There are various other factors that enter into the comparability of statistics between states, one being a difference in reporting policiies. These include differing property damage thresholds, various definitions of motorcycles for reporting accidents and registrations, and some estimated figures required for states not having the requested statistics.

Another important factor that can enter into differences in statistics includes differing traffic densities. If you have different traffic patterns and road conditions, it can affect the likelihood of severe motorcycle accidents between states as well as such things as helmet laws.

Due to these additional factors, one should not rely solely on comparisons between state statistics. One should also evaluate the results of many other research studies that are available concerning helmet effectiveness.

I'd like to bring to your attention a few of these other studies that we think are very interesting and provide strong evidence as to the effectiveness——

Chairman DEDDEH. I've got three more witnesses, and I've got 30 minutes.

Mr. CLARK. Okay.

One is called "Helmet Effectiveness in Preventing Motorcycle Driver and Passenger Fatalities", and it was written by Leonard Evans and Michael Frick of the Operating Systems Research Department for the General Motors Research Laboratories. It was written on October 30th, 1986. And they, in this report, they found that helmet effectiveness in preventing fatalities to motorcycle drivers and passengers was determined by applying what they call a double pair comparison method to the Fatal Accident Reporting System, or the FARS data, for 1975 through 1984. Motorcycles with a driver and passengers, at least one of whom was killed, were used. The method focuses on two occupants: a subject occupant and an other occupant. The probabilities of a fatality to the subject occupant——

Senator RUSSELL. Mr. Chairman.

Perhaps you could summarize the report rather than tell us the details of how they got to it.

Mr. CLARK. All right.

Chairman DEDDEH. Most of it has been stated by some other witnesses really.

Senator RUSSELL. Yes. Just give us the bottom line.

Mr. CLARK. Okay.

They found that helmets are 27, plus or minus 9, percent effective in preventing fatalities to motorcycle riders. Putting it a little more simply, this study indicates that over one-quarter of motorcyclists killed without wearing helmets would still be alive had they been wearing helmets.

A second study by the same authors, same organization, is called, "Motorcyclist Fatalities and the Repeal of Mandatory Helmet Wearing Laws." And in their study, they found that after repeal, motorcyclist fatalities increased more in the states which repealed their laws that in those that did not in 24 out of 26 cases, with the average effect being 25 percent, plus or minus 6 percent. And they concluded that the repeals of mandatory helmet wearing laws for motorcyclists were followed by substantial increases in motorcycle fatalities.

Furthermore, we have many—there's many other studies that have been done by individuals—many other studies have been done by individual states providing evidence as far as the effectiveness of helmet laws. Examples are Arizona, Minnesota and Wisconsin concerning the effects of the repeal of helmet laws in their states, and Louisiana concerning the effect of re-enactment of the helmet law.

Chairman DEDDEH. Mr. Ouellet gave us that information.

Do you have something new to add, because this is all in this report.

Mr. FASSNACHT. We just have one area concerning the ability of helmets to meet federal impact standards, if that's of interest.

We can skip to that——

Mr. CLARK. All right, fine.

I'd like to provide a few results from the Hurt Report as far as the ability of helmets to meet——

Mr. FASSNACHT. I suspect you've got that from Jim Ouellet.

Mr. CLARK. All right, then we'll go on to the last part, which has to do with the low cost versus more expensive models.

Based upon an interview of Dr. Jim Newman, who has done extensive helmet testing for the Bio engineering firm, Bio Kinetics and Associates, in Canada, there is very little difference in helmets in their protection abilities. In fact, on a 1-10 scale, he rated the cheapest helmet at 8, and the most expensive at 9.

Furthermore, similar views were expressed by Jim Ouellet and Dave Thom of the USC Traffic Safety Center.

Chairman DEDDEH. We've heard that before.

Mr. FASSNACHT. We have summaries of the research cited in our presentation, and I'm prepared for a review by the Senators.

Chairman DEDDEH. We'll take them as part of the record.

Senator RUSSELL. Are you leaving the video tape?

Mr. FASSNACHT. Yes, we are.

Chairman DEDDEH. Thank you, gentleman, very much. Whatever documents you have, you leave them with us for the record. Thank you.

By Mr. DURENBERGER (for himself, Mr. BURDICK, and Mrs. KASSEBAUM):

S.J. Res. 131. Joint resolution to designate November 1989 as "National Diabetes Month"; to the Committee on the Judiciary.

NATIONAL DIABETES MONTH

● Mr. DURENBERGER. Mr. President, I am pleased to introduce today with my colleague Senator BURDICK, Senate Joint Resolution 131 to designate November 1989 as "National Diabetes Month."

Since 1982, a joint resolution declaring November as "National Diabetes Month" has been passed by Congress and signed into law by the President. I have had the privilege of sponsoring this resolution for 6 of the last 7 years. Thanks to the dedication and support of the American Diabetes Association and its State affiliates, which use this resolution to help focus public attention on the significance of diabetes research and education, we have been able to help spread an important message about diabetes throughout the Nation.

Approximately 11 million people in America have diabetes, and many others have been touched by a family member, neighbor, or friend who has the disease. Only 6 million of those 11 million Americans know they have the disease, and it is for this reason the National Diabetes Month resolution is so important. These individuals must be identified and given the health care they need.

Diabetes cost the United States $20.4 billion annually in direct and indirect medical expenses, disability payments, lost productivity, and absenteeism. It is a leading cause of death in this country and the leading cause of new blindness in which over 5,000 people go blind every year. In addition, diabetes is the primary cause of nontraumatic foot and leg amputations, as well as kidney disease.

Minorities—especially native Americans, Hispanic Americans, and black Americans—face an increased risk of diabetes. For example, nearly 50 percent of the population in some Pima Indian tribes have the disease. Diabetes is one-third more prevalent in the black population than in the general population.

However, we can improve these statistics and reduce the human and economic cost of diabetes. How? Diabetes is unique among chronic diseases and disorders in that careful self-monitoring by the patient with diabetes can avoid the development of some of the most serious complications. Proper diet, exercise, and medication are essential to minimize these complications through the active and informed participation of the patient with diabetes.

As you may know, one of the leading State affiliates of the American Diabetes Association is located in my home State of Minnesota. Through their work, I have seen what a State affiliate can do for people with diabetes by fostering public awareness and education. Three Minnesota institutions—the University of Minnesota, the Mayo Clinic, and the International Diabetes Center—are leading centers for diabetes research. I am very proud that the ADA Minnesota affiliate and these three research facilities have contributed so much to the Nation and the State in the field of diabetes research.

The National Diabetes Month resolution can help increase public awareness and understanding of diabetes. This in turn can increase public support for diabetes research, help develop better methods of diagnosing and treating the disease, and help the 6 million undiagnosed people with diabetes in this country seek the proper medical attention they so urgently need.

Mr. President, I urge my colleagues to support this important resolution. I ask unanimous consent that the text of the joint resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 131

Whereas diabetes is a leading cause of death by disease in the United States;

Whereas diabetes affects over 11 million Americans, of whom almost 6,000,000 are not aware of their illness;

Whereas diabetes costs the Nation $20,400,000,000 annually in health care costs, disability payments, and increased mortality due to diabetes;

Whereas up to 85 percent of all cases of noninsulin dependent diabetes may be prevented through greater public understanding, awareness, and education;

Whereas diabetes is particularly prevalent among Black Americans, Hispanic Americans, Native Americans, and women; and

Whereas diabetes is a leading cause of new blindness, kidney disease, heart disease, strokes, birth defects, and foot and leg amputations, all of which can be reduced by better public understanding and awareness of diabetes; now, therefore be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, that the month of November 1989 is designated as "National Diabetes Month." The President is authorized and requested to issue a proclamation calling upon the people of the United States to observe that month with appropriate ceremonies and activities.●

By Mr. SASSER (for himself, Mr. STEVENS, AND Mr. WILSON):

S.J. Res. 132. Joint resolution designating September 1 through 30, 1989, as "National Alcohol and Drug Treatment Month"; to the Committee on the Judiciary.

NATIONAL ALCOHOL AND DRUG TREATMENT MONTH

● Mr. SASSER. Mr. President, I rise today to introduce a joint resolution designating the month of September 1989 as "National Alcohol and Drug Treatment Month." This joint resolution is cosponsored by my colleagues from Alaska [Mr. STEVENS], Florida [Mr. GRAHAM], and California [Mr. WILSON].

The designation of this special month will encourage a focus on the positive contributions alcohol and other drug abuse treatment services provide in assisting those suffering from alcoholism and other drug addiction to recover and rebuild their lives. Treatment serves as the bridge from dependence to independence from alcohol and other drugs.

Because alcohol and other drug abuse are complex problems involving biological, psychological, and social factors, a variety of approaches are needed to break their grip on our society. Aggressive law enforcement can limit the availability of illicit drugs. Workplace programs and drug testing can motivate occasional users who have not responded to other approaches. A national alcohol and drug abuse strategy can control the impact on society of these severe cases and reduce the demand for illicit drugs.

Dependence on alcohol or other drugs is a chronic disease. A 1985 National Household Survey on Drug Abuse showed that approximately 23 million Americans currently use illicit drugs. Of these, more than 6.5 million people are severely dependent on heroin, other opiates, amphetamines, and cocaine. The majority of these persons cease to function in legitimate social roles and often engage in criminal behavior as part of their drug-using lifestyle. This group accounts for the bulk of the social and economic problems commonly associated with drug abuse and provides a continuing market for the illicit drug distribution system.

In addition, more than one-third of U.S. families are affected by alcoholism and an estimated 10 million Americans are problem drinkers or alcoholics. And alcohol abuse during pregnancy is one of the leading causes of mental retardation in infants and is the only preventable cause.

Acquired Immunodeficiency Syndrome [AIDS] has added a new urgency to the need to address the Nation's critical intravenous [IV] drug abuse problems. Because shared needles can transmit the AIDS virus, IV drug users constitute a growing percentage of the pediatric AIDS cases are related to IV drug use by one or both parents of the infant. Drug abuse treatment can reduce the rate of spread of AIDS to

minimize the tragedy of lives lost and the immense national economic costs.

Alcohol and other drug abuse treatment provides an effective means toward independence from substance dependence and is a necessary element in solving the problems associated with drug and alcohol abuse. Treatment can reduce criminality, as well as increase stable employment, progress in schools, healthy relationships, higher self-esteem and overall improvement in general health.

A broad coalition of constituency groups in the alcohol and drug field are urging the support of National Alcohol and Drug Treatment Month.

LIST OF GROUPS

Alcohol and Drug Problems Association of America.
American Academy of Pediatrics.
American Council for Drug Education.
American Medical Society on Alcoholism and Other Treatment Dependencies.
American Hospital Association.
American Psychological Association.
American Public Health Association.
Americans for Substance Abuse Prevention and Treatment .
American Youth Work Center.
Association of Labor-Management Administrators and Consultants on Alcoholism.
Center for Science in the Public Interest.
Children of Alcoholics Foundation, Inc.
Committee on Problems of Drug Dependence.
Families in Action Drug Information Center.
Health and Medical Council of Washington.
Legal Action Center.
National Association of Alcohol and Drug Abuse Counselors.
National Association of Addiction Treatment Providers.
National Association of Black Substance Abuse Workers, Inc.
National Association of State Alcohol and Drug Abuse Directors.
National Black Alcoholism Council.
National Council on Alcoholism.
Northeast Methadone Coalition.
Therapeutic Communities of America, Inc.

Mr. President, I urge my colleagues to support National Alcohol and Drug Treatment Month and help call attention to the positive contributions that substance abuse treatment can make to our Nation's efforts to decrease the demand for drug and alcohol. I ask unanimous consent that the text of the joint resolution be printed in the CONGRESSIONAL RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 132

Whereas alcohol and other drug abuse and dependence are major public health problems that are preventable and treatable;

Whereas the economic costs to society of alcohol and drug abuse in 1983 alone were over $176,000,000,000;

Whereas alcohol and drug abuse treatment provides an effective means toward independence from substance dependence and is a necessary element in solving the problems associated with alcohol and other drug abuse;

Whereas more than one-third of the families of the Nation are affected by alcoholism and an estimated 10,000,000 Americans are problem drinkers or alcoholics;

Whereas alcohol abuse during pregnancy is one of the leading causes in the Nation of mental retardation in infants and is the only preventable cause;

Whereas over 70 percent of the pediatric acquired immunodeficiency syndrome cases are related to intravenous drug use by one or both parents of the infant;

Whereas drug abuse treatment is an effective way of preventing the spread of AIDS among intravenous drug abusers;

Whereas alcoholism and drug dependence are illnesses requiring prevention, treatment, and rehabilitation through the assistance and cooperation of a broad range of Federal, State, and local health, law enforcement, and social service agencies, families, employers, employees, and organizations concerned about alcohol and other drug abuse; and

Whereas despite our national policy goal of making treatment available to all who request it, the existence of waiting lists highlights the need to increase the availability and quality of alcohol and other drug treatment services: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That September 1 through 30, 1989 is designated "National Alcohol and Drug Treatment Month", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe that month with appropriate ceremonies and activities.●

By Mr. SPECTER (for himself and Ms. MIKULSKI):

S.J. Res. 133. Joint resolution designating October 1989 as "National Domestic Violence Awareness Month"; to the Committee on the Judiciary.

NATIONAL DOMESTIC VIOLENCE AWARENESS MONTH

Mr. SPECTER. Mr. President, today I am introducing a joint resolution to designate October 1989 as "National Domestic Violence Awareness Month." This resolution is the successor of Senate Joint Resolution 371, which I introduced in the 100th Congress. I am joined in this effort by my colleague from Maryland, Senator MIKULSKI.

According to the U.S. Department of Justice, 95 percent of all assaults on spouses or ex-spouses from 1973 to 1977 were committed by males. In 1984, U.S. Surgeon General C. Everett Koop reported that domestic violence is the single largest cause of injury to women in the United States.

Domestic violence affects urban and rural women of all racial, social, religious, ethnic, and economic groups, and of all ages, physical abilities, and lifestyles. Therefore, it is fitting that we focus attention on the growing national tragedy of domestic violence, and demonstrate our support for those individuals and organizations working to address it.

Mr. President, the incidence of domestic violence nationwide is staggering. According to the National Coalition Against Domestic Violence, over 50 percent of all married women experience some form of physical abuse in their relationships. But the violence does not end there. A 1984 independent study by Ms. Lenore Walker, author of "The Battered Woman Syndrome," found that 53 percent of abusive husbands beat their children as well as their wives, and that this violence is frequently repeated. During 1986, the National Coalition members provided shelter to more than 311,000 women and children from their unsafe homes.

In my own State of Pennsylvania, the incidence of domestic violence is especially acute. Between July 1987 and June 1988, hotlines throughout the Commonwealth handled 128,362 abuse-related calls. The Pennsylvania Coalition Against Domestic Violence, headquartered in Harrisburg, PA, operates 39 shelters, 8 counseling centers and safehomes, and 12 hotlines throughout the Commonwealth. The Pennsylvania Coalition reports that during their 1987-88 fiscal year these facilities provided services to 63,197 persons, 51,239 of whom were victims of domestic abuse. The coalition members also provided 396,629 hours of counseling to victims and their children, and 147,424 shelter days to 17,409 battered individuals.

Statistics show that there is a growing need for such facilities. The Pennsylvania Coalition reported an 11-percent increase in the number of shelter recipients and a 7.9-percent increase in the number of counseling recipients during the 1987-88 fiscal year. The total number of victims seeking aid is expected to continue to increase. To address this need, the coalition plans to open three new shelters to serve Allegheny, Butler, and Huntingdon Counties in Pennsylvania.

Unfortunately, despite these extensive efforts, existing shelters are as yet unable to meet the needs of all the victims. The Pennsylvania Coalition reported that in fiscal year 1987-88, shelters were forced to turn away 8,639 women and children—an increase of 19.5 percent over the previous year's rejection rate. According to national statistics provided by the National Coalition Against Domestic Violence, for every woman sheltered, two women in need of shelter must be turned away due to lack of space.

Mr. President, I long have been concerned about the devastating effects of domestic violence on American families. As the former district attorney of Philadelphia, I have witnessed firsthand the tragic consequences of domestic abuse cases. Accordingly, I commend the efforts of the Pennsylvania Coalition Against Domestic Violence, the National Coalition Against Domestic Violence, the National Network for Victims of Sexual Assault, and similar

organizations that take such an active role in combating domestic abuse.

Mr. President, I ask unanimous consent that the joint resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 133

Whereas it is estimated that a woman is battered every fifteen seconds in America;

Whereas domestic violence is the single largest cause of injury to women in the United States, affecting three million to four million women;

Whereas urban and rural women of all racial, social, religious, ethnic, and economic groups, and of all ages, physical abilities, and lifestyles are affected by domestic violence;

Whereas 30 per centum of female homicide victims in 1986 were killed by their husbands or boyfriends;

Whereas one-third of the domestic violence incidents involve felonies, specifically, rape, robbery, and aggravated assault;

Whereas in 50 per centum of families where the wife is being abused, the children of that family are also abused;

Whereas some individuals in our law enforcement and judicial systems continue to think of spousal abuse as a "private" matter and are hesitant to intervene and treat domestic assault as a crime;

Whereas in 1986, over three hundred and eleven thousand women, plus their children, were provided emergency shelter in domestic violence shelters and safehomes and the number of women and children that were sheltered by domestic violence programs increased by nearly one hundred thousand between 1983 and 1986;

Whereas for every one woman sheltered nationwide, two women in need of shelter may be turned away due to a lack of shelter space;

Whereas the nationwide efforts to help the victims of domestic violence need to be coordinated;

Whereas there is a need to increase the public awareness and understanding of domestic violence and the needs of battered women and their children; and

Whereas the dedication and successes of those working to end domestic violence and the strength of the survivors of domestic violence should be recognized: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That October 1989 is designated as "National Domestic Violence Awareness Month". The President is authorized and requested to issue a proclamation calling on the people of the United States to observe this month by becoming more aware of the tragedy of domestic violence, supporting those who are working to end domestic violence, and participating in other appropriate efforts.

By Mr. LEAHY:

S.J. Res. 134. Joint resolution to designate the week of October 1, 1989, through October 7, 1989, as "National Disability Awareness Week"; to the Committee on the Judiciary.

NATIONAL DISABILITY AWARENESS WEEK

● Mr. LEAHY. Mr. President, I am pleased to introduce today a joint resolution designating the week of October 1, 1989 as National Disability Awareness Week.

In its 1986 report, "Toward Independence," the National Council on Disability wrote:

People with disabilities have been saying for years that their major obstacles are not inherent in their disabilities, but arise from barriers that have been imposed externally and unnecessarily.

These barriers are forms of discrimination—in employment, housing, public accommodations, public services, transportation, and communication.

Last week, I joined 32 other Senators in sponsoring the Americans with Disabilities Act. The purpose of this historic legislation is to provide a clear and comprehensive mandate for the elimination of discrimination against persons with disabilities. Much of the work of the bill comes out of the National Council's report which recommended the legislation we introduced.

We can change the law—and it is my hope that we will pass the Americans with Disabilities Act this Congress—but we also must change the attitudes, the fear and misunderstanding that are so often the roots of discrimination. That is what my resolution seeks to do.

I want America's 37 million citizens with disabilities to be recognized for their abilities, not their disabilities. Every October, the Vermont Association of Business Industry and Rehabilitation [VABIR], coordinates a Vermont disability awareness day conference which does just this. The conference educates employers on how to hire, provide access and accommodate people with disabilities. Exhibitors display equipment and provide information valuable not only for hiring, but also for retraining employees who become disabled. I am proud to be an honorary chairperson of the Vermont Disability Awareness Conference because it helps change people's attitudes about disabilities, and more specifically, it helps to remove the barriers that prevent persons with disabilities from entering the workforce.

America's 37 million citizens with disabilities deserve an equal opportunity to fully participate in and contribute to this society. I hope you will join me in recognizing these rights by cosponsoring this important resolution.

Mr. President, I ask unanimous consent for the text of the joint resolution to be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 134

Whereas 37 million individuals in the United States have disabilities (such individuals are hereinafter referred to as "Americans with disabilities"), and over 25 percent of Americans with disabilities have more than one disability;

Whereas one out of every twelve individuals in the United States copes with some form of disability;

Whereas although nearly three out of every four individuals without a disability in the United States have at least a high-school education, the rate for Americans with disabilities is just slightly more than one in every two;

Whereas an American with a disability is two and one-half times as likely to have an income that falls below the poverty line than is a nondisabled individual in the United States;

Whereas the population of Americans with disabilities will increase dramatically over the next two decades as the ability of science of medical technology to prolong human life continually improves;

Whereas disabilities increasingly affect the people of the United States;

Whereas one working-age black American in every seven has a disability;

Whereas 31 million individuals in the United States have some form of activity limitation;

Whereas 8.2 million individuals in the United States have a visual impairment;

Whereas 17 million individuals in the United States have a hearing impairment;

Whereas 18.4 million individuals in the United States have an orthopedic disability;

Whereas 4.2 percent of all children under the age of 21 in the United States have a chronic activity limitation;

Whereas 3 percent of all school-aged children in the United States have a learning disability;

Whereas 50,000 school-aged children under the age of 18 in the United States have an emotional or behavioral disability;

Whereas 5 percent of American school-aged children in the United States have speech and language disabilities;

Whereas most Americans with disabilities recognize that Federal laws passed since the late 1960's have helped to give better opportunities to Americans with disabilities;

Whereas most Americans with disabilities strongly endorse efforts by the Federal Government to enhance the lives of persons with disabilities;

Whereas most Americans with disabilities are not alone in believing that individuals with disabilities should be protected by law from discrimination; and

Whereas the people of the United States can express their concern for all Americans with disabilities by recognizing such Americans' right to participate as integral members of our society: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of October 1, 1989, through October 7, 1989, is designated as "National Disability Awareness Week", and the President of the United States is authorized and requested to issue a proclamation calling upon the people of the United States to observe that week with appropriate ceremonies and activities.●

By Mr. PELL (for himself, Mrs. KASSEBAUM, and Mr. GORE):

S.J. Res. 135. Joint resolution to establish a National Commission on Human Resource Development; placed on the Calendar.

NATIONAL COMMISSION ON HUMAN RESOURCE DEVELOPMENT

Mr. PELL. Mr. President, today I introduce on behalf of myself, Mrs.

KASSEBAUM, and Mr. GORE a joint resolution to establish a National Commission on Human Resource Development.

This measure originally was introduced in the 100th Congress as Senate Joint Resolution 368, and hearings were held before the Subcommittee on Education, Arts and Humanities of the Committee on Labor and Human Resources. There are slight but important changes between this measure and Senate Joint Resolution 368. One of these changes reflects the interest shown in the Commission and its charter by the academic community and industry. We were asked to create a vehicle by which these two groups could formally associate themselves with the Commission and make a direct contribution to its activities. An Academic and Industry Advisory Council has been added to provide that opportunity.

The purpose of this Commission is straightforward and in my view highly important. It is intended that the Commission go to the American public in a series of regional meetings. By the use of surveys and open direct dialog, the Commission will ask what order to function at the upper limits of the capability that is each individual's by birthright. The Commission will solicit views from the public on the role of the individual, family, community and government in researching and implementing techniques designed to increase fulfillment of human potential. It assumes that it is a normal aspiration of all citizens to more completely realize their full human potential. It is accurate to say that the real health and wealth of our Nation is in the realized potential of its citizens.

There have been exciting scientific findings in regard to the extent of human potential. For example, there are findings concerning the role that the mind can play in influencing the body's immune system. We are approaching the point at which doctors and patients alike need to know if there is a practical role the patient can play in this regard. I don't know what the proposed Commission will find, but even the most modest increases in creativity and health can have large social and economic impact.

I suggest that every problem our Nation and the world faces will yield to solutions in direct proportion to the number of citizens who are actively seeking to achieve personal excellence, and believe that the techniques for attaining fuller potential can be identified.

It is a modest step for the Federal Government to establish this Commission. No appropriated funds are being requested. The Commission is charged to raise its own operating funds from private and foundation resources.

The Commission I propose would be composed of 25 commissioners to be appointed by the President and the Congress. The measure calls for citizens with specific training and experiences, and as far as practicable would reflect the ratio of women and men and the diversity of the population of the United States. They will range in age from high school students to the retired community.

The legislation acknowledges the belief that it is a shared responsibility of the individual, the family, the community and the Nation to provide knowledge, and opportunity to increase personal excellence and to fulfill human potential.

The Commission will seek out practical, proven techniques to improve human performance. With expert scientific advice, it will recommend a research agenda to investigate promising but unproven techniques.

The life of the Commission will be 2 years. One of the responsibilities of the Commission will be to communicate with State governments on the advisability of establishing State Commissions on Human Resource Development. It is anticipated that implementation of the findings and recommendations of the Commission will extend for many years beyond the life of the National Commission, and that the primary focus of this activity properly is at the level of State and local governments and of the individual.

The drafting of this legislation has been influenced from many sectors. In January 1987, a meeting was held with Dr. William Graham, Science Advisor to President Reagan, on the subject of a possible Presidential Commission on Human Potential. A series of follow-on staff meetings were helpful in developing ideas on such a Commission. In October 1987, Stephan Schwartz, author, founder and president of the Mobius Society, and Richard Gunther, California business man and philanthropist, provided a 10-page statement on the subject that had been compiled from a series of meetings over 6 months with 23 highly qualified individuals who gave their reasons why it was timely to establish such a Commission. Additionally, as word of the Commission legislation spread, I have received highly supportive mail on the subject. It appears that citizen support groups for activity of the Commission are quietly and spontaneously forming.

The measure calls for the Commission to communicate through appropriate channels with foreign governments about the establishment of counterpart Commissions in anticipation of international sharing of ideas and findings on techniques designed to increase fulfillment of human potential. There are global problems in which the United States should assume its fair share, but only its fair share, of the responsibility to find solutions.

The best ideas from citizens of all the nations—individuals functioning at peak performance as teachers, laborers, scientists, managers, all walks of life—will be required. This is the charge to the work of the Commission, this is my hope for the Commission.

The Commission will have to work hard to deliver on its responsibilities, but its work will be a very important first step, an investment, in assisting every individual who wants to, to give back to his family, her community, his nation, her world, the fruits of minds and bodies operating at the highest potential. This is the way that problems will be solved, people functioning at their fullest potential in an interdependent world.

I ask unanimous consent that the text of the joint resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 135

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This resolution may be cited as the "National Commission on Human Resource Development Act".

SEC. 2. FINDINGS.

The Congress finds that—

(1) the health and wealth of the Nation is in the realized potential of its citizens;

(2) it is a normal aspiration of all citizens to more fully achieve their potential in body, mind, and spirit;

(3) techniques for attaining fuller potential of individuals can be identified;

(4) it is a shared responsibility of the individual, the family, the community and the Nation to provide the knowledge and opportunity to promote personal excellence and the highest levels of human potential;

(5) compulsive and addictive behavior, low self-esteem, high rates of teenage pregnancy, high suicide rates, and a weakened family structure arise in part from arrested or stunted development of human potential;

(6) the role of the individual in health maintenance and healing, complementing medical practices that treat symptoms and disease, has yet to be fully developed;

(7) teaching methods that inculcate a sense of enthusiasm, challenge, and accomplishment in achieving greater fulfillment of individual potential are desirable and achievable;

(8) the will of the citizenry to take responsibility for their lives, to push leadership to higher levels of performance, and to serve their community and Nation all may be enhanced by increased self-confidence achieved by development of personal excellence;

(9) there is a role for government to assist in research and education on techniques that promote the development of personal excellence and fuller realization of human potential; and

(10) increased fulfillment of human potential can contribute to—

(A) solving problems that separate people;

(B) cooperating in the interest of humankind; and

(C) strengthening world peace, security, tolerance, and fundamental human rights, and the promotion of economic and social progress and well-being for all peoples.

SEC. 3. ESTABLISHMENT.

There is established a Commission on Human Resource Development.

SEC. 4. DUTIES OF THE COMMISSION.

(a) IN GENERAL.—The Commission shall—

(1) advise the Congress, the President, and the American public on policies and programs designed to facilitate the fuller attainment of human potential;

(2) solicit views from the public on the role of the individual, family, community, and government in research, education, and implementation of techniques designed to more fully realize human potential;

(3) identify private and foundation financial resources to fund the operation of the Commission;

(4) establish a scientific advisory panel to assist in the evaluation of technologies and procedures calculated to assist in attaining higher levels of human potential;

(5) establish an academic and industry advisory council to assist in developing procedures to implement the findings of the Commission;

(6) communicate with State governments on the advisability of establishing State Commissions on Human Resource Development; and

(7) communicate with foreign governments and international organizations, after consultation with the Secretary of State, on the establishment of counterpart Commissions and prepare for an international meeting of such Commissions prior to the preparation of the final report required under section 6.

(b) ACADEMIC AND INDUSTRY ADVISORY COUNCIL.—Members of the scientific advisory panel established pursuant to subsection (a)(4), and the academic and industry advisory council established pursuant to subsection (a)(5) shall serve without financial remuneration.

SEC. 5. CENTER FOR HUMAN RESOURCE DEVELOPMENT.

(a) IN GENERAL.—The Commission shall establish an independent educational and scientific nonprofit entity, entitled the "Center for Human Resource Development" to receive contributions for the operation of the Commission, to perform such duties as may be assigned by the Commission, and to perform the duties of the Commission upon termination of the Commission.

(b) BOARD OF DIRECTORS.—The board of directors of the Center established pursuant to subsection (a), shall be selected by the Commission.

(c) VACANCY.—A vacancy in the board of directors of the Center shall be filled in a manner determined by the Commission.

(d) TERMINATION.—The termination of the Commission shall not effect the operation or existence of the Center.

SEC. 6. REPORT AND PROPOSAL.

(a) REPORT.—The Commission shall prepare and transmit a report to the President and the Congress within 18 months after funding for the operation of the Commission has been secured. The report shall describe the activities of the Commission and contain such recommendations as the Commission considers appropriate for individual, family, community and government action to more fully achieve human potential.

(b) PROPOSAL.—The Commission shall prepare and transmit to the President and the Congress a proposal for implementation of the recommendations of the Commission within 24 months after funding for the operation of the Commission has been secured.

SEC. 7. MEMBERSHIP OF THE COMMISSION.

(a) COMMISSION MEMBERSHIP.—The Commission shall consist of—

(1) 11 members appointed by the President, of which—

(A) 1 member shall be an individual with training and experience in extraordinary human performance research;

(B) 1 member shall be an individual with training and experience in the delivery of health care services as a physician;

(C) 1 member shall be an individual with training and experience in the field of higher education;

(D) 1 member shall be an individual with training and experience in the clergy;

(E) 1 member shall be an individual with experience in organized labor;

(F) 1 member shall be an individual with experience at the management level of business;

(G) 1 member shall be an individual who is retired;

(H) 3 members shall be from the general public; and

(I) 1 member shall be from an appropriate executive department; and

(2) 14 members appointed jointly by the Speaker of the House of Representatives and the President pro tempore of the Senate, of which—

(A) 1 member shall be an individual with training and experience in extraordinary human performance research;

(B) 1 member shall be an individual with training and experience in the delivery of health care services as a nurse;

(C) 1 member shall be an individual with training and experience in the field of education as a teacher at the pre-college level;

(D) 1 member shall be an individual with training and experience in the clergy;

(E) 1 member shall be an individual with experience in organized labor;

(F) 1 member shall be an individual with experience at the management level of business;

(G) 2 members shall be individuals with student high school status when appointed to the Commission;

(H) 4 members shall be from the general public;

(I) 1 member shall be a member of the Senate; and

(J) 1 member shall be a member of the House of Representatives.

(b) REPRESENTATION.—Insofar as practicable the Commissioners appointed by the President and the Congress shall reflect the diversity of the population in the United States.

(c) APPOINTMENTS.—The President and the Congress shall appoint the members of the Commission not later than 30 days after the date of the enactment of this resolution.

(d) VACANCIES.—A vacancy in the Commission shall be filled in the same manner as the original appointment was made. A vacancy in the Commission shall not affect the powers of the Commission.

(e) CHAIRPERSON.—The members of the Commission shall elect a Chairperson from among the members of the Commission.

(f) QUORUM.—14 members of the Commission shall constitute a quorum, but a lesser number may hold hearings.

(g) ORGANIZATIONAL MEETING.—The Commission shall hold an organizational meeting to establish the rules and procedures of the Commission not later than 30 days after all members are first appointed to the Commission and sufficient operating funds have been secured.

SEC. 8. COMPENSATION AND TRAVEL.

(a) COMPENSATION.—Each member of the Commission who is not an officer or employee of the United States shall be compensated at a rate established by the Commission not to exceed the daily equivalent of the annual rate of basic pay prescribed for grade GS-18 of the General Schedule under section 5332 of title 5, United States Code, for each day (including traveltime) during which such member is engaged in the actual performance of duties as a member of the Commission. Each member of the Commission who is an officer or employee of the United States shall receive no additional compensation.

(b) TRAVEL.—While away from their homes or regular places of business in the performance of duties for the Commission, all members of the Commission and nongovernment members of the Scientific Advisory Panel and the Academic and Industry Advisory Council shall be allowed travel expenses, including per diem in lieu of subsistence, at a rate established by the Commission not to exceed the rates authorized for employees of agencies under sections 5702 and 5703 of title 5, United States Code.

SEC. 9. COMMISSION STAFF.

(a) EXECUTIVE DIRECTOR.—The Commission shall appoint an Executive Director who shall be compensated at a rate established by the Commission not to exceed the rate of basic pay prescribed for level V of the Executive Schedule under section 5316 of title 5, United States Code.

(b) ADDITIONAL PERSONNEL.—With the approval of the Commission, the Executive Director may appoint and fix the compensation of such additional personnel as the Executive Director considers necessary to carry out the duties of the Commission.

(c) EXPERTS AND CONSULTANTS.—Subject to such rules as may be issued by the Commission, the chairperson may procure temporary and intermittent services of experts and consultants.

(d) PERSONNEL DETAIL AUTHORIZED.—Upon request of the chairperson, the head of any Federal agency is authorized to detail, on a reimbursable or non-reimbursable basis, any of the personnel of such agency to the Commission to assist the Commission in carrying out its duties under this Act.

SEC. 10. POWERS OF COMMISSION.

(a) HEARINGS.—For the purpose of carrying out this resolution, the Commission may hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence, as the Commission considers appropriate. The Commission may administer oaths or affirmations to witnesses appearing before the Commission.

(b) ADMINISTRATIVE PROVISION.—Any member or employee of the Commission may, if authorized by the Commission, take any action which the Commission is authorized to take by this section.

(c) INFORMATION.—The Commission may secure directly from any Federal agency such information as may be necessary to enable the Commission to carry out this Act. Upon request of the Chairperson of the Commission, the head of such agency shall furnish such information to the Commission.

(d) RESEARCH SUPPORT.—The Commission may apply and receive funding for research from any Federal or State agency or private source to advance the purposes of this Act.

(e) GIFTS.—The Commission may accept, use, and dispose of gifts, grants or donations of money, services or property. Such gifts, grants, donations, services, and property may only be used to advance the purposes of this Act.

SEC. 11. DEFINITIONS.

For purposes of this Act—

(1) The term "Center" means the Center for Human Resource Development established pursuant to section 4(a)(4).

(2) The term "Commission" means the National Commission on Human Resource Development established by section 3.

(3) The term "Federal agency" has the meaning given to the term "agency" in section 551(1) of title 5, United States Code.

SEC. 12. TERMINATION.

The Commission shall terminate 30 days after submitting the final report required by section 5 unless other provisions are made.

Mrs. KASSEBAUM. Mr. President, I am joining Senator PELL as a cosponsor of a joint resolution establishing a National Commission on Human Resource Development. The purpose of this resolution is to establish the Commission and outline its structure and responsibilities. The resolution does not seek Federal funding for the Commission, which is to be supported by private contributions.

Senator PELL has a longstanding interest in efforts to develop and enhance human potential. As chairman of the Senate Education Subcommittee, Senator PELL has demonstrated a commitment to promoting excellence and achievement in all aspects of our educational system. This resolution would take these efforts one step further, as a principal task of the Commission will be to identify ways in which to promote and encourage personal excellence in all aspects of life.

I have had the opportunity to work with Senator PELL on a variety of education issues. It is always a pleasure, and I look forward to continued cooperation on this joint resolution and other Education Subcommittee matters.

ADDITIONAL COSPONSORS

S. 5

At the request of Mr. DODD, the names of the Senator from Michigan [Mr. LEVIN] and the Senator from Colorado [Mr. WIRTH] were added as cosponsors of S. 5, a bill to provide for a Federal program for the improvement of child care, and for other purposes.

S. 15

At the request of Mr. CRANSTON, the name of the Senator from Maryland [Ms. MIKULSKI] was added as a cosponsor of S. 15, a bill to amend the Public Health Service Act to improve emergency medical services and trauma care, and for other purposes.

S. 16

At the request of Mr. CRANSTON, the name of the Senator from Wisconsin [Mr. KOHL] was added as a cosponsor of S. 16, a bill to require the executive branch to gather and disseminate information regarding, and to promote techniques to eliminate, discriminatory wage-setting practices and discriminatory wage disparities which are based, on sex, race, or national origin.

S. 54

At the request of Mr. METZENBAUM, the name of the Senator from Oregon [Mr. HATFIELD] was added as a cosponsor of S. 54, a bill to amend the Age Discrimination in Employment Act of 1967 with respect to the waiver of rights under such act without supervision, and for other purposes.

S. 135

At the request of Mr. GLENN, the name of the Senator from Wisconsin [Mr. KOHL] was added as a cosponsor of S. 135, a bill to amend title 5, United States Code, to restore to Federal civilian employees their right to participate voluntarily, as private citizens, in the political processes of the Nation, to protect such employees from improper political solicitations, and for other purposes.

S. 198

At the request of Mr. HATCH, the name of the Senator from Vermont [Mr. LEAHY] was added as a cosponsor of S. 198, a bill to amend title 17, United States Code, the Copyright Act to protect certain computer programs.

S. 223

At the request of Mr. MOYNIHAN, the name of the Senator from North Dakota [Mr. CONRAD] was added as a cosponsor of S. 223, a bill to establish a grant program for research, treatment and public education with respect to Lyme disease.

S. 231

At the request of Mr. MOYNIHAN, the name of the Senator from California [Mr. CRANSTON] was added as a cosponsor of S. 231, a bill to amend part A of title IV of the Social Security Act to improve quality control standards and procedures under the Aid to Families With Dependent Children Program, and for other purposes.

S. 260

At the request of Mr. MOYNIHAN, the names of the Senator from California [Mr. CRANSTON], the Senator from Indiana [Mr. LUGAR], the Senator from Louisiana [Mr. JOHNSTON], and the Senator from Alabama [Mr. SHELBY] were added as cosponsors of S. 260, a bill to amend the Internal Revenue Code of 1986 to make the exclusion from gross income of amounts paid for employee educational assistance programs.

S. 342

At the request of Mr. DANFORTH, the name of the Senator from Iowa [Mr. HARKIN] was added as a cosponsor of S. 342, a bill to amend the Internal Revenue Code of 1986 to provide that certain credits will not be subject to the passive activity rules, and for other purposes.

S. 411

At the request of Mr. BOSCHWITZ, the name of the Senator from Mississippi [Mr. LOTT] was added as a cosponsor of S. 411, a bill to amend the Internal Revenue Code of 1986 to restore a capital gains tax differential, and for other purposes.

S. 419

At the request of Mr. SIMON, the names of the Senator from Iowa [Mr. HARKIN] and the Senator from Maine [Mr. COHEN] were added as cosponsors of S. 419, a bill to provide for the collection of data about crimes motivated by race, religion, ethnicity, or sexual orientation.

S. 424

At the request of Mr. THURMOND, the name of the Senator from Kentucky [Mr. FORD] was added as a cosponsor of S. 424, a bill to provide a minimum monthly annuity for the surviving spouses of certain deceased members of the uniformed services.

S. 430

At the request of Mr. DASCHLE, the name of the Senator from Massachusetts [Mr. KENNEDY] was added as a cosponsor of S. 430, a bill to amend title XIX of the Social Security Act to provide coverage for certain outreach activities undertaken at the option of a State for the purpose of identifying pregnant women and children who are eligible for medical assistance and assisting them in applying for and receiving such assistance, and for other purposes.

S. 449

At the request of Mr. BOREN, the names of the Senator from Louisiana [Mr. BREAUX], the Senator from Mississippi [Mr. LOTT], and the Senator from Montana [Mr. BURNS] were added as cosponsors of S. 449, a bill to amend the Internal Revenue Code of 1986 to provide incentives for oil and natural gas exploration and production, and for other purposes.

S. 458

At the request of Mr. DECONCINI, the name of the Senator from Minnesota [Mr. BOSCHWITZ] was added as a cosponsor of S. 458, a bill to provide for a General Accounting Office investigation and report on conditions of displaced Salvadorans and Nicaraguans, to provide certain rules of the House of Representatives and of the Senate with respect to review of the report, to provide for the temporary stay of detention and deportation of certain Salvadorans and Nicaraguans, and for other purposes.

S. 464

At the request of Mr. SANFORD, the name of the Senator from Indiana [Mr. LUGAR] was added as a cosponsor of S. 464, a bill to promote safety and health in workplaces owned, operated

or under contract with the United States by clarifying the United States' obligation to observe occupational safety and health standards and clarifying the United States' responsibility for harm caused by its negligence at any workplace owned by, operated by, or under contract with the United States.

S. 507

At the request of Mr. SIMON, the name of the Senator from Michigan [Mr. LEVIN] was added as a cosponsor of S. 507, a bill to prohibit investments in, and certain other activities with respect to, South Africa, and for other purposes.

S. 519

At the request of Mr. LAUTENBERG, the name of the Senator from North Dakota [Mr. CONRAD] was added as a cosponsor of S. 519, a bill to prohibit smoking on any scheduled airline flight in intrastate, interstate, or overseas air transportation.

S. 535

At the request of Mr. LAUTENBERG, the name of the Senator from Maine [Mr. MITCHELL] was added as a cosponsor of S. 535, a bill to increase civil monetary penalties based on the effect of inflation.

S. 565

At the request of Mr. CRANSTON, the names of the Senator from South Dakota [Mr. PRESSLER] and the Senator from Alabama [Mr. HEFLIN] were added as cosponsors of S. 565, a bill to authorize a new corporation to support State and local strategies for achieving more affordable housing; to increase homeownership; and for other purposes.

S. 566

At the request of Mr. CRANSTON, the names of the Senator from South Dakota [Mr. PRESSLER] and the Senator from Alabama [Mr. HEFLIN] were added as cosponsors of S. 566, a bill to authorize a new corporation to support State and local strategies for achieving more affordable housing, to increase homeownership, and for other purposes.

S. 581

At the request of Mr. SPECTER, the name of the Senator from North Dakota [Mr. CONRAD] was added as a cosponsor of S. 581, a bill to establish emergency response procedures for rail carriers in transporting hazardous materials.

S. 587

At the request of Mr. MITCHELL, the name of the Senator from Louisiana [Mr. JOHNSTON] was added as a cosponsor of S. 587, a bill to amend the Marine Protection, Research, and Sanctuaries Act to protect marine and near shore coastal waters through establishment of regional marine research programs.

S. 611

At the request of Mr. INOUYE, the name of the Senator from Illinois [Mr. SIMON] was added as a cosponsor of S. 611, a bill to establish administrative procedures to determine the status of certain Indian groups.

S. 618

At the request of Mr. SARBANES, the name of the Senator from Pennsylvania [Mr. HEINZ] was added as a cosponsor of S. 618, a bill to authorize the Indian American forum for political education to establish a memorial to Mahatma Gandhi in the District of Columbia.

S. 686

At the request of Mr. MITCHELL, the name of the Senator from Georgia [Mr. FOWLER] was added as a cosponsor of S. 686, a bill to consolidate and improve laws providing compensation and establishing liability for oil spills.

S. 687

At the request of Mr. BAUCUS, the name of the Senator from New York [Mr. D'AMATO] was added as a cosponsor of S. 687, a bill to amend the Clean Water Act to expand authority for penalties for discharges of oil and hazardous substances to provide for an assessment of oil spill contingency plans.

S. 691

At the request of Mr. LAUTENBERG, the name of the Senator from Georgia [Mr. FOWLER] was added as a cosponsor of S. 691, a bill to require certain information in the National Driver Register to be made available in connection with an application for a license to be in control and direction of a commercial vessel.

S. 714

At the request of Mr. MCCLURE, the names of the Senator from North Dakota [Mr. BURDICK], the Senator from California [Mr. CRANSTON], and the Senator from Utah [Mr. HATCH] were added as cosponsors of S. 714, a bill to extend the authorization of the Water Resources Research Act of 1984 through the end of fiscal year 1993.

S. 754

At the request of Mr. PACKWOOD, the names of the Senator from Alabama [Mr. HEFLIN] and the Senator from Vermont [Mr. JEFFORDS] were added as cosponsors of S. 754, a bill to restrict the export of unprocessed timber from certain Federal lands, and for other purposes.

S. 755

At the request of Mr. PACKWOOD, the name of the Senator from Alabama [Mr. HEFLIN] was added as a cosponsor of S. 755, a bill to authorize the States to prohibit or restrict the export of unprocessed logs harvested from lands owned or administered by States.

S. 762

At the request of Mr. EXON, the name of the Senator from Louisiana [Mr. JOHNSTON] was added as a cosponsor of S. 762, a bill to amend chapter 32 of title 39, United States Code, to limit the number of congressional mass mailings, require public disclosure of the costs of such mass mailings, and for other purposes.

S. 782

At the request of Mr. WILSON, the name of the Senator from California [Mr. CRANSTON] was added as a cosponsor of S. 782, a bill to amend the Clean Air Act to provide that the Administrator of the Environmental Protection Agency shall have authority to regulate air pollution on and over the Outer Continental Shelf.

S. 797

At the request of Mr. INOUYE, the name of the Senator from Nebraska [Mr. EXON] was added as a cosponsor of S. 797, a bill to amend the Communications Act of 1934 to improve the education of children by establishing a National Endowment for Children's Educational Television, and for other purposes.

S. 893

At the request of Mr. LAUTENBERG, the names of the Senator from Hawaii [Mr. INOUYE], the Senator from Minnesota [Mr. BOSCHWITZ], the Senator from Pennsylvania [Mr. SPECTER], the Senator from Michigan [Mr. LEVIN], and the Senator from Florida [Mr. GRAHAM] were added as cosponsors of S. 893, a bill to establish certain categories of Soviet and Vietnamese nationals presumed to be subject to persecution and to provide for adjustment to refugee status of certain Soviet and Vietnamese parolees.

S. 894

At the request of Mr. LAUTENBERG, the name of the Senator from Michigan [Mr. LEVIN] was added as a cosponsor of S. 894, a bill to amend the Internal Revenue Code of 1986 to allow amounts paid for home improvements to mitigate radon gas exposure to qualify for deduction for medical expenses.

S. 918

At the request of Mr. BOREN, the names of the Senator from California [Mr. CRANSTON], the Senator from Connecticut [Mr. DODD], and the Senator from Pennsylvania [Mr. HEINZ] were added as cosponsors of S. 918, a bill to enable producers of fresh mushrooms to develop, finance, and carry out a nationally coordinated program for fresh mushroom promotion, research, and consumer information, and for other purposes.

S. 919

At the request of Mr. BOND, the name of the Senator from Minnesota [Mr. BOSCHWITZ] was added as a cosponsor of S. 919, a bill to enable producers of soybeans to develop, finance, and carry out a nationally coordinated program for soybean promotion, re-

search, and consumer information, and for other purposes.

S. 973

At the request of Mr. LUGAR, the name of the Senator from Mississippi [Mr. COCHRAN] was added as a cosponsor of S. 973, a bill to create a Rural Capital Access Program within the Department of Agriculture to encourage lending institutions to provide loans to certain businesses, and for other purposes.

S. 978

At the request of Mr. INOUYE, the names of the Senator from Rhode Island [Mr. PELL], the Senator from Massachusetts [Mr. KERRY], and the Senator from Michigan [Mr. LEVIN] were added as cosponsors of S. 978, a bill to authorize the establishment within the Smithsonian Institution of the National Museum of the American Indian, to establish a memorial to the American Indian, and for other purposes.

SENATE JOINT RESOLUTION 15

At the request of Mr. PRESSLER, the name of the Senator from Delaware [Mr. ROTH] was added as a cosponsor of Senate Joint Resolution 15, a joint resolution to designate the second Sunday in October of 1989 as "National Children's Day."

SENATE JOINT RESOLUTION 55

At the request of Mr. SIMON, the names of the Senator from Delaware [Mr. BIDEN], the Senator from Florida [Mr. GRAHAM], and the Senator from Oregon [Mr. PACKWOOD] were added as cosponsors of Senate Joint Resolution 55, a joint resolution to designate the week of October 1, 1989, through October 7, 1989, as "Mental Illness Awareness Week."

SENATE JOINT RESOLUTION 57

At the request of Mr. PELL, the name of the Senator from Michigan [Mr. RIEGLE] was added as a cosponsor of Senate Joint Resolution 57, a joint resolution to establish a national policy on permanent papers.

SENATE JOINT RESOLUTION 95

At the request of Mr. MCCLURE, the names of the Senator from South Carolina [Mr. THURMOND], the Senator from Alaska [Mr. MURKOWSKI], the Senator from Rhode Island [Mr. CHAFEE], the Senator from Kansas [Mr. DOLE], the Senator from Vermont [Mr. JEFFORDS], the Senator from North Dakota [Mr. CONRAD], the Senator from Illinois [Mr. DIXON], the Senator from Louisiana [Mr. JOHNSTON], the Senator from Arizona [Mr. DECONCINI], the Senator from Illinois [Mr. SIMON], the Senator from Florida [Mr. GRAHAM], the Senator from Wyoming [Mr. SIMPSON], the Senator from New York [Mr. D'AMATO], and the Senator from South Dakota [Mr. DASCHLE] were added as cosponsors of Senate Joint Resolution 95, a joint resolution to designate the week of September 10, 1989, through September 16, 1989, as "National Check-Up Week."

SENATE JOINT RESOLUTION 104

At the request of Mr. MITCHELL, the names of the Senator from Florida [Mr. GRAHAM], the Senator from Massachusetts [Mr. KERRY], the Senator from Tennessee [Mr. SASSER], the Senator from Wyoming [Mr. WALLOP], the Senator from Wyoming [Mr. SIMPSON], and the Senator from Vermont [Mr. LEAHY] were added as cosponsors of Senate Joint Resolution 104, a joint resolution to express the sense of the Congress with respect to the health of the Nation's children.

SENATE JOINT RESOLUTION 113

At the request of Mr. DIXON, the name of the Senator from Washington [Mr. ADAMS] was added as a cosponsor of Senate Joint Resolution 113, a joint resolution prohibiting the export of technology, defense articles, and defense services to codevelop or coproduce the FSX aircraft with Japan.

SENATE JOINT RESOLUTION 129

At the request of Mr. DOLE, the names of the Senator from Illinois [Mr. DIXON], the Senator from New Jersey [Mr. LAUTENBERG], the Senator from Arizona [Mr. MCCAIN], the Senator from North Dakota [Mr. CONRAD], the Senator from Texas [Mr. GRAMM], the Senator from Mississippi [Mr. COCHRAN], the Senator from Oregon [Mr. HATFIELD], the Senator from Maryland [Mr. SARBANES], the Senator from Hawaii [Mr. INOUYE], the Senator from Wisconsin [Mr. KASTEN], the Senator from Wyoming [Mr. SIMPSON], the Senator from Pennsylvania [Mr. HEINZ], the Senator from Pennsylvania [Mr. SPECTER], the Senator from California [Mr. WILSON], The Senator from West Virginia [Mr. BYRD] and the Senator from New York [Mr. D'AMATO] were added as cosponsors of Senate Joint Resolution 129, a joint resolution to provide for the designation of September 15, 1989, as "National POW/MIA Recognition Day."

SENATE JOINT RESOLUTION 130

At the request for Mr. SARBANES, the names of the Senator from Alabama [Mr. SHELBY], the Senator from North Dakota [Mr. CONRAD], the Senator from Illinois [Mr. SIMON], the Senator from Iowa [Mr. GRASSLEY], the Senator from Rhode Island [Mr. PELL], the Senator from Kansas [Mr. DOLE], the Senator from Virginia [Mr. ROBB], the Senator from Illinois [Mr. DIXON], the Senator from Idaho [Mr. SYMMS], the Senator from North Dakota [Mr. BURDICK], the Senator from Florida [Mr. GRAHAM], the Senator from Rhode Island [Mr. CHAFEE], the Senator from Oklahoma [Mr. BOREN], the Senator from Alaska [Mr. MURKOWSKI], the Senator from Idaho [Mr. MCCLURE], the Senator from Oregon [Mr. PACKWOOD], and the Senator from Arizona [Mr. DECONCINI] were added as cosponsors of Senate Joint Resolution 130, a joint resolution designating February 11 through February 17, 1990, as "Vocational-Technical Education Week."

SENATE CONCURRENT RESOLUTION 9

At the request for Mr. HUMPHREY, the names of the Senator from Wisconsin [Mr. KASTEN], the Senator from Florida [Mr. MACK], and the Senator from South Dakota [Mr. PRESSLER] were added as cosponsors of Senate Concurrent Resolution 9, a concurrent resolution establishing procedures for expedited consideration by the Congress of certain bills and joint resolutions submitted by the President.

SENATE RESOLUTION 99

At the request for Mr. BOSCHWITZ, the names of the Senator from Iowa [Mr. HARKIN], the Senator from Hawaii [Mr. MATSUNAGA], and the Senator from North Carolina [Mr. HELMS] were added as cosponsors of Senate Resolution 99, a resolution requiring the Architect of the Capitol to establish and implement a voluntary program for recycling paper disposed of in the operation of the Senate.

SENATE RESOLUTION 114

At the request for Mr. GRAHAM, the names of the Senator from Alabama [Mr. HEFLIN], and the Senator from New York [Mr. MOYNIHAN] were added as cosponsors of Senate Resolution 114, a resolution concerning the restoration of Eastern Airlines.

SENATE CONCURRENT RESOLUTION 37—RELATING TO DIFFERENTIALS IN CERTAIN MEDICARE PAYMENTS

Mr. HARKIN (for himself, Mr. BENTSEN, Mr. BURDICK, Mr. SHELBY, Mr. COCHRAN, Mr. MCCLURE, Mr. EXON, Mr. CONRAD, Mr. STEVENS, Mr. SANFORD, Mr. THURMOND, Mr. BURNS, Mr. BOREN, Mr. PRYOR, Mr. LUGAR, Mrs. KASSEBAUM, and Mr. GRASSLEY) submitted the following concurrent resolution; which was referred to the Committee on Finance:

S. CON. RES. 37

Whereas the Medicare Prospective Payment System, implemented in 1984 and based largely on the theory that urban hospitals incur a greater cost per patient than rural hospitals, does not account for the fact that rural hospitals serve a greater proportion of Medicare and indigent patients and a lesser proportion of patients covered by private health insurance than urban hospitals;

Whereas the operation of the Medicare Prospective Payment System has lead to a differential in Medicare payments made to urban and rural hospitals, with rural hospitals being reimbursed for a lesser proportion of their costs than urban hospitals;

Whereas the terms "rural" and "urban" are too narrow to describe true medical demographics and therefore should not be the basis for a Medicare cost reimbursement system;

Whereas because of the implementation of the urban-rural differential, rural hospitals began closing at twice the rate of urban hospitals in 1987;

Whereas many rural hospitals are the only source of medical care for the rural citizens of the Nation;

Whereas a viable health care network is an essential part of the infrastructure of rural economic development; and

Whereas by placing rural hospitals in financial jeopardy, the urban-rural Medicare payment differential is discriminating against agriculture, rural businesses, and rural citizens: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the appropriate committees of the House of Representatives and the Senate should consider legislation as soon as practicable that would equalize the Medicare payments made to rural and urban hospitals.

● Mr. HARKIN. Mr. President, I am pleased to submit today, together with 15 of my colleagues, a concurrent resolution expressing the sense of the Congress that the differential rate paid under Medicare's prospective payment system to urban and rural hospitals be eliminated.

The differential payment made to rural and urban hospitals under Medicare places an undue financial burden on rural hospitals. This differential payment is slowly starving the rural hospitals to death. In 1988 alone, the American Hospital Association reported a record 81 hospital closures, of which 42 were in rural areas.

In my own State of Iowa, one hospital has gone into receivership and one is close to it. The Iowa Hospital Association tells me that 65 of 83 rural Iowa hospitals lost money in caring for patients in 1987, and Medicare reimbursement for rural hospitals in Iowa is averaging about 30 percent less than that paid to their urban counterparts. Similar scenarios are being played out all across rural America.

Medicare recipients who live in rural areas are no less deserving of quality, accessible health care than Medicare recipients who live in urban areas. Yet when a hospital closes, not only are the services of the hospital lost, but the community will have a much harder time recruiting physicians, nurses and other health care providers.

Rural hospitals are also a critical part of the economic infrastructure of the community in which they are located. Hospital closures mean more to a community than forcing residents to drive farther to receive care. In many communities, they are large employers, and their closure means a loss of jobs for many people. In addition, there is an economic ripple effect which is likely to have a financial impact on many other community businesses.

Legislative solutions have been proposed this Congress which would address the differential payments under Medicare, including S. 306, introduced by Senator BENTSEN, of which I am a cosponsor. I am asking that these proposals be a priority of all House and Senate Members during the 101st Congress.

If we don't act quickly to change Medicare's prospective payment system, the health care system in rural America will crumble. If that happens, the impact on the health of the elderly who reside in rural America will be drastic both in humane and economic terms, and simply cannot be allowed to happen—the price is too high.

I urge my colleagues to support this concurrent resolution.●

● Mr. SHELBY. Mr. President, I rise today to join my colleagues in support of this vital legislation to eliminate the differential in Medicare reimbursement for rural and urban hospitals. Hospitals in Alabama, as well as hospitals across the Nation, are closing at rapid rates. In fact, my home State has the dubious distinction of having the highest hospital closure rate in the country.

As a nation, we have committed ourselves to the ideal of universal access to basic health care services. To keep that commitment to rural citizens, we must recognize the unique stresses on our rural health care delivery system.

Small rural hospitals are the key to a strong rural health care system. In addition to basic acute care, these hospitals often provide other valuable health services to the community such as respite care, nursing care, well-child clinics, preventive care, and the list goes on.

Frequently these hospitals are the largest employer in their communities. Over the last several years, the rural unemployment rate has been consistently higher than in urban areas. When a hospital closes, many jobs are lost, further contributing to an already deteriorating rural economy.

There is growing evidence that our rural health care system is under severe strain. Rural hospitals are closing at record rates. Since 1980, over 200 rural community hospitals have closed their doors and the remaining rural hospitals across the country are experiencing such financial stress that closure may be imminent.

Like in other areas, access to community-based, high-quality, basic health care services is at risk in rural Alabama. Alabama has the highest hospital closure rate in the Nation. Between 1980 and 1987 nine hospitals closed their doors, and five of these served rural areas. In 1988, seven more hospitals ceased operation, and four were rural hospitals.

Mr. President, in the past I have been able to say that the majority of the 145 hospitals in my State were rural, but this is not longer the case. Today, only 59 rural hospitals have survived the ravaging tide of hospital closures sweeping the Nation. Last year, 75 percent of these rural hospitals reported an operating loss. This situation is not unique to my State. Across the country, hospitals are struggling with inadequate Medicare and Medicaid reimbursement, Federal cost-cutting initiatives, declining admissions, and an increasingly competitive health care environment.

There are a variety of reasons for the precarious situation in which our rural hospitals find themselves today. As compared to their urban counterparts, rural hospitals tend to be smaller, have fewer patients, provide fewer specialized services, and often serve an older population. It has been estimated that one third of our Nation's elderly live in rural areas, and rural practitioners often treat patients who are sicker as it is reported that rural Americans have disproportionately higher rates of serious chronic illness.

Due to the higher percentage of the elderly living in rural areas, rural hospitals are especially dependent on Medicare. They lack the volume and the mix of patients to balance shortfalls in Medicare reimbursement and are thus hard-pressed to pay the salaries that will attract and retain professionals.

Rural providers are finding it increasingly difficult to attract and retain health professionals, in part due to substantial differentials in rural versus urban Medicare reimbursement rates. Many rural hospitals contend that they must pay more for qualified hospital staff than their nearby urban hospitals since they both draw from the same geographic labor pool. Rural hospitals in remote areas argue that they sometimes must pay increasingly higher salaries to attract specialized staff such as intensive care nurses to their community. As hospitals are labor intensive, this magnifies the problem of making health care services locally accessible. Alabama hospitals currently spend almost half their budget on salaries, and as the demand increases for rural practitioners, so have the entry level salaries.

Although the total number of U.S. physicians may be sufficient for the Nation, there are dramatic shortages in many rural areas. Studies have shown that when a small, rural hospital closes, the community often loses its physicians and has difficulty attracting new ones because doctors often will not practice in an area without a hospital. Rural hospitals in Alabama also report severe shortages of nurses, pharmacists, physical therapists, lab technicians, and other allied health professionals.

Rural hospitals treat fewer private-paying patients and treat a disproportionately high percentage of Medicare patients. Rural citizens, as a group,

have a 15-percent higher rate of uninsuredness than the U.S. average, and a 24-percent higher rate than their urban counterparts. Also, 75 percent of the rural poor do not qualify for public assistance. In 1987, Alabama's hospitals collectively absorbed over $260 million worth of uncompensated care at actual costs, or more than 12 percent of their total experiences.

The dependence of rural hospitals on Medicare as a major payment source has become particularly keen since the implementation of the prospective payment system [PPS] in 1984. Nearly twice as many hospital closures were reported in 1987 than in 1984, due in large part to this dependency. Recent reports show that the majority of rural hospitals in Alabama are experiencing negative Medicare operating margins.

Inadequate reimbursement granted to hospitals for Medicare patients can ultimately raise concerns about quality and access to health care as reduced payment rates force hospitals to cut down on staff and close unprofitable services. This is particularly troublesome for rural hospitals. The possibility of numerous closures is becoming a reality across the country. In Alabama alone, the Alabama Hospital Association reports that as many as 13 facilities may close this year—all of them will be small, and all will be rural.

For the most part, society in general and many in government usually think it is cheaper to provide care in rural areas than in urban. In fact, however, the greater distances, geographic barriers, and sparse population actually make the provision of health care more expensive in rural areas.

There is no one strategy or solution to the problems faced by rural hospitals. Foremost in our minds should be the need to provide equitable reimbursement for small rural hospitals with respect to the Medicare prospective payment system. Access to and availability of basic health care services in our Nation's rural areas must be maintained if we are to keep the commitment to our rural residents.

Mr. President, I am pleased to cosponsor this resolution to eliminate the urban-rural reimbursement under the Medicare prospective payment system. I would also urge my colleagues to support swift overhaul of the system, as every day we delay, we place the viabililty of our rural hospitals in further jeopardy.●

SENATE RESOLUTION 129—RELATING TO JAPANESE INVOLVEMENT IN LIBYAN WEAPONS PROGRAMS

Mr. MURKOWSKI (for himself and Mr. BRADLEY) submitted the following resolution; which was considered and agreed to:

S. RES. 129

Whereas, Libya's chemical weapons program has been using a metal-fabrication facility that Japanese corporations helped to equip at the Rabta technical-industrial complex; and

Whereas, the past association of Japanese corporations with this metal-fabrication facility at Rabta revived doubts about the effectiveness of Japan's control over strategic technologies; and

Whereas, Japanese corporations ended all activities associated with this facility when the Government of Japan advised them, on the basis of information provided by the United States, that the Government of Libya was using it for chemical weapons; and

Whereas, Japanese assistance, in any form, to the Libyan chemical weapons program would, in the future, undermine the trust and confidence necessary for the security relationship between the United States and Japan: Now, therefore, be it

Resolved, That it is the sense of the Senate that the proposed export of technology, defense articles or defense services pursuant to an agreement with Japan to codevelop or coproduce the Support Fighter Experimental (FSX) shall not be implemented until the President of the United States receives assurances from the Government of Japan, and transmits those assurances to the Chairman and ranking member of the Senate Committee on Foreign Relations, that:

1. No Japanese personnel are involved with any aspect of chemical weapons production in Libya; and

2. No assistance of any kind will be provided, in the future, to the Rabta complex or to any other part of the Libyan chemical weapons program by any Japanese corporation.

AMENDMENTS SUBMITTED

DISAPPROVAL OF FSX SALE TO JAPAN

BYRD (AND OTHERS) AMENDMENT NO. 101

Mr. BYRD (for himself, Mr. PELL, Mr. DANFORTH, Mr. MOYNIHAN and Mr. BINGAMAN) proposed an amendment to the joint resolution (S.J. Res. 113) prohibiting the export of technology, defense articles, and defense services to codevelop or coproduce the FSX aircraft with Japan; as follows:

Strike out all after the first word and insert in lieu thereof the following:

SECTION 1. CODEVELOPMENT OF THE FSX WEAPON SYSTEM.

(a) IN GENERAL.—The President shall ensure that all technology, defense articles, and defense services provided by the United States or any United States corporation or entity to Japan pursuant to the agreement described in subsection (b) to codevelop the Support Fighter Experimental (FSX) weapon system shall be subject to the requirements of subsections (a), (c), and (d) of section 3 of the Arms Export Control Act.

(b) DESCRIPTION OF AGREEMENT.—The agreement referred to in subsection (a) is the agreement for which the President submitted a certification pursuant to section 36(d) of the Arms Export Control Act on May 1, 1989 (transmittal No. MC-9-89).

SEC. 2. COPRODUCTION OF THE FSX WEAPON SYSTEM.

(a) IN GENERAL.—In the event that the United States and Japan seek to coproduce the FSX weapon system—

(1) the United States and Japan shall negotiate and sign a memorandum of understanding (MOU) containing the terms and conditions for that coproduction; and

(2) such MOU shall—

(A) prohibit the transfer to Japan of critical engine technologies (including, but not limited to, hot section and digital fuel control technologies); and

(B) prohibit the sale or retransfer by Japan of the FSX weapon system or any of its major subcomponents codeveloped or coproduced with the United States.

(b) APPLICATION OF ARMS EXPORT CONTROL ACT.—Technology, defense articles, and defense services resulting from any coproduction of the FSX weapon system by the United States and Japan shall be subject to the requirements of subsections (a), (c), and (d) of section 3 of the Arms Export Control Act.

(c) POLICY ON UNITED STATES WORKSHARE.—It is the sense of the Congress that any Memorandum of Understanding (MOU) between the United States and Japan on coproduction should specify that the United States share of the total value of the coproduction shall be not less than 40 percent of that value, including the value of manufacturing spare parts and other support items which are part of the lifetime maintenance costs of the FSX weapon system.

SEC. 3 GAO REPORT.

(a) IN GENERAL.—Beginning 6 months after the date of enactment of this joint resolution, and every 12 months thereafter, the Comptroller General of the United States, after consultation with appropriate officials of United States agencies represented on the Technical Steering Committee, shall submit to the Speaker of the House of Representatives and the chairman of the Committee on Foreign Relations of the Senate a report describing the progress made in implementing the Memorandum of Understanding (MOU) Between the United States Department of Defense and the Japan Defense Agency on Cooperation in the Development of the FSX Weapon System, signed on November 29, 1988, and related documents thereto.

(b) DEFINITION.—For purposes of this subsection the term "Technical Steering Committee" refers to the FSX Technical Steering Committee established jointly by the Japan Defense Agency and the United States Department of Defense

SEC. 4. IMPACT OF MOU'S RELATING TO THE FSX WEAPON SYSTEM ON THE COMPETITIVE POSITION OF THE UNITED STATES.

(a) SOLICITATION OF RECOMMENDATIONS.—In the implementation of the memorandum of understanding (MOU) and related agreements between the United States and Japan regarding the codevelopment of the FSX weapon system, and in the negotiation, renegotiation, and implementation of future memoranda of understanding and related agreements concerning coproduction of the FSX weapon system, the Secretary of Defense shall regularly solicit and consider comments or recommendations from the Secretary of Commerce with respect to the commercial implications of such agreements and the potential impact on the internation-

al competitive position of United States industry.

(b) REVIEW BY SECRETARY OF COMMERCE.—Whenever the Secretary of Commerce has reason to believe that any such memorandum of understanding or related agreement has, or threatens to have, a significant adverse impact on the international competitive position of United States industry, the Secretary of Commerce may request a review of the agreement. If, as a result of the review, the Secretary of Commerce determines that the strategic commercial interests of the United States are not being served, the Secretary of Commerce shall recommend to the President any modification to the agreement he deems necessary to ensure an appropriate balance of interests.

(c) CONSIDERATION OF RECOMMENDATIONS.—(1) The President shall consider the recommendation of the Secretary of Commerce concerning—

(A) the commercial implications of any such memorandum of understanding or related agreement, and

(B) the potential impact on the international competitive position of United States industry,

in determining whether such memorandum of understanding or related agreement shall be implemented or agreed upon.

(2) Any such memorandum of understanding or related agreement shall not be implemented or agreed upon if the President determines that such agreement is likely to have a significant adverse impact on United States industry that outweighs the benefits of implementing or entering into such an agreement.

SEC. 5. DEFINITIONS.

As used in this joint resolution, the term "defense article" and "defense service" shall have the same meanings as are given to those terms in paragraphs (3) and (4), respectively, of section 47 of the Arms Export Control Act.

DIXON AMENDMENT NO. 102

Mr. DIXON proposed an amendment to amendment No. 101 proposed by Mr. BYRD (and others) to the joint resolution (S.J. Res. 113), supra, as follows:

Strike out all after "Section" on line 3, page 1, and insert in lieu thereof the following:

(a) the proposed export of technology, defense articles, or defense services pursuant to a license and technical assistance agreement with Japan described in subsection (b) to codevelop the Support Fighter Experimental [FSX] aircraft is prohibited.

(b) An agreement referred to in subsection (a) is an ageement for which the President submitted a certification pursuant to section 36(d) of the Arms Export Control Act on May 1, 1989 (transmittal No. MC-9-89).

DIXON AMENDMENT NO. 103

Mr. DIXON proposed an amendment to amendment No. 101 proposed by Mr. BYRD (and others) to the joint resolution (S.J. Res. 113), supra, as follows:

On page 3, line 20 of the pending amendment, strike "Committee on Foreign Relations of the Senate" and insert in lieu thereof: "Committees on Foreign Relations, Armed Services, Commerce, Science and Transportation, and Banking, Housing, and Urban Affairs of the Senate".

HEINZ AMENDMENT NO. 104

Mr. HEINZ proposed an amendment to amendment No. 101 proposed by Mr. BYRD (and others) to the joint resolution (S.J. Res. 113), supra, as follows:

At the end of paragraph (a) of section 3 of the amendment offered by the Senator from West Virginia [Mr. Byrd], add the following:

"Such report shall state—

"(1) whether any technology involved in development of the FSX weapon system has been transferred to the Japanese space shuttle program or any other part of the Japanese aviation sector or aerospace technology;

"(2) whether any such technology has been diverted to any third party country unauthorized to receive such technology, in violation of the license and technology assistance agreement for the FSX weapon system; and

"(3) whether any such technology has been made available, legally or illegally, to adversaries who could use such technology to the detriment of the North Atlantic Treaty Organization [NATO], the United States, any other member country of NATO, Japan, Australia, or New Zealand."

NOTICES OF HEARINGS

COMMITTEE ON RULES AND ADMINISTRATION

Mr. FORD. Mr. President, I wish to announce that at the Committee on Rules and Administration business meeting scheduled for Wednesday, May 17, 1989, at 9:30 a.m., in SR-301, Russell Senate Office Building, the committee plans to consider S. 874. This bill would establish national voter registration procedures for Presidential and congressional elections.

While the Daily Digest has been carrying this item for the Rules Committee agenda for the 17th, the official notice that I placed in the RECORD last Thursday, which listed all the legislation the committee plans to mark up, inadvertently omitted S. 874.

SELECT COMMITTEE ON INDIAN AFFAIRS

Mr. INOUYE. Mr. President, I would like to announce that the Select Committee on Indian Affairs will be holding a mark up on Tuesday, May 16, 1989, beginning at 2:30 p.m., in 485 Russell Senate Office Building on S. 978, a bill to establish the National Museum of the American Indian and S. 402, the Puyallup Land Claims Settlement Act.

Those wishing additional information should contact the Select Committee on Indian Affairs at 224-2251.

Mr. President, I would like to announce that the Select Committee on Indian Affairs will be holding a hearing on Friday, June 9, 1989, beginning at 9:30 a.m., in 485 Russell Senate Office Building on the implementation of amendments to the Indian Self-Determination Act.

Those wishing additional information should contact the Select Committee on Indian Affairs at 224-2251.

COMMITTEE ON SMALL BUSINESS

Mr. BUMPERS. Mr. President, I would like to announce that the Small Business Committee's Subcommittee on Rural Economy and Family Farming will hold a field hearing in Livingston, MT, on May 24, 1989. This hearing was originally scheduled for May 26, 1989. The subcommittee will be hearing testimony on the impact of S. 863, the Rural Access to Capital Act of 1989, and S. 759, the Rural Access to Telecommunications Services Act of 1989, on rural communities. The hearing will be held at the Park County Courthouse Community Room, 414 Callender Street, Livingston, MT, and will commence at 8 a.m. For further information, please call Tamara McCann of the committee staff at 224-4352.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON FOREIGN RELATIONS

Mr. DIXON. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Tuesday, May 16 at 2 p.m. to mark up the Foreign Relations Authorization Act for fiscal year 1990.

The PRESIDING OFFICER. Without objection, it is so ordered.

SPECIAL COMMITTEE ON INVESTIGATIONS

Mr. DIXON. Mr. President, I ask unanimous consent that the Special Committee on Investigations of the Select Committee on Indian Affairs be authorized to meet during the session of the Senate on May 16, 1989, at 10 a.m. to hold hearings pursuant to Senate Resolution 66, section 21, agreed February 28, 1989.

The PRESIDING OFFICER. Without objection, it is so ordered.

SPECIAL COMMITTEE ON INDIAN AFFAIRS

Mr. DIXON. Mr. President, I ask unanimous consent that the Select Committee on Indian Affairs be authorized to meet on May 16, 1989, beginning at 2:30 p.m., in 485 Russell Senate Office Building, to consider for report to the Senate S. 978, a bill to establish the National Museum of the American Indian and S. 402, the Puyallup Land Claims Settlement Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON DEFENSE INDUSTRY AND TECHNOLOGY

Mr. DIXON. Mr. President, I ask unanimous consent that the Subcommittee on Defense Industry and Technology of the Committee on Armed Services be authorized to meet on Tuesday, May 16, 1989, at 9 a.m. in open session to receive testimony on the defense technology base.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEES ON CONVENTIONAL FORCES AND ALLIANCE DEFENSE; READINESS, SUSTAINABILITY AND SUPPORT; AND MANPOWER AND PERSONNEL

Mr. DIXON. Mr. President, I ask unanimous consent that the Subcommittees on Conventional Forces and Alliance Defense; Readiness, Sustainability and Support; and Manpower and Personnel of the Committee on Armed Services be authorized to meet on Tuesday, May 16, 1989, at 2:30 p.m. in open session to receive testimony on alternatives for substituting Reserve Forces for Active Air Forces, with emphasis on rapid reinforcement of Europe. Also Donald B. Rice for Secretary of the Air Force.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ARMED SERVICES

Mr. DIXON. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet on Tuesday, May 16, 1989, at 11 a.m. in open session to consider the nomination of Gen. Robert T. Herres, U.S. Air Force, for reappointment as Vice Chairman of the Joint Chiefs of Staff.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON SCIENCE, TECHNOLOGY, AND SPACE

Mr. DIXON. Mr. President, I ask unanimous consent that the Subcommittee on Science, Technology, and Space, of the Committee on Commerce, Science, and Transportation, be authorized to meet during the session of the Senate on May 16, 1989, at 2 p.m. to hold a hearing on the issues and options involved in creating a national research and technology strategy to help build a U.S.-based high-definition television industry.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON RURAL DEVELOPMENT AND RURAL ELECTRIFICATION

Mr. DIXON. Mr. President, I ask unanimous consent that the Subcommittee on Rural Development and Rural Electrification of the Committee on Agriculture, Nutrition, and Forestry, be authorized to meet during the session of the Senate on Tuesday, May 16, 1989, at 9:30 a.m. to hold a hearing on rural development.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INTELLIGENCE

Mr. DIXON. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Tuesday, May 16, 1989, at 2 p.m. to hold a closed hearing on intelligence matters.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. DIXON. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Tuesday, May 16, 1989, at 10 a.m. to hold a hearing on child abuse.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON OVERSIGHT OF GOVERNMENT MANAGEMENT

Mr. DIXON. Mr. President, I ask unanimous consent that the Subcommittee on Oversight of Government Management, Committee on Governmental Affairs, be authorized to meet during the session of the Senate on Tuesday, May 16, 1989, at 9:30 a.m., to hold a hearing on oversight of DOD's inadequate use of off-the-shelf items.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON THE HANDICAPPED

Mr. DIXON. Mr. President, I ask unanimous consent that the Subcommittee on the Handicapped, of the Committee on Labor and Human Resources, be authorized to meet during the session of the Senate on Tuesday, May 16, 1989, at 2 p.m., to conduct a hearing on Americans with Disabilities Act, S. 933.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

THE NATIONAL BICENTENNIAL COMPETITION ON THE CONSTITUTION AND BILL OF RIGHTS

● Mr. DECONCINI. Mr. President, this month in our Nation's Capital over 950 young people from 44 States gathered to participate in the National Bicentennial Competition on the Constitution and Bill of Rights. I am proud to announce that a team from Corona Del Sol High School in Tempe represented my home State Arizona. These young scholars worked hard to reach the national finals by winning in the district and the State competitions. Their performance at the national level was equally outstanding, as they were among the 10 finalists.

The members of the team are Charles F. Adams, Andre E. Brennan, David C. Burns, Bryan C. Choate, Stacy L. Combs, Lisa M. Dillion, Elizabeth M. Enderle, Amy A. Fiedler, Kirstin M. Hermanson, Stacey M. Jackson, Jeffrey M. Jennings, Michael W. Kahn, Dina J. Krause, Matthew B. Levine, Jana G. Seiter, Gregory S. Sorenson, Laura L. Southern, Terry L. Maidi, Brent A. Villanueva, Scott E. Walker, Michael C. Wisdom, and Shawn P. Young.

Along with the students, their instructor Jim Denton deserves much of the credit for the success of the team. In addition, Lois Fitch, the district coordinator, and Don Nordlund, the State coordinator, have worked hard in helping not only this team reach the finals, but also in overseeing the entire program.

The National Bicentennial Competitive on the Constitution and Bill of Rights is the most extensive educational program in the country developed to educate young people about the Constitution and Bill of Rights. With the support of Congress, the active involvement of Representatives and Senators, and the efforts of thousands of civic and education leaders, the program achievements over the past 2 years have been dramatic: 1,022,320 students have studied the curriculum; 14,381 teachers are teaching the course; 420 congressional districts and the five territories have fully functioning programs; 92 U.S. Senators are supporting the program in their States; and 393 U.S. Representatives are participating in their districts.

The program provides students with a specially designed 6-week course of study designed to provide upper elementary, middle and high school students with a fundamental understanding of the Constitution and Bill of Rights and the principles and values they embody. Students complete the instructional portion of the program with a test designed to measure their "constitutional literacy" and receive a certificate of achievement signed by their U.S. Representative.

High school participants then enter a nationwide series of competitions at the congressional district, State, and national levels. Students testify before a panel of experts at a simulated congressional hearing designed to measure understanding and capacity to apply principles being learned to historical and contemporary events. Each year, the National Bicentennial Competition culminates in 3 days of intensive competition among classes from almost every State in the Union.

Mr. President, the need to educate our young people about the Constitution and Bill of Rights is well documented. Studies have found that only slightly more than half of students surveyed were able to identify the original purpose of the Constitution. Nearly half thought the President could appoint Members of Congress and one-third thought he could adjourn Congress when he saw fit. Indeed, another survey conducted on behalf of the Hearst Corp. suggested that over half of Americans thought that the Marxist credo "from each according to his ability, to each according to his need" can be found in the Constitution. Most alarming was the finding that a greater proportion of today's students display antidemocratic attitudes than did students in 1952.

The benefits of this educational program are clear—it is making a difference among the over 1 million students who have studied the program.

A recent study has shown that the National Bicentennial Competition Program has increased the constitutional literacy of our young citizens. Students in classrooms all over the country are debating the issues that concerned the Founding Fathers and demonstrating how the Constitution's basic principles apply to them today.

The preservation of our freedom and our Nation depends upon our young people, the decisionmakers of tomorrow. We have much to gain from educating them about the Constitution, the Congress, and the continuing responsibilities of citizenship. I am proud to have students from my State perform so well in the national finals, and I commend each of them and their teacher for their hard work in accomplishing this great achievement.●

AMERICA SALUTES BROADWAY WEEK

● Mr. D'AMATO. Mr. President, I rise today to elevate public awareness of the individuals and organizations who devote their time and energy to advancing the cause of live theater by calling attention to the week of May 29, 1989, through June 4, 1989. This week has been designated "America Salutes Broadway Week" by the League of American Theatre Wing. This resolution with Broadway as the focus of the Tribute designates the week of May 29, 1989, through June 4, 1989, as "America Salutes Broadway Week."

Broadway theater enriches the lives of almost every American and is the cornerstone of our modern culture. Broadway enjoys a great cultural legacy that continues to stir the American imagination; it recalls our past, but it also speaks to future generations. Today, Broadway is as healthy as it has been in years, and its future looks just as bright. Broadway represents the best live entertainment in the world.

Broadway can be described as the longest street in the United States, stretching from Maine to Hawaii and Florida to Alaska. It is easily accessible to all Americans since its touring productions travel to all 50 States. Every American has the opportunity to see a Broadway show in or near his or her hometown.

Broadway is a street of dreams. It is a magnet that draws young American theater artists—actors, playwrights, designers and young directors—and inspires them to create their best work.

Broadway shows provide an economic boost to every city in which they are seen. It is documented that for every dollar spent at the box office, an additional $3 are pumped into local economies through such ancillary services as hotels, restaurants, retail stores, and transportation.

If you want to be thoroughly entertained by a musical spectacle, attend a Broadway show. If you want your mind opened to ideas about political, social, and religious ideologies or if you want a simple diversion from everyday life—attend a Broadway show. Broadway can be many things to many Americans.●

CUTS IN INDIA'S DEFENSE BUDGET

● Mr. DECONCINI. Mr. President, in these times of continued tension among nations in certain parts of the world, I believe that it is important to recognize the efforts of those nations which do their part in attempting to reduce these tensions. It is for this reason that I want to congratulate the Government of India for its decision to cut its national defense budget.

The government of Prime Minister Rajiv Gandhi has recognized the importance of sending a strong signal to its neighbors in the Asian subcontinent. In response to the withdrawal of Soviet occupation troops from Afghanistan and the ceasefire in the Iran-Iraq War, India has reduced its budgeted defense spending levels for the fiscal year 1989-90 in absolute terms by $124 million. This reduction in defense spending is a cut of approximately 12 percent over the previous year. According to the February 28, 1989, edition of the Hindustan Times, the revised Indian defense budget has dropped defense spending to 14 percent of the total Indian budget for the current fiscal year. This is also the third straight year in which defense spending, as a portion of the total Indian budget, has been reduced.

In the early part of this decade, the Indian Government had directed a significant portion of its resources to increased military procurement. The reduction in spending for the third year in a row recognizes the resource crunch facing the nation and the need for implementing measures for greater cost effectiveness. It also allows for more funds to be spent on the massive human and economic problems facing this growing nation. Other nations, including the United States, are facing similar situations in trying to achieve a balance in funding levels between important human and defense needs.

In India's case, the defense reduction also marks a period of stabilization in its relations with its neighbors and former adversaries—Pakistan and China. While the nations in the region must continue their efforts to stem the growth of potentially destabilizing weapons, this action by India deserves the recognition and support of the United States Government. I encourage other nations in this part of the world to follow the positive example set by the Government of India.●

NATIONAL WEEK OF COMMITMENT TO HELP THE HOMELESS

● Mr. D'AMATO. Mr. President, I rise today to cosponsor Senate Joint Resolution 111, a joint resolution designating the week beginning October 8, 1989, as "National Week of Commitment to Help the Homeless."

The problem of homelessness in America is a national tragedy no citizen can ignore. According to the Department of Education, 220,000 schoolchildren lack a home, while 65,000 are unable to attend school regularly because of their plight; 5,000 homeless youths die each year, children unknown, unwanted, and uncared for. They are victims of a cruel reality.

It is for these casualties of our society that we must act to promote a sense of civic duty. Voluntary efforts would go a long way in mitigating the suffering of the homeless, and I urge my colleagues to join me in support of this legislation.●

FETAL ALCOHOL SYNDROME AWARENESS

● Mr. GRAHAM. Mr. President, I rise to draw the attention of my colleagues to an important public education effort which began on Mother's Day, May 14. The National Council on Alcoholism, in concert with the Office for Substance Abuse Prevention, the Center for Science in the Public Interest, and the Healthy Mother, Healthy Babies Coalition are mounting a major awareness campaign to educate Americans about the risks of drinking during pregnancy.

In 1981 the Surgeon General issued a health message warning women about the dangers of drinking alcohol during pregnancy. Seven years later a 1988 Bureau of Alcohol, Tobacco and Firearms study found that many participants were relatively unaware of suspected alcohol related health hazards such as fetal alcohol syndrome. Although most felt drinking alcohol during pregnancy was dangerous, there were some who thought it was good for you during pregnancy. A few even mentioned that they consumed liquor during pregnancy at their doctor's direction. The study also found that only 4 in 10 adults are familiar with and understand the term fetal alcohol syndrome.

Fetal alcohol syndrome [FAS] is a combination of physical and mental birth defects that result from drinking alcohol during pregnancy. Fetal alcohol effects [FAE] are those signs in the offspring that have been linked to alcohol use during pregnancy which do not meet the diagnostic criteria for full-blown FAS.

Mr. President, because the research in this area is incomplete, it is assumed there is no safe amount of alco-

hol consumption during pregnancy. However, alcohol related birth defects are 100 percent preventable if alcohol is not consumed during pregnancy.

Public education is essential to reduce the incidence of alcohol related birth defects in the United States. The 1988 antidrug bill included legislation requiring health and safety warning labels on all alcoholic beverages. These labels, which will appear on all alcoholic beverage containers by late 1989 will urge women not to drink alcohol during pregnancy and will serve as an important educational tool.

It is appropriate that this week, from Mother's Day, May 14 to May 20, has been declared "Alcohol-Related Birth Defects Awareness Week." The purpose of the week is to educate the American public and increase awareness of the adverse consequences of alcohol consumption during pregnancy. The need for such education is evidenced by the following facts:

Only 57 percent of Americans under the age of 45 have heard of fetal alcohol syndrome.

At least 5,000 babies each year suffer the effects of FAS. As many as 50,000 babies each year suffer the milder effects of alcohol birth defects known as fetal alcohol effects.

FAS is the third leading cause of mental retardation and the leading preventable one. It is characterized by growth deficiencies, facial abnormalities—including a small head circumference, flattened face and sunken nasal bridge—malformed organs and mental retardation.

The incidence of FAS is approximately 3 per 1,000 live births.

Society spends $15 million a year to treat babies born with such birth defects, $670 million to care for children and adolescents with the affliction and $760 million to look after adults. All told, the indirect loss of productivity is $510 million.

In conclusion, public educational efforts such as "Alcohol-Related Birth Defects Awareness Week" are an important part in the continuing effort to reduce the unnecessary tragedy and loss suffered by uninformed families throughout the United States. The National Council on Alcoholism and the numerous organizations involved with Alcohol-Related Birth Defects Awareness Week are to be commended for their commitment and dedication to the educational efforts concerning this serious public health problem and for providing American families with a clear message about drinking during pregnancy.●

COSPONSORSHIP OF NATIONAL CORRECTIONAL OFFICERS WEEK

● Mr. D'AMATO. Mr. President, I rise today to commend Senate Joint Resolution 72, a joint resolution that designated the week beginning May 7, 1989 as "National Correctional Officers Week."

This week commemorated those risking life and limb to accept responsibility for guarding the more than 600,000 inmates in our country. Working in highly stressful environments, these individuals place themselves in dangerous situations to police the prison population as well as protect surrounding communities. I feel we owe a special debt to correctional officers and was heartened by the passage of this legislation by my colleagues.●

CHILDREN: OUR HIGHEST PRIORITY

● Mr. SARBANES. Mr. President, I joined recently in introducing a measure in the Senate known as the "Health of America's Children" resolution. It is my understanding that this resolution is currently before the Labor and Human Resources Committee and may soon be brought to the floor for full Senate consideration. I rise today to urge prompt passage of this resolution and to bring to the attention of the Senate the urgent need to move quickly to address the critical issues facing us with respect to our children's future.

While disagreements over matters of policy are inevitable in a free and democratic republic, there is little room for disagreement about what must be our country's highest priority—the protection and well-being of our children. It has been well established that under the policies of the previous administration, our Nation's children lost precious ground with Federal spending on programs for children falling in the last decade from $51 to $49 billion in real dollars.

Since 1980, the number of children not covered by health insurance has grown steadily with current figures showing 20 percent of all children under age 18 without insurance and approximately 15 percent of pregnant women uninsured. According to a study by the National Association of Children's Hospitals and Related Institutions, less than 60 percent of U.S. children under age 4 received basic immunizations in 1985.

In addition, the United States has one of the highest infant mortality rates of any industrialized nations. Maryland's average infant mortality rate of 11.7 per 1,000, slightly higher than the national average, and Baltimore City's rate of 18.2 per 1,000 for black infants, illustrates graphically the need for an increased investment in prenatal and neonatal care. Prenatal care not only benefits infants in the short term, but may also improve their potential to become healthy and productive adults. Missed opportunities to prevent or treat childhood health problems may impose lifetime costs on children, their families, and society.

In an effort to address this critical problem, I joined in sponsoring the Infant Mortality and Children's Health Act to require States to raise the ceiling for Medicaid eligibility to 185 percent of the Federal poverty level for pregnant women and infants. States would also be required to phase-in Medicaid coverage for children up to age 18 living in families at or below 100 percent of the poverty level. Under this proposal, Medicaid coverage and services would become more readily available to those who are eligible and coordination would be increased between the Medicaid Program and the Special Supplemental Food Program for Women, Infants, and Children [WIC].

The Federal investment in child nutrition programs has also declined over the past decade. Funding for the School Lunch and School Breakfast Programs, the Child Care Food Program, and the Summer Food Service Program fell 29 percent from 1982 to 1985—yet the previous administration continued to propose Federal budgets which slashed funding for critical child nutrition programs.

I adamantly opposed such cuts and I look forward to the opportunity to renew our Federal commitment in this area through the reauthorization of expiring child nutrition programs: The Summer Food Service Program for Children serving approximately 22,000 children per day in my State of Maryland; the Food Distribution Program providing $19 million worth of food and commodities to Maryland's schools; Child Care Food programs; the WIC Program; Charitable Institutions and the Disaster Feeding Program; the Nutrition Education and Training Program, and the State Administrative Expense Funds Program.

Legislation to reauthorize these programs has been introduced in the House and is expected to be introduced in the Senate in the near future. I strongly support a renewed Federal investment in these critical programs and will continue to monitor carefully relevant legislation to ensure their prompt reauthorization.

Child care is another area which requires immediate attention. There can be no doubt that the existing national supply of child care services is inadequate to meet the needs of the increasing number of children who have mothers employed outside of the home. The number of preschool children with mothers in the labor force has grown by 75 percent over the past 15 years, and the number of school-age children with working mothers has increased by 22 percent. Over half of all mothers who have infants under 1 year of age are working outside the home.

It is obvious that prompt action must be taken to respond to this increasing need. A study conducted in 1987 by the U.S. Bureau of Labor Statistics found that only 2 percent of all business establishments—defined as individual business or Government work sites with one or more workers—provide employer-supported child care services. Given this, it might reasonably be assumed that the Federal Government would have increased its support of child care services to meet the changing needs of our society. Instead, the previous administration sought massive cuts in appropriations for Federal programs providing support for child care services, especially those serving child care needs of low-income Americans.

The current administration has proposed a tax credit approach which includes a $1,000 tax credit for families with incomes below $13,000 and children under age 4, and an expansion of the current dependent child care tax credit. However, this approach does not address the issues of supply and quality of child care and would not benefit families with school-age children.

To address the present problem more fully, I have joined in sponsoring the Act for Better Child Care Services which focuses on ensuring the availability of quality, affordable child care services throughout the Nation. I also support the Family and Medical Leave Act, to provide employees with an amount of job-guaranteed, unpaid leave upon the birth or adoption of a child or the serious illness of a child or parent. The United States remains the only industrialized nation that does not have some form of national family leave policy for working parents. I regret that a filibuster prevented final action on this proposal as well as child care legislation during the last Congress. I intend to continue to work for the prompt passage of measures which address our Nation's pressing child care needs in a comprehensive manner.

Mr. President, the final matter I would like to address with respect to the well-being of our Nation's children is that of Federal support for education. As in the areas of health and child care, children have suffered as a result of actions taken in the last 8 years. The previous administration chipped away unrelentingly at Federal aid to education. In fiscal year 1981, the administration's budget request for education was 6 percent less than the funding approved by Congress in the previous year, and the 1982 budget request was 16 percent less than the 1981 appropriation level. The 1983 request of $9.95 billion was nearly 33 percent below the previous year's level of spending.

In fiscal year 1984, the President requested $13.2 billion, or 14.5 percent less than the appropriation approved by Congress in the previous year. In fiscal year 1985, an election year, the administration proposed a marked increase over its previous budget. Even so, the request only matched the actual funding level for fiscal year 1984. The following year, the budget request was again cut sharply, 18-percent less than the fiscal year 1984 appropriation. Both the fiscal year 1987 and fiscal year 1988 requests were below the amount appropriated the year before, 15 percent and 29 percent lower, respectively. In fiscal year 1989—another election year—the Reagan administration requested level funding for education.

Congress attempted to preserve the long-term Federal investment in education by consistently appropriating more for education than was requested by the administration. Nevertheless, from 1980 to 1988 Federal outlays for the Department of Education decreased as a percentage of the total budget from 2.5 to 1.8 percent. Federal funding for elementary and secondary education programs decreased by 26 percent.

I am concerned especially that funding for compensatory education programs has fallen by 25 percent since 1980. It is well established that ensuring a sound educational experience at an early age greatly enhances the future lives of our Nation's children. In fact, early education programs such as the Perry Preschool in Ypsilanti, MI, the Brookline Early Education project, Philadelphia Head Start, the Syracuse University Children's Center, and other child development programs have shown that high quality preschool programs can reduce, by as much as 40 percent, the likelihood that children will drop out of school, become pregnant as teenagers, become dependent on welfare, or become involved in crime.

Given these statistics and during a period when problems existing in urban education led the Carnegie Foundation for the Advancement of Teaching to describe students in large urban centers as "an imperiled generation," the cuts outlined above cross the line from unwise to incomprehensible. It is imperative to remember that children are the future. Unless we provide future generations with the quality education necessary to acquire the knowledge and skills needed to function successfully in an increasingly complex world, we not only imperil the futures of our children—we imperil the future of our Nation. I am pleased that the current Congress is considering initiatives to provide high quality early childhood education. We must continue our efforts to ensure the development of such programs and increase support for existing programs like chapter I and Head Start which have already proven their effectiveness.

Mr. President, in a society where one out of four children is born poor, one out of six has no health insurance, and one out of seven is at risk of dropping out of school, we must renew and strengthen the Federal investment in programs which promote our children's well-being. With a fresh and sustained commitment to this critical task, we will ensure a more productive future for our children and a stronger foundation for our Nation.●

RESCUING A NATION

● Mr. HATFIELD. Mr. President, he was a 40-year-old mining engineer who had decided that "just making money isn't enough," the orphaned son of an Iowa blacksmith who had already lived on several continents. Years later, he would become President of the United States. But in August 1914, he would begin what biographer George Nash calls an undertaking unprecedented in world history: an organized rescue of an entire nation from starvation.

The man was Herbert Hoover, and his Commission for Relief in Belgium would become "an international symbol of practical idealism." So too would he.

Dr. George Nash, the author of "The Life of Herbert Hoover: The Humanitarian, 1914-1917" and a number of other books, details this tremendous undertaking and the man who made it possible in "An American Epic: Herbert Hoover and Belgian Relief in World War I." I ask that this uplifting story be printed in the RECORD following my remarks.

The article follows:

"AN AMERICAN EPIC": HERBERT HOOVER AND BELGIAN RELIEF IN WORLD WAR I

(By George H. Nash)

Senator Everett Dirksen of Illinois was once asked by a group of junior high school students to define diplomacy. The senator replied: "If I said to my wife, 'You have a face that would stop a thousand clocks,' that would be stupidity. But if I turned to her and said, 'Dear, when I behold you, time stands still,' that's diplomacy!"

The subject of my essay, and of the book that I have just published, is, in a way, diplomacy, but diplomacy of a special sort—indeed, of a character that the world had never seen before. The Life of Herbert Hoover: The Humanitarian, 1914-1917 is also a book about politics, again of a special sort: the politics of philanthropy and humanitarian relief on a scale previously unknown and unimagined. And, of course, my book is the second installment in a biography of one of the least understood of all American leaders.

While preparing this volume, I spent many rewarding days in the research rooms and corridors of the National Archives, where I received the courteous assistance of people like Assistant Archivist for Presidential Libraries John Fawcett and archivists Ronald Swerczek and Gerald Haines. I was

drawn here by two superb collections: Record Group 59 (the General Records of the Department of State) and RG 84 (the Records of the Foreign Service Posts of the Department of State). Of the latter, two in particular—the files of our embassy in London and legation in Brussels for the years of World War I—proved to be indispensable. And no doubt like innumerable other scholars over the years who have explored these particular treasures, I say: Hurrah for the State Department's decimal file and the access to the past that it facilitates. Would that every other agency of government used a similar classification scheme.

This summer the nations of Eruope and North America will recall the seventy-fifth anniversary of the outbreak of the First World War. For the people of the United States this commemoration will evoke many images. Of battle sites like Château-Thierry and Belleau Wood. Of soldiers like John J. Pershing and Sergeant York. Of Flanders Fields where poppies grow. Of a musical call to arms, "Over There." For some Americans the remembrance will elicit another image as well: of the grim, chaotic month of August 1914, when the independent kingdom of Belgium courageously resisted an invading German army, only to fall victim to a four-year ordeal of conquest.

One American will be forever linked in history with Belgium's travail in that awful war. His name, of course, is Herbert Hoover. After the battle of the Marne, giant European armies bogged down in the trenches, and famine threatened beleaguered Belgium, a highly industrialized nation of 7 million dependent upon imports for three-quarters of her food. On one side the German army of occupation refused to take responsibility for victualing the civilian population. Let Belgium import food from abroad as she had done before the war, said the Germans. On the other side stood the tightening British naval blockade of Belgian ports. Let the Germans, as occupiers of Belgium, feed its people, said the British. Besides, they argued, how could one be sure that the Germans would not seize imported food for themselves?

As the tense days passed in the early autumn of 1914, food supplies dwindled ominously in Belgium. To the outside world went emissaries pleading for the allies to permit food to filter through the naval noose. Finally, on October 22, after weeks of negotiations, Herbert Hoover established under diplomatic protection a neutral organization to procure and distribute food to the Belgian populace. Great Britain agreed to let the food pass unmolested through its blockade. Germany in turn promised not to requisition this food destined for helpless noncombatants.

Why Hoover? In the summer of 1914 Herbert Clark Hoover was a prosperous forty-year-old international mining engineer living in London—and dreaming of a career of public service in the United States. This orphaned son of an Iowa blacksmith had come far indeed from his humble beginnings in the American Middle West. Rising rapidly in his chosen profession, by 1914 he directed or in part controlled a worldwide array of mining enterprises that employed a hundred thousand men. "If a man has not made a fortune by 40 he is not worth much," Hoover had said, while still in this thirties. By August 1914 he had achieved his goal yet was not content. "Just making money isn't enough." he confessed to a friend. Instead, he wanted (as he put it) to "get into the big game somewhere." Fascinated by the power of the press to mold and direct public opinion, Hoover that summer was negotiating to purchase a newspaper in California. Events in Europe compelled him to abandon his quest. Had it not been for "the guns of August," he would have entered American public life—and might even be remembered today—as a newspaper magnate.

In the first tumultuous weeks of the war, tens of thousands of American travelers in Europe fled the war-shocked continent for the comparative safety of London—and, they hoped, passage home. It was not as easy as that. Arriving in the British capital, many Yankee tourists found themselves unable to cash their instruments of credit or obtain temporary accommodation, let alone tickets for ships no longer crossing the Atlantic. Responding to the travelers' panic and necessities, Hoover and other American residents of London organized an emergency relief effort that provided food, temporary shelter, and financial assistance to their stranded fellow countrymen. Eventually the passenger ships resumed their sailings, and more than 100,000 weary and frightened travelers headed back to the United States. Hoover's untiring and efficient leadership during the crisis earned him the gratitude of the American ambassador to Great Britain, Walter Hines Page. And when a few weeks later the plight of Belgium became perilous, Ambassador Page and others agreed upon Hoover, a man of demonstrated competence, to administer this new mission of mercy. The globe-trotting mining engineer who had done well, and who now wanted to good, had found an unexpected entree into the "big game."

And so began an undertaking unprecedented in world history: an organized rescue of an entire nation from starvation. Initially no one expected this humanitarian task to last more than a few months. Few foresaw the gruesome stalemate that developed on the western front. As Hoover himself later wrote, "The knowledge that we would have to go for four years, to find a billion dollars, to transport five million tons of concentrated food, to administer rationing, price controls, agricultural production, to contend with combatant governments and with world shortages of food and ships, was mercifully hidden from us."

Within a few months Hoover and a team of mostly American volunteers built up what one British goverment official called "a piratical state organized for benevolence." Indeed, the novel relief organization, which went by the name of the Commission for Relief in Belgium (CRB), possessed some of the attributes of a government. It had its own flag, it negotiated "treaties" with the warring European powers, and its leaders parleyed regularly with diplomats and cabinet ministers in several countries. It even had a "pirate" leader in Hoover, who enjoyed informal diplomatic immunity and traveled freely through enemy lines—probably the only American citizen permitted to do so in the entire war.

As a historian and biographer of Mr. Hoover, I am particularly impressed by four aspects of his wartime service to the people of Belgium. First, by the sheer complexity and magnitude of the relief commission that he led. Today we are apt to take for granted the prompt intervention of humanitarian agencies in areas of distress, be it a famine in Ethiopia, an earthquake in Mexico, or a typhoon in Bangladesh. In 1914, however, no institution for the succor of Belgium existed; it became Hoover's awesome responsibility to create one.

Consider the array of tasks that the Commission for Relief in Belgium was obliged to perform. First it had to raise money throughout the world—partly through charitable appeals, but primarily, as the war went on, through subsidies from the Allied governments. With this money it had to purchase wheat and other foodstuffs from North America, South America, and Australia. Then it had to arrange for shipping these foodstuffs to Belgium; eventually the CRB had a fleet of several dozen ships continuously at its disposal. When these ships entered the European war zone, they were required to navigate carefully lest they be seized or subjected to submarine attack. And when the food-laden vessels reached the neutral Dutch port of Rotterdam, their cargo had to be unloaded for conveyance by canal into Belgium.

Once inside the occupied country the supplies had to be prepared in mills, dairies, and bakeries for human consumption. Then the food had to be distributed equitably to an anxious population scattered over more than 2,500 villages, cities, and towns. As part of its undertaking, the CRB needed to verify that the daily rations did indeed reach their intended recipients and not the German army of occupation. Working with Hoover and his staff was a vast network of forty thousand Belgian volunteers who handled the distribution of food throughout their land. This parallel Belgian organization was known as the Comité National de Secours et d'Alimentation. At its head were some of the country's most eminent business leaders. In early 1915 Hoover's team was allowed to extend its life-sustaining operations to 2 million desperate French civilians caught behind the German battle lines on the western front. Thus the CRB's work came to encompass a total area of nearly twenty thousand square miles.

The commission's functions were even more complex than this summary suggests. Writing in early 1917, one of the CRB's young supervisory delegates, Joseph C. Green, explained in a letter what providing food to a civil population under enemy control actually entailed:

"Take the one item of bread for example. First the [CRB] Provincial Representative has to figure out periodically the exact population of his Province, and the exact quantities of native wheat and rye and of imported wheat and maize on hand. From this he calculates the quantity of imported grain necessary to cover a certain period. This he reports to Brussels, and Brussels to London. London supplies the ships. New York purchases and sees to the loading. Rotterdam transships into canal barges. In the meantime Brussels has decided upon the exact quantities to be shipped to each mill in the country, and Rotterdam ships accordingly. The provincial man must see to the unloading and the milling. The milling involves questions of percentages of bran and flour, of mixtures of native and foreign grains, of the disposal of byproducts and so on."

And this was just the start: "When the flour is finally milled, the real work of distribution begins. Sacks must be provided and kept in rotation. The exact quantity of flour required by a given Commune for a given period must be ascertained. Shipments by canal or rail or tram or wagon must be made to every Commune dependent upon the mill. Boats and cars and horses must be obtained and oil must be supplied for engines and fodder for horses. When the

flour has reached the Local Committee it must be carefully distributed among the bakers in accordance with the needs of each. Baking involves yeast, and the maintenance of yeast factories, and the disposal of by-products, and questions of hygiene and a dozen other minor matters. When the bread is baked it must be distributed to the population by any one of a dozen methods which guarantee an absolutely equitable distribution, each man, woman and child getting the varying ration to which he is entitled, paying for it if he can afford it, and getting it free if he can't. All this involves financial problems, and bookkeeping, and checking and inspection, all along the line; and the whole process to the tune of endless bickering with German authorities high and low, and endless discussions with a thousand Belgian committees.

"Now, if you have digested that, you have some idea of what it means to supply a nation with bread. But that is only one item among many. Lard, rice, milk, clothing, etc., etc.: each involves its own special series of problems."

But "relief in Belgium" meant even more than this. By the middle of April 1917 nearly 5 million people in Belgium and northern France were destitute. Using the CRB's gifts from abroad and the profits from its own food sales to the well-to-do, the Comité National financed a vast and growing web of benevolence, including more than 2,700 local charitable committees as well as various other more specialized institutions. All in all, Hoover calculated that more than half the entire population was receiving some kind of assistance in the spring of 1917, including at least 2,700,000 who were helped by the communal charitable committees.

One object of special solicitude was the young. It was our task and the Belgians', Hoover wrote later, "to maintain the laughter of the children, not to dry their tears." Thanks to the CRB's external fund raising and food imports, and the dedicated zeal of Belgian volunteers, the challenge was impressively met. By early 1917 (to cite but one example) three-fourths of Belgium's children were receiving daily hot lunches at canteens established especially for this purpose.

Another particular concern to Hoover was the plight of Belgium's renowned lace workers. Deprived of essential raw material by the invasion and subsequent blockade, a workforce of forty thousand women faced destitution, long-term idleness, and possible attenuation of their skills until Hoover and his associates stepped in. The CRB arranged to import needed thread for the lacemakers and to sell some of their finished products abroad. It also helped committees make advances to the women for their unsold production, such money to be recovered from the export of accumulated merchandise after the war. In these ways an entire industry was kept alive and thousands of skilled women self-supporting. The sale of the exquisite lace in England and the United States also no doubt helped to sharpen "the club of public opinion" that Hoover wielded in behalf of Belgium's cause.

No enterprise so massive, so multifaceted, so exposed to the passions of war, could hope to function undisturbed. This is the second feature of Hoover's relief experience that impresses the biographer: the unremitting pressures and troubles that beset him at every turn. From the day of its inception, the CRB had to cope with critics in the various belligerent governments who were convinced that its work was enhancing the military strength of one side or the other. Scarcely a month went by that did not witness some challenge to the precarious existence of the commission. Time and again Hoover was immersed in exhausting negotiations in an endless race against famine and malnutrition. Prime Minister Herbert Asquith, Lloyd George, the British Admiralty, the German high command: all at one time or another opposed him—and felt the sting of his relentless entreaties. At times, too, he had furious disagreements with his Belgian counterpart Emile Fancqui, a man, like himself, of great ability and formidable force of personality. Let no one think that humanitarian relief, because of its noble and generous purpose, was exempt from political intrigue, personal ambition, and diplomatic rivalry. It was not.

Sometimes, weary from incessant conflicts with one or another belligerent power, however contemplated resigning. "Were it not for the haunting picture in one's mind of all the long line of people standing outside the relief stations in Belgium," he wrote early in the war, "I would have thrown over the position long since." Ofttimes, too, he threatened to resign—the better to obtain his objectives. But Hoover did not quit. When the chips were down, it was his critics who yielded, recognizing his indispensability and growing statute and the risk of angering American public opinion that he had so skillfully mobilized.

Third, I continue to be impressed—as were so many observers at the time—by the energy, resourcefulness, and public relations acumen of the man at the apex of the CRB. While the relief commission had many volunteers—all, like Hoover, working without pay—and while Hoover himself emphasized the value of organization, his local subordinates knew that one man dominated their endeavors: the man they called "the Chief."

What kind of person was he? Here is Edward Eyre Hunt's description of him in the Belgian relief period:

"In appearance he is astonishingly youthful, smooth-shaven, dark haired, with cool, watchful eyes, clear brow, straight nose, and firm, even mouth. His chin is round and hard.

"One might not mark him in a crowd. There is nothing theatrical or picturesque in his looks or bearing. . . . At work he seems passive and receptive. He stands still or sits still when he talks, perhaps jingling coins in his pocket or playing with a pencil. His repertory of gestures is small. He can be so silent that it hurts.

"Being an American he sometimes acts first and explains afterwards. But his explanations, like his actions, are direct and self-sufficient."

To Ambassador Walter Hines Page, life was "worth more . . . for knowing Hoover. But for him Belgium would now be starved. . . . He's a simple, modest, energetic little man who began his career in California and will end it in Heaven; and he doesn't want anybody's thanks."

Hoover's ability to concentrate on the relief problems at hand was almost legendary. Joseph C. Green later described an encounter he had with "the Chief" in the Brussels office of the CRB:

". . . I found Mr. Hoover standing with his back to the wall, gazing fixedly at a spot on the floor five or six feet in front of me.

"I went over, said good morning, and was about to proffer my hand in the Belgium fashion when I became aware that he was absolutely unconscious of my presence. I stood about awkwardly for a few minutes till he came to with a start, and recognized me with a nod. This extreme absorption in the business of the moment is one of Mr. Hoover's chief characteristics. Belgians, with their more elaborate code of good manners, find it difficult to understand him."

Sometimes Hoover's ability to concentrate had amusing aspects. Hugh Gibson, an American diplomat, told Green one day of the time—

"That Mr. Hoover once came to the Legation to see him on business. During the entire conversation he paced the floor in the little salon upstairs. One of his pacings led him to the door, and he walked out. Gibson thought that he was going to continue his walking up and down in the hall, and his first intimation that the interview was terminated was the sound of footsteps hurrying downstairs. Gibson ran after him and just reached the outside door in time to shout a hurried goodbye."

When the United States entered the European conflict in 1917, Hoover returned home to head a new wartime agency, the United States Food Administration. But the relief commission that brought him fame continued to function, although in a reorganized form necessitated by the end of American neutrality. Throughout the war the CRB and Comité National indefatigably fed more than nine million people a day in Belgium and northern France. And when the commission finally closed its accounts, it found that it had spent nearly a billion dollars. It had sustained the health and morale of the Belgian people. It had made Herbert Hoover an international symbol of practical idealism, and it had launched him on what he later called "the slippery road of public life."

Hoover was not a man to covet what he called "European decorations." Moreover, once he became an official of the United States government he could not accept a title of nobility. In August 1918, therefore, when Hoover visited the tiny portion of Belgium not under German control, King Albert, on petition of his ministers, presented his American guest a specially created, unique title: "Ami de la nation belge," Friend of the Belgian Nation. By royal directive only Hoover would ever hold this title of esteem.

Hoover's association with Belgium did not terminate with the end of World War I. At that point he could easily have retired from the scene; most men no doubt would have done so. But even before the cessation of hostilities he was thinking ahead to the reconstruction of the strifetorn land whose history had intersected so fatefully with his own. As early as 1916 he suggested to the exiled Belgian minister of finance that the CRB's excess funds at the end of the war be used to establish a foundation "for the stimulation of scientific and industrial research." In 1918 Hoover confided to the American minister to Belgium, Brand Whitlock:

"As to the question of re-building in Belgium and Northern France, it is the one job that I would like to have. I believe that it contains usefulness and sentiment beyond any other occupation after this War is ended, and there is nothing that would appeal to me so much as to join with you in a mission of this kind. . . ."

In 1920, after various negotiations, Hoover's dreams achieved practical fruition. Upon liquidating, the CRB had a surplus of over $35 million. Of this sum it distributed more than $18 million in outright gifts to

the Universities of Brussels, Ghent, Liège, Louvain, and other educational institutions. The remainder of the money was divided between two foundations created that year: the CRB Educational Foundation in the United States, and the Fondation Universitaire in Belgium.

Through this device Hoover and his wartime associates forged enduring bonds of Belgian-American cultural exchange, bonds that persist to this day. During the 1920s, for instance, Hoover's foundation granted over $1,600,000 for the rebuilding of the University of Louvian, so terribly ravaged during the German occupation. Thus was born in the tragedy of World War I an empire of philanthropy with which Hoover was identified for the rest of his life.

Finally—and this is the fourth theme to which I call your attention—the creation of the Commission for Relief in Belgium turned out to be more than a passing episode in a great war—and more than a springboard to one man's political career. Hoover's endeavor was in fact a pioneering effort in global altruism—in his own words, "an American epic" that in some ways was the prototype of much that followed in this bloody century. In 1916 Lord Eustace Percy of the British Foreign Office described Hoover as "the advance guard and symbol of the sense of responsibility of the American people towards Europe." A few months later the New Republic echoed this assertion, acclaiming the CRB as "an outpost of the Republic" whose continued success was of the highest national priority. Hoover and his colleagues, declared the journal, had "created an American obligation in Europe." To the New York Times in early 1917, Hoover's administration of the CRB ranked as "perhaps the most splended American achievement of the last two years."

In more recent times the world has grown accustomed to American action to save lives and restore the fractured economies of far-off lands. Indeed, today such involvement is almost universally taken for granted. One reason for this expectation, one reason for its acceptance—although few today know it—is the institution created nearly seventy-five years ago by Herbert Hoover.

For Hoover, also, the Belgian experience was but a prologue. In the years 1917 to 1921, he as well as his country moved even more prominently onto the international stage. No longer just the almoner of Belgium, he became (in General Pershing's words) "the food regulator for the world"—or, as one admirer put it, a "Napoleon of mercy." It has been said that Hoover was responsible for saving more lives than any other person in history. The story of that achievement during the remainder and aftermath of World War I will be a principal focus of the next volume of my biography.

Sixty years ago this fall, while Hoover was seeking the office of President, a certain mediocrity was running for city council in Augusta, Georgia. The candidate apparently knew his limitations, for he announced in his campaign advertisements, "I know I'm not much, but why vote for less?" Without discussing Hoover's later political odyssey, I hope I have said enough here to suggest why his contemporaries came to feel that with him they did not, so to speak, have to "vote for less," and how it was possible for him to become President of the United States without ever having held an elective office.

Why did he do it? Any autobiographical statement that he composed sometime during World War I provides a clue:

"There is little importance to men's lives except the accomplishments they leave to posterity. What a man accomplishes is of many categories and of many points of view; moral influence, example, leadership in thought and inspiration are difficult to measure, to prove or to treasure . . . and the proportion of success to be attributed to their effort is always indeterminate. In the origination or administration of tangible institutions or constructive works men's parts can be more certainly defined. When all is said and done accomplishment is all that counts."

During his lifetime Hoover created and administered many "tangible institutions," the most remarkable of which was the Commission for Relief in Belgium. He also left behind a panoply of achievements long obscured by the bitter memory of the Great Depression. When Hoover died in 1964 at the age of ninety, he had spent fifty years—a half century—in one form or another of public service. It was a record that in sheer scope and duration may be without parallel in American history.

A life like that requires not pages but volumes to measure.●

NUCLEAR REGULATION REORGANIZATION AND REFORM ACT OF 1989—S. 946

● Mr. BREAUX. Mr. President, on May 9 I introduced S. 946, the Nuclear Regulation Reorganization and Reform Act of 1989, along with Senators SIMPSON and BIDEN. I ask unanimous consent that the text of the bill be printed in the RECORD.

The text of the bill follows:

S. 946

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. This Act may be cited as the "Nuclear Regulation Reorganization and Reform Act of 1989".

TITLE I—REORGANIZATION AND REFORM OF NUCLEAR ENERGY REGULATION

Subtitle A—Nuclear Safety Agency

DECLARATION OF PURPOSES

SEC. 101. The Congress declares that—

(a) a clear and coordinated national policy for the development, use, and regulation of atomic energy for peaceful purposes, in accordance with the objectives of the Atomic Energy Act of 1954, as amended, is in the best interest of the general welfare and the common defense and security of this Nation; and

(b) to best achieve these objectives, improvements in the effectiveness of the current approach to the regulation of atomic energy for peaceful purposes are required.

DEFINITIONS

SEC. 102. For the purpose of this Act—

(a) the term "Agency" means the Nuclear Safety Agency established under section 103; and

(b) the term "Administrator" means the Administrator of the Nuclear Safety Agency appointed under section 104(a).

ESTABLISHMENT OF NUCLEAR SAFETY AGENCY

SEC. 103. (a) There is hereby established the Nuclear Safety Agency (hereinafter in this Act referred to as the "Agency"). The Agency shall succeed the Nuclear Regulatory Commission in existence on the day before the effective date of this Act.

(b) There are transferred to the Agency all of the functions of the Nuclear Regulatory Commission.

(c) For purposes of title 5 of the United States Code, the Agency is an Independent Establishment in the Executive Branch of the government.

(d)(1) The Administrator shall keep the Committees of the Senate and the House of Representatives which, under the rules of the Senate and the House, have jurisdiction over the functions of the Agency, fully and currently informed with respect to the activities of the Agency.

(2) For the purpose of any review by the Office of Management and Budget of any Agency rule or regulation, the following procedures shall apply:

(A) For each Agency rule or regulation reviewed by the Office of Management and Budget, the Office shall establish a public docket and shall include in such docket the following information:

(i) copies of all written material received by the Office concerning the Agency rule or regulation under review that originates from persons who are not employees of the federal government; and

(ii) a list of all meetings and all other communications, including oral communications, with persons who are not employees of the federal government concerning the Agency rule or regulation under review.

(B) The Office of Management and Budget shall inform the Administrator of all scheduled meetings with persons who are not employees of the federal government concerning any Agency rule or regulation under review by the Office and shall provide the Agency with a reasonable opportunity to attend such meetings.

(C) The Administrator shall place in the rulemaking record for any nuclear regulation reviewed by the Office of Management and Budget the following information:

(i) copies of all drafts of any proposed or final rule submitted to the Office for review;

(ii) copies of all written materials pertaining to any proposed or final rule submitted to the Office for review; and

(iii) a written explanation of the specific reasons for any significant changes made by the Agency in the draft of any proposed or final rule submitted to the Office for review as a result of such review.

(D) The time for review of Agency rules or regulations by the Office of Management and Budget shall not exceed sixty days following receipt of such submission by the Office. The time for review may be extended for good cause by the Office for an additional thirty days. Notice of any such extension, together with a succinct statement of the reasons therefore, shall be placed in the rulemaking record.

(E) Nothing in this Act alters in any manner—

(i) rulemaking authority vested by law in the Agency to initiate or complete a rulemaking proceeding or to issue, modify, or rescind a rule or regulation; or

(ii) the criteria for rulemaking applicable under other statutes.

OFFICERS

SEC. 104. (a) The Agency shall be administered under the supervision and direction of an Administrator, who shall be appointed by the President, by and with the advice and consent of the Senate.

(b) There shall be in the Agency a Deputy Administrator who shall be appointed by the President, by and with the advice and

consent of the Senate. The Deputy Administrator shall perform such functions as the Administrator shall prescribe.

(c)(1) Section 5313 of title 5, United States Code, is amended by adding at the end thereof the following: "Administrator, Nuclear Safety Agency.";

(2) Section 5314 of title 5, United States Code, is amended by adding at the end thereof the following: "Deputy Administrator, Nuclear Safety Agency.";

(3) Section 5313 of title 5, United States Code, is amended by striking "Chairman, NRC";

(4) Section 5314 of title 5, United States Code, is amended by striking "Member, NRC"; and

(5) Section 5315 of title 5, United States Code, is amended by striking "Executive Director for Operations, Nuclear Regulatory Commission".

ABOLITION OF NUCLEAR REGULATORY COMMISSION

SEC. 105. The Nuclear Regulatory Commission is hereby abolished. Sections 201(a)-(g) and 209 of the Energy Reorganization Act of 1974, as amended, are repealed.

TRANSFER AND ALLOCATION OF APPROPRIATIONS AND PERSONNEL

SEC. 106. The personnel employed and the assets, liabilities, grants, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds employed, held, used, arising from, available, or to be made available, in connection with the Nuclear Regulatory Commission and the functions transferred under this Act, are, subject to section 1531 of title 31, United States Code, transferred to the Agency for appropriate allocation.

EFFECT ON PERSONNEL

SEC. 107. (a) The transfer of personnel pursuant to this Title shall not cause any employee to be separated or reduced in grade or compensation.

(D) Any person who, on the day before the effective date of this title, held a position compensated in accordance with the Executive Schedule prescribed in chapter 53 of title 5, United States Code, and who, without a break in service, is appointed in the Agency to a position having duties comparable to those performed immediately preceding his appointment, shall continue to be compensated in his new position at not less than the rate provided for his previous position for the duration of his service in this new position.

INCIDENTAL TRANSFERS

SEC. 108. The Director of the Office of Management and Budget, at such time or times as the Administrator shall provide, may make such determination as may be necessary with regard to the transfer of the Nuclear Regulatory Commission pursuant to this Title and the transfer of functions under this Title, and to make such additional incidental disposition of personnel, assets, liabilities, grants, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds held, used, arising from, available, or to be made available in connection with the Nuclear Regulatory Commission and the functions transferred under this Title, as may be necessary to carry out the provisions of this Title. The Director of Management and Budget shall provide for such further measures and dispositions as may be necessary to effectuate the purposes of this Title.

SAVINGS PROVISIONS

SEC. 109. (a) All orders, determinations, rules, regulations, permits, grants, contracts, certificates, licenses, and privileges—

(1) which have been issued, made, granted, or allowed to become effective by the President, the Nuclear Regulatory Commission, or any court of competent jurisdiction, in the performance of functions which are transferred under this Title; and

(2) which are in effect at the time this Title takes effect,

shall continue in effect according to their terms until modified, terminated, superseded, set aside, revoked, or repealed in accordance with law by the President, the Administrator or other duly authorized official, a court of competent jurisdiction, or by operation of law.

(b)(1) The provisions of this Title shall not affect any proceeding, petition, or application for a license or other form of permission or approval pending at the time this Title takes effect before the Nuclear Regulatory Commission with respect to functions transferred under this Title, but such proceedings, petitions, and applications, to the extent that they relate to functions so transferred, shall be continued before the Agency. Decisions shall be issued with respect to such proceedings, applications, or petitions, appeals shall be taken therefrom, and payments shall be made pursuant to such decisions, as if this Title had not been enacted. Decisions issued with respect to such proceedings, applications, or petitions shall continue in effect until modified, terminated, superseded, revoked, or repealed by the Administrator or other duly authorized official, by a court of competent jurisdiction, or by operation of law. Nothing in this subsection shall be deemed to prohibit the discontinuance or modification of any such proceeding, petition, or application under the same terms and conditions and to the same extent that such proceeding, petition, or application could have been discontinued or modified if this Title had not been enacted.

(2) The Administrator is authorized to promulgate regulations providing for the orderly transfer of proceedings continued under paragraph (1) of the Agency.

(c) Except as provided in subsection (e)—

(1) the provisions of this Title shall not affect actions commenced prior to the date this Title takes effect, and

(2) in all such actions, proceedings shall be had, appeals taken, and judgments rendered, in the same manner and with the same effect as if this Title had not been enacted.

(d) No action or other proceeding commenced by or against any individual in the official capacity of such individual as an officer of the Nuclear Regulatory Commission shall abate by reason of the enactment of this Title. No cause of action commenced by or against the Nuclear Regulatory Commission or functions transferred under this Title shall abate by reason of the enactment of this Title.

(e) If, before the date on which this Title takes effect, the Nuclear Regulatory Commission, or any officer thereof in the official capacity of such officer, is a party to an action under this Title, such action shall be continued with the Administrator or other appropriate official of the Agency, as the case may be, substituted or added as a party.

(f) Orders and actions of the Administrator in the exercise of the functions transferred under this Title shall be subject to judicial review to the same extent and in the same manner as if such orders and actions had been by the Nuclear Regulatory Commission in exercising such functions immediately preceding their transfer. Any statutory requirements relating to notice, hearings, actions upon the record, or administrative review that apply to the exercise of such functions transferred under this Title shall apply to the exercise of such functions by the Administrator.

REFERENCE

SEC. 110. With respect to any function transferred under this Title and exercised after the effective date of this Title, any reference in any other federal law, Executive Order, rule, regulation, certificate, directive, instruction, delegation of authority, or other official document in force on the effective date of this Title of or pertaining to the Nuclear Regulatory Commission shall be deemed to refer and apply to the Agency. After consultation with the appropriate committees of the Congress, the Administrator shall prepare and submit to the Congress proposed legislation containing technical and conforming amendments to title 42, United States Code, and to other provisions of law to reflect the changes made by this Title. Such legislation shall be submitted not later than six months after the effective date of this Title.

CONFORMING CHANGES

SEC. 111. Title II of the Energy Reorganization Act of 1974 (42 U.S.C. 5841 et seq.) is amended by—

(a) striking the phrase "a Director" wherever that phrase appears and inserting in lieu thereof "an Assistant Administrator";

(b) striking the phrase "the Director" wherever that phrase appears and inserting in lieu thereof "the Assistant Administrator"; and

(c) striking the phrase ", as provided in section 209," wherever that phrase appears.

CONSTRUCTION AUTHORIZATION FOR NUCLEAR WASTE REPOSITORY

SEC. 112. Section 191 of the Atomic Energy Act of 1954, as amended, is amended by adding a new subsection (c), as follows:

"(c)(1) Upon the receipt of an application for a construction authorization pursuant to 42 U.S.C. 10134(b), the Administrator shall establish one or more licensing boards for the conduct of any formal adjudicatory proceedings that may be requested on such application. Each board shall be comprised of three members, one of whom shall be qualified in the conduct of administrative proceedings and two of whom shall be appointed from among persons nominated by the Nuclear Waste Technical Review Board in accordance with paragraph (2). Members of the Board shall be appointed for such length of time as may be necessary to consider and act upon such application.

"(2) The Nuclear Waste Technical Review Board shall, not later than 60 days after the date on which the recommendation of site designation becomes effective under 42 U.S.C. 10135, nominate not less than 6 persons for appointment to the initial licensing board established pursuant to paragraph (1). Each person nominated for appointment to the Board shall have such technical or other qualifications as the Nuclear Waste Technical Review Board deems appropriate to the issues to be decided in consideration of an application for a construction authorization.

"(3) If a board member becomes unavailable or is recused after appointment, or it

the Administrator determines that proceedings before more than one board become necessary to complete the proceedings in a timely manner, additional members or additional boards shall appointed in the same manner provided for the appointment of the initial member of board. For the purpose of appointing members required to be nominated by the Nuclear Waste Technical Review Board, the Administrator may, as appropriate, either appoint from among those initially nominated or shall request the Nuclear Waste Technical Review Board to nominate one or more additional groups of six persons.

"(4) Upon the issuance of an initial decision by the licensing board on an application for a construction authorization, the Administrator may either affirm the decision in whole or in part, or set aside, remand, or reverse any action, findings, or conclusions found to be arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with law or unsupported by substantial evidence.".

Subtitle B—Office of Investigations

SEC. 121. (a) Title II of the Energy Reorganization Act of 1974 (42 U.S.C. 5801 et seq.) is amended by adding a new section 205A, as follows:

"OFFICE OF INVESTIGATIONS

"SEC. 205A. (a) There is hereby established in the Agency an Office of Investigations under the direction of an Assistant Administrator for Investigations, who shall be appointed by the Administrator, who shall report directly to the Administrator and who shall serve at the pleasure of and be removable by the Administrator.

"(b) Subject to the provisions of this Act, the Assistant Administrator for Investigations shall perform such functions as the Administrator shall designate, including investigations into possible violations of the Atomic Energy Act, the Energy Reorganization Act, or any other statutes that the Administrator is responsible for implementing, and rules, regulations, orders, and license conditions issued by the Agency thereunder, that may involve intent or purpose to commit such violation, or that may have arisen as a result of careless disregard, deception, or other indications of willful intent.

"(c)(1) The Assistant Administrator for Investigations may initiate an investigation at the request of the Administrator, Deputy Administrator, or a Regional Administrator.

"(2)(A) The Assistant Administrator may initiate an investigation on his or her own initiative. The Administrator may prohibit the Assistant Administrator from conducting investigative activities, after the Assistant Administrator has decided to initiate, carry out, or complete an investigation, if the Administrator determines specifically with respect to such investigation that such prohibition is necessary to protect the public health and safety or the common defense and security.

"(B) If the Administrator exercises any power under subparagraph (A), the Assistant Administrator shall submit a statement concerning such exercise within thirty days to the Committee on Environment and Public Works of the Senate and the Committees on Interior and Insular Affairs and Energy and Commerce of the House of Representatives.

"(C) The Administrator shall, within thirty days after submission of a statement under subparagraph (B), transmit a statement of the reasons for the exercise of power under subparagraph (A) to the Committee on Environment and Public Works of the Senate and the Committees on Interior and Insular Affairs and Energy and Commerce of the House of Representatives.

"(d) Any employee of the Agency obtaining information concerning possible violations falling within the scope of authority of the Office of Investigations shall promptly provide such information to the Office of Investigations.

"(e) Whenever the Assistant Administrator for Investigations has reasonable grounds to believe that there has been a violation of Federal criminal law, the Assistant Administrator, after notifying the Administrator, shall report such violation to the Attorney General. Neither the Administrator nor any other employee of the Agency shall prevent or prohibit the Assistant Administrator from reporting such violations to the Attorney General.".

(b) Within 90 days from the date of enactment of this Act, the Commission and the Attorney General shall enter into a memorandum of understanding to—

(1) provide for the coordination of matters that could lead both to enforcement action by the Commission as well as criminal prosecution by the Attorney General;

(2) provide decision procedures and schedules with respect to action on matters referred to the Attorney General; and

(3) facilitate the exchange of information relating to matters within the respective jurisdiction of the Commission and the Department of Justice.

(c) Section 5315 of title 5, United States Code is amended by adding at the end thereof the following: "Assistant Administrator for Investigations, Nuclear Safety Agency.".

Subtitle C—Nuclear Reactor Safety Investigations Board

FINDINGS AND PURPOSE

SEC. 131. (a) The Congress finds that—

(1) there exists a potential for conflict of interest in the investigation of significant safety events arising out of activities licensed or otherwise regulated by the Nuclear Safety Agency, where the Agency's prior action or inaction may have been a partial contributor to the cause of such event;

(2) an independent organization for the investigation of such events will inspire greater public confidence in the investigatory process for such incidents; and

(3) the increased stature and enhanced visibility of the investigations conducted by such an independent organization, and the recommendations made as a result of such investigations, will help to ensure timely consideration and implementation of the recommendations of such an organization.

(b) The purpose of this subtitle is to establish a Nuclear Reactor Safety Investigations Board to—

(1) conduct independent investigations of significant safety events arising out of activities at production or utilization facilities licensed by the Agency under section 103 or 104 of the Atomic Energy Act of 1974 (42 U.S.C. 2133, 2134); and

(2) submit to the Administrator and to the Congress the results of any such investigation, including any recommendations for actions to be taken by the Administrator to prevent the recurrence of such events.

NUCLEAR REACTOR SAFETY INVESTIGATIONS BOARD

SEC. 132. (a) There is hereby established within the Nuclear Safety Agency an independent board to be known as the Nuclear Reactor Safety Investigations Board (hereafter in this section referred to as the "Board").

(b) The Board shall consist of three members who shall be appointed by the President, by and with the advice and consent of the Senate. The members shall be appointed on the basis of technical qualification, professional standing, and demonstrated competence and knowledge relevant to the investigative functions of the Board. No more than two members of the Board shall be of the same political party. Not later than 90 days after the effective date of this Title, the President shall submit such nominations for appointment to the Board. The President shall designate one member to serve at the Chairperson of the Board.

(c) The terms of office of members of the Board shall be three years, except as otherwise provided in this subparagraph. Of the three members first appointed to the Board, one shall serve for one year, one for two years, an one for three years. Any individual appointed to fill a vacancy occurring on the Board prior to the expiration of the term of office for which his or her predecessor was appointed shall be appointed for the remainder of the term. Upon the expiration of his or her term of office, a member shall continue to serve until his or her successor is appointed and shall have qualified. Any member of the Board may be removed by the Residents for inefficiency, neglect of duty, or malfeasance of office.

(d)(1) The Chairperson shall be the chief executive officer of the Board and shall exercise the excutive and administrative functions of the Board with respect to the appointment and supervision of personnel employed by the Board, the distribution of business among such personnel and among administrative units of the Board, and the use and expenditure of funds.

(2) Section 5314 of title 5, United States Code, is amended by adding at the end thereof the following: "Chairperson, Nuclear Reactor Safety Investigations Board.".

SEC. 133. The Board shall have the following functions and authorities:

(a)(1) The Board may investigate or cause to be investigated any significant safety event, as defined in paragraph (5) of this subsection, arising out of activites at production or utilization facilities licensed by the Agency under section 103 or 104 of the Atomic Energy Act of 1954 (42 U.S.C. 2133, 2134). The Board may also investigate or cause to be investigated other safety events upon the request of the Administrator.

(2) The purpose of any investigation initiated pursuant to this subsection shall be to determine the facts, conditions, and circumstances of the significant safety events investigated, including—

(A) an assessment of the implications of such event for public health and safety;

(B) a determination of whether such event is part of a pattern of similar events at production or utilization facilities licensed by the Agency under section 103 or 104 of the Atomic Energy Act of 1954 (42 U.S.C. 2133, 2134) which could adversely affect the public health or safety; and

(C) an assessment of the root causes of such event, including the contribution, if any, of the actions of the Agency to such event.

(3) The Board shall report in writing, and shall submit such report to the Administrator, on the facts, conditions, and circumstances of each event investigated pursuant to this subsection, including—

(A) the date and place of the event;

(B) the nature and probable consequence of the event;

(C) the cause or causes of the event; and

(D) any action recommended to prevent the recurrence of the event, including any recommendations for actions to be taken by the Agency with regard to regulatory requirements or practices.

(4)(A) The Administrator shall respond in writing to any recommendations of the Board within 120 days of receipt of such recommendations. Such written response shall detail specific measures adopted or to be adopted by the Administrator in response to such recommendations, and explanations for the Administrator's inaction on any recommendations not adopted.

(B) The recommendations of the Board made pursuant to paragraph (3) and the response of the Administrator to such recommendations shall be made available to the public and shall be submitted to Congress.

(5) For the purpose of this subtitle, a "significant safety event" shall be defined as an event that involves:

(A) a moderate exposure to, or release of, radioactive material from a production or utilization facility licensed by the Agency under section 103 or 104 of the Atomic Energy Act of 1954 (42 U.S.C. 2133, 2134);

(B) a major degradation of essential safety-related equipment at a production or utilization facility licensed by the Agency under section 103 or 104 of the Atomic Energy Act of 1954 (42 U.S.C. 2133, 2134); or

(C) a major deficiency in the design, construction, use of, or management controls for a production or utilization facility licensed by the Agency under section 103 or 104 of the Atomic Energy Act of 1954 (42 U.S.C. 2133, 2134).

(6) Except for investigations initiated at the request of the Administrator, the Board shall, prior to the initiation of an investigation pursuant to this section, consult with the Administrator and, if the Board determines that an investigation is warranted, the Board shall set forth in writing the basis for the Board's determination that the event constitutes a significant safety event, as defined in paragraph (5). The written statement of the Board's basis for initiating an investigation shall not be subject to judicial review. The written statement shall be made available to the public and shall be submitted to Congress.

(7) No part of the conclusions, findings, or recommendations of any report of the Board relating to any event or the investigation of such event shall be admitted as evidence or used in any suit or action for damages growing out of any matter mentioned in such report.

(b) Following the issuance of a written determination pursuant to paragraph (a)(6) of this section, or upon the initiation of an investigation requested by the Administrator, any employee of the Board, upon presenting appropriate credentials, including any security clearance required by the Administrator, and a written notice of inspection authority, may enter the facility where the event has occurred and do all things appropriate for a proper investigation. The employee may inspect and copy records, files, and documents, including licensee records, files, and documents at locations other than the facility where the event occurred, and may inspect processes, controls, and facilities relevant to the investigation of such event.

(c) Subject to section 552a of title 5, United States Code, the Board may secure directly from any agency or instrumentality of the United States such information as that agency or instrumentality may already possess as may be necessary to enable the Board to carry out an investigation pursuant to this subtitle. Upon request of the Board, the head of such agency or instrumentality shall furnish such information to the Board. The information which the Board may secure under this subsection may include any material designated as classified material pursuant to the Atomic Energy Act of 1954, or any materials designated as safeguards information and otherwise protected from disclosure under section 147 of the Atomic Energy Act of 1954.

(d)(1) Following the issuance of a written determination pursuant to paragraph (a)(6) of this section, or upon the initiation of an investigation requested by the Administrator, the Board or, upon authority of the Board, any member thereof, any administrative law judge employed by or assigned to the Board, or any officer or employee duly designated by the Board, may, for the purpose of carrying out this subtitle, hold such hearings, sit and act at such times and places, administer such oaths, and require by subpoena or otherwise attendance and testimony of such witnesses and the production of evidence as the Board or such officer or employee deems advisable. Subpoenas shall be issued only under the signature of a Board member, upon authorization by the Board, and may be served by any person designated by the Board.

(2) Any person who willfully neglects or refuses to qualify as a witness, or to testify, or to produce any evidence in obedience to any subpoena duly issued under the authority of this paragraph shall be fined not more than $5,000, or imprisoned for not more than 6 months, or both. Upon certification by the Board of the facts concerning any willful disobedience by any person to the United States Attorney for any judicial district in which the person resides or is found, the Attorney may proceed by information for the prosecution of the person for the offense.

(3) Where the Board discovers information during the course of its investigation involving matters within the jurisdiction of the Agency's Inspector General or the Assistant Administrator for Investigations, such information shall be forwarded promptly, as appropriate, directly to the Inspector General or concurrently to the Administrator and the Assistant Administrator for Investigations.

(e)(1) Subject to such rules as may be prescribed by the Board, the Board may appoint and fix the pay of such officers and employees (including investigators and attorneys) as the Board considers necessary to carry out the powers and duties of the Board. Appointments shall be made under this paragraph in such manner that not more than the equivalent of 55 full-time officers and employees are employed by the Board at any time.

(2) Employees of the Board shall be selected, appointed, employed, and compensated pursuant to section 161d. of the Atomic Energy Act of 1954, as amended.

(f) Subject to such rules as may be prescribed by the Board, the Board may procure temporary and intermittent services under section 3109(b) of title 5, United States Code, but at rates for individuals not to exceed the daily equivalent of the maximum annual rate of basic pay payable for grade GS-18 of the General Schedule. The amount of consultant services which may be obtained by the Board under this subsection shall not exceed, during any fiscal year period, the amount of services which would be obtained if the Board procured on a full-time basis the services of 12 consultants.

(g)(1) Upon request of the Board, the Administrator or the head (or governing authority) of any other Federal agency or instrumentality may—

(A) detail to the Board, on a reimbursable basis, such personnel as may be desirable to assist the Board in carrying out its duties; and

(B) make available to the Board, on a reimbursable basis, such facilities, equipment, or other administrative support services as may be desirable to assist the Board in carrying out its duties.

(2) The Administrator shall provide the Board with appropriate and adequate office space, together with such equipment, office supplies, and communications facilities and services as may be necessary for the operation of the Board and shall provide necessary maintenance services for such offices and the equipment and facilities located therein.

(h) The Board may confer with employees of State or local government agencies and may use, on a reimbursable basis, such services, records, and facilities as such agencies may make available to the Board.

(i) The Board may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

(j) The Board shall report annually to the Congress on the activities of the Board. Such report shall contain—

(1) a summary of the significant safety events investigated by the Board during the preceding calendar year; and

(2) a summary, in such detail as the Board deems advisable, of the recommendations made by the Board pursuant to subparagraph (a)(3)(D) of this section, together with the observed response of the Administrator to each such recommendation.

Such reports shall be made available to Federal, State, and local government agencies concerned with safety at production or utilization facilities licensed by the Agency under section 103 or 104 of the Atomic Energy Act of 1954 (42 U.S.C. 2133, 2134). Upon request, such reports shall be made available to other interested persons.

(k) The Board is authorized to establish rules, procedures, or other appropriate guidance governing the operations of the Board and the conduct of Board investigations.

SEC. 134. There shall be transferred to the Board such offices of the Agency, or functions, powers, or duties of such offices, as the Administrator may determine are properly related to the functions of the Board and will further the purposes of this Act, except that there shall not be transferred to the Board any program operating responsibilities.

SEC. 135. (a) There are hereby authorized to be appropriated for each of the fiscal years 1989, 1990, 1991, 1992, 1993, and 1994 the sum of $5,500,000.

(b) The Board shall terminate at the end of fiscal year 1994.

Subtitle D—Separability

SEC. 141. If any provision of this title, or the application of such provision to any person or circumstance, is held invalid, the remainder of this title, or the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

Subtitle E—Effective Date

SEC. 151. This Title and the amendments made by this Title shall take effect on such date during the 6-month period beginning on July 21, 1989, as the President may direct in an Executive Order. If the President fails to issue an Executive Order for the purpose of this section, this Title and such amendments shall take effect on January 21, 1990.

TITLE II—MISCELLANEOUS PROVISIONS

NOTIFICATION REQUIREMENTS FOR NONCOMPLIANCE

SEC. 201. Section 206 of the Energy Reorganization Act of 1974, as amended (42 U.S.C. 5846), is amended to read as follows:

"NONCOMPLIANCE

"SEC. 206. (a) Any firm constructing, owning, operating, or supplying the components of any facility or activity which is licensed or otherwise regulated pursuant to the Atomic Energy Act of 1954, as amended, or pursuant to this Act, and any individual director or responsible officer of such a firm, obtaining information reasonably indicating that such facility or activity or basic components supplied to such facility or activity—

"(1) fails to comply with the Atomic Energy Act of 1954, as amended, or any applicable rule, regulation, order, or license of the Agency relating to substantial safety hazards, or

"(2) contains a defect which could create a substantial safety hazard, as defined by regulations which the Agency shall promulgate,

shall immediately notify the Agency of such failure to comply, or of such defect, unless such firm or individual has actual knowledge that the Agency has been adequately informed of such defect or failure to comply.

"(b) The Administrator is authorized to issue such regulations and orders as may be necessary to ensure compliance with this section, including regulations and orders requiring any firm subject to this section to devise and implement procedures to identify, evaluate, and report defects.

"(c) Any firm or individual who violates any regulation or order issued under subsection (b) of this section shall be subject to a civil penalty in the same manner and amount as for violations subject to a civil penalty under section 234 of the Atomic Energy Act of 1954, as amended.

"(d) The requirements of this section shall be prominently posted on the premises of any firm subject to this section.

"(e) The Agency is authorized to conduct such reasonable inspections, investigations, and other enforcement activities as needed to ensure compliance with the provisions of this section and with any regulations and orders issued thereunder.

"(f) For purposes of this section, the term 'firm' shall have the meaning provided for the term 'person' in subsection 11 s. of the Atomic Energy Act of 1954, as amended, except that it shall include the Department of Energy to the extent that its facilities, materials, or activities are licensed by the Agency and shall not include an 'individual.' ".

DISCLOSURE OF SECURITY-RELATED SAFEGUARDS INFORMATION

SEC. 202. Section 147 of the Atomic Energy Act of 1954, as amended (42 U.S.C. 2167), is amended by inserting the following language in subsection a. before the sentence that begins "The Commission shall exercise the authority": "Paragraphs (1), (2), and (3) of this subsection shall include safeguards information contained in generic studies, reports, and analyses that would provide substantial assistance in compromising or negating any of a licensee's specific security measures or procedures to protect nuclear material or facilities, as described in subparagraphs (1), (2), and (3) of this subsection, or in targeting a licensee's vital plant equipment as described in subparagraph (3) of this subsection.".

STORAGE AND DISPOSAL OF GREATER-THAN-CLASS-C LOW-LEVEL WASTE

SEC. 203. (a) Subject to the requirements an limitations of this section, the Secretary is authorized to accept for storage low-level radioactive waste with concentrations of radionuclides that exceed the limits established by the Agency for Class C radioactive waste, as defined by section 61.55 of title 10, Code of Federal Regulations, as in effect on January 26, 1983, that is owned or generated under license or regulation of the Agency (or an Agreement State): *Provided, however,* That no such waste shall be accepted by the Secretary until the Secretary submits to Congress a comprehensive report setting forth—

(1) the options for the permanent disposal of such waste and a discussion of the actions that the Secretary intends to take to implement the preferred disposal option; and

(2) the options for ensuring that the beneficiaries of the activities resulting in the generation of such waste bear all reasonable costs of the storage and disposal of such waste and a discussion of the actions that the Secretary intends to take to implement the preferred cost recovery option.

(b) Low-level radioactive waste with concentrations of radionuclides that exceed the limits established by the Agency for Class C radioactive waste, as defined by section 61.55 of title 10, Code of Federal Regulations, as in effect on January 26, 1983, that is owned or generated under license or regulation of the Agency (or an Agreement State) shall, except as otherwise provided in subsections (c) and (d), be stored or disposed of only in a facility that is licensed by the Agency (or an Agreement State). Any storage or disposal facility for such waste that is operated by the Federal Government shall be licensed only by the Agency.

(c) Prior to the issuance of a license for a storage facility, the Agency may permit the transfer to the Secretary for storage of low-level radioactive waste with concentrations of radionuclides that exceed the limits established by the Agency for Class C radioactive waste, as defined by section 61.55 of title 10, Code of Federal Regulations, as in effect on January 26, 1983, that is owned or generated under license or regulation of the Agency (or an Agreement State), if the Agency determines in writing that such transfer is necessary to eliminate an immediate and serious threat to the public health and safety or the common defense and security.

(d)(1) Nothing in this section shall be deemed to apply to or otherwise affect any contractual obligation of the Secretary entered into on or before June 9, 1988, pursuant to which the Secretary is required to accept low-level radioactive waste with concentrations of radionuclides that exceed the limits established by the Agency for Class C radioactive waste, as defined by section 61.55 of title 10, Code of Federal Regulations, as in effect on January 26, 1983, that is owned or generated under license or regulation of the Agency (or an Agreement State).

(2) Nothing in this section shall be deemed to alter, amend, or otherwise apply to the activities of the Secretary pursuant to the West Valley Demonstration Project Act (42 U.S.C. 2021a *et seq.*).

(3) Nothing in this section shall be deemed to alter, amend, or otherwise apply to the activities of the Secretary specifically authorized pursuant to the Memorandum of Understanding Between the U.S. Nuclear Regulatory Commission and the U.S. Department of Energy Concerning the Removal and Disposition of Solid Nuclear Wastes from Cleanup of the Three Mile Island Unit 2 Nuclear Plant (46 Federal Register 38614, July 28, 1981), as amended by the Memorandum of Understanding Between the U.S. Nuclear Regulatory Commission and the U.S. Department of Energy Concerning the Removal and Disposition of Solid Nuclear Wastes from Cleanup of the Three Mile Island Unit 2 Nuclear Plant (47 Federal Register 16229, April 15, 1982).

(4) Nothing in this section shall be deemed to alter, amend, or otherwise apply to the activities of the Secretary pursuant to the Nuclear Waste Policy Act of 1982, as amended (42 U.S.C. 10101 *et seq.*).

(5) Nothing in this section shall be deemed to alter, amend, or otherwise affect the responsibility of States or compacts pursuant to the Low Level Radioactive Waste Policy Amendments Act of 1985 (42 U.S.C. 2021b *et seq.*).

(6) Nothing in this section shall be deemed to alter, amend, or otherwise apply to low-level radioactive waste with concentrations of radionuclides that exceed the limits established by the Agency for Class C radioactive waste, as defined by section 61.55 of title 10, Code of Federal Regulations, as in effect on January 26, 1983, that is owned or generated under license or regulation of the Agency (or an Agreement State) and that is classified for national security purposes pursuant to the Atomic Energy Act of 1954, as amended.

QUARTERLY REPORT ON IMPLEMENTATION OF THE NUCLEAR WASTE POLICY ACT

SEC. 204. The Administrator shall submit to the Committee on Energy and Commerce and the Committee on Interior and Insular Affairs of the House of Representatives and the Committee on Environment and Public Works of the Senate each quarter a report on the status of the Agency's implementation of the Nuclear Waste Policy Act of 1982, as amended (42 U.S.C. 10101 *et seq.*). Such report shall include a detailed summary of—

(a) the activities of the Agency during such quarter;

(b) the funds expended during such quarter;

(c) all interactions with the Department of Energy with regard to implementation of the Act, including Agency communications, recommendations, and other activities regarding the development of a repository pursuant to title I of such Act; and

(d) the technical issues that relate to the licensability of any candidate site under consideration for development as a repository and any activities undertaken by the Agency during such quarter with respect to such issues.

WEST CHICAGO THORIUM TAILINGS SITE

SEC. 205. The Nuclear Safety Agency may not designate a permanent disposal site for low-level nuclear wastes at Ann and Factory Streets in West Chicago, Illinois, until the

Agency has studied alternative sites to determine the safest site available to store such wastes.●

THANK YOU SUE GENTRY FOR YOUR DEDICATION AND SERVICE TO INDEPENDENCE, MO

● Mr. BOND. Mr. President, Miss Sue Gentry, a lifelong Missourian, is being honored by her native home of Independence on May 19. Miss Gentry's professional and personal achievements stand as a living legacy in her community.

Sue Gentry began her heralded journalism career in 1929 at the Independence Examiner, a paper she would spend her entire career with. She served as editor of the paper from 1943 to 1952 holding the distinction of being the only woman to do so. She traveled to Washington, DC, in 1945 to cover the White House Press Conference on the end of the war with Japan.

Miss Gentry excelled outside the halls of the Examiner as well. She joined the Daughters of the American Revolution in 1939; she was elected president of the Missouri Press Women in 1959, and she served as president of Theta Signa Phi, an honor society for women in communication, from 1954 to 1955. From 1966 to 1989 she has worked as editor of the Jackson County Historical Society Journal. In 1974, she became president of the Jackson County Historical Society and today serves as cochairman of the society's archives.

Sue Gentry has not gone unnoticed by her peers or her community. In 1960, she received the "Woman of Achievement" Award from Theta Sigma Phi. William Chrisman High School cited her as their outstanding alumnus in 1969. The following year, 1970, she was named Missouri Press Woman of the Year. Throughout the seventies, she was honored several times by the Independence Chamber of Commerce, the Independence School Board, and other organizations in eastern Jackson County.

The decade of the eighties has continued to bring acclaim and recognition to this most-deserving lady. "Sue Gentry Day" was celebrated in Independence in 1984. Last year, the city of Independence presented her with an award for public service and the Rotary Club named her recipient of the Mark H. Siegfried Rotary Award of Merit.

Miss Sue Gentry has dedicated her life to the community of Independence, MO, through her tireless civic endeavors and high standards of professionalism as a journalist. She has made an impact decade after decade and has touched generations.

My fellow colleagues, please join me in commending Miss Sue Gentry for her lifetime of dedication to the great people of Independence and all of Missouri.●

BUDGET SCOREKEEPING REPORT

● Mr. SASSER. Mr. President, I hereby submit to the Senate the latest budget scorekeeping report for fiscal year 1989, prepared by the Congressional Budget Office in response to section 308(b) of the Congressional Budget Act of 1974, as amended. This report was prepared consistent with standard scorekeeping conventions. This report also serves as the scorekeeping report for the purposes of section 311 of the Budget Act.

This report shows that current level spending is over the budget resolution by $0.9 billion in budget authority, and over the budget resolution by $0.4 billion in outlays. Current level is under the revenue floor by $0.3 billion.

The current estimate of the deficit for purposes of calculating the maximum deficit amount under section 311(a) of the Budget Act is $135.7 billion, $0.3 billion below the maximum deficit amount for 1988 of $136.0 billion.

The report follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, May 15, 1989.

Hon. JIM SASSER,
Chairman, Committee on the Budget, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The attached report shows the effects of congressional action on the budget for fiscal year 1989 and is current through May 12, 1989. The estimates of budget authority, outlays, and revenues are consistent with the technical and economic assumptions of the most recent budget resolution, House Concurrent Resolution 268. This report is submitted under section 308(b) and in aid of section 311 of the Congressional Budget Act, as amended, and meets the requirements for Senate scorekeeping of section 5 of Senate Concurrent Resolution 32, the 1986 first concurrent resolution on the budget.

Since my last report, Congress has taken no action that affects the current level of spending or revenues.

Sincerely,

ROBERT D. REISCHAUER,
Director.

CBO WEEKLY SCOREKEEPING REPORT FOR THE U.S. SENATE, 101ST CONG., 1ST SESS., AS OF MAY 12, 1989

[In billions of dollars]

	Current level [1]	Budget resolution H. Con. Res. 268 [2]	Current level +/− resolution
Fiscal Year 1989			
Budget authority	1,233.0	1,232.1	0.9
Outlays	1,100.1	1,099.8	.4
Revenues	964.4	964.7	−.3
Debt subject to limit	2,750.3	[3] 2,824.7	−74.4
Direct loan obligations	24.4	28.3	−3.9
Guaranteed loan commitments	111.0	111.0	
Deficit	135.7	[4] 136.0	[5] −.3

[1] The current level represents the estimated revenue and direct spending effects (budget authority and outlays) of all legislation that Congress has enacted in this or previous sessions or sent to the President for his approval and is consistent with the technical and economic assumptions of H. Con. Res. 268. In addition, estimates are included of the direct spending effects for all entitlement or other mandatory programs requiring annual appropriations under current law even though the appropriations have not been made. The current level of debt is subject to limit reflects the latest U.S. Treasury information on public debt transactions.

[2] In accordance with sec. 5(a)(b) the levels of budget authority, outlays, and revenues have been revised for Catastrophic Health Care (Public Law 100–360).

[3] The permanent statutory debt limit is $2,800.0 billion.

[4] Maximum deficit amount [MDA] in accordance with section 3(7)(D) of the Congressional Budget Act, as amended.

[5] Current level plus or minus MDA.

PARLIAMENTARIAN STATUS REPORT 101ST CONGRESS, 1ST SESS., SENATE SUPPORTING DETAIL, FISCAL YEAR 1989 AS OF CLOSE OF BUSINESS MAY 12, 1989

[In millions of dollars]

	Budget authority	Outlays	Revenues
I. Enacted in previous sessions:			
Revenues			964,434
Permanent appropriations and trust funds	874,205	724,990	
Other appropriations	594,475	609,327	
Offsetting receipts	−218,335	−218,335	
Total enacted in previous sessions	1,250,345	1,115,982	964,434
II. Enacted this session:			
Adjust the Purchase Price for Non-Fat Dry Dairy Products (Public Law 101–7)		−10	
Implementation of the Bipartisan Accord on Central America (Public Law 101–14)	−11		
Total enacted this session	−11	−10	
III. Continuning resolution authority			
IV. Conference agreements ratified by both Houses			
V. Entitlement authority and other mandatory items requiring further appropriation action:			
Dairy indemnity program	[2]	[2]	
Special milk	4		
Food Stamp Program	253		
Federal crop insurance corporation fund	144		
Compact of free association	1	1	
Federal unemployment benefits and allowances	31	31	
Worker training	32	32	
Special benefits	37	37	
Payments to the Farm Credit System	35	35	
Payment to the civil service retirement and disability trust fund [1]	(85)	(85)	
Payment to hazardous substance superfund [1]	(99)	(99)	
Supplemental security income	201	201	
Special benefits for disabled coal miners	3		
Medicaid:			
Public Law 100–360	45	45	
Public Law 100–485	10	10	
Family support payments to States:			
Previous law	355	355	
Public Law 100–485	63	63	
Veteran's compensation COLA (Public Law 100–678)	345	311	
Total entitlement authority	1,559	1,121	
VI. Adjustment for economic and technical assumptions	−18,925	−16,990	
Total current level as of May 12, 1989	1,232,969	1,100,103	964,434
1989 budget resolution H. Con. Res. 268	1,232,050	1,099,750	964,700
Amount remaining:			
Over budget resolution	919	353	
Under budget resolution			266

[1] Interfund transactions do not add to budget totals.

[2] Less than $500 thousand.

Note.—Numbers may not add due to rounding.

DRUGS, LAW ENFORCEMENT AND FOREIGN POLCY

● Mr. KERRY. Mr. President, recently the Foreign Relations Subcommit-

tee on Terrorism, Narcotics and International Operations, which I chair, issued its report on "Drugs, Law Enforcement and Foreign Policy," chronicling the serious problems our Government has faced and continues to face in the war on drugs.

The report concluded that drugs are the No. 1 national security threat to the United States in this hemisphere. The evidence shows narcotics knows neither national boundaries nor ideology. The cartels have linked up with governments and terrorist movements alike throughout Latin America. The cartels and their networks must be understood for what they are—serious threats to the security of the United States at home and abroad and they must be treated as such.

The subcommittee also found that too often other foreign policy interests were permitted to sidetrack, disrupt, and undercut the war on drugs. As a result, our law enforcement personnel have been demoralized and our communities threatened. Again and again, we found agencies with foreign policy responsibilities failing to provide law enforcement with the information it needed to make arrests and otherwise enforce the law.

The subcommittee also found that United States law enforcement and foreign policy officials failed to address the drug issue for fear of jeopardizing the war on Nicaragua. This affected law enforcement in two areas especially—responding to the information on General Noriega's criminal empire, and responding to criminal activity related to the Contras.

The saga of General Noriega represents one of the great foreign policy failures of recent memory. Our decision to continue working with him long after our Government had extensive information regarding his drug trafficking has been a continuing betrayal of the public trust.

The subcommittee found that the secret Contra war provided numerous opportunities for drug traffickers to link up with the Contras, and they did. The subcommittee compiled an extensive record of these links, which have been significantly corroborated by documents obtained from law enforcement agencies.

Unfortunately, we found many examples of each of the above failures.

The subcommittee found cases in which high U.S. officials intervened to stop law enforcement operations aimed at nailing drug kingpins.

We found that a United States Ambassador to the Bahamas had shut down a Justice Department drug sting aimed at bringing down corrupt Bahamian Government officials.

We learned how high United States officials, including Lt. Col. Oliver North, went to the Justice Department to intercede on behalf of a man convicted of a narco-terrorist assassination plot against a Honduran President—because the man had been the administration's liaison to the Contras.

We were told by a former United States Ambassador to Costa Rica that a decision was made by the United States to "put Noriega on the shelf" and take no action against his drug trafficking until the Sandinista government had been overthrown.

We were told by the head of the Drug Enforcement Agency that someone at the National Security Counsel leaked information on a DEA drug sting operation against the Sandinistas in order to influence a congressional vote on Contra aid, causing the operation to abort.

We also found out that the State Department chose four companies controlled by drug traffickers to provide assistance to the Contras. As a result, drug traffickers got funds out of the U.S. public treasury as part of our Contra humanitarian assistance program.

Finally, the report includes a summary of allegations that officials in the Justice Department sought to undermine and interfere with this investigation in 1986 because of concerns about its possible political impact. The charge came from a Federal prosecutor in Miami, Jeffrey Feldman, who was handling the investigation of weapons and Neutrality Act cases involving contra supporters.

According to prosecutor Feldman, Justice Department officials may have simultaneously interfered with a Federal grand jury in Miami, and with our congressional investigation in Washington, because of concerns about their impact on the Contra program.

These allegations raise very serious issues, which I understand are under investigation by the Independent Counsel.

These findings are significant, and I believe they deserve the serious attention of the Congress. I have already introduced legislation in response to a number of these findings, the "International Narcotics and Terrorism Control Act of 1989," S. 924, which is currently cosponsored by Senators D'AMATO, ADAMS, MOYNIHAN, CRANSTON, FORD, SANFORD, and DECONCINI, and on which I anticipate the Foreign Relations Committee will soon hold hearings.

I ask that the executive summary of the report entitled "Drugs, Law Enforcement and Foreign Policy," issued by the Subcommittee on Terrorism, Narcotics and International Operations be included in the RECORD at this point.

The summary follows:

EXECUTIVE SUMMARY AND CONCLUSIONS

"The American people must understand much better than they ever have in the past how (our) safety and that of our children is threatened by Latin drug conspiracies (which are) dramatically more successful at subversion in the United States than any that are centered in Moscow."

That warning was delivered in Subcommittee testimony by General Paul C. Gorman, now retired and formerly head of U.S. Southern Command in Panama. Such a characterization, coming from an individual who served with such distinction in the United States Army, should not be taken lightly.

There should not be any doubt in anyone's mind that the United States is engaged in a war directed at our citizens—the old, the young, the rich, the poor. Each day, with what has become a numbing regularity, the American people are besieged with the news of the latest casualties in the drug war.

The Colombian drug cartels which control the cocaine industry constitute an unprecedented threat, in a non-traditional sense, to the national security of the United States. Well-armed and operating from secure foreign havens, the cartels are responsible for thousands of murders and drug-related deaths in the United States each year. They exact enormous costs in terms of violence, lower economic productivity, and misery across the nation.

The American criminal justice system has been overwhelmed by the drug war. To date, most of the U.S. law enforcement efforts have been directed at the domestic drug distribution network. The result is a criminal justice system swamped with cases which cannot be processed fast enough, jails that are overflowing with prisoners, a greater influx of cocaine than when the war on drugs was declared in 1983, and a cheaper, higher quality product.

As a recent study sponsored by the Criminal Justice Section of the American Bar Association noted:

"A major problem reported by all criminal justice participants is the inability of the criminal justice system to control the drug problem . . . through the enforcement of the criminal law. Police, prosecutors and judges told the Committee that they have been unsuccessful in making a significant impact on the importation, sale and use of illegal drugs, despite devoting much of their resources to the arrest, prosecution and trial of drug offenders".

Attempts to interdict the flow of drugs at the border, while important, has experienced only marginal success. According to U.S. officials in the vanguard of the war on drugs, at best, interdiction results in the seizures of only 15 percent of the illegal narcotics coming into the country. For the drug cartels, whose production capabilities stagger the imagination, a 15 percent loss rate is more than acceptable.

Demand reduction through education and rehabilitation are critical elements in the war on drugs. But most experts acknowledge that even this strategy will require a considerable period of time before major inroads are made into significantly reducing cocaine usage in this country.

The narcotics problem is a national security and foreign policy issue of significant proportions. The drug cartels are so large and powerful that they have undermined some governments and taken over others in our hemisphere. They work with revolutionaries and terrorists. They have demonstrated the power to corrupt military and civilian institutions alike. Their objectives seriously jeopardize U.S. foreign policy interests and objectives throughout Latin America and the Caribbean.

The Subcommittee investigation has led to the following conclusions and recommendations.

PAST FAILURES

In the past, the United States government has either failed to acknowledge, or underestimated, the seriousness of the emerging threat to national security posed by the drug cartels. The reasons for this failure should be examined by the Senate Select Committee on Intelligence, in concert with the Senate Committee on Foreign Relations, to determine what corrective steps should be taken.

In some instances, foreign policy consideration interfered with the U.S.'s ability to fight the war on drugs. Foreign policy priorities towards the Bahamas, Honduras, Nicaragua, and Panama at times delayed, halted, or interfered with U.S. law enforcement's efforts to keep narcotics out of the United States. In a few cases within the United States, drug traffickers sought to manipulate the U.S. judicial system by providing services in support of U.S. foreign policy, with varying results.

U.S. officials involved in Central America failed to address the drug issue for fear of jeopardizing the war efforts against Nicaragua.

The war against Nicaragua contributed to weakening an already inadequate law enforcement capability in the region which was exploited easily by a variety of mercenaries, pilots, and others involved in drug smuggling. The Subcommittee did not find that the Contra leaders personally were involved in drug trafficking. There was substantial evidence of drug smuggling through the war zones on the part of individual Contras, Contra suppliers, Contra pilots, mercenaries who worked with the Contras, and Contra supporters throughout the region.

The saga of Panama's General Manuel Antonio Noriega represents one of the most serious foreign policy failures for the United States. Throughout the 1970's and 1980's, Noriega was able to manipulate U.S. policy toward his country, while skillfully accumulating near-absolute power in Panama. It is clear that each U.S. government agency which had a relationship with Noriega turned a blind eye to his corruption and drug dealing, even as he was emerging as a key player on behalf of the Medellin cartel.

POLICY AND PRIORITIES

International drug trafficking organizations are a threat to U.S. national security. Our government must first acknowledge that the activities of the drug cartels constitute a threat of such magnitude and then establish a more coherent and consistent strategy for dealing with the problem.

The threat posed by the drug cartels should be given a major priority in the bilateral agenda of the U.S. with a number of countries, including the Bahamas, Haiti, Colombia, Bolivia and Paraguay. It should be among the most important issues with a number of other countries, including Mexico and Honduras.

In order to signal to other countries the seriousness with which the United States regards the drug issue, the President should convene a summit meeting of Latin American leaders to begin developing a strategy to deal with this issue and related economic problems.

Narcotics law enforcement has often taken a back seat to other diplomatic and national security priorities. The war on drugs must not in the future be sacrificed to other foreign policy considerations.

ADMINISTRATIVE RECOMMENDATIONS

The Treasury Department should begin negotiations on gathering information on large foreign U.S. dollar deposits, as authorized by the 1988 Omnibus Drug Bill.

The State Department should make a special effort to control multiple entry visas from countries which are major drug transit countries or which harbor major drug organizations.

The Federal Aviation Administration should undertake a major effort to inspect hundreds of substandard aircraft, many of which are used for smuggling illegal narcotics. These aircraft are located throughout the United States, and those which do not meet FAA specifications should be grounded immediately.

Individuals who represent themselves as working for the CIA or other national security agencies of the United States Government, and who in fact do not, should be prosecuted promptly to the full extent of the law.

All U.S. law enforcement agencies should devote significantly greater attention to counter-intelligence in order to prevent drug traffickers from penetrating their operations.

The existing distrust among law enforcement agencies working on the drug problem and national security agencies must be resolved. Ways must be found to make it possible for law enforcement agencies to have access to national security intelligence information related to the drug threat.

Federal salaries of senior prosecutors and investigators must be raised and special Senior Executive Service positions created in order to encourage the most talented and experienced personnel to remain on the job.

SPECIFIC LEGISLATIVE RECOMMENDATIONS

The President should be given a series of optional sanctions to apply to major drug producing and drug-transit countries which have not fully cooperated with the U.S. in drug enforcement efforts. This would allow the President to certify a nation under the national security provision of 481(h)(2)(a)(i)(II), and thus avoid the mandatory sanctions contained in current law, while still giving him other optional sanctions. The proposed sanctions would include: prohibiting ships that have stopped at such a nation within 60 days from discharging passengers or cargo in the U.S.; denying landing rights in the U.S. to the national airlines of such a nation; subjecting goods and containers from any such nation to special inspections, quarantines, or other additional regulations to prevent them from being used to transport prohibited substances to the United States; denying or limiting non-immigrant visas to nationals of any such nation; eliminating Customs preclearance agreements with any such nation.

No government employee or official with responsibility for narcotics issues in either the Executive or Legislative branches of government should be permitted to represent a foreign government on narcotics matters for a period of three years after they leave. The penalties for violating such a prohibition should be the same as for violations of the Federal Regulation of Lobbying Act of 1946.

The Department of State should be required to notify the Congress within 10 days whenever it denies a request from law enforcement for reasons of national security or foreign policy. The notification should include a full description of the reasons for the refusal. Past decisions by the Department of State to end law enforcement operations on such grounds should have been subject to Congressional review; this provision would ensure that Congress remain in a position to exercise oversight over such decisions.

The Department of State should be prohibited from entering into contracts with any individual or company under indictment or convicted of any narcotics-related offenses, including money laundering. The Department should be required to institute procedures by which it would routinely check with the FBI, Customs and DEA to determine whether a company or individual is under investigation before the Department enters into any contract with the company or individual.

No U.S. intelligence agency should be permitted to make any payments to any person convicted of narcotics related offenses, except as authorized in writing by the Attorney General in connection with the investigation or prosecution of criminal activity.

The Neutrality Act should be amended to apply only to actions which are not specifically authorized by the State Department. Each such authorization would require prompt notification by the State Department to the House and Senate Foreign Affairs and Foreign Relations Committees, and Select Committees on Intelligence.

The annual drug certification report should be required to review links between international narcotics trafficking, money laundering and international terrorism (including guerrilla groups on the right and the left with regard to ideology.)

The National Director of Narcotics Policy should be required to report to the Congress on current U.S. federal personnel practices affecting all persons engaged in the war on drugs to determine whether adequate resources are being devoted to hiring, training, promotion, and retention of federal employees responsible for narcotics matters.●

ELECTRIC UTILITY BANKRUPTCY CLARIFICATION ACT

● Mr. HUMPHREY. Mr. President, earlier this year, Senator RUDMAN and I introduced legislation to clarify the U.S. Bankruptcy Code with respect to its treatment of electric utilities. Our bill, S. 46, and a House companion, H.R. 681, protect ratepayers by preventing electric utilities from using the chapter 11 reorganization provisions of the Bankruptcy Code to circumvent State laws.

S. 46 fills a gap in the Bankruptcy Code by clarifying the role of State regulatory authorities in a bankruptcy proceeding. This gap was revealed when the largest utility in New Hampshire filed for bankruptcy under chapter 11. The Public Service Co. of New Hampshire [PSNH] has asked the Federal Bankruptcy Court to approve a reorganization plan which would transfer jurisdiction of PSNH's rates from the State Public Utility Commission to the Federal Energy Regulatory Commission. In seeking to supplant State Law, PSNH hopes to realize enormous rate increases. In fact, under PSNH's plan, New Hampshire customers would bear a 40-percent

rate increase in order to protect the financial interests of PSNH's creditors.

Mr. President, S. 46 is designed to protect the ratepayers from unwarranted and exorbitant rate increases that will result when utilities seek to circumvent State laws through the reorganization provisions in the Bankruptcy Code. S. 46 simply requires that, in cases where a proposed reorganization plan would restrict the existing jurisdiction of a State regulatory body, that State authority would have to approve the utility's reorganization plan.

Although S. 46 was promoted by the PSNH bankruptcy, the problem addressed by the bill is by no means confined to New Hampshire. In fact, State leaders and utility regulators from across the Nation are writing to urge their congressional delegations to support S. 46. Recently, I have received letters of endorsement from the Governor of Maine, the Arkansas Public Service Commission, the New Jersey Board of Public Utilities, the Wisconsin Public Service Commission, and the Indiana Utility Regulatory Commission.

Mr. President, these State representatives share my belief that the Federal bankruptcy laws were never intended to short circuit State jurisdiction over public utilities. I urge my colleagues to join their States in supporting S. 46.

I ask that a copy of each of these letters be printed in the RECORD.

The letters follow:

STATE OF WISCONSIN
PUBLIC SERVICE COMMISSION,
Madison, WI, April 13, 1989.

Re S. 46—A bill proposing to prevent electric utilities from declaring bankruptcy to circumvent state law.

Hon. JOSEPH R. BIDEN, Jr.,
Chairman, Committee on Judiciary, U.S. Senate, Russell Senate Office Building, Washington, DC.

DEAR CHAIRMAN BIDEN: The Public Service Commission of Wisconsin is in full support of S. 46, and requests that it be supported by you and the Judiciary Committee. Wisconsin ratepayers could be seriously harmed should a Wisconsin electric utility adopt the course of action taken by the Public Service Company of New Hampshire with regard to the Seabrook Nuclear Power Plant. It is important that Wisconsin ratepayers remain protected by our state reorganization statute. Therefore, we request that you support Senator Humphrey's clarifying legislation.

Thank you for your consideration.

Sincerely,

CHARLES H. THOMPSON,
Chairman.
MARY LOU MUNTS,
Commissioner.
CHERYL L. POFAHL,
Commissioner.

ARKANSAS PUBLIC
SERVICE COMMISSION,
Little Rock, AR, April 27, 1989.

Hon. DALE BUMPERS,
U.S. Senator,
Dirksen Senate Office Building,
Washington, DC.

DEAR SENATOR BUMPERS: On January 25, 1989, Senator Gordon Humphrey introduced S. 46. This legislation would prevent electric utilities from using the reorganization provisions of the bankruptcy code to circumvent State laws governing rates and other matters.

The Arkansas Public Service Commission supports this legislation. However, we are concerned that the definition of electric utility used in § 110.(c) hits more than was intended. It appears that a broad interpretation of this section could potentially include co-generation facilities. Under the Public Utility Regulatory Policy Act, the utility that ordinarily supplies a co-generation facility with electricity is required to buy any excess electricity produced by a co-generation facility. This could possibly bring these co-generation facilities in under the resale provision.

The Arkansas Public Service Commission urges you to support S. 46 with an amendment specifically exempting the co-generation facilities.

Thank you for your consideration in this matter.

Sincerely,

SAM I. BRATTON, Jr.,
Chairman.
PATRICIA S. QUALLS,
Commissioner.
JULIUS D. KEARNEY,
Commissioner.

STATE OF MAINE,
OFFICE OF THE GOVERNOR,
Augusta, ME, April 12, 1989.

Hon. JOSEPH R. BIDEN, Jr.,
SD-224, Washington, DC.

DEAR SENATOR BIDEN: As a result of Maine's recent exposure to two utility bankruptcies with the potential for serious disruption of the affordable supply of electricity to our state, I am writing to urge your support of H.R. 681, the Electric Utility Bankruptcy Clarification Act. This bill provides that bankruptcies and reorganizations of public utilities will not short-circuit state regulatory jurisdiction. In the course of a recent reorganization filing under Chapter 11 of the Bankruptcy Code made by Public Service of New Hampshire, that utility has proposed that federal regulatory oversight of a newly-created holding company should supersede state jurisdiction over costs associated with the Seabrook nuclear power plant. A Maine consumer-owned electric utility, the Eastern Maine Electric Cooperative, has filed for protection under Chapter 11 as well, due to its inability to support continued investment in the Seabrook project.

I favor enactment of H.R. 681 due to Maine's interest in effective state regulation of electric utilities, particularly in cases where those utilities face an uncertain and troubled financial future. The federal government and courts have for years recognized the importance of state regulation of electric utility operations. In the absence of H.R. 681's enactment, this important state interest could be jeopardized in pending—and future—bankruptcy proceedings.

Thank you for your attention to this very important concern.

Sincerely,

JOHN R. MCKERNAN, Jr.,
Governor.

STATE OF NEW JERSEY,
BOARD OF PUBLIC UTILITIES,
Newark, NJ, April 12, 1989.

Re S. 46 and HR. 681, Bills Proposing to Prevent Electric Utilities from Declaring Bankruptcy to Circumvent State Law.

Hon. GORDEN J. HUMPHREY,
U.S. Senator, Washington, DC.

DEAR SENATOR HUMPHREY: The New Jersey Board of Public Utilities is concerned about the precedent being set by Public Service Company of New Hampshire's (PSNH) filing for Bankruptcy and Reorganization under Chapter 11 of the United States Code. It has come to our attention, through the National Association of Regulatory Utility Commissioners, that PSNH is seeking reorganization in order to circumvent state regulation.

This Board supports the passage of S. 46 and H.R. 681 which are designed to prevent such action by utilities. It is our belief that clarification of the bankruptcy law to require prior state regulatory approval for plans of adjustment or reorganization is a positive action.

Thank you for considering our comments on this important issue.

Very truly yours,

CHRISTINE TODD WHITMAN,
President.

INDIANA UTILITY
REGULATORY COMMISSION,
Indianapolis, IN, April 10, 1989.

Re S. 46 Senator Gordon Humphrey.

Hon. RICHARD G. LUGAR,
306 Hart Building, Washington, DC.

Dear SENATOR LUGAR: The Indiana Utility Regulatory Commission would like to express our strong support for S. 46 introduced by Senator Gordon Humphrey entitled the "Electric Utility Bankruptcy Clarification Act". Senator Humphrey's bill addresses a problem in New Hampshire where Public Service Company of New Hampshire has sought protection of the bankruptcy Court. The PSNH bankruptcy is the result of problems emanating from the long delay in issuing an operating license to the Seabrook Nuclear Power Plant.

In March of 1986, this Commission by emergency action following lengthy proceedings granted Public Service Indiana emergency rates which, in conjunction with numerous other provisions of the Order, saved PSI from bankruptcy. One of the reasons that this Commission determined it to be essential that PSI not become bankrupt is the very problem addressed by Senator Humphrey's bill. That question is the extent to which a bankruptcy court might go in setting rates for a utility's electric customers contrary to the orders of the state's legitimate ratemaking agency, in our case the Indiana Utility Regulatory Commission.

Although PSI avoided bankruptcy as a result of the closing down of the Marble Hill construction, the Wabash Valley Power Association which held a 17% interest in that new construction, was forced into bankruptcy more specifically a Chapter 11 proceeding. The major problem now facing WVPA in those proceedings are the claims of the Rural Electrification Administration that it has the power to override state jurisdictions and to order WVPA in spite of the

IURC and without express authority from anyone, including the bankruptcy court, to raise its electric rates to a level deemed sufficient by the REA.

This very brief and oversimplified review of our situation in Indiana should help you to understand why the IURC considers S. 46 or similar legislation to be very important. As a matter of fact, while S. 46 may meet the New Hampshire crisis it really is not broad enough to address the current conflict between the IURC and REA. Regardless of that concern, however, we strongly support the remedy provided by S. 46 in that it would definitely clarify the position of all parties insofar as bankruptcy proceedings of a public utility are concerned.

Presently WVPA has pending before the United States District Court for the Southern District of Indiana in civil action IP 89-126-C its complaint for declaratory judgment against the Rural Electrification Administration to settle this jurisdictional question. I am enclosing for you and your staff a copy of this complaint in order that you may better understand WVPA's position in this matter, a position with which the IURC is fully in accord. Frankly, we consider the manner in which the Rural Electrification Administration is addressing this problem to be an example of federal bureaucracy at its worst. You are probably already aware of the fact that REA has advised WVPA's member cooperatives that no further financial assistance will be extended until the member cooperatives comply with REA's orders. The IURC is seeking to intervene in these federal court proceedings in support of WVPA.

While we are very optimistic that WVPA will prevail in the declaratory judgment action, it seems preferable that such confrontations be resolved either by changes in policy or, if that is not possible, federal legislation.

A number of Indiana utilities are subsidiaries of holding companies. Although none seems in current danger of bankruptcy, the situation addressed by S. 46 could occur in Indiana at some further date. We urge your support of S. 46 and any amendments which might further strengthen the bill.

The Commission and its Staff will be very happy to provide you with any additional information which you might wish in regard to this problem.

Sincerely yours,

LESLIE DUVALL,
Acting Chairman.●

CLEAN WATER ACT AMENDMENTS

● Mr. D'AMATO. Mr. President, I rise today as a cosponsor of S. 687, legislation which will expand authority under the Clean Water Act with regard to penalties for major oilspills.

It's been nearly 2 months since the *Exxon Valdez* ran aground on Bligh Reef in Prince William Sound. The toxic crude oil has killed thousands of birds, at least 600 sea otters, countless other marine and wildlife as well as fouling nearly 300 miles of shoreline. The Coast Guard has reported that cleanup efforts are progressing slowly at best.

The question that many Americans have asked is why was Exxon so ill prepared for such a disaster? Why wasn't the contingency plan followed? Why did it take so long for the Federal Government to intervene? And what is Congress going to do about all of this?

S. 687 gives Congress a chance to do something to help deter future oilspills. This legislation increases the amount of the penalty that can be applied to a company responsible for a major oilspill from a minimum of $5,000 to a minimum of $50,000. It also gives the EPA Administrator the discretion to increase that penalty in response to the severity of the spill up to $50 per barrel. In the case of the *Exxon Valdez* that would have been in the neighborhood of $12 million.

The legislation also requires the EPA to report back to Congress within 1 year with an assessment of existing oilspill contigency plans and recommendations for changes and improvements.

While we cannot guarantee that there will never be another major oilspill, we can take steps to strengthen existing laws and toughen penalties for such inevitable events. This legislation will go a long way toward deterring future oilspills and increasing the standards of vigilance and care in the oil industry necessary to protect our fragile environment. I urge my colleagues to support this bill.●

TERRY ANDERSON

● Mr. MOYNIHAN. Mr. President, today marks the 1,522d day of captivity for Terry Anderson in Beirut.

I ask that the March 16, 1986, column by Jack Anderson and Dale Van Atta be printed in the RECORD.

The column follows:

STILL HOSTAGE

One year ago today, a green Mercedes pulled in front of the parked car in which Associated Press correspondent Terry Anderson was sitting on a street in West Beirut. He was talking with a friend, AP photographer Don Mell.

"I don't like this," Mell recalls saying, as the green car pulled up. He stepped back from Anderson's car, and said: "Get out of here."

Before either American could do anything, three men brandishing pistols jumped out of the Mercedes. They dragged Anderson out of his car and up to theirs, knocking his glasses off. There was nothing Mell could have done.

It was clear that Anderson was the kidnappers' target. The previous day, he had told colleagues a green Mercedes tried twice to run him off the road.

Anderson was the AP's chief Mideast correspondent. The story of Anderson and his family in the year he has been held prisoner by terrorists is a heart-rending one.

A respected foreign correspondent who had worked in Tokyo, South Korea and South Africa, Anderson was assigned to Beirut in late 1982. He soon won a reputation as an astute observer of Lebanese Shiite activities; he already had a solid reputation as a reporter who meticulously checked his facts.

"He had a sense of value about his work," his sister, Peggy Say of Batavia, N.Y., told us. "He honestly felt they needed him there because he felt he was unbiased."

The seemingly insoluble tragedy of Lebanon affected this compassionate reporter deeply. A close friend and fellow journalist, Robert Fisk, a veteran of a decade in Beirut, recalls the time Anderson came into the AP office to write after seeing an Arab child burned to death in some mindless act of violence. Anderson put his head down on his typewriter and wept unashamedly. Then he wrote his story.

"The only thing that happened he absolutely would not talk about was the bombing of the Marine compound," his sister said. An ex-Marine himself, Anderson "had spent a lot of time with those Marines," she explained. The devastating suicide bombing of the compound at Beirut airport killed 259 Americans in October 1983.

Anderson learned to live in the constant danger of Beirut with some degree of ease. In 1984, he persuaded his father, Glenn, to pay him a visit. Concerned that his own apartment wasn't safe enough, Anderson checked his father into the Commodore Hotel, a reporter's hangout normally immune from attack by the competing armed factions in the city.

"Dad visited him until his hotel room was shelled by gunfire," Peggy Say recalled. "It blew out the wall in Dad's room, so he came back home." Almost to the moment he was kidnapped, Anderson felt protected from deliberate acts of violence—or at least assured his family that he was. He told them that the Shiite Moslem terrorists needed him to tell their story to the world, and must realize it would be counterproductive for them to harm him. Despite these assurances, Anderson took the precaution of sending his wife, Mikki, and their young daughter, Gabrielle, back to Mikki's native Japan a year before his abduction.

Anderson's captors have provided scant informaton about their prisoner. The family received two letters from him soon after his kidnapping, but both read as if they had been dictated by the terrorists. The release of a fellow hostage, the Rev. Benjamin Weir, last September brought the family a heart-warming report of Anderson's courage in captivity.

Weir told the family that Anderson's greatest concern seemed to be whether his newborn child was a boy or girl. It was a girl, born on June 7, not quite three months after the kidnapping.

To tell Anderson the good news, the family put together a videotape for his 38th birthday last October. His captors allowed him to see it, and in the only apparently authentic letter he sent, Anderson said he wept with happiness on seeing the film of his new daughter.

Since then tragedy has stalked the Anderson family. His father, who had worked tirelessly for his release, died Feb. 15 of cancer diagnosed only 5 weeks earlier. At the funeral, the oldest son, Glenn Jr., had a heart attack.

Today in Washington, the relatives of American hostages in Lebanon will hold a religious service in the morning and a candlelight vigil in front of the White House in the evening.

Lest we forget, the other hostages known to be still alive are Peter Kilburn, an American University of Beirut librarian; The Rev. Lawrence Jenco, a Catholic relief official; David Jacobsen, an American University hospital official; and Thomas Sutherland, agriculture dean of the university.●

SELF-DEFENSE, AN INHERENT RIGHT

● Mr. McCLURE. Mr. President, it is clear that self-defense is an inherent right. It is a peculiar notion indeed that denies us this basic right. Must we cringe before the thugs that terrorize the innocent and the weak? If we do, evil will surely prevail.

I am pleased to share with my colleagues two excellent letters to the editor, one to the Washington Post written by Frank Tauss of Vienna, and the other to the Washington Times, by Derek W. Linden of Bethesda. We have all been horrified by the vicious beating and rape of a young woman in Central Park. Her life has been shattered; nothing can mend that. We can, however, imagine how events would have differed if the victim had been armed, or if the criminals had feared some kind of effective self-defense or punishment.

Perhaps we are seeing a breakdown in the moral fiber of the individual, for whatever reason. I have no sympathy with those who find excuses for such brutality. When normal standards for moral behavior are missing, as they were in this case, and other, less publicized cases, society must move to protect itself. It must first of all not deny the law-abiding individual the means for self protection. It must also ensure that such savagery is swiftly and certainly punished, thus instilling the fear that will promote restraint in those otherwise lacking conscience.

Mr. President, I ask that the two following letters be inserted in the RECORD.

The letters follow:

[From the Washington Post, May 16, 1989]

WHAT IF THE JOGGER HAD CARRIED A GUN?

The difference between Bernhard Goetz and that unfortunate woman in Central Park is that Mr. Goetz recognized that a danger existed and prepared himself for it. It is madness that once you are selected to be a victim by a thug you have no real recourse but to suffer the violence as did the jogger, or be vilified and prosecuted for protecting yourself. Would Mr. Goetz have been mutilated or killed had he not defended himself? If the jogger had been armed and shot one or more of her attackers, would she, too, stand trial?

When an individual steps beyond the limits of civilized behavior, then it is the right of the civilized to defend themselves. No amount of psychological rationalization can alter the fact that one of our basic instincts is to survive, first as an individual and then as a group. Those who threaten our survival should feel a swift and painful retribution, either at the hands of the intended victim in the act of self-defense or by the community in the aftermath.

I do not want to be killed; I will not kill. I do not wish to be stolen from; I will not steal. Do unto others as you would have others do unto you is not just a quote from a religious text; it is a definition of the social contract that allows groups of people to live in relative harmony with one another.

Those who are horrified by the idea of killing in self-defense or retribution, think how it would feel if it were your sister or your wife or your mother or yourself who was raped or killed. If you do not love yourself or those in your life enough to want to survive, that's OK. That's your choice. But it is not my choice.

When a person demonstrates that he is not bound by the same conscience and morality as the community and takes from someone else all that he really has, his life, then that person forfeits his rights, privileges and even his existence. This will not prevent or discourage all such attacks; nothing can eliminate all the crime and criminals as long as humans are imperfect. But swift and final punishment will prevent the violator from killing again and let others know that we value ourselves and will not take lightly the loss of one of our own.

Until the apologists realize this and accept the reality of the world we live in, there will be more, not fewer, victims.

FRANK TAUSS.

VIENNA.

[From the Washington Times, May 16, 1989]

ADDING A SIGNIFICANT RISK FACTOR TO THE PAST-TIME OF "WILDING"

While I agree with the general tenor of Samuel Francis' April 27 column, "Up in Central Park, down in New Orleans," condemning the vicious maiming and gang-rape that occurred in Central Park, he is fundamentally wrong in asserting that New York's Sullivan law has disarmed criminals in New York.

The effect of personal disarmament (colloquially referred to as "gun control") in New York, Washington, D.C., and other major cities has not been to disarm criminals, but rather to disarm law-abiding citizens. Personal disarmament has not affected violent crime; in fact when law-abiding citizens are disarmed, criminals are emboldened.

This horrible incident also provides vivid illustration, if any was needed, that the only sure means of self-defense available to a victim confronted by physically stronger and more numerous assailants is a handgun.

One can well imagine what might have happened if the victim had been armed with one of the new, light-weight, high-capacity semi-automatic handgun that undercover police officers (including some New York officials who vociferously oppose the ownership of such handguns by civilians) are making their handguns of choice. One might even surmise that with the addition of significant risk to the activity, "wilding" might fall into disfavor among its current participants.

DEREK W. LINDEN.

BETHESDA, MD.●

COLLEGE LOANS VERSUS GRANTS

● Mr. SIMON. Mr. President, as often as we say it, it cannot be said too many times: Education is our Nation's best investment in the future. While President Bush says he wants to be our "education president," the fact remains we are devoting only about 2 percent of our Federal budget to education. There are all sorts of ways we can improve our educational system and one of those is shifting our national priorities. But another important issue that I have written about in my weekly column is the question of college loans versus grants. I ask that a copy of my column be printed in the RECORD.

COLLEGE LOANS VERSUS GRANTS: SOME SURPRISING ANSWERS

[EDITOR'S NOTE.—Senator Simon is former chairman of the House Subcommittee on Higher Education and now serves on the Senate Subcommittee on Education.]

This nation has to do better in education. You will continue to hear me say that over and over, until we act to change our priorities.

One of many illustrations of this shortcoming is in higher education.

In the last nine years the average cost of college—eliminating the inflation factor—has risen by 40 percent. During that same period, family income grew 33 percent—and federal assistance for students rose 3 percent.

It should not surprise anyone, then, that in many key measures of using talent we are slipping. For example, the number of blacks graduating from high schools has risen over those same years, while the number going to college has dropped.

Not only has student financial aid dropped, it has been twisted.

We have shifted away from a primary emphasis on grants to go to college, to loans.

What's wrong with that? A number of things:

(1) It costs the federal government more money. That may be hard for some to believe but it is true. Because we subsidize interest and also pay for loan defaults, the costs are escalating. Of the money provided for student loans this year, 43 percent is not going for loans, but to pay for defaults.

(2) It discourages college attendance. That happens for two reasons: It is a barrier to some people to take out loans in the first place, particularly if you come from a family unaccustomed to taking out loans, or you are from a family that has been burdened already by having too much debt. A second factor is that we now have studies that show that students who go to college through grants are more likely to stay and complete their work than students who rely on loans.

(3) The loans often postpone the traditional American dream. What is that dream? Having a home of your own and a family. One young couple I talked to recently is faced with repayments of $422 a month for seven years. They're living on limited income. They would like to have that home and family, but they see no alternative but to postpone those hopes.

(4) Loans discriminate. We have made a great deal of progress in this country that we can look to with pride. But it is still true that those of us who are white males will on the average earn more when we graduate from college than those of you who are female or members of minority groups. That means that it is easier for some people to repay loans than for others.

(5) Loans twist occupational goals. You're a college student, facing $10,000 to $15,000 in loan repayments when you get out of college. You must choose between majoring in business or law, or becoming either a teacher or a social worker. You are a person of above average talent, who would like to become a teacher or a social worker, but you also want to pay off that loan quickly. Is

the nation better served by your shifting over to a major in business or becoming a lawyer? Probably not, yet that is the way we tilt things.

I do not favor doing away with loans. We should keep the loan program we have, but as we recognize that more student aid is essential for the nation's future, we should shift what we spend toward more grants.

For most American families, sending young people to college is a struggle—more of a struggle than it should be. If we devoted more than the present 2 percent of the federal budget to education, and did it wisely, it would be less of a struggle for these families.

And the nation would be well served.●

NUCLEAR AND MISSILE PROLIFERATION

● Mr. GLENN. Mr. President, I have spoken many times about the global spread of nuclear weapons and missiles, and about the measures that are needed to halt this proliferation before it sends the world into turmoil. If anyone here seriously thinks that these problems are now under effective control—or that the threats from the proliferation of these weapons are remote from the daily lives of average Americans—then I have a few comments that may change your mind.

A VOICE OF REASON

Let us start with some common sense—you do not need a top secret intelligence clearance to understand how the proliferation of these deadly weapons threatens us all. As much as I have read and spoken about this problem, I have not seen a more straightforward statement of the risks and responsibilities that we face as a nation in this area than a brief opinion piece by A.M. Rosenthal that appeared in last Friday's New York Times.

Mr. President, I ask to submit at this point in the RECORD an op-ed by A.M. Rosenthal, from the New York Times of May 12, 1989.

The article follows:

THE WEAPONS OF HELL

At least we will know where to put the blame. If the day comes when the terrorist nations use the weapons of hell against us or other enemies, at least we will know that.

At first, we will try to evade the truth. We will say it is the fault of our friends and allies who sold those mad-men the material for the chemical weapons, the missiles and the nuclear technology.

But eventually we will have to face reality: the blame belongs to us, the Government and people of the United States. We knew, and could have stopped it, but did not.

About 40 West German companies are suspected by Washington of shipping chemicals and technology for chemical warfare to a Libyan plant and other Middle Eastern countries. German companies helped Libya, Syria, Iraq and possibly Iran build missile capability.

China is sending missiles to Libya. A Swiss company negotiated with Iran to build a poison gas plant.

We know Pakistan, and probably India too, has received clandestine help from abroad in preparing its nuclear weapons capability. Pakiston is an American ally and India a democracy important to us.

But perhaps someday far less friendly regimes will rule in Islamabad or New Delhi. Then we would live in fear that nuclear weapons capability could be transferred to bitterly hostile nations.

The principal target for the chemical weapons—the Libyan plant alone will produce 40 tons a day for warfare—of course would be Israel.

But the terrorist nations showed, during the Iran-Iraq war, that they will use chemical weapons against each other and their own people.

So it is easily conceivable that countries that deliberately blow up civilian airliners might one day raise the terror level by planting and exploding a chemical weapon somewhere in the West. The Ayatollah would regard it an act of special piety.

Americans look on drowsily. Is the danger on another planet? American specialists on terrorism and weaponry are astonished at the public passivity.

American Governments have not provided leadership. The Reagan Administration sent more than 250 polite complaints to the West Germans about nuclear aid to Pakistan and chemicals to Middle Eastern countries.

But the protests were usually secret. Our German allies either buried or routinely denied them.

Now, that Swiss company finally agrees that helping Iran build a poison gas plant would not be a delicate thing to do.

The West Germans got around to arresting the former director of the company that built the Libyan plant—the same company that, in January, Bonn indignantly denied was doing anything of the sort.

Well, that's nice. But all those other complaints Washington made to Germany, what happened to them and how were investigations carried out?

But it is not useful to blame the Germans or Swiss or Chinese. Obviously they do not consider selling chemical weapons or missiles to terrorist nations that bad; matter of values.

It is this country's job and moral obligation to stop friends and allies from sending terror weapons to terrorists.

First, the Government must stop wrapping the record in secrecy, stop putting "classified" stamps on our protests, stop covering evasions and denials. The "secrets" are kept not from suppliers or receivers—just the American public. President Bush can end that with a telephone call to the State Department.

Then we should cut off from the U.S. market every foreign company we believe is sending materials or technology for these weapons to terrorists; cut them off very fast, for very long.

Legislation to do this is before the Senate and the House, introduced by members of both parties. The Administration wants the decisions to cut off trade left to the President. No; they should be automatic by law.

We must tell the Chinese Government that we happen to have our own little cultural sensitivities and that they must choose between missiles to Libya and business with us.

Then we must say much the same thing to our allies. Most of them are as worried as we—and as clean. As for Germany, perhaps we may find that more Germans will agree with us than with the grossly, unforgivably insensitive German companies on the list of traders in hell.

Of course, we have to make absolutely sure we are not in that trade in any way ourselves—as we and Israel were so shamefully when the missiles were sent to Iran. It is part of waking up and looking in the mirror—better now than waiting until just one day too late.

Mr. Rosenthal makes three key points:

First, since today's foreign friends may easily become tomorrow's foes—a lesson we learned the hard way in the cases of Libya and Iran—we should not directly or indirectly condone the proliferation of nuclear weapons or nuclear-capable missiles anywhere, even by our friends. It is our duty to encourage our friends to see the folly in possessing such weapons and to communicate our firm determination to stop this mad pursuit of what Mr. Rosenthal calls, the weapons of hell. We must have a global policy.

Second, the United States cannot shirk its responsibilities by covering up proliferation with the veil of secrecy based on political concerns—secrecy based on legitimate concern about intelligence sources and methods is one thing, but secrecy based on political convenience is quite another. When we send hundreds of diplomatic protests and messages to other nations that are chronic suppliers of materials for these "weapons of hell," our responsibility does not—and cannot—stop with the delivery of these so-called demarches.

Why should the Congress and the American people not be informed if our diplomacy is ineffective in stopping this deadly commerce? Why should the citizens in the offending country never be provided an opportunity to learn of the concerns that we are expressing to their leaders? Are we using secrecy to protect the guilty, or to mask a failed policy? If so, maybe an appropriate subject for Mr. Rosenthal's next op-ed might be, the "policies of hell."

His third point is that our policies must have some teeth—when we detect illicit trafficking in commodities associated with nuclear weapons, missiles, chemical or biological weapons, we must have something more in our grab-bag of diplomatic responses than what Richard Perle has recently called, demarche-mallows. I believe Mr. Rosenthal is right: The time has come for the United States to impose stiff economic penalties on companies that chronically traffic in goods related to all of these types of weapons. We need to penalize not just the use of these weapons in war. We need to go after the "kingpins" of the illicit nuclear and missile marketplace. The world must know where we stand.

THE VOICE OF THE AMERICAN PEOPLE

Although the previous administration did very little to educate the American people about the threats we all face from the proliferation of nu-

clear weapons and their various delivery systems, I am convinced that the public understands that nuclear terrorism or regional wars involving these "weapons of hell" are threats that deserve a high priority in any administration.

In the early days of the last Presidential campaign, the polling firm, Marttila & Kiley, Inc., released a survey of randomly selected American voters which shows that the public at large is definitely concerned about the problem of nuclear proliferation. Here are a few quotes from the findings of that survey:

Several findings point to a growing public concern that nuclear proliferation and Third World instability, perhaps even more than a continued arms race between the superpowers, represent the gravest threats to our national security.

Other than "tensions in the Persian Gulf" * * * Americans are more likely to view "the spread of nuclear weapons to the Third World" as a serious threat to our country's security than any other item we tested.

Fully 76 percent regard nuclear proliferation as an "extremely" or "very" serious threat to national security * * * this ranks higher than either the "nuclear weapons buildup by the U.S. and Soviet Union" (64 percent), or "Soviet aggression around the world" (56 percent).

More recently, the Roper Center for Public Opinion Research has reported a Yankelovich survey in which 1,000 randomly selected registered voters from across the Nation were asked to assess the extent to which "the spread of nuclear weapons to Third World countries" threatened our national security interests.

Here are the results of that October 1988 poll: An astounding 87 percent of the respondents ranked nuclear proliferation as either an "extremely serious" or a "very serious" threat. It is interesting that this figure is over 10 percent higher than the result obtained in October 1987 to the same question. Only 2 percent of the voters in the 1988 poll called the proliferation threat, "not very serious."

This, Mr. President, is the voice of the American people—this is where we stand.

THE VOICE OF THE MEDIA

In recent months, the international and domestic news media has been issuing one horror story after another about the worsening global spread of nuclear weapons, missiles, and chemical and biological weapons. I ask to submit into the RECORD at the end of my remarks the full texts of several of these reports. Here is what the media is reporting:

Pakistan continues its march toward the bomb.—The European press is having a field day with reports that Pakistan has acquired from West Germany United States-origin tritium—an H-bomb material—tritium recovery equipment, lithium—used in producing tritium—and a United States-origin laser, the latter as part of a package of equipment for making nuclear fuel. Meanwhile, the Pakistani army chief has boasted that his recently tested surface-to-surface missiles "are extremely accurate systems and can carry a payload of over 500 kg (1,100 pounds)." All of these developments are occurring in a country that receives hundreds of millions of dollars in United States economic and military aid—aid that President Reagan recently certified "will reduce significantly the risk" of Pakistan acquiring the bomb.

India's nuclear and missile programs are rolling like the ancient juggernaut.—India is now reported to be ready to test fire a 1,500 mile intermediate-range ballistic missile. It is ironic that India, after having condemned the United States and the Soviet Union for many years for failing to make progress in nuclear disarmament, is now developing a nuclear-capable missile that is within the class of delivery systems that the United States and Soviets have just agreed to eliminate. India has also reportedly acquired United States-origin beryllium—a material used in components of United States nuclear weapons—for its nuclear program and has been openly accused by the Government of Norway as the illicit destination of over 20 tons of Norwegian heavy water, a material used in producing plutonium.

Nuclear and missile developments are of growing concern in East Asia.—China persists in its stubborn refusal to join international treaties against the proliferation of nuclear weapons, while aggressively promoting sales of ballistic missiles and missile technology to unstable regions. Admiral Thomas Brooks, the Director of U.S. Naval Intelligence, recently testified before the House Committee on Armed Services that in 1988, "the PRC began marketing its 'M' series of short range tactical missiles * * * the M-9 SRBM (325 nm range) is certain to find clients in a number of Middle Eastern/South Asian states." The Chinese are also marketing dual-use equipment and materials associated with the development of nuclear weapons. Meanwhile, I have learned that our Government is considering selling to China valuable nonnuclear parts for nuclear powerplants, worth hundreds of millions of dollars, even though United States law bars the provision of United States nuclear technology to China until certain nonproliferation conditions are met. And thanks to a recent 30-year United States/Japan nuclear agreement, Japan no longer needs United States case-by-case approvals to make use of or ship, by air or sea, ton quantities of weapon-usable plutonium produced from United States-supplied nuclear fuel or reactors. Press reports are also circulating that North Korean may be building an unsafeguarded nuclear reprocessing plant for plutonium production, and that South Korea is working on a ballistic missile that meets the standard international criteria of being "nuclear-capable." If the Korean peninsula goes nuclear, how long could Japan afford not to follow suit?

But there are other regions that are receiving their fair share of press reports in recent months:

The Middle East is on the verge of an arms race involving all of the "weapons of hell."—While Israel's nuclear weapons and long-range missile programs remain unfettered and a subject that is taboo for discussion even among Israel's own citizens, Iraq appears determined to develop its own heavy missiles, chemical and biological weapons and, according to some recent reports, nuclear arms to meet its own regional ambitions. Egypt appears determined to acquire its own IRBM with the assistance of Argentina, Iraq, and unscrupulous European arms dealers. Saudi Arabia, meanwhile, is sitting comfortably with its new Chinese nuclear-capable CSS-2 IRBM's. According to Admiral Brooks—the United States naval intelligence chief—Libya, Iraq and Iran are all, in his words, "actively pursuing" a nuclear weapons capability. Who knows who will be the next to toss a match into the Middle East tinderbox?

Projects are underway in Latin America to develop nuclear submarines and nuclear-capable missiles.—Along with continuing concerns about the refusal of both Argentina and Brazil to join international treaties banning the acquisition or proliferation of nuclear arms, a concern heightened by the dangers of political instability in each country, both nations appear determined to acquire long-range ballistic missiles and nuclear submarines. And both Argentina and Brazil appear intent to export their nuclear-capable missiles to customers in the Middle East.

THE VOICE OF THE NEW ADMINISTRATION

President Bush has stated both in the campaign and after coming to office, that he regards nuclear and missile proliferation to be among the foremost threats facing the Nation and our allies. I hope that he is able to translate his concern into tangible policies designed to halt the spread of these dangerous weapons. He will certainly have my support in pursuing this objective.

Soon the new administration will have a major choice to make. Will we continue the policies of the past, with all of their trappings—such as the demarche-mallows, the refusal to report bad news to Congress and the American people, the blindness to proliferation activities in friendly countries, and the myth that being a reliable supplier of nuclear goods and military

aid will purchase responsible nonproliferation policies among recipients of those supplies? Or will we reinvigorate our policies with new ideas, fresh approaches, and a heightened sense of national commitment? I hope we are prepared to show the world that we not content with trying to manage proliferation, and that we are willing to work creatively with other nations to stop it outright.

Mr. President, as chairman of the Committee on Governmental Affairs, I would like to announce that the committee will hold a hearing on Thursday, May 18 to hear the views of the new administration on these issues. We will hear the testimony of CIA Director William Webster, Mr. Reginald Bartholomew, who has been called the "nonproliferation czar" at the State Department, and Ambassador Ronald Lehman, the new Director of the Arms Control and Disarmament Agency, to assess the threat and our national responses to these awesome challenges facing the Nation.

I hope that this hearing marks the start of a new era of cooperation and consultation between the Executive and Congress in the nonproliferation area. We are going to need this cooperation at home if we are to expect any cooperation or respect from our friends and foes abroad.

The material to be printed in the RECORD follows:

[From Nuclear Fuel, Mar. 6, 1989]

U.S. REPEATEDLY WARNED GERMANY ON NUCLEAR EXPORTS TO PAKISTAN

(By Mark Hibbs)

The U.S. government has issued about 100 specific communiques to the West German government related to planned exports to the Pakistan Atomic Energy Commission (PAEC) and its affiliated organizations, according to information obtained by NuclearFuel. Documents reveal that since the early 1970s planned exports—some of which were carried out—included a range of items—from computer technology to uranium.

Beginning in 1982, U.S. nonproliferation officials began warning Bonn that PAEC attempted to acquire technology for capture of pure tritium. In March, and again in May, 1986, the U.S. told German officials that the firm Linde AG was planning to export a tritium extraction facility to PAEC.

In responding to U.S. requests, German officials contacted Linde, which said it "had no plans" to export such a facility.

The U.S. sent a third warning in December 1986. "Notwithstanding Linde's assertions, we continue to believe that the information we provided you previously is correct, and that Linde submitted a proposal to PAEC for installation of a tritium recovery facility."

While on two previous occasions German export officials asserted that technology from Linde "could not result in a form of pure tritium," the U.S. government replied that "our technical information indicates that such a facility could result in a pure form of tritium."

Western tritium experts queried by NuclearFuel said that the U.S. position was correct. Linde AG, one of a handful of firms in the world with expertise in the field of cryogenic distillation of hydrogen isotopes, could have supplied a heavy water detritiator with capability to purify the tritium gas product.

In 1985, Germany licensed for export to Pakistan a tritium plant by the firm NTG Nukleartechnik GmbH (NTG), preferring to call it a "heavy water purifier" instead of—as the U.S. preferred—a "tritium recovery facility" in the interests of complying with German regulations on sensitive nuclear exports. While heavy water purification technology is not subject to export controls in Germany, technology for the recovery of tritium is controlled.

The U.S. believed that Germany would control export of tritium capture technology to Pakistan according to a pledge made by German officials at a spring 1986 meeting of the Coordinating Committee on Export Controls (COCOM). While German officials previously told the U.S. they "had no authority" to control tritium technology exports, the U.S. government told Bonn that Germany "should now have the legal authority to control the export of a tritium recovery facility." Equipment especially designed for tritium production or recovery appears on Germany's Nuclear Energy List of March 25, 1988. That list of items needing an export license is an annex to Germany's Foreign Trade Ordinance.

The U.S. also discussed with Bonn reports that nuclear trader Alfred Hempel may have been working to assist PAEC is acquiring material for an unsafeguarded reactor.

According to a German government report, citing "friendly intelligence," Hempel, in late 1986, made an offer to PAEC through the firm Ventron GmbH for supplying boron carbide, an absorber material used in reactor construction. U.S. officials told Bonn that "it is well known that Pakistan is developing an indigenous, unsafeguarded reactor" and advised export officials to intervene. In November 1987, German officials advised the U.S. embassy in Bonn that boron exports to Pakistan would require an export license and that none would be given.

Based on other intelligence information, the U.S. Arms Control and Disamament Agency (ACDA) had requested in 1980 that the West German government investtigate several dealings of Nuken GmbH with PAEC.

According to a German government report prepared at ACDA's request, Nukem officials, in 1973, were negotiating the sale of 8 metric tons (MT) of heavy water to the Pakland Corporation, which, according to intelligence sources, was a purchasing arm of PAEC. In the same year, Nukem discussed selling PAEC an undisclosed amount of uranium metal. German officials said that in 1977 the U.S. Energy Research & Development Administration, DOE's predecessor agency, approved the export by Nukem of materials testing reactor (MTR) "reprocessing and transport" technology to the unsafeguarded Pinstech reprocessing facility in Rawalpindi.

The report also says that Nukem sent 30 kilograms of UF6 of unspecified enrichment to PAEC via the Pakistan embassy in Paris in 1978. In the same year, Nukem officials negotiated delivery of "waste liquid vaporizing technology" to PAEC for New Labs, another unsafeguarded reprocessing facility, as well as melting crucibles and 145 kg of depleted uranium.

Nukem officials, according to the report, said only the UF6 was sent to Pakistan. Three additional exports planned for 1979—MTR reflector material to Pakistan, tritium targets to PAEC, plus beryllium metal and beryllium oxide to the Pakistan Directorate of Industrial Liaison—were "held up" by U.S. reexport requirements, Nukem officials were quoted as saying in the report.

The U.S. will not pay more attention to proliferation concerns in Germany, Western diplomatic sources in Bonn said. However, the sphere of influence of U.S. proliferation officials in Germany will be limited because other foreign policy issues—primarily modernization of Lance missiles stationed in Germany—will take precedence.

U.S. officials are also said to be taking a wait-and-see attitude regarding German pledges to tighten nuclear export controls (Nucleonics Week, 5 Jan., 3).

While proposed export restrictions might "put smaller fry like NTG out of business," one source said, non-proliferation officials are skeptical that larger nuclear establishment firms—such as Leybold Heraeus GmbH—will be penalized. The future prosecution of Leybold Hereaus management for its role in exporting sensitive high-enriched uranium centrifuge equipment to Pakistan in 1987 is viewed by U.S. officials as a litmus test of German will to punish nuclear proliferators, sources said. The U.S. "will keep bringing up this case," one source said. German justice officials said the case is presently mired by problems of international law surrounding the alleged theft of Urenco enrichment know-how.

Diplomatic sources also said that the U.S. is looking for an avenue to exert "more direct influence" on officials in the Economics Ministry responsible for export control. One 1986 interoffice memo penned by an Economics Ministry official said that U.S. communiques warning of planned nuclear exports to South Asia "usually land in my wastepaper basket."

GERMAN FIRM'S EXPORTS RAISE CONCERN ABOUT PAKISTAN'S NUCLEAR CAPABILITIES

(By Mark Hibbs)

Information obtained by Nuclear Fuel about West German nuclear exports to Pakistan provides indirect evidence of intensified nuclear weapons research by the Pakistan Atomic Energy Commission (PAEC), Western experts said.

Because Pakistan does not appear to possess technology to detritlate heavy water, German criminal justice officials are puzzled about the purpose of a tritium gas storage and purification plant provided in 1987 by the German firm NTG Nukleartechnik GmbH (NTG), now called NTG Neuetechnik, (NF, 6 Feb., 7). "It is a subject we have been thinking about every day," said Hanau prosecuting attorney Reinhard Huebner.

According to western experts, however, Pakistan may want to irradiate lithium-6 targets—perhaps in an unsafeguarded research reactor—to obtain weapons-significant amounts of tritium gas. The plant provided by NTG, they said, would be capable of purifying this tritium gas to 98% as alleged by suspects' confessions in the case.

In amounts of about 4 to 5 grams, tritium, the heaviest hydrogen isotope, is used as a booster in a fission nuclear weapon.

Information obtained by Nuclear Fuel about the plant design indicates that the tritium facility erected and tested in Pakistan would not be capable of separating hydrogen isotopes present in impure tritium gas extracted from heavy water. This "effectively eliminates" the possibility that the

plant is used to purify gas obtained by detritiating heavy water from the Kanupp reactor, one expert said.

In addition to the tritium isotope of hydrogen, "dirty" tritium gas obtained by detritiating heavy water contains large amounts of deuterium, as well as normal hydrogen. The three hydrogen isotopes must be separated in order to extract pure tritium.

Although U.S. proliferation officials repeatedly warned Germany about Pakistani intentions to acquire heavy water detritiation technology and although German export control officials indeed approved an application by NTG to export a heavy water detritiating plant to Pakistan (NF, 26 Dec. '88, 1), justice officials have no evidence that such a plant was exported to Pakistan.

The plant confirmed to be in Pakistan could, however, purify the gas product obtained from irradiated lithium-6 targets, since separation of hydrogen isotopes would not be required. Bombarding lithium-6 with neutrons produces an end product of tritium, large amounts of helium-3 and helium-4. "Pakistan is irradiating lithium targets," one U.S. expert said, "the German plant could give them a basically pure tritium product."

Western experts said that U.S. proliferation officials have been concerned for several years about the possibility that Pakistan was interested in procuring targets or lithium-tritium technology. A U.S. note to the German Foreign Office from March 13, 1986 expressed the concern that Pakistani agents in Germany were operating on the "international market" to be able to procure "tritiated targets" which could be used "at the Pinstech plant in Rawalpindi" to extract pure tritium.

Export documents indicate that prior to this date German officials approved exports of sub-kilogram amounts of lithium metal and lithium aluminum hydride to Pakistan and India. But according to officials from the Federal Ministry of Research & Technology (BMFT), which evaluated the export applications, the quantities exported were too small to have nuclear application.

Production of tritium via lithium requires bombarding the lithium-6 isotope with neutrons in a reactor. Western experts said, however, that it was not likely that PAEC would use the Kanupp heavy water reactor, which is under IAEA safeguards, for this purpose.

An official at the IAEA said that while heavy water at Kanupp is safeguarded along with reactor fuel, the control rods are not explicitly checked. "From a safeguards point of view irradiation of lithium at Kanupp would be a theroretical possibility," a U.S. safeguards official said.

But experts queried said circumstantial evidence points instead to the possibility that Pakistan may want to irradiate lithium-6 at an unsafeguarded, unknown research reactor. Because of the low melting point of the aluminum used in target cladding, irradiation in a Candu reactor core—where temperatures above 500 degrees F obtain—would also be undesirable, experts said.

One expert recently at PAEC said that Pakistan might be building a 50-MWt research reactor which could produce plutonium with a few high-enriched uranium "driver" rods in the core, but which could also be used to irradiate lithium targets. PAEC is "very proud" of its present capabilities in enrichment, reactor technology, and fuel fabrication, the source said. "I have no doubt PAEC has the means" to build the plant, he said.

Indirect evidence for the plant is provided by testimony in the NTG affair obtained by NuclearFuel.

Confessions of key suspects and documentary evidence indicates that NTG supplied "know-how for design and constuction" of a "small, pool-type" research reactor which prosecutors said might not yet have been completed or erected. In 1987, NTG also supplied aluminum rods and tubes for this reactor.

According to information from Bonn export officials, during 1987, Inam Ul-Haq, identified by intelligence sources as a buyer for PAEC, attempted to buy 30 metric tons of aluminum tubing for the firm Multinational Incorporation in Lahore, Pakistan. A German firm unsuccessfully attempted to export the tubing to Pakistan via Italy, sources said.

Western experts said that the aluminum obtained by PAEC would be useful as cladding material for lithium-6 targets. Aluminum tubes are used for cladding because lithium-aluminum bondings are more chemically stable than lithium-zircaloy bondings.

Western experts believe that it would not be difficult for Pakistan to acquire the technologies to enrich the lithium-6 isotope in lithium metal (over 90% of which naturally occurs as lithium-7) and then bond the cladding to the lithium. The process technology for the final step prior to purification—extraction of tritium gas from irradiated targets—calls for melting the targets in a high-temperature vacuum oven. Details are considered classified information in established weapons states, but engineers in Pakistan "could figure it out without too much difficulty," one weapons expert said.

According to documents, NTG exported to PAEC a high-temperature vacuum oven in 1987.

Beyond expertise for an unsafeguarded reactor, documents also reveal that PAEC also illegally obtained from NTG about 7,000 kilograms of fuel cladding material for Kanupp, the document indicate. This was procured in India and then shipped via Germany to Pakistan, falsely declared as stainless steel tubing and not reported to German export control officials. Because of the word "nuclear" in the full name NTG, Pakistani agents "expressly requested" that the tube transfers be handled by Physikallsch-Technische Bundesanstalt (PTB), a consulting firm under contract to NTG, according to the West German documents.

[From Der Spiegel, Feb. 20, 1989]

NUCLEAR EXPORTS TO PAKISTAN REPORTED

Pakistan has the ability to build the atom bomb. West German firms supplied parts and know-how.

The laboratory is hidden in a desert at the foot of the Kashmir mountains. Anti-aircraft artillery protects the area, soldiers guard the doorways into and out of the laboratories, storehouses, and underground vaults.

In the laboratory, generators whir, selected scientists operate highly sensitive aggregates; measuring instruments, vacuum pumps, and automated precision tools work around the clock.

In the nuclear plant, which forms part of the nuclear center of Pinstech near Rawalpindi, elements for the Islamic bomb are produced in strict secrecy—with machinery made in Germany.

The German equipment—for the time being the last delivery—was tested on site by Peter Finke, 45, on behalf of the Gelnhausen-based firm New Technologies (NTG). In July last year, the physicist showed his Pakistani colleagues for 2 weeks how to operate the complicated glove-compartment plant for the recovery of tritium.

Since then the scientist ("I am a pacifist") has had pangs of conscience; possibly the equipment could be "converted," he says. He stresses that anyway, a "pure training plant" was supplied—allegedly, in order to clean the tritium-contaminated Pakistani nuclear reactor in Karachi, which is, however, 1,100 km away.

Radioactive tritium is sold on the international black market of weapons-grade nuclear products at even higher prices than plutonium. A few grams of this gas are sufficient to increase the power of an explosive "substantially," says nuclear weapons scientist Gerhard Locke, 56, of the Euskirchen Fraunhofer Institute. Therefore, "the second bomb generation of the lighter type" cannot do "without tritium," he says.

However, the artificially produced superheavy hydrogen decomposes quickly into helium. Therefore, it must be constantly renewed.

That is precisely what the NTG plant can do: Every day, five grams of tritium can be recovered—a quantity which according to Locke is "incredibly large." That is why Albert Farwick, chief of the Nanau public prosecution which is investigating NTG, considers "some civil use practically inconceivable."

There is no doubt that Munir Ahmed Khan, chief of the Pakistan Nuclear Authority, with whom Finke already had a cup of tea, has secretly developed his country into a nuclear power; the bomb puzzle is complete. He had many individual parts—ranging from transformer sheets to uranium conversion—supplied by small West German firms, using a network of agents to this end.

The special pipes and supersolid steel from Singen and Saarbruecken, the mass spectrometers and magnets from Bremen and Bonn were made-to-measure for Khan's program which is carried out in a number of nuclear centers:

In Rawalpindi, where in addition to the bomb plant, a 24-year-old U.S. research reactor is in operation and a reprocessing plant produces about 20 kg of plutonium every year;

In Kahuta, Abdil-Kadir Khan, who is admired as "the new Einstein," meanwhile has produced more than 100 kg highly enriched weapons-grade uranium, using ultra-high-speed centrifuges;

At the Dera-Ghazi-Khan center, natural uranium is pulverized and converted into uranium hexafluoride, the initial product for further processing, in three conversion plants supplied by the Freiburg businessman Albrecht Migule for DM15 million.

The Pakistani "atom shopping" has often had Bonn's official approval. The Federal Economics Office (BAW) in Eschborn approved the export of an electronically controlled milling machine of the Munich-based Friedrich Deckel AG, which a secret U.S. study assesses as "extremely useful" for the "production of elements of a nuclear explosive system;" the Economics Ministry rejected as "unacceptable and irrelevant" the U.S. demand to guarantee that the machine not be used in the nuclear industry.

The export of a special press to compact hard-metal powder, which was supplied by

Dieffenbacher GmbH & Co in the Swabian town of Eppingen in 1985, was also approved, even though the purpose of the machine (price DM1.3 million) was not kept secret. The responsible officials knew that the isostatic hot press was intended "for use in an ammunition factory for the manufacture of heavy-metal cores for projectiles."

What types of cores could be meant was discovered post facto by experts of the Federal Research Ministry: "A highly efficient nuclear explosive" must be compressed to the largest possible extent, and "the easiest way" to achieve this is by using a press that is hardly different from the Dieffenbacher model.

The press and the milling machine, made in Germany, were so-called dual-use goods that can also be used for peaceful purposes and are therefore not contained in the embargo lists. However, the U.S. Administration had warned Bonn in time about such deals. U.S. intelligence services reported in 1979 that with the blueprints that he stole in Almelo, in the Netherlands, Abdil Khan was now in a position to build a uranium enrichment plant. To this end, he would buy "equipment on the European market," they said.

U.S. President Jimmy Carter wrote to Chancellor Helmut Schmidt at the time that "we must be careful and prevent this program from beng completed." U.S. experts specifically went to Bonn to instruct the responsible officials. They told them that two firms, the Hanau-based Leybold-Heraeus and the Renningen-based Team Industries, were already "doing business."

Several weeks later, two managers of the enterprises mentioned informed the Economics Ministry that the deals had been carried out. Team Industries had just shipped 31 frequency converters to Pakistan, highly sensitive instruments that are used for the power supply of uranium centrifuges. Leydold-Heraeus manager Gotthard Lerch reported that his firm had supplied valves, vacuum pumps, brazing furnaces, measuring instruments, and a gas purifying plant "in the past 3 years"—together "worth DM1.3 million."

Lerch also said that of course, "it cannot be totally ruled out" that such instruments are useful in a uranium enrichment plant. He said that in the future he will "keep an eye on the aspect of possible use."

He did so. Meanwhile, the Cologne public prosecution is investigating Lerch, because he allegedly smuggled cases of blueprints for the building of a uranium centrifuge out of the Federal Republic. At the same time, he had a number of special instruments copied in Switzerland, the investigators say. The individual parts, which were declared "cooper pipes, boilers, and crane girders," were transported across the French border by truck and were shipped in Air France planes from Lyon via Dubai to Pakistan.

The deal attracted attention after Swiss customs officers seized three specially large vacuum containers, so-called autoclaves.

The proceedings against Lerch have been dragging on for 2 years now. Only one West German exporter has been punished because of illegal nuclear exports to Pakistan: Albrecht Migule.

Quoting the Nuclear Nonproliferation Treaty, the judges said at the time that "owing to a law enforcement deficit, the FRG must accept being accused of having failed to meet its contractual obligations." They added that "the goals" of the nuclear nonproliferation treaty have been "attacked," because the authorities made it so easy for Migule that he did not have to proceed "particularly cleverly."

SPD Bundestag Deputy Hermann Bachmaier says that "the motto by which people in the Federal Economics Ministry work appears like a red thread in the files: You never hear anything, you never see anything—and in particular, you never block anything." Bachmaier, who heads the Bonn Nuclear Investigation Commission, says: "Our doors are just open."

The Karlsruhe Nuclear Research Center (KFK), which is 90 percent government-owned, also was involved in unrestrained exports. The KFK scientists supplied to their colleagues in Rawalpindi parts of a mass spectrometer, without which it is impossible to determine the degree of uranium enrichment. They trained Pakistani scientists, and even allowed one of them to visit their sanctuary—the "hot cells" where plutonium is separated, and they passed on valuable know-how.

Even the Economics Ministry found the close contacts between Karlsruhe and the Pinstech laboratories "astounding." The ministry said that whereas "constant efforts are being made to inhibit the Pakistani nuclear program," the KFK "maintains very close contacts with relevant Pakistani authorities to convey know-how for just this nuclear program." No conclusions were drawn.

The same thing happened when roughly 100 kg of specially hardened steel was shipped from Bremerhaven to Karachi on 9 August 1985. The hot goods on board the "Nedloyd Everest" were just being shipped across the Red Sea, when it dawned on the German authorities that it might perhaps be the so-called maraging steel of Arbed Saarstahl, which is subject to approval and is indispensable for the inside casing of uranium centrifuges, the rotors. The investigators later wondered why "so much fuss" was made about the shipment which involves a number of minor order addresses; however, the proceedings were discontinued.

No matter whether computer systems where involved that can be used for the "control of weapons systems," highly sensitive electronic hardware or ring magnets which according to reports of the Federal Intelligence Service just corresponded to the dimensions of the Pakistani high-speed gas centrifuge of the second type (German version). A coincidence? The officials in the Bonn Economics Ministry always felt pestered, instead of feeling challenged to intensify their checks, when the Foreign Ministry passed on secret documents of U.S. intelligence services warning about planned deliveries.

Such "anonymous papers usually end up in my wastebasket," Buenter Welzien of the Federal Economics Institute furiously wrote to the Economics Ministry, wondering whether Bonn had "ever bombarded the Department of Commerce in a similar way?" Even when the Americans asked Bonn to find out about negotiations conducted by German firms on the possible sale of so-called cryotons—tiny electronic elements with which the time a bomb detonates can be determined with an accuracy of one-millionth of a second—the Federal Economics Ministry's reaction was particularly rough. A responsible official called Spies scribbled on a piece of paper: "I reject such employment measures on principle."

However, the request had not been that absurd, after all. Rudolf Maximilian Ortmayer, at the time NTG manager, reportedly also negotiated in Pakistan with a man called Sulfikar Ahmed Butt—the very Pakistani who had attracted attention in the United States when he was trying, via agents, to purchase 50 cryotrons from EG & G Inc. Wellesley, Massachusetts, the only producer in the world. Butt, who is considered to be the chief buyer for the Pakistani bomb builders, reportedly presented to Ortmayer a comprehensive wish-list.

However, the negotiations were only more specific regarding tritium: Butt ordered 10 grams.

The nuclear buyer soon was not interested any more in the heavy water clearing plant that the Pakistanis initially planned to buy, although Ortmayer had engineered everything so nicely to legalize the deal. He invited the responsible official of the Federal Economics Institute, Manfred Ruck, and the Bonn expert spies to see him in Gelnhausen. Having a glass of sherry, the gentlemen discussed the export wishes.

Ruck wrote to his colleague Spies that the plant is absolutely harmless, comparable, "in a figurative sense, to a drinking water treatment plant."

The application was approved.

[From Defense & Foreign Affairs Weekly, May 15-21, 1989]

PAKISTAN PERFECTS N-DETONATOR, CHINA HELPS

Sources close to the Pakistani nuclear program have revealed that Pakistani scientists have now perfected detonation mechanisms for a nuclear device. Islamabad has successfully produced bomb casings which can withstand the buffetting of high speed flights. Such as device, it is learned, can be delivered by Pakistan's F-16s. It has been further learned that China is making arrangements for a Pakistan nuclear test, most likely at its Lop Nur testing ground. Over the past two years Pakistani scientists have been producing enriched uranium at the Kahuta plant. Pakistan's success has been made possible to a large degree by China. Informed sources have told the *Weekly* that China continues to help Islamabad in its nuclear ambitions. Chinese scientists have been visiting Kahuta and Pakistani scientists have been reciprocating the visits.

U.S. CANNOT HALT INDIAN, ISRAELI MISSILE PROGRAMS

US Assistant Secretary of State Allen Holmes has told the Senate subcommittee on defense industry and technology that Washington can do little to rein in the Indian and Israeli missile programs. Holmes is reported to have said that both New Delhi and Tel Aviv had developed indigeneous missile programs, with marginal external support and Washington would have little or no leverage over the two respective programs. Meanwhile Senator Jeff Bingaman has been pressing US Commerce Secretary Robert A. Mosbacher to bar the sale to India of US ballistic missile testing equipment that he fears will directly aid that country in the development of its *Angi* ballistic missile, which has a range of 1,500 miles. The *Weekly* has learned that missile proliferation will be a major issue to be discussed between Secretary of State James Baker in his meetings with Soviet Foreign Minister Eduard Shevardnadze in Moscow later this week. Washington is expected to press the USSR to reconsider joining a seven nation Western undertaking to end the sale of ballistic missile technology to developing nations. The Bush administration is taking the missile proliferation issue very

seriously and Washington is expected to remind Moscow that the Soviet Union has been "primarily responsible" for the delivery of thousands of Soviet-made *Scud* missiles over the past decade to Iran, Egypt, Libya and Syria. US officials are hopeful that Moscow will agree to impose unilateral restraints because of growing Soviet concern about the proliferation of missiles capable of reaching Soviet territory in a number of countries including Israel, Saudi Arabia, Iraq and Iran.

[From Nuclear Fuels Magazine, Feb. 6, 1989]

GERMAN FIRMS EXPORTED TRITIUM PURIFICATION PLANT TO PAKISTAN

(By Mark Hibbs)

Two West German firms exported to Pakistan between 1985 and 1987 a plant for storage and purification of large amounts of tritium gas, according to German federal prosecuting attorneys. The firms, Ncue Technologien GmbH (NTG) and Physikalisch Technische Beratung (PTB), have been under investigation since late last year on suspicions they violated German law (NF, 26 Dec.'88, 1).

Tritium gas can be used in nuclear fission weapons as an igniter or as a booster—the latter typically using about four grams of tritium gas. In microgram amounts, tritium also has civilian uses, such as in the watch industry and in medical research.

Industry experts queried by NuclearFuel, concurring with German prosecutors, said a civilian use for such a plant in Pakistan is difficult to imagine.

Moreover, 0.8 gram of tritium was exported illegally from Germany to Pakistan via Hong Kong to be used to leak-test the tritium plant. Part of that tritium was of Soviet origin, while the rest was produced from U.S.-origin heavy water in a German reactor.

Reliable sources said that prior to startup of the purification plant, Pakistani agents had tried unsuccessfully to import from a German firm at least 300 liters of tritium gas corresponding to about 65 grams of pure tritium at standard temperature and pressure.

Alfred Farwick, senior federal prosecuting attorney in Hanau, revealed details of the plant export January 26 in a closed session of the Bundestag (parliamentary) committee investigating the activities of German nuclear firms.

Hanau prosecutors have been investigating nuclear exports since they received information last fall that top officials from at least two companies, NTG and PTB, were believed to have violated the German Foreign Trade Act by exporting sensitive nuclear equipment and nuclear-related material to several non-NPT countries.

The plant installed in Pakistan can purify tritium gas contaminated with helium-3, oxygen, and deuterium, sources said. Experts explained that "dirty" tritium gas, stored on large absorber beds, is heated and passed through a uranium filter that captures the impurities by forming metal hydrides, yielding 98% pure tritium on the other side of the filter.

According to information obtained by German prosecutors, the total holdup capacity of the purification plant sent to Pakistan is 100,000-240,000 curies of tritium gas. Industry sources suggested that the daily throughput of the plant would be approximately 5,000-10,000 curies, the equivalent to production of 0.5-1.0 gram/day of pure tritium gas. One source said this would be an "enormous amount for a country like Paskistan."

The plant would be able easily to purify all the tritium gas—estimated to range anywhere from 200,000 to 2-million curies—present in the heavy water moderator system of the 137-MW Kanupp reactor—Pakistan's sole official potential source of tritium.

The large size of the plant is fanning speculation that Pakistan may have sources of unsafeguarded heavy water, since purification of tritium gas distilled from all Kanupp's heavy water would take only 200 days at the plant's nominal throughput of 10,000 curies/day. Experts said it would be extremely unusual to detritiate an entire heavy water inventory in a single step. The plant, one industry official alleged, would be "big enough to accommodate" the western world's total annual civilian requirement for pure tritium gas. "I can't believe that a plant that size can have a peaceful use in Pakistan," he said.

Western experts are puzzled, however, about the absence of direct evidence that Pakistan has acquired the technology necessary for detriatiating heavy water—a key link in the process chain which starts with tritium-contaminated heavy water and ends with "clean" heavy water and purified tritium gas as a byproduct.

When heavy water is used as a moderator for natural uranium reactors, it becomes contaminated with tritium over time and must be decontaminated using cryogenic distillation technology—a "sophisticated affair," one western engineer said. "Pakistan would have little use for a tritium gas purification plant if it didn't have the upstream technology to detritiate heavy water," he said.

So far there is only indirect documentary evidence that Pakistan has acquired heavy water detritiating technology. In 1984, NTG informed the Bonn government it planned to export a "heavy water purificiation plant" to Pakistan (Nucleonics Week, 5 Jan., 3). Sources said the matter led to a dispute between the Economics Ministry, which controls nuclear exports, and Foreign Office officials who had been asked by the U.S. government to intercede, after U.S. intelligence got wind of the planned export. Washington believed two firms—Linde AG and Sulzer—may have been involved in the planned export to Pakistan.

Despite the U.S. appeal, in September 1985, the Federal Economics Office (BAW) ruled officially that a license was not required for export of a "heavy water purification plant" to Pakistan.

While prosecutors said the tritium plant in Pakistan cost about DM 2.5-billion ($1.4-million), a Bonn legislator said the total value of the planned tritium technology export was about DM 13-million ($7.2-million). The difference might be accounted for by the more expensive upstream detritiating equipment, an industry source said.

According to prosecutors, although PTB director Peter Finke went to Pakistan to test-operate the completed facility, Finke said he was never told, and could not ascertain, the facility's precise location. Finke said he concluded, however, that it was not in the vicinity of the Kanupp reactor.

Prosecutors are now investigating the German source of Pakistan's tritium technology. The staff of one German nuclear research center may have been involved, as well as a former employee of Nukem GmbH who had access to tritium process technology because of a previous tritium joint venture. A scientist at the Maz Planck Institute for Plasma Physics in Garching is also said to have contributed to Pakistan's tritium expertise.

The 8,000 curies of pure tritium gas used to test-operate the plant in Pakistan were obtained for PTB from a German heavy water reactor and from the USSR by two other firms: Gutekunst, a manufacturer of liminous paints in Schwennigen, Germany, and chemical isotopes company Radium-Chemie AG of Teufen, Switzerland.

Sources said it is unclear where Pakistan might obtain impure tritium gas to feed into the purification plant. Large amounts of deuterium in the "dirty" gas would point to an unsafeguarded heavy water supply in Pakistan, one expert said. Large amounts of oxygen in the feed gas, however, would indicate that Pakistan is producing tritium gas by bombarding lithium-6 targets in a reactor with alpha particles—a technology used by nuclear weapons states. This could mean, according to one source, that Pakistan has constructed a secret unsafeguarded reactor.

GERMANY MAY HAVE APPROVED EXPORTS BY PROSECUTOR TO BE ILLEGAL

(By Mark Hibbs)

Some nuclear-related exports from West Germany to non-signatories of the Nuclear Non-Proliferation Treaty (NPT) apparently were offically sanctioned by the German bureaucracy amd supported by legislators in the Bundestag. At least two of the items originally alleged to have been exported illegally—a tritium extraction plant sent to Pakistan and an ultrasound fuel testing device sent to South Africa—may have left Germany quite legally, the latest information indicates.

On December 21, the senior federal prosecuting attorney in Hanau, Alfred Farwick, announced that suspects from the firm NTG-Neue Technologien GmbH (NTG) and the nuclear consulting firm Physikalisch-Technische Beratung (PTB), "illegally exported nuclear technology to Pakistan without the required permits" from the Federal Economics Office (BAW), an arm of the Federal Ministry of Economics in Bonn (NF, 26 Dec. '88, 1; Nucleonics Week, 5 Jan., 3). NTG was known until 1986 as NTG-Nukleartechnik GmbH. The firms were said also to have exported various nuclear equipment and technology to India and South Africa.

Since then, more suspects have signed confessions and the official investigation has widened to other parties, reliable German sources said.

Last week, Federal Minister of Environment and Nuclear Safety (BMU) Klaus Toepfer suspended the nuclear licenses of a third firm, Gutekunst, after Hanau prosecutors said it may have been involved in procuring tritium gas and nuclear technology for PTB and NTG, possibly in another country.

According to confessions leaked to the conservative daily Die Welt last week, another small trading company called Rieckermann in Hamburg served as an NTG broker with Pakistan. In addition, former directors of NTG and PTB were said to have been in Pakistan about 20 times until agreement was reached on terms for the export of tritium extraction equipment and 300 liters of tritium gas. According to officials from BMU, much less tritium—about 8,000 curies, or just under one gram—was actually delivered from Germany.

U.S. officials knowledgeable about nuclear weapons technology said that one gram of

tritium would be far more than Pakistan would require for commercial purposes, but just under the quantity needed for use in a nuclear weapon.

Officials in Bonn called on the Pakistan embassy last week, after suspects alleged that the former Pakistan ambassador to Germany acted as a courier between the exporting firms and agents in Pakistan. A spokesman for Chancellor Helmut Kohl said that as the present Pakistan ambassador claimed he knew nothing of the matter, Bonn would not take further diplomatic action for the time being.

The ultrasound device for fuel fabrication exported to South Africa—termed "measuring technology" in the prosecutors' original report on December 21—appears to be a fuel clad quality control device manufactured and supplied by Nukem GmbH.

The so-called ROTA-25 ultrasound testing device, used to check the neutron porosity of zircaloy fuel cladding, was supplied by Nukem to yet another small German firm, GASA, which did a large volume of business with South Africa before filing for bankruptcy last fall. According to company officials, Nukem knew the equipment was destined for South Africa and assisted in making the device operable after it was delivered. Nukem cleared the sale with federal export control officials at BAW, who ruled on March 8, 1985 that no export permit was necessary.

Nukem officials said direct military use of the Nukem technology by South Africa is "out of the question."

The export of a tritium extraction plant to Pakistan may also have been legal. According to information obtained by Nuclear Fuel, NTG informed Bonn in 1984 of its plans to export heavy water purification technology to Pakistan. The planned sale led to a dispute between the export-promoting Economics Ministry and the Foreign Office, responsible for ensuring Gemany's commitment to nonproliferation.

A senior U.S. State Department official told Nuclear-Fuel last month that Germany "has always shared our concern about the potential for illegal exports to unsafeguarded programs and has been fully cooperative." However, documents in the case show that Washington's plea to block the export of tritium technology was rejected by the German bureaucracy.

In a message dated March 13, 1986, the State Department said an export of such technology to Pakistan from a U.S. firm "would not have been approved" and urged Bonn to block the sale. The German Foreign Office, fearing the export would damage Germany's nonproliferation credentials, encouraged the Economics Ministry to block the export.

An Economics Ministry note dated April 25, 1986, said that NTG management had requested the firm not be named in discussions of the delicate export license matter. They said NTG management feared terrorist reprisal if it became known the firm was negotiating to export nuclear technology to Pakistan.

Nonetheless, NTG's planned export of tritium technology to Pakistan appears to have been no secret to federal legislators. On May 7, 1985, a Christian Democratic (CDU) Bundestag MP from the state of Hesse (where the firm is located), wrote to Rudolf Sprung, parliamentary state secretary in the Economics Ministry, urging support of the NTG export to Pakistan in the interest of local jobs.

[From Hamburg DPA, Jan. 30, 1989]

FIRM SAID TO EXPORT MISSILE COMPONENTS TO LIBYA

KARLSRUHE (DPA)—Highly valuable missile components have been transported to Libya according to a report in the "BADISCHE NEUESTE NACHRICHTEN" (BNN) via a firm in northern Baden. As the newspaper, which is published in Karlsruhe (Tuesday edition) [31 January] reports, quoting Gustav Eduard Michaelis the president of the Karlsruhe Finance Office, this illegal export was discovered last year by customs investigators. An investigation was started on the possible violation of the law on the control of weapons of war.

Out of concern for the enquiries which were still in progress, the Karlsruhe Higher Financial Directorate refused to give further details on the extent of the arms dealing. The name of the firm was also not given. This is not the only occurrence of transportation of weapons to Libya through northern Baden, the paper quotes Michaelis as saying.

[From Hambury Der Spiegel, Jan. 30, 1989]

COMPANIES EXPORTED BERYLLIUM TO INDIA

[Excerpts] Bonn authorities permitted the export of beryllium to nuclear-weapons-possessing India in 1984. Beryllium is used for constructing bombs. [passage omitted]

According to sub-paragraph 0112 of Bonn's "export list B," which is intended to prevent exports of nuclear goods that can be used for the production of weapons to problematic countries, the export of beryllium is classified as strictly requiring an export license. However, as is coming to the surface now, in the spring of 1984, the Hanau-based Degussa company is suspected of having exported 95 kg to India, of all countries, a country that has nuclear weapons-and Bonn had "non objections."

The deal which was authorized by the authorities of the then Economic Minister Otto Graf Lambsdorff (FDP), and Foreign Minister Hans-Dietrich Genscher, might become the cause of new irritations in FRG-U.S. relations. As can be learned from the application papers, which Der Spiegel has, the bulk of the material came from the United States; as middleman, Degussa passed the hot goods on to India.

The transaction took place at a time when, internationally, the rumor was growing stronger that, after its atomic bomb, India was about to develop its own hydrogen bomb. The delivery was forwarded to an address, which, according to FRG nuclear researcher Gerhard Locke, is "most suspicious": The Bhabha Atomic Research Centre (BARC) in Trombay, north of Bombay.

This center likes to boast its nuclear developments in the fields of medicine and agriculture. However, the Indians are less ready to supply information concerning the military part of their research.

International safeguard controls have no access to information regarding the amount of plutonium—the stuff of which the bomb is made of—the nuclear reactors in Trombay breeds. What is certain is that the material for India's first nuclear explosion in 1974 was provided by Trombay. U.S. experts estimate its present plutonium production at some 25 kg per year.

What is strange is that by consenting to the Degussa deal on 15 May 1984 with a specific form, the ministries in Bonn discarded any "suspicion of abuse of beryllium for nuclear purposes." Last week, Degussa itself, parts of the shares of which are held by a subsidiary of the Henkel Washing Powder Company and Dresdner bank, did not find anything objectionable to the deal with India. According to company spokesman Joachim Nimtz, the delivery "was carried out with the permission of the authorities."

On 21 October 1983 the Federal Economic Office (BAW) accepted the first of two applications for exports by the Hanau enterprise. Only 4 months previously, in June 1983, the Reagan Administration had stopped all U.S. deliveries of this kind to India—at that time secret intelligence services noticed intensive efforts by India to start a second nuclear test, possibly with a hydrogen bomb.

Similar reports were spread by the Federal Intelligence Service (BND) almost 2 years later. The "BARC Nuclear Research Center In Trombay," the BND warned in a classified report of May 1985, has been ordered by the Indian Defense Ministry to "continue work on developing a nuclear fusion weapon (hydrogen bomb)."

In its application for exports, Degussa put under the heading "use" "research and development work" in smelting, compressing, and casting of beryllium, which is often used for alloys. Material of "high purity"—at least 98 percent—had been ordered. Degussa added a telex of the Indian Nuclear Ministry [title as published] to the documents for the application. In this telex a government representative claimed that India does "not have any program for the production of nuclear weapons."

According to experts, the amount of beryllium ordered at that time makes sense: 95 kg—this is "a manageable amount for about 20 bombs," arms researcher Locke says.

In building a hydrogen bomb, the metal can be put around the radioactive core as a sheath. The desired effect: According to Locke, the neutron-multiplying properties of the relatively cheap beryllium reduce the demand for valuable plutonium "by a factor of about two."

The Bonn experts cannot have ignored this possibility of use: experts of the FRG Research Ministry expressly warned against the fact that the metal can "be used as a neutron reflector for the construction of nuclear weapons," when they had to deal with an application for the export of 60 kg of beryllium nitrate to India in February 1980.

Only because—as the BAW calculated—"at the most 2.637kg" of pure beryllium can be produced from the nitrate was the permit issued at that time.

The Research Ministry experts noted that for the building of bombs India needs "amounts ranging in kilograms". These were delivered 4 years later—almost 100kg.

[From the New York Times, May 7, 1989]

NORWAY DETAILS HOW HEAVY WATER WENT TO INDIA

(By Sanjoy Hazarika)

NEW DELHI, May 6.—Norwegian investigators say they have evidence that material that could be used in the manufacture of atomic weapons was illegally shipped to a Bombay company in 1983. The company is listed in the Bombay telephone directory as an affiliate of the Indian Government's Department of Atomic Energy.

The Norwegian investigators say their evidence of the shipment, involving 21 tons of deuterium oxide, or heavy water, is a document and a statement from a witness. But the chairman of India's Atomic Energy

Commission, M. R. Srinivasan, denied that such a transaction had taken place.

"At no stage have we bought heavy water from Norway," Dr. Srinivasan said in an interview. "We do not know the veracity of these documents; we have not had anything to do with Norway. We are one of the most important producers of heavy water in the world and we do not have any imports except from the Soviet Union."

It has been previously reported that India obtained heavy water from Norway and the Soviet Union, but this is the first time that Norway has given details of the company that they said received the shipment at Bombay.

Norwegian officials say they have the original flight document that traces the shipment from Oslo to Basel in Switzerland and then to Dubai in the United Arab Emirates and finally to Bombay. They are also relying on testimony by a man hired by a West German company to accompany the cargo.

Under the Nuclear Nonproliferation Treaty, shipments of more than one ton must be reported to the International Atomic Energy Agency and put under safeguards if shipped to countries like India, which has not signed the treaty. That was not done in the case of the 1983 shipment.

Heavy water is used in reactors to slow the neutrons emitted in nuclear fission to a speed at which they cause additional fissions. Ordinary water can also be used, but it absorbs neutrons and therefore requires use of enriched uranium, which is expensive and difficult to make. With heavy water, reactors can run on natural uranium. Reactors using uranium produce plutonium, a bomb fuel, as a byproduct.

Plutonium is also used to start new atomic reactors, and Dr. Srinivasan, the nuclear official, has said that critics who say that India is diverting the material to a nuclear arms program overlook this point. In an interview last year, he said that 50 kilograms of plutonium were used in 1985 to start up a new "fast breeder" test reactor that uses raw material available in India.

Although most of India's nuclear plants are not open to international inspection, New Delhi has denied having a secret weapons program. Its capability of building a nuclear weapons system was shown, however, when it exploded what it called a peaceful nuclear device in 1974.

Norway said a West German company, Rohstoff Einfuhr, bought 15.18 tons of heavy water from Norway in 1983, flew it to Basel in Switzerland by West African airlines. Then, with the addition of six tons of Soviet heavy water, it was flown to Dubai and India. The consignment landed in Bombay, the Norwegians said, about Dec. 7, 1983.

The Chief Public Prosecutor for Oslo, Anstein Gjengedal, who is leading the investigation of the shipment, said in a telephone interview that he did not know whether the destination was an Indian Government department.

"All I have is an address in Bombay, not a name, and we have found this address on a freight document written in West Germany and we still do not know if this is the end user," he said.

Mr. Gjengedal said the address on the freight consignment document listed the Directorate of Purchase and Stores at Palton Road in Bombay as the consignee. He quoted a West German national who reportedly accompanied the flight to India as saying that the consignment was "handed over to this address."

A visit to the address given by the Norwegians showed that the department had moved. A security official at the Directorate's office said the office was move "three or four years ago." The Bombay telephone directory lists the Directorate under a listing for Central Government offices of the Atomic Energy Dpartment.

[From Jane's Defence Weekly, Apr. 22, 1989]

CONTROLLING THE SPREAD OF BALLISTIC MISSILES

(By Barbara Starr)

CIA Director William Webster predicts that by the year 2000, at least 15 nations will be producing their own ballistic missiles.

"Although missiles being developed by these countries are somewhat crude and inaccurate, many of them have capabilities well beyond battlefield range and can strike in a matter of minutes," Webster said.

He did not identify the 15 countries, in a speech following Congressional testimony in which he warned of the proliferation of nuclear, chemical, and biological weapons, especially in the Middle East.

Webster says as many as 20 nations are developing chemical weapons and 10 countries are working to produce biological weapons.

As missile attacks on cities in the Gulf War accelerated in the 1980s, seven industrial nations announced a new effort in April 1987 to curb the transfer of technology that could enable other nations to develop ballistic missile systems.

Yet since the formation of that Missile Technology Control Regime (MTCR), a seemingly unstoppable number of nations have continued to proceed with development of long-range missiles capable of derlivering nuclear warheads, as well as chemical or biological weapons.

The MTCR attempts to control missile technology exports through the co-ordination of the seven member nations: the United States, Canada, France, the UK, Italy, Japan and West Germany. The Soviet Union, China and Israel are not signatories.

Non-proliferation advocates say Third World nations have to go to these 10 suppliers for reliable and usable technology.

The MTCR has had only moderate success as a limiting force. Yet, as Webster said, it does not include "key players in today's missile and advanced technology market.

"The agreement also does not reduce the incentive or ability of Third World nations to develop ballistic missile technology on their own."

Moreover, critics say the MTCR does not take a strong enough stand against export of so-called dual use items, such as components which could easily be transferred from a space programme to a missile programme.

For example, US officials are keeping a close eye on whether India is using technology gained in its space programme for its ballistic missile test programme. India is reportedly planning the first test launch of its Agni medium-range ICBM, said to have a 2000 km range, next month.

The MTCR is not an official treaty, and there is no ruling body to administer sanctions or controls. Each member nation must develop its own laws to control exports restricted under the MTCR.

"The only enforcement mechanism is if the CIA finds out a nation is doing something it shouldn't," says Gary Milhollin, a former nonproliferation consultant to the Pentagon. "The MTCR is not going to stop the spread of ballistic missiles to the Middle East. It is too little, too late."

The regime does provide for a detailed system of regulating the export of certain materials and components that could be used in ballistic, as well as cruise missiles.

Under the terms of the agreement, an envelope is established whereby there is a strong "presumption of denial" to export items capable of delivering at least a 500 kg payload to a range of at least 300 km.

According to the official text of the regime, this means member nations will generally agree not to export "complete rocket systems (including ballistic missile system, space launch vehicles and sounding rockets) and unmanned air vehicle systems (including cruise missile systems, target drones, and reconnaissance drones)" that fall within those capability parameters.

Also not to be exported are individual rocket stages, re-entry vehicles designed for non-weapons payloads, some solid or liquid fuel rocket engines, some types of guidance sets, and arming, fuzing and firing mechanisms.

Another category of items is established where exports are more readily permitted if it is determined on a case-by-case basis that the components will not be used for ballistic or cruise missiles.

These include lightweight turbojet and turbofan engines, ramjet and scramjet engines, some liquid fuel control systems and propellants.

This complex regime has yet to stop some key nations, however. For example, recent reports indicate that Egypt is co-operating with Argentina and Iraq on the development of the SS-1C Condor II with a range of up to 1000 km.

The Condor programme has experts around the world worried. It is a potential threat to Israel—but the UK is also worried that Argentina could use it against the Falklands (Malvinas).

A report in the Argentinas newspaper suggests however that Israel is pressing Argentina to end the relationship with Cairo, in return for which Israel will deliver 12 promised A-4Q aircraft.

In response to international pressure, the West German Government has been taking a closer look at missile technology exports. But many in the US Congress are critical.

Rep. Howard Berman alleged recently that West Germany's largest aerospace firm Messerschmitt-Bölkow-Blohm (MBB) has played a key role in Condor II and that Fiat's SNIA-BPD is also contributing components. "There is also reliable evidence that MBB is participating in a separate Iraqi missile project in the northern city of Mosul, the suspected site of Iraqi chemical weapons development," he said.

Berman, and a bipartisan coalition of four other Congressman, have introduced legislation to strengthen the MTCR.

The legislation would require the President to impose at least one of the following sanctions on any company he finds in violation of the MTCR: denial of US export licenses; denial of US Government contracts; and/or a ban on imports into the USA.

"Perhaps our allies have done as much as they politically can. But by enacting this legislation, the United States can do more. Companies engaged in these projects will be forced to forego their business with us if they continue to pursue the profit gained by this extremely risky and ill-advised business," says Berman.

[From International Defense Review, 1989]

INDIAN IRBM DETAILS REVEALED

For the first time, India has officially admitted the existence of the Agni surface-to-surface IRBM. IDR understands that its first firing will take place shortly from the Interim Test Range at Baliapal in Onssa State. Agni (Fire) is the biggest and longest-range missile being developed by the Defense Research & Development Laboratory (DRDL) at Hyderabad under the Integrated Guided Missile Program launched in 1983. Its design team was headed by Dr. A.P.J. Abdul Kalam, Director of DRDL, who had also been in charge of the earlier Prithvi program (see IDR 5/1988 p. 478).

Significantly, the first stage of Agni is the solid-propellant first stage of the SLV-3 satellite launch vehicle. The four-stage SLV-3 was also designed by Dr. Abdul Kalam, while at the Indian Space Research Organisation (ISRO). It has a three-segment polybutadene acrylic acid acrylonitrile (PBAN) solid-propellant charge. The 10m-long. 1m-diameter stage weighs 10,000 kg. While its thrust and burning time are not given, the thrust should be over 20t, since the complete SLV-3 weighed 17t at lift-off.

For the first time, India has thus used a component of its purely civilian space research program for a military application. (Under former Chairman Dr. Satish Dhawan, ISRO had consistently opposed any military application for its SLV-3 or any other product).

The Second of Agni's two stages has a storable liquid propulsion system. While the 250km-range Prithvi, first test-fired on 25 February 1988, has a low-energy propellant combination of RFNA and xylidene and the same could also very likely be used on the Agni upper stage. India also has the N_2O_4/UDMH technology in hand.

Press accounts state that the Agni will have a "twin-microprocessor-based missile-guidance computer with interrupt-driven real-time software". Design work on the control and guidance system was also undertaken at DRDL, with collaboration from researchers at the Indian Institute of Science, Bangalore, under the Joint Advanced Technology Program. The earlier Prithvi has an advanced inertial navigation and guidance system, as well as an onboard mission controller.

The Agni, with a range probably exceeding 2,000 km. is expected to have a conventional warhead. While no details have been released, the warhead is likely to be extremely heavy, and there may be various types for deep strikes against high-value targets.

[From Hamburg Der Spiegel, Mar. 27, 1989]

FIRMS INVOLVED IN IRAQ MISSILE PRODUCTION

Iraq is building its own missile production. Technology and know-how for the research center were delivered by German companies.

On 5 August 1987 at 1602 telex machine "298078 Con MIK" starts to rattle. Telex number 3368 goes "to Gipro site office" and starts with a call for help:

"Since at the moment it is hardly possible to reach a competent person at project Saad 16," the "very esteemed gentleman" Nitsche and Isele are asked to convey the "list of training companies with the appertaining dates of the courses."

The telex line belongs to the Vienna Consultco Limited. In Al Thakafiya Street [spelling as published] in the north of the Iraqi university town of Mosul this Austrian construction company has a joint office with the Bielefelder Gildemeister Projecta Limited (Gipro).

Gipro is the general contractor for Saad 16—a project for which "laboratories and workshops comparable with facilities for technical colleges and test institutes" are being built, according to the Gipro management.

The comparison is misleading; In reality Saad 16 is the currently largest and most secret armament project in Iraq. Documents and eyewitness reports available to DER SPIEGEL are substantiating the suspicion: The facilities being constructed on the northern rim of the town on the Tigris River are certainly not the harmless institute that "is to be operated in cooperation with Mosul University," as the Gipro management claims.

Telex number 3368 proves: German companies are involved much more in the project than has been assumed to date.

Dozens of FRG companies have delivered technology and know-how for the "Technology Center," in which—according to intelligence information—missiles and chemical weapons are to be developed. The Iraqis are basing their work on preliminary work done by Egypt and Argentina—the Condor 2 missile project. Its goal is the development of a precise intermediate-range missile whose range could cover the entire Middle East.

The beneficiary of FRG business efficiency is a dictatorship, which is striving for regional supremacy after 8 years of war in the Gulf, which tried to break the resistance of its own Kurdish minority in the north of the country with cowardly poison gas attacks in violation to international law, and which has recently been accused by the human rights organization Amnesty International of systematically torturing even children.

A structural diagram from the documents of a company involved in Saad 16, which was published in the previous edition of the Austrain magazine PROFIL, proves FRG influence on the DMI.5-billion project: According to this, 5 years ago the state-owned Iraqi company Saad General Establishment contracted Gildemeister Projecta in contract number 16/1/84 as the general contractor for "technology" and Consultco as subcontractor for the "civilian parts" of the project—overground workings and foundation work as well as transportation and insurance.

The most important deliverer of technology of the planning company Gipro became Messerschmidt-Boelkow-Blohm (MBB), a Munich aircraft company, which has been developing various kinds of flying armament for decades—from the Tornado fighter bomber to the Fighter 90, from antitank missiles to large-scale missiles. MBB is participating in the Mosul deal with DM77 million. The people from Munich and Bielefeld hired several other subcontractors. "As a German company," the Gipro management assured DER SPIEGEL, "we tried to contract German producers for the delivery of equipment if it was possible in any way." Obviously with success.

From the German BP to Carl Zeiss, from Degussa to Tesa—renowned companies are working for the Saad 16 project: 38 FRG companies are dealing with a comprehensive training program for Iraqi experts, which are to be trained in operating chemical laboratories and electronics workshops, wind tunnels, and physical test facilities.

The list of contractors in a monthly Gipro report also contains companies which have repeatedly been suspected of dubious arms deals.

Fritz Werner Industrial Equipment Limited provided a universal drilling machine. The company from Geisenheim, which is 10-percent state owned has been conducting profitable arms deals for years, also with Iran, Iraq's enemy in the Gulf war.

By far, the most comprehensive monthly delivery in July 1987 was ordered at Karl Kolb Company. The public prosecutor is currently investigating this laboratory equipment company because of the suspicion that the Hesse firm delivered poison gas facilities to Iraq.

The Rheinmetall cannon production company is involved via its subsidiary Aviatest, providing two wind tunnels; and with the Mauser gun manufacturer another FRG arms producer is listed in Gipro's order books.

There is even a direct missile trace from MBB to Iraq, which has now been retraced by PROFIL journalists Herbert Langsner and Alan George. The Munich company has been involved in the Argentine Condor I Project since 1979, which first was allegedly destined to build a weather research rocket. Soon it turned into a "multipurpose" missile.

Not quite 2 years ago, when it had long become clear that the Argentines were working on a military missile program, MBB had to cease cooperation upon pressure by Bonn. MBB engineers, which were hired by partners of the Munich company in the Condor project, remained in business—and with them the technical know-how of the Bavarians.

Insiders believe that the old Condor crew are now providing their technical knowledge to Iraq for serial production of those weapons that are developed near Mosul. Europeans report from Baghdad that a top secret production facility is currently being established somewhere in northern Iraq.

Gildemeister is able to present a clearance certificate for the dubious deals—clearance number 48422 of the Federal Economic Office.

"For presentation to the customs authorities" the Federal Economic Office attests to Gildemeister Projecta Limited that "according to current rules, machinery, electrical equipment, regulation, measuring, and testing instruments for a research, development, and training institute with eight main sections, name: Project Saad 16, do not need an export permission."

The subcontractors also stress that their deliveries were legal. Peter Resz Czynski of the Hamburg Koerber AG assures that Blohm company, a member of the concern, has in no way delivered computer-controlled grinding facilities, which are subject to export permission, to Iraq. In 1985 and 1986 three standard grinding machines, type HFF 512 and Hanseat 11, "older model" (Resz czynsik) were ordered. Operators were trained for these machines in Germany and Iraq. "Everything completely harmless," Resz Czynski says.

MBB spokesman Udo Philipp also wants to give this impression. Testing centers "for surface analysis" and calibration labs were sent to Iraq. However, Philipp admits, "something like this" can "also be used for military purposes."

Gipro, too, does not want to absolutely exclude the possibility that the technology center, all of which will be handed over to Iraq "by mid-1989," could be used militarily: "In general, all universal products and fa-

cilities can often be used for several purposes."

However, what eyewitnesses have seen on site and what is proved by construction plans, goes far beyond the mere possibility of military utilization. Saad 16, located in a valley 1 km off the transit road to Sachu [spelling as published], is strictly guarded with electronics and video cameras by the military.

The more than 3.3-km-long fence is equipped with watchtowers, the main entrance is equipped with quick-action barriers. Mercedes Unimog vehicles, which are equipped with radar antennas, are patrolling between the buildings. Bungalows for managers, a first-aid station, a fire brigade, and an independent energy supply stress the isolation from outside.

Camouflage and bunkers emphasize the military character of the facility, whose center is a more than 100-meter-long hall for the construction of prototypes. In the northern part of the area a 120-meter-long subterranean shooting gallery—4 meters wide and 4 meters high—was tunneled into the mountain. The walls, insulated with noise-proof naps, look as if a chicken farm had donated its annual stock of egg cartons to this.

In a side valley to the west, there are 28 so-called resistance buildings, which have particularly stable roofs that are slanting down on one side and three stable walls, the fourth wall, on the other hand, is made only of wood. Thus, in case of laboratory accidents, the pressure of an explosion is purposefully directed into a harmless direction. Most of the 58 chemical laboratories are located there.

Adjacent, protected by walls on all sides, there is a missile test stand with control rooms and climate chambers. The buildings with measuring laboratories (from MBB), which are close by, are also protected by a 150-meter-long wall against the chemical laboratories.

Several times the speed of sound can be stimulated in the 12-meter-long wind tunnels, and the 27 electronics laboratories have a nonechoing room built by Siemens.

"Only if one is inside this room," an insider says ironically, "can one overlook that this is a military project."

[From the Washington Post, May 3, 1989]

U.S. FIRMS HELPED IRAQ GAIN ABILITY TO MAKE MISSILES, OFFICIALS SAY

(By David B. Ottay)

Before U.S. export restrictions in 1987, some American companies sold equipment that helped Iraq build a military-industrial complex capable of developing missiles, U.S. officials disclosed yesterday.

"We're aware of the fact that American technology was sold to the Saad 16 complex," said a U.S. official, who described the facility near Mosul in northern Iraq as "a defense-industrial establishment" involved in engineering and manufacturing missiles, planes and other military items.

The disclosure came amid a U.S. diplomatic drive to get West European nations to crack down on companies selling technology and expertise to Third World nations seeking to build missiles or chemical and biological warfare plants.

The United States imposed a ban in 1980 on the sale by U.S. companies of all military equipment and so-called "dual-use" items—those with civilian or military application—to Iraq and Iran during their 1980–88 Persian Gulf war.

Whether the American equipment at the Saad 16 complex were "dual-use" items was not immediately clear. But U.S. officials insisted no U.S. export laws were violated by the American firms.

The officials refused to disclose the firms' names, but said the equipment provided to the Iraqis was "relevant to missile production" and sold "directly or indirectly" to the Saad 16 complex.

A spokesman for Hewlett-Packard Co., the California computer firm, said in a telephone conversation last night in 1985–86, the company had delivered "electronic equipment of various types" to the German company, Messerschmitt-Boelkow-Blohm (MBB), under a license authorized by the German government and the U.S. Department of Commerce.

"The end-user on the license was shown as the State Organization for Technical Industries-Saad General Establishment," Hewlett-Packard spokesman Richard Harmon said. He added that the Iraqi organization was described as "an institute for higher learning."

He added, "In summary, anything delivered to Saad was done through MBB and subject to a specific authorization."

A spokesman for another U.S. firm, Wiltron Co., in Morgan Hill, Calif., which makes electronic test and measuring instruments, confirmed that in early 1987 Wiltron had sold a $50,000 "scalar analyzer system" to its subsidiary in Germany, which in turn provided it to MBB for the Saad complex. Peter Chalfont said the firm had obtained a Commerce Department license indicating that the Saad site was the end user.

In testimony yesterday before a Senate Armed Services subcommittee, W. Seth Carus, an expert on missile proliferation at the Washington Institute for Near East Policy, referred to recent reports in West German and Austrian media that U.S. companies "may have supplied 40 percent" of the equipment for the Saad 16 complex.

State Department officials confirmed U.S. involvement in building the complex but said "it was not clear" on what the 40 percent estimate was based.

They said it was legal for U.S. companies to obtain export licenses to sell certain high-tech items abroad until restrictions were imposed by the Missile Technology Control Regime (MTCR) signed by the United States, Canada, France, West Germany, Italy, Japan, and Britain in April 1987.

The regime bans export of missiles or their components and any technology or equipment related to the production of ballistic and cruise missiles capable of delivering a payload of at least 500 kilograms to a distance of 300 kilometers or more.

"They [U.S. firms] obtained export licenses and nothing illegal was done," one U.S. official said.

However, congressional sources said that in 1985, two years before it formally committed the U.S. to the MTCR, the Reagan administration had begun adhering informally to the regime. They questioned whether licenses should have been issued in the 1985–87 period.

U.S. officials said while the United States had sought to adhere to the MTCR terms since March 1985, the Commerce Department had no legal basis for halting such sales as those involved in the Saad 16 complex until the regime went into effect in 1987.

The officials said they were unaware of any U.S. sales to the Iraqi complex since April 1987.

Carus said that in addition to MBB, West German and Austrian news reports had identified a German-Austrian company, Gildemeister, as the principal builder of the Saad 16 complex. He said the reports named two U.S. firms besides Hewlett-Packard and Wiltron which allegedly provided equipment to it.

The two others were Tektronix Inc. of Beaverton, Ore., a manufacturer of computer graphics terminals and measuring instruments, and Scientific-Atlanta Inc. of Atlanta, which makes telecommunications and satellite ground station equipment.

A spokesman for Tektronix said yesterday the firm was searching records for sales to Iraq or the Gildemeister firm. A person at Scientific-Atlanta said offices were closed for the day.

Carus testified that "a variety" of West German firms were involved in building the Saad 16 complex, in which Iraq had invested more than $200 million. He described it as a research and development facility to build "a variety of different types of missiles, including both ballistic and cruise missiles."

But U.S. officials said they thought the complex would also be involved in the production of various weapons, including missiles.

The West German magazine Stern said Hewlett-Packard had provided computers for more than 50 laboratories in the complex.

[From the London Financial Times, 12 Apr. 1989]

PROSECUTOR LAUNCHES INQUIRY INTO MBB'S CONDOR MISSILE LINKS

(By Simon Henderson and David Goodhart in Bonn)

The Munich city prosecutor is investigating reports that a subsidiary of the West German aerospace concern Messerschmitt-Bölkow-Blohm (MBB) broke export control laws by delivering parts for a DM70m missile system to Iraq.

MBB would make no comment on the allegations but did confirm yesterday that its subsidiary MBB-Transtechnica was being investigated.

Western officials say that a group of 16 companies in Europe, known as the Consen Group, is using West German rocket designers and other specialists to help Egypt, Argentina and Iraq develop a 1,000km-range missile capable of carrying nuclear and chemical warheads. The companies are registered in Monaco, Switzerland, Austria, West Germany, and Argentina.

MBB is one of six big European companies named in documents as being "most important in co-operation and as sub-contractors".

Western officials expressed concern at the activities of the Consen Group, which they say is acting as a "European missile management company", buying in expertise for the missile, the Condor II, particularly on propellants and guidance systems, using predominantly West German engineers.

One Consen company, the IFAT Corporation of Zug, Switzerland, was quoted last year in US court documents as sending more than $1m to an Egyptian-born American citizen now awaiting trial in California charged with conspiring to export missile parts to Egypt without a license.

Another company in the group, Desintec, also of Zug, attempted to buy missile nozzles from the US in 1984 for the Argentine Air Force.

Western officials describe the Condor II as a two-stage, solid fuel rocket. They say

that it was due to be tested in Argentina in October but was delayed by technical problems. Development is being conducted in parallel in both Egypt and Argentina, with Iraq funding part of the Egyptian programme. Deployment is not expected until 1992.

Washington and London are leading a diplomatic effort to stop the development of the missile. In 1987 they agreed with other Western European nations and Japan on a Missile Technology Control Regime which tightened export controls on sensitive items. The UK is worried that the Condor II will have the range and accuracy to hit the airfield on the Falklands from Argentina. The main US concern is the impact in the Middle East.

Israel, which has already test-fired its own long-range missile, the Jericho II, is developing its own anti-missile missile. Western intelligence officials credit the Israeli secret service, Mossad, with causing three explosions in Europe seeking to break up the Consen operation, including one last May when the car of Consen's general manager was blown up on the French Riviera.

MBB has admitted helping Argentina develop an earlier missile, Condor I, but says it is not involved in Condor II. But its subsidiary MBB Transtechnica is a sub-contractor to another West German company, Gildemeister, on a project in Iraq known as Saad 16. Last week West German investigators seized files from Gildemeister.

[From Mid East Markets (MEM), Apr. 17, 1989]

CONDOR II: AN ISSUE TO TEST US-EGYPT TIES

A reference to a new missile in MEM on February 6, 1989 set off a whole series of articles elsewhere and brought into the open a simmering diplomatic row. MEM understands that when President Mubarak was in Washington he was asked about Egypt's intentions concerning the missile which it is building with Argentina's technical help and Iraqi finance. The Israeli Prime Minister, Yitzak Shamir, also asked the US what was going on, and last week the Israeli Foreign Minister, Moshe Arens, asked the West German Defence Minister, Rupert Scholz, about the involvement of West German companies.

Although still to be flight-tested the Condor II missile is state-of-the-art. It has two solid-fuel stages and will fly a 700kg payload over 1000km. It is likely to have terminal guidance to make it accurate to within 100m. Existing missiles in Arab arsenals are antiquated by comparison and hardly accurate enough to hit even a city. The Soviet-supplied Scud is a version of the Nazi V-2 missile from World War Two. It has a single-stage liquid-fuelled motor which means that the missile must be accompanied by tankers containing highly volatile fuel to top up the missile.

The new Iraqi missiles—Al Hussein (range 650km) and Al-Abbas (range 860km)—are merely enhanced Scuds with a longer range obtained by using less warhead and more fuel. The Saudi missiles obtained from China are also liquid-fuelled and probably unserviceable most of the time: imagine storing and handling the fuming nitric acid and industrial alcohol fuels in desert temperatures of over 40°C!

CONSEN

Argentina and Egypt agreed to cooperate on Condor II in the early 1980s, with Iraq helping Egypt under a secret exchange agreement believed to be known as Badr 2000. All three countries have been helped by a mysterious collection of European companies known as the Consen Group. One Consen company, the Ifat Corporation, financed an attempt to buy missile technology last year in the US for which an Egyptian-born US citizen is awaiting trial. The man, Abdel Kader Helmy, is described by his lawyer as being a childhood friend of the Egyptian Defence Minister, Abdel Halim Abu Ghazala, who is also implicated in the attempt to break US export laws.

Another Consen company, Desintec, tried to buy rocket nozzles for the Condor II from a California company in 1984. They were to be sent to the Argentine air force. Plans for the nozzles are shown here, including a cross-section of the missile with its internal star shape to ensure best burning of the propellant. (Consen declined to comment on its involvement with Condor II.) [Graphs not reproducible.]

The Consen Group has used West German rocket engineers and other specialists to help Egypt and Argentina, and may also have helped Iraq in its Scud enhancement programme, which tilted the balance in the Gulf war when the modified missiles started to rain down on Tehran last year.

The Egyptian missile production facilities are being readied at Military Factory 90 in the Abu Zabaal area outside Cairo. This is also where reports claim that Egypt has a chemical weapons plant, and where Field Marshal Abu Ghazala wants to build a production line for the US Abrams tank.

Iraq's Scud modification plant is thought to be at the Sa'ad 16 complex near Mosul, although there is another programme, designated Project 395, which is considered more closely linked to the Condor II. There have been direct contacts between the Iraqi Technical Corps for Special Projects (Teco), the organisation responsible for Project 395, and the Argentine Institute of Aeronautical and Space Research, which co-ordinates work on the Condor. Teco, which also drafts experts into oilfield work and other non-military areas, comes under the direct authority of President Saddam Hussein, although it is run by his son-in-law, the Minister for Industry and Military Industrialisation, Brig. Hussein Kamel Majid.

During recent weeks West German officials have started investigating the activities of a subsidiary of the aerospace giant, Messerschmitt-Bolkow-Blohm (MBB) which is involved with another West German company, Gildermeister Projecta, at Sa'ad 16 in Iraq. Yet other West German companies are linked to Military Factory 90 in Egypt.

SUBSTANCE TO NUCLEAR ALLEGATIONS AGAINST IRAQ

Although the US Government was annoyed when Israeli officials leaked reports that Iraq was trying to develop a nuclear weapon, the denials of the more knowledgeable officials were more qualified than much of the press noticed.

The assertion of the Washington Post was that Israeli officials thought that Iraq was between two and five years from making an atomic bomb. The newspaper also claimed that the device was intended to put on the Condor II missile being developed in conjunction with Egypt and Argentina (see separate story).

The more conventional estimate for Iraq achieving membership of the nuclear club is 10 years. Nuclear status might have been reached eight years ago, but the destruction caused by an Israeli bombing raid on the Tuwaitha nuclear centre in 1981 was so total that the possibility of using a research reactor to produce plutonium had to be abandoned.

Present concern about Iraq is based on increasing efforts that the country is trying to build a uranium enrichment plant using the centrifuge principle. Highly enriched uranium is an alternative weapon material to plutonium, but can only be produced using an elaborate and sophisticated industrial plant. Western officials have noted over the years the number of Iraqi students being sent abroad to study the two basic principles of uranium enrichment diffusion and centrifuges. Recently, they say, it became clear that Iraq had opted for the centrifuge route in which uranium, in a gaseous form, is pumped through hundreds of linked high-speed centrifuges.

USA officials confirm that $400,000 worth of vacuum pumps destined for Iraq, and suspected to be destined for a nuclear plant, were recently stopped from being shipped. What had caught the attention of US agents was that the pumps in question were designed for use with vegetable oil but were being ordered by the State Company for Oil Projects, Iraq's main oil equipment purchase body. When asked to explain the order by the US, Iraqi officials were not able to give an adequate answer.

There are very few centrifuge plants in the world, and most produce low enriched uranium for power stations. The only one in the developing world is in Pakistan which, despite denials, has been producing enough highly enriched uranium to make between four and six bombs a year for the last two years. The Pakistan plant uses techniques similar to those developed by the Urenco consortium of the UK, the Netherlands and West Germany to produce uranium for their power stations.

Pakistan took 10 years to build and start operating its plant, overcoming foreign export controls and technical difficulties, hence the time frame for Iraq. The difference, western officials say, is that Iraq is putting considerably more money and effort into its buying programme. Maybe the Israelis were right after all.

SAUDI CONCERN OVER CHEMICAL CLAIM

The Saudi Government is showing its usual sensitivity: this time on the delicate subject of chemical weapons. A fairly innocuous reference in a long series on the subject in the Chicago Tribune elicited from Saudi officials a denial that was considerably longer than the original claim.

The Chicago Tribune on April 4 listed 25 countries it said were known or suspected by US intelligence officials to possess or be developing chemical weapons. The Middle East countries included were Israel, Egypt, Libya, Syria, Iran and Iraq. The Tribune then added: "Suspected of being in the next echelon of those who have an interest in a possible access to resources needed to build chemical weapons are Saudi Arabia, Pakistan, India, Thailand, Brazil, Argentina, Chile and Peru, according to these sources."

This was the sole reference to Saudi Arabia in a cluster of articles and background pieces on chemical warfare published by the Tribune and totalling more than 10,000 words. But it was enough to prompt a statement from the official Saudi Press Agency that the kingdom had issued a categorical denial of the report's allegation that it was a country with the potential to produce chemical weapons.

"A responsible Saudi source told the Saudi Press Agency here today that what had been published by the Chicago Tribune is merely baseless and fabricated," the agency said in a report issued on April 6. The kingdom had declared, and again reiterated, its opposition to the production of chemical weapons. The agency's report then drew attention to the kingdom's recent ratification of the Nuclear Non-Proliferation Treaty.

This was the important point, because the denial was as much aimed at scotching reports in the US press that Riyadh had agreed to help Iraq underwrite the financial costs of refurbishing its Osirak nuclear facilities at Tuwaitha outside Baghdad—bombed by Israel in 1981—as at replying to vague assertions that the kingdom possessed some potential for chemical weapons manufacture.

The episode is also instructive because it underscores the strong sensitivity of the Saudis on the delicate issue of unorthodox weapons of any kind. Having received their medium-range East Wind missiles from China, the Saudis are taking pains to make it clear to the US that there is no question of them being equipped with anything other than conventional warheads.

UNDERSTANDING WITH ISRAEL

For more than a year the US has been engaged in discreet but parallel talks with the Saudis and the Israelis aimed at preventing either a pre-emptive strike—presumably by Israel—or any wedding of chemical weaponry to existing missiles—presumably with regard to the Saudis. (Western intelligence officials say that the Chinese missiles delivered to the kingdom have had their range reduced to between 1200-1400 km. In Chinese service the missile carried a nuclear warhead; indeed it was the missile used to test China's fourth nuclear bomb, the design of which was subsequently passed on to the Pakistanis, the officials say.)

For the Saudis, much is at stake. The kingdom is currently seeking assurances from the Bush Administration that the US will agree to a major sale of some 315 General Dynamics Land Systems Division M1-A1 main battle tanks, together with between 50 and 100 replacement aircraft for its aging fleet of 110 F-5 reconnaissance aircraft and interceptors. The Saudis are also seeking to secure the tracked Multiple Launch Rocket systems (MLRS) battlefield rocket and 2,000 of the Mark-84 aerial bombs. US companies concerned with the potential sales are engaged in a major campaign to inform Congress of the importance of these arms deals. They are basing their case not so much on Saudi Arabia's defence needs, but on the economic costs to the US if these deals, which are potentially worth several billion dollars, fail to go through.

ADMINISTRATION'S VIEW

The Bush Administration—and in particular the new Director of Policy Planning at the State Department, Dennis Ross—remains particularly concerned about the growing political acceptability of chemical weapons in the Middle East following Iraq's successful use of chemical weapons in both its campaigns against Iran and in its repression of Iraqi Kurds. The Saudis therefore need to counter this impression if they are to secure the weapons systems they favour.

US defence industry officials have told MEM that the Saudis are again looking to the US for military aircraft, because it is complicated enough having to introduce one totally unfamiliar aircraft into their inventory—the British Aerospace Tornado—and they would feel comfortable if the replacement for their F-5s were to come from the US.

Ideally, they would like a further 50 McDonnell Douglas F-15 interceptors, which could then be incorporated into the Saudi arsenal with relative ease as the Royal Saudi Air Force already possesses 60 F-15s. Failing that, they would choose to replace their 110 F-5s on a one-for-one basis with General Dynamics F-16s or McDonnell Douglas F/A-18s.

[From the New York Times, Feb. 23, 1989]

THOSE CHINESE MISSILES

(By William Safire)

WASHINGTON.—If you keep tugging on a loose thread, the Hong Kong tailors warn, your whole suit could fall apart.

Here's a loose thread: In Chicago, consular representatives of the People's Republic of China are now forbidden to travel in their consular cars outside the environs of Cool County. Public transportation, yes; private cars, no.

Tug gently on that stray fact. Why can't these Chinese diplomats travel in their own vehicles to catch whatever is playing in Peoria? What are we afraid they may see?

Nothing. It's part of a proper tit-for-tat policy, begun last Oct. 24, reciprocating for a seemingly weird policy of the Chinese Government. For some reason, American diplomats in Shenyang, a large city between Beijing and the border of North Korea, are forbidden to drive unaccompanied to see what's happening along the border.

Tug again. What might our officials in China want to eyeball, and perhaps photograph or ask questions about, along that road that has the Chinese so sensitive? We know from our satellites that no top-secret military or research installation is hidden there.

The road we cannot travel unaccompanied runs from Beijing alongside the railroad line to Dandong, on the Yalu River. That is where the train crosses into North Korea, delivering missile-length boxes first fo Sinuiju and later to the port of Nampo.

Keep tugging. These are the ports from which North Korea exports missiles and missile-support electronics to Iran, Libya and Syria. Some American officials, whose suspicions are pooh-poohed in our State Department, believe that these IRBM's are built in China, sent by rail to North Korea and transshipped to the Middle East terrorist nations.

A company of great interest to international missile-watchers is Poly-technology, which is affiliated with Citic, the Chinese trading-banking-industrial development combine. Polytech is said to be staffed by the sons and daughters of China's leading political families, whose prestigious rice bowls will be hard to break.

The P.R.C. officially denies selling Silkworm missiles to Iran, or any missiles to Libya, Iraq or Syria that might be used to deliver locally produced poison-gas warheads. The Chinese do not deny—indeed, proudly assert—a deal made last year to supply Saudi Arabia with its CSS-2 East Wind missiles, with a range up to 2,000 miles.

That Chinese-Saudi missile deal stunned Washington, which mistakenly thought that neither Beijing nor Riyadh would alter the balance of power in the Middle East without at least checking with the U.S.

Frank Carlucci, then Secretary of Defense, was dispatched to the Chinese capital last September to seek assurances that no missilery would be sold to the Terrorist Club.

Now here is where at least some of the suit falls apart, Secretary Carlucci, operating without Presidential supervision or senatorial oversight, may have thought he had assurances from the Chinese to stop the dangerous spread of missiles, in return for secret promises to more U.S. technical aid. He passed the word around pre-election Washington: Not to worry.

But the Chinese are proud to compete with superpowers on rocketry, and are the subtlest negotiators. They may be keeping their word, if such was given, not to export missiles to the Middle East—but that would not include weaponry to North Korea, which may be falsely promising not to transship from Nampo. Equally important, the Chinese leadership may believe it is free to sell the equipment and knowhow to any nation seeking to make missile systems on its own soil.

The embarrassing question President Bush will hate to ask, when he visits China this weekend, is this: Is a Chinese company on the verge of a deal to supply Colonel Qadhafi, or anyone, with the technical package needed not only to produce but to launch and guide missiles?

Mr. Bush should not put his personal inclination to be a polite visitor above America's national interest. He can hope, with delicacy but with firmness, that Chinese missile support systems—using such hot stuff as cable digital communications, pulse width modulation or microcomputer technology—are not for sale to dictators endangering world peace.

Deng Xiaoping will catch his drift: without a credible and reportable agreement to restrict missile delivery systems, China can expect no further U.S. technological cooperation.

With that understood, the two leaders can clink glasses, reminisce, pose in front of the Great Wall and otherwise pre-empt the visit of Mr. Gorbachev.

U.S. PRODS IAEA ABOUT SAFEGUARDS FOR NORTH KOREAN NUCLEAR PLANTS

(By Ann MacLachlan)

The U.S. complained to the February meeting of the IAEA Board of Governors about North Korea's delay in submitting its nuclear facilities to agency safeguards. The Peoples Democratic Republic of Korea (PDRK) signed and ratified the Nuclear Nonproliferation Treaty (NPT) several years ago in anticipation of a nuclear plant deal with the USSR (Nucleonics Week, 2 Jan. '86, 7) However since that action, the Asian nation has neither consummated the purchase of Soviet PWRs nor concluded the required safeguards agreements with the IAEA.

The U.S. and even more so the Republic of Korea which is still technically at war with the PDRK, are doubly concerned because satellite photographs have shown that North Korea is operating a magnox reactor. North Korea, which does not maintain diplomatic relations with the U.S., is also believed to be building a reprocessing plant near the magnox reactor.

A senior IAEA official said that following the U.S. complaint, the North Koreans were "reminded" of their obligation under the NPT to conclude a general safeguards agreement and facility attachments covering any nuclear installations containing material that comes under * * * safeguards. The U.S., said a well-informed source, has said it will

take its real complaint about the two clandestine facilities formally to the IAEA board, satellite photos included, if the North Koreans continue to foot-drag in concluding the safeguard agreement.

The satellite photos show, the source said, that Pyongyang has set up a virtual replica of the 60-MW Calder Hall magnox reactor, Britain's first, which started up in 1956. The North Koreans, he said, appear to have built a reactor themselves based on the declassified design of Calder Hall. They also may have purified indigenously the graphite used as moderator block, but the uranium is assumed to be imported, the source said. The reactor started operating a year and a half ago, he said.

The reprocessing plant is observed to be under construction across a river in central North Korea.

Not surprisingly, the facilities have caused consternation across the border in South Korea, which tried to buy a reprocessing plant 10 years ago from France but was stymied by stiffening of French nonproliferation policy.

The Calder Hall reactor is still operating at British Nuclear Fuel's Windscale works, producing electricity and materials for the U.K. nuclear defense program.●

STEEL USERS FOR VRA's

● Mr. ROCKEFELLER. Mr. President, there has been a lot of discussion in the press and elsewhere lately about the steel Voluntary Restraint Agreement Program. Extension of the program has been opposed by some steel consumers. Their complaints about the program have gotten considerable attention. What's not been reported is the growing numbers of steel users who support the VRA's. They realize a strong, healthy, competitive steel industry is good for steel users, the steel industry and for America.

To cite one major example, recently the board of directors of the Shipbuilders Council of America unanimously adopted a resolution to support the extension of VRA's for steel. I ask that a copy of the resolution be printed in the RECORD as well as a list of members of the council.

The Shipbuilders Council of America is the national trade association representing 94 percent of America's shipbuilders and ship repairers as well as manufacturers of marine equipment. These segments of the maritime industry are significant users of steel plate and structurals. As almost all of this steel is produced domestically, a healthy American steel industry is important to our shipbuiliding and ship repair businesses.

Under the steel VRA Program, the American steel industry has made excellent progress toward its goal of retaining its competitiveness. Costs have been lowered sharply, labor productivity has been increased dramatically and production quality has been improved greatly. Despite this progress, much more remains to be done. Substantial new investment and modernization, on a sustained basis—approximately $2 to $3 billion per year—is needed if the steel industry is to maintain its competitiveness with leading foreign producers. After sustaining losses in excess of $12 billion between 1982 and 1986, the industry's financial gains of the past 18 months are not adequate to complete its comeback. In a world in which steel trade is dominated by foreign government intervention, failure to extend the VRA mechanism of dealing with unfairly traded steel imports will abort the industry's restructuring.

The Shipbuilder's Council is only the latest in an expanding list of steel-using manufacturers who support an extension of the VRA Program. Lee Iacocca, in a letter to U.S. Trade Representative Carla Hills urging that the VRA's be extended, praised the "American steel industry for its efforts to revive a devastated industry, one without which we (the Chrysler Corporation) would have great difficulty surviving ourselves". Maytag Corp., another large steel consumer, has stated that "the VRA Program has had minimal impact on prices and has not resulted in difficulties in obtaining steel * * *" Over 375 companies that are steel users echo those sentiments. These companies constitute a significant majority of American steel users.

These steel consumers have formed a coalition called Coalition for a Competitive America/Steel Users for VRA's. I had the pleasure of introducing the leaders of this group last week at a press conference here in the Capitol. With me were representatives of Chrysler, Milton Can Co., Valmont Industries, Crown Cork and Seal, Thompson Steel, Corey Steel, Jernberg Corp., and UNR-Leavitt.

The list of members illustrates the breadth and depth of this coalition. Companies all over the country have joined. In the discussion of the future of U.S. steel trade policy, it is important to remember that the needs of all steel consumers must be considered.

The material follows:

SHIPBUILDERS COUNCIL OF AMERICA
RESOLUTION

Whereas, the steel industry of the United States has been victimized by unfair international competition;

Whereas, that competition was driven by foreign government subsidy practices that distorted the international market;

Whereas, the United States Government, in order to combat those practices, established a Voluntary Restraint Arrangements on steel imports, allowing the steel industry to modernize its plant, retrain its work force and institute new management systems;

Whereas, the process of modernization has allowed the steel industry to improve its competitive position in the world market;

Whereas, the existence of state-supported aid has *not* been eradicated and the process of modernization has *not* been completed; Therefore, be it

Resolved, That the Shipbuilding Council of America supports the extension of the steel industry's Voluntary Restraint Arrangements unless, and until, international aid and support programs are terminated allowing for the unfettered functioning of a free and open international steel market.

COALITION FOR A COMPETITIVE AMERICA/
STEEL USERS FOR VRA'S

REGULAR MEMBERS

ADDSCO Industries, Inc., Mobile, AL.
The American Ship Building Co., Tampa, FL.
Avondale Industries, Inc., New Orleans, LA.
Bath Iron Works Corp., Bath, ME.
Bethlehem Steel Corp., Marine Construction Group, Bethlehem, PA; Beaumont, TX; Sparrows Point, MD.
Capital Marine Corp., Chester, PA.
Continental Maritime Industries, Inc., San Francisco, CA.
General Dynamics Corp., Pierre Laclede Center, St. Louis, MO. Electric Boat Division, Groton, CT, and Quonset Point, RI.
General Ship Corp., East Boston, MA.
Ingalls Shipbuilding, Inc., Pascagoula, MS.
Intermarine U.S.A., Savannah, GA.
Jacksonville Shipyards, Inc., Jacksonville, FL.
The Jonathan Corp., Norfolk, VA.
Marine Hydraulics International, Inc., Norfolk, VA.
Marinette Marine Corp., Marinette, WI.
McDermott Corp., New Orleans, LA.
Metro Machine Corp., Norfolk, VA.
National Steel & Shipbuilding Co., San Diego, CA.
Newport News Shipbuilding, Newport News, VA.
Norfolk Shipbuilding & Drydock Corp., Norfolk, Va.
Northwest Marine Iron Works, Portland, OR.
Peterson Builders, Inc., Sturgeon Bay, WI.
Robert E. Derecktor of Rhode Island, Inc., Middletown, RI.
Southwest Marine, Inc., San Diego, CA.; San Francisco, CA.; San Pedro, CA.
Textron Marine Systems, New Orleans, LA.
Todd Shipyards, Corp., Seattle, WA.; Galveston, TX.; Los Angeles, CA.

ALLIED INDUSTRIES MEMBERS

Alcoa/Tre, Santa Ana, CA.
Bird-Johnson Co., Walpole, MA.
Centrico, Inc., Northvale, NJ.
Colt Industries, Inc., Washington, DC.
Combustion Engineering, Inc., Windsor, CT.
Dresser Pump Division, Dresser Industries, Inc., Harrison, NJ.
Eaton Corp., Cutler-Hammer Products, Baltimore, MD.
General Electric Co., Washington, DC.
Hopeman Brothers, Inc., Waynesboro, VA.
IMO Delaval, Inc., Lawrenceville, NJ.
Jamestown Metal Marine Sales, Inc., Boca Raton, FL.
Jered Brown Brothers, Inc., Troy, MI.
Lake Shore, Inc., Iron Mountain, MI.
Raytheon Service Co., Arlington, VA.
Sperry Marine, Inc., Charlottesville, VA.
SPD Technologies, Philadelphia, PA.
Westinghouse Electric Corp., Sunnyvale, CA.
York International Corp., York, PA.

AFFILIATE MEMBERS

The Bingham Group, Arlington, VA.
Colton & Co., Washington, DC.
PacOrd, Inc., National City, CA.
Peterson & Co., New York, NY.
Poten & Partners, Inc., New York, NY.
Seacoast Electric Supply Corp., Rye, NY.

NAVAL ARCHITECT MEMBERS

JJH Inc., Cherry Hill, NJ.

John J. McMullen Associates, Inc., New York, NY.

M. Rosenblatt & Son, Inc., New York, NY.

ASSOCIATION MEMBERS

New York and New Jersey Dry Dock Association, Brooklyn, NY.

South Tidewater Association of Ship Repairers, Inc., Chesapeake, Va.●

FACILITATING ALUMNI INVOLVEMENT IN SCHOOLS

● Mr. SIMON. Mr. President, recently, I read an article by Marciene S. Mattleman in Education Week, about getting alumni of elementary and secondary schools involved in those schools.

We work on alumni in higher education, but we have not done the same in elementary and secondary education.

It is an unusual concept that ought to be spread. Miss Mattleman is a senior professor of education at Temple University and executive director of Philadelphia Futures.

I urge my colleagues in the Congress to read the article, which appreared in Education Week.

I ask that the article be printed in the RECORD.

The article follows:

[From Education Week, Mar. 1, 1989]

FACILITATING ALUMNI INVOLVEMENT IN SCHOOLS

(By Marciene S. Mattleman)

Major reports in this decade have made it eminently clear that the current generation of young people in this country differs substantially from previous generations. A much greater proportion of today's young face serious socioeconomic barriers that may hamper their successful completion of school.

Overcoming these barriers has rightfully been seen as a task not simply for educators but for the entire community. And in that spirit, philanthropic groups and individuals, such as the New York City industrialist Eugene M. Lang, have created incentive programs that help some of these so-called "at risk" young achieve their dreams of meaningful work and a good education.

In Philadelphia, a new program along these lines hopes to broaden the base of public involvement while increasing the number of students helped. It is called "Philadelphia Futures," and it seeks to tap a source of support that has long been a staple of the higher-education community school pride and nostalgia.

The central strategy of Philadelphia Futures, which operates as an independent, nonprofit clearinghouse, is to assist alumni of the city's schools—public and parochial—in providing support for students currently attending their alma maters. It also enlists the aid of other segments of the community, including corporate, religious, cultural, and governmental groups.

Other programs aimed at motivating students to stay in school, such as Mr. Lang's "I Have a Dream" Foundation, now operating in 24 cities, yield great and praiseworthy benefits for the students they serve. But, as critics have noted, the generous spirit behind them often operates like a lottery, dispensing good fortune unequally among classes within a selected school or even among siblings.

Philadelphia's program recognizes that, to reach the vast majority of those in need, intervention must be broader. It must go beyond the mere provision of fiscal resources, finding creative ways to channel the energies and concerns of average citizens.

Philadelphia Futures is working to open up more options for the city's young by, first, connecting them to resources already available and then, creating new sources of support from people who may never before have been asked to lend a helping hand: the schools' alumni.

Though higher education has traditionally depended on alumni involvement, such support has not been widely sought below the college level. The psychological basis for this kind of appeal is the premise—corroborated by sociologists—that as our society becomes more mobile, we seek our roots; we grow more nostalgic. Programs like Philadelphia Futures can turn that nostalgia into positive action.

The project's method is information and referral. Using media outreach and promotion, it facilitates access for those who wish to volunteer as tutors, mentors, or role models, or who want to create incentives such as prizes and scholarships encouraging students to remain in school. Through a control telephone number, the program links those willing to intervene with those in need.

An advisory group of state and local leaders—including Mayor W. Wilson Goode, Pennsylvania's secretary of education, Thomas Gilhood, and the superintendents of Philadelphia's public and parochial schools—has provided the visability needed to raise funding for start-up operations.

Since the project was officially launched in January, several promising initiatives have taken shape. They suggest the range of support activities such programs can provide:

Twenty mentors and tutors have been placed with schools and community-based organizations. These volunteers range from a newspaper reporter to a corporate lawyer. The program also is providing role models through career days in schools.

In each of these activities, Philadelphia Futures is fulfilling its role as a broker in servicing existing programs.

Ten alumni have pledged to provide financial aid for college to individual students from their high schools. Two committees have been formed to work with donors on such matters as the criteria for and selection of recipients.

Fifteen other graduates have established small prizes in their favorite subjects and grade levels. These awards—which may take the form of cash, subscriptions to magazines, or cultural-center memberships—are a way of recognizing current students for outstanding achievement or effort.

In response to queries about the cost of such involvement, the staff suggests that $250 in the bank will assure a $25 prize for a number of years.

A scholarship directory developed by the program was published by the *Philadelphia Daily News* in February. Two local businesses have paid for 40,000 copies—to be distributed to high-school juniors and seniors throughout the city, as well as to community-based organizations and churches.

The purpose of this project is not only to encourage other donors, but to ensure that existing scholarships are used. Millions of dollars in private college-aid money are overlooked nationally each year.

Another newspaper publication, a comprehensive directory of local incentive programs, is in preparation. No such compilation currently exists.

The guide will include listings of summer activities, stipends, contests, and other programs that have become part of the public agenda of corporations, libraries, civic organizations, and private schools. This effort is intended both to improve accessibility to these opportunities and promote them as exemplars.

Several area colleges have developed plans for further involvement with high schools. One university is organizing a summer computer camp; others are planning orientation programs to entice students into the sciences.

Through such programs, colleges can raise the expectations of disadvantaged students while introducing them to their own institutions in the hope of later recruitment.

A weekly hotline for college financial-aid information will soon be giving parents and other citizens a chance to talk informally with a college-admissions financial counselor. A local bank—PSFS—has funded the service, and college-based personnel are being asked to volunteer on a rotating basis.

And a group of college-admissions officers, along with recently graduated Philadelphia high-school alumni, will soon begin visiting local schools. Informal panel discussions will be aimed at creating among students a sense of expectation and greater motivation to further their schooling.

None of these initiatives is easily achieved; each takes networking, meetings, agreements, and flexibility. Each also requires staffing—and for a low-budget enterprise, that means office volunteers are needed.

But the alternative is to throw up our hands and label the problems of today's young people "someone else's business."●

NATIONAL DIGESTIVE DISEASE AWARENESS MONTH

Mr. DIXON. Mr. President, I ask unanimous consent that the Judiciary Committee be discharged from further consideration of House Joint Resolution 170, a joint resolution to designate May 1989 as "National Digestive Disease Awareness Month," and that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. The joint resolution will be stated by title.

The legislative clerk read as follows:

A joint resolution (H.J Res. 170) designating May 1989 as "National Digestive Disease Awareness Month."

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution.

The joint resolution was ordered to a third reading, was read the third time, and passed.

The preamble was agreed to.

Mr. DIXON. Mr. President, I move to reconsider the vote by which the joint resolution was passed.

Mr. LUGAR. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

MEASURE PLACED ON CALENDAR—SENATE JOINT RESOLUTION 135

Mr. DIXON. Mr. President, on behalf of Senators PELL, KASSEBAUM, and GORE, I ask unanimous consent that Senate Joint Resolution 135, a joint resolution to establish a National Commission on Human Resources Development, introduced earlier today, be placed on the calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR STAR PRINT—SENATE RESOLUTION 119

Mr. LUGAR. Mr. President, I ask unanimous consent that Senate Resolution 119 be star printed to reflect the following changes, which I send to the desk on behalf of Senator WILSON.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDERS FOR WEDNESDAY

ORDER OF PROCEDURE

Mr. DIXON. Mr. President, I ask unanimous consent that the majority leader, after consultation with the minority leader, may at any time turn to the consideration of either the conference report on the budget, House Congressional Resolution 106, or the supplemental appropriations bill expected to arrive from the House later this week.

The PRESIDING OFFICER. Without objection it is so ordered.

ORDER FOR RECESS

MORNING BUSINESS

Mr. DIXON. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 1 p.m., Wednesday, May 17, and that following the time for the two leaders, there be a period for morning business not to extend beyond 2 p.m., with Senators permitted to speak therein for up to 5 minutes each.

The PRESIDING OFFICER. Without objection it is so ordered.

PROGRAM

Mr. DIXON. Mr. President, for the information of Senators, on tomorrow, the Senate will turn to the conference report on the minimum wage bill, H.R. 2, at 2 p.m. under a time limitation of 2½ hours. Under the unanimous-consent agreement, a vote on the conference report will occur not later than 4:30 p.m. tomorrow.

RECESS UNTIL 1 P.M. TOMORROW

Mr. DIXON. Mr. President, if the distinguished acting Republican leader has no further business and if no Senator is seeking recognition, I now ask unanimous consent that the Senate stand in recess under the previous order until 1 p.m., Wednesday, May 17, 1989.

Mr. LUGAR. We have no further business.

There being no objection, the Senate, at 7:39 p.m., recessed until Wednesday, May 17, 1989, at 1 p.m.

NOMINATION

Executive nomination received by the Secretary of the Senate after the recess of the Senate on May 12, 1989, under authority of the order of the Senate of January 3, 1989:

NATIONAL LABOR RELATIONS BOARD

JERRY M. HUNTER, OF MISSOURI, TO BE GENERAL COUNSEL OF THE NATIONAL LABOR RELATIONS BOARD FOR A TERM OF 4 YEARS, VICE ROSEMARY M. COLLYER, TERM EXPIRED.

NOMINATIONS

Executive nominations received by the Senate May 16, 1989:

DEPARTMENT OF JUSTICE

JAMES FRANKLIN RILL, OF MARYLAND, TO BE AN ASSISTANT ATTORNEY GENERAL, VICE CHARLES F. RULE, RESIGNED.

E. BART DANIEL, OF SOUTH CAROLINA, TO BE UNITED STATES ATTORNEY FOR THE DISTRICT OF SOUTH CAROLINA FOR THE TERM OF 4 YEARS, VICE VINTON DEVANE LIDE, RESIGNED.

DEPARTMENT OF LABOR

ROBERT P. DAVIS, OF VIRGINIA, TO BE SOLICITOR FOR THE DEPARTMENT OF LABOR, VICE GEORGE R. SALEM, RESIGNED.

DEPARTMENT OF EDUCATION

NELL CARNEY, OF VIRGINIA, TO BE COMMISSIONER OF THE REHABILITATION SERVICES ADMINISTRATION, VICE SUSAN S. SUTER, RESIGNED.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

JOHN C. WEICHER, OF THE DISTRICT OF COLUMBIA, TO BE AN ASSISTANT SECRETARY OF HOUSING AND URBAN DEVELOPMENT, VICE KENNETH J. BEIRNE, RESIGNED.

DEPARTMENT OF COMMERCE

JOHN MICHAEL FARREN, OF CONNECTICUT, TO BE UNDER SECRETARY OF COMMERCE FOR INTERNATIONAL TRADE, VICE W. ALLEN MOORE, RESIGNED.

IN THE AIR FORCE

THE FOLLOWING CADET, U.S. AIR FORCE ACADEMY, FOR APPOINTMENT AS A SECOND LIEUTENANT IN THE REGULAR AIR FORCE, UNDER THE PROVISIONS OF SECTIONS 9353(B) AND 531, TITLE 10, UNITED STATES CODE, WITH DATE OF RANK TO BE DETERMINED BY THE SECRETARY OF THE AIR FORCE.

ROBERT J. FRINK, xxx-xx-xxxx

THE FOLLOWING-NAMED OFFICERS FOR PERMANENT PROMOTION IN THE U.S. AIR FORCE, UNDER THE PROVISIONS OF SECTION 628, TITLE 10, UNITED STATES CODE, AS AMENDED, WITH DATES OF RANK TO BE DETERMINED BY THE SECRETARY OF THE AIR FORCE.

CHAPLAIN

To be major

GREG W. CARLSON, xxx-xx-xxxx
ROBERT E. CRUTHIRDS, xxx-xx-xxxx
RICHARD G. ELLIOTT, JR., xxx-xx-xxxx
STEPHEN L. FRICK, xxx-xx-xxxx
CHARLES R. ROWLAND III, xxx-xx-xxxx
JOHN S. SANDERS, xxx-xx-xxxx

THE FOLLOWING OFFICER FOR APPOINTMENT IN THE REGULAR AIR FORCE UNDER THE PROVISIONS OF SECTION 531, TITLE 10, UNITED STATES CODE, WITH A VIEW TO DESIGNATION UNDER THE PROVISIONS OF SECTION 8067, TITLE 10, UNITED STATES CODE, TO PERFORM THE DUTIES INDICATED, PROVIDED THAT IN NO CASE SHALL THE FOLLOWING OFFICER BE APPOINTED IN A GRADE HIGHER THAN MAJOR.

CHAPLAIN

ROBERT E. CRUTHIRDS, xxx-xx-xxxx

IN THE MARINE CORPS

THE FOLLOWING NAMED OFFICERS OF THE MARINE CORPS FOR PERMANENT APPOINTMENT TO THE GRADE OF MAJOR UNDER TITLE 10, UNITED STATES CODE, SECTION 624:

ACKER, WILLIAM E., xx...
ACKERMAN, RAYMOND F., xx...
ADAMS, BENNY L., xx...
ADAMS, JAMES R., xx...
ALBO, MICHAEL C., xx...
ALDRICH, JAMES V., xx...
ALLEN, BERNAL B., JR., xx...
ALLEN, GEORGE J., xx...
ALTMAN, CHARLES B., xx...
AMMERMAN, LARRY D., xx...
AMYX, TERRY D., xx...
ANAL, JAMES G., xx...
ARBOGAST, STEVEN M., xx...
ASPEN, KRISTIAN O., xx...
ATHENS, ARTHUR J., xx...
BAILEY, JOSEPH A., xx...
BAILEY, RONALD L., xx...
BAKER, JAMES P., xx...
BAKER, JOHN J., JR., xx...
BAKER, ROBERT G., xx...
BANN, PETER L., xx...
BARBER, DAVID R., xx...
BARILE, DAVID J., xx...
BARND, DANIEL J., xx...
BARRERA, JOHN T., xx...
BARTON, LORNA M., xx...
BATY, ROGER L., xx...
BEDWORTH, DAVID, xx...
BELL, RUSSELL H., xx...
BENNETT, DREW A., xx...
BENNETT, RONALD R., xx...
BENSON, TIMOTHY P., xx...
BERGMAN, INGRID E., xx...
BERRIER, MICHAEL R., xx...
BIXLER, DAVID B., xx...
BIZZELL, BARRY B., xx...
BLEWIS, ROBERT J., xx...
BLUM, JOHN A., xx...
BOLITHO, KIM D., xx...
BOLLES, ELLIOT F., xx...
BOULET, JAMES L., xx...
BOWDEN, JAMES C., xx...
BOYD, DENNIS, G., xx...
BRADY, ROBERT M., xx...
BREAKFIELD, WAYNE E., xx...
BREAULT, CHRISTIAN G., xx...
BREDEN, WILLIAM O., xx...
BRINKMAN, JAMES L., xx...
BRISTOL, PATRICK M., xx...
BROWN, ROBERT L., JR., xx...
BROWN, WILLIAM N., JR., xx...
BROWN, WILLIE J., xx...
BRUSH, DANNY L., xx...
BUCHER, STEPHEN A., xx...
BUMGARDNER, SHERROD L., JR., xx...
BUNNING, KENNETH R., xx...
BURKE, DONALD E., JR., xx...
BURNETT, ROBERT M., xx...
CALLEROS, SALVADOR J., xx...
CALLIHAN, WILLIAM M., xx...
CARDOZA, ANTHONY A., xx...
CARTER, TANDY P., xx...
CATLIN, BRIAN D., xx...
CAVANAUGH, THOMAS E., xx...
CHRISTBURG, CHARLES A., JR., xx...
CHRISTIE, RICHARD A., xx...
CLARK, CARL F., xx...
CLEVELAND, WILLIAM R., xx...
CLINE, BOBBY J., xx...
COBURN, ROBERT A., xx...
COMBS, MICHAEL L., xx...
COMER, DOSIE O., xx...
CONE, WALTER A., xx...
COOKE, JOSEPH M., xx...
CORBETT, ARTHUR J., xx...
CORBETT, THOMAS M., xx...
CORBIN, PAUL T., xx...
CORCORAN, MICHAEL A., xx...
CREAMER, CRAIG W., xx...
CROISETIERE, PAUL, xx...
CRONIN, ROBERT B., xx...
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CROOK, ALAN C., xx...
CRUSH, RICHARD J., xx...
CUNNINGHAM, WALTER D., xx...
CURRY, JAMES V., xx...
CUSHING, DANIEL E., xx...
CVRK, CHARLES C., xx...
DALLAS, GEORGE M., xx...
DAMBRA, CRAIG W., xx...
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DAVIDS, RAYMOND M., xx...
DAVIS, BILLY H., xx...
DAVIS, CLETIS R., xx...
DAVIS, DIANNE S., xx...
DAVIS, EDWARD V., JR., xx...

DEMEYERE, RUSSELL A., xx...
DEWEESE, JEFFREY L., xx...
DEWEY, HENRY C., III, xx...
DLUZNESKI, PAUL K., xx...
DODD, STEPHEN P., xx...
DODSON, RONALD G., JR., xx...
DONIGAN, HENRY, J., III, xx...
DOUGHERTY, CHRISTOPHER E., xx...
DOYLE, JOSEPH G., xx...
DRURY, JOEL A., xx...
DUDA, JOHN S., xx...
DUDEN, JO L., xx...
DULING, THOMAS M., xx...
DUNKIN, JOHN S., xx...
DUNLAP, RICHARD C., xx...
DUNNUM, KENNETH L., xx...
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EDELEN, RUSSELL M., xx...
EDWARDS, DONALD P., xx...
EDWARDSON, DALE R., xx...
EISENMANN, GARY A., xx...
ESTRIN, JOEL S., xx...
FAY, MATTHEW E. xx...
FEBUARY, WILLIAM S., xx...
FIEDER, EDWIN, E., xx...
FINLEY, DANIEL M., xx...
FIROVED, KENNETH N., xx...
FISHER, MARC W., xx...
FLEMING, RICHARD A., III, xx...
FLORES, RICHARD A., xx...
FLORYSHAK, DANIEL M., xx...
FLOYD, MOSE L., xx...
FOLEY, SYLVESTER R., III, xx...
FONDAW JEFFREY E., xx...
FORAND, STEPHEN L., xx...
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FRANCIS, DAVID C., xx...
FUSCA, VINCENT J., xx...
GABLE, LAWRENCE R., xx...
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GARDINER, KENNETH P., xx...
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GARRETT, GEORGE P., xx...
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GAVIN, JOHN C., xxx...
GEIGER, BRADLEY K., xx...
GENSIC, ANTHONY W., xx...
GERARDI, WILLIAM P., JR., xx...
GERENCSER, LADISLAUS P., xx...
GIBESON, NOEL D., xx...
GLEASON, PHILLIP B., xx...
GORDON, MICHAEL S., xx...
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GRAGAN, DAVID P., xx...
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GREGORY, MICHAEL L. xxx-...
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GRISIER, DARCY E., II, xx...
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GUDDECK, WILLIAM J., xx...
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HAAG, DENNIS N., xx...
HABBESTAD, GORDON B., xx...
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HOEY, KEVIN A., xx...
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HORNE, RONALD O., xx...
HOSTETTER, MARY L., xx...
HOWARD, TIMOTHY B., xx...
HOWE, ROSE M., xx...
HUCKO, CHRISTOPHER, xx...
HUDSON FRED S., JR., xx...
HUNTER, ROBERT D., xx...
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INSERRA, GLEN A., xx...
ISLEIB, DOUGLAS R., xx...
JACOBSON, LAURIE G., xx...
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KALLELIS, BERNARD F., xx...
KANE, COLEMAN J., xx...
KARLS, DANIEL L., xx...
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KATZ, ELLIOT S., xx...
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KEARNS, DARIEN L., xx...
KELLEY, DAVIDE A., xx...
KIDD, DANIEL W., xx...
KING, ALLEN W., xx...
KINNERUP, JAMES J., III, xx...
KLATT, EMIL H., III, xx...
KLEPAC, ERIC L., xx...
KLIPPERT, BERNIE C., xx...
KNIGHT, DARRYL E., xx...
KNIGHT, LESTER H., xx...
KNOTTS, KENNETH J., JR., xx...
KOCOUREK, MARK A., xx...
KOLANO, EDWARD P., xx...
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KOLEOS, DANIEL J. xx...
KOOISTRA, ARTHUR R., xx...
KOONTZ, THOMAS F., xx...
KRATZER, DALE L., JR., xx...
KURTZHALTS, MARK W., xx...
KVIGNE, KELLY W., xx...
LABOUBE, THOMAS D., xx...
LALUNTAS, NANCY J. xx...
LAMONT, ROBERT W., xx...
LANDRUM, GLENN E., xx...
LANE, LAWRENCE B., xx...
LARKIN, EDWARD L., III, xx...
LASHLEE, SCOTT R., xx...
LEBRESCU, RHONDA G., xx...
LEDFORD, LEE A., xx...
LEE, RAYMOND T., III, xx...
LEE, SHELTON, JR., xx...
LEE, WILLIAM K., xx...
LEER, COLLEEN M., xx...
LEEVY, JOHN C. xx...
LINDBOE, DONALD T., xx...
LOBB, MICHAEL J., xx...
LOCKETT, KEITH V., xx...
LONGCOY, LAWRENCE W., xx...
LOVE, ROBERT E., xx...
LOVEJOY, JAMES D., JR., xx...
LUCENTA, WILLIAM, xx...
LYONS, GERARD J., xx...
MAHAFFEY, MARK D., xx...
MAHANY, ROY J., xx...
MAHONEY, JOHN L., xx...
MAMZIC, CURTIS E., xx...
MANION, STEPHEN P., xx...
MARAFINO, ANDREW, JR., xx...
MARLETTO, MICHAEL P., xx...
MARR, JERRY D., xx...
MARTIN, STEVEN J., xx...
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MASCARENAS, MICHAEL M., xx...
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MATHERN, DANIEL P., xx...
MAYO, COLIN F., xx...
MCBRIDE, LANCE R., xx...
MCBRIDE, MICHAEL E., xx...
MCCABE, KEVIN H., xx...
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MCGRATH, KURTIS J., xx...
MCGUIRE, TERRANCE B., xx...
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MIKOLAJCZAK, FRANK E., xx...
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ONEIL, BERNARD E., xx...
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OTTO, STEPHEN W., xx...
OURSO, FREDERICK J., JR., xx...
PANGBURN, CHARLES H., III, xx...
PASCO, JONATHAN T., xx...
PEECOOK, MARK S., xx...
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PETERS, DANIEL G., xx...
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PRICE, LARRY L., xx...
PTAKOWSKI, JOHN C., xx...
QUINLAN, MICHAEL W., xx...
RAFTERY, RICHARD J., xx...
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RAY, DANNY D., xx...
RAY, JONATHAN S., xx...
READ, RALPH K., xx...
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REINHART, JOSEPH N., III, xx...
REMPHER, AARON L., xx...
RICHMOND, MARCUS E., xx...
RILEY, VICTOR J., III, xx...
RODRIGUEZ, STEVEN, xx...
ROSS, JAMES G., xx...
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SALTER, DAVID J., xx...
SAMSON, RUSSELL W., xx...
SANDERS, MIKE W., xx...
SANDLIN, PAUL M., xx...
SAPP, VERNON T., III, xx...
SASSER, JAMES L., xx...
SAVARESE, MARK R., xx...
SAWYERS, WILLIAM A., xx...
SCHARFEN, JONATHAN R., xx...
SCHNEIDER, LOUIS G., xx...
SCHOEPFLIN, HAROLD E., xx...
SCHOOLFIELD, DONALD J., xx...
SCHRADER, ERNEST L., JR., xx...
SCHUSTER, DANIEL J., xx...
SCHWARTZ, RAYMOND E., III, xx...
SCOTT, JOHN F., xx...
SECREST, LLOYD D., xx...
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SESSIS, STEVE M., xx...
SHARP, JOHN C., xx...
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SHELTON, DAVID L., xx...
SHOULTS, EUGENE E., JR., xx...
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SHUSKO, JOSEPH C., xx...
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SIDERS, RANDY S., xx...
SIMPSON, ROCKY D., xx...
SLOGIC, FRANK W., xx...
SMITH, COLBY B., xx...
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SMITH, NICHOLAS J., xx...
SMITHBERG, FRED M., xx...
SNYDER, WILLIAM R., xx...
SPILLERS, KEVIN P., xx...
SPROUL, ALAN C., xx...
SPURGEON, DONOVAN J., xx...
STEELE, MICHAEL L., xx...
STEPHENS, KENNON Q., xx...
STONE, SHIMON, xx...
STREET, ROBERT S., xx...
STRINGER, WILLIAM F., xx...
SUBLETT, STEPHEN W., xx...
SUMMERS, PATRICIA A., xx...
SWEPSTON, JERRY W., xx...
TAKEHARA, MARK R., xx...
TARBUTTON, WILLIAM R., xx...
TARPEY, DANIEL F., JR., xx...
TART, WALLACE L., JR., xx...
TAYLOR, JAMES F., JR., xx...
TAYLOR, ROBERT W., xx...
TEXIDOR, JOSE L., JR., xx...
THALHOFER, PAUL T., xx...
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THOMSEN, DANIEL C., xx...
THORN, PATRICIA S., xx...
TIBBITS, KEITH A., JR., xx...
TILLOTSON, JOSEPH, JR., xx...
TOBIASSEN, DAVID S., xx...
TOMLINSON, PAUL L., xx...
TOMON, ROBERT F., xx...
TONNACLIFF, BRIAN L., xx...
TRESSLER, TIMOTHY, M., xx...
TROTT, RICHARD W., xx...
TULLY, ROBERT S., xx...
UPTON, STEPHEN C., xx...
VALORE, JOSEPH P., JR., xx...
VANDENBOUT, PHILIP, A., xx...
VANDYKE, ANTHONY E., xx...

VANPEURSEM, DENISE R., xx...
VEST, WENDELL N., JR., xx...
WALKER, CARL L., xx...
WALKER, RAYMOND L., xx...
WALLEN, CRAIG L., xx...
WALLENBURN, DAVID L., xx...
WALLS, DAVID W., xx...
WALSH, CHARLES J., xx...
WALSH, FRANK E., xx...
WALSH, RORY J., xx...
WAMPLER, TERRY L., xx...
WARNER, JAMES S., xx...
WASHINGTON, CLIFTON E., xx...
WASIELEWSKI, MARTIN J., xx...
WATSON, DAMON T., xx...
WEBB, BILLY P., JR., xx...
WEBER, ERIC C., xx...
WELDON, CHRISTOPHER M., xx...
WENTWORTH, CHARLES W., JR., xx...
WESTERN, THOMAS F., xx...
WESTMEYER, REX L., xx...
WHEELER, CHARLES G., JR., xx...
WHITE, JOHN C., JR., xx...
WIENERS, ROBERT B., xx...
WILLIAMS, DAVID T., xx...
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WILLS, PATRICK E., xx...
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WINGARD, JOSEPH R., xx...
WINSTON, DAVID P., xx...
WINTERS, FREDERICK, xx...
WISSLER, JOHN E., xx...
WITTLE, STEPHEN B., xx...
WOMACK, GUY L., xx...
WOODARD, BRUCE R., xx...
WOODS, CARL J., xx...
YANKOV, JORDAN D., xx...
YODER, RICHARD W., xx...
ZARTMAN, JAMES D., xx...

HOUSE OF REPRESENTATIVES—*Tuesday, May 16, 1989*

The House met at 12 noon.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Deliver us, O God, from any fear or distress that would keep us from being the people You would have us be. Your word has promised that perfect love casts out all fear and that we can be secure in the hope that Your blessings abound in us and about us all our days. Free us, O gracious God, from all that would keep us from using our energies and talents in service to the people who need help and support, and guard us always from that which keeps us from being Your voices for justice and peace and liberty in all areas of life. In Your name, we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from Illinois [Mr. EVANS] kindly come forward and lead us in the Pledge of Allegiance?

Mr. EVANS led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which its stands, one nation under God, indivisible, with liberty and justice for all.

MAKING IN ORDER ON WEDNESDAY, MAY 17, 1989, OR ANY DAY THEREAFTER, CONSIDERATION OF CONFERENCE REPORT ON HOUSE CONCURRENT RESOLUTION 106, CONCURRENT RESOLUTION ON THE BUDGET—FISCAL YEAR 1990

Mr. PANETTA. Mr. Speaker, I ask unanimous consent that it may be in order on Wednesday, May 17, 1989, or any day thereafter, to consider the conference report on the concurrent resolution (H. Con. Res. 106) setting forth the congressional budget for the U.S. Government for the fiscal years 1990, 1991, and 1992, that all points of order against the conference report and against its consideration for failure to comply with the provisions of clauses 2, 3, and 4 of rule XXVIII be waived, that the conference report be considered as having been read when called up for consideration, and that debate on the conference report be limited to 90 minutes.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

NEW HOPE FOR AGENT ORANGE VICTIMS

(Mr. EVANS asked and was given permission to address the House for 1 minute.)

Mr. EVANS. Mr. Speaker, last week Secretary Derwinski took a big step in ensuring that the Veterans' Administration would be a kinder and gentler bureaucracy. I salute him for deciding not to appeal the district court ruling that the Veterans' Administration imposed too strict a standard in agent orange claims.

This decision is a positive one because in the past, under Democratic and Republican administrations, the Federal Government has been unresponsive in helping veterans and their families. The victims of agent orange have suffered enough.

I hope the Secretary will quickly propose responsible new regulations and quickly reconsider the 31,000 claims involved in the case.

Mr. Speaker, I also want to salute the Vietnam Veterans of America for bringing the suit in the first place, although I find it regrettable that they had to go to the Federal courts to get the Veterans' Administration to live up to the law of the land.

ADDRESSING THE PROBLEM OF INADEQUATE RURAL HEALTH CARE

(Mr. CLINGER asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. CLINGER. Mr. Speaker, American's rural health care system is on a crash course, and unless we begin to address some of the problems associated with rural health care, many of our rural citizens may soon be denied proper medical care.

The general problem of rural health care stems largely from the way Medicare disburses through rural hospitals. Due to the urban/rural differential, Medicare pays rural hospitals on the average nearly 40 percent less than their urban counterparts. As a result, 87 rural hospitals have closed in the past 2 years. The effect of these closures on the community is very far reaching.

I believe rural hospitals are facing these problems for two reasons. First, the population of rural areas is generally older than the national average, so more people are eligible for Medicare and are more likely to need it. Second, rural patients are often poorer than the average and tend to be underinsured and to seek treatment later, making it very likely that the hospital will exceed the preset reimbursement limit.

To solve this problem, Mr. Speaker, over 100 Members of Congress from all ends of the ideological spectrum have joined together to form the Rural Health Care Coalition, an organization dedicated to identifying and solving problems associated with rural health care.

Mr. Speaker, I urge my colleagues to seriously consider the proposals presented by the Congress.

SUPPORT URGED FOR LEGISLATION TO IMPROVE HEALTH CARE FOR RURAL AMERICANS UNDER MEDICARE

(Mr. JONTZ asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. JONTZ. Mr. Speaker, I rise today to urge the House to address the challenges facing our rural health care system.

In particular, I would like to urge my colleagues to support H.R. 1110, or comparable legislation to end the urban/rural distinction in Medicare reimbursement.

Currently, the average rural hospital receives 20 percent less than an urban hospital in Medicare reimbursement. In Indiana, the urban/rural differential can be anywhere between 8 and 42 percent. Rural hospitals have reasons to be concerned: In 1987, 41 of Indiana's 50 rural hospitals lost money on patient care.

A recent survey in Indiana projected that six of our State's rural hospitals will close in the next 5 years and the George Ade Memorial Hospital in Newton County, which I represent, became the first casualty since the survey was published when it closed its doors as a hospital in March of this year.

Basing hospital payments on arbitrary geographic classification is unfair, and threatens access to health care for many rural Americans. H.R.

1110 will not solve all of the problems of our rural hospitals, but it will change Medicare reimbursements to reflect that the health care needs of rural Americans are no less important than those of urban Americans.

PROPOSED CHANGES IN URBAN/RURAL DIFFERENTIAL FOR MEDICARE PAYMENTS

(Mr. COMBEST asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COMBEST. Mr. Speaker, I take this opportunity to discuss a problem facing not only the 19th District of Texas but one that confronts those living in rural areas across our Nation. The problem of accessible and adequate health care.

No longer do we live in the days of the Marcus Welby style family doctor. Today rural Americans can be forced to drive an hour or more to receive hospital care. This drastic change in our fundamental health care system must be addressed.

The disappearance of rural hospitals and doctors are reaching deadly levels. My home State of Texas has led the Nation for the third consecutive year in hospital closures with 19 last year. Currently 49 counties in Texas have no hospitals and 14 counties are without doctors. These problems threaten the lives of rural Americans daily.

The issues facing rural health care are complex and multifaceted but my colleagues on the rural health care coalition have offered answers to many of these questions.

One answer is to reimburse rural hospitals at the same rate as their urban counterparts, which is not the case today. Urban hospitals are paid 30 to 40 percent more for Medicaid and Medicare reimbursement than rural hospitals.

Another answer is to guarantee tax credits for those physicians and nurses who are willing to serve understaffed hospitals around the Nation's rural areas.

I have touched only on a few important issues today facing rural Americans, but I ask for your support in passing legislation to address the challenges confronting the rural health care industry.

□ 1210

"RIGHT ON," PRESIDENT BUSH

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute.)

Mr. TRAFICANT. Mr. Speaker, I rise today to commend President Bush for the steps he has taken to end the arms race. I do not mean Geneva; I mean the arms race in the streets of America. His decision to ban the import of semiautomatic weapons is a welcome sight, and a needed decision for America. Thank God President Bush has the courage.

The second amendment of the Constitution guarantees the American citizens the right to bear arms, but not the right to tote cannons, and President Bush has made the tough decision, and he needs the help of everybody in this country.

Mr. Speaker, I am also supporting the President, and I will be reintroducing my bill which calls for the death penalty for drug smugglers of huge amounts of heroin and cocaine, which this country does not produce. Drugs that kill our children and poison our freedoms.

I say, "Right on, President Bush. Keep it up."

ONCE AGAIN PRESIDENT BUSH SEIZES THE INITIATIVE

(Mr. DREIER of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DREIER of California. Mr. Speaker, there has been a great deal of talk over the years about dealing with the issue of criminal code reform and the rampant crime problems to which the gentleman from Ohio [Mr. TRAFICANT], my colleague, has just referred. I have to say that under this President we have seen him step up to bat and deal with the Third World debt crisis, we have seen him deal with the savings and loan crisis, and we have seen him deal with the budget deficit crisis. Yesterday we saw him boldly take on the initiative of trying to turn the corner on this terrible crime rate we have.

Mr. Speaker, while everyone might not be supportive of every single provision in this bill, I, too, would like to congratulate President Bush for once again seizing the initiative.

THE FAMILY CHOICES IN CHILD CARE ACT OF 1989

(Mr. HAYES of Louisiana asked and was given permission to address the House for 1 minute.)

Mr. HAYES of Louisiana. Mr. Speaker, today I join the gentleman from Missouri [Mr. BUECHNER], my good friend and colleague, in introducing a bill that will help ease the financial burden that child care places on the concerned working mother and father. Our legislation addresses both the financial and emotional factors that have been the center of this issue. We believe that in order to adequately address the needs of the American family that we must have a proposal that has at least two basic criteria.

First, Mr. Speaker, it must help those most in need of tax assistance, the low- and middle-income parents; second, it must insure the continued right of parents to choose the services that are best for their own child, whether the services are provided by a grandmother, neighbor, child care center with a religious affiliation or not, or by a parent who wishes to stay home and care for their child. Our bill meets those criteria and creates additional options such as a clearinghouse for information on child care services and tax incentives for the employer who wishes to provide the working family man or woman with in-house child care services.

It is time for Congress to recognize this need, and act responsibly, and, as the gentleman from Missouri [Mr. BUECHNER] is so fond of saying, "Lache pas la patate."

A STEP IN THE RIGHT DIRECTION

(Mr. COUGHLIN asked and was given permission to address the House for 1 minute.)

Mr. COUGHLIN. Mr. Speaker, as vice chairman of the Select Committee on Narcotics Abuse and Control I want to congratulate the President on the anticrime package which he proposed yesterday. In the words of the President, he proposed new laws to punish criminals, new agents to arrest them, new prosecutors to prosecute them, and new prisons to hold them.

Mr. Speaker, this program is a step in the right direction, and it complements legislation that was introduced today by the chairman of the Select Committee on Narcotics Abuse and Control, the gentleman from New York [Mr. RANGEL] and myself to provide for alternative incarceration of drug abusers and nonviolent criminals, which I also commend to this House.

RURAL HEALTH CARE

(Mr. LANCASTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LANCASTER. Mr. Speaker, I rise today to call attention to the need for increased awareness of the problems that rural Americans face every day in seeking adequate health care. Health expenditures represent the third largest category in the Federal budget, yet the problems that rural Americans encounter in obtaining affordable, quality health care appears to be growing. The House Rural Health Care Coalition has introduced a package of bills that will help insure that the Nation's rural residents obtain improved health care.

Our coalition package contains legislation, H.R. 1583, that will eliminate the differential in Medicare reimbursement. I have heard again and again from my rural hospital administrators about the unfairness of the dif-

ferential. Since several of my district's rural hospitals border counties that are paid at the urban rate, this inequity must be entirely abolished. All hosptials in my district must compete in hiring doctors, nurses, and other medical personnel with those that are reimbursed at a higher rate. In addition, the expenses and medical needs of rural and urban patients are comparable. This means that my constituents who provide and receive Medicare-reimbursed services are not being dealt with in an even-handed manner. The hospitals in my congressional district are in dire need. If they are to remain open as viable, financially sound health care facilities, legislation must be enacted to eliminate this differential.

The coalition's package also includes the Rural Emergency Medical Services Improvement Acts, H.R. 1586 and 1587, which would establish a $45-million block grant program to States for recruiting, training, and keeping rescue squad workers and other emergency medial service personnel and for financing the purchase, upgrading, and maintainance of emergency medical equipment.

Other important bills in the package include the following: House Concurrent Resolution 83, a sense-of-Congress resolution that states the need to reconcile the current disparity between rural and urban physician fees under the Medicare Program; H.R. 1588, to restore the tax deduction for education loan interest for physicians, nurses, and allied health professionals; H.R. 1585, a bill to reduce and remove the administrative barriers to establishing clinics, disseminate information about them, and increase prenatal care and mental health services through the clinics; H.R. 1584 to help States develop programs to streamline the eligibility for Federal maternal-child health programs; and H.R. 1589 which will establish an Office of Rural Health Care.

Mr. Speaker, I urge all Members of this body to carefully examine these bills. Each will make for a stronger, healthier rural America. We have a responsibility to the good people of rural America to make certain that they are provided the means for a longer, healthier life that is within their financial reach.

THE RURAL HEALTH CARE CRISIS

(Mrs. SMITH of Nebraska asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SMITH of Nebraska. Mr. Speaker, the rural health care crisis is all too real and threatening in Nebraska.

As such, I join my colleagues from the Rural Health Care Coalition in urging the House to ensure that access to quality, affordable, and community-based health care is a reality for rural as well as urban Americans.

This is not a small special interest Congress can afford to ignore. The rural health care crisis impacts more than one-fourth of the U.S. population. It effects those people supplying this Nation with the world's most abundant, safest, and cheapest food supply.

Many rural health problems are a result of discriminatory Medicare policies. The devastating result is the loss of rural hospitals, the foundation of the rural health care delivery network.

While no Nebraska hospital has closed in the last year, many struggle month to month to stay open. Already in my district, nearly one-third of 62 counties are without a hospital.

When rural hospitals are lost, communities lose part of their identity, most often their major employer, their doctors, and any real hope of attracting new businesses and realizing economic recovery.

But solving the rural health crisis is not just a matter of keeping hospitals open or attracting doctors under unfair Medicare policies.

It also means overcoming geographic distances, a transportation shortage, and a shortage of not just doctors, but also nurses and the whole array of health professionals.

And it means serving a population that is proportionately older, poorer, sicker, less likely to be insured, and engaged in the most dangerous occupations.

The coalition's 1989 agenda addresses these problems and is deserving of the attention of the House. It seeks to correct Medicare inequities for rural hospitals and physicians, to attract medical professionals to rural communities, promote prenatal care, and improve rural emergency services.

Solving the rural health care crisis and ensuring universal access to health care for all America must be a priority of this Congress.

JAPAN—THE LEADER OF UNFAIR TRADE PRACTICES AGAINST THE UNITED STATES

(Mr. BRENNAN asked and was given permission to address the House for 1 minute.)

Mr. BRENNAN. Mr. Speaker, I rise today in strong support of a resolution disapproving the sale of the FSX fighter technology to Japan. Over the past couple of weeks the Committee on Armed Services' Investigations Subcommittee has heard testimony on this sale. At those hearings I questioned DOD and Commerce Department witnesses about the merits of such a sale. Unfortunately their responses were not reassuring that the United States would gain any advantage from this sale.

During town meetings I hold across my State strong reservations have been expressed by citizens of Maine in regard to this sale.

Mr. Speaker, our aerospace industry remains No. 1 in the world, and in the long run I fear that this sale could jeopardize that status. Recent trade figures indicate Japan continues to be a leader in unfair trade practices against the United States, and I wonder how this sale will correct it.

We must evaluate our trade relationship with Japan by protecting our national and economic security interests. I do not believe the sale of this fighter technology meets that test. Therefore I urge my colleagues to join me in a joint resolution to disapprove the sale.

THE FAMILY CHOICES IN CHILD CARE ACT OF 1989

(Mr. BUECHNER asked and was given permission to address the House for 1 minute.)

Mr. BUECHNER. Mr. Speaker, I once again rise to ask the question: Should the Federal Government be in the business of telling parents the type of child care they must choose for their children? The answer remains an emphatic no.

Our families don't want government intrusion into what is truly a family matter. The last thing parents need is for the Federal Government to tell them the type of child care they must choose.

If Congress really wants to assist families with child care, it should implement a pro-family Federal policy that will: First, provide equal treatment for all types of child care; second, maximize child care options for parents; third, not discriminate against families in which one parent remains at home; and fourth, encourage private employers to provide child care benefit programs to assist parents while they are working.

Today, my friend and colleague Congressman HAYES of Louisiana and I, are introducing the Family Choices in Child Care Act of 1989 which implements a pro-family Federal policy with all of the elements I just mentioned. However, the keystone of this bill is that is provides tax relief for low- and middle-income families with children under age 6 with 100-percent freedom to choose the type of care they want for their children including mother care, in-family care, and church based care.

Mr. Speaker, it's time to stop overtaxing the American family and time for Congress to focus its efforts and respond to the child care needs of American families. We call upon my colleagues to join us in sponsoring this legislation to ensure our commitment

to the continued growth and security of the American family.

INFANT MORTALITY IN RURAL AMERICA

(Mr. ROWLAND of Georgia asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROWLAND of Georgia. Mr. Speaker, there is a greater perception of the health care needs of our rural citizens today than in the past, so it is with a great deal of optimism that I join with my colleagues today to support efforts in Congress to help meet these needs in rural America.

The high rate of infant mortality in rural America is an issue of particular concern to me. It has long been apparent that these rates are higher in rural areas than in most urban areas.

Fortunately, more attention is being focused on this problem than ever before. As a member of the Rural Health Care Coalition and the vice chairman of the National Commission to Prevent Infant Mortality, I have been working with many others in looking for solutions. For instance, we have recently introduced two legislative proposals, H.R. 1584 and H.R. 1710, which will improve and expand access to preventive health and social services for pregnant women and children. I urge my colleagues to act on this legislation to promote the health of babies and mothers in rural America, as well as the country as a whole.

□ 1220

THE FLUID URGENT SUPPLEMENTAL

(Mr. MICHEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MICHEL. Mr. Speaker, the situation with respect to the upcoming supplemental is rather fluid, I guess, to say the least. The Rules Committee is meeting this afternoon to craft a rule for consideration of the supplemental.

I might remind our colleagues that 10 days or so ago when we had it considered here on the floor there was an attempt to load it up with everything other than what ought to be in an urgent supplemental. The House rose up in righteous indignation, Members on both sides of the aisle, and caused the leadership to pull it.

My feeling is now that there is only one item that is really significant that is an urgent supplemental item, and that has to do with veterans' hospitals medical care, maybe a few little minor ones; but if there is another attempt on the part of the majority or Members to pile on this urgent supplemental, while the President has not formally committed himself, I get the distinct impression in my conversations with the President that he would be inclined to veto it.

Now, if the rule is crafted in such a way that the minority cannot have its full rights protected and there is this feeling that discerning Democrats would like to make absolutely certain that the first appropriation bill out of the box is one devoted only to that cause, then it seems to me we would be within our rights to vote down the rule again to get the message across that all we need is a stripped down supplemental this first time around.

RURAL HEALTH CARE

(Mr. WISE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WISE. Mr. Speaker, I rise today to speak about the pressing need to improve rural health care in West Virginia and the Nation. The consequences of inadequate, inaccessible and unaffordable health care are often devastating for those who need it the most. The infant mortality rate in the United States exceeds that of 18 other countries, including Japan, Spain, Ireland, Germany and France.

Low-income pregnant women who live in rural areas all over the country suffer from a crippling lack of prenatal services. The lack of adequate prenatal care often leads to premature birth, birth defects and low birth weight. Low birth weight babies are 40 times more likely to die in their first month than normal weight babies. For very low birth averted by prenatal care, the U.S. health care system saves between $14,000 and $30,000.

We need to support the legislative agenda of the Rural Health Care Coalition, which includes increased maternal child health care funding and expanded Medicaid coverage.

The question in this case is not can we afford this, but how can we not afford it.

DEMOCRATS PLAYING GAMES WITH URGENT SUPPLEMENTAL

(Mr. GINGRICH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GINGRICH. Mr. Speaker, I want to pick up on what the gentleman from Illinois [Mr. MICHEL] just said.

The Democrats on the Appropriations Committee are playing games with America's veterans. President Bush sent a solid supplemental request to help the veterans to keep open the hospitals to do what is necessary. For 5 weeks now the Democrats in the Appropriations Committee have been playing games with that legitimate request to help veterans.

There is a rumor on the floor today that we are going to see another effort made in the next 24 hours to again play games with America's veterans.

President Bush will veto any effort by the House Democrats to put additional materials on the legitimate urgent supplemental, and he should veto it and I would urge every Member to vote to sustain that veto.

If the House Democrats want to pass a clean, simple, signable bill to help America's veterans, they have a chance to do so in the next 24 hours. I hope that is the kind of rule and that is the kind of supplemental they will bring to the floor.

REPUBLICANS SHOULD PUT THEIR MONEY WHERE THEIR MOUTH IS

(Mr. HOYER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HOYER. Mr. Speaker, the leader and the whip of the minority party have just come and talked about the urgent dire supplemental. One of the things that was in that bill was money for the drug war, for the drug fight, putting our money where our mouth is, where our politics is, if you will.

Yesterday the President gave a speech about fighting drugs. He talked about the Bureau of Alcohol, Tax and Firearms, one of the key elements in our fight on drugs. The President's budget this year, Mr. Speaker, recommended a $14 million reduction in last year's figure. The President's request, in fact, is $25 million below a current services budget. His request, therefore, yesterday for an additional $18.8 million is somewhat hollow. It is still $7 million less than a current services budget.

Current services, Mr. Speaker, is doing that which we are doing this year. The American public believes there is a crisis. The supplemental said, "Let's spend some money."

Mr. President, we applaud you, but we need to spend the money to back up that program.

THE DIRE EMERGENCY SUPPLEMENTAL APPROPRIATIONS

(Mr. GEKAS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GEKAS. Mr. Speaker, continuing on the discourse having to do with appropriations and the supplemental, I intend to appear before the Rules Committee this afternoon and to fire the opening shot for a movement which I think has to catch fire and has to receive eventual approval by the House of Representatives and the

other body when the time comes, and that is the repeal of or modification of section 89. We all know what that implies. We all know what a harassment that contains for our business community, the loss of jobs and a whole bunch of adverse effects that can have long-range implications for our economy.

Now, I know that the difficulty will be before the Rules Committee, not only in the ironclad natural opposition of the majority to allow amendments of this type, but also of the legitimate waivers that have to be obtained for consideration of this effort on our part, but I urge the Members to adopt a positive stance for repeal or modification of section 89.

IMPROVEMENT OF MEDICAL SERVICES FOR NATION'S RURAL POPULATION

(Mr. LAUGHLIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LAUGHLIN. Mr. Speaker, since 1980, 163 rural hospitals have closed their doors, denying even basic health care to the millions of Americans living in these areas. In the State of Texas 39 rural hospitals have closed during the past 4 years.

If we are to reverse this trend, we must eliminate the current differential between payment rates for hospitals and physicians in urban and rural areas. In addition, we must expand the rural hospital transition program to allow rural hospitals to remain viable and respond to a rapidly changing environment. As a further incentive, we must allow physicians and health care professionals serving these areas to deduct the interest from their student loans in exchange for serving medically underserved areas. And finally, we must implement a program to improve the availability and quality of rural emergency medical services on the State level.

These measures will not keep every hospital in rural America operational, but they will help ensure the continuation of medical services available to our Nation's rural population.

SUBSIDIZING SOYBEAN OIL SALE TO SOVIETS IS OUTRAGEOUS

(Mr. CONTE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CONTE. Mr. Speaker, 2 weeks ago the President approved a taxpayer-subsidized sale of 1.5 million tons of wheat to the Soviet Union. At a subsidy of at least $10 per ton, that sale is going to cost us over $15 million.

If that is not bad enough, some people now want the President to approve the sale of 500,000 tons of subsidized soybean oil to the Soviets, at a cost of $75 million to the taxpayer.

Mr. Speaker, subsidizing the wheat sale was absurd. Subsidizing the soybean oil sale would be outrageous.

How could anyone even consider giving the Soviets a $75 million windfall, when we can barely scrape up enough to take care of our veterans? Do not let it happen, Mr. President. Do not let this slippery soybean sale slide through. Do not let the Export Enhancement Program waste any more of our money.

The mere fact that you even have to consider it shows how ridiculous the export Enhancement Program can be. The Department of Agriculture calls it "eeping" the Soviets. It's time to stop "eeping" the Soviets and start keeping the taxpayers money.

1230

RURAL REFERRAL CENTER REIMBURSEMENT

(Mr. McCURDY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McCURDY. Mr. Speaker, I rise today to help bring to the attention of my colleagues from urban districts a matter of great importance in rural health care survival. I am referring to the issue of rural referral center reimbursement.

In what is termed a cost-cutting measure, Medicare proposes to eliminate a service that is vital to rural communities. Medicare plans to reduce the number of hospitals which qualify as rural referral centers, by changing the criteria under which they are designated.

Will this practice save a significant amount of money in the Medicare budget?

No!

Will it eliminate a service rural communities drastically need?

Yes! And it certainly impacts a district such as mine that covers over 8,000 square miles.

These centers provide lifesaving technology and services to rural communities that do not have the resources to provide them. The only alternative for these communities is to transport very ill patients many miles to urban hospitals which receive a higher rate of reimbursement than the rural referral centers.

I urge my colleagues to support legislation to extend the status for those hospitals that are now considered rural referral centers.

RURAL HEALTH CARE

(Mrs. VUCANOVICH asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. VUCANOVICH. Mr. Speaker, as a member of the Rural Health Coalition, I appreciate the opportunity to address the challenges that face rural health care in our Nation today.

As many of us know all too well, in much of rural America, rural health care centers that provide medical care are not adequately reimbursed for their services. In order to combat this inequity, I support the elimination of the urban/rural Medicare payment differential. Several of my colleagues who represent rural areas have introduced legislation that addresses this concern.

To this end, I have cosponsored Congressman PICKLE's bill, H.R. 762, the Equity for Rural Hospitals Act of 1989 as well as Congressman CRAIG's bill, H.R. 148. These bills are particularly important to my State of Nevada. Because Nevada has one of the fastest growing populations of older people, the elimination of this differential is crucial to the health care of older people and to the existence of hospitals that rely on Medicare reimbursement. Also, rural Nevada has shared in the overall prosperity of the State in its gold boom, and as rural Nevada continues to prosper, the focus of access to quality rural health care becomes more important.

It is also vital for Congress to provide incentives to increase the recruitment and retention of health professionals in rural areas.

I have consponsored Congressman VANDER JAGT's bill, H.R. 1588, which allows a tax deduction for education loan interest as an incentive for health professionals to practice in medically underserved areas.

I appreciate the efforts of Congressman TAUKE and Congressman SYNAR for their leadership in rural health issues. I urge my colleagues not only to consider the concerns that we are addressing today but also to act on these concerns by passing needed rural health care legislation.

CRITICISM OF LUJAN A DISSERVICE TO INSULAR AND INDIAN AMERICANS

(Mr. DE LUGO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DE LUGO. Mr. Speaker, yesterday's Washington Post article on Interior Secretary Manuel Lujan did a disservice to millions of Americans in the insular areas and on Indian reservations by reporting in a critical way that Lujan visited insular areas and reservations just after taking office.

The Secretary of the Interior has more impact on the lives of these often forgotten peoples than any other Americans.

The article's criticism suggests that there was something more important that Lujan should have been doing.

There are a number of Members of Congress on both sides of the aisle and in both Houses who would disagree.

The priority need for the Secretary to pay more attention to insular affairs, which have been poorly handled by Interior in the recent past, was the first point brought up by Chairman BENNETT JOHNSTON during Lujan's confirmation hearings.

Lujan joined 12 members of the Interior and Insular Affairs Committee headed by Chairman MO UDALL on a rigorous, working trip to the Pacific. It made possible unprecedented, joint Federal executive-legislative meetings for which island leaders expressed appreciation.

The issues were important to their peoples and involve U.S. security interests and substantial budgetary expenditures.

It was, for example, the first time that an Interior Secretary had been to Palau, islands for which he is fully responsible under law. Palau is strategically important to the United States but has been racked with political violence, corruption, high rates of drug abuse, and crippling debts in part because Lujan's predecessors didn't do their job there.

The messages of the article's criticism are that issues involving the millions of insular and Indian Americans are lower priority than natural resource issues at Interior and that the Secretary should not devote much time to them.

As a member of the Interior and Insular Affairs Committee with a strong environmental record, I firmly disagree.

ADDRESSING THE MEDICAL NEEDS OF RURAL AMERICA

(Mr. LIGHTFOOT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LIGHTFOOT. Mr. Speaker, today I am joining with my colleagues on the House Rural Health Care Coalition to address the medical needs of rural America. The House Rural Health Care Coalition today is outlining its support of several legislative initiatives to resolve the most severe problems confronting rural hospitals.

Mr. Speaker, I am alarmed by the rate of hospital closures in rural America. The hospitals in my congressional district are some of the largest employers in the area. Hospital closures often have a negative ripple effect throughout the community. Rural businesses lose cost effective providers and communities lose local health care resources.

In addition, Mr. Speaker, physicians in rural areas receive far lower payments for their services than their urban counterparts. Several rural communities and hospitals have expressed to me their concerns with recruiting and retaining health care professionals in their communities. Because health care facilities are closing, nurses are driven from rural communities to better working conditions and higher salaries in urban hospitals.

Finally, Mr. Speaker, I am committed to work to eliminate the urban and rural Medicare payment differential. This is the No. 1 problem facing rural health care providers. Rural hospitals are more dependent on medicare payments than their urban counterparts because rural areas are traditionally comprised of older Americans whose health care costs are paid by Medicare.

Mr. Speaker, I urge my colleagues to join with me to ensure the quality of our health care delivery system will not be jeopardized. I hope you will cosponsor one of the several measures introduced by my colleagues on the House Rural Health Care Coalition.

RURAL HOSPITALS NEED HELP

(Mr. STALLINGS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STALLINGS. Mr. Speaker, two Idaho hospitals closed their doors to acute care service last summer—March Valley Hospital in Downey and Ashton Memorial Hospital in Ashton. Fremont General Hospital in St. Anthony preceded these facilities in its demise.

Community Hospital in Council, in a 13th hour plea to the community last month, managed to raise $150,000 as a line of credit to gain the management services of Lutheran Health System and forestall closure.

Other hospitals could close within the next year.

Idaho hospitals wrote off nearly $80 million for uncompensated care in 1988—16.3 percent above 1987's level. This figure includes writeoffs for indigent care, bad debts the hospitals were unable to collect, and contractual allowances imposed on providers by Medicare/Medicaid reimbursement levels.

Medicare losses make up the lion's share of the hospitals' losses at $45 million or 10.3 percent of gross revenue. Losses attributed to the Medicare program are up 20.3 percent over 1987 levels.

Rural hospitals cannot sustain these losses. Without immediate assistance, Idaho hospitals will no longer be able to continue to provide rural communities with the accessible, high quality health care that Idahoans have long enjoyed.

Many in Congress do not understand rural in Idaho terms. They do not realize the geographic and weather impediments to accessing health care services in another community when the nearest hospital closes.

And when a hospital closes, the impact on a rural community can be staggering. Seldom will a physician remain in the community and, when there is no physician and no suitable health service, the community becomes a less desirable location for private economic development.

A recent survey by the University of Idaho Center for Business Development and Research found that sales by Idaho hospitals generated more earnings for Idaho households per dollar than sales by any other industry. And for every $1 million in gross receipts of Idaho hospitals, nearly 46 jobs were created.

It is imperative that Congress enact legislation to protect and strengthen health care services in Idaho and in rural communities across the Nation.

I strongly urge the elimination of the urban-rural differential for Medicare hospital payments. Reimbursement must be based on more accurate measures of severity to illness, case mix, and labor and nonlabor costs.

We also must make certain that rural communities are able to attract and retain qualified health care professionals, provide increased support for community and migrant health centers, rural health clinics, rural mental health services, and rural health research.

Certainly our needs are great, but with commitment and perseverance we can make certain rural America has access to quality, community-based health care.

IN SUPPORT OF H.R. 2145

(Mr. GOSS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GOSS. Mr. Speaker, H.R. 2145 would prohibit the United States from contributing to the United Nations if that body were to offer full membership to an organization that has not earned international recognition as a state.

It just so happens that we have such a situation developing today. The PLO, through its efforts to join the World Health Organization, is seeking entry into the United Nations. Mr. Speaker, we are all fully aware that the PLO has come nowhere near earning international recognition as a state.

The Palestinian Liberation Organization continues to operate under a charter apparently predicated on the ongoing use of violence and terrorism. Allowing the PLO entry into the United Nations would be unconscionable.

The United Nations only works as an organization of nation states, not an

ad hoc collection of political parties, ethnic groups, or displaced peoples.

Granting U.N. membership to a political organization claiming to represent people living in the territory of another sovereign state would be a very dangerous precedent. I urge my colleagues to support H.R. 2145.

RURAL HEALTH CARE

(Mr. SKELTON asked and was given permission to address the House for 1 minute.)

MR. SKELTON. Mr. Speaker, I rise today in support of efforts in Congress to provide better health care delivery to rural America. As a member of the Rural Health Care Coalition and chairman of the congressional rural caucus, I am encouraged by the groundswell of Members in the House that have introduced and support rural health care legislation.

I first introduced legislation in the 99th Congress to eliminate the Medicare reimbursement differential between urban and rural hospitals. This year, that legislation carries the number H.R. 1110. There are a number of pieces of legislation that now contain this important first step in saving hospitals in nonurban areas. Also, there are very good pieces of legislation dealing with the shortage of physicians and nurses, and other aspects of health care delivery.

Citizens in rural areas should not suffer simply because of where they live. If the young and elderly cannot get adequate health care maintenance, if rural hospitals continue to close, the worst of these cases will soon become a burden on the health care systems in suburban and urban areas. We must not let this happen.

I applaud Congressmen MIKE SYNAR and TOM TAUKE in their efforts to bring Members of the House together as one voice on this issue.

VETERANS' ADMINISTRATION IN DIRE NEED OF ASSISTANCE

(Mr. McEWEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McEWEN. Mr. Speaker, as the House is fully aware and as all of America's veterans have known for many months, the Veterans' Administration is in dire need of assistance. Whole hospital wards are being closed. Medical facilities are inadequate. Veterans are not being serviced, and new regulations are coming out on a daily basis disqualifying veterans' assistance to America's veterans because of a shortage of funding.

Some weeks ago the President and the Secretary of Veterans' Affairs asked for immediate aid. They asked the Congress for an urgent supplemental, additional funds for the Veterans' Administration. Congress said that if the President supports it and if the veterans are going to get it, such an excellent opportunity for us to put all kinds of Christmas tree ornaments on this package.

On the floor of the House some days ago the President's urgent supplemental was rejected because 93 percent of the funding did not go to veterans. It went for other causes.

□ 1240

Now we are here again listening to a discussion of possibly riding on the backs of veterans again, to use that vehicle—a veterans' supplemental—to fund other programs. Mr. Speaker, we must help veterans today and forget using the support Americans feel for their cause to pass spending measures that cannot stand on their own merit.

MEDICAL CARE TO SMALL COMMUNITIES

(Mr. DORGAN of North Dakota asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DORGAN of North Dakota. Mr. Speaker, last Saturday I flew into a small airstrip of a small rural community about 30 miles south of the Canadian border. I asked someone there why an ambulance was waiting at the small airport. The person said a young 2-year-old Indian child has been run over by a lawn mower at the reservation. They were waiting for a doctor who was flying in. The child was in pretty critical condition.

That instance reminded me of how important medical care is to small communities. I grew up in a town of 300 people. When someone was in need of emergency care and had to go to the hospital, we had to put a handkerchief on the antenna and drive 55 miles to get to a hospital, speeding all the way.

We are now preordaining, it seems to me, the closing of a lot of rural hospitals around this country by continuing a system of payment under Medicare that says to the rural hospitals we are going to give you 30 percent less than everybody else. That preordains that we are going to close rural hospitals, and I think that is unfortunate.

When the prospective payment systems was established 6 years ago the deal was, and I was involved in the deal because I was on the Ways and Means Committee when we developed the prospective payment system and passed it, that one national rate would be established. That is what our rural hospitals deserve, and that is what this Congress ought to do.

FSLIC LEGISLATION

(Mr. WALKER asked and was given permission to address the House for 1 minute.)

Mr. WALKER. Mr. Speaker, it is bad enough that this House is up to its eyeballs in creating the problem that led to the savings and loans crisis. Now as we are about to consider legislation to deal with the S&L crisis that this House helped create, we hear a rumor that the process and the procedures of the House are about to be abandoned as we bring that legislation to the floor.

Evidently the chairman of the Committee on Banking, Finance and Urban Affairs has unilaterally changed the legislation and intends to file a report later today which is his personal version of the bill rather than that reported from his committee.

Mr. Speaker, when is someone going to stop this kind of abuse? We cannot have chairmen of committees overruling the work of their committees.

There is a lot of controversy about this particular legislation for FSLIC. It should not be resolved unilaterally by one chairman. The Chair should refuse to let the report be filed until the House is assured that it is the committee's report and not the chairman's personal report.

RURAL HEALTH CARE

(Mr. SYNAR asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SYNAR. Mr. Speaker, as Members can see from the theme of today's 1-minute speeches, there is a concern in this Congress among Republicans and Democrats that are stretched throughout 43 States and make up 100 Members of the Rural Health Coalition. As its chairman, along with the gentleman from Iowa, Mr. TOM TAUKE, I am proud to say that I think we are finally getting the focus that this problem deserves. We come to the body today to address our colleagues both from rural and urban areas with a sincere interest in bringing to their attention the disparity and the discrimination that exist in this country with respect to health care delivery.

We are not asking for a better deal. We are not asking for a handout. We are asking for a fair deal to compensate for the true costs of delivery of health care so that all people in this country, regardless of whether they live in rural areas or in urban areas, and who contribute equally into Medicare, can feel like their Government is treating them with equal attention.

RURAL HEALTH LEGISLATION

(Mr. CALLAHAN asked and was given permisison to address the House

for 1 minute and to revise and extend his remarks.)

Mr. CALLAHAN. Mr. Speaker, like a number of my colleagues representing rural areas of our country, I am concerned about the growing unavailability of health care in these areas. In Alabama alone, 13 hospitals have closed since 1983, 8 of those closings occurred in 1988. Unfortunately, what is happening in Alabama reflects a growing trend in this country. Since 1980, 206 rural hospitals—43 of them last year—have closed their doors and by some estimates 600 more will close by the early 1990's.

But hospital closings are not the only problem ailing health care in rural America. There is also a growing shortage of physicians practicing in these areas. Due to differences in Medicare reimbursement between doctors practicing in rural and urban areas, fewer and fewer physicans are chosing to set up their practices in the rural areas. And why should they when they will get paid less to work longer and harder hours than their urban counterparts?

If this trend continues, health care is not only going to be unavailable but unobtainable. Already we hear stories of seriously ill people driving hundreds of miles just to get to a doctor, and when they arrive, they oftentimes wait hours to see him because he is with other patients.

It amazes me that in a country where modern medicine allows us to transplant the organ of one person into another, where a simple laser beam can remove a blinding cataract, that we can no longer assure the average citizen access to simple life saving health care because they live outside of a large metropolitan area. In a country which measures our civilization in terms of our technological advances, what is happening in rural health care is setting us back decades. Will it matter if we cure the common cold or cancer or AIDS if half of the citizens of our country do not have access to fundamental health care services?

Mr. Speaker, I urge my colleagues to give serious consideration to the plight of health care in rural America—a lot of lives are depending on it.

RURAL HEALTH CARE

(Mr. ALEXANDER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ALEXANDER. Mr. Speaker, I rise in full support of the House Rural Health Care Coalition's legislative package proposing extensive reform of health care in areas such as the northeast Arkansas district that I represent.

Three communities in this poor, rural district have lost their hospitals in the past 3 years. Ten other small, rural hospitals in Arkansas are facing imminent closure.

Physicians, nurses, certified registered nurse anesthetists, and other health professionals are leaving rural areas for more promising careers and adequate pay in urban areas.

The coalition's legislative package could change the prognosis of rural health. Our bills would increase Medicare payments to rural hospitals give health professionals incentives to practice in rural areas, improve emergency medical services, and expand infant mortality initiatives.

I urge my colleagues to support the coalition's agenda for reform.

RURAL HEALTH CARE

(Mr. NIELSON of Utah asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. NIELSON of Utah. Mr. Speaker, today I join the Rural Health Coalition in addressing the challenges facing health care in the rural community. I would like to draw my colleagues attention to two areas of concern.

First, one of the greatest difficulties hospitals in these rural areas are having is the recruiting of doctors. It is nearly impossible to attract specialists due to negative perceptions of low income, lack of peer support, and no pay for time off. There is a shortage especially of obstetricians and emergency physicians. Because of this shortage, patients living in a rural area are forced to travel to urban hospitals, in order to receive the specialized care they need.

A second concern is that due to a lack of funds, rural hospitals are unable to offer the quality and frequency of medical services desired. People living in these economically depressed communities often cannot afford the high cost of medical care, so they do not seek it until they are very ill, therefore increasing the resulting cost. Because of this, there is a high rate of large debts owed to rural health care centers, just one of the factors contributing to their lack of funds. Rural hospitals are unable to adequately staff and maintain themselves and are forced to close their doors to the community several days a week. Once again, patients must go to urban centers to receive the care they need.

If this situation is allowed to continue, rural hospitals all across the Nation will have to close their doors permanently. This would have a very negative impact not only on the health of the people, but also on the economy of rural communities. Jobs provided by the hospital would be lost, resulting in loss of income and increased unemployment. Patients would have to travel long distances even for the simplest medical care. The consequences would be disastrous.

I urge you, my fellow colleagues, to keep these concerns in mind when dealing in the future with rural health care legislation.

RURAL HEALTH CARE

(Mr. OBERSTAR asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. OBERSTAR. Mr. Speaker, in conjunction with my colleagues from the Congressional Rural Health Caucus, I join in supporting initiatives to equalize the payments between rural and urban hospitals. There is no reason for the distinction and disparity that exists in payment for comparable services provided in urban areas and in rural areas.

No better dramatization of the disparity and of the need for comparable payment could be demonstrated than in the NBC Sunday Today Show of about 2 weeks ago which featured Dr. Ray Christianson, a family practice doctor in the small community of Moose Lake, MN, focusing on his struggle to serve a widely dispersed population, providing high-quality health care, but stretched to the limit of the ability of one person to serve the needs of those people when he could be working in an urban area like Minneapolis-St. Paul and making double the pay he is making in little Moose Lake.

Let us save the Ray Christiansons of this world.

RURAL HEALTH CARE

(Mr. BEREUTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BEREUTER. Mr. Speaker, I join my colleagues on the Rural Health Care Coalition in bringing to the attention of this body a package of bills introduced to attempt to deal with the inequities that exist in the Medicare reimbursement programs. We, as a coalition, ask that rational, equitable rules be implemented, and where necessary, we are offering a package of statutory changes to assure that that happens.

A few minutes ago my colleague, the gentleman from North Dakota [Mr. DORGAN] spoke eloquently about some of the difficulties with respect to delivery of adequate health care and medical services in rural areas. Relatedly, I want to call attention of the body to a resolution that the gentleman from North Dakota has introduced, H.R. 1583, which addresses a particular problem through the creation and functioning of a Medicare geographical classification review board. It would attempt to deal with the reimbursement problem of hospitals like

those in my own State—hospitals in Beatrice and Fremont—that happen to be located just outside standard metropolitan statistical areas. Many of the costs experienced by such hospitals, such as labor costs are the same or nearly the same as in the adjacent SMSA, yet they are reimbursed at an inadequate level reflecting a much lower general rate for rural area hospitals.

I urge my colleagues to support this legislation.

ACCESS TO HEALTH CARE FOR RURAL COMMUNITIES

(Mr. ROGERS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROGERS. Mr. Speaker, a fundmental concern of families who live in rural communities is whether or not they will have access to the health care that they need. Rural hospitals are crucial, sole providers of health services, and that is why I feel strongly that Congress must eliminate the current differential between urban and rural reimbursement rates.

I ask Congress today to treat rural hospitals fairly. While rural hospitals receive a significant amount less from Medicare than do their urban counterparts, rural hospitals have costs that are equal to, or in some cases, higher than some urban hospitals. Those of us who live in rural communities, like my district in Kentucky, know that our communities suffer from a shortage of health care professionals and necessary medical services. Inadequate Medicare payments are directly related to the ability of rural communities to recruit and retain physicians.

The differential rate has placed rural hospitals at an unfair advantage. The elimination of the differential and fair treatment for all hospitals is simply a matter of equity.

CARING FOR OUR VETERANS

(Mr. SOLOMON asked and was given permission to address the House for 1 minute.)

Mr. SOLOMON. Mr. Speaker, I would ask you and especially my colleagues back in their offices to right now drop what they are doing. I want them to pick up the telephone and call the veterans' hospital in their district. I want them to ask for the national service officer for the VFW or the DAV, or the American Legion, and I want them to ask what is going on in that hospital. Do my colleagues know what they are going to tell them?

□ 1250

They are going to tell you that veterans are being turned away, there is no money there to give them prescription drugs, there is no money there to hire nurses and doctors, and they are going to tell you they are shutting down hospital beds. That is the situation.

You know, we earlier, 2 weeks ago, passed a budget for next year in which we picked up most of the shortfall for the veterans' medical care delivery systems in this Nation. But we have yet to act on the dire supplemental for this year. There is a $600 million shortfall out there.

In the Miami hospitals, in Pennsylvania, in Michigan, in California, all over this Nation there is no money to take care of the veterans of this Nation.

Get on the phone and call them and act on this supplemental and stop holding the veterans of this Nation hostage.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. BUSTAMANTE). Pursuant to the provisions of clause 5 of rule I, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the "yeas" and "nays" are ordered, or on which the vote is objected to under clause 4 of rule XV.

Such rollcall votes, if postponed, will be taken after debate has concluded on all motions to suspend the rules.

NOISE REDUCTION REIMBURSEMENT ACT OF 1989

Mr. ANDERSON. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 968), to provide for the Federal reimbursement of local noise abatement funds as amended.

The Clerk read as follows:

H.R. 968

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Noise Reduction Reimbursement Act of 1989".

SEC. 2. PURPOSES.

The purposes of this Act are to—

(1) enhance the quality of life of citizens living in proximity to the Nation's airports;

(2) allow for the prompt implementation of the full range of recommendations of federally sponsored noise studies;

(3) provide that scarce Federal funds for noise abatement may be used with maximum efficiency; and

(4) provide that individual airports throughout the national airway system are encouraged to spend local funds on noise abatement by providing for the Federal reimbursement of such local funds.

SEC. 3. NOISE CONTROL COSTS INCLUDED AS ALLOWABLE PROJECT COSTS.

Section 513(a)(2) of the Airport and Airway Improvement Act of 1982 (49 U.S.C. App. 2212(a)(2)) is amended by inserting "(A)" after "(2)", by inserting "or" after "1946;", and by adding at the end thereof the following new subparagraph:

"(B) it was incurred after June 1, 1989, by the airport operator and before, on, or after the execution of the grant agreement and was incurred as part of the airport operator's federally approved airport noise compatibility program (including project formulation costs) and in accordance with all applicable statutory and administrative requirements;".

The SPEAKER pro tempore. Is a second demanded?

Mr. CLINGER. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from California [Mr. ANDERSON] will be recognized for 20 minutes, and the gentleman from Pennsylvania [Mr. CLINGER] will be recognized for 20 minutes.

The Chair recognizes the gentleman from California [Mr. ANDERSON].

Mr. ANDERSON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I support this bill and commend the gentleman from Tennessee [Mr. CLEMENT], for introducing it.

The bill can make an important contribution to noise abatement. Under existing law, an airport cannot receive funding for noise abatement measures, such as the purchase of housing impacted by noise, unless the airport operator receives a grant before a project is undertaken. The bill now before us will change this requirement to permit an airport to be reimbursed for noise abatement expenditures undertaken after June 1, 1989. The bill includes several restrictions designed to ensure that the projects are carried out in accordance with all applicable legal and administrative requirements. The bill does not commit the Federal Government to provide reimbursement for any particular project. The bill only makes certain projects eligible to compete with other eligible projects for Federal funding.

The legislation will promote noise abatement. Because of obligations ceilings imposed in the appropriations process, we have been unable to get enough money out of the Airport and Airway Trust Fund to fund all noise abatement projects which are ready to go. This bill will encourage airports to do important noise abatement work even though Federal funding is not currently available.

I have been a long time supporter of the Aviation Noise Abatement Program. This legislation is a good contribution to the program since it will encourage more noise abatement projects to begin at the earliest possible date. I commend the gentleman from Tennessee for offering this legislation and I urge my colleagues to support it.

Mr. Speaker, I yield 5 minutes to the gentleman from Tennessee [Mr. CLEMENT].

Mr. CLEMENT. Mr. Speaker, I would like to offer my praise and thanks to the leadership and members of the Public Works and Transportation Committee for their role in bringing the Noise Reduction Reimbursement Act of 1989 to the floor of the House this afternoon. Passage of this legislation was a bipartisan effort at the committee and offers a model for future legislation to solve our Nation's infrastructure problems.

Although, the origins of this legislation lie in the efforts of the Nashville International Airport to grapple with demands for increasing the capacity of the national air transport system, the bill provides a model for other airports also undertaking major expansions. Nashville's effort is an example of what must happen if the national air transportation system is to meet today's challenges and future growth needs.

Along with any new capacity for the Nation's air transport system comes the unwelcome byproduct of increased noise. Regrettably, as with most programs, Federal funds are simply not available to fund the Federal share of the noise abatement measures for airports across our Nation.

The Noise Reduction Reimbursement Act bridges this gap between immediate need and the lack of Federal funding with that greatest of American virtues: self-reliance. Thus, what began as an effort to solve the particulars of Nashville's problems has become a solution that can be used by other airports coping with the noise problems of major expansions.

The act allows an airport to use its own funds to implement federally approved noise programs, and then be reimbursed later by the Federal Government for the Federal share of such projects. This measure will allow airports to begin implementing noise programs upon completion of the Federal noise study and then be repaid as Federal funds become available.

Some care needs to be taken to distinguish this program from the Letter of Intent Program. The Letter of Intent Program is a reimbursement program under which the Federal Government commits to a fixed-repayment schedule. The Letter of Intent Program was designed for large capital programs and provides assurances to the airports that they will be repaid within a certain time. In contrast, the Noise Reimbursement Program of H.R. 968 is analogous to the reimbursement program for land acquisition. Under the land program, the Federal Government is given broader leeway as to the timing of reimbursement and no one airport is put in a priority position over other airports competing for noise funds.

Although conceptually simple, this legislation has several subtle advantages. Foremost of these is that proper concern for the quality of life of people living near airports need not be sacrificed because of a shortage of Federal noise funds. As most of us know, prompt implementation of noise abatement programs is becoming as important as funds for runways to expand the capacity of the national air transportation system. It does little good to build new runways and then have communities vote for airport use restrictions because of increased noise.

Another advantage of the legislation is that since the local community pays the up-front costs, and the Federal Government gets to repay the locality with future inflated dollars, and without interest, the Federal Government gets the equivalent of an interest free loan. Accordingly, scarce Federal funds are stretched further. Moreover, the legislation gives the Federal Government full discretion as to when the funds will be reimbursed.

In closing, I would like to pay tribute to the people of Nashville and the leadership of the Nashville International Airport. This is the second time that their long-term expansion program has run into Federal funding constraints, and this is the second time that they have supported solutions which involved self-help. In fact, in both cases they have been willing to advance money to the Federal Government. The first instance was the letter of intent for the new runway, and the second is H.R. 968.

America's efforts to grapple with the need to rebuild its infrastructure is just beginning. All of the Congress' ingenuity will be required to meet this challenge. I believe that H.R. 968 is a model building block in the efforts of the House and Public Works and Transportation Committee to meet this challenge. I believe the Nation will be well served by passage of this legislation and I ask for my colleagues' support.

Mr. CLINGER. Mr. Speaker, I yield myself such time as I may consume.

Mr. SPEAKER, I rise in support of this bill that would address the problem of aircraft noise. Aircraft noise is one of the greatest obstacles to the growth of our Nation's air transportation system. It is a matter of serious concern to many citizens who live near airports.

We have developed several methods for addressing the noise problem. One is to expend money out of the airport and airways trust fund for noise abatement purposes. This year more than $100 million is supposed to be spent to soundproof buildings and take other actions to mitigate noise.

However, under current law, airports must usually wait to receive a Federal grant before beginning noise abatement projects. This means that important improvements that could enhance the quality of life and increase airport capacity often must wait until the Federal grant is approved.

This bill would speed up the process by allowing local airports to spend their own money for noise abatement projects now and be reimbursed for it with a Federal grant later.

Of course, there is some risk for the local airport because it might not get reimbursed by the Federal Government. But for those airports willing to take that chance, this legislation gives them an opportunity to expedite noise abatement projects. Those airports that do not want to take the chance can still proceed as in the past and await the Federal grant before beginning the noise abatement work.

Since this bill provides increased flexibility to local airports in their noise mitigation efforts, I support it and urge my colleagues to do the same.

□ 1300

Mr. ANDERSON. Mr. Speaker, I yield 2 minutes to the gentleman from Minnesota [Mr. OBERSTAR], chairman of the Subcommittee on Aviation.

Mr. OBERSTAR. Mr. Speaker, the laws governing the airport improvement program provide that an airport cannot receive funding for noise abatement projects unless the grant is received before the project is undertaken.

What we are doing with this legislation is making a slight change in the approach paralleling existing law in the Federal Highway Program, allowing an airport to be reimbursed for noise projects, if the project is carried out after June 1, 1989, and if, second, it is part of an FAA improvement, airport noise compatibility program, known in technical FAA terms as the Part 150 Noise Program.

By offering the airports a realistic prospect of receiving funding for such projects within a reasonable time after they have been undertaken, I think we will encourage the airports to move ahead with noise abatement programs. Many have held back because of the complexity of getting funding and the long leadtime for planning. They need to have some assurance that they can move ahead with the project and have a reasonable prospect of being reimbursed.

As the gentleman from Pennsylvania pointed out, there is no commitment in this legislation by the Federal Government to make funding available at a later date. We are establishing eligibility for funding at a future time. I think that the airports have the confidence and the knowledge that with

the Aviation Trust Fund, that at some date money will be available. If they move ahead under approved FAA approved programs, the airports are willing to take that chance and move ahead with their airport noise abatement projects which are so needed and will facilitate aviation throughout this country.

I want to commend the gentleman from Tennessee [Mr. CLEMENT], for his hardwork and leadership on this legislation. Though this bill has its roots in the local circumstances of his district, his approval on this has a national significance. Airport neighbors around the country will benefit from the actions taken today. The gentleman from Tennessee has done a great service by his work on this legislation.

Mrs MORELLA. Mr. Speaker, I rise in support of the Noise Reduction Reimbursement Act of 1989, H.R. 968.

As my colleagues know, we in the Greater Washington area have been working for many years on noise abatement issues connected with National and Dulles Airports. Residents of my district in Montgomery County, individually and under an organization called "Citizens for the Abatement of Aircraft Noise, Inc." [CAAN], are represented by a large coalition organized by the Metropolitan Washington Council of Governments [COG] into the Committee on Noise Abatement at National and Dulles Airports. Formal meetings of the committee have been taking place under the chairmanship of Betty Ann Kane on a regular basis. CONANDA, as it is called, consists of elected legislative and executive branch officials from suburban Maryland, northern Virginia, and the District of Columbia, along with nonvoting industry representatives from the Metropolitan Washington Airports Authority [MWAA], the Air Transport Association of America, the Air Line Pilots Association, the National Business Aircraft Association, and scores of officially designated observers.

At this time, CONANDA is waiting for the publication of the second "part 150" noise mitigation recommendations of the MWAA. A part 150 study for Dulles Airport has already been circulated for comments, and an addendum is in the hands of the local governments. The study for National Airport is expected to include the resolution passed by the WMAA Board of Directors last October stating "that it is the sense of the Board of Metropolitan Washington Airports Authority that aircraft operators should not proceed with expansion of flights after 10 p.m. and before 7 a.m." This resolution, along with a new permanent noise monitoring system, should enhance the public's confidence that flights will be quieter in the day and both infrequent and quiet at night.

Mr. Speaker, I mention this information because it is of concern to all of us that National Airport, as well as other airports in the United States whose flight paths are over homes, schools, hospitals, et cetera, be able to benefit from noise abatement procedures. This bill, which will give airport operators more options to facilitate the noise abatement process, sends an important message that we believe in its necessity and will act accordingly. I commend Chairman ANDERSON and the Energy and Commerce Committee for H.R. 968.

Mr. HAMMERSCHMIDT. Mr. Speaker, I would like to join the chairman in support of this bill which would permit the FAA to reimburse an airport sponsor for expenditures incurred as part of the airport's federally approved Airport Noice Compatibility Program.

This bill will encourage airport sponsors to spend money up front for noise abatement knowing that at some point in the future, these expenditures may be reimbursed out of the airport and airway trust fund. As I understand it, the legislation would establish no priorities for funding but would have the effect of expediting expenditures for noise abatement.

I urge my colleagues to support this bill.

Mr. KLECZKA. Mr. Speaker, today the House is considering H.R. 968, a bill providing Federal cost reimbursement of local airport noise abatement projects.

This legislation is necessary because airplane noise control is a growing concern of airports and their neighbors. With ever-greater air traffic and increasingly sophisticated methods of noise abatement available, projects which minimize this annoying form of pollution should be expedited.

H.R. 968 permits the Department of Transportation to award grants from the airport and airway trust fund to airports for noise control projects after work on such a project has begun. This would allow airports to start work on these efforts while being reimbursed at a later date if Federal funding is not currently available.

Under current law, an airport may not receive Federal funding for noise abatement if it has already begun work on a project before a grant is awarded. Reforming this counter-productive procedure would provide greater efficiency in the use of Federal airport noise control dollars.

H.R. 968 is not a budget buster either; according to the Congressional Budget Office, the enactment of this measure will result in no additional costs to the Federal Government.

I have been assisting Milwaukee's General Mitchell International Airport in my Fourth Congressional District of Wisconsin with several noise abatement projects. However, airports cannot be expected to bear the burden of noise control on their own. By cutting red-tape through legislation such as this, we in Congress can assist in this process.

I urge my colleagues to join constructively in the war against airport noise by voting for H.R. 968.

Ms. PELOSI. Mr. Speaker, I rise in support of H.R. 968 which would enable airport authorities to receive reimbursements for airport improvement projects aimed at reducing noise. I support noise mitigation efforts and believe project reimbursements are entirely appropriate. While this bill addresses some of the funding concerns of airports, other noise issues remain.

In my city of San Francisco, overflight noise continues to be a very serious problem. I have urged the Federal Aviation Administration [FAA] to consider alternatives which would route flights away from the city. The FAA response has been less than satisfactory—flights over San Francisco have not been reduced nor rerouted.

San Francisco has a strong local noise mitigation policy and the city has made every effort to comply with Federal regulations. Regardless, the FAA has withheld important Federal airport improvement funding because of perceived noncompliance with Federal noise regulations.

I am concerned about this lack of concern and cooperation by the FAA. The fact is, Mr. Speaker, that the FAA has not developed national noise mitigation guidelines. This inaction now makes it necessary for the Congress to step in and develop a national policy on aircraft noise. Such a policy should incorporate the concerns of airport communities such as San Francisco, which are most heavily impacted by aircraft noise.

This issue of aircraft noise is of major concern to the citizens of San Francisco and I am pleased that the topic is being discussed in Congress today. I urge members of the Aviation Subcommittee to develop a national noise policy and I also urge my colleagues to support the legislation before us today.

Mr. LANTOS. Mr. Speaker, I rise in strong support today of H.R. 968, the Airport Noise Abatement Cost Reimbursement Act. I would like to commend my good friend and colleague, Chairman GLENN ANDERSON, and the members of his committee for their effort in bringing this important legislation before the Congress.

Under current law, airports may not receive Federal grants from the airport and airway trust fund to cover the cost of noise abatement projects if any work on the project begins before the grant is awarded. The Airport Noise Abatement Cost Reimbursement Act, which we are considering today, will permit the Department of Transportation to award grants from the airport trust fund to airports for noise abatement projects after work on such a project has begun.

This will be an important incentive to airport authorities to move ahead quickly with noise abatement projects without waiting first for Federal clearance, which can sometimes be slow in coming. The airport noise abatement cost reimbursement will vastly improve the quality of lives of countless families living near our Nation's airports at no additional cost to the Federal Government.

For many of my constituents on the San Francisco peninsula, airport noise is the principal source of degradation in their quality of life. As the needs and demands of the air-traveling public increase and our Nation's airports are called upon to accommodate many more passengers and many more flights, the Federal Government must continue to encourage local airport authorities and communities to support noise abatement projects.

The use of Airport Improvement Program funds for FAA-approved noise abatement projects is absolutely essential to the success of airport improvement ventures. Certainly, prompt and expeditious funding of noise abatement projects is necessary for continued community support. While the Administrator retains discretion over the reimbursement of Federal funds, this legislation sends a signal to the Department of Transportation and to the many communities around the Nation that the Federal Government will expeditiously ful-

fill its commitment toward funding appropriate airport noise abatement projects.

During the 100th Congress, language was included in the Airport and Airway Act which prohibits the Secretary of Transportation from withholding grant payments without providing an applicant with an opportunity for a hearing. In an effort to reduce airport noise in and around San Francisco International Airport, airport officials refused to allow Burlington Air Express to operate retrofit Boeing Q-707 jet aircraft at the airport because they exceeded airport noise standards. In response, the FAA refused to issue $17 million in previously approved grants to San Francisco International Airport. These funds have still not been disbursed to San Francisco International Airport pending an appeal in the Federal courts while much needed safety equipment and runway work sits idle.

Mr. Speaker, the FAA must encourage, not discourage airports and communities to attack their airport noise problems head on and must not penalize communities in their efforts to fight airport noise. I urge my colleagues to pass H.R. 968, the Airport Noise Abatement Cost Reimbursement Act, so that airports can begin immediately to implement their noise abatement programs to assure a high quality of life for those Americans who live near our Nation's airports.

Mr. ANDERSON. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. CLINGER. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. BUSTAMANTE). The question is on the motion offered by the gentleman from California [Mr. ANDERSON] that the House suspend the rules and pass the bill, H.R. 968, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. ANDERSON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 968, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

AUTHORIZING THE SECRETARY OF TRANSPORTATION TO RELEASE RESTRICTIONS ON PROPERTY CONVEYED TO PENINSULA AIRPORT COMMISSION

Mr. ANDERSON. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 838) to authorize the Secretary of Transportation to release restrictions on the use of certain property conveyed to the Peninsula Airport Commission for airport purposes, as amended.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (b) of the first section of the Act entitled "An Act to authorize the Secretary of Transportation to release restrictions on the use of certain property conveyed to the Peninsula Airport Commission, Virginia, for airport purposes," approved November 6, 1986 (Public Law 99-618; 100 Stat. 3490), is amended—

(1) in paragraph (3) by striking "7.5 acres" and inserting "20.5 acres"; and

(2) by striking paragraph (4).

The SPEAKER pro tempore. Is a second demanded?

Mr. CLINGER. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from California [Mr. ANDERSON] will be recognized for 20 minutes, and the gentleman from Pennsylvania [Mr. CLINGER] will be recognized for 20 minutes.

The Chair recognizes the gentleman from California [Mr. ANDERSON].

Mr. ANDERSON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 838. The legislation removes restrictions which were imposed when the Federal Government gave land to Newport News. The restrictions require the land to be used solely for aeronautical purposes. H.R. 838 would permit the Airport Commission to sell or lease 13 acres of this land. The bill requires that the Airport Commission must receive fair market value for any land which is sold or leased and that the proceeds from the transfer or sale must be used for the development, improvement or operation of a public airport.

We have been advised by the Federal Aviation Administration that the small amount of land involved is not necessary for effective operation of the airport at Newport News. With the conditions imposed, the interests of the United States will be fully protected. This legislation is similar to many other bills which have been enacted to deal with similar circumstances at other airports. I urge passage of H.R. 838.

(Mr. CLINGER asked and was given permission to revise and extend his remarks.)

Mr. CLINGER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this bill clears up some unfinished business from the last two Congresses. In the 99th Congress, we passed a bill that removed certain deed restrictions on the airport in Newport News, VA. This cleared the sale of about 20½ acres of property at that airport which was no longer needed for airport purposes. However, when the Senate took up the bill, they cut out 13 acres. This left some of the property still subject to the deed restriction.

Last year, during the 100th Congress, the Senate took another look at this issue and decided to pass a bill to remove the restrictions on the remaining 13 acres. However, the House took no action on that bill.

The bill before us now is similar to the one the Senate passed last year. It merely completes the action that this body initiated 3 years ago by releasing the remaining 13 acres of airport property from restrictions in the deed that prevent their sale. We have a letter from the Federal Aviation Administration indicating that it does not object to this action.

Therefore, I support this bill and urge its immediate passage.

I would just like to add that the sponsor of this bill, Congressman HERB BATEMAN, could not be here today because he is recovering from heart bypass surgery. HERB has worked diligently to see this bill enacted. We all wish him a speedy recovery and look forward to his rejoining us here in the near future.

I know he would want to join me in thanking Chairman ANDERSON, subcommittee Chairman OBERSTAR, and ranking member JOHN PAUL HAMMERSCHMIDT for their support of this measure.

And so, once again, Mr. Speaker, I urge approval of this bill.

Mr. ANDERSON. Mr. Speaker, I yield 1 minute to the gentleman from Minnesota [Mr. OBERSTAR], chairman of the Subcommittee on Aviation.

Mr. OBERSTAR. Mr. Speaker, I did not realize this legislation was going to be a get well message for our colleague, the gentleman from Virginia [Mr. BATEMAN], but the fact that the committee has acted so promptly certainly should serve to cheer the gentleman on his recovery from surgery.

The legislation had a long history and has been carefully reviewed by the FAA, by the subcommittee on both sides of the aisle, and the issue is clear. The airport received their market value for the property, has devoted the proceeds to the airport which is customary practice and policy in this situation because there is no reason not to allow the airport to go ahead to take the action, contemplate it. The legislation will remove the aeronautical use restriction on this 13-acre parcel of land at the Newport News Airport that ought to be approved by the U.S. Congress and signed into law by the President.

Mr. HAMMERSCHMIDT. Mr. Speaker, this bill authorizes the Secretary of Transportation to release restrictions on the use of airport property owned by the Peninsula Airport Com-

mission. As originally introduced, the bill would have provided an across-the-board release of restrictions on the transfer of airport property if the Secretary so authorized.

The bill before us now would limit the potential release of restrictions to 20.5 acres. This would require the release of any additional land to be approved by Congress.

As my colleagues may recall, this is consistent with legislation that we passed in a previous Congress establishing a similar specific limitation on the number of acres to be released.

This bill makes the legislation applicable only to land that was previously transferred and therefore is limited in its application. I urge my colleagues to support the bill.

□ 1310

Mr. ANDERSON. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. CLINGER. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. (Mr. BUSTAMANTE). The question is on the motion offered by the gentleman from California [Mr. ANDERSON] that the House suspend the rules and pass the bill, H.R. 838, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. ANDERSON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 838, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

CONDEMNING CONTINUING VIOLENCE AND THE IMPOSITION OF MARTIAL LAW IN TIBET

Mr. SOLARZ. Mr. Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 63) commemorating March 10, 1989, as the 30th anniversary of the Tibetan National Uprising and expressing the concern of the Congress for the ongoing human rights abuses in Tibet, as amended.

The Clerk read as follows:

H. CON. RES. 63

Whereas on March 5, 6, and 7, 1989, Tibetans engaged in peaceful demonstrations in Lhasa were fired on by Chinese authorities, reportedly killing 30 to 60 persons and injuring hundreds;

Whereas on March 8, 1989, martial law was declared in Lhasa and its evirons, and there were subsequent reports of mass arrests and mistreatment of Tibetans by Chinese authorities;

Whereas, despite some Chinese efforts to address the grievances of the Tibetan people, reports issued by the international press and credible human rights organizations, including Asia Watch and Amnesty International, confirm mounting allegations of very serious violations of human rights in Tibet, including arbitrary arrest and detention, the use of excessive force on peaceful demonstrators, restrictions on religious freedoms, torture, and a systematic pattern of discrimination;

Whereas the government of the People's Republic of China has endorsed the Universal Declaration of Human Rights and has expressed its concern about human rights conditions in other countries, including South Africa and the United States;

Whereas Congress passed, and President Reagan signed into law on December 22, 1987, legislation stating that "the Government of the People's Republic of China should respect internationally recognized human rights and end human rights violations against Tibetans . . . and should actively reciprocate the Dalai Lama's efforts to establish a constructive dialogue on the future of Tibet";

Whereas, although both the Government of the People's Republic of China and the Dalai Lama have declared an intention to enter into negotiations concerning the situation in Tibet, no talks have yet taken place; and

Whereas the Dalai Lama has called on Tibetans to refrain from violence: "There is no justification for violence—to use guns, or to stone people, or to burn houses.": Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That the Congress—

(1) condemns the use of excessive and lethal force by the Chinese authorities in Tibet against individuals engaged in the peaceful expression of their political beliefs;

(2) urges the People's Republic of China to exercise restraint in response to future peaceful demonstrations, to respect internationally recognized human rights, and to end human rights violations in Tibet;

(3) urges the People's Republic of China to lift martial law in Lhasa and its environs at the earliest possible date and to admit foreign journalists and human rights monitors to Tibet:

(4) urges the People's Republic of China to allow representatives of respected international humanitarian organizations to have access to prisons in Tibet;

(5) consistent with section 1243 of Public Law 100-204, urges the President to continue to make respect for human rights (including the treatment of Tibetans) an important factor in United States conduct of relations with the People's Republic of China;

(6) urges the executive branch, through the Secretary of State, to call attention to violations of human rights in Tibet; and

(7) supports all efforts, including those of the Dalai Lama, to peacefully resolve the situation in Tibet and urges both sides to pursue a constructive dialogue for a peaceful resolution of the situation as early as possible.

The SPEAKER pro tempore. Is a second demanded?

Mr. BROOMFIELD. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from New York [Mr. SOLARZ] will be recognized for 20 minutes, and the gentleman from Michigan [Mr. BROOMFIELD] will be recognized for 20 minutes.

The Chair recognizes the gentleman from New York [Mr. SOLARZ].

Mr. SOLARZ. Mr. Speaker, I yield myself such time as I may consume.

Mr. FASCELL. Mr. Speaker, will the gentleman yield?

Mr. SOLARZ. I am glad to yield to the distinguished chairman of the Foreign Affairs Committee, the gentleman from Florida [Mr. FASCELL].

Mr. FASCELL. Mr. Speaker, I rise in support of House Concurrent Resolution 63, as amended, and urge its immediate adoption. This resolution expresses congressional concern about ongoing human rights violations in Tibet. It condemns the March 8, 1989, imposition of martial law in Tibet which followed the violent suppression of 3 days of peaceful demonstrations. Reliable sources report that 30 to 60 persons were killed and hundreds were injured when Chinese authorities opened fire on unarmed demonstrators.

The resolution also expresses concern about the practice of arbitrary arrest and detention, the use of torture, religious discrimination, and a systematic pattern of discrimination against Tibetans, in addition to the use of excessive force. House Concurrent Resolution 63 calls for the peaceful resolution to the situation in Tibet and urges the Chinese Government to take steps toward that end such as lifting martial law, exercising restraint in response to future peaceful demonstrations, allowing international humanitarian organizations access to Tibetan prisons, and pursuing a contructive dialog with the Dalai Lama and his representatives.

The measure urges the administration to call attention to violations of human rights in Tibet and calls upon the President to continue to make respect for human rights an important factor in our bilateral relationship with the People's Republic of China.

Mr. Speaker, information about the present situation in Tibet is sketchy at best. With the imposition of martial law, all foreign journalists and tourists were expelled and none have been allowed back in the intervening 2 months. However, despite this total ban on news from Tibet, reports of mass arrests, severe restrictions on freedom of movement within the capital city of Lhasa, and even executions of those involved in the demonstrations, has leaked out. This resolution urges the People's Republic of China to allow foreign journalists and independent human rights organizations into Tibet to monitor the situation.

I commend the authors of the resolution, Mr. ROSE, Mr. GILMAN, and Mr. DOUGLAS, and the gentleman from California [Mr. LANTOS], who offered the amendments, for their leadership in bringing this egregious situation to the attention of our colleagues. I also commend the subcommittee chairmen and ranking minority members, Messrs. YATRON and BEREUTER of our Human Rights Subcommittee and Messrs. SOLARZ and LEACH of the Asian sub-

committee, for their efforts to forge a strong, principled and bipartisan statement that expresses our continued condemnation of these deplorable actions by the Chinese authorities. I understand the administration fully supports the resolution and I urge its immediate adoption.

Mr. SOLARZ. Mr. Speaker, this resolution was originally introduced by my very good friend, the gentleman from North Carolina [Mr. ROSE] together with the gentleman from New York [Mr. GILMAN], and strongly supported by the gentleman from California [Mr. LANTOS]. It was subsequently revised somewhat in the Committee on Foreign Affairs, and it now comes before us in its current form.

I certainly want to pay tribute to the gentlemen who originally brought this resolution before us for their continuing commitment to the cause of human rights in Tibet. They have constituted themselves as a kind of Tibetan caucus, as it were, in the House, in which they vigilantly monitor developments in Tibet, a far away place in which few Americans have ever set foot but where there are apparently serious and continuing abuses of human rights which should engage the concerns and attention of all Americans. So in that sense I think that all of us owe a debt of gratitude to those gentlemen who have been primarily responsible for bringing this resolution before us.

About 2 months ago, in Lhasa, the capital of Tibet, thousands of Tibetan citizens engaged in peaceful protests and demonstrations were fired upon by the Chinese authorities in the Tibetan capital, as a result of which between 30 and 60 people were killed and hundreds of others were injured. Subsequent to this brutal repression of what was apparently a peaceful protest, the Chinese authorities established martial law in Tibet as well, and martial law, so far as I know, continues to be in effect in Tibet at the present time.

The purpose of this resolution, Mr. Speaker, is not only to take note of these unfortunate developments but to express the very strong sense of the Congress that in our judgment excessive and lethal force was used by the Chinese authorities in Tibet against individuals engaged in acts of peaceful protests.

The resolution urges the Chinese authorities to respond to any subsequent demonstrations which may take place in a more restrained fashion, it calls upon the Chinese authorities to lift martial law, and, perhaps most importantly, it calls for a peaceful and constructive resolution of the Tibetan problem through a dialog between the concerned parties, including hopefully the Dalai Lama, who embodies in so many respects the hopes and aspirations and interests of the Tibetan people.

Mr. Speaker, I have no doubt that the adoption of this resolution will occasion some criticism in the Chinese press and on the part of Chinese authorities that we are interfering in the internal affairs of China. With all due respect to our Chinese friends, I have to reject that argument. Certain things are no long considered exclusively within the internal jurisdiction of member states of the United Nations. The People's Republic of China is a signatory of the universal declaration of human rights, as well as other international covenants which clearly apply to the situation in Tibet. Just as this Chamber has not hesitated to express its views about the abuse of human rights in literally dozens of other countries around the world, in Asia, in Africa, in the Middle East, and in our own hemisphere, so, too, we have every right, indeed a responsibility, to express our concern with respect to the abuse of human rights in parts of China as well.

Furthermore, I think it should be noted for the record that while our Chinese friends accuse of interfering in their internal affairs by virtue of our expressions of concern about the human rights situation in Tibet, the fact of the matter is that they themselves not hesitated to criticize the continuing abuse of human rights in South Africa, where they have joined with us in opposing the apartheid regime in that country. From time to time they have even been heard to express criticism of what they believe to be racist policies here in our own country, and I fail to see how they can feel free to criticize aspects of American life, which we believe they have every right to do, while at the same time criticizing us for commenting on the abuse of human rights in their own country.

Finally, Mr. Speaker, let me say that some Members may wonder why it is that at a moment when tens of thousands of Chinese are demonstrating for human rights in Tiananmen Square in Beijing, the capital of China, where they are being joined not just by intellectuals but by workers and other Chinese citizens who want greater freedom of expression, greater freedom of the press, a diminution of corruption, and real progress toward democratization in China, we should be adopting a resolution which focuses just on the human rights situation in part of China. To those who wonder about this seeming paradox, I can only say that we are in the process of drafting a resolution which will deal with the human rights situation in China as a whole, because I know that the Members who originally drafted this resolution and who have for years championed the cause of human rights in Tibet feel just as strongly about the cause of human rights throughout China as a whole. And I dare say that if China heeds these expressions of concern, if, more importantly, it responds to the concerns of its own people whom we are simply supporting by this resolution, they will ultimately benefit from it as well.

So, Mr. Speaker, I am pleased to say that this resolution enjoys strong bipartisan support. A similar version has already been adopted in the other body. When asked about it, the administration said it has no objections. I would have been happier if they had said they supported it, but at least they did not oppose it. I will let my friends on the other side of the aisle tell us why the administration could not go marginally beyond saying it had no objections. We would appreciate it if they had said they actively, positively, affirmatively, and constructively supported it, but I realize that it takes a while to get the Department of State in shape, and that the Assistant Secretaries are not on the job yet and reviews are still going on. So perhaps it is understandable that they were not able to get their act together in time for the consideration of this resolution.

□ 1320

Hopefully, Mr. Speaker, when we take up the broader resolution, they will be in a position to tell us that they positively endorse it.

Mr. BROOMFIELD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would like to congratulate Chairman SOLARZ, Congressman GILMAN, Chairman YATRON, Congressman BEREUTER, and other members of the Foreign Affairs Committee who crafted this resolution condemning human rights violations by the Chinese Government. This particular resolution stems from the violent suppression of demonstrators in Tibet earlier this year.

It is unfortunate that once again we are compelled to address the issue of human rights violations in China. I am very disappointed that China, which has progressed in many ways over the past decade, still finds it so difficult to respect the basic human rights of its citizens.

The resolution which we consider today is not to be taken lightly, and I hope the Chinese Government is listening. Beating and killing peaceful protesters, martial law, and arrests in the dead of the night are not the behavior of a decent government. Such policies will only serve to hinder United States-Chinese relations.

While the Chinese have made some progress in solving the problems in Tibet, actions such as those of March 5, 6, and 7, overshadow any accomplishments. This resolution is not only a condemnation of that violence, but a plea to both the Chinese Government

and the Tibetans to reach a settlement through peaceful means.

I urge my colleagues to support House Concurrent Resolution 63.

Mr. Speaker, I yield such time as he may consume to the gentleman from New York [Mr. GILMAN], one of the principal sponsors of this resolution.

Mr. GILMAN. Mr. Speaker, I thank the distinguished chairman of the Foreign Affairs Committee, the gentleman from Florida [Mr. FASCELL]; the distinguished gentleman from New York [Mr. SOLARZ], the chairman of the Subcommittee on Asia and Pacific; the gentleman from Pennsylvania [Mr. YATRON], the distinguished chairman of the Human Rights Subcommittee, for bringing this resolution before us. I also thank the gentleman from California [Mr. LANTOS] and the gentleman from North Carolina [Mr. ROSE] for their support. As the crisis in Tibet worsens, it is appropriate that we go on record expressing our concern.

When this resolution was initially introduced in late February the authors meant simply to commemorate the 1959 March 10th uprising in Lhasa against People's Republic of China authorities that led, in a few short days, to the deaths of some 80,000 Tibetans and to the Dalai Lama's flight to India. Initially, it was our intent to have the resolution come up under suspension and quickly dispensed with. It was not intended that 2 months later, it would be a substitute for any substantive action in response to the March 8, 1989, declaration of martial law and the subsequent carnage carried out by People's Republic of China authorities who in July called for "merciless repression." It has been reported that over the past 2 months between 800 to 1,000 Tibetans were killed during demonstrations and in their homes. Although there has been a lack of more sustantive action on the part of the Congress, I know it is no one's intent to allow for this resolution to indicate our true level of concern.

While I support the substitute that has come out of the committee I do take exception to the fact that this bill does not mention that the Dalai Lama has offered that the People's Republic of China could be responsible for Tibet's foreign affairs and for its defense and that in October 1988 he called for negotiations in Geneva starting in Jaunary of this year. After months had passed without receiving any affirmative reply from the People's Republic of China, the Dalai Lama then suggested that Hong Kong should be the venue for negotiations. Despite this initiative, People's Republic of China authorities still drag their feet even though the Dalai Lama has virtually given away the kitchen sink in an overly conciliatory approach to get to the negotiating table.

With that aside, at this point it appears we are in an endless loop where the Congress passes a resolution slapping the hand of the People's Republic of China, the People's Republic of China then express so-called outrage and the State Department, believing that we let off some steam, carries on business as usual with the People's Republic of China. However, as martial law and hostilities continue, we should not carry on as usual. And we should not be sending mixed signals from our Government to the People's Republic of China.

We have been informed that prior to and during the existing martial law period the People's Republic of China used United States supplied Sikorsky helicopters to repress the Tibetans.

Since this is an issue which should deeply concern us, I introduced legislation calling for a Presidential certification that no United States manufactured arms sold to the People's Republic of China are used in such a manner.

To this day martial law has not been lifted and his holiness the Dalai Lama still calls for negotiations and appeals to impatient and militant Tibetan youths to refrain from any violence.

As Tibetan youths observe how, on the one hand, Yasir Arafat is greeted in Europe; that Namibia is moving towards independence; that the Mujahadeen has forced the Soviet withdrawal from Afghanistan, and how, on the other hand, the concern of the United States and other Western Powers is not about the future of the Tibetan people but, rather has been concerned about not "offending" China, the conclusion they draw is all too compelling: That world opinion only responds to violence and does not respond to the Dalai Lama's voice of reason.

I ask my colleagues, why does our Nation find it so difficult to concern ourselves with Tibetan and Chinese human rights when we have a blueprint with the manner in which we addressed human rights violations in the U.S.S.R.?

Perhaps the New York Times writer, Abe Rosenthal, put it best recently when he queried:

> Why has the United States for decades shown sympathy for the captive nations of Eastern Europe but kept silent on Tibetan struggles against the Chinese empire? Why do we turn our back on the Tibetan fighters we once encouraged and trained?
>
> Can we use again the combination of plain talk and economic penalties and rewards that have worked elsewhere—this time to get justice for the Tibetans. Why not use our economic influence to make Beijing understand that arming terrorist nations has price as well as profit?
>
> And finally: If the United States speaks out strongly for the marchers in the street, directly and publicly from the White House to the Forbidden City, will we not be more worthy in the eyes of the Chinese people and in our own?

Accordingly, while I support and urge the adoption of the resolution before us. I don't believe that it adequately and appropriately addresses the problem. I, therefore, invite my colleagues to join with me in H.R. 2002 in calling for a Presidential certification that would restrict United States military equipment being used to repress Tibetans. Such an initiative represents a very modest start in the proper direction.

I thank the gentleman for yielding time to me.

Mr. BROOMFIELD. Mr. Speaker, I reserve the balance of my time.

Mr. SOLARZ. Mr. Speaker, I yield 4 minutes to the gentleman from Pennsylvania [Mr. YATRON].

I do not think a resolution on human rights has come to this floor in the last several years without the strong support of the gentleman from Pennsylvania [Mr. YATRON], the very distinguished chairman of the Subcommittee on Human Rights and International Organizations.

Mr. YATRON. Mr. Speaker, I strongly support House Concurrent Resolution 63 as amended which is before the House today. I would first like to commend Mr. ROSE, Mr. LANTOS, and Mr. GILMAN for their sponsorship of this resolution. I also want to commend Mr. SOLARZ and Mr. BEREUTER for their contributions in crafting a bipartisan substitute. Finally, I would like to thank Chairman FASCELL and Mr. BROOMFIELD for their support for the resolution.

This resolution condemns the continued human rights violations against Tibetans in the People's Republic of China and the imposition of martial law in Tibet. By passing this resolution, the House will demonstrate its concern over human rights violations in Tibet and the efforts of the Dalai Lama to establish a dialog with the People's Republic of China's Government to seek a peaceful solution to the situation in Tibet.

Recently, the human rights environment in Tibet has deteriorated with the fierce clamp down on Tibetan demonstrators in early March, which left an estimated 30 to 60 people dead. From all reports, these demonstrators were nonviolent in the call for greater freedom. Martial law was declared in Lhasa on March 8, making it difficult, at best, to hear the voice of the Tibetan people. Since martial law was imposed, reports indicate that there have been numerous cases of arbitrary arrest and torture.

Mr. Speaker, this resolution serves to continue to impress upon the Chinese Government our growing concern for basic human rights in China. This resolution condemns the use of excessive and lethal force by the Chinese authorities in Tibet, urges the Government to exercise restraint, to lift mar-

tial law in Lhasa, and to allow human rights organizations access to prisons in Tibet. The proposed legislation also urges the President to continue to make the People's Republic of China's human rights record an important element in our relations, calls on the Secretary of State to focus attention on human rights violations in Tibet, and lastly to support a constructive dialog between the People's Republic of China and the Dalai Lama to find a peaceful resolution.

Mr. Speaker, the People's Republic of China has endorsed the Universal Declaration of Human Rights, which clearly states that all people are entitled to basic rights and freedoms set forth in the declaration without discrimination of any kind, including race, religion, political opinion, or national or social origin. Unfortunately, the People's Republic of China has yet to adhere to all the tenets of the declaration. Until that time, we need to continue to call attention to the plight of the Tibetan people.

Mr. Speaker, I strongly urge our colleagues to support House Concurrent Resolution 63.

□ 1330

Mr. SOLARZ. Mr. Speaker, I yield such time as she may consume to the gentlewoman from California [Ms. PELOSI].

Ms. PELOSI. Mr. Speaker, I thank my colleague for yielding me this time.

Mr. Speaker, I rise today in support of House Concurrent Resolution 63 which condemns human rights violations by Chinese authorities in Tibet.

I commend the members of the Foreign Affairs Committee, the chairman, the gentleman from Florida [Mr. FASCELL], the gentleman from New York [Mr. SOLARZ], the gentleman from North Carolina [Mr. ROSE], the gentleman from Pennsylvania [Mr. YATRON], the gentleman from New York [Mr. GILMAN], the gentleman from Nebraska [Mr. BEREUTER], and the others, for their leadership on this issue and their work on this resolution.

The historical struggle for Tibetan independence has intensified. Calls for autonomy have been met with severe repression by the Chinese. Press reports of official violence against Tibetans have contributed to increased global recognition of the problem and have prompted Chinese authorities to restrict press access to Tibet.

We must not allow human rights violations to continue. The policy of massive resettlement must be recognized as a deliberate attempt to dilute Tibetan cultural autonomy and the deployment of 300,000 Chinese troops in Tibet must be seen as an attempt to stifle it. We must also call for an end of policies which have resulted in massive environmental degradation of the Tibetan countryside.

Mr. Speaker, this is a critical time for the Tibetan people. We must redouble our efforts to ensure that Tibetan culture is protected. I urge my colleagues to support this resolution.

Mr. BROOMFIELD. Mr. Speaker, I yield such time as he may consume to the gentleman from Nebraska [Mr. BEREUTER], the ranking member of the Subcommittee on Human Rights and International Organizations, who reported this bill out.

Mr. BEREUTER. Mr. Speaker, I thank the distinguished gentleman from Michigan for yielding me this time.

Mr. Speaker, Tibet is one of those areas of the globe that, because it is so inaccessible and because it is a closed society, often escapes world attention. But the clampdown on basic human and political rights of Tibetans by the People's Republic of China should not go unnoticed. It is unacceptable conduct for nations to subject their citizens to arbitrary arrests, to restrictions on the practice of religion, and to systematic discrimination. It is unacceptable conduct for any nation to break up peaceful protests by firing indiscriminately into a crowd. These apparent practices on the part of the People's Republic of China in Tibet deserve to be condemned, and this legislation does just that.

The Chinese already are aware of our concern. We passed legislation in 1987 stating that the People's Republic of China should "respect internationally recognized human rights and end human rights violations against Tibetans." The legislation we are now considering reaffirms our previous commitment, and makes it clear that the United States does not condone the repressive measures by the People's Republic of China in Tibet.

Mr. Speaker, in so many ways the People's Republic of China has made remarkable progress in the area of human rights in recent years. This progress makes Chinese behavior toward Tibetans all the more regrettable. I would hope Beijing is listening to this plea for basic rights.

I would urge a favorable report on this legislation.

Mr. SOLARZ. Mr. Speaker, I yield 3 minutes to the gentleman from North Carolina [Mr. ROSE], the author of the original resolution and a great champion of the cause of human rights in Tibet.

Mr. ROSE. Mr. Speaker, I want to thank the eloquent chairman of the subcommittee, the gentleman from New York [Mr. SOLARZ] for allowing me this time.

I want to thank the full chairman of the committee, the gentleman from Florida [Mr. FASCELL] and all the members of the Foreign Affairs Committee that have unanimously supported this legislation and for permitting me to say a few words here today about the current situation in Tibet.

Mr. Speaker, Amnesty International has issued many reports about the situation in Tibet. The latest was issued several months ago. We cannot be totally sure today as to just what the situation is in this far-off country, but we do know that martial law has been imposed. We do know that the situation in Tibet is vastly different from the situation in Beijing, as the subcommittee chairman reported, where thousands and thousands of students are peacefully demonstrating for democratic reforms in all of China.

The great contrast here shows how the Chinese people regard the citizens of Tibet. The government's resolute violent and riot-inciting actions against a small group of Tibetan lay people, monks, and nuns, conducting peaceful protests against China's illegal occupation of Tibet, in stark contrast with the Chinese restraint that has been shown to us on worldwide television in the square in Beijing.

This contrast serves as testimony to the racist and the colonial instincts of the Chinese occupation forces in Tibet. Chinese Government attitudes and actions remain a real and constant threat to the survival of this ancient and peaceful Tibetan culture.

Mr. Speaker, it is time that we quit treating China as a diplomatic darling, as a special child that is immune to the fundamental standards of decency that we apply to other countries. This administration and this Congress should, and must, commit ourselves to the formulation of a human rights policy toward China if we are serious about fundamental human rights and democratic freedoms and if we are to gain the respect of the People's Republic of China.

Mr. Speaker, the Dalai Lama has become a friend of many of us in this body, having visited here several times since the late 1970's. He does not seek to be a political leader in Tibet and even recently was reported in one newspaper that he would resign all of his responsibilities in that regard. What he seeks is the peaceful return of life in Tibet as it existed before the Chinese occupation and revolution.

Mr. Speaker, China's actions should be watched carefully in Tibet.

Mr. Speaker, I want to thank you and your colleagues on the House Foreign Affairs Committee for your work and unanimous support of this legislation and for permitting Members of Congress the opportunity to speak about the current situation in Tibet.

Mr. Speaker, on March 5 of this year, Chinese authorities stationed in Tibet again violently repressed peaceful, prodemocracy demonstrations in the Tibetan capital of Lhasa. During the ensuing violence, hundreds, and perhaps as many as 1,000 Tibetans, were killed by Chinese soldiers using automatic weapons. Foreign tourists and the press were

forcibly removed from Tibet. The Tibetan section of the city was cordoned off by Chinese militia and thrown under martial law. Today, Lhasa, a city which only 30 years ago was a Tibetan city, remains under a Chinese Government imposed martial law. Lhasa remains closed to the outside world.

Although the Western World cannot be certain about the present situation in Tibet, I would like to share with my colleagues a few passages from an urgent action appeal issue on March 8, 1989, by Amnesty International:

The decree of martial law, which came into effect at midnight on 7 March, empowers police soldiers to take all necessary measures to put down disturbances. "[Security forces] can detain troublemakers on the spot and take action against anyone who resists arrest," the official New China News Agency reported.

Under martial law all demonstrations, public gatherings and strikes are banned, everyone must carry identity papers, police checkpoints have been set up and access to the centre of the city [the Tibetan quarter] has been restricted.

Amnesty International is concerned that, following the imposition of martial law in the Tibetan capital of Lhasa, large-scale arbitrary arrests may be carried out and that those detained, particularly those suspected of active participation in the recent demonstrations, face the risk of torture and long periods of incommunicado detention without charge. Amnesty International is also concerned that, in the present climate of extreme tension and violence, the broad powers given to Chinese troops under martial law may facilitate reprisal actions against people suspected of involvement in the recent protests or pro-independence activities, and possibly result in summary executions.

Mr. Chairman, the Chinese Government's resolute, violent, and riot-inciting actions used against a small group of Tibetan lay people, monks, and nuns conducting a peaceful protest against China's illegal occupation of Tibet are in stark contrast with the Chinese Government's restraint in dealing with the hundreds of thousands of Chinese students and workers demonstrating for democratic reforms. This contrast serves as testimony to the racist and colonial instincts of the Chinese occupation forces in Tibet. Chinese Government attitudes and actions remain a real and constant threat to the survival of the ancient and peaceful Tibetan culture.

In closing, I commend His Holiness the Dalai Lama, the simple Buddhist monk that all Tibetans recognize as their leader, for his active pursuit of a peaceful resolution of the 40-year-old conflict in Tibet. On several occasions, including an event here on Capitol Hill, the Dalai Lama has extended the offer of substantive negotiations with the Chinese on the future status of Tibet. The Dalai Lama's efforts have been supported by the Congress and other Parliaments around the world. However, his offers to initiate talk continue to be rejected by a Chinese Government that wishes to portray the issue of Tibet as an internal affair of China and as a personal problem between the Dalai Lama and the leaders of the People's Republic of China.

Such arguments have not been acceptable to this administration, and previous administrations, when challenging the leadership of the Soviet Union on human rights abuses in that country. Such arguments, and warnings, should not be acceptable to our Government in dealing with China. This year, the People's Republic of China is 40 years old. Although I commend the strong relationship that the United States has nurtured with the People's Republic of China over the past 10 years, it is time that we quit treating this diplomatic darling as a special child that is immune to the fundamental standards of decency that we apply to other countries. This administration and this Congress should, and must, commit ourselves to the formulation of a human rights policy toward China if we are serious about fundamental human rights and democratic freedoms and if we are to gain the respect of the Government of the People's Republic of China.

Mr. BROOMFIELD. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. LAGOMARSINO].

Mr. LAGOMARSINO. Mr. Speaker, I rise in support of House Concurrent Resolution 63 which commends the 30th anniversary of the Tibetan national uprising and expresses the concern of Congress regarding human rights abuses in Tibet.

I am very concerned about the continued use of excessive and lethal force by the People's Republic of China against Tibetans participating in peaceful expressions of will. As short a time ago as March the People's Republic of China brutally crushed a peaceful march in Lhasa, the capital of Tibet, leaving a reported 30 to 60 persons dead and hundreds more injured. Foreigners, including the Western press, were firmly expelled from the Province.

I am encouraged by the current ongoing peaceful demonstrations for greater democracy happening in Bejing today, as we speak. Thus far, the People's Republic of China Government has shown maturity and restraint in this situation. I hope such responsible and reasonable attitudes continue to prevail and that real political change—greater democracy, real respect for human rights and freedoms—quickly happens. This resolution urges the People's Republic of China Government to follow the same course in Tibet. Tibetans, too, deserve respect for their fundamental human rights. The People's Republic of China should reassess its policy and exercise restraint in its future dealings with peaceful demonstrators. Clearly, martial law in Lhasa should be lifted and free access given to foreign journalists. This resolution also urges the People's Republic of China to allow international human rights monitors to access prisons in Tibet. If there is a new era of positive reform and change in China, it must also be experienced in Tibet.

There are many ways to improve the situation in Tibet. This resolution, which also marks the 30th anniversary of the Communist seizure of Tibet, suggests some of them. I am encouraged that we have not forgotten the discrimination and suffering inflicted on the Tibetan people. Clearly Tibet is special with a distinct ethnic group. It should be treated as such. The People's Republic of China, over the past 30 years has treated Tibet differently—it has treated Tibet worse and has tried to forceably erase the unique Tibetan culture and heritage. The People's Republic of China must recognize this fact, not try to eradicate it. If the People's Republic of China wants us, the residents of Hong Kong, the Republic of China, and others to believe that a "one China, two systems" policy can work, and that the People's Republic of China will seriously adhere to it, the People's Republic of China can start today by reforming its policy toward Tibet. Actions speak much louder than words. Providing Tibet with the freedom and real autonomy it deserves would send a positive signal for the future.

I urge my colleagues to join me in supporting this resolution.

□ 1340

Mr. SOLARZ. Mr. Speaker, there has been no stauncher advocate in behalf of the Tibetan people and the cause of human rights in Tibet than the gentleman from California [Mr. LANTOS], and I yield 3 minutes to the gentleman from California [Mr. LANTOS].

Mr. LANTOS. Mr. Speaker, I thank my friend and colleague, the gentleman from New York, for yielding me this time.

Mr. Speaker, I want to pay tribute to all of my colleagues on both sides of the aisle who played such a key role in bringing this matter before the House.

The Tibetan people have no lobby. The Tibetan people have no political action committee. The only thing that the Tibetan people have is a just cause. That just cause is one of begging, pleading, to be able to live according to their cultural and religious traditions.

When the Congressional Human Rights Caucus invited His Holiness the Dalai Lama to address us some time ago, he extended the hand of peace to the government in Beijing. He pleaded with the authorities of Beijing to sit down and peacefully negotiate a modus vivendi so the people of Tibet will be able to live according to their ancient traditions.

Mr. Speaker, it is one of the tragedies of recent Chinese foreign policy that while along so many lines the Chinese have shown flexibility, statesmanship, and vision, in their dealing with Tibet and the Tibetan people they have shown nothing but contempt, rigidity, racism, and a pattern of noncooperation. It is the ultimate irony that today Mr. Gorbachev has to

sneak into the grand palace by a side door because the Chinese authorities do not wish to use force against the thousands of students and others who are demonstrating for human rights at the main square of Beijing, while in Lhasa in Tibet the Chinese have not the slightest hesitation in using the most brutal methods in oppressing Tibetan monks, children, women, and others in a contest which is really a very cruel contest, a contest of those who are many who have the weapons who are powerful, and the unarmed, peace-loving Tibetan people.

Our Chinese friends in Beijing must understand that this issue will not go away. This issue will not go away because it is a moral issue. It is the issue of the rightness and the justice of the Tibetan cause, the right of the Tibetan people to live according to their own traditions.

House Concurrent Resolution 62 underscores the commitment of the Congress to preserving and protecting the right of the people of Tibet.

Mr. BROOMFIELD. Mr. Speaker, I yield 3 minutes to the cochairman on the Republican side of the Human Rights Caucus, the gentleman from Illinois [Mr. PORTER].

Mr. PORTER. Mr. Speaker, I strongly support House Concurrent Resolution 63 and commend our colleagues, the gentleman from North Carolina [Mr. ROSE], the gentleman from New York, and the cochairman of the Congressional Human Rights Caucus, the gentleman from California, for their efforts on behalf of the Tibetan people. This resolution clearly outlines my concerns and suggests constructive action that the Chinese and our own Government and international organizations can take to resolve the acute problems facing the people of Tibet.

Since the Chinese violent occupation of Tibet in 1951, the Tibetans have suffered ongoing human rights violations, including torture, arbitrary arrest and detention, religious persecution, the use of excessive force against peaceful demonstrators, and a systematic pattern of discrimination. Respectable human rights organizations such as Amnesty International and Asia Watch, as well as firsthand accounts from foreign travelers and Tibetan refugees, describe an appalling situation that I fear may lead to the complete annihilation of the Tibetan people. Reports indicate that over 1 million Tibetans have died as a direct result of the military occupation and related Chinese policies.

In 1959, the Dalai Lama and 85,000 of this followers were forced to flee across the Himalayas into surrounding regions. Thousands of Tibetans died trying to escape. Thirty years later, Tibetans continue to be killed and abused at the hands of Chinese authorities.

On March 8, 2 days before the 30th anniversary of the Tibetan uprising, China declared martial law in Lhasa and surrounding areas, and expelled all foreign visitors and journalists from the region. A few days earlier, Tibetans had begun peaceful, unarmed demonstrations demanding an end to oppressive Chinese rule. The marchers were met by Chinese authorities using firearms, tear gas, wooden and iron clubs with protruding nails, and electric cattle prods used as torture instruments while interrogating detainees. According to an April 13, New York Times report, over 100 Tibetans were killed and many others unjustly arrested.

Mr. Speaker, we can not sit idly by while China continues to use strong arm oppressive tactics to quash the free will of Tibet's peaceful citizens. The Chinese treatment of the Tibetan people and other religious minorities must be remembered as United States policy toward China evolves. United States economic and political cooperation with China, as well as continued arms sales all hinge on China's willingness to respect international human rights standards. I urge my colleagues to vote for this resolution.

Mr. SOLARZ. Mr. Speaker, to sum up the case for the majority on this resolution, I yield my 1 remaining minute to the gentleman from Michigan [Mr. LEVIN].

Mr. LEVIN of Michigan. Mr. Speaker, it is a privilege to join my distinguished colleagues on both sides of the aisle supporting this resolution. It expresses our feelings about the universality of human rights. They apply everywhere, even in very distant-fromhere Tibet.

Tibet is a fragile society. It would not take very much longer for it to be eradicated by the Chinese. It is also a nonviolent society. It is not equipped by experience or tradition to defend itself by using arms.

If peaceful negotiations apply anywhere in this world, if they make sense where there is any difference, it is in Tibet. So may we send off this resolution for others to see hoping that it will be a step in the direction of peace, not violence.

A tranquil society deserves its full human rights.

Mr. BROOMFIELD. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania [Mr. GEKAS].

Mr. GEKAS. Mr. Speaker, the American people rightfully over the years sometimes question the wisdom in the Congress of the United States in undertaking resolutions such as this. They ask: What do they mean? How can they help? Of what value are they?

Mr. Speaker, we have seen time and time again that a resolution calling for freedom for a people, the cry of freedom that emanates from this floor does reach oppressed people across the world. Ask the workers in Poland, ask the intellectuals in the Soviet Union, ask the students in China, ask anyone in world history about what happens on the floor of the Congress of the United States, and they will tell you that there is always a signal for freedom.

Mr. Speaker, this goes back to the First Congress of the United States in 1789 and has not ceased since.

□ 1350

As a matter of fact, history credits the House of Representatives of the Congress of the United States in the mid-19th century, in the 1820's, for the overthrow of the Ottoman Empire. Why? Because Members of the House then in 1820, 1822, and 1824, stood where we are standing today and sought out world opinion on questions of freedom.

So we do not take lightly the action that we undertake here today. The people of Tibet deserve our sympathy, our help, our support, our joining them in their cry for freedom.

Mr. CONTE. Mr. Speaker, I rise today in strong support of House Concurrent Resolution 63, which commemorates the 30th anniversary of the Tibetan uprising against Chinese rule.

Tibet is far away, and its 30-year torment has gone almost unnoticed. Yet its people have undergone a kind of suffering too common in this century: They have been the victims of a conscious attempt to destroy their unique culture and religious faith.

In 1959, the Dalai Lama fled Tibet after Mao's promises of autonomy and respect for Tibetan rights proved false. In the next decade, during China's Cultural Revolution, Tibet's temples were destroyed, and its monks imprisoned. Thousands of Tibetans died in prison for their faith and their resistance to Communist rule. And even now, as the Government of the People's Republic of China has moderated its ideology, Tibetans continue to suffer. Their protests have been bloodily suppressed, and their attempts to negotiate have been rebuffed.

The situation in Tibet, however, is not hopeless—the actions of Tibetans at home, and of the Tibetan community in exile are testimony to Tibet's continued hope for justice. The Dalai Lama's 5-point plan can provide a basis for negotiations and the peaceful resolution for which Tibetans pray. Let us hope that the Government of China, now engaged in rebuilding its relationship with the Soviet Union and with the West, can work with him to rebuild its relationship with a people who have suffered too long.

We in the Congresss must do whatever we can to call attention to Tibet's struggle, and to support those who continue to hope and work to restore Tibetans their rights. This resolution is a firm statement of our support for decency and human rights around the world, and I hope all our Members will support it.

Mr. SOLOMON. Mr. Speaker, I have joined in sponsoring this resolution because its mes-

sage is important and must be heard by the leadership of the People's Republic of China, no matter now much it may resist listening.

Events taking place in the People's Republic of China present that government's leadership with clear evidence that the prospect of real change is now challenging it, no longer just economically, but politically as well. I believe that, to a certain extent, that leadership is to be commended for its response so far to the demonstrations by students, journalists, and workers in Beijing. The message embodied in this resolution, however, is that the underlying challenge it faces is to truly change its attitudes and policies, not just toward the issue of political democracy, but in its treatment of the non-Chinese people under its control, particularly in its actions against the great nation of Tibet.

It is noteworthy that in both the case of the present demonstrations in Beijing and the March demonstrations in Lhasa, the Tibetan capital, the harsh threats made by the government against those outbursts did nothing more than provoke greater participation in them. This has indeed been a true failure for the People's Republic of China's leadership, and in Tibet, this approach led directly to the terrible government-sponsored violence and killings that aroused the great concern of the rest of the world. The challenge to the People's Republic of China's leaders now is to understand and accept this failure and to undertake a more enlightened approach. In the case of Tibet, such an enlightened change would follow the outline of this resolution, namely an end to the repression of the Tibetan people's cultural and political rights, the lifting of martial law in Tibet, the opening of Tibetan prisons to international inspection and, above all, the opening of sincere discussions with the Dalai Lama, leader of the Tibetan people, toward a constructive agreement on Tibet's future.

Mr. Speaker, in closing I want to state that the United States would welcome a new relationship with a People's Republic of China that is truly progressive, democratic, and respectful of the rights of the nations within its governance. The People's Republic of China should understand that the challenge it faces in dealing with its own peoples is also a challenge it faces in its relations with the free world. The American Government's respect for the leadership of the People's Republic of China would certainly be enhanced should it meet this challenge in a positive way. I hope that the Government of the People's Republic of China will see that such a new approach would not only lead to a better life for the people of China and the people of Tibet, but to a new and dramatically improved relationship with the United States and the other leading nations of the world.

Mr. BROOMFIELD. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. BUSTAMANTE). The question is on the motion offered by the gentleman from New York [Mr. SOLARZ] that the House suspend the rules and agree to the concurrent resolution, House Concurrent Resolution 63, as amended.

The question was taken.

Mr. SOLARZ. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to the provisions of clause 5 of rule I and the Chair's prior announcement, further proceedings on this motion will be postponed.

GENERAL LEAVE

Mr. SOLARZ. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on House Concurrent Resolution 63, the concurrent resolution just considered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

SUNDRY MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States was communicated to the House by Mr. Kalbaugh, one of his secretaries.

PROHIBITING U.S. CONTRIBUTIONS TO THE UNITED NATIONS UNDER CERTAIN CONDITIONS

Mr. YATRON. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2145) to prohibit United States contributions to the United Nations or any of its affiliated organizations if full membership as a state is granted to any organization or group that does not have the internationally recognized attributes of statehood, as amended.

The Clerk read as follows:

H.R. 2145

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. POLICY OF THE UNITED STATES CONCERNING MEMBERSHIP AS A STATE OF THE PALESTINE LIBERATION ORGANIZATION IN THE WORLD HEALTH ORGANIZATION, THE UNITED NATIONS, ANY SPECIALIZED AGENCY OF THE UNITED NATIONS, OR ANY ORGANIZATION AFFILIATED WITH THE UNITED NATIONS.

It is the policy of the United States to oppose the admission to membership as a state of the Palestine Liberation Organization in the World Health Organization (WHO), the United Nations, any specialized agency of the United Nations, or any organization affiliated with the United Nations.

SEC. 2. WITHHOLDING CONTRIBUTIONS TO CERTAIN ORGANIZATIONS OF WHICH THE PALESTINE LIBERATION ORGANIZATION IS A MEMBER STATE.

The President shall withhold assessed and voluntary contributions to the United Nations, any specialized agency of the United Nations, or any organization affiliated with the United Nations, if that agency or organization admits as a member state the Palestine Liberation Organization.

SEC. 3 AUTHORITY TO WITHHOLD CONTRIBUTIONS TO CERTAIN ORGANIZATIONS WHICH ADMIT AS A MEMBER STATE ANY ENTITY WITHOUT THE INTERNATIONALLY-RECOGNIZED ATTRIBUTES OF STATEHOOD.

The President is authorized to withhold assessed and voluntary contributions to the United Nations, any specialized agency of the United Nations, or any organization affiliated with the United Nations, if that agency or organization admits as a member state any organization, group, or other entity which the President determines does not have the internationally-recognized attributes of statehood.

SEC. 4. USE OF FUNDS.

(a) TRANSFER OR REPROGRAMMING.—Funds withheld pursuant to section 2 or 3 are authorized to remain available until expended and may be reprogrammed or transferred to any other account of the Department of State or the Agency for International Development to carry out the general purposes for which such funds were appropriated. Any transfer under this section shall be treated as a reprogramming for purposes of section 34 of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2706).

(b) LIMITATION OF TRANSFER AUTHORITY.—The transfer authority contained in subsection (a) may be exercised only to such extent and in such amounts as are provided in advance in appropriation Acts.

SEC. 5. PAN AMERICAN HEALTH ORGANIZATION.

For the purposes of this Act, the Pan American Health Organization shall not be considered an affiliate of the World Health Organization or an organization affiliated with the United Nations.

The SPEAKER pro tempore. Is a second demanded?

Mr. BROOMFIELD. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Pennsylvania [Mr. YATRON] will be recognized for 20 minutes, and the gentleman from Michigan [Mr. BROOMFIELD] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Pennsylvania [Mr. YATRON].

Mr. YATRON. Mr. Speaker, I yield such time as he may consume to the gentleman from Florida [Mr. FASCELL], chairman of the Foreign Affairs Committee, who has been a leader in advancing U.S. interests in the United Nations system for many years.

Mr. FASCELL. Mr. Speaker, I thank the distinguished chairman of the Subcommittee on Human Rights and International Organizations for yielding time to me and express my appreciation to him for acting rapidly on this bill. I also extend my commendation to the original sponsor, the gentleman from California [Mr. LANTOS] for his work in bringing this important piece of legislation to the floor.

Mr. Speaker, I rise in strong support of this bill. It has already achieved its immediate purpose because last week, by a decisive vote, the World Health

Organization deferred action on the PLO application.

This bill has already achieved its immediate purpose. Last week by a decisive vote of 83 to 47 with 20 abstaining the World Health Assembly deferred action on the PLO's application for membership in the World Health Organization.

Along with a strong warning from the Secretary of State and actions taken in the other body, this bill has sent a powerful message reflecting American agreement across the political spectrum and between the branches of government that the PLO must not be admitted as a member of the World Health Organization. That message was heard clearly in Geneva and, judging by the size of the vote, in a host of capitals as well.

I want to commend the gentleman from California [Mr. LANTOS] for his leadership on this issue. I want to also express my appreciation to the chairman of the Subcommittee on Human Rights and International Organizations [Mr. YATRON] for acting rapidly on this timely bill. The unanimous support of his subcommittee for the bill served as a timely notice to the member states of the World Health Organization of the high stakes involved for the work of that important organization if they allow it to become politicized through admitting to membership a group having none of the characteristics of a state recognized by international law.

Mr. Speaker, I take no great pride in supporting legislation which would cut off funding to the World Health Organization or any other U.N. agency if they admit the PLO as a member. I am a supporter of international organizations. With all their warts, and there are many, we need globally agreed upon policies and programs to meet global problems.

We live on a planet where increasingly our fortunes and our very lives are increasingly interdependent. We need outstanding agencies like the WHO to combat the scourage of disease. But if we are to have effective programs the nations of the world must learn where to draw the line on politics. Politics under the U.N. system is supposed to be the subject of debate at the United Nations in New York and not in the technical agencies.

Those with narrow agendas, such as the PLO, will use every opportunity to advance their cause or simply to cause mischief. The members of the world community must not permit the shortsighted few to endanger the painstaking work of many statesmen over decades to build a credible set of international instruments for global cooperation. These instruments may yet prove crucial for our survival. Any group aspiring to present themselves as a state ought to be able to recognize the stake of those they claim to represent in the organizations their narrow ambitions could mortally harm.

Fortunately the United States was not alone in recognizing what was really at stake in the PLO's spurious application for WHO membership. Many other countries raised their voices and cast their votes in support not only of the WHO but of the whole web of international cooperation it has been so hard to build and would be so easy to disrupt. I am heartened that in this instance, at least, that the world community has taken a sane and sensible action.

Mr. Speaker, I would also like to take this opportunity to commend the President, the Secretary of State, the Assistant Secretary for International Organizations, and our Ambassador at the United Nations and all others in the Government here in Washington and around the world who worked so hard to assure a successful outcome of this issue in the World Health Organization.

Since we do not have a report on H.R. 2145, I wanted to take a few minutes to explain the intent of the committee in considering this bill and its sections.

Section 1 simply states that it is the policy of the United States to oppose membership as a state of the PLO in any organization or body affiliated with the United Nations.

Section 2 says that the President shall withhold assessed and voluntary contributions to the United Nations any specialized agency or any organization affiliated with the United Nations if that agency or organization admits the PLO as a member state.

Section 3 gives broad authority to the President to withhold contributions to certain organizations which admit as a member state any entity without the internationally recognized attributes of statehood. Withholding would occur only if the President determines that an entity admitted as a state does not have the attributes of statehood. The President is not required to make such a determination. This section gives the President discretionary authority in cases other than the PLO.

Section 4 refers to the use of funds. In subsection A, the law provides guidelines for the use of funds withheld and says that they are to remain available until expended and may be reprogrammed or transferred to any other account of the Department of State or the Agency for International Development to carry out the general purposes for which such funds are appropriated. Subsection B provides for a limit of transfer authority and says it can be exercised only to the extent and in such amounts as are provided in advance in appropriations acts.

The intent of section 4 is to introduce flexibility in allocating monies if it becomes necessary for the United States to withhold funds. If we are forced to cut funding, our hope and expectation is that those funds would be used for purposes which the organization itself seeks to achieve. If funds would have had to be withheld from WHO—fortunately they do not since the WHO Assembly voted down the PLO's application for membership—those funds should be used for purposes for which the organization seeks to accomplish. The WHO manages an important program to combat AIDS and if PLO had become a member state, our intent would have been that U.S. withholdings would be allocated to some kind of international AIDS prevention program. Similarly, if the United States would withhold funds from one agency because the PLO were abated, those could also be available for use to pay other international organizations to which the United States can give assessed and voluntary contributions.

Mr. YATRON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of H.R. 2145 as amended, a bill to prohibit United States contributions to any international organization which grants the Palestine Liberation Organization statehood status. The legislation also authorizes the Secretary of State to withhold assessed or voluntary contributions to the United Nations or any specialized agency which admits as a member an entity which does not possess the internationally-recognized attributes of a State.

Mr. Speaker, on April 6, the PLO's representative in Geneva transmitted a letter from Yasser Arafat, to the Director General of the World Health Organization, Dr. Nakajima, applying for statehood status. This application led to a flurry of congressional and administration actions designed to thwart the PLO's ill-advised initiative.

Upon learning of the application, Congressmen GILMAN, BEREUTER, SMITH of Florida and I sent a letter of protest to the World Health Organization. Secretary Baker issued a statement that the United States vigorously opposed the PLO's admission as a member to the World Health Organization and further recommended that there be no further contributions—assessed or voluntary—to any international organization which makes a change in the PLO's status. Working in concert with the Department of State, the Subcommittee on Human Rights and International organizations, which I chair, held a hearing on the PLO statehood campaign and unanimously reported out the legislation we are considering today.

The PLO statehood drive at the WHO and other international organizations is ill-conceived for a number of reasons. First, under international law, the PLO does not meet the qualifica-

tions of a State. It is not a government and it does not exert governmental control over any territory.

Second, this initiative would seriously undermine efforts to achieve a comprehensive peace in the Middle East. President Bush and Secretary Baker have boldly maintained the new dialog with the PLO in the hope of establishing a negotiating process. The PLO's statehood campaign jeopardizes this policy and is totally incompatible with diplomatic norms and procedures.

Third, in his communication to the WHO, Arafat's letterhead includes the entire State of Israel as being the State of Palestine. This flies in the face of Arafat's recent comments in Paris declaring the PLO charter inoperative, as well as his call for a Palestinian state along side Israel within its pre-1987 borders.

Mr. Speaker, Secretary Baker should be commended for the outstanding leadership he has provided in making it clear to the international community that the United States-Palestine Liberation Organization dialog should not be viewed as a diplomatic umbrella to justify the PLO's statehood campaign.

Congressman BEN GILMAN and I had the pleasure of meeting with Dr. Nakajima prior to the General Assembly meeting which started last week. Dr. Nakajima is a sincere man who heads an organization which has been at the forefront in promoting public health programs which have saved the lives of millions of children. Our problem is not with Dr. Nakajima. It is with the member states of that organization which are supporting the PLO campaign.

Mr. Speaker, as a result of the consideration of H.R. 2145 and the combined efforts of the Foreign Affairs Committee, Secretary Baker, and an effective United States delegation led by Assistant Secretary of State John Bolton, the PLO's application was rejected on Friday by a secret ballot vote of 83 to 47 with 20 abstentions.

While we succeeded at the World Health Organization, it is extremely important to note that the PLO has expressed its intention to apply for statehood at other specialized agencies including UNESCO. The passage of this bill would considerably strengthen the administration's hand in convincing the international community that giving in to the PLO's demands would only undermine the fine work of the United Nations and its specialized agencies. This bill is completely compatible with administration policy and sends a strong message that the Congress and the executive branch are united on a very important foreign policy issue.

Mr. Speaker, I would like to commend Congressman BEREUTER, the ranking minority member of the subcommittee for his leadership in working with me to bring this legislation to the floor. I also want to commend Chairman DYMALLY and Congresswoman SNOWE for expeditiously moving on this legislation and the sponsors of the bill, Congressman LANTOS and Congressman GILMAN for energizing the Congress to act on this timely initiative. Finally, I would like to commend the chairman of the Foreign Affairs Committee, Congressman FASCELL and the ranking minority member, Congressman BROOMFIELD for their expeditious consideration of the bill.

I urge my colleagues to unanimously support this legislation.

□ 1400

Mr. BROOMFIELD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as our colleagues are aware, last Friday, the World Health Organization, by a vote of 83 to 47, deferred until next year a decision on whether to admit the Palestine Liberation Organization as a member of the WHO.

President Bush and his administration deserve to be congratulated for the leadership they have demonstrated on this important matter. They saw the issue coming, and they took decisive action to make sure that the U.S. position was known by the PLO, the WHO and the member states of the WHO. Secretary Baker, on May 1, also made a firm statement of the U.S. opposition to PLO membership in the World Health Organization.

However, while we succeeded in Geneva with the World Health Organization this round, the issue if far from dead. The PLO has vowed to continue its compaign to gain admission into the various U.N. agencies. The PLO has already applied for membership in UNESCO, and there are a series of U.N. agency meetings coming up in the months ahead.

Thus passage of H.R. 2145, and the strong message it sends, continues to be essential. We are saying to the world that this Nation is united in its opposition to granting the PLO membership in the World Health Organization, or in any other international organization, and that the United States is prepared to act upon that conviction.

Like the application of the PLO for membership into the WHO, the PLO's application with the other technical U.N. agencies does nothing to advance the peace process in the Middle East. Further, its application forces restricted technical organizations to confront a divisive political issue that lies beyond their mandates. Issues such as this serve only to politicize the organizations, and detract from the fine work that they do.

There is ample reason to deny the PLO membership in any of the technical U.N. agencies. The PLO does not meet any of the criteria of statehood. It exercises no governmental control over any territory called Palestine or a Palestinian population.

Further, the PLO cannot perform the functions associated with statehood. For instance with the World Health Organization, the PLO has no capacity to even implement WHO resolutions for member states or to carry out WHO-promoted health programs. There is no justification to change the PLO's status from observer to member in any of the U.N. agencies.

Finally, the world should know that the Congress and the executive branch are in agreement in our opposition to PLO membership in the United Nations or in any of its related agencies.

Mr. Speaker, I yield the balance of my time to the ranking member of the subcommittee, the gentleman from Nebraska [Mr. BEREUTER].

Mr. BEREUTER. Mr. Speaker, I thank the gentleman from Michigan [Mr. BROOMFIELD] for yielding me this time.

This Member strongly supports the legislation now before us—H.R. 2145, as amended.

Let me just say at the outset that I commend the gentleman from California [Mr. LANTOS] for his energy and outstanding leadership in bringing this issue before us in such a timely manner. The gentleman from New Jersey [Mr. SMITH], the gentleman from Florida [Mr. SMITH], and the gentleman from New York [Mr. GILMAN] also deserve commendation as original cosponsors of this resolution.

I would also like to recognize the efforts of Chairman FASCELL and its ranking minority member, the gentleman from Michigan [Mr. BROOMFIELD], Mr. YATRON, Mr. DYMALLY, and Mrs. SNOWE, my colleagues on the relevant subcommittees for their efforts in expediting the consideration of the United States response to PLO efforts to enter United Nations specialized agencies such as the World Health Organization.

Finally, the administration also deserves to be commended for the capable manner in which they respond to the PLO application to the WHO. Secretary James Baker was particularly effective in communicating to the members of World Health Organization that full membership for the PLO would have serious financial consequences for that organization. There is no doubt that the PLO application was defeated by such a large margin [83–47] because of the effectiveness of our State Department and the expressed resolve of Congress on this issue. This was a truly bipartisan effort which produced significant results.

Mr. Speaker, despite the vote in the World Health Organization Assembly to defer the PLO's application for a year, the fundamental problem remains. The PLO already has applied for full membership to UNESCO, an organization where the United States exercises limited influence. In addition, the PLO observer to the United Nation has announced his intention to apply for full membership to all United Nation specialized agencies. The PLO shows no signs of backing down after its defeat at the World Health Assembly on Friday. It seems we are going to have to wage this diplomatic battle over and over.

Mr. Speaker, I am greatly concerned for the future of the U.N. specialized agencies. Generally they do good work and some like UNICEF and UNDP have excellent results. The WHO is in the forefront of the worldwide effort to combat AIDS, and is on the cutting edge of many of the world's most pressing public health problems. Had the United States been forced to eliminate assessed and voluntary contributions to WHO, a number of projects close to my heart would have suffered.

It is alarming that the U.N. technical bodies are at risk of becoming deeply, and possibly irrevocably, politicized. I would hope that our vote today can help to resolve this issue before the specialized agencies do, indeed, become politicized.

Mr. Speaker, I regret that we are forced to consider the witholding of funds. The denial of assessed and voluntary funds would deal a very severe blow to the good work of United Nations specialized agencies, and it is highly regrettable that the PLO is placing the WHO in this position. The United States has just begun a dialogue with the Palestine Liberation Organization. This resolution sends the strongest possible message that the United States will not play the PLO game at the United Nations.

Mr. Speaker, I reserve the balance of my time.

Mr. YATRON. Mr. Speaker, I yield such time as he may consume to the sponsor of the bill, the distinguished gentleman from California [Mr. LANTOS].

Mr. LANTOS. Mr. Speaker, I first would like to thank my friend and colleague for yielding.

Mr. Speaker, at the outset I would like to pay tribute first to Chairman YATRON for bringing this issue before his subcommittee so expeditiously, and to the ranking Republican, the gentleman from Nebraska [Mr. BEREUTER], my good friend, and also an original cosponsor of the legislation.

Also to the gentleman from California [Mr. DYMALLY] and the gentlewoman from Maine [Mrs. SNOWE] for expediting the legislation and also to the distinguished Republican ranking member of the full committee, the gentleman from Michigan [Mr. BROOMFIELD], and the gentleman from Florida [Mr. FASCELL], the chairman of the full committee.

Mr. Speaker, I want to express my special appreciation to Congressman GILMAN for his steadfast support of this legislation.

Mr. Speaker, this is an object lesson in how successful we can be when we work on a bipartisan basis and when we work together, the Congress and the administration.

My legislation not only enjoys broad bipartisan support, Democrats and Republicans across the entire political spectrum favor this bill; but Secretary of State Jim Baker has emphatically voiced administration support for the position as well.

I want to take the time to pay tribute to our new Secretary of State for courageously and eloquently stating the case.

Mr. Speaker, the United Nations was established about half a century ago as an international organization of sovereign states. Now it is obvious that whatever the PLO is, it is not a sovereign state. There are long-recognized international legal criteria that have clearly established what is and what is not a state.

□ 1410

There is not the slightest doubt that the PLO does not fit those criteria. It is not a legally constituted government. It is not effectively in control of territory. In fact, PLO representatives do not even reside in the territory they claim as their state. They reside in Tunis. The PLO does not govern the territory it claims, and it is clearly not sovereign on their territory.

By action, our Government has made it clear that the United States cannot and will not condone the sincere effort by the PLO to turn the United Nations and the affiliated agencies into a meaningless debating body by granting full membership as a state to any organization or group except sovereign nations fully recognized as such under international law.

The victory last week at Geneva was a major victory both for international law and for those nations that were ready to stand up to principles. Our Government has made it clear, and my legislation makes it clear that politicizing the United Nations affiliated agencies, the World Health Organization, the International Labor Organization, the Food and Agriculture Organization, or UNESCO are utterly unacceptable.

I think it is important to underscore, Mr. Speaker, that the World Health Organization makes enormously important contributions to the health of millions of people on this planet. The World Health Organization improves the quality of life in many parts of the world, particularly in less developed portions of the globe. Every year the World Health Organization helps tens of millions of children and tens of millions of adults in less developed countries.

Now the nation which has played the key role in the World Health Organization is the United States of America. We provide about one-quarter of the budget of WHO, and through our leadership in the field of medicine and public health, we have been the mainstay of the World Health Organization. I think it is extremely important that our work continue, that the activities of the World Health Organization expand rather than be curtailed.

Admitting the PLO to full membership as a state, the World Health Organization would have made a horrendous mistake, and I want to salute all of the countries that voted not to allow the WHO to become politicized. As my friend from Nebraska indicated, the battle is not over, the PLO has served notice that it will try to politicize other important affiliated organizations of the United Nations. This legislation will see to it that the member states of those affiliated organizations will know in advance that their actions will have consequences, and if they play the PLO game of allowing to become politicized puppets in an attempt to undermine the work of those useful organizations, the United States will withhold their financial contributions to those organizations.

In conclusion, Mr. Speaker, let me just suggest that the United States and their friends prevail every single time we have a bipartisan approach here in the House and the Senate, and we are able to work cooperatively with the administration. That is what happened here. This is a day of great victory for Republicans and for Democrats, for the Congress and for the administration and for the health and quality of life of hundreds of millions of people throughout the world. I want to thank all of my colleagues for their support of this legislation.

Mr. BEREUTER. Mr. Speaker, that was an excellent statement by my colleague the gentleman from California.

Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. GILMAN], who has been very involved in activities on this issue himself.

Mr. GILMAN. Mr. Speaker, I thank the gentleman from Nebraska for yielding and for his support and I rise in strong support of H.R. 2145 and commend the gentleman from California [Mr. LANTOS], for the expeditious drafting of this important legislation and for the advocacy. Last week, under the leadership of the distinguished gentleman from Pennsylvania [Mr. YATRON] our Subcommittee on Human Rights and International Organiza-

tions held a hearing on this issue, and thereafter our Subcommittee on International Operations held a similar hearing and its chairman, the gentleman from California [Mr. DYMALLY] waived jurisdiction.

The issue of the Palestine Liberation Organization seeking membership in the United Nations specialized agencies is of grave concern to all of us who monitor developments in the Middle East.

The executive branch and the Congress have been united in opposition to the PLO joining the World Health Organization or any agency of the United Nations. Mr. Arafat must recognize that this ploy does nothing to advance the peace process.

Acceptance of the PLO as a member state would be extremely harmful to the productive work of the many agencies of the United Nations system.

Actually, the PLO's self-declared "Palestinian State" does not qualify for membership consideration. International law clearly requires that in order for an entity to be considered a nation, it must exercise effective governmental control over the population and territory it claims as its own. The PLO has neither an effective government, nor control over the territory and populations it claims.

The World Health Organization permits membership only to states. The PLO has no capacity to implement WHO resolutions addressed to member states, nor to carry out WHO-promoted health programs.

The Palestine Liberation Organization has put the World Health Organization in a compromising position. Technical specialized agencies such as the WHO should not be in the business of asserting statehood status on behalf of any organization. Issues such as this polarize and politicize organizations, reducing their credibility and effectiveness. It is far more important for the WHO to deal with such health considerations as controlling the spread of AIDS, the immunization of children, and other life and death issues than to serve as a political battleground for issues which should be more properly addressed in other forums.

Mr. Speaker, the timing of this legislation is appropriate, since other agencies of the United Nations may soon be voting on whether or not the PLO gains full state privileges.

Accordingly, Mr. Speaker, I urge the unanimous passage of H.R. 2145, so that we may send the strongest possible signal to member nations of the World Health Organization that the PLO's unilateral declaration of statehood does not deserve the encouragement and stamp of approval that full membership in the U.N. agency would represent.

Mr. YATRON. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. BEREUTER. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. LAGOMARSINO].

Mr. LAGOMARSINO. Mr. Speaker, I rise in strong support of H.R. 2145, the bill to prohibit U.S. contributions to the United Nations if full membership as a state is granted to any organization or group that does not have the internationally recognized attributes of statehood.

This measure, which I cosponsored and which passed the Foreign Affairs Committee with only one member dissenting puts on record our opposition of admission of the PLO, as a "state," to the World Health Organization, the United Nations or any U.N. affiliate organization. Should the United Nations or one of its affiliates decide to admit the PLO, as a state, the President would be required to withhold our assessed and voluntary contributions to the organization. Already, this measure and the support it received in the Foreign Affairs Committee has been influential in prompting the WHO to delay for 1 year, consideration of the PLO's application for membership.

The PLO is not a state. It is not a sovereign government. Therefore, quite clearly and logically, it should not be a member of any U.N. organization as a "state." This move by the PLO and its allies is a crude attempt to complicate the already complex situation in the Middle East and derail current efforts to seriously and fairly address the Palestinian question and the situation in the West Bank and Gaza Strip. I believe that the PLO is unable to meet all of the principles and requirements of the U.N. charter, therefore it should not even be considered. The PLO is not the elected representative of all the Palestinian people. To upgrade the PLO to "state" status, gives Palestinian and Arab hard-liners the formal recognition they covet at the expense of Israel, serious negotiations and ultimately the Palestinian people. Upgrading the PLO will not improve the situation facing the Palestinians—it will worsen it by complicating the current dialog and peace process and increasing the chances that these efforts could fail. Clearly, allowing PLO admission as a state gives the PLO a propaganda victory but gives the Palestinian people nothing but further trouble. Palestinian statehood is something for the principals in the Middle East, including Israel, to decide—not the United Nations

This measure does not bar the PLO from participating in the United Nations and its affiliates. While I do not support the PLO's status as an "observer" in the United Nations, it was granted observer credentials through a democratic process in the General Assembly and does participate in the United Nations and its associated organizations. While primarily focusing on the PLO, this measure would also correctly apply to the Marxist SWAPO and is justifiable for similar reasons.

We should not pay for PLO deceptions and obstacles to peace. Therefore, this bill correctly requires the United States to withhold contributions to any U.N. organization that admits the PLO as a state. This is not a U.N. bashing measure. By allowing the transfer of any withheld funds to our own Agency for International Development and the State Department, we would continue our commitment to development and fighting poverty—we would continue to support the principles of the United Nations and its organizations without becoming a tool of PLO chicanery.

I strongly urge my colleagues to join me in supporting H.R. 2145.

□ 1420

Mr. BEREUTER. Mr. Speaker, I thank the gentleman from California [Mr. LAGOMARSINO] for his excellent statement.

Mr. Speaker, I yield 3 minutes to the gentleman from Florida [Mr. JAMES].

Mr. JAMES. Mr. Speaker, I rise today to express my full support for passage of H.R. 2145, a bill to prohibit U.S. contributions to the United Nations or any of its affiliated organizations if full membership as a state is granted to any organization or group that does not have the internationally recognized attributes of statehood.

This legislation, introduced just a few weeks ago, was an important immediate response to the Palestinian Liberation Organization's recent efforts to obtain full membership in the World Health Organization, the U.N. agency that sponsors public health programs in the Third World. Of greater concern that goes beyond this particular action of the PLO is the organization's self-proclaimed "Palestinian state." On the PLO's application to join the World Health Organization there is an illustration of the newly proclaimed Palestinian state that depicts all the land of the current state of Israel, pre-1967 and post-1967.

As Secretary Baker has adamantly stated, such political actions have no place in the work of international organizations that are charged with the nonpartisan humanitarian responsibilities of working to improve the public health of millions of impoverished people.

Late last week, delegates to the World Health Organization voted to defer the PLO's application for a year rather than risk action by the United States to halt its contribution to the agency. This action, which I believe presents a clear picture of internation-

al opposition to the PLO's moves in this direction, is certainly to be applauded.

Although temporarily defeated, this effort of the PLO is clearly interfering in the Middle East peace process. The United States is hopeful of and working toward a peaceful resolution of the conflict between Israel and the Palestinians. The PLO's application for membership in the World Health Organization is detrimental in this regard. That is why I am fully supporting H.R. 2145, the bill before us today. I believe it is an important and appropriate expression of the United States' commitment to achieving peace in the Middle East through appropriation actions.

Mr. BEREUTER. Mr. Speaker, I thank the gentleman from Florida [Mr. JAMES] for his excellent statement, and I yield myself such time as I may consume.

Mr. Speaker, I would like now to urge all of my colleagues to give a strong vote of support for the legislation before the body to indicate to the PLO that the U.S. Government, the executive branch and the Congress of the United States, is very much opposed to PLO membership in the specialized agencies of the United Nations.

Mr. WYDEN. Mr. Speaker, both the administration and this Congress can take credit for denying the Palestinian Liberation Organization membership in the World Health Organization. Had the PLO obtained backdoor admission to the United Nations by joining the WHO, this would have immensely complicated efforts to achieve a negotiated peace in the Middle East.

I commend Secretary of State Baker for realizing the seriousness of the PLO's membership request and threatening to cut off all U.S. aid to the WHO. And I commend those in this Congress who worked behind the scenes to send the message that no further contributions to WHO would be forthcoming if the PLO joined that organization.

Ironically, international politics should be far from the concern of the WHO, which has done so much good over the years in safeguarding the health of so many people. The legitimate agenda for the WHO should be AIDS, malaria, chemical warfare and other threats to world health. But the WHO, a technical support organization of the United Nations, cannot become involved in the complex politics of the Middle East without completely undermining its efficacy.

By accepting the application of the PLO for membership, this U.N. agency would have effectively recognized Palestine as a state. Although the United States currently conducts negotiations with the PLO, we reject the PLO's claim that it constitutes a state. Admission to the WHO would have advanced the PLO's claims to statehood in a reprehensible manner.

By using the WHO to push for illegitimate political gains, the PLO bears responsibility for politicizing a truly essential U.N. agency devoted to improving the health of the world's peoples. Such politicization can only divide and discredit an international organization that has so much important nonpolitical work to do.

Ms. SNOWE. Mr. Speaker, I rise in support of H.R. 2145.

This bill comes before the House at a critical time. Although the danger of the PLO's imminent entrance into the World Health Organization has lessened, the question remains on the WHO's long term agenda. Futhermore, the PLO is now shifting its efforts to other U.N. organizations where it believes it has a better chance for short-term success. For these reasons, it is important that we act quickly to provide the administration the legislative authority it will need to cut off U.S. contributions to any U.N. organization that admits the PLO as a full member state.

Last week the World Health Organization barely turned back the PLO's effort for full membership on a series of votes that culminated in an unprecedented secret ballot on the question. The result was not a full defeat of the PLO's application on the grounds of its clear illegality under the U.N. Charter. The WHO merely deferred action for a year. The PLO fought against the deferral, and has vowed to continue its efforts for full membership of U.N. specialized agencies. In fact, the PLO has already submitted as application for membership of UNESCO, which may be considered in the coming weeks.

I am pleased by one clause in the deferral, which directs the Secretary General of the WHO to study and report on the legal implications of the application. Such a study, if honestly conducted, can only come to one conclusion. I felt earlier that the Secretary General of both WHO and the full United Nations should have taken a more principled and public position on such a clearly political and illegitimate application. I look forward to their public position on this issue when it next arises.

Even this measured success at WHO was possible only because of the expected passage of this legislation. If we fail to approve this bill today we will be telling the United Nations that the U.S. Congress does not care if the PLO succeeds in its campaign for full membership of U.N. organizations. If we fail to pass this bill we will deny Secretary Baker the clout and legislative authority he needs to implement the administration's firm policy on this question.

Organizations in the U.N. system must recognize that they must make a choice. They can undermine their own credibility and violate the U.N. Charter by admitting the PLO, which does not have even the most rudimentary attributes of statehood. If they take this action, they must know that the United States will feel under no obligation to continue to provide a quarter of their budgets.

It would be unfortunate if effective U.S. withdrawal from some U.N. specialized agencies becomes necessary. Any U.N. organization, however, derives its value directly from the willingness of its member states to treat it seriously and respect its principles. In its efforts, the PLO has demonstrated that it cares more about using specialized U.N. agenices as political tools than allowing them to continue their important technical work in a variety of fields.

After passage of this legislation, the United Nations and the PLO will have a clear choice. They can either have the continued financial support and full presence of the world's greatest power, or they can play politics and undermine the U.N. system by approving a fraudulent application for membership. This legislation eliminates any illusions that they can have both.

I urge my colleagues to support this bill.

Mrs. LOWEY of New York. Mr. Chairman, as a cosponsor, I rise in strong support of H.R. 2145, legislation to deny U.S. Government funding to any United Nations agency that grants the Palestine Liberation Organization full membership as a state.

The PLO, simply put, is not a state. It meets none of the internationally recognized legal criteria that are required to achieve statehood. And lacking statehood, the PLO should not be admitted to any international organizations affiliated with the United Nations. Such an action would make a mockery of the United Nations and contribute to a politicization of international organizations that desperately need to devote themselves to important causes around the globe.

It remains true that the PLO has, as one of its chief goals, the destruction of the existing State of Israel and its replacement with a state of Palestine. However, the PLO cannot achieve statehood simply by declaring itself an independent state. Nor can that claim ever be recognized as legitimate. The State of Israel rightfully occupies its current position among world nations, and its survival as a free and independent nation is of the utmost importance.

The fact remains that the PLO is a terrorist organization committed in its charter to the violent destruction of Israel. It has provoked the ongoing unrest in the Gaza Strip and the West Bank. And it has acted to intimidate and harass moderate Arab leaders within and outside of Israel, thereby blocking constructive action to achieve peace between Israel and its Arab neighbors. To admit the PLO membership in international organizations of the United Nation would be tantamount to an endorsement of terrorism and an endorsement of ongoing violence and warfare throughout the Middle East.

Mr. Speaker, I would like to commend Secretary of State Baker for his strong and immediate condemnation of any effort to admit the PLO to membership in international organizations. This legislation is fully consistent with the statements made by Secretary Baker and amounts to an endorsement of the administration stand on this issue.

Mr. Speaker, there are now many constructive avenues being pursued to achieve peace in the Middle East. However, recognition of the PLO as a full member of U.N. agencies is not one of them. This is a counterproductive step that willl end credence and support to the forces of violence and hatred.

I urge my colleagues to support H.R. 2145. It will send a message that we do not approve of the politicization of the work of U.N. agencies. It also sends the message that we do not recognize the legitimacy of the PLO's efforts to destroy the sovereign State of Israel. The United States must do everything possi-

ble to ensure that Israel remains strong, free and secure.

Mr. FEIGHAN. Mr. Speaker, I want to commend the sponsor of the bill, Mr. Lantos of California, for this leadership on this issue and for the chairman of Subcommittee on Human Rights, Mr. YATRON and our full committee chairman, Mr. FASCELL for allowing us to consider this bill in such an expeditious matter.

I strongly supported Secretary Baker's call putting all U.N. agencies on notice that the United States will withdraw our funding from any U.N. organization that admits the PLO as a full member. I am pleased to see that for the moment, the precipitating incident—the application of the Palestinian Liberation Organization for full membership in the World Health Organization—has been tabled by the membership of that organization.

I was pleased to see the statement by Hiroshi Nakajima, Director-General of the World Health Organization, indicating that the PLO was ineligible for membership in the organization and that it was "most inappropriate" for the PLO to target the World Health Organization for its first attempt at getting recognition. I view the PLO's effort as a new kind of political terrorism aimed at achieving a status at the United Nations that the PLO has been unable to achieve through violence against Israel and against United States citizens.

Finally, I think we need to look no further than the PLO's application itself to see the reason for taking this action today. The PLO's request came on letterhead stamped with a physical representation of the self-proclaimed state of Palestine which included all of Israel, pre-1967 and post-1967.

The point should be clear that no one will impose a settlement on the parties in the Middle East—not the United States, nor the Soviet Union, not the PLO, not the United Nations. Parties who are serious about seeking peace in the Middle East realize that the ultimate resolution of this problem will be the product of a negotiated settlement, not by unilateral acts. The PLO's attempts to gain member status in U.N. organizations undermine the peace process and threaten the potential for progress that we have been making. This legislation indicates that the United States will not tolerate these ploys and I urge my colleagues to support it.

Mr. BEREUTER. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. THOMAS A. LUKEN). All time has expired.

The question is on the motion offered by the gentleman from Pennsylvania [Mr. YATRON] that the House suspend the rules and pass the bill, H.R. 2145, as amended.

The question was taken.

Mr. LANTOS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 5 of rule I and the Chair's prior announcement, further proceedings on this motion will be postponed.

GENERAL LEAVE

Mr. YATRON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the bill just considered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

THE PRESIDENTIAL ELECTION IN PANAMA

Mr. FASCELL. Mr. Speaker, I move to suspend the rules and agree to the concurent resolution (H. Con. Res. 122) concerning the May 7, 1989, Presidential election in Panama, as amended.

The Clerk read as follows:

H. CON. RES. 122

Whereas the United States supports the aspirations of the Panamanian people for democracy;

Whereas the democratic aspirations of the people of Panama have been thwarted by the reprehensible actions of General Manuel Antonio Noriega and his supporters;

Whereas General Noriega and his supporters have committed fraud and have manipulated the results of the May 7, 1989, Presidential election;

Whereas despite these deplorable efforts to thwart the will of the Panamanian people, all credible Panamanian and international observers have recognized Guillermo Endara as the indisputable winner of the election;

Whereas on May 10, 1989, armed thugs acting on behalf of General Noriega attacked and severely beat Guillermo Endara, his Vice Presidential running mates, Ricardo Arias Calderon and Guillermo Ford, and their supporters;

Whereas on May 10, 1989, nine journalists from the international media were expelled from Panama; and

Whereas on May 11, 1989, the President outlined United States policy concerning the crisis in Panama, detailing a series of steps which focus on protecting the lives and well-being of United States citizens and reiterating that the United States will carry out its obligations and enforce its treaty rights in Panama under the Panama Canal treaties: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That the Congress—

(1) condemns the actions taken by General Manuel Antonio Noriega to thwart the will of the people of Panama by systematically attempting to undermine the electoral process and by refusing to acknowledge Guillermo Endara as the clear winner of the May 7th election;

(2) condemns the violent attack by armed thugs acting on behalf of General Noriega on Guillermo Endara, Ricardo Arias Calderon, Guillermo Ford, and their supporters on May 10, 1989;

(3) condemns Panama's expulsion of nine international journalists on May 10, 1989;

(4) calls on General Noriega and the Panamanian Defense Forces to honor the will of the Panamanian people as expressed in the election of May 7, 1989, by recognizing Guillermo Endara as the victorious candidate for President of Panama;

(5) calls upon General Noriega and the Panamanian Defense Forces to respect the internationally recognized human rights of the Panamanian people including the right to freedom of speech, assembly, and the press;

(6) calls on the world community of democratic nations and especially the democracies of the Western Hemisphere to rebuke the actions of General Noriega and calls on the President to consult with the democracies of the hemisphere in developing a common effort to urge General Noriega and his supporters to honor the clear results of the election of May 7, 1989; and

(7) supports the careful and prudent policy steps taken by the President on May 11, 1989, as an appropriate and measured response to the crisis in Panama and expresses the desire of the Congress to work with the President to determine the future course of action for United States foreign policy in Panama.

The SPEAKER pro tempore. Is a second demanded?

Mr. BROOMFIELD. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Florida [Mr. FASCELL] will be recognized for 20 minutes, and the gentleman from Michigan [Mr. BROOMFIELD] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Florida [Mr. FASCELL].

Mr. FASCELL. Mr. Speaker, a photograph often can sum up an event and maybe even portray it more graphically than any learned treatise. I believe such is the case with regard to the photos and the video tapes of the brutality of General Noriega's thugs against the victors in Panama's May 7 election. These pictures testify to the violence and corruption of that regime, and at the same time they reveal the courage and the tenacity of those fighting for democracy in Panama.

This resolution seeks to support those people in Panama who are fighting and struggling for a democratic way of life. It expresses the sense of Congress with respect to the events in Panama by condemning General Noriega for his violence against his own people and for his efforts to thwart the popular will by subverting the election. The resolution calls for the General and the Panamanian defense forces to honor the results of the election and to respect the internationally recognized rights of the Panamanian people. It calls upon the world community of democratic nations, and especially the Western Hemisphere, to rebuke Noriega's actions, and it calls upon President Bush to consult with democracies in the hemisphere to develop a common effort to urge General Noriega and his supporters to honor the clear results of the election. I am

pleased to say that the President has already undertaken to do that.

Finally, the resolution expresses the support of Congress for the careful and prudent steps the President has taken as a measured response to the crisis in Panama, and it expresses the desire of Congress to continue to work with the President to determine the future course of U.S. policy.

Mr. Speaker, I want to commend President Bush for the action he has taken here in carrying out the commitment that he made at the start of his administration that he would work with the Congress to forge a bipartisan policy. In this particular case as in others that have been before us, the President has been good on his word. He met with the Congress, he got opinions from the Congress, he incorporated in his own actions some of the advice he received from the Congress, and we in the leadership were pleased to work with the President to formulate this policy, to shape an effective policy in support of the rights of the Panamanian people.

So, Mr. Speaker, I hope that all of our colleagues will unanimously support this resolution, because it is important for us to continue to express our position on issues in which we believe strongly and to support the values that many people valiantly struggle for. I believe that our unanimous voice, the voice of the Congress and of the administration, is not lost on other governments and other peoples around the world. It makes significant impact, Mr. Speaker, both on the thinking of people and of their actions. Sometimes it is not always obvious that it occurs, and sometimes the time differential is such that we might not even be sure of the relationship.

□ 1430

However, Mr. Speaker, experience has taught us on the Committee on Foreign Affairs and in Congress that there is a direct relationship to the actions and the expressions of the American people, which in this case, I believe, we are all united as represented here in the Congress of the United States in our unified statement and our unified action with President Bush to show where the United States stands on these kinds of issues. I would hope, and I am sure, that it will be helpful in energizing other democracies and other countries to take similar stands and perhaps bring about a major change in the situation in Panama.

Mr. Speaker, a photograph often can sum up an event or even an era more effectively than a learned treatise. Such is the case with the photos and video tapes of the brutality of General Noriega's thugs against the victors in Panama's May 7 election. Those pictures testify to the corruption and violence of the Noriega regime. At the same time they reveal the courage and tenacity of those fighting for democracy in Panama.

This resolution expresses the sense of Congress with respect to Panama. It condemns Noriega for his violence against his own people and for his efforts to thwart the popular will by subverting the election. The resolution calls on Noriega and the Panamanian defense forces to honor the results of the May 7 election and to respect the internationally recognized rights of the Panamanian people.

The resolution calls on the world community of democratic nations and especially the Western Hemisphere democracies to rebuke Noriega's actions and calls on President Bush to consult with hemisphere democracies to develop a common effort to urge Noriega and his supporters to honor the clear results of May 7 election.

Finally the resolution expresses Congress' support for the careful and prudent steps President Bush has taken as a measured response to the Panama crisis and expresses Congress' desire to continue to work with the President to determine the future course of United States foreign policy regarding Panama.

Mr. Speaker, I want to commend the President for the way he has approached developing United States policy toward Panama. He has backed up his inaugural pledge to work with Congress in shaping a bipartisan foreign policy. In this instance he consulted fully with the Congress. He listened and then acted. That is the way it should work and the best way to build broad support for Presidential initiatives.

This resolution lends timely support to the President's policy toward Panama. It shows clearly that the Congress and the President, and indeed all American people, are united in our outrage at what has transpired in Panama and our determination to work with our democratic neighbors to shape an effective policy in support of the Panamanian people's struggle for democracy.

Mr. Speaker, I call the attention of the House to a thoughtful editorial on the Panama situation which appeared in the Miami Herald on May 13, 1989:

APPROPRIATE RESPONSE

President Bush has heeded the voices of reason in responding to the Panamanian crisis. Bowing to Latin American concerns, he stopped short of ordering a direct military intervention, and on Thursday issued a stern warning instead. He dispatched 2,000 combat troops to beef up the 10,000-strong U.S. military contingent in the Canal Zone, ordered American families living off-base in Panama to move-on-base, and recalled U.S. Ambassador Arthur Davis for consultations.

This response, firm but measured, was appropriate. It sends a clear message to Gen. Manuel Antonio Noriega that the United States is ready to defend its interests in the Canal Zone while respecting the Panamanian people's sovereignty. It also gives the time-honored tradition of Latin American solidarity an opportunity to exert its moral and political force.

Latin American solidarity will be decisive in resolving the crisis. General Noriega has sought it since two U.S. grand juries indicted him on drug-trafficking charges in March 1988. Now—owing in no small part to Mr. Bush's prudent response—that solidarity is firmly on Washington's side. At its helm are two of the region's most charismatic presidents: Venezuela's Carlos Andres Perez and Peru's Alan Garcia.

Both Messrs. Perez and Garcia have denounced General Noriega and called upon the Organization of American States to isolate him. Ricardo Arias Calderone, Panama's opposition vice-presidential candidate, says he hopes that their action will result in a decision to quarantine the dictator, much as Nicaraguan dictator Anastasio Somoza was quarantined in 1979. That concerted action helped to precipitate his downfall.

Already Mexico has recalled its ambassador for consultations. Costa Rica has called the election's nullifaction a betrayal, while Argentine Foreign Minister Dante Caputo said it was "incredible and unacceptable." Colombia and Guatemala also are expected to make similar statements.

General Noriega allowed the elections, hoping that he could rig them and thus legitimize his illegitimate regime. Instead, his own forces' excesses boomeranged on him. If, as is hoped, this new equation causes disaffected elements in his own Panama Defense Forces to topple him, Mr. Bush's response will have been crucial to that end.

Mr. BROOMFIELD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to join the gentleman from Florida [Mr. FASCELL], the chairman of the Committee on Foreign Affairs, in expressing strong support for this resolution which condemns the action taken by General Noriega to thwart the will of the Panamanian people as expressed by the May 7, 1989, election.

It is clear that Noriega is out of control. Last week a group of his army thugs violently attacked a peaceful opposition march with steel pipes and baseball bats, seriously injuring the opposition Presidential candidate and almost killing the Vice Presidential candidate.

Noriega's puppet electoral tribunal declared the election null and void, but only after nearly 3 days of deafening silence. The regime had been so overwhelmingly defeated that it was impossible to doctor the results to guarantee Noriega's hand-picked candidate as the winner.

There is no question in anyone's mind that Noriega's regime is illegitimate. It rules neither with the consent of the governed nor by the force of moral authority. In fact, on Sunday in churches across Panama, hundreds of thousands of Panamanians raptly listened to a message by the Roman Catholic bishops which denounced last week's violence and assailed Noriega's right to hold power through fraud.

Mr. Speaker, I would like to note that this resolution also puts the Congress on the record in strong support of the President's recently announced policy objectives toward Panama. Last week, President Bush outlined a series of steps aimed at safeguarding the lives of American citizens, and protecting and enforcing United States obligations and rights under the Panama Canal Treaties. The President's actions reflect a balanced and measured response to the crisis.

I am pleased by the decision of the Organization of American States [OAS] to convene an extraordinary session tomorrow regarding the crisis in Panama. I am hopeful that a majority of the member states will see fit to issue a resolution denouncing the actions of Noriega and calling upon him to step down in the best interests of Panama and all the Western Hemisphere democracies.

Make no mistake about it, Noriega must go. Let there be no equivocation on that fact. The Panamanian people have demanded it by voting in overwhelming numbers against the dictator. The United States has demanded it through the measured but unambiguous steps implemented by the President. The Latin American democracies meet tomorrow to determine whether to send a similar signal. It is time for Noriega to listen to the message that is being broadcast to him loud and clear.

Finally, I would like to compliment the leadership on both sides of the aisle in working with the President to forge a united, bipartisan policy with regard to the crisis in Panama. This is U.S. foreign policy working at its best.

Mr. FASCELL. Mr. Speaker, I reserve the balance of my time.

Mr. BROOMFIELD. Mr. Speaker, I yield such time as he may consume to the gentleman from California [Mr. LAGOMARSINO], the ranking member of the Subcommittee on Western Hemisphere Affairs, and he also was a member of the President's observer delegation to Panama just recently. No other person can speak any more firsthand about that situation.

Mr. LAGOMARSINO. Mr. Speaker, President Bush asked me to serve as a member of the Presidential delegation to observe the elections in Panama on May 7. We were led by Representative JOHN MURTHA, as chairman of the delegation, and I wish to commend his able, sensitive, and constrictive leadership.

Observing the elections in Panama, I was shocked by the shameless manipulation of the process by General Noriega, before, during, and after. In brief, he committed world class fraud. I should add, I was not surprised. However, Noriega's reputation for corruption, abuse of power, and illegal narcotics activities has been well documented for years. His callous disregard for the wishes of the Panamanian people merit our strongest condemnation.

The tragic events of last week only served to add injury to insult as Noriega-backed thugs so called dignity battalion members attacked and wounded the opposition party candidates for president and vice president.

The day after the election, just before the start of opposition demonstrations I saw dignity batallion thugs, complete with clubs being loaded on a clearly marked Panama defense force bus.

The tragic events in Panama demand that we act immediately in condemning the violence and the actions of the Noriega regime in voiding the election results. It is also imperative that we strongly reaffirm our obligations and rights under the Panama Canal treaties to maintain a secure, open, neutral canal and to protect American citizens living and working in Panama.

President Bush has adopted a prudent and measured response in his statement of policy on Panama. The pressure has been increased on Noriega to leave power, and the meeting this week of the OAS offers a further opportunity to demonstrate a cohesive policy with our allies on pressuring Noriega's departure from power.

Noriega's total contempt for the desires of the Panamanian people for a democratic government, free of corruption and abuse, must be strongly and continuously denounced.

It is imperative that the United States and its allies join together in a show of strength and support for the brave opposition leaders who have put their lives on the line some losing them in opposing the Noriega regime and those who have been brutally beaten and harassed.

I believe we in the Congress must work closely with the administration in support of the President's comprehensive, unified policy to pressure Noriega out of power.

I urge my colleagues to give their unanimous support to this resolution and to join the effort to counter the disastrous rule of General Noriega in Panama.

Mr. FASCELL. Mr. Speaker, I yield 4 minutes to the distinguished gentleman from Ohio [Mr. TRAFICANT].

Mr. TRAFICANT. Mr. Speaker, I want to commend the gentleman from Florida [Mr. FASCELL]. He has been a leader, and he has set the tone for America's policies which emanate from the House in support of foreign policy. Many times his advice and counsel is well taken by the administration, and usually, when they follow his advice, they do pretty well.

Mr. Speaker, I support this resolution although I do not think it is enough. I think we can condemn all these practices, and we certainly have done that, and we should support our President today who has taken some stand. Furthermore, Mr. Speaker, I say to my colleagues, "He's looking better every day," and that is coming from a Democrat.

Mr. Speaker, we have spent millions and millions of dollars in Nicaragua, and they do not have jet plane, and they have got young kids with real bellies, not because they have too much food, but because they do not have any, and we are worried about exporting communism and violence. I say that the area of concern for America is in Panama, and we have a fellow down there by the name of Noriega who has been indicted for smuggling drugs into America.

This is not a whisper or a rumor. We have documented evidence that he is one of those drug kingpins that is wrecking the streets of America and poisoning the future of our youth. Noriega is a cancer that must be cut out.

□ 1440

Now, this resolution is fine and it is a first step, but I would like to see this President go a little further. I would like to see him abrogate that treaty and take that Panama Canal back because of its strategic importance, No. 1, and No. 2, I would like to see President Bush put his foot down and send the Marines to Panama and grab Noriega and bring him back for trial, where he belongs.

Everybody says, "Gee, you're going to be so hard," and that sounds real good. I will tell you what, it is not the message to Panama or to Nicaragua or the world or to all the drug traders, we need a message to America that says we are going to do something in Washington other than talk and say no. That is where we are today.

We have got a nation with cities we cannot control. We have got people like Noriega who are setting policy for America from the street up. A drug policy out of control.

I commend this resolution. I hope to God that President Bush continues with his courage and as a Democrat who has opposed many of the economic measures from the other side, I like some of things President Bush is doing, and I say this on the House floor. If he takes a strong stand on trade in America and stops the giveaway and if he goes after bums like Noriega, we will have a President who will earn his salt.

So I stand here in support of this resolution. I support this chairman. I also ask him to take a look at my area from northeast Ohio that has lost all its jobs, and declare it a foreign country so I can get some aid; some money and jobs, but I would like to see us take that canal back, that Panama Canal back, and I would like to see us

go and get this bum, Noriega, and put him in jail where he belongs.

Mr. BROOMFIELD. Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. GILMAN].

Mr. GILMAN. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I am pleased to rise in strong support of House Concurrent Resolution 122, concerning the May 7, 1989, Presidential election in Panama.

I would like to commend the leadership of our committee, the distinguished chairman, the gentleman from Florida [Mr. FASCELL], and the ranking minority member, the gentleman from Michigan [Mr. BROOMFIELD], as well as the House leadership for expeditiously permitting consideration of this measure.

The people of the United States stand allied behind the people of Panama in support of their aspirations for true democracy. For years, Noriega has thwarted all opposition in his quest for power marked by viciousness, corruption, violence and brutality

The state of affairs in Panama has eroded to such a great degree that not only are freedom and democracy in peril, but so are the precious lives of the many Americans, as well as the Panamanians who are committed to protecting our shared values in the Western Hemisphere.

The crisis began 12 months ago when an associate of General Noriega charged that the general was involved in drug trafficking and had arranged the assassination of political opponents. It further deteriorated last year when our Nation attempted to oust the general, who had been indicted by two grand juries in Florida on Federal drug trafficking charges.

The May 7, 1989 election represented an opportunity for the Panamanian people to exert their electoral will. Unfortunately, General Noriega did all in his power to once again crush all opposition and to subvert the election of the opposition. On May 10, 1989, armed thugs acting on behalf of General Noriega attacked and severely beat Guillermo Endara, the winner of the Presidential election, as well as his highest ranking subordinates, Ricardo Arias Calderon and Guillermo Ford.

On May 11, 1989, President Bush took several significant steps to protect the lives and well-being of American citizens living in Panama, as well as reiterating that the United States will carry out of its obligations and we enforce its treaty rights in Panama under the Panama Canal treaties.

Accordingly, Mr. Speaker, I urge full support of this important resolution, which applauds the careful and prudent steps taken by President Bush and which expresses the desire of the Congress to work with the President to determine the future course of action for our Nation's foreign policy in Panama.

Mr. BROOMFIELD. Mr. Speaker, I yield 2 minutes to the gentleman from Kentucky [Mr. HOPKINS].

Mr. HOPKINS. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I rise in support of this resolution and commend President Bush for the precise, deliberate manner in which he has acted to build a national consensus and consolidate international support for our efforts to promote freedom and democracy in Panama.

There is a right way and a wrong way for the President to exercise leadership and carry-out his constitutional duties, and clearly, this is it.

The orderly process from which effective and prudent American policy has evolved in this instance should serve as a model to guide us in the future. And toward that goal, I would submit we have an opportunity this year to codify what the Panama experience has shown us.

We can do that by adopting the changes which I and others in this body and in the Senate propose to make to the War Powers Resolution.

While no one can argue that the President's actions warrant the invocation of the War Powers Resolution, his willingness to consult with Congress is fully consistent with both the letter and spirit of the reforms we advocate.

Defenders of the status quo will argue that the Panama situation proves no changes are needed, that the present system works.

They ignore the fact that the War Powers Resolution, as it stands, has not been implemented or invoked by former Presidents or by Congress on 19 of the 20 times U.S. troops have been committed since the law was enacted in 1973.

We must also realize that future Presidents may not share George Bush's appreciation of the importance of consultation in developing foreign policy.

The legislation I have introduced to amend the War Powers Resolution provides a flexible framework for the President to consult with the senior leadership of Congress in times of crisis—and a prompt, effective process for the exercise of legislative injunction where serious disagreements exists.

I support the resolution before us and I strongly urge my colleagues to support it and join me in codifying this shinning example of prudent policymaking by working to reform the War Powers Resolution.

Mr. BROOMFIELD. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from New York [Mr. SOLOMON], who was a member of the Foreign Affairs Committee and is now a member of the Rules Committee.

Mr. SOLOMON. Mr. Speaker, I thank the gentleman, my former ranking member, for yielding me this time.

Mr. Speaker, I support this resolution because it provides congressional support for the initiatives which President Bush has undertaken in defense of United States interests in Panama. Such support is a very important element in bringing any crisis of this kind to a positive resolution.

But allow me, Mr. Speaker, to cast some doubt on how this is going to end up. Nearly 12 years have passed since the Panama Canal Treaties were signed. It was no secret to anyone at the time that these treaties were entered into with an unelected, military regime. And in the 12 years since then, we have watched the Panamanian military regime, which was authoritarian to begin with, move down the path toward becoming totalitarian—without apology.

It is ironic to discover that the terms of the Panama Canal Treaty, which deals specifically with the modalities of turning the canal over to Panama, empowers the authorities in Panama, to detain or arrest United States citizens on certain specific charges. Note first the use of the word "authorities." This suggests that the military regime and police forces in Panama can hardly be dignified with the term "Government."

Note second the crimes for which Americans can be detained by the Panamanian authorities: murder, rape, robbery with violence, drug trafficking, and crimes against the security of the Panamanian state.

Now listen to how those last two crimes are defined in the implementation language for the treaty; Drug trafficking means "the unlawful sale, exchange, or transfer for gain of marijuana, hashish, heroin, cocaine, amphetamines, barbiturates, or LSD;" crimes against the security of the state mean "espionage, sabotage, or terrorism directed against the constituted powers or authorities of the Republic of Panama, with the purpose of overthrowing them."

Mr. Speaker, if these two things do not describe the Noriega regime I don't know what does. Noriega is the leading drug trafficker of the Western Hemisphere; he has also overthrown the duly constituted civilian Government of Panama, which had been a fledgling experiment in democracy over the past several years since the treaties were signed.

Let us wake up and smell the coffee around here. The Panama Canal will never be turned over to the likes of Noriega and his ilk. If Americans can be held accountable for such crimes as these, let's hold the Panamanian militarists and drug runners to the same standard. We can do no less.

□ 1450

Mr. BROOMFIELD. Mr. Speaker, I yield 3 minutes to the gentleman from Pennsylvania [Mr. COUGHLIN], who is also a member of the President's observer delegation to Panama.

Mr. FASCELL. Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania [Mr. COUGHLIN].

Mr. COUGHLIN. Mr. Speaker, I rise today to express my very strong support for the measure before us to condemn Gen. Manuel Noriega's theft of the Panamanian elections.

As vice chairman of the Appropriating Committee for the Panaman Canal as well as of the Select Committee on Narcotics Abuse and Control, I was one of 14 members of the official delegation sent by President Bush to observe elections in Panama on May 7. I can testify firsthand to the extreme irregularities that occurred during the election process, and to the disgraceful outright pirating of the elections by Noriega when it became clear that the opposition would still win in a landslide despite widespread vote manipulation by the regime.

Mr. Speaker, reports of specific incidents of vote fraud and intimidation have already circulated widely, and I will not review them all now. I would like to take one moment, however, to mention a few incidents that members of the delegation, ably headed by our colleague JACK MURTHA, and I observed.

Noriega employed a number of tools in trying to steal the election. He manipulated voter registration lists to disenfranchise opposition supporters and to list deceased voters who would vote for Noriega's candidates. We talked to a number of Panamanians who were denied the right to vote due to treachery. One favorite trick employed by Noriega was the giving away of free food in poorer rural areas thought to support the opposition coalition. When these Panamanians came to collect food from Noriega's agents, their identity cards were punched. Later at the voting stations, however, these individuals learned that their identity cards had been punched in the same way they were punched after voters cast their ballots to preclude repeat voting. Because they had accepted the free food and had their identity cards punched, election officials denied these Panamanians access to the polls.

Another favorite vote-padding ploy of Noriega's involved voting by the Panama Defense Forces he commands. Because they were supposedly stationed too far from their homes of record, military personnel were allowed to vote at any polling station without having their names appear on the voter lists. They were also allowed to move to the front of the line at voting stations. This allowed soldiers to vote repeatedly, and in fact some members of our delegation reported seeing the same soldiers voting at more than one voting place. One group of women had been issued fresh fatigues for the day, which nicely complemented their high heels and nail polish. Despite the fact that none of them could tell the name of the military unit to which they were assigned, they were allowed to vote in the same fashion as the rest of the military—specifically, early and often.

Despite these measures, intimidation by the military—at one location, ALAN MOLLOHAN and I inspired a Panamanian soldier to chamber a shell in his shotgun when we got too inquisitive—and the virtual shutdown of any idependent media through which the opposition could speak to the voters, Panamanians waited in the broiling Sun for hours to cast their ballots for the opposition. We talked to one man who had walked 16 hours to get to his polling station. And we met the daughter of one of Noriega's Vice Presidential candidates who was working for the opposition and against her own father, because she wanted her children raised in a democracy.

When it became clear that Noriega could not win despite the apparent manipulation of tens of thousands of votes, he ordered his goons to steal ballots and tally sheets at regional election offices and tried to substitute fake tallies. When ALAN MOLLOHAN and I tried to visit an election center in Panama City on election night to watch the results being tabulated, we were refused entry by members of the Panama defense forces. Already it was clear to Noriega that the results overwhelmingly favored the opposition. We did manage to look through a window to see the results of some of the initial tallies—tallies that I believe are to this day the only official, genuine results available. At five different counting tables for which we saw results, the opposition led Noriega's candidates by a total of 906 votes to 309.

When Noriega realized that the vote count, even allowing for his fraud, would not provide him with a victory, he annulled the elections. In his arrogance, he even had the gall to accuse our delegation of responsibility for ruining them.

Three days later, when the opposition marched to protest the election's annulment, Noriega met them with brutality. Opposition leader Guillermo Endara, the rightful President-elect, was clubbed by Noriega's goons and wound up in a hospital with a huge gash in his scalp. Second Vice President-elect Guillermo Ford watched in horror as his bodyguards were shot, one execution style, by plainclothes members of the PDF and local thugs of Noriega's so-called dignity battalions, before he too suffered a vicious beating. Our Ambassador to Panama, Arthur Davis, yesterday stated unequivocally that Guillermo Ford was the victim of an assassination attempt that day.

Mr. Speaker, the House of Representatives should go on record today formally condemning the blatant fraud, the outrageous brutality, and the unforgivable usurpation of the peoples' wishes carried out by the dictator Noriega in recent days. This is especially important in light of the emergency meeting by the Organization of American States set for tomorrow on this matter.

Finally, Mr. Speaker, I would like to commend President Bush on his response to this outrage. He has been careful to work with both the Congress and our friends in Latin America in an effort to bring effective pressure to bear on the Noriega regime, while taking prudent, measured steps to help ensure the safety of Americans in Panama. This resolution will complement his efforts. Both it and the President's recent actions should be supported by all Members of this body.

Mr. BROOMFIELD. Mr. Speaker, I yield 2 minutes to my colleague, the gentleman from Michigan [Mr. SCHUETTE].

Mr. SCHUETTE. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I commend the gentleman from Michigan [Mr. BROOMFIELD] for his leadership on this resolution, and certainly the work of the chairman, the gentleman from Florida [Mr. FASCELL]; as well, I strongly support this resolution pending before this House of Representatives.

Mr. Speaker, this resolution is but a first step in a coordinated approach of Congress working in conjunction with the executive branch and supporting freedom and democracy in Panama. This resolution condemns the activities of General Noriega from drug running to the thievery of the election results of May 7, and calls on General Noriega to permit the basic constitutional rights and guarantees of the Panamanian people and for other civilized nations to stand with the Panamanian people.

As to the future of Panama, the sad truth is that mere words or resolutions may not resolve the crisis. President Bush has acted decisively and correctly in sending in additional American forces to protect American citizens and American property. It is important for us all to remember, my colleagues, that, treaty or no treaty, America has vital national security interests in the Panama Canal that cannot be jeopardized, and that General Noriega is a thug, a drug-runner who peddles death.

Mr. Speaker, I hope that this resolution is but a first step in providing General Noriega with a one-way ticket

to a ride out of Panama and Central America.

Mr. FASCELL. Mr. Speaker, I yield such time as he may consume to the gentleman from Florida [Mr. JAMES].

Mr. JAMES. Mr. Speaker, the recent atrocities committed by the coward Noriega cannot and will not be tolerated. His actions were and continue to be a gross and flagrant violation of not only the human rights, but the political rights of an entire nation.

The people of Panama have spoken. Noriega thwarts their will. His ordered attack on the duly elected President and Vice President of Panama must be met with strength. The United States of America has an unwavering commitment to democracy and human rights in Panama and, indeed, the world over. And the safety of the more than 40,000 Americans living in the Canal Zone is of paramount concern. We have a duty to ensure their well-being. Noriega and his goon squad thugs beware: If one American is harmed, in any way, you will face the wrath of the United States. And understand that we will take whatever action is necessary to protect and carry out our Canal Treaty rights and obligations. Noriega's cowardly sabre rattling will be met with strength, and force, if necessary. President Bush's swift response was a well-measured action that will protect vital American interests while assisting the Panamanian people's quest for democracy. But if one American citizen suffers or if Noriega continues to ignore and deny the will of the Panamanian people, the President can and will initiate bolder action, and he will do so with the support of the U.S. Congress and the American people.

Mr. FEIGHAN. Mr. Speaker, I want to add my strong support for House Concurrent Resolution 122, the resolution condemning the actions of Gen. Manuel Noriega in stealing the recent Presidential election and derailing the true wishes of the Panamanian people.

The U.S. State Department has indicated that there was substantial evidence of fraud and that Panamanians had voted overwhelmingly for opposition candidates. These charges were echoed by other international observers as well as Panama's Roman Catholic Church.

The United States has a broad range of interests at stake in Panama. I have been particularly concerned about General Noriega's role in making Panama a major thoroughfare of the drug trade. His continued hold on power in Panama means a continued flow of cocaine and marijuana to the streets of this country.

I support the measured and appropriate response taken by President Bush. Beyond that, we should realize that Noriega, an indicted drug-smuggling dictator, represents a threat not just to the United States, but to the Western Hemisphere. The Bush administration appears willing to accord our policy with the policies of our neighbors in the region and I applaud that approach.

If the United States acts in support of free and fair elections, it will have the support of our democratic allies. If we act unilaterally to protect our strategic and economic interests, we can expect to be isolated in the region. The United States should continue to uphold our obligations under the Panama Canal Treaty and work for a hemispheric diplomatic initiative designed to force General Noriega to cede power and respect the will of the Panamanian electorate.

Mr. CONTE. Mr. Speaker, deceit, corruption and murder are nothing new for Manuel Noriega. His dismissal of President Eric Arturo Delvalle in 1986, his notorious dealings in narcotics, and the unspeakably brutal killing of Hugo Spadafora in 1984, were already evidence of how little humanity he possesses. But the events of last week are the most glaring example of how he has treated Panama throughout his career.

Unable to steal the elections, and unsatisfied with a blatantly illegal annulment of Panama's clear choice of Guillermo Endara as President, he—according to United States Ambassador Arthur Davis—sent out his goons to murder the opposition's Vice Presidential candidate, Guillermo Ford.

President Bush has acted wisely and with restraint in response to these outrages. He has carefully sought the support of Latin American leaders, and has been prudent in his actions to protect American lives and treaty rights in Panama. He has the full support of this Member and, I trust, the full support of this Congress.

General Noriega's actions in the last week prove yet again how little respect he has for the will of his country's citizens, and for the opinion of civilized people everywhere. This resolution is a strong statement of our support for the citizens of Panama and our disgust at Noriega's actions. I support it, and I hope it will be one more step toward the end of Noriega's rule in Panama.

Mr. LAUGHLIN. Mr. Speaker, today I rise in support of House Concurrent Resolution 122, a resolution to condemn Noriega's actions in the Panamanian elections. I want to also express my support of President Bush's decision to dispatch more than 1,800 additional United States troops to Panama to help safeguard American lives there and add to the diplomatic pressure on Noriega to give up his dictator's power. I think anyone who has seen the news accounts of the violence that has erupted in the streets of Panama since Noriega declared the May 7 Presidential election results null and void can get a pretty clear idea of what General Noriega is all about. General Noriega is acting as a thug and a dictator and his refusal to run a legitimate government is quite evident. His handling of the election results were wrought with fraud and if Noriega continues in power, the United States ought to take the position that this violates the Panama Canal Treaty and we should abrogate the treaty and retain the Panama Canal.

Since August 15, 1914, the official date of its opening, the Panama Canal has served world trade virtually without interruption. Through this year, a total of 677,521 vessels of all types have passed through the canal. Canal traffic and tolls revenue during fiscal year 1988 increased moderately with the total transit revenue being approximately $397 million. However, pursuant to the Executive order of April 8, 1988, regulations prohibiting direct or indirect payments to the Noriega regime were implemented and the Commission withheld payment of some $54.8 million during 1988. This political crisis produced major challenges with regard to freedom of movement, procedural guarantees, and personal harassment for Americans and Panamanians alike. The situation worsened when the Noriega regime refused to honor treaty mandated procedural guarantees within the Panamanian criminal and administrative court systems.

Political unrest began in Panama in 1987 and since then, the Panama Canal has remained our only bargaining tool with the Noriega regime short of outright military force. Americans have an invested interest in what happens in Panama and to law abiding Panamanians. We must be realistic about the grave implications Noriega's dictatorship would cause the United States. When we consider the countermeasures imposed by the Noriega regime, it is apparent that the welfare of United States Government employees and their dependents living in Panama is at stake as is the well-being of Panamanian citizen employees of the Panama Canal Commission. Perhaps most importantly for the future, the continuing political crisis prevents economic recovery and thereby presents a potential threat which we have long held is best served by political stability and economic strength in that region.

That is why it is imperative that lawmakers on both sides of the aisle support this resolution and the President's handling of the situation in Panama. Therefore, I urge my colleagues to vote in favor of this resolution.

Mrs. LLOYD. Mr. Speaker, I rise in support of House Concurrent Resolution 22 to condemn Gen. Manuel Noriega's actions during the recent Panamanian elections. This resolution will send the message that the House of Representatives and the American people are outraged by the actions of General Noriega and that the President's response to those actions have our support.

As we are all aware, last Sunday the Panamanian people were given the opportunity to express their opinion regarding the strong-arm rule of General Noriega. With the whole world watching the Panamanian people voted overwhelmingly against the general and the candidate he backed for the Presidency. According to international observers, exit polls showed Guillermo Endara, the opposition candidate, winning by a margin of 3 to 1. The results could be interpreted in only one manner: The people of Panama wanted to liberate their government from the autocratic principles imposed upon it by the rule of Noriega and his drug smuggling cronies and restore in their government democratic principles and a respect for the rule of law.

Rather than respect the wishes of the people he claims to represent, Noriega ordered the brutal and violent attack of Endara and his running mate, which resulted in the death of one of their body guards, and nullified the results of last Sunday's balloting. The horrific images of the opposition candidates being viciously assaulted with lead pipes by

pro-Noriega paramilitary forces while members of the Panamanian defense forces passively looked on, graphically illustrated for the whole world the repugnant character of the Noriega regime.

In consultation with our Latin American friends, President Bush responded to the outlaw actions of Noriega in a measured and appropriate manner by moving dependents of United States military personnel into secure areas of Panama, bringing United States Ambassador, Arthur Davis, back to Washington for consultations, continuing the economic sanctions imposed by President Reagan on Panama last April, calling for regional action against Panama, notifying Panama that the United States intends to carry out its obligations and enforce its rights under the Panama Canal treaties, and sending approximately 2,000 United States troops to Panama to protect the lives of American citizens. I support the actions taken by President Bush and endorse his efforts to promote democracy and civilian rule in Panama.

The current chaos in Panama was posed imminent danger to the approximately 51,300 United States citizens who reside in that country. It is a very tense and unpleasant situation where, as I mentioned, the Noriega regime is resorting to or encouraging violence. President Bush has an obligation to the safety and security of United States citizens in Panama and, in my judgment, made the correct decision in deploying troops.

The resolution before us today condemns General Noriega for undermining the electoral process in Panama, and condemns his supporter attack on opposition leaders. It calls for Noriega to recognize Guillermo Endara as the winner of the Presidential election, and finally, expresses support for the measured steps taken by President Bush in response to the crisis in Panama.

As President Bush stated,

If we fail to send a clear signal when democracy is imperiled, the enemies of constitutional government will become more dangerous. And that's why events in Panama place an enormous responsibility on all nations in the democratic community. Efforts to overturn constitutional regimes or steal elections are not acceptable.

By passing this resolution, the House of Representatives will send a message of support for U.S. policy in Panama and the Panamanian people's struggle for democracy. I urge my colleagues to support House Concurrent Resolution 122.

Mr. FASCELL. Mr. Speaker, I yield back the balance of my time.

Mr. BROOMFIELD. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. THOMAS A. LUKEN). The question is on the motion offered by the gentleman from Florida [Mr. FASCELL] that the House suspend the rules and agree to the concurrent resolution, House Concurrent Resolution 122, as amended.

The question was taken.

Mr. FASCELL. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 5 of rule I and the Chair's prior announcement, further proceedings on this motion will be postponed.

1500

GENERAL LEAVE

Mr. FASCELL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on House Concurrent Resolution 122, the concurrent resolution just considered.

The SPEAKER pro tempore (Mr. THOMAS A. LUKEN). Is there objection to the request of the gentleman from Florida?

There was no objection.

BRIEFING ON SITUATION IN PANAMA

(Mr. FASCELL asked and was given permission to address the House for 1 minute.)

Mr. FASCELL. Mr. Speaker, I simply want to announce to my colleagues that in room 2172, under the sponsorship of the Foreign Affairs Committee, we will get an update on the situation in Panama. It is for Members only.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Debate has been concluded on all motions to suspend the rules.

Pursuant to clause 5, rule I, the Chair will now put the question on each motion to suspend the rules on which further proceedings were postponed earlier today, in the order in which that motion was entertained.

Votes will be taken in the following order:

H. Con. Res. 63 by the yeas and nays;

H.R. 2145 by the yeas and nays; and

H. Con. Res. 122 by the yeas and nays.

The Chair will reduce to 5 minutes the time for any electronic vote after the first such vote in this series.

CONDEMNING CONTINUING VIOLENCE AND THE IMPOSITION OF MARTIAL LAW IN TIBET

The SPEAKER pro tempore. The pending business is the question of suspending the rules and agreeing to the concurrent resolution, House Concurrent Resolution 63, as amended.

The Clerk read the title of the concurrent resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York [Mr. SOLARZ] that the House suspend the rules and agree to the concurrent resolution, House Concurrent Resolution 63, as amended, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 408, nays 1, answered "present" 1, not voting 24, as follows:

[Roll No. 53]

YEAS—408

Ackerman	Dornan (CA)	Johnson (SD)
Akaka	Douglas	Johnston
Alexander	Downey	Jones (GA)
Anderson	Dreier	Jones (NC)
Andrews	Duncan	Jontz
Annunzio	Durbin	Kanjorski
Anthony	Dwyer	Kaptur
Applegate	Dymally	Kasich
Archer	Dyson	Kastenmeier
Armey	Early	Kennedy
Aspin	Eckart	Kennelly
Atkins	Edwards (CA)	Kildee
AuCoin	Edwards (OK)	Kleczka
Baker	Emerson	Kolbe
Ballenger	Engel	Kolter
Barnard	English	Kostmayer
Bartlett	Erdreich	Kyl
Barton	Evans	LaFalce
Bates	Fascell	Lagomarsino
Beilenson	Fawell	Lancaster
Bennett	Fazio	Lantos
Bentley	Feighan	Laughlin
Bereuter	Fields	Leach (IA)
Berman	Fish	Leath (TX)
Bevill	Flake	Lehman (CA)
Bilbray	Flippo	Lehman (FL)
Bilirakis	Foglietta	Leland
Billey	Foley	Lent
Boehlert	Ford (MI)	Levin (MI)
Boggs	Ford (TN)	Levine (CA)
Bonior	Frank	Lewis (CA)
Borski	Frenzel	Lewis (FL)
Bosco	Frost	Lewis (GA)
Boxer	Gallegly	Lightfoot
Brennan	Gallo	Lipinski
Brooks	Gaydos	Livingston
Broomfield	Gejdenson	Lloyd
Browder	Gekas	Long
Brown (CA)	Gephardt	Lowery (CA)
Brown (CO)	Gillmor	Lowey (NY)
Bruce	Gilman	Luken, Thomas
Bryant	Gingrich	Lukens, Donald
Buechner	Glickman	Machtley
Bunning	Gonzalez	Madigan
Burton	Goodling	Manton
Bustamante	Gordon	Markey
Byron	Goss	Marlenee
Callahan	Gradison	Martin (NY)
Campbell (CA)	Grandy	Martinez
Campbell (CO)	Grant	Matsui
Cardin	Green	Mavroules
Carper	Guarini	Mazzoli
Carr	Gunderson	McCandless
Chandler	Hall (OH)	McCloskey
Chapman	Hall (TX)	McCollum
Clarke	Hamilton	McCrery
Clay	Hancock	McCurdy
Clement	Hansen	McDade
Clinger	Harris	McDermott
Coble	Hastert	McEwen
Coelho	Hatcher	McGrath
Coleman (MO)	Hawkins	McHugh
Coleman (TX)	Hayes (IL)	McMillan (NC)
Collins	Hayes (LA)	McMillen (MD)
Combest	Hefley	McNulty
Conte	Hefner	Mfume
Cooper	Henry	Michel
Costello	Herger	Miller (CA)
Coughlin	Hertel	Miller (OH)
Cox	Hiler	Miller (WA)
Coyne	Hoagland	Mineta
Craig	Hochbrueckner	Moakley
Crane	Holloway	Molinari
Crockett	Hopkins	Mollohan
Dannemeyer	Horton	Montgomery
Darden	Houghton	Moody
Davis	Hoyer	Moorhead
de la Garza	Huckaby	Morella
DeFazio	Hughes	Morrison (CT)
DeLay	Hunter	Morrison (WA)
Derrick	Hutto	Mrazek
DeWine	Hyde	Murtha
Dickinson	Inhofe	Myers
Dicks	Jacobs	Nagle
Dingell	James	Natcher
Donnelly	Jenkins	Neal (MA)
Dorgan (ND)	Johnson (CT)	Neal (NC)

Nelson	Roukema	Stallings
Nielson	Rowland (CT)	Stangeland
Nowak	Rowland (GA)	Stark
Oakar	Russo	Stearns
Oberstar	Sabo	Stenholm
Obey	Saiki	Stokes
Olin	Sangmeister	Studds
Ortiz	Sarpalius	Stump
Owens (NY)	Sawyer	Sundquist
Owens (UT)	Saxton	Swift
Oxley	Schaefer	Synar
Packard	Scheuer	Tallon
Pallone	Schiff	Tanner
Panetta	Schneider	Tauke
Parker	Schroeder	Tauzin
Parris	Schuette	Thomas (GA)
Pashayan	Schulze	Thomas (WY)
Patterson	Schumer	Torres
Paxon	Sharp	Torricelli
Payne (NJ)	Shaw	Towns
Payne (VA)	Shays	Traficant
Pease	Shumway	Traxler
Pelosi	Shuster	Unsoeld
Penny	Sikorski	Upton
Perkins	Sisisky	Valentine
Petri	Skaggs	Vander Jagt
Pickett	Skeen	Vento
Pickle	Skelton	Visclosky
Porter	Slattery	Volkmer
Poshard	Slaughter (NY)	Vucanovich
Price	Slaughter (VA)	Walgren
Pursell	Smith (FL)	Walker
Quillen	Smith (IA)	Walsh
Rahall	Smith (MS)	Waxman
Rangel	Smith (NE)	Weber
Ravenel	Smith (NJ)	Weiss
Ray	Smith (TX)	Weldon
Regula	Smith (VT)	Wheat
Rhodes	Smith, Denny (OR)	Whittaker
Richardson	Smith, Robert (NH)	Whitten
Ridge	Smith, Robert (OR)	Wilson
Rinaldo	Snowe	Wise
Ritter	Solarz	Wolf
Robinson	Solomon	Wolpe
Roe	Spence	Wyden
Rogers	Spratt	Wylie
Rohrabacher	Staggers	Yates
Rose		Yatron
Rostenkowski		Young (AK)
Roth		Young (FL)

NAYS—1

Sensenbrenner

ANSWERED "PRESENT"—1

Murphy

NOT VOTING—24

Bateman	Garcia	Pepper
Boucher	Gibbons	Roberts
Conyers	Gray	Roybal
Courter	Hammerschmidt	Savage
Dellums	Hubbard	Thomas (CA)
Dixon	Ireland	Udall
Espy	Martin (IL)	Watkins
Florio	Meyers	Williams

□ 1522

So (two-thirds having voted in favor thereof) the rules were suspended and the concurrent resolution, as amended, was agreed to.

The result of the vote was announced as above recorded.

The title of the concurrent resolution was amended so as to read: "A concurrent resolution condemning continuing violence against unarmed Tibetan demonstrators and the imposition of martial law in Tibet, and calling for a peaceful resolution of the situation in Tibet."

A motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. THOMAS A. LUKEN). Pursuant to the provisions of clause 5, rule I, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device may be taken on each additional motion to suspend the rules on which the Chair has postponed further proceedings.

PROHIBITING UNITED STATES CONTRIBUTIONS TO THE UNITED NATIONS UNDER CERTAIN CONDITIONS

The SPEAKER pro tempore. The pending business is the question of suspending the rules and passing the bill, H.R. 2145, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. YATRON] that the House suspend the rules and pass the bill, H.R. 2145, as amended, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 396, nays 6, answered "present" 11, not voting 21, as follows:

[Roll No. 54]

YEAS—396

Ackerman	Carr	English
Akaka	Chandler	Erdreich
Anderson	Chapman	Evans
Andrews	Clarke	Fascell
Annunzio	Clay	Fawell
Anthony	Clement	Fazio
Applegate	Clinger	Feighan
Archer	Coble	Fields
Armey	Coelho	Fish
Aspin	Coleman (MO)	Flake
Atkins	Coleman (TX)	Flippo
AuCoin	Collins	Foglietta
Baker	Combest	Foley
Ballenger	Conte	Ford (MI)
Barnard	Cooper	Ford (TN)
Bartlett	Costello	Frank
Barton	Coughlin	Frenzel
Beilenson	Cox	Frost
Bennett	Coyne	Gallegly
Bentley	Craig	Gallo
Bereuter	Crane	Gaydos
Berman	Dannemeyer	Gejdenson
Bevill	Darden	Gekas
Bilbray	Davis	Gephardt
Bilirakis	de la Garza	Gibbons
Bliley	DeFazio	Gillmor
Boehlert	DeLay	Gilman
Boggs	Derrick	Gingrich
Borski	DeWine	Glickman
Bosco	Dickinson	Goodling
Boxer	Dicks	Gordon
Brennan	Dingell	Goss
Brooks	Donnelly	Gradison
Broomfield	Dorgan (ND)	Grandy
Browder	Dornan (CA)	Grant
Brown (CA)	Douglas	Green
Brown (CO)	Downey	Guarini
Bruce	Dreier	Gunderson
Bryant	Duncan	Hall (OH)
Buechner	Durbin	Hall (TX)
Bunning	Dwyer	Hamilton
Burton	Dyson	Hancock
Bustamante	Early	Hansen
Byron	Eckart	Harris
Callahan	Edwards (CA)	Hastert
Campbell (CA)	Edwards (OK)	Hatcher
Campbell (CO)	Emerson	Hawkins
Cardin	Engel	Hayes (IL)
Hayes (LA)	Mfume	Schulze
Hefley	Michel	Schumer
Hefner	Miller (OH)	Sensenbrenner
Henry	Miller (WA)	Sharp
Herger	Mineta	Shaw
Hertel	Moakley	Shays
Hiler	Molinari	Shumway
Hoagland	Mollohan	Shuster
Hochbrueckner	Montgomery	Sikorski
Holloway	Moody	Sisisky
Hopkins	Moorhead	Skaggs
Horton	Morella	Skeen
Houghton	Morrison (CT)	Skelton
Hoyer	Morrison (WA)	Slattery
Huckaby	Mrazek	Slaughter (NY)
Hughes	Murtha	Slaughter (VA)
Hunter	Myers	Smith (FL)
Hutto	Nagle	Smith (IA)
Hyde	Natcher	Smith (MS)
Inhofe	Neal (MA)	Smith (NE)
Jacobs	Neal (NC)	Smith (NJ)
James	Nelson	Smith (TX)
Jenkins	Nowak	Smith (VT)
Johnson (CT)	Oberstar	Smith, Denny (OR)
Johnson (SD)	Obey	Smith, Robert (NH)
Johnston	Olin	Smith, Robert (OR)
Jones (GA)	Ortiz	Snowe
Jones (NC)	Owens (NY)	Solarz
Jontz	Owens (UT)	Solomon
Kanjorski	Oxley	Spence
Kaptur	Packard	Spratt
Kasich	Pallone	Staggers
Kennedy	Panetta	Stallings
Kennelly	Parker	Stangeland
Kildee	Parris	Stearns
Kleczka	Pashayan	Stenholm
Kolbe	Patterson	Stokes
Kostmayer	Paxon	Stump
Kyl	Payne (NJ)	Sundquist
LaFalce	Payne (VA)	Swift
Lagomarsino	Pease	Synar
Lancaster	Pelosi	Tallon
Lantos	Penny	Tanner
Laughlin	Perkins	Tauke
Leach (IA)	Petri	Tauzin
Leath (TX)	Pickett	Thomas (CA)
Lehman (CA)	Pickle	Thomas (GA)
Lehman (FL)	Porter	Thomas (WY)
Leland	Poshard	Torres
Lent	Price	Torricelli
Levin (MI)	Pursell	Towns
Levine (CA)	Quillen	Traficant
Lewis (CA)	Rangel	Traxler
Lewis (FL)	Ravenel	Unsoeld
Lewis (GA)	Ray	Upton
Lightfoot	Regula	Valentine
Lipinski	Rhodes	Vander Jagt
Livingston	Richardson	Vento
Lloyd	Ridge	Visclosky
Long	Rinaldo	Volkmer
Lowery (CA)	Ritter	Vucanovich
Lowey (NY)	Roberts	Walgren
Luken, Thomas	Robinson	Walker
Lukens, Donald	Roe	Walsh
Machtley	Rogers	Waxman
Madigan	Rohrabacher	Weber
Manton	Rose	Weiss
Markey	Rostenkowski	Weldon
Marlenee	Roth	Wheat
Martin (NY)	Roukema	Whittaker
Martinez	Rowland (CT)	Whitten
Matsui	Rowland (GA)	Williams
Mavroules	Russo	Wilson
McCandless	Sabo	Wise
McCloskey	Saiki	Wolf
McCollum	Sangmeister	Wolpe
McCrery	Sarpalius	Wyden
McCurdy	Sawyer	Wylie
McDade	Saxton	Yates
McEwen	Schaefer	Yatron
McGrath	Scheuer	Young (AK)
McHugh	Schiff	Young (FL)
McMillan (NC)	Schneider	
McMillen (MD)	Schroeder	
McNulty	Schuette	

NAYS—6

Bonior	Dymally	Mazzoli
Crockett	Kastenmeier	Rahall

ANSWERED "PRESENT"—11

Alexander	Kolter	Oakar
Bates	Miller (CA)	Stark
Carper	Murphy	Studds
Gonzalez	Nielson	

NOT VOTING--21

Bateman	Florio	McDermott
Boucher	Garcia	Meyers
Conyers	Gray	Pepper
Courter	Hammerschmidt	Roybal
Dellums	Hubbard	Savage
Dixon	Ireland	Udall
Espy	Martin (IL)	Watkins

□ 1531

The Clerk announced the following pair:

On this vote:

Mr. Martin of Illinois and Mr. Florio for, with Mr. Conyers against.

Messrs. MILLER of California, BATES, ALEXANDER, and STARK changed their vote from "yea" to "present."

So (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

The title of the bill was amended so as to read: "A bill to provide for the withholding of United States contributions to the United Nations, any specialized agency of the United Nations, or any organization affiliated with the United Nations if membership as a state is granted to the Palestine Liberation Organization or any other entity that does not have the internationally-recognized attributes of statehood."

A motion to reconsider was laid on the table.

THE PRESIDENTIAL ELECTION IN PANAMA

The SPEAKER pro tempore (Mr. THOMAS A. LUKEN). The pending business is the question of suspending the rules and agreeing to the concurrent resolution, House Concurrent Resolution 122, as amended.

The Clerk read the title of the concurrent resolution.

The question is on the motion offered by the gentleman from Florida [Mr. FASCELL] that the House suspend the rules and agree to the concurrent resolution, House Concurrent Resolution 122, as amended, on which the yeas and nays are ordered.

The vote was taken by electronic device and there were—yeas 413, nays 0, not voting 21, as follows:

[Roll No. 55]

YEAS—413

Ackerman	Barton	Brennan
Akaka	Bates	Brooks
Alexander	Beilenson	Broomfield
Anderson	Bennett	Browder
Andrews	Bentley	Brown (CA)
Annunzio	Bereuter	Brown (CO)
Anthony	Berman	Bruce
Applegate	Bevill	Bryant
Archer	Bilbray	Buechner
Armey	Bilirakis	Bunning
Aspin	Bliley	Burton
Atkins	Boehlert	Bustamante
AuCoin	Boggs	Byron
Baker	Bonior	Callahan
Ballenger	Borski	Campbell (CA)
Barnard	Bosco	Campbell (CO)
Bartlett	Boxer	Cardin
Carper	Hatcher	Miller (WA)
Chandler	Hawkins	Mineta
Chapman	Hayes (IL)	Moakley
Clarke	Hayes (LA)	Molinari
Clay	Hefley	Mollohan
Clement	Hefner	Montgomery
Clinger	Henry	Moody
Coble	Herger	Moorhead
Coelho	Hertel	Morella
Coleman (MO)	Hiler	Morrison (CT)
Coleman (TX)	Hoagland	Morrison (WA)
Collins	Hochbrueckner	Mrazek
Combest	Holloway	Murphy
Conte	Hopkins	Murtha
Cooper	Horton	Myers
Costello	Houghton	Nagle
Coughlin	Hoyer	Natcher
Cox	Huckaby	Neal (MA)
Coyne	Hughes	Neal (NC)
Craig	Hunter	Nelson
Crane	Hutto	Nielson
Crockett	Hyde	Nowak
Dannemeyer	Inhofe	Oakar
Darden	Jacobs	Oberstar
Davis	James	Obey
de la Garza	Jenkins	Olin
DeFazio	Johnson (CT)	Ortiz
DeLay	Johnson (SD)	Owens (NY)
Derrick	Johnston	Owens (UT)
DeWine	Jones (GA)	Oxley
Dickinson	Jones (NC)	Packard
Dicks	Jontz	Pallone
Dingell	Kanjorski	Panetta
Donnelly	Kaptur	Parker
Dorgan (ND)	Kasich	Parris
Dornan (CA)	Kastenmeier	Pashayan
Douglas	Kennedy	Patterson
Downey	Kennelly	Paxon
Dreier	Kildee	Payne (NJ)
Duncan	Kleczka	Payne (VA)
Durbin	Kolbe	Pease
Dwyer	Kolter	Pelosi
Dymally	Kostmayer	Penny
Dyson	Kyl	Perkins
Early	LaFalce	Petri
Eckart	Lagomarsino	Pickett
Edwards (CA)	Lancaster	Pickle
Edwards (OK)	Lantos	Porter
Emerson	Laughlin	Poshard
Engel	Leach (IA)	Price
English	Leath (TX)	Pursell
Erdreich	Lehman (CA)	Quillen
Evans	Lehman (FL)	Rahall
Fascell	Leland	Rangel
Fawell	Lent	Ravenel
Fazio	Levin (MI)	Ray
Feighan	Levine (CA)	Regula
Fields	Lewis (CA)	Rhodes
Fish	Lewis (FL)	Richardson
Flake	Lewis (GA)	Ridge
Flippo	Lightfoot	Rinaldo
Foglietta	Lipinski	Ritter
Foley	Livingston	Roberts
Ford (MI)	Lloyd	Robinson
Ford (TN)	Long	Roe
Frank	Lowery (CA)	Rogers
Frenzel	Lowey (NY)	Rohrabacher
Frost	Luken, Thomas	Rose
Gallegly	Lukens, Donald	Rostenkowski
Gallo	Machtley	Roth
Gaydos	Madigan	Roukema
Gejdenson	Manton	Rowland (CT)
Gekas	Markey	Rowland (GA)
Gephardt	Marlenee	Russo
Gibbons	Martin (NY)	Sabo
Gillmor	Martinez	Saiki
Gilman	Matsui	Sangmeister
Gingrich	Mavroules	Sarpalius
Glickman	Mazzoli	Sawyer
Gonzalez	McCandless	Saxton
Goodling	McCloskey	Schaefer
Gordon	McCollum	Scheuer
Goss	McCrery	Schiff
Gradison	McCurdy	Schneider
Grandy	McDade	Schroeder
Grant	McDermott	Schuette
Green	McEwen	Schulze
Guarini	McGrath	Schumer
Gunderson	McHugh	Sensenbrenner
Hall (OH)	McMillan (NC)	Sharp
Hall (TX)	McMillen (MD)	Shaw
Hamilton	McNulty	Shays
Hancock	Mfume	Shumway
Hansen	Michel	Shuster
Harris	Miller (CA)	Sikorski
Hastert	Miller (OH)	Sisisky
Skaggs	Stangeland	Vento
Skeen	Stark	Visclosky
Skelton	Stearns	Volkmer
Slattery	Stenholm	Vucanovich
Slaughter (NY)	Stokes	Walgren
Slaughter (VA)	Studds	Walker
Smith (FL)	Stump	Walsh
Smith (IA)	Sundquist	Waxman
Smith (MS)	Swift	Weber
Smith (NE)	Synar	Weiss
Smith (NJ)	Tallon	Weldon
Smith (TX)	Tanner	Wheat
Smith (VT)	Tauke	Whittaker
Smith, Denny (OR)	Tauzin	Whitten
	Thomas (CA)	Williams
Smith, Robert (NH)	Thomas (GA)	Wilson
	Thomas (WY)	Wise
Smith, Robert (OR)	Torres	Wolf
	Torricelli	Wolpe
Snowe	Towns	Wyden
Solarz	Traficant	Wylie
Solomon	Traxler	Yates
Spence	Unsoeld	Yatron
Spratt	Upton	Young (AK)
Staggers	Valentine	Young (FL)
Stallings	Vander Jagt	

NOT VOTING—21

Bateman	Espy	Martin (IL)
Boucher	Florio	Meyers
Carr	Garcia	Pepper
Conyers	Gray	Roybal
Courter	Hammerschmidt	Savage
Dellums	Hubbard	Udall
Dixon	Ireland	Watkins

□ 1545

So (two-thirds having voted in favor thereof) the rules were suspended and the concurrent resolution, as amended, was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 643, MINERAL LEASING ACT AMENDMENT RELATING TO OIL SHALE CLAIMS

Mr. BEILENSON, from the Committee on Rules, submitted a privileged report (Rept. No. 101-53) on the resolution (H. Res. 155) providing for the consideration of the bill (H,R. 643) to amend section 37 of the Mineral Leasing Act relating to oil shale claims, and which was referred to the House Calendar and ordered to be printed.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 586

Mr. LEWIS of Georgia. Mr. Speaker, I ask unanimous consent to have my name removed as a cosponsor of H.R. 486.

The SPEAKER pro tempore (Mr. THOMAS A. LUKEN). Is there objection to the request of the gentleman from Georgia?

There was no objection.

PARLIAMENTARY INQUIRIES

Mr. WALKER. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. WALKER. Mr. Speaker it is my understanding that in the course of the day today, or perhaps later on today, there will be a report filed from the Committee on Banking, Finance and Urban Affairs with regard to the FSLIC bill. Can the Chair, first of all, tell me whether that report has been filed?

The SPEAKER pro tempore. The report has just been filed.

Mr. WALKER. The report has been filed.

Mr. Speaker, it is my understanding that the language in that report differs markedly from the language as reported from the Committee on Banking, Finance and Urban Affairs, that in fact substantive sections of the bill have been changed unilaterally by the chairman, and that is reflected in the report before the House in the new language as defined by the chairman rather than the language as reported from the committee.

Mr. Speaker, can the Chair tell me whether or not a point of order rests against the filing of that report under those kinds of circumstances?

The SPEAKER pro tempore. Under these circumstances, the normal time to question the validity of a committee report is when the bill comes up for consideration in the House or at a hearing before the Committee on Rules.

Mr. WALKER. Mr. Speaker, if I understand correctly then, this question could be raised about the change of the language before the Committee on Rules, or should a rule be adopted with regard to consideration of the bill, a point of order would rest against consideration of the bill on the House floor given the fact that language was changed subsequent to committee action; is that correct?

The SPEAKER pro tempore. If the bill was improperly reported, the gentleman from Pennsylvania [Mr. WALKER] is correct.

HIGH SCHOOL RESERVE OFFICER TRAINING CORPS RECOGNITION DAY

Mr. SAWYER. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 58) to designate May 17, 1989, as "High School Reserve Officer Training Corps Recognition Day," and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

Mr. RIDGE. Mr. Speaker, reserving the right to object, I simply want to recognize the work of our colleague, the gentleman from New Mexico [Mr. RICHARDSON], who is the chief sponsor of House Joint Resolution 123.

Mr. RICHARDSON. Mr. Speaker, the resolution we are considering today, Senate Joint Resolution 58, would designate May 17, 1989, as "High School Reserve Officer Training Corps Recognition Day." In 1916 the Congress authorized the establishment of high school divisions of the reserve officer training corps providing a valuable and unique learning opportunity for hundreds of thousand of students. Today there are 1,495 Junior Reserve Officer Training Corps [JROTC] located in 46 States and, as part of the Department of Defense dependent schools, in the Carribean, Pacific, Asia, and Europe. Hundreds of high schools around the Nation offer JROTC programs that concentrate on developing in their participants the desirable qualities of leadership, citizenship, teamwork, and individual initiative.

In my home State of New Mexico there are currently 18 JROTC programs in high schools across the State. In the Third Congressional District which I represent there are JROTC programs in Santa Fe, Espanola, and Ft. Wingate. The communities of Penasco, Las Vegas, Taos, and Pojoaque are also very interested in including JROTC programs in their curriculum. The high school JROTC is a proven success in New Mexico and an integral part of the State's education system.

This year we celebrate the 73d anniversary of the establishment of high school divisions of the Reserve Officer Training Corps. I introduced this resolution to bring national attentional to a near quarter million young men and women across the Nation who proudly participate in the program. I believe it is appropriate to acknowledge and honor the contributions of the High School Reserve Officer Training Corps, its cadets and instructors, both past and present. I urge my colleagues to support this resolution.

Mr. RIDGE. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. RES. 58

Whereas in 1916 the Congress authorized the establishment of high school divisions of the Reserve Officer Training Corps;

Whereas hundreds of high schools across the United States, and United States operated high schools abroad, offer High School Reserve Officer Training Corps programs of the various military services;

Whereas High School Reserve Officer Training Corps programs have provided a valuable and unique learning opportunity for hundreds of thousands of high school students for almost four generations;

Whereas the programs of instruction for High School Reserve Officer Training Corps units concentrate on the development of desirable traits in its participants, such as good citizenship, leadership, teamwork, individual initiative, and pride and respect for the United States, its flag, laws, and Constitution;

Whereas the High School Reserve Officer Training Corps programs, being highly sucessful in developing desirable traits in its participants have made a valuable contribution to the United States and to the education of the youth of our Nation;

Whereas it is appropriate to acknowledge and honor the contribution of the High School Reserve Officer Training Corps, and its cadets and instructors, both past and present; and

Whereas May 17, 1989, marks the seventy-third anniversary of the authorization of the High School Reserve Officer Training Corps; Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America and in Congress assembled, That May 17, 1989, is hereby designated as "High School Reserve Officer Training Corps Recognition Day". The President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such day with appropriate ceremonies and activities.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

□ 1550

GENERAL LEAVE

Mr. SAWYER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on Senate Joint Resolution 58, the Senate joint resolution just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

ANNUAL REPORT OF THE NATIONAL SCIENCE FOUNDATION, FISCAL YEAR 1988—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore (Mr. TRAFICANT) laid before the House the following message from the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Science, Space, and Technology.

(For message, see proceedings of the Senate of today, Tuesday, May 16, 1989.)

ANNUAL REPORT OF THE NATIONAL ENDOWMENT FOR THE ARTS AND THE NATIONAL COUNCIL ON THE ARTS, FISCAL YEAR 1988—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Education and Labor.

(For message, see proceedings of the Senate of today, Tuesday, May 16, 1989.)

RULES AND POLICY FOR CONSIDERING PRIVATE BILLS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Connecticut, Mr. MORRISON is recognized for 5 minutes.

Mr. MORRISON of Connecticut. Mr. Speaker, on April 5, 1989, the Subcommittee on Immigration, Refugees, and International Law adopted its rules of procedure for consideration of private immigration bills and the full Judiciary Committee adopted the rules April 25, 1989.

The subcommittee would like to summarize for you the rules and policy which will govern consideration of private bills in the 101st Congress. The rules and statement are very similar to last Congress and are enclosed.

THE RULES

I. NATURE OF THE BILL

A private immigration bill is a remedy available to assist aliens with unusual problems and where "extreme hardship" to a United States citizen or permanent resident alien can be demonstrated. The Subcommittee serves as a "court of equity" in weighing the merits of each individual bill in determining whether there should be an exception to the general law.

The introduction of a private bill does not stay deportation and it has not since 1971—when there were some 7,000 bills introduced. At that time, the Rules were changed to require a showing of "extreme hardship" when the beneficiaries had no legal status. A decision on a "Rule 4" case is subject to a formal meeting of the Subcommittee and favorable action results in a request for a report from the Immigration and Naturalization which may stay deportation in accordance with a Committee Agreement with the Immigration and Naturalization Service. Last Congress there were 294 bills introduced and 21 enacted into law.

II. RULES OF PROCEDURE AND STATEMENT OF POLICY

The Subcommittee Rules outline procedures and documentation required in pursuing a private bill, and the Statement of Policy sets forth the precedents of the Committee in considering various types of bills—adoption, citizenship, and waivers of exclusion. Precedents of the Congress are one of the factors in the consideration of private bills along with the hardship criteria. While the Subcommittee is not bound by precedent, it rarely deviates from its precedents when handling private immigration bills.

A private bill commences with a letter from the Member to the Chairman of the Subcommittee outlining the facts of the case, and a fully documented file serves the best interest of the Member, as well as the beneficiary. All administrative avenues need to be pursued prior to Subcommittee scheduling.

We offer advisory opinions on cases and how they relate to Subcommittee guidelines and possible precedents. Additionaly, the Subcommittee staff is available at any time for discussions of possible private legislation (phone no. 5-5727).

We hope you will take this opportunity to review the Rules and Statement of Policy. Please do not hesitate to consult with us on any case which may come to your attention.

LAMAR SMITH,
Ranking Minority Member.
BRUCE A. MORRISON,
Chairman.

RULES OF PROCEDURE OF THE SUBCOMMITTEE ON IMMIGRATION REFUGESS AND INTERNATIONAL LAW

1. All requests for consideration of a private bill shall commence with a letter directed to the Chairman of the Subcommittee from the author of such bill outlining relevant facts of the case and attaching thereto all pertinent data. Documentation provided to the Subcommittee will only be accepted if submitted by the author of such bill. The following shall be submitted in triplicate:

(a) Date and place of birth of all beneficiaries. Address and telephone number in the United States.

(b) Dates of all entries (legal and illegal) and departures from the United States and type of visas for admission. Consulate where the beneficiary obtained a visa for entry to the United States; or where the beneficiary shall seek a visa.

(c) Status of any proceedings with the INS and whether any non-immigrant or immigrant petitions have been filed on the beneficiary's behalf.

(d) Name, address, and telephone number of interested parties in the United States.

(e) Names, address, dates and places of birth of all close relatives in the United States and abroad and their immigration status.

(f) Occupations, recent employment record and salary of beneficiaries.

(g) Copies of all communications to and from INS or the State Department, including copy of an I-94, an Order to Show Cause and any other relevant information.

(h) A copy and summary of all litigation relating to the beneficiary's case.

(i) Requests for consideration of a bill shall be accompanied by a statement by the beneficiary that he or she desires the relief sought by the bill and waiving the Freedom of Information Act and Privacy Act.

The information above represents the minimum requirements for Subcommittee consideration. Pertinent data about the case and an explanation of the extreme hardship to the beneficiary or United States citizen must also accompany a request for processing of the private bill.

2. Each private bill shall provide that the beneficiaries must apply for the benefits of the enacted law within two years of notification of the passage of the private law.

3. No bill shall be scheduled until all administrative remedies are exhausted, including suspension of deportation, asylum, labor certification, and court proceedings.

4. The introduction of a private bill does not stay the deportation of aliens illegally in the United States or who have overstayed the terms of their visa. The Committee shall not intervene in any such deportation proceedings and it will not address any communications to the Attorney General to request stays of deportation on behalf of beneficiaries of private bills, except as indicated in Rule 5.

5. The Subcommittee shall entertain consideration of a request for a departmental report upon receipt of a letter from the author of the bill. In the case of beneficiaries who are in the United States, including those in parole status or asylee status, a determination on the request shall be subject to debate at a formal meeting of the request shall be subject to debate at a formal meeting of the Subcommittee and only those cases designed to prevent extreme hardship to the beneficiary or a U.S. citizen will merit a request for a report. The Immigration and Naturalization Service may honor a rquest for a report by staying deportation until final action is taken on the legislation.

6. The Subcommittee shall request reports on private bills from other appropriate Federal agencies or Departments and shall await receipt of such reports before taking final action.

7. Testimony at private bill hearings shall not be received from any person other than the author of the private bill. All requests to testify shall be addressed in writing to the Chairman of the Subcommittee.

8. A notice of meeting date shall be sent to the authors of all legislation which is scheduled.

9. A quorum of the Subcommittee shall consist of two Members for the purpose of holding hearings on private bills.

10. Action on legislation shall not be deferred on more than one occasion due to nonappearance of the author.

11. Each bill in the following categories which may be proposed for consideration of the Subcommittee shall be subject to a point of order unless its consideration is agreed to by a two-thirds vote of the Subcommittee.

(a) Bills not previously listed on an agenda for a meeting and those bills not in compliance with these Rules concerning the filing of documentation.

(b) Bills concerning beneficiaries who are receiving medical treatment, where documentation as to the availability of similar medical treatment in the beneficiaries home country has not been submitted.

(c) Bills concerning foreign medical graduates who have not passed the Foreign Medical Graduate Examination in the Medical Sciences (FMGEMS) and satisfied (or are exempt from) the two year foreign residence requirement.

(d) Bills relating to a waiver of the naturalization laws, including bills seeking expeditious citizenship for national, international, or Olympic competition.

(e) Bills on behalf of aliens and their derivatives seeking legalization under P.L. 99-603.

12. The Subcommittee shall not take any further action on legislation which has been tabled by the full Committee.

STATEMENT OF POLICY

On April 5, 1989, the Subcommittee adopted as an addendum to its Rules of Procedure a Statement of Policy on private immigration bills which is set forth below.

The Subcommittee on Immigration, Refugees, and International Law has jurisdiction over all aspects of immigration law. In considering private immigration bills, the Subcommittee reviews cases which are of such an extraordinary nature that an exception to the law is needed. In fairness to those immigrants who are awaiting legal immigration, it is the policy of the Subcommittee generally to act favorably on only those private bills which meet certain precedents.

This policy statement will set forth the types of legislation which fall within the general parameters of favorable action and the criteria for reviewing certain categories of bills.

A. Adoption

Existing law provides for the immigration of foreign born adopted children if the adoption takes place while the child is

under the age of 16 and (1) the child is an "orphan" as defined by immigration law or (2) the child has resided with the adopted parents two years. Those cases where the Subcommittee has favorable precedents are when the child is of a young age and there has been a long-standing parent-child relationship. In support of any private bill relating to adoption, the following must accompany the request for Subcommittee action:

(1) Home-study on the home of the prospective parents.

(2) Evidence of support of child—cancelled checks, letters, clothing.

(3) Statement detailing ages and occupation of natural parents and brothers and sisters.

(4) Communications with the Immigration and Naturalization Service regarding applicable U.S. adoption laws.

B. Doctors and Nurses

The Immigration and Nationality Act provides for the admission of foreign medical graduates if the doctor or nurse has passed certain exams required prior to seeking immigration. A doctor must pass the Foreign Medical Graduate Examination in the Medical Sciences (FMGEMS) which is given extensively throughout the world and a nurse must pass the Commission on Graduates of Foreign Nursing Schools Exams (CGFNS).

Any alien seeking immigration must also have a job offer certified by the Department of Labor indicating there will be no displacement of U.S. labor.

In the past several years, the Subcommittee has experienced a deluge of bills introduced on behalf of foreign medical graduates. The legislative history relating to this group indicates many doctors enter the United States as non-immigrants with the clear intention of remaining permanently. Legislation enacted in 1976 and 1977 sought to tighten the law requiring the return of such doctors to their home country; and recent legislation in 1981 generously grandfathered certain doctors for admission as permanent residence because of their length of time in the U.S. It is the Subcommittee's opinion the 1981 amendments to the Immigration and Nationality Act was the final chapter in a long and arduous struggle to provide equity to certain foreign medical graduates.

The Subcommittee is also dismayed to find that doctors who are beneficiaries of private laws often swiftly seek more lucrative employment upon gaining permanent residence, thereby leaving medically under served areas without any medical assistance. Because of these experiences, the Subcommittee intends to look with very little favor on doctor bills. Further, if a bill on behalf of a doctor or nurse is pursued, the following is required before scheduling will occur:

(1) Passage of the Foreign Medical Graduate Examination in the Medical Sciences (FMGEMS) for doctors, and the Commission on Graduates of Foreign Nursing School Exam (CGFNS).

(2) Employment by the doctor or the nurse in a health manpower shortage area, or a recommendation by a U.S. Government Agency indicating the doctor or nurse's services are needed. It is the Subcommittee's desire that the beneficiary show substantial community ties over a long period of time. Extensive periods of employment would give the Subcommittee some assurance there is every likelihood the doctor or nurse would remain employed in the area and provide medical services.

(3) Waiver of the two-year foreign residence requirement (this applies to all exchange visitors).

(4) Documentation as to efforts the institution has made to recruit U.S. citizens for the position. Such information shall include salary levels of other doctors or nurses on staff and an explanation as to recruitment techniques on employment of the beneficiary.

(5) Copies of annual affidavits executed by participants in foreign medical graduate exchange programs.

Legislation approved by the Subcommittee on behalf of doctors shall provide for suspension of deportation during an interim period while a doctor is serving in a community and permit adjustment of status to permanent residence upon completion of the designated time period.

C. Drugs and Criminal Activity

The Subcommittee has few precedents for waiving grounds of exclusion relating to criminal activity. In the event such a bill is pursued, the following documents where available will be required:

(1) Complete transcripts of court proceedings relating to the conviction.

(2) All other records relating to offenses, including state, and local police records.

(3) Waiver of Privacy Act and Freedom of Information Act by the beneficiary.

(4) An affidavit (notarized) from the beneficiary describing his criminal record in full.

It is the intent of the Subcommittee that all available information be submitted to the Subcommittee. The Subcommittee will conduct its own investigation with appropriate government agencies.

It is also the Subcommittee's desire to review testimony and affidavits relating to the beneficiary's behavior after any criminal offense. Such information is helpful in making a determination as to whether legislation will serve the best interests of the community. In this regard, letters of reference, bank records, and employment records are particularly helpful.

D. Medical Cases

The Subcommittee shall be reluctant to schedule bills on behalf of persons who enter the United States on nonimmigrant visas or who are paroled for the purpose of seeking medical treatment. This type of visa is available to accommodate persons seeking advanced medical treatment which may be available only in the United States. Many cases have come to the attention of the Subcommittee where the medical visa is used to enter the U.S., and shortly thereafter, the person seeks permanent immigration. This type of activity undermines the intent of the medical visa; and flagrant abuses may seriously jeopardize its availability for those whose only recourse is treatment in the United States.

The Subcommittee's reluctance to schedule such bills is based on the premise that persons may seek all available medical assistance while in the United States, but upon completion of any medical treatment the purpose of the visa expires and the alien must return home.

The Subcommittee also notes the increasing number of private bills in similar cases whereby the beneficiary seeks relief solely on the basis of the need for medical treatment on ailments which were precedent or developed after arrival in the U.S. It is therefore the policy of the Subcommittee in such cases that advisory opinions be sought by the author from such organizations as the World Health Organization and the Pan American Health Organization as well as the various country representatives of where the beneficiary resides or is a native as to the availability of medical treatment for such physical ailments.

E. Deferred Action Cases

The Subcommittee shall be reluctant to schedule any bills on behalf of aliens who are in "deferred" status. It is the Subcommittee's understanding that the Immigration and Naturalization Service reserves the conferral of such status to cases of a particularly compelling nature. In view of INS action in this regard, the Subcommittee does not see any need for legislative action.

F. Investors

Recent public legislation enacted on behalf of investors provided relief for persons who were able to establish their qualification for a nonpreference visa prior to June 1978.

The Subcommittee has studied the many cases relating to investors and has found many beneficiaries did not sufficiently acquaint themselves with the law prior to making an investment and operated under illusions with respect to qualifying for immigration.

It is the Subcommittee's opinion that most investors who entered the United States after the June 1978 date were aware that immigrant visas would not be available in the foreseeable future, and there are no precedents for enactment of a private law solely based on a person's investment in the United States.

In the event a Member wishes to pursue this type of bill, the following is required: tax records, contracts, bank statements, and other pertinent information relating to the investment.

G. Waiver of Exclusions

1. Health

All bills waiving the grounds of exclusion for mental or physical infirmities will require the posting of a bond. The Subcommittee notes there are few precedents for cases in this category. In order to obtain the best possible information, the Subcommittee will require all medical records as well as information from the state and/or federal government concerning possible public charge aspects of the case.

2. Draft Dodgers

There are few precedents for favorable action on behalf of draft dodgers, and it shall be the Subcommittee's policy to continue to view such bills unsympathetically.

3. Fraud

The Subcommittee has been extremely reluctant to act favorably on cases involving visa fraud, and it shall be the policy of the Subcommittee to adhere closely to precedents in this category.

H. Naturalization

The Subcommittee shall require any bill relating to expediting naturalization be accompanied by evidence indicating such action would be in the national interest, as opposed to personal gain. There are few precedents for favorable action on bills waiving any naturalization requirements or granting posthumous or honorary citizenship. It is the Subcommittee's intent generally to view unfavorably legislation in this area and notes more appropriate mechanisms for rewarding individuals may be in the form of honoraria, medals, awards, statues, etc.

The Subcommittee is extremely concerned by the continued requests to expedite citizenship on behalf of athletes seeking competition in national, international, or Olympic games. The Subcommittee does not condone bestowal of U.S. citizenship through an Act of Congress solely on the basis of a person's athletic ability or other personal qualities, while fully qualified individuals must adhere to statutory as well as administrative timeframes for naturalization. Therefore, the Subcommittee has requested that the national and international competitive groups review their rules governing citizenship qualifiers in lieu of Congressional action.

The Subcommittee also notes there are few instances of favorable action on behalf of individuals who renounce U.S. citizenship, and the policy of the Subcommittee shall be to adhere to precedents in this category.

I. Legalization

In view of recent Congressional action legalizing the status of aliens who entered the United States prior to January 1, 1982, the Subcommittee shall require that those eligible for benefits under P.L. 99-603, "The Information Reform and Control Act of 1986", pursue administrative relief. Additionally, the Subcommittee notes that legalized beneficiaries may exercise the same petitioning rights as all other immigrants upon granting of permanent residence, and that Congress did not provide derivative benefits to accrue outside normal immigration levels. Consistent with legislative intent, the Subcommittee shall be reluctant to consider special exceptions from the general law unless there are extraordinary and compelling circumstances.

J. Bills Tabled in a Previous Congress

Commenting on requests for reconsideration of legislation, Thomas Jefferson noted the right of reconsideration is not "a right to waste the time of the House in repeated agitations of the same question, so that it shall never know when a question is done with . . ."

The Subcommittee has been confronted with an increasing number of requests for reconsideration of private bills which have been tabled by the full Committee in previous Congresses. It has been the experience of the Subcommittee that each bill is given sufficient review during the meetings of the Subcommittee and the authors are afforded ample time to present the merits of the case. Repetitious consideration of these cases operates to the detriment of other private bills which are pending and reflects poorly on the integrity of the private bill process. For these reasons, the Subcommittee will be reluctant to reverse or reconsider its prior action absent new evidence or information that was not available or could not have been obtained by the author at the time of actual consideration by the Subcommittee.

K. Timeframe for Obtaining Relief Upon Enactment of a Private Law

The Subcommittee has monitored the situations concerning the applications for relief by beneficiaries of private immigration laws and expresses its concern that in many cases the subjects of private bills do not exercise their petition for relief after enactment in a timely manner.

Certain cases have come to the Subcommittee's attention whereby relief after enactment of a private law was not sought until 10 years thereafter, and other cases the Subcommittee is dismayed to learn that beneficiaries have not sought immediate relief.

In view of the lengthy deliberations by the Subcommittee on each bill processed under its jurisdiction, it appears incumbent upon the Subcommittee to assure that the beneficiaries of such bills apply themselves in a diligent manner and seek relief as expeditiously as possible upon enactment.

GROWING FINANCIAL PROBLEMS OF FEDERAL HOUSING ADMINISTRATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. DREIER] is recognized for 5 minutes.

Mr. DREIER of California. Mr. Speaker, I want to take a few moments to talk about a rather sensitive issue, one which those of us on the Banking Committee often look at as being sacrosanct, one which we should not really even discuss, because if we bring it up we are often considered opponents, and that is specifically the Federal Housing Administration.

Mr. Speaker, there have been several press reports recently on two General Accounting Office [GAO] studies which analyze the Federal Housing Administration's [FHA] growing financial problems. I am concerned with these reports because there are several bills pending before the Housing Subcommittee which would greatly expand FHA for the very well-intended purpose—and I underscore the fact that it is a very well-intended purpose, Mr. Speaker—of alleviating the housing affordability problem at little cost. Before we proceed with these proposals, however, we must determine the true cost of the Federal Housing Administration.

The first GAO study is a financial audit of FHA for fiscal year 1987. Prior to the study, no financial audit had ever been done of FHA—and I underscore that again, prior to the study on the fiscal year 1987, no independent study had ever been done on FHA.

The audit found that, using generally accepted accounting principles, GAP accounting, FHA's reserves are $1.9 billion less than what FHA had reported. GAO adjusted FHA's equity down from $3.1 billion to $1.2 billion. The Mutual Mortgage Insurance Fund known as MMIF, which covers FHA's single family lending program, was lowered by $600 million. The GAO audit also concluded that FHA added $643 million to the Federal deficit. FHA is a cost to the American taxpayers because, when FHA experienced a cash shortage, it withdrew money from the U.S. Treasury by cashing in Government securities before they matured.

GAO, Mr. Speaker, is expected to release its audit for fiscal year 1988 in a few months. FHA has already reported a $368.7 million loss for the MMIF for 1988. Losses are expected to continue over the next few years as the large volume of FHA insured loans originated in 1986 and 1987 enter the peak of the default cycle. The GAO study points out that most foreclosures occur 2 or 3 years after the homes are purchased.

As FHA's losses grow, I am concerned that we may be facing another bailout of a Federal insurance program. Before we blindly expand these programs, more information is needed to balance proper social policy with fiscal responsibility. For example, a second GAO study released 2 weeks ago shows that more than 25 percent of the FHA insured loans with less than a 5-percent downpayment in the 1981 and 1982 policy years, went into default. This type of foreclosure rate is a financial disaster for FHA and we must consider whether we want to expand the availability of these very low downpayment loans, particularly if we combine the low downpayment with very high loan amounts. We also need to consider whether we are helping families when as many as 1-in-4 homebuyers could potentially lose their homes.

This is a very serious issue, Mr. Speaker, and I believe that as we look at the involvement of the Federal Government in the savings and loan crisis we must also do everything that we possibly can to avert a potential crisis in this area.

Mr. Speaker, I submit for the RECORD two newpaper articles which more fully discuss the GAO studies, and I urge further consideration of this growing problem.

[From the Washington Post, May 6, 1989]

FHA SUFFERS FIRST LOSS ON ITS SINGLE-FAMILY HOME INSURANCE FUND

(By Ann Mariano)

The Federal Housing Administration added $643 million to the federal deficit last year, partly because of the first-ever loss it suffered in the single-family house insurance fund that has helped millions of Americans buy homes, the General Accounting Office reported this week.

To cover its cash shortage, the FHA withdrew money from the U.S. Treasury by cashing in government securities before they matured, thereby increasing the $165 billion federal budget deficit.

Losses in the insurance fund are expected to continue over the next two years as the record number of Americans who bought homes in the boom years of 1986 and 1987 enter the period when financially pressed homeowners are most likely to stop making their mortgage payments. Experience has shown that most foreclosures occur two or three years after the homes are purchased, according to the GAO.

In response to a congressional request, the GAO used the private mortgage industry's accounting standards when it examined FHA's records.

As a result, officials had to cut $1.9 billion off the figure first reported as the government's total equity in the four insurance funds administered by the FHA.

The single-family insurance fund alone had built up an equity of $3.4 billion by Sept. 30, 1987, but the change in accounting methods as well as losses in other FHA funds reduced the total.

The FHA does not record a loss until a lender forecloses on a home and files an insurance claim, sometimes as much as a year after a homeowner begins to miss monthly mortgage payments.

Private insurance companies, in contrast, begin recording losses on their books at the time owners stop making payments, giving a more accurate picture of a company's financial condition, the report said.

The GAO's findings were documented in two reports issued this week. One contained an audit of the FHA's financial position as of Sept. 30, 1987. The GAO is supposed to audit the insurance program every three years. But in 1981 and 1984, the accounting office said, an audit was impossible because of "significant accounting and reporting changes needed, and * * * deficiencies in FHA's accounting systems and financial records." GAO investigators are examining FHA's fiscal 1988 records.

The second report contained information requested by the Senate Banking, Housing and Urban Affairs Committee, which asked the GAO to evaluate the FHA's financial condition and its potential impact on the federal budget.

The committee also asked the GAO to apply accounting principles used by private companies to the FHA and to compare FHA's rules with the requirements some states place on private mortgage insurance companies.

Among the FHA's most persistent problems are high foreclosure and default rates among homeowners in the southwestern and western states.

About 25 percent of the $205 billion in FHA insurance in force on Sept. 30, 1987, covers property in these states, where economic problems "continue to be a cause for concern," the GAO said.

The single-family insurance fund has been robust in the past and has often refunded a portion of the premiums to buyers who paid off their mortgages without defaulting.

But that began to change in late 1987, when the fund began paying out more in claims on foreclosed properties than it collected in premiums.

Both HUD and Price Waterhouse, a public accounting firm hired by the GAO to examine FHA records, concluded that the single-family fund is financially sound and will stay that way under "probable future economic conditions."

Price Waterhouse said, however, that results of "an economic stress test" showed the insurance fund "would barely survive" if the real estate markets in the Southwest and West worsened. The test also showed that the fund would become insolvent in the event of a 10-year national depression with home prices declining 45 percent within five years, according to the report.

The FHA, a part of the Department of Housing and Urban Development, was established in 1934 to help create a stable mortgage market and home financing system. It insures more than 40 types of properties through its four insurance funds.

By far the largest of the four is the Mutual Mortgage Insurance fund, which covers single-family homes and has been a major factor in the huge growth in homeownership since World War II.

The other funds provide insurance for a variety of specialized projects and "high-risk" borrowers who otherwise could not get insurance. Some of these programs routinely are money losers.

The GAO auditors warned of another potential problem for the single-family home insurance fund. Average home prices continue to rise throughout much of the country, outstripping the congressionally set limit on the size of a mortgage FHA can insure.

As a result, fewer affluent buyers can qualify for FHA insurance, pushing more and more low-risk borrowers out of FHA range. The GAO said borrowers with large mortgages default less frequently, because of "more stringent loan-to-value requirements or other factors."

If these lower-risk borrowers can no longer get FHA insurance, it said, "then FHA may increasingly find itself insuring more risky borrowers" and facing higher claim rates.

On the plus side, FHA insurance issued from 1979 through 1987 shows "more favorable loan-to-value ratios," the report said. Loans are considered safer and the borrowers less likely to default when mortgages are smaller than the appraised values of the property.

Most of the GAOs findings are "basically things we know already," said John Ambrogne, director of the FHA's budget division. "We're watching the claim structure closly" as large numbers of mortgages reach the period when defaults are most likely.

"The fact [that the FHA is healthy] remains uncontested," and no one should interpret the GAO report as meaning the insurance fund is unsound, the budget director said.

Ambrogne said FHA does not use private industry's accounting methods because they are not generally used by government agencies and Office of Management and Budget and Treasury department officials will not permit the FHA to use them.

Gregory T. Barmore, vice president of the Mortgage Insurance Companies of America, a trade association, said a GAO finding that more than a quarter of the loans were made to borrowers' who made down payments of less than 5 percent of the property value "substantiates the fact that ultra-low down payments lead to foreclosure rates that are financial disasters to FHA programs and represent tragedies to one out of four minimum down payment home buyers."

Noting that several legislative proposals now in Congress would permit some home buyers to make even smaller down payments, Barmore questioned whether "FHA is really helping home buyers when 25 or more out of 100 lose their homes."

[From the National Thrift News, May 8, 1989]

LOSSES EXPECTED AT FEDERAL HOUSING ADMINISTRATION IN COMING YEARS

(By Dona DeZube)

WASHINGTON.—The Government Accounting Office, in its first-ever audit of the Federal Housing Administration, says it expects FHA will post losses for last year, this year, and next year.

And it has adjusted FHA's equity down to $1.2 billion, from $3.1 billion.

The losses of the three years will be due to the large number of mortgages insured by the agency in 1986 and 1987 and the shape to the standard mortgage insurance loss curve, GAO says.

Since the largest volume of losses on any book of mortgage insurance business usually occurs between the second the fifth years, the large volume of the 1986 and 1987 books of business began hitting the high loss years in 1988.

The size of any losses, however, will depend in part on how much business FHA takes in, because FHA accounts on a cash basis, recording premiums as they are collected and losses as they occur.

Each year, FHA weighs the premiums taken in against the losses paid out. "The net outflows depend on how many more premiums you can sell," said Roger Stoltz, a GAO auditor.

Even if FHA used the same accrual accounting methods as private insurers, there still would be no perfect method for predicting future losses.

"The problem with this whole thing is you are using historical data to project future losses. You're going to go through periods where you make money and periods where you lose money, but overall, you should break even in the long run."

The FHA has a net worth of $1.2 billion, assets of $12 billion and liabilities of $10.7 billion, according to the audit.

With $227 billion of insurance in force, the government fund is operating with a 252 to 1 ratio of insurance in force to capital. "That is a rather narrow margin of reserves, considering most states require capital of 25 to 1," says Mr. Stoltz.

Prior to the audit, and a corresponding briefing report, FHA held an unadjusted $3.1 billion in equity, according to the GAO.

The $3.1 billion, pared down by over 60 audit adjustments that sliced $1.9 billion from the agency's books, slipped to $1.2 billion when GAO completed the FHA balance sheet, which covers the fiscal year ending in September 1987.

GAO expects to complete a balance sheet and income statement for FY 1988 by July of this year.

The three largest adjustments to FHA equity were a $1.1 billion recognition of additional future losses, $172 million in additional costs for disposition of real estate owned, and $178 million for losses on single- and multi-family loans currently in default.

FHA could have disagreed with the audit, but didn't.

"They sort of swallowed hard and accepted the adjustments," says Mr. Stoltz.

GAO has attempted audits of FHA in the past, but had never been able to complete a balance sheet before now. "We've gone in every three years and it has been unauditable, a financial shambles," says Mr. Stoltz.

Congress became interested in the financial health of FHA last year after the agency reported what is believed to be its first-ever loss.

And, while FHA had a backstop in 1987 of $6.6 billion in non-marketable Treasury securities, the agency was forced to draw down securities out of the amount ahead of schedule last year.

"They had to withdraw $643 million ahead of the planned maturity in order to pay their losses," Mr. Stoltz says. The withdrawal caught the eye of former Sen. William Proxmire, who asked GAO to report on the outflow.

□ 1600

FSX AGREEMENT WITH JAPAN SHOULD BE REJECTED

(Mrs. BENTLEY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BENTLEY. Mr. Speaker, in an article in the Washington Post today the General Accounting Office report criticizing the FSX jet fighter deal with Japan is written about, and it points out that in this declassified report the GAO says that the United States is superior to Japan in the composite technology needed to produce a light, but strong, wing made of plastics, and is probably ahead in radar technology.

Mr. Speaker, these are the two areas in which the administration officials said the United States could gain technology from Japan by going ahead with the FSX deal.

The article also points out that critics have denounced the deal as a giveaway of United States aeronautics technology that will enable the Japanese to develop their own civilian aircraft industry. It points out, from the Assistant Comptroller General, that our preliminary observations are that overall the United States has superior composite technology and appears to be ahead in radar development. In the report, the GAO called the Japanese design for an FSX wing made of composites a high-risk strategy that was rejected by the United States after tests in the 1970's because of costs and risks. Even if Japan succeeds, the GAO continues, the design presents potential problems that could overcome the advantage of reduced weight.

Mr. Speaker, I hope our colleagues, and I hope the other body, will reject the FSX agreement with Japan.

INTRODUCTION OF SENSE-OF-CONGRESS RESOLUTION CALLING FOR ELIMINATION OF URBAN-RURAL DIFFERENTIAL IN MEDICARE PAYMENTS TO HOSPITALS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from South Carolina [Mr. TALLON] is recognized for 5 minutes.

Mr. TALLON. Mr. Speaker, I am pleased to join with over 50 original cosponsors in introducing a sense of the Congress resolution calling for the elimination of the Urban-Rural Differential in Medicare Payments to Hospitals during the 101st Congress.

Today, Senator TOM HARKIN is introducing a companion Senate bill with over 16 cosponsors. This bill has the support of not only health care organizations, but agricultural groups as well. The National Rural Health Association, Communicating for Agriculture Movement, and the American Agriculture Movement all have endorsed this bill.

It is time that Congress acknowledged the fact that the urban-rural differential is not just bad Medicare health care policy; it is discrimination against rural citizens. My resolution calls on the appropriate committees in Congress to take action on the various legislative proposals to eliminate the differential.

The differential is an inequity that many of us have fought since its inception in 1984 under the new Medicare Prospective Payment System (PPS). The terms urban and rural are just too narrow to be the basis of a cost reimbursement system for Medicare; recent statistics have proven this.

Under PPS, Medicare pays rural hospitals 36 percent less than urban hospitals. The Department of Health and Human Services reported that in 1986, urban hospitals made a 10.82 percent profit margin on PPS patients, while rural hospitals lost an average of 0.69 percent. Is it any wonder that by 1987 nonmetropolitan hospitals were closing at a rate two to one over urban areas?

While the original idea behind the urban-rural differential was that health care in rural areas is cheaper to provide than in urban areas, several significant factors were not counted in when formulating the PPS system.

Generally, rural hospitals have less paying patients to cover the losses incurred from the Government-sponsored patient. In South Carolina, Medicare reimbursements represent a larger percentage of hospital revenue. Typically Medicare payments are more than 50 percent of small, rural hospital total revenues. It is a fact that, overall, rural hospitals care for a larger proportion of sicker, elderly, and indigent patients than their urban counterparts.

The payment disparity under Medicare, coupled with growing numbers of uninsured and underinsured patients, seriously undermines the ability of rural hospitals to compete in the marketplace.

In addition, the current PPS system does not adequately reflect the diverse nature of rural America. A hospital in South Carolina which is 50 miles away from an urban facility faces a much different set of circumstances than a sole provider in North Dakota which is 150 miles away from another facility.

The rural South faces a different set of health demographics than the rural Mid-West or rural New England. In fact, the only thing that these areas have in common is wholesale discrimination under the Medicare payment system.

As a member of the House Agriculture Committee, I am angered that this federally imposed health statute has now become yet another issue that separates rural America from the rest of America.

As a member of the Subcommittee on Conservation, Credit, and Rural Development, I feel frustrated that Congress has not yet addressed this issue which is such an integral part of this Nation's rural economy.

When I talk with constituents from the Sixth District of South Carolina about economic development we invariably end up talking about the crisis facing their community because of the threatened closure of a local hospital. And I don't just hear it from physicians and hospital administrators; I hear it from local government officials, the larger industries in the district, small rural businesses, and farmers.

It is an inequity that affects every level in a rural community. Medicare should no longer operate under such an obvious inequity.

Through the efforts of the Rural Health Care Coalition, the differential has been reduced somewhat over the past few years by creative legislative maneuvering. It is time that the Ways and Means and Energy and Commerce committees work to eliminate the urban-rural differential directly and with haste.

While I am pleased to see that these committees have made progress through hearings to address the rural health care crisis, I won't be satisfied until the urban-rural differential is eliminated completely. I think the cosponsorship of this resolution proves that this is a sentiment is being heard throughout Congress.

Rural health care is in a State crisis. We on the Federal level cannot expect the States and local communities to address the crisis without first realizing the failure of the Federal Medicare commitment to rural health care providers. We owe it to rural Americans to end this discrimination.

AMENDING THE ANIMAL WELFARE ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina [Mr. ROSE] is recognized for 5 minutes.

Mr. ROSE. Mr. Speaker, today I and 11 cosponsors are introducing a bill amending section 19 of the Animal Welfare Act to give individuals standing to sue for enforcement of the act.

This bill correcting a severe legal problem is not something new, Mr. Speaker. In the 100th Congress, the identical bill as H.R. 1770. It got 68 cosponsors—not bad for a bill which rubs against the trend, both in the courts and in the Congress, to diminish rather than expand standing to sue.

Mr. Speaker, courts have decreed that because citizens or animal protection organizations don't own the animals they want to protect, they can't sue. So, Mr. Speaker, we have to ask this—if the animals can't sue on their own behalf, and if people can't sue on their behalf, who can?

Mr. Speaker, because this bill affects both the judicial system and the Department of Agriculture, in the 100th Congress it was referred to Judiciary's Subcommittee on Administrative Law and Agriculture's Subcommittee on De-

partment Operations. Chairman BARNEY FRANK of the Administrative Law Subcommittee saw its importance, and held a hearing on it last year. I urge Members to review the printed hearing, and to note Chairman FRANK told opponents of this bill that, "if the record of enforcement stays at a low level, then you are going to be seeing this (bill) again."

We are not going to get the enforcement of the Animal Welfare Act we demanded when we adopted toughening amendments in 1985 until we grant standing to sue on behalf of animals.

As a matter of fact, we should note that here we are, more than 3 years after those amendments became law, and we have yet to see the first word of them in regulations. That should tell us something about the absence of desire to enforce animal protection decreed by Congress.

Why? Mr. Speaker, the Agriculture Department knuckles under to OMB's delaying dictates calling for draft upon draft of proposed regs, but OMB obeys the researchers, and stalls and stalls the approval of a single word of them.

The constitutional provision that tells us the President "shall take care that the Laws be faithfully executed" is a joke to the pliant plodders in Agriculture and the wheeler-dealers of OMB. We ourselves are not entirely without fault for allowing this to go on year after year, without calling the administration to account on it, but we can do something corrective about it by approving standing to sue.

Mr. Speaker, our amendment would not expand the coverage of the Animal Welfare Act in any way. It now protects, or should protect, animals used in research, experimentation, exhibition and air and surface transportation. It prohibits animal fighting ventures, and does not apply to farm animals.

Our amendment just adds a "citizen suit" provision, modeled on more than a dozen provisions in Federal environmental laws, and we ask for it because up to now the courts have said that people who want to protect animals in laboratories, regardless of obvious violations of law and regulations, can't sue.

Under it, a citizen could sue one and only one entity—the Agriculture Department. A laboratory could not be sued. A university could not be sued. A research facility could not be sued.

Only the Department could be sued, to require it to enforce the Animal Welfare Act, and we can give chapter and verse on why that is necessary.

But to prevent unreasonable, frivolous suits, Mr. Speaker, the bill has a provision allowing the court to make the bringer of the suit pay all of the costs of the litigation—attorney fees, expert witness fees, any other expenses—if the court decides the suit was frivolous, if it was unreasonable, if it was without foundation.

Mr. Speaker, while I am on this subject, I'd like to mention a case most, if not all of us, are familiar with—the Silver Spring monkeys case, because it inspired the standing to sue effort. It began in 1981, when police seized 17 monkeys in a Silver Spring research laboratory, and charged the operator of the lab with animal cruelty. It was cruelty beyond description, documented in photos, and by expert witnesses.

The lab was operating under an NIH grant, and, despite its proximity to NIH and the Department of Agriculture, nobody from either agency had discovered the cruelty and other violations which were obvious to anyone walking into the room where the animals were caged. NIH, under pressure from Congress, rescinded the grant, and officials there like to tell us that the operator of the lab was not convicted.

Mr. Speaker, he was convicted of animal cruelty twice—one before a judge, and, after appealing for a jury trial, again before a jury. The Maryland Court of Appeals dismissed the convictions on the far-fetched premise that since the operator was using Federal funds, he couldn't be convicted of State cruelty charges.

Since 1981, some of the monkeys have died. Some—those not used in the research project—were accepted by the San Diego Zoo. Eight remain at the Delta Regional Primate Center in Louisiana, despite the wishes of hundred and hundreds of Members of the House and Senate, who, over the past several Congresses, have cosponsored legislation and cosigned letters to Health and Human Services Secretaries and to NIH officials, calling for their relocation to an animal sanctuary in Texas.

Mr. Speaker, in the last Congress 134 of us in the House and 8 Senators cosponsored the legislation to relocate them to Primarily Primates, Inc., the sanctuary, where they could live out the rest of their time in an atmosphere of resocialization—something NIH promised Congress would happen at the Delta Regional Primate Center—but which has not happened.

Moorpark College in California, a school which specializes in training people to work with animals, would also like to have the eight remaining monkeys. It has checked the monkeys and offered to take them but NIH won't allow that relocation either.

NIH always claims spuriously that the monkeys still belong to the owners of the Silver Spring lab, despite a letter NIH received years ago, saying that the firm relinquishes all claims.

Now, what does NIH want to do with the monkeys, Mr. Speaker?

Despite promises Members of the House and Senate have in their files from MIH saying NIH will not perform any further invasive procedures on the monkeys, it has announced that it wants to resume the experiments on three of them.

NIH says it wants to insert electrodes in the brains of the three, purportedly to complete the experiments begun so long ago, and then it wants to kill them.

Congressional protest, and a court action in Louisiana, has blocked this, at least temporarily, but standing to sue is a big issue.

Mr. Speaker, there's not an iota of scientific good that will come from resuming the experiments started so long ago in Silver Spring. No, Mr. Speaker, this is a case of bureaucratic intransigence, plain and simple.

What we have is the adamant obstinacy of the bureaucrats who run NIH, spurred on by the research community's grant grabbers. They can't admit that laboratory horror shops exist. The just will not bring themselves to say to the millions of Americans who are involved in animal protection that yes, finally, the remaining Silver Spring monkeys can go to a sanctuary, Mr. Speaker. No, they want to say that they taught the animal lovers who really runs the show—showed the animal lovers that despite everything they tried to do on behalf of the Silver Spring monkeys, they died with electrodes in their brains.

And, if the judicial process now getting underway in Louisiana ends up by denying standing, by denying the monkeys the protection of the courts, the bureaucrats may win and the animal lovers may lose.

Mr. Speaker, it's a power play, plain and simple on the part of NIH and the researchers, and the monkeys are the pawns. But, if the grant grabbers and the bosses of NIH end up winning, if they end up having the last laugh they want so badly, well, they won't won't be laughing long.

If they prevail, and kill the monkeys, they're are going to see a wave of opposition they won't be able to contain. And they ought to know that—after all, their adamant obstinacy starting in 1981 in Silver Spring, and running through the 1980's right to today, has caused hundreds and hundreds of thousands of people to join animal protection organizations. Mr. Speaker, they're going to see opposition like they've never seen before.

Mr. Speaker, research is going to go on. When I testified before Chairman Frank's subcommittee last September, I said, and I'm quoting:

As a matter of fact, medical research is extremely important and I know and believe that animals will have to be used in future research to make great advances.

But the fact remains that the U.S. Department of Agriculture, and it admits to this, it admits that it has not properly enforced the Animal Welfare Act.

The Animal and Plant Inspection Service says Congress does not give it enough money to enforce the Animal Welfare Act.

Mr. Speaker, during the hearing, Chairman FRANK drew a "yes, sir," from the agency's Director when he asked him if he got what he asked for. He just hadn't asked for enough money.

This year's funding is $6,197,000. The 1990 budget request is $7,567,000—a $1,370,000 increase, but the budget request ought to be $12 to $14 million. Mr. Speaker, the Department has an obligation to enforce the act, and part of that obligation is requesting the funds to enforce it.

The low request is just another indication of the need for a standing to sue bill. But there is another reason to support this bill—it is cost effective. Mr. Speaker, researchers say that they cannot produce good results when animals don't receive the care they need. So, we end up with results that don't make a contribution because of ill, mistreated animals as subjects of experiments.

Mr. Speaker, fairly regularly, someone at NIH who is incensed over its leaders attitude about animal care, discloses what has come to be called an "attack" plan against supporters of animal protection. Back in September 1987, a top-level meeting was held at NIH that produced a memo from the Director of In-

tramural Research to other directors suggesting such an attack against the animal protection organizations.

The memo said "although it is important that we continue to work toward 'having our house in order,' we must realize that by making this our major focus, we tacitly accept the premise of the animal rights' movement and play into their hands."

Mr. Speaker, isn't it almost incomprehensible that these high officials don't realize that the more they get their house in order—the more humanely and less wastefully they run their labs—the better off they and the cause of research will be? Maybe they do, Mr. Speaker, but maybe they would rather fight than do what is right, because that would be admitting what they have been doing, and are now doing now, is wrong.

The memo says that they should focus on the diseases that generate public interest—AIDS for example, and lobby the Congress against animal protection groups interests.

Mr. Speaker, a 100th Congress continuing resolution report specifically points out that "because an animal model has not yet been found that mirrors human AIDS and HIV infection, AIDS research efforts have been complicated and slowed." But they're not coming over from NIH and telling us that, Mr. Speaker, they're coming over and telling us about their chimpanzee management plan, which takes millions that are supposed to go for AIDS research and gets spent on a chimpanzee breeding program that has little likelihood of working, according to experts on chimpanzees.

Their memo goes on, Mr. Speaker, to discuss front groups that NIH would direct and supervise and fund behind the scenes, in what looks to me like a series of illegal activities.

You have to wonder, Mr. Speaker, why these highly educated people would think along the lines they do when it comes to dealing with the animal protection situation?

Don't they know the law says they can't use appropriated funds to try to influence Congress? Don't they know that none can be used by a contract holder to influence Congress? Don't they see how counterproductive the attack method is to their own objectives?

Mr. Speaker, this issue isn't going to go away. Our mail tells us that, but our hearts tell us that also. Let's support humaneness.

CAPT. GEORGE BARRY LOCKHART

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Mississippi [Mr. MONTGOMERY] is recognized for 5 minutes.

Mr. MONTGOMERY. Mr. Speaker, on Monday I attended funeral services for Air Force Capt. George Barry Lockhart, who was shot down over Hanoi while on a bombing mission on December 21, 1972. His remains were returned to the United States by the Vietnamese last year.

It was thought that Captain Lockhart was killed in the crash, and indeed, his status was changed several years ago from MIA to killed-in-action. But no services were ever held. I know his family is relieved to finally bring him home.

I want to share with my colleagues the obituary of this brave young man who gave his life in service to this country.

CAPT. GEORGE BARRY LOCKHART

Barry Lockhart was born February 17, 1947, in Tucson, Arizona. After attendance at a number of primary and secondary schools, he graduated from Hammond High School, Alexandria, Virginia, in 1965. While there he served as Vice-President and President of his class and lettered in three sports.

After high school he received an appointment to the United States Air Force Academy from which he graduated and was commissioned a 2d Lt. USAF, in June 1969. In addition to academic pursuits he participated in a varsity sport and commenced flying training.

Following graduation from the academy, Barry went to flight training at Columbus AFB, Mississippi, where he met and married Kathryn Hutchinson. After receiving his Pilot wings he went on to B-52 training at Castle AFB, California, and then to the Strategic Air Command base at Blytheville, Arkansas. While on temporary duty from that base he completed a combat tour flying from Utapao RTAB, Thailand, and was then assigned a second tour, flying from Andersen, AFB, Guam. During "Linebacker II", one of the final combat missions of the Vietnam conflict, on 21 December 1972, Captain Lockhart's B-52 stratofortress was hit by surface-to-air missiles and crashed just north of Hanoi. Only one crew member was known to have survived.

Captain Lockhart was 25 years old when he was listed as missing-in-action. He had completed 102 combat missions flying in B-52 aircraft. His military decorations include: the Distinguished Flying Cross, The Air Medal, with four oak leaf clusters, and the Purple Heart. He was a member of the St. Andrews United Methodist Church and the Army Navy Country Club.

Captain Lockhart is survived by his parents Colonel and Mrs. George M. Lockhart, USAF (Retired), of Alexandria; his former wife, Mrs. Kathryn Elliot of Englewood, Colorado: his brother Robert, wife Ruth and their son Barry of Alexandria, Virginia.

TRIBUTE TO JAMES G. O'HARA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan [Mr. FORD] is recognized for 5 minutes.

Mr. FORD of Michigan. Mr. Speaker, I rise today on this special order that has been requested by a number of the friends and former colleagues of the late James G. O'Hara, who served with us may years with distinction.

Before recognizing the people who would like to speak here today, I would like to put in the RECORD a sort of frame of reference by putting into the RECORD Jim O'Hara's biography as it would be written, and will be written, in the books, and then we will hear from the literally dozens of people who have sent statements and who will speak today how this person described in this biography came through and was perceived, particularly during the years that he served here. There are a number of people like former President Gerald Ford, former Speaker Tip O'Neill, who put it much better than I can, and I will see that their statements are in the RECORD as well as many other distinguished Americans who at one time or another came in contact with Jim O'Hara in his professional and political life.

Jim was the oldest of three children, born November 8, 1925, here in Washington, DC. His family moved to Detroit in 1939, and he graduated from the University of Detroit High School in 1943. As a child and a teenager, Jim loved baseball and later basketball and remained a great fan of both sports for his entire life, taking great pleasure in taking his own children to their first games.

He loved his parents and his sister and brother, and the family members took care of each other through many crises.

An often-retold story about him as a teenager reflected on his later life. In order to make some money one summer, he tried to sell ice cream from a cart. His venture lasted only a few days because he gave away so much ice cream to the poor children that he could not hope to turn a profit, and the experience left him sad and he wished he could do something more to help.

With his parents' permission, he left and joined the U.S. Army and became a paratrooper. He was sent to the Pacific with the 11th Airborne Division in 1944 and fought in the invasion of the Philippines and subsequent allied campaign there. He entered Japan immediately after the surrender and served in the occupation forces until honorably discharged in 1946. Jim was always an enlisted man and left the service with the rank of sergeant. I will say parenthetically that one of the services offered a kind of an honorary reserve commission when he came here, and his response was that unless he could have his old rank back, he was not interested and, of course, they did not have sergeants in that group here in the 1950's.

When he returned from the war, he entered the University of Michigan, but there his studies were interrupted by a long life-threatening battle with tuberculosis. He not only survived but he made the best of the tough circumstances, because he met a nurse while he was in the hospital at the University of Michigan, Susan Puskas, who became his wife and the mother of their seven children.

Their family was well under way when Jim graduated from the University of Michigan Law School in 1955, but by then he had heard of a Father Clement Kern, a person who everybody that I know who had the great honor in their lifetime to meet would certainly nominate for sainthood, who was fighting battles constantly for the

poor people on the near west side of the city of Detroit.

□ 1610

He operated out of Holy Trinity Catholic Church, and to this day functions are continuing in his name for poor people.

Jim hooked up with Father Clement Kern, and that was his first opportunity to really exercise his new-found legal skills on the side of the poor and the people who needed the help the most. He represented indigent clients, and even successfully took several appeals to higher courts, including going to the sixth circuit court of appeals. One of the messages we have today is from a longtime friend of Jim's and ours who serves on that court. He won in that sixth circuit one of the early important search-and-seizure cases that still is precedent.

He became involved in Macomb County Democratic politics and was chairman of the active Shelby Township Democratic Club in 1957.

From there he decided to run for Congress from Michigan's Seventh District in 1958. That was a hectic campaign and it was the first time I heard of a fellow named O'Hara. And after two recounts, Jim was declared to be the winner by five votes in the primary election.

There is a little side story, Mr. Speaker, about that. Jim liked to kid me, until very recently, about the fact that if I had been a better lawyer in 1958, he never would have been here, because I was one of the lawyers on the other side in those recounts, and I never had the opportunity to look back at an effort that left me disappointed and feel so happy that I was, indeed, disappointed in the outcome of that particular fiasco, two recounts because we were really doing everything we could to keep Jim from winning that primary. He won it, and then went on to win the seat which he held for many years, and from that seat he served in this Congress and made a name for himself in a number of ways.

I will add the rest of the details here into the RECORD so that I can leave time for other speakers.

Jim O'Hara was many things to many people. But I like to remember him best as a man of extraordinary compassion for his fellow man—and especially those of the working class. For the ordinary people of our country he had a special affinity and understanding.

I am happy that I had some small role in the renaming last week of the important Service Contract Act as the McNamara-O'Hara Service Contract Act. A directive to this effect was issued last week by Labor Secretary Elizabeth Dole, who said about the late Congressman in a letter to his widow, Sue:

His tireless efforts in the Congress to improve the welfare of American workers took many forms, but the Service Contract Act stands as a monument to his dedication and an example of his legislative skill.

Jim had discovered that workers under a contract with the Federal Government for the delivery of mails were being paid considerably below the prevailing wage for such work. He learned as well that prevailing wage laws with respect to Government contracts—and there were many in addition to mail delivery contracts—did not apply to service contracts.

His concern and consternation led to passage of the Service Contract Act. It was pure O'Hara, who worked out the legislation with the late Senator Patrick V. McNamara of Michigan.

Make no mistake. Jim's agenda was pro labor. And, no matter how unpopular an issue, he remained true to his principles.

He was especially known for his very own brand of developing skillful and effective legislative strategies. He was a master parliamentarian whose skill was always in demand. And this certainly was why he was picked as chairman of the Democratic Party's Rules Commission from 1969 to 1972. He used his superb knowledge of House rules to help steer through landmark legislation, including key portions of the Civil Rights Act of 1964.

Jim's dedication to liberal principles was legend in this Chamber. He was a founding member of the Democratic Study Group and served as its chairman.

Mr. Speaker, it would take me a full day to summarize the many virtues of this fine and honorable man who was taken from us much too soon.

I think his character is summed up very well, however, in the following few paragraphs for one of our former colleagues, John Brademas, who is now president of New York University, and who at my request offered these comments:

Jim O'Hara and I came to Congress together in 1959 and for 18 years sat alongside one another on the House Education and Labor Committee where we became not only political allies but close friends as well.

Jim was unquestionably one of the ablest and most effective legislators I have ever known. He was a person of uncommon intelligence and impeccable integrity.

He brought zest and exuberance and a keen sense of humor to everything he did.

As every one who served with him in Congress will attest, he was a parliamentarian without rival.

Beyond all this, his service in Congress was motivated by a deep commitment to the concept of justice.

I extend my profound sympathy to his widow, Sue, and his entire family.

Mr. Speaker, I would like to insert as well the following remarks from our former colleague Frank Thompson in his eulogy at Jim's funeral:

Jim O'Hara was a man of enormous courage. This manifested itself all through his congressional service. Can you imagine what kind of courage it took to stand up to convictions time and time again at great political risk when you won your seat by only five votes? Jim never wavered on principles, however, and his vote margins in subsequent elections grew and grew.

I best remember Jim for his devotion to working men and women—their pay and benefits and the education of their children.

I remember him, too, for his magnificent legislative skills. When other members were about to go to the floor with difficult legislation, they invariably sought the advice of Jim O'Hara rather than those who fancied themselves as parliamentarians. He was right in advance—not just on Monday morning.

After he left Congress and joined the Washington law firm of Patton, Boggs & Blow, Jim and I remained close friends. And I can tell you that to the practice of law he took the same high standards and abiding integrity that so characterized his service in Congress.

I know it can be safely said that Jim O'Hara made a difference.

But Mr. Speaker, let me just make a few personal observations.

We set aside this time to pay tribute to Jim, who for almost two decades served here from Michigan's 12th Congressional District. It is altogether fitting and proper that we do this, because few men in our time have given so much of themselves and their talents for the benefit of the institution we have the honor to serve in, and the purposes for which it gives us the chance to serve.

Jim was many things to many people, but I like to remember him best as a man of extraordinary compassion for his fellow man. Sometimes people used to unkindly lump him in with the bleeding heart liberals that worried all the time about the poor folks. In the finest sense of the word, when anyone hurt in this country and Jim found out about it, he was the kind of person who would bleed with them, and seriously consider doing what he could to make their life better.

He was standing boldly here for civil rights legislation when it was not too popular in his almost all white suburban district, and he was a leader among all of us from Michigan and took more flak than the rest of us, took a lot of flak that some of us should have taken because we voted right along with Jim. But after all, he was the leader.

He was also a leader of the reforms of this institution, and I think less than fondly about some of the reforms. When I first came here, I followed Jim's leadership when we railed against the fact that chairmen could be so autocratic that they could unilaterally decide what was going to get into their committee and what was going to get out of their committee, and that was it. The gentleman from

Michigan [Mr. DINGELL], Chairman JOHN, said that was a great era. But we joined in and followed Jim's lead to democratize this place and to make the chairmen more answerable to the Members of the body. Serving as a chairman, one might long for the good old days, but the fact is that I think it has improved the institution greatly, and it has made the chairmen, all of them, I think more responsible to the membership than they once were.

Jim's name is on a lot of legislation, but the kind of legislation we find Jim on almost invariably had at its base something for people that they could not do for themselves, guaranteeing decent wages and working conditions. He was the first one of us to go to California and march with Cesar Chavez when he heard of the terrible and shabby conditions that confronted the migrant workers. And again, Jim blazed a path for me. He worked on the plight of the migrant workers for sometime, and then, as his responsibilities for higher education became more pressing, he and other members of the committee created a subcommittee on the committee and transferred that one little bit of Jim's effort over to me, and the growers have been looking for who is responsible for that ever since. But I took a bill that Jim had been working on and we were fortunate enough to pass it in 1974, and have been fortunate enough to keep them from repealing it ever since. But it was the first time that the Congress had, since the Eisenhower days, successfully done anything to relieve the conditions of the migrant workers.

One of the communications I have is from Sargent Shriver, and as Members read in the RECORD what Sargent Shriver says, they will note that he recalls the great influence Jim had in creating things like legal services programs to provide legal services to the poorest among us, and take their problems from the streets into the courts where they could be disposed of in the same manner as wealthier people disposed of their problems.

One of the ranking Republicans who was on the committee when I came, and I was surprised when I saw it, but it is typical of former Members, who I cannot ever remember voting with Jim, remembered him fondly as a good legislator and a sincere legislator, and a person with whom it was a pleasure to work.

And as Members read Jerry Ford's comments, it might come as a shock to some of the newer Members to hear Jerry Ford recall the kindnesses from Jim when Jerry was the minority leader here in the House.

All of us who were here and served with Jim know that he was without peer in understanding the operative rules of this House. Some of us got lazy in our early years, as a matter of fact, because instead of studying the rule book, it was always easier to ask O'Hara. And I do not want to embarrass anybody that has been in the position in the past, but I once had an experience of going with a proposed amendment to the Parliamentarians and being told that it was not going to be in order. And I said, but Jim O'Hara thinks it is in order. "Well, we will look at it overnight." By the next morning, my amendment was in order. Now I do not say that in any way at all to denigrate the very valuable work they performed and the professional way in which they do it, but it sticks in my mind as an illustration of the great respect that the people in this institution had for Jim's skill with the rules.

He was not a sharpie. We do not remember him as somebody who pulled something off slick. We remember him as somebody who used the rules to reach a result, democratically arrived at and democratically done, and in Jim's own way that was a democratically with a capital "D."

He was never ashamed of his party, never ashamed of the fact that he befriended people on the other side of the aisle as well. But there was never any doubt about James G. O'Hara's political party.

The biography and messages from former colleagues and friends follows:

BIOGRAPHY OF JAMES G. O'HARA

Jim O'Hara was the oldest of three children, born November 8, 1925 in Washington, D.C. His family moved to Detroit in 1939, and he graduated from the University of Detroit High School in 1943.

As a child and teenager, he loved baseball and later basketball and remained a great fan of both sports for his entire life, taking great pleasure in taking his own children to their first games. He loved his parents and his sister and brother and the family members took great care of each other through many crises. An often retold story about him as a teenager reflected on his later life. In order to make some money one summer, he tried to sell ice cream from a cart but the venture lasted only a few days because he gave so much ice cream away to poor children that he could not hope to turn a profit. The experience left him sad and wishing he could do something more to help.

With his parents' permission, he joined the U.S. Army in late 1943 and became a paratrooper. He was sent to the Pacific with the 11th Airborne Division in 1944 and fought in the invasion of the Philippines and the subsequent allied campaign there. He entered Japan immediately after the surrender and served in the occupation until honorably discharged in 1946. He was always an enlisted man and left the service with the rank of sergeant.

When he returned from the war he entered the University of Michigan, but his studies there were interrupted by a long life-threatening battle with tuberculosis. He not only survived, he married a nurse who cared for him there in U-M Hospital, Susan Puskas.

Their family was well underway when Jim graduated from University of Michigan law school in 1955. He had heard of a Father Clement Kern who was fighting battles for the poor of Detroit from Holy Trinity Catholic Church, and he went to volunteer his help. There he represented indigent clients and even successfully took several appeals to higher courts including the 6th circuit, where he won one of the important early cases on search and seizure.

He became involved in Macomb County Democratic politics and was Chairman of the active Shelby Township Democratic Club in 1957. From there he decided to run for Congress from Michigan's 7th district in 1958.

The campaign was hectic and after two recounts was declared the winner by five votes in the primary. He won the general election in November, the first Democrat in the twentieth century to represent that district.

Jim arrived in 1959 and immediately joined both the Committee on Education and Labor and the then fledgling Democratic Study Group. One of his earliest tasks in the latter was to research an obscure parliamentary point. He did so, and so began a career that would make him a leading authority on the rules and their tactical uses. By 1960 he had used his new skill to force a vote by the full House on the child labor issue. Although he lost, he would never stop his desire for reform and progress and never stop using the rules to make life uncomfortable for his opponents.

His DSG membership gave him a useful forum to fight for his views on civil rights, and in 1960 he was a leading proponent of a major Voting Rights title, which the House passed as an amendment to the Civil Rights Act of 1960. It angered him that the provision was dropped in the Senate but five years later it would form the core of the Voting Rights Act.

He was a leading force on many landmark labor, civil rights and education legislation in the early sixties. The Manpower Retraining Act of 1962, a bill to promote retraining of displaced workers was one of his early accomplishments. He worked day and night on the Civil Rights Act of 1964, even coming in to the Justice Department one weekend to work with Robert Kennedy to draft portions of the Act, most notably Title VI, which forbids discrimination in institutions receiving federal money.

In those days he also was active in the adoption of the 21-day rule which prevented the House Rules Committee from bottling up legislation for longer than three weeks. By 1965, he was the driving force behind the O'Hara-McNamara Act which forbade government contractors from paying less than prevailing wages in contracts for services. He was very active in support of the Voting Rights Act, the beginnings of the student aid programs we know so well today and increases in the minimum wage.

By the mid-sixties, Jim and Susan had seven children, all in school, with active lives and interests, and problems too. They had to deal with such problems as hemophilia and epilepsy with several of the children. On several occasions they had to keep a vigil at the hospital while a child's life hung in the balance. Even calmer times could be punctuated by a sudden need for visits to far away doctors or hospitals for specialized treatment. For Jim, his family came first and the House sometimes had to do without him for a short while so that he could meet that first obligation.

In the House, his endeavors continued to bear fruit. In the late sixties, he spent six years working on the House Interior Committee where he was most proud of the work he did to create the Sleeping Bear Dunes National Lakeshore along Lake Michigan in the lower peninsula of Michi-

gan. He became the Chairman of the DSG in 1967 and was a leading influence on that organization's decision to try to reinvigorate the Democratic Caucus as an instrument of reform in the House. He understood the Caucus rules and how they could be used to bring reform. When the Caucus reformed the seniority system to what we have today, it used the formulation he devised. The Caucus was also an instrument of reform in the House, and he was a prominent leader when the Caucus forced changes in the House which we today take for granted. Before the reforms, most committee markups were held in secret and crucial votes in the Committee of the Whole were not recorded. These practices were ended in the seventies, in large part thanks to his vision and parliamentary skill.

Throughout the late sixties, he constantly pushed to get America moving toward a better future. He held hearings which caught the nation's ear and led to changes it needed. He was appalled when he discovered that airlines forced stewardesses to "retire" at 32 years of age because they were thought to be no longer appealing enough for the male business traveler. His "stewardess" hearings got serious nationwide attention and formed the underpinnings in the public mind for federal legislation against age discrimination and later sex discrimination. He took up the cause of the migrant farm workers and was the first prominent public official to go to California and march with Cesar Chavez and the UFW. The hearings he conducted called national attention to the disgraceful plight of the migrant workers.

He pushed through the Metal and non-Metallic Mine Safety Act of 1966, as he and others reacted with horror at the shameful recurrence of mine disasters. The introduction of federal regulation to the field of mine safety has drastically reduced mine accidents. It was also a mine story, this one about radioactive exposure of workers in uranium mines, that led him to sponsor a comprehensive bill which he called the Occupational Safety and Health Act (OSHA). He was the original sponsor of that landmark legislation to protect all Americans on the job.

His fields of interest were not limited to labor, education, civil rights and reform. With a foresight that seems haunting from the vantage point of today, he introduced legislation to require airport X-ray of all luggage for weapons or bombs. The bill attracted wildly negative editorial comment nationwide and never went anywhere, unfortunately. And on a lighter note, (literally), he proposed to make the Stars and Stripes Forever into our national march, a measure which has since been adopted.

In the late sixties, he took up a new hobby, sailboat racing. For the rest of his life racing his various boats would be his purest joy. Like so much else he did, it was originally a family outing idea. He raced classes where he could take several children with him at once but after a bizarre accident on the Bay in 1970, he decided he needed a safer boat and his quest led him to a fast, Olympic class, two-man racing keel boat called the International Tempest, which had among its many fine attributes, an indestructible design and construction.

He started out losing but with the help of his faithful crew, son Tom O'Hara, he persevered to become a champion. Four times Chesapeake Bay Yacht Racing Association Champion, five times Severn Sailing Association Champion and, in 1982, North American Champion of the Tempest Class. Along the way, he won countless trophies for victories in individual races and regattas. He even journeyed to Europe for the Tempest Worlds on three occasions and did well in numerous races.

In 1970, he mounted a campaign for House Majority Leader. Although he ran a spirited race, he was defeated in the first round of balloting. Of course, the position was eventually won by the Honorable Hale Boggs.

After that defeat, however, he continued an active career in the Education and Labor Committee. He played a very active role in the Higher Education Amendments of 1972 and the leading role, as Chairman of the Subcommittee, in the Higher Education Amendments of 1975. These bills overhauled, reworked, restructured, and coordinated federal aid to higher education, both to students and to colleges. The federal programs in higher education we know today were structured and coordinated in those laws. He was most proud of the College Work Study Program which he devised and pushed through to subsidize jobs for students who wished to work their way through college. He was also influential in the enactments of Title IX, the famous provision which required equal treatment for women in college athletics.

Throughout the period beginning with the 1968 presidential campaign and running through the 1980 campaign, Jim O'Hara was one of the leading figures in the reform of rules in the Democratic Party. After leading the Humphrey forces in the Credentials Committee in 1968, he had too close a view of that disastrous convention. Afterwards, he chaired the O'Hara Commission from 1969–72 and the Rules Committee of the 1972 Co-Parliamentarian of the 1976 convention. In these posts he led the party into the modern age of conventions and helped ensure that minority views would always be fairly heard and voted on, hopefully precluding another convention like 1968. After the 1976 convention, he served as Chief Justice of the Judicial Council of the Party and, later was the rules advisor to the Kennedy campaign in 1980.

After 18 years in the House, he decided to run for the Senate seat from which Michigan's Senator Phil Hart had decided to retire. Despite a spirited campaign, he finished third in the Democratic primary. This brought his career in Congress to an end. One of his final acts was the consolidation of his papers for the Bentley Library at the University of Michigan.

In January, 1977, he began his career as an attorney with Patton, Boggs and Blow. He became known as one of the most respected and effective attorneys and lobbyists in Washington. He enjoyed the work and the people at Patton, Boggs and Blow and he remained there until he died.

He remained very active in public affairs. He was first a member and later Chairman for two years of the Minimum Wage Study Commission from 1979–81. The Commission concluded that the minimum wage did not cause unemployment and should be raised. In an unplanned but fitting tribute, the House passed an increase in the minimum wage the week he died.

His last political crusade concluded only days before he fell into his final illness. He was a decisive force in the campaign to elect Ron Brown as Chairman of the Democratic National Committee, the first black to chair either major national party's national committee. It was a fitting conclusion to a life dedicated to civil rights.

James G. O'Hara died on the night of March 13, 1989 and was buried with full military honors in Arlington National Cemetery on March 17, 1989, St. Patrick's Day.

Remarks of Hon. Thomas P. O'Neill, Jr.

Mr. Speaker, it is with great fondness, and a sense of saddness that I speak today on the passing of my dear friend Jim O'Hara, I know that many, many of my colleagues share my fond memories of Jim as a good friend, exceptional legislator and remarkable person.

Jim and I served together for many years and I always admired his tireless efforts on behalf of those less fortunate than most of us, Jim was instrumental in legislation that improved the quality of life, education and standard of living for millions of Americans, not just those in the 12th district of Michigan, but millions of Americans.

Jim was a champion of civil rights, of labor, but most of all, the family. My heart goes out to his loving wife Susan and their children, for I can feel only but a bit of the loss that they share. Jim was a fine husband, father, and American. His loss will be felt by many, but I hope they take comfort in the legacy of honor and accomplishment that Jim left for everyone. Mr. Speaker, America lost a fine son.

Former President Ford's Remarks Regarding Congressman Jim O'Hara

Mr. Speaker, Congressman Jim O'Hara was a long time, dear friend and an outstanding member of the U.S. House of Representatives from Michigan during most of the years that I served in the Congress.

Although we represented different political parties and had partisan views that frequently clashed, I had the highest respect for Jim's integrity and ability. He was a hard working, thorough and responsible member of the Committee on Education and Labor. In floor debate, Jim O'Hara was most effective because of his knowledge of the issues and his articulate presentation.

Congressman Jim O'Hara always represented his District, the State of Michigan and the Nation with the highest honor and dedication.

I will forever be grateful for Jim O'Hara's many personal kindnesses, while I was House Republican Leader and in the White House. I treasured his friendship.

Remarks of Hon. Martha W. Griffiths, Lieutenant Governor, State of Michigan

I am pleased to join with the Michigan Congressional Delegation in this special tribute to a former friend and distinguished colleague.

Jim O'Hara was an outstanding public servant and one of Michigan's finest. He served in Congress believing that government was an instrument to be used in improving people's lives. His imprint, today, is on major legislation enacted during the 60's and 70's that improved the lot of the American worker and raised the standard of living for all Americans.

Jim was a hardworking lawmaker and persuasive leader. His word was trusted and his judgment respected. He also was loved by the people of his district, who knew that he was in public life not for what he could get out of it, but for the good he could contribute.

I am proud to have served in the House with Jim during a turbulent and exciting period in our nation's history. Undeniably, the quality of his leadershiup helped shape

a fairer and more compassionate society. He will be remembered for his many accomplishments, which continue to ensure Americans a life of greater opportunity and contribution.

REMARKS OF HON. SARGENT SHRIVER

Jim O'Hara was truly an "unsung hero" of the United States Congress. That's because he didn't seek praise for himself, nor did he search for positions of power from which he could dominate others. Instead, Jim O'Hara figured out how best to get constructive action regardless of who received the credit. He was superb in achieving profound improvements in our Government, improvements which are still benefitting millions of Americans.

Most of all, I personally remember his stalwart support for all of the specific programs which made up the famous "War Against Poverty" initiated by Lyndon Johnson. It was legislators like Jim O'Hara who made possible the creation and continuation even to this day of such valuable new initiatives as Head Start, the Job Corps, Legal Services For The Poor, VISTA, Neighborhood Health Centers, Upward Bound, etc., etc. Without him, and his fellow activists, none of these creative and still existing initiatives would be with us today.

In addition to these specific programs, Jim could be accurately described as a "programmatic Democrat", a legislator who believed that government existed to promote the common wealth and owed a special sensitivity to the needs of the poorest, the least well educated, the elderly, the sick, and the newcomer longing to be free. So, it was Jim who with Hugh Carey of New York produced the new formula which made it possible for the Federal Government to assist public schools and parochial schools with special and other non-curricula help. Their formula overcame the age-old barrier preventing any nationwide assistance through the Federal government to the schools of America. Millions of students and thousands and thousands of families owe a deep debt to Hugh Carey and Jim O'Hara for this imaginative and profound contribution. Jim served also on the Higher Education Subcommittee of the Congress. He was one of the first who recognized the plight of migrant workers and ultimately succeeded in gaining help for them.

His accomplishments in Congress could be listed one after another for several pages. Very few people ever achieve so much while at the same time making so many friends and alienating practically no one at all. Jim was a true gentleman, compassionate, intelligent, dedicated lawmaker, a true believer in his religion which inspired his life and his work.

There never will be enough Jim O'Haras in this world. No wonder we all miss him so deeply and mourn his passage; but, then, we can all rejoice in the certainty that he is already where he wanted to be, in Heaven with his Maker and his Friend.

REMARKS OF BARBARA FRUSH

Mr. Ford, thank you very much for the opportunity to speak on behalf of my dear friend, Jim O'Hara.

Jim O'Hara was a special man. He was, in fact, the finest man I have ever met. He was my teacher, my employer, but, most important, he was my friend.

When I came to work for Jim O'Hara over 25 years ago, I was just out of school. Aside from the political courses I had taken, I was ignorant to the workings of the Congress. I guess by the O'Hara standard, we all were. However, during most of the exciting years that followed, Jim O'Hara would come back to the office after hours on the floor and explain all that happened that day and why. We sometimes felt that he told us more than we would ever need to know, but we were wrong. On various occasions, he would call the office and have staff members come to the Gallery to view historical debate on controversial issues. It mattered to him that we learned and grew. And grew we did. We grew to love and respect this man we referred to as our "leader", our "skipper" because of his love for sailing.

When in 1976 he left the Congress—not by choice—we cried as we pulled the door closed on our office for the final time. But true to the O'Hara tradition, we remained in constant contact and formed the "First Friday Club" that met intermittently over the last 13 years to continue our learning from Jim O'Hara. He called us his extended family. And this was quite an honor because his family was the most important thing in his life. He and his beautiful bride, Sue (as he referred to her), and their children have allowed us to remain an important part of their lives.

Jim O'Hara was a special man. He could laugh at his mistakes, find humor in tough situations, lick envelopes and fold letters when work got backed up in the office and always be there when you needed him. He was no more than a phone call away no matter how busy he was. I loved Jim O'Hara and I will miss him tremendously.

He was a great politician, statesman and caring human being. He certainly left his mark on the many lives he touched.

NEW YORK UNIVERSITY,
New York, NY, April 17, 1989.

MR. TOM JOYCE,
Cannon House Office Building,
Washington, DC.

DEAR TOM: Here, in response to the letter to me of April 7 from John Dingell and Bill Ford, is a statement about Jim O'Hara for inclusion in the Special Order they are arranging.

I am very grateful to have been asked to add my own tribute, which follows:

JIm O'Hara and I came to Congress at the same time, served alongside one another for eighteen years on the House Committee on Education and Labor and were political allies and fast friends.

Jim O'Hara was without question one of the finest persons in terms of intelligence and integrity whom I have ever known in public life. He was as well a warm and engaging human being.

Beyond all this, he was a brilliant legislator, without rival in the House of Representatives as a parliamentarian and, still more to the point, a person who was deeply dedicated in his service in the House to seeking social justice and opening the doors of opportunity for all the people of our country.

To his widow, Sue, and their children, one of whom, Ray, worked with great distinction as a member of my staff when I served as House Majority Whip, I extend my deepest sympathy on their great loss.

Sincerely,

JOHN BRADEMAS.

BETHESDA, MD, *April 17, 1989.*

MR. SPEAKER: It was my pleasure to have served with Jim O'Hara in the House for twelve years on the Education and Labor Committee. We were good friends even though we differed on many issues.

In his quiet way, Jim was an effective legislator. When he lost he did not sulk. When he won, he did not gloat. He fought hard for his views but respected the right of others to differ. He was a very likeable person and I consider it a privilege to have known him.

WILLIAM H. AYRES.

REMARKS OF CHARLES S. JOELSON

It is about twenty years since I retired from the House to become a judge, but my memories of Jim O'Hara are still fresh and clear. Paradoxically, the reason why he is so well remembered is that he was so modest, thoughtful and able that he did not need to resort to flamboyance or showboating to be noticed. His erudition and unassuming personality made him respected and admired by colleagues of both political parties. He was brilliant parliamentary tactition, and I benefited from his wise counsel on many occasions. He personified the word "gentleman" and I was saddened to hear of his passing.

ASSOCIATION OF JESUIT COLLEGES AND UNIVERSITIES,
Washington, DC, April 11, 1989.

MRS. SUSAN O'HARA,
Alexandria, VA.

DEAR MRS. O'HARA: While I remember well the occasions in which Jim and the higher education community met to argue the merits of various bills, we never had the opportunity to meet you. I hope, however, that you accept these remarks in the spirit that all meetings with Jim exhibited: thoughtful consideration.

I last saw Jim shortly before Christmas last year, walking in the Longworth building, and we stopped and chatted about things past. It was not new to him that there was little change in the problems and activities of post-secondary education; it was worth a chuckle. Jim seemed well and he talked about his work at Patton, Boggs & Blow as interesting and fulfilling. And that his family was growing.

I shall pass on to you one memory: a letter Jim has written to me on October 7, 1975. Jim Harrison tells me that neither he (Harrison) nor his staff wrote it for him. It concerns the fact that my association—well, you'll see from the text, but realize that your husband had a good sense of humor:

"I think I will be able to get over the shock of discovering that we are not in total accord on all student aid matters, but when you are in disagreement with O'Hara and with most of Dupont Circle, you may well be doing something right."

I hardly may mean much to you out of context, but I love the expression. I shall keep Jim in my prayers, and also you and the family who must suffer from his loss.

Respectfully,

JOSEPH KANE,
Vice President.

REMARKS OF LLOYD MEADS

We thank Congressman William D. Ford and John Dingell for taking this special order so that the colleagues and former colleagues of Jim O'Hara can express our sentiment for the record and for the O'Hara family.

I express my sympathy and that of my wife Mary to Sue O'Hara and to the fine young men and women of the O'Hara family. These young people are the living legend of Jim and Sue and they will continue the family name in fine tradition.

Jim O'Hara was a legislators' Legislator. He was, in my view, one of the best, if not the best, legislative strategist and tactician in a city which is famous for legislative strategists.

I have had the good fortune to work with him on legislative problems both as a member and later as a lobbyist. I have also had the misfortune of opposing him on legislative matters. Believe me—with him is better.

Jim approach each legislative challenge with the zest of an avid fisherman in pursuit of a rainbow trout. Nothing pleased him more than to plot different strategies and test them on his fellow strategists. The more difficult the task the more enthused he became.

As a legislator Jim turned this talent to the love of his legislative life—education. The Higher Education Act and education funding were both enhanced because of his legislative prowess. As a lobbyist, Jim turned that same skill to the advantage of his clients and those of his law firm. He is missed in the Congress and he will be missed by his partners at Patton, Boggs and Blow.

In this era of skepticism about politicians, Jim O'Hara's public life stands as a beacon. He and Sue raised and educated a large family solely on his congressional salary. I'm certain they often wondered from where the next tuition was coming. Somehow they always managed. Only in the later years after he had established a successful law practice was there any respite from economic pressure. Despite this, Jim O'Hara always conducted himself so as to be absolutely above reproach.

But Jim O'Hara's greatest gift—the gift of himself—he gave to his family. Jim was a great family person. As his son Roy pointed out in his eulogy, Jm invented activities for his family. He loved to sail—not just because he was a fierce competitior—but because it was an activity he could share with his children. He loved to travel, but you seldom saw him travel without at least one other member of the O'Hara family present.

What Jim O'Hara gave to his family is being returned. Through them Jim continues to improve the society, to effect legislation, to educate, to compete and to care about other human beings.

The world is already a better place because he lived, but because he gave himself to his family, he will continue to give through them.

REMARKS OF JOHN B. SWAINSON, GOVERNOR OF MICHIGAN, 1961-62

Jim O'Hara was a person that I admired. We first met in the 1958 campaign. I was a candidate for Lt. Governor while he was a candidate for Congress. He exhibited the qualities that, at the time, were those admired by all. He was a family man, a lawyer, a man tested in battle and sensitive to the world he lived in, while aspiring to make it better. His advertising during that campagin was exceptional. It showed imagination and struck exactly the right note for a first time candidate. It recognized that which had gone before, while introducing a note of individuality. Can anyone forget the signs that simply said "WHO?" and then at exactly the right time revealed that it was "Williams, O'Hara, and Hart" that were seeking your vote?

Upon his election, and throughout his career as a Congressman representing the 7th District of Michigan, he demonstrated that he had those qualities that characterized that first campaign; imagination and substance.

It was my good fortune as Governor of Michigan to work with Jim O'Hara, and to depend on his judgment in many matters as they affected the citizens of our state.

It was with great sadness that I learned of the demise of my friend James O'Hara, and we all have been diminished with his passing.

NATIONAL ASSOCIATION OF ATTORNEYS GENERAL,
Washington, DC, April 18, 1989.

Mrs. SUE O'HARA,
Alexandria, VA.

DEAR MRS. O'HARA: I became acquainted with your husband in 1975 when I represented COFHE in the development of the Higher Education Act Amendments of 1976. It was a time when members of Congress and the higher education community were grappling with how to bring to pass a national commitment to equal educational opportunity. It was a time of debate (some might say wars) over issues such as access to higher education and choice among institutions. It was a time when the implications of demographic changes in the population and limited federal funding were just being perceived.

Chairman O'Hara's job was not only to help fashion but to steer this important legislation through the legislative maze. He did both with skill, with patience, and with the determination to make a difference. There are thousands of students who have graduated from college in the last decade who are the beneficiaries of your husband's determination. Some are in their twenties but many are older and were able to start new lives through Jim's efforts.

It is a legacy to be very proud of—I was honored to know Jim O'Hara and will miss him.

Sincerely,

CHRISTINE T. MILLIKEN,
Executive Director and General Counsel.

THE COMMITTEE FOR EDUCATION FUNDING,
Washington, DC, April 5, 1989.

Hon. WILLIAM D. FORD, M.C.
House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: It is my understanding that you have organized a Special Order in memory of Jim O'Hara, your close colleague in the Michigan Delegation, and on the Committee on Education and Labor.

I have, of course, met Jim O'Hara in the course of my duties as Executive Director of the Committee for Education Funding, but I have not had the delight of working as closely with him as did my predecessor Charlie Lee.

But it would be impossible to work for CEF without knowing the enormous debt this organization, and the education community which it serves, owe to Jim O'Hara for his wisdom in advice and courage in leadership in the first days and years of CEF's existence.

There are Congressional Heroes a plenty with whom CEF has worked in our continuing uphill battle to seek adequate national investment in education. But the memories of our oldest members go back again and again to the parliamentary and organization advice an embattled CEF got from Mr. O'Hara in those first years when the very idea of a floor amendment adding money to an appropriations bill was considered absurd, and without historical precedent. Jim O'Hara had read the rules many only talked about, and he helped the education community read them, too—to the benefit of millions of Americans seeking an education.

His departure is a great sorrow to all of us—including many like myself, who knew of him primarily by reputation. He will not be forgotten.

Sincerely,

SUSAN FROST,
Executive Director.

EAST DETROIT, MI,
April 8, 1989.

SUE O'HARA,
Alexandria, VA.

DEAR SUE: I am proud of my association with Jim O'Hara.

Jim O'Hara taught me that public service is a desirable and honorable profession.

Twenty-five years ago, Jim O'Hara took an impressionable, young man and instilled many of his values in him. Being that man and after 12 years of my own public service career, I am proud of those values.

I owe Jim O'Hara a lot.

Sincerely,

LEO R. LALONDE.

AMERICAN COUNCIL ON EDUCATION,
Washington, DC, April 6, 1989.

Hon. WILLIAM D. FORD,
House of Representatives, Washington, DC.

DEAR BILL: I understand you are organizing a Special Order in memory of Jim O'Hara. His loss is sorely felt in the higher education world, where he is still admired for his leadership of the House Postsecondary Education Subcommittee.

As Chairman he set new standards for committee hearings, conducting wide-ranging seminars with a variety of experts to probe the problems of higher education. The resulting legislation strengthened the foundation for the nation's current commitment to equal educational opportunity.

He never lost interest in the issues after leaving Congress, and in recent years we often sought his excellent advice on how to deal with legislative and political problems. Besides, it was always great to talk with him, and he obviously enjoyed the exchange. We will all miss him.

Sincerely,

CHARLES B. SAUNDERS, JR.,
Senior Vice President.

MIDWESTERN UNIVERSITIES ALLIANCE,
Washington, DC, April 10, 1989.

Mrs. SUSAN O'HARA,
Alexandria, VA.

DEAR MRS. O'HARA: Congressman O'Hara was a breath of fresh air in the U.S. Congress and also outside of it after he retired. I was very sorry to hear that he had passed away.

Regretfully, I never knew Mr. O'Hara personally but I am a political junkie and your husband knew more ways to manipulate the legislative process than anyone before or since. It was a pleasure to watch him at work. Let me add that not the least of the Congressman's achievements was exposing the higher education community to the wit and audacity of Jim Harrison. Jim was my link to your husband and he was and is a joy.

We will all miss the Congressman. I regret that his passing is the occasion for this communication.

Sincerely,

NEWTON O. CATTELL,
Director.

ROCKVILLE, MD, *April 7, 1989.*

SUSAN O'HARA,
Alexandria, VA.

DEAR MRS. O'HARA: Jim O'Hara was all you could want in a man, a Democrat or a Member of Congress!

He was thoughtful, brilliant actually, compassionate and vigorous. A few people have these characteristics, too; Jim was also genuine, tolerant and suffering as he sought care for humans in need.

I remember his brilliance in leading his party, whether in exhorting the masses to do better or in leading us out of inextricable parliamentary morasses. He had the entire range of talents.

Maybe his chief strength, to me who sometimes held different approaches, was his great ability to sit as friends, argue issues on their merits—and never carry any negative sentiments over to the next issue.

I grew up with Hubert Humphrey; he was like that, too. Each is a truly great American!

Sincerely,

HOWARD E. HOLCOMB.

ADVOCACY INSTITUTE,
Washington, DC, April 10, 1989.

Hon. WILLIAM D. FORD,
Washington, DC.

DEAR MR. CHAIRMAN: Dick Warden told me about the special order scheduled for our friend and mentor Jim O'Hara whose untimely passing came when I was in Israel.

I started to work with Jim when I was a lobbyist for the Industrial Union Department, AFL-CIO, and he was Chairman of the Democratic Study Group. He helped teach, by example, and avoiding short cuts, the importance of knowing the rules and procedures of the House. A generation of progressive lobbyists who worked for an end to poverty, decent jobs at a living wage, and civil rights became more effective as a result. I would leave meetings with my colleagues—the late Jack Beidler (another prime teacher of procedure), Jane O'Grady, Arnold Mayer, Jack Sheehan, Dick Warden, Ken Young and others—and tell my wife "O'Hara is our most valuable player".

Jim had other talents that weren't always fully appreciated. He hunted for talent among younger legislators and found it. Sure, they should be committed to the liberal agenda, but they also had to be serious legislators, neither posturers not showboats, with a strong sense of caring about the institution of the House. Jim was always a House man. So a relative junior Don Fraser was tapped to lead the DSG with distinction after Jim's term was up.

I turned to Jim after his office-holding days were over. He was relaxed, but he always responded with a wise approach when I gave him a parliamentary or procedural problem that had us public interest lobbyists stumped.

My favorite Jim O'Hara story is one day a week before Chirstmas, I stopped in to see Jim and the office crew. Jim was beaming. He had just called a constituent to tell him that the immigration problem was taken care of. There would be no problems about citizenship. A new American would be secure in his liberty. Jim's emotion of helping an American stay here shone through.

Sincerely yours,

DAVID COHEN,
Codirector.

MICHIGAN HOUSE OF REPRESENTATIVES,
Lansing, MI, April 6, 1989.

DEAR SUE AND FAMILY: Please accept my heartfelt sympathy on the loss of your husband and father.

James G. O'Hara was a dedicated and caring individual who brought much into the lives of people throughout this country. He brought love and caring to his family. He brought loyalty and support to his friends. He brought a keen insight and success to his Party. He brought true, thoughtful and dedicated representation to the people he so ably represented in the United States Congress for eighteen years.

My association with Jim O'Hara began as a constituent when I was a high school senior. Even then he took the time to listen to my concerns and ideas. I quickly grew into a strong supporter of the man I was proud to call my Congressman. The hours I spent as a volunteer and staff member for Jim O'Hara brought me much more than I could ever have contributed. Jim demonstrated over and over his concern for his constituency and gave me the chance to learn close at hand the value of a true statesman.

In the last few years, we didn't get to speak or see each other as often as I would have liked. But in each of our conversations, he continued to be my teacher and, I'm proud to say, my friend.

Know that there are many of us who share your sense of loss. We'll miss Jim O'Hara dearly.

Sincerely,

NICK CIARAMITARO,
State Representative.

AMERICAN FEDERATION OF LABOR
AND CONGRESS OF INDUSTRIAL
ORGANIZATIONS,
Washington, DC, April 10, 1989.

Hon. WILLIAM D. FORD,
House of Representatives, Washington, DC.

DEAR BILL: As you know, I became a lobbyist for the AFL-CIO at the same time you became a member of the House of Representatives—the 89th Congress.

In those early and heady days of the Great Society, I sometimes wondered why the federation felt it had to pay me to voice its views on Capital Hill. I assumed that organized labor and its friends in Congress and the Administration could, and would, win every issue they took to the floor.

Jim O'Hara taught me that there is, and was, a lot more to passing bills in the House than simply counting to 218. He taught me to both respect and understand the legislative process—and for that, I always will be grateful. He was kind enough to frequently invite me to a sandwich lunch in his office while he showed me how to research precedents and how to use the rules. Time and again, when House members sought his parliamentary knowledge, he permitted me to help in crafting amendments and substitutes.

Jim O'Hara was considered a strong and consistent labor supporter. He was—from start to finish. He supported labor in the context of making sure that government served the needs of people who were unable to secure these needs for themselves. He believed that government is the servant of the people—not its enemy.

As a member of the Education and Labor Committee, Jim worked closely with former Rep. Elmer Holland in drafting, and enacting, what—in those days—were called manpower laws. He played a major role in passing the Manpower Development and Training Act, the Emergency Employment Act, CETA and many others. His role in winning the McNamara-O'Hara Service Contract Act is a matter of record. But, to my mind, his important contributions often are forgotten in such areas as civil rights, education, and poverty.

Jim O'Hara didn't often make headlines because he did not fit the media's image of a Member of Congress. He was not flamboyant and he didn't seek out the TV cameras. He was content to work at his craft as a politician and he was one of the very best. He knew the importance of governing, he recognized the value of good legislation and he thrived on accomplishments.

In Congress and out, Jim O'Hara brought understanding, respect and honor to our form of government and the democratic process he loved so much.

Sincerely,

KENNETH YOUNG,
Executive Assistant to the President.

AMERICAN FEDERATION OF LABOR
AND CONGRESS OF INDUSTRIAL
ORGANIZATIONS,
Washington, DC, April 5, 1989.

Hon. WILLIAM D. FORD,
House of Representatives, Washington, DC.

DEAR BILL: I think I knew Jim O'Hara almost from the time he first came to Washington. And the respect, admiration and affection that I developed for him back in those early days not only remained but intensified down through the years.

I met him first during my days as a labor writer, and I found him a man of high principle and devotion to those causes in which we both believed—the causes involving the poor, the young, the elderly, the disadvantaged.

Later I had the privilege of serving as his administrative assistant, and I learned that there was no difference between the man I had observed from the outside and the one I worked with intimately on the inside.

Jim O'Hara was a gifted legislator, a superb tactician, a skilled negotiator, a parliamentary expert, a man who deeply loved the House of Representatives which he regarded, quite properly, as the institution most representative of the American people and most responsive to their needs.

I never knew a legislator who devoted more time and energy to his constituents than did Jim O'Hara. He took seriously his responsibilities under our democratic form of government, and it was a rare weekend, indeed, that didn't find him back in his District in Michigan, meeting with the people for whom he spoke on Capitol Hill.

Yet even with the enormous demands placed on his time by the hours he spent in Committee, on the House floor, handling constituent problems in Washington and performing his duties back in the District, Jim somehow managed to carve out quality time to spend with Sue and the children, because they were at the core of his life.

The word "family" had a special meaning to Jim, and it showed forth most clearly in the way he treated those of us in his office—those, he insisted, who worked "with" him, not "for" him. His capacity for familial love was large enough to embrace all of his congressional staff, making us equal members of the Clan O'Hara.

Jim O'Hara was my friend, my colleague, my teacher, my boss—and in that order. I count it a rare privilege to have known, worked for, and loved the man—and I will

miss his warm and gentle spirit all the days of my life.

Sincerely,

EUGENE C. ZACK,
Assistant Editor, AFL-CIO News.

CHEVY CHASE, MD, *April 3, 1989.*

SUSAN P. O'HARA,
Alexandria, VA.

DEAR MRS. O'HARA: I came to work in Washington, D.C. as an intern on the House Education and Labor minority staff in 1973. Your husband was the chairman of the Subcommittee on Postsecondary Education at the time. As a novice on the Hill, I had a chance to watch Chairman O'Hara deal with the business of the committee. I was amazed at his willingness to stop and explain the importance and the history of an issue to me, a novice staffer on the Republican staff.

What struck me at the time was his courtesy and sense of fair play as the committee dealt with partisan issues and debates that touched deeply held values and beliefs. He provided strong leadership on issues of education and civil rights at a time when no one was sure what the federal role should be in those fields. Our nation is a better place because of his commitment.

The passage of time has not reduced my respect for the skill and sense of humanity he brought to a complicated job. My current work as a lobbyist and consultant keeps me in touch with the same issues we dealt with in 1973.

Each of us hopes to leave a legacy that lives on in the lives and work of others. There is no doubt about the importance of his work in Congress. On a smaller scale, I am a better and wiser person because of Jim O'Hara.

Sincerely,

JOHN B. LEE.

ASSOCIATION OF AMERICAN UNIVERSITIES,
Washington, DC, April 5, 1989.

MRS. SUSAN O'HARA,
Alexandria, VA.

DEAR MRS. O'HARA: Not many people have the chance to make as large a contribution to their country as Jim O'Hara did, and fewer still use that chance as effectively as he. Millions of young Americans are in his debt, their lives enriched by the opportunities he was instrumental in providing them. Those of us who were fortunate to work with him will always have his example of the possibilities that are opened by a life of public service.

I know I speak for the member presidents of this Association when I say that we are saddened by his death as we were enriched by his life. It is a fine thing to be able to say about any man.

Sincerely,

ROBERT M. ROSENZWEIG.

INTERNATIONAL UNION, UNITED AUTOMOBILE, AEROSPACE & AGRICULTURE IMPLEMENT WORKERS OF AMERICA—UAW,
Washington, DC, April 5, 1989.

Hon. BILL FORD,
House of Representatives, Washington, DC.

DEAR BILL, I understand that you and John Dingell are cooperating in a special order in the House on April 11 so that Members may pay their respects to the memory of our friend, Jim O'Hara. I appreciate the opportunity to share with you and John some of my thoughts about Jim.

I came to Washington as a journalist in 1961 under the auspices of the American Political Science Association Congressional Fellowship Program and the first Member of Congress I knew well was Jim O'Hara. Jim was in just his second term then, but already he had earned a reputation in some quarters, including among APSA Congressional Fellows. I was told the place to go—the place where a young man should go if he wanted to learn about the legislative process was to the office of James G. O'Hara. I did: I negotiated a spot in Jim's office where I worked for three months as a "Fellow" in 1962.

It was a marvelous three months; not only was the O'Hara office a good place to learn by observing and participating, but Jim was a great teacher who was himself in the process of picking up the "tools of the legislator's trade". He was bright, energetic and enthusiastic, a committed liberal who had great sensitivity to the needs of workers, minorities and the public interest. Over his career in the House, he became a great legislator, whose knowledge of the arcane rules and procedures of the House became almost legendary inside and outside the House.

About a year after my APSA stint in the O'Hara office, Jim's AA, Don Baker, took another position, and Jim asked me if I would accept the job. I was working in the office of the late Senator Lee Metcalf of Montana at the time, but I decided to return to the O'Hara office.

I spent four years as Jim's AA. It was the most stimulating and educational experience of my life. At the time, I thought I would be going back to journalism, but that four-year experience convinced me that the legislative process was where I wanted to be—either on the inside or working with it from the outside. What made me realize that was my experience with Jim.

It is difficult for me to convey in words how important that opportunity—the opportunity to work closely with a great liberal legislator—was for me. He taught me what was to become a life's work. He was generous to a fault, and the most important commodity he had to give to a young and eager AA was his time and his willingness to explain. He gave it generously to me, and I will forever be grateful.

But even more, I am grateful to have worked with one of the great ones. If ever a legislator could be called a "House man", that was Jim.

A few weeks before he passed away, Ken Young of the AFL-CIO and I had lunch with him. It was terrific. We talked about the "old days", about the House and about his current "project"— the election of Ron Brown, his law firm colleague, as Chairman of the Democratic National Committee.

It was the old Jim O'Hara, plotting strategy, figuring out how to nail down the votes, how to outmaneuver the other candidates seeking that job. It was the liberal Democrat at work doing what he thought at that point in time was the most important thing he could be doing.

That was the Jim O'Hara I knew. I shall miss him very much.

Thanks for giving me this opportunity.

Sincerely,

DICK WARDEN,
Legislative Director.

THE ASSOCIATION OF URBAN UNIVERSITIES,
Washington, DC, April 4, 1989.

Hon. WILLIAM D. FORD,
House Office Building, Washington, DC.

DEAR BILL: Thank you for taking the time and investing the energy and thoughtfulness needed to organize this Special Order in the memory of our friend, Jim O'Hara.

This three-member family shared, at one time or another, the privilege and the joyful experience of working for Jim O'Hara. We worked on the Hill for most of our years in Washington, and we worked only for people we liked and respected. But there was a special something about Jim O'Hara and about working for him which we would like to share with you on this occasion.

To being with, Jim O'Hara was quintessentially a legislator—a maker of laws, a competent, careful practitioner of the legislative process as the best way of discovering and serving the public interest. When drafting a bill, O'Hara was never receptive to advice about "sending a message". He believed—and on a couple of occasions said—that laws were intended to prescribe action, and that if you wanted to send messages, you called Western Union. He had endless patience with the complex and tedious process of putting the right words on paper when he sought to draft legislation. He had no patience at all with the notion that the law was a press release or a set of symbolic exhortations, to be carried out to the extent the Executive Branch happened to feel like it. In short, Jim O'Hara, having taken an oath to uphold and defend the Constitution of the United States, also read the Constitution focussing especially on Article I, where he discovered the duties and powers of the Congress neatly spelled out. He spent 20 years carrying out his share of those duties with honor, compassion and, we believe, with real distinction.

You know, better than most, the long list of enactments which show the imprint of Jim O'Hara—seminal legislation relating to farm labor, occupational safety, civil rights, and education. We are sure that others who write you on this occasion will list them.

Closest, perhaps to his heart was his role in discovering that the Bacon-Davis/Walsh-Healy principle that the United States ought not to contract for the employment of construction and production workers under substandard conditions did not apply to service workers—to the poorest paid, least organized, most exploited of the Federal Government's second-remove employees. He (not staff or lobbyists) wrote the bill which brought those service workers under that same protection. On the day before Jim was put to rest, the Secretary of Labor issued a Proclamation renaming that legislation the McNamara-O'Hara Service Contracts Act.

His legislative interests were broad and ran deep, but they had one thing in common. His concerns were for those least able to protect their own interests—for the farm worker, for the service worker, for the high school student unable to dream of going on to college because of the cost, for the American deprived of a decent wage, the right to vote, the right to count and to be counted.

But as much a hallmark of his career as his compassion for those most in need was his commitment to due process in the making of the law. If there was a theme for which his career will longest be remembered, we think it was his unquestioning support of the principle that the Congress was created to enact the laws, that each

Member of either House was entitled to the fullest possible share in that process, that the rules of procedure were there to facilitate the majority's ability to decide, and to protect the single Member's right to call received wisdom into question. We have watched him preside over Subcommittee markups and afford to those with whom he contended, and those for whom he contended the same expert advice on how each could protect their procedural rights. We saw him do the same—sometimes at great personal and political cost, at Democratic National Conventions where he served, formally and informally, as a Parliamentarian. He had a deep understanding of the fact that Justice resides in the details of procedure—and he clung to that belief in a time when it was unfashionable—as, in some quarters, it is today.

Jim O'Hara served his country in battle, in the practice of law, in the joyful pursuit of the political process, and, above all, in the honorable, decent, principled service of the people as a Member of the House of their Representatives. It is a cliche that a public servant "left public service as poor as he entered it." Not so with Jim O'Hara. He was enriched by and during his service. He left it richer by several children, by a handful of Presidential pens used to sign bills into law, by a thousand former colleagues, staff members, lobbyists and constituents who sincerely mourned his passing. And the House, the Republic and the people of this country were enriched by his career, too.

Best regards,

JIM, ARDYCE, AND SARAH HARRISON.

NATIONAL ASSOCIATION OF STATE UNIVERSITIES AND LAND-GRANT COLLEGES,
Washington, DC, April 5, 1989.

MRS. SUSAN O'HARA,
Alexandria, VA

DEAR MRS. O'HARA: About a dozen years ago, just after the Chairman had returned from the House. I found myself in a small caucus in a hearing room with him and a few others exchanging witticisms and wisdom unique to those moments of a lobbyist with a witness waiting to testify and also waiting for the committee to return from a vote on the floor. One of my colleagues suggested a breakfast meeting toward a useful purpose the following week. I replied that I was not free that particular morning, since I had to attend a service in memory of my father on the anniversary of the day he had died some 10 or more years before.

My colleague looked puzzled so I explained that in that corner of the world in which I grew up birthdays were for children to celebrate. After the celebration was along the lines I had just mentioned. The reason had been explained to me when I was perhaps eight years old.

My grandfather had said that a man's life is like a ship's journey. While we are pleased to see it commence with flags and bunting flying and bands playing and a great deal of hope, the fact is the beginning of the journey was full of apprehension and trepidation. No one knew if the ship was worthy of its task. Would it withstand storms at sea, pirates that might attach it, navigational errors, shortage of proper food and water, even perhaps a mutiny within.

But when a ship was seen from the lookout on shore approaching safe harbor that was a time of great celebration. Even if the sails were somewhat tattered, even if strong beams of lumber were split or scarred, even if there were burns from battles, even if the entire ship looked somewhat the worse for wear, its arrival into port was a victory over time and experience. It had met its challenge. It had done its duty. It now could come home to peace. So, too, with a complete man's life.

I remember Jim O'Hara listening intently to this tale, as he did so remarkably well when he counseled those who were creating a new education appropriations lobby on how to use the House of Representatives' special nature and rules to achieve our goals or when younger colleagues caught him as he was leaving the House floor and sought advice on a bill, on an amendment, on almost anything to do with the nature of the legislative process. Or when witnesses appeared before him during his chairmanships of subcommittees. Jim O'Hara with his head sort of cocked, one eye a little more than the other, and quizzical smile on his face listened to my disquisition. He did not comment. I suspected that the legend resonated within his warm Irish soul.

For many of us he had a very special gift of strength. Lobbyists would cross any other Member before crossing him, and yet, ironically, I never heard a story of anyone hurt by Jim O'Hara. He enjoyed irony and teaching and helping all at the same time.

I remember well going to him very formally while I was still very much a novice in the business and the Davis-Bacon Act was up for amendment. As a representative of research universities I had been sent to reason over the impact of proposed O'Hara amendments that would require universities to pay graduate students salaries comparable to scientists doing identical work in the community.

Mr. O'Hara listened, again with a smile, as I laid out my torturous but, I hoped, reasonable argument. Then he said, "Jerry, I'm going to do what you ask me, but I want you to know it's not because of your argument, despite its length. The fact is I want to get this bill through and I don't want you people involved. You fellows in higher education rarely can get anything done, but you really have the gift for screwing things up." He leaned back and laughed. As I remember, I did, too, but probably for a different reason. He could help, chide and keep things in balance—all at the same time.

While not an intimate of Mr. O'Hara I considered it a special privilege to work with him and, when opportunities presented themselves, to support what he sought to achieve. He remains for many of us an enviable human being who took joy in describing his most recent boating extravaganza on the continent, the limitless demands of a recent client, or a triumph of legislative skill on the House floor.

He loved his family, his friends, his life, and enjoyed them all. For many of us who insist on believing that the values of Jim O'Hara are worth pursuing whatever the scorecard of a particular day says, he will remain a leader of integrity, a rare and joyful man.

I wish that you may take much joy and comfort from the memory of Jim O'Hara.

Sincerely yours,

JEROLD ROSCHWALB,
Director, Government Relations.

GEORGETOWN UNIVERSITY,
Washington, DC, April 4, 1989.

MS. SUE O'HARA,
Alexandria, VA.

DEAR MS. O'HARA: When we think of all of the people on Capitol Hill who have helped higher education over the years, Jim O'Hara comes to mind as one of the most outstanding individuals to ever hold the chairman's seat of Postsecondary Education. He particularly appreciated the unique needs of the universities in the District of Columbia and was a constant advocate of legislation designed to support the education system in the most effective manner possible.

Mr. O'Hara was a public servant in the truest and best sense of the word. There are inummerable people in this country who have benefited from the policies affected by Mr. O'Hara. How many people received food or housing or the learning necessary to provide for a family?

As in the parable of the Sheep and Goats, Jim may ask the Lord when did he feed, clothe or provide for the Lord. And He will answer, when you did it to the least of these you did it to me. Enter into the Kingdom prepared for you from the beginning of time.

It was an honor knowing Jim and we hope his vision is never forgotten.

Peace,

T. BYRON COLLINS, S.J.,
WILLIAM L. GEORGE, S.J.

CONSORTIUM ON FINANCING HIGHER EDUCATION,
Cambridge, MA, March 31, 1989.

MRS. SUSAN P. O'HARA,
Alexandria, VA.

DEAR MRS. O'HARA: Back in 1975, when our fledgling organization consisted of two professional staff (of which I was one), one secretary, a typewriter, and an empty filing cabinet, we came to Washington for the first time to present to Congress a new plan to revamp the federal student aid programs. Among the higher education groups we were, as Tom Wolanin described us in his book *Congress and the Colleges*, "the new kid on the block," and we weren't very sophisticated about the ins and outs of Washington and the political process. Your late husband was, of course, the venerable chairman of the Postsecondary Education Committee. Jim Harrison was staff director and the late Bill Gaul was counsel to the full committee.

Those years were challenging times and terrific fun for all of us, but Jim O'Hara stands out in my memory as someone larger than the process itself. I shall always recall his sense of fairness and decency and his willingness to listen to our point of view.

Just last week I was attending a Congressionally sponsored symposium on an issue that goes back to when your late husband was committee chairman: the possibility of colleges and universities being given permission (again) to lend directly to students under the Guaranteed Student Loan Program, and I was reminded of a quip your husband made at a hearing many years ago that still makes me smile.

He said he knew of a guy in Washington (or maybe it was Michigan) who owned a pizza joint, and on the wall he had hung a sign that said: "If you want us to cash your check, then go ask the bank to deliver your pizza." Jim used this colorful image to illuminate the point that colleges and universities should stick to teaching while banks should do the lending. I shall always remember that story and the way in which it personifies Jim's ability to cut through the complexities of the issue at hand and make his point with a sense of humor.

All of us who knew Jim were saddened to hear of his untimely passing but for generations of young people his good works will

continue on. I, for one, will always remember him for his wisdom, good humor, and grace under pressure as watchdog for the students of this country.

Sincerely,

THEODORE L. BRACKEN,
Director of Federal Relations.

WASHINGTON, DC, *March 31, 1989.*

Mrs. SUSAN O'HARA,
Alexandria, VA.

DEAR MRS. O'HARA: I write to extend condolences to you and your family on Jim's passing.

I came to know Jim during the years I worked across from him on the other side of the table—as a minority staffer for the Senate Education Subcommittee. The senior Senators on that subcommittee to whom I was responsible are now all gone—Jack Javits (my immediate boss), Win Prouty, Peter Dominick. However, I think I can speak for them—and myself—in attesting to the high regard in which Jim was held and the appreciation for his integrity, intelligence and steadiness of purpose. Your loss is shared.

With warm regard,

Sincerely,

ROY H. MILLENSON.

NATIONAL ASSOCIATION OF STUDENT FINANCIAL AID ADMINISTRATORS,
Washington, DC, April 2, 1989.

Mrs. SUSAN O'HARA,
Alexandria, VA.

DEAR MRS. O'HARA: William Ellery Channing once wrote "the greatest man is he who chooses the right with invincible resolution; who resists the sorest temptation from within and without; who bears the heaviest burdens cheerfully; who is calmest in storms, and most fearless under menace and frowns; and whose reliance on truth, on virtue, and on God is most unfaltering."

Your late husband, James G. O'Hara was truly such a man. Throughout his public service career, he devoted himself to working for the betterment of others. He unselfishly championed many legislative initiatives which have helped millions of Americans to obtain a better education, and to become productive citizens in our society. He toiled unrelentingly to improve conditions and standards for the working men and women in our nation, and he helped to foster better understanding and cooperation between the United States and the International Labor Organization.

His unfaltering belief in fairness and equal opportunity helped advance the Civil Rights Act of 1964, the Educational Amendments of 1976, and the recommendations brought forth from the Federal Mimimum Wage Study Commission in 1981. But most important were his personal qualities of concern, caring, and compassion for others. He always took time to listen and to help the underrepresented to gain a chair at the table.

As a newcomer to Washington in 1975, he patiently led me through my first reauthorization and quietly taught me the process. He became a friend and a confidant, and for that I will always be grateful. Similarly, the members of the National Association of Student Financial Aid Administrators and the students they served will forever be indebted to him for his untiring support for the federal student assistance programs. Indeed, Jim's leadership, wisdom, and honor will sorely be missed by all of us, but his greatness will live on for generations to come because of his many accomplishments on behalf of others.

Our sincerest expession of sympathy to you and your family, and our heartfelt thanks for your support of Jim's efforts on our behalf.

With Deepest Sympathy,

DALLAS MARTIN,
President.

REMARKS OF ROBERT TAFT, JR.

I had the pleasure of serving with Jim O'Hara on the House Education and Labor Committee for two years when I first came to the House. While we often lined up differently on particular issues, he became a good friend, continued to be one after I moved to the Senate, and even more so after we had each left the Congress but continued to work together on legislation. His quick perception and ready wit made it a pleasure to work with him. I particularly enjoyed our meetings in House-Senate legislative conferences on manpower training legislation. Jim always had the well being of working Americans very much at heart. He served the Nation and his district with honor and distinction.

REMARKS OF PHILIP E. RUPPE

Mr. Speaker, I would like to take this occasion to express the affection and esteem my wife Loret and I held for our friend and colleague Jim O'Hara. We were shocked and saddened by his death, knowing that he will be missed by literally thousands of Michigan citizens whom he served so ably.

I first met Jim when I entered the 90th Congress and remember him as an articulate, dedicated member of the Committee on Education and Labor. No member of Congress was more committed to improving the health, safety and financial well being of working Americans. As a Michigan representative, he understood the importance of our state's auto industry and was invariably a leader in our delegation when it came to advocating legislation and regulation that was critical to that industry.

Jim was a strong, partisan Democrat but that made political dialogue with him more fun and a real challenge. Jim was an articular speaker, who knew the facts and for me and others on our side of the aisle, it meant we had to bone up on the issues, sharpen our debating skills and really get to work. In debate, Jim was always formidable but at the same time he was gracious, he was always ready with a touch of humor to lighten the debate and it was a real pleasure to exchange ideas with him.

I had occasion to visit with Jim on number of occasions since his retirement from Congress. Jim mentioned how much he had enjoyed the Congress and his associations there but he invariably expressed pleasure with the new friends and the new relationships he had developed in private practice. Above all he was delighted to have more time to spend with his wonderful family who had been central to his life throughout his entire career.

REMARKS OF PATSY T. MINK, FORMER MEMBER OF CONGRESS

I am deeply saddened to learn of the death of our former colleague James G. O'Hara of Michigan.

It was my honor and pleasure to have served with him during my tenure in the United States House of Representatives. For 12 years we were colleagues in the House Committee on Education and Labor where Jim amassed a record of significant achievements. Jim distinguished himself as Chair of the Special Subcommittee on Education and of the Postsecondary Education Subcommittee. His leadership in areas of manpower training and vocational education is still recognized as important contributions to our Nation's efforts to meet the demands of technology.

He was considered the Committee's expert on labor and helped forge many of the most progressive labor legislation with a relentless tenacity and commitment to the cause of working people. If there was a single champion of the philosophy of labor and the spirit of collective bargaining it was Jim O'Hara. He was their protector.

I served with Jim on House Committee on Interior and Insular Affairs as well. He gave great strength to efforts to save our Nation's precious resources and to extend support to the territories and to Native Americans. I shall always remember his support of the people in the Pacific especially the Trust Territory of the Pacific Islands.

In 1973 we were both elected by the whole House to represent the Committee on Education and Labor on the newly created House Budget Committee, the first attempt on the part of the House to exert control over the committees authorization process and to establish clear priorities in spending.

Jim gained a reputation for his special skills in legislative procedure and because of this mastery was selected to serve as Chair of the Rules Reform Commission of the Democratic Party after the tumultuous 1968 Democratic National Convention. I served on that commission as well and can give testimony to his dedication. As Chair of this commission Jim gave his greatest service to the Democratic Party. His efforts helped immensely to heal and bind the deeply divided elements of the Democratic Party. His insights and understanding of the implications of change and the need for reform were key to the successful outcome of his commission recommendations.

Jim was admired and respected by all who had the privilege of working with him. He was a tutor and friend to new members who were quick to appreciate that Jim O'Hara was a special kind of person. He loved the House of Representatives as an institution and he worked to preserve its place as an instrument of service to the people of America. And he transmitted that spirit to all who served with him.

UNITED FOOD AND COMMERCIAL WORKERS INTERNATIONAL UNION,
Washington, DC, April 14, 1989.

Hon. WILLIAM D. FORD,
Hon. JOHN D. DINGELL,
House of Representatives, Washington, DC.

DEAR BILL AND JOHN: I feel honored in your allowing me to participate in your special order commemorating the great works of Jim O'Hara.

I worked closely with Jim for many years on legislation affecting workers and other people of moderate economic means. Jim not only was a giant among legislators in wanting to help these men and women, but he was also great in his ability to accomplish this great goal. Jim's knowledge of the House rules and House procedures was legendary. He brought many campaigns to victory that seemed otherwise doomed.

Jim O'Hara's service on the House Education and Labor Committee was extremely important to the working men and women of this country. No piece of legislation affecting workers passed during his terms of office without his strong support. Millions

of American workers and their families, who have never heard Jim's name, today benefit from his hard work, dedication and wisdom.

I am proud to have been able to work with Jim. I glory in the fact that he was a friend of mine. Like you, I miss him.

Best regards.

Sincerely yours,

ARNOLD MAYER,
International Vice President, Director, Public Affairs Department.

ROCKVILLE, MD, *April* 20, 1989.

Mrs. JAMES O'HARA,
Cannon House Office Building, Washington, DC.

DEAR SUE: It was my great pleasure to meet and work with Jim during the 88th and 89th Congresses.

I naturally gravitated toward this man who shared my views and represented the same type of suburban community as I.

We worked together on many projects where I marvelled at his leadership ability and detailed knowledge of the House Rules.

I join with all who honor him for his years of public service and share with you the loss of his continued presence with us.

Very sincerely,

CARLTON R. SICKLES.

U.S. COURT OF APPEALS
FOR THE SIXTH CIRCUIT,
Cincinnati, OH, April 13, 1989.

Hon. JOHN D. DINGELL,
Hon. WILLIAM D. FORD,
House of Representatives, Washington, DC.

DEAR JOHN AND BILL: I am happy to join in paying tribute to our mutual friend, Jim O'Hara. Peg and I remember him as one of the most progressive and effective congressmen in our lifetime.

We extend our sympathy to Sue.

Very sincerely,

GEORGE EDWARDS.

LANSING, MI,
April 20, 1989.

Hon. JOHN DINGELL,
House of Representatives,
Washington, DC.

DEAR JOHN: Please find below my statement in regard to Jim O'Hara. I hope this is sufficient for your needs. Should you need anything further, please do not hesitate to call me.

Thank you for including me.

"Jim O'Hara was a man for all people. Compassion, humility and great humor were his trademarks. Michigan has lost a great son—I have lost a great friend."

PATTI KNOX,
Michigan Liquor Control Commission.

STATEMENT BY FORMER REPRESENTATIVE JAMES R. JONES OF OKLAHOMA

It is truly a sad occasion to commemorate the passing of Jim O'Hara because Jim possessed so much vigor and zest for life and politics that it is hard to believe he is still not with us.

Jim O'Hara was one of those select few who serve in Congress who is respected for his intellect and integrity by Members on both sides of the political aisle. When Jim O'Hara spoke on an issue, his colleagues listened. His words often changed minds because his colleagues knew that he had done his homework well.

There is no one who served in the House of Representatives in the post-World War II era who fought harder or more effectively for working people in this country than Jim O'Hara. I remember well when I was in the White House in the Johnson Administration how tenaciously Jim O'Hara battled for workers rights and how courageously he fought for those most vulnerable in our society—the children and elderly. Jim O'Hara was clearly one of the most important people in the success of the Great Society.

I had the privilege of knowing Jim both as a fellow member of the House of Representatives and in the private practice of law. In both capacities, he was a very tough competitor on behalf of his constituents or clients, but he was also always fair and honorable.

All of us who have had the pleasure of working with and knowing Jim O'Hara are the better for it. He touched our lives in a very special way and we shall miss him deeply. Olivia and I extend our sympathies to Sue and all of Jim's family.

TRIBUTE TO JAMES O'HARA FROM FORMER REP. MARIO BIAGGI

I wish to join in paying tribute to a dear friend, a leading legislator and a great American Jim O'Hara. I had the good fortune of having served with Jim on the Education and Labor Committee and more specifically on the Post Secondary Education Subcommittee. Jim O'Hara through his subcommittee chairmanship produced some of the most important legislation ever on behalf of higher education. The hallmark of the legislation that Jim O'Hara was responsible for was its strong commitment to expanding the opportunity for a higher education to those previously denied. Jim O'Hara did not want higher education to be a luxury reserved for the rich and his leadership helped to open the doors to millions of students to lead a better life.

This distinguished gentleman from Michigan was a genuine pleasure to have known and worked with. He was often a quiet man, but he did many powerfully good things for people. He often operated effectively behind the scenes—but there was little doubt that he was a major player in the final analysis in those areas of legislation where he specialized.

In the years after Jim O'Hara left the House he remained a familiar face in Washington. Many of us had the opportunity to see Jim and some like myself still sought his counsel on subsequent higher education amendments. Jim was always accessible both as a subcommittee chairman and later as an attorney. Yet what I will best remember about Jim was the leadership he provided to education and the guidance and wisdom he shared with those of us who served on his subcommittee. Jim O'Hara was a man of class, dignity and unusual effectiveness. He will be missed. I commend my good friend the gentleman from Michigan Bill Ford for allowing us the opportunity to pay tribute to Jim O'Hara.

STATE OF MICHIGAN,
DEPARTMENT OF EDUCATION,
Lansing, MI, May 3, 1989.

Hon. WILLIAM D. FORD,
Member of Congress, Cannon House Office Building, Washington, DC.

DEAR CONGRESSMAN FORD: The State of Michigan and the education community in particular mourn the passing of former Congressman James G. O'Hara. His caring and committed dedication to the students of Michigan—from HeadStart programs through postgraduate studies—was unmatched.

I was honored to know Jim O'Hara as a neighbor in our hometown of Utica, a tireless campaigner for just causes, a loyal friend, and a committed leader. Twelfth Congressional District constituents felt comfort and pride in knowing that their Congressman knew the House rules perhaps better than any other sitting Member of his time, and used them to benefit people and issues often neglected by deliberative bodies.

His support of federal aid to education was unflinching, even though his suburban district during the early years of Title I and other federal K-12 initiatives was not a significant beneficiary. And his support for education also translated down to the local level where he never failed to support a millage campaign. The school lunch and student financial aid programs also benefited greatly by his diligence. He patiently taught many of his local community and school officials the "ins and outs" of national politics and federal social programs, leaving as a legacy a cadre of outstanding leaders unparalleled throughout Michigan.

The Jim O'Haras cross our paths all too infrequently. I recall our times together and joint efforts with great fondness and respect. The Nation and Michigan have lost an invaluble resource.

I appreciate the opportunity to share my thoughts with you and Congressman O'Hara's family and former colleagues.

Sincerely,

DONALD L. BEMIS.

REMARKS OF FORMER CONGRESSMAN PHIL M. LANDRUM OF GEORGIA

Jim O'Hara was the epitome of calm competence always prepared to present his view of issues without rancor, with dignity and thoroughness that demanded respect. I was more often, than not, on opposite sides to him on legislative views about Education and Labor, but nevertheless developed a warm personal friendship and respect for him and his professional achievements.

Jim was just a good man who served his constituents with distinction and all who knew him admired him.

STATEMENT OF THE HONORABLE LEON F. PANETTA

I am pleased to join with my colleagues to pay tribute to Jim O'Hara the distinguished gentleman who represented Macomb County, MI from 1959 until 1977. While my tenure in Congress did not overlap with Jim's, many of his accomplishments remain a part of the House today. His keen knowledge of the nuts and bolts of legislating led to great strides in the legislative process. In addition, his attention to the needs and concerns of labor resulted in passage of a number of important laws including, the Manpower Development Training Act, the McNamara-O'Hara Service Contract Act, the Higher Education Act, the Elementary and Secondary Education Act and the Occupational Safety and Health Act.

One of Jim's proudest moments most surely was his appointment to the post of Parliamentarian for the 1972 Democratic National Convention and his continued involvement in following conventions. This honor was a tribute to his unsurpassed understanding of parliamentary proceedings and his dedication to the ideals of the Democratic Party.

After leaving Congress, Jim made his home in Washington and continued his involvement in the fast-paced world of politics and government. A champion of education and employment opportunities, Jim never

lost his zeal for promoting programs to help people help themselves. This is legacy that he leaves us in Congress.

I am especially affected by Jim's involvement in the creation of the Budget Committee. At its inception the Budget Committee was a source of some controversy. Jim fought to allow this body to remain as independent as possible. It is partly through his contributions that we have a system today that I believe serves the purpose that was intended by Jim O'Hara and his colleagues and in turn serves the institution.

While we are certainly saddened by Jim's death, we can find solace in the lasting contributions that he made to the institution of Congress and to the Democratic Party. His dedication to helping the poor and less fortunate should stand as a reminder to all of us of our responsibilities as lawmakers. I wish to express my deepest sympathies to Jim's widow and his children and grandchildren. You can all be proud of the accomplishments and contributions of Jim O'Hara.

REMARKS BY CONGRESSMAN DENNIS M. HERTEL

Mr. Speaker, Congress has set aside today to memorialize a colleague and friend whose impact as a Member of the U.S. House of Representatives has affected our entire Nation. As a pioneer in the field of civil rights, an advocate of the rights of working men and women and a fighter for the health and safety of our workforce, Jim has made a significant contribution to the quality of life of all Americans.

Jim O'Hara was elected to Congress in 1958 at the age of 32 by a margin of five votes. After three recounts in a 3 month period it was conceded that he won the election to represent Michigan's 12th Congressional District. He was the first Democrat to win that seat since 1895. He served with honor and distinction for 18 years.

His keen knowledge of the law won him the title of Mr. Parliamentarian and for many years served in that capacity at the Democratic National Conventions, Democratic caucuses and wherever there was a need for interpreting Robert's rules of Order.

Jim served his constituents with dedication and concern and was particularly devoted to the youth of our Nation. He fought vigorously to include them under the minimum wage law. His efforts to promote higher education opportunities for young people was abiding and intense. He always found time to coach and counsel hundreds of young people to whom he became an important father image.

In honoring Jim O'Hara today, we pay our respects to a man of great integrity, compassion, and distinction. Those of us who knew him well, enjoyed his wit and humor. We feel that we benefitted from his wisdom, knowledge and friendship and we feel fortunate to have known him. Jim is a man of good will who worked hard to improve the quality of life for the less fortunate.

Today, as I join his many friends and colleagues in honoring his memory, I know we are better men and women because of the example he set for us.

GROSSMONT COLLEGE,
El Cajon, CA, April 28, 1989.

Congressman WILLIAM FORD,
House of Representatives, Washington, DC.

Why does James G. O'Hara's passing touch us so, and why do we grieve so deeply? Because he was more than a legislator who cared about equality and equal opportunity for all and the problems of working people. The embodiment of wisdom and excellence, he was a model of what a life well lived can be, and we grieve his untimely passing.

As a legislator and as a lawyer, he was infinitely kind and encouraging of our best efforts. His great charm and humor created bridges of understanding among diverse groups.

This country is a fairer and kinder place, and an infinite number of Americans have better lives because James G. O'Hara lived and worked here. He lives on in the thousands of lives he touched like a pebble falling into still waters.

MILDRED S. MCAULEY,
Past President, National Association of Student Financial Aid Administrators.

THE CALIFORNIA STATE UNIVERSITY,
April 27, 1989.

Mrs. SUSAN P. O'HARA,
Arlington, VA.

DEAR MRS. O'HARA: The California State University was fortunate in being able to retain the services of Mr. James G. O'Hara, Esq., of Patton, Boggs & Blow in 1984 and 1985 to serve as an advocate on our behalf in Washington, D.C. Frankly, we could not have had any better representation. Mr. O'Hara possessed a deep personal commitment to the ideals of American higher education. He strove to insure that Thomas Jefferson's belief in education was a viable option for all residents of this Nation without respect to economic or social standing. The Founding Fathers would be proud to witness the enthusiasm and zeal brought to bear by this gentle man from Michigan.

As a special consultant for the California State University, Mr. James O'Hara negotiated a superb breakthrough in the Pell Grant formulae. Without his intervention and without his close rapport with members of Congress, such as Bill Ford, Bill Natcher and Paul Simon, I know that Reauthorization of the Higher Education Act would have been a treacherous challenge. Thousands of young people are benefiting and more will benefit from the skillful work that Jim did on our behalf. His knowledge of the complex sea of issues, his insight into Congressional processes and his understanding of the concerns of higher education, especially public higher education, were only exceeded by his passion for fairness. Although Mr. O'Hara was retained by The California State University, his real client was the student whose economic, social, and educational background was disadvantaged. As a former member of Congress, he continued to be an advocate for the advancement of the United States through an educated populace.

The result of his work in functioning as a consultant for The California State University was a boost for all of higher education. Indeed, Sheldon Steinbach of the American Council for Education, Allan Ostar of the American Association of State Colleges and Universities and Joe Murphy of the City University of New York told me on several occasions that the best thing that ever happened for higher education in years was our retaining Jim O'Hara. Having such acclamation from several quarters of the higher education community is a much-deserved compliment.

It was an honor to be associated with a man driven by high ideals for our pluralistic democracy. An excerpt from the writings of Thomas Jefferson captures the essence of the belief held and practiced by James G. O'Hara:

"Enlighten the people generally and tyranny and oppressions of both mind and body will vanish like evil spirits at the dawn of day."

In contemporary times, President Lyndon B. Johnson continued to stress the importance of education in American life:

"At the desk where I sit, I have learned one great truth. The answer to all our national problems—the answer for all the problems of the world—comes down to a single word. That word is 'education'."

The actions of Jim O'Hara moves us many steps closer toward the sentiments expressed by our national leadership since the founding of this Nation. For this, the higher education community is most grateful. I am convinced that the visions held by President John F. Kennedy and President Lyndon Johnson were one and the same as the vision of Congressman James G. O'Hara. His role in achieving legislation which was supportive of their policy goals cannot be overlooked.

Even though the formal consultancy ended in 1985, the friendship with Jim O'Hara continued. Mr. James G. O'Hara glows in my memory as a fine gentleman who strove for fairness and full educational opportunity. I admired him enormously and shall miss his optimism.

Respectfully,

W. ANN REYNOLDS,
Chancellor.

Mr. FORD of Michigan. Mr. Speaker, I yield to the gentleman from Kansas [Mr. ROBERTS].

□ 1620

Mr. ROBERTS. I thank the gentleman for yielding.

Mr. Speaker, it is a privilege and an honor to join my colleagues in this special order in behalf of our mutual friend and colleague, Jim O'Hara. I thank my colleagues from Michigan for reserving this most appropriate time and for providing this House with his biography if you will.

Mr. Speaker, I only wish all of the Members of this House could have joined those of us who attended the services for Jim, held at the St. Louis Catholic Church in Alexandria, only blocks away from the O'Hara home. As the Reverend John Elliott pointed out, family, friends, colleagues, all present, celebrated Jim's life, his contributions and achievements on St. Patrick's Day. St. Patrick's Day no less for an Irishman named O'Hara. And, it was a beautiful day and service tempered by our sense of personal loss and sharing that loss with Susan and the O'Hara family.

Jim's longtime friend and colleague Frank Thompson and his law firm partner Thomas Boggs gave special and comforting eulogies. Both men reflected on Jim's many accomplishments and honors but it was Jim the man that they highlighted and he was in our hearts—his smile, that twinkle and spark in his eyes, sense of humor, love of family, life at its fullest, and yes a bit of politics thrown in. As a

matter of fact, partisan politics for Jim was a fierce partisan in the finest sense of the word, always for the underdog.

I did not serve with Jim in this House. And, I must admit after listening to the many legislative initiatives this man championed so effectively, doubtlessly I may have voted to recommit many of the banners he waved so proudly but that is not the point. You see, Jim O'Hara and I were neighbors for over 15 years. And, it is the special beauty of this body, this House, this public service that we were good friends despite the so-called aisle that separated us by party.

Jim was on the sidelines sending in plays as a most effective lobbyist by the time I ran for Congress in 1980. But, one of the first contributions to this so-called conservative Republican from Kansas came from Jim. Come to think of it, this news might still be classified as top secret by the O'Hara family, but Jim told me, "Pat, you know the Republican Party sure needs a few good men in its ranks and you are one of the few that I know." Ah, that sense of humor.

And, I remember the time we were crossing the Wilson Bridge on the way to work—separate cars. I looked over to discover Jim shaking his finger at me, and shouting something, red faced, upset. I found out soon enough. I had just bought a new foreign automobile and that sure didn't set well with the man from Michigan who has had at least 50 Chrysler products parked in front of his home during the past decade—all with "Michigan Blue" bumper stickers.

My colleague, Mr. FROST, tells us that good fences make good neighbors. No. Not so. Not so with all of the friends who are privileged to call the O'Hara neighbors. Mary and Bridgette who were babysitters with the wild and woolly Roberts bunch. New found respect to young Neal O'Hara, at least I think it was Neal, who gave this aging basketball player a bloody nose on the local playground. Special love and thanks to Susan, what a dear woman, whose home and yard are the pride and talk of Hollin Hills. Susan even taught Mrs. Roberts patience when it comes to trees, flowers, and shrubs, and working with God's creation.

Mr. Speaker, we have indeed lost a friend, a colleague, and in the case of the Roberts family, a good neighbor but as we heard in Jim's service, "We shall be with the Lord unceasingly" and Jim is there. We also heard, "The Lord is my shepherd, there is nothing I shall want," and in my humble opinion, Jim O'Hara did not want for anything.

As a final commendation following Jim's service, a dixieland band played "Nearer by God to Thee" and "When the Saints Go Marching In" bringing both smiles and tears and joy and sorrow. It was Jim's request, fitting his unique character and love of life. And, later at the O'Hara home well into the warm and special St. Patrick's Day afternoon, with friends, family, and the band played on—as will Jim's memory in our hearts and minds.

Mr. FORD of Michigan. Mr. Speaker, I yield to the gentlewoman from Louisiana [Mrs. BOGGS].

Mrs. BOGGS. I thank the gentleman for yielding.

Mr. Speaker, I am very grateful to the gentlemen from Michigan [Mr. DINGELL] and [Mr. FORD] for the opportunity to pay tribute to the life and accomplishments of Jim O'Hara, a true son of this House, as you have heard, who revered its history, mastered its rules, and enjoyed its spirit and the actuality of its camaraderie and friendship.

Mr. Speaker, I was privileged to know Jim as my husband Hale's colleague, as my own colleague and as my son's law partner.

Mr. Speaker, when I read Tom's eulogy that the gentleman from Kansas [Mr. ROBERTS] just referred to, delivered at Jim's funeral service, I was struck by the fact that my son was influenced by many of the qualities in Jim's beautiful character that Jim had found inspiring in Hale's character.

To illustrate, Mr. Speaker, I read excerpts now from Jim's remarks at the special ceremony in Hale's memory, and excerpts from Tom's eulogy of Jim at this funeral.

Mr. Speaker, Mr. O'Hara said:

Life seems filled these days with senseless tragedy, and I count the untimely death of Hale Boggs as one such tragedy. To pass from this life after we have completed our earthly mission is one thing. To have lived life to its full, and to have served to the extent of our capacities over a long period of years robs death of some of its bitterness. But to be struck down in the prime, as Hale Boggs was—while there were still challenges to be met and mastered, and while there were new directions into which he could have led our party and our Government—this, Mr. Speaker, makes the loss so tragic.

Hale Boggs was a great Democrat, a man who served his party with distinction. He was an outstanding Member of the House of Representatives, and he served this body with equal distinction as a Member and as the majority leader. Forceful, articulate, courageous, Hale Boggs brought to the House a dedication to the process of government that these challenging times demand.

Most of all, Mr. Speaker, Hale Boggs was my friend. There is special comradeship which we share in this body—a comradeship born of the knowledge that we serve the Republic in the same way that our forebearers have served in this body for nearly two centuries. All of us value that shared experience. But with Hale Boggs, my relationship was closer than that. It was a friendship which I valued; and it is as a friend, as well as a distinguished leader, that Hale Boggs will be missed by this Member.

And then, Mr. Speaker, I would like to quote from Tom's eulogy of Jim:

I first met Jim in the mid-1960's—a time when this country was divided by prejudice and hatred—a time when Congress was center stage—the trilogy of public accommodations, voting rights, and open housing were the scripts. My heroes were legislators who, in spite of great political risk and personal ridicule, led this country toward racial peace. Jim O'Hara quietly, effectively, and unassumedly was one of those leaders.

In the early 1970's, shortly after the Nixon election, I served on a four-member drafting subcommittee of the Democratic Charter Commission with Jim and learned one of the most valuable lessons of my life. Jim taught me that although policy and procedure are different, if you master the rules, you master the game. No one knew the rules better than Jim, and no one but Jim could teach the importance of the rules.

When Jim joined the firm in 1977, many of my partners were skeptical that politician could become lawyer. Could a committee chairman with a large staff become a daily practitioner? Could the sought after become the seeker? The doubt did not last long. Soon the firm became billed as "the influential lawyer/lobby firm" of Patton, Boggs & Blow. The press gave me undue credit. The pros hired us because of Jim's expertise. The effective legislator became the effective legislative strategist. No one in Washington could give better advice on whether a goal could be accomplished and, if so, how.

□ 1630

Jim was a man of many talents: intelligence, persistence, persuasiveness, a strong sports enthusiast and a sports participant, golf and sailing, a man of wit. Jim O'Hara was a leader and a teacher. Jim loved his country, his Democratic Party, his partners, associates and staff, his labor buddies, his former colleagues, and they loved him.

I can assure his wife, Susan, that this Member was one of these, but Tom finished by saying most of all, Jim loved his family. There was not a day that went by when one of the family had not dropped by the office, or when Jim was not talking about them, and Susan and all of the children, I do indeed join in those remarks. He did love his family so much, and I know that that love surrounds all family members now and will be with each member all the days of their life.

Tom concluded by saying, "We are all going to miss him. Jim O'Hara was a class act."

Mr. FORD of Michigan. Mr. Speaker, I yield such time as he may consume to the gentleman from Michigan [Mr. DINGELL].

Mr. DINGELL. Mr. Speaker, I thank the gentleman for yielding time to me and commend my dear friend and colleague, the gentleman from Michigan [Mr. FORD] for his well-stated remarks and for his hard work in making possible this special order for our dear and beloved deceased former colleague, Jim O'Hara.

It is important for all Members who served with Jim to recognize not only his great efforts here in Congress but

also his distinguished service and his accomplishments on behalf of so many things that are important.

It is with great sorrow that I extend the condolences of my wife, Deborah, and I to his dear wife, Susan, and his family who are here today.

There are many things that could be said and will be said about Jim O'Hara. He was visionary. He knew what the country needed and did what he could to bring it about. He sought to help people and bring about good, and he did so with great vigor and effectiveness.

One of the things that I recall most particularly about Jim O'Hara was the unique character that he had, the extraordinary courage that he showed and his love and his affection for his friends.

One of the issues that divides this bed from time to time is the subject of redistricting. On one occasion, as my colleague, the gentleman from Michigan [Mr. FORD] will recall, the threat was made that a certain individual was going to divide Mr. O'Hara's district into two parts, one of which would be a part for that individual, who served at that time in the legislature in the State of Michigan, where he had considerable influence. Mr. O'Hara advised him that he could go right ahead and do that because the effort was to divide the district, served so well by Jim O'Hara, into two. This would create a district for this particular individual and gerrymandering out another for the dear and beloved former colleague of ours, Mr. Lucien Nedzi. Again, Jim O'Hara told the individual in question, "Go ahead, you divide the district into two any way you choose, you file in one, and you will be running against me, not against Lucien Nedzi." As the story goes, Jim O'Hara, BILL FORD and I, and all the others who served thereafter, for many years, worked together in great friendship and harmony.

I served with Jim for his entire 18 years in the House, where he served Michiganians from Macomb and the surrounding counties in Michigan's 12th District. Jim was not only a superb legislator and colleague, but also a good friend. Needless to say, like all his legion of friends, I was deeply saddened to hear of his death. Michigan and this Nation has lost a great public servant and a decent and caring individual.

Two things come to mind when I think about my time in Congress with Jim O'Hara: his love and care for all people and his tenacious skill as a legislator.

Jim virtually dedicated his life to the fair and equitable treatment of his fellow man. This is particularly evident in the legislation he supported throughout his career in Congress. Jim was one of the great advocates of President Johnson's Great Society Programs including the monumental Civil Rights Act of 1964. In fact, he worked with the Justice Department and actually drafted portions of the Civil Rights Act of 1964. He also created the Manpower Retraining Act of 1962, which helped displaced workers stave off unemployment and receive the necessary training to start again. As my colleague, Mr. FORD, mentioned in his comments, Jim enabled workers to receive fair wages through the O'Hara-McNamara act, which prohibited government contractors from paying less than the prevailing wages in contracts for services. He also vigorously supported the Voting Rights Act, student work-study programs, and equitable increases in the minimum wage.

Upon his arrival to Congress, Jim O'Hara was elected to the Democratic Study Group, where he developed an acute sense for parliamentary procedure and gradually earned the reputation as an expert in the use of House rules. Many times Jim, while serving on the Education and Labor Committee, used his expertise to push initiatives on the House floor concerning important labor and education legislation. Jim also was the driving force behind the 21-day rule, which prevented the Rules Committee from stalling legislation for more than a 3-week period.

When Jim was elected chairman of the Democratic Study Group in the late sixties, he successfully rekindled the Democratic Caucus; Understanding the caucus could be used as a vehicle for reform in the House. His keen insight of the future implications of these reforms lead to several necessary changes in the House rules, which today are regarded as accepted practice of the House. The caucus used Jim's designs to reshape the seniority system in the House. Jim also used his parliamentary skill to alter the practice of closed committee markups and opened them for unrestricted public viewing. He also modified a ruling in the Committee of the Whole to require recorded votes.

Through all these reforms and legislative initiatives, Jim O'Hara never lost sight of the needs and concerns of his fellow man. I will always remember Jim for his dedication and perseverance for progressive reform and his deep commitment to equality for all. We all stand to learn from this important legacy that James G. O'Hara has left us.

Mr. Speaker, the memory of Jim will long be with me and is one which all Members hold very dear. He is one of the great public servants and a decent and caring human being, whose character is exemplified in the great love and affection and warm relationship that he had with his family, with whom he held such a close and a dear relationship. He is a man that I had occasion to know, to respect and love for many years. His memory will always be green in my heart and I believe in the hearts of all who loved him.

Mr. FORD of Michigan. Mr. Speaker, I yield to the gentleman from Michigan [Mr. LEVIN].

Mr. LEVIN of Michigan. Mr. Speaker, there is no greater tribute to a departed colleague than the expression that I might describe it as it is, all of his former colleagues, and we have seen some of that already today, and there is so much more.

I have always been struck by the fierce affection and loyalty of Jim's colleagues toward him, and I think it was for a variety of reasons, friendship, and also because Jim was considered a model legislator. He was concerned. He was compassionate. He was collegial, and he had the highest integrity. What more could one ask of a legislator? He cared about the process, and I think I met Jim when he was working on the Committee on Rules within the Democratic Party. He also cared about policy, and so many legislative achievements that came out of this House bear the imprint of Jim O'Hara—Medicare and Medicaid and clean air and clean water. He cared about his community, the community he represented, and he also cared so much about the country.

I remember so well in the 1968 Presidential campaign, the intensity of Jim O'Hara. I was the State chair at the time. I was quietly supporting a different candidate than Jim O'Hara. He, no matter how intense he was, always combined it with decency. I think one of the great losses of the loss of Hubert Humphrey in the 1968 Presidential campaign was that it snuffed out an even larger opportunity for Jim O'Hara to serve this Nation. There were so many people who were involved with that campaign. There was no one who bore a greater load of the work and of the effort in the dream than Jim O'Hara. I had a chance afterward in that campaign to work with Jim and other Members of this House. I also, in recent times, worked with Jim on the election of a new chair at the National Committee, and I can remember Jim talking to me on the telephone, more in a whisper than in a full voice, but the intensity, the dedication, the commitment were there as if he had full voice.

The Detroit Free Press editorialized about Jim O'Hara, and I would like to read just a bit of that. This was the editorial of March 16, 1989:

Jim O'Hara viewed politics as a high calling, and he governs his life in Congress accordingly. As a member of the U.S. House of Representatives for 18 years, Representative O'Hara played a vital role in many of the key environmental and social programs enacted during the 1960s. His strangely detached 1976 Senate campaign tended to obscure, rather than to embellish, his solid record of achievement in the House. He was a patient, methodological legislator of genuine substance. Jim O'Hara was a successful legislator because he was a man of principle and yet a man who knew how to compromise to achieve an important result. He listened to people; he had a strong talent for pulling ideas and people together.

And I close with this excerpt from the editorial because it rings so true.

The U.S. House of Representatives, we keep being told these days, is not an attractive or rewarding place in which to carve out a long career as it once was. That is a shame. Jim O'Hara's service to his country and to his State is a reminder of what a contribution a good legislator can make. Jim O'Hara has been out of the public eye and out of the State for a dozen years, but his

service deserves to be remembered and celebrated now in his death.

So Susan and the seven kids, they were kids to Jim always.

Indeed, his service deserves to be remembered and indeed celebrated, and we join together in saying to Jim that he is remembered and saying to Jim and his family, "Jim, you indeed, your life is celebrated."

□ 1640

Mr. SMITH of Iowa. Mr. Speaker, will the gentleman yield?

Mr. FORD of Michigan. I yield to the gentleman from Iowa, who was sworn in on the same day as Jim O'Hara when they started their careers here.

Mr. SMITH of Iowa. Mr. Speaker, I thank the gentleman from Michigan [Mr. FORD] for yielding to me.

What the gentleman said is true. Jim O'Hara and I were sworn in to Congress on the same day in January, 1959. We later served on the education and labor committee for 2 years together.

Jim O'Hara was one of those Members who was important to this institution. This House is made up of 435 Members. It is like any other institution that would be composed of 435 members; some do a lot of work, and some are more visible than others. Jim was one of those who really accomplished a lot. His imprint is on a lot of education legislation. He knew the bills. He worked hard in subcommittees, and he rendered great service in that regard.

We also served together for several years on a caucus committee of rules to reform the rules of the caucus and of the House of Representatives. They were finally adopted in, I believe, 1973, and some of them, I think, were adopted in 1971.

Jim was a technican. He was good at helping to draft rules, and he was an excellent member of that 11-member rules committee. On those reforms that we hear so much about today, a lot of people think they only went into effect after Watergate, but that is not so; they were put into effect 2 years before that. They were implemented at a later time.

Jim O'Hara deserves all the accolades I have heard here today, and I do not need to repeat them. I will say that I certainly was saddened and shocked both when I heard that he was afflicted with a terminal illness. Jim was the kind of a good person that should have been permitted, it seems to me, if ever anyone was permitted, to live a fuller and a longer life than he was given.

Jim O'Hara made a contribution to this House, he made a contribution to his State and to his Nation, and I am sure that everybody would join in saying that our heart goes out to Jim O'Hara and his family.

Mr. CARR. Mr. Speaker, will the gentleman yield?

Mr. FORD of Michigan. I yield to the gentleman from Michigan.

Mr. CARR. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I rise in deepest sympathy at the passing of our good friend, Jim O'Hara. I want to extend warm sympathies to the family. They shared with us a man who was a giant.

When I was first elected in 1974 and had the privilege of serving with Jim in the House for only 2 years, I can recall, coming as a new Member from Michigan, that Jim O'Hara was a role model for us. He got me off to a good start, not only on the issues but, I think, principally by his example, by his integrity, by the manner in which he carried himself, and by the care and concern he had not only for the people he served but for the people he served with.

Although we only served together a short time, I really got to know Jim OHara well in his career as a distinguished Washington attorney. We worked together on a large number of issues, and I was impressed by the quality of Jim's mind. He clearly was one of the best strategic thinkers in the political sense that this House had had in recent times, and he used those talents as he served clients as a Washington attorney.

We became friends, and he was my friend. We played golf together. I began to learn the deeper Jim O'Hara, not just the one I had known when I was a freshman Member of Congress and he was my senior mentor. We shared private time together, and I can tell the Members that even though we did not know each all that long and did not serve together for a long time at all, I am going to miss Jim.

I can recall the very last phone conversation I had with him after his illness was determined but before he had gone to the hospital for the last time. He was full of vigor. He was a fighter. He was a fighter, whether it was for legislation or for his own life.

Mr. Speaker, I will always remember that conversation. I will always remember some of the things he said to me then, and I am going to miss Jim O'Hara for as long as I live.

Mr. Speaker, I rise today to join my colleagues in remembering one of the great Members of this Congress, a man I was privileged to know and honor to call a friend, the Honorable James G. O'Hara.

Jim O'Hara is best described as both a fighter and a leader. The former because he never gave up the fight. If he couldn't win the battle this time, he knew that he'd have another chance—or that he would find the time and place to make the opportunity happen. And he was a leader because he had the foresight to champion causes long before they became the hot item on the hit parade. He fought for them out of personal conviction and honest emotion. It wasn't the popular thing to do with Jim, it was the right thing to do.

The battles he led in Congress certainly knew no boundaries. They included civil rights, children's rights, women's rights, higher education, the environment and even air safety. But of all the changes in the way we do things that can be attributed to Jim O'Hara it is probably the changes that govern the way this institution operates that were most significant and far reaching. His reforms of procedure have made the House a more open, representative and honest institution.

So I suppose the best eulogy that can be given any person is that they made a difference. And Jim O'Hara certainly did that. He suffered a few defeats along the way, but each one hardened his resolve and made him a stronger and more determined individual.

I am honored to have known him. And it is an honor to be able to pay tribute to him in this institution which bears his mark as much as any other that came before him or will follow him.

Mr. STOKES. Mr. Speaker, will the gentleman yield?

Mr. FORD of Michigan. I yield to the gentleman from Ohio.

Mr. STOKES. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I want to commend the gentleman from Michigan [Mr. FORD] for taking this special order and permitting us an opportunity to speak on this special order on behalf of our deceased friend and colleague, Jim O'Hara.

Mr. Speaker, I recall meeting Jim O'Hara shortly after coming to the House in 1969. Jim at that time was Chairman of the Democratic Study Group, which is one of the first groups I joined upon coming to the House. I also came to know him immediately upon coming to the House because the first committee to which I was assigned was the Committee on Education and Labor on which Jim also served.

My association with him in both capacities not only gave me a chance to know him but also to work with him on many issues. I both respected and admired Jim O'Hara. He was dedicated to liberal causes. He was tenacious and aggressive on behalf of the protections and guarantees of the United States Constitution, and he was unfaltering in his fight for civil rights, equal educational and employment rights, and democratic reform of the House of Representatives.

More than that, Jim was an expert in the parliamentary procedures of the House. In those days many of the legislative battles on the floor in which we were engaged were often won due to Jim's skill at parliamentary maneuvers. In those days we spent a lot of time strategizing on legislation affecting funding programs for education, which is an area in which Jim always took a leadership role. Under his leadership millions of dollars were

often added to education programs through our coalition on funding for education.

Many Members of the House, Mr. Speaker, availed themselves of Jim's knowledge of the rules of the House, and he was always accommodating. As I look back over the last 20 years, Jim O'Hara stands out as the Member who not only knew the rules of the House better than any other Member but possessed the skill of utilizing those rules for legislative advantage.

He left an extraordinary record of legislative achievement in the House, some of it landmark legislation.

I recall that just before he left the House I had a long conversation with Jim at a time when he and I were discussing our children and their college educations. He was a very committed and very dedicated father. Last year I had occasion to hire a young man just out of law school as a legislative assistant. That young man turned out to be Jim O'Hara's youngest son, Neal O'Hara. I think it is a fitting tribute to the lasting memory of Jim O'Hara in the halls of Congress to know that his son is here continuing the dedication of his father to legislative achievement.

Neal O'Hara reminds me a great deal of his father, who left a legacy of excellence to his son as a legislator, lawyer, and lobbyist.

Mr. Speaker, those of us who served with Jim O'Hara will remember him with respect and admiration. He was a credit to the legal profession, to the Congress, and to this Nation. I extent my condolences to his loving family.

□ 1650

Mr. FORD of Michigan. Mr. Speaker, I yield to the gentleman from Detroit [Mr. HERTEL].

Mr. HERTEL. Mr. Speaker, I have a formal statement for the RECORD that I would like to submit, but I would like to talk about what Jim taught me. We have heard about many of the honors that he received and many of the wonderful achievements that he was able to accomplish in his career in the Congress, but throughout his whole life the most important thing to him was his family. He leaves that with all of us. That was what was most important considering all of the other heavy responsibilities that he had, and that is what he was proudest of, his family. I think by example, by his interest, by his love, he taught us that on a daily basis.

So what better can be said about a man than that he cared about his family, that he had a sense of humor about his world and about himself and that he cared and extended those feelings to his neighborhood and his State and his country and through that caring he was able to improve the lives of people of this country. I think that is the highest accomplishment that a Member of this House, a citizen of this country, can have, and that certainly was what Jim accomplished and left all of us.

Mr. Speaker, Congress has set aside today to memorialize a colleague and friend whose impact as a Member of the U.S. House of Representatives has affected our entire Nation. As a pioneer in the field of civil rights, an advocate of the rights of working men and women and a fighter for the health and safety of our workforce, Jim has made a significant contribution to the quality of life of all Americans.

Jim O'Hara was elected to Congress in 1958 at the age of 32 by a margin of five votes. After three recounts in a 3-month period it was conceded that he won the election to represent Michigan's 12th Congressional District. He was the first Democrat to win that seat since 1895. He served with honor and distinction for 18 years.

His keen knowledge of the law won him the title of Mr. Parliamentarian and for many years served in that capacity at the Democratic National Conventions, Democratic caucuses and wherever there was a need for interpreting Robert's Rules of Order.

Jim served his constituents with dedication and concern and was particularly devoted to the youth of our Nation. He fought vigorously to include them under the minimum wage law. His efforts to promote higher education opportunities for young people was abiding and intense. He always found time to coach and counsel hundreds of young people to whom he became an important father image.

In honoring Jim O'Hara today, we pay our respects to a man of great integrity, compassion, and distinction. Those of us who knew him well, enjoyed his wit and humor. We feel that we benefited from his wisdom, knowledge, and friendship and we feel fortunate to have known him. Jim was a man of good will who worked hard to improve the quality of life for the less fortunate.

Today, as I join his many friends and colleagues in honoring his memory, I know we are better men and women because of the example he set for us.

Mr. FORD of Michigan. Mr. Speaker, I yield to the gentleman from Michigan [Mr. BONIOR].

Mr. BONIOR. Mr. Speaker, let me first acknowledge my dear friend, the gentleman from Michigan [Mr. FORD], for his warm friendship that he shared with Jim O'Hara, that he shares with all of us, and thank him for taking out this special order.

Mr. Speaker, I rise to pay tribute to Jim O'Hara. As I think everybody knows, he was not only well loved in this institution, and greatly respected here, but he was dearly beloved at home. Many of the Members that are currently with us in this Congress speak fondly of, not only his skills on substance, but, of course, his parliamentary skills which really few Members in this body can approach. His popularity back home in Michigan is indeed legendary. In my travels throughout my congressional district for the past 13 years, people would always ask me, "How's Jim doing?" "How's he been?" "What's he up to?" "Give him my best regards."

Mr. Speaker, that was a constant refrain that I heard from my constituents for the past 13 years. It was one of the greatest privileges of my political life to succeed him in representing the 12th Congressional District in Michigan.

As my colleagues know, all of us feel a certain sense of awe when we get here. This is sort of a special place with a lot of special people. However, Mr. Speaker, it is even made more awesome especially when we hear from the people that we are serving that the guy we are succeeding was really a special person, and a great person and someone who had the deepest respect of everybody here.

Mr. Speaker, Jim O'Hara knew how to play the game on the floor and in committee. He was a master at the rules, and of course on substance he was genuine. I guess that is a good word.

The working people of this country and of my district have never had a better friend, with maybe one exception, the gentleman from Michigan [Mr. FORD]; but never had a better friend in this Congress than Jim O'Hara. He served with distinction for two decades, tumultuous decades, the 1960's–1970's, and he was right at the front of the class on civil rights issues, and that was not easy for him. It was easy for him internally. It was easy for him the person. But people should understand that it was not always easy for him politically, but he was there.

Mr. Speaker, he was there on education issues. He was a leader in education, and he fought hard for the antipoverty programs that were sent up here through the 1960's.

He also was a guiding light on reform for this institution. He opened this place up, and I guess that is probably the hardest thing for people out in Michigan, or California or Florida to understand because this institution to a large extent until recently, until television, was really sort of a question mark or a vague idea in people's minds, but Jim opened this place up, and he gave lots of people an opportunity to participate and to give.

As was said after he left the Congress, he was active in many, many things, but he loved to sail. I am sure that has been talked about, and he loved to do it with his family and with his children.

I guess the other thing that I would like to say about Jim is how unpretentious he really was. He did not have a false air about him. He just went about, and he did his thing, and he did it without fanfare, he did it without a big entourage of people following him. He did it by himself, and he did it, did it from the heart and from the gut,

and I guess my colleagues knew it when he said something to them in a meeting, or if he made a speech, that it was genuine, and I think that is an attribute we need a lot more of in politics.

Mr. Speaker, I was talking to Bill Ross, one of his law partners, and he was commenting to me at one time about when a commander had made arrangements for a military escort to greet Jim, and, when Jim got wind of that, he said, "No, no, no, they won't do that stuff for me."

Mr. Speaker, Jim O'Hara often went around his own district unescorted by aides to meetings, to give speeches, and he did it well, and he did it with style, class. I remember the first time I knew of Jim was back in that first campaign he won by five votes because I happened to live on the street of his main opponent, Joe Mihalic, so of course the whole neighborhood and everybody was for Joe Mihalic but I remember the signs that Jim O'Hara had plastered all over the district, and it was just a simple word, "Who," with a question mark, and then, shortly before the campaign, they changed the signs in the middle of the night, and there were names of Sopo Williams, Phil Hart, and Jim O'Hara written on the new signs that went up. It was clever. It caught people's attention.

Mr. Speaker, Jim, as my colleagues know and as may have been indicated already, and I think the gentleman from Michigan [Mr. HERTEL] said it very well, that one cannot speak more highly of a person than to talk about how he or she treats their family or the relationship with their family, but Jim has a wonderful family, and by the mid-1960's Jim and Susan had seven children, all in school, all active lives and interests.

Mr. Speaker, they had problems, too. Somebody may have mentioned that some of them had to deal with hemophilia and epilepsy, and on several occasions they had to keep a vigil at the hospital while a child's life hung in the balance. That was his priority. He made the family and the children his priority, even over this institution, which many of us can learn from.

Mr. Speaker, the other memory I have of him, and they are very fond memories; one was in 1972. I was running for State representative, and Jim had that very difficult race in 1972, as I did, barely won, but I happened to find out that I won over my Republican opponent by a very narrow margin very early in the evening, before midnight, but I remember sitting up with Jim and his staff in this old house, and we were all lying around sleeping on the floor waiting for the results from St. Clair County to come in.

□ 1700

That was the northern end of the district, presumed to be Republican. Frankly, everyone thought it was curtains when the county vote came in from St. Clair that it would be all over and Jim would have lost, but he won St. Clair County.

I think he would be proud to hear me say today that I carried St. Clair County ever since I have been in the Congress, since I followed him. Not only have I carried it, but quite frankly, I carried it as strongly and in some instances stronger than Macomb County; so thanks, Jim, for setting my base for me.

When I first got here in 1976-77 it just so happened that Jim's son, Brendan, was running for State representative out here in Virginia. I remember one of the first things that my staff volunteered to do, along with me, was to go out and man the polls for Brendan.

Jim often came back to my district and campaigned personally for me, coming to my fundraisers and doing the things you have to do to help someone get elected to Congress and get reelected. Just before he passed away, I remember the campaign in August of last year. He spoke at a rally in Macomb County in which we had 10,000 people. He was one of the main speakers before Mike Dukakis came and spoke to the throngs of working people, educators and students there. You knew something was wrong then. I did not quite know what it was, but he could barely speak. Later I learned that was one of the first signs that he was having any difficulty. He was rasping and hoarse, but he gave a fiery speech that rallied the troops. It turned out to be a very productive event.

I have been told recently by someone very close that one of the things that I guess Jim regretted somewhat was that there were, as in many political districts across the country, internal feuds and that somehow in our district we were not quite capable of putting these feuds behind us. After Jim died, I made an effort to do that and had discussions with some of the principals involved. I think he would be pleased to know that I think we have buried that past.

He was a very special person and he has a very special family.

I guess he would be particularly proud of the fact that we are able to be doing some of the things, good things that Jim has done over the years in his new endeavors.

I just wish them the best, his wife, Susan, the very best. Anytime that we here as friends and colleagues can be of help to the family in any way, they should feel free to call upon us, because we have the utmost love and respect, not only for Jim, but for his children and for his wife, Susan.

Mr. Speaker, in conclusion, let me just say that it is with deep fondness that we will always remember him and his spirit. His spirit will live for a long time with the people that I represent. He represented so many good things. He represented really what the working people of Macomb and St. Clair Counties were all about, family, work, good play on the lake, good education, the ability to buy a home, all those wonderful values that have become almost political cliches in the last few years. He really was there at the founding of what they all meant in terms of the post-World War II development in our country. For that we will always be grateful for his participation in the life of this great land.

Mr. Speaker, I rise to pay tirbute to a great man, my predecessor in Congress from Michigan's 12th District, Jim O'Hara, who passed away last night.

As we all know, Jim was well-loved and greatly respected in the Halls of Congress. Many current Members count themselves fortunate to have been among Jim's close friends.

His popularity back home in Michigan is legendary. In my travels around the 12th District, even a decade-and-a-half after he left Congress, people still often ask me bout Jim O'Hara and send their best regards.

It was one of the greatest privileges of my political life to succeed him here representing the people of the 12th Congressional District of Michigan. All of us feel a certain sense of awe when we first come to Congress to serve the people who have elected us. For me, that sense of pride and responsibility was even greater because I followed in the footsteps of Jim O'Hara.

Jim served with enormous distinction for nearly two decades in Congress. He championed landmark civil rights, labor, education and antipoverty legislation during the 1960's. He was a guiding light behind the reforms that opened up this institution, enabling it to become a truly more democratic body.

The working people of our Nation have never had a better friend than Jim O'Hara.

After leaving Congress, Jim continued to be active in national affairs. We worked closely together on many issues over the years, and I was always impressed by his unwavering dedication to his State and Nation.

[From the Port Huron Times Herald, March 15, 1989]

EX-AREA REPRESENTATIVE O'HARA DEAD AT 63

ALEXANDRIA, VA.—Former U.S. Rep. James G. O'Hara was known as a friend of working people when he represented the Blue Water Area.

The longtime lawmaker for Michigan's 12th District, who became a lobbyist, died Monday of cancer. He was 63.

"The working people of our nation have never had a better friend than Jim O'Hara," said U.S. Rep. David E. Bonior, D-Mount Clemens, who succeeded O'Hara.

"His popularity back home in Michigan is legendary. In my travels around the 12th District, even a decade and a half after he left Congress, people still often ask me about Jim O'Hara and send their best regards."

O'Hara was elected to the House in 1958 and served until 1976 when he ran unsuccessfully for the Democratic nomination for the U.S. Senate against Donald Riegle.

"Jim served with enormous distinction," Bonior said. "He championed landmark civil rights labor, education and anti-poverty legislation during the 1960s.

"He was a guiding light behind the reforms that opened up this institution, enabling it to become a truly more democratic body."

After his defeat, O'Hara worked in Washington as a corporate lawyer and lobbyist. Among his clients was the General Motors Corp.

Longtime friend John Bruff, Macomb County Circuit Court judge, said O'Hara's cancer was diagnosed last fall and he continued to work until about a month ago.

O'Hara, formerly of Utica, visited Bruff last fall while campaigning for Michael Dukakis, the former Democratic presidential nominee.

He is survived by his wife, Susan, of Alexandria, and their seven children.

Bruff, who managed Mr. O'Hara's campaigns and worked on his district staff, described him as a devout Catholic who was dedicated to his family.

Funeral services will be held Friday in Alexandria.

[From the Macomb Daily, Mar. 15, 1989]

EX-CONGRESSMAN DIES OF LUNG CANCER

(By Chad Selweski)

James O'Hara, who represented much of Macomb County in Congress for 18 years, died late Monday night of lung cancer, after being admitted to a Washington, D.C., hospital nearly a month ago.

O'Hara, 63, served as the 12th District U.S. representative from 1958 to 1976, the year he unsuccessfully sought a U.S. Senate seat. A liberal Democrat, O'Hara served for many years on the House Education and Labor Committee and championed health, education and environmental issues.

"For me, it was a special personal loss," said former local Congressman Lucien Nedzi, a longtime friend. "I had lunch with him about four weeks ago and he looked fine. His spirits were good."

O'Hara was admitted to George Washington University Hospital Feb. 17 and was listed in critical condition at the beginning of March.

Since losing the 1976 Senate Democratic primary to Donald Riegle, O'Hara had worked as an attorney and lobbyist for Patton, Boggs & Blow, a Washington, D.C., law firm.

Formerly of Utica, O'Hara was given serious consideration for a Cabinet post—particularly Secretary of Education—in late 1976 by President-elect Jimmy Carter. Ironically, three years later, he was a deputy campaign manager for Sen. Edward Kennedy's losing presidential run against Carter.

"I think the people of Macomb County will remember him best as a voice for the working men and women," said Macomb County Circuit Judge John Bruff, a political associate of O'Hara's for 30 years.

Bruff, who served as chairman of the 12th District Democrats for 14 years, said O'Hara's congressional career was highlighted by his role in winning federal funding to build Macomb County's sewer systems, which led to the cleanup of the Clinton River and the preservation of Lake St. Clair.

Nedzi, whose district included a portion of Macomb County, said O'Hara was a "master" of congressional rules and procedures, using them to full advantage to advance legislation he favored.

A loyal Democrat to the end, O'Hara campaigned last October in Macomb County for presidential nominee Michael Dukakis.

He was a graduate of the University of Michigan and the U-M Law School. He was a World War II veteran who saw action in the Pacific theater as a U.S. Army paratrooper.

O'Hara is survived by his wife, Susan, and their seven children.

Funeral services are being handled by the Demaine Funeral Home in Alexandria, a Virginia suburb of Washington, D.C. A service will be held Friday at 11:30 a.m. and burial will follow at Arlington National Cemetery.

JAMES O'HARA DIES AT 63, IN U.S. HOUSE 18 YEARS

(By Jeanne May)

James G. O'Hara—"Mr. Macomb County Democrat" and a U.S. representative from Michigan from 1958 to 1978—died Monday at George Washington University Medical Center in Washington.

He was 63 and had lung cancer.

"He was a representative of the working people," Macomb County Circuit Judge John Bruff said Tuesday. "His slogan for his first campaign was 'For Full Employment.'

". . . He also was one of the congressional architects of the Great Society programs, Medicaid, Medicare, the civil rights bills, the environmental bills, the Clean Air Act, the Clean Water Act.

"and for Macomb County, he saw to getting the grants, so for the sewer systems that were built in the '60s and the '70s, we received our proper money. The Clinton River and St. Clair Lake were cleaned up, and municipalities no longer dumped sewage into the Clinton River."

Bruff was his campaign manager and district representative.

Lt. Gov. Martha Griffiths served in the U.S. House with O'Hara.

"What I really remember him for was his ability to get along with all the other congressmen and his ability, once he got to doing something, to get it through Congress," she said. "If he decided on an amendment to a bill, he could usually get it through the committee and get it through on the floor of Congress. He was quite effective."

O'Hara's 18 years in Congress ended when he quit to make a race for the U.S. Senate and lost in the primary to Donald Riegle.

O'Hara began his political career in 1958, running for Congress from the old 7th District, which included Macomb County and five counties in the Thumb. After two recounts of the ballots, he was declared the winner by five votes, becoming the first Democrat to represent the Thumb counties in Congress since 1895.

During his years in Congress, his home was in Utica, but after his defeat by Riegle, he stayed in Washington, working as a lawyer and lobbyist with the law firm of Patton, Boggs & Blow.

O'Hara was born in Washington, D.C., and lived there until he was 13, when he moved to Detroit. He was a combat paratrooper in the Pacific during World War II and earned bachelor's and law degrees from the University of Michigan. He practiced law in Detroit before going to Congress.

He began his political career as an extreme liberal, but gradually became more conservative, especially after a stiff threat from an anti-busing candidate in his 1972 race. But he remained strongly pro-labor and a champion of public education programs to the end of his years in Congress.

Survivors include his wife, Susan Puskas O'Hara; sons, Ray, Thomas, Patrick, Brendan and Neal; daughters; Mary and Brigid; a sister, and a brother.

The funeral mass will be at 11:30 a.m. Friday at St. Louis Catholic Church in Alexandria, Va. Burial with military honors will be at 1 p.m. in Arlington National Cemetery.

The family suggests memorial contributions to the Annual Sharing of the Green, Most Holy Trinity Catholic Church, 1050 Porter St., Detroit 48226.

Funeral arrangement are by the Demaine Funeral Home, 520 S. Washington St., Alexandria 22314.

Mr. FORD of Michigan. Mr. Speaker, I yield to the gentleman from Pennsylvania [Mr. GAYDOS].

Mr. GAYDOS. Mr. Speaker, I want to thank my good friend, BILLIE FORD, and commend him for taking this time.

If I run over, Mr. Speaker, I have an hour myself coming up and I would like to continue on this very important subject matter.

Let me say this on behalf of the gentleman from Michigan, and I am going to be presumptuous and speak on behalf of my good friend, BILL FORD, and say that when I came here he and I and GUS HAWKINS probably are the only ones left of that original group. When I talk about that original group, I am talking about people like Edie Green from Oregon, Lucien Nedzi of Michigan, Johnny Dent, Dan Daniel, and even Bill Thompson, our friend over the years, and GUS HAWKINS who is now the full committee chairman and probably the next one in succession of course, is our good friend, BILL FORD. There was John Brademas, now up at one of the universities in New York, and Lloyd Meeds and, of course, in that group, Jim O'Hara.

I would probably have to say from personal experience and personal opinion on my part that when I joined the committee some 21-odd years ago that of that group, and that includes my good friend, BILL FORD, Jim O'Hara was probably the one that responded first to an incoming freshman. There was no self-aggrandizement on his part, just the fact that he had a sensitivity to a freshman. I came from particularly the Pittsburgh area and was thrust upon the Education and Labor Committee. I think Jim O'Hara in that big heart of his probably felt this kid needed some help and he was there to give it and many times unsolicited on my part, because at that time, it is not true today, but at that time when you were a freshman, you were truly a freshman and you did not have an opportunity to speak out. You did not get recognized too often. On committee business, you were down in the lower echelon. That is how it was

then. Things have changed since then. Changed drastically, but if you can visualize that situation, again if I may go back and say being thrust on the Education and Labor Committee and then to have someone like Jim O'Hara who at that time had very high standing and good reputation to come over to you and say, "Look, I welcome you to the committee. I want to help you. You are from a laboring area."

Along the lines I was talking about, Mr. Speaker, let me say this. He was quite a man, quite an individual, a principled man who took time and had an authentic desire to want to respond to a new man on the committee. That to me exemplifies Jim O'Hara. You can get all his accomplishments as a very adept and accomplished parliamentarian, you can get into many things that Jim has done in the labor area per se, along with the educators of our country, all the initiatives that he demonstrated nationally and in national politics, all those things you can consider and they are all meritorious. They all should be made a part of the RECORD.

I want to say this, that I think the measure of a man starts with how he treats his fellow members on a committee, particularly the new incoming members.

I have to say this that Jim was there and I found Jim after awhile being what is exemplified to me as a true family man, a good person.

□ 1710

Members can call upon all of their own experience to conclude as to whether or not the character of a man meets their approval, and that is: Is he honest? Is he good? Is he sincere in what he does?

Members will want to use their own common experience and common sense in applying those principles that they have inculcated into themselves when they make that considered judgment of a man, of a person, like Jim O'Hara, and I did that. I tried to apply those principles, and the conclusion was quite obvious that here is a man, not a hint of scandal at any time in any manner, a good family man, and one who would listen, and listened sincerely, listened not just superfluously on the surface but sincerely listened. That is the Jim O'Hara I was exposed to in the beginning. That is the Jim O'Hara I lived with during his remaining time on the committee. That is the Jim O'Hara I knew when he was working on the Hill and had occasion now and then to come and explain something to me. It was the same Jim O'Hara the time way back 21 years ago up until the time of his untimely passing.

Mr. Speaker, in conclusion, I want to say this to the family, and I know some of them are here today: You can be rightfully proud, rightfully proud that he was a member of the family or the clan, any way you want to describe it, and I know his children can rightfully be proud, because later on as they progress in life they are going to find our just what the sincere attitude and the feeling and reputation was that Jim had among his colleagues, and that would be us on the Committee on Education and Labor, because we were the closest, BILL FORD, Thompson, me, all the group at that time, so we say it: You can rest assured that it was based upon facts.

In final conclusion, I wish to extend my deepest, sincerest personal sympathy to the O'Hara clan and the family, the relatives and all those who have known Jim as I have.

Mr. FORD of Michigan. Mr. Speaker, I yield to the gentleman from New York [Mr. SCHEUER].

Mr. SCHEUER. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I feel a mixture of sadness and love at this somewhat painful occasion, bidding goodbye to Jim O'Hara.

I came in in 1965 in the glorious 89th Congress with BILLY FORD, Patsy Mink, Lloyd Meeds, and Bill Hathaway. We were young freshmen pups then, but we were fortunate to have several truly great luminaries on the Committee on Education and Labor, all of whom took us under their wing, apparently liked us, groomed us, advised us, counseled us, babied us, hand-held us, and it was truly an exhilarating experience.

Frank Thompson, John Brademas, and, of course, Jim O'Hara were three true luminaries each in his own way, and working with those men and serving with those men and enjoying their friendship and encouragement and support, enjoying their guidance and counseling was a truly remarkable experience for a freshman Congressman 24 years ago. All three of them obeyed today's rules and traditions rather than those current in 1965. All three of them tried to help us along, help us to do our thing, helped us to express ourselves and make a mark.

Jim O'Hara was a true, true, true friend. I think the one thing one could say of all of us, BILLY FORD, Patsy Mink, Bill Hathaway, Lloyd Meeds, myself was that we all loved Jim O'Hara. We venerated him. He was our role model. He was our teacher. He was our friend. We miss him deeply.

I have the most marvelous memories of the 89th Congress under Lyndon Johnson's stewardship. The country, of course, was under Lyndon Johnson's stewardship. This was the time of the great explosion of liberal legislation, and legislative proposals were coming up here thick and fast. Most of them, an awful lot of them, it seems, went to the Committee on Education and Labor, because Lyndon Johnson had a passion for education. He was a teacher from the banks of the Pedernales River, and a lot of marvelous legislative proposals came up, the Elementary and Secondary Education Act, vocational acts, and BILLY and I worked hard on title I of ESEA and title III, and through all of our work and our joy and excitement, there was Jim O'Hara present by our side, helping us, guiding us, giving us a nudge, a shove, pointing us in the right direction and always saying in those exciting days of 1965 and 1966, "Jim, BILLY, remember, it is not always going to be like this." He was telling us that those exhilarating days of the 89th Congress were not forever and that sooner or later things would simmer down, and the Congress would lose that momentum, that force-feeding that came from 1600 Pennsylvania Avenue, and things would revert to normal. He said it, and intellectually I believed him, but I am not sure whether in my heart I wanted to believe him or did believe him, but, of course, he was right, and things were not always like that exhilarating 89th Congress.

To compare the powerful, surging forces of leadership from the White House then to what we have today is a sad and painful thing to do.

I extend my sympathy to members of his family, to his wife, his kids. The kids will grow in knowledge and appreciation and understanding of the extraordinary role that their dad played in his remarkable congressional career. He was looked on as a leader of impeccable morals, honor, integrity, and sagacity. He never lost his sense of humor.

I have never, in all the years I knew him, ever heard him utter a word in anger or exasperation or disappointment or chagrin. With all of the trials and tribulations that came to Jim, both in the House and off the House, I never once saw him lose his cool or saw him lose his easy, relaxed, friendly half-quizzical, half-humorous demeanor. He was a legislative craftsman, and he was a truly great human being. He was one of the all-time greats in my lexicon, and I miss him truly and deeply, and I commiserate with his wife and kids.

The kids, especially, will know and grow and achieve an increasing understanding over the years as to the truly great renaissance man their father was. He was a true creature of the House, and he represented this House at its best, at its true peak of excellence. We miss him, and we mourn his passing.

Mr. FORD of Michigan. Mr. Speaker, I yield to the gentleman from California [Mr. ANDERSON].

Mr. ANDERSON. Mr. Speaker, I was deeply saddened to learn about the passing of a good friend and former colleague, James Grant O'Hara on

March 13, 1989. A Michigan Democrat of the 12th District, Jim served in the House of Representatives from 1959 to 1977. He is remembered as a skillful legislator who was often called upon by his colleagues to help maneuver bills around pitfalls in the House. Jim will be greatly missed.

James Grant O'Hara was born in Washington, DC, but moved to Detroit at the age of 13. He graduated from the University of Michigan, where he also received his law degree. During World War II, Jim served his country in the Army's 11th Airborne Division in New Guinea and the Philippines.

His first successful election to Congress in 1959 was an astounding Democratic feat. After winning by five votes and two recounts, Jim became the first Democrat since 1895 to represent the Thumb region north of Detroit.

Throughout his career, Jim was a strong and vocal advocate for labor rights. His support on labor issues gained him friends among the leaders of organized labor and enabled him to develop effective legislation on a variety of issues.

Jim earned many positions and responsibilities during his 18 years of service to his country and constituents. He served as the chairman of the House Subcommittees on Agricultural Labor, and Postsecondary Education. He was also a member of the House Committee on the Interior, the House Budget Committee, and the Joint Committee on Congressional Operations in the international arena. He was a congressional adviser to the United States delegation to the International Labor Organization, and a member of the United States-Japan Interparliamentary Exchange Program.

A visible influence Jim had in Congress was being a founding member of the Democratic Study Group and he served as its chairman during the 90th Congress, during 1967 and 1968. He was also chairman of the Democratic Party's Rules Commission from 1969 through 1972 and was one of the party's leading authorities on national convention rules.

Jim made an impact on the civil rights movement by helping to draft key portions of title VI of the Civil Rights Act of 1964. He also led a movement in the Democratic Caucus to overhaul the seniority system in the early 1970's.

After almost two decades in the U.S. House of Representatives, Jim became a lobbyist and continued his law practice with the firm of Patton, Boggs & Blow here in Washington, DC, until his recent passing.

As Petrarch said in 1350, "A good death does honor to a whole life" and today I want to honor the memory of a public servant who was well liked and respected and whom will be sorely missed, James Grant O'Hara. My wife, Lee, and I extend our deepest sympathies to Jim's wife, Susan, and his five sons, Ray, Thomas, Patrick, Brendan, and Neal, and his two daughters, Mary and Brigid.

Mr. FOLEY. Mr. Speaker, I am honored to join today to pay tribute to our former colleague Jim O'Hara.

Jim dedicated his life to the fight for a just and fair society, to strengthening our institutions and to speaking out for the rights and dignity of all people. Among the many people who owe so much to Jim O'Hara are the millions who have never heard of him but who have benefited from his commitment. During his 18 years as a Member of the House, he was a constant and compelling advocate for civil rights and for the causes of the unfortunate and disadvantaged. He fought for a better world and he believed passionately that Govenment could be an instrument of that improvement.

His accomplishments in every area of public policy are proof of the success of his efforts. In the early 1960's, he was a leading force on landmark labor and education legislation, including the Manpower Retraining Act of 1962, which promoted retraining of displaced workers, and the Civil Rights Act of 1964. He was active in support of the Voting Rights Act, student aid programs and increases in the minimum wage. He was an early voice in the fight against age and sex discrimination. He was instrumental in the introduction of Federal regulation to the field of mine safety and was the original sponsor of the Occupational Safety and Health Act [OSHA] to protect Americans on the job.

Many of us had the pleasure to serve with—and learn from—Jim and all Members of the House have felt his influence. He was an early advocate in the effort to reform and democratize House procedures. He championed reforms that opened committee proceedings to public scrutiny, that increased Member accountability for votes in the Committee of the Whole and that gave junior Members more influence in drafting legislation. He recognized, of course, that these reforms would facilitate the substantive reforms he promoted. But he also recognized that open, democratic procedures could reinvigorate and strengthen the House as an institution. We may at times take these reforms for granted, but we should recognize that our ability to legislate in an open and constructive way is in large measure a consequence of Jim O'Hara's skill and vision.

Jim's dedication to this House was surpassed only by his love for and devotion to his family. His wife Susan, his seven children and grandchildren take enormous pride in this man of tremendous integrity, commitment, and dignity.

After he left the House, Jim remained active in public affairs. He continued his efforts on behalf of the young and old, the disadvantaged and destitute and to move America toward a better future. For those of us who are heir to that vision, there is much to do. Our efforts are testimony to Jim's memory and his deeds.

Mr. BROOKS. Mr. Speaker, I want to take this opportunity to join my colleagues in expressing our sense of deep sadness at the death of our beloved friend and former colleague, James Grant O'Hara. His death on March 12 marked the passing of an outstanding public citizen and Democratic leader.

Congressman O'Hara served in the House of Representatives with distinction and dedication. He brought compassion and understanding to deliberations in this Chamber.

It was my distinct privilege to serve with Congressman O'Hara from 1959 to 1977. In addition to service on the Education and Labor Committee, he was also a member of the House Interior Committee, the House Budget Committee, and the Joint Committee on Congressional Operations, on which I served as chairman. The people of Michigan's 12th District can be proud of the record of service he established and the fine representation he gave to his district and to his country.

The people of his district always knew that they had a friend in Washington with whom they could work on any project of importance to the State of Michigan.

I want to express my deepest sympathy to his wife, Susan; his five sons: Ray, Thomas, Patrick, Brenden, and Neal; and to his two daughters: Mary and Brigid.

Mr. UDALL. Mr. Speaker, it is with great sadness that I join in mourning the death of our friend and former colleague, Jim O'Hara.

It was my good fortune to become acquainted with Jim during our service on committee assignments and on behalf of the Democratic Study Group, where Jim was one of the leaders. He was a thoughtful and conscientious Member who was a delight to watch when it came to legislative tactics, and he helped lead us to more than one victory during the civil rights revolution.

Jim served his constituents of Michigan's 12th District well. And they loved him in return. The affection was real and it was sincere, and it was a measure of the man that was held by those who sent him to this Chamber.

Jim was in the front lines in this House during the successful battles for labor, education, and antipoverty legislation. And above all, he dearly championed the American family.

I'm sorry that Jim is gone. He was a good and decent man, and I was proud to be his friend.

My deepest sympathy goes to Jim's wife, Susan, and all the O'Hara children.

Mr. MOAKLEY. Mr. Speaker, I thank the gentleman for yielding, and commend him for affording Members this opportunity to mourn the death of a respected colleague and a dear friend.

Jim O'Hara was one of the most able Members I ever worked with. A professional legislator, he was skilled in parliamentary tactics and knowledgeable about the detailed contents of legislation on which he worked. He was unfailingly courteous to his colleagues, and always interested in helping them.

His career in the House lasted 18 years, spanning the decisive period during which the House became a more open and democratic institution, an effort in which Jim was an acknowledged and effective leader.

History will judge his career largely on his formidable contributions as a senior member, and important subcommittee chairman, on the

Committee on Education and Labor. He was a real leader on education, training, and civil rights matters.

As a member of the Interior Committee, also, he was a leader of the environmental movement, before that movement got a name.

Most of us in the House, however, may most remember his contributions as a leader and chairman of the Democratic Study Group. In that role, he worked to make the House more open. He was an active participant in the revolution that ended the sad chapter of the Rules Committee's history, in which it was known as the "graveyard of legislation."

When he arrived in Congress, Jim was startled to discover that no recorded votes could be obtained in the Committee of the Whole, and he worked closely with his friend, Tip O'Neill, to assure that the important questions decided in the amendment process would be decided on the record.

In 1976, Jim ran for the Senate seat vacated by the retirement of his close friend, Phil Hart. When he did not succeed, he moved on to a career as a lobbyist, and demonstrated that the professional can be practiced with honor and integrity.

Even after his retirement from public office, he remained an active participant in community and political affairs. Only days before his final illness came on, he was successful in his campaign to elect Ron Brown as Democratic Party chairman.

On March 13, Jim died after a brief illness, and was buried on St. Patrick's Day at Arlington.

Mr. Speaker, all of us will miss Jim, and extend our deepest sympathy to his family.

Mr. DE LA GARZA. Mr. Speaker, today we pay tribute to our late colleague Jim O'Hara, and it is with great sadness that I rise to speak.

A man of friendliness, enthusiasm, and cooperation, Jim O'Hara employed his engaging personality to gain support for the causes in which he believed and for programs which would assist the people of his district. He was a man who often spoke of his great sense of gratitude for the privilege of serving the country he loved. In this, I believe, rested the heart of his personal and political commitment, and to this end he devoted his tremendous energy and vision which so characterized all his efforts in public service.

His passing has taken from me a friend, from the citizens of Michigan a dedicated representative, and from the people of our country a great statesman. May God let the light of His countenance shine upon him and give him peace.

Mr. KILDEE. Mr. Speaker, I rise today with great sadness and respect in honoring the late Congressman from Michigan's 12th Congressional District, the Honorable James G. O'Hara. Throughout his lifetime of public service, Jim O'Hara faithfully represented the people of his district, as well as the State of Michigan and all Americans. I have the privilege of representing many of the same people whom he represented.

During the tumultuous 1960's, Jim held fast to his ideals and beliefs as he championed new legislation in civil rights, labor, education, and poverty relief. It was his strong belief in human dignity which propelled his legislative efforts throughout that challenging time. His reputation as a legislative tactician combined with his legal expertise gained at the University of Michigan Law School and while practicing law in Wayne and Macomb Counties, gained him the respect of his colleagues as a leader and consensus builder. Jim had a clear and concise understanding of the legislative process, and he used this knowledge to pursue a progressive agenda aimed at helping all people.

Jim's greatest accomplishments were made during his tenure on the House Education and Labor Committee. He fought hard to develop the Headstart Program in its early days, and he was one of the original proponents of a comprehensive day care program. The community college system owes a great debt to Jim, as he was instrumental in developing community college institutions to benefit the working men and women of America who could not afford to send their children away to school. Jim's keen sense of the struggles of the working class led him to defend their dignity and promote a better future for their children through low-cost higher education. Many of the same things that he fought long and hard for during his time in Congress are still at issue in the 101st Congress, and I am a beneficiary of that political heritage which he so skillfully brought to his actions and deeds.

Beyond his great accomplishments which earned him enormous respect in this body as a legislator, Jim also had a wonderful family whom he loved dearly. While he realized the need for public service to promote a better life for all people, Jim believed in the value and importance of family. He fulfilled this belief through a lifetime commitment to his wife and children. I'd like to take this opportunity to extend my deepest condolences to his family, his wife Susan, and his seven children Ray, Tom, Pat, Brendan, Mary, Brigid, and Neal, who loved him dearly and will miss him greatly. He ably demonstrated that one can be a warm and loving husband and father while serving in an elected public office.

I'd also like to take this opportunity to extend my condolences to Susianna Puskas, Jim's mother-in-law, who lives on a family farm in Burton, MI, in my district. Mrs. Puskas, at 94 years young, is still an active member of her community.

Jim O'Hara will be greatly missed not only by his family, but by all of his friends and colleagues here in Washington and at home in Michigan. Today as we eulogize this great man, truly the greatest tribute we can pay to his lifetime of public service is by continuing the struggles for human dignity of which he was such a courageous champion.

Mr. BROOMFIELD. Mr. Speaker, I would like to take this opportunity to express my profound sorrow at the death of my good friend, Jim O'Hara.

Jim and I were both elected to the House in the late 1950's, and we served together until Jim resigned to run for the Senate in 1976. While we were on opposite political sides of the aisle I always found him to be a warm and engaging personality, a fine legislator, and dedicated to the people of the great State of Michigan.

Jim was instrumental in the writing and passage of the historic 1964 Civil Rights Act, which was a major step in guaranteeing equal rights for all Americans. He was also a lifelong friend of the working man.

I would like to join my colleagues in expressing my sincere condolences to Jim's family, especially to his wife, Susan, his sister, Sally, and his five sons and two daughters.

I salute Jim O'Hara, a good friend, and a servant of the people.

Mr. COELHO. Mr. Speaker, although I never had the honor of serving in the House of Representatives with Jim O'Hara, we did have occasion to work together, first during my days as a staff person for Congressman Bernie Sisk, and later when Mr. O'Hara joined the firm of Patton, Boggs & Blow.

While many of my colleagues may initially be reminded of Mr. O'Hara's distinguished contributions to the efforts of organized labor, he was also a skilled practitioner of effective legislative strategies in a variety of other areas, including complex western water issues. As a former member of the House Interior Committee, Mr. O'Hara's assistance on reclamation issues was extremely valuable to me and to the rest of my colleagues who are involved in the complicated and controversial area of water rights.

Mr. O'Hara's commitment to western water is only one area in which he earned my respect and admiration. His 18 years in the House followed a liberal, prolabor agenda, and as one of the founding members of the Democratic Study Group, he led the movement in the Democratic caucus to overhaul the seniority system in the 1970's. He helped draft key portions of title VI of the Civil Rights Act of 1964, and more recently, is admired for his work as chairman of the Federal Minimum Wage Study Commission.

Mr. O'Hara had many friends in and out of the House of Representatives, and as a husband, and father of seven children, he will be missed by many. His family should be comforted in knowing, however, that this man, through his unselfish commitment to public service, touched the lives of thousands of individuals. His legacy is felt today—not only in the House; not only in his State of Michigan—but by many who never knew of him or of his work on their behalf. I feel fortunate to have known such a committed and effective public servant.

Mr. ANNUNZIO. Mr. Speaker, I rise to join with the distinguished chairman of the House Post Office and Civil Service Committee, the Honorable WILLIAM D. FORD, in paying tribute to our former colleague, James O'Hara who died on March 13.

Congressman O'Hara was a highly respected Member of Congress for his legislative abilities, and was a champion for improving the lives of the working men and women in America. He ably represented his constituents in the 12th Congressional District of Michigan, from 1959 through 1976.

Before coming to Congress, Congressman O'Hara served our country with distinction as a member of the 511th Parachute Infantry Regiment during World War II. He received his law degree from the University of Michigan in 1955, and practiced law in Detroit.

Elected to the 86th Congress in 1958, Congressman O'Hara compiled an outstanding

record of achievement as chairman of the Subcommittee on Farm Labor and the Subcommittee on Postsecondary Education of the House Education and Labor Committee. During his career in Congress, he also served as a member of the House Interior Committee, the Joint Committee on Congressional Operations, and the House Budget Committee. He was a founding member of the Democratic Study Group, and also served as the chairman of this group during the 90th Congress.

After leaving Congress in 1976 to run for the Senate, he continued his legal career with the firm of Patton, Boggs & Blow. Continuing his unwavering commitment to labor, he also served as chairman of the Federal Minimun Wage Study Commission from 1979 through 1981.

Congressman O'Hara was a fine legislator, who devoted his life to the service of our country.

Mrs. Annunzio and I extend our deepest sympathy to his wife, Susan, and the other members of his family who survive him.

Mr. HOYER. Mr. Speaker, many of us were deeply saddened with the passing in March of a former Member of this House, James G. O'Hara.

Probably only half of the Members in the House today served with Jim O'Hara during his 18 years here. I am one of those who never had the pleasure of serving with Jim. Still he was well known by the vast majority of us. Though he was outside the House, I enjoyed working with Jim over the years. He is remembered so fondly by so many of us because, first he was a great person, and second, he had been a great Member of Congress and a parliamentary expert.

Ten years after he left the House, Jim O'Hara was still highly regarded for his legislative and parliamentary ability and for the contributions he made to education and labor issues in the 1960's and 1970's. He was particularly in the vanguard in putting some of the important Great Society education programs together.

It should be remembered that Jim was among the original members of the Budget Committee, a group that made the budget process work.

For all his contributions to national issues and legislation, Jim O'Hara should also be remembered for his service to the people of Michigan. In his years in the House, he was a true representative of the people of the 12th Congressional District and their views. Through years of turmoil and tranquility, as his suburban district grew, Jim O'Hara spoke for the people of Michigan, and Congress listened and acted accordingly. None of us can hope for a greater legacy.

I join my colleagues in sending my sympathies to Jim's wife Susan and their six children.

Mr. BLILEY. Mr. Speaker, I rise to express my sorrow at the passing of Jim O'Hara and to extend my condolences and best wishes to his family. Jim O'Hara's career was marked by distinguished service to his constituents, to his State, and to his Nation.

Jim served as a distinguished Member of the House of Representatives from 1959 until his retirement in 1977. As a member of the House Education and Labor Committee and a chairman of the Subcommittee on Farm Labor, 1971–72, and the Subcommittee on Post Secondary Education, 1973–77, Jim built a record of accomplishment that any Member would be proud of. His accomplishments included authorship of the Higher Education Amendments of 1976 and the Guaranteed Student Loan Amendments of 1976.

I would like to focus my brief comments on Jim's career after he left the House, however. Unlike many of those who rise to honor Jim, I did not have the privilege of serving with him in the House of Representatives. My dealings with him were in his post-congressional career as a partner in the law firm of Patton, Boggs & Blow. Jim was one of the most effective and principled individuals I have had the privilege of dealing with during my service in the Congress. He was effective for his clients not so much because of the influence he could exert, but because Members of this body knew that Jim O'Hara would give it to them straight. He represented his clients well, but he never asked this Member to do anything on behalf of a client that he would not have wanted someone to ask him to do. He recognized the value of trust and would always make sure you were aware of both sides of any issue.

Jim's service did not begin and end with his clients. He was always available to offer advice and counsel on issues and made his great reservoir of knowledge available to Members of the institution to which he gave 18 years of his life. If someone were to ask the hallmarks of effective representation before the Congress, we would be well served to point to Jim O'Hara as a model of how to do it right.

He will be missed not only by his family and friends, but by this Member, this institution, and his Nation as well.

Mr. CRANE. Mr. Speaker, the death of our former colleague James O'Hara of Michigan, turned off a smile that for the last 30 years had brightened this Chamber and Washington.

But Jim O'Hara was more than just a friend. He was a dedicated servant to the citizens of this country for over a decade and a half in this Chamber until his retirement. During that period of service in the House, he became a leading expert on higher education while devoting his energies to the workings of the House Education and Labor Committee.

Jim O'Hara cared for people.

He fought so vigorously in behalf of the rights of migrant workers that the Labor and Education Committee created a new subcommittee to aid and defend those workers, and Jim O'Hara was named as chairman of the subcommittee.

He worked hard on employment and training legislation designed to assist lower income Americans improve their lot.

He was a true champion to the cause of higher education and his contributions in that area were innumerable.

Although he was not a member of the Judiciary Committee, he took an active and leading role in battles for civil rights and voting rights legislation.

One of his many legislative skills was his knowledge of the rules of the House. Jim was an outstanding parliamentarian. He learned the rules and he knew how to use them. He was probably as knowledgeable as any Member in his time in the use of House rules.

His ability to absorb the rules of an organization and to use that knowledge in a parliamentary manner was recognized by the leaders of his political party. He served as chairman of the Commission on Rules of the Democratic National Committee from 1969 to 1972, and was chairman of the Committee on Rules as well as Parliamentarian of the Democratic National Convention in 1972.

Jim O'Hara was a friend of labor who got along well with management. He had the capacity to deal with all kinds—those from the left and the right as well as those from the North and South.

Jim O'Hara's contributions to his country were not confined to those years he served here with us. During World War II, he was a paratrooper, serving as an enlisted man in the 511th Parachute Infantry Regiment in New Guinea, the Philippines, and Japan.

Jim O'Hara will be remembered as a friend who served his country and his fellow man. And Jim O'Hara will be missed by all of us who were fortunate enough to know him.

Mr. HORTON. Mr. Speaker, I rise today to join my colleagues in paying tribute to Jim O'Hara who passed away recently. Jim was a close friend and an exceptional colleague who served in this body with distinction from 1959 to 1977.

As a member of the House Education and Labor Committee, Jim was one of the strongest proponents for the working class that this body has ever known. Jim worked tirelessly to improve working conditions, as well as wage levels. He continued his work on behalf of American workers after leaving the House through his service as president of the Federal Minimum Wage Study Committee.

Mr. Speaker, the working people of this Nation, indeed all of us, have lost a dear friend with the death of Jim O'Hara. He was an honest and hard working Member who could always be counted on for sound and judicious counsel.

My wife Nancy and I would like to extend our condolences to Jim's wife Susan and their seven children. Our prayers are with all of you.

Mr. CLAY. Mr. Speaker, today we take time to remember our former colleague from Michigan's 12th District the late Honorable James G. O'Hara. Congressman O'Hara's life and work truly personified the meaning of public service. Today, I welcome the opportunity to pay tribute to this great American who left us just a few weeks ago.

Jim O'Hara must be remembered for displaying a deep commitment and dedication toward all his endeavors. During his 18 years in Congress, he served on the House Committee on Education and Labor and earned a reputation as a powerful champion of labor. An indefatigable spokesman for working people, Jim O'Hara continued his efforts as Chairman of the Federal Minimum Wage Study Commission after he left Congress.

An ardent advocate of civil rights legislation, Congressman O'Hara espoused the cause of racial equality and equal opportunities. Congressman O'Hara helped to write title VI of the Civil Rights Act of 1964. As chairman of

the Democratic Study Group in the 1960's, he agitated for the passage of fair housing and other civil rights legislation and he was not shy in his condemnation of those who opposed these initiatives.

Throughout his lifetime, James O'Hara demonstrated an unfaltering commitment to civil rights and staunchly defended the interests of working Americans. Even after he left Congress, Representative O'Hara maintained his commitment to public service. Most recently, he worked with organized labor in Ron Brown's campaign for chairman of the Democratic National Committee.

Strength, determination, and dedication, these were the character traits of James O'Hara. Congressman O'Hara was a greatly talented and very successful legislator. I am deeply saddened by his passing, but I know that his memory will serve as an inspiration to us as we face the challenges ahead.

Mr. MAZZOLI. Mr. Speaker, I am pleased to join with so many Members of the House, past and present, in paying tribute to our late friend from Michigan's 12th District, Jim O'Hara.

Jim was an expert parliamentarian, with extensive knowledge of the legislative process. His skills were widely recognized and respected—and often relied upon heavily—as when he served with distinction as parliamentarian of the 1972 Democratic National Convention.

In formulating strategy for successful passage of a bill, Jim's knowledge and understanding of the intricacies of government were indispensable. And, he was a very kind and helpful "instructor" to many young freshman House Members in need of guidance on the complexities of legislative procedure.

I was honored to have served and worked closely with him on the House Education and Labor Committee for my first two terms here in the House. We enjoyed many successes together on the committee. Jim was a good friend to me and, like everyone who had the privilege of knowing Jim O'Hara, we will miss him.

Mr. WEISS. Mr. Speaker, this March, the country suffered a tremendous loss with the passing of Jim O'Hara, a wise and caring leader both in and out of Congress. Jim O'Hara will be sorely missed by not only his former colleagues in the House, but by citizens across the Nation. He was a dedicated public servant and a man with an unswerving commitment to the highest principles.

Though I began my tenure in Congress after Jim O'Hara had left Congress and begun work in the private sector on behalf of various labor and education groups, I had the privilege of working with him during my service on the Education and Labor Committee. Reliable, trustworthy, and always straightforward, he more than lived up to his reputation of intelligence and integrity over the course of my association with him.

A consistent theme runs through Jim O'Hara's diverse range of legislative accomplishments: He was never afraid to champion causes many others were afraid to take on. During his 18 years in Congress, he was a stalwart in the battle for fair wages, a key player in the passage of legislation to expand Federal financial support for education, and a vocal advocate of civil rights. His subsequent outstanding work as chairman of the Federal Minimum Wage Commission from 1979 to 1981 provided a vital framework from which to consider a fair and appropriate minimum wage.

Jim O'Hara's former constitutents in Michigan's 12th District, his colleagues, and millions of Americans directly benefited from his work. I want to express my profound sorrow at his passing and extend my deepest sympathy to his family.

Mr. HENRY. Mr. Speaker, Michigan has produced a number of Members of Congress whose vision and effectiveness carried far beyond the boundaries of our State and the boundaries of these walls. One was Arthur Vandenberg, from my own Fifth District. Another was Philip Hart. And surely another was James G. O'Hara, whose memory we honor today.

I did not have the privilege of serving with Jim O'Hara, although I am proud to be one of his successors on the Education and Labor Committee. But I knew about him—as a man of passion and commitment to his ideals during one of the most turbulent periods in American history. He helped shape our land for the better. And that's how I remember him.

There was no mistaking his political courage. When the feelings of his political comrades-in-arms might have led him to do otherwise, he strongly supported United States involvement in the Vietnam war. Some say the price he paid was his defeat for House majority leader. When the feelings of his Michigan constituency might have led him to do otherwise, he fought for civil rights legislation. And some say the price he paid was his defeat in his campaign for the U.S. Senate.

His interests and energies were vast. He was deeply involved in legislation ranging from the Sleeping Bear Dunes National Park to the repeal of mandatory retirement age for airline stewardesses to designating Sousa's "Stars and Stripes Forever" as the national march. He helped shape the election apparatus of his party. He played as hard and as well as he worked—and in his later years the teenaged paratrooper of World War II became a champion sailboat racer.

There was no mistaking his love for his family. Jim married the nurse who cared for him during a period of illness. He and Susan had seven children, and as parents they had to deal with such problems as hemophilia and epilepsy. During happy times, you would find them out at the ball park or on his boats. They were secure in his love. And they will tell you, "For Jim, family came first and the House sometimes had to do without him for a short while so that he could meet that first obligation."

In a day in our land when integrity and decency seem to be in short supply, Jim O'Hara was a man whose priorities were right, whose light spread to every part of his world.

Mr. MINETTA. Mr. Speaker, I rise with immense respect and great sorrow, to honor an outstanding and honorable colleague, James G. O'Hara.

I mourn for the vision and dedication which this Nation has lost in his passing. He was a worthy companion and I will miss him very much.

He was held in the highest esteem by his colleagues, and deservedly so. During his tenure in Congress, we were all touched by his dedication, determination, and vision. We all progressed through his leadership in areas of labor and education.

We were all inspired by his strong beliefs and integrity. He represented both his district and the Nation well.

Even after his departure from the House of Representatives, he continued to serve the Nation. Just recently, James O'Hara's presence could be felt. He was the chair of the Federal Minimum Wage Study Commission from 1979 to 1981. His work on that Commission resulted in a thorough and positive assessment of the minimum wage which concluded that the minimum wage did not contribute to unemployment and should be raised. And, last month, the House of Representatives did just that.

His dedication to a strong defense posture has served our Nation well. And will serve us for years to come. His legacy will be long remembered.

The number of his accomplishments which made our defense stronger and our country safer for Americans, or which simply made life better through any of his numerous other successes, are indeed legion. I cannot begin to list them all; understandably so, considering that this man spent much of his life serving the people of this country.

James O'Hara was a great asset to this body. The fuel which energized him was not glory, power, or gain, but a sincere desire to serve his constitutents and this Nation to the best of his ability. And his best is truly the epitome of public service.

He will be greatly missed as a colleague, as a dedicated legislator, and as a good, good friend.

I extend my sympathy to his wife, Susan, and to his family.

GENERAL LEAVE

Mr. FORD of Michigan. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order today.

The SPEAKER pro tempore (Mr. TRAFICANT). Is there objection to the request of the gentleman from Michigan?

There was no objection.

□ 1720

SLEPAK PRINCIPLES ACT

The SPEAKER pro tempore (Mr. TRAFICANT). Under a previous order of the House, the gentleman from Washington [Mr. MILLER] is recognized for 60 minutes.

Mr. MILLER of Washington. Mr. Speaker, there are signs of change in the Soviet Union: steps toward respect for human and property rights. It is in our interest to encourage these steps, because a nation which respects the rights of its own citizens will more

likely respect the rights of other nations' citizens. And if history is any guide, a nation which appreciates the role of the individual citizen will more likely appreciate the role of private business. That is why today, with Representative LARRY SMITH and 18 of our colleagues, I am introducing the Slepak Principles Act which sets up 7 guiding principles for United States companies operating in the Soviet Union.

Vladimir Slepak, a founding member of the original Helsinki Monitoring Group, dedicated to observing Soviet compliance with the Helsinki Final Act of 1975, first proposed these principles. It is his hope that they will help promote pluralism and freedom. Our legislation is an attempt to turn his hope into reality.

Briefly, these are the seven Slepak principles for Americans businesses doing business in the Soviet Union: First, refuse to use materials made by forced labor; second, seek to safeguard Soviet employees prone to dismissal based upon politics, religion, ethnic background, or union activities; third, decline to use structures previously used for religious activities; fourth, strive to ensure that methods of production do not unnecessarily risk harm to the surrounding environment; fifth seek to ensure that they do not provide goods or services critical to the Soviet military; sixth strive to use independent businesses when looking for potential partners in business in the Soviet Union; and seventh, decline to participate in untied loans to the Soviet Union.

Our bill encourages companies to conduct business in a manner beneficial to both long-term commercial interests and human rights. Our bill does not prohibit United States companies from conducting business in the Soviet Union. Basically this bill does three things:

First, it asks companies to voluntarily abide by the principles when conducting business in the Soviet Union;

Second, it requires the State Department to submit an annual report on whether or not U.S. companies comply with the principles;

Finally, 2 years after enactment of the bill, companies not adhering to the principles would lose some export marketing support. This means U.S. Government officials could not assist nonadhering companies in selling goods, services, or technologies in a foreign market. An example of this would be a United States Government official could not assist a noncomplying firm in arranging an appointment with a Soviet official. In other words, noncomplying firms could still do business in the Soviet Union, they just would't have the United States Government's assistance.

The U.S. Gvernment would still protect U.S. business in a trade dispute. And loss of export marketing support would not prohibit providing general export information or generally available informational publications such as Overseas Business Reports, Foreign Economic Trends and Business America.

Why is there such a need for these principles now? There are 177 businesses operating in the Soviet Union today, and 13 joint ventures registered with the United States Commerce Department. We hope and expect that in the future there will be more. Recently the American Trade Consortium negotiated a framework agreement with the Soviet Government which could lead to as many as 25 new joint ventures and involve United States investment between $5 and $10 billion. United States-Soviet bilateral trade totaled $1.6 billion in 1987 and will undoubtedly grow.

In the past we have had a multipronged effort in supporting human rights and openness in the Soviet Union. At the same time that we have worked with the Soviet Union on arms control and security issues, we have also continually brought up issues such as human rights. Our increasing official contact with the Soviet Union has been matched by increasingly frequent cultural exchanges. There also the relationship was benefited by placing all issues—human rights, trade, arms control, regional conflicts—squarely on the table.

Now, with the hope of more business contact with the Soviet Union, American businesses can also contribute to the new openness in our relations. This contact will have an ever increasing impact on the Soviet people. By conducting their business in accordance with Slepak principles, businesses will help contribute to glasnost and perestroika in the Soviet Union, thus ensuring a better business climate in the future.

Should U.S. companies agree to abide by the Slepak principles? I believe they should for the simple reason that it makes smart business sense to follow the seven guidelines. For example, by following the principle on striving to work with independent businesses such as cooperatives, United States businesses will be appealing to the very market in which they are trying to establish themselves in—the Soviet consumers. John Goodchild, president of the communications company, the Weightman Group, points out in an article on the Slepak, principles in the Wall Street Journal: "* * * if we're going to the Soviet Union to make a profit, we ought to lay the groundwork for something enduring."

Soviet consumers are not getting the goods and services they want from the state-run economy. It is clear by recent elections that consumers are fed up with the largest employer and business in the Soviet Union. United States firms working with cooperatives will be working with the independent Soviet businesses which hold the hope of providing goods and services the Soviet citizens cannot get now.

Similarly, by providing a safer workplace which ensures workers' rights, for example, United States companies in the Soviet Union will gain a number of benefits. Because of the favorable conditions in their workplace, U.S. businesses will attract a higher quality of employee than their competitors. In addition, there will be less turnover at these companies. Thus, those companies following the principles will reduce their costs of doing business.

But most of all, businesses will abide by the Slepak principles because they recognize that by contributing to a more democratic, more open Soviet Union, they will be ensuring a larger, more stable market in which to operate.

United States policy in pushing for human rights and openness in the Soviet Union has brought some success. We cannot take full credit for all the positive changes that have been occurring in the Soviet Union. But neither can we ignore our consistent and persistent efforts in pushing those changes. Now that we are on the road to success, we should not diminish our efforts.

As we recognize the Soviets for their constructive changes by taking steps such as holding a human rights conference in Moscow, does it not also make sense to ask our companies to voluntarily abide by a set of ethical principles—to do voluntarily in the Soviet Union what they are required by law to do here in the United States? The Soviet Union, itself, has agreed in the Helsinki Final Act, the Madrid and Vienna Concluding Documents, and the Universal Declaration on Human Rights and other agreements, to abide my many of the guidelines we set forth.

In the past our policy of pushing for human rights was a defensive one. We sought to help those already in trouble—the imprisoned, the persecuted, and the abandoned souls of the Soviet gulag. Now with the first improvements in the Soviet Union, we can use a more positive strategy of pushing for actual democratic rights. In addition to helping those who want to leave the Soviet Union, we can also help make life better for those wishing to stay in their country.

The possibilities for expanded trade opens up the prospect for exciting new contact with the people of the Soviet Union. Our legislation does not seek to constrict that prospect; it seeks to make that prospect more beneficial.

Mr. SMITH of Florida. Mr. Speaker, I am proud to join Representative JOHN MILLER in introducing the Slepak Principles Act. I want to extend my sincere gratitude to Congress-

man MILLER, and commend him for his leadership on this issue. He has displayed unusual vision and careful foresight about the potential for democratic changes within the Soviet Union.

It is clear to the world that the Soviet Union is a country undergoing dramatic changes. The arrival of General Secretary Gorbachev has shaken up the status quo within the Soviet Union in an unprecedented manner. Concepts such as perestrioka and glasnost are no longer only Soviet pipe dreams; they are practical principles which are changing the way the Soviets view themselves, their political system, and their role in the world order. The question is no longer "is change taking place," but "how extensive will the changes be and are they for real."

This period of change in the Soviet Union is also a foreign policy opportunity for the United States. For years a cornerstone of American foreign policy vis-a-vis the Soviet Union has been to foster democratic institutions and practices in that country. Primarily, we have been focused on pressing the Soviet leadership to extend fundamental rights to all Soviet citizens—right such as freedom of emigration, freedom of religion, and freedom of speech.

There is a legal, as well as a moral basis for these traditional policy objectives. As signitors to numerous international treaties, including the Helsinki Final Act, the Madrid and Vienna Concluding Documents, and the Universal Declaration of Human Rights, the Soviet Government is obliged to allow its citizenry basic, fundamental freedoms, such as those mentioned above. Yet, we all know that these rights and so many others have historically been denied to the Soviet people.

The United States must exploit this rare opportunity to bring about democratic changes in the country recognized as the leader of the Communist world. The Slepak Principles Act does just this. It requires American business concerns in the Soviet Union to conduct business ventures in accordance with a set of democratic principles while at the same time prohibiting American firms from perpetuating current oppressive Soviet labor and business practices.

Specifically, the bill calls for American firms engaged in business in the Soviet Union to: First, refrain from producing or providing services that benefit the Soviet Military Establishment; second, refrain from using goods produced by forced labor; third, safeguard Soviet employees prone to dismissal for ethnic or religious reasons; fourth, decline to participate in a commercial transaction if the place of work is a Soviet-confiscated religious edifice; fifth, ensure that working conditions are humane and safe for workers; sixth, refrain from making untied loans to the Soviet Government; and seventh, attempt to engage in joint ventures with private cooperatives rather than institutions connected with the Soviet State.

While the future of United States-Soviet relations is unclear, it is clear that the Soviet Union is in the process of rethinking both its domestic and foreign policies. One manifestation of this change in thinking is the increased business opportunities for Americans in the Soviet Union. Case in point: The American Trade Consortium recently negotiated a framework agreement with the Soviet Government which could lead to as many as 25 new joint ventures and involve a United States investment of between $5 and $10 billion.

The Soviets need American capital and ingenuity to achieve their political objectives. It is morally imperative that the United States use this opening to promote our own interests. This is exactly what the Slepak Principles Act does and I urge all of my colleagues to cosponsor this important legislation.

□ 1740

GENERAL LEAVE

Mr. MILLER of Washington. Mr. Speaker, I ask unanimous consent that all members have 5 legislative days within which to revise and extend their remarks and include therein extraneous material on this special order.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington.

There was no objection.

□ 1730

A CLOSER LOOK AT THE VRA MYTHS

The SPEAKER pro tempore (Mr. TRAFICANT). Under previous order of the House the gentleman from Pennsylvania [Mr. GAYDOS] is recognized for 60 minutes.

Mr. GAYDOS. Mr. Speaker, a majority of this body—231 Members representing 38 States at last count—believe that America's steel industry is still too fragile, and that its future depends on the passage of H.R. 904—the extension of the Steel Import Stabilization Act for another 5 years.

The Steel Import Stabilization Act, which was part of the 1984 trade bill, put into place one of the most effective tools we have had for curbing steel imports into this country. That tool is the Voluntary Restraint Agreement [VRA].

To date, we have VRA's with 19 countries and the European Community, and the mechanism has been successful. In 1984, when we made the VRA's a part of our trade policy, steel imports had reached an annual level of 26.4 percent.

In 1987, after 3 years of the VRA Program, imports fell to 21.3 percent, and last year, to 20.3 percent. But, more importantly, the American steel industry closed some old plants, modernized some others, and doubled its productivity while operating at nearly full capacity.

Now, we need to extend the program for another 5 years. There are those who say the industry is strong enough to stand on its own feet without a helping hand from Government.

Well, those of us who know the industry say its not time yet. But, before I go into that, let me give you some history on the industry and its problems in the past 15 years.

During the 1970's and early 1980's, many Americans faced hard times, but life for the steel industry and its workers was especially harsh. Since 1974, hundreds of thousands of workers became unemployed as two in three jobs disappeared when more than 25 U.S. steel firms went bankrupt. And those whose jobs didn't disappear took pay cuts. Today, steelworkers work for 90 percent of the wages they were making in 1982. And that's not even figuring in inflation.

Entire communities and regions in the 39 States that house the steel industry that were once vital and thriving have been deserted as the unemployed steelworkers fled to other parts of the country to look for work.

In my district alone, there were 5,000 people employed by USX Corp. coke works plant in Clairton in 1970. Today, only 1,450 workers work in that plant.

Just a few weeks ago, USX announced that 100 entry-level jobs at the plant were available. More than 2,200 individuals waited in line for hours in hopes of landing one of those jobs.

One of those, Eric Kessler of Clairton, said he thought his chances of winning a job were as slim as his chances of winning the State lottery. But at least, he didn't "have to kick up a buck" to apply.

Getting one of those jobs would enable unemployed Bill Rochelle to buy the finer things in life—like new shoes for his children and a hat for his wife.

We know why our steel industry fell into a slump. Simply put, steel was not being traded fairly. Other countries' steel industries were and are owned or subsidized by their governments. Those steelmakers did not have to make a profit to stay in business.

And in order to gain even bigger shares of the American market, they dumped steel at below-cost prices. In 1980, steel imports made up 16.3 percent share of the U.S. market. Four short years later, imports claimed 26.4 percent.

As I mentioned earlier, our response to this crisis was passage of the Steel Import Stabilization Act which required voluntary restraint agreements with most steel-producing countries.

The VRA's expire this September, and they must be renewed so that the American steel industry can continue to recover. During the recent flurry of information on whether or not the VRA's ought to be extended, a report published by the Stern Group, an international trade advisory firm has come to my attention.

In stating their case against renewing the VRA's, they argue that the American steel industry is healthy

after 26 years of exceptional trade protection. They say that extending the VRA's will make it much harder for U.S. manufacturers to increase exports in the 1990's and will keep prices higher in the United States than abroad.

Mr. Speaker, I have here an analysis of the Stern Group's report by the law firm of Dewey, Ballantine, Bushby, Palmer & Wood, and I ask that it be printed in its entirety as an addendum to my remarks.

Coincidentally, the author of this comprehensive and well-organized report, Holly Glenn, happens to be a former resident of my district.

Ms. Glenn makes the following point:

The Stern Group Report really doesn't contain any analysis on the effects of the VRA's as the analysis stops at 1985, even though data for the years that the VRA's were in place is readily available.

Their argument that the VRA's affected supply doesn't make sense as the VRA quotas were not even filled in 1987 or 1988.

The primary reason that the Stern Group report is incorrect is that it ignores events and factors other than the VRA's which have had an impact on steel trade and steel prices such as the world-wide steel shortage and higher steel prices abroad.

The analysis fails to explain observed steel market behavior, and draws conclusion based on an overly simplistic and inaccurate depiction of the determinants of steel prices.

The prices selected by the Stern Group are not market prices at all. They do not show what consumers in any market paid for steel.

Rather, they represent revenues per ton for all steel products, based on a cost model, corrected for various outside events and discounting.

The report says nothing about the effect of import protection in general, the effects of the VRA's in particular, and the consumer costs of import protection.

It should not be used as the basis for policy decisions which will affect the condition and international competitiveness of one of our key industries.

I would also like to clarify other misstatements that need to be put in the proper context.

Myth No. 1: The VRA's have made American steelmakers fat and happy.

The fact is that the American steel industry is only beginning to regain its health, and the VRA's have been crucial to the ongoing recovery. Because of the industry's stability over the past 5 years, steel companies have been able to borrow money at lower interest rates and make long-term commitments to creditors in order to modernize facilities by improving and expanding continuous casting machinery and hot rolling mills.

The steel industry, however, has a long way to go. Steelmakers have only begun to recover and earn back some of the $12 billion they lost through the mid-1980's. And while sales are up, they are still lower then they were in 1984.

The gains of the last 2 years can hardly be called a complete comeback. Fifteen percent of domestic steelmaking capacity still is in chapter 11. New investment on sustained losses of $3 and $5 billion annually is needed if the domestic steel industry is to match the competitiveness of its leading foreign competitors.

A football coach doesn't tell his team that has managed to come from behind but is still losing by 10 points in the fourth quarter to relax and not worry. There's a lot more work that needs to be done.

Myth No. 2: The VRA's have resulted in higher prices for steel users.

The fact is that steel prices have gone up in the last 2 years. And, while critics of the VRA extension have jumped to the conclusion that VRAs are responsible, they conveniently leave out the fact that during the first 2 years of the VRA's, steel prices actually fell.

According to Putnam, Hayes & Bartlett, an economic research firm, domestic steel prices have gone down in real terms by 9 percent since the start of the VRA's. So today, even with moderate increases, the price for steel is virtually the same as it was in 1981.

So what made the price of steel go up? The Congressional Research Service, in reports issued in both 1988 and 1989, concludes that market forces around the world—strong demand and the decline in the dollar rather than VRA's—have caused the price increases. CRS also reported that VRA countries are not filling their quotas so the VRA's could not have caused steel prices to increase as non-VRA countries increased their U.S. exports to help alleviate the problem.

In spite of price increases in 1987 and 1988, U.S. steel is now much less expensive than steel produced in other countries. For example, the price for United States-produced cold rolled sheet is cheaper by about $200 per ton when compared to Japanese-produced cold rolled sheet.

Another reason for higher prices is increasing demand for steel worldwide, according to the book "Steel And The State." In fact, the demand is close to the all-time high reached in 1979.

The Soviet bloc, especially, has shown a strong demand for steel at the same time that other countries, such as Korea and Taiwan, have closed some of their steelmill capacity while they expand. Because of the shortage, some countries aren't exporting much steel but are instead hoarding it for the future.

Critics also argue that the VRA's result in small steel users paying even more for their steel. The fact is, whether or not the VRA program is continued into the 1990's, the market will be broken up into at least the two broad buyer groups with the large buyers having more market power.

Ironically, the critics don't mention that prices for other metals that are not included in the VRA's have increased much more—making steel an undeniable bargain.

In the last 2 years, the price of copper has increased by more than 150 percent, and the price of aluminum also more than doubled.

Myth No. 3: VRA's discriminate against countries that trade fairly.

The fact is that steel is traded neither freely nor fairly on the world market. We and perhaps a select few other countries are free traders. All the other foreign steel industries have been, are, and in all likelihood, will continue to be state-owned or state-supported. Regardless of the trade policy the United States chooses to adopt, the foreign markets will continue to be subsidized and heavily protected.

Many people say all we need is a level playing field in order to compete. The real question is: "Are we playing on the same field?" I think that level is irrelevant here. I am not even sure we're playing the same game. The rest of the world is playing soccer, and we're throwing them a football.

Between 1980 and 1985, national governments within the European Community provided over $35 billion in subsidies to their steel producers, most of which consisted of aid for continued operation.

Since 1985, governments have granted major subsidies to steel producers in Venezuela, Argentina, Belgium, Turkey, and other countries. Numerous countervailing duty investigations have been conducted in steel by the U.S. Department of Commerce.

The Department has made over 70 affirmative findings of subsidization in steel since 1980 against countries ranging from Argentina to Zimbabwe. Dozens of other cases were settled before a determination was made.

No one can argue that subsidies aren't still predominant in other countries. For example, Italy's state-owned steel producer, Finsider, which hasn't even broken even in over 15 years, is currently seeking an additional $5.8 billion in dollars to see them through 1990 after receiving more than $1.5 billion since 1970 in operating and restructuring aid.

A secret World Bank study completed in 1988 found that the Mexican Government supported its steel industry with direct budgetary transfers of $75 million to $100 million each year. In September 1986, the Government

assumed $883 million of the debt of state-owned Sidermex.

In West Germany, the Government won approval from the European Community Commission to grant $161 million to the ailing producer, Saarstahl, for 1986 and 1987. The Federal Government and the Saar State Government also acquired a 76-percent interest in the firm and pledged to cover debts of $324.8 million.

Since the 1960's, the ailing Spanish steel industry has received many Government aid injections. In 1987, the European Community Commission granted approval for the Spanish Government to provide $1.8 billion to its steel industry for restructuring, after receiving another $4.3 billion in subsidies in 1983.

While this list is illustrative, it is by no means comprehensive. There are too many other examples to single them out individually. And there's no sign that these massive subsidizations will end.

Myth No. 4: Other countries are opening their steel markets.

The fact is that even with the VRA's, the United States has continued to be the most open market in the world.

The European Community has consistently held steel import penetration to under 13 percent since 1978, and until the shortage in the world market, Japan restricted imports to 6 percent by using various informal trade barriers.

Other countries use a variety of measures to close their markets. Some use high tariffs, but most rely on nontariff barriers, such as quality tests, to close the door.

Myth No. 5: Only the American steel industry wants to see the VRA program renewed.

The fact is that steel consumers as well as manufacturers support renewing the VRA's. At last count, more than 200 steel consumers and almost 400 industry suppliers have taken a long-term perspective and have joined the efforts to extend the VRA program.

The Office of the U.S. Trade Representative has received comments from all industries affected by renewal of the VRA's, and an overwhelming majority—92 percent—have indicated their support for extending the program as compared to only 6 percent opposed.

State legislatures and Governors in 10 States have passed pro-VRA resolutions, and I have received dozens of letters from a wide variety of people who are pressing for extension of the VRA's.

As we all know, President Bush promised to renew the VRA program in some form in a letter days before his election last November to my colleague from Pennsylvania, Senator HEINZ. Some people are calling that letter a campaign promise made in a moment of desperation. I'd like to think not, and I hope that the President keeps his word as a few weeks ago, Secretary of Commerce Robert Mosbacher indicated the administration plans to continue the VRA's.

The VRA program will give America a bargaining chip with foreign governments to negotiate a long-term international trade agreement that bans unfair trading practices in steel.

The VRA's are not a permanent solution in dealing with the unfair trading practices of other countries. I believe the President must forge ahead and negotiate a fair, feasible, and enforceable international trade agreement on steel.

In the meantime, we need to continue the VRA's to prevent the unfair trading practices of foreign governments from destroying any more of our country's steel industry.

I strongly urge my colleagues to join me in supporting the extension of the VRA program by cosponsoring H.R. 904.

□ 1800

At this time I yield to the gentleman from Ohio [Mr. TRAFICANT], my good friend and colleague, and a member of the Steel Caucus and a leader in this area.

The SPEAKER pro tempore. Without objection, the gentleman from Pennsylvania [Mr. GAYDOS] will assume the chair.

There was no objection.

Mr. TRAFICANT. Mr. Speaker, I want to start out by saying that I do not normally speak in special orders. I do so tonight because the fellow that was down here speaking is the chairman of the Congressional Steel Caucus, the gentleman from Pennsylvania [Mr. GAYDOS].

Mr. Speaker, I represent the Youngstown, OH, area. We lost 55,000 steel jobs averaging $12 and $15 an hour, and, if it were not for the efforts of guys, and fellows and leaders like the gentleman from Pennsylvania [Mr. GAYDOS], we would never be coming back, and we are starting to come back.

The only thing I would like to say is that the voluntary restraint agreement is not only needed and continues to be needed in this country; I would like to see us go a step further. I would like to see mandatory restraint agreements because I do not believe America can defend itself with styrofoam.

Mr. Speaker, I will only take a minute to say that I really appreciate the efforts of the many men and women in Congress who have preceded me and serve here in leadership, such as the gentleman from Pennsylvania [Mr. GAYDOS], who have helped my area that has probably been hit the hardest. So I just take this minute to thank the chairman of the Congressional Steel Caucus, and I am still going to hold him to an invitation to our area to not only meet with our steelworkers, but see some of the hazards that they face in the workplace, and his legislation protects them and gives them notification of the hazards in the workplace.

The SPEAKER pro tempore. (Mr. GAYDOS). Without objection, the gentleman from Ohio [Mr. TRAFICANT] will resume the chair.

There was no objection.

Mr. GAYDOS. Mr. Speaker, I want to thank the gentleman from Ohio [Mr. TRAFICANT], my colleague, for what he has done over the years. I have to reemphasize the fact that, if it were not for Members like him, possibly some of the warning observations would not be made, and the situation would continue to deteriorate, and we would find ourselves with a complete lack of responsibility.

The gentleman from Ohio [Mr. TRAFICANT] has served us well, and he serves the caucus well and the House well, his constituents and mine. He has served them well by being the watchdog in this very, very sensitive area.

Mr. Speaker, as I mentioned before, I would like to get into presenting an analysis of the Stern Group study, and I think it is very important. So, in analyzing the Stern Group report I want to start off by saying that recently the Stern Group, representing some U.S. steel-consuming manufacturers, published a study entitled "Rebuilding American Manufacturing in the 1990's: The Case Against Steel VRA's." The Stern Group proposes that the Voluntary Restraint Agreements should not be renewed. Unfortunately, while an analysis of the issue of VRA renewal from the point of view of steel consumers would be an important contribution to the general debate, the Stern Group report does not provide the kind of analysis required.

The Stern Group report does not contain any analysis of the effects, positive or negative, of the VRA Program. Instead, the analysis is based on data solely from the pre-VRA period. However, this analysis leads the Stern Group to conclude that an extension of the VRA's would be detrimental to U.S. steel-consuming industries.

The Stern Group's report states that the steel industry has received protection from imports for 20 years, which has reduced the quantity of imported steel into the U.S. market and raised steel prices to U.S. consumers. Because the current VRA's are a form of import protection, they are alleged to have also led to restricted supplies—shortages—and higher prices. The Stern report further argues that historically higher U.S. steel prices have eroded the competitiveness of steel-

consuming goods in the international marketplace over the past 20 years.

While import protection may lead to a reduction in supply and an elevation of prices,[1] there are a number of problems in finding empirical support for this hypothesis as it applies to the U.S. steel market during the period of the VRA's.

THE ISSUE OF PROTECTION FROM IMPORTS

Leaving aside dynamic considerations, and accepting for the moment the validity of the Stern Group's static framework, the report's assumption that 20 years of protection has harmed steel consumers is based on the allegation that effective protection from steel imports into the U.S. market existed over the 1969–85 period. However, the historical record on this issue is more a documentation of failed measures than it is of successful import-restricting policies having the effects now being attributed to them.

A system of voluntary restraints was reasonably effective in limiting imports in 1969 through 1971. These restraints were renegotiated in 1972, but by 1973 and 1974 the world steel shortage, combined with U.S. price controls, led to imports below the allowed levels, indicating that the restraints were no longer binding. Consequently, the restraints were allowed to lapse.

There were no import restraints on carbon steel between 1974 and 1978.

In 1978, a trigger price mechanism [TPM 1] was put in place, but this was an early-warning import monitoring system, not a functioning system of import protection in the United States. The first TPM operated from April 1978 to March 1980. While TPM 1 appeared initially to produce an abatement of import pressure, it ultimately failed to halt an influx of dumped steel from Europe in late 1979 and early 1980, resulting in the collapse of the system. A second TPM [TPM 2] was introduced in October 1980, but it, too, failed within a year. A massive influx of dumped and subsidized imports began in the spring of 1981, and between March and December of that year, monthly import penetration increased dramatically from 12 percent to nearly 23 percent.

In 1982 a system of voluntary restraints covering a limited range of products was negotiated with the EC; however, during this period—1982–85—there were neither restraints on many EC steel products, nor on imports from other countries. Imports of these exempted EC products, as well as imports from these exempted countries grew at an extremely rapid rate. This flood of non-VRA imports sent the U.S. import penetration ratio soaring above 25 percent. Not until 1986, when the present comprehensive system of VRA's became fully effective, did import penetration begin to decline.

Thus, over the 17-year period from 1969 to 1985, there was effective import protection for the carbon steel industry in at most 5 of those years, 1969–72 and 1985. In 2 other years—1979 and 1980—there was some partially effective import monitoring, but these years also saw major import surges and material injury to the U.S. steel industry.[2] Only in 1985 were there comprehensive restrictions covering about 80 percent of total steel imports into the United States. There was no comprehensive system of effective import protection for the steel industry during any time prior to 1985. Hence, the Stern Group is grossly incorrect in asserting that the steel industry benefited from "20 years of protection." Consequently, the analysis which follows from that premise is unfounded.

Even if the claim of "20 years of protection" were granted to be true, the Stern Group's evidence that import volumes were reduced and U.S. steel prices were elevated as a result of protection is of doubtful validity, at best.

In both absolute and relative terms, imports rose throughout the period of the alleged import protection. Table 1 presents absolute U.S. import volumes and import penetration ratios over the 1973 to 1988 span. What is clear from this data is the fact that the various pre-VRA protective measures had little effect, and certainly no sustained effect, on imports into the United States. The first TPM may have helped to hold down U.S. imports and their penetration of the U.S. market for a period of approximately 16 months between April 1978 and the late summer of 1979. Similarly TPM 2 may have restrained imports for approximately 7 months between the fall of 1980 and the spring of 1981. After these periods, however, with the unraveling of TPM 1 and TPM 2, imports and import penetration rose almost steadily until the effective establishment of the present VRA system in 1986. Thus, the evidence does not support the hypothesis that import protection led to a reduction in imports prior to 1985. This failure is not surprising, given the weakness and intermittence of the protective measures in place during that period.

TABLE 1.—U.S. IMPORT VOLUMES AND IMPORTS AS A SHARE OF APPARENT CONSUMPTION

Year	Imports (millions of net tons)	Import penetration (percent)	Effective protection
1973	15.15	12.4	No.
1974	15.97	13.4	No.
1975	12.01	13.4	No.
1976	14.28	14.2	No.
1977	19.31	17.7	No.
1978	21.13	18.1	Partial; TPM 1 (Apr.–Dec).
1979	17.52	15.3	Partial; TPM 1 collapses.
1980	15.49	16.4	Partial; TPM 2 (Oct-Dec).
1981	19.90	19.0	Partial; TPM 2 collapses.
1982	16.66	21.8	No.
1983	17.07	20.3	No.
1984	26.17	26.6	VRAs not yet in place.
1985	24.28	25.2	Partial; VRAs not yet in place.
1986	20.69	23.0	Yes, VRAs in place.
1987	20.41	21.3	Yes, VRAs; quotas unfilled.
1988	20.89	20.2	Do.

THE ISSUE OF STEEL PRICES

The evidence on steel prices prior to the 1984–85 VRA's also casts doubt on the conclusions of the Stern Group's analysis. The Stern Group attempts to show that United States steel prices were raised above Japanese and German home market steel prices by using data from the World Steel Dynamics Price/Cost Model. The prices selected by the Stern Group are not market prices at all. They do not show what consumers in any market paid for steel. Rather, they represent revenues per ton for all steel products, based on a cost model, corrected for various exogenous events and discounting. The Price/Cost Model composite price does show a fairly consistent differential between United States prices and Japanese and German home market prices, and it is from this differential that the Stern Group's estimates of "consumer cost of protection" are derived. However, other World Steel Dynamics [WSD] price data do not show such a consistent differential. A comparison of WSD carbon steel list price composites shows that U.S. prices were only above overseas home market prices—stated in U.S. dollars—about half of the time between 1973 and 1980. From 1981 to 1985 the unsustainably high value of the U.S. dollar caused U.S. steel prices to remain above overseas prices—stated in U.S. dollars. Now prices in the United States market are substantially below prices prevailing in many markets abroad, and dramatically below prices in Japan.

An examination of steel prices over the past 20 years—as opposed to modeled prices—does not support sweeping conclusions either to the effect that U.S. prices were consistently above or below overseas steel prices. In individual product lines prices were both above and below comparable foreign prices at various points in time. That foreign home market prices were actually often substantially above U.S. prices is underscored by the numerous affirmative antidumping determinations by the Commerce Department

[1] This conclusion relies on an otherwise static market (i.e., the introduction of import restraints is assumed to be the only exogenous change), as well as the assumptions that demand for imports is not perfectly inelastic (Edm < 0, since demand elasticities are negative) and that the supply of the domestic good is not perfectly elastic (Es < ϕO).

[2] The U.S. International Trade Commission found that U.S. producers of a variety of steel mill products, including wire rod, oil country tubular goods, pipe and tube, and cold-rolled sheet, were injured by reason of dumped and/or subsidized imports in these years.

based on price-to-price comparisons during this period.[3]

It is clear that any conclusions about comparative prices depend more on the data series selected for comparison, and less on the presumed effects of import protection, which was, in any event, nonexistent for most of the period under scrutiny.

Further, even if the Stern Group's choice of data and interpretation of history were granted to be correct, which it is not, counterintuitive results may follow. A simple, two-element comparison of import protection and price levels—as employed by the Stern Group—leads to the incongruous conclusion that more import protection spells lower prices—exactly the opposite of the Stern Group's argument. Specifically, since import protection abroad has been more effective in limiting imports than import protection has in the United States, the lower overseas prices found by the Stern Group can be seen as a direct result of that greater protection. Clearly, this is an unsound, if ironic, conclusion. It does serve to illustrate that overly simplistic comparisons cannot substitute for thorough analysis.

The foregoing demonstrates that steel markets in the pre-VRA period did not witness the events alleged by the Stern Group. Import protection was intermittent, at best; total imports were rarely restricted; and U.S. prices were not consistently elevated above prices in other major markets.

THE ISSUE OF THE EFFECTS OF CURRENT VRA'S

The Stern analysis stops at 1985, despite the fact that the data for 1986, 1987, and 1988—the period of effective VRA's—is readily available. Had the Stern Group extended its analysis to include the VRA period itself, it would not have found any evidence to support its hypotheses. In fact, the behavior of steel markets since the inception of the present VRA system reveals inconsistencies which make it difficult to sort out the effects of the VRA's on import volumes and prices. The evidence on the effects of the VRA Program on domestic supply and prices is quite mixed. The evidence does not point clearly to the conclusion that VRA's have led to higher prices in the U.S. market.

It is very difficult to draw conclusive causal links between the VRA's and changes in the steel market. Confounding the claim that the VRA's, as a form of import restraint, have restricted supplies is the evidence on VRA quota fulfillment. In 1987 and 1988 a number of VRA countries did not fill their quotas for exports to the U.S. market. Preliminary data for the first three-quarters of 1988 indicate that only 62 percent of the overall VRA quota was filled. Major suppliers such as Japan and Korea only filled 54 percent of their quotas; and other significant suppliers such as Brazil and the European Community fell well short of filling theirs.

While import share has fallen, the VRA's do not appear to have been a major factor restricting imports to the U.S. market in 1987 and 1988. There were other factors operating in the marketplace—principally high demand and attractive prices abroad—that caused foreign producers to limit their exports to the United States.

Just as the evidence on import restraint is mixed, so is the evidence concerning price movements during the VRA period. Since the VRA's have been in effect, prices have both fallen—in 1985 and 1986 when quotas were generally filled—and risen—in 1987 and 1988 when quotas were generally unfilled. Thus, it is difficult to conclude that the VRA's have been the sole cause of recent price increases. If VRA's are attributed to be the cause of the 1987 and 1988 price increases, then they also must be identified as the cause of the 1985-86 price decreases.[4] In all, domestic steel prices have declined 9% in real terms since the VRA's were instituted. Steel prices today are only higher when compared to the very recent past (1986), when they were severely depressed. These findings run counter to the Stern Group's contention that import restraints unambiguously raise prices.

In addition, even if the Stern methodology of comparing adjusted revenues per ton across countries were valid, an extension of the Stern Group calculation through August 1988—the last month for which the "World Steel Dynamics Price/Cost" data are available—shows an interesting result. Between January 1986 and August 1988 United States steel prices were significantly below Japanese home market steel prices. The differential was large enough to cause United States steel consumers to save $15.5 billion over their Japanese competitors. This savings occurred during the VRA period, and, if the Stern Group methodology were accepted at face value, presumably could be attributed to the effects of the VRAs.

OTHER INFLUENCES ON THE STEEL MARKET

The facts prove that the Stern analysis is incorrect in its designation of the VRA's as the cause of shortages and elevated prices in the U.S. market. The primary reasons why the Stern analysis is incorrect is that it ignores events and factors other than the VRA's which have had an impact on steel trade and steel prices. The Stern analysis assumes that all observable changes in the steel market can be attributed to the effects of import protection. Its most obvious omission is the failure to account for the effects of changes in demand—both domestic and overseas—on the quantities traded and the prices at which trades occur. This omission calls into question the Stern Group's use of a static framework to anlayze the effects of import protection.

Further evidence that there are other important factors influencing steel trade can be found in price trends overseas. The Stern Group suggests that VRA's are limiting exports to the United States and driving up U.S. prices. By the same logic, then, the limitation on exports should mean that more steel is freed up to serve markets outside the United States, thereby increasing supplies to those markets. If that were happening, all else being equal, then those additional supplies should be driving down prices in markets outside the United States. However, a look at overseas prices—expressed in home currencies to avoid exchange rate-induced distortions—shows exactly the opposite trend. Prices overseas, particularly in Europe, have been rising, and rising faster than U.S. prices.[5] This finding bolsters the suggestion that there are influences on the international steel market which outweigh the effects of the VRAs.

THE PRESENT CONDITION OF STEEL CONSUMERS

Because the assumptions of the Stern Group's analysis have no basis in observable facts, its conclusions about steel consumers' competitiveness are simple assertions. The Stern Group claims that because, historically, prices have been higher in the United States than in Japan or Germany, United States producers of steel-consuming goods have been at a cost disadvantage vis-a-vis their Japanese and German competitors. Further, the report claims that these U.S. firms' export performance has been hampered by this cost differential.

Even if the Stern analysis were meaningful, it is not clear that U.S.

[3] A price-to-price dumping margin is calculated by comparing the price of foreign steel in its home market with the U.S. price of the foreign-produced steel. Domestic prices of U.S.-produced steel are not relevant for the margin calculation. However, because steel is a commodity product, it can be inferred that the price of imported steel is at or near the price of domestically-produced steel. Thus, if the foreign producer's home market price is substantially above its U.S. price, it can be inferred that the home market price of the foreign producer is also above the price of U.S.-produced steel.

[4] Indeed, the argument has been made by Mr. Charles Blum (of International Advisory Services) that the VRA's have a current price-depressing effect because overseas producers' desires to maintain their allotted VRA quotas causes them to ignore high demand abroad and to ship more than they otherwise would have to the United States in order to preserve market share. Moreover, VRA's, having kept more U.S. production in place, and having been an inducement to investment in more productive steel facilities in the United States, are likely to have had a price-depressing effect on the domestic supply side of the market.

[5] When the comparison is made in a common currency, which is the valid basis for comparison, the rate of escalation of overseas prices is even more pronounced.

producers of steel-intensive goods have been disadvantaged by rising U.S. steep prices in late 1987 and 1988—particularly since those prices are lower than those paid by their foreign competitors. Presently, U.S. manufacturing industries are experiencing an export boom. Exports of steel-consuming goods, especially machinery and equipment, have risen substantially. In order to meet this strong demand for their products, steel consumers have had to buy more imputs, and in the process, have bid up input prices. Steel is just one of these many inputs. The Stern Group ignores the fact that demand for steel mill products is derived from the demand for steel-consuming goods. Steel mills base their production decisions on their perception of demand for their products. In a period of strong and rising demand for steel-consuming goods, such as at present, steel consumers increase their purchases of steel mill products and drive up steel prices. Hence, steel prices rise when production and exports of steel-consuming goods rise; that is, the markets move in tandem, rather than in opposite directions.

In fact, while steel prices have been bid up—in nominal terms—over the past 2 years, the gains achieved have been quite modest, especially in comparison to the price increases witnessed in other metals, where there are no VRA's. Aluminum, which is used by many of the same manufacturers that use steel, has experienced dramatic price increases since early 1987—up more than 100 percent. Metal markets worldwide have been booming for more than 2 years, and the rate of increase in nonferrous metals prices has vastly outstripped the gains in steel prices, and U.S. steel prices, in particular.

The Stern Group's analysis implies that rising steel prices spell misfortune for steel-consuming industries. However, the analysis fails to recognize that the business cycle plays an important part in the fortunes of steel producer and steel consumers alike. Steel prices are bid up by eager consumers, and those higher steel prices are indicative of good times for both steel producers and steel consumers. Consequently, no conclusion about U.S. steel-consumers' competitiveness can be drawn from the simple observation that steel prices have been rising. Similarly, the VRA Program cannot be indicted merely on the basis of coincidental market changes.

CONCLUSION

The Stern Group's analysis fails to explain observed steel market behavior, and draws conclusions based on an overly simplistic and inaccurate depiction of the determinants of steel prices. It can say nothing about the effect of import protection in general, the effects of the VRA's in particular, and the consumer costs of import protection. It should not be used as the basis for policy decisions which will affect the condition and international competitiveness of one of our key industries.

□ 1830

GENERAL LEAVE

Mr. GAYDOS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on the subject of my special order tonight.

The SPEAKER pro tempore (Mr. TRAFICANT). Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

TAX ASPECTS OF MERGERS AND ACQUISITIONS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. Cox] is recognized for 15 minutes.

Mr. COX. Mr. Speaker, today the House Ways and Means Committee began 3 days of important hearings on the tax aspects of mergers and acquisitions. The purpose of these hearings was to determine whether or not leveraged buyouts, mergers, and acquisitions are bad things which should be deterred or eliminated.

It was my privilege, as the chairman of the House Republican Task Force on Capital Markets, to be the lead-off witness in these hearings. And it was not just in that capacity that I appeared. For 8 years, I was myself a corporate finance practitioner, advising individual investors, investment bankers, and companies engaged in mergers and acquisitions, public offerings, tender offers, and leveraged buyouts.

I have also taught a course at Harvard Business School entitled "Tax Factors in Business Decisions." The focus of that course was very much on the subject matter of today's hearings.

During the past 2 decades, I have not only observed carefully the development of America's capital markets, but I have participated in those markets as the founder of a business which sold shares to venture capital investors.

From each of these perspectives—as a teacher, corporate lawyer, and entrepreneur—I have been continually impressed with the efficiency of America's capital markets in pooling the resources of millions of individuals in order to create new jobs, new products, new wealth, and a higher standard of living for the people of our country.

Frankly, America's capital markets are the envy of the world. The Tokyo Stock Exchange pales in comparison to America's many markets in New York, Boston, Philadelphia, Chicago, Denver, San Francisco, and Los Angeles, to name only a few.

Before I came to the Congress, I worked as legal counsel to President Reagan in the White House. One of my most interesting assignments was to assist the President in responding to questions from Izvestia, the Soviet Union's second largest newspaper, about the precipitous drop in the United States stock market in 1987. I recommended that the President respond to the millions of Russians who would read his answer by explaining what a stock market is, how it works, and what it does—because of course, the Soviet Union does not have a stock market. The President's response did just that. He pointed out that through our stock market, anyone who has a business idea can have access to the investment capital necessary to pursue it. As a result, President Reagan noted, Americans enjoy such things as personal computers, car telephones, and compact disc stereos, and the standard of living in the U.S. is more than three times that of people living in Communist countries.

It is not idle talk to focus on the very essentials of what free and open capital markets really do for us, because most of the proposals now before the Ways and Means Committee would substitute the judgment of the Federal Government for the judgment of investors in the capital markets. In so doing, these proposals would make the markets less free and less efficient, thereby reducing investment, job creation, and the wealth of the American people.

It has been argued that leveraged buyouts, mergers, and acquisitions are bad things which should be deterred or eliminated. To accomplish this objective, the Ways and Means Committee is considering: eliminating the deductibility of interest on takeover indebtedness; eliminating the deductibility of interest on debt that the Federal Government determines is not in the public interest; the establishment by the Federal Government of a so-called normative debt-to-equity ratio for U.S. business, and the imposition of a penalty tax on companies with a different ratio; a 25-percent penalty tax on compensation earned in connection with leveraged buyouts; a 50-percent penalty tax on specialists in mergers and acquisitions for compensation determined by Federal regulators to be excessive; a penalty tax on acquisitions, whether of stock or assets, if the value of the acquisition is over $50 million; and the elimination of tax deducations presently available to employee stock ownership plans.

The obvious intent of all of these proposals is, if you will, rather hostile to tender offers—not to mention leveraged buyouts and similar transactions.

This hostility is without solid foundations. Perhaps just as importantly, even if the hostility were legitimate, the proper means of regulating the Nation's Capital markets is through the securities laws, not through the back door using our tax laws.

In this connection, I can't help but draw attention to the statement by the Ways and Means Committee issued in its public announcement of these hearings that "the revenue impact, if any, of the * * * options—being considered here today—is unknown." In other words, the purpose of all of these proposals is not to provide ways and means for the operation of the Federal Government, but rather to penalize, deter or do away with leveraged buyouts, mergers and acquisitions. If that is the purpose of this Congress, we would all be better off to achieve that purpose directly—rather than through ham-fisted attempts to manipulate the financial returns from these transactions.

That leveraged buyouts, mergers and acquisitions should be done away with or deterred, however, is a wrong-headed assumption in the first place.

One frequent refrain, for example, is that the substitution of debt for equity deprives the Treasury of income tax revenue. On this subject, I have been particularly interested to note the disagreement between two of my Harvard colleagues: Bill Andrews, who was my tax professor 12 years ago; and Michael Jensen, with whom I served on the faculty of the Harvard Business School.

Professor Andrews, in his testimony before the Senate Finance Committee, asserted that the government's tax take "is virtually sure to be far less" after an LBO. Like many academics, he attempts to prove the truth of this statement in theory, rather than by relying on data from the real world. Professor Jensen, on the other hand, in his testimony before this committee, cited empirical studies which show that the Andrews subsidy argument ignores three important factors:

First, while LBO's typically reduce a firm's corporate income tax immediately after the transaction, they also generate large offsetting revenue increases in the form of capital gains taxes paid by pre-buyout shareholders who are forced to realize all of the gain on their holdings.

Second, the so-called subsidy argument also ignores the empirical evidence that after an LBO, a company's tax payments typically return to the pre-buyout level by the third year.

Finally, Professor Jensen observes, there are always substantial income tax payments by the buyout firm creditors who receive the interest payments and must treat them as ordinary taxable income.

As a result, Professor Jensen concludes, in the case of an average buyout with a price of $500 million, the net effect on Treasury tax revenues is to increase them by approximately $110 million.

For those of you who would prefer to look at the U.S. Government's income statement rather than empirical studies by Harvard professors, I should point out that the LBO era has been one of substantially increased Federal revenues from the corporate income tax. Beginning with 1983, the first year of the recovery, through the current fiscal year, it is estimated that revenue from corporate income taxes will have increased by more than $69 billion. That's a 189-percent increase. During the same time period, revenue from individual income taxes increased 47 percent.

Another spectre often raised in connection with leveraged buyouts is that jobs are lost when the new owners are forced to lay off workers in order to meet debt service requirements. This is a strange sort of flat-earth view of the economy, since the purpose of post-buyout management is to increase profitability by cutting costs, in the process making the company more efficient and more competitive. Does anyone seriously argue that less efficient companies with higher overhead make America more competitive internationally? If all of this leveraged buyout activity of recent years really had a materially adverse affect on employment, one would hardly expect to see America continuing with the longest peacetime economic expansion in our history, with the percentage of our population employed at an all-time high, and with the unemployment rate at a 15-year low.

In a study soon to be released by the National Bureau of Economic Research, Professors Brown and Medoff report that, "contrary to * * * public press coverage * * *, we find that wages generally grow faster following acquisitions * * *. We also find employment grows faster."

The truth is that, beneath the thin veneer of concern for the continued efficient operation of our capital markets, there is a barely disguised contempt—or perhaps instead, jealousy—for those men and women who presently earn substantial incomes by virtue of their participation in acquisitions. The provisions in several of the proposals before this committee that would penalize large mergers and acquisitions, but permit smaller ones, offer ample evidence of this emotional anti-wealth bias. Indeed, the triumph of populism over sound economics is most evident in those proposals that would impose tax penalties on so-called "excessive" compensation of those who work on leveraged buyout transactions.

One of the first things that all of us learn about capital markets is that they fluctuate. We have had down markets in the past, and we will have them in the future. When I first began as a corporate finance practitioner, the public offering market was all but dead. Year after year there was drought in the markets—and investment banking was not a very popular occupation for graduating MBAs. In those years, a peanut farmer from Georgia was urging this committee to impose penalty taxes on so-called windfall profits in the energy industry.

Today, when the oil patch is hurting and Wall Street is in robust good health, many of the same people who brought us the ill-conceived windfall profits tax are urging these latest regulatory attacks on our economy. The attacks, however, ignore the fundamental relationship of risk and reward.

In fact, the small entrepreneur with a dream has no chance in America if the largest transactions are made uneconomical or are outlawed. The venture capital funds and institutional investors who might finance a very risky enterprise will do so only so long as there is at least some chance of spectacular reward. When discounted for risk, the spectacular reward is of course much more modest, and that is what distinguishes the ground floor or the mezzanine from the penthouse. Take away the spectacular rewards in those relatively few but always high-profile transactions, and you will eliminate the very incentives that make our free enterprise system work.

Let me offer a personal example. A health care company that I myself incorporated, and then brought through several rounds of venture capital financing and two public offerings, was eventually acquired by a large New York Stock Exchange company. That onetime start-up venture now serves thousands of patients, and is worth in excess of $100 million; the individual investors have become multi-millionaires. That is not a typical case, but it illustrates the fallacy of attempting to discriminate against large transactions in a misguided effort to help the small entrepreneur.

Every single one of the entrepreneurs that I represented, and every one of the public offerings, mergers and acquisitions—and, yes, leveraged buyouts—that I handled, was undertaken in the hope of spectacular financial success. Those who bought common stock hoped that someday soon they might realize upon their investment through any number of means, including selling their shares in a tender offer, having their company acquired by a larger firm, or simply selling their shares in the public market to someone else who might generate his or her return in one of these ways.

By attacking debt financing of mergers and acquisitions, Mr. Speaker, we would be attacking those potential sources of investor return. That means that there will be fewer investors, and likewise fewer entrepreneurs who succeed in turning their dreams into reality.

I don't need to tell any of you that the most direct result of all of this would be fewer new jobs, fewer new products, and a decline in the wealth of the American people.

If we really wish to improve the workings of America's capital markets, we will choose not to make debt financing less attractive for American business. Instead, we will seek to make equity investment just as attractive as debt, by eliminating the double taxation of dividends and reducing the rate of tax on capital gains. As you know, Mr. Speaker, reducing the capital gains tax would generate a huge increase in Federal revenues which would serve to offset any static revenue losses from a shareholder dividend credit. Restoring the intended economic benefits of equity ownership in this way would go far to eliminating the current disparity between asset values and share prices that is the principal attraction to arbitrageurs engaged in leveraged buyouts. It would address the real issue of how to make America more competitive by encouraging increased investment, savings, job creation, and wealth creation—instead of hobbling America's competitive position by increased taxation and regulation of our capital markets and the American men and women who participate in them.

□ 1840

A HISTORY OF THE SAVINGS AND LOAN LEGISLATION

The SPEAKER pro tempore (Mr. TRAFICANT). Under previous order of the House the gentleman from New York [Mr. SCHUMER] is recognized for 60 minutes.

Mr. SCHUMER. I thank the Speaker.

Mr. Speaker, it is my honor to be here today as not only a member of the Committee on the Judiciary but as a member of the Committee on Banking, Finance and Urban Affairs to talk a little bit about the S&L crisis and the bill that is coming before us.

Mr. Speaker, in a few weeks this House will be dealing with, on this floor, perhaps one of the most major pieces of financial legislation to come before it since World War II, and that is the S&L bill.

We all know we have a crisis in many parts of this country because of the problems in the thrift industry. I thought I would share a few moments with my colleagues just to try to give some historical background as to what happened.

Mr. Speaker, I can say that when we get into this issue there is going to be blame; there is going to be plenty of blame to go around. There is no question about that.

But I think a historical perspective and understanding as to what happened will help us understand not only why the crisis occurred but what we must do in the future to prevent it from happening again.

Mr. Speaker, in the 1930's we did something in this country that was probably the second greatest invention of the New Deal.

We created the deposit insurance.

Previous to that, Mr. Speaker, the economic history of this country was punctuated by dramatic valleys and dramatic upturns mainly because people lost faith in their financial institutions.

The things were called panics, and they literally were; rumors spread that banks or thrifts were illiquid and people would run, line up—we have all seen the pictures and the movies—line up around the block to try to get their money out. The bank would collapse, the institutions with loans would then collapse and sure enough the economy would not be far behind.

Our economy suffered great ups and downs. And in a bipartisan effort both President Hoover and President Roosevelt created the Federal deposit insurance which said to the average person that, "If you put your money in a thrift you are guaranteed up to a certain amount by Uncle Sam." That has been a great invention. It has saved thousands, millions, tens of millions of families hardship because the business cycles that were so characteristic of our economy before 1933 were muted at the very least.

The kind of unemployment, depression and all the other things that would ensue were no longer there.

We did a second thing in the 1930's; what we did was we created a special thrift industry which, with legislation added on in the forties and fifties and sixties, had a very special mission. The thrift industry was given certain advantages to fulfill that special mission which was the housing of America, the building of homes.

Sure enough, if you look at the statistics in 1940 and then look at the statistics in 1960 and again in 1980, it was a remarkably successful experiment.

□ 1850

These thrifts were given a little better interest rate, but they were limited in where they could put their money, and they put it into home mortgages, and they helped tens of millions of American families fulfill the American dream, the ownership of a home at relatively cheap interest rates.

Well, what happened? Things were going along so well, what changed? Well, a couple of things changed, Mr. Speaker, but most important of all, the economy became far more sophisticated. In the mid and late 1970's some of our financial geniuses found ways of allowing people to invest money and get a Federal, indirectly, a Federal guarantee at the prevailing rate of interest rather than the 5½ percent that the thrifts were offering, or for that matter, the 5¼ percent the banks were offering, and they put the money into those money market funds, and in the late 1970's when interest rates soared, the amount of money that flew out of the thrift industry was dramatic. Something like $200 billion over the course of several years, as many investors said they would rather have a money market fund which after all is just large CD's instead of having their money getting only 5½ percent of a thrift.

The thrifts began to suffer, and through no fault of their own, they clamored for change. They said, "We need a way out, we cannot sit here while money market funds are giving 17 percent and we are only being allowed to get 5½ on deposits," so quite naturally the Congress in 1980 said the interest rates would be deregulated and that thrifts could be given to garner on their deposits whatever amount of the prevailing rate of interest was over a period of time.

Sure enough, the thrifts began getting 8, 9, 10, 11, 12, 13 percent for their deposits, but that left them, and by the way, I would say in that legislation in 1980 I was not here. I came to Congress in 1981, but to look at the debate, it is amazingly shortsighted and something that this body and the other body and the White House and all of America has done over and over again, we have legislated in terms of financial matters to deal with an immediate problem, and we have not looked at what other problems might be created as we solved the immediate problem. We have not looked at the dramatic effect that those changes would bring into our economy.

Well, this was a classic, the thrifts. Sure enough, stopped the disintermediation, the money flowing out of them, but instead they faced a new crisis. The new crisis was that while, to keep their deposits, they were charging 10, 11, 12 or giving 10, 11, 12 percent, on the other side of their balance sheet, their portfolio had mortgages, 30 years, 20 years, at only 5 or 6 percent or 4 percent, and every week as they were paying 13 percent but only bringing in 4 or 5 percent that lost more money, and again they came to Washington and clamored and they clamored and they said, "Look, one of our balance sheets is deregulated, let us just deregulate the other side," and my colleagues, at this point in time, is then the crisis that is now upon Amer-

icans was born, because we did it. The Congress, the President, deregulation was the mania, and the view was, let thrifts invest their money in anything they choose to. After all, they could no longer do with only making a 4- or 5-percent return, let me try some riskier things which naturally created a higher, higher rate of return successful.

One big problem, this was not the free market. When the regulators came before the Committee on Banking, Finance and Urban Affairs in 1981 and 1982 and then 1983 and 1984, and they said, "We must deregulate," when the administration, the Ronald Reagan administration, said we have to deregulate, they were taking a doctrine that was created for other parts of the economy and grafting it onto this part of the economy where deregulation made no sense, and for one very simple reason, the reason I gave at the beginning, which is that all of these investments were federally insured. That meant, very simply, that if an institution was allowed to invest in risky things and they lost, Uncle Sam would be there to pick up the tab, not to the officers of the thrift as is commonly thought or the stockholders as is commonly thought today, but to the depositors.

Mr. Speaker, if Members look at the greatest mistake made by this country that has brought this crisis upon America, it was the manic ideological and illogical deregulation that occurred in 1982 and 1983 and 1984. The deregulation meant something very, very funny. It meant that if someone should decide to open a thrift and another aspect of deregulation was to allow as many people as wanted, whether they had experience or not, whether they had capital or not, whether they had anything else, but to allow as many people as they wanted to get these thrift charters, and then invest in what they wanted.

Now we all know in the general marketplace there is discipline. If I wished to invest money in, or let us not take me because I cannot do that or will not do that in my profession, but if someone wanted to, we have to be very careful these days, Mr. Speaker, but if someone wanted to invest money in, let us say, risky real estate ventures, what would normally happen? They would either have their own money at stake, and many do, and of course, then if they lose the money, it is not Uncle Sam's problem, they lose it; or they go to the market for money. The market is the sternest and severe disciplinarian of all. The market says, "Okay, this is a risky investment, I am not going to put up the money unless you do A, B, C, D or I will only put up this money if you pay 20 percent, but not with a thrift," because the thrift money came in independent of the investments they made for the very reason that they were federally insured. So if John Doe or Jane Roe put money in a thrift, they did not have to look at what investments the thrift was making because they knew no matter what investments the thrift made that as long as they put in less than that amount, now $100,000, Uncle Sam would guarantee the money.

It is amazing, Mr. Speaker, what we let do, this administration and the regulators and Congress went along, no question about it, but what we did under the guise of deregulation. We allowed these federally insured institutions to invest in the wildest and craziest schemes, and little did we know at that point that we would have to pay the piper, even though it would have been obvious to somebody to really see it if these investments failed.

So, my colleagues, what is the lesson that we can learn from this crisis? Very simply, that while deregulation may make sense, I tend to think it does in some areas and not in other areas, but it may make sense in certain parts of the economy, it makes no sense, and it is almost a logical contradiction to say let us deregulate and let us allow the Federal Government to insure the mess that is made by those who are now given this new and unfettered freedom, and the thrift bill that has passed the Committee on Banking, Finance and Urban Affairs attempts to deal with that problem in two ways.

First, it says that, and foremost, it says that institutions must have capital. It says that if institutions are going to be federally insured and are going to make investments, they must risk their own money first. Gone will be the days that a thrift owner or management can just go to the depositors, take their money and invest it.

□ 1900

What they say is that "if you are going to get a hundred dollars of depositors' money, you have better have $6 of your own, and if you lose money, you lose those first $6 before anything else is lost."

When people have their own money at stake, they are a lot more careful than when they are gambling with other people's money. The capital requirements in the bill passed by the Banking Committee are tough, tougher than those that were passed by the other body, tougher even, many would argue, on one of them at least, than those that the President proposed.

Let me say to my colleagues that we can be proud of this bill because it has those tough standards. But I would hasten to add that to dilute those standards at a time when we are paying $100 billion and flushing it down the sink hole makes very little sense, although flush it we must, because we have a legal obligation to pay those depositories whose banks are now insolvent. But if we are going to do that, to dilute those standards makes very little sense.

Then we do a second thing. We say regulatorily that the institutions that are there will have much stricter governance. I will just give a few examples and later, as the debate unfolds when we reach the floor, I will give more. We used to say that the States could regulate these institutions, but the Federal Government would ensure them. How asinine. Most States were careful. Texas, Louisiana, Oklahoma, California, and Florida were not, and that is where the mess is, because the State regulators figured, "Oh, I can be nice and friendly to my thrifts in my State." And who is going to pick up the pieces? The insurer, the Federal Government.

But that will happen no more. We now give the insurer the power to go to an individual institution and say, "Look, Mac, you are doing risky things. If you don't stop, we will pull your insurance and the institution will collapse." And we also take the regulatory structure and put it in the Treasury Department, which makes sense as well, because we do not want to have this industry free of budget and other constraints and rather than being just out there so political considerations can govern.

It is a horrible thing that we have to bring this bill to the floor, Mr. Speaker; it is a horrible thing because we are spending $100 billion today that we could have spent on other much more worthy causes, or $100 billion we might have used to reduce the deficit. We have no choice there at all. As much as everyone says, "I am not going to vote for that bill; I don't want to spend that $100 billion," that is not the answer. That is the easy thing to do, I suppose, but that just simply means that every depositor who did not get paid can come in and sue the Federal Government and get the money that way, and the cost will be so much the greater.

But if we are going to do that, we must make sure that the mistakes of the early 1980's, the mistakes of deregulation, the mistakes that the administration and the regulators heralded and Congress went along with, do not happen again. We must tell people, "Put your money where your mouth is. If you want to do risky things, put your own money up, and certain risky things you cannot do."

That is at least one Member's interpretation of the crisis. Again let me say there are going to be all sorts of potshots taken on the floor of this body as to who is to blame. There is a long historical explanation. The bottom line is that we have got to fix what happened, and this bill does a good job.

Mr. FRANK. Mr. Speaker, will the gentleman yield?

Mr. SCHUMER. I am happy to yield to the gentleman from Massachusetts.

Mr. FRANK. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I want to pay tribute to the work the gentleman has done on the bill that is going to be coming to the floor soon. He has been recognized as one of the leaders in fighting for stronger standards, and in his criticisms of the deregulation that has gone on, he is correct in saying that our primary job is to fix things.

Our friend, the gentleman from Minnesota [Mr. VENTO], planned to be with us, but things ran later than had been anticipated. As the gentleman from Minnesota said, if we would try to fix things, we have got to look at what the problem has been. Part of what I think we have to do is to deal with the myth that is, I think, one of the greatest acts of hypocrisy I have seen, in which some of the most conservative and right wing forces in this society, precisely those who have been the advocates of meaningless deregulation, are now complaining that the Democratic House somehow did not prevent all these errors over which they presided. It is almost as if they are writing on the mirror down there at the White House: "Stop us before we deregulate again." They somehow cannot help themselves.

The gentleman from New York has correctly pointed out that the regulators were the ones in charge. He noted correctly that Congress went along with this deregulation during 6 of the 8 years in which the situation was deteriorating, or during 6 of the 7 years, because by the last year there was widespread recognition. But then we had a divided Congress. We had a Democratic House, and we had a Republican Senate, and our ability to take on the administration was weakened. But let us be very clear. We can listen to Edwin Gray, to whom I think some credit is due as a regulator. I was critical of him before, and I acknowledge now that he had some important points to make that were being ignored. But they were being ignored, first and foremost by people in the Reagan administration. He has chronicled how he asked David Stockman and Donald Regan, the Director of the Office of Management and Budget and the Secretary of the Treasury, to allow him to hire more bank examiners so they could deal with precisely the kind of looseness the gentleman from New York has talked about.

In those areas where State-chartered institutions were using a Federal insurance guarantee on improvident loans, he could not look at some of these, and if they had been examined, they would not have stood up. Some of these were not sophisticated misjudgments; they were blatant misjudgments. But the Republican Reagan administration, in its theory of what I think was mindless deregulation, refused to allow Mr. Gray to hire people to examine the books, even though that would have come at no cost to the Federal budget because those examiners would have been paid for by the fees paid by the banks.

We have had reference made elsewhere to a bill that was defeated in this House a few years ago and later passed in amended form when there was a request for some authority for the Federal Government to require savings and loans to put more money into their insurance fund for a 15-year period. It was cut back to a 5-year period, and I regret to say that a majority of our colleagues did not do the right thing at that time, as the gentleman from New York pointed out.

But I am shocked to see this portrayed somehow as a partisan issue. Majorities on both sides of the aisle voted the position that the savings and loan industry preferred over that of the regulators in that one instance. The gentleman from Georgia, who is now the minority whip, voted for the weaker form. We are not all perfect and we do not all have the ability to know everything that goes on, but it is just a bizarre distortion to make that a case where somehow the regulators were dying to do the right thing and Congress would not let them do it.

The Reagan administration is the group that took credit during 8 years for defying the efforts of Congress to shackle them. They took credit for that. This one thing was a clear disaster, and all of a sudden that was a shared responsibility.

Mr. Speaker, I will ask the gentleman from New York this question, because he is a very diligent member of the Banking Committee and is as well informed on these issues as any Member of the House. He has pointed out the problems of the insurance and the State charters. Can the gentleman recall at anytime during the previous 8 years, before we got this bill from President Bush, when the Reagan administration, through any of its entities, came and asked us to change any of the things that he talked about?

We know they asked for more premium authority. I agree with that one. But when it came to trying to restrain the State-chartered thrifts from using Federal insurance and put some restrictions on that, can he think of anything they asked us to do that we did not do?

Mr. SCHUMER. Mr. Speaker, I will say to the gentleman that I cannot recall a single instance. In fact, the number of times I was called upon by the regulators to allow further deregulation and to allow the thrifts and banks in other areas to get into even more wild and crazy schemes was numerous. And I remember in the Garn-St Germain bill that a former colleague of ours who is now the Governor of Louisiana, Buddy Roemer, put in an amendment that said, "Don't allow the thrifts into these risky activities," and it was defeated 22 to 20 only because the administration opposed that amendment while a majority of us on our side of the aisle supported that amendment.

Mr. Speaker, I yield further to the gentleman from Massachusetts.

Mr. FRANK. Mr. Speaker, I thank the gentleman for yielding further to me, because he makes another good point. In the bill that just came forward through the leadership of the gentleman and the chairman of the full committee, our colleague, the gentleman from Texas [Mr. GONZALEZ], and the gentleman from Minnesota [Mr. VENTO], who put an excellent statement in the RECORD, the important issues are addressed. The gentleman from Minnesota [Mr. VENTO] was talking about this conservative effort to blame the House somehow for this S&L crisis, and this is what he said in his statement:

> In a revisionist view of history, unparalleled since Khrushchev denounced Stalin, these regulators are now seeking to portray themselves as the modern day Horatios, standing on the bridge of sound thrift policies against the unreasonable horde of deregulation.
>
> Unfortunately, the facts do not bear out that contention.

□ 1910

However, Mr. Speaker, these gentlemen led the fight for tougher capital standards, and on key rollcalls, when the Bush administration was asking the House Committee on Banking, Finance and Urban Affairs to provide tough standards, we had a pretty partisan breakdown. An overwhelming majority of Democrats voted for the tough standards. A majority of the Republicans in one case, and half in another case, voted to weaken the standards.

Mr. Speaker, I am not suggesting that the gentleman from New York and the gentleman from Minnesota are not saying this is partisan. We never put it in this context, but we have been, all of us, appalled to find people trying to reinvent history, and in fact this is a example, not necessarily of the error of deregulation, but of the dangers of the excessive deregulation and of deregulation carried to a ludicrous extreme.

So, Mr. Speaker, I am going to have to leave now, and I appreciate the gentleman from New York [Mr. SCHUMER] taking the lead, but I want to say, Mr. Speaker, that no one has got a better record than he has compiled, not just in this past few months, but over the 8½ years that we have served together here while fighting the excesses of deregulation and this notion that some-

how this was the House when the Reagan administration controlled the Secretary of the Treasury, the Comptroller of the Currency, the FDIC, the Federal Savings and Loan Insurance Corporation, Federal Home Loan Bank Board, the Federal Reserve Board, when every one of these regulators was in the hands of the Republicans, when the Senate was for 6 years in the hands of the Republicans. To say that somehow the Democratic House in this one area was able to exercise a mastery is the kind of creative accounting that the S&L's used and got us in the trouble in the first place.

So, Mr. Speaker, I salute the gentleman from New York [Mr. SCHUMER] for his work.

Mr. SCHUMER. Mr. Speaker, first I thank the gentleman from Massachusetts [Mr. FRANK] for his kind words. Needless to say, he has been a leader in this issue, as he is in so many other issues in terms of getting the Congress to do the right thing, and I very much appreciate his participating in this order.

Mr. Speaker, I just underscore the points of the gentleman from Massachusetts [Mr. FRANK]. To try to make this a partisan issue is to turn history on its head. Everyone in this area made mistakes. There is no question about that. Every generic group made mistakes, but fundamentally, when one examines the record, the ideological and headlong deregulation, some say "Oh, nothing wrong with deregulation."

Mr. Speaker, we need adequate supervision, but, as the gentleman from Massachusetts [Mr. FRANK] pointed out, there was a lot of opposition from those who wanted deregulation to any kind of supervision that had teeth. But it was the headlong rush into deregulation that brought us to this crisis.

Let us constructively learn from the mistakes that were made, and let us finally, once and for all, say that whatever our party, whatever our views on other issues, that this is not a Democratic or Republican, a liberal or conservative issue. It is an issue of plain common sense.

It is easy to play with other people's money. One is much more careful when playing with their own.

Mr. VENTO. Mr. Speaker, I would like to commend my colleagues from New York and Massachusetts for sponsoring this special order on the savings and loan [S&L] thrift crisis. It is timely and sets the proper stage for the deliberations that the full House will soon begin on the S&L bailout legislation.

Mr. Speaker, questions have been appropriately raised by many of our constituents about the cause and responsibility for the state of our S&L industry and the Federal Savings and Loan Insurance Fund. People have asked; "What happened?" "Who was in charge?" and more appropriately, "Has someone been asleep at the helm for the decade of the eighties?"

In an uncharacteristic display of generosity, some colleagues from the other side of the aisle and the Senate wish to share the wealth of blame. "There is more than enough blame to go around," these folks magnanimously say "now is the time for solutions, not finger pointing." I would agree with my colleagues that it is the time for solutions. In fact solutions were long overdue before the November 1988 election. We cannot however implement sound solutions if we ignore the misguided Reagan and Bush policies that led us to our current quagmire.

While our House colleagues are seeking mutual and bipartisan guilt, some former Republican regulators are seeking to wash their hands of the entire crisis. In a revisionist view of history, unparalleled since Khrushchev denounced Stalin, these regulators are now seeking to portray themselves as the modern day Horatios, standing on the bridge of sound thrift policies against the unreasonable horde of deregulation.

Unfortunately, the fact do not bear out that contention. Time and time again, Congress has had to intervene to end the turmoil and dislocation of administration led deregulation efforts. Congress has had to act to establish certainty and competition in a marketplace disrupted by piecemeal initiatives. We did it with the airline industry, we did it with trucking and rail deregulation. We are now acting in response to financial and thrift deregulation.

I want to point out to my colleagues that it was the regulators who did not respond or use existing authority to rein in expanded State chartered direct investment activities when the serious problems arose. It was the Republican regulators who equated deregulation with inadeqate oversight and reduced examination. It was those same regulators who lowered capital requirements to 3 percent, much of it intangible capital based on the regulators own special brand of accounting.

Mr. Speaker, the legislation approved by the House Banking Committee is a sound legislative proposal that sets a responsible policy course for resolving the current thrift crisis and a solid foundation for a more secure thrift industry. However, the legislation itself is certainly a broad condemnation of lax regulatory supervision that has occurred in this decade of the eighties.

In order to insure that today's crisis is not repeated, H.R. 1278 sharply limits regulatory flexibility. Congress, not the regulators, establishes the tough new minimum capital standards. We establish the criteria that the regulators must consider in granting any exemptions. Congress, not the regulators, refocus the function of our thrifts to its traditional home lending role.

Mr. Speaker, many of my colleagues and I would have preferred a more flexibile approach. But history has shown us that blind faith at the altar of deregulation has an unacceptable price that many Americans do not deserve but now are asked to pay. Regulatory flexibility carries a big responsibility. When that responsibility is not properly utilized, there is surely a price to be paid.

Congress must today fill the vacuum of judgment that has existed with the Reagan/Bush Administration's management of financial institutions when produced the thrift crisis. We may not be able to predict the future, but surely we can read the history of the 1980's, when the regulators failed to regulate; accountants failed to count; thrift directors failed to direct; and the laws and policies were abused and misused at a great expense to the Federal savings deposit system and the American taxpayer.

The lesson to be gained here is one of vigilance for the regulators and the willingness to face up to their task. Regulators have had the tools to do their job. Today we are working to improve those tools and resources but this legislation will not pour into the regulators the quart of common sense that has been so lacking in the past decade. This legislation will hopefully prove fail-safe to the folly of the deregulation litany and pattern of sorry conduct that produced this S&L crisis.

GENERAL LEAVE

Mr. SCHUMER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order tonight.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

TO PROVIDE FOR IMPROVED HOUSING AND SERVICES TO THE ELDERLY AND HANDICAPPED INDIVIDUALS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. ROYBAL] is recognized for 5 minutes.

Mr. ROYBAL. Mr. Speaker, today, I am introducing a bill, "Housing for the Frail Elderly Act of 1989," to be referred to the House Banking Subcommittee on Housing and Consumer Interests. This legislation is intended to respond to the increasing need to comprehensively deal with the needs of the frail elderly living in federally subsidized housing.

This legislation begins to develop the link from housing to services, by removing barriers which keep existing services from being linked to elderly housing. This legislation keeps in perspective the tremendous budget restraints we are faced with and still addresses the needs of the frail elderly.

On Monday, May 4, 1989, the Select Committee on Aging held a hearing to discuss this topic. Experts in the field presented data and findings on the operation of housing and service programs. Ray Struyk with the Urban Institute, presented data on evaluation of congregate service programs, urging a tight targeting of the programs for the desired cost-effectiveness. Mr. Struyk also presented recommendations for the legislation for housing for the frail elderly. Robert Katz, di-

rector of the University of Illinois Housing and Research Center, presented data on the needs of the frail elderly and comparative data on housing and services programs as opposed to nursing home costs. Stephen Somers presented information on the Robert Wood Johnson Foundation Program to work with States to develop congregate housing service models. Richard Ladd, with the Oregon Senior Service Program, reported on the use of Medicaid waivers to service the elderly in their homes, to keep them independent and allow them dignified lives and to reduce the cost of nursing home care in the State.

In 1985, the elderly represented approximately 11.5 percent of the population, and by 2030, when the baby-boom generation reaches 65, they will represent 21 percent of the population. In addition, persons 85 and over, who are at greater risk of needing and using services are the fastest growing population group.

In 1985, nursing home care cost this Nation $36 billion, $19 billion in public funds. By 2030 the aging population will nearly double, and the cost will rise as well.

If this Nation does not develop a comprehensive approach to long-term care for the elderly, the Nation's budget will cripple the Government. The frail elderly are those elderly who are in need of services to remain independent. For most elderly this means one meal a day or transportation. Without these services an elderly person remains vulnerable in independent housing or inappropriately placed in a nursing home. It is estimated that one-quarter to one-third of the elderly in nursing homes are inappropriately placed, and that approximately the same percentage of elderly in independent living arrangements are in need of some services to remain safe and independent.

This legislation addresses the critically needed improvements of existing elderly housing programs and responds to the needs of the frail elderly who are aging in place. As our elderly population continues to age, we must seek out and respond to cost effective, and dignified solutions. These solutions do exist. We have done studies; we have sponsored demonstration programs; we know what works, and what needs to be done.

In developing this program we explored a wide variety of potential solutions. We examined programs under the jurisdiction of the Department of HHS; title XX, Medicaid and Medicare, Older Americans Act, especially title III; and the Departments of HUD and Agriculture, Farmers Home Administration, housing programs which had a majority of elderly residents. While I will have more to say later with respect to a comprehensive long-term care program, this legislation responds to the existence of service programs and housing program and enhances links between them.

The "Housing for the Frail Elderly" legislation has three main elements which respond to the current regulation of federally subsidized housing.

First, this legislation allows service coordinators as an eligible expense in elderly and handicapped housing, or housing with predominately elderly residents. Current law prohibits management costs from including a person trained in identifying necessary services and locating appropriate existing services. This has forced caring managers to hide costs, or attempt to add service coordination to their already overburdened management schedules. Many elderly projects have no service coordination because it is not allowed or because they do not have the time. Elderly housing facilities generally range from 30 to 100 units. Often, managers are responsible for up to six buildings. These people are neither trained nor prepared to care for their increasingly aging residents.

Second, in response to the need for linking services with congregate living facilities, the legislation creates an allowable expense of 15 percent of the cost of services which will be used to leverage local, State, and private financing for 85 percent of the service provision.

Service provision not only takes advantage of economies of scale provided by congregate settings, but it also provides an alternative to the financially burdensome nursing home care which cost the National Government $19 billion a year. One of the main causes of premature placement in institutions is the nonexistence of Federal programs linking housing and services.

The Federal Government now provides for independent housing programs and full skilled nursing care facilities. A major part of the housing spectrum is excluded. By linking Federal housing programs with existing service programs, the national agenda will be moving in the right direction.

Finally, construction cost containment requirements and shortsighted planning have left many elderly housing buildings inappropriately suited for the needs of the frail elderly. The "Frail Elderly Housing Legislation", encourages design flexibility, prohibits cost containment measures which can prevent service delivery, and encourages design plans to reflect service provision. This bill also permits renovations which make housing more appropriate for the frail elderly and handicapped. Renovations include: lower counters, grab bars in bathrooms, wider doors for wheel chairs, common areas, and dining spaces.

I feel that this legislation is a sound proposal for addressing the needs of many frail elderly. It is my hope that Congress will begin to understand the link between housing and the long-term care system.

RULES OF THE COMMITTEE ON BANKING, FINANCE AND URBAN AFFAIRS OF THE 101ST CONGRESS

Mr. GONZALEZ. Mr. Speaker, I submit for printing in the CONGRESSIONAL RECORD the rules of the Committee on Banking, Finance and Urban Affairs for the 101st Congress, as follows:

RULES OF THE COMMITTEE ON BANKING, FINANCE AND URBAN AFFAIRS OF THE U.S. HOUSE OF REPRESENTATIVES, 100TH CONGRESS, 1987-88

RULE NO 1—GENERAL PROVISIONS

(a) The Rules of the House are the rules of the committees and subcommittees so far as applicable, except that a motion to recess from day to day, and a motion to dispense with the first reading (in full) of a bill or resolution, if printed copies are available, are nondebatable motions of high privilege in committee and subcommittees. Each subcommittee of the committee is a part of the committee, and is subject to the authority and direction of the committee and to its rules so far as applicable.

(b) The committee is authorized at any time to conduct such investigations and studies as it may consider necessary or appropriate in the exercise of its responsibilities under rule X of House Rules and (subject to the adoption of expense resolutions as required by rule XI, clause 5 of the House Rules) to incur expenses (including travel expenses) in connection herewith. The ranking minority member of the full committee or the relevant subcommittee shall be notified in advance at such times as any committee funds are expended for investigations and studies involving international travel.

(c) The committee is authorized to have printed and bound testimony and other data presented at hearings held by the committee. All costs of stenographic services and transcripts in connection with any meeting or hearing of the committee shall be paid from the contingent fund of the House.

(d) The committee shall submit to the House, not later than January 2 of each odd-numbered year, a report on the activities of the committee under rules X and XI of House Rules during the Congress ending at noon on January 3 of such year.

(e) The committee's rules shall be published in the Congressional Record not later than 30 days after the Congress convenes in each odd-numbered year.

RULE NO. 2—REGULAR AND SPECIAL MEETINGS: OPEN COMMITTEE MEETINGS

(a) Regular meetings of the committee shall be held on the first Tuesday of each month while the Congress is in session. When the chairman believes that the committee will not be considering any bill or resolution before the full committee and that there is no other business to be transacted at a regular meeting, he will give each member of the committee, as far in advance of the day of the regular meeting as the circumstances makes practicable, a written notice to that effect and no committee meeting shall be held on that day.

(b) The chairman may call and convene, as he considers necessary, additional meetings of the committee for the consideration

of any bill or resolution pending before the committee or for the conduct of other committee business. The committee shall meet for such purpose pursuant to that call of the chairman.

(c) If at least three members of the committee desire that a special meeting of the committee be called by the chairman, those members may file in the offices of the committee their written request to the chairman for that special meeting. Such request shall specify the measure or matter to be considered. Immediately upon the filing of the request, the clerk of the committee shall notify the chairman of the filing of the request. If, within 3 calendar days after the filing of the request, the chairman does not call the requested special meeting to be held within 7 calendar days after the filing of the request, a majority of the members of the Committee may file in the offices of the committee their written notice that a special meeting of the committee will be held specifying the date and hour thereof, and the measure or matter to be considered at that special meeting. The committee shall meet on that date and hour. Immediately upon the filing of the notice, the clerk of the committee shall notify all members of the committee that such meeting will be held and inform them of its date and hour and the measure or matter to be considered; and only the measure or matter specified in that notice may be considered at that special meeting.

(d) If the chairman of the committee or subcommittee is not present at any meeting of the committee or subcommittee the ranking member of the majority party on the committee or subcommittee who is present shall preside at that meeting.

(e) The committee may not sit, without special leave, while the House is reading a measure for amendment under the 5-minute rule.

(f)(1) Each meeting for the transaction of business, including the markup of legislation, of the committee or each subcommittee thereof shall be open to the public except when the committee or subcommittee, in open session and with a majority present, determines by roll call vote that all or part of the remainder of the meeting on that day be closed to the public: Provided, however, that no person other than members of the committee and such congressional staff and such departmental representatives as they may authorize shall be present at any business or markup session which has been closed to the public. This paragraph does not apply to open committee hearings which are provided for by subparagraph (2) of this paragraph, or to any meeting that relates solely to internal budget or personnel matters.

(2) Each hearing conducted by the committee or each subcommittee thereof shall be open to the public except when the committee or subcommittee, in open session and with a majority present, determines by roll call vote that all or part of the remainder of that hearing on that day shall be closed to the public because disclosure of testimony, evidence, or other matters to be considered would endanger the national security or would violate any law or rule of the House of Representatives. Notwithstanding the requirements of the preceding sentence, a majority of those present, there being in attendance the requisite number required under the Rules of the Committee to be present for the purpose of taking testimony, (A) may vote to close the hearing for the sole purpose of discussing whether testimony or evidence to be received would endanger the national security or violate subparagraph (g)(5) of Rule 7; or (B) may vote to close the hearing, as provided in subparagraph (g)(5) of Rule 7. The committee or subcommittee may, by the same procedures specified in this paragraph, vote to close one subsequent day of hearing.

(g) No person other than a Member of Congress, committee staff, or a person from a Member's staff when that Member has an amendment under consideration, may walk in or be seated at the rostrum area of the Committee unless the chairman, the chairman of the subcommittee, or a majority of the committee determines otherwise.

RULE NO. 3—RECORDS AND ROLLCALLS

(a) There shall be kept in writing a record of the proceedings of the committee and of each subcommittee, including a record of the votes of any question on which a roll call is demanded. The result of each such roll call vote shall be made available by the committee for inspection by the public at reasonable times in the offices of the committee. Information so available for public inspection shall include a description of the amendment, motion, order or other proposition and the name of each member voting for and each member voting against such amendment, motion, order, or proposition, and whether by proxy or in person, and the names of those members present, but not voting. A record vote may be demanded by any three of the members present or, in the apparent absence of a quorum, by any one member.

(b) All committee hearings, records, data, charts, and files shall be kept separate and distinct from the congressional office records of the member serving as chairman of the committee; and such records shall be the property of the House and all members of the House shall have access thereto.

RULE NO. 4—PROXIES

(a) No vote by any member of the committee of any of its subcommittees with respect to any measure may be cast by proxy unless a proxy authorization is given in writing by the member desiring to cast a proxy, which authorization shall assert that the member is absent on official business or is absent due to personal illness and is thus unable to be present at the meeting of the committee or subcommittee and shall be limited to a specific measure or matter and any amendments or motions pertaining thereto. Each proxy to be effective shall be signed by the member assigning his/her vote and shall contain the date and time of the day that the proxy is signed. No proxy shall be voted on a motion to adjourn or shall be counted to make a quorum or be voted unless a quorum is present.

(b) Proxies shall be in the following form:

Hon. ,

House of Representatives, Washington, DC.

DEAR : I will be absent on official business/due to personal illness and thus unable to be present at the meeting of the committee or subcommittee. I hereby authorize you to vote in my place and stead in the consideration of and any amendments or motions pertaining thereto. The official business that necessitates my absence is .

_____,
Member of Congress.

Executed this the day of , 19 at the time of p.m./a.m.

RULE NO. 5—POWER TO SIT AND ACT, SUBPENA POWER

(a) For the purpose of carrying out any of its functions and duties under House Rules X and XI, the committee, or any subcommittee thereof, is authorized—

(1) to sit and act at such times and places within the United States, whether the House is in session, has recessed, or has adjourned, and to hold hearings; and

(2) To require, by subpena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, and documents as it deems necessary. Any subpena issued to carry out the authority of this paragraph shall be issued in accordance with the procedures specified in subparagraph (b)(1). The chairman of the committee or any member designated by the chairman may administer oaths to any witness.

(b)(1) Any subpena issued to carry out any investigation or activity, or any series of investigations or activities, described in (a) shall be issued by the committee, upon the recommendation of a subcommittee or upon the committee's initiative, and any such subpena may only be authorized by a majority of the members of the committee voting, a majority being present. The power to authorize and issue subpenas under this subparagraph may be delegated to the chairman of the committee pursuant to such limitations as the committee may prescribe. Authorized subpenas shall be signed by the chairman of the Committee or by any member designated by the committee.

(2) Compliance with any subpena issued by the committee under this subparagraph may be enforced only as authorized or directed by the House.

(c) Each witness who has been subpenaed upon the completion of his testimony before the committee or any subcommittee, may report to the office of counsel of the committee, and there sign appropriate vouchers for travel allowances and attendance fees. If hearings are held in cities other than Washington, D.C., the witness may contact the counsel of the committee, or his representative, prior to leaving the hearing room.

RULE NO. 6—QUORUMS

A majority of the members of the full committee or subcommittee shall constitute a quorum of the full committee or subcommittee for the reporting of a measure or recommendation; Provided, that the number of members constituting a quorum for the taking of any action other than the reporting of a measure or recommendation shall be one-third of the members of the committee or subcommittee, and any two members shall constitute a quorum for the purpose of taking testimony and receiving evidence.

RULE NO. 7—HEARING PROCEDURES

(a) The chairman, in the case of hearings to be conducted by the committee, and the appropriate subcommittee chairman, in the case of hearings to be conducted by a subcommittee, shall make public announcement of the date, place, and subject matter at least one week before the commencement of that hearing unless that committee determines that there is good cause to begin such hearing at an earlier date. In the latter event the chairman or the subcommittee chairman whichever the case may be shall make such public announcement at the earliest possible date. The clerk of the committee shall promptly notify all members of the committee; the Daily Digest; Chief Clerk,

Official Reporters to House Committee and the committee scheduling service of the House Information System as soon as possible after such public announcement is made.

(b) Each witness who is to appear before the committee or a subcommittee shall file with the clerk of the committee, at least 24 hours in advance of his appearance, 100 copies of his proposed testimony if the appearance is before a subcommittee, and 175 copies of his proposed testimony if the appearance is before the committee, and the witness may be required to limit his oral presentation to a summary of his statement. This requirement may be waived by the Chairman of the Committee or appropriate subcommittee, after consultation with the appropriate ranking minority member, when it is deemed by said Chairman to be in the best interest of the committee or subcommittee. This requirement shall not be mandatory if a witness is given less than seven days' notice prior to a hearing.

(c) When any hearing is conducted by the committee or any subcommittee upon any measure or matter, the minority party members on the committee shall be entitled, upon request to the chairman by a majority of those minority members before the completion of such hearing, to call witnesses selected by the minority to testify with respect to that measure or matter during at least one day of hearing thereon.

(d) Upon announcement of a hearing, the Clerk and Staff Director shall cause to be prepared a concise summary of the subject matter (including legislative reports and other materials) under consideration which shall be made available immediately to all members of the committee. In addition, upon announcement of a hearing and subsequently as they are received, the chairman shall make available to the members of the committee any official reports from departments and agencies on such matter.

(e) All other members of the committee may have the privilege of sitting with any subcommittee during its hearings or deliberations and may participate in such hearings or deliberations after members of the subcommittee have been given an opportunity to participate, but no such member who is not a member of the subcommittee shall vote on any matter before such subcommittee.

(f) Committee members may question witnesses only when they have been recognized by the chairman for that purpose, and only for a 5-minute period until all members present have had an opportunity to question a witness. The 5-minute period for questioning a witness by any one member can be extended only with the unanimous consent of all members present. The questioning of witnesses in both the full and subcommittee hearings shall be initiated by the chairman, followed by the ranking minority party member and all other members alternating between the majority and minority. In recognizing members to question witnesses in this fashion, the chairman shall take into consideration the ratio of the majority to minority members present and shall establish the order of recognition for questioning in such a manner as not to disadvantage the members of the committee.

(g) The following additional rules shall apply to investigative hearings:

(1) The chairman at any investigative hearing shall announce in an opening statement the subject of the investigation.

(2) A copy of the committee rules and clause 2 of rule XI of the House Rules shall be made available to each witness.

(3) Witnesses at investigative hearings may be accompanied by their own counsel for the purpose of advising them concerning their constitutional rights.

(4) The chairman may punish breaches of order and decorum, and of professional ethics on the part of counsel, by censure and exclusion from the hearings; and the committee may cite the offender to the House for contempt.

(5) If the committee determines that evidence or testimony at an investigative hearing may tend to defame, degrade, or incriminate any person it shall—

(A) receive such evidence or testimony in executive session;

(B) afford such person an opportunity voluntarily to appear as a witness; and

(C) receive and dispose of requests from such person to subpena additional witnesses.

(6) Except as provided in subparagraph (5), the chairman shall receive and the committee shall dispose of requests to subpena additional witnesses.

(7) No evidence or testimony taken in executive session may be released or used in pubic session without the consent of the committee.

(8) In the discretion of the committee, witnesses may submit brief and pertinent sworn statements in writing for inclusion in the record. The committee is the sole judge of the pertinency of testimony and evidence adduced at its hearing.

(9) A witness may review and photostat a copy of his or her testimony given at a public session, or if given at an executive session, when authorized by the committee.

RULE NO. 8—PROCEDURES FOR REPORTING BILLS AND RESOLUTIONS

(a)(1) It shall be the duty of the chairman of the committee to report or cause to be reported promptly to the House any measure approved by the committee and to take cause to be taken necessary steps to bring the matter to a vote.

(2) In any event, the report of the committee on a measure which has been approved by the committee shall be filed within 7 calendar days (exclusive of days on which the House is not in session) after the day on which there has been filed with the clerk of the committee a written request, signed by a majority of the members of the committee, for the reporting of that measure. Upon the filing of any such request, the clerk of the committee shall transmit immediately to the chairman of the committee notice of the filing of that request.

(b)(1) No measure or recommendation shall be reported from the committee unless a majority of the committee was actually present.

(2) With respect to each record vote by the committee to report any bill or resolution, the name of each member voting for and voting against the motion to report, and whether by proxy or in person and the names of those members present but not voting, and the names of those members absent, shall be included in the committee report.

(c) The report of the committee on a measure which has been approved by the committee shall include—

(1) the oversight findings and recommendations required pursuant to clause 2(b)(1) of rule X of the House separately set out and clearly identified;

(2) the statement required by section 308(a) of the Congressional Budget Act of 1974 separately set out and clearly identified, if the measure provides new budget authority or new or increased tax expenditures;

(3) the estimate and comparison prepared by the Director of the Congressional Budget Office under section 403 of such act, separately set out an clearly identified, whenever the Director (if timely submitted prior to the filing of the report) has submitted such estimate and comparison to the committee; and

(4) a summary of the oversight findings and recommendations made by the Committee on Government Operations under clause 4(c)(2) of rule X of the House separately set out and clearly identified whenever such findings and recommendations have been submitted to the committee in a timely fashion to allow an opportunity to consider such findings and recommendations during the committee's deliberations on the measure.

(d) Each report of the committee on each bill or joint resolution of a public character reported by the committee shall contain a detailed analytical statement as to whether the enactment of such bill or joint resolution into law may have an inflationary impact on prices and costs in the operation of the national economy.

(e) If, at the time of approval of any measure, matter or any report or submission to be made to the House or to the Committee on the Budget under subclauses (g), (h), and (i) of clause 4 of rule X of the Rules of the House of Representatives by the committee, any member of the committee gives notice of intention to file supplemental, minority, or additional views, that member shall be entitled to not less than 3 calendar days (excluding Saturdays, Sundays, and legal holidays) in which to file such views, in writing and signed by that member, with the clerk of the committee. All such views so filed by one or more members of the committee shall be included within, and shall be part of, the report filed by the committee with respect to that measure or matter. No report shall be filed until the chairman has consulted with the ranking minority member of the committee and the chairman of the subcommittee from which the legislation emanated or would have emanated. The report of the committee upon that measure or matter shall be printed in a single volume which—

(1) shall include all supplemental, minority, or additional views which have been submitted by the time of the filing of the report, and

(2) shall bear upon its cover a recital that any such supplemental, minority, or additional views and any material submitted under subdivisions (3) and (4) of subparagraph (c) are included as part of the report. This subparagraph does not preclude—

(A) the immediate filing or printing of a committee report unless timely requests for the opportunity to file supplemental, minority, or additional views has been made as provided by this subparagraph; or

(B) the filing by any such committee of any supplemental report upon any measure or matter which may be required for the correction of any technical error in a previous report made by that committee upon that measure or matter.

(f) If hearings have been held on any such measure or matter so reported, the committee shall make every reasonable effort to have such hearings printed and available for distribution to the Members of the House prior to the consideration of such measure or matter in the House. This subparagraph shall not apply to—

(1) any measure for the declaration of war, or the declaration of a national emergency, by the Congress; or

(2) any decision, determination, or action by a Government agency which would become, or continue to be, effective unless disapproved or otherwise invalidated by one or both Houses of Congress. For the purposes of the preceding sentence, a Government agency includes any department, agency, establishment, wholly owned Government corporation, or instrumentality of the Federal Government or the government of the District of Columbia.

RULE NO. 9—OVERSIGHT SUBCOMMITTEE

(a) In order to assist the House in:

(1) its analysis, appraisal, and evaluation of (A) the application, administration, execution, and effectiveness of the laws enacted by the Congress, or (B) conditions and circumstances which may indicate the necessity or desirability of enacting new or additional legislation, and

(2) its formulation, consideration, and enactment of such modification or changes in those laws, and of such additional legislation, as may be necessary or appropriate, there shall be established in conformity with Rule 15 an Oversight Subcommittee.

(b) The Oversight Subcommittee shall review and study, on a continuing basis, the application, administration, execution, and effectiveness of those laws, or parts of laws, the subject matter of which is within the jurisdiction of the committee, and the organization and operation of the Federal agencies and entities which have responsibility in or for the administration and execution thereof, in order to determine whether such laws and the programs thereunder are being implemented and carried out in accordance with the intent of the Congress and whether such programs should be continued, curtailed, or eliminated. In addition, the Oversight Subcommittee shall review and study any conditions or circumstances which may indicate the necessity or desirability of enacting new or additional legislation within the jurisdiction of the committee (whether or not any bill or resolution has been introduced with respect thereto), and shall on a continuing basis undertake furture research and forecasting on matters within the jurisdiction of the committee. The Oversight Subcommittee shall in no way limit the responsibility of the subcommittees from carrying out their oversight responsibilities.

(c) The Oversight Subcommittee shall review and study on a continuing basis the impact or probable impact of tax policies affecting subjects within the jurisdiction of the committee.

RULE NO. 10—REVIEW OF CONTINUING PROGRAMS: BUDGET ACT PROVISIONS

(a) The committee shall, in its consideration of all bills and joint resolutions of a public character within its jurisdiction, insure that appropriations for continuing programs and activities of the Federal Government and the District of Columbia government will be made annually to the maximum extent feasible and consistent with the nature, requirements, and objectives of the programs and activities involved. For the purposes of this paragraph a Government agency includes the organizational units of government listed in clause 7(c) of rule XIII of the House Rules.

(b) The committee shall review, from time to time, each continuing program within its jurisdiction for which appropriations are not made annually in order to ascertain whether such program could be modified so that appropriations therefore would be made annually.

(c) The committee shall, on or about March 15 of each year, submit to the Committee on the Budget (1) its views and estimates with respect to all matters to be set forth in the concurrent resolution on the budget for the ensuing fiscal year which are within its jurisdiction or functions, and (2) an estimate of the total amounts of new budget authority, and budget outlays resulting therefrom, to be provided or authorized in all bills and resolutions within its jurisdiction which it intends to be effective during that fiscal year.

(d) As soon as practicable after a concurrent resolution on the budget for any fiscal year is agreed to, the committee (after consulting with the appropriate committee or committees of the Senate) shall subdivide any allocations made to it in the joint explanatory statement accompanying the conference report on such resolution, and promptly report such subdivisions to the House, in the manner provided by section 302 of the Congressional Budget Act of 1974.

(e) Whenever the committee is directed in a concurrent resolution on the budget to determine and recommend changes in laws, bills, or resolutions under the reconciliation process it shall promptly make such determination and recommendations, and report a reconciliation bill or resolution (or both) to the House or submit such recommendations to the Committee on the Budget in accordance with the Congressional Budget Act of 1974.

RULE NO. 11—BROADCASTING OF COMMITTEE HEARINGS

(Any meeting or hearing that is open to the public may be covered in whole or in part by radio or television or still photography, subject to the requirements of rule XI, clause 3 of the Rules of the House of Representatives. At all such meetings or proceedings, coverage by radio, television or still photography will be allowed unless specifically forbidden by a record vote of the committee or subcommittee. The chairman of the committee or of a subcommittee shall determine, in the chairman's discretion, the number of television and still cameras permitted in a hearing or meeting room. The coverage of any hearing or other proceeding of the committee or any subcommittee thereof by television, radio, or still photography shall be under the direct supervision of the chairman of the committee, the subcommittee chairman, other member of the committee presiding at such hearing or other proceeding and, for good cause, may be terminated by him/her.

RULE NO. 12—COMMITTEE AND SUBCOMMITTEE BUDGETS

(a) The chairman, in consultation with the majority members of the committee shall, for each session of the Congress, prepare a preliminary budget. Such budget shall include necessary amounts for staff personnel for necessary travel, investigation, and other expenses of the full committee, and after consultation with the minority membership, the chairman shall include amounts budgeted to the minority members for staff personnel to be under the direction and supervision of the minority, travel expenses of minority members and staff, and minority office expenses. All travel expenses of minority members and staff shall be paid for out of the amounts so set aside and budgeted.

(b)(1) The chairman of each subcommittee, in consultation with the majority members thereof, shall prepare a budget to include funds for staff, travel, investigations, and miscellaneous expenses as may be required for the work of the subcommittee.

(2) The chairman of each subcommittee shall control the funds provided for in the subcommittee budget.

(c) The chairman shall combine the proposals of each subcommittee with the preliminary budget of the full committee into a consolidated committee budget, and shall present the same to the committee for its approval. The chairman shall then take all action necessary to bring about its approval by the Committee on House Administration and by the House.

(d) Authorization for the payment of additional or unforeseen committee and subcommittee expenses may be procured by one or more additional expense resolutions processed in the same manner as set out herein.

(e) The chairman, the ranking minority member of the full committee, or any chairman of a subcommittee may initiate necessary travel requests as provided in Rule 14 within the limits of their portion of the consolidated budget as approved by the House, and the chairman may execute necessary vouchers therefor.

RULE NO. 13—COMMITTEE AND SUBCOMMITTEE STAFF

(a) The professional and clerical staff assigned to the minority shall be appointed and their remuneration determined in such manner as the minority members of the committee shall determine within the budget approved for such purposes by the committee; provided, however, that no minority staff person shall be compensated at a rate which exceeds that paid his or her majority party staff counterpart.

(b) The professional and clerical employees of the committee not assigned to a subcommittee or to the minority under the above provision shall be appointed, and may be removed, and their remuneration determined by the chairman in consultation with and with the approval of the majority members of the committee within the budget approved for such purposes by the committee.

(c) The professional and clerical staff assigned to the minority shall be under the general supervision and direction of the minority members of the committee who may delegate such authority as they determine appropriate.

(d) The professional and clerical staff of the committee not assigned to a subcommittee or to the minority shall be under the general supervision and direction of the chairman, who shall establish and assign the duties and responsibilities of such staff members and delegate such authority as he determines appropriate.

(e) It is intended that the skills and experience of all members of the committee staff be available to all members of the committee.

(f)(1) The chairman of each standing subcommittee of this committee is authorized to appoint one staff member who shall serve at the pleasure of the subcommittee chairman.

(2) The ranking minority member of each standing subcommittee on this committee is authorized to appoint one staff person who shall serve at the pleasure of the ranking minority party member.

(3) The staff members appointed pursuant to the provisions of subparagraphs (1) and (2) shall be compensated at a rate determined by the subcommittee chairman not to exceed 75 per centum of the maximum es-

tablished in paragraph (c) of clause 6 of rule XI, provided, however, a staff person appointed by a ranking minority member shall be compensated at a rate not to exceed that paid his or her majority party staff counterpart.

(4) Subparagraphs (1), (2) and (3) shall apply to eight subcommittees only, and no member shall appoint more than one person pursuant to the above provisions.

(5) The staff positions made available to the subcommittee chairmen and ranking minority party members pursuant to subparagraphs (1) and (2) shall be made available from the staff positions provided under clause 6 of House Rule XI unless such staff positions are made available pursuant to a primary or additional expense resolution.

(6) Except as provided by the above provisions, the professional and clerical members of the subcommittee staffs shall be appointed, and may be removed, and their remuneration determined by the subcommittee chairman in consultation with and with the approval of a majority of the majority members of the subcommittee, and with the approval of a majority of the majority members of the full committee, within the budget approved for the subcommittee.

(7) The professional and clerical staff of a subcommittee shall be under the supervision and direction of the chairman of that subcommittee.

RULE NO. 14—TRAVEL OF MEMBERS AND STAFF

(a) Consistent with the primary expense resolution and such addition expense resolution as may have been approved, the provisions of this rule shall govern travel of committee members and staff. Travel to be reimbursed from funds set aside for the full committee for any member or any staff member shall be paid only upon the prior authorization of the chairman. Travel may be authorized by the chairman for any member and any staff member in connection with the attendence at hearings conducted by the committee or any subcommittee thereof and meetings, conferences, and investigations which involve activities or subject matter under the general jurisdiction of the committee. Before such authorization is given there shall be submitted to the chairman in writing the following:

(1) The purpose of travel;

(2) The dates during which the travel is to be made and the date or dates of the event for which the travel is being made;

(3) The location of the event for which the travel is being made;

(4) The names of members and staff seeking authorization.

(b) In the case of travel of members and staff of a subcommittee to hearings, meetings, conferences, and investigations involving activities or subject matter under the legislative assignment of such subcommittee to be paid for out of funds allocated to such subcommittee, prior to authorization must be obtained from the subcommittee chairman, the ranking minority member of the full committee whenever minority staff is involved, and the chairman of the full committee. Such prior authorization shall be given by the Chairman only upon representation by the applicable chairman of the subcommittee in writing setting forth those items enumerated in (1), (2), (3), and (4) of paragraph (a) and in addition thereto setting forth that subcommittee funds are available to cover the expenses of the person or persons being authorized by the subcommittee chairman to undertake the travel and that there has been compliance where applicable with Rule 12 of the committee.

(c)(1) In the case of travel outside the United States of members and staff of the committee or of a subcommittee for the purpose of conducting hearings, investigations, studies, or attending meetings and conferences involving activities or subject matter under the legislative assignment of the committee or pertinent subcommittee, prior authorization must be obtained from the chairman, or, in the case of a subcommittee from the subcommittee chairman and the chairman. Before such authorization is given, there shall be submitted to the chairman in writing, a request for such authorization. Each request, which shall be filed in a manner that allows for a reasonable period of time for review before such travel is scheduled to begin, shall include the following:

(A) the purpose of the travel;

(B) the dates during which the travel will occur;

(C) the names of the countries to be visited and the length of time to be spent in each;

(D) an agenda of anticipated activities for each country for which travel is authorized together with a description of the purpose to be served and the areas of committee jurisdiction involved; and

(E) the names of members and staff for whom authorization is sought.

(2) Requests for travel outside the United States may be initiated by the chairman of the full committee, the ranking minority member of the full committee, or the chairman of a subcommittee (except that individuals may submit a request to the chairman for the purpose of attending a conference or meeting).

(3) At the conclusion of any hearing, investigation, study, meeting or conference for which travel outside the United States has been authorized pursuant to this rule, each subcommittee (members and staff attending meetings or conferences) shall submit a written report to the chairman covering the activities and other pertinent observations or information gained as a result of such travel.

(d) Members and staff of the committee performing authorized travel on official business shall be governed by applicable laws, resolutions, or regulations of the House and the Committee on House Administration pertaining to such travel.

RULE NO. 15—NUMBER AND JURISDICTION OF SUBCOMMITTEES

(a) There shall be eight standing subcommittees as follows: Subcommittee on Housing and Community Development; Subcommittee on Financial Institutions Supervision, Regulation and Insurance; Subcommittee on International Development, Finance, Trade, and Monetary Policy; Subcommittee on Domestic Monetary Policy; Subcommittee on General Oversight and Investigations; Subcommittee on Economic Stabilization; Subcommittee on Consumer Affairs and Coinage; and Subcommittee on Policy Research and Insurance. All proposed legislation and other matters related to the subcommittees listed under standing subcommittees named below shall be referred to such subcommittees respectively. In carrying out any of the jurisdiction specified in the following paragraphs, each subcommittee, to the extent it deems appropriate, may examine the impact of any aspect of such jurisdiction on employment.

(b) Subcommittee on Financial Institutions Supervision, Regulation and Insurance.

(1) The jurisdiction of the Subcommittee on Financial Institutions Supervision, Regulation and Insurance extends to all agencies which directly or indirectly exercise supervisory or regulatory authority in connection with, or provide deposit or other insurance for, financial or other institutions, the establishment of interest rate ceilings on deposits, and all auxiliary matters affecting or arising in connection with the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation, the National Credit Union Share Insurance Fund, the Federal Home Loan Bank Board, the Federal Reserve Board and System, the National Credit Union Administration, and the Comptroller of the Currency, together with those activities and operations of any other agency or department which relate to both domestic or foreign financial institutions.

(2) Further, jurisdiction extends to and includes with respect to financial institutions and the department and agencies which regulate or supervise them, all activities relating to and arising in connection with the matters of chartering, branching, mergers and acquisitions, consolidations, and conversions.

(c) Subcommittee on Housing and Community Development.

(1) The jurisdiction of the Subcommittee on Housing and Community Development extends to all matters relating to housing and mortgage credit (except programs administered by the Veterans' Administration), including mortgage and loan insurance pursuant to the National Housing Act; FHA mortgage interest rates; rural housing; housing assistance programs; secondary mortgage market programs and all other activities of FNMA, GNMA, and FHLMC; private mortgage insurance; housing construction and design standards; housing-related energy conservation; housing research and demonstration programs; financial and technical assistance for nonprofit housing sponsors; counseling and technical assistance; regulation of the housing industry (including landlord-tenant relations); real estate lending powers of financial institutions (including regulation of settlement costs); and interest charges for members of the Federal Home Loan Bank System.

(2) The jurisdiction of the subcommittee further extends to matters relating to community development and community planning, training and research, including community development block grants; urban renewal; model cities; rehabilitation loans and grants; neighborhood facilities grants; open space land and urban beautification grants; water and sewer facilities grants; public facilities loans; national, urban or community development banks; advance acquisition of land programs; new communities assistance programs; national urban growth policies; comprehensive planning (including land use and areawide programs); community development training and fellowships; urban research and technologies; and regulation of interstate land sales.

(3) Also, the jurisdiction of the subcommittee includes FHA property improvement loans under title I of the National Housing Act which can be used to finance the preservation of historic structures; community development block grant funds authorized under title I of the 1974 Housing Act which can be used to finance the acquisition and preservation of historic properties; and sec-

tion 701 comprehensive planning grants to public bodies which can be used to finance surveys of historic sites and structures.

(d) Subcommittee on Consumer Affairs and Coinage.

(1) The jurisdiction of the Subcommittee on Consumer Affairs and Coinage shall include all matters relating to consumer credit, including those matters in the Consumer Credit Protection Act dealing with truth in lending, extortionate credit transactions, restrictions on garnishments, fair credit reporting, equal credit opportunity, debt collection practices, and electronic funds transfers. The jurisdiction shall further include creditor remedies and debtor defense, Federal aspects of the Uniform Consumer Credit Code, credit and debit cards and the preemption of State usury laws.

(2) The jurisdiction of the subcommittee shall further extend to the following:

(A) All matters relating to consumer access to financial services and the advertisement and promotion of financial services, other than the Home Mortgage Disclosure Act and the Community Reinvestment Act;

(B) The terms and rules of disclosure of financial services;

(C) Consumer access to savings accounts and checking accounts;

(D) Other consumer accounts in financial institutions; and

(E) Lifeline banking and government check cashing.

(3) The jurisdiction of the subcommittee shall further extend to matters relating to the price of consumer goods, services and commodities, the rationing of consumer products, and hoarding.

(4) Further, the jurisdiction of the subcommittee extends to all matters relating to coins, coinage, currency and medals, including commemorative coins and medals, proof and mint sets and other special coins, the Coinage Act of 1965, gold and silver, including coinage thereof (but not the par value of gold), gold medals, counterfeiting, currency denominations and design, the distribution of coins, and the operations and activities of the Bureau of the Mint and the Bureau of Engraving and Printing.

(5) The Subcommittee shall not schedule a hearing on any commemorative medal or commemorative coin legislation unless the legislation is cosponsored by at least 218 Members of the House.

(6) In considering legislation authorizing Congressional gold medals, the subcommittee shall apply the following standards:

(A) The recipient shall be a natural person;

(B) The recipient shall have performed an achievement that has an impact on American history and culture that is likely to be recognized as a major achievement in the recipient's field long after the achievement;

(C) The recipient shall not have received a medal previously for the same or substantially the same achievement;

(D) The recipient shall be living or, if deceased, shall have been deceased for not less than 5 years and not more than 25 years; and

(E) The achievements were performed in the recipient's field of endeavor, and represent either a lifetime of continuous superior achievements or a single achievement so significant that the recipient is recognized and acclaimed by others in the same field, as evidenced by the recipient having received the highest honors in the field.

(e) Subcommittee on Domestic Monetary Policy.

(1) The jurisdiction of the Subcommittee on Domestic Monetary Policy extends to all matters relating to monetary policy and agencies which directly or indirectly affect monetary policy, including the effect of such policy and other financial actions on interest rates, allocation of credit, and the structure and functioning of domestic and foreign financial institutions.

(2) Further, the jurisdiction of the Subcommittee on Domestic Monetary Policy extends to all private foundations and charitable trusts.

(f) Subcommittee on General Oversight and Investigations.

(1) The Subcommittee on General Oversight and Investigations shall assist the House Committee on Banking, Finance and Urban Affairs in appraising the administration of the laws and regulations under the jurisdiction of the committee and present such recommendations as deemed necessary to the appropriate subcommittee(s) of the committee.

(2) Further, the subcommittee shall exercise continuing oversight of the execution by the administrative agencies concerning any of the laws the subject matter of which reside within the jurisdiction of the committee and shall study all pertinent reports, documents and data pertinent to the jurisdiction of the committee and make the necessary recommendations or reports thereon to the appropriate subcommittee(s) of the committee.

(3) Further, the subcommittee shall have full jurisdiction over the Renegotiation Act of 1951, as amended.

(g) Subcommittee on Economic Stabilization.

(1) The jurisdiction of the Subcommittee on Economic Stabilization shall extend to all matters relating to financial aid to all sectors and elements within the economy, all matters relating to economic stabilization, and all defense production matters as contained in the Defense Production Act of 1950, as amended, and all related matters thereto.

(2) Further, the jurisdiction of the subcommittee shall extend to international investment policies, both as they relate to U.S. investments for trade purposes by citizens of the United States and investments made by all foreign entities in the United States.

(3) Further, the subcommittee shall have jurisdiction over the Urban Development Action Grant program and Enterprise Zone programs.

(h) Subcommittee on International Development, Finance, Trade and Monetary Policy.

(1) The jurisdiction of the subcommittee extends to all matters relating to all multilateral development lending institutions, including activities of the National Advisory Council on International Monetary and Financial Policies as related thereto; and monetary and financial developments as they relate to the activities and objectives of such institutions.

(2) Further, the subcommittee shall have jurisdiction over all matters within the jurisdiction of the committee relating to international trade, including but not limited to the activities of the Export-Import Bank.

(3) Further, the subcommittee shall have jurisdiction over the International Monetary Fund, its permanent and temporary agencies, and all matters related thereto.

(i) Subcommittee on Policy Research and Insurance.

(1) The subcommittee shall assist the House Committee on Banking, Finance and Urban Affairs in studying the long-term economic, social, and environmental impact of the policies under the jurisdiction of the committee and make recommendations as deemed necessary to the appropriate subcommittee(s).

(2) The subcommittee shall examine the impact of the policies and programs under the jurisdiction of the committee as they affect urban, rural, national and world growth, including but not limited to the following areas: population; the environment; education and social programs; crime; community services; and personal economic security and mobility. The subcommittee shall also examine the long-range impact of new technology on the matters under the committee's jurisdiction.

(3) The legislative jurisdiction of the subcommittee extends to all matters pertaining to insurance within the committee's jurisdication, including crime insurance, fire insurance, and flood insurance and related land use controls, but excludes federal deposit insurance, mortgage and loan insurance, title insurance, and the authority of financial institutions to engage in insurance activities. The legislative jurisdiction of the subcommittee further extends to all activities of the Federal Agricultural Mortgage Corporation and secondary markets issues related to the Federal Agricultural Mortgage Corporation.

(j) The Committee may provide for such additional subcommittees as determined to be appropriate; Provided, however, that such additional subcommittees are approved by a majority of the majority members on the Committee.

(k) A member serving as chairman of any subcommittee on this committee shall not also serve as the chairman of a subcommittee on any other full committee or select committee with legislative jurisdiction; Provided, however, that this provision shall not apply to a member serving as subcommittee chairman on the Budget Committee; House Administration Committee; Joint Committees; Standards of Official Conduct Committee; or House Recording Committee.

RULE NO. 16—POWERS AND DUTIES OF SUBCOMMITTEES

(a) Each subcommittee is authorized to meet, hold hearings, receive evidence, and report to the full committee on all matters referred to it or under its jurisdiction. Subcommittee chairmen shall set dates for hearings and meetings of their respective subcommittees after consultation with the chairman and other subcommittees chairmen and with a view toward avoiding simultaneous scheduling of full committee and subcommittee meetings or hearings whenever possible.

(b) Whenever a subcommittee has ordered a bill, resolution, or other matter to be reported to the committee, the chairman of the subcommittee reporting the bill, resolution, or matter to the full committee, or any member authorized by the subcommittee to do so, may report such bill, resolution, or matter to the committee. It shall be the duty of the chairman of the subcommittee to report or cause to be reported promptly such bill, resolution, or matter, and to take steps or cause to be taken the necessary steps to bring such bill, resolution, or matter to a vote.

(c) No bill or joint resolution approved by a subcommittee shall be considered by the committee unless such measure, as approved, has been made available to all members at least two calendar days prior to the

meeting, accompanied by a section-by-section analysis of such measure. The provision of this paragraph may be suspended by the committee by a two-thirds vote or by the chairman, with the concurrence of the ranking minority member of the full committee.

(d) All committee or subcommittee reports printed pursuant to legislative study or investigation and not approved by a majority vote of the committee or subcommittee, as appropriate shall contain the following disclaimer on the cover of such report:

"This report has not been officially adopted by the Committee on Banking, Finance and Urban Affairs (or pertinent subcommittee thereof) and may not therefore necessarily reflect the views of its members."

(e) Bills, resolutions, or other matters favorably reported by a subcommittee shall automatically be placed on the agenda of the committee as of the time they are reported and shall be considered by the full committee in the order in which they were reported unless the chairman after consultation with the ranking minority member and appropriate subcommittee chairman, otherwise directs; Provided, that no bill reported by the subcommittee shall be considered by the full committee unless each member has been provided with reasonable time prior to the meeting to analyze such bill, together with a comparison with present law and a section-by-section analysis of the proposed change, and a section-by-section justification.

(f) No bill or joint resolution may be considered by a subcommittee unless such measure has been made available to all members at least two calendar days prior to the meeting, accompanied by a section-by-section analysis of such measure. The provision of this paragraph may be waived following consultation with the appropriate ranking minority member.

RULE NO. 17—REFERRAL OF LEGISLATION TO SUBCOMMITTEES

(a) Each bill, resolution, investigation, or other matter which relates to a subject listed under the jurisdiction of any subcommittee named in Rule 15 referred to or initiated by the full committee shall be referreed to all subcommittees of appropriate jurisdiction within 2 weeks unless, by majority vote of the majority members of the full committee, consideration is to be by the full committee.

(b) Referral to a subcommittee shall not be made until 3 days shall have elapsed after written notification of such proposed referral to all subcommittee chairmen, at which time such proposed referral shall be made unless one or more subcommittee chairmen shall have given written notice to the chairman of the full committee and to the chairman of each subcommittee that he intends to question such proposed referral to the next regularly scheduled meeting of the committee, or at a special meeting of the committee called for that purpose at which time referral shall be made by the majority members of the committee. All bills shall be referred under this rule to the subcommittees of proper jurisdiction without regard to whether the author is or is not a member of the subcommittees. A bill, resolution, or other matter referred to a subcommittee in accordance with this rule may be recalled therefrom at any time by a vote of the majority members of the committee for the committee's direct consideration or for reference to another subcommittee.

(c) Committee reports shall be filed at such time as the committee shall determine with reasonable time allowed for members to file supplemental, individual, dissenting or other views.

(d) In carrying out this Rule with respect to any matter, the chairman may refer the matter simultaneously to two or more subcommittees, consistent with Rule 15, for concurrent consideration or for consideration in sequence (subject to appropriate time limitations in the case of any subcommittee after the first), or divide the matter into two or more parts (reflecting different subjects and jurisdictions) and refer each such part to a different subcommittee, or refer the matter to a special ad hoc committee appointed by the chairman (from the members of the subcommittees having legislative jurisdiction) for the specific purpose of considering that matter and reporting to the full committee thereon, or make such other provisions as may be considered appropriate.

RULE NO. 18—SIZES AND PARTY RATIOS ON SUBCOMMITTEES AND CONFERENCE COMMITTEES

(a) To the extent that the number of subcommittees and their party ratios permit, the size of all subcommittees shall be established so that the majority party members of the committee have an equal number of subcommittee assignments; Provided, however, that a member may waive his or her right to an equal number of subcommittee assignments on the committee; and provided further, that the majority party members may limit the number of subcommittee assignments of the chairman and the subcommittee chairmen and the minority party members may limit the number of subcommittee assignments of ranking minority party members in order to equalize committee workloads.

(b) Following shall be the sizes and majority/minority ratios for subcommittees:

(1) Subcommittee on Housing and Community Development: Total—45. Majority—27. Minority—18.

(2) Subcommittee on Financial Institutions Supervision, Regulation and Insurance: Total—47. Majority—28. Minority—19.

(3) Subcommittee on International Development, Finance, Trade, and Monetary Policy: Total—25. Majority—15. Minority—10.

(4) Subcommittee on Domestic Monetary Policy: Total—8. Majority—5. Minority—3.

(5) Subcommittee on General Oversight and Investigations: Total—13. Majority—8. Minority—5.

(6) Subcommittee on Economic Stablilization: Total—15. Majority—9. Minority—6.

(7) Subcommittee on Consumer Affairs and Coinage: Total—16. Majority—10. Minority—6.

(8) Subcommittee on Policy Research and Insurance: Total—9. Majority—6. Minority—3.

RULE NO. 19—COMMITTEE RECORDS MAINTAINED AT THE NATIONAL ARCHIVES

The records of the committee at the National Archives and Records Administration shall be made available for public use in accordance with rule XXXVI of the Rules of the House of Representatives. The chairman shall notify the ranking minority member of any decision, pursuant to clause 3(b)(3) or clause 4(b) of the rule, to withhold a record otherwise available, and the matter shall be presented to the committee for a determination on the written request of any member of the committee.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mrs. MYERS of Kansas (at the request of Mr. MITCHEL), for today and the balance of the week, on account of a death in the family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. PAXON) to revise and extend their remarks and include extraneous material:)

Mr. HASTERT, for 60 minutes, on May 24.

Mr. MILLER of Washington, for 60 minutes, today.

Mr. DREIER of California, for 5 minutes, today.

Mr. COX, for 15 minutes, today.

(The following Members (at the request of Mr. HARRIS) to revise and extend their remarks and include extraneous material:)

Mr. TALLON, for 5 minutes, today.

Mr. ROSE, for 5 minutes, today.

Mr. MONTGOMERY, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. HUGHES, for 60 minutes, on May 17.

Mr. WISE, for 60 minutes, on May 17, 18, 24 and 25.

(The following Member (at the request of Mr. FORD of Michigan) to revise and extend his remarks and include extraneous material:)

Mr. ROYBAL, for 5 minutes, today.

(The following Members (at the request of Mr. GAYDOS) to revise and extend their remarks and include extraneous material:)

Mr. ECKART, for 60 minutes, on May 23.

Mr. HOYER, for 60 minutes, on May 23.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. PAXON) and to include extraneous matter:)

Mr. FIELDS.

Mr. MICHEL.

Mr. HEFLEY.

Mr. CONTE.

Mr. FISH in three instances.

Mr. SOLOMON.

Mr. STANGELAND.

Mr. ARCHER in four instances.

Mr. EMERSON.

Mr. GEKAS.

Mr. BEREUTER in two instances.

Mr. SHAYS.

Mr. NIELSON of Utah.

Mr. LAGOMARSINO.
Mr. FRENZEL.
Mr. BUECHNER.
Mr. HOPKINS.
Mr. DANNEMEYER.
Ms. SCHNEIDER.
Mr. BOEHLERT.

(The following Members (at the request of Mr. HARRIS) and to include extraneous matter:)

Mr. TORRES.
Mr. TRAFICANT.
Mr. CLEMENT.
Mr. SLATTERY.
Mr. ROE.
Mrs. COLLINS.
Mr. KILDEE.
Mr. PEPPER.
Mr. NOWAK in two instances.
Mr. SABO.
Mr. DWYER of New Jersey.
Mr. STARK.
Mr. MATSUI.
Mr. DORGAN of North Dakota.
Mr. RANGEL.
Mr. DELLUMS.
Mr. COELHO.
Mr. PENNY.
Mr. SIKORSKI.
Mr. DYMALLY.
Mr. CROCKETT.
Mr. MILLER of California.
Mr. WAXMAN.
Mr. DINGELL.
Mr. WEISS.
Mr. ROWLAND of Georgia.
Mr. LIPINSKI.
Mr. HARRIS.
Mr. WYDEN.
Mr. SLATTERY in two instances.
Mr. EDWARDS of California in two instances.
Mr. FLIPPO.

JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee did on this day present to the President for his approval, a joint resolution of the House of the following title:

H.J. Res. 247. Joint Resolution designating May 29, 1989, as the "National Day of Remembrance for the Victims of the U.S.S. *Iowa*".

ADJOURNMENT

Mr. SCHUMER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 14 minutes p.m.), under its previous order, the House adjourned until Wednesday, May 17, 1989, at 12 noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speakers table and referred as follows:

1192. A letter from the Acting Director, Defense Security Assistance Agency, transmitting notice of the Department of the Navy's proposed letter(s) of offer and acceptance [LOA] to Portugal for defense articles estimated to cost $50 million or more, pursuant to 10 U.S.C. 118; to the Committee on Armed Services.

1193. A letter from the Acting Director, Defense Security Assistance Agency, transmitting notice of the Department of the Army's proposed letter(s) of offer and acceptance [LOA] to Norway for defense articles estimated to cost $50 million or more, pursuant to 10 U.S.C. 118; to the Committee on Armed Services.

1194. A letter from the Acting Director, Defense Security Assistance Agency, transmitting notice of the Department of the Navy's proposed letter(s) of offer and acceptance [LOA] to the NATO Seasparrow Consortium for defense articles estimated to cost $50 million or more, pursuant to 10 U.S.C. 118; to the Committee on Armed Services.

1195. A letter from the Acting Director, Defense Security Assistance Agency, transmitting notice of the Department of the Air Force's proposed letter(s) of offer and acceptance [LOA] to Portugal for defense articles estimated to cost $50 million or more, pursuant to 10 U.S.C. 118; to the Committee on Armed Services.

1196. A letter from the Secretary of Education, transmitting a copy of Final Regulations—Chapter 1—Migrant Education Coordination Program for State Educational Agencies, pursuant to 20 U.S.C. 1232(d)(1); to the Committee on Education and Labor.

1197. A letter from the Acting Director, Defense Security Assistance Agency, transmitting notice of the Department of the Air Force's proposed letter(s) of offer and acceptance [LOA] to the Netherlands for defense articles and services estimated to cost $116 million, pursuant to 22 U.S.C. 2776(a); to the Committee on Foreign Affairs.

1198. A letter from the Acting Director, Defense Security Assistance Agency, transmitting notice of the Department of the Army's proposed letter(s) of offer and acceptance [LOA] to Norway for defense articles and services estimated to cost $14 million or more (Transmittal No. 89-11), pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

1199. A letter from the Acting Director, Defense Security Assistance Agency, transmitting notice of the Department of the Navy's proposed letter(s) of offer and acceptance [LOA] to Portugal for defense articles and services estimated to cost $99 million (Transmittal No. 89-19), pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

1200. A letter from the Acting Director, Defense Security Assistance Agency, transmitting notice of the Department of the Air Force's proposed letter(s) of offer and acceptance [LOA] to Portugal for defense articles and services estimated to cost $300 million (Transmittal No. 89-08), pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

1201. A letter from the Acting Director, Defense Security Assistance Agency, transmitting notice that Greece and Norway are added to the NATO Seasparrow Consortium as prospective purchasers of the RIM-7M Seasparrow missile (Transmittal No. 89-10), pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

1202. A letter from the Assistant Secretary of State for Legislative Affairs, transmitting copies of the original report of political contributions by Edward N. Ney, of New York, Ambassador Extraordinary and Plenipotentiary-designate to Canada, and members of his family, pursuant to 22 U.S.C. 3944(b)(2); to the Committee on Foreign Affairs.

1203. A letter from the Assistant Secretary (Policy, Budget, and Administration), Department of Interior, transmitting the Department's annual report on actions taken to increase competition for contracts, pursuant to 41 U.S.C. 419; to the Committee on Government Operations.

1204. A letter from the Secretary of the Interior, transmitting the 1988 annual report on research and demonstration projects in alternative coal mining technologies, pursuant to 30 U.S.C. 1328(d); to the Committee on Interior and Insular Affairs.

1205. A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to amend the Magnuson Fishery Conservation and Management Act, as amended, to authorize appropriations for fiscal years 1990, 1991, and 1992 and for other purposes, pursuant to 31 U.S.C. 1110; to the Committee on Merchant Marine and Fisheries.

1206. A letter from the Secretary of the Veterans Administration, transmitting a draft of proposed legislation to amend title 38, United States Code, and other provisions of law, to improve the administration of veterans' health care benefits and personnel management in the Department of Veterans' Affairs, and for other purposes; to the Committee on Veterans' Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ANDERSON: Committee on Public Works and Transportation. H.R. 968. A bill to provide for the federal reimbursement of local noise abatement funds; with an amendment (Rept. 101-51). Referred to the Committee of the Whole House on the State of the Union.

Mr. ANDERSON: Committee on Public Works and Transportation. H.R. 838. A bill to authorize the Secretary of Transportation to release restrictions on the use of certain property conveyed to the Peninsula Airport Commission for airport purposes; with an amendment (Rept. 101-52). Referred to the Committee of the Whole House on the State of the Union.

Mr. GORDON: Committee on Rules. House Resolution 155. Resolution providing for the consideration of the bill H.R. 643, a bill to amend section 37 of the Mineral Leasing Act relating to oil shale claims, and for other purposes (Rept. 101-53). Referred to the House Calendar.

Mr. BROOKS: Committee on the Judiciary. H.R. 1662. A bill to amend the United Nations Participation Act of 1945 to carry out obligations of the Untied States under the United Nations Charter and other international agreements pertaining to the protection of human rights by providing a civil action for recovery from persons engaging in torture, and for other purposes; with amendments (Rept. 101-55, Pt. 1). Ordered to be printed.

REPORTED BILLS SEQUENTIALLY REFERRED

Under clause 5 of rule X, bills and reports were delivered to the Clerk for printing, and bills referred as follows:

Mr. GONZALEZ: Committee on Banking, Finance and Urban Affairs. H.R. 1278. A bill to reform, recapitalize, and consolidate the Federal deposit insurance system, to enhance the regulatory and enforcement powers of Federal financial institutions regulatory agencies, and for other purposes; with an amendment; referred to the Committees on the Judiciary and Ways and Means for a period ending not later than May 25, 1989, for consideration of such provisions of the bill and amendment as fall within the jurisdictions of those committees pursuant to clause 1 (m) and (v), rule X, respectively (Rept. 101-54, Pt. 1). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. SOLARZ (for himself and Mr. LEACH of Iowa):

H.R. 2344. A bill to authorize the transfer to the Republic of the Philippines of two excess naval vessels; to the Committee on Foreign Affairs.

By Mr. ROSE (for himself Mr. TRAFICANT, Mr. WILSON, Mr. HAYES of Illinois, Mr. KLECZKA, Mr. MANTON, Mr. LANTOS, Mr. RAVENEL, Mr. JACOBS, Mr. KOLTER, Mr. BENNETT, and Mr. TORRES):

H.R. 2345. A bill to amend section 19 of the Animal Welfare Act (7 U.S.C. 2149); jointly to the Committee on Agriculture and the Judiciary.

By Mr. CLAY (for himself Mr. GILLMOR, and Mr. FROST):

H.R. 2346. A bill to authorize appropriations for the American Folklife Center for fiscal years 1990, 1991, and 1992; to the Committee on House Administration.

By Mr. WHITTEN

H.R. 2347. A bill making supplemental appropriations for the unfunded authorization to fight the war on drugs for the fiscal year ending September 30, 1989, and for other purposes; to the Committee on Appropriations.

By Mr. ARCHER:

H.R. 2348. A bill to amend title II of the Social Security Act to eliminate the retirement earnings test at ages above retirement age, to increase accordingly the delayed retirement credit rate, to exclude accordingly certain earnings in postretirement years from benefit computations, to prohibit retroactive entitlement to reduced benefits before retirement age, and to authorize for 5 years approriations of resulting revenue increases to the Federal Old-Age and Survivors Insurance Trust Fund; to the Committee on Ways and Means.

H.R. 2349. A bill to amend the Social Security Act to improve review procedures—particularly those involved in the disability determination process—under the OASDI, SSI, and Medicare Programs by making such procedures more cost effective and by providing greater equity and efficiency for claimants and beneficiaries; to the Committee on Ways and Means.

By Mr. BUECHNER (for himself and Mr. HAYES of Louisiana):

H.R. 2350. A bill to amend the Internal Revenue Code of 1986 to provide a refundable child care credit to parents for dependents under age 6, including parents who choose to remain at home with their children, and to provide tax incentives for employer-provided child care assistance; to authorize the President to make awards for the implementation of model child care projects; to provide for a study on barriers to the accessibility of liability insurance for employer-provided child care; and to establish a clearinghouse on child care services; jointly, to the Committee on Ways and Means and Education and Labor.

By Mr. CONTE (for himself, Mr. MCDADE, Mr. SKELTON, and Mr. IRELAND):

H.R. 2351. A bill to amend the Small Business Act to provide assistance to women business enterprises, and for other purposes; to the Committee on Small Business.

By Mr. DARDEN (for himself, Mr. KOSTMAYER, and Mr. LEHMAN of California):

H.R. 2352. A bill entitled the "Nevada Wilderness Protection Act of 1989"; jointly, to the Committee on Interior and Insular Affairs and Agriculture.

By Mr. DORGAN of North Dakota (for himself, Mr. BROWN of Colorado, Mr. GLICKMAN, Mr. BROWN of California, Mr. TAUKE, Mr. DONALD E. LUKENS, Mr. COLEMAN of Missouri, Mr. DURBIN, Mr. KASTENMEIER, Mr. PENNY, Mr. JOHNSON of South Dakota, Mr. BEREUTER, Mr. STENHOLM, Mr. WHITTAKER, Mr. EMERSON, Mr. SLATTERY, Mr. AKAKA, Mr. ROBERTS, Mr. EVANS, Mr. MADIGAN, Mr. WEBER, Mr. GRANDY, Mr. JONTZ, Mr. TALLON, Mr. CAMPBELL of Colorado, Mr. LIGHTFOOT, Mr. SKELTON, Mr. VOLKMER, Mr. HATCHER, Mr. LEATH of Texas, Mr. COMBEST, Mrs. MARTIN of Illinois, Mrs. SMITH of Nebraska, Mr. DE LA GARZA, Mr. CHAPMAN, Mr. FLIPPO, Mr. ESPY, Mr. MARLENEE, Mr. WILSON, Mr. ENGLISH, Mr. SMITH of Texas, Mr. GUNDERSON, Mr. DENNY SMITH, Mr. MATSUI, Mr. MCCLOSKEY, Mr. STANGELAND, Mr. PETRI, Mr. HERGER, Mr. HALL of Texas, Mr. FRENZEL, and Mr. COELHO):

H.R. 2353. A bill to amend the Internal Revenue Code of 1986 to allow nonexempt farmer cooperatives to elect patronage-sourced treatment for certain gains and losses; to the Committee on Ways and Means.

By Mr. DORGAN of North Dakota (for himself, Mr. JOHNSON of South Dakota, Mr. SABO, Mr. PENNY, Mr. STANGELAND, Mr. CARR, Mr. TRAXLER, and Mr. SIKORSKI):

H.R. 2354. A bill to amend the Internal Revenue Code of 1986 to deny the deduction for interest on indebtedness incurred in certain takeovers of major airlines; to the Committee on Ways and Means.

By Mr. DOWNEY:

H.R. 2355. A bill to authorize the review of certain injury determinations under the countervailing duty and antidumping duty laws; to the Committee on Ways and Means.

By Mr. FASCELL (for himself (by request), Mr. BROOMFIELD, Mr. ROSTENKOWSKI, and Mr. ARCHER):

H.R. 2356. A bill in support of the people and nation of Poland, and to amend the Trade Act of 1974 and the Foreign Assistance Act of 1961; jointly, to the Committees on Ways and Means and Foreign Affairs.

By Mr. FRENZEL:

H.R. 2357. A bill to amend the Library Services and Construction Act to establish a program to promote the distribution of reading materials to child care providers; to the Committee on Education and Labor.

By Mr. FROST (for himself, Mr. COELHO, Mr. CLAY, Mr. SYNAR, Mr. GLICKMAN, Mr. LEACH of Iowa, and Mr. FRENZEL):

H.R. 2358. A bill to authorize appropriations for fiscal years 1990 and 1991 for the Civic Achievement Award Program in honor of the Office of Speaker of the House of Representatives, and for other purposes; to the Committee on House Administration.

By Mr. GOODLING (for himself, Mr. ATKINS, Mr. BAKER, Mr. FAWELL, Mr. GIBBONS, Mr. LAGOMARSINO, Mr. OWENS of New York, Mr. RINALDO, and Mr. WALKER):

H.R. 2359. A bill to amend title 18, United States Code, to prohibit transfer of firearms to, or possession of a firearm by, a person convicted of a drug crime, and to provide enhanced penalties for possession of a firearm during a drug crime; to the Committee on the Judiciary.

By Mr. HOLLOWAY:

H.R. 2360. A bill to redesignate May 30 of each year as Memorial Day; to the Committee on Post Office and Civil Service.

By Mr. LANCASTER (for himself and Mr. KASICH):

H.R. 2361. A bill to amend title 10, United States Code, to establish additional requirements for, and to grant additional authority to, the inspector general of the Department of Defense; to the Committee on Armed Services.

H.R. 2362. A bill to amend title 10, United States Code, to establish auditors general in the military departments; to the Committee on Armed Services.

By Mr. LENT (for himself, Mr. DOWNEY, Mr. MCGRATH, Mr. MRAZEK, Mr. HOCHBRUECKNER, Mr. MANTON, and Mr. SCHEUER):

H.R. 2363. A bill to amend title VI of the Communications Act of 1934 to guarantee the rights of cable television subscribers to receive local broadcast stations and local professional sports events, and for other purposes; to the Committee on Energy and Commerce.

By Mr. THOMAS A. LUKEN:

H.R. 2364. A bill to amend the Rail Passenger Service Act to authorize appropriations for the National Railroad Passenger Corporation, and for other purposes; to the Committee on Energy and Commerce.

By Mr. MCCURDY (for himself, Mr. LEWIS of Florida, Mr. VALENTINE, and Mr. MCNULTY):

H.R. 2365. A bill to improve airport security by providing additional funding for research on, and evaluation of, explosives detection equipment; jointly, to the Committees on Public Works and Transportation and Science, Space, and Technology.

By Mr. MILLER of Washington (for himself, Mr. SMITH of Florida, Mr. ACKERMAN, Mr. SCHIFF, Mr. CARPER, Mr. RICHARDSON, Mr. HYDE, Mr. WYDEN, Mr. WEBER, Mr. LENT, Mr. PETRI, Mr. PRICE, Mr. BERMAN, Mr. GINGRICH, Mr. KYL, Mr. KOLBE, Mr. GRAY, Mr. OWENS OF UTAH, Mr. GILMAN, Mr. LAGOMARSINO, Mr. LEVINE OF CALIFORNIA, Mr. SKAGGS, AND Mr. DELAY):

H.R. 2366. A bill to encourage trade which promotes liberalization inside the Soviet

Union and the Baltic States; to the Committee on Foreign Affairs.

By Mr. MORRISON of Connecticut:

H.R. 2367. A bill to suspend temporarily the duty on Ciprofloxacin and Nimodipine; to the Committee on Ways and Means.

H.R. 2368. A bill to amend title II of the Social Security Act to protect the benefit levels of individuals becoming eligible for benefits in or after 1979 by eliminating the disparity—resulting from changes made in 1977 in the benefit computation formula—between those levels and the benefit levels of persons who became eligible for benefits before 1979; and to remove the ceiling on the amount of an individual's income which can be taken into accounting in computing his or her benefits and in determining his or her liability for Social Security taxes; to the Committee on Ways and Means.

By Mr. MORRISON of Connecticut (for himself, Mr. DOWNEY, and Mrs. KENNELLY):

H.R. 2369. A bill to amend the Federal Unemployment Tax Act with respect to the provisions of State law required by such act; to the Committee on Ways and Means.

By Mr. DREIER of California:

H.R. 2370. A bill to amend the Internal Revenue Code of 1986 to restore the preferential treatment of capital gains, and to provide for the indexing of the basis of certain assets; to the Committee on Ways and Means.

By Mr. OWENS of Utah:

H.R. 2371. A bill to require that all Federal research, development, testing, and evaluation of the medical aspects of the use of biological agents in the development of defenses against biological warfare be conducted through the National Institutes of Health, and for other purposes; to the Committee on Energy and Commerce.

By Mr. OWENS of Utah (for himself, Mr. HANSEN, Mrs. SCHROEDER, Mr. SKAGGS, Mr. RICHARDSON, Mr. BILBRAY, and Mrs. VUCANOVICH):

H.R. 2372. A bill to provide jurisdiction and procedures for claims for compassionate payments for injuries due to exposure to radiation from nuclear testing; to the Committee on the Judiciary.

By Mr. PENNY (for himself and Mr. STAGGERS):

H.R. 2373. A bill to amend the Head Start Act to increase enrollment and to provide child care services for children enrolled in Head Start programs; and to delay the indexing of income tax rates and personal exemption; jointly, to the Committees on Education and Labor and Ways and Means.

By Mr. RANGEL (for himself, Mr. COUGHLIN, Mr. GUARINI, Mr. GILMAN, Mr. ORTIZ, Mr. BROOKS, Mr. TOWNS, Mrs. COLLINS, Mr. SCHEUER, Mr. BRENNAN, and Mr. FAUNTROY):

H.R. 2374. A bill to amend title I of the Omnibus Crime Control and Safe Streets Act of 1968 to authorize grants to States for projects to demonstrate innovative alternatives to the incarceration of nonviolent adult offenders; to the Committee on the Judiciary.

By Mr. RICHARDSON (for himself, Mr. CAMPBELL of Colorado, and Mr. JOHNSON of South Dakota):

H.R. 2375. A bill to establish the Indian Development Finance Corporation, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. ROYBAL:

H.R. 2376. A bill to provide for improved housing and services to elderly and handicapped individuals; to the Committee on Banking, Finance and Urban Affairs.

By Mrs. SCHROEDER (for herself and Mr. MARTIN of New York) (both by request):

H.R. 2377. A bill to authorize appropriations for civil defense programs for fiscal years 1990 and 1991; to the Committee on Armed Services.

By Mr. SMITH of Florida (for himself, Mr. FISH, Mr. HUGHES, Mr. HYDE):

H.R. 2378. A bill to amend title 28, United States Code, to permit the district courts of the United States to enjoin, suspend, or restrain certain State ad valorem property taxes on interstate gas transmission property, and for other purposes; to the Committee on the Judiciary.

By Mr. SOLOMON:

H.R. 2379. A bill to amend the Clean Air Act to protect against interstate transport of pollutants, to control existing and new sources of acid deposition, and for other purposes; to the Committee on Energy and Commerce.

By Mr. STUMP (for himself, Mr. DYMALLY, Mr. UDALL, Mr. GARCIA, Mr. KANJORSKI, and Mr. DE LUGO):

H.R. 2380. A bill to provide that ZIP Code boundaries may be redrawn so that they do not cross the boundaries of any unit of general local government; to the Committee on Post Office and Civil Service.

By Mr. WISE:

H.R. 2381. A bill to amend title 44, United States Code, to reform the information dissemination policy functions of the Director of the Office of Management and Budget, and for other purposes; to the Committee on Government Operations.

By Mr. WYDEN:

H.R. 2382. A bill to authorize the Secretary of Health and Human Services to make grants to nonprofit organizations and State and local housing agencies for establishing demonstration projects to assist low-income families in paying rental housing security deposits; to the Committee on Banking, Finance and Urban Affairs.

Mr. COELHO:

H.J. Res. 269. A Joint resolution to designate October 1, 1989, through October 7, 1989, as "National Disability Awareness Week"; to the Committee on Post Office and Civil Service.

By Mr. PANETTA (for himself and Mr. SHUMWAY):

H.J. Res. 270. Joint resolution designating October 20, 1989, as "Leyte Landing Day"; to the Committee on Post Office and Civil Service.

By Ms. SCHNEIDER (for herself and Mr. PORTER):

H.J. Res. 271. Joint resolution relating to responsible trade and conservation of tropical forest resources; jointly, to the Committees on Foreign Affairs; Banking Finance and Urban Affairs; and Agriculture.

By Mr. SOLARZ (for himself, Mr. LEACH of Iowa, Mr. FALEOMAVAEGA, Mr. CLARKE, Mr. BLAZ, and Mr. LAGOMARSINO):

H. Con. Res. 121. Concurrent resolution to express the sense of the Congress with respect to the assassination of Col. James Rowe in the Philippines; to the Committee on Foreign Affairs.

By Mr. FASCELL (for himself, Mr. BROOMFIELD, Mr. HAMILTON, Mr. YATRON, Mr. SOLARZ, Mr. STUDDS, Mr. CROCKETT, Mr. GEJDENSON, Mr. BERMAN, Mr. LEVINE of California, Mr. FEIGHAN, Mr. ACKERMAN, Mr. FUSTER, Mr. GILMAN, Mr. LAGOMARSINO, Mr. LEACH of Iowa, Mr. ROTH, Ms. SNOWE, Mr. HYDE, Mr. BEREUTER, Mr. BURTON of Indiana, Mr. MILLER of Washington, Mr. BLAZ, Mr. GALLEGLY, Mr. HOUGHTON, Mr. GOSS, Mr. WOLPE, Mr. DYMALLY, Mr. LANTOS, Mr. KOSTMAYER, Mr. SMITH of Florida, Mr. WEISS, Mr. UDALL, Mr. JOHNSTON of Florida, Mr. ENGEL, Mr. FALEOMAVAEGA, Mr. BOSCO, Mr. MCCLOSKEY, Mr. PAYNE of New Jersey, and Mr. TORRICELLI):

H. Con. Res. 122. Concurrent resolution concerning the May 7, 1989, Presidential election in Panama; to the Committee on Foreign Affairs.

By Mr. GEKAS (for himself, Mr. LEVINE of California, Mr. COSTELLO, Mr. MOORHEAD, Mr. BUSTAMANTE, Mr. ACKERMAN, Mr. FAWELL, Mr. HORTON, Mr. HAYES of Louisiana, Mr. KOSTMAYER, Mr. CLEMENT, Mr. KANJORSKI, Mr. SCHAEFER, Mr. TAUKE, Mr. HANCOCK, Mr. WOLF, Mr. UPTON, Mr. SHAYS, Mr. MCDADE, Mr. SHUMWAY, Mr. DORNAN of California, Mr. PARKER, Mr. THOMAS of Georgia, Mr. JONES of Georgia, Mr. OXLEY, Mr. WHEAT, Mr. CLINGER, Mr. GALLEGLY, Mr. HUGHES, Mr. GRANDY, Mr. SMITH of Florida, Mr. DE LA GARZA, Mr. FAZIO, Mr. BILBRAY, and Mr. BOEHLERT):

H. Con. Res. 123. Concurrent resolution recognizing the 50th anniversary of Little League Baseball; to the Committee on Post Office and Civil Service.

By Mr. NIELSON of Utah (for himself, Mr. DICKINSON, Mr. HANSEN, and Mr. SAVAGE):

H. Con. Res. 124. Concurrent resolution expressing the sense of the Congress that Israel should take immediate steps to reopen schools in the West Bank; to the Committee on Foreign Affairs.

By Mr. TALLON (for himself, Mr. HEFNER, Mr. SOLOMON, Mr. HUCKABY, Mr. ENGLISH, Mr. VOLKMER, Mr. TAUKE, Mr. ROSE, Mr. HANSEN, Mr. WATKINS, Mr. WHITTAKER, Mr. LEATH of Texas, Mr. BAKER, Mr. JONTZ, Mr. EMERSON, Mr. ROWLAND of Georgia, Mr. CHAPMAN, Mr. RAVENEL, Mr. SMITH of Mississippi, Mr. YOUNG of Alaska, Mr. LANCASTER, Mr. SHUMWAY, Mr. POSHARD, Mr. WALSH, Mr. NIELSON of Utah, Mr. NEAL of North Carolina, Mr. STANGELAND, Mr. BOUCHER, Mr. MURPHY, Mr. DERRICK, Mr. WEBER, Mr. MARTIN of New York, Ms. KAPTUR, Mr. RANGEL, Mr. MONTGOMERY, Mr. LEWIS of Florida, Mr. FROST, Mr. PETRI, Mr. KANJORSKI, Mr. RAY, Mr. TRAXLER, Mr. SISISKY, Mr. RHODES, Mr. LEWIS of Georgia, Mr. STAGGERS, Mr. STALLINGS, Mr. GUNDERSON, Mr. STENHOLM, Mr. PENNY, Mr. MARLENEE, Mr. HARRIS, Mr. HOLLOWAY, and Mr. SARPALIUS):

H. Con. Res. 125. Concurrent resolution expressing the sense of the Congress that the differential in Medicare payments made to urban and rural hospitals be eliminated; to the Committee on Ways and Means.

By Mr. HAMILTON (for himself and Mr. SCHEUER):

H. Res. 156. Resolution authorizing the printing of the joint committee print entitled "The Education Deficit" as a House document; to the Committee on House Administration.

By Mr. MILLER of California (for himself, Mr. YOUNG of Alaska, Mr. LEWIS of Georgia, Mr. RAHALL, Mr. RHODES, Mr. RICHARDSON, Mr. MCDERMOTT, Mr. GEJDENSON, Mr.

SHARP, Mr. DEFAZIO, Mr. KOSTMAYER, Mr. OWENS of Utah, Mr. MCDADE, Mr. HOUGHTON, Mr. MARKEY, Mr. AKAKA, Mr. PENNY, Mr. FRANK, Mr. OWENS of New York, Mr. BOSCO, Mr. CLARKE, Mr. COUGHLIN, Mr. HORTON, Mr. DUNCAN, Mr. LAGOMARSINO, Mr. HYDE, Mr. LEHMAN of California, and Mr. TALLON):

H. Res. 157. Resolution expressing the sense of the House of Representatives that Exxon Co., USA, should devote whatever resources are necessary and pay all expenses required to compensate affected parties expeditiously, mitigate impacts, and complete cleanup by September 15, 1989, of Prince William Sound and other Alaska lands and waters damaged by the *Exxon Valdez* oil spill; jointly, to the Committees on Public Works and Transportation, Merchant Marine and Fisheries, and Interior and Insulor.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 5: Mr. LANCASTER and Mr. BATES.

H.R. 8: Mr. CARPER and Mr. WYDEN.

H.R. 14: Mr. MOODY.

H.R. 41: Mr. BATES, Mr. CONYERS, Mrs. JOHNSON of Connecticut, Mr. KILDEE, and Mr. MILLER of Washington.

H.R. 45: Mr. SABO, Mr. OBERSTAR, and Mr. DOWNEY.

H.R. 55: Mr. EDWARDS of Oklahoma.

H.R. 118: Mr. GOODLING, Mr. COUGHLIN, Mr. LAGOMARSINO, and Mr. EMERSON.

H.R. 145: Mr. CONYERS, Mr. TORRICELLI, and Mr. WILSON.

H.R. 169: Mr. HUTTO.

H.R. 245: Mr. BEILENSON.

H.R. 267: Mr. COX and Mr. HERTEL.

H.R. 291: Mr. MATSUI, Mr. DE LA GARZA, Mr. CLAY, Mr. RANGEL, Mr. DE LUGO, Mr. FAUNTROY, Mr. FLORIO, Mr. LAGOMARSINO, Mr. ROWLAND of Connecticut, Mr. NEAL of Massachusetts, Mr. ROBINSON, Mr. MORRISON of Connecticut, Mr. BERMAN, Mr. BONIOR, Mr. LEWIS of Georgia, Mr. FUSTER, and Mr. DYMALLY.

H.R. 379: Mr. BEILENSON, Mr. HORTON, and Mr. APPLEGATE.

H.R. 380: Mr. BUECHNER, Mr. STUMP, Mr. NIELSON of Utah, and Mr. EMERSON.

H.R. 381: Mrs. PATTERSON.

H.R. 393: Mr. EDWARDS of Oklahoma.

H.R. 418: Mr. SANGMEISTER.

H.R. 425: Mr. BORSKI, Mr. BATES, and Mr. SHAYS.

H.R. 437: Mr. EMERSON, Mr. FAZIO, Mr. FISH, Mr. PARRIS, Mr. JENKINS, Mr. TOWNS, and Mr. SOLOMON.

H.R. 442: Mr. HERGER, Mr. PARRIS, Mr. BLILEY, and Mr. HOLLOWAY.

H.R. 458: Mr. HOLLOWAY.

H.R. 467: Mr. KASTENMEIER.

H.R. 560: Mr. RINALDO, Mr. UPTON, Mr. LANTOS, Mr. SOLARZ, Mr. RAVENEL, Mr. LEWIS of Georgia, Mr. BOSCO, Ms. SNOWE, and Mr. CHAPMAN.

H.R. 586: Mr. WOLPE, Mr. SOLARZ, and Mr. DIXON.

H.R. 614: Mr. PALLONE, Mr. COSTELLO, Mr. SOLARZ, and Mr. DURBIN.

H.R. 638: Mr. ACKERMAN, Mr. COSTELLO, Mr. DIXON, and Mr. LANTOS.

H.R. 669: Mr. CROCKETT and Mr. DOWNEY.

H.R. 717: Mr. OBERSTAR, Mr. PAYNE of New Jersey, Mr. BRYANT, Mr. WEISS, and Mr. LEHMAN of Florida.

H.R. 736: Mr. BUSTAMANTE, Mrs. BYRON, Mr. GEJDENSON, Mr. UDALL, Mr. SHAYS, Mr. BILBRAY, Mr. HILER, Mr. WYLIE, and Mr. RIDGE.

H.R. 746: Mr. BATES, Mr. PICKETT, Mr. GEKAS, Mr. GLICKMAN, Mr. BURTON of Indiana, Mr. BUSTAMANTE, Mr. FEIGHAN, Mr. THOMAS of Georgia, Mr. TRAXLER. Mrs. VUCANOVICH, Mr. OBERSTAR, Mr. LOWERY of California, Mr. SHAW, Mr. CLINGER, Mr. HYDE, and Mr. IRELAND.

H.R. 801: Mr. BUSTAMANTE, Mr. GORDON, Ms. OAKAR, Mr. HATCHER, Mr. ERDREICH, Mr. ESPY, Mr. FUSTER, Mr. BATES, Mr. DYMALLY, Mr. BERMAN, Mr. HARRIS, Mr. RANGEL, Mr. FRANK, Mr. SCHEUER, Mr. OWENS of Utah, Mr. TOWNS, Mr. PARKER, Mr. ATKINS, Mr. RAY, Mr. LANCASTER, Mr. DIXON, Mr. MFUME, Mr. FOGLIETTA, Mr. LEVIN of Michigan, Mr. BUECHNER, Mr. KILDEE, and Mr. CROCKETT.

H.R. 844: Mr. FAWELL and Mr. ARMEY.

H.R. 860: Mr. CLINGER, Mr. SCHIFF, Mr. RAY, Mr. HASTERT, Mr. FAWELL, and Mr. BILIRAKIS.

H.R. 864: Mr. DANNEMEYER.

H.R. 913: Mr. DICKS.

H.R. 937: Mr. DE LUGO, Mr. TRAFICANT, Mr. PANETTA, Mrs. COLLINS, Mr. BERMAN, Mr. ATKINS, Mr. KILDEE, Mr. WEISS, Mrs. LOWEY of New York, Mr. COYNE, and Mr. JONES of Georgia.

H.R. 939: Mr. DE LUGO and Mr. MONTGOMERY.

H.R. 969: Mr. CLAY, Mr. DE LUGO, Mr. DELLUMS, Mr. FLAKE, Mr. FOGLIETTA, Mr. FRANK, Mr. FUSTER, Mr. GARCIA, Mr. GUARINI, Mr. KENNEDY, Mr. PAYNE of New Jersey, Mr. VISCLOSKY, Mr. WEISS, Mr. WHEAT, and Mr. WOLPE.

H.R. 974: Mrs. UNSOELD.

H.R. 990: Mr. WYDEN, Mrs. COLLINS, Mr. MARTINEZ, Mr. BATES, Ms. KAPTUR, Mr. FRANK, Mr. EVANS, Mr. CONYERS, Mr. BORSKI, Mr. TOWNS, Mr. ROBINSON, and Mr. SOLARZ.

H.R. 993: Mr. CROCKETT, Mr. FLORIO, Mr. GUARINI, Mr. RINALDO, Mrs. SCHROEDER, and Mr. WOLPE.

H.R. 996: Mr. BROWDER.

H.R. 1011: Mrs. BENTLEY.

H.R. 1028: Mr. DEFAZIO, Mr. FROST, Mr. ORTIZ, Mr. RINALDO, Mr. TAUKE, and Mr. BROOMFIELD.

H.R. 1030: Mr. SMITH of Florida.

H.R. 1044: Mr. RINALDO, Mr. STENHOLM, Mr. LANCASTER, and Mr. BILBRAY.

H.R. 1045: Mr. GEKAS, Mr. LEWIS of Florida, Mr. PALLONE, Mr. FAUNTROY, Mr. APPLEGATE, Mr. AUCOIN, Ms. PELOSI, Mr. WALGREN, Mr. HUGHES, Mrs. MORELLA, Mr. FAZIO, Mr. ROYBAL, Ms. SCHNEIDER, Mr. STARK, Mr. GILMAN, Mr. MFUME, Mr. DYMALLY, and Mr. COELHO.

H.R. 1048: Mr. FROST, Mrs. SCHROEDER, and Mr. SCHUMER.

H.R. 1066: Mr. TANNER and Mrs. VUCANOVICH.

H.R. 1067: Mr. BLILEY.

H.R. 1068: Mr. ROSE, Mr. GEJDENSON, and Mrs. LOWEY of New York.

H.R. 1095: Mr. COBLE, Mr. MCMILLEN of Maryland, Mr. QUILLEN, Mr. SMITH of Florida, and Mr. STUMP.

H.R. 1134: Mr. DURBIN.

H.R. 1136: Mr. SIKORSKI, Mr. OWENS of Utah, Mr. HALL of Texas, Mr. REGULA, Mr. DUNCAN, Mr. GINGRICH, Mr. JOHNSON of South Dakota, and Mr. RAY.

H.R. 1174: Mr. PERKINS.

H.R. 1190: Mr. DOWNEY.

H.R. 1232: Mr. CRANE, Mr. STARK, Mr. ARMEY, and Mr. HYDE.

H.R. 1235: Mr. VENTO.

H.R. 1243: Mr. GLICKMAN, Mr. GORDON, Mr. ACKERMAN, Mr. FLAKE, Mr. MANTON, Mr. JONTZ, Mr. ESPY, Mr. WATKINS, Mr. LEHMAN of Florida, Mr. HOCHBRUECKNER, and Mr. GUNDERSON.

H.R. 1249: Mr. CROCKETT, Mr. JOHNSTON of Florida, Mr. MORRISON of Connecticut, Mr. HAYES of Illinois, and Mr. OWENS of Utah.

H.R. 1259: Mr. FRANK, Mrs. JOHNSON of Connecticut, Mr. FAZIO, Mr. BOEHLERT, Mrs. COLLINS, Mr. HORTON, Mr. MORRISON of Connecticut, Mr. ESPY, Mr. FLORIO, Mr. NEAL of North Carolina, and Mr. DURBIN.

H.R. 1280: Mr. HAWKINS, Mr. GARCIA, Ms. SLAUGHTER of New York, Mr. MCGRATH, Mr. SABO, and Mr. WOLPE.

H.R. 1292: Mr. MARTINEZ.

H.R. 1307: Mr. CAMPBELL of California, Mr. ENGLISH, and Mr. BALLENGER.

H.R. 1390: Mr. PRICE.

H.R. 1391: Mr. SLATTERY and Mr. MOORHEAD.

H.R. 1409: Mr. WALGREN, Mr. LEWIS of Georgia, and Mrs. LOWEY of New York.

H.R. 1451: Mr. LEATH of Texas, Mr. LAGOMARSINO, Mr. STUMP, Mr. WILSON, Mr. COLEMAN of Missouri, Mr. RINALDO, Mr. ARMEY, Mr. COBLE, and Mr. HERGER.

H.R. 1453: Mr. LEVINE of California, Mr. FAUNTROY, Mr. WISE, Mr. DWYER of New Jersey, Mr. CROCKETT, Mr. UPTON, Mr. OWENS of New York, Mr. SAXTON, Mr. WOLPE, Mr. GOODLING, Mr. FOGLIETTA, Mr. PAYNE of New Jersey, Mr. BONIOR, Mr. MRAZEK, Mr. CLEMENT, Mr. KILDEE, Mr. LEWIS of Georgia, and Mr. ERDREICH.

H.R. 1470: Mr. BRENNAN, Mr. CARDIN, Mr. LAGOMARSINO, and Mr. MCNULTY.

H.R. 1526: Mr. SIKORSKI, Mr. CLINGER, and Mr. MURTHA.

H.R. 1583: Mr. SMITH of Mississippi, Mrs. MARTIN of Illinois, Mr. DE LA GARZA, Mr. JENKINS, Mr. AUCOIN, Mr. PARKER, Mr. KANJORSKI, Mr. CLEMENT, Mr. OXLEY, Mr. HILER, Mr. RAY, Mr. YOUNG of Alaska, and Mr. UPTON.

H.R. 1602: Mr. WISE.

H.R. 1613: Mr. HERGER.

H.R. 1652: Mr. FRANK.

H.R. 1654: Mr. PACKARD, Mr. GLICKMAN, Mr. DIXON, Mrs. LOWEY of New York, and Mr. ENGEL.

H.R. 1669: Mr. EMERSON, Mr. LEWIS of Georgia, Mr. LANCASTER, Ms. KAPTUR, Mr. MAZZOLI, Mr. WISE, Mr. OWENS of New York, Mr. SHUMWAY, Mr. LAFALCE, Mr. SOLOMON, and Mr. WEBER.

H.R. 1839: Mr. BATES, Mr. FRANK, Mr. BEILENSON, Mr. MCDERMOTT, Mr. KENNEDY, Mrs. BOXER, Mr. CARPER, Mr. MORRISON of Connecticut, and Mr. STUDDS.

H.R. 1869: Mr. DORGAN of North Dakota.

H.R. 1955: Mr. DORNAN of California and Mrs. BENTLEY.

H.R. 2051: Mr. ACKERMAN, Mr. COOPER, Mr. DIXON, and Mr. BATES.

H.R. 2079: Mr. FUSTER.

H.R. 2121: Mr. GEJDENSON, Mr. LEWIS of Florida, Mr. LEWIS of Georgia, Mr. SIKORSKI, Mr. PARKER, Mr. PAXON, Mr. GILLMOR, Mrs. SAIKI, Mr. JOHNSON of South Dakota, Mr. ROGERS, Mr. HATCHER, Mr. TAUKE, Mrs. VUCANOVICH, Mr. ROE, Mr. OXLEY, Mr. BOEHLERT, Mr. SCHAEFER, Mr. UPTON, Mr. LIGHTFOOT, Mr. CAMPBELL of Colorado, Mr. JONTZ, Mr. MRAZEK, Mr. HUCKABY, Mr. WOLF, Mr. SOLOMON, Mr. DYSON, Mr. HAMMERSCHMIDT, Mr. RHODES, and Mr. PETRI.

H.R. 2134: Mr. BILBRAY, Mr. GEJDENSON, Mr. GLICKMAN, Mr. GRANDY, Mr. HERGER, Mr. KASTENMEIER, Mr. LEWIS of Georgia, Mr. MADIGAN, Mr. MOAKLEY, Mr. MOLLOHAN, Mr. PAYNE of New Jersey, Mrs. SCHROEDER, Mr. TORRICELLI, Mr. WILSON, and Mr. WYDEN.

H.R. 2138: Mr. AUCOIN, Mr. FIELDS, Mr. MORRISON of Connecticut, Mrs. BENTLEY, Mr. DEFAZIO, Mr. BERMAN, Mr. MANTON, Mr. WYDEN, Mr. MCDERMOTT, Mr. YOUNG of Alaska, Mr. DICKS, and Mrs. UNSOELD.

H.R. 2171: Mr. LEWIS of Georgia.

H.R. 2174: Mr. DELLUMS, Mr. HUBBARD, Mr. MADIGAN, and Mr. TAUKE.

H.R. 2190: Mr. LAFALCE and Mr. LOWERY of California.

H.R. 2192: Mr. WATKINS, Mrs. VUCANOVICH, Mr. GEJDENSON, Mrs. SAIKI, Mr. FUSTER, Mr. MURPHY, and Mr. TRAFICANT.

H.R. 2209: Mr. UPTON, Mr. WILSON, Mr. BILIRAKIS, Mr. DICKINSON, Mr. NATCHER, Mr. SYNAR, Mr. GINGRICH, Mr. RAVENEL, Mr. HALL of Texas, Mr. SMITH of Mississippi, Mr. HUGHES, and Mr. BROWDER.

H.R. 2217: Mr. ATKINS.

H.R. 2222: Mr. LANCASTER.

H.R. 2237: Mr. FUSTER, Mr. ACKERMAN, and Mr. PAXON.

H.R. 2241: Mr. MCCURDY and Mr. GALLEGLY.

H.R. 2254: Mr. BATES, Mr. DWYER of New Jersey, Mr. PENNY, and Mr. ATKINS.

H.R. 2257: Mr. GUNDERSON, and Mr. WEBER.

H.R. 2268: Mrs. SMITH of Nebraska.

H.R. 2269: Mr. WISE and Mr. TAUZIN.

H.R. 2273: Mr. LANTOS, Mr. ROBINSON, Mr. SAWYER, Mr. MCNULTY, Mr. BRENNAN, Mr. DOWNEY, and Mr. GUARINI.

H.J. Res. 47: Mr. APPLEGATE, Mr. CHANDLER, Mr. COSTELLO, Mr. FLAKE, Mr. GALLO, Mr. HERTEL, Mr. JACOBS, Mr. KENNEDY, Mr. LENT, Mr. MADIGAN, Mr. MCCLOSKEY, Mrs. MORELLA, Mr. NELSON of Florida, Mr. RITTER, Mr. SCHUMER, and Mrs. VUCANOVICH.

H.J. Res. 67: Mr. LEWIS of Florida, Mr. MINETA, Mrs. MORELLA, Mr. ROSE, Mr. CONTE, Mrs. LOWEY of New York, and Mr. YOUNG of Florida.

H.J. Res. 95: Mr. APPLEGATE, Mr. BUECHNER, Mr. CROCKETT, Mr. LAFALCE, Mr. LANTOS, Mr. THOMAS A. LUKEN, Mr. OWENS of Utah, Mrs. PATTERSON, and Mr. WEISS.

H.J. Res. 122: Mrs. BENTLEY, Mr. COELHO, Mr. HILER, Mr. TORRES, Mr. JACOBS, Mr. WALGREN, Mr. MATSUI, Mr. YATRON, Mr. OWENS of New York, Mr. MILLER of Washington, Ms. OAKAR, Mr. KOSTMAYER, Mr. FAUNTROY, Mr. MOODY, Mr. ERDREICH, Mr. HORTON, Mr. RANGEL, Mr. ACKERMAN, Mrs. PATTERSON, Mr. SKELTON, Mr. MANTON, Mr. DEFAZIO, Mr. MRAZEK, Mr. MCDERMOTT, Mr. GUARINI, Mr. HUCKABY, and Mr. HUGHES.

H.J. Res. 123: Mr. ENGEL, Mr. GALLEGLY, Mr. CRAIG, Mr. VALENTINE, Mr. ARCHER, Mr. MANTON, and Mr. JONES of Georgia.

H.J. Res. 126: Mr. BROOMFIELD, Mr. LAGOMARSINO, Mr. HATCHER, Mr. HANSEN, Mr. GUNDERSON, Mr. DARDEN, Mr. MILLER of California, Mr. NEAL of Massachusetts, Mr. BEVILL, Mr. PICKETT, Mr. ROE, Mr. ESPY, Mr. SMITH of Florida, Mr. BLILEY, Mr. CROCKETT, Mr. MCGRATH, Mr. NIELSON of Utah, Mr. PACKARD, Mr. DE LA GARZA, Mr. DYMALLY, Mr. BOSCO, Mrs. COLLINS, Mr. SAVAGE, Mr. FLIPPO, Mr. FAWELL, Mr. TOWNS, Mr. GALLEGLY, Mr. HUCKABY, Mr. FAZIO, Mr. VOLKMER, Mrs. PATTERSON, Mr. MAZZOLI, Mr. THOMAS of Georgia, Mr. RANGEL, Mr. DE LUGO, Mr. HUGHES, Mr. LAFALCE, Mr. RAY, Mr. OWENS of New York, Mr. SAWYER, Mr. HORTON, Mr. LANCASTER, Mr. PARKER, Mr. LEHMAN of Florida, Mr. FUSTER, Mr. SISISKY, Mr. COSTELLO, Mr. DEWINE, Mr. COBLE, Mr. HENRY, Mr. PURSELL, Mr. HOCHBRUECKNER, Mr. HILER, Mr. DANNEMEYER, Mr. HAMILTON, Mr. JACOBS, Ms. OAKAR, Mr. DICKINSON, Mr. GEKAS, Mr. PAXON, Mr. KLECZKA, Mr. JONES of Georgia, Mr. RAHALL, Mr. HAWKINS, Mr. LEATH of Texas, Mr. WOLF, and Mr. ENGLISH.

H.J. Res. 131: Mr. CLAY, Mr. CLEMENT, Mr. ATKINS, Mr. BATES, Mr. CARPER, Mr. DELAY, Mr. FIELDS, Mr. GRANDY, Mr. MINETA, Mr. HANCOCK, Mr. LANTOS, Mr. MCEWEN, Mr. MADIGAN, Mrs. MEYERS of Kansas, Mr. SABO, and Mr. DE LA GARZA.

H.J. Res. 137: Mr. CROCKETT.

H.J. Res. 178: Mr. COSTELLO, Mr. WATKINS, Mr. HANSEN, Mrs. SMITH of Nebraska, Mr. FAWELL, Mr. BLILEY, Mr. LOWERY of California, Mr. HOCHBRUECKNER, Mr. HORTON, Mr. VANDER JAGT, Mr. ACKERMAN, Mr. DREIER of California, Mr. FRANK, Mr. BEVILL, Mr. OBEY, Mr. COLEMAN of Missouri, Mr. FUSTER, Mr. LANCASTER, Mr. MARTIN of New York, Mr. LEATH of Texas, Mr. AUCOIN, Mr. HILER, Mr. THOMAS of Georgia, Mr. MONTGOMERY, Mr. GEKAS, Mr. GORDON, Mr. RHODES, Mr. MOAKLEY, Mr. DWYER of New Jersey, Mr. JONES of Georgia, Mr. BILBRAY, and Mr. COELHO.

H.J. Res. 184: Mr. APPLEGATE, Mr. LEVIN of Michigan, Mrs. BENTLEY, Mr. CAMPBELL of Colorado, Mrs. MARTIN of Illinois, Mr. MORRISON of Connecticut, Mrs. KENNELLY, Mr. BUSTAMANTE, Mr. LIPINSKI, Mr. DONNELLY, Mr. GALLEGLY, Mr. DANNEMEYER, Mr. WOLF, Mr. COUGHLIN, Mr. COURTER, Mr. SOLOMON, Mrs. MORELLA, Mr. SMITH of Florida, Mr. RUSSO, Mr. KLECZKA, Mr. SKAGGS, Mr. SCHUETTE, Mr. LANTOS, Mr. JONES of Georgia, Mr. BATES, Mr. FUSTER, Mr. DWYER of New Jersey, Mr. WEBER, Mrs. COLLINS, Mr. HUGHES, Mr. ANNUNZIO, Mr. MCHUGH, Mr. KOLTER, Mr. CAMPBELL of California, Mr. HAWKINS, Mr. BLILEY, Mr. DONALD E. LUKENS, Mr. TRAXLER, Mr. MANTON, Mr. EVANS, Mrs. JOHNSON of Connecticut, Mr. MATSUI, Ms. SLAUGHTER of New York, Mr. HASTERT, Mr. BRENNAN, Mr. MCNULTY, Mr. COYNE, Mr. FEIGHAN, Mr. MARTIN of New York, Mr. DEWINE, Mr. MOAKLEY, Mr. PORTER, Mr. PURSELL, Mr. GALLO, Mrs. BOXER, Mr. PETRI, Mr. FROST, Mr. KILDEE, Mr. YATRON, Mr. SMITH of New Jersey, Mr. BEREUTER, Mr. RINALDO, Mr. ROWLAND of Connecticut, Mr. GEJDENSON, Mr. CARPER, Mr. YOUNG of Florida, and Mr. WOLPE.

H.J. Res. 204: Mr. JACOBS, Mr. LANCASTER, Mr. TANNER, Mr. DE LUGO, and Mr. MAZZOLI.

H.J. Res. 210: Mr. UPTON, Mr. FLIPPO, Mr. FISH, Mrs. UNSOELD, Mr. SAVAGE, Mr. SMITH of New Jersey, Mr. CLEMENT, and Mr. CONTE.

H.J. Res. 246: Mr. MONTGOMERY, Mr. SKELTON, Mr. STENHOLM, Mr. BUSTAMANTE, Mr. MICHEL, Mr. BALLENGER, Mr. HYDE, Mr. BURTON of Indiana, Mr. DELAY, Mr. MILLER of Ohio, Mr. DORNAN of California, Mr. RHODES, Mr. INHOFE, Mrs. VUCANOVICH, Mr. MADIGAN, Mr. MILLER of Washington, Mr. SHAW, Mrs. MARTIN of Illinois, Mr. FAWELL, and Mr. LAGOMARSINO.

H.J. Res. 254: Mr. MARTINEZ, Mr. JACOBS, Mr. MANTON, Mr. DYSON, Mr. DEFAZIO, Mr. CROCKETT, Mr. MILLER of Ohio, Mr. HUGHES, Mr. KILDEE, Mr. JOHNSON of South Dakota, and Mr. VENTO.

H. Con. Res. 44: Mr. TALLON.

H. Con. Res. 48: Mr. SHARP.

H. Con. Res. 66: Mr. WOLPE.

H. Con. Res. 73: Mr. UPTON, Mr. MAVROULES, and Mr. OBERSTAR.

H. Con. Res. 102: Mr. FIELDS.

H. Res. 121: Mr. STENHOLM.

H. Res. 128: Mr. MFUME, Mr. LANCASTER, Mr. KILDEE, Mr. PRICE, Mr. OWENS of Utah, Mr. WEISS, Mr. FROST, Ms. SNOWE, Mr. CONYERS, Mr. HALL of Ohio, Mr. WOLF, Mr. LEVINE of California, and Mr. BATES.

H. Res. 130: Mr. HAWKINS, Mr. HORTON, Mr. RAVENEL, Mr. DEFAZIO, Mr. LIPINSKI, Mr. PALLONE, Mr. GUNDERSON, Mr. WEISS, Mr. SIKORSKI, Mr. DAVIS, Mr. ACKERMAN, Mr. BROWN of California, Mr. BEREUTER, Mr. FOGLIETTA, and Mr. FALEOMAVAEGA.

H. Res. 137: Mrs. BENTLEY.

H. Res. 144: Mr. ACKERMAN and Mr. LIPINSKI.

H. Res. 146: Mr. CRANE, Mr. GEPHARDT, Ms. SCHNEIDER, Mr. FRENZEL, and Mr. PICKLE.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 586: Mr. LEWIS of Georgia.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 2072

By Mr. GEKAS:

—At the appropriate place in the title relating to general provisions, insert the following new section:

SEC. . (a) IN GENERAL.—Section 1151(k)(1) of the Tax Reform Act of 1986 (relating to effective dates for section 89 nondiscrimination rules) is amended to read as follows:

"(1) IN GENERAL.—The amendments made by this section shall apply to years beginning after December 31, 1989.".

(b) CONFORMING AMENDMENTS.—(1) Section 1151(k)(4) of such Act is amended by striking "December 31, 1988" and inserting "December 31, 1989".

(2) Section 3021(c) of the Technical and Miscellaneous Revene Act of 1988 is amended—

(A) in paragraph (2), by striking "January 1, 1989" and inserting "January 1, 1990";

(B) in paragraph (2), by striking "December 31, 1988" each place it appears and inserting "December 31, 1989"; and

(C) in paragraph (3), by striking "1989" and inserting "1990".

—At the appropriate place in the title relating to general provisions, insert the following new section:

SEC. . Section 1151 of the Tax Reform Act of 1986 and the amendments made by such section (relating to section 89 nondiscrimination rules) are hereby repealed, and the Internal Revenue Code of 1986 shall be applied and administered as if such section and amendments had never been enacted.

EXTENSIONS OF REMARKS

COL. NICK ROWE: A FINAL SALUTE

HON. WILLIAM E. DANNEMEYER
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 16, 1989

Mr. DANNEMEYER. Mr. Speaker, Col. James John Nicholas Rowe was gunned down in Quezon City, outside Manila, the Philippines, on April 21, 1989. Serving as ground forces director for the joint United States military advisory group headquarters, he was targeted for assassination by the new people's army, a Communist terrorist group dedicated to destroying democracy in the Philippines and killing Americans equally dedicated to stopping them.

Col. Nick Rowe was an American hero in every sense of the word. After surviving 5 years as a prisoner of the Vietcong, he continued to battle the forces of atheistic communism in every endeavor of his military career. After retiring from the Army in 1974, he returned in 1981 to organize the Survival, Evasion, Resistance, and Escape—or SERE—Program to train those in every branch of service most prone to be taken prisoner by enemy forces.

Shortly after developing the SERE Program, he became involved once again in the battle against Communist insurgents, this time in the Philippines. He acknowledged that he was a prime target for a hit by these thugs. Unguarded and unarmed—for reasons yet unknown—he was killed-in-action en route to his duty station.

I am indebted to a friend and ally, Mr. R.D. Patrick Mahoney, formerly on the staff of our late colleague Larry McDonald of Georgia, for sharing his knowledge and insight on Nick Rowe. Mr. Mahoney is currently executive director of the Coalition for Sound Money, with which I am associated, and I have the utmost respect for his courage, talents, and commitment to freedom. He knew Colonel Rowe from the time of Rowe's escape from the Vietcong and he himself served in the Southeast Asia theater from 1966 to 1970. He would later serve as Colonel Rowe's instructor on communism for the SERE Program at Camp Mackall, situated near Fort Bragg, NC.

After attending memorial services for Colonel Rowe at Fort Bragg, Mr. Mahoney—simply Patrick to his many friends—was privileged to assist Sfc. Chris Myrick who accompanied the remains of Colonel Rowe to Washington, DC for interment at Arlington National Cemetery. Sergeant Myrick was part of a special forces team including Lt. Col. Fred Jelinek and Maj. Sid Morgan, all of whom rendered invaluable assistance to Nick Rowe's family during this ordeal. In addition, the special forces chapter of Washington, DC hosted visiting special forces members from across the Nation for the final tribute and burial of Col. Nick Rowe.

I commend the following submission to my colleagues: Eulogy for Colonel Rowe by Brig. Gen. David J. Baratto delivered at the ceremony at Fort Bragg; front page article from the April 28, 1989 issue of the Fayetteville [NC] Times; editorial by retired Col. Harry Summers in the Washington Times of April 28, 1989; and a special tribute, "In Grateful Memory of Colonel James N. Rowe," from the John F. Kennedy Memorial Chapel services at Fort Bragg on April 27, 1989.

I pray that all of us still able to breathe the air of freedom will give thanks to those like Nick Rowe who have given their tomorrows so that we might have our todays.

EULOGY FOR COL. JAMES ROWE

(By Brig. Gen. David J. Baratto)

Colonel James "Nick" Rowe was born in McAllen, Texas, on 8 February 1938. He died in the service of his country in Quezon City in the Philippines. He gave all that mortality could give—his strength, his loyalty, his wisdom, and his love.

He needs no eulogy from me or from any other man. He has written his own history and historians will write about his contributions for decades to come. The words I speak today are not mine—they are the echoes of the scores of soldiers he touched with his gentle hands—they are the words etched in the heart of every soldier who wears the Green Beret.

You see, I did not know Nick Rowe—as a person. I knew him as an institution and, in that respect, I knew him intimately. We all knew him intimately.

Some of us knew from the day when he was only 6 years old and he promised to visit West Point to attend his brother's graduation. His brother died 3 months before graduation, but Nick had made his first of many difficult and selfless commitments and Nick would follow through. At 6 years of age, he took his place in that long grey line. And from that day forward, he would march a steady step to the thundering drumroll of those hallowed words: duty, honor, country.

A few of us knew him as an artillery officer who was not satisfied with standing back from the fray. Although attracted to the infantry, neither was his preference to fight the battle with a frontal charge. In his own words from an oral history interview taken before he departed the SWCS for the Philippines, Nick recounts the following—"I took a different route from most and came into special forces—I had made a decision then that as far as I was concerned, I had found what I wanted in the military, and I simply had to find a way to stay with it." I had my own set of heroes and all of a sudden, I had an opportunity to become a part of it—he was much more than just a part of it.

All of us knew him for his long ordeal as a prisoner of war in Vietnam, finally escaping on his fourth attempt while being led to what was intended to be his place of execution. While most of us would have checked out of the net right then and there, Nick didn't. Only a short rest break and than a continued march to impart his hard won lessons learned to his fellow soldiers.

Nick was a soldier of undaunting courage.

In a letter Nick wrote on the 17th of April to one of his many friends at Fort Bragg, he said: "Their targeting instructions [the NPA's] are for an officer involved in the counter-insurgency effort. I'm either No. 2 or No. 3 on their list and have taken the actions available to me to at least make it more difficult for them. The question is merely when will they give the instructions?"

He never swayed from his duty.

He died unquestioning, uncomplaining, with faith in his heart, and hope in the last words he wrote—the hope that right would prevail and that the oppressed would be liberated.

Once, when he was asked about some of the thoughts he had while in captivity, he remembered asking himself, "Lord, why me?" And the answer was simply—because—he recalled the Book of Job and its message that the Lord only tests those he loves and knew the Lord must really love him. On that day he adopted a new philosophy: You take it a day at a time and you say it will get better—and it will. This too will get better. Nick will never have to face again the leg irons, the gaunt faces of those oppressed, the ringing sound of shots fired in anger.

Nick Rowe was more than a soldier, a leader, a husband and a father. He was an institution who embodied the ideals of duty, honor, country and the value of human dignity and freedom. His light will shine on every battlefield where U.S. soldiers are asked to trod and his light will guide those soldiers during their darkest hours from taps to the next reveille. Tomorrow there will be a reveille and with the same faith that Nick gave us, things will get better.

[From the Fayetteville (NC) Times, Apr. 28, 1989]

800 ATTEND FORT BRAGG MEMORIAL FOR ROWE

(By Henry Cuningham)

Army Col. James N. "Nick" Rowe, a former prisoner of war who was assassinated last week in the Philippines, was eulogized Thursday at Fort Bragg as "a soldier of undaunted courage."

"He needs no eulogy from any other man," said Brig. Gen. David J. Baratto, commanding general of Fort Bragg's John F. Kennedy Special Warfare Center and School. "He has written his own history."

Fort Bragg officials estimated that 800 mourners attended the service inside John F. Kennedy Memorial Chapel or listened by loudspeakers outside on Ardennes Street. Among mourners was Gen. James J. Lindsay, commander-in-chief of U.S. Special Operations Command at MacDill Air Force Base, Fla.

"He was an institution who embodied the ideals of duty, honor, country," Baratto said of Rowe.

The 51-year-old former Fort Bragg officer was killed April 21 when assassins sprayed his vehicle with bullets while he was on his way to work as ground forces director for the Joint U.S. Military Advisory Group headquarters near Manila. Communist

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

rebels on Saturday claimed responsibility, the Associated Press reported.

Rowe wrote a letter shortly before his death in which he said he believed himself to be second or third on a list of assassination targets, Baratto said in his eulogy.

"The question is merely when they will give the instructions," Baratto quoted Rowe as writing. "He died unquestioning, uncomplaining, with faith in his heart."

In the early 1980s, Rowe developed the JFK Center's SERE (Survival, Evasion, Resistance and Escape) course for soldiers with a high risk of capture. The program continues as he envisioned, school officials said.

He chronicled his experience as a Viet Cong prisoner of war from 1963 to 1968 in his 1971 book "Five Years to Freedom." Rowe wrote that he was subjected to torture, solitary confinement, food deprivation and medical neglect. He made three unsuccessful escape attempts during 62 months of captivity before he finally escaped.

Rowe said of his captivity, "The Lord only tests those he loves," according to Baratto.

"He knew at that time the Lord really loved him," Baratto said.

Rowe's body was not at the Fort Bragg ceremony, but was on view Thursday afternoon at Fayetteville's Rogers and Breece Funeral Home, post officials said.

He will be buried at Arlington National Cemetery, Va., in a ceremony at 2 p.m. Monday, Fort Bragg officials said.

"His light will shine on every battlefield where U.S. soldiers trod," Baratto said.

Maj. Paul Barkey, JFK Center chaplain, described Rowe as "a Christian, a man of committed faith" and "equally at home whether speaking with presidents or privates."

"He knew the price of freedom," Barkey said. "He was prepared to make that full sacrifice."

Rowe, a native of McAllen, Texas, "never lost those small-town Texas values that were part of his early life," Barkey said. He was taunted by his captors, but never lost faith in his country, the chaplain said.

"Col. Rowe epitomized the professionalism of special forces," Brig. Gen. James A. Guest, commanding general of the Fort Bragg-based 1st Special Operations Command, said after the service. "He was the embodiment of the American soldier.

Retired Cols. Joseph G. Cincotti, Robert Mountel and David L. Pemberton discussed their memories of Rowe with reporters after the service.

"He could have taken one million other paths, but he chose to come back (into the Army after captivity)," Cincotti said. "We don't have many heroes, but Nick was one of the true heroes."

Mountel said Rowe was "one of the few people who truly understood the business of special operations."

"He put survival first," Pemberton said. "Escape was last. He wanted to translate our special operations skills into something the whole Army could use."

Rowe graduated from the U.S. Military Academy in 1960. His first assignment was with 7th Special Forces Group (Airborne) at Fort Bragg in 1961, officials said. He left Fort Bragg to study the Chinese language and returned to Fort Bragg in 1962 and served as executive officer of a special forces "A" detachment, officials said.

He escaped from captivity in 1968 as he was being taken to be executed when his guards were startled by U.S. helicopters. The helicopter crews identified him as an American from the air only because of his beard.

Rowe worked on the Army's POW/MIA program, resigned his Army officer's commission in 1974, ran unsuccessfully for state office in his native Texas and returned to active duty in 1981.

His last assignment at Fort Bragg was commander of the JFK Center's 1st Special Warfare Training Battalion (Airborne).

Rowe left Fort Bragg in early 1988 for language training at Monterey, Calif., prior to his assignment in the Philippines, officials said.

Donations may be sent to: John F. Kennedy Special Warfare Center and School, ATTN: ATSU-SE, Fort Bragg, N.C. 28307-5000.

[From the Washington Times, Apr. 28, 1989]

TRIBUTE TO A GENUINE HERO

(By Harry Summers)

This week the remains of a genuine American hero will be returned to the United States for burial at Arlington National Cemetery. Gunned down in the streets of a Manila suburb by a cowardly Filipino assassin. Lt. Col. John Nicholas "Nick" Rowe died as he had lived—as a soldier in the service of the people of the United States of America.

Survived by his wife, M. Susan Whifford Rowe, and four children: Deborah, 16, Christina, 6, Stephen, 2, and Brian, 5 months, Nick spent most of his 51 years under the colors. Born and raised in McAllen, Texas, in the lower Rio Grande valley, he entered the United States Military Academy at West Point in 1956 and graduated in 1960, the year John F. Kennedy was elected to the presidency.

Mr. Kennedy's inaugural pledge to "pay any price, bear any burden, meet any hardship, support any friend, oppose any foe, to assure the survival and success of liberty" became the watchwords by which Nick was to live his life. Originally commissioned in the artillery, Nick soon transferred to the outfit much admired by President Kennedy, the "Green Berets" of the Army Special Forces. In 1963, he found himself with a Special Forces "A" Team at Tan Phu on the Camau Peninsula in the southernmost reaches of Vietnam's Mekong Delta. It was to be a long stay.

On a combat operation with his Vietnamese counterparts, Nick was captured by the Viet Cong on Oct. 29, 1963. He would spend the next five years in captivity. Marking his death, American network television programs broadcast stock footage of American POWs in Hanoi, but such photographs had little to do with Nick Rowe. He was a prisoner not of the North Vietnamese but of the Viet Cong, held not in Hanoi but hundreds of miles away at the other end of Vietnam in a series of primitive jungle prisons in the U Minh forest near the Gulf of Siam.

Nick Rowe was one of the few Americans ever to escape from communist imprisonment. On Dec. 26, 1968, while his captors were evading U.S. air strikes near the prison camp, he knocked his guard unconscious and was able to signal a Huey helicopter from the U.S. 1st Air Cavalry Division, then operating in the area.

After his rescue and return to the United States, Col. Rowe wrote "Five Years to Freedom," a harrowing account of that experience. "Pay any price, bear any burden, meet any hardship" had taken on a grim meaning. "The fungus infection . . . covered most of my body." he noted at one point in his prison diary. "My fingernails had been eaten away . . . and I had only three toenails remaining."

But even worse than the physical anguish was the mental duress. At one point his guards told him, "It is fortunate for us that the peace-and-justice-loving friends of the South Vietnamese Front for National Liberation in America have provided us with information which leads us to believe you have lied to us," and then proceeded to confront him with intimate details of his family and military background that he had carefully concealed. Only his escape soon thereafter prevented the punishment that his captors assured him was certain to follow.

"Dissent was a part of American life," Col. Rowe noted, "but to support the enemy at the expense of another American was inconceivable. There was no other place the VC could have gotten some of that information except from the United States and I suddenly felt very sick."

In 1971, I reviewed "Five Years to Freedom" for the Kansas City Star and received an autographed copy from Col. Rowe with the words "to one who understands." It was high praise, but almost 20 years later I am not sure I do understand.

I do not understand the American traitors who betrayed Col. Rowe to the enemy. If there is a righteous God, there surely must be a special place reserved for them in hell. And I am not sure I understand why Col. Rowe, having sacrificed more than most Americans ever conceive in their worst nightmares, was willing to go once more into the breach.

At first he wasn't sure either. He resigned from active duty in 1974 and returned to Texas. But in 1981, he volunteered to return to active duty, for he saw it as his duty to pass on those skills he had learned at so high a price to a future generation of warriors. Assigned as chief of the Survival, Evasion, Resistance and Escape Division of the U.S. Army's John F. Kennedy Special Warfare Center at Fort Bragg, N.C., Col. Rowe was a particularly effective instructor.

Finally, I'm not sure I understand why he was sent to the Philippines to assist a nation whose main scam in recent years seems to have been the extortion of as much money as possible from the United States in exchange for allowing us to provide protection. But Col. Rowe would surely have answered that he wasn't there to serve those ingrates. He was there (as he was there in Vietnam) to serve the people of the United States whose elected representatives had sent him into harm's way.

In the course of his career, Lt. Col. John Nicholas Rowe won the Combat Infantryman's Badge, the Silver Star, the Legion of Merit, two Bronze Stars, the Meritorious Service medal and two Purple Hearts for wounds received in action. He also won the admiration and respect of all who knew him.

Mark his passage well; you may not see his like again.

IN GRATEFUL MEMORY OF COL. JAMES N. ROWE

Colonel James N. Rowe was born in McAllen, Texas, February 8, 1938. He graduated from McAllen High School in 1956 and entered the United States Military Academy at West Point that same year. He graduated from West Point in 1960 and was commissioned a second lieutenant in field artillery.

As a new lieutenant, he graduated from the Army's Airborne School and Ranger School, both at Fort Benning. In 1961 he

completed the Field Artillery Officers Basic Course at Fort Sill, Oklahoma.

His first assignment was with the 7th Special Forces Group (Airborne) at Fort Bragg, North Carolina, in 1961. He attended the Defense Language Institute in Monterey, California where he studied Chinese Manderin. He graduated in 1962 and returned to the 7th Special Forces Group to serve as the assistant group adjutant, and later as executive officer of a Special Forces A-Detachment.

Colonel Rowe graduated from the U.S. Army Unconventional Warfare School at Fort Bragg in 1962. He then trained as a military free-fall parachutist. In July 1963, he deployed to South Vietnam with Special Forces A-Detachment A-23 and was captured in a firefight by the Viet Cong October 29, 1963.

While in captivity, Colonel Rowe was subjected to torture, solitary confinement, food deprivation and medical neglect. For 62 months he endured these inhuman conditions and made three attempts to escape his captors. His will to survive carried him through the physical and mental torture that eventually killed three of his fellow POWs. He was in grave danger at all times; two other POWs, who like himself had successfully resisted the indoctrination efforts of the Viet Cong, had been executed.

The disclosure of his Special Forces training background in 1968 resulted in his finally being marked for execution. At the time of his fourth and final escape attempt Colonel Rowe was being transported to his execution when his guards were surprised by American helicopter gunships. In the chaos, Colonel Rowe managed to escape from the Viet Cong patrol. He was spotted from the air and identified as an American only because of his beard.

Colonel Rowe emerged from his experience as an authentic American hero, as a man who maintained his faith in God and country during the most trying of circumstances.

Following the Vietnam War, Colonel Rowe was assigned to the Army General Staff, Office of the Assistant Chief of Staff for Intelligence, and later to the Adjutant General's Office to work on the Army POW/MIA program.

After an assignment to the Defense Intelligence Agency, Colonel Rowe resigned his commission as a major in 1974 and entered the political arena, where he ran for State Office in his home state of Texas.

Colonel Rowe was recalled to active military duty in 1981 and was promoted to Lieutenant Colonel. He returned to Fort Bragg, where he created the Survival, Evasion, Resistance and Escape course for personnel serving in duty positions with a high risk of capture. His program standardized the Army's survival instruction by providing a rigorous, realistic, yet safe training environment where soldiers could learn how to avoid capture or to survive capture and return home with honor. The program continues as he envisioned to this day.

Colonel Rowe's last assignment at Fort Bragg was as the battalion commander of the 1st Special Warfare Training Battalion (Airborne) at the U.S. Army John F. Kennedy Special Warfare Center and School. He departed Fort Bragg in early 1988 for language training in Monterey, California prior to his assignment as ground forces director for the Joint U.S. Military Advisory Group in the Philippines.

Colonel Rowe's awards and decorations included the Silver Star, the Legion of Merit, the Bronze Star with oak leaf cluster, the Purple Heart with oak leaf cluster, the Meritorious Service Medal, the Vietnam Service Medal with eight campaign stars, the Combat Infantrymen Badge, Master Parachutist Badge, Ranger Tab, Special Forces Tab and Vietnamese Parachutist Badge.

His civilian awards included the American Patriot Award, which was awarded by the Freedom Foundation at Valley Forge in 1969. He was also awarded the Order of Demolay, Legion of Honor in 1972, and was twice named by the Jaycees as one of the "Outstanding Young Men of America."

As an author, Colonel Rowe published three works: The Southeast Asia Survival Journal, published by the Department of the Air Force, and two novels, The Judas Squad and Five Years to Freedom. The latter work chronicled his life and experiences in captivity during the Vietnam War.

As a speaker, Colonel Rowe gave more than 300 lectures to civilian audiences since 1969. He had also spoken at nearly every major military installation in the United States, spreading his inspirational message of faith and preservation under adverse circumstances. He also addressed the British Army General Staff College in Camberly, England, as well as the U.S. Department of State and the House Armed Services Committee of the U.S. Congress.

Colonel Rowe's distinguished career of civil and military service to the nation was characterized by unwavering devotion to duty, a high sense of honor and courage and deep love of his country.

SPECIAL FORCES PRAYER

Almighty God, Who art the Author of liberty and the Champion of the oppressed, hear our prayer.

We, the men of Special Forces, acknowledge our dependence upon Thee in the preservation of human freedom.

Go with us as we seek to defend the defenseless and to free the enslaved.

May we ever remember that our nation, whose motto is "In God We Trust," expects that we shall acquit ourselves with honor, that we may never bring shame upon our faith, our families, or our fellow men.

Grant us wisdom from Thy mind, courage from Thine heart, strenth from Thine arm, and protection by Thine hand.

It is for Thee that we do battle, and to Thee belongs the victor's crown.

For Thine is the kingdom, and the power and glory, forever.

LEGISLATION TO CURB THE LEVERAGED TAKEOVERS OF OUR MAJOR AIRLINES

HON. BYRON L. DORGAN

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 16, 1989

Mr. DORGAN of North Dakota. Mr. Speaker, I am introducing today for myself and my colleagues legislation that would attempt to discourage hostile takeovers and leveraged buyouts in the airline industry.

I feel that hostile takeovers and LBO's generally are weakening our country and are not in the public interest, and I have introduced legislation to respond to the problem in a more general way in all industries.

But today I am specifically introducing legislation that focuses on the major airlines and the airline industry because I fear that putting major airlines in America "in play" in this game of speculation as practiced by the fast buck artists will seriously damage airline companies that so many people rely on for their transportation needs.

Northwest Airlines specifically has been the subject of takeover discussions in recent months. Projections show that those who would want to buy Northwest assets would do so by heavily leveraging the company. It would, according to experts, result in adding $300 million dollars a year to the company's costs just to pay the interest on the debt acquired for the takeover. While Northwest has been profitable in the past, if you add $300 million dollars in interest costs to that company, it's going to put enormous financial pressure on the company to cut back on less densely populated routes, increase ticket prices, and do a range of other things that will diminish airline service. In many instances up in the northern Great Plains—North Dakota, Montana, and other areas—Northwest is the only carrier providing airline service.

To put major airline companies in the middle of this speculation game is dangerous and counter to the public interest. If somebody wants to buy an airline company, let them buy it using equity financing. But to saddle one of the airline companies with enormous debt so that some speculator can make money taking the company apart, I think makes no sense at all.

I wouldn't feel the need to introduce this legislation if I had any inkling that the Department of Justice and Department of Transportation would act responsibly in the face of a merger or an LBO of a major airline. In fact, the record on both counts is a record of virtual incompetence. The Department of Transportation has a responsibility to see to it that the fitness of an air carrier to serve is not impaired by something like an LBO. But frankly, the Department of Transportation—like virtually every other agency during the past 8-year administration and, I expect, the current one—behaves as if it is brain dead on these issues. It simply does nothing seriously to respond to the public interest on these issues. That's why I feel I have to introduce this type of legislation.

Let me make one other observation about these hostile takeovers in general. Those who support such activities say that hostile takeovers represent the takeover of underperforming companies and turn them into better companies. Well the record shows that's not the case. Prof. Lewis Lowenstein, in a study, demonstrated that the targets of these takeovers have largely been companies performing slightly above average before the takeover and performing below average after the takeover. This is not, as Professor Lowenstein puts it, the "princess kissing the toad and turning him into a prince." Rather, in some instances, it's turning a prince into a toad.

In some cases, these wealth wars don't have much impact on the American citizen, but with companies like airlines it's different. And I think it's time to tell the speculators that we won't allow them to take apart our transportation companies in order to make a quick buck if it will have a dramatically negative

impact on the customers those airlines serve. That's why I've introduced my bill for discussion here in Congress.

The highlights of the bill are as follows:

First, interest deductions are denied where indebtedness exceeding $100,000,000 is incurred for stock acquisition in a major airline and where the stock acquisition is accomplished pursuant to a hostile offer, with indebtedness consisting of junk bonds or where the debt/equity ratio of the target company following the transaction is greather than 1 to 1 and such ratio is increased 50 percent or more as a result of the change.

My legislation broadly defines junk bonds. For this purpose, prohibited junk bonds include any corporate obligation that: First, is subordinated either to the claims of trade creditors or to a substantial amount of the corporation's unsecured debt; or second, at the time of issuance the yield to maturity is in excess of 135 percent of the applicable Federal rate; or third, has a below-investment-grade rating from a nationally recognized rating agency; or fourth, has other equity features.

I urge every Member to help protect our Nation's airways by cosponsoring this legislation. Congress cannot afford to ignore the costs associated with hostile mergers and leveraged buyouts that threaten the economic stability of our major commercial airlines, in exchange for exorbitant short-term profits gained by corporate raiders.

The full text of the bill follows:

H.R. —

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DENIAL OF DEDUCTION FOR INTEREST ON INDEBTEDNESS INCURRED TO ACQUIRE STOCK IN CERTAIN TAKEOVERS OF MAJOR AIRLINES.

(a) IN GENERAL.—Part IX of subchapter B of chapter 1 of the Internal Revenue Code of 1986 (relating to items not deductible) is amended by adding at the end thereof the following new section:

"SEC. 2801. INTEREST ON INDEBTEDNESS INCURRED TO ACQUIRE STOCK IN CERTAIN TAKEOVERS OF MAJOR AIRLINES.

"(a) GENERAL RULE.—No deduction shall be allowed under this chapter for interest on indebtedness incurred or continued by a corporation (hereinafter in this section referred to as the 'issuing corporation') to acquire or carry the stock of any major airline if such stock is acquired as part of a covered ownership change.

"(b) COVERED OWNERSHIP CHANGE.—

"(1) IN GENERAL.—The term 'covered ownership change' means any ownership change (as defined in section 382(g)) if—

"(A)(i) a significant portion of the stock acquisition resulting in such change is pursuant to a hostile offer,

"(ii) any indebtedness incurred by the issuing corporation to make such acquisitions consists of junk bonds, or

"(iii) the ratio of debt to equity (as defined in section 279(c)(2)) of the issuing corporation immediately after the ownership change is greater than 1 to 1 and increased by at least 50 percent as a result of the ownership change, and

"(B) the amount of indebtedness incurred by the issuing corporation to make such acquisitions exceeds $100,000,000.

"(2) HOSTILE OFFER.—

"(A) IN GENERAL.—For purposes of paragraph (1), the term 'hostile offer' means any offer to acquire stock of a corporation if a majority of the independent members of the board of directors of such corporation disapproves such offer.

"(B) REVOCATION OF DISAPPROVAL.—An offer shall not be treated as a hostile offer if—

"(i) a majority of the independent members of the board of directors of such corporation revokes such disapproval, and

"(ii) no stock is acquired pursuant to such offer before such revocation.

"(c) INDEPENDENT DIRECTORS.—For purposes of this paragraph, a member of a board of directors shall be treated as independent if such member is not, and was not at any time during the 1-year period ending on the date of his approval or disapproval of the offer, an officer or employee of the target corporation.

"(c) MAJOR AIRLINE.—For purposes of this section, the term 'major airline' means—

"(1) any corporation which is treated by the Department of Transportation as a major airline, and

"(2) any corporation which is a member of an affiliated group (as defined in section 1504) which includes a corporation described in paragraph (1).

"(d) JUNK BOND DEFINED.—For purposes of this section—

"(1) IN GENERAL.—The term 'junk bond' means any obligation of a corporation evidenced by a bond, debenture, note, or certificate, or other evidence of indebtedness, if such obligations meets the requirements of one of the subparagraphs of paragraph (2).

"(2) REQUIREMENTS.—

"(A) SUBORDINATION.—An obligation meets the requirements of this subparagraph if principal or interest with respect to such obligation is—

"(i) subordinated to the claims of trade creditors of the issuing corporation generally, or

"(ii) subordinated to the payment of any substantial amount of unsecured indebtedness, either outstanding or subsequently issued, of the issuing corporation.

"(B) RATING IS BELOW INVESTMENT GRADE.—An obligation meets the requirements of this subparagraph if such obligation bears, at the time of its issue, a rating from any nationally recognized rating agency and such rating is below that agency's rating for investment grade obligations.

"(C) HIGH YIELD TO MATURITY.—An obligation meets the requirements of this subparagraph if such obligation, at the time of its issue, has a yield to maturity of more than 135 percent of the applicable Federal rate with respect to such obligation.

"(D) OTHER EQUITY FEATURES.—An obligation meets the requirements of this subparagraph if—

"(i) such obligation is by its terms at any time convertible into or exchangeable or redeemable for any property other than cash at the option of any person or otherwise;

"(ii) such obligation is part of an investment unit or other arrrangement which includes, in addition to such obligation, an equity interst in any entity or an option to acquire, directly or indirectly, an equity interest in any entity, or

"(iii) the amount of, or due date for, any payment of principal or interest with respect to such obligation is, under the terms of such obligation, contingent.

"(e) AFFILIATED GROUPS.—All members of an affiliated group of corporations which includes the issuing corporation shall be treated in the aggregate, pursuant to regulations prescribed by the Secretary, as the issuing corporation. For purposes of the preceding sentence, the term 'affiliated group' has the meaning given to such term by section 1504(a) (determined without regard to the exceptions contained in section 1504(b))."

(b) CLERICAL AMENDMENT.—The table of sections for such part IX is amended by adding at the end thereof the following new item:

"Sec. 2801. Interest on indebtedness incurred to acquire stock in certain takeovers of major airlines."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to indebtedness incurred after May 16, 1989.

POLISH SINGERS ALLIANCE OF AMERICA CELEBRATES 100TH ANNIVERSARY

HON. HENRY J. NOWAK

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 16, 1989

Mr. NOWAK. Mr. Speaker, I would like to congratulate the Polish Singers Alliance of America, which will be celebrating its 100th Anniversary May 25 through May 28 at an International Centennial Convention.

This is the 42d International Convention which is being hosted by District IX of Buffalo, NY, but will be held in Hamilton, Ontario, Canada for the first time in the history of the organization. I would like to thank Miss Adeline Wujcikowski of Buffalo, NY, for bringing to my attention the following history of the organization and express my hope the alliance's successful cultural enrichment activities will continue for centuries to come.

HISTORY OF THE POLISH SINGERS ALLIANCE OF AMERICA

The Polish Singers Alliance of America is primarily composed of Americans of Polish ancestry who are proud of its achievements to promote and instill Polish Song upon the lips and into the hearts of their countrymen in North America and Canada. This organization was banded together to grow and flourish because a seed implanted in the minds of men who loved Polish song and music through letters from relatives of their native land Poland.

The first organizational meeting was held in Chicago, Illinois on June 11, 1888 in the school auditorium of the Holy Trinity Parish. A committee of five, most of whom were from the Chopin Choir in Chicago, Illinois, were appointed and were to write and submit a constitution for the new-found organization. The purpose as outlined in the constitution are:

(a) to spread and maintain Polish and American Song.

(b) to uphold in America and Canada with the help of Polish Song, a sincere love for the land of our forefathers.

(c) to acquaint not only the Polish but also the American public with the works of Polish composers.

December 4, 1888 marks the important date in the history of the organization because this day the name "Zwiazek Spiewakow Polskich w Ameryce" (Polish Singers Alliance of America) was officially adopted

on a motion by Father D. Majer of St. Paul, Minnesota.

The first Convention was held in May 13, 1889 in Chicago, Illinois. At this convention the first officers of the National Headquarters were elected Konstanty Mallek the first president and Anthony Malled the first Choral Director. The National Body Headquarters were for the first twelve years in Milwaukee, Wisconsin. The choruses who were represented at this first convention were Chopin Singing Society of Chicago, Illinois; Harmonia Singing Society of Milwaukee, Wisconsin; and Harmonia S.S. of La Salle, Illinois. The time elapsed between conventions at that time varied from annually to tri-annually. Presently all International Conventions are held every three years.

Our motto "Gora Piesn (Hail to the Song) and our greeting of "Kolego and Kolezanko" were two items that have been sanctioned at the fifth convention which was held in Chicago, Illinois.

The increase of member choirs has been so prolific that in May 1913 they were divided into geographic districts which still exist till this day. The New York District #7 has the most choir members and they formed their own group known as the United Polish Singers. After some years, that is in 1928, these two groups with sincere recommendation and cooperation of the executive board were reconciled and became one organization as it still is today—Polish Singers Alliance of America.

The organization has been decorated with the following honors. The Gold Cross of Merit from the Republic of Poland—General Haller Medal; Medal of Honor from the United Alliance of Singers and Musicians in Poland and many others.

The Singers Alliance has had an official printed newsletter which is mailed to its choir members. During its 100 year existence it published the "Ziarno", Czas, "Harmonia", "Gora Piesn", "Przeglad Spiewadzy", and presently the "Sinters Bulletin" which is a quarterly publication being mailed to all members of the Polish Singers Alliance of America.

International Conventions were held in the 100 years of the Alliance's existence in Chicago, Illinois; Milwaukee, Wisconsin; Delaware; Buffalo, New York; Syracuse, New York; Utica, New York and New York, New York. The concerts and contests at the convention have played a very important part. The contests were first inaugurated in 1902. Competition is very keen among all choral groups. There are three categories of competition: Mixed choruses, Male Choruses and Female Choruses. At the concert each one of the groups appears with renditions and the finale is a joint effort of all the singers numbering up to 1000 voices who render several selections which have been selected by the National Choral Director.

Choruses participating in the contest receive trophys or plaques plus certificates. Only songs of Polish composers may be performed for the competition. The most coveted award is Perpetual Travelling Trophy which was introduced and funded in 1934 by His Eminence August Hlond Primate of Poland. At the convention in New York, New York the first chorus to win this trophy with the highest scored points was a male chorus Kolko Filaretow #105. In 1937 second chorus to receive the Cardinal August Hlond Trophy was a female chorus Lutnia #119 from Utica, New York. Both Choruses were from District VI, Syracuse, New York.

The songs that are sung by the choirs are usually obtained from the library of the National Headquarters. The first song printed for distribution was "Piesn Filaretow". The music library of the National Headquarters has in its possession thousands of different songs, several of these have been written by our past National Choral Directors and donated to the Library. Among volumes of songs there are also orchestral scores, and operettas which were donated by many of the choruses or individuals who have the Polish song and culture at heart.

Members of the Polish Singers Alliance may be honored with the highest award that the Alliance can bestow them "Honorary Membership" for outstanding achievements for the organization they are members of. Members for this honor must be nominees from their chorus and are presented to the National Convention where the "Kapitula" composed of the National President, general secretary, and National Choral director together with presidents of each District evaluate these nominees and then present to the convention delegates for acceptance.

There are other awards given to members for their participation, devotion to their individual group and special achievements. These are in form of medals, for 10 years of service and faithfulness a Bronze Medal: 15 years a Silver Medal and for 25 years a Gold Medal.

It was at the 28th International Convention which took place in New York City that the National Headquarters were decided upon to move to New York from Chicago, Illinois. The headquarters is located at 180 Second Ave., New York, N.Y. in the Polish Alliance Building known as the Dom Zwiazkowy.

Mr. Eugene Pilis is the twelfth president of the Polish Singers Alliance of America. Other officers are Vice President Bernice Gruszka and Mikolaj Strzalkowski; General Secretary—Barbara Blyskal; Treasurer Stephen J. Smith; General Choral Director Anthony Kazmierczak; Librarian Walter Witkowicki and Assistant Librarian—Vincent Rendenna.

Joseph F. Czechlewski is an Honorary President—he held the office of president for more than a quarter of a century. We also have an Honorary General Secretary—Mr. Walter Falencki and an Honorary General Choral Director—Theodore M. Niedzielski who entered eternity this past year.

The National Singers Alliance has a membership of approximately 1,550 singers with 48 Choruses belonging from the United States and Canada. Our vast library has at present 48 catalogues of music for the mixed, male and female and childrens choirs.

Presently there are six active districts which are located in:

District 1—Chicago, Illinois.
District 3—Cleveland, Ohio.
District 4—Detroit, Michigan.
District 6—Syracuse, New York.
District 7—New York, New York.
District 9—Buffalo, New York.

The Polish Singers Alliance of America organized in 1889 is celebrating its Centennial Anniversary in May 1989 at the International Centennial Convention which is the 42nd such convention to be held. This very auspicious convention is being hosted by District IX and for the first time in the History of the Alliance held in Hamilton, Ontario, Canada. Convention sessions will convene May 25, 1989 at the Hamilton Place, 116 King St., Hamilton, Ontario, Canada. District IX hosting this convention is composed of seven choral groups namely: Chopin Singing Society #219; Echo Singing Society Inc. #228; Kalina Singing Society #221; Polish Singing Circle Inc. #221; I.J. Paderewski Singing Society #275; St. Hyacinth's Men's Choir #317; and Symfonia Singing Society #291, Hamilton, Ontario, Canada. President of District IX is Kolega Thaddeus J. Zolkiewicz. Chairman of the Pre-Convention Committee is Kolega John Paul.

Aside from business which will be held May 25 and 26th—there are on the agenda the International Competition on Saturday, May 27, 1989 and the Concert and closing of the convention with a Banquet Sunday, May 28, 1989.

There are many struggles that confronted the Polish Singers Alliance of America during its 100 years, but despite all this each member of the organization is filled with pride when the organization is mentioned. The mainstay of the organization is the perseverance and the dedication of its members.

NASA CHIEF RETIRES

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 16, 1989

Mr. ROE. Mr. Speaker, Dr. James Fletcher, Administrator of the National Aeronautics and Space Administration, retired on April 8, 1989. Dr. Fletcher has held the post of NASA Administrator on two separate occasions. He served as the agency's fourth Administrator from April 1971 to May 1977 and then became the seventh head of the agency in May 1986.

When President Reagan tapped Dr. Fletcher for the top NASA position in 1986, he needed a man of both experience and resourcefulness. James Fletcher qualified on both counts.

The task facing NASA's new chief was formidable. The Nation and the agency were grappling with the space shuttle *Challenger* accident that had occurred just 3 months before in January. Jim Fletcher's job was nothing short of keeping America's faith in the future of its space program.

Dr. Fletcher's strong spirit and steady hand guided NASA through the arduous work of redesigning the space shuttle program. This entailed numerous separate and complicated initiatives. The first of these was to oversee the redesign of the solid rocket motor which was the direct cause of the *Challenger* accident.

At the same time, Jim Fletcher set about reorganizing the space shuttle management structure in order to centralize control of the program. His objective was to ensure clear, uninhibited communication through the entire complex of command.

The *Challenger* accident also precipitated a complete assessment of both safety procedures and management structure throughout the agency. Under Jim Fletcher's leadership, NASA created a separate safety organization within the agency with a reporting system that guarantees anonymity. In addition, he guided the reorganization of the agency's topmost level of management.

In an effort to guarantee America's assured access to space at all times, Dr. Fletcher reinstituted a mixed fleet strategy. This plan incorporates the use of expendable launch vehicles for missions that do not require human intervention, and divests us from reliance on any one single launch system.

While Jim Fletcher's wisdom was helping to transform and tighten the internal operations of NASA, his persuasive arguments helped to earn both Presidential and congressional approval to construct a replacement for the *Challenger* orbiter, and also to begin development of an advanced solid rocket motor.

Dr. Fletcher's energy, expertise, and management skills enabled him to accomplish all of these things and many more. He was able to keep other NASA programs moving forward, meeting their deadlines, and maintaining momentum. Of particular significance during this time was the important advance negotiated in the space station initiative. Under Jim Fletcher's guidance, America reached final agreement with its international partners for the space station's development and operation.

Although the American public probably knows Dr. Fletcher primarily through his work with the Nation's Space Program, Dr. Fletcher has also had a varied and distinguished career in the private sector.

After receiving a B.A. degree in physics from Columbia University in 1940, he became a special research associate at Harvard University's Cruft Laboratory. From there, he went to Princeton University to become an instructor. Upon earning a Ph.D. in physics from the California Institute of Technology in 1948, he joined the Hughes Aircraft Co., at age 29. After 6 years at Hughes, there were several more years of entrepreneurial work in the space field culminating in the systems vice president position at Aerojet General Corp.

In 1964, Dr. Fletcher moved from industry to academia when he became the president of the Universtiy of Utah, a post he held for 7 years. It was from this position that Jim Fletcher moved to NASA for the first time to serve 6 years as the agency's fourth Administrator.

As a research scientist, Dr. Fletcher has developed patents in sonar devices and missile guidance systems. He has been associated with the President's Science Advisory Committee, 9 years as a member of subcommittees and 4 years as a member of the committee itself, and has served on several Presidential task forces and many government-industry committees.

He is a fellow of the Institute of Electrical and Electronics Engineers, the American Institute of Aeronautics and Astronautics, the American Academy of Arts and Sciences, the American Astronautical Society, and was elected to the National Academy of Engineering. He was a recipient of the first Distinguished Alumni Award of the California Institute of Technology and holds honorary doctorates from several colleges and universities.

When Jim Fletcher left NASA in 1977, he accepted the William K. Whiteford professorship of energy resources and technology at the University of Pittsburgh. He was at Pittsburgh when President Reagan asked him to return to NASA for a second term, the one from which he has just retired.

The Nation and the Nation's Space Program are indebted to Dr. Fletcher for his willingness, his caring, and his conscientious decision to take on what may have been the single most difficult job in the Nation at the time.

I know that my colleagues in the House of Representatives join me in thanking Jim Fletcher for a job well done. He is a noted scientist, a dedicated educator, and a civil servant whom we are most proud and privileged to have had on our side.

IN COMMEMORATION OF RETIRED FEDERAL EMPLOYEES WEEK

HON. CONSTANCE A. MORELLA

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 16, 1989

Mrs. MORELLA. Mr. Speaker, the week of May 21 to 27 has been designated as "Retired Federal Employees Week." I am pleased to take this opportunity to recognize the significant contributions made by retired Federal employees to our Nation, as Maryland NARFE members prepare for their 29th biennial convention in Frederick, MD.

As a member of the Committee on Post Office and Civil Service and as the representative in Congress of 25,000 Federal retirees, I have had the privilege of working to address the specific concerns of Federal employees and retirees. They are a special group of outstanding individuals who have given so much to their country in so many areas of service. The Governor of the State of Maryland, the Honorable William Donald Schaefer, has issued a proclamation to commend the observance of Retired Federal Employees Week. In the proclamation, the Governor truly expresses the essense of their contributions:

> The glory and the promise of our great Nation has been nurtured and enhanced as a direct result of the tremendous contributions of our retired Federal employees, who devoted a greater part of their lives to striving to make our cherished system of government work—and work well. * * * It is vital that we never forget the outstanding employees whose noble efforts and impressive careers in public service truly helped to strengthen the very fabric of our democratic society. * * *

I urge my colleagues to join me in recognizing these distinguished individuals who have contributed so much to our Nation, and I wish great success to the participants in the NARFE convention in Frederick, MD.

IMPORTS OF DIGITAL PROCESSING UNITS

HON. BILL ARCHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 16, 1989

Mr. ARCHER. Mr. Speaker, I recently introduced a miscellaneous tariff bill, H.R. 1869, which is identical to a bill I sponsored last year, H.R. 4493.

This bill restores a standard of equitable customs treatment to one of America's most competitive industries, the computer industry. It also corrects a situation where, due to an unintended intersection of administration decisions in 1987, several companies in this important industry were subjected to what was effective retroactive taxation.

H.R. 1869 addresses a customs classification matter regarding so-called "motherboards," which may generally be considered to be populated circuit boards that are the main board of the processing unit of a personal computer and other automated data processing machines. For years, American motherboard importers had been bringing them into the United States and the Customs Service had been liquidating them as "parts of accounting, computing and other data processing machines under former Tariff Schedule [TSUS] item 676.52. Beginning in January 1986, as a result of the United States-Japan-Canada Computer Parts Agreement, tariffs on this item (changed at that time to TSUS item 676.54) were reduced to a zero duty rate.

In order to understand the intricacies of the motherboard issue, it is important to follow carefully the sequence of several major events which were happening in parallel.

During January 1986, Intel Corp. received notice from the Customs Service that its motherboard imports should be classified as "unfinished ADP (automated data processing) machines" under TSUS item 676.15, at a tariff rate of 3.9 percent. Intel requested a clarification of this inconsistency in classification from the Customs Service that month, initiating a year and a half of consideration by the Customs Service of what the proper classification should be.

When such clarifications are sought by an importer, the practice of the Customs Service is not to inform other importers of the same products about the pending clarification requests. There are sound reasons for this practice. First, the discussions are akin to an IRS tax matter, that is, private. In addition, such clarifications and more formal classification ruling requests frequently involve unannounced products, where an importer may be uncertain as to what the proper classification should be. Disclosure to competitors would undermine the competitiveness of the importer who requested the ruling. In this case, however, due to the extended length of time it required for Customs to rule on the Intel request, several major inequities arose.

Customs responded to Intel on July 2, 1987—18 months after Intel's original request. Customs ruled that the proper classification of motherboards should be under "unfinished ADP machines," TSUS item 676.15. This decision, in my opinion and that of the industry, violated Customs procedures under the "established and uniform practice" provisions of the Customs regulations.

During the course of discussions between representatives of the U.S. computer industry and the Reagan administration, the industry provided evidence showing that the Customs Service had been routinely liquidating motherboard entries well into 1987 under TSUS

items 676.52 and 676.54. The industry documented that almost 500 shipments of 1,700,000 motherboards during the 4-year period 1984–87 had been liquidated under these TSUS items. Compounding this situation, two other elements of the July 2 decision created substantial inequities for U.S. companies.

First, companies have a right to expect consistency and uniformity in Customs treatment of their imports. That is a principle well established in U.S. customs law. Due to the classification history I have earlier referred to, Intel and other U.S. motherboard importers relied on the consistency of prior Customs treatment. Since tariff rates had been reduced to zero with implementation of the United States-Japan-Canada Computer Parts Agreement, they had every right to base their business investment decisions on this pattern of treatment. There is considerable evidence that they did so, through manufacturing and product purchasing decisions.

A second element of the July 2 ruling proved to be even more perverse for American companies. The Customs Service decided to make its decision effective retroactively to the date when Intel originally requested the clarification, 18 months previously, and to apply the decision to all unliquidated motherboard imports by all U.S. companies. Recalling that Customs practice is not to inform other importers of a pending ruling or clarification request, the July 2 ruling came as a major surprise to U.S. computer companies.

Normally, such developments would raise significant concerns for any importer, and this in its own right would be sufficient cause for importers to protest the Customs decision.

However, as I mentioned previously, events were happening on a parallel track which compound these inequities to a much greater extent. As my colleagues in the House know, the Reagan administration became convinced that the Japanese Government had been violating the terms of another, bilateral, agreement—the United States-Japan Semiconductor Agreement. On Mary 31, 1987, the U.S. Trade Representative's office announced in the Federal Register its intent to place $300 million of sanctions on the Japanese for failure to live up to the terms of the agreement.

Administration practice when announcing intent to impose sanctions is to publish a list of candidate categories of imports to TSUS item number, and to request public comment. USTR followed that practice in the March 31, 1987, Federal Register notice. That notice requested public comments, among other items, on "the degree to which increased duties might have an adverse effect on U.S. consumers of the products concerned." Among the list of candidate TSUS numbers was item 676.15. At no place in the USTR notice was there any indication that motherboards were on the list of proposed items because of a changed classification.

The actions of the U.S. computer industry in response to this Federal Register notice is instructive. USTR conducted public hearings on the candidate sanctionable TSUS categories, and the Computer and Business Equipment Manufacturers Association's testimony did not address TSUS item 676.15.

There was simply no way that the U.S. computer industry could have known about Customs discussion with Intel. Since USTR in its Federal Register notice did not explicitly state that motherboards were intended to be included in the proposed sanctions categories, the computer industry was unaware that motherboards would be drawn into the sanctions as a result of the retroactive Customs decision 3 months later. The only company which knew of the request was Intel itself, and since Intel was not importing motherboards from Japan, there was no reason for them to comment on item 676.15 in the sanctions list.

The sanctions were imposed on April 17, 1987, and item 676.15 was on the list. Two and a half months later, when Customs made its retroactive decision on the Intel matter, the effect was to subject all unliquidated imports of motherboards from Japan to the sanctions. Our understanding is that the lion's share of the burden of this inequitable set of circumstances fell on IBM, despite President Reagan's statement that the final sanctions had been imposed in such a way as not to harm U.S. consumers. As it happens, IBM had in effect a contract with Matsushita to import motherboards during a period when they were ramping up production at their Austin plant.

Mr. Speaker, I do not doubt the sincerity of the Customs Service in making what it considered to be a correct ruling on the Intel request. However, due to the time it took Customs to decide on the matter, the fact that no other companies knew about the pending ruling, the fact that the sanctions were announced during the 18-month pendency of the Intel request, and the fact that the Customs decision was applied retroactively, four major inequities arose from these unique circumstances:

First. U.S. motherboard importers had justifiably based major business decisions on a prior pattern of Customs Service classification treatment, a pattern that was overturned by the Intel decision in contravention of Customs regulations.

Second. U.S. computer companies who were unaware of the Intel request found their imports subjected retroactively to the Customs decision.

Third. Because the Japanese sanctions were imposed during the 18-month pendency of the Intel request, and motherboards were later subjected to the sanctions due to the retroactive Customs decision, a major unjustified cost was imposed on IBM.

Fourth. Intel, has been forced to post duties throughout the 18-month pendency of its clarification request, a substantial inequity for the company.

The first thing my bill would do is to address the inequities caused by this series of events between January 16, 1986, and July 2, 1987. My bill would grant duty relief for all unliquidated motherboard imports during that period. However, the U.S. industry faced other inequities which my bill addresses.

Immediately after the facts of the July 2 decision became known, the Computer and Business Equipment Manufacturers Association and the American Electronics Association immediately requested that the Treasury Department overturn at least the retroactive application of the Intel decision. Treasury, did not agree to overturn retroactive application of the Customs decision. It did so, in part, on the basis of a Court of International Trade Ruling which held that Customs decisions are effective on the date of ruling request. In January 1988, the U.S. Court of Appeals, in the National Corn Growers Association, removed that basis.

One of the questions Treasury agreed to address was whether the July 2 decision by Customs had violated the "established and uniform practice" provisions of Customs regulations. The industry put together the impressive data, to which I have referred above, regarding Customs treatment between 1984 and 1987, but it took Treasury until early December 1987, before it relayed its decision that an "established and uniform practice" had not existed, despite the overwhelming evidence presented by the industry to the contrary.

Several other important things happened during the 6-month period between the July 2 ruling and the end of 1987. One of these was that USTR announced that they were partially suspending the Japanese sanctions, including some of the affected motherboard imports, since the Japanese had halted dumping and third country dumping of semiconductors. Effective November 11, 1987, the only motherboards continuing to be affected by the sanctions were certain high performance boards and those which are used in laptop computers.

Meanwhile, American computer companies considered other business options, including domestic assembly and changing their foreign sources of supply for motherboards. Such decisions are not made lightly, Mr. Speaker. They entail considerable investment of money and other resources. Finding alternate suppliers, for example, is not as simple as walking into a local computer store on the street and buying motherboards. Qualifying new suppliers is a complex and lengthy process, and it took the U.S. companies about 6 months to develop new sources of supply.

Throughout the entire 6-month period, indeed even today, the July 2 decision by Customs has remained in effect. The inequities caused during this period have included:

First. Treasury had based its decision not to grant relief for the original industry request on a court ruling which was subsequently overturned by a higher court in January 1988.

Second. The industry had every right to believe in the correctness of its documented data on the "established and uniform practice" issue.

Third. The Customs decision would affect all motherboard imports during a period when it took time and considerable investment to develop new sources of supply.

H.R. 1869 addresses these inequities as well by making the effective date of the Customs decision January 1, 1988. All unliquidated entries of motherboard imports prior to that date would be liquidated at a zero duty rate, consistent with prior Customs treatment.

Further, H.R. 1869 does not attack the classification substance of the Customs Service decision on the Intel request. Beginning January 1, 1988, the Customs Service decision would go into effect. This bill neither endorses nor challenges the correctness of that deci-

sion—it simply allows the decision to become effective on January 1, 1988. Delaying the effective date in this way is also consistent with the decision of the appelate court in the National Corn Growers Association case. It is the simplest, most straightforward way to grant relief.

Two questions arose last year during the Ways and Means consideration of the identical bill, H.R. 4493. The first question was whether this bill would represent a revenue loss. While it is true that the CBO estimate on the cost of this bill was $33 million, I believe that figure to be wrong. The International Trade Commission has confirmed through the Treasury Department that revenues were not included for this item in its 1987 budget projections. Neither had any of the funds been earmarked for any program.

During the Ways and Means Trade Subcommittee markup, USTR expressed concern that adoption of this bill would harm the integrity of the United States sanctions against Japan, and against the integrity of the sanctions process itself. I disagree strongly with both of these concerns. Regarding the integrity of the current sanctions, USTR has not been able to show any explicit language in the March 31, 1987, Federal Register notice indicating motherboards were intended to be included in a sanctionable category. Neither have they been able to demonstrate that any company other than Intel—which was not affected by the sanctions—was given any notice of the change in classification and the potential for severe impact in their operations. Unless the administration can present evidence on either of these points to the contrary, we should not share this concern about the current sanctions. Further, H.R. 1869 does not overturn those sanctions which remain in place today.

USTR's expressed concern about the integrity of the sanctions process itself arose from their contention that adopting the approach in this bill would create a dangerous precedent for the sanctions process—that it would pave the way for any affected importers to petition for relief once sanctions had been imposed. I believe that concern can be addressed easily through committee report language. I will ensure that the committee report language on this bill clearly documents that this should not be considered a precedential case for avoiding the impact of legitimate and intended sanctions. In addition, should the same bizarre set of circumstances ever recur again, we should grant relief.

Mr. Speaker, H.R. 1869 redresses several of the inequities which I have discussed. According to a recent Computer and Business Equipment Manufactures Association report, the U.S. computer industry contributed $3 billion to the U.S. balance of trade in 1988.

Maintaining equity and consistency in customs treatment is essential to sound business planning. H.R. 1869 simply restores balance and equity to one of this country's most competitive industries.

DETECTING THE FUNDAMENTALS OF THE BUSH ADMINISTRATION FOREIGN POLICY

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 16, 1989

Mr. BEREUTER. Mr. Speaker, in recent weeks it has appeared that disarmament, both nuclear and conventional, has been on the fast track. Scarcely a day goes by that some new initiative has not been put forward by the Soviet Union. At times it has appeared that discussions with our friends and allies no longer focus on what is needed to deter the potential Soviet aggression but, rather, on how rapidly the West should respond by dismantling its existing defensive forces.

While there is reason to be pleased at the current thaw in East-West relations, it also is necessary to maintain some perspective. Arms control is not an end in itself. On the contrary, any arms control regime must serve the national security interests of all parties involved. Any reduction of forces, unilateral or collective, must be undertaken with great caution lest we undermine the peace and freedom we all prize so highly.

Thus far, President Bush and Secretary of State James Baker have demonstrated a commendable restraint in responding to Mr. Gorbachev's "peace offensive." While the West Germans have anxiously sought to halt the long-planned modernization of short-range nuclear weapons, the Bush administration has sought to continue the planned modernization so long as it is in the national interest to do so.

Mr. Speaker, a recent editorial in the Omaha World Herald explored the challenges facing the Bush administration in its effort to preserve a strong and united NATO. The World Herald rightly praised the administration, concluding that "the times call for the kind of patient, cooperative approach to foreign policy that the words of Bush and Baker seem to embody." I commend this insightful editorial to my colleagues.

[From the Omaha World Herald, May 13, 1989]

OUTLINES OF A FOREIGN POLICY

U.S.-West German disagreements over the modernization of NATO short-range nuclear weapons provide what some people believe is a glimpse of the future—a Europe that is less NATO-oriented at a time the Soviet bloc becomes less confrontational. That is one of the realities that make developing a foreign policy one of the bigger challenges confronting the administration of George Bush.

More outlines of the Bush foreign policy emerged this week in Moscow, where Secretary of State James Baker met with the Soviet foreign minister, and in College Station, Texas, where Bush made a major foreign policy speech. The administration's approach, with its open skies proposal and the possibility of better trade relations, came off as deliberate and statesmanlike.

Strategic arms talks are on. The Soviets are continuing to promise unilateral cuts of some other types of weapons. And Bush Friday set out the goal of having a friendship that has "no season of suspicion, no chill of distrust."

The U.S. military role in Europe since World War II was founded on sound and farseeing policies that created NATO and the Marshall Plan. It is a tribute to those policies that they were—and continue to be—successful.

The very success of U.S. foreign policy helped create prosperous and powerful competitors of the United States in Western Europe and around the Pacific—countries that are strong enough economically to challenge the United States in some areas, as Japan has done in foreign aid. Now the European Economic Community and Japan are showing signs of wanting to translate their economic power into political power.

West German Chancellor Helmut Kohl, who has brought pressure for U.S.-Soviet talks to eliminate short-range missiles, symbolizes the more independent-minded Free World leaders. Kohl, a longtime conservative ally of the United States, recently dragged his feet on the investigation of West German involvement in providing Libya with facilities for a chemical weapons factory. Now he is straining hard against the U.S. position of modernizing short-range nuclear missiles.

The idea that the Cold War may be ending is popular in West Germany. Some people are even talking about political union with East Germany.

But previous thaws in East-West relations ended after a few years. Although the day may come when NATO is no longer needed and the Soviet presence in Eastern Europe no longer constitutes a threat to the West, it would be premature to say that the day has arrived. The times call for the kind of patient, cooperative approach to foreign policy that the words of Bush and Baker seemed to embody.

RURAL HEALTH CARE

HON. JIM SLATTERY

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 16, 1989

Mr. SLATTERY. Mr. Speaker, I am pleased to speak today about a serious problem affecting access to and delivery of health care in rural America.

People in rural areas pay the same premiums for Medicare as people in urban areas, but the current Medicare reimbursement system unfairly discriminates against rural hospitals.

As a result, many rural hospitals are struggling to stay open and small towns are in jeopardy of losing critical health care services.

Congress must rectify the disparity in the current Medicare reimbursement system. We should remove the rural-urban payment differential and we should provide rural hospitals with the necessary options to allow them to assess their future in a stable environment.

I have introduced H.R. 1270 which would allow small rural hospitals the option to return to cost-based reimbursement. This will provide temporary relief to some hospitals which are in trouble. We should pursue every option possible which will ensure access to quality health care for rural Americans.

THE TIMBER INDUSTRY: IMAGE AND REALITY

HON. AL SWIFT

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 16, 1989

Mr. SWIFT. Mr. Speaker, there is a crisis in the northwest forests. The publicly owned timber is the battleground. The spotted owl is the focus of the dispute, and the combatants are the environmental organizations of America and the small wood products industry of the Northwest.

The issues are enormously complex but, in fact, are easily oversimplified. Representing one of the major areas in which this crisis has emerged I have found that, in all honesty, the environmentalists' or preservationists' side seems to have much easier access to telling its side of the story than has the small industry.

Perhaps that is because in the popular mind it is a battle between environmental protection and huge timber barons. Most of the large private holders—those that have any right to be considered a timber baron—have their own sources of timber and are not as directly affected by the crisis at hand.

On the other hand, those that are affected employ anywhere from a handful to, in a very few instances, as many as 400 employees. They are essentially small companies with very limited access to public relations expertise. I find the view of the industry misunderstood, distorted, and inaccurate.

I recently received a letter from a manager of a mill in my district who, in typically blunt language, said a number of things that need to be heard.

I would like to include a portion in the CONGRESSIONAL RECORD dealing with the image of this industry and of its adversaries on the issues that surround the spotted owl.

The letter is by Mr. Dave Buse of Everett, WA:

The preservationists are portrayed as little persons against the timber barons, timber barons who want to rape the land and move on to new ground. This portrayal is not true. First, the three largest preservationist groups in the nation have combined budgets of $100 million. And, this year, they have targeted the forest products industry with an "ancient forest alliance". Their goal is to put us out of business.

And who are we? They portray our side in black tin hats, caulked boots with snoose cans in our back pockets, our "lawn mowers" mowing through the valleys from the river's edge up the slopes to the mountaintops with no regard for the land. In their view, our only god is the almighty dollar. And, we understand, this year they intend to knock us off. We, the "timber barons". Good riddance.

This is such a mistaken portrayal. Who are we? Our industry is made up of hundreds of thousands of people who have no great wealth, who live on what they earn and who earn that living doing the jobs that are necessary to provide wood products for our nation.

We are the second largest industry in the Pacific Northwest, though we contribute to the prosperity of an entire region of this nation. And yet we are small businesses, largely existing in small communities up the rivers and in the mountains of our country. We have no national base. We have no national membership on which to draw funds. We have no sophisticated public relations capability as do our adversaries.

Yet, how can they feel good about putting over one hundred thousand people out of work, making ghost towns out of thriving little communities, ruining people's retirement and investments in their houses in these towns? How could they feel good about the family disruptions, about the alcoholism, spouse and child abuse, the poverty and the suicides that demonstrably follow the trail of bad times, lost jobs, and destroyed economies?

These, our jobs, have also been our way of life for generations. For some of us, it's all we know or want. This is our chosen life, out and far away from the pollution, hustle, crime, and tension of city life.

All of this could be gone? As we gear up to fight for our very survival, we wonder: How could they feel good about that?

TRIBUTE TO DETECTIVE DAVID MANDRELL

HON. BOB CLEMENT

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 16, 1989

Mr. CLEMENT. Mr. Speaker, I want to take this opportunity to recognize the supreme sacrifice made by law enforcement officers throughout our Nation in the line of duty.

Yesterday we marked the eighth annual observance of the National Peace Officers' Memorial Day service, to honor law enforcement officers who gave their lives in service to their communities and Nation during 1988.

I would like to recognize a detective who lost his life in my home district.

Detective David Mandrell had been employed by the Sumner County, TN Sheriff's Department since February 1, 1977. On June 28, 1988, while working undercover on a cattle rustling investigation, Detective Mandrell was brutally murdered in rural Robertson County, TN.

A dedicated individual, with a true appreciation of life, Detective Mandrell made the supreme sacrifice working to preserve the quality of life for the citizens he served.

Shot down in the line of duty, Detective Mandrell exhibited the courage and dedication shown by police officers each and every day, in cities and small towns throughout our Nation. Too often their deeds go unnoticed, their courage unrecognized and their sacrifice unseen.

Today I want to pay tribute to the heroic men and women who serve as law enforcement officers. And I want to remember a man who gave his life serving his community in an effort to make a difference.

Detective David Mandrell is not here today, but if he were I believe he would encourage each of us to support our law enforcement officers. I believe David Mandrell would also ask us to pause for just a moment the next time we see a police officer—pause for just a moment to tell them—"Thank-you for the job you do."

I am told that Detective Mandrell would have been a little embarassed to be called a hero. But that is exactly what he is, an American hero. So are the thousands and thousands of men and women who serve and protect us each day. And on that point I am told Detective Mandrell would be in complete agreement.

I was honored to attend the National Police Officers' Memorial Day service. David Mandrell was one of the slain officers who was honored. His wife Carolyn and daughters Jill and Jan were there. So was the spirit of Detective Mandrell and his comrades who made the supreme sacrifice for the communities and Nation they served.

No words I write can replace husbands and fathers or fill the void in the hearts of loved ones left behind. But, I do hope my words can inspire others to appreciate the role brave law enforcement officers play in all of our lives.

Officer Mandrell, I salute you.

A TRIBUTE TO PEEKSKILL COMMUNITY HOSPITAL: 100 YEARS OF SERVICE

HON. HAMILTON FISH, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 16, 1989

Mr. FISH. Mr. Speaker, I take this opportunity to honor the Peekskill Community Hospital, which, on Saturday, May 20 celebrates its 100th anniversary with a centennial rededication ceremony marking its years of service to the community.

Peekskill Community Hospital has compiled an enviable record of achievement as it approaches its second century of caring. Since its founding in 1889 by a group of women concerned with the welfare of the community, the "Helping Hand Hospital," as it was first known, operated for 77 years on Lower South Street, near the Peekskill Railroad Station. The hospital cared for early farmers, men on the railroad, waterfront laborers, ironworkers, stone masons, and immigrants from all nationalities who settled in the Mid-Hudson Valley River town.

The hospital moved in 1966 to its present address in a new facility at 1980 Crompond Road, boasting a certified bed capacity of 114, an intensive care and a maternity unit, an emergency suite, three operating rooms, modern radiology and laboratory departments, and a cheerful coffee and gift shop for visitors. Today, the hospital is staffed by 175 physicians, 570 employees and an auxiliary whose members total over 500. Governed by the board of directors, the hospital provides outstanding care in its mission to the community, remaining open 24-hours-a-day, with excellent medical care minutes from home.

In 1978, the addition of a new pavilion offered space for the emergency room, the radiology department, and the intensive care unit. During the past decade capital improvements focused on the acquisition of medical equipment integrating the excellence of the medical staff with the latest state-of-the-art technology.

As the hospital completes its modernization program on the anniversary of its centennial year, new targets and goals for renovation are being set. Confronted with the rapid population expansion in northen Westchester and Putnam counties, Peekskill Community Hospital faces the challenge of providing expert medical care to an increasingly sophisticated patient market. Emergency visits have grown to 22,397 in 1987, from 16,372, 15 years ago, a 38-percent increase. Diagnostic imaging, including mammography, and cardiopulmonary procedures have doubled in the last 5 years. Five hundred babies were born in the Peekskill Hospital maternity department in 1987.

This challenge, too, will be met, as have the many challenges during the first 100 years of the hospital's existence. We all are dedicated to the continued success of this outstanding community institution. Accordingly, on this occasion of the Perkskill Community Hospital centennial, I take this opportunity to commend this splendid community institution for its record of accomplishment and devoted service. As the hospital enters its second century of caring, all of us extend our best wishes for continued prosperity and the completion of its great mission of providing medical care to the community.

A SALUTE TO OUR ARMED FORCES, ARMED FORCES WEEK 1989, ARMY DAYS 1989

HON. BARBARA BOXER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 16, 1989

Mrs. BOXER. Mr. Speaker, Armed Forces Week 1989 is being celebrated in the San Francisco Bay area May 16 through 21 with band concerts, parades, opening ceremonies at an Oakland A's game and support of the "Bay to Breakers" race.

These festivities are designed to keep our basic surrounding communities aware of the importance of a defense and an understanding of the need for mutual support between the various military communities and the civilian community.

This celebration acknowledges the contributions of the Army, Navy, Air Force, Marines, and Coast Guard and their historic connections with the citizens of the San Francisco area.

On June 3 and June 4, Army Days 1989 will be celebrated by the 6th U.S. Army. It is designed to provide the public with an opportunity to become better acquainted with its Army. Headquartered at the Presidio of San Francisco, the 6th Army has supported the citizens of the Bay area in times of war and peace. Army days focuses on the theme "When we were needed, we were there."

I salute the men and women of our Armed Forces for their devotion to the services of their country. I urge citizens of the San Francisco Bay area to take advantage of this opportunity to know more about our Armed Forces and to honor the men and women who serve their country by participation in these celebrations.

THE ROLE OF THE U.S. EMBASSY IN THE BAHAMAS IN INTERNATIONAL NARCOTICS CONTROL

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 16, 1989

Mr. DYMALLY. Mr. Speaker, as a result of a recent visit to the Bahamas, I had submitted a report to the Secretary of State and the chairman of the Foreign Affairs Committee on "The Role of the U.S. Embassy in the Bahamas in International Narcotics Control".

Because of its importance, however, I now deem it timely and appropriate to bring these findings and observations to the immediate attention of my colleagues:

THE ROLE OF THE U.S. EMBASSY IN THE BAHAMAS IN INTERNATIONAL NARCOTICS CONTROL

(By Hon. Mervyn M. Dymally of California)

The Staff Director of the Subcommittee on International Operations of the Foreign Affairs Committee and I visited the Bahamas on April 27 through April 30, 1989. As a consequence, the following observations were made about the role of the U.S. Embassy there in international narcotics control:

1. The Caribbean and particularly the Bahamas is a popular transhipment point for illegal drugs destined for the United States. Any significant curb, therefore, in this activity must place emphasis on appropriate controls in and around the Bahamas. Air transportation is becoming the favorite form of drug transportation.

2. The State Department, the Department of Defense, the U.S. Coast Guard, and the U.S. Drug Enforcement Administration operate in conjunction with Bahamian authorities and resources in programs and activities of interdiction.

3. It is, however, extremely difficult to enforce the law against drug trafficking. There are 700 islands, with only 29 of them inhabited and more than 2,000 cays and dry rocks scattered over 100,000 square miles that constitute the Bahamas. It is difficult to devise plans for the effective surveillance of so many scattered and isolated islands and islets with airstrips conveniently located for planes with drugs to land and unload drug cargoes. The 750 members of the Bahamian Defense Force (RBDF) and the 1,600 members of the police force are forced to patrol and control 73 private and public airstrips and 110 small boat marinas. Increasingly, drug traffickers are air-dropping drug shipments to vessels at sea thereby increasing law enforcement difficulties.

4. As a result of joint U.S.-Bahamian interdiction operations in the Bahamas in 1988, 10.7 metric tons of cocaine, 13.25 metric tons of marijuana, 20 aircraft, 9 vessels and 17 weapons were seized.

5. Additionally, joint undercover narcotics investigations have been conducted by U.S. and Bahamian enforcement agencies.

6. There is great need for the ratification of the Mutual Legal Assistance Treaty (MLAT) by the U.S. Senate. This will remove one of the very important obstacles to future investigations and prosecutions. This failure to ratify the treaty has further reinforced the belief on the part of some Bahamian officials that the U.S. is not really serious about the drug war.

7. In spite of the above, however, cooperative investigations have led to the arrest, trial, conviction and punishment of several persons.

8. Accusations have been made about the very slow pace of the criminal justice system in the Bahamas with the implication that Bahamian officials are harboring and protecting drug criminals.

9. It is of significance that the Bahamas has the third oldest parliamentary tradition in the British Commonwealth. The system of jurisprudence in the Bahamas is based upon that of the United Kingdom and not that of the United States. This system can be traced back to Magna Carta and English Common Law with no grand jury system but with an institutionalized and formalized process of appeal including that to the Privy Council. The whole process therefore, is seemingly more deliberative than that of the United States. This is not normally understood by decision makers in the U.S. The attempts to have Nigel Bowe extradited is a case in point.

10. Quite contrary to the perception of many in the United States, including some U.S. Congressmen, the Bahamian Government has taken the position that it spends more on narcotics enforcement per capita and shoulders a disproportionate share of the burden than does the United States.

11. There is an additional perception of lukewarm responses on the part of the U.S. Government about the reception of specified proposals on the part of the Bahamian Government for joint U.S.-Bahamian interdicting strategy.

12. The Bahamas is not, because of its per capita income, eligible to receive aid from USAID or any other foreign assistance agency of the United States. It should be noted, however, that this income is skewed and is far from being equitably distributed. There are, as a consequence, pockets of poverty throughout these islands. The Bahamas, therefore, is in need of significant assistance in resources from the United States in order to fight the drug war effectively. This lack of resources has hampered the efforts of the Bahamian Government in developing a national drug information/intelligence coordination center. Additional aid will enable the Bahamian Government to be more actively involved in facilitating the solution of the drug problem. The Bahamian Government seemingly wants to play its own role and not have the United States play it for them.

13. It is of particular significance that in February of 1989, the Government of the Bahamas and the Government of the United States signed a bilateral agreement on the control of narcotic drugs and psychotropic substances. On that occasion, U.S. Ambassador Carol Boyd Hallet indicated that the Bahamas had demonstrated an "unusually fine level of cooperation" and that no other country in the world does as much as the Bahamas in cooperative efforts to stop drug traffickers. A press release issued by the U.S. Embassy in Nassau on March 22, 1989 indicated that the Government of the Bahamas is anything but "duplicitous in the forthright manner in which it has consistently, positively and productively cooperated in anti-narcotics programs. Cooperation between the Government of the United States and the Government of the Commonwealth of the Bahamas on narcotics matters is excellent. The range of joint operations, undercover investigations, and other cooperative efforts is unparalleled."

14. On April 26, 1989, a number of persons, including three non-Bahamians, were arrested and 1190 pounds of cocaine seized by the Bahamian police at Governor's Harbour, Eleuthera. This incident revived interest in a negative perception thought to be current among some U.S. Congressmen who claim that all drug seizures were made by joint efforts and that no marijuana or cocaine was seized by Bahamian law officers on their own initiative. On the contrary, Mr. Paul Adderley, Minister of National Security, indicated that the incident was by no means atypical of the self-initiative of the Bahamian police in drug law enforcement. Mr. Adderley additionally stated that in 1987, of the 22,380 pounds of cocaine seized in the Bahamas, 11,982 pounds were seized by Bahamian law officers acting unilaterally. In 1988, of the 20,557 pounds of cocaine seized, 6,177 pounds were seized as a direct result of Bahamian action and 14,379 pounds by various forms of joint actions. Already, from January 1, 1989, to March 31, 1989, 4,217 pounds of cocaine have been seized, including 1,818 pounds seized by Bahamian police. This difference between perception and reality could have a significant impact on the role of the U.S. Congress in the process of certification as it affects the Bahamas.

NATIONAL POLICE WEEK: A SALUTE TO THE NATION'S HEROES

HON. SHERWOOD L. BOEHLERT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 16, 1989

Mr. BOEHLERT. Mr. Speaker, "heroes"—in this day and age, it seems to be a word that has almost been forgotten. Turn on the evening news, high crime and drug violence seem to be taking the life from our towns and cities. Our heroes have rode off into the sunset. But, as so often it is, what you need most, is usually right under your nose. Just go downtown to your average community and there's your hero—out patrolling the beat—the police officer.

Mr. Speaker, May 14 to 20, 1989, is National Police Week, time we set aside each year to demonstrate our support for the approximately 500,000 law enforcement officers who risk their lives every hour of every day for our protection.

The life of a Congressman may be considered by some to be a high pressure job. But when I consider all the weight we place on each and every individual who serves in the police ranks, frankly I'm amazed. Every single minute of the day, police men and women are out there protecting our lives and our possessions from those that wish to do us harm. With all the responsibility we place on those brave individuals, it's a sad fact, that not until we are threatened does their work receive notice. I guess Joe Friday said it best, "It comes with the territory."

Our law officers deserve this week of recognition and our support—now more than ever.

I rise today, not only to bring attention to the efforts of law enforcement personnel, but to applaud the efforts underway to build the National Law Enforcement Officers Memorial. The memorial, created by a unanimous act of Congress, will serve as a constant reminder to the sacrifices that law enforcement personnel make every day to protect our welfare. Located in Washington, DC, the memorial is scheduled to be dedicated in the fall of 1989.

Judiciary Square, a prominent federally owned park in the Nation's Capital, has been selected and approved as the site for the memorial. The design will include the name of officers killed in the line of duty. It's a small tribute to the selfless and dedicated service they have provided to the Nation.

I commend the efforts going on during National Police Week and the construction of the National Police Officers Memorial. To those men and women who serve in the ranks as police officers, I salute your pride and dedication. The example you set is truly what the word "hero" is all about.

PRESIDENT BUSH'S ANTI-CRIME PROPOSALS

HON. LAWRENCE COUGHLIN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 16, 1989

Mr. COUGHLIN. Mr. Speaker, as vice-chairman of the Select Committee on Narcotics Abuse and Control, I want to congratulate President Bush on his anticrime proposals presented yesterday.

In the words of the President, he is seeking new law to punish criminals, new agents to arrest them, new prosecutors to convict them and new prisons to hold them.

The President called for minimum 10-year sentences for crimes involving firearms, curtailing plea bargains on gun charges, and the death penalty for murder for hire.

The President called for 300 new FBI agents, 150 new U.S. marshals and 375 new agents of the Bureau of Alcohol, Tobacco and Firearms.

To prosecute criminals, he called for an increase in funds to support 1,600 more positions in U.S. Attorneys offices. To hold those convicted, he called for 24,000 new Federal prison spaces.

The President has taken the lead in proposing a dramatic new program to combat crime.

Consistent with this and with suggestions of Director Bennett of the Office of National Drug Control Policy, Chairman RANGEL of the Select Narcotics Committee and I are today introducing legislation providing for the development of alternative incarceration for nonviolent offenders.

This legislation both helps to provide the additional spaces needed for incarceration and helps to relieve the pressure on overcrowded facilities for violent offenders. Placing nonviolent offenders in alternative sites with counseling and training can help reduce the incidence of repeat offenders and relieve our overcrowded prison system.

I commend to my colleagues both President Bush's program and our compatible legislation for alternative incarceration.

SECURITY DEPOSIT LOAN FUNDS LEND A HELPING HAND TO HOMELESS AND LOW-INCOME FAMILIES

HON. RON WYDEN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 16, 1989

Mr. WYDEN. Mr. Speaker, as more is learned about the homeless, experts have found that many homeless people have jobs, with good prospects to afford modest rents, but they can never save enough money to pay for the required security deposits on rental housing. Meanwhile, these working people—many with families—are forced to scramble for shelter, reduced to living in their cars or tents in modern-day "Hoovervilles."

It is our national shame that working families should be so stripped of their dignity and the chance to provide decent homes for themselves. But we can begin to turn this crisis around with just a modest investment in self-sufficiency, by helping these families with loans for the small amounts of cash they need to get themselves back on their feet and into a better place to live.

Today I am introducing legislation which will establish locally administered security deposit loan funds to help low and moderate income tenants pay for rental security and utility deposits.

Here's how the security deposit loan funds will work: Local community agencies will be provided with the needed capital to establish the funds on a demonstration basis. These agencies will use the money to make no- or low-interest loans to eligible borrowers.

By keeping the loan fund administration at the local level, the program will be flexible enough to encourage versatility and experimentation with what program design works best in the community. While not intended to be profitable, administering agencies will be encouraged to keep losses at a minimum.

The legislation does provide some guidelines, however, to ensure successful lender-borrower relationships. First, borrowers will have to show an ability to meet monthly rental payments. Second, they will have to prove that they can save from their income, by providing at least 20 percent of the total security deposit from their own funds. Finally, loan administrators will have to offer financial counseling to the loan recipients.

There are successful models for this type of approach. Security deposit loan funds have been established in Reno, NV, and in Keene, NH. These groups have been successful at assisting families to obtain rental housing. There are few outright defaults. And borrowers have been able to find decent, permanent housing that they can afford.

There's no doubt that the shortage of low-cost housing has led to an increase in homelessness among the working poor, and in the number of people living in substandard housing. The problem is worsened by the high security deposits, often equal to two months' rent in advance, required by many landlords.

In addition to security deposits, potential tenants often have to pay deposits to utility

companies. Together, these two forms of deposits serve as "barriers to entry" to affordable housing. These barriers are too difficult for many families to overcome when they are struggling just to meet current expenses and day-to-day needs.

Removing these barriers would benefit both the tenants and the communities in which they live. The tenant's family could move from its current living situation—be it a shelter, transitional housing, or substandard housing—into a better environment. The community benefits because homeless families are moved from temporary shelters into permanent housing, thereby freeing up more shelter space for the needy.

There is a precedent in Federal policy for removing barriers to entry in housing. After all, the FHA and VA insurance programs basically remove the down-payment barriers on home purchases for middle-income households. The security deposit loan fund which I am proposing simply removes the barriers to renting for low-income households.

For many people faced with a housing crisis, this approach is far more appropriate and cost effective than the types of assistance provided by homeless shelters and transitional housing programs. In lending a hand with a small cash loan, we'd be restoring their sense of dignity by showing our faith in their ability to make better lives for themselves.

I urge my colleagues to support this legislation, which gives low-income families the same opportunities we offer to middle-income families—some lending assistance to help them to improve their living standards as they strive to achieve the American dream.

PROPER TAX TREATMENT FOR CAPITAL GAINS DERIVED FROM FARMER COOPERATIVE ASSET SALES

HON. BYRON L. DORGAN

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 16, 1989

Mr. DORGAN of North Dakota. Mr. Speaker, today, 49 House Members join me in introducing legislation to allow nonexempt farmer cooperatives to elect patronage-sourced treatment for certain gains or losses.

In recent years, there have been an increasing number of disputes between some farmer cooperatives and the Internal Revenue Service over the proper Federal income treatment of gain or loss resulting from the sale of assets used by cooperatives in their patronage operations. The issue in controversy is whether gains or losses from such dispositions should be considered to be derived from patronage or nonpatronage sources. This distinction is important because gain from patronage sources is eligible to be distributed to patrons as a patronage dividend which is deductible to a cooperative—and taxable to the patron.

Over the years, agricultural cooperatives have taken different approaches toward the classification of the gain or loss from the sale of assets from a patronage operation. Some cooperatives, relying on a general standard adopted by the Internal Revenue Service and the courts, have treated this gain or loss as patronage sourced on the ground that the assets sold actually facilitated the marketing, purchasing or service activities of the cooperatives. Other cooperatives, have treated the gain or loss from the sale of assets used in the patronage operation as nonpatronage sourced in reliance of an example found in Treasury regulation section 1.1382-3(c)(2) and the IRS's current administrative position that capital gains—or gains treated as capital gains under I.R.C. section 1231—are automatically nonpatronage sourced.

Cooperatives that have treated the gain or loss as patronaged sourced on the basis that such assets actually facilitated the marketing, purchasing, or service activities of the cooperatives have faced repeated challenges from the IRS, notwithstanding that our courts have consistently applied an actually facilitates test to distinguish patronage versus nonpatronage income.

This legislation is intended to provide cooperatives with a mechanism for avoiding the uncertainties that exist in this area. In general, cooperative would be permitted to elect ordinary patronage sourced treatment for its gain or loss realized upon disposition of any asset, provided that the asset was used by the organization to facilitiate the conduct of business with or for its patrons.

I ask you to join us as a cosponsor of this bill to assist our rural cooperatives.

A summary and the text of the bill follows:

SECTION-BY-SECTION ANALYSIS

Paragraph 1. *In General.* Cooperatives may elect patronage sourced treatment for gain or loss from the sale or other disposition of any asset, provided that the asset in question was used by the organization to facilitate the conduct of business done with or for patrons. The election would apply to all assets including depreciable section 1231 assets as well as stock or any other ownership or financial interest in another entity. Under the election, the gain or loss resulting from the asset sale would be treated as ordinary.

Paragraph 2. *Allocation.* Where an asset has been used for both patronage and nonpatronage purposes, the election to treat gain or loss from the sale of that asset as patronage sourced applies only to the amount of the gain or loss allocable to the patronage use. A cooperative may use any reasonable method for making allocations of income or expenses between patronage and nonpatronage operations.

Paragraph 3. *Period of Election.* The statutory election would be available generally with respect to taxable years beginning after 1988 and, unless revoked by the cooperative, for all taxable years subsequent to the first taxable year for which the election is made. An election which is made with respect to a taxable year beginning before 1990 would, if the election so provided apply also to prior taxable years of the electing cooperative. An electing cooperative can at any time revoke its election effective for taxable years beginning after the date on which the revocation notice was duly filed with the IRS.

Paragraph 4. *Election After Revocation.* If the cooperative revokes the election, it must wait at least three taxable years before making another election.

Paragraph 5. *No Inference.* No inference will be drawn from the legislation regarding the proper application of existing law relating to the classification of income or loss from asset dispositions by nonelecting cooperatives.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 1388 of the Internal Revenue Code of 1986 is amended by adding at the end thereof the following new subsection:

"(k) TREATMENT OF GAINS OR LOSSES ON THE DISPOSITION OF CERTAIN ASSETS.—For purposes of this title, in the case of any organization to which part I of this subchapter applies—

"(1) IN GENERAL.—An organization may elect to treat gain or loss from the sale or other disposition of any asset (including stock or any other ownership or financial interest in another entity) as ordinary income or loss and to include such gain or loss in net earnings of the organization from business done with or for patrons, if such asset was used by the organization to facilitate the conduct of business done with or for patrons.

"(2) ALLOCATION.—An election under paragraph (1) shall not apply to gain or loss on the sale or other disposition of any asset to the extent that such asset was used for purposes other than to facilitate the conduct of business done with or for patrons. For purposes of this paragraph, the extent of such use may be determined on the basis of any reasonable method for making allocations of income or expense between patronage and nonpatronage operations.

"(3) PERIODS OF ELECTION.—An election under paragraph (1) shall apply to the taxable year for which made and all subsequent taxable years unless revoked by the organization. Any such revocation shall be effective for taxable years beginning after the date on which notice of the revocation is filed with the Secretary.

"(4) ELECTION AFTER REVOCATION.—If an organization has made an election under paragraph (1) and such election has been revoked under paragraph (2), such organization shall not be eligible to make an election under paragraph (1) for any taxable year before its 3rd taxable year which begins after the 1st taxable year for which such revocation is effective, unless the Secretary consents to such election.

"(5) NO INFERENCE.—Nothing in this subsection shall be construed to infer that a change in the law is intended for organizations not having in effect an election under paragraph (1). Any gain or loss from the sale or other disposition of any asset by such organization shall be treated as if this subsection had not been enacted."

"(b)(1) Except as provided in paragraph (2), the amendment made by subsection (a) shall apply to taxable years beginning after December 31, 1988.

"(2) If the organization makes an election under section 1388(k)(1) of the Internal Revenue Code of 1986 (as added by subsection (a)) with its return for a taxable year beginning before January 1, 1990, and such election provides that such organization elects to take the benefits of this paragraph, the amendment made by subsection (a) shall also apply to all taxable years beginning before January 1, 1990, and the election under such section 1388(k)(1) shall also be effective for all such taxable years.

TRIBUTE TO NATHANIEL CLIFFORD JONES, JR.

HON. HENRY J. NOWAK

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 16, 1989

Mr. NOWAK. Mr. Speaker, I would like to take this opportunity to express the sorrow and sense of loss which we in western New York have experienced following the tragic death of Nathaniel Clifford Jones, Jr., a seaman apprentice who served on the U.S.S. *Iowa*. He was one of the 47 men who lost their lives on April 19 when an accident occurred in one of the ship's massive gun turrets.

In tribute to this young man, I would like to insert the following news article which appeared in the Buffalo News on April 27. Also included is an obituary from the memorial service.

On behalf of my fellow citizens in western New York, I also would like to extend our condolences to the family of Nathaniel Clifford Jones, Jr. We grieve with them.

MOURNERS BID FAREWELL TO VICTIM OF "IOWA" BLAST

(By Gene Warner)

They called him Junie, short for Junior. And above all else, they remember the smile on his face and his ability to make others laugh.

Whether he was in the halls of Lackawanna High School, on the football field, serving as a day-camp counselor at Friendship House or spending time with his family, Nathaniel C. Jones Jr. always did his best to keep things loose, to leave others with smiles on their faces.

"I've known Junie practically all his life," said Barbara Fears, a youth services director at Friendship House in Lackawanna, "Junie was such a personable and likable young man. When he came up to you when you were feeling a little depressed, he would always say something comical and make you feel better."

That's the Nathaniel Jones that others remembered today, the day friends and family honored him during funeral services in Mount Olive Baptist Church, 72 Wasson Ave., Lackawanna, before burial in Arlington (Va.) National Cemetery.

Jones, 21, was the lone Western New Yorker, one of 47 Americans, killed last week in the explosion aboard the USS *Iowa*.

William Bilowus, now the high school principal in Lackawanna, remembered having to chase Jones from the school's hallways more than a few times.

"I always remember that face," Bilowus said. "He was such a good-natured kid. No matter what you said to him, he always had a smile on his face, and he was always respectful. He always said, 'Yes, sir or 'No, sir.' "

As a seaman apprentice, Jones was proud to wear the Navy uniform.

Last Christmas, when he came home for the last time to visit family and friends, Jones, in full uniform, walked into the school's physical education office to say hello to Bill Pukalo, his former football coach.

"Mr. P.," he said, with a smile. "I'm going to take care of you. I'm going to give you an Iowa hat. This is the biggest and baddest ship in the Navy."

"He was really enthused about the Navy," Pukalo recalled Wednesday. "I think it was an ideal thing for him. It was the right direction for him. I think the discipline helped him."

Jones, No. 71, was a second-string defensive end and special-teams player on the talented Lackawanna football team that went to the Rich Stadium sectional playoffs in 1985.

Not the most gifted player, Jones was great at keeping his teammates loose and getting them going, whenever they were uptight or things were't going well for the team, the coach said.

Although he wasn't a football star or a great student, Jones got along well with authority figures. And he wasn't shy about lobbying for what he wanted.

"Hey, coach, you know I had a good practice today," he often told Pukalo. "I think I ought to be in the lineup this week.

After a couple of years as a junior counselor at the Friendship House summer camp, he made sure Ms. Fears knew about his goals for the next summer: "Miss Fears, you know I'm a little more mature now," he told her. "Are you going to pick me as a senior counselor this year?"

She did, and it proved to be a wise choice, as he worked well with the younger kids and always took the initiative in keeping them active.

"If I needed somebody to do something, I could always count on Junie," Ms. Fears said. "I don't recall anybody ever getting mad at him. If he was around, he'd have you laughing."

Like Coach Pukalo, Ms. Fears noticed a difference in Jones when he came home last Christmas.

"Junie, the service must have done something good for you, because you seem a lot more mature," she told him.

He laughed, as always, and said it was true.

"He just liked to keep you laughing," said his godmother, Eula Royster. "He was a center of attention. He never wanted to be sad. He always wanted everything to be jolly."

That's how everybody's trying to remember Jones today, as his family and friends deal with the loss.

Wednesday, as students and staff members at Lackawanna High School observed a moment of silence in Jones' memory, Bilowus told them:

"His name and his smiling face will be remembered in the halls of Lackawanna High School for a long time."

OBITUARY

Nathaniel Clifford Jones Jr. was born to Nathaniel C. Jones and Georgian Wright on 10 August 1967 in the City of Lackawanna, New York.

He confessed to Christ at an early age and was baptized at St. Mark's A.M.E. Zion Church, in the City of Lackawanna, New York, under the pastorship of Reverend Rudolph L. Wells. At the age of seven, he came under the love and tutelege of his stepfather, Lawrence J. Davis.

Nathaniel (Juney) attended public schools in Lackawanna and in Buffalo, New York. He was a sports enthusiast and a swimmer for Bennett High School, then transferred to Lackawanna High School, where he was a member of their varsity football team in 1985 and 1986. He graduated from Lackawanna High School in June 1987.

Nathaniel's other activities included scouting and fishing. As one of three children, Nathaniel is remembered as a friendly, happy person, who adored his mother, constantly teased his sisters, and who would brave any weather elements to visit his grandparents.

In July 1988, Nathaniel fulfilled his dream by enlisting in the Navy. He was proud to have joined six other family members into the Armed Forces as sailors. After Basic and Advanced training, he was assigned as a crew member of the USS *Iowa* (BB-61).

On 19 April 1989, God held muster on board the USS *Iowa* (BB-61). Nathaniel Jr. and forty-six of his shipmates answered, "Here Sir" and were called home to serve duty with God.

He is survived by his mother: Georgian Davis; father: Nathaniel Jones Sr., Stepfather: Lawrence J. Davis, three sisters: Rhoda James, Natalie Jones, and Lauren J. Davis; maternal grandmother: Bernice Wright of Lackawanna, NY; paternal grandparents: William and Cora Jones of Buffalo, NY; Godparents: Mr. and Mrs. James Royster of Buffalo, NY; four great aunts, two great uncles, seven uncles, and a host of other relatives and friends.

SALUTE TO "WILLIE" AND LILLIAN SHAPIRO FOR THEIR GREAT SERVICE TO CONGREGATION ADAS ISRAEL OF PASSAIC, NJ

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 16, 1989

Mr. ROE. Mr. Speaker, it is with the greatest pride and admiration that I rise today to salute two outstanding spiritual and civic leaders from my Eighth Congressional District in New Jersey whose dedicated and tireless efforts on behalf of their synagogue and their community have touched countless numbers of people in the greater northern New Jersey area.

I am speaking of William "Willie" Shapiro, executive director of Adas Israel Synagogue of Passaic, NJ, for the past 23 years, and his devoted wife, Lillian. For their many years of outstanding service to their synagogue Adas Israel and to their community, Willie and Lillian Shapiro will be the focus of a special tribute to be held Sunday, May 21, 1989, at Congregation Adas Israel.

Mr. Speaker, I am certain this event will be a great source of pride to rabbi emeritus, Dr. Leon Katz; to Rabbi Dr. Solomon F. Rybak, and to tribute chairman Dr. Ivan Nelson, who has been leading the vigorous effort to make this event a great success. I know, too, that no one will be more proud than William and Lillian's lovely family; their daughters, Beverly Ontell and Deina Shapiro; their son-in-law, Marc Ontell; their two lovely granddaughters, Nicole and Shari Ontell, and Willie's two devoted brothers, Abe and Irving Shapiro.

William Shapiro came to Passaic from Russo-Poland in May 1925 with his widowed mother, Anna, and her new husband, Joseph Shapiro. He grew up in Passaic, attending local schools and eventually graduating Passaic High School. His deep involvement with the Jewish community in Passaic goes back nearly a half century to 1940 when he was

elected financial secretary of Congregation Chevra Thilim, at that time one of the most prestigious Orthodox congregations in Passaic.

Eight years later, at the time of the establishment of the State of Israel, William Shapiro, through his dedicated efforts, was instrumental in the founding of the Keyman Organization, which raised funds for the United Jewish Campaign of the Jewish Community Council, the predecessor of the current Jewish Federation. In October 1950, William Shapiro married Lillian Klugerman, of Brooklyn, NY.

Mr. Speaker, it was in 1966 that William Shapiro was appointed executive director of Congregation Adas Israel, and he has been working with selfless dedication ever since to assure the well-being of this outstanding house of worship and its devoted congregation. At the same time, he continues to be deeply involved in other organizations, serving as secretary for Congregation Chevra Thilim, the Passaic-Clifton chapter of Mizrachi, the Vaad Hakohol of Passaic Clifton and the Passaic Hebrew Independent Benevolent Association, of which he is past president. In addition, he is a member of the National Board of Mizrachi and belongs to B'nai B'rith, Beth Israel Hospital in Passaic and the Daughters of Miriam in Clifton.

While her husband was dedicating himself to these many endeavors, Lillian Shapiro was establishing her own proud record of accomplishments. She is past president of the Adas Israel Sisterhood and serves as the organization's financial secretary. She is also a member of the Yeshiva University Woman's Organization, the Simon Wiesenthal Center, Shaare Zedek Hospital in Jerusalem, and American Red Magen David for Israel. She also served as treasurer of the Hillel Academy PTA for many years.

Mr. Speaker, the great work done by William and Lillian Shapiro has brought them recognition on many occasions. William was honored by Congregation Chevra Thilim in 1959, by Mizrachi-Hapoel Hamizrachi of Passaic-Clifton in 1963, by Yeshiva University in 1964 and again in 1985, by Bonds for Israel, the Jewish National Fund and by the local chapter of the National Conference of Synagogue Youth. William Shapiro also received the Hillel Academy Adopt a Scholar Award in 1976, and Lillian Shapiro received the same award in 1984. Together, William and Lillian Shapiro received the Tomchay Torah Award from Hillel Academy at its 1987 Melava Malka.

But William and Lillian Shapiro have not only earned awards. More importantly, they have earned the love, admiration and respect of the countless numbers of people whose lives they have touched for the past four decades. And so, Mr. Speaker, it is with this sense of admiration that I invite you and our colleagues to join me in paying tribute to two great spiritual and community leaders and outstanding human beings who have made their community, State and Nation a better place to live, William Shapiro executive director of Congregation Adas Israel of Passaic, NJ, and his devoted wife, Lillian Shapiro.

SOCIAL SECURITY PROCEDURAL IMPROVEMENT ACT OF 1989

HON. BILL ARCHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 16, 1989

Mr. ARCHER. Mr. Speaker, today I am introducing H.R. 2349, the Social Security Procedural Improvements Act of 1989, a bill I have introduced in the past two Congresses. It is apparent that the Social Security appeals process needs to be streamlined in order to make it more responsive to the public and to ensure greater uniformity in a national program.

Essentially this is the same bill I introduced in 1987. I am pleased to report that one provision—requiring "interim payments" for certain cases pending more than 90 days at the Appeals Council—has been deleted. I am pleased because my provision to pay certain cases, which had been allowed by an administrative law judge and subsequently were selected for review by the Secretary, became law on November 10, 1988, as part of Public Law 100–647. I anticipate that few payments actually will be made, because I expect that management will focus more attention to ensure these reviews are done in a timely fashion.

I am convinced that the three main provisions of this bill are still necessary. Those three provisions would: First, liberalize the criteria under which the Secretary of Health and Human Services could federalize State agencies which make disability determinations for Social Security; Second, eliminate the Appeals Council and the review performed by it; and third, create a Social Security Court, a proposal first advanced by my colleague JAKE PICKLE.

When I introduced this bill in 1987, I described in some detail why the issue of "acquiescence" was central to the issue of a Social Security Court. In brief, "acquiescence" requires that the Secretary of HHS accept an appeals court decision within that circuit as a precedent—unless, of course, the Secretary is successful in appealing the decision. Those who advocated acquiescence during the development of the 1984 disabiliity amendments were concerned about the need for subsequent plaintiffs to relitigate the same issue within a circuit, because the Secretary had not accepted the initial decision as a precedent. This was a justifiable concern, certainly in view of the numbers of pending disability cases. Nevertheless, at that time I warned of the implications for the retirement and survivor programs.

I'd like to provide an update on the types of acquiescence rulings I described in my remarks in 1987. Since January 1988, the Secretary of Health and Human Services acquiesced in just over a half-dozen cases. Only two of the seven cases involved disability issues, continuing the trend I noted in 1987. At that time only 5 of 26 acquiescence rulings involved disability issues. Two of the current seven cases involved the SSI Program, and another the handling of the offset provisions in the case of dual entitlement to titles II and XVI benefits.

The most significant aspect of these acquiescence rulings, in my view, is that the Secretary limited acquiescence to the specific circuit in six of the seven cases. For SSI purposes, for example, that means that the definition of inmate of a public institution will differ in the eighth circuit from all others. Adding to the problem, the seven States in the eighth circuit belong in four different regions of the Social Security Administration, specifically, Kansas City, Denver, Chicago, and Dallas. The staff in those offices, who perform the quality review function, may be challenged to remember that a differing standard applies to those fragmented cases.

Substantively, I found the most egregious Appeals Court ruling to be that of the seventh circuit in McDonald versus Bowen. The issue did involve disability, but was not one I had ever viewed as involving the level of subjectivity or judgment which invites court reviews. The law clearly requires that a disability last or be expected to last at least 12 months. Ida McDonald returned to work in the seventh month before her application had been approved. The circuit order found her eligibile for a trial work period. In my view, the clear intent of the law is to grant a trial work period only to those who met the 12 months test, or are expected to meet that test when the case is allowed. Neither expectation was apparent in this case, and the court circumvented the obvious durational requirement of the law.

I remain convinced that a Social Security Court would bring a refreshing level of expertise to these cases and re-establish national uniformity in a program which is developing untenable, unadministerable fusions.

At the end of fiscal 1988, the Social Security Administration still had some 50,000 pending court cases. I fear the further fragmentation of basic evidentiary requirements in the Social Security system. It is for these reasons that I urge my colleagues to consider the merits of a Social Security Court. In this context, the bill further provides that all appeals from this court would be channeled to the U.S. Court of Appeals for the Federal Circuit, again eliminating the potential for multiple and contradictory court decisions on a variety of highly technical program issues. I think it is important to note that the intent of this provision is not so much to stifle legal interpretation of statutory and regulatory requirements as to quantify those interpretations, so that the issues and costs can be resolved more speedily by the administration and Congress. The bill contains an adequate transitional period and mechanism to process pipeline cases, so those applicants caught in the transition should not be affected adversely.

Now, let me turn to the bill's other two major provisions. First, it permits the Secretary of HHS to federalize State agencies at any time "to assure the effective, equitable and uniform administration of the program." This differs from current law which obligates the Secretary to show that the State agency has substantially failed to make decisions in accord with laws and regulations.

The purpose of this provision is not only to avoid future differences in policy interpretation, but also to assure that the Secretary has the authority to federalize the disability deter-

mination process whenever federalization would better serve the program.

The States were initially given this responsibility because of their closer links to the medical community—from which reports would be needed—and because of the State link with vocational rehabilitation. Both rationales have been overtaken by program history and are no longer as relevant as the ensuring of effective, equitable, and uniform national administration of the disability program.

Let me assure you that this bill provides for fair and equitable treatment of the State employees who may be federalized. The disability determination process requires their continued expertise, and this bill provides an orderly and fair transition to Federal employment, with protections to ensure pay, leave, and pension benefits reasonably equivalent to Federal employees of comparable status.

As an aside, let me explain that SSA already absorbs the State agencies' costs, including retirement contributions for these employees, so federalizing certain State agencies can be done in a cost-effective manner.

Second, it eliminates the Appeals Council, and the review performed by it, which is the third and final administrative appeal. This provision is intended to streamline the entire appeals process by eliminating a paper review of the decisions of adminstrative law judges. I believe applicants will benefit by quicker access to the new Social Security Court.

The Social Security Administration estimated some initial overlapping administrative costs in the transitional period, but from the second year the elimination of the Appeals Council balances the costs of the Social Security Court.

Personally, I believe national uniformity would produce slight program savings and more accurate payments, as well as administrative savings, when compared to the current practice of administering divergent standards among different circuit courts.

I commend these measures to all of my colleagues, and urge those on the Ways and Means Committee to consider H.R. 2349 as expeditiously as possible.

SOCIAL SECURITY: A FATHER'S WORRY

HON. JIM SLATTERY

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 16, 1989

Mr. SLATTERY. Mr. Speaker, on Thursday, May 18, 1989, I will chair a House Budget Committee Task Force on Economic Policy, Projections, and Revenues, which will focus on the current policy of spending money from the Social Security trust fund surplus for current government operations.

I believe that the public is unaware of this practice. Using trust fund money masks the true Federal deficit and creates a false sense of optimism about the availability of Social Security funds when the baby boom generation retires beginning in 2015.

The Kansas City Times, on May 15, 1989, published an excellent article concerning the Government's spending policies and use of the Social Security trust fund to pay for current expenses.

I would like to submit for the RECORD this article, authored by Robert Unger, and I urge all my colleagues to review it.

The public has a right to know that funds they think are being tucked away to meet future Social Security obligations are being spent. If this practice is not stopped, the next generation will simply collect a fist full of IOU's from the Social Security trust fund.

[From the Kansas City Times, May 15, 1989]

SOCIAL SECURITY: A FATHER'S WORRY

(By Robert Unger)

The Middletons span four generations. There's Grandma Opal, 85, and long retired. There's Bill, 50, and his wife, Connie, working every day. Then there are the four kids, 17 to 28, just getting started. And, of course, Bill's two grandkids.

Together they tell the story of Social Security in America: In a single family, they are the promise made, the promise kept, and the promise about to be broken.

Grandma Opal came of age as Social Security was born in the 1930s. By now, she says, she's gotten back thousands of dollars more than she ever paid in.

Bill's an optimist. He figures he's going to live a long time, long enough to enjoy all that he's paid in. Maybe even a little more.

Then there are the children and grandchildren.

"It doesn't look so good for them, does it?" Bill asked, knowing the answer all too well. "With the politicians dipping into it, the plan is doomed to fail."

As benefits representative for United Auto Workers Local 31 at the General Motors Fairfax assembly plant, he knows what most other Americans don't know and don't really want to know: There is no Social Security trust fund, at least as most of us or any of the nation's bankers think of a trust fund. There is no money waiting for Bill Middleton, except in the future paychecks of his children's generation. And if there is none for him, there certainly is none for them.

In the dark annals of American governmental deception, none looms blacker than the myth of the Social Security trust fund. If asked, most Americans would say that trust fund is growing every day, building more greenbacks through interest and paycheck contributions toward each citizen's retirement day.

They think that way because that's what their leaders have told them. When the law was revised in 1983, for instance, Sen. Bob Dole of Kansas was at the forefront, announcing that the system was "now sound well into the next century."

In fact, by Webster's definition, pedding the ideas of a genuine Social Security trust fund is peddling a lie. Jim Blum, chief of the budget analysis division of the Congressional Budget Office, explained.

"The trust funds really are only accounting conventions to keep track of the numbers. These aren't trust funds in the normal sense of the word," Blum said. "I don't know why we call them trust funds. I guess the aim is to deliberately mislead the public."

On paper, there is a trust fund, and it is accumulating a surplus. In point of fact, that surplus money is immediately traded to the federal government for non-negotiable bonds, and the money is spent on other government activities. So the best the trust fund has, Blum said, is a stack of IOUs' from the U.S. Treasury.

"We are building up IOUs in the Social Security trust fund that will come due in future years. The question is, how do we pay for those IOUs in the year 2010 and 2015?"

In principle, the Treasury will return that money to the Social Security trust fund when the trust fund needs it. In reality, the Treasury has virtually no money, ever, except what it is collecting in taxes.

REFORMS BROUGHT PROMISES

So what does that mean to the Middletons? It means there will be no money for Bill's retirement check in 2015 unless the Middleton kids pay higher taxes of one variety or the other in 2015 to provide that retirement check.

But what about all the pledges of long-term solvency by Dole and others after Social Security's reform legislation in 1983?

They were technically correct, explained one economists, in the same sense that a man might tell his wife he's putting money in the vacation fund every month, while quietly "borrowing" it to play pool with the boys. Eventually he must try to squeeze a trip to Yellowstone out of the August paycheck. The family vacation fund would show a fine Aug. 1 balance on paper—and be empty.

Jeffrey Sachs, professor of economics at Harvard University, summarized the long-term effect of the 1983 reforms this way:

"The simple fact is that before the 1983 Social Security fund's needs in 2015 (when the flood of baby boomers will be retiring) would have had to be paid out of current revenues (tax collections) in 2015," he said. "After the tax increases, the Social Security fund's needs in 2015 will still have to be paid out of current revenues in 2015. You just can't double count that (trust fund) money. It is already being spent to pay for current operations of the government."

So what, exactly, did the Social Security tax increases in 1984, plus all the rate increases since, really achieve? Sometimes, in a fit of candor, lawmakers tell us clearly and concisely.

Rep. Leon Panetta, a California Democrat who is chairman of the House Budget Committee, said in a recent interview: "I think most Americans would agree that they did not anticipate that by enacting that (Social Security) reform they were basically enacting a blank check for other government spending. We implemented those reforms on the basis that we would secure the Social Security system, that we should protect from bankruptcy.

"So we created this huge Social Security surplus by virtue of (Social Security) tax increases. And now what we're seeing is a situation where, through the back door, we are using that money to basically pay other bills. So, yes, it is. It is a cover for basically meeting needs that were not intended by the (Social Security) tax."

The money did, indeed, come in handy back then. That Social Security tax increase, which fell hardest on poorer taxpayers, was really the second major tax revision of the early 1980s. The first had been a tax cut for the more wealthy taxpayers. Taken together, the two actions produced a transfer of taxes from the rich to the poor.

THE CHILDREN'S CHOICES

In the end, Bill Middleton's children will have only four choices in 2015.

"When it comes time to spend that money owed to the trust fund, the taxpayers in the

year 2015 can raise their own taxes to pay Social Security benefits, reduce other government spending, reduce programs or benefits, or roll it over," explained Robert Reischauer, director of the Congressional Budget Office.

"Roll it over" is a polite term for what we are doing now. It means Bill Middleton's kids can borrow even more money—and turn the ballooning debt and the worsening problem over to Bill's grandchildren.

Of course, all that could change if something extraordinary happened. Runaway inflation, for all its other havoc, could help pay off those trust fund IOUs with cheap dollars. Or something could happen to make Bill's children's generation extraordinarily more productive—and, herefore, far more wealthy—than their parents. Hence all the talk among economists about the importance of America investing in its future, through investments in schools, technology and research to provide a foundation for increased productivity.

"But America isn't using that public money to invest in its future," said Benjamin M. Friedman, author and professor of economics at Harvard University. "We're spending it on current consumption. We are spending it on ourselves."

Panetta thinks that that mentality—enjoy today; forget about the future—is all part of a psychology that has gripped Washington in recent years.

"Instead of confronting these problems, you basically postpone them to another generation and another time, and hope that by the time you reach that point, somehow the problem will have disappeared," he said.

In Washington they have an antiseptic name for this arrangement that Panetta admits is little less than a massive deception. They call it "masking," as in the phrase, "The Social Security surplus is masking the true size of the budget deficit."

In fiscal year 1990, which begins Oct. 1, 1989, the Social Security trust fund will be masking $68 billion of the deficit. By 1994 it could mask as much as $117 billion, by then bringing the total extent of the ongoing "mask" to roughly $618 billion.

Nor is Social Security the only trust fund. The Medicare trust fund will "mask" $20 billion this year, and military and civilian retirement trust funds an additional $36 billion.

Then there are the surpluses in the highway and airport funds (about $3 billion) and the unemployment fund (about $9 billion), also providing a "mask."

Altogether, as things are going now, the use of various government trust funds will have "masked" about $1.4 trillion by the end of 1994, every penny of it an IOU to be paid back down the road by Bill Middleton's kids and grandkids.

During that time, the great trust fund deception undoubtedly will continue, producing two very different numbers:

The Official Deficit. This one is virtually certain to be touted by politicians because, according to Congressional Budget Office projections, it will be going down. From $159 billion in 1989, it will fall slowly to $130 billion by 1994.

The Real Deficit. This one, likely to be mentioned far less often by politicians, starts with the official budget deficit and then adds the stack of trust fund IOUs accumulated as those surpluses are spent as quickly as they arrive. That real deficit, according to the budget office, will climb from $281 billion in 1989 to $309 billion in 1994.

In the final analysis, there is nothing at all wrong with politicians quoting the lower and more palatable official deficit figure to the folks back home. However, to avoid Webster's second definition of "lie," they should throw in one crucial phrase:

The official deficit numbers assume that the trust funds, for Social Security and the rest, simply no longer exist.

A TRIBUTE TO PAT SLOVEK, A FORMER CONGRESSIONAL AIDE

HON. JOEL HEFLEY

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 16, 1989

Mr. HEFLEY. Mr. Speaker, I recently received the sad news of the death of a longtime congressional staff member and a native of Colorado, Florence J. (Pat) Slovek.

Pat has a long and successful career of public service, having served in the U.S. House of Representatives, the U.S. Senate, and the administration of President Ford from 1963 until her retirement 2 years ago. Most recently, she was the office manager and personal secretary of our former colleague from Colorado, Ken Kramer. Pat spent the majority of her career here in the House; she loved this institution and was a hard-working dedicated employee, who was admired and respected by both Members and staff. I know that everyone who had occasion to work with her was impressed with her abilities and her overwhelming desire to help others.

Pat will be deeply missed by her family, her friends, and the Capitol Hill community. Those who knew her will always hold fond memories of her with the knowledge that she was truly an exceptional person.

I extend my deepest sympathies to Pat's family and at this time would like to have included in the RECORD a copy of the May 14, 1989 obituary which appeared in the Washington Post.

The article follows:

[FROM THE WASHINGTON POST, MAY 14, 1989]

FLORENCE JOSEPHINE (Pat) SLOVEK, OFFICE MANAGER AND SECRETARY

Florence Josephine (Pat) Slovek, 67, a retired office manager and personal secretary to former representative Kenneth Kramer (R-Colo.), died May 12 at Alexandria Hospital. She had cancer.

Mrs. Slovek, who lived in Alexandria, was born in Fort Collins, Colo., and attended a business college in Denver. She moved to the Washington area in the early 1960s and in 1963 joined the staff of then-representative Donald G. Brotzman (R-Colo.). She was his office manager and personal secretary until 1975.

She also had worked for several other members of Congress and was employed by the Office of Manpower and Reserve at the Pentagon. She worked for Kramer from 1979 until she retired in 1987.

Mrs. Slovek had been a member of Blessed Sacrament Catholic Church in Alexandria.

Her marriage to John Slovek ended in divorce.

Survivors include five children, Patricia Fox of Alexandria, Joan Stearns of Aurora, Colo., John Slovek of Johnstown, Colo., Gary Slovek of Longmont, Colo., and Mike Slovek of Aurora; two sisters, Ida Maye O'Hanion of Golden, Colo., and Loretta Jacoe of Boulder, Colo.; and four grandchildren.

TREES AND THE GREENHOUSE EFFECT

HON. AL SWIFT

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 16, 1989

Mr. SWIFT. Mr. Speaker, I wish to include at this point in the CONGRESSIONAL RECORD an essay drawn from a letter from Dave Buse, an executive in a family-run sawmill—one of the few that remain in what was once almost exclusively a mill town named Everett, WA. The entire wood products industry in the Pacific Northwest is now threatened by controversy over the survival of the spotted owl and the preservation of what has been called "ancient forest."

What I see on the front page of our newspapers and on the news is a picture of a cute spotted owl. The cutlines say the spotted owl is endangered. But I do not see pictures of battered wives, abused kids, families in line for welfare in our newspapers. But, how do you picture the effects of over one hundred thousand lost jobs. We are not used to thinking of human being endangered.

"But wait," cry the preservationists. "Think of our environment", they cry. "This justifies the sacrifice of jobs and communities. Think of the environment! Think of the greenhouse effect!"

But, that is what we are doing, thinking about the environment. Open your minds for a moment and just listen to these facts:

(1) Trees are a renewable resource to be used and replaced by new, viable forests which can be used again. Unlike gas, oil, and coal that are mined and gone, the trees are to be replanted again and again forever.

(2) Everybody knows that trees grow. Must people under that trees can be replanted. But most people do not realize that more trees are planted then are cut by the forest industry.

(3) As to the greenhouse effect, it is true that if you cut trees and do not replace them—as they are said to be doing in the Amazon for example—it becomes "mining the forest" and it definitely does add to the greenhouse effect. It is also true that if you cut trees and replace them with towns and streets and houses you contribute to the greenhouse effect—certainly you don't help provide habitat for the spotted owl.

But to state that cutting timber, especially old growth, is adding to the greenhouse effect is simply wrong, provided that the areas cut are replanted and managed to a viable stand for timber.

(4) Here's a little science. A tree takes carbon dioxide from the atmosphere when it is growing and when it is developing with fiber. When it stops growing, it stops taking carbon dioxide out of the atmosphere. And when it dies and rots, it puts carbon dioxide back into the atmosphere.

Therefore, what is the biggest possible help forest can make to the greenhouse effect? They can make their greatest contribution to combating the greenhouse effect if we keep our forest young and growing. How do we do that? By harvesting those forests at their maturity to make the wood products that we need and then replanting

those areas so that a new, thriving young forest develops.

(5) What you would want to avoid if you are concerned about the greenhouse effect is an old, rotting, dying forest that is contributing to the greenhouse effect.

(6) Let me take it a step further. If we cut a tree and use it for a house, table or book, carbon that contributes to the greenhouse effect is locked up in the product, not freed into the air. If that tree is cut into firewood and burned, it puts an equal amount of carbon into the air as it took out—it's neutral. If that heat replaces heat from gas, oil or coal that comes from the earth, then it is again helping the greenhouse effect by substituting the amount of carbon that would be added to the atmosphere by burying these other products.

By growing trees for harvest and use, therefore, we help this world overcome the greenhouse effect.

In that context, how can we be made out to wear the black hats?

The forest products industry is working under strict guidelines on stream side buffer zones, road building regulations, and other regulations that protect the environment. We plant more trees than we cut. We help the greenhouse effect. In the energy field, that is known as "a renewable resource" and is highly valued by the environmental community.

They are right about renewables in energy. Their logic is sound. We are right about preserving this renewable resource. Our logic is the same.

SISTERS OF ST. FRANCIS HOSPITAL HONORED

HON. HAMILTON FISH, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 16, 1989

Mr. FISH. Mr. Speaker, I take this opportunity to pay tribute to the Sisters of St. Francis Hospital for its outstanding record of service to the community on the occasion of the Annual Franciscan Award Dinner on May 20, 1989.

For 75 years, the Sisters of St. Francis Hospital has offered its dedicated religious and humanitarian service to the people of our community. Founded by a small group of Franciscan Sisters in 1914, St. Francis Hospital has become a dynamic and innovative leader in Hudson Valley health care.

The first American community of Franciscan Sisters was founded in 1855 by the Most Reverend John N. Neumann, the fourth bishop of Philadelphia. Five years later, the Sisters opened a branch in the Diocese of Buffalo.

Sisters from the Buffalo community arrived in New York City in 1882 to assist Father John C. Drumgoole in caring for homeless and destitute children at the Mission, then located on Lafayette Place in lower Manhattan.

Twenty-eight Sisters at the Mission decided to establish a new community in New York City in 1893—under the name "Sisters of Saint Francis of the Mission of the Immaculate Virgin, Conventuals of the Third Order"—and later located their Motherhouse at Hasting-on-Hudson in Westchester County.

From that Motherhouse came the first Sisters to Poughkeepsie. In addition to establishing the St. Francis Hospital, the Sisters began hospitals in White Plains, Port Jervis, and Orange, NJ, the Mission of the Immaculate Virgin on Staten Island, a home for the blind, schools throughout Westchester and a nursery in New York City.

A Sister has been the senior administrator at the hospital from its origin, and members of the order have served both as nurses and in administrative capacities throughout its history. Today, nine Sisters carry on the tradition at St. Francis Hospital. Their continuing presence is the mark of the hospital's special commitment to caring.

On this occasion of the anniversary of 75 years of dedicated community service, I want to commend the Sisters of St. Francis, Sister Mary Paul, O.S.F., superior general of the Sisters of St. Francis, and Sister M. Ann Elizabeth, O.S.F., president, St. Francis Hospitals and St. Francis Health Care Foundation.

As the St. Francis Hospital enters its fourth quarter century of providing care and humanitarian service to our community, all of us extend our best wishes for continued prosperity and the completion of your great mission to the community.

TRIBUTE TO THOMAS P. FURRER

HON. BARBARA BOXER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 16, 1989

Mrs. BOXER. Mr. Speaker, today it is with great pride that I rise in honor of Mr. Thomas P. Furrer. As a teacher at Casa Grande High School, Mr. Furrer initiated a project worthy of the highest praise. His 1985 natural resources class undertook a massive cleanup of Adobe Creek which had been declared a "dead" stream. Over the next 3 years his classes removed 20 truckloads of litter and planted 300 redwood trees to provide shade for spawning. His class even started a fish hatchery in an abandoned greenhouse with an eye toward hatching and releasing steelhead into the rejuvinated stream. Recently four king salmon were spotted entering Adobe Creek, the first salmon recorded in the creek since the turn of the century.

I am so proud to have this wonderful teacher in the Sixth District of California. Environmental awareness is vital to our district and to the country. Mr. Furrer's teachings set wonderful examples as to how to protect and preserve the environment. His students are dedicated to cleaning up Adobe Creek. In fact, upon learning that the hatchery would have to be closed due to lack of meeting earthquake standards, the students have applied for corporate and government grants, sought private donations, and held fundraisers. More than $100,000 has been received and the National Guard has agreed to build a new hatchery.

I am personally dedicated to ensuring that our environment is safe and intact for future generations. I am very pleased to honor a constituent who is also dedicated, and who teaches students firsthand about the beauty of our environment. I wish the program continued success.

STIFFER PENALTIES FOR DRUG OFFENSES INVOLVING FIREARMS

HON. WILLIAM F. GOODLING

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 16, 1989

Mr. GOODLING. Mr. Speaker, today, I am introducing legislation which would change Federal law to impose stiffer penalties on people convicted of lesser drug offenses involving firearms. Under current Federal law, a person convicted of a felony crime, involving drugs and firearms faces increased criminal penalties and is also prohibited from legally owning a firearm. This is not the case, however, for individuals convicted of less serious drug offenses.

My legislation is simple: It expands current law to treat individuals who commit less-serious drug offenses in the same manner as people involved in other drug crimes, such as drug trafficking. Any person found guilty of a drug crime not currently classified as a felony, including simple possession of a controlled substance, and who possesses a firearm at the time of the offense, will face jail time and/or mandatory fines in addition to any penalty imposed for the drug offense. For second or subsequent offenses, mandatory jail time and fines are mandated.

Furthermore, regardless of whether a firearm is present during the offense, the guilty party will also be prohibited from owning a firearm in the future, if they are convicted after enactment of the law. Exceptions to this rule can be made, however, depending upon the circumstances surrounding each individual's case. Present law states that a person convicted of a drug crime can petition to the Secretary of the Treasury for an exemption to the firearms prohibition if they can prove "that the circumstances regarding the conviction, and the applicant's record and reputation, are such that the applicant will not be likely to act in a manner dangerous to public safety and that the granting of the relief would not be contrary to the public interest."

The effectiveness of current tactics being employed in the war on drugs is the subject of heated debate. In my view, the time has come for serious efforts to convince people who use drugs that the cost of engaging in this activity outweighs any perceived benefits. If my bill becomes law, individuals who use drugs and own firearms for legitimate purposes—hunting, target-shooting, collecting, or personal protection—and who also engage in "recreational" drug use, will think twice before participating in their drug-related endeavors.

This bill will not affect a law-abiding citizen's right to own a firearm. It will, however, increase the price of drug use for people who choose to continue this illegal, mind-altering, and self-destructive activity. The legislation will also complement President Bush's recently announced anticrime initiative. While President Bush's proposal would bar the sale of firearms to, or possession of firearms by, persons convicted of violent misdemeanor offenses, this bill will impose a similar prohibition on misdemeanor drug users. We all know

that the drug problem is expensive to society as a whole; let's try to transfer more of the costs to those who use and abuse controlled substances. This legislation is an important step in the right direction.

INTRODUCTION OF RESOLUTION URGING ISRAEL TO TAKE IMMEDIATE STEPS TO OPEN SCHOOLS IN THE WEST BANK

HON. HOWARD C. NIELSON

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 16, 1989

Mr. NIELSON of Utah. Mr. Speaker, for nearly 2 full academic years, school aged children in the occupied West Bank have been forbidden from attending school. Informal makeup classes and even the distribution of homework assignments have been prohibited for students of all ages.

The school closures have had the most profound effect on younger children, who may not be able to make up those lost years later in their cognitive development. The school closures have created an entire generation of 8-year-old illiterates and have dealt a severe blow to the Palestinians who pride themselves in being the most educated group in the Arab world.

The Israeli authorities have kept the schools closed as a means of quieting unrest only in the West Bank. This policy is difficult to understand in as much as schools in the Gaza Strip have been allowed to remain open despite the fact that the Gaza Strip has experienced more violence and unrest during the "Intifadah" than has the West Bank.

Under the terms of the fourth Geneva Convention an occupying power has the responsibility to do everything possible to promote the care and education of children. This responsibility is clearly not being met.

Today I am introducing legislation expressing the sense of the Congress that Israel should take immediate steps to reopen West Bank schools. As we prepare to vote on a new $3 billion aid package to Israel in the coming weeks, it is time to let Israel know that Americans value the right of all people to an education and that we believe reestablishing a more normal educational environment on the West Bank would be an important step toward creating a climate which is more conducive to achieving peace in the region.

I would like to insert into the record a May 8 New York Times article entitled "For West Bank Arabs, Education Has Been Deemed a Criminal Act." This article accurately depicts the current situation and should help my colleagues understand the urgent need to cosponsor this resolution.

[From the New York Times, May 8, 1989]

FOR WEST BANK ARABS, EDUCATION HAS BEEN DEEMED A CRIMINAL ACT

(By Joel Brinkley)

RAMALLAH, ISRAELI-OCCUPIED WEST BANK, May 5—Every day, hundreds of Bir Zeit University students disguise their textbooks, talk their way through army checkpoints and sneak off to secret classes in church basements, clubs and professors' homes.

"I put my books in a bag wrapped with papers so maybe the army will think it's fruit," said Farid Jaman, a senior mathematics student, grinning.

In some classes, "students jump everytime they hear a car, thinking maybe it's the army," said Ali B. Jarbawi, a political science professor, shaking his head.

SCHOOLS CLOSED FOR 16 MONTHS

The Israeli authorities have kept West Bank schools and universities closed for more than 16 months, keeping 320,000 elementary and high school students and 18,000 college students from almost two full academic years. As a result, clandestine classes are the best that Bir Zeit and the five other universities in the West Bank and Gaza Strip can offer.

Even then, troops or the police sometimes step in. Last month, the police in Jerusalem announced that they had "uncovered a network of illegal classes," and then closed them. Most often the army turns a blind eye.

Israeli officials say the schools must stay closed because the minute they are opened they become breeding grounds for unrest. And, in fact, some schools have been the source of violence during the few days that they have been open during the uprising.

YOUNGEST ARE HURT THE MOST

This has enraged Palestinians, who are proud that they have one of the highest levels of education of any group in the Arab world. Many Palestinian academics are despairing, worried that the schools may remain closed for years and that their children will grow up illiterate.

In fact, for younger students, almost nothing is allowed. Last year, the army outlawed "popular committees" that had been organizing dozens of basement schools.

And last month, after the United Nations' 90 West Bank schools for refugee children had been closed for more than a year, the United Nations decided to start a home-teaching program for first, second and third graders. "We now have thousands of 8-year-old illiterates," said Rolf Van Uye, a United Nations official.

About 10,000 home-instruction booklets in math, science, religion and Arabic were printed, and teachers planned to deliver them home to home, where students were to work under the tutelage of parents or older siblings.

"The idea was to circumvent the Israeli accusation that if you get the kids together in one place they will start trouble," Mr. Van Uye said. But when the army heard of the plans, it sent word that the new program would not be allowed.

"It's all so ridiculous," Mr. Van Uye said. "They're making education of even little children into a crime."

Israeli officials said they did not want to start this alternative form of education because teaching should be done in schools. But the schools remain closed.

Assad Arideh, who manages education programs for Israel's military government in the West Bank, asserts that "many parents asked us to close them because their children were getting wounded" during violent demonstrations at school.

MANY STUDENTS ARE IN JAIL

But now, Mr. Van Uye said, using the Arabic word for the uprising, "Most of the students are caught up in the intifada, congregating on street corners instead of in classes."

"Some of my students have taken jobs," Dr. Jarbawi said. "Some are just waiting for schools to reopen. But many are in jail."

Some educators are discouraged. "Personally I have no hope that they will reopen unless there is a political solution for the Palestinian situation," said Dr. Anton Sansour, who is president of the executive committee of the Council of Higher Education in the occupied territories and executive vice president of Bethlehem University.

The army and the military government both give a firm "no comment" when asked when West Bank schools will reopen. Gaza Strip schools, though not universities, are open. That baffles West Bank educators because "in Gaza, there's always more violence and trouble," said a West Bank high school principal.

Now even some Israelis are beginning to protest. A few days ago, 400 Israeli university professors petitioned the Defense Ministry to reopen the schools, saying among other things that the real reason for the continued closure was collective punishment, not security concerns. Otherwise, they asked, why did the army refuse even to allow school librarians to go to work so they could keep up their collections?

LEADERS NURTURED IN PRISON

"If we keep the universities shut, the leaders will develop in prison," said Hava Lazarus-Yafe, a professor of Islamic studies at Hebrew University. "We had better let the future leadership of the Palestinians grow in universities rather than grow frustrated and angry in jails."

The army responded in a letter, saying, "We've tried at least twice to reopen schools, as we would like, but couldn't do this because as soon as they opened they became targets for violence again."

Now that the second academic year with little or no schooling is about to close, Palestinians are trying to deal with a number of difficult issues, including "the first grade pile up problem," as one West Bank teacher puts it.

If the schools reopen in the fall, there will be three times as many first-grade students as normal: the ones who started first grade in 1987, just before the schools closed; the ones who should have started in 1988; and the new ones for 1989. School officials now must search for more teachers.

These last 16 months, the 12,000 teachers in the Government's schools have been getting partial pay, about one-third of their salaries. Most have taken other jobs, and many are not expected to return to school.

The high school principal showed his most recent monthly paycheck, 375 shekels, or about $208. He now works in a print shop.

LOCAL BUSINESSES LEND A HAND

Teachers who return will face a difficult job. The students who come back will have forgotten much of what they learned, and many will probably have to repeat one or more grades.

"It's creating a whole generation of students who are not going to have a proper education," the high school principal said. "The whole academic process is being destroyed, and we are going to suffer for 10, 15 years."

In the meantime, many West Bank businesses are trying to employ children to keep them out of trouble. At the Silvana Chocolate and Sweets Company, about 50 elementary and high school students work in a bustling and crowded basement room stuffing candy bars into packing boxes.

"We don't really need them here at all, but it at least keeps them off the streets," said Jamal Shawar, the factory comptroller. "A lot of the factories are doing the same thing."

For the time being, the universities are trying to teach only students in their junior and senior years; the younger students do not have enough experience with university life to do well in the free-form world of clandestine classes, professors say.

But even in the higher levels, only those whose majors do not require laboratory or computer work can think of completing their schooling.

ARAB NATIONS PAY PROFESSORS

Professors remain on full salary, though students are not being charged tuition. The money comes from Arab nations; Kuwait just donated $5 million, Dr. Sansour said.

But even with a full staff, "We can't duplicate lab instruments or computers in these circumstances," said Nabeel Kassis, vice president for academic affairs at Bir Zeit.

Even if there were lab courses, "We can't just keep teaching seniors," Dr. Jarbawi said. "We're in a dilemma."

Still, to a man, students and teachers say the educational problems are a price they are willing to pay for the uprising.

"If you love your country, you must sacrifice," said Zakarya Ilayan, an engineering student.

"We don't know what will happen tomorrow," said Mr. Jaman, the math student. "Maybe we'll finish university, maybe not. Maybe we'll be wounded, maybe killed. This is the important thing now."

TRIBUTE TO VINCENT ROSS

HON. BOB McEWEN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 16, 1989

Mr. McEWEN. Mr. Speaker, in recent years, there have been a number of popular movies which have celebrated and feted the work of some extraordinary educators from all sections of America who have faced considerable obstacles and still brought positive change to the lives they have touched.

For 27 years, the Clearcreek School System has benefited from the hard work of an individual unfailingly dedicated and infinitely able. Vincent Ross is retiring shortly after a long career in which he has guided countless lives in his community in southwest Ohio. This life of service culminated, most recently, with 19 years as the principal at Springboro High School.

Without the fanfare accorded the subjects of Hollywood's recent education dramas, but with a justifiable sense of accomplishment, Vincent Ross can look back on a variety of assignments in which he has done a great job, and to great and lasting effect for his students. He has done it all—elementary school principal, student counselor, classroom teacher, and active athletic booster—and done it well.

He also has pitched in and helped the community at large as a member of the Lion's Club. This has made him a man well-liked and respected by students and his Springboro neighbors alike. All in all, a very productive life which is truly worthy of our attention and praise today.

Mr. Speaker, I ask my colleagues to join Vincent Ross's family and many friends and me in offering hearty congratulations and best wishes to Vincent on his record of service to Clearcreek Schools and to America.

WORKER'S OPTION ACT OF 1989

HON. BILL ARCHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 16, 1989

Mr. ARCHER. Mr. Speaker, today I am introducing H.R. 2348, the Worker's Option Act of 1989. It is a bill which would repeal the Social Security earnings limitation for workers who have attained the normal retirement age, currently 65.

Earlier in this session, I introduced H.R. 58, which would repeal the test for all beneficiaries now subject to the limitations. That remains my long-term goal.

As an intervening measure, the Worker's Option Act permits workers 65 to 69 to either receive full benefits in spite of earnings, or delay filing and receive an actuarially sound delayed retirement credit of 8 percent a year.

The increased delayed retirement credit is one of several offsets which helps to reduce the startup costs of this bill. Other features will: First, eliminate recomputations after a worker who has attained the normal retirement age first files for benefits; and second, eliminate retroactive entitlement for reduced benefits for the purpose of charging off excess earnings.

SSA actuaries estimate the net costs over 3 years to be just under $10 billion, and $16 billion over 5 years. I realize these are significant short-term hurdles, but I would emphasize again that there are no long-term costs to the trust funds. Ultimately, the full 8 percent delayed retirement credit, now scheduled for 2008, will make the worker's retirement or work option a "wash" to the trust funds.

But, I want to emphasize that the elimination of the earnings test is not a wash either to the national economy or to the health of older Americans. Both would benefit.

I was not at all surprised that the Washington Post on April 19 editorialized against Senator ARMSTRONG'S recent effort to increase the current $8,880 threshold limit by $80 a month. But, I was surprised that the Post's "For the Record" column on the editorial page on May 5 included such a succinct argument for eliminating the test. Citing a new study by the Greater Washington Research Center entitled "Growing Older in Greater Washington," the column said:

By the year 2000 . . . the area's over-65 residents are expected to number almost 430,000. That will be nearly double their number in 1980. The 75-and-older population will more than double * * *

Retirement begins early today for many Washingtonians. By the early 60s, more than half are no longer employed. But over five percent are still working at 75 and above. The first years of retirement often are justly called the "golden years," a time of well-earned leisure and fulfillment. But too many seniors have trouble finding enough interesting things to do. They become bored and increasingly dependent. Retirement incomes often are less adequate than expected.* * *

Older people who do manage to stay active often live on for many years. Many of those who do become sick only rarely and enjoy life to its fullest until very near its end. Many experts believe that activity can reduce or delay deterioration. * * *

[I]t has long been common practice to encourage older workers to retire early and make room for younger people. Now, with a chronic labor shortage that promises to last for decades, we need to re-examine this practice. How can we now help older Washingtonians who are able and want to work to keep on doing so or to return to work if they are not totally satisfied with retirement? How can we persuade and enable them to volunteer for community service, thus helping both others and themselves? For those who can no longer work, how can we best keep them active and challenged in the interest of preserving their physical and emotional health?

Mr. Speaker, we can help older Washingtonians, and indeed all older Americans who are able and want to work by repealing the Social Security limitation earnings test, the last vestige of age discrimination embodied in Federal law.

I have advocated the repeal of this provision for the past 18 years. During that time, the ratio of workers to beneficiaries has declined by almost one-half of worker—from 3.7 workers per beneficiary to 3.3. Clearly it is important that we encourage older Americans to remain productive, for their own health and economic benefit as well as that of the Nation.

ELIMINATION AT NORMAL RETIREMENT AGE IN 1990—FISCAL YEAR ESTIMATES

TABLE 2.—ESTIMATED CHANGES IN OASDI AND HI INCOME AND OUTGO RESULTING FROM A PROPOSAL TO ELIMINATE THE RETIREMENT EARNINGS TEST AT NORMAL RETIREMENT AGE, RAISE THE DELAYED RETIREMENT CREDIT TO 8 PERCENT, ELIMINATE BENEFIT RECOMPUTATIONS BASED ON EARNINGS AFTER ENTITLEMENT, ELIMINATE CERTAIN RETROACTIVE ENTITLEMENTS, AND CREDIT THE TRUST FUNDS WITH ANY ASSOCIATED INCREASE IN FEDERAL INCOME TAXES, FISCAL YEARS 1990–99

[Dollars in billions]

	Fiscal year—										Totals	
	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	1990–94	1990–99
Increase in OASDI benefit payments under proposal to:												
Eliminate retirement earnings test for beneficiaries upon attainment of normal retirement age after 1989 [1]	$3.2	$5.1	$5.1	$5.2	$5.3	$5.4	$5.5	$5.6	$5.6	$5.5	$23.9	$51.5

ELIMINATION AT NORMAL RETIREMENT AGE IN 1990—FISCAL YEAR ESTIMATES

TABLE 2.—ESTIMATED CHANGES IN OASDI AND HI INCOME AND OUTGO RESULTING FROM A PROPOSAL TO ELIMINATE THE RETIREMENT EARNINGS TEST AT NORMAL RETIREMENT AGE, RAISE THE DELAYED RETIREMENT CREDIT TO 8 PERCENT, ELIMINATE BENEFIT RECOMPUTATIONS BASED ON EARNINGS AFTER ENTITLEMENT, ELIMINATE CERTAIN RETROACTIVE ENTITLEMENTS, AND CREDIT THE TRUST FUNDS WITH ANY ASSOCIATED INCREASE IN FEDERAL INCOME TAXES, FISCAL YEARS 1990–99—Continued

[Dollars in billions]

	Fiscal year—										Totals	
	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	1990–94	1990–99
Raise the delayed retirement credit to 8 percent for credits earned after 1989	−.4	−.4	−.4	−.4	−.3	−.3	−.3	−.3	−.2	−.1	−1.9	−3.1
Eliminate benefit recomputations based on earnings after the later of (i) the year of entitlement or (ii) the year of attainment of normal retirement age after 1989		(2)	−.5	−.8	−1.1	−1.4	−1.6	−1.9	−2.1	−2.4	−2.4	−11.7
Prohibit retroactive entitlement to reduced benefits either (a) to charge off excess earnings or (b) despite the involvement of an unreduced auxiliary beneficiary, effective for entitlements after 1989	−.1	−.1	−.1	−.1	−.1	−.1	−.1	−.1	−.1	−.1	−.7	−1.3
Net total increase in OASDI benefit payments	2.7	4.5	4.1	3.9	3.8	3.6	3.5	3.3	3.1	2.9	19.0	35.3
Net reduction in OASDI administrative expenses [3]	(4)	(4)	.1	.1	.1	.1	.1	.1	.1	.1	.2	.6
Increase in OASDI revenues as a result of the Federal income taxation of OASDI benefit payments [5]	.2	.3	.3	.3	.3	.3	.2	.2	.2	.2	1.3	2.5
Net total increase in OASDI cost (prior to the effects of any net increase in work effort induced by the elimination of the retirement test) [6]	2.5	4.2	3.7	3.5	3.4	3.3	3.1	3.0	2.8	2.6	17.4	32.2
Estimated offsets to above cost due to increased work effort resulting from the elimination of the retirement test: [7]												
Increase in OASDHI payroll taxes	.1	.2	.1	.1	.1	.1	.1	.1	.1	.1	.6	1.3
Reduction in HI benefit payments due to primary payments by private health insurance [8]	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	.1	.3
Increase in OASDI revenue due to transfers from the general fund of the Treasury representing additional income taxes attributable to the elimination of the retirement test [9]	.1	.2	.1	.1	.1	(10)					.6	.6
Total of offsets	.2	.3	.3	.3	.3	.2	.2	.2	.2	.2	1.4	2.2
Net total increase in OASDHI cost after estimated effects of induced work effort [11]	2.2	3.9	3.5	3.3	3.2	3.1	3.0	2.8	2.7	2.5	16.0	30.0

[1] The retirement test would cease to apply beginning with the first full month during which the beneficiary has attained age equal to the normal retirement age.
[2] Reduction in benefits of less than $50 million.
[3] Estimates based on information provided by the Office of Budget.
[4] Net change in administrative expenses of less than $50 million.
[5] Estimates based on information provided by the Office of Tax Analysis, Department of the Treasury.
[6] Represents net increase in OASDI benefit payments, less (i) reduction in OASDI administrative expenses and (ii) net increase in receipts from the taxation of benefits.
[7] The magnitude of this effect is highly uncertain. Investigations of available data on this subject have produced conflicting evidence as to the nature of this induced effect. The estimates shown in the second half of this table represent the evaluation of the Office of the Actuary based on (1) data collected from the Social Security Administration's Continuous Work History Sample, and (2) independent studies of this issue. Actual amounts could be substantially different.
[8] Estimates based on information provided by the Office of the Actuary, Health Care Financing Administration.
[9] Under the proposal, any such induced increases in general income taxes would be appropriated from general revenues to the OASI and DI Trust Funds on an estimated basis for a period of 5 calendar years. Similar induced increases in income tax revenue would continue after calendar year 1994, but would accrue to the general fund of the Treasury.
[10] Net increases in tax income of less than $50 million.
[11] Represents net increase in OASDI cost shown in top half of table, less offsets due to induced work effort shown in bottom half of table. See footnote 7 concerning the reliability of effects of induced work effort.

Notes: 1. OASDI benefit estimates shown for each provision reflect interaction with the preceding provisions; estimates for individual proposals alone could be substantially different. Totals may not equal sum of components due to rounding. 2. All estimates are based on the alternative II–B economic and demographic assumptions from the 1988 Trustees Report. All proposals are assumed to become effective January 1, 1990.

Source: Social Security Administration, Office of the Actuary, June 28, 1988.

THOUGHTS ON ALL THE OLD GROWTH

HON. AL SWIFT

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 16, 1989

Mr. SWIFT. Mr. Speaker, "We should not cut all the old growth." We hear that all the time. In the Northwest where we are currently undergoing an intense controversy over the spotted owl with very grave likelihood of the loss of 130,000 jobs in the second largest industry in the region, the stakes are high. It is all the more important that we understand accurately what it is we are talking about. This is an essay drawn from a letter written to me by Dave Buse, an executive in a small timber products firm founded and owned by his family.

The environmentalists, frankly, have been very imprecise in describing the issue. They keep talking about losing "all" the old growth. It is an excellent device to gain public support. The average person does not want all the old trees cut.

The fact is, no one is talking about cutting all the old growth. Cutting all the old growth in simply not an issue.

Half of the remaining old growth in the Pacific Northwest is already locked up forever: 3 million acres worth. It is locked up in national parks and wilderness areas. The issue is not cutting "all" old growth. The question is survival of an industry that supplies hundreds of thousands of people of all ages with the ability to support their families.

Furthermore, each American uses about an acre's worth of wood products in a year. Where are we going to find substitutes for these wood products? We are already importing more wood fiber to this country than we are exporting. Are we going to shut down our domestic timber industry and use wood products from nations that cut their trees but do not do the intense reforestation that we provide? That is the surest way of contributing to the greenhouse effect one can think of.

What are we going to substitute for wood products? Plastic, which causes huge environmental problems? Are we going to write on parchment? I remember when there was great outrage that grocery stores were going to plastic bags rather than paper bags because the environmentalists said the plastic bags were not biodegradable.

We simply have to be reasonable about these matters. We have to be thoughtful. We cannot be stampeded by those who wave the greenhouse effect at us when the proposal they are making would make it worse. We cannot believe those that say there are efforts afoot to cut down "all the old growth" when there are not only no such efforts but federal law would prevent them from being successful.

We need to look at the survival of small families, small businesses, small communities. Virtually everything that is threatened by this spotted owl controversy is small. We are limited in our resources to fight the legal and political battles, sharply limited in resilience, seriously limited in our ability to survive.

The cities of Seattle, Spokane, and Portland will hardly notice the dying of little communities all over the Northwest until their taxes have to go up to reflect the loss of revenue from scores of dying little towns and by the increased unemployment, welfare, and law enforcement costs that accompany such devastation to a region's economy. What we will have is millions of acres of mature trees, rotting silently in the forest, giving off carbon dioxide and thereby increasing the greenhouse effect.

We are not exploiters. We are hard working Americans who love the outdoors and who have an enormous self interest in preserving our great forests in perpetuity. Why must we be endangered? Why must we die to perserve a forest that isn't going anywhere and for which we are the strongest advocates of its surviving forever?

A TRIBUTE TO MARY LAMBERT

HON. HAMILTON FISH, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 16, 1989

Mr. FISH. Mr. Speaker, I take this opportunity to honor Mary Lambert, the 1989 nominee for the Yorktown Senior Citizens Hall of Fame. Mary's record of service is exemplary since she began her volunteer efforts on behalf of Yorktown's senior citizens.

Mary embodies the volunteer spirit that is flashing a "thousand points of light" across our land in the spirit of our forefathers who committed themselves to the community. Helping the seniors of Yorktown, Mary has contributed many times with transportation for doctors' appointments, hospital visits, church services, shopping chores and to other tasks that brighten the day of those in need of assistance.

For this spirit and willingness, we today offer our tribute to the achievements of Mary Lambert. Over the years, Mary has been willing to help with her faithful visits and phone calls to those shut in with health cares. She has cleaned and decorated parish facilities at Saint Patrick Church on holidays and other special occasions, assisted with fund raising and contributed generously of her time and her special devotion to service.

During 5 years of kitchen duty as a member of Yorktown Senior Citizens Chapter 2, Mary has willingly served in shopping for and the supply of refreshments. She is a well-known representative at the veterans hospital, where she has devoted more than 1,500 hours to sponsored recreational activities and parties for the patients. Mary has been instrumental in bringing needed clothing to the hospital and to Graymoor.

Mary has been honored the past 8 years as the Memorial Day Poppy Chairman for Yorktown. Today we honor her for the outstanding record of service and achievement she has compiled with the Yorktown Senior Citizens Chapter 2. We commend Mary Lambert and wish her well-deserved happiness and prosperity.

PEORIA: AN ALL-AMERICA CITY

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 16, 1989

Mr. MICHEL. Mr. Speaker, what residents of Peoria, IL, have known for many years has received official confirmation: Peoria is an "All-America City." On Saturday, May 13, 1989, the jury of the All-America City competition, held this year in Chicago, named Peoria 1 of only 10 cities in the United States to receive this prestigious award.

My congratulations go to Mayor Jim Maloof, and to all of the people of my hometown and the surrounding area. In Mayor Maloof's words, "This is one of those things that we have all worked so hard for * * * I am thrilled and happy for the people of the community—this entire area."

At this point I wish to insert in the RECORD two articles from the Peoria Journal Star, "Peoria Wins All-America Status," May 14, 1989, and "Maloof Makes Plans to Utilize City's New Honor," May 15, 1989.

[From the Peoria (IL) Journal Star, May 14, 1989]

PEORIA WINS ALL-AMERICA STATUS

(By Ann-Perry Washabaugh)

CHICAGO.—Peoria is All-American and it's got a national award to prove it.

The city succeeded Saturday night in capturing the All-America City award that proved so elusive in past years.

But the honor didn't come without a little nervous perspiration, since Peoria was the last of 10 cities to be presented with the designation.

The reason: All-America officials were so impressed by Mayor Jim Maloof's colorful speech after garnering only an honorable mention last year that they intentionally saved the best performer for last.

Maloof made it worth the wait, standing before the crowd and singing "Here's to the Winners" for the second year in a row. For the second year in a row, he received a standing ovation.

"Last year, it was a little more difficult to sing it, but the message is still there," Maloof said afterward. "I'm so thrilled, I could damn near—make that darn near—cry."

A few tears fell among the nine-member Peoria delegation when the announcement was made by jury foreman William Quinn, the former governor of Hawaii. But those tears merely replaced the beads of sweat that had formed on the delegates' brows as they watched all of the other cities who returned for a second run at the award, capture the prize.

"This is horrible. This is horrible. I hate this," said Peoria Chamber Achiever Deb Rochford, after three cities had received their awards and made their speeches. She is the wife of attorney Jim Rochford, who led the effort to garner the designation, both in 1988 and this year.

During its presentation to the jury on Friday, Peoria presenters Rochford, Maloof, Andrea Carman of Forward Peoria! Patti Bash of the Peoria Area Health Education Center and former East Peoria Mayor Jim Ranney stressed the importance of community involvement and cooperation.

The theme was inclusion, and Peoria painted a picture of a city that had despaired and pulled itself back to prosperity through community spirit and intergovernmental cooperation.

The presentation was in sharp contrast to the 1988 attempt, when Maloof dominated with fast-talking and wisecracks.

On Saturday, after the ceremony at the Hyatt Regency here had ended. Rochford clutched the All-America City certificate and beamed.

"That's fantastic," he said. "But the agony of sitting there until the last one was incredible."

As Quinn began to read out the final city's accomplishments, Peoria delegates recognized the description of their programs and Maloof began to hoot.

"God is good. God is good," the mayor shouted as he took the podium. A few delegates of other cities responded as though Maloof were leading a prayer meeting, and they bellowed, "Yes He is."

"We were here last year and we were determined to come back," Maloof told the representatives of 30 cities who competed for the 10 designations. "I've got news for you. We're coming back next year."

First, though, comes the task of using this year's award to bolster the city's reputation, Peoria delegates said.

"It's like icing on the cake," City Councilman James Polk said. "The themes we've been pushing for the last four years have been recognized. Now, we'll have the entire nation looking at us."

The All-America City competition coordinators already have provided finalist cities with a book on how to market the award. Outside the banquet hall, a marketing company had set up a display of products that could bear the All-America label and the winning cities' names.

Peoria doesn't have its strategy in place, yet, but that's coming soon, Rochford said.

Maloof already knew what has first attempts would be to make the world aware of Peoria's All-America status.

"We're going to use the recognition in every possible way we can to attract more jobs and business to the community," Maloof said, suggesting city statutory and newspaper front pages as obvious places where the All-America badge could be displayed prominently. The last time Peoria was an All-America City was in 1966, and it won the award only once before, in 1953. The community has made several runs at the designation in the intervening years, suffering its most disheartening loss last year after making it to the finals.

In that competition, Peoria became the popular favorite of other cities because of the mayor's boisterous personality, but the judges said they found it difficult to believe that Peoria ever had suffered through hard times.

The other cities that won the designation were Phoeniz, Ariz., the largest competitor with a population of nearly 900,000; Inglewood, Calif., which won an honorable mention last year; Greeley, Colo., with a population of about 53,000; Salina, Kan., population about 42,000; New Bedford, Mass., population 98,478; Tupelo, Miss., population 23,905; Dunn, N.C., population 8,962; New Bern, N.C., which returned after winning an honorable mention last year; and Roanoke County, Va., whose major city, Roanoke, won an All-America designation in 1988.

[From the Peoria (IL) Journal Star, May 15, 1989]

MALOOF MAKES PLANS TO UTILIZE CITY'S NEW HONOR

(By Sally McKee)

Just one hour after returning to Peoria, Mayor Jim Maloof was busy spreading the good word of Peoria's All-America City status.

The mayor called a press conference Sunday afternoon to congratulate Peoria-area residents for the successful campaign for All-America city.

"This is one of those things we have all worked so hard for," Maloof said. "I am thrilled and happy for the people of the community—this entire area."

Maloof said this year's presentation focused on people involvement instead of last year's emphasis on economic development.

Last year, Peoria received an honorable mention.

Just back from the competition, the man who has poured his heart and soul into this city is not finished. He is busy making plans on how to best use the award.

Maloof said he hopes to appoint a committee of local people as the All-America City Event Committee.

"My hope is this will become a celebration that will go on a number of weeks, no, months," he said. "We will use this every way we can to attract people jobs and businesses to the community."

Maloof already has investigated the possibility of highway signs announcing Peoria's new status.

"I hope the newspapers will put the (All-America) symbol out through the entire year," he added. "I am asking all of the local businesses to put the symbol on their stationery—I want to splash it all over the world."

"It is our feeling that the people in Peoria don't realize how significant this is," he stressed.

Maloof's excitement about the award was contagious as citizens filed into the City Hall board room to hug and congratulate the mayor. However, Maloof was quick to give credit to the others involved in the competition.

He was joined by Patti Bash of the Peoria Area Health Education Center, Andrea Carman of Forward Peoria!, former East Peoria Mayor Jim Ranney and attorney Jim Rochford, who all contributed to Peoria's presentation in Chicago.

Rochford said last year's experience helped Peoria win this year. He compared last year's presentation with showing the judges a 150-pound person and saying they used to weigh 300 lbs., without showing any photos of the 300-lb. person.

"They needed to see the first picture," he said. "We demonstrated where we came from to where we are at now."

Although the judging is over, Rochford said their work is only half done. The first part was winning, the second part is to let people know about it.

Upcoming plans for the city include an Applaud Peoria program set for Friday near the Courthouse Plaza. This event will start the All-America City celebration, Rochford noted.

Bash's contribution to the presentation was to focus on the cooperation between the city's three hospitals. She discussed the joint laundry facility, the heart transplants, shared equipment use and the plans for the health education center as examples of how the city's medical community works together.

As Forward Peoria! chairwoman, Carman highlighted citizen involvement in the Forward Peoria! committees. Although citizen groups like Forward Peoria! are not unusual in cities, she said the extent of Peoria's was unusual, especially because no public money was used.

DR. RICHARD GREEN

HON. MARTIN OLAV SABO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 16, 1989

Mr. SABO. Mr. Speaker, it was with great shock and sadness that we learned last week of the death of Dr. Richard Green, the chancellor of the New York City schools. He will be sorely missed by many of us.

Richard's passing is a tragic loss not only for his wife Gwen and his family, but also for New York City and his many friends and admirers in Minnesota. As the head of the Nation's largest school district, his death is also a loss for American public schools.

It was with a very personal sense of sorrow and sadness that I heard the news. Richard and I had been friends for more than 30 years, since we were classmates at Augsburg College in Minneapolis. Richard was a bright student at Augsburg and it was clear then that he would go far. He didn't just fulfill our expectations, he exceeded them.

Richard dedicated his life to education and he rose fast in that field. Beginning as a special-education teacher in Minneapolis, he rose to become an assistant principal, then principal of Minneapolis' North High School, and, for nearly 8 years, a strong superintendent of the city's school system.

Fourteen months ago, he became the chancellor of the New York City school system. That was an immense undertaking, as you can well imagine, but Richard took on the daunting task with the same spirit he had displayed in every other challenge in his life.

Richard was an outstanding educator. Countless young people, teachers, and parents benefited from his tireless work. He was a shining example for young people, encouraging them to do their very best. He always pushed for excellence and high standards.

Most of all, Richard always had an abiding concern for his students. He cared deeply about them and was a forceful advocate for them. I was always struck by the personal sense of responsibility Richard had for the success of his students.

Richard's passing was especially noted in Minneapolis, his hometown and a city he had served so well for so long. I want to share with you a particularly poignant article written by noted Minneapolis Star Tribune columnist Jim Klobuchar. It offers some deep insights into Richard's life, character, and qualities as related by his close, life-long friend Harry Davis.

[From the Star Tribune, May 11, 1989]

GREEN'S LEGACY IS FOR ALL CHILDREN

(By Jim Klobuchar)

How did a street fighter from north Minneapolis become one of the great educators in America, Harry?

Tell us, what is the distance from a settlement house in Minneapolis to the chancellor's office of the world's biggest school district in New York City? Tell us, so that we can measure that distance in sweat and hunger and the electric surges of a restless, exploring mind.

Explain what there was inside Richard Green that we should mourn most, Harry, because most of us didn't walk the street that Richard Green walked.

"The street he walked to school every day as a boy took him past pimps and prostitutes and drifters," Harry Davis said. "He didn't have many illusions about the world by the time he was in grade school." Nor did he have many visions of the future when he as a kid, no silent furies driving him toward some personal chalice.

"What he had," Harry said, "was belief and confidence. He knew he was different, and one way or another Richard Green would matter, whether it was in a playground fight, the classroom or someplace else. He mattered more than he could possibly have guessed when he was a kid. And now he's gone."

Harry said it often enough Wednesday to accept the reality of it. Richard dead—the nursery school kid he met nearly 50 years ago at the Phyllis Wheatley House; the cheeky boy to whom he gave a pair of boxing gloves a few years later, telling him there was a better way than duking it out in the street; the man who sat beside him at school board meetings in Minneapolis, presiding as superintendent; the man he heard addressing the Urban League in Minneapolis just two weeks ago, seemingly healthy and vigorous, speaking from the maturity of a mind now grappling with the futures of nearly a million children.

"I'll never forget the conversation we had when the list for the New York City job had been pared down and he was one of the finalists. He asked me what I thought about it. I said, 'You're not going to take that job? You have to be crazy.' He had that habit of tilting his head a little when he talked, always moving, light on his feet. And he said, 'Hey, you always taught me to go for it. And here's a chance for that snot-nosed kid you knew years ago to become chancellor of the biggest school system in the country.' He laughed, and there was no turning back. There shouldn't have been He was right, and he was the best man for the job."

Expect no public tears from Harry Davis in the death of Dr. Richard Green, to whom he gave what most fathers give their sons: a hug, a direction, forgiveness and trust. If that is love, it is what Harry gave to Richard. Harry is not Jesse Jackson and he is not Martin Luther King. There are leaders who can define the tragedy, the yearnings and the greatness of their people in language so powerful and lyrical that it can ignite all people.

Harry is not one of those. He is a calm and understated man whose canvas is smaller. He has been a teacher and friend and a public man, a school board member. Somewhere in that process he has, incidentally, saved hundreds of lives. But he will tell you that Richard Green was saved and ultimately turned into a figure of national leadership by two people—his mother, Gertrude, and by Richard Green.

"She did day work, cleaned houses, to feed her kids. She took them to church. She gave them her energies," Harry said. "Nobody else gave Richard what was inside of him. He was aggressive and smart and full of energy. Any group he was in, he was the leader. Sometimes he was a peacemaker and sometimes he was the enforcer. He was a persuavise kid. He was an athlete and he could think of his feet. I would put him in with kids of more experience because he was more mature. In the kind of world he grew up in, you had to be able to run or fight. Richard could do both. Racism was everyday then. It was part of your life. It was thick then. You had to find a way to deal with it. It's why I got into Golden Gloves. The kids could take out their aggressions that way."

The Phyllis Wheatley settlement house in north Minneapolis was a refuge and learning center. Long before desegregation decisions and Martin Luther King, before the slogans of black pride, it was a house of black brotherhood and a door to survival for the kids. Their role models were Cecil Newman and Gertrude Brown and others, blacks in the community who had stood up to racism and, in whatever way seemed serviceable, stung the conscience of the institution. Wheatley nurtured young men whose names later occupied the forefront of the black movement of the middle century; Roy Wilkins, Whitney Young, Carl Stokes, Carl Rowan and others. Athletes good enough to play for the University of Minnesota football team lived at Wheatley. They were good enough to play, but not good enough, or white enough, to live in the university dorms. In the Wheatley of those years, teenagers like Harry Davis adopted kids like Richard Green as their students and projects.

"He was a terrific student, but he was also disruptive. He was assigned to Vocational High School, which in those years was a kind of work opportunity school. Gradually he grew out of the tough-guy mentality. It was more satisfying to use his mind. He wasn't satisfied with the street vocabulary. He worked on his own from grade school."

Sometimes he would tell one of the dudes, at 9 or 10 years of age, "How come you're so belligerent?"

I'm what?

"It means pushy. You can look it up."

From Vocational, there was a scholarship to Augsburg, teaching in Minneapolis, assistant principal, principal at North, a doc-

torate from Harvard, upward for Richard Green.

The commencements were starting to get sloppy at North when he came in. Green stopped that. Graduating from high school meant that you had done something, that you counted. Feel it. Wear it. He told the girls to come in formals and boys in tuxes the next time. They still do.

The man who gave Richard his boxing gloves at Wheatley was the one who urged him to apply for the Minneapolis school superintendency. "When the interviews started," Davis said, "I felt good about that. We had a lot of good candidates but Richard stood above them. He had the information. You asked him, and he looked you straight in the eye and he gave you answers. When he was in the job, he didn't back away from hard decisions. He closed 18 schools in one year because it had to be done. He irritated some people because of his straight-ahead style. They called it arrogance. Another name for it is leadership. He'd write to me from New York, telling me of bits of progress here and there. He really was excited about doing something for those kids. He was restless about it. Education was everything for him. He said nobody can give excuses for learning."

He felt it deeply not only because he was a professional educator, but because he was black. He knew better that most, drawing from his years in north Minneapolis, the truth about quality education: It is as vital as blood and air for people in want. In a rough way, his life mirrored the struggles of his people. As a boy he felt the abuse, he responded with protest and defiance, and finally he saw that the most durable way for Richard Green—without discounting the other ways—was the way of the school. He carried that message to city kids of all colors for the rest of his life, and from this city to New York, it will ring loud and clear.

CHILDREN'S IDEAS ABOUT THE VALDEZ OILSPILL

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 16, 1989

Mr. MILLER of California. Mr. Speaker, I would like to bring to the attention of my colleagues several letters to me about the Valdez oilspill written by bay area fifth-graders in Alameda, CA. I believe these students typify the feelings of children everywhere. They show great sensitivity to the environment, and they're extremely perceptive. Equally important, they're not short on interesting suggestions for oilspill cleanup either.

I take their comments very seriously, and I don't want to let these kids down.

They are putting their trust in us to find solutions to this problem and to make sure the environment and our natural resources are protected. We have to do the best we can to meet that trust.

The following are excerpts from letters I have received.

SHANNON MORLIN'S ESSAY ON "EXXON OIL SPILL"

As you all know there was a bad oil spill in Alaska. This accident shouldn't of even happened. I think this was a bad time to happen because baby birds were about to be born.

If people care so much about animals they would probably give up their life just for animal life.

In this oil spill 240,000 gallons of oil was spilt. If you say that is nothing you must be out of your mind because that is making gas cost a lot more money.

In Alaska people are removing the oil by hand. Also Hazelwood admitted he was drinking while driving the boat but he didn't tell how much.

I think in the future people are going to say to themselves "What will happen if we have an oil spill here? How will we pick up the oil? What will we do? How will people and birds survive?"

I think I would go to Alaska, if I was older, because even though the animals are wild, they have a right to live.

DEAR CONGRESSMAN GEORGE, I'm writing you this letter because of the big oil spill in Valdez. I know this shouldn't of happened but you said that the equipment to clean up the oil would work, but in some cases they didn't except for putting the oil in another tanker, but that only got half of the oil, not even half, just some. I'm very concerned about this, but as you know us kids don't get very much to talk out what we feel. Well, I hope you write back to me.

Sincerely,

BERNA GRIFFITH.

DEAR CONGRESSMAN MILLER, I'm mad that Exxon is going to kill all of my animals in Alaska.

From,

JASON PATTERSON.

DEAR CONGRESSMAN MILLER, I hear you're in charge of the oil spill. Can't you use a very powerful vacuum cleaner like the one below to move along the beach and pick up the oil?

The oil emulsifier will soften the oil so it could sweep it up. It would be 1 foot 7 inches up, and 2 feet 6½ inches across. The hose is 6 inches thick and 2 feet 2 inches across. The piece at the end is 1 foot around.

Sincerely,

ZACH VOGEL.

DEAR CONGRESSMAN MILLER, I am a fifth grader at George P. Miller School (named after your father). I believe Alaska is hurting very badly from the spill. Our school did several reports on our opinion about the oil spill and you would be surprised at how much our opinion counts. We have very strong feelings about this subject. If the new generation grows up to think we can't trust oil companies and Congress then our country will fall apart. Alaska's wildlife are hurting very badly and all Congress can think of is robbing land from the creatures to drill on! I think before you think about getting more oil you should clean up the 245 gallons left in the ocean! Please help.

Signed,

ALLISON DUNN.

George Miller why would you want to take the patch of land from Alaska. Please don't.

Sincerely,

RICKY BLAIR.

THE MARINE CORPS FMFM1

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 16, 1989

Mr. SKELTON. Mr. Speaker, in the newly published manual, FMFM1, entitled "Warfighting," by U.S. Marine Corps Gen. Al Gray, the Commandant outlines his philosophy on warfighting. His philosophy is described on an authoritative basis, and is not only for the Marine Corps, but for all the military in our country.

In light of the Armed Services Committee Panel on Military Education, which I chaired, two sections of FMFM1 are particularly important and I set them forth herein so that the Members will have an idea of some of the subject matter involved with our year-long study of American professional military education:

PROFESSIONAL MILITARY EDUCATION

Professional military education is designed to develop creative, thinking leaders. A leader's career, from the initial stages of leadership training, should be viewed as a continuous, progressive process of development. At each stage of his career, he should be preparing for the subsequent stage.

Whether he is an officer or enlisted, the early stages of a leader's career are, in effect, his apprenticeship. While receiving a foundation in professional theory and concepts that will serve him throughout his career, the leader focuses on understanding the requirements and learning and applying the procedures and techniques associated with his field. This is when he learns his trade as an aviator, infantryman, artilleryman, or logistician. As he progresses, the leader should have mastered the requirements of his apprenticeship and should understand the interrelationship of the techniques and procedures within his field. His goal is to become an expert in the tactical level of war.

As an officer continues to develop, he should understand the interrelationship between his field and all the other fields within the Marine Corps. He should be an expert in tactics and techniques and should understand amphibious warfare and combined arms. He should be studying the operational level of war. At the senior levels he should be fully capable of articulating, applying, and integrating MAGTF warfighting capabilities in a joint and combined environment and should be an expert in the art of war at all levels.

The responsibility for implementing professional military education in the Marine Corps is three-tiered: it resides not only with the education establishment, but also with the commander and the individual.

The education establishment consists of those schools—administered by the Marine Corps, subordinate commands, or outside agencies—established to provide formal education in the art and science of war. In all officer education particularly, schools should focus on developing a talent for military judgment, not on imparting knowledge through rote learning. Study conducted by the education establishment can neither provide complete career training for an individual nor reach all individuals. Rather, it builds upon the base provided by commanders and by individual study.

All commanders should consider the professional development of their subordinates a principal responsibility of command. Commanders should foster a personal teacher-student relationship with their subordinates. Commanders are expected to conduct a continuing professional education program for their subordinates which includes developing military judgment and decision making and teaches general professional subjects and specific technical subjects pertinent to occupational specialties. Useful tools for general professional development include supervised reading programs, map exercises, war games, battle studies, and terrain studies. Commanders should see the development of their subordinates as a direct reflection on themselves.

Finally, every Marine has a basic responsibility to study the profession of arms on his own. A leader without either interest in or knowledge of the history and theory of warfare—the intellectual content of his profession—is a leader in appearance only. Self-study in the art and science of war is at least equal in importance—and should receive at least equal time—to maintaining physical condition. This is particularly true among officers; after all, an officer's principal weapon is his mind.

LEVELS OF WAR

War takes place simultaneously at several correlated levels, each with differing ends, means, characteristics, and requirements.

Activities at the strategic level focus directly on national policy objectives. Strategy applies to peace as well as war. Within strategy we distinguish between national strategy, which coordinates and focuses all the components of national power to attain the policy objective, and military strategy, which is the application of military force to secure the policy objective. Military strategy thus is subordinate to national strategy. Strategy can be thought of as the art of winning wars. Strategy establishes goals in theaters of war. It assigns forces, provides assets, and imposes conditions on the use of force. Strategy derived from national policy must be clearly understood to be the sole authoritative basis of all operations.

Activities at the tactical level of war focus on the application of combat power to defeat an enemy in combat at a particular time and place. Tactics can be thought of as the art and science of winning engagements and battles. It includes the use of firepower and maneuver, the integration of different arms, and the immediate exploitation of success to defeat the enemy. Included within the tactical level of war is the sustainment of forces during combat. The tactical level also includes the technical application of combat power, which consists of those techniques and procedures for accomplishing specific tasks within a tactical action. These techniques and procedures deal primarily with actions designed to enhance the effects of fires or reduce the effects of enemy fires—methods such as the call for fire, techniques of fire, the technical operation of weapons and equipment, or tactical movement techniques. There is a certain overlap between tactics and techniques. We make the point only to draw the distinction between tactics, which are the product of judgment and creativity, and techniques and procedures, which are generally performed by repetitive routine.

The operational level of war links the strategic and tactical levels. It is the use of tactical results to attain strategic objectives. The operational level includes deciding when, where, and under what conditions to engage the energy in battle—and when, where, and under what condition to refuse battle—with reference to higher aims. Actions at this level imply a broader dimension of time, and space than do tactics. As strategy deals with wars and tactics with battles and engagements, the operational level of war is the art of winning campaigns. Its means are tactical result, and its end is the military strategic objective.

AN UNINTENDED DUTY INCREASE ON PAINT AND COATINGS INGREDIENT SHOULD BE CORRECTED

HON. BILL ARCHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 16, 1989

Mr. ARCHER. Mr. Speaker, recently I introduced a miscellaneous tariff bill, H.R. 1872, on behalf of Rhone-Poulenc, Inc., which manufactures chemicals, high performance ceramics, and rare earths in over 40 facilities in the United States. The company began the manufacture of a new, high performance polyisocyanate resin at its Freeport, TX, facility in March 1988. This resin is used by the U.S. paint manufacturing industry to make polyurethane coatings of far greater durability than previously possible. The economic viability of this new facility is threatened by an unintended duty increase of more than 100 percent on a key raw material which must be imported, HDI-monomer. The duty increase should be corrected as soon as possible.

The unintended duty increase is a consequence of the replacement of the Tariff Schedules of the United States [TSUS] with the new Harmonized Tariff System [HTS], which became effective January 1, 1989. The duty increased from the rate of 7.9 percent ad valorem to 16.2 percent ad valorem plus 2.9 cents per kilogram. This change is not based on any change or variance in chemical composition or any congressional decision to increase HDI-monomer tariffs. Indeed, the tariff protects no domestic producer. Apart from the HDI manufactured and consumed in the resin production of Rhone-Poulenc's competitor, no HDI is produced domestically. The tariff increase is solely a result of the technical process chosen for converting from the TSUS to the HTS.

In the conversion process, items classified under TSUS categories were reclassified to subheadings provided for in the HTS. For example, the chemicals with which HDI-monomer was grouped, under TSUS item 425.52.90 were reclassified into approximately 50 separate HTS subheadings, each with its own tariff rate. The tariffs for these HTS subheadings were often established by reference to the TSUS tariff for the commodity representing the preponderance of trade in the new grouping. In his request to the International Trade Commission to undertake the necessary reclassification from the TSUS to the HTS, President Reagan directed that the conversion avoid changes in duties on individual articles. In the case of HDI-monomer, however, a huge duty increase occurred. If a temporary reduction of the duty, to its pre-January 1, 1989, level, is not adopted, the conversion from the TSUS to the HTS will cause Rhone-Poulenc to pay increased duties on imported HDI-monomer of about $1.12 million a year.

The Freeport facility's continued operation is important to the plant's customers. The sophistication and complexity of the paint and coatings many Rhone-Poulenc customers manufacture requires that Rhone-Poulenc's resin product have very specific characteristics. Rhone-Poulenc's customers have tested these resins for 3–5 years to establish the acceptability of the Rhone-Poulenc resins now being produced at Freeport. In some cases, Rhone-Poulenc's customers' contracts with their own customers require the use of Rhone-Poulenc's polyisocyanate resins.

Rhone-Poulenc is seriously considering building a new U.S. plant for production of HDI-monomer, both to end its dependence on imports and to be able to expand its resin production at the Freeport, TX, plant. However, planning and construction will take several years. A few European producers are now manufacturing polyisocyanate resins and Japanese producers have built pilot projects. Temporary reduction of the increased duties and, thereafter, a temporary suspension of the duty to correct the unintended tariff burden on Rhone-Poulenc's U.S. resin producing facility, will allow the company to establish a solid position for U.S. production in an important and expanding domestic and international market.

AN AGENDA FOR KEEPING AMERICA'S FAMILIES TOGETHER

HON. CLAUDE PEPPER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 16, 1989

Mr. PEPPER. Mr. Speaker, several weeks ago, I submitted for my colleagues' attention my legislative agenda for keeping America's families together. Unfortunately, portions of my agenda were inadvertently omitted. I would like to present at this time my agenda in its entirety.

Mr. Speaker, as Chairman of the House Select Committee on Aging's Subcommittee on Health and Long-Term Care, I join with all those who have been involved in advocating meaningful changes to improve conditions for the people of our Nation. I want to commend Members of the 100th Congress for their foresight to enact a number of important bills that will be of great assistance to older persons and their families. One of the most significant was the creation of the U.S. Bipartisan Commission on Comprehensive Health Care which was an amendment to the Catastrophic Health Care Act passed by this Congress and signed into law by the President. This Commission, legislation for which I had the pleasure to author, will submit to the Congress, within 1 year, two immensely important reports. The first will detail how the Congress might finance and administer a program of long-term care for all Americans and the second will detail how we might finance and administer a program of comprehensive health care for all Americans. This Commission will

for the first time in the history of the United States attempt to come to agreement on how every man, woman, and child in America can have the benefit of appropriate health care, regardless of income or ability to pay.

There have been many other important accomplishments on behalf of the elderly and their families in the 100th Congress. We created the 13th Institute of Health—the National Institute on Deafness and Communications Disorders. This new Institute will hopefully bring about new knowledge and cures for over 30 million Americans, half of whom are elderly, who have been robbed of the ability to hear and speak correctly.

Also enacted last year was legislation establishing the National Biotechnology Information Center within the National Library of Medicine. This Center marks an important step toward improving the quality of lives for all Americans. Biotechnology, the branch of science focusing on DNA and the molecules which control the life processes, is one of the most promising areas of medical research . If we can understand. genetics, we will begin to understand why disease occurs in certain individuals. We will then be on our way to solving the puzzles of Alzheimer's disease, arthritis, cancer, AIDS, and other ailments for which the cure has so far eluded us. This new Center, which will speed the dissemination of crucial information to researchers worldwide, will vastly improve the health status of all Americans in the future.

Tragically, despite these accomplishments, this last Congress did not see fit to enact a program of long-term health care nor a program of comprehensive health care for all Americans. The Congress has not yet adopted procedures for protecting those living under abusive guardianships, nor do we allow older Americans to continue working beyond the age of 65 without penalty of Social Security reduction or taxation.

Today, I am pleased to offer for consideration of my colleagues in the House an "Agenda for Keeping America's Families Together." This legislative agenda will meet the pressing needs of America's aging and changing families for better health care, housing, personal security against criminal victimization, employment, and retirement income.

We are far from the point where we can say that the job is done, but we will not cease our efforts. In this Congress, we will continue our fight for the rights of America's families. Their needs are many:

HEALTH

First, there is nothing more critical to the well-being of an individual than his or her own health. Our health care system in America is failing. It is failing the 37 million Americans who have no health insurance. It is failing 1 million Americans of all ages who go bankrupt annually paying the costs of catastrophic long-term illnesses. It is failing the thousands who die annually unable to pay for a life-giving transplant. It is failing American business by cutting their competitive edge due to our inability to control costs and double digit health care inflation. It is failing thousands of technology-dependent children who are forced to live out their last days in costly and uncaring hospitals because of our health system's bias against home care. Health is the fastest growing industry in America accounting for about 12 percent of the gross national product, yet it is failing to provide Americans with fundamental health care protection. Instead, it is becoming simply a privilege few can afford.

We must enact legislation recognizing that it is one's birthright to obtain the best health that modern science can provide. We can't afford not to. During the 100th Congress, while the catastrophic illness bill was under debate, Congressman HENRY WAXMAN offered my bill to create a bipartisan Commission on Comprehensive Health Care as an amendment to the catastrophic illness bill. This Commission is now required by statute to present Congress with recommendations on how to finance and how to administer a program of long-term care for all Americans and how to finance and how to administer a program of comprehensive health care for all Americans by November 9 of this year. This historic mandate is unprecedented in the history of the United States. Hopefully, the Commission will lay before the Congress a legislative package upon which it can act to provide comprehensive health care to all Americans.

Pending the Commission's recommendations, the current institutional bias of Federal policy must be changed, so that thousands of chronically ill Americans are not deprived of home health care by present provisions emphasizing more expensive nursing home care. Last year, the Congress approved the Catastrophic Health Care Act and in doing so sought to improve burdensome costs associated with acute catastrophic illnesses. Eighty percent of catastrophic health care expenses, however, are for long-term chronic illnesses. To meet these costs, many families are forced into bankruptcy or poverty—1 million each year. Neither Medicare, nor Medicaid provide significant assistance in these cases. Private insurance policies are similarly limited. Yet, the burden is enormous:

Over 10 million children are said to have chronic health conditions;

More than half a million accident victims are left permanently disabled each year;

Over 20 million Americans have chronic heart conditions;

Ten million Americans have chronic lung conditions;

One of every three seniors will have a chronic health problem that requires long-term care by the age of 85;

Others have chronic conditions as diverse as cerebral palsy, Lou Gehrig's disease, Huntington's disease, mental illness, cancer, arthritis, strokes, and Alzheimer's disease.

Congress should enact H.R. 2263, legislation I have introduced that would meet the enormous challenge of providing long-term care to chronically ill Americans. Such legislation should protect Americans of all ages, regardless of income, who have been certified to be unable to perform two or more normal activities of daily living—eating, bathing, dressing, transferring, or toileting—without assistance. Services delivered should be closely monitored and managed to assure efficiency and effectiveness. Costs should be tightly controlled and should not exceed the cost of providing similar services in a hospital or nursing home. It should be self-financed and progressive. Public opinion surveys indicate enormous support for eliminating the cap—$48,000 in 1989—on income subject to the Medicare payroll tax of 1.45 percent which would generate income sufficient to pay for the program in its entirety. This change affects only those 5 percent of workers who earn more than $48,000 in individual income—not family income.

Every public opinion survey indicates overwhelming support for long-term care protection. A recent Lou Harris poll, for example, found that 8 of every 10 Americans favor the Federal Government providing a program of long-term home care for all ages. And, three-quarters of all Americans were in favor of paying for this new program by eliminating the $48,000 cap on income subject to the 1.45 Medicare payroll tax. Interestingly, the poll found that three-quarters of those who would actually pay the tax—those making over $48,000—were willing to do so for a program of long-term care.

Lastly, while we were successful in enacting legislation I sponsored last Congress establishing a National Center on Biotechnology Information, much remains to be done in this vast and exciting field of research.

The Congress should give funding priority to efforts underway at the National Institutes of Health to map the human genome. In understanding the makeup of the human gene, we will begin to understand why disease occurs in certain individuals. We will then be on our way to solving the puzzles of Alzheimer's disease, arthritis, cancer, AIDS and other ailments for which the cure has so far eluded us. I am confident, and prominent scientists have echoed this view, that we will see continued progress in the area of natural interventions. Through biotechnology, we will hopefully unlock the mysteries of disease and so improve the health status of every American in the future.

RETIREMENT INCOME AND EMPLOYMENT

Mr. Speaker, with the following words, President Franklin Delano Roosevelt began the greatest and most successful public program in our Nation's history, Social Security:

I am looking for a sound means which I can recommend to provide at once security against several of the great disturbing factors in life—especially those which relate to unemployment and old age * * *.

No single function of government affects as many Americans as profoundly as the Nation's social insurance system: Social Security. America's aged receive a monthly retirement check, and more than 4 million disabled workers and their spouses and children receive disability insurance benefits every month. Altogether, more than 38 million beneficiaries receive a check every month, and over 120 million workers contribute through the payroll tax to Social Security.

Between its inception in 1935 and now, Social Security has transformed the economic well-being of virtually every man, woman, and child in America. The dramatic reduction in the incidence of poverty among the aged, for example, can be attributed almost completely to Social Security. Without Social Security, in fact, the poverty rate among the elderly would nearly quadruple—jumping from 12.4 percent to 47.6 percent in 1984. Social Security is the

primary source of income to more than half of those aged 65 and over, and it is the sole source of income for one out of every four older Americans.

Many Americans think of Social Security as a pension program for older Americans. Social Security is far more important. It is more broad based and comprehensive than any pension program. Our Nation's 120 million contributing workers are building vital protection for themselves and their families. Social Security plays a key role in keeping America's families together. It is important for current workers not only because of the retirement, life, and disability protection it provides when needed, but also because it relieves them of the financial burden of caring for parents or disabled family members giving independence and dignity to each generation.

Currently about 140 million people of all ages are insured in the event of death or disability, and 95 out of 100 children have inflation-proof survivor protection. In sum, Social Security is not an old age program—it is a program for the ages and for all ages.

While the 1983 Bipartisan Commission on Social Security, of which I was privileged to be a member, developed legislation assuring a strong, solvent, and sound Social Security system well into the next century, there are improvements to Social Security that deserve the immediate attention of the Congress in its continuing effort to make Social Security even sounder and stronger than it is now.

First, the Congress should enact H.R. 2247, a bill I introduced which among other things would make Social Security an independent agency in 1989. When first created it was an independent agency. And, as a member of the 1983 Social Security Commission, I and other Commission members recommended that it be made an independent agency once again.

In addition to independent status, we must also give the Social Security Administration sufficient staff to operate the program effectively. For the past 8 years there has been a continuous attack on Social Security staff. Staff has been cut by nearly 15,000 or 20 percent. These dramatic cuts make it more difficult for many to get benefits—especially disability benefits—to which they are rightfully entitled and serve to undermine public confidence in the program. As a first step we should at least stop any more cuts to Social Security staff and eventually we should restore all cuts.

Second, beginning in 1984, up to one-half of Social Security benefits became subject to taxation for beneficiaries whose incomes exceeded certain base amounts—$25,000 for single taxapayers, $32,000 for married taxpayers filing jointly. The taxation of benefits, an unfortunate compromise of the Social Security Bipartisan Commission, is simply a cut in benefits and should not have been adopted. H.R. 2247, which would eliminate the taxation of these benefits, should be enacted at the earliest possible time.

Third, in order for a Social Security beneficiary to qualify for his or her entire benefit at time of eligibility they are prohibited from earning more than $6,480 from age 62 through 64, or more than $8,880 from age 65 though 70. For every $2 above those amounts that a person earns their benefit is reduced by $1. This is called the earnings test. My bill, H.R. 2247 would eliminate the earnings test. We should not continue to penalize older workers who wish to continue working and contributing directly to their own benefit. As a society, we should be encouraging, not discouraging, productivity among people regardless of age.

Lastly, we should act to raise the Social Security death or funeral benefit to a level sufficient to reflect the actual cost of a low-cost funeral and tie future increases in the benefit to the rate of inflation. The Social Security death benefit, only $255, has not been increased since the inception of the program and falls far short of assisting surviving spouses for whom a funeral is oftentimes a brankrupting experience. Again, my bill—H.R. 2247—would provide for an adequate death benefit.

Aside from assuring older Americans and their families appropriate protection from earnings lost due to retirement, disability, or death, it is imperative that the Congress take necessary action to protect American workers against discrimination on the basis of age in the work force. In 1978, the Congress took action to prohibit age discrimination in employment in the public sector. Again, in 1986, the Congress extended the same protections to those in the private sector. Now, however, it is important for the Congress to take the final step and eliminate age discrimination in employment altogether by banning the mandatory retirement of certain occupations which remain outside the protection of the Age Discrimination in Employment Act. They include several groups of Federal employees, including foreign service officers, Central Intelligence personnel, and air traffic controllers. Also excluded are elected State and local officials and those for whom age is a bona fide occupational reasonably necessary to normal operations of a particular business, that is, airline pilots.

Evidence from many sources points to the need to act swiftly to eradicate the remaining vestiges of age bias in the workplace. Just as race and sex are no indicators of competence or employability, so should age never be used as a determinant of one's worth.

HOUSING AND BOARD AND CARE HOMES

Over the past 8 years, the Federal role in housing has been reduced significantly with cuts in outlays approaching 75 percent. The need for affordable and adequate housing options for low-income older Americans promises to increase dramatically over the next 20 years. The Congress must act to reverse the current reduction in new construction of federally assisted housing.

In addition, while many older Americans—about 70 percent—own their own homes, the majority of these homes are 50 years old or older and badly in need of repair. Living on fixed incomes, most seniors are ill-equipped financially to maintain repairs on their homes and often are required to prematurely seek institutionalization or housing in a less costly environment. We should consider enacting legislation which would assist elderly and their families preserve dignity and independence in the later years of life by providing tax credits for home improvements necessary to maintain a safe living environment.

One of the most troublesome aspects of our housing and health care system today involves board and care homes in America. My Subcommittee on Health and Long-Term Care recently completed its 10-year investigation into the adequacy of such housing in our country today. They found that most of the 1 million elderly, disabled, and mentally ill persons who reside in board and care homes are being warehoused in understaffed, unregulated, shoddy, and unsafe facilities. Although the abuse is so broad and systemic as to be evident in every State of the Union, neither the State governments nor the Federal Government, which spend an estimated $7 billion annually on these facilities, have evidenced any concern for their residents' safety and welfare, leaving this vulnerable population largely unprotected and exploited.

To validate our findings we conducted unannounced visits in 1988 and 1989 to both licensed and unlicensed board and care homes. In all, we interviewed over 2,500 residents in 46 homes in 10 States. We witnessed an incident of fraud, waste, or abuse in literally every State we visited.

Unfortunately, there is little incentive for States to take corrective action to curb these abuses which they acknowledge are increasing in number and are unlikely to abate. Over the last two decades, the States have been under tremendous pressure to shift thousands of mental patients, and elderly and the handicapped, out of State mental hospitals and into board and care homes, where the cost of their care can be shifted from the State to the Federal Supplemental Security Income [SSI] Program. Our figures show that States have reduced their mental patients from 500,000 in 1969 to only 100,000 in 1987. Meanwhile, the cost to maintain an individual in a mental institution increased substantially—from $5,626 in 1969 to $41,131 in 1987.

The General Accounting Office confirmed our subcommittee's findings and further found that the States are not enforcing the Keys amendment which was enacted by the Congress in 1972 to protect residents of board and care homes. Thus, the only legal remedy available to board and care residents is simply ineffective.

The Federal Government should adopt H.R. 2219, legislation I have introduced which would provide for the adoption of standards to provide for the adequate protection and care of board and care residents in the same manner that we require standards of care be met in our Nation's nursing homes. Overall, State oversight of board and care homes is atrocious. Ten States have no standards at all. We must establish and enforce national minimum standards of care and protection—including a bill of rights for residents—for all homes providing care to two or more unrelated elderly or disabled individuals receiving SSI. Once properly licensed, then we should allow residents to retain their eligibility for receipt of benefits they would have received in their homes such as food stamps, public assistance, and energy assistance. We should increase the minimum SSI payment for residents of licensed board and care homes. Seventy percent of all residents pay rent with the entirety of their SSI checks, the national mini-

mum of which is $360 a month. Last, States need to make a determined effort to track and close down, if necessary, unlicensed and illegal board and care homes.

CRIME AND VICTIMIZATION

Mr. Speaker, you may be aware that the Subcommittee on Health and Long-Term Care, which I chair, has over the past decade investigated a wide variety of frauds against Americans of all ages.

These fraudulent schemes assume a wide variety of forms, including travel scams, bogus medical remedies and other types of health fraud, investment schemes, land fraud, and the sale of worthless yet costly insurance. Each and every one of us has had countless numbers of constituents who have been duped by the perpetrators of these activities.

There can be no doubt that fraud is currently a profitable business. Hearings conducted by our subcommittee revealed that our citizens were being defrauded out of $10 billion per year through phony medical cures and procedures alone. Taken together, the cost of all types of consumer fraud is astronomical.

The time has come to take action. The existing mail and wire fraud statutes have two serious shortcomings which hamper their effectiveness in protecting consumers. First, under current law, the perpetrator of a fraud, no matter how large or serious in scope, is often allowed to keep the profits and proceeds from his or her illegal scheme after serving a brief sentence and paying a negligible fine. Second, the law does not contain any effective provisions to assure that the victims of fraud are compensated for their losses.

Consumer protection would be greatly enhanced by correcting these two deficiencies through H.R. 2090, legislation I have introduced called the Fraud Victims Restitution Act. It would make the practice of fraud much less attractive by providing for both civil and criminal forfeiture for mail and wire fraud—allowing the Government to deprive violators of their illicit profits before they have an opportunity to dispense with or hide them. This mechanism, which contains proper safeguards to protect the property rights of innocent third parties—including creditors—has proven effective in combatting drug trafficking and the peddling of child pornography. Administrative costs would be minimal and would be borne out of the funds seized.

More importantly, the Fraud Victims Restitution Act would require that the profits and proceeds seized from the fraudulent schemers be returned to the rightful owners, the victims. Often now, the victims of consumer frauds never see their money again. For some victims, that means that home or life savings are gone forever.

The Fraud Victims Restitution Act, developed through close consultation with national consumer and law enforcement experts, would be a dramatic step forward in consumer protection, stopping the alarming increase in number of these fraudulent schemes and reducing the number of victims.

Another area of concern noted by our subcommittee involves the increasing incidence of physical, financial, and emotional abuse perpetrated against the elderly at the hands of their loved ones or those entrusted with their care. Truly, abuse of the elderly is a national disgrace.

It is sad enough that each year around 4 percent, or over 1.1 million elderly Americans may be the victims of abuse. It is sadder still that despite State efforts to strengthen legislation to protect their elderly, only an average of $2.90 per elderly person is spent for elderly protective services. The Federal Government, faced with the clear need to do more, has not only refused to enact needed reforms, but also has cut the primary funding source for protective services by nearly a fifth since 1981.

Elder abuse, like spousal abuse or child abuse, will simply not go away. Swift and determined action must be taken to deal with this national problem and help families stay together. The Federal Government should assist the States in their efforts to deal with the pervasive problem of elder abuse. This need not involve tremendous new expenditure of Federal funds. For example, the Child Abuse Program, after which pending legislative elder abuse proposals have been based, had a very salutary effect in encouraging the States to deal with child abuse as an expenditure in 1974, when the program first started. Therefore, the Congress should enact legislation to identify and protect the victims of elder abuse in the same manner as we encourage the States to provide identification and protection for the victims of child abuse.

Lastly, our subcommittee has uncovered widespread abuse and neglect in our Nation's guardianship system. We found our current system for protecting the incompetent to be nothing short of a national disgrace.

Guardianship is a unique and powerful abrogation of a person's rights. Once under guardianship an individual can no longer receive money or pay bills, marry or divorce, choose where to live or what medical care to receive. In short, guardianship is one of the most punitive penalties our legal system can impose. Today there are more than 500,000 Americans of all ages under guardianship. A complete accounting of court records could bring this figure much higher.

While guardianship was designed to protect the individuals whose competency is temporarily or permanently called into question, the subcommittee found that it has become a process that is often used to take advantage of them. We found that there is a marked lack of due process in most States in the procedure by which a guardian is appointed—there is no minimum requirement of education or intelligence in any of the 50 States or the District of Columbia. There is no followup check to monitor the progress of the guardianship arrangement. Although laws in 44 States require guardians to file regular accountings of a ward's money, they were missing or imcomplete in 48 percent of guardianship files examined in a recent Associated Press survey. Only 14 States require the alleged incompetent individual to be informed as to their legal rights—right to counsel, right to present evidence—or rights they stand to lose if placed under a guardianship. Eight States have no requirement that the alleged even be notified that someone is petitioning to have them placed under guardianship and many others allow waiver of such requirement. This is clearly a violation of basic due process under the law. Fifteen States do not even specify that the alleged incompetent has a right to counsel at the guardianship hearing. Only 16 States require that the alleged incompetent be present at his or her own guardianship hearing. A recent study revealed that in 84 percent of cases, neither the accused elderly or a legal representative was present at the guardianship hearing. Thirty-three States allow advanced age as a cause for determining an elderly person's competence and whether he or she should be placed under guardianship. Only 12 States require that medical evidence be submitted in order to find a person incompetent. Unfortunately, for an individual who was wrongfully found incompetent and wishes to appeal the finding, or an individual who was only temporarily unable to manage his or her affairs, to have contol over their own lives restored is often difficult if not impossible.

We must enact H.R. 1702, National Guardianship Rights Act. This bill would require that all Americans facing the imposition of a guardianship receive adequate notice of impending guardianship proceedings; be represented by trained attorneys and to have counsel provided if they cannot afford one; be afforded an examination by an independent professional team before any guardianship may be imposed; have a right to a jury trial; and, right to prompt appeal of the decision or choice of guardian.

In addition, H.R. 1702 requires that all guardians be of competent character; receive thorough training; provide at least annual reports on the financial and physical well-being of the incapacitated person; and be subject to annual review and automatic removal by the courts.

State and local guardianship systems have become sleeping watchdogs of personal liberty. The National Guardianship Rights Act assures that our courts will be ever vigilant in preserving the rights and protections afforded all Americans by our Constitution.

MEETING INTERGENERATIONAL NEEDS

Mr. Speaker, the Congress passed the Older Americans Act in 1965. The Older Americans Act has won widespread bipartisan praise for providing our senior citizens with critically needed nutritional and social and other support services and acting as a mechanism for better coordinating services generally available to older persons. I am particularly proud of the Older Americans Act Nutrition Program which I had the privilege to author and the impact it has had on improving the health status of older Americans and breaking down the walls of isolation confronting Americans in the later years of life. This program has made a very meaningful contribution to the betterment of every community in America.

The success of the Older Americans Act should set us on the path for establishing something that is long overdue in this great America, a national policy for the young people of our country. We have reached a crisis with the youth of our Nation. The following statistics give a general indication of the staggering problems which need to be faced:

Thirteen million children, one in five, live in poverty.

Nine million American children live in unsafe housing. Over 100,000 are homeless.

More than one in four teenagers entering high school will not graduate.

More than 1 million American children run away from home each year.

Child abuse has increased dramatically in the past 5 years; and suicide rates for children continue to rise faster than any other age group.

These statistics, which express so clearly the plight of American's youth, are jarring and demand our immediate attention. The Young Americans Act of 1989, H.R. 1492, which I recently introduced has been patterned after the largely successful older Americans program I just described. It has been carefully designed and refined by the leading child welfare advocates in the Nation as a cost-effective way of addressing these problems in a coordinated national fashion. In addition to providing grants to the States and localities, the act establishes permanently in the law a single Federal agency responsibility for overseeing programs for the children, youth, and families of our Nation. It establishes within the Department of Health and Human Services the Administration for Children, Youth, and Families. The act also provides for a White House Conference on Young Americans to be held in 1990. This Conference would have the purpose of bringing together the national, State, and local leaders and experts to develop a comprehensive coherent national policy on children, youth, and families in America.

I am pleased to point out that my good friend and long-recognized champion of the right of young Americans, the Honorable DALE KILDEE, chairman of the Subcommittee on Human Resources of the Education and Labor Committee, has agreed to promptly hold hearings on the Young Americans Act this session of the Congress.

Mr. Speaker, I was shocked to learn that almost one-quarter of our young Americans never finish high school. I believe it should be the policy of the United States that all Americans should complete a high school education. What greater legacy can we leave our children, what better investment can we make in their future than the guarantee of the opportunities that an education can bring.

You may wonder why am I—now 88 years old and just entering my middle age—disturbed about dropouts. Aristotle's view suggests an answer. "Education," he remarked, "is the best provision for old age."

But the facts about dropouts are disturbing enough on their own: We are producing about 1 million new dropouts each school year. The individual dropout is not the only one to lose. Society incurs costs when education is cut short: We bear the burden in wasted opportunities and weakened economic growth, in additional crime, in welfare dependency, and in the perpetuation of inequality. It is estimated that dropouts cost us another 5 percent of lost income, or $11.5 billion, in additional welfare payments.

Some will argue we cannot afford to mount a large-scale, national effort. I say we cannot afford not to. Dropouts add to the deficit. A recent study estimates that new dropouts from 1 year's class, over their lifetime, will cost us $68 billion in lost tax revenues.

We owe it to our children, and to ourselves, to act now and to act decisively. I have introduced H.R. 670, the School Completion and Incentives Act, a bill to set a national goal to improve our high school completion rate by the year 2000. The measure calls on the States to submit plans and provides States with the incentives and resources to meet their goals. H.R. 670 safeguards that funds will be used in the schools that most need assistance and insures that graduation requirements will not be lowered.

This is a propitious time to act. President Bush plans to make his administration the education Presidency. Dr. Lauro Cavazos, who is the Secretary of Education, has indicated that the dropout problem is one of his priorities. It would be a shame not to accept the challenge.

CONCLUSIONS: A TIME TO ACT

The lack of health care, the need to assure adequate incomes, affordable and safe housing, the desire to safeguard young and old from abuse and criminal victimization, and the pressing demands of changing and aging families should move us as a nation to move.

It is time that we, a nation still steeped in prosperity, develop policies and enact reforms to assist our most treasured unit, the family. It is time we stop institutionalizing our chronically ill and time we developed alternative types of care such as home health care, day care, and the like. It is time we stop warehousing our mentally ill in unlicensed and uncaring board and care homes and improve the quality of care that such homes can provide. It is time we guarantee each child born in America the education he or she needs in order to pursue the happiness envisioned by our great Constitution.

It is time we place into action our agenda for keeping America's families together—before the 20th century runs out.

THE INTRODUCTION OF THE CORRECTIONAL ALTERNATIVES ACT OF 1989

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 16, 1989

Mr. RANGEL. Mr. Speaker, today, I will be introducing the Correctional Alternatives Act of 1989. This legislation provides for the establishment of a Federal discretionary grant program to assist State efforts to institute new and innovative alternatives to imprisonment.

American prisons today are not doing the job of rehabilitating prisoners or deterring future crime. We are in effect warehousing prisoners at incredible costs and when they come out they simply are better criminals. At an average cost of $50 a day per inmate we are spending over $30 million a day on a system that is not working and has failed us miserably. We need to explore a new approach.

In the President's crime address yesterday, he concentrated on prisons and incarcerating criminals. Punishment and preventing recidivism are seen as the answer to the problem of the prison population sitting around doing nothing except making license plates. The real answer to avoid continuing incarceration and recidivism is through programs that begin to train inmates to be productive citizens.

Even if we build more prisons as the President proposes, why should we not require that when inmates are released they return to society as bricklayers, electricians, painters, carpenters, and skilled in other trades. This is what we are proposing today.

The Correctional Alternatives Act of 1989 is directed toward the many nonviolent offenders who are incarcerated and would be eligible for a wide range of alternatives including boot camps, house arrests, drug treatment, and vocational education, among others. Since it is the States and localities where most of the prison overcrowding is occurring in the United States, our bill provides support to the States for these programs.

A unique aspect of this bill is a private sector/State partnership to provide vocational and job training programs to offenders. We need to teach working skills to inmates while in prison not only for their benefit but for the benefit of our society. Our approach should be if you do a crime you are going to do time, but you are also going to come out with a skill to become a productive citizen. Our legislation encourages the private sector to join with State correctional agencies in creating these programs and I will be exploring additional legislation to enhance tax incentives to private businesses that engage in these job training and job placement activities.

If our prisons remain as warehouses then all we are buying with more and bigger prisons is a bit of time and a false sense of security. Whether in prison or through the types of alternatives proposed in this bill in addition to punishment we must provide the opportunities for offenders to change their behavior.

Specifically, the legislation does the following:

Authorizes the Bureau of Justice Assistance to award grants to States for the purpose of funding new and innovative alternatives to incarceration in order to reduce prison overcrowding.

Provides $200 million for this program for each of fiscal years 1990, 1991, 1992, and 1993.

Requires that 20 percent of the total funding available be used to fund joint State/private vocational education and job training programs. It also requires a 30 percent State/private sector—no less than 15 percent from the private sector—match for these joint State/private efforts.

Joining with me as cosponsors are my colleagues Mr. COUGHLIN, Mr. GUARINI, Mr. GILMAN, Mr. ORTIZ, Mr. TOWNS, Mrs. COLLINS, Mr. SCHEUER, Mr. BRENNAN, AND Mr. FAUNTROY.

[Text of the bill follows:]

H.R. —

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Correctional Alternatives Act of 1989".

SEC. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—The Congress finds the following:

(1) From the mid-1970's to the mid-1980's, the number of adults incarcerated in the United States rose dramatically.

(2) By 1987, over half a million adults were incarcerated in the United States.

(3) At the current rate of increase, it is estimated that in less than a decade more than a million adults will be incarcerated in the United States.

(4) In State prisons alone, 216 adults are incarcerated for every 100,000 people in the general population. As of mid-1987, over 522,866 adults were under supervision in State prisons.

(5) The cost of incarceration varies from State to State. Estimates range from as low as $43 per day to as high as $113 per day. Typically, annual operating costs are higher than the official budgets.

(6) It has been estimated that prison costs have risen 1,720 percent, adjusting for inflation (about 180 percent), since 1970.

(7) Using alternatives to incarceration for nonviolent offenders may alleviate overcrowding and reduce the per capita expenditures.

(8) Federal support is needed to assist States to implement innovative alternatives to incarceration in order to meet the crisis of prison overcrowding and the escalating costs of incarceration.

(b) PURPOSE.—It is the purpose of the amendments made by this Act to provide financial assistance to States—

(1) to carry out projects that demonstrate innovative alternatives to incarcerating individuals convicted of nonviolent offenses,

(2) to encourage States to maximize the capacity of their correctional facilities to confine individuals convicted of violent offenses, and

(3) to stimulate private sector participation in providing vocational education projects and job training projects, as alternatives to incarcerating individuals convicted of nonviolent offenses.

SEC. 3. DEMONSTRATION GRANTS.

(a) ESTABLISHMENT OF PROGRAM.—Title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3711 et seq.) is amended—

(1) in section 901—

(A) in paragraph (20) by striking "and" at the end,

(B) in paragraph (21) by striking the period at the end and inserting a semicolon, and

(C) by adding at the end the following:

"(22) 'boot camp prison' means a correctional facility in which inmates are required to participate in a highly regimented program that provides the strict discipline, physical training, hard labor, drill, and ceremony characteristic of military basic training; and

"(23) 'house arrest' means post-conviction confinement in the residence of the convicted individual under the terms of a sentence that allows such individual to leave such residence only under the circumstances authorized by the sentencing authority.",

(2) by striking the heading for part N and inserting the following:

"PART O—TRANSITION",

(3) by redesignating section 1401 as section 1501, and

(4) by inserting after part M the following:

"PART N—GRANTS FOR PROJECTS DEMONSTRATING ALTERNATIVES TO INCARCERATION

"DESCRIPTION OF DEMONSTRATION GRANT PROGRAMS

SEC. 1401. (a) Of the total amount appropriated for this part in any fiscal year, 80 percent shall be reserved and set aside in a special discretionary fund for use by the Director to make grants under this subsection. The Director is authorized to make grants to States to carry out projects that demonstrate innovative alternatives to incarcerating individuals who are convicted of nonviolent offenses. Such alternatives may include house arrest, boot camp prisons, drug treatment projects, vocational education projects, and job training projects.

"(b) Of the total amount appropriated for this part in any fiscal year, 20 percent shall be set aside in a special discretionary fund for use by the Director to make grants under this subsection. The Director is authorized to make grants to States to carry out jointly with private entities vocational education projects, and job training projects, that are innovative alternatives to incarcerating individuals who are convicted of nonviolent offenses. A grant made under this subsection may not be expended for more than 70 percent of the cost of the project for which such grant is made. Not less than 15 percent of the cost of such project shall be paid with contributions made in case or in kind by private entities.

"APPLICATIONS TO RECEIVE GRANTS

"SEC. 1402. To request a grant under subsection (a) or (b) of section 1401, the chief executive officer of a State shall submit to the Director an application at such time and in such form as the Director may require. Such application shall include—

"(1) a description of the project the State proposes to carry out to demonstrate an innovative alternative, with respect to the State, to incarcerating individuals who are convicted of nonviolent offenses;

"(2) a certification that Federal funds made available under section 1401 to the State will not be used to supplant State or local funds that would, in the absence of Federal funds, be made available to carry out such project;

"(3) a description of the method the State will use to carry out the evaluation required by paragraph (4), and

"(4) an assurance that after each fiscal year for which a grant is made under section 1401, the State shall submit to the Director an evaluation of the impact and the effectiveness of the project for which such grant is made.

"REVIEW OF APPLICATIONS

"SEC. 1403. For purposes of determining whether to make a grant under section 1401 to a State, the Director shall—

"(1) except as provided in paragraph (2), give priority to States that clearly demonstrate that the capacity of their correctional facilities is inadequate to accommodate the number of individuals who are convicted of offenses punishable by a term of imprisonment exceeding 1 year; and

"(2) not approve an application submitted by a State if—

"(A) the amount of the grant requested by the State for the fiscal year involved exceeds 5 percent of the aggregate amount appropriated for such fiscal year to carry out this part; or

"(B) in any 3 preceding fiscal years the State received a grant under this part for the project for which a grant is requested in such application.".

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 1001(a) of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3793(a)) is amended—

(1) in paragraph (3) by striking "and M" and inserting "M, and N", and

(2) by inserting after paragraph (6) the following:

"(7) There are authorized to be appropriated $200,000,000 for fiscal year 1990 and such sums as may be necessary for each of the fiscal years 1991, 1992, and 1993, to carry out part N of this title.".

(c) TECHNICAL AMENDMENT.—The table of contents of title I of the Omnibus Crime Control and Safe Streets Act of 1968 is amended by striking the items relating to part N and inserting the following:

PART N—GRANTS FOR PROJECTS DEMONSTRATING ALTERNATIVES TO INCARCERATION

"Sec. 1401. Description of demonstration grant programs.
"Sec. 1402. Applications to receive grants.
"Sec. 1403. Review of applications.

"PART O—TRANSITION

"Sec. 1501. Continuation of rules, authorities, and proceedings.".

THE CIVIC ACHIEVEMENT AWARD PROGRAM REAUTHORIZATION

HON. MARTIN FROST

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 16, 1989

Mr. FROST. Mr. Speaker, it is with great pleasure that I am introducing legislation to reauthorize the Civic Achievement Award Program. Open to students in grades five through eight, the program is a supplementary citizenship education program aimed at improving civic literacy in elementary schools across the Nation.

The program was created in honor of the highest constitutional officer in the legislative branch of the Federal Government, the Speaker of the House of Representatives.

The program is divided into three components: First, the learning project which provides students with a common body of knowledge relating to American government and history; second, the research project which requires students to gather and process information using libraries and other sources; and third, the civic project which requires students to research a current issue and identify, assess, and publicly address various approaches to solving the issue. Upon successful completion of the program, students receive the Civic Achievement Award.

The Close-Up Foundation developed the program and administers it with the assistance of the Library of Congress and the National Association of Elementary School Principals. The Civil Achievement Award Program was piloted in the spring of 1988 in 150 classrooms throughout the country. In the 1988–89 field test year, approximately 23,000 students were participants in the program.

The legislation reauthorizes the program for 1990 at $1,003,785, and for 1991 at $1,164,691. At these authorization levels, Close-Up expects to reach 60,000 children in 1990, and 90,000 children in 1991 through the

program's activities. I commend the Civic Achievement Program and am pleased to be a part of its formal launch.

MSGR. GEORGE WILLIAM ROHLING: 50 YEARS IN THE PRIESTHOOD

HON. BOB CLEMENT

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 16, 1989

Mr. CLEMENT. Mr. Speaker, I would like to join the many friends and colleagues of Msgr. George William Rohling in commemorating this Thursday, May 18, as the 50th anniversary of his ordination into the priesthood.

Monsignor Rohling was ordained a Catholic Priest in 1939 by Bishop William Adrian in his hometown of Lawrenceburg, TN. His ordination was the culmination of many years of instruction, beginning with Father Ryan High School and continuing at St. Bernard College in Cullman, AL, St. Gregory College for philosophy in Cincinnati, and at St. Mary's of the West.

And we are proud of the fact that he has spent nearly all of his 50 years serving and teaching congregations in Tennessee. He served his early years as a pastor at St. John Vianny Church in Gallatin, TN, and at St. Francis Cabrini in Lebanon, TN.

He was also the beloved pastor of both St. Joseph Church in Madison, TN, and St. Henry Church in Nashville, TN, before becoming monsignor on April 27, 1967.

Monsignor Rohling has been active with many ministerial groups during his priesthood, including the Knights of Columbus, the Ladies of Charity, the Catholic Charities, the Little Sisters of the Poor, St. Thomas Hospital, and his high school alma mater, Father Ryan. In the Nashville Diocese, he demonstrated his outstanding administrative skills and served as episcopal vicar, vicar general, and diocesan consultor.

Monsignor Rohling has long been active in spreading the Catholic faith through numerous radio and television appearances and as a charter member of the Nashville Chapter of the National Conference of Christian and Jews.

And, even after 50 years of dedicated service, the monsignor continues to be active in city and church affairs, most recently chairing the diocesan sesquicentennial celebration in 1987. He continues to serve on the Metro Charitable Solicitations Board.

Many accolades have been bestowed on this distinguished man, including the honor of being selected Clergyman of the Year by the National Conference of Christian and Jews. He has also been honored by Father Ryan High School and by the Nashville alumni of Notre Dame.

My own remarks can add little to the outpouring of affection and respect that all residents of Nashville have for Msgr. George Rohling.

And, as he celebrates the 50th anniversary of his ordination, I simply join the monsignor's many friends and colleagues in saying that we look forward to his continued service for many years ahead.

The monsignor's gentleness, his great devotion to his faith, and his boundless love for his fellow men and women has enriched us all. We are most thankful that his life has crossed ours.

CONGRATULATING THE AUSTIN VOICE NEWSPAPER OF CHICAGO, IL, AS THE RECIPIENT OF THE MARTIN LUTHER KING, JR. DRUM MAJOR AWARD

HON. CARDISS COLLINS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 16, 1989

Mrs. COLLINS. Mr. Speaker, I rise today to congratulate the Austin Voice, a Chicago-based publication of Megamedia Enterprises Inc., that is the 1989 recipient of the Dr. Martin Luther King, Jr. Drum Major Award. It was presented on April 7 to this distinguished black newspaper by the Metropolitan Chicago chapter of the Southern Christian Leadership Conference.

In accepting the honor, the publisher Isaac Jones said that the founders of the 4½-year-old newspaper have no formal journalism training, no money, and no wealthy friends. "We had dreams, and it's true—sometimes God watches over little folks and helps them perform miracles."

Mr. Speaker, the Austin Voice is a unique community newspaper because it is owned by its work force. Commenting on its coownership Mr. Jones said that while the financial rewards are currently nominal, the job of producing the publication is by far one of the most satisfying jobs that he and his staff have experienced.

As a voice of black America, the Austin Voice has demonstrated the leadership that is essential to educating the community. If I may take a moment to reflect on our history, I do recall the words spoken by Samuel E. Cornish, the founder of the first black newspaper in 1867. Championing the movement, he stated. "For too long have others spoken for us. We wish to plead our cause."

Mr. Speaker, the power of the pen still remains one of the most influential instruments that educates, enlightens, and entertains people from all walks of life. On behalf of the Seventh Congressional District of Illinois, may I extend to the Austin Press my congratulations and best wishes for continued success as the media age evolves.

DEDICATION AND OPENING OF THE HUNGARIAN HERITAGE CENTER

HON. BERNARD J. DWYER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 16, 1989

Mr. DWYER of New Jersey. Mr. Speaker, on Sunday, May 21, 1989, the American Hungarian Foundation will dedicate the Hungarian Heritage Center in New Brunswick, NJ.

The American Hungarian Foundation was chartered in 1954. Almost immediately, the foundation began to obtain Hungarian works of art, literature and historical material. What started as a dream to establish a cultural center where these exhibits could be available for everyone, became the goal of a great many people. When the center is dedicated on Sunday, the American Hungarian Foundation will be richly rewarded for its work and commitment to the project.

The Hungarian Heritage Center will be the only center of its type in the entire United States. The center will house a museum which will feature exhibits of the artistic and scientific contributions made by Hungarians to this country.

A library, which will be a Rutgers University Affiliate Library, will house rare archives and manuscripts. Since its establishment, the foundation has received over 30,000 publications, including newspapers, letters, and photographs. To have these collections available to students and researchers will be of enormous benefit.

A visitors center, book shop and conference facilities will allow Hungarians and the public to learn more about Hungarian traditions and crafts.

This has been an extraordinary effort. The site of the new center was only purchased in 1980 and in these 9 years, the building has been restored and converted into what will be a national center for Hungarians in the United States. That it is located in New Jersey is appropriate because approximately 40 percent of American Hungarians reside in the Northeastern United States.

The center will tell the story of American Hungarians to all people and will keep alive the cultural and traditional values which have made the Hungarian contribution so vital to America's growth.

CONGRATULATIONS ANDREW ORTWEIN

HON. LARRY J. HOPKINS

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 16, 1989

Mr. HOPKINS. Mr. Speaker, it is a privilege today to recognize a young constituent of mine who has already proven that he has mastered one of life's toughest lessons.

Andrew Ortwein, age 10, is a student at Good Shepherd School in Frankfort. He is one of only six elementary school and six high school students in the Nation who have just received awards from the President's Council on Physical Fitness and the California Raisin Advisory Board.

Andrew and his fellow winners have written on the importance of physical fitness in allowing us to fulfill our potential, to reach our capacity as human beings. Chosen from over 19,000 entries, Andrew and these others have argued in clear and compelling terms for us as a nation to enforce a little physical discipline on ourselves, lest we be hampered in our lives by avoidable ill health.

Congratulations, Andrew, and congratulations to Ms. Becky Smith, his teacher, and all teachers who have made the next generation

of America's leaders aware of the acute need for physical fitness in our world today.

HEAD START EXPANSION

HON. TIMOTHY J. PENNY

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 16, 1989

Mr. PENNY. Mr. Speaker, today I am introducing legislation to fully fund Head Start by fiscal year 1994.

Head Start is one of the Nation's most successful and popular domestic initiatives. This comprehensive child development program positively affects many areas—health, nutrition, educational development, social skills, et cetera. However, the program currently serves only one-fifth of the eligible children.

In addition, the need for full day and summer care for Head Start children is greater than ever. Without changing the structure and purpose of the Head Start Education Program, my bill provides for full day care and summer care for Head Start children whose parents are working or attending a job training or educational program.

Rather than competing with other education programs or further adding to the deficit, my bill contains a pay-as-you-go component. The legislation calls for delaying the indexing of the standard income tax deduction and the tax bracket adjustment. This approach would affect every taxpayer evenly.

Mr. Speaker, we have limited resources. At this time, we cannot afford to create new and costly programs for child care and other needs. But I contend that we can no longer afford to underfund a program with a proven record of success. An investment in Head Start for all eligible children will save us at least $6 for every $1 spent.

As the commercial says, "You can pay now or pay later." Let's do the right thing now. The cost to the taxpayer and these deserving children is too high if we wait.

Mr. Speaker, I ask that a copy of my bill follow this statement.

H.R. —

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Head Start Expansion Amendments of 1989".

TITLE I—AMENDMENTS TO THE HEAD START ACT

SEC. 101. DEFINITION.

Section 637 of the Head Start Act (42 U.S.C. 9832) is amended by adding at the end the following:

"(4) The term 'full-working-day' means at least 10 hours per day.".

SEC. 102. FINANCIAL ASSISTANCE FOR HEAD START PROGRAMS.

Section 638 of the Head Start Act (42 U.S.C. 9833) is amended—

(1) by striking "and (2)" and inserting "(2)"; and

(2) by inserting the following before the period at the end: "; and (3) may provide child care services".

SEC. 103. AUTHORIZATION OF APPROPRIATIONS UNDER THE HEAD START ACT.

(a) AUTHORIZATION OF APPROPRIATIONS FOR HEAD START SERVICES OTHER THAN CHILD CARE SERVICES.—Section 639 of the Head Start Act (42 U.S.C. 9835) is amended—

(1) by inserting "(a)" after "SEC. 639.";

(2) by striking "the provisions" and all that follows through "1990" and inserting "this subchapter (other than section 638(a)(3) $3,500,000,000 for fiscal year 1990, $5,000,000,000 for fiscal year 1991, $7,000,000,000 for fiscal year 1992, $8,500,000,000 for fiscal year 1993, and $9,000,000,000 for fiscal year 1994"; and

(3) by adding at the end the following:

"(b) AUTHORIZATION OF APPROPRIATIONS FOR CHILD CARE SERVICES.—If the amount appropriated under subsection (a) for a fiscal year equals or exceeds the amount authorized to be appropriated under such subsection for such fiscal year, then there are authorized to be appropriated for the respective fiscal year—

"(1) $700,000,000 in the case of fiscal year 1990;

"(2) $840,000,000 in the case of fiscal year 1991;

"(3) $1,000,000,000 in the case of fiscal year 1992;

"(4) $1,200,000,000 in the case of fiscal year 1993; and

"(5) $1,500,000,000 in the case of fiscal year 1994;

to provide child care services in accordance with this subchapter.".

SEC. 104. PARTICIPATION IN CHILD CARE SERVICES PROVIDED IN HEAD START PROGRAMS.

Section 645(a) of the Head Start Act (42 U.S.C. 9840(a)) is amended—

(1) in the second sentence of paragraph (1) by striking "paragraph (2)" and inserting "paragraphs (2) and (3)"; and

(2) by adding at the end the following:

"(3) Funds allotted under section 640 to a State that are attributable to funds made available under section 639(b) may be expended to enable Head Start programs to provide child care services Monday through Friday throughout the year to children who receive services (other than child care services) provided in Head Start programs, so that such children receive full-working-day Head Start services (including child care services) if such child care services are provided to meet the needs of parents who are working, or attending a job training or educational program.".

SEC. 105. TECHNICAL AMENDMENT.

Section 652(b) of the Head Start Act (42 U.S.C. 9847(b)) is amended by inserting "For All Urban Consumers" after "Consumer Price Index".

TITLE II—AMENDMENTS TO THE INTERNAL REVENUE CODE OF 1986

SEC. 201. 1-YEAR DELAY IN INDEXING OF INCOME TAX RATES AND PERSONAL EXEMPTION.

(a) INCOME TAX RATES.—

(1) IN GENERAL.—Subsection (f) of section 1 of the Internal Revenue Code of 1986 (relating to adjustments in tax tables so that inflation will not result in tax increases) is amended by adding at the end thereof the following new paragraph:

"(7) NO ADJUSTMENT FOR TAXABLE YEARS BEGINNING IN 1989.—Notwithstanding paragraph (1), the tables contained in subsections (a), (b), (c), (d), and (e) shall apply with respect to taxable years beginning in 1989 in lieu of the tables prescribed by the Secretary for such taxable years."

(2) TECHNICAL AMENDMENTS.—

(A) Paragraph (3) of section 1(f) of such Code is amended—

(i) by inserting "second" before "preceding calendar year" in subparagraph (A), and

(ii) by adding at the end thereof the following new sentence:

"For purposes of those provisions of law which refer to this paragraph (other than the provisions of this section, section 63(c)(4), and section 151(d)(3)), subparagraph (A) shall be applied without regard to the word 'second'."

(B) Paragraph (4) of section 63(c) of such Code (defining standard deduction) is amended by striking "1988" and inserting "1989".

(C) The Secretary of the Treasury or his delegate shall modify the tables and computational procedures under section 3402 of such Code to reflect (with respect to remuneration paid on or after the 1st day of the 1st calendar month beginning more than 15 days after the date of the enactment of this Act) a full-year effect of the amendments made by this section.

(b) PERSONAL EXEMPTION.—Paragraph (3) of section 151(d) of such Code (relating to exemption amount) is amended by striking "1989" each place it appears in the heading and the text and inserting "1990".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1988.

RESOLUTION DESIGNATING LEYTE LANDING DAY ON OCTOBER 20, 1989

HON. LEON E. PANETTA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 16, 1989

Mr. PANETTA. Mr. Speaker, I rise today to introduce a joint resolution to designate October 20, 1989 as "Leyte Landing Day." This will mark the 45th anniversary of the Allied Forces' return to Leyte in the Philippines to fulfill a national promise and liberate the Philippine people from Japan. Gen. Douglas MacArthur led 420 transports carrying 165,000 men of the U.S. Sixth Army and 157 warships manned by 50,000 sailors who fought at Red Beach and represented the largest operation yet conducted in the Pacific war. Through the combined efforts of the Philippine Scouts and the Allies the Japanese forces were defeated and the direction of World War II changed.

The events which occurred at Leyte between 1944–45 have not received much deserved recognition. The Leyte landing was as important in the events of World War II as were the events at Normandy on D-Day, but I am sure you will agree the recognition of these two events has not been comparable. The Philippine Scouts fought bravely alongside with the United States Army to defend the vital military and strategic American bases in the Pacific.

In the past the Leyte landing has been commemorated by ceremonies in various parts of the country including California. However, I believe it is time for national recognition of this important event in U.S. history. The dedication and sacrifice endured by these men during World War II should not be forgotten. I urge my colleagues to support this legislation

to designate a day for national observance of the return to Leyte.

A copy of the resolution follows:

H.J. RES. —

Whereas October 20, 1989, marks the 45th anniversary of the landing of allied forces on Leyte Island in the Philippines;

Whereas the allies' courageous return to the Philippines fulfilled a solemn national promise to liberate the Philippine people from the Japanese empire;

Whereas the 420 transports, carrying 165,000 men of the United States Sixth Army, and the 157 warships, manned by 50,000 sailors, which fought at Red Beach represented the largest operation yet conducted in the Pacific War; and

Whereas the combined efforts of Philippine Scouts and allied forces resulted in the eventual defeat of the Japanese forces and changed the direction of the war in the Pacific: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That October 20, 1989, is designated as "Leyte Landing Day," and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such day with appropriate ceremonies and activities.

SOME GOOD ADVICE ON PANAMA

HON. GEO. W. CROCKETT, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 16, 1989

Mr. CROCKETT. Mr. Speaker, the May 9, 1989, Los Angeles Times carried an op-ed piece on Panama by Mr. Robert J. Kurz, a former staff member of the Subcommittee on Western Hemisphere Affairs, which I have the honor to chair.

Mr. Kurz explains how we got ourselves into this mess, and why it would be unwise to heed the calls to break the Panama Canal Treaties. He calls on the President to work out a long-term approach with our friends in Latin America.

I hope my colleagues will give this article, which follows, their careful attention.

TIME OUT ON PANAMA—IF WE MUST "DO SOMETHING," LET IT BE RATIONAL AND DEMOCRATIC

(By Robert J. Kurz)

The election in Panama is over, and the result, unfortunately, is no surprise to anyone: Gen. Manuel Antonio Noriega's man is the winner. The question, in both Panama and Washington, is: Now what?

To some, the United States' response should be as simple as it is swift: Break the Panama Canal Treaty. This has already been suggested by Florida's new Republican senator, Connie Mack, and others returning Monday after watching the so-called election. That approach also may have some appeal to President Bush's political advisers as they seek an issue on which they can demonstrate the Administration's decisiveness in foreign policy.

There is no question that the election was a fraud. And there is no question that Noriega is crafty and dangerous. He has no intention of relinquishing his power, and his handling of the election demonstrates his skill at political survival. Once again, Noriega has transformed a threat to his power into a grant of false legitimacy.

Noriega's strength comes from two sources. First, he has built the Panamanian Defense Force into a Mafia-like institution with tentacles into all aspects of Panamanian economic life. And he has been adept at using the power of nationalism to thwart pressure from the United States.

Breaking the treaty would prove that Noriega has been right all along—that he is the embodiment of Panama's sovereignty and national identity. That has been his "secret weapon" against the United States. And it is high time we stopped playing into his script.

The U.S. government has used Noriega, and has been used by him, for years. Our officials have known of his drug deals and power plays. Those who are now outraged by the weekend's events in Panama remind us of the scene from "Casablanca," where the corrupt police chief says, "I am shocked there is gambling going on here," while pocketing his share of the winnings. Gen. Noriega has long been treated as a staunch ally of the United States—so close that our various agencies have actually fought over which could claim to be his best friend. As a retired Latin American military officer visiting Washington observed with a shrug, "What is the surprise? You Americans created Noriega."

Sunday's election should also remind us of Panama's last presidential election, in 1984, when Noriega talked like a democrat. Then, too, there was a strong showing by the opposition. Then, as now, the outcome was fraudulent. Then, however, Noriega's candidate, Nicolas Ardito Barletta, was also Washington's candidate. When it became clear that Barletta was going to lose, Noriega stopped the ballot-counting and declared his and our candidate the winner. Despite some lonely voices of protests, the U.S. ambassador and the State Department sanctioned the sham.

In 1985 and 1986, the United States continued to turn a blind eye to what was happening in Panama because Noriega was proving helpful in support of the Nicaraguan Contras.

Let us be clear about what has been happening in Panama since then: Noriega was becoming more obviously the dictator and less compliant with U.S. wishes around the time that drug-trafficking became a U.S. domestic priority. Washington seized on an approach to deal with him that was ill-conceived and poorly thought-out. It backfired. The U.S. sanctions against Panama struck the opposition harder then Noriega.

Now, some of the U.S. officials who observed the weekend election are seeking another quick fix to a long-standing problem. Breaking the treaty might make them feel good, but it would do little to weaken Noriega or encourage democratic institutions. It is a classic example of what Harvard Prof. Howard Wiarda has described as a failure to understand that the levers of power in foreign policy are not easily manipulated.

It is time to build a new policy toward Pamana. No quick fixes, no overnight solutions. And no abrupt moves that will only stoke the fires of Panamanian nationalism and rally people to Noriega's cause.

It may be quite some time before the damage done in the 1980s can be overcome. But the Panamanian people need to know that the United States has a clear policy, guided by principles.

We need to say clearly and boldly that we will respect the canal treaty, that the days of the United States' controlling Panama are over; that the days of tolerating military dictatorship in Panama are numbered, and that we want the people of Panama to be able to choose their leaders in fair, free elections, after which those elected will take office and exercise their responsibilities.

Secretary of State James A. Baker III needs to be clear on the ends and the means of U.S. policy toward Panama. He must resist political pressures to break the treaty. Instead, he should call for a meeting of the democrats of Latin America to develop a coordinated package of carrots and sticks that will include specific steps that would reduce Noriega's strength without allowing him to fan the flames of anti-Americanism. In short, U.S. policy should take the long view, having as its goal a Panama that is a true, reliably democratic ally.

A TRIBUTE TO "GOOD SCOUT" A. ROY MENZIES

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 16, 1989

Mr. WAXMAN. Mr. Speaker, the Los Angeles Area Council of the Boy Scouts of America will next month present Mr. A. Roy Menzies with the Good Scout Award.

Mr. Menzies has a long and distinguished history with the Boy Scouts beginning in 1938 when he first joined Scouting. Since then, he has held a wide variety of leadership positions ranging from Scoutmaster to Council Commissioner—and including just about everything in between.

Mr. Menzies has received many awards and honors for his hard work. He is the recipient of the Award of Merit, Scouter's Award (Boy Scout), Scouter's Key, Silver Beaver, Woodbadge, Arrowhead Award, Doctor of Philanthropy, Silver Antelope, Scouter's Award (Cub Scout), Los Angeles Area Council High Adventure Maker Award, John K. Northrop Exceptional Outdoor Leadership Award, and the National President's Scoutmaster's Award of Merit.

Outside of Boy Scouts, Mr. Menzies is also a noted business professional. He is currently president of Menzies & Co., Market and Training Specialists. Mr. Menzies also serves as director of the management internship program and as senior lecturer in marketing at the University of Southern California's Graduate School of Business Administration.

In addition to his work for Boy Scouts and his busy professional life, Mr. Menzies volunteers his time for many other organizations, including the: American Heart Association, American Red Cross, Association of Rehabilitation Facilities, Brandeis-Bardin Institute, Foundation for Airborne Relief, Girl Scouts of America, Salvation Army, UCLA Unicamp, Wood River Valley Council for the Arts, YMCA (Metropolitan Los Angeles and Long Beach), and the YWCA (Metropolitan Los Angeles).

Mr. Speaker, in these troubled times, we cannot overlook the invaluable work of the Boy Scouts in instilling important values in our boys and young men. I offer my highest praise to all those who strive to keep Boy Scouts of America going. I would especially like to ap-

plaud Mr. A. Roy Menzies for the myriad of worthy and important contributions he has made to the Boy Scouts and to his community. Keep up the good work!

INDIAN DEVELOPMENT FINANCE CORPORATION ACT

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 16, 1989

Mr. RICHARDSON. Mr. Speaker, today I am proud to reintroduce legislation to create the Indian Development Finance Corporation. The 100th Congress passed this legislation and sent it to the White House. It was pocket vetoed. I continue in my commitment to the economic development of Indian tribes by establishing the Indian Development Finance Corporation.

American Indians currently suffer one of the Nation's highest unemployment rates. The unemployment rate of the largest reservation, the Navajo, is 37 percent—seven times higher than the rest of the Nation as a whole. Other reservations in my district have unemployment rates over 50 percent. The millions of dollars spent by the Federal government over the last 20 years have not broken this cycle of unemployment and poverty. Long-term progress in overcoming the conditions of extreme poverty and its attendant social problems on reservations can only be met if we create institutions that will be available for the long term. Such institutions must enable the Indian people to do for themselves rather than have the government do for them. In this very important sense, the Indian Development Finance Corporation furthers the U.S. government's longstanding policy of self-determination and self-sufficiency in Indian affairs.

The Indian Development Finance Corporation will spur economic development by furnishing the necessary capital, financial services, and technical assistance to Indian-owned business enterprises and will stimulate the development of the private sector of Indian tribal economies. These goals would be accomplished by establishing a federally chartered, mixed ownership corporation authorized to provide a broad range of financial intermediary services, including equity capital, direct loans, loan guarantees and business management assistance. The Indian Development Finance Corporation is modeled on the successful experience of the World Bank and is designed to operate on the same level as the private market.

The Indian Development Finance Corporation Act passed by Congress last year is the result of years of research and represents the best thinking of economic experts, tribal leaders, business management specialists and Members of Congress. It is the first truly innovative and significant step toward addressing the severe economic crisis on our Indian reservations.

Mr. Speaker, despite the actions of President Reagan I am hopeful that the new breeze mentioned by the President will breathe some life into these ailing tribal economies. I invite the new administration to work with the Congress on this legislation so that together we can establish the Indian Development Finance Corporation. Through this effort we can provide Native Americans the economic opportunity that is the birthright of all Americans.

HUMAN RIGHTS VIOLATION IN IRAN

HON. THOMAS M. FOGLIETTA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 16, 1989

Mr. FOGLIETTA. Mr. Speaker, I rise today to call my colleagues' attention to the recent wave of human rights violations in Iran.

Human rights violations are a matter of grave concern wherever they occur. But it is perhaps the most worrisome when we observe a government, and are forced to conclude that its violations of human rights are only becoming more pronounced and widespread. According to Amnesty International and the United Nations Human Rights Commission, this is just the case in Iran.

In a recent report, Amnesty International said that, "Iran has been carrying out the biggest wave of executions of political prisoners since the early 1980s." Along with the executions, abuses include torture, failure to charge defendents, and lack of legal counsel.

Some of my own constituents, and yours, have lost family members to execution by Khomeini's henchmen. Still others have had family and friends fall victim to torture by the Khomeini government. I would like to share with you one of the heart-wrenching incidents relayed to me by my constituents. This incident has been documented in Amnesty International's Iran Briefing.

This particular incident involved a 26-year-old female student. She describes her first beating in captivity, "When I refused to confess, I was blindfolded and told to lie down on the floor. One of them whipped my feet with a heavy cable. I was wearing socks, but the first lash was so painful that I jumped up and ran around the room. Then they tied my hands behind my back, and my feet together, removing my socks. They covered my head with a blanket and beat me again on my back and feet, telling me to confess which political organization I belonged to and give the name of my political comrades. I don't know how long it continued. At one point I pretended to be unconscious, but they just beat me harder, accusing me of trying to fool them."

My colleagues, we have seen—and protested—the brutal death threats extended by the Ayatollah Khomeini to non-Iranians, as in the case of British author Salman Rushdie. Now we must put pressure on the Iranian Government to cooperate with human rights organizations investigating the situation in Iran. We must also do all in our power to see that the Khomeini regime ends this appalling wave of human rights violations.

RURAL HEALTH CARE COALITION'S LEGISLATIVE PACKAGE

HON. ARLAN STANGELAND

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 16, 1989

Mr. STANGELAND. Mr. Speaker, we are seeing a situation in rural America where smaller hospitals are going under due to the exorbitant costs of running a hospital and caring for a disproportionate share of Medicare patients. There are serious flaws in the design of Medicare's reimbursement policies which have further exacerbated the demise of the rural health care delivery system and the access of care to rural beneficiaries.

Congress must continue its involvement to ensure that medical services are just as accessible to farmers and small businessmen and women in rural Minnesota as they are to corporate executives in Minneapolis.

In 1986, Congress designed Lake Regional Hospital in Fergus Falls, MN, as a Rural Secondary Specialty Center. The demonstration project verifies that rural hospitals are in disadvantaged positions under Medicare's prospective payment.

The project has demonstrated that a rural hospital providing sophisticated medical care can actually save the Medicare Program money by treating Medicare patients in a rural hospital rather than in an urban hospital. The second issue addressed was the diminishment of quality and access to health care if this type of hospital were unable to provide medical care to these Medicare patients.

Retroactively to October 1, 1986, Lake Region Hospital began receiving payments at the higher rate under the demonstration project. The hospital has been paid 13.12 percent higher than a typical rural hospital, but still 13.27 percent less than a small urban hospital and 26.65 percent less than a large urban hospital.

The savings to the Medicare Program have been significant. Each year during the pilot project the net savings to Medicare have been approximately $750,000. As a result of receiving a higher level of reimbursement from Medicare, Lake Region Hospital continues to provide access to quality and appropriate medical care to the growing Medicare population in west central Minnesota and the Dakotas. The population of the area is expected to expand as retirees continue their relocation to the lake areas of the State.

This demonstration project reinforces the plight of the rural health care network under Medicare's inequitable reimbursement policies, and redoubles our efforts in promoting the House Rural Heath Care Coalition and the enactment of its omnibus legislative package during the 1st session of this 101st Congress. I ask all our colleagues to support these critical measures—H.R. 1583, H.R. 1584, H.R. 1585, H.R. 1586, H.R. 1587, H.R. 1588, H.R. 1589—which are designed to aid financially troubled hospitals, promote rural Medicare care by attracting health professionals, and improving the access of care to rural beneficiaries by expanding present programs and services.

LITTLE LEAGUE BASEBALL CELEBRATES 50TH ANNIVERSARY

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 16, 1989

Mr. GEKAS. Mr. Speaker, at this time 50 years ago in 1939, the field was being prepared, the uniforms were being sewn, and the athletes were getting ready for the first official game of Little League Baseball. This game was scheduled to be played on June 6 of that year in Williamsport, PA, and featured a match up between the Lycoming Dairy and Lundy Lumber Co. baseball teams.

Since that very first day in 1939, Little League Baseball has grown dramatically. By 1955, Little League was found in every State, and today it is played by 33 countries, with over 2.5 million youngsters participating. In August of each year, the league hosts a truly international "World Series," with the very best from such exotic places as Israel and Jordan, Germany and Holland, Indonesia and Australia, and Japan and China competing.

Yearly, over 750,000 adult volunteers give of their time and energy to make this program possible. Among its graduates the program boasts more than 450 major league baseball players and countless leaders in business, industry, and politics, including many Members of Congress.

From its inception, Little League Baseball has been a vehicle for promoting the virtues of fair play, good sportsmanship, and the desire to excel through friendly competition. That goal continues and today, just days before its 50th anniversary, I would like to echo the words of President Bush who said of Little League, "I know how well this program represents wholesome, family-oriented, and competitive sportsmanship at its best."

Mr. Speaker, it is a great honor for me to rise to introduce this concurrent resolution recognizing the 50th anniversary of this great institution. And to the dedicated team which runs Little League Baseball. In my 17th Congressional District, I salute you on your outstanding work and wish you all the best for the next 50 years. The President and the Congress are delighted to recognize your special contribution to the Nation's youth.

TRIBUTE TO THE 41ST ANNIVERSARY OF ISRAEL

HON. JACK BUECHNER

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 16, 1989

Mr. BUECHNER. Mr. Speaker, I rise today to recognize the 41st anniversary of one of our country's closest and most reliable allies: the State of Israel. As it enters its fifth decade Israel stands as it always has: a monument to the principles of democracy and self-determination.

Like so many of our own forefathers, the original Zionists came to Palestine seeking only religious freedom and a place where their children might finally know the peace so long denied them. From the ashes of the Holocaust arose a new hope for the Jewish people: the home they had sought through three millennia.

Amid the austerity of the Palestinian desert, the fledgling state grew despite the constant shadow of Arab malevolence, giving shelter to any who might join them. Belligerent neighbors attacked continually, and time and again, they were repelled. This commitment to a dream, not unlike our own, is a lesson to us all. We, as Americans, can take some pride for our role in the birth of this nation.

In return for our support Israel has consistently been among our staunchest allies; they have supported us in the United Nations. Even when our NATO allies denounced our actions. A stable ally in the Middle East is of paramount strategic importance to the United States, and Israel has never failed us in that capacity. The Israelis have long been, and will continue to be a tactical thorn in the side of Communist expansionism.

However, despite its precarious role as an ally of the West amid the anti-Westernism and anti-Semitism of the radicals in the Moslem world, Israel has not wavered in its commitment to a peaceful Middle East. This has never been more evident than in 1979, when after many years of conflict, Menachim Begin and Anwar Sadat shook hands and signed the Camp David accords. This triumph of diplomacy over a hatred which had spanned centuries shall always be remembered as a vital and historic reaffirmation of the diplomatic process, a process in which many of us had lost faith. The fact that this tradition has been honored by the successors of its creators stands as a reminder to us all that ideas and words create where tanks and bullets destroy, and that communication will always be the nemesis of hatred.

Mr. Speaker, I ask this entire assembly and the Nation it represents to join me in saluting one of our closest friends on its 41st birthday. The very existence of Israel is a triumph of a dream and a spirit akin to our own.

NATIONAL DISABILITY AWARENESS WEEK

HON. TONY COELHO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 16, 1989

Mr. COELHO. Mr. Speaker, today I am pleased to join my esteemed colleague, Senator PATRICK LEAHY, in introducing legislation that would designate October 1–7, 1989, as "National Disability Awareness Week."

I look forward to this commemorative week which will provide us with an opportunity to celebrate the contributions of Americans with disabilities. But, just as important, this week will provide us with an opportunity to educate the public about the experience of persons with disabilities in our society.

Persons with disabilities are often denied the basic opportunities and civil rights that persons without disabilities take for granted. On a daily basis, persons with disabilities are subject to prejudice and discrimination that are usually the results of one thing—ignorance. In a society that focuses on what persons with disabilities cannot do, there will naturally be a lack of understanding about what persons with disabilities can do. It is the lack of understanding, rather than any actual physical or mental limitations on the part of those with disabilities, that represents the greatest barrier between persons with disabilities, and what we can achieve.

An estimated 37 million Americans have disabilities. I hope that my colleagues will join me in this resolution to recognize the contributions and experience of this group of Americans. I also hope that National Disability Awareness Week will give us all an opportunity to appreciate, rather than denigrate, the differences between us, and to focus on the contributions that each of us, with or without a disability, can make to our communities and to our country.

PHIL CRANE AND THE PANAMA CANAL

HON. LARRY E. CRAIG

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 16, 1989

Mr. CRAIG. Mr. Speaker, in light of the recent violence surrounding the elections in Panama and President Bush's decision to reinforce U.S. Armed Forces in that region, I believe it is appropriate for Congress to reconsider its position on the Panama Canal Treaty. As the treaty requires the United States to cede all control of the canal and the surrounding zone by the year 2000, we are going to have to make some tough decisions as to whether or not Panama's instability will jeopardize our national security interests in Central America and the entire Western Hemisphere.

I want to take this opportunity to commend our colleague, Representative PHIL CRANE, on his leadership and energetic efforts to revisit the controversy which has lingered over the treaty. I also urge my colleagues to read Representative CRANE's comments in the May 15 edition of Spotlight as reprinted below.

[From Spotlight, May 15, 1989]

PANAMA CANAL TREATIES CALLED NULL AND VOID

Immediately after the House of Representatives passed H.R. 1763, the bill authorizing expenditures for the Panama Canal for fiscal year 1990, Rep. Phil Crane (R-Ill.) took on the floor of the House to remind his colleagues of an apparent oversight on their part.

Said Crane: "I believe this is an appropriate time to bring to the attention of my colleagues [details of] numerous problems with the Panama Canal Treaties. If you find these facts as disturbing as I do, I encourage you to cosponsor my bill, House Concurrent Resolution 47, expressing a sense of Congress that the Panama Canal Treaty is an illegal document."

Crane then presented his colleagues with facts detailing the many inconsistencies and legal fallacies contained within the agreement with Panama wherein the United States paid Panama to assume eventual ownership and control of this vital, strategic

waterway, built with American sweat and blood.

Crane's first objection to the legality of the Panama Canal payaway was that there were actually two treaties signed by then-President Jimmy Carter and Panamanian "head of state" Omar Torrijos in 1977. The first was the "Panama Canal Treaty," which was intended to gradually transfer control over the canal and the zone to Panama, culminating in a final transfer of sovereignty in 1999.

The second treaty was the "Treaty Concerning the Permanent Neutrality and Operation of the Panama Canal," also known as the "Neutrality Treaty," which was intended to guarantee the neutrality of the canal after the transfer was complete.

The text of the treaties as signed was not completely acceptable to the U.S. Senate when they were submitted for ratification. Thus, several reservations were attached to the treaties to clarify the meaning which the Senate placed on the provisions of the treaties, which were then ratified.

Chief among these was the so-called DeConcini Reservation, introduced by Sen. Dennis DeConcini (D-Ariz.), which declared that the right of the United States to intervene to guarantee the neutrality of the canal could be exercised unilaterally, that is, without the permission of the government of Panama.

In fact, the reservation even stated clearly that this power would be exercised even against the opposition of the Panamanians, if neutrality were threatened.

The DeConcini Reservation was strongly opposed by the Panamanian negotiators, however, who inserted a three-paragraph counterreservation into their instrument of ratification. This asserted that it was the understanding of Panama that the DeConcini Reservation did not allow for unilateral U.S. action, despite the clear intentions of the Senate to the contrary.

So essentially what we have is a basic disagreement over one of the fundamental provisions of the treaties. More importantly, the Panamanian counterreservation was never presented to the Senate for a vote (as required by the Constitution) and is not even mentioned in the U.S. instrument of ratification.

So there are two different versions of the treaties, which both sides are supposed to be in complete agreement with. This is patently impossible, and thus the ratification is faulty and the treaties are void.

This is further supported by the Vienna Convention on the Law of Treaties, to which both Panama and the United States are signatories. The convention states that each reservation to a treaty must be accepted by both parties. Since neither reservation was accepted by the other party (since they are mutually exclusive), there has been no ratification under international law.

Other objections Crane noted include the fact that the treaties never explicitly and legally transferred sovereignty over the canal to the Panamanians. All it contained was an abrogation of the original 1903 treaty, establishing U.S. sovereignty over the canal. This abrogation alone was not sufficient to transfer sovereignty to Panama.

Also, for a treaty to be overturned, the House of Representatives, according to the Constitution, must vote on the measure which effects this, just as both houses must vote to repeal any law. The House never voted on this abrogation.

Crane cited many other objections, most having to do with the fact that the treaties were illegal even under Panamanian law.

But Crane has made his point. The canal treaties are a hopeless welter of conflicting and illegal provisions. The two sides agreed to two different documents, and they are illegal under both the U.S. Constitution and international law.

The majority of the American people opposed the Panama Canal payaway when it was carried through in 1977, and should it be put to a vote today, it is undoubtedly true that the same majority would agree to declare the treaties null and void, and take back the canal.

Panama, much in the news lately because of the drug running and money laundering of its leader, strongman Manuel Antonio Noriega, a rabid anti-American leftist, is also a world center for basing these illegal activities.

The U.S. government clearly has the legal justification for taking back control of this vitally important waterway, which now is being held hostage by the criminal Noriega, who has threatened to shut down traffic on the canal if the United States persists in its efforts to depose him.

There is no reason why the United States should not counter this threat, and reassert a measure of control over its own destiny, by taking back the canal.

If you agree, let your representative know that you want him to sign on as a co-sponsor of Crane's measure declaring the canal treaties null and void.

NEW FAIR HOUSING AMENDMENTS BEGINNING TO WORK

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 16, 1989

Mr. EDWARDS of California. Mr. Speaker, when Congress enacted the Fair Housing Amendments Act of 1988, we said then that the new law represented a strong weapon to fight housing discrimination. The new law has been in effect only few weeks, and we have begun to see the positive results of our efforts.

I want to share with our colleagues an article signaling the significance of the Fair Housing Amendments Act. With this strong new law, our nation moves closer to eliminating the housing discrimination that continues to be all too common around the country.

[From the New York Times, May 13, 1989]

BLACK WINS $140,000 UNDER STIFF HOUSING LAW

(By Martin Tolchin)

WASHINGTON, May 12—In a reflection of newly strengthened provisions of the Fair Housing Act, a Florida mobile home community has agreed to pay a black New Jersey woman $40,000 for discrimination.

"We broke new ground in the Deep South, using the strength of the new law," Rachel Susz, the woman's lawyer, said today.

Charles Burr, a lawyer for the mobile home park, said his client had no intent to discriminate and had sold many homes to blacks. The company consented to the award, approved in Federal district court, only because "it was going to be an extremely embarrassing, high-visibility lawsuit," he said in a telephone interview.

Irma Princeton, the plaintiff, said she was told by a salesman at the mobile community, in Clearwater, Fla., that it was restricted and that had he known she was black, he would have told her not to make the trip.

The $40,000 award signaled the significance of amendments to the Fair Housing Act that took effect in March. The 20-year-old law sought to combat discrimination in the sale or rental of housing but had lacked tools for effective enforcement. The amendments eliminated a ceiling of $1,000 for punitive damages and added the disabled and families with children to those protected from discrimination on the basis of sex, race, color, religion or national origin.

Although the court did not specify whether the award was for actual or punitive awards, the plaintiff's lawyers said that the mere possibility of high punitive damages has expedited the case.

"The possibility of large punitive damages was definitely a factor in getting this case resolved," Ms. Susz said.

Under the consent order, the company is required to offer to sell Mrs. Princeton a mobile home. Indeed, the company says it has always offered to do so. Mrs. Princeton is not interested, however.

The judgment was approved May 2 by the Federal District Court in Tampa but received little notice.

Under the amendments to the Fair Housing Act, the Government is obligated to act as advocate and legal counsel for victims of housing discrimination, taking cases to court and seeking penalties, instead of merely mediating disputes and seeking to expedite out-of-court settlements.

The lawsuit was filed last January, but the plaintiff sought to amend the complaint after the Fair Housing Act amendments took effect, Ms. Susz said.

ACCOUNT BY PLAINTIFF

Mrs. Princeton said in a telephone interview that she was a retired free-lance writer who had sought to move to Florida and had responded to an advertisement by Wayne Wetzel Mobile Homes. Mrs. Princeton, a widow in her 60's, said she called the company and was invited by Robert J. Wendel, a salesman, to inspect a mobile home community in Clearwater. The company agreed to pay half the costs of her lodging.

In the telephone conversation, she said she told Mr. Wendel that she wrote a consumer column for "Senior Power," a publication of the New Jersey Federation of Senior Citizens, and he said: "We could use someone with those skills. Would you be willing to do that down here?" He also asked her to edit a brochure he had written, Mrs. Princeton said.

Mrs. Princeton made the trip to Clearwater in February 1988 and went to the company's office. "When I introduced myself in his office, and we shook hands, the expression on his face was, like, 'I don't believe it,'" Mrs. Princeton said.

"He said he had to give it to me straight," she continued. "He said that they had restricted housing, and had he known I was a 'colored lady,' he would have told me this and spared me the expense of the trip."

The conversation took five minutes, Mrs. Princeton said, after which she spent some time editing Mr. Wendel's brochure. She then returned to her car.

"I sat in my car and said, 'Did I just experience what I think I experienced?'" Mrs. Princeton said.

DEMAND FOR FEDERAL ACTION

She said that when she returned to New Jersey she called the Department of Housing and Urban Development in Washington,

which referred her to Clearwater's Office of Community Relations.

"She filed the case with our office," said Ron McElrath, the office manager. "We're a contract agency with H.U.D. We found probable cause that discrimination had occurred."

Mr. McElrath gave Mrs. Princeton a list of lawyers, from whom she selected Avery S. Friedman, who worked on the case with Ms. Susz.

"We think that taking away an American's human rights should be expensive," Mr. Friedman said. "The new amendments make civil rights violations economically disadvantageous."

Mr. Wendel, the mobile home salesman, was also a defendant in the case. When he spoke with Mrs. Princeton by telephone, he said in an interview. "I did not know she was black."

He said that at their meeting in Clearwater, "she said that she was very anxious to get socially involved" in a mobile home community. Mr. Wendel said he advised her that "there is discrimination in some of the parks."

"WE BROKE NEW GROUND IN THE 'DEEP SOUTH,' AN ELATED LAWYER SAYS"

"I said that she might find a problem," Mr. Wendel continued. "It's a sad thing. It's part of our society."

"I said that I was willing and ready to sell her a mobile home," Mr. Wendel said. "She said that under the circumstances, she wasn't interested."

Mr. Wendel said he had been candid with Mrs. Princeton because "I felt sorry for that lady" and did not want to see her move into a mobile park where she would not be welcome.

"I haven't had more than five colored people in my office in 10 years," he added.

Mr. Burr, the company's lawyer, said: "It was the position of the company that the salesman made isolated remarks to this lady that were probably ill advised and were arguably paternalistic, but never intended in any way to discourage her from buying a mobile home or placing her in one of the mobile parks."

Under the court order, the company must conduct semiannual training sessions of all of their agents and employees concerning fair housing laws, and cooperate with the periodic monitoring of their sales by the Clearwater Office of Community Relations. In addition, the company is required to post notices of the fair housing laws in "conspicuous locations at their places of business."

PRAISE FOR LAWRENCE COUNTY HIGH SCHOOL BAND

HON. RONNIE G. FLIPPO

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 16, 1989

Mr. FLIPPO. Mr. Speaker, I rise to bring to the attention of my colleagues the considerable accomplishments of the Lawrence County High School Band.

Over the past 15 years, the Lawrence County High School Band has received over 200 awards for superior ratings and first place competition awards throughout the Southeast and across the Nation. The band has participated in regional and national competitions in Alabama, Florida, Tennessee, Georgia, Virginia, Washington, DC, New York City, and has traveled to Whitewater, WI on six occasions to observe national level competitions.

These considerable accomplishments serve to point out the tremendous commitment to excellence in music on the part of students, parents and school officials over the past 15 years. The band program brings together everyone involved in a way that creates appreciation for music, but also provides a broader exposure to and appreciation for American culture.

The band program is a central activity of the local community and receives widespread support from business and industry in Lawrence County. The awards and accomplishments of the Lawrence County High School Band are truly shared by everyone in the community because it is through their broad-based support that this high level of excellence over the 15-year period has been possible.

I want to extend my wholehearted congratulations to the students, teachers, parents, and supporters of the Lawrence County Band program for a job well done.

TRIBUTE TO JOSEPH C. BERRY

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 16, 1989

Mr. DINGELL. Mr. Speaker, I would like to take this opportunity to pay tribute to one of Michigan's exemplary citizens, Mr. Joseph C. Berry. This fine gentleman's outstanding accomplishments merit recognition and praise. Mr. Berry spent most of his career as a United Automobile Workers International representative. At the time of his retirement he was assigned to the auditing department, a role he served ably since 1953. Mr. Berry's concerns for community affairs began when he was elected to serve as a member of Ford UAW Local 600's General Council and in 1947 he became president of Local 600's Coke Ovens & Blast Furnace Unit. Mr. Berry truly has demonstrated he is first among equals in his dedication to serve the ranks of labor within our free enterprise system.

But Mr. Berry's outstanding talents and unyielding commitment to people and public service is not merely limited to his occupation. As a dedicated husband and father of two, Joseph C. Berry held his share of offices as a distinguished member of the Allen Park Board of Education from 1969 to 1989 including president, vice president, secretary, and treasurer. In expressing his concerns for public education, this four-time Allen Park Board of Education President said "* * * to meet the human resource needs of our people, and to help them become effective and responsible citizens."

In addition to his civic responsibilities, this dedicated citizen took an active interest in the political life of his community. Mr. Speaker, Joseph Berry's list of accomplishments is endless. His service to his family and community truly exemplifies the call that service to humanity is one of Earth's greatest treasures.

As for awards, Mr. Berry says the best award of life is returning the favor to the citizens of his community. His deeds and accomplishments represent the highest ideal of servanthood. In his tireless devotion to his community, he has sought to improve mankind. I must admit, Mr. Speaker, Joseph C. Berry has made an impact in my life.

In saluting him today, we pay tribute to those who share his dedication and compassion for humanity, for they are the citizens of civilization.

"HOW TO TRANSFORM CRISIS INTO TRIUMPH"—AN ADDRESS ON POLAND BY CONGRESSMAN STEPHEN J. SOLARZ

HON. DAN ROSTENKOWSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 16, 1989

Mr. ROSTENKOWSKI. Mr. Speaker, a few days ago our colleague, the gentleman from New York [Mr. SOLARZ], delivered an address on the significance of recent developments in Poland at the annual Polish National Alliance banquet in Chicago, IL, in honor of the 1791 Polish Constitution.

In his speech, Mr. SOLARZ discussed the April signing of the roundtable agreement as representing a historic opportunity for the Polish people to make a peaceful transition from dictatorship to democracy. He also pointed out that the developments could have lasting significance for East-West relations by helping to end the cold war. Noting the threats to successful implementation of the agreement, including the potential for social unrest caused by the deteriorating Polish economy, Mr. SOLARZ described the measures that the United States can take to encourage the momentum for reform. These steps include cooperating with our Western allies to produce a comprehensive economic assistance program which would act as an incentive for the Polish Government to continue on the road toward democracy.

Mr. Speaker, I believe that the ideas put forward by Mr. SOLARZ about the how, in his words, "to transform the Polish crisis into a Polish triumph," ought to be seriously considered by the American people and by our colleagues as we begin to weigh how best to respond to the new realities in Poland. I commend Mr. SOLARZ' insights and recommendations, and I ask leave now to place them in the RECORD.

POLISH CONSTITUTION DAY

(Address by Congressman Stephen J. Solarz)

Witam Panstwa!!

I am proud to be here tonight in the company of so many distinguished Americans and Poles.

I am especially grateful to the Polish-American Congress and the Polish National Alliance for giving me the opportunity to speak to you about the significance of the round table accords for Poland and the United States.

After more than four decades of darkness and despair, of decline and dictatorship, of foreign domination and domestic degredation, a ray of light can now be seen at the end of the long tunnel of totalitarianism.

Whether it will be possible for the Polish people to emerge from the darkness of dictatorship into the sunlight of democracy will depend in no small measure on their personal courage and politial creativity.

It will also depend on the memory of democracy in Poland which is symbolized by the May 3rd Constitution whose 198th anniversary we celebrate tonight.

Along with the French and American consitutions of the same era, it defined the modern understanding of the relationship between the power of the state and the rights of the individual.

For almost two centuries, the May 3rd constitution has been an enduring symbol of human rights and human dignity in Poland.

For more than 120 years of foreign domination it kept hope alive.

For the past 50 years, a period in Polish history which began with the brutal attack by her Nazi neighbor to the West and her communist neighbor to the East, the memory of the May 3rd constitution has sustained the desire for democracy among a people who during this time experienced nothing but dictatorship.

And today, its message of human rights and human dignity is being heard loudly and clearly again.

From the shipyards on the Baltic to the coal mines in Silesia, from large cities like Warsaw and Wraclaw to small towns like Sanok and Suwalki, the Polish people are once again crying out for freedom.

They know that human rights are given by God and not by man, and that no theory of history, no theory of economics, no theory of class struggle has the power to take them away.

One month ago, the Polish government and the Polish people concluded a far reaching accord intended to rejuvenate the political, social and economic life of the nation.

For the government, the agreement represents an admission that the policies of the past eight years—indeed of the past forty years—have been a failure.

It constitutes a belated recognition by the regime of the truth of Stalin's observation that trying to impose socialism in Poland is like trying to put a saddle on a cow.

Yet in signing the agreement, the authorities are making a gamble that by relinquishing some power, they can preserve the rest.

For the opposition, while the agreement creates a momentum for change, it provides no guarantee for the establishment of democracy.

It also commits the opposition to sharing responsibility for implementing what could be painful economic reforms.

Yet for all of its limitations, the round table agreement offers the best opportunity Poland has had in half a century to make a peaceful transition from dictatorship to democracy.

It is important, therefore, for us to understand exactly what the agreement does—and does not—provide.

In political terms, the round table agreement:

Restores the legal rights of Solidarity as well as those of Rural Solidarity and the Independent Student Association.

It sets elections in June for the Sejm in which 35 percent of the seats will be freely contested by anyone who chooses to run.

It restores via free and open elections in June a 100 member upper chamber of parliament—the senate—with the power to veto legislation enacted by the lower house.

It establishes the post of president of the republic, elected to a six year term by the two houses of parliament.

It allows Solidarity a half hour of television time weekly and one hour of radio time on the state controlled media.

It permits Solidarity to publish its own daily national newspaper and eases press censorship in general.

It requires the government to strengthen the independence of judges and the courts.

In the economic realm, the agreement calls for:

The indexation of wage and pension increases to 80 percent of inflation.

The redirection of investment resources toward consumer goods and away from defense and raw material industries.

The elimination of preferential access to consumer goods for party members.

The eventual balancing of the national budget and the gradual phasing out of subsidies.

And the selection of factory managers on the basis of ability rather than political connections.

As sweeping as these provisions are, it is important to note that the agreement does not:

Legalize opposition political parties.

Provide for a freely elected parliament.

Abolish all press censorship or break the state control of the media.

Furthermore, the agreement fails to:

Address in any comprehensive way the problem of low productivity in the economy.

Restore consumer goods to the marketplace

Or abolish the detestable and demoralizing nomenklatura system in which almost 1 million key jobs in the economy are set aside as a special reserve for the 1.3 million members of the communist party.

But although the round table agreement falls short of providing what Abraham Lincoln characterized as a government of the people, by the people and for the people, it does represent an enormous opportunity for democracy in Poland.

Yet it is also true that, like Rome, political pluralism and economic prosperity in Poland cannot be built in a day.

The real choice that confronts Poland is not between purgatory and paradise, but between stagnation and rejuvenation.

The Polish people, exhausted by the seemingly endless talks and by the daily grind of economic hardship, have greeted the agreement with a certain degree of skepticism.

Their cautious reaction underscores the political realities of a country where dashed hopes and unkept promises have become part and parcel of a long history of betrayal and repression.

The bitter disappointments—the failure of Gomulka's political reforms in the late 1950's, the collapse of Gierek's economic policies in the mid 1970's, and the betrayal of the Gdansk accords in the early 1980's—have taught the Polish people the lesson that promises by the authorities are more often broken than fulfilled.

It will take the continuing courage and commitment of the Polish people to counter the inevitable efforts on the part of Stalinist elements within the communist party to subvert not only the spirit but also the letter of the agreement.

But difficult as this will be, Poles can take heart from the fact that they are blessed with extraordinary leadership, inspired by the charismatic eloquence of Lech Walesa, the sage advice of activists like Jacek Kuron and Adam Michnik, and by the spiritual wisdom of Pope John Paul II.

For Poland, the difference between the success and failure of the round table agreement will be the difference between the establishment of democracy and the continuation of dictatorship.

For the United States, the success of the accords would mean the fulfillment of our humanitarian hopes for the Polish people, but the emergence of genuine democracy in Poland also represents a necessary condition for the end of the cold war and the transformation of our relationship with the Soviet Union from one of aggressive confrontation to one of peaceful competition.

In recent years, much has happened to suggest that the Iron Curtain—which only a few years ago had seemed to be a permanent fixture on the European landscape—may finally be lifting.

Yet if the cold war is really to end, it will need to end where it began. And that place is Poland.

We need, therefore, to consider how the United States can most effectively contribute to a fundamental political and economic transformation in Poland.

And we also need to consider the major threats to the roundtable agreement and what we can do to help the forces of freedom in Poland deal with them.

There is, first of all, the possibility of Soviet intervention.

While the "new thinking" in Soviet foreign policy would seem to militate against any direct military intervention by the Red Army in Poland, the history of Eastern Europe, not to mention the invasions of Hungary in 1956 and Czechoslovakia in 1968, and the threatening military maneuvers around Poland in 1981, suggest that it would be dangerously naive to preclude the possibility of another Soviet intervention in the region.

Yet even if a Soviet invasion is only a remote possibility, the United States needs to make it clear to the Soviet Union that not only would such an intervention jeopardize—perhaps fatally—the prospects for meaningful arms control, it would also eliminate the possibility of significant and sustained economic cooperation between the U.S. and U.S.S.R.

By putting Moscow on notice that we simply will not tolerate the use of force to suppress the aspirations of the Polish people, we can diminish the possibility that in a crisis the Soviet Union will resort to military means in order to put the genie of democracy back into the bottle of repression.

The process of democratization which the round table agreement has set in motion could also be cut short by a decision on the part of the Polish communist party to halt or reverse the process of reform. The Polish government declared martial law once. It could conceivably do so again.

Here, too, the United States can create disincentives for the use of force by making it very clear to the Polish authorities that such a misguided move would doom their hopes for better relations with the West.

The final threat to the effective implementation of the accords lies in the possibility of a massive social upheaval caused by the continuing deterioration of the economy.

Such a scenario would clearly bring political progress to a halt and could very easily lead to a crackdown by the communist authorities which would bring the whole process of reform and rejuvenation to a crashing and categorical end.

Such a dismal and depressing scenario is by no means a purely hypothetical possibility. At a time when real national income is

still below what it was a decade ago; at a time when prices are almost doubling every year and when a zloty buys virtually nothing; at a time when the wait for a new car is 10 years and an apartment 35 years, a single spark resulting from a wholly unexpected incident could easily set off a confrontation between the authorities and the population that would once again plunge Poland into the abyss of violence and repression.

But here too there are steps which the U.S. could take in concert with its Western allies to maximize the prospects for social stability by providing Poland with the kind of financial assistance that can minimize the painful consequences of necessary economic reform.

In June 1947, fearing the collapse of democracy in a Europe ravaged by a brutal war and paralyzed by a frigid winter, the American Secretary of State George Marshall spoke about the need to rebuild Europe.

If democracy was going to be saved, he said, we would need a cure rather than just a palliative.

Poland today, like Western Europe 40 years ago, needs a cure rather than a palliative.

This is a time not just for the United States but the West in general to think boldly rather than incrementally, creatively rather than conventionally, in determining how to transform the Polish crisis into a Polish triumph.

President Bush's speech on Poland a few weeks ago constituted a measured and appropriate initial response to the signing of the round table agreement.

The offer to support debt reschedulings, to reduce our tariffs for a range of Polish goods, and to encourage U.S. investments in Poland are all positive and needed initiatives.

But just as the Polish government needs to go further in the elaboration and implementation of its programs for political and economic reform, so too does the U.S. need to go further in indicating comprehensively what additional steps we would be willing to take, in concert with our western allies, if the Polish authorities agreed to the establishment of genuine democracy and a free economy.

We cannot expect that vague promises of future action on our part will provide the Polish government with a sufficient incentive to continue—let alone complete—its journey on the path to democracy.

Such promises have the same value as the zloty, for like the zloty they are likely to buy us very little.

Whether the round table agreement finally evolves into a charter for freedom like the May 3rd constitution rather than becoming another in a long list of broken commitments will depend largely on events in Poland itself.

But it will also depend on the willingness of the United States to take the kinds of steps that will help to transform the dream of democracy into the reality of freedom.

Yet the truth of the matter is that the Bush Administration has no clear idea of what we and our western allies should be willing to do for Poland, if the Polish authorities are willing to abolish the nomenklatura, end all censorship, introduce a market economy, implement totally free elections, and establish a real democracy.

I call upon the President to establish a high level Administration taskforce to determine what resources would be needed to put the Polish economy back on its feet.

For only if we know the true dimensions of what needs to be done can we assess what we are prepared to do.

It might be useful to suggest what such a proposal should include.

It would need to involve generous debt rescheduling, including outright forgiveness of some loans and the reduction of interest rates on others.

It would need to include new credits, perhaps through the capitalization of a bank to help in providing capital to small and medium sized private enterprises.

It would need to explore ways to stimulate foreign investment in Poland.

It would need to help private firms tap western capital markets through such means as mutual funds.

And it would need to train the management of small and medium size industries, which is where Polish entrepreneurial talent is most heavily concentrated.

Such a program would not be cheap. It could easily cost $10 billion over the next five years.

But before we dismiss such a sum as being widely unrealistic we should consider the fact that the countries of the western alliance spend $350 billion a year in maintaining the defense of Europe.

If democracy in Poland can help to bring about the end of the cold war, thereby saving us tens of billion of dollars that we are obligated to spend on defense, then $10 billion dollars as an inducement to the Polish authorities to agree to the kind of reforms that would bring real democracy to Poland would be one of the best investments the NATO nations have ever made.

It is important to emphasize that this is truly a western and not just American responsibility.

The United States clearly has a significant stake in the emergence of democracy in Poland, but so too do our western allies.

A comprehensive program of assistance designed to facilitate the transition from dictatorship to democracy must, therefore, be a collective initiative.

There are those who say that we should begin immediately the task of rebuilding the Polish economy, and that we should not wait for the establishment of real democracy and a market economy before providing this kind of financial support.

But those who would argue for such a policy ignore the experiences of the early 1970's when western creditors pumped over $20 billion in credits into Poland only to find that the regime used the loans to avoid rather than to support reform.

A repeat performance would be the height of economic folly and political naivete.

There are also those who argue that Poland is not our responsibility and that at this time of substantial budget deficits we should not consider taking on any additional financial burdens.

But given the enormous stake we have in progress toward real political pluralism in Poland, such a do-nothing policy would be morally unacceptable and strategically unwise.

History is filled with the stories of Poles who have come to the aid of others.

Sobiewski's lifting of the siege of Vienna in 1683, Kosciuszko's contribution to our own revolution in 1776, and the brave Polish soldiers, sailors and airmen who fought alongside the Allies to liberate Europe from the Nazis in the 1940's, all made a critical contribution to the cause of freedom in other lands.

In view of what Poland has done for America and Europe, it is time for America and Europe to start doing something for Poland.

Finally, I wish to address a few words to Poles in Poland who may be listening via their radios to this celebration in Chicago.

We are watching with awe and admiration your heroic struggle to achieve the rights and freedoms for which we struggled over two centuries ago and which without your help we might never have achieved.

The events which are now taking place in Poland constitute one of the greatest and most important political dramas in the history of our time.

On the outcome depends your aspirations for freedom and our hopes for a more stable world. As you engage in this historic struggle you should know that you have our moral and political support.

It is my hope—and I shall work tirelessly to see that it comes to pass—that you will also have our material assistance as well.

Permit me to close on a very personal note which concerns an experience I had during a visit I made to Gdansk a few years ago.

When I left St. Brygida's after a lengthy meeting with Lech Walesa and Father Jankowski, who I am pleased to see here this evening, I saw a wedding ceremony in progress. A short time later, on my way to the airport, I stopped to lay a wreath at the monument to the shipyard workers killed in the uprising of 1970.

There to my amazement I saw the same couple—their marriage vows still fresh on their lips—in their first act as man and wife paying their respects to those fallen heroes who gave their lives in the struggle to make Poland free.

It is that unique pride in country and commitment to freedom which leads me to believe that, however long the journey may take, the Polish people will eventually reach the promised land of democracy and freedom.

Niech Zyje Polska.

TRIBUTE TO CHESTER J. SIMMONS

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 16, 1989

Mr. KILDEE. Mr. Speaker, I rise today to pay tribute to Chester J. Simmons of Flint, MI, who died Sunday night at the age of 60 years old.

Chester Simmons was a remarkable man, a man whose ideas about justice changed the lives of the people who knew him and forever changed my hometown of Flint. In his most recent position as the city's affirmative action officer, and in his more than a quarter century of fighting racial discrimination, Chester Simmons was victorious.

In the most literal sense, he was victorious because he got things done; he succeeded in replacing discriminatory policies with just ones. He helped make open housing a reality in Flint. His work with Model Cities, a renewal program in the area, created new job opportunities for African-Americans. He helped lay the foundation for re-examining the city's affirmative action policies in 1984, and his work with the Genesee County Community Action Agency, as a first ward councilman and on the Genesee County Board of Supervisors

opened many, many new doors for African-Americans. In doing so, he made our city and our society more decent.

There is another way in which Mr. Simmons was victorious. He was victorious because he did not yield his dream. He did not yield it to fear, or to weariness, or to cynicism. He was true to himself and his own deep surety that all people, regardless of race, sex or creed, are valuable and deserve equal treatment under the laws and policies of this land. It was a concept Chester took firm hold of as a young adult and never let slip from his grasp.

I believe, too, that Chester's life was one of profound hope. Through the decades, there were many times when changes in attitudes about race were not readily apparent, times when it appeared that racial stereotypes were too entrenched to ever be completely routed. Both in the times of slow change, and in the times of dizzying breakthroughs in the 1960's, Chester kept his eye fixed firmly on his goal and moved steadily towards it. It was this hope—the hope that, in the words of Martin Luther King, people would one day be judged not by the color of their skin, but by the content of their character—that made Chester Simmons a victorious warrior in the battle for justice.

I knew this special man for many years, since the 1950's, when I was a teacher at Flint Central High School and acting as assistant youth director of the NAACP. From our first conversation in the 1950's to our last conversation earlier this month, I learned and I grew because of the words Chester Simmons spoke.

He was not only an intelligent man, he was a deeply caring man, a rare combination of uncompromised principles and personal kindness. I owe much to Chester, as many in our city do. He was loved and respected and will be very missed by his family, his friends, and the countless number of people whose lives he touched.

Chester did not live to see the dream of perfect racial equality become a reality. But I, and many others in Flint, know that although Chester will not see the final chapter in our history of civil rights, he himself made history in the struggle for racial justice in Flint, MI.

H.R. 2222, THE CABLE CONSUMER PROTECTION ACT OF 1989

HON. CHRISTOPHER SHAYS

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 16, 1989

Mr. SHAYS. Mr. Speaker, on May 3, Senator JOSEPH LIEBERMAN and I introduced legislation that takes an important step toward putting the right to regulate the cable television industry back where it belongs—in the hands of the States and local authorities that grant cable franchises in the first place.

Since 1984, when Congress took away the ability of States and municipalities to directly regulate this industry, cable customers have been at the mercy of growing regional monopolies. Our bill, the Cable Consumer Protection Act of 1989, will help protect cable subscribers from these monopolies.

The Cable Communications Policy Act of 1984 removed the ability of most franchising authorities to regulate subscriber rates. The legislation was intended to "promote competition in cable communications and minimize unnecessary regulations that would impose an undue economic burden on cable systems" by establishing one national regulatory policy for the industry.

The 1984 act had just the opposite effect. It created a network of regional cable monopolies that have little incentive to provide competitive rates or services. Without Federal regulation, prices in many areas have skyrocketed. Since 1987 the national average monthly cable television rate has increased 32 percent.

One of these regional monopolies services southwestern Connecticut and the New York area. "Basic" service fees in my congressional district have risen dramatically—from $4.50 in 1984 to $19.95 today—and customers are not receiving all the programs and services they contracted and paid for. Under the 1984 legislation, cable operators are allowed to drop components of their service with no reimbursement or recourse to the consumer.

Our legislation would help put an end to these practices. The bill:

Gives franchising agencies the authority, if they choose to use it, to issue regulations governing rates and allows them 180 days to implement these regulations;

Grants franchising authorities the right to require 60 days notice of changes in service, including dropping of service or rearrangement of programming. It permits the regulators to hold public hearings on proposed changes and to adjust rates as a result of these service changes;

Limits further concentration of ownership by permitting franchising authorities to use high concentration of media ownership as a criterion for: First, prohibiting the purchase of a cable system; or second, denying renewal of a franchise; and

Requires cable systems to provide adequate carriage of local stations, including network, independent and public broadcasting stations, in order to be eligible for long-distance and local compulsory copyright licenses, which currently permit cable operators to pay a prorated copyright fee for over-the-air programming they pick up without being liable for a copyright suit.

There was clearly no compelling reason to deregulate the cable industry. It was a mistake that should be rectified immediately. The only ones who seem to have benefited from cable deregulation are the operators themselves who have cornered regional service markets.

With no meaningful competition in the cable industry now and little promise of any in the foreseeable future, for the sake of the consumer, these regional monopolies should be regulated. Until competition exists, the Cable Consumer Protection Act can help safeguard the interests of cable subscribers everywhere.

MENTAL HEALTH FOR CHILDREN

HON. GERRY SIKORSKI

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 16, 1989

Mr. SIKORSKI. Mr. Speaker, the National Mental Health Association [NMHA] has proclaimed May as National Mental Health Month, and this year's theme is "Mental health begins at birth. Remember the children."

I applaud the NMHA for choosing children as the focus of its educational campaign this year, because few issues are more important to our fate as a nation than the health and welfare of our children. Recognizing this, Congress created a National Commission on Children, the goal of which is to comprehensively examine the status of children in our society and to explore ways in which public and private institutions at the Federal, State, and local levels can improve the quality of their lives. Its mission reinforces the ongoing efforts of the Select Committee on Children, Youth and Families, on which I serve, by providing a much needed forum and context for considering the ramifications on children of our public policy decisions. In order to improve children's overall health status, the Commission must be sure to look at not only children's physical needs, but also their mental and emotional needs.

Recent studies have begun to measure the extent to which our young people suffer from mental or emotional disorders, and the results are alarming. For example, a 1986 study by the Office of Technology Assessment found that at least 12–15 percent of those under 18 years of age—7.5 to 9.5 million young people—suffer from a mental health problem severe enough to require treatment. The Centers for Disease Control recently released a study that found that one out of every three eighth, ninth and tenth graders in 20 States admitted that they had seriously considered suicide, and 15 percent had actually attempted to kill themselves. Experts estimate that more than 5,000 adolescents actually take their lives every year.

A 1988 survey exploring the adult perceptions of problems faced by adolescents and children, which was conducted by Riter Research for the National Association of Private Psychiatric Hospitals, found that the vast majority of adults believe that the myriad of problems faced by today's youth including child abuse, drug and alcohol abuse, depression, teen pregnancy, suicide and attempted suicide constitute a national crisis. In fact, 27 percent of those surveyed personally knew a teenager or child who had either attempted or committed suicide; 56 percent knew a child or teenager that had suffered from depression; and 58 percent and 56 percent, respectively, knew a teenager or child who had an alcohol or drug abuse problem.

Despite the enormous need for mental health services among this population, less than 50 percent receive outpatient care, and less than 1 percent of those under 18 receive hospital or residential treatment services. The

OTA estimates that approximately 70–80 percent of these troubled young people are not getting the care they need. Instead, the burden of coping with the mental and emotional needs of young people may fall to underfunded child welfare departments, juvenile justice systems, and educational and public health systems, few of which are organized to provide appropriate mental health services.

We must do a better job of dealing with this problem, not only by assisting our public health systems, but also by encouraging public and private health insurance plans to provide better coverage for mental and emotional disorders. Appropriate health insurance coverage should provide for a full continuum of services—from outpatient to partial hospitalization—so that our children and adolescents can receive the most appropriate treatment available for their problems.

Because of the clear presence of the stigma in our society regarding mental illness, we must also do a better job of educating the public about the availability and efficacy of treatment.

Although the adequate funding of public programs will take time, many mental health organizations can help right now to provide education about the resources that are currently available. For instance, the American Psychiatric Association has available a series of 12 pamphlets—each about a specific mental illness. The American Academy of Child and Adolescent Psychiatry publishes 35 "Facts for Families," including information on the mental illnesses affecting American youth today and strategies for treatment and intervention. The National Association of Private Psychiatric Hospitals offers a pamphlet outlining its admissions and discharge criteria for the hospital based treatment of children and adolescents. Other valuable information is available from the National Alliance for the Mentally Ill, the National Mental Health Association, the American Psychological Association and others.

I urge my colleagues and all Americans to take advantage of this free information.

RETIREMENT OF SUSAN GALBREATH

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 16, 1989

Mr. LIPINSKI. Mr. Speaker, I rise today to honor Ms. Susan Galbreath, who has just completed 35 years of dedicated service to the Chicago Park Service. Ms. Galbreath, who retired on March 31 of this year, has completed a fruitful career which may be used as a model for all of us. Through selfless public service, Ms. Galbreath has shown that one person may make a tremendous difference in the lives of others.

Susan Galbreath began her career as a recreation leader for the Kennedy Park in 1952. Her penchant for hard work and her motivation allowed her to retire a physical activity leader for Areas 2 and 4 of the park district. Through her service, the people of Chicago have had a productive outlet by which they may channel their energies, and she has provided an alternative for Chicago's youth to the violence which runs rampant in so many of our Nation's cities. For this we may all be grateful.

My colleagues, I ask you to join me in saluting Susan Galbreath for her work and in wishing her much happiness in her future life.

CONGRESSIONAL SALUTE TO MS. DIANE HAZELROTH

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 16, 1989

Mr. MATSUI. Mr. Speaker, I rise today to pay tribute to an outstanding member of my community, Ms. Diane Hazelroth, who has been selected by the Sacramento Association of Realtors as their choice for Citizen of the Year. It is a well-deserved honor bestowed upon Ms. Hazelroth in recognition of her dedication and volunteer service to the community which has greatly contributed to the enrichment of Sacramento.

Diane Hazelroth's seemingly infinite energy has improved the quality of life for all those with whom she comes in contact. Many organizations have been the benefactors of Diane's spirit of giving and strive for excellence. As chair of the 1988 United Way Campaign, Diane's enthusiasm and ability to recruit and organize quality volunteers resulted in a $11.4 million success story. In addition, she was instrumental in the implementation of the United Way Board Bank Task Force, which developed a program to recruit and train 150 highly qualified employee volunteers from the private sector to utilize their talent and expertise as Board Members of nonprofit community organizations. Indicative of its success, this "Board Bank" serves as a national model for the United Way.

In addition to her seven year affiliation with United Way, Diane has served in various leadership positions in many other community organizations. Her creativity, talent, and leadership has contributed to the Board of Directors public television station KVIE; the Citrus Heights Chamber of Commerce; the Sacramento Metropolitan Chamber of Commerce, the American Lung Association and the Comstock Club. Diane has dedicated herself to helping others and serves as a role model for women as an advisory board member of WEAVE [Women Escaping A Violent Environment] and the Young Women's Christian Association. Her tireless effort and commitment to the ideals of these organizations is to be commended.

Mr. Speaker, Ms. Hazelroth truly exemplifies the spirit of community volunteerism and Sacramento is honored and privileged to have an individual of her caliber as a member of our community. I salute Diane for her outstanding contributions and congratulate the Sacramento Association of Realtors for selecting such a stellar representative of our community as their Citizen of the Year.

WOMEN'S BUSINESS EQUITY ACT

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 16, 1989

Mr. CONTE. Mr. Speaker, I rise today to introduce the Women's Business Equity Act of 1989. It is my great pleasure to introduce a bill that provides common sense solutions to problems women business enterprises face when trying to do business with the Federal Government. This bill will provide for permanent women's business enterprise advocacy and will greatly facilitate women business contracting actions. This is a bill for women's business equity in Federal contracting programs.

In May 1979, President Jimmy Carter issued Executive Order 12138, establishing a national women's business enterprise policy and National Program for Women Business Enterprise. This order was created in response to findings that recognize:

First, the significant role women business enterprises can play in promoting full employment and balanced growth in our economy.

Second, the many obstacles facing women entrepreneurs.

Third, the need to aid women business enterprises.

In furtherance of its findings, the order charged all departments and agencies of the executive branch to take appropriate action to preserve and strengthen women business enterprises. One subsection of the order charged the Small Business Administration with providing staff and support for the Federal women business enterprise effort.

Continuing and upgrading this important effort begun by President Carter is the reason I, and my distinguished small business colleagues, JOE MCDADE, IKE SKELTON, and ANDY IRELAND, are introducing the Women's Business Equity Act. Essentially, this bill amends the Small Business Act to do the following:

First, make permanent the Office of Women Business Enterprise at the SBA;

Second, create a preemptive and uniform certification process to be used by all Federal agencies in identifying women-owned businesses for Federal contracting opportunities; and

Third, include women business enterprises in Federal procurement through prime and subcontract goal setting. This bill would further require all agencies to include at least one bid from a women business enterprise for all small purchase orders under $25,000.

Beside formalizing Executive Order 12138, the Women's Business Equity Act also continues our fine congressional initiative from the 100th Congress, Public Law 100–533, the Women's Business Ownership Act of 1988. As originally introduced, H.R. 5050 contained a provision for women business enterprise procurement goaling, which was later dropped in conference. The language in H.R. 5050 did not change existing law but simply amended it to include women business enterprises in yearly prime and subcontracting goals. I

strongly supported that section and was extremely disappointed when it was deleted. I have modified that provision for inclusion into this bill—the major difference being that my bill also requires one women business enterprise bid on all small purchases under $25,000.

A major concern of women business enterprises nationwide is that the certification process used to identify women business enterprises is exceedingly cumbersome, costly and repetitive and frequently is more of a barrier than a pathway to participation. Apparently certifying women business enterprises has become somewhat of a business in its own right, with some Federal agencies requiring separate certifications on each job performed for the agency. This, of course, does not include the duplicative needs of State and local agencies. Certification generally includes a lengthy application plus 3 years back records—both business and personal. The cost for certification can range upward of $5,000 per application. Basically, all certifications are the same so for women business enterprises, and for the productivity of the American economy, repetitive certification is a monumental waste of time and money—precious commodities for any business let alone a struggling women business enterprise. My bill would simply establish a central certifying authority at the SBA. Any women business enterprise seeking to contract with any Federal agency or any State/local program utilizing Federal funds shall be required to submit an application to the SBA. The SBA shall establish uniform certification criteria in conjunction with the Office of Federal Procurement Policy and other agencies. Any certification issued shall be valid for a period of 1 year and shall be the exclusive certification required. Recertification would only require updated material.

My bill would also establish a definition of women business enterprise to mean one that is 51 percent owned and operated by one or more women. This is essentially the same definition used to determine economically and socially disadvantaged businesses except that in the case of women business enterprises, the community property laws of any jurisdiction shall not apply. This provision is necessary because there are approximately 13 community property States whose laws govern property acquired by husband and wife through joint effort. Using those community funds can be grounds for denial of certification—even if the woman owns all the stock and manages the daily operations of her business.

The Women's Business Equity Act, will establish: a permanent Office of Women Business Enterprise, agency goal setting in both prime and subcontracts, and a uniform/preemptive certification. I believe it will effectively help women business enterprises increase their share of government contracts above the 1 percent now achieved. My bill places women business enterprises on an equal footing with all small and small disadvantaged businesses and provides them with equal consideration regarding outreach and advocacy.

Women now own about 30 percent of all American businesses. By the year 2000, they could own 50 percent. However, many frustrating barriers still impede their drive for equality. Women are an important segment of our economy and require equal access in order to compete for their fair share of Federal contracting opportunities. My bill provides that opportunity. My bill removes those barriers. I ask all my colleagues to join with me, JOE MCDADE, IKE SKELTON, and ANDY IRELAND, and cosponsor the Women's Business Equity Act to support women's business equity in Federal contracting programs.

TRIBUTE TO ST. MATTHIAS PARISH

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 16, 1989

Mr. TRAFICANT. Mr. Speaker, I rise today to pay tribute to St. Matthias Parish of Youngstown, OH, on the occasion of their 75th anniversary. This blessed celebration in my 17th Congressional District is a perfect example of the deep religious traditions which hold this country together as "One Nation Under God." This anniversary is marked by a Mass of Thanksgiving to be attended by over 1,000 parishioners, which will be followed by a dinner-dance where I have the honor of being toastmaster.

St. Matthias parish was the idea of a group of Slovak immigrant families who had the vision to establish a strong church/school community. The first services in July 1914 were held in a rented home, but through generosity and hard work by generations of families the St. Matthias Parish plant today contains a school, convent, rectory, and church, all debt-free. This once vision has now become a reality that 1,041 families share.

Today, a highly dedicated staff of Vicentian Sisters and lay people provide an unsurpassed education for St. Matthias students. Along with this quality education, the school offers a multitude of athletic programs which the students as well as the community take an active role. Over 3,000 students have graduated from St. Matthias creating a strong alumni which includes myself.

Mr. Speaker, I ask that the House join me today in honoring St. Matthias parish community. May this parish, which I was once fortunate enough to attend, continue to prosper in the next 75 years. It is truly an honor and a privilege to represent such a fine community organization.

A SALUTE TO THE DANCE THEATRE OF HARLEM

HON. RONALD V. DELLUMS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 16, 1989

Mr. DELLUMS. Mr. Speaker, I rise to pay tribute to an outstanding dance company, the Dance Theatre of Harlem.

Under the leadership of its founder, Arthur Mitchell, the Dance Theatre of Harlem has, since 1969, brought hundreds of thousands of dance lovers around the world to their feet as a result of its innovative well-choreographed performances. The history of this company is a rags to riches story, which emanated out of Harlem, NY, going from local popularity to become one of the most sensational dance experiences on stage today.

Arthur Mitchell has taken his talents and has not only shared them with disadvantaged youth from the black community, but has built bridges of understanding between black Americans and the cultures of the world. It has been a distinct and uplifting pleasure to watch the company's art form breaking into the world of American, and then to international ballet.

In a time when nations feared and fought each other, when dialog was needed between peoples of the world, Arthur Mitchell and the Dance Theatre of Harlem were ambassadors of peace, promoting understanding and the university of human experience through an art form that can only be described as exhilarating.

Mr. Speaker, Arthur Mitchell and the Dance Theatre of Harlem are not only to be commended for outstanding contributions to the world of the arts, but also deserve recognition for their significant and eloquent symbolism in support of peace at home and abroad.

I ask my colleagues to join me in extending best wishes for continued success in all the future endeavors of Mr. Mitchell and the Dance Theatre of Harlem.

AWARD WINNER: PAM LUGINBILL

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 16, 1989

Mr. FRENZEL. Mr. Speaker, I rise to congratulate a young constituent from Minnesota's Third District whose essay was recently recognized in the Great Raisin Fitness Challenge.

Ms. Pam Lugenbill, a senior at Rosemount High School, wrote an essay on the topic of the importance of regular vigorous exercise and healthy eating habits for maintaining peak physical fitness. Ms. Lugenbill and the 11 other national winners have come to Washington, DC, to participate in a special program which includes a fitness forum for the benefit of these young essayists.

It's always a pleasure to see a constituent receive national recognition for excellent work.

RICHARD G. MORSE, SR.: FORTY YEARS OF PUBLIC SERVICE

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 16, 1989

Mr. SOLOMON. Mr. Speaker, one of the greatest public servants in my district is retiring June 1 after 40 years of loyal service, and it won't seem the same without him.

Richard G. Morse, Sr., has been clerk of the Greene County (N.Y.) Legislature for 9 years, and before that, town clerk and Republican

chairman of the Town of Windham, and sealer of weights and measures.

Service to his country came first. Morse served in the U.S. Navy during World War II and served 3 more years in the Naval Reserve. His love of country also has been reflected in membership in Veterans of Foreign Wars and the American Legion ever since his discharge from active duty.

Love of community has matched his love of country. He was well-known years ago as the owner of a grocery store, but still found time to serve as a volunteer fireman with Windham Hose Company since 1945, and has been active with Little League, Boy Scouts, the Windham Methodist Community Church, and the advisory board of Bankers Trust.

He will be honored by a surprise dinner on May 28, but it won't be the first time he has been honored.

Six years ago, he received the Presidential Recognition Award from President Reagan. The award honors "public and private sector employees, individuals, agencies, businesses and groups who provide outstanding service to their communities through their participation in worthwhile volunteer activities and public-private partnerships."

Mr. Speaker, Richard Morse, Sr., exemplified the purpose of the Presidential Recognition Award to the highest degree. An individual had to be nominated to be considered for the award, and Greene County legislators would be the first to testify to his worthiness. Mr. Morse's days were often 10-hours long, but he has never been too busy to help a neighbor, often without being asked. He is the kind of American who often stops to place memorials on veterans' plots in the local cemetery, paying his own quiet tribute.

Mr. Speaker, fellow Members, please join me in saluting a great American, Richard G. Morse, Sr., and in wishing him all the best in a long and well-deserved retirement.

RURAL HEALTH CARE IS IN A STATE OF EMERGENCY

HON. CLAUDE HARRIS

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 16, 1989

Mr. HARRIS. Mr. Speaker, I rise today in strong support of the rural health initiatives put forth by the Rural Health Care Coalition on March 22, 1989. This coalition, which represents more than 100 Members of the House of Representatives, presented a bipartisan package of legislation designed to revitalize the rural health care delivery system in this Nation. I hope that my colleagues on the House Appropriations Committee will review this package carefully when they consider the budget later this year.

In my State of Alabama, during this past year, there has been a unprecedented increase in the number of closures of rural hospitals. In fact, our State leads the Nation in the number of closures. In 1988 there were 7 closures, including 4 rural hospitals. In 1989, the Alabama Hospital Association is predicting an additional 7 to 12 hospitals will close their doors. These closures represent a tragedy for a rural community. In addition to the loss of access to care, rural residents also lose a valuable employer for their communities.

The infant mortality portion of the package represents one of the brighest achievements in the package. Alabama has one of the highest rates of infant mortality in the Nation. The infant mortality initiative will expand the Maternal Child Health Program by $50 million. This expansion of the program will incorporate suggestions given by both local and national experts to lower the rate of infant mortality. The bill pioneers the use of mobile outstations where pregnant women can receive information about WIC, food stamps, Medicaid, and subsidized housing. By eliminating some of the difficulties of enrolling in the programs, it is hoped that more women will take advantage of these valuable programs. In addition, this initiative provides for the training of prenatal counselors to make some visits to high risk mothers.

Another highlight of the package is the elevation of the Office of Rural Health into an undersecretary position within the Department of Health and Human Services. This elevation will focus more attention on the needs of rural communities. It is important that the Secretary of Health and Human Services, Secretary Louis Sullivan, remember that rural areas are the backbone of America and deserve the same accessible, quality care that other citizens enjoy. For too long the needs of these communities have been ignored in favor of the larger, more populous urban areas.

I would also like to bring to the attention of my colleagues, the sense of Congress resolution that is being introduced today by my colleague, the Honorable ROBIN TALLON of South Carolina. I am proud to join Representative TALLON in his efforts to recommend the immediate elimination of the Medicare differential between urban and rural health care providers. This differential is unfairly contributing to the poor health of rural health care providers. When the differential was orginally established, policymakers justified this difference by correlating reimbursements to labor costs in the rural areas. In fact, recent evidence by medical experts have shown that costs are more expensive that that of urban areas in many cases. Labor costs should not be the only component in determining the real cost of providing a service.

SUPPORT OF THE RADIATION VICTIM COMPENSATION BILL

HON. WAYNE OWENS

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 16, 1989

Mr. OWENS of Utah. Mr. Speaker, today together with six of my colleagues from involved southwestern States, I am introducing the radiation victim compensation bill. This legislation would redress an outstanding national obligation to citizens in our region, who were unjustifiably and involuntarily sacrificed to advance our Nation's position during the "cold war".

They are either the heirs of Colorado Plauteau uranium miners who were unwittingly exposed to extraordinary levels of radiation in underground uranium mines, where ore for the Government's nuclear developments was mined during the 1950's, or they are the heirs and family members of fallout victims from the Government's nuclear testing in Nevada during that same era.

Both classes of victims have presented their cases to the judiciary system. In both cases, court opinions were issued that the deaths and injuries were caused by the radiation exposures, and that Government officials knew of the risks and failed to act. However, because the courts also found that the Federal decisions to disregard these people's iives and safety were premeditated, Federal sovereign immunity laws were applied to bar their claims. Indeed, it is because their deaths and injuries were deemed intended, or, in other words a policy decision of the United States, that they have gone uncompensated under current law.

They are the victims of the "cold war", who, unlike other war victims, could have chosen to live or work elsewhere, had they been informed of the danger.

Both the 9th and 10th Circuit Courts of Appeal struggled in these cases with the unjust result imposed by applicable Federal sovereign immunity laws. The ninth circuit stated "we agree with the district court that this is the type of case that cries out for redress, but the courts are not able to give it: Congress is the appropriate source in this instance."

This legislation would respond to these judicial recommendations with a national apology and modest, but long overdue, compassionate payments, similar to those provided for victims of the "Texas City Disaster" and Japanese-Americans who were unjustly interned during World War II. I invite you, Mr. Speaker, and my colleagues in the House of Representatives to join in fulfilling this outstanding national obligation.

SPECIAL TRIBUTE TO MARIAN HANCOCK

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 16, 1989

Mr. LAGOMARSINO. Mr. Speaker, I rise today to join in paying tribute to Marian Hancock. It is truly fitting that the Marian Medical Center Foundation is bestowing its first endowment in Mrs. Hancock's name. She, along with her late husband, G. Allan Hancock, donated the site of land on which the Marian Medical Center is located.

The Marian Medical Center is Santa Maria's only not-for-profit medical center. This endowment will allow the excellent care the center has provided over the years to continue. In addition, this endowment provides the assets needed to acquire new state-of-the-art equipment and continue to advance as future needs are identified.

In Santa Maria, Mrs. Hancock is well known and respected by her friends, neighbors, and fellow citizens. She has been selfless in giving of herself not only in Santa Maria but through-

out the State of California. She is known for providing the leadership which is necessary to get the job done. Mrs. Hancock has contributed much to her community through her philanthropic activities.

And so, in joining in this tribute I am pleased that Santa Maria can claim this remarkable woman as a member of its community. Congratulations on this distinguished honor. No one is more worthy of being honored at this first endowment activity than this year's recipient who is so being honored.

RURAL HEALTH CARE

HON. BILL EMERSON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 16, 1989

Mr. EMERSON. Mr. Speaker, those of us who live in rural America are facing some difficult times in the arena of health care. As one who believes that access to quality medical care should not be limited by your age or your income or by where you live, it is extremely important to me that our rural hospitals, health care practitioners, and patients be treated with the utmost fairness. As it stands now, there are some serious inequities in the way that Medicare reimburses for health care in rural areas.

Of course, rural America can't continue to take this. That is why the efforts of the House Rural Health Care Coalition are so tremendously important. I am asking my colleagues to join me in supporting the legislative package that the coalition has introduced in the 101st Congress. Eliminating the urban/rural differential in Medicare reimbursement for physicians and hospitals, improving the qualifications for "sole community provider" status for hospitals, and creating incentives by which we can attract more doctors and health professionals to rural America are among the highlights of this package.

I urge my colleagues to join me in this effort to bring fair and equitable health care policies to rural America. We must continue to make progress in this area if we are to meet the unique challenges that we face in delivering health care in this Nation.

TO HONOR CONGREGATION HABONIM

HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 16, 1989

Mr. WEISS. Mr. Speaker, later this year, Congregation Habonim, a synagogue in my district in New York, will celebrate its golden anniversary. The congregation, founded by men and women who had fled from persecution in Nazi Germany, has experienced 50 years of successful achievements in its community.

I would like to insert into the RECORD the text of a letter I have sent to Rabbi Bernhard N. Cohn, the Rabbi of Congregation Habonim, congratulating him and them on this wonderful occasion.

DEAR RABBI COHN: I am proud to extend my congratulations to Congregation Habonim on the occasion of your 50th anniversary.

Like the men and women who founded Congregation Habonim in November of 1939, I was one of the fortunate few to leave Europe shortly before the worst of the Holocaust began. I feel privileged to be associated with the "bonim"—builders—of that time, who were all forced to rebuild their lives, and to recapture their religious tradition. The fact that this congregation is celebrating its golden anniversary is a testimony to the success of its founders in that effort.

I commend all the leaders and members of Congregation Habonim for your achievements and for your activity in the community, and I look forward to sharing many more years of success with you.

Sincerely,

TED WEISS,
Member of Congress.

TRIBUTE TO THE LATE WILLIAM McDONALD WHEELER

HON. J. ROY ROWLAND

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 16, 1989

Mr. ROWLAND of Georgia. Mr. Speaker, William McDonald Wheeler—known as "Don" to his legions of friends in Georgia and around the country—recently passed away in his beloved hometown of Alma, GA, where he was born and raised and where he resided for most of his 74 years.

For 8 of those years, 1947 until 1955, he served with distinction in the U.S. House of Representatives.

Don Wheeler contributed a depth of knowledge to Congress in a wide range of areas, including education, agriculture, and business. He was educated at South Georgia College in Douglas, Middle Georgia College in Cochran, Georgia Teachers College at Statesboro, and in 1966 received his LL.B. from the Atlanta Law School. As a young man, he taught school and served as a principal of junior high schools in Bacon and Appling Counties. He also farmed and tried his hand at sales and public relations. He served as tax examiner for the State of Georgia, on the staff of the Georgia Motor Vehicle Division, as coordinator for Federal programs for the Bacon County Board of Education, and once strayed to Mississippi where he served as assistant director of the Governor's Highway Safety Program.

He was always a leader. He enlisted in the Army Air Force early in World War II and rose to the rank of captain by the time of his discharge in 1946. Within a year, he had been elected to Congress, representing an area of Georgia that is now a part of the Eighth Congressional District, which I have the honor of currently representing.

Don approached the problems of Government with both philosophical and pragmatic insight. During my own years in Congress, I always found his incisive views and sound advice to be of great value. All of us have lost a friend.

SALUTING RAY RING

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 16, 1989

Mr. STARK. Mr. Speaker, I wish to take this opportunity to pay tribute to Ray Ring for his numerous contributions in the Hayward and San Leandro communities. Ray has an impressive military service record in addition to commendable community service.

His decision to enter the U.S. Coast Guard in 1938 began a long history of dedicated service. In 1946 he received an honorable discharge. Ray began volunteering as a veteran's representative after being disabled from an injury while he was employed. He has traveled over 100,000 miles and spent over 15,000 hours at different VA hospitals. He is committed to assisting fellow veterans wherever and whenever a need arises.

Ray's schedule of volunteer work includes a position as State service officer for the Veterans of Foreign War. He has earned the honorable distinction of commander-elect of District 14 of the Veterans of Foreign Wars post, a 19-post, 9,000-member organization. Ever eager to participate with the VFW, he also serves as their fifth area chief of staff and national aide-de-camp for the recruiting class.

His philanthropic duties permeate throughout the community, touching the lives of the unfortunate. His compassion and inspiration are exemplified through his work with homeless individuals. Ray has channeled his energy for the community by distributing surplus food donated by businesses in the Hayward-San Leandro area to these forgotten, needy people.

Ray Ring's civic and military involvement is a testament to a career of service and dedication toward those less fortunate. His willingness to help others benefits all of us. Lucky are those who have been affected by his courage, understanding, and good will. He deserves our recognition as a fine example of American citizenry.

PROMOTING INTER-AMERICAN COOPERATION OVER RAIN FORESTS

HON. CLAUDINE SCHNEIDER

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 16, 1989

Ms. SCHNEIDER. Mr. Speaker, today, I am introducing a resolution that promotes a cooperative effort between Brazil and the United States to implement ecologically sustainable management of rain forests and other fragile natural resources.

Last year, the Congress unanimously passed House Joint Resolution 648 that was signed into law, calling on the President to vigorously pursue an international treaty to conserve the Earth's animal and plant species, which are being lost at an unprecedented rate. Much of this loss is occurring as the result of tropical rain forest destruction, which

has been vividly documented in Landsat photos. Stopping this destruction has become a central, and controversial, issue in the environmental community. Concern in some quarters has resulted in a call for any and all measures to stop this destruction, including trade embargoes on products from countries that fail to halt this loss of biological diversity. While this reaction is understandable, it is not constructive.

Recently, I organized a meeting with a number of congressional colleagues to meet Brazilian Congressman Fabio Feldman, the leading environmentalist in the Brazilian Congress. During this meeting, Mr. Feldman explained that the Brazilian Government viewed the suggestion of trade embargoes as a serious threat to Brazilian national sovereignty.

We discussed setting up a linkage between the Brazilian and United States Congresses to encourage better understanding between our two nations. In the face of global climate change and the threat to the Earth's biodiversity, we must work together with Brazil to pursue a strategy that is mutually beneficial. To that end, Senator REID and I have introduced companion joint resolutions, encouraging a national policy effort that promotes a spirit of cooperation between Brazil and the United States. The resolution encourages an expeditious effort to implement ecologically sustainable management of rain forests and other fragile natural resources. This can, and should be done in a way that respects, not threatens, the sovereignty of Brazil.

This policy is one that will lead to understanding and progress. The promotion of sustainable forestry is environmentally sound and economically viable. It is a constructive policy that incorporates economic growth and mutual understanding into our view of the global ecosystem.

The text of the resolution follows:

H.J. RES. —

Whereas tropical forests are the world's storehouse of biological diversity, containing more than one-half of the plant and animal species on earth, with millions yet to be described by scientists;

Whereas these tropical forests are a major absorber of atmospheric carbon dioxide and help prevent its potentially serious buildup in the atmosphere;

Whereas more than one-half of the world's medicines were derived from wild plants and animals;

Whereas future medicine, industry, and agriculture will depend on genetic resources found in nature;

Whereas approximately one-third of the world's tropical forests have already been lost and over 30 million acres are being cleared each year, primarily without reforestation, and this trend threatens the futures of all nations;

Whereas some United States assistance to tropical forest nations has encouraged nonsustainable forest development and environmental impact analyses are not required for all of this assistance;

Whereas the United States has imported tropical forest products derived from nonsustainable utilization of these forests;

Whereas successful foreign policy to help developing nations establish effective conservation programs and support democracy must include exchange of technology and managerial expertise;

Whereas Brazil and other sovereign nations with tropical forests are developing effective conservation programs, and the United States wishes to work together with them in these efforts;

Whereas practicable technology and management strategies are greatly needed to manage sustainable uses of tropical forests, and the United States desires to help develop these technologies and

Whereas nongovernmental organizations in concerned nations are playing an increasingly important role in tropical forest conservation and conservation of biological diversity: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That it is the policy of the United States—

(1) to work together as a partner with nations with tropical forests within their borders to help conserve these forests and help ensure that any utilization of these forests is carried out on a sustainable basis;

(2) to furnish United States assistance programs, including multi-lateral banks, for the maintenance of tropical forests and sustainable uses of these forests, complemented by professional environmental analyses;

(3) to support the strengthening of intercongressional links between the United States and Brazil, and between the United States and other nations owning tropical forests, to explore jointly partnerships in forest conservation and sustainable economic growth;

(4) to encourage nongovernmental organizations to work with governments to help design, implement, and assess sustainable forest management policies and programs for conservation of tropical forests and bilogical diversity;

(5) to establish a bilateral agreement between the United States and Brazil and between the United States and other interested nations to share technology, experience, training, and research in tropical forest conservation, through direct personal contracts with congressional, scientific, educational, and management personnel;

(6) to encourage and directly support development of model projects demonstrating sustainable use and conservation of tropical forests;

(7) to support increased research and training by the United States in tropical forest ecology and management; and

(8) to place extremely high priority on the conservation of the world's tropical forests and the biological values and opportunities found in these forests.

SEC. 2. REPORT.

Not later than one year after the date of enactment of this joint resolution, the President shall submit to the Congress a report describing progress made toward the purposes in the first section.

HOUSE OF REPRESENTATIVES—*Wednesday, May 17, 1989*

The House met at 12 noon.

The Reverend Martin Ruge, pastor, St. Paul Lutheran Church, Neenah, WI, offered the following prayer:

O God, You are so good to us. You really are! You love us so much, and You place such trust in us. You created this world, and then You gave us dominion over it.

We know, for instance, that just about every decision made in this room, directly or indirectly, affects the whole world.

Realizing that, and knowing how much You trust us, help us to trust You more and more. Amen.

Let it be so. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. SMITH of Vermont. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. SMITH of Vermont. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 295, nays 113, not voting 26, as follows:

[Roll No. 56]

YEAS—295

Ackerman	Bosco	Coelho
Akaka	Boucher	Coleman (TX)
Alexander	Boxer	Collins
Anderson	Brennan	Combest
Andrews	Brooks	Conte
Annunzio	Broomfield	Cooper
Anthony	Browder	Costello
Applegate	Brown (CA)	Cox
Archer	Bruce	Coyne
Aspin	Bryant	Crockett
Atkins	Bustamante	Darden
AuCoin	Byron	Davis
Barnard	Callahan	de la Garza
Bates	Campbell (CA)	DeFazio
Beilenson	Campbell (CO)	Derrick
Bennett	Cardin	Dicks
Bereuter	Carper	Dingell
Berman	Carr	Dixon
Bilbray	Chapman	Donnelly
Boggs	Clarke	Dorgan (ND)
Bonior	Clement	Downey
Borski	Clinger	Dreier
Duncan	Lancaster	Ritter
Durbin	Lantos	Robinson
Dwyer	Laughlin	Roe
Dyson	Leath (TX)	Rose
Early	Lehman (CA)	Rostenkowski
Eckart	Lehman (FL)	Rowland (CT)
Edwards (CA)	Leland	Rowland (GA)
English	Levin (MI)	Russo
Erdreich	Levine (CA)	Sabo
Espy	Lewis (GA)	Saiki
Evans	Lipinski	Sangmeister
Fascell	Livingston	Sarpalius
Fazio	Long	Sawyer
Feighan	Lowey (NY)	Saxton
Fish	Luken, Thomas	Scheuer
Flake	Manton	Schiff
Flippo	Markey	Schneider
Florio	Martin (NY)	Schulze
Foglietta	Martinez	Schumer
Foley	Matsui	Sharp
Ford (TN)	Mavroules	Shaw
Frank	Mazzoli	Shumway
Frenzel	McCloskey	Shuster
Frost	McCrery	Sisisky
Gaydos	McCurdy	Skaggs
Gejdenson	McDermott	Skeen
Gephardt	McEwen	Skelton
Gibbons	McHugh	Slattery
Gillmor	McMillen (MD)	Slaughter (NY)
Gilman	McNulty	Smith (FL)
Gingrich	Miller (CA)	Smith (IA)
Glickman	Miller (WA)	Smith (NE)
Gonzalez	Mineta	Smith (NJ)
Gordon	Moakley	Smith (VT)
Gradison	Mollohan	Snowe
Grant	Montgomery	Solarz
Gray	Moody	Spence
Green	Morella	Spratt
Guarini	Morrison (CT)	Staggers
Gunderson	Morrison (WA)	Stallings
Hall (OH)	Mrazek	Stark
Hall (TX)	Murtha	Stearns
Hamilton	Myers	Stenholm
Hammerschmidt	Nagle	Stokes
Hansen	Natcher	Studds
Harris	Neal (MA)	Swift
Hatcher	Nelson	Synar
Hawkins	Nowak	Tallon
Hayes (LA)	Oakar	Tanner
Hefner	Oberstar	Tauzin
Hertel	Obey	Thomas (GA)
Hoagland	Olin	Thomas (WY)
Hochbrueckner	Ortiz	Torres
Holloway	Owens (NY)	Torricelli
Horton	Owens (UT)	Towns
Houghton	Packard	Traficant
Hoyer	Pallone	Traxler
Hubbard	Panetta	Unsoeld
Huckaby	Patterson	Valentine
Hughes	Payne (NJ)	Vander Jagt
Hutto	Payne (VA)	Vento
Jenkins	Pease	Visclosky
Johnson (CT)	Penny	Volkmer
Johnson (SD)	Perkins	Walgren
Johnston	Petri	Watkins
Jones (NC)	Pickett	Waxman
Jontz	Pickle	Weiss
Kanjorski	Poshard	Whitten
Kaptur	Price	Williams
Kasich	Pursell	Wilson
Kastenmeier	Quillen	Wise
Kennedy	Rahall	Wyden
Kildee	Ravenel	Wylie
Kleczka	Ray	Yates
Kolter	Regula	Yatron
Kostmayer	Richardson	
LaFalce	Rinaldo	

NAYS—113

Armey	Bliley	Chandler
Baker	Boehlert	Clay
Ballenger	Brown (CO)	Coble
Bentley	Buechner	Coleman (MO)
Bevill	Bunning	Coughlin
Bilirakis	Burton	Craig
Crane	Leach (IA)	Schaefer
Dannemeyer	Lent	Schroeder
DeLay	Lewis (CA)	Schuette
DeWine	Lewis (FL)	Sensenbrenner
Dickinson	Lightfoot	Shays
Dornan (CA)	Lloyd	Sikorski
Douglas	Lowery (CA)	Slaughter (VA)
Edwards (OK)	Lukens, Donald	Smith (MS)
Emerson	Machtley	Smith (TX)
Fawell	Madigan	Smith, Denny (OR)
Fields	Marlenee	Smith, Robert (NH)
Gallegly	Martin (IL)	Smith, Robert (OR)
Gallo	McCandless	Solomon
Gekas	McCollum	Stangeland
Goodling	McDade	Stump
Goss	McGrath	Sundquist
Grandy	McMillan (NC)	Tauke
Hancock	Michel	Thomas (CA)
Hastert	Miller (OH)	Upton
Hayes (IL)	Moorhead	Vucanovich
Henry	Murphy	Walker
Herger	Nielson	Walsh
Hiler	Oxley	Weber
Hopkins	Parris	Weldon
Hunter	Pashayan	Wheat
Hyde	Paxon	Whittaker
Inhofe	Porter	Wolf
Ireland	Rhodes	Young (AK)
Jacobs	Ridge	Young (FL)
James	Roberts	
Kolbe	Rogers	
Kyl	Roth	
Lagomarsino	Roukema	

NOT VOTING—26

Bartlett	Garcia	Pelosi
Barton	Hefley	Pepper
Bateman	Jones (GA)	Rangel
Conyers	Kennelly	Rohrabacher
Courter	Meyers	Roybal
Dellums	Mfume	Savage
Dymally	Molinari	Udall
Engel	Neal (NC)	Wolpe
Ford (MI)	Parker	

□ 1225

Mr. YOUNG of Alaska changed his vote from "yea" to "nay."

Mr. GIBBONS changed his vote from "nay" to "yea."

So the Journal was approved.

The result of the vote was announced as above recorded.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore (Mr. NAGLE). The Chair will ask the gentleman from Oklahoma [Mr. INHOFE] to lead the House in the Pledge of Allegiance.

Mr. INHOFE led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate had passed without amendment a joint resolution of the House of the following title:

H.J. Res. 170. Joint resolution designating May 1989, as "National Digestive Disease Awareness Month."

The message also announced that the Senate had passed a joint resolution of the following title, in which the concurrence of the House is requested:

S.J. Res. 113. Joint resolution prohibiting the export of technology, defense articles, and defense services to codevelop or coproduce the FSX aircraft with Japan.

PASTOR MARTIN E. RUGE

(Mr. DAVIS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DAVIS. Mr. Speaker, I am pleased to host Pastor Martin E. Ruge of Neenah, WI, as our guest chaplain. I have known Reverend Ruge for 10 years, dating back to his days as pastor of Emmanuel Lutheran Church in Menominee, MI.

It is for a special reason that he has been honored as our guest chaplain. On May 25, Reverend Ruge will celebrate his 25th anniversary in the ministry, a ministry that is special in many ways.

It is my great pleasure to play a small part in honoring a man who has meant so much to so many people. His history is one of service to God and man. He is probably best known as a minister who takes his message beyond the church walls and into the community—to the needy, the handicapped, and the elderly.

Let me also add that Pastor Ruge's son, Mark, is my extremely able chief of staff.

Reverend Ruge, it is people like you who make America a better place. Thank you for joining us today.

□ 1230

REPEAL AND REPLACE THE MEDICARE CATASTROPHIC COVERAGE ACT OF 1988

(Mr. McNULTY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McNULTY. Mr. Speaker, I rise today to address a matter of great concern to me and my constituents in the 23d District of New York, the Medicare Catastrophic Coverage Act of 1988.

I have received almost 1,500 letters on this subject in the last month, the overwhelming majority of them asking that Congress either delay implementation or repeal the program altogether.

I believe the time has come for Congress to reexamine this issue in depth. While we strive to provide protection from the financial devastation a serious illness can bring, we must not—and cannot—achieve this in a manner that penalizes the intended beneficiaries.

Estimated revenues far exceed what was projected to create the fund reserve. I am encouraged that serious consideration is now being given to cutting the premiums.

But we must go further. This is the first entitlement program to be funded entirely by its beneficiaries. It is just not fair to our seniors, who have borne heavy costs throughout their lives with the hope and belief that in their later years they would bear a lesser burden.

Mr. Speaker, I think we should repeal the Medicare Catastrophic Coverage Act of 1988, and it should not be replaced unless, and until, a plan is developed which has the support of America's seniors.

LET US END THE OUTHOUSE EFFECT

(Mr. SAXTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SAXTON. Mr. Speaker, we have all been hearing about the "Greenhouse Effect." Today I want to talk about the "Outhouse Effect."

The outhouse effect is what we have subjected our oceans to by allowing the dumping of pollutants—most particularly, sewage sludge.

Not long ago we looked on in horror as hundreds of dead dolphins washed up on the beaches of the Atlantic coast. A Government report said they got sick from algae—despite the fact that they were so full of dangerous pollutants that they could qualify as superfund toxic waste sites.

And in my own State of New Jersey, we are subjected to new advisories, new cautions, on the consumption of bluefish.

In the last Congress we enacted a new law to stop ocean dumping by 1991. Now we have to see that the new law is enforced. Dumping in the ocean must stop, period.

But that is just a starting point. This year I introduced H.R. 403. It will crack down on the discharge of pollutants into our bays and estuaries through pipelines.

This is important legislation. It is timely legislation. I ask my colleagues to cosponsor H.R. 403, and move us a step closer to ending "Outhouse Effect."

OPPOSITION TO FSX AGREEMENT

(Mr. HARRIS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HARRIS. Mr. Speaker, I share the concerns of many of my colleagues over the administration's announced agreement with Japan for development and coproduction of the so-called FSX fighter aircraft. We all recognize the military need for Japan to take a larger role in providing for air defense in the Northern Pacific, and the need for replacement of Japan's F-1 fighter. But Mr. Speaker, agreeing on the need does not mean that we have to agree on the administration's proposed solution. For that reason I am also disappointed by yesterday's vote in the other body.

The administration's solution does not meet present military needs. Even if the FSX as an aircraft were the best plane available, and clearly it is not, it will not be available until the mid to late 1990's. The development from scratch of this new aircraft does nothing to address the air defense needs of today's Japan. According to reports, the plans for this FSX aircraft show it best suited for the close air support role rather than serving as an air defense or air superiority fighter. When facing the large array of modern aircraft the Soviet Union has stationed in Northeast Asia, you would expect Japan to be concerned with obtaining an aircraft specifically designed to defeat that threat today.

Mr. Speaker, there are other airplanes now available to Japan, which are superior to the proposed FSX. The McDonnell-Douglas F-18 is a fighter aircraft widely used by the United States, its NATO allies, and other countries throughout the world. This twin engine aircraft offers a measure of safety for its pilots not found in single-engine aircraft, and this is especially important given that these planes will operate over open ocean for much of the time. Japan itself already operates the McDonnell Douglas F-15 air superiority fighter, and additional procurement of this aircraft would certainly meet Japan's air defense needs. The F-16 is a relatively inexpensive fighter aircraft which is available for immediate purchase. For years the Japanese have denied their purchasing policies and economic market were closed to the United States' goods and services. They have said repeatedly, "when you make a better product at a low price, we will buy it." Now we have a variety of such products, and Japan still refuses to buy from the United States and is giving preference to their own product. In sum, Mr. Speaker, the FSX is not the best plane at the lowest cost, and available at the earliest date.

Those who support this agreement criticize opponents as protectionist. However, Mr. Speaker, they cannot explain how that basic tenet of free trade, selection of the best product at the lowest price for earliest delivery, regardless of source of origin, has been totally rejected by Japan in this case. The burden is on those who support

this agreement to convince the Congress and the American people that the FSX is not just another example of Japan's strategic approach to export economics. Is Japan's real concern its own legitimate military security needs? Or, is it seeking new technology so as to enter the commercial aircraft production market using technology it has taken us years of research and billions of dollars to develop?

Mr. Speaker, I oppose this agreement and will vote against it because it clearly is not in the best interests of either the United States or Japan.

WHERE IS THE SUPPLEMENTAL BUDGET?

(Mr. SOLOMON asked and was given permission to address the House for 1 minute.)

Mr. SOLOMON. Mr. Speaker, yesterday I stood in this well and I asked all of the Members to pick up the telephone, call the veterans' hospital in their district, and find out the dire financial situation there. Many Members did, and I thank them for it. Many of them did not.

Mr. Speaker, if they had, they would have found out that the veterans' hospital serving their district, is on average $4 million short for this year. That means veterans are being turned away for their prescription drugs, nurses are being laid off, doctors are being laid off, hospital wards are being closed down, and the situation worsens every day we delay in passing a supplemental budget to help alleviate this shortfall. I ask you, Mr. Speaker, where is the supplemental budget? There is $700 million available and already agreed to. The money is there. All we have to do is pass it. Stop holding this supplemental hostage. Get it on the floor today. Let us pass it.

The Senate is going home next week and they will not be here. We are going home the week after, and we will not be here.

Think of what is happening to those veterans out there, and get that supplemental budget on this floor.

BRING NORIEGA BACK HERE TO JUSTICE

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, while everybody keeps shouting wolf in Nicaragua, we have a war raging right here in the Nation's Capital, right here on the streets of what is becoming Dodge City. The murder rate here is beginning to compare with that of all of Canada.

Meanwhile we have a dictator in Panama who holds the locks of that canal in the palm of his hand. He smuggles drugs into America. We keep looking at Nicaragua and shipping them money. I say that Nicaragua is like a fly on our face compared to Panama, which is beginning to look like an elephant eating our behind.

I urge the President to go after him, No. 1, and, No. 2, I urge Congress on both sides to support the President in going after him and bringing him back here to justice.

BATF SHOULD NOT DECIDE WHICH GUNS AMERICANS MAY OWN

(Mr. MARLENEE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MARLENEE. Mr. Speaker, the Bureau of Alcohol, Tobacco and Firearms has in the past displayed Gestapo tactics. We ought not to allow an agency which has displayed Gestapo tactics in the past decide for the American public which guns they may own or may not own.

Mr. Speaker, I am including in my text here in my 1-minute speech an editorial. Let me quote from it:

[From the Washington Times, May 9, 1989]

THE VICTIM: "I AIN'T DEAD"

"If it weren't for [my stepson] and his gun, I'd been dead. We'd all been. Sure of that," the victim of an attacker who broke into his home told The Washington Post.

Congress is worried about guns owned by victims.

"He grabbed me and pushed me over the bed and held my cane against my neck," The Post reported, until the man's 48-year-old stepson arrived to begin a death struggle with Ernest Lamont Chase, the intruder.

"In the living room, the stepson managed to reach under the cushions of his easy chair and get his gun, a 9mm Smith & Wesson pistol. . . . 'I only tried to clip the guy. Hit him low in the gut first, but he was crazy up on drugs or something and he just kept coming.'"

Congress says law-abiding citizens "don't need" guns.

"Officers found a folding knife with an eight-inch blade in Chase's pocket," The Post reported, adding that "Chase had two convictions, a misdemeanor narcotics charge in 1985 and a burglary charge for which he received a six-month suspended sentence and three years' probation last September."

But instead of tossing Ernest Lamont Chase in jail, Congress would disarm his victim.

"'It's not a very good feeling to have to shoot someone,' the stepson said. 'Don't like it a bit, but I knew either he was going to be dead or I was going to be dead. I ain't dead.'"

No you ain't, but no thanks to Congress. Rather than giving police the power to toss criminals in jail where they belong, Congress is going to take guns away from old men with canes and joggers in Central Park.

Mr. Speaker, I do not think that we ought to allow BATF to decide for the American public who should and should not own what revolver.

VETERANS' ADMINISTRATION HAS DENIED AGENT ORANGE CLAIMS FOR TOO LONG

(Mr. JONTZ asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. JONTZ. Mr. Speaker, I was very pleased with the announcement last week by Secretary of Veterans' Affairs Derwinski that his department will not appeal a Federal district court ruling that orders the Veterans' Administration to rewrite agent orange disability compensation regulations. This is welcome news to the 34,000 Vietnam veterans who have filed claims, and all of the veterans who fought in that war.

This day has been a long time in coming. For too long, the VA has denied the claims of veterans exposed to agent orange. The VA prides itself on being the veterans' best friend, but unfortunately, this has not been the case with veterans exposed to agent orange.

The decision by Secretary Derwinski to prepare revised claim rules indicates that our Nation is, at long last, starting to recognize our responsibility to the veterans "who have borne the battle," in Vietnam. There is so much that we owe the Vietnam veterans. We can only ask for the continued patience of these men and women and their families, as we work to correct the agent orange injustice.

MINIMUM WAGE INCREASE EXPECTED TO COST 650,000 JOBS

(Mr. DELAY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DELAY. Mr. Speaker, we have seen this body pass a minimum wage increase, an increase from $3.35 to $4.55. The objective may seem praiseworthy, but the result will be lamentable. The increase is expected to cost approximately 650,000 lost job opportunities.

What costs, directly and indirectly, will society have to pay for this increase? To get some idea, look at who is sure to suffer most from the loss of job opportunities: The uneducated, unskilled, minority youths. The toll will be heaviest among inner-city youth. Can society withstand this loss? Look at the present unemployment levels of these groups:

Black teens in Detroit, approximately 52 percent;

Black teens in Chicago, 53.7 percent;

Teenagers in New York City, 23 percent;

Hispanic teenagers in New York Central City, 28.8 percent.

These figures are not unique to these cities; they reflect the unem-

ployment problems of our large metropolitan areas.

If this is enlightened thinking, if this is social and economic progress, please someone explain it to the individuals that I have just mentioned.

THE 21ST CENTURY AIRPORT APPROVED FOR DENVER

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, I am very proud to rise in this Chamber today to say that my city of Denver, CO, yesterday voted a very, very strong mandate to move forward with a 21st century airport. This, indeed, will be the world's largest airport, and it is one of five that the FAA says we definitely need to be able to keep up with the infrastructure in our lead in air transportation in the next century.

We all know that it is easy to say what it is that we need, and most communities tend to say, "But not here; thank you very much." So I am very proud of the tremendous, resounding majority of the people in my district who voted and said, "Yes, we need it and, yes, we are willing to put it here."

I think now that we get on with building it and doing it and getting ready.

□ 1240

SUPPORT THE PRESIDENTIAL VETO OF H.R. 2

(Mr. BALLENGER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BALLENGER. Mr. Speaker, unemployment in our country is just over 5 percent, the lowest it has been in 15 years. But leave it to Congress to try and stop the current economic expansion by mandating a wage increase to $4.55 an hour. An increase of this magnitude will destroy thousands of job opportunities for the young, the low-skilled, and the disadvantaged. In addition, raising the minimum wage will adversely affect small businesses, which create 70 percent of all new jobs.

H.R. 2 will also result in higher inflation and interest rates. The direct cost to consumers will be over $12 billion. There will also be an impact on the Federal budget to the tune of $2 billion. Indirectly, we could expect to see the Federal budget increase another $5 billion through higher interest costs and higher benefits costs on programs. With a budget deficit of at least $147 billion, we don't need to be looking for ways to further increase the deficit, nor do we have the resources to pay for such an increase.

A workable alternative to the minimum wage does exist. The Family Living Wage Act shares an identical goal with that of increasing the Federal minimum wage. It would provide direct financial assistance to workers at the bottom rung of the income ladder and it would accomplish that goal without a harmful effect on the American economy.

Unfortunately, this sensible solution has not been considered by the Congress.

Support the Presidential veto of H.R. 2 and give the Family Living Wage Act the serious and thoughtful consideration that it deserves.

RAISE THE MINIMUM WAGE

(Mr. POSHARD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. POSHARD. Mr. Speaker, imagine the kind of courage it takes to keep your family together when you're working at a minimum wage job and absolutely every penny counts.

And imagine the kind of decisions the working poor in this country have to make—whether to pay the rent or clothe the kids.

It's not hard to imagine if—like I have—you have ever spent any time with people on the verge of disaster because they are working for a minimum wage that has too much minimum and not enough wage.

If we do not act now, to bring people up to a respectable standard of living, how can we ever expect them to feel fully included in the American dream—when—on this kind of wage—a dream is all it will ever be.

I urge my colleagues in the Senate, and the rest of us in public service who have something to say about what happens here, to show the same kind of courage these workers show every day of their lives.

CONGRESS SHOULD STOP PLAYING POLITICS WITH OUR VETERANS

(Mr. KYL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KYL. Mr. Speaker, Congress should stop playing politics with the veterans of this country. It is time to pass a clean supplemental appropriation bill, one that funds the health care needs of our veterans but does not play politics with other important problems.

There is near unanimous agreement that the VA hospitals need this emergency relief. There are no other dire emergencies that need to be addressed at this moment, and that includes funding for the war on drugs. So let us stop playing politics with the war on drugs as well. We have increased spending for drugs 39 percent to $5.3 billion this year, much of it still unobligated. There is no dire emergency to appropriate money here in the next few weeks, and especially if the only way to pay for it is to steal the money from the defense budget in violation of the bipartisan budget agreement enacted into law in the Omnibus Budget Reconciliation Act of 1987.

Mr. Speaker, this body found out a couple of weeks ago that the supplemental appropriation is like the old Army mule, it can carry a lot for our veterans, but if it is loaded down with unnecessary baggage, it will buckle. Let us have a clean supplemental appropriation bill for our veterans today.

SUPPORT JENKINS AMENDMENTS TO CARIBBEAN BASIN INITIATIVE

(Mrs. LLOYD asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. LLOYD. Mr. Speaker, I rise today to encourage my colleagues on the Ways and Means Committee to support Representative ED JENKINS amendments to the Caribbean Basin Initiative. The United States is in desperate need of consistent policies that will insure that our domestic textile industry is not wiped out. In its present form, the Caribbean Basin Initiative does nothing to further this goal. The 92 members of the congressional textile caucus object to the Caribbean Basin Initiative on three grounds. First, that the bill contains no requirement that any increases in textile and apparel imports from the Caribbean must be offset by cuts in Far Eastern quotas. Second, that the Crane amendment reducing duties on Caribbean Basin Initiative apparel made from non-United States fabric by 50 percent will encourage Far Eastern companies to relocate more of their manufacturing operations to the Caribbean. And third, that the bill permits textiles and apparel articles made from fabrics in critical shortage in the United States to receive favorable trade treatment. Representative JENKINS will be leading the strike to close this vague loophole and replace it with a specific list of fabrics not manufactured in the United States. He will also be offering amendments to provide a Far Eastern offset and to strike the Crane amendment. I would like to remind my colleagues that the textile industry employs over 2 million people in this country. America was built on the sweat of hard working people in our basic manufacturing sectors, including textile, apparel, and footwear. These domestic industries continue to play a vital role in our society. They have dedicated themselves to America and America must dedicate herself to their survival. Do this by

supporting Representative Jenkins amendments to the Caribbean Basin Initiative.

NATIONAL D.A.R.E. DAY

(Mr. INHOFE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. INHOFE. Mr. Speaker, today Congressman LEVINE and Congressman WOLF are introducing legislation to make September 14 "National D.A.R.E. Day." I am proud to be an original cosponsor of this bill and encourage all of my colleagues to support this effort.

D.A.R.E., an acronym for drug abuse resistance education, focuses on reducing the demand for drugs by educating young people about the dangers involved. A unique feature of D.A.R.E. is the role of police officers as instructors. The message these officers convey to the students rests four principles: First, providing accurate information about alcohol and drugs; second, teaching students decisionmaking; third, showing students how to resist peer pressure; and fourth, giving students ideas for alternatives.

Many schools implementing the D.A.R.E. Program report decreases in school vandalism and truancy, improved attitude toward police and an improved outlook toward school. Participation in Project D.A.R.E. brings about significant changes in student attitudes and knowledge concerning drug and alcohol use. Without a doubt, D.A.R.E. has already achieved a high degree of success both in its impact on students and its unqualified acceptance of the part of educators.

In my home district of Tulsa, the police department in partnership with Tulsa public schools has aggressively attacked the problem of drug abuse through the D.A.R.E. Program. The Tulsa Police Department has been so successful that they have taken on the job of training law enforcement officers from across the country. The most recent graduating class included officers from 23 States.

The Tulsa Police Department's success in implementing the D.A.R.E. Program is nationally recognized. They are leaders in the battle against drugs in our Nation's schools. Tulsans are proud of and support our police department's continued efforts.

SUPPORT AN INCREASED MINIMUM WAGE

(Mr. BILBRAY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BILBRAY. Mr. Speaker, I rise today in strong support of the conference report on H.R. 2. Since it was first enacted during the New Deal, the minimum wage has lifted millions of Americans out of poverty, and guaranteed that they will receive a just wage for their work. However, today we find that the minimum wage provides for an income of only $6,698 per year, which is 29 percent under the poverty line for a family of three.

Many of these workers, along with their families are homeless, since their minimum wage income is not enough to provide for both food and shelter. By raising the minimum wage to $4.55 per hour, we will almost close that gap, and restore the minimum wage to this historical standard. Clearly, the key issue here is fairness: If we truly want a kinder and gentler nation, we must provide our least fortunate workers with a fair wage that will give them a meaningful and dignified existence. If President Bush vetoes this kinder, gentler measure as promised, I think we must ask if he has been blinded by his thousand points of light.

HAWAII FIRST STATE TO BAN RELEASE OF OZONE-DAMAGING CHEMICALS

(Mrs. SAIKI asked and was given permission to address the House for 1 minute.)

Mrs. SAIKI. Mr. Speaker, I am pleased to report that last week the State of Hawaii became the first State to enact landmark legislation to ban the release of ozone-damaging chemicals which contribute to the problem of global warming.

This bill, which was introduced by Hawaii State Senator Mary Jane McMurdo, was signed into law by Gov. John Waihee on May 11. Specifically, the bill bans the over-the-counter sale of chlorofluorocarbon refrigerants and requires recovery and recycling of automobile air-conditioner chemicals.

I commend the Hawaii State Legislature, and the Governor for their leadership on this important issue. This legislation represents the cumulative efforts of political leaders, industry, environmental groups, educators and scientists, and demonstrates that where the will to address difficult problems exists, significant results can be accomplished.

It is my hope that other States, as well as the Congress, will follow Hawaii's lead and act quickly to halt the continued damage to the ozone layer.

□ 1250

SUPPORT OF CONFERENCE REPORT ON H.R. 2

(Mr. LIPINSKI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LIPINSKI. Mr. Speaker, I rise to urge the President to sign the minimum wage bill this Congress is sending to his desk. Mr. President, this increase is fair and is long overdue. I ask you to look ahead, look ahead to an issue which we have rarely had to face in our history. The issue of labor shortages. Today, in the context of this debate, we have a chance to address this issue before it becomes a crisis, a chance to act instead of react.

A report by the Department of Labor on the impending shortages reveals that many in the labor force lack basic skills. Potential employees are found lacking in spelling, writing, mathematics, initiative, attitudes, and work habits. The pool of laborers in the best position to fill this critical void are today struggling and failing to stay afloat earning $3.35 an hour. Could a wage earner possibly be inspired to make a real effort for a wage that yields no more than a welfare payment? Mr. President, I ask you to take a look back and see that increases in the minimum wage have been effective. I ask you to take a look forward and see how costly a veto would be. And I ask you to take a look at your desk, your pen and this bill, and do the kind, the gentle, and the right thing.

PUBLIC HOUSING RESIDENT EMPOWERMENT ACT

(Mr. PORTER asked and was given permission to address the House for 1 minute.)

Mr. PORTER. Mr. Speaker, today I am introducing the Public Housing Resident Empowerment Act to encourage tenant management and ownership of public housing.

This legislation would extend two provisions of current law, one, to allow resident management corporations or RMC's to apply to HUD for technical management assistance, and the other allowing competent RMC's and individuals to purchase their public housing units.

This legislation, without reducing the low-income stock, gives public housing residents a chance to rebuild their neighborhood.

Kenilworth Parkside, a public housing complex in Washington, DC, organized under the resident management 8 years ago; led by Kimi Gray, they dramatically reduced crime rates, brought in social services, employed unemployed residents and were so successful that last month their RMC bought the entire complex from the housing authority and took it private.

Earlier this year Kimi Gray walked into my office, banged her fist on my desk and told me, "You politicians have to stop thinking of us as the problem. Why don't you start thinking of us as the solution." She is right. Without tenant involvement, solutions are impossible.

I urge my colleagues to join me in cosponsoring the Public Housing Resident Empowerment Act.

FAIR LABOR STANDARDS ACT

(Mr. AKAKA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. AKAKA. Mr. Speaker, I am here today to urge President Bush to sign H.R. 2, the Fair Labor Standards Act. As you know, the House passed the conference report last week, and the Senate is expected to take up the measure soon.

President Bush has threatened to veto this momentous legislation because we could not compromise on a difference of 30 cents. I can not believe that in a kinder and gentler nation an individual or family would be denied the opportunity for economic self-sufficiency because of 30 cents.

Yet, at the same time the President proposes a reduction in the capital gains tax which, according to the Committee on Joint Taxation, primarily benefits Americans earning over $200,000. This soak-the-poor scheme would provide a windfall to each of our wealthiest Americans four times greater than the total annual income of Americans who must depend on minimum wages.

Congress compromised its original proposal in hopes that President Bush would negotiate on this issue. However, the President has refused to discuss any proposal which would raise minimum wage over $4.25. Instead, he has insisted that this issue be his way or else.

Mr. Speaker, America is based on democracy, not dictatorship. The President needs to work on a kinder and gentler nation for all Americans, and not for just a privileged few. It is my greatest hope that President Bush will revitalize this and support the Fair Labor Standards Act that will be passed by Congress.

LET US NOT ENACT A MINIMUM WAGE WHICH DENIES YOUNG PEOPLE JOBS

(Mr. RAVENEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RAVENEL. Mr. Speaker, the biggest negative impact of increasing the minimum wage too much will be on our young people. Youth unemployment has long been a problem in our country, particularly among minorities and the disadvantaged. Over the past 6 years our economy has created more than 19 million new jobs. Last year, summer youth employment reached a record high. Happily, employment levels for black teenagers reached new highs also—more than doubling since 1982.

But we still have a long way to go. Youth unemployment is three times the overall unemployment rate, and for minority youth it is much, much higher.

Let us not make the problem worse by enacting a minimum wage which denies young people jobs. When the time comes, let us support the President's veto.

THE MINIMUM WAGE BILL WILL HAVE POSITIVE CONSEQUENCES

(Mr. OWENS of New York asked and was given permission to revise and extend his remarks.)

Mr. OWENS of New York. Mr. Speaker, "outrage" is the only word which expreses my sentiment when I behold the President's pledge to veto the minimum wage bill while at the same time he has sent a bill calling for $157 billion to bail out the crooked S&L/banks.

The S&L bailout will definitely have negative consequences on the economy. It is the biggest spending bill in peacetime history, $157 billion.

On the other hand the minimum wage bill will have positive consequences.

The minimum wage bill means that money will flow into the hands of poor peole who have a large amount of necessities to meet and they will spend the money immediately to meet those necessities and the money will turn over in the economy.

The minimum wage will allow some people also to not have to depend so heavily on Government for other needs; they will go off the welfare rolls, not need Medicaid and a number of other things will happen which will lessen the burden on the Federal Government.

At the same time also it is possible when two people earn a minimum wage they will also pay additional taxes.

Mr. Speaker, I urge the President to recall and revise his $157 billion bailout of the S&L/banks and at the same time sign the minimum wage bill.

WE NEED TO ENACT EMERGENCY SUPPLEMENTAL FUNDING FOR VETERANS' HEALTH CARE NOW

(Mr. CONTE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CONTE. Mr. Speaker, the supplemental appropriations bill has gotten messier than the beaches of Alaska. And while we continue to dicker over the bill, our Nation's veterans are being turned away from veterans hospitals. They are being denied medication. Every day that we spend struggling with this bill is a day that our veterans are subjected to needless suffering.

We need to enact emergency supplemental funding for veterans health care now. If the only way to do that is by pushing through a separate bill for the VA medical account, then let us do it. We cannot afford to mess around with this any longer. It is wrong to deny these needed funds to veterans any longer, so let us get the job done now—and use a separate vehicle if necessary. Accordingly, today I have dropped into the hopper a clean supplemental bill House Joint Resolution 272 limited to veterans medical care.

I ask my colleagues to joint me in cosponsoring House Joint Resolution 272.

This is what is happening:

Employment at veterans medical care centers will drop by approximately 200 full-time employees per pay period until supplemental funding is received. The VA is terminating temporary employees and is unable to hire replacements for departing staff.

On May 19—this Friday—VA capital accounts will be frozen.

If supplemental funding is not received within the next few weeks, then the VA will not be able to provide for 930,000 visits by ill and disabled veterans.

The VA emergency is real. It is now. It is today. Let us quit messing around and pass a clean supplemental for VA health care. The people are demanding it, and the veterans deserve it.

THERE IS NOTHING WRONG WITH THE MINIMUM WAGE GOING MAINLY TO YOUNG PEOPLE AND STUDENTS

(Mr. WISE asked and was given permission to revise and extend his remarks.)

Mr. WISE. Mr. Speaker, I rise today to urge the President not to veto the minimum wage bill agreed upon by Congress.

For the 38 percent of minimum wage workers who are between the ages of 18 and 24, the decline in the real value of the minimum wage drastically reduces their ability both to provide for themselves and to start and sustain families.

Mr. Speaker, some argue that the minimum wage goes mainly to young people and students. What is wrong with that? When I was in college I worked my way through the last 2 years on the minimum wage. I suspect there were a lot of young people and are today who are providing for future upward mobility. Who was their collective bargaining agent? The Federal Government.

The only raise I received and that they get today is when Congress raises the minimum wage.

For a family of four we tell them go to work, do it right. They do, and if they earn your proposed minimum wage of $4.25 an hour for doing things the way we want, they are going to be 30-percent below the poverty level.

Mr. President, please help people help themselves, sign the minimum wage bill.

NO SUPPLEMENTAL AGAIN

(Mrs. SMITH of Nebraska asked and was given permission to address the House for 1 minute and to revise and extend her remarks and include extraneous matter.)

Mrs. SMITH of Nebraska. Mr. Speaker, once again, consideration of the supplemental appropriation measure is uncertain.

What are we to tell the veterans of this country?

There are thousands of veterans who cannot get an appointment to see a doctor and cannot get a prescription filled.

There are thousands more who are waiting for surgery and prosthetic devices.

This is truly a dire emergency.

The veterans need our help now, and this delay is absolutely inexcusable.

□ 1300

INCREASED RESOURCES FOR ANTICRIME PACKAGE

(Mr. HUGHES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HUGHES. Mr. Speaker, I am pleased that the President, in developing his latest anticrime package, has not confined his recommendations to creating new crimes and increased penalties.

He has recognized that fighting crime is labor and resource intensive, and has called for increasing these resources. The central problem in our criminal justice system is not inadequate penalties. It is the lack of certainty—certainty that criminals will be caught and certainty that they will be convicted and sentenced. The lack of certainty that there will be space to incarcerate them where appropriate, or that, because of overcrowding, they will not be released before it is safe to release them.

Let me give just one example. The President suggests that we double the maximum penalty—from 5 years to 10 years—for lying on the Federal form that all gun purchasers must fill out. These forms are availble at the gun shops. These forms enable us to identify persons who lie about their criminal records, mental histories, and the like. Less than 3 years ago, the Reagan-Bush administration supported by the gun lobby which, among other assaults on our ability to trace weapons used in crime, severely restricted the authority of law enforcement to inspect dealers in order to identify persons who commit the offenses the President now wants to punish more severely.

With no help from the administration, we were able to reduce the damage proposed in that bill, but the result was that BATF can only go in once a year to check a dealer's books for violations such as this.

While I am disappointed that the President did not face up to the problem of assault weapons and the need for a national waiting period for gun purchases, I am pleased that he does see the need for additional resources to enforce existing gun laws. The $19 million additional funding proposed for BATF at least restores the cuts he earlier proposed for BATF this budget year, although it still falls short of the funding necessary to maintain current services at the same level.

STATE COOPERATION IS VITAL

(Mr. SCHIFF asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHIFF. Mr. Speaker, this week the President introduced a comprehensive anticrime package, but what I did not see, noticed by the news media in terms of the President's package, was this call for State cooperation. Mr. Speaker, State cooperation is vital in the fight against crime because most violent criminals, indeed, most criminals, are prosecuted in State courts by State prosecutors and not in Federal courts by Federal prosecutors.

I call upon the States to join with the President in his proposals for improving the laws and for adequately funding criminal prosecutions, because without State cooperation a Federal program will only have limited effectiveness.

VOTE TO UPHOLD THE PRESIDENT'S VETO OF H.R. 2

(Mr. FAWELL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FAWELL. Mr. Speaker, there are a lot of fictions about the minimum wage. One is that it helps the working poor who support families.

But most workers earning the minimum wage are young, 80 percent are not poor, 93 percent do not maintain families, over 90 percent are part-time, and over one-third of the 3.9 million reported minimum wage earners work in restaurants, where most of their incomes are supplemented by tips. If they receive tips, counting them as minimum wage workers is another fiction.

For instance, a young waiter in Washington is paid $2.01 per hour. With tips, he makes $12 per hour, or about $25,000 a year. He says, "I'm doing pretty well for a 22-year old who just graduated from college." He is counted as a minimum wage earner.

Admittedly, this person makes more than most waiters. But this is a true story told to make a point: The vast majority of minimum wage workers are not poor and supporting a family. There are, however, two absolute, nonfiction guarantees about mandating an increase in the minimum wage, about which all economists agree and they seldom agree on anything. One is guaranteed lost jobs and the other in inflation. And who will be hurt the most by lost jobs and inflation? You can guess that it won't be my waiter-friend.

Vote to uphold the President's veto of H.R. 2, and let's really target our efforts to the working poor supporting families who need it the most.

VETERANS' PROGRAMS NEED EMERGENCY FUNDING

(Mr. LAGOMARSINO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LAGOMARSINO. Mr. Speaker, I join my colleagues in expressing deep concern about the important, desperately needed funding for veterans' benefits being held hostage by the supplemental appropriations statement.

The real concept behind, the dire, emergency supplemental is to provide only desperately needed funds to vital programs facing real, critical shortfalls. Clearly, veterans' medical care and other mandatory veterans' benefits fit into this category. Today, we are turning away veterans in need and providing inadequate medical care to these brave Americans who selflessly answered our Nation's call during its time of need because of budgetary shortfalls. That is just not right.

I am disturbed that the Democrats controlling the Appropriations Committee and the House continue to load up the supplemental with other less critical—and in some cases unneeded—budget busting funding. President Bush has vowed, correctly I believe, to veto such a bill. It is time to stop playing games. Our veterans' programs need this emergency funding now. I urge my colleagues to pass a clean supplemental that takes care of the veterans now—one that the President will sign. We can resolve the other issues afterwards and not at the expense of our veterans.

COMPROMISE ON MINIMUM WAGE

(Mr. STEARNS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STEARNS. Mr. Speaker, much has been said about the failure of the administration on the minimum wage issue. I would suggest that the President has compromised on minimum wage and he is not the one who has refused to give up any ground. The fact is, the present minimum wage of $3.35, the President has come before the Congress with a proposal for a $4.25 minimum wage, an increase of 90 cents, approximately 27 percent over last years. That is not a decision by the President to refuse to raise the minimum wage. If there is a veto of the minimum wage increase, it will not be the President's fault, it will be the fault of those people in the Congress who have refused to meet the President half way.

The fact is, and we all know that there will be some 650,000 job opportunities lost by the proposal being sent to the White House. That proposal is losing jobs mainly for young people who otherwise would have been given that opportunity.

TEENAGE UNEMPLOYMENT

(Mr. GUNDERSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GUNDERSON. Mr. Speaker, much has been said about the failure of the administration to compromise on the minimum wage issue. The President, they claim, has refused to give up any ground. This cannot be true. The minimum wage rate is $3.35, and the President has proposed $4.25, an increase of 90 cents.

The President's proposal of $4.25 was designed to take into consideration lost job opportunities. Supporters of the $4.55 wage rate contained in H.R. 2 will cause 650,000 individuals to suffer lost job opportunities. The hopes and dreams of 650,000 people will be shattered when they cannot find a job. These are people who already face huge hurdles in gaining employment. They are our minorities, our uneducated, our unskilled. If you need examples of who they are, take a look at some of our major metropolitan areas: Detroit black teen unemployment, 52 percent; Chicago black teen unemployment, 53.7 percent; New York City teen unemployment, 23 percent; New York central city Hispanics unemployment, 28.8 percent.

Clearly, we would be making a bad situation worse. Let us take a more comprehensive look at the problem and its possible solutions before we create more problems than we solve.

DROUGHT ON MINIMUM WAGE

(Mr. CARDIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CARDIN. Mr. Speaker, I understand that the only obstacle that remains in order to end an 8-year drought in adjusting the minimum wage is for the President to sign the legislation that will shortly be on his desk. I urge the President to do that. This bill is a modest bill, increasing the minimum wage from $3.35 an hour to $4.55 an hour.

Mr. Speaker, that increase will not even make up for the cost of living over the last 8 years. That increase does not even take into consideration the productivity increase of the American worker during the 8-year period. We even provide the compromise for short-term training wage. For the sake of the American people, for the sake of the working people, men and women of this Nation, I urge the President to sign the legislation.

DIRE EMERGENCY FOR VETERANS' PROGRAMS

(Mr. GOSS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GOSS. Mr. Speaker, shortly we will decide whether to provide sorely needed funding to crucial veterans health care programs—or whether to hold that funding hostage to a laundry list of nonemergency spending.

In 1987 the Congress and the administration made a deal—supplemental funding bills would be reserved for dire emergencies.

The Veterans' Administration has all but run out of money for its medical care programs. There is no question that we are facing a dire emergency.

Without additional funds, the VA will be forced to lay off employees—and critically important medical services already at a bare-bones level will be cut even more. This is a vital situation for veterans and their families.

But the President's request for relief has suffered the usual fate of a supplemental funding bill—it's been weighted down with millions of dollars of spending in areas where emergency spending just isn't justified.

If we don't scale back this appropriations bill, we will deal a crippling blow to our veterans—who have already given so much of themselves for the good of this country. I urge my colleagues to support a clean supplemental appropriations bill that addresses the true emergency at hand—our veterans needs.

MINIMUM WAGE—DIRE EMERGENCY SUPPLEMENTAL

(Mr. HOUGHTON asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. HOUGHTON. Mr. Speaker, I would like to make two quick points. First of all, supporting the President's position on minimum wage is not a vote against the minimum wage as some people have implied. It is a vote for minimum wage, but it is also a vote for those people who have to support the minimum wage and supply those wages. I think it is a bill that is fair to both forces.

Second, Mr. Speaker, I am totally in agreement with H.R. 272, the bill introduced by the gentleman from Massachusetts [Mr. CONTE]. We have fiddled and fooled around with the supplemental long enough, and our veterans are getting very badly damaged as far as the medical care provision is concerned. I support this legislation, and I hope my colleagues will also support it.

DIRE EMERGENCY SUPPLEMENTAL DELAYED—PLIGHT OF THE VETERANS WORSENS

(Mr. SMITH of Vermont asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. SMITH of Vermont. Mr. Speaker, the first meeting that I had as Vermont's new Member of Congress in January after I was sworn in was with a group of veterans in Vermont. The problems that they told me about then are unhappily worse today than they were in January, not better.

The litany of wrongs that our delay on the supplemental appropriations bill puts on their backs is almost endless: reduced nursing care services, reduced drug rehabilitation services, and reduced outpatient services. These are men and women with whom this country and this Government and this Congress have a contract, a contract that says, "You served us when we needed your help. Now we will serve you when you need ours." The supplemental bill does that.

Mr. Speaker, I urge this House to pass that bill today, as quickly as possible, so that these men and women will get the services they so badly need and they so richly deserve.

EARNED INCOME TAX CREDIT INCREASE WOULD BENEFIT THE WORKING POOR

(Mr. PETRI asked and was given permission to address the House for 1 minute.)

Mr. PETRI. Mr Speaker, to increase the minimum wage would merely look good. To increase the earned-income

tax credit would do good. That is what the New York Times says. And that is the conclusion of a wide array of economists, policy experts, journalists, interest groups, and Members of Congress from both sides of the aisle.

President Bush made a good offer on the minimum wage. He came 70 percent of the way toward what was originally asked, and included provisions to minimize the harmful side effects of lost jobs and inflation. That offer was rejected. Now we will have a veto fight filled with efforts to score political points. And at the end, the working poor will get nothing.

When we are through with all this politics, please let us address substance. Let us find a compromise that includes EITC reform. That way we can do far more for those who need help than even a $4.55 minimum wage, with less damage to our economy.

RESTORE THE V-22 "OSPREY"

(Mr. BURTON of Indiana asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BURTON of Indiana. Mr. Speaker, Congress has let the defense budget shrink 4 years in a row. Because of this, Defense Secretary Cheney has been forced to cancel the V-22 "Osprey."

The tilt-rotor V-22 is critical for the future of the Marine Corps. The days when marines could storm the beaches in amphibious troop carriers are over.

The V-22 will allow the Marines and our Special Operations Forces to perform over-the-horizon ship-to-shore assaults quickly and with fewer casualties. It can go twice as fast and twice as far as our standard helicopters.

Tilt-rotor aircraft also represent the future of commercial aviation. They are ideal for use at overcrowded airports because they takeoff and land vertically like helicopters.

Without the Osprey, the Marines could become a very hollow fighting force in the future. There are also thousands of jobs at stake. If we don't move ahead with the V-22, Europe or Japan will beat us to it. We must find a compromise to keep the Osprey alive.

FAIR LABOR STANDARDS AMENDMENTS OF 1989 CONFERENCE REPORT

(Mr. STENHOLM asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STENHOLM. Mr. Speaker, I urge my colleagues to sustain the President's upcoming veto of H.R. 2, requiring an increase in the minimum wage.

This bill presents the worst of both worlds. For working poor breadwinners, it does not do enough. Because it applies across the board, most of those it helps do not need it. It will destroy entry-level jobs and raise prices for consumers, including the poor.

The bill also includes one industry-specific provision that is unfair. Agriculture—and only agriculture—is prohibited from employing the training wage the bill says all other employers and industries may use. This was not in the committee-reported bill in either House—it just "appeared" here in a floor substitute.

I realize H.R. 2 doesn't include a real training wage, but farmers and ranchers in west Texas—and elsewhere—are concerned and confused as to why they were singled out for this unfair and discriminatory treatment. Contrary to the perception of some, hired labor is becoming increasingly employed in the farm sector and H.R. 2 will have an adverse impact on some 250,000 farmers.

The really sad note is that we could do better. Instead of a minimum wage hike unjustified by economics in many regions, we could target help to working poor families by expanding the current earned income tax credit into a living income tax credit. Workers would take home more with every pay check. At worst, the cost to the Treasury would be about $3 billion a year, the same as H.R. 2.

Let us sustain the veto on H.R. 2. We can do better.

SUPPORT CITED FOR PASSAGE OF A CLEAN SUPPLEMENTAL APPROPRIATIONS BILL

(Mr. GINGRICH asked and was given permission to address the House for 1 minute.)

Mr. GINGRICH. Mr. Speaker, Larry Rivers, national commander in chief of the Veterans of Foreign Wars, said in a letter to the Honorable JAMIE WHITTEN, chairman of the Appropriations Committee, as follows:

> On behalf of the 2.7 million members of the Veterans of Foreign Wars of the United States and its Ladies Auxiliary, I wish to state our frustration and concern in that the "Dire Emergency Supplemental Appropriation" for fiscal year 1989 is still languishing in your committee.

H.F. "Sparky" Gierke, national commander of the American Legion said this:

> The American Legion strongly supports immediate action on a "clean" supplemental appropriations bill for fiscal year 1989. This measure must include not less than the amounts of veterans program money as contained in the original supplemental bill.
>
> These funds are urgently needed to continue essential VA services nationwide. Further delay will produce serious consequences, particularly in veterans health care.

Gordan Mansfield, associate executive director for Government Affairs of the Paralyzed Veterans of America said this:

> On behalf of the membership of Paralyzed Veterans of America, I am writing to request your support for quick passage of a clean fiscal year 1989 supplemental appropriations bill to include desperately needed funding for veterans' health care services.

Mr. Speaker, let us pass a clean supplemental bill today.

LACK OF LEADERSHIP BLAMED FOR DELAY IN SUPPLEMENTAL APPROPRIATION BILL

(Mr. FRENZEL asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. FRENZEL. Mr. Speaker, in Minneapolis there is a large, very new, veterans hospital which serves the needs of the veterans of my area. That hospital is laboring under great fiscal difficulties, primarily because this House has not passed the dire emergency supplemental bill. That bill is hung up, in my judgment, because of lack of leadership in this House in getting it out.

We need a clean supplemental bill, with the necessary offsets for reductions in spending to cover the increases. It seems to me that passing a clean supplemental bill is not a monumental chore. But, instead, we are wasting much time while the people who are the intended beneficiaries, the veterans of the United States, are suffering.

Mr. Speaker, let us get some leadership and move that supplemental bill.

MINIMUM WAGE

(Mr. PALLONE asked and was given permission to address the House for 1 minute.)

Mr. PALLONE. Mr. Speaker, despite their best efforts, there are nearly 2 million working Americans who continue to live below the poverty level. I dare say that few of us in this Chamber could fully appreciate how a family might survive and meet their financial obligations on a minimum wage salary. A $134 a week for a full time 40 hours per week job simply will not pay the bills, indeed, it borders on indentured servitude.

If we are sincere, Mr. Speaker, in our efforts to promote self sufficiency and to reward hard work, we must create incentives for the working poor to get ahead and to break the cycle of dependency on Government assistance. This effort to raise the minimum wage is the very least that we can do. Assuming that a salary earned provides a living wage, seems from my perspective, to be a requirement too fundamental for us to ignore any longer.

If we are bound to continue the suffering of our most needy working citizens then, Mr. Speaker, something is

dramatically wrong with our national priorities. It is high time that we take action to assure that all working people have the opportunity to achieve the American dream and earn the rewards of their labor.

CONFERENCE REPORT ON HOUSE CONCURRENT RESOLUTION 106, CONCURRENT RESOLUTION ON THE BUDGET—FISCAL YEAR 1990

Mr. PANETTA. Mr. Speaker, pursuant to the order of the House of Tuesday, May 16, 1989, I call up the conference report on the concurrent resolution (H. Con. Res. 106) setting forth the congressional budget for the U.S. Government for the fiscal years 1990, 1991, and 1992, and ask for its immediate consideration.

The Clerk read the title of the concurrent resolution.

The SPEAKER pro tempore (Mr. LEVIN of Michigan). Pursuant to the order of the House of Tuesday, May 16, 1989, the conference report is considered as having been read.

(For conference report and statement, see proceedings of the House of Monday, May 15, 1989, at page H1880.)

The SPEAKER pro tempore. The gentleman from California [Mr. PANETTA] will be recognized for 45 minutes, and the gentleman from Minnesota [Mr. FRENZEL] will be recognized for 45 minutes.

The Chair recognizes the gentleman from California [Mr. PANETTA].

□ 1320

Mr. PANETTA. Mr. Speaker, I yield myself as much time as I may consume. I rise in support of the conference report on House Concurrent Resolution 106, the concurrent resolution on the budget for fiscal year 1990. It is very similar to the House version of the budget resolution, which was adopted on a vote of 263 to 157. I hope my colleagues will give it their support because the resolution essentially reflects the same elements that were contained in the House resolution.

If we approve this conference report, it will be the earliest that the House has approved a conference report on a budget resolution in this decade. I think this is a tribute to the cooperative spirit that has been displayed by both parties in Congress, as well as the White House.

While there was by no means a wide gulf between the House and Senate budget resolutions, there were some important issues and funding differences to be resolved. In all matters, I believe my colleagues will find that the House conferees protected the House position. In virtually all cases where there were differences, we either ended up with a position similar to or identical to the House version, split the difference with the Senate, or simply agreed to disagree.

Like the House-passed budget, this conference report adheres to the bipartisan budget agreement between the White House and the Democratic and Republican congressional leadership, and it meets the Gramm-Rudman deficit-reduction target for fiscal year 1990. Given the narrow constraints under which this budget has been developed, I believe it represents our best possible budget for fiscal year 1990 as well as our best chance for more comprehensive deficit reduction in the future.

This budget provides for real deficit reduction. It is bipartisan, and it is achievable.

It also places the Congress on schedule with regard to its legislative agenda. The Committee on Appropriations can now proceed to bring their bills to the floor. Reconciliation will proceed to implement this budget resolution with the date of July 15 for reporting, and this Congress, as we have in the last Congress in the second session, can avoid the problem of a large continuing resolution on appropriations for the Federal Government.

To let my colleagues know that this obviously does not represent the bold approach is not news. We need ultimately to face the deficit issue head on. Everyone who worked on this agreement acknowledges that this is not the bold approach that we need to ultimately implement with regard to deficit reduction, but solving the deficit problem is a marathon, and with this budget we have taken the first mile.

While we have barely broken into a sweat, there are still many miles that remain to go in developing what I think is the necessary deficit reduction package for the Congress and for the country. The real task will come when we try to consider the budget for fiscal year 1991, and hopefully one that will be multiyear.

We have met with the President yesterday morning to again discuss the situation with regard to the budget resolution and where we go from here. I believe all of the participants in that meeting found it very encouraging that, not only did we acknowledge that there is a new and cooperative spirit between the Congress and the White House with regard to budget issues, but that beyond that we need to begin discussions now to try to implement a bolder package with regard to deficit reduction as soon as we can.

Mr. Speaker, this budget sets that framework and gives us that opportunity. The budget agreement calls for continuing negotiations between the White House and the Congress on a budget for fiscal year 1991.

I want to assure my colleagues that I have no intention of sitting down and negotiating a minimal budget with regard to 1991 or beyond. I will push hard for a bold approach which includes taxes and restraints on both defense and entitlement spending. If these elements are not on the table, we will get nowhere. I have no interest in negotiations that are destined to fail, but, if we put all of these issues on the table, and if we continue the spirit of good will and cooperation that we have begun with this process, if we continue to give and take, that is essential to the kind of compromise that we need in this area, and I am convinced that we can successfully take the next step with regard to the budget.

In light of that I want to again thank my ranking minority member on the House side, the gentleman from Minnesota [Mr. FRENZEL], for his hard work, and cooperation and support during the conference and throughout this difficult process. I also want to thank the leadership on both sides of the Hill for the cooperation and support that they have provided throughout this very difficult process, and in particular I would like to thank the administration and the President for the cooperation that they have shown in developing these versions of the budget and helping us to resolve our differences as quickly as possible.

There were, as I stated at the beginning, differences that needed to be resolved. As this budget is implemented, we will need continuing cooperation between the Congress and the administration to achieve the savings, to achieve the revenues that are part of this budget, and to a large extent that will test the relationship for the future. If it is successful, if it works, then I think it lays the right framework for the future.

I also want to thank in particular the House conferees on both sides of the aisle. Their support enabled us not only to protect the House position on the critical issues that we face, but their input throughout the process has been invaluable to making our budget process work and work effectively.

Let me briefly summarize the conference agreement for my colleagues.

Overall, the conference agreement provides for fiscal year 1990 outlays of $1,165 billion and revenues of $1,065 billion, with a deficit of $99.7 billion. It provides for $27.7 billion of deficit reduction from the baseline. Entitlement and other mandatory spending is cut by $8.3 billion in outlays, while Social Security and other retirement program cost-of-living adjustments are protected and Medicare cuts are limited to half the amount proposed in the President's budget. All of these figures comply with the bipartisan budget agreement, as do total spending levels for defense, international affairs, and domestic discretionary programs.

The differences in functional areas between the House resolution and the conference agreement can be placed into four categories.

The first category is functions in which there is little or no change because of the similarity between the House and Senate numbers. Functions falling in this category are: 050, national defense; 150, international affairs; 270, energy; 370, commerce and housing credit; 450, community and regional development; 550, health; and 800, general government.

The second category is functions in which the conference agreed to greater spending than the House-passed budget. This category includes functions 300, natural resources and environment; 350, agriculture; 400, transportation; 570, medicare—for administration, and 750, administration of justice—for antidrug abuse programs.

The third category is functions in which the spending levels agreed to by the conference are lower than the House but closer to the House figure than to the Senate. Functions in this category are 250, general science, space, and technology; 500, education, training, employment, and social services; and 700, veterans' benefits and services.

Finally, in function 600, income security; spending is below the level in the House resolution and represents an approximate splitting of the difference between the two bodies.

Like the House resolution, this conference report reverses the trend of the last 8 years by providing full inflation protection for low-income programs, allowing overall domestic discretionary spending to rise with inflation, and reducing defense spending from the baseline by $4.2 billion.

□ 1330

The conference report, like the House budget, provides an increase of $3.6 billion in budget authority above the baseline in domestic discretionary programs.

The conference report also provides increased funding for the Democratic leadership's children's package for programs such as Headstart; Child Care; Education, including such programs as Compensatory Education and Student Financial Assistance; and the WIC Nutrition Program for Pregnant and Nursing Women, Infants, and Children is also fully funded under this proposal.

Like the House-passed resolution, the conference report includes $200 million for expanded Medicaid coverage of pregnant women and children, hospice case, and community-based services for the frail elderly and mentally retarded. It also fully funds the McKinney Act for the homeless and includes $15 million for liberalization of child nutrition programs.

Like the House-passed resolution, the conference report fully funds the President's anticrime initiative and improves upon the President's proposed funding for combating the Nation's separate but related epidemics—drugs and AIDS. The budget also provides funding for NASA, NSF scientific research, and the superconducting super collider in line with the House proposal.

Funding for veterans medical care is increased $1.05 billion in budget authority above last year's level and $0.85 billion above the President's budget request. This also matches the House-passed resolution.

The conference report also follows the House resolution and the bipartisan budget agreement in other areas. In entitlements and other mandatory programs the conference report would achieve $8.3 billion in deficit reducton. Revenues would be increased by $14.2 billion, including $5.3 billion in increased tax revenues, $0.5 billion from building upon the President's IRS compliance initiative, $2.7 billion in increased user fees, and $5.7 billion from asset sales. Policies to produce the $5.3 billion resulting from changes in tax law will have to be negotiated by the White House and the tax-writing committees of the Congress.

The conference agreement is enforced by 2-year reconciliation instructions to 10 House committees. The committees are to report legislation to achieve $1.1 billion in user fee increases, $6.7 billion in entitlement and mandatory program reductions, $0.4 billion in unspecified ways and means committee deficit reduction, and revenue increases of $5.3 billion, for a total of $13.5 billion in fiscal year 1990 and about $10.5 billion in fiscal year 1991, and about $10.5 billion in savings in fiscal year 1991. Eight Senate committees are instructed to report legislation reducing the deficit by $13.8 billion in fiscal year 1990 alone.

Two of the key differences that the House and Senate did not resolve involve reconciliation. The Senate, but not the House, includes asset sales in reconciliation. However, the Senate provides only 1-year reconciliation instructions, while the House provides 2-year instructions.

The Senate agreed to drop its "fencing" provision for low-income housing and Internal Revenue Service funds based upon the assurances provided by the House Democratic leadership of full support for funding in this area during the appropriations process.

Mr. Speaker, I again urge my colleagues to support this conference report. It provides an opportunity not only to implement the budget process, but to achieve deficit reduction, which is within the Gramm-Rudman targets, that does achieve deficit reduction, that does provide for a bipartisan and cooperative spirit between both the House, and the Senate, as well as the White House, but more importantly, lays the groundwork for further deficit reduction for 1991. For all those reasons, I would urge adoption of the conference report.

Mr. FRENZEL. Mr. Speaker, I yield myself 4 minutes.

Mr. Speaker, ever since we began this budget exercise, or rather since the budget summiteers came out of their meetings, it has been obvious that fiscal year 1990 is a "get along" year.

This budget, as many observers have remarked, contains nothing heroic. We have all understood that from the very beginning.

As we have contemplated this budget, we have been too eager to bestow that description on it. We have been too quick to say this budget resolution is an ignoble achievement, or perhaps not even an achievement at all.

In my judgment, we have not been eager enough to talk about the strong points in this budget. What is important is that the budget resolution gives us a good probability of meeting the Gramm-Rudman-Hollings target.

The budget resolution was accomplished under a process which has been the most successful in the history of the budget resolution. It was done with bipartisan cooperation, which has been achieved very rarely, particularly in this House.

It has been achieved with cooperation between the administrative and the legislative branch, which is very rare. It has been accomplished in a timely fashion, which is another great rarity.

Finally, Mr. Speaker, it does make good on the President's tax pledge to the people of the United States.

While we can readily acknowledge that it does not reduce spending nearly as much as I, or as some other members, would have it, I think we need to stress the advantages of this particular budget resolution more than we have.

A majority of Republicans and Democrats in both bodies supported the bills when they passed the respective Houses. The conference committee made minor adjustments in the bills to produce a conference compromise.

Neither the House nor the Senate budget resolution was subjected to much violence, because both of them going into the conference were in accordance with the bipartisan budget agreement.

In general, it was a good agreement for the House and I think no less good an agreement for the Senate.

In the House, we were interested in science, in veterans and in Justice functions. The conference committee

took care of those closer to the House number than to the Senate number.

We were also interested in preserving function 500, education, particularly Members of the majority party in this body. The education function came out much closer to the House number than to the Senate number.

We were also instructed, although not a binding instruction, not to bring back a gas tax. I am pleased to announce to the House that we have done no such thing. There is no gas tax attached to this resolution.

In general, I think it is a good resolution. It is understandable that all 15 House conferees supported it. I hope the House will support it in similar proportions.

Mr. PANETTA. Mr. Speaker, I yield such time as he may consume to the gentleman from Michigan [Mr. KILDEE].

Mr. KILDEE. Mr. Speaker, I rise today in strong support for the conference report on House Concurrent Resolution 106, the congressional budget resolution for fiscal year 1990—a budget resolution which places the highest priority on the needs of America's children.

This resolution makes desperately needed investments in the education, care, health and nutrition of our Nation's most precious resource and greatest hope for the future—our children.

Mr. Speaker, I would like to commend House budget chairman, LEON PANETTA for his patience, his tenacity and his good humor throughout this budget process.

In his budget negotiations with the White House, with the minority in the House and now with the Senate in conference, Chairman PANETTA has steadfastly defended the domestic discretionary portion of the budget, particularly function 500, education, training, employment and social services.

For most of the functions, the conferees split the difference between the House and Senate position.

However, on function 500, Chairman PANETTA and the House conferees managed to convince their Senate counterparts to come up two-thirds of the way toward the House function 500 number.

The function 500 total of $41.5 billion in budget authority and $38.9 billion in outlays is sufficient to provide:

A $1.7 billion increase for education programs, enough to provide the Department of Education with a $1 billion increase over baseline; $1.4 billion in discretionary funds for child care authorization legislation currently pending in the House Education and Labor Committee; a $265 million increase over baseline for Head Start; and a $200 million increase over baseline for job training programs for displaced workers.

Increased funding is also provided in various functions for the other programs on the House leadership's initiative for children including WIC, community health service and other health and nutrition programs.

Mr. Speaker, I am particularly pleased that the conference report before us today assumes $1.4 billion in discretionary funds for new child care legislation which addresses the pressing national need to increase the availability of affordable, quality child care.

This is sufficient to fully fund the new Child Care Program starting in the second half of fiscal year 1990.

Mr. Speaker, America faces a child care crisis that grows daily.

In today's economy, more and more parents must work outside the home, but they find it nearly impossible to find or afford decent care for their children.

As a result, far too many children, especially low income and disadvantaged children, are left home alone or left in unsafe, inadequate care that jeopardizes their early development and, in some cases, their very lives.

It is difficult enough for working parents to leave their children in the care of others.

But when they must spend the day worried about their children's care and safety, when they miss work days or when they avoid taking certain jobs because they cannot find decent child care, then it becomes a tragedy for our society as well as a drain on our economy.

I am also pleased that the conference agreement includes the Packwood amendment which allows the tax-writing committees to pursue complementary legislation for children, such as expansion of the earned income and dependent child care tax credits and of title XX social services block grants, on a deficit neutral basis.

Mr. Speaker, this year, both participants and observers of the budget process have said that this budget resolution is not bold enough on revenues and entitlements, is not tough enough on cutting defense, and maybe is too optimistic on economic assumptions.

Mr. Speaker, it may very well be all of those things, but within the financial and political constraints imposed on us by the President, Chairman PANETTA and the House Budget Committee has managed to craft a balanced and fair budget resolution which protects and enhances those programs aimed at improving the education, early development, health and nutrition of our children and provides room for the enactment of desperately needed new programs like child care.

Once again, I commend Chairman PANETTA and my fellow members of the House Budget Committee for a budget which is truly kinder and gentler and I strongly urge my colleagues to support the conference report.

Mr. PANETTA. Mr. Speaker, I yield 3 minutes to the gentleman from Montana [Mr. WILLIAMS].

Mr. WILLIAMS. Mr. Speaker, I make several inquiries of the chairman of the Budget Committee.

Mr. Speaker, I would ask the chairman of the Budget Committee, am I correct in assuming that the resolution before us requires the Education and Labor Committee to achieve $40 million in reconciliation savings in entitlement programs within its jurisdiction, but that there are no specific assumptions in this resolution as to how those savings will be achieved?

Mr. PANETTA. Mr. Speaker, if the gentleman will yield, as always in reconciliation instructions, we provide a number to the committees and obviously make some suggestions, but as to how that is achieved, that is left to the jurisdiction of that committee.

Mr. WILLIAMS. Mr. Speaker, I thank the distinguished chairman of the Budget Committee for that assurance. I asked the question, I tell my chairman, because there is considerable concern in the high education community about the contents of this budget conference agreement. Previously there had been discussion of a 5-percent origination fee on SLS and PLUS loans, or the imposition of lender risk sharing to the GSL program, or a reduction in the special allowance paid to GSL lenders. None of these proposals are assumed in the conference report under consideration today. If we adopt this conference agreement, it will be for the Education and Labor Committee to determine and report whatever changes are needed to reach the $40 million savings that are required. This might be accomplished by legislatively adopting the guaranteed student loan default regulations that will be published soon by the Department of Education. Or it might be accomplished by other changes that the Education and Labor Committee might decide to make. But am I correct in assuming that the decision will be that of the authorizing committee, and nothing in this conference agreement binds us to any specific course of action?

Mr. PANETTA. Mr. Speaker, if the gentleman will yield further, that is absolutely correct. The purpose of the conference report agreement is basically to say to the Education and Labor Committee that we need $40 million in entitlement savings within your jurisdiction. It is up to the Education and Labor Committee to determine how that is to be done. The only concern of the Budget Committee is to insure that the Congressional Budget Office counts whatever you report out as meaningful savings.

Mr. WILLIAMS. Mr. Speaker, I thank the gentleman.

□ 1340

Mr. FRENZEL. Mr. Speaker, I yield 1 minute to the gentleman from New York [Mr. HOUGHTON], a member of the Committee on the Budget.

Mr. HOUGHTON. Mr. Speaker, in a word, I support the budget resolution, the budget conference report, Concurrent Resolution 106.

A few days ago I said my piece on this document, so I will mercifully spare the House repetition of those words.

This is, though, an important document, and all of us have different views on the budget, but let me just say this: The 1990 budget has been pored over and argued over, and it has been adjusted; it has been approved in

conference, and it passes the test of reasonableness.

Mr. Speaker, it is now our turn to pass this resolution, to approve the document. We have other financial and longer term issues to tackle, and they will take our firm attention. Let us pass this resolution. Let us do it now, and let us do it quickly.

Mr. FRENZEL. Mr. Speaker, I yield 4 minutes to the gentleman from New York [Mr. SOLOMON].

Mr. SOLOMON. Mr. Speaker, I thank the gentleman from Minnesota, for yielding me this time.

Mr. Speaker, I want to rise and commend both the gentleman from California and my good friend, the ranking member of the Committee on the Budget, the gentleman from Minnesota [Mr. FRENZEL], for the good battle they fought on function 700 of the veterans' budget, because as I looked through these figures, the Senate version had $13,224,000,000 in it, and it looks like you compromised it out at $13,300,000,000, and that is an increase of $76 million over the Senate version. I know the terrible strains that were on both of the gentlemen and the entire Committee on the Budget and the demands for all of these functions, so the gentlemen really are to be commended, and I want to commend them for it.

I would like to take just a minute to point out why we needed this additional funds, though. Throughout the 172 veterans' hospitals throughout this country and 220 outreach VA medical clinics throughout the country, there is a shortfall out there right now in this fiscal year of over $700 million, and that means that veterans are being turned away for prescription drugs, that nurses are being laid off, where we cannot even compete now in the private sector because of the salary structures, and we have doctors being laid off for the same reason. We have hospital beds being shut down, wards being shut down. Mr. Speaker, we are taking care of next year's budget and picking up most of the shortfall for next year, for 1990, but we are not dealing with the problem that exists in this year's budget.

It is even more important that we pass the supplemental than it is to pass this budget here today. I point out to all of those who are listening that, yes, the Committee on the Budget has done a great job in bringing this budget before us. They have taken care of much of that shortfall for next year. With the appropriations in the budget that they are making here today, there will be a shortfall in 1990, but it will be a much smaller shortfall which we can deal with in next year's supplemental.

Right now we need to pass this year's supplemental budget, because it picks up the current $700 million shortfall.

Mr. Speaker, the Senate is going home next week. They will not be here. We will not be able to pass the supplemental. The following week all of us are going home. We cannot wait another 2 weeks, because a month will go by, and we will not be serving the needs of these veterans.

I would urge us to use all the pressure to get that supplemental on the floor and let us pass it before we go home this weekend.

Mr. Speaker, I commend both of these gentlemen for the great job that they did on next year's budget.

Mr. PANETTA. Mr. Speaker, I yield 5 minutes to the gentleman from Ohio [Mr. TRAFICANT].

Mr. TRAFICANT. Mr. Speaker, I want to start out by commending one of the fine chairmen of the House. I probably would not support this bill if it were not for the gentleman from California [Mr. PANETTA], and the gentleman from Minnesota [Mr. FRENZEL]. They are two of the most capable Members, and they deserve our support.

I would like to just tell it like it is in a little way today. Everybody heard about the fact that my district, northeast Ohio, lost 55,000 jobs in the last 15 years. They averaged $12 and $15 an hour. They shipped those jobs overseas, and we got the $3.50 to $5.50 an hour jobs, and they said, "Be patient."

Meanwhile, Members do not realize this, that the companies that have gone overseas, American companies, now ship back to us these, and these are imports, and the Members realize on this section 954 of the Tax Code, many of them do not even pay taxes on their profits to Uncle Sam. I tried to change that with the Foreign Subsidiary Tax Equity Act, and the Committee on Ways and Means finally realized we should. They passed it. When it got into conference, the lobbyists killed it with the other body.

Mr. Speaker, I am here today just simply sick and tired of it. I have been told to be patient. Meanwhile, I need housing. I need a veterans' outpatient clinic. "Half a million dollars? TRAFICANT, you are going to bust the bank." I need roads. "Roads? My God, we have a deficit." I need a bridge. "Bridge? We have got financial problems."

But there is $17 billion in this turkey for foreign aid. There is $120 billion for NATO countries. We are protecting oil in the Persian Gulf that is going to Japan, and they are shipping us Toyotas and toasters and saying, "Keep your products out."

I am tired. I do not want any more political rhetoric. I do not want any more think tank people and economists giving me advice. I do not need any more cerebral stimulation. I want money for America first, and I want money for my district. I need an outpatient clinic, and I want the Committee on Appropriations to help me. I have two highway projects that are desperately needed, and all those steel mills that closed down, I want to open them up so that we can get some business in there. I want that, and I want those two projects.

I am going to make this statement, and this is going to be very unpopular, and I am going to get some powerful people after me: I plan to cut the foreign aid appropriation and use that money for America. I do not know if I will be successful. There is going to be a fight in the House.

I want something changed; all the money going to NATO, I want it to go to America. It is time they start paying their bills. We have rebuilt their countries, and they come over here after the war. They took pictures and photographs. We even gave them the blueprints. They went back, and they built the factories. We now have photographs and they have the jobs, and we have photographs. I want money for my district, and if there is anybody else who wants it, they had better start speaking out, because it is going to Singapore, the Philippines, Japan, Panama, and Nicaragua.

Mr. Speaker, we look for problems, and we find them, and we ship them money. Let us start taking care of America.

Mr. Speaker, America is falling apart with waterlines that are 70 years old, sewerlines falling in, bridges that need repair, roads desperately needed, Americans who need jobs. How about some incentives in our Tax Code for America?

Mr. Speaker, I am going to vote for this bill, and I do not like it, but I am going to try and cut it with a razor, and I do not have much support, I will be honest.

□ 1350

But I am going to try and get that foreign aid and cut it to death. I am going to try and take that NATO money and get on it. I am tired of the free toll road business for Japan, and they built a toll road on our side. I am hoping that the Members of Congress who are looking at this deficit not only realize it is a deficit, but our greatest cost is because we are supporting everybody around the world and we are forgetting about No. 1 and that is Uncle Sam.

I am saying today good luck. I want some Members to help me to cut that foreign aid and change the focus on that NATO support, and let them start paying their own way.

I thank the chairman for the time and close out by saying if there is any finer chairman around here, there may be a few, but not many. I think the guy on the other side, BILL FRENZEL, is as sharp as there is when it

comes to the economy of America, and I hope we take a look at those items because we have cut UDAG's, revenue sharing, anything that was American we cut it.

I am saying let us start putting some good old money into the accounts of Uncle Sam and start cutting that money overseas.

Mr. FRENZEL. Mr. Speaker, I yield 7 minutes to the distinguished gentleman from California [Mr. DANNEMEYER].

Mr. DANNEMEYER. Mr. Speaker, I would like to thank the gentleman from California [Mr. PANETTA], chairman of the Budget Committee, and the ranking minority member, the gentleman from Minnesota [Mr. FRENZEL], for the work they have done with what I classify as almost an impossible situation. They are attempting to add Band-Aids to the whole process to keep it from hemorrhaging, and from their perspective they have done a decent job, and I commend them for the work product that they have produced, given the ground rules on which they have had to work.

I take this time to suggest to my colleagues that the responsible thing for us to do is to vote against this budget resolution, and I hope I can convince my colleagues of the reasons for that statement.

We all have heard the statement that the deficit will be under $100 billion, that this will be within the confines of the Gramm-Rudman-Hollings target. I guess that depends on how we define the deficit. To me the deficit is how much do we intend to increase the national debt by, and the answer is if we look on page 49 of the conference report we find that when Members vote for this budget resolution, this will automatically result in an increase in the national debt to $3.122 trillion. That represents an increase over the existing debt of $262 billion. That means we will be adding $262 billion to the national debt with the adoption of this budget resolution.

Then Members may ask how do we reconcile this increase in the debt by $262 billion with a statement that the deficit is a little under $100 billion, and the answer is quite simple. In order to get the projected deficit to under $100 billion we are reducing from the general fund deficit of some $241 billion about $140-some billion in trust fund money. That is the amount that we are scheduled to borrow from the trust fund in fiscal year 1990.

To give some idea of just where our debt is today, the general fund to date owes the civil service retirement fund $181 billion; it owes the Social Security trust fund $191 billion; it owes the military retirement fund $52 billion; and even more startling is the fact that in just the next fiscal year nine-tenths of a trillion dollars of this national debt will come due.

Of this amount $675 billion is represented by marketable debt and $230 billion is represented by nonmarketable debt held by trust funds. Just in 1 year the Treasury has to refinance almost a trillion dollars of our national debt, plus also selling enough debt to finance the deficit for fiscal year 1990.

Members should also be advised that there is still in this budget conference report $19 billion of unspecified reductions, which means that we are just placing under the table the problem of how we are going to reduce $19 billion of spending in fiscal year 1990. This means that when we get around to discussing the budget for the next year we will have raised the whole level of Federal spending by an additional $19 billion. What that all means is that the pressure to increase taxes when we are going through this process a year from now will be all the more difficult to resist.

I have previously spoken to the House on the necessity of reexamining the whole premise of how we are attempting to proceed. America went down the road of a dollar backed by nothing in 1968 when we separated the link between the dollar and gold. President Nixon shut the gold window in August 1971. He said when he did that it was only temporary.

We Americans today should be aware of the consequences of the actions taken in 1968 and 1971. We are today paying extraordinarily high interest rates. I think the way out of this dilemma is to begin to refinance the national debt through the issuance of gold-backed bonds. The Treasury of the United States should offer to the world the opportunity of investing in a bond backed by gold. We believe that the interest rate on that bond would be about 1½ percent a year. That contrasts with the interest rate the Government is currently paying on the debt of about 8½ percent a year.

If we reduce the interest costs of maintaining the national debt by 7 points on a national debt of some $3 trillion, Members can readily extrapolate that we will be reducing the interest cost of the expense of maintaining fewer debts by roughly $200 billion. We do not get that savings in 1 year. It would take about 10 years to refinance most of our debt. But this is the means whereby we can reduce the interest costs on the national debt which in fiscal year 1990 will total close to one quarter of a trillion dollars.

If the U.S. Government is able to reduce the interest costs of carrying the national debt, then the Federal Reserve Board will be able to reduce significantly the cost of interest that all Americans must pay. That means that young couples coming into the marriage market, forming their families, will have a chance to participate in the American dream of owning their own home with an interest rate of 5 or 6 percent, which is what their parents were able to enjoy in owning their own home. College students will be able to pay off their loans at 5 or 6 percent, and American business people would no longer be penalized in attempting to compete with West Germany, and Japan, our major competitors, by paying an interest rate in this country which currently is twice what our major competitiors in West Germany and Japan have to pay. In other words, we would be a long way toward the goal of restoring honest money in this country with a consequent reduction in interest cost expense, which redounds to the benefit not only of the American Government but of every consumer in this country who has to pay interest to some bank in some form.

Mr. PANETTA. Mr. Speaker, I yield 3 minutes to the gentleman from Wisconsin [Mr. MOODY].

Mr. MOODY. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I rise to ask my colleagues to consider what we are doing today in light of the long-term consequences of this budget resolution. I do not plan to vote for it, but I am not here to urge Members not to vote for it, simply to commit themselves to doing something more serious about the deficit when we have to revisit this, and we may have to revisit it more quickly than we think.

On this deficit task we start out with $146 billion in deficit and we waive away $19.9 billion, almost $20 billion, simply by using rosy economic assumptions. We chose the OMB assumptions which have interest rates plunging to 5½ percent, while real income surges to 3.4 percent, a combination that is almost literally impossible; yet we cling to that as a way of hiding almost $20 billion of the deficit.

Then we engage in about $11 billion in accounting gimmicks, pushing payments from one fiscal year, 1990, back into 1989 to enlarge the 1989 deficit, but we pretend that we have handled the problem.

□ 1400

Postal Service, we take that off budget; it is an accounting gimmick. Asset sales of various kinds which are equivalent economically and accountingwise to simply adding more debt. We pretend we have cut another $11 billion out of the deficit and then we achieve $2.4 billion by simply extending current law which is scheduled to lapse, such as treatment of Medicare premiums, which means that when we really get right down to it the only two really hard things in this budget are $5.3 billion in revenue increases, which are easy to vote for in abstrac-

tion because the body has not been asked to vote for any specific revenues.

I hope all of you who vote for the resolution today are committed to voting for that package of revenues. Anything else would be irresponsible.

So that is No. 1. No. 2, the only other hard thing we have is $4.1 billion in military spending off of the CBO baseline.

Most of the other stuff is pretty small and some of it is questionable.

There is $1.7 billion in user fees; again it is easy to vote for them in principle. Whether or not we can pass them in practice remains to be seen.

The point I would make is this: We have a very serious problem in our country. We are not addressing a number of issues: Child poverty, homelessness, the S&L crisis; we are going to try to hide that again by putting it off budget unless our committees vote is sustained on the floor and through the whole Congress to put it on budget. A number of other times we are either not addressing or hiding or pretending they do not exist. If we are serious about the things that count in this country, if we are serious about competitiveness, if we are serious about meeting our national priorities, we have got to get serious about the deficit.

Today's exercise is just that, an exercise.

I hope this body will summon up the political will to make serious cuts in the deficit in the next go-round which may be quite soon. I think the people are with us. I think they understand how serious it is. I think we are trailing behind the popular opinion in this country on this deficit.

Mr. Speaker, I think it is time to get really serious, jacking up these numbers that I say are so inadequate today.

But I commend the committee and the chairman for doing the best he could under these difficult circumstances.

Mr. FRENZEL. Mr. Speaker, I yield 6 minutes to the distinguished Republican whip, the gentleman from Georgia [Mr. GINGRICH].

Mr. GINGRICH. Mr. Speaker, I wanted to take some time to talk about this conference report because I think that it is vey helpful to see this particular report in a much longer story.

The Gramm-Rudman process I think is very slowly working. It is not working as fast as some people would like; it is not working very elegantly. But the fact is that very slowly we are beginning to get control of spending in the Federal Government.

It has had a clear and decisive impact on the defense budget. At the same time I think it has begun to have an impact on both discretionary spending and yet there is a whole other zone that people do not look at which is the impact that it has had on the programs that would have existed without Gramm-Rudman.

The fact is that the tendency to centralize power and spending in Washington has been dramatically curbed in the last 3 years. Gramm-Rudman has slowed down the rate of invention of new programs and it is beginning to bite, it is beginning to have an effect.

Are there smoke and mirrors? Yes. There have been smoke and mirrors I suspect in every budget starting with Alexander Hamilton.

Are there things we would like to do differently? Yes, on both sides of the aisle. We would like more defense, our Democratic friends would like more domestic spending.

But the fact is that both of us have come together and have fashioned a bipartisan compromise that is a step.

I was very taken with the analogy drawn by the Director of the Budget, Richard Darman, on a television show when he said, thinking in terms of baseball which was this President's major sport in college and one the President follows carefully, he said:

> You have to think of this particular agreement as a single. It is not a home run, it is not even a triple, it is a single. But it is a step in the right direction. You now have a runner on base.

I think what we have to come to recognize in the Congress and in the country is that the process of getting to a balanced budget is not going to occur in some magic moment, there is not going to be some decisive exciting moment. But the process of getting to a balanced budget occurs every day.

I would argue that 2 weeks ago when we stripped out, voted to strip out unnecessary spending by rejecting a supplemental appropriations bill which had gotten too big, that was a step toward a balanced budget.

I would argue that if we had the courage to bring forth and pass the veterans dire emergency supplemental with only the requested money for veterans, that would be frankly a 2 for 1, a good step in helping the veterans and a good step in helping us get toward a balanced budget because it would show a level of discipline about spending that this Congress needs to get to.

Now I think this budget is also good because it has a revenue number in it, $5.4 billion, which can be met in large part by passing the capital gains reduction.

I think it is important for us to look at the central lesson of the last 10 years. That is, if we continue to take steps to create jobs, to have more people at work, to increase the take-home pay so that people in fact are wealthier, they pay more taxes because they are richer, not because we have raised taxes.

The fact is that economic growth gave us a windfall of almost $90 billion in this budget from the budget of a year ago. That is $90 billion extra. Part of it was spent toward meeting the Gramm-Rudman budget requirements. Part of it was spent on a handful of small new programs.

I think that the No. 1 cause for hope is that you have in the Bush administration a number of Cabinet officers and a number of staff people working very diligently to pull together the new ideas for a trimmer, more effective, more reformed Federal Government.

I think with people like Jack Kemp and Bill Bennett working on their programs, with Dr. Sullivan working on his programs, with the Secretary of Education, Cavasos, working, together they can offer us a package of reforms so that by the time we get to the fiscal 1991 budget we can begin to see how we are going to get toward a truly balanced budget over the period of another 3 or 4 years.

Mr. MOODY. Mr. Speaker, will the gentleman yield?

Mr. GINGRICH. I yield to the gentleman from Wisconsin [Mr. MOODY].

Mr. MOODY. I thank the gentleman for yielding.

Mr. Speaker, the gentleman uses the baseball analogy. But this is not a home run, you are right, it is not a triple, it is not even a double, in fact it is not even a single. This is like bunting when you are behind by eight runs in the ninth inning or the eighth inning even; that is not good public policy. I think the gentleman should use the analogy properly and more accurately.

Mr. GINGRICH. Well, Mr. Speaker, I realize that my colleague has a neighboring State which has had a tradition of home run hitters in baseball games, but I do not think in all honesty we can get to a home run right now.

I do think what Mr. PANETTA and Mr. FRENZEL helped us get to is a nice solid single. As an Atlanta Braves fan and we have had a winning streak recently, I think singles help. They are a lot better than foul balls and striking out.

So I want to close by saying to my colleagues: Vote "yes" today, not because this is a magic panacea but because it is one more small step in the right direction. It is not the best possible step, it is not the best or most elegant possible step, but in fact it is a step.

If we vote "yes" today and if we are tough all summer as appropriation bills come to the floor and if we are willing to pass the reforms that are necessary to get us a Federal Government we can afford, if we are willing to have the dire emergencies that are real such as the veterans but not load them up with a lot of of pork, then I think over the next 3 or 4 years in fact

we can be proud of having helped work our way to a balanced budget.

So I do urge my colleagues to vote "yes" on this conference report.

Mr. FRENZEL. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Oregon. [Mr. DENNY SMITH], a member of the Committee on the Budget.

Mr. DENNY SMITH. I thank the gentleman for yielding.

Mr. Speaker, somehow or other during the conference process we expect that the Members from both bodies are going to sit down together and come to some special wisdom. Unfortunately this bill is not any better than it was when it left the House a couple of weeks ago.

It in fact is not going to really solve our deficit problem. It is paving over the holes in the road.

It is interesting when I came to the Congress we had a budget of $678 billion, 1981. We now have a 73-percent increase to $1.17 trillion. The report also contains revenues of $1.07 trillion. So we have a 78-percent increase in revenues in that same period of time.

Our problem is that we spend more money than we take in and we are unwilling to change our spending habits.

I guess the key to it—and the previous speakers have talked about this—that is the supplemental or the appropriation bills that will follow are going to be overloaded and they are not going to comply with this budget.

The tragic thing in my estimation is that we have between $80 billion and $90 billion of increased revenue without raising taxes in this fiscal year budget which could have gone toward more deficit reduction had we simply not spent too much money.

□ 1410

I think the only way we are ever going to solve our problem, and maybe the previous speaker's analogy to baseball, "and this is just one small step, this is a single," is a good way to look at it.

I am going to vote "no" on this bill, but I do think that we are doing better, and with the prospect of having a continuing effort right after this budget is passed in our committee working on the 1991 problems, trying to come to agreement not to spend too much money, this comes closer to our 2-year budgetary process that a lot of Members think are going to be necessary to really get a long-term handle on this budget and this spending. But with increased revenues that we have, $14 billion called for in this document plus the $80 billion in the estimate for next year over this fiscal year, we have a situation where we could have done better, and I think that that is the key factor here. There was not any more wisdom here, although I certainly do not mean to speak ill of the ranking gentleman from Minnesota [Mr. FRENZEL] or the chairman, the gentleman from California [Mr. PANETTA]. I think they have done a good job, and we have had good cooperation out of the administration and long term with people working together, I think we will come to a better conclusion and get to the balanced budget.

Mr. FRENZEL. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Michigan [Mr. UPTON].

Mr. UPTON. Mr. Speaker, I very reluctantly support the conference agreement on House Concurrent Resolution 106, the first concurrent budget resolution for fiscal year 1990. Because it is a step in the right direction. Both the President and the Congress should have and could have done much better in the bipartisan budget agreement announced in April. That agreement was a weak attempt at true and courageous deficit reduction.

I did not think it was possible, but this conference agreement is even weaker. And it comes at a time our constituents are demanding courageous action against the Federal budget deficit.

We needed a courageous budget. But instead of a profile in courage, this budget is a silhouette in silliness. It has silly numbers, silly economic assumptions, silly reconciliation instructions, silly reserve funds, and a silly delay of real progress against the deficit. What is worse, there is no provision for the future, even the not-too-distant future of this July, when new economic assumptions will be presented by the administration.

The problems with this budget package are numerous. One problem is the functional totals. Take for example, function 570, the Medicare function. In this function, the House resolution had $123.85 billion in budget authority, and $98.35 billion in outlays. The Senate had $122.4 billion in budget authority and $98.2 billion in outlays. The conference agreement settles on $123.9 billion in budget authority and $98.5 billion in outlays. These numbers are outside the scope of the House and Senate versions. The rules of this institution, as I understand them, do not allow a conference committee to do this.

Take a look at the reconciliation instructions. In the conference report the House and the Senate authorizing committees supposedly reconcile some of the savings. But the House and Senate have different reconciliation targets. In all, Senate reconciliation instructions total $13.8 billion in outlays, while the House provides only $13.5 billion.

And each body reconciles different items. Are we going to auction off rights to produce chlorofluorocarbons? The Senate says yes; the House says no. Sometimes, the House and Senate are told to reconcile the same item, but different savings amounts are tagged on that item. Fees to be collected by the Nuclear Regulatory Commission are assumed by the House to increase revenues by $299 million. The Senate assumes NRC fees will take in an additional $50 million. Which is it, or is it neither?

Look at asset sales. The Senate provides reconciliation instructions to its committees on asset sales, making it likely that the Senate will act on this excellent way to reduce the involvement of Government in activities it should not be undertaking. But the House has no reconciliation instructions related to asset sales. Will asset sales occur? Will the Senate approve them; and the House not? What happens in a reconciliation conference?

The U.S. Postal Service [USPS] provides another interesting case. For fiscal year 1990 the Postal Service is expected to run a deficit. This Postal Service deficit results mostly from the fact that it has been a long time since the USPS raised the price of postage. Therefore, the Postal Service deficit creates a budgetary savings if it is taken off-budget.

What happens when the Postal Service hikes the price of stamps and runs a surplus? Shall Congress put it back on budget?

The conference agreement also has a few entitlement program expansions cloaked as "reserve funds." First there is a $200 million additional amount assumed for Medicaid expansions. This may be well and good public policy, but an explicit entitlement expansion does not belong in a conference agreement on a budget resolution.

A more ironic reserve fund is the "Reserve Fund for Children," which fences off about $1.8 billion for a child care package. This sounds like a lot of money for a very good cause. But the real "reserve funds" for children are the 12 digit deficit and the $3.1 trillion national debt that we are leaving for our children to pay. This is a lot more money, and not a very nice thing to leave to the next generation.

Mr. Speaker, my point is that this budget conference agreement is a poor budget and a poor agreement. We do not have much of a budget; and we do not have a true conference agreement. What we have is an agreement between the House and the Senate to delay the toughest choices and to disagree on even the easy ones.

We have solved nothing, only put off the tough decisions for a few more weeks. What happens this summer when new economic assumptions are available, when there are no appropriations bills enacted, when the debt limit is breached, and when reconciliation is stalled in conference?

This silly situation cries out for procedural and substantive reform. I have cosponsored and worked hard on a number of budget reform bills which

ought to be considered promptly, perhaps in conjunction with the reconciliation, spending, or debt limit debates later this year.

There are a number of things we should do. We must take the partisanship out of the underlying economic assumptions, and base a budget on realistic economic projections. We need a joint rather than a concurrent budget resolution to lessen the likelihood of shabby resolutions like the one we have before us today. The President should have enhanced rescission authority on all omnibus appropriations bills which include more than 1 of the 13 appropriations bills. And, finally, we should have a balanced budget amendment to the U.S. Constitution.

Many people are defending this conference because it is a first step in a "trust building" process which needs to be established between Congress and the administration. I can understand that argument, but it only goes so far. Our greater trust is the "public trust," and that trust is breaking down. The only way to restore that public trust is to take real steps to solve the real budget deficit problem. Let's stop being silly, and let's get down to work.

Mr. PANETTA. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Mississippi [Mr. MONTGOMERY], the chairman of the Committee on Veterans' Affairs.

Mr. MONTGOMERY. Mr. Speaker, I do rise in support of this conference report and will vote aye when I have the opportunity. I want to thank the chairman of the Committee on the Budget, the gentleman from California [Mr. PANETTA] and the ranking minority member, the gentleman from Minnesota [Mr. FRENZEL], and I also want to thank all the members of the Committee on the Budget for their support of our veterans' programs in this budget.

Members never get enough money that they need to run the different departments, but we do feel that we have enough funds for the veterans' account to carry on the current services for 1989. I want to follow up on what the gentleman from New York [Mr. SOLOMON] was talking about. What we really need now for veterans' programs is to get this dire supplemental bill out here on the floor where we can vote on it. We have a shortage of funding right now to fund compensations which is an entitlement for veterans, and closing up hospital beds in our veterans' hospitals, and cannot buy enough beds, cannot get enough professional people to run these hospitals like they should be run.

This administration, for the first time in a long, long time, sent up a supplemental to take care of the veterans and take care of the veterans' programs. We need this dire supplemental out here, Mr. Speaker, and I hope the Members will help get the opportunity to vote on the supplemental before we go home at the end of the week.

Mr. FRENZEL. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Missouri [Mr. BUECHNER], a member of the Committee on the Budget.

Mr. BUECHNER. Mr. Speaker, I certainly want to compliment the work that was done by the able chairman, the gentleman from California [Mr. PANETTA] and by his vice chairman, the gentleman from Minnesota [Mr. FRENZEL].

As I take a look at the budget, which for the first time the revenues of this great Nation will exceed $1 trillion, and as we listen to speakers who are both For, with a capital "F," and for with a small "f," this small budget we hear constant criticism about, "Oh, we could have done more here, and we could have done a little less here," and moved things around.

Let us take a real candid look at what this budget is. This budget is the clearing of ground. This budget is not a foundation, nor is it an edifice that will last through the 1990's. This was a bipartisan agreement in a meeting of the executive and the legislative branches to go forth and to get rid of a lot of the brush and misconceptions that have been out there about what we were going to do as a body, and yes, we are going to meet Gramm-Rudman. Maybe right by the very hair, but we will meet it.

So what I think we have done here, we have cleared off the ground and we are prepared to lay the foundation for the 1991 budget and to do it soon. Why is that important? It is important because it is a commitment we have made to the American public. We have made it not only to all the branches, we made it to all the people with their hand out, those that need, and some that think they need. We have made it to the taxpayers, not of just this generation but of the future generations. If we are to do anything, if this budget is to mean anything, it must be that what we have done is prepared it for an immediate 1991 healing and building, and this is vitally important, Mr. Speaker, because if we do not do this, then we will have kidded ourselves, and that all the worst things that the speakers have said about this bill will come true.

□ 1420

If we do not admit that what we are doing here today is getting a running jump at 1991, then we will have failed and we will have done the most disservice that we could ever do; we will have lied not only to the people of this Nation but to ourselves. So I would say that we should view it as it is—a joining, a clearing, and a preparation for what will hopefully be the 1991 foundation for a balanced budget within the next couple of years. If it is anything less than that, then we will have failed.

This is not a perfect budget, and it was never intended to be a perfect budget, not from down the street or inside these hallowed Halls. It is simply a step to 1991. We must admit that we must be prepared to deal with it, and if we deal with it, then we will have given our people the confidence that we have the right to govern this Nation. And if we have not, we do not have that right; we will have forfeited that right.

Mr. FRENZEL. Mr. Speaker, I yield 3 minutes to the distinguished minority leader, the gentleman from Illinois [Mr. MICHEL].

Mr. MICHEL. Mr. Speaker, it is said that those of us who legislate should have high ideals and moderate expectations.

The conference report on the budget, embodying the bipartisan budget agreement between the Congress and the executive branch, is an example of this truth.

It might be said of the process that led to this report that the negotiations seemed endless, the differences seemed insoluable, and the result is, well, not exactly inspiring.

But if we have not achieved legislative perfection we have at least avoided legislative gridlock.

The process of budget-making continues.

We have wrestled with the numbers and with the assumptions behind those numbers and, we have finally pinned down enough of them to enable us to go on.

There is perhaps nothing less edifying than a legislative action that inspires neither great love nor great hatred, but merely a kind of exhausted acceptance.

This is one of those cases.

But before we condemn it for not being all things to all special interests, let us at least admit that what we have done is to move the process along. And in the judgment of history, that mundane, uninspiring, workaday triumph may be seen as one of the best things that has happened here in a long time.

We can go with the appropriations process. We can continue to the subsequent reconciliation bill. There will be no raise in additional taxes in the next fiscal year in order to reach agreement on targets. And, if we stay within the path we have charted, we will avoid the great fever swamp of a continuing resolution, in which we have wandered for so many years.

And so I say: Two cheers for this agreement.

In an imperfect world, where high ideals must be measured against moderate expectation, I think we did the best we could—the best, in fact, that

could have been done, given the circumstances.

My congratulations go to the President for reaching such an agreement in the early days of his first year in office.

My thanks go to my colleagues on both sides of the aisle for keeping the process going.

Mr. McMILLEN of Maryland. Mr. Speaker, I rise today in reluctant support of House Concurrent Resolution 106, the conference agreement on the congressional budget resolution for fiscal year 1990. I do so because it implements the budget accord reached between the President and Congress in April, and it establishes what seems to be a good, working relationship between the executive and legislative branches for next year's budget negotiations.

At the same time, I am disturbed by the continued use of smoke and mirrors budget trickery to comply with the Gramm-Rudman deficit reduction law. The fiscal year 1990 budget agreement may formally meet the $100 billion deficit target established by Gramm-Rudman. But, in reality, it does little to reduce the Federal deficit. Indeed, the real fiscal year 1990 budget deficit will probably grow to about $163 billion, an $8 billion increase from the fiscal year 1989 deficit.

Let me cite a few examples of the fiscal year 1990 budget agreement's smoke and mirrors.

First, we have accepted President Bush's very optimistic economic assumptions regarding economic growth and interest rates. Yet we know they will never be met.

The administration's economic forecast for fiscal year 1990 assumes 3.4-percent real growth in an economy that is near full employment. To attain this growth rate, productivity growth must accelerate. However, in all other post-World War II expansions, productivity growth slowed as the economy approached full employment—and productivity growth for the past 2 years has been 1 percent or less.

Similarly, the administration's forecast assumes that interest rates will fall to 5.5 percent. But this estimate is very unlikely as it is based on two false assumptions: That our economy can attain accelerated growth in fiscal year 1990, and that it can do so—in an economy nearing full employment—without a substantial increase in inflation.

A comparison between the administration's economic forecast and that of the Congressional Budget Office [CBO] is instructive. CBO—due to its more cautious assumptions—projects a deficit $19.9 billion higher than the administration. And based on the performance of the economy so far this year, even the CBO projections seem optimistic. An economic forecast equal to the average of the latest survey of 39 private blue chip economists would put the deficit another $3 to $5 billion higher.

Second, on the spending side, we have used some pretty innovative budgetary gimmicks. My favorite part of the budget agreement is the $1.9 billion savings that is supposed to accrue from agriculture program spending reductions. We save $850 million from shifting certain advance deficiency payments for the 1989 crop year from fiscal year 1990 to fiscal year 1989. And we save $420 million by keeping the farm credit program off budget instead of moving it on budget, as originally planned.

Third, on the revenue side of the ledger, the conference budget agreement calls for $14.2 billion in revenue increases. However, the agreement assumes $5.7 billion in asset sales that probably will not occur—since asset sales can no longer contribute to avoiding the Gramm-Rudman sequestration trigger, Congress has not been enacting them; assumes $2.7 billion in user fees—which year after year are proposed and rejected by Congress; and assumes $0.5 billion from better tax compliance—the perennial nontax favorite that never—in the real world—increases revenues.

Mr. Speaker, I understand how difficult it is to forge a congressional budget resolution. I also understand why the Federal budget deficit problem was not resolved during the Reagan years. What I do not understand is why this Congress and the new President have failed to come up with a more substantive and rational budget resolution for fiscal year 1990.

Next year in Washington we must be prepared to make the essential tough spending and revenue choices to reduce the Federal budget deficit. We must do so if we want the United States to be economically strong and internationally competitive.

Mr. DREIER of California. Mr. Speaker, today we are going to vote on the so-called bipartisan budget resolution—a resolution which may have the support of a majority of my colleagues in this body. The crux of this issue is whether we vote yes on a mere acceptable resolution, which does not make any real headway toward cutting our budget deficit: Or do we make a stand and reject the resolution and send it back to the conference committee for corrective surgery. This budget needs a major overhaul.

Sure, this resolution comes in under the Gramm-Rudman deficit-reduction targets. But let's face it, we're not fooling anyone. Everyone knows at the end of the year we will be $20 to $30 billion over the target. When you examine the fiscal year 1990 budget resolution, you find discretionary spending cuts that come from the use of smoke and mirrors. Except when it comes to the defense budget. This budget makes it very clear that the majority of all discretionary cuts will come from our national defense.

And, once again, we are faced with a tax increase, or as many of my colleagues like to describe, revenue enhancements. This budget resolution, which calls for $5.3 billion in new taxes, is a direct slap in the face of voters who read George Bush's lips last November. No new taxes.

If this body is serious about making real and lasting reductions to the Federal deficit, we would be enacting the recommendations of the congressional Grace Caucus and Citizens Against Government Waste which, last week, announced a list of 10 spending programs belonging to the "Government Waste Hit List."

Together, the 10 waste targets stand to save the Federal Government $19.1 billion in fiscal year 1990. Included among the proposals are measures to revamp the Federal procurement process at a savings of $7 billion in fiscal year 1990, give rental vouchers to low-income families instead of subsidies to developers and investors at a savings of $1.9 billion, and reduce wasteful farm subsidies at a savings of $1.1 billion.

Mr. Speaker, this budget resolution is flawed and should be rejected. By doing so, we can send a message to the American taxpayers that Congress is serious about reducing the Federal deficit, which is a major burden on our efforts to increase economic opportunity.

Mr. NELSON of Florida. Mr. Speaker, I am opposed to this budget because its numbers are not real and its projections are not realistic. Although the committee has worked hard and I commend them, and although the fresh breeze of bipartisanship is beginning to blow and I am grateful; this work product is an exercise in budgetary slight of hand to suggest a conclusion that is not correct.

The real budget deficit is nowhere near $100 billion.

The economic assumptions are, in truth, not nearly so rosy.

The spending priorities expressed, lowering research and development as well as science and technology, are misguided.

This budget is one of, to use the vernacular, blue smoke and mirrors. The American people deserve better. They deserve a realistic budget.

Mr. HAMMERSCHMIDT. Mr. Speaker, I rise in support of the conference report on the budget resolution as it applies to function 700, veterans benefits and services. However, I want to state my reservations regarding the final amount included for veterans health care programs.

Earlier this month, the chairman of the Committee on Veterans' Affairs, Mr. MONTGOMERY, and the ranking minority member, Mr. STUMP, met with the chairman and ranking member of the House Budget Committee, Mr. PANETTA and Mr. FRENZEL. Together, they worked out an agreement to add $264 million above the CBO baseline for a total of $13.35 million in discretionary spending for veterans programs.

With the addition provided by the House Budget Committee and agreed to by the entire House, it was hoped the Department of Veterans Affairs would be able to provide in fiscal year 1990 the same level of services as in this past year. Essentially it would have provided for current services, plus a little left over for high priority improvements, such as facility renovations.

Now it appears that even this amount would be insufficient and that more is needed to attract and retain essential health care personnel, such as nurses, into the DVA. Many of the medical centers are in dire need of equipment and physical renovation.

A number of my colleagues have expressed their concern to me regarding the crisis in veterans' health care delivery as it affects their own districts. Despite well-documented needs, the conference report on the budget reduces the House-passed resolution by approximately $125 million.

Unfortunately, veterans have been living with a straight line budget in terms of inflation for about 10 years. As the ranking member of

the Veterans' Affairs Subcommittee on Hospitals and Health Care, I am convinced that we just cannot continue to provide the quantity and quality of health care services that all my colleagues and the veterans they represent have come to expect, unless there is more money in the budget.

It is important to emphasize the health care crisis which is beseiging veterans' health care, because continuing the current trend of underfunding is impossible without seriously considering the realignment of the health care system as we know it today. This would include mission changes and facility consolidations.

I want to thank my colleagues, Chairman MONTGOMERY and ranking member BOB STUMP, for their hard work and support in trying to achieve the best possible funding level for veterans' health care.

I also want to recognize the efforts of Mr. PANETTA, Mr. FRENZEL, and all the members of the House Budget Committee.

I will support this conference report. Nevertheless, a declining budget will perpetuate the difficulties of the Department of Veterans Affairs and limit its ability to carry out the commitment this Nation has made to the men and women who have served.

Mr. OWENS of New York. Mr. Speaker, I rise against the conference report offered here today. Education is the mother's milk of all activities related to our national well-being. This conference report has chosen to cut our mother's milk. This means that we will have an escalation of our difficulties in the commercial and military arenas in the future.

Present and future space programs will continue to suffer from a lack of qualified technicians. We will lag further behind in our other scientific achievements when compared to other nations.

We will fall further behind commercially, and thus economically.

Our students are already falling behind those of other nations in science and math—this budget condemns them to further academic stagnation.

This budget ensures that this Nation will become more and more dependent on foreign engineers and technicians.

In the military sector, our B–1 bombers will continue to fall from the sky. Our Trident missiles will continue to blow up.

This does not bode well for our all-important national security.

This budget does not put education as a first priority. It is not enough to say that some education programs will be able to do a little better than last year. We need all of our education programs to do much better than last year and the previous 8 years. We must catch up and surpass our foreign academic competitors if we want to ensure our Nation's future scientific and economic competitiveness.

This conference report effectively takes away $400 million from education, employment, and social services.

This $400 million could serve 168,000 more children in Head Start, which is proven to dramatically increase a child's possibility for future academic success.

Less than half of children eligible for chapter 1 programs were served last year. We could serve 670,002 more students. We could serve 255,720 more students in bilingual education and 268,002 more students could receive Pell grants.

This is some of what could have been done with the $400 million cut out in the conference report.

We must address our ever-worsening education deficit. We have been challenged by our "Education President" to be an "Education Congress." This budget falls far short of that challenge.

Mr. RANGEL. Mr. Speaker, I rise in support of the conference report on House Concurrent Resolution 106, the congressional budget resolution for fiscal year 1990.

As chairman of the Select Committee on Narcotics Abuse and Control, I am especially interested in the funding this resolution provides for Federal antidrug efforts.

In adopting its version of the 1990 budget resolution, the House assumed an overall funding level for drug programs of $6.15 billion. This amount was $60 million above the amounts requested by the President.

The conference report before the House today assumes an additional $200 million above the President's 1990 budget requests for drugs. Even with this increase, however, the amount assumed for drugs is still about $1.2 billion in budget authority less than the amounts needed to fully fund the Anti-Drug Abuse Act of 1988.

As I said when the House originally debated the budget resolution, I am extremely disappointed that drug funding has not received a higher priority. After Congress passed, and the President signed into law, the Anti-Drug Abuse Act of 1988 last fall, and after President Bush vowed in his inaugural address to end the scourge of drugs, I had hoped we would have a commitment to a real war on drugs. The conference report before us today shows that we still have a long way to go. Until the administration agrees to join with the Congress in seeking the additional resources that are needed to fight a true war on drugs, the current resolution is probably the best that can be done.

Now the President is proposing a new $1.2 billion initiative to combat violent crime. As chairman of the Narcotics Committee, I am generally supportive of the President's crime package. Clearly, drugs are responsible for the greatest increase in violent crime in recent years.

But when we cannot find room for $1.2 billion in the budget resolution to fully fund drug programs enacted by Congress and the President, I do not understand how President Bush expects to finance a $1.2 billion violent crime program.

The White House fact sheet on the President's crime plan says that the total increase he proposes can be accommodated within the overall domestic discretionary spending cap set in the bipartisan budget agreement negotiated by the administration and Congress earlier this year. But that agreement did not include the crime initiatives the President announced on Monday, May 15.

The budget resolution conference report, agreed to last week before the President unveiled his crime proposals, already assumes full funding of the anticrime initiatives President Bush requested in his original budget. It also assumes that amounts available under the bipartisan budget agreement for new domestic initiatives will be allocated to certain other high-priority, low-income programs. It does not leave room for the President's new violent crime program without doing violence to the priorities already assumed in the resolution.

President Bush proposed no offsets and no new taxes on Monday to fund his violent crime package without breaking the bipartisan budget agreement. Congress should not make those hard choices for him. The President has a responsibility to do more than just take the credit for being tough on crime. He has a responsibility to tell Congress and the American people how he will pay for his programs.

Mr. FRENZEL. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. PANETTA. Mr. Speaker, I yield myself such time as I may use.

Mr. Speaker, let me take a few moments to conclude the debate.

First of all, Mr. Speaker, on a personal note, I want to draw attention to the fact that this is the last budget resolution that will be worked on by the chief counsel of the Budget Committee of the House, Pat Quealy, who is here next to me.

Pat has been with the Budget Committee since 1980 and has served as its chief counsel since 1985. Besides assisting the Budget Committee on its yearly budget resolution, she has been instrumental in the budget reconciliation process and has also provided invaluable assistance to the House leadership during the Gramm-Rudman conferences. So Pat has served the committee in the House with great distinction over these 9 years. We will miss her, and we wish her a great deal of luck in her new endeavors.

Mr. Speaker, in summary, let me add this: To those who say that we can do better, let me say that they are right, we can do better. But the choice here is whether we take this first step or take no step at all. To those who say that we have got to be tougher, let me say that they are right, too. We do have to be tough with regard to taxes and spending and revenues and other areas that need to be looked at. But, frankly, without the support of the President, the votes are not here to accomplish those kinds of tough choices. Ultimately we have to build that foundation between the Congress and the White House, working together.

To those who say that we can do more, I would say that they are right, too, and, very frankly, the Members have my commitment and, I think, the commitment of the ranking member, the gentleman from Minnesota [Mr. FRENZEL], that we will bring to this body the opportunity to make those kinds of tough choices. We are going to work on the tough choice for 1991 and hopefully beyond, and we hope to bring that kind of package to this

body in order to give this body the opportunity to do what needs to be done with regard to deficit reduction.

Mr. Speaker, I urge the support of the Members for the conference report on the concurrent resolution because it is the only alternative at the present time. It meets the Gramm-Rudman deficit targets, it provides deficit reduction, and it allows us to proceed with the appropriations process. It fulfills our part of the agreement with the White House, it protects the priorities we care about, and it sets the stage for the second round of discussions for a bolder package for 1991. If we pass this conference report, it will mark the first time in a decade that we have been able to put this resolution in place this early, and I think all of that marks a significant achievement for both sides of the aisle.

With that, Mr. Speaker, I yield back the balance of my time, and I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER pro tempore (Mr. LEVIN of Michigan). The question is on the conference report.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. FRENZEL. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 241, nays 185, not voting 8, as follows:

[Roll No. 57]

YEAS—241

Ackerman	Callahan	Feighan
Akaka	Campbell (CA)	Fish
Anderson	Chandler	Flake
Andrews	Chapman	Flippo
Annunzio	Clarke	Foglietta
Anthony	Clement	Foley
Archer	Clinger	Ford (MI)
Aspin	Coble	Ford (TN)
Atkins	Coelho	Frenzel
AuCoin	Coleman (MO)	Frost
Ballenger	Conte	Gallo
Barnard	Cooper	Gaydos
Bartlett	Coughlin	Gejdenson
Barton	Coyne	Gekas
Bennett	Darden	Gephardt
Berman	Davis	Gibbons
Bevill	de la Garza	Gillmor
Bilbray	Dickinson	Gilman
Billey	Dicks	Gingrich
Boehlert	Dingell	Glickman
Boggs	Dixon	Gonzalez
Bonior	Donnelly	Goodling
Borski	Downey	Gordon
Bosco	Durbin	Gradison
Boucher	Dyson	Grandy
Boxer	Edwards (CA)	Grant
Brennan	Edwards (OK)	Gray
Brooks	Emerson	Green
Browder	Engel	Guarini
Brown (CA)	Erdreich	Gunderson
Bruce	Espy	Hall (OH)
Buechner	Evans	Hammerschmidt
Bustamante	Fascell	Harris
Byron	Fazio	Hastert
Hatcher	McDade	Schiff
Hawkins	McDermott	Schneider
Hayes (LA)	McGrath	Schumer
Hefner	McMillan (NC)	Shuster
Hiler	McMillen (MD)	Sisisky
Hochbrueckner	McNulty	Skeen
Horton	Michel	Skelton
Houghton	Miller (CA)	Slaughter (NY)
Hoyer	Mineta	Smith (FL)
Huckaby	Moakley	Smith (MS)
Hunter	Mollohan	Smith (NE)
Hutto	Montgomery	Smith (NJ)
Hyde	Morella	Smith (TX)
Ireland	Morrison (WA)	Smith (VT)
James	Murtha	Smith, Robert (OR)
Jenkins	Myers	Snowe
Johnson (CT)	Natcher	Solarz
Johnston	Neal (NC)	Stallings
Jones (NC)	Oakar	Stangeland
Kaptur	Oberstar	Stump
Kennelly	Ortiz	Sundquist
Kildee	Oxley	Swift
Kleczka	Panetta	Tanner
Kolbe	Pashayan	Thomas (CA)
Kostmayer	Payne (VA)	Thomas (WY)
Laughlin	Pelosi	Torres
Leath (TX)	Petri	Towns
Lehman (CA)	Pickett	Traficant
Leland	Price	Unsoeld
Lent	Pursell	Upton
Levin (MI)	Quillen	Valentine
Lewis (GA)	Rahall	Vander Jagt
Lipinski	Ravenel	Volkmer
Lloyd	Rhodes	Vucanovich
Lowery (CA)	Richardson	Walsh
Luken, Thomas	Ridge	Waxman
Madigan	Rinaldo	Weber
Manton	Roe	Weldon
Martin (IL)	Rohrabacher	Whittaker
Martin (NY)	Rose	Whitten
Martinez	Rostenkowski	Wise
Matsui	Rowland (CT)	Wolf
Mavroules	Rowland (GA)	Wolpe
Mazzoli	Russo	Wylie
McCloskey	Saiki	Yatron
McCollum	Sangmeister	
McCrery	Sawyer	

NAYS—185

Alexander	Florio	Marlenee
Applegate	Frank	McCandless
Armey	Gallegly	McCurdy
Baker	Garcia	McEwen
Bates	Goss	McHugh
Beilenson	Hall (TX)	Mfume
Bentley	Hamilton	Miller (OH)
Bereuter	Hancock	Miller (WA)
Bilirakis	Hansen	Moody
Broomfield	Hayes (IL)	Moorhead
Brown (CO)	Hefley	Morrison (CT)
Bryant	Henry	Mrazek
Bunning	Herger	Murphy
Burton	Hertel	Nagle
Campbell (CO)	Hoagland	Neal (MA)
Cardin	Holloway	Nelson
Carper	Hopkins	Nielson
Carr	Hubbard	Nowak
Clay	Hughes	Obey
Coleman (TX)	Inhofe	Olin
Collins	Jacobs	Owens (NY)
Combest	Johnson (SD)	Owens (UT)
Conyers	Jones (GA)	Packard
Costello	Jontz	Pallone
Cox	Kanjorski	Parker
Craig	Kasich	Parris
Crane	Kastenmeier	Patterson
Crockett	Kennedy	Paxon
Dannemeyer	Kolter	Payne (NJ)
DeFazio	Kyl	Pease
DeLay	LaFalce	Penny
Dellums	Lagomarsino	Perkins
Derrick	Lancaster	Porter
DeWine	Lantos	Poshard
Dorgan (ND)	Leach (IA)	Rangel
Dornan (CA)	Lehman (FL)	Ray
Douglas	Levine (CA)	Regula
Dreier	Lewis (CA)	Ritter
Duncan	Lewis (FL)	Roberts
Dwyer	Lightfoot	Robinson
Dymally	Livingston	Rogers
Early	Long	Roth
Eckart	Lowey (NY)	Roukema
English	Lukens, Donald	Sabo
Fawell	Machtley	Sarpalius
Fields	Markey	Savage
Saxton	Smith, Robert (NH)	Traxler
Schaefer	Solomon	Vento
Scheuer	Spence	Visclosky
Schroeder	Spratt	Walgren
Schuette	Staggers	Walker
Schulze	Stark	Watkins
Sensenbrenner	Stearns	Weiss
Sharp	Stenholm	Wheat
Shaw	Stokes	Williams
Shays	Studds	Wilson
Shumway	Synar	Wyden
Sikorski	Tallon	Yates
Skaggs	Tauke	Young (AK)
Slattery	Tauzin	Young (FL)
Slaughter (VA)	Thomas (GA)	
Smith (IA)	Torricelli	
Smith, Denny (OR)		

NOT VOTING—8

Bateman	Molinari	Roybal
Courter	Pepper	Udall
Meyers	Pickle	

□ 1445

Messrs. KANJORSKI, INHOFE, and STOKES changed their vote from "yea" to "nay."

So the conference report was agreed to.

The result of the vote was announced as above recorded.

GENERAL LEAVE

Mr. PANETTA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and to include extraneous material, on the conference report on House Concurrent Resolution 106, just agreed to.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

PERSONAL EXPLANATION

Mr. PICKLE. Mr. Speaker, I missed rollcall 57 because I was conducting a tour for National Historic Week. Had I been present, I would have voted "aye."

□ 1450

DIRE EMERGENCY SUPPLEMENTAL APPROPRIATIONS, FISCAL 1989

(Mr. WHITTEN asked and was given permission to address the House for 1 minute.)

Mr. WHITTEN. Mr. Speaker, I expect later to make a unanimous-consent request to return to H.R. 2072, the dire emergency supplemental appropriations bill. In the meantime, I would like to describe it if I may.

As the Members may recall, we had the supplemental appropriation bill up in the Committee of the Whole, at which time we had taken quite a bit of action when the Committee rose in the course of business.

Mr. Speaker, I do not call it up as of now in order to continue it as it was reported to the House. I want the Members to know that because of the

attitude of the House, we have tried to cooperate with what the intent of the House was. I asked each subcommittee to go back and review the actions that they had taken and to either limit it to dire emergencies which is within the rules, or that they offset the increases by cuts or by other means where actions proposed would not increase expenditures.

May I say that each subcommittee has cooperated in that respect, and there was one subcommittee that did not have the means whereby, or the money whereby, they could offset it enough. Therefore, I would treat that differently.

I will ask the Members to go along with a unanimous-consent request, that amendments to reduce or provide offsets for the remainder of the bill, or the major part of the bill, having to do with everything except the drug section be considered en bloc, to permit us to proceed. What the subcommittees have done is cut back in excess of $1 billion in line with what we considered the attitude of the House.

We have reduced that, and yet by the same token, essential items are left. Let me repeat again: My amendment will cover everything except drugs, which remain in the bill, subject to amendment. So, without further ado, I want to tell the Members that we are asking their support to proceed and to show that we are ready to proceed and take care of this thing now. It includes veterans medical care and pensions, it includes guaranteed student loans, it includes firefighting, migration and refugee assistance, international peacekeeping, trade adjustment assistance, payments to States for foster care and adoption assistance and processing tax returns.

May I also explain in the limited time that I have that much of the cause for this supplemental comes because this time last year our friends on the other side of the Capitol, at the last minute, asked us to cut the budget for discretionary budget authority by $1,900,000,000. It was agreed to on the House side primarily because they expected to take care of the supplmental.

Mr. CONTE. Mr. Speaker, will the gentleman yield?

Mr. WHITTEN. I am happy to yield to the gentleman from Massachusetts.

Mr. CONTE. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, as the Members know, we were in a tremendous dilemma over this supplemental and how best to proceed.

The chairman was kind enough this morning to call me, and I visited with him. We discussed this matter, and what he intends to do is to ask for unanimous consent to lop off over $1 billion from this supplemental, leaving everything that is dire emergency in the bill with one exception, and that is the $821 million for drug enforcement, et cetera. I would then be in a position to offer an amendment later on as we debate this bill today, if we get this unanimous consent, to strike the $821 million in the bill for drugs, because there is no offset and it is strictly veto bait.

Mr. Speaker, we have made that agreement. I just want the House to know, and I want my side to know, that I thought it was a fair proposal and one that I could live with, and I am ready to debate the issue of the $821 million for the drugs here today and let the Congress determine whether we should put this money in without any offset, which I feel we should not.

If the unanimous consent is not agreed to, then this bill will go back to the Committee on Rules, and there, I understand, are any number of amendments pending, such as the Miller amendment on SDI, and the drug money will be there and we will all have these other things coming back here to debate. As the old saying goes, "A bird in the hand is worth two in the bush," and I would rather have had the $1 billion, but I understand there will be objection.

Mr. SMITH of Iowa. Mr. Speaker, will the gentleman yield?

Mr. WHITTEN. I am happy to yield to the gentleman from Iowa.

Mr. SMITH of Iowa. Mr. Speaker, to make it clear, as I understand it, many of the items in the bill except the part on the war on drugs and crime would be changed by the gentleman's amendment to try to make the bill acceptable to the White House. The administration is opposed to any more money for the war on crime and drugs. Funds in the bill for that purpose would not be reduced by the amendment. However, a motion to strike, or a motion to reduce the amount, either one, would be in order. I do not know what more anyone could ask.

I have no qualms, no hesitancy at all, to give anybody who wants to a chance to vote to reduce or to strike the additional funds for the war on drugs. If they are opposed to it, they have an opportunity to do so. I do not know what anybody could want more than to vote their conscience on this matter.

Mr. WHITTEN. Mr. Speaker, I thank the gentleman.

Mr. Speaker, may I proceed to say that what we have done here is meet the demands or the requirements made by the executive branch with which we agreed under the present conditions, but I repeat again, unless we proceed on this, we provide no funds—a drastic cut in appropriations for education, for veterans, for just about everything else included in the bill.

Mr. Speaker, may I repeat again, that it has not been easy. Our subcommittees have scaled back their original bill in what I proposed to offer here by $1,005,611,000 in line with the demands of the executive branch. We have cooperated fully.

There is objection to the money that is carried here for drugs. May I point out that the President himself in recent weeks has come out strongly for $1.2 billion to meet the law enforcement thing, which is largely what the money is in here for. I do not want to argue that point at this time.

I will tell the Members that we have done everything they demanded except with regard to drugs, and that will be subject to such action as the House itself, sees fit to do. It will be like it is in the original bill we reported to you, and I do not ask to touch that, but leave it up to the general rules of the House, which means a motion to strike would be in order.

I urge the Members to go along with us, because we need to show the country that we are going to do this, and may I say that this veterans' situation is terribly important right now, as are some of these other things.

The worst thing that we could do to education is to keep from passing this bill.

Mr. VENTO. Mr. Speaker, will the gentleman yield?

Mr. WHITTEN. I am happy to yield to the gentleman from Minnesota.

Mr. VENTO. Mr. Speaker, is it my understanding that this unanimous consent would strike the $150 million for the homeless and that because there are no offsets for it, that it is my understanding also that there are no offsets for the Veterans' Administration money, and the administration is not demanding offsets for that but it is demanding offsets for everything in the bill the committee put in? Is that a correct understanding?

Mr. WHITTEN. Mr. Speaker, may I say the position I am in, if I may say so, I kept what is left. If the Members do not pass this bill, we do not get any of it. If we pass this bill, we get some reductions in some cases, but we had to do that to meet the demands.

I just would say that my amendment will provide $88,000,000 for operation of low-income housing projects and $15,000,000 for the FEMA emergency food and shelter program. But, without this bill, we do not get anything, and that is something we have to think about.

The SPEAKER pro tempore (Mr. FOLEY). The time of the gentleman from Mississippi has expired.

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent to proceed for an additional 5 minutes.

Mr. FRENZEL. Mr. Speaker, reserving the right to object, the gentleman asked permission to address the House for 1 minute, and he has addressed the House for a good deal more than that

and had a good deal of help from his friends.

Mr. Speaker, might I inquire from the distinguished chairman, what does the chairman intend to do with the next 5 minutes?

Mr. WHITTEN. Mr. Speaker, will the gentleman yield?

Mr. FRENZEL. I am happy to yield to the distinguished chairman, the gentleman from Mississippi.

□ 1500

Mr. WHITTEN. Mr. Speaker, I have always found I did better if I explained to my colleagues what was involved. So I am telling the gentleman what is involved before he makes his decision.

Mr. FRENZEL. Hearing that response, Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore (Mr. FOLEY). Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The SPEAKER pro tempore. The gentleman from Mississippi [Mr. WHITTEN] is recognized for 5 additional minutes.

REQUEST FOR PERMISSION TO CONSIDER AMENDMENT TO H.R. 2072, DIRE EMERGENCY SUPPLEMENTAL APPROPRIATIONS, FISCAL YEAR 1989

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that, during the further consideration of H.R. 2072, the dire emergency supplemental appropriations bill, it be in order to consider an amendment to be offered by myself which is at the desk. That points of order under clauses 2 and 6 of rule XXI be waived against said amendment, and that said amendment not be subject to amendment, except pro forma amendments for purposes of debate, or to a demand for a division of the question in the House or in the Committee of the Whole.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

Mr. FRENZEL. Mr. Speaker, reserving the right to object, under my reservation I would simply like to point out that in the last 48 hours we have heard, those of us in the House who are not privy to the insider discussions, about half a dozen versions of what this unanimous consent request was going to be.

I would refresh the House's memory and indicate that the dire supplemental was reported out of committee on April 18; it languished for another 8 days; was finally considered on April 26. That was 21 days ago when the House rejected at least some of the ideas that were suggested in connection with that bill.

It was quite clear I thought at the time that the House felt there should be offsets, and that we should be dealing with a cleaner bill than we were given.

The request by the distinguished chairman of the Appropriations Committee is an interesting one, but it strikes the House without any kind of preparation after a long bit of discussion. It has been quite clear through this whole last 3 weeks that an easy way to get the job done and to get the money moving to the veterans' hospitals, which all of us want to do, is to report a clean supplemental with offsets.

There is such a bill pending. It is House Joint Resolution 272, sponsored by the wonderful gentleman from Massachusetts [Mr. CONTE], the ranking member of the Appropriations Committee.

It is my intention to object to the request of the gentleman from Mississippi [Mr. WHITTEN], the distinguished chairman of the Appropriations Committee, and if I could be recognized for the purpose to request of the House that House Joint Resoution 272 be brought up for immediate consideration, I mention that now, Mr. Speaker, because I suspect I will not be recognized for that purpose, but I simply want Members to know that there is a way to solve this problem.

The way that the gentleman from Mississippi suggests is not satisfactory to me. It imperils the bill and may cause it to be veto bait. I believe the chairman of the committee could have made the same resolution, or could have brought forth the same kind of resolution that the distinguished gentleman from Massachusetts did. I do not think this is a fair or reasonable or a responsible way to approach the problem.

Therefore, Mr. Speaker, I object to the request.

The SPEAKER pro tempore. Objection is heard.

REQUEST TO CONSIDER HOUSE JOINT RESOLUTION 272

Mr. CONTE. Mr. Speaker, I have a unanimous-consent request.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Massachusetts [Mr. CONTE].

Mr. CONTE. Mr. Speaker, I ask unanimous consent that the House consider House Joint Resolution 272.

The SPEAKER pro tempore. The Chair will state to the gentleman such a request does not comport with the established guidelines for the consideration of legislation which requires prior consent by both floor and committee leaderships before the consideration is made in order. The prior request was a case in which an amendment was sought to be made in order by unanimous consent to an existing bill pending in the Committee of the Whole. The gentleman's request is to bring by unanimous consent a bill to the floor of the House which has not been cleared for such consideration and, consequently, the Chair will not put the unanimous-consent request.

PARLIAMENTARY INQUIRY

Mr. WALKER. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. WALKER. Mr. Speaker, if the leadership of the Congress that is all present on the floor at the present time would make this in order, it could be done fairly quickly, could it not?

The SPEAKER pro tempore. The gentleman from Pennsylvania knows that the established procedure is to have prior clearance from floor and committee leadership on both sides of the aisle before such a unanimous-consent request is entertained. The Chair has stated the fact that there is no such clearance that the Chair is aware of and, consequently, the Chair will not recognize the gentleman from Massachusetts for that purpose.

Mr. WALKER. I have a further parliamentary inquiry, Mr. Speaker. Since as I understand it there is consent by the leadership on our side, what would be necessary then is for our leadership to confer with the Democratic leadership in order to get this done?

The SPEAKER pro tempore. The gentleman is correct.

Mr. WALKER. I thank the Chair.

CONSIDERATION OF DIRE EMERGENCY SUPPLEMENTAL APPROPRIATION

(Mr. GINGRICH asked and was given permission to address the House for 1 minute.)

The SPEAKER pro tempore. Without objection, the gentleman from Georgia is recognized for 1 minute.

There was no objection.

Mr. GINGRICH. Mr. Speaker, I just want to make the point to the House that we have an opportunity to have some kind of an agreement, and clearly this particular resolution could be replaced by one authorized by the gentleman from Mississippi [Mr. WHITTEN], which would probably fit the majority's desire more. But we do have an opportunity to bring to the floor a clean supplemental which provides precisely for helping the veterans, and to then be in a position where we could move that through the House quickly before we leave this week, and that the Senate, the other body could take that up prior to adjourning.

If we do not pass something today or tomorrow, the other body will in fact leave and we will not be able to take anything up until after Memorial Day.

Mr. OBEY. Mr. Speaker, will the gentleman yield on that point?

Mr. GINGRICH. I am glad to yield to the gentleman from Wisconsin.

Mr. OBEY. Mr. Speaker, I would ask the gentleman from Georgia, is he opposed to providing the assistance needed to the democratic forces for the elections in Poland?

Mr. GINGRICH. Not at all.

Mr. OBEY. Is the gentleman opposed to providing the needed assistance for Soviet refugees, Jewish refugees who are trying to get out of the Soviet Union?

Mr. GINGRICH. I am confident that over the next few weeks the House will be able to solve many problems in an orderly manner. At the present time it would be useful to pass the veterans' money in a way which makes it meet the requirements of a dire emergency supplemental.

Mr. OBEY. If the gentleman will yield further, is he aware of the fact that the date of the Polish election is fixed, and that it must be dealt with now or not at all? Is the gentleman aware of the fact that we have 3,000 Jews now who need to get out now or they will run into trouble with their visas expiring?

Mr. GINGRICH. I am confident that if the House were to produce a truly small, truly emergency bill of the kind the gentleman just suggested, that everyone on our side of the aisle would try to help pass a truly small, truly emergency bill.

But I would just suggest when one starts to pass money for the next fiscal year in a dire supplemental, that somehow misses the whole purpose of dire supplementals, and the gentleman and I probably are in fairly close agreement.

Mr. SOLOMON. Mr. Speaker, will the gentleman yield?

Mr. GINGRICH. I am glad to yield to the gentleman from New York.

Mr. SOLOMON. Mr. Speaker, we know this supplemental was reported April 16 and today is May 17. There is a dire supplemental need here.

Let me tell my colleagues what is going to happen. If we let the Senate go home this coming weekend, and we go home the following weekend, we are going to lose Veterans' Administration nurses to the private sector which we will never get back in our hospitals in our districts. This is a dire supplemental, and all of those things the gentleman from Wisconsin [Mr. OBEY] mentions can be taken care of one way or another. There is no way that the veterans' hospitals can be taken care of if we walk out of here this weekend without taking care of it.

We can go up to the Rules Committee, get a rule and come back right down here while all of my colleagues are sitting here, and we can do it in 20 minutes, and we can pass this supplemental, and that is what we ought to be doing.

DIRE EMERGENCY SUPPLEMENTAL APPROPRIATION

(Mr. SMITH of Iowa asked and was given permission to address the House for 1 minute.)

Mr. SMITH of Iowa. Mr. Speaker, let me make this crystal clear: There is only one thing holding up this supplemental. The administration does not want the Congress to appropriate any more money for crime and drugs. That is a fact. Everything else in this bill has been agreed to, everything else.

The President came up here and got on the steps of the Capitol on Monday and called for twice as much money as we have in this bill for additions to function 750; that is, for law enforcement and justice. He asked for twice as much money as we have in this bill, but they do not want the bill to come up, and they do not want the House to vote its will on whether or not they want more money for crime and drugs. Everything else has been agreed to in this bill.

It is the political operators down at the White House who say we do not want you to send us any more money for crime and drugs, and we do not want the House to have a chance to vote on it.

□ 1510

Now if the amendment of the gentleman from Mississippi has been permitted to come up, all you would have had to do, if you want to vote against it, is to move to strike, vote the money out. If that is your will and if that is the will of the House either move to strike the provisions appropriating more money for the war on drugs or offer an amendment to reduce the amounts in the bill for such funding.

IRRESPONSIBLE SPENDING DOES NOT MAKE SENSE

(Mr. WALKER asked and was given permission to address the House for 1 minute.)

Mr. WALKER. Mr. Speaker, we have just heard an interesting dialog on the position we find ourselves in. I am always amazed at how kinder and gentler gets translated in this House. We always seem to find a partisan edge these days for kinder and gentler

But let me say to the gentleman that I think that the problem we have on our side is with the nature of the way in which the money is to be handled on drugs. The drug money is not being sought for the rest of this fiscal year. The drug money is being sought for the next fiscal year. It is an attempt to do a job against the whole process of a supplemental and we think that that kind of irresponsible spending does not make sense.

There is $500 million still in the pipeline for drugs. This administration would like to spend that in an orderly manner and do the job right.

Mr. Speaker, I would suggest to the gentleman that the proposal that he brings before us is not orderly and will do more harm than good in the drug fight.

Mr. SMITH of Iowa. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from Iowa.

The SPEAKER pro tempore (Mr. FOLEY). The time of the gentleman from Pennsylvania [Mr. WALKER] has expired.

Mr. SMITH of Iowa. Mr. Speaker, I ask unanimous consent that the gentleman have 1 additional minute.

The SPEAKER pro tempore. Let the Chair explain, if the gentleman will permit, that the Chair allowed some indulgence in the 1 minute with respect to the distinguished gentleman from Mississippi [Mr. WHITTEN] and countered that by some indulgence for the distinguished gentleman from Georgia [Mr. GINGRICH] on the minority side.

Now the Chair intends to hold Members to the relative exact time of 1 minute.

Mr. SMITH of Iowa. Mr. Speaker, after the gentleman from Pennsylvania is through, is that right; is the Chair going give him another minute or not?

The SPEAKER pro tempore. If there is any other Member seeking recognition, the Chair would prefer to recognize other Members before that.

THE THRESHOLD QUESTION: WHEN WILL WE SPEND THE MONEY?

(Mr. DURBIN asked and was given permission to address the House for 1 minute.)

Mr. DURBIN. Mr. Speaker, I yield to the gentleman from Iowa.

Mr. SMITH of Iowa. Mr. Speaker, I just want to point out that the $500 million you are talking about is not in function 750. It is not in the money that the President asked for. It is in education and in rehabilitation programs. We got the list from OMB and they are short of money, as a matter of fact, for the war on drugs. They need more money in law enforcement.

So the $500 million is not an answer to this problem. This money in this bill was only for law enforcement. It was not for any drug education or rehabilitation program that the administration says has a low rate of obligation at this time.

Mr. DURBIN. If I might reclaim my time, we have a lot of speeches about drugs and crime and I think there will be quite a few more.

But is not the threshold question whether we are willing to spend the money to fight the drug war in America? Whether we are willing to spend the money to fight the crime in our streets? If we are not going to consider the question of spending the money on an appropriations bill, when will we spend it?

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair would now prefer to recognize Members on the Republican side if they seek recognition.

STATUS OF UNOBLIGATED FUNDS

(Mr. CONTE asked and was given permission to address the House for 1 minute.)

The SPEAKER pro tempore. Without objection, the gentleman from Massachusetts is recognized for 1 minute.

There was no objection.

Mr. CONTE. Mr. Speaker, this is really unfortunate that we are getting into this thing. This supplemental is getting messier than the shorelines of Alaska.

The gentleman from Iowa and I came into the Congress together. He is a smart cookie. Last year, he got a bad rap on a 302(b) subcommittee allocation, and they put the straitjacket on him. He wants to get some drug money in this supplemental so they will loosen up that straitjacket this year. It's that simple.

We appropriated $3.8 billion in fiscal year 1988 for drug money; that's billion, yes, billion. And in fiscal year 1989 we appropriated $5.3 billion, yes, billion dollars.

Do you know how much money is unobligated in all of these accounts that he is talking about? U.S. marshals, 52 percent, unobligated. Support of U.S. prisoners, 54.5 percent, unobligated.

The SPEAKER pro tempore. The Chair regrets to say that the gentleman's time has expired.

Mr. CONTE. FBI, 51.9 percent, unobligated. DEA, 51.9 percent, unobligated.

The SPEAKER pro tempore. The gentleman's time has expired, unobligated.

WE ALSO DEAL WITH A NUMBER OF ADMINISTRATION REQUESTS WE FIND EQUALLY COMPELLING

(Mr. OBEY asked and was given permission to address the House for 1 minute.)

Mr. OBEY. Mr. Speaker, I am always happy to be entertained by the gentleman from Massachusetts [Mr. CONTE], we all are.

Let me just simply suggest that I think everybody on this side of the aisle and everybody on that side of the aisle wants to deal with the issue of veterans health care; everybody understands that.

We think it would be kind of nice if while we do that we also deal with the number of administration requests which we find equally compelling.

We think, for instance, that it would be nice if we would deal with the guaranteed student loan shortage which has to be dealt with. We think it would be nice if we dealt with the fire fighting funding which everybody understands we need. We think it would be nice if we dealt with the Federal unemployment benefits and trade adjustment items which have been agreed to as far as I understand by the administration as well as the House.

We think we should not proceed without providing that assistance as well because they need it every bit as much as we need the money for veterans.

We also think it would be nice if we dealt with the FAA operating expenses shortfall, which is what the committee is trying to do.

I would point out if we are worried about unobligated funds, the defense budget right now has unobligated budget of $42 billion and I do not see anyone on that side of the aisle suggesting we should not provide any further money for defense.

WE ARE BEING TOLD THAT THIS ADMINISTRATION HAS BEEN UNABLE TO ALLOCATE THE MONEY

(Mr. MILLER of California asked and was given permission to address the House for 1 minute.)

Mr. MILLER of California. Mr. Speaker and Members of the House, I think we have arrived at a crucial moment here. Yesterday in the Select Committee on Children, Youth, and Families, we listened to witnesses who represented law enforcement, chiefs of police, judges, people in schools who told us about young people shooting up the neighborhood, killing other young people in record numbers, who told us about the inability to prosecute the war against drugs and the war against crime and the war against youthful offenders in this country.

We listened to judges who have a reputation, who have been nominated by this administration, to prosecute that war against drugs, telling us about the inability to deal with these problems.

What this supplemental is about and what this fight is about is whether or not we are serious. For you to stand up and to suggest that there is money that is available to this administration that has not been obligated is to suggest malfeasance, is to suggest that this administration does not care, because let me tell you there are drug clinics, there are chiefs of police, there are drug squads all over this country that are asking for help.

We listened to the chief of police of Houston, we listened to the chief of police of Los Angeles last night talk about the resources that they need, and you are telling us that this administration has not been able to obligate the money.

What you are telling us is that they are not going to fully fund this bill when all of us voted for this bill, went out and campaigned on this bill and immediately came back and started slashing the money. You are not keeping your compact with the American people, you are not keeping your compact with America's children and you are not willing to prosecute the war against drugs and the war against crime in this country by this attitude of the Republican administration.

And that is what this fight is about, over the supplemental.

LOOKING FORWARD TO A BIPARTISAN EFFORT IN THE FIGHT AGAINST CRIME AND DRUGS

(Mr. SCHIFF asked and was given permission to address the House for 1 minute.)

The SPEAKER pro tempore Without objection, the gentleman from New Mexico is recognized for 1 minute.

There was no objection.

Mr. SCHIFF. Mr. Speaker, I am glad to hear that there is an interest in fighting crime and drugs. I have just arrived at the U.S. Congress from a career of fighting crime and drugs as district attorney of Albuquerque, NM, for the last 8 years and a number of years before that.

However, we are addressing here a dire emergency bill. Dire emergency means not only an immediate need but an immediate ability to spend the money if it were to be appropriated.

The Veterans' Administration hospitals need the money and could spend it right now. I can tell you as a career law enforcement official that if the money were appropriated for law enforcement although there is an immediate need it could not be spent before October 1 to any great use.

I look forward to the majority party joining with us in the fiscal year 1990 budget for an adequate appropriation to fight crime and drugs.

EMERGENCY SUPPLEMENTAL

(Mr. BURTON of Indiana asked and was given permission to address the House for 1 minute.)

The SPEAKER pro tempore. Without objection, the gentleman from Indiana is recognized for 1 minute.

There was no objection.

Mr. BURTON of Indiana. Mr. Speaker, I would like to say we have been talking about every issue under the Sun for the past few minutes, but the fact of the matter is we are here to discuss an emergency supplemental for veterans. I met with the Director of the Roudebus VA Hospital in Indianapolis about 2 weeks ago and the people on the staff there told me that they needed additional funds quickly, otherwise nurses that they need so much right now would not be hired. The people on the staff there told me about the dire need for nurses and the shortages that have occurred. They said that these problems would not be solved unless these emergency supplemental funds were appropriated.

Now we are here today tinkering and fiddling around while this situation continues. Now I submit to Members that if we wait until after the Memorial Day recess we are going to lose a lot of those nurses and other people permanently. So I think we ought to get to the Committee on Rules today as has been suggested previously, to get the bill back to the floor and let it pass before we leave and before the Senate leaves for the week.

PASS THE DIRE EMERGENCY SUPPLEMENTAL

(Mr. TRAXLER asked and was given permission to address the House for 1 minute.)

Mr. TRAXLER. Mr. Speaker, it might help if my colleagues understood the exact situation for the Veterans' Administration and the dire emergency supplemental as it relates to the veterans' medical care appropriation.

We all share the same concern. We want very much to augment that account to a level that will allow them to increase their employment about 4,000 FTE, bring it up to about 195,000, and we are hopeful that in the coming year we will be able to maintain that level which everyone agrees is the minimum necessary. What is happening now is that in order to maintain even the current employment level, which is below that by several thousand, they are robbing Peter and paying Paul.

I want to tell Members that no employees are being laid off, no one has been displaced. What is occurring is that they are using moneys from their drug and equipment accounts to maintain current personnel. It is to our advantage to pass this supplemental including the veterans as quickly as possible.

REMOVAL OF NAME AND MEMBER AS COSPONSOR OF H.R. 876

Mr. SUNDQUIST. Mr. Speaker, I ask unanimous consent that my name be removed as a cosponsor of H.R. 876.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

VOTE NOW ON DIRE SUPPLEMENTAL

(Mr. McCOLLUM asked and was given permission to address the House for 1 minute.)

Mr. McCOLLUM. Mr. Speaker, we have been speaking a lot about the drug war here today and about the need for more money. There is no question we need more money if we want to fight it. I think the gentleman from New Mexico put it right, though, and that is we do have the opportunity in the coming fiscal year to provide the answers in an adequate and responsible way.

The drug bill we passed last year has an authorization in it quite padded, quite frankly, in some areas like rehabilitation. It does not make sense to tie up veterans' money, in my judgment, and I had a lot to do with the drug issue, but it does not make sense to tie up veterans' moneys when there is really an emergency out here in the next couple of days on the question of whether or not we vote right now for additional moneys for rehabilitation, education, and so forth in the drug area.

So I hope with very common sense in the next few minutes and next few hours and get the veterans' money out for the dire emergency supplemental appropriation and let Members vote on that before we go out for the Memorial Day recess, and come back and address the issue of drugs in the orderly fashion we are used to doing in this body.

EQUAL RULES FOR ALL

(Mr. VENTO asked and was given permission to address the House for 1 minute.)

Mr. VENTO. Mr. Speaker, I was on the floor and listened to some of the comments of my colleagues, and I would just like to point out that in this appropriation proposal we have before us this afternoon that some Members would like to stand up, vote, and be counted on important issues. Somehow, whether the money is offset or not offset for certain spending purposes, the VA hospitals, I agree, need their funding. That represents appropriate action. Because somehow when the money is for some specific purposes such as drugs or such as the homeless, it then requires different rules in order to be considered. In other words, we measure some people's spending with a yardstick and others with a ruler. They have different calibrations on them. I am just suggesting that since as candidates, President Bush and the Vice President QUAYLE both said they wanted full funding for the McKinney Act, and then when action was attempted to partially fund McKinney in 1989, Secretary Kemp of HUD supported that action, all of a sudden, when Congress has that proposal on the floor, we are not supposed to move on that measure.

In other words, they do not want to face up to these particular issues. They made good campaign slogans, but somehow when it comes time to implement that policy, the attitudes of some public officials change, and that is really what this debate is about. Whether we will lend credibility to the statements that were made, whether Congress will deal with the rhetoric only or with the substance in this House with regard to supplemental appropriations.

I think it is time that we deal with the substance. I think that the homeless, of which many are also veterans, deserve our help to attain shelter. All homeless deserve our assistance, and we have an obligation to vote on these issues. They are in dire need of assistance. They are an important issue. Otherwise, people are simply going to be in the streets. They are going to be vulnerable; 159 Members of Congress in this House of Representatives have signed House joint resolution and said they want to see full funding of the McKinney Act and full funding of the programs, within that authorization and they ought to have an opportunity to vote on such program funding and on the other issues. I do not think we should have a different test for money needed for the homeless than what we might have for others who have been identified as in dire need.

I think the homeless are citizens that have great need in this Nation, Mr. Speaker, and there ought not to be two sets of rules, one for the homeless and one for other groups seeking supplemental appropriation.

VETERANS NEED FUNDING

(Mr. RHODES asked and was given permission to address the House for 1 minute.)

Mr. RHODES. Mr. Speaker, I thought I would come over and engage in some sort of colloquy. I do not suppose Members want to talk about long-term renewal of the Bureau of Reclamation's water contracts or anything of that nature.

Mr. Speaker, with all seriousness, we have had an opportunity to have a little fun out here to demagogue a few things, to make some political shots at

each other. The important thing for Members to do here today is to proceed with the business of the House and to proceed to provide these desperately needed funds for the veterans and to come back at a later time and consider these other items that are emergencies but not dire emergencies. I would hope that this stratospheric conversation going on to my left would lead Members to a solution to this problem.

LEGISLATIVE PROGRAM

(Mr. SMITH of Iowa asked and was given permission to address the House for 1 minute.)

The SPEAKER pro tempore. Without objection, the gentleman from Iowa is recognized for 1 minute.

There was no objection.

Mr. SMITH of Iowa. Mr. Speaker, I just want to point out to fill out the RECORD here that we had earlier. Some of the speakers earlier today said that some money for the war on drugs is not yet obligated. Well, the fact of the matter is, we have an antideficiency law that prohibited obligating more money than what is appropriated. Therefore, OMB and the Treasury make money appropriated for salaries and expense accounts available on a quarterly basis. Most of the accounts in the Justice Department are salaries and expense accounts which are used to pay the salaries of the FBI and DEA agents, the U.S. marshals, U.S. attorneys, and all the other law enforcement personnel and supporting staff. So of course, there is unobligated money in the accounts for those agencies when we are 7 months through the fiscal year, but as a matter of fact these law enforcement agencies are right where they should be concerning funds obligated at the end of the seventh month of the fiscal year. So when we say that there are unobligated funds, of course, technically that is true. It sounds as though they have more money than they can use, but the law enforcement agencies do not have more money than they can use.

□ 1530

I have talked to the people at the FBI, at DEA, and at the Bureau of Prisons, and a number of these other agencies, and there is not 10 cents in this bill that we have before us that they cannot use before the end of this fiscal year.

In the case of the Bureau of Prisons, for example, they need the money, although it will not all be outlayed. Only about 10 percent of the funds in the bill will be outlayed in fiscal year 1989. But they need to get started so they can do their planning and get a jump of 6 months in completing some new prisons. So it is important that they have the money now and proceed even though the money will not be outlayed necessarily in this fiscal year.

Mr. Speaker, to say that there is unobligated money left is to me very, very misleading.

THE DR. MARTIN LUTHER KING, JR. CEREMONY—THE NEED FOR INCREASED PAY FOR NURSES

(Ms. OAKAR asked and was given permission to address the House for 1 minute.)

Ms. OAKAR. Mr. Speaker, I wanted to say that this afternoon we have witnessed an interesting signing of the Martin Luther King, Jr. Commission. A number of people from across the country were there. The President signed it into law, and Dr. King's widow, Coretta Scott King, was part of the ceremony.

I wanted to especially pay tribute to some of the people that I felt had been instrumental in bringing that bill to this point. Certaintly I refer to Congressman CONYERS and others, but when I first came to Congress, I remember that the Member who held the hearings relative to the holiday commemorating Dr. King was Representative ROBERT GARCIA. I have to say that sometimes his fortitude in forging ahead stood out. He had a lot of odds against him, but he was able to get the support of some Members on the other side of the aisle. I recall that our distinguished Secretary of HUD was pursuaded to change his mind and vote with him.

The fact is that this was a wonderful bipartisan event. I wish, frankly, that some of our discussions would not get so partisan, particularly in the climate that we are sometimes experiencing today. I think that there are some very beautiful things that Members do, like this ceremony today, and it would seem to me that would be the kind of tone that we on occasion ought to take more often.

Mr. Speaker, in reference to another topic, I wanted to discuss the shortage of nurses. I would point out that Congressman ACKERMAN, as the chairman of the Subcommittee on Compensation and Employee Benefits, has an omnibus bill related to the problems that nurses experience. I am, of course, the author of the pay equity study relating to the shortages of Federal employees in cetain categories. Not only are we losing senior employees, but we are losing individuals like nurses who work for the Federal Government, because their pay is capped, and they can go down the street to other hospitals, and so on, and make more money. The fact is that they work because they need to work. Very often they are the head of the household, and as we know, Mr. Speaker, we have 26 million women in this country who are part of a 2-owner couple situation and we have 12 million women who are heads of their own households. Many of them happen to be nurses. That is one of the more undervalued jobs that we have, and I would think, Mr. Speaker, that we would hopefully get on with the study at hand and pay our nurses decently.

Mr. Speaker, that is one of the reasons why we have such a critical shortage in this country.

CORRECTION OF THE RECORD

(Mr. SMITH of Florida asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. SMITH of Florida. Mr. Speaker, yesterday I filed H.R. 2378, a bill regarding the ad valorem tax. It appears in the RECORD of yesterday's proceedings at page H1976.

Through an error of the Government Printing Office, after the names of the cosponsors, Mr. FISH, Mr. HUGHES, and Mr. HYDE, 20 additional cosponsors were added on that belonged on a different bill.

Mr. Speaker, I ask unanimous consent that those names, the names appearing after the name of Mr. HYDE of Illinois, be stricken from the bill. They were included as a result of the mistake by the Government Printing Office. They are not cosponsors and their names were not submitted when I submitted my bill.

The SPEAKER pro tempore. (Mr. DICKS). Is there objection to the request of the gentleman from Florida?

There was no objection.

A TRIBUTE TO THE PRESIDENT ON HIS HANDLING OF THE PANAMA SITUATION—ANNOUNCEMENT OF HEARING ON WAR POWERS ACT

(Mr. HOPKINS asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. HOPKINS. Mr. Speaker, I want to take this opportunity, if I may, to first of all thank the President of this country for the marvelous way that he has, in my view, handled the situation as it currently exists in Panama, particularly the manner in which he has taken suggestions from both sides of the aisle as they relate to the issue in Panama.

Not only is this Congress, in my opinion, firmly behind the President on that issue, but, I think, the country is as well.

I also take this opportunity, Mr. Speaker, to inform my colleagues that within a few days the Subcommittee on Investigations of the Committee on Armed Services will be holding a hearing on the War Powers Act, and I would urge my colleagues who have an

interest in this subject to submit materials to that hearing or attend that hearing.

□ 1540

Unfortunately, it seems to me, Mr. Speaker, that the only time that we address the War Powers Act is at the worst possible time, and that is when our boys' lives are on the line. As we all know, peace is breaking out all over the world. We, in my view, have a flawed law on the books right now as it relates to the War Powers Act.

Mr. Speaker, while our boys' lives are not on the line, this is the time, in my view, for us to address that issue. It will be an extremely important hearing conducted by the gentleman from Massachusetts [Mr. MAVROULES], the chairman of the Investigations Subcommittee. I think this is the time for us to debate that issue.

There are those who feel that the War Powers Act should be repealed. In my honest opinion this Congress is not going to repeal the War Powers Act. Therefore, if it is flawed, then I think now is the time for us to repair it.

Mr. Speaker, I appreciate this opportunity to inform my colleagues of the hearing which will be held in a few days under the auspices of the Investigations Subcommittee.

GIVE THE VETERANS THE HELP THEY SO BADLY NEED

(Mr. SMITH of Vermont asked and was given permission to address the House for 1 minute.)

The PRESIDENT pro tempore (Mr. TAUZIN). Without objection, the gentleman from Vermont is recognized for 1 minute.

There was no objection.

Mr. SMITH of Vermont. Mr. Speaker, I think what we may be missing in this debate, and I will refer specifically to the veteran population in the State of Vermont with which I am most familiar, is that for them, while we can talk about moving money from account to account and how, in fact, the hospital administrator may have enough cash on hand to run the hospital, that what it translates into is that every day that we delay is another day, and we are really talking here, not about a day or two or a week or two, but we are talking about a month. However every day that we delay we leave hundreds and thousands of men and women in a state of uncertainty in terms of the kind of treatment they can expect. Can they expect nursing home care? Can they expect outpatient services? Can they expect access to the drugs they so badly need in order to be cured? Can they expect access to other rehabilitative services? How will they get to the hospital?

Mr. Speaker, it is issue, after issue, after issue like that that speaks directly to the confidence that these men will or will not continue to have in our commitment, the depth of our commitment, and our willingness to make good on this contract which we have made with them.

So, Mr. Speaker, I hope earnestly that this House will be able to get beyond its disagreements which are political, and I might say, although it sounds totally partisan, and it has been addressed in a partisan manner, the last time I looked when this bill was voted down, it was voted down in numbers that spoke very heavily to the fact that both parties had significant membership who opposed the supplemental appropriation.

So I hope we will be able to get past a difficult situation in which I think a minority is trying to manipulate the will of the majority, and we will continue with a clean dire straight supplemental appropriations bill that gives service to the veterans that they so badly need.

"WILDING" VICTIM

(Mr. GARCIA asked and was given permission to address the House for 1 minute.)

Mr. GARCIA. Mr. Speaker, I think that in view of the circumstances that we are waiting to see what action we take here on the floor, I would just like to take 1 second.

Mr. Speaker, in the city of New York today the young lady that was jogging in Central Park that was brutalized and was so badly hurt, the report on her is that she has taken her first steps in several weeks.

But more important, today I ask that the Members of this House and the people all over the country pray for her because she is going through surgery today for the first time. I think that what has happened to that particular case with this young lady has just been felt throughout, not only the country, but throughout the world.

So, Mr. Speaker, let our prayers and our hearts go out to her and to her family for a speedy and quick recovery.

COMMISSION TO STUDY THE GREAT SHORTAGE OF NURSES IN AMERICA

(Mr. PURSELL asked and was given permission to address the House for 1 minute.)

Mr. PURSELL. Mr. Speaker, appropriately tomorrow I am introducing a bill to establish a commission on the nursing shortage problem. Dr. Boland, former previous Secretary of Health, commissioned an 11-member group who have traveled the country and are studying the problems, not only economic, but other regional urban problems concerning the great shortage of nurses in America. This bill will establish an 11-member commission which will be in existence for 5 years. We will work the appropriation out; it is very minimal, with the Committee on Health Appropriations on which I serve, but, more importantly, if anybody would like to help cosponsor that bill on behalf of the nurses of America, I will be introducing that bill to establish that commission tomorrow.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. SMITH of Vermont) to revise and extend their remarks and include extraneous material:)

Mr. GILMAN, for 60 minutes, on May 24.

Mr. GINGRICH, for 5 minutes, today, and 60 minutes, on May 18.

Mr. DREIER of California, for 5 minutes, today.

Mrs. BENTLEY, for 30 minutes, today, and 60 minutes, on May 23 and 24.

(The following Members (at the request of Mr. TORRES) to revise and extend their remarks and include extraneous material:)

Mr. TORRES, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. SMITH of Vermont) and to include extraneous matter:)

Mr. PORTER in two instances.
Mr. GREEN.
Mr. RITTER in two instances.
Mr. PARRIS.
Mr. SHUSTER.
Mr. HANSEN.
Mr. SOLOMON in two instances.
Mr. GEKAS.
Mr. COURTER.
Mr. MCDADE.
Mr. RINALDO.
Mr. PAXON.
Mr. BLILEY.
Mr. GALLO.

(The following Members (at the request of Mr. TORRES) to revise and extend their remarks and include extraneous material:)

Mr. BEILENSON.
Mr. RICHARDSON.
Mr. MFUME.
Mr. HAWKINS in two instances.
Mr. SIKORSKI.
Mr. SKELTON.
Mr. GARCIA.
Mr. DERRICK.
Mr. CARDIN.
Mr. FLORIO.
Mr. FEIGHAN.

Mr. ERDREICH.
Mr. MATSUI.
Mr. MILLER of California.
Mr. BORSKI.
Mr. WILLIAMS in two instances.
Mr. HAMILTON.
Mr. ANDREWS.

SENATE JOINT RESOLUTION REFERRED

Joint resolution of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S.J. Res. 113. Joint resolution prohibiting the export of technology, defense articles, and defense services to codevelop or coproduce the FSX aircraft with Japan; to the Committee on Foreign Affairs.

ENROLLED JOINT RESOLUTION SIGNED

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a joint resolution of the House of the following title, which was thereupon signed by the Speaker:

H.J. Res. 170. Joint resolution designating May 1989, as "National Digestive Disease Awareness Month."

SENATE ENROLLED JOINT RESOLUTION SIGNED

The SPEAKER announced his signature to an enrolled joint resolution of the Senate of the following title:

S.J. Res. 58. Joint resolution to designate May 17, 1989, as "High School Reserve Officer Training Corps Recognition Day."

ADJOURNMENT

Mr. COELHO. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 47 minutes p.m.), the House adjourned until tomorrow, Thursday, May 18, 1989, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1207. A letter from the Secretary of Defense, transmitting the Secretary's certification with respect to the Army Ground Station Module portion of the JSTARS program, pursuant to 10 U.S.C. 2433(e)(1); to the Committee on Armed Services, May 17, 1989.

1208. A letter from the Secretary of Defense, transmitting the Secretary's certification with respect to the Tacit Rainbow Program, pursuant to 10 U.S.C. 2433(e)(1); to the Committee on Armed Services.

1209. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. ACT 8-31, "District of Columbia Hospitalization of the Mentally Ill Amendment Act of 1989," pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

1210. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. ACT 8-30, "Public Assistance Act of 1982 Amendment Act of 1989," and report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

1211. A letter from the Administrator, General Services Administration, transmitting a draft of proposed legislation to amend the requirement that long-distance telephone bills be certified by agency heads; to the Committee on Government Operations.

1212. A letter from the Clerk, U.S. House of Representatives, transmitting the quarterly report of receipts and expenditures of appropriations and other funds for the period January 1, 1989 through March 31, 1989, pursuant to 2 U.S.C. 104a (H. Doc. No. 101-65); to the Committee on House Administration and orderd to be printed.

1213. A letter from the Deputy Associate Director for Collection and Disbursements, Department of the Interior, transmitting notice of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

1214. A letter from the Deputy Associate Director for Collection and Disbursements, Department of the Interior, transmitting notice of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

1215. A letter from the Deputy Associate Director for Collection and Disbursements, Department of the Interior, transmitting notice of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

1216. A letter from the Deputy Associate Director for Collection and Disbursements, Department of the Interior, transmitting notice of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

1217. A letter from the Attorney General, Department of Justice, transmitting the Department's annual report on the assets forfeiture fund for the fiscal year ending September 30, 1988, pursuant to 28 U.S.C. 524(c)(6)(A); to the Committee on the Judiciary.

1218. A letter from the Executive Director, American Chemical Society, transmitting the Society's annual report and financial audit for the calendar year 1988, pursuant to 36 U.S.C. 1101(2), 1103; to the Committee on the Judiciary.

1219. A letter from the Secretary of Commerce, transmitting the Department's report, "Driftnet Impact Monitoring, Assessment, and Control Act of 1987," pursuant to Public Law 100-220, section 4005(a) (101 Stat. 1478); to the Committee on Merchant Marine and Fisheries.

1220. A letter from the Assistant Secretary of the Army (Civil Works), transmitting the Department's third annual report on the list of incomplete water resources studies authorized but unfunded during the 5 full fiscal years preceding the submission of the list (fiscal years 1984-1988), pursuant to 33 U.S.C. 2264; to the Committee on Public Works and Transportation.

1221. A letter from the Administrator, Environmental Protection Agency, transmitting the Agency's first annual report on Superfund implementation entitled, "Progress Toward Implementing Superfund: Fiscal Year 1987," pursuant to Public Law 99-499, section 120(e)(5) (100 Stat. 1669); jointly, to the Committees on Energy and Commerce and Public Works and Transportation.

1222. A communication from the President of the United States, transmitting a report on developments concerning the continuing national emergency with respect to Panama, pursuant to 50 U.S.C. 1641(c) (H. Doc. No. 101-66); jointly, to the Committees on Foreign Affairs and Merchant Marine and Fisheries, and ordered to be printed.

1223. A letter from the Assistant Secretary of State for Legislative Affairs, transmitting a draft of proposed legislation in support of the people and nation of Poland, and to amend the Trade Act of 1974 and the Foreign Assistance Act of 1961; jointly, to the Committees on Ways and Means and Foreign Affairs.

1224. A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to establish a domestic liability and compensation system for oil pollution from vessels and facilities and to implement the 1984 Protocols to the 1969 Civil Liability and 1971 Fund Conventions concerning seagoing tanker—source oil pollution; jointly, to the Committees on Merchant Marine and Fisheries, Public Works and Transportation, Ways and Means, Interior and Insular Affairs, and the Judiciary.

REPORTED BILLS SEQUENTIALLY REFERRED

Under clause 5 of rule X, bills and reports were delivered to the Clerk for printing, and bills referred as follows:

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 1549. A bill to authorize appropriations for the Nuclear Regulatory Commission for fiscal years 1990, and 1991, and for other purposes; with an amendment, referred to the Committee on Energy and Commerce for a period ending not later than June 16, 1989, for consideration of such provisions of the bill and amendment as fall within the jurisdiction of that committee pursuant to clause 1(h), rule (Rept. 101-56, Pt. 1). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BURTON of Indiana (for himself, Mr. STUMP, Mr. MOORHEAD, Mr. DANNEMEYER, Mr. DREIER of California, Mr. APPLEGATE, and Mr. YOUNG of Alaska):

H.R. 2383. A bill to require a treaty for any relinquishing to any country of any territory, exclusive economic zone, or fishery conservation zone of the United States, and for establishing international boundaries; to the Committee on Foreign Affairs.

By Mr. CONTE:

H.R. 2384. A bill to terminate the importation of ivory and other elephant products by classifying the African elephant as an endangered species under the Endangered Species Act of 1973, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. COYNE:

H.R. 2385. A bill to provide that the 10-percent additional tax on early distributions from qualified retirement plans shall not apply to distributions from certain plans; to the Committee on Ways and Means.

By Mr. GEJDENSON (for himself, Mr. SHARP, Mr. PETRI, Mr. DURBIN, Mr. WOLPE, Mr. FAUNTROY, Mrs. MARTIN of Illinois, Mr. PENNY, Mr. MORRISON of Connecticut, Mrs. ROUKEMA, Mr. EVANS, Mr. HAMILTON, Mr. ATKINS, Mr. UPTON, Mr. JONTZ, Mr. GREEN, Mr. HUGHES, Mr. HAYES of Illinois, Mr. HENRY, Mr. KOSTMAYER, Mr. HORTON, and Mr. OWENS of New York):

H.R. 2386. A bill to amend the Agriculture Act of 1949 to establish eligibility requirements for agricultural commodity price support programs with respect to the delivery of irrigation water; to the Committee on Agriculture.

By Mr. GREEN:

H.R. 2387. A bill to amend the Hazardous Materials Transportation Act to restrict the transportation of radioactive materials through high-density metropolitan areas; to the Committee on Public Works and Transportation.

By Mr. McDADE (for himself, Mr. RIDGE, Mr. BEREUTER, and Mr. KANJORSKI):

H.R. 2388. A bill to expand home ownership opportunities for low- and moderate-income families in rural areas; jointly, to the Committees on Banking, Finance and Urban Affairs and Agriculture.

By Mr. PORTER:

H.R. 2389. A bill to amend the Agricultural Act of 1949 to repeal the sugar price support program; to the Committee on Agriculture.

By Mr. PORTER (for himself, Mr. WOLF, Mr. HENRY, Mr. BERMAN, Mrs. MARTIN of Illinois, Mr. DANNEMEYER, Mr. KOLBE, Mr. GUNDERSON, Mr. LAGOMARSINO, Mr. FAWELL, Mr. UPTON, Mr. HYDE, Mr. SCHULZE, and Mr. BUECHNER):

H.R. 2390. A bill to amend the United States Housing Act of 1937 to empower public housing residents, through resident management and ownership programs, to attain the American dream of home ownership; to the Committee on Banking, Finance and Urban Affairs.

By Mr. QUILLEN:

H.R. 2391. A bill to amend titles XVIII and XIX of the Social Security Act to provide that clinical social worker services are covered under part B of Medicare and are a mandatory benefit under Medicaid; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. RAHALL (for himself, Mr. MILLER of California, Mr. VENTO, and Mr. CAMPBELL of Colorado):

H.R. 2392. A bill to amend section 37 of the Mineral Leasing Act relating to oil shale claims, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. RICHARDSON:

H.R. 2393. A bill to amend the Internal Revenue Code of 1986 to provide incentives for the removal of crude oil and natural gas through enhanced oil recovery techniques so as to add as much as 10 billion barrels to the United States reserve base, to extend the production of certain stripper oil and gas wells, and for other purposes; to the Committee on Ways and Means.

By Mrs. SMITH of Nebraska:

H.R. 2394. A bill to provide assistance to producers affected by extreme weather conditions; to the Committee on Agriculture.

By Mr. THOMAS of California (for himself, Mr. DORGAN of North Dakota, Mr. FLIPPO, Mr. SHAW, Mr. BROWN of Colorado, Mr. LEWIS of California, Mr. BOSCO, Mr. HERGER, Mr. MURPHY, Mr. HUNTER, Mr. DORNAN of California, Mr. LAGOMARSINO, Mr. MOORHEAD, and Mr. PASHAYAN):

H.R. 2395. A bill to amend the Internal Revenue Code of 1986 to extend for 3 years the energy investment credit for solar energy and geothermal property and to allow such credit against the entire regular tax and the alternative minimum tax; to the Committee on Ways and Means.

By Mrs. VUCANOVICH (for herself, Mr. STUMP, Mr. KOLBE, Mr. KYL, and Mr. RHODES):

H.R. 2396. A bill to amend the Federal Mine Safety and Health Act of 1977 to permit State administration and enforcement of Federal mine safety and health standards, to permit States to retain fines and forfeitures collected pursuant to such standards if the Secretary of the Interior approves a State plan pursuant to such act, and for other purposes; to the Committee on Education and Labor.

By Mr. WILLIAMS:

H.R. 2397. A bill to establish the Fighters Institute for Support and Training, Inc.; to the Committee on Education and Labor.

H.R. 2398. A bill to provide for the establishment of an occupational safety and health standard applicable to boxing under the Occupational Safety and Health Act of 1970, and for other purposes; to the Committee on Education and Labor.

H.R. 2399. A bill to provide for money damages for injury or loss as a result of the 1988 Canyon Creek Fire in Montana; to the Committee on the Judiciary.

By Mr. CONTE (for himself, Mr. MICHEL, Mr. SCHIFF, Mr. HOUGHTON, Mr. FAWELL, Mr. LAGOMARSINO, Mr. STEARNS, Mr. GUNDERSON, Mr. GOSS, Mr. SMITH of Vermont, Mr. SKEEN, Mr. GINGRICH, Mr. HAMMERSCHMIDT, Mr. MARTIN of New York, Mr. OXLEY, Mrs. VUCANOVICH, Mr. DUNCAN, Mr. WALSH, Mr. GALLO, Mr. KYL, Mr. HEFLEY, Mr. WELDON, Mr. SOLOMON, Mr. DELAY, Mr. SUNDQUIST, Mr. BILIRAKIS, Mr. CLINGER, Mr. MCCOLLUM, Mr. GILLMOR, Mr. WALKER, Mr. HANCOCK, Mr. ROHRABACHER, Mr. DONALD E. LUKENS, Mr. ROWLAND of Connecticut, Mr. MCCANDLESS, Mr. BARTON of Texas, Mr. RAVENEL, Mr. MCMILLAN of North Carolina, Mr. GRANDY, Mr. WOLF, Mrs. MORELLA, Mr. COURTER, Mr. RHODES, Mr. SCHULZE, Mr. KOLBE, Mr. COBLE, Mr. FRENZEL, Mr. ROTH, Mrs. SMITH of Nebraska, and Mr. MCCREERY):

H.J. Res. 272. Joint resolution making dire emergency supplemental appropriations for Veterans Medical Care; to the Committee on Appropriations.

By Mr. BEILENSON (for himself, Mr. FIELDS, Ms. SCHNEIDER, Mr. PANETTA, Mr. KASICH, and Mr. DONNELLY):

H. Res. 158. Resolution calling upon the President to support international efforts to stop trade in ivory and to encourage the conservation of the African elephant; jointly, to the Committees on Foreign Affairs and Merchant Marine and Fisheries.

By Mr. GREEN:

H. Res. 159. Resolution expressing the sense of the House of Representatives that the Commission on the Bicentennial of the United States Constitution and the Secretary of Commerce should observe the bicentennial of the census of the United States with appropriate ceremonies and activities; to the Committee on Post Office and Civil Service.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

90. By the SPEAKER: Memorial of the Senate of the Commonwealth of Pennsylvania, relative to low income energy assistance block grants; to the Committee on Appropriations.

91. Also, memorial of the General Assembly of the State of Maryland, relative to the commemoration of African American middle passage and slavery; to the Committee on House Administration.

92. Also, memorial of the Legislature of the State of Nevada, relative to fees for grazing on Federal land; to the Committee on Interior and Insular Affairs.

93. Also, memorial of the General Assembly of the State of Maryland, relative to the Social Security notch year benefit cut repeal; to the Committee on Ways and Means.

94. Also, memorial of the House of Representatives of the State of Illinois, relative to binary chemical munitions; jointly, to the Committees on Foreign Affairs and Armed Services.

95. Also, memorial of the General Assembly of the State of Maryland, relative to the Medicare Catastrophic Expansion Act of 1988; jointly, to the Committees on Ways and Means and Energy and Commerce.

96. Also, memorial of the General Assembly of the State of Maryland, relative to financing the cost of the Medicare Catastrophic Coverage Act of 1988 and prescription drugs; jointly, to the Committees on Ways and Means and Energy and Commerce.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. WILLIAMS introduced a bill (H.R. 2400) for the relief of Edward E. Donohue; which was referred to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 17: Mr. LAFALCE.

H.R. 118: Mr. SCHIFF, Mr. CRAIG, and Mr. MOORHEAD.

H.R. 317: Mr. LEWIS of California.

H.R. 318: Mr. NEAL of North Carolina.

H.R. 423: Mr. THOMAS of Georgia and Mr. RAHALL.

H.R. 526: Mr. FLAKE.

H.R. 530: Mr. RAHALL and Mr. MCHUGH.

H.R. 539: Mrs. COLLINS, Mr. SANGMEISTER, Mr. PAYNE of Virginia, Mr. ROBINSON, Mr. HOCHBRUECKNER, Mr. VALENTINE, and Mr. CAMPBELL of California.

H.R. 586: Mrs. SAIKI.

H.R. 720: Mr. MILLER of California, Mr. MARKEY, Mr. CLAY, and Mr. FOGLIETTA.

H.R. 730: Mr. OWENS of New York, Mr. WAXMAN, Mr. KLECZKA, Mr. TOWNS, Mr. FLORIO, Mr. FAUNTROY, Mr. STAGGERS, and Mr. PAYNE of New Jersey.

H.R. 733: Mr. BONIOR and Mr. MOORHEAD.

H.R. 794: Mr. OWENS of Utah, Mr. FAUNTROY, Mr. NEAL of Massachusetts, Mr. DWYER of New Jersey, Mr. LIPINSKI, Mr. LAFALCE, Mr. KOLTER, Mr. BILBRAY, Mr. LANCASTER, Mr. HERTEL, Mr. BROWN of California, Ms. SNOWE, Mr. MCDERMOTT, Mr. HAWKINS, Mr. STAGGERS, and Mr. MATSUI.

H.R. 813: Mr. RAVENEL and Mr. ROSE.

H.R. 874: Mr. MATSUI and Mr. DOWNEY.

H.R. 930: Mrs. MEYERS of Kansas, Mr. CONYERS, Mr. JOHNSTON of Florida, Mr. MCHUGH, Mr. SCHIFF, Mr. BROWN of California, Mr. ROYBAL, and Mr. FAWELL.

H.R. 979: Mr. MCHUGH, Mr. CROCKETT, Mr. FASCELL, Mr. MATSUI, Mr. ORTIZ, Mrs. SAIKI, Mr. JOHNSON of South Dakota, Mr. RAY, Mr. WHITTAKER, Mr. RANGEL, Mr. DELLUMS, Mr. SENSENBRENNER, Mr. SOLARZ, Mr. GORDON, Mr. ROE, Mr. SIKORSKI, Mr. HERTEL, Mr. ROSE, Mr. DWYER of New Jersey, Mr. BLAZ, Mr. DYMALLY, Mr. HYDE, Mr. EVANS, Mr. FRENZEL, and Mr. STAGGERS.

H.R. 1142: Mr. LANCASTER and Mr. MCEWEN.

H.R. 1199: Mr. ROE, Mr. WOLPE, Mr. FEIGHAN, Mr. STUDDS, and Mr. MARKEY.

H.R. 1200: Mr. SMITH of Iowa, Mrs. UNSOELD, Mr. PORTER, Mr. SIKORSKI, Mr. BRUCE, Mr. MFUME, Mr. VOLKMER, Mr. DOUGLAS, Mrs. BENTLEY, Mr. HAYES of Illinois, Mr. SKELTON, Ms. SNOWE, Mrs. MARTIN of Illinois, Mr. INHOFE, Mr. BROWDER, Mr. MADIGAN, Mr. TALLON, Mrs. PATTERSON, Mr. PARRIS, Mr. MYERS of Indiana, Mr. MCCOLLUM, Mr. HAMILTON, Mr. DERRICK, Mr. CARDIN, Mr. HORTON, Mr. GILMAN, Mr. MRAZEK, Mr. FOLEY, Mr. SCHUMER, Mr. RAY, Mr. JONES of Georgia, and Mr. HILER.

H.R. 1276: Mr. HERGER.

H.R. 1281: Mr. DELLUMS, Mr. OWENS of New York, Mr. SAVAGE, Mr. DE LUGO, Mr. KILDEE, and Mr. LEWIS of Georgia.

H.R. 1304: Mr. LEWIS of Georgia and Mr. VOLKMER.

H.R. 1439: Mr. DAVIS and Mr. ROGERS.

H.R. 1525: Mr. CLEMENT.

H.R. 1616: Mr. LELAND, Mr. DORGAN of North Dakota, Mr. PENNY, Mr. FAZIO, and Mr. SMITH of New Jersey.

H.R. 1660: Mr. ATKINS.

H.R. 1703: Mr. LEWIS of Florida, Mr. KOLBE, and Ms. LONG.

H.R. 1704: Mr. SMITH of Vermont, Mr. KOSTMAYER, Mr. MARTINEZ, Mr. EVANS, Mr. LEVINE of California, Mr. KILDEE, Mr. FLAKE, and Mr. HOUGHTON.

H.R. 1710: Mr. WISE, Mr. AUCOIN, Mr. LELAND, Mr. MACHTLEY, Mr. MRAZEK, Mr. SHAYS, Ms. PELOSI, Mr. ERDREICH, Mr. DIXON, and Mr. HORTON.

H.R. 1816: Mr. BROWN of California, Mr. ENGEL, Mr. HUGHES, Mr. SAVAGE, Mr. FAUNTROY, Ms. SLAUGHTER of New York, Mr. DE LUGO, Mr. FRANK, and Mr. OWENS of Utah.

H.R. 1931: Mr. DAVIS, Mr. STAGGERS, and Mr. MATSUI.

H.R. 1957: Mrs. MARTIN of Illinois, Mr. HANSEN, Mr. BUECHNER, and Mr. FIELDS.

H.R. 2044: Mr. DAVIS and Mr. ROE.

H.R. 2123: Mrs. BOXER, Mr. ATKINS, Mr. FASCELL, Mr. DELLUMS, Ms. PELOSI, Mr. FAUNTROY, Mr. TORRES, Mr. DE LUGO, Mr. FUSTER, Mr. WHEAT, Ms. KAPTUR, Mr. BATES, Mr. PAYNE of New Jersey, Mr. MORRISON of Connecticut, Mr. LEWIS of Georgia, Mr. DYMALLY, Mr. FOGLIETTA, and Mr. DIXON.

H.R. 2156: Mr. HUGHES, Mr. HILER, Mr. DONNELLY, Mr. HERTEL, Mr. JONTZ, Mr. OLIN, Mrs. JOHNSON of Connecticut, Mr. FOGLIETTA, and Mr. DWYER of New Jersey.

H.R. 2170: Mr. ROGERS, Mr. DENNY SMITH, Mr. HOUGHTON, Mr. SMITH of Mississippi, Mr. WHITTAKER, Mr. OXLEY, and Mr. SCHUETTE.

H.R. 2223: Mrs. COLLINS and Mr. BILBRAY.

H.R. 2234: Mr. MORRISON of Connecticut and Mr. SAWYER.

H.R. 2291: Mr. HUGHES and Mr. SMITH of New Jersey.

H.J. Res. 54: Mr. AUCOIN.

H.J. Res. 131: Mr. STALLINGS, Mr. WALGREN, and Mr. TAUKE.

H.J. Res. 138: Mr. ROBERTS, Mr. MONTGOMERY, Mr. IRELAND, Mr. DURBIN, Mr. CLEMENT, Mr. GUNDERSON, Mr. LEACH of Iowa, Mr. LEWIS of Florida, Mr. COSTELLO, Mr. DELLUMS, Mr. SOLARZ, Mr. FRENZEL, Mr. BLAZ, Ms. PELOSI, and Ms. SNOWE.

H.J. Res. 147: Mr. TRAFICANT and Mr. WOLF.

H.J. Res. 160: Mr. FAZIO.

H.J. Res. 226: Mr. FAWELL, Mr. VALENTINE, Mr. PENNY, Mr. HOCHBRUECKNER, Mr. NIELSON of Utah, Mr. FRENZEL, Mrs. COLLINS, Mr. OXLEY, Mr. HENRY, Mr. ANDREWS, Mr. PAYNE of New Jersey, Mr. LEWIS of Georgia, Mr. SHAYS, Mr. BURTON of Indiana, Mr. ROBINSON, Mr. JOHNSON of South Dakota, and Mr. EVANS.

H.J. Res. 248: Mr. ALEXANDER, Mr. BUSTAMANTE, Mr. DEFAZIO, Mr. DONNELLY, Mr. HOCHBRUECKNER, Mr. LEWIS of California, Mr. LEWIS of Georgia, Mr. OWENS of New York, and Mrs. UNSOELD.

H. Con. Res. 43: Mrs. UNSOELD, Mr. DORNAN of California, Mr. BENNETT, Mr. NEAL of Massachusetts, Mr. WATKINS, Mr. DYMALLY, Mr. HUGHES, Mr. ERDREICH, Mr. BUSTAMANTE, Mr. APPLEGATE, Mr. KOLTER, Mr. BATEMAN, Mr. TANNER, Mr. PARKER, Mr. HARRIS, Mr. MFUME, Mr. MOODY, Mr. PICKLE, Mr. HUCKABY, Mr. STALLINGS, Mr. DARDEN, Mr. CLEMENT, Mr. JONES of Georgia, Mr. COX, Mr. COLEMAN of Texas, Mr. SABO, Mr. CAMPBELL of Colorado, Mr. OLIN, Mr. STAGGERS, Mr. RHODES, Mr. HASTERT, Mr. GRANDY, Mrs. VUCANOVICH, Mr. GUNDERSON, Mr. HERGER, Mr. SOLOMON, Ms. SNOWE, Mr. DREIER of California, Mr. ROHRABACHER, Mr. PAXON, Mr. SMITH of Mississippi, Mr. SCHIFF, Mr. WALSH, Mr. ROYBAL, Mr. STENHOLM, Mr. HALL of Texas, Mr. SMITH of Iowa, Mr. EMERSON, Mr. MONTGOMERY, Mr. MCEWEN, Mr. LEVIN of Michigan, Mr. COLEMAN of Missouri, Mr. HOLLOWY, Mr. SAXTON, Mrs. SAIKI, Mr. BURTON of Indiana, Mr. DANNEMEYER, Mr. FRANK, Mr. DEFAZIO, Mr. GAYDOS, Mrs. MARTIN of Illinois, Mr. HANCOCK, Mr. BOEHLERT, Mr. MARTINEZ, Mr. GEJDENSON, Mr. MANTON, Mrs. LOWEY of New York, Mr. ENGEL, Mr. GOSS, Mr. GILMAN, Mr. ATKINS, Mr. TALLON, Mr. LAGOMARSINO, Mr. KENNEDY, Mr. WAXMAN, Mr. THOMAS of Wyoming, Mr. NIELSON of Utah, Mrs. BOXER, Mr. BRENNAN, Mr. LIVINGSTON, Mr. UPTON, Mr. DE LA GARZA, Mr. TRAFICANT, Mr. BARTLETT, Mr. HAYES of Illinois, Mr. HOYER, Mr. LEWIS of Georgia, Mr. THOMAS A. LUKEN, Ms. KAPTUR, Mr. BROWDER, Ms. PELOSI, Mr. SCHEUER, Mr. ROBERTS, Mr. EDWARDS of Oklahoma, Mr. SOLARZ, Mr. DENNY SMITH, Mr. BUNNING, Mr. WOLF, Mr. LIGHTFOOT, Mr. SLAUGHTER of Virginia, Mr. PORTER, Mr. SMITH of New Jersey, Mr. GRANT, Mr. BROOMFIELD, Mr. BILIRAKIS, Mr. IRELAND, Mr. SHUSTER, Mr. HOUGHTON, Mr. SKAGGS, Mr. TOWNS, Mr. PALLONE, Mr. DWYER of New Jersey, Mr. PERKINS, Mrs. PATTERSON, Mrs. BYRON, and Mr. AKAKA.

H. Con. Res. 94: Mr. MOODY, Mrs. MARTIN of Illinois, Mr. TOWNS, Mr. HOUGHTON, Mr. FUSTER, Mr. KOSTMAYER, Mr. LEVIN of Michigan, Mr. BERMAN, Mr. LANTOS, Mrs. COLLINS, Mr. DYMALLY, Mr. SIKORSKI, Mr. TORRES, Mr. FOGLIETTA, and Mr. LEWIS of Georgia.

H. Con. Res. 115: Mr. RICHARDSON, Mr. VISCLOSKY, Mr. MCCLOSKEY, Mrs. KENNELLY, Mr. DEFAZIO, Mr. STALLINGS, Mr. EVANS, Mr. WEISS, Mr. HAYES of Illinois, Mr. JONTZ, Mr. SAWYER, Mr. MCHUGH, Mr. BEILENSON, Mrs. BOXER, Ms. PELOSI, Mr. MILLER of California, Mr. COLEMAN of Texas, Ms. SLAUGHTER of New York, Mr. ATKINS, Mr. MRAZEK, Ms. KAPTUR, Mr. FEIGHAN, Mr. PERKINS, Mr. GRAY, Mr. FRANK, Mr. SHARP, Mr. LEWIS of Georgia, Mr. BURTON of Indiana, Mr. HERGER, Mr. SKELTON, Mr. HENRY, and Mr. SIKORSKI.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 876: Mr. SUNDQUIST..

SENATE—*Wednesday, May 17, 1989*

(Legislative day of Tuesday, January 3, 1989)

The Senate met at 1 p.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. BYRD].

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray:

*Owe no man any thing, but to love one another: for he that loveth another hath fulfilled the law. * * * Love worketh no ill to his neighbor: therefore love is the fulfilling of the law.*—Romans 8:8,10.

Gracious God, our loving Heavenly Father, give us grace to heed and obey this big word in the Bible: "Love one another." Help us to treat those with whom we work with the dignity, the respect, and the care each deserves, whatever position.

Deliver us from the abuse of power, remembering that those who have little power are often more abusive than those who have great power. Give special comfort to those among us who have been battered by others. Remind us of Isaiah's image of a true leader as a suffering servant and Jesus' definition that the one who would be greatest is the servant of all. Help us to see that "throwing our weight around" is not leadership but ego. Strengthen us all with the will to love, to honor, to respect the value of each person with whom we have to do. Fill us with Your love and let love prevail throughout this place.

In the name of Him whose love is unconditional, universal, and eternal. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The acting majority leader is recognized.

THE JOURNAL

Mr. CONRAD. Mr. President, I ask unanimous consent that the journal of proceedings be approved to date.

The PRESIDENT pro tempore. Without objection, it is so ordered.

THE SCHEDULE

Mr. CONRAD. Mr. President, following the time for the two leaders there will be a period for morning business not to extend beyond 1:30 p.m. with Senators permitted to speak therein for up to 5 minutes each.

CONSIDERATION OF CONFERENCE REPORT ON H.R. 2

Mr. CONRAD. Mr. President, under a previous consent agreement the Senate was to begin consideration of the conference report on the minimum wage bill, H.R. 2, at 2 p.m. today.

I now ask unanimous consent that the Senate begin consideration of the conference report on H.R. 2 at 1:30 p.m. under the same conditions and limitations as previously ordered.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. CONRAD. Therefore, Mr. President, the vote on final passage of the conference report will occur on or about 4 p.m. today.

RESERVATION OF LEADER TIME

Mr. CONRAD. Mr. President, I ask unanimous consent that the remainder of the majority leader's time be reserved.

The PRESIDENT pro tempore. Without objection, it is so ordered.

RECOGNITION OF THE ACTING REPUBLICAN LEADER

The PRESIDENT pro tempore. The acting Republican leader, Mr. WILSON, is recognized.

RESERVATION OF LEADER TIME

Mr. WILSON. I ask unanimous consent that the remainder of the Republican leader's time be reserved.

The PRESIDENT pro tempore. Without objection, it is so ordered.

MORNING BUSINESS

The PRESIDENT pro tempore. Morning business is now the order of the Senate.

Mr. CONRAD. Mr. President, I ask unanimous consent to proceed for approximately 10 minutes in morning business.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The Senator from North Dakota is recognized for not to exceed 10 minutes.

Mr. CONRAD. I thank the Chair.

(The remarks of Mr. CONRAD pertaining to the introduction of legislation are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. CONRAD. May I inquire, Mr. President, as to the time remaining?

The PRESIDENT pro tempore. The Senator has 3½ minutes remaining.

SYTTENDE MAI

Mr. CONRAD. Mr. President, today is "Syttende Mai," Norwegian Independence Day. In commemoration, I rise to salute the citizens of Norway and the millions of citizens of this country who are of Norwegian descent.

This morning, I visited Ambassador Kjeld Vibe at the Norwegian Embassy to extend my best wishes on this festive occasion. I also presented him with a letter to King Olav V of Norway from North Dakota Gov. George Sinner congratulating the people of Norway and inviting all Norwegians to participate in North Dakota's centennial festivities this year.

Mr. President, I ask unanimous consent that this letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

STATE OF NORTH DAKOTA,
Bismarck, ND, May 15, 1989.

HIS MAJESTY KING OLAV V,
Oslo, Norway.

YOUR MAJESTY: On behalf of the State of North Dakota, I extend my congratulations to the people of Norway on the occasion of the 175th Anniversary of the signing of Norway's Constitution at Eidsvoll, Norway, on May 17, 1814. This day is especially significant because of the many important ties that exist between Norway and the United States and the State of North Dakota in particular.

The year 1814 was a year of great uncertainty in the world. Much of Europe was in great turmoil because of the Napoleonic war, and because the United States was embroiled in the long, bitter War of 1812 with England. Much of America, and all of what is now North Dakota, was an almost undiscovered country known but to only a few trappers and fur traders, missionaries and explorers. It was indeed "the year of miracles," as the Norwegian historian Jens Arup Seip has written.

Professor Knut Mykland of the University fo Bergen, Norway, has written that the years from 1770 until 1814 covered a period of history during which the Atlantic world witnessed a wave of constitutions, many of which lasted only a few years. The American and Norwegian Constitutions are the only two democratic constitutions that survived that era. There are perhaps many reasons why these constitutions succeeded when so many others failed, but the guaranatees of political independence, sovereignty of the people and balance of power were important features common to the constitutions of both of our countries that assured their survival for so many years.

At various times in our history North Dakota has been referred to as the most Norwegian of all the states of the United States of America. This unique feature of our state had its beginning on May 13, 1869, when Nelson E. Nelson became the first of many thousands of Norwegian immigrants to come to North Dakota. Nelson was not only the first Norwegian to take up permanent residence in North Dakota, but he was also our first homesteader. Within the next few years after Nelson's arrival, Norwegians became one of the largest of the many ethnic groups to settle here, and even today approximately thirty percent of our population is of Norwegian ethnic background.

One hundred years ago the people of North Dakota had just finished electing 75 delegates to a North Dakota Constitutional Convention to prepare for North Dakota to be admitted as the 39th state of the United States of America on November 2, 1889. Eight of the delegates that wrote North Dakota's constitution were Norwegians and many of the features of our constitution that we cherish today were initiated by them. This year as we celebrate the 175th Anniversary of the signing of Norway's Constitution and the 100th Anniversary of North Dakota's Statehood, Norway can look with great pride on the contributions its people have made in forging the state of North Dakota.

The sons and daughters Norway sent to North Dakota have left an indelible mark on North Dakota in ways almost too numerous to mention. In the 100 years North Dakota has been a state, six of my predecessors in this office and thirteen Lieutenant Governors have been of Norwegian ancestry. Moreover, there is not one of the many elective offices in state government that has not been headed by an official with Norwegian ancestry. In addition, several Norwegian descendants have represented North Dakota in the United States Congress. Education, good government, community involvement, a strong church life, and a high sense of morality are only a few hallmarks with which North Dakota's Norwegian population, along with other ethnic groups, has been identified.

Your Majesty, North Dakota's present-day Norwegians have not forgotten the great sacrifices their ancestors made when they left their families and friends in Norway to set out to build a new life in an unknown frontier—a life that was often filled with untold hardship, danger, and adversity—to do their part in building not only the great state of North Dakota, but also to play an important role in making a better world for all of us today. The descendants of those courageous pioneers who came to North Dakota are today also celebrating Syttende Mai all across North Dakota, and they are being joined by hundreds and thousands of people from many other ethnic groups.

In bringing you these glad tidings, I bring them not from the Norwegians alone, but the men and women of all our nationalities who extend to you their kindest and most cordial greetings. Syttende Mai takes on a special significance in North Dakota this year because of our own Centennial celebration. Between now and the end of this year, several events are planned, many of which will focus on the ethnic diversity of our people. All North Dakota people join with me in extending an invitation to Your Majesty, the Royal Family, officers of your government and all of the people of Norway to visit North Dakota for a Syttende Mai, "Day of Days," that will never be forgotten.

Respectfully,

GEORGE A. SINNER,
Governor.

Mr. CONRAD. Mr. President, this year's celebration is particularly notable as it marks the 175th anniversary of the signing of the Norwegian Constitution. This historic document was modeled after our Declaration of Independence and Federal Constitution of 1787 and inspired by the cherished ideals and values upheld by our forefathers.

The common threads of democracy continue to bind the United States and Norway. Our friendship with this Nordic land is based on common interests, values and enduring family ties.

Mr. President, nearly 4 million Americans living in all 50 States are of Norwegian descent. I count myself as one of them. But no State has a higher percentage of citizens who can trace their heritage to Norwegian roots than those in my State, North Dakota—where about 30 percent of the population has a Norwegian background.

North Dakota has been known as the most Norwegian of the 50 States at varying times in history. We are proud of our Nordic heritage. In fact, one of our communities, Fairdale, is known as Little Norway because it is home to so many Norwegians.

Across the State today, North Dakotans will be joining their Nordic cousins in celebration of independence day. Norewegian flags of red, white, and blue will be proudly displayed, waving along side their American counterparts in the North Dakota breeze.

It is my sincere privilege to salute the people of Norway and all Norwegian Americans as they celebrate this historic day.

RECOGNITION OF THE ACTING REPUBLICAN LEADER

The PRESIDENT pro tempore The acting Republican leader, Mr. WILSON, is recognized for not to exceed 5 minutes.

Mr. WILSON. Thank you, Mr. President.

(The remarks of Mr. WILSON pertaining to the introduction of legislation are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

The ACTING PRESIDENT pro tempore. The Senator from Nebraska [Mr. EXON] is recognized for not to exceed 5 minutes.

Mr. EXON. I thank the Chair.

(The remarks of Mr. EXON pertaining to the introduction of legislation are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

The ACTING PRESIDENT pro tempore. The senior Senator from Nevada [Mr. REID] is recognized for not to exceed 5 minutes.

INDEPENDENT EXPENDITURES

Mr. REID. Mr. President, during the 1988 Presidential election, a PAC representing Japanese automobile dealers spent over half a million dollars in my State of Nevada.

The money was spent on advertising and direct mail, which was disseminated throughout the State.

The message from the automobile dealers focused on the issue of Social Security—which frankly has little direct relationship to the automobile dealers' concerns.

We have 389,000 registered voters in the State of Nevada. That means that the independent expenditures of half a million dollars represented an investment of nearly $1.50 for each voter.

Imagine if a group were to commit that kind of investment to an independent expenditure in California, where there are about 13 million registered voters. At the rate of $1.50 per registered voter, they would be spending about $20 million to influence the campaign.

Mr. President, the Federal Election Campaign Act has not been changed for 10 years.

We have attempted to revise the act to better reflect the reality of campaigns. But such attempts have been divisive. Debate over proposed legislation is fraught with clashes and conflicts.

I would sincerely like to see a successful negotiation of a comprehensive campaign finance reform package. But, until that happens, why can we not move to the issues on which we all agree?

I have looked at most of the legislative proposals introduced to date this session. An inordinate number of them mention independent expenditures. For example, Senators HOLLINGS and DANFORTH introduced a bill relating to independent expenditures. Their bill certainly looks like a good one.

These bills contain language such as "tightening the definition and improving the disclosure of independent expenditures."

The frequency with which independent expenditures is mentioned, in legislation introduced by both parties, indicates an opportunity—an opportunity for this Congress to make some progress on campaign finance reform.

Independent expenditures represent perhaps the most threatening of the current campaign finance flaws—which is why we need to address the issue with some immediacy.

Let me tell you why independent expenditures can hurt everyone. By definition, independent expenditures must be made for communication with voters, and they must be made with-

out any consultation with the candidate's organization.

In other words, PAC's or individuals can spend as much money as they are able to raise to communicate with the voters.

There are no limits. With other expenditures, there are limitations—$1,000 for individuals, and $5,000 for PAC's. But there are no limits on independent expenditures.

Those making independent expenditures may raise their money in the name of the candidate.

This was done during the recent Presidential election, when organizations such as Americans for Bush and Citizens for Dukakis emerged, raising money allegedly to support the respective candidates.

But they were competing with the Presidential contenders' own campaign organizations and national party fundraising efforts.

Furthermore, they each had their own agenda. Just consider what might happen if such organizations were raising money for independent expenditures because they wanted to help a candidate with the election?

They can buy media time and produce advertisements that say whatever they want to say.

Their decisions on what voters will hear is, by definition, independent of your campaign.

Such a situation has the potential for real damage, if those responsible for the independent expenditures have a different agenda than your own, or they choose to create a message that is counter to your own campaign strategy.

Using the example I discussed earlier, imagine what could happen if somebody did make an independent expenditure of $20 million in one State? Under the present law they could. When independent expenditures become the prominent force in the campaign, there is a danger that outside parties can effectively buy elections. Unless we do something soon, they could well become the dominant force in our election process.

In a recent conference on campaign finance, a director of one of the two PAC's who have spent the most money in elections on independent expenditures said his PAC would continue its practice of heavy independent expenditures.

He advocated the use of independent expenditures over contributions directly to a candidate's campaign.

He said that independent expenditures were preferable because they provide "total control over your dollar."

If we do not address the issue of independent expenditures soon, I am afraid that when we wage elections in coming years, there will be outside parties controlling our campaigns.

For the sake of those seeking election or reelection, and the voters who must make hard choices, we must impose greater controls on independent expenditures. I encourage my colleagues, both Democrat and Republican, to work together to resolve the issue of independent expenditures.

The ACTING PRESIDENT pro tempore. The Senator from Washington [Mr. GORTON] is recognized.

The Chair calls to the attention of the Senator that under the order, at 1:30 p.m., the Senate proceeds to the consideration of the conference report on H.R. 2. Would the Senator like at this point to ask unanimous consent that he be accorded 5 full minutes?

Mr. GORTON. The Senator would like to ask unanimous consent to make that request.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator is recognized for not to exceed 5 minutes.

THE WASHINGTON STATE APPLE INDUSTRY

Mr. GORTON. Mr. President, 2 weeks ago I took the floor to criticize the irresponsible nature with which the Alar issue has been handled by certain environmental groups, particularly the Natural Resources Defense Council, and certain segments of our media, including CBS. In response to criticism like mine, CBS in a followup segment of "60 Minutes" entitled "What About Apples" this past Sunday presented a more balanced discussion of the issue, at least when compared with its previous broadcast.

While I am still not satisfied with CBS's treatment of the Alar issue, and am bitterly critical of the actions that CBS and NRDC together undertook to needlessly frighten American consumers, I do not intend to focus my comments today on their behavior. Rather, Mr. President, I would like to commend the responsible course of action pursued by the apple industry in my home State of Washington in response to the Alar controversy.

Washington State grows about half of the Nation's apples. In 1987, Washington harvested more than 100 million boxes of apples, or about 2.3 million tons, worth in excess of $300 million. This is a remarkable feat when you consider the risk an apple crop faces from unseasonable heat and cold, hail, drought, and disease.

Nevertheless, Washington State apple orchardists—most of whom are family farmers trying to make a living from 40 or so acres of trees—have been blessed in their ability consistently to deliver the highest quality product possible to health-conscious consumers.

Indeed, apples are rich in fiber, contain no cholesterol or fat and very little sodium. At about 80 calories each, apples fill you up without filling you out—a plus for any serious weight watcher. In addition, they taste good and kids love them. It is no wonder that the apple is the world's most perfect health food.

As you are aware, Mr. President, I have the privilege of hosting the Senate "candy desk." I enjoy this privilege because it gives me the opportunity to visit with many of my colleagues throughout the day as they stop by for a snack. Today, I have refreshing news. In the spirit of promoting good health among my colleagues, I am converting the Senate's "candy desk" to the "apple desk" for a day.

My point is that the folks who provide us with an apple a day are caught in a crossfire which threatens their very livelihood. In 1985, when the Alar issue first emerged, the Washington Apple Commission anticipated consumer concern by recommending to its growers that, despite its unproven risk, they forgo the use of Alar on their apple crop.

Washington growers have acted responsibly. They have led the Nation in funding research that, in turn, has enabled them to reduce their use of agricultural chemicals by 33 percent; Washington growers helped pioneer the development of integrated pest management as part of an overall effort to minimize the use of chemicals; and Washington growers accomplished these tasks while continuing to produce premium apples that put those of our world competitors to shame.

Most Washington apple growers voluntarily stopped using Alar fully 3 years before the Government and the rest of the industry took action. They continue to lead the way in dealing responsibly with Government agencies and the scientific community in trying to sort fact from fiction.

Despite their efforts, growers in my State have already reported losses in excess of $90 million as a result of the great Alar scare. The biggest loser in this unfortunate shootout may be the American public, particularly children who have substituted "junk food" for fresh fruits and vegetables.

The hysteria caused by this controversy threatens to derail a process for reviewing the safety of agricultural chemicals that should be based on sound scientific study rather than fear. Under this scenario, the term "political science" is given an entirely new meaning.

I would caution my colleagues against succumbing to the temptation to act for the sake of expediency without regard to responsibility.

Rather, I would encourage my colleagues to provide our Government agencies—FDA, EPA, and USDA—with the resources necessary to develop an adequate scientific basis for regulatory

action, and effectively to monitor and enforce food safety standards. I would further invite my colleagues to join me in demanding that all imported agricultural products be required to meet the same high standards established for our own agricultural commodities. Finally, I would emphasize the need for an atmosphere of cooperation rather than confrontation among producers and consumers in which neither will be harmed and on which both can rely.

Mr. President, I yield the floor.

Mr. WIRTH addressed the Chair.

The PRESIDENT pro tempore. The Senator from Colorado is recognized. The Chair calls to the attention of the Senator, the order of the Senate provides for the close of morning business.

Mr. WIRTH. Mr. President, I ask unanimous consent that I be allowed to speak for 5 minutes.

The PRESIDENT pro tempore. Without objection, the Senator from Colorado [Mr. WIRTH] is recognized for not to exceed 5 minutes.

THE EAGLE AND THE BEAR: CAN THEY DANCE TOGETHER?

Mr. WIRTH. Thank you very much, Mr. President. I wanted to comment, Mr. President, on what I found to be an extraordinarily unfortunate statement made or alleged to have been made yesterday by the press secretary of the President of the United States calling Mr. Gorbachev a drugstore cowboy. It seems to me that this is a kind of demeaning language and certainly not a very appropriate way for us in the United States to conduct mature relationships with the other superpower in the world.

It seems to me this is an appropriate time to put in the RECORD a very interesting presentation given at the Wirth Washington Seminar, which I hold every year at the end of April, by Suzanne Massie, called The Eagle and the Bear: Can They Dance Together?

Ms. Massie is a very distinguished scholar of Soviet studies; a fellow of the Harvard Russian Research Center; the author of a variety of very distinguished scholarly pieces on the Soviet Union and Soviet culture and has been described by many as the most important person in advising former President Reagan on the Soviet Union and getting him to think differently about the Soviets.

Let me, if I might, in light of the drugstore cowboy comment, quote a little bit from Ms. Massie's speech:

> Today after many years of confrontation in the 20th century, it is perhaps time to consider the question: Could the eagle and the bear dance together again? * * * Somehow we always seem to be one leader behind: We treated Khrushchev as if he were Stalin, Brezhnev as if he were Khrushchev and now—Gorbachev as if he were Brezhnev. Because of this unfortunate predilection we have often missed opportunities in the past. I believe that this is the greatest opportunity we have had to try to forge a new relationship with the Soviet Union and it would be tragic if we were to muff this one now. We moan a lot about Gorbachev's successful "peace" offensives. What are we suggesting that is better? We have clung to our model of a Soviet foreign policy so entrenched that it could never evolve, while at the same time remaining convinced that we, because of our more flexible and responsive system have a greater aiblity for change. Yet now, it is our leaders who seem curiously paralyzed. * * *
>
> The Soviet Union is in the process of wrenching change—coping with deep and perilous troubles—physically, psychologically, ecologically and economically. The outcome of all this ferment is as yet unknown, but I think we should no longer be talking so much about "intentions" but rather more realistically about the "possibilities" of the Soviet Union.

Ms. Massie goes on to list a whole variety of areas where she believes we should be working closely with the Soviet Union, and I note one of those:

> We should, I believe, energetically propose a generous and comprehensive plan to join forces with the Soviet Union to combat the problems of environmental degradation which threaten our common planet.

That is one of many suggestions. She goes on to say:

> It might also be helpful if we stopped talking about how long Gorbachev will "last." He has already lasted 4 years—the full term of an American President—and is now entering his second. Instead of worrying so much about what will happen to him and how long and who next (a fruitless exercise since no one can predict this anymore than we can predict with certainty who our next President might be) we might perhaps better deal with what we have now. One has only to thing how strange it would be to say that there was no certainty in dealing with President Bush since he might not last longer than 4 years.

Finally, quoting, Mr. President, Ms. Massie goes on to say:

> I believe that today we should be working with a new and changing Soviet Union to develop a mutually beneficial relationship, one which sees the gradual strengthening of forces which are friendly to the United States and the world:
>
> In order to achieve this, we need patience and a little perestroika and self-criticism of our own. We must rigorously reexamine our old prejudices and stereotypes, and understand the complex forces and problems at work in the U.S.S.R. * * *
>
> Perhaps most of all, we must strive to get over our often provincial ignorance of some of the most basic facts of Russian history and the complexities of Soviet life and society.

Mr. President, this is good advice for us all. It is good advice for the administration. I hope that the White House spokesman was misquoted yesterday. Whether he was or not, I would commend to him and his senior officials at the White House these remarks, "The Eagle and the Bear: Can They Dance Together?" as delivered by Suzanne Massie, and I ask unanimous consent that these remarks and her biography be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE EAGLE AND THE BEAR: CAN THEY DANCE TOGETHER?

(Remarks before the Wirth Washington Seminar Washington, DC, April 21, 1989, by Suzanne Massie)

I deeply love my own country and people—and it has happened that I have come to know and love another country and people who we regarded as enemy. I began my work twenty three years ago. Since then I have come to know hundreds of Russians from every walk of life. The Russian people and culture have enriched my life and have now become as familiar to me as my own. When I began it was not easy and sometimes even dangerous for us to be friends. It was definitely not a time of glasnost. Shadowy men who frowned on such contacts skulked in corners. We were often harassed and frightened, and passed through some very dark days. Yet somehow we managed to reach out, to trust each other and to maintain friendships—friendships made all the more precious because they were forced to survive barriers, long separations, enforced silence and distance. Many years have now gone by. Some of those who I first met when they were babies are now married and having children of their own. I am proud to have a godchild in the Soviet Union born on Christmas day two and a half years ago and six other children who call me aunt—one, who calls me "Aunt America," a name that particularly delights me.

Through these years I understood how fortunate I was to have the opportunity to go through the dark looking glass that separated our nations and I always hoped that our two peoples would one day have a chance to know each other as I had. I tried to make this happen in my own way by speaking out against what I thought was wrong and writing about what I found beautiful—and there was much of both. My efforts were not always regarded benignly by either side. The bureaucracy of both countries has at times regarded me as dangerous, curious and a little mad.

Perhaps this is understandable for as I am a writer and a historian I have a little different perspective—a worm's eye view if you like. I am interested first and foremost in people—their dreams, sorrow, aspirations, their past. My father was a very independent Swiss and from my earliest childhood I was taught to believe in the power of the individual. He instilled in me the belief that each of us can affect the world we live in for good or evil. For me, history is made by people, not by impersonal economic and political forces beyond our efforts to control and we can all change and affect it.

Certainly one thing that one observes as a historian is that history has a funny way of doing flip flops: today's guerilla fighter is tomorrow's patriot; yesterday's wartime enemies, today's treasured allies, and vice versa. Even national symbols are not sacrosanct. Teddy Roosevelt once proposed that the United States change its national symbol to the Grizzly Bear—a brave, independent animal said he, much better than that "dandified vulture" we had adopted. In those days, Russia's symbol was the Eagle: a double-headed one, that faced both East

and West, a symbol still useful to remember today.

Since during the past fifty years—with the exception of a brief flirtation during World War II—the Eagle and the Bear have been glowering and rattling swords at each other it has been difficult for we Americans, who have very short memories, to recall that throughout our history, with the exception of recent times, Russia and the United States enjoyed the most amicable relations. In the era of Imperial Russia, gestures between the land of the tsars and our young republic abounded and the United States considered Russia to be one of its firmest supporters in the international community. These friendly relations reached a peak in the 1860's and 70's during the reign of Tsar Liberator Alexander II. This Emperor who instituted many social, economic and political reforms, in addition to his crowning achievement—the liberation of the serfs in 1861, two years before Lincoln freed the slaves in the United States—was an object of respect and even veneration in the United States.

During those decades, Russian interest in the United States also increased greatly. Russians eagerly read the works of Edgar Allan Poe and James Fenimore Cooper, as well as those of Washington Irving, Hawthorne, Emerson, Longfellow, Whitman, Lowell, Holmes and Bret Harte. Russians soaked up American adventure novels, and learned the names of our states, cities and rivers. Young Russians dreamed of America as the land of excitement and romance. The great novelist Ivan Turgenev hailed Americans, as "the greatest poets of our time—not the poetry of words—but of action."

In 1860, Alexander II wrote admiringly of the United States as "presenting a spectacle of prosperity without example in the annals of history" and the Tsar and his ministers were firm in the belief that the Union must be preserved. When the French urged the British and the Russians to join them in full recognition of the Confederacy, the Imperial Government refused. And when, in 1863 at a critical moment in the Civil War a Russian frigate and two Russian corvettes steamed into New York Harbor, the event caused as much joy in the United States as it did surprise and consternation in France and England. Mrs. Lincoln paid a visit to the frigate *Oslabyia*, the first time a First Lady had set foot on a foreign warship. Toasts were drunk to Tsar and President. In New York, the Russians were greeted by cheering crowds and ecstatic newspaper headlines which proclaimed "New Alliance Cemented." At an elegant ball given at the Academy of Music, tables were decorated with huge figures of Peter the Great, Washington, Lincoln and Alexander in sugar and cake. Russian officers, among them Rimsky-Korsakov, then eighteen years old and a naval cadet, whirled hoopskirted New York ladies who wore on their bodices buttons from the coats of Russian officers.

When the overland telegraph brought additional good news that another Russian fleet that arrived in San Francisco, jubilation reigned all over America. Years later one gentleman recalled that his mother had clasped him to her bosom exclaiming, "We're saved! The Russians have come!" Lincoln referred to the Russian visits in his Thanksgiving Proclamation as one of "God's bounties of so extraordinary a nature that they cannot fail to penetrate the heart."

The timely appearance of the Russian fleet caused the French and English to hesitate in giving support to the Confederacy. And, after the war, a grateful America did not forget. In 1866 after an assassination attempt on the life of Alexander II, President Andrew Johnson sent a formal message to the Emperor and the House and Senate passed a joint resolution congratulating the Russian people on his escape. This was a unique event in American history; never before had a message been sent to a foreign nation expressing personal feeling for its sovereign.

Assistant Secretary of the Navy Gustavus Fox personally delivered the message, crossing the Atlantic in a new Monitor class ship which anchored in St. Petersburg. He was nearly overwhelmed by the spontaneous outpouring of enthusiasm by the Russian people. The flag of the United States flew everywhere, people sang American songs and in the city of Kostroma, people threw their coats on the road for the American visitors to walk on. Fox was made an honorary citizen of several Russian cities.

Alexander's letter to President Johnson thanking him for the resolution of Congress was suffused with warmth and I think bears repeating today:

"The two people find in their past no recollections of old grievances, but on the contrary, memorials only of amicable treatment . . . These cordial relations which are as advantageous to their reciprocal interests as to those of civilization and humanity conform to the views of Divine Providence, whose final purpose is peace and concord among all nations.

"It is with a lively satisfaction that I see these bonds continually strengthening . . . I pray you to express them to Congress and to the American people, of which that body is their organ. Tell them how much I—and with me all Russia—appreciate the testimonials of friendship which they have given me and how heartily I shall congratulate myself on seeing the American nation growing in power and prosperity by the union and continued practice of the civic virtues which distinguish it.

Your good friend,

ALEXANDER.

It was in the glow of these good feelings that Russian-American negotiations for the sale of Alaska were completed in 1867. And because of that purchase we are today still only three miles distant from each other.

Today after many years of confrontation in the twentieth century it is perhaps time to consider the question: Could the Eagle and the Bear dance together again? Today we see a new liberalizing Russian leader who is extending many invitations. Over the past four years he has with quite astonishing speed moderated Soviet foreign policy, promoted economic reforms, courageously increased openness and self-criticism, allowed greater autonomy for the national republics within the Soviet Union, introduced a measure of democracy and made significant moves in human rights and increasing religious freedom. But where is our Abe?

Over the past twenty five years I have observed a curious phenomenon in American policy. Somehow we always seem to be one leader behind: We treated Khrushchev as if he were Stalin, Brezhnev as if he were Khrushchev and now—Gorbachev as if he were Brezhnev. Because of this unfortunate predilection we have often missed opportunities in the past. I believe that this is the greatest opportunity we have had to try to forge a new relationship with the Soviet Union and it would be tragic if we were to muff this one now. We moan a lot about Gorbachev's successful "peace" offensives. What are we suggesting that is better? We have clung to our model of a Soviet foreign policy so entrenched that it could never evolve, while at the same time remaining convinced that we, because of our more flexible and responsive system have a greater ability for change. Yet now, it is our leaders who seem curiously paralyzed. Perestroika (restructuring) and glasnost (openness) may be on the front pages of our newspapers and passed into our language, but not into our policy or our actions. Instead, we have responded with a bureaucratic sounding phrase "status quo plus" which sounds suspiciously like an American translation of "Brezhnevian stagnation."

Certainly there are many who have a large investment in old policies. Careerists are reluctant to link themselves to any Soviet leader by making definite pronouncements. After all, who knows what might happen between now and a future confirmation hearing? Careers in Washington are made by stressing one's "hawkishness," "vigilance," "prudence"—not by going out on a limb and expressing the need for new approaches toward policies, some of which are now almost fifty years old.

By arguing that "we can't do much" or "America should act only in American interests" the establishment seems to be treating the whole issue as a spectator sport in which it need not play a role. There is an astonishing lack of creativity, initiative and vision on our part. Bureaucratic equivocation seems to be our only answer to ferment and action on the part of the USSR. I was personally astonished to read a few weeks ago that after three months of the combined work of the NSC, the State Department, the CIA and the Pentagon pronounced, and I quote, that "the hardest task is to probe Russian intentions and tactics"! The elephant seems to have labored only to bring forth a mouse. It is not such a mystery and there is no need to examine the entrails of a rooster to divine the facts. The picture is clear and spread out for all to see and read on the pages of Soviet newspapers. The Soviet Union is in the process of wrenching change—coping with deep and perilous troubles—physically, psychologically, ecologically and economically. The outcome of all this ferment is as yet unknown, but I think we should no longer be talking so much about "intentions" but rather more realistically about the "possibilities" of the Soviet Union.

Now as they struggle to resolve their problems what should we do? Gloat? Bash them? Or reach out a hand? Many of Gorbachev's invitations to the dance have been rebuffed. A good example is Afganistan, which the Soviet Union regarded as a turning point in its relations with the new administration.

It is clear that we made an incorrect assessment that the Communist regime would collapse as soon as the Soviet armies pulled out. It is now evident that we were mistaken. We could have concluded that we had not made a correct assessment and responded to Soviet initiatives. Two months ago, the Soviet Union was proposing a solution which looked very much like the status quo before the invasion—a coalition of all parties including the former King with strong United Nations participation. Instead, it was our reaction to push harder, thus escalating the conflict again. Because of our negative response, the Soviet Union has perhaps has to reassess their policy and we may not be able to get what we could have only a short time ago. Our mutual goal after all, should

be to see an end to a bloody conflict in which the principal victims are innocent civilians—not a continuation of a war through proxies.

Considering our actions it has seemed to me a little ironic that we have been asking the Soviet Union as a test of its good intentions to help out in Central America. What are we doing to help them out in an area which is of vital concern to them?

Another kind of missed opportunity occurred recently. A week ago the New York Times reported that the Soviet Union, dipping into an emergency fund of foreign currency had begun a major push to buy Western consumer goods—razor blades to soap powders, shoes and pantyhose. These would have retail value of 5 billion rubles, perhaps equivalent to 1 billion dollars. Most of these contracts, now already concluded, were signed with Japanese and European companies—not with the United States. This is perhaps not so much because of MFN but because of the generally negative political climate. In both of these very different cases, we missed the lead.

We all know that in order to dance one needs to hear the same tune and learn complimentary steps. As citizens, we should all think about what these steps might look like; but, while we are retooling and studying our broad policy there are some mutually beneficial tangible moves that we might consider that come to my mind:

1. We should I believe, energetically propose a generous and comprehensive plan to join forces with the Soviet Union to combat the problems of environmental degradation which threaten our common planet. We are being told today by environmental experts that we have ten years to turn the situation around. In the Soviet Union the situation may be even worse; their experts are saying that for them it is now and perhaps even yesterday. In the course of a conversation I had last June with a high-ranking Soviet official he remembered that President Reagan once said that if our planet were to be suddenly threatened with danger by aliens from outer space, we would quickly join together to fight the common enemy. "I believe," said this Soviet official, "that the enemy is here—and it is the destruction of the environment."

2. We should more vigorously explore the possibility of joining forces to combat terrorism as was proposed recently at an international police conference.

3. We could perhaps be a little more sensitive to certain pressing regional concerns of the Soviet Union. As one speaker at a recent conference I attended asked, "How would you like to have Iran on your border?" The Soviet Union is the fourth largest Muslim country in the world and, along with the United States and Brazil, one of the three largest Christian countries. The Double-headed Eagle looking both toward East and West symbolized this concern.

4. The Soviet Union has enormous problems of health. According to Soviet statistics 38% of Soviet children do not receive DPT shots. The Soviet Union has 140,000 cases of turberculosis in children vs. our forty. The Soviet Union is fiftieth in infant mortality. There is no point in dwelling on the reasons for this—more importantly, I believe it is an area where we could perhaps reach out the hand of cooperation without the slightest fear of jeopardizing our national security. I myself am hoping to study the problems of handicapped children in the Soviet Union.

5. Although I am not an expert in the field of arms control, I hope that we could use the opportunity that is being presented now to pursue and conclude arms agreements. For one reason or another the Soviet Union seems ready to put a great deal on the table. Why linger incessantly to explore and test these overtures?

6. More cultural exchange: there are excellent films being made in the Soviet Union today—we see very few. The theater is vigorous and provocative yet the Taganka Theater has never been to the United States, or has Efreimov's Moscow Art Theater. We have no regular exchanges of television programs although there are now many interesting programs being made and shown in the Soviet Union.

7. The Soviet Union is eagerly looking for agricultural technology and knowhow, among other things for cattle feed additives rather than grain purchases. Nothing much has been done by our side. We have demonstrated little flexibility and just don't seem to be listening.

8. It might also be helpful if we stopped talking about how long Gorbachev will "last." He has already lasted four years—the full term of an American President—and is now entering his second. Instead of worrying so much about what will happen to him and how long and who next (a fruitless exercise since no one can predict this anymore than we can predict with certainty who our next president might be) we might perhaps better deal with what we have now. One has only to think how strange it would be to say that there was no certainty in dealing with President Bush since he might not last longer than four years. The old saying goes: the Past is over; the Future unknown; Today is all we know for certain.

We all know it is hard to adjust to changing human relationships. In our own personal lives we know that when a partner—or an adversary—changes it is often easier for us to deny the change than it is to wrestle with the personal growth that a new adaptation demands.

Change in the Soviet Union has come faster than anyone could have possibly predicted a few years ago. Only two years ago I gave a speech on the surprising happenings of that year in the Soviet Union. These ranged from the serious to the frivolous: an Yves St. Laurent show in the Hermitage, Pizza Hut . . . and could one believe it, even talk of a baseball team in Kiev. Everyone laughed. One man in the audience jovially declared "But we already have the Red Sox!" I ended my talk then by musing, "A baseball team in Kiev. If we are sensitive enough and imaginative enough to recognize change when we see it we may one day be playing a new kind of World Series." Well, the baseball team from Kiev has just played Annapolis "Peetchers" and "beizball bets" have now entered the Russian vocabulary along with "beezness" and "democratizatsiya." The Russians lost, but cheerfully said, "It's your game and we came here to learn." Which of their games are we trying to learn? It seems that we are dropping the ball, and if we are not careful it is we who may end up losing not only the chance to play with a new team, but the whole world series.

It might be useful for us to remember sometimes that we are not always at the center of their radar screen as we rather vainly like to believe—but sometimes only at the far corner. The Soviet Union is an Empire of one-hundred nations which covers eleven time zones. Russia is only one of fifteen republics. The Empire's frontiers are loosening, and as they do Russia and the Soviet Union are not only faced with extraordinary problems, but will have to consider new relationships and directions.

We have another serious problem to consider. A Soviet diplomat once said to his counterpart at one of the arms talks, "We are about to do a terrible thing to you. We are about to deprive you of an enemy." We need to ask ourselves: Can we live without an enemy? Engagement seems to be easier for us than disengagement.

Now in Abe and Alex's time the United States and Russia got along fine and yet no two systems could have been more different than an ancient autocracy and a young Republican democracy. So the difference in systems is not the problem. The problem has been a militant, expansionist Marxist-Leninist ideology.

In over twenty years even while Soviet newspapers and officials were reviling us almost daily, I have never heard an expression of hostility from any Russian man in the street. Curiosity, bewilderment—apprehension sometimes—but basically, the Russians really like us. I have been told, "Tell your countrymen we love you more than the Europeans do." The Russian people do admire us—and for the right reasons. They admire our energy, our spontaneity, our imagination and our knowhow.

Even the Soviet government and Soviet officials often pay us the compliment of trying to behave like us. They dress like our bureaucrats, talk like our bureaucrats, use incomprehensible acronyms just like ours.

The Russians are not our enemy. It has been the Soviet Government that has called us enemy and today, even they are no longer doing so.

Russians today, as they were in Abe Lincoln's day, are still fascinated by America. The United States—not Europe, not Japan—remains the standard of all excellence, the standard by which they measure everything. Many Russians still look to us as a model. Gorbachev's new step of creating a Congress of People's Deputies is an attempt to separate the executive from the legislative branch of government. One of the recently elected delegates to this new congress is a man who happened to be here last summer. He watched the Bush-Dukakis debates in Peoria and took home a video tape, and his wife recently reported by phone that he used it to good effect in his successful campaign.

The word "democracy" is now on Russian lips everywhere used by officials, printed on posters and in the pages of newspapers. Yet it obviously does not mean the same thing to them as it does to us. For however encouraging glasnost may be and the steps away from totalitarianism toward a greater pluralism it certainly is not and will not be our system, and if we are going to be satisfied only with a mirror image, we are bound to be disappointed, for Russia is different, has always been different and her way will not be ours. And what do we expect? Primaries in Minsk? Psychologists say that only narcissists want mirror images. Perhaps we should explore the differences—we might learn something.

We are a country of impatience, they of patience. We are a country of rationality, they of emotion. They are comfortable with contradiction and mystery, we are not. We may not know it yet, but we need the strength of the Russian people, their profound spirituality, and the wisdom and perspective they have so dearly won through their suffering.

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We might be as enriched by this contact in the future as we have been in the past. One has only to think how much Russia has given to our common western cultural heritage; to name but a few of a long, long list: Dostoevsky, Tolstoy, the ballet, Diaghilev, Stanislavsky, Tchaikovsky, Gershwin, Stravinsky, Chagall, Balanchine.

It may be time for us to start dancing together again. A Hindu proverb says: "When two bulls fight, the grass gets crushed." We are both exhausted from our fighting and while we have been occupied with this expansive struggle former adversaries are getting stronger at our mutual expense.

We Americans have a short history. It is hard for us to understand a country with a long history. And in Russia everything is long—their roads are long, their queues are long, their names, church services, novels and their history is long. I think we need to take a little longer view. Seventy years is a drop in the historical bucket for a country that is over a thousand years old. Russia has seen many leaders, many have passed into the mist, but Russia is still there.

I believe that today we should be working with a new and changing Soviet Union to develop a mutually beneficial relationship, one which sees the gradual strengthening of forces which are friendly to the United States and the world: the growing freedom of the press, the broader political participation, the strengthening of universal ethical and religious values and the law as the moral base of society.

In order to achieve this, we need patience and a little perestroika and self-criticism of our own. We must rigorously reexamine our old prejudices and stereotypes, and understand the complex forces and problems at work in the USSR. We need to bring a far more nuanced and compassionate approach to Russian national aspirations and concerns and no tar all of these as being extremist and retrograde as we have a tendency to do now. Perhaps most of all we must strive to get over our often provincial ignorance of some of the most basic facts of Russian history and the complexities of Soviet life and society. Only when we do this can we perhaps start looking down the road to a day when we will not be adversaries, but perhaps even partners—not enemies, but friends—as in other periods of history when we once were.

This may still sound Utopian today—although less than it did four years ago—yet it is possible, and perhaps looking at the problems which are coming at us from the rest of the world, even necessary for us both.

Before we too quickly dismiss such a possibility let us think for a moment about what has happened already. Who could have predicted, what odds would you have given two years ago that we would be playing baseball and eagerly scanning the front pages of the New York Times for the results of Soviet elections?

President Reagan's favorite Russian proverb was Trust But Verify. It is a good principal, but the first word is trust. Without that there is nothing to verify.

The bear has gotten up on its hind legs and has started to move quite friskily, even more insistently tapping out a rhythm that says in the words of Lewis Carroll "Will you, won't you, will you won't you, will you join the dance?" It is time to think, for the Eagle to stop sitting it out, to get up and lift its wings. The movements might look a bit awkward at first, but with the time and practice the result might just be a creditable waltz.

In Russia, this week following Orthodox Easter which fell this past Sunday is known as "Bright Week" to symbolize the joy of hope returned after a dark season. We should rejoice that today the Russian and other peoples of the Soviet Union are seeking a new relationship between themselves, their government and the rest of the world. In this Easter season of spring, which brings with it the promise of rebirth in both nature and man, it is possible to hope, and I do.

As for the future, I would like to leave you with a thought expressed to me by a Russian poet:

"Perhaps we are all witnesses in a gigantic trial whose outcome is determined and yet still hidden from us, but whose outline we can sometimes glimpse as we can sometimes, behind a driving rain, glimpse the silhouettes of angels."

SUZANNE MASSIE

Suzanne Massie, author and lecturer, is presently a Fellow of the Harvard Russian Research Center. She is one of our nation's leading specialists on the Russian people and their culture as well as the contemporary Soviet Union. She lectures all over the country and has been called to advise President Reagan, Secretary Shultz, and many members of the House and Senate.

Mrs. Massie was the editor and researcher of Nicholas and Alexandra, the best-selling biography written by her husband, Robert K. Massie. She co-authored with him, Journey, an account of their experiences with their son's hemophilia. Her own books include The Living Mirror: Five Young Poets from Leningrad and Land of the Firebird: The Beauty of Old Russia. She is presently at work at Harvard on her forthcoming book on the history and contemporary restoration of the palace of Pavlovsk which is located outside of Leningrad and was destroyed during World War II.

Mrs. Massie travels frequently to the Soviet Union, most recently as a guest of the Patriarch of the Russian Orthodox Church for the celebration of the Millennium of Christianity. She served as consultant to the opening of the Wyeth Exhibit in Leningrad, sponsored by AT&T and the Bradywine Museum, and as consultant to the Philip F. Anschutz Collection "Masterpieces of the American West", which will be exhibited in the Soviet Union in 1989. She is a member of the Council on Foreign Relations and a board member of the International League for Human Rights.

Mr. WIRTH. I yield the floor.

MIDEAST PEACE PROCESS

Mr. SPECTER. Mr. President, today, I speak on a part of the world that all too often defies description and confounds logic. It is an area of chronic instability that has a history of drawing foreign powers into conflict, and an unsurpassed ability to export violence. I refer to the Middle East.

Five wars later, there still stands Israel, 1 year past 40. It's neighbors, the Arab east, consists of half a dozen countries from Egypt on the west to Iraq in the east that collectively contains 110 million people and half the world's proved oil reserves. I have traveled in this region for almost 10 years, met the leaders there and learned some important lessons. One of the most critical, is that what may be truly significant is probably not obvious.

For the past 17 months, world attention has focused on the problem of the Palestinians who reside in the West Bank and in Gaza. I am concerned that the relentless repetition of street battles on the evening news is obscuring the less photogenic, but perhaps even more important new prospects for peace.

This preoccupation with the Intifada has prevented adequate public consideration of some potentially significant changes in the region—possibly profound changes in attitudes in Iraq, Syria, Saudi Arabia, and other Arab nations. Because the implications of these subtle, but significant changes in attitude can have a direct impact on the prospects for peace in the Mideast, but have been substantially unexplored, I would like to discuss my experiences with you.

My travels in the region and meetings with Arab leaders suggest to me the prospect of a recent shift in the Arab attitude on Israel's right to exist as well as a potential willingness to abandon the continuing state of war with Israel. President Sadat made the quantum leap with his visit to Jerusalem in 1977. The signing of the Camp David accord opened the door for a revolutionary change in Arab attitudes toward Israel once Egypt, the most powerful Arab nation, formally recognized and signed a peace treaty with Israel.

In my travels to Egypt, Jordan, Syria, Saudi Arabia, Iraq, Tunis, Morocco, Kuwait, Bahrain, the United Arab Emirates, and Oman, I have sensed a potentially significant shift in the Arab attitude toward Israel. For instance, when I visited Syria in 1984, ranking officials were antagonistic toward Israel, suspicious of the United States and cool to me. That attitude changed markedly 4 years later, when I visited Damacus in January 1988 and had an opportunity to meet for over 4½ hours with President Assad. The discussion this time was consistently candid and cordial, although occasionally contentious.

Perhaps President Assad's more conciliatory attitude may have stemmed from his Moscow meeting with General Secretary Gorbachev in the spring of 1987. Reportedly, the General Secretary insisted that Syria cool its hostility toward Israel. Perhaps Syria's economic problems are contributing to this new attitude; or perhaps it has something to do with the passage of time and Israel's continued strong presence. In any event, President Assad showed a very real interest in discussing Syrian/Israeli relations as well as Syrian/United States relations.

One year later, this past January, I found an even friendlier, even cordial President Assad. While he continued to express concern over Israel's alleged biblical aspirations to control territory from the Nile to the Euphrates, he appeared willing to accept the reality of Israel's presence and control of a more limited area. While tentative and conditional, President Assad talked of normalizing relations with Israel, although he continued to refer to Israel as the enemy. What I found particularly encouraging was that other, younger Syrian officials talked favorably about U.N. Resolutions 242 and 338 which recognize Israel's right to exist.

My visit to Iraq was delayed until January 1989, shortly after the Iran-Iraq war ended. Once again when I met in Baghdad with older diplomats, I found a hostile attitude toward Israel and the United States for supporting Israel.

However, in rather dramatic contrast, the younger generation of Iraqi diplomats expressed much different, less ideological sentiment regarding Israel and United States-Israeli relations. They expressed a keen interest in seeing the peace process move forward, and in considering U.N. Resolutions 242 and 338 recognizing Israel's right to exist.

Shortly after these meetings in Iraq last January, I flew to Cairo for discussions with President Mubarak. I raised the issue of Iraq's real attitude toward Israel out of a concern that my own impressions were in error. President Mubarak took pains to assure me that Iraq had abandoned its formerly hostile intentions toward Israel. I hope this represents a long-term shift in Iraqi policy rather than a short-term breather after their exhausting 8-year war with Iran; but only time will tell what Iraq's real interests are.

Further evidence of a changing mood came from my visits to Saudi Arabia in 1984 and 1989. In 1984 the Saudis were polite as always, but very cool toward Israel and totally noncommittal about using their influence to advance the peace process. This January key Saudi officials talked, albeit guardedly, of using Saudi financial influence to moderate Syrian and PLO behavior. I must say that is it difficult to analyze Saudi Arabia's role and intentions in the Middle East. But my meetings there suggest that the Saudi attitude is becoming less recalcitrant than it once was.

Although Saudi Arabia continues to provide substantial financial assistance to the PLO and Arab countries potentially hostile to Israel, they now concede Israel's right to exist, and they insist they are trying to act as a moderating influence in the region.

Are we to take all these assertions of Arab leaders at face value? Of course not. Their real attitudes have yet to be fully tested. But I do believe that we may be missing significant opportunities to advance the Mideast peace process by remaining preoccupied, indeed mesmerized, by the problems with the Intifada. It is a problem of some real significance for our society if the media causes us to focus one place while the real forces of history are moving some place else.

Let me move now to another related issue. The problems on the West Bank and in Gaza have regrettably opened the door to the PLO which materially complicates the Mideast peace process. I am firmly convinced that the United States should not pressure Israel to deal with the PLO because of the abundance of evidence that Arafat and the PLO are terrorists, absolutely unreliable and continue to have the goal of waging a war of destruction against Israel.

Israel alone must decide whether to deal with the PLO directly or indirectly. On an issue of survivial, a nation may confer, but it must not concede. Israel is obviously much closer to the situation; Israel can best judge if there has been a real change in PLO objectives; and only Israel can truly assess whether it should undertake the real risks in dealing with the PLO.

While all United States citizens and all people for that matter have a right to speak out as they choose, I suggest there is grave potential damage when leaders of the National Jewish Community or Congressmen and Congresswomen press too hard on telling Israel what to do. Of course, that is a matter of definition.

Last year I refused to sign a letter written by 30 of my U.S. Senate colleagues criticizing Prime Minister Shamir for refusing to trade land for peace. In my judgment, we are too far removed in both distance and danger to lecture or lean on the Israelis about the PLO.

The PLO's long, ugly record of terrorism is a well established part of the public record. The PLO planned the Olympic massacre in Munich in 1972, murdered our Ambassador and Chargé D'Affaires in the Sudan in 1974, and in 1985 was involved in the hijacking of the *Achille Lauro* and the murder of Mr. Leon Klinghoffer.

Arafat's pledge last December to forego terrorism virtually had to be wrung out of him. His reluctance was such that it took three tries before he could spit out the magic words. Accordingly, I give little credibility to his so-called pledge.

In a broader sense, it is simply wrong to assume that the Palestinian Liberation Organization has abandoned its longstanding goal of destroying Israel. In countless statements since last December, mostly in the Arab press, Yasser Arafat and his lieutenants have stated repeatedly that the PLO's latest initiatives are a part of a strategy to deceive the world and to liquidate Israel in stages.

As Abu Iyad, Arafat's deputy and the architect of the PLO's current strategy explains, the PLO has merely revived the "Phased Plan" adopted in Cairo in 1974. At a conference in Algiers in 1988, Arafat and Abu Iyad lined up the main PLO factions behind the concept of the gradual destruction of Israel—and the potential combination of diplomacy and thinly disguised terrorism to achieve that purpose.

Despite his pledge to refrain from terrorism, Arafat almost immediately threatened to kill the mayor of Bethlehem, who had the audacity to suggest an end to the bloodshed in the West Bank and Gaza. Soon after Mayor Freij, a christian Arab, proposed a truce, Arafat was quoted as saying: "Whoever thinks of stopping the Intifada before it achieves its goals, I will give him ten bullets in the chest."

Mayor Freij then withdrew his proposal. Last January 14 I met with Mayor Freij in his office in Bethlehem. We discussed the threat and his withdrawal of his truce proposal. From my discussion with Mayor Freij, there was no doubt in my mind that Arafat's threat caused Mayor Freij's change of position. Clearly terrorism is not only a PLO product for export. They are prepared to use it at home, and on their own people.

The Freij incident does not stand alone. In late December 1988, PLO affiliated terrorists attempted to infiltrate Israel from the northern border and by sea. Several were killed. During February of this year there were at least three separate attempts to infiltrate Israel by PLO affiliated terrorists armed with automatic rifles and grenades, rocket propelled grenades, pistols, a gun silencer, and wirecutters. These attempts were thwarted by Israeli Defense Forces. Last month, there were four similar attempts to infiltrate and attack targets within Israel. The attacks were made across Israel's borders with Lebanon, Jordan, and Egypt. This continuing escalation of violence refutes the PLO's stated intentions.

In view of the PLO's long record of terrorism and deceit, I believe that Secretary of State Schulz made a mistake in opening the dialog with Arafat and the PLO last December. That error was compounded by Secretary of State Baker's testimony before our Foreign Operations Committee this March when he said Israel should deal with the PLO if no other Palestinian representation emerged. I then asked Secretary Baker if that was an implied invitation to the PLO to terrorize other potential Palestinian representatives as they had Mayor Freij. He then

insisted that we should not close the door on the PLO.

I then asked if he would rule out the PLO if proof was forthcoming that they terrorized other Palestinians away from the bargaining table with the United States. Secretary Baker declined to answer that question stating it was hypothetical. Of course, he had initiated the hypotheticals by saying Israel should deal with the PLO if other Palestinian representatives did not emerge.

The recent visits of Prime Minister Shamir, President Mubarak, and King Hussein to Washington, DC, worked out reasonably well. I personally felt there was a bad start after the first of the meetings with President Mubarak when President Bush said Israel should withdraw its "occupation forces." But President Bush's statements after President Shamir's visit were positive supporting the Israel proposal for elections.

President Mubarak met with a group of Senators and seemed sincere in expressing his continued interest to bring other Arab nations into the Mideast peace process. Some of us pressed President Mubarak to meet personally with Prime Minister Shamir and to expand trade, cultural and diplomatic exchanges between Egypt and Israel to light a fire under the cold peace which has prevailed for a decade. While his words were ambiguous, the music was to the effect that President Mubarak would do so when the time was right.

From this meeting and others over the past several years, it seems to me that President Mubarak is more concerned with winning Egypt's reentry into the good graces of the Arab League than in expanding its relationship with Israel. In the long run, this Egyptian strategy may well be in the best interest of the United States, Israel, and the Mideast peace process. But, I continue to think that President Mubarak should be pressed to expand his role. Egypt is a nation with a long, proven history. It's role is critical. Speaking about the Arab nations, an Egyptian diplomat observed: "Egypt is the only real state in the Middle East. All the rest are tribes, with flags."

Prime Minister Shamir's proposal for elections in the administered territories was well received. When Mr. Shamir met with a group of Senators and Representatives, he seemed relaxed and confident. He appears determined to take the process one step at a time without making any concessions until he sees the whites of the Arab eyes in negotiations, and perhaps then in only very measured terms, depending on the specific reciprocal concessions and the attendant guarantees. Prime Minister Shamir repeated a comment which I had heard him make a year earlier in Jerusalem to the effect that others, rather than he, would be handling later rounds of negotiations with the Arabs. He seems totally dedicated to a slow, meticulous step-by-step approach which appears wise.

King Hussein's meeting with a group of U.S. Senators in Washington was marked by the same determination to succeed in the peace process which he has evidenced for many years. The only difference was that he seemed a little more drawn, a little more tired. When he spoke to us, he was entirely noncommittal on Israel's plans for elections. I was pleased to see King Hussein take a more positive tone in his final statement after meeting with President Bush the next day when he spoke encouragingly of the Israeli election plan provided it was part of an overall settlement approach.

There is obviously no quick fix in the Mideast. The real question is whether there is any fix at all.

Until last January, I had always felt that time was on Israel's side with each passing day, week, month, year, finding Israel stronger. Now, I am not so sure.

Israel's economy continues to have serious problems. In my trip to Jerusalem and Tel Aviv last January, I found more differences among the Israelis than ever before on fundamental questions about dealing with the Intifada, the PLO, the growing Arab population, and strong dissension within Israel's Government. Their razor thin elections and the continuing controversy between Likud and Labor, with the minor parties holding the balance of power, raise serious problems of national unity.

I am personally concerned about the future of the $3 billion annual allocation from the United States to Israel. While congressional support remains generally strong, the potential is present for erosion, especially given the deficit, U.S. budgetary constraints, and the relentless adverse media coverage. For the first time since I have been in the Senate, my view is that Israel's interests are not well served by maintaining the status quo. Rather than growing stronger, each passing day contains the very real risk of a potentially weaker Israeli position.

My own strongly felt view is that Israel must answer the tough issues for herself without undue pressure from the United States Government or the American or world Jewish community. It is uncertain how Prime Minister Shamir's proposals for elections will work out. Perhaps the stage is set for back channel negotiations between the Israeli Government and the PLO. Perhaps the current negotiations anticipate Palestinian interlocutors with close connections to, if not actual membership in, the PLO. That process must be evaluated and determined between the parties themselves.

The United States should continue to support Israel and do all within our power to implement the peace process. It may be that some form of international umbrella will be useful in bringing the parties together.

The Arab nations would like a formally structured international conference. Prime Minister Shamir appears to be willing to have a meeting convened by the United States and U.S.S.R. providing it does not result in the dictation of terms or pressure. The Soviet Union has shown some willingness to be helpful although Soviet motives are far from clear. Foreign Minister Shevardnadze's meetings with Foreign Minister Moshe Arens were constructive, but diminished by Shevardnadze's postmeeting comments.

The continuing worldwide rapproachment between the United States and the Soviet Union bodes well for the Mideast peace process. Slowly but surely agreements are being hammered out in Afghanistan, Angola, and Cambodia. Perhaps a breakthrough is imminent in Nicaragua. Whatever agreements the United States and U.S.S.R. may make, enormous problems remain in civil strife in all of the affected areas.

The United States should continue to urge the U.S.S.R. to defuse the Mideast situation by withdrawing or diminishing Soviet aid to the PLO or Syria.

It may be that the United States and Soviet Union should encourage a Mideast peace settlement with guarantees, perhaps even backed by the United Nations, to enforce the terms of a peace treaty. Such a possibility would have to be carefully evaluated by all sides, especially the Israelis, to be certain no Trojan horses erupted. The experience of guarantees on peace treaties historically demonstrates the questionable nature of such assurances. Those newsreels of our helicopters lifting off from the American Embassy on the last days of Saigon are seared into the memory of many Israelis. And a generation earlier in the World War II era, guarantees and mutual defense treaties proved to be meaningless. Some carefully crafted guarantees, however, might be of some assistance in formally committing the Soviet Union not to support potential agression by any Mideast Arab factions against Israel.

For the immediate future, however, Israel's only course is to remain strong and self-reliant. A strong, united Israel offers the best hope for peace and stability in the Mideast. The United States should continue to support Israel with aid, assistance, and perhaps suggestions but without undue influence.

As I conclude, I return to two words which stung me so deeply, "occupation forces." If Israel is accused of occupy-

ing anything, it is not and must not be territory. It must occupy only that special place in the conscience of mankind which David Ben-Gurion envisioned when he called Israel "a light unto the nations." Every day, far away Israelis look deep into their souls and down the barrel of terrorist guns to address the issue of survival as a nation. We must remain steady in our support and fast in our determination to encourage anyone, Arab or Israeli, whose good faith goal is a just peace. Israel will endure—this Nation, rising from the ashes of the Holocaust, must leave nothing to chance and takes nothing for granted, nor should we.

The time will come, soon I hope, when great risks will be run to attain a lasting peace—Israel will be ready—so must we.

CONVICTION OF MOHAMMAD HAMADEI

Mr. SPECTER. Mr. President, recently I addressed the Senate on the occasion of the conviction of Lebanese terrorist Fawaz Yunis in Federal district court. Today, I take this opportunity to call to the attention of my colleagues another important development in the battle against international terrorism. On May 17, a West German court convicted Mohammad Ali Hamadei of murder and air piracy and sentenced him to life imprisonment. The conviction of Hamadei, like the conviction of Yunis before it, sends an important message to terrorists around the world about the determination of the civilized world to root out and punish terrorist acts.

The facts of the Hamadei case shock the conscience. On June 14, 1985, Trans World Airline flight 847 departed Athens International Airport enroute to Rome, Italy with 153 passengers and crew on board, most of them Americans. Approximately 10 minutes into the flight, two hijackers, later identified as Mohammad Hamadei and Hasan 'Izz-al-din, commandeered the aircraft and ran through the plane brandishing hand grenades and a pistol while randomly striking the seated passengers on the head, neck, and shoulders with their weapons. The hijackers forced chief stewardess Uli Derickson to the flight deck area and gained access to the cockpit. The hijackers then pistol-whipped the flight crew inside the cockpit and ordered the pilot to fly to Algiers. The aircraft ultimately flew between Beirut and Algiers several times during the next 2 days while the hijackers retained control of the plane.

Once in control of the aircraft, the hijackers ordered Derickson to collect all passports and separate those of U.S. citizens and military personnel. The terrorists then ordered the military personnel into the first-class section one at a time for questioning, beginning with Navy diver Robert Stethem. The hijackers bound his arms together with an electrical cord, cutting off his circulation, and beat him until he was unconscious. Several other passengers were also beaten. Stethem regained consciousness, only to be shot in the head in cold blood. The hijackers dumped his body onto the tarmac in Beirut before several more hijackers boarded the plane for its flight back to Algiers.

The terrorists eventually abandoned the plane after its final landing in Beirut. Thirty-nine passengers were removed from the aircraft and held hostage in various locations in Beirut for 17 additional days before they finally were freed on June 30, 1985.

Hamadei, a Lebanese Shiite Muslim, was arrested in Frankfurt, West Germany. A number of the Members of this body, including this Senator, believe that the West Germans should have extradited Hamadei to the United States to stand trial in Federal district court, but that did not come to pass. While I regret the West German decision not to honor our extradition request, I commend the Germans for bringing this terrorist to justice and I applaud the West German court for imposing the maximum sentence of life imprisonment upon Hamadei.

Mr. President, the Mohammad Hamadei case has significant ramifications for our ongoing efforts to thwart terrorism. At my urging, the 99th Congress passed the Terrorist Prosecution Act, a law extending the reach of American criminal jurisdiction to extraterritorial acts of violence against American nationals (P.L. 99-399, title XII, codified at 18 U.S.C. 2331). Because of the ex post facto clause of the Constitution, Mohammad Hamadei could not have been prosecuted for his 1985 terrorist acts under this 1986 criminal statute. Had he been extradited, Hamadei would have faced other charges. Nonetheless, there is now a more complete set of criminal statutes designed to safeguard Americans overseas by deterring those who would contemplate violence against American nationals.

There is another important lesson to be learned from the Hamadei and Yunis cases. The time is ripe for the United States to enter into multilateral treaty negotiations to define terrorism as an international crime and to establish an international forum in which such offenses may be prosecuted. The West German Government came under tremendous pressure to reject the American request for extradition of Hamadei. West German citizens were even taken hostage in the Middle East during this period. The German Government decided to try Hamadei itself, but it would not have been faced with this difficult choice had there been an international forum to which Hamadei could be extradited.

In 1986, the Congress adopted my amendment to the Omnibus Diplomatic Security and Antiterrorist Act calling on the President to pursue negotiations to establish an international court to try terrorists. I also authored section 4108 of the Omnibus Anti-Drug Abuse Act of 1988 which calls upon the President to pursue negotiations to establish an international court with jurisdiction over international drug trafficking and other violations of international criminal law.

I am pleased that this particular case has reached a satisfactory conclusion, but the effort to bring such international outlaws to justice must be institutionalized. My discussions with a variety of foreign leaders persuade me that the civilized international community is prepared to speak with one voice to condemn terrorism. The creation of an international criminal court with jurisdiction over terrorism, hijacking, crimes against humanity, and international drug trafficking would be an eloquent expression of that condemnation.

For today, I commend Judge Heiner Mueckenberger and the West German criminal justice system for convicting Mohammad Hamadei and imposing the maximum sentence of life imprisonment. For tomorrow, I pledge to continue my efforts to bring the force of international law to bear upon the scourge of international terrorism and urge my colleagues to join me in this effort.

AN ENLIGHTENING EXPEDITION

Mr. PRESSLER. Mr. President, I rise to pay tribute to a group of fine South Dakota students who are visiting Washington this week in order to gain a better understanding of our political process. They come under the tutelage of two of South Dakota's great educators, Dr. W.O. Farber and Dr. Loren Carlson, both of the University of South Dakota.

I must confess at the outset a particular fondness for these two professors. Both taught me while I attended the University of South Dakota. They continue to inspire our State's most talented youth toward greater goals—constantly encouraging them to reach beyond any conventional bounds. In addition, Dr. Carlson was my first administrative assistant when I came to Congress in 1974. In addition, both are valued friends and trusted confidants.

They have been jointly conducting this tour for a number of years—to the point where it has now become an annual, institutionalized event. This year they have brought with them a particularly talented "crop" of students. I visited with them this afternoon. My wife Harriet and I have the honor of hosting them in our home this evening. And tomorrow we will

host a reception for the group in my Washington office, which is designed to give other South Dakotans living in Washington a chance to meet this talented group of individuals.

Mr. President, this seems a fitting opportunity to bring to the Senate's attention an article recently written about Dr. Farber. As you can see, he has an impressive following of highly successful former students who he has developed since their college days. He is truly a South Dakota institution, and I am honored to call him my friend.

Mr. President, I ask unanimous consent that an article by Mr. Jeff Iseminger from the Wisconsin Alumni magazine be printed in the RECORD at this point, followed by a list of the talented students these two terrific professors brought to Washington this year.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ICONOCLAST OF THE IVORY TOWER

(By Jeff Iseminger)

On a fine summer evening, when the prairie light slants through the arching elms, you can see him sitting there in the campus garden, under the arbor, looking like the kind of complacent man that he isn't.

He's short, about five-foot-six, but so exuberant and compelling that you feel, in a way, that you're looking up to him.

He's an eclectic dresser, this evening in a mix of checked shirt, bolo tie, and walking hat, but he once had tea in the private chambers of the House of Lords.

He's seventy-eight years old, but age—instead of dimming his ability—has ripened him into a lively sage, a reservoir of acumen. He's full of banter and bluff, but underneath lie burning ambitions.

This garden visitor is sitting in the heart of the University of South Dakota in Vermillion, where he's taught since 1935, when he earned his Ph.D. at Wisconsin. His name is William O. Farber, USD professor emeritus of political science, and he's a man who has shaped his life to suit his vision.

That vision is spangled with iconoclastic surprises. Here's a professor who considers an ivory tower a gilded prison . . . who drives a student 240 miles for a job interview . . . who takes students abroad—at his own expense—to show them that the American way is but one hue on the human palette.

The student whom Farber drove to an interview did get the job, by the way. He signed on at KMT-TV in Omaha in 1962 and rose rapidly. You've watched him anchor NBC's Nightly News: Tom Brokaw.

"Dr. Farber is one of the brightest, most enthusiastic, most curious friends I have," said Brokaw, "and from him I've learned that life isn't meant to be a passive experience. He charges through every day giving off energy, ideas and inspiration to everyone in his wake."

Farber has followed his own advice to students: "The important thing is to do what you want to do." In his fifty-three-year career he's marshalled his formidable talents for the sake of his students and the common good—an almost quaint notion when public discourse has been dancing to the whip-crack of private prosperity.

Farber's two aims for over-achievement—to make students his family and the nation and the world his community—were sparked as a graduate student at the UW-Madison. Here he joined the political science program in 1933 after earning two degrees at Northwestern University. "It was a time of ferment," he said. "People thought more broadly then about alternatives, and minds were bold. It wasn't the incrementalist approach so common today."

He says he studied under "great professors" at Madison, like Grayson Kirk (later president of Columbia University), Frederick A. Ogg (editor of the American Political Science Review), Llewellyn Pfankuchen, Walter Sharp, John Gaus, and Harold Groves. And his teachers taught in more than classrooms. They invited Farber and other students into their homes, where they could socialize and free themselves intellectually from classrooms and curricula.

When Farber left Wisconsin with his doctorate to teach at the University of South Dakota, he opened his doors as wide as those he had entered in Madison. He arrived in Vermillion with a potent concept of the Wisconsin Idea, the tenet that a university's campus is its state and beyond. And he transplanted that idea to South Dakota, where he not only kept it alive but made it thrive for the thirty-eight years he was to chair USD's department of government.

South Dakota Governor George Mickelson calls Farber one of the state's greatest resources because of his experience and "passion for his own continuing education in government." The state's largest newspaper, the Sioux Falls Argus-Leader, recognized Farber last spring when it named him one of the ninety-nine most influential people in South Dakota's ninety-nine years of statehood.

Farber's concept of public service has spanned the spectrum from municipal to global. In Vermillion he chaired the city planning commission for ten years, and in Congress he advised South Dakota Senator Karl Mundt. In the North Atlantic Treaty Organization, as Mundt's aide, he was secretary of the Committee on Education, Cultural Affairs and Information, where he proposed a seminar in public administration for NATO officials later conducted in Bruges, Belgium.

All the while, Farber wrote a spate of articles (beginning in 1934 on chain store taxation) and worked tirelessly as a charter member of the American Society of Public Administration. In 1983 he was inducted as an honorary member into the National Academy of Public Administration, joining a group of nineteen that includes former Supreme Court Chief Justice Warren Burger and former Secretary of Defense and World Bank President Robert McNamara.

But where were Farber's students in this welter of public service? At the very center, just where their professor wanted them.

"Bill Farber has produced an unusually large number of students who've gone on to become outstanding political scientists," said Leon Epstein, professor emeritus of political science at the UW. Among Farber's may proteges are Kenneth Meier and Charles Jones, who earned advanced degrees at Madison and now serve on our political science faculty. This means a lot to Farber. "They're returning what was given to me," he said.

At USD Farber pulled Meier out of a class of 250 students for a personal talk and gave him a research job. He saw promise in Charles Jones too, but that presented a problem. Farber had to pick the department's top junior in 1953 for a twenty-five dollar award, but there were two excellent candidates: Jones and Sam Patterson. "So I dug into my own pocket for another twenty-five dollars and gave the award to both of them, one of the smartest things I ever did," Farber said.

Both Jones and Patterson, who teaches at Ohio State University, became distinguished political scientists, each chosen at different times as editor of the *American Political Science Review.* Two more of the Farber veterans in academic are Michael Rukstad, associate professor in Harvard's Graduate School of Business Administration, and Robert Legvold, director of the Harriman Institute for Advanced Study of the Soviet Union of Columbia University.

Other USD students who felt Farber's influence are Phil Odeen MS'59, former assistant to Henry Kissinger in the National Security Council; Joe Robbie, owner of the Miami Dolphins football team; South Dakota Congressman Tim Johnson; and CBS sportscaster Pat O'Brien.

O'Brien said he was "on the verge of juvenile delinquency" as a USD freshman. "I had no real goals, like lots of kids in the '60s." Then Farber asked O'Brien to drop by his house, and two hours later he was a political science major. Farber invited O'Brien as a junior to accompany him on a trip to NATO countries and the Soviet Union. "He told me all I had to do was carry his bags and learn something," said O'Brien.

On another European trip Farber took Kevin Schieffer, now an assistant to U.S. Senator Larry Pressler of South Dakota. When they visited the House of Lords in London, he sent in a note to a friend from his NATO days, Lady Elliot, the Baroness of Harwood. "Lady Elliot answered through a liveried messenger that she'd be delighted to have tea with us. She did—with Kevin in blue jeans—and he's never forgotten it," Farber chuckled.

Schieffer's boss, Senator Pressler, is one of four Rhodes scholars to major under Farber—a phenomenal number, especially for a teacher at a school with 5,500 students. Since a Rhodes Scholar must show wide-ranging interests, Pressler says USD political science students had an edge in the competition: Dr. Farber. He wanted students to piece together "the big picture," so he helped them land internships and summer jobs in Congress, the State Department and NASA, for example.

Farber often tried to ratchet up his students' goals so they could gain more influence and do more good. He's been called "a down-to-earth guy who makes you want to reach for the stars" by Allen Neuharth, who studied under Farber before switching to journalism at USD. Neuharth reached high himself: today he's founder and chairman of *USA Today* and chairman of Gannett, the nation's largest newspaper company.

Farber put extra zip in his students by redrawing the usual parameters of his profession: "The teacher's role today is not primarily to provide information—students can get that through a variety of media—but to stimulate. I try to be a motivator, a counselor, even a placement officer. And I try to teach by example."

In the classroom Farber recorded his lectures and placed copies on library reserve. Freed from note-taking, students could consider the day's topic and speak their minds as Farber bounced on the balls of his feet, gestured with sweeping arms and jabbing fingers, and talked and laughed in a boom-

ing crescendo. Like a leprechaun in a business suit, one student said.

The doors to Farber's office and his home across from campus were wide open and widely used by students seeking advice or just a sympathetic ear. He paid attention to their hopes and fears and confusions because he believed that each of them needed one thing above all: recognition as an individual.

Farber traces his counseling style to the ten years he clerked in his family's grocery store in Geneseo, Illinois, during the 1920s and '30s. "In those days the clerks would fill the requests of customers as they came in," Farber explained. So he asked himself: What can I get Mrs. Peterson to put on her list that isn't on it now? As a professor, Farber saw Mrs. Peterson in each of his students. He widened their intellectual swath by suggesting new options for a term paper, a semester, or a life.

Many former students of Farber's would agree with UW professor Charles Jones when he says Farber is "an extraordinary man." And extraordinary is the way they've honored him since his retirement in 1976, pouring $300,000 into what's called the Farber Internship and Travel Fund. Created to give USD students the experiences they miss in the classroom cloister, the fund supports internships, trips to conferences, and guest lectures.

Farber's "retirement" was simply a segue into teaching less, traveling more, and making just as large a wake. A typical two-day slice of Farber's life last summer showed him saying farewell to a recent USD graduate, sifting through correspondence, upgrading his computer, tipping off a newspaper editor about a colleague's work, giving a visitor a tour of campus in 100-degree heat ("It's invigorating!" he said with a smile), driving 250 miles to "help a student in a bit of trouble" and . . . sitting under the arbor in the campus garden.

In that rare moment of repose, Farber muses sometimes about the world's great problems and what can be done to meet them boldly and bare knuckled, without an increment in sight. He also wonders about the image that young people have today of public service, and whether he can do something new, maybe tomorrow, to give it a boost. No doubt he will.

WASHINGTON STUDY TOUR

Jama Erstad, 134 Beede Hall, USD or Box 86, Badger, SD 57214.

Robert Friedenbach, 206 E. 15th St., Yankton, SD 57078.

Sharen Harms, 1206 Crestview, Vermillion, SD 57069.

Reed Haug, HCR 83, Box 34, Hermosa, SD 57744.

Beth Holmes, 37 S. Pine, Vermillion, SD 57069.

Michael Gillis, 308 E. 4th Ave., Mitchell, SD 57301.

Melanie Knoepfle, 139 Beede, USD or R.R. 1, Box 118, Artas, SD 57423.

Ryker Lammers, 327 N. Pine, Vermillion, SD 57069 or Rt. 2, Lake Madison, Madison, SD 57042.

Doug Moeller, 116 Richardson Hall, USD.

Steve Ness, 327 N. Pine, Vermillion, SD 57069.

David Page, 1856 Madison, Vermillion, SD 57069 or 708 West Brookings, Sioux Falls, SD 57104.

Kelly Shattuck, 220 Spruce St., Apt. C7, Vermillion, SD 57069.

Michael J. Simpson, 327 N. Pine, Vermillion, SD 57069 or Box 19, Hamill, SD 57534.

John S. Slaba, 327 N. Pine, Vermillion, SD 57069.

Kenneth Tauke, 425 Adams St., Vermillion, SD 57069.

Brock Wolff, 515 Poplar, Vermillion, SD 57069.

Loren M. Carlson, 229 Catalina, Vermillion, SD 57069.

W.O. Farber, 413 E. Clark, Vermillion, SD 57069.

COMMUNITY LEADERSHIP

Mr. PRESSLER. Mr. President, we hear a great deal of talk from politicians these days on the subject of economic development. But often, the most important ingredient for economic development is frequently a quiet, unheralded force in the community. Noel Hamiel, the former publisher of the Yankton Daily Press and Dakotan, was such a force. He has now left our State, sadly enough. He has moved to Grand Island, NE, where I understand he will join the paper there. South Dakota's loss is Nebraska's gain. But at least his departure allows the opportunity to appropriately credit him for the tremendous contribution he made to Yankton and to our entire State before he left.

Many years ago in 1974, when I first came into politics, there were three or four divergent groups in Yankton—as is the case with many communities. If one were to work on economic development, it was very difficult to get all these groups together. Since that time, they have come together for the most part. They are working together now. Part of that reason is because of the leadership provided by Noel Hamiel. As editor and publisher of the Press and Dakotan, Noel really worked at bringing the community together. Too often the local press forgets its public interest role in the rush to sell newspapers or advertising. Mr. Hamiel used the paper to accomplish things for the community—and he accomplished a great deal.

I was involved in a minimum security prison project for Yankton. The local paper could have criticized it, it could have gone out of its way to stir up controversy to sell newspapers. It could have done a lot of things. Too often, in my view, that is what happens. I am not suggesting that the media should not report controversy. Indeed, the prison proposal was controversial and was reported as such. It is the media's duty to report controversy. But too often the media creates controversy. In the example of the prison proposal, the Press and Dakotan reported the facts accurately, gave everyone the opportunity to air their views and then provided very thoughtful, credible editorial leadership. This is unlike certain other newspapers that care more about sensationalized headlines than actually accomplishing something for the community they serve.

Today the prison is heralded as a great success for Yankton. As one who has worked on a number of similar projects and has had extensive experience in this area, I feel confident in saying that it could not have happened without Noel Hamiel's professionalism and leadership. Such a proposal probably would not have been successful, for example, in the largest city in my State, where circulation figures and headlines seem to be more important than the community.

Another example of Mr. Hamiel's leadership was the Riverside Park project, which we just dedicated last month. This new recreation facility is going to provide tremendous opportunities for Yankton. Again, Noel Hamiel and the Press and Dakotan were instrumental in making it happen.

He also spearheaded the Territorial Capitol replica project through the Sertoma organization. It now stands in the new park as a centerpiece of Yankton's proud history in our State's development.

Noel Hamiel was an ingredient for economic development in our State. Yankton is on a good path. There are many other people in Yankton who deserve credit. But I want to take this opportunity to pay credit to Noel Hamiel. We are in his debt and we shall miss him. Grand Island is a fortunate city.

NORWEGIAN INDEPENDENCE

Mr. BURDICK. Mr. President, May 17, 1989 is an important date in the history of the free world. It marks the 175th anniversary of the signing of Norway's Constitution. I ask my colleagues in the Senate to join me in congratulating the Norwegian people on this historic day as they celebrate Syttende Mai.

The United States and Norway have always enjoyed cordial relations. There are currently nearly 4 million Americans of Norwegian descent living in this country. My State of North Dakota has been referred to as the most Norwegian of all of the States. The Norwegians were the largest of the many ethnic groups that settled in North Dakota. Approximately 30 percent of our current populationse go is of Norwegian ethnic background, enjoying lefse and lutefisk and using Uffda and other Norwegian expressions.

Because of the special ties that bind many of the citizens of North Dakota to Norway, the 51st Legislative Assembly of the State of North Dakota passed Senate Concurrent Resolution 4072. This resolution, introduced by Senator Evan Lipps of Bismarck, congratulates the people of Norway on the 175th anniversary of Norway's Constitution. I ask the consent of the Senate to have this resolution printed

in the CONGRESSIONAL RECORD following my remarks.

The year 1814 was a year of great uncertainty in the world. On this side of the Altantic Ocean, the United States was embroiled with England in the long, bitter War of 1812. In Europe there was great upheaval and turmoil because of the Napoleonic wars. Norway had been in union with Denmark for 434 years. Sweden had fostered plans to disperse this union and develop closer ties between Sweden and Norway. Following the defeat of Napoleon's army at Leipzig, Denmark was forced to renounce Norway to Sweden in the Treaty of Kiel, signed January 14, 1814.

Norway was not willing to be pawned off as a piece of land by the victors. It was determined to have its own constitution and a voice in its own destiny. On February 25, the Norwegian people were called to assemble in their churches where they took an oath to maintain their independence of their country, and if necessary, give their life. On the same day, 112 delegates were chosen for a constitutional convention. It is noteworthy that 53 of the 112 delegates were farmers and small businessmen. The delegates met at Eidsvoll, Norway, and completed their work in just 10 days. The new constitution was unanimously approved and signed on May 17, 1814. Norway had become a sovereign state and an equal partner in the union with Sweden, which lasted until 1905.

Norwegian research has established that this historic document was inspired, inter alia, by our Declaration of Independence and by our Constitution. Prof. Knut Mykland, writes that many constitutions were developed between 1770 and 1814, but only two survived—the Constitutions of Norway and the United States.

Syttende Mai is observed in Norway much like we observe the Fourth of July in the United States. In earlier days the Syttende Mai celebrations in Norway often centered around large political demonstrations directed against foreign domination and control. Today the emphasis centers around the family and especially the children, with parades, games, folk dances and other cultural events. The students of the University of Oslo celebrate around the statue of Abraham Lincoln in Frogner Park. The people of North Dakota presented this statue as a gift to the people of Norway in 1914, in commemoration of Norway's centennial.

On this day 75 years ago, North Dakota Gov. Louis B. Hanna wished the Norwegian people Godspeed and prayed that in the years to come Norway's star might grow even brighter. It is gratifying to observe that Norway's star continues to shine brighter than ever.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

SENATE CONCURRENT RESOLUTION No. 4072

Whereas, Syttende Mai, May 17, is Norwegian Independence Day; and

Whereas, on May 17, 1989, Norway will celebrate the 175th Anniversary of its Constitution, and on November 2, 1989, the state of North Dakota will celebrate the 100th Anniversary of its admission as the 39th state of the United States of America; and

Whereas, relations between Norway and the United States are based on a solid foundation of extensive family ties, many common interests, and a strong dedication to common values, including open and democratic government, respect for human rights, independence and self-determination, and a dedication to peace among all nations of the world; and

Whereas, special ties exist between North Dakota and Norway because thousands of Norwegian immigrants were important in the development of North Dakota, including Nelson E. Nelson who came to America from Norway in 1849 and in 1869 established the first homestead on land that in 1889 became part of the state of North Dakota, and because approximately one-third of North Dakota's present population has a Norwegian ethnic background; Now, therefore, be it

Resolved by the Senate of North Dakota, the House of Representatives concurring therein:

That the Fifty-first Legislative Assembly extends its congratulations to the people of Norway on the 175th Anniversary of the Constitution of Norway and requests the Governor to transmit to Norwegian Ambassador Kjell Eliassen and Consul General Bjarne Grindem a message congratulating the people of Norway on May 17, 1989, the 175th Anniversary of the Constitution of Norway; and be it further

Resolved, That the Fifty-first Legislative Assembly urges the Governor to extend to Ambassador Kjell Eliassen and Consul General Bjarne Grindem an invitation to the people of Norway to participate in events celebrating the 100th Anniversary of North Dakota's statehood; and be it further

Resolved, That the Secretary of State forward copies of this resolution to the Governor for transmittal to Ambassador Kjell Eliassen and Consul General Bjarne Grindem.

CONCLUSION OF MORNING BUSINESS

The PRESIDENT pro tempore. Under the previous order, the time for morning business has expired.

FAIR LABOR STANDARDS AMENDMENTS FOR 1989—CONFERENCE REPORT

The PRESIDENT pro tempore. The Chair lays before the Senate the conference report on H.R. 2, which the clerk will report.

The legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2) to amend the Fair Labor Standards Act of 1938 to restore the minimum wage to a fair and equitable rate, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The PRESIDENT pro tempore. Without objection the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of the RECORD of May 8, 1989.)

The PRESIDENT pro tempore. Under the order, the time of 1 hour and 15 minutes is under the control of Mr. HATCH. Forty-five minutes is under the control of Mr. KENNEDY. Thirty minutes is under the control of the majority leader.

Mr. WIRTH. Mr. President, I note the absence of a quorum and ask that the call of the quorum be equally charged against all of the parties to whom time has been allocated.

The PRESIDENT pro tempore. Without objection, it is so ordered. The time will be so charged. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, is is so ordered.

Mr. KENNEDY. Mr. President, how much time remains?

The PRESIDENT pro tempore. The Senator has control of 45 minutes. Mr. MITCHELL has control of 30 minutes. Mr. HATCH has control of 1 hour 15 minutes.

Mr. KENNEDY. I yield myself such time as I might use.

The PRESIDENT pro tempore. The Senator is recognized.

Mr. KENNEDY. Mr. President, today the Senate will consider and vote on whether to adopt the conference report accompanying H.R. 2, the Fair Labor Standards Act Amendments of 1989.

We have had extensive deliberations on this minimum wage legislation on the Senate floor. During this debate, we have debated all the arguments surrounding the minimum wage, and it has been a good debate.

But the fundamental issue, the overriding issue, is whether the Congress of the United States will once again make the minimum wage a living wage, and thereby ease the burden of poverty pressing down on millions of our fellow citizens on the lowest rung of the economic ladder.

Both Houses in this Congress have answered that question with a resounding yes, and today we will vote on adopting the conference agreement embodying our consensus.

I believe the conference report before us is a sound agreement, carefully balancing the positions represented in the bills adopted by each

Chamber. During Senate consideration of the minimum wage bill, 12 amendments were adopted. Six of those 12 amendments are contained in the conference agreement, and 5 of those 6 are amendments offered by members from the other side of the aisle.

Of the six Senate amendments dropped in the conference, four were in the exclusive jurisdiction of the House Committee on Ways and Means, and their conferees were unalterably opposed to these additions.

What the conference report proposes is an 8-year overdue increase in the minimum wage. It will go from its present level of $3.35 an hour, to $3.85 on October 1, to $4.25 in 1990, to $4.55 in 1991.

The bill also contains a major concession to the White House—a training wage for inexperienced workers. Its provisions are nearly identical to the training wage adopted by the Senate last month. With this training wage, the Congress, for the first time in the 50 year history of the minimum wage, will be establishing a two-tier minimum wage, under which inexperienced workers can be paid a lower wage for up to 60 days while receiving on-the-job training.

This legislation will significantly improve the lives of millions of low-wage workers. Some 14 million persons will benefit from this bill. Two-thirds are women; 72 percent are adults; almost half are full-time workers; 3.8 million are heads of households; and over 4.5 million workers and their children who live in poverty will be helped.

But this bill is not about numbers. It is about people—hardworking people who would rather work for a living than live on welfare, people who want to make ends meet, provide for their families and for their children's future. It is about how we as a nation value human labor, and whether there is to be some semblence of dignity in even the most thankless jobs in our society.

The President has said that if we send him this bill, he will veto it. The President claims that he has compromised already, that he has come 70 percent of the way toward our position by favoring an increase in the level of the minimum wage to $4.25 an hour.

But with whom has the President compromised? Possibly with himself, but certainly not with Congress, for he has never once even talked with us about the minimum wage. He has only talked at us.

All through last year's campaign, the President repeatedly reassured the Nation that he was in favor of an increase in the minimum wage. So his position then was not $3.35 an hour. And we believed him.

This spring, President Bush finally told us in dollars and cents the specific increase he favored: $4.25 an hour over 3 years, no further discussion, take it or leave it.

When Secretary of Labor Dole testified on March 3 before the Senate Labor and Human Resources Committee and presented the administration position, she requested four changes in current law.

First, the administration requested an increase in the tip credit provision, from 40 to 50 percent. Despite our misgivings over the impact on these employees, Congress accepted that request, and it is included in the conference report before us.

Second, the administration asked for an increase in the small business threshold before firms are covered by the minimum wage. We had included a smaller threshold in the bill we introduced, but we expanded this provision to accede to the administration's request.

Third, the administration asked for a level of only $4.25 an hour, over 3 years. That was rejected by the committee and by both the House and Senate as unfair. On the Senate floor, however, we went part way to administration's position. We reduced the level in our bill to $4.55 an hour, from the $4.65 reported by the committee.

Fourth, the administration asked for a training wage. In her testimony before the committee, Secretary Dole spoke of the concerns we share about training today's workers for tomorrow's jobs, and she outlined her justification for the administration's training wage proposal. As she stated:

> Most of us can remember from our own early experience with a new job how much of the basics we had to learn. Not only skills specific to any new job, but basics about showing up on time, taking no more than 10 minutes if we had a 10 minute break, showing good faith with coworkers and a good face with customers. Simple things, yes, but not automatic. They have to be learned.

I agree that showing up on time, limiting breaks, working with others, and dealing with customers are important attributes of any job. I would go further, and suggest that if America is going to regain its competitive edge, our workers need to be learning a lot more than these skills.

But these basic skills are learned in your first job, or your first few jobs. Yet, to learn how to smile and show up on time, the administration is proposing a so-called training wage of 6 months duration. Six months of subminimum subpoverty pay to learn lessons like that.

The administration's proposal is not limited to a total of 6 months subminimum pay. If you change jobs, if you are laid off, if your company moves or goes out of business, you go back to "Go" and start your 6-month training wage clock again.

No mention of training, no requirement of training, just less pay whenever you switch jobs, for whatever reason.

Let us apply this so-called training wage to the low-wage work force. By their very nature, many of these jobs turn over more rapidly than every 6 months. Restaurant workers, fast food workers, retail workers, and food store workers all work in jobs which turn over in less than 6 months.

Almost 17 million workers would be eligible for the Bush subminimum wage. 13.8 million of them are adults; 12 million are full-time workers; and almost 10 million are women.

According to a report released by the Urban Institute, among low-wage workers who would be affected by the administration's proposal, over 40 percent would get the subminimum wage instead of the higher minimum wage. That is 5½ million workers who would get no increase for the first 2 years of the bill because they will never escape from the 6-month sentence of the training wage.

The pockmarked prosperity of the 1980's has been harsh on millions of Americans, but it has been harshest of all on the lowest wage workers.

For 8 years, the Reagan administration stonewalled any increase at all in the minimum wage. Inflation increased from 1981 to 1989 by 40 percent but the wages of 3 million food store workers increased only 5.6 percent; the wages of 640,000 gas station workers increased only 24 percent; the wages of 6 million restaurant workers increased only 20 percent; and the wages of 20 million retail workers increased only 25 percent.

While the wages of those 3 million food store workers were being ravaged by inflation, the compensation of food store CEO's skyrocketed. Giant Food employees received a 5.6-percent increase in pay, but Giant's CEO received a fivefold increase, from $601,000 to $3.4 million.

Burger King employees received a 20-percent increase, yet Burger King's CEO received a threefold increase from $515,000 to $1.4 million.

K-Mart employees received a 25-percent increase, while K-Mart's CEO received a 95-percent from $506,000 to $989,000.

While Disneyland workers were receiving Mickey Mouse pay increases, the Disney CEO went from $450,000 to $7.5 million.

Yet the Bush administration is telling us that the sky will fall if we pay low wage workers a living wage. And as we all know, no one fears more for the future of the country than a well-paid executive being required to do right by his low-paid employees.

And, to add insult to injury, what does the administration say to workers in jobs which last less than 6 months?

Kinder and gentler does not mean you—you do not deserve any increase in pay at all.

For you, under the Bush subminimum wage, you will not get an increase this year. You will not get an increase next year. And in the third year, 1992, 11 years after the last increase in the minimum wage, we will give an increase in pay of one nickel.

In 1992, the subminimum wage for any employee who has started a job or switched jobs in the last 6 months, will rise from $3.35 an hour to the grand total of $3.40 an hour—an increase of one nickel.

One nickel is all that President Bush is proposing for the 5½ million workers condemned to the Bush subminimum wage.

Wait 11 years for an increase in the minimum wage, they are told, and then be grateful for the nickel extra an hour they will receive. "Let Them Eat Cake' is the message from the White House. I suggest that everyone concerned about the unfairness of the President's training wage mail a nickel to the White House; it will cost 25 cents more to mail. But it is a message that the President may finally understand.

"Mr. President, we do not want your wooden nickel; we want a fair day's pay for a full day's work." No one is fooled by the administration's subminimum wage. In all likelihood, it was specifically designed to ensure that large numbers of workers, who deserve an increase in the minimum wage, will never get any increase at all.

The administration's proposal is a sham. I urge my colleagues to pass this legislation and send it to the White House and override the President's veto, if he goes through with his threat.

Fifty years ago, a depression-era Congress enacted the minimum wage as a simple understandable promise to the American people. If you work for a living, you will not have to live in poverty. In the half century since then, Presidents of both parties, Republicans and Democrats alike, have kept that promise and raised the minimum wage. I hope that President Bush will continue this long tradition of bipartisan cooperation in maintaining an adequate wage for America's lowest paid workers, and I urge the Senate to approve this essential legislation.

Mr. President, I withhold the remainder of my time.

Mr. HATCH addressed the Chair.

The PRESIDENT pro tempore. The Senator from Utah.

Mr. HATCH. Mr. President, I have listened with a great deal of interest to the remarks of my distinguished friend from Massachusetts. I see no reason to unreasonably delay the business before us. I think it is important, however, that I reiterate a few points before moving forward, so there will be no misunderstanding about the dark side of this legislation.

Despite my own reservation about any increase in the minimum wage, I supported the President's position to increase the minimum wage, because I thought it was a fair position and was a genuine effort to reach a compromise on the minimum wage issue. Congress does need to move on to more important issues, such as how to deliver skills and needed training for a dynamic work force, which should be preparing for the dynamics and the challenges of the new century about to come upon us.

Those of us who supported the administration's position did so because we were not blind to the tragedy we would bring into the lives of people who would lose jobs and job opportunities, if the minimum wage is increased across the board. The bill we passed in the Senate and the conference report we are considering today failed to balance the help we want to extend to some individuals with the harm we know will be thrust upon them—I might say, which will be thrust upon others.

My name does not appear on this conference report, because this legislative product failed miserably to strike a needed balance. Instead, the product before us illustrates the cold indifference to the dilemma of those who will be denied the opportunity to work because of the approach of the distinguished Senator from Massachusetts.

This lack of sensitivity is exemplified in the description of the differences between the administration's position and the legislation we are being asked to endorse by the proponents of this bill. The difference, we are told, is merely one thin dime in each of 3 years. That is not the difference. The difference is about a quarter of a million jobs—and I should say lost jobs—which will occur. It should surprise no one then, given both the whitewash of the minimum wage's negative impact on unskilled, inexperienced workers, and the restrictive nature of the two separate measures passed by the House and Senate, that we are today considering a training wage which is meaningless.

This conference report's training wage is meaningless. Its sole purpose is to create an illusion, an illusion that a balance between the help and the harm that has been struck, a false illusion that something has been done to save jobs. It should surprise no one, then, given the descriptions of this bill we have heard, as nothing more than three dimes of difference that the Senate receded and accepted the House provision, which would establish a minimum wage board, which suggests backdoor indexing.

The board's task is predetermined. Each year, they are to transmit to the Congress an official recommendation for a minimum wage increase. I wonder how many of my colleagues are anxious to vote every year in perpetuity on a minimum wage bill. Just a few weeks ago an article appeared in the Washington Times which describes the consequences of a failure of policymakers to be sensitive to the harm we effect upon real people, when we blindly increase the minimum wage without balancing the help with the harm.

The article was written by Dr. Paul Craig Roberts, professor of economics at Georgetown University for strategic and international studies, entitled "Doing Good With the Minimum Wage."

I ask unanimous consent that this article be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Times, May 5, 1989]

"DOING GOOD" WITH THE MINIMUM WAGE

(By Paul Craig Roberts)

With Congress pressing for a higher minimum wage than President George Bush is willing to accept, it is worth recalling an encounter in the Kennedy administration with this tool for doing good.

As an economics graduate student at the University of Virginia, I had two professors from Harvard who responded to my liberal idealism by helping me land a spot in a new White House program started by the Kennedy administration. I drew a job in the Labor Department and reported for work in the summer of 1962.

By that time minimum wage laws had been on the books long enough for economists to study their effects. Most had concluded that they hurt the people they were supposed to help.

At the Labor Department I was assigned to look into this, specifically with regard to the impact of the minimum wage law on the lesser-developed economy of Puerto Rico. The law required that the minimum wage in Puerto Rico be raised as rapidly as possible to the U.S. mainland level, with the proviso that the minimum wage increases avoid a substantial increase in unemployment.

Industry boards were set up which routinely raised the minimum wage and a reported no adverse effects on employment. By the time of my investigation, entire industries had been wiped out.

It soon became apparent that the people who served on these boards were pleased with the opportunity to "do good" by raising wages. Whenever unemployment resulted, some other explanation was found to account for it.

For example, there had once been a thriving art needlework industry on the island with embroidered handkerchiefs and linens. Though there were some production shops, it was basically a household industry that provided some of the poorest people with a money income.

It was also an industry whose capital equipment was easy to remove, and as wages were forced up, the entrepreneurs began moving their machines to other locations. Puerto Ricans were saved from working for "substandard wages" by unemployment.

When I pointed this out, I was confronted with the argument that the handkerchief industry had been wiped out by technological change—the advent of Kleenex.

Curious, I checked the import statistics and found that the product was now streaming in from foreign locations not subject to the U.S. minimum wage. When I pointed this out, I was told these foreign imports were a different product.

More determined to get to the bottom of the issue than the Labor Department wanted, I found samples of the Puerto Rican product in an old report and sent them to the customs inspectors in New York, who had been classifying the product for years. A written affidavit came back that it was the same product.

By now the people who were proud of how much good they had done by raising wages were angry at me. The administrator of the Wages, Hours and Public Contracts division slammed his fist on the table and accused me of being against "bread and shoes for the workers." Dumbfounded, I replied that I had merely reported on the process that had deprived poor people of money wages.

There was an uproar, and I was told that my report would not be published. My idealism flashing, I replied that in that case I would publish an article about the episode. With that, things calmed down, and I received some half-hearted pats on the back for having done such a thorough job. After all, I had two sponsors who were in with the Kennedys.

I went to the University of California at Berkeley to study more economics. At Christmas a Labor Department economist with whom I had worked came to visit his parents. I asked if my study had been published, and he replied in the affirmative. Had it stopped the process of pricing Puerto Rican labor out of markets? I eagerly asked.

No. He explained I had made one mistake. By so thoroughly proving the case, my report was too long and opponents were able to seize on its length and demand editing. As paragraphs and tables disapproved, the message became confused.

Outraged, I threatened to protest, but my friend assured me that in his experience no one ever looked at the reports anyway, as the prospect that a person could be hurt by higher wages was not easily perceived by most people.

Years later I told this story to a governor of Puerto Rico. He thought it was a good thing that the low wage jobs had been lost. Puerto Rico had replaced them, he said, with high wage pharmaceutical jobs.

Had the needleworkers become chemists? I asked. No, he replied, they were on welfare or had moved to New York.

Mr. HATCH. I would like to share an overview of this article. Each Member of the Senate ought to read this article in its entirety. It points out there is much more to this issue than a few dimes of difference.

Dr. Roberts describes his experience as a young graduate student in economics, working at the U.S. Department of Labor during the Kennedy administration. He was given the specific task of investigating the economic impact on the lesser-developed economy of Puerto Rico following an increase in minimum wages. In his research the author discovered that a thriving art needlework industry, which had provided income for many of the poorest people on the island, simply disappeared following the minimum wage increase.

After review, he reported to his superiors at the Department of Labor that as wages moved up, entrepreneurs began moving their sewing orders to other countries where labor was less expensive. How was Dr. Roberts' report received? He was told that regardless of the statistics, he was wrong. He was told that the jobs had not disappeared because of wage increases, but rather, because the handkerchief industry had been wiped out by technological change, the advent of Kleenex.

Dr. Roberts did some further research, reviewing import statistics, and discovered that handkerchiefs of an identical nature were still being imported into the United States, except now they were coming from locations other than Puerto Rico.

When he reported this to his superiors, Dr. Roberts says that the Administrator of the Wages, Hours, and Public Contractors Divisions of the Department of Labor, and I quote, "slammed his fist on the table and accused me of being against bread and shoes for the workers."

Dr. Roberts concludes his article by stating that years later he told this story to the Governor of Puerto Rico, who responded that he thought it a good thing that the low wages jobs had been lost. Puerto Rico had, the Governor stated, replaced the low wages jobs with high wage pharmaceutical jobs. The author asks, "Did the needleworkers become chemists?" "No," the Governor replied, "they were on welfare or had moved to New York."

Well, that was more than 25 years ago, Mr. President. Still, when any Member of Congress is bold enough to point to the concrete evidence of job loss or point out the certainty of employment opportunity being denied, we are scolded for being against bread and shoes for workers. After all, we are told, there are only a few dimes difference between the President's approach and this approach. So are we supposed to stick our heads in the sand and ignore facts? Are we supposed to forget the notion that some balance ought to be forged? Are we supposed to accept phony explanations as to why entry level jobs disappear? Are we supposed to pretend that this training wage in the conference report, which we all know is meaningless, is going to stop those losses from occurring?

Well, let me just make a few points about some of the specific concerns which I have on this conference report, but let me say just one other thing: It is interesting that we have made an exception for Puerto Rico in this particular bill. As we recognize the minimum wage increases have been devastating to Puerto Rico, we make an exception for it; we make an exception for them.

Now, keep in mind, we do not do anything for all of those countless communities in this country who are in the same straits as Puerto Rico that are going to lose jobs for the very people who need them the most. This is the first time in all the years that we have debated minimum wage where I do not know of one economist who has not come out and said the minimum wage increases are a negative effect on the economy of this country. And especially the very people they claim they are trying to help.

Why Puerto Rico and not the rest of our underskilled, undereducated, undertrained economy? Why is it we are not concerned about elsewhere in the United States?

I agree with the Puerto Rico amendments to this bill. I think they are intelligent amendments, although they would be more intelligent to not increase it and allow the markets to bear the burden.

In this area to be honest with you any people with most training, any education, any experience and any skills are going to start at more than the minimum wage anyway.

It is only those who cannot get a job otherwise who will be totally denied a job the rest of their lives and they will be on welfare and each one will cost us through their lifetime about $1 million a person over a lifetime because of bills like this continued outworn, outmoded, old fashioned ideas that we cling to because one segment of the economy, one of the special interest groups wants this idea and, of course, it accords it Holy Writ consideration.

Let me make some points about some of the specific concerns I have with this conference report.

First of all, the training wage, the distinguished Senator from Massachusetts says is a concession to the President of the United States is a meaningless training wage. A training wage is a good bargain from the public policy standpoint if it is a real training wage. If it is real it is a way to save almost half of the jobs that are certain to be lost following the minimum wage increase.

I wish we were offered a real training wage, but this bill does not. Instead we are being offered a provision which is very restricted. For instance, coverage of first jobs and only first jobs will prevent use of the training wage for nearly all adult low-wage workers and for a majority of youth low-wage workers?

Who benefits from this provision?

The purpose of the training wage is to save jobs and provide entry level opportunities, but the conference report authorizes the training wage few will be eligible to utilize.

Is there a way to mitigate the count of lost jobs?

At 60 days or less, and for first hires only, an employer has no incentive to use the training wage; regulations and records requirements would be onerous as provided for by this bill and you can count on it and, for the Government, enforcement would be difficult. So, we have created a training wage which will be unavailable to unskilled workers because the burdens outweigh the benefits for employers. Is this a bargain? No.

Lastly, limiting the training wage to one-fourth of current employment for any employer requires even additional records requirements. At best, this proposal will save only 12,000 of the projected loss of 650,000 entry-level jobs at the level of the bill the distinguished Senator from Massachusetts is sponsoring. So, where is there any hope left for any job savings? This is not striking a balance; this is a smoke screen. It is like throwing a smoke bomb into this debate in hopes that no one will see the ill effects of what we are doing here.

What about back-door indexing?

BACK-DOOR INDEXING

I am also very concerned about instituting a Minimum Wage Review Board for the following reasons:

Their work product is predetermined. This Board will review economic data on wage, price, and other economic indicators and, on that basis alone, send Congress a recommendation for an increase in the minimum wage every year. Only after the Board calculated this recommendation would they consider the negative economic consequences, such as a few hundred thousand lost jobs each time. So, what is the use of a Board that looks at data which is already available through existing governmental statistical agencies and already released every year? What is the usefulness of any highly paid board when its work product is predetermined?

This Board is charged with contracting with the Bureau of Labor Statistics for the conduct of several studies which ostensibly would be used by the Board in making its economic impact assessments. Each of these studies would require a vast expansion of the BLS resources and their survey techniques. However, the conduct of each study is conditioned on the availability of funds. There are no funds available. So, what is the purpose of this provision other than to give the appearance that economic data is wanted when we know there is no money to produce it? If this type of data is really wanted, why has the Congress not paid any attention to the work which has been done by a number of economists over the years? These studies are unanimous in finding job losses and many have cast doubt on the minimum wage as an effective antipoverty tool.

In fact, many come right out and say the minimum wage is a negative effect on the economy, is not an effective antipoverty tool, and for some creates poverty.

Mr. President, I could go on, but I think it is fairly clear that this conference report presents us with legislation that will translate into the loss of hundreds of thousands of jobs and job opportunities for those who most need our help. Moreover, we are presented here with a legislative alternative which will mean that every year—each year—we will face a vote on whether the job loss will continue.

I hope that none of us, regardless of our individual views on the minimum wage, will be deceived into believing that this legislation strikes a balance. We all know, in our hearts, that this legislation falls far short.

I urge every Senator to reject this legislation and send a loud, strong message that this conference report, which would do nothing to save jobs and job opportunities, is unacceptable. I think that we should demand a better balance between help and harm than we are today being offered.

Let me also say that there are some facts that really have not been discussed very well here either. The typical minimum wage earner is young, single, works part time, and lives at home in a household not in poverty. Of a work force over 116 million, 3.9 million or 3.4 percent earn no more than $3.35 per hour in 1988. Those earning no more than the minimum wage include those who report this or a lower hourly wage but also earn tips. About 1.5 million tipped employees are in the work force. Almost 60 percent of minimum wage earners are under age 25. About one in four teenagers earn the minimum wage. More than two-thirds of minimum wage earners work part time. The vast majority of part-time employees prefer to work only part time.

Seventy-two percent of minimum wage earners are located in the South or in the Midwest. The economy has generated more than 19 million jobs since 1982, the last time the minimum wage was increased.

Minimum wage jobs have declined by 2.6 million or 40 percent since 1982. The overwhelming majority of youth who start at the minimum wage has moved to higher wage rates after the initial training period. So the key is not paying a livable wage. The key is finding a job and getting that inception job to begin with, and we are going to foreclose that for millions of young people and others who are underskilled, undertrained, and under educated because of this particular bill should it ultimately be signed into law.

There is an unanimous agreement in the published academic research literature by economists that an increase in minimum wage results in loss of job opportunities. It is unanimous. I do not know of anybody who is competent who disagrees with that statement. For each 10-percent increase in the minimum wage and here we have a 36-percent increase over 3 years, the study suggests a loss of between 100,000 and 200,000 employment opportunities. The congressional proposals contain an increase of about 39 percent, actually it is 36 percent with this particular bill which alone suggests a loss of between 400,000 and 800,000 job opportunities. It is no secret the Labor Department split the difference and came up with 650,000 jobs to be lost. The brunt of the job opportunity losses will be felt by those least able to bear them, young people and those most in need of skills and training.

Today the civilian unemployment rate is 5.3 percent. The teenage unemployment rate is somewhere around 15 percent or a little less than that. Black teenage rate is about 42 percent, that is near 50 percent during the Carter years. Some efforts have been made and some change has been obtained, though we still have a long way to go.

If you increase the minimum wage you foreclose even more the opportunities for some of these young black people to ever hold a job. The impact usually and especially hurts small businesses which are responsible for 70 percent of all new jobs. And two-thirds of all workers enter the work force by way of small businesses.

I just think those points are very important and I wanted to cover them because they are the type of thing that we do not give much consideration to.

But, in any event, I hope that our colleagues will vote this conference report down. We all know there are enough people who are devoted to these outworn ideas of the past that it is very unlikely that we will vote the conference report down today. It probably will pass. In the event it does pass and is sent to the President, then I can guarantee you that the President is going to veto this bill because he has gone better than half way to try and meet the needs of people by agreeing to a minimum wage up to $4.25 per hour over the 3-year period. That is a 27-percent increase over 3 years versus this 36-percent increase over 3 years. And he wants a real, true, training wage.

If he has those two things, then those who desire an increase in the minimum wage, as much as that may still be detrimental to our economy and to the very people they claim it helps, those people, the fact of the matter is they would get an increase in the minimum wage. This President is willing to go that far.

But if we do not do that, he is going to veto this bill and I hope my colleagues will sustain that veto because I

think it is in the best interest of America to do so.

Mr. KENNEDY. Mr. President, we are again addressing some of these same issues that we debated at the time of the Senate's consideration of our original proposal to increase the minimum wage.

If we take the figures of this administration, they estimate that the number of jobs is going to grow, during the time the minimum wage would increase, by 5.2 million jobs by 1991. That is what the administration estimates.

My friend and colleague from Utah says he believes that there is sufficient evidence to demonstrate that there will be a loss of some 250,000 jobs during the period of the increase in the minimum wage. Job opportunities increased by 360,000-jobs 2 months ago alone in the United States of America—a 360,000-job increase. Even if we accept what the Senator from Utah says—he is talking about 200,000 jobs that would not be available over the 3-year life of this increase in the minimum wage—we will still have a surplus of jobs.

Now, the Department of Labor says we will see an increase of 5.2 million jobs by 1991. They also say we will only add 4.4 million workers during that period of time. So using the administration's own figures, there is an 800,000 shortfall of workers—800,000 shortfall, a phenomenal event that will develop as a result of demography in our country.

Business Week itself said that they thought that the loss of jobs was de minimis. But even if we accept the argument of the Senator from Utah, that should not be the decisive factor.

Second, on the issue of Puerto Rico. If I heard the Senator from Utah correctly, I must say that if he would be willing to accept the mandated programs that exist in Puerto Rico, we might have a different proposal. In Puerto Rico they mandate maternal leave for expectant mothers. Instead of time and a half, they have double time. There are mandated Christmas bonuses. This Congress has always treated Puerto Rico somewhat differently because of the various mandated employee benefits that exist in Puerto Rico.

Finally, Mr. President, let us examine the administration's proposal just briefly. They would go from $3.35 to $3.65 to $3.95 and $4.25, their training wage would be 80 percent of each figure; 80 percent of each level for a training wage, or $3.35, whichever is higher.

Now, the fact is, as the Urban Institute has pointed out, 40 percent of the workers that are now covered by the minimum wage would actually drop out of any potential increase for the minimum wage under the administration's training wage. And the result of that is the following: If you take the President's program, it goes up to $3.65. What is 80 percent of that? It is below $3.35. So that worker gets no increase that particular year.

The second year, it goes to $3.95. What is 80 percent of that? It is still less than $3.35. So for 2 years there is no increase for 40 percent of the minimum wage workers in this country.

The third year, it goes to $4.25; very generous of them. What is 80 percent of that? That is $3.40. So for 40 percent of all the minimum wage workers, using the administration's proposal over the same 3-year period, their minimum wage would go up a nickel.

So, Mr. President, I think that the administration's proposal fails to provide any real opportunity for almost half of those who are working at the minimum wage today.

Finally, Mr. President, I think it is important to point out that those that are concerned about the economic implications of an increase in the minimum wage, are not out here suggesting that we should eliminate the cost-of-living increase for the 32 million senior citizens who are receiving Social Security—32 million get a cost-of-living increase—or the cost-of-living increase for the 2½ million men and women who are in the armed services.

I support that cost-of-living increase, as I do for the 32 million senior citizens. We do not hear arguments out here, "Let's take away the cost of living for the seniors because it is bad economics."

But when you talk about the 4 million heads of households that would be affected by our proposal, and the 1.2 million heads of households that are in poverty and would be helped by this bill, we hear, "Oh, the economic impact on our economy, it is going to be devastating."

Mr. President, the best economic indicators are a thorough examination of what has happened to our economy over the period of the last six times that we raised the minimum wage over the last 50 years. Back then we heard the same kinds of arguments, predictions, projections by similar voices in this body who were opposed to any increase, and those fears were just not justified.

This is a simple matter of equity, Mr. President. All we are saying is anybody who wants to work in America ought not to be condemned to a life of poverty. That is what the issue is. And I would hope that the Senate will accept this conference report.

Mr. HATCH. Mr. President, just a couple of thoughts. If I understood the distinguished Senator from Massachusetts correctly, it is the first time I have ever heard him admit that there is probably going to be a loss of at least 250,000 jobs, which he brushes away by saying there will be an increase of 300,000. Heck, we have had an increase of 20 million jobs, since the minimum wage was last increased, under the Reagan administration. I remember in those early years what a pejorative term it was to talk about Reaganomics. Nobody talks about that today. Twenty million jobs.

As a matter of fact, we made the point that there were some 7 million jobs lost that actually went out of existence that were $5 an hour or less and almost the same amount were created between $5 and $10 an hour and 18 million jobs over $10 an hour under the Reagan administration without an increase in the minimum wage.

What he does not say, though, whether he agrees that there will be a 250,000- to a 650,000-job loss if this conference report passes, is that that will be a loss of jobs to the very people that we are trying to help, who will never hold a job as a result of these types of archaic, old-fashioned increases in the minimum wage. That is what is wrong.

Look at the facts. This is the Department of Labor. In 1955, it says—well, let us go back to 1948.

Mr. KENNEDY. 1948?

Mr. HATCH. Let us go back to 1948. In 1948, black youth unemployment was roughly the same as white youth unemployment. For that year, blacks aged 16–17 had an unemployment rate which was less than whites of the same age, 9.4 percent unemployment compared to 10.2 percent whites unemployment.

In every year that the minimum wage has gone up, black youth employment has gone down and black youth unemployment has gone up to the point where it is well over 30 percent now.

The last time it was checked by—well, I will just go to 1955. In 1955, there was one black kid hired for every white kid. It was one for one.

In 1976, the last time that it was done, it was one black kid for every two white kids. And in every one of those particular years there was an increase in the minimum wage through much of that time.

There is a correlation. The very people that those who are supporting this bill claim they are championing, and they have been claiming this for years, they are actually just cutting out of the work force and putting on welfare at $1 million per person for the rest of their lives from every taxpayer in America because we are too doggone stupid to look at this thing for what it is.

And with regard to those who are working poor, there are not 4 million who are on the minimum wage, there are 336,000. Of the 4 million, approximately 4 million people on the minimum wage, 336,000, a little over 8 percent, are working poor. We should get them to a livable wage. There is no

question about that. And a lot of us would do so not by increasing the minimum wage for everybody with the ratcheting effect that triggers inflation as it happened during the Carter years, because there are a lot of other ungodly forces pushing up inflation, too, but this just triggers it. We would not do it across the board. We would have an earned income refundable tax credit that would get these working poor to a livable wage. And let us attack it directly.

The vast majority of people on the minimum wage are people who do not come from poor families. They are people at 150 percent above poverty or better. The vast majority are young people. The vast majority of them are people who literally are part-time workers or otherwise need a job. Many of them choose to work at the minimum wage.

As the labor demographics go down, people with any kind of skills or experience or education or abilities are going to be hired at more than the minimum wage. It is these people at the bottom rung who have no skills, have no education, have no training—they are the ones who are going to be cut out by this type of archaic increase in the minimum wage.

The President himself understands that and even though he does he is going to increase the minimum wage 27 percent over 3 years. I will support that even though he acknowledges that it is not in the best interest of these people. I acknowledge that. But there is still a belief out there, I think because of some of the reporting in this country, there is a belief that this somehow does people good when in fact it does a lot of harm.

We have to look at these last 6 or 8 years and see how much better the economy has been when there has been no increase in minimum wage and how much better it has been for those who really are underskilled, undertrained, and undereducated.

Let me yield such time as he needs to the distinguished Senator from Texas.

Mr. GRAMM. I would withhold, Mr. President, for the Senator from Massachusetts.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. I will just take 2 minutes. Mr. President, on the one hand, the Senator from Utah says there are only going to be a few hundred thousand that are going to be affected. The Senator cannot have he argument both ways. He cannot say there is only a few hundred thousand going to be affected and then predict these dramatic and dire economic impacts on the economy. The argument does not hold. It just does not hold.

Mr. HATCH. That is not what I said.

Mr. KENNEDY. The fact of the matter is we had an increase in the minimum wage by 60 percent between 1961 and 1969. The rate of inflation during that period was 22 percent.

Between 1981 and 1989, a zero-percent increase in the minimum wage, but the rate of inflation was 39 percent.

Let us use the basic traditional economic data when we are trying to talk about the projections and what the impact is going to be in terms of the loss of jobs.

An just finally with regard to the loss of jobs, I put in the RECORD the Business Week article that states that, regarding the loss of jobs, "Indeed, the harm from a higher minimum wage may not only be less than the conservative figure—but even less than the liberals think."

It basically points out that any potential loss of jobs would be de minimis because it correctly points out that what impacts jobs are the economic indicators, not just providing a living wage to the working poor of this country.

Mr. President, I ask unanimous consent that the article, dated October 19, 1987, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

DISPELLING THE MYTHS ABOUT A HIGHER MINIMUM WAGE

(By Aaron Bernstein)

Sometimes economists are so busy predicting the future that they neglect to look at the past. This seems to be the case in the current debate over the minimum wage. Liberal and conservative economists alike have churned out predictions of how many jobs will be lost if the $3.35-an-hour minimum is raised. The liberals say very few, the conservatives say a lot. But a close look at how each side reaches its conclusions throws doubt on both their estimates. Indeed, the harm from a higher minimum may not only be less than conservatives figure—but even less than liberals think.

The problem lies in the econometric models on which the projections are based. Lobbying groups ranging from the U.S. Chamber of Commerce to the AFL-CIO buy these computerized profiles of the economy, which they then use to project what happens when variables such as the minimum wage are altered. It turns out that the models used on both sides of the current debate assume that the percentage of workers earning the minimum wage will remain the same.

In reality, the percentage has been dropping. As a result, the pool of workers likely to be affected by a higher minimum wage is smaller than most models assume—some 35% smaller (chart). The implication is a matter of arithmetic: The fewer minimum-wage jobs there are, the less impact on employment if the minimum wages rises.

To be fair, glitch in the econometric models has caught nearly everyone off guard. Even such staunch opponents of a minimum wage hike as Finis R. Welch, a labor economist at the University of California at Los Angeles, now concede that the smaller number puts the matter in a different light. Although he still is against raising the minimum, he agrees "there will be less problems if there are fewer workers at the current minimum."

That may be an understatement. Conservatives point out that if higher labor costs aren't matched by productivity gains, minimum wage workers could be priced out of a job. The Chamber of Commerce predicts that 750,000 jobs could be lost by 1990 if the minimum wage were raised in steps to $4.65, as is called for by legislation being debated in Congress. It predicts a loss of up to 1.9 million jobs by 1995.

Liberals, arguing that employers would offset the wage hike with productivity gains, show far fewer jobs being lost. F. Gerard Adams, an economist at the University of Pennsylvania, puts the loss at 100,000 by 1990. Liberals also argue that it's worth losing some jobs to keep other minimum-wage workers out of poverty.

Whatever the merits of that argument, even Adams' number may be too high. The model he used, from Wharton Econometric Forecasting Associates Inc., assumes a constant proportion of minimum-wage workers vs. all hourly workers in the economy—even though the actual share fell from 15% in 1981 to 8.8% in 1986. Thus "the model could be overcounting [anticipated] job losses," says John Hagens, the head of Wharton's macro unit. The impact could be overstated further because the number of hourly workers above $3.35 but below the proposed new minimum wage has fallen, too.

The Chamber of Commerce used a Washington University econometric model with similar flaws. "We do assume a rise in the number of minimum-wage workers," concedes Chris Varvaes, an economist at Laurence H. Meyer & Associates, which built the model. The chamber's economist, Graciela Testa-Ortiz, apparently didn't realize that. By contrast, Data Resources Inc. used a "very conservative assumption" on how many workers earn $3.35, says Roger Brinner, its chief economist. He sees 87,000 jobs lost by 1990.

Indeed, the opponents' own logic indicates that raising the minimum shouldn't be devastating. If business hires fewer minimum-wage workers when they become more expensive, then it should hire more such workers when they become cheaper. They've become an absolute bargain since 1981, as the real value of the minimum wage has fallen by 25%. Yet there are 2.7 million fewer minimum-wage workers now, while overall employment has risen by some 9 million.

Why did this happen? Many economists say the education and skill requirements of new jobs are rising. While some of these may be low-paid retailing or fast-food jobs, even they are starting to pay more than $3.35. That may be because the number of teens is falling and labor shortages are developing, making it harder to hire workers at the minimum. If these trends continue, the economy will replace more of the lowest-paying jobs with higher-paying ones. So letting the minimum rise shouldn't be so harmful.

There's another point that some economists have missed. Opponents argue that lifting the minimum wouldn't help many poor people anyway. Only 1 million of the 5.1 million minimum-wage workers live in poverty, they say—the rest live with other wage-earners. But few mention that the 5 million counts only hourly workers.

TRADE-OFF

In unpublished surveys, the Bureau of Labor Statistics estimates the number of

piece-rate or daily-rate workers who earn the minimum. They raise the number of those workers to "probably 7 or 8 million," says Welch. Some of them live in poverty. The BLS also found that in 1985, 1.1 million impoverished workers earned $3.36 to $4.35 an hour. A higher minimum would push up their pay, too.

Increasing the minimum wage would raise costs for those companies still paying it. But if the economy is shifting toward higher-wage work anyway, a hike wouldn't cost many jobs—and would help many poor people keep up with inflation. That may well be a trade-off worth making. But before the country can decide whether it is, someone will have to bring those antiquated forecasting models up to date.

Mr. HATCH. Mr. President, if there is any impact it is going to be on those who cannot get jobs. It will be on those who are underskilled, those who have no training, those who have no education or at least relatively little. That is the point we are making here.

The 336,000 people are those who are heads of household who literally are underpaid on the minimum wage and we would solve that. We would directly attack that with a refundable earned income tax credit and we would help them. That is rightly so. But let us help them directly, let us not just ratchet up the whole economy in unfavorable ways just because people are slavishly devoted to an archaic idea that literally almost everybody is criticizing today who has any economic background or experience.

That is the point we are making. There may have been a time when the minimum wage had some value, back in the Depression when they were trying to protect jobs and so forth. But that time is not now. Right now, there will be a tremendous loss and tremendous hurt to the very people that the sponsors of this bill claim they are trying to help.

Let me yield at this time to the distinguished Senator from Texas as much time as he needs.

The PRESIDING OFFICER. The Senator from Texas is recognized.

Mr. GRAMM. Mr. President, let me begin by saying if our objective is really to adopt a living wage, I do not know why we are so stingy with the working men and women of America. Who here argues that $4.55 an hour is a living wage? Surely not our distinguished colleague from Massachusetts. In fact, at $4.55 an hour, if this is the wage being paid to a head of a household of four, when that goes into effect in 1992, the Department of Labor estimates that the family will be $4,661 below the poverty line.

So, Mr. President, we are not talking about a living wage, here. What we are talking about is an action to set into law a wage below which we will not allow people to work. We will not allow jobs to be offered or accepted below that wage.

Mr. President, if minimum wage laws really worked, if, as the Senator from Massachusetts said, they really did not have any impact on employment, they just had impact on the people getting the wage, why are we not debating $10 an hour or $20 an hour or $1 million an hour? If we adopted a minimum wage of $1 million an hour, we could all be rich. Except for the quirk we all learned in the third grade when we learned multiplication and that quirk, Mr. President, was: Anything times zero is zero. And $1 million an hour times zero hours is zero and you are still poor and you are still broke.

Mr. President, it is a great paradox that, as we are here debating this issue today, all over the world, in every other deliberative body on earth, people are talking about perestroika and liberalization and market incentives; in Russian and Chinese and in Spanish people are talking about letting markets work. And yet here in the greatest deliberative body on earth we are talking about passing laws to set wages. The Russians have tried since the October revolution to run the economy by having the Government set policy. Today, everyone except the U.S. Congress has wised up to the fact that this policy does not work.

Mr. President, I am not here to debate the difference between the President's plan and Senator KENNEDY's plan. Both of them are bad plans. Both of them are political plans.

The President has proposed a compromise to try to minimize the impact but his compromise will slow growth, will put people out of work, and will make America worse off.

Mr. President, I have heard many examples of why we should not increase the minimum wage. The best one I ever heard was last year when a group of florists came to see me—people who cut flowers. And this one old florist said: You know, I always hire people at the minimum wage. I always have about four people working for me at the minimum wage. But, he said, what people do not understand is that they are never the same four people. People come to work for me, they learn how to get to work on time, they learn how to work under supervision, and then suddenly they quit to go to work for K-Mart or to go to work for the local exterminator or to go to work for a new manufacturing plant. And then I hire somebody else. And my florist's shop is like a weigh station on the way for people to get better jobs.

The old florist said, for example, that 8 years ago, a young fellow came into his shop and said he was looking for work, and he hired him. The guy was artistic. The florist taught the young man how to cut flowers. The guy was smart, and he taught him how to do his books. Two years ago, the young fellow quit, went across the street and opened his own flower shop. Now this young competitor hires 10 people at the minimum wage to work for him. The old florist said that if we had had $4.65 an hour as a minimum wage 8 years ago, he would never have hired that young guy, that guy would be on welfare, the old florist would have no competition in his neighborhood, and he would be rich.

Mr. President, we can go through these numbers until you are blue in the face with charges and countercharges, but the bottom line is this: Minimum wage laws tend to cut the bottom rung off the economic ladder. The plain truth is there should be no minimum wage law, period, in this great land of free enterprise. Minumum wage laws keep people in poverty, or using the words of our distinguished colleague from Massachusetts, they condemn people to a life of proverty, but they do this by keeping workers from ever getting that foot on the bottom rung of the economic ladder.

Mr. President, I have had an opportunity in my lifetime to work at several jobs at the minimum wage. In fact, I remember one job I had at the Tom Houston Peanut Co. in which I was hired at minimum wage. I thought it was minimum wage. It was $1.10 an hour. I remember that vividly. I did two jobs. One job was to sand these wooden candy display cases in a filling station. The other job involved the metal cases that were coming on to replace the wooden cases, therefore, my first job at that point was becoming obsolete even as I acquired skills by sanding away my fingerprints every day. The new metal cases were covered with grease, so I would sand in the morning, and then in the afternoon, I would tie this chain around these metal cases and dump them in kerosene and then wipe them off. By the end of the morning, my hands had little nicks and then when you stuck them in that kerosene, my hands would burn and I think, Mr. President, it was somewhere on one of those days that the idea hit me that maybe this book learning business was not as bad as I might have previously thought.

I am certain, Mr. President, that I acquired great skill in working at the minimum wage. One of the things I discovered was that I did not want to do it the rest of my life. Had I never had that opportunity, I am not certain that this revelation would have ever reached me, and I do not believe that it would ever reach millions. The plain truth is that most people learn to do what they do for a living by doing it.

On the job training is the only training program that has ever had any real effect. All of these jobs bills we pass around here are nothing as compared to on the job training. In fact, there has only been one legitimate antipoverty program in history, and it is called American capitalism. The

plain truth is you do not eliminate proverty by passing laws setting wages. You eliminate poverty by having an economy where there is opportunity and freedom.

So my frustration, Mr. President, is not in numbers about how you can show that between 1978 and 1981 we raised the minimum wage and the poverty rate went up, or that we did not do anything to the minimum wage between 1983 and 1988 and it went down. The world is not going to come to an end based on what we do here or what we do not do here. It is true that the plight of the people who would like to be part of mainstream America will be made more difficult if we raise the minimum wage law. The minimum wage law is antipoor, antiminority and it is unworthy of consideration by this great deliberative body.

Mr. President, what we ought to be debating is how to make America richer by letting our markets work more effectively, by promoting trade, by lowering interest rates, by promoting capital accumulation and investment, but instead we waste away our time and the time of the Nation by engaging in a political debate with the arrogance that somehow we, in this room here, can pass a law and make wages in our society in a world marketplace.

The plain truth is we cannot do that. The only way we can make wages is by making the economy stronger, and that should be the subject of our debate. I intend, Mr. President, to vote against this bill. I intend to vote to sustain the President's veto. I do not want anyone to ever think that I voted to condemn the poor people of this country to poverty; that I voted to cut off the bottom rung of the economic ladder and deny them the opportunity to get on the playing field and use their God-given talents. Not only is that approach unenlightened, I think it is unworthy of our great Nation. I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. HATCH. I reserve the remainder of my time.

Mr. KENNEDY. Mr. President, I yield 5 minutes to the Senator from Florida.

The PRESIDING OFFICER. The Senator from Florida is recognized.

Mr. GRAHAM. I thank the Chair. Mr. President, we have had a very constructive debate thus far today and in weeks past on this fundamental issue. I rise today to support the compromise plan which has been submitted through the conference committee process. I believe it is a good compromise, and I believe it is good policy for this Nation. The Congress and the administration for half a century have agreed that the minimum wage is an important part of our democratic capitalism in America. Since the 1930's, the minimum wage has been a contract for dignity of American workers.

I believe, Mr. President, there is a fundamental aspect of American capitalism that is at issue here today. The Senator from Texas has made a strong statement for what I would call pure capitalism, and that is to allow the marketplace untouched, undirected, unsoftened to be the determinant of allocation of resources.

I am a capitalist as well, and I believe in the strength of the marketplace and the wisdom of the unguided hand, but I also look at some societies which I think have allowed that unguided hand to be the only hand. Societies to the south of us in Latin America, which with a high degree of almost medieval, feudal capitalism, have seen societies that have grown with tremendous disparities; which have seen societies that did not encourage the entrepreneurial spirit; which have seen societies that emphasize class division where that young child born into the poor barrio knew, no matter what people told him, there was no chance that he or she was ever going to have a real opportunity in that society.

We have taken a different route in the United States, Mr. President. We have believed in the concepts of Jeffersonian and Hamiltonian democratic capitalism, that there is a role for society through democratic institutions in softening, in making capitalism kinder and gentler and more available to all people.

Within a few yards of where we stand is the room in which Abraham Lincoln signed the Emancipation Proclamation. That was a strong economic statement. It was a statement that Government was going to proclaim that the sale of human beings was no longer tolerable in our society. I guess you could say that was an intrusion by Government into what the economic marketplace had said was acceptable prior to our Civil War.

In this room, we have debated in the past child labor laws, laws that have protected those who were defenseless, laws which have created some sense of safety and environmental protection on the worksite. All those are intrusions into a true marketplace. I suggest those are not things which have demeaned or weakened our economic system. Those are the types of measures which have made our democratic capitalism the model of the world today and will be in the future.

It was in that same vein that, 50 years ago, this Government decided there was a minimum wage below which Americans should not be asked to work. It was in that tradition of democratic capitalism, and so what we are talking about today is not any fundamental, radical change of our economic and social history. It is in the tradition of that social and economic history. Our enlightened policy takes into account past experience and tries to shape a better future by applying that past experience.

Mr. President, I suggest that this legislation is an example of taking advantage of past experience, particularly as it relates to the inclusion of a training wage within the conference committee report and recommendations.

While the focus of the debate has been on the difference, I think what is important to also comment on is the fact that the position of the Congress, as expressed in this report, and the administration, as expressed in the statements of the President and his representatives, are actually very close. Both agree that we should increase the minimum wage. I guess even more fundamentally, both agree that we should retain the minimum wage as part of our social economic policy. The difference between the two positions comes down to 10 cents per year per hour over the next 3 years in terms of implementation so that by the year 1992 the administration's program would be $4.25 and this conference committee report is $4.55. Both sides have agreed that a training wage is an appropriate component of this legislation. I believe now is the time to put this debate behind us and for the President to recognize that this is a reasonable compromise which well-minded, patriotic men and women can agree to and let us go on to the more difficult issues that will be before Congress and this administration in the months to come.

I should like to talk particularly, Mr. President, about the training wage which was an issue of particular concern to me because in my experience I have seen many people who were given that opportunity for the first job, given that opportunity to learn and to demonstrate their aptitude.

I believe we should encourage employers to make that first opportunity even more available, and it is toward that objective that the training wage is targeted. The training wage in this conference committee report is essentially the same provision which was adopted by a significant margin in this Senate. The Senate training wage was accepted by the conference committee. Therefore, we have a 60-day training wage that provides an incentive for businesses to bring in newcomers to the job market, to take a chance on those who have not been previously employed.

This training wage compromise is good for business. It is good for the first-time worker. It is good for our capitalist system. Sixty days is a reasonable period to train new employees, to teach them the importance of punctuality, teamwork, and service to customers.

Those were the exact positive goals described by Labor Secretary Dole in her testimony to the Senate Labor Committee when she spoke about the need for a training wage.

As a supporter of the training wage, I appreciate the President's desire to create this incentive for employers to take a chance on the relatively inexperienced employee. I am concerned, however, that the President's current proposal fails to fully achieve this goal; that the training wage which he proposes, 180 days, would last far beyond the time actually required to learn both the skills of the job and the culture of the job. I am also concerned that it could be the source of abuse; that it could be the means by which employers who had interests other than advancing the training and preparation of that first-time employee could use it as an abusive means in order to keep a person permanently in a subminimum wage position.

I urge the President to look closely at the training wage in this legislation. We encourage employers to provide substantive training. We encourage employees to remain on the job by providing enhanced wages with continuity of employment. We discourage displacing workers or churning new workers in a training cycle without an end.

Congress has moved, Mr. President, toward the administration's proposal on the training wage and the minimum wage rate. I hope the President will build on this spirit of compromise so that we can reach our mutual goal of providing a just minimum wage. Our goal is to prove the maxim that work means dignity in America. Now is the time for the President to join us in saluting dignity in the workplace.

I thank the Chair.

The PRESIDING OFFICER. The time of the Senator from Florida has expired. Who yields time?

Mr. KENNEDY. Mr. President, I ask unanimous consent that the vote on the conference report occur at 4 p.m.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. KENNEDY. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. HATCH. I suggest the absence of a quorum with the time divided equally.

The PRESIDING OFFICER. Without objection, the time will be divided equally. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HATCH. I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. LIEBERMAN). Without objection it is so ordered.

Mr. HATCH. Mr. President, in the statement of the managers which accompanies the report, there is a provision which requires the Secretary of Labor to promulgate regulations which interpret section 13(a) of the Fair Labor Standards Act permitting skilled computer operators to qualify for an exemption. I have a question about this language which I hope the distinguished Senator from Massachusetts can clarify. It is a very important question. My question concerns the language directing the Secretary of Labor to promulgate regulations implementing this exemption for highly skilled computer professionals, specifically the earnings test, the exemption which is based on earnings not less than 6½ times the current minimum wage rate. However, language in the conference report states the following: "When the Secretary of Labor adjusts these tests," referring to the administrative, executive, and professional exemption from overtime tests under section 13(a), I assume,"this level of 6½ times the minimum wage should serve as a guide as to the appropriate levels for the salary tests."

I know that this amendment was meant to cover computer professions, but the exemptions from the Fair Labor Standards Act under section 13(a) also covers about 20 million other persons currently working in professional, executive, and administrative positions. I understand that the average annual income of individuals performing in a managerial capacity is about $28,000 a year. The Department of Labor's regulations define this category as individuals whose primary duty is management of an enterprise and who customarily and regularly direct the work of two or more full-time employees.

Here is my question for my friend from Massachusetts, the distinguished Senator from Massachusetts. Are we in this language instructing the Secretary of Labor to increase the entire 13(a) salary tests which are now set at not less than $250 per week to a level which would equal over $870 per week for a full-time manager at the current minimum wage of $3.35 an hour? In annual terms this directive would increase the threshold from $12,500 to $43,500. If that is so, or if that is what we are asking the Secretary of Labor to do, it would mean that if the minimum wage were indeed raised to $4.55 an hour as is being attempted under this bill that any manager would have to earn about $60,000 per year to qualify for an exemption as an executive, as a professional, or as an administrative employee. It would also mean that the vast majority of the approximately 20 million senior level employees currently covered by this bill would no longer be exempt. It would mean that almost every business, and indeed the Senate, given the provisions we have adopted for congressional coverage, would have to start paying people overtime.

Since the Congress of the United States is also written into this bill, it means every Member of Congress and every staff member in Congress would have to be paid overtime if their salaries are $60,000 a year or less because of this bill. If that is what we mean, I think that every Senator should be aware of this before they cast their vote on acceptance of this conference report.

If that is not what we mean, and the language seems to say that, I think we should make sure that this statement of direction is not misinterpreted by the Secretary of Labor or by the many business people who would be affected by a major expansion of the coverage of the Fair Labor Standards Act.

So I ask the distinguished Senator from Massachusetts just what it means, and can we instruct the Secretary of Labor in such a way to make it clear that we are not going to have to pay overtime for everybody who is willing to work extra hours for the benefit of taxpayers in America, and for the benefit of the countless businesses in America without overtime today? And they are willing to do so because they are managers, and they are administrators. They are professionals or they are executives. Because if it means the other, then it is going to be a further deterioration of rights and privileges throughout this country, and a loss of tremendous business expansion in this country. As a matter of fact, I think there will be a lot of businesses going out of business.

So I ask the distinguished Senator from Massachusetts, what does it mean?

Mr. KENNEDY. Mr. President, as the Senator knows, under the regulations regarding the exemptions from overtime which exist under the Fair Labor Standards Act, there are different criteria for determining exempt status. For example, administrative and professional personnel who also meet the duties test are exempt from overtime if they make more than $155 and $170 a week respectively; there are other provisions that provide that even without the duties duty test they are exempt if they make $250 a week.

This particular provision relates to an amendment I supported from the Senator from Minnesota [Mr. DURENBERGER] and it requires the Department to extend the professional definition to computer system analysts and software engineers. It sets as a minimum that they should be making 6½ times the minimum wage, and if both criteria are met, they would not be subject to the overtime provisions.

Basically, there is no requirement for other employees who are subject to the salary tests. The statement of managers does suggest, however, that when the Secretary adjusts these tests this level of 6½ times the minimum wage should serve as a guide. There is no mandate. Since it has not been changed since 1975, it is a guide, and one I hope is followed soon.

So the basic provisions provide the two additional or the additional professional careers which are the computer system analysts and the software engineers in the definition of exempt professionals, this new exception would only apply if these individuals made at least 6½ times the minimum wage but since the other salary tests have not been adjusted since 1975 that this level should serve as a guide, not a requirement, for the Department. And it is in response to the particulars in the computer industry which the Senator from Minnesota brought up with his amendment. But does not mandate that level to other occupations outside of the specific ones described in the amendment.

Mr. HATCH. It would only apply to skilled computer system analysts, software engineers, and other similarly skilled computer professionals, as I understand.

Mr. KENNEDY. That is right.

Mr. HATCH. We are not applying it to any other professionals, executives, or administrators?

Mr. KENNEDY. No. That is correct.

Mr. HATCH. I thank the Senator.

The PRESIDING OFFICER. Who yields time?

Mr. HATCH. I yield 5 minutes to the distinguished Senator from Oklahoma.

Mr. NICKLES. Mr. President, will the Senator give me 8 minutes?

Mr. HATCH. Yes.

The PRESIDING OFFICER. The Chair recognizes the Senator from Oklahoma [Mr. NICKLES] for 8 minutes.

Mr. NICKLES. Mr. President, I rise today in opposition to the conference report to increase the minimum wage from $3.35 to $4.55. That is not because this Senator is not concerned about people on the lowest end of the economic ladder. It is actually because I am concerned about the people who want to have the opportunity for a job. I do not want to pass a bill that almost every economist says is going to take away jobs, it is going to cost jobs, and it is going to put people out of work. I think we should be encouraging economic activity, encouraging job creation, not discouraging it, and by increasing the minimum wage by $1.20, you are going to price a lot of jobs out of the marketplace. There is no other way of putting it. You are going to put a lot of people out of work; Senator KENNEDY said when we debated the bill maybe 60,000 or 50,000.

We have CBO saying it will cost 200,000 jobs. Two hundred thousand jobs are going to be lost. Maybe some people will benefit because maybe their wages will increase marginally. But there are going to be hundreds of thousands of people who are going to lose jobs.

The Chamber of Commerce and others say it will cost 400,000 to 500,000 jobs per year. Why would we pass a law that is going to be putting people out of work? Why do we want to pass a law that says if you make $4.50 an hour, your job is not worth it, and you cannot have the job? Because that is exactly what this is doing. This does not raise everybody's wage. This says if the wage agreed to between employer and employee does not equal this specified level, $4.55, the job is not worth it. It is against the law for you to have this job because we have determined in Washington, DC, that, hey, if the job is not worth $4.55, it is not worth having a job, therefore, it is not economical. We would rather have you unemployed if you cannot have $4.55. Too bad, we would rather have the unemployed than to have the job at $4 an hour. Maybe it does not impact very many people here.

I happen to have a daughter that is working right now for $4 an hour. Maybe by passage of this legislation, maybe she will get a raise, and maybe she will lose the job. I would rather have her have that job at $4 an hour and learn some work ethics. I would like for her to get involved in the economic system. I would like for her to pay for the gasoline bills that she is incurring right now. I do not think we should pass the law that says it is against the law for her to work for $4 an hour. That is what we would do by passage of this bill.

I do not think we should be making it more difficult for small business to survive. Everyone in this Chamber has talked about small business. I think we all wave the flag, we want to say, oh, yes, we are supportive of the small business community. The Senator from Illinois serves on the Small Business Committee. I served with him. We all like to talk about job creation, we are helping small business. This will hurt small business.

Eighty percent of all new jobs created in the United States come from small business, and small business has been doing well, a lot of job creation; and a lot of them are in jobs that pay maybe less than $4.55 an hour. I started a janitor service when I was going through school at Oklahoma State University about 20 years ago, and we employed a lot of people, and we did not start out at $4.55. We ended up paying people more than minimum wage. But, you know, you are going to put a lot of people out of work that want to start or create a small business by passage of this bill. I do not think we should do that.

There are a lot of rural communities that, economically, are struggling right now, and they cannot afford it. I would encourage my colleagues to go to a rural community, stop by the gasoline station, and if they have somebody that is pumping gas, ask them what they pay. Maybe they pay $5 an hour. It may well be, in our area, but maybe they pay $3.50 or $4 or maybe $4.25.

Do we want to tell them that is against the law? Go by a rural grocery store that is having a hard time or maybe a little grocery store competing with the big boys, the Safeways and IGA's. They may be struggling because competition has really passed them by. But it is a mom-and-pop-type operation, and they are trying to continue on, and they may have kind of a tradition where they hire a lot of summer employees, a lot of students. I know I ran a company in Oklahoma, a manufacturing company. We employed a lot of students in the summertime, and we did it as much—if nothing else, we wanted to help them. And, sure, they helped us. Maybe they would paint or clean, or whatever, and yes, we usually paid more than minimum wage; but a lot of companies cannot afford to do that. A lot of companies that have people working for $4 an hour will not be able to pay $4.55, or maybe they are employing people right now at $3.50; they may be losing money. So they will not be able to pay the incremental mandates we are passing by this law, so we are going to put people out of work.

I stopped in Colgate, OK, at a grocery store, and they had several young people stacking groceries. I said, "How much are you paying these young men and women doing this job, stacking the groceries and taking them out to the car?" He said, "We pay most $3.60 or $3.75. They work part time after school, and they work on Saturdays." I said, "Can you afford to pay them $4.55 an hour?" He said, "No Senator, we are not making any money now." He said, "No we cannot afford that." I said, "What are you going to do?" He said, "We will just have to have people bag their own groceries."

They do it in a lot of cities, in big cities, I guess, and a lot of areas, but why should we price that job out of the marketplace?

Why should we pass a law that denies that opportunity for a young persons to really begin climbing the economic ladder? I heard my friend from Massachusetts say, "Well, we want to pay a living wage." This is not a living wage.

If we are going to solve poverty by increasing minimum wage, why not make it $10 an hour. If this is economic theory that really works, let us

make it $20 an hour and make everybody prosperous. Of course, that will not work. Of course, if you follow this kind of Government dictates, it will not work, and it will make the United States less competitive; and it will put millions of people out of work, and it would be very inflationary, and it would punish and penalize senior citizens and other people who are on fixed income. It really makes no economic sense to do that. Yet, again, we have those in Congress who say, "I do not think the present system is working. We have not increased the minimum wage in 8 years, and we have 19 million more people working today than we had 8 years ago—19 million more jobs.

Mr. President, this bill before us today makes no economic sense. This bill before us today is going to put hundreds of thousands of people out of work. This bill before us today is going to pull up—instead of allowing people to climb the economic ladder, it will pull the ladder up, and they will not get started. They will never really become self-sufficient. This bill is antifree enterprise. This bill will deny economic opportunity to hundreds of thousands of people. This bill before us today should not become law.

I urge my colleagues to vote no on the conference report.

The PRESIDING OFFICER. Who wishes to be recognized?

Mr. KENNEDY. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Chair advises the Senator from Massachusetts that he has 6 minutes 30 seconds.

Mr. KENNEDY. I yield 5 minutes to the Sentor from Ohio.

The PRESIDING OFFICER. The Senator from Ohio [Mr. METZENBAUM].

Mr. METZENBAUM. Mr. President, as a member of the conference on the minimum wage, I rise in support of the conference report.

The minimum wage is about basic human decency.

It is about how we treat the poorest working members of our society. Unfortunately, for the last 8 years, we have not treated those workers very well.

Since 1981, the purchasing power of the minimum wage has decreased by nearly 40 percent.

The cost of food has increased, the cost of clothing has gone up, medical costs have skyrocketed, and housing costs have climbed, as well.

But corporate America does not have to worry.

Last year alone, corporate profits soared 32 percent.

Since 1981, top executive compensation has increased over 300 percent.

In 1988, for the first time in the 39-year history of Business Week's salary survey, average annual compensation for top executives jumped to over $2 million per year.

The only thing that has not increased in the last 8 years is the minimum wage.

With this conference report, we have a chance to make amends; to do the right thing; to restore some level of decency to the minimum wage. It is not enough, I am frank to say.

I believe this report does not go far enough toward making the minimum wage a decent, living wage. But it represents at least an effort to move in the right direction.

Last year, the House proposed that the current $3.35 minimum wage should be increased to $5.05 per hour.

According to a Gallup poll, 76 percent of the American public supported such an increase.

This year, the Senate initially proposed increasing the minimum wage to $4.65 per hour over 3 years.

But the conference report represents a compromise: the wage will increase to only $4.55 over 3 years.

The conference report also includes, for the first time in the 50-year history of the minimum wage, a 60-day subminimum training wage for inexperienced workers.

I do not support a subminimum wage. I do not believe it belongs in this bill, but we have accepted it as an effort to compromise. Despite these concessions, President Bush has stated he will veto this bill. He has drawn a line in the sand—an increase to $4.25 per hour with a permanent 6-month subminimum wage. No negotiations, no compromise, no discussion.

Frankly, I have a lot of respect for President Bush. I believe he is a compassionate and decent human being, but I believe there has been engineered a political confrontation over a difference of 30 cents per hour. Apparently, some of his advisers believe that this take-it-or-leave-it approach will show the American people that the President is tough. Let us concede it, the President is tough. Now, let us take care of those workers at the poverty level and give them $4.55 an hour.

I think the President has received bad advice. President Bush, vetoing this minimum wage bill, will not show toughness. It will only show a lack of compassion. It will be a cruel blow for millions of Americans trying to eke out an existence for themselves and their families.

We reached an agreement on a trillion-dollar budget and we are fighting over 30 cents an hour.

The other day we passed a bill for $239 billion as a bailout of the savings and loan industry and we are denying workers $4.55 an hour.

The President is advocating a repeal of capital gains tax to provide the wealthiest Americans an additional $30,000 a year as compared to 30 cents an hour for working people.

I do not understand the President's position. I do not think the American people will understand it.

The President was right in his inauguration speech when he said the people did not send us here to bicker. They certainly did not send us here to bicker about the difference between $4.25 an hour and $4.55 an hour, not when a majority of Americans support a much greater increase.

Mr. President, and to the President of the United States, I say end this confrontation. Sign the bill, Mr. President. It will not be a sign of weakness. It will be a sign of compassion for those who are most in need in this country who are trying to work for a living rather than to be on the welfare rolls. Do not let them down.

The PRESIDING OFFICER. Who yields time?

Mr. KENNEDY. Mr. President, I yield my remaining time plus 1 minute of the leader's time to the Senator from Pennsylvania.

The PRESIDING OFFICER. The Chair recognizes the Senator from Pennsylvania, Mr. SPECTER.

Mr. SPECTER. Mr. President, I thank the Chair and I thank the distinguished Senator from Massachusetts.

Mr. President, it is my hope that we will yet have a compromise on this minimum wage issue. The parties are very close together. There is a difference of some 30 cents an hour. There is a difference of some 4 months as to how long the training wage ought to be in effect and considering that we are dealing with mathematics, and fairly close mathematics, this is the kind of issue which I submit ought to be resolved and ought to be accommodated.

It is my view that the time has come for a change in the minimum wage law. Then-Vice President Bush campaigned on that proposition. I supported him and spoke actively in my State on a variety of issues, including the commitment of my candidate to a change in the minimum wage, and no one can say with precision just what the exact figure ought to be. However, when you talk about the kinds of numbers we have here it is my sense that the matter ought to be accommodated and ought to be compromised.

It is my further sense, Mr. President, that the figure of $4.55 is not too high to put in effect by October 1, 1991. Considering the fact that the last legislation was enacted in 1977, with staged increases through 1981, there has been a considerable period of time which has passed and a considerable increase in the cost of living index. It is my judgment that if we must make a choice as to one figure or another that the $4.55 is the more reasonable figure between the two.

Earlier this year, Mr. President, we had a very contentious issue as to the pay raise for congressional Members and it was calculated at some 51 percent. That was unseemly and most of us, including this Senator, voted against it.

In the context of what has occurred and I would like to speak longer, but there is limitation on time, it is my sense that absent such a compromise which I am hopeful will be achieved, that the conference report ought to be enacted.

I thank the Chair and yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. COCHRAN. Will the distinguished Senator yield to me 30 seconds?

Mr. HATCH. I am delighted to yield 30 seconds.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, let me point out one thing that is in this conference report which was not in it when it was agreed to by the Senate. There is an exemption here on the training wage that relates to agricultural workers.

I do not think this has been discussed by those who debated the conference report on the floor.

Let me just read you this:

Excepted from the training wage provision are those individuals who are employed in agriculture of a seasonal or other temporary nature and are not required to be absent overnight from a permanent place of residence when employed on a farm or ranch performing field work, or when employed in canning, packing, ginning, seed conditioning or related research, or processing operations, and transported, or caused to be transported, to or from the place of employment by means of a day-haul operation.

Mr. President, that means those working in cotton gins, processing farm-raised fish, in all kinds of agricultural activities are going to be disallowed as eligible workers for a training wage. This discriminates against agriculture, Mr. President, and is another reason to vote against the conference report.

Mr. HATCH. Does the Senator need any more time?

Mr. COCHRAN. I think I made my point.

Mr. HATCH. I think the Senator did.

The PRESIDING OFFICER. Who yields time?

Mr. HATCH. Mr. President, I see the minority leader is coming.

How much time is remaining on both sides?

The PRESIDING OFFICER. The Senator has approximately 10 minutes remaining. The majority leader controls the remaining 26 minutes. The time allocated to the Senator from Massachusetts has expired.

Mr. HATCH. I yield the remainder of my time, the 10 minutes, to the distinguished minority leader.

The PRESIDING OFFICER. The Chair recognizes the distinguished Senate Republican leader.

Mr. DOLE. Mr. President, there is no mystery in the conference agreement. It raises the minimum wage to $4.55 an hour over the next 2½ years. It provides for a 2-month training wage—but just for those people entering the work force for the very first time. And it establishes a Minimum Wage Review Board whose only purpose—it seems—is to institutionalize minimum wage increases in the future.

I voted against this proposal last month. And I will vote against it today. It is that simple.

STAND BY THE PRESIDENT

I want to be clear on one additional point, though: I supported—and I continue to support—a minimum wage increase. I continue to stand by the President. And I commend him for fulfilling a campaign promise by going forward with his own minimum wage proposal.

This proposal was a serious one. It was meant to be a serious compromise. At the outset, the President decided that he was not going to play games with Congress—that he was going to send to Congress—right off the bat—what he believed to be a fair and responsible minimum wage proposal.

This proposal reflected the President's commitment to a substantial minimum wage increase—a 27-percent increase to $4.25 an hour. It also reflected a sense of responsibility about the need to preserve jobs—and job opportunities—for the young and the least skilled. That is the whole point of the President's 6-month training wage for new hires.

Unfortunately, the conference agreement misses the point. It misses the point that an increase in the minimum wage to $4.55 an hour will lead to the loss of many jobs; 600,000 jobs, by some accounts.

These are not my figures. They are the figures of the Department of Labor, the President's Council on Economic Advisers, and a wide range of professional—and reputable—economists.

THE TRAINING WAGE

The conference agreement also fails to realize the importance of the President's 6-month training wage. According to the Department of Labor, a 6-month training wage—not a 4-month or a 2-month, but a 6-month training wage—will save almost 200,000 jobs that otherwise would be eliminated. On the other hand, the Department of Labor estimates that a training wage of less than 6-months will have little offset effect.

So—you can see—that the training wage contained in the conference agreement will not do much to preserve jobs or job opportunity. In fact, it will impose additional burdens on employers with its formal training requirements.

KANSAS EMPLOYMENT

Last month, I stood on this floor and outlined some of the effects of this legislation on employment in my own State of Kansas. I think these remarks are worth repeating here.

If this conference agreement ever becomes law, the chamber of commerce has estimated that Kansas would lose more than 8,000 jobs by 1990 and more than 20,000 jobs by 1995.

I also know who is going to lose these jobs: teenagers and other young people. I have talked to many Kansas employers—mostly small businessmen and businesswomen—who have told me that a large minimum wage increase without a real training wage will force their hand—will force them to lay off workers to offset the increase in labor costs.

Now Kansas has one of the better teenage unemployment rates in the country. According to the most recent statistics, teenage unemployment stood at 10.7 percent. That is below the national average. But a teenage unemployment rate of 10.7 percent is not good enough. And it's going to get worse—not better—if this conference agreement ever becomes law.

MINIMUM WAGE INCREASE WAS IN OUR GRASP

I cannot help but remind myself of a simple fact: A minimum wage increase was in our grasp.

If my colleagues who support this conference agreement really wanted a minimum wage increase, they could have—they should have—supported the President's proposal. A minimum wage increase to $4.25 an hour—a 27-percent increase from $3.35 an hour—would be law today. The ink from the President's pen would be drying this very minute.

Instead, we will be sending a bill to the President's desk that the President himself says he will veto. We all know that. And I can assure you that the President is a man of his word.

CONCLUSION

I can also assure you that there are enough votes in the Senate to support a Presidential veto. Some of you—I know—can recall me waiving a letter on this floor—a letter signed by 35 Senators who have pledged to back up the President. This pledge remains solid.

After a veto, I just hope that we will not have to repeat this exercise again and again. And I hope that those Senators who support this conference agreement will soon come to see the merits of the President's proposal.

Let's be frank with ourselves. We have not accomplished much this session. But we could accomplish something—something really worthwhile—

if we would just put aside our differences and work with the President on a responsible minimum wage increase.

Mr. President, I am sorry I have not been here for the full debate on the conference report. This is a very important issue. I know we have very sharp differences. There is not any mystery about the conference report. It did not take long, frankly, for the conference between the House and the Senate to complete its work.

The conference report raises the minimum wage to $4.55 an hour over the next 2½ years and provides for a 2-month training wage just for those entering the work force for the very first time. It also establishes a Minimum Wage Review Board whose only purpose, it seems, is to institutionalize minimum wage increases in the future.

Now, we have had a vote in this Chamber before. I have said that as a Republican I am not going to stand here and say you can live on $3.25 an hour or $4.55 an hour. But I think we have to have the profile of the average minimum wage worker in mind. The great majority of minimum wage workers are single, they are not heads of households, they are under 25 years of age. A minimum wage increase is not just going to apply to those who we may refer to from time to time around here as the working poor.

I have heard on talk shows and heard on the floor, "Well, President Bush won't give 30 cents an hour to the working poor but he is going to give $30,000 to the rich." That does not make any sense at all.

Are my colleagues on the other side of the aisle going to throw away 90 cents an hour, throw it away, to win a political point? Are they going to deny the working men and women in this country a 90-cent-an-hour increase in the minimum wage over 3 years—that is the Bush proposal—because the President did not offer the other 30 cents? The President has gone three-fourths of the way, but that is not enough.

I believe the President acted in good faith when he made the offer. He said in his campaign he would support an increase in the minimum wage and he has acted on that promise. In fact, some of my colleagues think that the President might have gone too far.

So here we are today no further along than we were before. The President will veto the conference report. The veto will be sustained, and so the working people are going to be denied any increase because some in Congress insist on making a political point.

I continue to support, and supported in the past, an increase in the minimum wage, as does my colleague, the Republican manager of this bill Senator HATCH.

Maybe the President could have done it a different way. Maybe he should have come in with a very low increase in the minimum wage. That way, we could have ended up with a $4.25 an hour increase and everybody could have claimed the victory. But, in this instance, the President felt he ought to be candid, he ought to be upfront and he ought to keep his promise. So he sent his offer, his only offer, his final offer to Congress and it was shot down on pretty much a party-line vote.

The President has kept his commitment, a 27-percent increase to $4.25 an hour. The President's minimum wage proposal also reflected a sense of responsibility about the need to preserve jobs and job opportunities for the young and the least skilled. That is the whole point of the President's 6-month training wage for new hires.

But the conference report, as I said, misses the point. I recite in my statement what this will do for employment in my own home State. It has been estimated we could lose about 8,000 jobs and maybe more than 20,000 jobs over the next few years.

The young people are the ones who will lose their jobs as a result of this bill, the very people we ought to get off the streets, the people who are employed by small businessmen and small businesswomen.

And, again, some might say, "Well, you can't live on the minimum wage." There are some employers, I might say, in small business, who have difficulty making a living, too. When the Federal Government mandates increases, they have one choice: Lay someone off or lower wages for the others. Some small employers simply cannot pass on their costs.

So I would just say finally that the conference report will pass. It will be vetoed. I am certain the Senator from Utah has pointed out that we met with the President earlier today. One thing he made very clear to about 20 of us—again, not in a hostile way, but just keeping his word—is that he will veto the conference report. The veto will be sustained, probably in the House. It may never come to the Senate.

And then what happens? Are we going to go through this exercise again? And every time we go through it, we take another month, 2 months, 3 months, and deny those who should be receiving an increase the increase so that somebody can say, "Well, we had the issue. We didn't get the minimum wage for you, but we got the political issue. We were able to go on talk shows and say, 'Oh, well, the President wouldn't give you 30 cents an hour.'"

These people never say that the President was going to give you a 90-cents-an-hour increase over 3 years.

So I hope the President vetoes this conference report very quickly. If I were President Bush, if it goes to him this afternoon, he ought to veto it this afternoon. He should not wait 1 more day. He ought to put it right back on the Congress to raise the minimum wage to help some of the people who ought to be helped. He should not keep it there any longer than he has to. I hope he is working on his veto message now to send it right back to Congress.

I would be prepared, and I know the Senator from Utah would be prepared, to introduce the President's bill tomorrow, pass it on a voice vote, and send it over to the House. Maybe we could do it by tomorrow evening. I am certain the President would sign it as quickly as we pass it.

So the issue is pretty well spelled out. There are experts on this floor who have debated about the number of jobs that would be lost with a minimum wage increase. There have been some 60 different surveys and studies. Everyone says you are going to lose jobs, some as low as 200,000 or 300,000, some as high as 800,000 jobs.

So I just hope, in the spirit of cooperation, that once we dispose of the conference report, once the veto is sustained, that we will be able to come to grips with this issue and dispose of it, as we should have in the first place.

I thank the Chair.

Mr. MITCHELL. "It was the best of times, it was the worst of times, * * * it was the spring of hope, it was the winter of despair."

So wrote Charles Dickens about England and France in the "Age of Revolution." His words also describe the two nations of Americans which have emerged in this decade.

One is a nation of Americans whose numbers are not growing but whose wealth is.

The other is a nation whose numbers are increasing but whose wealth is not.

One nation looks with confidence to the future. The President and Members of Congress are among those fortunate Americans. We can provide for our children. We do not fear the costs of a medical emergency. We have the education and the skills that assure us a well-paid job and personal security.

The other nation, to which the President and we are too often strangers, is a nation of people living at the margin.

For them, life is a struggle from paycheck to paycheck. An illness, an accident, even a minor auto repair is to these Americans a disaster. They cannot provide for their children's future education because they must struggle just to provide for their children's current meals.

These Americans want to look with hope to the future. But they are so consumed by day to day survival that they cannot see the future.

Dickens wrote the "Tale of Two Cities" about a time of violent revolution in France.

We are also experiencing a revolution, not violent, but a revolution nonetheless.

We are living through the steady erosion of one of the fundamentals of the American dream—the promise of a better tomorrow.

Today, for too many Americans, that promise has been broken. For them, tomorrow will not be better; it will be a wearying, nerve-wracking repetition of yesterday.

For 200 years, America has been a land of opportunity, where effort is rewarded, where hard work pays off, where you know your children can live a better life than you.

We believe that in a free country, free men and women should be able to rise by their own efforts, at least to the point of earning a decent living.

In 1933, Franklin Roosevelt said that:

> No business which depends for its existence on paying less than living wages to its workers has any right to continue in this country. By living wages I mean more than a bare subsistence level—I mean the wages of decent living.

It is a matter of equity, of fairness, that those who work should earn enough money to live decently.

No nation can long survive free where that is not the case. Without equity, without fairness to those who work, free institutions cannot survive.

But in our Nation in recent years, a quiet revolution has occurred that is reducing equity, undermining fairness. That revolution is not yet clearly enough seen to distress most of us.

But by the time it is clear, it will do more than distress us. It will threaten the very basis of our society.

We already have the greatest polarization of our society by income and wealth that we have ever had.

The share of national income received and national wealth owned by those at the top of the income scale is the greatest it has been since we could measure such things.

The share of the national income received and wealth owned by those at the bottom of the scale is the smallest it has ever been.

The average adjusted family income for the one-fifth of Americans at the bottom of the economic ladder was 11 percent lower in 1987 than in 1973. Those who have little are getting less.

By contrast, the average adjusted family income of the one-fifth of Americans at the top was 24 percent higher in 1987 than in 1973. Those who have much are getting more.

Census data confirm these observations. The poorest fifth of American households receive just 4.4 percent of all after-tax income in the country.

The wealthiest fifth of American households receive nearly 10 times as much, 42.6 percent of the after-tax income in the country.

This is a polarization of personal income that endangers the consensus on which our Nation rests. The interests of those who enjoy over 40 percent of the income earned have little in common with the interests of those who subsist on less than 5 percent of the national income.

What commonality can there be between the person whose main preoccupation is tax sheltered savings and the person who has no savings of any kind? What common ideals can motivate the parent whose child must choose between Ivy League colleges and the parent who must choose whether his child can visit a dentist or a doctor?

This is not merely a polarization of income; it is a polarization of the sense of community in our country.

When a conservative weekly magazine like Business Week can editorialize, as it did in its May 1 issue, that "Executive compensation has mushroomed to a level that is difficult to justify," income disparities are reaching proportions that are both embarassing and potentially disruptive.

Business Week reported that while in 1960, a chief executive officer earned 41 times as much as a production worker, today he earns 93 times as much.

In 1960, the earnings gap was such that a CEO earned 38 times a school teacher's salary. Today, it is 72 times as much.

And in terms of today's debate, which is over a modest increase in the minimum wage for the lowest paid of all American workers, in 1960, a CEO's earnings were 91 times the income of a minimum wage worker. In 1988, the average CEO made 291 times as much.

And the ominous fact is that economic analysis predicts that, without change, the polarization of income will increase in the years ahead. The Congressional Budget Office has estimated that by 1990, average family income for the poorest tenth of Americans will be 11 percent less than it was in 1977.

In contrast, CBO has estimated that by 1990, the income of the wealthiest tenth of Americans will be about 23 percent higher. The income of the wealthiest 1 percent will be 45 percent higher.

Ironically and mistakenly, President Bush is now opposing the minimum wage increase because it is 30 cents more an hour 3 years down the road than he wants, but he is at the same time pushing for a capital gains tax cut that will intensify the polarization of wealth that is already occuring.

His proposal would provide, on average, $30,000-a-year tax cut for the very wealthiest 1 percent of Americans—those whose income is $250,000 a year or more. To oppose 30 cents an hour in 3 years' time for our poorest workers and to propose $30,000 next year for our richest people is outrageous. It is a perversion of equity.

These figures and statistics are overwhelming, even numbing. And they mask a brutal reality. Statistics are abstractions which help us measure change. But they also hide from us the human dimensions of what is being measured.

So I ask my colleagues to consider the real people represented by these statistics.

Shirley Slagle, of Kitanning, a small town in Pennsylvania, is a 39-year-old mother with one child. Along with her husband, she works in the kitchen of a small local restaurant. Shirley has worked there for 11 years, between 37 and 40 hours each week. Her husband has worked there for 9 years.

When she began working there, she received $2.65 an hour, the Federal minimum wage. When her husband began there, 2 years later, he started at $2.95, to which the Federal minimum wage had by then risen.

Their son, Derrick, has bronchial asthma. He requires medication and a special diet. Their doctor knows they cannot afford his full fee, so he charges $18 per visit rather than $35. The Slagles are fortunate to have an understanding doctor.

When Shirley Slagle testified before the Committee on Human Resources in 1987, she told the members about an emergency room hospital bill of $524 that she was paying off at $25 a month.

To save the extra money, she testified that "* * * I cut back one of his [Derrick's] medications from four to three times a day. That gives us a little bit more money.* * *"

What a choice! What a decision for any parent to have to make.

Every Senator who today votes against increasing the minimum wage by 30 cents more an hour ought to consider his reaction if Derrick were his son.

In this family Derrick was not taken to the neurologist, although he should have been, because as his mother said, "* * * we just could not afford two specialists, so he does not see the neurologist any longer."

Shirley herself has not had her eyes examined in 3 years, because "There is just no enough money for that. All three of us need to see the dentist and there is nothing leftover for that, either." Her husband was diagnosed with a serious gum disorder but has not been afford to afford treatment.

Mrs. Slagle once had a job in a factory that paid $8 per hour. She has skills. Her husband served in the Armed Forces of our country for 9 years. he has skills. There are simply no well-paid jobs where the Slagles live. So they work at the minimum wage because they have no alternative.

Ironically, Shirley Slagle recently received a pay raise. She was speaking with a staff member of the Committee on Human Resources and mentioned that she now receives $3.75 an hour instead of $3.35. Why the pay raise? Because the State of Pennsylvania raised its minimum wage.

We hear a lot of talk about how hard we work in the Senate. We pride ourselves on our hard work and long hours.

I wonder how many Senators would have the sheer determination, the real work ethic that has made the Slagles go on working without hope of an increase based on merit, or effort, or even seniority?

They have worked hard at their jobs—she for 11 years, he for 9—and they have never gotten a raise, except when the Federal or State minimum wage went up.

Every Senator who today votes against increasing the minimum wage by 30 cents an hour ought to consider his reaction to working 11 years without a raise.

Shirley Slagle is not unique. She and her husband are 2 of the estimated 7 million adult Americans whose full-time work does not earn them enough to keep their families out of poverty. We talk about work ethic but what about social ethics? What kind of social ethic is it when full time work does not even earn you a decent living?

Another woman who testified at that 1987 hearing was Rena Blankenship, of New Castle, VA.

In 1981, Mrs. Blankenship supported her four children on a minimum wage job with child support help from her husband. She was even purchasing her own home, for $233 a month. When her oldest son was diagnosed with a brain tumor, she was forced to quit work.

Her husband's child support stopped. After 10 grueling months of surgery and hospitalization, her son died. By then her home had been repossessed.

After her son's death, she returned to work, earning $3.65 a hour as a delicatessen clerk at the local Safeway. She testified she "* * * could not make it. I realized you pay a bill this month and next month you skip it. It is hard to explain to your kids when they need a new pair of tennis shoes—you've worked for 40 hours and you do not have the money to pay for those tennis shoes."

Rena Blankenship could not make it. She acknowledged that "* * * it is really kind of degrading to sit here and say I am on welfare, but I do not have a choice. I cannot support three children on $98 a week."

Those two women testified before the Congress. But they stand for an army of men and women whose voices will never be heard here, women like a constitutent of mine from Biddeford, who is the sole support of a family of four. Her husband was unlucky enough to suffer a nonwork-related accident—so he is recuperating without compensation.

She works as a waitress from 35 to 40 hours each week, earning the Maine minimum wage of $3.75 an hour. The total household income for this family for the month of May will be $534.

From this, they must find $480 for rent; $95 for utilities; $16 for a telephone; $33 for medication for the husband—that is already $624, $90 more than their total family income, and there's no food included in this budget so far. The family, which includes two children, does not have a car.

Another constituent of mine works as a waitress in Caribou. She earns a little more than the minimum wage. Her gross monthly income is $736, working full time. But at $250 for rent, $150 for electricity, water, trash, and sewer charges, and $250 for daycare for two pre-school children, she has less than $100 a month for food, let alone anything else.

She lives in substandard housing, heated with an unsafe woodburning stove, because it costs too much to use electricity for heat.

She has no medical coverage, of course, and she does not have a car. Large bills at the local pharmacy forced her to ask for assistance—she has no credit left.

These are the people behind the statistics, statistics about income, wealth, work, and the minimum wage. These are lives being sapped of energy, of pleasure, of dignity.

We have before us a minimum wage compromise that does not even restore to workers at this level the rate of equity that the minimum wage represented 10 years ago.

We know that this modest increase is not the full answer. It will do nothing about the crippling health care costs people face, nor will it upgrade substandard housing. It will not overcome the polarization of wealth and income which divides our Nation.

Other and additional steps are needed. The earned income tax credit is sound and broadly supported. But even its proponents know that budget realities make it impossible to adopt that approach now. So instead, we have chosen this small step of upgrading the minimum wage by a modest amount.

Yet we face a veto threat because we have decided, by large majorities in both Senate and House, that these people should be paid 30 cents an hour more in 3 years' time than the President wants them paid.

Today's minimum wage represents the lowest percentage of average hourly earnings since 1949: It represents 36 percent of the average hourly wage.

Even with the increases provided in this bill, the minimum wage by 1991 will still equal only 46 percent of average hourly earnings.

This is a modest bill. It is modest in scope and in effect, and yet it faces a veto threat.

For the differences of 10 cents an hour each year—that is $4 a week; two gallons of milk; a little over three gallons of gasoline—for that, President Bush says he will veto this bill.

The measure represents a compromise. In place of the $4.65 hourly wage that the committees reported, the Senate and House adopted a 3-year increase to $4.55. At the President's insistence a submininum wage, a 60-day training wage has been accepted—a precedent many of us believe to be gravely mistaken.

Yet despite the compromise, a veto is threatened.

By the time it is phased in, the conference report wage would restore 86 percent of the lost purchasing power of the minimum wage. The President's proposal would restore 81 percent.

It is ridiculous to suggest that this tiny difference constitutes a major difference on national goals and priorities. It does not.

So it is obvious that the reason for this threatened veto has little to do with the bill before us.

What is being tested here is political will. Such tests are not uncommon between a President and a Congress. They recur each time a new President takes office.

But when such tests of will occur, it is important that we consider whose interests are being sacrificed for the sake of this test.

When the disagreement centers on the interests of a large or well-represented sector or our Nation's economy or population, those affected know that their interests are at stake. They make themselves heard.

In this case, by contrast, those whose livelihoods are most at stake—the lowest-paid workers in America—are not a majority. They do not employ highly paid lobbyists.

For 8 years the mere threat of President Reagan's veto was enough to keep their concerns off the floor of the Congress. These poor workers had no political clout, so they went unheard, their concerns unheeded.

Sadly, that still seems to be the case. It is their interests that are being threatened by this veto. Nobody in the White House, nobody in the Senate will be affected by no increase in the minimum wage. No one here, no one there will feel the difference between $4 a week or less.

It is unconscionable and unfair to hold the weakest and most vulnerable workers in our society hostage in this way. There should be another, better way for this test of political will to be

conducted than at the expense of the poor.

I sincerely hope that President Bush reconsiders his choice of the minimum wage bill as the place to take a stand. For 8 years poor American workers have been denied any increase in their wages. In that time, inflation has eroded the value of their wages by 40 percent. Now they are about to be held hostage to the President's perceived political needs.

Surely there must be a better way.

The President and most, if not all, Members of Congress have never known hunger, never known need. Neither he, nor we, have ever lacked shelter. Neither he, nor we, have ever had to choose between sending our child to a doctor or a dentist.

Our good fortune and our present offices impose upon each of us a serious obligation. The President's good fortune and his present office impose upon him the same obligation.

And that is to try, to really try to understand and help meet the needs and fears of those Americans who do not share our good fortune, needs, and fears neither the President, nor we, can possibly have known, the needs and fears of people struggling to cope with the demands of day-to-day survival.

The President has not tried. He has not tried at all. If he had, he would not, he could not, veto this bill.

If the President wants to show how tough he is by vetoing a bill, let him veto a bill that does not hurt Shirley Slagle and Rena Blankenship and their children and the millions like them all across this country. They deserve better than that. America deserves better than that. In the name of decency and fairness, we should pass this bill and the President should sign it.

Mr. President, I yield the floor.

Mr. DURENBERGER. Mr. President, I rise today in support of the conference report on H.R. 2, legislation to amend the Fair Labor Standards Act of 1938 to restore the miminum wage to a fair and equitable rate. This conference agreement provides an increase in the Federal minimum wage from its current rate of $3.35 per hour to $4.55 per hour by October 1, 1991; an increase in the small business exemption; and the enactment of a realistic training wage.

As I have stated previously, I believe it is time for Congress to make a substantial increase in the minimum wage. For the last 8 years, we have experienced record economic growth in this country, and yet we have failed to change the current $3.35 per hour minimum wage to reflect that growth and the increased costs that have occurred during that time. Opponents of H.R. 2 cite the possibility that raising the minimum wage over the next 3 years could cause a loss of jobs and job opportunities. Perhaps if Congress had been doing its job over the last 8 years and had made some adjustments in the minimum wage, the effects of this legislation would not be nearly as severe as opponents claim. And, I am not convinced that this legislation will have such adverse effects.

When Congress first enacted a wage floor in 1938, it did so in order to ensure that working, productive Americans receive a wage that is sufficient to sustain them. Unfortunately, the current $3.35 minimum wage does not accomplish the goal of raising working Americans out of poverty, nor does the $4.55 level contained in this bill. However, H.R. 2 will restore some of the value of the minimum wage that has eroded over the last 8 years and will move us in the direction of ensuring a more livable wage.

In addition to the wage increases included in H.R. 2, this report also contains a simplification and increase in the small business exemption. Currently, small businesses with annual gross sales of less than $362,500 per year are exempt from the minimum wage requirements of the Fair Labor Standards Act. However, just as the minimum wage has eroded over the last 8 years, so has the value of the small business exemption. I am pleased that the conference agreement raises the small business enterprise test to exempt firms with annual gross sales of less than $500,000 per year, and provides a much-needed simplification of the small business exemption by eliminating several of the separate enterprise tests. It should now be much less confusing for small employers to determine whether or not they are subject to the minimum wage and overtime provisions of the Fair Labor Standards Act. And, I am hopeful that the small enterprise exemption will also provide relief to those firms, particularly in rural areas, that may be most affected by the increase in the Federal minimum wage.

The third main component of the conference report is the training wage. And it is this new initiative that causes me some concern. The training wage provision allows employers to pay a wage of 85 percent of the minimum for up to 2 months to those employees working in their first job. These 2 months of employment are deemed to be a training period, during which time the employee receives on-the-job training.

Mr. President, as I have stated before I have opposed a subminimum wage, and I disagree with those who believe in the necessity of the so-called training wage. However, unlike other training wage proposals we have debated recently, this one only applies to new entrants into the work force. It seems clear to me that there is an inherent training element and learning process that the new entrant acquires in his or her first job. In that sense I believe an employer should be allowed to pay a modest wage differential to a new entrant who must learn certain basic rules and disciplines about operating in the professional workplace.

For the above reasons, I am willing to support this 2-month first-hire training wage. However, I do so with the knowledge that it is temporary and that the Secretary of Labor will report to Congress on the effectiveness of the training wage after the wage has expired.

In addition to my reservations over the training wage portion of H.R. 2, I am concerned with the overall impact of the bill on rural areas and areas of high unemployment in this country. I see the debate over whether to raise the minimum wage as a regional issue rather than a partisan issue. It is the rural area that generally experiences a higher rate of unemployment, has a lower cost of living and has lower average income levels than does the metropolitan area. Unfortunately, comprehensive data on the minimum wage in rural areas does not exist. Therefore, I am pleased that the conferees adopted a modified form of my amendment requiring a study on the impact of increasing the Federal minimum wage on rural areas and areas of high unemployment. This study will be conducted by the Bureau of Labor Statistics and will provide us with relevant data which will be critical to future minimum wage debates.

I am also pleased that the conference committee agreed to adopt my amendment directing the Secretary of Labor to revise the definition of professional employee as it relates to computer programmers, systems analysts, and software engineers. Under section 13(a)(1) of the Fair Labor Standards Act, professional employees are currently exempt from the minimum wage and overtime requirements of the act. Professionals are defined as employees whose work is predominantly intellectual and varied in character. However, employees in the computer field are not considered professionals, because a 1973 ruling by the Secretary of Labor determined that the variation in standards and academic requirements in the computer sciences were too great. It is clearly evident that the computer science field has advanced dramatically over the last 16 years; therefore, I am glad that my colleagues agree it is time for the Secretary to review the definition of professional employee as it relates to highly skilled computer programmers, systems analysis, and software engineers.

Mr. President, the Senate is acting today to raise the Federal minimum wage from the current $3.35 per hour to $4.55 per hour by 1991. Because the $3.35 wage level has remained un-

changed since 1981, this legislation is vital for the restoration of some sense of equity to those Americans on the lowest rung of the wage ladder. It is not a perfect bill, but I support the conference report on H.R. 2 as the best option available to this Senator today. As I prepare to cast my vote in favor of the conference agreement, I remain disappointed knowing that it will be vetoed and that the long overdue increase in the minimum wage will be delayed once again. I only hope that Congress and the administration will be able to reach agreement on an acceptable increase in the Federal minimum wage and training wage soon.

Mr. JEFFORDS. Mr. President, I rise in support of the conference report now before us.

I do so with some reservations. I do not think that the training wage contained in the bill would prove workable. I do not think we have taken as comprehensive an approach to the real problems of the working poor as we need to take. We are fooling ourselves if we think that an increase in the minimum wage will have much of an impact on poverty in this country.

But my greatest concern is that this legislation will not become law, and that the subsequent debate on this issue will degenerate into empty political posturing.

I hope I am wrong. I support an increase in the minimum wage. Alternative approaches, such as changes in the earned income tax credit, will not reach the single- or two-person households. Those people, at least, need the support provided by a wage floor, and they need our support.

I hope, instead, that the President will work with Congress to reach an agreement on these issues that will mitigate the impact of an increase in the wage rate on the economy and provide for a meaningful training wage.

I hope that the President will exhibit some flexibility on the issue of the training wage. As one who has been interested in training issues for some time, I am not certain that it takes an unrestricted period of 6 months in which to impart minimum wage skills. What are we buying with this wage differential after the first month or two on a job? It seems to me that we are not buying much of any value.

I want to conclude by pointing out that there are some positive aspects to this legislation that I hope we will pursue regardless of the fate of this conference report. Thanks to the help of the distinguished Senator from Kentucky [Mr. FORD], and the distinguished Senator from Alaska [Mr. STEVENS], this body has gone on record, as has the other body, in support of applying the Fair Labor Standards Act to Congress. We have also moved to recognize the realities of the work force by providing an additional incentive to employers who are willing to engage in providing basic skills to their employees.

Mr. President, on balance I think this is a good bill, if not a perfect one. I hope, that in the weeks to come, we will be able to produce an even better one. For the meantime, I urge its support.

Mr. DOMENICI. Mr. President, I support increasing the Federal minimum wage and was pleased to vote for an increase in the minimum earlier this year. An increase in the minimum wage will give a needed boost to many of our poorest paid workers, and will take an important step toward helping move low-paid workers out of poverty.

Yet, I believe increasing the minimum wage should be done so with some caution, and recognition of a broader picture of how we can help the working poor.

We should never lose sight of our Nation's best program for helping the working poor—a strong, vibrant, and growing economy that is producing job opportunities. Strong job growth gives low-skilled, low-paid workers what they need the most—the opportunity to improve their work skills and work experience and improve their earnings.

In my State of New Mexico, workers have been benefiting from this job growth even though times are still tough. Our unemployment rate has dropped from 10.2 to 7.3 percent since January 1987. Over 50,000 more people are now employed from a work force of nearly 700,000.

I believe President Bush outlined an excellent proposal for raising the minimum wage, and I voted for that measure. It was crafted carefully to balance the need to raise the minimum wage, with the need to keep open many job opportunities for low-skilled workers.

Central to the President's proposal is his call for establishing a separate training wage at 80 percent of the full minimum for new hires during their first 6 months on a job.

I believe it is important to include such a training wage as the minimum is increased. It gives workers who are most vulnerable to job loss associated with increasing the minimum wage—low-skilled workers, starting in a new job—the opportunity to gain some work experience and skills, while assuring them the protection of the full minimum wage after they have gained that experience.

Last year I introduced an amendment to grant a similar training wage to participants in the Summer Youth Employment Program. This program is operated under the Job Training Partnership Act and in New Mexico last year helped 16,000 disadvantaged youths get jobs for the summer.

Mayors and Governors only have so much money to spend on these programs. Granting these program managers the flexibility to pay a training wage would give them the ability to give many more youths the very valuable experience of a first job.

In my State, Mr. President, we have roughly 50,000 to 100,000 New Mexicans at or near the minimum wage. Many of these workers are young people, getting experience at their first job. A good number of them are employed in our tourist industry, and by the many small businesses that are the backbone of New Mexico's economy.

An increase in the minimum will help many of these workers, but we should keep in mind the impact this will have on employers' ability to offer jobs to our young and unskilled workers.

The potential impact on jobs concerns me most when we consider the proposal before us today together with some of the other burdens we have placed, and are considering placing, upon employers.

During tax reform we passed the so-called section 89 rules designed to make sure all employees have access to fringe benefits. Many employers are having such a problem with the rules they are dropping benefits, and we are considering repealing that measure.

Proposals are also on the agenda to mandate employee health benefits and parental leave benefits. The cumulative effect of all these mandates would be very detrimental to job growth in New Mexico and across the Nation.

We must consider this legislation in the context of all mandates we are considering imposing on employers.

Mr. President, I am pleased we are acting to increase the minimum wage, but I fear the training wage provisions in this measure are not sufficient to make sure we keep job opportunities for the working poor growing. Therefore, I cannot support this bill, and I hope the Senate will soon move to adopt the President's proposal.

Mr. ADAMS. Mr. President, I support the conference report to accompany the Fair Labor Standards Amendments of 1989. This is a badly needed and long overdue bill. For 8 long years, wage earners at the lowest level of our wage scale have been without an increase. During that period, the purchasing power of the minimum wage has decreased by almost 40 percent.

Department of Labor data indicates there are more than 14 million hourly wage earners in this society who earn less than $4.65 per hour. Sixty-three percent are women. A disproportionate share of these workers are black and Hispanic. And contrary to popular belief, the majority of these workers are not teenagers. In fact only 27 percent of those earning less than $4.65 are teenagers.

We have had ample time to discuss, debate, and amend this legislation. The conference committee has adopted a reasonable training wage insisted upon by the White House. The time has come for this body to vote on a matter of simple economic justice. After 8 years of inaction, we are now presented with a compromise bill which tells wage earners they are valued. That value should not be continually eroded by the forces of inflation and legislative inaction.

We are all aware of the threat of a veto by President Bush. I hope, for the sake of 14 million working men and women that it is a bluff. If it is not, I hope the President will reconsider. I am confident that in sending this legislation to the President we have fulfilled our obligation to those working men and women. Whether the President is prepared to make good on his promise for a kinder, gentler nation remains to be seen, and this long overdue increase in the minimum wage provides him an early opportunity to show his actions are consistent with last autumn's rhetoric.

Mr. BIDEN. Mr. President, opportunity has always been the engine of our society. When Americans are greeted by a horizon filled with possibility they respond to every challenge with energy and enthusiasm. Americans who rise to meet the daily challenges of their workplace deserve the guarantee of a fair day's pay at a decent livable wage. This guarantee provides an opportunity and an incentive for self-improvement. We all benefit when incomes are sufficient to allow workers to apply their own wages toward improving their own well-being.

Since 1981, when the minimum wage was last increased, consumer prices have risen by more than 40 percent. The proposed increase we are passing today, H.R. 2, will not even fully recover the value of wages eroded by inflation since 1981. This is no windfall for workers, but rather a truly minimum fair wage.

Predictions of job loss from an increase in the minimum wage have always been highly exaggerated. Dire predictions have preceded every increase in the minimum wage and they have been consistently wrong. In this instance the administration's job loss statistics are also considerably overstated. They fail to account for the fact that 12 States, including California, have already raised their minimum wage. In addition, they do not take account of the shrinking labor market, which makes extensive job loss highly unlikely.

In order to provide an incentive for minimum wage earners and to offset even marginal job losses, H.R. 2 includes a training wage, which will allow employers to pay a lower wage for up to 60 days. The bill also includes several exemptions for small businesses. Employment statistics have shown that 60 days is more than enough time for the provision of meaningful training to workers.

If the American dream means anything, it is that, when a man or woman goes out and takes a job and works at it day in and day out, that person should bring home a decent wage. Too many Americans today work without the guarantee of a truly decent and fair day's wage. A failure to provide a minimum wage increase will perpetuate this injustice.

Mr. CHAFEE. Mr. President, a little more than 1 month ago in this Chamber I voted for final passage of the minimum wage bill because I believed then as I do now that an increase is long overdue. Today, I will vote for the minimum wage conference report to raise the minimum wage to $4.55 an hour, but I will do so with misgivings.

First, the training wage provision contained in the conference report troubles me. It would apply only to first-time workers and would last only 60 days. I don't believe this training period is long enough. The purpose of the training wage is to improve the skills of workers so as to give them a better chance in life. The President's 6-month training wage proposal, on the other hand, which would apply universally to all new employees whether or not this is their first job, is more meaningful.

Second, the creation of the five-member Minimum Wage Review Board is unnecessary. To my mind, it is inappropriate to create a commission that will cost American taxpayers at least $500,000 a year, given our horrendous budget deficits. In addition, it seems to me inconsistent to pay members of this board an $86,000 annual salary when they will be recommending wage increases for Americans who will make $4.55 an hour. This is a costly and unfair provision.

Notwithstanding these concerns, I will vote for the conference report because America's working poor have waited too long for an increase. But having said that, I want to be clear about the fact that I will also support the President if he vetoes this bill as expected.

The President firmly believes that that a wage increase of this size, without a meaningful training wage, will decrease job opportunities and hurt those very Americans it purports to help. I had hoped the President and Congress would be able to reach agreement on the level of the increase, and am disappointed that it may take a veto to bring about an increase acceptable to all.

If the President's veto is sustained, I am confident that we will still have an opportunity to reach agreement on this issue and help America's working poor.

Mr. LAUTENBERG. Mr. President, I want to express my support for the Fair Labor Standards Amendments of 1989.

Mr. President, the debate over the minimum wage strikes at the very heart of our national consicence. We are asked when and how much the minimum wage should increase, and what kind of training wage there should be. But the fundamental issue is whether our Nation chooses to protect the least fortunate among us by restoring a meaningful wage floor.

The facts are clear for all to see. The current minimum wage is embarrassingly low. Established over 8 years ago, the $3.35 rate has lost more than 40 percent of its purchasing power. In reality, today's minimum is simply insufficent to support a family of three above the poverty level.

The Department of Labor's own calculations reveal that minimum wage jobs rarely require more than 30 days training. The high turnover of these entry level jobs is further evidence that very few days are required to bring new minimum wage employees up to speed. A training wage more extensive than that in the conference report is simply unsupported by the realities of the labor market.

Given this information, on what basis is the bill opposed? Why oppose a significant increase to the minimum wage, and favor a training wage that would lock-in the current minimum for many workers for years to come?

Opponents do not state that the Federal Government has no business mandating a minimum wage that protects workers from exploitation. But defeat of the bill undermines such protection.

Instead, they base their opposition on concern for the very men and women for who the benefits of the minimum wage are intended. In spite of record jobs creation over the past several years, looming labor shortages, and overwhelming historical evidence to the contrary, they contend that a meaningful increase in the minimum wage is unwise because it will result in lost entry level jobs.

Mr. President, this is an argument that at best is misguided. Might not such concern for the Nation's low-wage workers be better served through support for improved public education for our inner-cities, increased spending for job training, improved health care for the needy, more public housing for the homeless—and a minimum wage that reflects today's cost of living?

Mr. President, I urge my colleagues to support this bill and restore the Nation's minimum wage.

The PRESIDING OFFICER. Who yields time?

Mr. MITCHELL. Mr. President, I yield back the remainder of the time,

and I ask unanimous consent that the vote commence now.

The PRESIDING OFFICER. Without objection, it is so ordered.

Under the previous order, the hour of 4 p.m. having arrived, the question is on agreeing to the conference report on H.R. 2.

The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislation clerk called the roll.

The PRESIDING OFFICER (Ms. MIKULSKI). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 63, nays 37, as follows:

[Rollcall Vote No. 68 Leg.]

YEAS—63

Adams	Exon	Matsunaga
Baucus	Ford	Metzenbaum
Bentsen	Fowler	Mikulski
Biden	Glenn	Mitchell
Bingaman	Gore	Moynihan
Bradley	Graham	Nunn
Breaux	Harkin	Packwood
Bryan	Hatfield	Pell
Bumpers	Heflin	Pressler
Burdick	Heinz	Pryor
Byrd	Inouye	Reid
Chafee	Jeffords	Riegle
Cohen	Johnston	Robb
Conrad	Kennedy	Rockefeller
Cranston	Kerrey	Sanford
D'Amato	Kerry	Sarbanes
Daschle	Kohl	Sasser
DeConcini	Lautenberg	Shelby
Dixon	Leahy	Simon
Dodd	Levin	Specter
Durenberger	Lieberman	Wirth

NAYS—37

Armstrong	Grassley	Murkowski
Bond	Hatch	Nickles
Boren	Helms	Roth
Boschwitz	Hollings	Rudman
Burns	Humphrey	Simpson
Coats	Kassebaum	Stevens
Cochran	Kasten	Symms
Danforth	Lott	Thurmond
Dole	Lugar	Wallop
Domenici	Mack	Warner
Garn	McCain	Wilson
Gorton	McClure	
Gramm	McConnell	

So the conference report was agreed to.

Mr. KENNEDY. Madam President, I move to reconsider the vote by which the conference report was agreed to.

Mr. MITCHELL. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MITCHELL addressed the Chair.

The PRESIDING OFFICER. The majority leader is recognized.

If the majority leader will withhold, the Senate is not in order.

The distinguished majority leader.

MORNING BUSINESS

Mr. MITCHELL. Madam President, I ask unanimous consent the Senate now enter into a period for the conduct of morning business until 5 p.m., with Senators permitted to speak therein for up to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FORD addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky is recognized.

Mr. FORD. Madam President, I thank the Chair. I will only take a few minutes.

(The remarks of Mr. FORD pertaining to the introduction of legislation are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. HEINZ addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania.

HOW TO AVOID TURNING INDUSTRIAL RETREAT INTO SURRENDER

Mr. HEINZ. Madam President, a quite interesting column by Jodie Allen appeared in the Washington Post on May 10, entitled "Regaining America's Dulled Industrial Edge: The Answer Is Right Here at Home." The essence of the discussion can be found in the first sentence of that article:

> If U.S. companies are really worried about this country's retreat in international markets, there is one obvious thing they can do about it: Commit themselves to reducing their dependence on foreign suppliers.

To the extent this is a recommendation for kind of a voluntary Buy America Program, coupled, of course, with a sustained effort by American industry to maintain competitiveness in terms of both quality and price, then I am all for it. More interesting, however, is the column's discussion of why this has become a problem.

Essentially, what we are seeing in the United States is a continuing pattern of industrial retreat. Foreign producers target an industry and through aggressive—and sometimes illegal—pricing practices force down the return on investment for U.S. producers and build up foreign producers' market share. The result is that American firms retreat from that sector, and foreign producers move on to a new one.

In some cases these foreign victories have come about after blatantly illegal dumping and the continued failure of our Government to address it. I refer to the television industry, which has been decimated not through a lack of competitiveness but through unfair trade practices. Other foreign targeting has occurred in critical sectors like machine tools, bearings, and semiconductors, and we are seeing similar efforts in aircraft via Airbus, and, I predict we will increasingly see them in computers. Indeed, the same day this column appeared, the Post also had an article pointing out that for the first time Japanese total electronics production nearly matched that of the United States. In computers, foreign market share rose from 35 to 45 percent last year.

In each of these cases we are seeing a new phenomenon in Washington—the blurring of the distinction between American interests and foreign interests. The new lobbyist on the block, as it were, is the domestic user of foreign parts—foreign chips, foreign bearings, foreign machine tools, and so on. He has an interest in continuing our industrial retreat because he has already surrendered—he depends on foreign sources for his parts.

Fighting back, as we have done with the semiconductor agreement, the machine tool VRA's, and the bearing dumping determinations, to mention three examples, is expensive for those who use foreign parts because it increases their prices. As a result they often oppose these efforts, even if they are mandated by law as in a dumping finding, in the interest of the easier path of continued retreat.

This is part of the classic conflict in our country between short-term and long-term considerations. Our industrial analysts and economists are frequently critical of American business' emphasis on short-term returns and lack of long-term planning. Domestic users of foreign components display exactly this same shortsightedness. They are more concerned with next quarter's prices on their parts than they are with the long-term preservation of viable, technologically competitive industries.

The tragedy of this conflict, as Allen's column points out, is that the cost of our action is high precisely because we have delayed so long in taking it. If we had acted decisively on semiconductors, machine tools, televisions, and bearings when the problems began instead of when it is almost too late, we could have achieved our objectives with minimal disruption. Instead our Government chose to wait until we were in crisis, expecting the market system to solve the problem. In fact, the market will only solve the problem if all parties are using the same set of rules. If the Japanese, for example, and they are involved in most of these cases, do not practice American market principles in their own economy, it should come as no surprise that they do not immediately adhere to those rules here.

The result is what Akio Morita of Sony Corp. has called the "hollowing out" of American industry. Allen's column is correct that part of the solution to that must come from American industry itself—and I agree with that. But there is also a lesson for Government here. We are facing a new generation of these problems in the high value added growth industries of the future: Supercomputers, telecommunication, aerospace, and HDTV—high-

definition television to name only a few.

If we wait for some celestial macroeconomic mechanism to solve these problems, we will find ourselves with no industries at all. Tackling these problems early allows us to solve them with minimal cost and disruption. If we wait, as we always seem to do, the solutions are much more expensive and controversial, but we will have to take them anyway. I hope that when the next such situation rolls around—whether it is computers or something else—that perhaps the many cases that have gone before have indeed taught us a lesson. What I am talking about is not industrial policy. It is simple survival, and it is a lesson we had better learn.

Madam President, I ask unanimous consent that the column and article I referred to be printed in full in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Washington Post, May 10, 1989]

REGAINING AMERICA'S DULLED INDUSTRIAL EDGE: THE ANSWER IS RIGHT HERE AT HOME

(By Jodie T. Allen)

If U.S. companies are really worried about this country's retreat in international markets, there is one obvious thing they can do about it: Commit themselves to reducing their dependence on foreign suppliers.

Of course, this is far more easily said than done. But saying it—beginning discussion among U.S. corporate executives about the possibility of such a commitment—may be the first step toward a needed correction in this country's industrial structure.

American firms have not turned to foreign suppliers for lack of patriotism. They did it because European and Asian producers offered better quality, faster delivery, lower prices and, increasingly, more advanced technology. This openness to foreign sources has, additionally, put competitive pressure on domestic producers, restrained inflation and introduced new flexibility into the American economy—all of which, in turn, seems to have reduced our vulnerability to recession.

But pursuit of these benefits from foreign sourcing seems to have reached—indeed passed—the point of diminishing returns. What started as a more or less orderly retreat from low-valued-added, low-tech production has now turned into a total rout at the outer reaches of high technology. Curiously, it is a Japanese corporate leader, Sony's Akio Morita, who has been most outspoken in concern that America is becoming overly dependent on foreign sources for key technology.

Morita, who has long warned about the "hollowing out" of American industry—its creeping acceptance of the role of final assembler and marketer to American consumers—recently raised the subject in a meeting at the Japanese consulate in New York with American Express CEO James D. Robinson, Blackstone Group Chairman Peter G. Peterson, international consultant Henry Kissinger and Washington Post Co. Chairman Katharine Graham.

While the U.S. trade imbalance is still heavily weighted by automobiles and consumer goods, Morita pointed out that the fastest-growing imports are sophisticated machine tools and components—the building blocks of industrial strength. This pattern threatens not only further losses of high-productivity jobs, but also the impetus for innovation that flourishes best around the actual production process.

American firms, notes a new report from the MIT Commission on Industrial Productivity, have left themselves vulnerable to easy defeat over a broad front. The sequence of losses, write the authors of "Made in America: Regaining the Productive Edge," have "followed a stylized pattern."

American firms—with their eye on their stock prices and the value of executive options—set high goals for short-term return on investment. Foreign firms take advantage of that focus to "select a market segment and by aggressive pricing force down the return on investment while building market share. Within a short period the American firms retreat from the market segment. The foreign firms then move on to set aggressive prices in some other segment and the Americans once again retreat."

Already this dependence on foreign suppliers is well-established—witness the divided loyalties that brought many U.S. firms to the defense of Japanese suppliers when the U.S. government belatedly tried to retaliate against the dumping of Japanese semiconductors and to punish Toshiba for selling vital technology to the Soviets.

And independence will not be easy to reestablish. As the MIT study suggests, Japan and, to a lesser degree, the other super-surplus countries of Europe and Asia, are well-positioned to block such attempts, thanks to the enormous capital resources that their captive home markets and penetration of the rich U.S. market have earned them.

Still, the greatest block may well be the mindset that U.S. corporate leaders have absorbed from their purchasing agents and middle management. Driven to buy the cheapest components world markets can offer, firms have walked away from enormous investments in U.S. plants and equipment for relatively small unit savings. In his new book, "The Silent War," for example, Ira Magaziner describes how General Electric sent its own engineers to help South Korea's Samsung develop world-class quality in its fledging microwave industry, with the result that GE soon after abandoned its own expensively modernized microwave plant in Maryland in favor of Korean sourcing.

Still, as Magaziner also describes, that course isn't the only one that U.S. companies can take—and, in a few cases, have taken—with notable success. Corning Glass, for example, devoted almost two decades of mammoth investment to establishing its leadership in fiber optics. And in the case of refrigerator compressors, GE chose to stand and fight, investing heavily to develop new technology and retrain Tennessee workers to maintain its competitive edge.

While small unit price differentials can easily be magnified by the standard percentage markups applied at each stage of production and marketing, that's not an unalterable pattern. Companies in both manufacturing and services can, and frequently do, shift savings from outside sources to beef up resources in another area, such as advertising, when such shifts seem a better long-term strategy than cutting prices.

Perhaps it's time to shift resources in the other direction—to buy time to modernize high-cost domestic production just as Japanese manufacturers did after the long overdue rise in the yen squeezed their profits. After all, short-term savings from foreign sources may be tempting, but they can readily disappear if foreign producers decide to demand the higher profits to which their monopoly position entitles them.

What's needed is a genuine commitment to redeveloping home-grown capacity—not just the pious mouthings of determination to restore U.S. competitiveness (followed by a litany of grievances against U.S. tax and fiscal policies) that have become standard fare at industry gatherings. And that commitment might well start with U.S. producers sitting down with their suppliers to develop agreements guaranteeing producers a stable, high-quality supply of components within an acceptable price range in return for the guarantee to suppliers of a stable long-term market for their wares.

Yes, U.S. industry has some legitimate complaints—primarily with the bizarre fiscal policies of the Reagan administration, which pushed interest rates and the U.S. dollar so high that competitive U.S. producers were driven out of well-established markets. And U.S. policymakers have been far too cavalier in ignoring the far more active role that foreign governments play in assisting their industry through protected home markets, assured financing and compliant regulation.

But government policy did not cost U.S. firms their preeminence in world markets and it will not suffice to restore it. That job has to start in corporate boardrooms.

JAPAN CUTS UNITED STATES LEAD IN ELECTRONICS

(By Steve Wilstein)

ALAMEDA, CA, May 9.—Japan approached another milestone in its rise to economic supremacy last year, nearly matching the United States in total electronics production, according to a research firm that forecast a bumpy road ahead for America's biggest industry.

Japan produced $250 billion worth of electronic goods—everything from computer chips to copiers and facsimile machines—while the United States barely stayed ahead with $262.8 billion, Dataquest Inc. said today in its annual industry analysis and forecast.

"This year we have seen some incredible things take place," said Manny A. Fernandez, president of San Jose-based Dataquest, who called Japan's surge toward the top in overall electronics production more significant that its recent dominance of the semiconductor industry.

Apple Computer Inc. passed International Business Machines Corp. in unit sales of personal computers in the United States in 1988, Fernandez said. But the big news in that arena, he said, was the penetration into the U.S. market of South Korean and Taiwanese computer makers.

On a day when Apple announced new software and IBM unveiled a cheaper personal computer and a portable one, Dataquest said both companies lost U.S. market share in 1988 to foreign vendors, whose sales grew from 35 percent to 45 percent of the U.S. total.

The personal computer market, which grew 27 percent worldwide to $51.7 billion and 22 percent in the United States to $28.7 billion, will continue to grow impressively in 1989, Dataquest said. Growth in the U.S. market will be 25 percent in 1989, and 12.6 percent compounded annually through 1993, the company said.

Laptop computers will be the fastest growing part of that market, said Fernandez.

American companies will have to change their marketing strategies, however, to recover lost market share, said Fernandez.

"The era when it was the technology strength of one giant company against another, those days are pretty much over," Fernandez said. "It has become a marketing game. It has become a game of pricing, a game of software supply, service and distribution channels."

The PRESIDING OFFICER. The distinguished Republican leader is recognized.

AMENDMENTS TO THE THRIFT BAILOUT BILL

Mr. DOLE. Madam President, I know that doing "favors" for friends in the thrift industry is a tradition here on Capitol Hill, but I thought we would have learned our lesson by now. Unfortunately, I was dead wrong. The President's S&L reform package—passed by the Senate last month and now being considered by the House—has become so littered with special interest amendments that it would make the local junkyard look like a well-kept lawn.

THE AMENDMENTS

Both the Senate and the House have to share the blame for littering the President's bill. Last month, Members of the Senate were running over each other to offer their own set of special interest amendments. Now, the House Banking Committee has gotten into the act.

The House Banking Committee—for example—has adopted an amendment that would exempt Sears, Roebuck & Co.—and only Sears—from the affiliated transaction provision in the President's package. This exemption may mean millions of extra dollars for Sears and millions of lost dollars for its competitors. So-called affiliated transactions were also responsible for some of the worst abuses in the thrift industry over the past decade.

Still another amendment would allow a savings and loan in Beverly Hills to maintain its junk bond business. And a bank in San Antonio can now breathe a sigh of relief: The House Banking Committee adopted an amendment specifically designed to shield some of the bank's assets from the FDIC.

SPECIAL INTEREST LEGISLATION

Some Members may think that special interest amendments are just part of the game. But I think it is about time that Congress changed some of the game's rules. It's about time that Members of Congress start blushing when they push special interest legislation, particularly on a matter as important as the President's thrift reform package. And it's about time that Congress starts doing favors for the taxpayers, who are going to have to foot a large portion of the bailout bill.

THE COSTS OF DELAY

We have all heard the numbers before. The costs of delay are enormous. Some experts have estimated that each month of delay will cost the taxpayers $500 million. That means about $10 to $20 million each day.

And let us face it. Congress has not done much this session. Here in the Senate we spent a good amount of time on our pay raise, on the Tower nomination, on the minimum wage.

These are important issues. But there are few issues of greater importance today than solving the financial crisis in the thrift industry. So I urge my colleagues in the House to address this crisis by moving swiftly on the President's reform package.

CONCLUSION

I would like to make one final point here. We must remember that special interest legislation was a big reason for the thrift industry's financial woes in the first place. Congress must learn from this experience. Congress—and the taxpayers—cannot afford to repeat the mistakes of the past. And Congress must act responsibly—and swiftly—as it continues its consideration of the President's thrift reform package.

Madam President, I ask unanimous consent that an editorial from today's Wall Street Journal about these special interest problems be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

CONGRESSIONAL CRACK

It may be the most horrifying sight in Washington, D.C.

A gang is huddled together conspiring to steal from honest citizens to finance its costly addictions. The damage this activity does to the economy could easily run into the hundreds of billions of dollars. Someone better call Bill Bennett, the drug czar, and get him to send a posse of U.S. marshals after the city's worst addicts—who are holed up in the Rayburn House Office Building.

We're talking, of course, about the Members of Congress now working on the savings-and-loan bailout bill. What they are doing is simply incredible. Faced with the task of trying to clean up this extraordinary mess, many of the Congressmen are instead cutting deals with pushing expensive special breaks for favored constituents. You'd think just once they could resist this crummy behavior. But no, doing deals seems to have become a form of Congressional crack.

Henry Gonzalez (D., Texas) used his post as chairman of the House Banking Committee to benefit the biggest bank in his hometown. He got an amendment to protect Frost National Bank of San Antonio and other insured banks it owns from the Federal Deposit Insurance Corp. in case some of its other thrifts become insolvent. Others added similar provisions to benefit subsidiaries of Chemical Bank of New York and First Interstate Bank of Houston.

Carroll Hubbard Jr. (D., Kentucky) made the day for mortgage bankers by getting an amendment extending federal insurance to the risky escrow accounts of mortgages sold by thrifts. At the request of the mobile home industry, Bill Nelson (D., Florida) joined Rep. Hubbard to require federal regulators to make allowances for bad loans for "low and moderate income housing"—defined to include mobile homes. Peter Hoagland (D., Nebraska) has an amendment that would exempt four specific limited partnerships (including Merrill Lynch and PaineWebber) from liability if thrifts they take over flop. Claude Pepper (D., Florida) got help for affiliates of Citizens Federal Savings of Miami.

Other Congressmen got exemptions from new accounting standards for credit unions, new advantages for insurance companies competing with banks for pension fund deposits and big breaks for insurers who were foolish enough to write liability policies for thrifts.

It's real chutzpah for Members to use the excuse of the S&L crisis to put new burdens on the deposit insurance system. After all, there is a good case to be made that Congress created the problem in the first place. Deposit Insurance is another way of saying Government-Subsidized Risk Taking by Bankers. This can work only when regulators are free to do their jobs. Congress literally broke the banks when—led by Speaker Jim Wright—it encouraged local thrifts to make lousy loans with its defeat of tougher legislation and its intimidation of regulators who warned that things were getting out of hand.

It's not too late for the Bush Adminstration to make the point that banking is too important to let it fall into the clutches of politicians. As we've urged, the thrifts should be fully privatized, with a new system of private deposit insurance. Indeed, the best argument yet for privatization is this spectacle of Congress treating the bailout as mainly a chance to do more deals at public expense.

TROUBLE DOWN ON THE FARM: FEDERAL CROP INSURANCE HORROR STORIES

Mr. DOLE. Madam President, an article on the front page of the Wall Street Journal Monday calls attention to some very serious and disturbing problems with the Federal Government's crop insurance program for America's farmers.

In a time of limited Government resources and a massive Federal debt, it is painful to read how hundreds of millions of the taxpayers' dollars have been lost due to fraud, mismanagement, miscalculation, and unbelievable carelessness at the Federal Crop Insurance Corporation.

As one FCIC manager admitted in the Wall Street Journal report, "We got taken to the cleaners."

The Federal crop insurance is not sold by the Government. Private companies actually sell it, but the Government reinsures these companies against most of the risk and reimburses them for 34 percent of their administrative expenses. Is it any wonder that the program has been labeled a fiasco by the Wall Street Journal.

It is doubly sad because it distorts the very real problems drought, hail, frost, and other natural hardships can bring to America's crops and their producers. Wheat farmers in Kansas this year, for example, are facing one of the bleakest crops in history after a winter- and spring-long drought. These hardworking men and women will need help, including some kind of Federal relief.

For instance, we hear of one farmer who collected a huge check for freeze damage, a month after his crop was harvested; of producers who collected insurance for crops raised on irrigated fields, even when irrigated crops do not qualify for insurance coverage; of miscalculation of crop insurance programs that has resulted in windfalls for scores of farmers; and of other horror stories that cry out for a major program overhaul.

No doubt about it, the costs of a drought—as we saw last year—can be staggering; and there is no cheap way to help cover the cost of natural disasters. We understand that fact.

Yet, in the face of these legitimate needs, the taxpayers of America can't be blamed for turning sour—and angry—at the costly shennanigans of some dishonest producers and bungling bureaucrats; and the taxpayers wouldn't be wrong if they demanded a Federal investigation.

Mr. President, the FCIC is reportedly trying to fix some of these problems. It now has a Compliance Division to help with loss adjustment oversight. The Crop Insurance Commission—established by Congress last fall to review FCIC troubles—has made a preliminary report that already includes 26 recommendations. Its final report is due July 1, and I will be eager to read it.

Unfortunately, the taxpayers have shoveled out $2 billion during the past 8 years to cover the FCIC tab. Of course, Congress is part of the problem, too. It can't say no—to anyone, including uninsured farmers.

So, it is a lethal combination for the taxpayers: too much Congress, too much spending, and too much incompetence at the FCIC.

Let us do all we can to make certain this nightmare doesn't happen again.

Madam President, I ask unanimous consent that the entire Wall Street Journal article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FARM FIASCO: CROP-INSURANCE FRAUD AND BUNGLING COST U.S. TAXPAYERS BILLIONS

(By Bruce Ingersoll)

Buying federal crop insurance really paid off for a Florida tomato grower not long ago. After a big freeze blew in, he collected more than $300,000 in frost damages. But federal auditors found just one problem: They say the grower had harvested most of his crop at least 39 days before the freeze hit.

The taxpayers were the ones who actually got left out in the cold.

Such chicanery, along with a lot of other problems, are dogging the Federal Crop Insurance Corp., a little-known Agriculture Department agency that has quietly managed to lose hundreds of millions of dollars a year. The FCIC is coming off its worst year in half a century of insuring farmers against natural disasters. Fraud, underwriting blunders and errors in paying claims are sapping the program and have been exacerbated by the 1988 drought and the huge number of claims that ensued.

To say nothing of bureaucratic bungling. A single FCIC underwriting error in 1981—still only partly corrected—has helped produce about $600 million in claims so far. The agency made the mistake of calculating crop yields for soybeans based on its experience in the Midwest. The formula, later used to insure soybean growers nationwide, worked fine in places like Iowa. But in the South, where farmland isn't as fertile and yields are normally lower, it was a bust—at least as far as the FCIC was concerned.

OFF TO THE CLEANERS

"We were under pressure to expand the program," says John Marshall, the FCIC manager. "It turns out we were overinsuring. We . . . really got taken to the cleaners."

The General Accounting Office has discovered other, expensive snafus. FCIC rules say farmers can't collect drought claims on crops that are irrigated. But, over a three-year period, that's exactly what the GAO thinks 3,000 farmers did—to the tune of $17.9 million in claims. Had the FCIC been reviewing its computer tapes on loss data, it might have caught these errors.

As a result of such problems, the crop-insurance agency required a $900 million bailout last fall to stay afloat, an event that was unpublicized. That put the total expense to taxpayers for the past eight years at $2 billion, surpassing earlier government aid dispensed to Chrysler Corp. or the troubled Farm Credit System banks.

The situation promises to get worse before it gets better. "We're running enormous losses on a number of crops virtually all across the country," says Michael Forgash, an agency official. At the same time, lawmakers are running out of patience with the agency and mapping plans to try, again, to make it self-sustaining.

A ROLE FOR CONGRESS

Congress revamped the agency nine years ago, and expected it to insure at least half of the nation's crop land and, at the same time, to pay for itself. It hasn't done either.

But Congress is partly to blame for lower-than-expected participation by farmers. It has repeatedly rescued uninsured farmers during disasters, particularly droughts in election years. Last year, Congress voted a record $4 billion drought relief package. To Rep. Glenn English, an Oklahoma Democrat, that package underscores "the glaring shortcomings in a program that was designed to do away with disaster-relief emergencies once and for all."

As frustrated lawmakers move toward yet another overhaul, 8,000 agents are pedaling federal crop insurance for 50 crops, ranging from flax to figs. A farmer can insure 50% to 75% of his normal yields against everything from grasshoppers to grass fires.

But even with the government footing about 30% of the premium costs, federal crop insurance, which began as a New Deal experiment, isn't popular with farmers. Last year, only 26% of the eligible cropland was insured. "It's looked upon as something that maybe just poor farmers take out," says David Nix, a spokesman for a group of Texas cotton growers. Farmers also complain about the program's red tape and high costs.

BUSINESS IS UP

Sales of the insurance have picked up this year, partly because of jitters about another drought. And Congress is now requiring many farmers who collected disaster payments last year to sign up for the minimum level of coverage this spring. The FCIC hopes to hit its target of insuring half of the eligible land this year for the first time, with the value of insurance coverage jumping to $12 billion from $7 billion last year.

Even so, the odds of the agency breaking even are next to nil. Typically, two-thirds of the coverage sold is "actuarially unsound," the FCIC acknowledges. "There are systemic problems," the agency's Mr. Forgash says. "We just don't have adequate information to rate the premiums properly. The rates on two-thirds of our business are out of line with the risks we're assuming."

The prospect of so much insurance boomeranging on the government appalls private insurers. "Their actuarial division in Kansas City has no idea what they're doing," contends W.D. Classen of Rain & Hail Insurance Service Inc., a major insurer based in West Des Moines, Iowa. "The policy provisions they write actually deliver taxpayer dollars by the carload to farmers who don't deserve it."

Though speaking well of Mr. Marshall, the fourth FCIC manager in eight tumultuous years, many insurers disparage the agency's bureaucracy. From the top level on down, argues Eugene Gantz, executive vice president of the American Association of Crop Insurers, "they don't know insurance and don't profess to know it."

Federal crop insurance isn't sold by the government. Instead, most is peddled by private firms called "reinsured" companies. They underwrite their own insurance and handle loss adjustments. But the FCIC reinsures them against most of the risk and reimburses them for 34% of their administrative expenses. The practical result: The government absorbs most of the losses the companies experience.

The reinsured companies now sell about 80% of all federal crop insurance, a share that has grown over recent years, as a result of Ronald Reagan's push to privatize this sort of enterprise. The remaining 20% or so is sold by another group of private companies, called "master marketers," which essentially act as the FCIC's sales arm but, unlike the reinsured companies, don't bear any of the risk.

SLOW TO POLICE

Overpayment of loss claims by the reinsured companies has long been a big problem for the government. But the FCIC didn't set up a compliance division until 1986 to audit adjusters and ferret out abuses by farmers and agents. The oversight efforts still don't measure up, according to a GAO report. Compliance officials were found last year to be reviewing claims from fewer than 10% of the counties where reinsured companies do business. In the case of one major insurer, the officials checked claims from just three counties out of the 1,500 where the company sold policies.

Now, it is evident that taxpayers have been paying for years of sloppy work. In a 1987 audit, the Agriculture Department's inspector general discovered that 70% of 125 loss payments totaling $10.2 million were improperly adjusted, and as a result, farmers were overpaid by $5.1 million. Some company adjusters were caught in flagrant conflicts of interest. One handled his brother's loss claim; another took care of his own farm partnership's claim.

In a sampling of claims, GAO auditors found a similar pattern of errors: Adjusters with reinsured companies incorrectly settled 95% of 134 claims, many of which were overpayments. Of $9.4 million paid out, almost $3 million was underserved. In contrast, underpayments totaled only $32,000.

Many of the errors, according to the GAO, "were so obvious as to appear to have been intentional." One Montana farmer was allowed to buy federal crop insurance after his wheat crop had been devastated. His agent, by insuring a known loss, cost the government $69,000. An Oklahoma soybean producer planted 637 acres, then claimed losses on 897 acres, reaping a $30,000 overpayment. (The government has prosecuted only a tiny fraction of farmers caught defrauding the FCIC.)

FOLLOWING THE RULES

The GAO found the FCIC's own adjusters made numerous mistakes as well, but with one striking difference: Their errors were procedural and didn't cause big overpayments. Of $1.7 million paid on 37 claims, only $26,000 was underserved.

Overpayments "make us look terrible," acknowledges Michael K. Felt, the president of Crop Hail Management Corp., a Kalispell, Mont., reinsured company. But he says the industry's performance is much improved from two years ago.

"It's impossible for a loss adjuster, with these big acreages, to come out right on the mark," he says. It's also difficult to detect scams, such as farmers filing loss claims under the name of one entity and selling crops under another name.

In practice, however, there isn't any great incentive for vigilance on the reinsured companies' part, so long as the government eats the bulk of the losses. One company, for example, took a $17.4 million bath on crop insurance over a three-year period, but the government soaked up all but $55,000 of the loss, according to a House Appropriations Committee report. At the same time, the government paid the company, which the report left unnamed, nearly $35 million in administrative fees for selling and servicing the policies. So the company came out way ahead.

This doesn't sit well with FCIC veterans such as Thomas Link, a field director, who questions the program's direction: "Are we working for the producers out there or are we working to help some companies make money off the program?

THE DEBATE PICKS UP

Now, the program may be fast approaching a critical turning point. Many lawmakers believe that Congress, after years of ambivalence, will have to choose between crop insurance and ad hoc disaster relief. "We are going to do one or the other; we aren't going to continue doing both," asserts Republican Rep. Ed Madigan of Illinois, the ranking minority member on the House Agriculture Committee.

Currently, political sentiment favors revamping the FCIC once again and giving it another chance, if only because crop insurance, in theory at least, is cheaper than disaster payments. A congressional study commission, created under last year's drought law, is working on ways to improve the program and reduce its dependence on tax dollars. One goal will be to purge the program of absurd inconsistencies. Complains Jack Kintzle, an Iowa corn grower: "I cross county lines, and my rate on the same yield goes from $6 an acre to $13 an acre."

Meanwhile, the FCIC is bent on proving its critics wrong. For the first time, it is developing a comprehensive marketing plan to increase sales. To the relief of frustrated agents and baffled farmers, it has quit repeatedly changing its rules and regulations. It is redoubling its efforts to clamp down on loss-adjusters and dishonest farmers. And it is re-evaluating its rates and coverages to avoid "selling out the store from an actuarial standpoint," Mr. Marshall says.

Mr. DOLE. Madam President, let me indicate that as I read the article I think unfortunately the first thing up with the black eye is the American farmer. In probably some cases that is deserved where they participated in some fraudulent scheme to collect crop insurance when they should not have had it.

But many farmers do not like crop insurance. It cost a lot of money. You barely get your expenses.

I hope when the advisory commission makes its report in July we will have an emergency meeting of the Agriculture Committee on both the House and Senate side, take some of the recommendations made by the commission, correct some of the flaws in the FCIC Program, and make it available to farmers, and then rather than to pass a drought relief bill every year make certain that farmers have crop insurance.

We have had some Congressmen suggest we ought to go back after the crop has been destroyed and let farmers buy crop insurance. That is like saying to anybody else if your business burns down or your house burns down you do not have insurance on it, that is all right, you can buy it after the house burns down or after your business is destroyed. It does not make any sense. And most farmers, a great majority, understand that.

So I think Congress is going to have to be a little more responsible. We cannot insure every loss that occurs in America, whether they are farmers or nonfarmers. And farmers have a responsibility to protect their crops through crop insurance.

We need to straighten out the Crop Insurance Program. Once that is done, then Congress needs to come to grips with one basic issue. And that is if we are going to provide benefits to farmers as we do and as we should, in some cases, to preserve the family farmer, and once we straighten out the Crop Insurance Program, then I think it is time we suggest, if you are going to participate in the farm program, if you are going to receive thousands of dollars in Federal benefits because you participate in that farm program, there ought to be a requirement that you buy crop insurance. If you do not want to buy crop insurance, do not want to participate in the program, that is up to the producer. They should not be forced to do anything.

But if the American taxpayers, including farmers—they are taxpayers—are going to participate in Government programs and get Government benefits and we have a good Crop Insurance Program—we do not have one now; we will have one if Congress acts quickly on the advisory committee's recommendations and maybe some of our own—then I believe you would find farmers very willing to cooperate and very willing to make a judgment: If I buy crop insurance, I will go in the program. If I do not buy crop insurance, I am not in the program.

So I urge the Congress, when this commission does report on July 1, that we move very quickly to enact the recommendations to get the Crop Insurance Program under control, to make certain we have it properly staffed, and get rid of some of the incompetent people who have been responsible for the error. And I would suggest and certainly urge Secretary Yeutter to make this a top priority in the next few months.

I yield the floor.

GLOBAL WARMING

Mr. WIRTH. Madam President, the last months and, in fact, now years have been overwhelmed by the growing issue of global warming. People around the globe, from people in the United States to the British Cabinet, Mrs. Thatcher, governments in Europe, and increasingly citizens all around the world, are increasingly alarmed by the fact that the evidence points out that the greenhouse effect is real and the globe is getting warmer.

As that happens, Madam President, we have to look at the causes and begin to think about the solutions. Clearly, this is a problem of trace gases, various gases like carbon dioxide, methane, chlorofluorocarbons, going into the atmosphere and changing the nature of the atmosphere and the atmosphere becomes more and more like a greenhouse. Heat is held in, the Earth gets warmer, with implications that are absolutely staggering for our economy and for life on Earth as we know it.

The question is, what are we going to do about all this? The evidence is clear. What do we do?

The No. 1 problem for us is carbon dioxide, the burning of fossil fuels. And we are burning increasing amounts of carbon dioxide, increasing amounts of carbon dioxide going into the atmosphere. So clearly good public policy would suggest, good rational global

policy would suggest, that we ought to burn fewer fossil fuels and emit less carbon dioxide.

For us in the United States, this presents very significant opportunities, significant opportunities to do better in the way in which we burn fossil fuels to conserve and to emphasize fuel efficiency. For us the two greatest areas that are possibilities are, one, transportation and, second, building standards in which we in the United States waste a great deal of energy.

We are, for example, in our economy about 50 percent as efficient in the use of energy as our trading competitors, the Germans and the Japanese are. In other words, it takes two units of energy to produce a unit of gross national product in the United States; one unit for the Japanese or the Germans. Not a perfect parallel, of course, but it is instructive in the fact that we have a great deal of room, particularly in the area of building standards and transportation.

Today, the Bush administration took, I believe, a very progressive and smart step when they agreed not to roll back the CAFE standards of automobiles. The previous administration, the Reagan administration, had told us that the CAFE standard, or the corporate average fuel economy standards—that is the average-mile-per-gallon standard for a new automobile coming out of Detroit. That standard, which is set in the law at 27.5 miles per gallon, has been rolled back by the previous administration, using the discretion that they had, to around 26.

There has been some debate in the Bush administration as to what they were going to do. And, in a very welcome move, they announced today that they are going to maintain the current standard of 27.5 miles per gallon, certainly a progressive step up from where we have been over the last 8 years and I hope the beginning of a number of indications coming out of the administration of their concerns about global warming, global environmental issues, and the need for us to be much more efficient in the way in which we use fossil fuels and much more attention to the problems of carbon dioxide.

Now, will this increased fuel economy really help? Well, of course it will. For every mile per gallon of increased efficiency for the new cars coming off the assembly line, for every mile per gallon, we save about 400,000 gallons of oil per day and clearly the level of increase can go up pretty significantly.

According to the engineers in Detroit, in their testimony to us, according to them, we can go from the current 27½ to about 34 or 35 with significant ease. No technical hardship, no engineering changes are going to be required in the basic way in which we design and build automobiles. We can go from an average of 27½ to 34 or 35 with ease.

What will that mean? Madam President, if we go to 34 miles per gallon by the year 2000, from the current 27 to 34, or an increase of about 25 percent in fuel efficiency, no hardship, we will be savings about 400,000 barrels of oil per day—400,000 barrels of oil that we are not going to be importing from the Middle East that we are not going to need, a very logical and simple way that the American taxpayer saves money and the American consumer saves money. We become more competitive and we are less dependent on imported oil.

And how much is 400,000 barrels of oil per day? It is more than most estimates suggest we will be getting out of ANWR, the Alaskan National Wildlife Refuge. There has been a great deal of pressure for us to drill in ANWR. If we were to drill in ANWR, effectively what we would be doing is drilling in the last great wildlife refuge on the North Slope of Alaska for the purpose of fueling gas-guzzling automobiles.

If we did not drill in ANWR and went to more efficient automobiles, we have more than a tradeoff and we will save more than enough. That is one example as to how much 400,000 barrels of oil a day is, more than we are getting out of ANWR.

Or, to put it another way, the amount of oil spilled in Prince William Sound by one tanker, the *Exxon Valdez*, was 200,000 barrels. By sheer efficiencies in automobiles, we can save every day twice the equivalent of the amount of oil that was spilled in Prince William Sound last month.

These are just illustrative of how much oil there is to be saved by moving along the simple path suggested by the administration today.

It is my own belief that we also ought to be going further than that 34 miles per gallon. We ought to be going further toward very aggressive exploration of alternative fuels for automobiles by using natural gas. We are rapidly moving into the day and age in which this is going to be a 20- or 30-year period of time of natural gas. The era of natural gas is on its way. It is almost here. We have to be looking at transportation fueled by natural gas, looking at hydrogen, looking at electricity, a whole variety of alternatives.

Finally, we should be looking at other economic incentives. Senator HEINZ and I have introduced legislation providing various alternative economic incentives for rewarding gas sippers and punishing or taxing gas guzzlers, so that the American public has an economic incentive to buy an automobile that is fuel efficient and an economic disincentive to buy an automobile that is fuel inefficient.

In any case, I wanted to use this opportunity, Madam President, to congratulate the current administration, something that we all like to do wherever that is possible. You and I, all of us, want to see this administration succeed, want to see the President do the right thing. And they did the right thing today, Madam President, by not rolling back the fuel-efficiency standard of automobiles maintaining the 27½ miles per gallon. I hope we can take the next steps to make it more efficient in coming years.

I thank the Chair for her toleration of these remarks and explanatory comments.

I yield the floor.

The PRESIDING OFFICER. The Senator from Arkansas.

SCORECARD ON CONSULTING SPENDING

Mr. PRYOR. Madam President, I rise today to report on how various Federal agencies have complied with a requirement that they reduce their budgets for consulting services by a prescribed amount. The agencies are the Departments of Defense, Treasury, Health and Human Services, Transportation, Labor, and Education.

During the consideration of the fiscal year 1989 appropriations bills for these agencies, I attached amendments requiring them to reduce their consulting services spending. The General Accounting Office [GAO] provided me with information regarding what these agencies had reported spending to the Federal Procurement Data System. In order not to drastically impact the agencies, I elected to reduce their consulting budgets by only 15 percent. While I successfully attached this amendment to 11 appropriations bills, unfortunately for the taxpayers, all but 4 conference committees dropped the amendment while the remaining committees modified the reductions.

In other words, only six agencies were required by 1989 law to cut consulting services costs.

Madam President, the potential reduction in consulting spending as a result of my amendments was roughly $220 million. Of the six major agencies involved, five of them faithfully carried out the intent of the amendment. The Department of Defense reduced its budget by $150 million. I have included for the record the itemized list of how DOD achieved this reduction. The other Departments achieved reductions as follows: Treasury, $3.6 million; Transportation, $2.3 million; HHS, $14.3 million; Labor; $1 million.

And, finally, Madam President, there is the Department of Education. I received a nice letter from Education, thanking me for my interest and informing me that it would not be making any reduction in its consulting budget. By their own calculations, it should at least have reduced their

budget by $5 million. But, since it classified this money as ongoing and routine it decided it didn't need to cut it.

While I am a strong supporter of education, as is the present occupant of the chair, I find it hard to believe that while DOD could cut consultants, Treasury could cut consultants, Transportation, HHS, and Labor could cut consultants, the consultants to the Department of Education were doing such vital work that Education simply could not cut its budget.

The second matter that concerns me is that the rationale Education uses to justify not cutting consultants is the very reason that Congress and GAO are most concerned about the Government's use of consultants. Education states that it is above the law, it does not have to cut its consulting spending because these consultants are doing the basic work of the Department. The conference committee added language allowing Education to exempt those consultants who do ongoing and routine tasks and are part of the regular mission of the agency. By my reckoning, this should not apply to most consultant contracts because based on the OMB Circular A-120 which regulates consulting services, consultants should not be doing the regular work of the agency nor should they be hired on an ongoing or routine basis. Consultants should only be hired when the agency determines that Federal workers cannot do the job, or when something very special is needed. They should never be hired to perform inherently governmental activities that should be performed by the Federal employee in the first place.

Madam President, the Department of Education cannot have it both ways. If it cannot cut its consultant budget because consultants are hired on an ongoing and routine basis to perform the regular work of the agency, perhaps we need to have GAO take a close look at the Department's consultant contracts.

Besides saving the taxpayer some money, I had intended that my amendment would force the Federal Government to take a closer look at its consulting contracts. I thought it would be a good idea for the Government to review its spending and decide which of the contracts were necessary for high priority tasks.

While I do not think the other five agencies that fulfilled this requirement have solved all their problems with consultants, at least they have made a beginning. I am deeply troubled that the Department of Education ducked its responsibility and refused to do the work required by the legislation.

The conference committee allowed Education a great deal of flexibility in applying the reduction, as did all the other conference committees. I am disappointed that Education chose to take advantage of the flexibility and not cut one dime from its consultant budget, while the other five agencies made significant reductions. This behavior deserves further attention on the part of the Congress and by the GAO. I can promise the folks over at Education that they will be receiving this attention.

Madam President, I ask unanimous consent that the letter that I have received saying that will not comply with the present law, from the Department of Education, dated April 10, 1989, be printed in the RECORD at the conclusion of my remarks.

Madam President, I also ask that a letter from the Department of Defense, the Office of the Director Of Defense Research and Engineering, a letter dated the 29th of March, 1989, be printed in the RECORD at the conclusion of my remarks. It indicates in those areas of defense contracting, how consulting services will be reduced, to the tune of $150 million.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF EDUCATION,
OFFICE OF THE DEPUTY UNDER SECRETARY FOR PLANNING, BUDGET AND EVALUATION,
Washington, DC, April 10, 1989.

Hon. DAVID PRYOR,
U.S. Senate, Committee on Governmental Affairs, Washington, DC.

DEAR SENATOR PRYOR: I am writing in response to your March 20 letter concerning the limitations on the use of consultants contained in section 515 of P.L. 100-436. You asked about how the Department was implementing the amendment you sponsored and requested all relevant information.

Section 515 prescribes a limitation on 1989 obligations for consultant services contracts at 85 percent of the 1987 obligations, using the recent Office of Management and Budget definition of consultant services. Under Section 515, the limitation for the Department of Education would be $28 million. This limitation excludes amounts for field readers and appointive consultants.

Although it is impossible to know the precise amounts that will be used for contracts until the completion of competitions and negotiations over the best and final offers of bidders, the planned level for consulting services contracts in 1989 is approximately $33 million. These contracts will be used for a variety of purposes, including the collection of education achievement data by State, studying the effectiveness of the Chapter 1 program for disadvantaged students, evaluating the success of the Dropout Prevention Demonstration program, analyzing the Drug Abuse Prevention programs, and obtaining expert legal advice for civil rights litigation.

While the limitation on consultant services could adversely affect the Department's operations, since the $28 million limitation is $5 million less than the amount planned for these activities, it appears that the exemptions included in Section 515 recognized the need for many consultant services. In addition to exempting Inspector General activities, Section 515 exempts activities that are "ongoing and routine" and "part of the regular mission of the agency." Because the Department's consulting services activities generally fall within these broad exemptions, it appears that there will not be major disruption of the Department's operations. It also appears that there will be little, if any, savings from the Section 515 limitation.

Despite the likely exemption of most activities because of their ongoing and routine nature as part of the regular mission of the Department, the Department will make every effort during the year to minimize the amount of money used for consulting services. It is possible that actual spending for consulting services contracts will be lower than planned and below 85 percent of the 1987 level. If there are savings, the Department will use the funds to defray costs of the 4.1 percent pay raise as required by section 515. The pay raise costs for the Department are $5.9 million.

I hope this information, which we have also provided to the Appropriations Committees in our Congressional Budget Justifications, is helpful. If you need further information, please have your staff contact Thomas Skelly (732-5290).

Sincerely,

CHARLES E.M. KOLB,
Deputy Under Secretary for Planning, Budget and Evaluation.

OFFICE OF THE DIRECTOR OF DEFENSE RESEARCH AND ENGINEERING,
Washington, DC, March 29, 1989.

Hon. DAVID PRYOR,
Chairman, Subcommittee on Federal Services, Post Office and Civil Service, Committee on Governmental Affairs, United States Senate, Washington, DC

DEAR SENATOR PRYOR: This letter is in response to your inquiry on the $150 million reduction to the FY 1989 Defense Appropriations Bill for consulting services. The $150 million reduction was allocated to each of the Military Departments and Defense Agencies based of FY 1989 estimates for Contracted Advisory and Assistance Services (CAAS). These estimates were taken from the Contract Support Services Budget Exhibit submitted by the Military Departments and Defense Agencies for the FY 1990/FY 1991 Biennial Budget Review. The Military Departments, in turn, made specific distribution of these general reductions based on their relative priorities. A copy of the final distribution by appropriation was provided by the DOD Comptroller to the Appropriations Committee on February 2, 1989.

Since the amendment was added to the Defense Appropriation Bill just prior to the Bill's being passed, there was, to my knowledge, no documentation of the impact of this reduction on DOD. The components simply applied the reductions to those programs with the least priority within the appropriations guidelines.

Sincerely,

JOHN P. WILHELM,
Acting Director, Contracted Advisory and Assistance Services and OSD Study Coordinator.

Section 8137 reductions

Operation and maintenance, Army	$21,100,000
Operation and maintenance, Marine Corps	1,700,000
Operation and maintenance, Air Force	15,120,000

Operation and maintenance, defense agencies ..	13,400,000
Operation and maintenance, Army Reserve.....	300,000
Operation and maintenance, Navy Reserve.....	950,000
Operation and maintenance, Air Force Reserve	360,000
Operation and maintenance, Army National Guard.....	1,100,000
Operation and maintenance, Air National Guard.....	360,000
Aircraft procurement, Army.....	300,000
Missile procurement, Army.....	500,000
Other procurement, Army.	300,000
Aircraft procurement, Navy.....	13,090,000
Weapons procurement, Navy.....	3,600,000
Shipbuilding and conversion, Navy	14,160,000
Other procurement, Navy..	6,020,000
Procurement, Marine Corps	200,000
Other procurement, Air Force.....	3,240,000
Aircraft procurement, Air Force.....	360,000
Missile procurement, Air Force.....	720,000
Research, development, test and evaluation, Army.....	1,900,000
Research, development, test and evaluation, Navy.....	21,780,000
Research, development, test and evaluation, Air Force.....	15,840,000
Research, development, test and evaluation, defense agencies	13,600,000
Total	150,000,000

Mr. PRYOR. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. PRYOR. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. ROBB). Without objection, it is so ordered.

MEETING OF U.S.-U.S.S.R. TRADE COUNCIL

Mr. DOLE. Mr. President, last evening, I had the pleasure of addressing a meeting of the U.S.-U.S.S.R. Trade Council—probably the leading private sector organization engaged in encouraging expanded American-Soviet trade relations.

The audience, like the council itself, was made up of an about equal mixture of Americans and Soviets. Some 250 prominent American businessmen were joined by an equal number of their Soviet counterparts—an impressive representation of commercial leaders from both countries.

Because our future relations with the Soviet Union—in the economic and the broader strategic and political fields—will be so important to our country and to all Americans, I would like to share with the Senate my remarks last evening. I hope these will be part of a continuing dialog we have here on the Senate floor, and in other forums around the country, on this crucial matter.

I ask unanimous consent that these remarks be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

SPEECH TO U.S.-U.S.S.R. TRADE AND ECONOMIC COUNCIL, MAY 17, 1989

A couple of years ago, when the Gorbachev era was just dawning, Margaret Thatcher shocked a lot of people in the West by declaring that Gorbachev was someone "we can work with."

The initial shock has passed, replaced by images of the General Secretary "working" American crowds in the best traditions of—well, of Bob Dole; by TV shots of Gorbachev and President Reagan, attaching their signatures to the INF treaty; by pictures of Soviet troops and tanks, rolling not into—but out of—Afghanistan.

The initial shock has passed, and in its place has emerged a growing realization that Margaret Thatcher was right. We do have a new style of Soviet leader. And we not only can work with him; we better work with him. Because he continues to move with whirlwind energy—catalyzing major changes in the Soviet system and Soviet policies; destroying long-held ideas, and in some cases myths, about our Soviet adversary; and having an enormous impact on the Global stage—including in the capitals of the countries we call our closest allies and best friends.

GORBACHEV: FACE TO FACE

Gorbachev's Soviet Union represents a unique kind of challenge for us Americans—a challenge made up of equal parts of new opportunities, and potential perils.

That came home to me starkly and personally when I visited the Soviet Union last year, for the signing of the INF Treaty. On that occasion, I had the opportunity to sit next to Mr. Gorbachev for several hours at dinner. Let me tell my countrymen here who have yet had that opportunity: The man is a handful.

He is charming. He is smart. Above all, he is tough, as great leaders should be.

He wants to make the Soviet Union the most powerful and prosperous nation on earth. He has a strategy—a game plan—to do it. And he has the talent and determination to give him a shot at succeeding, despite the daunting challenges he, too, faces.

And, let me add, he believes—I am convinced he genuinely believes—that for the forseeable future, at least, one central element of his strategy for helping the Soviet Union must be finding ways to lower tensions, and increase cooperation with the West.

And let me stress again: He wants to do that not because he has any special affection for us, but because he sees it as the best way to achieve Soviet national goals.

Interestingly, I keep hearing people wanting to debate the question: is it in our interest, American interest, to work with Gorbachev? By working with him, do we nurture a more open, less belligerent Soviet state; more amenable to working with us, less inclined to risk assaults upon us? Or, by working with him, are we really just helping make an adversary even stronger?

THE RACE INSIDE THE KREMLIN

As far as I'm concerned, Gorbachev has it right, from his perspective—and the people who ask these kinds of questions have it wrong, from the American perspective.

Through our policies and actions, we can have some impact on whether or not Gorbachev succeeds. But, fundamentally, what happens inside the Soviet Union will decide his fate.

In my view, Gorbachev's fate depends on the outcome of a daring and dangerous race of which he, himself, was the starter; a contest between, on the one hand, the political reforms and social reforms he instigated, with the rising expectations those reforms have ignited; and, on the other hand, the capacity of the Soviet system—with its first class technology, second rate bureaucracy, (like others around the world) and a struggling economy—to meet those expectations.

It's going to be a tight, tense race. And we can affect the outcome only at the margins.

So I think that trying to fine-tune our policies to make Gorbachev look good—or alternatively, to try to sabotage his success—just won't work; and, anyhow, misses the point. We ought to decide on our policies and actions using the same criteria Gorbachev is using, and we have always used: What is best for the United States of America? How do we deal with the Soviet Union in a way that maximizes our chances to achieve our national goals.

Obviously, that doesn't mean we are blind and deaf to what is happening inside the Soviet Union. On the contrary, our perceptions and conclusions about the Soviet state—its motives, its goals, its capacities—provide the framework for developing a strategy of U.S.-Soviet relations. But we don't develop our policies with the primary aim of changing the Soviet Union, or helping Gorbachev change it, but with the motive of exploiting the changes that are occurring in ways that help us.

Let me say up front: In my view, the changes occurring in the U.S.S.R.—socially, politically, and economically—are very real, and are having far-reaching impact on Soviet policies and actions. In many cases, we cannot yet be sure they are permanent—prudently, we must take that into account; we have seen the pendulum swing back and forth before. But neither can we be so encumbered with past experience, and persisting myth, that we fail to see and appreciate real change.

NEW HORIZONS ON TRADE—AGRICULTURE

One important change is the rapid growth of new opportunities for mutually beneficial economic relations. Increased trade with the Soviet Union in nonstrategic goods is in America's interest—period. A rational, efficient system to determine which exports need to be controlled, for national security reasons, and which can be freely exported to the Soviet Union and other countries—such a system serves America's business interests, without compromising America's security.

And tied credits or other appropriate incentives to facilitate nonstrategic trade, provided on a commercially sensible basis, makes us stronger, even as it might also benefit the buyer.

About 2 weeks ago, in Washington, we witnessed another important milestone in the implementation of such common sense policies. President Bush, at my strong urging and the advice of many who understand

how important it is for America to remain competitive in agricultural exports, decided to approve the use of our export enhancement program—the EEP—to cover 1.5 million metric tons of wheat sales to the Soviet Union.

EXPORT ENHANCEMENT

The Soviet Union needs wheat; we have it to sell. Wheat feeds people, it doesn't kill them. Wheat exports enhance the economic security of America's farmers, without undermining their geopolitical security. American wheat sales to the Soviet Union earns dollars and cents for the United States—and makes great sense for both sides.

I want the EEP Program to be used prudently, but effectively, to boost agricultural sales to the Soviet Union, and other markets where we are faced with severe, and often unfair, competition from other exporting nations. For example, I believe we could expand the existing EEP Program for vegetable oils—to meet what we understand is a substantial Soviet interest in new purchases.

The bottom line is trade with the Soviet Union benefits the United States. When the Soviets buy, for example, American shovels, tractors, elevators, scrap aluminum, pizza and Pepsi, that's good for us. It's a market in which we have a growing interest—and if we are going to compete, we had better be playing to win by being competitive. No doubt about it, agriculture dominates our current trading partnersip, but it is not the only area where we have the chance for expanded exports.

OVERALL TRADE POLICY

And—having broached the subject of trade—perhaps I could also take this opportunity to say just a few words about broader trade questions. I know that all of the American businessmen here have economic interests that go beyond the Soviet market; and I suspect that many of the Soviet businessmen do, too.

The United States remains committed to the removal of barriers and the expansion of world trade consistent with the principles which have guided similar efforts under the GATT: national treatment—in other words, equal international treatment of foreign and domestic competitors; and most favored nation status by which nations can cooperate to lower tariffs and other border controls.

It all boils down to this: We are trying to expand our exports using every fair trade practice available to us. Why? Because it's good for America.

But I don't want to leave anyone with the wrong impression. We are a capitalist country, and most of those here tonight are businessmen. But we have interests with the Soviet Union that go way beyond economics. So perhaps I should end up with some comments on our broader strategic and political relations, and with developments I see in the Soviet Union in those areas.

WINDS OF CHANGE

The winds of change are blowing there, too.

In fact, the social and political liberalization we see in the Soviet Union are even more striking than the economic changes. And even the most hardnosed analysts, I think, are starting to sense that so many genies of change have been let out of so many bottles—that, no matter what happens, things will never again be quite the same.

But I refer again to that race that Gorbachev has started. We don't really know which side will win; and we don't know what will happen if the rising tide of expectations sweeping the Soviet Union is frustrated. Will there be a reversion to an earlier style of Soviet politics and policies; or will even more profound social unrest and change emerge.

We wish for the best, but we just don't know. And inevitably, our uncertainty will condition our views and our actions toward the Soviet Union.

So I want to speak directly and frankly to our Soviet guests. Let me suggest to you that much of the future of our relationship lies in your hands, and in the hands of your national leaders.

I do know how important, and yes wrenching, the decision must have been to withdraw from Afghanistan. But I hope news accounts today are correct about no future aid to a client state on our southern doorstep. We and all the other nations of the region are striving to find a peaceful path in central America as evidenced by the bi-partisan Contra Aid Plan endorsed by Congress and the President.

I appreciate how significant it is that nonparty candidates can stand for and win election to an increasingly vocal and influential parliament. But I still believe all people have the right to complete democracy, and we are hopeful the Soviet people will finally achieve that right.

JACKSON-VANIK REFORM?

I applaud you for undertaking important reforms in your emigration policies. Many of us are prepared to join with President Bush, in his pledge to work for the greater normalization of our trade relations—starting with a Jackson-Vanik waiver of some modification of that law.

I see how frightening it is when people in many parts of the U.S.S.R. long quiescent suddenly rise to vent their frustrations and voice their grievances, it is hopefully there will be a favorable response to legitimate expressions of national, ethnic, and cultural identification.

GLASNOST—AND DEADLY FORCE

And I know that a state has both a responsibility to maintain order for the safety of its citizens, but many are concerned by the excessive force used in one Soviet Republic, to suppress what most reports say were peaceful demonstrations.

I say these things in the spirit of the new word you have brought into our vocabulary—glasnost. I say it as one who says—and said again here tonight—that we want to work with you, more and more, in many areas. I say it because I believe that sincerity, and candor, and truth—in the long run will serve to bring us together, not drive us apart.

And, finally, let me conclude with a few remarks aimed mostly at my fellow Americans.

The Soviet Union remains, still, our most dangerous, adversary. That may change someday—we pray it does—but it hasn't changed yet.

It remains heavily armed; we believe much more heavily armed than we are, and much more heavily armed than it need be, to ensure its own defense. Its intentions in many corners of the world remain unclear; its activities in some unhelpful and destabilizing. There are still many, many more things that divide us—than join us.

THE BOTTOM LINE—FREEDOM

That is a very important part of the reality of our relationship today. And it must shape our defense policies, our arms control policies, our foreign policies. America must remain militarily and politically strong. We must work hard at maintaining the strength and unity of the western alliance. We must stand for freedom, wherever it is at issue. We must never be timid about asserting our legitimate rights and defending our national ideals—against any nation or force which threatens them.

Just as I said in making the case for closer economic relations with the U.S.S.R., we must do all these things because they, too, are in our interest.

So that is my main message tonight. Let us just do what is in America's interest as the Russians do what is in Russia's interests. It is in our interest to face this new Soviet challenge, both its opportunities and dangers, head on; eyes open; feet squarely on the ground.

We not only can work with Gorbachev's Soviet Union, we should. It is in our interest. As I have spoken about at length—our economic interest. And as many others have observed, in our political and strategic interest, too.

But more: We not only should work with Gorbachev's Soviet Union, we must. Because it is the world's other superpower—the one nation on earth whose enmity could bring an end to civilization; the one nation on earth whose good faith cooperation could bring an end to the threat of global war.

THE RESOLUTION OF DISAPPROVAL OF THE FSX DEAL

Mr. KERREY. Mr. President, I have listened closely to the debate on the FSX agreement. Some of that debate has portrayed the FSX agreement primarily as a defense issue with important implications for our and Japan's security in the Far East. While that perspective is important, I find myself in agreement with those of my colleagues who see the FSX as an issue critically important to our trade policy.

I consider trade issues to be of great importance because our trade deficit threatens the economic security of the United States. Instead of financing our own consumption, we are allowing other nations to trade for our economic infrastructure in the form of real estate, Treasury bills, securities, and bank deposits.

This is particularly true in the case of Japan, which explains the scrutiny given to the FSX deal. Japan accounts for the single largest share of our trade deficit. That share grew last year from 35 to 40 percent of our total trade deficit. We have had to borrow a total of $303 billion from the Japanese since 1980 to cover the cost of Japanese products in excess of what we have sold Japan.

The reasons for the magnitude of our trade deficit with Japan are many, and the long-term consequences of these deficits are not fully clear at this point. However, it is clear that Japanese investors now account for a major portion of all Treasury bond purchases. Also, Japanese builders are

major players in the construction of new factories in the United States and purchasers of old ones. The long term prognosis is not good unless we succeed in getting a handle on our trade policy.

It is in this context that I decided to vote for the resolution of disapproval of the FSX agreement. I reached my decision when considering the circumstances under which we started down the FSX path with Japan. The Japanese wished to modernize their air defenses, a policy we supported given our strategic interests in the Far East. Their choices were to build the plane on their own, purchase planes from the United States, or coproduce a plane with the United States.

By deciding against purchasing existing planes, Japan sent an important signal about willingness to cooperate on overall trade policy.

Choosing to purchase existing planes from the United States instead of developing the FSX would have met three important objectives from the Japanese point of view:

First, strategic considerations: The biggest strategic shortcoming of the FSX is the fact that it has only one engine, which limits its range and payload capacity. Even the F-1, which Japan relies on now, has two engines. A group of military experts sent to Japan by DOD in 1987 concluded that the FSX was too narrowly defined, and that any of three United States planes—the F-15, the F-16, or the F-18—would more adequately meet Japan's defense needs than the FSX.

Second, cost: Based on current estimates, the final cost of the FSX for the Japanese will be $48 million for each of the 130 planes proposed to be built. This pricetag makes the FSX more expensive than any fighter ever produced in the United States. It will cost 2½ times the cost of a F-16; 50 percent more than a new F-18; and 20 percent more than the F-15.

Third, trade considerations: Given the growth in our trade deficit with Japan—particularly in light of the fact that our overall trade deficit has been declining—Japan could have taken direct action to reduce that deficit. It would have been in its strategic and fiscal interest to do so, and it would have sent an important signal about their willingness to work with us on overall trade policy.

"FAMILY TIES": A HAPPY HOME LIFE FOR THE EIGHTIES

Mr. CRANSTON. Mr. President, in September 1982, NBC aired the first episode of what would go on to become one of the most loved, most talked about and most successful shows in television history: "Family Ties."

The story of two sixties idealists who are married and parents to three—eventually to become four—very eighties children touched an emotional chord in living rooms all across America. Perhaps some of the reason for that positive reaction stems from the fact that at the time "Family Ties" debuted there were no nuclear families on continuing series television. The show's success, however, helped to change that. Indeed, the Los Angeles Times credits "Family Ties" with "helping revive family oriented programming"—a revival which led to two more recent megahits: The "Cosby Show" and "Roseanne."

Television is often given a lot of credit—or blame, depending on the point being made—for its power to influence the people who watch it. Sociologists and others theorize that hit TV series offer models of behavior that many viewers emulate. If this is true, then the creators and writers of TV programs have an enormous responsibility for the words they put in their character's mouths.

For 7 years, "Family Ties" has been an example of this responsibility taken very seriously and fulfilled very well. I'm not the only one who thinks so either. The respected Human Family Institute presented its prestigious Humanitas Award to "Family Ties" writers Gary Davis Goldberg and Alan Uger for the widely acclaimed episode, "A—My Name is Alex," which concerned a young person's reaction to the death of a friend. In addition, "Family Ties" was nominated three times for the coveted Best Comedy Series Emmy and won an Emmy in recognition of its fine comedy writing.

Week in and week out the scripts provided a virtual primer on how to have a healthy family relationship. In fact, the health section in this Tuesday's Washington Post includes several sections of dialog from "Family Ties" episodes as examples of successful conflict resolution, how parents can best balance closeness with their children with the child's need for freedom, and the importance to the whole family of a happy marriage.

Happy families, however, weren't the only topic the writers took up. They also tackled such noncomedic subjects as housing discrimination, economics, Darwinism, and environmental protection.

Although many people made "Family Ties" the success it became, there truly is one individual who was indispensable to the show from the very start and that is its creator, Gary David Goldberg. Basing the premise of the show on facts from his own life, Gary succeeded in doing what many, if not most, artists seek to do: He translated his own personal experience into characters and situations that others could relate to. He earned his success, and he—along with all the members of the cast and crew—deserve it. Their contributions will be sorely missed—in prime time, that is. We can all continue to watch and learn from the Keaton family in syndication for, I'm sure, many years to come.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Kalbaugh, one of his secretaries

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 1:02 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following joint resolution, without amendment:

S.J. Res. 58. Joint resolution to designate May 17, 1989, as "High School Reserve Officers Training Corps Recognition Day."

The message also announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2) to amend the Fair Labor Standards Act of 1938 to restore the minimum wage to a fair and equitable rate, and for other purposes.

The message also announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 968. An act to provide for the Federal reimbursement of local noise abatement funds.

ENROLLED JOINT RESOLUTIONS SIGNED

The message further announced that the Speaker has signed the following enrolled joint resolutions:

S.J. Res. 58. Joint resolution to designate May 17, 1989, as "High School Reserve Officers Training Corps Recognition Day"; and

H.J. Res. 170. Joint resolution designating May 1989 as "National Digestive Disease Awareness Month."

The enrolled joint resolutions were subsequently signed by the President pro tempore [Mr. BYRD].

At 3:28 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the concurrent resolution

(H. Con. Res. 106) setting forth the congressional budget for the U.S. Government for the fiscal years 1990, 1991, and 1992.

MEASURES REFERRED

The following bill was read the first and second times by unanimous consent, and referred as indicated:

H.R. 968. An act to provide for the Federal reimbursement of local noise abatement funds; to the Committee on Commerce, Science, and Transportation.

ENROLLED JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on today, May 17, 1989, he had presented to the President of the United States the following enrolled joint resolution:

S.J. Res. 58. Joint resolution to designate May 17, 1989, as "High School Reserve Officer Training Corps Recognition Day."

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM-77. A joint resolution adopted by the Legislature of the State of Maine to the Committee on Commerce, Science, and Transportation.

"JOINT RESOLUTION

Whereas, transportation problems created in the State of Maine by Guilford Industries' railroad operations have left our biggest and best industries without adequate rail services; and

"Whereas, the economic development of the State of Maine has suffered immensely without a safe, dependable and competitive rail system since Guilford Industries reduced rail operations throughout the State of Maine, including the Bangor Yard, in Bangor, Maine and the Rigby Yard in South Portland, Maine; and

"Whereas, employment on Guilford Industries' railroads has been reduced to a level insufficient to provide necessary services and employment to industries served by those railroad operations; and

"Whereas, railroad seniority had provided qualified and experienced personnel to operate Guilford Industries' rail service in the past; however, during the past year Guilford Industries has substituted these employees with newly hired, inexperienced, junior and unqualified personnel; and

"Whereas, this substitution is a threat to the safety of personnel, property and cargo; and

"Whereas, the Legislature of the State has long been concerned with the problems caused by Guilford Industries' railroad operations in Maine and has found it necessary to enact certain legislation to protect the vital interests of its constituents; and

"Whereas, a certain Interstate Commerce Commission decision of January 10, 1989, denied employees of Guilford Industries the benefit of the work rules issued by Richard Kasher after full, fair, and fact-finding arbitration; and

"Whereas, the Interstate Commerce Commission imposed a post-arbitration seniority arrangement which was not subject to any discussion or fact-finding arbitration and which denied employees due process; and

"Whereas, the Chair of the Interstate Commerce Commission conducted all of the activities of the commission, resulting in the deprivation of a full and fair fact-finding arbitration for employees of Guilford Industries; now, therefore, be it

"Resolved, That We, Your Memorialists, respectfully recommend and urge the Congress of the United States to:

"1. Establish and conduct hearings in the Senate of the United States on the decision-making process used by the Interstate Commerce Commission in its oversight of Guilford Industries;

"2. Establish and conduct hearings in the House of Representatives of the United States on the decision-making process used by the Interstate Commerce Commission in its oversight of Guilford Industries;

"3. Decline to confirm any reappointment of the Chair of the Interstate Commerce Commission in light of the recent actions and decisions of the commission; and

"4. Enact legislation requiring that the so-called Kasher Implementing Arrangement decided on June 12, 1988, govern Guilford Industries, its rail subsidies and their employees and labor organizations until amended, changed or abrogated under the provisions of the United States Railway Labor Act; and be it further

"Resolved, That a duly authenticated copy of this Joint Resolution be immediately submitted to the Honorable George H.W. Bush, President of the United States, the President of the Senate and the Speaker of the House of Representatives of the Congress of the United States, and to each member of the Maine Congressional Delegation."

POM-78. A joint resolution adopted by the Legislature of the State of Minnesota; to the Committee on Energy and Natural Resources.

"RESOLUTION No. 3

"Whereas, Minnesota's water is a precious resource that is necessary and claimed for agricultural, domestic, recreational, and beneficial uses; and

"Whereas, Minnesota's lakes and the Mississippi River have suffered drastic drought which has depleted water supplies; and

"Whereas, Minnesota's water rights may be preempted by federal legislation, now pending before the Congress of the United States, that would authorize the use of Minnesota waters to transport coal by slurry pipeline; and

"Whereas, this proposed federal legislation would permit coal slurry pipeline consortiums the right of eminent domain for the transportation of coal, using Minnesota waters, to distant utilities; and

"Whereas, unit coal trains that currently transport vast quantities of coal to Minnesota utilities would be eliminated, causing the loss of permanent Minnesota railroad jobs; Now, therefore, be it

Resolved by the Legislature of the State of Minnesota that it urges the Congress of the United States to reject pending legislation that would authorize the use of Minnesota waters for the transportation of coal and would grant the right of eminent domain of coal slurry pipelines; and be it further

"Resolved, That the Secretary of State of the State of Minnesota is directed to prepare certified copies of this resolution and transmit them to the President of the United States, President and Secretary of the United States Senate, the Speaker and Chief Clerk of the United States House of Representatives, and to Minnesota's Senators and Representatives in Congress."

POM-79. A resolution adopted by the Mississippi Manufacturers Association relative to the adoption of acid rain and air emission legislation; to the Committee on Environment and Public Works.

POM-80. A petition from citizens of the State of New York praying for a redress of grievances; to the Committee on Finance.

POM-81. A concurrent resolution adopted by the Legislature of the State of West Virginia; to the Committee on Finance.

"HOUSE CONCURRENT RESOLUTION No. 45

"Whereas, New underground storage tank regulations are estimated to have a tremdous negative impact on West Virginia's and the nation's independent petroleum marketers, manifested service station and commercial location closures in significant numbers; and

"Whereas, Nearly fifty-two percent of independent marketers have no pollution liability insurance due to availability or affordability problems; and

"Whereas, No insurance company in the United States currently offers a pollution liability policy that meets EPA requirements; and

Whereas, Although approximately twenty states have established trust funds to assist in cleanup at leaking undergrounud storage tank sites, none of these twenty fully meets EPA requirements, and all currently suffer under capitalization problems; and

Wheras, Marketers without pollution liability insurance and those who operate in West Virginia and other states without a trust fund, are particularly vulnerable to claims arising out of underground storage tank incidents and to liability for noncompliance with applicable underground storage tank regulations; therefore, be it

Resolved by the Legislature of West Virginia: That the Congressional Delegation of West Virginia and the Congress be urged to take the following steps to remedy the problems created by the laws and regulations affecting underground storage tanks:

First, to expand the current Leaking Underground Storage Tank trust fund by increasing the 0.1 cent per gallon tax on gasoline and diesel and aviation fuel. Revenues from this increase should be used to assist states in financing their underground storage tank trust funds.

Second, to direct the EPA to invoke its authority to review the enforcement standards of the financial responsibility requirements.

Third, to restructure the current financial responsibility requirements to ensure a more reasonable and flexible program. Options could include revision of the suspension of enforcement procedures and reduction of the minimum amount of financial responsibility required.

Finally, to institute a federal low interest loan program for small businesses to help them comply with mandatory environmental requirements; and, be it further

"Resolved, That the Clerk is hereby directed to forward a copy of this resolution to the President of the United States Senate, the Speaker of the United States House of Representatives, and the members of the West Virginia Congressional Delegation, Washington, DC."

POM-82. A resolution adopted by the House of Representatives of the State of

Kansas; to the Committee on Foreign Relations.

"HOUSE RESOLUTION No. 6125

"Whereas, Members of the House of Representatives of the Kansas Legislature deplore the apartheid system of racial segregation in South Africa; and

"Whereas, There should be universal application of the principle that all people are created equal and endowed with certain inalienable rights of life, liberty and the pursuit of happiness; and

"Whereas, South African apartheid is in direct contradiction of the basic principles of fundamental human rights and violates all aspects of democratic process; and

"Whereas, All of our states demand the democratic principle that guarantees all citizens the right to participate in the electoral process which determines their destiny, their form of government, and their election of political leaders at all levels; and

"Whereas, Racial apartheid in South Africa denies Black South Africans participation in the political process and indeed denies them fundamental human rights; and

"Whereas, On a continuing basis Blacks and other opponents of apartheid in South Africa are detained, arrested, imprisoned, beaten and killed without cause or due process of law; and

"Whereas, The system of apartheid not only represses public participation but also violates the principles of private enterprise by restricting equal access to the market place and to the extensive resources of the South African land and society; and

"Whereas, The continued oppression in South Africa threatens all Black South Africans, compromises the dignity, integrity and humanity of Coloured, Asian and White South Africans, and also threatens the peace and political economic and social well-being of southern Africa, the entire continent and, indeed the entire world: Now, therefore, be it

"Resolved, That the House of Representatives of Kansas hereby urges that the State Legislatures of the United States of America increase actions to end apartheid in South Africa; and be it further

"Resolved, That the House of Representatives of Kansas hereby urges and increased level of activity by the states including, but not limited to, statements, personal testimony and actions by individual legislators, legislative resolutions and statutes condemning apartheid, calling for increased divestment of state funds in companies doing business in South Africa and any other actions to bring about a rapid end to apartheid in South Africa; and be it further

"Resolved, That the House of Representatives of Kansas hereby calls for the end of the state of emergency, release of Nelson Mandela and all other political prisoners, the dismantling of apartheid and establishment of elections free and open to all South Africans without regard to color, race or creed; and be it further

"Resolved, That the House of Representatives of Kansas call upon the President and Congress of the United States to utilize increasingly strong and effective measures to bring about an end to apartheid; and be it further

"Resolved, That the House of Representatives of Kansas note and commend the House of Representatives of the Congress for its passage of the "Anti-Apartheid Act of 1986" and we further note and commend the Senate Foreign Relations Committee of the Congress for its approval of Senator Lugar's "Comprehensive Anti-Apartheid Act of 1986" with the support of the Senate leadership; and be it further

"Resolved, That in light of continuing injustice, despite current United States' Policies, the House of Representatives of Kansas hereby calls upon the President and Congress of the United States to increase pressure on South Africa including support for divestment, application of economic sanctions, and resisting renewal of bank loans to South Africa; and be it futher

"Resolved, That the Chief Clerk of the House of Representatives is hereby directed to send enrolled copies of this Resolution to the President and each presiding officer of each House of Congress, the Secretary General of the United Nations, the President of the Republic of South Africa, the Ambassador to the United States from the Republic of South Africa, the leadership of the African National Congress, the Archbishop of Capetown."

POM-83. A resolution adopted by the Senate of the State of Michigan; to the Committee on the Judiciary.

"SENATE RESOLUTION No. 81

"Whereas, It has recently been made public that Michigan's William Lucas is a candidate for the position of Assistant Attorney General in charge of the Civil Rights Division of the United States Department of Justice. It is our great pleasure to concur with this recommendation for the federal government's top civil rights position. Mr. Lucas has proven his unique qualifications for this role not only through his achievements in Michigan, but also through his great variety of professional experience in the enforcement of the laws that shape our society; and

"Whereas, William Lucas is a graduate of Manhattan College who served the people of New York City for nine years as a police officer. He earned his law degree from Fordham University, and worked with the United States Department of Justice in the early 1960s. He was a key figure in the desegregation of the Tuskegee, Alabama, schools and put together information on the obstacles preventing equal access to voting that was presented to the Congress during its consideration of the landmark Voting Rights Act of 1965. Mr. Lucas later served with distinction as a special agent with the Federal Bureau of Investigation, which brought him to Michigan; and

"Whereas, Over the past quarter century, William Lucas has served the people of Michigan with great distinction in several positions. In 1970, after serving as undersheriff of Wayne County, Mr. Lucas was elected Wayne County Sheriff, becoming the first Black to hold this position. Subsequently, he has been a pioneer as the first elected Wayne County Executive and as the first Black to serve as a major party candidate for governor of Michigan. In each of these tasks, William Lucas has proven himself to be a man of deep personal integrity and commitment to the most cherished ideals of our nation; now, therefore, be it

"Resolved by the Senate, That we hereby memorialize the United States Senate to confirm Mr. William Lucas as the Assistant Attorney General in charge of the Civil Rights Division of the United States Department of Justice; and be it further

"Resolved, That a copy of this resolution be respectfully transmitted to the United States Senate."

POM-84. A joint resolution adopted by the Legislature of the State of Vermont; to the Committee on Labor and Human Resources.

"JOINT RESOLUTION

"Whereas, the federal government, through Public Law 94-142, 'The Education of all Handicapped Children Act of 1975', has required that the state guarantee a free appropriate public education to all handicapped children in Vermont, with special regard to individual needs, and

"Whereas, the State of Vermont, in Act No. 235 of the Acts of 1988, has recently reaffirmed its commitment to provide a free appropriate public education to all children with handicaps, and

"Whereas, Congress made a commitment to increase federal grants for services to children with handicaps from five percent of the national average per pupil cost in the United States in 1978, to ten percent in 1979, 20 percent in 1980, 30 percent in 1981 and 40 percent in 1982, and

"Whereas, the federal share of special education costs has never exceeded 12 percent and is presently at less than seven percent, a full 33 percentage points below the level originally promised under P.L. 94-142, and

"Whereas, the failure on the part of the Congress to properly fund the education of children with handicaps as originally promised has been detrimental to the entire education system, and

"Whereas, the State of Vermont continues to review its eligibility standards and is not over-identifying children with handicaps, as evidenced by the fact that the proportion of children found eligible for special services is consistent with national averages, and

"Whereas, the State of Vermont is making every effort to provide a free and appropriate public education in as cost-effective a manner as possible, and

"Whereas, in spite of these efforts both the State of Vermont and local school districts have experienced severe financial difficulties in attempting to properly budget and provide the services required by P.L. 94-142, and

"Whereas, the states and communities need additional flexibility to be able to administer their responsibilities under P.L. 94-142 most appropriately for each affected child; Now therefore be it

"Resolved by the Senate and House of Representatives; That it is the sense of this General Assembly that the Congress should appropriate its promised share of the funds needed to comply with its commitment to the states and communities to provide a free appropriate public education to all handicapped children, and be it further

"Resolved, That the Congress should not rob existing programs for special education, vocational education, and compensatory education to pay for new educational initiatives, and be it further

"Resolved, That the General Assembly urges that the Congress allow the states additional flexibility in administering the provisions of P.L. 94-142, focusing more on helping children and less on prescription, bureaucracy, and paperwork, and be it further

"Resolved, That the General Assembly of the State of Vermont does hereby urge its Congressional delegation to take prompt action to achieve the foregoing objectives, and be if further

"Resolved, That copies of this joint resolution be forwarded by the Secretary of State

to the President of the United States Senate, the Speaker of the United States House, the chairs of the U.S. House and Senate Education Committees, and the Vermont Congressional Delegation."

POM-85. A joint resolution adopted by the Legislature of the State of Maine; to the Committee on Veterans' Affairs.

"JOINT RESOLUTION

"Whereas, the sons and daughters of Maine have always been generous in bearing arms to defend the United States of America and willingly took an oath to uphold, protect and defend the Constitution of the United States against all enemies; and

"Whereas, the founding fathers took great pains to establish that the military would always be under civilian control; and

"Whereas, a decision of the Supreme Court of the United States which established the Feres doctrine precludes suits against the United States by veterans for peacetime damages and the so-called "Warner Amendment" declares defense contractors to be government employees when sued by a veteran and thus are defended by the Feres doctrine; and

"Whereas, Title 38 United States Code bars an attorney-at-law from charging a veteran more than $10 for that attorney's services at any level in the Veterans' Administration claims process; and

"Whereas, the sons and daughters of Maine have willingly sacrificed their lives to preserve our liberties, been decorated for heroism against an armed enemy and have kept faith with the Constitution of the United States; now, therefore, be it

"Resolved, That We, your Memorialists, respectfully pray, that in keeping faith with veterans of the Armed Forces of the United States of America, millions of whom have given their lives in defense of the Constitution of the United States, that the Congress of the United States, in keeping with the plain language of the Constitution of the United States, grant, reaffirm and forever pledge that the rights accruing to all citizens under this great document shall not be abridged or denied any citizen who bore arms in defense of that citizen's country; and be it further

"Resolved, That a duly authenticated copy of this Memorial be submitted immediately by the Secretary of State to the Honorable George H.W. Bush, the President of the United States, the President of the Senate and the Speaker of the House of Representatives of the Congress of the United States, to each Member of the Maine Congressional Delegation and to the Governors of the 50 United States."

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. BURDICK, from the Committee on Environment and Public Works:

Frank Henry Habicht II, of Virginia, to be Deputy Administrator of the Environmental Protection Agency.

(The above nomination was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-1125. A communication from the Assistant General Counsel of the Department of Defense, transmitting, pursuant to law, a report of individuals who filed DD Form 1787, Report of DoD and Defense Related Employment, for FY 1988; to the Committee on Armed Services.

EC-1126. A communication from the Director of the Defense Security Assistance Agency, transmitting, pursuant to law, the report concerning the Department of the Army's proposed letter(s) of Offer and Acceptance to Bahrain for Defense Articles estimated to cost $50 million or more; to the Committee on Armed Services.

EC-1127. A communication from the Deputy General Counsel of the Department of Defense, transmitting a draft of proposed legislation to authorize appropriations for fiscal years 1990 and 1991 for military functions of the Department of Defense and to prescribe military personnel strengths for such Department for fiscal years 1990 and 1991, and for other purposes; to the Committee on Armed Services.

EC-1128. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Homelessness: Implementation of Food and Shelter Programs Under the McKinney Act"; to the Committee on Banking, Housing, and Urban Affairs.

EC-1129. A communication from the Deputy Associate Director for Collection and Disbursements, Minerals Mangement Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain overpayments of offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-1130. A communication from the Deputy Associate Director for Collection and Disbursements, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain overpayments of offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-1131. A communication from the Deputy Associate Director for Collection and Disbursements, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain overpayments of offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-1132. A communication from the Deputy Associate Director for Collection and Disbursements, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain overpayments of offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-1133. A communication from the Chairman of the Nuclear Regulatory Commission, transmitting, pursuant to law, the report of the nondisclosure of Safeguards Information by the Nuclear Regulatory Commission for the quarter ending March 31, 1989; to the Committee on Environment and Public Works.

EC-1134. A communication from the Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the first annual report on Superfund implementation entitled "Progress Toward Implementing Superfund: Fiscal Year 1987"; to the Committee on Environment and Public Works.

EC-1135. A communication from the Assistant Secretary of State (Legislative Affairs), transmitting, pursuant to law, the texts of ILO Convention N. 167 and Recommendation No. 175 concerning Safety and Health in Construction; to the Committee on Foreign Relations.

EC-1136. A communication from the Assistant Secretary of State (Legislative Affairs), transmitting, pursuant to law, the text of ILO Convention No. 168 and Recommendation No. 176 concerning Employment Promotion and Protection Against Unemployment; to the Committee on Foreign Relations.

EC-1137. A communication from the Assistant Legal Advisor for Treaty Affairs, Department of State, transmitting, pursuant to law, a report on international agreements, other than treaties, entered into by the United States in the sixty day period prior to May 11, 1989; to the Committee on Foreign Relations.

EC-1138. A communication from the Secretary of Education, transmitting, pursuant to law, notice of Final Funding Priorities under the National Institute on Disability and Rehabilitation Research for Research and Demonstration, Rehabilitation Engineering Centers, and Research and Demonstration Knowledge Dissemination, and Utilization; to the Committee on Labor and Human Resources.

EC-1139. A communication from the Secretary of Education, transmitting, pursuant to law, Final Regulations—Chapter 1—Migrant Education Coordination Program for State Educational Agencies; to the Committee on Labor and Human Resources.

EC-1140. A communication from the Secretary of the Veterans' Administration, transmitting a draft of proposed legislation to amend title 10 and title 38, United States Code, to make certain improvements in the educational assistance programs for veterans and eligible persons, and for other purposes; to the Committee on Veterans' Affairs.

EC-1141. A communication from the Secretary of Agriculture, transmitting a draft of proposed legislation to amend section 353 of the Consolidated Farm and Rural Development Act to limit delinquent farmer program borrowers to one write-down of loan principal and interest and to prevent fraud and abuse by extending to borrowers who do not qualify for loan restructuring the ten year recapture provision applicable to borrowers who do qualify; to the Committee on Agriculture, Nutrition and Forestry.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. FORD, from the Committee on Rules and Administration, without amendment:

S.J. Res. 98. Joint resolution to establish separate appropriation accounts for the Senate and the House of Representatives for the payment of official mail costs (Rept. No. 101-27).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. BURDICK, from the Committee on Environment and Public Works:

Frank Henry Habicht II, of Virginia, to be Deputy Administrator of the Environmental Protection Agency.

(The above nomination was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. PELL, from the Committee on Foreign Relations:

Douglas P. Mulholland, of Maryland, to be an Assistant Secretary of State;

Ivan Selin, of the District of Columbia, to be Under Secretary of State for Management;

Peter F. Secchia, of Michigan, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Italy:

(Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.)

Nominee: Peter F. Secchia.

Post: Ambassador to Italy.

Contributions, amount, date, and donee:

1. Self: 1985—July 2, Fry for Guy Vander Jagt, $80; August 26, Henry for Congress, $500; March 4, Republican National Committee, $50.

1986—June 16, Levi for Congress, $100; July 7, Fry for Guy Vander Jagt, $80; July 9, Bunning for Congress, $100; August 15, Friends of Jim Dunn, $100; June 10, Henry for Congress, $500; August 15, Henry for Congress, $500; April 15, Fund for America's Future, $1,000; January 7, Republican National Committee, $90; January 20, Conservative Caucus, $50; May 5, Stanley Grot for Congress, $500; July 7, Traywick for Congress, $50; August 7, Upton '86, $500; August 29, Conservative Caucus, $100.

1987—May 18, George Bush for President, $1,000; January 30, Paul Henry Congressional Task Force, $500; June 12, Fry for Guy Vander Jagt, $80; November 30, Upton '88 Committee, $500; January 20, Republican National Committee, $100; January 30, Conservative Caucus, $15; February 23, Republican National Committee, $50; May 18, Friends of Stanley Grot, $25; June 2, Conservative Caucus, $100.

1988—January 19, Republican National Committee, $50; March 10, Upton '88, $100; March 14, Black American Salute, $150; March 17, Michigan People for Jim Dunn, $500; April 4, Doug Carl for Congress, $1,000; April 20, Dunn for Senate, $500; April 23, Allgaier for Congress, $500; June 20, Vander Jagt Campaign Committee, $80; August 1, Pete Dawkins for Senate, $50; September 13, Buhl for Congress, $100; July 29, Gerald R. Ford New Leadership Council, $2,000; September 12, Quayle for Vice President, $1,000, September 20, Michigan people for Jim Dunn, $1,000; December 8, Republican National Committee, $100.

2. Spouse: Joan Secchia, July 27, 1987, George Bush for President, $1,000.

3. Children and spouses names: Charles Secchia (son) September 25, 1987, George Bush for President, $1,000; Stephanie Secchia (daughter), none; Sandra Secchia (daughter) none; Mark Secchia (son), none.

4. Parents names: Valerie Kelly (mother) and Enoch Kelly (stepfather), 1988, Republican National Committee, $15; Mr. and Mrs. Norm Peterson (in-laws), 1988, George Bush for President, $300.

5. Grandparents names: Marguerite Smith (grandmother), none.

6. Brothers and spouses names: none.

7. Sisters and spouses names: Valerie Gail Secchia (sister), none.

John Cameron Monjo, of Maryland, a Career Member of the Senior Foreign Service, Class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Indonesia.

(Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.)

Nominee: John C. Monjo.

Post: Ambassador to Indonesia.

Contributions, amount, date, and donee:

1. Self: none.

2. Spouse: Sirkka O. Monjo, none.

3. Children and spouses names: Rolf K. Monjo, none; Christina C. Monjo, none.

4. Parents names: Deceased (Ferdinand and Maymy Monjo), none.*

*Notes pursuant to March 8, 1989 telecon between Ambassaor Monjo and Lucy Reed of the Legal Adviser's Office, Department of State.

5. Grandparents names: Deceased (more than five years ago), none.

6. Brothers and spouses names: Louise Monjo; none.

7. Sisters and spouses names: none.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. NUNN, from the Committee on Armed Services:

Donald B. Rice, of California, to be Secretary of the Air Force (Exec. Rept. No. 101-6);

The following-named officer for reappointment as Vice Chairman of the Joint Chiefs of Staff under title 10, United States Code, section 154:

Gen. Robert T. Herres [redacted] FR, U.S. Air Force.

Mr. NUNN. Mr. President, from the Committee on Armed Services, I report favorably the attached listing of nominations.

Those identified with a single asterisk, (*) are to be placed on the Executive Calendar. Those identified with a double asterisk (**) are to lie on the Secretary's desk for the information of any Senator since these names have already appeared in the CONGRESSIONAL RECORD and to save the expense of printing again.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The nominations ordered to lie on the Secretary's desk were printed in the RECORD of May 1, May 2, and May 16, 1989 at the end of the Senate proceedings.)

*Lt. Gen. Frederic J. Brown, USA, to be placed on the retired list in the grade of lieutenant general (Reference No. 318).

*Maj. Gen. Frederic M. Franks, Jr., USA, to be lieutenant general (Reference No. 319).

*Gen. Joseph J. Went, USMC, to be reassigned in the grade of general to serve as Assistant Commandant of the Marine Corps and Chief of Staff (Reference No. 321).

*Maj. Gen. Norman H. Smith, USMC, to be lieutenant general (Reference No. 322).

**In the Air Force there are 27 promotions and appointments to the grade of lieutenant colonel and below (list begins with Wayne E. Balcom) (Reference No. 323).

**In the Navy and Naval Reserve there are 5 appointments and reappointments to the grade of commander and below (list begins with Kriss B. Stanley) (Reference No. 324).

*Maj. Gen. James R. Hall, Jr., USA, to be lieutenant general (Reference No. 333).

**In the Air Force Reserve there are 9 appointments and promotions to the grade of colonel and below (list begins with James E. Mullen) (Reference No. 334).

**In the Air Force Reserve there are 20 promotions to the grade of lieutenant colonel (list begins with Alan V. Box) (Reference No. 335).

**In the Air Force Reserve there are 3 appointments to the grade of lieutenant colonel (list begins with Jon M. Owings) (Reference No. 336).

**In the Air Force there is one appointment to the grade of second lieutenant (Robert J. Frink) (Reference No. 336).

Total: 70.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. CONRAD (for himself, Mr. HARKIN, Mr. LEAHY, Mr. MITCHELL, Mr. FOWLER, and Mr. DASCHLE):

S. 1008. A bill to promote the growth and economic diversification of, and to increase business and employment opportunities in rural America, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. DANFORTH (for himself, Mr. HOLLINGS, Mr. INOUYE, Mr. BRYAN, and Mr. MCCONNELL):

S. 1009. A bill to amend section 315 of the Communication Act of 1934 with respect to the purchase of broadcasting time by candidates for public office; to the Committee on Commerce, Science, and Transportation.

By Mr. WILSON (for himself, Mr. D'AMATO, and Mr. HELMS):

S. 1010. A bill to encourage further cooperation between Federal, State, and local law enforcement agencies in their efforts against drug trafficking and other serious criminal activities; to the Committee on the Judiciary.

By Mr. EXON:

S. 1011. A bill to amend title XVIII of the Social Security Act and other provisions of law to delay for 1 year the effective dates of the supplemental Medicare premium and additional benefits under part B of the Med-

icare Program, with the exception of the spousal impoverishment benefit; to the Committee on Finance.

By Mr. EXON (for himself and Mr. BOREN):

S. 1012. A bill to amend the Disaster Assistance Act of 1988 to extend disaster assistance to losses due to adverse weather conditions in 1988 or 1989 for crops planted in 1988 for harvest in 1989, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. PRESSLER:

S. 1013. A bill to amend the Agricultural Act of 1949 to remove the 5-percent acreage limitation requirement on producers of the 1990 crop of oats and to require that the acreage base of such crop of oats be determined separate from that of barley, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. DURENBERGER:

S. 1014. A bill to provide for the temporary suspension of the duty on certain two-stroke cycle piston engines; to the Committee on Finance.

S. 1015. A bill to suspend temporarily the duty on certain plastic web sheeting; to the Committee on Finance.

By Mr. DOLE:

S. 1016. A bill to change the name of "Marion Lake," located northwest of Marion, KS, to "Marion Reservoir"; to the Committee on Environment and Public Works.

By Mr. FORD (for himself, Mr. LEAHY, Mr. HEFLIN, and Mr. PRYOR):

S. 1017. A bill to enhance the ability of the Bureau of the Census to gather information concerning rural areas for Congress, to improve historic preservation efforts, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. HEINZ (for himself and Mr. DECONCINI):

S. 1018. A bill to set forth principles for United States nationals involved in industrial cooperation projects in the Soviet Union and the Baltic States and for other purposes; to the Committee on Foreign Relations.

By Mr. FOWLER (for himself, Mr. LEAHY, Mr. PRYOR, Mr. KERREY, Mr. CONRAD, and Mr. BOREN):

S. 1019. A bill to amend the Rural Electrification Act of 1936 to establish a nationwide rural star school program to improve educational opportunities in rural areas, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. BRADLEY (for himself and Mr. MATSUNAGA):

S. 1020. A bill to amend the Foreign Assistance Act of 1961 to authorize appropriations for the Child Survival Fund and for other health and disease assistance programs; to the Committee on Foreign Relations.

By Mr. McCAIN:

S. 1021. A bill to provide for the protection of Indian graves and burial grounds, and for other purposes; to the Select Committee on Indian Affairs.

By Mr. INOUYE:

S. 1022. A bill to amend the Communications Act of 1934 to provide authorization of appropriations for the Federal Communications Commission, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. DASCHLE (for himself, Mr. LEAHY, Mr. PRYOR, and Mr. CONRAD):

S. 1023. A bill to provide grants by the Department of Agriculture for technology and emergency assistance to benefit rural areas, to target Rural Electrification Administration investments toward business development, telecommunications improvement, and community planning, to assist distressed rural hospitals with FmHA community facility loans, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. DASCHLE (for himself, Mr. LEAHY, and Mr. CONRAD):

S. 1024. A bill to improve the coordination of the rural development efforts of the Department of Agriculture, and to increase the rural development efforts of the Rural Electrification Administration, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. KERRY:

S. 1025. A bill to authorize appropriations to carry out the Magnuson Fishery Conservation and Management Act for fiscal years 1990, 1991, and 1992, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. MOYNIHAN:

S. 1026. A bill to prevent abuses of the HUD section 8 Moderate Rehabilitation Program; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. HARKIN (for himself and Mr. CONRAD):

S. 1027. A bill to enhance the role of the Rural Electrification Administration in rural development and in small community water and sewer improvement, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. BOREN (for himself, Mr. LEAHY, Mr. PRYOR, and Mr. CONRAD):

S. 1028. A bill to amend the Consolidated Farm and Rural Development Act to establish Farmers Home Administration loan rates for health care facilities based on the average per capita income of the area to be served, to increase water facility grant authorization levels, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. BAUCUS (for himself and Mr. LEAHY):

S. 1029. A bill to establish a nationwide business "incubator" program to be administered by the Rural Electrification Administration, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. KERREY (for himself, Mr. LEAHY, and Mr. CONRAD):

S. 1030. A bill to improve telecommunications links for rural businesses, to make available to rural areas information concerning the availability of rural development assistance programs through the National Agriculture Library, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. DOMENICI:

S. 1031. A bill to establish an Engineering Extension Service as a mission of the Energy Extension Service to enable entrepreneurs to receive engineering information vital to such businesses, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. HEINZ (for himself and Mr. HARKIN):

S. 1032. A bill to amend the Agricultural Act of 1949 to establish eligibility requirements for agricultural commodity price support programs with respect to the delivery of irrigation; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. SPECTER:

S.J. Res. 136. Joint resolution designating August 8, 1989 as "National Neighborhood Crime Watch Day"; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. MITCHELL:

S. Con. Res. 38. Concurrent resolution providing for a conditional recess or adjournment of the Senate from May 18 or 19, 1989 until May 31, 1989, and a conditional adjournment of the House from May 25, 1989 until May 31, 1989; considered and agreed to.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. CONRAD (for himself, Mr. HARKIN, Mr. LEAHY, Mr. MITCHELL, Mr. FOWLER, and Mr. DASCHLE):

S. 1008. A bill to promote the growth and economic diversification of, and to increase business and employment opportunities in rural America, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

RURAL INVESTMENT FUND ACT

Mr. CONRAD. Mr. President, I am pleased to rise today to introduce the Rural Investment Fund Act of 1989. I do so on behalf of myself, Senators HARKIN, LEAHY, MITCHELL, FOWLER and DASCHLE. This bill will help provide the needed capital for rural small business retention, creation, and expansion.

In my meetings and discussions with bankers, economic development authorities, and small businesses in North Dakota, it is clear that rural America is facing severe economic decline. Unemployment, underemployment, poverty, and outmigration are increasingly significant problems in rural communities throughout the country. The lack of economic diversity in rural areas has made these rural areas more vulnerable during economic downturns.

Although 25 percent of our Nation's population lives in rural areas, this number is declining rapidly. Across the Nation, rural areas are experiencing losses in population and job availability. The Agriculture Department estimates that rural America lost 630,000 people due to outmigration in 1985–86 alone—a larger number than the average of either the fifties or sixties. Many college graduates leave rural areas due to lack of job opportunities, not because of a desire to leave their home State.

And in 1986, more than 1,000 rural counties had an annual average unemployment rate exceeding 9 percent.

Previously, rural policy focused almost solely on agricultural issues; however, the problems of rural areas extend beyond these issues. While agriculture will always be important to the rural economy, one key to rural economic development is diversification.

By shifting our legislative focus towards new business development we can rebuild our rural communities, enabling them to make a larger contribution to the global economic issues facing our country.

Most rural areas lack access to adequate capital to shift their focus to diversify their economic base. From discussions with North Dakotans, I have learned the problem is not just the cost of capital, but its availability. Most owners of rural small businesses find themselves relying upon personal savings, funds provided by family members, or personal loans by friends, especially for long-term credit.

Rural businesses have difficulties in obtaining sufficient capital from local lending institutions. The commercial lenders in rural areas do not directly provide equity capital, but generally make loans to meet short-term working capital needs. Small rural businesses who need capital have to rely on a relatively limited array of potential investors. Access to venture capital firms and investment banks is also limited.

In the past decade, small businesses have out-performed large businesses in creating jobs. The Small Business Administration reports that in 1988, small business continued to lead in job generation. However, rural areas are not experiencing this growth in small business. With the population movement to metropolitan areas and with the lack of available capital, it should be no surprise that small business growth in rural areas is 30-percent slower than in urban areas. In North Dakota, small business starts declined 29.4 percent between March 1987 and March 1988.

The Rural Investment Fund Act establishes an investment fund of $100 million per year for 3 years. This fund will be established under the Rural Partnerships Investment Board and authorizes it to provide lines of credit to State or local entities to form revolving loan funds for small business retention, creation, and expansion. These entities will serve rural areas, and include economic development districts, State agencies, counties, towns, townships, or nonprofit private community development corporations. As the funds are repaid to the lending entity, they will go into the entities' permanent revolving loan fund and will later be replaced to create more jobs.

State entities may receive a line of credit up to $1,250,000 over 5 years and all other entities may receive up to $750,000 over 5 years. Eligible entities are to be funded in at least 45 States. The maximum amount of funding to any one State will not exceed $10 million.

To receive the partnership funds, the entities must receive commitments from other sectors to match funds equal to the line of credit to be extended.

The revolving loan funds must be matched by other sectors and used for rural small business retention, creation, or expansion. The loan funds may be used to provide debt or equity capital, on loan guarantees. At least one bank, savings and loan, or community development corporation must provide at least a 50-percent match of each investment or loan made to each business applicant.

These partnerships will work well with existing Federal programs to provide powerful mechanisms to ensure rural businesses have access to much needed capital.

The trends of unemployment, underemployment and outmigration cannot continue. Rural America needs help now. Like the national and international economies, the urban and rural economies are interdependent. We can not afford to wait.

Revitalizing the rural economy must be a high priority in the 101st Congress. I believe this bill will help to encourage investment in rural America and contribute to its recovery.

I urge my colleagues to support this bill, and I ask unanimous consent that the text of the bill be printed in the RECORD.

S. 1008

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Rural Investment Fund Act of 1989".

SEC. 2. DEFINITIONS.

As used in this Act:

(1) BOARD.—The term "Board" means the Board of Directors of the Rural Partnerships Investment Board established in section 3(b).

(2) ELIGIBLE ENTITY.—The term "eligible entity" means a corporation that—

(A) is a nonprofit private corporation or a public entity that is—

(i) the governing body of each public regional organization (such as the governing body of an economic development district) that is chartered or otherwise organized under State law for the purpose of promoting economic development;

(ii) the agency of each State that is primarily responsible for rural economic development programs within the State;

(iii) the governing body of a country or other political subdivision of a State;

(iv) the governing body of a town or township within a State;

(v) an incorporated public organization or a nonprofit private community development corporation, or similar nonprofit private organization, that is chartered or otherwise organized under State law for the purpose of promoting economic development; or

(vi) an Indian tribe (as defined in section 4(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b)), any Indian organization or entity chartered under the Act of June 18, 1934 (25 U.S.C. 1001 et seq.) commonly known as the "Indian Reorganization Act", or any tribal organization (as defined in the section 4(c) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b(c)); and

(B) meets the requirements of paragraphs (3) and (5) of section 4(c);

(C) possesses the powers reasonably necessary to perform the functions and activities described in this Act;

(D) has a professional staff and management ability (including adequate accounting, legal, and business servicing abilities or experience); and

(E) meets any other requirements established by the Board to carry out this Act.

(3) INVESTMENT BOARD.—The term "Investment Board" means the Rural Partnerships Investment Board established in section 3(a).

(4) LOCAL BUSINESS.—The term "local business" means—

(A)(i) a business concern, located in a rural area, that—

(I) is incorporated under State law; and

(II) is independently owned and operated as defined by the Board; and

(ii) an individual who plans to organize and operate an entity of the type described in subparagraph (A); and

(B) that meets additional requirements that are established by the Board to carry out the intent of this Act.

(5) METROPOLITIAN COUNTY.—The term "metropolitan county" means a county that contains at least a part of a metropolitan statistical area as designated by the Office of Management and Budget.

(6) RURAL AREA.—The term "rural area" means all territory of a State that is not within a metropolitan statistical area or the outer boundary of any city or town having a population of 20,000 or more based on the latest dicennial census of the United States.

(7) RURAL FUND.—The term "Rural Fund" means the Rural Business Investment Fund established under section 4(a).

(8) SECRETARY.—The term "Secretary" means the Secretary of Agriculture, unless otherwise specified in this Act.

(9) STATE.—The term "State" means any of the 50 States.

SEC. 3. RURAL PARTNERSHIPS INVESTMENT BOARD.

(a) ESTABLISHMENT.—There is established a "Rural Partnerships Investment Board" to provide lines of credit to eligible entities whose applications have been approved by the Board, to enable such entities to establish, maintain, or expand revolving funds that are used for loans, or to guarantee loans, or for other investments in new or expanding rural local businesses in conjunction with loans or other investments made by banks (as defined in section 2(c) of the Bank Holding Company Act of 1956 (12 U.S.C. 1841(c))), savings and loan associations (as defined in title IV of the National Housing Act, as amended (12 U.S.C. 1724 et seq.)), or community development credit unions.

(b) BOARD OF DIRECTORS.—

(1) IN GENERAL.—The Board of Directors of the Investment Board shall consist of—

(A) the Administrator of the Rural Electrification Administration;

(B) the Administrator of the Farmers Home Administration;

(C) the Administrator of the Extension Service of the Department of Agriculture; and

(D) two members who shall be experienced in rural development and related matters to be appointed by the President with the advice and consent of the Senate, of which each member shall be from a separate political party.

(2) CHAIRPERSON.—The Chairperson of the Board shall be elected by the members of the Board from among the Board members who are Administrators under subparagraphs (A) through (C) of paragraphs (1), and shall serve for a 2-year period. Such Chairperson may serve consecutive terms.

(3) VACANCIES.—Vacancies on the Board shall be filled in the same manner as the vacant position was previously filled.

(4) CHIEF EXECUTIVE OFFICER.—A chief executive officer shall be selected by the Board and shall serve at the pleasure of the Board.

(5) QUORUM.—A quorum shall consist of three members of the Board. All decisions made by the Board shall require an affirmative vote of a majority of the members.

(6) COMPENSATION.—Members of the Board—

(A) appointed under subparagraphs (A), (B), and (C) of paragraph (1) shall receive reasonable allowances for necessary expenses of travel, lodging, and subsistence incurred in attending meetings and other activities of the Investment Board, as set forth in the bylaws issued by the Board of Directors, except that such level shall not exceed the maximum fixed by subchapter 1 of chapter 57 of title 5, United States Code, for officers and employees of the United States; and

(B) appointed under subparagraph (D) of paragraph (1) shall receive compensation for the time devoted to meetings and other activities at a daily rate not to exceed the daily rate of compensation prescribed for Level III of the Executive Schedule under section 5314 of title 5, United States Code, and reasonable allowances for necessary expenses of travel, lodging, and subsistence incurred in attending meetings and other activities of the Investment Board, as set forth in the bylaws issued by the Board of Directors, except that such level shall not exceed the maximum fixed by subchapter 1 of chapter 57 of title 5, United States Code, for officers and employees of the United States.

(7) RULES AND RECORDS.—The Board shall adopt such rules and procedures as it may consider appropriate for the transaction of the business of the Investment Board, and shall keep permanent and accurate records and minutes of its acts and proceedings.

(c) POWERS OF THE INVESTMENT BOARD.—The Investment Board shall be a body corporate that shall have the power to—

(1) operate under the direction of its Board;

(2) adopt, alter, and use a corporate seal, which shall be judicially noted;

(3) provide for one or more officers, employees, and agents, as may be necessary, define their duties, and require surety bonds or make other provisions against losses occasioned by acts of such persons;

(4) hire, promote, compensate, and discharge officers and employees of the Investment Board, without regard to title 5, United States Code, except that no such officer or employee shall receive an annual rate of basic pay in excess of the rate prescribed for Level III of the Executive Schedule under section 5314 of title 5, United States Code;

(5) prescribe by its Board its bylaws, that shall be consistent with law, and that shall provide for the manner in which—

(A) its officers, employees, and agents are selected;

(B) its property is acquired, held, and transferred;

(C) its general operations are to be conducted; and

(D) the privileges granted by law are exercised and enjoyed;

(6) with the consent of any executive department or independent agency, use the information, services, staff, and facilities of such in carrying out this Act;

(7) enter into contracts and make advance, progress, or other payments with respect to such contracts;

(8) sue and be sued in its corporate name, and complain and defend in courts of competent jurisdiction;

(9) acquire, hold, lease, mortgage, or dispose of, at public or private sale, real and personal property, and otherwise exercise all the usual incidents of ownership of property necessary and convenient to its operations;

(10) modify or consent to the modification of any contract or agreement to which it is a party or in which it has an interest under this Act;

(11) make such rules and regulations as the Board determines necessary and appropriate to carry out the authority vested in the Board under this Act;

(12) procure the temporary (not in excess of 2 years) or intermittent services of experts or consultants or organizations thereof, and in such cases such services shall be without regard to the civil service and classification laws and without regard to section 5 of title 41, at rates not to exceed the daily equivalent of the highest rate payable under section 5332 of title 5, United States Code, including traveltime, and while such individual is away from the home or regular place of business of such individual, travel expenses as authorized under section 5703 of title 5, United States Code; and

(13) exercise other powers as set forth in this Act, and such other incidental powers as are necessary to carry out its powers, duties, and functions in accordance with this Act.

SEC. 4. ESTABLISHMENT OF INVESTMENT FUND.

(a) ESTABLISHMENT.—

(1) IN GENERAL.—There is established in the Treasury of the United States a fund for the use of the Board in carrying out the provisions of this Act that shall be known as the "Rural Business Investment Fund".

(2) AVAILABILITY.—The Fund established under paragraph (1) shall be available to the Board to provide lines of credit for revolving funds to be operated by approved eligible entities to serve local businesses in rural areas.

(b) USE.—

(1) LINES OF CREDIT.—Amounts contained in the fund established under subsection (a) shall be used by the Board to provide lines of credit in amounts determined appropriate by the Board, but in no event shall any such line of credit exceed $750,000 to an approved eligible entity. Each line of credit shall be made available over a period of time established by the Board for each such entity, but in no event shall any such period of time extend beyond the date on which the Investment Board is terminated under section 5(m).

(2) EXCEPTION.—Notwithstanding paragraph (1), if the approved eligible entity is the agency of any State that is primarily responsible for the rural economic development programs within such State, and if such agency agrees to serve all rural areas of the State regarding assistance provided under this Act, the Board may provide a line of credit to such agency in an amount that shall not exceed $1,250,000, to be provided in the manner described in paragraph (1).

(3) AMOUNTS DRAWN FROM LINE.—Amounts drawn from each line of credit by each approved eligible entity shall be used solely as provided under this Act.

(c) APPLICATIONS OF ELIGIBLE ENTITIES FOR LINES OF CREDIT.—

(1) FEDERAL REGISTER NOTICES.—The Board shall publish notices of solicitations for applications for lines of credit in the Federal Register and such notices shall contain—

(A) the application procedures established by the Board;

(B) the application requirements of paragraph (3);

(C) the deadlines for submission of applications (which in no event shall be less than 150 days after the publication of the applicable notice);

(D) a copy of all available response forms;

(E) a summary of the functions of the Board regarding applications; and

(F) other information determined appropriate by the Board.

(2) SUBMISSION AND CONSIDERATION.—An eligible entity that desires to receive a line of credit under this Act shall submit an application to the Board at such time, in such form, and containing such information and documentation, including a description of the areas to be served, as the Board shall prescribe under paragraph (1), and the Board shall consider each such application based on the requirements of this Act.

(3) ELIGIBLE ENTITY.—

(A) MATCHING FUNDS.—In order for an application to be considered for approval by the Board for a line of credit, each eligible entity that submits an application shall—

(i) certify in writing that it shall use such funds as part of a revolving fund to invest in, lend funds to, or guarantee loans made to, local businesses in accordance with this Act; and

(ii)(I) agree to provide matching funds (Federal funds shall not be used to satisfy such matching requirement), in amounts that are at least equal to the amount of the line of credit to be provided by the Board, that shall be in the form of—

(aa) cash or cash equivalents; or

(bb) letters of credit in favor of the eligible entity issued or submitted by banks, savings and loan associations, insurance companies, similar Federally regulated financial institutions, local or State governments or private philanthrophic foundations, as determined appropriate and acceptable by the Board; or

(II) demonstrate, through procedures determined appropriate and acceptable by the Board, that banks, savings and loan associations, or community development credit unions are prepared to participate with the eligible entity in a lending, guarantee, or investment program for the benefit of local businesses, and that the total financial commitment demonstrated by the letters of intent or other documents is at least equal to the value of the line of credit for which the eligible entity is applying.

(B) EXCEPTION FOR CERTAIN ELIGIBLE ENTITIES.—If the average per capita income level

of the counties containing the rural areas served by an eligible entity is less than 70 percent of the national average per capita income for the most recent year for which such information is available, each such eligible entity shall only be required to match 50 percent of the funds provided by the Board in the same manner described in paragraph (3)(A)(ii) (I) or (II). A list of the average per capita income and population of each county in the United States that contains rural areas, and the national average per capita income for such year, shall be published in the Federal Register and otherwise made available by the Board to the public.

(4) MONITORING COMPLIANCE.—The Board shall establish procedures to monitor the compliance of each eligible entity participating in the program authorized by this Act with the requirements of this Act.

(5) ELIGIBLE ENTITY REVOLVING FUND REQUIREMENT.—To be eligible to receive a line of credit from the Rural Fund, the applicant eligible entity shall—

(A) demonstrate its ability or potential capacity to make sound business, lending and investment decisions and to provide business counseling and technical assistance;

(B) demonstrate its ability to operate consistent with the requirements of this Act and to increase the availability of credit in rural areas to promote the creation or expansion of viable businesses in rural areas;

(C) identify the proposed service area, which shall have common characteristics (such as a similar industrial, labor, or other markets, similar geographic or socioeconomic conditions, or other related considerations), and, to the extent that such area includes any towns or townships, such towns or townships shall be served in their entirety; and

(D) provide an assurance that its service area will consist of an area within the State whose median household income was less than the Statewide nonmetropolitan median household income for such State.

(6) FACTORS IN APPROVAL OF APPLICATIONS.—In determining which applications to approve, and the maximum amount of funds to be offered in each line of credit, the Board shall grant a preference to eligible entities—

(A) that have experience in serving local credit or equity needs and in making sound business and investment decisions, or that have the ability to serve such needs and make such decisions;

(B) whose boards of directors, or governing bodies if no such board exists, are composed of a cross-section of individuals (such as individuals with a business, community development or regional development background, or individuals who are State, local or county government officials, or individuals involved in banking, financial, or other investment activities);

(C) that agree, and are able, to provide funds that are in excess of the funds to be provided by the Board to such eligible entity under this Act;

(D) that are likely to stimulate significant job creation or retention and new business creation or business expansion per dollar of funds provided under this section;

(E) that submit applications that demonstrate the ability and willingness to provide continuing technical and management assistance, training, financial and business guidance, and planning, to approved local businesses;

(F) that demonstrate that the activities of the eligible entity are consistent with State, county or local goals, whichever is applicable, regarding long-term economic growth and community development; and

(G) that submit applications containing a comprehensive investment strategy, developed in consultation with the applicable State, regional, county or local unit of government.

(7) GEOGRAPHIC SPREAD.—

(A) IN GENERAL.—In awarding lines of credit under this section the Board shall attempt, as much as reasonably practicable and consistent with sound financial judgment, to assure that all rural regions of the United States benefit from such awards.

(B) MINIMUM AMOUNT OF FUNDS.—After considering the availability of qualified applications, and if consistent with good investment practices and the other requirements of this Act, the Board shall approve the application of at least one eligible entity in each of at least 45 States. The Board shall, to the maximum extent practicable and appropriate, ensure that eligible entities that are approved by the Board in any given State receive at least $750,000 (per State) out of the funds provided under subsection (d).

(C) MAXIMUM AMOUNT OF FUNDS.—The total amount of funds provided under this Act to eligible entities in any State shall not exceed $10,000,000.

(D) SPECIAL PROGRAM.—

(i) IN GENERAL.—The Board shall issue regulations to establish a program that targets the benefits of the Federal lines of credit provided under this section to those rural areas and residents with special needs.

(ii) FIVE PERCENT RULE.—If consistent with sound investment practices, not less than 5 percent of the funds appropriated under subsection (d) shall be issued to eligible entities that will serve—

(i) local businesses located in very distressed rural areas, as defined by the Board; and

(ii) local businesses located in rural areas that provide beneficial services to rural residents such as improved medical, hospital, or health care, licensed day care activities, improved services for the handicapped, the disabled, the elderly or other needy individuals, improved educational opportunities, improved public transportation services for needy individuals, or other related services as determined appropriate by the Board.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $100,000,000 in each of fiscal years 1990 through 1992 to be made available to the Rural Fund and the Board for the purpose of carrying out this Act.

(e) RELOCATION AND REFINANCING.—The Board shall establish rules and procedures to prohibit eligible entities from using the assistance received under this Act for loans and investments, or for issuing guarantees, that would—

(1) facilitate the relocation of a local business from one community to another; or

(2) refinance the existing debt of a local business, except that such refinancing may be undertaken with such assistance if it is undertaken in conjunction with a substantial expansion effort by the local business.

SEC. 5. LOCAL REVOLVING FUNDS.

(a) ESTABLISHMENT.—

(1) IN GENERAL.—Each eligible entity approved by the Board to participate in the program established under this Act shall establish a local revolving fund account in which to deposit—

(A)(i) amounts received from the Board under this Act;

(ii) any local matching funds received under section 4(c)(3)(A); and

(iii) any profits or income derived from the activities of the revolving fund established under this subsection; less

(B) reasonable operating expenses or losses incurred in administering such fund.

(2) PLACE OF ESTABLISHMENT.—Each local revolving fund established under this subsection may be established in one or more member banks of the Federal Reserve System or any Federally insured State nonmember bank (as defined in section 3(b) of the Federal Deposit Insurance Act (12 U.S.C. 1813(b)) and the funds, except as used as authorized in subsection (b), shall be held in cash and receive interest or be invested in direct obligations of the United States or in obligations guaranteed by the United States or an agency thereof.

(b) USE OF FUND.—Amounts in the local revolving fund may be used—

(1) to provide debt or equity capital, or loan guarantees, to local approved businesses as authorized in this Act, under procedures established by the Board;

(2) to cover the costs of providing training, business or financial planning, management or technical assistance to local approved businesses in amounts that do not exceed amounts or levels described in standards established by the Board;

(3) if financial investments are made in the eligible entity in accordance with section 4(c)(3)(A)(ii)(I)(aa) or (bb), to provide for a return of capital to non-Federal investors in the revolving fund, except that if such revolving fund experiences capital or other losses the share of returned capital under this paragraph shall be proportionately, or otherwise appropriately reduced to reflect such loss, under procedures established by the Board; or

(4) to cover reasonable operating or capital expenses, losses, or for other charges as prescribed in rules or standards established by the Board.

(c) DECISIONS CONCERNING FUNDING.—Eligible entities that receive a line of credit under section 4 shall make case-by-case determinations concerning applications submitted by each local business for loans, equity capital or loan guarantees, under general procedures and requirements established by the Board.

(d) REQUIREMENT OF PARTNERSHIPS FOR LOANS OR INVESTMENTS—Funds in each local revolving fund shall be loaned or invested only if one or more banks, savings and loan institutions, or community development credit unions, under procedures established by the Board, provide at least 50 percent of each investment or loan made by each such revolving fund to each such local business, or provide the funds that are guaranteed by such local revolving fund.

(e) INVESTMENT SIZE LIMITS.—

(1) IN GENERAL.—Partnership loans, investments, and any guarantees made by each eligible entity that receives assistance from the Rural Fund, shall not exceed $500,000, in total, in any given calendar year, to the same approved local business or to other local businesses that are financially connected or otherwise related to such local business (as defined by the Board). The provisions of this subtitle shall not limit the total amount of loans from sources other than eligible entities that each local business may receive.

(2) INELIGIBILITY.—Any local business that employs 100 or more employees shall not be eligible to receive assistance from a local re-

volving fund that receives assistance under this Act.

(f) SUBORDINATED INTEREST OF LOCAL REVOLVING FUND.—If a bank, savings and loan association, or a community development credit union has made an investment in a local business in conjunction with an investment made out of the revolving fund of an approved eligible entity, the amount invested by such revolving fund in such local business may be subordinated to the other investments in any instance, to any degree, and in any manner.

(g) OTHER INVESTORS.—A bank, savings and loan association, or community development credit union that contributes capital to an eligible entity that receives Federal assistance under this Act may establish contractual arrangements with such entity concerning the return of such investments in the local revolving fund consistent with subsection (b)(3).

(h) ADDITIONAL CAPITAL.—The Board shall promulgate regulations that provide each participating eligible entity with a sufficient amount of time to obtain additional capital or lines of credit, if any investors, pursuant to the contract with the eligible entity under subsection (g), withdraw some or all of their investment.

(i) CONTINUATION OF LINE OF CREDIT.—A line of credit provided to an approved eligible entity under section 4 for use in a local revolving fund shall continue to be available to be drawn down upon until the Investment Board is terminated or until the line of credit is canceled, revoked or suspended by the Board as described in subsections (j), (k), or (l).

(j) CANCELLATION OF LINE OF CREDIT.—The Board may cancel any prospective payments to be made from any approved line of credit under this Act if the Board determines that the eligible entity participating in the program established under this Act made investments or acted in a manner that was inconsistent with the provision of this Act.

(k) CONTINUATION OF BUSINESS PROMOTION ACTIVITIES.—

(1) INITIAL FEDERAL CONTRIBUTION.—The Federal assistance provided to each eligible entity under this Act shall become the property of each such entity on the termination of the Investment Board if—

(A) the eligible entity that administers the local revolving fund has operated the fund in a manner that is consistent with this Act as determined by the Board; and

(B) the eligible entity contracts with the Board and the Secretary to continue to provide lending, investment, and guarantee assistance consistent with this Act.

(2) EXCEPTION.—

(A) DEVELOPMENT OF MONITORING PROCEDURES.—Not later than the date on which the Investment Board is terminated, the Secretary shall develop procedures to enable the Secretary to monitor the operations of eligible entities that receive Federal assistance under this Act which continue to exist on the date the Board is terminated.

(B) REFUND OF FUNDS.—Notwithstanding paragraph (1), if the Secretary finds that the purpose of any eligible entity is no longer to promote business development in a manner consistent with this Act, the Secretary shall require the eligible entity to refund to the Secretary of the Treasury an amount equal to the amount of funds drawn out of the Federal line of credit issued to the eligible entity together with an appropriate amount of interest on such amount, as determined by the Secretary.

(C) HEARINGS.—The Secretary shall establish rules and procedures—

(i) to determine the amount of interest required under subparagraph (B); and

(ii) to provide a hearing to any eligible entity aggrieved by any order of the Secretary under this paragraph if such entity requests such a hearing within 30 days after receiving the order of the Secretary.

(D) JUDICIAL REVIEW.—

(i) RIGHT.—If any eligible entity determines that it is aggrieved by any final decision of the Secretary issued under subparagraph (B), it may obtain judicial review of such decision by filing, not later than 30 days after the date of the delivery or service of the final decision, a complaint against the United States in the United States court for the district in which such entity resides or is engaged in business.

(ii) TRIAL DE NOVO.—An action commenced under clause (i) shall be by a trial de novo by the court.

(iii) EFFECT OF ORIGINAL DECISION.—During the pendency of an action for judicial review under this clause, or an appeal of a decision concerning such action, the administrative action of the Secretary contained in the decision that is under review shall be and remain in full force and effect except as provided in clause (iv).

(iv) STAY OF ACTION.—The requirement of clause (iii) shall not apply, and the court may issue a stay of such action, if

(I) an application to the court is filed not later than 10 days after the filing of the original action in such court;

(II) a hearing on such application has been held; and

(III) the court, after considering the application filed under this clause, determines that the applicant is likely to prevail on the merits of the original action and that irreparable injury will be done if a stay of such action is not issued.

(v) INTEREST.—Interest shall accrue in favor of the Secretary on any amounts determined to be due to the Secretary by the final judicial disposition.

(l) ANNUAL REPORTS TO THE BOARD.—

(1) IN GENERAL.—Each eligible entity that receives assistance under this Act shall annually prepare and submit to the Board, at such time, and in such form as the Board may require, a report describing the financial condition of the eligible entity, and the investments, cash revenues, income from investments, loans made, equity positions taken, guarantees issued, losses sustained or taken, operating expenses, loss rates, and such other matters as the Board determines appropriate concerning the eligible entity.

(2) POST TERMINATION.—After the Board terminates under subsection (m), the reports required under paragraph (1) shall be submitted to the Secretary who shall stand in the same position as the Board under such paragraph.

(m) TERMINATION OF BOARD.—The Investment Board established by section 3(a) shall terminate on the last day of the 5th calendar year following the date of enactment of this Act.

SEC. 6. COMPLIANCE AND ENFORCEMENT.

(a) REVOCATION OF LINE OF CREDIT AND REFUND.—

(1) GROUNDS FOR REVOCATION.—A line of credit shall be revoked or suspended by the Board, and a full refund of the Federal investment shall be requested by the Board—

(A) for false statements knowingly made in any written statement required under this Act, or under any regulation or Federal Register notice issued under this Act;

(B) if any written statement required under this Act, or under any regulation or Federal Register notice issued under this Act, fails to state a material fact necessary in order to make the statement not misleading in the light of the circumstances under which the statement was made;

(C) for willful or repeated violation of, or willful or repeated failure to observe, any provision of this Act;

(D) for willful or repeated violation of, or willful or repeated failure to observe, any rule or regulation authorized under this Act; or

(E) for violation of, or failure to observe, any cease and desist order issued by the Board under this subsection.

(2) CEASE AND DESIST ORDERS.—Where an eligible entity has not complied with any provision of this Act, or of any regulation issued pursuant thereto, or is engaging or is about to engage in any acts or practices that constitute or will constitute a violation of such Act or regulation, the Board may order such entity to cease and desist from such action or failure to act. The Board may further order such entity to take such action or to refrain from such action as the Board determines necessary to insure compliance with this Act and the regulations issued thereunder.

(3) ORDER TO SHOW CAUSE, CONTENTS, AND HEARING.—

(A) ORDER.—Prior to revoking or suspending a line of credit under paragraph (1), or issuing a cease and desist order under paragraph (2), the Board shall serve on the eligible entity an order to show cause why an order revoking or suspending the line of credit or a cease and desist order should not be issued.

(B) CONTENTS.—An order to show cause under subparagraph (A) shall contain a statement of the matters of fact and law asserted by the Board and the legal authority and jurisdiction under which a hearing is to be held, and shall state that a hearing will be held before the Board at a time and place stated in the order.

(C) HEARING.—If after hearing under subparagraph (B), or a waiver thereof, the Board determines on the record that an order revoking or suspending the line of credit, or a cease and desist order should issue, or an order requiring a refund of the Federal investment in addition to reasonable interest thereon should issue, the Board shall promptly issue such order, which shall include a statement of the findings of the Administration and the reasons for such findings and specify the effective date of the order, and shall cause the order to be served on the entity.

(4) SUBPOENA OF PERSONS, BOOKS, PAPERS, AND DOCUMENTS; FEES AND MILEAGE; ENFORCEMENT.—

(A) SUBPOENA.—The Board may require by subpoena the attendance and testimony of witnesses and the production of all books, papers, and documents relating to the hearing from any place in the United States.

(B) FEES AND MILEAGE.—Witnesses summoned before the Board shall be paid by the party at whose instance such witnesses were called the same fees and mileage that are paid witnesses in the courts of the United States.

(C) ENFORCEMENT.—In the case of disobedience to a subpoena under this paragraph, the Board, or any party to a proceeding before the Board, may invoke the aid of any court of the United States in requiring the attendance and testimony of witnesses and the production of books, papers, and documents.

(5) PETITION TO MODIFY OR SET ASIDE ORDER; FILING, TIME AND PLACE, ADMINISTRATION TO SUBMIT RECORD; ACTION OF COURT; REVIEW.—

(A) IN GENERAL.—An order issued by the Board under this subsection shall be final and conclusive unless not later than 30 days after the service thereof the eligible entity appeals to the United States court of Apeals for the circuit in which such corporation has its principal place of business by filing with the clerk of such court a petition praying that the order of the Board be set aside or modified in the manner stated in the petition.

(B) FILING.—

(i) LEAVE OF COURT.—After the expiration of the 30-day period referred to in subparagraph (A), a petition may be filed only by leave of court on a showing of reasonable grounds for failure to file the petition prior to the expiration of such period.

(ii) CERTIFICATION.—The clerk of the court shall, on filing, cause a copy of the petition to be delivered to the Board and the Board shall certify and file in the court a transcript of the record on which the order was entered. If prior to the filing of such record the Board amends or sets aside its order, in whole or in part, the petitioner may amend the petition within such time as the court may determine, after providing notice to the Board.

(C) STAY OR SUSPENSION OF ORDER.—The filing of a petition for review under this paragraph shall not of itself stay or suspend the operation of the order of the Board, but the court of appeals in its discretion may restrain or suspend, in whole or in part, the operation of the order pending the final hearing and determination of the petition.

(D) ACTION BY COURT.—The court may affirm, modify, or set aside the order of the Board.

(E) ADDITIONAL EVIDENCE.—

(i) DETERMINATION.—If the court determines that the just and proper disposition of the case requires the taking of additional evidence, the court shall order the Board to reopen the hearing for the taking of such evidence, in such manner and on such terms and conditions as the court may consider appropriate.

(ii) FINDINGS.—The Board may modify its findings as to the facts, or make new findings, by reason of the additional evidence taken under this subparagraph, and it shall file its modified or new findings and the amendments, if any, of its order, with the records of such additional evidence.

(F) CONSIDERATION OF OBJECTIONS.—No objection to an order of the Board shall be considered by the court unless the objection was argued before the Board or, if it was not so argued, unless there were reasonable grounds for failure to do so.

(G) REVIEW.—The judgment and decree of the court affirming, modifying, or setting aside any such order of the Board shall be subject only to review by the Supreme Court of the United States on certification or certiorari as provided in section 1254 of title 28.

(6) ENFORCEMENT OF ORDER.—If the entity against which or against whom an order is issued under this subsection fails to obey the order, the Board may apply to the United States Court of Appeals, within the circuit where the entity has its principal place of business, for the enforcement of the order, and shall file a transcript of the record on which the order complained of was entered. On the filing of the application the court shall cause notice thereof to be served on the entity. The evidence to be considered, the procedure to be followed, and the jurisdiction of the court shall be the same as is provided in paragraph (5) for applications to set aside or modify orders.

(b) INVESTIGATIONS AND EXAMINATIONS.—

(1) AUTHORITY.—

(A) IN GENERAL.—The Board may conduct such investigations as the Board considers necessary to determine whether an eligible entity has engaged in any acts or practices that constitute or will constitute a violation of any provision of this Act, or of any regulation issued under this Act, or of any order issued under this section.

(B) FILING OF STATEMENTS.—The Board shall permit any individual to file a statement with the Board that is in writing, under oath or otherwise as the Board shall determine, as to all the facts and circumstances concerning the matter to be investigated.

(C) SUBPOENA.—For the purpose of any investigation under this subsection, the Board may administer oaths and affirmations, subpoena witnesses, compel their attendance, take evidence, and require the production of any books, papers, and documents that are relevant to the inquiry. Such attendance of witnesses and the production of any such records may be required from any place in the United States.

(D) REFUSAL TO OBEY.—In case of contumacy by, or refusal to obey a subpoena issued to, any individual, including an entity or corporation, the Board may invoke the aid of any court of the United States within the jurisdiction of which such investigation or proceeding is carried on, or where such individual resides or carries on business activity, in requiring the attendance and testimony of witnesses and the production of books, papers, and documents, and such court may issue an order requiring such individual to appear before the Board, to produce records, if so ordered, or to give testimony touching the matter under investigation.

(E) CONTEMPT.—A failure to obey an order of the court under this subsection shall be punishable by such court as a contempt thereof. All process in any such case may be served in the judicial district where such individual is an inhabitant or wherever such individual may be found.

(2) EXAMINATIONS AND REPORTS.—

(A) EXAMINATIONS.—An eligible entity under this Act shall be subject to examinations made by the Board through examiners selected or approved by the Board, and the cost of such examinations, including the compensation of the examiners, may in the discretion of the Board be assessed against the entity examined and when so assessed shall be paid by such entity.

(B) REPORTS.—Such entities shall prepare and submit reports to the Board at such times and in such form as the Board may require.

(3) EXAMINATIONS.—Each eligible entity shall be examined and audited at least once every 2 years, under procedures established by the Board, to determine whether or not such entity has been operated in a manner consistent with this Act and in an otherwise lawful manner, except that the Board may waive the examination requirement for up to 1 additional year if, in its discretion, the Board determines that such a delay would be appropriate based on the prior operating experience of the entity, the contents and results of the last examination and the management expertise of the entity.

(c) INJUNCTIONS OR OTHER ORDERS.—

(1) GROUNDS AND JURISDICTION OF COURT.—Whenever, in the judgment of the Board an eligible entity has engaged or is about to engage in any acts or practices that constitute or will constitute a violation of any provision of this Act, or of any regulation under this Act, or of any order issued under this section, the Board may apply to the proper district court of the United States or a United States court located in any jurisdiction subject to the laws of the United States, for an order enjoining such acts or practices, or for an order enforcing compliance with such provision, rule, regulation, or order. Such court shall have jurisdiction over such actions and, on a showing by the Board that such entity has engaged in or is about to engage in such acts or practices, may issue a permanent or temporary injunction, restraining order, or other order without bond.

(2) EQUITY JURISDICTION OF CORPORATION AND ASSETS.—In any proceeding under this section the court as a court of equity may, to such extent as it considers necessary, declare that such court has exclusive jurisdiction over the entity and the assets thereof, wherever located. Such court shall have jurisdiction in any such proceeding to appoint a trustee or receiver to hold or administer under the direction of the court the assets so possessed.

(3) TRUSTEESHIP OR RECEIVERSHIP.—The Board shall have authority to act as trustee or receiver of an entity under this section. On request by the Board, the court may appoint the Board to act in such capacity unless the court determines such appointment to be inequitable or otherwise inappropriate because of the special circumstances involved.

(d) UNLAWFUL ACTS AND OMISSIONS BY OFFICERS, DIRECTORS, EMPLOYEES, OR AGENTS.—

(1) VIOLATION OF ACT.—Wherever an eligible entity violates any provision of this Act or regulation issued under such Act by reason of such entity failure to comply with the terms thereof, or by reason of such entity engaging in any act or practice that constitutes or will constitute a violation thereof, such violation shall be considered to be a violation and an unlawful act on the part of any individual who, directly or indirectly, authorizes, orders, participates in, or causes, brings about, counsels, aids, or abets in the commission of any acts, practices, or transactions that constitute or will constitute, in whole or in part, such violation.

(2) BREACH OF FIDUCIARY DUTY.—It shall be unlawful for any officer, director, employee, agent, or other participant in the management or conduct of the affairs of an eligible entity to engage in any act or practice, or to omit any act, in breach the fiduciary duty of such individual as such officer, director, employee, agent, or participant, if, as a result thereof, the entity has suffered or is in imminent danger of suffering financial loss or other damage.

(3) DISQUALIFICATION OF OFFICERS AND EMPLOYEES.—Except on the written consent of the Board, it shall be unlawful—

(A) for any individual to take office as an officer, director, or employee of an eligible entity, or to become an agent or participate in the conduct of the affairs or management of an eligible entity, if—

(i) such individual has been convicted of a felony, or any other criminal offense involving dishonesty or breach of trust; or

(ii) such individual has been found civilly liable in damages, or has been permanently or temporarily enjoined by an order, judgment, or decree of a court of competent jurisdiction, by reason of any act or practice involving fraud or breach of trust; or

(B) for any individual to continue to serve in any of the above-described capacities, if—

(i) such individual is convicted of a felony, or any other criminal offense involving dishonesty or breach of trust; or

(ii) such individual is found civilly liable in damages, or is permanently or temporarily enjoined by an order, judgment, or decree of a court of competent jurisdiction, by reason of any act or practice involving fraud or breach of trust.

(e) PENALTIES AND FORFEITURES.—

(1) IN GENERAL.—Except as provided in paragraph (2), an eligible entity that violates any regulation or written directive issued by the Board requiring the filing of any regular or special report under this Act, shall forfeit and pay to the United States a civil penalty of not more than $100 for each and every day of the continuance of the corporation's failure to file such report, unless the entity demonstrates that such failure is due to reasonable cause and not due to willful neglect. The civil penalties provided for in this subsection shall accrue to the United States and may be recovered in a civil action brought by the Board.

(2) EXEMPTION.—The Board may through rules and regulations, or on application of an interested party, at any time previous to a failure under paragraph (1), by order, after notice and opportunity for hearing, exempt in whole or in part, any entity from the provisions of paragraph (1), on such terms and conditions and for such period of time as the Board determines necessary and appropriate, if the Board finds that such action is not inconsistent with the public interest or the protection of the Board. The Board may for purposes of this subsection make any alternative requirements appropriate to the situation.

(f) JURISDICTION AND SERVICE OF PROCESS.—Any suit or action brought under this section by the Board to enforce any liability or duty created by, or to enjoin any violation of, this Act, or any rule, regulation, or order promulgated thereunder, shall be brought in the district wherein the eligible entity maintains its principal office, and process in such cases may be served in any district in which the defendant maintains its principal office or transacts business, or wherever the defendant may be found.

(g) SUBSTITUTION OF SECRETARY.—On the termination of the Board, the Secretary shall possess all the powers, privileges and rights regarding compliance and enforcement as described in this section.

● Mr. HARKIN. Mr. President, I am pleased to cosponsor the Rural Investment Fund Act of 1989. I believe this legislation will make an important contribution to helping our rural communities address interrelated problems of lack of jobs, slow business growth and lack of capital.

The root problem that we face in our rural communities is the lack of an adequate number of good jobs at good wages. Because such jobs are in short supply, countless families have watched as their children and grandchildren leave their communities in search of better economic opportunities elsewhere. This fundamental and pervasive process of migration is wrenching for the people involved and, as we so well know, destructive of the communities whose future is slipping away.

In order to have jobs and opportunities in rural communities, it is clear that we need more economic development and business activity to provide those jobs. The story of rural America in this decade has been one of lagging far behind the levels of economic growth and recovery experienced by the rest of the Nation. Indeed, most of our rural communities are still struggling to recover from the twin crises of the recession early in this decade and the depression in the farm sector that followed.

There are a number of problems contributing to the slow economic progress we have seen in rural communities. Plainly, one of the problems is lack of adequate capital to support business development.

This legislation will help to address this problem by providing some Federal seed money in the form of lines of credit to local, regional, and State entities in order to supply capital to revolving loan funds. These entities will include economic development districts, State agencies, counties, towns, townships or nonprofit private community development corporations. The revolving loan funds will be used to help retain, create, and expand local rural businesses.

The legislation will create a rural business investment fund to provide money through the lines of credit. This fund will receive $100 million per year for 3 years from the Federal Government. The legislation provides for leveraging the money from the investment fund to enhance the benefits from the Federal money. The Federal money must be matched at least dollar for dollar by at least one bank, savings and loan or community development corporation.

This is a good and basically sound piece of legislation designed to meet a serious need. However, I will continue to work on some aspects of the bill that I believe require further attention.

First, I believe that we must examine the criteria for eligible businesses that may receive funds from the revolving loan funds. If those criteria are too restrictive we may miss opportunities to spur development of businesses that offer possibilities for creating significant numbers of jobs and a relatively large volume of business in rural communities.

Second, I want to examine carefully the limitations on the size of the loans that the revolving loan funds may make. Again, I would not want to see the level set so low that a whole class of businesses, namely small manufacturers, are left out of this initiative.

Third, I would like to see a more competitive approach for distributing funds to eligible entities under the program. And I would be inclined to allow an entity to receive a higher level of funding than the bill now provides.

Finally, I want to work to assure that the paperwork burdens and the approval processes are efficient.

Mr. President, this legislation is a welcome step in the right direction to help bring much needed capital to our rural communities. I am pleased to give it my support.●

By Mr. DANFORTH (for himself, Mr. HOLLINGS, Mr. INOUYE, Mr. BRYAN, and Mr. MCCONNELL):

S. 1009. A bill to amend section 315 of the Communications Act of 1934 with respect to the purchase of broadcasting time by candidates for public office; to the Committee on Commerce, Science, and Transportation.

CAMPAIGN ADVERTISING ACT

● Mr. DANFORTH. Mr. President, today Senators HOLLINGS, INOUYE, BRYAN, MCCONNELL, and I are introducing legislation to amend the lowest unit charge provision of the Communications Act. This legislation incorporates S. 2627, introduced by Senator MCCONNELL in the 100th Congress, and recently reintroduced in this Congress as S. 744. Senator MCCONNELL is the leader in the U.S. Senate on the lowest unit rate issue. I am pleased that he has joined the chairman of the Commerce Committee, the chairman of the Communications Subcommittee and me in the sponsorship of this bill, and I am grateful to him for lending his help and expertise to this initiative.

The lowest unit charge requirement, which was enacted in 1972, reflects the importance of political speech and the need to protect candidates from discrimination. Under this law, broadcasters are supposed to treat candidates as if they have as much market power as the biggest advertisers for a limited period of time—45 days before a primary, and 60 days prior to a general election.

Mr. President, the simple intent of this law is being thwarted by an ambiguity in the statute and by recent changes in the way broadcasters sell advertising time. This bill restores the lowest unit charge provision to its original intent by making two simple changes. First, it deletes the word "class" from the lowest unit charge provision. As a result, candidates will be entitled to the lowest advertising rate, not just the lowest rate for a particular "class" of time, such as "fixed" or "preemptible" time. Second, the bill adds a sentence to clarify that broadcasters are prohibited from "bumping" campaign ads.

ROLE OF TELEVISION IN POLITICS

Mr. President, broadcasters are in a unique position to affect the American electoral process. This is particularly true for television broadcasters. Television is both pervasive and influen-

tial. Ninety-eight percent of American households have televisions. Three-fifths have two or more TVs. On average, adults spend over 4 hours a day watching television.

More than any other commercial enterprise, TV affects our national values. According to a recent Roper survey, TV is the only source of news for 50 percent of Americans.

Television has a tremendous effect on our political life. Van Gordon Sauter, the former head of CBS News, is right in his observation that "[t]elevision is now the primary basis for making value judgments about candidates, their character and resourcefulness." Forty-nine percent of the public cite television as the most important information source for congressional elections.

Air time is the crucial element in a competitive rate between candidates. And the cost of air time has skyrocketed. TV advertising costs have more than tripled in the last 8 years. Television ads are now the single largest expense in most congressional campaigns. In today's Senate races, 40 to 60 percent of a campaign's funds go to television alone.

In 1956, the year in which the FCC began to collect data on broadcast spending, candidates spent less than six percent of their campaign budgets on radio and television combined. The total spent on electronic media for all elections—Federal, State, and local—that year was $10 million. Thirty years later, that national total was surpassed in a single Senate race in California. The two candidates in that race spent over $13 million on media alone.

A newly elected, or reelected, Senator knows that the average Senate campaign now costs $4 million. He knows that means he'll have to raise about $13,000 each week of his 6-year term. And he'll have to raise that sum in relatively small increments—a maximum of $1,000 per individual and $5,000 per political action committee.

The cost of air time is so high, it distorts the campaign process. It limits the candidate's speech. It makes it much tougher for a candidate to challenge an incumbent. And it has other, more insidious effects. It forces candidates to spend far too little of their time and energy on the issues, and far too much on raising money from groups whose membership and appeal are narrow. Night after night, instead of going home to our families, we go to fundraisers with our hands out. The need for constant fundraising raises the specter of undue influence by well-financed special interest groups, and lessens the public's confidence in its government.

THE NEED FOR CAMPAIGN REFORM

Mr. President, the public is ready for campaign reform. Many recent newspaper and broadcast editorials have called for reform. And they've used powerful terms—"fat cats," "give-to-get," "big money," "financial steroids," and "sewer money."

Many broadcasters have editorialized in favor of campaign reform. They've talked about the role of special interest groups, whose membership and appeal are narrow. They've called for fairness in our systems of elections.

The issue of campaign reform has been brought to the forefront in Congress. Over the dozen measures addressing campaign reform have been introduced in Congress already this year.

CAMPAIGN REFORM PROPOSALS

The Democrats and Republicans have offered different campaign reform bills. But they share common goals. Both parties want legislation to curb the influence of special interests and reduce the costs of campaigns. And one proposal gives neither party an advantage. I consider it to be the crucial element of campaign reform: clarifying lowest unit charge requirements of the Communications Act.

LOWEST UNIT CHARGE

Perhaps many of our colleagues, Mr. President, understand the current lowest unit charge requirement to mean that a candidate is to be charged no more than the station's most favored commercial advertiser for a particular spot on a particular show. This is what I thought it meant. But the Commerce Committee hearing held last September on the lowest unit charge requirement revealed that there are serious problems with the application of the lowest unit charge law today. The witnesses made the following compelling case for reform.

First, the law is unclear. Ask four lawyers how the lowest unit charge provision applies in a complicated example. You'll get four different answers. Interpreting lowest unit charge is now so difficult that, during election periods, the FCC has to answer 50 to 75 daily inquires about it.

Second, the law requires only that the candidates be afforded the lowest unit charge for each class of time. When the law was enacted, broadcast advertising was sold with rate cards. It was fairly simple to determine the lowest rate for the class of time—fixed or preemptible. But for many stations the way advertising is sold has changed. It is now, in effect, an auction. One media buyer has likened it to a Middle Eastern rug market.

Third, it is very difficult for a candidate to know if he is getting the lowest unit charge. He is not entitled to look at the station's commercial records to compare his rate to that of Coca Cola, for example. Without access to station records, there is no way to determine whether the requirement is being met. It is the only requirement I know of that is absolutely impossible to police.

Fourth, candidates usually wind up paying a much higher rate than commercial advertisers. In today's sophisticated campaigns, candidates must target specific voting age audiences. But a candidate's ad can be bumped, for example, from a news program to a Saturday morning cartoon show, unless he pays a premium fixed rate for his ad time. Witnesses told us that commercial advertisers rarely have to buy fixed time as protection against preemption, even though they sometimes need to avoid being bumped, too. And rates for fixed time can be four or more times the rates of preemptible time. Instead of getting the best deal, politicians are getting the worst. As the Democratic media buyer Bob Squier testified before the Commerce Committee last September, "[t]he memorial service for lowest unit rate was held years ago * * *."

Finally, there is the potential for abuse. Hearing witnesses testified that it would be possible for a broadcaster to favor one candidate over another. Candidate A might be told that to be sure his ad will run, he must buy expensive fixed time. But the broadcaster could assure his opponent, Candidate B, that he can buy cheap preemptible time and not be bumped. So, Candidate A buys fixed time. Candidate B buys preemptible time. Candidate B is never preempted. Hearing witnesses discussed a case in which one Senate candidate paid, on average, five times as much per advertising spot as his opponent—for spots on the same shows. The candidate buying the cheaper preemptible time was never preempted.

There is no way of determining whether one candidate should have been bumped. Stations are not required to record whether someone else sought to buy time. There is at least the potential for foul play. It could be done with a wink or an unspoken understanding. If it happen, it would be an illegal corporate contribution. And one candidate's dollar would have purchased four or more times as much speech as his opponent's.

In campaign reform generally, we're talking about the need for fairness in our election system. With the lowest unit charge, we are talking about the same concern. We must eliminate the possibility that through malice, or more likely through mistake, it is possible for a broadcaster to put his thumb on the scale. It is the potential for abuse that must be avoided.

THE SOLUTION

What then is the solution?

A number of observers favor free air time for candidates. Legislation has been introduced to provide free broadcast time to congressional candidates. Over sixty percent of the political challengers surveyed by the bipartisan Center for Response Politics support-

ed free time for candidates. And the Center itself recommends that Congress enact a free broadcasting plan.

Those who make the case for free broadcasting time point out that broadcasters use the spectrum, a valuable public resource, for free. They argue that free time is a small request to make in return. Those who cut timber in national forests, graze cattle on federal lands, or mine minerals on federal property have to pay fees. The argument is that broadcasters owe something for their use of a scarce public commodity.

Bob Squier said it well in last year's hearing, "[a]s the system works now, we must rent our airwaves back from the broadcasters at election time in order to conduct this most important transaction of the democracy."

I don't propose free air time for candidates, however. The problems with the lowest unit charge provision are significant. But they are easily solved. We don't need to require free time. We just need to clarify the law. The bill we are introducing today does that. It requires broadcasters and cable operators to sell fixed time to candidates at the lowest preemptible rate.

This is simple and straightforward. Require the lowest rate, and don't bump. S. 2627, the bill introduced by Senator MCCONNELL in the 100th Congress and on which we held hearings last year took this approach. The witnesses testified that it would work.

What would this proposal do? It would lower the cost of advertising to political campaigns significantly. By lowering costs, it would help candidates challenge incumbents.

It would give candidates the insurance that they need against preemption.

It would treat all candidates fairly.

It would help broadcasters to avoid mistakes in applying the law.

In short, it would restore lowest unit charge to its original purpose.

Political advertising accounts for a small portion of broadcasters' revenues. According to testimony at our hearing last year, it accounts for somewhere between three-quarters of one percent and four percent of broadcasters' revenues, depending on the market. And the lowest unit charge only applies 45 days before primaries and 60 days before general elections.

Candidates deserve a fair shake. While individual candidates will come and go, political speech should be treated at least as favorably as ads for Big Macs. After all, political advertising is purchased in bulk every 2 years. It should be afforded a bulk rate, and the insurance against preemption that goes with "most favored commercial advertiser" status.

Candidates don't need a free deal. They only need a fair deal.

Broadcasters have called for campaign reform. A key part of that reform, the advertising rate for political ads, involves the broadcasting industry directly. I urge my colleagues to take this step toward campaign reform.●

● Mr. HOLLINGS. Mr. President, I rise today in support of the Campaign Advertising Act of 1989. This legislation is very important to the American electoral process and the ability of our citizens to make an informed decision. This bill, introduced by Senator DANFORTH and myself, concerns a fundamental aspect of the electoral access, candidates access to the public airwaves and the prices charged for political advertisements. We have long been concerned that political candidates have reasonable access to broadcast stations and that there be no discrimination in the rates charges for campaign advertisements. Section 315(b) of the Communications Act was adopted specifically to address that concern.

Section 315(b), adopted in 1972, requires broadcasters to charge candidates the lowest unit rate available for the time during which the advertisements are aired. My committee held a hearing last year where we heard that the lowest unit rate provision is not being applied properly—candidates are being charged more than the lowest unit rate. Specifically, it was alleged that broadcasters have been: First, charging different rates to different candidates time and, second, charging them all higher rates for non-preemptible time. This has resulted in wide disparities in the rates paid by political candidates for political advertisements and in higher rates paid by all. This disturbs me greatly. We already spend too much time raising money just to get on television. Now, we are told one of the reasons why.

This bill requires broadcasters to provide advertising time to political candidates at the lowest unit rate available for advertisements sold for any class of time. In addition, the legislation does not permit the preemption of political advertisements. The effect will be to ensure that all candidates are charged the same type of lowest unit rate and that when candidates purchase time, they are assured that their advertisements will be run on the date and during the time period for which they contracted. Thus, all candidates will be treated fairly and equally. More importantly, this legislation will ensure that all the candidates have equal opportunities to present their positions to the public. Thus, it will further our goal of having a more informed electorate.

As a cosponsor of this legislation I want to encourage all of my colleagues to support the Campaign Advertising Act.●

By Mr. WILSON (for himself, Mr. D'AMATO, and Mr. HELMS):

S. 1010. A bill to encourage further cooperation between Federal, State, and local law enforcement agencies in their efforts against drug trafficking and other serious criminal activities; to the Committee on the Judiciary.

LAW ENFORCEMENT COOPERATIVE ACT

Mr. WILSON. Mr. President, I rise to introduce legislation on behalf of myself and Senator D'AMATO. It will be cited as the Law Enforcement Cooperative Act of 1989.

Mr. President, drug abuse and drug trafficking are national problems. Nevertheless, they cannot be attacked simply at the national level because the problem that they attack exists at the local level. If we are to have a chance at success in our antidrug efforts, all levels of government must be involved in a coordinated effort.

The efforts of every Federal law enforcement agency—the Drug Enforcement Administration, the Federal Bureau of Investigation, the Coast Guard, the Border Patrol, and the Customs Service—even in concert are not enough. They never can be. It is essential, instead, that there be the kind of cooperation between Federal, State, and local law enforcement agencies that is the absolute sine qua non to success in an antidrug effort.

Mr. President, local law enforcement is doing an outstanding job against very difficult odds. Some would say overwhelming odds. But, to make the most of those local efforts, and to make the most of Federal law enforcement efforts in cooperation, we need, in fact, real cooperation.

Fortunately, cooperative operations are taking place throughout the Nation—and they have been incredibly successful in my State of California and, indeed, all across the land.

Without doubt, the primary motivation for this cooperation between agencies is dedication to fight a common enemy—the drug trafficker and those who are his victims. Yet, there is another incentive that understandably and quite reasonably helps cement this cooperative spirit—it is the sharing of assets seized under the Federal asset forfeiture law.

With regular expansions and refinements of the Federal asset forfeiture law, there have been phenomenal increases in money flowing back into law enforcement. Indeed, in California, alone, more than $60 million has been forfeited and distributed to State and local law enforcement agencies.

Unfortunately, this very success has upset one Member in the other body, who has taken it upon himself to shut down a program that has served to further interagency cooperation in this vital battle against drugs.

Specifically, he successfully inserted in the 1988 drug bill a provision that will prohibit asset sharing with State and local agencies in so-called adoptive

cases—those cases in which the bulk of the investigative effort was undertaken by State or local agencies but the forfeiture was processed under Federal law. Furthermore, this objectionable provision could, as it presently reads, prevent asset sharing even when the assets were seized as a result of a joint Federal-State-local task force operation.

I want to emphasize to my colleagues that adoptive cases do not drain Federal resources. Rather, for every dollar forfeited by the Federal Government in an adoptive case, the Federal Government keeps 10 cents. A 10-percent processing charge invariable covers Federal expenses and indeed with help contribute to the construction of Federal prisons.

Mr. President, many times, indeed, too many times, the Federal Government decides it has come up with a better mouse trap and tries to foist it on local government—no matter what the cost may be to local government, as we rarely pick up the cost.

With asset forfeiture, local government knows that we have a better mouse trap—a comprehensive asset forfeiture law—and accordingly local governments have sought to make maximum use of the Federal law. Yet, at the insistence of one Member of the House, the program has been hampered, thereby cutting off millions of dollars earned by local law enforcement agencies that are struggling to stop drug trafficking and abuse.

Mr. President, the problem created by the new limit on asset sharing, which is scheduled to start on October 1 of this year, will not be severe for my State of California, as the State legislature improved the State forfeiture statute last year. Yet, it will reduce the amount of money flowing to State and local police in all too many States. In other States, however, the impact truly will be severe, as many State laws have no provision or an extremely limited one for applying criminals' forfeited assets to law enforcement. I am told that the problem will be particularly acute in Alabama, New York, Virginia, and North Carolina.

Mr. President, I am today introducing the Law Enforcement Cooperation Act of 1989, along with my colleague from New York, Senator D'AMATO.

My bill would replace the present absolute prohibition against asset sharing in adoptive and other asset forfeiture cases with a rule allowing asset sharing if it will serve to further cooperation between the recipient State or local law enforcement agency and Federal law enforcement agencies.

As I have said, cooperation is a key to success in our efforts against illegal drugs, and if we can attain this by allowing State and local agencies to use the Federal asset forfeiture laws, then there is no justification for preventing their use; we should encourage it.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1010

Be it enacted by the Senate and House of Representatives of the United States of America in Congress Assembled, That this Act may be cited as the "Law Enforcement Cooperation Act of 1989".

SEC. 2. Section 511(e)(3)(B) of the Controlled Substances Act (21 U.S.C. 881(e)(3)(B)), as added by the Assets Forfeiture Amendments Act of 1988, is amended to read as follows:

"(B) will serve to encourage further cooperation between the recipient State or local agency and federal law enforcement agencies.".

By Mr. EXON:

S. 1011. A bill to amend title XVIII of the Social Security Act and other provisions of law to delay for 1 year the effective dates of the supplemental Medicare premium and additional benefits under part B of the Medicare Program, with the exception of the spousal impoverishment benefit; to the Committee on Finance.

MEDICARE CATASTROPHIC COVERAGE DELAY ACT

Mr. EXON. Mr. President, I rise today to introduce legislation that will delay, for 1 year, implementation of portions of the Medicare Catastrophic Coverage Act passed by Congress last year and signed into law by President Reagan.

The Medicare Catastrophic Coverage Act represents the first major expansion of the Medicare Program since its inception more than 20 years ago. I think the bill makes many necessary changes and it now offers some needed protection to our senior citizens against the unforeseen and unpredictable event of an acute extended illness. I had concerns originally and still have concerns because the bill contains no provisions for coverage of long-term nursing home or custodial care.

There is no question that long-term care is, indeed, the true catastrophic cost facing seniors today.

My bill retains the current part A benefits that are already in place, including the expanded hospitalization—extended from 60 free days to 365 free days; the expanded skilled nursing care provisions—expanded from 100 days to 150 days; and the expanded hospice provisions—which eliminates the old 210-day cap and now provides unlimited coverage pending physician recertification of the patient's condition. Also retained is the Medicaid spousal impoverishment provisions. This very important provision allows the noninstitutionalized spouse to retain at least $12,000 in assets as well as a monthly living allowance of approximately $800. The at-home spouse may also retain the family residence, car, and personal belongings.

To pay for these benefits, my bill also retains the flat fee increase attached to the part B monthly premium. This flat fee is currently $4 a month. This is scheduled to increase to $7.18 in 1993.

What my bill delays is the implementation of all benefits not yet in effect. This would include all the new part B benefits as well as the prescription drug provisions. The bill also delays, for 1 year, implementation of the supplemental premium which has caused so much concern for our senior citizens.

Most importantly, my bill also includes a sense of the Senate statement that we must investigate, in depth, the suggestion made by the esteemed chairman of the Senate Finance Committee, Senator BENTSEN, concerning the recent revenue projections for the catastrophic care trust funds. If these projections are correct, it may be possible to reduce the supplemental premium by as much as 16 percent.

If so, we can retain a worthwhile program at significantly reduced costs and help pave the way for long-term health care legislation that, as I stated earlier, is the real catastrophic need facing our senior citizens.

I supported the Medicare catastrophic bill during its consideration as I feel that it offers valuable new and expanded services. That bill passed by an overwhelming vote of Congress and was signed into law by President Reagan.

At that time it was supported by a large number of organizations which promote the needs of our Nation's senior citizens. Unfortunately, there is much confusion over what that bill offers, who will benefit and who will pay. The bill is extremely technical and therefore confusing.

I have seen many articles, newsletters, and commentaries on this piece of legislation.

Many of these articles are not entirely consistent with the content of the new law. For that reason I am introducing this legislation. We need a longer time period to educate individuals as to what this bill does, and who will be affected by it. We also need to look at the funding mechanism and see if something else can be done. I supported the recent Senate amendment calling for hearings on this bill. I had hoped that we could resolve the issues without the need to delay implementation of the bill.

However, now I am convinced that with everything else that Congress has to consider this year, we may not have time, in the next couple of months, to do justice to this important piece of legislation.

President Reagan made it quite clear that he would only support the bill if

it would be paid for by those who would benefit from the improved coverage—the elderly and disabled. For the most part, I support this proposal.

The financing is progressive as well as being an asset protection plan; those with higher incomes and, therefore, more to protect from a financially devastating illness will pay more than those with more limited incomes. However, this type of financing mechanism can penalize, as so many Nebraskans have pointed out to me, some of those who were able to save toward their retirement. This is something we need to evaluate.

Mr. President, I know this problem has no easy solutions.

If it did, we would all be slapping ourselves on the back already, congratulating ourselves for our cleverness. But that is not the case. I only hope that when we do reevaluate this situation, the light of a different day will also bring new ideas and new ways of looking at the situation.

I am committed to finding a way to make true catastrophic health care coverage available to our Nation's senior citizens. This is important to them as well as to their children and grandchildren. I hope this 1-year delay will enable us to explore new solutions to this problem and find a better consensus.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1011

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

That the Act be cited as the "Medicare Catastrophic Coverage Delay Act of 1990".

SEC. 2. PURPOSES.

It is the purpose of this Act—

(1) to retain all Medicare Part A provisions currently in effect as provided for in the Medicare Catastrophic Coverage Act of 1988;

(2) to retain the Medicaid spousal impoverishment provisions as provided for in the Medicare Catastrophic Coverage Act of 1988;

(3) to retain the flat increase in Medicare premiums, as provided for in the Medicare Catastrophic Coverage Act of 1988, in order to finance the above-retained benefits;

(4) to delay, for one year, implementation of all other benefits provided in the Medicare Catastrophic Coverage Act of 1988;

(5) to delay, for one year, implementation of the supplemental premium as provided for in the Medicare Catastrophic Coverage Act of 1988; and

(6) to express the sense of the Congress that if revenue estimates conclude there is, in fact, a surplus of funds in the Catastrophic Coverage trust funds in excess of amounts required to reach and maintain adequate reserves, that the appropriate steps will be taken to reduce the supplemental premium.

SEC. 3. DELAY IN PART B BENEFITS AND RELATED PROVISIONS.

(1) Section 1833(c) of the Social Security Act (42 U.S.C. 13951(c)), as inserted by section 201(a) of the Medicare Catastrophic Coverage Act of 1988, is amended—

(A) in paragraph (1), by striking "1990" and inserting "1991";

(B) in paragraph (3), by striking "1990" each place it appears and inserting "1991"; and

(C) in paragraph (3)(A)—

(i) by striking the first sentence,

(ii) in the second sentence, by striking "succeeding year" the first place it appears and inserting "year (beginning with 1991)", and

(iii) in the second sentence, by striking "succeeding" the second place it appears.

(2) Paragraph (4)(B) of section 1861(t) of the Social Security Act, as added by section 202(a)(2)(C) of the Medicare Catastrophic Coverage Act, is amended by striking "1990" and inserting "1991".

(3) Section 1834(c) of the Social Security Act, as added by section 202(b)(4) of the Medicare Catastrophic Coverage Act, is amended—

(A) in paragraph (1)(C)(i), by striking subclause (I) and (II) and inserting the following:

"(I) 1991 is $600,

"(II) 1992 is $652, and";

(B) in paragraph (1)(C)(i) by striking subclause (III) and redesignating subclause (IV) as subclause (III);

(C) in paragraph (1)(C)(iii), by striking "1992" and inserting "1993";

(D) in paragraph (2)(C)(ii), by striking "1990", "1991", "1992", and "1993" and inserting "1991", "1992", "1993", and "1994", respectively;

(E) in paragraph (3)(A), by striking "1992" and inserting "1993";

(F) in paragraph (3)(C)(i), by striking "1990" and inserting "1991";

(G) in paragraph (4)(A)(i), by striking "1990 or 1991" and inserting "1991 or 1992";

(H) in paragraph (7)(B), by striking "1991" and inserting "1992";

(I) in paragraph (8)(A), by striking "6 years" and inserting "7 years"; and

(J) in subparagraphs (B), (C), (D), and (F) of paragraph (8), by striking "1989", "1990", "1991", "1992", "1993" and "1994" and inserting "1990", "1991", "1992", "1993", "1994", and "1995", respectively.

(4) Paragraphs (1) and (4) of section 1842(o) of the Social Security Act, as added by section 202(c)(1)(C) of the Medicare Catastrophic Coverage Act, are each amended by striking "1991" and inserting "1992".

(5) Section 202(e)(4)(B) of the Medicare Catastrophic Coverage Act is amended by striking "1993" and inserting "1994".

(6) Section 202(i)(2) of the Medicare Catastrophic Coverage Act is amended by striking "1989, 1990, 1991, 1992, and 1993" and inserting "1990, 1991, 1992, 1993, and 1994", respectively.

(7) Section 202(1)(2) of the Medicare Catastrophic Coverage Act is amended by striking "1989" and "1990" and inserting "1990" and "1991", respectively.

(8) Section 202(m) of the Medicare Catastrophic Coverage Act is amended by striking "1989", "1990", and "1991", and "1992", respectively.

(9) Section 1834(d)(2) of the Social Security Act, as added by section 203(c)(1)(F) of the Medicare Catastrophic Coverage Act, is amended by striking "1990" and inserting "1991".

(10) Section 203(c)(2) of the Medicare Catastrophic Coverage Act is amended by striking "1991" and inserting "1992".

(11) Section 1835(a)(2)(G) of the Social Security Act, as inserted by section 203(d)(1)(C) of the Medicare Catastrophic Coverage Act, is amended by striking "1993" and inserting "1994".

(12) Section 1154(a)(16) of the Social Security Act, as amended by section 203(d)(2) of the Medicare Catastrophic Coverage Act, is amended by striking "1993" and inserting "1994".

(13) Section 203(g) of the Medicare Catastrophic Coverage Act is amended by striking "1990" and inserting "1991".

(14) Section 1834(e) of the Social Security Act, as added by section 204(b)(2) of the Medicare Catastrophic Coverage Act, is amended—

(A) in paragraph (2)(B)(ii), by striking "1992" and inserting "1993",

(B) in paragraph (4)(A)(i), by striking "1990" and inserting "1991",

(C) in paragraph (4)(B), by striking "1991" and inserting "1992", and

(D) in paragraph (5), by striking "1990" and "1991" each place each appears and inserting "1991" and "1992", respectively.

(15) Section 204(3) of the Medicare Catastrophic Coverage Act is amended by striking "1990" and inserting "1991".

(16) Section 205(f) of the Medicare Catastrophic Coverage Act is amended by striking "1990" and inserting "1991".

(17) Section 206(b) of the Medicare Catastrophic Coverage Act is amended by striking "1990" and inserting "1991".

SEC. 4. DELAY IN CERTAIN REVENUE-RELATED PROVISIONS.

(1) Section 59B of the Internal Revenue Code of 1986, as added by section 111(a) of the Medicare Catastrophic Coverage Act, is amended—

(A) in the table in subsection (c)(2)(A), by striking the line relating to 1989;

(B) in the table in subsection (d), by striking the line relating to 1989; and

(C) in subsection (e)(4)—

(i) by striking "before 1998" each place it appears and inserting "before 1999", and

(ii) in the percentage table in subparagraph (A), by striking "1994", "1995", "1996", and "1997" and inserting "1995", "1996", "1997" and "1998", respectively.

(2) Section 111(e) of the Medicare Catastrophic Coverage Act is amended—

(A) in paragraph (1), by striking "1988" and inserting "1990", and

(B) in paragraph (2), by striking "1989" and "1989" and inserting "1990" and "1990", respectively.

(3) Section 112(b) of the Medicare Catastrophic Coverage Act by striking "1990" and "1989" and inserting "1991" and "1990", respectively.

(4) Section 1839(g) of the Social Security Act, as added by section 211(a) of the Medicare Catastrophic Coverage Act, is amended—

(5) Section 1841A of the Social Security Act, as inserted by section 212(a) of the Medicare Catastrophic Coverage Act, is amended—

(A) in subsection (c), by striking "1990" and inserting "1991", and

(B) in subsection (d), by striking "1992" each place it appears and inserting "1993".

(6) Section 1840(i) of the Social Security Act, as added by section 212(b)(1) of the Medicare Catastrophic Coverage Act, is amended by inserting "(1)" after "(i)" and

by adding at the end of the following new paragraph:

"(2)(A) Notwithstanding the previous provisions of this subsection but subject to subparagraph (B), premiums collected under this part which are attributable to subsection (g) of any month in 1989 shall, instead of being transferred to (or deposited to the credit) of the Federal Supplementary Insurance Trust Fund, be transferred to (or deposited to the credit of) the Federal Hospital Insurance Catastrophic Coverage Reserve Fund (created under section 1817A).

"(B) The total amount of the transfers or deposits made under subparagraph (A) shall not exceed the Secretary's estimate of the total amount of additional expenditures made under part A which are attributable to benefits during 1989 and which would not have been made but for the amendments made by the Medicare Catastrophic Coverage Act of 1988.".

(7) Section 1841B(c) of the Social Security Act, as inserted by section 213 of the Medicare Catastrophic Coverage Act, is amended by striking "1990" each place it appears and inserting "1991".

SEC. 5. MEDICAID PROVISIONS.

(1) Section 1905(p)(2) of the Social Security Act, as amended by section 301(b) of the Medicare Catastrophic Coverage Act, is amended by striking "1990", "1991", "1992", and "1993" each place each appears and inserting "1991", "1992", "1993", and "1994", respectively.

(2) Clauses (ii) and (iii) of section 1902(l)(2)(A) of the Social Security Act, as added by section 302(a)(2)(B)(iii) of the Medicare Catastrophic Coverage Act, by striking "1990" each place it appears and inserting "1991".

SEC. 6. MAINTENANCE OF EFFORT.

Section 412 of the Medicare Catastrophic Coverage Act is amended by striking "1990" each place it appears and inserting "1991".

Mr. REID. Mr. President, I would like to congratulate the senior Senator from Nebraska on the catastrophic measure. I also have a measure in to affect the catastrophic and I will look closely at his. It is certainly something when we return home we hear a lot about and it is something that we have to look to, to change.

By Mr. EXON (for himself and Mr. BOREN):

S. 1012. A bill to amend the Disaster Assistance Act of 1988 to extend disaster assistance to losses due to adverse weather conditions in 1988 or 1989 for crops planted in 1988 for harvest in 1989, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

DISASTER ASSISTANCE ACT

Mr. EXON. Mr. President, today I am introducing legislation to provide assistance for farmers and livestock growers affected by the current drought. I am pleased to be joined by my long-time friend and colleague Senator DAVID BOREN. This bill includes a number of provisions which I will enumerate in a moment, but the main point I want to make today is this: the situation is bad—worse than most of us realize—and we have to take action now.

In addition to the drought, much of Nebraska's wheat crop was further damaged by a late freeze at the critical time when the wheat itself was just beginning to form inside the plant. Last year's drought, which is now catching up with winter wheat producers, and the freeze have combined to create the worst situation in decades for portions of Nebraska.

Several weeks ago Senator KERREY and I toured Nebraska and what we saw was worse than we expected.

Many of our colleagues, as well as the Secretary of Agriculture, have also made visits to drought ravaged areas. But all the visits in the world will not change a thing. It will take more than our condolences and a symbolic pat on the head.

I know there are those who will claim we cannot afford another drought bill. To them I say that wheat farmers in Nebraska, Kansas, Oklahoma, and Texas cannot go on without one.

As far as financing this assistance goes, higher wheat prices prompted by the drought will result in the needed budgetary savings to cover the cost of assistance.

Mr. President, this legislation extends last year's drought bill to winter wheat by providing 80 percent of target price support for losses between 35 and 75 percent of usual production. For losses over 75 percent, it would provide 100 percent of target price protection.

This legislation would also make it easier for livestock growers to hay and graze program acreage and would allow farmers to plant other crops where possible. Finally, this legislation would mandate low interest loans to make up the difference between disaster payments and the income farmers could have expected without the drought.

Mr. President, the drought problems in Nebraska are very real.

Lack of adequate pasture has already forced farmers to begin selling down their herds. Much of the wheat crop is already lost. Even a good, solid rain at this late juncture will not bring it back. Last year, I warned that the 1988 drought may not be only a 1-year problem. Unfortunately, that prophecy has come true despite our fervent prayers for rain. The time for action is now.

The Nebraska wheat board has been very helpful in putting together this legislation and I want to acknowledge their assistance. We need to move forward and I stand ready to work with my colleagues on the Senate Agriculture Committee to pass a much-needed drought disaster bill now.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1012

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Disaster Assistance Act of 1989".

SEC. 2. PAYMENTS TO PROGRAM PARTICIPANTS FOR TARGET PRICE COMMODITIES.

Section 201 of the Disaster Assistance Act of 1988 (7 U.S.C. 1421 note) is amended—

(1) in subsection (a)(1)—

(A) by inserting after "excessive moisture," both places it appears the following: "freezing temperatures,";

(B) by inserting after "related condition in 1988," both places it appears the following: "or for winter crops, in 1988 or 1989,";

(C) in subparagraph (A), by inserting after "65 percent" the following: "(or, in the case of a winter crop, 80 percent)"; and

(D) in subparagraph (B), by inserting after "90 percent" the following: "(or, in the case of a winter crop, 100 percent)";

(2) in subsection (b)(4), by inserting after "July 31, 1989," the following: "or for winter crops, prior to July 31, 1990,"; and

(3) by adding at the end thereof the following new subsection:

"(c) WINTER CROPS.—(1) If an acreage limitation program under section 107D(f)(2), 105C(f)(2), 103A(f)(2), or 101A(f)(2) of the Agricultural Act of 1949 (7 U.S.C. 1445b-3(f)(2), 1444e(f)(2), 1441-1(f)(2), or 1441-1(f)(2)) is in effect for a crop of wheat, feed grains, upland cotton, or rice and the Secretary determines that the producers on a farm are eligible for a disaster payment for the winter crop of a commodity under subsection (a)(1), such producers may devote all or a portion (as determined by such producers) of the permitted acreage for wheat, feed grains, upland cotton, or rice for the farm for such crop to—

"(A) haying and grazing; or

"(B) the production of an alternative crop covered under this section, or section 202 or 203, or soybeans.

"(2) If the producers on a farm devote a portion of their permitted acreage to haying, grazing, or an alternative crop under subparagraph (A)—

"(A) the producers shall be eligible for payments under section 107D(c)(1), 105C(c)(1), 103A(c)(1), or 101A(c)(1) of the Agricultural Act of 1949 on such acreage; and

"(B) the crop acreage base and farm program payment yield of the farm under sections 504 and 506 of such Act (7 U.S.C. 1464 and 1466) shall not be reduced due to the fact that a portion of such permitted acreage was devoted to the production of haying, grazing, or such alternative crops.

"(3)(A) The Administrator of the Small Business Administration shall make disaster loans available to producers on a farm who are eligible for a disaster payment for the winter crop of a commodity under subsection (a)(1).

"(B) The amount of a loan made under subparagraph (A) shall be the amount requested by the producers on a farm, except that such amount may not exceed—

"(i) the expected income of such producers, obtained by multiplying—

"(I) the payment rate for the commodity under section 107D(c)(1), 105C(c)(1),

103A(c)(1), or 101A(c)(1) of the Agricultural Act of 1949; by

"(II) the sum of the acreage planted for harvest and the acreage prevented from being planted (because of drought, hail, excessive moisture, or related condition in 1988 or 1989, as determined by the Secretary) to such crop; by

"(III) 100 percent of the farm program payment yield established by the Secretary for such crop under section 506 of such Act (7 U.S.C. 1466); less

"(ii) the sum of—

"(I) the amount of any disaster payments received by such producers under subsection (a)(1) of the Agricultural Act of 1949 (7 U.S.C. 1421 et seq.); and

"(II) the amount of any crop insurance proceeds obtained by such producers under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.).

"(C) The rate of interest on a loan made under subparagraph (A) shall be 8 percent per annum.

"(D) There are authorized to be appropriated for fiscal year 1989 such sums as are necessary to carry out this paragraph.

"(4)(A) For purposes of this section:

"(i) The term 'winter crop' means a crop of a commodity listed in subsection (a) planted during calendar year 1988 for harvest in 1989.

"(ii) The term '1988 crop' shall include winter crops.

"(B) For purposes of determining payments under this section, a winter crop shall be considered separately from crops planted for harvest in 1988.".

SEC. 3. PAYMENTS TO PROGRAM NONPARTICIPANTS FOR TARGET PRICE COMMODITIES.

Section 202 of the Disaster Assistance Act of 1988 (7 U.S.C. 1421 note) is amended—

(1) in subsection (a)—

(A) by inserting after "excessive moisture," both places it appears the following: "freezing temperatures,";

(B) by inserting after "related condition in 1988," the following: "or for winter crops, in 1988 or 1989,";

(C) in paragraph (1), by inserting after "65 percent" the following: "(or, in the case of a winter crop, 80 percent)"; and

(D) in paragraph (2), by inserting after "90 percent" the following: "(or, in the case of a winter crop, 100 percent)";

(2) in subsection (b), by inserting after "related condition in 1988," the following: "or for winter crops, in 1988 or 1989,"; and

(3) by adding at the end thereof the following new subsection:

"(d) WINTER CROPS.—(1) For purposes of this section:

"(A) The term 'winter crop' means a crop of a commodity listed in subsection (a) planted during calendar year 1988 for harvest in 1989.

"(B) The term '1988 crop' shall include winter crops.

"(2) For purposes of determining payments under this section, a winter crop shall be considered separately from crops planted for harvest in 1988.".

SEC. 4. CROP QUALITY REDUCTION DISASTER PAYMENTS.

Section 205 of the Disaster Assistance Act of 1988 (7 U.S.C. 1421 note) is amended—

(1) in subsection (a), by inserting after "related conditions in 1988," the following: "or for crops specified in section 201(c)(4)(A)(i) or 202(d)(1)(A), in 1988 or 1989,"; and

(2) in subsection (d), by inserting after "disaster in 1988," the following: "or for crops specified in section 201(c)(4)(A)(i) or 202(d)(1)(A), in 1988 or 1989,".

SEC. 5. EFFECT OF FEDERAL CROP INSURANCE PAYMENTS.

Section 206 of the Disaster Assistance Act of 1988 (7 U.S.C. 1421 note) is amended—

(1) by inserting after "Federal Crop Insurance Act," the following: "or for the crop of a commodity specified in section 201(c)(4)(A)(i) or 202(d)(1)(A),"; and

(2) in paragraph (3), by striking out "the 1988" each place it appears and inserting in lieu thereof "such".

SEC. 6. CROP INSURANCE COVERAGE FOR CERTAIN CROPS.

Section 207(b) of the Disaster Assistance Act of 1988 (7 U.S.C. 1421 note) is amended—

(1) by striking out "or" at the end of paragraph (4);

(2) by striking out the period at the end of paragraph (5) and inserting in lieu thereof "; or"; and

(3) by adding at the end thereof the following new paragraph:

"(6) planted in calendar year 1988 for harvest in 1989.".

SEC. 7. APPLICATIONS FOR ASSISTANCE.

Section 232(a)(2) of the Disaster Assistance Act of 1988 (7 U.S.C. 1421 note) is amended by inserting after "March 31, 1989" the following: "(or, in the case of a person eligible to receive payments for crops specified in section 201(c)(4)(A)(i) or 202(d)(1)(A), the date that is 180 days after the date of enactment of the Disaster Assistance Act of 1989)".

By Mr. PRESSLER:

S. 1013. A bill to amend the Agricultural Act of 1949 to remove the 5 percent acreage limitation requirement on producers of the 1990 crop of oats and to require that the acreage base of such crop of oats be determined separate from that of barley, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

REMOVAL OF ACREAGE LIMITATION ON OATS

Mr. PRESSLER. Mr. President, there is an unfortuante lack of high-quality oats in the marketplace. The demand for oats for human consumption has increased substantially in the past few years due to wide publicity on the nutritional benefits of this grain in lowering blood cholesterol and reducing colon cancer. We are all familiar with the current barrage of advertising on oat bran products.

Domestic oats demand has been increasing annually at the rate of 10 percent. Cereal manufacturers are scrambling to locate supplies of high-protein, milling-quality grain. Once the largest exporter of oats, the United States has become the largest importer. In 1987 the United States bought more than 46 million bushels of oats, most of it from Canada, Argentina, and Scandinavia. Imports in 1988 amounted to over 60 million bushels, or 21 percent of our total domestic use. In 1960, over one billion bushels of oats were harvested in the United States. Production in 1988 was only 206 million bushels. That was the smallest crop of oats harvested in the United States in 112 years.

The 1985 farm bill has been successful in some areas. However, in my home State of South Dakota, which has traditionally ranked as the No. 1 oats producing State in the Nation, oats have become a forgotten crop. Because of the way oats are treated in the 1985 farm bill, farmers have been planting barley instead, therefore adding to the surplus of this crop.

Mr. President, I believe one step in the right direction would be to raise the target price of oats. I support and am cosponsoring efforts to raise the target price of oats. Under present circumstances, I believe we should go even further to promote more oats production in the United States by removing the current 5 percent set-aside requirement for oats. We desperately need more domestically produced oats. Present regulations do not make good sense when we are importing 60 million bushels of oats in 1 year and at the same time forcing farmers who are participating in the oats program to idle land that could also be planted to oats.

By Mr. DURENBERGER:

S. 1014. A bill to provide for the temporary suspension of the duty on certain two-stroke cycle piston engines; to the Committee on Finance.

SUSPENSION OF DUTY ON CERTAIN TWO-STROKE CYCLE PISTON ENGINES

● Mr. DURENBERGER. Mr. President, I rise to introduce legislation that would alleviate an unintended problem that has arisen as a result of the adoption of the harmonized system of tariff clarifications.

Polaris Industries, a Minnesota-based company and the last remaining domestic manufacturer of snowmobiles, has for several years been importing engines for installation in their snowmobiles. Since there appear to be no domestic suppliers of comparable engines, Polaris has been allowed to import these engines duty-free. However, in the transition from the TSUS tariff clarification system to the harmonized system, these engines have been reclassified into a new category which carries a U.S. tariff of 3.1 percent. The legislation I am introducing would temporarily suspend the duty on these engines.

When Congress approved the harmonized system, it was not our intention to raise tariffs on products that are currently not dutiable. The purpose of the harmonized system was to enhance our international competitiveness. In this instance, the harmonized system works to the disadvantage of a domestic manufacturer and simply forces the company to raise the price of its products.

I ask unanimous consent that the full text of this legislation be included in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1014

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subchapter II of chapter 99 of the Harmonized Tariff Schedule of the United States is amended by inserting in numerical sequence the following new subheading:

"9902.84.07	Internal combustion 2-stroke cycle piston-type engines, of a cylinder capacity exceeding 50 cc but not exceeding 1,000 cc (provided for in subheading 8407.32.20 or 8407.33.20), to be installed in vehicles specifically designed for traveling on snow, golf carts, non-amphibious all-terrain vehicles, burden carriers, and personal watercraft (provided for in subheading 8703.10.00, 8703.21.00 or 8903.92.00).	Free ...	No change ...	No change ...	On or before 12/31/92".

SEC. 2. (a) Except as provided in subsection (b), the amendment made by the first section of this Act shall apply with respect to goods entered, or withdrawn from warehouse for consumption, on or after the 15th day after the date of the enactment of this Act.

(b) Notwithstanding section 514 of the Tariff Act of 1930 or any other provision of law, upon a request filed with the appropriate customs officer before the 90th day after the date of the enactment of this Act, any entry of goods described in subheading 9902.84.07 of the Harmonized Tariff Schedule of the United States (as amended by this Act) that was made—

(1) after December 31, 1988; and

(2) on or before the 15th day after the date of enactment of this Act;

shall be liquidated or reliquidated as though such entry occurred on the day after such 15th day.●

By Mr. DURENBERGER:

S. 1015. A bill to suspend temporarily the duty on certain plastic web sheeting; to the Committee on Finance.

SUSPENSION OF DUTY ON CERTAIN PLASTIC WEB SHEETING

● Mr. DURENBERGER. Mr. President, today I am introducing legislation to reclassify certain plastic web sheeting into a new duty-free category under the tariff schedules of the United States. My bill is identical to H.R. 1428, which was introduced in the other body by my distinguished colleague from Minnesota, Representative BILL FRENZEL.

Awa paper is a plastic web sheeting imported by a Minnesota-based company for use in the production of reverse osmosis filter elements. It is comprised of polyester fibers bonded with a resin, and its precise thickness and uniform density are critical to ensuring quality performance of reverse osmosis filters. These filters are used in the process of making potable water from brackish ground water, sea water or other water containing high concentrations of salts.

Awa paper is imported from Japan because there is no domestic source for a qualitatively similar product. I would also note that all other components of the filter elements produced by my constituent company are obtained from domestic sources and that Japan is an important export market for the finished filter element.

Awa paper is currently classified as a non-woven textile with a 12.9 percent ad valorem plus two cents per pound tariff. It is also subject to textile quotas under the Multifiber Arrangement [MFA]. Previously, awa paper was placed in the category of plastic sheets comprised of polyester, with only a 4.4-percent ad valorem tariff. The classification was changed when certain Customs officials successfully argued that the length of the man-made fibers in awa paper make it a textile. I believe that this classification is inappropriate, because awa paper does not possess characteristics representative of textiles—it exhibits no drape when laid flat upon a nonflat surface and it cannot be stitched or sewn. The nature of its component elements, as well as its applications, more properly identify awa paper with the classification relating to filter paper.

The recent change in tariff classification has seriously affected the international competitiveness and viability of my constituent company. Not only does it now face a tripling of duties, it also faces a threatened source of supply of awa paper. Without a reliable source of supply, the company cannot produce reverse osmosis filters—its primary product.

Mr. President, my legislation would establish a new tariff classification to cover only awa paper. Other web sheetings which are produced in the United States are left in the textile category. And to further narrow the application of this bill, I have limited the duty-free treatment to web sheeting used in the production of reverse osmosis filter elements for water purification systems.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1015

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subchapter II of chapter 99 of the Harmonized Tariff Schedule of the United States (19 U.S.C. 3001 et seq.) is amended—

(1) by adding at the end of the U.S. notes thereto the following new note: "8. For purposes of subheading 9902.56.01, the term 'nonwoven fiber sheet' means sheet comprised of a highly uniform and random array of polyester fibers 1.5 to 3.0 denier that is thermally bonded and calendered into a smooth surface web having—

"(a) a thickness of 3.7 to 4.0 mils;

"(b) a basis weight of 2.5 oz. per sq. yd.;

"(c) a machine tensile strength of 30 lb. per sq. in. or greater;

"(d) a low cross-direction tensile (approximately ⅓ of MD tensile strength); and

"(e) a Frazier air permeability of 1.0 to 1.5 cfm per sq. ft."; and

(2) by inserting in numerical sequence the following new subheading:

"9902.56.01	Nonwoven fiber sheet (provided for in subheading 5603.00.90).	Free ...	No change ...	No change ...	On or before 12/31/92".

SEC. 2. The amendment made by the first section of this Act applies with respect to articles entered, or withdrawn from warehouse for consumption, on or after the 15th day after the date of the enactment of this Act.●

By Mr. DOLE:

S. 1016. A bill to change the name of "Marion Lake," located northwest of Marion, KS, to "Marion Reservoir"; to the Committee on Environment and Public Works.

MARION RESERVOIR

Mr. DOLE. Mr. President, residents of Marion County, KS, have recently banded together to form the Marion County Economic Development Council to assist with the diversification and expansion of the economic base of the county. Their self-help effort is characteristic of the creativity that Kansans bring to the problems and opportunities that they face.

As the council motto says, Marion County is "In the Center of it All." Located near the geographic center of the State of Kansas, Marion County possesses a number of possibilities for growth and expansion.

Two important resources the council has identified are tourism and water recreation. Marion County is fortunate to have two beautiful lakes. However, they both have the same name—Marion Lake. The larger lake of the two was built by the U.S. Army Corps of Engineers and is located northwest of the city of Marion. It is known to local residents as Marion Reservoir, but is officially named Marion Lake.

The bill that Senator KASSEBAUM and I are introducing today, and that Congressman BOB WHITTAKER is introducing in the House, would change the official name of the large Corps of En-

gineers water project in Marion County to Marion Reservoir.

This name change should clear up confusion that has been experienced in the past by those who are promoting both lakes in Marion County. It is my understanding that the Corps of Engineers has no objections to the name change. Mr. President, it is important that we at the Federal level not stand in the way of progress that is being made by our local communities.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1016

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the lake located northwest of the City of Marion, Kansas, commonly known as "Marion Lake", and adopted and authorized in Public Law 80-516, shall hereafter be known and designated as "Marion Reservoir". Any reference to such lake in a law, map, regulation, document, record or other paper of the United States shall be deemed to be a reference to "Marion Reservoir".

By Mr. FORD (for himself, Mr. LEAHY, Mr. HEFLIN, and Mr. PRYOR):

S. 1017. A bill to enhance the ability of the Bureau of the Census to gather information concerning rural areas for Congress, to improve historic preservation efforts, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

RURAL PROGRESS MONITORING AND HISTORIC PRESERVATION ACT

Mr. FORD. Mr. President, today I am introducing the Rural Progress Monitoring and Historic Preservation Act of 1989, along with the distinguished chairman of the Senate Agriculture Committee, Senator LEAHY, the distinguished chairman of the Rural Development Subcommittee, Senator HEFLIN, and the distinguished Senator from Arkansas, Senator PRYOR, who is also a member of that subcommittee. I commend my colleagues and other members of the committee for the foundation they have been laying to support comprehensive rural development legislation, which will hopefully be enacted during this session of Congress. I am also privileged to have joined with 31 of my colleagues on the Bipartisan Task Force on Rural Development, established by the distinguished majority leader and minority leader.

It is no coincidence that so many are now interested in the issue of rural development. In many ways, the traditional quality of life in our Nation's rural areas has been extremely good. Family and community values, and the sense of identity among rural people have always been very strong. However, the economic growth in this country over the last 6 years has not been distributed evenly. It has not had a beneficial impact in many rural areas. We know that unemployment is greater in many rural areas. Poverty levels are higher in many rural areas. Education and family income levels are much lower in many rural areas. Health care is inadequate in many rural areas. And the infrastructure is in disrepair in many rural areas.

Mr. President, Kentucky is a rural State. Seventy-eight percent of Kentuckians live in towns or communities of less than 20,000 people. Fifty-five percent live outside of metropolitan statistical areas, compared to a national average of 23 percent. About half of the population in my State—49 percent—lives in communities of 2,500 or less. A recent GAO study identified 95 of Kentucky's 120 counties as rural counties. When you begin to talk about the many blessings and the many difficulties of rural America, you are talking about my State.

And Mr. President, my State has a rich and proud heritage in agriculture. There are some 93,000 farms, averaging only about 150 acres each. They are small, family farms. Farming has been at the heart of the Kentucky economy for several decades, and will continue to be. But to understand rural America you must look well beyond farming. Only about 4 percent of the labor force in my State is involved in agricultural employment. And of those actively engaged in farming, more than half—58 percent—derive some form of off-farm income from either the primary operator of the farm or spouse, or both. The average off-farm income exceeds the average income of the farm. And the bulk of these jobs are in the manufacturing or service sectors, which are central to rural America.

Mr. President, we have a responsibility to act in those areas where rural America is most deficient. In the most distressed rural areas, I do not believe people are looking for Government subsidies or handouts. However, these economically decentralized and less diverse areas can legitimately use assistance in two major areas where they lack resources: Capital formation, and information gathering and processing.

I know the distinguished chairman and other members of the Agriculture Committee have analyzed the most efficient means of delivering these resources in great detail. My proposal is much more modest, and attempts to supplement these efforts. It would assure that sufficient data is being collected to effectively monitor the changing economic conditions of rural America as a comprehensive rural development program is implemented.

Mr. President, the legislation which I am introducing today directs the Bureau of the Census to expand its data collection efforts to include more information about the rural economy. While I have just been able to cite statistics within my own State concerning the size of rural communities or the employment and average income levels for various business sectors, we still have relatively little information on what is happening within the various sectors. And we have relatively little information on how such developments are affecting the quality of life in other respects. For instance, we don't know exactly what is happening within the manufacturing or service sectors in rural America to know how different geographic areas are being affected, or what long-term impacts can be expected on employment and income levels, or what relationship exists with education, health care, infrastructure, rural housing, or other areas. Clearly, more information is needed.

Second, Mr. President, my legislation would recognize the important role of historic properties and related information as it relates to the quality of life in rural areas. It would require that any rural development programs take into account the potential impact they may have on the preservation of historic properties and historical and archeological data. Many rural areas have a unique sense of the history of their region that continues to live within their communities. It is important that this special component of rural America be preserved.

Mr. President, I again commend all of those that have expressed an interest in the issue of rural development. I believe it will remain one of the most significant economic issues facing this country for the rest of this century, and look forward to working with my colleagues to find comprehensive and innovative strategies for dealing with the needs of rural America.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1017

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Rural Progress Monitoring and Historic Preservation Act of 1989".

SEC. 2. MONITORING THE ECONOMIC PROGRESS OF RURAL AMERICA.

(a) BUREAU OF THE CENSUS.—The Director of the Bureau of the Census shall expand the data collection efforts of the Bureau to enable the Bureau to collect statistically significant data concerning the changing economic condition of rural counties and communities in the United States, including data on rural employment, poverty and income, and other information concerning the rural labor force.

(b) EMPLOYMENT REQUIREMENTS.—The Bureau of the Census shall, to the maximum extent practicable, employ residents of nonmetropolitan counties for the expanded rural data collection operations conducted in fiscal year 1990.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary for each fiscal year to carry out subsection (a).

SEC. 3. HISTORIC PRESERVATION REQUIREMENTS.

With respect to applications for assistance submitted to any entity of the Department of Agriculture, the Secretary of the Interior, in consultation with the Assistant Secretary and the National Trust for Historic Preservation in recognition of its charter duties, shall prescribe and implement regulations concerning projects receiving funding from the Department of Agriculture and their relationship with the provisions of Acts entitled—

(1) "An Act to establish a program for the preservation of additional historic properties throughout the Nation, and for other purposes", approved October 15, 1966 (16 U.S.C. 470 et seq.); and

(2) "An Act to provide for the preservation of historical and archaeological data (including relics and specimens) which might otherwise be lost as a result of the construction of a dam", approved June 27, 1960 (16 U.S.C. 469 et seq.).

By Mr. HEINZ (for himself and Mr. DECONCINI):

S. 1018. A bill to set forth principles for United States nationals involved in industrial cooperation projects in the Soviet Union and the Baltic States, and for other purposes; to the Committee on Foreign Relations.

SLEPAK PRINCIPLES ACT

Mr. HEINZ. Mr. President, for many years this Senator and other Members of Congress have pressed the Soviet Government on issues of human rights. We have fought for individual cases—we have fought for questions of principle. We have pressed for changes in Soviet law and procedure. And we have had some success: things are changing in the Soviet Union.

We all welcome that change, and hope it continues. But at this point in the process, we must recognize that in the Soviet Union, the rights of the individual are still held hostage to the whim of the state.

It has been said that the business of America is business. But human rights are also our business. Americans doing business in the Soviet Union must not slip through that nation's still narrow portal of commerce by shedding the cloth of human dignity.

American businesses, simply because they are private entities, are a symbol of freedom. But we should expect these enterprises to be more than symbols. They should adhere to the same standards of human rights in the Soviet Union that they uphold here at home.

American firms have many practical difficulties to overcome in doing business in the U.S.S.R. The Congress, and the U.S. Government, have a responsibility to provide guidance in an area where we have the expertise—human rights.

Today Senator DECONCINI and I are introducing legislation that would provide a voluntary code of conduct for American businesses that choose to undertake joint ventures in the Soviet Union. We have called it the Slepak Principles Act, after the Soviet emigre and human rights activist Vladimir Slepak.

Our legislation lays out guidelines for U.S. businesses that will promote universally recognized fundamental freedoms in United States-Soviet joint ventures. In simple terms, our legislation urges American businesses in the Soviet Union to:

Avoid use of forced labor in any form;

Not allow the ethnic, religious, or political identity or activities of Soviet employees to affect their employment;

Not use structures that were churches or synagogues as places of business;

Maintain safe work environments for workersse can;

Use environmentally sound methods, and consult with affected communities about environmental considerations; and

Seek out private Soviet cooperatives as partners.

Our legislation directs the State Department to prepare an annual report on adherence to these principles by United States firms operating in the Soviet Union. It also directs that the principles and the State Department reports be made available to American businesses interested in Soviet joint ventures and to our allies, who represent a major part of the Soviet joint venture picture.

Mr. President, it is important that the Senate understand what this legislation is not. It is not a new restriction on United States-Soviet trade. It is not a disincentive to American firms seeking business opportunities in the Soviet Union.

This bill is an effort to educate and consciousness-raise. We want to encourage United States business operating in the Soviet Union to uphold American principles of human rights and fair play. It is a bipartisan effort. And it is an effort of both Chambers of Congress—parallel legislation is to be introduced in the other body by Congressman JOHN MILLER of Washington and LARRY SMITH of Florida.

Our effort is similar to the Sullivan principles, which sought to make American businesses operating in South Africa conscious of the special human rights considerations at work in that country.

I think all of our colleagues will agree that America, including American business, stands for something special in the world, specifically for a unique view of the rights and worth of the individual. I believe this legislation advances that special view, and I urge my colleagues to join us as cosponsors, and I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1018

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Slepak Principles Act".

SEC. 2. FINDINGS.

The Congress finds that—

(1) the Soviet Union freely undertook commitments to respect human rights and fundamental freedoms as set forth in the Helsinki Final Act, the Madrid and Vienna Concluding Documents, the Universal Declaration on Human Rights and other international human rights instruments;

(2) although there has been improved observance of human rights and fundamental freedoms in the Soviet Union and the Baltic States, serious violations of these rights and freedoms still occur there, and most improvements which have occurred have yet to be institutionalized;

(3) the utilization of forced labor in the manufacture of products and the subsequent buying and selling of these products is an abuse of human rights and is still practiced in the Soviet Union and the Baltic States;

(4) religious communities in the Soviet Union and the Baltic States have only limited control of the religious property they use and the Soviet Government can take such property away from these communities for its own use;

(5) Soviet labor practices have included denying individuals employment, discriminating against them in their employment, and dismissing them from their employment for acting upon their rights and freedoms;

(6) employers have an obligation to provide safe working conditions for their employees;

(7) serious environmental problems exist in the Soviet Union and the Baltic States, and local officials and communities have very limited ability to address or resolve these problems or to protect the environment;

(8) the recent enactment of laws in the Soviet Union allowing Soviet citizens to engage in limited forms of private enterprise in the form of cooperatives is a positive step towards the establishment of a freer economy and society;

(9) Vladimir Slepak, a former Soviet citizen and a founding member of the Moscow Helsinki Monitoring Group organized to monitor Soviet compliance with the Helsinki Final Act of the Conference on Security and Cooperation in Europe, has proposed principles relating to the conduct of industrial cooperation projects in the Soviet Union and the Baltic States that will promote individual human rights there; and

(10) it is in the interest of the United states that all United States nationals participating in industrial cooperation projects, including joint ventures, in the Soviet Union and Baltic States conduct their activities in a way that is consistent with internationally recognized norms regarding respect for human rights and fundamental freedoms, occupational safety standards, and protection of the environment.

SEC. 3. SLEPAK PRINCIPLES.

It is the sense of the Congress that United States nationals involved in industrial cooperation projects, especially joint ventures, in the Soviet Union and the Baltic States, or seeking to do so, should undertake—

(1) to ensure that they do not use goods, facilities, or services when there is reason to believe that these goods, facilities, or services were produced, wholly or in part, with the utilization of forced labor;

(2) to ensure, with respect to the Soviet workers employed in the industrial cooperation project, that a worker's political or religious views, sex, ethnic, or social background, or engagement in activities promoting human rights or other activities protected under the Helsinki Final Act and the Madrid and Vienna Concluding Documents, will not affect, or be allowed to affect, the status or terms of his or her employment;

(3) to decline participation in an industrial cooperation project involving the use of a structure currently or previously serving as a religious institution or a place of worship;

(4) to ensure that methods of production used in the industrial cooperation project meet international standards for occupational safety and do not pose a threat to the danger to workers or surrounding communities;

(5) to refrain from using methods of production that pose unnecessary environmental risks to the surrounding environment, including nearby populations and their property, and to seek to consult with concerned populations regarding protection of the local environment; and

(6) to seek out private cooperatives as potential partners or participants in commercial activities, when that is commercially feasible and allowed by relevant Soviet law.

SEC. 4. ANNUAL REPORT.

(a) Not later than 2 years after the date of enactment of this Act, and every 12 months thereafter, the Secretary of State shall submit to the Congress a report describing the extent to which industrial cooperation projects, including joint ventures, located in the Soviet Union and the Baltic States in which United States nationals participate adhere to the principles contained in section 3.

(b) The Secretary of State shall provide this report to the Organization for Economic Cooperation and Development, including its secretariat and its member States, and encourage these States to promote principles similar to those contained in this Act.

(c) The Secretary of Commerce and other United States Government agencies in contact with United States nationals participating in or interested in participating in industrial cooperation projects, including joint ventures, in the Soviet Union and the Baltic States shall inform these United States nationals of the contents of this Act and provide them with copies of the reports submitted to the Congress under this section.

SEC. 5. DEFINITIONS.

As used in this Act—

(1) the term "industrial cooperation" means the following commercial activities: joint ventures in production and sale; coproduction; specialization in production and sale; construction, adaptation and modernization of plants; cooperation in the setting up of complete industrial installations; mixed companies;

(2) the term "United States national" means—

(A) a citizen of the United States or other individual who owes permanent allegiance to the United States; and

(B) a corporation, partnership, or other business association organized under the laws of the United States, any State or territory thereof, the District of Columbia, the Commonwealth of Puerto Rico, or the Commonwealth of the Northern Mariana Islands; and

(3) the phrase "adhere to the principles contained in section 3" means—

(A) agreeing to abide by the principles contained in section 3 in any industrial cooperation projects undertaken in the Soviet Union or the Baltic States;

(B) providing the Department of State with information about industrial cooperation projects in the Soviet Union and the Baltic States that is relevant to the principles contained in section 3; and

(C) making a good faith effort to abide by the principles contained in section 3 in any industrial cooperation projects undertaken in the Soviet Union or the Baltic States.

● Mr. DECONCINI. Mr. President, today, my distinguished colleague from Pennsylvania, Senator HEINZ, introduced the Slepak Principles Act. The Senator is an active and committed member of the Helsinki Commission, which I chair, and I am pleased to be cosponsoring this legislation with him.

This legislation promotes a modified version of the Slepak principles. These are named for Vladimir Slepak who served 5 years in Siberian exile for his efforts to promote Soviet compliance with the Helsinki accords. The accords were signed by the United States, Canada, and 33 European nations, including the Soviet Union, in 1975. Now living in Israel, Mr. Slepak believes that trade can serve in a positive and direct way to promote human rights.

The Slepak principles tell us how this can be done. They represent a fundamental element of the philosophy on which the Helsinki accords are based—a philosophy which is designed to guide relations between nations toward the common goal of achieving lasting peace. The Helsinki accords recognize that this objective can be reached only if two key aspects of one country's relationship with another country, economic cooperation and military security, are developed in concert with a third aspect—respect for individual freedoms. It is this human rights component of the Helsinki accords which has been instrumental in shaping the direction and nature of our overall relations with Warsaw Pact countries.

President Gorbachev's initiatives are a dramatic example of how domestic reforms can act as a catalyst to the expansion of a country's international relations in general. This atmosphere of hope that the cold war has ended is creating a renewed Western interest in the Soviet Union's commercial market potential. As United States companies explore trade possibilities in the U.S.S.R., they have a unique opportunity to promote the Helsinki process—a process which is playing an ever-increasing role in East-West relations.

The purpose of the Slepak principles is to offer American firms a set of voluntary—and I stress voluntary—guidelines to follow as they establish joint ventures in the U.S.S.R. It is not the intent of the Slepak Principles Act to legislate restrictions on how United States companies should do business with the Soviets. It is the objective of the principles, however, to increase the level of awareness among United States corporations about certain Soviet labor policies and practices which infringe on human rights and run contrary to the goals of Helsinki. The extent to which U.S. corporations choose to permit policies which compromise the standards they follow elsewhere in the world is up to them. But in this era of glasnost and perestroika, it is difficult to understand why an American firm would allow a commercial venture with the Soviets to ignore internationally accepted standards with respect to human rights and environmental concerns. This is especially true given the importance we Americans attach to human rights and fundamental freedoms.

The Slepak principles speak to such basic questions as nondiscrimination on the basis of sex, religion, ethnic background, or political views. They encourage companies not to endorse the Soviet Government's practice of using desecrated churches and synagogues as sites for commerical facilities. The principles encourage the adoption of international standards for occupational safety and methods of production which take into account environmental concerns.

There are those, Mr. President, who may be critical of the Slepak principles. These people will claim they are an effort to inhibit trade with the Soviets. It will be unfortunate if they are viewed in this way. The Slepak principles are not a statement of whether we should or should not increase our trade with the Soviet Union. Rather, they provide companies who wish to develop Soviet trade with a framework which would enable them to conduct business in a manner more consistent with corporate standards in the West. Moreover, they will help to build a broader consensus in this country on trading with the Soviets, an issue on which there are currently very divergent views. The Slepak principles offer corporate America the chance to contribute to the Helsinki process. They also demonstrate the wisdom of Ralph Waldo Emerson when he wrote, "Trade makes peace and trade keeps peace."●

By Mr. FOWLER (for himself, Mr. LEAHY, Mr. PRYOR, Mr. KERREY, Mr. CONRAD, and Mr. BOREN):

S. 1019. A bill to amend the Rural Electrification Act of 1936 to establish

a nationwide rural star school program to improve educational opportunities in rural areas and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

RURAL STAR SCHOOLS ACT

● Mr. FOWLER. Mr. President, today there are hundreds of promising students in rural areas throughout this Nation who have exhausted the coursework in science or foreign language that is available to them in their local high schools. They are ready to move on to more advanced studies, but there is no one to teach them.

This is a waste of our most precious resources and our greatest potential. It is a problem that has always plagued our small towns and countryside. For the first time, I think we have a real opportunity to do something about it. That is why I am introducing the Rural Star Schools Act of 1989, as part of Senate Agriculture Committee legislative package for rural development.

In this computer, satellite, and telecommunications age, there is no excuse for important segments of our population to be isolated from knowledge and information—information they can use to develop careers and economic opportunities. Star schools will allow us to use modern technology to provide stronger curriculums in remote school systems that would not otherwise have the resources to offer courses in calculus or Japanese. The coursework made available will complement and enhance the work of the many dedicated and usually overburdened teachers who serve our rural schools and communities.

Today it is possible for students with special needs and aptitudes, whatever their location, to take even the most esoteric courses and to communicate with faraway instructors using television screens and computer keyboards. The legislation I propose would make a real commitment to education in our rural areas by making an initial investment in the necessary hardware and instruction. It is technology neutral, allowing us to employ the best transmissions capabilities available in a given area.

American education in general has to improve—with every international comparison showing American teenagers falling behind their Asian and European counterparts in math and science. We know our young people must be better educated if we are going to succeed in international competition. We know that educated citizens form the foundation of a free society. For the individual, education is the key to personal success. For our rural communities, it is the key to economic development.

When I visit my home State, every local official and businessperson I talk to says that limited educational resources are a constant obstacle to rural development. We have got to have a better educated, more highly skilled work force, with better access to vocational training, to serve the industries and businesses which do not have to locate in urban centers. As we work to improve our Nation's educational system, cannot afford to leave the bright students of our rural areas behind.

I believe this is in our national interest. I also say this on behalf of our important small town heritage—because these are the people who feed us and clothe us and ultimately account for half of America's GNP. Lack of educational and job opportunities are among the main reasons that young people are forced to leave our small towns. The star schools concept—supported by so many of our educators, broadcasters, rural cooperatives, and responsible corporate citizens—epitomizes the progressive change we need for the survival of our rural communities.

The benefits from rural star schools can help revitalize the countryside, offering rural families a real choice of staying close to their roots: to the land, to the families and friends, to the schools, churches, and communities they grew up with.

I ask my colleagues to join me in this commitment to rural America.●

By Mr. BRADLEY (for himself and Mr. MATSUNAGA):

S. 1020. A bill to amend the Foreign Assistance Act of 1961 to authorize appropriations for the Child Survival Fund and for other health and disease assistance programs; to the Committee on Foreign Relations.

AUTHORIZATION OF APPROPRIATIONS FOR CHILD SURVIVAL EFFORTS

● Mr. BRADLEY. Mr. President, I rise to introduce a bill with my colleague from Hawaii [Mr. MATSUNAGA], to reauthorize the international health programs, including the Child Survival Fund. This bill continues the current U.S. commitment to international immunizations.

Each year, 3.5 million children—about 10,000 a day—die needlessly from 6 vaccine preventable diseases: polio, measles, whooping cough, diptheria, tetanus, and tuberculosis. An equal number of children who survive these diseases suffer permanent physical and mental handicaps or are so severely weakened that they succumb more readily to the ravages of malnutrition and diarrhea. This is a daily tragedy in the developing world that can only be prevented through a worldwide effort to eradicate these deadly diseases.

Fortunately, the technology is available to prevent this tragedy. Universal access to childhood immunization, however, requires a continuing commitment on the part of all of the world's nations. The United States is not being asked to carry the entire burden of immunization of the world's children, but to participate in a global effort. In fact, approximately 80 percent of the resources needed to carry out vaccination programs are now provided by developing nations. But help from the industrialized nations is crucial to this effort.

In 1986, in an effort to immunize the world's children, we increased the Child Survival Fund by $50 million, an amount devoted to assisting nations in oral rehydration therapy and the development of locally sustainable delivery systems capable of immunizing their own children. The Child Survival Fund Act of 1989 continues this commitment by authorizing funding for this program through 1991. The bill authorizes $96 million in 1990—the same level as 1987—and $100 million in 1991 to ensure that AID will continue its commitment to assisting the developing nations in the delivery, distribution, and use of vaccines as well as oral rehydration therapy.

Mr. President, I am pleased to report that the efforts undertaken with the help of this funding have produced visible results. At the beginning of the decade, only about 10 percent of the children in developing nations were immunized. Currently, about 50 percent of children had been immunized. Any by 1990, if current world commitment continue, about 70 to 80 percent of the world's children will be immunized. We are within striking distance of the goal of universal access to immunizations for the world's children. That is no small accomplishment. Increases in immunizations are translating into actual reductions in cases of fatal and debilitating diseases among children. According to UNICEF, 1.5 million deaths were averted due to immunizations in 1987.

We need to continue the good work that we have begun. Unless immunizations remain at current levels, the toll on children will be significant. In addition to humanitarian concerns, a commitment to universal immunization is a cost-effective strategy. In the industrialized world, every $1 spent on immunizations saves about $14 in preventative and rehabilitative costs. In the developing world, savings are even higher. In nations such as the Ivory Coast, for every $1 spent on immunizations, $20 in medical and rehabilitation costs are saved.

For the sake of the world's children, I urge my colleagues to support the continuation of this valuable effort.●

By Mr. McCAIN:

S. 1021. A bill to provide for the protection of Indian graves and burial grounds, and for other purposes; to the Select Committee on Indian Affairs.

NATIVE AMERICAN GRAVE AND BURIAL PROTECTION ACT

● Mr. McCAIN. Mr. President, I rise today to introduce a bill for discussion on the issue of repatriating skeletal remains of native Americans, grave goods, and sacred ceremonial objects currently held in museums and other institutions. The measure I am introducing is similar to H.R. 1646 as introduced by Congressman MORRIS UDALL earlier this year.

The increasing controversy between museums and Indian tribes over native American skeletal remains, objects, and grave goods focuses primarily on the issue of ownership. Museums generally presume ownership on the basis of the Antiquities Act of 1906 and the Archaeological Resources Protection Act of 1979. Both acts basically provide that skeletal remains and other archaeological resources found on public lands are property of the United States and that they may be held in permanent museum collections. Tribes argue that title to skeletal remains, grave goods and ceremonial objects is held by the tribe unless the tribe or an individual member specifically transferred title to the museums. Last year the Select Committee on Indian Affairs considered S. 187, a bill which would have established a Native American Museum Claims Commission. The purpose of that Commission would be to investigate and adjudicate disputed claims if a negotiated voluntary settlement failed.

The bill I am introducing for discussion eliminates the need for a commission to adjudicate disputed claims by clarifying that the ownership of skeletal remains and grave goods and sacred ceremonial objects is held by the tribes or the heir of the native American, if one can be identified. The bill defines a process for repatriation by requiring Federal agencies to undertake a 2-year inventory of the skeletal remains and objects in their possession or control. The Federal agencies would then have 1 year to disseminate the result of their inventory to the governing body of each tribe. Each tribe would then have 1 year from the date they receive the inventory to notify the agency which, if any, remains, grave goods or objects they decide to accept and the date and manner of delivery. The agency would then be required to return the items requested unless they could show that those items were acquired with the express consent of the tribe or individual owners, or the items were indispensable for the completion of a specific scientific study. If the items were retained for scientific study, the agency would have 90 days after the study is completed to return the items to the tribe if the tribe had requested the agency to do so earlier.

The bill establishes a similar course of action for museums which receive Federal funds. A museum which fails to comply with the provisions of the act would be precluded from receiving any further Federal funds. The bill also prohibits the sale, use for profit, or interstate transport of native American skeletal remains, grave goods, or sacred ceremonial objects. A person may be fined up to $10,000 if convicted of violating this provision. The U.S. district courts are granted the authority to enforce the provisions of the act.

I would like to take a moment to highlight one result from last year's hearings that offers some hope for a consensus solution to the ongoing controversy between museums and Indian tribes. Mr. Michael J. Fox, director of the Heard Museum in Arizona, testifying on behalf of the American Association of Museums [AAM], presented a proposal for the committee's consideration for an intense year-long dialog between the native American and museum communities. The purpose of the dialog would be to review, study, and submit recommendations to assist the Congress in their consideration of a policy by which native American claims to certain categories of objects in museums and other institutions can be resolved in a uniform and timely fashion.

The proposed year-long dialog was greeted with some understandable skepticism within the native American communty. Indian tribes argued that legislation was necessary as a means to force museums and other institutions to process their claims for repatriation of certain objects. Tribal witnesses told the committee that without some enforcement mechanism their claims would never receive serious consideration. Keeping both perspectives in mind, the Senate Select Committee on Indian Affairs Committee Report (S. Rept. 601, 100th Cong. 2d sess. 5) included the following statement regarding AAM's proposal:

> The museum community and the professional organizations which have an interest in permanent curation are opposed to the legislation. On the other hand, the Museum community has acknowledged the necessity of responding to tribal demands for repatriation and has volunteered to facilitate a dialogue between tribes and museums to develop recommendations for addressing the conflict. The Committee would encourage this activity, provided that the tribes wish to participate and have an equal opportunity to frame the agenda of such a dialogue and development of recommendations. * * *

After the 100th Congress adjourned without legislation enacted, Mr. Fox, with the full support of the board of trustees for the Heard Museum, began turning his proposal into a reality. A meeting was held at the Heard Museum in Phoenix, AZ, on December 12, 1988 to draft a plan of action for a national dialog. In attendance at this planning session were members of the native American community, museum curators, and a group of distinguished anthropologists.

The panel agreed that the national dialog should be composed of individuals representing diverse points of view, with equal representation for native Americans. All present indicated that the goal of returning to the Congress with the results of the national dialog by the beginning of the 2d session of the 101st Congress was both reasonable and necessary.

With an initial plan of action in place, the focus of attention turned to selecting the national panel members. Ms. Suzan Harjo, executive director, National Congress of American Indians, assumed a primary role in selecting the native American panelists. Mike Fox coordinated the selection process for members from the museum community. The original list of panel members includes:

Dr. William L. Boyd, president, Field Museum of Natural History, Chicago, IL;

Mr. Roger Buffalohead, St. Louis Park, MN;

Dr. Vine Deloria, Jr., Department of Political Science, University of Arizona;

Dr. Lynne Goldstein, Department of Anthropology, University of Wisconsin-Milwaukee, Milwaukee, WI;

Ms. Suzan Harjoi, executive director, National Congress of American Indians, Washington, DC;

Mr. Oren Lyons, Onondaga Nation, Nedrow, NY;

Mr. Will Mayo, TANANA Chiefs Conference, Fairbanks, AK;

Dr. Michael Morratto, president, INFOTEC, Fellow and Research Associate in Anthropology, California Academy of National Science;

Mr. Ruben Snake, Winnebago Tribal Council, Winnebago, NE;

Dr. Martin Sullivan, director, New York State Museum, Albany, NY;

Mr. Walter Echohawk, Native American Rights Fund, Boulder, CO;

Ms. Harriet Toro, Phoenix area vice president, National Congress of American Indians, Sells, AZ;

Dr. Douglas Ubelaker, Department of Anthropology, National Museum of Natural History/National Museum of Man, Smithsonian Institution, Washington, DC; and

Dr. Peter H. Welsh, director of research/chief curator, the Heard Museum, Phoenix, AZ.

Dr. Paul Bender, dean, College of Law, Arizona State University, was selected as the panelist's facilitator and Mr. Michael J. Fox as the administrator. In addition to the panelists, Dr. Rennard Strickland, visiting professor, Arizona State University, serves as an ex-officio member of the panel, and various House and Senate staffers have been welcomed as observers. Although each of the panelists is associated with a university, organization,

museum or institution, they are participating on the panel in their individual capacities. Each member of the panel brings important experience and expertise to this task. The Congress and all American people should benefit greatly from the work which has been undetaken by the panel.

The national panel has already held two meetings at the Heard Museum, one on April 1 and the second on May 6. While a significant amount of discussion remains, the process is underway, and, I believe, the dialog has the potential not only to help the museum and native American communities to better understand the other's perspective, but to assist the Congress in achieving a fuller understanding of the repatriation issue. It is my hope that the bill I am introducing today for discussion, along with the other House bills or any additional Senate bills, will help facilitate the panel's discussions on what would constitute a fair and manageable repatriation process. I look forward to the recommendations of the national panel.

I want to publicly commend the Heard Museum and the board of trustees for the time, resources, and facilities they have made available to develop and support this national dialog. I also want to commend the National Congress of American Indians for taking an active role in this year-long dialog. I am encouraged by their participation, and know that they will make a significant contribution to the panel's discussions.

Mr. President, I ask unanimous consent that a copy of the bill be inserted in the RECORD following my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1021

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Native American Grave and Burial Protection Act".

FINDINGS

SEC. 2. The Congress finds that—

(1) numerous agencies and instrumentalities of the Federal Government, as well as State and private museums which receive Federal funding, have in their possession the skeletal remains of Native Americans;

(2) some of these skeletal remains are readily identifiable as to tribal origin and, in other instances, tribal origin can be inferred with reasonable certainty;

(3) Indian tribes have expressed a clear and unequivocal interest in acquiring these skeletal remains for purposes of reinterment or other disposition which is consistent with tribal religious or cultural practices;

(4) it is necessary to develop an effective mechanism to provide for the respectful return of these skeletal remains;

(5) numerous Federal agencies have jurisdiction over Federal lands which contain the skeletal remains of Native Americans, associated grave offerings, and sacred ceremonial objects;

(6) numerous institutions have gained control over skeletal remains, associated grave offerings, and sacred ceremonial objects by virtue of Federal funding of archeological and other projects on non-Federal lands;

(7) confusion exists over who should rightfully have control or ownership over skeletal remains and ownership of associated grave offerings and sacred ceremonial objects, which are located on, or which have been disinterred from, Federal lands; and

(8) it is necessary to clarify ownership interests in Native American items located on tribal and Federal lands.

DEFINITIONS

SEC. 3. For purposes of this Act—

(1) The term "Native American" means any individual who is—

(A) an Indian,

(B) an Alaska Indian, Eskimo, or Aleut, or

(C) a Native Hawaiian.

(2) The term "Native Hawaiian" means any individual who is a descendant of the aboriginal people who, prior to 1778, occupied and exercised sovereignty in the area that now comprises the State of Hawaii.

(3) The term "Indian tribe" means any tribe, band, nation, or other organized group or community of Indians which is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians.

(4) The term "tribal land" means—

(A) all lands within the limits of any Indian reservation under the jurisdiction of the United States Government, notwithstanding the issuance of any patent, and including rights-of-way running through the reservation,

(B) all dependent Indian communities, including lands conveyed to Native Corporations pursuant to the Alaska Native Claims Settlement Act, within the borders of the United States whether within the original or subsequently acquired territory thereof, and whether within or without the limits of a State, and

(C) any lands administered for the benefit of Native Hawaiian pursuant to the Hawaiian Homes Commission Act, 1920 and section 4 of Public Law 86-3 (48 U.S.C. 491, note preceding).

(5) The term "grave goods" means any object which was found in the grave of, or is otherwise directly associated with the skeletal remains of, a Native American.

(6) The term "sacred ceremonial object" means any specific item which is, or has been, devoted to a Native American religious ceremony and which is essential for the continuing observance of such religious ceremony.

(7) The term "museum" means any museum, university, government agency, or other institution receiving Federal funds which possesses or has control over any Native American skeletal remains or sacred ceremonial objects.

CONSENT REQUIREMENT

SEC. 4. (a) Notwithstanding any other provision of law, it shall be unlawful for any person to sell, use for profit, or transport from one State to another State any skeletal remains of a Native American, any grave goods, or any sacred ceremonial objects without the express written consent of—

(1) in the case of remains and grave goods, the heirs of the Native American, or

(2) in the case of sacred ceremonial objects or in the case of remains or grave goods for which the heirs of the Native American cannot be ascertained, the governing body of the Indian tribe of which the Native American was a member or from which such grave goods or objects originated.

(b) Any person who knowingly violates subsection (a) shall, upon conviction, be fined not more than $10,000 per violation.

OWNERSHIP

SEC. 5. (a) Any skeletal remains of a Native American, any grave goods, or any sacred ceremonial objects which are excavated or discovered after the date of enactment of this Act shall be disposed of according to the wishes of—

(1) in the case of remains and grave goods, the heirs of the Native American, or

(2) in the case of sacred ceremonial objects or in the case of remains or grave goods for which the heirs of the Native American cannot be ascertained, the governing body of the Indian tribe of which the Native American was a member or from which such grave goods or objects originated.

(b) Any skeletal remains and grave goods of a Native American for whom the heirs cannot be ascertained, and any sacred ceremonial objects, that are found on Federal or tribal land shall be considered to be owned by the Indian tribe—

(1) which has jurisdiction over the reservation on which such items were discovered,

(2) which aboriginally occupied the area from which such items were discovered,

(3) in the case of remains and grave goods, of which the Native American was a member,

(4) in the case of grave goods or sacred ceremonial objects, from which such grave goods or objects originated, or

(5) which can show a cultural affiliation with such items.

(c) Nothing in this section shall prevent an Indian tribe from expressly relinquishing title to any skeletal remains, grave goods, or sacred ceremonial objects.

ACTIONS BY FEDERAL AGENCIES

SEC. 6. (a) By no later than the date that is 2 years after the date of enactment of this Act, any agency or instrumentality of the Federal Government which has possession or control of any skeletal remains of a Native American, any grave goods, or any sacred ceremonial object shall compile an inventory of all of such items in its possession or control and, to the extent possible, identify such items as to the Indian tribe of which the Native American was a member or from which the items originated.

(b)(1) By no later than the date that is 3 years after the date of enactment of this Act, each Federal agency and instrumentality described in subsection (a) shall provide to the governing body of each Indian tribe notice of any skeletal remains of a Native American, grave goods, or sacred ceremonial objects that are associated with the Indian tribe and are in the possession or control of the agency or instrumentality. The notice shall contain—

(A) a list which identifies each of such items and the circumstances surrounding the acquisition of the item, and

(B) a list of items that are not definitely identifiable as being associated with that Indian tribe but which, given the totality of circumstances surrounding the acquisition of the item, make it more likely than not that the item originated with that Indian tribe or that the skeletal remains are of a member of that Indian tribe.

(2) A copy of each notice provided under paragraph (1) shall be sent to the Secretary

of the Interior who shall publish a list of all the notices in the Federal Register.

(c)(1) By no later than the date that is 1 year after the date on which notice is provided to an Indian tribe by a Federal agency or instrumentality under subsection (b)(1), the Indian tribe shall decide which, if any, of the remains, grave goods, or sacred ceremonial objects it agrees to accept and shall notify the Federal agency or instrumentality of such decision and of the place, date, and manner of delivery that the Indian tribe has chosen.

(2) Notwithstanding any other provision of law, upon receiving notice of acceptance of items by an Indian tribe under paragraph (1), the Federal agency or instrumentality shall return such items to the Indian tribe unless such items—

(A) were acquired with the express consent of the Indian tribe or the legitimate Native American owners of such items, or

(B) are indispensable for the completion of a specific scientific study, the outcome of which would be of major benefit to the United States.

(3) If an Indian tribe provides notice of acceptance of items to a Federal agency under paragraph (1) and the items are not returned to the Indian tribe by reason of a scientific study described in paragraph (2)(B), the Federal agency shall return the items to the Indian tribe by no later than the date that is 90 days after the date on which the scientific study is completed.

ENFORCEMENT

SEC. 7. The United States district courts shall have jurisdiction over any action brought by an heir of a Native American or by an Indian tribe alleging a violation of this Act and shall have the authority to issue such orders as may be necessary to enforce the provisions of this Act.

ACTIONS REQUIRED FROM CERTAIN MUSEUMS

SEC. 8. (a) By no later than the date that is 2 years after the date on which a written request for the return of skeletal remains, grave goods, or sacred ceremonial objects is submitted by the governing body of any Indian tribe to a museum which receives Federal funds, the museum shall return to the Indian tribe any skeletal remains of a Native American who was a member of the Indian tribe, and any grave goods or sacred ceremonial object which originated from the Indian tribe, that are in the possession or control of the museum unless—

(1) such items were acquired with the consent of the Indian tribe or the Native American owners of such items, or

(2) such skeletal remains are indispensable for the completion of a specific scientific study, the outcome of which would be of major benefit to the United States.

(b) If an Indian tribe makes a written request to a museum for the return of items under subsection (a) and the items are not returned to the Indian tribe by reason of a scientific study described in subsection (a)(2), the museum shall return the items to the Indian tribe by no later than the date that is 90 days after the date on which the scientific study is completed.

(c) Notwithstanding any other provision of law, any museum that fails to comply with the provisions of this section shall no longer be eligible to receive any Federal funds.●

By Mr. INOUYE:

S. 1022. A bill to amend the Communications Act of 1934 to provide authorization of appropriations for the Federal Communications Commission, and for other purposes; to the Committee on Commerce, Science, and Transportation.

AMENDING THE COMMUNICATIONS ACT OF 1934

● Mr. INOUYE. Mr. President, today, I am introducing legislation to reauthorize the Federal Communications Commission for fiscal years 1990 and 1991. The President has asked that we fund the Commission at a level of $109,831,000 for fiscal year 1990 and $117,831,000 for fiscal year 1991. Both of these amounts represent increases over current authorization levels. The increase for fiscal year 1990 is to fund pay increases and the retirement program. The much larger increase for the next fiscal year is to cover the major cost of consolidating the Commission in a single building.

The legislation I am introducing reflects these amounts requested by the administration. The FCC's workload has increased tremendously with the introduction of new services. Not only must the Commission first determine what new services shall be offered, it then must process the tens of thousands of applications it receives, enforce its rules and police interference. The Commission is also involved in fundamental decisions about the use of the scarce electromagnetic spectrum and important actions concerning the development and maintenance of competition in the telecommunications marketplace. Finally, the Commission must continue to pursue effective regulatory policies where necessary to ensure the public interest is served.

This legislation also provides for the extension of: the travel reimbursement program; the program to permit the Commission to use the skills of older Americans; and the authority to relocate the Hawaii monitoring station. The Congress has provided for these policies in past FCC reauthorization legislation. Experience has demonstrated their value, and I believe we need to continue them.●

By Mr. DASCHLE (for himself, Mr. LEAHY, Mr. PRYOR, and Mr. CONRAD):

S. 1023. A bill to provide grants by the Department of Agriculture for technology and emergence assistance to benefit rural areas, to target Rural Electrification Administration investments toward business development, telecommunications improvements, and community planning, to assist distressed rural hospitals with FmHA community facility loans, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

ADVANCED TECHNOLOGY AND EMERGENCY ASSISTANCE ACT OF 1989

By Mr. DASCHLE (for himself, Mr. LEAHY, and Mr. CONRAD):

S. 1024. A bill to improve the coordination of the rural development efforts of the Department of Agriculture, and to increase the rural development efforts of the Rural Electrification Administration, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

RURAL MONITORING AND ASSISTANCE ACT OF 1989

● Mr. DASCHLE. Mr. President, out of concern that rural communities have for too long taken a back seat in our Nation's economic affairs, I rise today to introduce the Rural Monitoring and Assistance Act of 1989 and the Advanced Technology and Emergency Assistance Act of 1989.

Let's face it. The economic statistics for nonmetropolitan, noncoastal America have not been encouraging during the past decade. After experiencing a revitalization during the 1970's, rural areas today suffer from net outmigration; lower average incomes and higher unemployment rates than metropolitan areas; and a deterioration in quality of life through hospital closings. We need to take affirmative steps to address these problems. As one Nation, we cannot consciously allow an entire way of life for a significant sector of our society to wither. We owe it to ourselves to make rural, as well as urban life, viable.

The two bills I am introducing today address several important needs faced by rural areas.

RURAL MONITORING AND ASSISTANCE ACT OF 1989

This bill would do two things. First, it would require the Secretary of Agriculture to make recommendations by September 1, 1989, regarding how to improve the coordination of rural development activities by seven USDA agencies (FmHA, Forest Service, Soil Conservation Service, Agricultural Research Service, REA, Office of Transportation, ASCS, Extension Service).

The Department of Agriculture has a strong presence in rural America. Its successes and failures can have a dramatic impact on life in rural areas. Yet, many USDA programs have been seriously impaired in recent years. To cite one example, nonagricultural rural assistance funding for the Farmers Home Administration alone has fallen from approximately $3 billion per year to roughly $600 million per year in the past decade.

The Rural Monitoring and Assistance Act recognizes that budgetary restrictions will continue to restrain the amount of Federal investment in community development programs in rural areas. However, this provision mandates that we should not give up on ensuring that the money we do allocate for this purpose is spent wisely. I am hopeful that the Secretary of Agriculture's study, due by the end of this fiscal year, will make thoughtful suggestions for better targeting and coordinating our limited resources for

rural development within the Department of Agriculture.

Second, this bill would require the Secretary of Agriculture to study economically distressed rural counties from fiscal years 1990 through 1993, and make recommendations about how USDA can best meet the needs of distressed rural economies.

This provision recognizes that certain counties have very specific needs for revitalizing economic conditions. A long-term study of these needs would greatly enhance our ability, as well as the ability of the Department of Agriculture, to ensure that the unique needs of certain areas can be met constructively.

ADVANCED TECHNOLOGY AND EMERGENCY ASSISTANCE ACT OF 1989

This bill provides for emergency loans to rural communities, the restructuring of Farmers Home Administration (FmHA) hospital loans, technical assistance, and targeted investment of Rural Electrification Administration funds toward rural development activities.

EMERGENCY LOANS FOR COMMUNITIES

This bill would create a new emergency loan authority within FmHA to address emergency needs in rural communities. The proposal would amend the current law to allow communities to apply for short-term, low-interest loans for emergency purposes. Emergency situations are defined as those events that cannot be practically planned for by a local governmental entity. The maximum loan amount under the program would be $50,000, with a maximum term of 2 years. The proposal would authorize $2.5 million for the program for fiscal year 1990, and $5 million for each fiscal year thereafter.

South Dakota communities continually face unanticipated emergencies, such as the need to replace an ambulance or repair a broken water line. These are situations that cannot always be absorbed by the budgets of small communities. A $50,000 expense is a budget buster for many small communities across the country. This provision will help those communities that are unable to qualify for private financing to deal with such emergencies.

Terms of loans made under this program could be converted to longer terms under existing loan programs within FmHA. This emergency loans proposal would simply augment current FmHA efforts to finance these activities.

TECHNICAL ASSISTANCE

My bill would also retool existing law that provides grants for purposes of preparing long-range development plans, preparing project-specific business plans, and funding community leadership development. My proposal would amend the existing section 111 grants program at FmHA to make private nonprofit organizations eligible for the grants. This change recognizes the need to maximize the benefit these programs can play in making positive changes in rural America.

This proposal would also increase authorization levels for technical assistance by $5 million. This additional pool of funds would be targeted to technology advancement proposals. The funds would be used to promote the development of computer and telecommunications centers.

FMHA HOSPITAL LOAN RESTRUCTURING

The FmHA Hospital Loan Restructuring provision would direct the Secretary of Agriculture to promulgate regulations to restructure delinquent hospital and medical care facility loans. The regulations would be similar to those promulgated under the Farm Credit Act for delinquent farm loans. As such, the program would not cost the Federal Government any money. The goal of this proposal is to ensure that rural hospitals do not fail as a result of Federal policies that display a benign neglect toward the needs of rural health care. While I cannot guarantee that this provision will save every rural hospital that has a FmHA loan, it will at least provide the delinquent health care facility an opportunity to restructure its Federal obligation.

For over a year, I have been working with Five Counties Hospital in Lemmon, SD, trying to reach some agreement with FmHA regarding the community's struggle to save the facility. The hospital is vitally important for the emergency, short-term health care needs of the entire Northwest region of South Dakota. I am convinced that most hospitals facing similar circumstances would have closed long ago. Whether or not closing is in their best interests, these facilities must at least be afforded the opportunity to restructure their Federal debt in a manner consistent with the Federal Government's fiduciary responsibility.

TARGETING INVESTMENTS BY ELECTRIFICATION BORROWERS

Finally, this bill would provide specific guidance to rural electric cooperatives as they consider how to invest in development activities. Currently, cooperatives can use up to 15 percent of their total utility plant for any purpose, without the approval of the administrator. My provision would target that investment to such development activities as business development centers; rural business investment corporations; business, medical or education-related telecommunications or infrastructure improvements; business incubator programs; or related activities. This should encourage greater use of the funds already available to the cooperatives.

Both the Rural Monitoring and Assistance Act and the Advanced Technology and Emergency Assistance Act attempt to direct our limited rural development resources to activities that will bring the most benefits to rural residents. I ask that my colleagues join me in reaffirming our commitment to rural Americans and show them that they, too, can share in the richness and blessings of our Nation's economic strength.

I thank the Chair and ask unanimous consent that the entire texts of my bills be printed in the RECORD.

There being no objection, the bills were ordered to be printed in the RECORD, as follows:

S. 1023

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Advanced Technology and Emergency Assistance Act of 1989".

SEC. 2. TARGETING INVESTMENTS BY ELECTRIFICATION BORROWERS.

Section 312 of the Rural Electrification Act of 1936 (7 U.S.C. 940b) is amended—

(1) by inserting "(a) IN GENERAL.—" before "A borrower"; and

(2) by adding at the end thereof the following new subsection:

"(b) TARGETING INVESTMENTS.—Amounts intended to be invested by a borrower under subsection (a) shall be invested in—

"(1) new businesses, business development centers, community development corporations, business investment corporations, business, medical or education related telecommunications or infrastructure improvements, or any related activities including technical assistance programs in rural areas; or

"(2) other community, business or economic development projects or investments.".

SEC. 3. PROVIDING ASSISTANCE THROUGH LOCAL GOVERNMENTS AND NONPROFIT PRIVATE CORPORATIONS.

Section 306(a)(11) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1926(a)(11)) is amended—

(1) by inserting after "may select" the following: ", or to private nonprofit development corporations approved by the Secretary,"; and

(2) by adding at the end thereof the following new sentence: "To the extent that private nonprofit development corporations receive grants under this paragraph, such corporations shall coordinate their efforts to provide services or assistance with such grants with local, regional, and State governments as appropriate.".

SEC. 4. RURAL TECHNOLOGY ASSISTANCE GRANTS.

Section 306(a)(11) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1926(a)(11)) (as amended by section 3) is further amended—

(1) by inserting "(A)" after "(11)"; and

(2) by adding at the end thereof the following new subparagraphs:

"(B)(i) the Secretary shall make grants to States, counties, towns, regional organizations, community development corporations, or like entities, for the purposes described in clause (ii).

"(ii)(I) Grants made under this subparagraph shall be used to—

"(aa) promote the use of advanced telecommunications, related advanced technologies, and computers by the recipients of such grants in rural areas;

"(bb) assist in the creation of new rural businesses or the expansion of existing rural businesses through the provision of telecommunication and computer technology, technical assistance, and business planning to such businesses; and

"(cc) otherwise promote the purposes of this Act.

"(II) Funds appropriated under this subparagraph may not be used for—

"(aa) political activities; or

"(bb) any activities, the effect of which is to relocate existing jobs and businesses.

"(iii) Grants may be made under this subparagraph only for a project intended to benefit a rural area.

"(iv) To receive a grant under this subparagraph an entity of the type described in clause (i) shall submit an application to the Secretary at such time, in such form, and containing such information as the Secretary may require.

"(v) There are authorized to be appropriated to carry out this subparagraph $5,000,000 for each fiscal year.".

SEC. 5. RURAL EMERGENCY ASSISTANCE LOANS.

Section 306(a)(11) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1926(a)(11)) (as amended by sections 3 and 4), is further amended by adding at the end thereof the following new subparagraph:

"(C)(i) The Secretary shall establish and implement a program to make loans for the benefit of any town or city that—

"(I) has a population of less than 20,000 individuals within its outer boundaries; and

"(II) is financially unable to obtain funds as quickly as needed to correct emergency conditions or situations needing urgent attention.

"(ii) The Secretary shall promulgate regulations—

"(I) targeting the program established under this subparagraph towards needy communities in rural areas;

"(II) setting forth a definition of 'emergency conditions or situations needing urgent attention'; and

"(III) requiring that the Secretary approve or reject applications within 30 days of their receipt.

"(iii) The Secretary shall limit the amount of loans provided to the same borrower under this subparagraph to $50,000, and the term of such loans shall not exceed 2 years.

"(iv) The Secretary may respond to the credit needs of rural towns or cities eligible to participate in the program authorized under this subparagraph by making loans that are eligible for refinancing after the expiration of the 2-year period described in clause (iii), and payments under such loans may be set at a level that is at a sufficiently low level during such 2-year period so that the financially troubled town or city can participate in the program established under this subparagraph. The Secretary shall assist such borrowers in obtaining financing through existing Farmers Home Administration programs so that such borrowers are able to pay the balance due on each loan at the end of such 2-year period.

"(v) There are authorized to be appropriated $2,500,000 for fiscal year 1990, and $5,000,000 for fiscal year 1991 and for each subsequent fiscal year, to carry out the emergency lending program authorized by the program established under this subparagraph.".

SEC. 6. ASSISTING DISTRESSED RURAL HOSPITALS AND HEALTH CARE FACILITIES.

The Secretary of Agriculture shall establish and implement a program that is similar to the program established under section 353 of the Consolidated Farm and Rural Development Act (7 U.S.C. 2001), except that the debt restructuring and loan servicing procedures shall apply to delinquent community facility program loans (rather than delinquent farmer program loans) made by the Farmers Home Administration to a hospital or health care facility under section 306(a) of the Consolidated Farm and Rural Development Act (7 U.S.C. 306(a)). Not later than 120 days after the date of the enactment of this Act, the Secretary of Agriculture shall promulgate regulations, as modeled after those promulgated under such section 353, that implement the program established under this section.

S. 1024

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Rural Monitoring and Assistance Act of 1989".

SEC. 2. RURAL DEVELOPMENT ASSISTANCE INFORMATION AND AVAILABILITY.

The Rural Development Act of 1972 (7 U.S.C. 2651 et seq.) is amended by adding at the end thereof the following new section:

"SEC. 509. NEED AND AVAILABILITY OF RURAL DEVELOPMENT ASSISTANCE.

"(a) ESTABLISHMENT OF PROGRAM.—Not later than 180 days after the date of enactment of this section, the Secretary shall establish a program to study economically distressed counties in a variety of states that have high concentrations of nonmetropolitan counties with low per capita income.

"(b) EVALUATION.—When conducting a study of counties under subsection (a), the Secretary shall evaluate the need of such counties for rural development assistance, the nature of the assistance needed, and the availability of such assistance.

"(c) REPORT.—Not later than September 30, of each of the fiscal years 1990 through 1993, the Secretary shall prepare and submit, to the Committee on Agriculture of the House of Representatives and the Committe on Agriculture, Nutrition, and Forestry of the Senate, a report that contains the results of the studies and evaluations conducted under this section and on any action taken by the Secretary to improve economic conditions in rural counties.

"(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out this section.".

SEC. 3. REPORT ON COORDINATION OF RURAL DEVELOPMENT ACTIVITIES.

Not later than September 1, 1989, the Secretary of Agriculture shall prepare and submit, to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate, a report that contains the recommendations of the Secretary concerning better coordination of the rural development activities of the Farmers Home Administration, the Forest Service, the Soil Conservation Service, the Agricultural Research Service, the Agricultural Stabilization and Conservation Service, the Rural Electrification Administration, the Extension Service and the Office of Transportation.●

By Mr. KERRY:

S. 1025. A bill to authorize appropriations to carry out the Magnuson Fishery Conservation and Management Act for fiscal years 1990, 1991, and 1992, and for other purposes; to the Committee on Commerce, Science, and Transportation.

AUTHORIZING APPROPRIATIONS FOR THE MAGNUSON FISHERY CONSERVATION AND MANAGEMENT ACT

● Mr. KERRY. Mr. President I rise to introduce legislation to reauthorize the Magnuson Fishery Conservation and Management Act. This law is the main law that governs our U.S. fisheries.

In 1976 Congress created the Magnuson Act to conserve and manage our fishery resources which had become depleted by over fishing—primarily, the result of increase in catch by foreign vessels off the U.S. coasts. Under the act, the United States claimed exclusive management authority over fish stocks and other living marine resources, except the highly migratory tuna found within the 200 mile zone. In addition to establishing this exclusive economic zone [EEZ], the act created eight Regional Fishery Councils that are responsible for the fishery resources in their region.

Since its enactment, the Magnuson Act has had measurable success in restoring various fish stocks, and the U.S. fishing industry has grown as foreign fleets have been displaced.

None the less, our fisheries and coastal areas are in tough shape. Mr. President, I want to sound the environmental alarm regarding the state of U.S. fisheries and our coastal resources. And I want to highlight the low priority that the administration's budget has demonstrated with regard to saving these critical resources. Our coastal resources are heading toward disaster. Pollution is fouling our estuaries and bays, beaches have become a dumping ground for plastic pollution and medical waste, our shores are slowly eroding and with the potential of sea level rise from expected global warming, shores and wetlands will be further threatened. Fishery stocks are declining, and shell fish beds are facing increasing closures.

The National Oceanic and Atmospheric Administration is the agency in charge of these issues. But their budget is totally inadequate. The Bush budget cuts overall NOAA funding by 21 percent. That translates into a $231 million cut this year.

With regard to the Magnuson Act, though appropriations for fiscal year 1989 totaled $72 million, only $56 million is in the administration's request for fiscal year 1990—a 22-percent cut. The Bush budget calls for a 46 percent cut in the National Marine Fisheries Service.

At a time when certain fishery activities need an increase to continue

the progress we've made under the Magnuson Act, the administration proposes a substantial decrease. The Bush request for funds to improve fishery data collection and analysis has been cut by 24 percent; and conservation and management funding has been cut 26 percent. One has to wonder, is this the President who claims to be a friend to the Maine lobsterman? Frankly we cannot hope to manage our fisheries under the Magnuson Act or any other system without adequate funding.

One part of this problem that this legislation addresses is the declining stocks throughout the U.S. fishery. In particular the declining stocks in the North Atlantic fishery. In New England ground fish stocks are down. Cod, haddock, yellow tail, and pollock have reached historically low levels. With the increase in our domestic fishing effort and new and improved fishing technologies and unfortunately certain bad fisherman who continue to fish illegally, Georges Bank and the Gulf of Maine are basically getting fished out.

This brings to mind several thoughts and questions during our reauthorization process. It is clear that we need to increase our fishery enforcement. And we must question whether the management of our resources is adequate. It is also imperative that we increase research activities for data collection and analysis. And what about aquaculture? If our natural stocks are declining should we start to invest in fish farming? Think about the money that this Nation currently puts into agricultural research and farm schools to support our grain belt and cattle industry. With fish becoming more popular among consumers not to mention its health benefits, maybe it's time to seriously invest in this industry.

It's easy to understand why our fisherman are over harvesting ground fish particularly in New England. That's where the market exists. America demands cod and haddock. Perhaps it is time to alter the market and change our strategies. Today the scallop, mackeral, herring, and squid stocks are all in fine shape and are tasty sea food too. Perhaps it's time to expand America's sea food palate through education and marketing strategies.

Mr. President, the legislation that I am introducing today is a starting point in a lengthy reauthorization process. I have included changes that the Regional Councils believe are necessary and the bill being introduced today addresses the shortage of fishery enforcement and the need for more research. There are other issues which still must be considered and will be in the future. These include, the damage to fishery resources in the North Pacific caused by the foreign driftnet fleet, the question of limited entry, the issue of highly migratory species being covered under the act, as well as many other important issues. I look forward to taking up these and other issues as they unfold during the reauthorization process and am pleased to begin the reauthorization process with the introduction of this legislation.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1025

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (d) of section 201 of the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1821) is amended to read as follows:

"(d) TOTAL ALLOWABLE LEVEL OF FOREIGN FISHING.—The total allowable level of foreign fishing, if any, with respect to any fishery subject to the exclusive fishery management authority of the United States, shall be that portion of the optimum yield of such fishery which will not be harvested by vessels of the United States, as determined in accordance with the provisions of this Act.".

SEC. 2. (a) Section 302(a) of the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1852(a)) is amended in each of paragraphs (1), (2), (3), (4), (5), (6), and (8) by striking "appointed from each" and inserting in lieu thereof "appointed to an obligatory seat for each".

(b) The first sentence of section 302(b)(2)(B) of the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1852(b)(2)(B)) is amended by inserting, immediately before the period at the end of the first sentence, the following: ", except that the Secretary shall appoint a member to fill an obligatory seat on a Council only from a list submitted by the Governor of the State for which the obligatory seat is reserved".

SEC. 3. Section 302(d) of the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1852(d)) is amended by inserting "and Council staff members" immediately after "other nonvoting members".

SEC. 4. Section 302(j)(3) of the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1852(j)(3)) is amended—

(1) by striking the semicolon at the end of subparagraph (A)(ii) and inserting in lieu thereof a period;

(2) by striking "and if any meeting or portion" and all that follows; and

(3) by adding at the end the following new subparagraph:

"(B) If any meeting or portion is closed, the Council concerned shall inform local newspapers in the major fishing ports within its region (and in other major, affected fishing ports), including the time and place of the meeting. Brief closures of meetings in order to discuss employment matters or other internal administrative matters need not be published. Subparagraphs (D) and (F) of paragraph (2) shall not apply to any meeting or portion thereof that is closed pursuant to subparagraph (A).".

SEC. 5. Section 307(1) of the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1857(1)) is amended—

(1) by striking "or" at the end of subparagraph (H);

(2) by striking the period at the end of subparagraph (I) and inserting in lieu thereof "; or"; and

(3) by adding at the end thereof the following new subparagraph:

"(J) to forcibly assault, resist, oppose, impede, intimidate, or interfere with any observer (including any supplementary observer) on board a vessel pursuant to this Act;".

SEC. 6. (a) Section 308(a) of the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1858(a)) is amended by striking "$25,000" in the second sentence and inserting in lieu thereof "$100,000".

SEC. 7. (a) Section 309(a)(1) of the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1859(a)(1)) is amended by inserting "or (J)" immediately after "(I)".

(b) Section 309(b) is amended—

(1) by striking "$50,000" and inserting in lieu thereof "100,000";

(2) by striking "$100,000" each place it appears and inserting in lieu thereof "$200,000";

(3) by inserting "any observer described in section 307(1)(J) or" immediately after "injury to"; and

(4) by inserting "observer or" immediately before "officer in fear".

SEC. 8. Section 311(e) of the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1861(e)) is amended—

(1) in paragraph (1), by striking "and" at the end;

(2) in paragraph (2), by striking the period at the end and inserting in lieu thereof a semicolon;

(3) by inserting immediately after paragraph (2) the following new paragraphs:

"(3) claims of parties in interest to property disposed of under 19 U.S.C. 1612(b), as made applicable by section 310(c) to seizures under this Act, in the amounts determined by the Secretary as applicable to such claims at the time of seizure; and

"(4) reimbursement to any Federal or State agency, at the discretion of the Secretary, for services performed, or personnel, equipment, or facilities utilized, under any agreement with the Secretary entered into pursuant to subsection (a) of this section.".

SEC. 9. Section 406 of the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1882) is amended by adding at the end the following new paragraphs:

"(16) $81,000,000 for the fiscal year ending September 30, 1990, of which $6,500,000 shall be used for enforcement and $5,000,000 shall be used to increase research and assessment efforts.

"(17) $85,000,000 for the fiscal year ending September 30, 1991.

"(18) $89,000,000 for the fiscal year ending September 30, 1992.".●

By Mr. MOYNIHAN:

S. 1026. A bill to prevent abuses of the HUD Section 8 Moderate Rehabilitation Program; to the Committee on Banking, Housing, and Urban Affairs.

PREVENTING ABUSES OF THE HUD SECTION 8 MODERATE REHABILITATION PROGRAM

● Mr. MOYNIHAN. Mr. President, I rise to introduce legislation to prevent a recurrence of the lack of competition in HUD's Section 8 Moderate Rehabilitation Program, and to improve the program's operation. The shortage of affordable housing in this country does not come as news to any of us. The supply is decreasing, the need is

increasing, and Federal funding has been cut some 70 percent in recent years.

But it certainly came as news that funds from the section 8 program were flowing so freely to the developers, and that former Federal officials were receiving exorbitant fees to simplify that process. Some of these consultants admittedly knew little or nothing about the program, yet they received hundreds of thousands of dollars to lend their support to certain projects, perhaps in a single phone call.

This became possible because the competitive award process had become an afterthought. Deserving applicants were losing out to those who could afford the most influence, at the ultimate expense of low-income families across the country. Such abuses must not recur. We must maximize the use of the few remaining resources for improving low-income housing, and ensure that they are allocated fairly and judiciously.

This bill directs that the established regulations for a competitive award process be followed, even if the funds are awarded without regard to regional allocations. Such allocations became impractical when the program was greatly diminished in the mid-1980's, and the number of units per locality became so small that constructing them became impractical. HUD officials used the absence of regional allocations to make awards at their discretion.

The bill also directs the Secretary of Housing and Urban Development to ensure that the use of the low-income tax credit in a project also being financed under the section 8 program is consistent with the goal of maximizing the production of low-income housing. In some cases developers received more assistance than necessary from the Federal Government for the continuing operation of a project by using both programs. As a result, HUD's subsidies were higher than necessary and potentially took funds from other projects.

The bill also calls for a vigorous attempt to recover excessive payments caused by incorrect calculations of contract rents and annual updating of the handbook containing instructions and guidance for field staff in administering the program. The latter had not been done regularly.

Mr. President, the Mod Rehab Program is a valuable means of building and renovating housing for low-income people. With the proper procedures in place and proper oversight, it will continue to help combat the housing crisis. I ask my colleagues for their support.●

Mr. HARKIN (for himself, Mr. LEAHY, and Mr. CONRAD):

S. 1027. A bill to enhance the role of the Rural Electrification Administration in rural development and in small community water and sewer improvements, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

RURAL ELECTRIFICATION ADMINISTRATION ACT AMENDMENTS OF 1989

● Mr. HARKIN. Mr. President, I am pleased to introduce today along with Senators LEAHY and CONRAD legislation to improve rural water and sewer systems and put economic development on an equal footing within the Rural Electrification Administration with that agency's rural electrification and telephone efforts.

Over the years the REA and the local rural electric cooperatives and local telephone cooperatives and companies have done an outstanding job of promoting rural development. I remember looking at some of the debates that went on when the Rural Electrification Act was considered and passed. Opponents of that legislation argued that if rural electrification would not pay well enough to attract private investment, then farm families, small towns, and rural communities should go without electricity. Well, the Rural Electrification Act passed and farmers and rural citizens moved ahead, stringing the wire in many cases themselves, to bring electricity to the farthest reaches of our country. As a result of this electrification effort we built in this country the most productive agricultural system in the world and vastly improved the quality of life for residents of our small towns and rural communities.

The structure of the REA and the local borrower electric and telephone cooperatives and companies offer an opportunity to address one of the most pressing infrastructure problems facing rural America today: The lack of adequate amounts of quality water and adequate waste treatment facilities in many communities. In addition, the REA electric and telephone system can play an important role in general rural economic development efforts.

The legislation I am introducing today will amend the Rural Electrification Act of 1936 to create a new position in the REA of Assistant Administrator for Economic Development to carry out programs of the REA regarding involvement of rural electric and telephone systems in community and economic development. This new position will be on an equal footing with the Assistant Administrator for Electric and the Assistant Administrator for Telephone in the REA, and will involve responsibility for administration of the programs of the REA that are not directly related to providing electric or telephone service.

The legislation will also create a technical assistance unit within REA to provide advice and guidance to local electric and telephone cooperatives regarding community and economic development activities that they may choose to undertake.

Under this legislation, the Administrator of the REA will be authorized to make loans to local electric cooperatives and local telephone cooperatives and companies to enable them to provide water and waste facilities in their service areas. REA may make up to $40 million in such loans each year, but no more than 10 percent of the total amount of loans authorized for electrification and telephone purposes in the year.

This new authority for REA will supplement the programs now available through the Farmers Home Administration for water and sewer facility grants and loans. In administering this new authority, the Administrator of REA will consult and coordinate with FmHA. REA will give priority in making loans based on considering a number of factors, including the need for water and waste disposal facilities, income and employment in the area and the benefits such facilities would have on economic development.

The bill also will leverage Federal funds by requiring the use of private sector funds to supplement REA funds when such private sector funds can be obtained at rates affordable to the borrower, and provides for adjustment of REA interest rates to enable borrowers to obtain private financing.

Mr. President, this legislation will help meet the great need in our rural communities for water and sewer facilities, and give REA and its borrower electric and telephone companies and cooperatives a new role in rural economic development. I hope that this important legislation will soon be enacted.●

By Mr. BOREN (for himself, Mr. LEAHY, Mr. PRYOR, and Mr. CONRAD):

S. 1028, A bill to amend the Consolidated Farm and Rural Development Act to establish Farmers Home Administration loan rates for health care facilities based on the average per capita income of the area to be served, to increase water facility grant authorization levels, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

HEALTH CARE AND WATER SYSTEM IMPROVEMENT AMENDMENTS.

● Mr. BOREN. Mr. President, on behalf of myself and my colleagues Senators LEAHY, PRYOR, and CONRAD, I am introducing the Health Care and Water Systems Improvement Amendments of 1989. This bill is primarily intended to help address very serious problems that exist in our rural areas without creating several new Government programs. The bill would allow existing Farmers Home Administration programs to better serve our rural

citizens and meet their needs for quality water and waste facilities and for improved health care services. Rural community leaders and economic development councils in Oklahoma have pointed out several problem areas that need to be addressed. However, water and waste facilities and health care stand out as two of the most critical. My colleagues and I believe this legislation can immediately address these problems and can provide an important first step in a long-term effort to improve the quality of life in our rural areas. The bill consists of three main parts.

First, this bill simply raises the authorization level for FmHA water and waste facility grants. This is an existing grant program that provides funds for repairs, replacement, and maintenance of small water system facilities. Our small systems are familiar with this program and have demonstrated the need for additional funds for the improvement of the rural infrastructure.

Second, the bill would require the Secretary of Agriculture to establish interest rates for health care and other community facilities in accordance with the income of the area served. Therefore, health care facilities in low-income rural areas would be able to refinance their FmHA loans at lower interest rates. This reduction of interest rates could mean the difference between closing and continued operation for some rural hospitals and clinics. Certain other facilities, such as fire stations or community centers, could also take advantage of the lower interest rates.

Third, the bill would establish a national rural waste water circuit rider program similar to the existing Rural Water Circuit Rider Program. This program would provide funds for waste water technicians that can travel over an entire State to assist small waste water systems. The current rural water circuit rider program has been quite successful at using this method of distributing assistance to small drinking water systems. Similarly, the waste water circuit rider demonstration program has successfully shown that this method can also be used to help small waste water systems improve their management, efficiency, and environmental quality.

Mr. President, I hope my colleagues agree that this is a very practical way to help rural areas and small communities; I urge them to promptly consider this legislation. I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1028

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Health Care and Water System Improvement Amendments of 1989".

SEC. 2. WATER AND WASTE FACILITY GRANTS.

Section 306(a)(2) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1926(a)(2)) is amended by striking out "$154,900,000" and inserting in lieu thereof "$204,900,000".

SEC. 3. LOANS RATES APPLICABLE TO HEALTH CARE AND RELATED FACILITIES.

Section 307(a)(3) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1927(a)(3)) is amended by adding at the end thereof the following new subparagraph:

"(C) Notwithstanding the provisions of subparagraph (A), the Secretary shall establish loan rates for health care and related facilities that shall be based solely on the income of the area to be served, and such rates should be otherwise consistent with the provisions of such subparagraph.".

SEC. 4. RURAL WASTE WATER TREATMENT CIRCUIT RIDER GRANT PROGRAM.

(a) ESTABLISHMENT.—The Administrator of the Farmers Home Administration shall establish a national rural waste water circuit rider grant program that shall be modeled after the existing National Rural Water Association rural waster circuit rider program that receives funding from the Farmers Home Administration.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $4,000,000 each fiscal year to carry out the program established under subsection (a).●

By Mr. BAUCUS (for himself and Mr. LEAHY):

S. 1029. A bill to establish a nationwide business "incubator" program to be administered by the Rural Electrification Administration, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

RURAL BUSINESS ASSISTANCE ACT

● Mr. BAUCUS. Mr. President, today I am introducing the third in a series of bills to help rural America get back on its feet.

I have spoken at length in the past about the basic tools I believe are necessary to help rural areas compete in today's world economy.

One of those tools is access to state-of-the-art telecommunications services. On April 11, I introduced legislation, S. 759, the Rural Access to Telecommunications Services Act of 1989, to bring this tool to rural areas. Under my legislation, rural businesses, hospitals, and schools will all have access to telecommunications services equal to those currently available in urban areas.

Another essential tool is access to capital for businesses that want to locate or expand in rural areas. Many of these businesses, because of their location, are considered by banks to be more risky than others and have found it next to impossible to secure adequate financing. On April 19, I introduced legislation to address this problem. My legislation, S. 863, the Rural Access to Capital Act of 1989, will establish a public/private partnership revolving loan fund at the SBA to make capital more readily available to rural businesses.

The legislation I am introducing today will provide another important tool to rural businesses: Access to a business "incubator" program to be administered through the Rural Electrification Administration [REA]. This legislation will establish a $10 million revolving loan rural business incubation fund at the REA to be used to make grants and low interest loans available to REA borrowers for the purpose of developing business incubators.

The incubators will provide technical assistance, advice, loans, or capital to business incubation programs already in existence; or to create and operate new ones. The purpose of this provision is to establish a common facility from which small businesses can operate while sharing facilities, equipment, machinery, telecommunications devices, computers, support staff, overhead costs, or janitorial services with other small businesses. This program could cut down on a substantial amount of the overhead costs associated with operating a small business in rural areas.

Once again, I look forward to working with my colleagues to develop a comprehensive approach to facilitate revitalizing rural areas.

Mr. President, I ask unanimous consent that the full text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1029

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Rural Business Assistance Act of 1989".

SEC. 2. RURAL ECONOMIC DEVELOPMENT.

The Rural Electrification Act of 1936 (7 U.S.C. 901 et seq.) is amended by adding at the end thereof the following new title:

"TITLE V—RURAL ECONOMIC DEVELOPMENT

"SEC. 501. ADDITIONAL POWERS AND DUTIES OF REA ADMINISTRATOR.

"The Administrator of the Rural Electrification Administration shall—

"(1) provide advice and guidance to electric and telephone borrowers under this Act concerning the effective and prudent use by such borrowers of the investment authority under section 312 to promote rural development;

"(2) provide technical advice, troubleshooting, and guidance concerning the operation of programs or systems that receive assistance under this Act;

"(3) establish and administer various pilot projects through electric and telephone borrowers that the Administrator determines are useful or necessary, and recommend specific rural development projects for rural areas;

"(4) act as an information clearinghouse and conduit to provide information to electric and telephone borrowers under this Act

concerning useful and effective rural development efforts that such borrowers may wish to apply in their areas of operation and concerning State, regional, or local plans for long-term rural economic development;

"(5) provide information to electric and telephone borrowers under this Act concerning the eligibility of such borrowers to apply for financial assistance, loans, or grants from other Federal agencies and non-Federal sources to enable such borrowers to expand their rural development efforts;

"(6) promote local partnerships and other coordination between borrowers under this Act and community organizations, States, counties, or other entities, to improve rural development; and

"(7) administer a Rural Business Incubation Fund (as established under section 502) that shall provide technical assistance, advice, loans, or capital to business incubation programs or for the creation and operation of business incubation programs and small business incubators in rural areas, designed to provide a common facility from which small businesses can operate while sharing facilities, equipment, machinery, telecommunications devices, computers, support staff, overhead costs, or janitorial services with other small businesses.

"SEC. 502. RURAL BUSINESS INCUBATION FUND.

"(a) ESTABLISHMENT AND USE.—

"(1) ESTABLISHMENT.—There is established in the Treasury of the United States a revolving fund to be known as the Rural Business Incubation Fund (hereinafter referred to in this title as the 'Incubation Fund') to be administered by the Administrator.

"(2) USE.—The Incubation Fund shall be used to make grants and reduced interest loans to electric and telephone borrowers under this Act to promote business incubation programs or for the creation or operation of business incubators in rural areas by such borrowers, and the rate of such loans shall not exceed the standard rate as provided in section 305.

"(3) BUSINESS INCUBATION.—Business incubators that receive assistance under this title shall be a facility in which small businesses can share premises, support staff, computer equipment, telecommunications terminal equipment, machinery, janitorial services, utilities, or other overhead expenses, and where such businesses can receive technical assistance, financial advice, business planning services or other support. Business incubation programs that provide assistance of the type described in this paragraph shall be eligible for assistance under this title even where such program does not involve the sharing of premises.

"(b) APPLICATION FOR ASSISTANCE—

"(1) ELIGIBILITY TO SUBMIT.—Borrowers under this Act that operate existing business incubators or that desire to operate such incubators or business incubation programs, and that meet the requirements established by the Administrator for obtaining grants or reduced interest loans under this section, may submit applications at such time, in such form, and containing such information as the Administrator shall require, for such grants or loans.

"(2) REQUIREMENTS.—Applications submitted under paragraph (1) shall, at a minimum—

"(A) contain an assurance that any incubator established or operated to this section will be operated on a not-for-profit basis; and

"(B) contain an assurance that it will be the policy of such incubator to encourage and assist businesses in graduating from the incubator and becoming a viable business entity in the community and to inform participating businesses of this policy;

"(3) REVIEW.—In reviewing applications for assistance, the Administrator shall consider—

"(A) how effectively the incubation project will assist in the formation, growth, or improved efficiency of small businesses that will help diversify and develop the local economy; and

"(B) the amount of local support likely to exist for the incubator and the businesses to be assisted by such incubator, taking into account local contributions of business, financial, technical, technological or managerial expertise, and contributions of equipment or materials, local financial assistance, and other factors as determined appropriate by the Administrator.

"(c) FUNDING OF LOCAL INCUBATORS.—

"(1) BY BUSINESSES UTILIZING INCUBATOR.—

"(A) IN GENERAL.—Business incubators that receive assistance under this section shall, to the extent practicable and except as provided by the Administrator, require that each business entity that utilizes such incubator share, on a percentage or other basis, as determined by the Administrator, a portion of the benefit of any growth in profits, net worth, or other measure of income or growth that results during or because of such entity's entry into the incubator.

"(B) CONTRIBUTION TO INCUBATOR FUND.—At such time as the business incubator receives revenues from the business entity as provided under subparagraph (A), such incubator shall pay an amount equal to 50 percent of such revenue to the Incubator Fund established under subsection (a).

"(C) FLEXIBILITY.—In administering the requirement of this paragraph, the Administrator shall provide substantial flexibility and assistance to incubators in order to ensure that a proper balance is achieved between—

"(i) the objective that a business that benefits from an incubator should return a small portion of such benefit to the incubator for use in assisting other businesses and to the Incubator Fund established under subsection (a); and

"(ii) the requirement that such payments by a business not impose an undue burden nor interfere with the purposes of this section.

"(2) BY BORROWER ESTABLISHING INCUBATOR.—

"(A) IN GENERAL.—A borrower that establishes or assists a business incubator under this section shall purchase Capital Term Certificates issued by the Incubator Fund in amounts equal to 10 percent of the amount of the grant, or 5 percent of the amount of the reduced interest loan, provided by the Administrator under this section.

"(B) REDEMPTION OF CERTIFICATES.—Each calendar year for the 10-year period beginning on the date that a grant or reduced interest loan is provided under this section, the Administrator shall redeem an amount equal to 10 percent of the Capital Term Certificates purchased by the borrower under subparagraph (A), without any payment of interest.

"(3) BY THE SECRETARY OF THE TREASURY—

"(A) IN GENERAL.—Not later than October 1, of each fiscal year, the Secretary of the Treasury shall purchase Capital Term Certificates issued by the Incubator Fund in the amount of $10,000,000.

"(B) TERMINATION OF OBLIGATION.—The Secretary of the Treasury shall not be obligated to make any payments under subparagraph (A) to the Incubator Fund after October 1, 1995.

"(C) REDEMPTION OF CERTIFICATES.—Each calendar year for the 10-year period beginning on January 1, 2000, the Administrator shall redeem an amount equal to 10 percent of the Capital Term Certificates purchased by the Secretary under subparagraph (A), without any payment of interest.

"(d) REPAYMENTS TO INCUBATION FUND.—All payments made on loans under this section, and all amounts provided under subsection (c), shall be placed in the Incubator Fund established by subsection (a) and shall be available to carry out the purposes of this section.

"(e) FULL USE.—The Administrator shall undertake all reasonable efforts to make full use, during each fiscal year, of any funds contained in the Incubator Fund established under subsection (a), consistent with the requirement that the Incubator Fund redeem Capital Term Certificates as provided by subsection (c).".●

By Mr. DOMENICI:

S. 1031. A bill to establish an Engineering Extension Service as a mission of the Energy Extension Service to enable entrepreneurs to receive engineering information vital to such businesses, and for other purposes; to the Committee on Energy and Natural Resources.

NATIONAL ENERGY EXTENSION SERVICE AMENDMENTS ACT

● Mr. DOMENICI. Mr. President, I send to the desk a bill that I believe offers an important contribution to assist small and struggling businesses to make it in the world marketplace.

This bill, the National Engineering Extension Service Amendments Act of 1989, will create a national engineering outreach service, one that would work rather like the exceedingly successful Agricultural Extension Service.

This legislation would establish at an engineering school in each State—or a similar organization—an engineering extension service to help small, incubator companies with the advice they need to convert good ideas into successful product lines.

I believe every Member of this body knows how very difficult it is for many small, struggling companies to take their high technology ideas and inventions and move those developments onto the production line.

Yet America's survival in this great and competitive industrial world we have created will depend to a great extent on the ability of small, innovative companies to make that transition, to take the gleam in the eye of a savvy inventor and turn that gleam into a usable product.

Dr. L.H. Lattman, president of New Mexico Institute of Mining and Technology, is a strong believer in the concept I have included within this bill. And I believe that he stated the case for this legislation very accurately in a recent paper:

While the Engineering Extension Service concept certainly will not solve all problems,

I believe it will contribute very significantly to economic development . . . in the area of manufacturing and most especially in manufacturing based on frontier technology.

That is what this bill is all about. Specifically, the bill would create a new subtitle B in title 5 of Public Law 95-39, the Energy Research and Development Administration Appropriation Authorization.

This new subtitle, which I have termed the "Engineering Extension Service Act of 1989," establishes within the Department of Energy a new office, the Engineering Extension Service, which would serve as the Federal Government's link with engineering extension service offices that would be established in each State.

Those State offices, which would be created by each Governor within an entity in the State, probably a university with an engineering school, would maintain a list of available experts within the State to assist fledgling businesses. Some of these experts might be on the university faculty. Others might be retired engineers. Still others might be existing engineering firms that wish to participate, or work at our system of national laboratories.

Each Governor would be required to submit a plan for such an EES, which would develop and maintain a data base of engineering and scientific experts.

These experts would be available, at a fee—an affordable fee—to small businesses in the State.

Mr. President, earlier this year, I participated in an economic development tour of three States with the Governor of New Mexico and a number of members of the New Mexico Legislature.

One of the most exciting things that we saw was the work of the engineering extension service operated by North Carolina State University, a service that in its most recent year aided 14,000 firms and individuals in North Carolina. North Carolina is way ahead of most of us. It initiated such a system as long ago as 1955, and now offers to "help industry and engineers to move aggressively and beneficially utilize new technologies."

I am convinced that the program North Carolina has developed needs to be encouraged in all States; that is what this bill accomplishes.

My bill calls for a Federal commitment of $10 million in the current fiscal year, with that money to be allocated among the States on a basis of each State's small business receipts, with each State guaranteed a minimum of one-half of 1 percent of the Federal pool.

The Federal funds would have to be matched by the State or the participating non-Federal organization, so that means each State is guaranteed close to $50,000 in Federal assistance.

My bill also creates a National Engineering Extension Service Advisory Board to assist in the implementation and evaluation of the program.

Mr. President, this is a sound concept, one that will help our small businesses become more competitive in America and in the world. I hope my colleagues will study it carefully, and give it their enthusiastic support. This is a bill that is good for America.

The bill I am introducing today does not propose to reform the Energy Extension Service but expand it. Several other bills have been introduced dealing with the Energy Extension Service. In particular, Senator WIRTH has introduced S. 324. Title V of that bill deals with the Energy Extension Service as it relates to global warming. I look forward to working with Senator WIRTH and other committee members as we discuss new roles for the Energy Extension Service.

I ask unanimous consent that a copy of the bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1031

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress Assembled, That this Act may be cited as the "National Energy Extension Service Amendments Act of 1989".

SEC. 2. FINDINGS.

The Congress finds that—

(1) it is in the interest of the United States to foster commercialization of evolving engineering concepts and technologies;

(2) such commercialization usually requires extensive engineering design and development efforts, manufacturing engineering, and accurate cost estimation not commonly available to small or start-up businesses;

(3) persons having such engineering skills and experience may be comparatively unknown to a small or start-up business or difficult to locate, in any particular area;

(4) a considerable pool of expert, active, and retired persons with the needed expertise and skills is available in the United States;

(5) the success or failure of initial manufacturing efforts depends upon the engineering expertise and skills which often are too expensive for a small or start-up business to maintain in-house; and

(6) the latest technological and manufacturing advances must be made available to companies in the United States on a timely basis to maintain the competitiveness of such businesses in the international market.

SEC. 3. AMENDMENTS TO PUBLIC LAW 95-39.

(a) Redesignate Title V of Public Law 95-39 as "TITLE V—ENERGY AND ENGINEERING EXTENSION SERVICES" and redesignate sections 501 through 513 thereof as "Subtitle A—Energy Extension Service", and add at the end thereof the following new subtitle B:

"Subtitle B—Engineering Extension Service

"SHORT TITLE

"SEC. 521. This subtitle may be cited as the 'Engineering Extension Service Act of 1989'.

"PURPOSES

"SEC. 522. The purposes of this subtitle are to—

"(1) establish a positive engineering outreach program to aid small and start-up businesses;

"(2) foster a broader application of engineering principles and techniques to product development, manufacturing, and commercial production by small and start-up businesses; and

"(3) assist small and start-up businesses in dealing with Federal government on related engineering matters.

"ESTABLISHMENT OF SERVICE

"SEC. 523. (a) There is hereby established an Engineering Extension Service within the Department of Energy to engage in a program of engineering extension service work.

"(b) The duties and responsibilities of the Director of the Energy Extension Service pursuant to subtitle A are hereby expanded to include the program and activities of the Engineering Extension Service authorized and conducted pursuant to this subtitle.

"DESCRIPTION OF ENGINEERING EXTENSION SERVICE

"SEC. 524. The Engineering Extension Service shall develop and implement a comprehensive program to—

"(1) aid small and start-up businesses in discovering useful and practical information relating to manufacturing and commercial production techniques and costs;

"(2) encourage the application of such information in order to solve product development and manufacturing problems;

"(3) establish an Engineering Extension Service program affiliated with an entity in each State, such as an institution of higher education which employs an engineering or science faculty;

"(4) establish and maintain a directory of the names, experience, and expertise of persons, including university faculty and active and retired private consultants, within each State who are available to provide engineering advice and consultation;

"(5) establish and maintain a list of small and start-up commercial and manufacturing businesses in each State;

"(6) coordinate engineers and manufacturers to aid small and start-up businesses in solving specific technical problems and reviewing manufacturing methods to improve their cost-effectiveness;

"(7) assist small and start-up businesses in the drafting of the technical portions of proposals seeking Federal assistance;

"(8) furnish technical information and notes of interest to small and start-up businesses, including, where appropriate, the conduct of seminars; and

"(9) facilitate contract research between university faculty and students and small and start-up businesses, in order to improve product development and independent quality control testing.

"STATE EXTENSION PROGRAMS

"SEC. 525. (a) Within 120 days of enactment of this subtitle, the Secretary shall, pursuant to sections 505, 506, 507 and 508, invite the Governor of each State to submit a plan for the conduct of engineering extension service activities described in section 524.

"(b) The Governor of each state shall designate a central or lead entity within such state to coordinate the Engineering Extension Service programs in that State, in order to eliminate rivalry, duplication of pro-

grams, incomplete coverage, and inefficient fiscal management. Such entity may include an institution of higher education or the entity used to implement energy extension service activities within such State.

"(2) Before designating a central or lead entity under paragraph (1), the Governor of each State shall consider whether such entity also serves as the lead entity for the Energy Extension Service and the Agricultural Extension Service. In the case of an institution of higher education, the Governor shall also consider—

"(A) the quality of the engineering program of such institution; and

"(B) the proximity of the institution to major concentrations of small businesses.

"(c) Each State cooperative engineering extension service shall provide—

"(1) instruction, referrals, and practical demonstrations in commercializing an idea of an entrepreneur, or a technology developed by any of the national laboratories or other sources;

"(2) continual dissemination of information on manufacturing advances to allow companies to maintain a cost-competitive position with manufacturers in foreign nations; and

"(3) programs to carry out the purposes of section 524.

"ENGINEERING DATA BASE

"SEC. 526. (a) Each entity designated under section 525(b) shall develop and maintain a data base of engineering and scientific experts interested in participating in the Engineering Extension Service. Such data base shall, at a minimum, include faculty of institutions of higher education, retired manufacturing experts, and national laboratory personnel.

"(b) The Secretary shall develop a nationwide network to access the data bases of each such participating entity, which shall employ, to the greatest extent feasible, advanced high speed data transmission and communications networks.

"PARTIES RECEIVING ASSISTANCE

"SEC. 527. (a) AVAILABILITY OF SERVICES.—The services provided by the Engineering Extension Service established under this Act shall be available to any small or start-up business.

"(b) FEES.—(1) The Director of the Engineering Extension Service of each State may determine the appropriate amount of fees charged to a recipient party for services offered under this Act, and may collect such fees.

"(2) The Director of the Engineering Extension Service of each State shall charge fees which are affordable to a party eligible for assistance, which shall be determined by examining factors including—

"(A) the costs of the services received;

"(B) the need of the recipient for the services; and

"(C) the ability of the recipient to pay for the services.

"STATE ASSISTANCE

"SEC. 528. (a) AUTHORIZATION.—Subject to the requirements and limitations of sections 205 and 206, the Secretary is authorized, in accordance with the provisions of this subtitle, to make grants to any eligible State to—

"(A) carry out the purposes of this subtitle in such State, and

"(B) to pay the Federal share of the costs of carrying out the purposes of this subtitle in such State.

"(b) ALLOCATION OF FUNDS.—(1) Subject to subsections (c) and (d), funds appropriated for the purposes of this subtitle shall be allocated annually among the eligible States in proportion to the ratio of the aggregate gross receipts of small businesses in a given State and the aggregate gross receipts of all small businesses in all eligible States.

"(2) Notwithstanding paragraph (1), each eligible State receiving funds under this subtitle shall be allocated a minimum of one per centum of the available appropriations for the purposes of this subsection.

"(c) Subject to subsection (e), funds appropriated for the purposes of this subtitle shall be disbursed to each eligible State in equal semiannual payments on the first day of December and June of each year by the Secretary of the Treasury. Such sums shall be paid to the treasurer or to the officer of the State duly authorized by the laws of the State to receive the same.

"(d) LIMITATION.—(1) No disbursement of the Federal share of funds authorized to be appropriated by this subtitle may be made to any State until an equal non-Federal amount for the maintenance of the Engineering Extension Service has been either provided from appropriated funds for that year by the legislature of such State, or from a State, county, or local authority, an institution of higher education, or contributions from individuals within the State.

"(2) The State officer receiving the funds disbursed pursuant to paragraph (1) shall, on or before the first day of November of each year, submit to the Secretary, on the forms prescribed by him, a detailed statement of the amounts received and disbursed during the previous fiscal year.

"(3) If any portion of the funds received by a State in accordance with this subsection is diminished, lost, or misapplied, it shall be replaced by that State. Until it is replaced, no subsequent appropriation shall be allocated or paid to such State.

"(e) CERTIFICATION.—(1) On or before the first day of December in each year, the Secretary shall certify to the Secretary of the Treasury as to allocation under subsection (b) of the annual appropriation to each eligible State for cooperative engineering extension activities under this subtitle.

"(2) If the Secretary withholds such certification from any State, the Secretary shall notify such State and the Secretary of the Treasury of the reasons for withholding the certification. Any amount involved shall be kept separate in the Treasury until the expiration of the Congress immediately following adjournment of the session of the legislature of any State for which a certificate has been withheld.

"(3) A State may appeal to the Secretary, if the Secretary withholds the certification of that State. If the Secretary does not provide such certification by the end of the fiscal year for which the funds were appropriated, such funds shall be returned to the miscellaneous receipts of the Treasury.

"INSTITUTIONS OF HIGHER EDUCATION

"SEC. 529. (a) Before any funds appropriated pursuant to the subtitle may be disbursed to any institution of higher education designated pursuant to section 525(b), the Secretary must approve a fiscal proposal submitted to him by the appropriate officials of such institution.

"(b) On or before the first day of November of each year, the designated institution of higher education of each State shall submit a report of its activities under this subtitle during the previous year, including a detailed statement of receipts and expenditures, to the Secretary and the Secretary of the Treasury.

"LIMITATION

"SEC. 530. No funds provided pursuant to this subtitle, may be used for—

"(1) the purchase, erection, preservation, or mortgage repayment of any building;

"(2) the purchase or rental of land;

"(3) lecturer's fees; or

"(4) any other purpose not specified in this subtitle.

"RECORDS

"SEC. 531. Each State or other entity within a State receiving Federal funds under the subtitle shall be subject to the requirements of section 511.

"ADVISORY BOARD

"SEC. 532. For the purposes of this subtitle, there is hereby established, pursuant to section 509, a National Engineering extension Service Advisory Board with the same membership structure, functions and duties as the National Energy Service Advisory Board.

"REPORT TO CONGRESS

"SEC. 533. The Secretary shall make an annual report to the Congress of the receipts, expenditures, and results of the cooperative engineering extension work in all of the States receiving funds under this Act. Such report shall state whether the allocation of the appropriation of the Federal share to any State has been withheld, and if so, the reasons therefore.

"AUTHORIZATION OF APPROPRIATION

"SEC. 534. (a) There is authorized to be appropriated such funds as may be necessary to carry out the provisions of this subtitle.

"(b) No more than 20 percentum of each annual appropriation may be applied to the printing and distribution of publications.

"DEFINITIONS

"SEC. 535. For the purposes of this subtitle, the term—

"(1) 'institution of higher education' has the same meaning as such term is defined in section 1201(a) of the Higher Education Act of 1965 (20 U.S.C. 1141(a));

"(2) 'Secretary' means the Secretary of Energy;

"(3) 'small business' means—

"(A) an enterprise that is—

"(i) independently owned and operated;

"(ii) not dominant in a field of operation; and

"(iii) earning annual receipts not in excess of $1,000,000; and

"(B) an enterprise that meets additional criteria established by the Secretary, including—

"(i) the dollar volume business; and

"(ii) the number of employees, which may vary from industry to industry to the extent necessary to reflect differing characteristics of such industries and to take proper account of other relevant factors; and

"(4) 'start-up business' means a small business which has been in existence for 5 years or less.".

(b) OTHER CONFORMING AMENDMENTS.—The term "title" in title v of Public Law 95-39 shall be changed to "subtitle" wherever such term appears in sections 501, 503(c), 512, and 513.●

By Mr. HEINZ (for himself and Mr. HARKIN):

S. 1032. A bill to amend the Agricultural Act of 1949 to establish eligibility requirements for agricultural commodity price support programs with respect to delivery of irrigation water;

to the Committee on Agriculture, Nutrition, and Forestry.

IRRIGATION SUBSIDY REFORM ACT

Mr. HEINZ. Mr. President, I rise today with my colleague from Iowa, Senator HARKIN, to introduce the Irrigation Subsidy Reform Act of 1989. The bill is straightforward: it would prohibit farmers from participating in price and income support programs administered by the Department of Agriculture [USDA] if they receive irrigation water from Federal projects at less than full cost. I am pleased to announce that Representative SAM GEJDENSON of Connecticut is introducing a companion bill in the House of Representatives.

This legislation is designed to reconcile two costly, contradictory Federal policies. On the one hand, a few different Federal agencies—principally the Bureau of Reclamation [BuRec]—spend a great deal of the taxpayer's money to give below-cost water to a few farmers so they can grow more crops. Yet on the other hand, USDA spends even more of the taxpayer's money paying these same farmers not to grow crops. It's time for one of those hands to get out of the taxpayer's pocket.

Today's taxpayers are not the only ones paying the bill. These policies encourage environmentally destructive practices that threaten the water and the land we will pass on to our children.

BUDGETARY IMPACTS OF "DOUBLE-DIPPING"

Mr. President, this bill has signficant budgetary implications. Department of the Interior [DOI] officials estimate that the Bureau of Reclamation serves roughly 10 million acres, or about one-fifth of the Nation's irrigated farmland. They further estimate that 38 percent of BuRec-served land is used in the production of surplus crops in an average year.

The Bureau of Reclamation subsidizes farmers because it sells water at prices that do not recover the Federal Government's full capital, operating, and interest costs. This subsidy is enormous. Interior officials estimate the total irrigation subsidy from 1902 through 1986 at $9.8 billion. They further estimate the annual subsidy at $534.3 million for 1986, $203 million of which (38 percent) may be associated with the production of surplus commodities. I might add here that officials with the Office of Management and Budget [OMB] and the Congressional Budget Office [CBO] dispute Interior's methodology for calculating subsidy values. They argue the total subsidy through 1986 may be as high as $70.3 billion.

USDA officials estimate that farmers served by BuRec water may have received commodity program payments totaling as much as $785 million in 1986. So a select group of farmers received Government outlays and subsidies totaling about $1 billion in 1986.

ENVIRONMENTAL IMPACTS OF IRRIGATION SUBSIDIES

Moreover, current reclamation and irrigation policies actually foster environmental degradation. Increased agricultural activity made possible by reclamation has contributed to a number of serious water supply and quality problems, including the accumulation of salts, trace elements, pesticides, herbicides, and other agricultural chemicals, and contamination of groundwater supplies.

Used irrigation water is heavy salinized. If soil conditions (impermeable clay near the root zone, for instance) prevent deep percolation, such water must be drained. Used irrigation water from just 8,000 acres in the Westlands Water District was conveyed via the San Luis Drain into the Kesterson National Wildlife Refuge until 1983. At that point, the bioaccumulation of the trace element selenium reached toxic levels and caused widespread nesting failures and deformities in Kesterson's waterfowl. The Interior Department was forced to close Kesterson Reservoir because of these environmental harms.

Our ground water resource, estimated at 15,000 trillion gallons nationally, appears ubiquitous and inexhaustible. But more than 95 percent of the total is available on a one-time basis only. And it is being depleted or contaminated in many areas.

Irrigation accounts for one-third of all water withdrawals, but two-thirds of all ground water withdrawals. Not surprisingly, the availability of a guaranteed market is fueling ground water overdraft. Forty-five percent of the irrigated acreage in 11 major ground water irrigation States is served by "declining ground water areas." Unless our current policies are changed, ground water overdraft will likely continue until extractive costs exceed the benefits, which will be too late.

ALLOCATING SCARCE RESOURCES EFFICIENTLY

Mr. President, water—particularly in the West—is a precious resource. We must treat it accordingly. Economists and environmentalists argue that artificially low irrigation water prices encourage the inefficient allocation of this limited resource.

Last year Senator TIM WIRTH of Colorado and I sponsored Project 88: Harnessing Market Forces To Protect Our Environment. Underpinning Project 88 is the notion that a key to reducing inefficient natural resource use and environmental degradation is to ensure that producers and consumers face the true cost of their decisions, not just the direct costs, but the full social costs of the consequences of their actions.

The Irrigation Subsidy Reform Act of 1989 is consistent with Project 88 principles. If enacted, it would eliminate USDA subsidies that promote excessive use of irrigation water, often to ruinous effect.

If enacted, the Irrigation Subsidy Reform Act would give affected farmers a choice between subsidized water and a market guaranteed by USDA. If they choose the water, they are not prohibited from using it to grow surplus crops. They simply cannot participate in price and income support programs. Presumably, ineligibility for price and income supports would prompt farmers to switch production from field crops to specialty crops, fruits, nuts, and vegetables, which often require less water. Such a shift would bolster farm income by reducing price-depressing surplus production of wheat, cotton, and other program commodities. If participating in the commodity programs is important to them, they are free to renegotiate their water contracts to pay full cost for their irrigation supply. Higher water prices would prompt farmers to conserve supply.

Mr. President, we are firmly entrenched in an era of fiscal scarcity. The Federal Government simply cannot afford to provide subsidized irrigation water to a few large farmers and then pay them not to produce surplus commodities. The budget deficit precludes that sort of largesse.

In an era when poverty and economic development programs are being eliminated wholesale or curtailed sharply, such subsidies and outlays are an affront. In the central valleys of California, some farmers pay $10 for water to irrigate an acre of surplus cotton. Just a few hundred miles away, Los Angeles cuts essential services while paying 60 times as much for the same quantity of water for drinking. This is nothing more than a testimony to the constituent greed and vested power of the so-called "water lobby."

THE FAILURE OF RECLAMATION'S SOCIAL GOALS

Compounding the affront is the failure of our reclamation programs to accomplish their primary social objective: to provide the benefits of subsidized irrigation to a maximum number of family farms. The Reclamation Act of 1902 was passed, according to F.H. Newell, the first BuRec Commissioner, "not to irrigate the lands which now belong to large corporations * * * not to make these men wealthy; but * * * to bring about a condition whereby that land shall be put into the hands of the smaller owner."

Congress intended that full irrigation benefits would accrue only to individuals farming 160 acres. Congress passed the Reclamation Reform Act of 1982 [RRA] to extend partial irrigation subsidy benefits to individuals farming up to 960 acres.

The amount of irrigated farmland in this country has risen steadily, from 17 million acres in 1939 to some 50 mil-

lion acres today. But the number of irrigated farms peaked in 1954 at 325,000 and has declined steadily since then. So irrigation benefits—which we have seen are quite substantial—are accruing to fewer and fewer farmers.

The concentration of farmers receiving ever larger irrigation benefits has attendant social consequences. Professor Walter Goldschmidt's pioneering work in the 1940's delineated the correlation between farm size and community well-being in California. Communities surrounded by large farms had poorer social conditions than communities surrounded by smaller farms.

Professor Dean MacCannell refined and extended the study throughout the Sun Belt earlier this decade. He confirmed the inverse relationship between farm size and community well-being.

More recently Don Villarejo and Judith Redmond of the California Institute for Rural Studies have documented the concentration of wealth flowing from irrigation benefits in the Westlands Water District of California's Central Valley Project [CVP]. They report that "while agriculture flourishes, much of the populace in the Central Valley live in poverty." Their study, Missed Opportunities—Squandered Resources: Why Prosperity Brought by Water Doesn't Trickle Down in the California Central Valley, uncovered "a pervasive pattern involving considerable effort on the part of large operations to comply with the technical requirements of RRA in order to receive low-cost water while circumventing the RRA goal of assisting family-scale farms." Such paper farm accounting practices appear unscrupulous, and indeed do not reflect the intent of Congress.

Some will argue that this bill is antifarmer. It is not. Subsidized irrigation bestows considerable benefits. Irrigation increases per acre yields. Consequently, irrigators enjoy decided advantages over dryland farmers. Irrigated yields for wheat, for instance, are twice the dryland yields. Irrigated yields for cotton are 90 percent higher. Not surprisingly, irrigated areas constitute 13.7 percent of all harvested cropland, but 27.8 percent of the value of harvested production. That is benefit enough.

I would note that there is precedent for the Irrigation Subsidy Reform Act. Congress previously prohibited BuRec water recipients from growing surplus crops for 10 years after initial construction of individual projects. The Reclamation Reform Act of 1982 repealed that provision. The current budget deficit and environmental constraints mandate that it be reinstated.

Mr. President, this bill will reduce USDA outlays. It may increase BuRec water receipts. It will promote the conservation and protection of surface and ground water supplies. It will encourage trading and selling water rights, thus increasing the supply available for economic development. It will end years of contradictory and wasteful Federal policy. I urge my colleagues to support it.

Mr. President, I ask unanimous consent that at this point, a copy of the Irrigation Subsidy Reform Act of 1989 be printed in the RECORD and letters endorsing the legislation from the National Wildlife Federation, the Natural Resources Defense Council, and the Council for Citizens Against Government Waste.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1032

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Irrigation Subsidy Reform Act of 1989".

SEC. 2. INELIGIBILITY OF RECIPIENTS OF FEDERAL IRRIGATION WATER DELIVERED AT LESS THAN FULL COST FOR BENEFITS FROM PRICE AND INCOME SUPPORT PROGRAMS ADMINISTERED BY THE DEPARTMENT OF AGRICULTURE.

Title IV of the Agricultural Act of 1949 (7 U.S.C. 1421 et seq.) is amended by adding at the end thereof the following new section:

"SEC. 425. INELIGIBILITY OF RECIPIENTS OF FEDERAL IRRIGATION WATER DELIVERED AT LESS THAN FULL COST FOR BENEFITS FROM PRICE AND INCOME SUPPORT PROGRAMS ADMINISTERED BY THE DEPARTMENT OF AGRICULTURE.

"(a) IN GENERAL.—Notwithstanding any other provision of law, any producer to whom irrigation water is delivered in a crop year at less than full cost from a Federal irrigation project shall not be eligible to receive, directly or indirectly, a loan or payment under, or in connection with, any program carried out by the Secretary under this Act, or any other Act, to support the price or adjust the supply of an agricultural commodity, including milk, for such crop year.

"(b) MEANING OF TERMS.—As used in this section, the terms 'full cost', 'irrigation water', and 'project' have the meaning given such terms in section 202 of the Reclamation Reform Act of 1982 (43 U.S.C. 390bb).".

SEC. 3. EFFECTIVE DATE.

(a) IN GENERAL.—The amendment made by section 2 shall apply with respect to irrigation water delivered in any crop year beginning after the date of enactment of this Act pursuant to a contract entered into, renewed, modified, or amended before, on, or after the date of enactment of this Act.

(b) MEANING OF TERMS.—As used in this section, the terms "irrigation water" and "contract" have the meaning given such terms in section 202 of the Reclamation Reform Act of 1982 (43 U.S.C. 390bb).

NATIONAL WILDLIFE FEDERATION,
Washington, DC, May 17, 1989.

Hon. JOHN HEINZ,
U.S. Senate, Washington, DC.

DEAR SENATOR JOHN HEINZ: I am pleased that you and Representative Gejdenson are introducing identical bills today to tighten eligibility requirements for agricultural price and income support programs for crops grown on lands receiving Federally-subsidized irrigation water. The measure is designed to reduce the Federal budget deficit, improve the allocation of scarce water and land resources, and reduce damages to the environment.

The passage of your amendment to the Agricultural Act of 1949 will help resolve the longstanding inconsistency between Federal agricultural support programs designed to restrict the production of surplus crops and Federal irrigation projects intended to increase production of many of these same crops. The irrigation subsidy amendment would deny participation in the farm programs to persons receiving subsidized irrigation water under new, renewed, amended, or modified water contracts.

The Bureau of Reclamation and the U.S. Army Corps of Engineers provide irrigation water to farms at a fraction of the cost to the taxpayers of the dams, canals, pumps, and other components of the system. Approximately 40% of the land receiving subsidized water is planted to surplus crops; wheat, corn, cotton, rice, sorghum, oats, and barley. The Department of Agriculture estimated that it paid more than $730 million in crop-support payments to owners and operators of Federally-irrigated farms in 1986. Your bill will gradually reduce the drain on the Treasury as irrigation water contracts expire between now and 2005.

Your bill makes sense for both the economy and the environment. We support it.

Sincerely,

JAY D. HAIR,
President.

NATURAL RESOURCES DEFENSE COUNCIL,
Washington, DC, May 15, 1989.

DEAR MEMBER OF CONGRESS: The Natural Resources Defense Council urges you to support the Irrigation Subsidy Reform Act of 1989, which is being introduced by Senator John Heinz, Representative Sam Gejdenson and others on May 17, 1989. The bill would accomplish a simple but much needed reform of federal agriculture and water policy by elminating "double subsidies" for surplus crops grown with federal irrigation water. Specifically, the bill requires agricultural operations using taxpayer subsidized irrigation water on crops already in surplus to forgo the additional subsidies available through the federal commodity programs.

Passage of this eminently sensible measure will help to address one of the most critical needs in western water policy by requiring water users to recognize the true cost of their irrigation water. The bill would reduce political pressures for more unnecessary irrigation projects and economic incentives to overproduce. It is completely consistent with the philosophy that our agricultural and economic policies would allow market forces to operate.

Federal irrigation subsidies have generally outlived their original social purposes and have proven to be a huge drain on the federal budget. Moreover, they create significant adverse environmental effects by encouraging the farming of marginal land, the damming of our last free flowing rivers and streams, and the diversion of scarce water supplies away from fish and wildlife and other environmental needs and into irrigated agriculture (which already uses about 85% of the water in the West).

In 1984, the U.S. Department of Agriculture, in a report ordered by Congress, concluded that irrigation subsidies for surplus crops contradict federal policies discouraging overproduction of these crops. The Irrigation Subsidy Reform Act is a much needed step toward eliminating this contra-

diction and we urge you to give it your support.

Sincerely,

HAMILTON CANDEE,
Director, Western Water Project.

COUNCIL FOR CITIZENS AGAINST GOVERNMENT WASTE,
Washington, DC, May 17, 1989.

Hon. JOHN HEINZ,
Russell Senate Office Building, Washington, DC.

DEAR SENATOR HEINZ: The Council For Citizens Against Government Waste (CCAGW) is the lobbying arm of Citizens Against Government Waste, a 350,000-member organization which is the nation's fastest growing citizens' movement. CCAGW endorses the Irrigation Subsidies Reform Act of 1989, to eliminate water subsidies for farmers who also receive commodity subsidies.

In 1984, 45% of the land irrigated with federally-subsidized water was used to grow crops already in surplus. In 1986, $785 million in Department of Agriculture commodity subsidies were paid to farmers who received subsidies from the Bureau of Reclamation. This double dipping must stop.

It doesn't make sense for farmers to get help from the government to irrigate their crops and increase production while at the same time they are being paid to restrict the production of surplus crops. The taxpayers are taking a bath on this wasteful and inefficient practice. We don't have to raise taxes to reduce the $263 billion federal deficit when there's waste like this that can be eliminated.

The Irrigation Reform Act of 1989 would bring more sanity to farm policies by prohibiting farmers who receive water subsidies from also receiving commodity subsidies. The Council For Citizens Against Government Waste urges all Senators to join you in co-sponsoring this important waste-cutting legislation.

Sincerely,

THOMAS A. SCHATZ,
Government Affairs Director.

Mr. HARKIN. Mr. President, I am pleased to join Senator HEINZ in introducing the Irrigation Subsidy Reform Act of 1989. The bill is simple and straightforward. It provides that farmers who receive federally subsidized irrigation water may not also receive benefits under Federal farm price and income support programs.

The Bureau of Reclamation subsidizes farmers in parts of the country by selling water from federally constructed projects at prices that do not recover the projects' full capital, operating, and interest costs. The Interior Department estimates the 1986 subsidy at $534 million, $203 million of which may be associated with surplus crop production. Since its beginning the Bureau of Reclamation has provided subsidies in an amount estimated to be as high as $70.3 billion by the Congressional Budget Office.

About 38 percent of the acres receiving subsidized irrigation are used to produce crops supported by Federal commodity programs. USDA calculates that farmers served by Bureau of Reclamation water may have received commodity program payments totaling as much as $785 million in 1986. Hence, for 1986 a small group of farmers received combined water subsidies and farm program benefits of about $1 billion.

The double dipping that results from piling farm program payments on top of irrigation subsidies is a prime example of the sort of spending that we must eliminate if we are ever to get the Federal budget deficit under control. This is just one more instance where Federal programs are working at cross purposes with one another. One foot is on the accelerator and the other is on the brake.

This double dipping continues even as the budget deficit forces cuts in spending for agriculture programs that translate nearly dollar for dollar into reduced income for farmers in Iowa and other parts of the country that do not benefit from subsidized water.

My State of Iowa is still suffering from severe drought problems, including shortages of water for household and livestock use. The National Guard is hauling water. Livestock herds are being liquidated. The applications for Farmers Home Administration grants and loans for water systems far exceed the available money. Thus far this year there have been over $60 million in applications for somewhat more than $10 million in funds. So I am troubled that each year hundreds of millions of dollars go out to farmers in other parts of the country who get both irrigation subsidies and farm program benefits, while we in Iowa can't even get the Federal help we need to have water for our people and livestock to drink.

It's a matter of basic fairness. Farmers who get irrigation subsidies clearly have a competitive advantage over those who don't. To make matter worse, farmers in Iowa and other parts of the country who don't get subsidized water are paying taxes to fund their competitors' subsidies.

Under this legislation, farmers who are receiving these double benefits simply must choose which benefit they will retain. If they want to continue receiving farm program benefits, they can renegotiate their water contracts so they pay the full cost of the water. Or they could contine to receive water benefits if they grow crops that are not supported by Federal farm programs.

Moreover, as Senator HEINZ has so well explained, water subsidies go predominantly to large farming operations. The original intent of the Bureau of Reclamation program was to limit irrigation benefits to 160 acres per person. Currently, however, the limit has reached 960 acres, and that limit is skirted by "paper farms."

The conflicting policies relating to payment of commodity program benefits to farmers receiving subsidized water also encourage environmental harm. The intensive cropping and high water use fostered by these policies contribute to accumulation of salts, trace elements, pesticides, and other substances in used irrigation water. For example, the accumulation of selenium from irrigation drainage reached such high levels in the Kesterson Reservoir in California that wildlife poisoning resulted.

Mr. President, this legislation represents sound fiscal, agricultural and environmental policy. I urge that my colleagues support this bill and hope that it will soon be enacted.

By Mr. SPECTER:

S.J. Res. 136. Joint resolution designating August 8, 1989, as "National Neighborhood Crime Watch Day"; to the Committee on the Judiciary.

NATIONAL NEIGHBORHOOD CRIME WATCH DAY

Mr. SPECTER. Mr. President, today I introduce a joint resolution which commends the Nation's Neighborhood Crime Watch groups and designates August 8, 1989, as "National Neighborhood Crime Watch Day."

One such group, the National Association of Town Watch [NATW], has made significant contributions in helping neighborhoods throughout the country in their fight against crime. The association's fifth annual National Night Out crime prevention project, which was held on August 9, 1988, involved citizens and police in 7,000 communities in all 50 States. Last year, I joined then-Vice President Bush and NATW's executive director, Matt Peskin, for the kick-off ceremony in Philadelphia.

During National Night Out, residents in neighborhoods across the Nation will sit on lighted porches, enjoy visits from local police, and participate in a variety of special events such as block parties, cookouts, and parades.

Nationally, 18.5 million Americans participated in "National Night Out" in 1988. This unique anticrime effort heightens crime prevention awareness and reunites communities and local law enforcement agencies. Many communities in your State are dedicated National Night Out supporters.

The National Association of Town Watch is a unique organization, serving as liaison among thousands of communities involved in crime prevention programs and representing the entire spectrum of programs concerned with the serious problem of crime in our neighborhoods. As such, it helps coordinate the anticrime efforts of, and provide information and assistance to, the many communities involved in organized crime prevention programs.

Under the leadership of Mr. Matt Peskin, NATW received the prestigious National Constituency Organiza-

tion Award in 1986 and 1988, presented by the National Crime Prevention Council, the Crime Prevention Coalition, and the U.S. Department of Justice, for the association's extraordinary efforts in fighting crime.

In association with other anticrime organizations, NATW works to reduce the neighborhood crime rate and to enhance the police-community relationship. Nearly obsolete in the 1960's and 1970's, the notion of the police and the community cooperating with each other now is being institutionalized. No longer are people as afraid to call the police, and law enforcement organizations now recognize the citizens' role in fighting crime.

In correspondences with my office, the U.S. Department of Justice noted that "NATW has done exemplary work and has made significant contributions to the overall national crime prevention effort." The Department also indicated that "National Night Out is an excellent program and should be continued."

As a former district attorney, current member of the Senate Judiciary, Committee, and cochairman of the Congressional Crime Caucus, I have actively pursued initiatives to fight street crime. Accordingly, I commend the efforts of NATW and all the participants in National Night Out.

Mr. President, I urge my colleagues to join in supporting this important resolution to recognize the active involvement of neighborhood organizations in the ongoing national fight against crime and to designate August 8, 1989, as National Neighborhood Crime Watch Day.

I ask unanimous consent that the joint resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 136

Whereas neighborhood crime is of continuing concern to the American people;

Whereas the fight against neighborhood crime requires people to work together in cooperation with law enforcement officials;

Whereas neighborhood crime watch organizations are effective at promoting awareness about, and the participation of volunteers in, crime prevention activities at the local level;

Whereas neighborhood crime watch groups can contribute to the Nation's war on drugs by helping to prevent their communities from becoming markets for drug dealers;

Whereas citizens across America will soon take part in a "National Night Out", a unique crime prevention event which will demonstrate the importance and effectiveness of community participation in crime prevention efforts by having people spend the period from 8 to 10 o'clock post-meridian on August 8, 1989, with their neighbors in front of their homes: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That August 8, 1989 is designated as "National Neighborhood Crime Watch Day", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such day with appropriate programs, ceremonies, and activities.

ADDITIONAL COSPONSORS

S. 135

At the request of Mr. GLENN. the name of the Senator from Alabama [Mr. HEFLIN] was added as a cosponsor of S. 135, a bill to amend title 5, United States Code, to restore to Federal civilian employees their right to participate voluntarily, as private citizens, in the political process of the Nation, to protect such employees from improper political solicitations, and for other purposes.

S. 231

At the request of Mr. MOYNIHAN, the name of the Senator from Iowa [Mr. HARKIN] was added as a cosponsor of S. 231, a bill to amend part A of title IV of the Social Security Act to improve quality control standards and procedures under the Aid to Families With Dependent Children Program, and for other purposes.

S. 247

At the request of Mr. METZENBAUM, the names of the Senator from Arkansas [Mr. PRYOR], the Senator from Nebraska [Mr. EXON], the Senator from Vermont [Mr. JEFFORDS], the Senator from Maine [Mr. COHEN], and the Senator from Alaska [Mr. STEVENS] were added as cosponsors of S. 247, a bill to amend the Energy Policy and Conservation Act to increase the efficiency and effectiveness of State energy conservation programs carried out pursuant to such act, and for other purposes.

S. 427

At the request of Mr. MACK, the name of the Senator from Florida [Mr. GRAHAM] was added as a cosponsor of S. 427, a bill to designate the Federal building located at 1801 Gulf Breeze Parkway, Gulf Breeze, FL, as the "Bob Sikes Visitor Center."

S. 464

At the request of Mr. SANFORD, the name of the Senator from South Carolina [Mr. HOLLINGS] was added as a cosponsor of S. 464, a bill to promote safety and health in workplaces owned, operated, or under contract with the United States by clarifying the U.S. obligation to observe occupational safety and health standards and clarifying the U.S. responsibility for harm caused by its negligence at any workplace owned by, operated by, or under contract with the United States.

S. 488

At the request of Mr. FOWLER, the names of the Senator from Vermont [Mr. LEAHY] and the Senator from Louisiana [Mr. JOHNSTON] were added as cosponsors of S. 488, a bill to provide Federal assistance and leadership to a program of research, development, and demonstration of renewable energy and energy efficiency technologies, and for other purposes.

S. 494

At the request of Mr. DURENBERGER, the name of the Senator from South Dakota [Mr. DASCHLE] was added as a cosponsor of S. 494, a bill to amend the Internal Revenue Code of 1986 to extend for 5 years, and increase the amount of, the deduction for health insurance for self-employed individuals.

S. 543

At the request of Mr. SIMON, the name of the Senator from Rhode Island [Mr. PELL] was added as a cosponsor of S. 543, a bill to amend the Job Training Partnership Act to strengthen the program of employment and training assistance under this act, and for other purposes.

S. 692

At the request of Mr. HATCH, the name of the Senator from Wisconsin [Mr. KASTEN] was added as a cosponsor of S. 692, a bill to amend title XX of the Social Security Act to establish a block grant program for child care services, to amend the Internal Revenue Code of 1986 to adjust the earned income credit to take account of family size, and for other purposes.

S. 714

At the request of Mr. MCCLURE, the name of the Senator from Alaska [Mr. MURKOWSKI] was added as a cosponsor of S. 714, a bill to extend the authorization of the Water Resources Research Act of 1984 through the end of fiscal year 1993.

S. 763

At the request of Mr. MACK, the names of the Senator from Washington [Mr. GORTON], the Senator from Nebraska [Mr. EXON], the Senator from South Dakota [Mr. PRESSLER], the Senator from Colorado [Mr. WIRTH], the Senator from South Carolina [Mr. THURMOND], the Senator from North Dakota [Mr. CONRAD], the Senator from Wisconsin [Mr. KASTEN], the Senator from Ohio [Mr. METZENBAUM], the Senator from Virginia [Mr. WARNER], and the Senator from Nevada [Mr. BRYAN] were added as cosponsors of S. 763, a bill to require a report on the extent of compliance by the Palestine Liberation Organization [PLO] with its commitments regarding a cessation of terrorism and the recognition of Israel's right to exist, and for other purposes.

S. 829

At the request of Mr. HUMPHREY, his name was added as a cosponsor of S. 829, a bill to provide the President with enhanced rescission authority at such time as the debt of the U.S. Government held by the public exceeds $2,378,000,000,000.

S. 882

At the request of Mr. MCCONNELL, the name of the Senator from Mississippi [Mr. COCHRAN] was added as a cosponsor of S. 882, a bill to amend the National School Lunch Act to make private nonprofit organizations eligible to participate in the summer food service program for children, and for other purposes.

S. 893

At the request of Mr. LAUTENBERG, the names of the Senator from Arizona [Mr. DECONCINI] and the Senator from South Dakota [Mr. PRESSLER] were added as cosponsors of S. 893, a bill to establish certain categories of Soviet and Vietnamese nationals presumed to be subject to persecution and to provide for adjustment to refugee status of certain Soviet and Vietnamese parolees.

S. 933

At the request of Mr. HARKIN, the name of the Senator from Ohio [Mr. GLENN] was added as a cosponsor of S. 933, a bill to establish a clear and comprehensive prohibition of discrimination on the basis of disability.

S. 949

At the request of Mr. RIEGLE, the name of the Senator from North Dakota [Mr. BURDICK] was added as a cosponsor of S. 949, a bill to amend title XIX of the Social Security Act to provide States additional authority and flexibility under Medicaid to improve children's access to health care services, to assure sufficient payment levels for certain providers and to provide funds for demonstration projects, and for other purposes.

S. 959

At the request of Mr. DASCHLE, the name of the Senator from North Dakota [Mr. CONRAD] was added as a cosponsor of S. 959, a bill to amend title III of the Public Health Service Act to make improvements in the National Health Service Corps scholarship program, and for other purposes.

SENATE JOINT RESOLUTION 67

At the request of Mr. DOMENICI, the names of the Senator from Nebraska [Mr. KERREY], the Senator from West Virginia [Mr. ROCKEFELLER], and the Senator from South Carolina [Mr. THURMOND] were added as cosponsors of Senate Joint Resolution 67, a joint resolution to commemorate the 25th anniversary of the Wilderness Act of 1964 which established the National Wilderness Preservation System.

SENATE JOINT RESOLUTION 76

At the request of Mr. HELMS, the names of the Senator from Michigan [Mr. LEVIN], the Senator from Wyoming [Mr. SIMPSON], the Senator from Kansas [Mrs. KASSEBAUM], and the Senator from South Carolina [Mr. THURMOND] were added as cosponsors of Senate Joint Resolution 76, a joint resolution to designate the period commencing on June 21, 1989, and ending on June 28, 1989, as "Food Science and Technology Week."

SENATE JOINT RESOLUTION 79

At the request of Mr. REID, the names of the Senator from Tennessee [Mr. GORE], the Senator from Rhode Island [Mr. PELL], the Senator from Delaware [Mr. BIDEN], and the Senator from Illinois [Mr. SIMON] were added as cosponsors of Senate Joint Resolution 79, a joint resolution to require display of the POW/MIA flag at Federal buildings.

SENATE JOINT RESOLUTION 81

At the request of Mr. DIXON, the names of the Senator from Missouri [Mr. DANFORTH], the Senator from Hawaii [Mr. MATSUNAGA], the Senator from Arkansas [Mr. BUMPERS], the Senator from North Carolina [Mr. HELMS], the Senator from Texas [Mr. BENTSEN], the Senator from South Dakota [Mr. PRESSLER], the Senator from Illinois [Mr. SIMON], the Senator from Alabama [Mr. HEFLIN], and the Senator from Ohio [Mr. GLENN] were added as cosponsors of Senate Joint Resolution 81, a joint resolution to designate the week of October 1 through 7, 1989, as "National Health Care Food Service Week."

SENATE JOINT RESOLUTION 86

At the request of Mr. RIEGLE, the names of the Senator from Connecticut [Mr. DODD], the Senator from Alabama [Mr. HEFLIN], and the Senator from Tennessee [Mr. GORE] were added as cosponsors of Senate Joint Resolution 86, a joint resolution designating November 17, 1989, as "National Philanthropy Day."

SENATE JOINT RESOLUTION 110

At the request of Mr. SIMON, the names of the Senator from Pennsylvania [Mr. SPECTER], the Senator from Tennessee [Mr. SASSER], and the Senator from Wyoming [Mr. SIMPSON] were added as cosponsors of Senate Joint Resolution 110, a joint resolution designating October 5, 1989, as "Raoul Wallenberg Day."

SENATE JOINT RESOLUTION 130

At the request of Mr. SARBANES, the names of the Senator from California [Mr. WILSON], the Senator from Washington [Mr. ADAMS], the Senator from Maine [Mr. COHEN], the Senator from Alaska [Mr. STEVENS], the Senator from Mississippi [Mr. LOTT], the Senator from New Jersey [Mr. LAUTENBERG], the Senator from West Virginia [Mr. BYRD], the Senator from Pennsylvania [Mr. HEINZ], and the Senator from Tennessee [Mr. GORE] were added as cosponsors of Senate Joint Resolution 130, a joint resolution designating February 11 through February 17, 1990, as "Vocational Technical Education Week."

SENATE CONCURRENT RESOLUTION 9

At the request of Mr. HUMPHREY, the name of the Senator from Delaware [Mr. ROTH] was added as a cosponsor of Senate Concurrent Resolution 9, a concurrent resolution establishing procedures for expedited consideration by the Congress of certain bills and joint resolutions submitted by the President.

SENATE CONCURRENT RESOLUTION 38—PROVIDING FOR A CONDITION RECESS OF THE SENATE AND ADJOURNMENT OF THE HOUSE

Mr. MITCHELL submitted the following concurent resolution; which was considered and agreed to:

S. CON. RES. 38

Resolved by the Senate (the House of Representatives concurring), That when the Senate recesses or adjourns at the close of business on Thursday, May 18, 1989, or Friday, May 19, 1989, pursuant to a motion made by the Majority Leader, or his designee, in accordance with this resolution, it stand recessed or adjourned until 2:15 post meridian on Wednesday, May 31, 1989, or until 12 o'clock meridian on the second day after Members are notified to reassemble pursuant to section 2 of this resolution, whichever occurs first; and that when the House adjourns on Thursday, May 25, 1989, it stand adjourned until 12:00 o'clock meridian on Wednesday, May 31, 1989, or until 12 o'clock meridian on the second day after Members are notified to reassemble pursuant to section 2 of this resolution, whichever occurs first.

SEC. 2. The Majority Leader of the Senate and the Speaker of the House, acting jointly after consultation with the Minority Leader of the Senate and the Minority Leader of the House, shall notify the Members of the Senate and the House, respectively, to reassemble whenever, in their opinion, the public interest shall warrant it.

NOTICES OF HEARINGS

SUBCOMMITTEE ON NUTRITION AND INVESTIGATIONS

Mr. LEAHY. Mr. President, I wish to announce that the Subcommittee on Nutrition and Investigations of the Committee on Agriculture, Nutrition, and Forestry will hold two hearings on the reauthorization of the WIC and child nutrition legislation. The hearings will be held on June 1, 1989, at 9:30 a.m. and on June 14, 1989, at 2 p.m. in room 332 Russell Senate Office Building.

Senator TOM HARKIN will preside. For further information please contact Mark Halverson of the subcommittee staff at 224-3254.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ARMED SERVICES

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet on Wednesday, May 17, 1989, at 2 p.m. in open session to receive testimony on Department of Energy Defense Programs in review of

the fiscal years 1990 and 1991 defense authorization request.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be allowed to meet during the session of the Senate Wednesday, May 17, 1989, at 10 a.m. to conduct an oversight hearing on the HUD Inspector General's report on mismanagement in the moderate rehabilitation program (section 8).

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, May 17, at 2 p.m. to mark up the Foreign Relations Authorization Act for fiscal year 1990.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

ROSWELL, NM, ENCOURAGES PARTNERS IN EDUCATION

● Mr. DOMENICI. Mr. President, one of the outstanding small cities of this Nation is Roswell, NM, a city on the move. The city has demonstrated once again its vision for the future with the creation of a project known as Partners in Education.

I commend the Roswell Independent School District, the Hispano Chamber of Commerce, and the city of Roswell for this leadership, and I want to inform my colleagues briefly about this excellent effort.

The project, bringing together 23 elementary and secondary schools, is sponsored by 27 of the city's businesses. It is a joint effort to enhance education and opportunities for all of the projects participants.

Mr. President, this partnership benefits the schools and the schoolchildren by broadening students concepts of selfworth, providing role models for disadvantaged students, expanding a student's awareness of career choices, fostering a better understanding of the Roswell Public Schools, and creating for employees a new sense of service to the system that perpetuates free enterprise.

In turn, the businesses of Roswell will benefit from ths project by influencing career choices of students, developing a pool of potential employees, improving opportunities for effective economic development through exchange of resources, and increasing the efficiency and success of business operations.

These are the kind of initiatives our country needs to pursue with vigor. I am proud that the Roswell Independent School district, the Hispano Chamber of Commerce, and the city of Roswell have decided to implement this project.

This cooperation will build a stronger community, a stronger state, and a stronger nation. I hope other communities will follow Roswell's lead.

Mr. President this is an excellent example of what President Bush has called the thousand points of light.

The Partners in Education project reaches out to students, encouraging them to stay in school and pursue their education. It focuses on helping each student develop a vision for the future through positive contacts and role models. With this vision, students can continue to seek their goals positively.

Our Nation is the strongest in the world. Projects like the Partners in Education, which focus is on the development of a vision of the future for America's young people, will help us maintain our strength into the 21st century and beyond.

Once again, I commend the people of Roswell, NM, for their leadership and their continued drive for excellence.●

ELIMINATE THE RURAL-URBAN DIFFERENTIAL

● Mr. BURDICK. Mr. President, I am pleased to be a cosponsor of Senate Concurrent Resolution 37, which calls for the elimination of the Medicare payment differential between urban and rural hospitals.

The Medicare prospective payment system was established on the theory that urban hospitals incur a greater cost per patient than do rural hospitals. Under this payment system, urban hospitals receive a larger payment from Medicare than do their rural counterparts.

However, this system failed to account for the higher proportion of Medicare patients in rural hospitals. In addition, rural hospitals serve a smaller number of patients who are covered by some form of private health insurance. Rural hospitals have not been able to meet their expenses under this system and have been closing at twice the rate of urban hospitals since 1987.

Mr. President, this statistic is of grave concern to my home State of North Dakota. For North Dakota's many rural communities, the rural hospital is the only provider of health care in an often isolated area. When a rural hospital closes, it deprives rural residents of needed care and affects the community's entire economic structure.

I have long supported the elimination of this unfair distinction, which has contributed to the continuing shortage of sufficient health care services in many of our communities. I believe that we must work to relieve rural hospitals and rural communities of this unnecessary burden. Senate Concurrent Resolution 37 is an important step in that direction.●

FINANCIAL INSTITUTIONS REFORM, RECOVERY AND ENFORCEMENT ACT OF 1989

● Mr. HATFIELD. Mr. President, when the Senate considered S. 774, the Financial Institutions Reform, Recovery and Enforcement Act of 1989, I expressed my reservations about several provisions of the bill. While I voted for S. 774, I did so with the fear that some of those provisions might substantially and perhaps unnecessarily impact the earning capacity of healthy thrift institutions, thereby exacerbating the very problem which the bill seeks to remedy.

Mr. President, not all thrift institutions are failing, have made poor investment decisions or are run by poor management. Indeed, more Oregon thrift institutions are quite healthy and have an excellent record in terms of financial stability and quality of management. However, it is these healthy Oregon thrifts that must bear a great financial burden for the mistakes and omissions of other savings and loan associations in other parts of the country.

One of the specific areas of concern for me is the treatment of supervisory goodwill. The new tangible capital standards in the legislation specifically exclude supervisory goodwill, and in doing so effectively abrogate agreements made between the Federal Home Loan Bank Board, on behalf of the U.S. Government, and certain healthy thrift institutions. These healthy savings and loan associations relied exclusively on such agreements with the FHLBB as an inducement to acquire failed institutions. Principles of equity alone dictate that the Government continue to recognize the validity of these agreements.

Mr. President, recently I received a letter from Mr. Dale Weight, president and chairman of the board of the Benjamin Franklin Federal Savings and Loan Association in Portland, OR. His letter outlines with great clarity the serious impact this legislation will have on the Benjamin Franklin, a healthy institution that acquired a failing thrift at the urging of the FHLBB. His is a voice which must be heard, even at this late date, and I ask that his letter be printed in the RECORD.

The letter follows:

BENJ. FRANKLIN FEDERAL SAVINGS AND LOAN ASSOCIATION,
Portland, OR, April 27, 1989.

Hon. MARK O. HATFIELD,
U.S. Senator, Hart Senate Office Building, Washington, DC

DEAR MARK: The Bush savings and loan plan (FIRREA) currently before Congress places The Benj. Franklin in serious jeopardy.

The proposed language of the House Subcommittee and Senate bill will, if passed as proposed, effectively move The Benj. Franklin to a "Special Supervisory Association" status.

Benj. Franklin currently has $291 million in supervisory goodwill on its books. This goodwill arose as a purchase accounting adjustment for acquiring, at the behest of the FSLIC, the Equitable Savings and Loan Association of Portland, Oregon and the Western Heritage Savings and Loan Association of Pendleton, Oregon. The FSLIC saved $360 million dollars through the willingness of the Benj. Franklin to accept goodwill as a form of assistance. Further, this was done as a common practice during the early 1980's with several billion dollars of goodwill being created by the FSLIC. This "goodwill" saved the insurance fund from earlier default and was accepted by the acquiring institution as an acceptable level of assistance based on mutual agreeable write off schedules. In our case, the goodwill was to be written off over a 32 year period by a direct charge to earnings of $11 million a year.

The approach taken by the House Subcommittee on Financial Institutions and new amendments to the subcommittee's report in the full committee, would change the basis upon which the goodwill was accepted by excluding the goodwill from a thrift's core capital requirement. If the government reneges on its commitments to Benj. Franklin and other supervisory acquirors by not fully including supervisory goodwill in core capital:

Benj. Franklin and other profitable supervisory acquirors would be transformed overnight from institutions in full regulatory compliance to supervisory cases.

The resulting negative publicity will do immense damage to stockholder values and to customer confidence; this is not a theoretical concern but a real crisis issue;

Capital markets will be impossible to access given the sudden regulatory noncompliance;

The investor perception of the thrift industry will be diminished since investors will see the healthy institutions in which they have invested suddenly become supervisory cases;

Benj. Franklin will be placed in a position where increased earnings or capital are necessary under the legislation but will be obstructed due to conditions caused by the same legislation.

In a dramatic effort to meet the capital requirements, supervisory acquirors like Benj. Franklin would have to downsize resulting in: Employee layoffs; branch closings; cutbacks in residential mortgage lending; and other service cutbacks.

The regulators currently have significant authority to restrict or close institutions that are in poor condition or engaged in unsafe or unsound practices.

If the concern is that institutions not be permitted to grow based on their supervisory goodwill, growth restrictions can be drafted which will achieve this objective but not cause the other concerns identified above through the failure to fully include goodwill in core capital.

Our position is simply that any change in the law that does not fully grandfather supervisory goodwill is an improper abrogation of supervisory acquisition agreements.

We need, and ask for, your help now. Please contact the House Banking Committee and insist that all supervisory goodwill be grandfathered and that it be counted 100% toward capital. Thanks.

Sincerely,

G. DALE WEIGHT.●

HENRY DROPKIN TESTIMONIAL

● Mr. HEINZ. Mr. President, I rise today to commemorate the career of one of our Nation's great labor leaders, a man I respect and admire. After 42 years of devoted service to the cause of working men and women, Henry Dropkin is retiring as international vice president of the Amalgamated Clothing and Textile Workers Union.

For over 15 years, Mr. President, I have been honored to call Henry Dropkin my friend. Like many hundreds of Pennsylvanians, I too have known him as a devoted family man, a good husband and father, a well-spoken community leader. Like many thousands of ACTWU and AFL-CIO members, I too have known Henry as a tireless advocate of workers' rights and of fair trade. And like many public officials in our home State of Pennsylvania, I too have benefited from his solid grasp of trade and labor issues, his sound and thoughtful insights, his passionate vision for the future of our Nation and wise counsel.

Mr. President, it is with mixed emotions that I note Henry Dropkin's retirement. While I join with his family and many friends in wishing my friend health and happiness in his new life, the American labor movement is losing one of its brightest lights.●

PROMOTE COMPETITIVENESS BY CUTTING CAPITAL GAINS TAX

● Mr. LOTT. Mr. President, today I am pleased to join my colleague from Wisconsin, Senator BOB KASTEN, in his effort to promote investment, job creation, and competitiveness by cutting the capital gains tax.

Senator KASTEN's bill, S. 171, enjoys the widest bipartisan support of any capital gains bill introduced in the Senate to date. S. 171 is cosponsored by our distinguished colleagues Senators STEVE SYMMS, JIM MCCLURE, RICHARD SHELBY, THAD COCHRAN, RUDY BOSCHWITZ, and HOWELL HEFLIN.

Mr. President, there are several aspects of Senator KASTEN's bill that differentiate it from other capital gains reform approaches. First, the bill would target the tax incentive to growth-oriented investments in corporate stock and business assets. Second, it would prevent tax sheltering activity by excluding collectibles and depreciable real property from preferential treatment. Third, it would inject some fairness in the tax code by partially indexing the basis of all capital assets, thus preventing the taxation of purely inflationary gains.

America is facing its greatest competitive challenge in years. Our overseas competitors—including Japan, West Germany, Taiwan, South Korea, and others—have adopted tax policies that reward risk-taking, innovation, and investment. As a result, these countries are creating new products, new industrial innovations and new technologies have vaulted them to the top of world economy. To keep pace with our competitors, we must bring down our high tax on productive capital.

Mr. President, I highly recommend to my Senate colleagues an article by Senator KASTEN on the need to reduce the U.S. capital gains tax. I ask that it be printed in the RECORD.

The article follows:

[From CFO, May 1989]

LET'S SHARPEN AMERICA'S COMPETITIVE EDGE—BY CUTTING THE CAPITAL GAINS TAX

(By Senator Robert W. Kasten, Jr.)

One of America's worst competitive handicaps is purely self-inflicted: We impose the heaviest tax on capital gains in the free world. This tax cripples U.S. savings and investment—and without investment, new products and new technologies aren't developed, new plants aren't built, and new American jobs aren't created.

Most of our rivals recognize the immense economic value of a lower capital gains rate. Many countries—including West Germany, Italy, the Netherlands, South Korea, and Hong Kong,—don't tax capital gains at all. Others—Canada, France, Japan, even socialist Sweden—have lower capital gains taxes than we do. And although Great Britain has a higher capital gains rate, it encourages investment by indexing capital gains for inflation.

The result of this disparity is that investment rates in the United States are much lower than elsewhere. For example, investment rates in Japan and the "four tigers" of Asia (Singapore, South Korea, Taiwan, and Hong Kong) average 28.8 percent of gross national product, compared with only 19 percent in the United States.

According to President Reagan's 1989 economic report, tax reform increased the tax burden on U.S. investment by 10 percent. Although other countries have similarly reformed their tax codes, they've managed to reduce their capital costs by retaining a capital gains preference. Japan's cost of capital, for example, is now 50 percent to 75 percent lower than ours.

President Bush and I have made capital gains reform proposals that would encourage the kind of investment that is essential for America's competitiveness. Both proposals would cut the capital gains tax in half, and limit the tax break to equities—the kind of investment that sparks job creation, technological innovation, and small business formation. To prevent tax-sheltering by the rich, our proposals would exclude investments in collectibles and depreciable real property.

My bill, however, contains two elements not included in the President's proposal. First, it would cut the corporate capital gains rate in half. Excluding corporations from preferential capital gains treatment would make tax considerations a significant factor in determining the form of doing business. Moreover, corporate investors account for a large amount of venture capital investment (40 percent in 1986).

Second, my bill would index capital gains for any year in which inflation rises above 4 percent. While the 50 percent exclusion would lower the tax burden on holders of stock, this indexing provision would ease the burden on holders of nonequity assets, whose capital gains are mostly due to inflation.

It is fundamentally unjust to tax investors on purely inflationary gain. Holders of assets such as homes, family farms, and land are particularly vulnerable to this unfair tax. The indexing provision would encourage individuals to save and invest—by protecting the value of their capital assets from high inflation.

Opponents of a reduced capital gains tax maintain that it would amount to a massive "giveaway to the rich" that would deepen the budget deficit. Economist Paul Craig Roberts has noted that the "giveaway to the rich" idea relies on a very peculiar definition of the rich—one that includes even a middle-class businessman who retires and sells his business. The capital gain swells his income for the year to several hundred thousand dollars, and he is "rich"—until the following year.

In 1978, we cut the top capital gains rate from 50 percent to 28 percent. Taxes paid on capital gains increased from $9.1 billion in 1978 to $12.5 billion in 1980. In 1981, we cut the top rate further, to 20 percent, and capital gains taxes increased from $12.7 billion in 1981 to $24.5 billion in 1985.

Other countries have adopted tax policies that reward saving, investing, and risk-taking. Keeping our capital gains tax as high as it is amounts to a giveaway of American jobs to our foreign competitors. We can sharpen America's competitive edge by bringing our capital gains rate in line with the rest of the world.●

THE 34TH ANNUAL DETAILED FINANCIAL DISCLOSURE OF SENATOR PAUL SIMON

● Mr. SIMON. Mr. President, it has been my practice in each of the 34 years I have spent in public life to volunteer a detailed accounting of my finances.

I ask that my financial report for 1988 be printed in the RECORD.

The financial report and related announcement follow:

ANNOUNCEMENT

For the 34th consecutive year that he has held public office, U.S. Senator Paul Simon, D-Ill., has released a detailed description of his income, assets and liabilities.

Simon has been making the voluntary annual statements longer than any other national officeholder, beginning the practice when he entered public service as a state representative in 1955. He followed the practice during eight years in the Illinois House of Representatives, six years in the Illinois Senate, four years as lieutenant governor and ten years in the U.S. House of Representatives. The listing predates disclosure requirements of state and federal law and continues to exceed those requirements.

The Illinois senator lists 1988 income for himself and his wife, Jeanne, totaling $172,088.59. The figure includes his Senate salary, reimbursement for travel and other expenses, honoraria for appearances and other items.

The Simons had assets of $368,835 and liabilities of $197,332 for a net worth of $171,503.

Income statement of Paul and Jeanne Simon—1988

General income (Paul Simon):	
Salary, U.S. Senate	$89,500.00
State of Illinois, general assembly system	17,651.00
Book royalties	13,997.07
U.S. Senate, expense reimbursement	8,545.12
Simon for Senate, expense reimbursement	490.22
Simon for President, expense reimbursement	641.28
Donohue Show, expense reimbursement	17.18
Blue Cross/Blue Shield, reimbursement	44.00
Land's End, refund	10.00
Friends of Phil Sharp, expense reimbursement	5.22
Paul Simon Official Office Account, expense reimbursement	8.80
Saturday Night Live (4 programs)	3,042.00
Illinois Democratic Party, expense reimbursement	394.89
Honoraria (including travel reimbursement) and articles:	
Phillips College, talk	2,000.00
San Diego County Democratic Central Committee, talk	2,000.00
Brotherhood of Maintenance of Way Employees, talk	2,000.00
National Industries for the Blind, talk	1,500.00
Knoxville College, talk	1,228.00
National association of Federal Credit Unions, talk	2,000.00
American Income Life Insurance Company, talk	2,000.00
Association of Trial Lawyers of America, talk	2,000.00
National association of Broadcasters, talk	1,000.00
National Association of Trade & Technical Schools, talk	2,000.00
College of William and Mary, talk	1,710.94
New York Times magazine, article ($500.00 donated to Dana College)	2,500.00
New York Times Magazine, article	300.00
Chronicle of Higher Education, article	200.00
American Foreign Service Journal, article	100.00
General income (Jeanne Simon):	
Salary, Washington Financial Group	800.00
Book Royalty, advance	3,750.00
Chicago Tribune magazine, article	1,500.00
Alison Bunte, travel expense reimbursement	6.00
Illinois Democratic Party, expense reimbursement	21.25
African American Institute, expense reimbursement	821.00
Interest income:	
Franklin Fund	382.00
General American Life	154.00
U.S. Senate Federal Credit Union	299.00
Polish National Alliance, Insurance policy	13.00
U.S. Government	4,503.62
Dividends:	
Adams Express	293.00
Chock Full O'Nuts	3.00
Dreyfus Convertible Securities Fund	134.00
Dreyfus Bond Fund	1,241.00
Gulf & Western	1.00
Lomas Financial Corporation	70.00
Lomas & Nettleton Mgt., Inv. SBI	122.00
Pacific Gas & Electric	96.00
Pax World Fund	177.00
Quaker Oats	32.00
Ralston Purina	18.00
Scott Paper	6.00
SLH Daily Dividend Fund	1.00
Sale of assets: Sold 200 shares of Pacific Gas & Electric, purchased in 1979, 1983 and 1984. Cost $2,694.00. Sold 2-9-89 for $3,453.00; Gain on Sale	759.00
Total income	172,088.59
Gifts, received of more than $25.00 value, outside of immediate family:	
Chinese necklace from Warren Chow	(1)
Bowtie quilt from Mary Nimmo	(1)
Crystal candy dish from Waste Management, Inc.	(1)
Clock radio from General Electric Corp	(1)
Quilt from Pine Ridge Indian Tribe	(1)
Two theater tickets from Dr. Harvey Wachsman	70.00
Pepsi telephone/radio from Nick Maggos	(1)
Coin from Jerry Lee and Kay Queary, Sr	(1)
General assets:	
First Bank of Carbondale, checking account	11.00
Credit Union, Rantoul	11.00
U.S. Senate Federal Credit Union	6,255.00
Franklin Money fund	8,355.00
Shearson, Lehman, Hutton, money funds	185.00
Loan to Senator Paul Simon official office account	2,000.00
U.S. Savings Bonds	3,000.00
Deposit, Harbour Square Apartments	50.00
Christian Church of Salem, bond	250.00
General American Life Insurance, cash value	3,892.00
Polish National Alliance Insurance, cash value	1,984.00
Congressional Retirement System, cash value	52,683.00
Thrift savings plan	895.00
B&T Enterprises	332.00
11.8 Acres and Home, Makanda, IL (appraised in March 1987)	204,000.00
Furniture and Presidential Autograph Collection	18,000.00
1983 Ford Mustang	3,000.00
1980 Chevrolet	1,000.00
Stock and Bond Holdings with Number of Shares:	
Adams Express, 176	2,575.00
Bethlehem Steel, 5	116.00
Borman's, 8	211.00

Chock Full O'Nuts, 10	79.00
Dreyfus Fund, 1,454.6	17,848.00
Dreyfus Convertible Securities Fund, 313	2,770.00
Gulf & Western, 1	41.00
Intergroup, Inc., 24	338.00
Jet-Lite, 120 (approximate)	300.00
Lomas Financial Corp., 100	1,263.00
Lomas & Nettleton Mgt. Invest., SBI, 100	1,800.00
Pax World Fund, 179.8	1,756.00
Quaker Oats, 40	2,130.00
Ralston-Purina, 12	983.00
Rohr Industries, 6	168.00
Scott Paper, 8	314.00
United M & M, 8	26.00
IRA—Paul:	
SLH money funds	904
Adams Express Co., 338	4,943
Amer Income Life Insurance Co., 75	1,322
Pacific Enterprises, 56	2,100
Price Co., 24	900
Quaker Oats Co., 142	7,544
Ralston Purina Co., 10	819
Southwest Water Co., 86	1,398
Total	19,930.00
IRA—Jeanne:	
SLH money funds	733
Adams Express Co., 376	5,499
Amer Income Life Insurance Co., 75	1,322
Liz Claiborne Inc., 32	552
Quaker Oats Co., 4	213
Ralston Purina Co., 24	1,965
Total	10,284.00
Total assets	368,835.00
Liabilities:	
Polish National Insurance, loan	1,392.00
General American Insurance, loan	3,021.00
Landmark Bank, Lebanon, IL, mortgage	155,675.00
Community Trust, Irvington, IL, note	37,244.00
Total liabilities	197,332.00
Total assets	368,835.00
Total liabilities	197,332.00
Net worth	171,503.00

[1] Value unknown.●

TERRY ANDERSON

● Mr. MOYNIHAN. Mr. President, today marks the 1,523d day of captivity for Terry Anderson in Beirut.

I ask that the attached letter written by Terry Anderson in the fall of 1985 be printed in the RECORD.

Re letter follows:

CAPTIVE WRITES THAT HE DREAMS OF HOME

(Here are excerpts from a letter written by captive Terry Anderson, 38, chief Middle East correspondent of The Associated Press, to his family. The letter was dropped off yesterday at the AP's Beirut office.)

Once again, our captors are allowing us to write to you, as well as to the president and others in hopes that perhaps we and you can persuade someone to break this deadlock. This is both a personal letter to all of you and an open letter—I ask that you release to the papers, etc., any part you don't consider too personal.

The three men confined with me . . . and the Bible I was given after the first few weeks, have kept me sane. We have services twice a day, and choose readings in turn. We try to exercise every day, though the room is small. And I'm learning to read French from Tom Sutherland, with the help of a couple of old—and by now tattered—copies of L'Orient le jour.

Keeping occupied is our main problem. It's the only way to keep away the depression.

Reagan says he will not negotiate with terrorists. Where does that leave us? Our kidnapers are not part of a government or any official group that can be pressured by Iran or Syria. How can you pressure a group if you don't know who they are? And how long does he think the group is going to allow him to play around?

Our captors say they've done their best to settle this peacefully, but the U.S. simply says nothing—publicly or privately. However, distasteful it might be, Reagan must negotiate if he cares at all about our well-being. And he must do so soon. William Buckley is dead after 1½ years in captivity. I don't want to share that fate, and neither do Father Jenco, or Tom or David.

I dream every day of the place at Batavia, [N.Y.,—his family's home], and of building a small cottage by the stream, and working to clean the pond in the summers . . . Please make sure to thank personally all those people who have been caring enough to try to help us. I want to thank each of them personally when I'm home.

Important: we have just been told that someone has phoned news media to claim Islamic Jihad has killed us. Obviously this is not true. Our captors say it was an attempt by the U.S. government to disturb the negotiations.●

CHICAGO VOCATIONAL HIGH SCHOOL

● Mr. SIMON. Mr. President, near the end of last year, the U.S. Department of Education announced the nominees for the annual Secondary School Recognition Program. Among the designated schools, I am pleased to announce, were 24 institutions from my home State. The citizens of Illinois recognize and uphold the values of a strong and multifaceted education for their children. I hope that the nominations of these schools epitomize the emphasis that our State places on learning.

I was particularly proud to learn that three schools from the city of Chicago received such recognition. Being the Nation's third largest school district, the city's schools face many challenges. Nonetheless, these schools—Chicago Vocational High School, Hubbard High School, and Kenwood Academy—demonstrate that many of the students and teachers of Chicago are part of an outstanding educational program. The excellence of these schools can serve as an example to others within the city and throughout the entire Nation.

In the case of Chicago Vocational, this recognition is particularly rewarding. In recent years, C.V.S. has broken new ground in enhancing the vocational training that it offers. Among the newest features of the school is an entrepreneurial program which combines the curiosity and energy of the students with the knowledge and experience of the business leaders in the community. The motivation which this program provides serves not only to dissuade potential dropouts, but it also gives the students the hands-on training that will make them the community leaders of tomorrow. This program has also energized the entire C.V.S. community—local businesses, banks, and parents—in a unique manner. By involving these external parties in the educational process, learning is not put on hold when the C.V.S. student leaves his or her classroom.

Mr. President, although these nominations are honorable in and of themselves, I am sorry to hear that the three schools from Chicago will not be considered for the final award. This ineligibility arises not from a fault in their educational program. Instead, the three schools were disqualified based on the city of Chicago's lack of compliance with Public Law 91-142, section 504.

As you may know, this regulation is important in establishing and upholding the civil rights of Americans who are faced with disabilities. Laws such as this ensure that all Americans, regardless of physical characteristics, are free to pursue an education, a career, or any goal which they seek.

The violation of this law is regrettable. It is even more disappointing in that the schools are penalized for a circumstance which they do not control.

At a time when some have questioned the level of Federal funding for our schools, perhaps this will remind us that the only change in this situation should be an increase. Before the U.S. Department of Education can reward local schools with such honors, it must also reward them financially.

Mr. President, my congratulations go to the students, faculty, and parents of all 24 of these schools. I hope that all Members of the Senate share in the pride and esteem I feel. To be recognized among schools across the entire Nation must be very rewarding to the students, faculty, and parents of these schools. Likewise, the education which these young people earn is a reward of the highest value. In the meantime, I would also like to stress to my colleagues that more must be done to ensure that all students of all levels of physical ability may be able to share in these excellent educational opportunities. When that day arrives, we may feel even more pride.●

APPOINTMENTS BY THE PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The Chair, on behalf of the President pro tempore, pursuant to Senate Resolution 222, 93d Congress, appoints the following Senators to serve as ex officio members of the Committee on Commerce, Science, and Transportation for the purpose of participating in the National Ocean Policy Study: The Senator from Hawaii [Mr. MATSUNAGA], the Senator from Maine [Mr. MITCHELL], the Senator from Washington [Mr. ADAMS], the Senator from California [Mr. WILSON], the Senator from Maine [Mr. COHEN], and the Senator from Texas [Mr. GRAMM].

The Chair, on behalf of the President pro tempore, pursuant to Public Law 94-118, reappoints the Senator from Delaware [Mr. ROTH] to Japan-United States Friendship Commission.

The Chair, on behalf of the President pro tempore, pursuant to Public Law 100-204, appoints the Senator from Rhode Island [Mr. PELL] as a member of the U.S. Commission on Improving the Effectiveness of the United Nations.

The Chair, on behalf of the President pro tempore, pursuant to Public Law 93-29, as amended by Public Law 98-459, appoints Patricia A. Riley, of Maine, to the Federal Council on the Aging, vice Jon B. Hunter.

APPOINTMENTS BY THE MAJORITY LEADER

The PRESIDING OFFICER. The Chair, pursuant to section 403(a)(2) of Public Law 100-533, announces on behalf of the majority leader his appointment of the following individuals to the National Women's Business Council: Mary Ann Campbell, of Arkansas, and Virginia Littlejohn, of Maryland.

Mr. PRYOR. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. Without objection, it is so ordered.

The legislative clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate proceed to executive session to consider the following nominations:

Calendar 101. David C. Mulford to be an Under Secretary of the Treasury;

Calendar 102. Robert R. Glauber to be an Under Secretary of the Treasury;

Calendar 124. Phillip D. Brady to be General Counsel of the Department of Transportation;

Calendar 126. David P. Prosperi to be an Assistant Secretary of Transportation;

Calendar 127. Thomas J. Collamore to be an Assistant Secretary of Commerce;

Calendar 128. Michael R. Darby to be an Under Secretary of Commerce for Economic Affairs;

Calendar 130. Richard T. Crowder to be a Member of the Board of Directors of the Commodity Credit Corporation;

Calendar 131. Jack C. Parnell to be a Member of the Board of Directors of the Commodity Credit Corporation;

Calendar 132. Franklin E. Bailey to be an Assistant Secretary of Agriculture;

Calendar 133. Charles E. Hess to be an Assistant Secretary of Agriculture;

Calendar 134. Jo Ann D. Smith to be an Assistant Secretary of Agriculture; and

Calendar 135. Frank Q. Nebeker to be chief judge of the U.S. Court of Veterans Appeals.

I further ask unanimous consent that the nominees be confirmed, en bloc, that any statements appear in the RECORD as if read, that the motions to reconsider be laid upon the table, en bloc, that the President be immediately notified of the Senate's action, and that the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

Without objection, the nominations are considered and confirmed en bloc.

The nominations considered and confirmed en bloc are as follows:

DEPARTMENT OF THE TREASURY

David Campbell Mulford, of Illinois, to be an Under Secretary of the Treasury.

Robert R. Glauber, of Massachusetts, to be an Under Secretary of the Treasury.

DEPARTMENT OF TRANSPORTATION

David Philip Prosperi, of the District of Columbia, to be an Assistant Secretary of Transportation.

DEPARTMENT OF COMMERCE

Thomas Jones Collamore, of the District of Columbia, to be an Assistant Secretary of Commerce.

Michael Rucker Darby, of Texas, to be Under Secretary of Commerce for Economic Affairs.

DEPARTMENT OF AGRICULTURE

Richard Thomas Crowder, of Minnesota, to be a Member of the Board of Directors of the Commodity Credit Corporation.

Jack Callihan Parnell, of California, to be a Member of the Board of Directors of the Commodity Credit Corporation.

Franklin Eugene Bailey, of Virginia, to be an Assistant Secretary of Agriculture.

Charles E. Hess, of California, to be an Assistant Secretary of Agriculture.

Jo Ann D. Smith, of Florida, to be an Assistant Secretary of Agriculture.

U.S. COURT OF VETERANS APPEALS.

Frank Quill Nebeker, of Virginia, to be chief judge of the U.S. Court of Veterans Appeals for the term of 15 years.

NOMINATION OF HON. FRANK Q. NEBEKER TO BE CHIEF JUDGE OF THE U.S. COURT OF VETERANS' APPEALS

Mr. CRANSTON. Mr. President, as chairman of the Committee on Veterans' Affairs, I am pleased to rise in support of the President's nomination of Frank Q. Nebeker to be the first chief judge of the U.S. Court of Veterans' Appeals.

Our committee held a hearing on this nomination on Monday, May 15, and then met on Tuesday, May 16, and voted unanimously to report the nomination favorably to the full Senate.

BACKGROUND

Mr. President, the Senate consideration of this nomination is one of a number of very meaningful, truly historic events that are occurring this year as the result of the enactment last year of laws elevating the Veterans' Administration to Cabinet-level status (Public Law 100-527) and providing for judicial review of the denials of veterans' claims for benefits and establishing the new court of veterans' appeals (Public Law 100-687).

In March, the Senate confirmed the nominations of Edward J. Derwinski and Anthony J. Principi to serve as the first Secretary and Deputy Secretary, respectively, of Veterans' Affairs. On March 15 we celebrated the establishment of the Department of Veterans' Affairs. Those events were manifestations of the very high level of appreciation of the American people for the courage, service, and sacrifices of those who have served in the Armed Forces and of the great importance that the Nation attaches to the programs by which we seek to meet our obligations to our Nation's veterans.

This nomination symbolizes Congress' recognition of the fact that those whose service has preserved our government of laws not of men are entitled to a full measure of justice in their relations with their Government.

The sustained effort in the Senate to provide for judicial review of VA decisions denying claims for benefits covered a span of nearly 13 years. Members of our committee worked long and hard and played vital roles in developing legislation to ensure that veterans have access to the courts and to the assistance of counsel. Thus, this nomination is specially significant for our committee, and we are delighted to be able to support this nominee.

QUALIFICATIONS OF NOMINEE

Mr. President, many aspects of Judge Nebeker's background make him eminently qualified to be the first chief judge of the new veterans' court. Committee staff has thoroughly reviewed his questionnaire and financial statements, and we are assured that there are no financial conflicts.

Judge Nebeker's qualifications are very impressive: During more than a decade as an assistant U.S. attorney in Washington, DC, including 8 years as appellate division chief, he gained wide experience and expertise in the field of judicial review of administrative actions.

For the next 18 years, until 1987, he served as an associate judge of the District of Columbia Court of Appeals—the District of Columbia's highest court. Committee staff has undertaken a painstaking review of a substantial sampling of Judge Nebeker's opinions as an appellate judge—including the opinions cited in his questionnaire and opinions in areas analogous to veterans' claims for benefits. Those opinions disclose strong intellect, fairmindedness, and clear, concise expression.

Throughout his service on the appeals court, Judge Nebeker was active as a leader in the continuing education of Federal and State appellate judges. He has planned and taught seminars on appellate advocacy and opinion writing and helped found the appellate judges graduate program at the University of Virginia.

For the past 1½ years Judge Nebeker has served with distinction as the Director of the Office of Government Ethics.

What I have just described is an outstanding background for a chief judge of this new court of veterans' appeals, but there is one other valuable and practical facet of Judge Nebeker's experience. He was a very active member of the committee that planned the current D.C. Court of Appeals courthouse, and he has just completed moving the Office of Government Ethics into new offices. Those experiences have given him invaluable experience in construction and logistics and in relationships with the General Services Administration that can be well used in finding the new court an immediate, temporary home, and, eventually, permanent offices and courtrooms.

By coincidence, he has told us that he believes he can obtain the old Government Ethics Office space as the court's initial temporary home.

MEMBERSHIP IN PRIVATE CLUBS NOT ADMITTING WOMEN

Mr. President, there is one aspect of Judge Nebeker's background which has caused concern—his memberships in two local organizations, the Cosmos Club, which until May 1988 had a policy excluding women from membership, and the Lawyers Club, which has no such written policy, but, as matter of practice, has never admitted a woman to membership.

The American Bar Association's commentary to Canon 2 of its Code of Judicial Conduct states:

It is inappropriate for a judge to hold membership in any organization that practices invidious discrimination on the basis of race, sex, religion, or national origin.

In the case of another judicial nomination involving the question of membership in a discriminatory private club, that of Vaughn Walker to the U.S. District Court for the Northern District of California, I expressed, in an April 4 letter to the chairman of the Judiciary Committee, my opposition to that nomination. In Mr. Walker's case, I concluded that his actions and statements regarding his membership in the Olympic Club of San Francisco, which has a written membership policy excluding women, demonstrated an attitude and an insensitivity which is unacceptable for a member of the Federal judiciary.

I believe that the proper procedure is for the Senate to make careful, case-by-case, determinations in each case of membership in a discriminatory club and not to apply an overarching policy that fails to distinguish the line between a nominee who is really working for constructive change and one who merely says he is. In the Walker and Nebeker cases, I see very significant differences.

First, on the issue of working for change within the club, there is no evidence that prior to being nominated, Mr. Walker had done anything—other than vote—to open the Olympic Club to women. Judge Nebeker has a record, substantiated by committee staff investigation, of having worked extensively and successfully to bring about the admission of women to the Cosmos Club. In his own words, he went "far beyond a mere offer to support another's efforts." He indicates he is seeking to do the same thing in the Lawyers Club, and his record in such activities at the Cosmos Club lends credibility to his assertion.

Second, Mr. Walker defended the Olympic Club's discriminatory policy—although saying he opposed it—and mischaracterized the club's position on maintaining that policy. He described the club as moving toward change, when in fact it was deeply involved in hostile litigation and strenuously fighting coverage under a San Francisco antidiscrimination ordinance, and he asserted that the exclusion of women was different from the exclusion of blacks since women and other athletic facilities in San Francisco they could use. Judge Nebeker's attitude toward the problem is very different. He does not defend the exclusion, but simply stated, in his May 3 letter to me, that it is "an outmoded tradition reflective of a period of male dominated commercialism" and hence is susceptible to efforts to overcome the "inertia of the past." He also stated in that letter, "[I]f I saw no chance for change, I would have left the club * * *."

Third, the nature of the clubs is quite different. The Olympic Club until last year excluded both women and minorities, membership being limited in the bylaws to white males as late as 1968. The Lawyers Club, in contrast, has no formal policy of exclusion, and we have no evidence that any woman has ever been turned down because of her gender. Given the fact, according to Judge Nebeker, that two women are currently being nominated, it seems reasonable for him to await the outcome of the current efforts he and others are undertaking to admit women to membership. In this regard, I am pleased to note the optimistic view he expressed at his hearing that women might be admitted as soon as next week.

In sum, I believe that the Nebeker record of working for change is very different from the Walker record of defending his club's discriminatory practices and belatedly resigning upon his second nomination.

At the hearing on his nomination, Judge Nebeker agreed to let me know if and when the Lawyers Club admits any women as members and, if it has not done so by the end of this year, to report back to me then with respect to his intention at that time with respect to continuing his membership.

In view of all these considerations, although I do not share Judge Nebeker's narrow interpretation of the term "invidious discrimination," as expressed in his May 3 letter, his views and activities in this area pose no barrier to my support of his nomination.

Mr. President, I ask unanimous consent that copies of my April 20, 1989, letter to Judge Nebeker—with enclosures—and his May 3 response be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

PRELIMINARY PREPARATIONS FOR ESTABLISHING THE NEW COURT

Mr. CRANSTON. Mr. President, before closing, I would like to comment on the effort Judge Nebeker has been making in recent weeks to plan and make preliminary preparations for the myriad tasks that must be completed for the new court to hit the ground running on September 1. In an April 10, 1989, letter to him I recommended, in view of the short period available, that he feel free to proceed with such activities during the pendency of his nomination, and he has been diligently doing so. He has also undertaken a review of the enabling legislation and provided the staff of both Committees on Veterans' Affairs with several excellent recommendations for revisions. Some of his proposals require prompt action, and I have been pursuing them in the context of both the fiscal year 1989 supplemental appropriations bill and a measure and

House committee Chairman MONTGOMERY and I are developing together.

Mr. President, I ask unanimous consent that a copy of my April 10 letter to Judge Nebeker be printed in the RECORD after the other letters that I have asked to be printed at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

CONCLUSION

Mr. CRANSTON. Mr. President, I am happy to be able to recommend to the Senate the confirmation of the nomination of Judge Nebeker to serve as chief judge of the U.S. Court of Veterans' Appeals and urge that my colleagues vote unanimously in support of this excellent nomination.

EXHIBIT 1

COMMITTEE ON VETERANS' AFFAIRS,
Washington, DC, April 20, 1989.

Hon. FRANK Q. NEBEKER,
Arlington, VA.

DEAR FRANK: It was good to meet with you on April 14 and learn about your thoughts for the new Court of Veterans Appeals. I am writing in follow-up to our discussions in that meeting on the issue of membership in clubs and organizations that have exclusionary membership practices—including your membership in the Lawyers' Club, a club that has no women members or associate members.

As you will recall, we discusssed the American Bar Association's admonition, in the commentary on Canon 2 of its Code of Judicial Conduct, against judges' membership in organizations which practice "invidious discrimination". You related your interpretation of this canon as being directed against discrimination that entails "holding out the excluded as unworthy".

The relevant portion of Canon 2 states: "A judge should respect and comply with the law and should conduct himself at all times in a manner that promotes public confidence in the integrity and impartiality of the judiciary."

The relevant portion of the commentary on this point states:

"It is inappropriate for a judge to hold membership in any organization that practices invidious discrimination on the basis of race, sex, religion or national origin. Membership of a judge in an organization that practices invidious discrimination may give rise to perceptions by minorities, women and others, that the judge's impartiality is impaired. Whether an organization practices invidious discrimination is often a complex question to which judges should be sensitive. The answer cannot be determined from a mere examination of an organization's current membership rolls but rather depends on the history of the organization's selection of members and other relevant factors. Ultimately, each judge must determine in the judge's own conscience whether an organization of which the judge is a member practices invidious discrimination."

On this issue of what constitutes invidious discrimination, I note the comments made by then-Judge Anthony Kennedy in connection with his December 15–17, 1987, confirmation hearing before the Senate Judiciary Committee on his nomination to be an Associate Justice of the Supreme Court. When asked whether any of the clubs to which he had belonged practiced invidious discrimination within the meaning of the ABA Code, Judge Kennedy replied:

"As far as I am aware, none of these policies or practices were the result of ill-will. I recognize nonetheless that real harm can result from membership exclusion regardless of its purported justification. Therefore, I have supported efforts to broaden the membership of clubs to which I have belonged as a circuit judge and have resigned when those efforts have appeared to be unlikely to succeed."

Judge Kennedy further stated that "none of these clubs practiced invidious discrimination. That term is not a precise and crystal clear term." He added: "There is no question that the injury and the hurt and the personal hurt can be there, regardless of the motive."

When Judge Kennedy was asked why it took him so long to resign from the Olympic Club (which excludes women from membership), he responded:

"Discrimination comes from several sources. Sometimes it is active hostility. And sometimes it is just insensitivity and indifference. And over the years, I have tried to become more sensitive to the existence of subtile barriers to the advancement of women and of minorities in society. And this was an issue on which I was continuing to educate myself."

Given Judge Kennedy's interpretation of what constitutes invidious discrimination, and based on my own reading of the canon, I am concerned about the interpretation you presented at our April 14 meeting, and invite written amplification from you about the basis for your interpretation and its application to the Lawyers' Club.

With specific regard to your associate membership in the Lawyers' Club, U.S. Circuit Judge Kenneth Starr, who, as you know, has been nominated for the position of Solicitor General, responded to the Senate Judiciary Committee in his Committee questionnaire (pertinent pages are enclosed) that he was an associate member of the Club from December 30, 1987, but had tendered a resignation letter dated March 31, 1989. He stated in the questionnaire: "I have therefore withdrawn from the group, in view of concerns over the appearance of a prospective officer of the Department of Justice serving as a member of a gender-exclusive organization of professionals."

With regard to the possibility of the Lawyers' Club changing its practices of excluding members on the basis of sex, Judge Starr stated in his responses to the Judiciary Committee's questionnaire:

"Several months after joining the Lawyer's Club, I indicated to Chief Judge Howard Markey (U.S. Court of Appeals for the Federal Circuit), who is likewise an associate member, that I would support informal efforts then underway to encourage opening the group to women. I have recently been advised by Chief Judge Markey, that in his considered view, no change in policy is likely to occur in the forseeable future."

At our meeting, you expressed a different opinion regarding the possibility of a change in membership practices, and I would appreciate your sharing with the Committee the basis for your opinion in this regard. I also invite you to share with us a detailed description of your personal efforts (and copies of any letters or other documents you prepared) to encourage the Lawyers' Club to admit women as members and associate members, as well as the same type of information with respect to your efforts regarding the Cosmos Club.

I find myself in agreement with Judge Kennedy's admirable sensitivity on this issue, stressing the impact on and the perception of the excluded rather than the intent or motive of the excluders and referring to his growing sensitivity "to the existence of subtle barriers to the advancement of women and minorities in society." Similarly, Judge Starr seems to have understood well the unacceptable appearance of membership "in a gender-exclusive organization of professionals" on the part of a Department of Justice official. I very much hope that you will reconsider your view on this matter in light of the positions taken and sensitivities displayed by these two prominent jurists.

Finally, to acquaint you further with my position on these matters, I am enclosing a copy of my April 4, 1989, letter to Senator Joseph Biden, Chairman of the Senate Judiciary Committee, concerning the nomination of Vaughn Walker to the U.S. District Court for the Northern District of California.

I look forward to receiving your responses at your earliest convenience.

With warm regards,

Cordially,

ALAN CRANSTON,
Chairman.

I. BIOGRAPHICAL INFORMATION (PUBLIC)

1. Full name (including any former names used): Kenneth Winston Starr.

2. Address: List current place of residence and office address(es): 6455 Madison Court, McLean, Virginia 22101. United States Court of Appeals, United States Courthouse, 3rd & Constitution Ave., N.W., Washington, D.C. 20001.

3. Date and place of birth: July 21, 1946 Vernon, Texas.

4. Marital Status (including maiden name of wife, or husband's name). List spouse's occupation, employer's name and business address(es):

Married—Alice M. Starr; (Maiden name) Alice Jean Mendell; Advertising and Public Relations Consultant, WEST*GROUP, 1600 Anderson Road, McLean, Virginia 22102.

5. Education: List each college and law school you have attended, including dates of attendance, degrees received, and dates degrees were granted:

Duke University School of Law, 1970–1973, J.D. (1973).

Brown University, 1968–1969, A.M. (1969).

George Washington University, 1966–1968, A.B. (1968).

Harvard University, Summers, 1967–1968.

San Antonio College, Spring 1966, Summer 1964.

Harding College, 1964–January 1966.

III. GENERAL (PUBLIC)

1. An ethical consideration under Canon 2 of the American Bar Association's Code of Professional Responsibility calls for "every lawyer, regardless of professional prominence or professional workload, to find some time to participate in serving the disadvantaged." Describe what you have done to fulfill these responsibilities, listing specific instances and the amount of time devoted to each.

Since 1983, my service as a judge has prevented my engaging in the practice of law in any fashion. Consistent with my judicial responsibilities, however, I have worked actively in organizations or groups seeking to improve the administration of justice, including prison conditions in the United

States. For example, I served as a member of the Task Force on Prison Industries, an ad hoc organization formed by Chief Justice Burger to facilitate the development of meaningful training and vocational opportunities for prison inmates. In addition, I have served as a charter member of the Committee on Community Corrections, an ad hoc group of federal and state officials (and the broader legal community) seeking to foster, in an area of overcrowded prisons, public awareness of alternative means of punishment and incarceration. I have also served as chairman of the D.C. Circuit's Committee on the Bicentennial of the Constitution, which has sponsored educational programs related to the Constitution for the benefit of the general public (including students) as well as the bench and bar. Finally, I have been actively involved, including providing in-house legal services, with a non-profit corporation that provides housing for mentally retarded adults in Northern Virginia.

Throughout my work in private practice, I made myself available to handle pro bono matters. Shortly after joining the firm in Los Angeles (in 1974), I handled (successfully) a state criminal charge against an individual. The charge (grand theft auto) was dismissed prior to trial following negotiations with the Inglewood, California prosecutor. I also handled a landlord-tenant dispute for the same individual following completion of the criminal proceedings.

In Washington, D.C., I volunteered for the D.C. Bar's list of attorneys to handle pro bono matters. By referral from the bar, I was primarily involved in a sensitive, protracted domestic relations matter, including obtaining emergency injunctive relief by virtue of spousal abuse difficulties. Ultimately, the matter resulted in a divorce decree to my client's satisfaction.

2. Do you currently belong, or have you belonged, to any organization which discriminates on the basis of race, sex, or religion—through either formal membership requirements or the practical implementation of membership policies? If so, list, with dates of membership. What you have done to try to change these policies?

For a brief period (from Dec. 30, 1987 until resignation by letter dated March 31, 1989), I was an associate member, Lawyer's Club of Washington. The club is a social organization of lawyers and judges in Washington D.C. It has no place of business, license or the like. It meets periodically as a group for lunches, and has two dinners annually. Several months after joining the Lawyer's Club, I indicated to Chief Judge Howard Markey (U.S. Court of Appeals for the Federal Circuit), who is likewise an associate member, that I would support informal efforts then underway to encourage opening the group to women. I have recently been advised by Chief Judge Markey that, in his considered view, no change in policy is likely to occur in the foreseeable future. I have therefore withdrawn from the group, in view of concerns over the appearance of a prospective officer of the Department of Justice serving as a member of a gender-exclusive organization of professionals.

Member, United Methodist Men, Trinity Methodist Church, McLean, VA., from 1978–present. I have no plans to withdraw from participation in the United Methodist Men. Each congregation of the United Methodist Church has a women's (United Methodist Women) and men's (United Methodist Men) organization dedicated to spiritual and social purposes. I am aware of no sentiment whatever that these time-honored, religious-related organizations are in any way inappropriate or improper, nor am I aware of any effort (or even any suggestion) within the United Methodist Church to disband such organizations.

EXHIBIT 2

U.S. SENATE,
Washington, DC, April 4, 1989.

Hon. JOSEPH R. BIDEN, Jr.,
Chairman, Committee on the Judiciary, U.S. Senate, Washington, DC.

DEAR JOE: I am returning to you the four blue slips I received from the Judiciary Committee dated March 17, 1989, regarding the nominations of Ferdinand F. Fernandez and Pamela Ann Rymer to the U.S. Court of Appeals for the Ninth Circuit, Robert C. Bonner to the U.S. District Court for the Central District of California, and Vaughn Walker to the U.S. District Court for the Northern District of California. My recommendations are affirmative regarding the Fernandez, Rymer, and Bonner nominations and, for the reasons set forth below, negative regarding the Walker nomination.

With respect to the Bonner nomination, I want to express my objection to the procedure of requesting action on a blue slip for a nomination for which there is, as yet, no vacancy. In this case, the position for which Mr. Bonner has been nominated will not become vacant until Judge Rymer's nomination to the Ninth Circuit has been confirmed. In the interests of assisting the Judiciary Committee in moving ahead as expeditiously as possible with regard to the pending nominations, however, I am returning the Rymer and Bonner blue slips simultaneously. I wish to make clear that I continue to oppose this procedure, and my acquiescence in this instance should not be interpreted as approval of the procedure in the case of future nominations.

With respect to the Walker nomination, I have given careful consideration to whether Mr. Walker should be confirmed for a lifetime appointment to the federal bench. I have reached the conclusion that his actions with respect to his membership in a discretionary club are disqualifying. His persistent refusal to terminate his membership in this club and his testimony regarding this issue at the Judiciary Committee's hearing in the last Congress demonstrates an attitude and an insensitivity which is unacceptable for a member of the federal judiciary.

The commentary to Canon 2 of the American Bar Association Code of Judicial Conduct explicitly states that "it is inappropriate for a judge to hold membership in any organization that practices invidious discrimination on the basis of race, sex, religion, or national origin".

The Judiciary Committee is familiar with the discriminatory membership policies of the club at issue in the Walker nomination—the Olympic Club of San Francisco—since these policies were discussed at length during the Committee's consideration of the nomination of Anthony Kennedy in December of 1987.

Judge Kennedy's perception of the problem that arose from his membership in the Olympic Club and his resolution of the issue stand in stark contrast to Mr. Walker's. Judge Kennedy had resigned from the Olympic Club in November of 1987, following a vote by the club's members against a plan that would have admitted women. Judge Kennedy, in his testimony before the Judiciary Committee, demonstrated repeatedly his own growing awareness of and sensitivity to the problems arising from membership in a private club which discriminates against women and minorities and the need for judges to take action to terminate membership in such a club. In response to questions regarding "why did it take so long" for him to resign from the Olympic Club, Justice Kennedy responded:

"Discrimination comes from several sources. Sometimes it is active hostility. And sometimes it is just insensitivity and indifference. And over the years, I have tried to become more sensitive to the existence of subtle barriers to the advancement of women and of minorities in society. And this was an issue on which I was continuing to educate myself."

Substantial weight was also given to the fact that Judge Kennedy had previously resigned from a discriminatory club in his home community in 1980. He also testified very firmly and forthrightly that "constitutional and public morality make race or sex distinctions unacceptable for membership" in these private clubs.

The Judiciary Committee in its report on the Kennedy nomination expressed the hope that Judge Kennedy's conduct in resigning from the Olympic Club would set a "positive example for other judges and judicial nominees".

In contrast, for more than a year, Mr. Walker has refused to take such action and, in his testimony before the Committee, attempted to defend the club's discriminatory policies by seeking to cast them in a favorable, but factually incorrect, light.

For example, Mr. Walker testified to the Committee last June, "In the past, there had been no formal exclusion of blacks or, indeed, any other racial minorities". (Transcript, June 13, 1988, p. 38.) That statement is contradicted by an August 8, 1988, letter to the Judiciary Committee from George Riley, the Special Assistant to the San Francisco City Attorney. He stated:

"From its inception, the bylaws of the Olympic Club restricted membership to "only white male citizens of the United States of good moral character, integrity and reputation." This policy of racial segregation was challenged in 1967 when community groups and others brought pressure against the Club. Nevertheless, the Board of Directors unanimously elected to retain the whites only membership restriction. A year later, this ban against minorities was quietly dropped."

Mr. Walker also characterized the Olympic Club as having completed "substantial" change and having "promise of future change" with respect to admission of black individuals to membership. (Transcript, June 13, 1988, P. 41.) Mr. Riley, in his August 8 letter, however, indicated that the club had not admitted any blacks until the spring of 1988 when "in response to the pending lawsuit [by the City of San Francisco against the Olympic Club based upon violations of state civil rights laws], the club announced that it admitted two black men into its membership of more than 4,700 voting members."

The Committee has also received a copy of a press release of the Olympic Club, dated June 30, 1988, describing certain actions taken by the Board of Directors regarding procedures for monetary transactions expressly adopted for the purpose of avoiding coverage under the San Francisco City ordinances prohibiting discrimination by certain clubs. This release which concludes with the statement that the Olympic Club was taking these actions to "defend

the fundamental rights of its members against the strong arm of political oppression" is wholly inconsistent with Mr. Walker's characterization of an organization voluntarily moving towards compliance with basic civil rights principles.

With respect to the issue of discrimination against women, the record also indicates numerous statements by Mr. Walker attempting either to defend the club's policies or to diminish the significance of this issue.

For example, he stated in his testimony that the club had defeated "on a very close vote" a referendum to change the bylaws on admission of women to full membership. (Transcript, June 13, 1988, p. 38.) In fact, this referendum—which is the same vote which precipitated Judge Kennedy's resignation from the Olympic Club—was defeated by a vote of 1,540 to 2,082.

During this testimony, Mr. Walker stated that a woman's athletic club offering athletic facilities was within a block of the Olympic Club and indicated his view that the availability of an alternative facility for women made their exclusion from membership in the Olympic Club "distinguishable" from the exclusion of blacks. (Transcript, June 13, 1988, p. 42.)

Mr. Walker also repeatedly asserted during this testimony that the club was making progress toward eliminating discrimination against women. (Transcript, June 13, 1988, p. 46.) These statements appear to have little factual basis and were refuted in Mr. Rilery's letter to the Committee which recites, in detail, the steps the club had taken to defend its discriminatory practices in the litigation brought against the club by the City of San Francisco.

In sum, for well over a year, Mr. Walker has defended his continued membership in this discriminatory club and has failed to acknowledge the impropriety of maintaining membership in such a club and appointment to the federal bench. Although he has expressed his own opposition to the continued exclusion of women from the Olympic Club and urged a repeal of its exclusionary rule, his testimony and statements on the subject demonstrated a fundamental lack of understanding of the significance of this issue. Indeed, his testimony that the existence of a nearby women's athletic club made the issue of invidious discrimination based on sex different from that based upon race suggests a gross insensitivity—in marked contrast to Judge Kennedy's understanding—regarding the damage that exclusionary membership policies generate—even if other facilities are available to serve those denied admission.

This insensitivity is also expressed in the July 18, 1988, letter to the editor of an Olympic Club publication from Mr. Walker. In that letter, one argument he makes is that the policy has put nominees to the federal bench, like himself, "on the spot" and that other public servants are "next in line as targets of rules prohibiting or inhibiting membership in a single sex club". Although the same letter begins by urging the change on the basis of "fairness", his emphasis and approach to this issue is, again, fundamentally different from Judge Kennedy's.

The contrast between Judge Kennedy's statements regarding the Olympic Club's policies and those made by Mr. Walker is striking, and, in light of these statements, it is not at all surprising that Judge Kennedy resigned following the defeated referendum on membership for women while Mr. Walker chose to retain his membership.

Mr. Walker's basic perspective on this issue and his defense of the club's position cannot, in my view, be rectified by a belated resignation, calculated to win confirmation rather than prompted by recognition of the impropriety of maintaining such a membership.

There are additional controversies regarding Mr. Walker raised in connection with his demeanor and handling of the Gay Olympics litigation which are relevant in terms of the nominee's potential judicial temperament. These issues have not been satisfactorily factually resolved because, in part, of the assertion of attorney-client privileges. I am persuaded, however, that Mr. Walker's actions with respect to his membership in a discriminatory club are by themselves disqualifying.

For the Senate to approve this nomination would send a very inappropriate message to women and minority individuals in California and throughout the nation. I am unaware of any other instance where the Committee has knowingly approved a judicial nominee who has taken the position espoused by Mr. Walker with respect to the appropriateness of continued membership in a discriminatory club. I urge that the nomination of Vaughn Walker not be approved.

Cordially,

ALAN CRANSTON.

ARLINGTON, VA, *May 3, 1989.*

Hon. ALAN CRANSTON,
Chairman, Committee on Veterans Affairs, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: I have your letter and enclosures of April 20, 1989, wherein you ask that I share further with you my basis for believing that, despite Chief Judge Markey's view, membership in the Lawyers' Club of Washington will soon include women. You have also asked that I detail my personal participation in efforts to encourage that group and the Cosmos Club to admit women.

I do not share Judge Markey's opinion that admitting women into the Lawyers' Club is unlikely in the foreseeable future. I do not know the basis for his view or any factual predicate for it. The club has existed for 87 years. Its most senior member joined in 1939. If I believed as Judge Starr does that Chief Judge Markey is correct, I would have left the club. But I believe that this kind of change can be brought about best from within. And while, indeed, I acknowledge the validity of your point about perception and share it, my view is that more can be done in this instance to bring about change within the group than by shunning it or walking away. To be sure, a group which invidiously discriminates is vastly different. But as Justice Kennedy observed about the difficulty of defining these words, precision is illusive. Nonetheless, resort to the *Webster's Third New International Dictionary,* 1976—a date approximating the time the commentary to Canon 2 was under consideration—does reveal that the word invidious is about eight or nine on a language "Richter scale." It is a word connoting defamatory, hateful, obnoxious and odious. These words, particularly "odious," are far more severe than the one I used on April 14. "Odiousness" is defined as the state of being subjected to widespread or deep hatred or condemnation often marked by loathing or contempt. As with Justice Kennedy, I would not have joined a group with such practices. But that is a different case from that of a group which, absent those traits, has adhered to an outmoded tradition reflective of a period of male dominated commercialism. It is there that interstitial efforts can be fruitful in overcoming the inertia of the past.

The constitution and bylaws of the Lawyers' Club do not preclude the admission of women. (The occasional use of a masculine pronoun is not, to my knowledge, considered exclusive, but in the vein of its universal usage.) Therefore, no formal written proposals to change a governing document by democratic process have been in order. Thus, my efforts at fostering a change in the practice of all male membership have been to encourage the members to recognize that for our limited purposes women members would be welcomed. These efforts included importuning the past presidents over the years of my associate membership and seeking numerous suggestions from them and the secretary as to the best candidates to propose to break the barrier. I remind you that as an associate member, I do not have a vote. I know of no member who has expressed a negative view to the admission of women, although there is plenty of sentiment against being forced by law to do so. Nonetheless, I adhere to the view that since the group is exclusively for lawyers and judges, it ought to and will react favorably to nominations of women for membership. There are many others in the club working for such result and I have been advised that nominations of women for membership have been recently made and are in the process of being made. I, thus, remain convinced that Judge Markey's prediction is in error.

I observe that any change within the Lawyers' Club must result from a genuine desire not only for such change, but for the benefit of real social and professional companionship of women. To do less would smack of tokenism and be an insult to the women nominated. I will not be a party to such a disingenuous exercise. Accordingly, there is a need for delicate planning, which I believe, I can participate in as an associate member to bring about that change. I have spoken to a number of women as to their willingness and desire to join the group.

I would like also to address your expressed desire (page 3 of your letter) that I reconsider my view in light of those of Justice Kennedy, Judge Starr, and your reference to your views in your enclosed letter about the Walker nomination. As I said above, if I saw no chance for change, I would have left the club; but I see the change as very close at hand. I trust you do not mean to suggest that I resign simply because of your expressed concern, for I share your view that a belated resignation is subject to an interpretation of being motivated by desire for confirmation and would not be a positive example for other judges and judicial nominees which we both seek. Moreover, I respectfully submit that my open approach to these issues, as evidenced by my efforts to bring about change in the two groups under discussion (one successfully), distinguishes my case from your view of Mr. Walker and dispels any appearance of impropriety from membership as such. In light of your particular interest in ensuring that judicial and other nominees are committed to equal opportunity for women, I add to my response that during the past 18 years as a judge, I have never hesitated to select a woman as my law clerk which my record will reflect.

My efforts at the Cosmos Club date back three or four years. As a new member, I felt any earlier effort would be dismissed as that of an upstart. I have held no office on any standing committee of the club. However,

because of my expression of interest in this issue—particularly to many older active members—I was asked to serve and did serve on an ad hoc legal affairs committee to deal with this matter. Shortly thereafter, the club Board itself proposed a bylaw change making women eligible for membership. My participation thereafter was extensive, but as with the Lawyers' Club, I drafted no letters or documents. Like Justice Kennedy and Judge Starr, I kept my efforts informal, though I went far beyond a mere offer to support another's effort. It seems to me that a public detailing of my participation in the effort at the Cosmos Club could set a precedent which would operate to chill willingness of others to undertake similar efforts in other clubs. In addition, to do so would involve others who legitimately wish their privacy to be maintained. Accordingly, I prefer simply to describe my participation as quite extensive. I am at liberty, however, to invite you to contact Mr. Tedson Meyers, President of the Cosmos Club, who will verify the extent of my efforts. I believe a member of your staff at our April 14 meeting suggested he knew or had spoken or planned to speak with Mr. Meyers. He can also affirm that many women have been admitted to the club, two of whom I sponsored.

In conclusion, I observe that there seems to be at least two ways of bringing about a societal change reflective of the fact women and minorities are now a part of the mainstream of the nation. One is to bring legal and suasive pressure on exclusive groups. You and others have had success in such endeavors. I, on the other hand, have worked openly from within the two groups to which I belong, likewise with considerable success. Each of us, I submit, has demonstrated a common commitment to equality of reward for each citizen according to ability and without regard for notions of historic prejudices.

Sincerely,

FRANK Q. NEBEKER.

U.S. SENATE,
Washington, DC, April 10, 1989.

Hon. FRANK Q. NEBEKER,
2360 North Vermont Street, Arlington, VA.

DEAR JUDGE NEBEKER, I want to extend to you my congratulations on your nomination by President Bush to be the Chief Judge of the new United States Court of Veterans Appeals. Your nomination is a truly historic occasion.

Since the Court is an entirely new institution, there are a great many administrative and logistical tasks that need to be accomplished in order for it to begin operations, as provided in the Veterans Judicial Review Act, on September 1 of this year. As I believe you are aware, arrangements must be made as soon as possible to obtain space for a courtroom and offices for immediate as well as intermediate and long-term use. In addition, plans and a budget for necessary furnishings, equipment, supplies, and staffing must also be prepared without delay if the Court is to begin functioning efficiently.

Thus, I would like to assure you that it would not be considered presumptuous for you, during the pendency of your nomination in the Senate, to begin making whatever contacts and plans you consider necessary to ensure that appropriate arrangements are made with respect to matters such as a budget, funding, space, personnel, furnishings, supplies, and equipment for the Court. In this regard, I would note that the September 1 starting date is not readily susceptible to postponement in light of the fact that cases already exist in which the right to appeal to the Court is inherent and their numbers can be expected to grow rapidly in the coming weeks and months.

In connection with the Committee's consideration of your nomination, I request, as has already been discussed with you by Committee staff, that you provide the Committee with a signed statement from your physician as to your current health status. The statement should include descriptions of any current health problems (and any medications prescribed to treat them), and of any problems that have occurred within the past 5 years, that may have a bearing on your ability to carry out the duties of the Chief Judge for the 15-year term for which you have been nominated. This document should be submitted to the Committee in a sealed envelope marked "Attention: Edward P. Scott, General Counsel".

I appreciate your cooperation and look forward to meeting with you in the near future.

With best personal regards,

Sincerely,

ALAN CRANSTON,
Chairman.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will now resume legislative session.

PROVIDING FOR A CONDITIONAL RECESS OR ADJOURNMENT OF THE SENATE

Mr. MITCHELL. Mr. President, I send a concurrent resolution to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the concurrent resolution.

The legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 38) providing for a conditional recess or adjournment of the Senate from May 18 or 19, 1989, until May 31, 1989, and a conditional adjournment of the House from May 25, 1989, until May 31, 1989.

The PRESIDING OFFICER. Is there objection to the present consideration of the concurrent resolution?

There being no objection, the Senate proceeded to consider the concurrent resolution.

The PRESIDING OFFICER. The question is on agreeing to the concurrent resolution.

The concurrent resolution was agreed to, as follows:

S. CON. RES. 38

Resolved by the Senate (the House of Representatives concurring), That when the Senate recesses or adjourns at the close of business on Thursday, May 18, 1989, or Friday, May 19, 1989, pursuant to a motion made by the majority leader, or his designee, in accordance with this resolution, it stand recessed or adjourned until 2:15 post meridiem on Wednesday, May 31, 1989, or until 12 o'clock meridian on the second day after Members are notified to reassemble pursuant to section 2 of this resolution, whichever occurs first; and that when the House adjourns on Thursday, May 25, 1989, it stand adjourned until 12 o'clock meridian on Wednesday, May 31, 1989, or until 12 o'clock meridian on the second day after Members are notified to reassemble pursuant to section 2 of this resolution, whichever occurs first.

SEC. 2. The majority leader of the Senate and the Speaker of the House, acting jointly after consultation with the minority leader of the Senate and the minority leader of the House, shall notify the Members of the Senate and the House, respectively, to reassemble whenever, in their opinion, the public interest shall warrant it.

Mr. MITCHELL. Mr. President, I move to reconsider the vote by which the concurrent resolution was agreed to.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ORDERS FOR TOMORROW

ORDER FOR RECESS UNTIL 1:30 P.M. TOMORROW

MORNING BUSINESS

Mr. MITCHELL. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 1:30 p.m. tomorrow, Thursday, May 18, and that following the time for the two leaders, there be a period for morning business not to extend beyond 2:30 p.m., with Senators permitted to speak therein for up to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER TO PROCEED TO CONSIDERATION OF THE CONFERENCE REPORT—HOUSE CONCURRENT RESOLUTION 106

Mr. MITCHELL. Mr. President, I ask unanimous consent that at 2:30 p.m., the Senate proceed to the consideration of the conference report on the budget resolution, House Concurrent Resolution 106.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL THURSDAY, MAY 18, 1989 AT 1:30 P.M.

Mr. MITCHELL. Mr. President, if the distinguished Republican leader has no further business, and if no other Senator is seeking recognition, I now ask unanimous consent that the Senate stand in recess, under the previous order, until 1:30 p.m. on Thursday, May 18, 1989.

There being no objection, the Senate, at 5:35 p.m., recessed until Thursday, May 18, 1989, at 1:30 p.m.

NOMINATIONS

Executive nominations received by the Senate May 17, 1989:

DEPARTMENT OF STATE

DELLA M. NEWMAN, OF WASHINGTON, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIA-

RY OF THE UNITED STATES OF AMERICA TO NEW ZEALAND AND TO SERVE CONCURRENTLY AND WITHOUT ADDITIONAL COMPENSATION AS AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO WESTERN SAMOA.

ROBERT D. ORR, OF INDIANA, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF SINGAPORE.

DEPARTMENT OF THE TREASURY

BRYCE L. HARLOW, OF VIRGINIA, TO BE A DEPUTY UNDER SECRETARY OF THE TREASURY, VICE JOHN K. MEAGHER, RESIGNED.

PUBLIC HEALTH SERVICE

THE FOLLOWING CANDIDATES FOR PERSONNEL ACTION IN THE REGULAR CORPS OF THE PUBLIC HEALTH SERVICE SUBJECT TO QUALIFICATIONS THEREFOR AS PROVIDED BY LAW AND REGULATIONS:

1. FOR APPOINTMENT:

To be medical director

BRUCE A. CHABNER
DANIEL D. COWELL
PHILIP GORDEN
IRWIN J. KOPIN

To be senior surgeon

SAMUEL BRODER
JOHN I. GALLIN

To be senior assistant pharmacist

GARY W. BLAIR

IN THE AIR FORCE

THE FOLLOWING OFFICERS FOR APPOINTMENT IN THE RESERVE OF THE AIR FORCE TO THE GRADE INDICATED, UNDER THE PROVISION OF SECTIONS 593, 8218, 8373, AND 8374, TITLE 10, UNITED STATES CODE:

To be major general

BRIG. GEN. CHARLES R. DRIGGERS, xxx-xx-xxxx, AIR NATIONAL GUARD OF THE UNITED STATES.

BRIG. GEN. JOE H. ENGLE, xxx-xx-xxxx, AIR NATIONAL GUARD OF THE UNITED STATES.

To be brigadier general

COL. TANDY K. BOZEMAN, xxx-xx-xxxx, AIR NATIONAL GUARD OF THE UNITED STATES.

COL. NELSON E. DURGIN, xxx-xx-xxxx, AIR NATIONAL GUARD OF THE UNITED STATES.

COL. ADOLPH P. HEARON, xxx-xx-xxxx, AIR NATIONAL GUARD OF THE UNITED STATES.

COL. FRED R. HELMS, xxx-xx-xxxx, AIR NATIONAL GUARD OF THE UNITED STATES.

COL. JOHNNY J. HOBBS, xxx-xx-xxxx, AIR NATIONAL GUARD OF THE UNITED STATES.

COL. THOMAS W. NAPOLITAN, xxx-xx-xxxx, AIR NATIONAL GUARD OF THE UNITED STATES.

COL. RICHARD E. PEZZULLO, xxx-xx-xxxx, AIR NATIONAL GUARD OF THE UNITED STATES.

COL. JAMES H. RENSCHEN, xxx-xx-xxxx, AIR NATIONAL GUARD OF THE UNITED STATES.

COL. DAVID J. RIST, xxx-xx-xxxx, AIR NATIONAL GUARD OF THE UNITED STATES.

COL. DAN A. ROBAR, xxx-xx-xxxx, AIR NATIONAL GUARD OF THE UNITED STATES.

COL. WILLIAM J. STOCKWELL, xxx-xx-xxxx, AIR NATIONAL GUARD OF THE UNITED STATES.

COL. TERRENCE P. WOODS, xxx-xx-xxxx, AIR NATIONAL GUARD OF THE UNITED STATES.

IN THE PUBLIC HEALTH SERVICE

THE FOLLOWING CANDIDATES FOR PERSONNEL ACTION IN THE REGULAR CORPS OF THE PUBLIC HEALTH SERVICE SUBJECT TO QUALIFICATIONS THEREFOR AS PROVIDED BY LAW AND REGULATIONS:

1. FOR PERMANENT PROMOTION:

To be medical director

THOMAS R. BENDER
JAMES E. BERNER
GEORGE S. BOWEN
GERALD A. FAICH
TIMOTHY G. FLEMING
HAROLD M. GINZBURG
MARY E. GUINAN
ALAN R. HINMAN
CHARLES L. HOSTETTER
MICHAEL P. HUDGINS
WILLIAM D. LASSEK
MISAEL A. MORENO
FITZHUGH S. M. MULLAN
ALLAN S. NOONAN
ROGER J. PORTER
KENNETH E. POWELL

To be senior surgeon

SUSAN S. CARLSON
EDWIN P. EWING, JR
FREDERICK L. FERRIS, III
JOHN C. FINLEY
DOROTHY M. GOHDES
WILLIAM C. KNOWLER
DALE N. LAWRENCE
RICHARD C. MOORE, JR
RICHARD J. OBRIEN, JR
RICHARD D. OLSON
DOROTHY D. SOGN
ANGELITA J. SUNGA
CARL J. TJERANDSEN
JAY S. WEISFELD

To be surgeon

JOYCE M. JOHNSON

To be dental director

C. MICHAEL BECK
JOHN L. DRAGER
ERNEST HARDAWAY
CLIFFORD C. SCHARKE
CONRAD A. SCHWALM
GENE R. STERRITT
JOHN R. SUNDELL

To be senior dental surgeon

PATRICK C. BLAKE
ANTHONY R. CAVALLI
JAN R. GOLDSMITH
JEFFREY T. HOFFELD
MELVIN L. LERNER
JAMES A. LIPTON
RONALD A. LORTS
REGINALD LOUIE
WILLIAM J. NIENDORFF
LARRY D. PRATER
JOHN P. ROSSETTI
DONALD A. SCHNEIDER
MICHAEL R. WALKER
TONIE M. WALLER

To be dental surgeon

JAMES E. ADAMO
JOHN F. ANTON
JOHN D. LEVY
THOMAS O. OAS
FORREST H. PEEBLES
GREGORY T. SMITH
JONATHAN C. SMITH

To be nurse director

EILEEN P. GUNTER
JOAN A. HARTWELL
BERNADINE B. KUCHINSKI
LILLIE A. SLEBODNICK

To be senior nurse officer

M. ELIZABETH DICKEY
JEAN E. HASTINGS
JANET M. JONES
BETTE LOUISE LEMPERLE
DANIEL J. WALZ

To be nurse officer

WILLIAM S. CAMPBELL
THERESA M. MCDONALD
DANIEL A. NAPOLIELLO
CARROLL G. ONEILL
ELEANOR B. SCHRON
MICHAEL D. SMITH
MARIA J. TAVORMINA

To be senior assistant nurse officer

DAVID L. GRIFFITH

To be engineer director

KEITH E. ENDERS
BRUCE T. FERRIS
DAVID L. LARSON
JOHN N. LEO
WAYNE R. MATHIS
W. A. MULLEN, III
MALCOLM B. REDDOCH
DARRYL D. TYLER

To be senior engineer officer

THOMAS M. BEDICK
HERBERT CAUDILL, JR
CLARENCE H. EMMETT, JR
C. LEWIS FOX, JR
MARIUS J. GEDGAUDAS
ROBERT W. HARDING
GARY C. HAWTHORN
TOBIAS A. HEGDAHL
RALPH L. HOGGE
ROGER C. JENSEN
BROCK M. NICHOLSON
CARL A. ROTH
MERLE M. WASSON
FREDRICK W. WELLER
DAVID L. WEST

To be engineer officer

GERALD V. BABIGIAN
ROBERT A. YOUNG
WILLIAM R. ZOBEL

To be scientist director

WILLIAM A. BETTS
BOBBY D. BRAYBOY
DAVID G. BROWN
JAMES M. EVERTS
RICHARD C. HENNEBERRY
JAMES R. KING
HARVEY RUDOLPH
HUGH S. SLOAN, JR

To be senior scientist

MICHAEL L. ADESS
DOUGLAS L. ARCHER
JEANNE R. BURG
DONALD L. CAMPBELL
DAVID L. CONOVER
LAURENCE J. DOEMENY
DONALD D. DOLLBERG
LIREKA P. JOSEPH
KENNETH KRELL
THOMAS B. SHOPE, JR
ROBERT SPIRTAS

To be scientist

ALICE L. GREIFE

To be sanitarian director

TROY W. COLE
W. ALLEN KINGSBURY
TRUMAN L. MCCASLAND

To be senior sanitarian

RICHARD A. LEMEN
ERVIN L. MOORE

To be sanitarian

THOMAS E. CROW
RICHARD W. HARTLE
PAUL D. PRYOR

To be veterinary director

RONALD W. MOCH

To be senior veterinary officer

MORRIS E. POTTER

To be pharmacist director

NORMAN C. DITTMAN
GAYLE R. DOLECEK
JIMMY R. MITCHELL
FRANCIS X. OSULLIVAN, JR
THEODORE B. PUKAS
JEROME C. SHORT

To be senior pharmacist

GEORGE D. ARMSTRONG, JR
GARY J. BUEHLER
GARY L. CHADWICK
FRANK A. DODGE
LOUIS D. FAIRFIELD
WYMAN M. FORD
RICHARD N. HERRIER
STEPHEN A. MAURER
FRANK J. NICE
DENNIS A. PHILIPP
JAMES E. RILEY, JR
EUGENE B. SMITH, JR
RICHARD M. TAFFET
LAWRENCE A. TRISSEL
RAY D. WESTERLAGE
ALAN M. YAMASHITA

To be pharmacist

THOMAS M. DOLAN
STEVEN J. DONELAN
MICHAEL W. DREIS
STEPHAN L. FOSTER
PAUL F. JAROSINSKI
GORDON R. JOHNSTON
RICK S. LARRABEE
HALRON J. MARTIN
ANASTASIA E. PEREZ
THOMAS H. PEREZ
MARK E. RAMEY
RICHARD A. STOWE

To be dietitian director

CAROLYN PRZEKURAT

To be senior dietitian

MICHAEL A. BERNSTEIN
ALBERTA C. BOURN
PETER M. STEGMAYER

To be therapist director

ROBERT K. BAUS

To be senior therapist

JAMES A. BIRKE
ROBERT E. MANSELL
B. THOMAS SCHEIB

To be therapist

ANDREW NOVICK
WAYNE S. SMITH

To be health services director

JOEL G. BOSTROM
RALPH E. BUNGE
NORMAN E. CHILDS
JOHN H. EILERT, JR
KENNETH R. ENVALL
JOHN E. HUBBARD
CARL G. LEUKEFELD
EDWIN A. MILLER
ALAN F. SCHMIERER
WILBUR F. VANPELT

To be senior health services officer

MICHAEL B. BECKERMAN
BARRY BRAGIN
JOSEPH E. BRANTLEY, JR
JOHN J. COHN
LARRY D. EDMONDS
ARTHUR J. FOREST
ELLERY F. GRAY
JOHN H. HAIRE
MICHAEL J. KENNEDY
JOHN M. KUTCH, JR
SOLOMON LEVY
GARY O. MAUPIN
ROLAND M. MCPHEARSON, JR
DANIEL L. MINTZ
JUDITH L. MUNSTERMAN
LARY S. SCHNEIDERMAN
KENNETH F. SCHULZ
ROBERT A. ZOON

To be health services officer

JESSE L. GLIDEWELL
MICHAEL R. HANNA
WILLIAM G. JONES
MARION A. JORDAN
ERNEST H. KIMBALL, IV
KLAUS D. KRACHT
BRUCE E. LEONARD
SUSAN J. LOCKHART
KEITH C. LONGIE
BARBARA G. LUBRAN
KATHLEEN F. MARTIN
JAMES D. MCGLOTHLIN
LATHAM R. MORRIS
VON NAKAYAMA
LINDA M. POTTERN
CHARLES A. SCHABLE
DAVID G. SHOMBERT
STEPHEN A. SOUZA
FRANCIS P. WAGNER, JR

To be senior assistant health services officer

GEORGE E. FOLEY, III

IN THE ARMY

THE FOLLOWING-NAMED OFFICERS FOR PROMOTION IN THE RESERVE OF THE ARMY OF THE UNITED STATES, UNDER THE PROVISIONS OF TITLE 10, U.S.C., SECTION 3383:

ARMY PROMOTION LIST

To be colonel

RONALD W. BYERS, xxx-xx-xxxx
WILLIAM W. GRAHAM, xxx-xx-xx...
JAMES L. KENNEDY, xxx-xx-xxxx
FRANK J. KIEFER, JR, xxx-xx-xxxx
LAWRENCE F. MILAN, xxx-xx-xx...
WILLIAM R. MULLINS, xxx-xx-xx...
JOHN A. O'KEEFE, xxx-xx-xxxx
PAUL M. RODEN, xxx-xx-xxxx
JAMES C. SHERMAN, xxx-xx-xxxx
DWIGHT J. SINILA, xxx-xx-xxxx
RONALD J. SMIRCICH, xxx-xx-xxxx
LARRY J. STECK, xxx-xx-xxxx
DWAINE E. VOAS, xxx-xx-xxxx
GLENN T. WILLIAMS, JR, xxx-xx-xxxx
ERIC G. WILSON, xxx-xx-xxxx

CHAPLAIN

To be colonel

CARTER E. HUDSON, xxx-xx-xxxx

ARMY NURSE CORPS

To be colonel

KATHRYN C. JENS, xxx-xx-xxxx

MEDICAL CORPS

To be colonel

LIONEL M. NELSON, xxx-xx-xx...

MEDICAL SERVICE CORPS

To be colonel

DONALD GREENBERG, xxx-xx-xxxx
DONAVAN D. KLIMPEL, xxx-xx-xxxx

ARMY PROMOTION LIST

To be lieutenant colonel

RONALD W. ALLENDORFER, xxx-xx-xxxx
MELVIN J. BARROIS, xxx-xx-xxxx
STANLEY S. BEDNARCZYK, xxx-xx-xxxx
KENNETH L. BRIER, xxx-xx-xxxx
DAVID A. CHAPMAN, xxx-xx-xxxx
JAMES A. CHEATHAM, xxx-xx-xxxx
DENNIS L. DALLINGA, xxx-xx-xxxx
HOWARD E. DAVIS, xxx-xx-xxxx
JAMES C. EATON, xxx-xx-xxxx
LESTER N. ELLIS, JR, xxx-xx-xxxx
WILLIAM R. ELMORE, xxx-xx-xxxx
ARVID FRENDE, xxx-xx-xxxx
KIM R. GIBSON, xxx-xx-xxxx
WILLIAM T. GIBSON, JR, xxx-xx-xxxx
CHARLES E. GORTON, xxx-xx-xxxx
GEORGE GRAF, xxx-xx-xxxx
RICHARD W. HAMMOND, xxx-xx-xxxx
JAMES R. HILL, JR, xxx-xx-xxxx
MICHAEL A. HILL, xxx-xx-xx...
CHARLES A. LEONE, xxx-xx-xxxx
THOMAS S. LIDDICOAT, xxx-xx-xxxx
RICHARD A. LUM, xxx-xx-xxxx
GARY M. MAJOR, xxx-xx-xxxx
JAMES A. MARISKA, xxx-xx-xxxx
PAUL E. MOCK, xxx-xx-xxxx
RUSSELL L. NAYLOR, xxx-xx-xxxx
JEFFREY W. NELSON, xxx-xx-xx...
GAIL K. OURA, xxx-xx-xxxx
THOMAS J. PAMPERIN, xxx-xx-xxxx
HARRY P. PASTUSZEK, JR, xxx-xx-xxxx
MICHAEL G. POHRONEZNY, xxx-xx-xxxx
WILLIAM A. RAMSEY, xxx-xx-xxxx
DAVID M. RAPP, xxx-xx-xxxx
MONTE N. REESE, xxx-xx-xxxx
WILLIAM D. ROACH, xxx-xx-xx...
ROBERT S. SETTLES, xxx-xx-xxxx
ALAN W. SMITH, xxx-xx-xxxx
JAMES H. SMITH, xxx-xx-xxxx
MICHAEL D. SMITH, xxx-xx-xxxx
EARNEST L. STEWART, xxx-xx-xxxx
CHARLES P. WASOVICH, xxx-xx-xxxx
GERALD W. WELLS, JR, xxx-xx-xxxx
RONNIE D. WILSON, xxx-xx-xxxx
ROBERT S. YERKES, xxx-xx-xxxx
MICHAEL A. ZOLEZZI, xxx-xx-xxxx

CHAPLAIN

To be lieutenant colonel

KURT A. LUEDTKE, xxx-xx-xxxx
RICHARD N. MAUGHAN, xxx-xx-xxxx

MEDICAL CORPS

To be lieutenant colonel

CHARLES N. HEGGEN, xxx-xx-xxxx
DAVID M. STEINWAY, xxx-xx-xxxx

MEDICAL SERVICE CORPS

To be lieutenant colonel

DANIEL A. GOUPIL, xxx-xx-xxxx
RICHARD D. REPP, xxx-xx-xxxx
RODNEY R. SMITH, xxx-xx-xxxx
FREDERICK G. VERNON, III, xxx-xx-xxxx
HERBERT P. ZIEFEL, xxx-xx-xxxx

THE FOLLOWING-NAMED OFFICERS FOR PROMOTION IN THE RESERVE OF THE ARMY OF THE UNITED STATES, UNDER THE PROVISIONS OF TITLE 10, U.S.C., SECTION 3370:

ARMY PROMOTION LIST

To be colonel

ROBERT J. ANDERSON, JR, xxx-xx-xxxx
JOHN P. BAKER, xxx-xx-xxxx
RICHARD L. BUTTERFIELD, xxx-xx-xxxx
JERRY L. CANTRELL, xxx-xx-xxxx
VIESTURS J. DRUPA, xxx-xx-xxxx
EDWARD F. FISH, xxx-xx-xxxx
WILLIAM R. FITCH, III, xxx-xx-xxxx
JOHN W. GRAVES, xxx-xx-xxxx
ANDREW HAGER, JR, xxx-xx-xxxx
VERNON N. HANSFORD, xxx-xx-xxxx
DENNIS L. HUNTER, xxx-xx-xxxx
GENE G. JORDAN, xxx-xx-xxxx
RONALD J. MANGANILLO, xxx-xx-xx...
TERRENCE E. MCDONALD, xxx-xx-xxxx
DWAYNE L. MCQUILLIAMS, xxx-xx-xx...
JON D. MILLER, xxx-xx-xxxx
HOLSEY A. MOORMAN, xxx-xx-xxxx
MERLE J. PETERSON, xxx-xx-xxxx
MANFRED H. RORIG, xxx-xx-xxxx
WALTER F. VINES, xxx-xx-xxxx
MASON W. WHEELER, xxx-xx-xxxx

THE FOLLOWING-NAMED OFFICERS FOR PROMOTION IN THE RESERVE OF THE ARMY OF THE UNITED STATES, UNDER THE PROVISIONS OF TITLE 10, U.S.C., SECTION 3366:

ARMY PROMOTION LIST

To be lieutenant colonel

WILLIAM M. ABELL, xxx-xx-xx...
RONALD B. ARCHIBALD, xxx-xx-xxxx
DOUGLAS A. DUNCAN, xxx-xx-xxxx
MICHAEL L. ESPOSITO, xxx-xx-xxxx
JOSE I. GARCIA-HUERTAS, xxx-xx-xxxx
STEWART M. GRAYSON, xxx-xx-xxxx
JOHN R. GREEN, xxx-xx-xxxx
JAMES M. HARRIS, xxx-xx-xxxx
JOHN P. HARRIS, xxx-xx-xxxx
JAMES E. HAWKINS, JR, xxx-xx-xxxx
JOHN P. KELLY, xxx-xx-xxxx
ALLEN W. KOCHENDERFER, xxx-xx-xxxx
CHARLES R. LEMLEY, xxx-xx-xxxx
RONALD D. LOUISE, xxx-xx-xxxx
MICHAEL L. MCALPIN, xxx-xx-xx...
ROBERT J. OLIVER, xxx-xx-xxxx
PAUL A. REH, JR, xxx-xx-xxxx
NEIL M. TANGEN, xxx-xx-xxxx
KENNETH H. WILLIAMS, xxx-xx-xxxx

THE FOLLOWING-NAMED INDIVIDUALS FOR APPOINTMENT IN THE RESERVE OF THE ARMY OF THE UNITED STATES, UNDER THE PROVISIONS OF TITLE 10, U.S.C., SECTION 3359:

MEDICAL CORPS

To be lieutenant colonel

MERLYN D. GIBSON, xxx-xx-xxxx
ROBERT J. KENEVAN, xxx-xx-xxxx

CONFIRMATIONS

Executive nominations confirmed by the Senate May 17, 1989:

DEPARTMENT OF THE TREASURY

DAVID CAMPBELL MULFORD, OF ILLINOIS, TO BE AN UNDER SECRETARY OF THE TREASURY.

ROBERT R. BLAUBER, OF MASSACHUSETTS, TO BE AN UNDER SECRETARY OF THE TREASURY.

DEPARTMENT OF TRANSPORTATION

PHILLIP D. BRADY, OF VIRGINIA, TO BE GENERAL COUNSEL OF THE DEPARTMENT OF TRANSPORTATION

DAVID PHILIP PROSPERI, OF THE DISTRICT OF COLUMBIA, TO BE AN ASSISTANT SECRETARY OF TRANSPORTATION.

DEPARTMENT OF COMMERCE

THOMAS JONES COLLAMORE, OF THE DISTRICT OF COLUMBIA, TO BE AN ASSISTANT SECRETARY OF COMMERCE.

MICHAEL RUCKER DARBY, OF TEXAS, TO BE UNDER SECRETARY OF COMMERCE FOR ECONOMIC AFFAIRS.

DEPARTMENT OF AGRICULTURE

RICHARD THOMAS CROWDER, OF MINNESOTA, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE COMMODITY CREDIT CORPORATION.

JACK CALLIHAN PARNELL, OF CALIFORNIA, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE COMMODITY CREDIT CORPORATION.

FRANKLIN EUGENE BAILEY, OF VIRGINIA, TO BE AN ASSISTANT SECRETARY OF AGRICULTURE.

CHARLES E. HESS, OF CALIFORNIA, TO BE AN ASSISTANT SECRETARY OF AGRICULTURE.

JO ANN D. SMITH, OF FLORIDA, TO BE AN ASSISTANT SECRETARY OF AGRICULTURE.

THE ABOVE NOMINATIONS WERE APPROVED SUBJECT TO THE NOMINEES' COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE THE DULY CONSTITUTED COMMITTEE OF THE SENATE.

U.S. COURT OF VETERANS APPEALS

FRANK QUILL NEBEKER, OF VIRGINIA, TO BE CHIEF JUDGE OF THE UNITED STATES COURT OF VETERANS APPEALS FOR THE TERM OF 15 YEARS..

EXTENSIONS OF REMARKS

ENTERPRISE ZONES IN NO MAN'S LAND

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 17, 1989

Mr. GARCIA. Mr. Speaker, I would like to enter into the RECORD the following article taken from the May issue of Insight magazine entitled, "Enterprise Zones in No Man's Land."

Originally introduced in 1980 by myself and former Congressman Jack Kemp, the Housing and Urban Development Secretary, enterprise zones provide various incentives to eligible businesses to locate in impoverished rural and inner-city communities.

As we in Congress consider further enterprise zone legislation to strengthen the existing Federal program, this article should be insightful reading.

[From Insight, May 1, 1989]

ENTERPRISE ZONES IN NO MAN'S LAND

(By Karen Diegmueller)

Call Jack Kemp fickle. Just when the secretary of housing and urban development was poised to select 100 neighborhoods as enterprise zones, he turned a cold shoulder toward the antipoverty tool he had so passionately embraced. Kemp's nearly decade-long pursuit of enterprise zones will wait until—as he made clear to a House subcommittee—cities and states are offered a meaningful federal commitment.

The concept of enterprise zones first surfaced in Congress in 1980. Not until 1987, however, did both the House and Senate pass legislation. Title 7 of the Housing and Community Development Act authorized HUD to designate 100 distressed communities nationwide. Unlike previous bills that called for federal tax incentives, the adopted measure restricted the benefit of the zone designation to special consideration for HUD grants and regulation waivers. Despite the limitations, some 279 communities applied for federal enterprise zone status by the Jan. 17 deadline. In March, Kemp halted the process.

Enterprise zones are economically troubled areas that supporters believe will benefit from such preferential government treatment as tax credits. In theory, by being offered enough tax assistance and being freed from undue regulations, entrepreneurs will risk opening businesses in these areas. Those firms will produce jobs, specifically for welfare recipients and the unemployed, and the entire area will profit.

Supporters of enterprise zones have been amenable to Kemp's stance. Gary Kesner, commissioner of business development for New York City, says labeling alone without tax incentives may in the long run harm the concept. "It raises expectations in certain areas, [and] if they don't come to fruition, it casts a pall on the program in the future." Furthermore, "it might have taken the wind out of the momentum for new legislation," says the conservative Heritage Foundation's Stuart Butler, the man credited with introducing enterprise zones to the United States.

So far, results from state programs have not proved the theory. Case studies of 10 enterprise zones conducted by HUD in 1986 found that millions of dollars had been invested and thousands of jobs had been created or retained. Nevertheless, the department concluded that it could not determine whether the zone designation was responsible for the economic gains.

Particularly disheartening for proponents were the findings from three enterprise zones in small Maryland communities by the General Accounting Office, the investigative arm of Congress. The agency selected the Maryland program because of its similarity to congressional proposals and because it was one of the longer running of the 37 state plans. As with the HUD study, GAO found that employment in the three zones increased, ranging from 8 percent to 76 percent, but the agency concluded that the program had no effect on the growth. During interviews with GAO researchers, employers frequently said they would have located in the zone regardless of the program.

Despite inconclusive proof that enterprise zones are cost-effective, there are indications that they can create an environment conducive to business. More than 1,000 businesses and 8,000 jobs have been established in Kentucky's 10 zones since 1982. There also have been immeasurable benefits, says Sara L. Bell, the states enterprise zone coordinator. Residents in Louisville's zone were asked what they really needed. They overwhelmingly favored a supermarket—not the expensive corner market common to many inner cities. "It took two or three years, but we have two new supermarkets," she says.

In 62 of Illinois's 68 zones from July 1983 through last June, $2.9 billion had been invested, 38,392 jobs had been created, and 83,605 jobs had been retained. Jeffrey Johnson, the enterprise zone program manager, says the state makes no claim of a direct correlation between the designation and the results. "Just the designation of an enterprise zone shows both business and labor the state is concerned about their welfare."

Michael Allan Wolf, who has been monitoring enterprise zones since 1982, says he is skeptical of the GAO report because industry typically cites zone designation as an inducement. Firms may have been considering locating in the area for a variety of reasons and then "the incentives offered were the icing on the cake. Businesses appreciate that pro-business atmosphere," says Wolf, an associate professor of law and director of the EZ Project at the University of Richmond.

Advocates of enterprise zones do not dispute the lackluster assessment of the state enterprise programs. They, in fact, use it to promote their argument that federal tax incentives are needed to encourage business investment in some of the nation's most poverty-stricken areas. "We produced the body of an automobile. Now with the tax incentives and the push we're making, we're going to put the engine in the car," says Rep. Robert Garcia, the New York Democrat who pioneered the concept in Congress along with Kemp.

Opposition to federal enterprise zones has quieted since the program's contentious origins. "If this were truly a supply-side, Republican, inner-city program, it would not have generated the interest that it has or the support it has," says Wolf.

Some of labor's major concerns—abolishing the minimum wage and and easing safety regulations—have been greatly assuaged by the assurances of Garcia and Kemp that no such thing will happen. Resistance now focuses on the loss of revenue to the Treasury and the potential for the zones to turn into tax havens. Executive branch estimates have put the loss at more than $1 billion for the first three years for 75 zones. (President Bush's budget calls for 70 zones.)

At Kemp's confirmation hearing earlier this year, Sen. Nancy Landon Kassebaum, a Kansas Republican, cautioned against allowing the zones to be converted into a new Urban Development Action Grant. That HUD program, which has been halted, came under attack for underwriting developments in questionable projects.

"The fear that this will grow out of control is a legitimate one," says Butler. At the worst, he says, enterprise zones would produce heavy tax losses and few jobs. For this to happen, though, businesses would have to have moved into the distressed areas. "You only lose money if businesses will be set up," he says, adding that in his estimation this is an unlikely outcome.

Safeguards have been put in place in some states to prevent tax giveaways. New York excludes from eligibility existing businesses that would relocate to an enterprise zone, although the state makes an exception for New York City. In Kentucky, 25 percent of the employees hired by new businesses must be residents of the zone, unemployed for at least a year or welfare recipients. Existing businesses are given a bit more slack. They can expand their capital investment by 20 percent or their entire work force by 20 percent. "For an existing business, it was almost impossible to hire 25 percent new employees," explains Bell.

Believing drawbacks can be overcome by the careful use of such requirements, supporters are optimistic that Congress will finally pass enterprise zone legislation that will make designation worthwhile. The wrinkle is what shape it will take. Garcia and fellow New York Democrat Charles B. Rangel are sponsors of a bill that offers tax incentives along the lines of the original legislation sponsored by Garcia and Kemp in 1980. Among its provisions are wage tax credits to employers and targeted employees, investment tax deductions and a capital gains tax exemption in some situations.

If the legislation is going to be meaningful, Kesner says, it will have to go beyond tax incentives. It needs a job training element and a great deal of flexibility. In New York City, for instance, some of the areas best-suited for designation are ineligible because they are outside yet near the poverty pockets, he says.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

Garcia also wants to expand the intent of the original legislation to place more emphasis on neighborhood revitalization. He proposes including affordable housing and law enforcement assistance as components. "What we're trying to create is a community," he says.

That approach has been a secondary concern at the state level, where enterprise zones have been positioned as economic development tools. Kentucky was one of the few states that attempted to make neighborhood revitalization an integral part of the program. An overriding consideration of the task force formed to study enterprise zones was to avoid doing anything that would damage neighborhoods. The state devised a system whereby a neighborhood group could incorporate and then be granted seed money in the form of property in order to attain a goal. (Though it was not incorporated through the state, a group in Lexington turned a parking lot into a day-care center.) Bell says it has not worked well as yet because of the difficulty in pinpointing individuals to take responsibility for the groups, but the state intends to continue the effort.

When HUD conducted its case studies, it found that enterprise zones were unlikely to be in the worst areas of the state. Incentives, state and local officials believed, were insufficient to offset the risks. Butler says such a philosophy runs counter to the way he envisions the concept. "The worst areas should be the top priorities." By no means, however, does he want enterprise zones to become an entitlement program.

One way to avoid that is to inject competition into the process. "We think the federal government should look at factors other than economic distress," says Johnson. So, too, apparently, does Jack Kemp. In testimony before the House Banking, Finance and Urban Affairs Subcommittee on Economic Stabilization, Kemp said he favors a competitive process. "Those states and localities which offered the strongest package of incentives and initiatives would receive preferential selection for zone eligibility." That could mean throwing out the current HUD formula of selecting the 100 zones (one-third for rural areas) solely on the basis of distress as defined by poverty and unemployment levels. Such an action could also mean offending the communities that had sought federal designation before there were the richer federal rewards to be had.

JACK YOHE MAKES A-B-E AIRPORT THE LEHIGH VALLEY'S FRONT PORCH

HON. DON RITTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 17, 1989

Mr. RITTER. Mr. Speaker, public relations and marketing are an important part of an airport director's daily responsibilities. Today, more than ever, the proper marketing and public relations approach can mean the difference between a prospering airport supported by the community and one that is facing strong public opposition and declining air service.

With this in mind, I recommend that my colleagues, depending on the needs in their districts, contact the Federal Aviation Administration [FAA] to obtain their management-training film for small- to mid-sized airports. I point with pride to the fact that the subject of the FAA film is the Allentown-Bethlehem-Easton International Airport and it's Director Jack Yohe.

Mr. Speaker, at this point I include an article from the April issue of the Lehigh Valley Business Digest which reports on Jack Yohe's outstanding record:

ABE AIRPORT: THE LEHIGH VALLEY'S FRONT PORCH

Last year, the Federal Aviation Administration was looking for a dynamic, well-run small to mid-sized airport at which to shoot a management-training film. There were literally hundreds of airports from which to pick. The FAA's choice: Allentown-Bethlehem-Easton International Airport, one of the fastest-growing small "hub" airports.

ABE's selection was an acknowledgement of the airport's growth and sound management under Jack Yohe, who became airport director in 1984.

Since Yohe, former consumer affairs advocate for the Civil Aeronautics Board (CAB), took over the reins, air traffic in and out of ABE has increased 85.4 percent including a 12.1 percent increase in 1988 alone. And the airport's most recent statistics reveal no signs of a slow-down. January 1989 traffic increased 13 percent over the same month last year.

But things were not always so rosy for the sprawling complex in Hanover Township, Lehigh County.

GROWING BY LEAPS

The airport experienced four consecutive years of declining traffic in the early 1980's, caused at least in part by the federal airline deregulation of 1978. Traffic increased slightly, the year before Yohe arrived, and has grown by leaps and bounds ever since.

Yohe attributes the growth to two factors: aggressive marketing and the simultaneous growth of the Lehigh Valley's economy.

"We have marketed the airport rather vigorously, not just in the Lehigh Valley, but throughout the country. I sold it as hard as I know how," Yohe says.

"We went to the airlines and argued that the airport was less than 100 miles from three congested major air markets (Newark, New York City and Philadelphia). We argued that the community would support air service and we could get competitive fares and reasonable schedules," Yohe says.

Armed with that sales pitch and a bevy of contacts accumulated from his CAB days, the airport director quickly extended ABE's services. The area's expanding, diversifying economy helped too.

FRONT PORCH OF THE VALLEY

"The airport and the economy have worked hand-in-glove," Yohe says. "The Valley is unique in its work ethic, its educational facilities and even its climate. The area has a lot going for it. And it might sound corny, but I like to consider ABE the front porch of the Valley."

In 1982, ABE served slightly over 400,000 passengers. Last year, just under 800,000 passengers were served by four major carriers (USAir, United, Eastern and Northwest Orient), eight commuter carriers and several corporate air fleets.

Though the airport is booming, Yohe knows there are still several problems to solve if ABE is to continue its growth. The major trouble spot: access to the airport.

AUTO CONGESTION

"The biggest problem we have to address is the failure of state and local government to come to grips with the surface transportation needs around the airport," he says.

Airport Road, the main highway feeding ABE, is often congested, particularly when businesses in the adjacent Lehigh Valley Industrial Parks change shifts. The airport's board of directors has named a task force to study the problems. For Yohe, any traffic changes would be for the better and can't come soon enough.

"Strangely enough, the strength of the airport is easy access, on a larger scale," Yohe says. "We're not in a big city. There's no Schuylkill Expressway. The passengers have peace of mind and little inconvenience. They can check in and out of the airport quickly.

"But the biggest problem is the roads out front. We could have the best schedules and fares, but if you can't get into the airport, it doesn't matter."

Another problem: lack of parking spaces at the airport.

"We don't need a study to show the need for more parking," Yohe said. ABE added about 500 spaces last year, but he feels current traffic levels are "pushing the limit" on existing parking lots. He thinks a multi-level parking deck will be the eventual solution.

The problems with local roads and parking are particularly vexing to Yohe because the airport's other existing infrastructure—terminals, gates, runways—can accommodate anticipated growth.

A MILLION PASSENGERS

"In three to four years, we will see at least 1,000,000 passengers in and out of the airport annually. We could accommodate more passengers. There is room for growth," Yohe says.

The airport is actively negotiating with two major carriers—American and Delta—to begin service to ABE in the "not-too-distant" future, Yohe says. The airport is also talking with major construction companies about building a 150-room hotel adjacent or attached to ABE.

Any changes or future growth would be carefully planned so as not to adversely effect the quickly-growing residential and commercial development around the airport, Yohe says.

"You've got to be a good neighbor. You can't create havoc with noise or the environment. We'll always be cautious moving forward," the director says.

"I want to see an airport that is providing adequate, safe air travel to a growing community and serves as a catalyst for the overall economic development of the area. We don't want to grow to be a burden."

A WOMAN'S RIGHT TO CHOOSE

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 17, 1989

Mr. MILLER of California. Mr. Speaker, in the next few months, the Supreme Court will hand down its decision in Webster versus Reproductive Health Services. Some have asked the Court to use this opportunity to revoke a woman's right to choose whether or not to terminate a pregnancy.

I would like to submit the following letters from residents of California who are concerned about maintaining a woman's right to make this difficult and most personal decision of whether or not to bear a child.

James G. Friedl of Concord, CA lost his mother to an illegal abortion. Friedl insists that "making abortion illegal will not stop abortion! It will make it difficult at best and life threatening at worst."

Marcia Toddhunter DeRosa of Pacifica, CA writes:

When I was 19 I became pregnant. I was not irresponsible; I had an I.U.D. At the time I was an honors student in college and working my way through school at a 32-hour-a-week job. Had I not had the abortion, had I decided to keep the baby, I would have had to quit school. I would probably still be working as a sales clerk somewhere, seeking out a living just below the poverty line. Instead, I had the opportunity to go to law school and become a successful, contributing tax-payer. I am able to ensure that my children will be able to grow into successful adults rather than part of the seemingly unending cycle of poverty.

Cynthia C. Ramseyer of Half Moon Bay, CA writes:

At the time I became pregnant, despite careful contraception, I was unmarried and did not have an adequate income to afford either adequate medical care for myself and the baby or insurance.

Had I kept the baby, I would have had to continue working to support it and myself. The total lack of adequate, affordable, child care for working mothers in my area supported my decision to abort.

Legal procedures for putting a child up for adoption were untenable. I would not subject a baby to a series of foster homes while the State tried to decide what to do with it. And I had absolutely no confidence of my baby being placed in a home where it would not be abused, molested, neglected or harmed.

As the stories of James Friedl, Marcia Toddhunter DeRosa, and Cynthia Ramseyer reveal, both carrying a child to term and undergoing an illegal abortion can have severe consequences for both the woman and her children. Better health care, adequate, affordable child care, and a living wage for women would ameliorate much of the need for abortion. Nevertheless, it is the woman who must make this difficult choice in light of her particular circumstances.

WHY OUR SOCIETY IS RAPE-PRONE

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 17, 1989

Mr. RICHARDSON. Mr. Speaker, I would like to bring to the attention of my colleagues the following article written by a fellow New Mexican, Jane C. Hood. It is a thoughtful and enlightening commentary on the recent "wilding" attack and rape of a woman jogger in Central Park.

WHY OUR SOCIETY IS RAPE-PRONE

(By Jane C. Hood)

ALBUQUERQUE, NM.—Why did eight teenagers beat and rape a jogger in Central Park? Mostly missing from the analyses of "wilding," and lost among the suggestions for preventing similar tragedies is one crucial issue: gender.

In a society that equates masculinity with dominance and sex with violence, gang rape becomes one way for adolescents to prove their masculinity both to themselves and to each other.

With the exception of prison assaults, gang rape is a crime committed almost exclusively by males against females. Yet, few commentators have focused on gender and what it means to be raised male in America. Like the proverbial fish who cannot describe water, Americans see everything but gender at work in the April 19 assault.

Given more than 30 years of research on rape, our myopia is hard to explain. In a classic 1971 study of 646 Philadelphia rapes—almost half of which were pair or group rapes—Menachem Amir, a criminologist, described the prototype for the Central Park assault.

* * * * *

The April 19 incident also shares some characteristics of "gang bangs" in fraternity houses and random violence against women on college campuses.

To understand this form of male bonding, we must understand the difference between rape-prone societies and those that are rape-free. In a study of 150 subsistance societies, Peggy Sanday, an anthropologist, found high incidences of rape to be associated with militarism, interpersonal violence in general, an ideology of male toughness and distant father-child relationships.

Rape-free societies, on the other hand, encourage female participation in the economy and political system and male involvement in child-rearing.

Despite recent moves toward gender equality, our society is still very much rape-prone. Surveys of U.S. and Canadian college students, for example, find that one of three men say that if they could get away with it, they would be at least "somewhat likely" to rape a woman.

Similarly, several recent surveys of high school students found 40 to 50 percent of both boys and girls agreed with statements such as "If a girl goes to a guy's apartment after a date, it's O.K. for him to force her to have sex." Even jurors in rape trials have found it hard to believe that an attractive man would rape a woman if he could just as easily have seduced her. As many of these studies point out, in rape-prone societies rape is confused with sex.

Thus, an effective national campaign to prevent assaults on women by bands of young men should target not "criminals" but rather advertisements portraying women as sex objects, sexual harassment and gender inequality in the workplace, resistance to paternity-leave policies and Rambo dolls and other violent games and toys.

Prevention campaigns might also include attempts to bring more fathers into day care and kindergarten classrooms to show that "real men" are nurturing people.

Community groups could support sex education programs that teach that rape is not sex but violence and that good sex takes place in the context of love and respect.

We should encourage co-ed sports at the elementary and middle school levels so that boys can learn that girls are not "the other" to be made fun of and put down.

In an otherwise excellent column in the New York Times, Tom Wicker described the Central Park rape as "a chance event that could have happened to anyone." In a way it was. On the other hand, when was the last time you heard about a gang of teenage girls raping and beating a man in Central Park? To get to the roots of this particular brand of violence, we need to long beyond race and class to look at gender relations in the United States.

INVITING SOVIET INPUT TO OUR DEFENSE BUDGET IS SHEER FOLLY

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 17, 1989

Mr. SOLOMON. Mr. Speaker, now I have seen everything. The Armed Services Committee of this House is seeking advice from the Soviets, including the KGB, on how the United States might cut its military forces.

Mr. Speaker, in the 11 years I've served in this body I have never witnessed an idea which, if realized, would justify such contempt from the world. This is almost a caricature of self-contempt, this impulse to invite our traditional enemy into our own defense deliberations. Since when do chickens invite the fox to design the coop's defenses. Such analogies abound, but they certainly are not funny. They are downright dangerous. It would be behoove everyone to keep a clear head, and not become drunk on glasnost.

Henry Mohr in the May 15 Washington Times has expressed the madness of this idea as well as anyone. I enter his column in today's RECORD.

A FOX IN THE HILL'S HEN HOUSE

(By Henry Mohr)

Washington is admittedly a unique place. A place where almost anything can happen—and usually does. But the goings-on in the House Armed Services Committee these days are some of the strangest ever witnessed. Not only has the fox entered the hen house on the Hill; it came in by invitation!

Incredibly, the House Armed Services Committee is seeking advice from the Soviets, including a KGB (secret police) front organization, on how to cut U.S. military forces. Unbelievable!

Democratic Rep. Les Aspin of Wisconsin, chairman of the Armed Services Committee, announced a few days ago that classified information provided Congress by the Defense Intelligence Agency will be supplemented with "direct Soviet inputs . . ." (Read: Soviet propaganda.)

HASC meetings with the Soviets and their advocates are already under way. A group of retired Soviet admirals and general met with committee members May 5. A series of meetings began the next week with a group headed by Andrey Kokoshin, deputy director of the Soviet Institute of the USA and Canada, and Roald Sagdeyev, former direc-

tor of the Soviet Space Research Institute and arms control adviser to the Kremlin.

That in itself is amazing. The Institute of the USA and Canada is identified as a KGB front organization in John Barron's best-selling book, "KGB Today—The Hidden Hand." Mr. Barron describes the institute as affording "disguised Soviet operatives entry into much higher levels of American society than does the WPC (World Peace Council)." Fully a third of the institute's staff members are said to be KGB officers.

If there's anything the United States doesn't need, it's for the House Armed Services Committee to allow itself to become a forum for glasnost-style KGB propaganda that could undermine support for U.S. defense programs. Soviet President Mikhail Gorbachev must be laughing his head off.

Who would believe that such people, including Marshal Sergei Akhromeyev, former chief of the Soviet general staff (now a personal adviser to Mr. Gorbachev), would be allowed to critique U.S. defense programs recommended to Congress by the president of the United States? This is a slap in the face for the president, to say the least.

Put yourself in the shoes of someone in a business which is competing with the store across the street. Only one of the two will survive; winner take all.

Would you ask your competitor how to run your business, what merchandise to carry, how to price and advertise it? And would you believe what he tells you?

Of course not. Only a fool would. The dumbest thing you could do (unless you had suicidal tendencies) would be to follow the advice of those who want to destroy you. Bear in mind that Mr. Gorbachev has never changed the objective set by his predecessors: eventual Soviet world domination and that includes the United States. One can only guess what Mr. Aspin hopes to accomplish.

Some (including Mr. Aspin, based on his own statements) have been taken in by glasnost and perceive, erroneously, that the Soviet threat is decreasing. CIA Intelligence officer Peter V. Ploy warned as recently as April 28 that the reverse is true.

Speaking to about 100 experts on national strategy, meeting at the Center for Defense and Strategic Studies in Springfield, Mo., in which this writer participated, Mr. Ploy said the CIA believes the Soviet Union will become an even greater threat in the 1990s than it is today.

Most participants agreed that the Soviet Union will emerge from its current reorganization (i.e., "reducing" tanks, artillery pieces and divisions) more powerful and a greater military threat to European and American security than ever before. The Soviets are actually increasing their nuclear weapons arsenal. Obviously, this is no time to let down our guard by cutting defense.

So far, the Bush administration and Secretary of Defense Dick Cheney have been holding their reactions in check, although it must be difficult. Hopefully, the House of Representatives will have the good sense to put a stop to this ridiculous exercise of allowing Congress to be used as a forum for Soviet propaganda.

The fox has no place in the chicken coop, especially when its purpose can only be to have a good meal at our expense.

THE SUGAR MESS

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 17, 1989

Mr. PORTER. Mr. Speaker, today I will introduce legislation to strike the sugar title from the 1985 Food Security Act. As my colleagues may remember, last Congress I introduced H.R. 2017, a bill to reduce the sugar loan rate from 18 cents to 12 cents per pound, while at the same time providing financial assistance to our Nation's domestic cane and beet growers to decrease amounts over a 4-year period. Supporters of the current Sugar Program declared my bill "dead on arrival." They said that there was nothing wrong with the U.S. Sugar Program and that it should remain unchanged.

The very facts surrounding the U.S. Sugar Program belie that statement, so I believe that the only way to remedy the problems of the U.S. sugar mess is to eliminate the Sugar Program by striking it entirely from the farm bill.

Mr. Chairman, let me explain the reasons for my growing frustration and the need to offer this reform legislation.

Products containing domestic sugar and corn sweeteners cost U.S. consumers an additional $3 billion each year due to our current Sugar Program. At the same time, domestic manufacturers must compete with imported sugar-containing products from foreign manufacturers who are able to purchase sugar at one-half to one-third the price that domestic companies must pay for U.S. sugar.

According to the Commerce Department, since 1981, the artificially high price of sugar cost 8,900 U.S. food manufacturing jobs, and an additional 7,000 jobs with the closing of domestic sugar refineries.

U.S. sugar imports have been slashed approximately 66 percent during our domestic Sugar Program. Since 1982, the revenue earned by sugar-exporting countries, most of which are developing countries, has fallen from $1.6 billion to below $600 million in 1989.

According to USDA's own figures, over 50 percent of the revenue received by U.S. sugar producers is attributable to the U.S. Government program. In addition, the USDA found our Sugar Program represents one of the most restrictive trade barriers in the world, ranking with Japanese beef and soybean programs.

Sugar import barriers have imposed tremendous hardships on our foreign allies in the Caribbean region, the Philippines, Latin America, Asia, and Africa. These hardships undermine U.S. policy which is designed to enhance democratic development by stimulating export markets of young pro-Western democracies. Our present Sugar Program is hypocritical.

The Congress has tried countless shortcuts to deal with the problems of the domestic Sugar Program. Even now, there is legislation pending before the Ways and Means Committee that would attempt to stop the hemorrhaging of the Caribbean sugar import quotas. However, to accomplish this, the legislation will put 27 non-Caribbean Basin Initiative [CBI] sugar suppliers in a worsened position. This legislation is illegal under the General Agreement on Tarriffs and Trade [GATT]. Therefore, the CBI legislation contemplates paying hundreds of millions of dollars in trade compensation to non-CBI nations.

Soon, we will be faced with a ruling from the GATT on the Australian complaint that United States sugar import quotas are illegal. I believe that the Australians will win this case. Such a GATT ruling could result in compensation by the United States to these 39 sugar suppliers in the hundreds of millions of dollars, and could spark a retaliatory trade war that makes other trade skirmishes look like popgun battles. It would also undercut U.S. efforts to tear down foreign protectionist trade walls.

Mr. Chairman, I could continue with this litany. However, I will spare my colleagues a recitation of the facts associated with the Sugar Program of which we are all aware. After having offered legislation to modestly reduce the support price for sugarcane and sugar beets, and finding no support for such an amendment, I have determined that it is better to strike the entire sugar title from the Farm Program.

I respectfully request my colleagues who have reached the same level of frustration and concern over the direction of the Nation's Sugar Program to cosponsor this legislation.

BOXING LABOR STANDARDS ACT OF 1989

HON. PAT WILLIAMS

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 17, 1989

Mr. WILLIAMS. Mr. Speaker, and my friends in boxing, I am pleased to rise today to introduce legislation addressing the regulatory problems in the sport of boxing.

The Congress has struggled for many years with me in trying to find a way to make the sport of boxing safer for those men who labor in the ring. The last time the Congress acted it sent legislation establishing voluntary guidelines to the Senate. That approach did not receive consideration and although since that time there has been some developments toward reform in the sport, the Congress has remained reluctant to act. With the introduction of this legislation today, I can't help but state that time is running out for us and the sport of boxing.

During the past year I have made a concerted effort to meet with and discuss these issues with all levels of the boxing world and the various levels of government involved in the sport. I have met with commissioners, promoters, boxers, managers, fans, referees, ring physicians, and anyone else who had some interest in this issue. In these discussions I was amazed at what I was continually told. All those years of public and congressional debate have not fallen on deaf ears. People were listening and I found little, if no opposition to the updating and standardizing of health and safety requirements for fighters, and they want those requirements made mandatory.

If I may summarize what I've heard it will help us see what action is now necessary.

People want a Federal presence in the protection of fighters, they want that presence to standardize health and safety requirements, they want the State commissions to be involved in the implementation of those requirements, and most important they want those requirements to be mandatory. Time and time again folks shared the concern that voluntary compliance simply would not work and if we attempted it, in its failure fighters would be worse off instead of better. They applauded our concern and our efforts, but they also marveled at our naivete. The sport has had more than 100 years to implement self regulation, since the adoption of the Marquis of Queensbury rules and it simply was not going to happen.

So like the racers in Alice in Wonderland we have run and run only to have arrived at where we started. There were many good and important suggestions that folks raised about programs that are important to fighters, but it is clear that any creative assistance fighters may be provided has to first be grounded in mandatory Federal health and safety requirements. Given the history and development of the issues surrounding this debate, I predicted that the approach that we need has to be simple and direct. We cannot wait to bring regulations to the sport.

As I said, there are few folks who do not support Federal participation in the protection of those who labor in the ring. In fact I believe that the true basis for any sport, the fans are beginning to resent the chaos and improprieties of this sport. Each year that passes boxing moves closer to pop entertainment and away from the "sweet science" that has brought many of us to be fans.

Again here today I ask the question asked of me, "Why can't fighters be provided the same protections other workers in this country enjoy?" I believe we have the answer to that question: Legislation that will expand the Occupational Safety and Health Administration to cover boxing and its environs.

Once one sees fighters as workers it becomes clear that they should be afforded the same legal protections that we provide all workers. Yes, there is room for some form of creative Federal involvement in the sport. And it must be in the very basic establishment of safety ground rules, which every employer wishing to do business in this country must abide by.

Utilizing the existing structures under OSHA saves the creation of a new, a burdensome Federal bureaucracy. This legislation will create an Office of Compliance and appoint a Boxing Commission to create and publish the necessary Federal protections. When a fight is planned and executed, there should be no question what health and safety rules apply. No worker in this country should go to work wondering if they will be afforded basic worker health and safety requirements. Those protections should be the same in Montana as they are in Nevada or New Jersey. All parties involved should know what work requirements there are and all fans should expect some uniform application of those rules. Auto workers don't have to negotiate their basic occupational safety standards and neither should fighters.

In am confident that this approach will provide the basic foundation necessary to protect our fighters and maintain fan confidence in this important sport. The legislation is direct, mandatory, and focused on health and safety standards and not commercial reform of the sport.

I have introduced two pieces of legislation today that are aimed at the same type of reform. First, OSHA style health and safety standards, and second, a Labor Advisory Commission proposed and championed by Gerry Cooney. This institute grew out of Gerry's concern that fighters are often left after their boxing career with no skills to enter the work force. This is a laudable effort and I commend Mr. Cooney for his interest and work on this concern.

Health and safety standards and job training work well together and I fully endorse both ideas. I firmly believe the best thing that could happen for fighter is if both pieces of legislation are adopted. I have introduced them as separate bills, however, to allow them to be considered independently on their merits.

I firmly believe that we do not have the luxury of enough time to explain or implement a complicated broad-based voluntary commission. This Congress may tell the tale for boxing reform. We owe it to the fan and the fighter to resolve once and for all the possibility of congressional action. It is inappropriate for us to year after year dangle the carrot of reform before the sport's community. We have brought them along with us in this discussion and now, that we have reached some consensus on health and safety reform, the Congress should strike.

IRRIGATION SUBSIDIES REFORM ACT OF 1989

HON. SAM GEJDENSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 17, 1989

Mr. GEJDENSON. Mr. Speaker, I rise today to introduce the Irrigation Subsidies Reform Act of 1989. This legislation seeks to eliminate one of the most striking contradictions in our Nation's farm policy. On the one hand, the Federal Government provides low cost, subsidized water to a select group of farmers for irrigation on lands that yield surplus crops. On the other hand, many of these same farmers are receiving Federal agricultural commodity payments not to grow the same crops on other stretches of their land.

The Irrigation Subsidies Reform Act of 1989 would eliminate this double Federal subsidy. Farmers who receive federally subsidized irrigation water to grow crops that are in surplus would no longer be eligible to receive price support loans or benefits from price and income support programs administerd by the U.S. Department of Agriculture [USDA]. As a result of this legislation, farmers would have to choose their subsidy.

As many of my colleagues may know, the production of surplus crops with subsidized water adds to the glut of farm products. A 1982 study by the Department of Agriculture found that 45 percent of the land irrigated with subsidized Bureau of Reclamation [BUREC] water is used to grow surplus crops. Incredibly, almost half the lands using subsidized water are growing crops that are in surplus. Even with the drought we experienced last summer, the Commodity Credit Corporation [CCC], which is the branch of the Department of Agriculture that purchases surplus agriculture commodities, has in storage today 250 million bushels of surplus corn, 375 million bushels of surplus sorghum, 30 million bushels of surplus barley, 60,000 bales of surplus cotton and expects to have 300,000 bales of surplus cotton in storage next year.

In addition to bringing sanity to Federal farm policy, this legislation reduces the Federal budget deficit. According to testimony presented before the House Interior Subcommittee on Water and Power by the Agriculture Department in the 100th Congress, the total USDA commodity payments made to farmers with Bureau of Reclamation [BUREC] irrigated lands was approximately $785 million in 1986. Of this amount, the USDA spent an estimated $379 million on commodity payments to farmers producing surplus crops.

To make matters worse, the Interior Department estimates that the Federal Government spent $534 million in 1986 to provide subsidized irrigation water; $203 million of this amount was used to provide subsidized water for farmers to grow crops that are already in surplus.

During the 100th Congress, while serving as chairman of the House Interior Committee on Oversight and Investigations, I attempted to get a straight answer from the Department of Interior regarding the calculation of costs to taxpayers in providing irrigation subsidies. Publicly, the Department of the Interior blatantly and repeatedly underestimated the cost of the irrigation subsidies. Privately, the Department's own economists responsible for calculating irrigation project costs, charged in internal memoranda that the Department's official price tag of $9.8 billion for the cost of the federally funded water projects through the Bureau of Reclamation since its inception were too low. The Interior Department's Office of Policy Analysis calculated the cost to the taxpayers of the BUREC subsidized Water Program at between $22 billion and $28 billion since its inception.

In addition, the Congressional Budget Office placed the subsidy between $33.7 billion and $70 billion since the beginning. Faced with a Federal budget deficit of $99 billion projected for fiscal year 1990 and double subsidy cost estimates ranging from $9.8 billion to $70.3 billion, it is critical that the irrigation subsidy system be reformed during this session of Congress.

Mr. Speaker, I grew up on a family farm in Bozrah, CT. I hold a strong belief in the productivity of the American agricultural industry, but this kind of double-dipping by a smaller group of farmers destroys the credibility of Federal farm policy and undercuts popular support for necessary farm programs.

The main problem plaguing American farmers today is low commodity prices caused by overproduction. Simply reducing the volume of surplus crops will increase commodity prices and farmers income. Recipient farmers of the

double subsidy inundate the market with unneeded surplus agricultural commodities. They drive up Federal expenditures for USDA commodity programs and place farmers in other areas of the country, who do not receive subsidized water, at a competitive disadvantage in the agricultural marketplace.

Finally, the "Irrigation Subsidies Reform Act of 1989" protects the environment because it encourages the conservation of precious water resources. The wasteful use of irrigation water can damage fragile ecosystems and destroy important wildlife habitats.

Mr. Speaker, as we begin the debate on the 1990 farm bill, we have the opportunity to improve the agricultural system in this country. The "Irrigation Subsidies Reform Act of 1989" ends the contradiction in Federal farm policy. It cuts the Federal budget deficit, reduces the cost of USDA commodities programs, reduces the surplus of agricultural crops, encourages the conservation of our precious water resources and makes the playing field more level for farmers who do not receive subsidized water. I encourage my colleagues to join me in support of this legislation to reform the irrigation subsidy system and bring fiscal sanity back to our Nation's farm policy.

THE MINIMUM WAGE

HON. AUGUSTUS F. HAWKINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 17, 1989

Mr. HAWKINS. Mr. Speaker, it has been 8 years since the minimum wage was last increased. The $3.35 per hour wage today only purchases $2.46 worth of goods and services in the marketplace. Workers today deserve to earn a decent wage for the hard work they perform. H.R. 2, the Fair Labor Standards Amendments of 1989 creates the long overdue opportunity for Congress and the President to provide millions of low wage workers a measure of economic justice.

President Bush's veto threat of this modest proposal is wrong and unfair to the poorest working men and women in the Nation. When the President supports a capital gains tax and opposes a modest increase in the minimum wage, it is easy to see why the income gap between the richest and poorest Americans is the greatest in more than 40 years.

I urge the President to reconsider and not veto this legislation for the sake of 30 cents an hour. Also, I believe it is important for all of us to realize Congress' 60-day training wage proposal for the very first job—or jobs—a worker takes, is significantly different than the Bush 6-month, potentially lifetime, subminimum.

The following article, "Bush's Minimum-Wage Ploy," by Arnold Mayer, vice president of the United Food & Commercial Workers [AFL–CIO], that appeared in the Washington Post on May 16, 1989, points out the differences in the two proposals and clearly shows the only meaningful increase in the Federal wage floor is the congressional package.

I encourage my colleagues to join in our efforts to convince President Bush of the importance of signing a meaningful minimum wage bill. Copy of the article follows:

BUSH'S MINIMUM-WAGE PLOY

Some workers could end up on a subminimum training wage treadmill.

Much is missing from the public debate on the differences between the minimum-wage legislation passed by both houses of Congress and the one supported by the Bush administration. News reports concentrate on 1) the Bush call for a $4.25 an hour minimum wage in three years as compared with the congressional $4.55 rate; and 2) the Bush proposal for a six-month so-called training wage versus the congressonal two-month limit.

In actual fact, the training wage difference is much greater and much more significant both in economic and political terms. The administration is demanding a six-month training period every time a worker changes his or her job, while the congressional 60-day total training wage would occur only once—on the very first job or jobs a worker took.

Under the Bush proposal, a worker could be plagued with the subminimum wage throughout his or her working life. Under the Congressional legislation, the worker would endure the subminimum only at the start.

But there is more. In both proposals the training wage would be either $3.35 an hour—the minimum-wage rate in effect since Jan. 1, 1981—or a percentage of the existing minimum wage, whichever is higher. The subminimum percentage would be 80 percent in the Bush proposal and 85 percent in the congressional bill.

Multiply either the Bush minimum-wage proposals of $3.65 an hour for 1990 or $3.95 for 1991 by 80 percent and the all-pervasive training wage stays at $3.35 an hour both years. In 1992, the Bush-proposed minimum wage would go to $4.25 and the training wage would finally rise—by 5 cents to $3.40.

Minimum-wage workers leave jobs often. In 1980, the U.S. Minimum Wage Study Commission found that "turnover was greater among minimum-wage workers than among those making higher wages." In fact, more than twice as great.

"On a monthly basis, 13 percent of minimum-wage workers left their jobs," according to the commission. For the economy as a whole, "workers left their jobs at a 6 percent monthly rate." Many experts believe the turnover rate among minimum-wage workers is higher today.

The Bush proposal also gives employers an incentive to conclude that these low-wage workers are inadequate in their job performances as they approach the magic six-month deadline. While the substitute of subminimum workers for those receiving the full minimum wage would be illegal, the U.S. Labor Department's Wage and Hour Division has been so denuded of staff that it could hardly enforce this difficult-to-prove provision.

As a result, most workers employed at the subminimum wage would never reach the full rates proposed by Bush. Job changes—either voluntary or forced—would effectively keep them at the $3.35 and $3.40 rates.

The media has speculated that the Bush "take-it-or-leave-it" attitude on minimum wage is a political ploy aimed at stiffening the image of a president who often compromises with Congress. It is to show conservatives that he does stand his ground.

Bush's minimum-wage strategy is actually a shrewder maneuver than that. It is a double play. Bush demonstrates to the nation a "gentler and kinder" approach than the Reagan flat "no" on minimum-wage increases. At the same time, he assures employers that under the law they will not have to pay more to a large number of workers until 1992 and then an increase of only a nickel an hour.

There is yet another benefit for minimum-wage opponents. Representatives, senators and the media are guessing what will happen after the expected Bush veto of the congressional minimum-wage legislation.

Congress will probably be unable to override the veto. While both chambers approved the minimum-wage bills by comfortable margins, they did not pass them by the two-thirds majority which the Constitution demands for a veto override.

Bush may not be willing to make changes in his proposals even after a veto. He could very well continue his "tough strategy" for the economic benefit of employers and the political benefit of conservatives.

But the political pressures may be too great. The administration may be willing or may have to negotiate a new bill with Sen. Edward M. Kennedy (D-Mass.) and Rep. Augustus F. Hawkins (D-Calif.), the chairmen of the congressional labor committees.

No genius is needed to foresee what a compromise of the minimum-wage rates could be like. One side or the other may get the better deal of a nickel in the difference between the Bush proposal of $4.25 an hour in the third year and the congressional $4.55 figure. The result is likely to be somewhere between $4.35 and $4.45.

Such a compromise would be difficult for minimum-wage increase advocates to swallow. The cost of living has increased 37 percent since the $3.35 minimum first went into effect. The minimum should be at $4.60 today to make up the lost purchasing power of these low-paid workers.

The $3.35 rate represented 48 percent of the nation's average wage when it became law in 1981. To equal the same percentage of the average wage today, $4.58 would be needed. Any wage compromise would therefore push minimum-wage workers even further down the equity scale.

But the negotiating sticking point will come on the training wage. If the administration becomes generous and cuts its six months subminimum to just one month at every job change, the minimum-wage worker still will be in deep trouble. Because of job turnovers, the $3.35 and the $3.40 rates will remain a major factor—and perhaps the predominant factor—in the job market for minimum-wage workers.

This after-the-veto situation puts the Democrats in a political bind. If they agree to such a training wage deal, they cripple the effectiveness of the Fair Labor Standards Act—long a major jewel in the Democratic New Deal's crown—and they will enrage labor and other advocates of the working poor.

If congressional Democrats refuse to make the deal, the administration will try to make them appear as dogmatists who will not compromise to provide a much-needed wage increase to low-wage workers—even though President Bush is not proposing a real increase.

The minimum-wage fight could end up as a victory for political cynicism at the expense of the working poor.

THE PROCHOICE MOVEMENT CUTS ACROSS RELIGIOUS, POLITICAL, AND GEOGRAPHIC BOUNDARIES

HON. BILL GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 17, 1989

Mr. GREEN. Mr. Speaker, several months ago I received the following essay from Mr. Claude W. Sherwin of Salt Lake City, UT. Mr. Sherwin describes himself as a devout Christian and a regular contributor to the Republican Party. He is also prochoice. Knowing of my prochoice position on abortion, he wanted to share with me his essay which thoughtfully explains his prochoice views. I was very moved by what he wrote and wish to share it with my colleagues because I believe it illustrates that the prochoice sentiment is shared by people in all walks of life regardless of religious, political, or geographic labels.

Subject: The Right To Choose.
To: All Who Have a Concern or Interest.
From: Claude W. Sherwin.
Date: August 22, 1988.

Vice President Bush, during his acceptance speech at the Republican National Convention, made a pitch for his anti-abortion stand by using an often used, worn-out cliche. Referring to his adopted granddaughter, he said that he was glad that her mother chose adoption over abortion.

I'm sure that any grandparent, or parent of an adopted child, would certainly make the same statement. The point is, the statement is a loaded declaration which will always get a cheering, affirmative response. We are all very glad that the mothers of George Washington, Abraham Lincoln, Henry Ford and thousands of other such examples, did not choose abortion.

In Utah we have had two rather recent examples of young girls and young boys being murdered by deranged men. Would it not be understandable to hear the families of those victims say that they wished that the mothers of the killers had chosen abortion? The same thought might cross the minds of thousands of families and friends of other murder victims across the country. Would the world have possibly been better off if the mothers of Hitler and Stalin had chosen abortion? These too, are loaded statements.

To me, the important word is choice. The decision, that yes or no answer, can only be made by the female carrying the embryo, be it a teenager who made a mistake, or an older woman with no means of support. The reasons may well run into the hundreds, but each is an individual case, to be dealt with only by that individual who carries the embryo.

Many clinics across the nation that perform legal abortions have been subjected to picketing, bombings, arson, and rock throwing by so-called "right to lifers." They often harass and intimidate the people who enter or leave these clinics. They are breaking the law and should be severely dealt with. Have the homes of any pregnant young teenagers or pregnant single welfare recipients ever been picketed by mobs telling them that they must have an abortion? I don't think so.

It is not a question of pro-abortion, but a question of pro-choice. The Supreme Court has said that a woman has a legal right to make that choice. Extreme right wing radicals are saying "to hell with the law and the courts." Patrick J. Buchanan, in his new book, "Right From The Beginning," while discussing the method of selecting new Supreme Court Justices, states that, "not only the character, but the philosophy of the new Supreme Court Justices should be made by the Republican Party." He later goes on to suggest that people should act in defiance of Supreme Court edicts (re. pages 344-346). What an example for young people. Obey the law only if you agree with it. I believe the word is "Anarchy."

There is no acceptable either/or solution to the problem. It is not a question of conservative or liberal, left or right, black or white or right or wrong. It instead has to do with our answer to an even more complex question. A question that has never had a provable answer. "When does a soul-bearing human life begin?" Is it at the moment of conception, the moment of birth, or at some point in time in between? Is it a soul bearing human being during the first or second trimester? I cannot prove that it is or isn't, nor do I believe that anyone else can.

I happen to be a devout Christian. It is my honest personal belief that early term embryos are not in fact soul bearing human beings. If I believed otherwise, I would never be able to understand the millions and millions of miscarriages that regularly occur. Today, an embryo can be started in a test tube by dropping a sperm on an egg. I personally do not believe that the soul, or the spirit of God, is suddenly present in that tube. This is the philosophy, my philosophy, that I choose to believe. You may agree or you may choose to believe something completely different.

I am told that my rights end when they infringe on your rights. Therefore, your rights must end when they infringe on mine. It's an American rule that works. With that as our guideline, let us not give up our right to choose the path we wish to follow.

As a point of interest, I have for many years been a regular contributor to the Republican Party. During those years I have always split my ballot, and have never been able to follow straight party lines. I also happen to be a regular contributor to Planned Parenthood. This may seem strange or conflicting to some people, but that's my choice.

For taking the time to read this, let me say thank you. Thank you for allowing me to use you as a means of getting all of this out of my system.

Sincerely,

CLAUDE W. SHERWIN,
Salt Lake City, UT.

THE SOCIAL SECURITY REPRESENTATIVE PAYEE ACT OF 1989

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 17, 1989

Mr. MATSUI. Mr. Speaker, today I am joining my colleagues Mr. LEVIN and Mr. MOODY, in introducing legislation, the Social Security Representative Payee Act of 1989, that is designed to reform and strengthen vital services which the Social Security Administration provides to approximately 5 million people who are among the most vulnerable in American society.

My staff began working in February with the staff of the Ways and Means Social Security Subcommittee, chaired by Congressman JACOBS, as well as Congressman LEVIN's staff on a package of reforms to the Social Security Representative Payee system. The multitude of problems which exist in the representative payee system have been painfully apparent in recent months in my home District in California.

National attention has been focused on the problems of abuse in licensed and unlicensed Board and Care facilities because of the very tragic and terrible Puente case. The Puente case is only one of the many horror stories that have been documented under our current representative payee system, although it is the most gruesome. We will have other Puente cases in this country if we do not take action in Congress. Unlike many problems we tackle on Capitol Hill, I believe that there are some positive solutions we can all agree are possible. Looking at the issue, I feel that in some ways it is simple common sense which the Social Security Administration [SSA] lacks in the administration of the representative payee program.

The courts have also recognized that the representative payee system is failing. Legal Services of Northern California, based in Sacramento, filed in U.S. District Court in February a class action lawsuit which documents the widespread and inherent problems that plague the system. The named plaintiff, Mr. Charles Briggs, who is mentally disabled and has no other source of income other than SSI disability benefits, could only receive his check through a representative payee. From December, 1981 until June, 1988, Adult Protective Services of Sacramento County acted as Mr. Brigg's representative payee. When the County, due to fiscal burdens, discontinued this service, Mr. Briggs was unable to locate another representative payee. Without a representative payee, he could not receive his check.

Mr. Briggs ended up homeless, sleeping on the streets, and subsisting by eating at food kitchens run by local charities. The representative payee system, by terminating his benefits, left Mr. Briggs destitute and guaranteed his homeless status. On April 26, 1989, the 9th Circuit Court of Appeals entered an order granting the motion for a preliminary injunction in the Briggs case. The Secretary is currently enjoined from refusing to pay Social Security or Supplemental Security Income benefits directly to beneficiaries because those beneficiaries cannot obtain a representative payee.

In another case, the Federal district court in Colorado on March 20, 1989, granted the plaintiff, Mr. Holt, summary judgment and ordered SSA to repay the $7,000 of benefits that were misused by Mr. Holt's representative payee. Mr. Holt has claimed that the Social Security Administration was obligated to pay the money a second time because SSA had failed to comply with its duty to investigate the representative payee, who had an extensive criminal record.

Sadly, Mr. Holt and Mr. Briggs' cases are not unique. I would like to share with my colleagues a few other documented examples

that illustrate how the system is really functioning.

Sister Laura Ann Walton filed a declaration in the Motion for Preliminary Injunction in the Briggs case. She is the director of Maryhouse, a resource center for homeless women and children in Sacramento. She describes the plight of 30 women she served who were eligible for Social Security and/or Supplemental Income [SSI] benefits but who could not find a representative payee. Some of these women were without benefits for as long as 4 or 5 months while they attempted to find a payee. During that time period they were homeless, often hungry, and threatened by the violence of street life. Here clients have resorted to getting individuals as payees who are physically abusive and who keep the money for themselves.

Sister Walton serves as a payee for as many women as she can handle. Each time she has applied to be representative payee, she reports that she was not even asked for identification.

A second declaration was filed by Peggy Nickerson, a social worker at the St. Paul's mental health center serving the Sacramento area. The mentally ill seniors she serves are also left homeless to face the dangers of the streets, hunger, and desperation because they cannot find a payee. It is not uncommon for her clients to go to local liquor stores, grocery stores, and pawn shops to get the owners to be payees. The owners exploit the beneficiaries by providing tabs at the liquor stores, by charging outrageous fees for their services, and by not accounting for their funds. Her clients tell her that often the only way to get a payee is to pay for one, and the payees charge as much as $500.

In a third declaration in the Briggs case, Tim Brown, a social worker employed by Sacramento County, describes how his clients with mental disabilities would completely break down mentally under the stress of being homeless while in the process of finding a payee. His sworn statement includes one actual case illustrating how tragic the consequences of the current representative payee system can be. One woman has her boyfriend act as her payee. This woman was often delusional to a severe degree and completely incapable of making choices about her welfare and safety. Because her boyfriend controlled her money, she felt she has no option but to live with him. He treated her very violently. He literally tortured her on a regular basis. During one hospitalization it was found that her entire body was covered with bruises, lacerations, and cigarette burns inflicted by her payee.

There are many more lives being ruined because the representative payee system has failed. There is a failure to help beneficiaries find responsible representatives payees, a failure to run simple background checks, and a failure to monitor representative payees after they have been authorized. How could the good intentions of Congress, trying to assure that benefits truly help recipients have gone so astray in the hands of the Social Security Administration?

The Social Security Representative Payee Act of 1989 is a number one priority item in my legislative agenda for this Congress. I share these shocking stories only to emphasize that immediate reform is essential.

Thank you.

MARINE BIOTECHNOLOGY AND AQUACULTURE

HON. KWEISI MFUME

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 17, 1989

Mr. MFUME. Mr. Speaker, science fiction writers would have us believe that space is the final frontier. But the reality is that the final frontier is much closer to home. The Natural Resources Subcommittee of the House Science and Technology Committee traveled to the future and a new frontier on May 15 when they held onsite hearings on marine biotechnology and aquaculture in Baltimore, MD. Scientists and entrepreneurs are turning to the ocean as a source of new products, new technology and new ideas for research and the place where these will meet will be at the Christopher Columbus Center for Marine Research and Exploration at the Inner Harbor of Baltimore.

Several examples come to mind of how the new frontier of exploration on our own shores could benefit mankind. A nuisance to shipping for centuries the common barnacle now is looked upon as a source for a new natural adhesive. Research into the protein substance that binds barnacles to the bottoms of ships may yield a similar protein substance produced in American laboratories for a new glue. In a completely different field, scientists are studying salmon for clues to building a new generation of compact electronic sensors. Salmon have traditionally baffled researchers who are stumped that the fish are able to find their way back to spawn in the exact stream they were born in. With properly funded and supervised research, the sea, its bottom and its inhabitants could be valuable sources of substances that might have use in medicine, industry, pharmaceuticals, mining, and food production, and this is what the Columbus Center is all about. But formidable obstacles exist for undersea research.

Tradescope Magazine, a Japanese periodical, capsulizes the problems involved in biotechnology and aquaculture research as "the inhospitable nature of marine environments makes undersea development a risky and expensive business." Trenches to 10,000 meters, little light or oxygen, extremely cold temperatures, and crushing pressures contribute to the danger and expense of undersea research and development. The problems of exploration in the hidden depths of the trenches pose as daunting of problems as the space program has encountered. As the Government in now in cooperation with private industry in the Shuttle Program so also is such a partnership sought for marine biotechnology and aquaculture.

Mr. Speaker, I am pleased to announce that such an innovative and creative partnership does indeed exist. The National Oceanic and Atmospheric Administration [NOAA] has expressed its support for the Christopher Columbus project. Commemorating the 500th anniversary of the famous explorer's discovery of the new world, the Columbus Center will engage in marine and oceanographic biotechnological research.

The parallels between the explorer and the facility are more than coincidental. Columbus sought financial support from a variety of sources to follow a dream which eventually changed the world. With professional experience, special knowledge and personal courage he ventured into uncharted waters of the north Atlantic. The Columbus Center also involves a special collaboration of government, private enterprise and educational institutions. The partnership, as well as the research are necessary to realize the dream of turning toward the sea as a source of innumerable benefits for all of humankind. The future needs the Columbus project.

Of major importance will be the center's role in providing coordination for environmental research. The results of the center's research will contribute to our knowledge of how to restore the seas to the pristine condition that Columbus experienced. Depletion of marine animal populations from using our seas as a garbage dump and the constant accidents at sea that spill everything from oil to airplanes is a sad reality of this century. The research that the Columbus Center will engage in will seek to discover affordable solutions to these, and other, environmental problems.

Some balance of interests must be sought among all the various uses of the bay. Because it is a fragile ecological system, a varied recreational playground, a convenient resource for industry and a source of jobs, there arises conflict as to what is best for the bay. At its best, the center will assist in providing the technological and scientific research necessary to make the hard decisions about the bay's future. The Christopher Columbus Center will be a great boon, not only to the Chesapeake Bay, but its discoveries will be applicable to all of our Nation's waterways and shoreline. It is our dream, Mr. Speaker, that the center, coordinating with government, universities, industry, and all the users of the bay, will ensure that the bay has a long, healthy, and prosperous future.

THE 80TH ANNIVERSARY OF ITALIAN TRIBUNE

HON. DENNIS M. HERTEL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 17, 1989

Mr. HERTEL. Mr. Speaker, I rise today to recognize the 80th anniversary of the Italian Tribune-La Tribuna Del Popolo, a bilingual newspaper, published in Warren, and serving the Italian-American community of Michigan and the surrounding States.

The newspaper, founded in 1909 by Vincent Giuliano, has served as a way for Italian-Americans to stay abreast with cultural, educational, and social events happening within the Italian-American community.

The success of this publication is accredited to Edward Baker, the publisher and grandson of the founder of the paper who has carried

on the family tradition of maintaining effective communication to the Italian-American community in Michigan. Edward's wife Marlene, has also been instrumental in making the paper such a great success.

My dear colleagues, please join me in recognizing the 80th anniversary of the Italian Tribune and in congratulating Edward Baker on the great job he has done over the years.

AUNT JEMIMA SERVES OLD TRADITION—STEREOTYPING

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 17, 1989

Mr. STOKES. Mr. Speaker, I would like to bring to my colleague's attention an editorial, entitled, "Aunt Jemima Serves Old Tradition—Stereotyping," which appeared in the Plain Dealer on Sunday, May 7, 1989. The article was written by Associate Editor Elaine Ayala and explores the profundity of systematic discrimination known as stereotyping. The subject examined by Ayala is Nancy Green, also known as, "Aunt Jemima," a trademark which has graced the box containing the famous pancake mix for nearly a century.

According to Ayala's article, the real Nancy Green was an attractive, dignified figure who became a nationwide celebrity by going around the country and promoting the pancake mix at fairs and expositions. At the turn of the century, the use of racial stereotypes as caricatures was widely used by advertisers to sell their products to consumers. Consequently, instead of placing Nancy Green's graceful figure on the pancake mix box, a pleasingly plump black woman was substituted, wearing a bandanna, an apron, a wide-mouthed grin, and wielding a spatula.

The inference was obvious in 1893—black women were happy, dim-witted, and content to serve. Until 1989, the image of Aunt Jemima has remained virtually the same since her debut. The advertisers have now decided to modernize Aunt Jemima's image for a new generation. The new and improved Aunt Jemima will not wear her customary bandanna and will sport pearls.

Ayala has a strong point to make about the subtleties of racism and discrimination in the United States of America. She contends that instead of modernizing a derogatory caricature that is supposed to represent modern black womanhood, why not get rid of the symbol altogether.

Mr. Speaker, Ayala's article is well worth reading. It is definitely food for thought.

[From the Plain Dealer, May 7, 1989]

AUNT JEMIMA SERVES OLD TRADITION—STEREOTYPING

(By Elaine Ayala)

Reality is so unmarketable. So the guys in gray flannel suits always have turned to stereotypes—usually racial ones—to sell a product. They figure consumers not only want a good soap, they also want to feel superior, demean or make fun of the caricature on the soap's package.

The sick notion has sold a lot of goods, it also has sold the American consumer a bill of goods.

The more frightening images ("Alligator Bait" whiskey, which had a picture of a black child and two alligators) have disappeared—the suits' bow to societal pressure. Many a product slogan has thus been retired to the Smithsonian or some other appropriate institution. But we don't have to look too far back for examples of racial stereotyping in product marketing. Just last year, Colgate renamed its Asia-destined "Darkie" toothpaste, which depicted a minstrel in blackface, to "Darlie" Asians reportedly were unsupportive of the change, saying they respected black people for their clean teeth.

Other seemingly harmless-looking images stay with us, doing their part in coloring the way we look at people of color. Aunt Jemima is a case in point. The ever-joyous, fat black woman who loves to serve up a stack of flapjacks is hanging on into the 21st century. What a shame. She's earned her retirement.

Recently, the Quaker Oats company presented a new and improved Aunt Jemima—a modern version of her old jovial self. While there's no way to add insult to injury in this case (the damage being mostly done), the new Aunt Jemima still inspires winces from these parts.

The new Aunt Jemima smiles broadly, a mouthful of white teeth running across the box. She no longer sports a bandana across her head (thanks for small favors). And she isn't wearing that traditional white collar of hers, the kind all of Shirley Temple's mammies used to wear. Pearl earrings and a white ruffled blouse make her just a bit more modern. The company presented this new Aunt Jemima by telling its consumers that she still has "the important attributes of warmth, quality, good taste, heritage, and reliability" they have come to expect from her.

The company wants you to keep believing that Aunt Jemima is just a sweet old woman who loves serving you. That she's a harmless symbol of an American tradition. Don't buy the PR. Don't buy the pancake mix. Keeping Aunt Jemima alive on a pancake box perpetuates the most dangerous kind of stereotype, the seemingly harmless one.

The real Aunt Jemima—first inspired from a minstrel song, then brought to life in the form of Nancy Green—didn't look anything like the new or the old Aunt Jemima. Green was an elegant looking woman from Montgomery County, Kentucky. She was hired by the then-owner of the trademark, the R.T. Davis Mill & Manufacturing Co. of St. Joseph, Mo., to go to the Columbian Exposition in Chicago in 1893 to promote the pancake mix. She made more than a million pancakes at that fair and told stories about the old South. People flocked to see her, warranting police protection.

For the next 30 years and until her death in 1923, she played Aunt Jemima at fairs across the nation. The whole while, through, Nancy Green's lovely face never graced a pancake box. The Aunt Jemima most consumers saw was a grotesque caricature of a black woman with saucer lips and fear in her eyes. In 1902 and 1917, the boxes sported the phrase, "I'se in town honey!"

To be fair, the pancake mammy, whose birth can be blamed in part on a newspaper (wouldn't you know it), was among a slew of racial stereotypes used to sell products. There are, and have been, plenty others to embarrass America. Stuff like the Frito Bandito, "Nigger Head Brand" canned fruits and vegetables and "Chinese Rat Destroyer" and "Rough on Rats," both of which depicted rat-eating Asians on their labels.

Most of the labels now serve as historical memorabilia so that we might go to a museum and shake our heads in dismay. So that we might say silently to ourselves that we're an older and wiser society.

However, Aunt Jemima is clinging to life, teaching children all the wrong things about black Americans and insulting sensible people of all colors as a symbol of black servitude. What her owners must be pressured to realize is that Aunt Jemima is tired after a century of servitude. She deserves a gentle retirement. Her own must also be pressured to understand that the perpetuation of a black woman's image as a content servant is harmful, demeaning, passe, and that black women are a lot of things . . . your peer, your boss, your neighbor. But in 1989, black women sure as hell don't want to be viewed as your servant.

THE EFFECTS OF TAX REFORM

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 17, 1989

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, May 17, 1989, into the CONGRESSIONAL RECORD:

THE EFFECTS OF TAX REFORM

With federal income tax income just over, many Hoosiers have expressed concern to me that their taxes have gone up under the changes made by the Tax Reform Act of 1986. They feel that tax reform passed them by, and that the tax code still favors the wealthy and big business. According to a recent national poll, 63% of the respondents said their taxes had gone up under the new tax system.

These views are not easy to reconcile with the generally accepted opinion among tax experts that tax reform appears to be achieving one of its primary goals: to make the tax code more equitable. While it is still early to make definitive judgments on the effects of tax reform, preliminary evidence suggests that the tax burden has been shifted from low- and moderate-income taxpayers to the wealthy and to corporations.

Tax reform was enacted by the Congress in order to achieve two basic goals. First, it was aimed at bringing more fairness to the tax code. The new law sought to achieve this by eliminating major loopholes and shelters used extensively by the wealthy and corporations to limit tax payments, and by instituting a much tougher minimum tax. The tax code was also made more equitable by removing over six million working poor Americans from the tax rolls.

Second, tax reform was intended to boost economic growth by lowering tax rates—to marginal rates of 15, 28, and 33% for individuals, and to 34% for corporations—and by lessening tax considerations in investment decisions. It was argued that tax reform would lead individuals and corporations to make their investment decisions based on the merits of the investment, rather than the tax breaks it would create.

Two-and-a-half years after tax reform was enacted, the evidence suggests that tax reform seems to be working in these two respects. A recent congressional study found that "effective" income tax rates—the rates actually paid out in taxes—have dropped from 1984 to 1988 for all taxpayers except

the very wealthy. The study determined that effective federal income tax rates for the wealthiest one-tenth of all taxpayers have increased on average from 15.1% to 15.5%. In contrast, average tax rates for taxpayers in the next four-tenths have dropped from 9.6% to 9.0%, and rates for the bottom half of taxpayers declined from 4.1% to 3.5%.

Since individual financial situations differ, exceptions abound, and some taxpayers have experienced an increase in their tax liability. However, most tax experts believe that more than 80% of all taxpayers have received a modest tax reduction owing to the law's lower rates and increased personal exemption, with most low- and middle-income taxpayers coming out as winners.

Moreover, taxpayers seem to be relying less on tax considerations in making their investment decisions, in part because tax reform eliminated most shelters and credits. The IRS indicates that the percentage of tax filers who itemize their returns—a sign that a taxpayer is taking advantage of tax breaks—has dropped from 60% in 1986 to 50% in 1987.

The evidence also suggests that tax reform succeeded in transferring a substantial portion of the tax burden from individual taxpayers to corporations—tax reform was intended to shift $120 billion over five years to corporate tax rolls. Large corporations which before the 1986 reform were using tax breaks to avoid their tax liability, are now paying more taxes on their profits. Economists believe that their increased tax burden is being carried primarily by stockholders, as opposed to consumers.

One advocacy group for tax reform concluded that the number of corporations paying no income tax—so-called "corporate freeloaders"—has declined since tax reform was enacted. The number of such corporations was 40 of 250 surveyed in 1986, and only 16 in 1987. As a result of lost tax preferences, the effective rate paid by those companies has increased, from an average of about 15% in 1981-1985 to 22% in the 1987 tax year.

In addition, tax reform has not had the dire effects on the economy that some had predicted. The elimination of tax shelters in real estate has not hurt the real estate industry, nor has repeal of the investment tax credit and accelerated depreciation—two tax breaks favored by businesses—undermined U.S. industry, as the solid business investment over the last two years would indicate. Experts generally agree that, while taxes are important, their impact is at the margin of business decision-making. Developments in the international and domestic economies usually swamp the impact of tax changes.

In spite of the apparent successes of tax reform, some believe that the 1986 tax changes went too far in eliminating some tax preferences, by repealing the capital gains tax break, by restricting deductible contributions to Individual Retirement Accounts, and by eliminating tax breaks for builders of low-income housing, to cite a few examples. Others contend that tax reform has not gone far enough in removing abuses from the tax code, and would point to home-equity loans and mortgage-interest deductions for second homes.

It is my view that tax reform has made the tax system somewhat more fair. Among individuals, winners outnumber losers, as the benefits of lower tax rates have generally more than offset the loss of specific deductions. The code has made it nearly impossible for the rich to avoid taxes, and businesses are paying more under the new tax code.

The effects of tax changes generally occur over a long period of time, but I believe the 1986 tax reform will increase incentives to work and save, and decrease incentives to cheat. Yet it will not stop demand for changes in the tax code. The system does not work that way, and policymakers are prone to address problems by means of tax breaks. While it is likely that some modifications will be made to the tax code in coming years, I am hopeful that the experience with this tax reform will push the Congress toward greater efforts to achieve equity and fairness for American taxpayers.

TRIBUTE TO REV. MERVIN C. GRAY

HON. ROY DYSON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 17, 1989

Mr. DYSON. Mr. Speaker, I rise today to honor Rev. Mervin C. Gray one of the great leaders of Maryland's First District. Reverend Gray is retiring from his position as pastor of the Eastern and St. John's United Methodist Churches in Lusby. He has been an inspiration to all who have come into contact with him, and he will be sorely missed by his parishioners.

Reverend Gray has served as pastor of the Eastern and St. John's United Methodist Churches for the past 9 years. In this position he has undertaken great humanitarian works throughout Calvert County, and will leave behind him a legacy of appreciation and good will. Reverend Gray, spotting a need, has assisted indigent youths in their encounters with the judicial system. He has often come before Judge Perry Bowen of the 7th Circuit Court to intercede on behalf of these youngsters, recognizing that everyone has the right of a fair trial. He has also provided counseling to children with adjustment problems, in an attempt to keep them out of the judicial system. To provide them with activities, he was extremely instrumental in building the recreation center in Lusby, MD.

We in southern Maryland do not have to be concerned that Reverend Gray's retirement will mean the end of his good works. Reverend Gray leaves to devote his considerable talents to hosting The Hour of Hope show. This show provides an hour of inspiration and faith for our young people. The Hour of Hope uplifts us through song and word, and reaches out to our troubled youth. Reverend Gray shows them that someone cares for them, that there are many people ready and willing to help them through troubled times. He provides spiritual strength through a phone line for prayer, and he provides guidance through a hot line that youths can call if they need a sympathetic ear.

During The Hour of Hope Reverend Gray also discusses the problems of drugs and drug abuse. This is especially important as more of our Nation's youth come into contact with drugs. Daily we read about the increase in drug-related crimes throughout our Nation. In southern Maryland we have experienced a 52-percent increase in these crimes since the beginning of the decade. Reverend Gray ministers to our young people, showing them that drugs are not an acceptable option.

Once again, Reverend Gray will have placed himself in a position of extreme importance to the youth of Maryland. This is good news to those of us who live in southern Maryland. We need his continued leadership. It will take dedicated leaders like Reverend Gray to show our youth the proper path. I wish him well on his retirement, although I know that he will never really retire from helping us become better people.

HOW CAN AMERICA SAVE ITS SHARE OF THE MIDDLE EAST MARKET?

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 17, 1989

Mr. BROOMFIELD. Mr. Speaker, I want to bring an issue of great economic importance to the attention of my colleagues in Congress who believe that America should export more, not less, U.S.-made products to the Middle East. America is losing its share of the lucrative product market in the Middle East and American jobs will also be lost because of our government's inability to make a decision about assigning a representative to the Saudi Arabian Products Standards Office [SASO]. It is time for the Department of Commerce and United States corporation in Saudi Arabia to have a meeting of the minds before United States exporters lose the Middle East produce market.

SASO sets the domestic standards for products being imported into Saudi Arabia. Although the Saudi Arabian Government has been requesting that a United States representative be named to that organization, our government has yet to assign a single American to SASO. The United States private sector is unable to provide the necessary funding for an American representative to SASO and Commerce insists that it is unable to fund the position because of budget constraints.

European countries and Japan already have many official representatives assigned to SASO and those countries have already developed standards that favor their own products. U.S. companies are already being hurt by not being officially represented at SASO by an American who could protect the interests of U.S. companies. Advocating the use of U.S. product standards, alerting U.S. corporations to potential problems and protecting the interests of the private sector in SASO appear to me to be a legitimate U.S. Government function.

I am confident that other Members share my concern about the inordinate delay in resolving this important issue that impacts on markets for U.S. products, and U.S. jobs. The time for cooperation and a rapid resolution of this standards issue is now.

I commend the following Forbes magazine article to my colleagues in the House who share my concerns about of this critical standards issue.

WHO SETS THE STANDARDS?
(By John R. Hayes)

General Electric's business in Saudi Arabia has been threatened since early last year, when a container of gas turbine parts was held at the port of Dammam. The hang-up? One oil heater didn't conform to new Saudi electrical standards. Customs officials have also stopped shipments of goods from Clorox and Westinghouse. Eventually storage and shipping penalties caused so much screaming and arm-waving that the Saudis declared a moratorium on enforcing their new rules, but product standards remain a threat to U.S. exporters.

Were GE and Clorox shipping shoddy goods to Saudi Arabia? No such thing. Product standards deal not so much with quality but with uniformity in size, materials and performance. So what happened?

Simply, the U.S. companies let themselves be outflanked. Japan, the U.K., Germany and France have sent teams of standards professionals to Riyadh to advise the Saudi Arabian Standards Organization [SASO] on its 16-year-old project to develop product standards. SASO expects to write 42,000 standards, covering everything from the shelf life of lamb to the color of ground wires in air conditioners. Not surprisingly, our competitors argue for standards that favor their own manufacturers.

A U.S. representative could argue differently, but there isn't one around. Every six months or so the Saudis renew an invitation to the U.S. government to send a U.S. standards expert to Riyadh. SASO even offered to pick up housing, office and local transportation expenses if the Commerce Department would recruit someone. Overruling his staff, former Secretary William Verity, citing the expense, passed up the invitation once again last spring.

Much is at stake. The U.S. used to dominate trade with Saudi Arabia. But since 1982 U.S. exports have slipped from 21% to 15% of total Saudi imports. Today Japan has the biggest piece of the market.

Since other countries in the Persian Gulf—Bahrain, Kuwait, Oman, Qater, and the United Arab Emirates, all members of the Gulf Cooperations Council—will adopt Saudi standards as they are written, an additional $1.5 billion of U.S. exports is at risk.

The Persian Gulf isn't the only area of the world where product standards have trade implications, or where the U.S. competitors have been quick to react. Consider Brazil, for example, which imports some $17 billion worth of goods. The library at the national standards clearinghouse contains about 70 shelf-feet of German product standards, in Portuguese. A gift from a German construction company, these volumes have become the principal reference for standards development in Brazil. U.S. standards are represented by one shelf of 5-to-20-year-old copies of assorted trade association publications.

In India, where $40 billion will be spent on telecommunications equipment in the next decade, Europeans have spent over $16 billion equipping a laboratory outside New Delhi to certify that locally made electronic components meet European specifications. The thinking: If India can sell components to Europe for use in European-built transponders, satellites and computers, it will earn the hard currency it needs to buy the finished products from Europe.

Japan's Ministry of International Trade & Industry currently has technical experts working abroad on five nations' standards programs. MITI has also brought standards personnel from 28 developing countries back to Japan, expenses paid, for language and technical training.

Why can't the U.S. counter the influence of the Japanese and the Germans? There is no central clearinghouse for product standards in the U.S. as there is in most other countries. The government is not involved. Instead, some 400 private and public groups develop standards for the various industries. And these groups haven't shown much interest in foreign standards.

So far the lone effort to protect trade with Saudi Arabia comes from legislation introduced by Congressman Mervyn Dymally (D-Calif.). The law, enacted last fall, directs Commerce to accept the Saudi invitation—and similar invitations from other trading partners—but to get the funding from private business.

That may prove more easily said than done. A group called the American/Saudi Roundtable is heading the fundraising effort, but things are not going well. Seems that the Roundtable's letters keep getting forwarded to the Corporate Philanthropy Office. So far the outfit has collected two sincere letters of support, from the U.S. Chamber of Commerce and the National Association of Manufacturers, but only about $85,000 in hard cash. That's one-third of what's needed to fund U.S. involvement for one year. A similar effort by German industry raised $5 million in 20 days.

Old habits die hard. For generations, U.S. business had its own huge market to sell to and simply didn't think much about exporting. Listen to Robert Toth, an American standards consultant to the World Bank: "American exporters still have a take-it-or-leave-it approach to their products," he says. "They say, 'We produced it to the UL standard. If it's good enough for the U.S., it's good enough for you.' " Faced with that attitude, a lot of foreign buyers are leaving U.S. goods alone.

OLDEST U.S. WINERY CELEBRATES ITS 150TH ANNIVERSARY

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 17, 1989

Mr. GILMAN. Mr. Speaker, the oldest continually operating winery in the United States, the Brotherhood Winery of Washingtonville, NY, is celebrating its 150th anniversary this month.

The beautiful mid-Hudson region of New York State has long been recognized as one of the leading wine producing regions in our Nation. The rolling hills of the Hudson, near the Catskill Mountains, are ideally suited for the growing of grapes and the producing of wine. Many fine wine companies flourish in the region; but Brotherhood is the oldest.

It was in 1839 that Jean Jacques, a French immigrant, produced the first commercial vintage of his wine, which was sold only for sacramental purposes. Jean Jacques' sons carried on this family business after his dealth in 1868.

In 1886, New York City wine merchant Jesse Emerson purchased the winery. Under his leadership, the winery began to sell its product to nonreligious customers. It was Jesse Emerson who constructed the majestic fieldstone buildings that visitors to Brotherhood Winery tour and admire to this day. Emerson also constructed the largest underground wine cellar in the United States, which is modeled after the famous wine cellars of Europe.

Brotherhood Winery continued functioning throughout prohibition by producing sacramental wines, and was purchased by L.L. Farrell in the 1920's upon the death of Jesse's last surviving son.

Today, Brotherhood Winery is enjoying the finest era of its long history. Brotherhood uses eight grape varieties, from throughout New York State, to produce its excellent wines. Internationally, Brotherhood's famous winemaster Cesar Baeza is winning praise for his premium wines from connoisseurs throughout the world.

"If you look at the giant oak casks in our wine cellars," says winemaster Baeza, "you realize that some of them have been helping produce and store wines since Martin Van-Buren was President of the United States. Some of the oak casks, capable of holding 800 to 3,000 gallons apiece, arrived at Brotherhood from the French cooperages where they were built, long before the Statue of Liberty touched our shores."

These massive casks, along with the famous fieldstone buildings, are highlights of the daily tours of the Brotherhood Winery open to the public.

Mr. Speaker, a special ceremony will be held on Saturday, May 20. This ceremony is being hosted by the current owners: Edwin D. Silvers, Cesar Baeza, Jim Cimino, Robert Markovits, and Michael Vernicari. The ceremony will attract young and old from throughout the Nation as they congregate to help celebrate a living monument to our Nation's past: a monument which has continued to be productive throughout its 150-year history and which enjoys its greatest success today.

Mr. Speaker, I invite our colleagues to join in congratulating Brotherhood Winery upon this milestone event.

WHY THE ELDERLY LOSE BY EARNING MORE

HON. DON RITTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 17, 1989

Mr. RITTER. Mr. Speaker, this month is "Older Americans Month." A month that we have set aside to honor those members of our society who have contributed so much to our Nation. Therefore, at this time it is especially fitting and necessary to seriously examine a tax system that effectively discriminates against those older Americans who choose, or need, to continue to work. Between the taxation of Social Security benefits—beyond $25,000 in overall income for single seniors and $31,000 for married couples; and paying the "earned income" tax—where, for every $2 earned above $8,800 in earnings, $1 must be given back in social security benefits); plus the new Medicare surtax; seniors face astonishingly high marginal tax rates. These tax rates are a major disincentive to seniors' working.

With demographics showing fewer younger workers coming into the work force, constriction in many labor markets across the country, and America's need for well developed skills, experience and judgment on the job, we need to encourage, not discourage, those seniors who choose to work beyond normal retirement age.

We need to rethink the way middle income seniors get taxed. Mr. Speaker, to emphasize this, I call the attention of my colleagues to an article by James J. Kilpatrick, appearing in the May 6 issue of Human Events. I include the article at this point.

WHY THE ELDERLY LOSE BY EARNING MORE—PART II

(By James J. Kilpatrick)

The complexities of Social Security may not make it a felony for certain old folks to work, but the law imposes heavy penalties nonetheless.

I wrote about the situation last month [HUMAN EVENTS, April 8, page 16] in reviewing a paper just published by the National Center for Policy Analysis in Dallas. The paper, by John C. Goodman, is titled "The Elderly: People the Supply-Side Revolution Forgot." In attempting to compress two of Goodman's tables I messed up his figures. Let me put the record straight, and then turn to a retired pharmacist in Bend, Ore., for a personal word.

First, consider the case of an elderly widow who likes to work and hates to be idle. Hundreds of thousands of persons are in the same situation.

Martha Simpson is 66 years old. Her job pays her $13,936 a year; she has a pension income of $11,064, and she receives Social Security benefits of $5,072, for a gross income of $30,072. This is offset by $2,950 in federal income tax, $1,047 in Social Security taxes (FICA), $355 in taxes on the Social Security benefits, and $496 in the new Medicare surtax. This leaves a net income of $25,224.

Now look what happens when Mrs. Simpson takes a job that gives her a $1,500 raise. Her wage income increases to $15,436; her pension remains at $11,064, but because she is penalized for working, her Social Security benefits fall by $750 (half of the $1,500 raise), for a gross income of $30,822. This is offset by $3,371 in income taxes, $1,159 in FICA taxes, $512 in her Social Security benefit tax, and $583 in the Medicare surtax. She is earning $1,500 more a year, but her net income has fallen to $25,197. Mrs. Simpson is earning more but keeping less.

This is lunacy, but this is how the system works. Consider another of Goodman's case studies, this one involving an elderly couple, each of whom earns $8,880. Their combined income is $17,760, augmented by $18,640 in pensions and $11,400 in Social Security benefits.

After paying income tax, FICA tax, benefit tax and Medicare surcharge, they have $41,095 left. Then one of them gets a raise of $1,000 a year. Are they better off? No, indeed. The cruelties of the system cost them $500 in Social Security benefits; their other taxes go up, and they wind up with $41,077, or $18 less than they had before.

Why work? Listen for a moment to Jim Peterson, 69 of Bend, Ore. He begins by noting a shortage of pharmacists in both government agencies and the private sector. Jobs are available and the work needs to be done. He writes:

"I also enjoy my work and am proud of my ability to perform as fast and as well as those who came to the profession more recently. The stimulation of mental activity is a vital part of my health and well-being.

"At the present time I receive about $8,400 annually from Social Security. Under the present rules I can earn an additional $8,880 per year and still keep all of the $8,400. But if I earn more than the $8,880 per year. I lose $1 of Social Security for every $2 of earned income over the cap of $8,880.

"This means that in 1988, when I earned about $18,000, the Social Security benefits were reduced by about $4,800. Combine this with the 13 per cent FICA tax for the self-employed, as well as the income tax, and the effective tax rate is about 65 per cent. My wife also has self-employment income, and when we go above $31,000 per year (adjusted gross), we have to pay some income tax on the Social Security income.

"I know that I'm not telling you anything you didn't already know. I just wanted to tell you how I feel about it: I don't feel good about it."

Peterson could just stop working when his annual earnings reach $8,880—thousands of retirees do just that—but he has to maintain some continuity if he is to keep up his skills. He asks, "Wouldn't it make good sense to eliminate the income tests altogether?"

It makes good sense to me. Something is absolutely, indefensibly wacky when middle-income old folks see their marginal income taxed at rates that make work a fiscal felony.

SCHOOL DAY OILSPILL LESSONS

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 17, 1989

Mr. MILLER of California. Mr. Speaker, on April 21 the Associated Press ran a story about a group of second- and third-graders in Ketchikan, AK. The children had created beach scenes in plastic containers.

When they arrived at class the students found someone had poured motor oil over the terrariums they had worked so hard to construct. The teacher wanted the children to experience in a small way the devastation felt by the people in Prince William Sound. Children have learned a hard lesson from this oilspill and have even lost a bit of innocence.

Mr. Speaker, we have an obligation to learn from this incident as well. We have an obligation to make sure that such needless waste of valuable and—when not misused—boundless natural resources does not happen again.

I'd like to share with my colleagues a few other letters from Bay area fifth-graders on the *Valdez* spill. Their candor provides a fresh perspective on the spill and its consequences.

DEAR CONGRESSMAN MILLER: Hi! My name is Claire. Our class did an essay about the oil spill. Is there anything else you can use to clean it up? I hope there is so the fishermen can take a break and so no more marine life will die. Please try.

Sincerely,

CLAIRE RECLOSADO.

DEAR CONGRESSMAN MILLER: Hi! We've heard of the oil spill in Valdez. We were concerned about this event, we also did activities to show we cared. Every bit of land belongs to everything on earth, but it isn't right taking land from animals is it? Well, good luck and please help the animals from getting hurt again.

Truly your friend,

MARY MANALOTO.

DEAR CONGRESSMAN MILLER: I think that you shouldn't let them drill in the Alaskan Wildlife Refuge.

SHAWN SMITH.

DEAR CONGRESSMAN MILLER: I'm worried about the wolves and animals in Alaska. From,

RICKEY E. MEDDERS.

DEAR CONGRESSMAN MILLER: I have heard of the worst oil spill ever occurred in the world. I think that it has caused too much trouble to the people as well as the wildlife. Please do something to have these people involved clean this up in order for the sea-life and birds to go back to their every formal life.

Sincerely,

DEBORAH DICKERSON.

DEAR CONGRESSMAN: We are talking about the oil slick. I used to live in Alaska. It is beautiful and this oil slick is harming it badly not to mention the marine life. Try to work faster!

Yours truly,

JAMES JEE BROGDEN.

DEAR CONGRESSMAN MILLER: I'm concerned about the oil spill. Somebody, but I don't know who, wants to do an oil experiment on a land where animals live. I don't think that's fair because animals have to have somewhere to live just like people. Why don't they just do the experiment somewhere else?

Sincerely,

KENITRA DAVIS.

THE CHALLENGE TO INDIAN TRIBAL GOVERNMENTS

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 17, 1989

Mr. RICHARDSON. Mr. Speaker, I would like to bring to the attention of my colleagues the following article on the history and current situation of the Navajo tribal government. I feel the article is especially timely in light of the recent hearings on the Navajo tribal government in the Senate, and will help put the present turmoil in context. The author, John R. Brown, served from 1975 to 1979 as director of the Navajo Nation's Office of Management and Policy Analysis. He offers an informed perspective on our Nation's largest Indian tribe and presents suggestions for increasing the accountability of tribal government to the Indian people that merit our serious consideration.

The article follows:

[From the Albuquerque Journal, Feb. 26, 1989]

WINDOW ROCK CRISIS CREATES OPPORTUNITY FOR POLITICAL REFORM

(By John R. Brown)

Fallout continues from hearings of the Senate Select Committee on Indian Affairs'

subcommittee investigating "corruption" in Indian Country. The hearings have created an impression that tribal governments—Navajo in particular—are unusually subject to corruption and inherently unstable.

The Navajo Tribal Council's attempt last week to force Chairman Peter MacDonald into administrative leave appears to be a serious and deliberate first step toward significant reform.

Unfortunately, MacDonald's assertion that "accepting gifts" is just the "Navajo way" will hardly reassure senators that the stories they have heard don't reflect a pattern of fraud which Congress must stop. That could seriously impede tribal political and economic development—which will be achieved through less control by Congress and more accountability to the Navajo people.

It is important to recall that prior to U.S. domination, Navajos had no central, hierarchal political structure. The economic unit, the extended family, was largely self-sufficient. Navajos were a cultural nation, bound together by language, land and tradition. Political authority was decentralized and personal.

After agreeing to the 1868 Treaty, the Navajo people returned to a fraction of their aboriginal homeland, where the BIA set up a form of "indirect rule." After oil was discovered, a single entity was needed to "speak for the Navajos" and sign leases in their name. In 1923, the Navajo Tribal Council was established.

Navajos learned to use this BIA "front," the tribal government, to challenge inimical policies and demand federal adherence to treaty obligations. About 1950, the federal government tried to end its responsibility for protecting tribal interests through a policy known as "termination," and Navajo leaders began to make the Tribal Council their own instrument for defending their sovereignty and guaranteeing the integrity of their land base.

Independence movements of emerging nations during the 1950s focused first on attaining political power. Like them, Indian tribes struggled for political autonomy and successfully regained recognition of their "limited sovereignty." In the 1960s, "termination" was abandoned. By 1974, when Congress passed the Indian Self-Determination Act, Navajo leaders had already built what seemed to be a solid base for a strong Navajo Nation government.

The 1960s began with optimism: infusing sufficient capital would cause tribal economies to "take off." Federal funding for Navajo programs increased. The Navajo Nation government began to review the terms of leases under which multinational companies were extracting Navajo mineral wealth, and to insist on getting a better deal.

Productively investing this new revenue to build a Navajo economy was not easy. Because private enterprise hardly existed, planners assumed the NNG would have to be the "engine" of development. In MacDonald's first term as chairman (1971–75), he launched an ambitious 10-year plan. The reasons for its failure are complex, but clearly include export of large profits by mining interests and deliberate strategies by border town businesses to maintain Navajo dependence.

As the prospect of realizing economic goals receded, "regime maintenance" became important. The appearance of progress, at least, could be sustained while federal funding was high and energy prices soared. MacDonald was twice reelected based on his ability to reward constituencies which supported his administration. His loss in 1982 coincided with shrinking federal funding.

The concept of the Navajo Nation as a political entity is still an abstratction to most Navajos at the hogan level. The NNG has nearly replaced the BIA in delivering services, but that fact doesn't require Navajos to owe allegiance to it any more than to the Bureau. To many Navajos, the legitimacy of the NNG rests in their ability to send a relative to Window Rock as a Council delegate to extract resources like power line extensions or road improvements.

The idea that their government can legitimately extract resources from them is not historically part of what Navajos understood "government" (either in Washington or Window Rock) to be about. Proposals that Navajos should pay tribal taxes, serve as teachers in Navajo schools in exchange for scholarship assistance, or treat tribal housing loans as repayable obligations rather than as grants, fared poorly in the recent past. Navajos are not more inclined than anyone else to seek a free lunch. But the NNG is still viewed by many as something external—a pipeline for benefits. Thus the diversion of public wealth to private interests comes as no shock to many Navajos. ("Allegations Don't Faze Navajos," read one Journal headline on reaction to the Senate hearings.)

As revenues decline, however, diverting national income to reward favored constituencies with economically non-productive benefits risks bankrupting the treasury. (The Council's agenda this session was to include a proposal to mortgage presumed future mineral revenues to sell $100 million worth of bonds for uses whose economic impact cannot be predicted.)

What alternatives exist? Congress will be tempted to tighten controls to make tribes more "accountable," making it more difficult for them to govern effectively. Instead, both Congress and the Navajo Tribal Council should pursue policies which increase tribal governments' accountability to the Indian people.

The 1988 Self-Determination Act amendments encourage development of tribal self-government. Congress should go further. Self-governance is not simply the transfer of BIA programs to tribal control. That merely shifts an administrative burden, often without considering the total cost of the transfer to the tribe.

Self-governance means developing tribes' institutional capacity to plan and implement policies and programs to meet the needs of their people. This requires that the people know what their governments are up to and hold them accountable for their actions. Tribes should have greater flexibility to set priorities for the use of all funds, subject to oversight by tribal members themselves. Incentives are needed to strengthen tribal councils and create other means for participation and information sharing.

For the Navajo Tribal Council, this crisis presents a unique opportunity to build a securer foundation for NNG legitimacy, by developing local institutions accountable to the people. The council should encourage the development of local groups—business associations, cooperatives, school boards, etc—concerned with economic or social progress, as well as local governments.

Because chapters (Navajo local administrative units) tend to be dominated by certain families, often represent only traditional economic (grazing) interests, and have no real authority beyond veto power over any proposed change, they may not be the best vehicles for building new, responsive institutions. The MacDonald administration regarded loss of central control as a threat to the nation. It saw demands for more local autonomy by "growth center" communities as divisive and would not delegate decision-making power.

The council can now enact enabling legislation to allow growing communities to establish special districts or general local governments which can plan and make land use decisions, and control locally raised funds for specific purposes. These new communities, including younger people less wedded to traditional economic patterns, may become agents of change, forging new models for economic and political relations.

The Navajo Tax Commission recently proposed instituting income, sales and property taxes affecting tribal members. The proposal was criticized because the new revenues would accrue to the general fund. But if it were modified to let communities keep a share of the taxes raised locally, it might be more attractive.

Such policies will strengthen the legitimacy of the NNG, by giving Navajos a reason to hold their government accountable to them. Real local government will offer Navajos opportunities to develop "citizenship values" by participating in making informed choices about financing and providing public goods.

These reforms will enable Navajos to lessen their reliance on traditional family ties of affection which reached into government only to drain resources from it, and to strengthen participation in the civic realm with its insistence on the reciprocal rights and obligations of citizenship. This change is essential for sustaining Navajo political autonomy and economic progress.

LIBERALS ENCOURAGE SOVIET ARROGANCE

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 17, 1989

Mr. SOLOMON. Mr. Speaker, for anyone who is paying attention, it's obvious that Mikhail Gorbachev, behind all that charm, may be the most dangerous Soviet leader yet.

Through smiles and gracious manners, he may yet achieve what is, alongside scuttling our SDI, the highest goals of Soviet foreign policy, putting a wedge between the United States and Europe.

As usual, the Soviets are getting their assistance from the American left-wing, which believes as an article of faith that America is to blame for all the tensions in the world. That combination of Soviet arrogance and Western liberal naivete was well described by columnist William Safire.

I submit his column for the RECORD.

WESTERN DISARMAMENT LOBBY AIDS GORBACHEV

(By William Safire)

ATLANTA.—Emboldened by the success of his scheme to subvert NATO with a Russo-German entente, Gorbachev has just issued an ultimatum: Unless the Western alliance drops its intention to modernize the short-

range missile that helps Europe offset Soviet military superiority, the Soviet Union will violate the intermediate-range treaty it signed with such fanfare only last year.

How's that for blustering arrogance? Unless he gets his way—unless we give up our right secured in previous treaties to maintain a credible local nuclear deterrent—then forget about Reagan's INF deal.

This "new thinking" is revealed to be the same old duplicity: while the U.S. considers treaties to carry the force of law, Gorbachev has just vividly demonstrated he does not consider his nation bound by treaty any more than did his predecessors.

Does he expect to get away with threatening unilateral abrogation? Yes. He counts on his apologists in the West's disarmament lobby:

West Germany's devious foreign minister, Hans-Dietrich Genscher, who sees a Fourth Reich rising from NATO's ashes to dominate Europe's economy; the grand old American negotiator Paul Nitze, whose ill-advised "walk in the woods" would have given the Soviets what they later had to trade real missiles for in the now-threatened INF treaty; the brilliant Nitze biographer and disciple, Strobe Talbott of *Time* magazine; Democratic Sens. Sam Nunn and Joseph Biden, grabbing any device to whack at executive power, and assorted old mutual-assured-destructionaries.

Adding to the weight of the Gorbachev intimidation, and contributing to the systematic snookering of Secretary of State Baker in his foreign travels, is support for the Soviet no-nuke position from the ambush of deep background by Ronald Reagan.

The former president, irritated at the contrast in style ostentatiously shown by his hands-on, in-touch successor, has let it be known that Bush is failing to capitalize on the momentum of detente established in the Gorbachev-Reagan embraces.

Thus does the long-trusting Left combine with the newly entranced Right to squeeze the sensibly cautious Center. Resisting the stampede to denude our defenses, President Bush last week brought forth the fruit of his four-month strategic review in an important speech at Texas A&M.

"Containment worked," he said, crediting the recent Soviet reforms to internal contradictions and Western resolve rather than any Kremlin change of heart.

After dutifully touching the bases of hope ("we are approaching the conclusion of an historic postwar struggle"), he proposed that we move "beyond containment" to a "new path"—one that will respond to realistic change in Soviet behavior where it most endangers freedom.

"Promises are never enough," he warned, and listed the means to earn trust; reduce the overwhelming Soviet forces, free Eastern Europe, stop supporting terror in the Middle East and subversion in Latin America, and "achieve a lasting political pluralism and respect for human rights."

This unsentimental better-safe-than-sorry approach was not what Gorbachev or the world's detenteniks wanted to hear. They wanted a "bold new initiative"—specifically, a pre-emptive concession to strip our forces of nuclear arms and make it possible for Gorbachev to maintain military superiority on the cheap.

But the Bush administration's prudent strategy does not throw away containment's gains. To his meat-and-potatoes approach, he felt the need to add an "open skies" sauce, which will be useful in verifying conventional arms cuts; the central thrust, however, is to press for what is in the free world's interest; free the captive nations and peoples, permit market forces to introduce prosperity and stop causing trouble around the world.

The no-nonsense strategy, previewed in Bush's recent speech about Poland, drew on the thoughtful historical analysis made public April 1 by Robert Gates, deputy national security adviser, who reminded us "for 70 years we repeatedly have seen a system in crisis proclaim reform and turn to the West for help while the essential features of that system at the end of the day remained unchanged."

I remember writing hail-detente speeches for President Nixon; this time around, I'm for Bush's "new path," requiring the steady earning of trust.

Gorbachev already has succeeded in fraying the free world at its German edge, and Genscher is in effect sending the Americans home.

Good luck, Europe, on your next treaty with the East; the Soviet dictator has just reserved the right in advance to abrogate it at will.

GOODWILL AND BAD FAITH

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 17, 1989

Mr. PORTER. Mr. Speaker, I support tough capital standards for financial institutions, but these standards must be fair.

Following a rash of S&L failures in the early 1980's, the Federal Home Loan Bank Board urged healthy S&L's to acquire insolvent S&L's and promised them that their capital requirements would be adjusted for the debt burden that they took on, a practice known as supervisory goodwill which is accepted under the generally accepted accounting principles. The solvent S&Ls saved FSLIC in the neighborhood of $25 billion by accepting this burden.

Now there is talk of discounting supervisory goodwill toward capital requirements, an action that would bankrupt as many as 75 otherwise healthy S&L's in Illinois alone and cost the taxpayers billions of dollars.

If supervisory goodwill is discounted in capital requirements we will be welching on our promise to S&L's and imperiling the very existence of the thrifts that responded to the call for help from the Home Loan Bank Board in the early 1980's.

INTRODUCE LEGISLATION TO COMPENSATE FOR INJURY OR LOSS OF MONTANA'S 1988 CANYON CREEK FIRE

HON. PAT WILLIAMS

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 17, 1989

Mr. WILLIAMS. Mr. Speaker, today I am introducing legislation to provide compensation for injury or loss as a result of the 1988 Canyon Creek fire in Montana.

Mr. Speaker, on June 25, 1988, lightning started a fire in the heart of Montana's Scapegoat Wilderness. The resulting blaze, which came to be known as the Canyon Creek fire, was declared a "prescription fire" and allowed to burn in accordance with a comprehensive fire management plan implemented in the Scapegoat and Bob Marshall Wilderness Complex in 1981.

Although state-of-the-art techniques were apparently employed to predict the fire's behavior and keep it inside designated boundaries, the Canyon Creek fire escaped the wilderness.

Firefighting personnel and equipment were limited for the Canyon Creek fire. Priority was given to wilderness—fires that did not meet prescription criteria—which were raging throughout the west. Helicopters were urgently needed to suppress spot fires on the west side near Lake Mountain but were unavailable. Because of the lack of manpower, crews could not attack a critical spot fire on the east side until 48 hours after it was reported.

The Canyon Creek fire continued to threaten private property. Efforts were focused on the North Fork of Blackfoot, homes near Cooper's Lake, and on fronts advancing east toward the plains. On September 6, more than 75 days after the fire had started, a catastrophic wind tripled the size of the Canyon Creek fire. Fueled by gusts in excess of 50 miles per hour, the fire blasted through containment lines, threatened crews, and forced evacuations on both sides of the Continental Divide. The firestorm moved through 180,000 acres in a single burning period. Included in the destruction were 40,000 acres of mostly private land, millions of board feet of marketable timber, ranch buildings, 200 miles of fence, 1,500 tons of hay, and 100 head of cattle.

No lives were lost that night, but people fled their homes only to return and find outbuildings burned and cattle dead.

By the time the Canyon Creek was contained on September 18, it had covered more than 240,600 acres of forest and range land and consumed many thousands of acres of private pasture, timber, buildings, livestock, and other personal property.

Although the Forest Service has contracted to rebuild 40 miles of fence to keep livestock off roadways and has purchased and helped distribute 1,000 tons of hay, those efforts just are not enough.

As a result, those folks who had private property losses are left with only one option: the Federal Tort Claims Act, which is the only readily available means of addressing possible losses. A major test of coverage under this act is the presence of negligence. Some acts may be viewed as negligent but losses resulting from such acts might be exempt from coverage by the "administrative discretion" exception in the act.

It seems to me that the Federal Government has a responsibility to provide more assistance than has been shown to date for those folks who incurred losses to their property as a result of the management of the fire in the Scapegoat Wilderness. The fact is that if the fire were started on private land by the landowner and spread to the wilderness the

Federal Government certainly would be pursuing compensation for damages and the expense of fighting the fire. Now that the shoe is on the other foot the best the Federal Government has done is provide 40 miles of fence and a few 100 tons of hay to those private landowners. This legislation will assist those folks recover damages for loss of qualified property as a result of the fire in a timely and efficient manner.

LEBANON, TO BE SILENT IS TO BE AN ACCOMPLICE

HON. SAM GEJDENSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 17, 1989

Mr. GEJDENSON. Mr. Speaker, Syria is the problem in Lebanon. Syria is destroying the very people who love their country too much to leave it. Ninety-eight percent of the recent casualties from Syrian fire are women, children, and the elderly. Lebanese Gen. Michel Aoun has pleaded with the Syrians to shell his men. "Why don't they target my army: I'm the one firing at them." With 40,000 troops, Syria has occupied almost 70 percent of Lebanon since 1976. According to Joyce R. Starr, Center for Strategic and International Studies in Washington, Syrians have caused more casualties than Lebanon's civil war and the Israeli 1982 incursion combined.

At the same time, annual exports of drugs from Lebanon, particularly from the Bekaa Valley now controlled by Syrian forces, amount to $1 billion a year. Flora Lewis, veteran foreign affairs journalist, estimates that this amount is more than the total annual Arab contribution to the PLO. If the United States is numbed by the devastating carnage in Lebanon, the drug issue alone should renew our concern about Lebanon.

The history of Lebanon is the history of violent and oppressive foreign intervention counterbalanced by its role as a haven and refuge for those suffering from political and religious persecution. It is a history of war, domination, and crisis offset by the richness, wealth, and diversity of its people and natural resources. Throughout history, Lebanon has served as a magnet for those seeking power and control, and for those seeking shelter from persecution and oppression.

In the Ancient World, Lebanon supplied timber to its neighboring powers throughout Egyptian, Assyrian, and Persian rule. The "Mountain," as Lebanon was called, was a haven for those opppsed to Arab domination. Christian nomads made advances in the seventh century and the "Mountain" assumed its historic function as a refuge for racial and religious minorities. Gradually Islam penetrated Lebanon and in the 9th and 10th centuries Muslim sects began to settle there. In the 11th Century the Druze became established.

The Ottoman period was one of ravage, intrigue, foreign alliance, and open force. The Ottomans fostered a mistrust between the Druze and the Maronities that was used to maintain their influence over Lebanon. The later 19th century witnessed increasing prosperity, but by 1918, Lebanon was occupied by British and French forces. The Lebanese spent much of the early decades of the 1900's trying to oust the French and by 1946, French troops withdrew from the country.

In 1958, a political crisis accompanied by widespread insurrection led to U.S. involvement with 10,000 U.S. troops. By 1968, Palestinian guerrillas increased their activities and Lebanon became a target for Israel's grievances against the Palestinians. And, through the 1970's, Lebanon has suffered from the basic problems of the Christian-Muslim balance and intercommunal fighting that has never been far from the surface. By 1976, Syria was increasingly involved in Lebanese affairs and has remained so.

Since the outbreak of civil war in April 1975, 100,000 have died and a once prosperous country of 3.5 million people is now in virtual ruin. Since March 14 over 350 people have been killed and over 1,000 wounded. The latest assassinaltion of one of Lebanon's leading voices of moderation, Sheik Hassan Khaled, has dealt a serious below to efforts to halt the bloodshed.

The tragic history, including the massacre of our marines, makes the United States wary of any real involvement in Lebanon. The politics of Lebanon are messy, and yet, anyone concerned about peace in the Middle East, must focus on the politics of Lebanon. The latest round of extreme artillery fire in Lebanon cannot be met with a deafening silence on the part of the United States. We must speak out on the estimated 100,000 shells that have fallen on Christian areas in just an 8-week period.

The politics of Lebanon are interwoven with the politics of the region. In the last 4 years, Syria has transferred its alliance with the Christians to the Muslims and Palestinians. General Aoun, the country's Christian leader is matched with PLO Chairman Yasir Arafat, both hostile toward the Syrian President Hafez al-Assad. Iraq, another foe of Syria, is providing arms to General Aoun's forces. The bizarre political alliances are just one indication of the complex politics of the country, and the importance of Lebanon in any regional peace effort.

At the same time, we must come to terms with the reality that peace in the region has never been predicated on Israel's peace initiatives. The carnage in Lebanon dramatically demonstrates the intricate politics involved and the important role Syria has played in prolonging the agonies of Lebanon and the region.

U.S. Secretary of State James Baker and Soviet Foreign Minister Eduard Shevardnadze have called for "a national dialog on reconciliation on Lebanon." They both support the "sovereignty, independence, and integrity" of Lebanon. But we need to do more. Reagan's ill-fated "policy," in quotes because there was no policy, proves that we must contribute more than our hostages and victims as we look to a role in Lebanon's future.

We need to work with our allies and redouble our recent modest efforts to forge a meaningful cease-fire. Lebanon is not for the fainthearted. We must speak out in a clear and forceful manner on the role of Syria in the asphyxiation of a nation. We are all weary of the bloodshed and carnage that confronts us daily as we view the routine destruction of a people and a country. But the bloodletting in Lebanon cannot be met by silence. Our humanity dictates that we must be heard.

APPLIED TECHNOLOGY EDUCATION AMENDMENTS

HON. AUGUSTUS F. HAWKINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 17, 1989

Mr. HAWKINS. Mr. Speaker, during our debate on the Miller amendment to disregard benefits under the Perkins Act in determining eligibility under various other Federal programs, I referred to correspondence I have exchanged with Chairman ROSTENKOWSKI of the Ways and Means Committee and Chairman DE LA GARZA of the Agriculture Committee. I would like to insert these letters in the RECORD at this point:

COMMITTEE ON EDUCATION AND LABOR,
Washington, DC, May 8, 1989.

Hon. E DE LA GARZA,
Chairman, Committee on Agriculture, Washington, DC.

DEAR MR. CHAIRMAN: The Carl D. Perkins Vocational Education Act Amendments, H.R. 7, is scheduled for consideration on Tuesday, May 9. At that time, I intend to offer an amendment to exclude as income for federal program eligibility, financial aid, student assistance, and dependent care received under the Perkins Act.

Under current law, federal programs, including the Food Stamp Program, count student financial aid, transportation costs, and child care administered through the Perkins Act as income in determining program eligibility. The result is that financially disadvantaged students, most of whom are women and single parents, are forced to choose between a decrease in their federal program allotment and attending their local community college or training program. This is contrary to Perkins' stated purpose of bringing more women into the vocational education system, and is not the result we intended when we passed the 1984 Act.

A similar problem existed with assistance received under the Higher Education Act. Recognizing the unfairness of this situation, we amended the Higher Education Act of 1986 to include language which excludes financial aid and student assistance received under the Higher Education Act from being counted as income for the purposes of determining eligibility for federal programs.

The language of my amendment to the Perkins Act mirrors the exact language of the Higher Education Act with the additional exclusion of "dependent care."

During the Perkins reauthorization hearings, witnesses testified that many women received reduced program allotments because they received child care assistance from the Perkins Act. Many women, forced to choose between feeding their children and attending school, dropped out of the one program which could have helped them attain financial independence from federal assistance programs.

My amendment corrects that problem by excluding dependent care when determining program eligibility. Although we expect the number of women who will be able to take advantage of the "dependent care: exclusion to be relatively small, this exclusion is ex-

pected to have significant impact for those able to benefit from it.

I am aware that my amendment presents issues over which your Committee may claim jurisdiction and would like your advice on how to proceed expeditiously in conference should my amendment be adopted. I understand that our staffs have been working together to address that issue.

I would appreciate knowing your response to this jurisdictional matter as soon as possible. If you have further questions, they may be addressed to Mr. Jack Jennings, counsel, at x54368.

Sincerely,

AUGUSTUS F. HAWKINS,
Chairman.

COMMITTEE ON AGRICULTURE,
Washington, DC, May 8, 1989.

Hon. AUGUSTUS F. HAWKINS,
Chairman, Committee on Education and Labor, Washington, DC.

DEAR MR. CHAIRMAN: Thank you for your letter informing me of the proposed amendment to H.R. 7 that would affect the Food Stamp Program, a program under the jurisdiction of the Committee on Agriculture.

The amendment provides that the portion of student financial aid received pursuant to the Carl D. Perkins Vocational Education Act, by students attending school on at least a half-time basis, that is made available for attendance costs shall not be counted as income or resources in determining eligibility for assistance with Federal funds. As you know, section 5(d)(3) of the Food Stamp Act, as amended, already excludes from income such benefits "to the extent that they are used for tuition and mandatory school fees." The Committee on Agriculture intends to explore in detail the treatment of financial assistance in the Food Stamp Program when the Food Stamp Act comes up for reauthorization next year.

In the interest of expediting consideration of H.R. 7, I do not intend to request referral of the matter to the Committee on Agriculture. However, this action is not intended to waive the Committee's jurisdiction over the Food Stamp Program, and should this legislation go to Conference, the Committee on Agriculture intends to request to be included as conferees on this and on any other provision affecting a program within this Committee's jurisdiction.

I would appreciate your inclusion of this letter exchange in the record.

Sincerely,

E (KIKA) DE LA GARZA,
Chairman.

COMMITTEE ON EDUCATION AND LABOR,
Washington, DC, May 8, 1989.

Hon. DANIEL ROSTENKOWSKI,
Chairman, Committee on Ways and Means, Washington, DC.

DEAR MR. CHAIRMAN: The Carl D. Perkins Vocational Education Act Amendments, H.R. 7, is scheduled for consideration on Tuesday, May 9. At that time, I intend to offer an amendment to exclude as income for federal program eligibility, financial aid, student assistance, and dependent care received under the Perkins Act.

Under current law, federal programs, including the Food Stamp Program, count student financial aid, transportation costs, and child care administered through the Perkins Act as income in determining program eligibility. The result is that financially disadvantaged students, most of whom are women and single parents, are forced to choose between a decrease in their federal program allotment and attending their local community college or training program. This is contrary to Perkins' stated purpose of bringing more women into the vocational education system, and is not the result we intended when we passed the 1984 Act.

A similar problem existed with assistance received under the Higher Education Act. Recognizing the unfairness of this situation, we amended the Higher Education Act of 1986 to include language which excludes financial aid and student assistance received under the Higher Education Act from being counted as income for the purposes of determining eligibility for federal programs.

The language of my amendment to the Perkins Act mirrors the exact language of the Higher Education Act with the additional exclusion of "dependent care."

During the Perkins reauthorization hearing, witnesses testified that many women received reduced program allotments because they received child care assistance from the Perkins Act. Many women, forced to choose between feeding their children and attending school, dropped out of the one program which could have helped them attain financial independence from federal assistance programs.

My amendment corrects that problem by excluding dependent care when determining program eligibility. Although we expect the number of women who will be able to take advantage of the "dependent care: exclusion to be relatively small, this exclusion is expected to have significant impact for those able to benefit from it.

I am aware that my amendment presents issues over which your Committee may claim jurisdiction and would like your advice on how to proceed expeditiously in conference should my amendment be adopted. I understand that our staffs have been working together to address that issue.

I would appreciate knowing your response to this jurisdictional matter as soon as possible. If you have further questions, they may be addressed to Mr. Jack Jennings, counsel, at x54368.

Sincerely,

AUGUSTUS F. HAWKINS,
Chairman.

COMMITTEE ON WAYS AND MEANS,
Washington, DC, May 9, 1989.

Hon. AUGUSTUS HAWKINS,
Chairman, Committee on Education and Labor, Washington, DC.

DEAR MR. CHAIRMAN: Thank you for your letter alerting me to an amendment you plan to offer during consideration of H.R. 7, the Carl D. Perkins Vocational Education Act Amendments. The amendment would exclude as income certain benefits received under the Perkins Act for purposes of determining eligibility for Federal programs.

This amendment could apply to a variety of Federal programs, including several within the jurisdiction of the Committee on Ways and Means, the most important of which is the Aid to Families with Dependent Children (AFDC) program. Because existing AFDC regulations appear to be consistent with your amendment, I have no objection to the House considering it.

Thank you for taking the time to bring this matter to my attention. I am happy to work with you on this amendment, and trust that this will not serve as a precedent altering the responsibility which both of our committees have for determining eligibility for programs within its jurisdiction. I would appreciate your making this letter a part of the debate on your amendment.

With warm regards, I am

Sincerely,

DAN ROSTENKOWSKI,
Chairman.

TRIBUTE TO THE U.S. CENSUS

HON. BILL GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 17, 1989

Mr. GREEN. Mr. Speaker, I rise today to pay tribute to the U.S. Census and to introduce a resolution to commemorate its bicentennial. The decennial census was established with the founding of the American Republic and has been integral to the representative form of government that we have shared under the U.S. Constitution. Article 1, section 2 of our Constitution sets forth the purpose of a census to establish a truly representative government.

The census has been important to the distribution of Federal funds to the States for numerous programs ranging from mass transit to community development block grants. The census was necessary to give effect to the Supreme Court decisions regarding the apportionment of electoral districts and the rule of one person, one vote. In our quest for knowledge, the census has been instrumental in the development of data processing and has provided information that is vital to marketing, economic planning, public policy, and the analysis of social trends. In addition, the census creates jobs. The Department of Commerce will hire approximately 480,000 temporary employees for the 21st decennial census. That will be the largest peacetime personnel mobilization ever undertaken by the Federal Government.

For all its merits, it is important that we in Congress recognize the bicentennial of the U.S. Census. My resolution would encourage the Commission on the Bicentennial of the U.S. Constitution and the Secretary of Commerce to observe the bicentennial of the census with the appropriate ceremonies and activities. I encourage my colleagues to support the resolution because I believe that proper recognition will greatly improve the quality of the 1990 census.

TRIBUTE TO THE SACRAMENTO ARMY DEPOT

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 17, 1989

Mr. MATSUI. Mr. Speaker, it is a tremendous pleasure to rise on this occasion, to offer a well deserved tribute to the Sacramento Army Depot. Earlier this spring, the Sacramento Army Depot was named to be the recipient of the Army's "Community of Excellence" Award as the best small Army installation in the United States.

Base officials and community leaders have traveled from Sacramento to gather at the Pentagon this morning to receive this award. I

am proud to be able to join with Army officials to honor the Sacramento Army Depot, and to thank them for a job well done. The Army Depot, which employs approximately 3,000 civilians and 300 military personnel, is often cited for the role it plays in the greater Sacramento economy. This award, however, signals our recognition of the outstanding dedication, expertise and pride in workmanship demonstrated by the depot's workforce.

Col. Richard T. O'Neill, Commander of Sacramento Army Depot, Andrew G. Skonberg, Civilian Executive Assistant, and their outstanding staff, can be justifiably proud of their efforts to implement a program of total quality management. The Army Depot, which is primarily responsible for the Army's communications and electronics repair, has earned its reputation for providing a top-quality product to its customers. The award being presented today is simply further proof of the outstanding work that goes on each day at the Army Depot.

Along with a trophy, as well as an Army Community of Excellence flag, the Sacramento Army Depot will recive a check for $100,000, which can be used for quality of life improvements at the base. This award is a most appropriate way to reward all those whose efforts have led to this achievement. These funds can be used to benefit all those who work at the base, to improve the quality of life for every employee at the facility.

Mr. Speaker, I am proud to be able to offer my congratulations to the Sacramento Army Depot for receiving this high honor. I know that they will continue to earn the respect, both within the Army, and in the Sacramento area, that the Community of Excellence Award represents.

AGUSTUS A. ADAIR, PH.D: FAREWELL TO A POLITICAL MENTOR

HON. KWEISI MFUME

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 17, 1989

Mr. MFUME. Mr. Speaker, today I rise in honor of the memory and the life's work of Dr. Agustus A. "Gus" Adair. Gus Adair passed unexpectedly from this world on Friday May 12, 1989. I was deeply saddened upon learning of Dr. Adair's death and immediately began calling everyone I knew to share our grief over the passing of an honest gentleman, scholar and Christian.

This morning I attended the services for Gus at Union Baptist Church in Baltimore, where he attended service for many years. Rev. Harold Vernon Dobson, Rev. Wendall Phillips, Judge Joseph Howard, Dr. Homer Favor as well as many members of the Union Baptist Church family, and other prominent members of Baltimore's political and academic communities came out to bid their farewell to a friend whom we shall miss dearly.

Mr. Speaker, those of us within this great Chamber know that Gus Adair was no stranger to Capitol Hill. Dr. Adair came to the Congress in 1961 as an American Political Science Association fellow. At the time of his arrival to the Hill, Washington only had four lawmakers of African-American descent and very few such staff persons. Gus Adair was an ardent student of political science and he quickly mastered the intricacies of the congressional policies and procedure. Gus Adair learned and then taught his students that Congress is built on more than just personalities. Success and effectiveness are built on the twin foundation of desire to help people on one hand, and the knowledge of how to get things done on the other.

In 1967 Gus began meeting privately with an informal think tank of Baltimore community activists and intellectuals known humorously by friends as "the Goon Squad." The Goon Squad met to discuss strategies and mobilization efforts to combat race discrimination through economic and political empowerment. It was during this time that my predecessor, the Honorable Parren J. Mitchell, tapped Dr. Adair's experience and dedication to equality to organize his campaign efforts of 1968, 1972, and 1974. Parren often stated that he drew Dr. Adair into his inner circle because of Gus' invaluable judgment, wisdom, and "absolute integrity." These were the very qualities that encouraged Parren to later enlist Gus Adair's support in the formation of the Congressional Black Caucus in the early 1970's.

Gus Adair served as the executive director of the Black Caucus from 1973–75. Dr. Adair took pride in the part that he played in building the Black Caucus and those Members of the caucus who were here in the House during that period can attest to his leadership, humility, unassuming demeanor and charismatic attitude toward the success of this endeavor.

Mr. Speaker, I had the opportunity of experiencing my personal relationship with Dr. Adair evolve from an instructor 15 years ago, to a colleague at Morgan State University, political mentor and friend. While a student of Dr. Adair's at Morgan State, I recognized early that Gus was a progressive political intellectual from the old school, with the fight and determination for equal justice and freedom ebbing from his words and his scholarly writing. Gus Adair always took personal pride in my political career from my beginnings with the Baltimore City Council in 1979, to my second term in the U.S. Congress.

Mr. Speaker, Agustus A. Adair was one of the seven opponents who ran in the 1986 Democratic primary for the Seventh Congressional District seat. The race was a hotly contested campaign which required everything that each candidate had to offer. You could always count on Gus Adair to be well prepared to eloquently answer any questions asked during the candidates forums we attended together. In fact, Gus was the first one to congratulate me upon my election night victory.

Mr. Speaker, over the last two decades Morgan State University's Political Science Department has arguably produced more elected officials than any other school in Baltimore City. If there is one element that binds all of these individuals together, it is the instruction and inspiration to serve the people that we received from Dr. Adair. Gus Adair was a complete person. He was consistently active in his church and countless number of community organizations. He always believed that if you were not in the business of helping people then you were not doing anything.

Mr. Speaker, reducing Agustus A. Adair's life's work and dedication into a statement was probably one of the more difficult tasks that I have ever undertaken. His words of personal encouragement and the stories of his days on Capitol Hill still run through my mind today. I thank Gus Adair for sharing his knowledge and expertise with those of us who expressed an interest in politics and Government. If Dr. Adair recognized that you had the potential to go on to do great things for your community, then he let you know it, and showed you the best route to take and the people you needed to speak to.

Finally, Members of Congress, the Congressional Black Caucus, Morgan State University, Union Baptist Church, and the entire city of Baltimore has lost a mover and shaker. Agustus A. Adair stood by his life long convictions to his faith and the whole family of man. Although he has departed this world in the flesh, his memory shall forever live within the dreams and aspirations of countless people he positively influenced through his honesty and integrity.

TWO OUTSTANDING ST. CLARE GRADE SCHOOL TEACHERS RETIRE

HON. DENNIS M. HERTEL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 17, 1989

Mr. HERTEL. Mr. Speaker, I rise today to recognize two outstanding teachers, Connie Minkwic-Wisniewski and Mary Hynes who are retiring after over 25 years of service to St. Clare Grade School in Grosse Pointe.

Each one has touched the lives of many students and will be missed deeply by the entire St. Clare community. Connie began her teaching career in 1960 teaching the first grade. She has taught first grade her entire career and has enjoyed every minute of it. She is best known for her marvelous sense of humor which has made her popular with all of the students.

Mary began teaching at St. Clare in 1968 and has spent most of her career teaching second grade and has taught third grade for 3 years. She, like Connie, enjoys working with young children and is known to be gentle and patient with all of the students. She is looking forward to enjoying her free time and has already signed up to take an art class.

Both Connie and Mary have touched the lives of many students at St. Clare Grade School and will always be remembered for their lifelong dedication to education. My colleagues please join me in honoring these outstanding teachers and wishing them well as they enter their retirement.

SALUTE TO MATHCOUNTS CHAMPION CARWIL JAMES

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 17, 1989

Mr. STOKES. Mr. Speaker, the front pages of our Nation's newspapers are often filled with stories about a nation plagued by drug abuse and violence. Sadly enough, these negative reports that dominate the media involve our youngest and most vulnerable citizens—our children. It is, therefore, heartwarming to hear accounts of youth who haven't fallen victim to these problems, and who have excelled beyond our highest expectations.

Such is the case of Carwil James, a student at the Hawken School in my congressional district of Cleveland, OH. Carwil was one of four students to represent his school and the State of Ohio in the 1989 National Mathcounts competition recently held in Washington, DC. The competition provides young scholars the opportunity to exhibit their mastery in math and to compete with their counterparts from across the Nation. I am pleased to report that Carwil and his Hawken teammates placed in the top 10 in this year's event.

Mr. Speaker, I was honored to welcome Carwil and his parents, Mr. and Mrs. Frank James, to Washington during their stay. Not only has he excelled in the field of mathematics, but this bright and articulate 13-year-old is a computer whiz who authors a computer newsletter, is enrolled in the Center for Talent Development at Hawken School, maintains a 3.8 grade point average, and has scored over 1,300 on the SAT. I know that Carwil's parents and the entire community share my pride in this young man.

Mr. Speaker, our youth are the key to our future. With stars like Carwil Jones, we are hopeful for a bright and promising one.

GAMBIA

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 17, 1989

Mr. YATRON. Mr. Speaker, this morning I had the honor and privilege of meeting with a delegation of Government officials from The Gambia. The delegation included the President of the country, Sir Dawda Jawara, Ambassador Sallah, and Foreign Minister Sey. It was a most infomative and useful session. President Jawara is a very impressive and highly articulate statesman. He has many interesting observations about world developments.

The Gambia is a small country on the West African coast. It is a parliamentary democracy with an elected president and legislature. The Gambia has been politicaly stable since independence in 1965 under the leadership of President Jawara. While his ruling People's Progressive Party has led the parliament, several opposition parties actively participate in the government.

Mr. Speaker, The Gambia has one of the best human rights records in Africa. The Government is very concerned about this issue and wants to be Africa's human rights leader. The Gambia has an independent judiciary with due process safeguards, free and fair elections, and basic civil liberties such as a freedom of press, speech, religion, assembly, and association. A testimony to the confidence and respect other African countries have for The Gambia's human rights record is the fact that The Organization of African Unity chose this country as the site of the OAU's new Human Rights Commission. The Commission will endeavor to promote respect for human rights in Africa by educating the continent's population on the issue and by receiving and acting upon specific human rights complaints.

The Gambia has also started its own human rights institution, The African Center for Democracy and Human Rights Studies which will be involved in scholarly research and technical analysis to advance the human rights process throughout the world. I understand that USAID has provided $26,000 for the center, which is an excellent way in which our foreign assistance can promote human rights and ensure it remains a core component of American foreign policy. The Gambia has been very active the U.N. Human Rights Commission, and supported important resolutions regarding human rights abuses in Cuba.

As Chairman of the House Subcommittee on Human Rights and International Organizations, I am hopeful that we can help President Jawara in his efforts to advance the cause of human rights not only in Africa, but throughout the world. He deserves the highest commendation for his sincere efforts and leadership. His country and people should be recognized by all of us for their pivotal role and significant contribution to the human rights agenda.

CONGRESSIONAL CALL TO CONSCIENCE VIGIL FOR SOVIET JEWS

HON. THOMAS J. BLILEY, JR.

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 17, 1989

Mr. BLILEY. Mr. Speaker, I rise to join the congressional call to conscience vigil for Soviet Jews. Over the last several years we have seen a warming of East-West relations and I urge Soviet leader Gorbachev to continue this trend in glasnost and perestroika by proceeding in the rise in the number of emigres. In 1988, there were a total of 19,393 Jews who emigrated from the Soviet Union.

The Baltic nations have been given the opportunity to demonstrate their nationalism. At the same time there has been continued repression of nationalism in Soviet Armenia and Georgia. This random policy towards the Soviet people confirms the inconsistencies that are still faced by that changing nation. It seems the extremities of Soviet policy have remained the same; borders are still closed, democracy is still controlled by the party and Jews are still repressed. We must continue to urge the Soviets to put their words into definitive action. We must encourage them to open their borders to allow for the free movement of their people. The desire to leave the Soviet oppression and tyranny remains with many Jews who are trapped in a country where the practice of their beliefs prompts their persecution. These Soviet Jews are not nonconformists nor are they rebels, they are simply fighting for the privileges that are embodied in the freedoms that we Americans so thoroughly enjoy. The United States is the nation leading the charge for democracy and freedom and we are obligated and responsible for promoting these liberties in those nations who do not respect the innate fundamental freedoms of their people.

Let me take, for example, the story of Valery Anatolyevich Palatov, a 45-year-old Soviet Jew living in Leningrad. He is currently seeking to emigrate from the Soviet Union so that he may join his son and daughter in the United States. In 1979, while Valery was working as an engineer and studying to receive his Ph.D. in physics, he gave his permission, as required by the Soviets, for his children to emigrate to the United States. The result of his required permission for their departure, was the loss of his job and his ability to complete his Ph.D. schooling. Due to his situation, he has been unable to find a job in the field where his specialties lie. He is currently a computer programmer.

In 1987, Valery received the necessary invitation from his son which initiates the emigration process. On February 21, 1987, Valery was denied the necessary visa on the grounds that he had been exposed to classified information while in his job as an engineer which was terminated in 1979. On April 6, 1988, after another attempt to receive a visa, he was once again denied, and was further denied a third time on October 17, 1988. In each instance, the same reason has been listed for the denial; his access to state secrets. Each time no time limit for his detention was indicated. This case remains to be resolved.

Valery continues to work toward his freedom and his emigration from the Soviet Union, his colleague from work, who held a higher security clearance than Valery in his position as engineer, was allowed to emigrate in 1988. This is a striking example of the arbitrary and inconsistent manner in which permission to emigrate is distributed. We must monitor the Soviets and urge them to standardize and structuralize their emigration process. We must work to eliminate the arbitrary nature of the current system to allow for the release of those Soviet Jews who wish to practice their religion as they see fit without being persecuted.

Mr. Speaker, let us take an opportunity to renew our commitment to the Jews who are attempting to emigrate and continue our persistence in encouraging the Soviet Government to proceed structurally with its reforms. Let us honor these Soviet Jews and be encouraged by their strength and resolve. Their plight is one which allows us, as Americans, to remember to be grateful for the freedoms and liberties on which this country was built.

LEGACY OF JOE VOLKER WILL ALWAYS BE WITH US

HON. BEN ERDREICH

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 17, 1989

Mr. ERDREICH. Mr. Speaker, there are many individuals who spend their life in dedication to a cause or a movement, but there are few whose life's work actually makes a fundamental difference in the history of their State and Nation. We in Jefferson County, AL, recently lost just such a person, and all of us mourn the passing of this great man.

Dr. Joseph F. Volker first arrived in Birmingham in 1948 to serve as dean of the newly-created dental school at the University of Alabama. By the time he retired as chancellor of the University of Alabama system in 1982, his vision and energy had transformed the local economy and quality of health care for Alabamians and the world, through the development of the University of Alabama at Birmingham into a internationally-acclaimed medical center and university.

He took the Birmingham campus of the University of Alabama, originally only an extension center with no faculty or facilities, and, with the help of many others, turned it into an independent university within the system. Today, as the county's largest employer, UAB is a vital force in Jefferson County. And its medical center is of a caliber that few other medical facilities in the world can match.

The changes that Joe Volker brought to Jefferson County benefited our community dramatically, and his legacy is one that will always be with us.

I would like to share with my colleagues in the House two editorials that recently appeared in the Birmingham News and the Birmingham Post-Herald, highlighting the dreams and aspirations that Joe Volker had for Birmingham, for Alabama, and the Nation, and his efforts that turned his dreams into reality:

[From the Birmingham News, May 5, 1989]

JOSEPH F. VOLKER

Had Joseph Volker ended his career in 1939 without ever having stepped foot in Alabama, he would still have been a famous man worthy of honor for his contribution to the betterment of mankind.

But throughout his life, Dr. Volker seemed driven by a desire to do something more, something better. The monument to that drive is a world-class medical facility on Birmingham's Southside and the bright future it represents for a reinvigorated city.

Dr. Volker died Wednesday night. We mourn his passing.

Birmingham and the world have lost a great mind, a great asset and a great man.

Dr. Volker received national recognition in 1939 when he became the first scientist to prove fluoride prevents tooth decay. A few years later at age 34, he was named dean of the Tufts College Dental School. Shortly thereafter he came to Birmingham to head a new dental school here.

Looking out on the University of Alabama at Birmingham's sprawling campus now, it is hard to imagine what Dr. Volker encountered. He had no facilities and no faculty. It took him 45 days to round up students.

In the years following he recorded a good many "firsts" before his titles. He was the first director of research and graduate studies at UAB, first vice president for health affairs, first director of the medical center campus.

Later of course he was named first president of UAB and the first chancellor of the University of Alabama system.

People around the world honored Dr. Volker's achievements. The governments of Czechoslovakia, Thailand and Iceland gave him top honors. He was given an honorary degree from Louis Pasteur University in France and named to the prestigious Institute of Medicine of the National Academy of Sciences in this country.

People in Birmingham will remember him as the father of UAB and thus the man who helped provide this city with a caliber of health care few others anywhere in the world can match and who charted a course for the city's economy into the 21st century.

JOSEPH F. VOLKER

Few individuals deserve credit for changing the course of a city, but Dr. Joseph F. Volker, who died Wednesday, certainly belongs in that select group.

When Volker came to Birmingham in 1948 to serve as dean of the University of Alabama's newly created dental school, this area's economy was heavily dependent on the steel and iron industry. When steel did well, so did Birmingham. But when heavy industry fell on hard times, so did Birmingham.

By the time he retired as chancellor of the UA System in 1982, this area was no longer bound to the fate of a single industry. We now have a diversified economy and an international reputation in the medical and biotech areas.

The change in our economy is also producing—albeit slower—changes in public attitudes. The can-do entrepreneur spirit that created Birmingham had long since given way to a branch-plant mentality by the time Volker arrived. Traces of that community inferiority complex remain, but an influx of well-educated people attracted by the job opportunities now available in this area and the retention of bright young people who might previously have left for opportunities elsewhere have helped to revive the idea that this community can do things for itself.

Volker did not do it by himself. Many people in both the public and private sectors have contributed to the growth of the UAB medical center and related enterprises.

But many of those people were brought to Birmingham by Volker, first as the dental school dean, then in a variety of administrative posts, including being the first president of the University of Alabama at Birmingham when it became an independent university within the UA System.

It was also Volker who had the dream of transforming what was originally an extension center into a multificated university. UAB is a monument to his ability to transform that dream into reality.

Joe Volker established himself as a scientist before coming to Birmingham when he proved that fluorides could be used to prevent tooth decay. And he continued to keep in touch with dental and medical research throughout his career. But it was as an administrator, dreamer and inspirer of people that he left his greatest mark. He was a major force in shaping the Birmingham of today.

TRIBUTE TO THOMAS J. BROWN

HON. JAMES H. SCHEUER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 17, 1989

Mr. SCHEUER. Mr. Speaker, on Sunday, May 21, many who remember a rare, courageous, idealistic man named Tom Brown, will gather in the Bronx to try to honor that memory in a way that befits Tom's life by establishing the Tom Brown Memorial Scholarship Fund.

Today, I want to honor Tom's life, his ideals, and his commitment to service.

Tom's entire adult life was devoted to helping and serving other people.

Tom Brown was born in 1943, grew up in the North Bronx and went to one of New York's competitive high school's for high achievers—Stuyvesant High School in New York City.

By the time he had finished college, in 1963, John Kennedy had said "Ask what you can do for your country!"

Tom asked himself that question, and answered the question as a young idealist would.

He entered the brandnew Peace Corps to use his training in agriculture, political science and economics, and was sent to promote community development in rural Chile.

When he returned home in 1965, he remained an idealist, eager to use his new experience in solving important problems in his own country.

First, Tom earned a masters degree in Latin American studies, then returned to New York City to help ensure that its Community Development Agency would achieve the goals of its antipoverty programs.

Tom was praised by Commissioner George Nicolau who found in him attributes essential to antipoverty work: Cultural awareness, personal experience in working with the poor, and a broad interdisciplinary knowledge of the political, economic, historic, and social forces that are involved in carrying out development programs.

He left that agency in 1969 to continue antipoverty work in a different way: Working for the City University of New York, in programs aimed at helping students whose educational or economic background had put them at a disadvantage in obtaining higher education.

In 1977, Tom returned to community development work, this time in the Bronx community where he lived with his wife and children. He was appointed district manager of Community Planning Board No. 11, Bronx, and became known as someone who took no political sides at all, but worked for the benefit of district residents.

Tom worked with merchants' and tenants' organizations, with local and borough representatives of city agencies, and testified at public hearings and meetings. He worked hard to improve municipal service delivery, and for the quality of neighborhood life.

He fought hard for both large goals, such as the revitalization of a commercial area, or the establishment of a new police precinct, and he fought for smaller gains, such as demoli-

tion of an unwanted newstand, or the planting of a tree.

Tom received many, many awards, and with his staff was given credit for making the Community Planning Board No. 11, Bronx, one of the most vital and effective community boards in the city.

After a heart transplant in 1985, and a rare lymphoma in 1987, Tom Brown died of cardiac arrest, at a community planning board meeting, in 1988.

The Tom Brown Memorial Scholarship Fund is a truly fitting way to perpetuate the memory of this man, his life, his ideals, and his commitments.

MINIMUM WAGE

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 17, 1989

Mr. MILLER of California. Mr. Speaker, there is a fundamental belief in this country that people who work shouldn't be poor. Historically, the minimum wage has been a living wage. The painful truth is that the current minimum wage is not a living wage, it's a poverty wage. For the minimum wage workers of this Nation, to work is to be poor.

Today, in more than half the States, minimum wage workers remain eligible for food stamps and welfare. In most States, they qualify for Medicaid, low-income energy assistance, and free school lunches for their children. The taxpayers should not be the coemployers by subsidizing the employment of these men and women. Instead, we need to guarantee that the wage these workers earn will be sufficient to raise them above the poverty level.

The concept of labor protections is to guarantee to workers basic human dignity by preventing their exploitation. The increase in the minimum wage, which this bill provides, will best serve the interests of working people and the proud history of the Fair Labor Standards Act.

Many assume that minimum wage workers are teenagers working part-time at fast food restaurants. But half of all minimum wage workers are employed full-time, and nearly two-thirds are women, many of whom are the sole support of their families, many of them working part time because they cannot afford child care. Minimum age workers often remain in or near the poverty line even if there is another wage earner in the family.

Almost exactly 51 years ago, Franklin Delano Roosevelt sent the Fair Labor Standards Act to Congress and eloquently explained why Government has a legal and moral obligation to establish minimum working conditions. FDR said:

Our Nation, so richly endowed with natural resources and with a capable and industrious population should be able to devise ways and means of insuring to all our ablebodie working men and women a fair day's pay for a fair day's work.

A self-supporting and self-respecting Democracy can plead no justification for the existence of child labor, no economic reason for chiseling workers' wages or stretching workers' hours.

For a half a century, the Fair Labor Standards Act has promised workers a decent wage. It is time we make that a reality for the minimum wage workers of today.

I think that this legislation provides us with an opportunity to demonstrate what this Congress really stands for when we say that we are for the dignity of labor, we are against welfare dependency, and we support encouraging people to become self-supporting and to take jobs.

CONFERENCE REPORT ON THE FAIR LABOR STANDARDS AMENDMENTS OF 1989

HON. KWEISI MFUME

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 17, 1989

Mr. MFUME. Mr. Speaker, on Thursday, May 11, 1989 the House of Representatives voted to pass the conference report on the Fair Labor Standards Amendments of 1989. This initiative would increase the minimum wage from $3.35 to $4.55 by 1991. As we are all aware, President Bush has already indicated that he will veto the measure. However, my opinion differs somewhat from the majority of my fellow Americans in that I do not believe that the President of the United States will turn his back on the vast population of working poor in this Nation.

The President has expressed sincere compassion for the working population; especially the working poor. I am, therefore, challenging his commitment to bringing forth a kinder and gentler Nation.

As I have stated in the past, the minimum wage has seen an increase only seven times since its inception. Seven years have passed since low-income workers have seen an increase and during this period the rate of inflation has steadily climbed. This is the first time in recent years that the House and Senate have gained this much ground in creating a fair and equitable minimum wage increase. Moreover, two-thirds of Americans have expressed their support for an increase in the minimum wage—this two-thirds include not only the working poor, but the American population in general. These Americans do not want to see the AFDC lines lengthen when people give up hope of ever earning a decent living to support their families.

Mr. Speaker, if a Presidential veto is imposed, who knows when we will have the opportunity to tackle this crucial issue again.

Mr. President, I implore you to stand by your promises and commitments made just over 100 days ago.

FLOYD A. HAWKINS, SR.: A LEGACY OF DEDICATION AND VOLUNTEERISM

HON. AUGUSTUS F. HAWKINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 17, 1989

Mr. HAWKINS. Mr. Speaker, too often we take for granted the wonderful contributions of our Nation's volunteers. For this reason I sponsored a House passed resolution last year which encourages private employers to recognize volunteer experience on employment applications.

I would like to submit an article written by Nick Penning of the American Association of School Administrators in the Arlington Courier entitled "The Man Who Fed the Bees," which eloquently portrays the contribution of a dedicated and caring volunteer, Mr. Floyd A. Hawkins, Sr., who recently passed away. Floyd Hawkins, through his tireless volunteer efforts in Arlington, VA, enriched the lives of countless young people and others in his community with his talent and energy. I think you will agree after reading the article that the service provided by our country's volunteers, especially those like Floyd Hawkins, represent an invaluable resource to our fellow citizens.

THE MAN WHO FED THE BEES

In a town that thrives on power, on macho threats and political skullduggery, he raised bees. Not only did he raise them, he preached them, taught them, praised them as God's perfect handiwork.

And all of Arlington is a little less vibrant tonight because the 93-year-old body of Floyd A. Hawkins, Sr., finally gave out last October 30.

He's been here since June 7, 1895, when he was born in Washington. But we met him only last March when he taught the art of beekeeping to our 12-year-old daughter, Lisa, in an Arlington County 4-H program. Every Saturday, from March to June, he welcomed Lisa and her classmate into his home in South Arlington, just as he'd done with countless other young people over the past 50 years.

We didn't know this was to be Floyd Hawkins' last class. We had no way of knowing that this gentle but strong man was slowly dying, even as he gave his last measure of energy to our daughter, his community and his church.

Floyd Hawkins was an institution in Arlington. Every year at the County Fair you'd see him at the 4-H table, this elderly gentleman with his fascinating glass display case full of buzzing, live bees. He never tired of answering questions, of pointing out the queen bee, of turning on the light inside us with his own special light of wonder.

We knew he'd been ill, because he had to cancel a couple of Lisa's classes so he could go to the hospital. But then he'd be back and the class would go on—the building of the frames for the combs, the melting and molding of the beeswax, the hours of patient instruction in the ways of the honeybee. In 1985, he was cited by Arlington County for having given more than 30,000 hours of volunteer service to his community.

Even after his hospitalization, he was still at it. Still loading up his car with the display hive, wax, combs and honey for the 4-H display at the Fair this past August, still driving himself, still going all over the exhibition floor with the help of two canes, which he'd not had to use before, still smiling his wise and gentle smile, still sharing his firm handshake with friend and stranger alike.

Little St. John's Baptist Church on Columbia Pike, where he had been a deacon, filled with his memory at this funeral, as tribute was paid to a man who lived his life so well.

"Thirty-thousand hours!" exclaimed one of the five visiting ministers who came to eulogize Mr. Hawkins. "Who will take his place?" We all knew the answer; it will take dozens of us to fill the void left by his passing.

As Lisa and I listened, it became clear that as much as Mr. Hawkins had given to 4-H young people and to bees, he'd also given to his church, to the YMCA, his citizen's association, the NAACP, and his family. Somehow, there had been enough of him to go around to satisfy us all.

Normally, it's only the big shots who get noticed in a world capital like ours. In daily life, and even in death, we seem to overlook truly rare and great people like Floyd Hawkins because his possessions were few and his power seemingly limited.

One visiting minister told a story that sums up what a lot of us thought of Floyd Hawkins. He said that a preacher had died and at the pearly gates was confronted by an angel who demanded to know who he was. The preacher said "I'm the man who built the two churches."

But the angel said, "We have no record of that."

So the preacher said, "I'm the one who gave the money for a worthy cause."

But again the angel said, "We have no record of that."

So the preacher began to walk away, and as he did, the angel called out, "Wait! Are you the one who fed the sparrows?"

"Yes," the preacher replied.

"Well, the Man who made the sparrows would like to see you."

"I have a feeling," the visiting minister said, "that when Brother Floyd reaches that gate he'll be asked, 'Are you the one who fed the bees?' And he'll say. 'Yes, I am.' And the angel will say, 'The Man who made the bees would like to see you.'"

Floyd A. Hawkins was a wonderful, beautiful human being. Millions and millions of flowers bloom each spring in Arlington and throughout the Washington area because of him. And even though he supped with no head of state, we in this nation's capital are all the richer for having had the honor to share this short life with him.

OUR REAL DEFICIT IS $260 BILLION

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 17, 1989

Mr. PORTER. Mr. Speaker, we are running as fast as we can, but we aren't getting anywhere.

Forget for a minute that this year's budget resolution relies on foolishly optimistic economic assumptions, forget that transfers of payments from one fiscal year to another are called savings, forget that the Social Security reserves are being spent.

None of that matters because we are going to meet Gramm-Rudman, right?

Sure, we'll claim that we managed to squeeze under the $100 billion limit. If we cooked the books enough we could probably balance the budget this year with no spending cuts and no new taxes.

The problem with Gramm-Rudman is that it allows us to gauge our deficit reduction successes on meaningless, arbitrarily chosen numbers and to include or exclude whatever we want.

We may or may not meet the Gramm-Rudman deficit reduction target of $100 billion, this year. Whether we do or not, one thing is for sure. The national debt doesn't understand the Houdini budgeting we practice here. According to CBO, its going to increase over $260 billion in fiscal year 1990 whether we claim to meet Gramm-Rudman or not.

That's right. While the deficit is supposedly dipping below $100 billion, the national debt, the true, undeniable gauge of our irresponsibility is increasing totally out of relation to the fake numbers we will use here on the floor today.

The national debt represents the hard money that our children will have to pay interest on for their entire lives.

This budget resolution will pass today. Later in the year we will claim we met Gramm-Rudman or maybe if we're feeling particularly guilty we'll have a small sequester. But when all is said and done and they balance the books for fiscal year 1990 over at the Treasury, we are going to end up owing $260 billion more than we did last year.

That is the truth about this budget.

TRIBUTE TO SEBASTIAN LUPICA

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 17, 1989

Mr. STOKES. Mr. Speaker, I rise today to pay special tribute to Mr. Sebastian Lupica, former executive secretary of the Cleveland AFL-CIO Federation of Labor. In January of this year, Sebastian Lupica, known to many as "Lupe," retired as the executive secretary of the federation, a post he held for the past 26 years. On June 1, friends, colleagues, and dignitaries will gather in Cleveland, OH, to pay tribute to this distinguished leader and committed individual for his many contributions.

I have known Sebastian Lupica for over 20 years. He is one of the many success stories to come out of Cleveland. It is truly a privilege to know someone who is deeply committed to the welfare of the hard-working men and women who represent the spirit of the labor movement in Cleveland. No one has worked as hard as Sebastian Lupica to insure that union members received good wages, had decent work environments, and were given adequate benefits for their labor.

Lupica had a strong grasp of the problems facing many union members because he experienced similar obstacles in his own life. Sebastian Lupica was born, raised, and educated in the Cleveland area. His father, a Sicilian immigrant, owned a neighborhood grocery store, which was a popular meeting place for the community. The store also was the place where Lupica was offered his first job as a painter.

In 1934, Lupica became a full-time painter and a member of the Painters Union. Immediately, he became a leader and was an integral part of the reform movement which changed the face of unions during the late 1930's. Lupica emerged from that upheaval as an elected business representative for the Painters', ending his career as a painter and beginning his lengthy union career.

As a business agent, Lupica worked diligently for the interests of union members. His dedication to the job was a major factor in his favor when he was elected executive secretary of the Painters District Council No. 6. One of his many accomplishments in that post was creating the Painting and Decorating Institute, a trade organization that allowed the union and painting contractors to promote their industry. The institute was credited with forging a successful cooperation between labor and management that led to the producing of more jobs for union painters and more profits for painting contractors.

When Lupica was elected executive secretary of the Cleveland AFL-CIO Federation of Labor, he promised to work together for the best interests of union members and the community. In this respect, Lupica made tremendous gains. During his tenure, the federation increased its participation in community affairs by making a direct impact on the growth and development of Greater Cleveland. Lupica also was instrumental in campaigns to improve education on all levels. He was the principal labor spokesman in the Cleveland area during the long fight for the National Medicare Program. Federation Towers, a retirement complex for seniors was founded by Lupica and sponsored by the federation.

Throughout this union career, Lupica distinguished himself as a level-headed negotiator, who was successful in settling local labor disputes before and after they reached the strike stage. He had a unique ability to understand the plight of his fellow brothers, which all allowed him to be an effective mediator. This compassion earned Lupica the Annual Civic Award from the Cleveland Council, Knights of Columbus for "his lifelong career as a constructive labor leader."

Mr. Speaker, Sebastian Lupica earned the respect of Clevelanders for his level-headed approach toward labor issues. He never alienated the man and women who depended upon him to be their collective voice at the bargaining table. Sebastian Lupica is a great friend to the city of Cleveland, paving the way for its continued growth and enticing job-making industries to Greater Cleveland. His admirers all agree that Sebastian Lupica made a lasting impression on the labor movement in Cleveland and statewide because of his experience and expertise as a stable union officer.

Sebastian Lupica has been a long-time friend and a loyal supporter during my career as a legislator. When I was elected to Congress in 1968, Sebastian Lupica was the executive secretary of the AFL-CIO. The endorsement of the AFL-CIO was pivotal in my election as the first black representative from the State of Ohio. Sebastian Lupica shares my commitment to improving the quality of life for the people whom we serve.

Mr. Speaker, it is an honor to join the community in celebrating his distinguished service. I hope my colleagues will join me in saluting Sebastian Lupica for his commitment to the working men and women of Greater Cleveland.

FLORIO HAILS SIX HONOREES OF YOUNG BLACK DEMOCRATIC ORGANIZATION OF MERCER COUNTY, NJ

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 17, 1989

Mr. FLORIO. Mr. Speaker, the Young Black Democratic Organization is honoring six individuals who have devoted much of their time and energy to the betterment of themselves, their families, and their communities. The recipients are Nelson Mayo, Bettye Monroe, Marion Allen, Kelvin Ganges, Catherine Graham, and Assemblyman John Watson. Each has offered their talents and intellect in a manner that reflects a commitment to the spirit of public service and public trust.

Nelson Mayo, principal planner with the city of Trenton, has directed his efforts in Trenton for many years and is indeed deserved of this recognition. He has extended his role beyond his official role with city government to the Planning Board of Mercer County, the Trenton Branch of the NAACP, and the West End Neighorhood Civic Association Executive Board.

Bettye Monroe, vice chairperson of the Mercer County Democratic Organization, has truly taken a leadership role in Mercer County for the last 30 years. In her many civic associations, Bettye has displayed a unique commitment to the needs of the Democratic community in Mercer County. I am very much aware of the fine work she has performed as vice chairperson and State Committeewoman as well as her involvement with such respected community groups as the Trenton Education Development Corporation, the NAACP, and Central West Civic Association.

Marion Allen, Jr., exemplifies a dedicated teacher who constantly strives to achieve the best education for the students of the Trenton Public Schools. Also a member of numerous civic and religious organizations—a life member of the NAACP, the Democratic Committee, and Mt. Zion Church. It is evident that his commitment to the benefits of a full education are proven not only by his words, but by his deeds as well.

Kelvin Ganges, chief of staff to Assemblyman John Watson, has excelled in government service since graduating from Trenton State College—my alma mater—in 1975. Twice named Outstanding Young Man of America by the U.S. Jaycees, he has developed remarkable experience in public service that will undoubtedly serve him well in his future endeavors.

Catherine Graham has been singled out in the past for her achievements and this recognition is equally as deserved. Director of the Trenton Department of Health and Human Services, she has hands-on experience in the development and implementation of programs designed to assist those in need. With her past experience as education advocate and numerous memberships in community groups, Catherine knows the difficulties experienced by our State's urban population—particularly the black youth—and is to the commended for her efforts and commitment.

Assemblyman John S. Watson of the 15th Legislative District is serving his fourth term in the New Jersey Assembly. A member of the Appropriations Committee, he represents a thoughtful and dedicated voice for smart spending in State Government. Of particular interest, and success, for John is in the area of affordable housing. Serving as vicechairman of the Housing and Urban Policy Committee, his work has brought results not only for his constituency but for the entire State. Since being elected to the Mercer County Freeholder Board in 1972, John has served admirably and is certainly the embodiment of a quality legislator and public servant.

Mr. Speaker, each of the individuals I have brought to your attention, and the attention of my colleagues, is deserved of this recognition by the Mercer County Young Black Democratic Organization and I respectfully ask that you join me in paying tribute to them. We in government are keenly aware of the need for talented individuals to participate in the development and administration of public policy. These honorees represent that ideal and I commend them for their selfless efforts.

AN AWARD FOR DONALD RAY PAUL PERICLE

HON. RICHARD H. LEHMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 17, 1989

Mr. LEHMAN of California. Mr. Speaker, I rise before my colleagues today to commend Donald Ray Paul Pericle for being selected as the U.S. Postal Services Western Region Handicap Employee for 1988. This is a very appropriate tribute to a young man who has overcome great odds.

Donald was born with a rare genetic disease called phenylketonuria [PKU] which is caused by the body's failure to oxidize an amino acid. Unless treated early, the condition can cause severe brain damage. For most people this debilitating disease would have meant a life of dependence and constant care. But Donald is quite an extraordinary person. Doctors once thought he would not develop beyond the mentality of a 2-year old. With the support and encouragement of his family and friends, however, he has conquered one foe after another.

Today, Donald is in Washington, DC, to accept an award given by the U.S. Postal Service for his exceptional performance as a postal service employee. He has worked as a custodian in the Main Post Office in Stockton for the past 4 years. Those who work with Donald describe him as a hard-working, conscientious young man with a positive attitude toward life. This is not Donald's first award, though, as he is also an accomplished athlete. He has won a gold medal in the long jump and bronze medal in the 300-yard dash in the Special Olympics. He skis, plays tennis, racquetball, basketball, and baseball.

It is a honor for me to be able to recognize Donald for winning this award. His perseverance and courage in the face of adversity are an example to us all. Donald has come a long way and I truly commend him.

CANCER RESEARCH IN SERIOUS DECLINE

HON. ROBERT A. BORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 17, 1989

Mr. BORSKI. Mr. Speaker, for the last several decades cancer research has been strongly supported by the Congress.

However, due largely to budget constraints, appropriations for cancer research have not kept pace with available opportunities for advances, and in fact have not even kept pace with inflation in research costs over recent years.

Dr. Robert C. Young, president of Fox Chase Cancer Center in Philadelphia, wrote an article which appeared in the Wall Street Journal on May 11, 1989. The article describes in considerable detail serious difficulties facing the cancer research effort.

I would like to call the attention of all my colleages to this article and I have submitted it for the RECORD. Anyone who is concerned about cancer research should be interested in Dr. Young's comments.

[From the Wall Street Journal, May 11, 1989]

TIGHT-MONEY CASUALTIES IN THE WAR ON CANCER—DWINDLING SUPPORT FOR RESEARCH

(By Robert C. Young)

Every day 1,350 Americans—500,000 a year—die of cancer, yet current government policy seems to indicate we have done enough, or at least all we can do. The paradox is that the priority of cancer research is declining in the eyes of our elected leaders just when the research prospects are so promising and the impact of cancer on Americans is so great.

We have learned more about cancer in the past 15 years than in the preceding 100, and we are poised for even greater progress. Advances in molecular biology let us probe the inner workings of cancer cells. Patients benefit from new biologic therapies, new systems to target drugs and overcome cancer cells' resistance to treatment, and other novel means of controlling cancer that were only theoretical 10 years ago.

But just as our investment is starting to produce important results, the federal government is dismantling the national cancer-research program. The 3.2% increase for cancer research in the proposed fiscal 1990 budget for the National Cancer Institute will not even keep up with inflation and does not begin to maintain the critical superstructure that has been put in place over the past 15 years. Phasing down or eliminating vital programs will hardly speed progress against cancer and indeed may compromise progress severely.

Consider what will happen unless Congress allocates more money than the new budget proposes:

Five of the 60 comprehensive and specialized cancer centers nationwide will no longer receive support, and we will lose another five the following year.

Two out of seven of the cooperative group programs linking community physicians with the clinical-research network—programs that provide vital answers about optimal clinical care—will no longer be supported, or else funds for all seven programs must be cut to the bone.

Only 30% of approximately 2,800 meritorious research proposals approved for funding will actually receive National Cancer Institute support this year, compared with 46% of about 1,990 such proposals in 1979. How can cancer research progress rapidly if more than two-thirds of the good proposals aren't funded?

Consider what already has happened as a result of dwindling federal support for cancer research:

The National Cancer Institute has lost 20% of its cancer-research staff in the past five years. Today, only three professionals manage the $100 million-a-year centers program. At NCI, recruiting cancer researchers at leadership and other levels has become increasingly difficult. Those in leadership positions are reluctant to supervise programs that are experiencing a reduction in research activity. Constant hiring freezes limit staff, and salaries are not competitive with those offered by other institutions.

Federal construction grants for specialized cancer facilities, so vital to the development of the nation's cancer-research structure, were phased down gradually and finally ended two years ago.

Is a nation at peace really willing to accept as inevitable the fact that cancer kills more Americans each year than died in both World Wars, the Korean War and the Vietnam War combined? Cancer is the second leading cause of death in this country, and is the greatest single cause of years of life lost to a disease before age 65.

Clearly, both public and private funds are necessary. But federal cutbacks have placed increasing and probably unrealistic demands on private philanthropy. Corporate support, especially from pharmaceutical firms, continues to aid cancer research, but such support focuses heavily on potentially profitable treatments rather than on the basic science that makes them possible.

Armand Hammer, chairman of the President's Cancer Panel, recognized the need for strong national involvement when he launched a four-year fund-raising drive in October. His "Stop Cancer" program aims first to raise $500 million from donors who have never before aided cancer research and then to channel this money to the National Cancer Institute to secure federal matching funds. This enormous undertaking, if successful, will certainly help.

But even if the private sector could sustain such extraordinary efforts indefinitely, the nation still needs about $1 billion in additional cancer-research funds this year, not over four years, to avoid cutting important programs. Funding for work on the major public-health problem of cancer cannot rely primarily on private efforts.

Faced with a mounting budget deficit that must be cut, federal officials and legislators indeed have hard choices to make. But hard choices need not and must not be foolish ones.

The answer to adequate, stable funding for cancer research is to make sure our legislators examine our national priorities in terms of our national values. Raising the federal tax on cigarettes by just 10 cents a pack, for instance, could provide enough added revenue to reach adequate levels of cancer-research support, with money left over to reduce the deficit.

To maintain and realize the nation's investment in cancer research, and to maintain an acceptable investment in scientific training for the new generation of researchers, the proposed federal budget for cancer needs to be increased by slightly less than the $1 billion our nation spends on medical care every day. We can afford no less.

THE FINAL REPORT AND RECOMMENDATIONS FROM THE HEALTH COMMUNITY TO THE 101ST CONGRESS AND THE BUSH ADMINISTRATION ON TOBACCO USE IN AMERICA

HON. MICHAEL A. ANDREWS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 17, 1989

Mr. ANDREWS. Mr. Speaker, today, the final report and recommendations from the health community to the 101st Congress and the Bush administration on tobacco use in America is being released. It is the result of the first national conference on tobacco and health that had the active participation of Members of Congress. More than 200 leaders in public health and the Federal Government attended this conference, which was held in Houston, TX, on January 27 and 28, 1989.

We held this conference because tobacco use is the No. 1 preventable cause of death in the United States. Nearly 400,000 Americans die each year due to smoking.

Twenty-five years ago, the Surgeon General declared that cigarette smoking is a direct threat to a user's health. Since then, about half of all living American adults who ever smoked have quit.

While we are gaining on some fronts, we are losing the battle with our children. Each year, a million young people start smoking—that's about 3,000 a day.

These young smokers are children. Half of the young people who start smoking have not turned 14 years old.

I initiated this conference to develop a realistic agenda and strategy for the 101st Congress. During the 100th Congress, the flight ban on smoking was enacted due to the efforts of Congressman DICK DURBIN. During the 99th Congress, the 16-cent cigarette excise tax was made permanent. Much more needs to be done and this conference has given us an agenda.

The conference recommends that:

1. The U.S. Food and Drug Administration should be given some authority over all tobacco products.

2. Tobacco advertising must be restricted to eliminate its influence on our Nation's children.

3. Excise taxes on tobacco products should be increased to discourage use by children.

4. The ties between the Federal Government and the tobacco industry should be severed by eliminating the Tobacco Price Support Program.

5. Nonsmokers should be protected from involuntary smoking in airplanes, in all public places, and in the workplace.

6. The Federal Government should end its support of foreign markets for U.S. tobacco products while we discourage tobacco use within our country.

The conference also concluded that the major health-related organizations must work together more effectively to implement these recommendations.

Members of Congress must also work together more effectively. Congressmen DICK DURBIN and BOB WHITTAKER are cochairmen of the bipartisan Congressional Task Force on Tobacco and Health, which was recently formed as a result of the Conference on Tobacco Use in America.

Many bills have been introduced to implement these recommendations. I have introduced H.R. 718, the Smoking Cost Recovery and Education Tax Act. It increases the cigarette excise tax by 25 cents and establishes a counteradvertising and education program aimed at youth and minorities. We know it will stop 1 million young people each year from smoking.

Last week, the General Accounting Office issued a report that demonstrates how inflation has eroded tobacco excise taxes. If tobacco excise taxes had been indexed for inflation since 1965, the Federal Government would this year alone, receive an additional $2 to $6 billion in revenue. Thousands of lives could have been saved. The time for a tobacco excise tax increase is now.

I would like to thank the American Medical Association, the American Cancer Society, the American Heart Association, and the American Lung Association for cosponsoring the Conference on Tobacco Use in America. I would also like to thank the University of Texas M.D. Anderson Cancer Center for hosting the conference and the American Medical Association for underwriting the conference.

The final report of the 1989 Conference on Tobacco and Health gives us a blueprint for action. It will be sent to all Members of Congress. I urge my colleagues to join the Congressional Task Force on Tobacco and Health to implement this report.

SPELMAN COLLEGE STUDENTS PRAISE NEW PRESIDENT AS "AN INSPIRATION"

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 17, 1989

Mr. STOKES. Mr. Speaker, I rise today to acknowledge a woman who is a ray of hope and a beacon of inspiration for the more than 1,700 young women, studying at Spelman College in Atlanta, GA. Dr. Johnnetta Cole made history in 1987, by becoming the first woman President of Spelman College. In addition, Dr. Cole became one of only 300 women in the United States, who are heading institutions of higher education.

Dr. Cole's commanding leadership has enhanced Spelman College, a premier historically black college more than 100 years old, with a proven reputation for providing quality education for young black women. Not long after Dr. Cole's inauguration as president, the school received a gift of $20 million from Mr. and Mrs. Bill Cosby, the first endowment of that amount given to a black college.

Dr. Cole is a unique and outstanding leader and role model for young people to emulate. She is committed to nurturing the minds of her students and to developing their leadership potential. Dr. Cole believes strongly in empow-

ering her daughters so that they can deal effectively with obstacles, such as racism, sexism, and discrimination, which black women inevitably will confront.

Mr. Speaker, I am deeply impressed with Dr. Cole's leadership abilities and the good work she is doing at Spelman College. I am pleased to share with my colleagues a recent article from the May 1989, American Association of Retired Person's News Bulletin, regarding Dr. Cole.

SPELMAN COLLEGE STUDENTS PRAISE NEW PRESIDENT AS "AN INSPIRATION"

(By Susan Crowley)

As students mill around outside on an unseasonably warm, blue-sky winter day, the mood at Atlanta's Spelman College is decidedly upbeat. Yet the high spirits on campus these days have more to do with a woman named Johnnetta Cole that with the balmy weather.

"She's an inspiration," junior Cindy Brooks of Atlanta says of Cole, the first black woman president of Spelman, a highly regarded, 107-year-old college attended predominantly by black women. "She's just given this place a lift."

Inside the old brick administration building, Cole emerges from her office. She is elegant and stately, with a radiant smile.

Cole has reason for good cheer. Her presidential inauguration in November was what she calls "a very special victory for black women." Of 3,000 U.S. institutions of higher education, 300 are headed by women; only 22 by black women.

On the heels of her inauguration, entertainer Bill Cosby and his wife Camille gave Spelman $20 million, the largest individual gift ever to a black college. A few weeks after that Cole, at age 52, married her childhood sweetheart.

But behind Cole's amiability is a powerful single-mindedness about education—especially that of African-American women—and achieving racial equality based on social justice.

For both individuals and societies, "the most consistent tool for change is education," says Cole. "In the process, you have to develop the capacity to feel, to care," she adds, massaging the last words as if she were speaking from a pulpit.

She adds, "but, the first thing we have to do is to stand and admit we have a problem."

"On every single count," she continues, "our black folk are dying faster, our kids drop out of school more quickly, our teens are pregnant more often, we are unemployed two and half times more [than whites] and our older people are worse off."

Nonetheless, Cole is optimistic that the country is emerging from a period of "meism," an attitude she wants her 1,700 Spelman "daughters" to avoid. "Yes, I want them to be leaders, but they have to combine advancement in their careers with service to the community."

Cole's own career has centered on teaching and scholarship. Born into a middle-class family in Florida, she entered Fisk University at 15 and transferred to Oberlin College.

After earning her doctorate in anthropology at Northwestern University, Cole taught that subject at the University of Washington, the University of Massachusetts and Hunter College. In July 1987, she was named president of Spelman.

Cole balks at being a role model. She hopes, instead, to show in broad strokes that women, "and particularly women of color, can do what we want to do" and can play a "multiplicity of roles."

"I also want to be a model of someone who sees family coming in different forms," say Cole, reflecting partly on her own family situation.

With three grown sons from her first marriage, Cole knows the psychological costs of working and mothering, especially as a single parent.

"It is important for those who are younger to decide they don't have to automatically give up something. Family life can exist with a career, but they better find the right partner."

Cole's new "partner" is Arthur Robinson, an official with the National Library of Medicine in Bethesda, Md. "Boy, are we part of the modern world," says Cole of her commuter marriage.

As a child, Cole lived near Robinson in Florida and then in Washington, D.C. Thirty-five years passed with no contact between them. Robinson then heard about Cole's appointment at Spelman, called her up and married her 17 months later.

"I've never been happier in my life," says Cole although she acknowledges her job is exhausting.

She spends a good deal of time fund raising. "Some folk think that we're the school Dr. and Mrs. Cosby took care of so we don't need anything else. That is so dangerous because our needs are tremendous."

Cole seems energized by life among her "daughters." She sees herself "fundamentally as a teacher," and although she cannot spend much time in the classroom now, she does hold open office hours for students. They stop in for financial, job and academic advice or "just to see what the inside of the president's office looks like."

"What I like most is walking out on this campus and interacting with these students," Cole says. "I can't tell you the pleasure I get from this."

The feeling seems to be mutual.

PHIL PORTNOY: OUTSTANDING CITIZEN

HON. MATTHEW J. RINALDO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 17, 1989

Mr. RINALDO. Mr. Speaker, I rise today to pay tribute to an outstanding individual who has devoted many years of his life to the betterment of public education in Union, NJ, and to raising funds for people who are in dire need of costly medical tratment.

As director of public relations the past 15 years for American Bakeries in New Jersey, Mr. Phil Portnoy has cast bread on troubled waters. Through the Phil Portnoy Humanitarian Association, which he founded 12 years ago, he has raised over half a million dollars to help those in need with medical treatment, transportation and equipment as required. In every case, the individuals had exhausted their insurance or had no health plan coverage. With no where else to turn for help, they were aided by the Phil Portnoy Humanitarian Association.

He has been active in many major causes in Union Township. They include the Union United Way, the March of Dimes, Union Football Rockets, Union Little League, where he served as a coach; the Union Boys and Girls Club, and Camp Fatima for the handicapped.

For the past 20 years, Phil Portnoy has served as a member of the Union Township Board of Education, whose schools were cited by Former Education Secretary William Bennett as model schools. For 6 years, Phil Portnoy served as president of the school board, in addition to his many other civic endeavors.

In a community where families are involved in supporting education, recreation and community activities, Phil Portnoy has been a positive leader and popular figure. He has served as past president of the Union Football Rockets; president of Union Lodge of B'nai B'rith; and was selected for serveral community awards, including Man of the Year by the Union Chamber of Commerce, the Service Award of the Union Exchange Club, the Outstanding Citizen Award of the Temple Israel of Union, and Man of the Year by memorial General Hospital and the Knights of Columbus.

On June 9, Phil Portnoy will be honored by the citizens of the community he has helped and worked with over the last two decades. It is a tribute that is well deserved to one of Union's finest citizens.

SUPPLEMENTAL FUNDING FOR VETERANS' HOSPITALS IS A "DIRE EMERGENCY"

HON. DEAN A. GALLO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 17, 1989

Mr. GALLO. Mr. Speaker, I rise to express my deep concern for those individuals whose true needs are being compromised by delays blocking action on supplemental funding request. For over a month, action on this measure has been delayed by attempts to add spending for many other programs. This bill should not be a vehicle to further the cause of other spending bills, no matter how good that other legislation might be. If it is not a dire emergency, it does not belong in the bill. Today, I joined with my colleague, Representative SIL CONTE, in support of a clean bill that provides funding for only veterans programs.

The dire needs of our veterans and others have not gone away, they have only worsened.

In a letter dated May 16, 1989, from Ed Derwinski, Secretary of the Department of Veterans' Affairs, he states: "Each day that supplemental funding is not forthcoming, the level of service provided by the VA's medical system is diminished. The VA has virtually exhausted its flexibility to borrow from non-payroll accounts to support the employment level necessary to properly treat veterans. Inventories of supplies are low, and the purchase of necessary medical equipment will have to be postponed until next fiscal year."

Secretary Derwinski's letter goes on to explain that the employment level at VA hospitals is 4,000 below what is required, that outpatient treatments will be reduced by 600,000 visits, and that funding for at least 96 capital accounts will be stopped.

As a member of the House Appropriations Committee, I supported the President's $2.1

billion supplemental funding request. The President's request meets the real needs of our Nation's veterans.

However, the bill that came to the floor over a month ago not only broke the budget agreement for fiscal year 1989 but it threatened our ability to meet the budget targets for years to come.

The budget agreement for fiscal year 1989 set strict ground rules for added spending: If you want to add to one area of domestic spending, you have to find equal savings in another area of domestic spending. The same goes for defense.

The bill that came to the floor broke the agreement by adding an additional $2.7 billion in spending with no offsetting reductions. Whereas the President submitted his request in strict accordance to the budget agreement, this bill has ballooned to over $5 billion in new budget authority.

Unfortunately, the continued delay in reaching a true agreement threatens the ability of VA hospitals to provide services to our veterans.

Mr. Speaker, the continued delay in action on this important legislation is a regrettable reminder of what is wrong with the budget process in Congress.

Each and every day, my constituents have to make the hard choices, setting budget priorities for themselves and their families. They may have to put off the purchase of that new car in order to pay for their children's dental bills. They may have to save just a little bit longer for that family vacation, or they may have only enough for the basic needs of housing and shelter. They make the hard choices.

Yet, here in Congress, we continue to spend without restraint. When the dental bills come due or the car breaks down, we use it as an excuse to go on a shopping spree.

The House should bring forth a clean bill that meets the truly dire needs of our veterans and others. We should do the work that our constituent's have sent us here to do—set priorities, make the tough choices and respond to the emergency needs of our citizens.

Mr. Speaker, I urge this House to move without delay to approve the supplemental funding request for our veterans' hospitals.

SAVE THE AFRICAN ELEPHANT FROM EXTINCTION

HON. ANTHONY C. BEILENSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 17, 1989

Mr. BEILENSON. Mr. Speaker, today I am introducing, along with our colleagues Mr. FIELDS, Miss SCHNEIDER, Mr. PANETTA, Mr. KASICH, and Mr. DONNELLY, a resolution calling on the administration to support international efforts to save the African elephant from extinction by halting worldwide trade in ivory.

I am convinced that unless the international community takes drastic action to halt poaching, the elephant will not survive the century. Fifty years ago there were some 10 million elephants roaming over most of Africa's vast forests and savannahs. When I first introduced the Elephant Protection Act in 1976, about 1.5 million remained. Today we believe there may be as few as 400,000, and they are being killed at a rate of 70,000 a year. Conservation efforts in Africa cannot succeed so long as the demand for ivory here in the United States, in Western Europe and in Asia reamins as high as it is.

Mr. Speaker, the Governments of Tanzania, Kenya, Gambia, Chad, and Somalia have called on the international community, through the Convention of International Trade in Endangered Species [CITES], to half trade in ivory, recognizing that they simply cannot win a war against well-armed and well-equipped gangs of poachers who are selling elephant ivory on the black market for upward of $100 a pound.

The Secretary of the Interior, Mr. Lujan, has wisely decided to back this proposal, and has announced that the United States will support an appendix I listing for the African elephant when CITES next meets in October. Our resolution endorses the Secretary's decision, and calls on the administration to initiate diplomatic efforts to obtain broad international support for the establishment and effective enforcement of a ban on trade in elephant ivory. If we are truly serious about saving the elephant from extinction, it is crucial that we gain the active support of Japan and Hong Kong, who together import the overwhelming majority of ivory which leaves Africa every year.

Our resolution also calls on the administration to provide financial and technical assistance to the efforts of African countries to conserve and rebuild elephant populations. Tourism has become an important source of foreign exchange in many countries, and wildlife conservation has therefore become an important priority. But they desperately need our help—their financial and scientific resources are simply too meager to be effective.

As the largest, as well as perhaps the most magnificent and best loved creature in the world, the elephant has become an important conservation symbol in Africa, much like the bald eagle in this Nation. It is terrible to imagine a world with no elephants—but that is exactly what will happen if we do not act immediately. Experts say we have very little time—the elephant has very few years left. I call on my colleagues to support this resolution.

A TRIBUTE TO THE PEOPLE OF AMHERST, NY

HON. BILL PAXON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 17, 1989

Mr. PAXON. Mr. Speaker, today I rise to commend the town of Amherst, NY, on the recent report that it is the safest community in the Nation in which to live.

According to the preliminary Federal Bureau of Investigation Uniform Crime Report released April 24, 1989, the town of Amherst has the lowest crime rate in the Nation among 187 cities and towns with populations over 100,000.

The FBI Uniform Crime Report examined the rate of incidence for such crimes as murder, rape, assault, robbery, burglary, larceny, and car theft in cities of similar population size and determined that Amherst was the safest in the Nation with a crime rate of just 3,034 crimes per 100,000 people.

In addition to this first place finish in the crime rate category, Amherst also had the lowest murder rate statistic in the Nation—claiming not one single murder in the town this past year.

This is truly a marvelous accomplishment for the people of the town of Amherst, Mr. Speaker, and is also a fine example of the great things that can happen when individual citizens join together and become involved in enhancing the quality of life of our community.

Additionally, high praise deservedly belongs to the many brave and dedicated members of the Amherst Police Department under the extremely capable leadership of Chief John B. Askey.

The supervisor of the town of Amherst, Mr. Jack Sharpe, recently remarked that "one of the main reasons people move to Amherst is our police protection." Mr. Sharpe is absolutely correct in making this statement and Amherst is indeed a wonderful place to live and work.

WHITEMAN AIR FORCE BASE WINS BLANCHARD TROPHY AGAIN

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 17, 1989

Mr. SKELTON. Mr. Speaker, for the past 22 years the Strategic Air Command has conducted a competition to assess the abilities of our country's missile units. The victor of the competition wins possession of the Blanchard Trophy and the designation as the best missile wing in the U.S. Air Force.

The competition was recently completed at Vanderberg Air Force Base, CA, and it is my pleasure to inform the Congress that for the fifth time, the Blanchard Trophy was awarded to Whiteman Air Force Base, located near Knob Noster, MO. Whiteman won the original competition and was the first four-time trophy winner. The 351st Strategic Air Wing men and women now have the distinction of claiming to be the only five-time winner of the Blanchard Trophy.

It is a pleasure for me to commend the outstanding personnel at Whiteman Air Force Base. They are a credit to the Air Force and to their country. Individuals who should be recognized as key contributors to this achievement are:

1989 COMPETITION STAFF

Wing Commander, Colonel Thomas E. Kuenning, Jr.

Deputy Commander for Operations, Colonel Milton F. Schrepel.

Deputy Commander for Maintenance, Colonel Stephen L. Benedict.

Deputy Commander for Security, Colonel Evans W. Moore, Jr.

Commander, CSG, Colonel Thomas B. Goslin, Jr.

Commander, 2154 ISS, Lt. Col. Allyn K. Mills.

Commander, 351 CE, Lt. Col. Roland W. Johnston.
Commander, FMMS, Lt. Col. Nedom Ramsey, Jr.
Commander, 510 SMS, Lt. Col. Nicholas Motowylak.
NCOIC, 351 OMMS/MBA, CMSgt. Douglas A. Pierce.
Senior Enlisted Advisor, CMSgt. Jack Bryant.

OUTSTANDING UNIT ENLISTED PERSONNEL

MSgt. Arthur Avant, Jr.
SSgt. Mark James.
SSgt. Michael Keyser.
SSgt. Sheri Perry.
SrA. Robert Shows, Jr.

1989 "OLYMPIC ARENA" COMPETITORS

MAINTENANCE

MHT (Missile Handling Team): SSGt. Michael Dawson; Sgt. Steve Bailey; Sgt. James Garvin; A1C. David Marshall.
MMT (Missile Maintenance Team): SSgt. Robert Bixler; SSgt. Sam Brown; SSgt. David Malone; SSgt. Billie Miller; SSgt. Tim Moore.
Mech (Mechanical Shop): Sgt. Timothy Murphy; A1C. Wesley Wingo.
FMT (Facility Maintenance Team): SSgt. Gregory Loyd; A1C. David Mueller.

OPERATIONS

Crew S-211: MCCC. 1Lt. Scott Dumbauld; DMCCC. 1Lt. Greg Howell.
Crew S-210: MCCC. 1Lt. Steve Cooke; DMCCC. 1Lt. Mike Kimm.
Crew S-044: MCCC. Capt. Randy Bagby; DMCCC. 2Lt. Jack Hosterman.
Crew S-171: MCCC. Capt. Dennis Benson; DMCCC. 2Lt. John Sammartino.

COMMUNICATIONS

SSgt. Charles Beard.
SSgt. Scott Wheeler.

SECURITY

FSS (Flight Security Supervisor): TSgt. Johnny Johnson.
FTL: Sgt. Shawn Shift; Amn. Scotty Schoonover; A1C. Jeffery Davis; A1C. Dan Diercks; Sgt. Walter Pogorelski; Amn. Jason Snyder.

CIVIL ENGINEERING

TSgt. Charles Hardy.
Sgt. Steven Pelanger.

THE CLINGER LUMBER CO. CELEBRATES 135 YEARS OF BUSINESS AND SERVICE

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 17, 1989

Mr. GEKAS. Mr. Speaker, I would like to bring to the attention of my colleagues the accomplishments of the Clinger family of Milton, PA. As proprietors of the Clinger Lumber Co., this family has faithfully served the Milton community since 1854. From the days when the Clinger Lumber Co. was but a small saw mill along the Pennsylvania Canal, the growth of Milton and the Clinger family business have been inexorably tied.

This year marks the 135th anniversary of the Clinger Lumber Co. On May 25–27, 1989 the Milton community will pay homage to the Clinger family as they celebrate this event. Special tribute will be given to Daniel Clinger III. This fine American served his Nation during World War II and successfully managed the Clinger Lumber Co. for five decades. In the tradition of all enduring family businesses Daniel's sister Mary ran the business while he served his Nation. In 1954 the Clinger Lumber Co., under the guidance of Daniel Clinger III, expanded its service to the Milton community with the opening of a retail outlet. The Clinger Lumber Co. continues a tradition of service under the leadership of James Clinger and his wife, Jorjia.

I ask my colleagues to join with me in celebrating the accomplishments of one of central Pennsylvania's oldest family owned businesses. The Clinger family has exhibited the finest aspects of American entrepreneurship during the 135 years they've managed the Clinger Lumber Co.

HUMAN RIGHTS FOR SOVIET JEWS

HON. GERRY SIKORSKI

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 17, 1989

Mr. SIKORSKI. Mr. Speaker, the Congressional Call to Conscience Vigil has, for many years, provided Members of Congress the opportunity to speak out against Soviet oppression and enlighten the world to the plight of Soviet refuseniks who have been denied their basic human rights. I, too, rise today to appeal for freedom for the people who have been persecuted for so many years in the Soviet Union. However, I rise today not only to beseech the Soviet Union to expand and legalize their human rights reforms, but to implore Members of Congress and the administration to rectify the injustice that has been perpetrated on these people once they finally do receive permission to emigrate.

Soviet Jewish emigres now face additional obstacles from the United States. The administration has changed the longstanding United States policy to grant all Soviet Jews and religious minorities refugee status on the presumption that a Soviet Jew, by the fact that he/she lived in the Soviet Union had suffered from political persecution. This decision has left many Soviet Jewish emigres stranded citizenless on the shores of the Mediterranean in Ladispoli, Italy. It has also sent a dangerous signal to President Gorbachev about the sincerity of our commitment to the free emigration of Soviet Jewry.

These refuseniks have been living with fear, discrimination, and multiple persecution in their homeland brought on solely by their religious beliefs. They have been given our assurances of freedom during our visits with them in the Soviet Union. They have been the pivotal point of our diplomatic polemics and our foreign policy. Summit after summit, we've been arguing, negotiating, and conditioning our agreements with the Soviet Union on the basis of this group's right to emigrate.

Now, refugee status is granted only if in the course of a 15-minute interview with largely untrained United States Immigration and Naturalization Service officials, Soviet refugees can prove a well-founded fear of political persecution.

According to Robert Eddy, chief INS official in Rome, the new policy's implication is that discrimination no longer amounts to political persecution.

This is tantamount to shifting the burden of proof to the victims, whose understanding of the process as well as their understanding of English is usually insufficient to create testimonial quality evidence on their behalf.

Therefore, over 2,400 individual cases of Soviet Jews have recently been denied refugee visas on the pretext that they do not fit the precise, new, glasnost-sanitized definition of a political refugee.

Today there remain 294 citizenless people who have been double denied and wait on refugee row for the only hope they have: a retroactive policy reversal.

Why? What has changed?

Is it because we have been somewhat successful in our efforts to move Secretary Gorbachev to make a few of the concessions we have been pursuing for so many years?

Is it because of the public relations ramifications of the word glasnost?

Is it because the Semyon Mikhoels Jewish Cultural Center in Moscow is now open? Let me say that though pleasing to the West, virtually no Jewish programs are held in this rarely used monument to Judaism run by the Soviet Government. Even the Mezuzah, put up by Elie Wiesel at the much publicized dedication, was removed after the cameras were gone. This building is a hollow shell, perhaps indicative of the true nature of Jewish cultural freedom in the Soviet Union.

Is it because a new yeshiva, a school where Jews can learn their history and religion, was established. It, however, remains without the legal school status that Soviet law requires to prevent those people who are studying there to be classified as parasites of society,—a crime in the Soviet system.

Is it because the Soviet authorities have been continually denying the Jewish Cultural Association a permit to demonstrate outside the headquarters of the Anti-Zionist Committee.

Is it because Jews really do now have the opportunity to advance and achieve in the Soviet educational system and in the Soviet work force based on their merit and their ability? In fact, they do not. In fact no Jew could have run in the recent "open" elections and Boris Yeltsen won't be championing their cause.

This vaunted word "Glasnost" has not eradicated anti-Semitism and political persecution of Jews in the Soviet Union. Anti-Semitism is flourishing in the Soviet Union under Glasnost and the need of these refugees to emigrate has become even more pronounced. In addition to Pamyat, other national anti-Semitic organizations have been established including the Committee of the Soviet Public Against Diplomatic Relations with Israel.

Remember, none of the reforms that have been publicized to the world's media have been legalized or institutionalized. If President Gorbachev fails—these reforms can fail with him.

Remember, the Soviets are continuing to deny many Jewish applicants based on the

spurious pretext of possessing "state secrets" from jobs left decades before.

Remember, the motivations of the Soviet government are not humanitarian, but rather a desire to benefit in trade and technology from good relations with the United States—relations they know are contingent upon their human rights record. How significant will human rights be perceived by the Soviet Union if our foremost case of Soviet Human rights abuse—emigration of Soviet Jews—proves to be unworthy of our time, money and sympathy.

THE INTEGRITY OF THE U.S. FOREIGN AND HUMAN RIGHTS POLICY IS AT STAKE.

Rudolf Kuznetzov, head of All-Union OVIR, has said, "Things really look funny: Western countries, including the United States, declare that the Soviet Union should step up emigration and allow people to leave the country freely. But they won't accept all those who have been permitted to leave the Soviet Union." He also claims that the American Embassy has requested the Soviet Union to delay issuance of emigration visas.

The Moscow Journal has printed articles stressing the difficult requirements and screening process of Soviet Jews applying for refugee status. They are taking selections from the American press reporting that Soviet Jews cannot participate in the democratic process and are becoming second class citizens in an attempt to discourage emigration. If Soviet Jews want to be second class citizens they might as well stay at home.

Most importantly the Soviet press have used Western insistence of documented evidence as proof of their innocence of Western charges of persecution and human rights violations.

Over 4,200 Soviet Jews were released from the Soviet Union last month, however, allotment numbers for the second quarter of fiscal year 1989 have been filled. Even though the allotments from the third and fourth quarter have been frontloaded, based on the current caseload we will be 5,000 numbers short of refugee visas this year. This does not take into account the approximately 4,000 people who are being released every month.

House Concurrent Resolution 73, a concurrent resolution I introduced with Senator GRASSLEY in March and cosponsored by 49 of our colleagues, calls for a return to the operating presumption of the INS for the last 8 years: a Soviet Jew, Pentecostal, or other religious minority by the fact that he/she lived in the Soviet Union has suffered from political persecution. In addition, it addressed the need for increased allotment numbers and appropriation funds.

The special immigrant category that the administration is recommending does not honestly respond to the human concerns. It certainly does not address the long term difficulties of increased immigration of refugees from the Soviet Union.

The Immigration and Refugee Subcommittee held a hearing on the unjust situation facing Soviet emigres in Ladispoli, Italy. I had the opportunity to testify before the committee. Recent legislation introduced and reported by Congressman MORRISON, chairman of the subcommittee, incorporates what I was trying to accomplish. Hopefully, all this activity will move the administration to realize the foolishness of their decision and reverse it. I urge you to join with me in supporting legislative redress of this problem.

The Soviet Union has made some real strides in allowing Soviet Jewish emigration. Yet, the fact that there is still a need for the congressional call to conscience is proof of the continued anti-Semitism and persecution of Jews in the Soviet Union. There are still many long time refuseniks who are being denied visas and are used by the Soviet Union to gain political concessions from the West.

I have been working for many years to help Soviet Jews achieve their dreams of freedom. I will continue to apply pressure to make all our agreements with the East contingent on the release of prisoners of conscience and continued reforms of human rights in the Soviet Union. I will continue to work for a retroactive reversal of the capricious administration policy and I will continue to speak for Soviet Jews, who unfortunately, do not yet have the voice to speak for themselves.

THE ROMANIAN ASSAULT ON HUNGARIAN IDENTITY

HON. EDWARD F. FEIGHAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 17, 1989

Mr. FEIGHAN. Mr. Speaker, the remarks that I make today address the desperate plight of the ethnic Hungarians in Romania. Ethnic Hungarians, who make up approximately 8 percent of the Romanian population, are being subjected to a campaign of systematic ethnic destruction by the Government of Romania. Last year, we passed House Resolution 505 which protested in the strongest of terms the Romanian Government's treatment of its national minorities, but their persecution continues, and we must continue to speak out.

Romania has one of the worst human rights records in the world, and ethnic Hungarians have borne the brunt of the abuse. They are the victims of forced migration and subject to beatings if they use their Hungarian language. They are the target of hostile propaganda designed to denigrate their cultural identity, and incredibly, ethnic Hungarian parents are even forbidden to give their children traditional Hungarian names.

During 1988 alone, approximately 18,000 ethnic Hungarians fled to Hungary from Romania, which represents the first time in recent history that refugees from one Warsaw Pact country have sought refuge in another. Responding at least in part to the compelling nature of this situation, the Government of Hungary has reversed its previous policy of returning Romanian refugees caught at the border. Unfortunately, attempts to flee to Hungary are fraught with danger and often end in tragedy. In one incident, a Romanian guard on horseback actually pursued a refugee into Hungarian territory and shot him dead.

The situation in Romania will only change if the world community refuses to keep silent. The United States-Helsinki Watch Committee, a nongovernmental organization founded to promote domestic and international compliance with the human rights provisions of the 1975 Helsinki accords, has released a report entitled "Destroying Ethnic Identity: The Hungarians of Romania," which discusses the current situation there. I commend this report to all my colleagues who are concerned with this desperate situation.

GOOD NEWS IN EDUCATION FROM JOHNSTON CITY, IL

HON. GLENN POSHARD

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 17, 1989

Mr. POSHARD. Mr. Speaker, it's time for some good news. Put aside, for just a moment, the talk about mediocre performance in America's high schools. Here's some good news about what's happening in the classroom, and I'm proud to say, it comes from a school in my district.

Let me brag for just a minute about the mathematics team from Johnston City High School, Johnston City, IL.

Four years ago there was no team. This year, they claimed second place in the Illinois class A mathematics championships. And I'm told the other schools had better watch out next year.

Coach Ron Nagrodski has taken a difficult subject and made learning fun. The students have followed the lead and participation on the mathematics team has gone from only 1 person 4 years ago to 34 this year, and being on this team is now one of the popular things to do at Johnston City High School.

You better believe these kids are learning to state the domain of square roots and figure out the famous two trains leaving the station problems we've all wrestled with. Their performance in the competition shows that.

But believe this too. They're learning what it means to work on a team, to depend on each other, to work hard and realize goals, and in this case, accept a measure of defeat with pride and dignity, hardening their desire to do better next time.

Those are the things we want our kids to learn in school. Of course, we want accountants who can calculate and engineers who can span the pass correctly. These are the people who will do that for the next generation.

But we also want students who care about their school, who come to learn in an environment that's stimulating, and maybe, just maybe, have a little fun along the way.

I asked Mr. Nagrodski if his students were available to balance the budget, and he suggested they were not miracle workers. But he did say they could give calculating the national debt a try, accepting of course the ever changing nature of that elusive figure. But if there are any high school students who can do it, my guess is it's the ones on the mathematics team at Johnston City High School.

I would like to enter their names into the RECORD, to commend them for their efforts this year and to wish them success in the years to come.

JOHNSTON CITY HIGH SCHOOL MATHEMATICS TEAM

Lori L. Chamness, Amy Marie Dixon, Heather Leigh Miles, Michelle Lanette Rossin, David James Stewart, Clint Alan Becker, Lesley Anne Johnson, Joyce Annette Bennett, Chadwick Dent Curry, John Clayton Gwillim, Amanda Kay Curtis, Jeffrey D. Huntsman, Aaron Dale Oliver, Maelena Kaye Smith, Loren David Anderson, Jason Henry, Katrina Jo Kragness, Travis J. Cockburn, Darin Keith Dascotte, Michelle Dawn Mathews, Deidre Anne Miller, Chanda Marie Smith, Tony Ernest Arnolds, Lenny Eugene Clark, Scott Allen Hancock, Bethanne Pyle, Anthony Brian Stephens, Ed Shaw, Tim D. Carney, LeeAnne Biermacher, Craig David Compas, Jereme Scott Long, Dale Allen Ray, Doug Alan Woolard.

Teacher: Ron Nagrodski.

THREE THIN DIMES

HON. STAN PARRIS

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 17, 1989

Mr. PARRIS. Mr. Speaker, my colleagues on the other side of the aisle have spent a considerable amount of time alleging that just "three thin dimes" are keeping us from passing a minimum wage bill. If indeed that were true, why don't the Democrats accept the Republican substitute. Does it make sense to hold out and, in effect, have no wage increase for just three thin dimes?

We should also understand that if the President had proposed increasing the minimum wage to $10, the Democrat majority would have support raising it to $12 or $15—all for the wrong reasons.

Let's stop all the political rehtoric and give the minimum wage earners of this country the increase promised by the President. It is only right and reasonable.

DEPARTMENT OF DEFENSE INSPECTOR GENERAL TENURE ACT AND THE DOD AUDIT IMPROVEMENT ACT

HON. H. MARTIN LANCASTER

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 17, 1989

Mr. LANCASTER. Mr. Speaker, yesterday my colleague, JOHN KASICH, and I introduced two bills which would make major improvements to the Department of Defense's audit organizations. For the past several years, we in Congress, have been rocked by procurement scandals, waste and inefficiencies in the Department of Defense. A number of us have been distrubed by the performance and apparent lack of independence of the 22,000 individuals within DOD who are charged with auditing, investigating, and inspecting. These individuals are the Government's first line of defense to combat fraud, waste, and mismanagement. Yet, too often, they are not the ones who uncover and make public these problems. Both of these bills increase the independence of DOD's auditors and investigators while, at the same time, making structural changes that will improve their objectivity and effectiveness.

H.R. 2361, the DOD Inspector General Tenure Act, will do much to improve the overall independence and performance of the DODIG. This act will provide for a 10-year term of office for the DODIG and will grant the IG the right of testimonial subpoena power. At the same time, it will expand the duties of the IG to include supervision of the Defense Contract Audit Agency and all military auditor/inspector operations.

H.R. 2362, the DOD Audit Improvement Act, is modeled after the Inspector General Act that has been so successful throughout Government. This bill establishes an auditor general within each military department, appointed by the President and confirmed by the Senate, for a 6-year renewable term. This act would consolidate all audit, internal review, fraud, and white collar investigators and military inspectors into one organization. This organization would be a focal point within each military department for combating fraud, waste, and mismanagement. It would also provide improved coordination of these resources, and has the potential to reduce the number of audits being conducted. This would address one of the concerns of the Packard Commission that defense contractors are being overaudited. Finally, this bill would realign personnel resources within the Department to better attack procurement fraud.

We hope our colleagues read these bills and support them. They are reasonable solutions to systematically attack the problems within DOD.

A CONGRESSIONAL SALUTE TO HONORARY MAYOR JOE MARINO

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 17, 1989

Mr. ANDERSON. Mr. Speaker, I rise today to pay tribute to an outstanding individual who has devoted over three decades of his life to the Los Angeles area. Joe Marino will be honored on Thursday, May 18, 1989, at the San Pedro honorary mayor's campaign banquet for his tireless service as the San Pedro honorary mayor for 1988–89. This occasion gives me the opportunity to express my sincere appreciation for his many years of hard work and unending commitment.

Joe Marino is a retired public educator who served the young people in the Los Angeles area for the 34 years. He served 25 years as an administrator of elementary schools and received recognition as principal of the year in 1985 before his retirement in 1987.

Aside from his teaching career, Joe has been deeply involved with social and civic organizations. Despite this responsibilities as honorary mayor of San Pedro, he is also currently serving as president of the San Pedro Centennial Committee, Inc., a position he has occupied since 1987. He was a judge for several Lions Club speech tournaments and also for the 1989 Miss San Pedro Scholarship Pageant. As a member in the San Pedro Elks Lodge, he served as a committee member for this organization's scholarship program and has spent the past 20 years as the Elks Lodge indoctrination leader. He was also captain of the retreat league for Mary Star of the Sea Catholic Church of San Pedro.

Joe Marino has used his ability to speak to a crowd in numerous appearances as a guest speaker. He was the keynote speaker for the region A leadership conference for the junior high student leaders organization, as well as for the 1988 careers conference sponsored by the San Pedro Rotary Club. He has also spoken before numerous organizations on community interest topics. Some of these speeches have been before the Delta Kappa Gamma, Business and Professional Women, Lions Club, Kiwanis Club, Soroptimist International, Habor Occupational Center, and parent teacher association groups. Perhaps one of his finest performances was rendered as master of ceremonies for the Harbor View House Benefit Cruise Night sponsored by the San Pedro Chamber of Commerce. Based on his many accomplishments and unsurpassed involvement in the community, it is no wonder he is so well respected and honored.

My wife, Lee, joins me in extending our congratulations to this caring and giving man. He is truly a remarkable individual who has devoted his talents and energies to enriching the lives of so many other people. We wish Joe Marino all the best in the years to come.

TRIBUTE TO RUTHIE ROBERTS SPACKMAN

HON. HOWARD L. BERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 17, 1989

Mr. BERMAN. Mr. Speaker, I rise today to pay tribute to Ruthie Roberts Spackman, a truly outstanding citizen of my 26th Congressional District of California. Ruthie will be honored by the Sylmar Chamber of Commerce at their annual honorary sheriff's dinner for her service as Sheriff over the past year. Ruthie will soon be moving to Florida and will be missed by the San Fernando Valley community.

Ruthie has worked tirelessly for 4 years on the vestry—board of directors—at St. Simons Episcopal Church and was actively involved in the church's organized activities. She served as youth activity director for 2 years and was chairperson for the fall festival fundraising weekend. She directed, produced, and performed in the impressive fundraising dinner and show.

Ruthie has a long history of community service with the Sylmar Chamber of Commerce. In 1986, she joined the women's division of the chamber and soon after was appointed chairwoman of the hospitality committee. In 1988, Ruthie was elected first vice president of the chamber.

Ruthie is a wonderful singer and entertainer who has used her talents over the past 4 years at numerous fundraisers for the church and the chamber. These special events include: The annual Christmas party for the Women's Division, the Women's Division anni-

versary dinner 1977–88, the honorary sheriff's fundraising dinner and the honorary mayor's dinner. She is also a regular entertainer at the Burbank Elks Lodge. Ruthie is also well known and loved in Sylmar for the special shows she provides for many of the local retirement centers.

I am proud to give special recognition to Ruthie Roberts Spackman and I invite my colleagues to share in this expression of admiration and gratitude. We will dearly miss her in Sylmar.

HONORING BERNARD SCHAPIRO

HON. BENJAMIN L. CARDIN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 17, 1989

Mr. CARDIN. Mr. Speaker, on May 23, 1989, Mr. Bernard Schapiro will be honored on the occasion of his 90th birthday by STEP of Baltimore, MD. STEP is a vocational rehabilitation program, which Mr. Schapiro helped create for the psychiatrically disabled population.

Bernard Schapiro also helped create a community-based psychiatric rehabilitation program, PEP [People Encouraging People] linked with Sinai Hospital in Baltimore in 1978. He has remained active in PEP, and is PEP's chairman emeritus. This organization has been used as a national model.

Bernard Schapiro has gained a great deal of satisfaction in his work to help less fortunate individuals, particularly those crippled by the pain of mental illness, to regain a sense of worth and to become productive, employable members of the greater Baltimore metropolitan community.

I urge my colleagues to join me in honoring Bernard Schapiro for his many years of community service, as he celebrates his 90th birthday.

NORWEGIAN CONSTITUTION DAY

HON. DONALD E. "BUZ" LUKENS

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 17, 1989

Mr. DONALD E. "BUZ" LUKENS. Mr. Speaker, I am proud to commemorate the 175th anniversary of the Norwegian Constitution. It is a pleasure to salute a nation which has worked tirelessly for so many years to achieve and perpetuate a society based upon justice, freedom, and equality.

The Norwegian Constitution was adopted on May 17, 1814, as a result of the turbulence and tumult of the Napoleonic Wars. As the armies of the French swelled over continental Europe, the very existence of Norway was threatened. It had been coupled with Denmark as the Twin Kingdoms under King Frederick VI. He had promised to cede Norway to Sweden once the great wars had finally run their course. To the Norwegians, this was unacceptable: the Swedes had been their enemies for many years.

So the Norwegians and Crown Prince Christian Frederick struck out on their own to form an independent nation, free from the interferences of both Denmark and Sweden. At first, the Crown Prince had considered setting himself up as king but instead wisely decided to call for an assembly to write a constitution. It was a great creation, fired by the desire for personal freedom and national independence. A constitutional monarchy was formed and Christian Frederick chosen as king. Following the example of the United States, the Norwegians set their new government up with a separation among the executive, legislature, and judiciary.

But more than the structure of government was provided for by the constitution. The world wide wave of freedom and human rights spread over Norway. Basic human rights and civil liberties were guaranteed so that the government could not infringe upon them. As bold as the new constitution was, it could not save Norway from the invading Swedish armies which were bent on enforcing Frederick VI's promise. Finally an Act of Union was negotiated with Sweden which allowed the provisions of the May 17 Constitution to remain. To this day, the Norwegians are governed under the provisions of that great document.

Commemorating a constitution and a people so dedicated to freedom is a great pleasure. The example set by the Norwegian Constitution is one that can be marveled at to this day. As long as its people remain committed to democratic principals, it shall always be a tremendous nation.

THE EAST RUTHERFORD EMERGENCY SQUAD: 50 YEARS OF PUBLIC SERVICE

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 17, 1989

Mr. COURTER. Mr. Speaker, I would like to take this opportunity to recognize a distinguished group of Americans, the East Rutherford Emergency Squad, of East Rutherford, NJ. This volunteer organization has responded to the needs of the people of East Rutherford for the last five decades. They have continually shown their concern for the welfare and safety of their fellow citizens, even at their own risk. They have served selflessly and without any compensation other than the knowledge that they are performing a vital public service.

It may be transportation home from the hospital for a senior citizen, or a heart attack suffered in the middle of the night. It may be to assist the East Rutherford Fire Department in putting out a blaze, or to render first aid at the scene of an automobile accident. Whatever the call, the East Rutherford Emergency Squad has met the task for 50 years.

The squad has grown over the years to help meet its increased responsibilities. The current membership consists of approximately 35 volunteers, equipped with two ambulances and a rescue vehicle. The volunteers must undergo training in first aid and CPR and meet New Jersey standards for licensing in those procedures.

I would like to extend my congratulations to the president Jerry Winston, Capt. Allan DeRosa, Lt. Ray Parrish, 2d Lt. Mickey Cappadonna, and the rest of the East Rutherford Emergency Squad on their 50th anniversary. The residents of East Rutherford have been most fortunate to have the service of the squad, and I am sure that they join me in saying thank you for all of your efforts and good luck in the future.

THE RURAL HOUSING IMPROVEMENT ACT OF 1989

HON. JOSEPH M. McDADE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 17, 1989

Mr. McDADE. Mr. Speaker, I am introducing bipartisan legislation today, the Rural Housing Improvement Act of 1989, which addresses the growing problem of rural areas not being adequately served by our present housing mortgage delivery system.

Representatives of America's small towns and rural areas are finding with increasing frequency that our constituents are having a difficult time finding and financing affordable housing. The existing Federal Housing Administration and Veterans' Administration loan guarantee programs are not widely used in rural areas, and the Farmers Home Administration grants and subsidies are underfunded and too restrictive.

Lending institutions are not participating in existing Federal loan guarantee programs in rural areas because they want to deal in larger volume loan packages and they find the Federal paperwork requirements to be overly burdensome. Also contributing to the problem is the number of older homes that might be financed if not for the amount of rehabilitation that needs to be undertaken to qualify for Federal housing mortgage programs.

My legislation expands existing Federal programs in a way that will open the doors of home ownership to many rural residents who have been, in effect, locked out of housing opportunities. The bill is designed to assist low and moderate income people in rural areas where there is a serious lack of mortgage credit availability. It would accomplish this in a cost-effective manner and in a way that would not compete with or reduce authorizations for very low income assistance.

The Rural Housing Improvement Act establishes a new and separate program authority under the section 502 FmHA program to provide 100 percent loan guarantees to buy or construct a modest single family residence. The bill expands the current program to include moderate income people. It would allow Farm Credit Banks, insurance companies, credit unions and housing finance agencies—as well as banks, mortgage companies and savings and loans—to act as lending institutions. To offset any loan losses incurred, FmHA would charge lenders a 1-percent loan guarantee fee.

The bill would establish a program for the preservation of existing and substandard housing suitable for homeownership by provid-

ing guaranteed loans for repair and rehabilitation of rural housing.

My legislation also creates a secondary market for the rural housing loan program under the authority of the Federal Agricultural Mortgage Corporation. Farmer Mac's authority would be expanded to guarantee home mortgage loans originated by approved lenders in rural areas.

I am pleased to report that the chairman and vice chairman of the Subcommittee on Housing, HENRY GONZALEZ and MARGE ROUKEMA, are holding hearings tomorrow on underserved rural areas. They are to be commended for their commitment toward improving housing opportunities in our Nation's rural sections. I look forward to testifying at those hearings and working with them in their efforts to make Federal housing programs more responsive to the needs of rural Americans.

Three members of the Subcommittee on Housing, Congressmen DOUG BEREUTER, TOM RIDGE, and PAUL KANJORSKI, are original sponsors of the Rural Housing Improvement Act of 1989. I invite my colleagues to sponsor this needed and worthwhile legislation.

ADULTS HEALTH DEVELOPMENT PROGRAM

HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 17, 1989

Mr. HOYER. Mr. Speaker, as you know, May is Older American's Month. Therefore, I would like to tell my colleagues about a special program, the Adults Health Development Program, which was established in my congressional district, the 5th District of Maryland, at the University of Maryland at College Park in 1972. The Adults Health Development Program could serve as an excellent prototype for other universities that want to establish intergenerational health and wellness promotion programs.

Health and wellness promotion programs help to keep our Nation's senior citizens healthy and active. As the graying of America continues and as health costs continue to rise, it is essential that we develop and support creative, cost-effective and innovative programs which help to reduce health care costs. Health promotion programs, like the one developed at the University of Maryland, can do just that.

The Adults Health Development Program unites older adults and students in a multiracial, multicultural, mutually supportive environment to work towards promoting health, wellness, and intergenerational understanding. Trained students help older adults improve their health and quality of life. The young adults also have the invaluable experience of developing a close relationship with a senior citizen.

Mr. Speaker, I insert the article, "AHDP: Toward Developing A National Network to Promote Health and Wellness," which further describes the University of Maryland program. I urge my colleagues to read this article and encourage the development of wellness programs in their own communities.

[From Aging Network News, Dec. 7, 1985.]

AHDP: TOWARD DEVELOPING A NATIONAL NETWORK TO PROMOTE HEALTH AND WELLNESS

Over thirty years ago, Dan Leviton, graduate student, met Professor Warren R. Johnson at the University of Maryland, located in College Park, Maryland. Professor Johnson was a visionary and pioneer in the field of health education and human sexuality. He was the founder and Director of the Children's Health and Development Clinic (CHDC). The purpose of this clinic was to promote positive body image and psychomotor functioning of children, especially those with developmental problems. Activity and health education were combined in this revolutionary program to promote normal development in the young participants.

Professor Johnson became advisor, mentor, friend, and later colleague to Leviton. His philosophy of the CHDC and comprehensive view of the world would later help to lay the foundation for the development and implementation of the Adult's Health and Development Program. He also assisted Leviton in choosing his dissertation topic in the area of death and dying. This made both Professor Johnson and Leviton pioneers in their respective unconventional fields . . . sexuality and death and dying.

The association with Professor Johnson launched Leviton into a career as death and dying educator and thanatologist. His course on death and dying became one of the most popular classes at the University of Maryland in the 70's and 80's . . . and most importantly, the Adult's Health and Development Program (AHDP) came to life.

In 1972, Leviton established the AHDP at the University of Maryland. He credits his seven years of involvement with the CHDC and his interest in death and dying to developing the program. The philosophy of the AHDP is to bring a diverse group (young, old, white, non-white, Jew, gentile, Hispanic, Asian, healthy, and disabled) together to work toward common goals and create shared experiences. Leviton believes strongly that economic deprivation and global conflicts can often pit segments of society against each other. The AHDP can be seen as one means to eliminate social sterotypes and scape goating.

PROGRAM PROFILE

The AHDP is part of the College of Physical Education, Recreation, and Health and has a loose working relationship with The Center on Aging. The AHDP is truly interdisciplinary in focus in that its program staff (faculty and students) are affiliated with the disciplines of physical education, recreation, health education, human development, psychology, and education. Students are able to earn university credit for their participation in the program and often volunteer for several semesters. Medical students can also receive elective credits through enrollment. Community volunteers are also involved in this program. It is not unusual for 90 volunteers to participate in a semester. The average age of the program staff is 23 years with the youngest having been 14 years old.

The number of older adult members who participate in the AHDP varies, usually from 45 to 90, which tends to remain consistent over time. The average age of these individuals is 74 years. Diversity could be the appropriate description of these older adults. Over 33 percent of the participants are institutionalized patients residing at a Veterans Adminsitration medical facility; about 25 percent are Hispanic community residents; while the remainder are black, white, and Asian, residing in the community. Most of the participants residing in the institutional setting are male, while two-thirds of those individuals residing in the community are female. The family income of these individuals is bi-modal, that is, about 33 percent reported income less than $7,000 annually, while 33 percent reported income over $20,000 annually. Health status is as diverse as race, income, and nationality. Some have been afflicted with Alzheimer's Disease, cancer, obesity, arthritis, Parkinson's Disease, diabetes, or are recovering from bypass surgery and cerebrovascular stroke. There are others who are physically healthy and active. Finally, many of these individuals have psychiatric problems such as uni-polar and bi-polar depression and schizophrenia.

The cornerstone of the AHDP is the pairing of program staff with an adult. Both learn from this reciprocal interaction. The program staff bring their professional knowledge and expertise to the older individual and assess their special needs to help plan for their activity in the program. The older adults bring their life experience to the young program staff. They have experienced the world wars, the Great Depression, the Korea conflict, intimidation of the Ku Klux Klan, and repression in Latin America. These individuals have survived to share their story and are repositories of history. They can share their long experience and be helpful to the program staff in solving their personal problems.

A TYPICAL SATURDAY

The AHDP program consists of nine programs scheduled on Saturday during a school semester. Each Saturday, from 8:00 a.m. to 8:30 a.m., the Group Leaders meet to discuss organization programs, mix-matched members, and program scheduling. From 8:30 a.m. to 9:30 a.m., program staff receive training on various topics related to the aging process. Topics at these sessions may include activity-disengagement theories, physical fitness safety, intimacy and sexuality, Organic Brain Syndrome, psycho-social stress, etc. After the presentation of these topics, staff break into small groups to translate the concepts they have learned to their experience with the older adult with whom they are paired during the program. This training feature is not fixed in stone but can be changed through program staff evaluation and insight from the director, associate director, consultants, and group leaders.

At 9:30 a.m., the older adults arrive on the college campus. They usually go with their assigned program staff member into either a high or low physical fitness group for stretching, warm-up, and social activity. Others not interested in this can immediately initiate the activity which they enjoy. Activities can include a sing-a-long, aerobic activity class, dance, or yoga. Or it might be weight training, bowling, swimming, walking, floor tennis, trampolining, table tennis, etc. These activities are planned to promote physical fitness and fun for the older adult.

Program staff assess the older adult's physical health status, and create a program of activities which may be beneficial in addressing the physical, emotional, and spiritual needs of the individual. Once the plan is put into action, it is evaluated and modified as necessary.

At 11 a.m., the health education hour begins. The director, a guest speaker, or pro-

gram staff may discuss these topics: predictors of life satisfaction and successful aging: coping with stress; medical problems associated with aging; drug interaction and side-effects; recreation and leisure; osteoporosis; and finally, grief and bereavement. During this segment, special topics may be presented to the Hispanic participants through an interpreter. The health education series is totally optional. The older adults can continue to participate with their physical activities if they choose. During some semesters, there is an option of joining a growth and awareness group led by a doctoral student from the Department of Psychology.

At noon, lunch is served in a common room. This aspect of the program, along with the health education hour and the physical activities with a friend, promote sharing among the young and old. After the older adults leave the campus, the program staff meet again to discuss the day's activities, successes or problems, etc. This meeting ends at 1:30 p.m.

The AHDP is present and future oriented. It promotes wellness through its activity program and health education segments. Theory and knowledge are translated into practice. Intervention is initiated if a program participant needs assistance. Support can be provided to the individual by their assigned program staff member. Finally, rehabilitation is built into the program. Those participants recovering from physical afflictions can work with trained staff to improve mobility and functioning.

Play and activity are important ingredients that will affect the health and well-being of people . . . that is, both the older adult and the young program staff benefit from participation in the AHDP.

THE FUTURE: TOWARD A NATIONAL NETWORK

While an official academic course, the AHDP receives no funding from the University of Maryland. Older adults are asked to pay $50.00 per semester; however, no one is ever denied access to the program. Partial and full scholarships are available to those in financial need.

Funding for the continued operation of the program is also received through the rental of *Smiles*, a film that describes the program, and revenues from workshops. C&P Telephone, Xerox, Geico Insurance Company, and the Washington Redskins Alumni Association are a sampling of those corporations that are represented on the program's Board of Directors. This Board continues to assist the AHDP program in fund raising.

In 1984, the AHDP camp concept was developed to finance the existing program and to provide a model for the establishment of a National Network Plan. This camp is a four to seven day program modeled after the campus AHDP program. Wellness, exercise, health promotion, and fun are the main features of this camp which caters to those individuals 50 years and older.

Many organizations are examining the AHDP and its effect on the elderly. Some say that it can delay institutionalization. Others see it as a way to provide the older adult participants with more control of their lives . . . and organizations would like to see the AHDP program implemented nationally. Leviton states that the Public Health Service is very interested in integrating the program into their national network of Community Health Centers. The American Association of Retired Persons has encouraged submission of a proposal to develop the AHDP program at other universities and colleges, partially supported by camps in their community. Even politicians are noticing the potential of this national network. Former Congressman Paul G. Rogers who served as Chairman of the U.S. House Subcommittee on Health and the Environment and Congressman Steny Hoyer (MD) have publicly supported the AHDP national network concept.

Leviton has certainly been in the forefront of the early movements of death education and health promotion. Through his expertise in these two areas, determination and vision, he continues to strive to promote dignity and well-being of the elderly through the development of the AHDP national network.

For further information concerning the AHDP program, contact Dan Leviton, Ph.D., University of Maryland, Adult's Health and Development Program, College Park, MD 20742 (301) 454-3295.

WESTMINSTER ELEMENTARY ONE OF PALMETTO'S FINEST

HON. BUTLER DERRICK

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 17, 1989

Mr. DERRICK. Mr. Speaker, I would like all of my colleagues to be aware of the fact that Westminster Elementary School recently was honored as the "Palmetto's Finest" in my district.

A banner now on display there proclaims Westminster Elementary as one of only six schools so honored in South Carolina.

All of us realize that an elementary education is one of the most important experiences for any child. After the family, elementary school is the most influential institution in their lives. In most cases, this is where our youngsters first learn about themselves and the world around them.

I have had the pleasure of visiting countless schools since my election to Congress 15 years ago. And I'm pleased to report that many of the students I've talked with recently seem to be getting more out of school than ever before. Teachers are challenging them to excel and they're responding to the challenge.

Westminster Elementary's faculty, students, and parents have reason to be proud of this special recognition. At a time when our schools are coming under close scrutiny—and in some cases being criticized—it is clear to all of us who know of the high educational standards being set and maintained there, that Westminster Elementary is obviously doing a lot of things right.

A TRIBUTE TO ERNIE E. WISSINGER OF BLAIR COUNTY, PA

HON. BUD SHUSTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 17, 1989

Mr. SHUSTER. Mr. Speaker, I rise today to share with the Members of Congress the outstanding achievements of Mr. Ernest E. Wissinger of Blair County, PA. Since 1946, Ernie has been the steward of the major growth and expansion of his grocery markets in Blair County, and he is being honored by his friends on Monday, May 22, 1989 in a salute to his many achievements.

What makes Ernie Wissinger a truly outstanding American is the fact that he not only was successful in his many business enterprises, but that he always gave back to his community the fruits of his success. He shared not only his financial support, but he gave of himself. His interests were not focused on one group, but on many. He served on the board of directors of the Blair County Easter Seals Society; he was the Penns' Wood Council of Boy Scouts Man of the Year; he received the Altoona Rotary Paul Harris Fellowship Award; he was director of Junior Achievement of Blair County. He supported the Altoona Symphony Orchestra, Pennsylvania Public Television, and the Altoona Family YMCA.

I believe I speak for Ernie when I mention his greatest achievement, however, and that is his family. His beloved wife, Ruth, recently passed away. Ernie should be comforted by the knowledge that he was a devoted husband and that their union was blessed by children, grandchildren and great-grandchildren. Ernie is a dedicated family man and one look at this beautiful family is testimony to his dedication to them.

Blair County has been enriched by Ernie Wissinger's presence, and I stand here today to add my personal salute to this great man.

CONGRESSMAN DAVID OBEY ON MEDIA COVERAGE OF THE CONGRESS

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 17, 1989

Mr. LANTOS. Mr. Speaker, Congressman DAVID OBEY, our distinguished colleague from Wisconsin, has a long and illustrious career in the Congress. He has played an important role during his service in this body in bringing about important and progressive changes that have taken place here. On the matter of ethics, the gentleman from Wisconsin has been one of the preeminent leaders in the passage of the ethics legislation for Members of Congress.

Recently, Mr. Speaker, Congressman OBEY delivered an important speech before the Center for National Policy in which he raised a number of highly significant issues with regard to the national news media and media coverage of the activies of the Congress. That speech deserves the attention of those of us who serve in this House, as well as the American people.

Mr. Speaker, I insert Mr. OBEY's speech in the RECORD:

REMARKS OF CONGRESSMAN DAVID OBEY

There is a whole lot that I would rather talk to you about today. I would prefer to talk about foreign policy issues, about economic issues, about ideas I have for changing the budget process, but, because I care about the democratic process and democratic institutions, today what I want to talk to you about is the subject of ethics.

I do so with some trepidation. I doubt it would do any good. As my favorite philosopher, Archy the Cockroach, observed once, "Just as soon as the uplifters get a country reformed, it slips into a nose dive." In doing so, I want to talk a little about the Congress, the press, and the health of our political institutions. I do so from the perspective of a life-long, idealistic, Wisconsin progressive reformer.

Let me start by saying that I have worked 20 years in this city, and I have never liked this city less than I do at this moment. I know of no Member who has been a stronger critic of Congress than I have been. Some examples:

(1) I wrote the code of ethics under which the Speaker is now being judged. That act cost me the chairmanship of the Budget Committee in 1980 because those reform efforts cost some Members $100,000 a year and they never forgave me for it, even though I was simply doing a job I was asked to do by the leadership for the good of the institution.

(2) I wrote the rules changes that blew up the concentration of power on the Appropriations Committee in the hands of a few old bulls who ran the Appropriations Committee like their own plantation.

(3) The last campaign reform bill that successfully passed the House of Representatives was my bill—the Obey-Railsback bill.

(4) In '81 and '82, when the Congress was swooning before Ronald Reagan and swallowing the tax and budget frauds that led to today's disgraceful deficits and even more disgraceful abandonment of the poor and the poorly connected, I authored the major progressive alternative to both the Republican and Democratic packages and raised more hell about the institution's knee-buckling than anybody around. So, I think my credentials as a critic of Congress are safe.

But, I think I am a responsible critic and a careful and fair one. I criticize to strengthen, not to injure, the institution, which is the world's oldest, truly independent legislative body. I devote so much of my time to institutional questions because I do not believe democracy can function as an atomized society. Democractic societies require strong institutions in order to preserve democratic values, and no institution is more important or more vulnerable to the pressures and passions of society than the Congress.

Political electricity runs hotter through congressional wiring than it does through any other branch. The courts function largely behind closed doors. They ask questions in public but make choices in private. They are designed by our Founding Fathers to be insulated from and unresponsible to public pressures. There is plenty of insulation on their political wiring. The Presidency is less insulated but is again, by design, much more remote and insulated from daily grass roots heat than is the Congress. If you doubt that, compare the visitors in President Bush's Office each day with the visitors in mine. When the President wants to put a little extra on his political fast ball or when he wants a little more insulation from the heat of the political current, he relies on the heavy duty protection afforded by his role as Chief of State.

The Congress has no such political insulation. We were designed by our Founding Fathers not to. We can't put a top secret classification label on our mistakes. We make our mistakes on C-span, in full public view. We don't work in the bowels of the Executive Office Building or in the almost cloistered chambers of the Supreme Court. We work in an open room, with the public looking right down on us and our adversaries seated 10 feet away. We are immersed in political sparks every weekend when we go home to our districts. And because Congress is so vulnerable to voltage surges in the political system, I cannot stand by and allow some of the viciously warped attacks on that institution to go unanswered.

The last attack on Congress, as an institution, has come in the context of the Nation's most recent concern with ethics. I think ethics are important in a democracy. They define relationships in our private lives, and they are crucial to public confidence in our public actions. But, ethics need to be applied in their broadest sense, and they should be practiced as much as they are preached by the one institution which has often applied a different standard to Congress than it has to itself—the Washington Press Corps.

I have immense respect for the press as an institution and profound respect and even affection for many reporters. People like Dave Broder, Al Hunt, Dave Rogers, Haynes Johnson, Jack Kole, Liz Drew, Charlie McDowell, Rich Cohen, Mary McGrory, and others are valuable, national resources. So are many others. They help make this society work. But, too many others, even some who on most occasions do a first-rate job, often display a mean-mindedness and reckless disregard for balance and fair play in their skewing of the Congress.

While the Post has won the annual award, I think I would like to nominate for the Morton Downey Award of the Month two publications with a fine history who ought to know better—Time and Newsweek. Time and Newsweek, in their coverage of the payraise issue and the Wright case, have, in their broad brush since coverage of the Congress as an institution, displayed the ethics of an alley cat.

Let me give you some examples: First, the payraise coverage. Newsweek ran an article on February 13 which said that "The case for a congressional payraise is far from clear." So far, so good. Who could quarrel with their right to say that? But, the problem is, that the article then went on from there to cite as evidence the fact that most Members take speaking fees of up to $2,000 a clip. In the Senate, up to 40 percent of their salary.

That article perversely ignored the fact that the payraise had been proposed as part of a trade off that would have eliminated the very income Newsweek implied would be a supplement to the new public salary. Buried 5 columns away was a one sentence reference to Congress' intention to eliminate that income. My point? If they wanted to kick the payraise, be my guest. But don't through sleight-of-hand writing, put it in a false context.

Time was similarly selective in its use of numbers to describe the relationship of the payraise to inflation, by focusing only on the years from 1987 to 1989, conveniently forgetting the 13 years in the last 20 that Congress voted to exclude itself from payraises.

Time magazine in its stories on pay and on the Jim Wright probe showed an interesting willingness to take note of the speaker's physical features. What was described on February 13 as "Country boy grin" (that is considered a compliment where I come from, but in this town it is often an elitist put-down by urban snobs) had evolved to a "leering grin" in its April 17 issue which was also embellished with references to "slick-backed hair and caterpillar eyebrows". If we are going to get in the business of dragging in physical or facial features to set the tone for analysis, I can frankly say that there are a few reporters whose looks don't especially thrill me, either.

That same Time magazine article then went on to suggest that the Speaker's dealings were "probably not unseemly enough to violate the shabby standards of Capitol Hill." That is an interesting comment, written by a reporter who fought against further disclosure of income for reporters during the recent squabble in the House peridoical gallery. It is also a quaint comment, given the history of that same magazine's coverage.

Gaylord Nelson, whose ethical standards I believe are unquestioned, told me recently that unless memory fails him while he was holding hearings on generic drug pricing and drug company profits, those hearings were being thrashed by a reporter, who worked for Time magazine and who held large holdings of drug company stock. I don't suggest that Time magazine has shabby standards because of the questionable conduct of an individual reporter who may have had a conflict of interest, but I think the House of Representatives is entitled to the same kind of fair review.

But the worst example of institution trashing that I have seen in my 20 years here was the article that appeared in Newsweek on April 24 about the Congress. The kindest sentence in that article was one that read: "As a group today's Congressmen are less venal and better educated than their predecessors." And, oh yes, it had one other 5 word positive reference to the Congress: "Many are diligent and honest", it said, but even that statement was contained in a sentence that was an attack on Congress and in an article that was a relentless 16-column 6-page hatchet job on the Congress as an institution. Peppered with words such as brothel, venal, spineless, meaningless, sterile, whore, loathing, hypocrisy, filthy, infamous, and parochial. It described a congressional lifestyle with terms such as exotic and splendor. It even calls the Republican Club elegant. To anybody with taste, the Republican Club is about as elegant as Ritter & Deutsch Funeral Home in my home town and just about as inviting.

That article attacks Congress for its obsession with visibility and works overtime to leave the suggestion that the average congressional day is spent in an obsessive hunt for television coverage. It has a long section suggesting that a day in Congress could begin with an 8:00 C-SPAN interview, followed by a rush to the hearing covered by C-SPAN, followed by a dash to the TV gallery for interviews, and a rush to do satellite feeds to your district, followed by an afternoon session to convert a floor statement into a campaign spot (something, by the way, which is absolutely against House rules as any cub reporter should know), capped by a 5 p.m. cable news interview. It even then goes on to ridicule our lust for squeezing in an appearance on "Good Morning America," sandwiched in between a mud wrestler and a stripper.

I would make just 3 points in response to that tripe: (1) I did not know that Congress was responsible for the junk that often passes for news on network morning TV shows. (2) I thought that C-SPAN was a public service installed in response to public and press demand, not the other way around. I do not recall that the press had to be dragged kicking and screaming into sup-

porting televised coverage of the House. It seems to me it was the other way around—that Congress was most reluctant to put the House in daytime competition with network soaps. (3) In terms of our hunger for network coverage, I would simply like to point out that I have turned down 21 requests for network interviews over the last year. I have accepted only 5 or 6 because I get tired of serving for 12 seconds as a fleeting talking head in somebody else's already written script.

My day, if there is anyone from Newsweek listening, is quite different. It begins, usually at 8:00, not with C-SPAN, but in my office or somewhere on the Hill doing the business I'm paid to do. From 9:00 to 10:00, I'm usually being prepared by staff. From 10:00 to 12:00 or 1:00, I'm usually in a hearing. When those hearings are done, I usually wind up back in the office or on the floor. Most of that time is spent on the phone or dealing with other Members. I generally leave my office about 7:30 or 8:00 that night. And after taking time to watch Night Court or Cheers, in order to wind down, if I get home in time to do that, I settle down to a good 2 hours of evening reading to be ready for the next day's hearings. Two days last week, because of a serious problem in my district, I did not get home for supper until 10:00.

I, frankly, spend much of my time avoiding national news magazines because my experience is usually that you spend 20 minutes or so to help some reporter understand a story, and as often as not, the story will be quite different than was suggested to you during the interview. It, frankly, isn't worth the bother for people like me who often have to choose between doing our work or taking the time to explain it to some Washington press person, who thinks that the continent ends with the Appalachian Mountains.

The Newsweek article also says that staff aides are raised in a culture where trading votes for money or pleasure is just another day at the office. That is so piggish it doesn't deserve comment.

The author also talks about junkets to Paris Air Shows. I have never been to the Paris Air Show, myself, but I wonder how many news magazines who annually make reference to it ever run stories about fun loving congressional junkets to places like the Sudan, Ethiopia, the Philippines, Calcutta, Peshawar, Managua, Honduras, or Contra camps where you can have the fun of sitting and talking with 17-yr. old kids with their faces, arms, and guts blown away. Am I saying they shouldn't report the Paris Air Show? I don't care. I am saying that it might be nice if in the same story that ran 2 weeks ago they had reported some of the others.

The article also swoons about the fancy receptions we get to go to. Have you ever seen B-339 Rayburn? Do you really think that we want to go to those receptions? We sometimes do, out of courtesy to local constituents who having traveled 1,000 miles have the quaint idea that it would be nice if they could see their Congressman. Those receptions are like Ronald Reagan's remark about California Redwoods: "When you seen one, you seen them all."

The article also says, "Members live a virtually expense-free existence." If that is so, why do I pay 40% of the cost of my health coverage in insurance premiums when in the private sector, many corporations cover 60, 80 and 100% of the cost of health premiums? If we have free health care as was indicated with nauseating regularity by many stories during the payraise fight, why did I have to pay $1500 for my stay in the hospital two months ago? If we live in an expense-free existence, why is it that after 20 years of service here, outside of my home in Washington, my home in my hometown, and a $10,000 ½ share of a tiny cottage in my district, I have $15,000 in savings and absolutely no other investments, holdings, or investment income of any kind?

Newsweek also revealed the shocking news that the Senate and House Members get an allowance "for sojourns back home to mix with constituents on 4-day weekends." That shocking revelation appeared one sentence before the comment that those same Members "live in an essentially insular world". How we can live in an insular world when constituents lobby us in our offices every day and when we return to our districts every weekend was not quite explained. It is those very trips home that guarantee that Members of Congress will live in a far less insular world than members of the press corps, who spend most of their lives within the jaded and cynical confines of Washington, D.C. Any member of the press who thinks that those 4-day weekends are vacations is hereby invited to travel with me to my district the next time I go home.

I should not have to say this, but I will. Those trips back home are a necessary part of our staying in touch, maintaining an awareness of what is happening in the districts we represent. But they do exact a heavy personal toll. I average, over the course of 2 years, about every other weekend back in the district. That is a lot of weekends to deny your wife and your kids. I don't do it because I love traveling around airports missing connections. I do it because it is the price the public expects us to pay to stay in touch, and I make absolutely no apology for it, except to my family for the loss of the shared experiences of birthdays, baseball games, and piano recitals that in the end make life special.

The article also says, "Most staff is employed to enhance re-election." Is George Bush's staff hired to diminish his? Are reporters hired to lose circulation? We've all also seen the stories, reviewing in shocked tones, the fact that Members of Congress actually have offices, and desks, and typewriters, and telephones, and parking spaces. What is so shocking about that? Do you know of any business executive who doesn't consider that a normal part of doing business?

I vote hundreds of times a year. I receive 50,000 letters from home each year. And you know people who write those letters have the quaint notion that the votes I cast should be well thought out and they expect me to answer their letters. Occasionally, they even expect a thoughtful response. If staff is a perk rather than a business necessity, then why can't Time and Newsweek put out their magazines without benefit of the helping hands from their Washington reporters. I represent 530,000 people. How many members of the Washington press corps represent that many people? How many of you would pay the personal price? How many of you could do it as well?

The Newsweek article also excoriates Congress for the honoraria scam. I want to make only one point. Congress has no need to apologize to the press on that one. In 1977, when we were imposing tighter limits on outside income a number of highly respected members of the press opposed those limits, and instead, supported disclosure as an adequate protection of the public interest. Walter Pincus, wrote a very thoughtful article the day my reform package was on the floor, urging that it be defeated because it was too common-causish and went too far. He even attacked us for not having an exception for book royalties—we did, but he had misunderstood our package.

All I will say to the press on this score is at least Congress discloses both the source and the amount of its speaking fees. Compare that to the practice in the fourth estate. The Washington Post reported, for instance, that 2 respected columnists, earn $500,000 per year on speeches. Do you think they could enhance their political notoriety and hence their earning power by being more thoughtful or more hyper, more analytical or more confrontational?

A Newsweek reporter, who I find on most occasions to be a thoroughly professional and thoughtful reporter, suggested that she didn't mind disclosing her source of income but did object to answering how much she made several months ago, calling the request for information "voyeurism". Henry Fairlie and Ken Adelman pointed out that the more controversial journalists become the more they can earn on the lecture circuit. Newsweek's Rich Thomas, who favors disclosure, says his speeches are "on general economic policy"; so are mine. I love to talk about economics and budgets.

Of course, reporters are right when they say that there must be a higher standard than that of the market place for those of us in public service. That's why Members of Congress do disclose the amounts and sources of their outside income, even though those who report our actions and shape public opinion in the process do not—disregarding Adlai Stevenson's warning that "Those who corrupt the public mind may do evil just as great as those who steal the public purse".

I would simply suggest that as we see the press posing for more holy pictures on ethics, they ought to at least think about the ethical standards that allow them to smear an entire institution for the conduct of a few of our Members. And I think they ought to do some thinking about the standards of their own institution, as well. They also ought to ask why they have exhibited such a different measuring stick to some of their pet people in this town's power structure.

Example: the former Secretary of the Treasury held $250,000 in Chemical Bank Stock, a bank which had large debt holdings in the Third World, while he managed policy on Third World Debt, an issue of crucial importance to that and many other banks. I do not for a moment believe that any decision he made had anything whatsoever to do with those holdings. I think he is too honorable a man to think that way. But, if the chairman of the Foreign Affairs Committee had had similar holdings, he would have been crucified.

Or, what about the President? Mark Shields, God Bless him, tried to point out the difference between the press' handling of congressional appearances of conflict of interest with the incident in which 18 wealthy friends chipped in, at least $155,000 each, to buy a 7200 sq. ft. house for $2½ million for the use of President Reagan. The house was apparently purchased 2¼ years before the President left office. Shields observed, "Admirers of Reagan defended the house purchase by pointing out that Nancy never liked the ranch." I understand that the President is now paying rent for that

house, but everyone likes Ronald Reagan so no questions asked. But as Shields pointed out, "The House leader or chairman who accepted the kindness of 16 unnamed, independently wealthy benefactors would be committing political suicide. It is more than double standards, it's tough standards and no standards."

In response to some of the malarkey being peddled these days about the anxiousness of the Congress to shield any and all Members from the consequences of wrong doing, David Broder pointed out that "in the past 10 years, the House has moved to expell 4 Members for misconduct. * * * it has formally censured 4 Members." "Reprimands or other forms of mild fault-finding were voted on another dozen Members, most of whom have subsequently resigned from the House, been defeated or have removed themselves to less exacting and more permissive surroundings."

Broder then goes on to say, "That is hardly a pattern suggesting a calculated, callous indifference to the rules of conduct." He then goes on to point out that "Out of the 15 or more Members who have felt the stings of ethics investigations, only 3 have been Republicans." He then concluded by saying, "If the Democrats in control of that so-called corrupt institution are trying to punish their adversaries and trying to protect their own, they need glasses."

He concluded that by saying, "Contrast that record, if you will, with the repeated instances of cover-ups, conflicts of interest and plain old-fashioned corruption that have come to light in the executive branch in the past decade. And think about the number of times that a President has rushed out to defend, rather than denounce, the culprit—to pronounce that, in his eyes, Charley the chiseler is still a national hero or a good friend." As Broder noted, "The record shows that the House has done a whole lot more to cleanse itself than the executive branch can claim. So spare us please, this malarkey."

In judging the application of ethical standards, it might be useful to take note of the testimony of former Congressman Otis Pike, who appeared before the new House Task Force on Ethics on which I serve, just last week. Otis Pike was a tough, decent, valuable, gutsy, and ethical Member of the House of Representatives, who chose to leave the House, rather than change his personal financial income situation as required by the ethics package which I pushed through the House in 1977.

This is what he said last week: "Ethics has replaced mom, the flag and apple pie." Ethics are in and must have their day. So did the pursuit of witches in New England and heretics in Spain, both embraced by gentlemen so positive that they were uniquely qualified to oversee the morals of others that they had no qualms about inflicting excrucuating pain on those other people. Always, of course, in order to make them better people and the world a better place.

He then went on to say, "When you legislate ethics, you are shooting at a moving target. Anybody that can spend 10 or 20 years pondering what to do about easy issues like acid rain or where to dump nuclear waste may not be able to give enough lead to targets that have puzzled all the religions of the world for millenia."

He then went on to say, "Ethics is not as great a problem with Congress as is courage. This Nation was built by men who couldn't, and wouldn't have lived by your rules (the rules of the House). They were terrible men who drank caroused and gambled. Some kept mistresses; some were worse. They connived and made deals and some grew rich in office." "Robert Morris of Pennsylvania, who the old text books called the financier of the revolution was asked to get ammunition for Washington's Army. He did, through his own trading company and wrote, "There has never been so fair an opportunity for making a large fortune since I have been conversant in the world." Daniel Webster said the birthplace of the Revolution was a tavern in Boston. The Marines were born in a tavern. You can talk about ethics forever and pass more rules and reveal yourselves until all of your and your spouse's financies, food, drink, sex, religion, clothing, vacations and the hours and minutes and places of your arising and retiring are public records. You will never be held in high regard or deemed ethical while you say you can't balance a budget unless a constitutional amendment makes you; while you accept gloriously optimistic economic projections rather than deal with real ones; while you write a Gramm-Rudman bill and then spend days finding ways to get around it; while you let one man make $550 million a year while thousands sleep in the streets."

Everyone can discern their own meaning from Otis Pike's words, but let me tell you what they say to me. I believe all political institutions must continue to try to raise the ethical standards which guide them as they go about the Nation's business. I think my whole career demonstrates that belief. But I also believe that our Government cannot function unless there is a cooperative as well as a confrontational relationship between key institutions, in and out of government, who help this society function.

By all means, the press must continue to try to ferret out corruption and lack of ethical behavior. But it must be done in a way which strengthens the ability of all institutions to do a better job in confronting the questions that beset us. As George Will has often and thoughtfully noted, real ethical questions are far broader than simple questions of personal or financial behavior.

Public policy decisions should be evaluated in terms of whether they produce ethical results. A few weeks ago as I walked down Connecticut Avenue toward ABC News, I passed a number of homeless men. I could not help but think that the ethical failure of government to provide decent shelter for those poor souls was monstrously larger than the ethical failings we were about to discuss in the Tower and Wright cases.

When I first unpacked my bag of Wisconsin progressive values 20 years ago, as an idealistic 30-year-old newcomer to Congress, I had the idea that public decisions which deny decent shelter to today's poor and steal from the living standards of tomorrow's families in order to continue the fiction that wealthy people are overtaxed are at least as unethical as, say Judge Ginsburg's smoking a marijuana cigarette or a Cabinet nominee's feeling a female knee in public. So is lying to Congress about financing an illegal war. I still do. So is the unnecessary savaging of an institution of government which is crucial to the success of this country and this society.

So much for ethics. Let me also talk just a moment about two issues on which the Congress, as an institution is getting a bum rap. First, campaign financing. The conventional wisdom circulated in most press stories about campaign financing is that Congress conspired in a self-serving way to set up this treadmill of big dollar compaigns that litter the landscape.

Lord knows that I am frustrated by Congressional division of this issue, but it's about time that people who write about the issue face squarely the fact that the campaign laws we are operating under today were not designed by the Congress. They represent what was left of congressional efforts to reform the campaign process after the Supreme Court, in a spectacular example of naivete, equated dollars with free speech and threw out congressional efforts to limit the amount politicians could spend on campaigns.

The Court in its infinite wisdom has said that Congress cannot limit the amount of money spent by any politician to get elected. That has turned elections into auctions, and until the court recognizes its own mistake, we're unlikely to be able to do very much to fix up that problem. The Court has also told us that we cannot take any action that would effectively limit so-called "independent expenditures". You know what they are: that is when a lobby group gets mad enough at an individual Member of Congress to spend $100,000 or $200,000 in a TV blitz to get him licked, but pretends that that effort is not part and parcel of that Member's opponent's campaign. We're going to see a lot more of those. Just last Friday, a PAC Director told me that the new name of the game is going to be independent expenditures and coordinated directing of individual high dollar contributions. That is the wave of the future. Congressional politicians know that, and it's in their own best interest to try to do something about it, as well as the interest of the country.

I still support campaign reform legislation and limits on PAC's. But, I ask you a question. When the public still opposes public financing as a remedy, when, for instance, public opposition to it in my own district has grown by more than 20%, what is passable now? When the Courts forbid limitations on independent expenditures (which will certainly dominate the election landscape if PAC's are limited), and if politicians are denied the independence which in an ironic way comes from an ability to raise a large number of small contributions from a broad spectrum of PAC's so that no one or two sources of campaign dollars are very important, and were they then left vulnerable to huge war chests of single PACs willing to engage. In the Independent expenditure game, could that not make them less likely than before to resist the legislative demands of the single PAC with a reputation for going for the jugular? Don't newspapers like the Post, along with their squawking, have an obligation to help us find some answers to prevent tomorrow's nightmare before they wax so piously about Congress' inability to find those same answers.

Yes, Congress has resisted reforms I believe in. But would it not be fair for the press to direct just a little of its sanctimony at the Court and the 9 naive souls there who through their rulings have made it almost impossible to fashion a legislative remedy that would be both clean and fair. It is time for the Supreme Court to accept the consequences of its actions. As Sam Rayburn said once, If even "one of them had run for sheriff" they would have understood the practical world of political campaigning, and they would not be standing in the way of congressional efforts to wipe out those loopholes.

Secondly, the budget process. Virtually every budget process story I see bemoans the shortcomings of the "Congressional Budget process". But, the weaknesses of the budget process are not rooted in the arcane questions of congressional jurisdiction. They are rooted in 2 simple facts: (1) the country has decided it does not want any new taxes, after being told by two successive Presidents that we don't need them; (2) the newly resurrected form of Gramm-Rudman takes away from Congress the ability to even argue about administration economics assumptions, which are the basis of any budget. Under the new version of Gramm-Rudman, which is lying raised to a high art form, only OMB decides whether or not we are going to exceed the deficit targets defined in Gramm-Rudman. And so, the Congress has lost its effective ability to even argue about them.

What the country needs is not one more call for Johnny Goodwrench to change the process. What is needed is a simple recognition that political courage ought to be rewarded rather than condemned.

In the last 4 years, Congress has tried on 2 occasions to make everybody face the music on the deficit. First, Bob Dole and Pete Domenici tried it but they were cut off at the pass outside the White House door by Jack Kemp and his supply-side true believers. Jim Wright and Tom Foley tried to do it 2 years ago in the summit negotiations. But the problem in this town is that courage on the part of public officials is always much in demand until it is displayed, at which point it is often dismissed as tactical blundering. If you don't believe that, take a look at the price Jim Wright paid when he pushed for additional revenues before the stock market crash in 1985.

There have been a lot of stories written the last few weeks about how the Congress passed the buck on the budget resolution by adopting Alice-in-Wonderland numbers. Those stories are absolutely true. What's missing in those stories, however, is the explanation that those institutional winks where the priced demanded by the President and his negotiators for their support for any budget resolution. The executive branch of Government has 90% of the resources in this town when it comes to putting together a budget. Since 1921, they have had the responsibility under the law to begin the process. When the process begins with a public lie, there is very little that Congress can do except to point that out and ask the administration to deal again. When the administration says, "no, I want to play these," the Congress has little choice but to say, "OK, if that's the way you want it".

I don't like it, which is why I voted against the budget resolution this year because I didn't have the lung capacity to hold my nose as long as it would take if I had voted for it. But the fact is that the leadership of the Republican Party in the Senate and the Democratic Party in the House had made quite clear their willingness to change it. There is plenty of blame to go around, but in the end, everyone in this room knows, the roots of the problem lie in the fantasy story which the past and present occupant of the White House weaved for the people we are supposed to represent. And until Dorothy wakes us and goes back to Kansas, that isn't going to change. And that is the most unethical fact of all.

It is good to have from George Bush his suggestions for a code of ethics for Government employees. But unless that is accompanied by an honest budget which makes an honest attack on the deficit and creates a fair distribution of opportunity for all American families, this town will continue to give more attention to form than substance. And that will truly lead to the kind of public disillusionment which we simply cannot afford in a democratic society.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Thursday, May 18, 1989, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

MAY 19

9:30 a.m.
Armed Services
Strategic Forces and Nuclear Deterrence Subcommittee
To hold closed hearings on operational requirements of the U.S. Space Command, and proposed budget request for fiscal years 1990 and 1991 for the U.S. Space Command.
S-407, Capitol

Select on Indian Affairs
To hold oversight hearings on the U.S. Civil Rights Commission's effects on the White Mountain Apache Tribe.
SR-485

10:00 a.m.
Appropriations
VA, HUD, and Independent Agencies Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1990 for the Department of Housing and Urban Development and certain independent agencies.
SD-116

Environment and Public Works
Environmental Protection Subcommittee
To hold hearings on proposed legislation to control the manufacture, use, and disposal of ozone depleting substances.
SD-406

Finance
Medicare and Long-Term Care Subcommittee
To hold hearings to examine approaches to modify or change Medicare policies to improve the health care system in rural America.
SD-215

Foreign Relations
To hold hearings on the nominations of Bernard William Aronson, of Maryland, to be Assistant Secretary of State for InterAmerican Affairs, and Chic Hecht, of Nevada, to be Ambassador to the Commonwealth of The Bahamas.
SD-419

MAY 31

2:00 p.m.
Appropriations
Defense Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1990 for the Department of Defense, focusing on seapower.
SD-192

JUNE 1

9:30 a.m.
Agriculture, Nutrition, and Forestry
Nutrition and Investigations Subcommittee
To hold hearings on proposed legislation authorizing funds for the Women, Infants, and Children (WIC) Program, and child nutrition programs.
SR-332

Commerce, Science, and Transportation
Merchant Marine Subcommittee
To hold hearings on proposed legislation authorizing funds for fiscal year 1990 for the Department of Transportation and Federal Maritime Commission.
SR-253

Energy and Natural Resources
To hold hearings on S. 710, S. 711, S. 712, bills to provide for a referendum on the political status of Puerto Rico.
SH-216

Governmental Affairs
Oversight of Government Management Subcommittee
To resume oversight hearings on the use of off-the-shelf items by the Department of Defense.
SD-342

10:00 a.m.
Appropriations
Defense Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1990 for the Department of Defense, focusing on Navy posture.
SD-192

Environment and Public Works
Environmental Protection Subcommittee
To hold hearings on S. 804, to conserve North American wetland ecosystems and waterfowl and other migratory birds and fish and wildlife that depend on such habitat.
SD-406

1:30 p.m.
Governmental Affairs
To hold hearings on alcohol abuse prevention.
SD-342

2:00 p.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1990 for foreign assistance programs, focusing on Central America.
SD-138

Energy and Natural Resources
To continue hearings on S. 710, S. 711, S. 712, bills to provide for a referendum on the political status of Puerto Rico.
SH-216

JUNE 2

9:30 a.m.
Energy and Natural Resources
To continue hearings on S. 710, S. 711, S. 712, bills to provide for a referendum on the political status of Puerto Rico.
SH-216

10:30 a.m.
Judiciary
To hold hearings to review the nomination rating process used by the American Bar Association.
SD-226

2:00 p.m.
Energy and Natural Resources
To continue hearings on S. 710, S. 711, S. 712, bills to provide for a referendum on the political status of Puerto Rico.
SH-216

JUNE 5

2:00 p.m.
Armed Services
Manpower and Personnel Subcommittee
To resume hearings on proposed legislation authorizing funds for fiscal years 1990 and 1991 for the Department of Defense, focusing on the military medical system.
SR-232A

JUNE 6

10:00 a.m.
Appropriations
Defense Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1990 for the Department of Defense, focusing on tactical airpower.
SD-192

Foreign Relations
Business meeting, to mark up proposed legislation authorizing funds for fiscal year 1990 for foreign assistance programs.
SD-419

2:00 p.m.
Energy and Natural Resources
Energy Research and Development Subcommittee
To hold oversight hearings on the status of current and future use of alternative motor vehicle fuels in the United States.
SD-366

Foreign Relations
To continue markup of proposed legislation authorizing funds for fiscal year 1990 for foreign assistance programs.
SD-419

2:30 p.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1990 for foreign assistance programs, focusing on the Middle East, Pakistan and Afghanistan.
SD-138

JUNE 7

9:00 a.m.
Commerce, Science, and Transportation
Aviation Subcommittee
To hold hearings on airline concentration.
SR-301

9:30 a.m.
Governmental Affairs
To resume hearings on alcohol abuse prevention.
SD-342

10:00 a.m.
Appropriations
Defense Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1990 for the Department of Defense, focusing on Air Force posture.
SD-192

Commerce, Science, and Transportation
Consumer Subcommittee
To hold hearings on proposed legislation authorizing funds for the Federal Trade Commission.
SR-253

Foreign Relations
To continue mark up of proposed legislation authorizing funds for fiscal year 1990 for foreign assistance programs.
SD-419

2:00 p.m.
Foreign Relations
To continue mark up of proposed legislation authorizing funds for fiscal year 1990 for foreign assistance programs.
SD-419

JUNE 8

8:35 a.m.
Veterans' Affairs
To hold hearings on certain provisions of S. 13, and S. 564, bills to provide for Veterans' health care benefits and other related measures.
SR-418

9:00 a.m.
Appropriations
Defense Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1990 for the Department of Defense, focusing on manpower and personnel programs.
SD-192

9:30 a.m.
Commerce, Science, and Transportation
Consumer Subcommittee
To continue hearings on proposed legislation authorizing funds for the Federal Trade Commission.
SR-253

Energy and Natural Resources
Public Lands, National Parks and Forests Subcommittee
To hold hearings on S. 555, to establish in the Department of the Interior the De Soto Expedition Trail Commission, S. 624, to provide for the sale of certain Federal lands to Clark County, Nevada, for national defense, and S. 830, authorizing funds for the Blackstone River Valley National Heritage Corridor Commission.
SD-366

10:00 a.m.
Foreign Relations
To continue mark up of proposed legislation authorizing funds for fiscal year 1990 for foreign assistance programs.
SD-419

JUNE 9

9:30 a.m.
Environment and Public Works
Water Resources, Transportation, and Infrastructure Subcommittee
To hold hearings on scenic byways.
SD-406

JUNE 12

9:30 a.m.
Governmental Affairs
Government Information and Regulation Subcommittee
To hold hearings on proposed legislation authorizing funds for programs of the Paperwork Reduction Act.
SD-342

JUNE 13

9:00 a.m.
Appropriations
Defense Subcommittee
To resume open and closed hearings on proposed budget estimates for fiscal year 1990 for the Department of Defense, focusing on strategic programs.
SD-192

9:30 a.m.
Commerce, Science, and Transportation
To hold hearings on S. 561, to provide for testing for the use, without lawful authorization, of alcohol or controlled substances by the operators of aircraft, railroads, and commercial motor vehicles.
SR-253

2:30 p.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1990 for foreign assistance programs.
SD-138

JUNE 14

9:00 a.m.
Veterans Affairs
To hold hearings on certain provisions of S. 13, S. 86, S. 192, S. 405, and S. 846, bills to strengthen and improve VA health care programs, and related measures.
SR-418

2:00 p.m.
Agriculture, Nutrition, and Forestry
Nutrition and Investigations Subcommittee
To resume hearings on proposed legislation authorizing funds for the Women, Infants, and Children (WIC) Program, and child nutrition programs.
SR-332

JUNE 15

9:00 a.m.
Appropriations
Defense Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1990 for the Department of Defense.
SD-192

2:00 p.m.
Appropriations
Foreign Operations Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1990 for foreign assistance programs, focusing on the World Bank, International Development Association, International Finance Corporation, International

Monetary Fund, and Multilateral Investment Guaranty Agency.
SD-138

JUNE 16

9:30 a.m.
Governmental Affairs
Government Information and Regulation Subcommittee
To resume hearings on proposed legislation authorizing funds for programs of the Paperwork Reduction Act.
SD-342

JUNE 21

2:00 p.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold hearings on super computers.
SR-253

JUNE 22

8:00 a.m.
Veterans Affairs
To hold hearings on S. 404, H.R. 1415, and S. 898, to extend certain Department of Veterans Affairs home loan guaranty provisions, and related measures.
SR-418

JUNE 23

9:30 a.m.
Select on Indian Affairs
To hold oversight hearings on administration of Indian programs by the Environmental Protection Agency.
SR-485

JULY 20

9:30 a.m.
Veterans Affairs
Business meeting, to mark up proposed legislation to revise certain provisions of VA health care programs, including S. 13, S. 86, S. 165, S. 192, S. 263, S. 405, S. 564, S. 574, S. 748, and S. 846.
SR-418

JULY 21

9:30 a.m.
Select on Indian Affairs
To hold hearings to establish a Tribal Judicial Resource Center.
SR-485

CANCELLATIONS

MAY 18

2:00 p.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1990 for foreign assistance programs, focusing on the Peace Corps, African Development Foundation, Inter-American Foundation, Overseas Private Investment Corporation, and Export-Import Bank.
SD-138
Select on Indian Affairs
Investigations Subcommittee
To continue hearings to examine various matters relating to Indian affairs.
SR-485

POSTPONEMENTS

MAY 18

9:00 a.m.
Commerce, Science, and Transportation
Aviation Subcommittee
To hold hearings on airline concentration.
SR-301

HOUSE OF REPRESENTATIVES—*Thursday, May 18, 1989*

The House met at 10 a.m. and was called to order by the Speaker pro tempore [Mr. COELHO].

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
May 18, 1989.

I hereby designate the Honorable TONY COELHO to act as speaker pro tempore for today.

JIM WRIGHT,
Speaker of the House of Representatives.

PRAYER

The Chaplain, Rev. James David Ford, D.D. offered the following prayer:

Gracious God, as we encounter the difficult problems of our society—the alienation between families and groups, and the confusion in values and purpose and direction, may each of us judge our own lives and discover how and where we may better serve You by serving others. Help us to be aware, O God, of the resources available for our benefit and the benefit of all Your creation. May the faith of every person be so strengthened by the experience of Your grace and overwhelming love, that we may look to the road before us with hearts and minds full of your good spirit and hands eager to do the works of reconciliation and peace. This we pray. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. SOLOMON. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Chair's approval of the Journal.

The SPEAKER pro tempore. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. SOLOMON. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 284, nays 98, not voting 52, as follows:

[Roll No. 58]

YEAS—284

Ackerman	Erdreich	Lloyd
Akaka	Espy	Long
Alexander	Evans	Luken, Thomas
Anderson	Fascell	Manton
Andrews	Fawell	Markey
Annunzio	Fazio	Martin (NY)
Anthony	Feighan	Martinez
Applegate	Flippo	Matsui
Archer	Florio	Mavroules
Aspin	Foglietta	Mazzoli
Atkins	Foley	McCloskey
Barnard	Ford (TN)	McCollum
Bartlett	Frank	McCrery
Bates	Frenzel	McCurdy
Beilenson	Frost	McDade
Bennett	Garcia	McDermott
Bereuter	Gaydos	McEwen
Berman	Gejdenson	McHugh
Bevill	Gephardt	McMillen (MD)
Bilbray	Gibbons	McNulty
Bonior	Gillmor	Mfume
Borski	Gilman	Miller (CA)
Bosco	Gingrich	Miller (WA)
Boucher	Glickman	Mineta
Boxer	Gonzalez	Moakley
Brennan	Gordon	Mollohan
Broomfield	Grant	Montgomery
Browder	Green	Moody
Brown (CA)	Guarini	Morella
Bruce	Gunderson	Morrison (CT)
Bryant	Hall (TX)	Morrison (WA)
Bustamante	Hamilton	Mrazek
Byron	Harris	Murtha
Callahan	Hatcher	Myers
Campbell (CA)	Hawkins	Nagle
Campbell (CO)	Hayes (IL)	Natcher
Cardin	Hayes (LA)	Neal (MA)
Carper	Hefner	Nelson
Clarke	Hoagland	Nowak
Clement	Hochbrueckner	Oakar
Coelho	Hoyer	Oberstar
Coleman (TX)	Hubbard	Obey
Collins	Huckaby	Olin
Combest	Hughes	Ortiz
Conte	Hyde	Owens (NY)
Cooper	Jenkins	Owens (UT)
Costello	Johnson (CT)	Packard
Cox	Johnson (SD)	Pallone
Coyne	Johnston	Panetta
Crockett	Jones (GA)	Parker
Darden	Jones (NC)	Patterson
Davis	Jontz	Payne (NJ)
de la Garza	Kanjorski	Payne (VA)
DeFazio	Kaptur	Pelosi
Dellums	Kasich	Penny
Derrick	Kastenmeier	Perkins
Dicks	Kennedy	Petri
Dingell	Kennelly	Pickett
Dixon	Kildee	Pickle
Donnelly	Kleczka	Poshard
Dorgan (ND)	Kostmayer	Price
Downey	Lancaster	Pursell
Dreier	Lantos	Rahall
Duncan	Laughlin	Rangel
Durbin	Leath (TX)	Ravenel
Dwyer	Lehman (CA)	Ray
Dymally	Lehman (FL)	Regula
Dyson	Lent	Richardson
Early	Levin (MI)	Rinaldo
Eckart	Levine (CA)	Ritter
Edwards (CA)	Lewis (GA)	Roe
Engel	Lipinski	Rohrabacher
English	Livingston	Rostenkowski
Roth	Skelton	Torricelli
Rowland (CT)	Slattery	Towns
Rowland (GA)	Slaughter (NY)	Traficant
Russo	Smith (IA)	Unsoeld
Sabo	Smith (NE)	Valentine
Saiki	Smith (NJ)	Vander Jagt
Sangmeister	Smith (VT)	Vento
Sarpalius	Snowe	Visclosky
Savage	Solarz	Volkmer
Sawyer	Spratt	Walgren
Scheuer	Staggers	Watkins
Schiff	Stallings	Waxman
Schneider	Stark	Weiss
Schulze	Stenholm	Weldon
Schumer	Stokes	Whitten
Sharp	Studds	Wise
Shaw	Swift	Wolpe
Shumway	Synar	Wyden
Shuster	Tallon	Wylie
Sisisky	Tanner	Yates
Skaggs	Tauzin	Yatron
Skeen	Thomas (GA)	

NAYS—98

Armey	Hastert	Ridge
Baker	Hefley	Rogers
Ballenger	Henry	Roukema
Barton	Herger	Saxton
Bilirakis	Hiler	Schaefer
Bliley	Holloway	Schroeder
Boehlert	Hopkins	Schuette
Brown (CO)	Inhofe	Sensenbrenner
Buechner	Ireland	Shays
Bunning	Jacobs	Sikorski
Burton	James	Slaughter (VA)
Chandler	Kolbe	Smith (MS)
Clay	Kyl	Smith, Denny (OR)
Clinger	Lagomarsino	Smith, Robert (NH)
Coble	Leach (IA)	Smith, Robert (OR)
Coleman (MO)	Lewis (CA)	Solomon
Coughlin	Lewis (FL)	Stearns
Craig	Lightfoot	Stump
Crane	Lowery (CA)	Sundquist
Dannemeyer	Lukens, Donald	Tauke
DeLay	Machtley	Thomas (CA)
DeWine	Madigan	Thomas (WY)
Dickinson	Martin (IL)	Upton
Douglas	McCandless	Vucanovich
Emerson	McGrath	Walker
Fields	Michel	Walsh
Gallegly	Miller (OH)	Wheat
Gallo	Moorhead	Whittaker
Gekas	Murphy	Wolf
Goss	Nielson	Young (FL)
Gradison	Oxley	
Grandy	Pashayan	
Hancock	Paxon	
Hansen	Rhodes	

NOT VOTING—52

AuCoin	Hertel	Quillen
Bateman	Horton	Roberts
Bentley	Houghton	Robinson
Boggs	Hunter	Rose
Brooks	Hutto	Roybal
Carr	Kolter	Smith (FL)
Chapman	LaFalce	Smith (TX)
Conyers	Leland	Spence
Courter	Lowey (NY)	Stangeland
Dornan (CA)	Marlenee	Torres
Edwards (OK)	McMillan (NC)	Traxler
Fish	Meyers	Udall
Flake	Molinari	Weber
Ford (MI)	Neal (NC)	Williams
Goodling	Parris	Wilson
Gray	Pease	Young (AK)
Hall (OH)	Pepper	
Hammerschmidt	Porter	

□ 1022

So the Journal was approved.

The result of the vote was announced as above recorded.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore (Mr. COELHO). The gentleman from North Carolina [Mr. LANCASTER] will lead the House in the Pledge of Allegiance.

Mr. LANCASTER led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed a concurrent resolution of the following title, in which the concurrence of the House is requested:

S. Con. Res. 38. Concurrent resolution providing for a conditional recess or adjournment of the Senate from May 18 or 19, 1989, until May 31, 1989, and the conditional adjournment of the House from May 25, 1989, until May 31, 1989.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2) "An Act to amend the Fair Labor Standards Act of 1938 to restore the minimum wage to a fair and equitable rate, and for other purposes."

FSX, A BAD DEAL FOR AMERICA

(Mr. McNULTY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McNULTY. Mr. Speaker, I rise to express my strong opposition to the agreement for the United States and Japan to jointly build the FSX fighter aircraft. I believe this deal is bad for America. We must not give away our highly advanced and sensitive technology—nor should we contribute to the establishment of a Japanese aerospace industry that can challenge our world leadership in this field.

As for their assurances that they would safeguard our technology, I hope my colleagues will recall the event of 1983, when Toshiba illegally sold our high-technology metal milling machinery to the Soviet Union. This enabled the Soviets to build quieter submarines and increase their ability to escape radar detection. It was a great blow to our security.

Since the end of World War II, we have done everything possible to help rebuild Japan's economy and transform her into a world economic power, and she has become the worst offender in fair trading practices of any nation today. We have given the Japanese the capability to outpace us in a variety of world markets while they deny us access to their own domestic markets.

Mr. Speaker, we have been subsidizing the defense of Japan for over 40 years. We are currently subsidizing their economy to the tune of $60 billion per year. Japan's relationship with the United States has been all take and no give. I think it is time for Japan to buy American for a change.

POWER SHORTAGES AHEAD FOR THIS SUMMER

(Mr. REGULA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. REGULA. Mr. Speaker, I would like to urge each of you to read the article in today's Wall Street Journal captioned: "Get Set To Lose Your Cool This Summer. Power Shortages Expected to Hit Much of the United States, Brownouts and Blackouts, Brace for Them."

It goes on to point out that as we look down the road over the next decade, we are going to be faced with a very substantial shortage of power in the form of electricity, that it will cause economic slowdowns, job loss and so on.

I think the point of all this is that we need to move forward rapidly on clean coal technology. We need to be very careful as we draft clean air legislation to insure that we do not put a chill on the availability of power, that we do not do something that is debilitating to our ability to have the necessary energy in the form of electricity to maintain economic growth and produce the jobs we need.

COMMENDING SECRETARY DERWINSKI ON AGENT ORANGE DECISION

(Mr. LANCASTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LANCASTER. Mr. Speaker, I rise today to commend Veterans Affairs Secretary Edward Derwinski's decision not to appeal the ruling recently handed down by U.S. District Judge Thelton Henderson.

As some of my colleagues may know, Judge Henderson, a Federal judge in California, recently ruled with a group of Vietnam veterans in a lawsuit to require the Government to recognize that agent orange caused severe health problems, including cancers, heart conditions, skin problems, and infertility.

Members of the Vietnam Veterans of America and the American Legion have long been fighting an uphill battle to obtain justice for veterans exposed to this defoliant during the Vietnam war. The decision confirms that the Government has not done its part to put an end to the suffering from the Vietnam conflict.

The ruling of Judge Henderson requires that the Department of Veterans Affairs put an end to the 10-year denial and now consider compensation claims from veterans. Every denial of an agent orange claim since 1985 must now be reviewed.

Mr. Speaker, the decision by the court, and Mr. Derwinski's decision not to appeal the ruling, are steps in the right direction. Congress must now move ahead with legislation to appropriately compensate these victims of this devastating chemical.

VETERANS AFFAIRS SECRETARY DERWINSKI WARNS OF HEALTH CARE BUDGET CRISIS

(Mr. SOLOMON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SOLOMON. Mr. Speaker, during the discussion yesterday on the supplemental budget, there seemed to be a misunderstanding among some of us as to the position of Secretary of Veterans Affairs Ed Derwinski.

Let me read you a press release put out by Mr. Derwinski last night. It states:

V.A. Secretary warns of health care budget crisis. Secretary of Veterans Affairs Edward J. Derwinski today expressed his grave concern over Congressional failure to act promptly on an emergency supplemental appropriation for current year needs for the V.A. health care system.

Derwinski said, "Unless prompt action is taken, the V.A. will be forced to take measures to cut medical staff and services to veterans across the Nation."

I will remind Members that the Senate is going out today, will be gone for 2 weeks. We are going out next week. There is no opportunity to pass this supplemental if we do not do it now before 12 o'clock today. I urge you on behalf of all the veterans in the veterans hospitals in your district, let us do it today, please.

□ 1030

HAMMADI SHOULD BE EXTRADITED TO THE UNITED STATES

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, yesterday a court in West Germany sentenced convicted hijacker Mohammed Ali Hammadi to life imprisonment for the 1985 murder of United States sailor Robert Stethem.

Mr. Speaker, this is an outrage. How is it that a member of the U.S. Armed Forces can be brutally murdered by a known terrorist and then they give him a slap on the wrist? Because the life sentence will only be after they

cut their deal a few short years, and we all know it. They'll let him free.

I agree with the father of that slain officer that America should do everything possible to have West Germany extradite him for trial, and I believe he should receive his just reward, the death penalty.

We provide West Germany with a lot of help, a lot of money, and I think it is time they reciprocate. All we are asking them to do is send the hijacker and murderer, Hammadi, back, and I think the Stethems deserve a lot more justice from America at this point.

INTRODUCTION OF LEGISLATION PROMOTING EVOLUTION OF FREE SELF-GOVERNMENT IN PANAMA

(Mr. CRANE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CRANE. Mr. Speaker, today I am introducing a House concurrent resolution that is designed to try to promote the evolution of free self-government in the Republic of Panama and simultaneously secure United States interests in the zone and with regard to the Panama Canal.

What it would do is effectively prevent any loss of United States authority and control of the canal in the absence of freely elected democratic self-government in Panama, and this would apply not just to Mr. Noriega, but in the event Mr. Noriega were replaced by a similar gun-toting tinhorn dictator, the same principle would apply. There would be no transfer of U.S. authority or control until they have in place a freely elected government.

I would urge all of my colleagues to get behind this most worthy legislation.

LET US NOT RUSH TO JUDGMENT

(Mr. SKELTON asked and was given permission to address the House for 1 minute.)

Mr. SKELTON. Mr. Speaker, many in Europe and some here in this country have become euphoric over the pronouncements, the "new thinking," of General Secretary Gorbachev. Some on this side of the Atlantic are even ready to bring American troops home from Europe. They say the cold war is over.

Mikhail Gorbachev recently wrote President Bush that the Soviet Union has not sent arms shipments to Nicaragua since January. However, it appears that some 28 shipments from the U.S.S.R. have reached Nicaragua through April. Despite Mr. Gorbachev's "new thinking," old habits seem hard to break.

Caution is in order at this time. The "Good Book" advises that "the tree is known by its fruit." In many ways the fruit is still only a bud, despite Mr. Gorbachev's beguiling words.

Admiral Crowe, Chairman of the Joint Chiefs of Staff, finds more continuities than changes in the essential elements of Soviet military power. Earlier this spring he said, "I cannot rationalize a real reduction in spending for defense based upon force drawdowns announced by the Soviet Union * * * or the prospect that an arms agreement is just around the corner." Mr. Speaker, I say until old habits give way to "new thinking," let us not rush to judgment.

VETERANS' MONEY BEING HELD HOSTAGE BY CHRISTMAS TREE BILL

(Mr. BILIRAKIS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BILIRAKIS. Mr. Speaker, I am in the well today because I am deeply sorrowed by the lack of respect that I think the House of Representatives is giving to veterans throughout America regarding the supplemental appropriations bill. We are all aware of the dire emergency of supplementing the current veterans' affairs budget, and that that was the primary reason for this legislation.

However, I feel compelled to say that I believe that the veterans' money is being held hostage by this Christmas tree bill. I find that a paramount concern of most Americans is that we balance the budget, and yet that goal is being thwarted by bills like this where programs less needy are tied to ones in desperate need, done in this way strictly intending to force us to vote for it.

The national commanders of the American Legion, the Veterans of Foreign Wars, and the Paralyzed Veterans of America all have written the leadership of the House asking that we pass a clean supplemental appropriations bill. Let us stop monkeying around with the money and services that are intended for those individuals who risked their lives for America.

They were brave enough to face enemy bullets and mortars. Are we brave enough to face tough budget questions? I certainly hope so.

ONE PENNY SEPARATES POOREST WORKING AMERICANS FROM A WAGE INCREASE

(Mr. HOYER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HOYER. Mr. Speaker, the Senate joined the House yesterday in responding to the needs of working Americans by voting to raise the minimum wage to $4.55, its first raise since 1981, 8 years ago. The American people overwhelmingly support raising the minimum wage and for a very good reason.

The President, however, seems to be having a problem. There are the facts: While the minimum wage has remained frozen, average hourly wages have risen 35.9 percent, and the cost of living has increased 39.8 percent, but the minimum wage has been allowed to sink to its lowest level since 1955.

Mr. Speaker, I said on this floor a few days ago that it was but three thin dimes separating the Democratic Congress and the President of the United States. Today the chief of staff, Mr. Sununu, is quoted in the paper as saying that if it is $4.26 it will be vetoed today and tomorrow and tomorrow and tomorrow. It is one penny for the poorest Americans, one penny more than the President says he wants, that is separating the poorest working Americans from a fair wage increase.

VETERANS BEING TURNED AWAY BECAUSE OF THE SUPPLEMENTAL BILL

(Mr. McEWEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McEWEN. Mr. Speaker, today thousands of veterans will be turned away from our veterans' hospitals. An estimated 25,000 over the past 3 days have been rejected from outpatient clinics. There is a drastic shortage in the Veterans' Administration.

Many of us believe we need between $500 million and $600 million this fiscal year just to allow it to function as it has in the past. The President, in an effort to save money, requested only $340 million some 6 weeks ago and asked the Congress to act upon it.

Mr. Speaker, the debate today, and the reason we are not acting at this moment, is because of the question as to whether or not we want to throw another $400 million, $500 million, $600 million, $700 million, $800 million at the drug problem.

While veterans are being denied access to veterans' hospitals, we want to spend two, three, four times that to put in the basket for drugs when over 90 percent of the money there presently has yet to be applied for by the States. They have more money than they can spend presently, and yet we are unwilling to spend what is necessary for the Veterans' Administration to serve our veterans.

Mr. Speaker, something is drastically, drastically wrong.

VIETNAM VETERANS WANT DECENT WAGES, TOO

(Mr. APPLEGATE asked and was given permission to address the House for 1 minute.)

Mr. APPLEGATE. Mr. Speaker, Republican after Republican rose on this floor of the House of Representatives to condemn those who would hold back veterans' medical appropriations in the supplemental, and yet Republican after Republican rose on the floor of this House to condemn raising a minimum wage to a still less-than-respectable living wage. Tens of thousands of veterans work in those very low wage areas, or they do not work at all.

Where is the compassion for those veterans, most of whom are Vietnam veterans? They, too, want decent and respectable wages with which to raise their families.

Let us be consistent. I am afraid your compassion is leaking.

THE COOPERATIVE HOUSING OPPORTUNITY ACT

(Mrs. JOHNSON of Connecticut asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. JOHNSON of Connecticut. Mr. Speaker, today I am introducing legislation to provide Federal encouragement to cooperative housing projects for low- to moderate-income families. Many families today earn too much to qualify for current housing programs like section 8, but far too little to be able to save for their own home. In regions where housing costs have increased faster than wages, these families have very limited choices in housing.

My bill, the Cooperative Housing Opportunity Act, would give them such a choice by building a new partnership between public and private resources to make cooperative housing more widely available. Cooperative housing projects renovated with the help of the families themselves are already easing this problem in many communities. My bill pursues all the best goals of an effective housing program by providing a partnership between Federal and State resources, local control, and incentives for nonprofit and private sector involvement in housing solutions. Most of all, it would empower families, giving them affordable housing with a limited amount of equity in return for working to renovate and manage the cooperative.

Mr. Speaker, limited equity cooperative housing works and it should be a part of any new comprehensive Federal housing policy.

□ 1040

WE NEED TO PASS LEGISLATION FOR OUR VETERANS TODAY

(Mr. MONTGOMERY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MONTGOMERY. Mr. Speaker, since I have been here 20-odd years, legislation has been a compromise, and certainly we need a compromise today to work out something to where at least the veterans funding can come up on this House floor. If we even have to separate it from the dire supplemental legislation, we should bring it up so that we can at least get this veterans funding moving ahead.

I am told by the Secretary of Veterans' Affairs that week after next, and I want my collegues to listen to this date, week after next the Veterans' Administration in the medical care system will have to start laying off 800 professional employees in medical care each week until this dire emergency funding is passed. So it will not happen next week, but week after next 800 professional people will have to be laid off.

What happens when we do that? We turn away veterans and we do not have enough employees to take care of them, and the quality of the medical care goes down.

So Mr. Speaker, I hope we can get something done on this veterans emergency situation and done today.

LEGISLATION TO END THE SLAUGHTER OF ELEPHANTS

(Mr. CONTE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CONTE. Mr. Speaker, 28 years ago I went to Africa for the first time to meet the leaders of several African nations. Seeing the herds of elephants and giraffes firsthand will live on in my memory as one of the most beautiful moments I have ever experienced.

Last week, I opened up an issue of National Georgraphic to an article describing the activities of poachers in Africa who, right now, are gunning down 200 to 300 elephants per day with submachine guns, and removing their tusks with chain saws.

I felt sick to my stomach.

Yesterday, I introduced legislation to end this slaughter. My bill places an immediate ban on the importation of all elephant products. It also expresses our desire to see elephants reclassified under the international CITES (Sightees) agreement, to ban trade of elephant products among the 101 CITES members.

I strongly urge my colleagues to cosponsor this bill to help stop the chainsaws, and ensure that there will never be a day when the people of Africa must visit a zoo to see a live elephant.

WE NEED ALL OF THE DIRE EMERGENCY SUPPLEMENTAL APPROPRIATIONS

(Mr. VOLKMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. VOLKMER. Mr. Speaker, as Members of the House, I too along with 99⁹/₁₀ of the Members of this House would like to see that urgent supplemental up today to take care not only of the veterans matters but also other matters that are necessary, especially for drug enforcement. We need additional funding for the remainder of this year to adequately fight our war on drugs.

We just heard the President earlier this week on what we need to do, and we need to address that today as well as the veterans funding. We need to provide those additional funds for the fight on the war on drugs. That is just as important in my mind as making sure that our veterans receive the care necessary in our veterans hospitals.

So let us get on with it. Let the appropriations chairman bring up what he proposed to do yesterday and take up the bill, pass it, and send it on to the Senate today.

OAS KEEPS HEAT ON NORIEGA

(Mr. BROOMFIELD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BROOMFIELD. Mr. Speaker, over the years, many in Washington have voiced a low opinion of the work done by the Organization of American States. But last night's OAS resolution on General Noriega demonstrates that the organization can play an important role in achieving democratic reform throughout the Americas.

The resolution has put the OAS clearly on the side of the democratic forces in Panama. The verdict of Panama's voters and the graphic television pictures of Noriega thugs beating the democratic opposition candidates created a movement in this hemisphere for the ouster of General Noriega. Last night's OAS vote helps sustain the momentum.

Momentum in these matters is everything. The failure of yesterday's general strike shows that Noriega still has the power to intimidate the Panamanian people. But it is clear that criminals like Noriega are most successful when operating under cover of darkness. The OAS delegation will keep the international spotlight on Noriega and his thugs. Forcing Noriega to carry on his criminal activity in the light of international publicity

may be just what is needed to convince him to step aside.

MINIMUM WAGE

(Mr. HAYES of Illinois asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HAYES of Illinois. Mr. Speaker, from all indications and from what I read and what I have heard, President Bush intends to veto the minimum wage bill as proposed and approved by both Houses. I would like to request the President to think before acting, think of those people who are now living below the poverty line. Even $4.45 cents an hour certainly is not a lot of money and it does not take effect until some 3 years hence.

A person with a family having to live on $9,000 a year certainly does not have a lot of money, and to use the argument that it is going to cause jobs to disappear is one I have heard for years, even when I made 40 cents an hour as a result of the first increase under the Fair Labor Standards Act.

Mr. President, I request as one citizen, as one Member of the House of Representatives who represents people in great numbers who live below the poverty line, let them make some kind of wage that might lift them out of that level and help those kids get a decent living and stay away from crime.

FEDERAL EMPLOYEES FLEXIBLE WORK ARRANGEMENT ACT OF 1989

(Mr. WOLF asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. WOLF. Mr. Speaker, I rise today to introduce legislation that would allow Federal employees the same work scheduling opportunities that are being provided by leading private sector employers. This legislation, the Federal Employees Flexible Work Arrangement Act of 1989, would allow the Federal work force to keep pace with changes in technology and changes in the demographics of the working population, so that qualified and experienced individuals will continue to enter public service.

Private sector employers have recognized the needs of the workers of today by offering flexible schedule arrangements so that workers can spend more time with their families. These arrangements are responsive to the needs of today's work force, which is comprised of an increasing number of two-income families with young children, and an increasing number of employees with dependent elderly family members. The minor costs of allowing flexibility in work scheduling have been regained by private sector employers through more productive employees, and employees with greater job satisfaction. Flexible work scheduling has also allowed employers to retain valuable employees and to attract others who desire this flexibility.

The legislation I introduce today will allow the Federal Government, this country's largest employer, to respond to the realities of the work force by expanding job-sharing work arrangements and by exploring the feasibility of flexiplace work.

Job sharing occurs when two individuals who are similarly situated and skilled share one job. Job sharing has been successfully utilized in the private sector to allow men and women who wish to scale back their working hours to part-time status to do so. There are several resons why an individual would want to share a job—a new mother might want to reenter the work force but still spend time at home, an individual with an ailing parent might want to spend more time attending to that parent. Job sharing allows these workers to structure their lives to maximize time at home, while still maintaining a presence in the office. Thus, job sharers can maintain responsibility for important aspects of their jobs, can keep pace with changes that occur, and also spend needed time at home.

Job sharing requires skillful management to determine what jobs lend themselves to be broken down into two positions. It also requires the match of two individuals who can coordinate their skills and their schedules to fill one job. Job sharing is already authorized in the Federal work force under chapter 34 of title 5. Unfortunately, the actual utilization of this authority is low because these job-sharing arrangements currently arise only on an ad hoc basis. Two Federal workers discover that they would like to share a job and go to their supervisor for approval. The problem is that workers are often unaware that this type of work scheduling arrangement is permitted. It is also rare that employees are able to find a suitable match for a job-sharing arrangement.

Title II of the Federal Employee Flexible Work Act of 1989 would facilitate these matches by providing that the Office of Personnel Management [OPM] establish a clearinghouse information program that would allow Federal workers to locate others in a commuting area who want to share a job, and what jobs in the area could be filled by job sharers.

A second work scheduling arrangement that has been successfully implemented in the private sector is flexiplace work. Generally, flexiplace work is work that would ordinarily be performed in the home office, but under the flexiplace arrangement is performed outside of the office, either in the employee's home or in another setting remote from the home office. Currently, there are over 200 private sector firms that utilize flexiplace work. Some of the most successful of these include American Express, Best Western, Control Data, and New York Life Insurance. The public sector has also recently been investigating the feasibility of flexiplace work, with California and Washington State as leading examples.

The success of a flexiplace work program depends upon the type of job selected and the understanding by both employees and managers of their rights and responsibilities. Title I of this legislation would provide that agencies determine what, if any, positions within the agency could be filled in a flexiplace arrangement. Agencies would then set up a training program for employees and managers, and would determine which employees are eligible for participation. These programs would be subject to approval by the Office of Personnel Management, which would, 21 months after the beginning of the program review all of the participating agencies' experience with flexiplace work. OPM would then make recommendations to Congress regarding flexiplace in the Federal work force, analyzing the costs or savings of the program, and its effect on employee productivity, job satisfaction, and morale.

Flexiplace work has several hidden benefits—it decreases traffic congestion, it reduces commuting costs for participating employees, and it reduces pollution associated with automobile use. The primary motivation for exploring this work arrangement in the Federal work force, however, is that it provides flexibility for those employees with family or personal needs.

As the labor market makes it more difficult for all employers to fill positions with qualified and experienced workers, it is important that the Federal Government keeps pace with the private sector. This legislation does that by expanding job sharing and flexiplace work opportunities in the Federal work force.

H.R. 2435

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Federal Employees Flexible Work Arrangements Act of 1989".

TITLE I—DEMONSTRATION PROJECT

SEC. 101. DEFINITIONS.

For purposes of this title—

(1) the term "agency" has the meaning given it by section 4701(a)(1) of title 5, United States Code, except that such term also includes the United States Postal Service, the Postal Rate Commission, and a military department (as defined by section 102 of such title);

(2) the term "employee" has the meaning given it by section 2105 of title 5, United States Code;

(3) the term "Office" means the Office of Personnel Management; and

(4) the term "flexiplace work arrangement", as used with respect to an employee, means an arrangement under which the employee is allowed to perform the duties and responsibilities of such employee's position at home or another place apart from the employee's usual place of work.

SEC. 102. AUTHORITY.

(a) IN GENERAL.—Agencies may design and, upon approval by the Office, conduct experiments to test the feasibility and desirability of offering flexiplace work arrangements to their employees.

(b) PROCEDURES.—The Office shall by regulation establish procedures under which proposals for experiments under this title may be submitted. In addition to any requirements as to the required form or content of any agency proposal, the regulations shall indicate the deadline for submitting any such proposal. Regulations under this subsection shall be prescribed not later than October 1, 1989.

(c) GUIDELINES.—The Office shall prescribe guidelines with which all flexible work arrangements under this title must conform. The guidelines shall provide as follows:

(1) An agency conducting an experiment under this title shall be responsible for determining which positions or types of positions will be included. The procedures used in identifying the employees to be included in the experiment shall be consistent with—

(A) subsections (f) and (g) of section 4703 of title 5, United States Code; and

(B) the interest in having flexiplace work arrangements tested in a broad range of positions which vary on the basis of pay level, job functions, and other factors.

(2) Employees selected to test flexiplace work arrangements and the personnel who will be supervising them shall be given appropriate training, including training relating to any new or revised standards which will be used in performance evaluations.

(3) The agency may impose reasonable conditions to ensure the appropriate use and maintenance of any equipment or items provided for use at a participating employee's home or other place apart from the employee's usual place of work.

(4) The agency shall establish requirements relating to the frequency with which the employee must report to such employee's usual place of work each week or each month, as appropriate.

(5) Participation by an employee shall be voluntary. An employee may elect to cease participating in a flexiplace work arrangement at any time. The employing agency may terminate an employee's participation in such an arrangement if the employee's continued participation would not be in the best interests of the agency.

(6) Participation in the project will not adversely affect an employee's eligibility for advancement or any other rights or benefits.

(7) The limitations under section 1348 of title 31, United States Code (relating to telephone installation and charges) may be waived for participating employees in appropriate circumstances.

SEC. 103. TERMINATION DATE; REPORTING REQUIREMENT.

(a) TERMINATION DATE.—Experiments under this title shall terminate not later than September 30, 1991.

(b) REPORTING REQUIREMENT.—The Office shall review all experiments undertaken under this title and, not later than June 30, 1991, submit a written report to the Congress containing its findings. The report shall include—

(1) the Office's findings with respect to any additional costs or savings associated with flexibile working arrangements, as well as their effect on productivity, job satisfaction, and morale; and

(2) recommendations for any legislation or administrative action which the Office considers appropriate.

TITLE II—JOB-SHARING PROGRAM

SEC. 201. JOB-SHARING PROGRAM.

(a) ESTABLISHMENT.—Section 3402 of title 5, United States Code, is amended by adding at the end the following:

"(c)(1) The Office of Personnel Management shall establish and operate a program designed to facilitate the use of job-sharing arrangements in agencies.

"(2) Under the program, the Office shall serve as a clearinghouse for information pertaining to individuals seeking employment under job-sharing arrangements, and any positions which may or must be filled under such an arrangement.

"(3) Any individual wishing to be included in listings furnished under the program may be required to indicate the positions or types of positions sought, personal qualifications, days or hours of availability for work, and any other information which the Office may by regulation require.

"(4) An agency having positions appropriate for listing under the program shall inform the Office as to the availability of those positions. Agencies shall provide such information as the Office may by regulation require, including information relating to how the duties and responsibilities of each position would be apportioned under a job-sharing arrangement.

"(5) Information pertaining to any particular individual shall be kept available until the earlier of—

"(A) a written request by such individual to be excluded from the program; or

"(B) such individual's being placed in a position on a job-sharing basis.

An individual may not be included in listings under the program for more than 1 year, except upon the written request of such individual for an extension. An individual may receive more than 1 extension under the program, but each such extension shall be for not to exceed 1 year."

(b) NOTICE.—The Office of Personnel Management shall take measures reasonably designed to provide continuing notice to Government employees and applicants for Government employment relating to the availability of the program established pursuant to the amendment made by subsection (a).

DIRE EMERGENCY SUPPLEMENTAL

(Mr. KOLBE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KOLBE. Mr. Speaker, I have heard from scores of veterans wondering about the status of the dire emergency supplemental appropriations package and the only answer I have for them is to wait and see. Well, frankly, veterans can not afford to wait and see any longer.

Some $340 million are desperately needed to continue vital veterans' health activities. We are not talking about nice-to-have new construction projects. We are talking about basic clinical services, prosthetic limbs, and equipment. One constituent told me that the medical personnel at one clinic had to chip in just to buy bandages and tape. I ask you, where is the commitment to our veterans?

It is my subcommittee that is the source of much of the delay. My chairman is trying to ensure that we adequately fund the drug effort—and I commend him for this commitment. But if we appropriate all this money in fiscal year 1989, the result will be huge carryovers into 1990.

Stuffing hundreds of millions of dollars down the Justice Department's throat in fiscal year 1989 is ill-advised. We need to make the commitment to the war on drugs with fiscal year 1990 funds.

So, let us not hold up the funds that our veterans need this very moment when we have enough funds to support our current drug efforts during the balance of the fiscal year. I urge in the strongest terms possible for the passage of a clean supplemental to meet our obligations to our veterans.

□ 1050

FREE THE VETERANS' APPROPRIATION FROM OTHER FUNDING REQUESTS

(Mr. SCHIFF asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHIFF. Mr. Speaker, our veterans' centers, medical centers are in dire need of emergency funds right now. I have not heard any disagreement from either side of the aisle on that point. Yet we still have not passed an emergency funding appropriation for the veterans' medical centers.

The reason we have not done so is there is disagreement over other requests for emergency funding as to whether or not it qualifies under the criteria.

I respectfully suggest that the solution is to free the veterans' appropriation from being held hostage to other proposals and to have a clean vote up or down on funding the Veterans' Administration hospitals and to follow that with a vote, one by one, on other emergency proposals.

Some of them will pass, some of them will fail, but we will have the entire issue resolved in that way.

29-059 O-90-37 (Pt. 7)

ORGANIZATION OF AMERICAN STATES' CONSIDERATION OF THE PANAMA ELECTION FRAUD

(Mr. BEREUTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BEREUTER. Mr. Speaker, in the 10 days since Gen. Manuel Noriega subverted his country's election process, chaos has ruled the streets of Panama. The so-called dignity battalions of General Noriega attacked and brutally beat, Guillermo Ford, the man that legally selected by the people of Panama to be their new Vice President. It was only by the quick reaction of his bodyguards, one of whom died in the effort, that Vice President-elect Ford's life was saved. Clearly, Mr. Speaker, the present situation is intolerable.

The Organization of American States met last night and will apparently meet today to consider actions in responding to Manuel Noriega and his band of club wielding thugs. Commendably, this meeting was called at the request of several latin American nations, for they recognize that Noriega's behavior threatens the stability of the entire region.

Early reports from its OAS meeting last night indicate that the OAS by a vote of 20 to 2, cited Manuel Antonio Noriega by name in its condemnation of the electoral crisis. Only Nicaragua—yes Nicaragua sided with Noriega and Panama. In addition, the OAS appears prepared to send its General Secretary to Panama in an effort to facilitate a transfer of power. As the OAS considers these important decisions, it is functioning precisely as it was intended to function—as a vehicle for united action in times of hemispheric crisis.

Mr. Speaker, the United States continues to be represented at today's OAS meeting by Secretary of State James Baker. President Bush is to be congratulated for encouraging the OAS to present a united front against last week's electoral fraud. This Member is certain that Secretary Baker will press the OAS for the strongest possible response to the Noriega Junta's outrageous behavior.

In addition, this Member would hope the OAS supports and applauds those Panamanians who bravely do take to the streets to protest this denial of their electoral rights by General Noriega and his doberman-like thugs.

Mr. Speaker, the Organization of American States is by charter and purpose ideally tailored to deal with the situation in Panama. It is the proper venue for the formation of a consensus response. Its 31 members are able to give the OAS a truly hemispheric voice. As the OAS acts on the theft of the election and postelection brutality in Panama, there will be no way for General Noriega to label it as American imperialism.

VETERANS' ADMINISTRATION MAKES HISTORIC DECISION ON AGENT ORANGE

(Mr. BONIOR asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BONIOR. Mr. Speaker, last week the Department of Veterans' Affairs made an historic decision.

Secretary Edward Derwinski announced 1 week ago today that the VA will reconsider thousands of agent orange disability claims that previously had been denied.

This action marks an important turning point. The Federal Government now finally recognizes what the American people have known for years. Mr. Speaker, agent orange has caused serious illness in thousands of Vietnam veterans and our Government owes these veterans compensation for their pain and suffering.

I want to praise the leadership of Secretary Derwinski on this issue. It is my hope that soon Congress will begin working hand in hand with the VA to set up new and fair criteria for agent orange compensation.

CHEMICAL AND BIOLOGICAL WEAPONS NONPROLIFERATION ACT OF 1989

(Mr. PORTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PORTER. Mr. Speaker, the proliferation of chemical and biological weapons has reached tragic proportions.

Iran, Iraq, Libya, Ethiopia, Syria, and North Korea, along with 15 other countries, already have chemical weapons. Most of these countries developed toxic weapons with western technology.

CIA Director William Webster and chief U.S. export official Paul Freedenberg have said publicly that our own export controls in this area are weak.

Today, along with 80 original cosponsors, I am introducing the Chemical and Biological Weapons Non-Proliferation Act of 1989. This bill requires the Commerce Department to issue new export controls designed to stop the export of chemicals and technology easily used for chemical weapons production. I urge all memberts to cosponsor this needed legislation.

These new controls alone, obviously will not stop CBW proliferation. They will allow the United States to lead by example. We cannot rightly criticize West Germany and Japan for providing chemical weapons technology to Libya, when our own export controls may not prevent a similar disaster.

We must shore up these controls to ensure that no U.S. companies are responsible for further proliferation.

DELAYED ACTION ON VETERANS HEALTH CARE FUNDS WILL FORCE CUTBACKS ON LEVEL OF MEDICAL CARE PROVIDED

(Mr. WALKER asked and was given permission to address the House for 1 minute.)

Mr. WALKER. Mr. Speaker, we have a crisis in veterans health care and we need to deal with it today. Now it is not me saying that, it is Secretary Derwinski who says that in a letter marked "Urgent," addressed to the chairman of the Committee on Appropriations.

The Secretary of Veterans' Affairs says it is important that the House act immediately. He also says that, "Delayed action will force us to take measures to cut back on the level of medical care provided."

Now that is already happening out there, that is not something that is going to happen a few days from now or a week or two from now; it is happening.

Already since July we have had 2,650 beds that have been closed, we have 133 facilities across the country who report a total shortfall of nearly $335 million for equipment, maintenance, and supplies; 50 percent of the facilities report elective-surgery delays and nearly all reported a delay or a reduction in pharmacy services; 113 facilities reported using funds allocated for contract nursing home care to offset budgetary shortfalls; 72 facilities reported delays in providing clinical appointments to all patients including service-connected veterans and 85 percent of the facilities indicated inpatient and outpatient reductions are imminent due to budgetary constraints.

That is terribly unjust. The veterans are suffering because we are unwilling to act. It is time that we act. The time is today. It has to be done before the end of legislative business today.

INABILITY TO DEAL WITH SUPPLEMENTAL APPROPRIATION BILL IS ROTTEN NEWS

(Mr. UPTON asked and was given permission to revise and extend his remarks.)

Mr. UPTON. Mr. Speaker, today is the 18th of May. We are going to have a real problem when we adjourn here in this body to go home for Memorial Day recess.

Now why would you talk about the Memorial Day recess today? Because this week the Senate is going to be getting out of session and they are not

going to come back until after Memorial Day.

Now what do most of us do? What do most of us public servants do over Memorial Day weekend? Well, we go to meet with our veterans groups, we talk at numerous cemeteries across our district, and we talk about the great love and freedom that so many men and women gave their lives to protect our country today.

Well, if we do not pass this veterans supplemental bill today, we might have a different tale to tell as we go to our cemeteries. We are going to have to tell our veterans, those who have survived, that the Veterans' Administration is turning away patients from hospitals, turning them away for low-priority care because we in this House since March 24 have not been able to deal with a supplemental appropriation bill.

Well, Mr. Speaker, I say that is rotten news. How can we go back and talk to our veterans about those who gave their lives and those who suffered injuries in those combat years that we are not able to deal with the business of this House? Some 2 months later we are not able to deal with the veterans supplemental.

Mr. Speaker, I say it is time to act today, this morning.

THOUGHTS ON LISTENING TO CROCODILE TEARS BEING SHED

(Mr. NAGLE asked and was given permission to address the House for 1 minute.)

Mr. NAGLE. Mr. Speaker, I have been sitting here listening to the crocodile tears being shed by my colleagues to my left, totally within their incapacity to recognize this crisis was created by a Republican administration previously under their control and that totally and utterly failed to adequately request or to seek funds or support needed funds for veterans hospitals.

□ 1100

It is great to cry about the crisis of the day, but Members need to ask the question how it came about. It came about in the last 8 years of the Reagan administration, more interested in sending money for freedom fighters in Nicaragua than taking care of the veterans of World War II and the Korean conflict.

It is great to sit here and cry because the money is desperately needed and the House will act, but do not lose sight of the problem historically created by their administration and their administration of the Veterans' Administration itself. It is great to say it is terrible we do not have the money, and trying to do it in a massive bill, doing it as quickly as Members can, but it is irresponsible to make the argument that somehow this is a Democratic problem when in fact the Veterans' Administration Hospitals have been under their administration for the last 8½ years.

MOVE FORWARD WITH THE SUPPLEMENTAL

(Mr. GINGRICH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GINGRICH. Mr. Speaker, I think that it should be very clear to everyone who heard the chairman of the Committee on Veterans' Affairs a few minutes ago, the gentleman from Mississippi [Mr. MONTGOMERY] who warned that within 2 weeks the Veterans' Administration will be laying off 800 medical personnel a week, every week. That the time has come to pass the dire supplemental.

Now the fact is that we do not just have to pass the supplemental in the House, we have to pass the supplemental in the House and get a supplemental through the other body, so it can go downtown to the President and be signed. The other body is going to leave at the end of the day and they will be gone until after Memorial Day, and I agree with my friend from Michigan who makes the point that there is something a little wrong about a Memorial Day weekend where we can find the time to go home for Memorial Day but we have not found the time to take care of veterans. I think that every Member of this House in a bipartisan basis should listen carefully to what the chairman on Veterans' Affairs said about the fact that within a very few days we are going to start laying off 800 medical personnel a week in the Veterans' Administration Hospitals unless we pass the supplemental.

We have everyone here today. Today is the day to pass the supplemental. There is no excuse for going home without having passed the supplemental, and if we pass it today I think we can then put pressure on the other body, and we can get it passed in the other body today and get it signed. If we do not do our job today, we, the House, will guarantee that veterans will not, in fact, have any kind of help on this particular problem until after Memorial Day.

DIRE SUPPLEMENTAL STATUS

(Mr. SMITH of Iowa asked and was given permission to address the House for 1 minute.)

Mr. SMITH of Iowa. Mr. Speaker, I hear all this talk about the supplemental. Let me make clear what happened yesterday and where we are.

The chairman of the Committee on Appropriations offered to yield to every single thing the administration wanted and the House Republicans wanted, except we would have a chance to vote on drugs. Reluctantly, everything would come out that they objected to except money for the war on drugs. But, any member could have a separate vote on that. Any Member can move to strike. The ranking member of the Committee on Appropriations offered to do so, to move to strike that money so we could have the vote. But they do not want to vote on it. So there was an objection on that side.

Mr. GINGRICH. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Iowa. I yield to the gentleman from Georgia.

Mr. GINGRICH. Mr. Speaker, the fact is, and I believe that the gentleman would agree, that we have already agreed in principle to bring in a clean bill to the floor and allowing the Members to have an amendment to add the money, and we are very prepared to vote on their adding the money now.

We will do it today. We have agreed in principle to their leader. We are very prepared right now, if the gentleman from Mississippi [Mr. WHITTEN] will bring a clean bill in to have an amendment. We agreed to have an amendment for Mr. MILLER.

Mr. SMITH of Iowa. Why do Members want to take the Drug money out and then require the Members to fight to get it back in? Why wouldn't we leave it in and anyone who objects could have a motion to strike?

Mr. GINGRICH. The President offered a clean bill, asked for a clean bill. I think, frankly, virtually all Members on the other side of the aisle agreed that it is fair, have a clean bill. But the gentleman from Iowa [Mr. SMITH] and the gentleman from California [Mr. MILLER] will be allowed to have an amendment. We are willing. I am willing to help vote for a rule that gives a chance to amend, gives the gentleman a chance to amend. It has no Republican amendments.

We are willing to do it today. We are not afraid to vote.

Mr. SMITH of Iowa. Does the gentleman deny the veterans the money they need because Members want to take the money out and have Members later put it back in instead of moving to strike the money?

STATUS OF THE SUPPLEMENTAL

(Mr. GUNDERSON asked and was given permission to address the House for 1 minute.)

Mr. GUNDERSON. Mr. Speaker, I yield to the gentleman from Georgia [Mr. GINGRICH].

Mr. GINGRICH. I think it is an important argument. We can argue about whether it is important to have a position where some Members are trying to take the money out of the

bill or try to put the money in the bill, but on the specific question, are we prepared on the Republican side to vote on the issue of $821 million in additional spending on drugs that is not offset, we are very prepared to make the budget fight and to vote on your amendment. All we ask is that the gentleman's amendment be a free-standing amendment and that it is offered. We are prepared to have an hour debate on the amendment. We are prepared to have debate on the amendment of the gentleman from California [Mr. MILLER], and prepared to go to the floor today. I think it is silly to argue over whether it is taken out or putting it in. We are prepared to vote up or down on the gentleman from Iowa, Mr. SMITH's amendment today.

Mr. SMITH of Iowa. Mr. Speaker, will the gentleman yield?

Mr. GINGRICH. I yield to the gentleman from Iowa.

Mr. SMITH of Iowa. I agree it is silly to argue over that. That is the reason it is not a fight about veterans at all. It is a fight about a silly thing about whether or not we take it out or put it in, and Members are holding up the veterans for that silly argument? I agree with the gentleman from Georgia on that.

Mr. GUNDERSON. Mr. Speaker, if I have any time remaining, I want to emphasize that it is not a question of taking out or putting in. Why are we holding up the veterans? We have a piece of legislation in there right now which is a straight supplemental to solve the veterans' problems. We can take that up today or we can take the clean supplemental out of the committee today. The question is, are we going to fight about drug money for the next fiscal year which begins in October, or are we going to deal with veterans which are losing 800 jobs a week starting now?

STATUS OF THE SUPPLEMENTAL

(Mr. SMITH of Mississippi asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. SMITH of Mississippi. Mr. Speaker, I represent two VA hospitals, in Biloxi and Gulfport, MS, with outpatient facilities in Pensacola, FL, and Mobile, AL.

An additional $300 million is urgently needed to provide the new medical equipment and better treatment of veterans and hospitals' outpatient clinics and community nursing homes and more medical supplies and prosthetic devices to our veterans. These additional sums are especially needed to improve the quality of medical care to low-income veterans and for others for whom the VA has a statutory obligation to provide that care. Without the supplemental funding today by the House, the Department of Veterans' Affairs medical program will not provide for over 930,000 visits by veterans to VA outpatient clinics, will not provide nursing care homes to an additional 300,000 veterans. Will not purchase equipment for new facilities, therefore delaying the opening of those new facilities. Will not provide adequate levels of prosthetic services to those veterans. We will not purchase materials for those required to protect our VA employees and patients, from contracting AIDS.

Mr. Speaker, without the additional funding today, certain VA medical centers will not be able to meet their staffing needs by contracting for nursing and other health care professionals. Since they are unable to hire sufficient numbers of Federal workers with the necessary skills, lack of funds for additional employees will deny veterans the medical care that they need and deserve.

I call on the House today to pass this dire supplemental veterans' appropriations bill.

FSX: A BAD DEAL

(Mr. HOLLOWAY asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. HOLLOWAY. Mr. Speaker, I rise today in strong opposition to the agreement with the Government of Japan on the development of a new fighter plane, the FSX.

I strongly disagree with the notion that we should transmit any of our valuable aerospace information to the Japanese.

America is the leader of the world when it comes to fighter aircraft construction and development. Why in the world should we give Japan an opportunity to assume a leadership role themselves by utilizing our aircraft technology?

As you know, the Senate approved the FSX agreement Tuesday—after adding the Byrd amendment. Despite approval of the Byrd amendment, I stand here today to say clearly: The FSX deal remains a bad idea which is against America's best interest now. It will be against our interests tomorrow and for the foreseeable future.

I agree with the observation made during debate in the other body: Instead of negotiating a senseless agreement with a competitor who enjoys a huge trade surplus and has repeatedly engaged in unfair tariff practices, we should stand up and demand that the Japanese buy American F-16's off the assembly line. If they are unwilling to do this, let them attempt to build their own fighter plane without our highly advanced technical help!

As you know, I am a "Buy America" man. The past two decades of migration of technology and skills overseas has caused fierce competition for American firms in areas where they were previously dominant. We are dominant in aircraft construction. Let's stay that way.

International competition may be the blood of our free enterprise economy, but it may be the death of our national security. It makes absolutely no sense for the United States to save a potential competitor the billions of dollars necessary to conduct the research, development, testing and evaluation to get to the point of production.

Let's start thinking of ourselves first—and let's not give a handout to our competitors. Let us demand a level playing field. Let us act in a manner consistent with that of the leading nation in the world. That means we must not now or ever again permit ourselves to be mugged at the negotiating table.

Mr. Speaker, I must concur with my colleague, Congressman DORNAN—"sometimes no deal is better than any deal."

□ 1110

DEMOCRACY ON THE RISE

(Mr. DREIER of California asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. DREIER of California. Mr. Speaker, as this week comes to an end and we are in the midst of debating the dire supplemental appropriations bill, I have to say that one message is very clear throughout the world, from Buenos Aires to Panama City to Tiananmen Square in Beijing: Oppressed people want the opportunity to engage in the same kind of debate in which we are engaging here today.

Earlier this week in Argentina, the election of Carlos Menem saw for the first time in 61 years the election and transition from one civilian government to another in that country.

I would also like to praise the Organization of American States, the body which condemned Anastasio Somoza 10 years ago. Yesterday, while not openly stating it, they made the decision to very clearly condemn the actions of the Narco military forces of Manuel Noriega.

Today, for the second day in a row in China, we see taking place the largest outpouring in the history of the world—over a million people—demonstrating in behalf of democracy, which we have as a model in this country. I think this message is very clear.

Mr. Speaker, this week we have witnessed these three examples of people throughout the world struggling for freedom. They want to have a chance to enter into the same kind of debate in which we are engaging here today.

VETERANS' BENEFITS STILL AWAITING ACTION ON DIRE EMERGENCY SUPPLEMENTAL

(Mr. JAMES asked and was given permission to address the House for 1 minute.)

Mr. JAMES. Mr. Speaker, in my State of Florida there are nearly 1½ million veterans. There is no excuse for these benefits not to be voted today.

We all know the issue. Everyone in this Chamber, at least the vast majority, will vote for a supplemental on veterans' benefits, it is that simple. But the leadership has to get together and let us vote on it up and down.

Whatever we add to it, fine, but let us get it done before noon if we can so that the Senate can get to the issue.

I realize there is a problem because there are expenditures some Members want included for this year and last year, and we have the blackmail leverage, that is, for those who want to approach it that way. But the issue is, are we going to vote on it or not? The people will not forgive us if we do not; they will blame our leadership if we do not get it accomplished today.

Mr. Speaker, we are all responsible if we do not do what needs to be done.

FUNDS NEEDED IN THE SUPPLEMENTAL FOR BOTH VETERANS AND THE WAR AGAINST DRUGS

(Mr. AuCOIN asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. AuCOIN. Mr. Speaker, I agree with the statement made by the last speaker. I am convinced that the majority of the Members of this Congress or this House want to vote today on veterans' benefits, and let no one be confused over that fact.

There are those of us on this side of the aisle and some, I hope, on the other side of the aisle who also feel the obligation to vote for something else that the American people are looking for us to vote for, and that is adequate funds to prosecute the drug wars in this country.

I just want to say to the Members and to my colleagues and to those who may be listening that the only dispute here is whether or not the House will have the chance today before we leave to vote on two critical things for the United States: Veterans' benefits for those veterans who need them and adequate funding to prosecute the war on drugs. We want to vote for both of those things. As of now we are being denied the chance to vote for both of those things.

Mr. SOLOMON. Mr. Speaker, will the gentleman yield?

Mr. AuCOIN. I am not going to yield. I have only 1 minute to finish my statement.

I would just urge those who feel that veterans need these benefits, as I do, to permit a vote on those veterans' benefits and to permit a vote on funds for the drug wars.

Mr. SOLOMON. There is no dispute about that.

Mr. AuCOIN. There is no city in this country that is exempt from this fight. We want to make in order an amendment that allows these funds to go forward.

Mr. SOLOMON. Respectfully, will the gentleman yield now?

Mr. AuCOIN. Respectfully, I yield to the gentleman from New York.

Mr. SOLOMON. Respectfully, we want to do the same thing.

Mr. AuCOIN. Wonderful.

Mr. SOLOMON. We want to make those two amendments in order. There is no dispute about that.

Mr. AuCOIN. Mr. Speaker, I just want to make the record very clear, that those of us who are in support of an amendment to fund the war against drugs are not doing a thing to deny veterans' benefits. We want both of those things to happen. We want those amendments on the floor, and we want to do it today.

CLARIFYING THE CONTENT OF A RULE FOR CONSIDERING DIRE EMERGENCY SUPPLEMENTAL APPROPRIATIONS

(Mr. HANCOCK asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. HANCOCK. Mr. Speaker, I yield to the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I just wanted to make clear what the gentleman from New York was pointing out to the gentleman from Oregon a moment ago. There is no dispute about voting on the so-called drug amendments. The question is whether or not we can bring a rule to the floor that allows precisely those kinds of votes.

Our leadership on this side of the aisle has agreed to that. As I understand it, most of the leadership on the other side of the aisle, I would say to the gentleman from Oregon, has also agreed to a package that would bring to the floor a rule that would make in order consideration of a bill that would allow three amendments: One by the chairman of the Appropriations Committee, one by the gentleman from California [Mr. MILLER], and one by the gentleman from Iowa [Mr. SMITH]. We are all agreed to that.

The problem is that there are Members on the gentleman's side that refuse to go along with that kind of a package. We cannot move on the bill until we get an agreement from the leadership of the Appropriations Committee to bring that package to the floor. What we are suggesting is that we bring that package to the floor, let us have the votes the gentleman from Oregon talked about, and let us pass a bill to fund the veterans.

Mr. AuCOIN. Mr. Speaker, will the gentleman respectfully yield?

Mr. HANCOCK. I am glad to yield to the gentleman from Oregon.

Mr. AuCOIN. Mr. Speaker, I appreciate the gentleman's yielding.

I appreciate what the gentleman has said. He has clarified the situation. I just walked on the floor, and the gentleman has clarified it for me. I would just make the statement that I do not think the Members on our side of the aisle resist making in order these amendments. There may be a few Members on this side who are in high places in that category, but I am in league for once with my friend, the gentleman from Pennsylvania. I think these amendments ought to be debated. I do not think the gentleman is afraid of a vote on a transfer from Star Wars to drug wars. We want to give the gentleman that opportunity.

Mr. WALKER. Mr. Speaker, let me say to the gentleman that the situation is that we have to take the matter before the Rules Committee in order to do it, and the gentleman's side of the aisle is going to have to agree to it.

The SPEAKER pro tempore. (Mr. GORDON). The time of the gentleman from Missouri [Mr. HANCOCK] has expired.

EARNED INCOME TAX CREDIT SEEN AS A BETTER WAY TO ASSIST THE WORKING POOR

(Mr. PENNY asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. PENNY. Mr. Speaker, neither the Labor-backed 60-day training period for first-time job seekers nor the Bush administration's plan for a 180-day training wage for all new job seekers holds out any promise that training will actually take place. These proposals smack of good politics rather than good policymaking for the work force.

Furthermore, a subminimum wage will likely result in a paperwork burden that will outstrip its usefulness to employers. There is some evidence that the existing subminimum laws go unused by employers because of the reporting requirements. It is unfortunate that the debate over an increase in the minimum wage has evolved into an argument over the relative merits of $4.25 versus $4.55 or whether a 60-day training period is preferable to 180 days.

There is an obvious compromise, given the administration's concern over a higher wage rate and Labor's

concern with the subminimum wage. The subminimum or training wage should be dropped and a final wage rate of $4.25 over 3 years should be accepted. Once that is done, we should stop pretending that the minimum wage solves the problem of the working poor. Less than 20 percent of minimum wage earners are supporting a family, and neither $4.25 nor $4.55 will pull them out of poverty. Expanding the earned income tax credit and adjusting it by family size is an equitable way to assist wage earners in coping with the expenses that result from raising a family, and because the EITC is targeted to those most in need of a wage supplement, it is preferable to a large increase in the minimum wage.

Mr. Speaker, it would be tragic if in the final analysis no compromise was reached on the minimum wage issue, but it would be a greater tragedy if serious consideration is not soon given to the EITC as a better vehicle to improve family incomes for America's working poor.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. GORDON). The chair will begin to recognize Members for special orders without prejudice to the resumption of legislative business. The Chair would advise Members to anticipate recorded votes.

□ 1120

CONGRESS DOES NOT HAVE THE COURAGE OF ITS CONVICTIONS IN THE WAR ON DRUGS

The SPEAKER pro tempore (Mr. NEAL of North Carolina). Under a previous order of the House, the gentleman from California [Mr. MILLER] is recognized for 5 minutes.

Mr. MILLER of California. Mr. Speaker, hopefully in a short time we will be able to resolve the issue surrounding the emergency supplemental appropriations bill for 1989 expenditures for the remainder of this year. On that legislation we hope to be able to offer an amendment that will allow us to transfer for the next fiscal year enough money from the Star Wars program to fully fund the Drug Wars Program in this country, a program that we, as Members of the Congress, committed ourselves to prior to the last election when many Members of the Congress took this well to explain to their constituents and to the Nation their deep concern for the drug epidemic that was plaguing our cities, our children, our adults, our work places, almost every facet of American life. We have now come to the sad situation, and maybe to the crucial hour, when this Congress will have to make up its mind whether those speeches were just so campaign rhetoric or whether or not we are going to truly commit the resources and the forces of this Nation to law enforcement, to drug rehabilitation, to education in order to rid this country of the scourge of drugs, and to rid our work places, and to give back to our children their childhood.

Mr. Speaker, that is the issue that is going to be drawn. That is the issue that we must confront.

As chairman of the Select Committee on Children, Youth and Families, I have spent a considerable part of the last 6 years talking with young people, with police chiefs, with school counselors and principals, with gang members, about this war on drugs, and I think maybe the most salient piece of evidence comes from some young gang members that testified in our committee when, in the presence of police chiefs and law enforcement representatives from major cities, they told us how the people that were controlling the drug trade in their neighborhoods and in their cities, people for whom they worked in the distribution of drugs; they told us how these people were fully prepared to do anything that was necessary to carry on their right to sell drugs in this country. They told us that the people that were making a profit off of the drug wars were fully prepared to arm the young people, that they were fully prepared to spend whatever money it took to maintain their market shares in the American drug market.

In addition, Mr. Speaker, they told us that they knew that they would win the drug war because the government would run out of patience, that the politicians would just give their speeches, that the various chiefs of police would sweep the streets on one Saturday night, but not on the other Saturday night, that all of the mayors in this Nation had serious deficit problems, and, as a result of that, they were fully committed to the notion that they were going to win the drug war because they knew that this history would repeat itself: that every October before election this country would become deeply concerned about drugs, but every January we would cut the budget, that every Presidential candidate would say it was important and then request less money after they were elected.

In fact, Mr. Speaker, they viewed this system with such cynical, cynical notions that they believed, in fact, that they were at no risk of being arrested; they were in fact at no risk of going to jail because the money would not be authorized for jails. The money would not be authorized for arrests. The money would not be authorized for prisons. They are even aware that earlier this week the President asked for $1.2 billion for a war on crime, but he provided no way to spend that money, no way to pay for that program, and they are aware that most of that money will never get enacted.

So, Mr. Speaker, they will continue to plague our neighborhoods, to plague our children, to plague our work places because they are on the winning side on the war on drugs because this Congress does not have the courage of its convictions to appropriate the money necessary to prosecute the war on crime and to prosecute the war on drugs.

Now what does that mean? It does not mean an awful lot to the Members in this Chamber because most of us live in neighborhoods where people do not sell drugs. Most of our children go to school where they are relatively safe. Most of our children do not walk through neighborhood streets or pass neighborhood corners where sometimes 40 or 50 drug dealers congregate. Most of our children can go out and play after school.

But what it does mean to a significant number of people trapped in neighborhoods infested by drugs is that they are losing their liberties. They are losing their rights. They are losing the right in this Nation to live a peaceful and decent life because their children come home, and they are told they cannot go out and play because of drugs. The children at night are told not to sleep in their beds, but to sleep on the floor so they do not get shot by stray bullets. People who are trying to move their families into housing cannot because the drug lords have taken over the housing. Kids that want to play basketball cannot because there are no hoops. There is no grass on the fields.

Mr. Speaker, there are no alternatives, and we have got to understand what this means to this country. This means the erosion of basic liberties for people, and, if we believe that this can be contained to the housing projects of Chicago, if we believe that this can be contained to the housing projects just a few blocks from this Capitol in any direction, we are terribly wrong. We are terribly wrong because it will not be contained. It is going to spill over on every institution that we use.

I will remind my colleagues that every institution that has confronted drugs has lost the war. Our hospitals are losing the war to crack babies. Our nutrition programs are losing the war to crack babies. Our foster care system is losing the war to drug-addicted babies. Our educational system is losing the war to drug-addicted children, and, continuing up the ladder, we will continue to see every social institution in this country swamped as a result of drugs.

The question for this institution, Mr. Speaker, in the next few hours is whether or not we are going to say finally to the American people that we have the courage of our convictions to

fully fund the drug program that we promised them, that we told them would be on the streets. I am terribly afraid that perhaps the answer is that we will not do that, but it is our goal to give this Congress an opportunity to give them a choice with the AuCoin amendment to take one-third of 1 percent of the defense budget of this country, and for that one-third of 1 percent of the defense budget we will be able to double, to double the Federal efforts on the war on drugs. I think that is a tradeoff that this Congress and this country needs to make.

THE INFORMATION POLICY ACT OF 1989

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from West Virginia [Mr. WISE] is recognized for 5 minutes.

Mr. WISE. Mr. Speaker, earlier this week, I introduced H.R. 2381, the Information Policy Act of 1989. H.R. 2381 is a bill to reform the information dissemination policy functions of the Director of the Office of Management and Budget, and for other purposes. I have reserved this time in order to talk about some of the major information policy issues facing the Nation and to discuss what my legislation is intended to do.

The flow of information from the Federal Government to its citizens is essential to the successful functioning of the democratic process and to the proper operation of the economy. In fact, the Federal Government is the largest single producer, consumer, and disseminator of information in the United States.

There are many segments of American society that need government information in order to function. These include the Federal Government itself, every type of business and industry, libraries and schools, newspapers and television, State and local governments, and ordinary citizens.

Government data is used in many different ways. Voters may use almost any type of Federal information to help make political decisions. Federal, State and local agencies use Federal statistical and economic data to make management decisions. Corporations rely on census information to make strategic business decisions. People doing business with the Federal Government need information to know what products and services are being purchased. Everyone relies on information from the National Weather Service to know if it will rain tomorrow.

Federal information is also a valuable economic commodity. There is a large and growing private information industry that functions in part by taking public government data, adding value to it, and reselling it to others. There are thousands of information products and services that are based in whole or in part on government information.

Because government information is so important, the policies and practices that regulate the dissemination of government information are also important. Over the last few years, the Office of Information and Regulatory Affairs at the Office of Management and Budget has become the central information policymaker for the Federal Government.

At the end of 1985, OMB issued Circular A-130 on the management of Federal information resources. The most important part of the circular sets out policies that apply to the collection and dissemination of Federal agency information. A draft supplement to the circular was published for comment earlier this year.

Existing and proposed OMB information policies have been controversial. Some object that OMB takes an accountant's view of the value of Government information. They complain that OMB is too concerned about cost-effectiveness and cost recovery and that OMB has not put sufficient emphasis on meeting Government's general obligations to make information available to the public in a useful way.

Another complaint is that OMB policies are too heavily tilted toward the private sector. OMB wants to prevent agencies from offering an information product if the private sector might offer a similar product. Here too, the complaint is that OMB places too high a priority on the interests of the private information industry and too little weight on meeting the information needs of the public.

In January of this year, OMB proposed further policy guidance on information dissemination issues. This draft statement also became the center of controversy. Many people objected to the language that agencies should avoid disseminating any value-added electronic information products.

The draft OMB guidance included an example of the application of this principle using CD-ROM. CD-ROM stands for "compact disc—read only memory". This technology—which is very similar to the audio compact discs now used in place of phonograph records—has the ability to store and retrieve very large amounts of data on a small, inexpensive disc.

OMB suggested that agencies planning to release databases on CD-ROM's should not include on the discs the search and retrieval software necessary to access the database. According to OMB, this would be a prohibited value-added service.

CD-ROM may well be an excellent way of making information available in a useful electronic format. We may need to encourage wider use of CD-ROM by Federal agencies. But releasing massive amounts of data without adequate indexes and software tools that permit people to make effective use of the data is worthless. OMB's artificial restrictions on value-added services would mean that Government CD-ROM discs would have no value at all.

Whether or not you like the information policies that OMB has established, their importance is undeniable. OMB's policies have become the focus of debate on these issues. Ten years ago, the Freedom of Information Act was at the center of Federal dissemination policies. The FOIA still retains its importance today and will continue to be an essential tool in the future.

But the FOIA has been joined by other information distribution mechanisms. New technology is forcing us to reconsider how the Federal Government provides information to its citizens. The Federal Government needs to modernize our information policy laws.

OMB's policy guidance was issued under the authority of the Paperwork Reduction Act. But that act contains few specifics on dissemination issues. Congress has not provided any clear direction for OMB's policymaking efforts on information dissemination. That is the principal purpose of the bill that I have introduced.

The Information Policy Act of 1989 is intended to define and direct the information dissemination policy functions of the Director of the Office of Management and Budget. It is time for the Congress to take a more active role in shaping the policies that guide the availability of Government information.

The Information Policy Act is needed because changes in technology are making our information dissemination laws obsolete. Most of our statutes were written in an era when all information was on paper. Today, more information is kept in electronic formats, and this raises new problems that existing laws do not resolve.

I support the use of information technology to modernize the Government's information activities. But I want to be sure that the benefits of that technology will be fully shared with the public. I want to be sure that agencies will not use technology to exercise monopoly control over public information. I want to be sure that fees for electronic information will be reasonable. The Federal Government needs effective, efficient, and equitable information dissemination policies. That is the objective of my legislation. It will require OMB to recast and extend its information dissemination policy guidance.

Under H.R. 2381, OMB would be assigned specific information dissemination policy functions. Among other things, future OMB guidance would have to:

Recognize that the flow of information from the Federal Government to citizens is essential to the proper operation of the United States as a democratic society;

Require that electronic databases maintained by agencies be available to the public in useful electronic formats with adequate software, indexes and other tools;

Prohibit the maintenance of monopoly control over public information;

Supplement and not replace the information disclosure requirements of the Freedom of Information Act;

Require agencies to use marginal cost pricing and to provide for fee waivers for public interest disclosures; and

Require agencies to make public information products, including products in electronic formats, available to depository libraries.

In addition, through my legislation, OMB will be required to develop oversight and enforcement procedures; provide for the development and maintenance of an index of public databases maintained by Federal agencies; and establish an advisory committee on information policy issues.

Another provision requires the preparation of uniform technical standards for Government produced CD-ROM discs. CD-ROM clearly has a lot of potential for making data widely available at low cost. We may need to encourage—but not direct—the use of CD-ROM by Federal agencies. If the Government can develop uniform procedures for indexing, data formatting, and search software, then Government CD-ROM discs will be easier for everyone to use. Standards for other electronic information technologies are also authorized by the bill.

Finally, the bill makes a number of miscellaneous changes to other records laws. Among other things, these changes would increase oversight of Privacy Act systems of records notices and give the Archivist of the United States authority to determine what constitutes records under the Federal Records Act.

The general idea behind the Information Policy Act is to establish basic principles in statute. Once we have accomplished this, I want to let OMB and the agencies apply these principles to make real decisions about existing and future information systems. I don't want the Congress to micromanage all of the Government's information activities, and I don't want OMB to control all of the information in Government. Nevertheless, every agency must operate under uniform and consistent rules and procedures.

Another pitfall that I hope to avoid is the prescription of any specific technology in statute. It is apparent that information policy is being driven today by technological developments. But in shaping new policies, we need technology-neutral principles that can be equally applied to floppy disks, magnetic tapes, CD-ROM, or whatever else the computer industry develops. I want to encourage the use of any information technology that will make Government data more valuable. At the same time, I don't want a statute directing the use of a specific technology.

Mr. Speaker, later this year, the Committee on Government Operations will consider legislation to reauthorize the Paperwork Reduction Act. That legislation will address many concerns about the role of the Office of Management and Budget in general and the Office of Information and Regulatory Affairs in particular. I look forward to working together with Government Operations Committee Chairman JOHN CONYERS on the reauthorization legislation.

The Information Policy Act addresses only a fraction of the issues that will be raised during the reauthorization process. But the information policy problems that we face are complex and difficult, and it is not too early to begin thinking about them. I hope that my bill will provide a good starting point for the debate.

□ 1130

THE 41ST ANNIVERSARY OF THE STATE OF ISRAEL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. ANNUNZIO] is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, I take great pleasure in saluting the people of the State of Israel on the occasion of the 41st anniversary of the founding of their nation. It was at midnight, May 14–15, 1948, the fifth and sixth days of Iyar 5708, under the Jewish calendar, that the British mandate of Palestine came to an end, and the State of Israel was created.

From the destruction of the Second Temple in 70 A.D. and their final heroic stand against the Romans at Massada in 73 A.D., until they declared their independence on May 14, 1948, the Jewish people were without a homeland, and in the Diaspora—dispersed throughout the world but without the loss of their identity.

The creation of the State of Israel was the culmination of centuries of struggle by the Jewish people to obtain political and religious freedom. Seen in its historic context, the establishment and growth of Israel is a momentous turning point in the 2,000-year-old quest by the Jewish people to achieve self-determination and religious freedom. The struggle has not been an easy one. Yet founded in difficult circumstances by a people who had suffered some of the most severe forms of persecution in the history of mankind, the Jewish people transformed the State of Israel into a modern agricultural and technological state.

Israel has always chosen a course of pursuing peace, even in the face of hostile neighbors who have been intent on destroying this tiny nation from the moment of its creation. The fruit of Israel's persistence and determination to achieve this goal was the signing of the Camp David accords agreed to by Egypt and Israel. Today, Israel remains committed to seeking a lasting peace in a hostile environment dedicated to the destruction of this country.

Mr. Speaker, on the 41st anniversary of the founding of the State of Israel, I am glad to join with the citizens of the State of Israel, and their friends in the 11th Congressional District of Illinois which I am honored to represent, and throughout the world, who are celebrating this occasion. I also join them in their hopes and prayers that this year will bring us a step closer to the elusive peace which the State of Israel has always remained committed to achieve.

NATIONAL LAW ENFORCEMENT TRAINING WEEK

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin [Mr. ASPIN] is recognized for 5 minutes.

Mr. ASPIN. Mr. Speaker, I rise today to introduce a joint resolution to designate January 7, 1990, through January 13, 1990, as "National Law Enforcement Training Week."

Law enforcement training, which serves as our law enforcement professionals' weapon against crime, is critical to the immediate and long-term safety and well-being of this Nation. As you know, law enforcement professionals provide service and protection to our Nation, so that our citizens may live free from fear. Each day, 500,000 law enforcement officers put their lives on the line as they go about their duties. Their jobs are dangerous ones. In the past 10 years, 1,525 police officers have been killed, 204,584 have been injured and 590,822 have been assaulted. In fact, every 57 hours, another American law enforcement officer is killed in the line of duty. Law enforcement training is the tool which enables these professionals to protect the Nation and themselves from harm.

With the crime and drug war raging, our law enforcement professionals need our support now more than ever. That is why I am sponsoring legislation to recognize the importance of law enforcement training. Law enforcement training is a critical element in keeping our law enforcement officers safe and effective. This legislation will not only honor current law enforcement training professionals, but it will also highlight the importance of this profession as a potential career path for the youth of our Nation. I hope you will join me in sponsoring this legislation.

H.J. RES. 273

Whereas law enforcement training and sciences related to law enforcement are critical to the immediate and long-term safety and well-being of this Nation because law enforcement professionals provide service and protection to citizens in all sectors of society;

Whereas law enforcement training is a critical component of national effort to protect the citizens of this Nation from violent crime, to combat the malignancy of illicit drugs, and to apprehend criminals who commit personal, property, and business crimes;

Whereas law enforcement training serves the hard working and law abiding citizens of this Nation;

Whereas it is essential that the citizens of this Nation be able to enjoy an inherent right of freedom from fear and learn of the significant contributions that law enforcement trainers have made to assure such right;

Whereas it is vital to build and maintain a highly trained and motivated law enforcement work force that is educated and trained in the skills of law enforcement and sciences related to law enforcement in order to take advantage of the opportunities that law enforcement provides;

Whereas it is in the national interest to stimulate and encourage the youth of this Nation to understand the significance of law enforcement training to the law enforcement profession and to the safety and security of all citizens;

Whereas it is in the national interest to encourage the youth of this Nation to appreciate the intellectual fascination of law enforcement training; and

Whereas it is in the national interest to make the youth of this Nation aware of career options available in law enforcement and disciplines related to law enforcement: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That January 7, 1990, through January 13, 1990, is designated as "National Law Enforcement Training Week", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate exhibits, ceremonies, and activities, including programs designed to heighten the awareness of all citizens, particularly the youth of this Nation, of the importance of law enforcement training and related disciplines.

DRUG-FREE WORKPLACE SHOULD APPLY TO CONGRESS

The SPEAKER pro tempore (Mr. NEAL of North Carolina). Under a previous order of the House, the gentleman from Pennsylvania [Mr. WALKER] is recognized for 60 minutes.

Mr. WALKER. Mr. Speaker, we have had quite a discussion on the floor today about the needs of our veterans and whether or not we ought to pass the supplemental appropriation, the dire emergency supplemental appropriation, to assure that veterans' care continues at high quality levels, and then a discussion primarily coming from the other side as to whether or not we ought to use that veterans bill as a vehicle to deal with the drug crisis in this country.

I have a little bit of familiarity with the whole drug issue. I have brought several amendments in the past to the floor, trying to get additional money for fighting drugs. In the last Congress, I came out here with a concept known as the drug-free workplace, which proved somewhat controversial on the floor, but ultimately was adopted by the Congress.

Now, the reason I find some of the discussion interesting, primarily coming from our colleagues on the Democratic side of the aisle today about the drug situation, relates to that drug-free workplace, because interestingly enough, in the course of our deliberations in the last Congress we passed a provision in an appropriations bill which covered Congress under the drug-free workplace. What we said was that Congress had to develop a policy for a drug-free workplace. In other words, under law, we are now obligated to do something about creating a drug-free workplace in the Congress.

Now, the rest of the country has also had to comply with that provision. Many companies across the country have had to put in place policies, they put in programs such as testing programs. They have done a lot of things over the last several months to bring themselves into compliance with the drug-free workplace provisions passed by this Congress just a year ago.

One institution in the country is noticeably lacking in its dedication to do something about the drug-free workplace. Guess which institution?

The U.S. House of Representatives has yet to obey the law. We have yet to put in place drug-free workplace provisions.

Now, I have to tell you from the minority side of the aisle, we do not have any power to do that. It is the majority side of the aisle that has to put in place these rules, these regulations, these standards out of the House Administration Committee. In other words, if there is really a willingness to fight drugs in this body, you would think that one of the first things we would do is obey the law ourselves; but the fact is that we have consciously at this point determined that we are not going to comply with the law. We are not going to go ahead and put in place the drug-free workplace regulations that we are required to do and which we require of all the country.

Now, many in the country might regard that as hypocrisy. "You force us to do it, but you won't do it yourself."

What we often say in those kinds of cases where we are unwilling to comply with the laws we pass for other people, "Well, there is no specific requirement for Congress to do it. We exempted Congress when we passed the law."

I have got to tell you, in this particular instance we did not exempt the Congress. Congress is specifically included under the general government provisions of the appropriation bill passed last year.

This House specifically voted, almost 2 to 1, to cover ourselves under the drug-free workplace amendments. We are not doing it. There is no action by the House Administration Committee thus far. There is no action by the Rules Committee. There is no action by anyone to cover this body under the drug-free workplace.

Now, to all my colleagues who have come to the floor and argued today that we have got to do something about fighting drugs, let me say to each of them, let us put our own House in order. I am prepared to live in this body with drug-free workplace amendments. I am ready to have regulations apply to all of us that help us get out from underneath the scourge of the drug culture.

□ 1140

What I hear from the other side of the aisle is they are willing to throw big dollars into programs where there is questionable need for the dollars at the present time, and at the same time are unwilling to have it apply to them in their own offices, apply to them in their own committees, apply to them in their own work on this Hill. I would suggest that the American people are going to look at that and really raise major questions.

That is the reason why some of us have to believe that what we are doing is playing politics with the veterans and playing politics with the drug issue in what has been happening out here over the last couple of days and particularly over the last couple of hours.

I want to make it very clear we are prepared on our side of the aisle to move a bill today that deals with the veterans' problem. We are prepared on our side of the aisle to allow the votes which are necessary, because people on the other side of the aisle want to vote on this issue, to give them the chance to vote on several drug amendments. We are prepared to do that. We would hope those amendments would fail, not because we are against fighting the war on drugs but because it just does not add up.

For example, the one place where the people on the other side want to put money in is into the Bureau of Prisons. Many of us think that we ought to put some money into the Bureau of Prisons, too, to lock up a bunch of drug dealers, the drug pushers and drug users across this country, but the fact is, though, that 92 percent of the funding for the Bureau of Prisons which is necessary for this kind of construction is already available in an unobligated balance. The money is not needed between now and October 1. We may need to upgrade those fundings next year, but it is not needed at this moment. Another place the drug amendments are going to put money in is into the State and local governments. The majority of the State grants that are already in place have not been obligated, and so the majority of the money is still available in that particular category.

We have to assume that what is happening here on the floor right now is playing politics with an issue that is a very serious concern to most of the American people, and I have to tell everyone that many of us are concerned about the idea that we have reduced the drug war to playing politics, particularly when we are unwilling in this body to fight the drug war ourselves by complying with the laws that apply to us on drugs.

Mr. Speaker, I would be far more willing to accept the arguments of my colleagues on the other side that they want to get serious about the drug war if we were complying with the law that covers us to get drugs out of the Congress, and I realize that we have had arguments in the past that suggest, "Well, we do not have a problem here," but we know that that is just not true. We know of people who have been arrested on Capitol Hill around our work sites, employees of the House who have been found using drugs within the last few months. We have a problem here. To suggest that there is no problem and that we do not have any obligation to obey the law is just wrong.

I would hope that within the next few hours, certainly within the next few days, that all of those who have come to the floor today suggesting that they are committed to doing something tough on drugs, committed to taking those actions which are necessary to fight the drug war, will also get in touch with the Committee on Rules and with the Committee on House Administration and a lot of other places and ask them to cover us, ask them to put the drug-free-workplace language into place which we are supposed to have based upon the law passed last year.

Let me turn, though, for a moment to the other side of the equation, the question of whether or not this dire supplemental for the veterans is really needed. Some have contended within the last couple of days in the House that the administration is just raising a phony issue, that we do not really need the money right now, that we can delay implementation of the money for a few days, that no one is getting hurt, that the Veterans' Administration is managing, that somehow the veterans are not suffering despite the present shortfall in funding. After hearing some of those statements made on this floor, some of us contacted the Secretary of Veterans' Affairs, Mr. Derwinski. Mr. Derwinski has quite a different story to tell. Mr. Derwinski said in a letter which was delivered to the Hill today that it is important that the House act on this immediately. He also said flatly that delayed action will force us to take measures to cut back on the level of medical care provided.

Mr. Speaker, that does not sound to me like someone who is suggesting that we have days, maybe even weeks, to wait. It sounds to me like a Secretary who feels strongly that he has to have the money now in order to move forward the programs that are vital to our veterans, and we know the situation that the Secretary finds himself in. We have documentation of the problem.

Most of my colleagues must not be aware that 2,632 beds have been closed since last July due to a lack of funds. That is 2,632 beds otherwise occupied by veterans in need of medical care that have been closed within the last year as a result of the lack of funds.

I heard somebody come out here a little bit ago and try to make this a partisan issue, that somehow the administration was at fault for that problem. The administration does not spend one dime that Congress does not appropriate. The appropriations levels that we came up with last year are the cause of this lack of funds. We have now come to the realization, both in the administration and hopefully here in the Congress, that there is a shortfall in those moneys, and so, therefore, something needs to be done.

When it comes to actually getting the action here, we get people who want to load up the bill with all kinds of porkbarrel items, not just on drugs, but there are all kinds of items in there. Japanese reparations is in the bill. We have all kinds of things down in there that we have decided to put in the bill and thereby delay the ability of the veterans to get the badly needed money to fund the hospitals that provide them with care.

It is not just that we have lost 2,632 beds; 133 facilities across this country have reported a shortfall of over $300 million in what they need for equipment, maintenance and supplies. In other words, we have 133 facilities across the country, veterans' facilities, who cannot keep the opeation going. They have a shortfall in the very things that they need to keep the operation going. That is a real crisis. The Secretary of Veterans' Affairs understands that that is a real crisis, and he has requested us to do something.

Fifty percent of all of the facilities are reporting elective-surgery delays and virtually every one of them reported a reduction in pharmacy services. What does that mean? It means, for the veteran, that if he has to have elective surgery done, the chances are that the hospital that he goes to cannot provide that elective surgery for him at the present time. That is a terrible situation. Or if he has a pharmaceutical need, if he is taking a drug, even things like insulin, if he goes to the hospital, every one of the hosptials is more than likely right now to deny him the drugs that he needs. That is a totally unacceptable situation that we continue to exacerbate here by not passing the needed money.

One hundred thirteen facilities across the country have reported using funds allocated for contract nursing home care to offset budgetary shortfalls in other areas. What does that mean? It means that the veteran who needs to be put into a nursing home, that that money will not be available to allow him to go into that nursing home, because it is being put into other kinds of obligations that are of higher priority and higher emergency at the moment. Again, that is totally unacceptable to the families of those veterans who need to have the nursing home coverage and care available to them.

Seventy-two facilities across the country have reported delays in providing clinical appointments to all patients including service-connected veterans. We regularly in this body make it quite clear that regardless of what else we may do on veterans that we are always going to take care of those who have service-connected injuries. These are people who were specifically hurt in the performance of their duties while serving in the armed services, and that we were always going to make certain that they had the highest level of care available to them, and now, as a result of the inaction in this House, we now have them not receiving the clinical appointments that they need to deal with their service-connected injuries.

□ 1150

That is not the fault of someone downtown. That is not the fault of the hospital in the field. That is not the fault of the clinic. The fault rests right here in this House; it does not rest across the way in the Senate. It rests right here because all appropriation bills have to start here.

So for those Members who for some personal reason are holding up action on the veterans' appropriation, they are in fact causing service-connected veterans not to receive the appointments they need to deal with their clinical needs. That is wrong, and we have to do something to change the situation as of today. It cannot wait until next week, it cannot wait until after Memorial Day, it has to be done today.

This figure is a little shocking: 85 percent of all of the facilities across the country, veterans' facilities, indicated that inpatient and outpatient reductions are imminent due to the budget constraints. That is the reason why Secretary Derwinski is telling us we have to act today, because he understands that 85 percent of all his facilities are going to reduce inpatient and outpatient care almost immediately if we do not get the action taken today.

Those statistics alone should be enough to drive anyone who really does care about veterans toward doing something today. But to come out here and make political arguments that are designed to line up votes for the next campaign year at the expense of our veterans, I think, is very questionable. I think it is exactly the kind of action that the American people are finding more and more disturbing about the Congress, that the Congress has specific things to do, needs that have to be met, and yet we are seemingly incapable of doing those without loading up bills with pork barrel subjects without doing things, which the American public perceives as being absolutely wrong. It is exactly the situation we are in today.

We are in a situation where a few would place politics above policy. Some of us think that in this case the policy is very, very important. It is a policy of support for the veterans of this country that needs to move forward now, not later. It has to be done clean, not later. It has to be done clean, not dirty, and it is time to do it today.

Mr. SOLOMON. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I am glad to yield to the gentleman from New York.

Mr. SOLOMON. Mr. Speaker, I really appreciate the gentleman bringing this to the attention of this body because it is a question of politics today, and whether it is intentional or unintentional, it is seriously hurting the veterans' hospitals in this Nation today.

We just passed a budget on this floor yesterday for the coming year, 1990. In that coming year 1990 budget that we passed we picked up a shortfall of approximately $600 million that is existing in all of these veterans' hospitals out there today, 172 of them, plus 220 outpatient clinics. That means that throughout every single hospital in this country there is a shortfall of about $4 million per hospital.

I ask the gentleman to think of a hospital in his home district, whether it is Albany, NY, whether it is Pittsburgh, PA, or San Diego, CA.

Mr. WALKER. Lebanon, PA.

Mr. SOLOMON. Lebanon, PA. The sum of $4 million is a lot of money.

Let me tell my colleague what is happening today because of that shortfall. We picked up the difference in the 1990 budget coming, but here we are not even dealing with it for this present year.

I just got a call from someone up in Saratoga County in New York whose husband was turned away from a veterans' hospital because he could not get insulin. The gentleman from Pennsylvania mentioned that earlier in his statement.

I just got a call from a hospital director saying that they have lost doctors and nurses, and because of attrition and no money to pay them, they cannot replace them. Does my colleague know the difference between a nurse's salary for a veterans' hospital and that in the private sector? It is about $6,000. We have good, patriotic young men and women serving as nurses in our hospitals who are working for $5,000 and $6,000 less than they could make by going across the street and going to work for a private or even a public hospital.

When some of them do leave, there is no money to replace them. We have young nurses graduating from college today, from nursing schools who they would like to bring into the veterans' hospitals. They cannot hire them because there is no money there, because this Congress refuses to take action.

We have a $600 million shortfall. That means in Connecticut $600 million and all of those veterans' hosptials in Hartford, CT, are affected the same way. If we do not act today before the Senate walks out, which they are about to do, there will be no supplemental budget for at least 30 days.

In 30 days we are going to have veterans and their families hurt because of nonunderstanding by Congress here today.

I would just like to ask the gentleman from Pennsylvania what is his understanding of the holdup, what is it right now, today? As I understand it, there are 433 Members of Congress in this House in agreement with how we would operate, how we would bring that supplemental to the floor today, and there are two in disagreement. If that is the case, why can we not bring the supplemental onto the floor?

Mr. WALKER. I guess part of our problem is that the two who are in disagreement happen to be very powerful Members of this Congress, and they are Members who have to be forced to sign off on things, I guess, or have to be convinced to sign off on things before it happens. I personally think that is a shame.

I think the gentleman from New York is right, the vast majority of Members, and I do not know whether it is 433 or 400, but anyway the vast majority of Members are willing to have a scenario where we would get the votes that some on the other side of the aisle think they need, and where it may be a tough vote from some Members, but nevertheless they would cast the tough votes in order to get the veterans' thing done, and we are perfectly willing to go through that scenario. There are a handful of Members around here who are keeping us from doing that. That is the problem.

Mr. SOLOMON. If the gentleman from Pennsylvania will yield, I have a great deal of respect for those two Members of Congress on that side of the aisle. They both are outstanding Members. But there is something wrong, that somehow, someone just does not understand the gravity of this situation. It is a serious situation. It is a serious situation.

The Rules Committee could right now meet, and there is a quorum of all Rules Committee members, of which I am one, right now present in this Capitol. We could go upstairs to the Rules Committee, we could meet under the same agreement that all 433 Members have agreed to. That means we could report a clean supplemental with the dire needs that President Bush asked for. We would give the two Members on that side of the aisle their amendments that they want, and we would vote them up or down. They would get their day in court, and we could go home, and the veterans would be taken care of. But let us pass it.

Mr. WALKER. In fact, I am told that our side is willing to allow three amendments, to allow the chairman of the Appropriations Committee to have an amendment also. And even though my colleague from Pennsylvania [Mr. GEKAS], who has just joined us on the floor, has a very important amendment that he would like to have included in all of this that deals with section 89, all of us would like to vote on that issue too, but we are willing at this point in the spirit of compromise to say okay, give them their amendments, give them what they need, but let us get the bill out here, and let us act on behalf of the veterans, and we will try to come back to some of the things we regard as important another day. I wish we could get that kind of cooperation from a handful of Members on the other side, and that they would be willing to do it. Let me say I know of no one on our side of the aisle who is not willing to move ahead.

Mr. YOUNG of Florida. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I will yield to the gentleman from Pennsylvania [Mr. GEKAS] in a moment, but first I yield to the gentleman from Florida [Mr. YOUNG], who has been here for sometime.

Mr. YOUNG of Florida. Mr. Speaker, I thank the gentleman from Pennsylvania for yielding.

I would like to inform the gentleman and our colleagues that yesterday the Florida Members of Congress met with General Peck, who is the new Director of Veterans' Affairs for the State of Florida, and he discussed at length veterans' needs in Florida.

Having the privilege of representing the Eighth District of Florida, which is most of Pinellas County, we found we have more veterans' facilities in that congressional district than all of the other congressional districts. We also found that we have more veterans than most of the other congressional

districts. Given the large number of veterans and veterans facilities in my district, I know first hand how very serious the current funding shortfall for veterans is.

I do not want to see any layoffs at the Bay Pines Hospital. I do not want to see medical care services reduced in any way at Bay Pines, which is in my district. I do not want to see any layoffs of the staff, and I do not want to see any of the veterans living in my district, or in Florida, or anywhere else in the United States denied medical care or benefits that they have had committed to them by this Congress year after year after year.

□ 1200

And frankly I join with the gentleman from Pennsylvania and our other colleagues in being considerably frustrated as to why we cannot get this supplemental appropriations bill on the floor today and get it passed while the Congress is in session to prevent layoffs at our veterans facilities and the denial of medical care or attention to veterans who need it badly.

I thank the gentleman for yielding.

Mr. WALKER. Mr. Speaker, I thank the gentleman for his comments and would request that he respond to a question.

The distinguished gentleman from Florida serves on the Committee on Appropriations. Would it be his guess that most of the members of the Committee on Appropriations would join with him in that sentiment, that we are dealing with only a handful of people, not even a majority of the members of that committee?

Mr. YOUNG of Florida. I would say to the gentleman the vast majority, of the members on both sides of the Committee on Appropriations also would like to settle this matter in a timely fashion and that means today.

Mr. WALKER. I thank the gentleman very much and thank him for his statement. It is right on target.

I yield to the gentleman from Pennsylvania [Mr. GEKAS].

Mr. GEKAS. I thank the gentleman for yielding.

I say to my fellow Pennsylvanian I would reiterate some of the comments made by the gentleman with regard to section 89.

I am willing to appear before the Committee on Rules—and I have some growing support on that—to try to include in this supplemental budget fiasco that we have now with a bit of sanity with respect to another part of the budget problem that we have, and that is section 89 and what it does across the board nationwide.

I have consulted with the gentleman from New York [Mr. SOLOMON] who is on the Committee on Rules, and he is, too, willing to help me carry the water on this important issue.

We both believe—and I speak for the gentleman and of course he can speak for himself—that we believe that even if we adopt this in the Rules Committee, the long shot that it might be, it would do no violence to what we consider the clean bill that we are after in order to help the veterans. Why? Because the bill to eliminate section 89, to repeal section 89, has nothing to do with the fiscal realities of the supplemental budget. It does not add or detract one dollar from that piece of legislation.

When we talk about clean bill, and I would ask the gentleman to concur if he does, we are talking about a clean money bill having to do with the veterans and leaving all the other money considerations out of the bill that would not be agreed to by the administration.

Mr. WALKER. I yield to the gentleman from New York.

Mr. SOLOMON. I thank the gentleman for yielding.

Let me just say that if you were to appear before the Committee on Rules we are going to do everything we can to make that amendment in order. There is nothing I feel stronger about than the repeal of section 89 to help the small businesses across this country. Seventy-five percent of all the new jobs in America are created by small businesses and they need that repeal of section 89.

But let me say to the gentleman, as strong as I feel about that issue, I feel stronger at this time because of the dire need for the veterans of this Nation. And if it were a question of clouding that issue, then I am sure, and I am glad to hear the gentleman say that he would withhold and fight that in court at another time, in order to get this on the floor. I think that every Member of Congress should treat this as a real dire need for the veterans of this Nation.

I appreciate the attitude of the gentleman.

Mr. WALKER. I yield to the gentleman from Pennsylvania.

Mr. GEKAS. I thank the gentleman for yielding.

Just to reinforce that point, I aim to strive mightily before the Committee on Rules, if that opportunity be given, to advance the repeal of section 89; there is no question about that.

However, and I know I am going to gain the support of my colleagues for determining that section 89's repeal has nothing to do with whether or not this bill is clean or not. I think that is an important point. I think it remains clean even if we add the repeal of section 89.

But as the gentleman from New York [Mr. SOLOMON] says, I want the veterans considered as the primary target of our activity here, and failing that, or if we can add to it some consideration for the repeal of section 89, I am willing to do it. But I will not insist on being heard on this issue—no, I will insist on being heard, but I will not carry it to its fullest conclusion if I feel that our veterans are going to be threatened by it.

Mr. WALKER. I wish we could get the number of our colleagues to be as rational in their approach to this issue as the gentleman from Pennsylvania is. I know that he feels strongly about section 89. I feel strongly about it. I would love to vote on the gentleman's amendment.

I think it is an entirely appropriate vote for the Congress to have. I think we have delayed having that vote for too long. This is certainly a time to do that. But I think the gentleman is in the spirit of what had to be done here.

There are high priorities of all kinds this Congress should be addressing. The highest priority at the moment is to move the money that is direly needed by our veterans then we will deal with some of the issues as they come up, and we will try to force a vote on some of these things.

You know, on these days when Congress goes home and does nothing we could be taking up section 89, for example. Our legislative schedule around here so far has certainly not been heavy lifting. We could certainly deal with some of these national priorities, including drugs. If we want to come up with additional money for drugs, I think a lot of us would be perfectly willing to talk about that as another issue here on the floor.

I think some of us would like, for instance, as part of another drug bill to look at some questions of whether or not we ought not to deal with the death penalty and a few things like that.

The gentleman from Pennsylvania was instrumental last year in getting an increase in the activities of using the death penalty against drug dealers and so on.

We might want to expand that authority some here on the House floor if we could get that kind of debate.

But the fact is nobody wants to debate these issues for real; they want to debate them in a way that it makes good politics and little else. I think that is terribly wrong when you are doing it on the back of the veterans.

Mr. Speaker, I yield to the gentleman from Missouri.

Mr. EMERSON. I thank the gentleman for yielding.

Mr. Speaker, I want to join in the statement that is being made by both the distinguished gentlemen from Pennsylvania and the gentleman from New York [Mr. SOLOMON] in frankly exposing the parliamentary situation which exists here and which delineates the reasons for which these vital provisions for veterans are being held hostage. Heavy is going to be the re-

sponsibility of those who cut the veterans off at this very critical passage. The Senate—the other body, I should say, is not going to be in session next week. We may be talking about a 10-day to 2-week delay here if we do not act today.

There is going to be some explaining that needs to be done.

I have in my congressional district the General John J. Pershing Veterans Medical Facility. I represent a very, very far-flung rural district in southeast and south central Missouri. Veterans come from far and wide, particularly service-connected veterans, for assistance.

These veterans come for assistance often without appointments. They are going to be starting to be told that medicines and other services are not available to them, and that is going to be a real tragedy.

So I commend the gentleman for the service that he is rendering by laying this out.

As I indicated, some heavy explaining is going to have to be done, and I am glad that the record is being made here so that the veterans themselves will know where the responsibility lies for this interference with the services to which they are entitled and to which we as a Nation have every obligation to give them.

Mr. WALKER. I thank the gentleman. I think the gentleman would have joined me in being stunned to hear things like what the gentleman from New York was reporting to us, that there are veterans in his district who are not getting insulin.

I have a brother who is a diabetic. I understand that in a very personal sense if you cannot get your insulin, that is a personal emergency, that is a dire personal emergency.

Now what is happening across this country is that that is not just in the gentleman from New York's district, that is in other places across the country that there are some veterans being denied the drugs that they need, including things like insulin, because this Congress refuses to act.

You know, some may tell us that that is not a dire emergency.

I got to tell you for the veteran who is turned away for his insulin, that was a dire emergency; for the other veterans across the country who are being turned away, that is a dire emergency; for the veteran who cannot find the bed he needs when he has a medical emergency, that is a dire emergency.

You know, all of those things are happening out there as we stand here and talk, and yet we cannot seem to get a handful of people to give up their own personal agendas for the good of the country and for the good of the veterans of the country.

Again I say this is exactly the kind of performance that the American people are getting more and more turned off by when they look at the Congress. I mean I hear any number of our colleagues day after day say, "How come we don't get any respect? How come everybody is beating up on us? The news magazines, they beat up on us, the radio talk show hosts beat up on us, everybody beats up on Congress because we are doing our job."

Well, the fact is they are beating up on us because we are not doing our job. Our job today right here is to pass a supplemental appropriation that deals with the veterans emergency. Evidently, we are having trouble doing that. That earns us the contempt of many in the public who look at this operation and find it wanting.

I would suggest that if we are going to ever win respect from people, we have to clean up our own act. We have to make certain that when we are talking drugs we are willing to, like the kids say, walk like we talk; that it is not just something where we come and talk about a drug war and then do not walk it on the House floor by implementing drug-free work places for this body; that when we talk about doing the Nation's business that we really mean that, that when crises arise and so on we are capable of responding to the crises.

That is how you gain respect. You do not get much respect from people who see you failing to walk like you talk and failing to respond when crises arise.

□ 1210

That is precisely the position that this House is in today.

Mr. SOLOMON. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from New York.

Mr. SOLOMON. Well, to our colleagues out there listening in their offices, I think the Members should think about this. The Office of Management and Budget, under all administrations, Democrat and Republican, are always hesitant to put money into a supplemental budget. In other words, they are stingy. They are tight with a buck. But this administration, this OMB has put their stamp of approval on this dire supplemental which is very, very large. One of the reasons they did that, thank goodness, is because this Congress had the infinite wisdom last year to create a Department of Veterans' Affairs and a Secretary of Veterans' Affairs who now has Cabinet status and now sits beside the President. That new Secretary of Veterans' Affairs, and Ed Derwinski, a former colleague of this House and a very able Member of this House, did get the President here to convince OMB and the rest of the admistration that this is a dire need. That is why it is before us today.

I just cannot tell Members again, in other words, how important it is. Every time employers have to lay off five nurses in a hospital, an entire ward is shut down. That means 50 beds go empty. That means 50 veterans are turned away. If there is a situation where people are sick, that is the reason we have the veterans' hospitals. If we did not need them, we should have shut them down.

The truth is, today, we depend on an all-voluntary army, all-voluntary military in this country. We do not have a draft, whether that is right or wrong, but one of the great reasons for people to enlist today is because of the veterans' benefits that they will be entitled to after giving 5 years of their life, after giving 10 years or 20 years of their life. It is an earned benefit.

Now to say that that veterans who may not carry the proper kind of health insurance he knows he is entitled to be taken care of for his medical needs in the veterans' hospitals, he does not have that care and now he is on Social Security, he is 68 years old, he served 5 years in the United States Army during the Second World War, he has no medical coverage whatsoever, and he is turned away and told to drive home 85 miles from that hospital. That is wrong, gentlemen, and I would tell those Members who are negotiating in that back room over there right now, come to an agreement, come out here on this floor and let Members act on the supplemental. Members need to do it for the people of this country.

Mr. WALKER. Let me say to the gentleman, there are a number of people in groups who absolutely agree with what the gentleman has said. For example, within the last day or two, the Veterans of Foreign Wars have come to this Congress saying, "We need to act immediately on this supplemental legislation as it applies to veterans."

The American Legion telegraphed, telegraphed the Congress and said, "You have got to act immediately." It says, "The American Legion strongly supports immediate action on a clean supplemental appropriations bill for fiscal 1989." The Paralyzed Veterans of American have made the same kind of request for this Congress. They want Members to act and they want Members to act now. They do not want this delayed by Congress playing politics.

There might be another subject to deal with, since it was dealt with emotionally by one of my colleagues a few minutes ago about whether or not in order to get the drug money into all of this that we ought to cut the Strategic Defense Initiative. Let Members understand that the particular thing that the gentleman is talking about doing, whether a Member is for or against Strategic Defense, raises a couple of fairly troubling questions.

For example, the amount of unobligated balances in the SDI program for the rest of fiscal year 1989 is $400 million. The gentleman who brings the bill to the floor wants to obligate a billion dollars. By the end of May, that $400 million will be $200 million. That means, somewhere, we are $800 million short in his amendment. What does that mean? Well, it means if Members are going to take it all out of SDI, what will have to be done is deobligate funds already under contract. In other words, take contracts that have presently been let and pull those contracts back. We have to pay the liabilities on those contracts. We have to do all the things that are necessary to deobligate. What would that mean? Well, across the country it means that 19,000 contractors' personnel would be laid off. In addition, we would get termination liability costs, and there would be significant program disruptions for many of the 1,200 SDI contracts which include about 250 small businessess and universities.

Now, before we get all enthusiastic about star wars versus drug wars and all of that, let us think about the impact across the country. Are we willing to have 250 small businesses and universities undermined by action that we take precipitously on this floor? Are we willing to have over 1,200 SDI contracts undermined? Are we willing to have 19,000 people lose their jobs as a result of playing politics on the House floor? I am not certain that that is a wise action to think about. I also think that it makes a mockery of the system here to suggest that we all of a sudden find money that is not really available.

I mean, if there is only $200 million available in one account at the end of the month and we are obligating for the rest of the year an additional billion dollars out of that account, it seems to me that we are playing with funny money somewhere and that we are coming up with awfully phony economic arrangements. So I think that we have to look at the real nature of some of the proposals that will be before us within the next, hopefully, few minutes, but certainly are likely to come before this floor one way or another over the next couple of months and certainly during the length of this Congress.

Mr. Speaker, with that I think I have covered the topic.

WAR ON DRUGS

The SPEAKER pro tempore (Mr. NEAL of North Carolina). Under a previous order of the House, the gentleman from New York [Mr. SOLOMON] is recognized for 60 minutes.

Mr. SOLOMON. Mr. Speaker, first of all, I would like to call attention to the Members of the House the fact that we now pledge allegiance to the flag of the United States of America, that symbol of our country, and a shocking thing happened this morning when we opened up the session and the Speaker recognized a Member of the House to read the Pledge, and there was quite a bit of confusion. There were a lot of people in the well, and perhaps all Members were not listening. But I was shocked to look up in the Press Gallery and see only two Members up there, both sitting down during the delivery of the Pledge of Allegiance. I do not know whether they could not hear or were not aware that the Pledge was taking place, but I would like to call attention to the press and give them the benefit of the doubt that when the Pledge is offered every morning in this House, that the person delivering the Pledge asks all Members to rise, place their hand over their heart and join in pledging allegiance to the flag. I would certainly hope that whoever those two Members were up there that they were listening to this and that they remember, and I hope that they join Members in standing and paying proper respect to the flag.

Mr. Speaker, there is this question of money being appropriated to deal with this terrible problem facing the American people today and that is the drug war. Yes, we should be dealing with it. Like other areas, it is not always necessary just to throw money at the problem and think that is going to solve it.

Two words come to mind. Those two words are supply and demand. If there is a demand for drugs by the American people, there will always be a supply. It does not matter how much interdiction there is, how much money is spent on the Coast Guard and the police and the military and the Border Patrol. America is never going to stop the drugs from coming into this country to satisfy the demands of people that are using those illegal drugs.

□ 1220

So it is not a question of how much money we spend on interdiction, how much money we spend on rehabilitation, which is necessary, or how much we spend on education; it is what we do about the demand. Nancy Reagan, when she was the First Lady, led a great fight with the slogan, "just say no," but "just say no" is not enough. Yes, it is good, but it is not enough.

I raised five children who were teenagers in late 1960's and 1970's, and I can recall even back in those days, when drugs were not widespread throughout the suburban areas and particularly the rural areas like the one I represent in the Adirondack Mountains in upstate New York, that some of my children were being snubbed by others and being sort of outcasts because they would not use drugs.

We should think about that. If we are going to deal with the real problem, and that is the demand, we are going to have to turn that around, and the American people are going to have to snub those other American people that use drugs. As for students in the high schools, if they are using drugs, their peers ought to stand up and identify them and squeal on them because they are breaking the law. There is nothing wrong with squealing on a law-breaker, no matter what the case.

If there are school teachers and there are other school teachers in their little enclave who smoke marijuana, then the other teachers ought to identify them.

I cannot recall the name of the school, but I heard about one principal out in Ohio. I was told by our new drug czar, Bill Bennett, that that principal tells the students and the teachers in his school that "The first time you are caught using drugs, we are going to tell you about it, we are going to warn you, and the second time we are going to tell the police." That is the way it should be. Whether it is students, whether it is athletes, whether it is school teachers, whether it is our fellow workers, that is the way it should be. And I am going to tell the Members right now that if I ever see a Member of Congress smoking a marijuana stick or taking cocaine, I am going to identify that Member because I think the public ought to know about it.

If there is a fellow worker on an assembly line using drugs, his fellow workers ought to stand up and ridicule him and hold him up to scorn. If you are an executive and you go to a cocktail party and all of a sudden there is marijuana being smoked or a pill being taken by somebody over in the corner, you ought to identify him and point him out to your peers. That is the way it should be all across the way.

There are cases where we have young doctors giving medical care to the American people smoking marijuana, and that is illegal, and unless we hold these people up to ridicule and scorn, we are never going to deal with this demand.

It does not cost 5 cents, not a nickel, to tell the person next to you, "I don't want anything to do with you. I don't want to sit next to you at a football game, I don't want to ride in a carpool with you, I don't want anything to do with you, and I want the world to know you are a lawbreaker." Then and only then are we going to deal with this problem. That is the only way we are going to cut down on the demand, and it does not cost a nickel.

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. SOLOMON. I yield to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Speaker, I thank the gentleman for his statement, because the gentleman is talking about a zero tolerance policy that goes well beyond law enforcement.

We have heard a lot about zero tolerance, that we will not tolerate drugs coming into the country, and the Customs agents try to stop it and it has been somewhat controversial when they have seized fishing boats and a number of other things. There is zero tolerance for law enforcement officers, but the fact is that unless there is zero tolerance publicly for these who evade the law and break the law by using drugs, we are not as a society going to be able to deal with this problem.

There are 23 million casual users of drugs in this country, and that is about 10 percent of the country that is at least involved in the casual use of drugs. They cannot be doing that without other people knowing and understanding that it is being done, and the moment that you say, "It's OK with me, it is him, not me, that is involved," you are contributing to the fact that your kids are exposed to drugs, that your community is exposed to drugs, and that your Nation is being undermined by drugs, because those people have to buy that product somewhere. They are buying it from an illegal empire, and $150 billion worth of cash goes into that empire. That then allows them to buy crooked lawyers, it allows them to buy guns and ammunition, it allows them to fund whole armies, and it allows them to fund peasants who are growing this poison in other parts of the world.

That is where the money comes from. It comes from these people who go down on the street and buy this poison and use it themselves or give it to others, and we ought to be as a society thoroughly intolerant of those kinds of folks.

The gentleman is absolutely right, it does not cost us a dime to be intolerant, and it has a tremendous social advantage to it because those people then become isolated, and none of us in our lives likes to be isolated. None of us likes to be set apart and scorned. So we begin to have a social context in which drug use is an unacceptable social behavior, and that changes the nature of the problem dramatically.

If we could lower the number of people using drugs from 23 million down to a far lower number, we would cut the amount of money that goes into the drug empire, and we would begin to cause drastic changes as far as the drug dealers are concerned in what they are able to do; they would not have the kind of money that they now are able to get in the drug market.

So I would commend the gentleman for his statement. He is absolutely correct. And I want to thank the gentleman also for participating yesterday in a hearing that was held by the Republican Study Committee where we looked specifically at the question of what we call user accountability, in other words, holding people accountable for their actions, namely, holding people who use drugs accountable for what they do and suggesting that one of the things that needs to be explored is a far greater use of Federal power to stop these people. Again, it does not cost a lot of money, for instance, to deny somebody food stamps who is a drug user or to deny housing benefits to people who are drug users. Those people who are convicted of that kind of crime or who are found through testing programs to be drug users ought to be denied Federal benefits. The one power this Government has is not just spending money to solve problems but denying money to people who are part of the problem. It does not cost the taxpayers anything to deny people the money who are part of the problem we face, who are costing us money.

When we want to spend $800 million to upgrade the amount of money being spent on the drug war, we ought to think about the fact that maybe we can get most of that money back by denying benefits to those 23 million Americans who are out there using the drugs that are causing us the problem and who are causing us to have to spend the money. I wonder how many Members who come to this floor talking about the drug war are willing to say: "If you use drugs, no student loans. If you use drugs, no food stamps. If you use drugs, no welfare benefits. If you use drugs, no public housing." I wonder how many of them are willing to do that. That would not cost us much money, but it surely would be effective.

Mr. SOLOMON. Mr. Speaker, let me just thank the gentleman first for his remarks. We know that they are going to get that opportunity because the gentleman from Pennsylvania [Mr. WALKER] has been one of the leaders in introducing amendments to various pieces of legislation which deal with drug testing and which deal with this terrible problem.

This Member of Congress led the fight, beginning back in 1982, to establish a lawful policy of this Nation that any young man who refused to register for the draft was not entitled to any benefit from the Federal Government: student loans and grants, food stamps, job training, nothing. If they refused to register for the draft, they would get no help from the Federal Government.

We are going to do that. I am going to join with the gentleman from Pennsylvania in offering legislation and offering amendments to every piece of legislation that comes before this body that says that anybody who uses drugs is not entitled to any benefit of the Federal Government, bar none. Then let us see how they feel about that.

Now, the other side of the aisle, with all due respect, did join us in overwhelmingly supporting the Solomon amendments back in the early 1980's, and that became the law of the land. It resulted incidentally, I would say to my good friend, the gentleman from Pennsylvania, in a compliance rate for registration today that is greater than at any time in the history of this Nation prior to the Second World War and the First World War, anytime the draft has been in effect. I would ask the Members to listen to this: We now have a 98.8-percent compliance by the young men of this Nation who live up to their obligations as useful citizens and who obey the law of the land.

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So, Mr. Speaker, let us make the law of the land, "No use of drugs, and, if you do use it, you don't get any help from this Federal Government and from the taxpayers of this Nation."

Mr. Speaker, let us let the 220 million Americans who do not use drugs stand up to those 22 million that do, and that way we will eliminate this demand once and for all.

Mr. WALKER. Mr. Speaker, will the gentleman yield further?

Mr. SOLOMON. I yield to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Speaker, I want to say to the gentleman from New York [Mr. SOLOMON] that he is absolutely correct, and the point is that we get some secondary benefits out of this, too. Some of the same people who probably argue against denying benefits to people who use drugs argued last year, at least briefly, against the drug-free workplace concept, but what we have found is that we have implemented the drug-free workplace concept, which is a policy of intolerance, that people finding that kind of intolerance among employers are now calling drug counseling centers and saying to them, "How do I get off drugs," or, "How long do I have to stay off drugs in order to pass the test to get the job?"

What is happening, Mr. Speaker, is that those drug counselors then are able to begin talking to these folks who may never have come to their attention before, and, before they get arrested, they are putting them into rehabilitation programs, and we are beginning to deal with the problem right at that level.

So, it does have an impact. If we do begin to cut off Federal benefits, like in this case we are going to cut off Federal contracts from employers who do not have the policy. The employers, therefore, get tough, and employees have to begin to deal with how it affects their personal lives, and guess what? It has an impact on society, and

it is not costing us huge amounts of money to do this. In fact, the money is being spent by many of these employers, but it is in their best interest to do that because they get increased productivity because they have drug-free workplaces.

Now it is those kinds of programs that make some sense in terms of dealing with this whole thing, and yet all we often hear in this body is how much money are we willing to spend? How much more money are we willing to put forward? I just think that the gentleman from New York [Mr. SOLOMON] has hit upon exactly the direction that we need to go, and that is that we have to become specifically intolerant. User accountability has to be raised to a high level as a part of the overall drug war.

Mr. SOLOMON. Mr. Speaker, I certainly thank the gentleman from Pennsylvania [Mr. WALKER] for his remarks.

At this time, Mr. Speaker, I am going to yield back the balance of my time, and I hope that we have some kind of an agreement in the offing that is going to bring this supplemental budget back to this floor.

Let us refresh all the memories of all the Members who are sitting back in their offices. We are still waiting for the supplemental to arrive on the floor. The Committee on Rules has not been called into meeting. There is no rule being considered. The veterans of this Nation are being held hostage because of whatever reasons. But, wherever these negotiations are going on, behind that door or this door, let the RECORD show that the Republican Party on this side of the aisle is in full agreement with the Democrats to bring that bill on the floor. There are only two Members of this whole entire Congress of 435 Members that are holding up this bill from coming before the floor.

Please, please, be reasonable. Go to the leadership on that side, of the aisle, and tell them, "I allow the bill to come to the floor." That is the only decent thing to do.

Mr. WALKER. Will the gentleman yield?

Mr. SOLOMON. I yield to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Speaker, if we cannot get an agreement pretty soon, maybe what we are going to have to do is start naming those Members so their constituents can get to them directly.

Mr. SOLOMON. Mr. Speaker, I hate to do that because they are two very respected Members in the House.

Mr. WALKER. Sure, and for the moment we do not need to do that. We assume an agreement is under way.

But, as the gentleman knows, before too long this is a vital enough issue that maybe what we need to do is begin to make certain that the pressure is turned up by beginning to name names.

Mr. SOLOMON. Also, Mr. Speaker, we hate to hold up that train that is leaving for New York. I am a New Yorker, and I am not able to make that trip because of some prior obligations here in Washington, but it would not take but a minute to bring that bill out on the floor and to act on it, and we could all go home for the weekend.

Mr. Speaker, I yield back the balance of my time.

ISRAEL'S PEACE INITIATIVE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. FASCELL] is recognized for 5 minutes.

Mr. FASCELL. Mr. Speaker, on May 14 the Government of Israel announced a new initiative aimed at advancing the peace process. The decision had broad-based support in the Israeli Cabinet and has also been endorsed by the Israeli Parliament. I believe that this new initiative is a timely and constuctive step. In particular the proposed elections on the West Bank which are an integral part of the Israeli initiative offer a new opportunity for meaningful progress in bridging the gap between the Palestinians and the people of Israel.

Elections, in and of themselves, unfortunately are unlikely to produce peace. But elections may offer the only chance to move away from the current violence. Elections will present an opportunity for the Palestinians to choose their own representatives to negotiate both middle- and long-term solutions to the problems which divide Israelis and Palestinians.

Decades of stalemate have left deep scars on the hearts and bodies of both Israelis and Palestinians. These scars understandably make it harder rather than easier to find new ways to craft a better future. Elections offer one chance to find a way to that future. It is my hope that those genuinely seeking peace will carefully examine the real opportunity the new Israeli initiative offers and give it the chance which it deserves.

It is my hope and expectation that the United States will continue to play a positive role in furthering peace in accordance with the spirit of the Camp David accords. To support the broad goals which the new Israeli initiative seeks the United States should try to get input from all parties so that our complementary efforts will help make Israel's new initiative a truly effective step. It is also my hope that the international community will join in supporting this constructive Israeli initiative.

THE THRIFT CRISIS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. LAFALCE] is recognized for 10 minutes.

Mr. LAFALCE. Mr. Speaker, as the House prepares to pass legislation to funnel massive amounts of taxpayer money into the Nation's failing savings and loan industry, I think it is important that we take a moment to look at what we are really doing.

This is the most massive bailout in the Nation's history and the winners are receiving money from the pockets of American taxpayers, not manna from heaven.

Yet, neither President Bush, the Senate, nor the House, which is likely to see floor action within the next few weeks, has taken the time to really explore the ramifications of this emergency legislation that is roaring through Congress like a train out of control.

I fear that we are losing sight of what should be some of our primary goals in this legislation—to minimize taxpayer costs and ensure an equitable sharing of the burden. Judged by these two standards, the President's plan simply does not measure up.

And the dollars will come from the pockets of taxpayers and our children and grandchildren.

There are five major problems with the President's plan: First, the cost estimates for resolving problem thrift cases are deceptively low; second, the bonding mechanism is both fiscally irresponsible and morally reprehensible and will significantly increase the costs to the American taxpayer; third, the alleged burden sharing is inequitable—the taxpayer contribution is significantly understated, the industry contribution is overstated, and other legitimate sources of income such as the States are not tapped; fourth, the application of the capital standards treats institutions inequitably and may ultimately increase the cost to the taxpayer; and fifth, efforts to draw in private capital to help minimize the resort to taxpayer funds are inadequate.

To date, Congress has effected little or no improvement.

I. RECENT HISTORY OF THE THRIFT ISSUE

It is instructive to revisit the recent legislative history of the thrift crisis. We now face, at a minimum, a $100 billion problem. That problem, if not its complete scope, was already apparent 3 years ago, in 1986, when Congress was considering FSLIC recapitalization. In that legislation, Congress developed the FICO Bonding Program, a self-help program that put the costs of recapitalizing the FSLIC squarely on the industry.

The level of that recapitalization became a serious point of contention. The industry, driven largely by concerns as to the costs it would be forced to bear, was insistent that we had a $2 to $3 billion problem, nothing more. I and others argued at the time, on the House floor and in conference, that a substantially greater amount of money—at least $15 billion in bonds—was necessary if we were to seriously address the problem. But it was impossible to garner the necessary political support for a realistic financing package.

Congress finally passed a $10.8 billion recapitalization bill in August 1987. It was too little and too late.

Had we provided for a reasonable sum of money at the time to close hopelessly insolvent institutions, we would not be facing the problem we face today. Instead, insolvent institutions continued to operate and even grow, drawing in deposits with high-interest rates. The rising cost of funds became a debilitating

drain on the healthier institutions, increasing the potential scope of the problem.

Even the minimalist program Congress designed was not fully implemented. The industry never committed the full amount for which it was responsible under the FICO Program. I argued at the time that the industry was setting us up for an eventual taxpayer bailout, and that is precisely where we are today.

Congress, the administration, and the industry had a second chance on the issue just last year. By that time, the Bank Board and the industry had acknowledged that the problem was perhaps more in the neighborhood of $20 to $30 billion. I introduced two bills last year to deal with the burgeoning crisis. The first, which became law, extended for 1 year the moratorium on the departure of institutions from the FSLIC to stabilize the situation while Congress developed a comprehensive plan.

The second would have increased the recapitalization level under the FICO Bond Program by $5 billion. That legislation would have ensured that the industry was at least tapped for the $3 billion in retained earnings it had previously agreed to commit to the problem before there was any effort to turn to the taxpayer. The legislation passed the Banking Committee, but industry pressure precluded the granting of a rule and the measure never went to the House floor. As recently as 6 months ago, the industry was unwilling to admit either the size of the problem or its obligation to contribute significantly to its resolution.

Now we are finally acknowledging and trying to address the full scope of the problem. But the situation has deteriorated so badly that too many issues are getting insufficient attention in the rush to judgment. Allow me to review the major issues before us.

II. THE COST OF THE PLAN: ADMINISTRATION ESTIMATES

I am troubled by some of the "smoke and mirrors" that have accompanied the administration's cost projections.

The administration cites the overall cost of the plan at approximately $90 billion. But, the cost estimates are understated and the economic assumptions that underlie them, overly optimistic.

An analysis provided by the House Banking Commitee staff of the data released to date suggests that the total cost of the administration plan, before subtracting estimated revenues, will be approximately $335 billion, including the cost of the financing corporation—FICO and REFCO—bonds, FSLIC notes, assistance agreements, guarantees, future assistance, and purchase of zero coupon bonds.

There are several reasons that the administration's estimate is so low. First of all, the administration's plan calls for the issuance of 30-year REFCO bonds. However, administration data and releases have largely focused on present value costs and have not presented as part of the costs the interest over time on the additional debt we are incurring. This understates the real cost. To make an analogy, when the average person buys a home it is the principal plus the interest that he views as his ultimate cost, not the principal alone.

In contrast to the President's proposal, committee staff projections are based on the assumption that the new REFCO bonds, like the earlier FICO bonds, will be based on a 30-year schedule. Under the plan, the interest costs over time fall primarily on the taxpayer. It is this cost that will be a continuing drain on the average citizen and economy, and that will necessitate additional constraints on spending for other important Government programs.

Second, under the administration's plan the taxpayer assumes the bulk of the responsibility for the costs associated with past FSLIC transactions. The administration caps the cost of the deals already put in place at $40 billion. Yet GAO suggests that these costs will amount to at least $70 billion when interest, subsidies, and other guarantees are included. Moreover, the cost estimates on the guarantees continue to rise.

There has been minimal cash outlay in past FSLIC-assisted transactions. The money spend largely takes the form of FSLIC notes and other guarantees that represent the Government's contribution. Long-term special assessments on the industry were already being counted to defray these costs. But, under the President's plan those assessments will be eliminated within a shorter timeframe. Taxpayer vulnerability for these past expenditures will therefore inevitably be greater.

The issue of full faith and credit on the FSLIC notes and guarantees has never been resolved. The President's plan resolves that issue by making the U.S. taxpayer the ultimate backstop for costs associated with past deals.

Third, the resolution costs the administration estimates and the premium income it anticipates from institutions which remain operating are based on the assumption that there are approximately 500 institutions in the pool of insolvents the Government must handle. Yet, several hundred more institutions may move into that pool as they prove unable to bear new financial burdens imposed and meet new capital requirements. The pool of cases to resolve will ultimately be larger and the number of remaining institutions supposed to sustain the anticipated premium inflow from the industry much smaller. As a result, the projections of costs and industry contributions are highly questionable.

Finally, the administration makes some highly unrealistic assumptions.

Interest rates: Ignoring economic cycles and projected increase in interest rates, the administration assumes that interest rates will remain stable and moderate over an extended period. The administration plan includes an initial 7.4 percent interest rate assumption. But current long-term rates are now 9 percent and FICO bonds are currently trading at 9.46 percent with many analysts suggesting further increases. If these analysts prove correct, interest rate costs on the bonds will be higher than anticipated. Interest is to be paid from insurance premiums and tax revenues. But the industry premium contribution is fixed.

Any increase in interest costs will therefore be borne by the taxpayer.

Deposit Growth: The Treasury's financial model assumes 7.2 percent annual deposit growth. Thrift institutions pay insurance premiums calculated as a percentage of their deposits and these premiums, in turn, would be used to reduce cost to the Government and the taxpayer. Thus, an optimistic assumption about growth could underestimate the impact on the American taxpayer. The Nation's thrifts had record deposit withdrawals in recent months and the situation is not stabilizing. Moreover, other aspects of the administration's plan do not make the thrift charter as attractive as it might be. In addition, the administration has stated it wants to lower the cost of funds at many troubled thrifts by requiring them to offer less attractive rates for deposits. This objective, in conjunction with the administration's desire to close a significant number of institutions, would shrink the amount of insured deposits and the base on which premiums will be assessed, leaving the taxpayer with higher costs.

Asset recovery: The administration's plan estimates $12 billion in receivership proceeds as part of the contribution the industry will make over the next 10 years. But the plan assumes that the Government will recoup approximately 40 percent of the book value of the assets of failed institutions. Experts suggest such estimates are highly optimistic. The quality of assets in the portfolios of many troubled institutions is poor and the workout problems associated with an asset pool of this size, enormous. Moreover, the plan calls for disposal of property within 5 years. Deep discounts will be demanded by investors if this timetable is adhered to and local real estate markets could be seriously destabilized, affecting other, now healthy, financial institutions.

Timetable for resolution of remaining problems: Administration cost estimates assume instant resolution of all troubled institutions—at today's costs. This is unrealistic. Each month that the resolution of problem cases is delayed adds approximately $1 billion to the cost. While the administration estimates the base cost of resolving remaining problems at $50 billion—not counting already issued notes and guarantees—committee staff analysts estimate that this figure is at least 20 percent low.

Many experts have suggested that rapid closure of insolvent institutions will reduce the ultimate costs. But closure requires hard cash to pay off depositors and to a large extent closure is not even being contemplated.

III. WHO WILL PAY?

A. THE BONDING MECHANISM: PASSING THE COSTS ON TO FUTURE GENERATIONS

Not only will the administration's plan cost more than it says, it will cost more than is necessary. Much debate has focused on whether the funding for the thrift bailout should be on or off budget. While a valid issue, that debate misses the most important point.

The central question is whether we should rely on the issuance of long-term bonds to fund this massive bailout. In my view, bonding under these circumstances is not only fiscally irresponsible but morally reprehensible. To avoid coming to grips with some tough realities, we are passing the costs of this bailout—far higher costs than would otherwise be necessary—on to our children and grandchildren.

The President and the Congress have decided to spend an additional $40 to $50 billion over the next 3 years. We will, therefore, be spenders. The issue is, will we tax and spend, or borrow and spend. In this context, I believe

it is far more appropriate and morally defensible to tax ourselves rather than our children.

Bonding is appropriate for the funding of capital expenditures—investments in the future. Fiscal responsibility dictates that we not bond to cover present consumption, and certainly not to cover past consumption, which is exactly what we are doing here. The bonding mechanism suggested under the President's plan is a much higher cost solution than a direct infusion of funds. The difference in cost between a direct appropriation and the bonding mechanism could be as much as $150 billion over the 30-year period. It is the American taxpayer who will bear these costs.

Why, then, has bonding been proposed? What the administration proposes is simply another financing gimmick that will allow a further suspension of reality. This gimmick will allow us to keep the costs off budget, to solve an enormously costly problem largely with taxpayer funds while still giving the illusion that taxpayer resources are not being tapped. The costs are real, and they should be acknowledged as such.

The industry, the regulators, Congress, the administration, and the States share the blame for this crisis. We should now pay for our past mistakes. It is fundamentally unjust to require future generations to pay instead.

The administration estimates we will need approximately $40 to $50 billion over the next 3 years. In the House Banking Committee, I pressed for an amendment that would have directly authorized $50 billion over the next 3 years and urged that the unnecessary funds come from taxes, user fees, or other forms of revenue enhancement. Unfortunately, I was not successful.

While such an approach would involve some short-term pain, it would save the American taxpayer $150 billion over the 30-year life of the bonds. If we were to tax and spend, we would need slightly more than $15 billion a year for the next 3 years. If we were only to take the increase in gasoline prices that we have seen in recent weeks and direct those moneys to the solution of the FSLIC crisis, we would be well on our way.

While $15 billion a year is certainly a significant sum, it is far less than the $150 billion the American taxpayer will otherwise pay. And, under my approach, it is we, not our children and grandchildren, who would bear the burden. That is as it should be.

I will continue to advocate a direct authorization and appropriation funded by a one-time tax to handle the costs of the bailout as the bill moves to the House floor.

There is precedent for a self-financing approach. The Reagan and Bush administrations have advocated self-financing mechanisms for new programs. Indeed, last year President Reagan and Vice President Bush favored a new tax for a new program—a self-financing tax for the Medicare Catastrophic Healthcare Act of 1988. That same approach should apply here.

The administration repeatedly invokes the need for fiscal discipline to support its decisions to utilize a bonding mechanism and to keep the costs off budget. But, in my view, we have surely failed in our effort to achieve fiscal discipline if we comply with Gramm-Rudman and the demands of other industrialized countries for U.S. fiscal discipline by devising financing gimmicks to hide real costs.

We must also be attentive to how the proposed bond issuance might increase the degree to which Government borrowing—or something closely akin thereto—crowds out other borrowers in U.S. capital markets. Other borrowers are already disadvantaged in our capital markets because of the high level of Government borrowing. The REFCO bonds will fuel this problem. Increasingly greater amounts of money that could be turned toward productive investment will be deflected toward ongoing debt repayment.

B. BALANCE OF OBLIGATION BETWEEN INDUSTRY AND TAXPAYER

The administration markets its proposal as a shared commitment by the industry and the taxpayer, implying something akin to a 50–50 split. The President has rightly suggested that the thrift industry and the taxpayer share the burden of the overall costs. However, I believe the projections as to what the industry can and will contribute over time are unrealistic. Hence, I believe the taxpayer will bear the most significant portion of these costs.

First of all, the ability of the industry to contribute depends on the continuing viability of a substantial portion of thrift institutions. Moreover, the administration assumes a deposit growth rate of 7 percent and no further disintermediation in calculating premium income. Both of these assumptions are unrealistic, particularly because a significant portion of the disintermediation we are seeing is simply a function of rate differentials.

The plan locks even the healthiest thrifts that could effect a transfer to the FDIC into the FSLIC system for 5 years, gives them a seal that will mark them as second-class citizens, increases their premium costs, and leaves them with a permanent disadvantage in terms of premium costs vis-a-vis commercial banks. This will not make them very attractive to either investors or depositors.

It is hard to avoid the conclusion that healthy thrift institutions are being locked into a system so that their alleged resources can be depleted to refund the FSLIC fund. Few of these institutions may make it. Yet the plan counts on the premium inflow from surviving institutions as a major source of funds.

Second, the costs to the industry under the President's plan are fixed, while the taxpayer costs are indeterminate. Under the plan, the industry must contribute approximately $2½ billion in retained earnings and $300 million annually. Whatever costs are not covered by this industry contribution become a taxpayer obligation. Wherever under the plan there is a hole of questionable size, it is taxpayer money that must ultimately fill it.

Costs associated with past transactions beyond the ability of FSLIC to subsume are to be picked up by the taxpayer. If interest rates are higher, or deposit growth is lower, than anticipated, taxpayer money will fill the void. If additional bond issuance is necessary, the taxpayer will bear principal and interest costs. If a number of additional institutions move into insolvency and premium inflow into the new fund is less than anticipated, the taxpayer will pick up the tab. The burden on the industry is heavy, but fixed. The taxpayer is being asked to proffer a blank check.

The indeterminate nature of the taxpayer obligation is yet another reason why direct authorization and appropriation of funds financed by a special tax is a better approach. Under the administration's bonding proposal, Congress is being asked to write a blank check with the American taxpayer's signature. Once the bonding mechanism is in place, necessity may eventually dictate that higher and higher levels of bond issuances, funded by the American taxpayer, be approved. If there is to be a taxpayer contribution, it should be precisely fixed now and the source of funds identified.

The thrift industry and the taxpayer must inevitably share the financing cost. But Congress should have a precise and true picture as to the realities of the balance of obligation between industry and taxpayer before it can assess whether the balance is fair and what other options might merit consideration. The bulk of the burden under the Bush plan will clearly fall on the taxpayer.

C. THE RESPONSIBILITY OF THE STATES

The President's plan involves not only a massive bailout, but a massive transfer of resources from the Northeast and Midwest to the Southwest.

It was primarily State-chartered institutions with a very broad array of powers operating under lax supervision—that were nonetheless federally insured—that broke the Federal insurance fund. In 1987, the FSLIC resolved the problems of 47 thrift institutions at an estimated cost to the insurance fund of $3.7 billion. State-chartered institutions were responsible for $2.4 billion, or two-thirds of the total. In 1988, the FSLIC resolved the problems of 205 thrift institutions at an estimated cost to the insurance fund of $30.9 billion. State-chartered institutions were responsible for $23.3 billion, or three-quarters of the total.

Of the $18.6 billion cost attributable to Texas institutions in 1988, State-chartered institutions were responsible for $16.7 billion—approximately 90 percent of the total resolution costs. Of a total of 81 Texas institutions which were involved in resolutions during 1988, 64 were State-chartered. From 1980 to 1985, deposits in State-chartered S&L's in Texas grew by a staggering 186 percent, while the growth in federally chartered S&L's in Texas grew by only 60 percent.

As a consequence of the enormous drain on the insurance fund created by these State-chartered institutions, we are now engaged in a fundamental restructuring of our banking system involving massive Federal assistance. We have a dual banking system and it is that system that we are bailing out. The States have obligations as well as rights under that system; and the duality of that system should reflect in some sharing of the costs.

It is true that the Federal Government has an obligation to both State-chartered and federally chartered institutions—the provision of insurance to depositors within legally prescribed limits. But, in the context of the administration's plan, we are not for the most part talking about liquidating institutions and paying off depositors. The administration will be relying heavily on mergers, acquisitions, and shrinkage to work out this problem. In effect, we are engaged not in a depositor payoff, but in a massive restructuring effort designed to

preserve institutions and the stability of communities. The States and the Federal Government should share responsibility for that effort.

The vast majority of the problem was caused by a very small portion of the industry in a select number of States. Those who were primarily responsible for the problem should bear a reasonable portion of the cost burden of solving it. In cases where Federal Government regulators extended insurance coverage in reliance upon deficient regulatory oversight provided by the State, the State should contribute to the solution of the problem. If one segment of the industry is more culpable than another, that segment should bear a greater burden.

The Northeast-Midwest region is responsible for less than 10 percent of the estimated total cost of FSLIC resolutions, but would pay 45 percent of the tax portion of the bailout package. Over 80 percent of the FSLIC case resolutions and stabilizations in 1988 were in Texas, Oklahoma, and California. Over 90 percent of these case resolutions were generally in the South and West; less than 10 percent were in the Northeast-Midwest. At the same time, the tax effort of the Northeast-Midwest States far exceeds their tax capacity, while in the South and West, largely the opposite is true. Texas, for example, has neither a State personal income tax nor a State corporate income tax. It does have an oil and gas severance tax, the costs of which are passed on to Northeast and Midwest consumers by the companies that pay them.

There must be some regional equity in paying the costs of this bailout. Certainly, the Federal regulators are culpable, and Federal taxpayers will certainly bear the largest portion of this burden. But the lax supervision in certain States was also largely to blame. For example, Wisconsin, not unlike Texas, went through a serious economic downturn. Its thrifts, however, remained sound and healthy because of the capital standards imposed by State regulators on State-chartered institutions.

There is precedent for such a cost-sharing approach. Conditionality has been a key component of previous Government bailouts. Those benefiting the most directly paid a portion of the price. In the Chrysler bailout, for example, all those with an economic interest participated in the cost of the bailout.

In the House Banking Committee, I argued for an amendment that would have required the States to contribute some fair share toward the bailout costs. The amendment failed, but I will continue to seek some mechanism by which the States can make some reasonable contribution to the cost of the restructuring of the thrift industry as the bill moves to the House floor.

Another amendment I offered on a related issue did, however, carry. Premiums on deposit insurance paid by thrift institutions are now assessed on a flat-rate basis—that is, all institutions pay at the same rate. In my view, levying the same fees on safe and risky institutions for equivalent amounts of deposit insurance encourages excessive risktaking by the institutions. As a result, the burden of insurance losses is distributed inequitably among institutions. My amendment would permit the assessing of deposit premiums on a risk-adjusted basis. Conservatively operated institutions would pay less; "go-go thrifts" more. As a result, institutions in States that have lax oversight and supervision and allow institutions to engage in riskier activities would bear a higher premium burden. This should help discourage risktaking and protect the fund.

D. INFUSION OF PRIVATE CAPITAL

It is imprudent and unnecessary to tap taxpayer funds where private capital may be available. The administration's plan takes some important steps toward drawing more private capital into the industry. But, in my view, it does not do enough. Those provisions which do exist appear to focus on the fate of the healthiest institutions rather than borderline institutions where the need is arguably greater. I share the administration's obvious concern that any FSLIC solution must deal with the weak, but still solvent, segment of the industry as well as the bankrupt thrifts. However, I believe that increasing the amount of Federal assistance is not the only or even the best means to address this aspect of the problem.

Private capital can strengthen the condition of marginal thrifts and forestall the need for Federal assistance in the future. Before we commit huge levels of taxpayer dollars to bailing out institutions that are still salvageable, we should remove restrictions that make infusions of private capital impossible.

We are currently faced with a thrift industry that is starved for new capital and could arguably survive and prosper were that capital to be secured. Yet there are few sources from which that capital can come. Because of a variety of constraints, acquisitions of an interest by other financial institutions are forestalled and diversified firms looking for investment oportunities are precluded from looking to the thrift industry. Yet a capital contribution from such institutions could be vital to the industry and reduce taxpayer costs.

In the course of the House Banking Committee's consideration of the bill, I offered an amendment which was accepted that will permit thrift holding companies to acquire noncontrolling interests in undercapitalized, but still solvent savings institutions in transactions approved by thrift regulators. By acquiring such interests, healthy members of the thrift industry with useful management expertise will bring significant fresh capital to weaker institutions. This amendment also eliminates other impediments to investments in the industry by other diversified firms, allowing such firms to acquire failing as well as failed institutions. Under current law, such firms can invest only once an institution has failed. At that point, Government money is also required. The time to draw private capital in is before Government funds must be committed, in the hope of avoiding that eventuality altogether.

Other amendments that I offered which were approved eliminate other restrictions on the flow of capital into the thrift industry. Under current law, insurance companies which are subsidiaries of S&L holding companies cannot invest in other S&L holding companies, even when that investment is purely passive. Insurance companies are among our largest institutional investors. As we seek acquirors for troubled thirfts, an increasing number of companies will become S&L holding companies, and insurance companies will be precluded from investing in an ever larger array of firms. The restriction in current law removes a source of capital strength for the thrift industry and may even serve as a deterrent to potential acquirors of troubled thrifts. My amendment will permit insurance companies which are subsidiaries of S&L holding companies to invest in other S&L holding companies as long as that investment is passive. The amendment would also allow investment in thrift stock by securities firms as part of normal trading operations.

I believe we must go still further—every private investor dollar spent is another taxpayer dollar saved. As the bill goes forward, I intend to try to expand the opportunities for other diversified firms to invest in the thrift industry under appropriate guidelines.

IV. THE CAPITAL REQUIREMENTS

A. THE IMPORTANCE OF TOUGH STANDARDS

The capital requirement is the crux of this legislation. If the American taxpayer is forced to make a significant contribution to the thrift industry bailout, the imposition of tougher capital and accounting standards on the industry which will ensure this will never happen again must be a necessary quid pro quo. All of the capital proposals under discussion will impose a tougher capital standard on the industry.

We are in the situation we now face largely because institutions were able to gamble on risky investments with taxpayer dollars, in the form of Federal deposit insurance, backing them up. In such a situation, the investor realizes any gain, but the Government—and the taxpayer—bears any loss.

Investors will be more prudent only if they have their own funds at risk. Experts who have analyzed thrift industry problems point out that those institutions with positive net worth have, as a group, positively improved their position during the 1980's. In contrast, those with no or minimal positive net worth have deteriorated further.

Private capital is the appropriate buffer between the industry and its insurance fund and the best protection for the taxpayer. We must ensure that savings institutions have a real cushion to fall back on.

B. THE EQUITY ISSUE: THE NEED FOR A TRANSITIONAL RULE

While I strongly believe in tough capital requirements, I find myself in a somewhat anomalous position. Over the last several years in the House Banking Committee, I have argued repeatedly against accounting gimmicks and sleight-of-hand capital standards.

But I do not believe that we can now wipe the slate completely clean in one quick stroke without doing unnecessary damage to viable institutions and increasing taxpayer costs. The tangible capital requirement we are considering will be a new requirement for the thrift industry, and it is an appropriate one—but it cannot be met overnight.

In particular, in the early 1980's, numerous healthy institutions took over failing institutions at the behest of the Bank Board. Then, as now, FSLIC had no money to contribute in these assisted transactions. As a result, the Bank Board permitted acquiring institutions to

count intangible assets—most often supervisory goodwill—on their books in exchange for the money FSLIC could not contribute. These institutions acted in reliance on a Government commitment and, in effect, bailed out an underfunded FSLIC. The rug should not now be pulled out from under them.

The inequity of the failure to provide some reasonable transition rule for these institutions becomes even clearer when we examine the 1988 FSLIC-assisted transactions. Under the Southwest plan, the Bank Board resolved the problems of numerous hopelessly insolvent thrifts in the Southwest. In most cases the technique was similar to that used in the early 1980's—the Bank Board located an acquiror for the ailing institution. Again, FSLIC had no cash to contribute. But this time the Bank Board did not grant supervisory goodwill—it issued FSLIC notes. Institutions holding those notes will now be in a position to meet the new capital standards. Institutions with supervisory goodwill on their books will not.

In the House Banking Committee markup, I urged that some accommodation be made for potentially viable institutions that will be unable to comply as quickly with the new capital standards because of their past participation in FSLIC-assisted transactions. Unfortunately, the press coverage on this issue had turned the debate into a game about who could be tougher. Certainly, we want tough standards—but those standards must be fair and reasonable as well. It is in no one's interest to throw viable institutions into the pool of insolvents that must be handled with taxpayer money. I will continue to seek some reasonable transition rules as the bill moves to the House floor.

C. THE IMPACT ON THE TAXPAYER CONTRIBUTION

The capital requirements will inevitably affect the size of the taxpayer contribution under the administration's proposal. Thrift institutions must meet far more stringent capital requirements within 2 years under the President's proposal, within 1 year under the House Banking version. The likely result is that many of the now salvageable institutions will move into insolvency.

The larger the pool of insolvent institutions, the higher the taxpayer contribution will be. The $50 billion cost that the President has estimated is based on resolving the problems of approximately 500 insolvent institutions. In fact, it is already a low estimate given this current number of insolvent institutions. If we drive more institutions unnecessarily into insolvency that cost must be higher still. Moreover, institutions pushed into insolvency are in no position to contribute the premium income which is a major source of the alleged industry contribution under the President's plan. It is the american taxpayer who will bear the increased cost—a far greater cost than anyone is presently contemplating.

There may be additional costs to the Government as well. Those institutions which carry intangible assets on their books do so generally under written agreements they have entered into with the U.S. Government, agreements which generally state that they cannot be superseded by subsequent regulations. It is a fundamental principle of law that damages are in order when a contract is breached, and those damages may well be more onerous where the contract was induced by the Government.

These institutions can—and will—sue, at great cost to the Government in terms of court costs and potential damages. Stockholder suits may also be in order. In many cases, a thrift stock institution issued a prospectus describing the thrift's capital position in accordance with the standards approved by the Bank Board. The SEC approved such solicitations. Stockholders who invested based on these representations may well have a right to recover for the inevitable loss they will incur from a drop in stock prices if the institution is found to be out of compliance with the new capital standards.

We face enormous additional costs to the Government and years of entangled litigation. As that becomes more apparent, we may well wish we had introduced some modest and equitable flexibility into the capital requirements from the start.

D. THE ALTERNATIVE APPROACHES

Allow me to review the various approaches to the capital standards that have been under discussion. Despite all the rhetoric about tough capital standards, the President's original plan was actually rather nebulous regarding the capital requirements put in place. The President's bill contends that the thrift industry must meet standards no less stringent than the capital standards for national banks by 1991, but we are left to imagine how the regulators will interpret such a standard in the thrift industry context—in fact, the standards for national banks are in flux.

The Comptroller is moving toward implementation of risk-based capital standards for national banks, but those standards have been largely developed without regard to concerns peculiar to the thrift industry. The thrift industry would fare better under a pure risk-based standard since home mortgages are weighted as low-risk items. However, it was never clear in the President's proposal whether a risk-based standard governed or a 6-percent capital floor applied regardless of the capital level required under the risk-based standards.

The Comptroller's capital standard for national banks also incorporates a 3-percent tangible capital requirement, although the President's plan does not explicitly impose a 3-percent tangible capital requirement on thrifts. Indeed, under the President's bill, thrifts could count goodwill amortized over 10 years toward meeting their capital requirement.

The House Banking Committee bill, represented in the press as soft on capital standards, was actually the most stringent proposal—far more so than the President's bill—by the completion of the amendatory process. The House proposal requires the industry to meet a 1.5-percent tangible capital requirement by June 1990, and a 3-percent tangible capital requirement by 1994, and demonstrate progressive improvement in the interim. Goodwill acquired in past assisted transactions can be counted toward meeting capital requirements in progressively smaller amounts, declining to zero percent by 1994, but the minimum tangible capital test must still be met.

According to statistics collected by the Bank Board's Office of Regulatory Activities, 1,100 of the approximately 2,700 solvent U.S. thrifts—containing 70 percent of the industry's assets—would fail to meet the 1.5-percent tangible capital test. Between 1,450 and 1,560 institutions, containing between 77 and 82 percent of the industry's assets, would fail the 3-percent tangible capital test.

The approach developed by the Senate Banking Committee in fact had the maximum degree of flexibility. The Senate Banking proposal ostensibly embraced the standard in the President's bill—that is, capital standards no less stringent than those applicable to national banks. However, the bill also permitted goodwill—amortized over 25 years or under the terms of an existing agreement, whichever is less—to count toward capital.

Thus an institution could meet its capital requirement by counting goodwill. In effect, there was no tangible capital floor in the bill as passed by the Senate Banking Committee. Institutions that met their capital requirements only by the counting of intangible assets could grow. But they could grow only to the degree that growth was in traditional thrift assets and backed by an inflow of tangible capital. In action on the Senate floor, however, a 1.5-percent tangible capital requirement was imposed.

In effect, the Senate Banking Committee bill may have taken the best albeit not the toughest approach. That approach recognizes some harsh realities and does not throw viable institutions unnecessarily into insolvency. Certainly, institutions with no tangible capital should be subject to tighter supervision, and the Senate Banking language provided for this. But if these institutions are viable, they should not unnecessarily become part of the pool of case resolutions that will be handled largely with taxpayers dollars.

There is a continuing problem that exists under all the proposals. The administration has long argued that the 1991 deadline put forward in its proposal is not a cliff. Failure to meet the deadline was not to prompt liquidation, but growth constraints. In the course of congressional debate, the focus has also been on growth limitations as the appropriate remedy should institutions be unable to comply with new capital standards in the timeframe agreed upon. But far more than growth constraints are allowed under all the outstanding proposals.

Institutions not in compliance not only have growth limitations imposed, but they are also not in compliance under the terms of existing statutes. Such a judgment is a death sentence for these institutions. That status triggers an array of legal and operational problems that have an immediate impact on an institution's viability and profitability—a judgment that the institution is operating in an unsafe and unsound manner, and the possibility of cease-and-desist orders, consent decrees, forced mergers or a shift in management.

Where an institution is demonstrably operating in an unsafe and unsound manner such safeguards should come into play. Such a judgment should not be automatic, however, simply because an institution does not meet the deadline for complying with capital standards, particularly if it is an institution with good management and good prospects. In such cases, the imposition of growth limitations,

coupled with demands for annual improvement in the institution's capital position, is the appropriate remedy.

The statute must provide more clarity regarding precisely what happens to institutions that do not meet the capital standards. We cannot rely on unfettered regulatory discretion. Some effort was made in the House Banking Committee to set clearer parameters on sanctions. But the burden of proof remains on the institution to avoid an automatic finding of unsafe and unsound operation if it fails to meet capital standards in a timely fashion. That burden belongs on the regulator. I intend to pursue this issue.

V. CONCLUSION

We are rushing to judgment on the President's proposal with inadequate attention to the basic issue I have raised here. It is imperative that we resolve these fundamental issues.

CLARIFYING THE LEGISLATIVE PROGRAM FOR TODAY

(Mr. WRIGHT asked and was given permission to address the House for 1 minute.)

Mr. WRIGHT. Mr. Speaker, as Members are aware, we have been proceeding today in an attempt to get a general agreement which would permit us today, before the Sun sets, before this session ends today, to take action on the urgently necessary appropriations for the veterans of this country, for veterans health benefits and other things which, unless we act within a very few days, may expire for want of funds. These funds have been requested by the administration, have been requested by the director of the Veterans' Administration. They have been recommended by our committees. They have been recommended by the Committee on Appropriations, and they were included in the bill which we brought up some days ago and which because the subject of an effort to amend in order to bring all those various appropriations contained in the bill within the total budgetary amounts allowable under our budget agreement.

Unfortunately, Mr. Speaker, because of deeply held convictions on the part of a great many Members respecting numerous priorities which confront our country, priorities that affect the homeless, priorities that affect our efforts to conduct a vigorous and effective war against drugs, as well as other priorities, we have been unable until this time to resolve an agreement.

At the present time conversations are in progress between the Democratic and Republican leadership, between people on the Committee on Appropriations and the Committee on Rules. We hope to be able within a very few minutes to announce to the House an agreement by which in a bipartisan way we would permit progress to be made and an effort to be undertaken today on the most urgent of those urgent supplemental appropriations, those affecting the veterans of this country.

Mr. WILLIAMS. Mr. Speaker, will the gentleman yield?

Mr. WRIGHT. I yield to the gentleman from Montana, my distinguished friend.

Mr. WILLIAMS. Mr. Speaker, I thank the gentleman from Texas [Mr. WRIGHT] for yielding.

As the gentlemen from Texas [Mr. WRIGHT] knows from his travels throughout the United States, in visiting with veterans, and as he knows for a not-long-ago trip to Montana, where among those he talked to were veterans, we have in our State a serious shortfall of revenues to properly keep our word, our commitments, with regard to health care to Montana's veterans. A higher percentage of Montanans have served in the military on behalf of their country than of citizens of any other State, so we have a proportionately very large population of veterans in our State, and I want to say how much we appreciate the actions of the gentleman from Texas [Mr. WRIGHT] and the action of the leadership in attempting to resolve this matter of a supplemental appropriation that will restore most, if not all, of the shortfall that our veterans' hospitals in Montana and elsewhere are experiencing.

Mr. Speaker, this is a vital matter and one that I know has taken a good deal of the gentleman from Texas [Mr. WRIGHT] time as he has valiantly tried to write this supplemental in a way that it can receive support in the House. I want to commend him and thank him for yielding to me.

□ 1240

Mr. WRIGHT. I thank the gentleman.

I would urge all Members to await the results of the conference now under way, and with confidence look forward to our being able to resolve that matter today.

Other matters of vital urgency and equal interest to the country are questions of drugs, questions of the needs of the homeless population of this country, which will await further action. They are not yet at the emergency point where failure to appropriate within the next day or hours would cause cutbacks in immediate service.

So pending the moment when we can get agreement on the manner in which those various matters could come before the floor, we are hoping to be able to attend to those urgent matters concerning the veterans' population today.

I think every American feels a special responsibility to those people who have sacrificed their wholeness in defense of our Nation. We have a peculiar sense of commission to them. Of all the things we certainly never would want to allow to lapse, health care for the veterans' population of America is highest among that priority.

THE NORTHERN SPOTTED OWL IN THE PACIFIC NORTHWEST AND ITS IMPACT ON THE TIMBER INDUSTRY

(Mr. AUCOIN asked and was given permission to address the House for 1 minute.)

The SPEAKER pro tempore. Without objection, the gentleman from Oregon is recognized for 1 minute.

There was no objection.

Mr. AUCOIN. Mr. Speaker, I appreciate the Chair recognizing me. I thought as we await the outcome of some of the discussions going on over the floor that perhaps Members of the House would like to be informed about the confrontation between the northern spotted owl in the Pacific Northwet and its impact on the timber industry, which is an industry that is very important to my constituents.

I have been waiting for a chance to have your undivided attention, and now that I have it, I would like to fill this time.

If the gentleman from New York [Mr. SOLOMON] whose district depends on wood products from the Pacific Northwest wishes me to yield to him, I would be happy to yield to him.

Mr. SOLOMON. Mr. Speaker, will the gentleman yield?

Mr. AUCOIN. I am glad to yield to the gentleman from New York.

Mr. SOLOMON. Mr. Speaker, I have great interest in the subject matter the gentleman just brought up. Perhaps he would include the great horned owl of the great Adirondack Mountains, which has a similar impact on the wood industry as the great northern spotted owl.

Mr. AUCOIN. I did not know about the horned owl. I knew about the northern spotted owl. In the Pacific Northwest, the northern spotted owl is a creature that has as its habitat old growth forests, old growth trees.

It is estimated, if you can believe it, that some 1,000 acres, according to some estimates, are needed to be set aside and preserved from timber harvesting in order to protect one nesting pair of spotted owls. That is 1,000 acres of timberland. Another estimate is 2,700 acres of habitat necessary to be undisturbed in order to protect one nesting pair of northern spotted owl.

You can understand what an impact this has on the timber industy in the Pacific Northwest. It seems to be that I am being told you have all learned enough now about the northern spotted owl and I am happy to yield back the balance of my time.

THE GREAT NAVY BEAN AND SUGAR BEET OF MICHIGAN

(Mr. TRAXLER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAXLER. Mr. Speaker, I was terribly interested in the horned owl, but I think there is some information that this membership and the people of America ought to have, and that concerns the navy bean, of which 80 percent of that crop is grown in my district.

I want each of you to know that there is no more nutritious vegetable in the entire United States, and indeed, the world, than the navy bean.

Furthermore, with the emphasis upon colon cancer and health, you ought to be aware that it produces the highest fiber of any fruit or cereal grown in these United States.

While I am not going to speak about the distraction of the bean, it ought to be in every American's diet and it ought to be served, in my judgment, at least every day. If that were the case, there would be an immense amount of prosperity in my district. The Nation might suffer from some other problems, but I suggest there is enough of that in this body already.

The other commodity that I want to refer to is that of the wondrous beet. The sugar beet is to my district what the Bible is to other parts of the country.

Mr. AUCOIN. Mr. Speaker, will the gentleman yield?

Mr. TRAXLER. I am delighted to yield to my owl friend, the gentleman from Oregon.

Mr. AUCOIN. Mr. Speaker, I cannot believe the gentleman asked me to stop talking about the northern spotted owl of the Pacific Northwest so that we could hear about the gentleman's sugar beet. I am surprised, I say to my friend.

Mr. TRAXLER. I may have to reclaim my time to talk about the beet. The gentleman wants to know about the beet, does he not?

Mr. AUCOIN. Mr. Speaker, if the gentleman will yield further, I wanted the gentleman to know about the northern spotted owl, but I will listen to the story about the beet.

Mr. TRAXLER. The sugar beet, Mr. Speaker, is to my district, as I said, what the Bible is to some other parts of America and the world. Fundamentally, it is the way in which my farmers pay their land contracts and their mortgages.

It is due to the generosity of the American public and this Congress that it is held in such high esteem through the domestic sugar program.

I want the gentleman to know that there is no finer sweetener that has ever been devised than that which comes from the beet.

I ought to mention, too, that cane sugar is also an outstanding sweetener as well.

There is another thing to be said for corn sweetener, and that is that it comes from corn.

Mr. AUCOIN. Mr. Speaker, will the gentleman yield further?

Mr. TRAXLER. I am pleased to yield to the gentleman from Oregon on the spotted owl.

Mr. AUCOIN. Mr. Speaker, I appreciate the gentleman yielding to me.

It looks like the gentleman from Massachusetts [Mr. CONTE] is arriving, but I wonder if the gentleman might yield to the gentleman from New York who has a horned owl that he has been very eager to talk about?

Mr. TRAXLER. I would like to get a report on the bean situation in New York, if I could.

Mr. SOLOMON. Mr. Speaker, will the gentleman yield?

Mr. TRAXLER. I yield to the gentleman from New York.

Mr. SOLOMON. Mr. Speaker, I am sorry, we do not have any navy beans in New York, but we have the gentleman from Massachusetts [Mr. CONTE] and that is just as good.

Mr. TRAXLER. Mr. Speaker, if I can reclaim my time, the gentleman from Massachusetts is knowledgeable on tomatoes. He knows something about corn as well. I am always pleased to welcome him to the agricultural conference and to the caucus. He is a strong supporter of both the navy bean and the Michigan beet.

SUPPLEMENTAL APPROPRIATIONS FOR THE DEPARTMENT OF VETERANS' AFFAIRS, FISCAL YEAR 1989

Mr. WHITTEN. Mr. Speaker, I send to the desk the bill (H.R. 2402) making supplemental appropriations for the Department of Veterans' Affairs for the fiscal year ending September 30, 1989, and for other purposes and I ask unanimous consent for its immediate consideration in the House.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Clerk read the bill, as follows:

H.R. 2402

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are hereby appropriated, out of any money in the Treasury not otherwise appropriated, to provide supplemental appropriations for the Department of Veterans Affairs for the fiscal year ending September 30, 1989, and for other purposes, namely:

DEPARTMENT OF VETERANS AFFAIRS

VETERANS BENEFITS ADMINISTRATION

COMPENSATION AND PENSIONS

For an additional amount for "Compensation and pensions", $701,481,000, to remain available until expended.

READJUSTMENT BENEFITS

For an additional amount for "Readjustment benefits", $22,212,000, to remain available until expended.

LOAN GUARANTY REVOLVING FUND

For an additional amount for "Loan Guaranty Revolving Fund", $120,100,000, to remain available until expended.

VETERANS HEALTH SERVICE AND RESEARCH ADMINISTRATION

MEDICAL CARE

For an additional amount for "Medical care", $340,125,000: *Provided,* That of the sums appropriated under this heading in fiscal year 1989, not less than $6,800,000,000 shall be available only for expenses in the personnel compensation and benefits object classifications.

DEPARTMENTAL ADMINISTRATION

GENERAL OPERATING EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For an additional amount for "General operating expenses", $24,900,000, of which $15,000,000 shall be derived by transfer from "Construction, minor projects": *Provided,* That in the appropriation language under this heading in the Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1989, insert a period after $774,316,000" and delete the language that follows.

No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

The SPEAKER pro tempore. The gentleman from Mississippi [Mr. WHITTEN] is recognized for 1 hour.

Mr. WHITTEN. Mr. Speaker, for purposes of debate only, I yield 30 minutes to the gentleman from Massachusetts [Mr. CONTE], and pending that I yield myself such time as I may require.

Mr. Speaker, we have all recognized the need to look after the veterans and the Veterans' Administration.

H.R. 2402 provides a total of $1,208,818,000 for:

Medical care	$340,125,000
Compensation and benefits	701,481,000
Readjustment benefits	22,212,000
Loan guaranty revolving fund	120,100,000
General operating expenses	24,900,000

Of this amount, $843,793,000 is mandatory and the balance is needed to maintain the medical care employment level at the level of 194,720 full-time equivalent employment called for in the fiscal year 1989 appropriations bill and to administer the program.

Every Member is for taking care of the needs of the veterans and of the Department of Veterans' Affairs. When representatives of the American Legion and the VFW arranged a conference with me to discuss the needs

of the veterans this year, I prepared a bill to take care of the needs of the VA, which came largely because of the demand at the last minute by colleagues on the other side of the Capitol last year that we agree to a further reduction in the budget ceiling of $1.9 billion.

The VA Subcommittee and the other subcommittees went along developing a supplemental appropriations bill.

After we reported the bill, the executive branch called for substantial reductions in other programs handled by the various subcommittees and I requested each subcommittee to review the earlier determination.

This was done.

Mr. Chairman, H.R. 2072 provides funds to meet dire emergencies in the area of drugs and crime, veterans programs, guaranteed student loans, operating crop loans, U.N. Peacekeeping, migration and refugee assistance, trade adjustment assistance, forest fire fighting and rehabilitation, reimbursement to States for foster care and adoption assistance, and to the Internal Revenue Service for processing tax returns and investigation, collection, and taxpayer services.

After a leadership proposal to provide offsets by 57 of one-hundredth of 1 percent governmentwide cut was rejected, I asked the subcommittee chairmen involved to either provide offsets or to deter programs to the regular 1990 bills in order to meet the intent expressed by the House.

Agreement has been reached that an amendment to be offered by myself which reduces H.R. 2072 by $1,005,611,000 through offsets and deferrals will be made in order and that points of order will be waived against provisions making transfers or offsets from funds beyond the scope of this bill that are in violation of clauses 2 and 6 of rule XXI; that the amendments be considered en bloc, and they not be subject to amendment or division.

The effect of the amendment is to:

Reduce forest fire reimbursement	−$258,000,000
Provide offsets for farm operating loans	−75,000,000
Defer FAA operations for later action	−70,700,000
Provide payments for operation of low-income housing assistance by transfer	−88,000,000
Provide FEMA emergency food and shelter assistance by transfer	−15,000,000
Defer VA homeless assistance	−30,000,000
Defer HUD homeless assistance	−108,500,000
Defer Justice Department anticrime package	−43,186,000
Defer NOAA operations and research	−32,200,000
Defer civil liberties public education fund	−250,000,000
Provide transfer authority to the Judiciary	−16,240,000
Provide FCC by reprogramming	−500,000
Defer Securities and Exchange Commission	−18,285,000
Total effect of amendment	−1,005,611,000

□ 1250

Mr. Speaker, I reserve the balance of my time.

Mr. CONTE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, veterans are crying for our immediate help, and this bill represents the last chance we have to deliver it before Memorial Day.

Every Member of this great institution has heard from veterans who are being denied basic medical care due to shortfalls in VA funding. Across this proud country, prescription orders are not being filled; worn artifical limbs are not being replaced; and needy patients are being turned away in droves from understaffed medical facilities. The problem is real. We know it is real.

And yet we have been incapable of providing the emergency response that the situation requires.

Faced with a crisis threatening our Nation's freedoms and security, our veterans in Germany, in the Pacific, in Korea and in Vietnam knew exactly how to respond. They forgot their political and personal differences long enough to join together and face the common enemy head-on. Today, the common enemy is the insidious decay of a medical care system upon which thousands upon thousands of American veterans rely.

The proven strategy of a united front is the only one which is certain to arrest the decline. At least this new bill offers an opportunity to join together and actually enact something important to all of us: emergency fiscal year 1989 funding for the VA.

It truly breaks my heart that these veterans, who have sacrificed so much to preserve the freedoms institutionalized by this great body, have, during their hour of greatest need, been left twisting in the wind while congressional leaders continue to play political chess games with their fate.

Friends, we must disengage the engine from the train and permit a separate vote on VA funding.

The other programs in H.R. 2072 as reported are all worthy of consideration, but only VA health care constitutes the type of "dire emergency" that warrants immediate and urgent consideration outside the regular appropriations process. But we can no longer permit our sick and ailing veterans to be held hostage to other programs within H.R. 2072, however compelling those programs might be.

Mr. Speaker, this bill gives our veterans a fair break. They have already made the sacrifice, and we have incurred a debt. We owe it to our veterans to provide adequate medical care. This bill is the only sure way of guaranteeing that medical services, will be there when the veterans need it.

Let us live up to our commitment; support this bill.

Mr. WEBER. Mr. Speaker, will the gentleman yield?

Mr. CONTE. I am happy to yield to the gentleman from Minnesota.

Mr. WEBER. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I want to commend the gentleman for his statement, and I certainly support his remarks.

As I recall, there was a bill introduced in this Congress by the gentleman from Massachusetts that would have solved this problem long ago, was there not?

Mr. CONTE. Reclaiming my time, yes, I did file one, House Joint Resolution 272.

Mr. WEBER. House Joint Resolution 272. Did we not seek to have that bill brought to the floor of this House just within a matter of several hours ago almost?

Mr. CONTE. Yesterday.

Mr. WEBER. Almost a full day ago? Why did we not vote on that bill at that time? Can the gentleman enlighten us a bit?

Mr. CONTE. I was not recognized by the Chair at that time to make that kind of a motion, and it required unanimous consent. I was not given that. But it is not a question of pride of authorship or anything else. It is something that is a dire, dire emergency right here. It is needed, and it has got to be passed. I am pleased that we are finally going along with the idea that we propounded here yesterday, and I do not care who gets the credit.

Mr. WEBER. If the gentleman will yield further, I certainly commend my leader for his modesty, but I want the gentleman from Massachusetts to know that many of us, when we vote "yes" on this, if we get that opportunity, in our minds we are going to be thinking "272, 272; thank you SILVIO CONTE for 272."

Mr. CONTE. I thank the gentleman very much.

Mr. WHITTEN. Mr. Speaker, I yield 10 minutes to the gentleman from Michigan [Mr. TRAXLER].

Mr. TRAXLER. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, let me say to my distinguished friend, the gentleman from Massachusetts, that he is put in a rather embarrassing position by my good friend, the gentleman from Minnesota, on House Joint Resolution 272; 272 was introduced on May 17, and it is a very fine resolution and does the good thing that we are going to do today. The gentleman is to be com-

mended for putting a resolution in yesterday that does what we are going to do today, and we regret that it could not have done the day he did it.

Mr. WEBER. Mr. Speaker, will the gentleman yield?

Mr. TRAXLER. I am happy to yield to the gentleman from Minnesota.

Mr. WEBER. Mr. Speaker, I am always glad to engage in a dialog with my good friend from the Bean State.

Mr. TRAXLER. Beets, too.

Mr. WEBER. Mr. Speaker, I do not understand how the gentleman can suggest that my friend, our leader, the gentleman from Massachusetts [Mr. CONTE], who has been doing battle in behalf of the veterans nigh on these many months, is in an embarrassing position when the gentleman from Michigan and others now have to explain to us why they now want to pass the bill that they prevented us from considering yesterday.

Mr. TRAXLER. Mr. Speaker, is the gentleman aware that we have been trying to bring the supplemental bill up for some time, but that it was the gentleman's side of the aisle that objected to it yesterday or the day before. I forget, because we have had so many different versions.

May I suggest to everyone that we can go on with this all afternoon, and I do have an important statement to make. I just want to say to my friend that there is enough blame here in terms of whether we should have done it yesterday or today, and I am sure we will all take our share of it.

I want my colleague, the gentleman from Massachusetts, to know that he is to be commended for putting the resolution in yesterday.

Mr. CONTE. Mr. Speaker, will the gentleman yield?

Mr. TRAXLER. I am happy to yield to the gentleman from Massachusetts.

Mr. CONTE. Mr. Speaker, the gentleman and I have the greatest respect for the gentleman from Michigan.

Mr. Speaker, I wrote to Dick Darman, the Director of the Office of Management and Budget, on February 23, urging upon him the need for a supplemental in the area of Veterans' Administration health care.

I will put that letter in the RECORD at this point:

HOUSE OF REPRESENTATIVES,
Washington, DC, February 23, 1989.

Hon. RICHARD DARMAN,
Director, Office of Management and Budget, Washington, DC.

DEAR DICK: This country has encountered an immediate crisis in the area of Veterans Administration health care. Due to shortfalls in the FY 89 budget, there has been a significant reduction in delivery of medical benefits to veterans—benefits on which veterans rely and for which the U.S. citizenry, through its elected representatives, has agreed to provide.

The impacts of the current shortfall are severe. Last fall, the V.A.'s Department of Medicine and Surgery proclaimed that an additional $633 million would be required in FY 89 to provide services at the FY 88 level. Some treatments are currently being denied to previously eligible veterans. Nursing and staff shortages have closed thousands of V.A. hospital beds at a time when the health care needs of the aging veteran population have substantially increased. Confidence in the Government's commitment to the well-being of those who have bravely served our country is being eroded.

I understand that the V.A. has requested FY 89 Supplemental funding of $314 million for V.A. medical programs. The V.A. has also reqeusted an addition of $512 million in new budget authority to the Administration's FY 90 budget proposal. I urge your swift and favorable consideration to these requests.

I am not oblivious to the impacts such increases might have on the national deficit. Nevertheless, the total cost seems a small price to pay to honor our commitment to those who have protected and strengthened this country through military service. Further, the efficient delivery of services through the V.A. system may well save tax dollars that would otherwise be spent on Medicare or Medicaid.

The time to assign blame for the emaciation of V.A. health care delivery has passed. The time to act is now.

Thank you for your consideration of this urgent matter.

Sincerely,

SILVIO O. CONTE,
Member of Congress.

Mr. Speaker, I was urging him to send up a supplemental for the veterans on February 23.

After the gentleman and I talked soon thereafter about this supplemental, I went down to the White House, and I worked very, very hard to change the administration's mind about the need for offsets for the veterans' money, because I knew they were controversial. We did, and the gentleman was very appreciative of that.

Mr. TRAXLER. Indeed, I was.

Mr. CONTE. The gentleman is a good man and a good friend.

Mr. TRAXLER. I thank the gentleman, and I am honored to be called that.

Mr. Speaker, I want to just conclude my remarks with a brief statement.

Mr. Speaker, let me say that this whole issue, I think, has served a very, very useful purpose. Today's debate and the discussions that have gone on today and yesterday, I think, have served the American veteran well. Let me tell the Members why.

The bill that we have before us provides a $340 million supplemental for the medical care account in 1989. The bill also includes mandatory appropriations for veterans' compensation and pensions in the amount of $701 million, $22 million for the GI bill, and $120 million for the loan guaranty revolving fund. There is nearly $25 million for the general operating expenses account.

Mr. Speaker, I want to thank the subcommittee members, and my distinguished friend, the gentleman from New York [Mr. GREEN], for their work on this measure. I also want to thank the gentleman from Massachusetts [Mr. CONTE], who is ex officio, and certainly the full committee chairman, the gentleman from Mississippi [Mr. WHITTEN], for the work they did in assisting us in the subcommittee in arriving at these figures whatever that time period was in the distant past.

What is important here is that while we have been talking about the dire need for a VA supplemental for medical care that we understand how we got here and where we are going, because the VA medical account is, I think, from the conversations I have heard here on the floor, a very high priority of the membership.

□ 1300

I want to tell Members my assessment is that it will not be too many weeks before that priority will be put to the test when we bring the 1990 VA, HUD and Independent Agencies Appropriation bill to this floor. If Members think we are having fun today, watch me on that day.

What is this all about? It is about politics, and if you have not figured that out, you are really behind the curve. Let me tell Members what the politics of VA medical care is.

What was the President's request for VA medical care, for instance, in 1986. Get this: It was 192,000 FTE's, full-time equivalent employment. We gave him 193,000. That is what Congress did.

In 1987 the President's request to the Congress was for 185,000 FTE's. These figures come from budget documents, these are not madeup figures, not hype. Hey, this is not hype, this is reality, truth. Get this; truth on the floor of the House. The President requested 185,192 in 1987. Do my colleagues know how much the Congress gave him? You were generous, you did what was right for the American veteran and you gave him 194,140 FTE's, the barest number possible.

Do Members know what the request was in 1988? It was 190,330. The Congress, all of us, with the leadership of the gentleman from Mississippi, SONNY MONTGOMERY, insisted that it be 194,140.

Now in 1989 the request was for 192,358. We gave them 194,720.

Now listen to this one. Now what they want and what the President requests for 1990 for medical personnel to staff the VA is 186,194.

I will tell Members we cannot do it, we cannot do it for less than 194,700, and even at that level I want to assure Members we are not being generous to the American veteran.

I hope that whatever the decision is on the part of the subcommittee, and I cannot speak for it, I can only tell you it is my hope that the Members will say, based on what you have all told us

right out here on this floor, and you are all on the record that you are for veterans' medical care—that when we bring a decent, responsible figure that you are going to support it on this floor. But remember when we appropriate that money for veterans' medical care it has to come from someplace. When we go above the President's recommended 186,000 personnel level and we come back with a figure, for instance, of 194,700, that money is going to come out of something that Members may think is more important. We are going to have fun then, and we are going to see who the friends of the veterans are.

Will Members remember my statement? Remember what I just told you, because some of the Members that have been banging that microphone this morning are going to suggest there are other portions of the 1990 bill that will be on the floor at that time that adequately funds veterans programs but, does not fund their favorite portions properly. They are going to want to take some money from someplace and fund their favorite projects. That is when we are going to have a lot of fun, and that is how we separate real from phony.

I want to commend the Membership for their interest, their concern, and their dedication on behalf of the American veteran. We look forward to the passage of this bill and the Senate taking it up most promptly and moving it on to the White House.

I want to place in the record at this point a table on requested and funded FTE levels.

VETERANS' ADMINISTRATION JURISDICTIONAL FTEE

	President's request to Congress	FTEE associated, with appropriated funding	Actual	President's request to Congress for activations
Year:				
1981	184,672	185,869	184,242	398
1982	181,106	186,287	186,154	845
1983	187,546	188,238	188,111	1,633
1984	190,544	190,574	189,865	2,346
1985	193,321	193,941	193,229	2,557
1986	192,048	193,941	193,864	2,068
1987	185,192	194,140	194,459	1,307
1988	190,330	194,140	193,798	1,981
1989	192,358	194,720		1,882
1990	186,194			

Mr. CONTE. Mr. Speaker, will the gentleman yield?

Mr. TRAXLER. I yield to the gentleman from Massachusetts.

Mr. CONTE. Mr. Speaker, I want to commend the gentleman from Michigan on an excellent statement. His committee has one of the most difficult jobs in the 302(b) allocation of any Appropriations Subcommittee in the Congress with veterans, with housing, with clean water, with the space program, and many other important programs.

Can the gentleman tell me, when we are having such difficult times like this, should we embark on a big space station program? Where are we going to get the money?

The gentleman does not have to answer me now. We can talk about it later.

Mr. TRAXLER. Mr. Speaker, I appreciate the gentleman's question. As the Japanese would say, that is yet to be determined. And each of the agencies, as any member of the subcommittee will tell you, within our jurisdiction is our favorite agency and we are committed within the resources available to us to do the very best for each and every one of them we can.

Again, I thank the gentleman and I yield back the balance of my time.

Mr. CONTE. Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. GREEN].

Mr. GREEN. Mr. Speaker, I thank the distinguished ranking minority member of the full Appropriations Committee for yielding time to me, and I rise for two purposes. First, to express my appreciation to the distinguished ranking minority member of the full committee and to my chairman, the gentleman from Michigan [Mr. TRAXLER], the distinguished chairman, and the ranking minority member of the Veterans' Affairs Committee for their efforts early on in this session to force the OMB to face up to the problem that we were facing in funding veterans' medical care. This is truly a crisis.

The testimony before our Appropriations Subcommittee demonstrated that fully 95 percent of the veterans being cared for by the VA medical services are service-connected disability veterans, so that this really is the group to which we have the greatest obligation as a nation.

I also rise to echo the point made by my distinguished chairman as to the problems that this account is going to create as we shortly move on to the fiscal year 1990 appropriation bills. Plainly, if this account is more than $300 million short with just the balance of this year to go, it is many hundreds of millions of dollars more short in terms of the full fiscal 1990, and we are certainly going to have to find within our 302(b) allocation in our subcommittee the money to make that good above and beyond what the administration has requested for the VA medical account.

So I hope all Members, as the appropriation process now unfolds, will be very much aware of that priority and understand that that is going to be a very significant factor in shaping not only the veterans' portion but the entire Veterans, HUD, and independent agencies appropriation bill for fiscal year 1990.

Mr. WHITTEN. Mr. Speaker, I yield 5 minutes to the gentleman from Iowa [Mr. SMITH].

Mr. SMITH of Iowa. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I want to recap briefly and then ask the administration to do something.

On May 10 the head of OMB sent up a letter which, among other things, said this: "Much of that newly-provided 1989 drug funding remains unobligated."

To the untrained ear, that sounds as if to say there is more money available than needs to be there for drug control. Actually, of course, there is unobligated money, there has to be unobligated money. Under the Anti-Deficiency Act agencies should spend no more than about one-twelfth per month in the salaries and expenses accounts. So most of the accounts in the anti-drug effort are on target; they are in the 50 percent range at the end of 6 months. There are three or four accounts that appear to have unobligated balances greater than they need to be, but in the law enforcement area there are none of them that appear to have more money than they need.

So the chairman of the full committee a week ago today wrote back to the head of the OMB and he said this:

> We have not been able to identify the individual accounts directly involved in the war on drugs which contain more funding than is needed or will be used in fiscal 1989. I would appreciate receiving by Monday noon the identification of each individual account of anti-drug funding which in your opinion has a surplus that will not be needed or used appropriately in this fiscal year, and the amount of the surplus in each such account.

A reply came back to the chairman on Monday and it said:

> Please note that my early letter did not state that there was a surplus of funds that would "not be needed or used appropriately."

□ 1310

Well, that answers that. There is no surplus that the OMB Director has identified that will not go used by the end of the fiscal year. But in addition to that he did not go forward and then identify any accounts in which there will be a surplus.

For example, $300 million was appropriated for interdiction in the Department of Defense. It does not appear at this time that there is any way they can use that money this year. But the accepted procedure, if there is a surplus in any account in one department that can be transferred to another department, is for the administration to send up a request for the transfer. They have not done so to date.

They have not identified any single account that they say there is more money in than they will need by the end of the year.

So what I am doing today is to call on them—we have a little time now that we are passing the veterans bill by itself, we will have a little time over the weekend here—and I am calling on the head of the OMB, the President and anybody else who is involved to send up to the Congress a specific identification of an account that has a surplus in it and propose the transfer of that surplus to other accounts as long as those accounts are in for the war on drugs.

If there is any such account, OMB is obligated to identify the account and the amount of money. Now if we are going to have an offset for the money that is in this bill, that is the way to get it. They can do that over the weekend.

Some say, I hear criticism around here that we are advancing some money in this bill from fiscal year 1990 requests up to fiscal year 1989. You cannot speed up the war on drugs unless you advance some money that would not have been available until next fall.

For example, in the area of prisons, we are advancing $105 million that would not have been available for obligation until next October. If they do not have that authority to obligate now instead of next October, they cannot start the process. They need that. They would only outlay $5 million in this fiscal year but they need the authority to go ahead and obligate and that would speed up by several months the building of some of those prisons.

The Bureau of Prisons needs $49.4 million to work on getting some facilities on some of these bases that have just recently been identified as surplus. They need that now rather than next fall. You cannot speed up the war on drugs unless you advance to this time some of the things they would have done next fall.

So when we are trying to find money to cover funds in one department and you want to offset those funds with unused funds in another department, the only way you can do it is for OMB to send up a proposal for a transfer.

Now as far as law enforcement is concerned, I have checked carefully with various agencies, with DEA, FBI, the Justice Department, the Marshals Service, the various agencies that are in law enforcement and they do not have a surplus. They are obligating funds in the usual and appropriate manner.

So we need more money in those law enforcement areas. The President came up here on Monday and said we need more money in those areas; and I agree with him on that. But what we need now is some cooperation from the administration to identify and support the amount of money that is needed at this time that will help us speed up the war on drugs, and if it can be offset from some other department, they need to identify those offsets. They can do that between now and next Monday.

Mr. CONTE. Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. SOLOMON].

Mr. SOLOMON. I thank the gentleman for yielding this time.

Mr. Speaker, it is with a great sense of relief that I rise in support of this supplemental. I would first of all say to our good friend and good friend of the veterans, the gentleman from Michigan [Mr. TRAXLER] that in the budget for 1990 that was just passed, the gentleman from California [Mr. PANETTA] sitting over there and the gentleman from Minnesota [Mr. FRENZEL] sitting over here were good enough to help us add an additional $220 million to function 700 in the 1990 budget which is going to go a long way toward picking up those numbers of employees that our good friend Mr. TRAXLER was talking about.

Now also Mr. TRAXLER mentioned that we were going to have some fun later on when there was going to be a question of where this money was coming from. I think he was kind of intimidating us a little bit saying that we were going to be forced to take that money out of the national defense budget of this country. Let me remind Mr. TRAXLER that every single red-blooded American that I know who served in the Armed Forces of the United States of America and now has the right to call themselves veterans, their first priority is a strong national defense and the national defense budget of this country.

Having said all that, I want to take my hat off to the gentleman from Michigan [Mr. TRAXLER] and the gentleman from New York [Mr. GREEN], for the outstanding job that they have done and also to the gentleman from Mississippi [Mr. MONTGOMERY] and the gentleman from Arizona [Mr. STUMP] for working to get what we really need for the veterans.

I want to thank even the gentleman from Iowa [Mr. SMITH] and the gentleman from California [Mr. MILLER], for their understanding in stepping aside, putting their differences aside and letting this bill come before us.

I want to thank the gentleman from California [Mr. COELHO], the gentleman from Washington [Mr. FOLEY], and the Speaker of the House, and the gentleman from Massachusetts [Mr. CONTE], for getting this bill out here on the floor.

But I guess more than all I want to thank the majority chairman of the Committee on Appropriations, the gentleman from Mississippi [Mr. WHITTEN], for understanding and for putting these differences aside.

We will pass this bill today and we will come back to fight another day on other issues, and that shows a big man on the part of all these people involved. I commend you all for it. I hope you all have a nice weekend.

Mr. WHITTEN. Mr. Speaker, I yield 3 minutes to my friend and colleague, the gentleman from Mississippi [Mr. MONTGOMERY], chairman of the Committee on Veterans' Affairs.

Mr. MONTGOMERY. I certainly will be brief.

Let me thank my colleague, the gentleman from Mississippi [Mr. WHITTEN], for the job he has done in bringing this veterans legislation that we can vote on today, and I thank the gentleman from Massachusetts [Mr. CONTE], and the gentleman from Michigan [Mr. TRAXLER], and the gentleman from New York [Mr. GREEN], and especially to the leadership on this side of the aisle plus the leadership on the other side, and to the gentleman from Arizona, [Mr. STUMP], and others who have worked to get this legislation before us today.

Mr. Speaker, we are not crying wolf, trying to get this funding for our veterans programs. It is needed. I certainly want to commend all so that we could have this opportunity.

Mr. CONTE. Mr. Speaker, I yield 1 minute to the gentleman from Georgia [Mr. GINGRICH].

Mr. GINGRICH. I thank the gentleman.

Mr. Speaker, I just want to rise to praise the gentleman from Massachusetts. This has been a long process, these last 6 or 7 weeks, and the gentleman has hung in there, he has done yeoman's work again and again, he has been patient. He has counseled some of us who might have been less wise than he is. I think the fact that we are going to be able to send this bill to the other body this afternoon, that the veterans are going to get the help they want, that we will have a real chance that the other body will now act and pass this before Memorial Day, is in large part due to the gentleman from Massachusetts [Mr. CONTE]. I want to say "Thank you" on behalf of everybody who cares about veterans. The gentleman from Massachusetts really has made this possible.

Mr. CONTE. I thank the gentleman very much.

Mr. Speaker, I really appreciate those kind words.

Mr. Speaker, we have no further requests for time, and I yield back the balance of my time.

Mr. WHITTEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I do not want the time to pass without my saying "Thank you" to the leadership—to the Speaker, JIM WRIGHT, to the majority leader, TOM FOLEY, to the majority whip, TONY COELHO—to my friends on the committee, to my friend the gentleman from Massachusetts [Mr. CONTE] and all the others, plus our

colleagues who have additional interests who worked today to make it possible to bring this veterans supplemental appropriations bill to the floor today.

We have had a whole lot of cooperation in order to bring this about, from everybody here, and from everybody who is interested in what we are doing.

I just want to say "Thank you" to all of them.

Mr. WHITTEN. Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. MRAZEK].

Mr. MRAZEK. I thank the chairman for yielding.

Mr. Speaker, I simply wanted to say that I had the opportunity at the North Port Veterans' Administration Hospital earlier this week, on Monday, to have what might have been one of the largest field hearings in the United States with almost 1,000 veterans deeply concerned about the impact of budget cuts which totaled about 20 percent over the last 8 years and about $2.55 million specifically this year in additional cuts.

Horror stories from veterans in building 11 at the North Port Veterans' Administration Hospital complex, veterans of World War II, men who are incontinent and there are no custodial staff or nurses aides to assist them to take a shower; where registered nurses are providing showers but there are no linens to put them back into the bed; no socks, no rubber gloves for the nurses who tend to them.

We listened to stories of men who have cancer and who have to travel 3 hours to get to a linear accelerator in the Bronx in order to get radiation therapy.

Anyone who has had a loved one who needed radiation therapy is well aware of the difficulty that that continued therapy will have on their life and the idea of having to travel 3 hours in order to get it is simply unacceptable.

□ 1320

We are going to have to restore not only this money, in my view, but additional funds because really there is no villain here. There are dedicated staff people. There are dedicated administrators who want to do their best. The only villain is a lack of resources to get the job done. This is a good first down payment.

Mr. Speaker, I want to thank those who have helped to put it together.

Mr. HAMMERSCHMIDT. Mr. Speaker, I rise in strong support of the dire emergency supplemental as introduced by the Honorable SILVIO CONTE of Massachusetts. The resolution is urgently necessary to overcome a serious budget shortfall which has the Department of Veterans' Affairs in a state of medical emergency.

Unless the bill is passed by the Congress and signed into law, the Secretary of Veterans' Affairs, the Honorable Edward Derwinski, has advised us that substantial reductions in personnel will have to commence at veterans' health care facilities across the country.

As ranking minority member of the Subcommittee on Hospitals and Health Care, we have held many hearings documenting an already insufficient level of essential health care personnel. Nurses in particular are in short supply. Without this emergency supplemental, this level will drop even more sharply.

May 19, 1989, has been identified as the date on which without supplemental funding, the Department's capital accounts will be frozen. We simply cannot allow this to happen.

The resolution before us will add $340,125,000 to the medical care account. This amount will provide 1,539 average employment, increasing the annual employment level to 191,616 full time equivalent employments. In addition, an increase of 933,000 outpatient visits would be realized.

The Office of Management and Budget has already approved a supplemental for the Department of Veterans' Affairs. It has the full support of the administration.

I very strongly urge the support of my colleagues on this resolution. This action is vitally necessary to preserve the commitment of the Nation to provide quality health care to our Nation's veterans.

Mr. EDWARDS of Oklahoma. Mr. Speaker, I am concerned about the quality of veterans health care in Oklahoma, which could be seriously impaired if the additional funds contained in this bill are not approved.

Last year, Congress approved a medical care staffing level at VA hospitals of 194,720. However, as a result of underfunding, the Department of Veterans' Affairs is estimating that staffing levels will drop to 186,000—a loss of 8,720 full-time employees. To compensate, VA medical facilities across the country have been forced to reduce staff, terminate services, and postpone needed maintenance. In some facilities, inadequate equipment cannot be replaced and medical supplies are in short stock.

The cumulative impact of these actions on veterans' health care is devastating—with many veterans being denied treatment. The VA hospital in Oklahoma City, for example, which serves many of the veterans in my district, has been forced to close one of its wards because of a shortage of nurses. The lack of funds is also contributing to additional staffing needs for pharmacists, respiratory therapists, and ward coordinators. This situation is repeated in many other hospitals around the country.

The bill before us today includes $340,000 to cover the shortfall in health care services for veterans. This funding will permit the VA to increase employment to the 194,720 level by the end of the fiscal year. It will also provide additional funds for equipment and maintenance. Failure by Congress to approve these funds will almost certainly require the VA to undertake another round of cutbacks which would force hospitals to turn away even more veterans.

There is a growing concern among veterans that their benefits are gradually being eroded. Providing the funds necessary to maintain the level of health care services is the minimum required to fulfill the obligation we have to the men and women who have served our country.

Mr. MARLENEE. Mr. Speaker, I salute the courage of the leadership of the appropriations and the Rules Committees to bring a clean bill to the House floor dealing with a $1.2 billion supplemental appropriations for veterans' benefits, which includes $340.1 million for veterans' health care. This is an extremely urgent matter, with many veterans' hospitals across America on the verge of default by June. I am absolutely delighted that veterans' funding is not held hostage to other nonemergency spending like Japanese-American reparations.

Last March, President Bush requested a $2.1 billion supplemental appropriation to honor previous obligations mandated by law. The bulk of the President's request was targeted on veterans' benefits, adequate funding for the guaranteed student loan program, and payments to States for foster care and adoption assistance.

The big spenders then added all sorts of other unnecessary Federal spending to see how much the President will tolerate in lard and pork. Every member in this body has talked about the need to control the Federal deficit. Yet, the original supplemental proposed by the Democrats in this House was double the President's request. The Democrats ballooned the administration's supplemental request to $4.7 billion.

I was angry. If that bill passed the House, it would have been good for another point or two increase in interest rates. It would have showed that we couldn't control our own voracious appetite for spending thus creating the climate for raising interest rates for another point or two. Simply put, Mr. Speaker, that bill was destabilizing for our economic future.

Yesterday, the Democrat leadership attempted to sneak another budgetbusting supplemental bill under our noses. The bill was pared down by $1 billion over the first request but it was rumored to contain some nonemergency spending, like $250 million for Japanese-American reparations. I personally find it objectionable to debate issues on the House floor with no knowledge of what is in the bill. Fortunately, many Republicans objected.

Now, we finally have an oppportunity to debate a real emergency supplemental that will resolve the funding crisis at the Veterans' Administration. After weeks of cantankerous debate and bruised egos, we can finally pass a pure $1.2 billion VA supplemental bill. I add my unequivocal strong voice of support for H.R. 2402. For all the veterans across Montana, I thank God that we've finally seen the resolution of this issue. I ask my colleagues to join me to make sure that this never happens again by supporting adequate, stable funding for the VA in future budgets.

Mr. LAGOMARSINO. Mr. Speaker, as one of the cosponsors of H.R. 2402, the emergency supplemental appropriations addressing the critical needs of our veterans, I rise in strong support of the measure and urge its swift passage.

Like many of my colleagues, I recognize the extremely serious funding requirements of the

new Department of Veterans' Affairs to ensure that adequate medical care and mandatory benefits are available to America's veterans. We must not forget that these brave Americans answered our Nation's call during its most pressing times of need. Now, in their hour of need the Nation must return the call.

Already, the Veterans' Department has been forced to reduce the medical sevices to eligible veterans because of inadequate funds. This must be reversed. We must uphold our commitments to other veterans, who made great sacrifices and still bear the scars of their service today. Mr. Speaker, H.R. 2402 accomplishes these goals.

I am very encouraged that H.R. 2402, introduced just yesterday by the distinguished vice chairman and ranking Republican member of the Appropriations Committee, Mr. CONTE, has been expeditously considered and brought before the full House for a vote. In contrast with the other recent supplemental appropriations bills, this one focuses on what is truly a dire emergency—funding veterans health care. While I recongize that there are other important programs in need of supplemental funding, these programs' needs not as time-sensitive and we can carefully consider them after passing H.R. 2402. Because some of these other proposals are more controversial than others, I am further encouraged that the majority in the committee and in the House have agreed with Mr. CONTE, me and others, to address them separately. It's about time we stopped holding veterans medical care hostage to partisan positioning on other budget and funding issues.

I strongly support this vital measure and urge my colleagues to join me in voting for H.R. 2402.

Mr. BRENNAN. Mr. Speaker, today I urge my colleagues to support the VA emergency supplemental appropriation measure to provide $340 million to the health care account of the VA. This is an important step toward restoring the highest level of service at our VA medical centers across the country.

The funding made available today will reopen surgical and psychiatric wards, reopen drug and alcohol abuse treatment facilities, and restore medical services to veterans who have been denied care because their ailments are described as "not sufficiently serious". Perhaps its most important purpose is that it will begin to restore the peace of mind that veterans used to enjoy by knowing that the sacrifices they made are remembered and appreciated by their Government.

However, while this is an important step, it is by no means the only step we have to take concerning VA hospitals. Earlier this session I introduced H.R. 1382 to provide $432 million in supplemental funds for the health care account of the VA. I believe that this figure more accurately reflects the level of the funding shortage. After this fiscal year, estimates on the budget shortfall exceed $1 billion. While we can be pleased with our actions today, our work has truly just begun.

Our veterans deserve the best medical care we can provide. While the quality of the personnel at our VA hospitals is second to none, they need more funds to adequately serve our veterans. I urge all my colleagues to work with me to adequately fund VA hospitals in future years.

Mr. SMITH of New Jersey. Mr. Speaker, I am very relieved that the House today voted to approve $340 million for fiscal year 1989 veterans health care services. As Secretary of the Department of Veterans' Affairs, Edward Derwinski, pointed out, VA hospitals are in dire need of additional funding to deliver medical care to veterans.

Without the money provided by this supplemental measure, the VA would have been forced to freeze capital accounts in spite of the increased need for updated medical equipment. Activation of almost 100 projects to provide veterans with health care services would not be possible, and at least 200 FTEE would be eliminated from VA health care facilities each pay period.

These additional cutbacks would paralyze the VA and its ability to serve the needs of our veteran population. The services affected by these cutbacks are benefits that our veteran population have earned, services that our country has pledged to deliver.

The quality of health care services we provide for our Nation's veterans has been questioned more and more frequently over the past few months. The VA has already been turning away service-connected veterans because of insufficient personnel to deliver care and we simply cannot afford to further cut back services. It is only fitting that we move quickly to provide the VA with these needed resources.

Mr. Speaker, I strongly support this supplemental measure and commend my colleagues for approving the bill.

GENERAL LEAVE

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill (H.R. 2402) making supplemental appropriations for the Department of Veterans' Affairs for the fiscal year ending September 30, 1989, and for other purposes, and that I be permitted to include tabular and extraneous material.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi.

There was no objection.

The SPEAKER pro tempore. (Mr. NEAL of North Carolina) without objection. The previous question is ordered.

There was no objection.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONDITIONAL ADJOURNMENT OF RECESS OF THE SENATE FROM THURSDAY, MAY 18, 1989 OR FRIDAY, MAY 19, 1989, TO WEDNESDAY, MAY 31, 1989 AND CONDITIONAL ADJOURNMENT OF THE HOUSE FROM THURSDAY, MAY 25, 1989 TO WEDNESDAY, MAY 31, 1989

Mr. FOLEY. Mr. Speaker, I call up from the Speaker's table a privileged Senate concurrent resolution (S. Con. Res. 38) and ask for its immediate consideration.

The Clerk read the Senate concurrent resolution, as follows:

H. CON. RES. 38

Resolved by the Senate (the House of Representatives concurring), That when the Senate recesses or adjourns at the close of business on Thursday, May 18, 1989, or Friday, May 19, 1989, pursuant to a motion made by the Majority Leader, or his designee, in accordance with this resolution, it stand recessed or adjourned until 2:15 post meridiem on Wednesay, May 31, 1989, or until 12 o'clock meridian on the second day after Members were notified to reassemble pursuant to section 2 of this resolution, whichever occurs first; and that when the House adjourns on Thursday, May 25, 1989, it stand adjourned until 12:00 o'clock meridian on Wednesay, May 31, 1989, or until 12 o'clock meridian on the second day after Members are notified to reassemble pursuant to section 2 of this resolution, whichever occurs first.

SEC. 2. The Majority Leader of the Senate and the Speaker of the House, acting jointly after consultation with the Minority Leader of the Senate and the Minority Leader of the House, shall notify the Members of the Senate and the House, respectively, to reassemble, whenever, in their opinion, the public interest shall warrant it.

The Senate concurrent resolution was concurred in.

A motion to reconsider was laid on the table.

LEGISLATIVE PROGRAM

(Mr. GINGRICH asked and was given permission to address the House for 1 minute.)

Mr. GINGRICH. Mr. Speaker, I ask the majority leader to share with Members the schedule for next week, and I yield to the gentleman from Washington.

Mr. FOLEY. Mr. Speaker, I thank the distinguished Republican whip for yielding. We have considered the business for the day and for the week. The House will not be in session tomorrow. The House will meet at noon on Monday, May 22, but there is no legislative business scheduled. On Tuesday, May 23, the House will meet at noon and consider six bills under suspension of the rules, recorded votes on suspensions, H.R. 932, the Puyallup Tribe of Indians Settlement Act of 1989; H.R. 1414, to provide for the appointment of enlisted members of the Armed Forces to the American Battle Monuments Commission; H.R. 498, to clarify

and strengthen the authority for certain Department of the Interior law enforcement services, activities, and officers in Indian country; H.R. 881, Coquill Restoration Act; H.R. 2344, to authorize the transfer to the Republic of the Philippines of two excess naval vessels; House Concurrent Resolution 121, to express the sense of the Congress with respect to the assassination of Col. James Rowe in the Philippines.

On Wednesday, May 24, and Thursday, May 25, the House will meet at 11 a.m. on Wednesday and 10 a.m. on Thursday and consider H.R. 2072, dire emergency supplemental appropriations for fiscal 1989, subject to a rule; unnumbered H.R., to transfer funds for antidrug initiatives, subject to a rule; and unnumbered H.R., to amend the Mineral Leasing Act relating to oil shale claims, subject to a rule.

On Friday, May 26, the House will not be in session during the Memorial Day district work period. At the close of the week's business, the House will adjourn until 12 noon on Wednesday, May 31. Conference reports may be brought up at any time in the further program.

Mr. GINGRICH. I wonder if I might ask the distinguished majority leader a couple of questions. First I note the absence of the FSX issue, and I wonder if that might be on the calendar for next week.

Mr. FOLEY. I am happy the gentleman mentioned that. That may well be on the calendar for next week. We have not a clear designation yet with respect to that, and any action that might be taken by the Committee on Foreign Affairs, but that is absolutely correct, and we may have a vote on FSX.

Mr. GINGRICH. Just for the purpose of those colleagues who were not part of our earlier discussion, when the dire emergency supplemental comes up, since it will not have the veterans' money, could the majority leader just explain for a moment what will be in that bill in the context of that rule in that vote?

Mr. FOLEY. We anticipate there will be one rule which will encompass both that bill and the bill involving the transfer of funds for drug-fighting purposes for two separate bills. The first bill, H.R. 2072, will most likely be the text of the unanimous-consent request offered by the distinguished chairman of the Committee on Appropriations yesterday. It will include such things as funds for refugee programs, for the provision for forest fire fighting. There will be funds for guaranteed student loans, Federal employment benefits and trade adjustment assistance, international peace keeping, Jewish refugee assistance and some funds for the homeless and funds for drug enforcement.

Mr. GINGRICH. Let me just say, first of all, I very much appreciate this week having worked with the majority leadership and having gotten the veterans' supplemental through today. I think it was an important step.

I would note that because of the unusual nature of next week's rule and the two initiatives that are being offered on the dire emergency supplemental and the proposal to transfer funds for antidrug initiatives which, as I understand it, represents a bill which has not yet been written or introduced, House Resolution blank at this stage, I would just say to my colleagues on the Democratic side there may well be one or two initiatives that come to the Rules Committee at the same time in an effort to find equal opportunity, and I might say for floor action on ideas during the week.

Mr. FOLEY. I thank the gentleman for that information.

Mr. GINGRICH. I thank the leader and look forward to seeing him next week.

ADJOURNMENT TO MONDAY, MAY 22, 1989

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at noon on Monday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. FOLEY. Mr. Speaker, I ask unanimous consent the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

HOUR OF MEETING ON WEDNESDAY NEXT

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that when the House adjourns on Tuesday, May 23, 1989, it adjourn to meet at 11 a.m. on Wednesday, May 24, 1989.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

□ 1330

THE USE OF SNIFFER DOGS AT AIRPORTS—AN UPDATE ON AIDS

The SPEAKER pro tempore (Mr. NEAL). Under a previous order of the House, the gentleman from Indiana [Mr. BURTON] is recognized for 60 minutes.

Mr. BURTON of Indiana. Mr. Speaker, I have two issues that I would like to touch on briefly today. I will not take the entire 60 minutes so that those who are still in the Chamber can get out of here and get to their homes or wherever they have to go.

First of all, we have a real problem with the possibility that a terrorist might get on a U.S. aircraft at one of our international airports and blow it up. We have had occasions where this has occurred at foreign airports, but we have not yet experienced it here in the United States.

In order to ward off this possibility, I and a number of other Members of Congress have suggested that some measures be taken by the Federal Aviation Administration to make sure that this does not happen. One inexpensive way to head off this eventuality is to train sniffer dogs that have the ability to detect Semtex and other plastic explosives before they get on an aircraft. They use these sniffer dogs at many of our State Department offices around the world, and they use them behind the scenes to check luggage at many of our airports, but they do not use them at the gates that passengers go through to get on an aircraft. In my view, we ought to train teams of trainers and sniffer dogs and policemen to be at these aircraft entranceways to check hand-carried-on luggage that goes on the aircraft and that, therefore, is not subject to scrutiny behind the scenes.

The FAA has come to my office and talked to me, and they have talked to the gentleman from Minnesota [Mr. OBERSTAR] and others and have said that they believe this would cause some problems for them in that the dogs might scare passengers, and there is a possibility that the dogs might bite passengers. And they point out that the dogs can only be used for a specified period of time before they are worn out and then have to rest before they go back through another cycle.

Now, my answers to their criticisms are as follows: First of all, we could put muzzles on dogs that are loose-fitting enough so they can still use their tongues and their sniffing devices so they could detect these plastic explosives. So that argument does not hold water. The second thing I would say to them is that people see dogs all the time. They see the seeing-eye dogs, they see dogs in yards and on the streets, and people are used to that. And if they know that it is for their own safety that these dogs are going to be at the airports, in my view they will not object to them.

The third thing is that the dogs do have a limited period of time that they can detect these plastic explosives, maybe 30 to 45 minutes. But their

being there, just being on the premises would be a deterrent as far as allowing these terrorists to get on planes with plastic explosives. If you were a terrorist and you were going through a metal-detecting device on a plane and you saw that dog there, I think you would be very discouraged. You would be very concerned that you would be detected and you might be arrested and go to jail immediately. So I think the deterrent effect of having these sniffer dogs at airports is very, very important, and I criticize very strongly the Federal Aviation Administration for trying to stop the training and the utilization of these sniffer dogs at our airports.

Sometime in the future some terrorist is going to get on a plane and blow it up here in the United States. We can avoid that to a large degree, I believe, by using sniffer dogs and other technologies. There are new technologies coming on board which would detect a plastic explosive device that one would walk through, like a metal-detecting device, but those are 2 to 3 years away, and in the interim period we have no protection. That is why these sniffer dogs are so vitally important to the security of the air-traveling public, and every Member of this body and the other body ought to be concerned that there is no way to detect plastic explosives right now in hand-carried-on luggage.

That is why these sniffer dogs are so important, and I urge my colleagues to contact the FAA and ask them to drop their opposition to the training of sniffer dogs for this purpose.

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. BURTON of Indiana. I am happy to yield to my colleague, the gentleman from Pennsylvania.

Mr. WALKER. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I think the gentleman has raised a very important question on the floor. Obviously, the American public is looking at us to be very, very vigilant with regard to terrorist activities and plastic explosives.

The gentleman, I think, makes a good interim suggestion until we do have appropriate technology to take care of this problem. I want to thank the gentleman for his statement here on the floor.

Mr. BURTON of Indiana. Mr. Speaker, I thank the gentleman for his contribution.

I would just like to say also that these dogs would be a good adjunct to the new technology once it comes on line in 3 or 4 years. But in the short run I think it is a real deterrent to those terrorists or would-be terrorists who might want to get a plastic explosive device on an American airline.

Mr. Speaker, the other thing I want to talk about very briefly is the AIDS pandemic, a subject that has not been addressed by this body for some time. The people of this country have not really been as aware of what is going on as far as the AIDS epidemic is concerned as I think they should be, so I am going to give the Members some figures today that came straight from the Center for Disease Control so the American people and my colleagues will know what is going on vis-a-vis the AIDS epidemic.

In 1983 we had 4,200 cases of AIDS, people dead or dying of AIDS. One year later that figure had doubled to over 9,900; 1 year later it had more than doubled again to 20,000, and then 2 years later it went from 20,000 in 1985 to almost 50,000 in 1987. And now, from 1987 through the end of 1989, the projection is that there will be 122,000 dead or dying from the AIDS pandemic. So the figure is more than doubling every 2 years right now.

Now, if we would extrapolate this out to the year 1999, we would reach some startling figures. By the end of 1991, if this trend continues, we would have 250,000 people dead or dying, 250,000 up to 280,000. If the percentages continue as they have for the past 7 years, by 1993 we will have between 500,000 and 650,000 people dead or dying. By 1995 we will have a minimum of over 1 million dead or dying, up to 1.5 million. By 1997 that figure could be between 2 million and 3.5 million, and by 1999, 10 years from now, we could have 4 million to 8 million people dead or dying of AIDS in this country. And that does not include the number of people who are infected and walking around carrying the virus and who are able to communicate it to other human beings in this country.

The Center for Disease Control said 4 years ago that we had 1.5 million people infected and it was doubling every 1½ years. Based upon their projections back then, we would have somewhere between 6 million and 12 million people carrying the disease today, but they still maintain that we only have 1.5 million infections. I do not know how they are coming up with that figure. They must be pulling it out of the sky. But the fact of the matter is that we must have more than 1.5 million if they said they had that many 4 years ago.

Why is this a big cause of concern? Well, obviously because we have loved ones we are concerned about. We are concerned about our children who are sexually active. We need to be concerned about them. A study that was conducted last September by the Center for Disease Control showed that 800,000 young men between the ages of 18 and 44 had 10 or more sexual partners in a year. We have heard on television and through reports that the way to stop the AIDS pandemic is through education. We have been educating people on television with pretty explicit commercials for some time now, and yet the study shows that 800,000 young men in this country had 10 or more sexual partners last year, and they are doing it each and every year. This means that the AIDS epidemic is continuing to spread in a very rapid way, but we do not know how far it has gone or what the extent of it is.

How are we going to find out? I have been advocating now for 4 years that we have a uniform testing program across this country. We do not want to violate people's civil rights, we want to make sure that people keep their jobs and their health insurance and everything else, and we want to make sure there is not discrimination, but the only way to get a handle on this epidemic is to know who has it, how it is being transmitted, who is spreading it, and where it is spreading most rapidly, and if there are any other ways it is being spread other than conventional ways, we need to find out about that as well. The only way to find that out is through a routine testing program.

We in this country, at the Center for Disease Control and at Health and Human Services, are walking around with our heads in a sack, and the epidemic continues to increase.

□ 1340

Mr. Speaker, I have a daughter who is 16, a daughter who is 25, and a boy who is 14, and I talk to them about the risk of AIDS all the time. Hopefully the education and information I am giving them is going to help, but we have millions and millions of young people in this country who are going on their merry way not realizing the dangers that face them, and the epidemic is spreading, and it is going to spread in an exponential manner unless we do something about it, and that is why a mandatory testing program is absolutely essential.

Mr. Speaker, people say, "Well, we can't do that. We haven't done it before."

We have done it before, Mr. Speaker. When I was in grade school, everybody was tested for tuberculosis. We had the Wassermann test for syphilis. We have had a lot of tests in the past for diseases that threatened the population of this country, and there has never been a disease that threatens this continent, this country, like the AIDS pandemic.

Millions of people are going to die, and millions more are going to be carrying this disease and spreading it unless we do something about it in a very, very quick timeframe.

If my figures are accurate; that is, that we have around 5 to 6 million infected right now, then this disease is pretty much out of control. The incubation period for AIDS at first was thought to be 1 year, then 2 years, then 3 years. Now most scientists

agree that the incubation period, that period that a person can carry the disease and not even know they have it, runs from 7 to as high as 20 years or more. That means a person that looks perfectly normal, healthy, has no manifestation of the disease and can communicate it to another human being for up to 20 years. They can be a walking epidemic.

Mr. Speaker, the one thing about testing is, once we find out if a person has the disease, we can tell them, "You have the disease. You can no longer have sexual contact with people outside the AIDS community because you will be in effect killing them if you do that. It will be as bad as shooting them with a gun."

Then, Mr. Speaker, we would have to have a mechanism to enforce that, so, therefore, we need an entire program to deal with the AIDS pandemic, but the first and most important thing that we have to do is have a testing program.

I have talked to a lot of my colleagues in the past, and nobody seems to listen in this place. Nobody seems to listen in this place about the AIDS pandemic and the spread of it, but listen to these figures one more time because this is not baloney.

We have gone from 4,200 cases in 1983, to 9,900 in 1984, to 20,000 in 1985, to 50,000 in 1987, to 122,000 at the end of this year. That means we are going to have a quarter of a million, at least, in 1991, a half a million in 1993, and a million in 1995 minimum, and it will probably be more like a million and a half. In 1997 we will have 2½ to 3½ million. In 1999 we will have between 4 and 8 million people dying in this country, and we are fiddling while Rome burns.

Mr. Speaker, we need to protect people's civil rights; I agree with that, but I say to my colleagues that the most important and overriding issue is the health of this Nation, and until we start a testing program this disease is going to continue to spread, and it is going to wipe out a lot of people in this country.

I want to tell my colleagues one more thing before I close, and that is that in the 14th century, 1347 to 1350, 25 to 50 million people in Europe were wiped out by the bubonic plague. Now it can happen. It has happened before in history, and it will happen again unless we get a handle on this.

Mr. Speaker, I urge my colleagues to think long and hard about a mandatory testing program along with a complete program to deal with this crisis because every day we wait more people are condemned to dying.

NATIONAL LITERACY DAY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey [Mr. PAYNE] is recognized for 5 minutes.

Mr. PAYNE of New Jersey. Mr. Speaker, I am pleased to be able to introduce a resolution to designate July 2, 1989, as National Literacy Day. For the past 3 years Mr. FLORIO had introduced this resolution and many of my colleagues joined in as cosponsors. The resolution was eventually enacted and Congress was able to bring attention to the plight of more than 27 million Americans who lack the basic skills necessary to function in today's ever changing, technological society.

Today more than 27 million adults cannot complete a job application, read a newspaper, comprehend a bus or train schedule or understand a warning label on a bottle of medicine. The Department of Education estimates that more than 2.3 million more illiterates including high school dropouts, unlettered pass-along graduates and some immigrants, are added to that list every year.

However, the problem has not been confined to those groups of dropouts or disadvantaged minority group members, although they represent the highest number. Increasingly, we are discovering that working members of mainstream American society are either totally illiterate or unable to read at the level presumably required by their job or of their position in society.

Our Nation's competitiveness is being eroded by the presence of millions of Americans who are functionally illiterate. The product of these deficiencies is being acutely displayed in the work place by citizens who cannot comprehend simple manuals or operate equipment. Consequently, the total cost of the errors, accidents, and missed opportunities in business now exceeds $225 billion annually.

In 1964, John Kenneth Galbraith wrote that:

> People are the common denominator of progress. So * * * no improvement is possible with unimproved people, and advance is certain when people are liberated and educated. It would be wrong to dismiss the importance of roads, railroads, power plants, mills and other familiar furniture of economic development * * * but we are coming to realize * * * that there is a certain sterility in economic monuments that stand alone in sea of illiteracy. Conquest of illiteracy comes first.

This statement is no less truer today than in the 1960's.

Equally important, however, is the societal cost. The lack of reading, writing, and mathematical skills leads to resignation, despair, and, in some cases, contributes to crime, alcohol and drug abuse, unemployment, and economic dependence. More specifically, the cost includes welfare expenditures for the children of adults who lack the skills necessary to obtain gainful employment, necessary law enforcement to slow the growing underground econ- omy generated by the individuals who cannot compete on the open job market, and consequently, the cost includes the maintenance of prisons that are the eventual end for those persons. It is a cost that is too high to pay.

Essentially, Mr. Speaker, illiteracy has become a social tax. It is a tax that, while falling directly on the backs of the millions of illiterate individuals, has, in turn, exacted the very strength of our Nation.

I would, therefore, urge my colleagues to join me in recognizing the need to eradicate the scourge of illiteracy by cosponsoring this resolution. Because as a man wiser than myself once said, "It is the fate of this country that depends upon the education of its people."

GENERAL LEAVE

Mr. PAYNE of New Jersey. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order today.

The SPEAKER pro tempore (Mr. NEAL of North Carolina). Is there objection to the request of the gentleman from New Jersey?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. STANGELAND (at the request of Mr. MICHEL), for today, on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. SMITH of Mississippi) to revise and extend their remarks and include extraneous material:)

Mr. WALKER, for 60 minutes, today.

Mr. SOLOMON, for 60 minutes, today.

Mr. MCEWEN, for 60 minutes, today.

(The following Member (at the request of Mr. BURTON of Indiana) to revise and extend their remarks and include extraneous material:)

Mr. BURTON of Indiana, for 60 minutes, today.

(The following Member (at the request of Mr. KLECZKA to revise and extend their remarks and include extraneous material:)

Mr. MILLER of California, for 5 minutes, today.

Mr. WISE, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. SKELTON, for 30 minutes, on May 24.

Mr. SKELTON, for 30 minutes, on May 25.

Mr. ASPIN, for 5 minutes, today.

(The following Members (at the request of Mr. SMITH of Iowa) to revise and extend their remarks and include extraneous material:)

Mr. FASCELL, for 5 minutes, today.

Mr. LAFALCE, for 10 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. BEREUTER and to include extraneous material notwithstanding the fact that it exceeds 2 pages of the RECORD and it is estimated by the Public Printer to cost $1,694.

(The following Members (at the request of Mr. SMITH of Mississippi) and to include extraneous matter:)

Mr. CAMPBELL.

Mr. CRANE.

Mr. SPENCE.

Mr. FIELDS.

Mr. BARTON of Texas.

Mr. KOLBE.

Mrs. MARTIN of Illinois.

Mr. SHUSTER.

Mr. SMITH of Mississippi.

(The following Members (at the request of Mr. BURTON of Indiana) and to include extraneous matter:)

Mr. SMITH of New Jersey.

Ms. SCHNEIDER.

Mr. SMITH of New Hampshire.

Mr. SHUMWAY.

Mr. RITTER.

Mr. HANSEN.

Mr. LENT.

Mr. DAVIS.

Mr. BURTON of Indiana.

Mr. BUECHNER.

(The following Members (at the request of Mr. KLECZKA) and to include extraneous matter:)

Mr. DYMALLY.

Mr. FASCELL in two instances.

Mr. MONTGOMERY.

Mr. LANTOS.

Mr. SKELTON.

Mr. LEVIN of Michigan.

Mr. ASPIN.

Mr. MARKEY.

JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, a Joint Resolution of the House of the following title:

H.J. Res. 170. Joint resolution designating May 1989, as "National Digestive Disease Awareness Month."

ADJOURNMENT

Mr. COELHO. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 49 minutes p.m.), under its previous order the House adjourned until Monday, May 22, 1989, at 12 noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1225. A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation to amend the volunteers in the National Forests Act of 1972 to permit volunteers to be considered employees under 31 U.S.C. 3721; to the Committee on Agriculture.

1226. A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation to amend the Housing Act of 1949 to extend through fiscal year 1992 appropriation authorizations for certain housing assistance programs conducted by the Secretary of Agriculture under title V of the Housing Act of 1949, pursuant to 31 U.S.C. 1110; to the Committee on Banking, Finance and Urban Affairs.

1227. A letter from the Director, Office of Management and Budget, transmitting the annual report of activities under the Freedom of Information Act during calendar year 1988, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

1228. A letter from the Deputy General Counsel, Department of Defense, transmitting a draft of proposed legislation to modify the tax treatment of gain on sales of residences by certain members of the Armed Forces; to the Committee on Ways and Means.

1229. A letter from the General Counsel, Department of the Treasury, transmitting a draft of proposed legislation to authorize appropriations for the Department of the Treasury for unforeseen emergencies of a confidential nature, pursuant to 31 U.S.C. 1110; jointly, to the Committee on Banking, Finance and Urban Affairs and Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 932. A bill to provide for the settlement of land claims of the Puyallup Tribe of Indians in the State of Washington, and for other purposes; with amendments (Rept. 101-57). Referred to the Committee of the Whole House on the State of the Union.

Mr. MONTGOMERY: Committee on Veterans' Affairs. H.R. 1414. A bill to provide for the appointment of enlisted members of the Armed Forces to the Americans Battle Monuments Commission; with amendments (Rept. 101-58). Referred to the Committee of the Whole House on the State of the Union.

REPORTED BILLS SEQUENTIALLY REFERRED

Under clause 5 of rule X, bills and reports were delivered to the Clerk for printing, and bills referred as follows:

Mr. ANDERSON: Committee on Public Works and Transportation. H.R. 1659. A bill to improve aviation security by requiring the installation and use of certain explosive detection equipment at certain airports located outside the United States and by providing assistance for the acquisition of such equipment, and for other purposes; with an amendment, referred to the Committee on Foreign Affairs for a period ending not later than May 31, 1989, for consideration of title II of the amendment recommended by the Committee on Public Works and Transportation pursuant to clause 1(i), Rule X (Rept. 101-59, Pt. 1). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. STAGGERS:

H.R. 2401. A bill to amend title 38, United States Code, to authorize certain uses of funds collected by the Department of Veterans' Affairs as third-party reimbursements for the value of hospital care or medical service furnished to veterans; to the Committee on Veterans' Affairs.

By Mr. WHITTEN:

H.R. 2402. A bill making supplemental appropriations for the Department of Veterans' Affairs for the fiscal year ending September 30, 1989, and for other purposes; considered and passed.

By Mr. WYDEN (for himself, Mr. FASCELL, Mr. TAUKE, Mr. MARKEY, Mr. ACKERMAN, Mr. AKAKA, Mr. ATKINS, Mr. AUCOIN, Mr. BATES, Mr. BERMAN, Mr. BOEHLERT, Mr. BOSCO, Mrs. BOXER, Mr. BROWN of California, Mr. BRYANT, Mr. BUSTAMANTE, Mr. CAMPBELL of California, Mr. CLARKE, Mr. COELHO, Mr. CONYERS, Mr. CROCKETT, Mr. DEFAZIO, Mr. DELLUMS, Mr. DOWNEY, Mr. DYMALLY, Mr. EDWARDS of California, Mr. ENGEL, Mr. EVANS, Mr. FAUNTROY, Mr. FLORIO, Mr. FEIGHAN, Mr. FOGLIETTA, Mr. FRANK, Mr. GEJDENSON, Mr. GONZALEZ, Mr. GUARINI, Mr. GREEN, Mr. HALL of Ohio, Mr. HAMILTON, Mr. HAWKINS, Mr. HAYES of Illinois, Mr. HOCHBRUECKNER, Mr. HUGHES, Mr. KASTENMEIER, Mr. KENNEDY, Mrs. KENNELLY, Mr. KILDEE, Mr. KOSTMAYER, Mr. LEHMAN of California, Mr. LEHMAN of Florida, Mr. LEVINE of California, Mr. LIPINSKI, Mr. MCCLOSKEY, Mr. MCDERMOTT, Mr. MCHUGH, Mr. MATSUI, Mr. MAVROULES, Mr. MFUME, Mr. MINETA, Mr. MOAKLEY, Mr. MOODY, Mrs. MORELLA, Mr. MORRISON of Connecticut, Mr. MRAZEK, Mr. NEAL of North Carolina, Mr. OBEY, Mr. OWENS of New York, Mr. PANETTA, Mr. PARKER, Ms. PELOSI, Mr. PENNY, Mr. RANGEL, Mrs. ROUKEMA, Mr. ROYBAL, Ms. SCHNEIDER, Mrs. SCHROEDER, Mr. SHARP, Mr. SKAGGS, Mr. SMITH of Florida, Mr. SOLARZ, Mr. STARK, Mr. STOKES, Mr. STUDDS, Mr. TORRES, Mr.

TOWNS, Mr. UDALL, Mrs. UNSOELD, Mr. WILLIAMS, and Mr. WOLPE):

H.R. 2403. A bill to encourage negotiations between the United States and the Soviet Union to establish mutual and verifiable restrictions on the production of plutonium and highly enriched uranium for nuclear weapons purposes; jointly, to the Committees on Foreign Affairs and Armed Services.

By Mr. BEREUTER:

H.R. 2404. A bill to authorize the Secretary of Transportation to carry out a highway bridge demonstration project to improve the flow of traffic between the States of Nebraska and South Dakota; to the Committee on Public Works and Transportation.

By Mr. BOSCO (for himself, Mr. RINALDO, Mr. MRAZEK, Mr. ROE, Mr. ANNUNZIO, Mr. GILMAN, Mr. JACOBS, Mr. GUARINI, Mrs. BOXER, Mr. ACKERMAN, Ms. SNOWE, Mr. STARK, Mr. LIPINSKI, Mr. CONYERS, Mr. SOLARZ, Ms. SCHNEIDER, Mr. HAYES of Illinois, Mr. RICHARDSON, Mr. TORRES, Mr. DEFAZIO, Mr. COURTER, Mrs. ROUKEMA, Mrs. SCHROEDER, Mr. SAXTON, Mr. ROYBAL, Mr. TORRICELLI, Mr. BATES, Mr. MATSUI, Mr. FOGLIETTA, Mr. MFUME, Ms. PELOSI, Mr. LELAND, Ms. OAKAR, Mr. FAUNTROY, Mrs. COLLINS, Mr. DE LUGO, Ms. KAPTUR, Mr. SMITH of Florida, Mr. WEISS, Mr. EVANS, Mr. MARKEY, Mr. TRAFICANT, Mr. DELLUMS, Mr. MURPHY, Mr. GARCIA, Mr. KOLTER, Mr. HAWKINS, Mr. CROCKETT, Mr. BUSTAMANTE, Mr. STOKES, Mr. LANTOS, Mr. GEJDENSON, and Mr. KASTENMEIER):

H.R. 2405. A bill to prohibit the implementation of certain regulations of the Secretary of Health and Human Services and the Secretary of Agriculture respecting irradiated foods, to amend the Federal Food, Drug, and Cosmetic Act to prescribe labels for irradiated food, and for other purposes; to the Committee on Energy and Commerce.

By Mr. BRYANT (for himself, Mr. MINETA, Mr. QUILLEN, Mr. BENNETT, Mr. DONNELLY, and Mrs. PATTERSON):

H.R. 2406. A bill to amend the Forest and Rangeland Renewable Resources Planning Act of 1974 to stengthen the restraints upon clearcutting and certain other cutting practices in the National Forests of the United States; to the Committee on Agriculture.

By Mr. CAMPBELL of California (for himself and Mr. Dymally):

H.R. 2407. A bill to provide for the naturalization of natives of the Philippines through active-duty service in the Armed Forces of the United States during World War II; to the Committee on the Judiciary.

By Mr. COLEMAN of Missouri (for himself, Mr. MARLENEE, Mr. EMERSON, Mr. GRANT, Mr. ROBERTS, Mr. WEBER, Mr. HOUGHTON, Mrs. SMITH of Nebraska, Mr. COMBEST, Mr. WHITTAKER, Mr. SKELTON, Mr. ROBINSON, Mr. SCHUETTE, Mr. MORRISON of Washington, Mr. BEREUTER, Mr. CHAPMAN, Mr. VOLKMER, and Mr. GRANDY):

H.R. 2408. A bill to transfer certain programs within the Department of Agriculture to a newly established Rural Development Administration, and for other purposes; to the Committee on Agriculture.

By Mr. COLEMAN of Missouri (for himself, Mr. MARLENEE, Mr. EMERSON, Mr. GRANT, Mr. ROBERTS, Mr. WEBER, Mr. HOUGHTON, Mrs. SMITH of Nebraska, Mr. COMBEST, Mr. WHITTAKER, Mr. SKELTON, Mr. ROBINSON, Mr. SCHUETTE, Mr. MORRISON of Washington, Mr. CHAPMAN, Mr. VOLKMER, and Mr. GRANDY):

H.R. 2409. A bill to establish an emergency community water assistance grant program for eligible communities adversely affected by the droughts of 1988 and 1989; to the Committee on Agriculture.

By Mr. PURSELL:

H.R. 2410. A bill to amend the Public Health Service Act to provide for the establishment of an Advisory Committee on the Development and Maintenance of Nursing Resources; to the Committee on Energy and Commerce.

By Mr. COLEMAN of Missouri (for himself, Mr. MARLENEE, Mr. EMERSON, Mr. GRANT, Mr. ROBERTS, Mr. WEBER, Mr. HOUGHTON, Mrs. SMITH of Nebraska, Mr. COMBEST, Mr. WHITTAKER, Mr. SKELTON, Mr. ROBINSON, Mr. SCHUETTE, Mr. MORRISON of Washington, Mr. BEREUTER, Mr. CHAPMAN, Mr. VOLKMER, and Mr. GRANDY):

H.R. 2411. A bill to establish new loan rates applicable for loans made for health care and related facilities under section 307(a)(3) of the Consolidated Farm and Rural Development Act; to the Committee on Agriculture.

H.R. 2412. A bill to authorize the Secretary of Agriculture to establish and maintain a central receiving facility at the Department of Agriculture for the storage and retrieval of data relating to Federal rural development programs; to the Committee on Agriculture.

H.R. 2413. A bill to amend the Office of Federal Procurement Policy Act to provide for procurement set-aside targets for rural areas; to the Committee on Government Operations.

By Mr. DARDEN (for himself, Mr. BARNARD, Mr. HATCHER, Mr. JENKINS, Mr. JONES of Georgia, Mr. LEWIS of Georgia, Mr. RAY, Mr. ROWLAND of Georgia, and Mr. THOMAS of Georgia):

H.R. 2414. A bill to permit States to waive application of the Commercial Motor Vehicle Safety Act of 1986 with respect to farm vehicles whether or not such vehicles are operating within 150 miles of the farm; to the Committee on Public Works and Transportation.

By Mr. FIELDS (for himself and Ms. SCHNEIDER):

H.R. 2415. A bill to amend the African Elephant Conservation Act to strengthen prohibitions on importation of African elephant ivory; to the Committee on Merchant Marine and Fisheries.

By Mr. HOAGLAND:

H.R. 2416. A bill to direct the Secretary of Agriculture to construct an outlet ditch to the Missouri River in Burt County, NE; to the Committee on Agriculture.

By Mr. INHOFE:

H.R. 2417. A bill to prohibit the transportation of certain hazardous substances in crude oil pipelines; jointly, to the Committees on Energy and Commerce and Public Works and Transportation.

By Mr. JACOBS:

H.R. 2418. A bill to provide for treatment of Federal pay in the same manner as non-Federal pay with respect to garnishment and similar legal process; to the Committee on Post Office and Civil Service.

By Mr. JENKINS:

H.R. 2419. A bill to authorize the Secretary of Agriculture to exchange certain property in the Chattahoochee National Forest for the construction of facilities in the national forest; to the Committee on Agriculture.

By Mrs. JOHNSON of Connecticut (for herself, Mr. BOEHLERT, and Mr. CONTE):

H.R. 2420. A bill to authorize the Secretary of Housing and Urban Development to make grants to States for the acquisition, construction, and rehabilitation of limited equity cooperative housing for low- and moderate-income families; to the Committee on Banking, Finance and Urban Affairs.

By Mr. KILDEE (for himself, Mr. TAUKE, Mr. SAWYER, Mr. GRANDY, Mrs. UNSOELD, Mrs. LOWEY of New York, Mr. POSHARD, and Mr. COLEMAN of Missouri):

H.R. 2421. A bill to amend title II of the Domestic Volunteer Service Act of 1973 to authorize appropriations for fiscal years 1990 through 1993, and for other purposes; to the Committee on Education and Labor.

By Mr. LEVIN of Michigan (for himself, Mr. MATSUI, and Mr. MOODY):

H.R. 2422. A bill to amend titles II and XVI of the Social Security Act to strengthen protections for beneficiaries under the representative payee program; to the Committee on Ways and Means.

By Mr. McDERMOTT (for himself and Mr. DICKS):

H.R. 2423. A bill to provide for the safe operation of tanker traffic in Puget Sound, to improve responses to oil spills in Puget Sound, and for other purposes; jointly, to the Committees on Merchant Marine and Fisheries and Public Works and Transportation.

By Mr. PALLONE:

H.R. 2424. A bill to prohibit the establishment of a ship fuel replenishment system in Middletown, NJ, by the Department of the Navy; to the Committee on Armed Services.

By Mr. PEASE (for himself, Mr. CLINGER, Mr. LEVIN of Michigan, and Ms. KAPTUR):

H.R. 2425. A bill to provide an improved program of extended unemployment compensation, and for other purposes; to the Committee on Ways and Means.

By Mr. PORTER (for himself, Mr. SKELTON, Mr. RIDGE, Mr. SPRATT, Mr. McHUGH, Mr. BOSCO, Mr. MOAKLEY, Mr. DYMALLY, Mr. HERTEL, Mr. GILMAN, Mrs. MARTIN of Illinois, Mr. WOLF, Mr. CARDIN, Mr. COOPER, Ms. PELOSI, Mr. McMILLEN of Maryland, Mr. McCURDY, Mr. ROE, Mr. ATKINS, Mr. CONTE, Mr. BUSTAMANTE, Mr. SCHEUER, Mr. DORGAN of North Dakota, Mr. AUCOIN, Mr. JONTZ, Mr. McDERMOTT, Mr. CONYERS, Mr. VOLKMER, Mrs. LOWEY of New York, Mr. KASTENMEIER, Mr. PENNY, Mr. SABO, Mr. FAUNTROY, Mr. NEAL of Massachusetts, Mr. WALSH, Mr. BONIOR, Mr. APPLEGATE, Mr. LANCASTER, Mr. WAXMAN, Mr. LEVINE of California, Mr. MAVROULES, Mr. DICKS, Mr. MRAZEK, Mr. FOGLIETTA, Mr. DEFAZIO, Mr. FRANK, Mrs. MORELLA, Mr. BATES, Mr. DERRICK, Mr. MORRISON of Connecticut, Mrs. BOXER, Mr. HENRY, Mr. BEREUTER, Mr. KOSTMAYER, Mr. ENGLISH, Mr. ECKART, Mr. LIPINSKI, Mrs. UNSOELD, Mr. EVANS, Mr. GLICKMAN, Mr. FAWELL, Mrs. ROUKEMA, Mr. OWENS of New York, Mr. SKEEN, Mr. GREEN, Mr. CLINGER, Mr. HAYES of Illinois, Mr. STARK, Mr. UDALL, Mr. KILDEE, Mr. PARRIS, Mr. OBERSTAR, Mr. WEBER, Mr. BROWN of California,

Mr. DREIER of California, Mr. SMITH of Florida, Mr. TOWNS, Mr. WEISS, Mr. HORTON, Mr. GARCIA, Mr. LEVIN of Michigan, Mr. CHANDLER, and Mr. MFUME):

H.R. 2426. A bill to promote the nonproliferation of chemical, biological, and toxin weapons; to the Committee on Foreign Affairs.

By Mr. SCHEUER (for himself, Ms. SCHNEIDER, Mr. WALKER, Mr. BROWN of California, Mr. PRICE, Mr. VALENTINE, Mr. LEWIS of Florida, Mr. MCCURDY, Mr. SMITH of New Hampshire, Mr. WOLPE, Mr. TANNER, Mr. MCMILLEN of Maryland, Mr. SKAGGS, Mr. SHAYS, and Mr. SMITH of Texas):

H.R. 2427. A bill to authorize appropriations for certain atmospheric and satellite programs and functions of the National Oceanic and Atmospheric Administration, and for other purposes; to the Committee on Science, Space, and Technology.

By Ms. SCHNEIDER (for herself, Mr. MACHTLEY, Mr. MORRISON of Connecticut, and Mr. ROWLAND of Connecticut):

H.R. 2428. A bill to authorize the Secretary of the department in which the Coast Guard is operating to convey the Block Island Southeast Lighthouse to the Block Island Southeast Lighthouse Foundations; to the Committee on Merchant Marine and Fisheries.

By Mr. SHUMWAY:

H.R. 2429. A bill to amend the act entitled "An Act to authorize the Secretary of the Interior to construct, operate, and maintain the Auburn-Folsom South unit, American River division, Central Valley project, California, under Federal reclamation laws" enacted September 2, 1965, and the Flood Control Act of 1970; to the Committee on Interior and Insular Affairs.

By Mr. SKELTON:

H.R. 2430. A bill to require additional testing of hazardous liquid pipeline facilities and additional training of operators of such pipeline facilities to reduce the danger of spills, and for other purposes; jointly, to the Committees on Energy and Commerce and Public Works and Transportation.

By Mr. SMITH of Texas:

H.R. 2431. A bill to redesignate the Midland General Mail Facility in Midland, TX, as the "Carl O. Hyde General Mail Facility;" to the Committee on Post Office and Civil Service.

By Mr. SMITH of New Hampshire (for himself and Mr. DOUGLAS):

H.R. 2432. A bill to designate a segment of the Merrimack River in the State of New Hampshire for study under the Wild and Scenic Rivers Act; to the Committee on Interior and Insular Affairs.

By Mr. TRAFICANT:

H.R. 2433. A bill to amend the Controlled Substance Act to provide the penalty of death for certain serious drug offenses; jointly, to the Committees on the Judiciary and Energy and Commerce.

By Mr. WHITTAKER:

H.R. 2434. A bill to change the name of "Marion Lake, located northwest of Marion, Kansas, to "Marion Reservoir;" to the Committee on Interior and Insular Affairs.

By Mr. WOLF:

H.R. 2435. A bill to provide that a demonstration project be conducted to test flexiplace work arrangements for Federal employees, and to provide for the establishment of a program to facilitate the exchange of information relating to job-sharing arrangements among Federal employees; to the Committee on Post Office and Civil Service.

By Mr. ASPIN:

H.J. Res. 273. Joint resolution designating January 7, 1990, through January 13, 1990, as "National Law Enforcement Training Week;" to the Committee on Post Office and Civil Service.

By Mr. HUGHES (for himself, Mr. BERMAN, Mr. CROCKETT, Mr. FAWELL, Mr. FRENZEL, Mr. FUSTER, Mr. GREEN, Mr. MCGRATH, Mr. OWENS of New York, Mr. PALLONE, Mr. PANETTA, Mrs. ROUKEMA, Mr. ROYBAL, Mr. SAXTON, Mr. SCHEUER, Mr. SKELTON, Mr. WAXMAN, Mr. WEISS, Mr. MATSUI, Mr. MANTON, Mr. LANTOS, and Mr. MOLINARI):

H.J. Res. 274. Joint resolution to designate the week beginning June 11, 1989, as "National Scleroderma Awareness Week;" to the Committee on Post Office and Civil Service.

By Mr. GARCIA (for himself, Mr. WOLF, Mr. ALEXANDER, Mr. BLILEY, Mr. CRAIG, Mr. CRANE, Mr. DANNEMEYER, Mr. EMERSON, Mr. FAUNTROY, Mr. FIELDS, Mr. FLIPPO, Mr. FUSTER, Mr. GONZALEZ, Mr. GRAY, Mr. GRANDY, Mr. HANCOCK, Mr. HASTERT, Mr. HORTON, Mr. HUNTER, Mr. HUTTO, Mr. KASICH, Mr. LAGOMARSINO, Mr. LANCASTER, Mr. LIVINGSTON, Mr. MCEWEN, Mr. MONTGOMERY, Mr. MOORHEAD, Mr. NATCHER, Mrs. PATTERSON, Mr. PACKARD, Mr. QUILLEN, Mr. RAY, Mr. RHODES, Mr. ROBINSON, Mr. SCHULZE, Mr. SHUMWAY, Mr. SKELTON, Mr. SLATTERY, Mr. SMITH of New Jersey, Mr. SOLOMON, Mr. SPENCE, Mr. STANGELAND, Mr. VENTO, Mrs. VUCANOVICH, Mr. WHITTAKER, Mr. ORTIZ, and Mr. HAMMERSCHMIDT):

H.J. Res. 275. Joint resolution designating 1990 as the "International Year of Bible Reading;" to the Committee on Post Office and Civil Service.

By Mr. LEVINE of California (for himself, Mr. WOLF, Mr. RANGEL, Mr. COUGHLIN, Mr. GILMAN, Mr. AKAKA, Mr. ALEXANDER, Mr. ANDERSON, Mr. ANNUNZIO, Mr. ARCHER, Mr. ATKINS, Mr. BAKER, Mr. BALLENGER, Mr. BARTON of Texas, Mr. BATEMAN, Mr. BATES, Mr. BENNETT, Mrs. BENTLEY, Mr. BERMAN, Mr. BEVILL, Mr. BILBRAY, Mr. BILIRAKIS, Mr. BLILEY, Mr. BOEHLERT, Mr. BONIOR, Mr. BORSKI, Mr. BOSCO, Mr. BOUCHER, Mrs. BOXER, Mr. BROOKS, Mr. BROOMFIELD, Mr. BROWN of California, Mr. BROWN of Colorado, Mr. BRUCE, Mr. BUECHNER, Mr. BUNNING, Mr. BURTON of Indiana, Mr. BUSTAMANTE, Mr. CARDIN, Mr. CARPER, Mr. CHAPMAN, Mr. CLARKE, Mr. CLEMENT, Mr. COBLE, Mr. COELHO, Mr. COLEMAN of Missouri, Mrs. COLLINS, Mr. CONTE, Mr. COOPER, Mr. COSTELLO, Mr. COURTER, Mr. COYNE, Mr. CRAIG, Mr. CROCKETT, Mr. DANNEMEYER, Mr. DARDEN, Mr. DAVIS, Mr. DE LA GARZA, Mr. DE LUGO, Mr. DEFAZIO, Mr. DELLUMS, Mr. DERRICK, Mr. DEWINE, Mr. DICKS, Mr. DIXON, Mr. DONNELLY, Mr. DORNAN of California, Mr. DUNCAN, Mr. DURBIN, Mr. DYMALLY, Mr. DYSON, Mr. EMERSON, Mr. ENGEL, Mr. ERDREICH, Mr. ESPY, Mr. EVANS, Mr. FALEOMAVAEGA, Mr. FASCELL, Mr. FAUNTROY, Mr. FAWELL, Mr. FAZIO, Mr. FEIGHAN, Mr. FISH, Mr. FLIPPO, Mr. FLORIO, Mr. FOGLIETTA, Mr. FORD of Michigan, Mr. FRENZEL, Mr. FUSTER, Mr. GALLEGLY, Mr. GALLO, Mr. GARCIA, Mr. GEKAS, Mr. GRANT, Mr. GRAY, Mr. GREEN, Mr. GUARINI, Mr. HAMMERSCHMIDT, Mr. HANCOCK, Mr. HANSEN, Mr. HARRIS, Mr. HASTERT, Mr. HATCHER, Mr. HAWKINS, Mr. HAYES of Illinois, Mr. HEFNER, Mr. HENRY, Mr. HILER, Mr. HOAGLAND, Mr. HOCHBRUECKNER, Mr. HORTON, Mr. HOYER, Mr. HUBBARD, Mr. HUGHES, Mr. HUNTER, Mr. HUTTO, Mr. HYDE, Mr. INHOFE, Mr. IRELAND, Mr. JENKINS, Mrs. JOHNSON of Connecticut, Mr. JOHNSON of South Dakota, Mr. JONES of North Carolina, Mr. JONES of Georgia, Mr. JONTZ, Mr. KASICH, Mr. KENNEDY, Mr. KLECZKA, Mr. KOLTER, Mr. KOSTMAYER, Mr. LAGOMARSINO, Mr. LANCASTER, Mr. LEHMAN of Florida, Mr. LENT, Mr. LEVIN of Michigan, Mr. LEWIS of California, Mr. LIPINSKI, Mr. LOWERY of California, Mr. MANTON, Mr. MARTIN of New York, Mrs. MARTIN of Illinois, Mr. MATSUI, Mr. MAVROULES, Mr. MCCOLLUM, Mr. MCDADE, Mr. MCDERMOTT, Mr. MCGRATH, Mr. MCNULTY, Mrs. MEYERS of Kansas, Mr. MFUME, Mr. MILLER of California, Mr. MILLER of Washington, Mr. MOAKLEY, Mr. MONTGOMERY, Mr. MOORHEAD, Mrs. MORELLA, Mr. MORRISON of Connecticut, Mr. MURPHY, Mr. NATCHER, Mr. NEAL of North Carolina, Mr. ORTIZ, Mr. OWENS of New York, Mr. OWENS of Utah, Mr. PACKARD, Mr. PALLONE, Mr. PANETTA, Mrs. PATTERSON, Mr. PAXON, Mr. PAYNE of New Jersey, Mr. PAYNE of Virginia, Ms. PELOSI, Mr. PEPPER, Mr. PICKETT, Mr. POSHARD, Mr. RAHALL, Mr. RAVENEL, Mr. REGULA, Mr. RHODES, Mr. RICHARDSON, Mr. RINALDO, Mr. ROBINSON, Mr. ROE, Mrs. SAIKI, Mr. SARPALIUS, Mr. SAVAGE, Mr. SAXTON, Mr. SCHAEFER, Mr. SCHEUER, Mr. SCHUETTE, Mr. SCHUMER, Mr. SHAYS, Mr. SHUMWAY, Mr. SHUSTER, Mr. SISISKY, Mr. SKELTON, Mr. SMITH of New Jersey, Mr. DENNY SMITH, of Oregon, Mr. SMITH of Mississippi, Mr. SMITH of Florida, Mr. SMITH of New Hampshire, Mr. SOLOMON, Mr. SPRATT, Mr. STALLINGS, Mr. STARK, Mr. STOKES, Mr. TALLON, Mr. TAUKE, Mr. TAUZIN, Mr. TORRES, Mr. TORRICELLI, Mr. TOWNS, Mr. TRAFICANT, Mr. TRAXLER, Mr. VALENTINE, Mr. VANDER JAGT, Mr. VENTO, Mr. WALGREN, Mr. WALSH, Mr. WATKINS, Mr. WAXMAN, Mr. WEISS, Mr. WHITTAKER, Mr. WILSON, Mr. WOLPE, Mr. WYLIE, Mr. YATRON, and Mr. YOUNG of Alaska):

H.J. Res. 276. Joint resolution designating September 14, 1989, as "National D.A.R.E. Day"; to the Committee on Post Office and Civil Service.

By Mr. PAYNE of New Jersey:

H.J. Res. 277. Joint resolution designating July 2, 1989, as "National Literacy Day;" to the Committee on Post Office and Civil Service.

By Mr. SMITH of New Jersey (for himself, Mr. ACKERMAN, Mr. ANDERSON, Mr. APPLEGATE, Mr. BATEMAN, Mr. BENNETT, Mrs. BENTLEY, Mr. BERMAN, Mr. BEVILL, Mr. BILBRAY, Mr. BLAZ, Mr. BLILEY, Mr. BOEHLERT, Mr. BONIOR, Mr. BOSCO, Mr. BURTON of Indiana, Mr. BOUCHER, Mr. CARPER, Mr. CHANDLER, Mr. COELHO, Mrs. COLLINS, Mr. COURTER, Mr.

CRAIG, Mr. CROCKETT, Mr. DARDEN, Mr. DEFAZIO, Mr. DE LA GARZA, Mr. DE LUGO, Mr. DEWINE, Mr. DONNELLY, Mr. DORNAN of California, Mr. DYMALLY, Mr. EMERSON, Mr. EVANS, Mr. FAUNTROY, Mr. FAWELL, Mr. FLIPPO, Mr. FORD of Tennessee, Mr. FRENZEL, Mr. FUSTER, Mr. GRANDY, Mr. GUNDERSON, Mr. HALL of Ohio, Mr. HAMMERSCHMIDT, Mr. HARRIS, Mr. HASTERT, Mr. HYDE, Mr. KENNEDY, Mr. KOSTMAYER, Mr. LAFALCE, Mr. LAGOMARSINO, Mr. LANCASTER, Mr. LANTOS, Mr. LEHMAN of Florida, Mr. LENT, Mr. LEWIS of California, Mr. LIGHTFOOT, Mr. LIVINGSTON, Mr. DONALD E. LUKENS, Mr. MCCLOSKEY, Mr. MCCOLLUM, Mr. MCDADE, Mr. MCEWEN, Mr. MCGRATH, Mr. MCHUGH, Mr. MCMILLEN of Maryland, Mr. MARTIN of New York, Mr. MAZZOLI, Mr. MILLER of Washington, Mr. MOLLOHAN, Mr. MURPHY, Ms. OAKAR, Mr. RICHARDSON, Mr. RINALDO, Mr. RITTER, Mr. ROE, Mr. SAVAGE, Mr. SAWYER, Mr. SAXTON, Mr. SCHUETTE, Mr. SHAW, Mr. SKELTON, Ms. SLAUGHTER of New York, Mr. DENNY SMITH, Mr. SMITH of New Hampshire, Mr. SPENCE, Mr. SPRATT, Mr. STALLINGS, Mr. TALLON, Mr. TAUKE, Mr. TAUZIN, Mr. TOWNS, Mr. TRAXLER, Mr. UPTON, Mr. VALENTINE, Mr. VENTO, Mrs. VUCANOVICH, Mr. WALGREN, Mr. WATKINS, Mr. WHITTAKER, Mr. WOLF, and Mr. YATRON):

H.J. Res. 278. Joint resolution to designate the period commencing on November 20, 1989, and ending on November 26, 1989, as "National Adoption Week;" to the Committee on Post Office and Civil Service.

By Mr. COLEMAN of Missouri (for himself, Mr. MARLENEE, Mr. EMERSON, Mr. GRANT, Mr. ROBERTS, Mr. WEBER, Mr. HOUGHTON, Mrs. SMITH of Nebraska, Mr. COMBEST, Mr. WHITTAKER, Mr. SKELTON, Mr. ROBINSON, Mr. SCHUETTE, Mr. MORRISON of Washington, Mr. CHAPMAN, Mr. VOLKMER, and Mr. GRANDY):

H. Con. Res. 126. Concurrent resolution urging the President to revoke Executive Order 12072, and thereby enabling the Secretary of Agriculture to properly select the location of Federal facilities in compliance with the Rural Development Act of 1972; to the Committee on Agriculture.

By Mr. CRANE (for himself, Mr. HOLLOWAY, Mr. DUNCAN, Mr. TAUZIN, Mr. SMITH of Mississippi, Mr. HUCKABY, Mr. ROBINSON, Mr. DONALD E. LUKENS, Mr. BILIRAKIS, Mr. HANCOCK, Mr. BURTON of Indiana, Mr. SCHAEFER, Mr. SMITH of New Hampshire, Mr. TRAFICANT, Mr. DENNY SMITH, Mr. BATES, Mr. MCEWEN, Mr. SOLOMON, Mr. DORNAN of California, Mr. HILER, Mr. CALLAHAN, Mr. STUMP, Mr. DELAY, Mr. DANNEMEYER, and Mr. BUNNING):

H. Con. Res. 127. Concurrent resolution expressing the sense of the Congress that the United States should delay implementation of the transfer to Panama of authority and control over the Panama Canal; jointly, to the Committees on Foreign Affairs and Merchant Marine and Fisheries.

By Mr. DORGAN of North Dakota:

H. Con. Res. 128. Concurrent resolution expressing the sense of Congress with respect to the utilization of closed military installations as Federal penal and correctional institutions; jointly, to the Committees on Armed Services and the Judiciary.

By Mr. HORTON:

H. Con. Res. 129. Concurrent resolution expressing the sense of the Congress that the Secretary of the Interior should list the African elephant as an endangered species under the Endangered Species Act; to the Committee on Merchant Marine and Fisheries.

By Mr. MOODY (for himself, Mr. PORTER, Mr. ACKERMAN, Mr. ATKINS, Mr. BEILENSON, Mr. BROWN of California, Mrs. COLLINS, Mr. FRANK, Mr. GEJDENSON, Mr. GREEN, Mr. HUGHES, Mrs. JOHNSON of Connecticut, Mr. KOSTMAYER, Mr. LEHMAN of Florida, Mr. LELAND, Mr. LEVIN of Michigan, Mr. LEWIS of Georgia, Mr. MORRISON of Connecticut, Mr. MORRISON of Washington, Mr. MRAZEK, Mr. OLIN, Mr. OWENS of New York, Mr. PANETTA, Mr. PAYNE of New Jersey, Ms. PELOSI, Mr. SCHEUER, Mr. SHAYS, Mr. STUDDS, Mrs. UNSOELD, Mr. WEISS, Mr. WHEAT, and Mr. WOLPE):

H. Con. Res. 130. Concurrent resolution concerning the annual contribution of the United States to the United Nations Population Fund [UNFPA]; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. JACOBS introduced a joint resolution (H.J. Res. 279) for the relief of Alexander Vraciu; which was referred to the Committee on Armed Services.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 6: Mr. MADIGAN, Mr. BROOMFIELD, Mr. HUNTER, Mr. COURTER, Mr. HANCOCK, Mr. OXLEY, and Mr. IRELAND.

H.R. 14: Mr. ECKART.

H.R. 76: Mr. BILIRAKIS.

H.R. 84: Mr. MAVROULES.

H.R. 90: Mrs. BENTLEY and Mr. FAUNTROY.

H.R. 118: Mr. MADIGAN.

H.R. 169: Mr. GOODLING and Mr. YATES.

H.R. 239: Mr. NEAL of North Carolina, Mr. GUNDERSON, Mr. COLEMAN of Texas, Mr. DEFAZIO, Mr. MURPHY, Mr. TRAFICANT, and Mr. BRENNAN.

H.R. 290: Mr. HAWKINS, Mr. FORD of Tennessee, Mr. PENNY, and Mr. AUCOIN.

H.R. 292: Mr. JOHNSON of South Dakota.

H.R. 488: Mr. JONTZ, Mr. HERTEL, Mrs. SAIKI, Mr. HUGHES, Mr. HEFNER, Mr. SMITH of Mississippi, Mr. KASTENMEIER, Mr. MAVROULES, and Mr. WALGREN.

H.R. 500: Mr. WOLPE and Mr. CARPER.

H.R. 505: Mr. MOAKLEY, Mr. BLILEY, Mr. VOLKMER, Mr. AUCOIN, Mr. MURPHY, Mr. SIKORSKI, Mrs. BYRON, Mr. SMITH of Vermont, Mr. BUECHNER, and Mr. STALLINGS.

H.R. 567: Mrs. LOWEY of New York and Mr. BRYANT.

H.R. 586: Mrs. SCHROEDER and Mr. HAYES of Illinois.

H.R. 800: Mr. LEWIS of Georgia, Mr. HAWKINS, Mr. FAZIO, and Mr. DIXON.

H.R. 812: Mrs. JOHNSON of Connecticut and Mr. STANGELAND.

H.R. 813: Mr. HUCKABY.

H.R. 866: Mr. FOGLIETTA and Mr. DIXON.

H.R. 867: Mr. FOGLIETTA.

H.R. 868: Mr. FOGLIETTA and Mr. DIXON.

H.R. 899: Mr. EDWARDS of Oklahoma and Mr. SCHUETTE.

H.R. 979: Mr. BEVILL, Mr. EMERSON, Mr. OBERSTAR, Mr. BENNETT, and Mr. ROWLAND of Connecticut.

H.R. 984: Mrs. PATTERSON.

H.R. 996: Mr. WISE, Mr. SKEEN, and Mrs. BYRON.

H.R. 1030: Mr. JOHNSON of South Dakota.

H.R. 1048: Mr. DWYER of New Jersey and Mr. SABO.

H.R. 1059: Mr. EDWARDS of California, Mr. SCHEUER, Mr. DEWINE, Mr. WAXMAN, Mr. LEACH of Iowa, Mrs. MORELLA, Mr. FOGLIETTA, Mr. SISISKY, Mr. EMERSON, Mr. LEHMAN of California, and Mr. RAY.

H.R. 1078: Mr. TORRICELLI, Mr. RHODES, Mr. BOSCO, Mr. SPRATT, and Mr. MARTINEZ.

H.R. 1117: Ms. PELOSI, Mr. DYMALLY, Mr. BOUCHER, Mr. DIXON, Mr. PAYNE of New Jersey, and Mr. FAZIO.

H.R. 1131: Mr. HYDE.

H.R. 1134: Mr. HYDE and Mr. JONTZ.

H.R. 1206: Mrs. SAIKI.

H.R. 1221: Mrs. VUCANOVICH.

H.R. 1243: Mr. ROBERT F. SMITH, Mr. ROSE, Mr. PERKINS, Mr. GONZALEZ, Mr. PICKETT, Mrs. LLOYD, Mr. BATES, Mr. EVANS, and Mr. LEATH of Texas.

H.R. 1337: Mr. RIDGE, Mr. MILLER of California, Mr. WILLIAMS, Mr. CLEMENT, Ms. PELOSI, Mr. GEJDENSON, Mr. ACKERMAN, Mr. MINETA, and Mrs. PATTERSON.

H.R. 1387: Mr. KILDEE, Mr. DEFAZIO, Mr. ECKART, and Mr. DYMALLY.

H.R. 1414: Mr. MONTGOMERY, Mr. STUMP, Mr. EDWARDS of California, Mr. HAMMERSCHMIDT, Mr. APPLEGATE, Mr. WYLIE, Mr. EVANS, Mr. MCEWEN, Mr. PENNY, Mr. SMITH of New Jersey, Mr. ROWLAND of Georgia, Mr. BURTON of Indiana, Mr. FLORIO, Mr. BILIRAKIS, Mr. ROBINSON, Mr. ROWLAND of Connecticut, Mr. STENHOLM, Mr. SMITH of New Hampshire, Mr. HARRIS, Mr. JAMES, Mr. KENNEDY, Mr. STEARNS, Mrs. PATTERSON, Mr. PAXON, Mr. JOHNSON of South Dakota, Mr. JONTZ, Mr. PAYNE of Virginia, Mr. MORRISON of Connecticut, Mr. SANGMEISTER, Mr. PARKER, Mr. JONES of Georgia, Ms. LONG, Mr. RIDGE, Mr. LEATH of Texas, Mr. HEFNER, Mr. JENKINS, and Mr. RICHARDSON.

H.R. 1436: Mr. LANCASTER, Mr. KASTENMEIER, Mr. DE LUGO, Mr. PALLONE, Mr. OBERSTAR, and Mr. STAGGERS.

H.R. 1468: Mrs. MEYERS of Kansas.

H.R. 1499: Mr. CRAIG, Mr. ROE, and Mr. ROGERS.

H.R. 1532: Mr. PAYNE of New Jersey.

H.R. 1564: Mr. CRAIG, Ms. SCHNEIDER, Mr. LEWIS of Georgia, Mr. WOLF, Mr. OWENS of Utah, and Mr. LAGOMARSINO.

H.R. 1605: Mr. MCMILLEN of Maryland, Mr. ROWLAND of Connecticut, Mr. HORTON, Mr. WALSH, Mr. JONTZ, and Mr. GOSS.

H.R. 1618: Mr. BEREUTER.

H.R. 1647: Mr. TAUZIN and Ms. SCHNEIDER.

H.R. 1649: Mr. ROE, Mr. EVANS, Mr. JOHNSON of South Dakota, Mr. CHAPMAN, Mr. QUILLEN, Mr. TOWNS, Mr. BRUCE, Ms. OAKAR, Mr. ROWLAND of Connecticut, Mr. DWYER of New Jersey, and Mr. MRAZEK.

H.R. 1676: Mr. SAVAGE, Mr. RINALDO, Mr. YOUNG of Alaska, and Mr. BOSCO.

H.R. 1720: Mr. RANGEL, Mr. DE LUGO, Mr. HUGHES, Mr. WALSH, Mr. OWENS of Utah, Mr. LANCASTER, Mr. DAVIS, Mr. ESPY, and Mr. BUECHNER.

H.R. 1746: Mr. NELSON of Florida.

H.R. 1782: Mr. AUCOIN.

H.R. 1860: Mr. MANTON, Mr. MATSUI, Mr. FAZIO, Mr. STARK, Mr. COLEMAN of Texas, Mr. SMITH of Florida, Mr. GILMAN, Mr. BUSTAMANTE, Mr. PAYNE of New Jersey, and Mr. KLECZKA.

H.R. 1875: Mr. CLEMENT, Mr. GILLMOR, and Mr. ROE.

H.R. 1994: Mr. CARR, Mr. CROCKETT, and Mr. MFUME.

H.R. 2022: Mr. GEJDENSON, Mr. ACKERMAN, Mr. YATES, Mr. MANTON, Mr. DORNAN of California, Mr. HUGHES, Mr. MARTINEZ, Mr. FASCELL, Mr. LIPINSKI, Mr. GALLO, and Mr. JAMES.

H.R. 2023: Mr. HAYES of Louisiana, Mr. ROE, Mr. RANGEL, Mrs. BOXER, Mr. BRYANT, Mr. ARMEY, Mr. OWENS of New York, and Mr. WHITTAKER.

H.R. 2049: Mr. FRANK, Mr. GARCIA, and Mr. SMITH of Mississippi.

H.R. 2051: Mr. DONNELLY.

H.R. 2078: Mr. MORRISON of Washington, Mr. MINETA, Mr. HERGER, and Mr. NIELSON of Utah.

H.R. 2096: Mr. AKAKA, Mr. FUSTER, Mr. MATSUI, Ms. PELOSI, Mr. TORRES, and Mr. DYMALLY.

H.R. 2098: Mr. SMITH of Florida, Mr. GILMAN, Mr. DIXON, Mr. LEWIS of Georgia, Mr. KASTENMEIER, Mr. KOSTMAYER, Mr. OWENS of Utah, Mr. DELLUMS, Mr. LELAND, Mr. BERMAN, Mr. TAUZIN, Mr. CHAPMAN, Mr. RAHALL, Mr. BATES, Mr. JONES of Georgia, Mr. EMERSON, Mrs. COLLINS, Mr. STAGGERS, Mr. NOWAK, Mr. SWIFT, Mr. ERDREICH, Mr. BLAZ, and Mr. ASPIN.

H.R. 2112: Mrs. JOHNSON of Connecticut.

H.R. 2131: Mrs. COLLINS and Mr. SKEEN.

H.R. 2132: Mrs. VUCANOVICH, Mr. FAWELL, Mr. HILER, Mr. WEBER, Mr. COURTER, Mrs. BENTLEY, Mr. DANNEMEYER, Mr. GUNDERSON, Mr. LEWIS of Florida, and Mr. SMITH of Texas.

H.R. 2133: Mrs. VUCANOVICH, Mr. FAWELL, Mr. HILER, Mr. WEBER, Mr. COURTER, Mrs. BENTLEY, Mr. DANNEMEYER, Mr. GUNDERSON, Mr. LEWIS of Florida, and Mr. SMITH of Texas.

H.R. 2175: Mr. LEWIS of Georgia, Mr. COYNE, Mr. STARK, Ms. PELOSI, Mr. WISE, and Mr. DIXON.

H.R. 2185: Mr. LEWIS of Georgia, Mr. FUSTER, and Mr. BERMAN.

H.R. 2191: Mr. SMITH of New Hampshire and Mr. GARCIA.

H.R. 2192: Mrs. COLLINS, Mr. LEWIS of Florida, Mr. FAUNTROY, Mr. WEISS, Mr. WALGREN, Mr. DE LUGO, and Mr. LEWIS of Georgia.

H.R. 2195: Mr. FRANK, Mr. MRAZEK, Mr. RHODES, Mr. HUGHES, Mr. ERDREICH, Mr. LEWIS of Florida, Mr. DWYER of New Jersey, Mr. TOWNS, Mrs. SAIKI, Mr. STAGGERS, Mr. GUNDERSON, and Mr. ENGLISH.

H.R. 2243: Mr. WISE, Mr. RAHALL, Mr. FLIPPO, Mr. FUSTER, Mr. SABO, and Mr. LEWIS of Georgia.

H.R. 2246: Mr. FUSTER and Mr. CHAPMAN.

H.R. 2248: Mr. NELSON of Florida and Mr. CHAPMAN.

H.R. 2265: Mrs. MORELLA.

H.R. 2273: Mr. YATES, Mr. GILMAN, Mr. LEHMAN of Florida, Mr. FRENZEL, and Mrs. UNSOELD.

H.R. 2287: Mr. BERMAN, Mr. BATES, Mr. SMITH of Florida, Mr. FLORIO, and Mr. DYMALLY.

H.R. 2290: Mr. DE LA GARZA and Mr. LAGOMARSINO.

H.R. 2318: Ms. PELOSI and Mr. GARCIA.

H.R. 2319: Mrs. JOHNSON of Connecticut, Mr. ATKINS, Mr. FOGLIETTA, Mr. BERMAN, Mr. GLICKMAN, Mr. GINGRICH, Ms. SCHNEIDER, and Mr. GREEN.

H.R. 2359: Mr. GREEN, Mr. DORNAN of California, and Mr. FAUNTROY.

H.R. 2366: Mr. SPRATT and Mr. DENNY SMITH.

H.J. Res. 54: Mr. MINETA and Mr. MARTINEZ.

H.J. Res. 111: Mr. LAGOMARSINO, Mr. JONES of Georgia, Mr. GALLEGLY, Mr. SOLOMON, Mr. OWENS of New York, Mr. CONYERS, Mr. HERTEL, Mr. HILER, Mr. HUCKABY, Mr. HUGHES, Mr. STARK, Mr. THOMAS A. LUKEN, Mr. MCGRATH, Mr. MRAZEK, Mr. HOCHBRUECKNER, Mr. PACKARD, Mr. FAZIO, Mr. MACHTLEY, Mr. MARTIN of New York, and Mr. BONIOR.

H.J. Res. 138: Mr. OBERSTAR, Mr. BILBRAY, Mr. BEVILL, and Mr. BENNETT.

H.J. Res. 168: Mr. WEBER and Mr. LANTOS.

H.J. Res. 207: Mr. VENTO, Mr. DWYER of New Jersey, Mr. HAYES of Illinois, Mr. NEAL of North Carolina, Mr. CROCKETT, Mr. FROST, Mr. HOCHBRUECKNER, Mr. KOLBE, Mr. SMITH of New Jersey, Mr. SAVAGE, Mr. DE LUGO, Mr. KILDEE, Mr. GEJDENSON, and Mr. LEHMAN of Florida.

H.J. Res. 254: Mr. WOLPE, Mr. BRENNAN, Mrs. BOXER, and Mr. PALLONE.

H.J. Res. 272: Mr. RIDGE, Mr. SHUSTER, Mr. MCEWEN, Mr. SMITH of New Jersey, Mr. WYLIE, Mr. BURTON of Indiana, Mr. COLEMAN of Missouri, Mr. INHOFE, Mr. MACHTLEY, Mr. JAMES, Mr. STUMP, Mr. BEREUTER, and Mr. FIELDS.

H. Con. Res. 28: Mr. LELAND.

H. Con. Res. 51: Mr. LANTOS, Mr. ECKART, and Mr. JOHNSTON of Florida.

H. Con. Res. 62: Mr. HAYES of Illinois, Mr. TOWNS, Mr. RINALDO, Mr. GREEN, Mr. GILMAN, Mr. DELLUMS, Mr. FOGLIETTA, Mr. FLORIO, Mr. MFUME, and Mr. PALLONE.

H. Con. Res. 79: Mr. LEWIS of Georgia and Mrs. SAIKI.

H. Con. Res. 89: Mr. ROBERT F. SMITH, Mr. DWYER of New Jersey, Mrs. BOXER, Mr. OWENS of New York, Mr. NEAL of North Carolina, Mr. LEWIS of Georgia, Mr. DYMALLY, Mr. ENGEL, Mr. BILBRAY, and Ms. PELOSI.

H. Con. Res. 92: Mrs. VUCANOVICH, Mr. LANCASTER, and Mr. COYNE.

H. Con. Res. 105: Mr. GILMAN.

H. Con. Res. 109: Mr. JAMES, Mr. GRANT, Mr. BILIRAKIS, Mr. SHUMWAY, and Mr. GALLEGLY.

H. Res. 18: Mrs. MARTIN of Illinois and Mr. NEAL of North Carolina.

H. Res. 48: Mr. FRANK, Mr. LEWIS of Georgia, Mr. DE LUGO, and Mr. SAVAGE.

H. Res. 95: Mr. SMITH of Vermont.

H. Res. 144: Mr. BUECHNER and Mrs. PATTERSON.

H. Res. 146: Mr. ARCHER and Mr. DORNAN of California.

REGULATION OF LOBBYING ACT

In compliance with Public Law 601, 79th Congress, title III, Regulation of Lobbying Act, section 308(b), which provides as follows:

(b) All information required to be filed under the provisions of this section with the Clerk of the House of Representatives and the Secretary of the Senate shall be compiled by said Clerk and Secretary, acting jointly, as soon as practicable after the close of the calendar quarter with respect to which such information is filed and shall be printed in the CONGRESSIONAL RECORD.

The Clerk of the House of Representatives and the Secretary of the Senate jointly submit their report of the compilation required by said law and have included all registrations and quarterly reports received.

REGISTRATIONS

The following registrations were submitted for the third calendar quarter 1989:

(NOTE.—The form used for reporting is reproduced below. In the interest of economy in the RECORD, questions are not repeated, only the essential answers are printed, and are indicated by their respective headings. This page (Page 1) is designed to supply identifying data.)

PLEASE RETURN 1 ORIGINAL TO: THE CLERK OF THE HOUSE OF REPRESENTATIVES, OFFICE OF RECORDS AND REGISTRATION, 1036 LONGWORTH HOUSE OFFICE BUILDING, WASHINGTON, D.C. 20515

PLEASE RETURN 1 ORIGINAL TO: THE SECRETARY OF THE SENATE, OFFICE OF PUBLIC RECORDS, 232 HART SENATE OFFICE BUILDING, WASHINGTON, D.C. 20510

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19 . . . . .

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th
(Mark one square only)				

Is this an Amendment? ☐ YES ☐ NO

IDENTIFICATION NUMBER

NOTE on ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:

(i) *"Employee".*—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)

(ii) *"Employer".*—To file as an "employer", write "None" in answer to Item "B".

(*b*) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:

(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.

(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING:

1. State name, address, and nature of business.

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

☐ CHECK IF ADDRESS IS DIFFERENT THAN PREVIOUSLY REPORTED

NOTE on ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (*a*) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (*b*) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER—State name, address, and nature of business. If there is no employer, write "None."

NOTE on ITEM "C".—(*a*) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).

(*b*) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).

(*c*) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have ☐ terminated, place an "X" in the box at the left, so that this Office will no longer expect to receive Reports.

2. State the general legislative interests of the person filing and set forth the specific legislative interests by reciting: (*a*) Short titles of statutes and bills; (*b*) House and Senate numbers of bills, where known; (*c*) citations of statutes, where known; (*d*) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (*a*) description, (*b*) quantity distributed, (*c*) date of distribution, (*d*) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed.)

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and, if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. *If this is a "Quarterly" Report, disregard this item "C4" and fill out items "D" and "E" on the back of this page.* Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly Report."

STATEMENT OF VERIFICATION

[Omitted in printing]

Organization or Individual Filing	Employer/Client
A-K Associates, Inc, 1024 10th Street, #300 Sacramento, CA 95814	Reclamation District 1000
Abukari, 322 D Street, NE Washington, DC 20002	Rainbow Lobby, Inc
Ad Hoc Coalition to Reconsider FS-X, 1924 N Street, NW Washington, DC 20036	
Akin Gump Strauss Hauer & Feld, 1333 New Hampshire Ave., NW, #400 Washington, DC 20036	Bank of Nova Scotia
Do	CRS Sirrine, Inc
Do	Eastern Air Lines, Inc
Do	Guardian Savings and Loan Assn
Do	MacAndrews & Forbes Holdings, Inc
Do	Pillsbury Company
Susan Alberts, 1411 K Street, NW, #850 Washington, DC 20005	National Assn of Arab Americans
Marjorie D. Allen, 1625 L Street, NW Washington, DC 20036	American Fed of State County & Municipal Employees
Susan E. Alvarado, 1440 New York Ave., NW, #320 Washington, DC 20005	Capital Legislative Services (For:Uniroyal Chemical Company)
Do	Capital Legislative Services (For:United States Tobacco)
American Agriculture Movement, Inc, 100 Maryland Ave, NE, #500 Box 69 Washington, DC 20002	
American Family Assn Education and Legal Defense Foundation, P.O. Drawer 2440 Tupelo, MS 38803	
Morris J. Amitay, P.C., 444 N. Capitol Street, NW, #712 Washington, DC 20001	International Advisers, Inc
Anadarko Petroleum Corp, 16855 Northchase Drive Houston, TX 77251-1330	
Elaine Andrews, 1455 Pennsylvania Ave., NW, #1250 Washington, DC 20004-0401	National Assn of Life Companies
Andrews' Associates, Inc, 2550 M St., NW, #450 Washington, DC 20037	Safeguard America's Family Enterprises
Thomas D. Anthony, 1900 Carew Tower Cincinnati, OH 45202	Benesch Friedlander Coplan & Aronoff (For:Comprehensive Medical Imaging, Inc)
Virginia Antos, 2005 Massachusetts Avvenue, NW Washington, DC 20036	Association of American Publishers
Apple Computer, Inc, 1892 Peston White Drive Reston, VA 22091	
Arent Fox Kintner Plotkin & Kahn, 1050 Connecticut Ave., NW Washington, DC 20036-5339	Temistocles Ramirez De Arellano
Do	Video Software Dealers Assn
John W. Arlidge, P.O. Box 230 Las Vegas, NV 89151	Nevada Power Company
Arnold Grobmyer & Haley, P.O. Box 70 Little Rock, AR 72203	Arkansas Assn of Securities Dealers
Do	Mid-South International Trade Assn
Mark D. Aspinwall, 1627 K Street, NW, #1200 Washington, DC 20006	United Shipowners of America
ARCO Chemical Co, 3801 West Chester Pike Newtown Square, PA 19073	
Gregory R. Babyak, 1747 Pennsylvania Ave., NW Washington, DC 20006	Contact Lens Institute
Do	Pfizer, Inc
Do	Securities Industry Assn
Kenneth L. Bader, 777 Craig Road St. Louis, MO 63141	American Soybean Assn
Donald Baldwin, 1140 Connecticut Ave., NW, #804 Washington, DC 20036	National Commission Against Drunk Driving
Ball Janik & Novack, 601 Pennsylvania Ave., NW, 9th Floor Washington, DC 20004	Fujitsu Microelectronics
Do	Lower Columbia Regional Navy Task Force
Rebecca T. Barbour, 1025 Connecticut Ave., NW Washington, DC 20036	Shell Oil Company
Leslie A. Barhyte, Box 17407 Dulles Airport Washington, DC 20041	American Newspaper Publishers Assn
Bass and Howes, 1601 Connecticut Ave., NW, #801 Washington, DC 20009	Women's Legal Defense Fund
Douglas P. Bates, 1001 Pennsylvania Ave., NW Washington, DC 20004-2599	American Council of Life Insurance
Erica M. Battaglia, 519 C Street, NE Washington, DC 20002	National Assn for Home Care
Margaret M. Bees, 2001 L Street, NW, #1000 Washington, DC 20036	Unisys Corp
David Beier, 1747 Pennsylvania Ave., NW, #1223 Washington, DC 20006	Genentech, Inc
R. Steve Bell, 444 North Capitol Street, NW #845 Washington, DC 20001	National Air Traffic Controllers Assn.
Benito Advertising, Inc, 600 N. Westshore Blvd., #1100 Tampa, FL 33609	Madison Public Affairs Group, Inc
Bergner Boyette & Bockorny, Inc, 1016 16th Street, NW, #700 Washington, DC 20036	Forum Group, Inc
Dayle Berke, 519 C Street, NE Washington, DC 20002	National Assn for Home Care
Antoinette C. Berkely, P.O. Box 2972 Washington, DC 20013	
Bill Bertera, 1730 Rhode Island Ave., NW Washington, DC 20036	National Solid Wastes Management Assn
Ed Bethune, 1825 I St., NW, #400 Washington, DC 20006	FBI Agents Assn (FBIAA)
Beveridge & Diamond, P.C., 1333 New Hampshire Ave, NW Washington, DC 20036	City of Bluefield, WV, et al.
Do	Pacific Dunlop-GNB
Leonard Bickwit Jr., 655 15th Street, NW Washington, DC 20005	Miller & Chevalier, Chtd (For:Association of Thrift Holding Cos)
Richard H. Bierly, 2001 L Street, NW, #1000 Washington, DC 20036	Unisys Corp
Andrea Bilson, 1750 K Street, NW Washington, DC 20006	Food Marketing Institute
Birch Horton Bittner and Cherot, 1155 Connecticut Ave., NW, #1200 Washington, DC 20036	U.S. Central, Inc
Do	Wildlife Legislative Fund of America
Bishop Cook Purcell & Reynolds, 1400 L Street, NW, #1000 Washington, DC 20005-3502	Mississippi Department of Economic Development
Judy Black, 665 Fifth Ave. New York, NY 10022	International Council of Shopping Centers
Michael E. Bleier, Mellon Bank N.A. One Mellon Bank Center, #3110 Pittsburgh, PA 15258-0001	Mellon Bank N.A.
Robert S. Bludworth, 5205 Leesburg Pike, #1600 Falls Church, VA 22307	National Beer Wholesaler's Assn
Jared O. Blum, 1731 Connecticut Ave., NW, 2nd Fl. Washington, DC 20009-1146	Albers & Company (For:Direct Marketing Assn)
John A. Boardman, 815 16th Street, NW, #408 Washington, DC 20006	Food & Allied Service Trades Dept, AFL-CIO
Alice Bodley, 1016 16th Street, NW Washington, DC 20036	National Federation of Federal Employees
Bogle and Gates, One Thomas Circle, NW, #900 Washington, DC 20005	University of South Alabama
Bond Donatelli, Inc, 211 North Union Street, #210 Alexandria, VA 22314	Akin Gump Strauss... (MacAndrews & Forbes Holdings, Inc)
Do	Yin Choy Oen
Do	Republic of Panama (Govt of President Eric Arturo Devalle)
Do	US Sprint
Michael V. Bonner, 1010 Vermont Ave., NW, #1120 Washington, DC 20005	
Lydia A. Borland, 1800 M Street, NW, #750 South Washington, DC 20036	International Advisers, Inc
Paul Boyle, Box 17407 Dulles Airport Washington, DC 20041	American Newspaper Publishers Assn
Sarah Brady, 1225 Eye Street, NW, #1100 Washington, DC 20005	Handgun Control, Inc
Bregman Abell & Kay, 1156 15th St., NW, #1212 Washington, DC 20005	American Federal Savings Bank
Do	Federal Home Loan Bank of San Francisco
William O. Bresnick, 1050 17th Street, NW, #500 Washington, DC 20036	Texaco, Inc
Paul J. Breuer, 807 Maine Ave., SW Washington, DC 20024	Disabled American Veterans
Brockbank & Associates, Inc, 918 16th Street, NW, Mezzanine Suite Washington, DC 20006	New Progressive Party
Robert M. Brooks, 206 G St., NE Washington, DC 20002	Evergreen Associates, Ltd. (For:Washington State Impact Aid Assn)
S. M. Henry Brown Jr., P.O.Box 61000 New Orleans, LA 70161	MSU System Services, Inc
Will Rolland Brown, 1731 Connecticut Ave., NW Washington, DC 20009	Albers & Company (For:May Department Stores Company)
Brown Coates & McCarthy Inc, 900 17th Street, NW, #1100 Washington, DC 20006	Avco Research Lab, Inc
Brownstein Hyatt Farber & Madden, 410 17th Street, 22nd Floor Denver, CO 80202	American West, et al.
Victor A. Bryant, 1801 K Street, NW #900 Washington, DC 20006	American Textile Manufacurers Institute
Judith A. Buckalew, 1667 K Street, NW, #500 Washington, DC 20006	National Assn of Life Companies
Kim H. Bullerdick, 7227 North 16th Street Phoenix, AZ 85020	Giant Industries, Inc
Burson-Marsteller, 1850 M Street, NW, #900 Washington, DC 20036	Emhart Corporation
Do	Independence Blue Cross
Do	Lever Brothers Company
Dr. Donald G. Butcher, c/o N.Y.S. Petroleum Council 150 State Street Albany, NY 12207	American Petroleum Institute
James J. Butera, 4901 Quebec Street, NW Washington, DC 20016	Albany Savings Bank
Do	Dime Savings Bank of New York
Do	Drexel Burnham Lambert, Inc
Do	Federal Home Loan Bank of Boston
Do	Federal Home Loan Bank of New York
Do	Howard Savings Bank
Do	Lake Sunapee Savings Bank
Do	Mid Maine Saving Bank
Do	Municipal Savings Bank
Do	People's Bank
Do	Poughkeepsie Savings Bank
Do	Rochester Community Savings Bank
Do	Savings Bank of the Finger Lakes
Caguas Central Federal Savings Bank, G.P.O. Box 2647 San Juan, PR 00936	
Kim Hosch Camp, 7104 Old Stage Road Rockville, MD 20852	Camp Barsh Bates & Tate
Camp Barsh Bates & Tate, 2550 M St., NW, #275 Washington, DC 20037	ARA Services
Do	CIC Enterprises
Do	Management Insights, Inc
Do	Pierce Kennedy Hearth
Do	VRAIN Company
John G. Campbell, 1111 Jefferson Davis Highway, # 508 Arlington, VA 22202	John G. Campbell, Inc (For:BDM International, Inc)
Charles Hollister Cantus, 555 13th Street, NW, #450 west Washington, DC 20004	Union Pacific Corporation
Capitol Associates, Inc, 426 C Street, NE Washington, DC 20002	National Renal Administrators Assn

Organization or Individual Filing	Employer/Client
Caribbean Trade and Apparel Coalition (C-TAC), 1215 17th Street, NW Washington, DC 20036	
Eileen Shannon Carlson, 2000 M St., NW Washington, DC 20036	Graham & James (For:R. R. Donnelley & Sons Company)
Do	Graham & James (For:Stock Information Group)
Phyllis D. Carnilla, 1700 17th Street, NW, #301 Washington, DC 20009	Birting Fisheries, Inc
Do	JOMM Limited Partnership
Mary Carroll, 555 West 57th Street New York, NY 10019	Greater New York Hospital Assn
Melanie Carter-Maguire, 600 Maryland Ave., SW, #607 Washington, DC 20024	Northern Telecom, Inc
Cascade Natural Gas Corp, 222 Fairview Avenue N Seattle, WA 98109	
Cassidy and Associates, Inc, 655 15th St., NW, #1100 Washington, DC 20005	American Dredging Company
Do	American Science and Engineering, Inc
Do	Boston Carmen's Union
Do	Children's Hospital and Health Center of San Diego
Do	Children's Hospital National Medical Center
Do	DataCom Systems Corporation
Do	Great Lakes Dredge and Dock Company
Do	Hawaii Dept of Business & Economic Development
Do	Hexagon Technical Company, Inc
Do	Infirmary Health Systems, Inc
Do	International Data Group
Do	T.L. James & Company
Do	Thomas H. Lee Co
Do	Medical College of Wisconsin
Do	Michigan Technological University
Do	Mt. Sinai Medical Center of Greater Miami
Do	Spring Garden College
Do	Twentieth Century Fox
Do	University of the Arts
Ann Casso, 1735 New York Ave., NW Washington, DC 20006	American Institute of Architects
Chadbourne & Parke, 1101 Vermont Ave., NW, #900 Washington, DC 20005	Amalgamated Metal Corp PLC
Chadwell & Kayser, Ltd, 8500 Sears Tower Chicago, IL 60606-6592	Corn Coalition
William Chasey Organization, 855 La Jolla Corona Court La Jolla, CA 92037	Indo-U.S. Pac
Do	Preuss Foundation Inc
Do	TAK Communications
David F. Chavkin, 733 15th Street, NW, #912 Washington, DC 20005	National Center for Clinical Infant Programs
Citizens for Free Choice, P.O. Box 9588 Virginia Beach, VA 23452	
Fred D. Clark Jr., 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn
Vernon A. Clark, 555 New Jersey Ave., NW, #255 Washington, DC 20001	RJR-Nabisco Washington, Inc
Bill Clayton, 1122 Colorado, #307 Austin, TX 78701	Advanced Telecommunication Corp
Cleary Gottlieb Steen & Hamilton, 1752 N Street, NW Washington, DC 20036	Columbia Savings & Loan Assn
Douglas Cole, 1101 17th Street, NW, #400 Washington, DC 20036	American President Companies, Ltd
Collins & Associates, 6269 Franconia Road Alexandria, VA 22310	City of Pompano Beach, Florida
Harry J. Conaway, 1001 22nd Street, NW, #400 Washington, DC 20037	Mercer Meidinger Hansen, Inc
Daniel J. Cooney, 1600 Wilson Blvd., #1000 Arlington, VA 22209	American Waterways Operators
Copyright Remedies Coalition, 2000 K Street, NW, #600 Washington, DC 20006-1809	
Corn Refiners Assn, 1100 Connecticut Avenue, NW Washington, DC 20036	
Gregory Costa, 1000 Vermont Avenue, NW, #800 Washington, DC 20005	Public Securities Assn
C. Deming Cowles, 6th Floor 1050 Thomas Jefferson Street, NW Washington, DC 20007	Fairbanks/North Star Borough
Do	Pacific Marine Fisheries Commission
Jerry W. Cox, 2300 M Street, NW #130 Washington, DC 20037	Murphy & Demory, Ltd (For:Anglo American Auto Auctions, Inc)
Rebecca Craford, 1000 Vermont Ave., NW #800 Washington, DC 20005	Public Securities Assn
James P. Cramer, 1735 New York Ave., NW Washington, DC 20006	American Institute of Architects
Donald J. Crawford, 1850 M Street, NW Washington, DC 20036	Securities Industry Assn
Richard C. Crawford, 1825 Samuel Morse Drive Reston, VA 22090	National Grocers Assn
Brien F. Culhane, 5752 Drake Ct., #371 Alexandria, VA 22311	Wilderness Society
Philip Cummings, 1455 Pennsylvania Ave., NW Washington, DC 20004	McCutchen Doyle Brown & Enersen (For:Browning-Ferris Industries)
Do	McCutchen Doyle Brown & Enersen (For:Southern California Assn of Governments)
Jonathan W. Cuneo, 1401 New York Avenue, NW, #740 Washington, DC 20005	National Coalition of Petroleum Retailers, Inc
M. Rupert Cutler, 1244 19th Street, NW Washington, DC 20036	Defenders of Wildlife
Cutler & Stanfield, 1850 M Street, NW Washington, DC 20036	General Atomics
John E. Daniel, 1233 20th St., NW 7th Floor Washington, DC 20036	International Technology Corporation
James H. Davidson, 1211 Connecticut Avenue, NW, #610 Washington, DC 20036	James H. Davidson & Associates, Inc (For:Yellow Pages Publishers Assn)
Davis & Harman, 1455 Pennsylvania Avenue, NW, #1200 Washington, DC 20004	Alcoma Packing Company, Inc
Do	Hughes & Luce
Devine Millimet Stahl & Branch, 111 Amherst Street Manchester, NH 03105	State of New Hampshire, Attorney General
Dewey Ballantine Bushby Palmer & Wood, 1775 Pennsylvania Ave., NW, #500 Washington, DC 20006	McCormack Baron & Associates
Do	National Trust for Historic Preservation
Do	Xerox Corp
Mary Elise DeGonia, 1915 17th Street, NW Washington, DC 20009	Alternative Schools Network
Do	WS Basics
John A. DeLeva, 24231 Via San Clemente Mission Viejo, CA 92692	Beer Drinkers of America
Gaelynn DeMartino, 1129 20th Street., NW, #600 Washington, DC 20036	Group Health Assn of America, Inc
Thomas R. DeYulia, 7361 Calhoun Place Rockville, MD 20850	CNA Insurance Companies
Dickstein Shapiro & Morin, 2101 L St., NW Washington, DC 20037	Embassy of Malaysia
Do	Harbour Group Ltd
Diepenbrock Wulff Plant & Hannegan, P.O. Box 3034 Sacramento, CA 95812-3034	Methodist Hospital of Sacramento
Mary Ann Dirzis, 9 West 57th Street New York, NY 10019	Avon Products, Inc
J. Chris Dobbs, P.O. Box 719 Dallas, TX 75221	Southland Corporation
John D. Doherty Jr., 901 31st Street, NW Washington, DC 20007	Hill & Knowlton, Inc (For:Federal Home Loan Bank of Seattle)
Do	Federal Leg Assocs, Inc (for Assn of Bank Holding Cos)
Dolphin Group, Inc, 1047 Gayley Avenue, 2nd Fl Los Angeles, CA 90024	Madison Public Affairs Group, Inc
Charles Donovan, 601 Pennsylvania Ave., NW, #901 Washington, DC 20004	Focus on the Family
Linda L. Doorfee, 1601 Duke Street Alexandria, VA 22314	Society of American Florists
Dougherty Consulting, P.O. Box 819 Sioux Falls, SD 57101-0819	Madison Public Affairs Group, Inc
Michael G. Dowd, 1233 20th Street, NW, #400 Washington, DC 20036	Coalition for Environmental-Energy Balance (CEEB)
Anthony V. Dresden, 444 N. Capitol Street, NW, #801 Washington, DC 20001	National Air Traffic Controllers Assn
Charles T. Drevna, 7421 Huntland Drive Knoxville, TN 37919	Sun Coal Company
Elizabeth J. Dribben, 2201 Leeland Drive Falls Church, VA 22043	Humane Society of the United States
Drinker Biddle & Reath, 901 15th Street, NW, #900 Washington, DC 20005	National Union Fire Insurance Co of Pittsburgh, PA
Katherine M. Dutlih, 214 Massachusetts Ave., NE, #420 Washington, DC 20002	Milliken & Company
Dutko & Associates, 412 First St., SE, #100 Washington, DC 20003	Lusk Company
Robert F. DuPree Jr., 1801 K Street, NW, #900 Washington, DC 20006	American Textile Manufacturers Institute
Anthony S. Earl, One South Pinckney Street P.O. Box 2113 Madison, WI 53701-2113	Quarles & Brady (For:Wisconsin Electric Power Company)
Maxine Eichner, 2000 P Street, NW, #400 Washington, DC 20036	Women's Legal Defense Fund
Earl B. Eisenhart, 1155 21st Street, NW, #400 Washington, DC 20036	Commission of Accredited Truck Driving Schools
John T. Engelen, 1575 Eye Street, NW, #200 Washington, DC 20005	American Cyanamid Co
Sherry Ettleson, 215 Pennsylvania Ave., SE Washington, DC 20003	Public Citizen
Billy Lee Evans, 499 South Capitol St., SW, #507 Washington, DC 20003	Hecht Spencer & Associates (For:Boy Scouts of America)
Evans Group, Ltd, 1010 Wisconsin Ave., #810 Washington, DC 20007	Cotraco, Inc
Do	Embassy of Cyprus
Do	Federal Home Loan Bank of Pittsburgh
Do	Home Owners Federal Savings and Loan Assn
Do	Matlack, Inc
Do	Mortgage Bankers Assn of America
Do	Towers Financial Corp
F/P Research Associates, 1700 K St., NW, #404 Washington, DC 20006	American Iron & Steel Institute
Greg Farmer, 600 Maryland Ave., SW, #607 Washington, DC 20024	Northern Telecom, Inc
Marcus G. Faust, 332 Constitution Ave., NE Washington, DC 20002	Clark County, Nevada
Mark B. Feldman, 1800 M Street, NW Washington, DC 20036	International Advisers Inc
Jack Ferguson Associates, Inc, 203 Maryland Ave., NE Washington, DC 20002	Alaska Loggers Association, Inc
Richard G. Fifield, P.O. Box 11000 Montgomery, AL 36198	Alabama Farmers Federation
Gary K. Fisher, 1700 K Street, NW, #1200 Washington, DC 20006	Chevron USA, Inc
John Fitzgerald, 1244 19th Street, NW Washington, DC 20036	Defenders of Wildlife
Donald Fix, 2100 Pennsylvania Ave., NW, #701 Washington, DC 20037	Sinnott Hyjek & Fix, Inc. (For:Dallas/Fort Worth International Airport)

Organization or Individual Filing	Employer/Client
Do	Sinnott Hyjek & Fix, Inc. (For:New United Motor Manufacturing, Inc.)
Do	Sinnott Hyjek & Fix, Inc. (For:Port of Oakland)
Robert B. Flagg, 3214 White Flint Ct. Oakton, VA 22124	Chemical Manfacturing Assn
Flanagan Group, Inc, 11 Canal Center Plaza, #250 Alexandria, VA 22314	American Nuclear Energy Council
Do	Dominion Resources, Inc'
Do	Port of San Franisco
Do	Virginia Power
Fleishman-Hillard, Inc, 1301 Connecticut Ave., NW, 7th Floor Washington, DC 20036	American Ambulance Assn
Do	Citizens for a Drug Free America
Do	Eveready
Do	United Network of Organ Sharing
Focus on the Family, 801 Corporate Center Drive Pomona, CA 91768	
Foley & Lardner, 1775 Pennsylvania Avenue, NW Washington, DC 20006-4680	Coldwell Banker Real Estate Group
R. D. Folsom, 1440 New York Ave., NW, #320 Washington, DC 20005	Capital Legislative Services (For:Uniroyal Chemical Company)
Do	Capital Legislative Services (For:United States Tobacco)
David Ford, 1250 Connecticut Ave., NW, #200 Washington, DC 20036	National Forest Products Assn
Alison B. Fortier, 1745 Jefferson Davis Highway, #1200 Arlington, VA 22202	Rockwell International
Fox Weinberg & Bennett, 1714 Massachusetts Avenue, NW Washington, DC 20036	Battery Council International
Do	National Assn for Plastic Container Recovery (NAPCOR)
Michael Francis, 1400 Eye Street, NW Washington, DC 20005	Wilderness Society
Stephen R. Frank, 607 Azure Hills Drive Simi Valley, CA 93065	Eagle Group (For:Tailored Baby, Inc)
Ronald A. Fried, 888 17th Street, NW, #900 Washington, DC 20006	Holland & Knight (For:Hialeah Hospital)
FMR Group, Inc, 1000 Potomac Street, NW, #401 Washington, DC 20007	National Assn of Personnel Consultants
Do	National Coalition of Burn Center Hospitals
Janne G. Gallagher, 3373 Rittenhouse Street, NW Washington, DC 20015	Human Services Forum on Government Relations
Gardner Carton & Douglas, 1001 Pennsylvania Ave, NW, #750-N Washington, DC 20004	Minnesota Mining and Manufacturing Company
Garvey Schubert & Barer, 1000 Potomac St., NW Washington, DC 20007	American Iron & Steel Institute
Do	Canadian Embassy
Do	J & B Management Company
Do	Ministry of the Environment
Do	Province of Manitoba Department of Natural Resources
Generic Pharmaceutical Industry Assn Animal Drug Alliance, 200 Madison Ave., #2404 New York, NY 10016	
Ted P. Gerarden, 1275 K Street, NW, #850 Washington, DC 20005	Cascade Natural Gas Corp
Matthew Gerson, 1600 Eye Street, NW Washington, DC 20006	Motion Picture Assn of America, Inc
Ginn Edington Moore & Wade, 803 Prince Street Alexandria, VA 22314	AB BOFORS
Ginsburg Feldman & Bress, Chartered, 1250 Connecticut Ave., NW, #800 Washington, DC 20036	Chugai-Upjohn, Inc
Nicholas J. Glakas, 1600 M Street, NW Washington, DC 20036	ITT Corporation
Ronald R. Glancz, 901 15th Street, NW, #900 Washington, DC 20005	Drinker Biddle & Reath (For:National Union Fire Insurance Company)
Martha Cole Glenn, 4637B S. 36th Street Arlington, VA 22206	Humane Society of the United States
Jere W. Glover, 1725 K Street, NW, #308 Washington, DC 20006	American Academy of Environmental Medicine
Do	Fair Franchising Coalition
Gold & Liebengood, Inc, 1455 Pennsylvania Ave., NW, #950 Washington, DC 20004	BAA plc
Do	National Business Aircraft Assn, Inc
Do	Pennzoil Co
Deborah Gottheil, 812 L N. Kalaheo Avenue Kailua, HI 96734	Artic Slope Regional Corp
Greater New York Hospital Assn, 555 West 57th Street 15th Floor New York, NY 10019	
Greve Clifford Diepenbrock & Paras, 1000 G Street, #400 Sacramento, CA 95812	California Nevada Comm for High Speed Ground Transportation
Robert T. Griffin, 1100 Connecticut Ave., NW, #900 Washington, DC 20035	Chrysler Corporation
Griffin Johnson & Associates, 1211 Connecticut Ave., NW, #700 Washington, DC 20036	American Petroleum Institute
Do	Grumman Corporation
Do	Tobacco Institute
Mark W. Grobmyer, P.O. Box 70 Little Rock, AR 72203	VISA USA, Inc, et al.
Groom & Nordberg, Chtd, 1701 Pennsylvania Avenue, NW, #1200 Washington, DC 20006	Ad Hoc MGA Group
Page Groton, 400 First Street, NW, #814 Washington, DC 20001	International Brotherhood of Boilermakers ...
Carlos A. Guerra, 7227 North 16th Street Phoenix, AZ 85020	Giant Industries, Inc
Hale and Dorr, 1455 Pennsylvania Ave., NW, #1000 Washington, DC 20004	Dakota Wesleyan University
Heide Halik, 408 C Street, NE Washington, DC 20002	Sierra Club
Julius L. Hall, 1016 16th Street, NW Washington, DC 20036	National Federation of Federal Employees
Mark C. J. Hancock, 260 South Reynolds Street #407 Alexandria, VA 22304	Government of the Union of Burma
Thomas H. Hancock, 260 South Reynolds Street, #407 Alexandria, VA 22304	Government of the Union of Burma
Diane Harper, 1000 Wilson Blvd. Arlington, VA 22209	Grumman Corporation
A. J. Harris II, 425 13th St., NW Washington, DC 20004	CIGNA Corp
Robert W. Harrison, 1213 Jefferson Davis Highway, #1400 Arlington, VA 22202	CAE-LINK Corporation
Arnold I. Havens, 1156 15th Street, NW, #1100 Washington, DC 20005	White Fine & Verville (For:Armstrong World Industries, Inc)
Do	White Fine & Verville (For:Burlington Northern Services, Inc)
Do	White Fine & Verville (For:CSX Corporation)
Do	White Fine & Verville (For:MetPath, Inc)
John F. Hay, 1801 K Street, NW, #800 Washington, DC 20006	Westinghouse Electric Corp
Robert (Rob) Healy Jr., 1201 New York Ave., NW Washington, DC 20005	American Public Transit Assn
Brian Keith Heard, 201 Massachusetts Ave., NE, #C-4 Washington, DC 20002	National Corn Growers Assn
Heron Burchette Ruckert & Rothwell, 1025 Thomas Jefferson St., NW, #700 Washington, DC 20007	Ad Hoc Committee on Export Controls
Do	Airship International Ltd.
Do	Carteret Savings and Loan Assn
Do	City of Chattanooga
Do	City of Newark
Do	Clark County
Do	Downey Savings and Loan
Do	Government of the Virgin Islands
Do	Home Group, Inc
Do	Metropolitan Dade County Office of County Manager
Do	Mutual Benefit Life
Do	New York University
Do	Phillips Petroleum Company (Phillips 66)
Do	Trustees of Florida Lime & Avocado
Do	University of Medicine and Dentistry of New Jersey
Do	University of Miami
John A. Heslip, P.O. Box 781 Herndon, VA 22070	National Concrete Masonry Assn
Hessian McKasy & Soderberg, 1275 K Street, NW, #900 Washington, DC 20005	Midwest Federal Savings and Loan Assn
Do	United Mortgage Corp
Jack Lewis High Jr., 2001 L Street, NW, #1000 Washington, DC 20036	Unisys Corp
Hobbs Straus Dean & Wilder, 1819 H St., NW, #800 Washington, DC 20006	Alaska Legal Services Corp
Do	Spokane Legal Services Center
Philip M. Hocker, 20 West Chapman Street Alexandria, VA 22301	Mineral Policy Center
Hogan & Hartson, 555 13th St., NW Washington, DC 20004-1109	Champon Flavors & Fragrances, Inc
Do	Coalition of American Steel Using Manufacturers
Holland & Hart, 1001 Pennsylvania Ave., NW, #310 Washington, DC 20004	Council for Solid Waste Solutions
Holland & Knight, 888 17th St., NW, #900 Washington, DC 20006	General Development Corp
Holt Miller & Associates, 2111 Wilson Blvd., #531 Arlington, VA 22201-3008	American Council of International Personnel
Lindsay Hooper, 453 New Jersey Ave., SE Washington, DC 20003	Winburn VanScoyoc & Hooper (For:Hallmark Cards)
Do	Winburn VanScoyoc & Hooper (For:KKR)
Do	Winburn VanScoyoc & Hooper (For:Phlcorp)
Christopher W. Howe, 1700 K Street, NW, #1200 Washington, DC 20006	Chevron USA, Inc
Sharon M. Hughes, 499 S. Capital Street, SW, 411 Washington, DC 20003	National Council of Agricultural Employers
Helen P. Hull, 1111 19th Street, NW, #303 Washington, DC 20036	Southern California Edison Company
Allison Humphreys, 1150 Connecticut Ave., NW, #507 Washington, DC 20036	Wallace and Edwards (For:American Society of Farm Managers and Rural Appraisers)
J. William Ichord, 1050 Connecticut Ave., NW, #760 Washington, DC 20036	Unocal Corporation
Catherine L. Imus, 1112 16th Street, NW, #210 Washington, DC 20036	Braun & Company
Larry R. Innis, 695 Americana Drive, #23 Annapolis, MD 21403	Marine Retailers Assn of America
International Advisers Inc, 1800 M Street, NW Washington, DC 20036	Embassy of Turkey
International Business-Government Counsellors, Inc, 818 Connecticut Ave., NW 12th Floor Washington, DC 20006	Totes, Inc
Do	Uniroyal Chemical Company, Inc
International Council of Shopping Centers, 665 Fifth Ave. New York, NY 10022	
Dennis J. Jackman, 1850 K Street, NW, #1195 Washington, DC 20006	Schering-Plough Corp

Organization or Individual Filing	Employer/Client
Cindy S. Jackson, 206 G Street, NE Washington, DC 20002	Evergreen Associates, Ltd. (For:Suffolk County New York)
William P. Jackson Jr., Jackson & Jessup, P.C. 3426 N. Washington Boulevard Arlington, VA 22201	Peeples Industries, Inc
Jerry James, 816 Congress Ave., #501 Austin, TX 78701	ATC-ClayDesta Communications
T. Destry Jarvis, 1800 N. Kent Street, #1120 Arlington, VA 22209	Student Conservation Association (SCA)
Carole P. Jennings, 7812 12th Street, NW Washington, DC 20012	American Academy of Nurse Practitioners
Bernard Johnson, 3944 Jos Campau Street Detroit, MI 48207	
James W. Johnson Jr., 1156 15th Street, NW, #1019 Washington, DC 20005	United States Beet Sugar Assn
M. Joseph Johnson, 1163 Hopper Ave., #42 Santa Rosa, CA 95403	M. J. Johnson Company (For:Syar Industries, Inc)
Tom L. Johnson, P.O.Box 2185 Austin, TX 78768	Associated General Contractors of Texas
Theodore L. Jones, 412 First St. SE, #60 Washington, DC 20003	Lafourche Telephone Company, Inc
Do	South Central Bell Telephone
Jones Day Reavis & Pogue, 1450 G Street, NW, #600 Washington, DC 20005-2088	Chevy Chase Savings Bank
Do	Preussag A.G.
Do	Southern California Edison Company
Do	United Savings of America
Roy Jordan, RR 6 Box 147 Starkville, MS 39759	
Sherry F. Kaiman, 122 C Street, NW, #875 Washington, DC 20001	Robert A. Rapoza Associates (For:National Rural Health Assn)
Michael E. Kastner, 1350 New York Ave., NW, #800 Washington, DC 20005-4797	National Truck Equipment
Kaye Scholer Fierman Hays & Handler, 901 15th St., NW, #1100 Washington, DC 20005	Benjamin Moore & Co
Do	Educational Media, Inc
Robert J. Keefe, 444 N. Capitol Street, #711 Washington, DC 20001	Keefe Company (For:Alarm Industry Communications Committee)
Do	Keefe Company (For:International Public Relations Co, Ltd)
Kelley Drye & Warren, 2300 M Street, NW Washington, DC 20037	City of Baltimore
Do	Coalition to Preserve the Low Income Housing Tax Credit
Do	Council for Rural Housing & Development
Do	Great Western Financial Corporation
Do	GA Technologies, Inc
Do	National Glass Assn
Do	National Independent Automobile Dealers Assn
Do	National Leased Housing Assn
Paul A. Kelly, 815 Connecticut Ave., NW Washington, DC 20006	Ford Motor Company
Paul T. Kelly, 1701 Clarendon Boulevard Arlington, VA 22209	American Chiropractic Assn
Melanie Kenderdine, 10307 Douglas Ave. Silver Spring, MD 20902	National Machine Tool Builders Assn
Elizabeth Kepley, 601 Pennsylvania Ave., NW, #901 Washington, DC 20004	Focus on the Family
King & Spalding, 1730 Pennsylvania Ave., NW, #1200 Washington, DC 20006	GPIA-Animal Drug Alliance
Ronald Kipke, 1016 16th Street, NW Washington, DC 20036	National Federation of Federal Empolyees
James C. Kirie, 1644 N. 77th Court Elmwood Park, IL 60635	Metro Water Reclamation District of Greater Chicago
Kirkpatrick & Lockhart, 1800 M St., NW, S. Lobby, #900 Washington, DC 20036	H. F. Ahmanson & Co
Do	Federal Home Loan Bank of Boston
Do	Federal Home Loan Bank of Cincinnati
Do	Federal Home Loan Bank of New York
Do	Goldman Sachs & Co.
Sam Kito Jr., 5933 E. 22nd Ave. Anchorage, AK 99504	Kito, Inc (For:North Slope Borough)
Do	Kito, Inc (For:Sealaska Corporation)
Sandra D. Kjellberg, 1133 15th Street, NW, #600 Washington, DC 20005	Maritime Institute for Research & Industrial Development
Ann Kolker, 1616 P Street, NW, #100 Washington, DC 20036	National Women's Law Center
Kuykendall Company, 517 3rd Street, SE Washington, DC 20003	Cherokee Productions, Inc
Myron F. Laible, 1212 New York Ave., NW #1210 Washington, DC 20005	Outdoor Advertising Assn of America, Inc
Robert Lamb, 1627 Eye St., NW Washington, DC 20006	McGuire Woods Battle & Boothe (For:Armstrong World Industries, Inc)
Do	McGuire Woods Battle & Boothe (For:Combined Sewer Overflow)
Henry Lancaster Inc, 550 West Seventh Ave., #1395 P.O. Box 10-3461 Anchorage, AK 99510	BP Exploration (Alaska), Inc
Roger W. Langsdorf, 1600 M Street, NW Washington, DC 20036	ITT Corporation
George D. Lapointe, 444 North Capitol Washington, DC 20001	International Assn of Fish and Wildlife Agencies
Peter J. Larkin, 1750 K Street, NW Washington, DC 20006	Food Marketing Institute
Laxalt Washington Perito & Dubuc, 1120 Connecticut Ave., NW Washington, DC 20036	Appraisal Foundation
Do	BTS Development Corp
Do	Home Group
David A. Leff, 12908 Three Sisters Road Potomac, MD 20854	ECL International, inc
Mary James Legatski, 1330 Connecticut Ave., NW, #300 Washington, DC 20036	Synthetic Organic Chemical Manufacturers Assn
Arnold H. Leibowitz, 1707 H Street, NW, #500 Washington, DC 20036	Cameron Hornbostel & Butterman (For:Hebrew Immigrant Aid Society (HIAS))
Terry L. Leitzell, One Thomas Circle, NW, #900 Washington, DC 20005	Bogle & Gates (For:Northern Jaeger)
Do	Bogle & Gates (For:Wright Schuchart, Inc)
Leventhal Senter & Lerman, 2000 K Street, NW, #600 Washington, DC 20006-1809	Committee for America's Copyright Community
Do	Copyright Remedies Coalition
Lorne O. Liechty, 5080 Spectrum Drive, #1200E Dallas, TX 75248	Federal Asset Disposition Assn
Lipsen Whitten & Diamond, 1725 DeSales St., NW, #800 Washington, DC 20036	Pioneer Seed Co, Inc
Do	Rolls Royce, Inc
Loomis Owen Fellman & Howe, 2020 K St., NW, #800 Washington, DC 20006	National Assn of Theatre Owners
Alan MacLeod, 2000 K Street, NW 8th Floor Washington, DC 20006	National Committee to Preserve Social Security and Medicare
Kieran Mahoney, Capitol Strategists 1220 19th Street, NW Washington, DC 20036	Albania American Civic League
Mail Advertising Service Assn, Int., 7315 Wisconsin Ave., #440W Bethesda, MD 20814	
Anthony S. Makris, 1101 Connecticut Ave., NW, #510 Washington, DC 20036	National Rifle Assn of America
Manatos & Manatos, Inc, 1750 New York Ave., NW, #210 Washington, DC 20006	City of San Francisco
Manatt Phelps Rothenberg & Phillips, 1200 New Hampshire Ave., NW, #200 Washington, DC 20036	United Airlines
Do	Vero Beach Oceanfront Investors Limited Partnership
Albert Manville II, 1244 19th Street, NW Washington, DC 20036	Defenders of Wildlife
Cynthia Mason, 1225 Eye Street, NW, #1100 Washington, DC 20005	Handgun Control, Inc
Scott D. Mason, 6071 Village Bend Drive #102 Dallas, TX 75206	Beer Drinkers of America
Alan R. Mauk, 1201 New York Avenue, NW Washington, DC 20005	American Public Transit Assn
Mayer Brown & Platt, 2000 Pennsylvania Avenue, NW, #6500 Washington, DC 20006	Vulcan Materials Company, Midwest Division
Mary E. McAuliffe, 555 Thirteenth Street, NW, #450 West Columbia Square Washington, DC 20004	Union Pacific Corporation
McAuliffe Kelly Raffaelli & Siemens, 555 New Jersey Ave., NW, #880 Washington, DC 20001	Arlington Cancer Center
Do	COSTEP
Do	Dean Witter Realty
Do	Gulf Coast Waste Disposal Authority
Do	Lincoln Property Co
Do	Lloyd's U.S.
Do	Philip Morris Co
Do	Sweetener Users Assn
Do	Taylor & Mizell
Robert A. McConnell, 1050 Connecticut Ave., NW, #900 Washington, DC 20036	Alyeska Pipeline Service Co
Do	Gibson Dunn & Crutcher (For:MacAndrews & Forbes Holdings, Inc)
Do	Gibson Dunn & Crutcher (For:Wespar Financial Services, Inc)
Donna A. McCulloch, 1111 14th Street, NW, #900 Washington, DC 20005	National Apartment Assn
Jack McDonald, 1001 Pennsylvania Avenue, NW, #625-S Washington, DC 20004	Jack McDonald Co (For:Minorco Societe Anonyme)
Do	Jack McDonald Co. (For:WMW Machinery, Inc)
Jack McDonald Co, 1001 Pennsylvania Avenue, NW, #625-S Washington, DC 20004	Minorco Societe Anonyme
Do	WMW Machinery, Inc
McElroy & Associates, 600 New Hampshire Ave., NW, #1010 Washington, DC 20037	OAAA
Phillip McGuire, 1225 Eye Street, NW, #1100 Washington, DC 20005	Handgun Control, Inc
McIntyre Kahn & Kruse Co., L.P.A., The Galleria & Towers At Erieview 1301 East Ninth Street, #1200 Cleveland, OH 44114	
Kathleen McKaig, 105 East 22nd Street New York, NY 10010	Community Service Society
Ira E. McKeever, 1224 17th Street, NW Washington, DC 20036	Western Coal Traffic League
Patrick M. McLain, 1000 Vermont Avenue, NW, #1000 Washington, DC 20005	Rowan & Blewitt Inc (For:Cosmetic Toiletry and Fragrance Assn)
John R. McLaurin, 1101 17th Street, NW, #400 Washington, DC 20036	American President Companies, Ltd
Rosemary McManus, 3900 Wisconsin Ave., NW Washington, DC 20016	Fannie Mae
McNair Law Firm, P.A., 1155 15th Street, NW, #400 Washington, DC 20005	Edison Electric Institute
Do	State of Hawaii
Kathryn M. McNamara, 633 Pennsylvania Avenue, NW, #600 Washington, DC 20004	Dean Witter Reynolds, Inc
Michael J. McNamara, 1800 M Street, NW, #750 South Washington, DC 20036	International Advisers, Inc
Mead Data Central, Inc, 9393 Springboro Pike P.O. Box 933 Dayton, OH 45401	
Sandra K. Meredith, 1818 N Street, NW Washington, DC 20036	DGA International, Inc. (For:Dir Intl Aff of the Gen Del for Armements)
Do	DGA International, Inc. (For:Sofreavia)

Organization or Individual Filing	Employer/Client
Do	DGA International, Inc. (For:SNECMA)
Ferd. C. Meyer Jr., 2121 San Jacinto Street, #2500 Dallas, TX 75266-0164	Central and South West Corp
Meyers & Associates, 412 First St., SE, #40 Washington, DC 20003	American Sheep Industry
Michaels & Wishner, P.C., 1726 M St., NW, #500 Washington, DC 20036	Medco Containment Services, Inc
Edmund Mierzwinski, 215 Pennsylvania Ave., SE Washington, DC 20003	U.S Public Interest Research Group
Brent V. B. Miller, 4207 South 7th Road Arlington, VA 22204	American Group Practice Assn
Edward C. Miller, 6269 Franconia Road Alexandria, VA 22310	City of Pompano Beach, Florida
Francine Miller, 1627 Lamont Street, NW, Apt #41 Washington, DC 20010	Rainbow Lobby, Inc
Marye T. Miller, 1200 East Capitol Street, NE, #6 Washington, DC 20002	Cristal Services, Ltd
Miller & Chevalier, Chtd, 655 15th St., NW, #900 Washington, DC 20005-5701	Great Northern Insured Annuity Corp
Do	United States Fidelity and Guaranty Company
Miller Cassidy Larroca & Lewin, 2555 M St., NW, #500 Washington, DC 20037	Independent Insurance Agents of America, Inc, et al.
Miller Hamilton Snider & Odom, P.O. Box 46 Mobile, AL 36601	American Pioneer Corporation
Do	Honolulu Federal Savings and Loan Assn
J. Robert Minter, 1130 Connecticut Ave, NW, #830 Washington, DC 20036	Southern Company Services, Inc
W. G. Champion Mitchell, 1455 Pennsylvania Ave., NW, #525 Washington, DC 20004	R. J. Reynolds Tobacco Company
Montana Market Development Co, 305 West Mercury St., #307 Butte, MT 59701	Madison Public Affairs Group
Albert W. Moore, 7901 Westpark Drive McLean, VA 22102	NMTBA
Alvis J. Moore, 7227 North 16th Street Phoenix, AZ 85020	Giant Industries, Inc
Sue Markland Moreland, 918 North Carolina Avenue, SE Washington, DC 20003	Lusk Company
Morrison & Foerster, 2000 Pennsylvania Ave., NW Washington, DC 20006	Federal Home Loan Bank of Seattle
Do	Ford Motor Co
Michael L. Morton, 910 16th Street, NW, #402 Washington, DC 20006	Rio Grande Valley Sugar Growers
Muldoon Murphy & Faucette, 5101 Wisconsin Ave., NW, #508 Washington, DC 20016	Financial Assistance Inequity Relief Coalition (FAIR)
Do	Franklin Federal Savings Bank
Do	Household International Corp
Do	Long Island Savings Bank
Do	Pelican Homestead and Savings Assn
Do	Provident Federal Savings Bank, FSB, et al.
Do	Star States Corp
Do	Talman Home Federal Savings and Loan Assn
Do	United Savings of Texas, FSB
T. J. Mullen, 118 N. 3rd Street 4th Floor Philadelphia, PA 19106	Beer Drinkers of America
Robert J. Mulligan, 655 15th Street, NW, #350 Washington, DC 20005	Blue Cross and Blue Shield Assn
Paul J. Myer, 600 Maryland Ave., SW, #605-607 Washington, DC 20024-2520	Northern Telecom Inc
MHD Industrial Forum, 900 Seventeenth Street, NW, #1100 Washington, DC 20006	
David Scott Nance, 808 17th Street, NW, #300 Wasshington, DC 20006-3910	Stewart and Stewart
Mark K. Nasseri, 1275 K Street, NW, #850 Washington, DC 20005	Cascade Natural Gas Corp
National Air Traffic Controllers Assn, 444 N. Capitol Street, NW, #845 Washington, DC 20001	
National Assn of Postmasters of the United States, 4212 King Street Alexandria, VA 22302	
National Child Care Assn, 920 Green Street Conyers, GA 30207	
National Coalition for the Rehab of Fed Insured Institutions, 1730 Pennsylvania Ave., NW, #350 Washington, DC 20036	
National Day Care Coalition, 68 Lancia Drive East Norwich, NY 11732	
National Grocers Assn, 1825 Samuel Morse Drive Reston, VA 22090	
National Hearing Aid Society, 20361 Middlebelt Livonia, MI 48152	
Natural Gas Vehicle Coalition, Two Lafayette Centre 1133 21st Street, NW, #500 Washington, DC 20036	
Isabel M. Navarrete, 810 First Street, NW, 3rd Fl Washington, DC 20002	National Council of La Raza
Neill & Company, Inc, 815 Connecticut Ave., NW, #800 Washington, DC 20006	Government of Jamaica
Do	Republic of Guinea
Mark E. Nelson, 555 13th Street, NW Washington, DC 20004	McCamish Martin Brown & Loeffler (For:Central and South West Corp)
Do	McCamish Martin Brown & Loeffler (For:Citicorp)
Do	McCamish Martin Brown & Loeffler (For:United Services Automobile Assn)
James E. O'Connor, 1101 15th Street, NW, #400 Washington, DC 20005	National Council of Savings Institutions
Kelley E. O'Connor, 1601 Duke Street Alexandria, VA 22314	Society of American Florists
O'Connor & Hannan, 1919 Pennsylvania Ave., NW, #800 Washington, DC 20006	Citizens Savings and Loan
Do	Alfredo Criatiani
Do	Federal Home Loan Bank of Seattle
Do	Forstmann Little & Co
Do	J.C. Penney Company, Inc
Do	Perpetual Savings Bank
Karen O'Donnell, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America
James A. O'Malley, 555 New Jersey Ave., NW, #255 Washington, DC 20001	Outdoor Advertising Assn of America (For:Vern Clark & Associates)
Joseph W. O'Neill, 563 Gregory Ave., Apt. 3A Glendale Heights, IL 60139	Beer Drinkers of America
O'Neill and Athy, P.C., 1310 19th Street, NW Washington, DC 20036	American Bankers Assn
Do	Beth Israel Hospital
Do	Coalition of Boston Teaching Hospitals
Do	New England Medical Center
Do	University Hospital
John T. O'Rourke, 1850 M Street, NW Washington, DC 20036	Securities Industry Assn
J. Denis O'Toole, 1120 Connecticut Avenue, NW Washington, DC 20036	U.S. League of Savings Institutions
Lawrence Olsen, 400 W. 15th, #417 Austin, TX 78701	Texas Good Roads/Transportation Assn
Opperman & Paquin, 1401 New York Ave., NW #730 Washington, DC 20005	West Publishing Company
Thomas J. Owens, P.O. Box 12266 Seattle, WA 98102	Continental Savings Bank
Do	Pacific First Financial Corp
Do	University Federal Savings & Loan
Pagonis & Donnelly Group, Inc., 1255 23rd Street, NW Washington, DC 20037	Government of the Republic of Transkei
Jonathan R. Paret, 1850 M Street, NW Washington, DC 20036	Securities Industry Assn
Parry and Romani Associates, Inc, 233 Constitution Avenue, NE Washington, DC 20002	Elanco Products
Do	Genentech
Partnership on Health Benefits and Employment, P.O. Box 27414 Washington, DC 20038	
C. James Patti, 1133 15th Street, NW, #600 Washington, DC 20005	Maritime Institute for Reseach & Industrial Development
Thomas B. Patton, 2000 K Street, NW, #201 Washington, DC 20006	North American Philips Corporation
Patton Boggs & Blow, 2550 M St., NW Washington, DC 20037	Alaska Crab Coalition
Do	Avon Products, Inc
Do	Bic Corporation
Do	Fundacion Pro Imagen de Columbia
Do	Gana-A'Yoo, Limited
Do	Olympic Fibers
Do	Seafood Wholesalers, Inc
Do	Specialty Seafoods
Paul Hastings Janofsky & Walker, 1050 Connecticut Avenue, NW, #1200 Washington, DC 20036	Allegheny Power System Inc, et al.
Do	New Thrift Owners Group
Lee Peckarsky, 1101 15th Street, NW, #400 Washington, DC 20005	National Council of Savings Institutions
Randall G. Pence, P.O. Box 781 Herndon, VA 22070	National Concrete Masonry Assn
Gordon A. Peters, 9191 West Tulip Drive Columbus, IN 47201	
Mary Frances Peters, 1625 I Street, NW, #612 Washington, DC 20006	Girl Scouts of the USA
Peyser Associates, Inc, 1000 Vermont Ave., NW, #400 Washington, DC 20005	Jacques Borel Enterprises, Inc
Do	MacAndrews & Forbes Holdings, Inc
Pierson Ball & Dowd, 1200 18th St., NW, #1000 Washington, DC 20036	American College of Osteopathic Surgeons
Do	Amgen
Do	Society of Critical Care Medicine
Pillsbury Madison & Sutro, 1667 K St., NW, #1100 Washington, DC 20006	Federal Home Loan Bank of San Francisco
Emily C. Piper, P.O. Box 3556 Washington, DC 20007	American Meat Institute
Peggy Pizzo, 733 15th Street, NW, #912 Washington, DC 20005	National Center for Clinical Infant Programs
Ronald L. Plesser, 1200 19th St., NW Washington, DC 20036	Piper & Marbury (For:Mead Data Central, Inc)
E. R. Plourd, 400 First Street, NW, #704 Washington, DC 20001	United Transportation Union
John Pomeranz, 1319 F Street, NW, #300 Washington, DC 20004	HALT
Amy L. Pomplin, 1023 15th Street, NW, #300 Washington, DC 20005	American Veterinary Medical Assn
R. Clifford Potter, 70 West Madison Street Chicago, IL 60602	Bell Boyd & Lloyd (For:Travelcade, Ltd)
Powell Goldstein Frazer & Murphy, 1001 Pennsylvania Ave., NW, 6th Floor Washington, DC 20004	Public Service Company of Indiana, Inc
Do	Republic of Palau
Prather Seeger Doolittle & Farmer, 1600 M Street, NW, 7th Floor Washington, DC 20036	Salzgitter, A.G.
Preston Thorgrimson Ellis & Holman, 1735 New York Avenue, NW, #500 Washington, DC 20006	National Private Truck Council

Organization or Individual Filing	Employer/Client
Do	Tele-Communications, Inc
Elizabeth C. Price, 3803 Executive Ave., #D21 Alexandria, VA 22305	
Peter D. Prowitt, 1101 17th Street, NW, #400 Washington, DC 20036	American President Companies, Ltd.
Prudential Insurance Co of America, 1140 Connecticut Ave. Washington, DC 20036	
Public Relations International, Ltd, 801 S. Detroit Avenue Tulsa, OK 74120	Madison Public Affairs Group, Inc
Public Strategies, 620 Congress, #310 Austin, TX 78701	Sammons Enterprises, Inc
Thomas W. Purcell, 1730 Noth Lynn Street Arington, VA 22209	Printing Industries of America, Inc
Alex Radin, 1200 New Hampshire Ave., NW, #507 Washington, DC 20036	Radin & Associates Inc (For:Washington Public Power Supply System)
Thomas F. Railsback, 2000 M Street, NW Washington, DC 20036	Graham & James (For:American Hawaii Cruises)
Do	Graham & James (For:R. R. Donnelley & Sons Company)
Do	Graham & James (For:Stock Information Group)
Rebecca G. Range, 1201 Pennsylvania Ave., NW, #300 Washington, DC 20004	Texas Air Corp
Robert A. Rapoza Associates, Inc, 122 C Street, NW, # 875 Washington, DC 20001	Rural America
Kenneth E. Raske, 555 West 57th Street New York, NY 10019	Greater New York Hospital Assn
Larry Rasky, 188 I Street South Boston, MA 02127	National Cable Television Assn
Bruce A. Ray, Bruce Ray & Company 420 C Street, NE Washington, DC 20002	Cumberland Packing Company
Do	United Gerer Institutions
Helene Rayder, 1020 19th Street, NW, #600 Washington, DC 20036	American Express Company
Clark E. Rector Jr., 1400 K Street, NW, #1000 Washington, DC 20005	American Advertising Federation
Mary Reed, 600 Maryland Ave., Sw, #700 Washington, DC 20024	National Federation of Independent Business (NFIB)
Joseph M. Rees, Francis Mcginnis & Rees, Inc 1000 Potomac Street, NW, #401 Washington, DC 20007	National Assn of Personnel Consultants
Do	National Coalition Burn Center Hospitals
Robert S. Reese Jr., 1875 Eye Street, NW, #500 Washington, DC 20006	Philip Morris Management Corp.
Burke G. Reilly, 815 Connecticut Ave., NW, #900 Washington, DC 20006	Ford Motor Company
Paul C. Rettig, 50 F Street, NW, #1100 Washington, DC 20001	American Hospital Assn
John C. Richardson, 101 Park Avenue New York, NY 10178	Morgan Lewis & Bockius (For:Underwriters at Lloyd's, London)
John G. Richardson, 1130 Connecticut Ave, NW, #830 Washington, DC 20036	Southern Company Services, Inc
Max Richtman, 2000 K Street, NW 8th Floor Washington, DC 20006	National Committee to Preserve Social Security and Medicare
Rivers Trainor Doyle & Leicht, Inc, One Catamore Blvd East Providence, RI 02914	Madison Public Affairs Group, Inc
Rivkin Radler Dunne & Bayh, 1575 I Street, NW, #1025 Washington, DC 20005	Asset Managers Coalition
Do	Merrill Lynch & Co, Ins
Do	Texas Savings & Loan League
William A. Roberts, 444 North Capitol St., #711 Washington, DC 20001	Keefe Company (For:Hillsborough Area Regional Transit)
Do	Keefe Company (For:Tom Bulger & Co (for County of Fairfax))
Tom Robinson, 1400 Eye Street, NW Washington, DC 20005	Sierra Club Legal Defense Fund
Robinson Lake Lerer & Montgomery, 1667 K St., NW, #900 Washington, DC 20006	Atari Games Corp
Phillip Rodenberg, 1400 K Street, NW, #801 Washington, DC 20005	General Aviation Manufacturers Assn
George L. Rolofson, P.O. Box 18300 Greensboro, NC 27419	CIBA-GEIGY Corp
J. Patrick Rowland, 918 16th St., NW, #601 Washington, DC 20006	Rowland Government Relations (For:GE Plastics)
Rowland Government Relations, 918 16th Street, NW, #601 Washington, DC 20006	G. E. Plastics
Do	Security Companies Organized for Legislative Action (SCOLA)
Robert S. Royer, 1747 Pennsylvania Ave., NW, #1200 Washington, DC 20006	Financial Security Assurance
Do	MacAndrews & Forbes Holdings, Inc
Do	Pfizer Inc
Royer Shacknai & Mehle, 1747 Pennsylvania Avenue, NW, #900 Washington, DC 20006	Pfizer, Inc
Do	Securities Industry Assn
William Russell & Associates, Inc, 1701 Pennsylvania Ave., NW, #1000 Washington, DC 20006	Golbal Broadcasting System
Charles Ryan Associates, Inc, 1110 Vermont Avenue, NW, #820 Washington, DC 20005	Cobot Energy Corporation
Do	Massey Coal Services, Inc
Do	(For:Oregon Assn of Hospitals)
Lawrence E. Sabbath, 918 16th Street, NW, #601 Washington, DC 20006	Rowland Government Relations (For:G. E. Plastics)
Do	Rowland Government Relations (For:Security Companies Organized for Legislative Action (SCOLA))
Kevin M. Sabo, 1100 17th Street, NW, #1203 Washington, DC 20036	Financial Executives Institute
Myron G. Sandifer III, 1001 Pennsylvania Ave., NW, #625-South Washington, DC 20004	Jack McDonald Co (For:Minorco Societe Anonyme)
Do	Jack McDonald Co (For:WMW Machinery, Inc)
James D. Santini, 1101 King Street, #350 Alexandria, VA 22314	Coeur D'Alene Mines
Eric Sapirstein, 1333 H St., NW, #400 Washington, DC 20005	ENS Resources, Inc (For:Orange County Sanitation Districts)
Charles P. Saunders, 1130 Connecticut Ave., NW, #830 Washington, DC 20036	Southern Company Services, Inc
Schagrin Associates, 1112 16th St., NW, #200 Washington, DC 20036	Weirton Steel Corporation
Schnader Harrison Segal & Lewis, Suite 1000 1111 19th St., NW Washington, DC 20036	Toyota Motor Corporate Services U.S.A., Inc
Sherri Ann Schultz, 100 Maryland Ave., NE Washington, DC 20002	Council for a Livable World
Elinor Schwartz, 318 S. Abingdon Street Arlington, VA 22204	State of Washington Department of Natural Resources
Securities Industry Assn, 1850 M Street, NW Washington, DC 20036	
Pamela Sederholm, 1735 New York Avenue, NW Washington, DC 20006	American Institute of Architects
Carl J. Seiberlich, 1101 17th Street, NW, #400 Washington, DC 20036	American President Companies, Ltd.
Jerry A. Shaw, 832 S. 20th Street Arlington, VA 22202-2614	Research & Management Associates (For:Bio National Corporation)
Mary Sheckelhoff, 1000 Potomac Street, NW, #401 Washington, DC 20007	California Department of Education
Do	National Assn of Personnel Consultants
Sidley & Austin, 1722 Eye Street, NW Washington, DC 20006	Federal Home Loan Bank of Chicago
Andrew Siegel, 100 Maryland Ave., NE Washington, DC 20002	Council for a Livable World
Simon & Company, Inc, 1001 Connecticut Ave., NW #435 Washington, DC 20036	Elkhart, IN
Donna L. Singletary, 600 Maryland Ave., SW, #700 Washington, DC 20024	National Federation of Independent Business (NFIB)
Skadden Arps Slate Meagher & Flom, 1440 New York Avenue, NW Washington, DC 20005	Bethlehem Steel Corp
Do	Time, Inc
William B. Skir, 68 Lancia Drive East Norwich, NY 11732	National Day Care Coalition
Jonathan Slade, 444 North Capitol St., NW, #711 Washington, DC 20001	Hadassah Medical Relief Organization
Do	International Advisors, Inc
R. Barry Sleight, 5840 Cameron Run Terrace, #1413 Alexandria, VA 22303	CFIDS Assn
Snyder Ball Kriser & Assoc, Inc, 499 S. Capitol St., SW, #520 Washington, DC 20003	Alloy Surfaces
Do	PSNBA
Do	Service Engineering Company
Sparber and Associates, Inc, 1325 Pennsylvania Ave., NW, #500 Washington, DC 20006	Appleton Papers, Inc
Do	National Volunteer Fire Council
Do	Tobacco Institute
Ray L. Spickler, 444 North Capitol Street, NW, #845 Washington, DC 20001	National Air Traffic Controllers Assn
Lisa M. Sprague, 1615 H Street, NW Washington, DC 20062	United States Chamber of Commerce
David Stawick, 201 Massachusettes Ave., NE Washington, DC 20002	National Corn Growers Assn
Steptoe & Johnson, 1330 Connecticut Ave., NW Washington, DC 20036	Coast Savings and Loan Assn
Do	Commercial Federal Savings and Loan Assn
Do	Glendale Federal Savings and Loan Assn
Do	MeraBank
Paula Stern, 1133 Connecticut Ave., NW, #1000 Washington, DC 20036	Coalition of American Steel Using Manufacturers
Terence P. Stewart, 808 17th Street, NW, #300 Washington, DC 20006-3910	(For:Stewart & Stewart)
Steven F. Stockmeyer, 499 South Capitol Street, SE #103 Washington, DC 20004	Stockmeyer & Company (For:Federal Home Loan Mortgage Corp)
Ann E.W. Stone, 1315 Duke Street Alexandria, VA 22314	Conserative Alliance
Stephen E. Storch, 1331 Pennsylvania Ave., NW, #550 Washington, DC 20004	Commodity Exchange Inc
Donald B. Studley, 127 Brookmoor Road Avon, CT 06001	Northeast Utilities Service Company
Jay R. Sullivan, 2300 M Street, NW, #130 Washington, DC 20037	Murphy & Demory (For:Parsons Brinckerhoff Quade & Douglas)
Sullivan & Worcester, 1025 Connecticut Ave., NW Washington, DC 20036	American Petroleum Institute
Thomas M. Susman, 1001 Pennsylvania Ave., NW, #1200-S Washington, DC 20004	Ropes & Gray (For:Digital Equiptment Corp)
Do	Resolve, Inc
Sutherland Asbill & Brennan, 1275 Pennsylvania Avenue, NW, #1000 Washington, DC 20004	First Financial Management Corp
Stephen L. Swann, 1005 North Glebe Road, #250 Arlington, VA 22201	
David L. Swanson, Craft & Loesch 1050 Thomas Jefferson St., NW, 6th Fl. Washington, DC 20007	Combustion Engineering
Swidler & Berlin, Chtd, 3000 K Street, NW, #300 Washington, DC 20007	Assn of Data Processing Service Organizations (ADAPSO)
Do	Software Publishers Assn
Ronald L. Tammen, 1750 Pennsylvania Avenue, NW, #1201 Washington, DC 20006	Tammen Group (For:Cray Research, Inc)
Do	Tammen Group (For:Johnson Controls, Inc)
Do	Tammen Group (For:Population-Environment Balance)
Gene Taylor, 453 New Jersey Ave., SE Washington, DC 20003	Gene Taylor Associates, Inc (For:Eagle-Picher Industries, Inc)
Do	Gene Taylor Associates, Inc. (For:Empire District Electric Company)
Do	Gene Taylor Associates, Inc (For:FAG Bearings Corporation)

Organization or Individual Filing	Employer/Client
Do	Gene Taylor Associates, Inc. (For:National Assn of Postmasters of the United States)
Sunny Taylor, 6269 Franconia Road Alexandria, VA 22310	Collins & Associates (For:City of Pompano Beach, Florida)
Randy Teach, P.O.Box 1417-D49 Alexandria, VA 22313	National Assn of Chain Drug Stores, Inc
Paul M. Tendler, 1090 Vermont Ave., NW, #1200 Washington, DC 20005	Tendler & Biggins, Chtd (For:Hugo Boss Fashions, Inc)
Joshua P. Tenuta, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn
Texas Business Group on Health, 1535 West Loop South, #322 Houston, TX 77027	
Thacher Proffitt & Wood, 1500 K Street, NW, #200 Washington, DC 20005	Boston Five Cents Savings Bank, FSB
Do	Dollar Bank, FSB
Do	Federal Home Loan Mortgage Corp
Do	General Electric Mortgage Insurance Co
E. Wayne Thevenot, 1455 Pennsylvania Ave., NW, #560 Washington, DC 20004	Concord Associates (For:National Reality Committee)
Michael R. Thomasson, 1005 Congress, #795 Austin, TX 78701	Central & South West Services, Inc
Duane R. Thompson, 1350 New York Ave., NW, #900 Washington, DC 20005	International Franchise Assn
Gary J. Thompson and Associates, 5480 Cabrito Dr. Las Vegas, NV 89103	
John Thornton, 444 North Capitol Street, NW, #845 Washington, DC 20001	National Air Traffic Controllers Assn
Tighe Curhan & Piliero, 1750 Pennsylvania Avenue, NW, #1201 Washington, DC 20006	National Fire Protection Assn
Timmons & Co, Inc, 1850 K St., NW, #850 Washington, DC 20006	U.S. League of Savings Institutions
William J. Tobin, 1850 K Street, NW, #500 Washington, DC 20006	National Child Care Assn
Do	National Hearing Aid Society
Kathryn R. Tollerton, 1244 19th Street, NW Washington, DC 20036	Defenders of Wildlife
Michael J. Toohey, 1025 Connecticut Ave., NW, #507 Washington, DC 20036	Ashland Oil, Inc
Touche Ross & Co, 1900 M Street, NW Washington, DC 20036-3564	Orange County Coalition
Joseph P. Trainor, 400 1st Street, NW, #804 Washington, DC 20001	National Assn of Retired Veteran Railroad Employees
Do	Railway Labor Executive Assn
Eric E. Tressler, 1401 New York Ave., NW, #400 Washington, DC 20005	National Food Processors Assn
E.F. Trumble Public Relations Inc, 1101 17th Street, NW, #1001 Washington, DC 20036	National Investor Relations Institute
Audrey Schumacher Turner, 1001 22nd Street, NW, #400 Washington, DC 20037	Mercer Meidinger Hansen, Inc
Pamela Turner, 1724 Massachusetts Ave., NW Washington, DC 20036	National Cable Television Assn
Jeannine Dowling Twomey, 5 Virginia Place Larchmont, NY 10538	Madison Public Affairs Group, Inc
Craig Tyle, 1600 M Street, NW Washington, DC 20036	Investment Company Institute
Nancy Van Duyne, 1709 New York Ave., NW Washington, DC 20006	Air Transport Assn of America
Van Fleet Metzner and Meredith Corporation, 499 S. Capitol Street, #520 Washington, DC 20003	Diagnostic/Retrieval Systems, Inc
Van Ness Feldman Sutcliffe & Curtis, P.C., 1050 Thomas Jefferson St., NW, 7th Floor Washington, DC 20007	Capital Registry, Inc
H. Stewart VanScoyoc, 453 New Jersey Ave., SE Washington, DC 20003	Winburn VanScoyoc & Hooper (For:Champion International Corp)
Do	Winburn VanScoyoc & Hooper (For:Coalition of EPSCoR States)
Do	Winburn VanScoyoc & Hooper (For:E. I. Du Pont de Nemours & Co)
Do	Winburn VanScoyoc & Hooper (For:International Paper)
Do	Winburn VanScoyoc & Hooper (For:Quanex)
Do	Winburn VanScoyoc & Hooper (For:Scott Paper Co)
Do	Winburn VanScoyoc & Hooper (For:University of Alabama System)
Do	Winburn VanScoyoc & Hooper (For:Weyerhaeuser)
Verner Liipfert Bernhard McPherson & Hand, Chtd, 901 15th Street, NW, Suite 700 Washington, DC 20005	General Dynamics Corp
Do	McDonnell Douglas Corp
Verstandig & Associates, Inc, 1455 Pennsylvania Avenue, NW, #1180 Washington, DC 20004	PHH Asset Management
Vinson & Elkins, 1455 Pennsylvania Ave., NW, #800 Washington, DC 20004-1007	Citicorp Washington, Inc
Do	United Savings Assn of Texas FSB
Kurt Vorndran, 925 15th Street, NW Washington, DC 20005	National Council of Senior Citizens
Robert Waffle, 1735 New York Ave., NW Washington, DC 20006	American Institute of Architects
Charls E. Walker Associates, Inc, 1730 Pennsylvania Ave., NW Washington, DC 20006	American Institute of Certified Public Accountants
Do	Federal Home Loan Mortgage Corp
Do	NCNB Corp
Do	Pinnacle West Capital Corp
R. Duffy Wall & Associates, Inc, 1317 F Street, NW, #400 Washington, DC 20004	Peabody Holding Company
Do	Spectrascan Imaging Services
Victor L. Wallace II, 303 East 17th Ave., #600 Denver, CO 80203	McKenna Conner & Cuneo (For:Savings and Loan League of Colorado, Inc)
Bethany Waller, 500 23rd Street, NW, B907 Washington, DC 20037	Entrepreneurs of America
John C. Walton, 1401 North Oak Street, #302 Arlington, VA 22209	John E. Chance & Associates, Inc
Do	ISC Defense & Space
Gerald Weaver, 206 G Street, NE Washington, DC 20002	Evergreen Associates (For:Gundle Lining Systems)
Do	Evergreen Associates (For:Zambelli Internationale)
Rebecca Weaver, 1730 M Street., NW Washington, DC 20036	League of Women Voters of the U.S.
Frederick L. Webber, 1709 New York Ave., NW, #801 Washington, DC 20006	U.S. League of Savings Institutions
Nancy Weinberg, 1801 K St., NW, #900 Washington, DC 20006	American Textile Manufacturers Institue, Inc
Deborah Feldman Weiner, 19 Turnham Court Gaithersburg, MD 20878	American Society for the Prevention of Cruelty to Animals
Wendorf & Associates, Inc, 53 D Street, SE Washington, DC 20003	Oklahoma Gas & Electric
Michelle Westover, 1785 Massachusetts Ave., NW Washington, DC 20036	National Trust for Historic Preservation
Nancy Katherine Weyl, 777 14th Street, NW Washington, DC 20005	National Assn of Realtors
Sam White, 412 First St., SE, #100 Washington, DC 20003	Friends of the Showhorse
Elizabeth D. Whitley, 600 Maryland Ave., SW Washington, DC 20024	Americana Farm Bureau Federation
Helen C. Wiederhorn, 815 Connecticut Ave., NW Washington, DC 20006	Ford Motor Company
Robert P. Will, 1825 Eye Street, NW, #920 Washington, DC 20006	Will & Muys, P.C. (For:Signal Landmark, Inc)
Merrill Williams, 3701 Connecticut Ave., NW, #802 Washington, DC 20008	National Credit Improvement Group
Alan R. Willis, Box 3529 Portland, OR 97208	Port of Portland
Willkie Farr & Gallagher, Three Lafayette Center 1155 21st ST., NW Washington, DC 20036	Automobile Importers of America
Do	Brazilian Iron and Steel Institute (IBS)
Do	Institute of Resource Recovery (IRR)
Charlotte M. Wilmer, 1317 F Street , NW, #400 Washington, DC 20004	R. Duffy Wall & Associates, Inc (For:Hong Kong Trade Development)
Do	R. Duffy Wall & Associates, Inc. (For:Pittston Group)
Wilmer Cutler & Pickering, 2445 M Street, NW Washington, DC 20037-1420	Bank Capital Markets Assn
Do	Federal Home Loan Bank of San Francisco
Do	Peoples Heritage Savings Bank
Do	Polaroid Corporation
Do	Shearson Lehman Hutton, Inc
D. Reid Wilson, 408 C Street, NE Washington, DC 20002	Sierra Club
John P. Winburn, 453 New Jersey Ave., SE Washington, DC 20003	Winburn VanScoyoc & Hooper (For:American Assn of Equipment Lessors)
Do	Winburn VanScoyoc & Hooper (For:American Automotive Leasing Assn)
Do	Winburn VanScoyoc & Hooper (For:Burlington Northern Railroad Company)
Do	Winburn VanScoyoc & Hooper (For:Burlington Northern Services, Inc)
Do	Winburn VanScoyoc & Hooper (For:FAG Bearings Corp)
Do	Winburn VanScoyoc & Hooper (For:Hartford)
Do	Winburn VanScoyoc & Hooper (For:Independent Stave Co, Inc)
Do	Winburn VanScoyoc & Hooper (For:National Assn of County Office Employees (NASCOE))
Do	Winburn VanScoyoc & Hooper (For:Pennzoil)
Do	Winburn VanScoyoc & Hooper (For:Philip Morris)
Do	Winburn VanScoyoc & Hooper (For:University of Michigan)
Stephen H. Wines, 1133 15th Street, NW, #600 Washington, DC 20005	Maritime Institute for Research & Industrial Development
Joseph B. Winkelmann, 1250 Connecticut Ave., NW, #620 Washington, DC 20036	National Assn of Industrial & Office Parks
Judith A. Winston, 2000 P Street, NW, #400 Washington, DC 20036	Women's Legal Defense Fund
Winthrop Stimson Putnam & Roberts, il33 Connecticut Ave., NW Washington, DC 20036	Macrovision
Phillip J. Wise Jr., 135 W. Central Blvd., #700 Orlando, FL 32801	American Pioneer Savings Bank
Raymond S. Wittig, 4618 Holly Ridge Road Rockville, MD 20853	Geocenters, Inc
Do	Lipsen Hamberger Whitten and Hamberger
Do	National Federation of Independent Business
Do	United Chem Con Corp
S.R. Wojdak and Associates, Inc, 1401 Walnut St., #1000 Philadelphia, PA 19102	All Children's Hospital
Do	Children's Hospital of Buffalo
Do	Children's Hospital of Los Angeles
Do	Children's Hospital Research Foundation
Do	Henrietta Egleston Hospital for Children
Irvin M. Woods, 4601 N Fairfax Drive, #720 Arlington, VA 22203	Woods And Associates (For:Helicopter Assn International)
Theresa E. Woody, 730 Polk Street San Francisco, CA 94109	Sierra Club
Wunder Ryan Cannon & Thelen, 1615 L St., NW, #650 Washington, DC 20036	Dresser Industries
Do	Environmmental Air Control, Inc

Organization or Individual Filing	Employer/Client
Do	ITT Corporation
Do	Kelly Assisted Living/Kelly Services
Do	Kohlberg Kravis Roberts & Co.
Do	Manville Corporation
Do	NEC Home Electronics (USA) Inc
Do	Rohm & Haas
Do	Thomson Consumer Electronics
Bradley P. Ziff, 3841 Newark Street, NW Apt. A451 Washington, DC 20016	International Swap Dealers Assn Inc
Joseph J. Zimmerman, 1140 Connecticut Ave., NW Washington, DC 20036	Sachs Greenebaum & Tayler (For:Giant Industries Inc)

QUARTERLY REPORTS*

*All alphanumeric characters and monetary amounts refer to receipts and expenditures on page 2, paragraphs D and E of the Quarterly Report Form.

The following quarterly reports were submitted for the first calendar quarter 1989:

(NOTE.—The form used for reporting is reproduced below. In the interest of economy in the RECORD, questions are not repeated, only the essential answers are printed, and are indicated by their respective headings. This page (Page 1) is designed to supply identifying data, and Page 2 deals with financial data.)

PLEASE RETURN 1 ORIGINAL TO: THE CLERK OF THE HOUSE OF REPRESENTATIVES, OFFICE OF RECORDS AND REGISTRATION, 1036 LONGWORTH HOUSE OFFICE BUILDING, WASHINGTON, D.C. 20515

PLEASE RETURN 1 ORIGINAL TO: THE SECRETARY OF THE SENATE, OFFICE OF PUBLIC RECORDS, 232 HART SENATE OFFICE BUILDING, WASHINGTON, D.C. 20510

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19 . . . . .

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th
(Mark one square only)				

IDENTIFICATION NUMBER

Is this an Amendment? ☐ YES ☐ NO

NOTE on ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:

(i) *"Employee".*—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)

(ii) *"Employer".*—To file as an "employer", write "None" in answer to Item "B".

(*b*) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:

(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.

(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING:

1. State name, address, and nature of business.

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

☐ CHECK IF ADDRESS IS DIFFERENT THAN PREVIOUSLY REPORTED

NOTE on ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (*a*) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (*b*) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER—State name, address, and nature of business. If there is no employer, write "None."

NOTE on ITEM "C".—(*a*) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).

(*b*) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).

(*c*) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have ☐ terminated, place an "X" in the box at the left, so that this Office will no longer expect to receive Reports.

2. State the general legislative interests of the person filing and set forth the specific legislative interests by reciting: (*a*) Short titles of statutes and bills; (*b*) House and Senate numbers of bills, where known; (*c*) citations of statutes, where known; (*d*) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (*a*) description, (*b*) quantity distributed, (*c*) date of distribution, (*d*) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed.)

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and, if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. *If this is a "Quarterly" Report, disregard this item "C4" and fill out items "D" and "E" on the back of this page.* Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly Report."

STATEMENT OF VERIFICATION

[Omitted in printing]

NOTE on ITEM "D."—*(a)* IN GENERAL. The term "contribution" includes *anything of value.* When an organization or individual uses printed or duplicated matter in a campaign attempting to influence legislation, money received by such organization or individual—for such printed or duplicated matter—is a "contribution." "The term 'contribution' includes a gift, subscription, loan, advance, or deposit of money, or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make a contribution"—§ 302(a) of the Lobbying Act.

(b) IF THIS REPORT IS FOR AN EMPLOYER.—(i) *In general.* Item "D" is designed for the reporting of all receipts from which expenditures are made, or will be made, in connection with legislative interests.

(ii) *Receipts of Business Firms and Individuals.*—A business firm (or individual) which is subject to the Lobbying Act by reason of expenditures which it makes in attempting to influence legislation—but which has no funds to expend except those which are available in the ordinary course of operating a business not connected in any way with the influencing of legislation—will have no receipts to report, even though it does have expenditures to report.

(iii) *Receipts of Multi-purpose Organizations.*—Some organizations do not receive any funds which are to be expended solely for the purpose of attempting to influence legislation. Such organizations make such expenditures out of a general fund raised by dues, assessments, or other contributions. The percentage of the general fund which is used for such expenditures indicates the percentage of dues, assessments, or other contributions which may be considered to have been paid for that purpose. Therefore, in reporting receipts, such organizations may specify what that percentage is, and report their dues, assessments, and other contributions on that basis. However, each contributor of $500 or more is to be listed, regardless of whether the contribution was made solely for legislative purposes.

(c) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE.—(i) *In general.* In the case of many employees, all receipts will come under Items "D 5" (received for services) and "D 12" (expense money and reimbursements). In the absence of a clear statement to the contrary, it will be presumed that your employer is to reimburse you for all expenditures which you make in connection with legislative interests.

(ii) *Employer as Contributor of $500 or More.*—When your contribution from your employer (in the form of salary, fee, etc.) amounts to $500 or more, it is not necessary to report such contribution under "D 13" and "D 14," since the amount has already been reported under "D 5," and the name of the "employer" has been given under Item "B" on page 1 of this report.

D. RECEIPTS (INCLUDING CONTRIBUTIONS AND LOANS):

Fill in every blank. If the answer to any numbered item is "None," write "NONE" in the space following the number.

Receipts (other than loans)

1. $.....Dues and assessments
2. $.....Gifts of money or anything of value
3. $.....Printed or duplicated matter received as a gift
4. $.....Receipts from sale of printed or duplicated matter
5. $.....Received for services (e.g., salary, fee, etc.)
6. $.....TOTAL for this Quarter (Add "1" through "5")
7. $.....Received during previous Quarters of calendar year
8. $.....TOTAL from Jan. 1 through this Quarter (Add "6" and "7")

Loans Received—"The term 'contribution' includes a . . . *loan* . . ."—§ 302(a).

9. $.....TOTAL now owed to others on account of loans
10. $.....Borrowed from others during this Quarter
11. $.....Repaid to others during this Quarter

12. $......"Expense Money" and Reimbursements received this Quarter.

Contributors of $500 or More (from Jan. 1 through this Quarter)

13. Have there been such contributors?
Please answer "yes" or "no": .....

14. In the case of each contributor whose contributions (including loans) during the "period" from January 1 through the last day of this Quarter, total $500 or more:

Attach hereto plain sheets of paper, approximately the size of this page, tabulate data under the headings "Amount" and "Name and Address of Contributor"; and indicate whether the last day of the period is March 31, June 30, September 30, or December 31. Prepare such tabulation in accordance with the following example:

Amount	*Name and Address of Contributor* ("*Period*" from Jan. 1 through....., 19.....)
$1,500.00	John Doe, 1621 Blank Bldg., New York, N.Y.
$1,785.00	The Roe Corporation, 2511 Doe Bldg., Chicago, Ill.
$3,285.00	TOTAL

NOTE on ITEM "E".—*(a)* IN GENERAL. "The term 'expenditure' includes a payment, distribution, loan, advance, deposit, or gift of money or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure"—§ 302 (b) of the Lobbying Act.

(b) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE. In the case of many employees, all expenditures will come under telephone and telegraph (Item "E 6") and travel, food, lodging, and entertainment (Item "E 7").

E. EXPENDITURES (INCLUDING LOANS) IN CONNECTION WITH LEGISLATIVE INTERESTS:

Fill in every blank. If the answer to any numbered item is "None," write "NONE" in the spaces following the number.

Expenditures (other than loans)

1. $.....Public relations and advertising services
2. $.....Wages, salaries, fees, commissions (other than Item "1")
3. $.....Gifts or contributions made during Quarter
4. $.....Printed or duplicated matter, including distribution cost
5. $.....Office overhead (rent, supplies, utilities, etc.)
6. $.....Telephone and telegraph
7. $.....Travel, food, lodging, and entertainment
8. $.....All other expenditures
9. $.....TOTAL for this Quarter (Add "1" through "8")
10. $.....Expended during previous Quarters of calendar year
11. $.....TOTAL from Jan. 1 through this Quarter (Add "9" and "10")

Loans Made to Others—"The term 'expenditure' includes a . . . *loan* . . ."—§ 302 (b).

12. $.....TOTAL now owed to person filing
13. $.....Lent to others during this Quarter
14. $.....Repayments received during this Quarter

15. *Recipients of Expenditures of $10 or More*_____

If there were no single expenditures of $10 or more, please so indicate by using the word "NONE".

In the case of expenditures made during this Quarter by, or on behalf of, the person filing: Attach plain sheets of paper approximately the size of this page and tabulate data as to expenditures under the following heading: "Amount," "Date or Dates," "Name and Address of Recipient," "Purpose." Prepare such tabulation in accordance with the following example:

Amount	*Date or Dates—Name and Address of Recipient—Purpose*
$1,750.00	7-11: Roe Printing Co., 3214 Blank Ave., St. Louis, Mo.—Printing and mailing circulars on the "Marshbanks Bill."
$2,400.00	7-15, 8-15, 9-15: Britten & Blaten, 3127 Gremlin Bldg., Washington, D.C.—Public relations service at $800.00 per month.
$4,150.00	TOTAL

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
A-K Associates, Inc, 1024 10th Street, #300 Sacramento, CA 95814	Golden Gate Bridge Highway & Transportation District	6,300.00	6,731.64
Do	Reclamation District 1000	4,250.00	5,683.24
Do	Tobacco Institute	27,252.50	9,315.13
Robert J. Aagre, 1615 H Street, NW Washington, DC 20062	Chamber of Commerce of the U.S.	80.00	20.00
Leanne J. Abdnor, 2000 Pennsylvania Avenue, NW, #3580 Washington, DC 20006	Koch Industries	3,000.00	2,207.13
Thomas G. Abernethy Sr., 3973 Stuart Place Jackson, MS 39211	U.S. Cane Sugar Refiners' Assn		
Matthew J. Abrams, CANAMCO 1828 L Street, NW, #660 Washington, DC 20036	CANAMCO (For:Aerospace Industries Assn of Canada)	1,000.00	
Do	CANAMCO (For:Canadian Shipowners Assn)		
Elaine Acevedo, 216 7th Street, SE Washington, DC 20003	Florist's Transworld Delivery Assn	2,000.00	
Action for Children's Television, 20 University Road Cambridge, MA 02138		13,589.50	1,584.24
Ad Hoc Comm for Universal Comprehensive Health & Dental Care, Building 10, #310 12151 Bayport Street Garden Grove, CA 92640.			
John J. Adams, 2000 Pennsylvania Ave., NW, #9000 Washington, DC 20006	Vepco		
John M. Adams, 225 N. Washington St. Alexandria, VA 22314	Retired Enlistes Assn	1,926.00	2,327.20
Kenneth R. Adams, 2211 Congress Street Portland, ME 04122	UNUM Life Insurance Co	500.00	100.00
Adams Quackenbush Herring & Stuart, P.O. Box 394 Columbia, SC 29202	Empire of America	6,602.25	3,994.43
Robert O. Aders, 1750 K Street, NW Washington, DC 20006	Food Marketing Institute	200.00	
Elmer E. Adkins, 89 East Avenue Rochester, NY 14649-0001	Rochester Gas & Electric Corp	191.00	
Terrance M. Adlhock, 1111 19th St., NW, #303 Washington, DC 20036	Southern California Edison Co	4,500.00	1,500.00
Aerospace Industries Assn of America, Inc, 1250 Eye Street, NW, #1100 Washington, DC 20005		12,525.10	12,525.10
Agendas International, 820 Second Avenue, #1302 New York, NY 10017	Ministerio del Exterior, Republic of Nicaragua		
Creigh H. Agnew, 2001 L St., NW, #304 Washington, DC 20036	Weyerhaeuser Company		
David J. Aho, 1667 K Street, NW, #710 Washington, DC 20006	Baxter	2,000.00	280.00
Robert S. Aiken, 1735 I Street, NW, #916 Washington, DC 20006	Pinnacle West Capital Corp	2,000.00	2,104.45
Herbert Allen Ailsworth, 1615 L Street, NW, #420 Washington, DC 20036	Sandoz Corp		45.00
Air Conditioning & Refrigeration Institute, 1501 Wilson Boulevard, #600 Arlington, VA 22209			1,918.50
Air Products & Chemicals, Inc, 1730 Pennsylvania Ave., NW, #265 Washington, DC 20006		1,087.73	1,087.73
Air Traffic Control Assn, Inc, 2020 North 14th Street, #410 Arlington, VA 22201		5,26,276.00	69,056.00
Aircraft Owners & Pilots Assn, 421 Aviation Way Frederick, MD 21701	Sears Roebuck & Co	4,550.00	420.28
Randolf H. Aires, 633 Pennsylvania Avenue, NW, #600 Washington, DC 20004	Digital Equipment Corp	17,000.00	
Michael A. Aisenberg, 1331 Pennsylvania Ave., NW, #600-2 Washington, DC 20004	Aldrich Eastman Waltch, Inc		
Akin Gump Strauss Hauer & Feld, 1333 New Hampshire Ave., NW, #400 Washington, DC 20036	Amerada Hess Corp		
Do	American Nuclear Energy Council		
Do	American Stores Co		
Do	American Telephone & Telegraph Co		
Do	Bank of New York		
Do	Bank of Nova Scotia	580.00	
Do	Boston Company		
Do	Buckeye Pipeline Co, L.P.	1,775.00	19.00
Do	Cambridge Information Group	850.00	
Do	City of Philadelphia		
Do	Clark/Bardes Organization, Inc	2,525.00	38.00
Do	Copley Real Estate Advisors, Inc		
Do	COMSAT Corp		
Do	Distilled Spirits Council of the U.S., Inc		
Do	Drexel Burnham Lambert, Inc	13,800.00	247.00
Do	First City Bankcorporation of Texas, Inc	11,550.00	209.00
Do	Fujitsu America, Inc		
Do	W. R. Grace & Co	1,150.00	19.00
Do	Hasbro Industries, Inc		
Do	Houston Oilers		
Do	John Zink Company		
Do	Peter Kiewit Son's, Inc	400.00	
Do	Levi Strauss & Co		
Do	Lone Star Steel Co		
Do	Long Island Lighting Co	1,195.00	19.00
Do	MacAndrews & Forbes Holdings, Inc	35,035.00	665.00
Do	McDonnell Douglas Corp	400.00	
Do	Mesa Petroleum Co	2,350.00	38.00
Do	Metropolitan Transit Authority of Harris County	4,075.00	76.00
Do	Minnesota Power		
Do	Morgan Stanley & Co, Inc		
Do	Motion Picture Assn of America, Inc	12,720.00	228.00
Do	Mutual Fairness Taxation Assn		
Do	National Football League		
Do	National Health Laboratories	1,225.00	19.00
Do	Nevada Resorts Assn		
Do	News America		
Do	Pepsico, Inc	150.00	
Do	Population Services International		
Do	Property Capital Advisors, Inc		
Do	Reebok International, Ltd		
Do	RJR Nabisco, Inc	500.00	
Do	Shell Oil Co		
Do	Southern California Edison Co	2,900.00	57.00
Do	Texas Air Corp		
Do	Texas Education Agency	265.00	
Do	United Illuminating Co	100.00	
Do	Warner-Lambert Co	800.00	19.00
Do	Wertheim & Co		
Do	Wien Airlines		
Julia L. Akins, 8701 Georgia Ave., #701 Silver Spring, MD 20910	International Fed of Professional & Technical Engineers		
Alagia Day Marshall Mintmire & Chauvin, 1000 Thomas Jefferson St., NW, #600 Washington, DC 20007	Dairymen, Inc	10,780.00	1,018.85
Alagia Day Marshall Mintmire & Chauvin, 1000 Thomas Jefferson Street, NW, #600 Washington, DC 20007	Santa Fe Pacific Pipelines, Inc	693.33	
William E. Albers, 1731 Connecticut Ave., NW, 2nd Fl. Washington, DC 20009-1146	Albers & Company (For:May Department Stores Co)		
David Alberswerth, 1412 16th St., NW Washington, DC 20036-0001	National Wildlife Federation	935.47	
Donald C. Alexander, 1333 New Hampshire Ave., NW Washington, DC 20036	Cadwalader Wickersham & Taft (For:Air Transport Assn of America)		
Do	Cadwalader Wickersham & Taft (For:American Financial Corp)	73.95	
Do	Cadwalader Wickersham & Taft (For:Bechtel Group, Inc)	220.40	
Do	Cadwalader Wickersham & Taft (For:Family Life Insurance Co)	147.90	
Do	Cadwalader Wickersham & Taft (For:Mortgage Guaranty Insurance Corp)	123.25	
Do	Cadwalader Wickersham & Taft (For:Nationwide Mutual Insurance Co)	49.30	
Do	Cadwalader Wickersham & Taft (For:PepsiCo, Inc)		
Do	Cadwalader Wickersham & Taft (For:United Brands Co)		
Nancy C. Alexander, 245 Second Street, NE Washington, DC 20002	Friends Comm on National Legislation	4,904.19	
Alexander & Associates, Inc, 400 C Street, NE Washington, DC 20002	Investment Company Institute	30,000.00	30,000.00
Alexandra Allen, 215 Pennsylvania Avenue, SE Washington, DC 20003	U.S. Public Interest Research Group	4,313.13	
Barbara Allen, 2000 K Street, NW, #800 Washington, DC 20006	National Comm to Preserve Social Security & Medicare	9,051.00	655.31
William E. Allen, 1111 14th Street, NW, #1200 Washington, DC 20005	American Dental Assn	1,000.00	
Alliance for Acid Rain Control, 444 N. Capitol Street, #526 Washington, DC 20001			2,876.00
Alliance for Capital Access, 1919 Pennsylvania Ave., NW, #704 Washington, DC 20006		542,500.00	82,757.15
Alliance of American Insurers, 1501 Woodfield Road, #400 West Schaumburg, IL 60195			48,434.16
Alliance of Nonprofit Mailers, 2001 S Street, NW, #540 Washington, DC 20009		8,454.35	2,273.70
Alliance to Save Energy, 1925 K Street, NW, #206 Washington, DC 20006			2,948.99
Alliance Against Handguns, P.O. Box 75700 Washington, DC 20013			
Robert F. Allnut, 1100 15th St., NW, #900 Washington, DC 20005	Pharmaceutical Manufacturers Assn	1,000.00	
James E. Allred, 815 16th St., NW, #511 Washington, DC 20006	Transportation - Communications Union		
Alpha Lyracom d/b/a Pan American Satellite, One Pickwick Plaza Greenwich, CT 06830			310.00
Loren J. Alter, 231 Martingale Road Schaumburg, IL 60196	Zurich-American Insurance Companies		
Michael J. Altier, 1000 Connecticut Avenue, NW Washington, DC 20036	National Retail Merchants Assn	10,000.00	233.81
Thomas H. Altmeyer, 1130 17th St., NW Washington, DC 20036	National Coal Assn	11,500.00	648.50
Susan E. Alvarado, 1440 New York Ave., NW, #320 Washington, DC 20005	Capital Legislative Services (For:Uniroyal Chemical Company)	1,250.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Amalgamated Transit Union, AFL-CIO, 5025 Wisconsin Avenue, NW Washington, DC 20016			5,000.00
Robert P. Ambrose, 14615 Lone Oak Road Eden Prairie, MN 55344	Cooperative Power Association	5,000.00	38.37
American Academy of Family Physicians, 8800 Ward Parkway Kansas City, MO 64114		17,797.37	17,797.37
American Advertising Federation, 1400 K Street, NW, #1000 Washington, DC 20005			6,518.75
American Arts Alliance, 1319 F Street, NW, #307 Washington, DC 20004-1182			3,571.26
American Assn for Marriage & Family Therapy, 1717 K Street, NW, #407 Washington, DC 20006			23,326.00
American Assn of Equipment Lessors, 1300 North 17th St., #1010 Arlington, VA 22209			
American Assn of Exporters & Importers, 11 West 42nd Street, 30th Fl. New York, NY 10036			
American Assn of Meat Processors, P.O. Box 269 Elizabethtown, PA 17022		927.29	50.00
American Assn of University Women, 2401 Virginia Avenue, NW Washington, DC 20037			416.20
American Automobile Assn, 8111 Gatehouse Rd. Falls Church, VA 22047			
American Bankers Assn, 1120 Connecticut Avenue, NW Washington, DC 20036		88,095.00	88,095.00
American Camping Association, Bradford Woods Martinsville, IN 46151			
American Cement Trade Alliance, Inc, 1331 Pennsylvania Ave., NW, #1331 Washington, DC 20004		24,138.00	36,048.08
American Cemetery Assn, 5201 Leesburg Pike, #1111 Falls Church, VA 22041			
American Council for Capital Formation, 1850 K Street, NW, #400 Washington, DC 20006		17,064.00	6,329.00
American Council of Life Insurance, Inc, 1001 Pennsylvania Avenue, NW Washington, DC 20004		43,533.22	43,533.22
American Dental Assn, 211 E. Chicago Ave. Chicago, IL 60611			6,151.61
American Farm Bureau Federation, 225 Touhy Ave Park Ridge, IL 60068		148,175.00	148,175.00
American Fed of Labor & Congress of Industrial Organizations, 815 16th St., NW Washington, DC 20006			137,616.10
American Feed Industry Assn, 1701 N. Ft. Myer Dr. Arlington, VA 22209		3,240.00	3,240.00
American Fiber Manufactures Association, Inc, 1150 17th St., NW, #310 Washington, DC 20036			
American Financial Services Assn, 1101 14th St., NW Washington, DC 20005			1,000.00
American Frozen Food Institute, 1764 Old Meadow Rd., #350 Mclean, VA 22102		6,000.00	6,000.00
American Hellenic Institute Public Affairs Committee, Inc, 1730 K Street, NW, #1005 Washington, DC 20006			30.00
American Hotel & Motel Assn, 1201 New York Ave., NW Washington, DC 20005		27,701.29	11,952.38
American Institute of Merchant Shipping, 1000 16th Street, NW, #511 Washington, DC 20036			4,853.60
American Insurance Assn, 1130 Connecticut Avenue, NW, #1000 Washington, DC 20036		1,801.00	1,801.00
American International Group, Inc, 70 Pine Street New York, NY 10270			443.24
American Israel Public Affairs Comm, 500 N. Capitol St., NW, #300 Washington, DC 20001		95,948.00	139,375.18
American Land Title Assn, 1828 L St., NW, #705 Washington, DC 20036			2,500.00
American League for Exports & Security Assistance, Inc, 122 C St., NW, #740 Washington, DC 20001		306,000.00	15,303.32
American Library Assn, 50 E. Huron St. Chicago, IL 60611		7,882.35	11,509.03
American Logistics Association, 1133 15th Street, NW, #640 Washington, DC 20005			
American Lung Assn of Maryland, 1301 York Rd., #705 Lutherville, MD 21093			
American Malting Barley Assn, Inc, 735 North Water Street, #908 Milwaukee, WI 53202		368,473.57	2,629.73
American Meat Institute, P.O. Box 3556 Washington, DC 20007			6,151.51
American Medical Assn, 535 North Dearborn St. Chicago, IL 60610			75,317.57
American Medical Care & Review Assn, 5410 Grosvenor Lane, #210 Bethesda, MD 20814			
American Medical Peer Review Assn, 810 First Street, NE, #410 Washington, DC 20002			
American Movers Conference, 2200 Mill Road Alexandria, VA 22314			1,732.00
American Newspaper Publishers Assn, Box 17407 Dulles International Airport Washington, DC 20041		12,987.78	12,987.78
American Nurses' Assn, 2420 Pershing Rd Kansas City, MO 64108		36,109.07	36,109.07
American Optometric Assn, 1505 Prince Street, #300 Alexandria, VA 22314			
American Paper Institute, Inc, 260 Madison Ave. New York, NY 10016			2,910.00
American Petroleum Institute, 1220 L St., NW Washington, DC 20005		318,249.39	279,819.78
American Physical Therapy Assn, 1111 N. Fairfax St. Alexandria, VA 22314		7,614.64	7,614.64
American Podiatric Medical Assn, 9312 Old Georgetown Road Bethesda, MD 20814-1621			24,044.59
American Postal Workers Union, AFL-CIO, 1300 L Street, NW Washington, DC 20005		85,177.61	77,277.00
American Public Transit Assn, 1201 New York Avenue, NW Washington, DC 20005		90,359.00	90,359.00
American Pulpwood Assn, 1025 Vermont Avenue, NW Washington, DC 20005			
American Retreaders' Assn, P.O. Box 17203 Louisville, KY 40217		250.00	250.00
American Seed Trade Assn, 1030 15th Street, NW, #964 Washington, DC 20005			14,385.00
American Short Line Railroad Assn, 2000 Massachusetts Ave., NW Washington, DC 20036			
American Soc of Anesthesiologists, 1111 14th Street, NW, #501 Washington, DC 20005			13,369.00
American Soc of Hospital Pharmacists, 4630 Montgomery Avenue Bethesda, MD 20814			3,000.00
American Soybean Association, 1300 L Street, NW, Suite 950 Washington, DC 20005-4107		11,200.00	3,840.87
American State of the Art Prosthetic Assn, 1404 26th Street, NW, #1 Washington, DC 20007		27,000.00	19,719.59
American Textile Machinery Assn, 7297 N. Lee Hwy. Falls Church, VA 22042			
American Textile Manufacturers Institute, Inc, 1801 K Street, NW, #900 Washington, DC 20006		34,245.49	50,409.19
American Veterans of World War II, Korea & Vietnam (AMVETS), 4647 Forbes Boulevard Lanham, MD 20706			20,400.00
American Veterinary Medical Assn, 1023 15th Street, NW, #300 Washington, DC 20005		1,000.00	350.00
American Waterways Operators, Inc, 1600 Wilson Boulevard, #1000 Arlington, VA 22209		386,690.00	626.22
Americans for the High Frontier, 2800 Shirlington Road, #405A Arlington, VA 22206		47,423.02	47,913.56
Americans for Immigration Control, Inc, P.O. Box 738 Monterey, VA 24465		8,022.48	8,022.48
Americans for Nonsmokers' Rights, 2054 University Ave., #500 Berkeley, CA 94704			2,070.00
Joanne Ames, 1120 Connecticut Ave., NW Washington, DC 20036	American Bankers Assn	1,500.00	
Morris J. Amitay, P.C., 444 N. Capitol Street, NW, #712 Washington, DC 20001	Coalition for American Energy Security	4,500.00	
Do	Nathan Lewin (for 47th Street Photo)	10,000.00	
Do	Northrop Corp	3,000.00	
Do	Thompson Medical Co	1,000.00	
Jan S. Amundson, North Lobby, #1500 1331 Pennsylvania Ave., NW Washington, DC 20004-1703	National Assn of Manufacturers		
Christopher E. Anders, 1667 K Street, NW, #660 Washington, DC 20006	Marlowe & Company (For:Graphic Communications International Union)		
Anthony A. Anderson, 1818 N St., NW Washington, DC 20036	Eckert Seamans Cherin & Mellot (For:Burlington Northern, Inc)		
Do	Eckert Seamans Cherin & Mellott (For:City of Pompano Beach, Florida)		
Do	Eckert Seamans Cherin & Mellott (For:CSX Corp)		
Do	Eckert Seamans Cherin & Mellott (For:Metropolitan Transportation Authority)		
David J. Anderson, 1000 Wilson Boulevard, #2700 Arlington, VA 22209	TRW, Inc	500.00	
H. Kim Anderson, Virginia Petroleum Council 1001 E. Broad Street Richmond, VA 23219	American Petroleum Institute	800.00	1,344.19
J. Lem Anderson, 4111 Franconia Rd. Alexandria, VA 22310	Temple-Inland		
Kevin N. Anderson, 215 South State Street 12th Floor Salt Lake City, UT 84111	Fabian & Clendenin (For:Nevada Electric Investment Company, Inc)	1,427.50	2,658.60
Steven C. Anderson, 1764 Old Meadow Rd, #350 Mclean, VA 22102	American Frozen Food Institute	5,000.00	
Susan S. Anderson, 490 L'Enfant Plaza East, SW, #4200 Washington, DC 20024	Xerox Corp	75.00	
William C. Anderson, 1101 16th St., NW Washington, DC 20036	Independent Petroleum Assn of America		78.50
Michael Andrews, 1455 Pennsylvania Ave., NW, #325 Washington, DC 20004	Salomon Brothers, Inc	875.00	238.02
Robert B. Andrews, 1100 Connecticut Avenue, NW, #620 Washington, DC 20036	Mobil Corp	500.00	
William Robert Andrews, 1745 Jefferson Davis Highway, #1200 Arlington, VA 22202	Rockwell International Corp	3,000.00	4,886.32
Andrews' Associates, Inc, 2550 M St., NW, #450 Washington, DC 20037	Mars, Inc		
Do	Safeguard America's Family Enterprises		
Animal Health Institute, 119 Oronoco Street P. O. Box 1417-D50 Alexandria, VA 22313			150.00
J. Donald Annett, 1050 17th St., NW, #500 Washington, DC 20036	Texaco, Inc	500.00	
Philip H. Anns, 1101 Vermont Avenue, NW, #405 Washington, DC 20005	A. H. Robins Co	3,000.00	173.29
Decker Anstrom, 1724 Massachusetts Ave., NW Washington, DC 20036	National Cable Television Assn, Inc	4,950.00	
Virginia Antos, 2005 Massachusetts Avvenue, NW Washington, DC 20036	Association of American Publishers		
Paul W. Arcari, 201 N. Washington Street Alexandria, VA 22314	Retired Officers Assn	2,894.00	
John Archer, 8111 Gatehouse Rd. Falls Church, VA 22047	American Automobile Assn		
Arent Fox Kintner Plotkin & Kahn, 1050 Connecticut Ave., NW Washington, DC 20036-5339	American Medical Imaging Corp		
Do	Ameritech		
Do	Aris Anagnos Properties	5,697.20	
Do	Central States SE & SW Areas Health Welfare & Pension Funds	46,581.05	1,291.57
Do	Colorado River Indian Tribes		
Do	Ethan Allen, Inc		
Do	Guardian Life Insurance Co of America	19,298.24	237.83
Do	Independent Federation of Flight Attendants	8,000.00	392.00
Do	Motor and Equipment Manufacturers Association		
Do	National Assn of College Stores	9,132.00	253.48
Do	National Field Selling Assn	3,780.00	
Do	National Parking Association	4,790.63	569.78
Do	Schoenke & Associates		
Do	SO-PAK-CO, Inc	3,787.00	41.68
Do	Toshiba America, Inc	166,336.71	2,299.30
Do	Toshiba International Corp		
Do	Toyota Motor Corporation		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Video Software Dealers Assn	14,119.76	607.26
Do	6-Twelve Convenient Mart, Inc		
John W. Arlidge, P.O. Box 230 Las Vegas, NV 89151	Nevada Power Company	7,000.00	
Fred Armstrong Jr, 1620 Eye Street, NW, #520 Washington, DC 20006	Portland Cement Assn		
Tertia R. Armstrong, 1615 H Street, NW Washington, DC 20062	Chamber of Commerce of the U.S.	112.00	
Carl F. Arnold, 617 Rivercrest Drive McLean, VA 22101	American Iron & Steel Institute	273.00	
Do	Ashland Oil Co	360.50	
Do	Corporate Property Investors	749.99	
Do	Quintana Petroleum Corp	1,249.92	
John E. Arnold, 2001 L Street NW, Suite 1000 Washington, DC 20036	Unisys Defense Systems	1,000.00	26.00
Arnold & Porter, 1200 New Hampshire Ave., NW Washington, DC 20036	American Institute of Certified Public Accountants	250.00	28.00
Do	Asea AB		
Do	Building & Construction Trades Dept, AFL-CIO		
Do	Business Roundtable		
Do	Cemai		
Do	Chubb Corporation		
Do	Continental Corporation		
Do	Donohue & Associates, Inc		
Do	Earthquake Project		
Do	Fluor Corporation		
Do	Grain & Feed Trade Assn		
Do	International Commodities Clearing House		
Do	London Commodity Exchange (1986) Limited		
Do	London International Financial Futures Exchange, Ltd		
Do	Metal Market & Exchange Co, Ltd		
Do	Mutual of America		
Do	Philip Morris Cos, Inc		117.45
Do	Recording Industry Assn of America, Inc	216.00	
Do	Republic of Panama	37.12	2.85
Do	State Farm Mutual Automobile Insurance Co	6,470.00	1,074.54
Do	Survival Technology, Inc		
Do	Venezolana de Cementos		
Nan Aron, 600 New Jersey Avenue, NW Washington, DC 20001	Alliance for Justice		
Thomas M. Arrasmith, 1801 K Street, NW, #1200 Washington, DC 20006	IBM Corp	367.50	189.17
Asbill Junkin Myers & Buffone, 1607 New Hampshire Ave., NW Washington, DC 20009	Coalition on Smoking or Health	18,650.00	14,514.78
Michael Ashford, 2030 M Street, NW Washington, DC 20036	Common Cause	4,160.01	
Milton F. Ashford, P.O. Box 24305 Oakland, CA 94623	Clorox Company		
Thomas Ludlow Ashley, 730 15th St., NW Washington, DC 20005	Association of Bank Holding Companies	5,750.00	
Nicholas J. Ashooh, 1000 Elm Street P.O. Box 330 Manchester, NH 03105	Public Service Co of New Hampshire	800.00	3,322.96
Asian Pacific Economic Educational Cultural Organization, P.O. Box 891 Manila, Philippine			
Asphalt Roofing Manufacturers Association, 6288 Montrose Road Rockville, MD 20852			
Associated Credit Bureaus, Inc, 16211 Park 10 Place Houston, TX 77084		1,500.00	
Associated General Contractors of America, 1957 E St., NW Washington, DC 20006			14,517.64
Association for Commuter Transportation, Inc, 1776 Massachusetts Ave., NW, #521 Washington, DC 20036			
Association of American Foreign Service Women, P.O. Box 70051 Washington, DC 20024-0051		5,622.65	
Association of American Law Schools, One Dupont Circle, NW, #370 Washington, DC 20036			
Association of American Publishers, 2005 Massachusetts Ave., NW Washington, DC 20036		6,941.15	6,941.15
Association of American Railroads, American Railroads Building 50 F Street, NW Washington, DC 20001		81,671.22	81,671.22
Association of American Veterinary Medical Colleges, 1023 15th Street, NW, 3rd Floor Washington, DC 20005			
Association of Biotechnology Companies, 1120 Vermont Avenue, NW, #601 Washington, DC 20005		14,882.00	15,450.00
Association of Junior Leagues, Inc, 660 First Avenue New York, NY 10016		15,000.00	15,000.00
Association of Maximum Service Telecasters, Inc, 1730 M St., NW, #713 Washington, DC 20036			1,098.00
Association of Trial Lawyers of America, 1050 31st St., NW Washington, DC 20007		8,006.25	8,006.25
Association of Urban Universities, 501 I St. S.W. Washington, DC 20024		10,000.00	6,902.54
George J. Aste, 1707 L St., NW, #300 Washington, DC 20036-4202	United Airlines, Inc	500.00	
Michael G. Atieh, 1615 L St., NW, #1320 Washington, DC 20036	Merck & Co, Inc	1,000.00	140.00
Victor Atiyeh & Co, 519 SW Park St., #208 Portland, OR 97205	Fujitsu, Ltd		
Do	Seiko Epson		
Atlantic Richfield Co, 515 South Flower Street Los Angeles, CA 90071			879.87
Fritz E. Attaway, 1600 Eye St., NW Washington, DC 20006	Motion Picture Assn of America, Inc		
Leslie Aubin, 600 Maryland Ave., SW, #700 Washington, DC 20024	National Fed of Independent Business	3,189.00	200.00
John J. Auciello, P.O. Box 269 Elizabethtown, PA 17022	American Assn of Meat Processors		
Ronald R. Austin, 1201 16th Street, NW, #210 Washington, DC 20036	Overseas Education Assn, Inc	676.96	135.06
John S. Autry, 2001 L Street, NW, #1000 Washington, DC 20036	Unisys Corp	1,000.00	729.94
Rebecca Avila, 2030 M St., NW Washington, DC 20036	Common Cause	7,338.78	
Avon Products, Inc, 9 West 57th St. New York, NY 10019			
Marguerite D. Ayers, 10 Light Street P. O. Box 987 Baltimore, MD 21203	MNC Financial, Inc		
Michael G. Ayre, P.O. Box 130 Levis P.Q. Canada G6V 6N7	Mil Davie Inc		
Merribel Symington Ayres, Metropolitan Square #205 655 15th Street, NW, Washington, DC 20005	National Independent Energy Producers		5,777.50
ARCO Chemical Co, 3801 West Chester Pike Newtown Square, PA 19073			105.00
Hope M. Babcock, 801 Pennsylvania Avenue, SE Washington, DC 20003	National Audubon Society		
Dale R. Babione, 1700 N. Moore St. Rosslyn, VA 22209	Boeing Company	1,014.00	20.00
Kenneth L. Bader, 777 Craig Road St. Louis, MO 63141	American Soybean Assn		
Richard Anthony Baenen, 1735 New York Avenue, NW, #600 Washington, DC 20006	NANA Regional Corp, Inc		
Do	People's Republic of Angola		
Do	Shee Atika, Inc		
Joan N. Baggett, 815 15th St., NW Washington, DC 20005	International Union of Bricklayers & Allied Craftsmen	6,000.00	55.01
Brent A. Baglien, 725 15th Street, NW, #500 Washington, DC 20005	National Grain & Feed Assn		
Franklin Eugene Bailey, 1110 Vermont Ave., NW #430 Washington, DC 20005	National Cotton Council of America	17,250.00	845.18
George F. Bailey Jr., P.O. Box 21 Montgomery, AL 36101	CSX Transportation		
William W. Bailey, 1700 Pennsylvania Ave., NW, #500 Washington, DC 20006	Mutual of Omaha Insurance Co	2,000.00	1,339.13
Sheila Bair, 1800 K Street, NW, #1100 Washington, DC 20006	New York Stock Exchange, Inc		
Judith L. Baird, 1333 New Hampshire Ave., NW Washington, DC 20036	Atlantic Richfield Co	100.00	
Gary H. Baise, 1333 New Hampshire Avenue, NW Washington, DC 20036	Beveridge & Diamond, P.C. (For:Pacific Dunlop-GNB)	540.00	540.00
Edward R. Bajer, 1015 15th St., NW, #802 Washington, DC 20005	American Consulting Engineers Council	587.50	
Emil F. Baker, 1303 New Hampshire Ave., NW Washington, DC 20036	Fleet Reserve Assn		
Gerald E. Baker, 1625 Massachusetts Avenue, NW Washington, DC 20036	Air Line Pilots Assn	6,000.00	802.90
James Jay Baker, 1600 Rhode Island Ave., NW Washington, DC 20036	National Rifle Assn of America	1,670.00	129.36
Quinter S. Baker, P.O. Box 8091 Falls Church, VA 22041	Friendship Hill Assn		
R. Garrity Baker, 2501 M Street, NW Washington, DC 20037	Chemical Manufacturers Assn, Inc	225.00	24.00
Baker & Hostetler, 1050 Connecticut Ave., NW, #1100 Washington, DC 20036	American Protestant Health Assn	18,000.00	257.13
Do	Astroline Communications Co		
Do	Biotechnology General, Inc		131.16
Do	Greater New York Hospital Assn	7,500.00	149.00
Do	Hyatt Corp		
Do	Loyola University		
Do	Missouri Baptist Hospital	2,784.50	36.50
Do	National Assn of Nuclear Pharmacies		
Do	National Restaurant Assn		
Do	Organ Recovery Systems	4,000.00	108.25
Do	Puerto Rico Hospital Assn		
Do	Renal Physicians of Texas	2,000.00	160.51
Do	Uniden Corp of America		
Do	United Methodist Assn of Health & Welfare Ministries	2,416.25	338.69
Do	West Point Pepperell, Inc	4,027.75	470.00
Do	Western Fuels Assn, Inc		
Baker Worthington Crossley Stansberry & Woolf, 1001 Pennsylvania Ave., NW Washington, DC 20006	American Airlines, Inc	5,290.00	150.12
Do	Dunigan Enterprises	355.00	6.00
Do	Federal Express Corp	240.00	
Do	Philip Morris Management Corp	4,162.00	26.00
Do	Public Service Company of New Mexico	225.00	
Do	Warner-Lambert Company	225.00	
Patricia A. Baldi, 801 Pennsylvania Avenue, SE Washington, DC 20003	National Audubon Society	1,000.00	600.00

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
H. R. Balikov, 333 Thornall St. Edison, NJ 08818	J. M. Huber Corp		
Helen M. Ball, 1016 16th St., NW, #100 Washington, DC 20036	Brown Bridgman & Co, Inc	7,666.36	376.16
Ball Janik & Novack, 601 Pennsylvania Ave., NW, 9th Floor Washington, DC 20004	AeroLift, Inc	15,000.00	2,412.57
Do	Fujitsu Microelectronics	1,663.50	88.00
Do	Greenbrier Leasing, Inc	59,152.00	7,489.38
Do	Lower Columbia Regional Navy Task Force	10,000.00	984.96
Do	Mt. Hood Meadows Oregon, Ltd	16,475.00	756.31
Do	Northwest Industrial Gas Users	6,335.00	882.25
Do	Northwest Marine Iron Works	25,500.00	3,478.52
Thomas M. Balmer, 888 16th Street, NW Washington, DC 20006	Milk Industry Foundation/Int'l Ice Cream Assn		
Charles E. Bangert, P.C., 662 Mallard Court Arnold, MD 21012	Business Roundtable	2,000.00	
Bank of Boston Corporation, 100 Federal St. Boston, MA 02110			
Bank Capital Markets Assn, National Press Building, 2nd Fl. Washington, DC 20045			
James T. Banks, 1155 Connecticut Avenue, NW, #800 Washington, DC 20036	Waste Management, Inc	3,550.00	2,224.00
Kathryn Bannan, 1050 Connecticut Ave., NW, #401 Washington, DC 20036	Hoffmann-La Roche, Inc		
M. Graeme Bannerman, 888 16th St., NW Washington, DC 20006	Bannerman and Associates, Inc (For:Beirut University College)	1,000.00	
Do	Bannerman & Associates, Inc (For:Government of Bangladesh)	3,000.00	119.51
Do	Government of Tunisia	3,000.00	59.45
Do	Bannerman & Associates, Inc (For:Sawyer-Miller Group (for Government of the Philippines)).	5,000.00	460.48
Martha G. Bannerman, One Greenwich Plaza P.O. Box 2568 Greenwich, CT 06836-2568	NAC Re Corp		100.00
Robert D. Bannister, 15th & M Streets, NW Washington, DC 20005	National Assn of Home Builders of the U.S.		
Samuel J. Baptista, 1225 19th St., NW, #410 Washington, DC 20036	Financial Services Council	3,700.00	
Baraff Koerner Olender & Hochberg, P.C., 2033 M Street, NW, #203 Washington, DC 20036	College Football Association		
Do	National Assn of Collegiate Directors of Athletics		
Do	National Basketball Assn	500.00	
Emory W. Baragar, 1700 N. Moore St., #2120 Rosslyn, VA 22209	Boeing Company	3,097.78	1,314.95
Haley R. Barbour, P.O.Box 960 Yazoo City, MS 39194	Joint Maritime Congress	18,000.00	1,299.84
Do	A. L. Williams & Company	16,000.00	92.48
Robert H. Barker, 1150 17th Street, NW Washington, DC 20036	American Fiber Manufacturers Assn, Inc		
William J. Barnds, 1000 Connecticut Avenue, NW Washington, DC 20036	Japan Economic Institute of America	500.00	
Barnett D'Amours Sivon & Shay, P.C., 1090 Vermont Ave., NW, #810 Washington, DC 20005	American Council for State Savings Supervisors		
Do	Citibank, N.A.	1,560.00	42.00
Do	Credit Union National Assn, Inc	240.00	6.00
Do	Investors in Industry		
Terry N. Barr, 50 F Street, NW, #900 Washington, DC 20001	National Council of Farmer Cooperatives		
Robert W. Barrie, 1331 Pennsylvania Avenue, NW Washington, DC 20004	General Electric Co	3,000.00	
Robert E. Barrow, 1616 H Street, NW Washington, DC 20006	National Grange	5,000.00	
Doyle C. Bartlett, 1015 18th Street, NW Washington, DC 20036	Conference of State Bank Supervisors	2,625.00	348.63
Linda L. Bartlett, 1100 17th Street, NW, #601 Washington, DC 20036	Kraft, Inc	750.00	
Robert G. Bartlett, 1415 Elliot Place, NW Washington, DC 20007	National Stone Assn	4,000.00	500.00
James E. Bartley, 1090 Vermont Avenue, NW, #410 Washington, DC 20005	National Industrial Transportation League	8,500.00	39.50
Stephen R. Bassett, 421 Aviation Way Frederick, MD 21701	Aircraft Owners & Pilots Assn	2,000.00	
Diane Bateman, 501 2nd Street, NE Washington, DC 20002	Fertilizer Institute	9,000.00	1,852.49
Christopher M. Bates, 1325 Pennsylvania Avenue, NW, #600 Washington, DC 20004	Motor & Equipment Manufacturers Assn	1,500.00	1,514.00
Robert E. Bates Jr., 1100 Connecticut Ave, NW Washington, DC 20036	Mobil Corp	1,125.00	
Erica M. Battaglia, 519 C Street, NE Washington, DC 20002	National Assn for Home Care	3,479.70	1,384.33
Robin Battaglini, 1000 Wilson Blvd., #3000 Arlington, VA 22209	ITT Corporation	1,500.00	50.00
Gary Lee Bauer, 601 Pennsylvania Ave., NW, #901 Washington, DC 20004	Focus on the Family	875.00	
Barbara Bauman, 1990 M Street, NW, #480 Washington, DC 20036	Detroit Edison Company	700.00	25.00
Baumbach & Fisher Assoc., Inc, 1900 S. Harbor City Blvd. Melbourne, FL 32901	Extradition Corp of America		
Ann F. Bavaria, 35 North Sixth Street Reading, PA 19601	Meridian Bancorp, Inc		7.71
Tina Marts Beach, 1331 Pennsylvania Avenue, NW, #700-S Washington, DC 20004	General Electric Co	372.00	
Bruce A. Beam, 1667 K St., NW, #450 Washington, DC 20006	American Electric Power Service Corp	239.70	95.18
Hubert Beatty, 1957 E St., NW Washington, DC 20006	Associated General Contractors of America		
Edward A. Beck III, 1220 L Street, NW Washington, DC 20005	National Assn of Home Builders of the U.S.	6,187.50	205.00
Robert E. Beck, P.O. Box 6808 Falls Church, VA 22046	National Assn of Plumbing-Heating-Cooling Contractors	28.00	15.75
Steven M. Beckman, 1757 N Street, NW Washington, DC 20036	Int'l Union, United Auto Aerospace & Agric Implement Workers	8,009.07	9.00
William W. Beddow, 1730 Pennsylvania Ave., NW, #750 Washington, DC 20006	Caterpillar, Inc	2,500.00	75.32
Howard Bedlin, 1909 K Street, NW Washington, DC 20049	American Assn of Retired Persons	593.65	131.49
Josiah Beeman, 15 Second St., NE Washington, DC 20002	Magne-Tek ALS Corp	11,000.00	350.26
Beer Institute, 1225 "Eye" Street, NW, #825 Washington, DC 20005			1,454.16
Robert M. Beers, 2101 E Street, NW Washington, DC 20037	American Foreign Service Assn	6,292.00	
Margaret M. Bees, 2001 L Street, NW, #1000 Washington, DC 20036	Unisys Corp		
William A. Behan, 1700 N. Moore St., #820 Arlington, VA 22209	Magnavox Government & Industrial Electronics Co	6,389.00	3,587.46
Edwin L. Behrens, 801 18th Street, NW, #400 Washington, DC 20006	Procter & Gamble Manufacturing Co	265.00	
James Beizer, 1920 N St., NW Washington, DC 20036	American Mining Congress		
Mark Belanger, 805 Third Avenue New York, NY 10022	Major League Baseball Players Assn		
Peter M. Belanger, 1220 L St., NW Washington, DC 20005	American Petroleum Institute	200.00	
Howard H. Bell, 1400 K St., NW, #1000 Washington, DC 20036	American Advertising Federation		
Stephen E. Bell, 1455 Pennsylvania Ave., NW, #350 Washington, DC 20004	Salomon Brothers, Inc	1,000.00	
Winston Everett Bell, P.O. Box 26543 Las Vegas, NV 89126			
Mary K. Bellamy, 1600 M St., NW Washington, DC 20036	Investment Company Institute		
Mike Benner, 1300 L St., NW Washington, DC 20005	American Postal Workers Union	2,874.89	229.10
David E. Bennett, 740 Hillgrove Avenue Western Springs, IL 60558	West Central Municipal Conference		
Douglas P. Bennett, 9020 Saunders Lane Bethesda, MD 20817	Corning Glass Works		
John C. Bennison, P.O. Box 23992 Washington, DC 20026-3992	American Soc of Travel Agents	8,500.00	
Frederick S. Benson III, 2001 L Street, NW, #304 Washington, DC 20036	Weyerhaeuser Company		
James E. Benton, N. J. Petroleum Council 150 W. State Street Trenton, NJ 08608	American Petroleum Institute	135.00	
Diana Berardocco, 555 13th St., NW, #1050 East Washington, DC 20004	Avon Products, Inc		
George L. Berg Jr., 600 Maryland Avenue, SW Washington, DC 20024	American Farm Bureau Federation	6,563.00	16.00
Karen A. Berg, 1615 H Street, NW Washington, DC 20062	U.S. Chamber of Commerce	2,350.00	130.44
Rebecca J. Berg, 1331 Pennsylvania Ave., NW, #560 Washington, DC 20004	Sea-Land Corporation		
Bob Bergland, 1800 Massachusetts Avenue, NW Washington, DC 20036	National Rural Electric Cooperative Assn	450.00	
Bergner Boyette & Bockorny, Inc, 1016 16th Street, NW, #700 Washington, DC 20036	Avianca, Inc	1,500.00	371.00
Do	Bell Atlantic Corp	2,000.00	856.30
Do	China External Trade Development Council	2,000.00	1,315.00
Do	Dead Pigeon River Council		
Do	Electronic Industries Assn	3,000.00	2,177.50
Do	Eli Lilly & Company	900.00	661.60
Do	First Boston Corp	3,500.00	2,561.06
Do	Flo-Sun Land Corp	2,000.00	1,875.00
Do	Friendship in Freedom Assn	1,500.00	1,087.40
Do	Investors for US Tax Equity	500.00	421.00
Do	Landmark Hotel Corp	1,500.00	1,400.00
Do	Lynmark Group	400.00	1,127.00
Do	Murry's, Inc	1,000.00	1,141.50
Do	National Assn of Business & Educational Radio	2,000.00	1,002.00
Do	Natural Gas Supply Assn	3,000.00	2,472.57
Do	Okeelanta Corp	2,000.00	2,789.50
Do	Orange & Rockland	1,100.00	1,444.14
Gene S. Bergoffen, 1320 Braddock Place, #720 Alexandria, VA 22314	National Private Truck Council		
Edwin M. Bergsmark, 4544 Crossfields Road Toledo, OH 43623	Trustcorp, Inc		
Jane W. Bergwin, 1016 16th Street, NW, 5th Floor Washington, DC 20036	Consumers Power Co	3,448.00	6,998.00
Dayle Berke, 519 C Street, NE Washington, DC 20002	National Assn for Home Care	3,528.29	1,392.83
Nathan R. Berkley, 2200 Mill Road Alexandria, VA 22314	American Movers Conference	400.00	
Pamela M. Berkwitz, 1200 Peavey Building Minneapolis, MN 55479-1032	Norwest Corporation	12,000.00	3,767.23
Peter A. A. Berle, 950 Third Avenue New York, NY 10022	National Audubon Society	1,000.00	579.00
Berliner & Maloney, 1101 17th Street, NW, #1004 Washington, DC 20036-4798	Government of Barbados, Ministry of Finance & Planning	19,419.15	626.35
Ellen Berman, 2000 L St., NW, #802 Washington, DC 20036	Consumer Energy Council of America		
Jason S. Berman, 1020 19th St., NW, #200 Washington, DC 20036	Recording Industry Assn of America, Inc		
Jay Harris Berman, 310 Fairweather Drive Exton, PA 19341	National Assn of Professional Insurance Agents		
Richard B. Berman, 1015 15th St., NW, #1200 Washington, DC 20005	Burger King Corp		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Godfather's Pizza, Inc		
Do	Pillsbury Company		
Do	Quik Wok, Inc		
Do	S&A Restaurants Corp		
William R. Berman, 8111 Gatehouse Rd. Falls Church, VA 22047	American Automobile Assn		
Mary E. Bernhard, 1615 H St., NW Washington, DC 20062	Chamber of Commerce of the U.S	2,970.00	
Zalman C. Bernstein, Sanford C. Bernstein & Co, Inc 767 Fifth Avenue New York, NY 10153			
Bernstein & Lipsettin, 1920 L Street, NW, #501 Washington, DC 20036	National Assn of Police Organizations	17,193.00	4,262.82
Craig A. Berrington, 1130 Connecticut Ave., NW, #1000 Washington, DC 20036	American Insurance Assn		
Max N. Berry, 3213 O St., NW Washington, DC 20007	American Importers Meat Products Group		
Do	Centre National Interprofessionnel de L'Economic Laitiere		
Do	Committee to Assure the Availability of Casein		
Do	Federation des Exportateurs de Vins & Spiritueux de France		
Robert E. Berry, 1515 Wilson Boulevard Arlington, VA 22209	American Gas Assn	1,950.00	389.57
Willard M. Berry, 1625 K Street, NW, #1090 Washington, DC 20006	National Foreign Trade Council, Inc	5,000.00	1,100.00
John F. Betar, 730 15th Street, NW Washington, DC 20005	Association of Bank Holding Cos	6,294.00	
Ed Bethune, 1825 I St., NW, #400 Washington, DC 20006	FBI Agents Assn (FBIAA)	7,500.00	1,600.00
Robert Betz, 1010 Vermont Avenue, NW, #1116 Washington, DC 20005	Robert Betz Associates, Inc (For:Alabama Hospital Association)	15,000.00	406.78
Do	American Assn of Eye & Ear Hospitals	15,000.00	142.33
Beveridge & Diamond, P.C., 1333 New Hampshire Ave, NW Washington, DC 20036	City of Bluefield, WV, et al	3,073.50	232.60
Do	Pacific Dunlop-GNB	5,658.75	5,691.60
Beverly Enterprises, Inc, 1901 N. Fort Myer Drive, #302 Rosslyn, VA 22209			25,259.75
Cheryl Beversdorf, 1640 Wisconsin Ave., NW, Washington, DC 20007	American College of Surgeons		49.40
Sheldon D. Beychok, P.O. Box 2924 Baton Rouge, LA 70821	American Waste & Pollution Control Co		
Do	Camp Dresser & McKee, Inc		
Do	Community Health Network of Louisiana, Inc		
Do	First Boston Corp		
Do	Lamar Corporation		
Do	Ramsay Hospital Corporation of Louisiana, Inc		
John C. Biechman, 655 15th St., NW, #1200 Washington, DC 20005	Safe Buildings Alliance		
Joan T. Bier, 1726 M Street, NW, #701 Washington, DC 20036	International Minerals & Chemical Corp		
Richard H. Bierly, 2001 L Street, NW, #1000 Washington, DC 20036	Unisys Corp		
Kevin W. Billings, 410 First Street, SE Washington, DC 20003	American Nuclear Energy Council	3,675.00	1,212.23
Leon G. Billings, Inc, 901 15th St., NW, #570 Washington, DC 20005	Oxford Energy	1,163.03	
Do	South Coast Air Quality Management District	12,419.00	
Bingham Dana & Gould, 1550 M Street, NW #1200 Washington, DC 20005	Disabled American Veterans		
Stuart Binstock, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America		
Birch Horton Bittner and Cherot, 1155 Connecticut Ave., NW, #1200 Washington, DC 20036	Alaska Pacific Refining, Inc		
Do	Alaska Teamsters-Employer Pension Trust		
Do	City of St. George		
Do	Gerry Cooney Enterprises		
Do	Kodiak Island Borough		
Do	North Slope Borough		
Do	Old Harbor Corp		
Do	Sealaska Corp		
Do	St. George Tanaq Corp		
Do	Tanadgusix Corporation		
Do	Westinghouse Electric Corp		
Do	Yukon Pacific Corp		
Charles O. Bishop Jr., 1201 New York Ave., NW, #400 Washington, DC 20005	American Public Transit Assn	7,197.00	
Bishop Cook Purcell & Reynolds, 1400 L Street, NW, #1000 Washington, DC 20005-3502	American Rice, Inc		
Do	IBP, Inc		
Do	Master Marketers Assn of America		
Dennis A. Bitz, 50 Beale Street, 23rd Floor San Frnacisco, CA 94319	Bechtel Power Corporation		
Gerrie Bjornson, 1825 Eye Street, NW, #400 Washington, DC 20006	B.F. Goodrich Co	100.00	
Judy Black, 665 Fifth Ave. New York, NY 10022	International Council of Shopping Centers		
Wayne V. Black, Keller and Heckman 1150 17th Street, NW, #1000 Washington, DC 20036	INDA, Assn of the Nonwoven Fabrics Industry		
Black Crotty Sims Hubka Burnett & Samuels, 501 North Grandview Ave. P.O. Box 5488 Daytona Beach, FL 32018	Aetna Life Insurance Company	57,000.00	
Do	Electronic Data Systems Corp		
Black Manafort Stone & Kelly, P.C., 211 North Union Street, #300 Alexandria, VA 22314	Aetna Life & Casualty	7,000.00	1,125.20
Do	Allied-Signal Corp	22,500.00	1,047.91
Do	Bethlehem Steel Corp	22,500.00	1,036.89
Do	Chicago RTA	9,000.00	1,024.39
Do	Clark Construction Group	9,000.00	1,278.56
Do	Cooper's Ferry Development Assn, Inc	9,000.00	1,920.89
Do	Diamond-Star Motors Corp	30,000.00	53.09
Do	Financial Security Assurance	22,500.00	1,864.18
Do	Johnson & Johnson, Inc	30,000.00	1,079.45
Do	Kaman Aerospace Corp	25,000.00	1,024.39
Do	Massa Products Corp	15,000.00	1,456.62
Do	NOVA University	30,000.00	8,083.89
Do	Puerto Rico Federal Affairs Administration	9,000.00	2,507.17
Do	Revlon Group, Inc	6,000.00	2,680.30
Do	Tobacco Institute	22,500.00	1,108.15
Do	Trans World Airlines, Inc	18,000.00	1,137.53
Do	U.S. Sprint	12,000.00	271.48
Do	Union Pacific Corp	22,500.00	1,047.91
Do	UNITA	75,000.00	2,069.58
Lisa E. Blackwell, 1331 Pennsylvania Avenue, NW, #1500N Washington, DC 20004-1703	National Assn of Manufacturers	175.00	
Robert J. Blackwell Jr., 1025 Connecticut Avenue, NW, #1014 Washington, DC 20036	Enserch Corporation	3,038.00	1,275.80
Bev D. Blackwood, 1899 L Street, NW, #1100 Washington, DC 20036	Exxon Corporation		
David A. Blair, 5205 Leesburg Pike, #1600 Falls Church, VA 22041	National Beer Wholesalers Assn	3,000.00	360.00
Stephen Blair, 2251 Wisconsin Ave., NW Washington, DC 20007	National Assn of Trade & Technical Schools	750.00	
Richard R. Blake Jr., 777 14th Street, NW Washington, DC 20005	National Assn of Realtors		
Roy Blake, 900 University Dr. Nacogdoches, TX 75961	Reese Communications Companies	9,000.00	245.30
Helen Blank, 122 C Street, NW Washington, DC 20001	Children's Defense Fund	4,920.32	
Beatrice K. Bleicher, 1700 K Street, NW, #1100 Washington, DC 20006	Owens-Illinois, Inc	2,000.00	200.00
Michael E. Bleier, Mellon Bank N.A. One Mellon Bank Center, #3110 Pittsburgh, PA 15258-0001	Mellon Bank N.A	2,500.00	366.65
Bryant C. Blewett, P.O. Box 24305 Oakland, CA 94623	Clorox Company		
Richard W. Bliss, 3242 Grace Street, NW Washington, DC 20007	Amax, Inc	360.00	34.37
Do	Brother International Corp		
Do	Fluor Corporation		
Do	National Paint & Coatings Assn, Inc	250.00	39.19
Do	Philip Morris Companies Inc	1,180.00	145.29
Do	PB-KBB, Inc		
Do	Texstor	1,130.00	7.60
Do	Varian EIMAC	1,110.00	74.65
John R. Block, 201 Park Washington Court Falls Church, VA 22046	National-American Wholesale Grocers' Assn	3,000.00	
Peter L. Blocklin, 1120 Connecticut Ave., NW Washington, DC 20036	American Bankers Assn	2,500.00	
Anne Bloom, 215 Pennsylvania Ave., SE Washington, DC 20003	Public Citizen	5,250.00	
Mark Bloomfield, 1850 K St., NW, #400 Washington, DC 20006	American Council for Capital Formation	1,500.00	
Shirley A. Bloomfield, 2626 Pennsylvania Ave., NW Washington, DC 20037	National Telephone Cooperative Assn	12,000.00	896.50
Jared O. Blum, 1731 Connecticut Ave., NW, 2nd Fl. Washington, DC 20009-1146	Albers & Company (For:Direct Marketing Assn)	10,320.75	157.12
Do	Albers & Company (For:May Department Stores Co)		
Robert A. Blum, 600 Montgomery Street San Francisco, CA 94111	Orrick Herrington & Sutcliffe (For:Permanente Medical Group, Inc)		
Charles R. Blumenfeld, Bogle & Gates 2100 Bank of California Center Seattle, WA 98164	Pacific Seafood Processors Assn		
Patti Blumer, 1667 K Street, NW, #430 Washington, DC 20007	American Dietetic Assn	1,000.00	718.26
Boat Owners Assn of the U.S., 880 S. Pickett St. Alexandria, VA 22304		90,000.00	90,000.00
Seth M. Bodner, 386 Park Avenue South New York, NY 10016	National Knitwear & Sportswear Assn	1,312.50	
Bogle and Gates, One Thomas Circle, NW, #900 Washington, DC 20005	Alaskan Factory Trawlers Assn	500.00	
Do	Northwest Apparel & Textile Assn	5,000.00	
Do	United Sport Fishermen	500.00	
Do	University of South Alabama	500.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Robert Z. Bohan, 1101 16th St., NW Washington, DC 20036	National Soft Drink Assn		20.75
Patricia Boinski, 1333 New Hampshire Ave., NW Washington, DC 20036	Atlantic Richfield Co		
Benjamin C. Bolusky, 1250 Eye Street, NW, #500 Washington, DC 20005	American Assn of Nurserymen		
A. Dewey Bond, P.O. Box 3556 Washington, DC 20007	American Meat Institute	500.00	
Edward N. Bond, 1700 N. Moore St., #2120 Rosslyn, VA 22209	Boeing Company	550.00	
John E. Bonitt, 1001 Pennsylvania Avenue, NW, #700 Washington, DC 20004	Allied-Signal, Inc	950.00	265.00
Bonner & Associates, 1625 K Street, NW Washington, DC 20006	Fraternal Order of Police of Washington, D.C.		
Brian C. Bonnet, 1199 N. Fairfax Street, #801 Alexandria, VA 22314	National Assn of Truck Stop Operators		
Bonsib, Inc, P.O. Box 1807 Washington, DC 20013			
Gaylon B. Booker, 1918 N. Parkway Memphis, TN 38112	National Cotton Council of America	280.00	5.10
Steven A. Bookshester, 1771 N Street, NW Washington, DC 20036	National Assn of Broadcasters	510.00	12.00
John K. Booth, 1001 Pennsylvania Ave., NW Washington, DC 20006	American Council of Life Insurance, Inc	100.00	
Laurence D. Bory, 1015 15th St., NW, #802 Washington, DC 20005	American Consulting Engineers Council	2,681.25	
William J. Bosies, 1730 Pennsylvania Ave., NW, #900 Washington, DC 20006	Capital Holding Corporation	2,400.00	
Ken Bossong, 215 Pennsylvania Ave., SE Washington, DC 20003	Public Citizen, Inc		
G. Stewart Boswell, 2500 Wilson Blvd. #301 Arlington, VA 22201	American Apparel Manufacturers Assn, Inc	3,608.33	32.85
Charles G. Botsford, 1730 M St., NW, #911 Washington, DC 20036	McDonnell Douglas Helicopters, et al	1,500.00	
John C. Bottenberg, 702 Jayhawk Tower 700 S.W. Jackson Topeka, KS 66603	Reese Communications Cos (for: Philip Morris, USA)	7,500.00	198.00
John E. Bouchard, 1667 K Street, NW, #350 Washington, DC 20006	Maersk Line, Ltd		
Albert D. Bourland, 1615 H Street, NW Washington, DC 20062	U.S. Chamber of Commerce		
Laura L. Bourne, 1750 K Street, NW Washington, DC 20006	Food Marketing Institute	100.00	
Wayne A. Boutwell, 50 F Street, NW, #900 Washington, DC 20001	National Council of Farmer Cooperatives	5,600.00	
John Bowers Jr., 815 16th Street, NW Washington, DC 20006	International Longshoremen's Assn, AFL-CIO	8,737.19	2,598.88
Michael Bowers, 1717 K Street, NW, #407 Washington, DC 20006	American Assn for Marriage & Family Therapy	250.00	
Richard P. Bowling, 1020 Princess Street Alexandria, VA 22314	Truck Trailer Manufacturers Assn	1,000.00	
Joan Costain Bowyer, 1015 15th St., NW, #909 Washington, DC 20005	Phelps Dodge Corp	150.00	
John G. Boyd, 1801 K St., NW Washington, DC 20006	International Business Machines Corp	325.00	49.50
Bracewell & Patterson, 2000 K St., NW, #500 Washington, DC 20006	Austin Capital Metropolitan Transit Authority		
Do	Chemical Manufacturers Assn, Inc	1,075.00	428.92
Do	Coalition of Funeral Directors		
Do	Computer Dealers & Lessors Assn, Inc		
Do	Enron Corp		
Do	Graham Resources, Inc		
Do	Lane & Mittendorf		
Do	Liberty Bank & Trust of New Jersey		
Do	Louisiana Land & Exploration Co		
Do	Massachusetts Mutual Life Insurance		
Do	MEPC American Properties		
Do	National Cable Television Assn, Inc		
Do	Pennsylvania Natural Gas Assn		
Do	Southdown/Pelto Oil Company		
Do	Torch Energy Advisors, Incorporated		
Do	Valero Energy Corporation	1,505.00	600.49
Bracy Williams & Company, 1000 Connecticut Avenue, NW, #304 Washington, DC 20036	American Southwest Financial Corp	7,000.00	245.00
Do	Arkla, Inc	7,000.00	195.00
Do	Babcock & Wilcox		
Do	City of Klamath Falls	8,000.00	60.00
Do	City of Tucson	7,000.00	115.00
Do	Coin Coalition	10,000.00	265.00
Do	Emerald Homes	3,000.00	65.00
Do	Energy Absorption Systems, Inc	8,000.00	95.00
Do	Estes Company	1,000.00	85.00
Do	Pratt & Whitney Aircraft Group	4,000.00	
Do	Satellite Broadcast Network	1,000.00	45.00
Do	Southern Arizona Water Resources Association	2,000.00	65.00
Bradbury Bliss & Riordan, 431 West 7th Ave., #201 Anchorage, AK 99501	Akhiok-Kaguyak, Inc	40,000.00	
Robert W. Bradford, 5266 Quince Road Memphis, TN 38117			
Stephen E. Bradley, 600 18th Street North Birmingham, AL 35291	Alabama Power Company	42,565.63	528.96
Wayne W. Bradley, 535 North Dearborn Street Chicago, IL 60610	American Medical Assn		
Dennis M. Bradshaw, 8224 Old Courthouse Road Vienna, VA 22180	Sheet Metal & Air Conditioning Contractors' Nat'l Assn		
Sarah Brady, 1225 Eye Street, NW, #1100 Washington, DC 20005	Handgun Control, Inc	1,634.62	
Charles G. Bragg, P.O. Box 12285 Memphis, TN 38182	National Cotton Council of America		
Stuart J. Brahs, 655 15th St., NW, #950 Washington, DC 20005	Principal Financial Group	348.55	
Sally M. Brain, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America		
Talmadge Branch, 300 Eye St., NE, #200 Washington, DC 20002	Minority Business Enterprise Legal Defense & Education Fund		
Brand & Lowell, 923 15th Street, NW, Fifth Fl. Washington, DC 20005	National Assn for Home Care		
Do	West Group		
William C. Brashares, Mintz Levin Cohn Ferris Glovsky & Popeo 1825 Eye St., NW, #1201 Washington, DC 20006	Smith Barney Harris Upham & Co, Inc		
Jean A. Brashears, 8001 Braddock Road Springfield, VA 22160	National Right to Work Committee	250.00	
Christian N. Braunlich, 1331 Pennsylvania Avenue, NW, #1500N Washington, DC 20004-1703	National Assn of Manufacturers	125.00	
Roy Braunstein, 1300 L Street, NW Washington, DC 20005	American Postal Workers Union, AFL-CIO	13,872.80	503.06
Donald H. Brazier, P.O. Box 12266 Seattle, WA 98102	Dollar Savings Bank, et al		
Harold E. Brazil, 1900 Pennsylvania Avenue, NW Washington, DC 20068	Potomac Electric Power Co	49.07	
Noel Brazil, 1505 Prince Street, #300 Alexandria, VA 22314	American Optometric Assn		
Edward T. Breathitt, 1500 K Street, NW, #375 Washington, DC 20005	Norfolk Southern Corp	1,000.00	
Roy S. Bredder, 1111 14th St., NW, #1200 Washington, DC 20005	American Dental Assn	1,000.00	
George W. Breece, P.O. Box 2801 Fayetteville, NC 28302	American State of the Art Prosthetic Assn	11,400.00	4,382.39
Bregman Abell & Kay, 1156 15th St., NW, #1212 Washington, DC 20005	Air Transport Assn of America	1,200.00	
Do	American Car Rental Assn		
Do	American Fed of Labor & Congress of Industrial Organizations		
Do	American Federal Savings Bank	5,000.00	
Do	Committee to Eliminate Equipment Giveaways	5,000.00	
Do	Federal Home Loan Bank of San Francisco	5,000.00	
Do	Murry's, Inc		
Do	Temistocles Ramirez		
Do	Ryder Systems, Inc		
Do	Trans World Airlines, Inc	3,000.00	
Do	Truck Renting & Leasing Assn	3,000.00	
Carolyn L. Brehm, 1660 L Street, NW Washington, DC 20036	General Motors Corp	3,000.00	2,141.14
Michael J. Brennan, 1750 New York Ave., NW Washington, DC 20006	International Assn of Bridge Struct & Ornamental Iron Wkrs	10,800.00	654.96
Richard Brescia, N.Y.S. Petroleum Council 150 State Street Albany, NY 12207	American Petroleum Institute		
Thomas M. Bresnahan III, 1700 K Street, NW, #1200 Washington, DC 20006	Chevron USA, Inc	1,500.00	
William O. Bresnick, 1050 17th Street, NW, #500 Washington, DC 20036	Texaco, Inc	100.00	
Paul J. Breuer, 807 Maine Ave., SW Washington, DC 20024	Disabled American Veterans	12,131.60	320.00
Albert E. Brewster, 1000 Wilson Blvd., #2300 Arlington, VA 22209	Northrop Corp		165.72
Bricker & Eckler, 888 17th Street, NW, #1050 Washington, DC 20006-3967	Commonwealth of Puerto Rico	1,658.00	
Bobbe J. Bridge, 1011 Western Ave., 10th Floor Seattle, WA 98104	Garvey Schubert & Barer (For:Reese Communications Cos (for: Philip Morris, USA))	12,000.00	
Bruce Briggs, P.O. Box 1417-D49 Alexandria, VA 22313	National Assn of Chain Drug Stores, Inc	500.00	
Sue M. Briggum, 1155 Connecticut Ave., NW Washington, DC 20036	Waste Management, Inc	3,550.00	2,224.00
Robert J. Brinkmann, 1627 K Street, NW, #400 Washington, DC 20006	National Newspaper Assn	5,000.00	190.07
Stephen W. Broadie, 1629 K Street, NW, #1010 Washington, DC 20006	Alliance of American Insurers	1,500.00	39.60
Bradly A. Broadwell, 2501 M Street, NW Washington, DC 20037	Chemical Manufacturers Assn, Inc	2,000.00	
David M. Brockman, 725 15th St., NW, #500 Washington, DC 20005	National Grain & Feed Assn		
Mary Broderick, 1625 K St., NW, 8th Fl. Washington, DC 20006	National Legal Aid & Defender Assn	1,500.00	
William M. Brodhead, 900 Marquette Building Detroit, MI 48226	Plunkett & Cooney (for Blue Cross & Blue Shield of Michigan)	6,000.00	69.45
Do	Plunkett & Cooney (for City of Detroit, Michigan)	7,500.00	480.00
Do	Plunkett & Cooney (for Detroit Educational TV Foundation)		
Do	Plunkett & Cooney (for Humane Soc of the U.S.)	2,704.00	751.07
Do	Plunkett & Cooney (for Michigan Consolidated Gas Co)	10,500.00	3,754.90
Do	Plunkett & Cooney (for Michigan Humane Society)	2,704.00	746.08
David A. Brody, 1050 Seventeenth Street, NW Washington, DC 20036	American Fiber Manufacturers Assn		
Do	Anti-Defamation League of B'nai B'rith		
Marcia D. Brody, 1023 15th Street, NW, #300 Washington, DC 20005	American Veterinary Medical Assn	200.00	200.00

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Michael J. Brokovich, 2001 L Street, NW, Suite 1000 Washington, DC 20036	Unisys Defense Systems	1,000.00	
Michael D. Bromberg, 1111 19th St., NW, #402 Washington, DC 20036	Federation of American Health Systems	4,500.00	
Brook Associates, Inc, 1620 Eye Street, NW, #716 Washington, DC 20006	Northern Textile Assn	8,268.00	8,268.00
Dale E. Brooks, 1700 K St., NW Washington, DC 20006	Chevron USA, Inc	700.00	
E. R. Brooks, 2121 San Jacinto Street, #2500 Dallas, TX 75201	Central & South West Corp		3,669.86
Mary E. Brooks, 1730 M Street, NW Washington, DC 20036	League of Women Voters of the U.S.	5,421.46	245.00
Philip A. Brooks, 1125 15th Street, NW Washington, DC 20005	Mortgage Bankers Assn of America		
Donald G. Brotzman, 1400 K St., NW Washington, DC 20005	Rubber Manufacturers Assn	10,000.00	
Joseph Browder, 418 10th St., SE Washington, DC 20003	Unelco		
Cynthia A. Brown, 1640 Wisconsin Ave., NW, Washington, DC 20007	American College of Surgeons		
Cynthia L. Brown, 1110 Vermont Ave., NW, #1250 Washington, DC 20005	Shipbuilders Council of America	15,000.00	
Dale E. Brown, 1133 19th Street, NW Washington, DC 20036	MCI Communications Corp	10,000.00	1,865.56
David C. Brown, 410 First St., SE Washington, DC 20003	American Nuclear Energy Council	787.50	453.50
David S. J. Brown, 1101 17th St., NW, #604 Washington, DC 20036	Monsanto Co	700.00	981.83
Diane R. Brown, 2001 L Street, NW, #506 Washington, DC 20036	Chlorine Institute, Inc	300.00	82.28
Doreen L. Brown, 1001 Connecticut Ave., NW, #800 Washington, DC 20036	Consumers for World Trade		
George L. Brown, 1000 Wilson Boulevard Arlington, VA 22209	Grumman Corporation	1,250.00	1,261.62
James P. Brown, 5622 Delmar Blvd., #105-W St. Louis, MO 63112	City of St. Louis - City Hall		2,000.00
Jesse P. Brown Jr., P.O. Box 12285 Memphis, TN 38182	National Cotton Council of America		
Ralph Brown, Suite 107 701 S. 22nd Street Omaha, NB 68102	M.O.A.A.I.O.A. & Subs, Inc		
Ronald H. Brown, 2550 M Street, NW Washington, DC 20037	Wayne County Michigan		
S. M. Henry Brown Jr., P.O.Box 61000 New Orleans, LA 70161	MSU System Services, Inc	2,455.00	278.88
Vincent D. Brown, Nebraska Petroleum Council P.O. Box 95063 Lincoln, NB 68509	American Petroleum Institute	2,500.00	1,561.20
Will Rolland Brown, 1731 Connecticut Ave., NW Washington, DC 20009	Albers & Company (For:May Department Stores Company)		
William R. Brown, 122 C Street, NW, #200 Washington, DC 20001	Council of State Chambers of Commerce	332.21	
William Y. Brown, 1155 Connecticut Ave., NW, #800 Washington, DC 20036	Waste Management, Inc	3,550.00	2,224.00
Brown Coates & McCarthy Inc, 900 17th Street, NW, #1100 Washington, DC 20006	Royal Teton Ranch		
Arthur W. Brownell, 1620 Eye St., NW, #700 Washington, DC 20006	International Paper Co	4,890.00	1,529.35
Brownstein Hyatt Farber & Madden, 410 17th Street, 22nd Floor Denver, CO 80202	Alliance for Capital Access	500.00	
Do	Columbia Savings & Loan Assn		
Do	MDC Asset Investors, Inc		
Do	Republic Health Corp		
Do	Smith Barney Harris Upham & Co, Inc		
Do	Western Union Corp	7,186.00	
Brownstein Zeidman & Schomer, 1401 New York Ave., NW, #900 Washington, DC 20005	Schochet Associates		
Wolf Brueckmann, 1615 H Street, NW Washington, DC 20062	U.S. Chamber of Commerce		
Kathryne M. Bruner, 1100 17th Street, NW, #1200 Washington, DC 20036	General Atomics	3,185.00	263.48
William K. Brunette, 1909 K Street, NW Washington, DC 20049	American Assn of Retired Persons	599.03	74.34
J. M. Brunkenhoefer, 400 First Street, NW, #704 Washington, DC 20001	United Transportation Union	6,250.00	138.55
Michael E. Brunner, 2626 Pennsylvania Avenue, NW Washington, DC 20037	National Telephone Cooperative Assn	2,000.00	34.20
J. Charles Bruse, 633 Pennsylvania Ave., NW, #600 Washington, DC 20004	Allstate Insurance Cos	935.00	449.95
Victor A. Bryant, 1801 K Street, NW #900 Washington, DC 20006	American Textile Manufacurers Institute	55.00	12.00
Dawn M. Brydon, 888 16th Street, NW Washington, DC 20006	Milk Industry Foundation/Int'l Ice Cream Assn		
Don C. Buchanan, 1750 New York Ave., NW Washington, DC 20006	Sheet Metal Workers International Assn		
Robert Buckler, 405 Sibley St., #120 St. Paul, MN 55101	National Board of Fur Farm Organizations	9,000.00	32.00
Thomas L. Buckmaster, 1301 Connecticut Avenue, NW, #700 Washington, DC 20036	Citizens for Sensible Control of Acid Rain	370.00	70.56
Roy C. Buckner, 1090 Vermont Ave., NW, #1100 Washington, DC 20005	Textron	600.00	150.00
Building Owners & Managers Assn Int'l, 1250 Eye St., NW, #200 Washington, DC 20005			
Douglas W. Bulcao, 1801 K Street, NW, #900 Washington, DC 20006	American Textile Manufacturers Institute, Inc	750.00	18.00
Kim H. Bullerdick, 7227 North 16th Street Phoenix, AZ 85020	Giant Industries, Inc		
Darrel D. Bunge, Minnesota Petroleum Council 350 St. Peter Street, #1025 St. Paul, MN 55102	American Petroleum Institute	743.52	1,127.12
David A. Bunn, 1211 Connecticut Avenue, NW, #406 Washington, DC 20036	Hearst Corporation	1,000.00	
Do	Magazine Publishers Assn, Inc		
Do	Parcel Shippers Assn	2,000.00	
David S. Bunton, 801 17th Street, NW, #200 Washington, DC 20006	Federal Asset Disposition Assn	9,450.00	
Norman D. Burch, 1101 Vermont Ave., NW, #604 Washington, DC 20005	College of American Pathologists	9,000.00	206.00
Barbara G. Burchett, 1615 L Street, NW, #1220 Washington, DC 20036	Hallmark Cards, Inc		
Paul F. Burdett, 1776 Eye Street, NW, #575 Washington, DC 20036	Merrell Dow Pharmaceuticals, Inc		68.50
Clair W. Burgener, P.O. Box 8186 Rancho Santa Fe, CA 92067	Stonecrest/The Hooberman Group		
Burger King Corp, 17777 Old Cutler Road Miami, FL 33157			5,644.74
Gerard P. Burke, 1117 Spotswood Drive Silver Spring, MD 20904	International Air Leases, Inc		
Burley & Dark Leaf Tobacco Export Assn, 1100 17th St., NW Washington, DC 20036		30,021.25	1,075.00
Burness Communications, 7910 Woodmont Ave., #912 Bethesda, MD 20814	Therapeutic Immunology, Inc	7,500.00	4,557.91
Phillip C. Burnett, 1918 N. Parkway Memphis, TN 38112	National Cotton Council of America	1,557.69	
Burnham & Heller, 4140 Miller Road Ann Arbor, MI 48103	Accident Fund of Michigan		
Charles S. Burns, 1015 15th St., NW, #909 Washington, DC 20005	Phelps Dodge Corp	1,200.00	
Kevin R. Burns, 1920 N Street, NW Washington, DC 20036	American Mining Congress		
Timothy F. Burns, 2501 M St., NW Washington, DC 20037	Chemical Manufacturers Assn, Inc	4,000.00	118.00
Burr & Forman, 3000 Southtrust Tower Birmingham, AL 35203	Investment Company Institute		
Burson-Marsteller, 1850 M Street, NW, #900 Washington, DC 20036	American Assn of Dental Schools		
Do	American Dental Assn		
Do	Arthur Andersen & Co		
Do	City of Philadelphia		
Do	Federation of Special Care Organizations in Dentistry		
Do	Hankin Management-Arsenal Business Center Associates	330.00	14.00
Do	Partnership for Improved Air Travel		
Do	Pennwalt Corp		
Do	Philadelphia Industrial Development Corp		
Do	Philadelphia Port Corp	380.00	7.00
Do	Philip Morris, Inc		
Do	Saudi Refining, Inc		
Do	Specialty Vehicle Institute of America (SVIA)		
Do	Temple University	1,140.00	21.00
Do	Thomson-CSF, Inc		
Barbara L. Bush, 1220 L St., NW Washington, DC 20005	American Petroleum Institute	200.00	
Roy Bussewitz, 1800 Diagonal Road, #140 Alexandria, VA 22314	Glaxo, Inc	1,000.00	3.00
Dr. Donald G. Butcher, c/o N.Y.S. Petroleum Council 150 State Street Albany, NY 12207	American Petroleum Institute	1,400.00	1,077.38
James J. Butera, 4901 Quebec Street, NW Washington, DC 20016	Albany Savings Bank	500.00	550.00
Do	Dime Savings Bank of New York	300.00	100.00
Do	Lake Sunapee Savings Bank	500.00	550.00
Do	Mid Maine Saving Bank	500.00	550.00
Do	Poughkeepsie Savings Bank	500.00	550.00
Do	Savings Bank of the Finger Lakes	500.00	550.00
Henry Butler, 3707 Woodview Trace Indianapolis, IN 46268	Crop Insurance Research Bureau		
M. Caldwell Butler, P.O. Box 720 Roanoke, VA 24004	National Conference of Bankruptcy Judges	115.50	
Patrick Butler, 1875 Eye Street, NW, #1110 Washington, DC 20006	Times Mirror Co		
Mrs. H. E. Butt, 3700 Ocean Drive Corpus Christi, TX 78411			
Bruce Butterfield, 1745 Jefferson Davis Hwy, #511 Arlington, VA 22202	Manufacturing Housing Institute		
Mary Jane Butterfield, 1200 19th St., NW, #550 Washington, DC 20036	Harff Butterfield (For:Turkish Republic of Northern Cyprus)	2,812.50	
John J. Byrne, 1120 Connecticut Ave., NW Washington, DC 20036	American Bankers Assn	3,000.00	
James R. Byron, 1627 K Street, NW, #200 Washington, DC 20006	Fluor Corporation		
Patrick J. Cacchione, 625 Slaters Lane, #200 Alexandria, VA 22314	National Assn of Medical Equipment Suppliers		
Cadwalader Wickersham & Taft, 1333 New Hampshire Ave., NW, 7th Fl. Washington, DC 20036	Official Committee of Dalkon Shield Claimants		
Elizabeth B. Cady, 1919 Pennsylvania Ave., NW Washington, DC 20006	Steel Service Center Institute		
John D. Cahill, 1310 19th St., NW Lower Level Washington, DC 20036	Massachusetts Bay Transportation Authority	6,250.00	
C. Richard Cahoon, 1120 Vermont Ave., NW, #1130 Washington, DC 20005	Petroleum Marketers Assn of America	3,000.00	286.27
Morrison G. Cain, 1901 Pennsylvania Ave., NW, #200 Washington, DC 20006	International Mass Retail Assn	6,250.00	
Christopher G. Caine, 1801 K St., NW, #1200 Washington, DC 20006	IBM Corp	8,160.00	1,819.28
Tony Calandro, 2251 Wisconsin Ave., NW Washington, DC 20007	National Assn of Trade & Technical Schools	1,750.00	
Alan Caldwell, 1455 Pennsylvania Ave., NW, #525 Washington, DC 20004	RJR Nabisco, Inc	2,155.25	
John C. Callihan, 299 Park Avenue New York, NY 10171	Westvaco Corporation		
Calorie Control Council, 5775 Peachtree-Dunwoody Rd., #500-D Atlanta, GA 30342			
Cambridge International, Inc, 1600 Wilson Boulevard, #713 Arlington, VA 22209	Eastern Technologies, Inc	500.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	FMC Corporation	500.00	
Do	General Dynamics Land Systems	1,000.00	
Do	General Dynamics Valley Systems Division	250.00	
Do	Lockheed Aeronautical Systems Co	325.00	
Do	McDonnell Douglas Helicopter Company	600.00	
Do	Optic-Electronic Corp	500.00	
Do	Textron Lycoming	500.00	
Arthur E. Cameron, 1111 14th Street, NW, #1001 Washington, DC 20005	Amerace Corporation	2,000.00	
Do	Lukens General Industries, Inc	2,110.00	
Do	National Greyhound Assn	4,500.00	
Do	Potters Industries, Inc	750.00	
Do	Safetran Systems Corporation	2,400.00	
Do	Syro Steel Co, et al	2,100.00	
Do	3M Company	4,282.00	
Nancy Camm, 1800 K Street, NW, #900 Washington, DC 20006	Bank of America	77.31	153.75
Camp Barsh Bates & Tate, 2550 M St., NW, #275 Washington, DC 20037	Associated Financial Corp		
Do	ARA Services		
Do	Blue Cross & Blue Shield Assn		
Do	Campbell Soup Co		
Do	CenTrust Savings Bank		
Do	Chemical Manufacturers Assn, Inc	500.00	
Do	Citgo Petroleum Crop		
Do	Fashion Accessories Shippers Assn (FASA)		
Do	Government Program Services		
Do	Greater Boston Community Development, Inc		
Do	Housing Investment Alliance		
Do	Management Insights, Inc		
Do	Missouri Baptist Hospital of Sullivan		
Do	Mobil Oil Corp		
Do	Stephen Moses Interests		
Do	National Assn of Nuclear Pharmacies		
Do	Natural Gas Supply Assn	6,035.00	160.56
Do	NATCO (National Assn of Tax Credit Coalition)		
Do	Occidental Petroleum Corp		
Do	Olin Corporation		
Do	Pennzoil Co		
Do	Pierce Kennedy Hearth		
Do	Presidential Airways, Inc		
Do	PGA Tour		
Do	PPG Industries, Inc		
Do	Russ Berrie & Co, Inc		
Do	Shell Oil Co		
Do	Southland Corporation	625.00	
Do	Texaco, Inc		
Do	Union Pacific Resources, Inc	675.00	
Do	VRAIN Company		
Do	Western Mobil Home Assn		
Do	World Airways		
C. R. Campbell Jr., 1850 M St., NW, #1200 Washington, DC 20036	GTE Corporation	1,000.00	
Carl C. Campbell, 1110 Vermont Avenue, NW, #430 Washington, DC 20005	National Cotton Council of America	400.00	
Charles O. Campbell, 1420 King Street Alexandria, VA 22314-2715	National Society of Professional Engineers	2,000.00	
David Campbell, 1412 16th Street, NW Washington, DC 20036-0001	National Wildlife Federation	11.78	
Jeanne Campbell, Campbell-Raupe, Inc 1010 Pennsylvania Avenue, SE Washington, DC 20003	Algonquin Gas Transmission		
Do	American Airlines, Inc		
Do	American Nuclear Energy Council		
Do	Invest to Compete Alliance		
Do	LTV Aerospace & Defense Co		
Do	The New England		
Do	Product Liability Alliance		
Do	Securities Industry Assn		
Do	Stone & Webster Engineering Corp		
Do	Texas Utilities Services, Inc		
Do	Union Pacific Corp		
Do	United Illuminating Co		
Do	Westinghouse Electric Corp		
Jerry L. Campbell, 1201 Chestnut St. Chattanooga, TN 37402	Tennessee Valley Public Power Assn		
John G. Campbell, 1111 Jefferson Davis Highway, # 508 Arlington, VA 22202	General Electric Co	5,715.00	
Do	General Motors Corp	10,800.00	
Do	Professional Services Council	200.00	
Do	West Virginia University	12,600.00	
Kelly A. Campbell, 1667 K Street, NW, #710 Washington, DC 20006	Baxter		
Thomas D. Campbell & Associates, Inc, 113 South Alfred Street Alexandria, VA 22314	Cyprus Minerals Co	5,000.00	4,777.63
Charles J. Campisi, 2000 K Street, NW, #800 Washington, DC 20006	National Comm to Preserve Social Security	13,454.00	623.72
Canadian Coalition on Acid Rain, 112 St. Clair Avenue, #401 Toronto, Ontario Canada M4V 2Y3		2,024.82	3,568.90
Robert P. Canavan, 1909 K St., NW Washington, DC 20049	American Assn of Retired Persons	344.61	
Candlelighters, 123 C St., SE Washington, DC 20003			
Anne C. Canfield, 1331 Pennsylvania Ave., NW, #800-South Washington, DC 20004	General Electric Co	425.00	
William F. Canis, 1730 Pennsylvania Avenue, NW, #750 Washington, DC 20006	Caterpillar, Inc	5,000.00	326.12
Sharon F. Canner, 1331 Pennsylvania Ave., NW, #1500 N. Washington, DC 20004-1703	National Assn of Manufacturers	186.80	
W. Dean Cannon Jr., 9800 S. Sepulveda Blvd., #500 Los Angeles, CA 90045	California League of Savings Institutions	3,000.00	6,154.94
Howard W. Cannon & Associates, 1919 Pennsylvania Avenue, NW, #800 Washington, DC 20006	Rockwell International Corp		
David L. Cantor, 1233 20th St., NW, #400 Washington, DC 20036	Porter Wright Morris & Arthur (For:Coalition for Environmental-Energy Balance)		
Charles Hollister Cantus, 555 13th Street, NW, #450 west Washington, DC 20004	Union Pacific Corporation	8,000.00	
Capital Representation Group, Inc, 1127 11th Street, #1003 Sacramento, CA 95814	Reese Communications Cos (for: Philip Morris, USA)	10,500.00	
Capitol Associates, Inc, 426 C Street, NE Washington, DC 20002	American Assn for Cancer Research	300.00	
Do	American Foundation for Aids Research	750.00	
Do	Arthritis Foundation	937.50	
Do	Cambridge BioScience	750.00	
Do	Cedars-Sinai Medical Center	1,375.00	
Do	Charles River Laboratories	1,000.00	
Do	Citizens Comm for Medical Research & Health Education	300.00	
Do	Cystic Fibrosis Foundation	450.00	
Do	Endocrine Society	400.00	
Do	Illinois Collaboration on Youth	88.00	
Do	Joint Council of Allergy & Immunology	412.50	
Do	Merck & Co, Inc	1,000.00	
Do	Museum of Science & Industry	300.00	
Do	National Assn of Pediatric Nurse Associates & Practitioners	375.00	
Do	National Coalition for Volunteer Protection	150.00	
Do	National Crime Protection Council	450.00	
Do	National Multiple Sclerosis Society	572.50	
Do	Polymer Technology Corp	500.00	
Do	Rehabilitation Institute of Chicago	812.50	
Do	Technicon Data Systems Corp	1,200.00	
Do	University of California (San Diego)	500.00	
Do	University of California Los Angeles	312.50	
Do	Westmore, Ltd		
Caplin & Drysdale, Chtd, One Thomas Circle, NW, #1100 Washington, DC 20005	Association of American Publishers		
Do	Children's Television Workshop		
Do	National Council of YMCA of the USA		
Do	National Wildlife Federation		
John M. Capriccioso, 1776 Eye St., NW, #575 Washington, DC 20006	Dow Chemical USA	500.00	5,496.00
Denise A. Cardman, 1800 M St., NW Washington, DC 20036	American Bar Assn	400.00	50.00

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Norval E. Carey, 1100 17th St., NW, #1200 Washington, DC 20036	General Atomics	26,100.00	1,226.54
Caribbean Trade and Apparel Coalition (C-TAC), 1215 17th Street, NW Washington, DC 20036			
Maurice E. Carino Jr., 1667 K St. N.W., #600 Washington, DC 20006	Bethleham Steel Corp	150.00	
Linda E. Carlisle, 1333 New Hampshire Ave., NW Washington, DC 20036	Cadwalader Wickersham & Taft (For:Clayton & Dubilier, Inc)	470.00	
Do	Cadwalader Wickersham & Taft (For:GAF Corporation)		
Do	Cadwalader Wickersham & Taft (For:Mercedes-Benz of North America, Inc)		
Edward J. Carlough, 1750 New York Avenue, NW Washington, DC 20006	Sheet Metal Workers International Assn	25,987.00	
Anne E. Carlson, 1620 Eye Street, NW, #1000 Washington, DC 20006	Motor Vehicle Manufacturers Assn of the U.S., Inc	5,375.00	
Catherine A. Carlson, 1400 16th Street, NW Washington, DC 20036	National Wildlife Federation	1,407.60	
Robert E. Carlstrom Jr., 1823 Jefferson Place, NW Washington, DC 20036	Jefferson Group, Inc (For:Doe Run Company)	12,000.00	666.78
Carmen & Muss, 1901 Pennsylvania Ave., NW, #1000 Washington, DC 20006	Carmen Carmen & Hugel (for CareerCom)		
Carmen Carmen & Hugel, Inc, 1667 K Street, NW, #950 Washington, DC 20006	CareerCom	2,000.00	
Phyllis D. Carnilla, 1700 17th Street, NW, #301 Washington, DC 20009	Birting Fisheries, Inc		3.00
Do	JOMM Limited Partnership	168.75	3.00
Do	TD 61, Inc		
Bertram W. Carp, 111 Massachusetts Ave., NW, 3rd Fl. Washington, DC 20001	Turner Broadcasting System, Inc	6,125.00	
George D. Carpenter, 6110 Center Hill Road Cincinnati, OH 45224	Procter & Gamble Manufacturing Co		
Susan Carr, 1709 New York Avenue, NW, #801 Washington, DC 20006	U.S. League of Savings Institutions	1,250.00	
John R. Carson, 9312 Old Georgetown Rd. Bethesda, MD 20814-1621	American Podiatric Medical Assn	18,000.00	
R. D. Carson Jr., P.O. Box 2021 40 Franklin Rd., SW Roanoke, VA 24022	Appalachian Power Company		
John R. Carter, 1000 Wilson Blvd., #2600 Arlington, VA 22209	TRW, Inc	900.00	1,392.00
Joseph L. Carter Jr., 50 F Street, NW, #1200 Washington, DC 20001-1564	Association of American Railroads	1,013.72	978.25
James P. Carty, 1331 Pennsylvania Ave., NW, #1500 N. Washington, DC 20004-1703	National Assn of Manufacturers	500.00	
Susan B. Carver, 1130 17th Street, NW Washington, DC 20036	National Coal Assn	1,375.00	1,118.52
George L. Cary, 1700 Pennsylvania Ave., NW, #500 Washington, DC 20006	Mutual of Omaha Insurance Co	2,000.00	425.11
Allen R. Caskie, 1001 Pennsylvania Ave, NW Washington, DC 20004	American Council of Life Insurance, Inc	5,500.00	
Eugene I. Casraiss Jr., 1757 N St., NW Washington, DC 20036	Int'l Union, United Auto Aerospace & Agric Implement Workers	15,630.56	59.80
J. Warren Cassidy, 1600 Rhode Island Avenue, NW Washington, DC 20036	National Rifle Assn of America	2,437.50	
Lawrence J. Cassidy, 1750 New York Avenue, NW Washington, DC 20006	Sheet Metal Workers International Assn	13,929.00	
Cassidy and Associates, Inc, 655 15th St., NW, #1100 Washington, DC 20005	Alexander Graham Bell Assn for the Deaf	100.00	
Do	American Dredging Company		
Do	American Hospital in Shanghai Foundation		
Do	American Science and Engineering, Inc		
Do	Anatolia College Board of Trustees		
Do	Arizona State University		
Do	Atlantic Financial		
Do	Barry University		
Do	Bolt Beranek & Newman, Inc		
Do	Boston Carmen's Union		
Do	Boston College		
Do	Boston University		
Do	Bowdoin College	274.80	
Do	Cardinal Hill Hospital	100.00	
Do	Catholic University of America		
Do	Centex Communications, Inc		
Do	Challenger Center		
Do	Children's Hospital and Health Center of San Diego	50.00	
Do	Children's Hospital in Michigan	600.00	
Do	Children's Hospital National Medical Center	75.00	
Do	Clark-Atlanta University	25.00	
Do	Columbia University		
Do	Critical Languages & Area Studies Consortium, Inc	750.00	24.00
Do	DataCom Systems Corporation		
Do	Drexel University		
Do	Duke University		
Do	Emerson College	75.00	46.50
Do	Enid Joint Industrial Foundation		
Do	Experiment in International Living	300.00	
Do	Friends of the American Tel Aviv Museum of Art		
Do	Fudan Foundation		
Do	Gonzaga University	25.00	
Do	Great Lakes Dredge and Dock Company		
Do	Hawaii Dept of Business & Economic Development		
Do	Hexagon Technical Company, Inc		
Do	Infirmary Health Systems, Inc		
Do	Institute for Circadian Physiology		
Do	International Data Group		
Do	T.L. James & Company		
Do	Kohler, Co		
Do	Thomas H. Lee Co		
Do	Lehigh University	150.00	20.00
Do	Loma Linda University Medical Center, Inc		
Do	Louisiana Public Facilities Authority	700.00	
Do	Loyola College (Baltimore)		
Do	Loyola Marymount University	175.00	
Do	Loyola University of Chicago		
Do	Massachusetts Corp for Education Telecommunication		
Do	Massachusetts League of Banks		
Do	Medical College of Ohio, Toledo		
Do	Medical College of Wisconsin	375.00	18.00
Do	Medical University of South Carolina	25.00	
Do	Michigan Biotechnology Institute	900.00	
Do	Michigan Technological University	275.00	
Do	Monterey Institute of International Studies	75.00	
Do	Mt. Sinai Medical Center of Greater Miami	1,125.00	
Do	Mt. Sinai Medical Center of New York City		
Do	National Jewish Center for Immunology & Respiratory Medicine	650.00	
Do	NeoRx		
Do	Northwestern University		
Do	O'Connell Management Co, Inc		
Do	Ocean Spray Cranberries, Inc	274.80	6.50
Do	Pennsylvania Turnpike Commission		
Do	Pirelli Cable Co	175.00	
Do	Polytechnic University	475.00	6.50
Do	Rochester Institute of Technology	375.00	6.50
Do	Saint Joseph's University	2,175.00	50.00
Do	Schutz American School	50.00	15.00
Do	Spring Garden College		
Do	St. Norberts College	375.00	
Do	Thomas Jefferson University	212.40	
Do	Tougaloo College	50.00	
Do	Tread Corporation		
Do	Tufts University	450.00	
Do	Twentieth Century Fox		
Do	United Hospitals, Inc		
Do	Universal Med Center/U of TX Health Science Center at Dallas	25.00	
Do	University of the Arts	137.40	
Do	University of Alabama in Huntsville		
Do	University of Bridgeport		
Do	University of Hawaii	150.00	
Do	University of Kentucky Research Foundation	75.00	
Do	University of Nebraska	800.00	
Do	University of Pennsylvania	137.40	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	University of Pittsburgh-Presbyterian Univ. Hospital	1,125.00	
Do	University of Scranton		
Do	University of Southern Mississippi		
Do	University of Utah		
Do	University of Vermont	200.00	
Do	Valley Children's Hospital	75.00	
Do	West Virginia University		
Do	Western Townships Utilities Authority		
Do	Wojdak & Assocs, Inc for: Children's Hospital of Pittsburgh	625.00	
Do	World Trade Center Boston	600.00	19.50
Mark A. Casso, 1015 15th Street, NW, #802 Washington, DC 20005	American Consulting Engineers Council	912.50	
John J. Castellani, 1000 Wilson Boulevard, #2700 Arlington, VA 22209	TRW, Inc	800.00	
G. Thomas Cator, 1050 17th Street, NW Washington, DC 20036	Neece Cator & Associates, Inc (For:Small Business United)		
Do	Neece Cator & Associates, Inc (For:Southeastern Lumber Manufacturers Assn)	12,000.00	1,975.00
Harvey E. Cauthen Jr., 2 Dexter Ave. Montgomery, AL 36104	Alabama Power Company	11,600.00	3,137.34
Mary Cavanagh, 305 Third St., SE Washington, DC 20003	Mercury Stainless Corp		
Red Cavaney, 260 Madison Avenue New York, NY 10016	American Paper Institute, Inc		
Rosario Ceballo, 2030 M St., NW Washington, DC 20036	Common Cause	5,288.76	
Cederberg & Associates, 7100 Sussex Place Alexandria, VA 22307	Grumman Corporation	200.00	
Do	Martin Marietta Corp	200.00	
Cendrowski & Selecky, P.C., 2050 N. Woodward, #310 Bloomfield Hills, MI 48013	Taubman Company, Inc	14,960.00	
Centerior Energy Corp, P.O. Box 94661 Cleveland, OH 44101-4661			2,264.98
David Certner, 1909 K Street, NW Washington, DC 20049	American Assn of Retired Persons	608.46	205.02
Chadbourne & Parke, 1101 Vermont Ave., NW, #900 Washington, DC 20005	Amalgamated Metal Corp PLC	12,512.00	
Do	American Paper Institute, Inc		
Do	Commercial Bank of New York		
Do	Napp Chemicals, Inc		
Do	Oxbow Geothermal Corp		
Do	Ruan Transportation Management Systems		
Chadwell & Kayser, Ltd, 8500 Sears Tower Chicago, IL 60606-6592	Chicago Board Options Exchange	5,000.00	
Do	Corn Coalition	10,000.00	
Do	Harza Engineering Co		
Michael J. Chakarun, 1920 N Street, NW Washington, DC 20036	American Mining Congress		
Deborah M. Chalfie, 1319 F St., NW, #300 Washington, DC 20004	Halt, Inc		
Dean S. Chalios, 1350 New York Avenue, NW, #900 Washington, DC 20005	International Franchise Assn		
Mark G. Chalpin, 1101 15th St., NW, #1000 Washington, DC 20005	National Constructors Association		
Terry M. Chamberlain, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America		
Chambers Associates, Inc, 1625 K Street, NW, #200 Washington, DC 20006	American Assn of Retired Persons		
Do	American Express Co		
Do	American Postal Workers Union, AFL-CIO	88.00	
Do	Anderson Hibey Nauheim & Blair		
Do	Apache Corporation		
Do	Coalition of Publicly Traded Limited Partnerships		
Do	Manville Corporation		
Do	Metcalf & Eddy/KVB Group		
Maxine Champion, 1025 Thomas Jefferson St., NW, #511 Washington, DC 20007	LTV Corporation	3,000.00	975.00
Ed Chandler, 7901 Westpark Drive McLean, VA 22102	National Machine Tool Builders' Assn	12,375.00	500.00
Thomas B. Chapman, 500 E Street, SW, #920 Washington, DC 20024	Aircraft Owners and Pilots Assn	11,798.00	1,843.50
William C. Chapman, 2801 Fort Scott Drive Arlington, VA 22202	Multinational Business Services, et al	25,988.00	808.00
Peggy Charren, 975 Memorial Drive, #504 Cambridge, MA 02138	Action for Children's Television	750.00	
Richard A. Charter, 6947 Cliff Ave. Bodega Bay, CA 94923	County Administrative Office County of Santa Cruz	12,000.00	2,168.27
William Chasey Organization, 855 La Jolla Corona Court La Jolla, CA 92037	Industrial Data Link		
Do	Life Insurance Coalition of America		
Do	Professional Asset Management, Inc		
Do	Real Property Services Corp		
Do	Syncrotech Software Corp		
Leslie Cheek III, 1025 Connecticut Avenue, NW, #414 Washington, DC 20036	Crum & Forster Corp	27,750.00	884.82
Chemical Specialties Manufacturers Assn, Inc, 1001 Connecticut Avenue, NW, #1120 Washington, DC 20036			2,019.47
William B. Cherkasky, 1350 New York Ave., NW, #900 Washington, DC 20005	International Franchise Assn		
Chernikoff & Company, 1826 Jefferson Place, NW, #101 Washington, DC 20036	Arena Stage	1,145.50	1,252.25
Do	Capital Childrens Museum	1,145.50	1,252.25
Do	Corcoran Gallery of Art	1,145.50	1,252.25
Do	Directors Guild of America	8,212.00	9,706.74
Do	Ford's Theater	1,145.50	1,252.25
Do	National Symphony	1,145.50	1,252.25
Do	Phillips Collection	1,145.50	1,252.25
Do	Shakespeare Theater at the Folger	1,145.50	1,252.25
Do	Textile Museum	1,145.00	1,252.25
Do	Washington Ballet	1,145.50	1,252.25
Do	Washington Opera	1,145.50	1,252.25
Do	Washington Performing Arts Society	1,145.50	1,252.25
John H. Chettle, 1050 Connecticut Ave., NW, #825 Washington, DC 20036	Chamber of Mines of South Africa	10,000.00	400.00
Do	Universal Frutrade Co-operative, Ltd		300.00
Samuel D. Chilcote Jr., 1875 Eye Street, NW, #800 Washington, DC 20006	Tobacco Institute, Inc	775.00	
William W. Chip, 1333 New Hampshire Ave., NW, #700 Washington, DC 20036	Cadwalader Wickersham & Taft (For:Raychem Corp)		
Hal M. Christensen, 317 Massachusetts Ave., NE, #100 Washington, DC 20002	Delta Dental Plans Assn	1,500.00	
Samuel W. Christine III, 1129 20th St., NW, #200 Washington, DC 20036	Greater Washington Board of Trade		
Jack E. Christy, 1909 K Street, NW Washington, DC 20049	American Assn of Retired Persons	693.26	
James T. Christy, 1730 Pennsylvania Ave., NW, #265 Washington, DC 20006	Air Products & Chemicals, Inc	1,800.00	118.50
Chugach Electric Assn, Inc, P.O. Box 196300 Anchorage, AK 99519-6300			3,128.83
Donald T. Chunn, Route 2, Box 89 Columbia, TN 38401	Title Associates, Inc		
Alan L. Chvotkin, 14829 Dufief Drive Gaithersburg, MD 20878	Sundstrand Corporation	4,802.50	893.17
Chwat/Weigend Associates, 400 First Street, NW, #100 Washington, DC 20001	American Home Sewing Assn, Inc	500.00	500.00
Do	American Pipe & Accessories League		
Do	American Radio Relay League, Inc	3,000.00	3,000.00
Do	Associated Locksmiths of America	1,200.00	1,200.00
Do	National Licensed Beverage Assn	3,000.00	3,000.00
Do	National Weather Service Employees Organization	300.00	300.00
Do	Texas Truck Safety Alliance (TTSA)	3,150.00	3,150.00
Donna M. Cirolia, 1001 Connecticut Ave., NW, #407 Washington, DC 20036	Water Quality Association		
Citizens for Sensible Control of Acid Rain (CSCAR), c/o 1301 Connecticut Avenue, NW Washington, DC 20036			12,772.90
Citizens Comm for the Right to Keep & Bear Arms, Liberty Park, 12500 NE Tenth Place Bellevue, WA 98005		529,627.99	134,162.48
Citizens Political Action Committee, P.O. Box 645 228 South A Street, #2 Oxnard, CA 93032			
Donald D. Clancy, 6507 Leeds Lane Cincinnati, OH 45215	American Continental Corp		
Do	Grocery Manufacturers of America, Inc	2,200.00	517.50
Do	Tele-Press Associates, Inc (For:Japan Fisheries Association)		
Fred D. Clark Jr., 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn		
Jordan Clark, 15th & M Streets, NW Washington, DC 20005	National Assn of Home Builders of the U.S.		
Julie Clark, 1625 K St., NW, #800 Washington, DC 20006	National Legal Aid & Defenders Assn	13,617.00	261.33
Lynn C. Clark, 1411 K Street, NW, #500 Washington, DC 20005	District of Columbia Chamber of Commerce	9,000.00	142.20
Robert Clark, 400 Madison St., #1908 Alexandria, VA 22314	Ryder Systems, Inc		
Rudy I. Clark, 5342 Woodbury Woods Lane Fairfax, VA 22032	Air Force Sergeants Assn, Inc		
Vernon A. Clark, 555 New Jersey Ave., NW, #255 Washington, DC 20001	Outdoor Advertising Assn of America, Inc	8,095.83	8,828.83
Sara F. Clary, 1629 K Street, NW, #1010 Washington, DC 20006	Alliance of American Insurers		
Joan Claybrook, 2000 P Street, NW, #605 Washington, DC 20036	Public Citizen, Inc	1,000.00	
Cleary Gottlieb Steen & Hamilton, 1752 N Street, NW Washington, DC 20036	Crompton & Knowles Corp		
Do	Day-Glo Color Corp	219.00	12.00
Do	Ministry of Finance & Public Credit of the United Mexican St		
Do	Security Pacific National Bank	1,485.00	12.25
Do	Union Oil Co of California, et al		
Ronald D. Clements, 1111 19th St., NW, 9th Floor Washington, DC 20036	Edison Electric Institute	4,336.05	1,359.50
Cleveland Electric Illuminating Co, 55 Public Square P.O. Box 5000 Cleveland, OH 44113			
Cleveland-Cliffs, Inc, 1100 Superior Avenue Cleveland, OH 44114-2589			1,179.00

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
W. M. Click, 2828 N. Haskell Dallas, TX 75204	Southland Corporation		
Clifford & Warnke, 815 Connecticut Ave., NW Washington, DC 20006	Australian Meat & Live-Stock Corp	7,500.00	2,500.00
Do	J. C. Maxtone-Mailer	600.00	205.45
Do	Proprietary Association		
Clohan & Dean, 1101 Vermont Ave., NW, #400 Washington, DC 20005	Student Loan Funding Corp of Ohio	1,600.00	
Edward T. Cloonan, 70 Pine Street, 39th Floor New York, NY 10270	American International Group, Inc		
Stephen J. Cloud, 1220 L St., NW Washington, DC 20005	American Petroleum Institute	200.00	
W. Dewey Clower, 1199 North Fairfax, #801 Alexandria, VA 22314	National Assn of Truck Stop Operators, Inc		
Coalition for American Energy Security, 1050 Thomas Jefferson St., NW, 6th Floor Washington, DC 20007			157.50
Coalition of Americans to Protect Sports (CAPS), 200 Castlewood Drive North Palm Beach, FL 33408	Product Liability - Sports		
Coalition to Keep Alaska Oil, AFL-CIO Building 815 16th Street, NW, #309 Washington, DC 20006		8,662.50	117.00
Coalition to Preserve Low Income Housing Tax Credit, 2300 M St., NW Washington, DC 20037		3,000.00	3,000.00
Coastal Corporation, Nine Greenway Plaza Houston, TX 77046			
Alan J. Cobb, 1120 Vermont Avenue, NW, #1130 Washington, DC 20005	Petroleum Marketers Assn of America	8,500.00	1,253.20
Richard B. Cobb, Petroleum Council of Ga 230 Peachtree St., NW, #1500 Atlanta, GA 30303	American Petroleum Institute	100.00	1,490.51
Coca-Cola Company, PO Drawer 1734 Atlanta, GA 30301			
Amy A. Coggin, 1415 Elliot Place, NW Washington, DC 20007	National Stone Assn	4,000.00	500.00
Don V. Cogman, 1100 Connecticut Avenue, NW, #535 Washington, DC 20036	MAPCO, Inc	4,750.00	
Albert P. Cohen, 405 Kemper Rd. Joppatowne, MD 21085	American Lung Assn of Maryland		
Dan Cohen, 500 North Capitol Street, NW, #300 Washington, DC 20001	American Israel Public Affairs Comm	12,349.98	1,567.74
Daniel L. Cohen, 500 North Capitol Street, NW, #300 Washington, DC 20001	Association of Trial Lawyers of America	2,000.00	100.00
David Cohen, 1616 P St., NW, #320 Washington, DC 20036	Professionals' Coalition for Nuclear Arms Control	7,353.06	
Ellen M. Cohen, 236 Massachusetts Ave., NE, #608 Washington, DC 20002	Neighbor to Neighbor Action Fund	6,000.00	5,938.34
Jacqueline Abelman Cohen, 1199 N. Fairfax St., #701 Alexandria, VA 22314	National Assn of Tobacco Distributors	2,500.00	
Joseph L. Colaneri, 1050 Connecticut Ave., NW, #760 Washington, DC 20036	Union Oil Co of California		587.39
George T. Coldeway, 8245 NW 53rd St., #200 Miami, FL 33166-4609	South Florida Hospital Assn	859.04	859.04
Douglas Cole, 1101 17th Street, NW, #400 Washington, DC 20036	American President Companies, Ltd	1,500.00	
E. William Cole, 1050 Connecticut Avenue, NW, #760 Washington, DC 20036	Union Oil Co of California	500.00	35.00
Ken W. Cole, 1001 Pennsylvania Avenue, NW, #700 Washington, DC 20004	Allied-Signal, Inc		
Robert E. Cole, 900 17th St., NW Washington, DC 20006	Kaiser Aluminum & Chemical Corp	150.00	35.00
Cole Corette & Abrutyn, P.C., 1110 Vermont Avenue, NW, #900 Washington, DC 20005	Chase Manhattan Bank, N.A.		
Do	Government of the Netherlands Antilles		
Do	Millipore Corporation		
Colette R. Coleman, 1200 17th Street, NW Washington, DC 20036	National Restaurant Assn	1,500.00	990.00
Jessie M. Colgate, 51 Madison Avenue New York, NY 10010	New York Life Insurance Company		
Emilio G. Collado III, Collado Associates 1405 Montague Drive Vienna, VA 22180	American Watch Assn		
Collier Shannon Rill & Scott, 1055 Thomas Jefferson St., NW, #306 Washington, DC 20007	American Car Rental Assn		
Do	American Couplings Coalition	1,150.00	1,150.00
Do	American Frozen Food Institute		
Do	American Institute of Steel & Iron	2,580.00	2,580.00
Do	American Meat Institute		
Do	American Textile Machinery Assn		
Do	Bicycle Mfgrs Assn of Amer, Inc		
Do	Committee of American Ammunition Manufacturers	1,326.25	1,326.25
Do	Ferrous Scrap Consumers Coalition		
Do	Food Marketing Institute		
Do	Independent Lubricant Manufacturers Assn	910.00	910.00
Do	Inland Steel Corp	1,200.00	1,200.00
Do	National Assn of Mutual Insurance Cos		
Do	National Cosmetology Assn, Inc	160.00	160.00
Do	National Juice Products Assn		
Do	National Pasta Assn		
Do	Norris Industries	320.00	320.00
Do	Petroleos de Venezuela, S.A	3,462.50	3,462.50
Do	Pittsburgh Corning Corporation		
Do	Secondary Lead Smelters Assn, Inc		
Do	Shipbuilders Council of America	60.00	60.00
Do	Society of Independent Gasoline Marketers of America	6,900.00	6,900.00
Do	Specialty Steel Industry of the United States	1,550.00	1,550.00
Do	Zurich-American Insurance Companies		
Terese Colling, 1818 N Street, NW, 7th Floor Washington, DC 20036	Eckert Seamans Cherin & Mellott (For:Media General, Inc)	2,682.50	90.95
Michael A. Collins, 13106 Ivy Drive Beltsville, MD 20705	United Assn of Jnymen & Appren of Plmbg & Pipeftg Industry	6,000.00	648.48
Paula J. Collins, 1020 19th St., NW, #600 Washington, DC 20036	American Express Co		
Stephen J. Collins, 1620 Eye St., NW, #1000 Washington, DC 20006	Motor Vehicle Manufacturers Assn of the U.S., Inc		
Collins & Associates, 6269 Franconia Road Alexandria, VA 22310	City of Pompano Beach, Florida	10,000.00	
Camilla L. Collova, 1025 Connecticut Ave., NW, #1007 Washington, DC 20036	Armstrong World Industries, Inc		1.60
Dominique Colon, 2000 L Street, NW, #200 Washington, DC 20036	Medtronic, Inc		54.74
Kent W. Colton, 15th & M Streets, NW Washington, DC 20005	National Assn of Home Builders of the U.S		
Lori A. Comeau, 805 15th Street, NW #610 Washington, DC 20005-2207	CF Industries, Inc	500.00	83.80
Comfort Lipe & Green, P.C., 2100 Mid-Continent Tower 401 South Boston Avenue Tulsa, OK 74103	Thrifty Rent-A-Car System, Inc		44.17
Comiskey & Hunt, 4023 Chain Bridge Road Fairfax, VA 22030	Gold Fields Operating Co-Mesquite	300.00	
Committee for America's Copyright Community, 2000 K Street, NW, #600 Washington, DC 20006-1809		662.50	662.50
Committee for Fair Trade with China, Evergreen Point Rd., Box 288 Medina, WA 98039			
Committee for Humane Legislation, Inc, 1506 19th Street NW, #3 Washington, DC 20001		19,111.74	29,046.85
Committee to Assure the Availability of Casein, 3213 O St., NW Washington, DC 20007		5,625.00	
Committee to Protect the Family, 8001 Forbes Place, #102 Springfield, VA 22151		36,187.35	26,466.01
Common Cause, 2030 M St., NW Washington, DC 20036		2,931,900.14	556,024.75
Community Service Council of Central IN, Inc, 1828 North Meridian Indianapolis, IN 46202			
Competitive Enterprise Institute, 233 Pennsylvania Avenue, SE,#200 Washington, DC 20003		79,000.00	
Compressed Gas Assn/Helium Advisory Council, 1235 Jefferson Davis Highway Crystal Gateway #1, Suite 501 Arlington, VA 22202.		26,317.00	38,325.00
Veronica Compton, Reg. #276077 P.O Box 17 Gig Harbor, WA 98335-0017		17.00	8.00
Bert M. Concklin, 1500 Planning Research Drive Mclean, VA 22102	Planning Research Corporation		1,058.65
Gary L. Conkling, P.O. Box 500, 50-705 Beaverton, OR 97077	Tektronix, Inc	10,000.00	4,317.08
Michael Conlon, 1818 N Street, NW, #200 Washington, DC 20036	Automotive Parts Rebuilders Assn		
John J. Connolly, 499 South Capitol St., SW, #507 Washington, DC 20003	Hecht Spencer & Oglesby, Inc (For:Hong Kong Trade Development Council)		
Do	Hecht Spencer & Associates, Inc (For:Southern California Rapid Transit District)		
Do	Hecht Spencer & Associates, Inc (For:Western Growers Association)		
Brian L. Connor, 1235 Jefferson Davis Hgwy., #606 Arlington, VA 22202	National Utility Contractors Assn	10,000.00	
Catherine Connor, 1015 15th Street, NW, #802 Washington, DC 20005	American Consulting Engineers Council	8,645.00	
Gerald R. Connor, 1030 15th Street, NW, #1100 Washington, DC 20005	Health Industry Manufacturers Assn	2,375.00	
Richard J. Connor Jr., 1455 Pennsylvania Avenue, NW, #600 Washington, DC 20004	Joseph E. Seagram & Sons, Inc	562.50	
Jerry C. Connors, 1745 Jefferson Davis Highway, #511 Arlington, VA 22202	Manufactured Housing Institute	8,500.00	149.58
David Conover, 1600 Rhode Island Ave., NW Washington, DC 20036	National Rifle Assn of America	1,011.05	30.59
Conservative Action Lobby, P.O. Box 931602 Los Angeles, CA 90093			45.65
Consolidated Rail Corporation, P.O. Box 23451 Washington, DC 20026			14,336.22
Consumer Energy Council of America Research Foundation, 2000 L St., NW, #802 Washington, DC 20036		16,145.00	20,706.37
Consumers for World Trade, 1001 Connecticut Ave., NW, #800 Washington, DC 20036		285.00	16,326.78
Consumers Union of U.S., Inc, 256 Washington St. Mount Vernon, NY 10553			
John J. Contney, Suite B 1130 E. Hallandale Blvd. Hallandale, FL 33009	Textile Rental Services Assn of America		
Daniel J. Conway, 1819 L St., 7th Floor Washington, DC 20036	Reinsurance Assn of America		
John A. Conway, 1201 16th Street, NW Washington, DC 20036	National Education Assn		
John J. Coogan, 1919 Pennsylvania Ave., NW, #705 Washington, DC 20006	Eastman Kodak Co	200.00	116.00
Alexandra W. Cook, 1331 Pennsylvania Avenue, NW, #1300N Washington, DC 20004	Electronic Data Systems Corp	288.00	780.00
Cheryl L. Cook, 600 Maryland Ave., SW, #202W Washington, DC 20024	Farmers' Educational & Co-operative Union of America	6,212.00	69.31
Harry N. Cook, 1130 17th St., NW Washington, DC 20036	National Waterways Conference, Inc		
K. Richard Cook, 1331 Pennsylvania Avenue, NW Washington, DC 20004	General Electric Co	175.00	
Thomas M. Cook, 1301 Pennsylvania Ave., NW, #300 Washington, DC 20004	National Cattlemen's Assn	1,000.00	
Cook Group, Inc, 925 S. Curry Pike P.O. Box 489 Bloomington, IN 47402-0489			13,014.85
Eileen D. Cooke, 110 Maryland Ave., NE, Suite 101 Washington, DC 20002	American Library Assn	1,758.00	
Robert M. Coon Jr., 65 Pondfield Road Bronxville, NY 10708	National Comm to Preserve Social Security		
Bente E. Cooney, 2000 K St., NW, 8th Floor Washington, DC 20006	National Comm to Preserve Social Security	1,861.00	
Daniel J. Cooney, 1600 Wilson Blvd., #1000 Arlington, VA 22209	American Waterways Operators	750.00	49.20

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Benjamin Y. Cooper Jr., 1730 North Lynn St. Arlington, VA 22209	Printing Industries of America, Inc	10,000.00	
Cherry E. Cooper, 2301 Market Street, S13-1 Philadelphia, PA 19101	Philadelphia Electric Co		
Mitchell J. Cooper, 1001 Connecticut Ave., NW Washington, DC 20036	Rubber & Plastic Footwear Manufacturers Assn	19,500.00	56.20
Darrell Coover, 499 South Capitol St., SW, #401 Washington, DC 20003	National Assn of Independent Insurers	2,000.00	646.00
Jim Copeland & Associates, 555 New Jersey Ave., NW, #880 Washington, DC 20001	Pacific Mutual Life Insurance Co	1,200.00	
Michael J. Copps, 1700 N. Moore Street, #1600 Arlington, VA 22209	American Meat Institute	5,625.00	2,670.28
Copyright Remedies Coalition, 2000 K Street, NW, #600 Washington, DC 20006-1809		4,485.00	4,485.00
John F. Corcoran, 1500 K Street, NW, #375 Washington, DC 20005	Norfolk Southern Corp	1,000.00	
Tom Corcoran, 360 E. Randolph, #2402 Chicago, IL 60601	Wallace Associates Corp		
Frank W. Corley, 8430 Blakiston Lane Alexandria, VA 22308	ITT Electro-Optical Products Div	8,500.00	926.66
Do	Pilkington Optronics, Inc	9,000.00	743.45
Do	Spectran	7,500.00	617.06
Corman Law Offices, 1420 16th Street, NW Washington, DC 20036	Alcalde Henderson O'Bannon & Rousselot		
Do	Cook Inlet Region, Inc		
Do	Guilford Glazer		
Do	Investment Partnership Assn		
Do	Kelso & Company	12,700.00	
Do	MCA, Inc	2,400.00	
Do	National Structured Settlements Trade Assn		
Do	Republic National Bank of New York		
Do	Texas Air Corp		
Do	Tropicana International, Inc	5,000.00	
Do	U.S. League of Savings Institutions	375.00	
Corn Refiners Assn, Inc, 1100 Connecticut Ave., NW, #1120 Washington, DC 20036		9,833.00	2,707.00
Ernest J. Corrado, 1000 16th St., NW, #511 Washington, DC 20036	American Institute of Merchant Shipping	4,725.00	128.60
Mary Marcotte Corrigan, 1600 Rhode Island Ave., NW Washington, DC 20036	National Rifle Assn of America		
Richard L. Corrigan, 655 15th Street, NW, Suite #444 Washington, DC 20005	CH2M Hill	2,000.00	
Marty Corry, 1909 K Street, NW Washington, DC 20049	American Assn of Retired Persons	774.03	466.82
Allan D. Cors, 1455 Pennsylvania Avenue, NW, #500 Washington, DC 20004	Corning Glass Works	300.00	
Anthony R. Corso, 150 East 42nd Street New York, NY 10017	Mobil Corp	900.00	
Philip S. Corwin, 1120 Connecticut Ave., NW Washington, DC 20036	American Bankers Assn	1,500.00	
R. H. Cory, 1005 Congress Avenue, #520 Austin, TX 78701	Central & South West Services, Inc		
Cosmetic Toiletry & Fragrance Assn, Inc, 1110 Vermont Ave., NW, #800 Washington, DC 20005			
J. Daniel Costello, 1615 H St., NW Washington, DC 20062	U.S. Chamber of Commerce	1,630.00	120.00
Michael E. Costello, 1090 Vermont Avenue, NW, #600 Washington, DC 20005	Texas Eastern Transmission Corp		295.84
Jeffrey Neal Cotton, 329 East Ridgewood Ave., 1F Ridgewood, NJ 07450			
Daniel T. Coughlin, 1155 15th Street, NW, #502 Washington, DC 20005	Bristol Myers Co	25,000.00	
Council for Rural Housing and Development, 2300 M St., NW Washington, DC 20036		4,000.00	4,000.00
Council of Industrial Boiler Owners, 5817 Burke Centre Parkway Burke, VA 22015			
Council of Institutional Investors, 1420 16th Street, NW, #405 Washington, DC 20036			42.80
Council on Alternate Fuels, 1225 Eye St., NW, #320 Washington, DC 20005			
James Cousins, 1709 New York Avenue, NW, #801 Washington, DC 20006	U.S. League of Savings Institutions	7,500.00	
Mark J. Covall, 1319 F Street, NW, #1000 Washington, DC 20004	National Assn of Private Psychiatric Hospitals	500.00	
John F. Cove, 918 16th St., NW, #702 Washington, DC 20006	Cove Associates, Inc (For:Association of U.S. Night Vision Manufacturers)		
Covington & Burling, 1201 Pennsylvania Ave., NW P.O. Box 7566 Washington, DC 20044	American Watch Assn	1,700.00	
Do	Amoco Corporation		
Do	Archer Daniels Midland Company	3,562.50	
Do	Association of Maximum Service Telecasters, Inc	577.25	
Do	Champion International Corp		
Do	Coalition to Preserve the Integrity of American Trademarks	850.00	200.00
Do	Commonwealth of Puerto Rico		
Do	ERISA Industry Committee		
Do	First Federal Savings Bank of Western Maryland		
Do	General Mills, Inc		
Do	Hallmark Cards, Inc	9,062.50	
Do	Illinois Department of Public Aid		
Do	International Business Machines Corp		
Do	International Paper Co		
Do	Interstate General Company L.P.		
Do	Investment Company Institute		
Do	Kansas Dept of Social & Rehabilitation Service		
Do	Monarch Capital Corp		
Do	National Football League		
Do	New York State Office of Mental Retardation and Devel		
Do	O-W Fund, Inc	26,062.50	
Do	Post-Newsweek Stations, Inc		
Do	State of Idaho		
Do	United Technologies Corporation	312.00	
Do	Uranium Producers of America		
Do	Westvaco Corporation		
Mark D. Cowan, 1823 Jefferson Place, NW Washington, DC 20036	Jefferson Group, Inc (For:Industrial Safety Equipment Assn)		
Do	Jefferson Group, Inc (For:Kelly Services, Inc)		
Eugene S. Cowen, 2759 Unicorn Lane, NW Washington, DC 20015	Capitol Cities/ABC, Inc		
C. Deming Cowles, 6th Floor 1050 Thomas Jefferson Street, NW Washington, DC 20007	Bering Sea Fishermen's Assn		
Do	United Fishermen of Alaska	1,500.00	605.70
Archibald Cox, 2030 M St., NW Washington, DC 20036	Common Cause	6,045.00	243.00
C. Richard Cox, 2801 West Tyvola Road Charlotte, NC 28217-4500	Belk Stores Services, Inc		
Donald Forsyth Craib III, 633 Pennsylvania Ave., NW, #600 Washington, DC 20004	Sears Roebuck & Co	175.00	
Bruce Craig, P.O. Box 677 Harpers Ferry, WV 25425	National Parks & Conservation Association	720.00	45.00
James P. Cramer, 1735 New York Ave., NW Washington, DC 20006	American Institute of Architects		
Mary T. Cramer, 1830 Platte St. Denver, CO 80202	Reese Communications Cos (for: Philip Morris, USA)	12,000.00	54.95
William C. Cramer, 2000 L Street, NW, #810 Washington, DC 20036	Cramer & Haber, P.C. (For:Canaveral Port Authority)		
Do	Cramer & Haber, P.C. (For:Dade County International Airport)		
Cramer & Haber, P.C., 2000 L Street, NW, #810 Washington, DC 20036	Canaveral Port Authority	6,750.00	
Do	Dade County International Airport	1,500.00	
Eric F. Craven, P.O. Box 2943 Fort Worth, TX 76113	Texas-New Mexico Power Co	746.00	1,556.57
Kelly Craven, 777 14th St., NW Washington, DC 20005	National Assn of Realtors		
Donald J. Crawford, 1850 M Street, NW Washington, DC 20036	Securities Industry Assn	1,050.00	
Richard L. Crawford, 1200 17th Street, NW Washington, DC 20036	National Restaurant Assn	1,500.00	990.00
Robin Crawford, Box M Allentown, PA 18105-5000	Mack Trucks, Inc		
Creative Dynamics, Inc, 1143 N. General Pershing Hammond, LA 70401	Reese Communications Companies	9,000.00	1,250.50
Richard C. Creighton, 1331 Pennsylvania Ave., NW, #910 Washington, DC 20004	American Cement Trade Alliance, Inc	9,375.15	79.53
Douglas P. Crew, 100 N.E. Adams Street Peoria, IL 61629-1430	Caterpillar Tractor Co		
Anne Crichton Crews, 8787 Stemmons Freeway Dallas, TX 75247	Mary Kay Cosmetics, Inc		118.24
Joseph M. Cribben, 6900 Valley Brook Dr. Falls Church, VA 22042	United Assn of Jnymen & Appren of Plmbg & Pipeftg Industry	1,750.00	
Richard E. Cristol, 1101 15th St., NW, #202 Washington, DC 20005	National Assn of Margarine Manufacturers		
P. H. Croft, 2000 Massachusetts Ave., NW Washington, DC 20036	American Short Line Railroad Assn		
Robert W. Crolius, 1620 Eye Street, NW, #520 Washington, DC 20006	Portland Cement Assn		
Robert W. Cromartie, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn		
Charles H. Cromwell, Inc, 6709 Georgia Street Chevy Chase, MD 20815	EDO Corp		
Do	McDonnell Douglas Helicopters		
Do	Northrop Corp		
Rae E. Cronmiller, 1800 Massachusetts Avenue, NW Washington, DC 20036	National Rural Electric Cooperative Assn	120.00	
Crop Insurance Research Bureau, 3707 Woodview Trace P.O. Box 68700 Indianapolis, IN 46268			
Mark E Crosby, 1700 North Moore St., #910 Rosslyn, VA 22209	Special Industrial Radio Service Assn, Inc		115.36
David T. Crow, 501 Second Street, NE Washington, DC 20002	Fertilizer Institute	9,000.00	1,478.54
Crowell & Moring, 1001 Pennsylvania Ave., NW Washington, DC 20004-2505	Asarco Inc	137.50	10.00
Do	Associated Gas Distributors		
Do	Avon Products, Inc		
Do	Brooklyn Union Gas Co		
Do	Central Nebraska Public Power & Irrigation District		
Do	Chesapeake Utilities Corp		
Do	City of North Miami		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Communications Satellite Corp		
Do	Contractor Liability & Indemnification Alliance		
Do	Cook Inlet Region, Inc		
Do	Eagle-Picher Industries, Inc	756.25	10.00
Do	Eli Lilly & Company	481.25	10.00
Do	Emery Worldwide		
Do	Meridian Minerals Co		
Do	National Assn of Wholesaler-Distributors	8,043.75	10.00
Do	Nebraska Public Power District		
Do	Pan American World Airways, Inc, et al		
Do	Regional Airline Association		
Do	Sterling Drug, Inc		
Do	Tiffany & Co		
Do	Trust for Public Lands		
Do	United Cities Gas Co		
Do	Western Governors' Assn		
Do	Wyatt Company		
Crowell & Moring International L.P., 1001 Pennsylvania Ave., NW Washington, DC 20004-2505	Board of Foreign Trade, Gov't of the Republic of China		
Do	Singapore Trade Development Board		
Crown Communications Consulting Co, 1025 Connecticut Avenue, NW, #405 Washington, DC 20006	National Strategies, Inc	4,816.28	
Cuban American Foundation, Inc, 7300 N.W. 35th Terrace, #105 Miami, FL 33122		20,321.24	31,889.77
Culley-Foster & Co, P.O. Box 17370 Washington, DC 20041			
Philip Cummings, 1455 Pennsylvania Ave., NW Washington, DC 20004	McCutchen Doyle Brown & Enersen (For:American Iron & Steel Institute)		863.86
Do	McCutchen Doyle Brown & Enersen (For:Browning-Ferris Industries)		6,523.78
Do	McCutchen Doyle Brown & Enersen (For:Carlsmith Wichman Case... (for Hilo Coast Proscessing), et a).		1,906.50
Do	McCutchen Doyle Brown & Enersen (For:Castle & Cooke, Inc)		82.00
Do	McCutchen Doyle Brown & Enersen (For:New York Dept of Environmental Conservation).		740.12
Do	McCutchen Doyle Brown & Enersen (For:Southern California Assn of Governments)		8,816.18
Do	McCutchen Doyle Brown & Enersen (For:Sterling Drug, Inc)		1,804.00
William J. Cunningham, 815 16th St., NW Washington, DC 20006	American Fed of Labor & Congress of Industrial Organizations	15,619.76	904.66
John T. Curran, 905 16th St., NW, Washington, DC 20006	Laborers' Intl Union of North America, AFL-CIO	18,190.50	400.78
Do	National Coordinating Comm for Multiemployer Plans		
Kathleen L. Curry, 122 C St., NW, #750 Washington, DC 20001	National Assn of Independent Colleges & Universities	3,225.00	90.00
M. Rupert Cutler, 1244 19th Street, NW Washington, DC 20036	Defenders of Wildlife		
Cutler & Stanfield, 1850 M Street, NW Washington, DC 20036	General Atomics	2,000.00	60.00
Do	University of Colorado		60.00
Everett E. Cutter, 620 SW Fifth Avenue Bldg., Suite 300 Portland, OR 97204	Oregon Railroad Assn		
CF Industries, Inc, Salem Lake Dr. Long Grove, IL 60047			1,000.00
CR Associates, 317 Massachusetts Ave., NE, #100 Washington, DC 20002	American Assn for Dental Research	958.50	
Do	Association for Health Services Research	247.50	
Do	Conjoint Comm on Diagnostic Radiology	1,200.00	
D'Amore & Doyle, Inc, 1156 15th St., NW, #1100 Washington, DC 20005	Gafney Bennett & Associates, Inc	18,000.00	518.99
Do	New England Assn of Business Industry & Rehabilitation, Inc	4,000.00	661.99
William K. Dabaghi, Arter & Hadden 1919 Pennsylvania Ave., NW, #400 Washington, DC 20006	Central Union of Agricultural Cooperatives (ZENCHU)	1,170.00	2,607.00
Do	Coalition for Regional Banks		
Do	Houston Clearing House Assn		
Susan Dahlquist, 2000 K St., NW, 8th Foor Washington, DC 20006	National Committee to Preserve Social Security	10,966.00	1,282.83
William Kay Daines, 1616 H St., NW Washington, DC 20006	American Retail Federation	100.00	5.50
Dairy Farmers for Responsible Dairy Policy, 517 C Street, NE Washington, DC 20002		2,500.00	200.00
Lewis I. Dale, 1660 L Street, NW, #401 Washington, DC 20036	General Motors Corp	3,000.00	1,610.64
Donna M. Daley, 1200 17th St., NW, Suite 106 Washington, DC 20036	American Psychological Assn	2,412.67	45.00
Donald W. Dalrymple, 1575 I St., NW Washington, DC 20005	American Cynamid Company (For:Lederle Laboratories)	3,120.00	925.25
James G. Dalton, 1420 King St. Alexandria, VA 22314-2715	National Society of Professional Engineers	2,500.00	
Tracy Danese, P.O. Box 14000 Juno Beach, FL 33408	Florida Power & Light Co	2,035.02	4,085.84
John E. Daniel, 1233 20th St., NW 7th Floor Washington, DC 20036	Ohio Edison Co		
David S. Danielson, 1505 Prince Street, #300 Alexandria, VA 22314	American Optometric Assn		
Cynthia L. Darcy, 245 Second St., NE Washington, DC 20002	Friends Committee on National Legislation	3,923.34	
Richard C. Darling, 1156 15th St., NW Washington, DC 20005	J. C. Penney Co. Inc		
Diane Davenny Darneille, 1850 K Street, NW, Suite 1195 Washington, DC 20006	Schering-Plough Corp	1,400.00	1,438.00
John C. Datt, 600 Maryland Ave., SW Washington, DC 20024	American Farm Bureau Federation	12,300.00	
Theodore S. J. Davi, 624 South Quincy Street Green Bay, WI 54301			
Earl F. David, 1825 K St., NW, #1107 Washington, DC 20006	Phillips Petroleum Co	1,000.00	
James H. Davidson, 1211 Connecticut Avenue, NW, #610 Washington, DC 20036	James H. Davidson & Associates, Inc (For:American Advertising Federation)	5,169.43	
Do	James H. Davidson & Associates Inc (For:American Assn of Advertising Agencies)	5,169.43	
Do	James H. Davidson & Associates, Inc (For:American Newspaper Publishers Assn)	5,169.43	
Do	James H. Davidson & Associates Inc (For:Association of National Advertisers)	5,169.43	
Do	James H. Davidson & Associates, Inc (For:Direct Marketing Assn)	5,099.43	
Do	James H. Davidson & Associates, Inc (For:Magazine Publishers of America, Inc)	17,219.19	
Do	James H. Davidson & Associates, Inc (For:Miller & Chevalier)	15,720.55	
Do	James H. Davidson & Associates, Inc (For:National Assn of Broadcasters)	20,476.35	
Do	James H. Davidson & Associates, Inc (For:National Assn of Industrial & Office Parks).	14,559.08	
Do	James H. Davidson & Associates, Inc (For:Rouse Co)	3,352.54	
Dionne M. Davies, 1120 Connecticut Ave., NW, #727 Washington, DC 20036	American Bankers Assn	1,200.00	
Drew M Davis, 1101 16th St., NW Washington, DC 20036	National Soft Drink Assn	363.42	179.69
Edward M. Davis, 410 First St., SE Washington, DC 20003	American Nuclear Energy Council	9,000.00	578.85
Edwin H. Davis, 2030 M St., NW Washington, DC 20036	Common Cause	9,828.00	
Fred G. Davis, 1111 19th Street, NW Washington, DC 20036	Edison Electric Institute	3,887.92	1,043.57
John W. Davis, 1331 Pennsylvania Avenue, NW Washington, DC 20004	General Electric Co	200.00	
Kenneth E. Davis, Suite 1210 1667 K St., NW Washington, DC 20006	Rohm & Haas Co	500.00	103.26
Margaret N. Davis, 1020 16th Street, NW Washington, DC 20036-5754	Enron Corp	2,000.00	
Michael Davis, 735 North Water St., #908 Milwaukee, WI 53202-4105	American Malting Barley Assn, Inc	1,425.00	824.84
Richard S. Davis, 1333 New Hampshire Ave., NW, #900 Washington, DC 20036	Beveridge & Diamond, P.C. (For:City of Bluefield, WV, et al.)	3,073.50	232.60
Robert Davis, 815 Connecticut Ave., NW Washington, DC 20006	Ford Motor Co	1,900.00	967.00
Davis & Harman, 1455 Pennsylvania Avenue, NW, #1200 Washington, DC 20004	Ad Hoc Comm of Life Insurance Companies	436.60	
Do	American General Life Insurance Co	244.25	38.82
Do	American Horse Council	1,875.00	59.10
Do	Armco Steel Co	3,800.00	80.06
Do	Bethlehem Steel Corp	3,800.00	80.06
Do	Chicago Board of Trade	9,375.00	86.82
Do	Committee of Annuity Insurers	4,031.02	50.00
Do	Committee of Life Insurers	4,901.30	
Do	First Penn-Pacific Life Insurance Co		
Do	Florida Power & Light	233.25	
Do	Florida Sugar Cane League, Inc	600.00	
Do	James Graham Brown Foundation		38.82
Do	Lincoln National Life Insurance Co	250.00	31.00
Do	National Assn of Life Companies		
Do	National Cattlemen's Assn	624.00	43.82
Do	Stock Information Group	9,665.70	349.40
Do	U.S. Sugar Corp	600.00	38.82
Do	Underwriters of Lloyd's, London	2,720.25	37.00
Davis Hockenberg Wine Brown Koehn & Shors, 2300 Financial Center Des Moines, IA 50309	SKC Associates (For:Southern Company Services)		
Davis Polk & Wardwell, 1575 Eye St., NW, #400 Washington, DC 20005	American Inst of Certified Public Accountants	990.00	39.00
Do	Kohlberg Kravis Roberts & Co	675.00	
Do	LTV Corp		
Do	Morgan Guaranty Trust Co	2,250.00	37.00
Do	Morgan Stanley & Co, Inc		
Do	Norwest Corporation	250.00	8.00
Do	Occidental International Corp	275.00	14.00
Davis Wright & Jones, 1752 N St., NW, #800 Washington, DC 20036	McCaw Communications Cos	6,003.50	155.94

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Pacific Northwest Coalition for Maritime Law Reform		
Do	Star-Kist Foods, Inc		
Do	Tri-City Nuclear Industrial Council, Inc		
Donald S. Dawson, 1133 Connecticut Ave., NW, #500 Washington, DC 20036	Michael Gaughan		
Do	Opticians Assn of America		
Do	Virgin Islands Gift & Fashion Shop Assn		
Do	Virgin Islands Merchants Assn		
Robert G. Dawson, P.O. Box 2625 Birmingham, AL 35202	Southern Company Services, Inc		
Robert M. Dawson, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn	31.59	
Harry F. Day, 1800 K Street, NW, #1100 Washington, DC 20006	New York Stock Exchange, Inc		
Mark A. De Bernardo, 1615 H St., NW Washington, DC 20062	Chamber of Commerce of the U.S.		112.00
B. Rey De Castro, 1730 Rhode Island Ave., NW Washington, DC 20036	National Solid Wastes Management Assn	200.00	
Ralph De La Cruz, 1201 New York Avenue, NW Washington, DC 20005	American Public Transit Assn	3,234.00	
De La Salle Institute, P.O. Box A-D St. Mary's College Moraga, CA 94575-1154			22,507.40
Gail De Loach, P.O. Box 8091 Falls Church, VA 22041	Friendship Hill Assn		
O. Mark De Michele, 411 N. Central Avenue Phoenix, AZ 85004	Arizona Public Service Company		
Maryann M. Dean, 1875 Eye Street, NW, #400 Washington, DC 20006	Georgia-Pacific Corp	1,000.00	
John Russell Deane III, 1607 New Hampshire Avenue, NW Washington, DC 20009	Auto Internacional Assn	545.47	257.38
Do	Coalition of Automotive Assns	1,875.94	864.81
Do	Specialty Equipment Market Assn	5,627.80	2,595.20
Debevoise & Plimpton, 555 13th Street, NW Suite 1100E Washington, DC 20004	Sony Corp of America		
Dechert Price & Rhoads, 1500 K Street, NW, #500 Washington, DC 20005	Constitutional Rights Foundation, et al	6,051.25	324.63
Mark O. Decker, 1129 20th Street, NW, #705 Washington, DC 20036	National Assn of Real Estate Investment Trusts, Inc		
Do	Pension Real Estate Assn		
Richard A. Deem, 1101 Vermont Avenue, NW Washington, DC 20005	American Medical Assn	25.00	
William R. Deere, 500 E Street, SW, #920 Washington, DC 20024	Aircraft Owners & Pilots Assn	7,371.03	3,247.61
Brian Deery, 1957 E St., NW Washington, DC 20006	Associated General Contractors of America		
George K. Degnon Associates, Inc, 6728 Old McLean Village Drive Mclean, VA 22101	Association of State & Territorial Health Officials		1,000.00
Do	Nurses Organization of the Veterans Administration		1,000.00
Edward N. Delaney, 1000- 16th Street, N.w. Washington, DC 20036	Comark	3,900.00	1,059.82
Delaney Bitonti & Wilheim, Chtd, 1629 K Street, NW, #1000 Washington, DC 20006	Harcourt Brace Jovanovich, Inc	36,673.75	711.14
Do	National Assn of Independent Insurers	15,000.00	218.26
Do	Transamerica Insurance Services	15,075.00	729.70
Tania Demchuk, 499 South Capitol St., SW, #401 Washington, DC 20003	National Assn of Independent Insurers	100.00	
George H. Denison, 4801 Massachusetts Ave., NW, #400 Washington, DC 20016	American Nuclear Energy Council		
Do	Edison Electric Institute		
Do	Michigan Consolidated Gas Co		
Do	N U S Corporation		
Do	National Office Products Assn		
Do	Westinghouse Electric Corp		
John H. Denman, Missouri Oil Council 428 E. Capital St., #203 Jefferson City, MO 65101	American Petroleum Institute		
Robert A. Denman, 600 Maryland Avenue, SW, #202w Washington, DC 20024	Farmers' Educational & Co-Operative Union of America	6,600.29	34.53
Paul W. Dennett, 655 15th St., NW, #350 Washington, DC 20005	Blue Cross & Blue Shield Assn		
Thomas J. Dennis Sr., 1111 19th St., NW, #303 Washington, DC 20036	Southern California Edison Co	6,375.00	1,500.00
Wells Denyes, 1919 Pennsylvania Ave., NW Washington, DC 20006	Eastman Kodak Co	575.00	227.81
Department for Professional Employees, AFL-CIO, 815 16th St., NW Washington, DC 20006		16,116.45	16,116.45
Samuel L. Devine, 170 Burning Tree Drive Naples, FL 33942	Grocery Manufacturers of America, Inc	1,343.75	543.75
R. Daniel Devlin, 808 17th Street, NW, #520 Washington, DC 20006	Trans World Airlines, Inc	400.00	
Dewey Ballantine Bushby Palmer & Wood, 1775 Pennsylvania Ave., NW, #500 Washington, DC 20006	Amax, Inc		
Do	Arctic Alaska Seafoods, Inc		
Do	Bankers Trust Co		
Do	Bell Atlantic Corp		
Do	Beneficial Corporation		
Do	Catholic Health Assn of the U.S.	4,875.00	
Do	Chase Manhattan Corp		
Do	Chrysler Corporation		
Do	Committee for Future Investment in America's Past		
Do	Digital Equipment Corp		
Do	Disk Drive Consortium		
Do	Duke Endowment		
Do	Federal National Mortgage Assn		
Do	Federation of American Health Systems		
Do	General Electric Pension Trust	1,625.00	
Do	Hanschell Inniss, Ltd		
Do	Health Insurance Assn of America, Inc		
Do	Hershey Foods Corp		
Do	Household International	1,625.00	
Do	Integrated Resources, Inc	1,625.00	
Do	Intel Corporation		
Do	Man-Made Fiber Producers Assn, Inc		
Do	McCormack Baron & Associates	4,875.00	
Do	Morgan Stanley Group, Inc	3,250.00	25.00
Do	National Assn of Wholesaler-Distributors		
Do	National Trust for Historic Preservation	3,250.00	
Do	NYNEX Corp		
Do	Pfizer, Inc		
Do	Primerica, Inc		
Do	Joseph E. Seagram & Sons, Inc	6,500.00	
Do	Squibb Corporation		
Do	SEMATECH	3,500.00	
Do	Teachers Insurance & Annuity Assn of America		
Do	U.S. Coalition for Fair Lumber Imports		
Do	Union Pacific Corp	1,625.00	
Do	Walt Disney Co		
Do	West Indies Rum & Spirits Producers Assn		
Do	Xerox Corp	1,625.00	
Doris J. Dewton, 1025 Connecticut Ave., NW, #507 Washington, DC 20036	Ashland Oil, Inc	2,000.00	
Kendall P. Dexter, 9 Country Club Road Mobile, AL 36608	MacMillan Bloedel, Inc	1,325.00	1,328.00
Michael DeEmilio, 400 First St., NW, #801 Washington, DC 20001	Brotherhood of Maintenance of Way Employes	10,000.00	
James U. DeFrancis, 1025 Connecticut Ave., NW, #1014 Washington, DC 20036	Enserch Corporation	3,187.00	1,266.42
Lisa M. DeFusco, Public Affairs Office 600 New Hampshire Ave., NW, #1111 Washington, DC 20037	Society of Real Estate Appraisers	612.00	
Law Offices of Paul H. DeLaney, Jr., 1920 N Street, NW, #610 Washington, DC 20036	Embassy of Japan		
Gregory L. DePriest, 1730 M Street, NW, #713 Washington, DC 20036	Association of Maximum Service Telecasters, Inc		
William R. DeReuter, 1828 L Street, NW, #906 Washington, DC 20036	Merrill Lynch & Co, Inc	2,000.00	
Bonnie S. DeWitt, 1875 Eye Street, NW, #800 Washington, DC 20006	Tobacco Institute	500.00	95.40
John M. Dickerman, 1015 15th St., NW, #700 Washington, DC 20005	National Lumber & Building Material Dealers Assn		
Chester T. Dickerson Jr., c/o Bernadette Hammond 1101 17th St., NW, #604 Washington, DC 20036	Monsanto Co		400.62
Ann Sanders Dickey, 300 Maryland Avenue, NE Washington, DC 20002	Federal Express Corp	6,000.00	
Elaine Dickinson, 880 S. Pickett Street Alexandria, VA 22304	Boat Owners Assn of the U.S.	7,000.00	
Dickinson Wright Moon Van Dusen & Freeman, 1901 L St., NW, #801 Washington, DC 20036	Allied Signal, Inc	13,800.00	
Do	Chicago & Northwestern Transportation	8,600.00	
Do	United Technologies Corporation	10,000.00	
Dickstein Shapiro & Morin, 2101 L St., NW Washington, DC 20037	Advance Publications		
Do	American Greyhound Track Operators Assn	3,550.94	
Do	Apple Computer Corp	1,214.06	
Do	Avondale Industries, Inc	20,880.00	
Do	ABD Securities Corp	1,000.00	
Do	Bank of Oklahoma		
Do	Bear Stearns & Co	2,500.00	
Do	Boundary Gas, Inc		
Do	California Assn of Thrift & Loan Companies		
Do	Car Audio Specialists Assn (CASA)		
Do	Embassy of Malaysia	800.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Federal National Mortgage Assn	1,214.06	
Do	Federated Cash Management Systems	12,000.00	
Do	Flare, Inc/Seismic Reflections		
Do	Home Box Office, Inc		
Do	Iroquois Gas, Inc	12,855.00	
Do	IPP Working Group	1,225.00	
Do	Marine Engineers' Beneficial Assn		
Do	Medtronic, Inc	5,000.00	
Do	Morgan Guaranty Trust Co		
Do	J. P. Morgan Securities, Inc	1,630.00	
Do	Mudge Rose Guthrie Alexander & Ferndon (for Toshiba Corp)		
Do	National Fed of Societies for Clinical Social Work	3,635.00	
Do	North Carolina Dept of Natural Resources and Community Devlp		
Do	Occidental Petroleum Corp		
Do	Ocean State Power		
Do	Paulucci Enterprises	7,359.00	
Do	Security Life Insurance Co	665.00	
Do	States of Arkansas, et al		
Rick Diegel, 1125 15th Street, NW Washington, DC 20005	International Brotherhood of Electrical Workers, AFL-CIO-CLC	2,281.25	150.00
Diepenbrock Wulff Plant & Hannegan, P.O. Box 3034 Sacramento, CA 95812-3034	Methodist Hospital of Sacramento		
Walter E. Diercks, 1730 M St., NW, #412 Washington, DC 20036	Outdoor Advertising Assn of America, Inc		
George Dillard, 5128 Sauer, Suite A Houston, TX 77004	Kaleidoscope Research & Marketing Group		
Thomas A. Dine, 500 North Capitol St, NW, #300 Washington, DC 20001-1510	American Israel Public Affairs Comm	23,299.98	2,569.37
Michael F. Dineen, 600 Pennsylvania Ave., SE, #206 Washington, DC 20003	Lumbermens Mutual Casualty Co (For:Federal Kemper Life Assurance Co)	76.77	14.85
Do	Lumbermens Mutual Casualty Co (For:Kemper Financial Companies, Inc)		
Do	Lumbermens Mutual Casualty Co (For:Kemper Financial Services, Inc)	265.70	81.88
Do	Lumbermens Mutual Casualty Co (For:Kemper Investors Life Insurance Co)	41.33	8.00
Do	Lumbermens Mutual Casualty Company	2,100.00	172.88
James C. Dinegar, 1575 Eye Street, NW Washington, DC 20005	American Soc of Assn Executives	300.00	
Direct Selling Association, 1776 K Street, NW Washington, DC 20006			
Dale P. Dirks, 511 Capitol Court, NE, Suite 300 Washington, DC 20002	Health & Medicine Counsel of Washington		
Disabled American Veterans, 3725 Alexandria Pike Cold Spring, KY 41076		146,283.51	146,283.51
Gloria Dittus, 201 Massachusetts Ave., NE, S-5 Washington, DC 20002	BMc Strategies, Inc (For:New Hampshire Yankee)	2,580.00	3,478.58
Patsy B. Dix, 1201 16th St., NW Washington, DC 20036	National Education Assn	3,155.25	467.00
Barbara A. Dixon, 1600 Eye Street, NW Washington, DC 20006	Motion Picture Assn of America, Inc		
Sharon Pratt Dixon, 1900 Pennsylvania Avenue, NW Washington, DC 20068	Potomac Electric Power Co		
Charles J. DiBona, 1200 L St., NW Washington, DC 20005	American Petroleum Institute	2,500.00	
Nicholas J. DiMichael, 1275 K Street, NW, #850 Washington, DC 20005-4006	National Industrial Transportation League		
Margaret R. DiPaula, 1700 K Street, NW, #1204 Washington, DC 20006	Chevron USA, Inc	410.00	
J. Chris Dobbs, P.O. Box 719 Dallas, TX 75221	Southland Corporation		2,037.86
J. Graham Dodson, P.O. Box 21106 Shreveport, LA 71156	Southwestern Electric Power Co	318.00	45.00
Steven P. Doehler, 805 15th Street NW, Suite 1110 Washington, DC 20005	Mortgage Insurance Companies of America	6,600.00	113.15
Julie Domenick Doerr, 1600 M St., NW Washington, DC 20036	Investment Company Institute	346.14	138.12
Daniel P. Doherty, 2001 S St., NW, #540 Washington, DC 20009	Alliance of Nonprofit Mailers	1,350.00	6.00
James F. Doherty, 1129 20th St., NW, #600 Washington, DC 20036	Group Health Assn of America, Inc		
Robin C. Dole, 1101 Connecticut Avenue, NW, #500 Washington, DC 20036	Century 21 Real Estate Corp		
Dolphin Group, Inc, 1047 Gayley Avenue, 2nd Fl Los Angeles, CA 90024	Madison Public Affairs Group, Inc	40.00	
Brian J. Donadio, 300 5th Street, NE Washington, DC 20002	American Osteopathic Assn	3,503.00	
Nancy A. Donaldson, 305 7th Street, SE, #204 Washington, DC 20003	Women's Action for Nuclear Disarmament, Inc, et al	1,875.00	
Andrew J. Donelson, 1101 15th Street, NW Washington, DC 20005	Minnesota Mining & Manufacturing Co	2,500.00	1,500.02
Thomas F. Donnelly, 955 L'Enfant Plaza, SW, #1202-N Washington, DC 20024	National Water Resources Assn	7,500.00	
Sally S. Donner, 1710 Rhode Island Avenue, NW, #400 Washington, DC 20036	General Foods Corporation	1,437.50	137.77
Donohue & Associates, Inc, 11445 Isaac Newton Square So. Reston, VA 22090			
Charles Donovan, 601 Pennsylvania Ave., NW, #901 Washington, DC 20004	Focus on the Family	5,623.12	
William Donovan, 3138 N. 10th Street Arlington, VA 22201	National Assn of Federal Credit Unions	2,500.00	167.37
Linda Dorian, 2012 Massachusetts Ave., NW Washington, DC 20036	BPW/USA	1,000.00	306.85
Doris Day Animal League, 111 Massachusetts Ave., NW, #200 Washington, DC 20001		573,795.00	522,127.00
James A. Dorsch, 1025 Connecticut Avenue, NW Washington, DC 20036	Health Insurance Assn of America, Inc		
Dorsey & Whitney, 2200 First Bank Place East Minneapolis, MN 55402	FilmTec Corporation	162.45	
Dean R. Dort II, 1667 K Street, NW, #1230 Washington, DC 20006	Deere & Company	481.25	
W. Carter Doswell, 1825 Eye Stree, NW, #450 Washington, DC 20006	Goldman Sachs & Co	500.00	
R. J. Doubrava, 1629 K Street, NW, #501 Washington, DC 20006	Delta Air Lines, Inc	170.00	81.45
Michael I. Dougherty, Pillsbury Center MS 3771 Minneapolis, MN 55402	Pillsbury Company		
Dougherty Consulting, P.O. Box 819 Sioux Falls, SD 57101-0819	Madison Public Affairs Group, Inc		
Sally L. Douglas, 600 Maryland Ave., SW, #700 Washington, DC 20024	National Fed of Independent Business	4,875.00	300.00
Dow Lohnes & Albertson, 1255 23rd St., NW Washington, DC 20037	Cox Enterprises, Inc, et al		
Charles P. Downer, 7901 Westpark Drive McLean, VA 22102	National Machine Tool Builders' Assn	1,375.00	250.00
Richard Morgan Downey, 10801 Rockville Pike Rockville, MD 20852	American Speech-Language-Hearing Assn		
John P. Doyle Jr., 8600 Boundbrook Lane Alexandria, VA 22309	J. P. Doyle Enterprises, Inc	1,000.00	
Steve Doyle, 5205 Leesburg Pike, #505 Falls Church, VA 22041	National Beer Wholesalers Assn		
William A. Doyle, 2345 S. Rolfe Street Arlington, VA 22202	Harris Corporation	3,050.00	
Ronald W. Drach, 807 Maine Avenue, SW Washington, DC 20024	Disabled American Veterans	19,260.80	50.31
David P. Drake, 1747 Pennsylvania Ave., NW, #700 Washington, DC 20006	Ciba-Geigy Corp	3,000.00	
James E. Drake, 1101 Vermont Ave., NW Washington, DC 20005	American Medical Assn	5,272.00	
Andrea N. Dravo, 410 First Street, SE Washington, DC 20003	American Nuclear Energy Council	13,650.01	544.15
Paul A. Drazek, 600 Maryland Avenue, SW Washington, DC 20024	American Farm Bureau Federation	8,800.00	
Dressendorfer-Laird, Inc, 1730 Rhode Island Avenue, NW, #210 Washington, DC 20036	Briggs & Stratton Corp		
Do	General Dynamics Corp	250.00	
Do	Metropolitan Life Insurance Cos		
Do	Science Applications Int'l Corp	250.00	
Joan Albert Dreux, 1700 Pennsylvania Ave., NW, #500 Washington, DC 20006	Mutual of Omaha Insurance Co	4,000.00	951.19
William B. Driggers Jr., 1745 Jefferson Davis Highway, #605 Arlington, VA 22202	Texas Instruments, Inc	175.00	65.00
John P. Dring, 1331 Pennsylvania Ave., NW, #565 Washington, DC 20004	Texas Gas Transmission Corp		
Alvin Drischler, 3420 Reedy Drive Annandale, VA 22003	PHLCORP	24,000.00	221.62
Kevin J. Driscoll, 1800 M St., NW Washington, DC 20036	American Bar Assn	400.00	50.00
Fran Du Melle, 1029 Vermont Ave., NW, #710 Washington, DC 20005-3517	American Lung Assn	2,890.00	4,466.00
Stan Dublinske, 10801 Rockville Pike Rockville, MD 20852	American Speech-Language-Hearing Assn		
Evelyn Dubrow, 1710 Broadway New York, NY 10019	International Ladies' Garment Workers Union	13,280.80	266.00
Morgan D. Dubrow, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn	140.50	
Dana D. Duden, 1819 L St., NW, 7th Floor Washington, DC 20036	Reinsurance Assn of America		
Tim Dudgeon, 1250 Eye Street, NW, #900 Washington, DC 20005	Distilled Spirits Council of the U.S., Inc	2,000.00	
Daniel A. Duffy, 1400 K St., NW, #900 Washington, DC 20005	Rubber Manufacturers Assn	2,500.00	
Stephen C. Duffy, 1101 Vermont Ave., NW Washington, DC 20005	American Medical Assn	3,750.00	279.78
C. Ray Duggan, 815 16th St., NW Washington, DC 20006	Transportation - Communications Union	1,000.00	1,000.00
Robert H. Dugger, 1120 Connecticut Ave., NW Washington, DC 20036	American Bankers Assn	2,000.00	
Evelyn Dukovic, 3 East 85th Street New York, NY 10028	Morality in Media, Inc		
Deborah A. Dull, 2200 Mill Road Alexandria, VA 22314	American Movers Conference	400.00	
Dulles Access Rapid Transit Corp, 8000 Towers Crescent Dr., #801 Vienna, VA 22180			
Mervin E. Dullum, 1629 K St., NW, #501 Washington, DC 20006	Delta Air Lines, Inc	200.00	79.60
Mac S. Dunaway, Dunaway & Cross 1146 19th Street, NW Washington, DC 20036	Crown Control Corp		
Do	Industrial Truck Assn		
Do	Walbro Corp		
Amy K. Dunbar, P.O. Box 19230 Washington, DC 20036	National Assn of Bond Lawyers	5,416.67	50.31
Don R. Duncan, 1825 K Street, NW, #1107 Washington, DC 20006	Phillips Petroleum Co	5,000.00	
William C. Duncan, 1050 17th Street, NW, #410 Washington, DC 20036	Japan Automobile Manufacturers Assn	2,100.00	1,314.98
Duncan Weinberg Miller & Pembroke, P.C., 1615 M Street, NW, #800 Washington, DC 20036	Kenai Natives Assn, Inc	170.00	
Do	Lake Andes-Wagner Water Systems, Inc	375.00	
Do	Mid-West Electric Consumers' Assn, Inc		
Do	National Assn of State Energy Officials		
Do	Western Fuels Association, Inc		
Do	WEB Water Development Assn		
Louise C. Dunlap, 418 Tenth Street, SE Washington, DC 20003	Dunlap & Browder, Inc (For:Acurex Corp/California Energy Commission)	4,500.00	
Do	Dunlap & Browder, Inc (For:Unelco)		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Pauline Dunlap, 1201 McDuffie #222 Houston, TX 77019			
Mari Lee Dunn, 1850 K St., NW, #400 Washington, DC 20006	American Council for Capital Formation		
Michael V. Dunn, 600 Maryland Ave., SW, #202W Washington, DC 20024	Farmers Educational & Co-Operative Union of America	11,258.59	462.20
John H. Dunne, 8701 Georgia Ave., #701 Silver Spring, MD 20910	International Fed of Professional & Technical Engineers		
William C. Dunning, P.O. Box 619500 Dallas, TX 75261	Caltex Petroleum Corp		
James A. Dupree, 815 Connecticut Ave., NW Washington, DC 20006	Ford Motor Co	10,833.00	1,056.60
Joseph L. Duran, 100 Federal St. Boston, MA 02110	First National Bank of Boston		
B. J. Durham, P.O. Box 2121 Corpus Christi, TX 78403	Central Power & Light Co		
Ed Durkin, 101 Constitution Ave., NW Washington, DC 20001	United Brotherhood of Carpenters & Joiners of America		
Katherine M. Dutilh, 214 Massachusetts Ave., NE, #420 Washington, DC 20002	Milliken & Company	3,000.00	3,300.00
Dutko & Associates, 412 First St., SE, #100 Washington, DC 20003	Miguel H. Agosto	2,000.00	20.67
Do	American Free Trade Assn	4,326.27	125.96
Do	Anchor Industries, Inc	2,520.00	21.70
Do	Anesthesia Care Team Society		22.65
Do	Associates of North America		
Do	Association of Telemessaging Services Int'l, Inc		
Do	Citgo Petroleum Corp	10,000.00	10,537.66
Do	Colorado River Municipal Water District (CRMWD)		
Do	Communications Satellite Corp	12,000.00	141.36
Do	Council for Solid Waste Solutions	70,000.00	356.45
Do	D & B Wholesale Cosmetics, Inc	1,500.00	
Do	DSC Communications	24,191.14	577.23
Do	Sims Walker & Steinfeld, P.C. (For:Freight Undercharge League)	33,000.00	43.06
Do	William Gold	3,968.74	
Do	Jaime Goldenberg		
Do	Granger Associates		
Do	Gulf & Western Industries, Inc	22,500.00	933.70
Do	Hart-Culp International		
Do	International Telecharge, Inc	30,000.00	10,866.92
Do	Jewish National Fund	30,000.00	128.08
Do	Lightnet		
Do	Lusk Company		
Do	MedMax		
Do	Midlands Consortium	15,611.00	57.02
Do	Model Imperial Supply Co, Inc		
Do	Oklahoma State University	6,000.00	123.07
Do	PacifiCare Health Systems	11,995.00	1,110.07
Do	Pitts Energy Group		
Do	R-Max	13,555.00	314.32
Do	Southland Corporation		
Do	Stedman Foundation, Inc		
Do	M. Stevens Cosmetics Co		
Do	U.S. Sprint		
Do	Yavapai Telephone Exchange	5,000.00	50.85
Ernest DuBester, 815 16th Street, NW Washington, DC 20006	American Fed of Labor & Congress of Industrial Organizations	15,619.76	318.67
William P. DuBose IV, 1050 17th St., NW, #700 Washington, DC 20036	National Ocean Industries Assn	1,556.00	
Robert F. DuPree Jr., 1801 K Street, NW, #900 Washington, DC 20006	American Textile Manufacturers Institute	56.60	
Roderick T. Dwyer, 1920 N Street, NW Washington, DC 20036	American Mining Congress		
Talis Dzenitis, 633 Pennsylvania Ave., NW, #600 Washington, DC 20004	Sears Roebuck & Co	500.00	
DGA International, Inc, 1818 N Street, NW Washington, DC 20036	Dir Intl Aff of the Gen Del for Armements		
Do	Societe Nationale D'Etude et de Const de Moteurs D'Aviation	1,309.00	500.00
Do	Sofreavia	1,316.00	101.75
E.D.E.A., Inc, 1151 Acquidneck Avenue Middletown, RI 02840	American Ship Building Co	21,750.00	6,050.83
Jack D. Early, 1155 15th St., NW, #900 Washington, DC 20005	National Agricultural Chemicals Assn	75.00	4.00
Charles H. Eaton, 1725 K St., NW, #1111 Washington, DC 20006	Eaton Associates, Inc		
Robert E. L. Eaton, 1725 K St., NW, #1111 Washington, DC 20006	Eaton Associates, Inc		
Eaton Associates, Inc, 1725 K St., NW, #1111 Washington, DC 20006			
Robert E. Ebel, 1025 Connecticut Ave., NW, #1014 Washington, DC 20036	Enserch Corporation	1,450.00	760.00
Charles J. Eby, 901 31st Street, NW Washington, DC 20007	Hill & Knowlton, Inc (For:Monsanto)		
N. Boyd Ecker, 1100 Connecticut Ave., NW,#620 Washington, DC 20036	Mobil Oil Corp	1,500.00	101.30
Douglas E. Eckert, 4242 South 35th Street Arlington, VA 22206	Eckert International, Inc	7,500.00	
Fred J. Eckert, 3268 History Drive Oakton, VA 22124	Eckert International, Inc	62,500.00	14,000.00
Patricia K. Economos, 15th & M Streets, NW Washington, DC 20005	National Assn of Home Builders of the U.S.		
Helen H. Edge, 700 N. Fairfax St. Alexandria, VA 22314	Railway Progress Institute	589.69	
Edison Electric Institute, 9th Floor 1111 19th St., NW Washington, DC 20036		236,354.14	55,680.22
V. Anne Edlund, 1620 Eye St., NW, #1000 Washington, DC 20006	Motor Vehicle Manufacturers Assn of the U.S., Inc		
Christine A. Edwards, 633 Pennsylvania Ave., NW, #600 Washington, DC 20004	Dean Witter Financial Services Group	283.50	50.00
J. Rodney Edwards, 260 Madison Ave. New York, NY 10016	American Paper Institute, Inc		
Jack Edwards, 3000 First Natonal Bank Bldg. P.O. Box 123 Mobile, AL 36601	Fiat USA		
Do	Societe Nationale d'Etude et de Const de Moteurs d'Aviation	1,231.00	
Michael D. Edwards, 1201 16th Street, NW Washington, DC 20036	National Education Assn	3,594.10	162.00
Edwards Associates, 507 Second St., NE Washington, DC 20002	Confederated Tribes of Warm Springs Reservation		
Paul S. Egan, 1325 15th Street, NW, #503 Washington, DC 20005	Vietnam Veterans of America, Inc	11,250.00	187.40
Jill W. Eiland, 121 SW Salmon Portland, OR 97204	Portland General Electric Co		
Phyllis Eisen, 1331 Pennsylvania Ave., #1500-N Washington, DC 20004-1703	National Assn of Manufacturers	500.00	
Albert C. Eisenberg, 1735 New York Avenue, NW Washington, DC 20006	American Institute of Architects	12,700.00	44.70
Linda S. Eisnaugle, 225 W. 34th Street New York, NY 10122	National Commercial Finance Assn	13,125.00	3,055.00
H. J. Elam III, 1201 Maple St. Greensboro, NC 27405	Cone Mills Corp		
Stephen A. Elbert, 1615 M St., NW, #200 Washington, DC 20036	Amoco Corporation		
Jane Elder, 214 N. Henry St., #203 Madison, WI 53703	Sierra Club	468.00	789.64
Timothy L. Elder, 100 N.E. Adams Street Peoria, IL 61629-1430	Caterpillar, Inc	250.00	584.75
J. Burton Eller Jr., 1301 Pennsylvania Ave., NW, #300 Washington, DC 20004	National Cattlemen's Assn	1,000.00	
Charles W. Elliott, Wisconsin Petroleum Council 25 W. Main St., #703 Madison, WI 53703	American Petroleum Institute	994.00	1,107.17
John M. Ellis, 1120 Fairfield Avenue Roseville, CA 95678	Nor-Cal Federal Coalition		
Mark G. Ellis, 1920 N St., NW Washington, DC 20036	American Mining Congress		
Dorothy A. Ellsworth, 1300 Connecticut Ave., NW Washington, DC 20036	International Assn of Machinists & Aerospace Workers	15,550.58	57.75
Gary Elmestad, P.O. Box 3153 St Charles, MO 63302	Industrial Development Auth of St. Charles Co	8,750.00	110.78
Nancy C. Elwood, 15th & M Streets, NW Washington, DC 20005	National Assn of Home Builders of the United States		
Emergency Committee for American Trade, 1211 Connecticut Ave., NW, #801 Washington, DC 20036		79,004.38	93,966.81
John M. Emery, 1101 Vermont Ave., NW Washington, DC 20005	American Medical Assn	25.00	
Michael J. Emig, 1125 15th St., NW Washington, DC 20005	International Brotherhood of Electrical Workers	17,817.25	31.50
Randy Eminger, 5205 West 37th Street Amarillo, TX 79109	Southwestern Public Service Co	1,253.12	7.05
Irene R. Emsellem, 1800 M Street, NW Washington, DC 20036	American Bar Assn	400.00	50.00
End Notch Discrimination, 59 West La Sierra Drive Arcadia, CA 91006			3,236.00
Energy Consumers & Producers Assn, Box 1726 Seminole, OK 74868		13,025.00	
Gary D. Engebretson, 1350 New York Ave., NW, #200 Washington, DC 20005	Contract Services Assn		93.40
Ralph Engel, 1001 Connecticut Ave., NW, #1120 Washington, DC 20036	Chemical Specialties Manufacturers Assn, Inc		
Patricia A. English, 777 14th St., NW Washington, DC 20005	National Assn of Realtors		
Christopher Engquist, 1957 E St., NW Washington, DC 20006	Associated General Contractors of America		
Clinton W. Ensign, 2600 Virginia Avenue, NW, #901 Washington, DC 20037	Sinclair Oil Corporation	1,000.00	72.08
Epstein Becker & Green, P.C., 1140 19th St., NW, #900 Washington, DC 20036	American Medical Care & Review Assn		
Do	Voluntary Hospitals of America, Inc	11,250.00	
John Ernst, 1412 16th St., NW Washington, DC 20036-0001	National Wildlife Federation	397.86	
James L. Ervin, 499 South Capitol Street, SW, #520 Washington, DC 20003	Baldt, Inc		
Do	Keystone Diagnostics, Inc		
Ingolf G. Esders, 815 16th Street, NW Washington, DC 20006	International Longshoremen's Assn, AFL-CIO		1,157.09
Sherry Ettleson, 215 Pennsylvania Ave., SE Washington, DC 20003	Public Citizen	2,167.00	
Stephen E. Eure, 1711 King Street Alexandria, VA 22314	Snack Food Assn	4,500.00	81.50
European Travel Commission, 630 Fifth Avenue New York, NY 10111			
Billy Lee Evans, 499 South Capitol St., SW, #507 Washington, DC 20003	Hecht Spencer & Associates (For:Bixby Ranch Co)		
Do	Hecht Spencer & Associates, Inc (For:Brown & Williamson Tobacco Corp)		
Do	Hecht Spencer & Associates (For:BATUS, Inc)		
Do	Hecht Spencer & Associates, Inc (For:Great Western Financial Corp)		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Hecht Spencer & Associates (For:Hong Kong Trade Development Council)		
Do	Hecht Spencer & Associates (For:Western Growers Association)		
C. Lawrence Evans Jr., 51 Louisiana Avenue, NW Washington, DC 20001	Acacia Mutual Life Insurance Company	75,000.00	
David C. Evans, 1150 Connecticut Ave., NW, #900 Washington, DC 20036	Building Owners & Managers Assn Int'l		
Donald C. Evans Jr., 655 15th St., NW, #310 Washington, DC 20005	American Family Corp		
Do	Hoechst Celanese Corp		
Do	IFRB Corp		
Do	Michigan Consolidated Gas Company		
Do	Stepan Company		
Rae Forker Evans, 1615 L Street, NW, #1220 Washington, DC 20036	Hallmark Cards, Inc		
Robert B. Evans, 1101 14th Street, NW Washington, DC 20005	American Financial Services Assn	250.00	
Robert D. Evans, 1800 M St., NW Washington, DC 20036	American Bar Assn	400.00	50.00
William J. Evans Jr., 1200 17th Street, NW, #500 Washington, DC 20036	Pan American World Airways, Inc	960.00	368.56
Dave Evans Associates, 4076 Rosamora Court Arlington, VA 22207	ACA	2,500.00	
Do	SIA	2,500.00	
Evans Group, Ltd, 1010 Wisconsin Ave., #810 Washington, DC 20007	Embassy of Cyprus		
Do	Federal Home Loan Bank of Pittsburgh		
Do	Home Owners Federal Savings and Loan Assn		
Do	Matlack, Inc		
Do	Mortgage Bankers Assn of America	20,000.00	
Do	Towers Financial Corp	20,000.00	
Wayne S. Ewing, Associated Petroleum Industries of Pa P.O. Box 925 Harrisburg, PA 17108	American Petroleum Institute		
Paul K. Eyer, 300 5th Street, NE Washington, DC 20002	American Osteopathic Assn	1,500.00	
Tami L. Ezell, P.O. Box 21 Montgomery, AL 36101	Burlington Northern Railroad		1,812.00
EDS Corporation, 1331 Pennsylvania Ave., NW, #1300 Washington, DC 20004	National Cable Television Assn, Inc	500.00	
F/P Research Associates, 1700 K St., NW, #404 Washington, DC 20006	Chevron USA, Inc	1,200.00	
Dan L. Fager, 1700 K Street, NW, #1200 Washington, DC 20006	Cargill, Inc	2,500.00	
Robert R. Fahs, 1101 15th St., NW, #205 Washington, DC 20005	Committee for Humane Legislation	6,531.25	
Leslie Fain, 1506 19th Street, NW, #3 Washington, DC 20036	Andersons		5,546.00
Dale W. Fallat, P.O. Box 119 Maumee, OH 43537	Dow Chemical USA	8,000.00	2,195.38
Frank J. Farfone, 1776 Eye Street, NW, Suite 575 Washington, DC 20006	Aircraft Owners and Pilots Assn	2,400.00	125.50
Cheri L. Farha, 500 E Street, SW, #920 Washington, DC 20024	American Petroleum Institute	174,806.00	96,357.39
Thomas B. Farley II, 1220 L St., NW Washington, DC 20005	Food Marketing Institute	300.00	
Farmers' Educational & Co-Operative Union of America, 600 Maryland Ave., SW, #202w Washington, DC 20024	North American Telecommunications Assn	13,241.04	
Dagmar T. Farr, 1750 K Street, N.w. Washington, DC 20006	Peabody Holding Co, Inc		272.00
J. Dent Farr, 2000 M St., NW, #550 Washington, DC 20036	American Paper Institute, Inc	200.00	
Christopher G. Farrand, 122 C Street, NW, #240 Washington, DC 20001	Syntex (USA) Inc	4,125.00	419.69
Michael Farrar, 1250 Connecticut Avenue, NW Washington, DC 20036	Central Utah Water Conservancy District	25,162.50	10,381.99
Richard T. Farrell, 1133 15th St., NW, #210 Washington, DC 20005	Desert Research Institute	1,562.50	19.25
Marcus G. Faust, 332 Constitution Ave., NE Washington, DC 20002	Echo Bay Mining Co	1,384.13	9.13
Do	Kirton McConkie & Bushnell	2,500.00	173.08
Do	Public Service Co of New Mexico	14,400.00	1,411.11
Do	Sierra Pacific Power Co	12,965.00	1,517.45
Do	Standard Oil Co (Ohio)	11,250.00	
Do	University of Nevada School of Medicine		
Jane Fawcett-Hoover, 801 18th St., NW, #400 Washington, DC 20006	Procter & Gamble Manufacturing Co	62.50	
William D. Fay, 818 Connecticut Ave., N.W., #900 Washington, DC 20006	Clean Air Working Group	5,250.00	6,446.01
Federal Judges Association, 2188 U.S. Courthouse 75 Spring Street Atlanta, GA 30303		47,300.00	25,712.73
Federation of American Controlled Shipping, 50 Broadway New York, NY 10004		606.80	606.80
Federation of American Health Systems, 1111 19th St., NW, #402 Washington, DC 20036		16,000.00	16,000.00
Federation of American Scientists, 307 Massachusetts Ave., NE Washington, DC 20002			2,849.44
Robert Feenstra, 13545 Euclid Avenue Ontario, CA 91761	Milk Producers Council (For:Dairy Farmers for Responsible Dairy Policy)		
Donald M. Fehr, 805 Third Ave. New York, NY 10022	Major League Baseball Players Assn		
Douglas J. Feith, 1800 M Street, NW Washington, DC 20036	International Advisers Inc (For:Embassy of Turkey)	4,950.00	
Mark B. Feldman, 1800 M Street, NW Washington, DC 20036	International Advisers Inc	4,950.00	
Kenneth E. Feltman, 927 15th St., NW, #1000 Washington, DC 20005	Employers Council on Flexible Compensation	200.00	
Karen S. Fennell, 1522 K St., NW, #1120 Washington, DC 20005	American College of Nurse-Midwives		
Judith W. Fensterer, 242 E. 80th Street New York, NY 10021	Generic Pharmaceutical Industry Assn		
George F. Fenton Jr., 1920 N Street, NW Washington, DC 20036	American Mining Congress	90.00	
Edward T. Fergus, 100 Gold St. New York, NY 10292	Prudential-Bache Securities, Inc	750.00	
Betsy Ferguson, 1875 Eye St., NW, #1110 Washington, DC 20006	Times Mirror Co		
Stephen L. Ferguson, CFC, Inc 405 N. Rogers St. Bloomington, IN 47401	Cook Group, Inc	2,300.00	20.00
William Ferguson Jr., 1730 Rhode Island Ave., NW, #400 Washington, DC 20036	Alhambra Redevelopment Agency		
Do	Berg-Revoir Corp		
Do	City of Baldwin Park		
Do	City of Inglewood		
Do	City of Oceanside		
Do	City of Provo		
Do	City of Redondo Beach		
Do	City of Santa Ana		
Do	City of South Salt Lake		
Do	Gavin Associates		
Do	Imperial Irrigation District		
Do	Irvine Company		
Do	Long Beach Transit		
Do	Oceanside Redevelopment Agency		
Do	Santa Cruz Properties, Inc		
John H. Ferman, 1050 20th Street Sacramento, CA 95816	California Assn of Hospitals & Health Systems	15,000.00	1,775.99
John L. Festa, 1250 Connecticut Avenue, NW Washington, DC 20036	American Paper Institute, Inc		
Fiber Fabric & Apparel Coalition for Trade, 1801 K Street, NW, #900 Washington, DC 20006		72,966.00	102,192.00
Fred C. Fielding, 1725 Jefferson Davis Hwy, #900 Arlington, VA 22202	AM General Corporation		
C. H. Fields, 600 Maryland Ave., SW Washington, DC 20024	American Farm Bureau Federation	5,952.00	
Fierce & Associates, 600 New Hampshire Ave., NW, #1010 Washington, DC 20037	AB Hagglund & Sonar	12,900.00	512.82
Do	Bollinger Machine Shop & Shipyard, Inc	12,900.00	555.12
Do	Spar Aerospace, Ltd	16,500.00	1,388.57
Do	A. L. Williams & Company	12,000.00	1,920.08
Richard G. Fifield, P.O. Box 11000 Montgomery, AL 36198	Alabama Farmers Federation	1,765.00	770.00
Marshall S. Filler, 1330 Connecticut Ave. NW Suite 250 Washington, DC 20036	Continental Airlines, Inc, et al	4,480.00	570.40
Do	Eastern Air Lines, Inc	8,260.00	40.00
Do	National Business Aircraft Assn		
Do	Texas Air Corp		
Financial Services Council, 1225 19th St., NW, #410 Washington, DC 20036		17,500.00	4,042.00
William J. Finch, 403 East Sixth St. Bloomington, IN 47401	Cook Group, Inc	675.00	316.31
Lawrence A. Fineran, 1331 Pennsylvania Ave., NW, #1500 N. Washington, DC 20004	National Assn of Manufacturers	125.00	
Matthew P. Fink, 1600 M St., NW Washington, DC 20036	Investment Company Institute	398.04	
Nelson L. Fink, 378 Valley Oak Court Waldorf, MD 20601-3500	Air Force Sergeants Assn, Inc		
Thomas D. Finnigan, 1100 15th Street, NW, #1200 Washington, DC 20005	Union Carbide Corp		
M. J. Fiocco, 1090 Vermont Ave., NW, #410 Washington, DC 20005	National Industrial Transportation League	6,500.00	57.00
Fire Equipment Manufacturers & Services Assn, Inc, 1776 Massachusetts Avenue, NW, #521 Washington, DC 20036			
First National Bank of Boston, 100 Federal St. Boston, MA 02110			21,379.76
Richard L. Fischer, 1615 M St., NW, #200 Washington, DC 20036	Amoco Corporation		
Deborah A. Fischione, 2000 Pennsylvania Ave., NW, #6200 Washington, DC 20006	Chicago Mercantile Exchange		
Carleton W. Fish, P.O. Box 35106 Minneapolis, MN 55435	American Collectors Assn	1,000.00	1,495.12
Donald W. Fisher, 3814 Ivanhoe Lane Alexandria, VA 22310	American Group Practice Assn, Inc		
J. Paris Fisher, 1801 K St., NW, #800 Washington, DC 20006	Westinghouse Electric Corp	1,500.00	
Janet S. Fisher, 1333 New Hampshire Avenue, NW Washington, DC 20036	ARCO Chemical Co		
William P. Fisher, 1200 17th Street, NW Washington, DC 20036	National Restaurant Assn		
Fisher Wayland Cooper & Leader, 1255 23rd Street, NW, #800 Washington, DC 20037-1125	International Communications Assn		
David H. Fiske, Goodwin & Soble 1300 19th Street, NW, #350 Washington, DC 20036	Software Publishers Assn	1,332.00	76.50
John Fitzgerald, 1244 19th Street, NW Washington, DC 20036	Defenders of Wildlife	343.57	200.00
Thomas H. Fitzpatrick, Connecticut Petroleum Council 410 Asylum Street Hartford, CT 06103	American Petroleum Institute	300.00	68.98

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Richard S. Fitzsimmons, 1130 Connecticut Ave., NW, #1000 Washington, DC 20036	American Insurance Assn		
Alan M. Fitzwater, 3800 Continental Plaza 777 Main Street Fort Worth, TX 76102	Burlington Northern Railroad	22,500.00	
Hilliard J. Fjord, 602 Main St., #600 Cincinnati, OH 45202	Ohio River Co		
Susan G. Flack, 1320 19th St., NW, #400 Washington, DC 20036	Dayton Hudson Corp	100.00	
Do	National Assn of Chain Drug Stores, Inc	300.00	
Do	Flack, Inc (For:Spiegel, Inc)	300.00	
Robert B. Flagg, 3214 White Flint Ct. Oakton, VA 22124	Chemical Manfacturing Assn	750.00	1,005.50
James J. Flanagan, 25 Research Dr. Westborough, MA 01582	New England Power Service Co	1,386.00	197.00
Fleishman-Hillard, Inc, 1301 Connecticut Ave., NW, 7th Floor Washington, DC 20036	American Ambulance Assn	18,000.00	1,162.15
Do	Apple & Eve	22,500.00	129.95
Do	Citizens for a Drug Free America	25,000.00	324.37
Do	Eveready		
Do	Murdock International	5,072.50	
Do	National Spiritual Assembly of the Baha'is of the U.S.	11,500.00	1,450.00
Do	Pathology Practice Assn	24,000.00	1,074.23
Do	Syva Company	24,000.00	363.58
Do	United Network of Organ Sharing	34,682.50	118.25
Michael Fleming, 1300 N. 17th St., # 1010 Arlington, VA 22209	American Assn of Equipment Lessors		
Terry P. Fleming, Ohio Petroleum Council 88 E. Broad St., #1960 Columbus, OH 43215	American Petroleum Institute	3,000.00	2,315.72
Ruth Flower, 245 Second Street, NE Washington, DC 20002	Friends Committee on National Legislation	4,904.19	
Focus on the Family, 801 Corporate Center Drive Pomona, CA 91768		26,851.00	22,184.00
David H. Foerster, 1201 16th St., NW Washington, DC 20036	National Education Assn		
Foley & Lardner, 1775 Pennsylvania Avenue, NW Washington, DC 20006-4680	Coldwell Banker Real Estate Group	2,800.00	15.00
Do	Kohlberg Kravis Roberts & Co	5,000.00	255.58
R. D. Folsom, 1440 New York Ave., NW, #320 Washington, DC 20005	Capital Legislative Services (For:Uniroyal Chemical Company)	1,250.00	142.15
Food & Allied Service Trades Dept, AFL-CIO, 815 16th Street, NW, #408 Washington, DC 20006		14,706.00	14,706.00
Food Marketing Institute, 1750 K St., NW Washington, DC 20006			4,750.00
Foodservice & Packaging Institute, Inc, 1025 Connecticut Ave., NW Washington, DC 20036			
Mari S. Forbes, 1731 Connecticut Ave., NW Washington, DC 20009	Albers & Company (For:May Department Stores Co)		
James E. Ford, 1333 New Hampshire Avenue, NW Washington, DC 20036	Atlantic Richfield Co		
John P. Ford, One Kellogg Square Battle Creek, MI 49016	Kellogg Co	2,000.00	283.00
Forest Farmers Assn, P.O. Box 95385 Atlanta, GA 30347			7,388.09
Mark A. Forman, 8th & Eaton Avenues Bethlehem, PA 18018	Union Pacific Corp	1,250.00	
Sallie H. Forman, 1311 Pennsylvania, NW, #700-South Washington, DC 20004	National Broadcasting Co, Inc		
James R. Forrester, P.O. Box 94661 Cleveland, OH 44101	Centerior Energy Corp, et al	1,603.27	1,919.88
Larry Forrester, 3707 Woodview Trace P.O. Box 68700 Indianapolis, IN 46268	National Assn of Mutual Insurance Cos		
Alison B. Fortier, 1745 Jefferson Davis Highway, #1200 Arlington, VA 22202	Rockwell International		
Richard D. Fortin, 1275 K Street, NW, #850 Washington, DC 20005-4006	National Industrial Transportation League		
Richard C. Fortuna, 1440 New York Ave., NW, #310 Washington, DC 20005	Hazardous Waste Treatment Council	750.00	375.00
Maria Foscarinis, 1439 Rhode Island Avenue, NW Washington, DC 20005	National Coalition for the Homeless	625.00	
Bruce Foster, 1111 19th Street, NW, #303 Washington, DC 20036	Southern California Edison Co	4,437.00	1,500.00
Nancy E. Foster, 1300 L Street, NW, Suite 950 Washington, DC 20005-4107	American Soybean Association		
Stacie Foster, 1100 15th St., NW, #700 Washington, DC 20005	Sonat, Inc		
Conrad M. Fowler, Box 71 West Point, GA 31833	West Point Pepperell	8,400.00	5,508.00
Donald L. Fowler, P.O. Box 50627 Columbia, SC 29250	Chem-Nuclear Systems		2,811.57
Do	Giant Cement Company		2,601.36
Do	Home Group		9,866.15
Do	Providence Hospital		
Alissa T. Fox, 655 15th Street, NW, #350 Washington, DC 20005	Blue Cross & Blue Shield Assn		
Fox Group, USA Ltd, P.O. Box 1831 Charleston, SC 29402	Camp Barsh Bates & Tate (for Sears Roebuck & Co), et al		
Douglas S. Foxley, 50 South Main, #975 Salt Lake City, UT 84144	Reese Communications Cos (for: Philip Morris, USA)	2,500.00	
Donald Fraher, 777 14th Street, NW Washington, DC 20005	American Symphony Orchestra League	10,323.12	183.25
John R. Frahm, 1101 15th Street, NW Washington, DC 20005	Minnesota Mining & Manufacturing Co	3,000.00	
Douglas L. Francisco, 1101 16th St., NW Washington, DC 20036	Independent Petroleum Assn of America		86.00
Anthony M. Franco, Inc, 400 Renaissance Center, #600 Detroit, MI 48243	Madison Public Affairs Group, Inc	15,000.00	
Stephen R. Frank, 607 Azure Hills Drive Simi Valley, CA 93065	Eagle Group (For:Design Systems, Inc)	1,500.00	
Do	Eagle Group (For:Tailored Baby, Inc)	1,500.00	
Faye B. Frankfort, 9312 Old Georgetown Road Bethesda, MD 20814-1621	American Podiatric Medical Assn	3,750.00	
David C. Frankil, 918 16th Street, NW, #402 Washington, DC 20006	American Furniture Manufacturers Assn	750.00	479.80
Walter L. Frankland Jr., 1717 K St., NW Washington, DC 20006	Silver Users Assn, Inc	1,787.00	60.00
Ellis B. Franklin, 5025 Wisconsin Ave., NW Washington, DC 20016	Amalgamated Transit Union, AFL-CIO		
George Franklin, 1 Kellogg Square Battle Creek, MI 49016-3599	Kellogg Company	1,500.00	150.00
Kevin Frankovich, 1350 New York Ave., NW, #200 Washington, DC 20005	Contract Services Assn		5.40
Thomas C. Franks, 1220 L St., NW, #510 Washington, DC 20005	American Resort & Residential Development Assn	1,500.00	118.95
John B. Franz, P.O. Box 10568 Pompano Beach, FL 33061-6568			
Marian C. Franz, 2121 Decatur Place, NW Washington, DC 20008	National Campaign for a Peace Tax Fund	825.00	150.00
Charles L. Frazier, 475 L'Enfant Plaza, SW, #2250 Washington, DC 20024	National Farmers Organization	5,417.00	3,476.00
Robert M. Frederick, 1616 H St., NW Washington, DC 20006	National Grange	6,000.00	
John S. Fredericksen, 1101 Connecticut Ave., NW, #700 Washington, DC 20036	Regional Airline Association	1,000.00	
Free the Eagle, 25 E Street, NW, 8th Floor Washington, DC 20001		24,400.00	235,370.05
Joel Freedman, 1600 M St., NW, 5th Floor Washington, DC 20036	Hartford Fire Insurance Co	7,000.00	
James O. Freeman, 324 9th Street, SE Washington, DC 20003	U.S. League of Savings Institutions		
Lewis R. Freeman Jr., 1275 K Street, NW, #400 Washington, DC 20005	Society of the Plastics Industry, Inc		
Mary Ann Freeman, 1331 Pennsylvania Ave, NW Washington, DC 20005	General Electric Co	180.00	
Paula D. Freer, 818 Connecticut Avenue, NW, #900 Washington, DC 20006	USX Corp		
French & Company, 1455 Pennsylvania Ave., NW, #1260 Washington, DC 20004	International Electronics Mfgrs & Consumers of America, Inc	1,000.00	
Do	Montgomery Ward & Co, Inc	2,000.00	
Do	Wheels, Inc	600.00	
Annette P. Fribourg, 3900 Wisconsin Ave., NW Washington, DC 20016	Federal National Mortgage Assn	26,000.00	873.89
G. William Frick, 1220 L Street, NW Washington, DC 20005	American Petroleum Institute		
Fried Frank Harris Shriver & Jacobson, 1001 Pennsylvania Ave., NW, #800 Washington, DC 20004	Doyon, Limited		
Do	General Electric Co	825.00	
Do	Lonza, Inc	2,319.00	73.82
Do	Virgin Islands Rum Industries, Ltd	357.50	9.00
James M. Friedman, 1100 Citizens Bldg. Cleveland, OH 44114	Cleveland Electric Illuminating Co	29,849.00	2,298.00
Do	Coalition for Environmental-Energy Balance	11,096.00	595.17
Do	Reese Communications Cos (for: Philip Morris, USA)	7,500.00	
Gay H. Friedmann, 1150 Connecticut Ave., NW, #717 Washington, DC 20036	Southern California Gas Co	8,000.00	
Friends Committee on National Legislation, 245 2nd St., NE Washington, DC 20002			33,819.66
Ellen Frishberg, 122 C St., NW, #750 Washington, DC 20001	National Assn of Independent Colleges & Universities	5,850.00	362.00
Edward O. Fritts, 1771 N Street Washington, DC 20036	National Assn of Broadcasters	2,500.00	
William D. Fritts Jr., 1025 Connecticut Ave., NW Washington, DC 20036	Health Insurance Assn of America, Inc		
Charles H. Fritzel, 499 S. Capitol St., SW, #401 Washington, DC 20003	National Assn of Independent Insurers	400.00	520.00
Marcy Masters Frosh, 2030 M Street, NW Washington, DC 20036	Common Cause	6,117.48	
Thomas E. Fruechtenicht, 700 Harrison Bldg 143 West Market St. Indianapolis, IN 46204	Reese Communications Cos (for: Philip Morris, USA)	4,800.00	
Gordon H. Fry, 1111 19th Street, NW, #900 Washington, DC 20036	Edison Electric Institute		
Nancy R. Fulco, 1615 H St., NW Washington, DC 20062	U.S. Chamber of Commerce	8,223.00	
Don Fuqua, 1250 Eye Street, NW Washington, DC 20005	Aerospace Industries Assn of America, Inc	2,950.00	
Eric Keith Gabrielle, P.O. Box 12532 Gainsville, FL 32604			
James E. Gaffigan, 1201 New York Ave., NW Washington, DC 20005	American Hotel & Motel Assn	3,034.61	
William C. Gager, 6849 Old Dominion Dr., #352 McLean, VA 22101	Automotive Parts Rebuilders Assn		
Joe H. Galis 059739, D.C.I., 19000 SW 377 St. D-111-T Florida City, FL 33034	Joe H. Galis		
Janne G. Gallagher, 3373 Rittenhouse Street, NW Washington, DC 20015	Human Services Forum on Government Relations	320.00	29.70
Linda Parke Gallagher, 1225 Eye Street, NW, 7th Floor Washington, DC 20005	Linda Parke Gallagher & Associates (For:National Corp for Housing Partnerships)		
Karl Gallant, 8001 Braddock Road Springfield, VA 22160	National Right to Work Committee	3,900.00	397.67
Mark Gallant, 40 Ivy Street, SE Washington, DC 20003	National Lumber & Building Material Dealers Assn	4,500.00	
Galvin Fox & Palmer, 425 Park Avenue New York, NY 10022	Herman's Sporting Goods, Inc		
John B. Gantt, 2000 Pennsylvania Ave., NW, #900 Washington, DC 20006	Associated Aviation Underwriters		
Harry D. Garber, 787 7th Avenue New York, NY 10019	Equitable Financial Companies		
Isabella Garcia, 1201 16th St., NW, #624 Washington, DC 20036	National Education Assn	2,339.30	439.50
Raymond Garcia, 1745 Jefferson Davis Highway, #1200 Arlington, VA 22202	Rockwell International Corp	3,000.00	153.48
Sherwin Gardner, 1010 Wisconsin Ave., NW, #800 Washington, DC 20007	Grocery Manufacturers of America, Inc		
Stephen K. Gardner, Gardner Communications, Inc 555 13th Street, NW, #500E Washington, DC 20004	PS Group, Inc		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Gardner Carton & Douglas, 1001 Pennsylvania Ave, NW, #750-N Washington, DC 20004	Alamo Rent-A-Car, Inc		
Do	Midcon Corp		
Nancy Garland, 1505 Prince Street, #300 Alexandria, VA 22314	American Optometric Assn		
Garrett & Company, 1630 Connecticut Avenue, NW, #202 Washington, DC 20009	Taiwan Power Company		
Ann Lakin Garver, 600 Pennsylvania Ave., SE, #211 Washington, DC 20003	National Assn of Casualty and Surety Agents	1,500.00	221.43
Garvey Schubert & Barer, 1000 Potomac St., NW Washington, DC 20007	American Iron & Steel Institute	22,568.44	
Do	Canadian Embassy	3,315.10	
Do	City of Aberdeen	21,549.00	
Do	J & B Management Company	1,148.75	
Do	Ministry of the Environment	6,891.00	
Do	Province of Manitoba Department of Natural Resources	2,058.00	
Do	Space Industries, Inc	20,801.25	
Do	Totem Ocean Trailer Express, Inc	42,927.30	
Do	Washington Citizens for World Trade	45,336.00	
Gas Appliance Manufacturers Assn, Inc, 1901 North Moore Street Arlington, VA 22209			
Lillian B. Gaskin, 1800 M St., NW Washington, DC 20036	American Bar Assn	400.00	50.00
Frank T. Gasper, Jamison Road East Aurora, NY 14052	Moog, Inc		
Philip Gasteyer, 1709 New York Ave., NW, #801 Washington, DC 20006	U.S. League of Savings Institutions	2,000.00	
Bruce A. Gates, 201 Park Washington Court Falls Church, VA 22046	National-American Wholesale Grocers' Assn	3,000.00	
Fred Gebler, 1331 Pennsylvania Ave., NW, #1300 Washington, DC 20004	Electronic Data Systems Corp	90.00	29.00
Ruthann Geib, 1156 15th Street, NW, #1020 Washington, DC 20005	American Sugarbeet Growers Assn		
Robert C. Gelardi, 5775 Peachtree-Dunwoody Rd., #500-D Atlanta, GA 30342	Robert H. Kellen Co (For:Calorie Control Council)		
Do	Robert H. Kellen Co (For:Infant Formula Council)		
Morton A. Geller, 100 Federal St. Boston, MA 02110	First National Bank of Boston		
General Aviation Manufacturers Association, 1400 K Street, NW, #801 Washington, DC 20005			5,733.00
Generic Pharmaceutical Industry Assn, 200 Madison Ave., #2404 New York, NY 10016		11,351.00	11,351.00
Generic Pharmaceutical Industry Assn Animal Drug Alliance, 200 Madison Ave., #2404 New York, NY 10016		1,390.50	1,390.50
Diane J. Generous, 1331 Pennsylvania Ave., NW, #1500 North Washington, DC 20004-1703	National Assn of Manufacturers		
John Gentille, 1957 E St., NW Washington, DC 20006	Associated General Contractors of America		
Nancy Whorton George, 555 13th Street, NW, #1010 E Washington, DC 20004-1109	Transco, Inc		
George W. Gephart, P.O. Box 1475 Baltimore, MD 21203	Baltimore Gas & Electric Co		
Joseph G. Gerard, 918 16th St., NW, #402 Washington, DC 20006	American Furniture Manufacturers Assn	1,500.00	1,298.44
Gerard Byler & Associates, Inc, 1155 Conn., Ave., NW, #300 Washington, DC 20036	Commissioned Officers Assn of the U.S. Public Health Service	300.00	
Do	Havasupai Tribal Council	1,695.00	
Do	Leech Lake Reservation Business Committee	809.00	
Do	San Carlos Apache Tribe	600.00	
Do	Tohono O'odham Nation	785.00	
Do	Tulalip Tribes		
Do	White Earth Tribal Council	660.00	
Louis Gerber, 1925 K St., NW Washington, DC 20006	Communications Workers of America	6,927.09	140.00
Robin Gerber, 101 Constitution Ave. NW Washington, DC 20001	United Brotherhood of Carpenters & Joiners of America		
Matthew Gerson, 1600 Eye Street, NW Washington, DC 20006	Motion Picture Assn of America, Inc	1,120.00	657.87
Gerst Heffner Foldes & Podgorsky, 1700 K Street, NW, #1107 Washington, DC 20006	Local Railroad Coalition		
Kenneth Gersten, P.O. Box 667 Annapolis, MD 21404	Sierra Club	699.30	
Alvin J. Geske, 1016 16th St., NW, 6th Floor Washington, DC 20036	Benchmarks, Inc	2,056.25	
Do	Grupo Industrial Alfa, SA	2,056.25	
Dorothy F. Gevinson, 801 18th Street, NW, #400 Washington, DC 20006	Procter & Gamble Manufacturing Co	56.63	
Danny Ghorbani, 8014 Falstaff Road McLean, VA 22102	Association for Regulatory Reform	2,000.00	803.00
Clair Ghylin, 1700 K Street NW, #1200 Washington, DC 20006	Chevron USA, Inc	7,500.00	
William C. Gibb, 1050 Thomas Jefferson St., NW, 6th Fl Washington, DC 20007	Committee for the Protection of Shippers Shortlines & Equip		
William T. Gibb, 1001 Pennsylvania Ave., NW9 Washington, DC 20004	American Council of Life Insurance, Inc	2,000.00	
Wayne Gibbens, 1919 Pennsylvania Ave., NW, #503 Washington, DC 20006	Mid-Continent Oil & Gas Assn	20,034.00	399.75
Gibson Dunn & Crutcher, 1050 Connecticut Ave., NW, #900 Washington, DC 20036	Insurance Assn of Connecticut		
Robert B. Giese, 3811 Garfield St., NW Washington, DC 20007	BHC, Inc		
Do	Chris-Craft Industries, Inc		
Do	United Television, Inc		
William L. Gifford, 100 Interpace Parkway Parsippany, NJ 07054	GPU Service Corporation		
Lucie Kriste Gikovich, 866 Second Avenue New York, NY 10017	Watts & Company Communications, Inc	20,000.00	
Robert C. Gilardi, 1235 Jefferson Davis Highway Crystal Gateway #1, Suite 501 Arlington, VA 22202	Compressed Gas Assn/Heliun Advisory Council		
Pamela Gilbert, 215 Pennsylvania Avenue, SE Washington, DC 20003	U.S. Public Interest Research Group	4,437.29	
James E. Gilchrist, 1920 N Street, NW Washington, DC 20036	American Mining Congress		
Michael Gildea, 815 16th St., NW #309 Washington, DC 20006	American Fed of Labor & Congress of Industrial Organizations	16,015.22	
Mary Ann Gilleece, 1713 Maple Hill Place Alexandria, VA 22302	Astra Holdings Corp	200.00	
Do	IPAC, Inc	200.00	
Neal P. Gillen, 1725 K Street, NW, #1210 Washington, DC 20006	American Cotton Shippers Assn	33,333.36	1,145.91
Annelise Gillespie, 1250 Connecticut Avenue, NW Washington, DC 20036	National Forest Products Assn	1,200.00	
Daniel F. Gilligan, 1701 K Street, NW, #400 Washington, DC 20006	National Manufactured Housing Federation	1,000.00	
Brad Gilman, 1050 Thomas Jefferson Street, NW, 6th Fl Washington, DC 20007	Robertson Monagle & Eastaugh (For:Alaska Loggers Assn)		
Do	Robertson Monagle & Eastaugh (For:Bristol Bay Native Corp)	1,250.00	
Do	Robertson Monagle & Eastaugh (For:Municipality of Anchorage)		
Gilmartin Poster & Shafto, One William Street, 5th Floor New York, NY 10004	B & B Dredging Corp	14,525.00	
Ginn Edington Moore & Wade, 803 Prince Street Alexandria, VA 22314	Agusta Aviation Corp		
Do	Allied Signal Aerospace Co		
Do	Chrysler Corporation	2,500.00	70.67
Do	Equifax		
Do	Lockheed Aeronautical Systems Company		
Do	Lockheed Corporation		
Do	Mechanical Technology, Inc		
Do	Oglethorpe Power Corp		
Do	Rockwell International Corp	1,800.00	51.10
Do	Shell Oil Co		
Do	Turner Broadcasting System, Inc		
Do	U.S. Cane Sugar Refiners' Assn		
Do	Watkins Associated Industries, Inc		
Mark R. Ginsberg, 1717 K Street, NW, #407 Washington, DC 20006	American Assn for Marriage & Family Therapy	5,000.00	
Brenda M. Girton, 633 Pennsylvania Ave., NW, #600 Washington, DC 20004	Sears Roebuck & Co	750.00	72.65
Michael J. Giuffrida, 204 E Street, NE Washington, DC 20002	National Frozen Food Association	1,000.00	
Nicholas J. Glakas, 1600 M Street, NW Washington, DC 20036	ITT Corporation	33,750.00	81.00
Donna Siss Gleason, 2001 L Street, NW, #1000 Washington, DC 20036	Unisys Corp		
Law Offices of Thos Gleason, 26 Broadway, 17th Floor New York, NY 10004	International Longshoremen's Assn, AFL-CIO		
Martin J. Gleason, 1250 24th Street, NW, #600 Washington, DC 20037	Van Dyk Associates, Inc (For:American Gas Assn)		
Robert E. Gleason, 815 16th Street, NW Washington, DC 20006	International Longshoremen's Assn, AFL-CIO	9,865.44	646.61
Donald R. Glenn, 1627 K Street, NW, #200 Washington, DC 20006	Energy Research Corp		
Sara B. Glenn, 1100 Connecticut Ave., NW Washington, DC 20036	Mobil Corp	1,125.00	
Glenn Irvin Murphy Gray & Stepp, 1325 Laurel Street P.O. Box 1550 Columbia, SC 29202	Dr. Allen P. Bruner		
Do	Mr. & Mrs. Peter Buyck		
Do	Joy B. Carpenter		
Do	Congaree River Limited Partnership		
Global USA, Inc, 2121 K St., NW, #650 Washington, DC 20037	All Nippon Airways Co, Ltd		
Do	Fanuc Ltd		
Do	Hitachi, Ltd	144.23	
Do	Hyundai Motor America		
Do	Japan Fed of Construction Contractors, Inc		
Do	Komatsu Ltd		
Do	Kyocera Corporation		
Do	Mazak Corporation		
Do	Sisters of Charity of the Incarnate Word	180.28	
Do	South Louisiana Port Commission	45.67	
Do	Teco Transport & Trade Corp		
Jere W. Glover, 1725 K Street, NW, #308 Washington, DC 20006	American Academy of Environmental Medicine		10.00
Do	Fair Franchising Coalition		
Do	National Assn for the Self-Employed		
Horace D. Godfrey, 910 16th St., NW, S-402 Washington, DC 20006	Godfrey Associates, Inc		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Godfrey Associates, Inc, 910 16th St., NW, S-402 Washington, DC 20006			
Stephanie R. Godley, 2500 Wilson Blvd. #301 Arlington, VA 22201	American Apparel Manufacturers Assn, Inc	1,000.00	50.00
James W. Godlove, 1825 K Street, NW, #1107 Washington, DC 20006	Phillips Petroleum Co	1,050.00	11.24
Judith M. Goff, 375 Jackson Street St. Paul, MN 55101	Farm Credit Services	630.00	488.09
A. James Golato, 2300 M St., NW, #800 Washington, DC 20037	H&R Block, Inc		
Harvey S. Gold, 8100 Oak Street Dunn Loring, VA 22027	National Pest Control Assn		
Gold & Liebengood, Inc, 1455 Pennsylvania Ave., NW, #950 Washington, DC 20004	American Academy of Ophthalmology	1,400.00	1,914.00
Do	American Assn of Airport Executives	7,200.00	2,091.00
Do	American Medical Assn	13,000.00	2,153.00
Do	Arizona Legislative Council		
Do	Beretta Corp	4,240.00	2,153.00
Do	BAA plc		1,753.00
Do	Camp Barsh Bates & Tate	420.00	2,080.00
Do	Chemical Manufacturers Assn, Inc	638.00	2,107.00
Do	College of American Pathologists	3,333.00	2,153.00
Do	Electronic Data Systems Corp	9,033.00	2,034.00
Do	Energy Research Corp	12,600.00	2,153.00
Do	Equitable Life Assurance Society of the U.S.	25,000.00	2,153.00
Do	Eye Bank Assn of America	1,875.00	2,133.00
Do	Federal Express Corp	10,331.00	2,153.00
Do	Federated Investors, Inc	7,500.00	2,153.00
Do	Fiat, USA	39,030.00	2,153.00
Do	Ford Motor Co		
Do	Hopi Tribe	42,000.00	1,753.00
Do	Investment Company Institute	331.00	1,809.00
Do	Martin Marietta Corp	750.00	1,753.00
Do	MCI Communications Corp	9,750.00	2,153.00
Do	National Assn of Homes for Children	7,750.00	2,153.00
Do	National Cattlemen's Assn	1,100.00	2,153.00
Do	National Football League	2,990.00	2,153.00
Do	National Restaurant Assn	24,750.00	2,153.00
Do	National School Transportation Assn	2,200.00	1,935.00
Do	Pacific Enterprises	6,600.00	2,153.00
Do	Pennzoil Co	2,000.00	2,153.00
Do	Philip Morris Company	40,000.00	2,153.00
Do	Phillips Petroleum Co	7,500.00	2,153.00
Do	Public Securities Assn	3,375.00	2,153.00
Do	Texas Cattle Feeders Assn		
Do	Thomson-CSF, Inc	4,000.00	1,827.00
Do	Ticor Title Insurance Co	2,000.00	1,871.00
Do	Times Mirror Co	1,000.00	1,985.00
Do	Washington Metropolitan Area Transit Authority	20,250.00	1,753.00
Gold Fields Operating Co-Mesquite, HCR 76, Glamis 100 Brawley, CA 92227			
Goldberg & Spector, 1229 19th St., NW Washington, DC 20036	Alpha Lyracom d/b/a Pan American Satellite		
Ronald L. Goldfarb, Goldfarb & Singer 918 16th Street, NW, #503 Washington, DC 20003	Washington Independent Writers, Inc		
H.P. Goldfield, 3000 K St., NW, #300 Washington, DC 20007	Swidler & Berlin (For:Ferroalloys Association)		
Max Goldman, 1050 17th Street, NW, #500 Washington, DC 20036	Texaco, Inc		
Goldman Sachs & Co, 1825 Eye St., NW, #450 Washington, DC 20006			1,550.00
Janice Goldman-Carter, 1400 16th Street, NW Washington, DC 20036	National Wildlife Federation	1,536.52	
Robert H. Goldsborough, 5508 Lombardy Place Baltimore, MD 21210	Americans for Immigration Control, Inc	6,300.00	
Benson S. Goldstein, 1010 North Fairfax Street Alexandria, VA 22314	National Soc of Public Accountants		
Jack Golodner, 815 16th St., N.W. Washington, DC 20006	Department for Professional Employees, AFL-CIO	6,426.05	
John A. Gonzalez, 1745 Jefferson Davis Hwy., #1200 Arlington, VA 22202	Rockwell International Corp	5,000.00	2,641.10
David R. Goode, 8 N. Jefferson Street Roanoke, VA 24042	Norfolk Southern Corp		
Richard F. Goodstein, 1150 Connecticut Avenue, NW, #600 Washington, DC 20036	Browning-Ferris Industries, Inc	950.00	420.00
Robert F. Goodwin, 1850 K St., NW, Suite 275 Washington, DC 20006	Meredith Corp	18.00	18.00
John Gordley, 201 Massachusetts Avenue, NE, #C-5 Washington, DC 20002	Evans Grain Co	4,500.00	257.31
Do	Iowa Pork Producers Assn	4,500.00	1,131.51
Do	National Sunflower Assn	10,500.00	146.39
Do	Nebraska Wheat Board	24,000.00	2,214.85
Do	Renewable Fuels Assn	165,000.00	2,446.23
Randall C. Gordon, 725 15th Street, NW Washington, DC 20005	National Grain & Feed Assn		
Gordon Feinblatt Rothman Hoffberger & Hollander, 233 East Redwood Street Baltimore, MD 21202	O-W Fund, Inc	4,500.00	
John C. Gore, 1776 Eye Street NW Suite 1000 Washington, DC 20006	BP America, Inc		
Millicent Gorham, 1505 Prince Street, #300 Alexandria, VA 22314	American Optometric Assn		
David W. Gorman, 807 Maine Avenue, SW Washington, DC 20024	Disabled American Veterans	16,556.80	269.19
Mark S. Gorman, 1200 17th Street, NW Washington, DC 20036	National Restaurant Assn	1,500.00	990.00
James D. Gormley, 1400 K Street, NW, #801 Washington, DC 20005	General Aviation Manufacturers Association	1,788.00	
Ann M. Gosier, 1920 N St., NW Washington, DC 20036	American Mining Congress		
John T. Gould Jr., 475 Park Ave. South New York, NY 10016	Soap & Detergent Assn		
Government Liaison Project, 6313 Tulsa Lane Bethesda, MD 20817		70.00	61.86
Government Strategies, Inc, 1712 Walnut Street,#300 Philadelphia, PA 19103	Lukens, Inc	15,137.50	5,091.10
Emerson F. Gower Jr., 411 Fayetteville St. Mall, #1925 Raleigh, NC 27601	Carolina Power & Light Co	1,024.00	1,185.00
Edmund Graber, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America	2,000.00	500.00
John R. Graff, 4230 King Street Alexandria, VA 22302	International Assn of Amusement Parks & Attractions		
Rick Grafmeyer, 1133 19th Street, NW Washington, DC 20036	MCI Communications Corp		
David W. Graham, 1776 Eye Street, NW, Ste. 575 Washington, DC 20006	Dow Chemical USA		5,540.00
Elaine Z. Graham, 1200 17th Street, NW Washington, DC 20036	National Restaurant Assn	1,500.00	990.00
Lawrence T. Graham, 1401 New York Avenue, NW, #400 Washington, DC 20005	National Food Processors Assn	500.00	100.00
Winston S. Graham, 91 Macon Street Brooklyn, NY 11216			
Graham & James, 2000 M Street, NW, #700 Washington, DC 20036	Contact Lens Manufacturers Assn	437.30	7.50
John K. Gram, 610 S.W. Broadway, #608 Portland, OR 97205	Public Timber Purchasers Group	1,781.25	330.00
Frances Turk Granahan, 1090 Vermont Avenue, NW, #600 Washington, DC 20005	Texas Eastern Transmission Corp		301.63
Grange Mutual Casualty Co, 650 South Front Street Columbus, OH 43206			
Grant Thornton, 1850 M St., NW, #300 Washington, DC 20036			
James L. Granum, 1500 K Street, NW, #375 Washington, DC 20005	Norfolk Southern Corp	1,000.00	
Andrew N. Grass Jr., One World Trade Center, #4511 New York, NY 10048	National Security Traders Assn, Inc	2,000.00	
Ruth P. Graves, 600 Maryland Ave., SW, #500 Washington, DC 20560	Reading Is Fundamental, Inc		
David C. Gray, 3728 Kanawha Street, NW, Washington, DC 20015	American Camping Association		
Do	Portsmouth-Kittery Armed Services Committee, Inc	540.00	510.30
James A. Gray, 7901 Westpark Dr. McLean, VA 22102	National Machine Tool Builders' Assn	2,250.00	25.00
Robert K. Gray, 901 31st Street, NW Washington, DC 20007	Hill & Knowlton, Inc. (For:Assn for the Advancement of Human Rights)		
Do	Hill & Knowlton, Inc (For:Bell Atlantic Management Services)		
Do	Hill & Knowlton, Inc (For:Budd Company)		
Do	Hill and Knowlton, Inc (For:Church of Scientology International)		
Do	Hill & Knowlton, Inc (For:First American Bank, N.A.)		
Do	Hill & Knowlton, Inc.		
Do	Hill & Knowlton Inc (For:Hoopa Valley Business Council)		
Do	Hill & Knowlton, Inc (For:Republic of Turkey)		
Do	Hill & Knowlton, Inc (For:Shaklee Corporation)		
Do	Hill & Knowlton, Inc (For:Stroh Brewery Co)		
Do	Hill & Knowlton, Inc (For:Tesoro Petroleum Corp)		
Do	Hill & Knowlton, Inc (For:Tobacco Institute)		
Mary R. Grealy, 1111 19th Street, NW, #402 Washington, DC 20036	Federation of American Health Systems	1,500.00	
Greater Wash/MD Service Station & Automotive Repair Assn, 9420 Annapolis Rd., #307 Lanham, MD 20706		500.00	500.00
Greater Washington Board of Trade, c/o Ellie Weilenmann 1129 20th Street, NW, #200 Washington, DC 20036			
James R. Greco, P.O. Box 3151 Houston, TX 77253	Browning-Ferris Industries, Inc		
Donald R. Greeley, 919 18th St., NW, #700 Washington, DC 20006	Hoechst Celanese Corp	4,000.00	556.12
Edward M. Green, 1920 N St., NW Washington, DC 20036	American Mining Congress		
George R. Green, 1750 K St., NW Washington, DC 20006	Food Marketing Institute	450.00	
Gretchen Green, 1000 Connecticut Ave, NW Washington, DC 20036	Japan Economic Institute of America	500.00	
John K. Green, 800 American Charter Center 1623 Farnam St. Omaha, NE 68102-2130	Papillion-Lavista School District	300.00	
Micah S. Green, 1000 Vermont Ave., NW, #800 Washington, DC 20005	Public Securities Assn	12,500.00	1,139.25

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Wayne Green, Enterprises, Inc Route 202 North Peterborough, NH 03458	73, Inc		
Douglas Greenaway, 1250 Eye Street, NW, #200 Washington, DC 20005	Building Owners & Managers Assn Int'l		
Fred Greene, 3434 Pinetree Terrace Falls Church, VA 22041	Denny Miller Associates	2,500.00	
H. Thomas Greene, 412 1st St., SE Washington, DC 20003	National Automobile Dealers Assn	10,000.00	
Howard W. Greene, 205 E. 42nd Street New York, NY 10017	Risk & Insurance Management Society, Inc		
Lynn Greenwalt, 1412 16th St., NW Washington, DC 20036-0001	National Wildlife Federation	1,025.37	
Sarah Massengale Gregg, 1667 K Street, NW, #710 Washington, DC 20006	Baxter		
John D. Gregory, P.O. Box 12458 Columbia, SC 29211	Norfolk Southern Corp		
William G. Greif, 1155 15th St., NW Washington, DC 20005	Bristol-Myers Co	25,000.00	
Ellen Griffee, 1413 K Street, NW, 10th Fl. Washington, DC 20005	Association of Science-Technology Centers	9,775.00	145.62
Griffin Johnson & Associates, 1211 Connecticut Ave., NW, #700 Washington, DC 20036	Air Transport Assn of America		
Do	American Assn of Airport Executives		
Do	American Insurance Assn		
Do	American Petroleum Institute	800.00	12.00
Do	American Psychological Assn	200.00	6.00
Do	Arthur Andersen & Co		
Do	Blue Cross & Blue Shield Association	200.00	6.00
Do	Camp Barsh Bates & Tate		
Do	CBS, Inc	200.00	6.00
Do	COMSAT Corp		
Do	Gulf Oil Corp		
Do	McCaw Communications Cos	200.00	6.00
Do	Merck & Co, Inc		
Do	Pharmaceutical Manufacturers Assn	200.00	6.00
Do	Puyallup Tribe of Indians	200.00	6.00
Do	Tobacco Institute	200.00	6.00
Do	United Cable Television Corp		
Edward D. Griffith, 3801 West Chester Pike Newtown Square, PA 19073	ARCO Chemical Co		
A. Jack Grimes, 8100 Oak Street Dunn Loring, VA 22027	National Pest Control Assn		62.00
Craig N. Grimm, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America		
Norman E. Grimm Jr., 8111 Gatehouse Road Falls Church, VA 22042	AAA Potomac		
Mark W. Grobmyer, P.O. Box 70 Little Rock, AR 72203	VISA USA, Inc, et al	12,545.72	
Beverly Bennett Groom, 1001 Pennsylvania Ave., NW Washington, DC 20006	American Council of Life Insurance, Inc	2,500.00	
Groom & Nordberg, Chtd, 1701 Pennsylvania Avenue, NW, #1200 Washington, DC 20006	Ad Hoc MGA Group		
Do	Ad Hoc PFIC Group		
Do	American Petroleum Institute		
Do	Chevron Corp	400.00	50.00
Do	Colorado-Ute Electric Assn, Inc		
Do	Eli Lilly & Company		
Do	Goldman Sachs & Co		
Do	Murphy Oil USA, Inc		
Do	New York City Teachers Retirement System		
Do	Phillips Petroleum Co		
Do	Physicians Mutual Insurance Co		
Do	Principal Financial Group		
Do	Prudential Insurance Co of America	400.00	50.00
Do	Prudential-Bache Securities, Inc		
Do	Puerto Rico, USA Foundation	1,000.00	5,472.00
Do	Reading & Bates Corporation		
Do	Southern California Edison Co	100.00	10.00
Do	Union Texas Petroleum Corp		
Do	Westinghouse Electric Corp		
George Gross, 1211 Connecticut Ave., NW, #406 Washington, DC 20036	Magazine Publishers of America	5,000.00	
Walter B. Grubbs, P.O. Box 841 Abilene, TX 79604	West Texas Utilities Co		
John T. Grupenhoff, 6410 Rockledge Drive, #203 Bethesda, MD 20817	American Academy of Dermatology	1,500.00	165.00
Do	American Academy of Otolaryngology-Head & Neck Surgery	1,100.00	125.00
Do	American Gastroenterological Assn	1,300.00	125.00
Do	American Soc of Clinical Oncology	975.00	125.00
Do	Association of American Cancer Institutes	1,925.00	125.00
Do	Cooley's Anemia Foundation	310.00	125.00
Geri A. Guardino, 2000 K St., NW, 8th Floor Washington, DC 20006	National Comm to Preserve Social Security	7,992.00	775.53
Carlos A. Guerra, 7227 North 16th Street Phoenix, AZ 85020	Giant Industries, Inc		
Mary Scott Guest, 1919 Pennsylvania Ave., NW, #800 Washington, DC 20006	American Marketing Service International, Inc	1,775.00	
Do	O'Connor & Hannan (For:Blanchfield & Moore)	700.00	
Do	Dillon Read & Co, Inc		
Do	LF Rothschild Unterberg Towbin, Inc		
Do	Michigan State Housing Development Authority		
Do	Morris Communications	17,500.00	
Do	Naegle Outdoor Advertising	1,700.00	
Do	O'Connor & Hannan	12,000.00	
Do	Paine Webber Group, Inc		
Do	Riverton Investment Corp		
Do	Simpson Thacher & Bartlett (for Sol Goldman Estate)	20,000.00	
Clark J. Guild Jr., Guild & Hagen, Ltd 102 Roff Way Reno, NV 89501	Motion Picture Assn of America, Inc		
Shannon P. Guiney, 555 13th Street, NW, #1010 East Washington, DC 20004-1109	Sun Company, Inc	1,003.00	
James E. Guirard Jr., 1730 Rhode Island Avenue, NW, #419-19 Washington, DC 20036	BASF Chemicals Corp	1,000.00	75.00
Do	KMS Fusion, Inc	1,025.00	280.00
Do	Marine Shale Processors, Inc		
Do	Walk-Haydel & Associates, Inc	1,000.00	110.00
Lewis Gulick, 1911 Ft. Myer Drive, #702 Arlington, VA 22209	TCR Services, Inc	5,000.00	
Gun Owners of America, Inc, 8001 Forbes Place Springfield, VA 22151		154,209.30	147,234.84
Paul D. Guth, Bathgate Wegener Wouters & Neumann Three Gateway Center, 15th Floor Newark, NJ 07102	Philadelphia Stock Exchange		
Do	Wire Pro, Inc		
Robert F. Guthrie, 815 16th St., NW, #608 Washington, DC 20006	Department for Professional Employees, AFL-CIO	8,397.02	
Richard E. Gutting Jr., 2000 M St., NW, #580 Washington, DC 20036	National Fisheries Institute	6,000.00	
Alvin M. Guttman, 1924 N Street, NW Washington, DC 20036	Towing & Recovery Assn of America, Inc	600.00	
Jane Scherer Haake, 1667 K Street, NW, #420 Washington, DC 20006	Mead Corporation	200.00	25.00
Dana W. Haas, 1800 K Street, NW, #1018 Washington, DC 20006	Kansas City Power & Light Co, et al	14,250.00	8,502.09
Charles W. Hackney Jr., 15th & M Streets, NW Washington, DC 20005	National Assn of Home Builders of the U.S.		
William G. Haddeland, 1025 Connecticut Ave., NW, #507 Washington, DC 20036	Ashland Oil, Inc	2,000.00	
Gene P. Haflich, Indiana Petroleum Council 714 Harrison Building Indianapolis, IN 46204	American Petroleum Institute	981.95	1,473.72
Thomas M. Hagan, 1005 Congress Ave., #795 Austin, TX 78701	Central & South West Services, Inc	2,420.00	32,273.69
John F. Haifley, 8111 Gatehouse Road Falls Church, VA 22047	American Automobile Assn		
Nancy A. Hailpern, 316 Pennsylvania Ave., SE, #200 Washington, DC 20003	American Cancer Society	1,875.00	
Thomas F. Hairston, 1050 Connecticut Ave., NW, #760 Washington, DC 20036	Union Oil Co of California	7,000.00	1,186.90
Randolph M. Hale, 1331 Pennsylvania Ave., NW, #1500 N. Washington, DC 20004	National Assn of Manufacturers		
Hale and Dorr, 1455 Pennsylvania Ave., NW, #1000 Washington, DC 20004	Avondale Industries, Inc		
Do	Gay Head Taxpayers Assn		
Do	Leach & Garner Refining Corp		
Do	Northeastern University	5,928.75	98.37
Do	Prime Computer, Inc	8,370.00	126.15
Do	Town of Mashpee		
George W. Haley, 733 15th Street, NW, #700 Washington, DC 20005	Grocery Manufacturers of America, Inc		
Edwin K. Hall, 1133 19th Street, NW Washington, DC 20036	MCI Communications Corp	5,000.00	400.73
Elliott S. Hall, 815 Connecticut Ave., NW Washington, DC 20006	Ford Motor Co	1,400.00	886.24
Richard F. Hall, 1700 K Street, NW, #502 Washington, DC 20006	Pacific Resources, Inc	500.00	
Marian Hall-Crawford, 316 Pennsylvania Avenue, SE, #301 Washington, DC 20003	San Diego Gas & Electric	1,500.00	2,519.75
Paul Hallisay, 1625 Massachusetts Avenue, NW Washington, DC 20036	Air Line Pilots Assn	6,250.00	702.53
Maurice E. Halsey, P.O. Box 190 Aurora, IL 60507	Northern Illinois Gas Company	2,000.00	
Paul T. Haluza, 1325 Pennsylvania Ave., NW, #600 Washington, DC 20004	Motor and Equipment Manufacturers Association	3,000.00	3,110.68
Martha R. Hamby, 1130 Connecticut Ave., NW, #1000 Washington, DC 20036	American Insurance Assn	240.00	46.00
David S. Hamilton, 215 Pennsylvania Ave., SE Washington, DC 20003	U.S. Public Interest Research Group	3,543.56	
J. Lee Hamilton, 1331 Pennsylvania Avenue, NW, #1550N Washington, DC 20004-1703	National Assn of Manufacturers	281.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
James L. Hamilton III, 818 Connecticut Ave., NW Washington, DC 20006	USX Corporation	390.00	
Joyce Hamilton, 201 Park Washington Court Falls Church, VA 22046	National-American Wholesale Grocers' Assn	3,000.00	
Philip W. Hamilton, 1825 K St., NW, #218 Washington, DC 20006	American Soc of Mechanical Engineers		
Ronald P. Hamm, 1620 Eye St., NW, #1000 Washington, DC 20006	Motor Vehicle Manufacturers Assn of the U.S., Inc	6,500.00	
Thomas A. Hammer, 2100 Pennsylvania Ave, NW, #695 Washington, DC 20037	Sweetener Users Assn	19,700.00	200.00
Timothy A. Hanan, 1100 Connecticut Avenue, NW, #620 Washington, DC 20036	Mobil Corp	1,500.00	
Nolan W. Hancock, 1126 16th St., NW Washington, DC 20036	Oil Chemical & Atomic Workers International Union	6,244.63	
William G. Handfield, 50 F Street, NW Washington, DC 20001	Association of American Railroads	675.89	
Donald K. Hanes, 50 F St., NW, #900 Washington, DC 20001	National Council of Farmer Cooperatives	805.48	
Rose M. Hanes, 1325 G Street, NW, #1003 Washington, DC 20005	Population-Environment Balance	250.00	3.20
Elisabeth Hanlin, 2000 L St., NW, #1000 Washington, DC 20036	Unisys Corp		
Thomas H. Hanna, 7430 Second Ave, #300 Detroit, MI 48202	Motor Vehicle Manufacturers Assn of the U.S., Inc	325.00	
Richard L. Hanneman, 206 North Washington Street Alexandria, VA 22314	Salt Institute		
Frederick J. Hannett, 1823 Jefferson Place, NW Washington, DC 20036	Jefferson Group, Inc (For:Industrial Safety Equipment Assn)		
M. Arnita Hannon, 1029 Vermont Ave., NW, #710 Washington, DC 20005-3517	American Lung Assn	1,826.40	1,203.66
Erling Hansen, 1129 20th Street, NW, #600 Washington, DC 20036	Group Health Assn of America, Inc		
Brian T. Hanson, 1667 K Street, NW, #1230 Washington, DC 20006	Deere & Company	218.75	
Daniel J. Hanson Sr., 501 School Street, SW, #800 Washington, DC 20024	American Road & Transportation Builders Assn	10,000.00	403.00
Robert N. Harbor, P.O. Box 1492 El Paso, TX 79978	El Paso Natural Gas Co		
Stuart B. Hardy, 1615 H Street, NW Washington, DC 20062	U.S. Chamber of Commerce		
James W. Harff, 1200 19th St., NW, #550 Washington, DC 20036	Harff Butterfield (For:Turkish Republic of Northern Cyprus)	937.50	
Harff Butterfield, 1200 19th Street, NW, #550 Washington, DC 20036	Turkish Republic of Northern Cyprus	7,500.00	
Jon Harkavy, 205 East 42nd Street New York, NY 10017	Risk & Insurance Management Society, Inc		
Donna Akers Harman, 1776 Eye Street, NW, #575 Washington, DC 20006	Dow Chemical USA		5,546.00
Patricia L. Harmening, 316 Pennsylvania Ave., SE, #301 Washington, DC 20003	San Diego Gas & Electric	850.00	2,519.75
Diane Harper, 1000 Wilson Blvd. Arlington, VA 22209	Grumman Corporation	625.00	346.56
Wiley C. Harrell Jr., 1211 Connecticut Ave., NW, #502 Washington, DC 20036	Anheuser-Busch Companies, Inc		
Toni Harrington, 950 L'Enfant Plaza North, SW, #5300 Washington, DC 20024	Honda North America, Inc	200.00	175.18
W. Brendan Harrington, 1101 15th St., NW, #205 Washington, DC 20005	Cargill, Inc	1,250.00	
Marilyn A. Harris, 818 Connecticut Avenue, NW Washington, DC 20006	USX Corporation	150.00	
Richard M. Harris, 501 School St., SW 8th Floor Washington, DC 20024	American Road & Transportation Builders Assn	15,000.00	263.95
Sandra Zeune Harris, 1120 20th Street, NW, #700 Washington, DC 20036	Williams Companies		
Teena Harris, 1627 K St., NW, #400 Washington, DC 20006	National Newspaper Assn	2,000.00	
Harris & Ellsworth, 1101 30th St., NW, #103 Washington, DC 20007	Adidas, USA		
Do	American Railway Car Institute		
Do	Association of Food Industries, Inc		
Do	Cheese Importers Assn of America, Inc		
Do	Committee of Domestic Steel Wire Rope & Specialty Cable Mfrs	700.00	9.00
Jack E. Harrison, West Virginia Petroleum Council 1250 One Valley Square Charleston, WV 25301	American Petroleum Institute	620.00	1,041.61
Jim Harrison, 1225 Connecticut Ave., MW Washington, DC 20036	Association of Urban Universities	5,625.00	
Mark Harrison, 711 G Street, SE Washington, DC 20003	SANE/FREEZE, Inc	6,791.66	
Paul M. Harrison, P.O. Box 4079 Gulfport, MS 39502	Mississippi Power Co	4,245.00	1,328.45
Robert W. Harrison, 1213 Jefferson Davis Highway, #1400 Arlington, VA 22202	CAE-LINK Corporation		
Anne Harrison-Clark, 1725 K Street, NW, #814 Washington, DC 20006	March of Dimes Birth Defects Foundation	4,125.00	133.75
Jayne A. Hart, 1101 Vermont Avenue, NW Washington, DC 20005	American Medical Assn	3,750.00	
Lynn S. Hart, 1111 19th St., NW, #402 Washington, DC 20036	Federation of American Health Systems	3,000.00	
Susan P. Hart, 1600 M Street, NW Washington, DC 20036	Investment Company Institute		
Thomas D. Hart, 1001 Pennsylvania Avenue, NW, #700 Washington, DC 20004	Allied-Signal, Inc		65,800.00
Hartford Fire Insurance Co, Hartford Plaza Hartford, CT 06115			
Gabriel A. Hartl, 2020 N. 14th Street, #410 Arlington, VA 22201	Air Traffic Control Assn, Inc		
Arthur W. Hartmann, 1800 Massachusetts Avenue, NW Washington, DC 20036	National Rural Electric Cooperative Assn		
Fanny L. Haslebacher, 1101 Vermont Ave., NW Washington, DC 20005	American Medical Assn	400.00	
Holly Hassett, 1730 Rhode Island Avenue, NW, #206 Washington, DC 20036	Hershey Foods Corp		
Edgar Hatcher, 1225 Eye Street, NW, #950 Washington, DC 20005	American Electronics Assn	2,000.00	928.22
Janet S. Hathaway, 1350 New York Ave., NW, #300 Washington, DC 20005	Natural Resources Defense Council	12,500.00	188.46
Hauck & Associates, 1255 23rd Street, NW Washington, DC 20037	National Soybean Processors Assn		
Howard M. Haug, 100 East 42nd St. New York, NY 10017	National Foreign Trade Council, Inc	4,500.00	
James N. Haug, 55 E. Erie Street Chicago, IL 60611	American College of Surgeons		
Barbara S. Haugen, 1401 New York Ave., NW, #720 Washington, DC 20005	National Assn of Insurance Brokers, Inc		
Marilyn Beth Haugen, 1250 Connecticut Avenue, NW Washington, DC 20036	American Paper Institute, Inc		
Barbara J. Haugh, 1050 Connecticut Ave., NW, #760 Washington, DC 20036	Union Oil Co of California		2,533.01
Arnold I. Havens, 1156 15th Street, NW, #1100 Washington, DC 20005	Eckert Seamans Cherin & Mellott (For:Armstrong World Industries, Inc)	4,227.50	
Do	White Fine & Verville (For:Armstrong World Industries, Inc)	8,977.50	48.74
Do	White Fine & Verville (For:Burlington Northern Services, Inc)	28,986.90	737.58
Do	Eckert Seamans Cherin & Mellott (For:Burlington Northern, Inc)	7,980.00	436.49
Do	Eckert Seamans Cherin & Mellott (For:CSX Corporation)	7,077.50	436.49
Do	White Fine & Verville (For:CSX Corporation)	16,815.00	654.74
Do	Eckert Seamans Cherin & Mellott (For:MetPath, Inc)	5,688.75	30.18
Do	White Fine & Verville (For:MetPath, Inc)	16,000.00	299.52
Ann Marie Havrilko, 1776 Eye Street, NW Suite 1000 Washington, DC 20006	BP America, Inc		
Kathryn Joann Hawes, 8701 Georgia Ave., #701 Silver Spring, MD 20910	International Fed of Professional & Technical Engineers		
Sidney G. Hawkes, 1667 K St., NW, #420 Washington, DC 20006	Mead Corporation	650.00	30.00
Paul M. Hawkins, 26 Ridgeview Drive Asheville, NC 28804	Colonial Life & Accident Insurance Co	25.00	97.00
John F. Hay, 1801 K Street, NW, #800 Washington, DC 20006	Westinghouse Electric Corp	1,200.00	
David J. Hayes, 555 13th Street, NW Washington, DC 20004	Hogan & Hartson (For:American Electronics Assn)	2,500.00	78.49
Do	Hogan & Hartson (For:Semiconductor Industry Association)	1,237.50	42.97
Do	Hogan & Hartson (For:Tektronix, Inc)	495.00	7.33
Robert G. Hayes, Bogle and Gates One Thomas Circle, NW, #900 Washington, DC 20005	American Fishing Tackle Manufacturers Assn	2,000.00	
Do	Coastal Conservation Assn	2,000.00	
R. Michael Haynes, 1156 15th Street, NW, #1101 Washington, DC 20005	National Assn of Small Business Investment Cos	3,000.00	
Robert A. Haynos, 4711 Hunt Circle Harrisburg, PA 17112	Harsco Corporation	19,500.00	1,058.44
Holly Elisabeth Hazard, 111 Massachusetts Ave., NW, #200 Washington, DC 20001	Doris Day Animal League	3,095.00	2,472.00
Do	New England Anti-Vivisection Society	46.00	14.31
Janis D. Hazel, 1250 Eye Street, NW, #200 Washington, DC 20005	Building Owners & Managers Assn Int'l		
Paul Hazen, 1401 New York Ave., NW, #1100 Washington, DC 20005	National Cooperative Business Assn	10,000.00	113.01
Health Insurance Assn of America, Inc, 1025 Connecticut Ave., NW Washington, DC 20036		160.50	160.50
HealthCare COMPARE, Corp, 1133 21st St., NW, #450 Washington, DC 20036			
Robert L. Healy, 1333 New Hampshire Ave., NW Washington, DC 20036	Atlantic Richfield Co	300.00	
Timothy R. Healy, 5015 N 13th Street Arlington, VA 23205	Edward Blankstein, Inc	2,480.00	371.58
Anne A. Heanue, 110 Maryland Avenue, NW, #101 Washington, DC 20002	American Library Assn	873.00	
David E. Hebert, 1922 F Street, NW Washington, DC 20006	National Assn of Life Underwriters	1,000.00	250.00
Charles L. Hebner, New Murphy Road & Concord Pike Wilmington, DE 19897	ICI Americas, Inc		
William H. Hecht, 499 S. Capitol Street, SW, #507 Washington, DC 20003	Hecht Spencer & Associates, Inc (For:Bixby Ranch Co)		
Do	Hecht Spencer & Associates, Inc (For:Boy Scouts of America)		
Do	Hecht Spencer & Associates, Inc (For:Brown & Williamson Tobacco Corp)		
Do	Hecht Spencer & Associates, Inc (For:BATUS, Inc)		
Do	Hecht Spencer & Associates, Inc (For:CSX Corporation)		
Do	Hecht Spencer & Associates, Inc (For:Great Western Financial Corp)		
Do	Hecht Spencer & Associates, Inc (For:Hong Kong Trade Development Council)		
Do	Hecht Spencer & Associates, Inc (For:Los Angeles Raiders)		
Do	Hecht Spencer & Associates, Inc (For:Southern California Rapid Transit District)		
Do	Hecht Spencer & Associates (For:Traditional Industries, Inc)		
Do	Hecht Spencer & Associates, Inc (For:Western Growers Association)		
Hecht Spencer & Associates, Inc, 499 South Capitol Street, SW, #507 Washington, DC 20003	Bixby Ranch Co	500.00	
Do	Boy Scouts of America	500.00	
Do	Brown & Williamson Tobacco Corp	2,000.00	
Do	BATUS, Inc	1,000.00	
Do	CSX Corporation	500.00	
Do	Great Western Financial Corp	500.00	
Do	Harmer-Eyring	250.00	
Do	Hong Kong Trade Development Council	1,500.00	
Do	Los Angeles Raiders		
Do	Marwais Steel Co	250.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Southern California Rapid Transit District		
Do	Texas Clinical Laboratories, Inc.		
Do	Traditional Industries, Inc	1,000.00	
Do	Western Growers Association		
Herbert A. Hedden, 1350 New York Ave., NW, #900 Washington, DC 20005	International Franchise Assn		
Jay Hedlund, 2030 M St., NW Washington, DC 20036	Common Cause	12,551.28	
Mark G. Heesen, 1725 K St., NW, #601 Washington, DC 20006	Association of National Advertisers, Inc.		
Edward D. Heffernan, 1019 19th St., NW, Penthouse #1 Washington, DC 20036	Chicago Board Options Exchange	1,000.00	
Do	Ductile Iron Pipe Research Assn		
Do	Harza Engineering Co	12,000.00	
Do	Renewable Fuel Association	3,000.00	
Do	Sealaska Corp	23,000.00	
John Heffner, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America		
John F. Heilman, 807 Maine Ave., SW Washington, DC 20024	Disabled American Veterans	21,273.20	319.02
Robert M. Heine, 1701 Pennsylvania Ave., NW, #900 Washington, DC 20006	E. I. du Pont de Nemours & Co	40.80	
Scott E. Heisel, 735 N. Water Street, #908 Milwaukee, WI 53202-4105	American Malting Barley Assn, Inc.	675.00	
Helicopter Assn International, 1619 Duke Street Alexandria, VA 22314			16,513.00
Richard L. Hellwege, 1225 Jefferson Davis Highway, #402 Arlington, VA 22202	Smiths Industries		
DeWitt F. Helm Jr., 155 East 44 St. New York, NY 10017	Association of National Advertisers, Inc.		
Edward A. Helme, 444 N. Capitol Street, #526 Washington, DC 20001	Alliance for Acid Rain Control	1,587.36	74.40
Nancy Ginn Helme, Box 723 Washington Grove, MD 20880	Weil & Howe, Inc (for Champlain Pipeline Co)	7,751.25	381.49
Suzanne C. Helmick, One Nationwide Plaza Columbus, OH 43216	Nationwide Insurance Co	600.00	
Thomas M. Helscher, 1101 17th St., NW, #604 Washington, DC 20036	Monsanto Co		418.69
Mike D. Helton, Kentucky Petroleum Council 305 Ann St., #403 Frankfort, KY 40601	American Petroleum Institute	1,500.00	2,344.56
Carol C. Henderson, 110 Maryland Ave., NE, #101, Box 54 Washington, DC 20002	American Library Assn	1,185.00	
Leonard N. Henderson, 1615 L St., NW, #1210 Washington, DC 20036	Metropolitan Life Insurance Co	1,000.00	
Richard Dean Henderson, 1320 Braddock Place, Suite #720 Alexandria, VA 22314	Private Truck Council of America, Inc.		
Kathleen Henderson-Whyte, 1625 Eye St., NW, #500 Washington, DC 20006	Ketchum Public Relations (For:Ormet Corporations)		
Karen Hendricks, 1319 F Street, NW, #604 Washington, DC 20004	Association of Junior Leagues, Inc	4,250.00	615.00
C. Dayle Henington, 2000 Pennsylvania Ave., NW, #6200 Washington, DC 20006	Chicago Mercantile Exchange		
George F. Hennrikus Jr., 201 N. Washington St. Alexandria, VA 22314	Retired Officers Assn	8,333.50	
John Hugh Henry, 1735 Eye St., NW, #814 Washington, DC 20006	McDermott, Inc	7,700.00	1,381.04
LeAnn Hensche, 1455 Pennsylvania Ave., NW, #525 Washington, DC 20004	RJR Nabisco, Inc	1,190.00	94.42
Michael T. Henson, #03960-054, P.O. Box 1000 Tallahassee, FL 32301			
Charlotte W. Herbert, 555 New Jersey Avenue, NW, #255 Washington, DC 20001	Vern Clark & Associates, Inc	975.00	1,873.59
M. Lyn Herdt, 1776 Eye Street, NW, #1000 Washington, DC 20006	BP America, Inc		
William Hermelin, 2215 Constitution Ave, NW Washington, DC 20037	American Pharmaceutical Assn	600.00	
Catherine L. Heron, 1600 M St., NW Washington, DC 20036	Investment Company Institute		
Heron Burchette Ruckert & Rothwell, 1025 Thomas Jefferson St., NW, #700 Washington, DC 20007	Badger Pipeline		2.63
Do	Yamaichi International (America), Inc		12.30
Richard A. Herrett, 1600 M St., NW, #702 Washington, DC 20036	ICI Americas, Inc	15,000.00	
Jo-Ann T. Herrick, 1800 K Street, NW, #530 Washington, DC 20006	Tesoro Petroleum Corp	1,500.00	
William G. Herrold, 1111 19th St., NW, #608 Washington, DC 20036	Institute of Electrical & Electronics Engineers		
Marsha Herzstein, 1133 15th Street, NW, #640 Washington, DC 20005	American Logistics Assn		200.15
John A. Heslip, P.O. Box 781 Herndon, VA 22070	National Concrete Masonry Assn		149.15
Heublein, Inc, 16 Munson Road Farmington, CT 06034-0388		17,250.00	8,418.66
Dale E. Heydlauff, 1667 K St., NW, #450 Washington, DC 20006	American Electric Power Service Corp	182.65	617.90
Donita Hicks, 815 15th St., NW, #711 Washington, DC 20005	Americans for Democratic Action		
Paul T. Hicks, Rhode Island Petroleum Assn 154 Francis St. Providence, RI 02903	American Petroleum Institute	420.00	100.00
Barbara L. Hiden, 1101 16th Street, NW Washington, DC 20036	National Soft Drink Assn	14.42	
J. Thomas Higginbotham, One Mellon Bank Center, #3003 Pittsburgh, PA 15258-0001	Mellon Bank N.A., et al.		
Jack Lewis High Jr., 2001 L Street, NW, #1000 Washington, DC 20036	Unisys Corp		
John S. Hightower, 251 Florida St., #412 Baton Rouge, LA 70801	Louisiana-Pacific Corp	7,125.00	1,020.00
Clifton T. Hilderley Jr., 1025 Connecticut Ave., NW, #507 Washington, DC 20036	Ashland Oil, Inc	2,000.00	
Anne R. Hill, 1101 Connecticut Ave., NW, #500 Washington, DC 20036	Kids Project	13,749.99	17,792.99
Damian P. Hill, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America		
Gerald 'Jerry' Hill, 6 Executive Park Drive, NE Atlanta, GA 30329	Amoco Corporation		
J. Eldred Hill Jr., 600 Maryland Ave., SW, #603 Washington, DC 20024	UBA, Inc	2,000.00	
Patricia Hill, 1250 Connecticut Avenue, NW Washington, DC 20036	American Paper Institute, Inc.		
Robert B. Hill, 2501 M Street, NW Washington, DC 20037	Chemical Manufacturers Assn, Inc	400.00	461.89
Shepard William Hill, 11003 Burywood Lane Reston, VA 22094	Rockwell International Corp	17,360.16	3,357.46
Thomas M. Hill, 1726 M St., NW, #1100 Washington, DC 20036-4502	Pacific Gas & Electric Co	955.88	
Edward Joseph Hillings, 1020 16th Street, NW Washington, DC 20036	Enron Corp	7,500.00	
John L. Hills, Rt. 1, Box 645 Purcellville, VA 22132	Sundstrand Corporation	256.50	161.50
Cynthia Hilton, 1730 Rhode Island Ave., NW Washington, DC 20036	National Solid Wastes Management Assn	200.00	
John M. Himmelberg, 888 17th Street, NW, #900 Washington, DC 20006	Florida Fruit & Vegetable Assn	3,000.00	
Do	Florida Tomato Exchange	1,500.00	
Grace L. Hinchman, 1331 Pennsylvania Ave., NW, #600-2 Washington, DC 20004	Digital Equipment Corp	17,500.00	
Rick Hind, 215 Pennsylvania Avenue, SE Washington, DC 20003	U.S. Public Interest Research Group	5,094.86	
Robert A. Hirsch, 1320 Braddock Place, #720 Alexandria, VA 22314	National Private Trucking Assn		
Kenneth Hoagland, 2000 K St., NW, 8th Floor Washington, DC 20006	National Comm to Preserve Social Security	2,795.00	56.01
Lawrence S. Hobart, 2301 M St., NW, #300 Washington, DC 20037	American Public Power Assn	500.00	
Hobbs Straus Dean & Wilder, 1819 H St., NW, #800 Washington, DC 20006	Alaska Legal Services Corp	330.00	15.90
Do	Aroostook Band of Micmacs	500.00	
Do	Menominee Indian Tribe	1,000.00	7.50
Do	National Indian Education Assn	520.00	50.05
Do	Pueblo de Cochiti		
Do	Seminole Tribe of Florida	2,000.00	
Do	Spokane Legal Services Center	190.00	15.90
Karen L. Hobert, 2030 M St., NW Washington, DC 20036	Common Cause	6,133.74	184.40
Scott Hodes, 180 North La Salle St., #3800 Chicago, IL 60601	Investment Company Institute	15,137.37	
Ann C. Hodges, 500 E Street, SW, #920 Washington, DC 20024	Aircraft Owners and Pilots Assn	8,000.00	461.80
Glen D. Hofer, 50 F Street, NW, #900 Washington, DC 20001	National Council of Farmer Cooperatives		
Irvin A. Hoff, 20 N. Live Oak Rd. Hilton Head Island, SC 29928	U.S. Cane Sugar Refiners' Assn		
Gail Hoffman, 1225 Eye St., NW #1100 Washington, DC 20005	Handgun Control, Inc	10,807.68	
William L. Hoffman, 516 First Street, SE Washington, DC 20003	American University of Beirut	11,856.00	2,060.59
F. Nordy Hoffmann and Assoc, Inc, 400 N. Capitol St., NW, #327 Washington, DC 20001	Archer Daniels Midland Company		
Do	Coca-Cola Company		
Do	Marine Engineers' Beneficial Assn		
Do	Wilmorite, Inc		
Elizabeth Hogan, 1133 19th St., NW Washington, DC 20036	MCI Communications Corp	7,000.00	609.25
Hogan & Hartson, 555 13th St., NW Washington, DC 20004-1109	American Physical Therapy Assn	1,403.75	35.00
Do	Amgen, Inc		
Do	Caremark Homecare, Inc	175.00	
Do	Coalition of American Steel Using Manufacturers	5,565.00	5,397.29
Do	CH2M Hill		
Do	Dianon Systems, Inc		
Do	Freightliner Corp		
Do	Glasrock Home Health Care, Inc		
Do	Manufacturers Hanover Trust Co		
Do	Marion Laboratories, Inc		
Do	May Department Stores Co	817.50	
Do	Mercedes-Benz of North America, Inc		
Do	Mercy Medical Center	153.75	
Do	Mutual Life Insurance Co of New York	2,868.75	457.00
Do	National Hospice Organization		
Do	National Telecommunications Network		595.45
Do	Ontario Ministry of Industry, Trade & Technology		
Do	Payload Systems, Inc		
Do	Schering-Plough Corp		
Do	Software Co Task Force on Foreign Market Penetration	2,000.00	
Do	SouthernNet, Inc		
Do	Timex Corporation		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Toyota Motor Sales, USA, Inc	3,662.50	
Do	Underwriters at Lloyd's London	750.00	6,103.34
Do	University of Pennsylvania		
Philip A. Hogue, 150 S. Washington St., #403 Falls Church, VA 22046	International Technical Expertise Ltd		
Richard F. Hohlt, 1709 New York Ave., NW, #801 Washington, DC 20006	U.S. League of Savings Institutions	4,888.00	53.90
William J. Holayter, 1300 Connecticut Avenue, NW Washington, DC 20036	International Assn of Machinists & Aerospace Workers	8,552.77	
Bruce E. Holbein, 111 Powdermill Rd. (b79) Maynard, MA 01754	Digital Equipment Corp	21,000.00	
Philip C. Holladay Jr., 1025 Connecticut Avenue, NW, #200 Washington, DC 20036	Shell Oil Co	500.00	
Holland & Hart, 1001 Pennsylvania Ave., NW, #310 Washington, DC 20004	Citgo Petroleum Corp		
Do	Citmoco Services, Inc		
Do	Council for Solid Waste Solutions		
Do	Grocery Manufacturers of America, Inc		
Do	Southland Corporation		
Do	State Street Bank		
Holland & Knight, 888 17th St., NW, #900 Washington, DC 20006	General Development Corp	1,946.50	
Do	Indian River Citrus League	500.00	
Do	Pan American Satellite Corp	2,070.00	
Wendell M. Holloway, 815 Connecticut Ave., NW, #900 Washington, DC 20006	Ford Motor Co	2,490.00	2,471.90
Holly Corporation, 2600 Diamond Shamrock Tower 717 North Harwood Street Dallas, TX 75201			
Diane S. Holmes, 410 First Street, SE Washington, DC 20003	American Nuclear Energy Council	475.00	432.87
Moses D. Holmes Jr., 1201 16th St., NW Washington, DC 20036	National Education Assn	3,155.25	417.00
E. Y. Holt Jr., 3138 North 10th St., Arlington, VA 22201	National Assn of Federal Credit Unions		
Fred H. Holt, 119 Oronoco Street Box 1417-D50 Alexandria, VA 22313	Animal Health Institute	30.00	
John W. Holt, 1001 Pennsylvania Ave., NW Washington, DC 20004	American Council of Life Insurance, Inc	350.00	
John F. Holtz, NJ Petroleum Council 150 West State Street Trenton, NJ 08608	American Petroleum Institute		
Home Recording Rights Coalition, P.O. Box 33576 1145 19th Street, NW Washington, DC 20033		50,000.00	48,211.65
Billy E. Hooper, 1023 15th Street NW 3rd floor Washington, DC 20005	Association of American Veterinary Medical Colleges		
Candice Shy Hooper, 1025 Connecticut Ave., NW, #1014 Washington, DC 20036	Enserch Corporation	5,570.00	2,424.80
Helen Hooper, 1785 Massachusetts Avenue, NW Washington, DC 20036	National Trust for Historic Preservation	2,936.60	
Lindsay Hooper, 453 New Jersey Ave., SE Washington, DC 20003	Winburn VanScoyoc & Hooper (For:KKR)	15,000.00	
Do	Winburn VanScoyoc & Hooper (For:Oppenheimer & Co, Inc)	15,000.00	
Do	Winburn VanScoyoc & Hooper (For:Phlcorp)	18,750.00	
Karen A. Hoover, 560 N St., SW, Apt. N-609 Washington, DC 20024	American Maritime Officers Service		
Mark Hopkins, 1925 K St., NW, #206 Washington, DC 20006	Alliance to Save Energy		
Virginia E. Hopkins, 1620 Eye St., NW, #800 Washington, DC 20006	Taft Stettinius & Hollister (For:Great American Broadcasting Co)		
Do	Taft Stettinius & Hollister (For:Kings Entertainment Co)		
Do	Taft Stettinius & Hollister (For:Telephone & Data Systems, Inc)		
Do	Taft Stettinius & Hollister (For:Wald Manufacturing Co, Inc)		
Hopkins Sutter Hamel & Park, 888 16th Street, NW Washington, DC 20006	Alaska Joint Venture Seafoods, Inc		
Do	Cook Inlet Land Exchange, Inc		
Do	Estate of Helen Halbach		
Do	Grand Trunk Corp	3,992.50	
Do	Louisiana Pacific Corp		265.00
Do	Safe Travel America		
Do	United Video		
Darnell K. Horio, 600 Maryland Ave., SW, #520 Washington, DC 20024	GPU Service Corporation	83.25	582.51
Robert Jack Horn, 1990 M St., NW, #480 Washington, DC 20036	Detroit Edison Company	1,250.00	30.00
Robert Horvitz, 1006 Poplar Drive Falls Church, VA 22046	Association of North American Radio Clubs		
Sarah Hospodor, 777 14th St., NW Washington, DC 20005	National Assn of Realtors	1,250.00	74.00
Thomas B. House, 1764 Old Meadow Lane #350 Mclean, VA 22102	American Frozen Food Institute	1,000.00	
Jack W. Houston, 900 N. Hairston Road, Suite D Stone Mountain, GA 30083	GA Assn of Petroleum Retailers, Inc	1,000.00	
Hoving Group, 910 17th St., NW, #318 Washington, DC 20006	Eagle-Picher Industries, Inc	63,650.00	15,443.77
Do	Western-Southern Life Insurance	10,200.00	109.40
Gerald M. Howard, National Assn of Home Builders 15th & M St., NW Washington, DC 20005	National Assn of Home Builders of the U.S.		
John Howard, 1615 H Street, NW Washington, DC 20062	U.S. Chamber of Commerce	300.00	5.00
Robert M. Howard, 815 Connecticut Avenue, NW Washington, DC 20006	Ford Motor Co	1,866.90	1,663.44
Roger W. Howard, 3253 E. Chestnut Expressway Springfield, MO 65802	Burlington Northern Railroad		
Jonathan Howe, 1200 18th Street NW, #200 Washington, DC 20036	National Business Aircraft Assn	1,250.00	
Gary Howell, 1745 Jefferson Davis Highway, #605 Arlington, VA 22202	Texas Instruments, Inc	300.00	
J. William Howell, 1801 K St., NW, #1200 Washington, DC 20006	International Business Machines Corp	110.70	
James P. Howell, 50 F Street, NW, #900 Washington, DC 20001	National Council of Farmer Cooperatives	1,417.50	
Mary Lynch Howell, 1090 Vermont Ave., NW, #1100 Washington, DC 20005	Textron, Inc	1,500.00	280.00
John A. Howes, 1016 16th St., NW, 5th Floor Washington, DC 20036	Consumers Power Co	6,000.00	6,998.00
Clifford T. Howlett Jr., 1875 Eye St., NW, #400 Washington, DC 20006	Georgia-Pacific Corp	4,800.00	
Paul R. Huard, 1331 Pennsylvania Avenue, NW, #1500N Washington, DC 20004-1703	National Assn of Manufacturers	2,000.00	
John J. Huber, 2200 Mill Road, #600 Alexandria, VA 22314	Interstate Truckload Carriers Conference		
Walter D. Huddleston, 499 S. Capitol Street, SW, #507 Washington, DC 20003	Hecht Spencer & Oglesby, Inc (For:Brown & Williamson Tobacco Corp)		
Do	Hecht Spencer & Oglesby, Inc (For:BATUS, Inc)		
Betty Hudson, 1627 K Street, NW, #300 Washington, DC 20006	Fluor Corporation	15,000.00	77.50
Margaret Renken Hudson, 600 Maryland Avenue, SW, #700 Washington, DC 20024	National Fed of Independent Business	3,401.75	300.00
Stewart Hudson, 1412 16th Street, NW Washington, DC 20036-0001	National Wildlife Federation	3,834.08	
Thomas H. Hudson, P.O. Box 2787 Baton Rouge, LA 70821	Madison Public Affairs Group, Inc		
Do	United Gas Pipe Line Company		2,887.39
Dana Hughes, 122 C Street, NW, 4th Fl. Washington, DC 20001	Children's Defense Fund		
Gary E. Hughes, 1001 Pennsylvania Ave., NW Washington, DC 20004	American Council of Life Insurance, Inc		
James R. Hughes, 1020 19th St., NW, #700 Washington, DC 20036	U S West, Inc	2,000.00	
Peter W. Hughes, 2000 K Street, NW, #800 Washington, DC 20006	National Comm to Preserve Social Security	3,346.00	68.50
Richard H. Hughes, P.O. Box 880 Valley Forge, PA 19482	Avtex Fibers, Inc		
Sharon M. Hughes, 499 S. Capital Street, SW, 411 Washington, DC 20003	National Council of Agricultural Employers	700.00	100.00
Do	Synthetic Organic Chemical Manufacturers Assn, Inc		
Vester T. Hughes Jr., 1717 Main Street, Suite 2800 Dallas, TX 75201	Mrs. H. E. Butt		
Do	Holly Corp		
Do	Sammons Enterprises, Inc		2,012.01
William Hughes, 1023 15th Street, NW, #300 Washington, DC 20005	National Assn of Federal Veterinarians	47.94	
Cordell W. Hull, 50 Beale St., 23rd Fl. San Francisco, CA 94119	Bechtel Group, Inc		
Helen P. Hull, 1111 19th Street, NW, #303 Washington, DC 20036	Southern California Edison Company	1,425.00	1,500.00
Brett Hulsey, Sierra Club, Midwest Office 214 N. Henry St.— Suite 203 Madison, WI 53703	Sierra Club	315.47	300.73
R. Theodore Hume, 1333 New Hampshire Ave., NW Washington, DC 20036	Beveridge & Diamond, P.C. (For:Pacific Dunlop - GNB)	481.25	481.25
Do	Philippine Food Processors and Exporters Organization		
Gregory A. Humphrey, 555 New Jersey Ave., NW Washington, DC 20001	American Fed of Teachers	17,671.27	140.00
Margot Smiley Humphrey, 1150 Connecticut Avenue, NW Washington, DC 20036	Koteen & Naftalin (For:Alascom, Inc)		
Do	Koteen & Naftalin (For:Telephone & Data Systems, Inc)		
Frances A. Hunt, 1400 16th Street, NW Washington, DC 20036	National Wildlife Federation	539.49	
Francis M. Hunt, 1776 Eye Street , N.W. Suite 575 Washington, DC 20006	Dow Chemical Co	500.00	5,496.00
Harriet Hunt-Burgess, 116 New Montgomery Street, 4th Floor San Francisco, CA 94105	Trust for Public Lands	3,938.00	3,053.72
James C. Hunter, 1747 Pennsylvania Avenue, NW, #300 Washington, DC 20006	OXY USA, Inc	55.50	54.10
Michael M. Hunter, 1600 M St., NW Washington, DC 20036	International Telephone & Telegraph Corporation	800.00	47.00
William N. Hunter, 2104-A Gallows Road Vienna, VA 22180	W N Hunter & Associates	2,000.00	
W. N. Hunter & Associates, 2104-A Gallows Road Vienna, VA 22180			2,000.00
Milton F. Huntington, Maine Petroleum Assn 283 Water St. Augusta, ME 04330	American Petroleum Institute	242.28	1,270.72
Hunton & Williams, 2000 Pennsylvania Ave., NW, #9000 Washington, DC 20036	Edison Electric Institute	6,235.00	413.34
Do	Long Island Lighting Co	1,000.00	
Adele M. Hurley, 112 St. Clair Ave., West, #401 Toronto, Ontario Canada M4V 2Y3	Canadian Coalition on Acid Rain	800.00	1,464.70
Ronald A. Hurst, 5410 Grosvenor Lane, #210 Bethesda, MD 20814	American Medical Care & Review Assn		
Geoffrey B. Hurwitz, 1667 K St., NW, #1210 Washington, DC 20006	Rohm & Haas Co	500.00	
Philip A. Hutchinson, 490 L'Enfant Plaza, #7204 Washington, DC 20024	Volkswagen of America, Inc	200.00	30.00
Suzanne C. Hutchinson, 805 15th Street NW, Suite 1110 Washington, DC 20005	Mortgage Insurance Companies of America	4,000.00	505.62
James L. Hutchison, 260 Madison Avenue New York, NY 10016	American Paper Institute, Inc		
Karen Hutchison, 1725 K Street, NW, #601 Washington, DC 20006	Association of National Advertisers, Inc		
Helena C. Hutton, 1101 15th Street, NW Washington, DC 20005	Minnesota Mining & Manufacturing Co	2,500.00	
Randy Huwa, 2030 M St., NW Washington, DC 20036	Common Cause	11,203.11	
B. F. Hyde, Tennessee Petroleum Council 211 7th Avenue, North, 4th Fl. Nashville, TN 37219	American Petroleum Institute	1,500.00	2,437.75
Gary Hymel, 901 31st Street, NW Washington, DC 20007	Hill & Knowlton, Inc (For:American Bankers Assn)		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Hill & Knowlton, Inc (For:Anglo American Auto Auctions, Inc)		
Do	Hill & Knowlton, Inc (For:Asarco Inc)		
Do	Hill & Knowlton, Inc (For:Association for the Advancement of Human Rights)		
Do	Hill & Knowlton, Inc (For:Budd Company)		
Do	Hill & Knowlton, Inc (For:Church of Scientology International)	150.00	
Do	Hill & Knowlton, Inc (For:Colonial Williamsburg)		
Do	Hill & Knowlton, Inc (For:Hitachi America, Ltd)		
Do	Hill & Knowlton, Inc (For:Hoopa Valley Business Council)		
Do	Hill & Knowlton, Inc (For:HTB Corporation)		
Do	Hill & Knowlton, Inc (For:Newmont Mining Corp)		
Do	Hill & Knowlton, Inc (For:Palm Oil Registration & Authority)		
Do	Hill & Knowlton, Inc (For:Panhandle Eastern Corp)		
Do	Hill & Knowlton, Inc (For:Republic of Turkey)	100.00	
Do	Hill & Knowlton Inc (For:Ryder Systems Inc)	1,500.00	
Do	Hill & Knowlton, Inc (For:Shaklee Corporation)		
Do	Hill & Knowlton, Inc (For:Stroh Brewery Co)		
Robert D. Hynes Jr., 1331 Pennsylvania Ave., NW Washington, DC 20004	National Broadcasting Co, Inc	1,000.00	
Brian M. Hyps, 2215 Constitution Avenue, NW Washington, DC 20037	American Pharmaceutical Assn	500.00	
J. William Ichord, 1050 Connecticut Ave., NW, #760 Washington, DC 20036	Unocal Corporation		708.62
Richard H. Ichord, 499 S. Capitol St., SW, #520 Washington, DC 20003	AAI Corporation	318.75	
Kevin J. Igli, 1155 Connecticut Ave., NW Washington, DC 20036	Waste Management, Inc	812.00	438.00
Kris H. Ikejiri, P.O. Box 3556 Washington, DC 20007	American Meat Institute		
Catherine L. Imus, 1112 16th Street, NW, #210 Washington, DC 20036	Braun & Company	99.00	
Independent Data Communications Manufacturers Assn, c/o Squire Sanders & Dempsey 1201 Pennsylvania Ave., NW Washington, DC 20004.		1,210.00	1,210.00
Independent Lubricant Manufacturers Assn, 1055 Thomas Jefferson Street, NW Washington, DC 20007			
Industrial Biotechnology Assn, 1625 K Street, NW, #1100 Washington, DC 20006		26,691.67	26,691.67
Industrial Gas Cleaning Institute, Inc, 1707 L St., NW Washington, DC 20036			
Industrial Truck Association, 1750 K Street, NW, #210 Washington, DC 20006			
Industrial Union Department, AFL-CIO, 815 16th St., NW, #301 Washington, DC 20006		18,487.35	18,487.35
Infant Formula Council, 5775 Peachtree-Dunwoody Rd., #500-D Atlanta, GA 30342			
Charles E. Ing, 1850 M Street, NW, #600 Washington, DC 20036	Toyota Motor Sales, USA, Inc	5,200.00	154.03
Edwin T. C. Ing, 2000 Pennsylvania Ave., NW, #7400 Washington, DC 20006	C. Brewer & Company, Ltd		
Do	Kamehameha Schools/Estate of Bernice P. Bishop		
Do	U.S. Windpower, Inc		
Charles W. Ingram, 305 C Street, NE, #309 Washington, DC 20002	S.K.C. & Associates	1,000.00	
James E. Ingram, 1801 K Street, NW, #1200 Washington, DC 20006	IBM Corp	2,500.00	350.00
Doug Inkley, 1412 16th St., NW Washington, DC 20036-0001	National Wildlife Federation	339.96	
Institute of International Bankers, East Building, 4th Floor 280 Park Ave. New York, NY 10017			
Institute of International Container Lessors, Bedford Consultants Building Box 605 Bedford, NY 10506			
International Advisers Inc, 1800 M Street, NW Washington, DC 20036	Embassy of Turkey	218,750.00	16,329.83
International Assn of Bridge Struct & Ornamental Iron Wkrs, 1750 New York Ave., NW Washington, DC 20006		11,708.55	22,508.55
International Assn of Machinists & Aerospace Workers, 1300 Connecticut Ave., NW Washington, DC 20036			31,196.80
International Brotherhood of Teamsters, 25 Louisiana Ave., NW Washington, DC 20001			65,946.12
International Communications Industries Assn, 3150 Spring St. Fairfax, VA 22031		317,344.00	4,858.00
International Council of Shopping Centers, 665 Fifth Ave. New York, NY 10022			
International Longshoremen's Assn, AFL-CIO, 17 Battery Place, #1500 New York, NY 10004			60,754.92
International Taxicab Assn, 3849 Farragut Avenue Kensington, MD 20895			
International Union of Bricklayers & Allied Craftsmen, 815 15th St., NW Washington, DC 20005			10,499.51
Investment Company Institute, 1600 M St., NW Washington, DC 20036			55,462.69
Peter A. Iovino, 815 Connecticut Ave., NW Washington, DC 20006	Ford Motor Co	2,225.00	1,145.18
Kathy D. Ireland, 1600 M Street, NW Washington, DC 20036	Investment Co Institute		
Charles C. Irions, 2200 Mill Rd. Alexandria, VA 22314	American Movers Conference	200.00	
Thomas L. Irmen, P.O. Box 119 Maumee, OH 43537	Andersons		
Iron Ore Lessors Assn, Inc, W-2081 First National Bank Bldg. Saint Paul, MN 55101		6,919.53	12,665.66
William Robert Irvin, 1400 16th Street, NW Washington, DC 20036	National Wildlife Federation	230.28	
Edrie Irvine, 1620 Eye Street, NW, #1000 Washington, DC 20006	Motor Vehicle Manufacturers Assn of the U.S., Inc	60.00	
William A. Isokait, 1957 E St., NW Washington, DC 20006	Associated General Contractors of America		
Ivins Phillips & Barker, Chtd, 1700 Pennsylvania Ave., NW, #600 Washington, DC 20006	American Textile Manufacturers Institute, Inc		
Do	Employee Relocation Council		
Kenneth M. Iwashita, 29400 Lakeland Boulevard Wickliffe, OH 44092	Lubrizol Corp		
III Dimension of Indiana, Inc, 730 Century Bldg. 36 S. Pennsylvania St. Indianapolis, IN 46204	Reese Communications Cos (for: Philip Morris, USA)	9,000.00	103.22
INTERACT, 1350 Old Bayshore Highway, #750 Burlingame, CA 94010	American Comm for Vietnam Claims Justice	9,600.00	7,680.00
Dennis J. Jackman, 1850 K Street, NW, #1195 Washington, DC 20006	Schering-Plough Corp	1,100.00	586.00
Bobby J. Jackson, 1920 N Street, NW Washington, DC 20036	American Mining Congress		
Charles R. Jackson, 225 North Washington Street Alexandria, VA 22314	Non Commissioned Officers Assn of the USA	7,900.00	18,113.41
Glenn Jackson, 555 13th Street, NW, #300 West Washington, DC 20004	Interstate Natural Gas Assn of America	1,000.00	
Julia Jackson, 2626 Pennsylvania Ave., NW Washington, DC 20037	National Telephone Cooperative Assn	5,000.00	560.41
William P. Jackson Jr., Jackson & Jessup, P.C. 3426 N. Washington Boulevard Arlington, VA 22201	Osborne Truck Line, Inc, et al	1,320.00	1,620.00
Stephen Jacobs, 1771 N Street, NW Washington, DC 20036	National Assn of Broadcasters	2,500.00	798.90
E. A. Jaenke & Associates, Inc, 777 14th St., NW, #666 Washington, DC 20005	National Cooperative Bank	15,000.00	
Daniel L. Jaffe, 1725 K Street, NW, #601 Washington, DC 20006	Association of National Advertisers, Inc		
Jaffe Snider Raitt & Heuer, P.C., 1800 First National Building Detroit, MI 48226			
Edward L. Jaffee, 1730 Rhode Island Avenue, NW, #713 Washington, DC 20036	PPG Industries, Inc		
Claudia James, Box 17407 Dulles Airport Washington, DC 20041	American Newspaper Publishers Assn	1,500.00	244.23
Jerry James, 816 Congress Ave., #501 Austin, TX 78701	ATC-ClayDesta Communications		
Jamin Ebell Bolger & Gentry, P.O. Box 4269 Kodiak, AK 99615	Old Harbor Native Corp	24,265.00	12,018.31
Japan Economic Institute of America, 1000 Connecticut Ave., NW Washington, DC 20036		1,446.00	1,446.00
Japanese American Citizens League, 1765 Sutter Street San Francisco, CA 94115			
Joseph J. Jaquay, 5025 Wisconsin Ave., NW Washington, DC 20016	Amalgamated Transit Union, AFL-CIO		
Marc R. Jartman, c/o UNC Incorporated 175 Admiral Cochrane Drive Annapolis, MD 21401	UNC, Inc		
Jerry J. Jasinowski, 1331 Pennsylvania Ave., NW, #1500 N. Washington, DC 20004-1703	National Assn of Manufacturers	2,000.00	
Julie A. Javernick, 413 North Lee St. P.O. Box 1417-D49 Alexandria, VA 22313	National Assn of Chain Drug Stores, Inc		
Jeford-McManus International, Inc, 513 Capitol Court, NE, #300 Washington, DC 20002	Aerojet-General Corp	75.00	
Do	Garber International Associates, Inc	75.00	
Do	Hazeltine Corp	75.00	
Do	ISC Defense & Space Group	100.00	
Do	John Deere Technologies, Inc	85.00	
Do	Litton Data Systems	50.00	
Do	LTV Defense & Space Co		
Do	McDonnell Douglas Corp	100.00	
Do	Piasecki Aircraft Corp	50.00	
Do	Pratt & Whitney Group		
Do	Raytheon Corp	100.00	
Do	Spartan Electronics Corp		
Joseph S. Jenckes, Suite 300 1710 Rhode Island Ave., NW Washington, DC 20036	Abbott Laboratories	5,000.00	
Linda Jenckes, 1025 Connecticut Avenue, NW Washington, DC 20036	Health Insurance Assn of America, Inc		
Jenner & Block, 21 Dupont Circle, NW Washington, DC 20036	Adhesive & Sealant Council, Inc		
Do	American Assn of Electromyography & Electrodiagonosts		
Do	American Dental Assistants Assn		
Do	American Dental Trade Assn		
Do	American Diabetes Assn		
Do	American Film Marketing Assn		
Do	American Soc for Cataract & Refractive Surgery		
Do	Auto Glass Industry Comm		
Do	Cable TV Admin & Marketing Society, Inc		
Do	Dental Gold Institute		
Do	International Soc for Hybrid Microelectronics		
Do	MCI Communications Corp		
Do	National Glass Association		
Carole P. Jennings, 7812 12th Street, NW Washington, DC 20012	American Academy of Nurse Practitioners	5,115.00	230.00
James C. Jennings, 901 31st Street, NW Washington, DC 20007	Hill & Knowlton, Inc		
Nancy H. Jessick, 1331 Pennsylvania Ave., NW, #720 Washington, DC 20004	Hiram Walker & Sons, Inc		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Jet, Inc, 1100 Huntington Building Cleveland, OH 44115			1,154.00
Charles B. Jiggetts, 1331 Pennsylvania Ave., NW, #1300 North Washington, DC 20004	Electronic Data Systems Corp		
Calvin P. Johnson, 815 16th Street, NW Washington, DC 20006	American Fed of Labor & Congress of Industrial Organizations	15,619.76	70.00
Carl T. Johnson, 1235 Jefferson Davis Highway Crystal Gateway #1, Suite 501 Arlington, VA 22202	Compressed Gas Assn/Helium Advisory Council		
Jane Leonard Johnson, P.O. Box 19109 Greensboro, NC 27419	Unifi, Inc		
Jess Johnson Jr., 4198 Roberts Pt. Circle Sarasota, FL 34242	Shell Oil Co	15,000.00	2,141.24
Joel L. Johnson, 122 C St., NW, #740 Washington, DC 20001	American League for Exports & Security Assistance, Inc	7,300.00	187.97
John W. Johnson, P.O. Box 35106 Minneapolis, MN 55435	American Collectors Assn	1,000.00	
Kenneth A. Johnson, 4524 Hillsboro Ave. North New Hope, MN 55428	Pillsbury Company		
Mark R. Johnson, 1667 K Street, NW, #350 Washington, DC 20006	Maersk, Inc	2,500.00	
Nancie S. Johnson, 1701 Pennsylvania Avenue, NW, #900 Washington, DC 20006	E. I. du Pont de Nemours & Co	320.00	
Rady A. Johnson, 200 East Randolph Drive P.O. Box 87703 Chicago, IL 60680-9978	Amoco Corporation		
Richard W. Johnson Jr., 225 N. Washington Street Alexandria, VA 22314	Non Commissioned Officers Assn of the USA	7,274.88	105.00
Stanley L. Johnson, 5344 29th St., NW Washington, DC 20015	Texaco, Inc		
Susan E. Johnson, 633 Pennsylvania Ave., NW, #600 Washington, DC 20004	Sears Roebuck & Co	1,000.00	401.05
David A. Johnston, 1957 E St., NW Washington, DC 20006	Associated General Contractors of America		
George A. Johnston, 2000 K St., NW, 8th Foor Washington, DC 20006	National Comm to Preserve Social Security	5,321.00	44.90
James D. Johnston, 1660 L St., NW, #401 Washington, DC 20036	General Motors Corp	3,600.00	5,198.66
Johnston Barton Proctor Swedlaw & Naff, 1100 Park Place Tower Birmingham, AL 35203	John W. Jamison III	32,662.50	88.74
Mary K. Jolly, 1600 Rhode Island Ave., NW Washington, DC 20036	National Rifle Assn of America	1,117.02	82.72
Herbert A. Jolovitz, 7531 Sebago Road Bethesda, MD 20817	Owens-Corning Fiberglas	1,143.75	
Belva W. Jones, 1101 15th St., NW, #202 Washington, DC 20005	National Assn of Margarine Manufacturers		
Ernest W. Jones Jr., 1957 E St., NW Washington, DC 20006	Associated General Contractors of America		
Gerald R. Jones, 2001 L Street, NW, #1000 Washington, DC 20036	Unisys Corp		
James E. Jones Jr., 1315 Albriton Drive Dayton, OH 45408	Alliance of American Insurers		
Randall T. Jones, 50 F Street, NW, #900 Washington, DC 20001	National Council of Farmer Cooperatives	2,925.00	
T. Lawrence Jones, 2000 Pennsylvania Ave., NW, #9000 Washington, DC 20006	Marsh & McLennan Cos, Inc		
Theodore L. Jones, 412 First St. SE, #60 Washington, DC 20003	Hartford Group		
Do	Mall Properties, Inc		
Do	Maxicare Health Plans, Inc		
Do	Michcon Corporation		
Do	United Companies Life Insurance Companies		
Do	Zapata Corporation		
Do	Zapata Gulf Marine Corp		
Wiley N. Jones, 816 Connecticut Ave., NW, 8th Floor Washington, DC 20006	Southern Pacific Transportation Co	1,000.00	500.00
Wililam Patrick Jones, 1010 Duke Street Alexandria, VA 22314	American Assn of Port Authorities	10,625.00	2,000.00
Jones Day Reavis & Pogue, 1450 G Street, NW, #600 Washington, DC 20005-2088	Cleveland Cliffs Iron Co		
Do	Consumers for Competitive Fuels	1,963.50	6.00
Do	Consumers United for Rail Equity (C.U.R.E.)		
Do	Embassy of the People's Republic of China		13.00
Do	Greyhound Lines, Inc		
Do	Health Policy Coalition		
Do	Laurel Industries, Inc	207.00	
Do	Los Angeles County		402.99
Do	Marathon Oil Co	3,280.50	18.00
Do	Michigan Consolidated Gas Company		104.39
Do	Morgan Grenfell & Co, Ltd	4,867.75	10.00
Do	National Beer Wholesalers Assn		
Do	Pfizer, Inc	894.00	22.00
Do	Preussag A.G.		9.00
Do	RJR Nabisco, Inc		
Do	Southern California Edison Company	167.00	
Do	State Assn of County Retirement Systems		
G. Harris Jordan, 1575 Eye Street, NW Washington, DC 20005	American Soc of Assn Executives	300.00	
Patricia Jordan, 1730 Rhode Island Ave., NW, #400 Washington, DC 20036	Berg-Revoir Corp		
Do	City of Alhambra		
Do	City of Baldwin Park		
Do	City of Inglewood		
Do	City of Oceanside		
Do	City of Provo		
Do	City of Redondo Beach		
Do	City of Santa Ana		
Do	City of South Salt Lake		
Do	Gavin Associates		
Do	Imperial Irrigation District		
Do	Irvine Company		
Do	Long Beach Transit		
Do	Oceanside Redevelopment Agency		
Do	Santa Cruz Properties, Inc		
Roy Jordan, RR 6 Box 147 Starkville, MS 39759			
David C. Jory, 1275 Pennsylvania Ave., NW, #503 Washington, DC 20004	Citibank, N.A.	500.00	
Mary Lou Joseph, 2025 M Street, NW Washington, DC 20036	National Public Radio	16,551.25	1,716.15
John J. Joyce, 25 Louisiana Ave., NW Washington, DC 20001	International Brotherhood of Teamsters	3,000.00	
Ardon B. Judd Jr., 1100 Connecticut Ave., NW, #310 Washington, DC 20036	Dresser Industries, Inc		
Kathy L. Judd, 1700 K St., NW, #1204 Washington, DC 20006	Chevron USA, Inc	100.00	
Amy E. Judy, 2030 M St., NW Washington, DC 20036	Common Cause	2,156.42	
Robert E. Juliano Associates, 2555 M Street, NW, #303 Washington, DC 20037	American Express Co	15,000.00	2,337.42
Do	ADAPSO, Inc	6,000.00	
Do	Hotel Employees & Restaurant Employees Int'l Union	29,750.00	1,504.12
Do	International Speedway Corp	9,000.00	
Do	Monarch Capital Corp		
Do	National Academies of Practice		
Do	Rentar Industries, Inc		
Do	Stock Information Group	6,500.00	
Justice Fellowship, P.O. Box 17181 Washington, DC 20041			
Geza Kadar Jr., 1025 Connecticut Avenue, NW Washington, DC 20036	Health Insurance Assn of America, Inc		
Donald J. Kaniewski, 905 16th St., NW Washington, DC 20006	Laborers' Intl Union of North America, AFL-CIO	12,924.99	318.20
Dennis R. Kanin, Foley Hoag & Eliot One Post Office Square Boston, MA 02109	Cambridge Redevelopment Authority	3,354.00	24.13
Do	Humane Society of the U.S., et al.	6,256.50	645.03
Do	Iriquois Gas Transmission Systems	11,008.00	2,223.77
Martin B. Kanner, 2301 M St., NW Washington, DC 20037	American Public Power Assn	2,500.00	
David A. Karcher, 3702 Pender Drive, #250 Fairfax, VA 22030	American Soc of Cataract & Refractive Surgery		900.00
Gene Karpinski, 215 Pennsylvania Avenue, SE Washington, DC 20003	U.S. Public Interest Research Group	6,139.58	
George Kassouf, 600 New Jersey Ave., NW Washington, DC 20001	Alliance for Justice		
Patricia L. Katson, 11215 Oak Leaf Drive Silver Spring, MD 20901	Liberty Lobby, Inc	8,250.00	
Robert C. Kaufmann, 1250 Connecticut Ave., NW Washington, DC 20036	American Paper Institute, Inc		
Everett E. Kavanaugh, 1110 Vermont Ave., NW, #800 Washington, DC 20005	Cosmetic Toiletry & Fragrance Assn, Inc		
Richard F. Keating, 1211 Connecticut Ave., NW, #502 Washington, DC 20036	Anheuser-Busch Companies, Inc		12,800.00
Keck Mahin & Cate, 1730 Pennsylvania Avenue, NW, #350 Washington, DC 20006	American Assn for Marriage & Family Therapy		
Do	General Instrument Corporation		
Do	National Assn of Social Workers		
Do	Schwinn Bicycle Co		
Robert J. Keefe, 444 N. Capitol Street, #711 Washington, DC 20001	Keefe Co (For:Sanders Associates, Inc)		
Do	Keefe Company (For:Westinghouse Electric Corp)		
J. Michael Keeling, Zuckert Scoutt & Rasenberger 888 17th Street, NW, #600 Washington, DC 20006	American Truck Dealers	594.12	
Do	ESOP Association of America	2,198.75	
Do	National Assn of Royalty Owners, Inc	856.87	
Do	Small Business Council of America	525.00	
Vicki R. Keenan, 1015 15th Street, NW, #802 Washington, DC 20005	American Consulting Engineers Council	5,250.00	
Keith Keeney, 5775 Peachtree-Dunwoody Rd., #500-D Atlanta, GA 30342	Robert H. Kellen Co (For:Calorie Control Council)		
Robin E. Keeney, 1828 L Street, NW, #705 Washington, DC 20036	American Land Title Assn	2,300.00	
Kendell W. Keith, 725 15th Street, NW Washington, DC 20005	National Grain & Feed Assn		
William D. Kelleher, 1615 H Street, NW Washington, DC 20062	Chamber of Commerce of the U.S.	2,500.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Robert H. Kellen, 5775 Peachtree-Dunwoody Rd., #500-D Atlanta, GA 20342	Robert H. Kellen Co (For:Calorie Control Council)		
Keller & Heckman, 1150 17th Street, NW, #1000 Washington, DC 20036	Specialty Advertising Assn Int'l	1,400.00	140.00
John T. Kelley, 1750 K Street, NW Washington, DC 20006	Food Marketing Institute	500.00	
Kelley Drye & Warren, 2300 M Street, NW Washington, DC 20037	City of Baltimore	12,701.00	12,701.00
Do	Coalition to Preserve the Low Income Housing Tax Credit	2,000.00	
Do	Council for Rural Housing & Development	4,000.00	
Do	Cushman & Wakefield	164.20	9.00
Do	Fuji Electric Co, Ltd		
Do	J.P. Morgan & Co, Inc		
Do	National Glass Assn	7,812.00	7,812.00
Do	National Independent Automobile Dealers Assn	3,242.76	3,242.76
Do	National Leased Housing Assn	900.00	900.00
Do	Society of the New York Hospital		
Do	Tokyo Electric Co, Ltd		
Do	U.S. League of Savings Assns	2,627.30	
Joseph T. Kelliher, 410 First St., SE Washington, DC 20003	American Nuclear Energy Council	1,969.61	1,420.62
Stephen S. Kellner, 1001 Connecticut Ave., NW, #1120 Washington, DC 20036	Chemical Specialties Manufacturers Assn, Inc		
Donald E. Kelly, Public Affairs Office 600 New Hampshire Ave., NW, #1111 Washington, DC 20037	Society of Real Estate Appraisers	1,750.00	
Edward L. Kelly, 1319 F Street, NW, #1000 Washington, DC 20004	National Assn of Private Psychiatric Hospitals	500.00	
Ernest B. Kelly III, 950 L'Enfant Plaza, SW Washington, DC 20024	Communications Satellite Corp	3,500.00	159.86
Harold V. Kelly, 1025 Thomas Jefferson St., NW, #511 W. Washington, DC 20007	LTV Corporation		
John F. Kelly, 1828 L Street, NW # 906 Washington, DC 20036	Merrill Lynch & Co, Inc	2,000.00	
Paul T. Kelly, 1701 Clarendon Boulevard Arlington, VA 22209	American Chiropractic Assn		
William N. Kelly, Norwest Center- Sixth and Marquette Minneapolis, MN 55479-1032	Norwest Corporation	6,000.00	3,065.00
Mark L. Kemmer, 1660 L Street, NW, #401 Washington, DC 20036	General Motors Corp	2,500.00	1,198.97
Coletta Kemper, 1401 New York Avenue, NW, #720 Washington, DC 20005	National Assn of Insurance Brokers, Inc		
Jackson Kemper Jr., 1215 Jefferson Davis Hwy., #1004 Arlington, VA 22202	Diagnostic/Retrieval Systems, Inc	8,750.00	
Jonathan Kempner, 1250 Connecticut Ave., NW, #620 Washington, DC 20036	National Multi Housing Council	3,180.00	3,180.00
Kendall & Associates, Inc, 50 E St., SE Washington, DC 20003	ALC Communications Corp		
Do	Hogan & Hartson (for Timex Group, Ltd)		
Do	Hogan & Hartson (for Volume Shoe Corp)		
Do	Manville Corporation		
Do	Perkinson and Associates		
Do	Rose Communications		
Do	Toyota Motor Sales, USA, Inc	1,500.00	
Do	Worldwide Information Resources, Inc		
John Kendrick, 1000 Wilson Blvd. Arlington, VA 22209	Grumman Corporation	625.00	1,745.28
Stephanie Kennan, 1909 K Street, NW Washington, DC 20049	American Assn of Retired Persons	578.84	140.50
Joseph W. Kennebeck, 490 L'enfant Plaza, SW, #3210 Washington, DC 20024	Volkswagen of America, Inc	250.00	40.00
David Kennedy, 500 E Street, SW, #920 Washington, DC 20024	Aircraft Owners and Pilots Assn	5,000.00	168.57
James J. Kennedy Jr., 400 First St., NW, #804 Washington, DC 20001	Railway Labor Executives' Assn	11,250.00	
Michael E. Kennedy, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America		
Robert P. Kennel, 12500 Fair Lakes Circle, #260 Fairfax, VA 22033	National Wood Energy Assn, Inc		
Do	Ultrasystems, Inc		
Erica G. Kenney, 499 South Capitol St., SW, #520 Washington, DC 20003	Petroleum Marketers Assn of America	1,250.00	
Jeremiah J. Kenney Jr., 1100 15th Street, NW, #1200 Washington, DC 20005	Union Carbide Corp		130.00
Brendan Kenny, 1625 Massachusetts Avenue, NW Washington, DC 20036	Air Line Pilots Assn	5,050.00	802.90
J. H. Kent, Kent & O'Connor, Inc 1825 K Street, NW, #305 Washington, DC 20006	American Soc of Plastic & Reconstructive Surgery	4,000.00	2,225.57
Do	American Supply Association	1,000.00	741.06
Do	International Assn of Airport Duty Free Stores		
Do	National Customs Brokers & Forwarders Assn of America	5,200.00	2,945.60
Elizabeth Kepley, 601 Pennsylvania Ave., NW, #901 Washington, DC 20004	Focus on the Family	9,723.06	
Michael L. Kerley, 1922 F Street, NW Washington, DC 20006	National Assn of Life Underwriters	3,742.00	172.00
Susan Akers Kernus, 1330 Connecticut Ave., NW, #300 Washington, DC 20036	Synthetic Organic Chemical Manufacturers Assn, Inc	1,000.00	237.58
Suzanne S. Kerr, 305 7th Street, SE, #204 Washington, DC 20003	Women's Action for Nuclear Disarmament, Inc, et al	1,384.62	
Michael J. Kerrigan, 1925 K Street, NW, #504 Washington, DC 20006	Smokeless Tobacco Council, Inc		
Richard S. Kessler, 250 Tenth Street, SE Washington, DC 20003	Joseph E. Seagram & Sons, Inc		
Dale Rodney Ketcham, 1980 N. Atlantic Ave., #918 Cocoa Beach, FL 32931			
Robert M. Ketchel, 1331 Pennsylvania Ave., NW, #895 Washington, DC 20004	General Electric Co		
Gilbert W. Keyes, P.O. Box 3999 (Mail Stop 8c-68) Seattle, WA 98124	Boeing Aerospace Co	176.14	176.14
G. Chandler Keys III, 1301 Pennsylvania Avenue, NW, #300 Washington, DC 20004	National Cattlemen's Assn	1,000.00	
Richard F. Kibben, 200 Park Ave., #2222 New York, NY 10166	Business Roundtable		
William S. Kies, 1750 K St., NW Washington, DC 20006	Food Marketing Institute	200.00	
Ingolf N. Kiland Jr., 1660 L Street, NW, #401 Washington, DC 20036	General Motors Corp	3,000.00	7,538.47
William J. Kilberg, 1050 Connecticut Ave., NW, #900 Washington, DC 20036	Gibson Dunn & Crutcher (For:Wheeling-Pittsburgh Steel Corp)		
Brian M. Kilbury, 815 16th St., NW, #511 Washington, DC 20006	Transportation - Communications Union	3,000.00	
Thomas J. Kilcline, 201 North Washington Street Alexandria, VA 22314	Retired Officers Assn	1,009.75	
Maryann Kilduff, 2000 M St., NW, #230 Washington, DC 20036	Telocator Network of America	1,132.00	90.00
John J. Killeen, 1090 Vermont Ave., NW, #1100 Washington, DC 20005	Textron, Inc	600.00	150.00
William P. Killmer, 1331 Pennsylvania Avenue, NW, #910 Washington, DC 20004	American Cement Trade Alliance, Inc	3,365.40	113.00
Mary K. Killorin, 1101 15th Street, NW Washington, DC 20005	Minnesota Mining & Manufacturing Co	2,500.00	
Kilpatrick & Cody, 2501 M St., NW, #500 Washington, DC 20037	Chemical Fuels Corp		
Do	Furniture Rental Assn of America		
Do	Greenpeace USA		
Do	Kootznoowoo, Inc		
Eun Sang Kim, 1030 15th Street, NW, #776 Washington, DC 20005	Korea Foreign Trade Assn	600.00	520.00
Phillips Kimball Jr., 8224 Old Courthouse Road Vienna, VA 22180	Sheet Metal & Air Conditioning Contractors' Nat'l Assn		
Richard H. Kimberly, 1201 Pennsylvania Avenue, NW, #730 Washington, DC 20004	Kimberly-Clark Corp	1,747.52	131.75
Kimberly-Clark Corp, Texas Commerce Bank Building 545 E. Carpenter Freeway Irving, TX 75062-3931			2,354.27
James L. Kimble, 1130 Connecticut Avenue, NW, #1000 Washington, DC 20036	American Insurance Assn		
Aubrey C. King, 1133 21st Street, NW Washington, DC 20036	Travel & Tourism Gov't Affairs Council	2,000.00	
Lewis O. King, P.O. Box 10045 Austin, TX 78766	National Guard Assn of Texas	7,000.00	1,321.11
W. Russell King, 50 F St., NW, #1050 Washington, DC 20001	Freeport McMoran D.C., Inc	500.00	82.50
King & Spalding, 1730 Pennsylvania Ave., NW, #1200 Washington, DC 20006	Generic Pharmaceutical Industry Assn	1,835.00	
Do	National Assn of Bond Lawyers		114.48
Ruby King-Williams, 1201 16th Street, NW Washington, DC 20036	National Education Assn		
Kathleen N. Kingscott, 1801 K Street, NW, #1200 Washington, DC 20006	IBM Corp	5,775.00	467.32
Daniel T. Kingsley, 1655 N. Fort Myer Dr., #700 Arlington, VA 22209	National Venture Capital Association	3,800.00	3,508.51
Robert B. Kingsley, 1411 K Street, NW, #1005 Washington, DC 20005	United Electrical Radio & Machine Workers of America	7,172.58	
Roger P. Kingsley, 10801 Rockville Pike Rockville, MD 20852	American Speech-Language-Hearing Assn		
Janie A. Kinney, 1615 L Street, NW, #1320 Washington, DC 20036	Merck & Co, Inc	575.00	175.00
Marcia Y. Kinter, 1600 Wilson Boulevard, #1000 Arlington, VA 22209	American Waterways Operators, Inc	2,000.00	284.45
Ronald Kipke, 1016 16th Street, NW Washington, DC 20036	National Federation of Federal Empolyees	1,300.80	
Cecilia Anne Kirby, 1201 New York Ave., NW Washington, DC 20005	American Hotel & Motel Assn	1,890.04	
John R. Kirk, Bingham, Dana & Gould 150 Federal Street Boston, MA 02110	First National Bank of Boston		
Sharon Kirk, 1730 Rhode Island Ave., NW——#1000 Washington, DC 20036	National Solid Wastes Management Assn	200.00	
Kirkland & Ellis, 655 15th Street, NW, #1200 Washington, DC 20005	Corning Glass		
Do	Electronic Data Systems Corp		
Do	General Motors Corp	5,125.00	
Do	Service Master	40,713.00	
Do	Valhi, Inc	50,362.00	
Kirlin Campbell & Keating, One Farragut Square South Second Floor Washington, DC 20006	Council of European & Japanese National Shipowners' Assn	10,080.00	477.27
Robert A. Kirshner, 1250 Connecticut Avenue, NW Washington, DC 20036	National Forest Products Assn	500.00	
Mary Brice Kirtley, 888 17th Street, NW, #300 Washington, DC 20006	ConAgra, Inc	600.00	
Jon Kiser, 1730 Rhode Island Ave., NW Washington, DC 20036	National Solid Wastes Management Assn	200.00	
Carla Kish, D & R International 962 Wayne Avenue, #800 Silver Spring, MD 20902	Florida Solar Energy Center	3,000.00	
Do	University of Oregon	2,000.00	
Sam Kito Jr., 5933 E. 22nd Ave. Anchorage, AK 99504	Kito, Inc (For:North Slope Borough)	3,000.00	
Do	Kito, Inc (For:Sealaska Corporation)	19,562.50	7,256.19
Sandra D. Kjellberg, 1133 15th Street, NW, #600 Washington, DC 20005	Maritime Institute for Research & Industrial Development		4,219.00
Dean Kleckner, 225 Touhy Avenue Park Ridge, IL 60068	American Farm Bureau Federation	3,642.00	
Kline & Knopf, Inc, 355 N. 21st Street, #303 Camp Hill, PA 17011	General Public Utilities Corp		
Jeffery L. Klinger, 122 C Street, NW, #240 Washington, DC 20001	Peabody Holding Company, Inc		87.14

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
David M. Klucsik, 1415 Wyckoff Road Wall, NJ 07719	New Jersey Natural Gas Co		
John A. Knebel, 1920 N Street, NW, #300 Washington, DC 20036	American Mining Congress	1,800.00	20.00
Peter E. Knight, 1101 15th Street, NW, #400 Washington, DC 20005	National Council of Savings Institutions	8,000.00	1,423.63
Knights of Columbus, 1275 Pennsylvania Ave., NW, #501 Washington, DC 20004-2404		2,356.40	
Keith R. Knoblock, 1920 N St., NW Washington, DC 20036	American Mining Congress	146.80	21.05
Albert B. Knoll, 555 13th Street, NW, #1010 East Washington, DC 20004-1109	Sun Co, Inc	2,000.00	1,134.46
Bradley R. Koch, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn	130.45	
George W. Koch, 1010 Wisconsin Ave., NW, #800 Washington, DC 20007	Grocery Manufacturers of America, Inc	116.00	
Patrick C. Koch, 900 19th St., NW, #800 Washington, DC 20006-2102	U.S. Telephone Assn	5,000.00	
Gary J. Kohn, 1600 M Street, NW Washington, DC 20036	Investment Company Institute	341.20	307.42
Stanley E. Kolbe Jr., 305 4th Street, NE Washington, DC 20002	Sheet Metal & Air Conditioning Contractors National Assn		133.75
Michael S. Koleda, 1225 Eye St., NW, #320 Washington, DC 20005	Council on Alternate Fuels		
Ann Kolker, 1616 P Street, NW, #100 Washington, DC 20036	National Women's Law Center		63.25
Diane J. Koller, 1101 17th St., NW, #600 Washington, DC 20036	American Airlines, Inc	2,500.00	246.91
Timothy S. Kolly, 2805 Meadow Vista Drive Charlottesville, VA 22906	Worrell Enterprises, Inc		
Kominers Fort & Schlefer, 1401 New York Ave., NW, #1200 Washington, DC 20005-2187	Bollinger Machine Shop & Shipyard, Inc		
Nicholas Kominus, 1001 Connecticut Ave., NW Washington, DC 20036	U.S. Cane Sugar Refiners' Assn		
Koniag, Inc, 4300 B Street, #407 Anchorage, AK 99503			72,237.33
Stephen Koplan, 1455 Pennsylvania Avenue, NW, #600 Washington, DC 20004	Joseph E. Seagram & Sons, Inc	1,600.00	
Steven Kopperud, 1701 N. Ft. Myer Drive Arlington, VA 22209	American Feed Industry Assn	3,240.00	
Kerrill K. Kornegay, 1025 Connecticut Ave., NW, #1014 Washington, DC 20036	Enserch Corporation	2,093.00	2,435.86
Paul A. Korody Jr., 888 17th Street, NW, #300 Washington, DC 20006	ConAgra, Inc	150.00	
Ronald W. Kosh, 8111 Gatehouse Road Falls Church, VA 22047	AAA Potomac		
Marilyn S. Koss, 600 New Hampshire Ave., NW Washington, DC 20037	New York Life Insurance Company	240.00	578.01
Gerald J. Kovach, 1133 19th Street, NW Washington, DC 20036	MCI Communications Corp	2,000.00	10,551.71
Kenneth S. Kovack, 815 16th St., NW, #706 Washington, DC 20006	United Steelworkers of America	12,604.78	
Mylio S. Kraja, 1608 K St., NW Washington, DC 20006	American Legion	4,056.00	486.20
Joseph H. Kramer III, 901 31st Street, NW Washington, DC 20007	Hill & Knowlton, Inc (For:Budd Company)		
Do	Hill & Knowlton, Inc (For:HTB Corporation)		
Stephen W. Kraus, 1001 Pennsylvania Ave., NW Washington, DC 20004	American Council of Life Insurance, Inc	1,000.00	
Raymond R. Krause, 3771 Pillsbury Center Minneapolis, MN 55402	Pillsbury Company	1,500.00	488.00
Robert S. Krebs, 8111 Gatehouse Road Falls Church, VA 22042	AAA Potomac		
Earl R. Kreher, 1620 Eye Street, NW, #1000 Washington, DC 20006	Motor Vehicle Manufacturers Assn of the U.S., Inc		
Krivit & Krivit, P.C., 50 E Street, SE Washington, DC 20003	City of St. Petersburg, Florida	1,200.00	130.00
Kroger Company, 1014 Vine St. Cincinnati, OH 45201			5,653.67
Krooth & Altman, 2101 L Street, NW, #210 Washington, DC 20037	Healthcare Financing Study Group		
Robin L. Kropf, 1101 Vermont Ave., NW Washington, DC 20005	American Medical Assn	25.00	
Keith R. Krueger, 1529 Wisconsin Avenue, NW Washington, DC 20007	Tele-Systems Assn, Inc	1,141.00	121.84
Do	US West Communications	2,000.00	759.77
Paul R. Kruse, 1155 15th St., NW, #600 Washington, DC 20005-2770	Pennzoil Co	625.00	
James S. Krzyminski, 50 F Street, NW, #900 Washington, DC 20001	National Council of Farmer Cooperatives		
M. J. Kuehne, P.O. Box 11346 Tacoma, WA 98411	Northwest Independent Forest Manufacturers	3,000.00	650.00
Philip Kugler, 555 New Jersey Ave., NW Washington, DC 20001	American Fed of Teachers		
Thomas R. Kuhn, 1111 19th Street, NW Washington, DC 20036	Edison Electric Institute	2,142.86	96.12
Ester Kurz, 500 North Capitol St., NW, #300 Washington, DC 20001	American Israel Public Affairs Comm	22,350.00	540.94
Kutak Rock & Campbell, 1101 Connecticut Ave., NW, #1000 Washington, DC 20036	Association of Financial Guaranty Insurors	471.25	188.77
Do	Financial Security Assurance		1,069.19
Do	Municipal Bond Insurance Assn	2,175.54	274.97
Do	State of New York Mortgage Agency		893.70
Peter Kyros, Kurrus & Kirchnerway 1055 Thomas Jefferson St., NW, #418 Washington, DC 20007	Cooperative of American Physicians, Mutual Protection Trust		
Do	Uniformed Services Disabled Retirees		
John R. Kyte, 201 Massachusetts Avenue, NE, #5 Washington, DC 20002	BMc Strategies, Inc	2,250.00	1,198.68
James La Sala, 5025 Wisconsin Avenue, NW Washington, DC 20016	Amalgamated Transit Union, AFL-CIO		
Labor Bureau, Inc, 1101 15th Street, NW, #1010 Washington, DC 20005			
Labor Policy Assn, Inc, 1015 15th St., NW, #1200 Washington, DC 20005			
Labor-Management Maritime Committee, Inc, 444 Capitol Street, 8th Fl Washington, DC 20001		4,581.00	4,365.00
Laborers' Intl Union of North America, AFL-CIO, 905 16th St., NW Washington, DC 20006			31,834.47
Joseph L. Lach, 1625 K Street, NW, #750 Washington, DC 20006	Manville Corp	500.00	
Marc E. Lackritz, 1000 Vermont Ave., NW, #800 Washington, DC 20005	Public Securities Assn	12,500.00	400.24
John D. Lacopo, 1331 Pennsylvania Ave., NW, #1300 Washington, DC 20004	EDS Corporation		
Robert A. Ladig, Scott Plaza Philadelphia, PA 19113	Scott Paper Co	4,250.00	1,483.56
Gerard F. Lamb, 2341 Jefferson Davis Hwy, #1100 Arlington, VA 22202	Bath Iron Works Corp	5,000.00	
Robert Lamb, 1627 Eye St., NW Washington, DC 20006	Doe Run Company	5,000.00	
Do	James River Corp	5,000.00	
Do	National Paint & Coatings Assn	5,000.00	
Do	Occidental Chemical Corp	5,000.00	
Do	Occidental Petroleum Corp	5,000.00	
Do	Sun Company, Inc	5,000.00	
David F. Lambert III, 1401 New York Ave., NW, #720 Washington, DC 20005	National Assn of Insurance Brokers, Inc		
David P. Lambert, 1800 K St., NW, #1100 Washington, DC 20006	New York Stock Exchange, Inc		
David R. Lambert, 1030 15th St., NW, #964 Washington, DC 20005	American Seed Trade Assn	6,000.00	
James E. Lamble, 4000 Tunlaw Road, NW, #324 Washington, DC 20006	Bechtel Group, Inc		
Stephen K. Lambright, One Busch Place St. Louis, MO 63118	Anheuser-Busch Companies, Inc		
Martha D. Lamkin, P.O. Box 3005 Columbus, IN 47202	Cummins Engine Co, Inc	1,153.68	144.37
Virginia A. Lampley, 1818 N St., NW, #600 Washington, DC 20036	DGA International, Inc (For:Dir Intl Aff of the Gen Del for Armements)		
Do	DGA International, Inc (For:Societe Nationale D'Etude et de Const de Moteurs D'Aviation).		
Henry Lancaster Inc, 550 West Seventh Ave., #1395 P.O. Box 10-3461 Anchorage, AK 99510	BP Exploration (Alaska), Inc	19,500.00	19,258.33
Ray H. Lancaster, 1331 Pennsylvania Ave., NW, #565 Washington, DC 20004	Texas Gas Transmission Corp	3,000.00	290.74
L. Charles Landgraf, 1333 New Hampshire Avenue, NW Washington, DC 20036	Leboeuf Lamb Leiby & MacRae	832.50	138.10
Thomas M. Landin, P.O.Box 7929 One Franklin Plaza Philadelphia, PA 19101	SmithKline Beckman Corp		
Robert D. Landis, 777 14th St., NW Washington, DC 20005	National Assn of Realtors		
Landis Cohen Rauh & Zelenko, 1019 19th St., NW, #500 Washington, DC 20036	American Soc of Composers Authors & Publishers		
Do	National Council for Japanese American Redress	2,500.00	
Do	NFL Players Association	5,000.00	
Phyllis Landrieu, 4600 Venus Street New Orleans, LA 70112	National Medical Enterprises, Inc	5,000.00	870.00
David W. Landsidle, 1710 Rhode Island Avenue, NW, #300 Washington, DC 20036	Abbott Laboratories	4,000.00	
Bruce Alan Landy, 2601 Virginia Avenue, NW Washington, DC 20037	B.A.L. Co		
Do	Cryogenic Vacuum Technology Co		
Do	FAA-Congress Watch		
Do			
Scott H. Lane, 412 First Street, SE Washington, DC 20003	National Automobile Dealers Assn	3,300.00	
William C. Lane, 100 N.E. Adams Street Peoria, IL 61629-1460	Caterpillar, Inc	1,000.00	1,637.48
Adrienne C. Lang, 1111 14th Street, NW, #501 Washington, DC 20005	American Soc of Anesthesiologists	5,001.20	
Robert K. Lange, 1700 N. Moore St., #2120 Arlington, VA 22209	Boeing Company	3,424.00	3,001.13
Roger W. Langsdorf, 1600 M Street, NW Washington, DC 20036	ITT Corporation	7,000.00	20.00
Robin W. Lanier, 1000 Connecticut Ave., NW Washington, DC 20036	National Retail Merchants Assn	4,000.00	21.00
J. Stephen Larkin, 9225 Katy Freeway, #310 Houston, TX 77024	Petroleum Equipment Suppliers Assn	2,250.00	1,972.80
Richard Eugene Larochelle, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn	195.00	
Mary Ellen Larson, 1420 King Street Alexandria, VA 22314-2715	National Soc of Professional Engineers	1,250.00	
Reed E. Larson, 8001 Braddock Road, #600 Springfield, VA 22160	National Right to Work Committee		
Latham & Watkins, Sears Tower, #5800 Chicago, IL 60606	Ocenco, Inc	193.22	
Delbert L. Latta, 516 Hillcrest Dr. Bowling Green, OH 43402	Calderon Automation, Inc	6,249.99	2,214.85
Do	Trust Corp, Inc	3,870.98	311.11
Lorraine Lavet, 1615 H St., NW Washington, DC 20062	Chamber of Commerce of the U.S.	2,100.00	30.00
Lloyd R. Lawrence Jr., Bob Lawrence & Associates 803 Prince Street Alexandria, VA 22314	Valmont Industries, Inc	12,000.00	230.00
Ursula Lawrence, 25 Guilfoy Street Glen Cove, NY 11542	America's Conscience		5.00
Bob Lawrence & Associates, 803 Prince St. Alexandria, VA 22314	Mechanical Technology Incorporated	18,000.00	600.00
Elizabeth Lawson, 1730 M Street, NW Washington, DC 20036	League of Women Voters of the U.S.	1,365.21	
Janie L. Lawson, 1025 Connecticut Avenue, NW, #200 Washington, DC 20036	Shell Oil Co	500.00	
Keith Lawson, 1600 M Street, NW Washington, DC 20036	Investment Company Institute		
Laxalt Corporation, 1455 Pennsylvania Ave., NW, #985 Washington, DC 20004	Mesa Limited	2,000.00	
Do	Milliken & Co		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Motion Picture Assn of America, Inc	1,500.00	
Do	R. T. Vanderbilt Co, Inc		
Laxalt Washington Perito & Dubuc, 1120 Connecticut Ave., NW Washington, DC 20036	American College of Neuropsychopharmacology		
Do	AVW Electronic Systems, Inc		
Do	BTS Development Corp	2,135.00	
Do	City of Oakland		
Do	Government of Antigua		
Do	Greenebaum & Rose		
Do	Home Group	995.00	
Do	Martin Marietta Corporation		
Do	Nordisk-USA	1,648.50	
Do	Optur		
Do	Southwest Gas Corp		
Do	Yukon Pacific Corp	700.00	
Sandra L. LaFevre, 1819 L St., NW, 7th Floor Washington, DC 20036	Reinsurance Assn of America		
Sally Ann LaHue, 1101 15th Street, NW, #400 Washington, DC 20005	National Council of Savings Institutions	2,000.00	817.43
Clifford C. LaPlante, 1331 Pennsylvania Avenue, NW, #700-S Washington, DC 20004	General Electric Co	1,700.00	
Joseph A. LaSala Jr., 555 13th Street, Suite 450 West Columbia Square Washington, DC 20004	Union Pacific Corp	12,500.00	
Joan H. LaVor, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America		
League of American Investors, 32123 Lindero Canyon Rd., #300 Westlake Village, CA 91361		38,055.54	38,055.54
League of Women Voters of the U.S., 1730 M St., NW Washington, DC 20036			1,698.50
League to Save Lake Tahoe, 2197 Lake Tahoe Blvd. P.O. Box 10110 South Lake Tahoe, CA 95731	Chrysler Corporation	4,725.00	1,021.00
Alisa J. Learner, 1100 Connecticut Ave., NW Washington, DC 20036	Business Roundtable		
Thomas B. Leary, Hogan & Hartson 555 13th St., NW Washington, DC 20004-1109			
Richard J. Lease, 2145 Boise Drive Las Cruces, NM 88001	Scenic Hudson, Inc		
Cara Lee, 9 Vassar Street Poughkeepsie, NY 12601	Minority Business Enterprise Legal Defense & Education Fund		
Franklin M. Lee, 300 Eye Street, NE, #200 Washington, DC 20002	Ataji L. Balos, et al.		
Linda S. Lee, 4 Monroe Street, #301 Rockville, MD 20850	Minerals Exploration Coalition, Inc		
L. Courtland Lee, Inc, 3814 West Street Landover, MD 20785	Firemans Fund Insurance Cos	4,500.00	507.00
Peter A. Lefkin, 1900 L Street, NW, #500 Washington, DC 20036	RJR Nabisco, Inc	1,160.00	727.81
Marsha P. Lefkovits, 1455 Pennsylvania Ave., NW, #525 Washington, DC 20004	Synthetic Organic Chemical Manufacturers Assn	500.00	79.06
Mary James Legatski, 1330 Connecticut Ave., NW, #300 Washington, DC 20036	Tobacco Institute		
C. Hoke Leggett, 1875 I St., NW, #800 Washington, DC 20006	National Solid Wastes Management Assn	200.00	
Jack Legler, 1730 Rhode Island Ave., NW Washington, DC 20036	Scheduled Airlines Traffic Offices, Inc		
Meric L. Legnini, 10807 Gainsborough Rd Potomac, MD 20854	Nerco, Inc	6,765.00	514.81
Leslie A. Lehmann, 111 SW Columbia, #800 Portland, OR 97201	Ogilvy & Mather Public Affairs		
Dale Leibach, 1901 L Street, NW, #320 Washington, DC 20036	American Financial Services Assn	250.00	
G. Timothy Leighton, 1101 14th St., NW Washington, DC 20005	American Dairy Products Institute	500.00	
Leighton & Regnery, 1667 K Street, NW Washington, DC 20006	ALPO Petfoods, Inc		
Do	Clorox Company		
Do	Express Foods Co, Inc		
Do	General Instrument Corporation		
Do	GTE Products Corp		
Do	Johnson & Johnson		
Do	Leprino Foods, Inc		
Do	Merrick's, Inc		
Do	Visiting Nurse Assn of America	1,000.00	
Terry L. Leitzell, One Thomas Circle, NW, #900 Washington, DC 20005	Bogle & Gates (For:American Shrimpboat Association)		
Do	Bogle & Gates (For:Crystal Globe, Ltd)		
Do	Bogle & Gates (For:Northern Eagle Partners, L. P.)		
Do	Bogle & Gates (For:Northern Falcon, Inc)		
Do	Bogle & Gates (For:Sahlman Seafoods, Inc)		
Joseph L. Leitzinger, Bank of California Building 1201 Third Ave., #4900 Seattle, WA 98101-3009	Simpson Investment Co	270.00	978.00
Robert A. Lembo, 1050 31st Street, NW Washington, DC 20007	Association of Trial Lawyers of America	2,000.00	100.00
Laverne Still Lemen, 1100 Vermont Avenue, NW, Suite 430 Washington, DC 20005	National Cotton Council of America	386.25	16.47
Burleigh C. W. Leonard, 1455 Pennsylvania Ave., NW, #525 Washington, DC 20004	RJR Nabisco, Inc	2,720.00	1,742.74
Earl T. Leonard Jr., P.O. Drawer 1734 Atlanta, GA 30301	Coca-Cola Company	2,860.00	2,796.37
Jerris Leonard, Leonard & Ralston 1050 Thomas Jefferson St., NW, 6th Fl. Washington, DC 20007	Krueger, Inc	1,500.00	
Lloyd Leonard, 1730 M St., NW Washington, DC 20036	League of Women Voters of the U.S.	6,036.23	187.55
Lepon McCarthy & Jutkowitz, 1146 19th Street, NW, Third Floor Washington, DC 20006	Manhattan Apartments, LP	5,000.00	
Charles Leppert Jr., 801 18th Street, NW, #400 Washington, DC 20006	Procter & Gamble Co	100.05	
Richard L. Lesher, 1615 H St., NW Washington, DC 20062	U.S. Chamber of Commerce		
William Gene Lesher, 517 C Street, NE Washington, DC 20002	Lesher Russell & Moos, Inc		
Lesher Russell & Moos, Inc, 517 C Street, NE Washington, DC 20002	Agricultural Policy Working Group	25,000.00	
Do			
Daniel Lesmez, 15th & M Streets, NW Washington, DC 20005	National Assn of Home Builders of the U.S.		
William J. Lessard Jr., 2000 K Street, NW, #800 Washington, DC 20006	National Comm to Preserve Social Security	3,478.00	
Joseph S. Lester Jr., 1201 Pennsylvania Ave., NW, #370 Washington, DC 20004	Control Data Corporation	72.00	32.36
Dale Lestina, 1201 16th St., NW Washington, DC 20036	National Education Assn	3,556.45	570.00
Leva Hawes Mason Martin & Bebchick, 1220 19th St., NW, #700 Washington, DC 20036	Finnigan Corporation		
Leventhal Senter & Lerman, 2000 K Street, NW, #600 Washington, DC 20006-1809	Aeronautical Radio, Inc		
Do	Committee for America's Copyright Community	662.50	27.25
Do	Copyright Remedies Coalition	4,485.00	48.50
Robert John Levering, 1101 17th St., NW, #900 Washington, DC 20036	Direct Marketing Assn	1,000.00	1,000.00
Betsy Levin, One Dupont Cirle, NW, #370 Washington, DC 20036	Association of American Law Schools		
Morris J. Levin, 1050 17th St., NW Washington, DC 20036	Association of American Railroads	2,500.00	2,500.00
Bertram J. Levine, 1667 K Street, NW, #410 Washington, DC 20006	Johnson & Johnson		
Lawrence E. Levinson, 1875 Eye St., NW, #1225 Washington, DC 20006	Gulf & Western, Inc	2,750.00	320.00
Herbert J. Levy, 1614 King St. Alexandria, VA 22314	National Assn of Housing Cooperatives		
Roger N. Levy, 901 15th Street, NW, #520 Washington, DC 20005-2301	Travelers Companies	2,500.00	
Howard Lewis, National Association of Manufacturers 1331 Pennsylvania Ave., NW, #1500-N Washington, DC 20004-1703	National Association of Manufacturers	1,500.00	100.00
Jack W. Lewis, 5205 Leesburg Pike, #1600 Falls Church, VA 22041	National Beer Wholesalers Assn	4,000.00	137.85
Michael R. Lewis, 1133 15th St., NW, #640 Washington, DC 20005	International Longshoremen's & Warehousemen's Union	10,900.00	1,415.97
Richard Lewis, 1025 Vermont Ave., NW Washington, DC 20005	American Pulpwood Assn		
Richard W. Lewis, 1700 K Street, NW, #1200 Washington, DC 20006	Chevron USA, Inc	972.00	
Robert J. Lewis, 1875 Eye Street, NW, #800 Washington, DC 20006	Tobacco Institute	1,100.00	1.60
William H. Lewis, Morgan Lewis & Bockius 1800 M Street, NW Washington, DC 20036	U.S. Gypsum Co	1,000.00	50.00
John F. Leyden, 815 16th Street, NW, #308 Washington, DC 20006	Public Employee Department, AFL-CIO	4,838.67	
LeBoeuf Lamb Leiby & MacRae, 1333 New Hampshire Ave., NW, #1100 Washington, DC 20036	Maritrans Operating Partners, L.P.		
Do	Physicians Insurers Assn of America	2,850.00	3,438.10
Do	Underwriters at Lloyd's London		
Harris W. LeFew, 300 Pratt Street Luke, MD 21540-1099	Westvaco Corporation		
Lynn H. LeMaster, 1111 19th Street, NW Washington, DC 20036	Edison Electric Institute	1,136.10	249.70
James M. LeMunyon, 1225 Eye St., NW, #950 Washington, DC 20005	American Electronics Assn	2,000.00	66.10
William J. Lhota, 215 N. Front Street Columbus, OH 43215	Columbus Southern Power Co	580.00	374.90
Richard A. Lidinsky Jr., 1440 New York Ave., NW, #430 Washington, DC 20005	Sea Containers America, Inc		
Lincoln National Corp, 1300 South Clinton Street Fort Wayne, IN 46801			3,670.98
Karl W. Lindberg, 2322 Easter Lane New Orleans, LA 70152	Southern Forest Products Assn	2,079.00	
Roger Lindberg, 901 31st St., NW Washington, DC 20007	Hill & Knowlton, Inc (For:Cellmark Diagnostics, Inc)		
Do	Hill & Knowlton, Inc (For:Colonial Williamsburg)	34.17	
Do	Hill & Knowlton, Inc (For:Damon Corp)		
Do	Hill and Knowlton, Inc (For:Kohler Company)		
Do	Hill & Knowlton, Inc (For:Panhandle Eastern Corp)		
Do	Hill & Knowlton, Inc (For:Republic of Turkey)		
Do	Hill & Knowlton, Inc (For:Shaklee Corp)		
George E. Lindow, 625 Liberty Avenue Pittsburgh, PA 15222-3197	Peoples Natural Gas Co	2,604.00	731.47
Donald Lindsey, 400 First Street, NW, #819 Washington, DC 20001	Brotherhood of Locomotive Engineers (IL)	415.17	53.68
Kathleen M. Linehan, 1875 Eye St., NW, #500 Washington, DC 20006	Philip Morris, Inc	1,800.00	265.00
Linton Mields Reisler & Cottone, 1225 Eye Street, NW, #300 Washington, DC 20005	Iowa Department of Transportation	4,438.00	60.00
Do	Madison Gas & Electric Co	1,745.00	
Do	Metropolitan Sanitary District of Greater Chicago	8,850.00	
Do	Michigan Dept of Transportation	5,280.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Northern States Power Co	3,145.00	
Do	Oregon Department of Transportation	3,500.00	
Do	State of Colorado, Dept of Highways	4,800.00	
Do	State of IL, Dept of Transportation	7,298.00	
Do	State of IL, Dept of Transportation, Div of Water Resources	3,015.00	
Do	Wisconsin Electric Power Co	7,650.00	85.00
Do	Wisconsin Power & Light Co	3,874.00	
Do	Wisconsin Public Service Corp	3,165.00	
Linda A. Lipsen, 2001 S Street, NW, #520 Washington, DC 20009	Consumers Union of U.S., Inc	2,160.00	
Lisboa Associates, Inc, 1317 F St., NW, #202 Washington, DC 20004	University of the Virgin Islands	2,062.50	
John M. Lison, 200 West Adams, #2015 Chicago, IL 60606	Maverick Tube Co, et al		
Barbara A. Little, 1155 15th St., NW, #611 Washington, DC 20005	Ethyl Corporation	1,500.00	
Charles B. Little, 600 Maryland Ave., SW, #603 Washington, DC 20024	UBA, Inc	1,000.00	
William F. Little, 815 Connecticut Ave., NW Washington, DC 20006	Ford Motor Co	520.00	495.70
Roy Littlefield, 15900 Pinecroft Lane Bowie, MD 20716	American Retreaders' Assn	250.00	
Do	Greater Washington/Maryland Service Station Assn	500.00	
E. Geoffrey Littlehale, 1100 15th Street, NW Washington, DC 20005	Pharmaceutical Manufacturers Assn	4,000.00	21.00
David A. Litvin, 1776 Eye Street, NW, #1000 Washington, DC 20006	BP America, Inc		
E. F. Livaudais Jr., 1333 New Hampshire Ave., NW Washington, DC 20036	Atlantic Richfield Co		
Robert W. Lively, 1800 Massachusetts Avenue, NW Washington, DC 20036	National Rural Electric Cooperative Assn	115.00	
Livestock Marketing Association, 7509 Tiffany Springs Parkway Kansas City, MO 64190-1402			
Lobel Novins Lamont & Flug, 1275 K St., NW, #770 Washington, DC 20005	Generic Pharmaceutical Industry Assn	5,700.00	
Paul Locigno, 25 Louisiana Avenue, NW Washington, DC 20001	International Brotherhood of Teamsters	23,290.91	
Gene L. Locke, 3303 Main Street, #300 Houston, TX 77002-6392	Reese Communications Companies	9,000.00	615.90
Stephen G. Lodge, 1401 New York Ave., NW, #400 Washington, DC 20005	National Food Processors Assn	500.00	100.00
Long Law Firm, 8550 United Plaza Blvd., #800 Baton Rouge, LA 70809	CIGNA Corp		
Do	Greater New York Hospital Assn	5,425.00	
Dennis Longoria, Central Power & Light Co P.O. Box 3400 Laredo, TX 78044	Central Power & Light Co		3,785.00
Peter A. Loomis, One Commercial Place Norfolk, VA 23510-2103	Sovran Financial Corp		1,500.00
Susan J. Loomis, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America	4,000.00	500.00
Loomis Owen Fellman & Howe, 2020 K St., NW, #800 Washington, DC 20006	Association of Bituminous Contractors		
Do	Classroom Publishers Assn		
Do	First Co		
Do	Industrial Diamond Assn		
Do	National Assn of Theatre Owners		
Do	Optical Manufacturers Assn		
Do	Textile Rental Services Assn of America		
Gerald D. Lore, 1050 Connecticut Avenue, NW, #401 Washington, DC 20036	Hoffmann-La Roche, Inc		
Philip J. Loree, 50 Broadway New York, NY 10004	Federation of American Controlled Shipping	200.00	
Robert E. Losch, P.C., 1716 New Hampshire Ave., NW Washington, DC 20009	American Dredging Co, et al	34,626.00	4,769.33
Louisiana State University Foundation, P.O. Box 25198 Baton Rouge, LA 70894			
Timothy Lovain, 3713 Gunston Road Alexandria, VA 22302	Denny Miller Associates	5,000.00	
Celia C. Lovell, 1500 K Street, NW, #375 Washington, DC 20005	Norfolk Southern Corp	1,000.00	
Stephanie P. Loving, 1101 Vermont Ave., NW, #405 Washington, DC 20005	A. H. Robins Co	8,025.00	814.27
Arthur M. Luby, 1300 L Street, NW, #200 Washington, DC 20005-4178	O'Donnell Schwartz & Anderson (For:Transport Workers Union of America, AFL-CIO)	4,000.00	320.00
Paula D. Lucak, 815 16th Street, NW, #308 Washington, DC 20006	Public Employee Department, AFL-CIO	10,685.86	5.50
Mrs. Freddie H. Lucas, 1660 L St., NW Washington, DC 20036	General Motors Corp	3,000.00	1,814.67
William L. Lucas, 2021 K Street, NW, #300 Washington, DC 20006	Michigan Consolidated Gas Co	500.00	
Mary Riddle Ludke, 1700 K St., NW, #1200 Washington, DC 20006	Chevron USA, Inc	95.00	21.00
Leslie G. Ludwick, 1101 Vermont Avenue, NW Washington, DC 20005	American Medical Assn	3,750.00	
Thomas A. Luebbers, 425 Walnut Street, #2200 Cincinnati, OH 45202	Reese Communications Companies	9,000.00	
David R. Lukens, 1957 E St., NW Washington, DC 20006	Associated General Contractors of America		
Sylvester Lukis, 1155 15th St., NW, #510 Washington, DC 20005	City of Miami	15,000.00	
Do	City of Miami Beach	16,668.00	
Do	Cybernectics & Systems, Inc	8,000.00	
Do	Dade County, Florida	38,540.00	
Do	Howard Needles Tammen ... (for Miami Int'l Airport)	2,000.00	
Do	Fowler White Gillen Boggs Villareal & Banker (For:National Medical Enterprises, Inc)		
Do	Fowler White Gillen Boggs Villareal & Banker (For:University of Tampa)		
J.C. Luman & Associates, 1030 15th Street, NW, #720 Washington, DC 20005	National Assn of Personnel Consultants	8,000.00	409.30
Luman & Schoor, 1030 15th St., NW, #720 Washington, DC 20005	Burns & Roe, Inc	300.00	
Lumbermens Mutual Casualty Company, Long Grove, IL 60049			3,321.33
Michael L. Lunceford, 8787 Stemmons Freeway Dallas, TX 75247	Mary Kay Cosmetics, Inc		
Lund & O'Brien, 1625 Eye St., NW, #406 Washington, DC 20006	Pennsylvania Power & Light Co	1,392.00	137.06
Francis M. Lunnie Jr., 1331 Pennsylvania Ave., NW, #1500 N. Washington, DC 20004	National Assn of Manufacturers		
Ann P. Lunson, Eastman Kodak Company 1919 Pennsylvania Ave., NW Washington, DC 20006	Eastman Chemicals Division	20.00	7.50
Howard T. Lyman, 600 Maryland Ave., SW, #202W Washington, DC 20024	Farmers' Educational & Co-Operative Union of America	6,424.58	295.24
David H. Lynch, 777 14th Street, NW Washington, DC 20005	National Assn of Realtors		
Timothy P. Lynch, 1901 N. Fort Myer Dr., #204 Arlington, VA 22209	Roadway Express, Inc	425.00	200.00
Margaret Lyons, 1747 Pennsylvania Ave., NW, #700 Washington, DC 20006	Ciba-Geigy Corp	3,344.00	
M.O.A./AIOA & Subs, Inc, 701 S. 22nd, #107 Omaha, NB 68102			
James E. Mack, 9005 Congressional Court Potomac, MD 20854	National Assn of Mirror Manufacturers		
James H. Mack, 7901 Westpark Dr. Mclean, VA 22102	National Machine Tool Builders' Assn	20,955.00	500.00
Thomas L. Mack, 13529 Haddonfield Lane Darnestown, MD 20878	Bechtel Group, Inc		
Olivia C. Mackin, 1825 K St., NW, #1107 Washington, DC 20006	Phillips Petroleum Co	1,000.00	
Robert A. Macrory, C/O Alabama Petroleum Council P.O. Box 4220 Montgomery, AL 36195	American Petroleum Institute	1,599.90	1,292.42
Timothy MacCarthy, 1620 I Street, NW, #1000 Washington, DC 20006	Motor Vehicle Manufacturers Assn of the U.S., Inc	9,656.00	
Jack A. MacDonald, 1901 N. Fort Meyer Drive, #302 Rosslyn, VA 22209-1606	Beverly Enterprises, Inc	6,250.00	75.00
Malcolm MacKay, 51 Madison Avenue New York, NY 10010	New York Life Insurance Company		
Alan MacLeod, 2000 K Street, NW 8th Floor Washington, DC 20006	National Committee to Preserve Social Security and Medicare	2,562.00	79.43
Paul MacMurdy, 410 First Street, SE Washington, DC 20003	American Nuclear Energy Council	513.75	48.50
John H. Madigan Jr., 316 Pennsylvania Ave., SE, #200 Washington, DC 20003	American Cancer Society	5,000.00	70.00
Cliff Madison Government Relations, Inc, 1611 Landfall Drive Wilmington, NC 28403	American Assn of Airport Executives		
Do	Burbank-Glendale-Pasadena Airport Authority	7,500.00	
Do	Federal Express Corp	10,500.00	
Do	Mark Air, Inc	15,000.00	
Do	Quantas Airways, Ltd	15,000.00	
Do	Regency Outdoor Advertising	5,000.00	
Do	Southern California Rapid Transit District	15,000.00	
Do	Ventura Port District	9,000.00	
Bill Magavern, 215 Pennsylvania Ave., SE Washington, DC 20003	U.S. Public Interest Research Group	3,110.59	
James N. Magill, 200 Maryland Avenue, NE Washington, DC 20002	Veterans of Foreign Wars of the U.S.	4,500.00	
James W. Magner, Reg # 38670-019 P.O. Box 1000 Milan, MI 48160	Prisoners With AIDS-Rights Advocacy Group (PWA-RAG)		
A. John Maguire, 1110 Vermont Ave. NW Suite 430 Washington, DC 20005	National Cotton Council of America	28,000.00	2,537.10
W. Terry Maguire, Box 17407 Dulles International Airport Washington, DC 20041	American Newspaper Publishers Assn	1,125.00	57.50
Connie Mahan, 801 Pennsylvania Ave., SE Washington, DC 20003	National Audubon Society		
David L. Mahan, 1818 N St., NW, #600 Washington, DC 20036	DGA International, Inc (For:Societe Nationale D'Etude et de Const de Moteurs D'Aviation)		
Do	DGA International, Inc (For:Sofreavia)		
Linda F. Maher, 9000 Montgomery Ave Chevy Chase, MD 20815	Turner Broadcasting System, Inc	550.00	
John Francis Mahoney, 1030 15th Street, NW, #468 Washington, DC 20005	Mahoney & Associates (For:Connecticut Med Ins Co)		
Do	Mahoney & Associates (For:Crouse Irving Memorial Hospital)		
Do	Mahoney and Associates (For:Marc Associates (for American Soc of Anaesthesiologists))		
Do	Mahoney & Associates (For:Physicians Ins Co of Indiana)		
Do	Mahoney & Associates (For:Physicians Ins Co of Wisconsin)		
Do	Mahoney & Associates (For:Physicians Mutual Ins Trust)		
Terence P. Mahony, 1331 Pennsylvania Ave., NW, #700 South Washington, DC 20004	National Broadcasting Co, Inc	500.00	40.47
Major League Baseball Players Assn, 805 Third Avenue New York, NY 10022			
Daniel C. Maldonado, 1030 15th St., NW #468 Washington, DC 20005	American Soc of Anesthesiologists	4,750.00	
Do	National Hemophilia Foundation		
Do	NI Industries	3,750.00	
Do	Research Society on Alcoholism		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Samaritan Health Services		
Andrew T. Malleck, 400 First Street, NW Washington, DC 20001	Brotherhood of Maintenance of Way Employes	14,922.46	
Conrad L. Mallett Jr., 1800 First National Bldg Detroit, MI 48226	Jaffe Snider Raitt & Heuer, P.C.		
David Mallino, 815 16th Street, NW Washington, DC 20006	Industrial Union Department, AFL-CIO	7,821.06	1,287.76
Lawrence R. Malone, 1211 Avenue of The Americas New York, NY 10036	Hoechst Celanese Corp		
Manatt Phelps Rothenberg & Phillips, 1200 New Hampshire Ave., NW, #200 Washington, DC 20036	American Assn of Nurse Anesthetists		
Do	American Institute of Real Estate Appraisers		
Do	Bowling Proprietors Assn of America		
Do	California Bankers Assn		
Do	Centre Pointe Associates		
Do	Chronar Corporation		
Do	Connecticut National Bank		
Do	Fairfield Communities, Inc		
Do	First Bank System, Inc		
Do	Flying Tiger Line, Inc		
Do	Government of Cyprus		
Do	Home Group, Inc	387.50	
Do	Manufacturers Hanover		
Do	Matlack, Inc		
Do	Melrose Company		
Do	Money Store		
Do	National Cable Television Assn, Inc	8,553.75	
Do	North Beach Property Owners' Assn		
Do	Northrop Corp	2,062.50	
Do	NEC Corporation		
Do	Philip Morris, Inc	5,213.75	
Do	Rollins Environmental Services		
Do	RLC Corporation		
Do	Security First Group, Inc		
Do	Donald T. Sterling & Associates		
Do	Superior Training Services		
Do	U.S. Telephone Assn		
Do	United Airlines	962.50	
Katherine T. Mance, 1616 H Street, NW Washington, DC 20006	Vero Beach Oceanfront Investors Limited Partnership		
Manchester Associates, Ltd, 1707 L Street, NW, #725 Washington, DC 20036	American Retail Federation	200.00	79.00
Do	Nissan Motor Company, Ltd		
Susan Rachel Weiss Manes, 2030 M Street, NW Washington, DC 20036	Nissan Motor Manufacturing Corp, USA	8,250.00	7,885.50
Frank Mankiewicz, 901 31st Street, NW Washington, DC 20007	Common Cause	14,400.00	63.75
Do	Hill & Knowlton, Inc (For:Bell Atlantic Management Systems)		
Cynthia Mansfield, 600 Maryland Ave., SW, #520 Washington, DC 20024	Hill & Knowlton, Inc (For:Republic of Turkey)		
Robert C. Manship, 1725 Jefferson-Davis Highway, #401 Arlington, VA 22202	GPU Service Corporation	37.11	488.53
Manufactured Housing Institute, 1745 Jefferson Davis Highway, #511 Arlington, VA 22202	Unisys Defense Systems	1,000.00	
Albert Manville II, 1244 19th Street, NW Washington, DC 20036			18,295.15
Anthony Manzanares Jr., 1001 Pennsylvania Ave., NW Washington, DC 20004	Defenders of Wildlife	1,783.66	
John V. Maraney, 324 East Capitol St., NE Washington, DC 20003	American Council of Life Insurance, Inc		
March for Life, Inc, P.O. Box 90300 Washington, DC 20090	National Star Route Mail Contractors Assn		
Michael Marchese Jr., 1300 South Clinton Street Fort Wayne, IN 46801		94,186.57	96,615.25
R. V. Mariani, 815 16th St., NW Washington, DC 20006	Lincoln National Corp	900.00	520.00
Maritime Institute for Research & Industrial Development, 1133 15th St., NW, #600 Washington, DC 20005	Transportation - Communications Union	3,000.00	3,000.00
Lawrence D. Markley, P.O. Box 196300 Anchorage, AK 99519			19,850.00
Marc L. Marks, 1801 K Street, NW, #800 Washington, DC 20006	Chugach Electric Assn, Inc	1,323.84	1,804.99
Ramon P. Marks, 400 Park Ave. New York, NY 10022	Westinghouse Electric Corp		
Luther A. Markwart, 1156 15th St., NW, #1020 Washington, DC 20005	Japan Steel Works, Ltd	1,489.00	
Ernest Robert Marlow, 1126 16th Street, NW, #200 Washington, DC 20036-1081	American Sugarbeet Growers Assn		
Howard Marlowe, 1667 K St., NW, #660 Washington, DC 20006	International Chemical Workers Union	2,500.00	
Do	Marlowe & Company (For:Graphic Communications International Union, AFL-CIO, CLC).		
Marlowe & Company, 1667 K Street, NW, #660 Washington, DC 20006	Marlowe & Company (For:Lazare Kaplan International, Inc)	2,300.00	48.00
Do	End Notch Discrimination	3,200.00	36.00
Do	Graphic Communications International Union		
William G. Margaritis, 1747 Pennsylvania Ave., NW, 3rd Flr Washington, DC 20006	Lazare Kaplan International, Inc	2,300.00	2,348.00
Chalmers H. Marquis, 3430 Blair Road Falls Church, VA 22041	Occidental Chemical Corp		
C. Travis Marshall, 1776 K St., NW, #300 Washington, DC 20006	National Assn of Public Television Stations	600.00	150.00
Thomas A. Martens, P.O. Box 10110 SO. Lake Tahoe, CA 95731	Motorola, Inc	1,500.00	
Cynthia L. Martin, 1215 Jefferson Davis Hwy., #1004 Arlington, VA 22202	League to Save Lake Tahoe	874.86	
Danea Kehoe Martin, 1922 F Street, NW Washington, DC 20006	Diagnostic Retrieval Systems, Inc	3,000.00	
Donald N. Martin, Donald N. Martin & Company, Inc 630 Fifth Ave. #565 New York, NY 10111	National Assn of Life Underwriters	6,000.00	117.00
Fred J. Martin Jr., 1800 K Street, NW Washington, DC 20006	Bank of America	576.90	190.18
J. Ross Martin, Kansas Petroleum Council 1005 Merchants Tower Topeka, KS 66612	American Petroleum Institute		
John M. Martin Jr., 1750 K Street, NW Washington, DC 20006	Food Marketing Institute	100.00	
Katherine E. Martin, 50 F Street, NW Washington, DC 20001	Association of American Railroads	485.89	560.34
Larry K. Martin, 2500 Wilson Blvd. #301 Arlington, VA 22201	American Apparel Manufacturers Assn, Inc	2,600.00	75.00
Maureen A. Martin, 23 Wall Street New York, NY 10015	Morgan Guaranty Trust Co	20.00	
Robert F. Martin, 1275 Pennsylvania Ave, NW, 4th Floor Washington, DC 20004	Pacific Telesis Group	15,450.00	
Robert L. Martin, 1615 H Street, NW Washington, DC 20062	Chamber of Commerce of the U.S.	2,500.00	522.86
Stephen I. Martin, Hartford Plaza Hartford, CT 06115	Hartford Fire Insurance Co		
Judith Marty, 85 Ridge St. North Sydney, NSW 2060 Australia			
Joseph J. Martyak, 655 15th Street, NW, #225 Washington, DC 20005	Rhone-Poulenc, Inc		
Mike M. Masaoka, Suite 520, The Farragut Bldg. 900 17th St., NW Washington, DC 20006	American Japanese Trade Comm		
Do	Japan Telescope Manufacturers Assn	200.00	
Do	Nisei Lobby		
Do	Toyota Motor Sales, USA, Inc	750.00	
Do	West Mexico Vegetable Distributors Assn	500.00	
Mark A. Maslyn, 600 Maryland Avenue, SW Washington, DC 20024	American Farm Bureau Federation	6,637.00	148.57
Arthur K. Mason, 1220 19th Street, NW, #700 Washington, DC 20036	Leva Hawes Mason Martin & Bebchick (For:Association of the U.S. Army)		
Cynthia Mason, 1225 Eye Street, NW, #1100 Washington, DC 20005	Handgun Control, Inc	6,230.76	
Michael J. Mason, 1220 L St., NW Washington, DC 20005	American Petroleum Institute	9,900.00	151.75
Ned W. Massee, 299 Park Avenue New York, NY 10171	Westvaco Corporation		973.87
Donald F. Massey, 901 31st Street, NW Washington, DC 20007	Hill & Knowlton, Inc (For:Association for the Advancement of Human Rights)		
Do	Hill & Knowlton, Inc (For:Church of Scientology International)		
Do	Hill & Knowlton, Inc (For:Colonial Williamsburg)		
Do	Hill & Knowlton, Inc (For:Hoopa Valley Business Council)		
Do	Hill & Knowlton, Inc (For:Monsanto Co)		
Do	Hill & Knowlton, Inc (For:Palm Oil Registration & Licensing Authority)		
Do	Hill & Knowlton, Inc (For:Panhandle Eastern Corp)		
Do	Hill & Knowlton, Inc (For:Republic of Turkey)	900.00	
Do	Hill and Knowlton, Inc (For:Ryder, Inc)	1,200.00	
Do	Hill & Knowlton, Inc (For:Stroh Brewery Co)		
Do	Hill & Knowlton, Inc (For:Tesoro Petroleum Corp)		
Do	Hill & Knowlton, Inc (For:Wilfred American Education, Corp)		
James D. Massie, 50 F Street, NW, #1050 Washington, DC 20001	Freeport McMoran D.C., Inc	300.00	63.75
Noel D. Matchett, 1001 Spring St., #123 Silver Spring, MD 20910	Information Security, Inc	10.00	
Mary Cheryl Matheis, 1909 K Street, NW Washington, DC 20049	American Assn of Retired Persons	638.07	87.48
Daniel N. Matheson, 100 Congress Ave., #1400 Austin, TX 78701	Reese Communications Companies	7,500.00	229.42
Richard D. Mathias, 1200 17th Street, NW, #500 Washington, DC 20036	Pan American World Airways, Inc		
Dawson Mathis, 919 18th Street, NW, #800 Washington, DC 20006	Dawson Mathis & Associates (For:Crowley Maritime Corp)	3,000.00	
Do	Dawson Mathis & Associates (For:Massachusetts Mutual Life Insurance Co)	3,000.00	
Do	United Parcel Service	3,000.00	
Dawson Mathis & Associates, 919 18th Street, NW Suite 800 Washington, DC 20006	Crowley Maritime Corp	3,000.00	
Do	Massachusetts Mutual Life Insurance Co	3,000.00	
Ann H. Mattheis, 1250 Connecticut Ave., NW Washington, DC 20036	American Paper Institute, Inc		
Charles D. Matthews, 1050 17th St., NW, #700 Washington, DC 20036	National Ocean Industries Assn	3,250.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Robert A. Matthews, 700 North Fairfax St. Alexandria, VA 22314	Railway Progress Institute	1,260.63	
Suzette Matthews, 2020 North 14th Street, #410 Arlington, VA 22201	Air Traffic Control Assn, Inc	1,087.73	
Joseph M. Mattingly, 1901 North Moore Street, #1100 Arlington, VA 22209	Gas Appliance Manufacturers Assn, Inc		
Daniel J. Mattoon, 1133 21st St., NW, #900 Washington, DC 20036	BellSouth Corp		1,847.14
William C. Mattox, 1700 Pennsylvania Avenue, NW Washington, DC 20006	Equitable Financial Companies	100.00	5.00
Marshall L. Matz, 888 17th Street, NW, #900 Washington, DC 20006	American School Food Service Assn	9,000.00	577.54
Robert V. Maudlin, 1511 K Street, NW Washington, DC 20005	C.V. & R.V Maudlin (For:Southern Company Services, Inc)	1,800.00	510.00
Alan R. Mauk, 1201 New York Avenue, NW Washington, DC 20005	American Public Transit Assn	500.00	
Michael Mawby, 2030 M Street, NW Washington, DC 20036	Common Cause	12,298.74	163.00
Albert E. May, 1627 K Street, NW, 1200 Washington, DC 20006	United Shipowners of America	5,250.00	9.35
James C. May, 1771 N Street, NW Washington, DC 20036	National Assn of Broadcasters	5,000.00	
Jerry C. May, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America		
Joseph T. Mayer, 1745 Jefferson Davis Hwy., #1200 Arlington, VA 22202	Rockwell International Corp	16,200.00	473.59
Mayer Brown & Platt, 2000 Pennsylvania Avenue, NW, #6500 Washington, DC 20006	Accountants' Liability Assurance Co, Ltd		
Do	Attorneys' Liability Assurance Society Ltd		
Do	Business Roundtable		
Do	Cabot Cabot & Forbes Realty Advisors, Inc		
Do	Comdisco, Inc		
Do	Continental Bank, N.A		
Do	FMC Corporation		
Do	Goldman Sachs & Co		
Do	Hewlett-Packard Co		
Do	Household Commercial Financial Services, Inc		
Do	Inland Steel Corp		
Do	JMB Realty Corp		
Do	Lasalle Partners, Inc		
Do	Lehndorff & Babson Real Estate Counsel		
Do	Merrill Lynch Capital Markets		
Do	Quaker Oats Company		
Do	RJR Nabisco, Inc		
Do	Sara Lee Corp		
Do	Sears Roebuck & Co		
Do	Shearson Lehman Brothers, Inc		
Do	Smith Barney Harris Upham & Co, Inc		
Do	Solid Waste Agency of Northern Cook County		
Do	Tele-Communications, Inc		
Do	Voluntary Hospital Assn		
Do	Vulcan Materials Company, Midwest Division		
Martin Mayfield, 8001 Braddock Road Springfield, VA 22160	National Right to Work Committee	850.00	142.43
Maurice W. Maynard, 44 Fifth Avenue Brooklyn, NY 11217			
Jeffrey G. Mays, 1505 Prince Street, Suite 300 Alexandria, VA 22314	American Optometric Assn		
H. Wesley McAden, 1155 15th St., NW, #504 Washington, DC 20005	J. G. Boswell Co	3,000.00	
Do	New York Cotton Exchange	2,000.00	
Do	Supima Association of America	2,000.00	
Douglas E. McAllister, 1920 N St., NW Washington, DC 20036	American Mining Congress		
Timothy McAnarney, 312 South 4th Street, #3 Springfield, IL 62701	Reese Communications Cos (for: Philip Morris, USA)	7,500.00	
Jerry McAndrews, 120 Maryland Ave., NE Washington, DC 20012	Competitive Telecommunications Assn		
Mary E. McAuliffe, 555 Thirteenth Street, NW, #450 West Columbia Square Washington, DC 20004	Union Pacific Corporation	13,750.00	2,278.59
McAuliffe Kelly Raffaelli & Siemens, 555 New Jersey Ave., NW, #880 Washington, DC 20001	Arlington Cancer Center		
Do	Association of Human Resource Consultants		
Do	Bay Area Rapid Transit District	2,600.00	
Do	Cellular Telecommunications Industry Assn		
Do	Chicago Mercantile Exchange	500.00	
Do	COSTEP	600.00	
Do	D/FW Railtran System		
Do	Dean Witter Realty	1,500.00	
Do	Gulf Coast Waste Disposal Authority	900.00	
Do	Human Rights Campaign Fund		
Do	International Franchise Assn	900.00	
Do	Lawyers' Mutual Insurance Co	600.00	
Do	Lincoln Property Co		
Do	Lloyd's U.S.		
Do	National Medical Care		
Do	Philip Morris Co		
Do	Joseph E. Seagram & Sons, Inc		
Do	Southern California Rapid Transit District		
Do	Stock Information Group		
Do	Sweetener Users Assn	110.00	
Do	Taylor & Mizell		
Do	Transamarica Corporation	725.00	
Ann McBride, 2030 M St., NW Washington, DC 20036	U.S. Telephone Assn	3,500.00	
Charlie McBride Associates, Inc, 1101 Connecticut Ave., NW, #906 Washington, DC 20036	Common Cause	16,540.02	
Do	American Electric Power Co, Inc	4,500.00	
Do	American Nuclear Energy Council	4,500.00	973.41
Do	Carolina Power & Light Co	4,500.00	
Do	Commonwealth Edison Co	4,500.00	
Do	Consolidated Edison Co of New York, Inc	3,000.00	
Do	Control Data Corporation	5,400.00	3,193.07
Do	General Atomics	10,000.00	1,308.84
Do	Oxford Energy Co	12,400.00	783.06
Do	Sealaska Corp	9,000.00	420.97
Do	Southern California Edison Co	4,500.00	
Do	Tri-City Industrial Development Council	6,000.00	290.87
Do	United Illuminating Co	15,000.00	1,058.26
Do	Urenco, Inc	3,000.00	340.55
Do	Westinghouse Electric Corp	10,400.00	1,563.05
Do	Will & Muys, P.C	20,000.00	
Stephen C. McCaffrey, 1828 N. Meridian Street Indianapolis, IN 46202	Community Service Council of Central IN, Inc		
Susan McCaffrey, 1730 Rhode Island Ave., NW Washington, DC 20036	National Solid Wastes Management Assn	200.00	
John D. McCallum, 1900 Pennsylvania Ave., NW Washington, DC 20068	Potomac Electric Power Co	248.26	
McCamish Martin Brown & Loeffler, P.C., 1200 First Republic Bank Tower 175 East Houston San Antonio, TX 78205	Central & South West Corp		
Do	Citicorp	390.00	135.00
Do	Salomon Brothers, Inc		
Do	United Services Automobile Assn	1,375.00	578.08
David J. McCarthy, Baker & Daniels 1920 N Street, NW, #600 Washington, DC 20036	Indiana Electric Assn	2,590.00	
Patrick H. McCarthy, 2700 Fidelity Building 123 S. Broad St Philadelphia, PA 19109	Dilworth Paxson Kalish & Kauffman (For:Automatic Data Processing, Inc)	107.50	379.34
Robin W. McClung, 1667 K St., NW, #1210 Washington, DC 20006	Rohm & Haas Co	500.00	176.44
McClure & Trotter, 1100 Connecticut Ave., NW, #600 Washington, DC 20036	Allied Capital Corp	1,368.00	
Do	Coca-Cola Company	491.63	
Do	Gulf & Western, Inc	858.57	
Do	Mobil Oil Corp	467.50	
Do	Rank Video Services America		8.56
Robert S. McConnaughey, 1001 Pennsylvania Ave., NW Washington, DC 20004	American Council of Life Insurance, Inc		
Robert A. McConnell, 1050 Connecticut Ave., NW, #900 Washington, DC 20036	Gibson Dunn & Crutcher (For:First Republic Bank Corp)		
Margaret M. McCormick, 236 Hamburg Hall 5000 Forbes Ave. Pittsburgh, PA 15213	Carnegie-Mellon University	11,000.00	1,909.79
Molly McCormick, 2301 Market Street, box 8699 Philadelphia, PA 19101	Philadelphia Electric Company		
Meredith McCoy, Arnold Groburger & Haley 3050 K St., NW, #240 Washington, DC 20007	National Rural Electric Cooperative Assn	150.00	
Tidal W. McCoy, 499 S. Capitol Street, SW, #507 Washington, DC 20003	Hecht Spencer & Associates (For:Harmer-Eyring)		
Do	Hecht Spencer & Associates (For:Marwais Steel Company)		
John McDavitt, 2000 K St., NW, 8th Floor Washington, DC 20006	National Comm to Preserve Social Security	2,862.00	
Daniel J. McDermott, 1225 19th St., NW, #410 Washington, DC 20036	Financial Services Council	1,125.00	
Francis O. McDermott, 888 16th Street, N.W. Suite 624A Washington, DC 20006	Association Management Corp		
Frank X. McDermott, Apruzzese McDermott Mastro & Murphy 500 Morris Ave. P.O. Box 329 Springfield, NJ 07081	Reese Communications Cos (for: Philip Morris, USA)	9,000.00	453.07

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Marianne McDermott, 1350 New York Avenue, NW, #615 Washington, DC 20005	Resources for Group Management, Inc (For:Greeting Card Assn)		
Mark T. McDermott, Joseph Powell McDermott & Reiner, P.C. 1300 19th Street, NW, #400 Washington, DC 20036	Civil Pilots for Regulatory Reform		
Craig McDonald, 215 Pennsylvania Ave., SE Washington, DC 20003	Public Citizen, Inc.	4,000.00	
Edward T. McDonald, 815 16th St., NW Washington, DC 20006	Transportation - Communications Union	3,000.00	3,000.00
Jack McDonald, 1001 Pennsylvania Avenue, NW, #625-S Washington, DC 20004	Jack McDonald Co (For:American Express Corp)		
Do	Jack McDonald Co (For:Association of Bank Holding Cos)		
Do	Jack McDoanld Co (For:Belz Enterprises)		
Do	Jack McDonald Co (For:Dow Corning Corp)		
Do	General Cinema Corp		
Do	Jack McDonald Co (For:Hitachi America, Ltd)		
Do	Jack McDonald Co (For:Hitachi Sales Corp of America)		
Do	Jack McDonald Co (For:Jacques Borel Enterprises, Inc)		
Do	Jack McDonald Co (For:Minorco Societe Anonyme)		
Do	Jack McDonald Co (For:Societe Generale de Surveillance, S.A.)		
Michael D. McDonald, Maryland Petroleum Council 60 West St., #403 Annapolis, MD 21401	American Petroleum Institute	320.00	143.19
Patricia McDonald, 1301 Pennsylvania Ave., NW, #300 Washington, DC 20004	National Cattlemen's Assn	1,000.00	
Tom McDonald, Arter & Hadden 1100 Huntington Bldg. Cleveland, OH 44115	Jet, Inc.	848.00	306.00
Jack McDonald Co, 1001 Pennsylvania Avenue, NW, #625-S Washington, DC 20004	American Express Corp		
Do	Association of Bank Holding Cos		
Do	Belz Enterprises		
Do	Dow Corning Corp.		
Do	Hitachi America, Ltd	82.50	
Do	Hitachi Sales Corp of America		
Do	Jacques Borel Enterprises, Inc		
Do	Minorco Societe Anonyme		
Do	Societe Generale de Surveillance, S.A.	331.25	
Sandra McDonough, 1730 M St., NW, Suite 900 Washington, DC 20036	Pacific Power & Light Co	499.07	453.00
Marian E. McDowell, 1111 19th Street, NW Washington, DC 20036	Edison Electric Institute	2,742.86	566.44
McElroy & Associates, 600 New Hampshire Ave., NW, #1010 Washington, DC 20037	Hughes Aircraft	6,249.00	
Do	A. L. Williams & Company	12,000.00	3.86
William S. McEwen, 1101 17th St., NW, #604 Washington, DC 20036	Monsanto Co.		100.50
Robert H. McFadden, 1620 Eye Street, NW, #1000 Washington, DC 20006	Motor Vehicle Manufacturers Assn of the U.S., Inc		
Terry M. McGann, 1900 Placer Gold Court Gold River, CA 95670	Foundation Health Corp.		
Do	Maxicare	3,300.00	2,370.82
Paul J. McGeady, 27 Hampton Place Nutley, NJ 07110	Morality in Media, Inc		
Dana McGee, 1000 Wilson Blvd. Arlington, VA 22209	Grumman Corp	1,250.00	857.39
Gale W. McGee, 901 31st St., NW Washington, DC 20007	Hill & Knowlton, Inc (For:Republic of Turkey)		
Meredith McGehee, 2030 M St., NW Washington, DC 20036	Common Cause	10,101.24	84.75
P. Anne McGhee, 1750 K St., NW Washington, DC 20006	Food Marketing Institute	500.00	
Robert M. McGlotten, 815 16th St., NW Washington, DC 20006	American Fed of Labor & Congress of Industrial Organizations	17,750.07	1,424.48
Phyllis M. McGovern, 1875 Eye Street, NW, #800 Washington, DC 20006	Tobacco Institute		
Jeanne H. McGowan, 1130 Connecticut Ave., NW, #1000 Washington, DC 20036	American Insurance Assn		
Richard L. McGraw, 950 L'Enfant Plaza, SW Washington, DC 20024	Communications Satellite Corp	2,500.00	
McGuiness & Williams, 1015 15th Street, NW, #1200 Washington, DC 20005	Borg-Warner Corp		
Do	International Theatrical Agents Assn		
Do	National Assn of Orchestra Leaders		
Do	National Manufactured Housing Assn		
Do	Pony Express Courier Corp		
Do	Wells Fargo Armored Service Corp		
Joseph M. McGuire, 1501 Wilson Boulevard, #600 Arlington, VA 22209	Air Conditioning & Refrigeration Institute		
Monica M. McGuire, 1331 Pennsylvania Ave., NW, #1500 North Lobby Washington, DC 20004-1703	National Assn of Manufacturers		
Phillip McGuire, 1225 Eye Street, NW, #1100 Washington, DC 20005	Handgun Control, Inc.	6,000.00	
McGuire Woods Battle & Boothe, P.O. Box 25047 Alexandria, VA 22313	Aaronson Properties, Inc		
Do	RF&P Railroad		
Do	Savage/Fogarty Companies, Inc		
Do	Vulcan Materials Co		
McHale Cook & Welch, P.C., 1100 Chamber of Commerce Building Indianapolis, IN 46204	Indiana Bell Telephone Co	1,000.00	600.00
James E. McInerney Jr., 122 C Street, NW, #740 Washington, DC 20001	American League for Exports & Security Assistance, Inc	6,375.00	
McKenna Conner & Cuneo, 1575 Eye Street, NW, #800 Washington, DC 20005	Cigar Assn of America		
Jan E. McKenzie, 1111 19th St., NW, #702 Washington, DC 20036	Edison Electric Institute	2,767.58	212.18
Larry McKenzie, 600 Maryland Avenue, SW Washington, DC 20024	American Farm Bureau Federation	5,625.00	35.30
Robert T. McKernan, 1250 Connecticut Ave., NW Washington, DC 20036	American Paper Institute, Inc.	250.00	
William Colm McKeveny, Chadbourne Park Law Firm 30 Rockefeller Plaza New York, NY 10112	American Pulpwood Assn		
Law Offs of James D. McKevitt, 1101 16th Street, NW, 500 Washington, DC 20036	Kelly Assisted Living		
Do	Kelly Services, Inc		
Do	National Assn of Wholesaler-Distributers		
Do	National Fed of Independent Business		
C. A. 'Mack' McKinney, 225 North Washington Street Alexandria, VA 22314	Non Commissioned Officers Assn of the USA	11,000.00	571.79
Steven G. McKinney, P.O. Box 306 Birmingham, AL 35201	Balch & Bingham (For:Alabama Power Company)		
Do	Balch & Bingham (For:Southern Company Services, Inc)		
Patrick M. McLain, 1000 Vermont Avenue, NW, #1000 Washington, DC 20005	Rowan & Blewitt Inc (For:Cosmetic Toiletry and Fragrance Assn)	2,450.00	
Francis X. McLaughlin Jr., 1730 K St., NW, #1100 Washington, DC 20006	National Treasury Employees Union	9,411.15	72.00
James D. McLaughlin, 1120 Connecticut Ave., NW Washington, DC 20036	American Bankers Assn	300.00	
John P. McLaughlin, 1747 Pennsylvania Avenue, NW, #1223 Washington, DC 20006	Genentech, Inc	3,000.00	60.00
John R. McLaurin, 1101 17th Street, NW, #400 Washington, DC 20036	American President Companies, Ltd	5,370.00	
Bob McLean, 490 L'Enfant Plaza, SW, #3200 Washington, DC 20024-2120	National Assn of Postal Supervisors	9,069.00	83.91
Michael R. McLeod, 2501 M Street, NW, #400 Washington, DC 20037	American Assn of Crop Insurers	4,000.00	
Do	Chicago Board of Trade	3,000.00	
Do	General Mills, Inc		
Do	McLeod & Pires (For:Mushroom Council)	1,000.00	
Do	United Egg Producers	1,000.00	
Joseph E. McMahon, 1331 Pennsylvania Avenue, NW, #909 Washington, DC 20004	Rodale Press	1,800.00	62.81
Rosemary McManus, 3900 Wisconsin Ave., NW Washington, DC 20016	Fannie Mae	2,900.00	20.00
Ursula H. McManus, 1707 H St., NW, #602 Washington, DC 20006	G. Heilman Brewing Co, Inc	1,000.00	416.79
William F. McManus, 1331 Pennsylvania Avenue, NW Washington, DC 20004	General Electric Co.	480.00	
C. W. McMillan, 2021 K Street, NW, #306 Washington, DC 20006	McMillan & Farrell Associates, Inc		
Sandra H. McMullan, 122 C St., NW, #750 Washington, DC 20001	National Assn of Independent Colleges & Universities	4,368.00	131.00
McNair Group, Inc, 1155 15th St., NW, #400 Washington, DC 20005	Clemson University		
Do	Illinois Central Railroad	24,110.07	370.33
Do	McNair Law Firm, P.A. (for Air Force Association)		
Do	McNair Law Firm, PA (for GTE)	18,137.00	1,245.87
Do	Norfolk Southern Corp	3,807.00	108.99
Do	Pennsylvania Shipbuilding	17,608.29	316.76
Do	Railstar Control Technology, Inc.	4,000.00	90.08
Do	Riedel Omni Products, Inc	5,000.00	163.84
Do	South Carolina State College	1,000.00	52.65
McNair Law Firm, P.A., 1155 15th Street, NW, #400 Washington, DC 20005	Allied-Signal, Inc.		
Do	American Insurance Assn		16.55
Do	Americans for Fair Treatment of Alcoholic Veterans	600.00	
Do	Association of Independent Television Stations, Inc		
Do	Automobile Importers of America	2,799.80	232.13
Do	Edison Electric Institute		20.50
Do	Gasoline Alliance to Preserve Competition	350.00	61.14
Do	Georgia-Pacific Corp	355.20	0.60
Do	GSX Corporation		
Do	GTE Government Systems Corporation	38.50	4,567.22
Do	Insurance/Financial Affiliates of America		
Do	International Assn for Financial Planning	370.00	7.00
Do	International Paper Co		
Do	Melrose Company	8.00	
Do	Milliken Mills	63.00	4.70
Do	National Assn of Realtors	8,000.00	893.48
Do	National Council on Alcoholism, Inc		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Norfolk Southern Corp		23.35
Do	Nuclear Fuel Services, Inc		
Do	P.U.S.H., Inc		
Do	Pneumo-Abex	599.40	2.66
Do	R.J. Reynolds Tobacco Co		
Do	State of Hawaii		174.95
Do	Times Mirror Co		7.67
Do	Westinghouse Electric Corp	3,077.20	97.94
Susan McNally, 1667 K Street, NW, #710 Washington, DC 20006	Baxter		
Kathryn M. McNamara, 633 Pennsylvania Avenue, NW, #600 Washington, DC 20004	Dean Witter Reynolds, Inc	315.00	250.00
Laramie Faith McNamara, 1000 Wilson Blvd., #2700 Arlington, VA 22209	TRW, Inc	1,000.00	
Michael J. McNamara, 1800 M Street, NW, #750 South Washington, DC 20036	International Advisers, Inc	2,681.25	
Peter F. McNeish, 1156 15th Street, NW, #1101 Washington, DC 20005	National Assn of Small Business Investment Cos	3,000.00	
John P. McNerney, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America		
Michael J. McShane, 1101 30th Street, NW, #500 Washington, DC 20007	National Computer Systems		
Martha McSteen, 2000 K Street, NW, 7th Floor Washington, DC 20006	National Comm to Preserve Social Security	10,363.00	
George G. Mead, 1500 K St., NW, #375 Washington, DC 20005	Norfolk Southern Corp	1,000.00	
Leslie S. Mead, 50 F Street, NW, #900 Washington, DC 20001	National Council of Farmer Cooperatives		
Joseph F. Meadow, 7307 Baltimore Avenue, #112 College Park, MD 20740	United Action for Animals, Inc	2,250.00	
William A. Meaux, 1600 M Street, NW, #702 Washington, DC 20036	ICI Americas, Inc	5,000.00	
Joseph J. Meder, 1730 M St., NW, #515 Washington, DC 20036	Acme Steel Company	1,500.00	
Do	Interlake Corp	3,000.00	
Medical-Dental Diversified Services, Inc, 15600 San Pedro #107 San Antonio, TX 78232-3738	U.A.G. Alumni Assn		
William H. Megonnell, 1111 19th St., NW, 9th Floor Washington, DC 20036	Edison Electric Institute	1,302.88	102.72
Katherine Meier, 1724 Massachusetts Avenue, NW Washington, DC 20036	National Cable Television Assn	2,250.00	
Michelle Meier, 2001 S Street, NW, #520 Washington, DC 20009	Consumers Union of U.S., Inc	1,000.00	
Kenneth F. Melley, 1201 16th Street, NW Washington, DC 20036	National Education Assn	4,010.80	385.00
Carol Melton, 1133 21st St., NW, #400 Washington, DC 20036	Warner Communications, Inc	9,250.00	
Howard H. Menaker, 1199 North Fairfax Street, #801 Alexandria, VA 22313	National Assn of Truck Stop Operators, Inc		
John R. Mendenhall, Martin Tower 8th & Eaton Avenues Bethlehem, PA 18018	Union Pacific Corp	5,000.00	
William P. Mengebier, 655 15th Street, NW, #225 Washington, DC 20005	Rhone-Poulenc, Inc	540.00	220.45
Edward L. Menning, 1023 15th Street, NW, #300 Washington, DC 20005	National Assn of Federal Veterinarians	65.55	
J. Roger Mentz, 1333 New Hampshire Ave., NW Washington, DC 20036	Cadwalader Wickersham & Taft (For:Clayton & Dubilier, Inc)	652.50	
Do	Cadwalader Wickersham & Taft (For:Coalition for Capital Import Neutrality)		
Do	Cadwalader Wickersham & Taft (For:Government of Puerto Rico)		
Do	Cadwalader Wickersham & Taft (For:Mercedes-Benz of North America, Inc)		
Do	Cadwalader Wickersham & Taft (For:PFIC Group)		
Jane Mentzinger, 2030 M Street, NW Washington, DC 20036	Common Cause	4,095.00	
Edward L. Merrigan, 6000 Connecticut Ave., NW Washington, DC 20815	Central Gulf Lines, Inc		
Do	Rolls-Royce Motors Cars, Inc		
Nancy Jo Merrill, 1725 K St., NW, #814 Washington, DC 20006	March of Dimes Birth Defects Foundation		
Merrill Lynch & Co, Inc, 1828 L St., NW, #906 Washington, DC 20036			13,000.00
Richard P. Merski, 1455 Pennsylvania Avenue, NW, #900 Washington, DC 20004	American International Group, Inc	5,000.00	443.24
Neil T. Messick, 1331 Pennsylvania Ave., NW Washington, DC 20004	General Electric Co	1,200.00	
Howard M. Messner, 1015 15th St., NW, #802 Washington, DC 20005	American Consulting Engineers Council	625.00	
Jean L. Mestres, 1747 Pennsylvania Avenue, NW, #300 Washington, DC 20006	OXY USA, Inc	444.51	20.75
Matthew S. Metcalfe, P.O. Box 6422 Mobile, AL 36660	American Family Corp		
Jeremy Metz, 260 Madison Avenue New York, NY 10016	American Paper Institute, Inc		
David A. Metzner, 499 S Capitol St., SW, #520 Washington, DC 20003	MOVAN Enterprises, Ltd	7,083.33	
Do	Van Fleet Associates	7,749.99	
Ferd. C. Meyer Jr., 2121 San Jacinto Street, #2500 Dallas, TX 75266-0164	Central and South West Corp	1,600.00	1,438.22
M. Barry Meyer, 900 19th Street, NW Washington, DC 20006	Aluminum Assn	50.00	
Larry D. Meyers, 412 First Street, SE #40 Washington, DC 20003	American Beekeeping Federation	1,500.00	
Do	Concerned Shrimpers of America	7,500.00	
Do	CEPEX Pacific, Inc		
Do	International Assn of Refrigerated Warehouses	2,250.00	
Do	National Agricultural Chemicals Assn	18,000.00	
Do	National Peanut Growers Group	6,000.00	
Do	National Wool Growers Assn, Inc		
Do	Rice Belt Warehouse, Inc	4,500.00	
Do	Texas A&M Research Foundation	15,000.00	
Do	Texas Cotton Marketing		
Meyers & Associates, 412 First St., SE, #40 Washington, DC 20003	Golf Course Superintendents Assn of America	4,500.00	
Do	Texas International Education Consortium	15,000.00	
David R. Mica, Florida Petroleum Institute 215 South Monroe Street, #800 Tallahassee, FL 32301	American Petroleum Institute	895.00	1,091.00
Mark A. Micali, 1200 18th Street, NW, #200 Washington, DC 20036	National Business Aircraft Assn	3,750.00	1,180.25
Laurie J. Micciche, 1747 Pennsylvania Ave., NW Third Floor Washington, DC 20006	Occidental Chemical Corp	400.00	502.58
Eileen F. Michaels, 1317 F Street, NW, #202 Washington, DC 20004	Lisboa Associates, Inc (For:University of the Virgin Islands)	525.00	
Michael G. Michaels, P.O. Box 150160 Lakewood Station Box PMB Atlanta, GA 30315			
Michaels & Wishner, P.C., 1726 M St., NW, #500 Washington, DC 20036	National Assn for Ambulatory Care		
Do	Watts Health Foundation, Inc	6,445.50	102.73
James G. Michaux, 6917 Granby Street Bethesda, MD 20817	Federated Dept Stores, Inc		
Frank G. Michelena, 17925 Sky Park Cir. Irvine, CA 92714	Landsdell Co		
Kathleen Michels, 1101 14th Street, NW, #200 Washington, DC 20005	American Nurses' Assn	4,415.00	190.34
Mid-Continent Oil & Gas Assn, 1919 Pennsylvania Ave., NW, #503 Washington, DC 20006		93,629.16	25,798.77
Mid-West Electric Consumers Assn, 1441 York Street, #305 Denver, CO 80206			
Michael C. Middleton, Ten Light Street P.O. Box 987 Baltimore, MD 21203	MNC Financial, Inc		
Roger E. Middleton, 1615 H Street, NW Washington, DC 20062	Chamber of Commerce of the U.S.	2,100.00	97.13
Evan M. Migdail, 888 17th Street, NW Washington, DC 20006	CITGO Petroleum Corp		
Migrant Legal Action Program, Inc, 2001 S St., NW, #310 Washington, DC 20009			
Rene Milam, Box 17407 Washington Dulles Airport Washington, DC 20041	American Newspaper Publishers Assn	500.00	57.20
Miles & Stockbridge, 1701 Pennsylvania Ave., NW, #500 Washington, DC 20006	Black and Decker Corp		175.00
Do	PepsiCo, Inc		
Do	Pizza Hut, Inc		150.00
Milgrim Thomajan & Lee, P.C., 1025 Connecticut Ave, NW, #1000 Washington, DC 20036	Lloyds U.S.		
Do	Management Data Communications Corp		
Do	New York Mercantile Exchange (NYMEX)	3,600.00	3,685.64
Military Boot Manufacturers Assn, Belleville Shoe Manufacturing Co P.O. Box 508 Belleville, IL 62222			
Bonnie K. Miller, Box 528 Gainesville, VA 22065-0528	National Health Federation	1,500.00	3,600.00
Carolynn E. Miller, 600 Maryland Ave., SW, #700 Washington, DC 20024	National Fed of Independent Business	3,189.00	200.00
Charles R. Miller, 1155 Connecticut Ave., NW Washington, DC 20036	Waste Management, Inc	812.00	438.00
Clinton R. Miller, P.O. Box 528 Gainesville, VA 22065-0528	National Health Federation		400.00
Deborah Imle Miller, 15th & M Streets, NW Washington, DC 20005	National Assn of Home Builders of the U.S.		
Denny Miller, 409 South Barton St. Arlington, VA 22204	Denny Miller Associates	7,500.00	
Edward C. Miller, 6269 Franconia Road Alexandria, VA 22310	City of Pompano Beach, Florida		
Grant Miller, 1725 Jefferson Davis Highway, #900 Arlington, VA 22202	LTV Aerospace & Defense Co	2,500.00	125.00
Lawrence E. Miller, 1023 15th Street, NW, #300 Washington, DC 20005	American Veterinary Medical Assn		
Sandra Miller, 409 South Barton St. Arlington, VA 22204	Denny Miller Associates	1,250.00	
Sarah Miller, 1120 Connecticut Ave., NW Washington, DC 20036	American Bankers Assn		
Miller & Chevalier, Chtd, 655 15th St., NW, #900 Washington, DC 20005-5701	Boeing Company		
Do	Electronic Industries Assn		
Do	Gold Fields Operating Co - Mesquite	420.00	
Do	Great Northern Insured Annuity Corp		
Do	John Hopkins University	240.00	
Do	Martin Marietta Corp		
Do	McDonnell Douglas Corp		
Do	Pacific Medical Center		
Do	Professional Services Council		
Do	United States Fidelity and Guaranty Company	2,000.00	
Denny Miller Associates, Inc, 400 N. Capitol St., NW, #325 Washington, DC 20001	Boeing Company	3,000.00	2,460.00
Do	Makah Tribal Council	300.00	245.00
Do	Marine Engineers' Beneficial Assn	4,000.00	3,265.00
Do	Momentum 88	1,875.00	1,530.00

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Olin Corporation	3,000.00	2,460.00
Do	Pacific Nuclear Systems, Inc	1,062.50	862.00
Do	Port of Tacoma	1,125.00	928.00
Do	State of Washington, Dept of Transportation	1,500.00	1,235.00
Do	Tri-City Industrial Development Council (TRIDEC)	4,000.00	3,265.00
Miller Cassidy Larroca & Lewin, 2555 M St., NW, #500 Washington, DC 20037	Independent Insurance Agents of America, Inc, et al.	825.00	
Do	National Assn of Life Underwriters, et al.	3,202.50	
Do	47th Street Photo	1,000.00	
Miller Hamilton Snider & Odom, P.O. Box 46 Mobile, AL 36601	Charter Federal Savings & Loan Assn		
Do	Colonial Bancgroup, Inc		
Miller Young & Holbrooke, 1225 19th Street, NW, #400 Washington, DC 20036	City of Sacramento, et al.	60.00	
Do	Sugar Land Telephone Co	195.00	
Kenneth Y. Millian, 919 18th Street, NW Washington, DC 20006	W. R. Grace & Co		1,470.44
C.G. Pete Milligan, 1442 S.W. Troon Circle Palm City, FL 33490	American Telephone & Telegraph Co	1,500.00	
Amy J. Millman, 1875 Eye St., NW, #500 Washington, DC 20006	Philip Morris, Inc	175.00	225.00
John W. Mills, Tenneco Automotive 100 Tri State Int'l, #300 Lincolnshire, IL 60015	Coalition for Auto Repair Choice		
Richard V. Minck, 1001 Pennsylvania Ave., N.W. Washington, DC 20004	American Council of Life Insurance, Inc	1,750.00	
Dallas Miner, One Thomas Circle, #900 Washington, DC 20005	American Fishing Tackle Manufacturers Assn	19,000.00	
Joseph G. Minish, 66 Sheridan Avenue West Orange, NJ 07052	Bayamon Federal Savings	6,000.00	476.00
Bennett L. Minton, 900 19th Street, NW, #800 Washington, DC 20006-2102	U.S. Telephone Assn		
Mintz Levin Cohn Ferris Glovsky & Popeo, P.C., 1825 I Street, NW, #1200 Washington, DC 20006	Cablevision	6,155.00	
Do	Coalition for High Definition TV	9,800.00	
Do	Communications Industry Assn of Japan	24,000.00	
Do	Home Recording Rights Coalition	3,120.00	
Do	Siemens Capital Corp	19,525.00	
Do	Smith Barney Harris Upham & Co, Inc		
Do	Turner Broadcasting System, Inc	6,892.00	
Miro Miro & Weiner, P.C., 500 N. Woodward Ave., #200 P.O. Box 908 Bloomfield Hills, MI 48303-0908	Detroit Tooling Assn		
Do	Michigan Council of Self-Insured Group Administrators	28.75	
Charles P. Mitchell, 1501 16th Street, NW Washington, DC 20036	Center for Science in the Public Interest	295.00	25.20
Edward F. Mitchell, 1900 Pennsylvania Avenue, NW Washington, DC 20068	Potomac Electric Power Co		
W. G. Champion Mitchell, 1455 Pennsylvania Ave., NW, #525 Washington, DC 20004	R. J. Reynolds Tobacco Company	7,175.00	
Stacey J. Mobley, 1701 Pennsylvania Avenue, NW, #900 Washington, DC 20006	E. I. du Pont de Nemours & Co		
John Moehring, 2200 Mill Road Alexandria, VA 22314	American Movers Conference	300.00	
Peter A. Molinaro, 1100 15th Street, NW, #1200 Washington, DC 20005	Union Carbide Crop		
Robert M. Moliter, 1331 Pennsylvania Ave., NW, #865 Washington, DC 20004	General Electric Co		
John V. Moller, 1707 L Street NW, #725 Washington, DC 20036	Manchester Associates, Ltd (For:Nissan Motor Company, Ltd)		
Do	Manchester Associates, Ltd (For:Nissan Motor Manufacturing Corp, USA)	6,187.50	48.00
Robert H. Mollohan, 912 Sylvan Avenue Fairmount, WV 26554	Airspace Technology, Inc	600.00	
Patricia L Molloy, 1220 19th Street, NW, #700 Washington, DC 20036	Leva Haws Mason & Bebchick (For:Association of the U.S. Army)		
Robert A. Molofsky, 5025 Wisconsin Avenue, NW Washington, DC 20016	Amalgamated Transit Union, AFL-CIO	5,000.00	243.00
C. Manly Molpus, P.O. Box 3556 Washington, DC 20007	American Meat Institute	1,000.00	
Eric Mondres, 1601 Duke Street Alexandria, VA 22314	Society of American Florists	2,000.00	
Christopher Monek, 1957 E St., NW Washington, DC 20006	Associated General Contractors of America		
John C. Monsul, 923 Riva Ridge Drive Great Falls, VA 22066			
William J. Montwieler, 1750 K Street, NW, #210 Washington, DC 20006	Industrial Truck Assn		
James P. Mooney, 1724 Massachusetts Ave., NW Washington, DC 20036	National Cable Television Assn, Inc	8,750.00	
Alan J. Moore, 1001 Pennsylvania Ave., NW, #675 Washington, DC 20004	Atchison Topeka & Santa Fe Railway Co	1,000.00	
Alvis J. Moore, 7227 North 16th Street Phoenix, AZ 85020	Giant Industries, Inc		
Carlos Moore, 1801 K Street, NW, #900 Washington, DC 20006	American Textile Manufacturers Institute, Inc		
Frank B. Moore, 3003 Butterfield Road Oak Brook, IL 60521	Waste Management, Inc	5,000.00	1,830.51
Thomas L. Moore, 1320 Braddock Place, #720 Alexandria, VA 22314	National Private Trucking Assn		
Ann Moorhead, 2571 Vernon Drive, NE Palm Bay, FL 32905	Press Television	600.00	27.00
Eugene Moos, 517 C Street, NE Washington, DC 20002	Lesher Russell & Moos, Inc		
Richard M. Moose, 1020 19th Street, NW, #600 Washington, DC 20036	American Express Co		
Morality in Media, Inc, 475 Riverside Dr., #239 New York, NY 10115			
Lori M. Moran, 1015 15th Street, NW, #802 Washington, DC 20005	American Consulting Engineers Council	3,375.00	
Judith Morehouse, 1700 N. Moore Street Rosslyn, VA 22209	Boeing Company	224.00	26.50
Sue Markland Moreland, 918 North Carolina Avenue, SE Washington, DC 20003	Lusk Company	1,000.00	1,000.00
Dudley Digges Morgan III, 4900 Baronne Street New Orleans, LA 70115	Southern Forest Products Assn	13,389.00	
E. Joyce Morgan, 1920 N St., NW Washington, DC 20036	American Mining Congress		
J. Railton Morgan, 412 First Street, SE Washington, DC 20003	National Automobile Dealers Assn	3,300.00	
John Morgan, 1925 K St., NW Washington, DC 20006	Communications Workers of America		
Stephen L. Morgan, 5201 Leesburg Pike, #1111 Falls Church, VA 22041	American Cemetery Assn		
Morgan Lewis & Bockius, 1800 M St., NW, #800 N. Washington, DC 20036	Business Roundtable		
Do	Coalition to Stop the Raid on America		
Do	Consolidated Natural Gas Co		
Do	Scotch Whisky Assn		
William G. Morin, 1331 Pennsylvania Avenue, NW, #1500-N Washington, DC 20004-1703	National Assn of Manufacturers	75.00	
James A. Morrill, 1726 M St., NW, #901 Washington, DC 20036	Scott Paper Co	6,000.00	214.60
Gerald D. Morris, 555 New Jersey Ave., NW Washington, DC 20001	American Fed of Teachers, AFL-CIO	17,011.89	140.00
Tessa Morris, 1701 K Street, NW, Suite 503 Washington, DC 20006	Security Pacific Corp		
Tom C. Morris, 1825 K St., NW, #1107 Washington, DC 20006	Phillips Petroleum Co	1,800.00	87.70
W. Patrick Morris, 1110 Vermont Avenue, NW Suite 1250 Washington, DC 20005	Shipbuilders Council of America		
William C. Morrison, 2001 North Adams St. Arlington, VA 22201	Meat Importers Council of America, Inc		
Morrison & Foerster, 2000 Pennsylvania Ave., NW Washington, DC 20006	City and County of San Francisco	185.00	68.50
Do	Mastercard International, Inc, et al.	1,875.00	6.00
Do	National Electrical Manufacturers Assn		6.50
Do	RREEF Funds, Inc	112.50	
Evelyn M. Morton, 1909 K Street, NW Washington, DC 20049	American Assn of Retired Persons	561.34	383.45
Michael L. Morton, 910 16th Street, NW, #402 Washington, DC 20006	Florida Sugar Cane League, Inc		
Do	Rio Grande Valley Sugar Growers		
Russell N. Mosher, 950 N. Glebe Rd., #160 Arlington, VA 22203	American Boiler Manufacturers Assn, Inc		2,105.35
Dorothy J. Moss, 1101 Vermont Avenue, NW Washington, DC 20005	American Medical Assn	25.00	
Moss Associates, Inc, 2450 Virginia Ave., NW Washington, DC 20037	Association of Bank Holding Cos	900.00	
Gerald J. Mossinghoff, 1100 15th Street, NW, #900 Washington, DC 20005	Pharmaceutical Manufacturers Assn	1,000.00	
Beth Moten, 1016 16th St., NW, Washington, DC 20036	National Fed of Federal Employees	10,531.62	
Motion Picture Assn of America, Inc, 1600 Eye Street, NW Washington, DC 20006		22,438.36	24,003.06
John J. Motley, 600 Maryland Ave., SW, #700 Washington, DC 20024	National Fed of Independent Business	9,570.00	600.00
L. A. Motley and Company, 1800 K Street, NW, #1000 Washington, DC 20006	Abecitrus - Brazilian Citrus Assn		186.09
Do	Adical		75.00
Do	ANIC - National Assn of Citric Industries	50,000.00	186.09
Motor and Equipment Manufacturers Association, 1325 Pennsylvania Ave., NW, #600 Washington, DC 20004			5,825.03
Motor Vehicle Manufacturers Assn of the U.S., Inc, 7430 Second Avenue, #300 Detroit, MI 48202		33,423.45	33,423.45
Katharine R. Mountcastle, 2030 M St. NW Washington, DC 20036	Common Cause	5,011.26	143.95
Susan Connolly Moya, 1615 H St., NW Washington, DC 20062	U.S. Chamber of Commerce	2,500.00	
Cheryl L. Moyer, Box 198A Ghaner Road Port Matilda, PA 16870	Pennsylvania Assn of Families	128.00	
Steve Moyer, 1400 16th Street, NW Washington, DC 20036-0001	National Wildlife Federation	3,595.80	
Muldoon Murphy & Faucette, 5101 Wisconsin Ave., NW, #508 Washington, DC 20016	Anchor Savings Bank, FSB		
Do	Carteret Savings Bank, F.A.		
Do	Empire of America, FSB		
Do	Financial Assistance Inequity Relief Coalition (FAIR)	120,000.00	13,221.02
Do	Franklin Federal Savings Bank		
Do	Glendale Federal Savings & Loan Assn		
Do	Household International Corp		
Do	Long Island Savings Bank		
Do	Northeast Savings, F.A.		
Do	Pelican Homestead and Savings Assn	20,000.00	
Do	Star States Corp		
Do	Talman Home Federal Savings and Loan Assn	10,000.00	
Do	United Savings of Texas, FSB		
John A. Mullett, 1627 K St., NW, #500 Washington, DC 20006	FMC Corporation	2,300.00	30.00
Robert J. Mulligan, 655 15th Street, NW, #350 Washington, DC 20005	Blue Cross and Blue Shield Assn	30.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Albert E. Mullin Jr, 111 Powdermill Rd. (b79) Maynard, MA 01754	Digital Equipment Corp	15,000.00	
Tracy Mullin, 1000 Connecticut Ave., NW, #700 Washington, DC 20036	National Retail Merchants Assn	4,000.00	86.00
William F. Mullin, 1615 L St., NW, #1210 Washington, DC 20036	Metropolitan Life Insurance Cos	1,000.00	
James Brian Munroe, 1050 Connecticut Avenue, NW Washington, DC 20036	Hoffmann-La Roche, Inc		
Elizabeth A. Murphy, 1901 N. Fort Myer Drive, #204 Arlington, VA 22209	Roadway Express, Inc		
James F. Murphy, 6200 Oaktree Blvd. Independence, OH 44131	Centerior Energy Corp, et al		
James Jackson Murphy, 1720 I Street, NW 7th Floor Washington, DC 20006	American Academy of Actuaries		
James P. Murphy, 485 Lexington Ave., 25th Floor New York, NY 10017	New York State Bankers Assn	1,400.00	396.00
John P. Murphy, 1001 Connecticut Ave., NW, #1120 Washington, DC 20036	Chemical Specialties Manufacturers Assn, Inc	1,800.00	219.47
Lester L. Murphy Jr., 5709 W. 21st St., P.O. Box 4267 Topeka, KS 66604	Kansas Electric Cooperatives, Inc	490.08	
Michael M. Murphy, 1101 17th St., NW, #400 Washington, DC 20036	American President Companies, Ltd, et al	9,300.00	
Paul T. Murphy, P.O. Box 619500 Dallas, TX 75261	Caltex Petroleum Corp		
D. Michael Murray, Murray and Scheer 2715 M Street, NW, #300 Washington, DC 20007	LTV Corporation	450.00	
Daniel H. Murray, 1133 21st St., NW, #900 Washington, DC 20036	BellSouth Corp		3,946.12
James E. Murray, One Farragut Square South Washington, DC 20006	Brown & Wood (For:Citicorp Investment Bank, et al.)		
Rosemary Griffin Murray, 1200 17th Street, NW, #500 Washington, DC 20036	Pan American World Airways, Inc		
Murray & Scheer, 2715 M Street, NW, #300 Washington, DC 20007	American Cyanamid Co	500.00	
Do	Bear Stearns & Co	500.00	
Do	Cleveland Cliffs Iron Co	250.00	
Do	Connecticut Mutual Life Insurance Co	500.00	
Do	Home Life Insurance Co	500.00	
Do	Industry Council for Tangible Assets	400.00	
Do	Iron Ore Assn	250.00	
Do	Lightning Location & Protection, Inc	625.00	
Do	National Business Aircraft Assn	500.00	
Do	National Council of Coal Lessors	300.00	
Do	New England Mutual Life Insurance Co	500.00	
Do	Pacific Mutual Life Insurance Co	500.00	
Do	Penn Mutual Life Insurance Co	500.00	
Do	Provident Mutual Life Insurance Co of Philadelphia	500.00	
Do	PHP Healthcare Corp	600.00	
Do	Shubert Organization, Inc	400.00	
Do	Swaziland Sugar Assn	400.00	
Robert Musil, 1616 P Street, NW, #320 Washington, DC 20036	Professionals' Coalition for Nuclear Arms Control	6,116.75	24,404.78
Robert J. Muth, 180 Maiden Ln. New York, NY 10038	Asarco Inc	250.00	
Mutual Life Insurance Co Tax Committee, 720 East Wisconsin Avenue Milwaukee, WI 53202		8,000.00	8,175.00
Fred J. Mutz, 1120 Connecticut Ave., NW Washington, DC 20036	American Bankers Assn	4,100.00	
Gary D. Myers, 501 2nd Street, NE Washington, DC 20002	Fertilizer Institute	4,500.00	2,237.62
MOVAN Enterprises, Ltd, 499 S Capitol St., SW, #520 Washington, DC 20003	Magnavox Government & Industrial Electronics Co	15,000.00	7,083.33
Daniel Nadash, 777 14th St., NW Washington, DC 20005	National Assn of Realtors		15.00
Alan Y. Naftalin, 1150 Connecticut Avenue, NW Washington, DC 20036	Koteen & Naftalin (For:Alascom, Inc)		
Do	Koteen & Naftalin (For:Telephone & Data Systems, Inc)		
Stephen M. Nagler, 20415 Nordhoff St., P.O. Box 2158 Chatsworth, CA 91311	Patlex Corporation		
Sally B. Narey, 385 Washington Street St. Paul, MN 55102	St. Paul Fire & Marine Insurance Co	8,600.00	
John Francis Nash Jr., 214 Massachusetts Ave., NE, #420 Washington, DC 20002	Milliken & Company	5,000.00	3,300.00
Gary M. Nateman, 1225 'Eye' Street, NW, #825 Washington, DC 20005	Beer Institute		
Hardy L. Nathan, 1750 K St., NW Washington, DC 20006	Food Marketing Institute	500.00	
National Agricultural Chemicals Assn, 1155 15th St., NW Washington, DC 20005		75.00	4.00
National Air Carrier Assn, 1730 M St., NW, #710 Washington, DC 20036			
National Assn for Biomedical Research, 818 Connecticut Ave., NW, #303 Washington, DC 20006		97,750.00	13,860.70
National Assn for Neighborhood Schools, Inc, 335 Locust St. Pittsburgh, PA 15218		851.86	1,538.54
National Assn for Stock Car Auto Racing, Inc (NASCAR), 1801 Speedway Boulevard Daytona Beach, FL 32015			
National Assn of Air Traffic Specialists, 4780 Corridor Pl., Suite B Beltsville, MD 20705			560.00
National Assn of Beverage Importers, 1025 Vermont Avenue, NW, #1205 Washington, DC 20005			
National Assn of Broadcasters, 1771 N Stret, NW Washington, DC 20036		47,703.45	47,703.45
National Assn of Chain Drug Stores, Inc, P.O. Box 1417-049 Alexandria, VA 22313			
National Assn of Federal Employees, 3500 Maple Avenue, Suite 1650 Dallas, TX 75219			
National Assn of Federal Veterinarians, 1023 15th Street, NW, #300 Washington, DC 20005			113.49
National Assn of Independent Colleges & Universities, 122 C St., NW, #750 Washington, DC 20001			63,110.00
National Assn of Insurance Brokers, Inc, 1401 New York Ave., NW, #720 Washington, DC 20005			
National Assn of Life Companies, 1455 Pennsylvania Ave., #1250 Washington, DC 20004			1,000.00
National Assn of Manufacturers, 1331 Pennsylvania Ave., NW, #1500 Washington, DC 20004-1703		108,456.13	108,456.13
National Assn of Margarine Manufacturers, 1101 15th St., NW, #202 Washington, DC 20005			
National Assn of Mutual Insurance Cos, 3707 Woodview Trace P.O. Box 68700 Indianapolis, IN 46268			
National Assn of Real Estate Investment Trusts, Inc, 1129 20th St., NW, #705 Washington, DC 20036			
National Assn of Stevedores, 2011 I Street, NW, #601 Washington, DC 20006		3,300.00	4,800.00
National Assn of Trade & Technical Schools, 2251 Wisconsin Ave., NW Washington, DC 20007		7,500.00	
National Assn of Truck Stop Operators, Inc, 1199 N. Fairfax Street, #801 Alexandria, VA 22314			
National Beer Wholesalers' Assn, 5205 Leesburg Pike, #1600 Falls Church, VA 22041		162,719.00	26,454.92
National Bicycle Dealers Assn, Inc, 129 Cabrillo Street, #201 Costa Mesa, CA 92627-3006			
National Business Aircraft Assn, 1200 18th St., NW, #200 Washington, DC 20036-2598			16,688.22
National Cable Television Assn, Inc, 1724 Massachusetts Ave., NW Washington, DC 20036		39,651.16	39,651.16
National Cattlemen's Assn, 5420 S. Quebec Street P.O. Box 3496 Englewood, CO 80155			
National Child Care Assn, 920 Green Street Conyers, GA 30207		3,000.00	3,000.00
National Coalition for Fair Trade, 7200 Wisconsin Avenue Bethesda, MD 20814		1,200.00	
National Coalition for Marine Conservation, Inc, P.O. Box 23298 Savannah, GA 31403		15,788.01	20,821.86
National Comm to Preserve Social Security, 2000 K Street, NW, 7th Floor Washington, DC 20006		1,429,072.00	1,428,183.00
National Comm Against Repressive Legislation, 236 Massachusetts Avenue, NE, #406 Washington, DC 20002		5,392.79	5,805.27
National Commercial Finance Assn, 225 W. 34th St. New York, NY 10122			16,180.00
National Community Action Foundation, Inc, 2100 M Street, NW, #604A Washington, DC 20037		83,509.67	36,000.00
National Consumer Assn, P.O. Box 65733 Washington, DC 20035			
National Cooperative Business Assn, 1401 New York Ave., NW, #1100 Washington, DC 20005		27,500.00	14,210.01
National Cotton Council of America, P.O. Box 12285 Memphis, TN 38182		65,585.68	65,585.68
National Council for Languages & Int'l Studies, 300 Eye Street, Suite 211 Washington, DC 20002		9,812.50	21,338.03
National Council of Agricultural Employers, 499 S. Capitol Street, SW, #411 Washington, DC 20003		4,500.00	
National Council of Farmer Cooperatives, 50 F Street, NW, #900 Washington, DC 20001		1,457.46	12,437.75
National Council of Savings Institutions, 1101 15th St., NW, #400 Washington, DC 20005			
National Electrical Manufacturers Assn, 2101 L Street, NW, #300 Washington, DC 20037		2,085.58	2,085.58
National Fed of Federal Employees, 1016 16th Street, NW Washington, DC 20036		23,149.20	23,149.20
National Fed of Independent Business, 150 W. 20th Ave. San Mateo, CA 94403		45,028.25	45,028.25
National Food Processors Assn, 1401 New York Avenue, NW, #400 Washington, DC 20005		1,200.00	200.00
National Foreign Trade Council, Inc, 100 East 42nd St. New York, NY 10017		52,136.00	52,136.00
National Grain & Feed Assn, 725 15th St., NW, #500 Washington, DC 20005			
National Grange, 1616 H St., NW Washington, DC 20006		15,875.00	15,875.00
National Grocers Assn, 1825 Samuel Morse Drive Reston, VA 22090		3,000.00	1,175.00
National Guard Assn of the U.S., One Massachusetts Ave., NW Washington, DC 20001		6,060.00	20,302.00
National Hearing Aid Society, 20361 Middlebelt Livonia, MI 48152		350.00	350.00
National Independent Automobile Dealers Assn, 600 E. Las Colinas Blvd., #314 Irving, TX 75039		300.00	16,473.93
National Industrial Transportation League, 1090 Vermont Ave., NW, #410 Washington, DC 20005		18,000.00	18,977.50
National Knitwear & Sportswear Assn, 386 Park Avenue South New York, NY 10016			4,015.72
National Leased Housing Assn, 2300 M St., NW, #260 Washington, DC 20037		900.00	900.00
National Motorsports Comm of Accus, 1500 Skokie Boulevard, #107 Northbrook, IL 60062			
National Multi Housing Council, 1250 Connecticut Ave., NW, #620 Washington, DC 20036		6,474.56	6,474.56
National Newspaper Assn, 1627 K St., NW, #400 Washington, DC 20006		372,859.00	7,800.00
National Parking Association, 1112 16th St., NW, #2000 Washington, DC 20036			24,482.30
National Pest Control Assn, 8100 Oak St. Dunn Loring, VA 22027			
National Printing Equipment & Supplies Assn, Inc, 1899 Preston White Drive Reston, VA 22091			
National Public Affairs Corp, 6296 Dunaway Court McLean, VA 22101	Westinghouse Electric Corp	300.00	
National Realty Committee, 1250 Connecticut Ave., NW, #630 Washington, DC 20036		1,000.00	1,000.00
National Retail Merchants Assn, 1000 Connecticut Avenue, NW Washington, DC 20036			37,839.22
National Right to Work Committee, 8001 Braddock Rd., #600 Springfield, VA 22160		8,278.10	8,278.10
National Rural Electric Cooperative Assn, 1800 Massachusetts Ave., NW Washington, DC 20036			3,959.04
National Security Traders Assn, Inc, One World Trade Center, #4511 New York, NY 10048			7,375.00

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
National Society of Professional Engineers, 1420 King Street Alexandria, VA 22314		10,100.00	10,100.00
National Soft Drink Assn, 1101 16th St., NW Washington, DC 20036			
National Solid Wastes Management Assn, 1730 Rhode Island Ave., NW, #1000 Washington, DC 20036			
National Stone Assn, 1415 Elliot Place, NW Washington, DC 20007			
National Strategies, Inc, 1919 Pennsylvania Ave., NW, #701 Washington, DC 20006	Alliance for Capital Access	30,000.00	
Do	Columbia Savings & Loan Assn	22,534.37	957.26
Do	Manor Care	9,621.28	4,816.28
Do	PGA Tour, Inc		
Do	Trian Group	21,223.13	
National Venture Capital Association, 1655 N. Fort Meyer Dr., #700 Arlington, VA 22209			92,169.61
National Wildlife Federation, 1400 16th Street, NW Washington, DC 20036-0001			19,538.59
National-American Wholesale Grocers' Assn, 201 Park Washington Court Falls Church, VA 22046		12,000.00	12,000.00
Landis M. Neal, 2000 K Street, NW, 8th Floor Washington, DC 20006	National Comm to Preserve Social Security	2,963.00	
Richard W. Neal, 1301 Pennsylvania Ave., #300 Washington, DC 20004	National Cattlemen's Assn	1,000.00	
Karen J. Neale, 2501 M Street N.w. Washington, DC 20037	Chemical Manufacturers Assn, Inc	600.00	91.35
Jeffrey Nedelman, 1010 Wisconsin Avenue, NW, #800 Washington, DC 20007	Grocery Manufacturers of America, Inc	14.91	
Neighbor-To-Neighbor Action Fund, 2601 Mission Street, #400 San Francisco, CA 94110		84,397.00	
Frederick W. Neill, 600 5th Street Aurora, IL 60505			
Neill & Company, Inc, 815 Connecticut Ave., NW, #800 Washington, DC 20006	Arab Republic of Egypt	189,000.00	22,859.17
Do	Government of Jamaica		3,769.51
Do	Hashemite Kingdom of Jordan	110,000.00	6,434.15
Do	Islamic Republic of Pakistan		1,834.84
Do	Kingdom of Morocco		8,682.22
Do	Republic of Guinea		10,599.10
Do	Republic of Kenya	172,458.46	11,354.27
Neill Mullenholz & Shaw, 815 Connecticut Ave. NW Washington, DC 20006	Florida East Coast Railway Co	1,000.00	
Do	National Council Social Security Management Assns, Inc	4,000.00	380.00
Do	North American Equipment Dealers Assn	1,500.00	
Do	PHH Group, Inc		
Do	Senior Executives Assn	5,000.00	275.00
Do	Soo Line Corporation	2,500.00	
Do	TACA International Airlines		
Joshua E. Neiman, 815 16th St., NW, #408 Washington, DC 20006	Food & Allied Service Trades Dept, AFL-CIO	553.00	
Joseph L. Nellis, 1015 15th Street, NW, #1100 Washington, DC 20005	Pharmacy Freedom Fund	981.75	981.75
Mark D. Nelson, 1701 Pennsylvania Ave., NW, #900 Washington, DC 20036	E. I. du Pont de Nemours & Co		
Michael A. Nemeroff, 1722 Eye Street, NW 7th Floor Washington, DC 20006	Sidley & Austin (For:Borden, Inc)		
Lynda L. Nersesian, 1100 15th St., NW, #900 Washington, DC 20005	Pharmaceutical Manufacturers Assn	4,000.00	34.50
Frederick H. Nesbitt, 1750 New York Avenue NW Washington, DC 20006	International Assn of Fire Fighters	11,875.00	
Mark Nestlen, 1300 L Street, NW, #950 Washington, DC 20005-4107	American Soybean Assn	1,125.00	553.29
Network, 806 Rhode Island Ave., NE Washington, DC 20018		44,078.53	35,191.18
E. John Neumann, 1130 Connecticut Avenue, NW, #830 Washington, DC 20036	Southern Company Services, Inc	1,727.63	4,245.42
New York Comm of Intl Comm of Passenger Lines, 74 Trinity Place New York, NY 10006			
New York State Bankers Assn, 485 Lexington Avenue New York, NY 10017		65,000.00	42,484.00
Cynthia E. Newman, 400 North Washington Street Alexandria, VA 22314	Professional Insurance Agents	500.00	200.00
George S. Newman, 7915 Jones Branch Dr. McLean, VA 22102	BDM International, Inc		
William B. Newman Jr., P.O. Box 23451 Washington, DC 20026	Consolidated Rail Corporation	5,500.00	
Sharon Newsome, 1412 16th St., NW Washington, DC 20036-0001	National Wildlife Federation	3,333.16	
E. Archie NeSmith Jr., 1000 Wilson Blvd., #2500 Arlington, VA 22209	Allied-Signal Aerospace Co		
E. Bruce Nicholson, 1800 M St., NW Washington, DC 20036	American Bar Assn	400.00	50.00
Marlene Nicholson, 1722 Eye St., NW, Fifth Floor Washington, DC 20006	Barclays Bank PLC	2,662.00	1,346.91
Thomas Nickels, 1101 14th Street, NW, #200 Washington, DC 20005	American Nurses' Assn	3,086.40	388.36
Daniel E. Nickelson, 2000 L St., NW, #200 Washington, DC 20036	Cleveland Clinic Foundation		
Patrick J. Nilan, 1300 L Street, NW Washington, DC 20005	American Postal Workers Union, AFL-CIO	16,063.61	1,856.47
Nissan Motor Corporation, U.S.A., 1919 Pennsylvania Avenue, NW, #707 Washington, DC 20006			
Nixon Hargrave Devans & Doyle, One Thomas Circle, NW, #800 Washington, DC 20005	American Free Trade Assn	2,716.25	
Do	Bausch & Lomb		
Do	Thompson Medical Co		
Barbara D. Nocera, 955 L'Enfant Plaza, SW, #5300 Washington, DC 20024	Honda North America, Inc	200.00	
A. Allan Noe, 655 15th Street, NW, #975 Washington, DC 20005	Unilever United States, Inc	1,500.00	399.27
Robert W. Nolan, 1303 New Hampshire Ave., NW Washington, DC 20036	Fleet Reserve Assn	100.00	
Walker F. Nolan, 1111 19th St., NW, 9th Fl. Washington, DC 20036	Edison Electric Institute	9,684.06	768.07
Robert I. Nooter, 600 Maryland Avenue, SW, #800 Washington, DC 20024	American Farm Bureau Federation	6,700.00	219.00
David F. Norcross, 1010 Kings Highway So., #2-C Cherry Hill, NJ 08034	National Check Cashers Coalition	15,000.00	5,793.28
Julia J. Norrell, 1001 Pennsylvania Avenue, NW Washington, DC 20004	American Council of Life Insurance, Inc	5,325.00	359.99
North American Telecommunications Assn, 2000 M St., NW, #550 Washington, DC 20036		13,241.04	13,241.04
Patrice North-Rudin, 1133 21st Street, NW Washington, DC 20036	Travel & Tourism Gov't Affairs Council	2,280.00	
Northeast Utilities Service Co, Selden St. Berlin, CT 06037			8,786.02
Graham T. Northup, 2333 Highland Avenue Falls Church, VA 22046	Golembe Associates, Inc		
Edward M. Norton Jr., 1400 16th Street, NW, #300 Washington, DC 20036	Grand Canyon Trust		
Russell C. Notar, 1401 New York Ave., NW, #1100 Washington, DC 20005	National Cooperative Business Assn	2,000.00	
Steven R. Nousen, P.O. Box 3529 Portland, OR 97208	Port of Portland	11,750.00	424.64
Patrick J. Nugent, 1133 19th Street, NW Washington, DC 20036	MCI Communications Corp	2,000.00	6,616.45
Silas O. Nunn, 1110 Vermont Avenue, NW, #1250 Washington, DC 20005	Shipbuilders Council of America		
Ralph D. Nurnberger, 500 North Capitol Street, NW, #300 Washington, DC 20001	American Israel Public Affairs Comm	14,250.00	1,393.99
C. D. Nyberg, 103 S.W. 24th Street Austin, MN 55912	Geo. A. Hormel & Co		
Hubert K. O'Bannon, 50 F Street, NW Washington, DC 20001	Association of American Railroads	544.29	870.95
George O'Bea Jr., 815 16th Street, NW, #701 Washington, DC 20006	United Paperworkers International Union		
Dinah K. O'Berry, 2000 K St., NW, 8th Floor Washington, DC 20006	National Comm to Preserve Social Security	8,579.00	319.93
Coleman C. O'Brien, 1709 New York Ave., NW, #801 Washington, DC 20006	U.S. League of Savings Institutions	8,750.00	35.00
David D. O'Brien, O'Brien & Associates 600 New Hampshire Avenue, NW, #1010 Washington, DC 20037	Harley-Davidson, Inc	16,000.00	2,100.32
Mary Eileen O'Brien, 1800 M St., NW, Suite 325-S Washington, DC 20036	Dow Corning Corp		
Raymond V. O'Brien, 1600 M St., NW Washington, DC 20036	ITT Corporation	200.00	30.00
Rosemary L. O'Brien, 805 15th Street, NW, #610 Washington, DC 20005-2207	CF Industries, Inc	500.00	215.20
David O'Brien & Associates, 600 New Hampshire Ave., NW, #1010 Washington, DC 20037	A. L. Williams & Company	16,000.00	1,773.94
James J. O'Connell, 1201 Pennsylvania Avenue, NW, #370 Washington, DC 20004	Control Data Corporation		
Richard T. O'Connell, Richard T. O'Connell & Associates, Inc 3208 Traveler Street Fairfax, VA 22030	Chocolate Manufacturers Assn of the USA		
Do	National Confectioners Assn of the U.S.		
William B. O'Connell, 111 East Wacker Dr. Chicago, IL 60601	U.S. League of Savings Institutions	1,458.33	2,001.69
K. James O'Connor Jr., 2501 M Street, NW Washington, DC 20037	Chemical Manufacturers Assn, Inc	400.00	16.00
Kelley E. O'Connor, 1601 Duke Street Alexandria, VA 22314	Society of American Florists		
Patrick C. O'Connor, 1825 K Street, NW, #305 Washington, DC 20006	American Supply Association	1,000.00	746.48
Do	American Warehousemen's Association		
Do	National Assn of Fleet Administrators	3,425.00	1,907.50
Do	Steel Tank Institute		
Do	Transportation Lawyers Assn		
O'Connor & Hannan, 1919 Pennsylvania Ave., NW, #800 Washington, DC 20006	American Clinical Laboratory Assn	1,000.00	
Do	American Family Life Assurance Co		
Do	American Insurance Assn		
Do	American Maritime Transport, Inc		
Do	American Trucking Assns, Inc		
Do	Arthur Andersen & Co	1,000.00	
Do	California Student Loan Finance Corp	1,507.91	
Do	Center for Environmental Education, Inc		
Do	ChemWaste Management, Inc		
Do	China External Trade Development Council	8,400.00	
Do	City of Minneapolis		
Do	Coca-Cola Company	17,260.00	
Do	Consumer Credit Insurance Assn		
Do	Corcoran Mullins Jennison		
Do	CNA Insurance Co	1,869.38	
Do	Distilled Spirits Council of the U.S., Inc	1,000.00	
Do	Eastern Michigan University	301.19	
Do	Electronic Data Systems Corp	1,000.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Embassy of Bolivia	44,125.00	
Do	Gaming Industry Assn of Nevada, Inc	4,624.58	603.86
Do	Glass Packaging Institute	1,320.00	
Do	Government of Netherlands Antilles	16,200.00	
Do	Hennepin County		
Do	Independent Advertising Council		
Do	Investment Company Institute	1,835.00	
Do	Kawasaki Kisen Kaisha, Ltd		
Do	Martin Marietta Corp	2,000.00	
Do	MasterCard International, Inc		
Do	Mercedes-Benz of North America, Inc		
Do	Miller & Schroeder Financial, Inc		
Do	Minnesota Mutual Life Insurance Co		
Do	Mitchell Sweet & Associates	1,400.00	
Do	National Apartment Assn	1,000.00	
Do	National Assn of Off-Track Betting		
Do	National Assn of Optometrists and Opticians, Inc		
Do	National Assn of Portable X-Ray Providers		
Do	National Assn of Private Enterprise of El Salvador	2,100.00	
Do	National Republican Alliance of El Salvador (ARENA)	10,000.00	5,200.00
Do	Nevada Resort Assn	9,125.42	896.81
Do	Philadelphia Stock Exchange		
Do	Joseph E. Seagram & Sons, Inc	375.74	
Do	State of Alaska	11,536.88	
Do	Visa, USA, Inc		
Paul T. O'Day, 1150 17th Street, NW Washington, DC 20036	American Fiber Producers Assn, Inc		
Thomas A. O'Day, 1629 K St., NW, #1010 Washington, DC 20006	Alliance of American Insurers	450.00	
John F. O'Donnell, 1111 14th St., NW, #1100 Washington, DC 20005	American Dental Assn	1,000.00	
J. Daniel O'Flaherty, 1625 K St., NW, #1090 Washington, DC 20006	National Foreign Trade Council	5,000.00	400.00
Bridget O'Grady, 955 L'Enfant Plaza, SW, #1202 N Washington, DC 20024	National Water Resources Assn	3,750.00	
Jane O'Grady, 815 16th St., NW Washington, DC 20006	American Fed of Labor & Congress of Industrial Organizations	15,885.22	163.33
Terri O'Grady, 1600 Rhode Island Avenue, NW Washington, DC 20036	National Rifle Assn of America	1,150.05	238.01
Barbara E. O'Hara, P.O. Box 23992 Washington, DC 20026-3992	American Soc of Travel Agents	75.00	
James G. O'Hara, Patton, Boggs & Blow 2550 M St., NW, #800 Washington, DC 20037	Wayne County Michigan	1,095.00	22.00
O'Melveny & Myers, 555 13th St., NW Washington, DC 20004	Amax, Inc		
Do	Dulles Access Rapid Transit Corp		
Do	Mobil Oil Corp		
Joseph O'Neil, 1000 Wilson Blvd., #3000 Arlington, VA 22209	ITT Defense Technology Corp	1,500.00	50.00
John Vincent O'Neill, 13411 Running Pump Ct. Herndon, VA 22071	Institute of Electrical & Electronics Engineers	2,425.00	728.46
Joseph P. O'Neill, 1616 H Street, NW Washington, DC 20006	American Retail Federation	600.00	82.00
O'Neill and Athy, P.C., 1310 19th Street, NW Washington, DC 20036	Allegheny County Commission		
Do	American Bankers Assn		
Do	Bank of New England		
Do	Beth Israel Hospital		
Do	Brigham and Women's Hospital		
Do	Business Roundtable		
Do	Coalition of Boston Teaching Hospitals		
Do	Connecticut Bank & Trust Corp		
Do	Cruise America Line, Inc		
Do	Glass Packaging Institute		
Do	Massachusetts General Hospital		
Do	Massachusetts Hospital Assn		
Do	Milk Industry Foundation		
Do	National Football League		
Do	National Gas Pipeline Coalition		
Do	New England Deaconess Hospital		
Do	New England Medical Center		
Do	Northwestern Mutual Life		
Do	Pyrotechnic Signal Manufacturers Assn		
Do	Sears Roebuck & Co		
Do	Source Data Network		
Do	Texas Utilities Co		
Do	University Hospital		
Do	USTA		
Do	USX Corporation	2,300.00	
Do	Viacom International		
John T. O'Rourke, 1850 M Street, NW Washington, DC 20036	Securities Industry Assn	836.00	
J. Denis O'Toole, 1120 Connecticut Avenue, NW Washington, DC 20036	American Bankers Assn		
Do	U.S. League of Savings Institutions	5,000.00	
John E. O'Toole, 1899 L Street, NW Washington, DC 20036	American Assn of Advertising Agencies	2,500.00	750.00
M. Diane O'Toole, 1000 Wilson Blvd., #2300 Arlington, VA 22209	Northrop Corp		453.28
Stephen E. O'Toole, 1660 L St., NW Washington, DC 20036	General Motors Corp	3,000.00	3,886.20
Jana R. Oakley, 1331 Pennsylvania Avenue, NW, #1500N Washington, DC 20004-1703	National Assn of Manufacturers	350.00	
Paul C. Oakley, 50 F Street, NW Washington, DC 20001	Association of American Railroads		
Kim M. Oboz, 1020 19th Street, NW, #700 Washington, DC 20036	U S West, Inc	550.00	1,905.04
Ocenco, Inc, 400 Academy Dr Northbrook, IL 60062			193.22
Thomas J. Oden, 1503 N. Filmore St. Arlington, VA 22201	National Milk Producers Federation	2,000.00	
Neil H. Offen, 1776 K Street, NW Washington, DC 20006	Direct Selling Association		
Donald G. Ogilvie, 1120 Connecticut Ave., NW Washington, DC 20036	American Bankers Assn	2,500.00	
Michael D. Oldak, 1800 Massachusetts Avenue, NW Washington, DC 20036	National Rural Electric Cooperative Assn	149.00	
R. Teel Oliver, 1615 L Street, NW, #1320 Washington, DC 20036	Merck & Co, Inc	1,375.00	500.00
Eric Olson, 1412 16th St., NW Washington, DC 20036-0001	National Wildlife Federation	4,037.80	
Gerald L. Olson, Pillsbury Center, MS 3771 Minneapolis, MN 55402	Pillsbury Company		
Richard C. Olson, 2000 Edmund Valley Drive, #400 Reston, VA 22091	Citibank, N.A.	1,050.00	
Do	DynCorp	4,212.00	
Do	Hydrocarbon Research, Inc		
Olwine Connelly Chase O'Donnell & Weyher, 1701 Pennsylvania Ave, NW, #1000 Washington, DC 20006	Ad Hoc Comm for Small Hydro Power	500.00	
Do	Alexander & Alexander Services, Inc		
Do	Energy Factors, Inc		
Do	Family Service America		
Do	Grants & Contracts Projects		
Do	Intercontinental Energy Corp		
Do	Long Lake Energy Corp		
Do	Manville Corp		
Do	National Corp for Housing Partnerships		
Do	National Independent Energy Producers	2,000.00	
Do	Sithe Energies USA, Inc		
Do	YMCA of the USA		
Omega International, Inc, 11 Carriage House Circle Alexandria, VA 22304	Signal Landmark	500.00	
Do	United Engineers & Constructors	300.00	
Clark Onstad, 1201 Pennsylvania Ave., NW, #300 Washington, DC 20004	Texas Air Corp, et al	4,500.00	3,109.00
Oppenheimer Wolff & Donnelly, 1020 19th Street, NW, #400 Washington, DC 20035	Korean Footwear Exporters Assn	15,000.00	
Do	Nishika Corp	223.17	39.61
Cassandra Opperman, 15837-A Crabbs Branch Way Rockville, MD 20855	National Center for Drunk Driving Council	652.50	541.43
Charles J. Orasin, 1225 Eye Street, NW, #1100 Washington, DC 20005	Handgun Control, Inc	11,134.62	
Michel Orban, American Express Company World Financial Center 200 Vesey Street New York, NY 10285-4890	American Express Co		
Elvira J. Orly, 1150 Connecticut Ave., NW, #500 Washington, DC 20036	Browning-Ferris Industries, Inc		
Edward R. Osann, 1412 16th St., NW Washington, DC 20036-0001	National Wildlife Federation	8,669.50	
James L. Osborne, 4th & Davis Streets P.O. Box 808 McMinnville, OR 97128	National Assn of Mutual Insurance Cos		
J. F. Otero, 815 16th Street, NW Washington, DC 20006	Tranpsortation Communications Union	1,000.00	
Cliff Ouse, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn	25.00	
Arthur R. Ouslander, P.O. Box 23451 Washington, DC 20026	Consolidated Rail Corporation	2,667.00	
Gene E. Overbeck, 1101 17th Street, NW Washington, DC 20036	American Airlines, Inc	2,125.00	46.60

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Overseas Education Assn, 1201 16th Street, NW Washington, DC 20036		1,000.00	893.50
Thomas E. Owens, 1111 14th Street, NW, #1200 Washington, DC 20005	American Dental Assn	1,000.00	
Thomas J. Owens, P.O. Box 12266 Seattle, WA 98102	Dollar Savings Bank, et al	57,750.00	6,252.35
Do	Pacific First Financial Corp	18,300.00	1,946.17
Do	University Federal Savings & Loan	31,300.00	5,145.97
William J. Owens, 1745 Jefferson Davis Highway, #511 Arlington, VA 22202	Manufactured Housing Institute	629.00	
P/M Consulting, Inc, 1211 Connecticut Avenue, N.W. Suite 506 Washington, DC 20036	Syscon Corporation	9,000.00	9,000.00
Do	Talley Corporation	9,000.00	9,000.00
Joel Packer, 1201 16th Street, NW Washington, DC 20036	National Education Assn	2,992.20	450.00
Eileen E. Padberg, 17011 Beach Blvd., 8th Floor Huntington Beach, CA 92647	Reese Communications Cos (for: Philip Morris, USA)		200.12
Lee W. Paden, P.O. Box 201 Tulsa, OK 74102	Public Service Co of Oklahoma		
Pagonis & Donnelly Group, Inc., 1255 23rd Street, NW Washington, DC 20037	Air Products & Chemicals Inc	975.00	80.84
Do	Algoma Steel Corp, Ltd, et al		
Do	Americans for National Dividend Act, Inc	18,000.00	28.05
Do	Association of High Medicare Hospitals	9,500.00	124.40
Do	ABB, Inc	600.00	66.11
Do	Burroughs Wellcome Co	10,800.00	178.51
Do	City of Pompano Beach		
Do	Dow Chemical USA	3,000.00	
Do	Harrah's, Inc		
Do	Holiday Corp	9,975.00	645.36
Do	National Wool Growers Assn		
Do	Nord Resources Corp		
Benjamin L. Palumbo, 1629 K St., NW Washington, DC 20006	Atlantic Richfield Co	19,250.00	
Do	European Community	13,200.00	
Palumbo & Cerrell, Inc, 1629 K St., NW, # 1100 Washington, DC 20006	American Soc of Composers Authors & Publishers	33,750.00	
Do	Artists for Tax Equity		
Do	RJR Nabisco, Inc	24,000.00	
Do	Southern California Rapid Transit District	15,000.00	
Peter J. Pantuso, 7900 Westpark Drive, A-320 Mclean, VA 22102	National Confectioners Assn of the U.S.		1,650.00
Marcia M. Pape-Daniels, 655 15th Street NW, Suite #444 Washington, DC 20005	CH2M Hill	750.00	
G. Oliver Papps, N.J. Petroleum Council 150 W. State St. Trenton, NJ 08608	American Petroleum Institute	90.00	
Stephen J. Paradise, 1800 K Street, NW, #1100 Washington, DC 20006	New York Stock Exchange, Inc		
Jonathan R. Paret, 1850 M Street, NW Washington, DC 20036	Securities Industry Assn	1,731.00	
Alan A. Parker, 1050 31st Street, NW Washington, DC 20007	Association of Trial Lawyers of America	5,000.00	100.00
Bruce Parker, 1730 Rhode Island Ave., NW Washington, DC 20036	National Solid Wastes Management Assn	200.00	
John N. Parker, 1100 Connecticut Ave., NW, #620 Washington, DC 20036	Mobil Corp	375.00	
Kimberly C. Parker, 1300 L Street, NW Washington, DC 20005	American Postal Workers Union, AFL-CIO	10,121.23	274.81
Tom V. Parker, Arkansas Petroleum Council 460 Twin City Bank Bldg. North Little Rock, AR 72114	American Petroleum Institute	702.00	1,141.60
Carl M. Parks, 633 Pennsylvania Ave., NW, #600 Washington, DC 20004	Sears Roebuck & Co	5,000.00	280.00
Ann M. Parman, 1701 K Street NW, Suite 400 Washington, DC 20005	National Manufactured Housing Federation	100.00	
Parry and Romani Associates, Inc, 233 Constitution Avenue, NE Washington, DC 20002	American Family Life Assurance Co	1,750.00	
Do	Association of Independent Television Stations, Inc	300.00	
Do	Bell Helicopter Textron, Inc		
Do	Cardiac Pacemakers, Inc	1,400.00	
Do	Care Enterprises	3,375.00	
Do	Cessna Aircraft Compnay	2,000.00	
Do	Commonwealth of the Bahamas	15,750.00	
Do	Commonwealth of Puerto Rico		
Do	Eaton Corp		
Do	Elanco Products	600.00	
Do	Genentech	600.00	
Do	Generic Pharmaceutical Industry Assn	2,000.00	
Do	Herbalife International	2,500.00	
Do	International Brotherhood of Teamsters		
Do	Lockheed Aeronautical Systems Co	1,500.00	
Do	Motion Picture Assn of America, Inc	3,600.00	
Do	National Assn of Independent Insurers	1,500.00	
Do	Pfizer, Inc	2,400.00	
Do	Research Corp Technology, Inc	2,400.00	
Do	Schering Corp	1,200.00	
Do	Warner-Lambert Co	2,400.00	
Do	Westinghouse Defense & Electronics Systems Co		
Do	Won Door Corporation	1,125.00	
Amber Parson, 7901 Westpark Drive McLean, VA 22102	National Machine Tool Builders' Assn	1,100.00	500.00
Partnership on Health Benefits and Employment, P.O. Box 27414 Washington, DC 20038		155,525.00	4,844.29
Jack Partridge, 1014 Vine St. Cincinnati, OH 45201	Kroger Company	2,500.00	1,569.57
Richard E. Pasco, 1015 15th St., NW, #402 Washington, DC 20005	National Pork Producers Council	2,000.00	9.00
Peter R. Pastre, 1420 King St. Alexandria, VA 22314-2715	National Society of Professional Engineers	1,250.00	
M. Stephanie Patrick, 1101 15th Street, NW, #205 Washington, DC 20005	Cargill, Inc	1,250.00	
Gary B. Patterson, Delaware Petroleum Council P.O. Box 1429 Dover, DE 19903	American Petroleum Institute	136.00	122.74
Jerry M. Patterson, 3200 Park Center Dr., #650 Costa Mesa, CA 92626	City of Bell & Bell Community Redevelopment Agency	2,558.50	
Do	Burke Williams & Sorensen (For:City of Huntington Beach)	621.00	
Richard M. Patterson, 1776 EYE St., NW, #575 Washington, DC 20006	Dow Chemical Co	500.00	5,596.00
C. James Patti, 1133 15th Street, NW, #600 Washington, DC 20005	Maritime Institute for Reseach & Industrial Development		10,090.00
Kenton H. Pattie, 3150 Spring St. Fairfax, VA 22031	International Communications Industries Assn	4,463.00	291.77
David J. Pattison, 1025 Connecticut Ave., NW Washington, DC 20036	Health Insurance Assn of America, Inc		
Thomas B. Patton, 2000 K Street, NW, #201 Washington, DC 20006	North American Philips Corporation	38,000.00	8,030.00
Patton Boggs & Blow, 2550 M St., NW Washington, DC 20037	Advanced Technology, Inc		
Do	Aiwa America, Inc		
Do	Akai America, Ltd		
Do	Alain Wertheimer		
Do	Alaska Crab Coalition		
Do	Alexander & Baldwin, Inc		
Do	American Congress on Surveying & Mapping	180.00	
Do	American Express Co		
Do	American International Automobile Dealers Assn	722.50	20.00
Do	American Logistics Assn		
Do	American Maritime Assn	140.00	9.00
Do	American Stock Exchange		
Do	Association of Professional Flight Attendants		
Do	Association of Trial Lawyers of America	96.25	10.00
Do	Avon Products, Inc		
Do	Bath Iron Works Corp		
Do	Bic Corporation		
Do	Biogen		
Do	BATUS, Inc		
Do	Charles Center-Inner Harbor Management, Inc	1,500.00	
Do	Chelsea Property Owners		
Do	Chemfix Technologies, Inc		
Do	Cherokee Nation of Oklahoma	1,440.00	
Do	Chicago Board Options Exchange	1,155.00	30.00
Do	Chrysler Corporation		
Do	City & County of Denver	1,188.75	36.06
Do	Coalition on State Use Taxes	10,000.00	40.00
Do	College Savings Bank	1,050.00	17.00
Do	Columbia Farm Credit District		
Do	Columbia, Inc		
Do	Costa Rican Foreign Trade Committee		
Do	Council of Graduate Schools		
Do	Council of State Chambers of Commerce	6,615.99	752.78
Do	Cryolife, Inc		
Do	CIGNA Corporation		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Dealer Action Association		
Do	Dole Fresh Fruit Co		
Do	Dredging Industry Size Standards Committee (DISSC)		
Do	Duty Free Shoppers Group, Ltd		
Do	DOYON, Ltd	96.25	
Do	Fiart Cantieri Italiani, S.P.A.	765.00	
Do	Fidelity Investors		
Do	Fishing Vessel Owner's Assn		
Do	Freedom to Advertise Coalition	2,256.25	79.00
Do	Fuji Photo Film USA, Inc		
Do	Fundacion de Defensa del Comerio Exterior		
Do	Fundacion Pro Imagen de Columbia		
Do	Gana-A'Yoo, Limited		
Do	Government of Iceland		
Do	Charles Heilbronn, et al		
Do	Hitachi Sales Corp of America		
Do	Hobby Industries Assn		
Do	Immune Response Corp		
Do	Incorporated Research Institutions for Seismology		
Do	Institute of Scrap Iron & Steel, Inc	1,470.00	7.00
Do	International Thomson, Inc		
Do	Kaiser Aluminum & Chemical Corp		
Do	Kenwood USA Corporation		
Do	Loop, Inc		
Do	Marathon Oil Co	3,596.25	
Do	Mars, Inc		
Do	Mass Mutual	433.75	8.00
Do	Matson Navigation Co		
Do	Matsushita Electric Corp of America		
Do	Maxell Corp of America		
Do	May Department Stores Co		
Do	Metropolitan Life	250.00	8.00
Do	Minerals Marketing Corp of Zimbabwe		
Do	Mitsubishi Electric Sales American, Inc		
Do	Mocatta Metals Corp		
Do	Mutual Benefit Life		
Do	Mutual Legislative Committee	1,250.00	73.24
Do	MCI Telecommunications, Inc	315.00	10.00
Do	Nakajima USA		
Do	Nakamichi USA		
Do	National Assn of Life Underwriters		
Do	National Assn of Retail Druggists		
Do	National Cable Television Assn, Inc		
Do	National Con-serv, Inc	412.50	
Do	National Intergroup, Inc		
Do	National Marine Manufacturers Assn	1,680.00	7.00
Do	National Soft Drink Assn		
Do	Navajo Nation		
Do	New Process Co		
Do	New York Life Insurance Co		
Do	Newmont Mining Corp		
Do	Northwestern Mutual Life		
Do	NEC Electronics (USA) Inc		
Do	Olympic Fibers		
Do	Onkyo USA Corp		
Do	Options Clearing Corp		
Do	OSG Bulk Ships, Inc		
Do	Paine Webber, Inc		
Do	Pioneer Electronics (USA), Inc		
Do	Prince George Center, Inc	5,062.50	
Do	Reader's Digest Assn, Inc		
Do	Reinsurance Assn of America	986.25	28.00
Do	Republic of the Marshall Islands		
Do	Retail Industry Trade Action Coalition		
Do	Retail Tax Committee		
Do	Rice Millers' Assn		
Do	Sansui Electronics Corp		
Do	Sanyo Electronics, Inc		
Do	Sharp Electronics Corp		
Do	Charles E. Smith Companies	87.50	
Do	Smokeless Tobacco Council, Inc	1,050.00	5.00
Do	Sony Corp of America		
Do	Specialty Seafoods		
Do	Squibb Corporation		
Do	Sultantate of Oman	3,036.25	120.00
Do	Teac Corp of America		
Do	Teknika Electronics Corp		
Do	Toshiba America, Inc		
Do	TDK USA Corp		
Do	U.S. Air, Inc		
Do	U.S. Tobacco Co	787.50	20.00
Do	Union Pacific Corp		
Do	Universal Lottery Co		
Do	University of Arizona Foundation	6,961.77	706.64
Do	US JVC Corporation		
Do	Waste Management Inc		
Do	WWL-TV	96.25	10.00
Do	Yamaha Electronics Corp, USA		
Andrew R. Paul, 1875 Eye Street, NW, #1225 Washington, DC 20006	Gulf & Western, Inc	4,200.00	110.60
Paul Hastings Janofsky & Walker, 1050 Connecticut Avenue, NW, #1200 Washington, DC 20036	Allegheny Power System Inc, et al	875.00	
Do	Amdahl Corporation	2,427.50	
Do	CalMat Company		
Do	GAF Corporation		
Do	Kawasaki Motors Corp, USA	3,185.00	
Do	Oglethorpe Power Corp		
Do	Security Life of Denver		
Do	Tobacco Institute		
Larry E. Paulick, 2111 Eisenhower Avenue Alexandria, VA 22314	National Spa & Pool Institute		
Jude C. Payne, 1025 Connecticut Ave., NW Washington, DC 20036	Health Insurance Assn of America, Inc		
Nell Payne, 111 Massachusetts Ave., NW, 3rd Floor Washington, DC 20001	Turner Broadcasting System, Inc	1,800.00	
Tommy J. Payne, 1455 Pennsylvania Ave., NW, #525 Washington, DC 20004	RJR Nabisco, Inc	2,100.00	206.43
Richard A. Paysor, 1415 Elbridge Payne Rd., #135 St. Louis, MO 63017	First Capitol Associates - Gateway, Inc		
Ronald Pearson, 422 First Street, SE, #208 Washington, DC 20003	Embassy of South Africa		
Russell H. Pearson, 1156 15th Street, NW, #1015 Washington, DC 20005	J. C. Penney Co, Inc		
Pearson and Pipkin, Inc, 422 First Street, SE, #208 Washington, DC 20003	Embassy of South Africa	15,000.00	
Joe P. Peck Jr., 15th & M Streets, NW Washington, DC 20005	National Assn of Home Builders of the U.S.		
Shelley Peck, 122 C St., NW Washington, DC 20001	Children's Defense Fund	835.38	1,691.65
Lee Peckarsky, 1101 15th Street, NW, #400 Washington, DC 20005	National Council of Savings Institutions	13,700.00	
James M. Peirce Jr., 1016 16th Street, NW Washington, DC 20036	National Fed of Federal Employees	2,163.48	
Randall G. Pence, P.O. Box 781 Herndon, VA 22070	National Concrete Masonry Assn	5,000.00	149.15
Pennsylvania Assn of Families, 1006 West College Ave., #200 State College, PA 16801		15,675.65	770.95
Pennsylvania Power & Light Co, 2 North 9th Street Allentown, PA 18101			1,529.06
Pennwalt Corporation, Three Parkway Philadelphia, PA 19102			4,502.81

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Pension Real Estate Assn, 1129 20th Street, NW, #705 Washington, DC 20036			
Barbara K. Pequet, 609 Bonifant Street Silver Spring, MD 20910	American Soc for the Prevention of Cruelty to Animals	1,500.00	1,500.00
Victor J. Perini Jr., 1776 Massachusetts Ave., NW Washington, DC 20036	Highway Users Federation for Safety & Mobility		
James W. Perkins, 1 Beacon Street, Rm. 2200 Boston, MA 02108	Palmer & Dodge (For:National Assn of Bond Lawyers)		
Perkins Coie, 1110 Vermont Ave., NW, #1200 Washington, DC 20005	Boeing Company		
Do	Burlington Northern, Inc		
Do	Cook Inlet Region, Inc		
Do	Kootznoowoo, Inc.		
Gary J. Perkinson, 453 New Jersey Ave., SE Washington, DC 20003	Alliance for America's Homeowners		
Do	Perkinson & Associates, Inc (For:Beneficial Management Corp of America)		
Do	Perkinson & Associates, Inc (For:National Second Mortgage Assn)		
Perkinson & Associates, Inc, 453 New Jersey Ave., SE Washington, DC 20003	Alliance for America's Homeowners		
Do	Beneficial Management Corp		
Do	National Second Mortgage Assn		
Ernest Michael Perley, 112 St. Clair Avenue, West, #401 Toronto, Ontario M4V 2Y3	Canadian Coalition on Acid Rain		
Jeffry L. Perlman, 1615 H St., NW Washington, DC 20062	Chamber of Commerce of the U.S.	3,000.00	181.95
Susan Perry, 1025 Connecticut Avenue, NW Washington, DC 20036	American Bus Assn	2,687.50	75.00
Mark Pertschuk, 2054 University Ave., #500 Berkeley, CA 94704	Americans for Nonsmokers' Rights	1,400.00	
Roxanne Perugino, 888 16th St., NW Washington, DC 20006	Bannerman and Associates, Inc (For:Beirut University College)	1,000.00	60.00
Do	Bannerman & Associates, Inc (For:Government of Tunisia)	990.00	
Do	Bannerman and Associates, Inc (For:Sawyer-Miller Group (for Government of the Philippines)).	250.00	60.54
Phillips S. Peter, 1331 Pennsylvania Avenue, NW, #800-S Washington, DC 20004	General Electric Co	100.00	
Michael W. Peters, 5709 W. 21st St., P.O. Box 4267 Topeka, KS 66604	Kansas Electric Cooperatives, Inc	1,650.00	50.00
Robert Peters, 342 West 15th Street New York, NY 10011	Morality in Media, Inc		
Robert A. Peters, 1730 Rhode Island Ave., NW, Washington, DC 20036	National Solid Wastes Management Assn	200.00	
Esther Peterson, 2001 S St., NW, #510 Washington, DC 20009	International Organization of Consumers Unions		
Geoffrey G. Peterson, 1250 Eye St., NW, #900 Washington, DC 20005	Distilled Spirits Council of the U.S., Inc	2,000.00	
Kenneth W. Peterson, Kansas Petroleum Council 1005 Merchants Bank Tower Topeka, KS 66612	American Petroleum Institute		
Lars E. Peterson, 1750 K Street, NW Washington, DC 20006	Food Marketing Institute	500.00	
Mary Jo Peterson, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America	2,000.00	500.00
Sheryl L. Peterson, 1101 14th St, NW Washington, DC 20005	American Financial Services Assn	250.00	
Peterson Engberg & Peterson, 1730 M St., NW, #907 Washington, DC 20036	Federated Research Corp	26,400.00	699.68
Susan F. Petniunas, 1625 K Street, NW, #750 Washington, DC 20006	Manville Corporation	500.00	
Petrillo & Hordell, 2000 L Street, NW, #504 Washington, DC 20036	International Computaprint Corp		
Michael J. Petrina Jr., 1110 Vermont Avenue, NW, #800 Washington, DC 20005	Cosmetic Toiletry & Fragrance Assn, Inc		
Petroleum Marketers Assn of America, 1120 Vermont Ave., NW, #1130 Washington, DC 20005		20,000.00	20,549.69
Stephan Petry, 1800 Massachusetts Avenue, NW Washington, DC 20036	National Rural Electric Cooperative Assn	120.00	
Evelyn A. Petschek, 1730 Pennsylvania Ave., NW Washington, DC 20006	Patterson Belknap Webb & Tyler (For:Cultural Institutions Retirement Systems)		
C. L. Pettit, 1730 Rhode Island Ave., NW Washington, DC 20036	National Solid Wastes Management Assn	200.00	
Brian T. Petty, 1901 L St., NW, #702 Washington, DC 20036	International Assn of Drilling Contractors		
Peyser Associates, Inc, 1000 Vermont Ave., NW, #400 Washington, DC 20005	City of Philadelphia	16,000.00	
Do	Jacques Borel Enterprises, Inc		
Do	MacAndrews & Forbes Holdings, Inc	13,912.50	
Do	Metro	6,900.00	
Do	Metropolitan Toledo Consortium	36,000.00	
Do	National School Health Education Coalition		
Do	New York State Bridge Authority	1,000.00	
Do	Regional Transit Authority	13,500.00	
Do	Southeastern Pennsylvania Transit Authority	9,000.00	
Robert X. Peyton, 1957 E St., NW Washington, DC 20006	Associated General Contractors of America		
Steven J. Pfister, 1000 Connecticut Avenue, NW Washington, DC 20036	National Retail Merchants Assn	3,000.00	398.51
James R. Phalen, 1100 Connecticut Avenue, NW, #535 Washington, DC 20036	MAPCO, Inc	3,570.00	
Pharmaceutical Manufacturers Assn, 1100 15th Street, NW, #900 Washington, DC 20005		25,010.75	25,010.75
Marshall A. Pharr, 6103 Adirondack Amarillo, TX 79106	Southwestern Public Service Co	4,577.25	18.02
Dennis J. Phelan, 1101 17th St., N.W., #609 Washington, DC 20036	Pacific Seafood Processors Assn	12,600.00	891.00
Laura Phelps, 2501 M Street, NW, #400 Washington, DC 20037	American Assn of Crop Insurers	2,000.00	
Do	Chicago Board of Trade		
Do	McLeod & Pires (For:Mushroom Council)	2,000.00	
Do	McLeod & Pires (For:United Egg Producers)		
Mary Frances Phelps, 1050 Connecticut Ave., NW, #760 Washington, DC 20036	Union Oil Co of California		
William C. Phelps, 2929 Allen Parkway Houston, TX 77019	American General Corporation	6,800.00	4,591.21
William W. Phelps, P.O. Box 2159 Dallas, TX 75221	American Petrofina, Inc	23,565.36	4,180.95
Deborah M. Phillips, 1155 21st Street, NW, #400 Washington, DC 20036	General Instrument Corporation		
Deirdre B. Phillips, 100 Federal Street Boston, MA 02110	Bank of Boston Corporation		
Do	First National Bank of Boston	230.00	340.65
Patricia Lynn Phillips, P.O. Box 10891 McLean, VA 22102	National Assn of State Agencies for Food Distribution	2,300.00	
William G. Phillips, 417 Sixth Street, SE Washington, DC 20003	Association of Univ Environmental Health Science Centers	6,000.00	471.58
Do	Association of Univ Programs in Occupational Health & Safety	11,050.00	1,966.90
Do	Metal Trades Department, AFL-CIO	2,300.00	222.67
Phillips Nizer Benjamin Krim & Ballon, c/o Tibero Schwartz 40 West 57th Street, 32nd floor New York, NY 10019	Riverbay Corp		5.20
Dan Phythyon, 1771 N St., NW Washington, DC 20036	National Assn of Broadcasters	3,500.00	1,183.13
Paulette C. Pidcock, 1100 Connecticut Avenue, NW, #530 Washington, DC 20036	Baltimore Gas & Electric Co		
Janice Pieper, 1775 K Street, NW Washington, DC 20006	United Food & Commercial Workers Int'l Union	8,076.90	1,354.68
Wayne Pierce, 101 Constitution Avenue, NW Washington, DC 20001	United Brotherhood of Carpenters & Joiners of America	24,300.00	460.41
Stuart F. Pierson, Davis Wright & Jones 1752 N Street, NW, #800 Washington, DC 20036	LTV Corporation, et al		
Pierson Semmes & Finley, 1054 31st Street, NW Washington, DC 20007	Mauritius Sugar Syndicate		81.75
Do	Oklahoma Natural Gas Company		
Do	Six Flags Corporation		
Susan G. Pikrallidas, 8111 Gatehouse Road Falls Church, VA 22047	American Automobile Assn		
John H. Pilcher, 1331 Pennsylvania Ave.,NW, #1500 Washington, DC 20004-1703	National Assn of Manufacturers	125.00	
Pillsbury Madison & Sutro, 1667 K St., NW, #1100 Washington, DC 20006	D. L. Berger Associates, Inc		
Do	Grocery Manufacturers of America, Inc		
Do	Pfizer, Inc		
Do	Temis Ramires de Arellano		
Jane Pinsky, 1101 14th St., NW, #200 Washington, DC 20005	American Nurses' Assn	4,625.00	375.25
Valerie F. Pinson, 1724 Massachusetts Avenue, NW Washington, DC 20036	National Cable Television Assn, Inc	1,276.00	
Emily C. Piper, P.O. Box 3556 Washington, DC 20007	American Meat Institute	500.00	
Piper & Marbury, 1200 19th Street, NW, #700 Washington, DC 20036	Edison Electric Institute	1,092.50	1.00
Robert Pipkin Jr., Pearson & Pipkin, Inc 422 First Street, SE, #208 Washington, DC 20003	Embassy of South Africa		
Suellen Pirages, 1730 Rhode Island Ave., NW Washington, DC 20036	National Solid Waste Management Assn	200.00	
Plains Cotton Growers, Inc, 4510 Englewood Lubbock, TX 79414			
Plaintiff Employment Lawyers Assn, 911 Mercantile Library Bldg. 414 Walnut Street Cincinnati, OH 45202			
Reuben C. Plantico, 111 SW Columbia, #800 Portland, OR 97201	Nerco, Inc	5,250.00	663.95
Wyll W. Pleger, 1150 Connecticut Ave., NW, #205 Washington, DC 20036	Brown & Root, Inc		
Martha Rachel Plotkin, 2300 M Street, NW, #910 Washington, DC 20037	Police Executive Research Forum	511.81	
E. R. Plourd, 400 First Street, NW, #704 Washington, DC 20001	United Transportation Union	2,500.00	
Podesta Associates, Inc, 424 C Street, NE Washington, DC 20002	American Newspaper Publishers Assn	1,926.00	30.45
Do	Chemical Producers & Distributors Assn	1,428.00	107.71
Do	Digital Equipment Corp	500.00	
Rebecca S. Poe, P.O. Box 2450 Clarksburg, WV 26302-2450	CNG Transmission Corp	500.00	
John A. Poindexter, 3805 West Alabama Houston, TX 77027	Columbia Gulf Transmission Co	15,000.00	
Gerald Poje, 1412 16th Street, NW Washington, DC 20036-0001	National Wildlife Federation	390.72	
Mindy Pollack, One Greenwich Plaza P.O. Box 2568 Greenwich, CT 06836	NAC Re Corp		
Michele Pollak, 1909 K Street, NW Washington, DC 20049	American Assn of Retired Persons	617.88	591.62
Alfred M. Pollard, 1155 Connecticut Ave., NW, #1130 Washington, DC 20036	Security Pacific Corp		
John Pomeranz, 1319 F Street, NW, #300 Washington, DC 20004	HALT		
John F. Pontius, 130 North Carolina Avenue, SE Washington, DC 20003	Meadows Recovery Center		
Richard Popkin, 3000 K St., NW, #300 Washington, DC 20007	Swidler & Berlin (For:Ferroalloys Association)		
Edward T. Porcaro, 1615 L Street, NW, #1210 Washington, DC 20036	Metropolitan Life Insurance Cos	1,000.00	
Port of Seattle, P.O. Box 1209 Seattle, WA 98111			4,807.15
Porte Stafford & Associates, Inc, 1050 17th Street, NW, #840 Washington, DC 20036	American Medical Records Assn	3,000.00	
Do	National Assn of Medical Directors of Respiratory Care	6,000.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	National Dialysis Assn	6,000.00	
Porter Wright Morris & Arthur, 41 South High Street Columbus, OH 43215	Coalition for Environmental-Energy Balance		4,638.52
John C. Pouland, 5757 Martel, B-9 Dallas, TX 75206	Reese Communications Companies	9,000.00	142.20
Joseph L. Powell Jr., 1901 L Street, NW, #320 Washington, DC 20036	Ogilvy & Mather		
Powell Goldstein Frazer & Murphy, 1001 Pennsylvania Ave., NW, 6th Floor Washington, DC 20004	Association of Bank Holding Cos	2,932.00	
Do	Bayley Seton Hospital		
Do	Belz Investment Co		
Do	Committee for Competitive Marketing	2,700.00	
Do	Council of State Housing Agencies	546.00	
Do	Federal National Mortgage Assn		
Do	Flood Control Advisory Committee		
Do	Hitachi Sales Corp of America		
Do	International Telecommunications Satellite Organization	126.00	
Do	Jacques Borel Enterprises, Inc		
Do	Massachusetts Housing Finance Agency		
Do	National Multi Housing Council		
Do	Owens-Illinois, Inc	240.00	
Do	Starrett Housing Corp		
Do	Sunbelt Corp	797.00	
John J. Power, 815 16th St., NW Washington, DC 20006	American Fed of Labor & Congress of Industrial Organizations	15,885.22	285.22
Powers Harsch & Kinder, 1722 Eye Street, NW Washington, DC 20006	Aspen Technology, Inc		
Do	City of Cranston (RI)		
Do	Pyropower Corp		
Do	SOLV-EX Corp		
David J. Pratt, 1130 Connecticut Ave., NW, #1000 Washington, DC 20036	American Insurance Assn	700.00	165.00
Sarah J. Pratt, 1050 17th Street, NW, #700 Washington, DC 20036	National Ocean Industries Assn	750.00	
Preston Thorgrimson Ellis & Holman, 1735 New York Avenue, NW, #500 Washington, DC 20006	Alaska Loggers Assn		
Do	American President Lines		
Do	Bay Tankers Inc		
Do	Bellingham Cold Storage		
Do	Burlington Northern Railroad	18,830.00	
Do	Calista Corp		
Do	Council on Research & Technology		
Do	COMPACT		
Do	Data General Corp		
Do	Hewlett-Packard Co		
Do	Intelsat		
Do	Lutheran Medical Center		
Do	Marine Management, Inc		
Do	Martin's Point Health Care Center		
Do	National Council on Compensation Insurance		
Do	National Education Assn	360.00	34.37
Do	National Private Truck Council		
Do	OMI Corp		
Do	Pacific Medical Center		
Do	Port of Seattle		
Do	Seaboard Pacific Co		
Do	Seattle Organizing Comm		
Do	South Dakota Dept of Transportation		
Do	Sunmar Shipping, Inc		
Do	Tele-Communications, Inc		
Do	Transportation Institute		
Do	Tri-City Industrial Development Council		
Do	University of Washington		
James M. Price, 730 Polk Street San Francisco, CA 94109	Sierra Club		
Price Waterhouse, 1801 K St., NW, #700 Washington, DC 20006	Investment Company Institute	900.00	
Do	John D. & Catherine T. McArthur Foundation		
Patricia Pride, 1129 20th St., NW Washington, DC 20036	Financial Accounting Foundation	307.60	150.00
Sheila M. Prindiville, 1730 Rhode Island Ave., NW, #1000 Washington, DC 20036	National Solid Waste Management Assn	200.00	
William Prindle, 1925 K St., NW, #206 Washington, DC 20006	Alliance to Save Energy		
Joel Pritchard, Bogle & Gates One Thomas Circle, NW, #900 Washington, DC 20005	International Telecommunications Satellite Organization	28,565.00	
Pro-Life Congressional District 11, P.O. Box 727 San Carlos, CA 94070		168.00	764.93
Sydney Probst, 1250 Eye Street, NW, #900 Washington, DC 20005	Distilled Spirits Council of the U.S., Inc	2,000.00	
Procompetitive Rail Steering Committee, c/o Vuono, Lavelle & Gray 2310 Grant Building Pittsburgh, PA 15219			
Profit Sharing Council of America, 20 N. Wacker Drive Chicago, IL 60606			
Proprietary Association, 1150 Connecticut Ave., NW, #1200 Washington, DC 20036			4,212.50
Peter D. Prowitt, 1101 17th Street, NW, #400 Washington, DC 20036	American President Companies, Ltd	11,874.00	
Prudential-Bache Securities, Inc, 100 Gold St. New York, NY 10292			750.00
James C. Pruitt, 1050 17th St., NW, #500 Washington, DC 20036	Texaco, Inc	190.00	
Public Citizen Health Research Group, 2000 P St., NW, #700 Washington, DC 20036			
Public Citizen, Inc, 2000 P Street, NW Washington, DC 20036			26,567.00
Public Employee Department, AFL-CIO, 815 16th St., NW Washington, DC 20006		68,216.93	22,885.69
Public Land Users Society, 6824 19th West P.O. Box 282 Tacoma, WA 98466		1,500.98	
Public Relations International, Ltd, 801 S. Detroit Avenue Tulsa, OK 74120	Madison Public Affairs Group, Inc		
Public Timber Purchasers Group, 610 SW. Broadway, #608 Portland, OR 97205		18,000.00	2,282.88
Theresa Pugh, 1331 Pennsylvania Ave., NW, #1500-N Washington, DC 20004-1703	National Assn of Manufacturers		
Philip N. Pulizzi Jr., 1667 K Street, NW, #600 Washington, DC 20006	Bethlehem Steel Corp	110.00	
David E. Pullen, 1625 K Street, NW, #750 Washington, DC 20006	Manville Corporation	1,000.00	
John R. Purcell, 204 E Street, NE Washington, DC 20002	National Frozen Food Association	500.00	
Thomas W. Purcell, 1730 Noth Lynn Street Arington, VA 22209	Printing Industries of America, Inc	2,500.00	
Sue P. Purvis, P.O. Box 14042 St. Petersburg, FL 33733	Florida Power Corp	2,475.00	139.21
Do	Florida Progress Corp	625.00	12.57
Earle W. Putnam, 5025 Wisconsin Avenue, NW Washington, DC 20016	Amalgamated Transit Union, AFL-CIO		
Howard Pyle III, 1050 17th Street, NW, #550 Washington, DC 20036	Houston Lighting & Power Company	5,600.00	
Robert N. Pyle & Associates, 3222 N Street, NW, #32 Washington, DC 20007	Elkem Metals Company	4,250.00	84.00
Do	Independent Bakers Assn	3,000.00	150.00
Do	Stratcor	3,000.00	250.00
Do	Welch Foods, Inc	3,750.00	65.00
John R. Quarles Jr., Morgan Lewis & Bockius 1800 M St., NW Washington, DC 20036	National Environmental Development Assn		
William A. Quinlan, 3045 Riva Rd. Riva, MD 21140	National Candy Wholesalers Assn, Inc		
Do	Retail Bakers of America		
Harold P. Quinn Jr., 1130 17th St., NW Washington, DC 20036	National Coal Assn	5,600.00	16.50
Earl C. Quist, 1850 M Street, NW, #600 Washington, DC 20036	Toyota Motor Sales, USA, Inc		
George Gregory Raab, 2000 L Street, NW, #200 Washington, DC 20036	Medtronic, Inc		1.60
Mark J. Raabe, 1615 L St., NW, #1320 Washington, DC 20036	Merck & Co, Inc	500.00	300.00
Theresa Rabel, 1771 N Street, NW Washington, DC 20036	National Assn of Broadcasters	4,500.00	742.62
Steve Rabin, 1901 L Street, NW, #320 Washington, DC 20036	Ogilvy & Mather		
Alex Radin, 1200 New Hampshire Ave., NW, #507 Washington, DC 20036	Radin & Associates Inc (For:Washington Public Power Supply System)	2,625.00	
Do	Washington Public Utility Districts Assn	2,250.00	
W. A. Radziewicz, 400 First Street, NW, #708 Washington, DC 20001	Brotherhood of Railroad Signalmen	350.00	
Tess A. Rae, 1001 Pennsylvania Ave., NW Washington, DC 20004	American Council of Life Insurance, Inc		
Ragan & Mason, 900 17th St., NW Washington, DC 20006	American Bureau of Shipping	5,000.00	27.08
Do	American Ship Building Co	5,000.00	73.16
Do	Bechtel Corp	34,920.00	
Do	Childrens Television Workshop		
Do	Earth Observation Satellite Co		
Do	Government of Bermuda	3,000.00	
Do	National Bulk Carriers, Inc	4,500.00	
Do	R.J. Reynolds Nabisco, Inc		
Do	R.J. Reynolds Tobacco Co		
Do	Sea-Land Industries, Inc	20,000.00	231.00
Do	Security Pacific Leasing Corporation		
Do	Security Pacific National Bank		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Stimson Lumber Co & Miller Redwood Co	3,000.00	
Tanya A. Rahall, 2033 M Street, NW, #300 Washington, DC 20036	National Assn of Arab Americans	7,895.85	34.00
Roderic W. Rahe Jr., 1015 15th Street, NW, #802 Washington, DC 20005	American Consulting Engineers Council	2,250.00	
Richard W. Rahn, 1615 H St., NW Washington, DC 20062	Chamber of Commerce of the U.S.	240.00	257.12
Railway Labor Executives' Assn, 400 First St., NW, #804 Washington, DC 20001		460,800.00	63,788.75
Railway Progress Institute, 700 North Fairfax St. Alexandria, VA 22314			
Rainbow Lobby, 236 Massachusetts Avenue, NE, #409 Washington, DC 20002		232,238.17	245,655.05
Elizabeth L. Raisbeck, 801 Pennsylvania Ave., SE, #301 Washington, DC 20003	National Audubon Society	19,000.00	
John C. Ramig, 1730 M Street, NW, #900 Washington, DC 20036	Stoel Rives Boley Jones & Grey (For:Association of O & C Counties)	260.00	
Do	Stoel Rives Boley Jones & Gray (For:Gregory Affiliates, Inc)	7,465.00	1,005.04
Do	Stoel Rives Boley Jones & Grey (For:Pacificorp)	700.00	1,040.00
Kristen M. Rand, 2001 S St., NW, #520 Washington, DC 20009	Consumers Union of U.S., Inc	1,000.00	
Donald A. Randall, P.C., 321 D Street, NE Washington, DC 20002	Automotive Service Assn	5,160.38	
Do	National Independent Dairy-Foods Assn	5,438.64	
James D. Range, 1155 Connecticut Ave., NW, #800 Washington, DC 20036	Waste Management, Inc	3,550.00	2,224.00
Rebecca G. Range, 1201 Pennsylvania Ave., NW, #300 Washington, DC 20004	Texas Air Corp	5,550.00	3,110.00
D. Michael Rappoport, P.O. Box 52025 Phoenix, AZ 85072	Salt River Project	1,680.00	6,602.92
Brian Rasmussen, 655 Fifteenth Street, NW, Suite 350 Washington, DC 20005	Blue Cross & Blue Shield Assn		
Robert Ratliffe, 5808 Lake Washington Blvd., 3rd Fl. Kirkland, WA 98033-7397	McCaw Communications Cos		
John W. Rauber Jr., 2501 M Street, NW Washington, DC 20037	Chemical Manufacturers Assn, Inc	350.00	231.00
Carol L. Raulston, 1250 Connecticut Ave., NW Washington, DC 20036	American Paper Institute, Inc	1,660.00	
G. David Ravencraft, 1025 Connecticut Ave., NW, #507 Washington, DC 20036	Ashland Oil, Inc	2,000.00	
William R. Rawson, 950 N. Glebe Road, #160 Arlington, VA 22203-1824	American Boiler Manufacturers Assn	81.00	16.75
Bruce A. Ray, Bruce Ray & Company 420 C Street, NE Washington, DC 20002	American Committee for Shaare Zedek Hospital in Jerusalem	2,500.00	54.51
Do	Bayley Seton Hospital	2,000.00	401.69
Do	Cumberland Packing Company	4,331.25	90.96
Do	Rochester & Southern Railroad	2,500.00	173.10
Do	United Gerer Institutions	2,000.00	
John K. Rayburn, 1801 K Street, NW Washington, DC 20006	Westinghouse Electric Corp	235.00	30.00
Ralph Rayburn, 403 Vaughn Bldg. 807 Brazos Austin, TX 78701	Texas Shrimp Assn	865.00	55.00
David A. Raymond, 1025 Connecticut Ave., NW, #1014 Washington, DC 20036	Enserch Corporation	3,379.00	1,247.45
Floyd C. Raynard, 3169 Holcomb Bridge Rd., #505 Norcross, GA 30071	Stellar Technology Enterprises, Inc		
Richard J. Razook, 200 South Biscayne Blvd. 4900 Southeast Financial Center Miami, FL 33131-2363	Thomson Muraro Bohrer & Razook, P.A. (For:Burger King Corp)	12.28	
Julian O. Read, 1005 Congress Avenue, #500 Austin, TX 78701	Central & South West Corp		
Reading Is Fundamental, Inc, 600 Maryland Ave., SW, #500 Washington, DC 20560			
Linda S. Rearick, 1120 Connecticut Ave., NW Washington, DC 20036	American Bankers Assn	2,000.00	
Clark E. Rector Jr., 1400 K Street, NW, #1000 Washington, DC 20005	American Advertising Federation	675.00	
John M. Rector, 205 Daingerfield Rd. Alexandria, VA 22314	National Assn of Retail Druggists	700.00	150.00
Robert E Redding, 7315 Wisconsin Ave., #325 E Bethesda, MD 20814	Shippers National Freight Claim Council, Inc		
Donald L. Redfoot, 1909 K Street, NW Washington, DC 20049	American Assn of Retired Persons	550.57	177.73
David S. Reed, P.O. Box 18092 Washington, DC 20036	EDS Federal Corporation	618.75	333.82
Jo Reed, 1909 K Street, NW Washington, DC 20049	American Assn of Retired Persons	679.80	
Michael L. Reed, 1100 15th Street, NW, #900 Washington, DC 20005	Pharmaceutical Manufacturers Assn	4,000.00	
J. Mitchell Reese, 1700 K Street, NW, #1204 Washington, DC 20006	Chevron USA, Inc	400.00	25.00
Reese Communications Companies,Inc., 2111 Wilson Boulevard, #900 Arlington, VA 22201	Citizens for Sensible Control of Acid Rain (CSCAR)		
Do	National Association of Realtors	5,496.38	8,413.00
Do	Philip Morris USA	211,300.00	214,983.07
Benjamin F. Reeves, 1100 17th Street, NW Washington, DC 20036	Burley & Dark Leaf Tobacco Export Assn	1,075.00	
J. Ronald Reeves, 2345 Crystal Drive Arlington, VA 22227	U.S. Air, Inc	2,000.00	182.50
Timothy J. Regan, 1455 Pennsylvania Ave., NW, #500 Washington, DC 20004	Corning Glass Works	1,000.00	218.74
Regional Airline Association, 1101 Connecticut Ave., NW Washington, DC 20036		2,000.00	1,000.00
John Regnier, 1025 Connecticut Ave., NW, #200 Washington, DC 20036	Shell Oil Co	500.00	
David K. Rehr, 600 Maryland Ave., SW, #700 Washington, DC 20024	National Fed of Independent Business	4,875.00	400.00
Reichler, Choate, Appelbaum & Wippman, 1701 K Street, NW, #700 Washington, DC 20006	Republic of Guatemala	67,671.75	677.37
Do	Republic of Nicaragua		
Do	United Coconut Assn of the Philippines		1,263.56
Michael Reid, 1925 K Street, NW, #206 Washington, DC 20006	Alliance to Save Energy	998.45	
Reid & Priest, 1111 19th St., NW, #1100 Washington, DC 20036	Anheuser-Busch Companies, Inc		
Do	City of Philadelphia	23,010.00	269.45
Do	Committee of Corporate Telecommunications Users		
Do	CIAC Group	3,852.00	18.00
Do	Edison Electric Institute	885.00	24.00
Do	National Spa & Pool Institute		
Do	Pennsylvania Shipbuilding Co		
Do	Philadelphia Industrial Development Corp	22,694.22	4,305.78
Do	Phillip Morris		
Do	Rhode Island, Inc	20,300.00	696.63
Do	SPD Technologies	12,000.00	341.23
Do	Transol USA, Inc	4,177.50	437.00
Do	Utility Decommissioning Group	3,265.00	39.00
Joseph J. Reilly, Jr, 2414 Leighton Street Fort Lee, NJ 07024	Morality in Media, Inc		
Reinsurance Assn of America, 1819 L St., NW, 7th Floor Washington, DC 20036			
Diane Rennert, 2005 Massachusetts Avenue, NW Washington, DC 20036	Association of American Publishers	5,000.00	924.65
Edward Repa, 1730 Rhode Island Ave., NW Washington, DC 20036	National Sloid Wastes Management Assn	200.00	
Barclay T. Resler, 1627 K St., NW, #800 Washington, DC 20006	Coca-Cola Co	676.00	1,150.60
Resource Technical Consultants (USA), Inc, d/b/a TECNA 330 Seventh Avenue, #1902 New York, NY 10001			
Retired Officers Assn, 201 N. Washington St. Alexandria, VA 22314		97,806.62	138,011.05
John H. Reurs, 74 Trinity Place New York, NY 10006	New York Comm of Intl Comm of Passenger Lines		
Vincent P. Reusing, 1615 L Street, MW, #1210 Washington, DC 20036	Metropolitan Life Insurance Companies	1,000.00	
Alan V. Reuther, 1757 N Street, NW Washington, DC 20036	Int'l Union, United Auto Aerospace & Agric Implement Workers	20,221.08	156.25
Allan R. Rexinger, 1150 Connecticut Ave., NW, #1200 Washington, DC 20036	Proprietary Association	4,026.50	150.00
Mark E. Rey, 1250 Connecticut Avenue, NW Washington, DC 20036	National Forest Products Assn	1,500.00	
Renee Reymond, 1331 Pennsylvania Ave., NW, #1500 N. Washington, DC 20004	National Assn of Manufacturers		
Mary Anne Reynolds, 8111 Gatehouse Road Falls Church, VA 22047	AAA Potomac		
Timothy M. Reynolds, 1776 Eye Street, NW Suite 1000 Washington, DC 20006	BP America, Inc		
Frederick W. Rhodes, 1111 Jefferson Davis Highway, #811-E Arlington, VA 22202	Loral Corporation	4,250.00	
Laura K. Rhodes, 215 Pennsylvania Ave., SE Washington, DC 20003	Public Citizen, Inc	5,000.00	
Grace Ellen Rice, 600 Maryland Ave., SW Washington, DC 20024	American Farm Bureau Federation	7,975.00	350.04
Lois D. Rice, 1201 Pennsylvania Avneue, NW, #370 Washington, DC 20004	Control Data Corporation	305.00	
James E. Rich Jr., 1025 Connecticut Ave., NW, #200 Washington, DC 20036	Shell Oil Co	500.00	
Richard Richards, Law Office of Richard Richards 1050 Thomas Jefferson Street, NW, 6th Fl Washington, DC 20007	Hughes Aircraft Company	1,500.00	
Do	Universidad Autonoma de Guadalajara	1,500.00	
Alan H. Richardson, 2301 M St., NW Washington, DC 20037	American Public Power Assn	500.00	
Donna Richardson, 1101 14th Street, NW, #200 Washington, DC 20005	American Nurses' Assn	4,935.00	78.98
John C. Richardson, 101 Park Avenue New York, NY 10178	Morgan Lewis & Bockius (For:Underwriters at Lloyd's, London)		
John G. Richardson, 1130 Connecticut Ave, NW, #830 Washington, DC 20036	Southern Company Services, Inc	187.50	4,245.42
K. O. Richardson, 815 16th Street, NW, #511 Washington, DC 20006	Transportation - Communications Union	3,000.00	215.38
Warren S. Richardson, 325 Pennsylvania Ave., SE Washington, DC 20003	Washington Lobby Group, Inc (For:Preston Corp)	3,000.00	
Wesley S. Richardson, P.O. Box #65 Washington Grove, MD 20880	Washington Lobby Group, Inc (For:Preston Corp)	1,500.00	
Lois Richerson, 1724 Massachusetts Avenue, NW Washington, DC 20036	National Cable Television Assn, Inc	1,375.00	
Les Richter, 1801 Speedway Boulevard Daytona Beach, FL 32015	National Assn for Stock Car Auto Racing, Inc (NASCAR)		
Do	National Motorsports Comm of ACCUS, FIA, Inc		
Larry D. Rickards, 600 Maryland Ave., SW, #208 Washington, DC 20024	National Assn of Area Agencies on Aging	2,500.00	16.65
Christine R. Riddiough, 114 15th St., NE Washington, DC 20002	Gay & Lesbian Democrats of America	4,000.00	
Judy Noel Riddle, 6630 West Broad Street Richmond, VA 23301	Lawyers Title Insurance Co		
Lowell J. Ridgeway, North Dakota Petroleum Council P.O. Box 1395 Bismarck, ND 58502	American Petroleum Institute	750.00	1,277.05
E. George Riedel, 1000 Wilson Blvd., #3000 Arlington, VA 22209	International Telephone & Telegraph Corporation	1,500.00	50.00
Garth B. Rieman, 777 14th St., NW Washington, DC 20005	National Assn of Realtors	1,500.00	208.18
E. Philip Riggin, 1608 K St., NW Washington, DC 20006	American Legion	14,088.00	280.39
Ellen Riker, MARC Associates 1030 15th Street, NW, #468 Washington, DC 20005	American Society of Anesthesiologists		
Do	American Society of Clinical Pathologists		
Do	National Hemophilia Foundation		
Wesley J. Riker, 4647 Forbes Blvd. Lanham, MD 20706	AMVETS	6,800.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Russell C. Ring, 1700 Pensylvania Ave., SE, #500 Washington, DC 20006	Mutual of Omaha Insurance Co	2,000.00	727.55
Dale P. Riordan, 3900 Wisconsin Avenue, NW Washington, DC 20016	Federal National Mortgage Assn		
Kevin J. Riordan, 1700 K St., NW, #1200 Washington, DC 20006	Chevron USA, Inc	125.00	65.00
John S. Rippey, 730 15th St., NW Washington, DC 20005	Association of Bank Holding Cos	8,281.00	
Riselli & Pressler, P.C., 1225 19th Street, NW, #850 Washington, DC 20036	Professional Managers' Assn		
Carol A. Risher, 2005 Massachusetts Ave., NW Washington, DC 20036-1011	Association of American Publishers	2,000.00	
Jane Risk, 1730 M Street, NW Washington, DC 20036	League of Woman Voters of the U.S.	4,161.74	34.00
Delbert A. Ritchhart, 1530 Jamacha Road, #K330 El Cajon, CA 92019	General Dynamics Laser Systems Laboratory	28,406.25	5,965.10
Jeanne M. Ritchie, 1001 Pennsylvania Ave., NW Washington, DC 20004	American Council of Life Insurance, Inc		
Leslie Sue Ritts, Morgan Lewis & Bockius 1800 M Street, NW Washington, DC 20036	National Environmental Development Assn		
Valentin J. Riva, 1415 Elliot Place, NW Washington, DC 20007	National Stone Assn	4,000.00	500.00
Ivette E. Rivera, 412 First Street, SE Washington, DC 20003	National Automobile Dealers Assn	3,000.00	
Phillip W. Rivers, 1050 17th St., NW #500 Washington, DC 20036	Texaco, Inc	90.00	
Rivers Trainor Doyle & Leicht, Inc, One Catamore Blvd East Providence, RI 02914	Madison Public Affairs Group, Inc	5,000.00	8,085.00
Rivkin Radler Dunne & Bayh, 1575 I Street, NW, #1025 Washington, DC 20005	ALC Communications Corp		
Do	Chemical Bank	21,000.00	5,425.00
Do	Committee of National Security Cos, Inc		
Do	Cook Group	2,400.00	300.00
Do	National Basketball Assn		
Do	National Foreign Trade Council	3,132.00	1,647.00
Do	National Soft Drink Assn		
Do	Primerica		
Steve A. Robertson, 1608 K Street, NW Washington, DC 20006	American Legion	6,909.00	39.80
Robins Kaplan Miller & Ciresi, 1627 Eye St., NW, #610 Washington, DC 20006	City of St. Paul	2,601.00	
Do	Dominium Group, Inc		
Do	Polaris Industries	1,263.00	
Do			
Anthony W. Robinson, 300 Eye Street, NE, #200 Washington, DC 20002	Minority Business Enterprise Legal Defense & Education Fund		
Betty S. Robinson, 1757 N St., NW Washington, DC 20036	Int'l Union, United Auto Aerospace & Agric Implement Workers	16,061.94	15.20
Ernestine S. Robinson, 1575 Eye Street, NW Washington, DC 20005	American Soc of Assn Executives	300.00	
Kenneth L. Robinson, 3138 North 10th Street Arlington, VA 22201	National Assn of Federal Credit Unions		
Thomas E. Robinson, 1129 20th Street, NW, #705 Washington, DC 20036	National Assn of Real Estate Investment Trusts, Inc		
Do	Pension Real Estate Assn		
Robinson Lake Lerer & Montgomery, 1667 K St., NW, #900 Washington, DC 20006	Sun-Diamond Growers of California	5,000.00	
Do	Suzuki Motors of America, Inc	7,500.00	
Robison International, Inc, 2300 N St., NW, #600 Washington, DC 20037	FMC Corporation	4,500.00	5,078.00
Do	McDonnell Douglas Corp	7,500.00	5,483.00
Do	Royal Ordnance, Inc	12,000.00	8,772.00
Nancy Robleski, 1825 K Street, NW, #218 Washington, DC 20006	American Society of Mechanical Engineers		
James Anthony Rock, 1730 M Street, NW, #607 Washington, DC 20036	Montana Power Co, et al	2,000.00	1,851.55
Phillip Rodenberg, 1400 K Street, NW, #801 Washington, DC 20005	General Aviation Manufacturers Assn	1,983.00	
Quincy Rodgers, 1155 21st Street, NW, #400 Washington, DC 20036	General Instrument Corporation	3,500.00	357.78
Raymund Rodriguez, P.O. Box 982 El Paso, TX 79960	El Paso Electric Co		
Rogers & Wells, 200 Park Avenue New York, NY 10166	Adamar of New Jersey, Inc, et al		
Do	American Express Co		533.00
Do	Cafritz Foundation	5,000.00	
Do	Liz Claiborne, Inc		300.00
Do	Compagnie Financiere de Paribas		
Do	Desert Palace, Inc		
Do	Dreyfus Corporation	2,500.00	689.50
Do	Grocery Manufacturers of America, Inc		
Do	Internor Trade, Inc		
Do	Investment Partnership Assn		733.57
Do	Jockey Club		
Do	Kamehameha Schools/Bishop Estate		
Do	Liga Agricola Industrial de la Cana de Azucar		
Do	Merrill Lynch & Co, Inc		
Do	National Assn of Beverage Importers		100.00
Do	Pan American World Airways, Inc		
Do	Pan American World Services, Inc		
Do	Republic National Bank		
Do	Rutgers, The State University of New Jersey		
Do	Teachers Insurance & Annuity Assn/CREF		
Do	Walker Telecommunications Corp		100.00
Do	Wine & Spirits Wholesalers of America, Inc		100.00
Do	Wordperfect Corp		100.00
Carole M. Rogin, 1255 23rd Street, NW, #850 Washington, DC 20037	Hauck & Associates, Inc (For:Hearing Industries Assn)		
Richard A. Rohrbach, 1615 M Street, NW, #570 Washington, DC 20036	Boise Cascade Corp	34,200.00	178.75
Stephen F. Rohrkemper, 150 S. Washington St., #403 Falls Church, VA 22046	International Technical Expertise Ltd		
Ian M. Rolland, 1300 South Clinton Street Fort Wayne, IN 46801	Lincoln National Corp	900.00	520.00
Jackie Rollins, 1201 16th Street, NW Washington, DC 20036	Overseas Education Assn, Inc		
John F. Rolph III, 1275 Pennsylvania Ave, NW, #503 Washington, DC 20004	Citicorp Washington, Inc	1,000.00	
Kenneth S. Rolston Jr, 1025 Vermont Ave., NW, #1020 Washington, DC 20005	American Pulpwood Assn		
Emil A. Romagnoli, 180 Maiden Lane New York, NY 10038	Asarco, Inc	400.00	
Michael J. Romig, 1001 Pennsylvania Avenue, nw Washington, DC 20004-2599	American Council of Life Insurance, Inc	2,500.00	371.00
Francis P. Rooney, 1400 L Street, NW, #400 Washington, DC 20005	Biscuit & Cracker Mfgrs Assn		
Fred B. Rooney, 1050 Connecticut Ave., NW, #1200 Washington, DC 20036	American Iron & Steel Institute	3,250.00	
Do	Association of American Railroads	3,350.00	
Do	CalMat Company	2,950.00	
Do	Crawford Fitting Co	2,950.00	
Do	Specialty Vehicle Institute of America	10,000.00	
James Roosevelt, 567 San Nicolas Dr, # 106 Newport Beach, CA 92660	National Committee to Preserve Social Security	2,250.00	
John C. Roots, 1333 New Hampshire Ave., NW, #1001 Washington, DC 20036	Atlantic Richfield Co	384.29	
Ropes & Gray, 1001 Pennsylvania Ave., NW, #1200 Washington, DC 20004	Digital Equipment Corp		
Clifton Peter Rose, 1825 Eye Street, NW, #450 Washington, DC 20006	Goldman Sachs & Co	500.00	
Leslie Rose, 1129 20th St., NW, #600 Washington, DC 20036	Group Health Assn of America, Inc	2,290.77	
Rose Communications, Inc, 901 15th Street, NW Washington, DC 20005	Johnson Matthey, Inc	5,990.00	10,000.00
Rose Schmidt Hasley & DiSalle, 1250 24th Street, NW, #630 Washington, DC 20037	Equimark Corporation		
Do	Joy Technologies, Inc		
Do	Social Security Protection Bureau		
Burt E. Rosen, 1155 15th St. NW., #502 Washington, DC 20005	Bristol-Myers Co	25,000.00	
Susan D. Rosen, Keller and Heckman 1150 17th Street, NW, 1000 Washington, DC 20036	INDA, Assn of the Nonwoven Fabrics Industry		
Sara Rosenbaum, 122 C Street, NW Washington, DC 20001	Children's Defense Fund	1,404.00	
Herb Rosenbleeth, 1811 R Street, NW Washington, DC 20009	Jewish War Veterans of the USA	11,538.45	
Roger C. Rosenthal, 2001 S St., NW, #310 Washington, DC 20009	Migrant Legal Action Program, Inc		
Nancy Ross, 1830 17th Street NW Washington, DC 20009	Rainbow Lobby	5,100.00	1,175.36
William F. Ross, South Carolina Petroleum Council 1310 Lady Street, #716 Columbia, SC 29201	American Petroleum Institute	876.00	2,058.55
Ross & Hardies, 888 16th Street, NW, 3rd Floor Washington, DC 20006	Intertek Services International, Ltd		
Richard Rosser, 122 C Street, NW, #750 Washington, DC 20001	National Assn of Independent Colleges & Universities	1,261.00	
Barry N. Roth, 1120 20th Street, NW, #700 Washington, DC 20036	Williams Companies	500.00	
John C. Rother, 1909 K Street, NW Washington, DC 20049	American Assn of Retired Persons	1,507.69	
Linda Rothleder, 315 Bonifant Road Silver Spring, MD 20904	Marconi Electronics, Inc	3,000.00	956.21
Emily B. Rothrock, 1455 Pennsylvania Ave., NW, #900 Washington, DC 20004	American International Group, Inc	2,000.00	
Donald D. Rounds, South Dakota Petroleum Council 222 E. Capitol, #16 Pierre, SD 57501	American Petroleum Institute		
William C. Rountree, Suite 1000 1776 Eye Street, NW Washington, DC 20006	BP America, Inc		
Michael O. Roush, 600 Maryland Avenue, SW. #700 Washington, DC 20024	National Fed of Independent Business	4,875.00	300.00
Brigette M. Rouson, Box 17407 Dulles Airport Washington, DC 20041	American Newspaper Publishers Assn	800.00	352.33
Eugene F. Rowan, 2550 M Street, NW Washington, DC 20037	National Assn of Chain Drug Stores, Inc		
Do	Revco D.S., Inc		
George R. Rowan, 1750 New York Ave., NW, #340 Washington, DC 20006	Armed Forces Marketing Council		
Rowan & Blewitt, Inc, 1000 Vermont Ave., NW Washington, DC 20005	Velsicol Chemical Corp		
J. Patrick Rowland, 918 16th St., NW, #601 Washington, DC 20006	Rowland Government Relations Associates (For:Baker Industries)	1,500.00	
Do	Rowland Government Relations Associates (For:Borg-Warner Automotive, Inc)	2,000.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Rowland Government Relations (For:Coalition for Uniform Product Liability Law)	2,000.00	
Do	Rowland Government Relations (For:GE Plastics)		
Rowland Government Relations, 918 16th Street, NW, #601 Washington, DC 20006	G. E. Plastics		
Do	Security Companies Organized for Legislative Action (SCOLA)	7,810.16	
Charles Rowton, 1899 L Street, NW, #1100 Washington, DC 20036	Exxon Corporation	1,080.00	
Roxton, Inc, 2000 S. Eads Street, #1003 Arlington, VA 22202	Medical Identification Card		
Robert S. Royer, 1747 Pennsylvania Ave., NW, #1200 Washington, DC 20006	Chrysler Military Sales Corp		
Do	City of Akron, Ohio		
Do	Drexel Burnham Lambert, Inc		
Do	Financial Security Assurance		
Do	International Futures Exchange		
Do	Intex Holdings (Bermuda) Ltd		
Do	Michigan Trade Exchange		
Do	Morgan Stanley & Co, Inc		
Do	Municipal Finance Industry Assn		
Do	Overseas Military Sales Group		
Do	Pfizer Inc		
Do	Phillips Petroleum Co		
Do	Securities Industry Assn		
Royer Shacknai & Mehle, 1747 Pennsylvania Avenue, NW, #900 Washington, DC 20006	Municipal Finance Industry Assn		
Do	John Nuveen & Co, Inc		
Do	Pfizer, Inc		
Do	Securities Industry Assn		
Tobi Z. Rozen, 888 16th St., NW Washington, DC 20006	Milk Industry Foundation/Int'l Ice Cream Assn		
Eric M. Rubin, 1730 M Street, NW, #412 Washington, DC 20036	Outdoor Advertising Assn of America, Inc		
Eldon Rudd, Shimmel Hill Bishop & Gruender, P.C. 3700 North 24th Street Phoenix, AZ 85016	Central Arizona Project Assn		
Barbara A. Rudolph, 1901 N. Fort Myer Drive, #302 Rosslyn, VA 22209-1606	Beverly Enterprises, Inc	3,375.00	75.00
Henry C. Ruempler, 1120 Connecticut Ave., NW Washington, DC 20036	American Bankers Assn	2,000.00	
Nicholas L. Ruggiere, 1667 K Street, NW, #410 Washington, DC 20006	Johnson & Johnson	1,000.00	225.00
Ronald R. Rumbaugh, 5205 Leesburgh Pike, #1600 Falls Church, VA 22041	National Beer Wholesalers of America	500.00	
John Runyan, 1730 North Lynn St., #409 Arlington, VA 22209	Printing Industries of America, Inc	1,000.00	
Morgan S. Ruph, 4647 Forbes Boulevard Lanham, MD 20706	AMVETS	6,800.00	
Tonda F. Rush, Box 17407 Dulles Airport Washington, DC 20041	American Newspaper Publishers Assn		
Barry Russell, 1101 16th St., NW Washington, DC 20036	Independent Petroleum Assn of America		23.00
Christine Anne Russell, 1615 H Street, NW Washington, DC 20062	Chamber of Commerce of the U.S	9,875.00	
James A. Russell, 122 C St., NW, #740 Washington, DC 20001	American League for Exports & Security Assistance, Inc	500.00	10.35
Randall M. Russell, 517 C Street, NE Washington, DC 20002-5809	Lesher Russell & Moos, Inc		
Robert M. Russell, 2170 Piedmont Rd., NE Atlanta, GA 30324	Orkin Pest Control		
Jonathan Russin, 1215 17th Street, NW Washington, DC 20036	Caribbean Trade and Apparel Coalition (C-TAC)		
Wally Rustad, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn	50.00	
Herman Max Ruth 71990-158, FCI La Tuna P.O. Box 1000 Anthony, NM 88021			
Frank T. Ryan, 1400 K Street, NW Washington, DC 20005	Rubber Manufacturers Assn	2,500.00	
George J. Ryan, 915 Rockefeller Building Cleveland, OH 44113	Lake Carriers' Assn		
Joseph Ryan, 1155 21st., NW, 4th Fl Washington, DC 20036	General Instrument Corporation		
Patricia Ryan, 1319 F Street, NW, #1000 Washington, DC 20004	National Assn of Private Psychiatric Hospitals	500.00	
Thomas L. Ryan, 225 North Washington Street Alexandria, VA 22314	Non Commissioned Officers Assn of the USA		
John Ryan Associates, 8447 Portland Place McLean, VA 22102	MPB Corp	420.00	12.50
Charles Ryan Associates, Inc, 1110 Vermont Avenue, NW, #820 Washington, DC 20005	West Virginia Bankers Assn	3,000.00	475.10
Do	West Virginia Hospital Assn	6,000.00	707.08
Do	West Virginia Independent Oil & Gas Assn	7,500.00	428.70
Kermit W. Ryman, 1700 K St., NW, #1200 Washington, DC 20006	Chevron USA, Inc	234.00	157.74
RADAR, 4949 S 25A Tipp City, OH 45371		147,410.61	5.00
RBC Associates, 324 Fourth Street, NE Washington, DC 20002	Ann Arbor Railroad	2,500.00	5,065.05
Do	Bangor & Aroostook Railroad	9,750.00	5,065.05
Do	Chicago & North Western Railroad	48,000.00	5,065.05
Do	Delaware Otsego System	32,000.00	5,065.05
Do	Genesee & Wyoming Industries, Inc		5,065.05
Do	Regional Railroads of America	30,000.00	5,065.05
RJR Nabisco, Inc, 401 N. Main Street Winston-Salem, NC 27102			32,105.67
S.A.F.E.S.T., 1120 G St., NW, #800 Washington, DC 20005			5,000.00
Lawrence E. Sabbath, 918 16th Street, NW, #601 Washington, DC 20006	Rowland Government Relations (For:G. E. Plastics)		
Do	Rowland Government Relations (For:Security Companies Organized for Legislative Action (SCOLA)).	7,810.16	
Catherine Sadell, 322 D Street, NE Washington, DC 20002	Rainbow Lobby, Inc		
G. J. Thomas Sadler Jr., 3521 Valley Drive Alexandria, VA 22302	Communications Satellite Corp	1,500.00	291.85
Susan L. Sadtler, 2626 Pennsylvania Avenue, NW Washington, DC 20037	National Telephone Cooperative Assn	5,000.00	908.81
Frank Max Salinger, 1101 14th St., NW, 4th Floor Washington, DC 20005	American Financial Services Assn	250.00	
James H. Sammons, 535 North Dearborn Street Chicago, IL 60610	American Medical Assn		
Sammons Enterprises, Inc, 403 South Akard Dallas, TX 75202			2,012.03
Brian Sanderoff, 7500 Jefferson St., NE #250 Albuquerque, NM 87109	Reese Communications Companies	9,000.00	
James C. Sanders, 1225 'Eye' Street, NW, #825 Washington, DC 20005	Beer Institute		
Petronella C. Sanders, 1200 18th Street, NW, #200 Washington, DC 20036	National Business Aircraft Assn	500.00	
Rose Marie Sanders, 2501 M Street, NW Washington, DC 20037	Chemical Manufacturers Assn, Inc	200.00	42.00
Sanders Schnabel & Brandenburg, P.C., 1110 Vermont Avenue, NW, #600 Washington, DC 20005	American Soc of Assn Executives	3,491.00	40.17
Stuart A. Sanderson, 1920 N Street, NW, Washington, DC 20036	American Mining Congress		
Stephen E. Sandherr, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America	2,000.00	500.00
Myron G. Sandifer III, 1001 Pennsylvania Ave., NW, #625-South Washington, DC 20004	Jack McDonald Co (For:Belz Enterprises)		
Do	Jack McDonald Co (For:Dow Corning Corp)		
Do	Jack McDonald Co (For:Hitachi America, Ltd)		
Do	Jack McDonald Co (For:Hitachi Sales Corp of America)		
Do	Jack McDonald Co (For:Jacques Borel Enterprises, Inc)		
Do	Jack McDonald Co (For:Minorco Societe Anonyme)		
Do	Jack McDonald Co (For:Societe Generale de Surveillance, S.A.)		
Charles E. Sandler, 1220 L Street, NW Washington, DC 20005	American Petroleum Institute	6,000.00	
Peter G. Sandlund, 1725 Eye St., NW, #315 Washington, DC 20006	Council of European & Japanese National Shipowners' Assn	300.00	
James D. Santini, 1101 King Street, #350 Alexandria, VA 22314	American Escrow Assn	4,500.00	1,360.93
Do	Coeur D'Alene Mines	3,500.00	1,187.86
Do	National Tour Assn, Inc	23,913.00	5,821.87
Do	Truckee-Carson Irrigation District	1,062.50	266.72
Eric Sapirstein, 1333 H St., NW, #400 Washington, DC 20005	California Assn of Sanitation Agencies	2,000.00	1,049.56
Do	Cure Corp		
Do	In-Situ, Inc		
Do	Las Virgenes Municipal Water District		
Do	ENS Resources, Inc (For:Orange County Sanitation Districts)		15.87
Do	Victor Valley Wastewater Reclamation Authority		
Do	Western Research Institute		1,057.22
Ronald A. Sarasin, 1200 17th Street, NW Washington, DC 20036	National Restaurant Assn	1,500.00	990.00
Klara B. Sauer, 9 Vassar Street Poughkeepsie, NY 12601	Scenic Hudson, Inc		
Albert C. Saunders, 1100 15th St., NW #900 Washington, DC 20005	Pharmaceutical Manufacturers Assn	4,000.00	30.25
Save Our Security, 1201 16th St., NW, #222 Washington, DC 20036		41,100.00	18,916.00
Richard N. Sawaya, 1333 New Hampshire Ave., NW Washington, DC 20036	Atlantic Richfield Co		
Eric V. Schaeffer, Morgan Lewis & Bockius 1800 M St., NW Washington, DC 20036	Hazardous Waste Action Coalition		
Do	U.S. Gypsum Co		
Vicki Schafer, 701 W. Packard Avenue Fort Wayne, IN 46808	Telos Corp		
Victoria V. Schaff, Missouri Electric Utitlies 1800 K Street, NW, #1018 Washington, DC 20006	Kansas City Power & Light, et al	3,000.00	8,604.66
Schagrin Associates, 1112 16th St., NW, #200 Washington, DC 20036	Committee on Pipe & Tube Imports	44,680.00	178.01
Do	Sprinkler Pipe Producers Group	8,841.75	
Do	Weirton Steel Corporation	5,083.75	
Harold A. Schaitberger, 1750 New York Ave., NW Washington, DC 20006	International Assn of Fire Fighters	18,000.00	
William T. Schapaugh, 1030 15th Street, NW Washington, DC 20005	American Seed Trade Assn	5,000.00	
C. M. Schauerte, 2929 Allen Parkway Houston, TX 77019	American General Corporation		
Jay T. Scheck Jr., Rt. 202-206 North Somerville, NJ 08876	Hoechst Celanese Corp		
Robert H. Scheerschmidt, 490 L'Enfant Plaza East, #4200 Washington, DC 20024	Xerox Corp	500.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Robert J. Schenk, 15th & M Streets, NW Washington, DC 20005	National Assn of Home Builders of the U.S.		
Sandra A. Schlicker, McMahon and Associates 1331 Pennsylvania Avenue, NW Washington, DC 20004	Rodale Press	2,700.00	145.19
Kenneth D. Schloman, 499 South Capitol, SW, #401 Washington, DC 20003	National Assn of Independent Insurers	400.00	489.24
Richard M. Schmidt Jr., 1333 New Hampshire Ave., NW, #600 Washington, DC 20036	Association of American Publishers	500.00	
Do	National Assn of Trade & Technical Schools	1,250.00	
Arthur C. Schmitt, 3705 S. George Mason Drive, Apt. 301 So. Falls Church, VA 22041	Oxford Group, Limited		
Robert Richard Schmitt, #12453-047 PO Box 1000 Leavenworth, KS 66048-1000			
Herbert K. Schmitz, 1600 M St., NW, #702 Washington, DC 20036	ICI Americas, Inc	20,000.00	
John Noehl Schmitz, 4509 Cannes Lane Olney, MD 20832			88.86
Schnader Harrison Segal & Lewis, Suite 1000 1111 19th St., NW Washington, DC 20036	Savin Corporation		
Do	Toyota Motor Corporation	462.50	74.75
Thomas J. Schneider, 1300 19th Street, NW, #400 Washington, DC 20036	AFL-CIO Maritime Committee		
Abraham Schneier, 600 Maryland Ave., SW, #700 Washington, DC 20024	National Fed of Independent Business	3,401.75	300.00
Frank Schneller, 1957 E St., NW Washington, DC 20006	Associated General Contractors of America		
Kim Schnoor, 1667 K Street NW, #900 Washington, DC 20006	Robinson Lake Lerer & Montgomery (For:Napa Flood Control and Water Conservation District).	3,000.00	1,169.23
Paul Schoellhamer, 900 17th St., NW, #526 Washington, DC 20006	Northwest Airlines, Inc	1,000.00	100.00
Martha J. Schoonover, Fulbright & Jaworski 1150 Connecticut Ave., NW Washington, DC 20036	Merichem Company	1,997.50	
Carl J. Schramm, 1025 Connecticut Ave., NW Washington, DC 20036	Health Insurance Assn of America, Inc		
Jack J. Schramm, 1155 Connecticut Ave., NW, #800 Washington, DC 20036	Waste Management, Inc	3,550.00	2,224.00
Charles G. Schreiber, 1 Massachusetts Ave., NW Washington, DC 20001	National Guard Assn fo the U.S	7,800.00	910.00
A. Kolbet Schrichte, 1133 15th Street, NW, #640 Washington, DC 20005	American Logistics Association		
Leah Webb Schroeder, 1030 15th Street, NW, #100 Washington, DC 20005	Health Industry Manufacturers Assn	700.00	446.77
N. Donald Schroeder, Maryland Petroleum Council 60 West St., #403 Annapolis, MD 21401	American Petroleum Institute	360.00	92.03
Judy Schub, 1909 K Street, NW Washington, DC 20049	American Assn of Retired Persons	712.11	387.58
Amy J. Schultz, 317 Third St., SE, #22 Washington, DC 20003	Robert A. Rapoza Associates (For:National Rural Health Assn)		
Mark Schultz, 918 16th Street, NW, #406 Washington, DC 20006	Professional Services Council	1,500.00	6.00
Richard F. Schultz, 807 Maine Avenue, SW Washington, DC 20024	Disabled American Veterans	14,315.60	524.35
William B. Schultz, Suite 700 2000 P St., NW Washington, DC 20036	Public Citizen, Inc	1,000.00	25.00
Robert L. Schulz, c/o Iowa Petroleum Council 1012 Fleming Bldg. Des Moines, IA 50309	American Petroleum Institute	253.00	130.75
Ralph D. Schumack, 1800 M Street, NW, #325 South Washington, DC 20036	Dow Corning Corp		16.00
Adam D. Schwartz, 1101 15th St., NW, #400 Washington, DC 20005	National Council of Savings Institutions	2,000.00	
Arthur E. Schwartz, 1420 King St. Alexandria, VA 22314-2715	National Society of Professional Engineers	1,000.00	
Elinor Schwartz, 318 S. Abingdon Street Arlington, VA 22204	California State Lands Commission	10,800.00	1,331.72
Do	State of Washington Department of Natural Resources	2,730.00	
Richard Schwartz, 880 S. Pickett St. Alexandria, VA 22304	Boat Owners Assn of the U.S.	14,000.00	
Stephen I. Schwartz, 1436 U Street, NW Washington, DC 20009	Greenpeace USA	120.87	50.00
Richard S. Schweiker, 1001 Pennsylvania Ave, NW Washington, DC 20004	American Council of Life Insurance, Inc	750.00	
Michael Sciulla, 880 S. Pickett St. Alexandria, VA 22304	Boat Owners Assn of the U.S.	14,000.00	
Harold B. Scoggins Jr., 1101 16th St., NW Washington, DC 20036	Independent Petroleum Assn of America		
David A. Scott, 1220 L St., NW Washington, DC 20005	American Petroleum Institute	9,900.00	441.25
Ellen Scott, 1750 New York Avenue, NW Washington, DC 20006	Sheet Metal Workers International Assn	7,423.00	
Gregory R. Scott, 1875 Eye St., NW, #500 Washington, DC 20006	Philip Morris, Inc	280.85	159.00
James E. Scott, 906 12th Street , NE Washington, DC 20002			
James L. Scott, 1919 Pennsylvania Ave., NW, #703 Washington, DC 20006	American Healthcare Institute	11,125.00	211.50
John Havens Scott, 1101 Vermont Ave., NW 12th Floor Washington, DC 20005	American Medical Assn	3,750.00	
Scribner Hall & Thompson, 1850 K Street, NW, #1100 Washington, DC 20006	CNA Financial Corp	15,000.00	
Do	Provident Life & Accident Insurance Co	50,000.00	
Do	Security Life of Denver Insurance Co	115,063.00	
Do	Transamerica Corporation	10,000.00	
Anne Scully, 777 14th Street, NW Washington, DC 20005	National Association of Realtors	1,725.00	331.19
Timothy Scully, 25 Louisiana Avenue, NW Washington, DC 20001	International Brotherhood of Teamsters	12,099.08	
Walter J. Sczudlo, 1025 Connecticut Ave., NW Washington, DC 20036	Shell Oil Company	500.00	
Earl W. Sears, P.O. Box 12285 Memphis, TN 38182	National Cotton Council of America		
Law Offices of John Sears, 818 Connecticut Avenue, NW Washington, DC 20006	Embassy of the Republic of South Africa	15,000.00	194.33
James E. Secrist, 1745 Jefferson Davis Hwy., #1200 Arlington, VA 22202	Rockwell International Corp	2,000.00	375.94
Securities Industry Assn, 1850 M Street, NW Washington, DC 20036			493,015.00
Charles M. Seeger III, 2000 Pennsylvania Ave., NW, #6200 Washington, DC 20006	Chicago Mercantile Exchange	2,650.00	
Harold L. Segall, 1333 New Hampshire Ave., NW, #900 Washington, DC 20036	Beveridge & Diamond, P.C. (For:City of Bluefield, WV, et al.)	3,073.50	232.60
Merrill K. Seggerman, 1025 Connecticut Ave., NW, #200 Washington, DC 20036	Shell Oil Co	500.00	
Carl J. Seiberlich, 1101 17th Street, NW, #400 Washington, DC 20036	American President Companies, Ltd	10,767.00	
H. Richard Seibert Jr., 1331 Pennsylvania Ave., NW, #1500 N Washington, DC 20004-1703	National Assn of Manufacturers	980.00	
Seidman & Associates, P.C., Federal Bar Building, #1001 1815 H Street, NW Washington, DC 20006	National Tooling & Machining Assn		
Marlissa Senchak, 3900 Wisconsin Ave.,NW Washington, DC 20016	Federal National Mortgage Assn	16,000.00	862.50
Stanton P. Sender, 633 Pennsylvania Ave., NW, #600 Washington, DC 20004	Sears Roebuck & Co	11,500.00	872.18
Peter M. Seremet, 16 Munson Road Farmington, CT 06034-0338	Heublein, Inc	17,250.00	8,418.66
Terry L. Serie, 1250 Connecticut Avenue, NW Washington, DC 20036	American Paper Institute, Inc		
J. Richard Sewell, 1800 K St., NW, #1110 Washington, DC 20006	Florida Power & Light Co	3,000.00	990.52
Seyfarth Shaw Fairweather & Geraldson, 815 Connecticut Ave., NW, 5th Floor Washington, DC 20006	Agricultural Producers		
Do	American Soc of Pension Actuaries	13,800.00	38.18
Do	Flxible Corp		
Victoria McKenzie Shain, 1710 Rhode Island Avenue, NW, #300 Washington, DC 20036	Abbott Laboratories	2,000.00	
Thomas A. Shallow, 1220 L Street, NW Washington, DC 20005	American Petroleum Institute	200.00	
James M. Shamberger, 1819 L St., NW, 7th Floor Washington, DC 20036	Reinsurance Assn of America		
Deborah L. Shannon, 1120 Connecticut Ave., NW Washington, DC 20036	American Bankers Assn	1,500.00	
Gary J. Shapiro, 2001 Eye Street, NW Washington, DC 20006	Electronic Industries Assn	2,000.00	
Shea & Gardner, 1800 Massachusetts Avenue, NW Washington, DC 20036	Marshall & Stevens, Inc		
Do	Societe Generale de Surveillance, S.A.		
James V. Sheahan, 1666 Manhasset Drive Atlanta, GA 30338	Siemens Energy & Automation, Inc		
Gail E. Shearer, 2001 S St., NW, #520 Washington, DC 20009	Consumers Union of U.S., Inc	4,000.00	
John J. Sheehan, 815 16th St., NW, #706 Washington, DC 20006	United Steelworkers of America	15,838.25	
Peggy A. Sheehan, 1401 New York Avenue, NW, #1100 Washington, DC 20005	National Cooperative Business Assn	1,770.00	27.00
Shaun M. Sheehan, 1111 19th Street, NW, #1000 Washington, DC 20036	Tribune Broadcasting Co	3,000.00	5,008.96
Kathleen Sheekey, 3rd Floor 2030 M Street, NW Washington, DC 20036	Common Cause	14,400.00	131.47
C. Douglas Shelby, Florida Petroleum Council 325 John Knox Rd., #F-210 Tallahassee, FL 32303	American Petroleum Institute	1,078.32	1,120.00
Zack H. Shelley Jr., 1331 Pennsylvania Avenue, NW Washington, DC 20004	General Electric Co	1,156.00	
Seymour Sheriff, 1126 Woodward Bldg. Washington, DC 20005	American Fiber Manufacturers Assn, Inc		
George A. Sherman, 6511 Gateway Blvd. District Heights, MD 20747	AMEX Life Assurance Co		
Judith C. Sherman, 1111 14th Street, NW, #1200 Washington, DC 20005	American Dental Assn	1,000.00	151.61
Nancy Sherman, 1025 Connecticut Ave., NW Washington, DC 20036	Foodservice & Packaging Institute, Inc		
Nelson T. Shields, 1225 Eye Street, NW, #1100 Washington, DC 20005	Handgun Control, Inc	7,273.08	
R. Philip Shimer, 444 N. Capitol St., NW, #526 Washington, DC 20001	Western Governors Assn		
Harvey A. Shipman, 1800 Diagonal Road, #500 Alexandria, VA 22314	Penn Central Corporation		
Shippers National Freight Claim Council, Inc, 120 Main Street Huntington, NY 11743			
Julie Shisler, P.O. Box 85608 San Diego, CA 92138	General Atomics	4,236.00	2,783.86
John B. Shlaes, 1111 19th Street, NW Washington, DC 20036	Edison Electric Institute		
Elaine Shocas, 555 New Jersey Avenue, NW Washington, DC 20001	American Fed of Teachers	11,533.50	140.00
T. V. Shockley III, P.O. Box 2121 Corpus Christi, TX 78403	Central Power & Light Co	1,965.75	2,107.50
John G. Shortridge, 818 Connecticut Ave., NW Washington, DC 20006	USX Corporation	300.00	
Scott Shotwell, 1250 Connecticut Avenue, NW Washington, DC 20036	National Forest Products Assn	2,475.00	
A. Z. Shows, 1801 Columbia Rd., NW, #203 Washington, DC 20009			
Eric Shulman, 925 15th Street, NW Washington, DC 20005	National Council of Senior Citizens	11,800.00	75.00
Kathy Shulman, 1730 M St., NW Washington, DC 20036	League of Women Voters of the U.S.	3,845.92	146.30
Sidley & Austin, 1722 Eye Street, NW Washington, DC 20006	Donrey, Inc	8,002.93	
Do	Peoria Journal Star, Inc	1,315.35	
Richard D. Siegel, 1400 16th Street, NW, #400 Washington, DC 20036-2220	Guilford Glazer & Assoc		
Susan Siemietkowski, 1730 North Lynn Street Arlington, VA 22209	Printing Industries of America	2,000.00	
Christine Sigler, 2000 K St., NW, 8th Floor Washington, DC 20006	National Comm to Preserve Social Security	2,700.00	
Stephan Silberfarb, 500 North Capitol St., NW, #300 Washington, DC 20001	American Israel Public Affairs Comm	10,500.00	695.15
Mark Silbergeld, 2001 S Street, NW, #520 Washington, DC 20009	Consumers Union of U.S., Inc	4,000.00	20.00
David Silver, 1600 M St., NW Washington, DC 20036	Investment Company Institute		
Steve Silver, 1050 Thomas Jefferson St., NW, 6th Fl. Washington, DC 20007	Robertson Monagle & Eastaugh (For:Alaska Loggers Assn)	4,550.00	
Do	Robertson Monagle & Eastaugh (For:Alaska Pulp Corp)	1,500.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Robertson Monagle & Eastaugh (For:Bristol Bay Native Corp)	2,650.00	
Do	Robertson Monagle & Eastaugh (For:BP America, Inc)	3,250.00	
Do	Robertson Monagle & Eastaugh (For:BP Minerals America)		
Do	Robertson Monagle & Eastaugh (For:Liberty Shipping Group)		
Silver Users Assn, Inc, 1717 K St., NW Washington, DC 20006		4,567.70	3,512.67
Marcia Silverman, 1901 L Street, NW, #320 Washington, DC 20036	Ogilvy & Mather Public Affairs		
Curtis Silvers, 888 16th St., NW, #606 Washington, DC 20006	Bannerman & Associates, Inc (For:Government of Bangladesh)	750.00	24.00
Do	Bannerman & Associates, Inc (For:Government of Tunisia)	750.00	
Do	Bannerman & Associates, Inc (For:Sawyer-Miller Group (for Government of the Philippines)).	750.00	36.00
Silverstein & Mullens, 1776 K Street, NW, #800 Washington, DC 20006	Association for Advanced Life Underwriting	5,000.00	
Do	Bristol-Myers Co		
Do	Cushman & Wakefield		
Do	GATX Corporation		
Do	Music Corp of America, Inc		
Do	National Assn of Home Builders of the U.S.		
Do	Rolls-Royce Motor Cars, Inc		
Deborah S. Simmons, 1717 K St., NW, #407 Washington, DC 20006	American Assn for Marriage & Family Therapy	4,156.00	
Gary D. Simms, 1720 Eye Street, NW, 7th Floor Washington, DC 20006	American Academy of Actuaries		
Michael E. Simon, 1666 K St., NW Washington, DC 20006	Arthur Andersen & Co	388.00	8.00
Neil A. Simon, 1350 New York Ave., NW, #900 Washington, DC 20005	International Franchise Assn		
Simon & Company, Inc, 1001 Connecticut Ave., NW #435 Washington, DC 20036	City of Erie, PA	11,499.96	4,039.65
Do	City of Fresno, CA	8,300.84	4,396.20
Do	City of Portland, OR	8,503.84	4,599.19
Do	Elkhart, IN	5,497.95	4,790.94
Do	Gary, Indiana	8,008.18	4,354.36
Do	Newark, Ca	4,814.96	4,160.31
Do	San Leandro, CA	4,431.05	2,612.95
Do	Tacoma, WA	3,019.00	4,989.28
Do	Water Department in San Bernadino, CA	2,673.63	4,018.99
David C. Simonson, 1627 K St., NW, #400 Washington, DC 20006	National Newspaper Assn		
Talmage E. Simpkins, 444 North Capitol Street, #801 Washington, DC 20001	Labor-Management Maritime Committee, Inc	1,579.00	368.00
C. Kyle Simpson, 9 Greenway Plaza, #714 Houston, TX 77046	Coastal Corporation		
Thomas D. Simpson, 700 N. Fairfax Street Alexandria, VA 22314	Railway Progress Institute	574.06	
Albert M. Sims, 11006 Hampton Rd. Fairfax Station, VA 22039	Performance Engineering, Inc		
Ivan E. Sinclair, 1000 Wilson Boulevard, #2700 Arlington, VA 22209	TRW, Inc	1,000.00	
James W. Singer III, 1100 15th Street, NW Suite 900 Washington, DC 20005	Pharmaceutical Manufacturers Assn	4,000.00	
Constantine Sirigos, 1730 K Street, #1005 Washington, DC 20006	American Hellenic Institute Public Affairs Committee, Inc		
Skadden Arps Slate Meagher & Flom, 1440 New York Avenue, NW Washington, DC 20005	Anheuser-Busch Companies, Inc	1,500.00	
Do	General Development Corp	5,000.00	
Do	Government of Jamaica		
Do	Sara Lee		
Edmund J. Skernolis, 1155 Connecticut Ave., NW Washington, DC 20036	Waste Management, Inc	812.00	438.00
James H. Skidmore, 1156 15th St., NW, #1201 Washington, DC 20005	NCR Corporation		
William J. Skinner, 751 Rockville Pike, # 27B Rockville, MD 20852	U.S. Pharmacopeial Convention, Inc	910.57	32.00
Barney J. Skladany Jr., 1100 Connecticut Ave., NW, #620 Washington, DC 20036	Mobil Corp	1,125.00	
Scott Sklar, 1730 N. Lynn St., #610 Arlington, VA 22209	Solar Energy Industries Assn	5,421.75	18,338.14
Steven A. Skonberg, 3138 North 10th Street, Arlington, VA 22201	National Assn of Federal Credit Unions	1,250.00	
Paul A. Skrabut Jr., 1629 K Street, NW, 1100 Washington, DC 20006	Palumbo & Cerrell, Inc (For:Graphic Artists Guild)		
Dale D. Skupa, 3707 Woodview Trace P.O. Box 68700 Indianapolis, IN 46268	National Assn of Mutual Insurance Cos		
Jonathan Slade, 444 North Capitol St., NW, #711 Washington, DC 20001	Cuban-American Freedom Coalition	4,250.00	265.00
Do	Hadassah Medical Relief Organization	1,750.00	300.00
Do	International Advisors, Inc	1,500.00	
Do	Keefe Company (For:UNITA)	8,000.00	
F. Slatinshek & Associates, Inc, 1102 Belle Vista Dr. Alexandria, VA 22307	Grumman Aero Corp, et al	100.00	
Robert G. Slaughter, 1615 M ST., NW, #200 Washington, DC 20036	Amoco Corporation		
R. Barry Sleight, 5840 Cameron Run Terrace, #1413 Alexandria, VA 22303	CFIDS Assn	2,000.00	1,444.00
Barry S. Slevin, 1000 Potomac Street, NW, #204 Washington, DC 20007	Seifman Semo & Slevin, P.C. (For:United Food & Commercial Workers International Union).		
William T. Slider, 15th & M Streets, NW Washington, DC 20005	National Assn of Home Builders of the U.S.		
Ronald J. Slinn, 260 Madison Avenue New York, NY 10016	American Paper Institute, Inc		
Deborah Sliz, 2301 M Street, NW Washington, DC 20037	American Public Power Assn	2,500.00	
Catherine Reiss Sloan, 120 Maryland Ave., NE Washington, DC 20002	Competitive Telecommunications Assn		
Stephan K. Small, 1850 M Street, NW, Washington, DC 20036	Securities Industry Assn	1,689.00	
Small Business Council of America, Inc, P.O. Box 4299 Columbus, GA 31904		72,710.76	24,360.30
Smathers Hickey & Smathers, 1050 Connecticut Avenue, NW, #1230 Washington, DC 20036	American Horse Council	3,666.00	
Do	Florida East Coast Railway Co	750.00	
Do	National Hockey League	300.00	
Do	Pennzoil Co	6,000.00	
Robert G. Smerko, 2001 L St., NW, #506 Washington, DC 20036	Chlorine Institute, Inc		
Donald E. Smiley, 1899 L St., NW, #1100 Washington, DC 20036	Exxon Corporation		
C. Douglas Smith, 1850 M St., NW, #600 Washington, DC 20036	Toyota Motor Sales, USA, Inc		
Elizabeth M. Smith, 815 16th St., NW, #507 Washington, DC 20006	Amalgamated Clothing & Textile Workers Union	6,669.00	460.85
G. Wayne Smith, Potomac Visions, Ltd 1111 14th Street, NW Washington, DC 20005	Zapata Gulf Marine Corp		
Jeffrey A. Smith, 19001 S. Western Avenue Torrance, CA 90509	Toyota Motor Sales, USA, Inc		
Jeffrey A. Smith, 1600 Wilson Boulevard, #1000 Arlington, VA 22209	American Waterways Operators, Inc		
Jennifer L. Smith, 900 17th Street, NW, #520 Washington, DC 20006	West Mexico Vegetable Distributors Assn	300.00	
Julian H. Smith Jr., 600 North 18th Street Birmingham, AL 35291	Alabama Power Co	29,791.35	8,417.13
Kathryn Smith, 1454 Duke Street Alexandria, VA 22314	American Osteopathic Hospital Assn		
Marc Smith, 200 Renaissance Place 714 Jackson Street Dallas, TX 75202			
Maureen Smith, 122 C Street, NW, #750 Washington, DC 20001	National Assn of Independent Colleges & Universities	1,084.00	56.00
Michael E. Smith, P.O. Box 5000 Cleveland, OH 44101	Cleveland Electric Illuminating Co		
Michael P. Smith, 485 Lexington Ave. New York, NY 10017	New York State Bankers Assn	1,120.00	396.00
Owen T. Smith, 345 Mill River Road Oyster Bay, NY 11771	Reese Communications Cos (for: Philip Morris, USA)	12,000.00	
Patricia Smith, 1909 K St., NW Washington, DC 20049	American Assn of Retired Persons	690.57	34.34
Richard F. Smith, 1090 Vermont Ave., NW, #1100 Washington, DC 20005	Textron, Inc	600.00	150.00
Robert E. Smith, 1730 K St., NW, #1300 Washington, DC 20006	Olin Corporation	6,000.00	4,425.00
Sara Hope Smith, 1275 Pennsylvania Ave, NW, #400 Washington, DC 20004	Pacific Telesis Group	15,450.00	
Susan Snyder Smith, 7900 Westpark Drive, #A320 Mclean, VA 22102	Chocolate Manufacturers Assn of the USA	300.00	211.34
Tim Smith, 410 1st St., SE Washington, DC 20003	American Nuclear Energy Council	2,175.00	98.16
William A. Smith, 453 New Jersey Ave., SE Washington, DC 20003	Perkinson & Associates, Inc (For:Alliance for America's Homeowners)		
Do	Perkinson & Associates, Inc (For:Beneficial Management Corp)		
Do	Perkinson & Associates, Inc (For:National Second Mortgage Assn)		
Smith Anderson Blount Dorsett Mitchell & Jernigan, P.O. Box 12807 1300 St. Mary's Street Raleigh, NC 27605	Investment Company Institute		
Smith Dawson & Andrews, Inc, 1000 Connecticut Ave., NW, #304 Washington, DC 20036	Ambrosia Chocolate	7,500.00	40.00
Do	Bank Street College	3,000.00	
Do	City of Eugene, Oregon	9,750.00	
Do	Illinois Diversatech Corp		
Do	N.Y. Metropolitan Transportation Agency	19,800.00	75.00
Do	Power Packaging, Inc		
Do	S & F Warehouses, Inc		
Do	San Francisco Public Utilities Commission	8,250.00	
John W. Smith T, 410 First St., SE Washington, DC 20003	American Nuclear Energy Council	1,138.17	275.90
Smokeless Tobacco Council, Inc, 1925 K Street, NW, #504 Washington, DC 20006		1,055.00	1,055.00
Darlene Snow, 1730 Rhode Island Ave., NW Washington, DC 20036	National Solid Wastes Management Assn	200.00	
Larry S. Snowhite, 1825 Eye St., NW, #1201 Washington, DC 20006	New England Education Loan Authority		
David F. Snyder, 1130 Connecticut Avenue, NW, #1000 Washington, DC 20036	American Insurance Assn	450.00	8.00
Edward F. Snyder, 245 2nd St., NE Washington, DC 20002	Friends Committee on National Legislation	6,860.16	
Gene Snyder, 205 North Third Street LaGrange, KY 40031	Cincinnati Microwave, Inc	15,000.00	2,653.13
Do	Norfolk Southern Corp	15,000.00	2,653.13
Do	United Parcel Service	16,500.00	2,653.13
John M. Snyder, 600 Pennsylvania Ave., SE, #205 Washington, DC 20003	Citizens Comm for the Right to Keep & Bear Arms	9,000.00	
Wallace S. Snyder, 1400 K Street, NW, #1000 Washington, DC 20005	American Advertising Federation	5,843.75	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Snyder Ball Kriser & Assoc, Inc, 499 S. Capitol St., SW, #520 Washington, DC 20003	General Motors Corp	227.50	454.03
Alan C. Sobba, 1301 Pennsylvania Ave., NW, #300 Washington, DC 20004	National Cattlemen's Assn	1,000.00	
Society for Animal Protective Legislation, P.O. Box 3719 Georgetown Station Washington, DC 20007		15,991.75	52,943.20
Society of Real Estate Appraisers, Public Affairs Office 600 New Hampshire Ave., NW, #1111 Washington, DC 20037		2,362.00	2,362.00
Thomas J. Soles Jr., 8224 Old Courthouse Road Vienna, VA 22180	Sheet Metal & Air Conditioning Contractors' Nat'l Assn		
Sandra M. Solowiej, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America		
Judah C. Sommer, 1825 Eye Street, NW, #450 Washington, DC 20006	Goldman Sachs & Co	500.00	
James E. Sommerhauser, 8701 Georgia Ave., #701 Silver Spring, MD 20910	International Fed of Professional & Technical Engineers		
Susan E. Spangler, 1331 Pennsylvania Ave., NW, #1500 N Washington, DC 20004	National Assn of Manufacturers	500.00	
D. Dean Sparkman, 1707 L St., NW, #300 Washington, DC 20036-4202	United Airlines, Inc		
John S. Sparkman, 1100 Connecticut Ave., NW, #530 Washington, DC 20036	Baltimore Gas & Electric Company	698.56	1,382.63
Ian D. Spatz, 1785 Massachusetts Avenue, NW Washington, DC 20036	National Trust for Historic Preservation	2,947.23	
Sandra Spence, 1776 Massachusetts Ave., NW, #521 Washington, DC 20036	Spence Group (For:Association for Commuter Transportation, Inc)		
Do	Spence Group (For:Fire Equipment Manufacturers & Services Assn, Inc)		
William C. Spence, 3805 W. Alabama Houston, TX 77027	Columbia Gulf Transmission Co		
Alan P. Spielman, 655 15th Street, NW, #350 Washington, DC 20005	Blue Cross & Blue Shield Assn		
Frances Spivy-Weber, 801 Pennsylvania Avenue, SE Washington, DC 20003	National Audubon Society	1,000.00	600.00
William M. Spodak, 1801 K St., NW Washington, DC 20006	Westinghouse Electric Corp	2,500.00	55.00
Lisa M. Sprague, 1615 H Street, NW Washington, DC 20062	United States Chamber of Commerce	3,500.00	302.97
Martha Ann Spudis, 1015 15th Street, NW, #802 Washington, DC 20005	American Consulting Engineers Council	1,700.00	
Earl C. Spurrier, The Madison Building, #900 1155 15th Street, NW Washington, DC 20005	National Agricultural Chemicals Assn		
Mark G. Spurrier, 400 Kenilworth Drive Towson, MD 21204	Baltimore County Police Department, et al		
Squire Sanders & Dempsey, 1201 Pennsylvania Ave., NW P.O. Box 407 Washington, DC 20044	Alaska Air Group, Inc		
Do	American Chamber of Commerce in Germany		
Do	American Soc of Anesthesiologists		
Do	ADAPSO, the Computer Software & Services Industry Assn		
Do	Independent Data Communications Manufacturers Assn	1,200.00	48.00
Do	Microband Companies, Inc		
Do	National Collegiate Athletic Assn	14,256.50	
Do	Public Securities Assn		
Do	Samaritan Health Services		
Cecile Srodes, 1800 K Street, NW, #1100 Washington, DC 20006	New York Stock Exchange, Inc		
John W. Sroka, 8224 Old Courthouse Road Vienna, VA 22180	Sheet Metal & Air Conditioning Contractors' Nat'l Assn		
Janet G. St. Amand, 23 Wall Street New York, NY 10015	Morgan Guaranty Trust Co	450.00	
Connell Stafford, P.O. Drawer 1734 Atlanta, GA 30301	Coca-Cola Company	300.00	969.14
Linda Staheli, 100 Maryland Avenue, NE Washington, DC 20002	Council for a Livable World, et al		
Melvin R. Stahl, 1235 Jefferson Davis Hwy., #1410 Arlington, VA 22202	Motorcycle Industry Council, Inc		
Tyrone Stallworth, 220 North Devillers Street Pensacola, FL 32501			
David P. Stang, P.C., 1629 K St., NW, #601 Washington, DC 20006	McDermott International	2,438.40	
Joseph M. Stanton, 15th & M Streets, NW Washington, DC 20005	National Assn of Home Builders of the U.S.		
Bette Anne Starkey, 1030 15th Street, NW, #1100 Washington, DC 20005	Health Industry Manufacturers Assn	150.00	100.00
Lois Starkey, Suite 511 1745 Jefferson Davis Hwy. Arlington, VA 22202	Manufactured Housing Institute	8,125.00	891.57
David Michael Staton, 1615 H Street, NW Washington, DC 20062	Chamber of Commerce of the U.S	5,900.00	
James D. Staton, 320 Timberbrook Drive Waldorf, MD 20601	Air Force Sergeants Assn, Inc		
Mick Staton Associates, Inc, 4607 Lillian Drive Alexandria, VA 22310	Delchamps, Inc	140.00	
Randolph J. Stayin, 1815 H Street, NW, Suite 800 Washington, DC 20006	Barnes & Thornburg (For:Empire Resources, Inc)		
Do	Barnes & Thornburg (For:Special Comm for Workplace Product Liability Reform)		
Do	Barnes & Thornburg (For:Westland Oil Development Corp)		
Kathryn A. Steckelberg, 1111 19th Street, NW Washington, DC 20036-3691	Edison Electric Institute	2,150.54	194.12
William N. Steele, 1700 North Moore St., Fl. 21 Rosslyn, VA 22209	Boeing Company	1,960.05	1,841.76
Steele & Fornaciari, 2020 K Street, NW, #850 Washington, DC 20006	K Mart Corp	900.00	905.66
Carol Higgins Steenland, 1600 M Street, NW Washington, DC 20036	Investment Company Institute		
Allan Stein, 1130 Connecticut Ave., NW, #1000 Washington, DC 20036	American Insurance Assn		
Stein Davidoff & Malito, 100 East 42nd Street New York, NY 10017	Long Island University	9,000.00	82.50
Do	Nassau-Suffolk Hospital Council, Inc	9,000.00	442.50
Do	SPC Securities Services Corp	22,500.00	663.10
Kristin Stelck, 2401 Virginia Avenue, NW Washington, DC 20037	American Assn of University Women	5,000.00	391.59
Charles W. Stellar, 5410 Grosvenor Lane, #210 Bethesda, MD 20814	American Medical Care & Review Assn		
Jack L. Stempler, 1725 Jefferson Davis Highway, #900 Arlington, VA 22202	LTV Aerospace & Defense Co	2,500.00	75.00
Stephens Overseas Services, Inc, 114 East Capitol Avenue Little Rock, AR 72201			
Stephens, Inc, 114 East Capitol Avenue Little Rock, AR 72201			
Steptoe & Johnson, 1330 Connecticut Ave., NW Washington, DC 20036	Association of Private Pension & Welfare Plans, Inc		
Do	Bear Stearns & Co	1,204.78	
Do	Citizens Savings Financial Corp	255.66	
Do	Coast Savings and Loan Assn		
Do	Commercial Federal Savings and Loan Assn		
Do	CSO Company		
Do	Glendale Federal Savings and Loan Assn		
Do	MeraBank		
Do	Mutual Life Insurance Company Tax Committee		6.00
Paula Stern, 1133 Connecticut Ave., NW, #1000 Washington, DC 20036	Coalition of American Steel Using Manufacturers		
Richard W. Sternberg, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn	87.50	
Michael E. Steward, 1730 M Street, NW, #607 Washington,, DC 20036	Puget Sound Power & Light Co	4,300.00	671.42
Eugene L. Stewart, 808 17th Street, NW, #301 Washington, DC 20006-3910	Floral Trade Council		
Do	Monsanto Co		
Do	Roses, Inc		
Do	Timken Co		
Robert B. Stewart, 1050 17th St., NW, #700 Washington, DC 20036	National Ocean Industries Assn	2,200.00	
Terence P. Stewart, 808 17th Street, NW, #300 Washington, DC 20006-3910	Cabot Corporation		
Do	Floral Trade Council		
Do	Monsanto Co	0.60	0.60
Do	PPG Industries, Inc		
Do	Roses, Inc		
Do	Smith Corona Corp		
Do	Timken Co		
Do	Torrington Company		
Warren E. Stickle, 1225 19th Street, NW, #300 Washington, DC 20036	Chemical Producers & Distributors Assn	612.50	24.00
Do	Cheminova	225.00	10.00
Do	International Sanitary Supply Assn	412.50	6.00
Don Stillman, 1757 N Street, NW Washington, DC 20036	Int'l Union, United Auto Aerospace & Agric Implement Workers	1,894.93	7.00
Lee J. Stillwell, 1101 Vermont Ave., NW Washington, DC 20005	American Medical Assn	750.00	
Bonny S. Stilwell, 3803 Densmore Ct. Alexandria, VA 22309			100.00
Edward W. Stimpson, Suite 801 1400 K St., NW Washington, DC 20005	General Aviation Manufacturers Association	1,788.00	
David J. Stirpe, 1501 Wilson Blvd., #600 Arlington, VA 22209	Air Conditioning & Refrigeration Institute		
Heidi A. Stirrup, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America	2,000.00	500.00
John J. Stocker, 1110 Vermont Avenue, NW Suite 1250 Washington, DC 20005	Shipbuilders Council of America	3,300.00	
Stockholders of America, Inc, 1625 Eye Street, NW, #724A Washington, DC 20006		4,095.00	412.58
Steven F. Stockmeyer, 499 South Capitol Street, SE #103 Washington, DC 20004	Stockmeyer & Company (For:Federal Home Loan Mortgage Corp)		
Do	National Assn of Business PACs		
Do	Springs Industries		
Stoel Rives Boley Jones & Grey, 1730 M Street, NW, #900 Washington, DC 20036	A-dec, Inc	1,150.00	15.00
Do	Cape Fox Corp		
Do	Capital Markets		
Do	Klawock Heenya Corp		
Do	Klukwan, Inc	200.67	
Do	Oregon Dept of Transportation		7,000.00
Dennis C. Stolte, 600 Maryland Avenue, SW Washington, DC 20024	American Farm Bureau Federation	6,637.00	141.78
Robin E. Stombler, 1640 Wisconsin Avenue, NW, Washington, DC 20007	American College of Surgeons		112.06
Dena G. Stoner, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn	150.00	
Floyd E. Stoner, 1120 Connecticut Avenue, NW Washington, DC 20036	American Bankers Assn	3,800.00	
Stephen E. Storch, 1331 Pennsylvania Ave., NW, #550 Washington, DC 20004	Commodity Exchange Inc		
Harry L. Storey, 8400 E Prentice Ave. 15th Floor Englewood, CO 80111	Alliance for Clean Energy	20,000.00	6,123.97

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Richard B. Storey, 304 East Brunswick Street Sterling Park, VA 22170	Multi Management Associates, Inc (For:American Assn of Fast Food Soft Serve Pizza Operators)		
Do	International Military Club Executives Assn		
Do	Pennsylvania Restaurant Assn		
Todd A. Stottlemyer, 7915 Jones Branch Drive McLean, VA 22102	BDM International, Inc		
Ros Stovall Jr., 447 South Indiana Street Mooresville, IN 46158	Protect the Innocent, Inc		
William M. Stover, 2501 M St., NW Washington, DC 20037	Chemical Manufacturers Assn, Inc	1,000.00	
John L. Stowell, 1800 K St., NW, #1018 Washington, DC 20006	Public Service Co of Indiana	6,875.00	13,124.79
Michael L. Strang, 218 2nd St., SE Washington, DC 20003	ATR Defense Group	1,500.00	
Luther J. Strange III, 1100 15th Street, NW, #700 Washington, DC 20005	Sonat, Inc		
Strategic Resources Corp, 3000 K Street, NW, #300 Washington, DC 20007	Matsushita Electric Corp of America		
Do	National Machine Tool Builders' Assn	5,291.25	
Terrence D. Straub, 818 Connecticut Avenue, N.w. Washington, DC 20006	USX Corporation	250.00	20.00
Richard H. Streeter, Federal Bar Building 1815 H Street, NW, #800 Washington, DC 20006	Cast North America Ltd		
Stephen P. Strickland, 110 Maryland Ave., NE, #409 Washington, DC 20002	National Peace Institute Foundation	153.84	
George W. Strong, 2242 Bartlett Houston, TX 77098	Enron Corp		
Stroock & Stroock & Lavan, 1150 17th St., NW Washington, DC 20036	J. Aron & Co, Inc	412.50	15.00
Do	Dreyfus Corporation		
William M. Stroud, 231 Martingale Road Schaumburg, IL 60196	Zurich-American Insurance Company		
George Strumpf, 1150 17th St., NW, #600 Washington, DC 20036	Health Insurance Plan of Greater New York	11,900.00	4,100.00
Cory N. Strupp, 23 Wall Street New York, NY 10015	Morgan Guaranty Trust Co	7,937.00	984.00
Donald B. Studley, 127 Brookmoor Road Avon, CT 06001	Northeast Utilities Service Company	2,906.79	3,246.01
Charlene A. Sturbitts, 901 15th Street, #570 Washington, DC 20005	Interstate Natural Gas Assn of America	12,420.00	
Eugene F. Sturgeon, 182 Crater Lane Kensington, CT 06037	Northeast Utilities Service Co	2,151.71	481.51
Lawrence J. Suffredin Jr., 55 West Wacker Drive #702 Chicago, IL 60601	Harza Engineering Co	2,500.00	
Glenn Sugameli, 1412 16th Street, NW Washington, DC 20036-0001	National Wildlife Federation		
Ann Sullivan, 555 13th St., N.W., 300 West Washington, DC 20004	Interstate Natural Gas Assn of America	300.00	
Arthur E. Sullivan Jr., 1215 Jefferson Davis Hwy., #1004 Arlington, VA 22202	Diagnostic/Retrieval Systems, Inc	3,250.00	
Austin P. Sullivan Jr., P.O. Box 1113 Minneapolis, MN 55440	General Mills, Inc		
Charles S. Sullivan, 11 15th Street, NE, #6 Washington, DC 20002	Citizens United for Rehabilitation of Errants	7,363.41	2,841.12
Gael M. Sullivan, 1025 Thomas Jefferson St., NW, #511 Washington, DC 20005	LTV Corporation	2,344.00	755.40
Harold R. Sullivan, 1750 K St., NW Washington, DC 20006	Food Marketing Institute	600.00	.-
Judy M. Sullivan, 1614 King Street Alexandria, VA 22314	National Assn of Housing Cooperatives		
Margaret Cox Sullivan, 1625 Eye St., NW, #724A Washington, DC 20006	Stockholders of America, Inc		
Patrick J. Sullivan, 815 16th Street, NW Washington, DC 20006	International Longshoremen's Assn, AFL-CIO	7,370.15	95.71
Pauline Sullivan, #11 15th St., NE, #6 Washington, DC 20002	Citizens United for Rehabilitation of Errants	300.00	
Sullivan & Cromwell, 1701 Pennsylvania Ave., NW, #800 Washington, DC 20006	American International Group, Inc		
Do	Securities Industry Assn		
Sullivan & Worcester, 1025 Connecticut Ave., NW Washington, DC 20036	American Petroleum Institute		
Do	Marion Laboratories, Inc	8,000.00	
Bruce W. Sumner, 315 Amethyst Balboa Island, CA 92662	National Comm to Preserve Social Security		
Sutherland Asbill & Brennan, 1275 Pennsylvania Avenue, NW, #1000 Washington, DC 20004	Ad Hoc Comm for a Competitive Electric Supply System		
Do	American Industrial Clay & Georgia Kaolin	3,709.00	169.00
Do	Anglo-American Clays Corp	3,709.00	169.00
Do	City of Baton Rouge		
Do	Committee Against Revising Staggers	23,944.00	
Do	Council of Industrial Boiler Owners	1,282.00	
Do	Crum & Forster Corp		
Do	Engelhard Minerals & Chemicals Corp	3,709.00	169.00
Do	J. M. Huber Corp	3,709.00	169.00
Do	Industrial Oil Consumers Group		
Do	Minnesota Mutual Life Insurance Co	470.00	
Do	National Liberty Corp		
Do	Nord Resources Corp	3,709.00	169.00
Do	Process Gas Consumers Group	58,568.50	
Do	Thiele Kaolin Co	3,709.00	169.00
W. Thomas Suttle, 1521 Vermont Avenue, NW Washington, DC 20005	Institute of Electrical & Electronics Engineers	3,212.50	728.46
Stephen Sutton, 1000 Wilson Blvd. Arlington, VA 22209	Grumman Corporation	625.00	244.16
Douglass W. Svendson Jr., 1730 Rhode Island Avenue, NW, #417-19 Washington, DC 20036	Hollywood Marine Service, Inc	1,500.00	
Do	Shell Oil Co		
Stephen L. Swann, 1005 North Glebe Road, #250 Arlington, VA 22201			
David L. Swanson, Craft & Loesch 1050 Thomas Jefferson St., NW, 6th Fl. Washington, DC 20007	Clean Coal Technology Coalition		
Do	Edison Electric Institute	18,418.75	1,361.20
Do	General Atomics	10,500.00	473.11
Deborah Swartz, 1225 19th Street, NW, #210 Washington, DC 20036	Luggage & Leather Goods Manufacturers of America, Inc	500.00	
Do	Neckwear Assn of America, Inc	500.00	
Do	Non-Ferrous Metals Producers Committee	500.00	
David A. Sweeney, 25 Louisiana Ave., NW Washington, DC 20001	International Brotherhood of Teamsters	21,221.87	
William R. Sweeney Jr., 536 7th Street, SE Washington, DC 20003	American Nuclear Energy Council		
Do	China External Trade Development Council		
Do	Embassy of Japan		
Frederic H. Sweet, 720 East Wisconsin Avenue Milwaukee, WI 53202	Northwestern Mutual Life Insurance Co	500.00	
Leland H. Swenson, 10065 East Harvard Avenue Denver, CO 80251	Farmers' Educational & Co-Operative Union of America	9,375.00	691.13
Robert D. Swezey Jr., 1133 19th St., NW Washington, DC 20036	MCI Communications Corp	250.00	
Swidler & Berlin, Chtd, 3000 K Street, NW, #300 Washington, DC 20007	All-Industry Television Station Music Licensing Committee	380.00	
Do	American Hoechst Corporation		
Do	Assn of Data Processing Service Organizations (ADAPSO)	2,203.75	
Do	Business Software Assn		
Do	Design Protection Coalition		
Do	Government of Bermuda		
Do	Hyundai Motor Company	6,496.25	
Do	National Assn of Wholesaler-Distributors		
Do	New England Power		
Do	Software Publishers Assn	19,242.50	
Do	STC PLC	4,461.25	304.73
Do	United States Trademark Assn		
Do	Warner Communications	1,827.50	
Tricia L. Swift, 1250 Connecticut Avenue, NW Washington, DC 20036	National Forest Products Assn	1,200.00	
Ronald G. Sykes, 1660 L Street, NW Washington, DC 20036	General Motors Corp	2,500.00	13,805.47
David A. Sykuta, Illinois Petroleum Council P.O. Box 12047 Springfield, IL 62791	American Petroleum Institute	560.00	2,014.67
Christopher U. Sylvester, 1831 Briar Ridge Court Mclean, VA 22101	Garrison Diversion Conservancy District	3,750.00	378.53
Ronald P. Szabat, 1101 Vermont Ave., NW Washington, DC 20005	American Medical Assn	400.00	
Edith Szabo, 42 West Union Turnpike Wharton, NJ 07885	American Hungarian Federation		
Z. Michael Szaz, 7209 Monticello Blvd. Springfield, VA 22150	American Hungarian Federation		
Do	Transylvanian World Federation	1,000.00	
Robert Taft Jr., 1620 Eye St., NW, #800 Washington, DC 20006	Taft Stettinius & Hollister (For:Dosimeter Corp of North America)		
Do	Taft Stettinius & Hollister (For:Empire Resources, Inc)	237.50	
Do	Taft Stettinius & Hollister (For:Great American Broadcasting Co)		
Do	Taft Stettinius & Hollister (For:Kings Entertainment Co)		
Do	Taft Stettinius & Hollister (For:Special Comm for Workplace Product Liability Reform)		
Do	Taft Stettinius & Hollister (For:Telephone & Data Systems, Inc)		
Do	Taft Stettinius & Hollister (For:Wald Manufacturing Co, Inc)		
Do	Taft Stettinius & Hollister (For:Westland Oil Development Corp)		
George C. Tagg, 300 Maryland Ave., NE Washington, DC 20002	Federal Express Corp	6,000.00	
Taggart & Associates, Inc, 1155 15th Street, NW, #1108 Washington, DC 20005	Animal Health Institute		
Do	Association of American Railroads		
Do	M&M/Mars		
Do	Marion Laboratories, Inc		
Do	Telephone & Data Systems, Inc		
Do	Uniroyal Chemical, Inc		
Ronald L. Tammen, 1750 Pennsylvania Avenue, NW, #1201 Washington, DC 20006	Tammen Group (For:Cray Research, Inc)		
Do	Tammen Group (For:Johnson Controls, Inc)		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Tammen Group (For:Population-Environment Balance)		
Tanaka Ritger & Middleton, 1919 Pennsylvania Ave., NW, #303 Washington, DC 20006	Electronic Industries Assn of Japan		
Do	Japan Automobile Tire Manufacturers Assn (JATMA)		
Susan Tannenbaum, 2030 M St., NW Washington, DC 20036	Common Cause	6,642.48	116.00
William E. Tanner, 10803 Norman Ave. Fairfax, VA 22030	Coalition for Environmental-Energy Balance	7,200.00	1,848.84
Thomas N. Tate, 1250 Eye Street, NW Washington, DC 20005	Aerospace Industries Assn of America, Inc	6,729.00	245.85
Taubman Company, Inc, P.O. Box 200 Bloomfield Hills, MI 48303-0200			26,770.00
Graca Da Silva Tavares, 17 Perkins Street West Newton, MA 02165			220.00
Charles A. Taylor III, 499 South Capitol St., SW, #401 Washington, DC 20003	National Assn of Independent Insurers	1,500.00	
Gene Taylor, 453 New Jersey Ave., SE Washington, DC 20003	Gene Taylor Associates, Inc (For:Associated Electric Cooperative, Inc)	15,000.00	
Do	Gene Taylor Associates, Inc (For:Eagle-Picher Industries, Inc)	15,000.00	
Do	Gene Taylor Associates, Inc. (For:Empire District Electric Company)	15,000.00	
Do	Gene Taylor Associates, Inc (For:FAG Bearings Corporation)	15,000.00	
Do	Gene Taylor Associates, Inc. (For:National Assn of Postmasters of the United States)	6,000.00	
Do	Gene Taylor Associates, Inc (For:Norfolk Southern Corporation)	15,000.00	
Patricia Taylor, 1501 16th St., NW Washington, DC 20036	Center for Science in the Public Interest	98.00	15.00
Peggy Taylor, 815 16th St., NW Washington, DC 20006	American Fed of Labor & Congress of Industrial Organizations	16,390.01	578.72
R. William Taylor, 1575 Eye Street, NW Washington, DC 20006	American Soc of Assn Executives	300.00	
Sunny Taylor, 6269 Franconia Road Alexandria, VA 22310	Collins & Associates (For:City of Pompano Beach, Florida)		
Telos Corp, 3420 Ocean Park Blvd. Santa Monica, CA 90405			
James M. Temenak, P.O. Box 16614 Arlington, VA 22215	National Steel & Shipbuilding Company	3,380.00	388.43
Norman J. Temple, 155 Dresden Avenue Gardiner, ME 04345	Central Maine Power Co, et al	8,000.00	
Paul M. Tendler, 1090 Vermont Ave., NW, #1200 Washington, DC 20005	Tendler & Biggins, Chtd (For:American Licensed Practical Nurses Assn)		
Do	Tendler & Biggins, Chtd (For:Bascom, Inc)		
Do	Tendler & Biggins, Chtd (For:Geodesco)		
Do	Tendler & Biggins, Chtd (For:Hugo Boss Fashions, Inc)		
Do	Tendler & Biggins, Chtd (For:Joseph and Feiss, Inc)		
Do	Tendler & Biggins, Chtd (For:Mears International Sales Co)		
Do	Tendler & Biggins, Chtd (For:Rasche Elektroniks)		
Do	Tendler & Biggins, Chtd (For:Solargistics Corp)		
Joshua P. Tenuta, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn	445.32	
Cheryl Terio, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America		
Betty-Grace Terpstra, 1726 M St., NW, #901 Washington, DC 20036	Scott Paper Co	4,000.00	105.69
John H. Terry, P.O. Box 4878 Syracuse, NY 13221	Hiscock & Barclay (For:Niagara Mohawk Power Corp)	1,820.00	298.63
Richard Paul Teske, 218 3rd Street, SE Washington, DC 20003	Burroughs Wellcome Co	25,000.00	890.00
Michelle C. Tessier, 1350 Connecticut Ave., NW, # 200 Washington, DC 20036	National Assn of Public Television Stations	600.00	150.00
Robert D. Testa, 1726 M Street, NW, #1100 Washington, DC 20036-4502	Pacific Gas & Electrical Co	618.60	40.18
James G. Tetirick, 1156 15th Street, NW, #1015 Washington, DC 20005	J. C. Penney Co, Inc		
Textron, Inc, 40 Westminster St. Providence, RI 02903		4,650.00	1,030.00
Mary Kay Thatcher, 600 Maryland Avenue, SW Washington, DC 20024	American Farm Bureau Federation	6,313.00	310.78
Karen E. Theibert, 1750 K Street, NW Washington, DC 20006	Food Marketing Institute	400.00	
E. Wayne Thevenot, 1455 Pennsylvania Ave., NW, #560 Washington, DC 20004	Concord Associates (For:National Reality Committee)	1,000.00	
Janelle C. Morris Thibau, 1828 L Street, NW, #906 Washington, DC 20036	Merrill Lynch & Co, Inc	1,500.00	
Douglas E. Thierwechter, 818 Connecticut Avenue, NW, #900 Washington, DC 20006	USX Corp		
Diane Kay Thomas, 2327 Nebraska Ave., NW Washington, DC 20016	National Assn of Investment Companies	10,766.00	
Doris I. Thomas, 15th & M St, NW Washington, DC 20005	National Assn of Home Builders of the U.S.		
Gordon M. Thomas, 1090 Vermont Avenue, NW, #1100 Washington, DC 20005	Textron, Inc	600.00	150.00
J. David Thomas, 1919 Pennsylvania Ave., NW, #705 Washington, DC 20006	Eastman Chemical Division	135.00	97.01
John W. Thomas, 119 Oronoco Street Box 1417-D50 Alexandria, VA 22313	Animal Health Institute	120.00	
Peter William Thomas, 1404 26th Street, NW, #1 Washington, DC 20007	American State of the Art Prosthetic Assn	80.64	937.20
Robert L. Thomas, 1319 F St., NW, #1000 Washington, DC 20004	National Assn of Private Psychiatric Hospitals	500.00	
Virginia Lamp Thomas, 1615 H Street, NW Washington, DC 20062	U.S. Chamber of Commerce	2,400.00	520.22
Michael R. Thomasson, 1005 Congress, #795 Austin, TX 78701	Central & South West Services, Inc		
Bruce E. Thompson Jr., 1828 L Street, NW, #906 Washington, DC 20036	Merrill Lynch & Co, Inc	7,500.00	
Charles P. Thompson, P.O. Box 53999 Station 1711 Phoenix, AZ 85072-3999	Arizona Public Service Company		
Dana S. Thompson, 305 4th Street, NE, Washington, DC 20002	Sheet Metal & Air Conditioning Contractors National Assn		
Frank Thompson Jr., 1020 Prince Street Alexandria, VA 22314	Boilermakers Iron Ship Bldrs Blacksmiths Forgers & Helpers	2,500.00	
Do	Sheet Metal Workers International Assn	3,000.00	
Kenneth W. Thompson, 2021 K Street, NW, #300 Washington, DC 20006	Michigan Consolidated Gas Company		
Robert L. Thompson Jr., P.O. Box 70 Fort Mill, SC 29715	Springs Industries, Inc		
W. Reid Thompson, 1900 Pennsylvania Ave., NW Washington, DC 20068	Potomac Electric Power Co		
Thompson & Mitchell, One Mercantile Center, #3400 St. Louis, MO 63101	Crown Life Insurance Co	10,000.00	1,228.34
Do	Midland Enterprises, Inc	12,000.00	483.69
Do	Mutual Fairness Taxation Assn	31,250.00	6,674.92
Thompson Mann & Hutson, 1730 Pennsylvania Ave., NW, #1250 Washington, DC 20006	Bechtel Group, Inc		
Do	Combustion Engineering, Inc		
Do	Fluor-Daniel, Inc	2,887.50	58.20
Do	M.W. Kellogg Company		
Do	Morrison-Knudsen Co, Inc		
Do	National Coalition to Defeat H.R. 281/S. 492		
Thomson Muraro Bohrer & Razook, P.A., 200 South Biscayne Blvd., #4900 Miami, FL 33131	Burger King Corp	4,543.30	780.00
Margo Thorning, 1850 K St., NW, #400 Washington, DC 20006	American Council for Capital Formation	336.00	
Julianne S. Thrift, 122 C St., NW, #750 Washington, DC 20001	National Assn of Independent Colleges & Universities	3,375.00	553.00
Tighe Curhan & Piliero, 1750 Pennsylvania Avenue, NW, #1201 Washington, DC 20006	Ad Hoc Comm of Mutual Fund Managers	2,335.90	
Do	Coalition for H.R. 2972 (Richardson) Substitute Bill		
Do	Integrated Resources, Inc	10,050.00	
Do	Sharp Manufacturing Co of America		
Do	Town of Andover, Massachusetts		
Susan K. Till, 955 L'Enfant Plaza, SW, #1202 Washington, DC 20024	National Water Resources Assn	1,500.00	
Rebecca E. Tillet, 1275 K St., NW, #750 Washington, DC 20005	National Women's Political Caucus	7,000.00	
Wallace Tillman, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn	150.00	
Patti A. Tilson, Suite 520 900 17th Street, NW Washington, DC 20006	Toyota Motor Sales USA, Inc	500.00	
Gary G. Timmons, 1201 16th Street, NW Washington, DC 20036	National Education Assn	3,155.25	385.00
Timmons & Co, Inc, 1850 K St., NW, #850 Washington, DC 20006	American Petroleum Institute	1,249.98	
Do	American Trucking Assns, Inc	375.00	
Do	Amoco Corporation	1,306.25	
Do	Anheuser-Busch Companies, Inc	1,718.75	
Do	Association of Trial Lawyers of America	400.00	
Do	Boeing Company	125.00	
Do	Brown Group, Inc	550.00	
Do	Capital Cities/ABC, Inc	687.50	
Do	Chrysler Corporation	1,187.50	
Do	H. J. Heinz Co	412.50	
Do	Major League Baseball	1,312.50	
Do	Morgan Stanley & Co, Inc	975.00	
Do	MSU System Services, Inc	1,031.22	
Do	National Rifle Assn of America	1,031.25	
Do	Northern Telecom, Inc	687.50	
Do	Northrop Corp	625.02	
Do	NutraSweet Co	687.50	
Do	G. D. Searle & Co	412.50	
Do	U.S. League of Savings Institutions	2,268.75	
Alan R. Timothy, 601 Pennsylvania Ave., NW, #500 Washington, DC 20004	Adolph Coors Co	8,782.70	11,619.49
Michael L. Tiner, 1775 K St., NW Washington, DC 20006	United Food & Commercial Workers International Union	12,646.14	652.98
G. Wayne Tingle, 1725 Jefferson Davis Highway, #900 Arlington, VA 22202	LTV Aerospace & Defense Co	2,500.00	125.00
William C. Tinklepaugh, 888 16th Street, NW Washington, DC 20006	Milk Industry Foundation/Int'l Ice Cream Assn		
Constance D. Tipton, 888 16th Street, NW Washington, DC 20006	Milk Industry Foundation/Int'l Ice Cream Assn		
E. Linwood Tipton, 888 16th St., NW Washington, DC 20006	Milk Industry Foundation & Int'l Ice Cream Assn		
Eben S. Tisdale, 1550 Wilson Blvd., #600 Arlington, VA 22209	Hewlett-Packard Co		
Title Associates, Inc, Rt.2, Box 89 Columbia, TN 38401			
Francis M. Tivnan, Massachusetts Petroleum Council 11 Beacon Street Boston, MA 02108	American Petroleum Institute	3,000.00	992.54
Tobacco Associates, Inc, 1725 K Street, NW, #512 Washington, DC 20006			5,971.60
William J. Tobin, 1850 K Street, NW, #500 Washington, DC 20006	National Child Care Assn	3,000.00	18.00

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	National Hearing Aid Society	350.00	
James S. Todd, 535 North Dearborn Street Chicago, IL 60610	American Medical Assn	900.00	
M. Douglas Todd, 1000 Wilson Blvd., #2300 Arlington, VA 22209	Northrop Corp		70.00
Kathryn R. Tollerton, 1244 19th Street, NW Washington, DC 20036	Defenders of Wildlife	1,386.82	18.50
Edward Tonat, 6723 Brigadoon Drive Bethesda, MD 20817	Robert Goff & Associates, Inc		
Billy W. Tongate, 4842 Randolph Drive Annandale, VA 22003	Circus Circus Enterprises, Inc	8,500.00	561.00
Jean R. Toohey, 655 15th Street, NW #225 Washington, DC 20005	Rhone-Poulenc Inc	320.00	148.31
William D. Toohey, Two Lafayette Centre 1133 21st Street, NW Washington, DC 20036	Travel Industry Assn of America	4,892.00	
Peter W. Tooker, 1920 N Street, NW Washington, DC 20036	American Mining Congress		
William T. Torgerson, 1900 Pennsylvania Ave., NW Washington, DC 20068	Potomac Electric Power Company		
Frank V. Toti Jr., 600 Maryland Ave., SW, #700 Washington, DC 20024	National Fed of Independent Business	3,401.75	300.00
Touche Ross & Co, 1900 M Street, NW Washington, DC 20036-3564	Money Store Investment Co	3,282.00	925.00
Do	Orange County Coalition		1,713.00
Wanda Townsend, 1724 Massachusetts Ave., NW Washington, DC 20036	National Cable Television Assn, Inc	1,375.00	
Jeffrey B. Trammell, 901 31st Street, NW Washington, DC 20007	Hill & Knowlton, Inc (For:American Bankers Assn)		
Do	Hill & Knowlton, Inc (For:Association for the Advancement of Human Rights)		
Do	Hill & Knowlton Inc (For:Ryder Systems Inc)		
Do	Hill & Knowlton, Inc (For:Stroh Brewery Co)		
Transportation - Communications Union, 815 16th St., NW Washington, DC 20006		14,000.00	22,215.38
Travel & Tourism Government Affairs Policy Council, 1133 21st Street, NW Washington, DC 20036		4,280.00	4,300.00
Travel Industry Assn of America, Two Lafayette Centre 1133 21st Street, NM Washington, DC 20036			9,192.00
Tripp Scott Conklin & Smith, 110 Tower, 28th Floor 110 Southeast 6th Street Fort Lauderdale, FL 33301	Alamo Rent-A-Car, Inc		
Michael G. Troop, 1709 New York Avenue, NW, #801 Washington, DC 20006	U.S. League of Savings Institutions	12,500.00	
George G. Troutman, Suite 1100 1090 Vermont Ave., NW Washington, DC 20005	Bell Helicopter Textron, Inc	150.00	
Alexander B. Trowbridge, 1331 Pennsylvania Avenue, NW Washington, DC 20004	National Assn of Manufacturers	375.00	
Thomas L. Trueblood, 401 North Michigan Ave. Chicago, IL 60611	Navistar International Transportation Corp	1,000.00	760.74
E.F. Trumble Public Relations Inc, 1101 17th Street, NW, #1001 Washington, DC 20036	National Investor Relations Institute		
Paul E. Tsongas, Foley Hoag & Eliot One Post Office Square Boston, MA 02109	Humane Soc of the U.S., et al	660.00	3.10
Do	Iriquois Gas Transmission Systems	9,405.00	394.00
Do	National Venture Capital Assn		
Do	Sierra Club of America		
Do	Thermedics, Inc		
Genevieve W. Tuchow, 1250 Eye St., NW, #703 Washington, DC 20005	Columbia Gas Distribution Companies	4,000.00	
Tucker & Associates, 1701 Pennsylvania Ave., NW, #1000 Washington, DC 20006	Regional Transportation District	1,000.00	
Shannon B. Tuel, 1200 17th Street, NW Washington, DC 20036	National Restaurant Assn	1,500.00	990.00
Stanley F. Turesky, 1250 24th Street, NW, #600 Washington, DC 20037	Van Dyke Associates, Inc (For:American Gas Assn)	250.00	
Do	Van Dyke Associates, Inc (For:Boston Company)	5,500.00	235.00
Do	Van Dyke Associates, Inc (For:USF&G Corp)		
J. Terry Turner, 2200 Mill Road Alexandria, VA 22314	Interstate Truckload Carriers Conference	500.00	150.00
Jane L. Turner, 1920 N Street, NW Washington, DC 20036	American Mining Congress		
John H. Turner, 1730 Rhode Island Ave., NW Washington, DC 20036	National Solid Wastes Management Assn	200.00	
John M. Turner, 1875 Eye St., NW, #400 Washington, DC 20006	Georgia-Pacific Corp	2,000.00	
William F. Turner, 1771 N Street, NW Washington, DC 20036	National Assn of Broadcasters	500.00	152.00
Turner Broadcasting System, Inc, 111 Massachusetts Ave., N.W. Third Floor Washington, DC 20001		17,992.00	17,992.00
Richard F. Turney, 1725 K St., NW, #710 Washington, DC 20006	Courtney McCamant & Turney	300.00	
S. Diane Turpin, 1100 17th St., NW, #1203 Washington, DC 20036	Financial Executives Institute		
St. Clair J. Tweedie, 1575 Eye Street, NW, #200 Washington, DC 20005	American Cyanamid Co	24,000.00	
Jeannine Dowling Twomey, 5 Virginia Place Larchmont, NY 10538	Madison Public Affairs Group, Inc	15,000.00	3,850.00
John R. Tydings, 1129 20th Street, NW Washington, DC 20036	Greater Washington Board of Trade		
Craig Tyle, 1600 M Street, NW Washington, DC 20036	Investment Company Institute	83.50	
U.S. Cane Sugar Refiners' Assn, 1001 Connecticut Ave., NW Washington, DC 20036			
U.S. League of Savings Institutions, 111 E. Wacker Dr. Chicago, IL 60601			226,374.03
U.S. Public Interest Research Group, 215 Pennsylvania Avenue Washington, DC 20003		81,967.14	101,971.80
Jerry G. Udell, 1616 H St., NW Washington, DC 20006	American Retail Federation	55.00	42.00
Robert D. Umphrey Jr., 919 18th St., NW, #700 Washington, DC 20006	Hoechst Celanese Corp	3,000.00	305.34
Unifi, Inc, P.O. Box 19109 Greensboro, NC 27419			
Unilever United States, Inc, 390 Park Ave. New York, NY 10022			2,619.35
United Brotherhood of Carpenters & Joiners of America, 101 Constitution Ave., NW Washington, DC 20001			24,760.41
United Gas Pipe Line Co, P.O. Box 1478 Houston, TX 77251-1478			208.69
United International Consultants, 1800 Diagonal Road Alexandria, VA 22314	Republic of South Africa	90,000.00	24,999.00
United Services Automobile Assn, P.O. Box 4525 Reston, VA 22090-1489			
United Shareholders Assn, 1667 K St., NW, #770 Washington, DC 20006	T. Boone Pickens, Jr. United Shareholders Assn		26,710.15
Utility Nuclear Waste Management Group, c/o Edison Electric Institute 1111 19th St., NW Washington, DC 20036			
Robert E. Vagley, 1130 Connecticut Avenue, NW, #1000 Washington, DC 20036	American Insurance Assn		
Anthony Valanzano, 1001 Pennsylvania Ave., NW Washington, DC 20004	American Council of Life Insurance, Inc	6,000.00	297.23
Jack J. Valenti, 1600 Eye St., NW Washington, DC 20006	Motion Picture Assn of America, Inc	944.70	
R. Thomas Van Arsdall, 50 F Street, NW, #900 Washington, DC 20001	National Council of Farmer Cooperatives		
William R. Van Dresser, 1023 15th Street, NW, #300 Washington, DC 20005	American Veterinary Medical Assn		
Van Dyk Associates, Inc, 1250 24th St.,N.W. Suite 600 Washington, DC 20037	American Gas Assn	1,500.00	250.00
Do	Boston Company		
Do	USF&G Corp		
Van Fleet Associates, Inc, 499 South Capitol St., SW, #520 Washington, DC 20003	Cadillac Gage Co	13,813.00	
Do	Cincinnati Electronics	3,300.00	
Do	Cypress International, Inc	6,000.00	
Do	Ford Aerospace		
Do	Harsco Corp	30,249.00	9,492.94
Van Fleet Metzner and Meredith Corporation, 499 S. Capitol Street, #520 Washington, DC 20003	Diagnostic/Retrieval Systems, Inc		
Henry B. Van Gieson, 1700 North Moore St., 2120 Arlington, VA 22209	Boeing Company	1,855.00	113.00
Matthew Van Hook, 1250 Connecticut Avenue, NW Washington, DC 20036	American Paper Institute, Inc		
Nick L. Van Nelson, Suite 540 1875 Eye Street, NW Washington, DC 20006	Champion International Corp		
Van Ness Feldman Sutcliffe & Curtis, P.C., 1050 Thomas Jefferson St., NW, 7th Floor Washington, DC 20007	Alaska Eskimo Whaling Commission		
Do	American Inst of Certified Public Accountants		
Do	American President Lines		
Do	Arctic Slope Regional Corp	5,121.00	
Do	Bumble Bee Seafoods, Inc	95.00	
Do	BRAE Corporation		
Do	Capital Registry, Inc		
Do	Clean Coal Technology Coalition		
Do	Coal Waste to Energy Coalition		
Do	Coalition for Electric Vehicle Development		
Do	Collier Company	209.00	
Do	Committee of Hydroelectric Dam Owners		
Do	Consumers United for Rail Equity (C.U.R.E.)		
Do	Edison Electric Institute		
Do	Fidelity Management & Research Co		
Do	Geothermal Resources Assn	650.00	
Do	Hawaiian Electric Company, Inc		
Do	Larry Latham Auctioneers		
Do	LUZ International Ltd	597.00	
Do	Malacha Power Project, Inc		
Do	Postal Square Associates		
Do	Uranium Producers of America	570.00	
Do	Wagner & Brown	100.00	
Fred Van Remortel, 1016 16th St., NW, #100 Washington, DC 20036	Brown Bridgman & Co, Inc		
John A. Vance, 1726 M St., NW, #1100 Washington, DC 20036-4502	Pacific Gas & Electric Co	3,905.00	6.00
Norman C. VanderNoot, New Hampshire Petroleum Council 23 School Street Concord, NH 03301	American Petroleum Institute	507.00	119.77
Kathleen M. Vanston, 1400 L Street, NW, #400 Washington, DC 20005	Biscuit & Cracker Mfgrs Assn		
H. Stewart VanScoyoc, 453 New Jersey Ave., SE Washington, DC 20003	Winburn VanScoyoc & Hooper (For:Champion International Corp)	5,000.00	
Do	Winburn VanScoyoc & Hooper (For:Coalition of EPSCoR States)	21,000.00	
Do	Winburn VanScoyoc & Hooper (For:E. I. Du Pont de Nemours & Co)	5,000.00	
Do	Winburn VanScoyoc & Hooper (For:International Paper)		
Do	Winburn VanScoyoc & Hooper (For:Quanex)	15,000.00	
Do	Winburn VanScoyoc & Hooper (For:Scott Paper Co)	5,000.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Winburn VanScoyoc & Hooper (For:University of Alabama System)	21,000.00	
Do	Winburn VanScoyoc & Hooper (For:USF&G Corp)	3,000.00	
Do	Winburn VanScoyoc & Hooper (For:Weyerhaeuser)	5,000.00	
Theresa Varner, 1909 K Street, NW Washington, DC 20049	American Assn of Retired Persons		
Donald R. Vaughan, P.O. Box 2909 Asheboro, NC 27203	Stedman Corporation		
Carol Verby, 7361 Calhoun Place Rockville, MD 20850	CNA Insurance Co		
Jerry T. Verkler, 555-13th Street, NW, Suite 300 West Washington, DC 20036	Interstate Natural Gas Assn of America	6,250.00	303.01
Frank Verrastro, 1155 15th Street, NW, #600 Washington, DC 20005	Pennzoil Co	1,084.50	
Verstandig & Associates, Inc, 1455 Pennsylvania Avenue, NW, #1180 Washington, DC 20004	Gold & Liebengood, Inc	8,000.00	
Linda Vickers, 1706 23rd St., South Arlington, VA 22202	Communicating for Agriculture, Inc		
Do	National Assn of Crop Insurance Agents		
Victoria E. Vidal, 1101 15th St., NW, #400 Washington, DC 20005	National Council of Savings Institutions	1,000.00	
Ralph Vinovich, 1875 Eye Street, NW, #800 Washington, DC 20006	Tobacco Institute	1,000.00	442.02
Vinson & Elkins, 1455 Pennsylvania Ave., NW, #800 Washington, DC 20004-1007	Bank Tax Group		
Do	Citicorp		975.00
Do	Goldman Sachs & Co		2,012.50
Do	Merrill Lynch & Co, Inc		2,125.00
Walter D. Vinyard Jr., Zuckert, Scoutt, Rasenberger & Johnson 888 17th St., NW, 7th Fl. Washington, DC 20006	Continental Insurance Companies	4.50	
Do	National Fraternal Congress of America	10.00	
Virginia Association of Railway Patrons, P.O. Box 867 Richmond, VA 23207		150.00	50.00
George A. Viverette Jr., 8111 Gatehouse Road Falls Church, VA 22047	American Automobile Assn		
M. Allan Vogelson, 35 Kings Highway East Haddonfield, NJ 08033	Reese Communications Cos (for: Philip Morris, USA)	9,000.00	
Jesse S. Vogtle, 600 North 18th Street Birmingham, AL 35291	Alabama Power Co	7,160.00	57.65
Nick J. Volcheff, 7325 Del Norte Drive Scottsdale, AZ 85258	AT&T		450.00
Volkswagen of America, Inc, 490 L'Enfant Plaza, SW, #7204 Washington, DC 20024			
Douglas K. Vollmer, 801 18th St., NW Washington, DC 20006	Paralyzed Veterans of America	17,800.63	
Ian D. Volner, 1333 New Hampshire Ave., NW, #600 Washington, DC 20036	National Assn of Trade & Technical Schools	1,250.00	
Volpe Boskey & Lyons, 918 16th Street, NW, #602 Washington, DC 20006	American Assn of Equipment Lessors		
Voluntary Hospitals of America, Inc, 1150 Connecticut Ave., NW, #800 Washington, DC 20036			11,250.00
Marcos Von Goihman, P.O. Box 65475 Washington, DC 20035	Guyana Airways Corp		
Vorys Sater Seymour & Pease, 1828 L Street, NW, #1111 Washington, DC 20036	Committee of Publicly Owned Companies	941.65	269.58
Do	Dale Michael A/K/A Riviera Bowling Lanes		39.15
Do	Fraternal Order of Police - National Headquarters		
Do	Grocery Manufacturers of America, Inc		
Do	HPM Corporation		
Do	Ohio Manufacturers Assn		
Do	Trustcorp/Trustcorp Bank of Ohio	21,600.00	2,829.56
Frank J. Voyack, 1750 New York Ave., NW Washington, DC 20006	International Assn of Bridge Struct & Ornamental Iron Wkrs	11,708.55	461.18
John A. Vuono, Vuono Lavelle & Gray 2310 Grant Building Pittsburg, PA 15219	Procompetitive Rail Steering Committee		
Rex B. Wackerle, 1000 Wilson Blvd., #2300 Arlington, VA 22209	Northrop Corp		
Sadami Wada, 9 West 57th Street New York, NY 10019	Sony Corp of America		
Robert J. Wade, 1850 M Street, NW, #600 Washington, DC 20036	Toyota Motor Sales, USA, Inc		
Debra Waggoner, 1615 H Street, NW Washington, DC 20062	U.S. Chamber of Commerce	231.00	
Wagner Hines & Avary, Inc, 1615 L Street, NW, #750 Washington, DC 20036	Association of Business Publishers		
Do	Charter Federal Savings & Loan Assn		
Do	Kabumoto & Malany	487.50	74.75
Do	National Beer Wholesalers of America	11,165.63	2,459.67
Do	National Debt Repayment Foundation		
Do	New MediCo Associates, Inc		
Do	Rainbow Navigation, Inc	4,362.50	648.76
Howard W. Wahl, 3385 Jackson Street San Francisco, CA 94118	Bechtel Group, Inc		
Robert A. Wait, 1710 Rhode Island Ave., #400 Washington, DC 20036	General Foods Corportion	2,000.00	70.27
Frederick P. Waite, Davis, Graham & Stubbs 1200 19th Street, NW, Suite 500 Washington, DC 20036	American Wire Producers Assn		
Herbert R. Waite, 100 Federal Street Boston, MA 02110	Bank of Boston Corporation		
Do	First National Bank of Boston	10,800.00	10,009.11
Susan Stephenson Walden, 1667 K St., NW, #410 Washington, DC 20006	Johnson & Johnson	1,000.00	225.00
Michael Waldman, 215 Pennsylvania Ave., SE Washington, DC 20003	Public Citizen, Inc	6,750.00	
Angela S. Waldorf, N.C. Petroleum Council P.O. Box 167 Raleigh, NC 27602	American Petroleum Institute		
Robert E. Waldron, Associated Petroleum Industries of Michi 930 Michigan Natl Tower, PO Box 10070 Lansing, MI 48901	American Petroleum Institute	990.00	1,402.70
Barbara J. Walker, P.O. Box 1417-D50 Alexandria, VA 22313	Animal Health Institute		
Robert Joseph Walker, 1909 K St., NW Washington, DC 20049	American Assn of Retired Persons	334.92	
Charls E. Walker Associates, Inc, 1730 Pennsylvania Ave., NW Washington, DC 20006	Aluminum Company of America		
Do	American Telephone & Telegraph Co		
Do	Anheuser-Busch Companies, Inc		
Do	Broadcast Music, Inc	1,875.00	
Do	Burlington Northern, Inc		
Do	Consolidated Gold Fields PLC	18,750.00	
Do	CBS Records Group	1,875.00	
Do	Dresser Industries, Inc		
Do	Enron Corp		
Do	Federal Home Loan Mortgage Corp		
Do	Ford Motor Co		
Do	Goodyear Tire & Rubber Co		
Do	International Paper Co		
Do	John Zink Company		
Do	Lone Star Technologies, Inc	7,812.00	
Do	National Assn of Small Business Investment Cos		
Do	Northville Industries Corp	4,000.00	
Do	Northwestern Mutual Life Insurance Co	1,875.00	
Do	Southern Company Services, Inc	1,875.00	
Do	Texas Ozone Task Force	3,375.00	
Do	U.S. Fidelity & Guaranty Co	6,000.00	
Do	Vulcan Materials Co		
Do	Weyerhaeuser Company		
R. Duffy Wall & Associates, Inc, 1317 F Street, NW, #400 Washington, DC 20004	Ad Hoc Comm on Coal Taxation	1,500.00	
Do	Bell Atlantic Corp	500.00	
Do	California Federal Savings & Loan Assn		
Do	Cantor Fitzgerald & Co, Inc		
Do	Footwear Retailers of America	1,500.00	
Do	Hong Kong Trade Development Council	1,500.00	
Do	Life of Virginia		
Do	National Assn of Temporary Services, Inc	1,000.00	
Do	New York State Bankers Assn		
Do	Pharmaceutical Manufacturers Assn	1,500.00	
Do	Pittston Group	1,000.00	
Do	Securities Industry Assn	500.00	
Do	Sullivan & Cromwell		
Do	Torchmark Corporation	1,000.00	
Henry Scott Wallace, 1110 Vermont Ave., NW, #1150 Washington, DC 20005	National Assn of Criminal Defense Lawyers	14,000.00	50.00
Raymond C. Wallace, 5025 Wisconsin Avenue, NW Washington, DC 20016	Amalgamated Transit Union, AFL-CIO		
Victor L. Wallace II, 303 East 17th Ave., #600 Denver, CO 80203	McKenna Conner & Cuneo (For:Savings and Loan League of Colorado, Inc)		
Wallace & Edwards, 1150 Connecticut Ave., NW, #507 Washington, DC 20036	Alabama Farmers Federation	1,500.00	137.91
Do	American Society of Farm Managers and Rural Appraisers	1,250.00	
Do	American Sugar Cane League	4,375.00	203.84
Do	Amstar Corp	3,750.00	
Do	Avtex Fibers, Inc		
Do	Calgene, Inc		
Do	Cotton Warehouse Assn of America	4,550.00	
Do	Federal Compress & Warehouse Co		
Do	Fiber Fabric & Apparel Coalition for Trade	3,125.00	
Do	Flue-Cured Tobacco Cooperative Stabilization Corp	2,500.00	109.21
Do	Merchants Grain & Transportation, Inc		
Do	Service Corporation International	1,875.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Southern Company		
Lionel L. Wallenrod, 260 Madison Ave. New York, NY 10016	American Paper Institute, Inc		
Bethany Waller, 500 23rd Street, NW, B907 Washington, DC 20037	Entrepreneurs of America	3,750.00	200.00
Anne Marie Walsh, 1025 Connecticut Ave, NW Washington, DC 20036	Health Insurance Assn of America, Inc		
James P. Walsh, Davis Wright & Jones 1752 N St., NW, #800 Washington, DC 20036	American Tunaboat Assn	11,000.00	
Richard J. Walsh, 6770 Lake Ellanor Drive Orlando, FL 32859-3330	General Mills Restaurants, Inc	800.00	351.98
Samuel J. Walsh, 1608 K Street, NW Washington, DC 20006	American Legion	10,254.00	4.00
William C. Walsh, 215 Pennsylvania Ave., SE Washington, DC 20003	U.S. Public Interest Research Group	3,599.61	
John C. Walton, 1401 North Oak Street, #302 Arlington, VA 22209	John E. Chance & Associates, Inc	24,000.00	
Do	General Dynamics Corp	12,499.98	1,250.82
Do	General Electric Co	9,900.00	2,375.99
Do	ISC Defense & Space	7,000.00	
Do	Martin Marietta Corp	11,000.00	1,556.94
Do	Stone & Webster Engineering Corp	10,050.00	
Do	Textron, Inc	13,749.99	2,432.20
Bonnie B. Wan, 1201 Pennsylvania Ave., NW, #730 Washington, DC 20004	Kimberly-Clark Corp		
John F. Wanamaker, 201 N. Washington, St. Alexandria, VA 22314	Retired Officers Assn	2,861.25	
Alan S. Ward, 1050 Connecticut Ave., NW, #1100 Washington, DC 20036	Baker & Hostetler (For:Soap & Detergent Assn)		
Stephen E. Ward, 1919 Pennsylvania Avenue, NW, #503 Washington, DC 20006	Mid-Continent Oil & Gas Assn	516.10	40.00
Barbara F. Warden, 1710 Broadway New York, NY 10019	International Ladies' Garment Workers Union	8,394.96	136.95
Richard D. Warden, 1757 N St., NW Washington, DC 20036	Int'l Union, United Auto Aerospace & Agric Implement Workers	22,391.57	232.00
Michael O. Ware, 1701 Pennsylvania Ave., NW, #900 Washington, DC 20006	E. I. du Pont de Nemours & Co	2,500.00	
Peter F. Warker, Suite 2700 1000 Wilson Boulevard Arlington, VA 22209	TRW, Inc	1,250.00	
Ann D. Warner, 1513 16th St., NW Washington, DC 20036	Air Conditioning Contractors of America	1,250.00	
Ernest R. Warner Jr., 1818 N St., NW Washington, DC 20036	DGA International, Inc (For:Dir Intl Aff of the Gen Del for Armements)		
Do	DGA International, Inc (For:Sofreavia)		101.75
Do	DGA International, Inc (For:SNECMA)		500.00
William H. Warner, 1201 Pennsylvania Avenue, NW, #370 Washington, DC 20004	Control Data Corporation		
Christine M. Warnke, 1801 K Street, NW, #900 Washington, DC 20006	American Textile Manufacturers Institute, Inc	400.00	80.00
B. Jack Warren, P.O. Box 95385 Atlanta, GA 30347	Forest Farmers Assn	275.00	
Barbara J. Washburn, 1201 Pennsylvania Avenue, NW, #370 Washington, DC 20004	Control Data Corporation	212.50	39.31
Washington Gas Light Co, 1100 H St., NW Washington, DC 20080			606.25
Washington Independent Writers, Inc, 733 15th St. NW, #220 Washington, DC 20005			
Washington Lobby Group, Inc, 325 Pennsylvania Ave., SE Washington, DC 20003	Preston Corp	9,000.00	
Millie Waterman, 5256 Corduroy Road Mentor, OH 44060	National Congress of Parents & Teachers		1,035.92
Ronald D. Waterman, 202 E Street, NE Washington, DC 20002	Milwaukee County-Intergovernmental Relations	12,735.00	2,875.00
Do	Wisconsin Counties Assn	7,500.00	4,007.00
Jerry B. Waters, 777 14th Street, NW, #680 Washington, DC 20005	Farmland Industries, Inc	2,400.00	
John L. Watson III, One World Trade Center, #4511 New York, NY 10048	National Security Traders Assn, Inc	5,375.00	
Leroy Watson, 1616 H Street, NW Washington, DC 20006	National Grange	4,875.00	
Carl E. Watt Jr., 1745 Jefferson Davis Hwy, #1200 Arlington, VA 22202	Rockwell International Corp	9,250.00	283.01
Carolyn Herr Watts, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn	130.00	
Douglas R. Watts, 1724 Massachusetts Avenue, NW Washington, DC 20036	National Cable Television Assn, Inc	2,000.00	
Bruce H. Watzman, 1130 17th Street, N.w. Washington, DC 20036	National Coal Assn		
William H. Weatherspoon, North Carolina Petroleum Council PO Box 167 Raleigh, NC 27602	American Petroleum Institute	800.00	
A. Vernon Weaver, 114 East Capitol Ave. Little Rock, AR 72201	Stephens Inc		
Charles R. Weaver, 8990 Springbrook Dr., #250 Coon Rapids, MN 55433	Larkin Hoffman Daly & Lindgren (For:Reese Communications Cos (for: Philip Morris, USA)).	7,500.00	
Rebecca Weaver, 1730 M Street., NW Washington, DC 20036	League of Women Voters of the U.S.	1,269.26	
Andrew H. Webber, 810 First Street, NE, #410 Washington, DC 20002	American Medical Peer Review Assn		
Frederick L. Webber, 1709 New York Ave., NW, #801 Washington, DC 20006	U.S. League of Savings Institutions	7,500.00	
Webster & Sheffield, 2000 Pennsylvania Ave., NW, #7400 Washington, DC 20006	Asarco Corporation		
Do	Liggett Group, Inc		
Do	Mazda Motor Manufacturing (USA) Corp		
Do	Pipe Tobacco Council		
Do	Tobacco Institute	550.00	
Webster Chamberlain & Bean, 1747 Pennsylvania Ave., NW, #1000 Washington, DC 20006	International Taxicab Assn		
Do	Miller Brewing Co	900.00	155.00
Lee J. Weddig, Suite 580 2000 M St., NW Washington, DC 20036	National Fisheries Institute	4,000.00	
Edward L. Weidenfeld, 1155 21st Street, NW, #400 Washington, DC 20036	Pillsbury Madison & Sutro (for Southern Company Services)		
Fred B. Weil, One California Street San Fransisco, CA 94111-5482	Broad Schulz Larson & Wineberg (For:De La Salle Institute)	208.00	99.72
Weil & Howe, Inc, Two Central Plaza Augusta, ME 04330	Champlain Pipeline Co	8,301.25	9,421.10
Suzanne E. Weiland, 1133 15th Street, NW, #640 Washington, DC 20005	American Logistics Assn		85.30
Steven A. Wein, 1090 Vermont Avenue, NW, #1100 Washington, DC 20005	Textron, Inc	600.00	150.00
Mark Weinberg, 11300 Rockville Pike, #1200 Rockville, MD 20852	Mark B. Weinberg, P.C. (For:Coalition for a Free Marketplace of Ideas)		
Nancy Weinberg, 1801 K St., NW, #900 Washington, DC 20006	American Textile Manufacturers Institue, Inc		
Weiner McCaffrey Brodsky & Kaplan, P.C., 1350 New York Ave., NW, #800 Washington, DC 20005	National Manufactured Housing Finance Assn	4,742.00	223.77
Donald G. Weinert, 1420 King St. Alexandria, VA 22314-2715	National Society of Professional Engineers	1,500.00	
Douglas B. Weinfield, 1333 New Hampshire Ave., NW Washington, DC 20036	Beveridge & Diamond, P.C. (For:Pacific Dunlop-GNB)	4,637.50	4,670.35
Arthur E. Weisberg, 2200 First Bank Place East Minneapolis, MN 55402	Dorsey & Whitney		
Arthur A. Weiss, 1800 First National Building Detroit, MI 48226	Jaffe Snider Raitt & Heuer, P.C		
David Weiss, 777 14th Street, NW Washington, DC 20005	National Assn of Realtors	1,250.00	318.98
Bryant L. Welch, 1200 17th St., NW, Suite 106 Washington, DC 20036	American Psychological Assn	3,750.00	20.00
Don Welch, P.O. Box 841 Abilene, TX 79604	West Texas Utilities Co		
John F. Welch, 655 15th Street, NW, #1200 Washington, DC 20005	Safe Buildings Alliance		
Jerry Welcome, P.O. Box 3556 Washington, DC 20007	American Meat Institute	2,000.00	
L. H. Wells, Suite 200 1025 Connecticut Avenue, NW Washington, DC 20036	Shell Oil Co	500.00	
Wendorf & Associates, Inc, 53 D Street, SE Washington, DC 20003	Central & South West Services, Inc	5,172.00	
Thomas F. Wenning, 1825 Samuel Morse Dr. Reston, VA 22090	National Grocers Assn	500.00	
Fred Wertheimer, 2030 M St., NW Washington, DC 20036	Common Cause	18,136.26	598.00
Charles M. West, 205 Daingerfield Road Alexandria, VA 22314	National Assn of Retail Druggists	1,500.00	300.00
Ford B. West, 501 Second Street, NE Washington, DC 20002	Fertilizer Institute	25,000.00	1,543.15
G. Franklin West, 1530 North Key Blvd., #122 Arlington, VA 22209	Church Alliance	4,500.00	
W. P. West Jr., 1200 18th Street, NW, #200 Washington, DC 20036	National Business Aircraft Assn	2,500.00	958.27
West Mexico Vegetable Distributors Assn, P.O. Box 848 Nogales, AZ 85621			500.00
Michelle Westover, 1785 Massachusetts Ave., NW Washington, DC 20036	National Trust for Historic Preservation	904.01	
John F. Wetzel Jr., 50 F St., NW Washington, DC 20001	Association of American Railroads	374.80	171.20
Wexler Reynolds Harrison & Schule, Inc, 1317 F Street, NW, #600 Washington, DC 20004	Aetna Life & Casualty		
Do	Allied-Signal, Inc		
Do	American Airlines, Inc	4,695.65	4.95
Do	American Institute for Foreign Study Scholarship Foundation	2,058.33	34.75
Do	American International Manufacturing Corp		
Do	Americans For Safe & Competitive Trucking	1,281.31	317.55
Do	Bank Capital Markets Assn		
Do	Blue Cross & Blue Shield Assn		
Do	Communications Satellite Corp	2,403.17	7.20
Do	Consortium of State Maritime Schools		
Do	Coopers & Lybrand	2,302.63	14.00
Do	Ethigen Corp		
Do	Foothills Pipe Lines (Yukon) Ltd	650.00	10.95
Do	General Motors Corp		
Do	Gulf South Engineers, Inc		
Do	Health Policy Agenda for the American People		
Do	Hughes Aircraft Company	375.00	218.62
Do	Manhattan Building Companies, Inc		
Do	Massachusetts Maritime Academy		130.60
Do	Monarch Capitol Corp		
Do	Motion Picture Assn of America, Inc	1,233.66	111.00
Do	Mullen Advertising		
Do	MCI Communications Corp	3,011.72	108.65
Do	National Gypsum Co	6,753.75	34.75
Do	New England Electric System		
Do	New England Fisheries Development Foundation, Inc		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Nova, An Alberta Corp		
Do	Novacor Chemicals, Ltd		
Do	Oceanic Institute		
Do	Paul Weiss Rifkind Wharton & Garrison	1,650.00	35.06
Do	Radio Assn Defending Airwave Rights, Inc		5.00
Do	Regional Planning Commission	160.00	45.46
Do	Schaefer & Associates		
Do	Spanish International Communications Corp		
Do	Training Media Distributors Assn	187.50	
Do	Viacom International, Inc		
Do	Woods Hold Oceanographic Institution		
Nancy Katherine Weyl, 777 14th Street, NW Washington, DC 20005	National Assn of Realtors	1,500.00	118.14
Brian B. Whalen Jr., 401 N. Michigan Ave. Chicago, IL 60611	Navistar International Transportation Corp	1,250.00	32.42
Ellan Wharton, 1701 Pennsylvania Avenue, NW, #900 Washington, DC 20006	E. I. du Pont de Nemours & Co		
Leonard P. Wheat, 1111 14th St., NW, #1200 Washington, DC 20005	American Dental Assn	1,000.00	
David W. Wheeler, 600 North 18th Street Birmingham, AL 35291	Alabama Power Company	16,233.00	13,670.16
June M. Whelan, 400 Madison Street, NW Alexandria, VA 22314	Van Ness Feldman... (for Uranium Producers of America)	1,500.00	
Jeffrey T. Whipple, 111 W. Washington Street Chicago, IL 60602	Reese Communications Cos (for: Philip Morris, USA)	10,500.00	
John C. Whitaker, 2021 L Street, NW, #320 Washington, DC 20036-4909	Union Camp Corporation	1,386.00	25.00
Deborah A. White, 1333 New Hampshire Ave., NW Washington, DC 20036	Atlantic Richfield Co	95.58	
John C. White, White Consulting Group, Suite 380 2000 M Street, NW Washington, DC 20036	Camp Barsh Bates & Tate	6,500.00	
Do	Chicago Mercantile Exchange		
Do	Coastal Corp	12,500.00	
Do	Tobacco Institute	8,400.00	
John Thomas White II, Suite 2202 490 L'Enfant Plaza East, SW Washington, DC 20024	Tenneco, Inc		
Larry White, 1909 K St., NW Washington, DC 20049	American Assn of Retired Persons	593.65	
Leland J. White, 1235 Jefferson Davis Highway, #606 Arlington, VA 22202	National Utility Contractors Assn	7,400.00	
Margita E. White, 1730 M Street, NW, #713 Washington, DC 20036	Association of Maximum Service Telecasters, Inc	495.00	
Raymon M. White Jr., 5501 Seminary Road, Apt. 2211-South Falls Church, VA 22041	Harris Corporation	3,500.00	3,687.90
Richard H. White, 1875 I Street, NW, #800 Washington, DC 20006	Tobacco Institute	600.00	107.48
Sam White, 412 First St., SE, #100 Washington, DC 20003	American Beekeeping Federation	1,500.00	
Do	Concerned Shrimpers of America	4,500.00	
Do	Independent Cattlemen's Assn		
Do	National Agricultural Chemicals Assn	18,000.00	
Do	National Peanut Growers Group	6,000.00	
Do	Sam Kane Packing		
Steven C. White, 10801 Rockville Pike Rockville, MD 20852	American Speech-Language-Hearing Assn		
Toni D. White, 1745 Jefferson Davis Highway, #605 Arlington, VA 22202	Texas Instruments	127.00	32.50
W. Keith White, 412 First St., SE, #100 Washington, DC 20003	White & Associates (For:Concerned Shrimpers of America)		
William R. White, Kaplan, Russin & Vecchi 1215 17th Street, NW Washington, DC 20036	Caribbean Trade and Apparel Coalition (C-TAC)		
Do	Edison Electric Institute	600.00	14.08
White & Associates, 412 First St., SE, #40 Washington, DC 20003	Golf Course Superintendents Assn of America	7,500.00	
Josiah R. Whitehead, 3030 Cornwallis Road Research Triangle Park, NC 27709	Burroughs Wellcome Co		
Richard M. Whiting, 730 15th Street, NW Washington, DC 20005	Association of Bank Holding Cos	2,862.00	
James A. Whitman, P.O. Box 1417-D49 Alexandria, VA 22313	National Assn of Chain Drug Stores, Inc	500.00	
William F. Whitsitt, 1212 New York Avenue, NW, Suite 1200 Washington, DC 20005-6419	Sun Exploration and Production Co	1,800.00	449.16
Pamela J. Whitted, 1700 K St., NW, #502 Washington, DC 20006	Pacific Resources, Inc	500.00	
Whitworth & Associates, 1455 Pennsylvania Ave., NW, #985 Washington, DC 20004	Mesa Limited Partnership	3,000.00	
William E. Wickert Jr., 1667 K Street, NW, #600 Washington, DC 20006	Bethlehem Steel Corp	250.00	
Wickham & Associates, 2300 N St., NW, #600 Washington, DC 20037	Reliance Group Holdings, Inc & Affiliates, et al	52,066.25	24,613.75
Wickwire Gavin & Gibbs PC, 1133 21st St., NW, #500 Washington, DC 20036	ANR Venture Management Co	100.00	
Do	Cogeneration & Independent Power Coalition of America, Inc	100.00	
Do	Consolidated Natural Gas Service Co	100.00	
Do	Energy Factors, Inc	100.00	
Do	Environmental Power Corp	100.00	
Do	Great River Gas Co	100.00	
Do	HYDRO-CO Enterprises, Inc	100.00	
Do	Indeck Energy Services, Inc	100.00	
Do	Mercer Companies, Inc	100.00	
Do	National Hydropower Assn	100.00	
Do	Natural Gas Vehicle Coalition	100.00	
Do	Racquette Hydro, Ltd	100.00	
Do	Solar Turbines, Inc	100.00	
Do	Thermo-Electron Corp	100.00	
Do	Tri-Energy Pipeline Co	100.00	
Do	TBG Cogen Partners	100.00	
Mary Frances Widner, 1455 Pennsylvania Ave, NW Washington, DC 20004	American Inst of Certified Public Accountants	500.00	3,792.36
Phillip R. Wiedmeyer, 600 North 18th Street Birmingham, AL 35291	Alabama Power Co	16,155.31	12,808.30
W. Scott Wilber, 1101 Vermont Avenue, NW Washington, DC 20005	American Medical Assn	3,975.00	
Brian Wilcox, 1200 17th Street, NW Washington, DC 20036	American Psychological Assn	4,000.00	221.07
Thomas D. Wilcox, 2011 Eye Street, NW, #601 Washington, DC 20006	National Assn of Stevedores	2,250.00	
Wiley Rein & Fielding, 1776 K St, NW, 12th Fl. Washington, DC 20006	Chaparral Steel Co	1,352.00	
Do	Committee of Domestic Nitrogen Producers		
Do	Georgetown Industries	468.00	16.50
Do	Oklahoma Steel & Wire Co		
Do	Raritan River Steel Co	2,362.00	197.72
Guenther O. Wilhelm, 1899 L Street, NW, #1100 Washington, DC 20036	Exxon Corporation		
Carl B. Wilkerson, 1001 Pennsylvania Ave., NW Washington, DC 20004	American Council of Life Insurance, Inc		
E. John Wilkinson, 1225 19th Street, NW, #300 Washington, DC 20036	Vulcan Materials Co		
Wilkinson Barker Knauer & Quinn, 1735 New York Ave., NW Washington, DC 20006	Bonneville International Corp	899.50	42.75
Do	Central States Health & Life Co of Omaha		
Do	Empire Blue Cross & Blue Shield	15,800.50	131.73
Do	Fleet/Norstar Financial Group	6,000.00	121.08
Do	Hobbs Straus Dean & Wilder		
Do	Manville Corporation	135,880.63	110.03
Do	J. C. Penney Co, Inc	20,000.00	213.15
Do	Security Pacific National Bank	54,000.00	4,032.39
Do	Solano Water Authority	1,480.00	42.75
Do	SPC Securities Services Corp		
Wythe Willey, 4040 First Ave,. NE Cedar Rapids, IA 52402	Reese Communications Cos (for: Philip Morris, USA)	7,500.00	
Ralph E. Willham, 1750 New York Ave., NW Washington, DC 20006	Sheet Metal Workers International Assn	14,220.00	
Charles C. Williams, P.O. Box 3500 M/S 630 Vancouver, WA 98668	Tektronix, Inc	90.00	1,055.90
Faith Williams, 600 New Hampshire Ave., NW Washington, DC 20037	New York Life Insurance Company	270.00	282.68
Floyd L. Williams, 15th & M Streets, NW Washington, DC 20005	National Assn of Home Builders of the U.S		
Lee Williams, 1616 H St., NW Washington, DC 20006	American Retail Federation	900.00	95.00
Leonard B. Williams, 1667 K Street, NW, #600 Washington, DC 20006	Bethlehem Steel Corp	125.00	
Loretta Morris Williams, 1725 K Street, NW, #814 Washington, DC 20006	March of Dimes Birth Defects Foundation	1,131.25	
Lucinda L. Williams, 1155 15th Street, NW, #510 Washington, DC 20005	National Medical Enterprises, Inc	4,980.00	
Marcia E. Williams, 1150 Connecticut Avenue, NW, #500 Washington, DC 20036	Browning-Ferris Industries, Inc		
Merrill Williams, 3701 Connecticut Ave., NW, #802 Washington, DC 20008	Freshwater Press, Inc		
Do	Galactica Biochemical		
Do	National Credit Improvement Group		
Patrick H. Williams, 1722 Eye St., NW, #4040 Washington, DC 20006	Telecommunications Industry Assn	2,500.00	2,017.44
Peter Williams, 2030 M St., NW Washington, DC 20036	Common Cause	400.00	
Robert E. Williams, 1707 L Street, NW, #300 Washington, DC 20036-4202	United Airlines, Inc	1,500.00	
Williams & Connolly, 839 17th St., NW Washington, DC 20006	National Comm to Preserve Social Security		
Wayne D. Willis, 1100 17th Street, NW, #1200 Washington, DC 20036	General Atomics	779.91	70.90
Willkie Farr & Gallagher, Three Lafayette Center 1155 21st ST., NW Washington, DC 20036	Automobile Importers of America	3,023.75	658.85
Do	ASEAN Federation of Textile Industries (AFTEX)		
Do	Brazilian Iron and Steel Institute (IBS)	8,259.00	
Do	Companhia Siderurgica Paulista (COSIPA)		
Do	Ferro Union		
Do	Institute of Resource Recovery (IRR)	3,687.50	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Japan Iron & Steel Exporters' Assn		
Do	National Assn of Independent Fee Appraisers	5,171.25	165.65
Do	Shearson Lehman Hutton	702.50	
Do	Westinghouse Electric Corp	1,357.50	
Do	Yamaha Motor Co, Ltd, et al	5,112.50	
Cindy J. Wilmer, 1455 Pennsylvania Ave., NW, #900 Washington, DC 20004	American International Group, Inc	2,000.00	
Wilmer Cutler & Pickering, 2445 M Street, NW Washington, DC 20037-1420	American Broadcasting Co, Inc, et al		
Do	American Honda Motor Co, Inc	2,860.00	48.20
Do	Bank Capital Markets Assn		
Do	Capital Cities/ABC, Inc		17.20
Do	Citicorp		
Do	Federal Home Loan Bank of San Francisco		78.50
Do	Government of Tibet in Exile		45.00
Do	International Swap Dealers Assn	20,560.00	556.63
Do	National Assn of Broadcasters		
Do	National Corp for Housing Partnerships		
Do	People of Enewetak		765.00
Do	Peoples Heritage Savings Bank		
Do	Polaroid Corporation		1,347.50
Do	Shearson Lehman Hutton, Inc		
Charles D. Wilson, 1919 South Broadway, Box 19130 Green Bay, WI 54307-9130	Fort Howard Corp	615.36	629.92
Dena L. Wilson, Suite 1000 1600 Wilson Blvd. Arlington, VA 22209	American Waterways Operators, Inc	5,000.00	292.57
G. Peter Wilson, 249 Maitland Avenue Altamonte Springs, FL 32701-4201	Institute of Internal Auditors, Inc		
Michael J. Wilson, 815 16th St., NW, #507 Washington, DC 20006	Amalgamated Clothing & Textile Workers Union	4,097.50	40.75
Robert Gary Wilson, 1730 Rhode Island Avenue, NW, #715 Washington, DC 20036	PPG Industries, Inc		
Warren A. Wilson III, 624 US Highway 19 South Palm Harbor, FL 34684	Reese Communications Companies	9,000.00	190.39
William F. Wilson, 231 W. Michigan Street Milwaukee, WI 53201	Wisconsin Electric Power Co		
John P. Winburn, 453 New Jersey Ave., SE Washington, DC 20003	American Assn of Equipment Lessors		
Do	Winburn VanScoyoc & Hooper (For:American Assn of Equipment Lessors)	22,500.00	
Do	Winburn VanScoyoc & Hooper (For:American Automotive Leasing Assn)	6,000.00	
Do	Winburn VanScoyoc & Hooper (For:Burlington Northern Railroad Company)	15,000.00	
Do	Winburn VanScoyoc & Hooper (For:Burlington Northern Services, Inc)	5,000.00	
Do	Burlington Northern, Inc		
Do	Coalition to Preserve Group Worker's Compensation Funds		
Do	Winburn VanScoyoc & Hooper (For:FAG Bearings Corp)	15,000.00	
Do	FAG Bearings Corporation		
Do	Winburn VanScoyoc & Hooper (For:Hartford)	45,000.00	
Do	The Hartford		
Do	Winburn VanScoyoc & Hooper (For:Independent Stave Co, Inc)	30,000.00	
Do	Leggett & Platt	12,000.00	
Do	National Assn of ASCS County Office Employees		
Do	Winburn VanScoyoc & Hooper (For:National Assn of County Office Employees (NASCOE))	3,000.00	
Do	Winburn VanScoyoc & Hooper (For:Pennzoil)	9,000.00	
Do	Pennzoil Co		
Do	Winburn VanScoyoc & Hooper (For:Philip Morris)	75,000.00	
Do	Quanex Corp		
Do	Winburn VanScoyoc & Hooper (For:University of Michigan)		
Stephen H. Wines, 1133 15th Street, NW, #600 Washington, DC 20005	Maritime Institute for Research & Industrial Development		5,541.00
Eileen M. Winkelman, 2501 M St., NW Washington, DC 20037	Chemical Manufacturers Assn, Inc	500.00	61.50
Joseph B. Winkelmann, 1250 Connecticut Ave., NW, #620 Washington, DC 20036	American Resort & Residential Development Assn		
Kathleen J. Winn, 1155 15th St., NW, #600 Washington, DC 20005-2770	Pennzoil Co	690.00	
Lars Winoy, 1735 New York Avenue, NW Washington, DC 20006	American Institute of Architects		
Marie Winslow, 1016 16th Street, NW Washington, DC 20036	National Fed of Federal Employees	9,081.40	
David A. Winston, 1922 F Street, NW Washington, DC 20006	National Assn of Life Underwriters	656.25	73.00
James L. Winston, 1730 M Street, NW, #412 Washington, DC 20036	National Assn of Black Owned Broadcasters		
Winthrop Stimson Putnam & Roberts, II33 Connecticut Ave., NW Washington, DC 20036	Alaska Native Coalition		
Do	America West Airlines, Inc	5,475.00	
Do	Amoco Performance Products, Inc		
Do	Bowater, Inc		
Do	Brown & Bain		
Do	BASF Structural Materials, Inc		
Do	BASF, Corp		
Do	Connecticut Liquidity Investment Fund, Inc		5.80
Do	Fiberite Corp		
Do	Fusion Systems Corp	863.60	18.00
Do	Hercules Aerospace Co		
Do	Irving Bank Corp		
Do	IBJ Schroder Bank & Trust Co		
Do	National Vehicle Leasing Assn		
Do	Norsk Forsvarsteknologi A/S		
Do	QO Chemicals, Inc		
Do	Thrifty Rent-A-Car System, Inc	8,641.25	169.15
Jim Wise Associates, 1707 Duke St., #300 Alexandria, VA 22314	National Assn of Credit Management	12,000.00	924.00
Do	Ogden Martin Systems, Inc	6,000.00	322.00
Walter J. Witek Jr., 777 14th St., NW Washington, DC 20005	National Assn of Realtors		
Glenn P. Witte, 888 16th St., NW Washington, DC 20006	Milk Industry Foundation/Int'l Ice Cream Assn		
Richard J. Wittig, 1213 Jefferson Davis Highway, #1414 Arlington, VA 22202	Defense Products Marketing, Inc	1,000.00	61.00
Sandra W. Wobbe, 1250 Eye Street, NW Washington, DC 20005	Aerospace Industries Assn of America, Inc	2,541.00	59.25
James Wolf, 1925 K St., NW, #206 Washington, DC 20006	Alliance to Save Energy	859.12	
James E. Wolf, 2020 14th St., North Arlington, VA 22201	American Standard, Inc	1,000.00	
Wolf Block Schorr & Solis-Cohen, 12th Floor Packard Building 15th & Chestnut Streets Philadelphia, PA 19102	CIGNA Corporation		
Do	Revlon Group, Inc	2,000.00	960.00
Do	Smith Kline Beckman, Inc		
Sidney M. Wolfe, 2000 P St., NW, #708 Washington, DC 20036	Public Citizen Health Research Group		
Christopher C. Womack, 600 North 18th Street Birmingham, AL 35291	Alabama Power Company	8,321.00	5,785.47
Don Womack, Suite 303 1825 K St., NW Washington, DC 20006	Texas Utilities Services, Inc	3,375.00	62.48
Linda Womack, 2100 E. Exchange Place Tucker, GA 30085-1349	Oglethorpe Power Corp	620.00	2,090.00
S. Roy Woodall Jr., 1455 Pennsylvania Ave., NW, #1250 Washington, DC 20005	National Assn of Life Companies	1,500.00	15.00
Irvin M. Woods, 4601 N Fairfax Drive, #720 Arlington, VA 22203	Woods And Associates (For:Helicopter Assn International)	1,000.00	17.75
Robert W. Woody, 1333 New Hampshire Ave, NW Washington, DC 20036	LeBoeuf Lamb Leiby & MacRae	151.20	
Perry W. Woofter, Suite 530 1800 K St. NW Washington, DC 20006	Tesoro Petroleum Corp	3,000.00	
Edward A. Woolley, Bedford Consultants Building P.O. Box 605 Bedford, NY 10506	Institute of International Container Lessors		
Howard E. Woolley, 1771 N Street, NW Washington, DC 20036	National Assn of Broadcasters	4,500.00	828.45
Linda Anzalone Woolley, 1600 M St., NW Washington, DC 20036	International Telephone & Telegraph Corporation	5,000.00	106.00
Noel C. Woosley, 4647 Forbes Boulevard Lanham, MD 20706	AMVETS	6,800.00	
Willard A. Workman, 1615 H Street, NW Washington, DC 20062	U.S. Chamber of Commerce		105.00
Worldwide Information Resources, Ltd, 1717 K Street, NW, #706 Washington, DC 20006	Avon Products, Inc		
Do	Bombardier Corp		
Do	Equitable Life Assurance Society of the U.S.		
Do	Toshiba America, Inc		
Do	Toyota Motor Sales, USA, Inc		
Do	Transportation Group, Inc		
W. Robert Worley, 190 St.Clair Drive St. Simmons Island, GA 31522	Southern Company Services, Inc	2,060.00	670.30
Worthington Associates, 2132 Southbay Lane Reston, VA 22091	HRM		
David L. Wray, 20 North Wacker Drive Chicago, IL 60606	Profit Sharing Council of America		
Alan D. Wright, P.O. Box 94661 Cleveland, OH 44101-4661	Centerior Energy Corp, et al	5,320.00	345.10
David L. Wright, Anderson Hill Rd. Purchase, NY 10577	Pepsico, Inc		
Wunder Ryan Cannon & Thelen, 1615 L St., NW, #650 Washington, DC 20036	Airship Industries, Ltd	10,000.00	
Do	Alliance of American Insurers	774.00	18.14
Do	Anderson Hibey Nauheim & Blair		
Do	Association of American Railroads	1,666.60	44.74
Do	BellSouth Corp		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Dominion Resources	2,000.00	15.20
Do	Duke Power Co		
Do	Enserch Corporation		
Do	Federation of Postal Police Officials	911.25	8.36
Do	Ford Motor Co		
Do	GenenTech, Inc		
Do	General Aviation Manufacturers Association		
Do	Georgia-Pacific Corp		
Do	GTE Corporation		
Do	Hook-SupeRx, Inc		
Do	HDTV 1125/60 Group	8,250.00	385.22
Do	Interlocking Directorate Reform Coalition	3,509.88	113.83
Do	Investment Company Institute	1,500.00	35.42
Do	Kohlberg Kravis Roberts & Co	13,897.50	826.21
Do	Koniag		
Do	Metropolitan Insurance Co	14,500.00	379.63
Do	Michigan Consolidated Gas Company		
Do	Mortgage Guarantee Insurance Corp		
Do	Mutual Life Insurance Co Tax Committee		
Do	National Assn of Temporary Services	4,000.00	32.00
Do	National Cable Television Assn, Inc	8,333.20	288.21
Do	North American Phillips Corp	5,072.63	336.02
Do	Northwestern Mutual Life Insurance Co		
Do	Pennsylvania Higher Education Assistance Agency		
Do	Polaris Industries		
Do	Product Liability Coordinating Committee	1,800.00	35.03
Do	Shared Medical Systems (SMS)		
Do	Sony Corp of America	7,127.50	1,367.22
Do	Squibb Corp		
Do	State of North Carolina		
Do	Texas Oil & Gas Corp		
Do	Tobacco Industry Labor Management Committee	17,580.00	2,397.26
Do	U.S. Telephone Assn	3,200.00	34.40
Do	Union Labor Life		
Do	1587 Group		
Thomas L. Wylie, 555 13th St., NW, #1010 East Washington, DC 20004-1109	Sun Co, Inc	1,519.00	63.17
Wyman Bautzer Kuchel & Silbert, 1919 Pennsylvania Avenue, NW, #800 Washington, DC 20006	American Boiler Manufacturers Assn, Inc		
Do	Eklutna, Inc		
David S. Wynett, 1629 K Street, NW, #501 Washington, DC 20006	Delta Air Lines, Inc	110.00	70.00
Marc D. Yacker, 1250 Connecticut Ave., NW Washington, DC 20036	American Paper Institute, Inc	800.00	
Deborah K. Yamada, 1020 19th Street, NW, #600 Washington, DC 20036	American Express Co		
T. Albert Yamada, Suite 520 900 17th St., NW Washington, DC 20006	Toyota Motor Sales USA, Inc	500.00	
Do	West Mexico Vegetable Distributors Assn	500.00	
Nancy Foster Yanish, 1750 K Street, NW Washington, DC 20006	Food Marketing Institute	400.00	
Mary J. Yarrington, 2000 K St., NW, 8th Foor Washington, DC 20006	National Comm to Preserve Social Security	3,150.00	42.42
Edward R. Yawn, 1111 19th St., NW Washington, DC 20036-3691	Edison Electric Institute	2,032.58	273.58
Kim Yelton, 8120 Fenton St. Silver Spring, MD 20910	Americans United for Separation of Church and State	8,934.18	46.86
Jack Yelverton, 1303 New Hampshire Ave., NW Washington, DC 20036	Fleet Reserve Assn		
Edward L. Yingling, 1120 Connecticut Ave., NW Washington, DC 20036	American Bankers Assn	6,000.00	
Larry E. Yoakam, 650 S. Front Street Columbus, OH 43206	Grange Mutual Casualty Co		
John S. Yodice, 500 E Street, SW, #930 Washington, DC 20024	Yodice Associates (For:Aircraft Owners & Pilots Assn)	330.00	
D. Scott Yohe, 1629 K St., NW, #501 Washington, DC 20006	Delta Air Lines, Inc	390.00	123.85
Andrew Yood, 1220 L Street, NW Washington, DC 20005	American Petroleum Institute	200.00	
Thane Young, 1730 Rhode Island Ave., NW, #400 Washington, DC 20036	Berg-Revoir Corp		
Do	City of Alhambra		
Do	City of Baldwin Park		
Do	City of Inglewood		
Do	City of Oceanside		
Do	City of Provo		
Do	City of Redondo Beach		
Do	City of Santa Ana		
Do	City of South Salt Lake		
Do	Gavin Associates		
Do	Imperial Irrigation District		
Do	Irvine Company		
Do	Long Beach Transit		
Do	Oceanside Redevelopment Agency		
Do	Santa Cruz Properties, Inc		
Thomas F. Youngblood, 1201 New York Ave, NW, #600 Washington, DC 20005	American Hotel & Motel Assn	2,235.54	
Betsy Younkins, 1220 L Street, NW, #1200 Washington, DC 20005	American Petroleum Institute	8,000.00	323.49
Eugene A. Yourch, 50 Broadway New York, NY 10004	Federation of American Controlled Shipping	200.00	
Elizabeth Ysla, 1120 Connecticut Ave., NW Washington, DC 20036	American Bankers Assn		
David E. Yudin, 1225 Eye Street NW, #300 Washington, DC 20005	Bus Transit Caucus		
Do	Regional Transportation District	1,750.00	197.53
Lynn Zakupowsky, 1331 Pennsylvania Ave., NW Washington, DC 20004	General Electric Co		
John S. Zapp, 1101 Vermont Ave., NW Washington, DC 20005	American Medical Assn	4,900.00	
Janice Zarro, 555 13th Street, NW, #1050——East Washington, DC 20004	Avon Products, Inc		
Thomas K. Zaucha, 1825 Samuel Morse Drive Reston, VA 22090	National Grocers Assn	500.00	
Kathy Zebrowski, 1600 Eye St., NW Washington, DC 20006	Motion Picture Assn of America, Inc	1,320.00	785.83
Leo C. Zeferetti, 9912 Fort Hamilton Parkway Brooklyn, NY 11209	Building & Construction Trades Dept, AFL-CIO		
Do	New York Telephone		
Do	Sikorsky Aircraft		
Denis R. Zegar, 201 Park Washington Court Falls Church, VA 22046	National-American Wholesale Grocers' Assn	3,000.00	
Eugene J. Zeiszler, 7901 Westpark Drive McLean, VA 22102	NMTBA	1,200.00	250.00
Don J. Zeller, 1615 M Street, NW, #200 Washington, DC 20036	Amoco Corporation		
Carl A. Zichella, 214 N. Henry St., #203 Madison, WI 53703	Sierra Club	2,230.80	871.95
Ronald L. Ziegler, P.O. Box 1417-D49 Alexandria, VA 22313	National Assn of Chain Drug Stores, Inc	1,000.00	
John H. Zimmerman, 3138 North 10th Street Arlington, VA 22201	National Assn of Federal Credit Unions	1,250.00	
Joseph J. Zimmerman, 1140 Connecticut Ave., NW Washington, DC 20036	Sachs Greenebaum & Tayler (For:Giant Industries Inc)		350.00
Kathleen Zimmerman, 1412 16th Street, NW Washington, DC 20036-0001	National Wildlife Federation		
Ziontz Chestnut Varnell Berley & Slonim, 2121 Fourth Avenue, #1230 Seattle, WA 98121	Makah Indian Tribe		
Gary M. Zizka, 5205 Leesburg Pike, #1600 Falls Church, VA 22041	National Beer Wholesalers Association	2,000.00	90.64
Zuckert Scoutt & Rasenberger, 888 17th St., NW, #600 Washington, DC 20006-3959	CITGO Petroleum Corp		
Do	National Comm of Cities & States for Airline Service	6,833.75	805.94
Kurt D. Zwikl, 2024 Lehigh Street Allentown, PA 18103	Merchants Bank		
23rd Congressional District Action Comm, 575 Charles St. St. Marys, PA 15857			

QUARTERLY REPORTS*

*All alphanumeric characters and monetary amounts refer to receipts and expenditures on page 2, paragraphs D and E of the Quarterly Report Form.

The following reports for the fourth calendar quarter of 1988 were received too late to be included in the published reports for that quarter:

(NOTE.—The form used for report is reproduced below. In the interest of economy in the RECORD, questions are not repeated, only the essential answers are printed, and are indicated by their respective headings. This page (Page 1) is designed to supply identifying data, and Page 2 deals with financial data.)

PLEASE RETURN 1 ORIGINAL TO: THE CLERK OF THE HOUSE OF REPRESENTATIVES, OFFICE OF RECORDS AND REGISTRATION, 1036 LONGWORTH HOUSE OFFICE BUILDING, WASHINGTON, D.C. 20515

PLEASE RETURN 1 ORIGINAL TO: THE SECRETARY OF THE SENATE, OFFICE OF PUBLIC RECORDS, 232 HART SENATE OFFICE BUILDING, WASHINGTON, D.C. 20510

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19 . . . . .

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th
(Mark one square only)				

IDENTIFICATION NUMBER

Is this an Amendment? ☐ YES ☐ NO

NOTE on ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:

(i) *"Employee".*—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)

(ii) *"Employer".*—To file as an "employer", write "None" in answer to Item "B".

(*b*) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:

(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.

(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING:

1. State name, address, and nature of business.

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

☐ CHECK IF ADDRESS IS DIFFERENT THAN PREVIOUSLY REPORTED

NOTE on ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (*a*) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (*b*) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER—State name, address, and nature of business. If there is no employer, write "None."

NOTE on ITEM "C".—(*a*) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).

(*b*) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).

(*c*) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have ☐ terminated, place an "X" in the box at the left, so that this Office will no longer expect to receive Reports.

2. State the general legislative interests of the person filing and set forth the specific legislative interests by reciting: (*a*) Short titles of statutes and bills; (*b*) House and Senate numbers of bills, where known; (*c*) citations of statutes, where known; (*d*) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (*a*) description, (*b*) quantity distributed, (*c*) date of distribution, (*d*) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed.)

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and, if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. *If this is a "Quarterly" Report, disregard this item "C4" and fill out items "D" and "E" on the back of this page.* Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly Report."

STATEMENT OF VERIFICATION

[Omitted in printing]

NOTE on ITEM "D."—*(a)* IN GENERAL. The term "contribution" includes *anything of value.* When an organization or individual uses printed or duplicated matter in a campaign attempting to influence legislation, money received by such organization or individual—for such printed or duplicated matter—is a "contribution." "The term 'contribution' includes a gift, subscription, loan, advance, or deposit of money, or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make a contribution"—§ 302(a) of the Lobbying Act.

(b) IF THIS REPORT IS FOR AN EMPLOYER.—(i) *In general.* Item "D" is designed for the reporting of all receipts from which expenditures are made, or will be made, in connection with legislative interests.

(ii) *Receipts of Business Firms and Individuals.*—A business firm (or individual) which is subject to the Lobbying Act by reason of expenditures which it makes in attempting to influence legislation—but which has no funds to expend except those which are available in the ordinary course of operating a business not connected in any way with the influencing of legislation—will have no receipts to report, even though it does have expenditures to report.

(iii) *Receipts of Multi-purpose Organizations.*—Some organizations do not receive any funds which are to be expended solely for the purpose of attempting to influence legislation. Such organizations make such expenditures out of a general fund raised by dues, assessments, or other contributions. The percentage of the general fund which is used for such expenditures indicates the percentage of dues, assessments, or other contributions which may be considered to have been paid for that purpose. Therefore, in reporting receipts, such organizations may specify what that percentage is, and report their dues, assessments, and other contributions on that basis. However, each contributor of $500 or more is to be listed, regardless of whether the contribution was made solely for legislative purposes.

(c) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE.—(i) *In general.* In the case of many employees, all receipts will come under Items "D 5" (received for services) and "D 12" (expense money and reimbursements). In the absence of a clear statement to the contrary, it will be presumed that your employer is to reimburse you for all expenditures which you make in connection with legislative interests.

(ii) *Employer as Contributor of $500 or More.*—When your contribution from your employer (in the form of salary, fee, etc.) amounts to $500 or more, it is not necessary to report such contribution under "D 13" and "D 14," since the amount has already been reported under "D 5," and the name of the "employer" has been given under Item "B" on page 1 of this report.

D. RECEIPTS (INCLUDING CONTRIBUTIONS AND LOANS):

Fill in every blank. If the answer to any numbered item is "None," write "NONE" in the space following the number.

Receipts (other than loans)

1. $.....Dues and assessments
2. $.....Gifts of money or anything of value
3. $.....Printed or duplicated matter received as a gift
4. $.....Receipts from sale of printed or duplicated matter
5. $.....Received for services (e.g., salary, fee, etc.)
6. $.....TOTAL for this Quarter (Add "1" through "5")
7. $.....Received during previous Quarters of calendar year
8. $.....TOTAL from Jan. 1 through this Quarter (Add "6" and "7")

Loans Received—"The term 'contribution' includes a . . . *loan* . . ."—§ 302(a).

9. $.....TOTAL now owed to others on account of loans
10. $.....Borrowed from others during this Quarter
11. $.....Repaid to others during this Quarter

12. $....."Expense Money" and Reimbursements received this Quarter.

Contributors of $500 or More (from Jan. 1 through this Quarter)

13. Have there been such contributors?
Please answer "yes" or "no": .....

14. In the case of each contributor whose contributions (including loans) during the "period" from January 1 through the last day of this Quarter, total $500 or more:

Attach hereto plain sheets of paper, approximately the size of this page, tabulate data under the headings "Amount" and "Name and Address of Contributor"; and indicate whether the last day of the period is March 31, June 30, September 30, or December 31. Prepare such tabulation in accordance with the following example:

Amount	*Name and Address of Contributor* ("*Period*" from Jan. 1 through....., 19.....)
$1,500.00	John Doe, 1621 Blank Bldg., New York, N.Y.
$1,785.00	The Roe Corporation, 2511 Doe Bldg., Chicago, Ill.
$3,285.00	TOTAL

NOTE on ITEM "E".—*(a)* IN GENERAL. "The term 'expenditure' includes a payment, distribution, loan, advance, deposit, or gift of money or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure"—§ 302 (b) of the Lobbying Act.

(b) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE. In the case of many employees, all expenditures will come under telephone and telegraph (Item "E 6") and travel, food, lodging, and entertainment (Item "E 7").

E. EXPENDITURES (INCLUDING LOANS) IN CONNECTION WITH LEGISLATIVE INTERESTS:

Fill in every blank. If the answer to any numbered item is "None," write "NONE" in the spaces following the number.

Expenditures (other than loans)

1. $.....Public relations and advertising services
2. $.....Wages, salaries, fees, commissions (other than Item "1")
3. $.....Gifts or contributions made during Quarter
4. $.....Printed or duplicated matter, including distribution cost
5. $.....Office overhead (rent, supplies, utilities, etc.)
6. $.....Telephone and telegraph
7. $.....Travel, food, lodging, and entertainment
8. $.....All other expenditures
9. $.....TOTAL for this Quarter (Add "1" through "8")
10. $.....Expended during previous Quarters of calendar year
11. $.....TOTAL from Jan. 1 through this Quarter (Add "9" and "10")

Loans Made to Others—"The term 'expenditure' includes a . . . *loan* . . ."—§ 302 (b).

12. $.....TOTAL now owed to person filing
13. $.....Lent to others during this Quarter
14. $.....Repayments received during this Quarter

15. *Recipients of Expenditures of $10 or More*_____

If there were no single expenditures of $10 or more, please so indicate by using the word "NONE".

In the case of expenditures made during this Quarter by, or on behalf of, the person filing: Attach plain sheets of paper approximately the size of this page and tabulate data as to expenditures under the following heading: "Amount," "Date or Dates," "Name and Address of Recipient," "Purpose." Prepare such tabulation in accordance with the following example:

Amount	*Date or Dates—Name and Address of Recipient—Purpose*
$1,750.00	7–11: Roe Printing Co., 3214 Blank Ave., St. Louis, Mo.—Printing and mailing circulars on the "Marshbanks Bill."
$2,400.00	7–15, 8–15, 9–15: Britten & Blaten, 3127 Gremlin Bldg., Washington, D.C.—Public relations service at $800.00 per month.
$4,150.00	TOTAL

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Leanne J. Abdnor, 2000 Pennsylvania Avenue, NW, #3580 Washington, DC 20006	Koch Industries	3,000.00	2,206.58
Do	Koppelman Fuel Development Corp		
Paul C. Abenante, 1111 14th St., NW, #300 Washington, DC 20005	American Bakers Assn		
Ablondi & Foster, P.C., 2100 Pennsylvania Ave. NW Washington, DC 20037	Rhone-Poulenc, Inc	8,023.75	
Matthew J. Abrams, CANAMCO 1828 L Street, NW, #660 Washington, DC 20036	CANAMCO (For:Aerospace Industries Assn of Canada)		
Do	CANAMCO (For:Canadian Shipowners Assn)		
Action, Inc, 460 Spring Parks Place, #1000 Herndon, VA 22070	American Indian Higher Education Consortium		
John R. Adams, One Tabor Center 1200 17th Street, #2500 Denver, CO 80202	Energy Fuels Nuclear, Inc		
Kenneth R. Adams, 2211 Congress Street Portland, ME 04122	UNUM Life Insurance Co	500.00	100.00
Air Transport Assn of America, 1709 New York Ave., NW Washington, DC 20006		51,419.05	136,276.04
Nancy C. Alexander, 245 Second Street, NE Washington, DC 20002	Friends Comm on National Legislation	4,715.58	
John D. Allan, c/o Doh Lohnes & Albertson 1255 23rd St., NW Washington, DC 20037	Stelco, Inc		
Alliance Against Handguns, P.O. Box 75700 Washington, DC 20013			
Susan E. Alvarado, 1440 New York Ave., NW, #320 Washington, DC 20005	E. Bruce Harrison Company (For:National Assn of Broadcasters)	1,339.00	
American Advertising Federation, 1400 K Street, NW, #1000 Washington, DC 20005			5,843.74
American Amusement Machine Assn, 205 The Strand Alexandria, VA 22314			
American Apparel Manufacturers Assn, Inc, 2500 Wilson Blvd., #301 Arlington, VA 22201		20,944.95	20,944.95
American Arts Alliance, 1319 F Street, NW, #307 Washington, DC 20004-1182		8,353.00	8,353.00
American Assn for Counseling & Development, 901 East Capitol Street, SE Second Floor Wahington, DC 20003		48,784.00	41,889.00
American Assn for Respiratory Care, 11030 Abies Lane Dallas, TX 75229		9,893.57	18,344.13
American Assn of Airport Executives, 4224 King Street Alexandria, VA 22302		15,354.00	15,228.00
American Assn of Blood Banks, 1117 North 19th St., #600 Arlington, VA 22209		1,250.00	1,250.00
American Assn of Exporters & Importers, 11 West 42nd Street, 30th Fl. New York, NY 10036			
American Assn of Museums, 1225 Eye Street, NW, #200 Washington, DC 20005		8,659.00	7,547.81
American Cement Trade Alliance, Inc, 1331 Pennsylvania Ave., NW, #1331 Washington, DC 20004		39,533.84	31,792.27
American Fed of State County & Municipal Employees, 1625 L St., NW Washington, DC 20036			87,934.92
American Gas Assn, 1515 Wilson Boulevard Arlington, VA 22209		31,906.00	188,494.00
American Hospital Assn, 50 F Street NW, # 1100 Washington, DC 20001		85,126.35	85,126.35
American Medical Student Assn, 1890 Preston White Drive Reston, VA 22091			5,949.76
American Nuclear Energy Council, 410 1st St., SE Washington, DC 20003		481,483.26	77,802.86
American State of the Art Prosthetic Assn, 1404 26th Street, NW, #1 Washington, DC 20007		25,500.00	28,491.71
American Subcontractors Assn, 1004 Duke St. Alexandria, VA 22314			4,900.00
Americans for the High Frontier, 2800 Shirlington Road, #405A Arlington, VA 22206		46,367.82	17,376.07
Americans for the National Voter Initiative Amendment, 3115 N St., NW Washington, DC 20007			
John G. Ams, 1660 L St., NW, #601 Washington, DC 20036	Interstate Natural Gas Assn of America		
James A. Anderson Jr., 1725 K Street, NW, #710 Washington, DC 20006	National Assn of Wholesaler-Distributors		
Scott G. Anderson, 50 F St., NW, #1080 Washington, DC 20001	BN Services Inc	1,900.00	806.68
Anderson Benjamin Read & Haney, Inc, 1020 19th St., NW, #520 Washington, DC 20036	Coalition to Stop the Raid on America		
Anderson Hibey Nauheim & Blair, 1708 New Hampshire Ave., NW Washington, DC 20009	Alamo Rent-A-Car, Inc	84,010.00	273.70
Do	Amerop Sugar Corporation		
Do	Bay Area Rapid Transit District		
Do	Communication Industries Assn of Japan	1,385.70	65.62
Do	Eco Corporation	267.75	94.62
Do	Steven Eggers		
Do	Electronic Industry Assn of Japan	3,200.00	110.81
Do	Enterprise Leasing Co	514.90	13.15
Do	Institute for Financial & Fiscal Studies	162.35	38.21
Do	Japan Machine Tool Builders Assn	439.20	32.73
Do	Park 'N Fly, Inc	456.60	11.61
Do	Project Orbis, Inc	122.50	
Do	Toshiba Corp		
David R. Andrews, Three Embarcadero Center San Francisco, CA 94111	McCutchen Doyle Brown & Enersen (For:Castle & Cooke, Inc)		
Do	McCutchen Doyle Brown & Enersen (For:Rohr Industries, Inc)		
Do	McCutchen Doyle Brown & Enersen (For:Sterling Drug, Inc)		
Owen W. Anglum, 1667 K Street, NW, #650 Washington, DC 20006	Armco, Inc	1,400.00	949.33
Arent Fox Kintner Plotkin & Kahn, 1050 Connecticut Ave., NW Washington, DC 20036-5339	Aris Anagnos Properties	3,560.65	
Do	Artery Organization		
Do	Coalition for Auto Repair Choice		
Do	Ethan Allen, Inc	1,957.70	290.72
Do	Schoenke & Associates	168.00	263.54
John A. Armstrong, c/o Dow Lohnes & Albertson 1255 23rd Street, NW Washington, DC 20037	Dofasco, Inc		
Tertia R. Armstrong, 1615 H Street, NW Washington, DC 20062	Chamber of Commerce of the U.S	42.00	
Arnold & Porter, 1200 New Hampshire Ave., NW Washington, DC 20036	Bank of Montreal		
Do	Hopi Indian Tribe		
Do	National Coordinating Comm for Multiemployer Plans	15,312.00	543.43
Asian Pacific Economic Educational Cultural Organization, P.O. Box 891 Manila, Philippine			
Associated Builders & Contractors, Inc, 729 15th St., NW Washington, DC 20005		17,500.00	
Association of Biotechnology Companies, 1120 Vermont Avenue, NW, #601 Washington, DC 20005			15,450.00
ADAPSO - The Computer Software & Services Industry Assn, 1300 North 17th Street, #300 Arlington, VA 22209			
AFL-CIO Maritime Committee, 444 North Capitol Street, #820 Washington, DC 20001		5,645.00	6,687.36
APCO Associates, 1155 21st Street, NW, #1000 Washington, DC 20036	Amok, Ltd, et al		
Do	Asocolflores		
Do	Bank of Montreal		
Do	Cemai		8.00
Do	Earthquake Project		
Do	Ferroalloys Association		
Do	Japan Fair Trade Center		
Do	Profilo Holding A.S		
Do	Province of Manitoba		
Do	Recording Industry Assn of America		
Do	Sacramento Municipal Utility District		
Do	Tulane University		
Do	Virginia Institute of Marine Science		
Hope M. Babcock, 801 Pennsylvania Avenue, SE Washington, DC 20003	National Audubon Society		
Gregory R. Babyak, 1747 Pennsylvania Ave., NW Washington, DC 20006	Municipal Finance Industry Assn		
Victor Bach, 105 East 22nd Street New York, NY 10010	Community Service Society	107.82	459.60
William W. Bailey, 1700 Pennsylvania Ave., NW, #500 Washington, DC 20006	Mutual of Omaha Insurance Co	2,000.00	2,134.64
Baker & Hostetler, 1050 Connecticut Ave., NW, #1100 Washington, DC 20036	American Resort & Residential Development Assn	1,000.00	1,000.00
Do	Chubb Group of Insurance Cos	500.00	500.00
Do	Cleveland Clinic Foundation	2,000.00	2,000.00
Do	Continental Insurance Co	500.00	500.00
Do	CIGNA Corp	500.00	500.00
Do	CNA Insurance Cos	500.00	500.00
Do	Federal Deposit Insurance Corp	2,000.00	2,000.00
Do	Firemans Fund	500.00	500.00
Do	Hartford Insurance Group	500.00	500.00
Do	North American Co	500.00	500.00
Do	St. Paul Fire & Marine	500.00	500.00
Do	Travelers Insurance Co	2,000.00	2,000.00
Do	U.S. Fidelity & Guaranty Corp	500.00	500.00
Do	West Point Pepperell, Inc		
Baker & McKenzie, 815 Connecticut Ave., NW Washington, DC 20006	Honeywell	7,048.25	782.96
Do	Nuclear Electric Insurance Co, et al	12,215.00	718.43
Donald Baldwin, 1140 Connecticut Ave., NW, #804 Washington, DC 20036	Diagnostic/Retrieval Systems, Inc		
Do	Federal Criminal Investigators Assn		
Do	Mack Trucks, Inc		
Do	National Law Enforcement Council		
Bank Capital Markets Assn, National Press Building, 2nd Fl. Washington, DC 20045			
Robert D. Bannister, 15th & M Streets, NW Washington, DC 20005	National Assn of Home Builders of the U.S		
Baraff Koerner Olender & Hochberg, P.C., 2033 M Street, NW, #203 Washington, DC 20036	National Assn of Collegiate Directors of Athletics		
Do	National Basketball Assn	300.00	
Emory W. Baragar, 1700 N. Moore St., #2120 Rosslyn, VA 22209	Boeing Company	1,754.50	1,832.84
Barnes Richardson & Colburn, 1819 H St., NW, #400 Washington, DC 20006	Commonwealth Garment Manufacturing Co		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Dow Chemical Co		
Do	EHA Ventilfabrik Wilhelm Fritz KG		
Do	Florida Citrus Mutual		6.00
Do	Italy-America Chamber of Commerce, Textile & Apparel Comm		
Do	Tartaric Chemical Corp		
Do	Uniroyal Chemical Co, Inc	2,874.98	16.19
Larry P. Barnett, 1709 New York Ave., NW Washington, DC 20006	Air Transport Assn of America	12,998.66	
James C. Barr, 1840 Wilson Blvd Arlington, VA 22201	National Milk Producers Federation	3,300.00	
James E. Barrett, 901 31st St., NW Washington, DC 20007	Hill & Knowlton, Inc (For:Hastings College)		
Mark A. Bartner, 100 Maryland Avenue, NE Washington, DC 20002	Religious Coalition for Abortion Rights, Inc	6,875.02	
Richard A. Barton, 1101 17th St., NW, #900 Washington, DC 20036	Direct Marketing Assn	1,000.00	1,000.00
Catharine R. Batky, 50 F Street, NW, #1080 Washington, DC 20001	BN Services Inc	1,750.00	227.29
John L. Bauer Jr., 1667 K St., NW, #650 Washington, DC 20006	Armco, Inc	2,000.00	2,824.59
Tina Marts Beach, 1331 Pennsylvania Avenue, NW, #700-S Washington, DC 20004	General Electric Co	372.00	
Barbara F. Beatty, 729 15th Street, NW Washington, DC 20005	Associated Builders & Contractors, Inc	2,500.00	
Lee Becker, 1111 14th St., NW Washington, DC 20005	American Bakers Assn		
Merritt Becker, 1844 Kalorama Rd. NW Washington, DC 20009	Bruce P. Cameron (for Embassy of Mozambique)	4,735.08	
Jon Charles Bednerik, 11 Embarcadero West, #202 Oakland, CA 94607	Western Independent Bankers	500.00	
Beer Drinkers of America, 150 Paularino Avenue, #190 Costa Mesa, CA 92626			
Edwin L. Behrens, 801 18th Street, NW, #400 Washington, DC 20006	Procter & Gamble Manufacturing Co	90.00	
Robert R. Belair, 1800 M Street, NW South Lobby, 9th Floor Washington, DC 20036	Kirkpatrick & Lockhart (For:National Institute for Citizen Education in the Law)	6,119.00	1,235.11
Donald K. Belch, c/o Dow Lohnes & Albertson 1255 23rd Street, NW Washington, DC 20037	Stelco, Inc	265.00	453.12
Howard H. Bell, 1400 K St., NW, #1000 Washington, DC 20036	American Advertising Federation		
Daniel J. Bennet, 729 15th Street, NW Washington, DC 20005	Associated Builders & Contractors, Inc	2,500.00	
Alan R. Bennett, 1714 Massachusetts Ave., NW Washington, DC 20036	Fox Weinberg & Bennett (For:Bristol-Myers Co)		
Do	Fox Weinberg & Bennett (For:Hoffmann La Roche, Inc)		
Douglas P. Bennett, 9020 Saunders Lane Bethesda, MD 20817	Corning Glass Works	2,500.00	
Bob Bergland, 1800 Massachusetts Avenue, NW Washington, DC 20036	National Rural Electric Cooperative Assn	350.00	
Martha Bergmark, 7316 Piney Branch Road Takoma Park, MD 20912	Project Advisory Group	953.34	6.00
Jane W. Bergwin, 1016 16th Street, NW, 5th Floor Washington, DC 20036	Consumers Power Co	3,448.00	6,998.00
Berliner & Maloney, 1101 17th Street, NW, #1004 Washington, DC 20036-4798	Government of Barbados, Ministry of Finance & Planning	13,522.35	916.49
Charles Bernhardt, 1016 16th St., NW Washington, DC 20036	National Fed of Federal Employees		
Max N. Berry, 3213 O St., NW Washington, DC 20007	American Importers Meat Products Group		
Do	Centre National Interprofessionnel de L'Economic Laitiere		
Do	Committee to Assure the Availability of Casein		
Do	Federation des Exportateurs de Vins & Spiritueux de France		
Willard M. Berry, 1625 K Street, NW, #1090 Washington, DC 20006	National Foreign Trade Council, Inc	5,000.00	1,100.00
Eve Berton, 1016 16th St., NW Washington, DC 20036	National Fed of Federal Employees		
Margot Bester, 2300 M Street, NW, #130 Washington, DC 20037	Murphy & Demory, Ltd (For:Com-Land Group, Inc)		
Beveridge & Diamond, P.C., 1333 New Hampshire Ave, NW Washington, DC 20036	Pacific Dunlop-GNB	2,575.00	55.00
Kevin W. Billings, 410 First Street, SE Washington, DC 20003	American Nuclear Energy Council	1,050.00	1,753.80
Robert Bingaman Jr., 1817 Bay Street, SE Washington, DC 20005	National Abortion Rights Action League	3,333.09	
Bishop Cook Purcell & Reynolds, 1400 L Street, NW, #1000 Washington, DC 20005-3502	Akhiok-Kaguyak, Inc	920.00	
Do	American Honey Producers Assn	9,561.61	343.39
Do	American Rice, Inc	740.00	26.60
Do	Computer & Business Equipment Manufacturers Assn		
Do	CSR, Ltd	3,750.00	269.05
Do	IBP, Inc	850.00	87.27
Do	Master Marketers Assn of America		
Do	Tobacco Institute	14,400.00	
Do	U.S. Rice Producers' Legislative Group	7,816.25	516.14
Do	Washington Public Power Supply System	6,400.00	
Black Manafort Stone & Kelly, P.C., 211 North Union Street, #300 Alexandria, VA 22314	U.S. Sprint	12,000.00	332.92
Roger Blacklow, 100 Indiana Avenue, NW Washington, DC 20001	National Assn of Letter Carriers	9,586.50	1,084.96
Jim Blomquist, 408 C Street, NE Washington, DC 20002	Sierra Club	4,503.52	
Joanne Blum, 2010 Massachusetts Avenue, NW, #500 Washington, DC 20036	Planned Parenthood Fed of America, Inc	782.51	44.50
Beth A. Boeke, 206 G Street, NE Washington, DC 20002	Evergreen Associates, LTD (For:Suffolk Co. NY)		
Timothy A. Boggs, 1133 21st Street, NW, #400 Washington, DC 20036	Warner Communications, Inc	16,000.00	11,075.99
Bogle and Gates, One Thomas Circle, NW, #900 Washington, DC 20005	Alaskan Factory Trawlers Assn	2,000.00	
Do	Coalition to Cease Ocean Dumping	2,000.00	
Do	Great Western Malting Co	500.00	
Do	United Sport Fishermen	500.00	
Sharon E. Bomer, 727 N. Washington Street Alexandria, VA 22314	United Fresh Fruit & Vegetable Assn		
Edward N. Bond, 1700 N. Moore St., #2120 Rosslyn, VA 22209	Boeing Company	300.00	
Bonneville Associates, 257 E. 200 SO.-#925 Salt Lake City, UT 84111	Western Regional Council		
Bonsib, Inc, P.O. Box 1807 Washington, DC 20013			
Richard H. Bornemann, 10 Fourth Street, SE Washington, DC 20003	United Illuminating Co	3,500.00	296.20
Josh Bowers, 1016 16th Street, NW Washington, DC 20036	National Fed of Federal Employees		
Brand & Lowell, 923 15th Street, NW, Fifth Fl. Washington, DC 20005	Arnall Golden... (for Amer Colleges for the Applied Arts)	400.00	12.00
Do	General Dynamics Corp		
Do	National Assn for Home Care		
Do	West Group		
George W. Breece, P.O. Box 2801 Fayetteville, NC 28302	American State of the Art Prosthetic Assn	10,891.50	6,717.44
Peter E. Brereton, 900 Euclid Avenue P.O. Box 5937 Cleveland, OH 44107	Ameritrust Co, Nat'l Assn		
Nancy B. Broff, 618 D Street, SE Washington, DC 20003	National Abortion Rights Action League	4,679.15	
Philip A. Brooks, 1125 15th Street, NW Washington, DC 20005	Mortgage Bankers Assn of America	938.00	
Joseph Browder, 418 10th St., SE Washington, DC 20003	Unelco		
David C. Brown, 410 First St., SE Washington, DC 20003	American Nuclear Energy Council	343.75	427.50
Donald K. Brown, 1121 L St., #810 Sacramento, CA 95814	Crowley Maritime Corp		
Do	Summa Corporation		
E. Cooper Brown, 6935 Laurel Ave., #204 Takoma Park, MD 20912			
Gary A. Brown, 1722 Eye Street, NW, 6th Fl Washington, DC 20006	Powers Harsch & Kinder (For:Aspen Technology)		
Do	Powers Harsch & Kinder (For:City of Cranston)		
Do	Powers Harsch & Kinder (For:Solv-Ex Corporation)		
John J. Brown, 1125 17th St., NW Washington, DC 20036	International Union of Operating Engineers	8,500.00	303.00
Brownstein Hyatt Farber & Madden, 410 17th Street, 22nd Floor Denver, CO 80202	Alliance for Capital Access	500.00	
Do	Columbia Savings & Loan Assn		
Do	MDC Asset Investors, Inc		
Do	Republic Health Corp	1,000.00	
Do	Smith Barney Harris Upham & Co, Inc		
Do	Western Union Corp	1,000.00	
Brownstein Zeidman & Schomer, 1401 New York Ave., NW, #900 Washington, DC 20005	New York City Housing Development Corp	13,053.95	
Do	New York State Mortgage Loan Enforcement & Admin Corp	19,625.02	
William K. Brunette, 1909 K Street, NW Washington, DC 20049	American Assn of Retired Persons	489.23	294.50
Susan M. Buffone, 5217 Westwood Dr. Bethesda, MD 20816	National Parks & Conservation Association		
Linda Knell Bumbalo, 1125 15th Street, NW Washington, DC 20005	Mortgage Bankers Assn of America	7,223.00	366.00
Barbara G. Burchett, 1615 L Street, NW, #1220 Washington, DC 20036	Hallmark Cards, Inc		
William J. Burhop, 1709 New York Ave., NW Washington, DC 20006	Air Transport Assn of America	12,036.07	
Diane B. Burke, 1625 L Street, NW Washington, DC 20036	American Fed of State County & Municipal Employees	10,900.26	190.75
Kevin M. Burke, 1111 14th St., NW Washington, DC 20005	American Bakers Assn		
Francis X. Burkhardt, 1750 New York Ave., NW Washington, DC 20006	International Brotherhood of Painters & Allied Trades		
Michael Burns, 601 Pennsylvania Ave., NW, #700 Washington, DC 20004-2602	Business Executives for National Security		
BP America, Inc, 1776 Eye Street, NW Suite 1000 Washington, DC 20006			99,145.14
BZS Capitol Strategies, LP, 1401 New York Ave., NW, #900 Washington, DC 20005	National Multi Housing Council	9,000.00	
Do	NY City Housing Development Corp	23,812.04	
Do	NY State Mortgage Loan Enforcement and Admin. Corp	35,000.00	
Do	Related Companies	7,000.00	
Do	Sentinel Holdings Inc	6,000.00	
Elizabeth B. Cady, 1919 Pennsylvania Ave., NW Washington, DC 20006	Steel Service Center Institute		
John D. Cahill, 1310 19th St., NW Lower Level Washington, DC 20036	Massachusetts Port Authority	11,748.00	
Do	Massachusetts Water Resources Authority	1,800.00	
James D. Calaway, 711 West Bay Area Blvd., #320 Webster, TX 77598-4001	Space Industries, Inc		
James Callan, 1421 Prince Street, #310 Alexandria, VA 22314	Electronic Funds Transfer Assn	375.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Bruce P. Cameron, 1725 17th Street, NW, #109 Washington, DC 20006	Embassy of the Republic of Guatemala		
Do	Embassy of Mozambique	5,000.00	851.15
Camp Barsh Bates & Tate, 2550 M St., NW, #275 Washington, DC 20037	South Central Bell		
Canady Law Legislative Group, 310 N. Grand Ave., #110 Lansing, MI 48933-1279			
Sharon M. Canavan, 1125 15th St., NW Washington, DC 20005	Mortgage Bankers Assn of America	9,874.00	767.00
Anne C. Canfield, 1331 Pennsylvania Ave., NW, #800-South Washington, DC 20004	General Electric Co	400.00	
William F. Canis, 1730 Pennsylvania Avenue, NW, #750 Washington, DC 20006	Caterpillar, Inc	5,000.00	1,257.03
Carole-jean M. Carbone, 1201 New York Ave., NW, #530 Washington, DC 20005	Law Office of Gerald M. Shapiro		
Catherine A. Carlson, 1400 16th Street, NW Washington, DC 20036	National Wildlife Federation	526.81	
Eileen Shannon Carlson, 2000 M St., NW Washington, DC 20036	American Insurance Association		
Do	Attorneys' Title Guaranty Fund, Inc		
Do	Federal Administrative Law Judges Conference		
Do	Federal Judges Association		
Do	Finishing Enterprises, Inc		
Do	Illinois Health Facilities Authority		
Do	London Harness Co		
Do	Walt Disney Co		
Robert E. Carlstrom Jr., 1823 Jefferson Place, NW Washington, DC 20036	Jefferson Group, Inc (For:Doe Run Company)	6,750.00	1,401.38
William Carney, 217 3rd St., SE Washington, DC 20003	Clare Rose, Inc	7,500.00	
Do	Dare County, North Carolina	7,500.00	
Do	Edison Electric Institute	12,000.00	
Do	Lipsen Hamberger & Whitten	12,000.00	
Do	Lipsen Hamberger & Whitten (for Vickers Ship Building Ltd)		
David C. Carter, 1156 15th St., NW, #1019 Washington, DC 20005	U.S. Beet Sugar Assn		
Susan B. Carver, 1130 17th Street, NW Washington, DC 20036	National Coal Assn	1,160.00	1,042.76
George L. Cary, 1700 Pennsylvania Ave., NW, #500 Washington, DC 20006	Mutual of Omaha Insurance Co	2,000.00	347.50
Cassidy and Associates, Inc, 655 15th St., NW, #1100 Washington, DC 20005	American Hospital in Shanghai Foundation		
Do	Anatolia College Board of Trustees		
Rita L. Castle, 100 NE Adams Street Peoria, IL 61629	Caterpillar, Inc		
G. Thomas Cator, 1050 17th Street, NW Washington, DC 20036	Neece Cator & Associates, Inc (For:Association of Small Business Development Centers).		
Do	Neece Cator & Associates (For:National Assn of Development Companies)		
Do	Neece Cator & Associates, Inc (For:Small Business United)		
Do	Neece Cator & Associates, Inc (For:Southeastern Lumber Manufacturers Assn)		
Gordon Cavanaugh, 122 C Street, NW, #875 Washington, DC 20001-2109	Reno Cavanaugh & Hornig (For:Council of Large Public Housing Authorities)	15,833.33	539.56
Center for Law and Education, Inc, Larsen Hall, 6th Floor 14 Appian Way Cambridge, MA 02138		1,044.75	
Henry Chajet, Doyle & Savit 919 18th St., NW, #1000 Washington, DC 20006	ASARCO, Inc		
Do	Homestake Mining Co		
Do	National Coal Assn		
Deborah M. Chalfie, 1319 F St., NW, #300 Washington, DC 20004	Halt, Inc		
Michael D. Chapman, 777 14th Street, NW Washington, DC 20005	National Assn of Realtors	2,500.00	910.30
William Chasey Organization, 855 La Jolla Corona Court La Jolla, CA 92037	Ehrenborg Foundation	9,000.00	7,000.00
Do	Indian American Forum for Political Education	1,335.09	1,335.09
Do	Industrial Data Link		
Do	Life Insurance Coalition of America		
Do	Professional Asset Management, Inc		
Do	Real Property Services Corp		
Do	Syncrotech Software Corp		
John H. Chettle, 1050 Connecticut Ave., NW, #825 Washington, DC 20036	Chamber of Mines of South Africa	10,000.00	206.77
Do	Universal Frutrade Co-operative, Ltd		200.00
Hal M. Christensen, 317 Massachusetts Ave., NE, #100 Washington, DC 20002	Delta Dental Plans Assn	1,500.00	
Do	Vision Service Plan	1,000.00	
Citizens Political Action Committee, P.O. Box 645 228 South A Street, #2 Oxnard, CA 93032			
Gilbert Clark, 1117 N. 19th Street, NW, #600 Arlington, VA 22209	American Assn of Blood Banks		
W. M. Click, 2828 N. Haskell Dallas, TX 75204	Southland Corporation		
Clohan & Dean, 1101 Vermont Ave., NW, #400 Washington, DC 20005	Student Loan Funding Corp of Ohio	2,410.00	
Close & Associates, Inc, 1615 St. Paul Street, Suite 1 Baltimore, MD 21202	National Funeral Directors & Morticians Assn, Inc		
Stanley A. Cmich, 220 Market Ave., South, #1190 Canton, OH 44702	Putman Properties, Inc		
Do	Roetzel & Andress		
Do	Stark County Commissioners		
Coal & Slurry Technology Assn, 1156 15th Street, NW, #505 Washington, DC 20005		39,000.00	
Coalition to Keep Alaska Oil, AFL-CIO Building 815 16th Street, NW, #309 Washington, DC 20006		362.50	433.01
Coalition to Oppose Energy Taxes, 1100 15th St., NW, #1200 Washington, DC 20005		70,000.00	
Coalition to Preserve Low Income Housing Tax Credit, 2300 M St., NW Washington, DC 20037		3,000.00	3,000.00
Coalition to Promote America's Trade, c/o Steptoe & Johnson 1330 Connecticut Avenue, NW Washington, DC 20036		65,400.00	83,625.48
Jacqueline Abelman Cohen, 1199 N. Fairfax St., #701 Alexandria, VA 22314	National Assn of Tobacco Distributors	2,500.00	
Robert E. Cole, 900 17th St., NW Washington, DC 20006	Kaiser Aluminum & Chemical Corp		
Coleman & Christison, Inc, 513 C Street, NE Washington, DC 20002			
Eileen M. Collins, 50 F Street, NW, #1100 Washington, DC 20001	American Hospital Assn	2,794.32	99.16
Stephen J. Collins, 1620 Eye St., NW, #1000 Washington, DC 20006	Motor Vehicle Manufacturers Assn of the U.S., Inc		
Colorado Ski Country USA, Inc, One Civic Center Plaza 1560 Broadway, #1440 Denver, CO 80202			
Tim Colton, 600 New Hampshire Ave., NW, #1020 Washington, DC 20037-2403	Colton and Company		
Committee for Do-It-Yourself Household Moving, 2011 Eye Street, NW, #500 Washington, DC 20006			
Committee to Assure the Availability of Casein, 3213 O St., NW Washington, DC 20007		6,250.00	
Community Service Society, 105 East 22nd Street New York, NY 10010			622.21
Veronica Compton, Reg. #276077 P.O Box 17 Gig Harbor, WA 98335-0017		5.00	5.00
Concerned Women for America, 370 L'Enfant Promenade, SW, #800 Washington, DC 20024		18,032.87	18,032.87
Robert J. Conner, 1100 Connecticut Ave., NW Washington, DC 20036	Chrysler Corporation	500.00	325.00
Francis J. Conners, 100 Indiana Avenue, NW Washington, DC 20001	National Assn of Letter Carriers	4,995.31	
Consortium of Social Science Assns, 1625 I Street, NW, #911 Washington, DC 20006		21,150.00	11,897.42
Brian D. Cooney, 1125 15th Street, NW Washington, DC 20005	Mortgage Bankers Assn of America	8,164.00	859.00
C. William Cooper, 203 Pittsburgh Nat'l Bank Building Sewickley, PA 15143	United Distribution Companies		
Mark N. Cooper, 1424 16th St., NW, #604 Washington, DC 20036	Consumer Federation of America	300.00	
Stephen H. Cooper, 74 North Pearl St. Albany, NY 12207	Hospital Assn of New York State	672.97	1,976.30
Patrick H. Corcoran, 1725 K St., NW, #1205 Washington, DC 20006	Association of Oil Pipelines		
Walter Coulliard, 100 Indiana Avenue, NW Washington, DC 20001	National Assn of Letter Carriers	9,725.37	
Council for a Livable World, 20 Park Plaza, #603 Boston, MA 02116			24,918.43
Council of Industrial Boiler Owners, 5817 Burke Centre Parkway Burke, VA 22015			
Covington & Burling, 1201 Pennsylvania Ave., NW P.O. Box 7566 Washington, DC 20044	Wesleyan University, et al		
Mark D. Cowan, 1823 Jefferson Place, NW Washington, DC 20036	Jefferson Group, Inc (For:Industrial Safety Equipment Assn)		
Do	Jefferson Group, Inc (For:Kelly Services, Inc)		
Eric Cox, 418 7th St., SE Washington, DC 20003	Campaign for U.N. Reform-Political Education Committee	2,250.00	
Kelly Craven, 777 14th St., NW Washington, DC 20005	National Assn of Realtors		
Richard C. Creighton, 1331 Pennsylvania Ave., NW, #910 Washington, DC 20004	American Cement Trade Alliance, Inc	9,375.15	111.17
Mary Dent Crisp, 601 Pennsylvania Ave., NW, #700 Washington, DC 20004-2602	Business Executives for National Security		
Richard E. Cristol, 1101 15th St., NW, #202 Washington, DC 20005	National Assn of Margarine Manufacturers		
Robert W. Cromartie, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn	10.00	
Kevin T. Cronin, 444 N. Capitol St., NW, #316 Wasington, DC 20001	National Assn of Insurance Commissioners		
Rae E. Cronmiller, 1800 Massachusetts Avenue, NW Washington, DC 20036	National Rural Electric Cooperative Assn	125.00	
Brien F. Culhane, 5752 Drake Ct., #371 Alexandria, VA 22311	National Parks & Conservation Assn		
Jay B. Cutler, 1400 K Street, NW Washington, DC 20005	American Psychiatric Assn	7,250.00	664.45
CPT Corporation, 8100 Mitchell Road P.O. Box 295 Minneapolis, MN 55440			
CR Associates, 317 Massachusetts Ave., NE, #100 Washington, DC 20002	Alzheimer's Assn	3,000.00	
Do	American Assn for Dental Research	958.50	
Do	Association for Health Services Research	247.50	
Do	Association of University Programs in Health Administration	489.00	
Do	Conjoint Comm on Diagnostic Radiology	1,200.00	
D'Amore & Doyle, Inc, 1156 15th St., NW, #1100 Washington, DC 20005	New England Assn of Business Industry & Rehabilitation, Inc	3,000.00	5,032.55
Lewis I. Dale, 1660 L Street, NW, #401 Washington, DC 20036	General Motors Corp	3,000.00	4,029.57
Brian Daly, 1625 I Street, NW, #911 Washington, DC 20006	Consortium of Social Science Associations	563.00	
Tracy Danese, P.O. Box 14000 Juno Beach, FL 33408	Florida Power & Light Co		8,659.00
Cynthia L. Darcy, 245 Second St., NE Washington, DC 20002	Friends Committee on National Legislation	2,457.00	
Diane Davenny Darneille, 1850 K Street, NW, Suite 1195 Washington, DC 20006	Schering-Plough Corp	1,125.00	976.08

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Linda Daschle, 4224 King Street Alexandria, VA 22302	American Assn of Airport Executives		7,960.00
Edward M. Davis, 410 First St., SE Washington, DC 20003	American Nuclear Energy Council	9,000.00	3,060.57
John W. Davis, 1331 Pennsylvania Avenue, NW Washington, DC 20004	General Electric Co	200.00	
Davis Wright & Jones, 1752 N St., NW, #800 Washington, DC 20036	McCaw Communications Cos	1,500.00	12.00
Donald S. Dawson, 1133 Connecticut Ave., NW, #500 Washington, DC 20036	Michael Gaughan		
Do	Opticians Assn of America		
Do	Virgin Islands Gift & Fashion Shop Assn		
Do	Virgin Islands Merchants Assn		
Robert G. Dawson, P.O. Box 2625 Birmingham, AL 35202	Southern Company Services, Inc		
Robert M. Dawson, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn		
Kathryn A. Delahanty, 206 G Street, NE, #201 Washington, DC 20002	Coalition Against Noneffective Technologies (Can't)		
Do	Foley & Company (For:East Los Angeles Doctors Hospital)		
Deloitte Haskins & Sells, 1001 Pennsylvania Ave., NW, #350 Washington, DC 20004-2505	Equitable Life Assurance Society of the U.S.		
Do	Financial Institution Retirement Fund		
Do	Lin Pac International PLC, et al		
Elizabeth C. Demato, 5201 Auth Way Camp Springs, MD 20746	Seafarers International Union	3,000.00	242.90
Willard L. Demory, 2300 M St., NW, #130 Washington, DC 20037	Murphy & Demory, Ltd (For:California Energy Co, Inc)		
Do	Murphy & Demory, Ltd (For:Committee for the Advancement of Cellular Telephones)		
Do	Murphy & Demory Ltd (For:United States Telephone Association)	6,000.00	
George G. Demougeot, 1825 Eye Street, NW, #400 Washington, DC 20006	Kellwood Company	1,042.99	42.99
Dewey Ballantine Bushby Palmer & Wood, 1775 Pennsylvania Ave., NW, #500 Washington, DC 20006	General Electric Pension Trust		
Do	Labor-Industry Coalition for International Trade		
George T. DeBakey, 1300 North 17th St., #300 Arlington, VA 22209	ADAPSO, The Computer Software & Services Industry Assn		
Lisa M. DeFusco, Public Affairs Office 600 New Hampshire Ave., NW, #1111 Washington, DC 20037	Society of Real Estate Appraisers	612.00	
Beth DeGrasse, 100 Maryland Avenue, NE Washington, DC 20002	Council for a Livable World		
Martin L. DePoy, 777 14th St., NW Washington, DC 20005	National Assn of Realtors	2,500.00	1,223.22
Norman Dickinson, c/o Dow Lohnes & Albertson 1255 23rd Street, NW Washington, DC 20037	Canadian Institute of Steel Construction		
George Dillard, 5128 Sauer, Suite A Houston, TX 77004	Kaleidoscope Research & Marketing Group		
Gloria Dittus, 201 Massachusetts Ave., NE, S-5 Washington, DC 20002	BMc Strategies, Inc (For:New Hampshire Yankee)	2,400.00	623.03
Anthony F. DiPasquale, 902 Renfroe Road Talladega, AL 35610			
G. Diane Dodson, 2000 P St., NW, #400 Washington, DC 20036	Women's Legal Defense Fund		
James F. Doherty, 1129 20th St., NW, #600 Washington, DC 20036	Group Health Assn of America, Inc		
Robin C. Dole, 1101 Connecticut Avenue, NW, #500 Washington, DC 20036	Century 21 Real Estate Corp		
Nancy A. Donaldson, 305 7th Street, SE, #204 Washington, DC 20003	Women's Action for Nuclear Disarmament, Inc, et al	1,875.00	
Brad L. Doores, One Tabor Center, #2500 1200 17th Street Denver, CO 80202	Energy Fuels Nuclear, Inc		
Ira Dorfman, 1111 14th St., NW, #300 Washington, DC 20005	American Bakers Assn		
May Del Rio Dorfman, 380 Second Avenue New York, NY 10010	Planned Parenthood of New York City, Inc		
Linda Dorian, 2012 Massachusetts Ave., NW Washington, DC 20036	BPW/USA	1,000.00	306.85
Doris Day Animal League, 111 Massachusetts Ave., NW, #200 Washington, DC 20001		173,763.00	173,763.00
Dorsey & Whitney, 2200 First Bank Place East Minneapolis, MN 55402	Automobile Importers of America, Inc		
Do	International Electronics Mfgrs & Consumers of America, Inc		
Do	MacMillan Bloedel, Inc		
Do	Texas Assn of Steel Importers		
Andrea N. Dravo, 410 First Street, SE Washington, DC 20003	American Nuclear Energy Council	3,037.50	44.55
Joan Albert Dreux, 1700 Pennsylvania Ave., NW, #500 Washington, DC 20006	Mutual of Omaha Insurance Co	4,000.00	416.90
Evelyn Dubrow, 1710 Broadway New York, NY 10019	International Ladies' Garment Workers Union	13,280.00	469.60
Morgan D. Dubrow, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn	145.00	
John Dudinsky Jr., 201 Massachusetts Ave., NE, #C-9 Washington, DC 20002	AMSPEC		
Do	Harris Government Systems		
Do	Harris/3M Document Products, Inc		
Duncan Allen & Talmage, 1575 Eye Street, NW Washington, DC 20005	Cecil Saydah Co	537.30	74.55
Do	Colorado River Energy Distributors Assn	2,422.50	161.32
Duncan Weinberg Miller & Pembroke, P.C., 1615 M Street, NW, #800 Washington, DC 20036	City of Klamath Falls		
Louise C. Dunlap, 418 Tenth Street, SE Washington, DC 20003	Dunlap & Browder, Inc (For:Acurex Corp/California Energy Commission)		
Do	Dunlap & Browder, Inc (For:Unelco)		
Dyer Ellis Joseph & Mills, 600 New Hampshire Ave., NW, #1000 Washington, DC 20037	Alliance for Corporate Growth	1,025.65	674.95
Do	Bobbie Brooks Inc		
Do	PubCo Corp	150.00	17.69
Do	Smith Corona Corp	9,750.00	547.76
Do	The Pillsbury Company	42,850.00	2,031.42
Do	The Torrington Company	22,500.00	2,479.29
E.D.E.A., Inc, 1151 Acquidneck Avenue Middletown, RI 02840	American Ship Building Co	21,750.00	3,177.02
A. Blakeman Early, 330 Pennsylvania Ave., SE 2nd floor Washington, DC 20003	Sierra Club	7,539.94	5.50
Hope B. Eastman, 4800 Hampden Lane, 7th Floor Bethesda, MD 20814	Paley Rothman Goldstein Rosenberg & Cooper (For:National Assn of Women Business Owners).	4,500.00	546.72
George H. Eatman, 1156 15th Street, NW, #500 Washington, DC 20005	Coal & Slurry Technology Assn	2,800.00	
Charles E. Ehrhart, 1101 15th St., NW, #202 Washington, DC 20005	National Assn of Margarine Manufacturers		
Jill W. Eiland, 121 SW Salmon Portland, OR 97204	Portland General Electric Co		
Electronic Funds Transfer Assn, 1421 Prince Street, #310 Alexandria, VA 22314			200.00
Elliott Zweben & Steelman, 1140 19th St., NW, #600 Washington, DC 20036	Argus Health Systems, Inc	50.00	50.00
Do	Indiana Medical Review Organization	200.00	50.00
Do	Missouri Blue Cross Blue Shield	200.00	50.00
Do	Pharmaceutical Manufacturers Assn	100.00	125.00
Dorothy A. Ellsworth, 1300 Connecticut Ave., NW Washington, DC 20036	International Assn of Machinists & Aerospace Workers	14,880.94	107.01
End Notch Discrimination, 59 West La Sierra Drive Arcadia, CA 91006			1,812.00
Lowell J. Endahl, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn		
Energy Fuels Nuclear, Inc, One Tabor Center, #2500 1200 Seventeenth Street Denver, CO 80202			21,888.62
John T. Engelen, 1575 Eye Street, NW, #200 Washington, DC 20005	Associated Builders & Contractors, Inc	2,500.00	
Patricia Hanahan Engman, 1615 L St., NW, #1350 Washington, DC 20036	Business Roundtable		
Environmental Action, 1525 New Hampshire Ave., NW Washington, DC 20036			
J. Barry Epperson, 324 Main Mall, #900 Tulsa, OK 74103	Associated Wire Rope Fabricators		5,498.12
Cheryl Anthony Epps, 1110 North Glebe Road, #200 Arlington, VA 22201	International Assn of Chiefs of Police	9,075.00	2,123.92
Epstein Becker & Green, P.C., 1140 19th St., NW, #900 Washington, DC 20036	American Bankers Assn		
Do	American Medical Care & Review Assn		
Paul A. Equale, 600 Pennsylvania Ave., SE, #200 Washington, DC 20003	Independent Insurance Agents of America, Inc	33,388.00	
Sandra Eskin, 1424 16th St., NW, #604 Washington, DC 20036	Consumer Federation of America	4,258.00	28.00
Andreas W. Evans, 1016 16th Street, NW Washington, DC 20036	National Fed of Federal Employees		
Rae Forker Evans, 1615 L Street, NW, #1220 Washington, DC 20036	Hallmark Cards, Inc		
William J. Evans Jr., 1200 17th Street, NW, #500 Washington, DC 20036	Pan American World Airways, Inc	570.00	226.50
Robbie G. Exley, 1016 16th St., NW Washington, DC 20036	National Fed of Federal Employees		
Leslie Fain, 1506 19th Street, NW, #3 Washington, DC 20036	Committee for Humane Legislation	6,531.25	
Sarah Farrell, 1730 K St., NW, #1100 Washington, DC 20006	National Treasury Employees Union	10,204.50	
Frederick Fedeli, 1400 K St., NW Washington, DC 20005	American Psychiatric Assn	2,296.00	844.00
Federal Kemper Life Assurance Co, Kemper Bldg. D-3 Long Grove, IL 60049			409.40
Federation of Employees Union Local 1027, 274 Central Avenue Orange, NJ 07050			
Jack Ferguson Associates, Inc, 203 Maryland Ave., NE Washington, DC 20002	Art Dealers Assn of America, Inc	875.00	611.80
Do	Christie's International	875.00	611.80
Do	Conoco, Inc	3,437.50	731.65
Do	Dillingham Construction Group	1,437.50	693.80
Do	Dillingham Construction Pacific	324.22	127.88
Do	Foss Maritime Co	750.00	843.05
Do	Global Marine, Inc	3,838.75	754.90
Do	Haida Corporation		
Do	Pyropower	786.25	702.34
Do	Sotheby's, Inc	875.00	611.80
Do	Tacoma Boatbuilding Co	1,593.59	662.53
Do	U.S. Borax & Chemical Corp	6,218.75	802.50
Do	Western Forest Industries Assn		
Do	Williams Companies	4,500.00	807.71
John H. Ferman, 1050 20th Street Sacramento, CA 95816	California Assn of Hospitals & Health Systems	15,000.00	
Fiber Fabric & Apparel Coalition for Trade, 1801 K Street, NW, #900 Washington, DC 20006		5,737.00	251,372.00
Dallas N. Fields, 1448 Duke St., #1000 Alexandria, VA 22314	National Rural Letter Carriers Assn	16,215.00	
Fierce & Associates, 600 New Hampshire Ave., NW, #1010 Washington, DC 20037	AB Hagglund & Sonar	12,900.00	518.00

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Bollinger Machine Shop & Shipyard, Inc	15,725.00	1,838.99
Do	Spar Aerospace, Ltd	16,500.00	495.69
Do	A. L. Williams & Company	12,000.00	172.41
Manuel D. Fierro, 1901 N. Fort Myer Dr., #202 Rosslyn, VA 22209	Fond Du Lac Reservation		
Do	National Indian Gaming Assn		
David H. Fiske, Goodwin & Soble 1300 19th Street, NW, #350 Washington, DC 20036	Software Publishers Assn	1,332.00	45.50
Alan M. Fitzwater, 3800 Continental Plaza 777 Main Street Fort Worth, TX 76102	Burlington Northern Railroad	22,500.00	
Robert B. Flagg, 3214 White Flint Ct. Oakton, VA 22124	National Coal Assn	4,250.00	249.89
Shira A. Flax, 330 Pennsylvania Ave., SE Washington, DC 20003	Sierra Club	2,782.00	
Fleishman-Hillard, Inc, 1301 Connecticut Ave., NW, 7th Floor Washington, DC 20036	American Ambulance Assn	12,000.00	2,479.78
Do	Apple & Eve	15,000.00	
Do	Citizens for a Drug Free America	5,000.00	67.70
Do	Eveready	15,000.00	
Do	Home Satellite Services		
Do	Murdock International	1,487.50	
Do	Pathology Practice Assn	30,000.00	4,375.00
Do	Syva Company	36,600.00	304.82
Do	T.F. Energy	12,375.00	
Do	United Network of Organ Sharing	36,000.00	39.29
Felipe M. Floresca, 67 Wall Street, #2509 New York, NY 10005			
Florida Business Associates, 1146 19th St., NW, #400 Washington, DC 20036-3703	CSX Transportation		
Do	ETA Systems, Inc		
Do	General Development Corp		
Do	MEDCO Containment		
John J. Flynn, 1125 17th Street, NW Washington, DC 20036	International Union of Operating Engineers	7,500.00	320.00
Joseph P. Foley, 206 G St., NE, #201 Washington, DC 20002	American Security Fence Corp		
Do	Bonded Lightning Protection, Inc		
Do	Century Medi Corp		
Do	East Los Angeles Hospital Foundation, Inc		
Do	Falcon Systems, Inc		
Do	PolyPhaser Corp		
Do	Sedima International, Inc		
Do	Shelson International		
Do	Brough E. Treffer & Associates		
Footwear Retailers of America, 1319 F St., NW, #700 Washington, DC 20004			1,500.00
John P. Fowler, 1187 National Press Building Washington, DC 20045	Ad Hoc Comm in Defense of Life, Inc	3,300.00	8,935.72
Allan M. Fox, 1714 Massachusetts Ave., NW Washington, DC 20036	Fox Weinberg & Bennett (For:Bristol-Myers Co)		
Do	Fox Weinberg & Bennett (For:National Coalition for Cancer Research)		
Fox Weinberg & Bennett, 1714 Massachusetts Avenue, NW Washington, DC 20036	Bristol-Myers Co		
Do	Courtaulds North America, Inc	150.00	
Do	Johnson & Johnson		
Do	Lederle Laboratories		
Do	Memorial Sloan-Kettering Cancer Center		
Do	National Coalition for Cancer Research		
Do	New MediCo Associates, Inc		
Do	Pickens County Medical Center		
Do	Serono Laboratories, Inc	115.00	
Do	Wireless Cable Assn, Inc		
Jacob Fraire, 1010 Vermont Ave., NW, #1100 Washington, DC 20005	Bank of Horton	1,950.00	
Do	Bank One	625.00	
Do	California Student Aid Commission	2,250.00	
Do	Colorado Student Loan Program	4,500.00	
Do	Fame	4,500.00	
Do	Illinois State Scholarship Commission	1,237.50	
Do	Just Kids	2,250.00	
Do	Nebraska Higher Education Loan Program, Inc	1,125.00	
Do	Nebraska Student Loan Program		
Do	Texas Guaranteed Student Loan Corp	1,125.00	
Do	Union Bank		
Do	United Concerned Cosmetology School Owners	4,500.00	
Peter M. Frank, 1667 K St., NW, #250 Washington, DC 20006	Kerr-McGee Corp		
Fraternal Order of Police, Legislative Committee, 2100 Gardiner Lane Louisville, KY 40205			371.47
Charles L. Frazier, 475 L'Enfant Plaza, SW, #2250 Washington, DC 20024	National Farmers Organization	5,417.00	5,650.00
James T. Freeman, 1125 15th Street, NW Washington, DC 20005	Mortgage Bankers Assn of America	1,043.00	
Annette P. Fribourg, 3900 Wisconsin Ave., NW Washington, DC 20016	Federal National Mortgage Assn	23,625.00	2,079.93
G. William Frick, 1220 L Street, NW Washington, DC 20005	American Petroleum Institute		
Philip P. Friedlander Jr., 1250 Eye Street, NW, #400 Washington, DC 20005	National Tire Dealers & Retreaders Assn		
Claudia R. Fuquay, 727 North Washington Street Alexandria, VA 22314	United Fresh Fruit & Vegetable Assn	3,240.00	716.14
Bruce Gamble, 122 C St., NW, #580 Washington, DC 20001	National Bankers Assn		181.89
David McLane Gardiner, 330 Pennsylvania Ave., SE Washington, DC 20003	Sierra Club	3,781.25	403.71
Sara G. Garland, 137 13th St., NE Washington, DC 20002	Pfizer, Inc	3,000.00	
Do	Rapoza Associates	4,500.00	
Do	University of North Dakota	40,249.98	19,517.99
Garvey Schubert & Barer, 1000 Potomac St., NW Washington, DC 20007	Canadian Embassy	5,579.00	
Do	J & B Management Company	5,250.00	
Do	Ministry of the Environment	4,688.00	
Vernon Gasaway, 191 Sands Street, Apt. 5j Brooklyn, NY 11201			
Fred Gehringer, P.O. Box 1002 Chino, CA 91710			39.86
Cheryl K. Genevie, 1120 G St., NW, #800 Washington, DC 20005	Alliance for Rail Competition	3,000.00	
Gerard Byler & Associates, Inc, 1155 Conn., Ave., NW, #300 Washington, DC 20036	Commissioned Officers Assn of the U.S. Public Health Service		
Do	Havasupai Tribal Council		
Do	Leech Lake Reservation Business Committee		
Do	San Carlos Apache Tribe		
Do	Tohono O'odham Nation		
Do	Tulalip Tribes		
Do	White Earth Tribal Council		
Ginsburg Feldman & Bress, Chartered, 1250 Connecticut Ave., NW, #800 Washington, DC 20036	Chugai-Upjohn, Inc	5,768.00	84.00
George E. Glasier, One Tabor Center, #2500 1200 Seventeenth Street Denver, CO 80202	Energy Fuels Nuclear, Inc		
Jere W. Glover, 1725 K Street, NW, #308 Washington, DC 20006	National Assn for the Self-Employed	2,040.00	20.00
Patricia R. Goldman, 50 F St., NW, #1100 Washington, DC 20001	American Hospital Assn	3,319.30	880.24
Janice Goldman-Carter, 1400 16th Street, NW Washington, DC 20036	National Wildlife Federation	693.69	
David R. Goode, 8 N. Jefferson Street Roanoke, VA 24042	Norfolk Southern Corp		
Alan Goodfader, 2300 M Street, NW, #130 Washington, DC 20037	Murphy & Demory, Ltd (For:California Energy Co, Inc)		
Stephen Gordon, 1016 16th St., NW Washington, DC 20036	National Fed of Federal Employees		
Brenda J. Gore, 1000 Wilson Blvd., 2600 Arlington, VA 22209	TRW, Inc		
George B. Gould III, 100 Indiana Ave., NW Washington, DC 20001	National Assn of Letter Carriers	15,749.62	3,473.79
Emerson F. Gower Jr., 411 Fayetteville St. Mall, #1925 Raleigh, NC 27601	Carolina Power & Light Co	894.00	1,052.00
David W. Graham, 1776 Eye Street, NW, Ste. 575 Washington, DC 20006	Dow Chemical USA		5,540.00
John K. Gram, 610 S.W. Broadway, #608 Portland, OR 97205	Public Timber Purchasers Group	1,781.25	112.00
Gerald W. Grandey, One Tabor Center, #2500 1200 Seventeenth Street Denver, CO 80202	Energy Fuels Nuclear, Inc	5,000.00	831.02
Kaylene H. Green, 2341 Jefferson Davis Highway, #1100 Arlington, VA 22202	Bath Iron Works Corp	600.00	120.16
Phyllis Greenberger, 1400 K Street, NW Washington, DC 20005	American Psychiatric Assn	2,592.00	1,872.83
Jeffrey J. Grieco, 2300 M Street, NW, #130 Washington, DC 20037	Murphy & Demory, Ltd (For:California Energy, Inc)	5,000.00	
Do	Murphy & Demory, Ltd (For:Com-Land Group, Inc)		
Do	Murphy & Demory, Ltd (For:Korea Tacoma Marine Industries, Ltd)	2,000.00	
Do	Murphy & Demory, Ltd (For:Tridec Westinghouse)	500.00	
Melanie Griffin, 330 Pennsylvania Ave., SE Washington, DC 20003	Sierra Club	2,904.85	35.16
Mark N. Griffiths, Smith Bucklin & Associates 1101 Connecticut Ave, NW, #700 Washington, DC 20036	National Assn of Metal Finishers	750.00	
Olga Grkavac, 1300 North 17th St., #300 Arlington, VA 22209	ADAPSO, the Computer Software & Services Industry Assn		
Beverly Bennett Groom, 1001 Pennsylvania Ave., NW Washington, DC 20006	American Council of Life Insurance, Inc	2,500.00	
Jerome Grossman, 20 Park Plaza, #603 Boston, MA 02116	Council for a Livable World	6,075.00	
Group 1587, Western Forest Industries Assn 1500 SW Taylor Portland, OR 97205		8,405.26	7,852.45
Lewis Gulick, 1911 Ft. Myer Drive, #702 Arlington, VA 22209	TCR Services, Inc	5,000.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
David Gusky, 1016 16th Streeet, NW Washington, DC 20036	National Fed of Federal Employees	775.16	
Raymond J. Gustini, Breed, Abbott & Morgan 1875 Eye Street, NW, #1000 Washington, DC 20006	Great Western Financial Corp	22,271.50	2,025.13
Paul D. Guth, Bathgate Wegener Wouters & Neumann Three Gateway Center, 15th Floor Newark, NJ 07102	Philadelphia Stock Exchange		
Do	Wire Pro, Inc		
Ned H. Guthrie, 209 Hayes Avenue Charleston, WV 25314	American Fed of Musicians	4,305.25	2,711.89
Milton S. Gwirtzman, 1250 24th St., NW, #600 Washington, DC 20037	Van Dyke Associates, Inc (For:Boston Company)		
Do	Lazare Kaplan International, Inc	400.00	30.00
GA Assn of Petroleum Retailers, Inc, 900 N. Hairston Road, Suite D Stone Mountain, GA 30083			
William G. Haddeland, 1025 Connecticut Ave., NW, #507 Washington, DC 20036	Ashland Oil, Inc	2,000.00	
Hale and Dorr, 1455 Pennsylvania Ave., NW, #1000 Washington, DC 20004	Town of Mashpee		
Hale Foundation, 422 First Street, SE, #208 Washington, DC 20003			
George W. Haley, 733 15th Street, NW, #700 Washington, DC 20005	Grocery Manufacturers of America, Inc		
Heide Halik, 408 C Street, NE Washington, DC 20002	Sierra Club	139.72	
Angelynn Hall, 1709 New York Ave., NW Washington, DC 20006	Air Transport Assn of America	12,999.22	
William W. Hamilton Jr., 2010 Massachusetts Ave., NW, #500 Washington, DC 20036	Planned Parenthood Fed of America, Inc	46.48	
Amy R. Hammer, 1899 L St., NW, #1100 Washington, DC 20036	Exxon Corporation	100.00	44.51
Karen Hammond, 1400 K St., NW Washington, DC 20005	American Psychiatric Assn	1,899.00	896.78
Handgun Control, Inc, 1225 Eye Street NW #1100 Washington, DC 20005		1,481,126.00	352,782.55
Frederick J. Hannett, 1823 Jefferson Place, NW Washington, DC 20036	Jefferson Group, Inc (For:Industrial Safety Equipment Assn)		
Erling Hansen, 1129 20th Street, NW, #600 Washington, DC 20036	Group Health Assn of America, Inc		
Ralph Harding, Suite 717 Watergate 2600 Virginia Avenue, NW Washington, DC 20037	Sugar Regulatory Administration		
Sandra K. Harding, 7981 Eastern Avenue Silver Spring, MD 20910	National Assn of Social Workers	4,598.00	526.00
Marra Harris, 729 15th St., NW Washington, DC 20005	Associated Builders & Contractors, Inc	2,500.00	
Milton E. Harris, c/o Dow Lohnes & Albertson 1255 23rd Street, NW Washington, DC 20037	Harris Steel Group, Inc		
Harris Orr & Kinzer, First Interstate Center, #3210 999 Third Avenue Seattle, WA 98104	Netlink USA		
Do	SP Energy Development Co		
Thomas D. Hart, 1001 Pennsylvania Avenue, NW, #700 Washington, DC 20004	Allied-Signal, Inc		
Arthur W. Hartmann, 1800 Massachusetts Avenue, NW Washington, DC 20036	National Rural Electric Cooperative Assn		
Conrad K. Hausman, P.O. Box 2724 Arlington, VA 22202	Darnoc Enterprises of DC, Inc		
Charles E. Hawkins III, 729 15th Street, NW Washington, DC 20005	Associated Builders & Contractors, Inc	2,500.00	
Peter M. Hayes, 214 Massachusetts Ave., NE #530 Washington, DC 20002	Salt River Project	3,521.00	582.86
Robert G. Hayes, Bogle and Gates One Thomas Circle, NW, #900 Washington, DC 20005	American Fishing Tackle Manufacturers Assn	2,000.00	
Do	Coastal Conservation Assn	2,000.00	
Holly Elisabeth Hazard, 111 Massachusetts Ave., NW, #200 Washington, DC 20001	Doris Day Animal League	9,000.00	
James B. Hedlund, 1200 18th St., NW Washington, DC 20036	Association of Independent Television Stations, Inc	5,300.00	
Edward D. Heffernan, 1019 19th St., NW, Penthouse #1 Washington, DC 20036	Harza Engineering Co		
Dan C. Heinemeier, 1722 Eye Street, NW Washington, DC 20006	Electronic Industries Assn	625.00	
Heller Ehrman White & McAuliffe, 6100 Columbia Center Seattle, WA 98104	Arctic Slope Regional Corp		
Donald E. Henderson, 130 E. Washington Street Indianapolis, IN 46204	Indiana Farm Bureau, Inc	6,000.00	1,565.30
Diane Hendricks, 1225 Jefferson Davis Highway, #600 Arlington, VA 22202	Westermann & Hendricks		
Hercules, Inc, Hercules Plaza Wilmington, DE 19894			12,401.00
Heron Burchette Ruckert & Rothwell, 1025 Thomas Jefferson St., NW, #700 Washington, DC 20007	Halogenated Solvents Industry Alliance		
Richard A. Herrett, 1600 M St., NW, #702 Washington, DC 20036	ICI Americas, Inc		
Barry Alexander Herring, c/o Dow Lohnes & Albertson 1255 23rd Street, NW Washington, DC 20037	Laurel Steel Products, Ltd		
William G. Herrold, 1111 19th St., NW, #608 Washington, DC 20036	Institute of Electrical & Electronics Engineers		
Marsha Herzstein, 1133 15th Street, NW, #640 Washington, DC 20005	American Logistics Assn		
Janet E. Hieber, 1436 U Street, NW Washington, DC 20009	Greenpeace USA	1,833.00	496.00
Hal D. Hiemstra, 216 7th Street SE, Washington, DC 20003	Coalition for Scenic Beauty	1,500.00	70.00
Pamela Hill, One Tabor Center, #2500 1200 Seventeenth Street Denver, CO 80202	Energy Fuels Nuclear, Inc		
Maureen K. Hinkle, 801 Pennsylvania Avenue, SE Washington, DC 20003	National Audubon Society	865.00	119.40
J. D. Hittle, 3137 S. 14th St. Arlington, VA 22204	KMS Industries, Inc	1,500.00	
Do	LTV Aerospace & Defense, Inc	2,500.00	245.54
Hobbs Straus Dean & Wilder, 1819 H St., NW, #800 Washington, DC 20006	Aroostook Band of Micmacs	500.00	
Do	Association of Navajo Community-Controlled School Boards		
Do	Bristol Bay Area Health Corp	400.00	10.00
Do	Maniilaq Assn	420.00	10.00
Do	Metlakatla Indian Community	120.00	10.30
Do	Miccosukee Tribe of Indians of Florida		
Do	National Indian Education Assn	209.00	
Do	Norton Sound Health Corp	440.00	10.00
Do	Oglala Sioux Tribe		
Do	Oglala Sioux Tribe Public Safety Commission		
Do	Pueblo de Cochiti		
Do	Quinault Indian Tribe/Quinault Allottees Assn	250.00	
Do	Seminole Tribe of Florida	2,300.00	
Do	Tanana Chiefs Conference, Inc	60.00	
Do	Three Affiliates Tribes of the Fort Berthold Reservation		
Do	Tohono O'odham Nation	50.00	
William J. Holayter, 1300 Connecticut Avenue, NW Washington, DC 20036	International Assn of Machinists & Aerospace Workers	8,184.48	
Michele O'Donnell Holbrook, 10 Lafayette Square, Rm. 900 Buffalo, NY 14203	National Fuel Gas Distribution Corp, et al	1,660.66	4,506.33
Holly Farms Corporation, 1755D Lynnfield Road, #149 Memphis, TN 38119			
Diane S. Holmes, 410 First Street, SE Washington, DC 20003	American Nuclear Energy Council	950.00	1,255.27
Holt Miller & Associates, 2111 Wilson Blvd., #531 Arlington, VA 22201-3008	Home Group, Inc	5,184.12	390.62
Do	Irish Immigration Reform Movement	3,982.50	869.87
Do	Texas Ranchers Labor Assn	180.00	
Do	U.S. English	4,134.75	236.05
Lois Holwerda-Hoyt, 600 Maryland Avenue, SW, #770 Washington, DC 20024	American Academy of Family Physicians	2,562.00	68.70
Hoog & Associates, 1877 Broadway, #405 Boulder, CO 80302	Colorado State University	7,500.00	7,500.00
Do	United Technologies Corporation	4,500.00	4,500.00
Marian Hopkins, 1615 H Street, NW Washington, DC 20062	Chamber of Commerce of the U.S	3,900.00	516.22
Hopkins Sutter Hamel & Park, 888 16th Street, NW Washington, DC 20006	Allan Bruner (for Estate of Elsie Bruner)		71.50
Hospital Association of New York State, 74 N. Pearl St. Albany, NY 12207		2,997.00	2,997.00
Jack W. Houston, 900 N. Hairston Road, Suite D Stone Mountain, GA 30083	GA Assn of Petroleum Retailers, Inc		
Allynn Howe, 80 F Street, NW Washington, DC 20001	American Fed of Government Employees	9,303.42	170.75
J. William Howell, 1801 K St., NW, #1200 Washington, DC 20006	International Business Machines Corp		
Mary Lynch Howell, 1090 Vermont Ave., NW, #1100 Washington, DC 20005	Textron, Inc	1,500.00	280.00
Terry D. Hudgins, P.O. Box 53999 Station 1715 Phoenix, AZ 85072-3999	Arizona Public Service Company	2,286.00	109.89
Betty Hudson, 1627 K Street, NW, #300 Washington, DC 20006	Fluor Corporation	15,000.00	30.00
Richard H. Hughes, P.O. Box 880 Valley Forge, PA 19482	Avtex Fibers, Inc		
Margot Smiley Humphrey, 1150 Connecticut Avenue, NW Washington, DC 20036	Koteen & Naftalin (For:Telephone & Data Systems, Inc)		
Hunton & Williams, 2000 Pennsylvania Ave., NW, #9000 Washington, DC 20036	Historic Ricefields Assn		
Michael Hussey, 777 14th Street, NW Washington, DC 20005	National Assn of Realtors	2,500.00	1,492.19
Steven M. Hyjek, One Thomas Circle, NW, #900 Washington, DC 20005	Richard L. Sinnott & Co (For:Dallas/Ft. Worth International Airport)		
Do	Richard L. Sinnott & Co (For:Galena Resort Co)		
Do	Richard L. Sinnott & Co (For:Intermec Corp)		
Do	Richard L. Sinnott & Co (For:Oakland Colliseum)		
Do	Richard L. Sinnott & Co (For:Port of Oakland)		
Independent Insurance Agents of America, Inc, 100 Church St., 19th Fl. New York, NY 10007		45,103.00	45,103.00
James E. Ingram, 1801 K Street, NW, #1200 Washington, DC 20006	IBM Corp	2,500.00	400.00
Doug Inkley, 1412 16th St., NW Washington, DC 20036-0001	National Wildlife Federation	1,069.02	
Int'l Union, United Auto Aerospace & Agric Implement Workers, Workers of America (uaw) 8000 E. Jefferson Avenue Detroit, MI 48214.		122,995.12	122,995.12
International Assn of Machinists & Aerospace Workers, 1300 Connecticut Ave., NW Washington, DC 20036			30,331.70
International Brotherhood of Painters & Allied Trades, 1750 New York Ave., NW Washington, DC 20006			
International Union of Operating Engineers, 1125 17th St., NW Washington, DC 20036		22,500.00	847.00
John Isaacs, 100 Maryland Ave., NE Washington, DC 20002	Council for a Livable World	4,593.78	
Ivins Phillips & Barker, Chtd, 1700 Pennsylvania Ave., NW, #600 Washington, DC 20006	Limited, Inc		
ICI Americas, Inc, 1600 M Street, NW, #702 Washington, DC 20036			41,760.45
Timothy P. James, 1125 17th Street, NW Washington, DC 20036	International Union of Operating Engineers	6,500.00	224.00
Japanese American Citizens League, 1765 Sutter Street San Francisco, CA 94115			
Jarratt & Associates, Inc, 2000 L Street, NW, #200 Washington, DC 20036	Bristol-Myers Co		
Kempton B. Jenkins, 1667 K St., NW, #650 Washington, DC 20006	Armco, Inc	500.00	854.69
Jenner & Block, 21 Dupont Circle, NW Washington, DC 20036	Metropolitan Transit Authority	9,900.00	492.16

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	San Francisco Public Utilities Commission	1,923.00	27.00
Ronald P. Johnsen, 1250 Eye St., NW, #703 Washington, DC 20005	Columbia Gas System Service Corp	175.00	497.52
Allen Fredrick Johnson, 1255 23rd Street, NW Washington, DC 20037	Hauck & Associates, Inc (For:National Soybean Processors Assn)		
Kay Johnson, 122 C Street, NW Washington, DC 20001	Children's Defense Fund	72.00	
Spencer A. Johnson, 1101 Vermont Ave., NW, #411 Washington, DC 20005	Paperboard Packaging Council		
Stanley L. Johnson, 5344 29th St., NW Washington, DC 20015	Texaco, Inc		
Belva W. Jones, 1101 15th St., NW, #202 Washington, DC 20005	National Assn of Margarine Manufacturers		
Beverly E. Jones, 1819 L Street, NW, #900 Washington, DC 20036	Consolidated Natural Gas Co	1,000.00	187.73
David R. Jones, 105 East 22nd Street New York, NY 10010	Community Service Society	32.58	
James E. Jones, 1315 Albritton Drive Dayton, OH 45408	Appalachian Power Company		
Jones Day Reavis & Pogue, 1450 G Street, NW, #600 Washington, DC 20005-2088	American Nuclear Energy Council	577.50	16.50
Do	AmeriTrust Co, Nat'l Assn		
Do	Bear Stearns & Co	7,172.50	
Do	Cleveland Cliffs Iron Co		
Do	Consumers for Competitive Fuels		
Do	Consumers United for Rail Equity (C.U.R.E.)		
Do	Embassy of the People's Republic of China	248.00	
Do	Greyhound Lines, Inc	4,881.00	6.00
Do	Health Policy Coalition		
Do	Heron International, Ltd		
Do	Hilton Hotels		
Do	Jeffrey Company		
Do	Laurel Industries, Inc		
Do	Los Angeles County	22,138.50	1,131.76
Do	M.A. Hanna Company		
Do	Michigan Consolidated Gas Company	371.25	16.00
Do	Morgan Grenfell & Co, Ltd		45.00
Do	National Assn of State Auditors Comptrollers & Treasurers		
Do	National Beer Wholesalers Assn	925.25	
Do	Premier Industries	2,560.00	
Do	RJR Nabisco, Inc		
Do	State Assn of County Retirement Systems		
Do	Teleconnect Co		
Do	Thrift Roundtable		
Do	USAA Federal Savings Bank		
Kathy L. Judd, 1700 K St., NW, #1204 Washington, DC 20006	Chevron USA, Inc		
Justice Fellowship, P.O. Box 17181 Washington, DC 20041			
James W. Kanouse, 1700 North Moore Street, 21st Floor Rosslyn, VA 22209	Boeing Company	6,800.00	534.31
Kevin Kaplan, 13100 Verbena Place, NE Albuquerque, NM 87112	Beer Drinkers of America		
Peter J. Kassander, 412 Fifth Street, SE, #1 Washington, DC 20003	Seattle Organizing Committee, 1990 Goodwill Games	3,006.60	
Patricia L. Katson, 11215 Oak Leaf Drive Silver Spring, MD 20901	Liberty Lobby, Inc	8,250.00	
Anthony P. Kavanagh, 410 First Street, SE Washington, DC 20003	Consolidated Edison Co of New York, Inc	2,115.00	914.27
Kaye Scholer Fierman Hays & Handler, 901 15th St., NW, #1100 Washington, DC 20005	American Nuclear Energy Council		
Do	Robert Bosch Corp	4,528.14	
Do	Brown Brothers Harriman & Co		
Do	Carlon Company	2,655.67	43.12
Do	Eastern Airlines	2,088.40	172.50
Do	Estate of Minnie Fierman		382.87
Do	Goldman Sachs & Co	3,380.57	
Do	GAF Corporation		
Do	Kraft, Inc	12,287.91	214.62
Do	Londontown Corporation		
Do	Michigan Consolidated Gas Co		
Do	Morgan Guaranty Trust Co of New York	29,328.48	57.50
Do	Siemens Medical Systems, Inc	4,080.25	57.50
Do	U.S. Industrial Fabric Institute	5,405.84	14.37
Do	Westwood One, Inc		
Do	Winfield Manufacturing Co	1,438.20	388.12
David L. Keating, 18 9th Street, NW Washington, DC 20002	National Taxpayers Union	3,029.00	
Keck Mahin & Cate, 1730 Pennsylvania Avenue, NW, #350 Washington, DC 20006	American Assn for Marriage & Family Therapy	16.00	
Do	Schwinn Bicycle Co		
Brien E. Kehoe, Hill Betts & Nash 1818 N Street, NW, #700 Washington, DC 20036	American President Lines		
Do	Waterman Steamship Corp		
Paul J. Kelley, 2727 North Central Ave. Phoenix, AZ 85004	U-Haul Intl, Inc	2,000.00	
Joseph T. Kelliher, 410 First St., SE Washington, DC 20003	American Nuclear Energy Council	1,350.00	1,280.75
Donald E. Kelly, Public Affairs Office 600 New Hampshire Ave., NW, #1111 Washington, DC 20037	Society of Real Estate Appraisers	1,750.00	
Kelly Eckhaus & Mohen, 230 Park Avenue New York, NY 10169	Resource Technical Consultants (USA), Inc		
Kemper Financial Companies, 120 South LaSalle Street Chicago, IL 60603			
Kemper Financial Services, Inc, 120 South Lasalle Street Chicago, IL 60603			29.53
Kemper Investors Life Insurance Co, 120 South Lasalle Street Chicago, IL 60603			346.24
Stephanie Kennan, 1909 K Street, NW Washington, DC 20049	American Assn of Retired Persons	475.77	160.95
Patricia Kennedy, 1100 Connecticut Ave., NW, #900 Washington, DC 20036	Chrysler Corporation	2,100.00	367.00
Timothy C. Kernan, 1627 K Street, NW, #300 Washington, DC 20006	Fluor Corporation	8,000.00	2,011.23
Suzanne S. Kerr, 305 7th Street, SE, #204 Washington, DC 20003	Women's Action for Nuclear Disarmament, Inc, et al	1,384.62	
T. Michael Kerr, 1625 L St., NW Washington, DC 20036	American Fed of State County & Municipal Employees	11,120.50	149.38
Richard S. Kessler, 250 Tenth Street, SE Washington, DC 20003	Joseph E. Seagram & Sons, Inc		
Dale Rodney Ketcham, 1980 N. Atlantic Ave., #918 Cocoa Beach, FL 32931			
William P. Killmer, 1331 Pennsylvania Avenue, NW, #910 Washington, DC 20004	American Cement Trade Alliance, Inc	4,375.02	42.25
Kilpatrick & Cody, 2501 M St., NW, #500 Washington, DC 20037	Chicago Research & Trading Group, Ltd		
Do	Flying Tigers	6,171.00	180.75
Do	Forest Farmers Assn	230.00	
Do	Granite Industrial Development		
Do	Mitsubishi Electronic America, Inc		
Do	U.S. Sprint Telecommunications Co	150.00	
Do	University of Georgia	1,450.00	22.50
Gene Kimmelman, 1424 16th St., NW, #604 Washington, DC 20036	Consumer Federation of America	9,677.00	323.00
King & Spalding, 1730 Pennsylvania Ave., NW, #1200 Washington, DC 20006	Camberent Financial Group		
Do	Charter Medical Corp		
Do	Fuqua Industries, Inc		
Do	Mercer University		
Do	West Point-Pepperell, Inc		
Ronald Kipke, 1016 16th Street, NW Washington, DC 20036	National Federation of Federal Empolyees		
Peter M. Kirby, Ginsburg Feldman & Braess 1250 Connecticut Avenue, NW Washington, DC 20036	Chugai-Upjohn, Inc	5,768.00	84.00
Kirkland & Ellis, 655 15th Street, NW, #1200 Washington, DC 20005	Corning Glass	22,520.74	
Do	Electronic Data Systems Corp	58,297.03	
Do	General Motors Corp	18,112.50	
Do	Medford Corp		
Do	Professional Services Council		
Do	Service Master		
Do	T.I.M.E.-DC, Inc		
Do	Valhi, Inc		
Kirkpatrick & Lockhart, 1800 M St., NW, S. Lobby, #900 Washington, DC 20036	Color Systems Technology, Inc		
Do	Columbia Pictures Industries, Inc		
Do	First Boston Corp	295.00	
Do	Grocery Manufacturers of America, Inc		
Do	H. K. Porter Company, Inc		
Do	Search Group, Inc	4,870.00	770.37
Donald R. Kirtley, Hercules Plaza Wilmington, DE 19894	Hercules, Inc		
Mary Brice Kirtley, 888 17th Street, NW, #300 Washington, DC 20006	ConAgra, Inc	1,200.00	
Carla Kish, D & R International 962 Wayne Avenue, #800 Silver Spring, MD 20902	Florida Solar Energy Center	3,000.00	
William J. Kissick, c/o Dow Lohnes & Albertson 1255 23rd Street, NW Washington, DC 20037	Algoma Steel Corp, Ltd	200.00	1,052.90
Lisa K. Kjaer, 1722 Eye St., NW #300 Washington, DC 20006	Electronic Industries Assn	1,050.00	173.80
Jerry D. Klepner, 1625 L Street, NW Washington, DC 20036	American Fed of State County & Municipal Employees	22,500.00	149.60

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Peter E. Knight, 1101 15th Street, NW, #400 Washington, DC 20005	National Council of Savings Institutions	8,000.00	1,400.68
C. Neal Knox, Neal Knox Associates Box 6537 Silver Spring, MD 20906		5,000.00	650.00
Bradley R. Koch, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn	135.60	
Koniag, Inc, 4300 B Street, #407 Anchorage, AK 99503			43,715.56
Krivit & Krivit, P.C., 50 E Street, SE Washington, DC 20003	City of St. Petersburg, Florida	1,200.00	130.00
Steven Kroll, 50 F Street, NW, #1100 Washington, DC 20001	American Hospital Assn		
Herb B. Kuhn, 50 F Street, NW, #1100 Washington, DC 20001	American Hospital Assn	2,351.26	476.88
Frederick L. Kumar, 8002 Sleepy View Lane Springfield, VA 22153			
Kuykendall Company, 517 3rd Street, SE Washington, DC 20003	Alpha Environmental, Inc		
Do	Alpha 21 Corporation		
Do	R. F. Shoup Corp		
Laborers' Intl Union of North America, AFL-CIO, 905 16th St., NW Washington, DC 20006			31,485.29
Lachelli Waller & Magner, 600 Maryland Ave., SW, West Wing #302 Washington, DC 20024	ASARCO, Inc	23,672.00	11,485.00
Do	Kaibab Forest Products Co	13,846.20	11,468.00
Do	Public Timber Purchaser's Group	2,280.00	11,424.00
Gerard F. Lamb, 2341 Jefferson Davis Hwy, #1100 Arlington, VA 22202	Bath Iron Works Corp	5,000.00	
Jill Lancelot, 7100 Sycamore Avenue Takoma Park, MD 20912	National Taxpayers Union	4,425.00	
Robert D. Landis, 777 14th St., NW Washington, DC 20005	National Assn of Realtors		
Moon Landrieu, P.O. Box 18198 Washington, DC 20036	Coalition to Stop the Raid on America		
Lane & Edson, P.C., 2300 M Street, NW Washington, DC 20036	City of Baltimore	21,996.34	
Do	Coalition to Preserve Low Income Housing Tax Credit		
Do	GA Technologies, Inc	1,867.70	
Do	National Glass Association	5,638.09	
Do	National Independent Automobile Dealers Assn	5,060.48	
Do	National Leased Housing Assn		
Richard Eugene Larochelle, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn	420.00	
Debra L. Larson, 729 15th St., NW Washington, DC 20005	Associated Builders & Contractors, Inc	2,500.00	
Warren Lasko, 1125 15th Street, NW Washington, DC 20005	Mortgage Bankers Assn of America		
Richard A. Lauderbaugh, 50 F Street, NW, #1100 Washington, DC 20001	American Hospital Assn		103.10
Charles B. Lavin Jr., 1120 19th St., NW, #1120 Washington, DC 20036	Alarm Industry FCC Frequency Advisory Committee		
Do	Central Station Electrical Protection Assn		
Do	National Burglar & Fire Alarm Assn, Inc		
Ursula Lawrence, 25 Guilfoy Street Glen Cove, NY 11542	America's Conscience		2.50
Richard L. Lawson, 1130 17th St., NW Washington, DC 20036	National Coal Assn	2,565.00	
Sally Ann LaHue, 1101 15th Street, NW, #400 Washington, DC 20005	National Council of Savings Institutions	2,000.00	231.17
Leadership Conference on Civil Rights, 2027 Massachusetts Ave., NW Washington, DC 20036		22,277.89	10,640.50
League of American Investors, 32123 Lindero Canyon Rd., #300 Westlake Village, CA 91361			
Mary Nell Lehnhard, 655 15th Street, NW, #350 Washington, DC 20005	Blue Cross & Blue Shield Assn	203.96	
Dale Leibach, 1901 L Street, NW, #320 Washington, DC 20036	Ogilvy & Mather Public Affairs		
Arnold H. Leibowitz, 1707 H Street, NW, #500 Washington, DC 20036	Guam Contractors Assn		
Do	Republic of Palau		
Cynthia R. Lenhart, 801 Pennsylvania Avenue, SE, #301 Washington, DC 20003	National Audubon Society	8,000.00	3,625.00
Donna Lenhoff, 2000 P St., NW, #400 Washington, DC 20036	Women's Legal Defense Fund	3,548.66	1,346.10
David A. Lewis, 1000 16th St., NW., #810 Washington, DC 20036	Physicians for Social Responsibility	1,401.91	
David J. Lewis, 2321 N. Columbus Street Arlington, VA 22207	International Trade & Development Agency, Inc		
Harris W. LeFew, 300 Pratt Street Luke, MD 21540-1099	Westvaco Corporation		
Judith Lichtman, 2000 P St., NW, #400 Washington, DC 20036	Women's Legal Defense Fund	1,742.88	533.03
Linton Mields Reisler & Cottone, 1225 Eye Street, NW, #300 Washington, DC 20005	Oregon Department of Transportation	3,750.00	
Lisboa Associates, Inc, 1317 F St., NW, #202 Washington, DC 20004	University of the Virgin Islands	2,062.50	
Robert W. Lively, 1800 Massachusetts Avenue, NW Washington, DC 20036	National Rural Electric Cooperative Assn	115.00	
Robert F. Lockhart Jr., 490 L'Enfant Plaza East, SW Washington, DC 20024	Tenneco, Inc		
William E. Long, 706 S Ninth Street Columbus, OH 43206	Nationwide Insurance Co		
Charles M. Loveless, 1625 L Street, NW Washington, DC 20036	American Fed of State County & Municipal Employees	13,249.98	670.78
Ann M. Lowell, P.O. Box 6065 Mid City Station Washington, DC 20005	Military Marketplace Assn		
J.C. Luman & Associates, 1030 15th Street, NW, #720 Washington, DC 20005	National Assn of Personnel Consultants	4,000.00	
Samuel A. Mabry, 1800 K St., NW Washington, DC 20006	Hercules, Inc	4,938.00	6,295.00
Thomas L. Mack, 13529 Haddonfield Lane Darnestown, MD 20878	Bechtel Group, Inc		
John Macnamara, c/o Dow Lohnes & Albertson 1255 23rd Street, NW, #500 Washington, DC 20037	Algoma Steel Corp, Ltd		
Sheila MacDonald, 3231 Beech Street, NW Washington, DC 20015	National Taxpayers Union	2,322.00	
Paul MacMurdy, 410 First Street, SE Washington, DC 20003	American Nuclear Energy Council	1,198.75	340.41
Cliff Madison Government Relations, Inc, 1611 Landfall Drive Wilmington, NC 28403	Citation Homes		
Madison Public Affairs Group, Inc, 2033 M Street, NW, #900 Washington, DC 20036	Navajo Nation	9,837.50	6,626.12
Do	Stratco, Inc		
Madison Public Affairs Group, Inc, 2033 M St., NW, #900 Washington, DC 20036	GE-Government Services	5,600.00	3,752.00
Do	Philip Morris USA		
Mimi Mager, 2027 Massachusetts Ave., NW Washington, DC 20036	Leadership Conference on Civil Rights	1,668.37	84.35
James J. Magner, 600 Maryland Ave., SW, #302 West Wing Washington, DC 20024	Lachelli, Waller & Magner (For:ASARCO, Inc)	14,203.20	321.26
Do	Lachelli, Waller & Magner (For:Kaibab Forest Products Co)	8,307.72	1,177.64
Do	Lachelli, Waller & Magner (For:Public Timber Purchaser's Group)	1,368.00	
James W. Magner, Reg # 38670-019 P.O. Box 1000 Milan, MI 48160	Prisoners With AIDS-Rights Advocacy Group (PWA-RAG)		5.00
James Timothy Mahoney, 330 Pennsylvania Ave., SE Washington, DC 20003	Sierra Club	9,128.08	826.82
Michael C. Maibach, Intel Corporation, GR1-63 3535 Garrett Drive Santa Clara, CA 95051-8119	Intel Corporation	17,500.00	8,941.56
K. Wayne Malbon, 1250 I Street, NW, #400 Washington, DC 20005	National Tire Dealers & Retreaders Assn	285.00	5.00
Lawrence R. Malone, 1211 Avenue of The Americas New York, NY 10036	Hoechst Celanese Corp		
William R. Maloni, 3900 Wisconsin Avenue, NW Washington, DC 20016	Federal National Mortgage Assn	30,000.00	1,837.24
Peter T. Mangione, 1319 F Street, NW, #700 Washington, DC 20004	Footwear Retailers of America		
March for Life, Inc, P.O. Box 90300 Washington, DC 20090		32,756.56	31,619.69
Marlowe & Company, 1667 K Street, NW, #660 Washington, DC 20006	Coalition to Keep Alaska Oil	362.50	70.51
Dennis G. Martin, Dow Lohnes & Albertson 1255 23rd St., NW Washington, DC 20037	Dofasco, Inc		
Arthur K. Mason, 1220 19th Street, NW, #700 Washington, DC 20036	Leva Hawes Mason Martin & Bebchick (For:Association of the U.S. Army)		
Herbert S. Matthews, Route 6, Box 83 Mechanicsville, MD 20659	Martin Marietta Corp	7,200.00	
William C. Mattox, 1700 Pennsylvania Avenue, NW Washington, DC 20006	Equitable Financial Companies		
Albert E. May, 1627 K Street, NW, 1200 Washington, DC 20006	United Shipowners of America	5,250.00	
Maryln Lee McAdam, 1010 Vermont Ave., NW, #1100 Washington, DC 20005	Bank of Horton	1,950.00	30.77
Do	Bank One	625.00	8.86
Do	California Student Aid Commission	2,250.00	1,021.45
Do	Colorado Student Loan Program	4,500.00	1,738.24
Do	FAME	4,500.00	36.90
Do	Illinois State Scholarship Commission	1,237.50	818.83
Do	Just Kids	2,250.00	1,225.70
Do	Nebraska Higher Education Loan Program, Inc	1,125.00	330.29
Do	Nebraska Student Loan Program		708.53
Do	Texas Guaranteed Student Loan Corp	1,125.00	1,535.52
Do	Union Bank		
Do	United Concerned Cosmetology School Owners	4,500.00	2,896.75
John H. McAllister, Dow Lohnes & Albertson 1255 Twenty Third St., NW Washington, DC 20037	Dofasco, Inc		
James R. McCarthy, 1801 K St., NW, Suite 700 Washington, DC 20006	Sun Co, Inc		
Do	Price Waterhouse (For:Wolverine Exploration)		
Patrick H. McCarthy, 2700 Fidelity Building 123 S. Broad St Philadelphia, PA 19109	Dilworth Paxson Kalish & Kauffman (For:Automatic Data Processing, Inc)		
John M. McClung, 727 N Washington Street Alexandria, VA 22314	United Fresh Fruit & Vegetable Assn		
Francis O. McDermott, 888 16th Street, N.W. Suite 624A Washington, DC 20006	Association Management Corp		
Tom McDonald, Arter & Hadden 1100 Huntington Bldg. Cleveland, OH 44115	Jet, Inc		306.00
Christine W. McEntee, 50 F Street, NW, #l00 Washington, DC 20001	American Hospital Assn	1,909.67	
Monica E. McFadden, 2012 Massachusetts Ave., NW Washington, DC 20036	BPW/USA	4,250.00	751.24
Robert McIntyre, 1313 L St., NW Washington, DC 20005	Citizens for Tax Justice	8,491.76	
Kathleen McKaig, 105 East 22nd Street New York, NY 10010	Community Service Society	22.21	
William Colm McKeveny, Chadbourne Park Law Firm 30 Rockefeller Plaza New York, NY 10112	American Pulpwood Assn		
John P. McLaughlin, 1747 Pennsylvania Avenue, NW, #1223 Washington, DC 20006	Genentech, Inc		134.01
Bob McLean, 490 L'Enfant Plaza, SW, #3200 Washington, DC 20024-2120	National Assn of Postal Supervisors	14,136.00	
Michael R. McLeod, 2501 M Street, NW, #400 Washington, DC 20037	American Assn of Crop Insurers	1,202.50	
Do	Chicago Board of Trade	1,117.50	
Do	United Egg Producers	1,240.00	
Edward T. McMahon, 216 7th Street, SE Washington, DC 20003	Coalition for Scenic Beauty	210.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Joseph E. McMahon, 1331 Pennsylvania Avenue, NW, #909 Washington, DC 20004	Rodale Press	3,390.00	168.21
Larry McNickle, 1129 20th St., NW, #400 Washington, DC 20036	American Assn of Homes for the Aging	242.30	21.30
Francis X. Meaney, 1825 Eye Street, NW Washington, DC 20006	Mintz Levin Cohn Ferris Glovsky & Popeo (For:Goldman Sachs & Co)		
Do	Mintz Levin Cohn Ferris Glovsky & Popeo (For:Securities Industry Assn)	750.00	
Medical-Dental Diversified Services, Inc, 15600 San Pedro #107 San Antonio, TX 78232-3738	U.A.G. Alumni Assn		6.80
Medtronic, Inc, 7000 Central Ave., NE Minneapolis, MN 55432			
James T. Melville, c/o Dow Lohnes & Albertson 1255 23rd Street, NW Washington, DC 20037	Algoma Steel Corp, Ltd		
Larry D. Meyers, 412 First Street, SE #40 Washington, DC 20003	International Assn of Refrigerated Warehouses	750.00	
John L. Mica, 201 Massachusetts Ave., NE, #C-9 Washington, DC 20002	Harris Government Systems		
Do	Harris-RF Communications		
Do	Harris/3M Document Products, Inc		
Eileen F. Michaels, 1317 F Street, NW, #202 Washington, DC 20004	Lisboa Associates, Inc (For:University of the Virgin Islands)	525.00	
Michael C. Middleton, Ten Light Street P.O. Box 987 Baltimore, MD 21203	MNC Financial, Inc		
Bonnie K. Miller, Box 528 Gainesville, VA 22065-0528	National Health Federation	1,500.00	3,500.00
Carol Miller, 2012 Massachusetts Ave., NW Washington, DC 20036	BPW/USA	2,300.00	354.45
Clinton R. Miller, P.O. Box 528 Gainesville, VA 22065-0528	National Health Federation		680.00
Harris C. Miller, 322 Westview Court Vienna, VA 22180	Occidental Chemical Corp		
Linda B. Miller, 1625 Eye St., NW, #810 Washington, DC 20006	Volunteer Trustees of Not-For-Profit Hospitals		
Marye T. Miller, 1200 East Capitol Street, NE, #6 Washington, DC 20002	Mobil Oil Corp	300.00	
Peggy Miller, 1424 16th St., NW, #604 Washington, DC 20036	Consumer Federation of America	8,077.00	139.00
Miller & Chevalier, Chtd, 655 15th St., NW, #900 Washington, DC 20005-5701	American Electronics Assn		
Do	Computer & Business Equipment Manufacturers Assn		
Do	Council on Research & Technology	2,100.00	
Do	De La Salle Institute	1,552.50	1,364.30
Do	Electronic Industries Assn		
John W. Mills, Tenneco Automotive 100 Tri State Int'l, #300 Lincolnshire, IL 60015	Coalition for Auto Repair Choice		
Robert G. Mills, 450 Maple Ave., East, #204 Vienna, VA 22180	U.S. Defense Committee	2,400.00	
Minority Business Enterprise Legal Defense & Education Fund, 300 I Street, NE, #200 Washington, DC 20002			
Mintz Levin Cohn Ferris Glovsky & Popeo, P.C., 1825 I Street, NW, #1200 Washington, DC 20006	Houghton Mifflin Company	114.72	
Miro Miro & Weiner, P.C., 500 N. Woodward Ave., #200 P.O. Box 908 Bloomfield Hills, MI 48303-0908	Detroit Tooling Assn		
Do	Michigan Council of Self-Insured Group Administrators		
W.W. Collin Moller, 1825 Eye St., NW, #1100 Washington, DC 20006	Lockheed Corporation	1,300.00	712.49
Elizabeth R. Monro, 1709 New York Ave., NW Washington, DC 20006	Air Transport Assn of America	13,385.10	
Timothy X. Moore, Timothy Moore & Co 2900 M Street, NW, #300 Washington, DC 20007	BF Goodrich Co		
Do	Occidental Chemical Corp		
Mark E. Moran, 1129 20th Street, NW Washington, DC 20036	Shawn Berger Mann & Moran (For:Government of Mexico)		
Anne L. Morgan, 1016 16th St., NW Washington, DC 20036	National Fed of Federal Employees		
Valerie W. Morris, 1601 Duke Street Alexandria, VA 22314	Society of American Florists		
W. Patrick Morris, 1110 Vermont Avenue, NW Suite 1250 Washington, DC 20005	Shipbuilders Council of America	250.00	
James Morrison, 601 Pennsylvania Ave, NW, #700 Washington, DC 20004-2602	Business Executives for National Security		
Morrison & Foerster, 2000 Pennsylvania Ave., NW Washington, DC 20006	RREEF Funds, Inc		
Michael L. Morton, 910 16th Street, NW, #402 Washington, DC 20006	Florida Sugar Cane League, Inc		
Laurie A. Moshier, 2001 Eye Street, NW Washington, DC 20006	Electronic Industries Assn	200.00	
Beth Moten, 1016 16th St., NW, Washington, DC 20036	National Fed of Federal Employees	8,907.72	
W. H. L. Mullins, 1745 Jefferson Davis Highway, #1000 Arlington, VA 22202	General Dynamics Corp	2,000.00	378.00
Evelyn Fieman Munley, 1129 20th Street, NW, #400 Washington, DC 20036	American Assn of Homes for the Aging	34.90	8.75
Patricia Collins Murdock, 1625 L St., NW Washington, DC 20036	American Fed of State County & Municipal Employees	8,318.76	67.14
Daniel J. Murphy, 2300 M Street, NW, #130 Washington, DC 20037	Murphy & Demory, Ltd (For:California Energy Co, Inc)		
Do	Murphy & Demory, Ltd (For:Com-Land Group, Inc)		
Do	Murphy & Demory, Ltd (For:Korea Tacoma Marine Industries, Ltd)	2,000.00	
Do	Murphy & Demory, Ltd (For:Tridec Westinghouse)		
Daniel R. Murphy, 14 Third Street Newport, RI 02840	American Express Co		
James E. Murray, One Farragut Square South Washington, DC 20006	Brown & Wood (For:National Assn of Small Business Investment Cos, et al.)		
Margaret R. Murray, McLeod & Pires 2501 M Street, NW, #400 Washington, DC 20037	American Assn of Crop Insurers		
Do	National Rural Telecom Assn		
Do	United Egg Producers		
MPC & Associates, 3 Lafayette Centre 1155 21st St, NW, #1000 Washington, DC 20036	Virginia Institute of Marine Science		
Daniel Nadash, 777 14th St., NW Washington, DC 20005	National Assn of Realtors		
Timothy D. Naegele & Associates, 1250 24th Street, NW, #600 Washington, DC 20037	Baybanks, Inc		
Diane M. Nash, 600 Pennsylvania Avenue, SE, #200 Washington, DC 20003	Independent Insurance Agents of America, Inc	11,341.00	
National Assn of Beverage Importers, 1025 Vermont Avenue, NW, #1205 Washington, DC 20005			
National Assn of Home Builders of the U.S., 15th & M Sts., NW Washington, DC 20005		3,840.93	132,643.46
National Assn of Letter Carriers, 100 Indiana Ave., NW Washington, DC 20001		6,128,480.86	479,461.96
National Assn of Margarine Manufacturers, 1101 15th St., NW, #202 Washington, DC 20005			
National Assn of Realtors, 777 14th St., NW Washington, DC 20005			57,370.92
National Assn of Wheat Growers, 415 2nd St., NE, #300 Washington, DC 20002		750.00	6,360.48
National Bicycle Dealers Assn, Inc, 129 Cabrillo Street, #201 Costa Mesa, CA 92627-3006			
National Coal Assn, 1130 17th Street, NW Washington, DC 20036		1,272,216.80	12,955.88
National Education Assn, 1201 16th St., NW Washington, DC 20036		14,193.69	14,193.69
National Family Planning & Reproductive Health Assn, Inc, 122 C St., NW, #380 Washington, DC 20001		143,977.00	314.00
National Fed of Federal Employees, 1016 16th Street, NW Washington, DC 20036		19,930.97	19,930.97
National Fed of Independent Business, 150 W. 20th Ave. San Mateo, CA 94403		43,355.00	43,355.00
National Foreign Trade Council, Inc, 100 East 42nd St. New York, NY 10017		184,621.00	184,621.00
National League of Postmasters of the U.S., 1023 North Royal Street Alexandria, VA 22314			24,622.00
National Organization for Women, 1000 16th Street, NW Washington, DC 20036			
National Rifle Assn of America, 1600 Rhode Island Ave., NW Washington, DC 20036		274,507.02	578,069.32
National Rural Electric Cooperative Assn, 1800 Massachusetts Ave., NW Washington, DC 20036			4,015.08
National Rural Housing Coalition, 122 C Street, NW, #875 Washington, DC 20002		14,525.44	23,319.85
National Rural Letter Carriers Assn, 1448 Duke St., #100 Alexandria, VA 22314		19,571.00	25,681.00
National Taxpayers Union, 325 Pennsylvania Ave., SE Washington, DC 20003		18,429.00	11,900.00
National Tire Dealers & Retreaders Assn, 1250 Eye Street, NW, #400 Washington, DC 20005		5,715.00	5,715.00
National Tour Assn, Inc, 546 E. Main Street Lexington, KY 40508		50,106.00	50,106.00
National Turkey Federation, 11319 Sunset Hills Rd. Reston, VA 22090			
Natural Gas Supply Assn, 1129 20th St. nw #300 Washington, DC 20036		1,250.00	25,970.31
Natural Gas Vehicle Coalition, Two Lafayette Centre 1133 21st Street, NW, #500 Washington, DC 20036			
Ralph G. Neas, 2027 Massachusetts Ave., NW Washington, DC 20036	Leadership Conference on Civil Rights	3,492.68	5.48
Allen Neece Jr., 1050 17th Street, NW Washington, DC 20036	Neece Cator & Associates, Inc (For:Association of Small Business Development Centers).		
Do	Neece Cator & Associates, Inc (For:National Small Business United)		
Do	Neece Cator & Associates, Inc (For:National Venture Capital Association)		
Neece Cator & Associates, Inc, 1050 17th Street, NW, #810 Washington, DC 20036	Association of Small Business Development Centers		
Do	Colson Investments		
Do	Design Professionals Coalition		
Do	National Small Business United		
Do	National Venture Capital Association		
Do	Southeastern Lumber Manufacturers Assn		
E. Colette Nelson, 1004 Duke St. Alexandria, VA 22314	American Subcontractors Assn	2,800.00	
Janis A. Nero, 50 F Street, NW, #1100 Washington, DC 20001	American Hospital Assn		77.12
Frederick H. Nesbitt, 1750 New York Avenue NW Washington, DC 20006	National Assn of Letter Carriers	12,598.58	217.64
Neal Neuberger, 50 F Street, NW, #1100 Washington, DC 20001	American Hospital Assn	2,923.22	699.00
Travis E. Nichols, 8225 Florida Blvd., 3rd Flr Baton Rouge, LA 70806	Physicians Reliance Association		
E. Bruce Nicholson, 1800 M St., NW Washington, DC 20036	American Bar Assn	400.00	50.00
Anne L. Nicoll, 50 F St., NW, #1100 Washington, DC 20001	American Hospital Assn		
Nissan Motor Corporation, U.S.A., 1919 Pennsylvania Avenue, NW, #707 Washington, DC 20006			
Peter Nixon, c/o Dow Lohnes & Albertson 1255 23rd Street, NW Washington, DC 20037	Algoma Steel Corp, Ltd		
Julia J. Norrell, 1001 Pennsylvania Avenue, NW Washington, DC 20004	American Council of Life Insurance, Inc	5,325.00	
Northern Telecom, Inc, 600 Maryland Avenue, SW, #605 Washington, DC 20024			
Nossaman Guthner Knox & Elliott, 1140 19th St., NW, #600 Washington, DC 20036	Aetna Life & Casualty	1,225.00	2,200.00
Do	California Co-Compost Systems		
Do	California Student Loan Finance Corp	875.00	625.00
Do	MEBA District II, et al		
Do	Northwestern National Life Insurance Co	350.00	700.00
Do	Southern California Edison Co	200.00	675.00

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Telesphere International, Inc		
NL Industries, Inc, 3000 North Belt East P.O.Box 60087 Houston, TX 77205			8,100.00
Michael P. O'Brien, 1004 Duke Street Alexandria, VA 22314	American Subcontractors Assn	2,100.00	
James J. O'Connell, 1201 Pennsylvania Avenue, NW, #370 Washington, DC 20004	Control Data Corporation		
Charles Albert O'Connor Jr., 200 N. Pickett Street, #810 Alexandria, VA 22304			
O'Connor & Hannan, 1919 Pennsylvania Ave., NW, #800 Washington, DC 20006	American Inst of Certified Public Accountants	1,197.00	
Do	American Soc of Cataract & Refractive Surgery	997.00	
Do	Health Care Financing Study Group	1,500.00	
Do	Historic Landmarks for Living		
Do	Martin Marietta Corp	2,250.00	
Do	Morgan Grenfell Group, PLC	5,370.00	
Do	National Apartment Assn		
Do	Pacific Telesis Group	5,540.00	
Do	Prudential Insurance Co of America	2,195.00	
Do	Securities Industry Assn	4,000.00	
J. Daniel O'Flaherty, 1625 K St., NW, #1090 Washington, DC 20006	National Foreign Trade Council	5,000.00	400.00
Law Offices of John O'Neal, P.C., 1455 Pennsylvania Ave., NW, #1200 Washington, DC 20004	National Rural Telecom Assn	2,100.00	
O'Neill and Athy, P.C., 1310 19th Street, NW Washington, DC 20036	Bank of New England		
Do	Business Roundtable		
Do	Connecticut Bank & Trust Corp		
Do	Cruise America Line, Inc		
Do	Glass Packaging Institute		
Do	Milk Industry Foundation		
Do	Northwestern Mutual Life		
Do	Sears Roebuck & Co	400.00	
Do	Texas Utilities Co		
Do	USX Corporation		
Obadal & O'Leary, 1612 K St., NW, #1400 Washington, DC 20006	Associated Equipment Distributors		
Thomas J. Oden, 1503 N. Filmore St. Arlington, VA 22201	National Milk Producers Federation		
Michael D. Oldak, 1800 Massachusetts Avenue, NW Washington, DC 20036	National Rural Electric Cooperative Assn	150.00	
Van R. Olsen, 1156 15th St., NW, #1019 Washington, DC 20006	U.S. Beet Sugar Assn		
Gerald L. Olson, Pillsbury Center, MS 3771 Minneapolis, MN 55402	Pillsbury Company		
Olwine Connelly Chase O'Donnell & Weyher, 1701 Pennsylvania Ave, NW, #1000 Washington, DC 20006	Ad Hoc Comm for Small Hydro Power	1,200.00	
Do	Alexander & Alexander Services, Inc		
Do	Energy Factors, Inc		
Do	Family Service America		
Do	Grants & Contracts Projects		
Do	Intercontinental Energy Corp		
Do	Long Lake Energy Corp		
Do	Manville Corp		
Do	National Corp for Housing Partnerships	200.00	
Do	National Independent Energy Producers	2,000.00	
Do	Sithe Energies USA, Inc	1,000.00	
Do	YMCA of the USA		
Michel Orban, American Express Company World Financial Center 200 Vesey Street New York, NY 10285-4890	American Express Co		
Abraham Oriofsky, 1016 16th Street, NW Washington, DC 20036	National Fed of Federal Employees	774.72	
Elvira J. Orly, 1150 Connecticut Ave., NW, #500 Washington, DC 20036	Browning-Ferris Industries, Inc		
Charles D. Osborn, 434 Washington Street Gwinn, MI 49841	Gwinn Area Community Schools		
David S. Osterhout, 1825 Eye Street, NW, #1000 Washington, DC 20006	Lockheed Corporation	5,000.00	606.27
Karl Ottosen, 208 G Street, NE Washington, DC 20002	NL Industries, Inc	7,500.00	
Do	U.S. Federation of Small Businesses, Inc	1,500.00	
Cliff Ouse, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn	25.00	
Jack W. Owen, 50 F St., NW, #1100 Washington, DC 20001	American Hospital Assn		
P/M Consulting, Inc, 1211 Connecticut Avenue, N.W. Suite 506 Washington, DC 20036	Talley Corporation	9,000.00	9,000.00
Preston R. Padden, 1200 18th St., NW Washington, DC 20036	Association of Independent Television Stations, Inc	3,500.00	
Henry S. Palau, 201 N Washington St. Alexandria, VA 22314	Retired Officers Assn		
John N. Parker, 1100 Connecticut Ave., NW, #620 Washington, DC 20036	Mobil Corp	375.00	
Benjamin G. Parks III, 1919 Pennsylvania Avenue, #300 Washington, DC 20006	National Forest Recreation Assn	750.00	
Do	National Inholders Assn	4,600.00	431.44
Prudence H. Parks, 11301 Popes Head Road Fairfax, VA 22030	Washington Gas Light Co	1,362.53	
Ken Parmelee, 1448 Duke Street, #100 Alexandria, VA 22314	National Rural Letter Carriers Assn	16,222.00	1,095.00
Parry and Romani Associates, Inc, 233 Constitution Avenue, NE Washington, DC 20002	American Family Life Assurance Co	1,500.00	
Do	Association for the Advancement of Human Rights in Japan	700.00	
Do	Association of Independent Television Stations, Inc	600.00	
Do	Bell Helicopter Textron, Inc	750.00	
Do	Care Enterprises	2,250.00	
Do	Cessna Aircraft Compnay		
Do	Commonwealth of the Bahamas	10,500.00	
Do	Commonwealth of Puerto Rico	4,000.00	
Do	Eaton Corp	750.00	
Do	Elanco Products	1,200.00	
Do	Genentech	1,800.00	
Do	Generic Pharmaceutical Industry Assn	500.00	
Do	Herbalife International		
Do	International Brotherhood of Teamsters	2,250.00	
Do	Motion Picture Assn of America, Inc	3,600.00	154.50
Do	Pfizer, Inc	1,800.00	
Do	Pilatus Britten-Norman, Ltd	1,500.00	
Do	Schering Corp	2,400.00	
Do	Warner-Lambert Co		
Do	Westinghouse Defense & Electronics Systems Co		
Do	Won Door Corporation	1,125.00	
DeLane Pate, c/o Dow, Lohnes & Albertson 1255 23rd Street, NW Washington, DC 20037	Laurel Steel Products Ltd		
Paul Weiss Rifkind Wharton & Garrison, 1615 L Street, NW, #1300 Washington, DC 20036	McDonnell Douglas Corp		
Do	National Music Publisher's Assn, Inc	300.00	
Do	NEC Corp and NEC America, Inc		
Peace Political Action Committee, 100 Maryland Avenue, NE Washington, DC 20002			7,912.15
James M. Peirce Jr., 1016 16th Street, NW Washington, DC 20036	National Fed of Federal Employees	1,748.30	
Elin Peltz, 1511 K St., NW, #723 Washington, DC 20005	Hawaiian Sugar Planters' Assn		
Edward F. Pembleton, 801 Pennsylvania Ave., SE Washington, DC 20003	National Audubon Society	2,200.00	385.00
Margaret Pena, 80 F Street, NW Washington, DC 20001	American Fed of Government Employees	10,166.10	26.20
Nicholas J. Penning, 1801 N. Moore Street Arlington, VA 22209	American Assn of School Administrators	5,997.10	
Monica S. Penwell, 50 F Street, NW, #1100 Washington, DC 20001	American Hospital Assn		
Abigail Perlman, 801 17th Street, NW., #200 Washington, DC 20006	Federal Asset Disposition Assn	6,500.00	100.00
Petrillo & Hordell, 2000 L Street, NW, #504 Washington, DC 20036	International Computaprint Corp		
Stephan Petry, 1800 Massachusetts Avenue, NW Washington, DC 20036	National Rural Electric Cooperative Assn	363.92	
Evelyn A. Petschek, 1730 Pennsylvania Ave., NW Washington, DC 20006	Patterson Belknap Webb & Tyler (For:Cultural Institutions Retirement Systems)		
Do	Patterson Belknap Webb & Tyler (For:Financial Institutions Retirement Fund)	16,181.50	
Susan M. Pettey, 1129 20th Street, NW, #400 Washington, DC 20036	American Assn of Homes for the Aging		
Pettit & Martin, 1800 Massachusetts Avenue, NW, #600 Washington, DC 20036	American Suzuki Motor Corp	16,330.00	588.89
Do	Nippon Yusen Kaisha (NYK) Line	5,606.25	99.72
Laura Phelps, 2501 M Street, NW, #400 Washington, DC 20037	American Assn of Crop Insurers	172.00	
Do	Chicago Board of Trade		
Do	McLeod & Pires (For:United Egg Producers)		
Patricia Lynn Phillips, P.O. Box 10891 McLean, VA 22102	National Assn of State Agencies for Food Distribution	6,900.00	
Paul J. Phoenix, c/o Dow Lohnes & Albertson 1255 23rd Street, NW Washington, DC 20037	Dofasco, Inc		
Physicians for Social Responsibility, 1000 16th Street, NW, #810 Washington, DC 20036		10,055.54	8,908.38
Paul Pierpoint, P.O. Box 6065 Mid City Station Washington, DC 20005	Military Marketplace Assn		
Pierson Ball & Dowd, 1200 18th St., NW, #1000 Washington, DC 20036	American Academy of Pediatrics	20,000.00	
Do	Contel ASC	2,500.00	
Do	Dun & Bradstreet		
Do	Genentech	6,952.00	
Do	Infectious Diseases Society of America	7,538.50	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	National Assn for Biomedical Research	1,918.00	
Do	Securities Industry Assn	2,750.00	
Nancy Pinson-Millburn, 901 East Capitol Street, SE Second Floor Washington, DC 20003	American Assn for Counseling & Development		
James H. Pissot, 801 Pennsylvania Ave., SE, #301 Washington, DC 20003	National Audubon Society	7,250.00	3,405.00
Planned Parenthood Fed of America, Inc, 2010 Massachusetts Avenue, NW, 5th Fl. Washington, DC 20036		3,433.92	3,433.92
Jean S. Polatsek, 50 F Street, NW, #1100 Washington, DC 20001	American Hospital Assn	1,071.67	194.29
Richard J. Pollack, 50 F Street, NW #1100 Washington, DC 20001	American Hospital Assn	11,184.13	403.18
John F. Pontius, 130 North Carolina Avenue, SE Washington, DC 20003	Meadows Recovery Center		
Porte Stafford & Associates, Inc, 1050 17th Street, NW, #840 Washington, DC 20036	American Medical Records Assn	3,000.00	
Do	National Assn of Medical Directors of Respiratory Care	6,000.00	
Do	National Dialysis Assn	6,000.00	
Donna Potemken, 50 F Street, NW, #1100 Washington, DC 20001	American Hospital Assn	1,147.12	51.66
Joseph L. Powell Jr., 1901 L Street, NW, #320 Washington, DC 20036	Ogilvy & Mather		
Powell Goldstein Frazer & Murphy, 1001 Pennsylvania Ave., NW, 6th Floor Washington, DC 20004	Alliance for Medical Nutrition	1,007.20	
Do	American Council on Education	54.00	
Do	Belz Investment Co		
Do	CORETECH	12,660.00	
Do	General Cinema Corp		35.46
Do	Jacques Borel Enterprises, Inc	315.00	
Do	Westinghouse Electric Corp	8,125.00	
Powers Harsch & Kinder, 1722 Eye Street, NW Washington, DC 20006	Aspen Technology, Inc		
Do	City of Cranston (RI)	29,607.20	1,055.94
Do	Pyropower Corp	193.50	85.07
Do	SOLV-EX Corp	2,800.00	1,191.54
Prather Seeger Doolittle & Farmer, 1600 M Street, NW, 7th Floor Washington, DC 20036	Banker's Assn for Foreign Trade	4,970.00	135.25
Do	John Hancock Mutual Life Insurance Co	16,871.25	3,733.00
Price Waterhouse, 1801 K St., NW, #700 Washington, DC 20006	Toyota Motor Manufacturing, USA		
Lesley Primmer, 2010 Massachusetts Avenue, NW, 5th Fl. Washington, DC 20036	Planned Parenthood Fed of America, Inc	848.04	65.56
Pro-Life Congressional District 11, P.O. Box 727 San Carlos, CA 94070		86.90	1,568.47
Project Advisory Group, 1029 Vermont Ave., NW, #860 Washington, DC 20005			1,363.15
Public Land Users Society, 6824 19th West P.O. Box 282 Tacoma, WA 98466			
Public Timber Purchasers Group, 610 SW. Broadway, #608 Portland, OR 97205			2,097.11
Lucius W. Pullen, 1300 St Mary's Street Raleigh, NC 27605	Investment Company Institute		
Steve Rabin, 1901 L Street, NW, #320 Washington, DC 20036	Ogilvy & Mather		
Ragan & Mason, 900 17th St., NW Washington, DC 20006	Childrens Television Workshop	50,000.00	46.53
Do	Security Pacific Leasing Corporation		
Thomas F. Railsback, 2000 M Street, NW Washington, DC 20036	Graham & James (For:American Hawaii Cruises)	900.00	
Do	American Insurance Association		
Do	Attorneys' Title Guaranty Fund, Inc		
Do	Federal Administrative Law Judges Conference	625.00	
Do	Federal Judges Association	500.00	
Do	Finishing Enterprises, Inc		
Do	Illinois Health Facilities Authority	250.00	
Do	London Harness Co		
Do	Merck & Co, Inc		
Do	National Council of U.S. Magistrates	500.00	
Elizabeth L. Raisbeck, 801 Pennsylvania Ave., SE, #301 Washington, DC 20003	National Audubon Society	13,500.00	1,814.49
Robert A. Rapoza Associates, Inc, 122 C Street, NW, # 875 Washington, DC 20001	Local Initiatives Support Corp	10,500.00	
Do	National Rural Housing Coalition	12,691.20	
Do	National Trust for Historic Preservation	2,250.00	
Do	Policy & Management Associates	8,000.00	4,600.00
D. Michael Rappoport, P.O. Box 52025 Phoenix, AZ 85072	Salt River Project	1,680.00	6,150.85
G. David Ravencraft, 1025 Connecticut Ave., NW, #507 Washington, DC 20036	Ashland Oil, Inc	2,000.00	
Robert E Redding, 7315 Wisconsin Ave., #325 E Bethesda, MD 20814	Shippers National Freight Claim Council, Inc		
William D. Reese, Annex 6, Room 200 1407 West North Temple Salt Lake City, UT 84140	Utah Power & Light Co		
Reid & Priest, 1111 19th St., NW, #1100 Washington, DC 20036	Anheuser-Busch Companies, Inc		
Do	National Spa & Pool Institute		
Do	Phillip Morris		
Mary Lynn Reilly, 1325 G Street, NW, #1010 Washington, DC 20005	Neighborhood Housing Services of America		
Dale L. Reistad, 1421 Prince Street,#310 Alexandria, VA 22314	Electronic Funds Transfer Assn	375.00	
John W. Rendon Jr., 1439 Rhode Island Ave., NW Washington, DC 20005	Rendon Company (For:Government of Aruba)		
Rendon Company, 1439 Rhode Island Ave., NW Washington, DC 20009	Government of Aruba		
Renewable Fuels Assn, 201 Massachusettes Ave, NE, #C-4 Washington, DC 20002		135,794.17	101,210.47
Mark E. Rey, 1250 Connecticut Avenue, NW Washington, DC 20036	National Forest Products Assn	1,500.00	
Glenn Wadsworth Riddell, c/o Dow Lohnes & Albertson 1255 23rd Street, NW Washington, DC 20037	Laurel Steel Products Ltd, et al		
Christine R. Riddiough, 114 15th St., NE Washington, DC 20002	Gay & Lesbian Democrats of America	2,000.00	
Siert F. Riepma, 1101 15th St., NW, #202 Washington, DC 20005	National Assn of Margarine Manufacturers		
P. Robert Rigney Jr., 1117 North 19th Street, #600 Arlington, VA 22209	American Assn of Blood Banks	1,250.00	
Susan Riley, 1401 New York Ave., NW, #900 Washington, DC 20005-2102	Capital Strategies, Inc (For:Camera de la Industria de Transformacion de Nueve Leon).	3,250.00	
Do	Capital Strategies, Inc (For:Export Packers Co, Ltd)		
Do	Capital Strategies, Inc (For:Forest City Residential Development, Inc)		
Do	Capital Strategies, Inc (For:Kidder Peabody & Co, Inc)		
Do	Capital Strategies, Inc (For:South Bay Foundry)		
Do	Capital Strategies, Inc (For:Tri-Star Electronics)		
Do	Capital Strategies, Inc (For:Universal Furniture Industries, Inc)		
Do	Capital Strategies, Inc (For:Vitrocrisa Cristaleria, S.A.)		
Russell C. Ring, 1700 Pensylvania Ave., SE, #500 Washington, DC 20006	Mutual of Omaha Insurance Co	2,000.00	542.09
Rivkin Radler Dunne & Bayh, 1575 I Street, NW, #1025 Washington, DC 20005	Ad Hoc Ethanol Committee		
Do	Akin Gump... (Drexel Burnham Lambert, Inc)	2,857.50	5.00
Do	Allstate Insurance Co	4,968.75	
Do	American Bakers Assn	4,201.25	
Do	Business Coalition for RICO Reform	129,344.79	324.15
Do	City of South Bend		
Do	Gunnar Dana Associates		
Do	New Energy Co of Indiana	10,375.00	
Do	Renewable Fuels Assn		5.00
Richard R. Roberts, 402 8th Street, N.E. Washington, DC 20002	American Council of Highway Advertisers	1,500.00	2,050.41
Do	South Sea Charter Service	1,500.00	383.88
Michelle Robinson, 100 Maryland Avenue, NE Washington, DC 20002	Peace Political Action Committee	3,663.12	
Tom Robinson, 1400 Eye Street, NW Washington, DC 20005	Wilderness Society		
Robison International, Inc, 2300 N St., NW, #600 Washington, DC 20037	FMC Corporation		
Do	McDonnell Douglas Corp	7,500.00	5,483.00
Do	Royal Ordnance, Inc	12,000.00	8,772.00
Michael J. Rock, 50 F Street, NW, #1100 Washington, DC 20001	American Hospital Assn	3,211.78	428.55
Michael F. Rodgers, 1129 20th St., NW, #400 Washington, DC 20036	American Assn of Homes for the Aging	36.05	9.25
Terrence L. Rogers, 80 F St., NW Washington, DC 20001	American Fed of Government Employees	13,072.85	31,730.72
Lori S. Rogovin, 901 East Capitol Street, SE Second Floor Washington, DC 20003	American Assn for Counseling & Development	7,265.00	
Fred B. Rooney, 1050 Connecticut Ave., NW, #1200 Washington, DC 20036	Lone Star Industries, Inc	2,950.00	
Leslie Rose, 1129 20th St., NW, #600 Washington, DC 20036	Group Health Assn of America, Inc	6,250.00	
Richard Rosen, 5010 Wisconsin Ave., NW, #118 Washington, DC 20016			
Nancy Ross, 1830 17th Street NW Washington, DC 20009	Rainbow Lobby	4,225.00	1,022.58
Robert S. Royer, 1747 Pennsylvania Ave., NW, #1200 Washington, DC 20006	American Military Sales		
Do	Chrysler Military Sales Corp		
Do	City of Akron, Ohio		
Do	Drexel Burnham Lambert, Inc		
Do	International Futures Exchange		
Do	Intex Holdings (Bermuda) Ltd		
Do	Michigan Trade Exchange		
Do	Morgan Stanley & Co, Inc		
Do	Municipal Finance Industry Assn		
Do	Overseas Military Sales Group		
Do	Phillips Petroleum Co		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Securities Industry Assn		
Royer Shacknai & Mehle, 1747 Pennsylvania Avenue, NW, #900 Washington, DC 20006	Municipal Finance Industry Assn		
Do	John Nuveen & Co, Inc		
James S. Rubin, Kleinfeld Kaplan & Becker 1140 19th Street, NW Washington, DC 20036	Research Corp Technologies		
Eldon Rudd, Shimmel Hill Bishop & Gruender, P.C. 3700 North 24th Street Phoenix, AZ 85016	Central Arizona Project Assn		
Lois J. Rude, 50 F Street, NW, #1080 Washington, DC 20001	BN Services, Inc	500.00	215.40
Robert A. Rusbuldt, 600 Pennsylvania Avenue, SE, #200 Washington, DC 20003	Independent Insurance Agents of America, Inc	23,853.00	
Robert M. Russell, 2170 Piedmont Rd., NE Atlanta, GA 30324	Orkin Pest Control		
Wally Rustad, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn	50.00	
J. T. Rutherford & Associates, Inc, 1301 N. Courthouse Rd., #1802 Arlington, VA 22201	American Assn of Bioanalysts/Intl Soc of Clinical Lab Techs		
Do	American College of Radiology		601.10
Do	American Optometric Assn		710.50
John G. Ryan, 655 15th Street, NW, #410 Washington, DC 20005	Squibb Corporation	1,000.00	
RBC Associates, 324 Fourth Street, NE Washington, DC 20002	Ann Arbor Railroad	9,500.00	4,575.63
Do	Bangor & Aroostook Railroad	6,750.00	4,647.29
Do	Chicago & North Western Railroad	24,000.00	5,395.30
Do	Delaware Otsego System	18,000.00	5,208.05
Do	Genesee & Wyoming Industries, Inc	750.00	4,575.63
Do	Regional Railroads of America	20,000.00	4,575.62
Catherine Sadell, 322 D Street, NE Washington, DC 20002	Rainbow Lobby, Inc	3,966.00	40.00
James D. Santini, 1101 King Street, #350 Alexandria, VA 22314	American Escrow Assn	4,500.00	2,537.65
Do	National Tour Assn, Inc	23,913.00	3,832.17
Do	Truckee-Carson Irrigation District	3,075.00	382.64
Eric Sapirstein, 1333 H St., NW, #400 Washington, DC 20005	California Assn of Sanitation Agencies	3,000.00	2,338.16
Do	Cure Corp		
Do	In-Situ, Inc		64.50
Do	Las Virgenes Municipal Water District		34.43
Do	Victor Valley Wastewater Reclamation Authority		
Do	Western Research Institute	1,085.00	942.34
Save Our Security, 1201 16th St., NW, #222 Washington, DC 20036		4,704.00	9,889.00
Thomas C. Sawyer, 1825 K Street, NW Washington, DC 20006	National Broadcasting Co, Inc		
Donna Scampoli, 1016 16th Street, NW Washington, DC 20036	National Fed of Federal Employees		
Thomas J. Scanlon, 3248 Prospect Street, NW Washington, DC 20007	Chicago Assn of Commerce & Industry		
Do	Fibras Quimicas S.A. & Nylon doe Mexico, S.A. (AKRA)	7,772.25	7,772.25
Thomas A. Schatz, 1511 K Street, NW, #643 Washington, DC 20002	Council for Citizens Against Government Waste	1,500.00	12.50
Schell & Co, Inc, 168 Club Course Drive Hilton Head, SC 29928	Fuller Co		
Do	GATX Corporation		
James P. Schlicht, 655 15th Street NW #410 Washington, DC 20005	Squibb Corporation	1,000.00	
Sandra A. Schlicker, McMahon and Associates 1331 Pennsylvania Avenue, NW Washington, DC 20004	Rodale Press	5,085.00	234.75
Schmeltzer Aptaker & Sheppard, 2600 Virginia Ave., NW, #1000 Washington, DC 20037	American Honda Motor Co, Inc	464.00	
Arthur C. Schmitt, 3705 S. George Mason Drive, Apt. 301 So. Falls Church, VA 22041	Oxford Group, Limited		
Herbert K. Schmitz, 1600 M St., NW, #702 Washington, DC 20036	ICI Americas, Inc	20,000.00	45.95
John Noehl Schmitz, 4509 Cannes Lane Olney, MD 20832			
Amy J. Schultz, 317 Third St., SE, #22 Washington, DC 20003	Robert A. Rapoza Associates (For:National Rural Health Assn)	9,624.99	
William B. Schultz, Suite 700 2000 P St., NW Washington, DC 20036	Public Citizen, Inc		
Schwabe Williamson & Wyatt, 2000 Pennsylvania Ave., NW, #8335 Washington, DC 20006	Investment Co Institute	704.81	751.22
Do	Physicians Medical Laboratories	1,018.42	1,084.76
Do	Public Generating Pool	1,562.18	1,663.90
Do	State of Oregon, City of Portland, Oregon Metro	3,300.15	3,515.83
Elizabeth Nash Schwartz, 1700 N. Moore St., #2120 Rosslyn, VA 22209	Boeing Company	1,320.00	675.94
Carl F. Schwensen, 415 2nd St., NE, #300 Washington, DC 20002	National Assn of Wheat Growers	1,191.72	
Law Offices of John Sears, 818 Connecticut Avenue, NW Washington, DC 20006	Embassy of the Republic of South Africa	15,000.00	8,739.73
Debbie Sease, 330 Pennsylvania Avenue, SE Washington, DC 20003	Sierra Club	5,051.82	159.41
M. Mark Seklecki, 50 F Street, NW, #1100 Washington, DC 20001	American Hospital Assn	1,191.05	
Stuart D. Serkin, 1156 15th Street, NW, #505 Washington, DC 20009	Coal & Slurry Technology Assn	1,000.00	
Seven Months Session for Congress, 4210 Spicewood Road, #202 Austin, TX 78759			188.00
John Hunter Sharp, 1129 20th St., NW, #300 Washington, DC 20036	Natural Gas Supply Assn	16,750.02	1,668.22
Daniel E. Shaughnessy, 1911 North Ft. Myer Drive, #702 Arlington, VA 22209	Western Great Lakes Maritime Assn		
Shaw Pittman Potts & Trowbridge, 2300 N Street, NW Washington, DC 20037	Holly Farms Corp		
Do	National Automobile Dealers Assn		
Shea & Gardner, 1800 Massachusetts Avenue, NW Washington, DC 20036	Marshall & Stevens, Inc		
Zack H. Shelley Jr., 1331 Pennsylvania Avenue, NW Washington, DC 20004	General Electric Co	1,156.00	
Shippers National Freight Claim Council, Inc, 120 Main Street Huntington, NY 11743			
John B. Shlaes, 1111 19th Street, NW Washington, DC 20036	Edison Electric Institute		
Sierra Club, 730 Polk Street San Francisco, CA 94109		184,256.42	184,256.42
William A. Signer, 444 North Capitol St., NW, #711 Washington, DC 20001	Keefe Company (For:A.P.G. Corp)		
Do	Keefe Company (For:Corporate Growth Concepts)		
Do	Keefe Company (For:CIC Enterprises)		
Do	Keefe Co (For:Foodservices & Lodging Institute)	600.00	
Do	Keefe Company (For:Greater New York Hospital Assn)	1,500.00	
Do	Keefe Company (For:Linnabary & Associates)		
Do	Keefe Company (For:Management Insights, Inc)		
Do	Keefe Co (For:MARC Associates (for American Soc of Anesthesiologists))	500.00	
Do	Keefe Co (For:National Restaurant Assn)	500.00	
Do	Keefe Company (For:New York Hospital)	2,500.00	
Do	Keefe Company (For:Pierce Kennedy & Hearth)		
Do	Keefe Company (For:RJR Nabisco, Inc)	6,000.00	
Do	Keefe Company (For:Targeted Management Consultants)	6,000.00	
Do	Keefe Company (For:U.C. Consultants)		
Do	Keefe Company (For:Vrain)		
Howard J. Silver, 1625 Eye St., NW, #911 Washington, DC 20006	Consortium of Social Science Assns	1,250.00	84.42
Marcia Silverman, 1901 L Street, NW, #320 Washington, DC 20036	Ogilvy & Mather Public Affairs		
William Douglas Simon, c/o Dow Lohnes & Albertson 1255 23rd Street, NW Washington, DC 20037	Dofasco, Inc		
Talmage E. Simpkins, 444 North Capitol Street——#801 Washington, DC 20001	AFL-CIO Maritime Committee	300.00	203.67
Albert M. Sims, 11006 Hampton Rd. Fairfax Station, VA 22039	Performance Engineering, Inc		
Skadden Arps Slate Meagher & Flom, 1440 New York Avenue, NW Washington, DC 20005	Amcore Financial, Inc		
Do	Anheuser-Busch Companies, Inc	2,000.00	
Do	Drexel Burnham Lambert, Inc	10,000.00	
Do	Dun & Bradstreet	2,000.00	
Do	General Development Corp	5,000.00	
Do	Government of Jamaica	700.00	
Do	Levitz Furniture Corp	500.00	
Do	Mesa Petroleum Co		
Do	Sara Lee		
Slover & Loftus, 1224 17th St., NW Washington, DC 20036	Western Coal Traffic League	3,500.00	3,500.00
Elizabeth M. Smith, 815 16th St., NW, #507 Washington, DC 20006	Amalgamated Clothing & Textile Workers Union	6,669.00	252.38
G. Wayne Smith, Potomac Visions, Ltd 1111 14th Street, NW Washington, DC 20005	Zapata Gulf Marine Corp	25,000.00	10,000.00
Tim Smith, 410 1st St., SE Washington, DC 20003	American Nuclear Energy Council	3,262.50	123.41
John W. Smith T, 410 First St., SE Washington, DC 20003	American Nuclear Energy Council	1,031.25	324.57
Larry S. Snowhite, 1825 Eye St., NW, #1201 Washington, DC 20006	Massachusetts Education Loan Authority		
Do	New England Education Loan Authority	485.00	
Society of Real Estate Appraisers, Public Affairs Office 600 New Hampshire Ave., NW, #1111 Washington, DC 20037		2,362.00	2,362.00
Vincent R. Sombrotto, 100 Indiana Ave., NW Washington, DC 20001	National Assn of Letter Carriers	5,709.30	
Charles R. Sonnier, Sonnier & Hebert P.O. Drawer 1040 Abbeville, LA 70511	Coushatta Tribe of Louisiana		
Southern Forest Products Assn, P.O. Box 52468 New Orleans, LA 70152		20,777.70	20,777.70
Space Industries, Inc, 711 West Bay Area Blvd., #320 Webster, TX 77598-4001			14,101.00
Frances Spivy-Weber, 801 Pennsylvania Avenue, SE Washington, DC 20003	National Audubon Society		
Squire Sanders & Dempsey, 1201 Pennsylvania Ave., NW P.O. Box 407 Washington, DC 20044	Cincinnati Gas & Electric Co, et al	574.66	50.33
Vivian Escobar Stack, 2010 Massachusetts Avenue, NW, #500 Washington, DC 20036	Planned Parenthood Fed of America, Inc		
Melvin R. Stahl, 1235 Jefferson Davis Hwy., #1410 Arlington, VA 22202	Motorcycle Industry Council, Inc		278,105.00
Frank M. Staszesky Jr., 10025 Scenic View Terrace Vienna, VA 22180	Bechtel Group, Inc		
William N. Steele, 1700 North Moore St., Fl. 21 Rosslyn, VA 22209	Boeing Company	1,160.06	1,802.20
Steele & Fornaciari, 2020 K Street, NW, #850 Washington, DC 20006	K Mart Corp	7,725.00	2,656.42

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Henry J. Steenstra Jr., 1000 Wilson Boulevard, #2600 Arlington, VA 22209	TRW, Inc	1,707.00	2,825.00
Steier & Kreikemeier, P.C., 1065 North 115 St., #100 Omaha, NB 68154	Omaha Tribe of Nebraska		
Steptoe & Johnson, 1330 Connecticut Ave., NW Washington, DC 20036	Cement Importers Assn		
Do	Coalition to Promote America's Trade	78,516.00	
Do	Rule of Law Committee		
Richard W. Sternberg, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn	90.00	
Dena G. Stoner, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn	50.00	
Stephen E. Storch, 1331 Pennsylvania Ave., NW, #550 Washington, DC 20004	Commodity Exchange Inc		
Do	New York Stock Exchange, Inc		
Richard B. Storey, 304 East Brunswick Street Sterling Park, VA 22170	Multi Management Associates, Inc (For:American Assn of Fast Food Soft Serve Pizza Operators)		
Do	International Military Club Executives Assn		
Do	Pennsylvania Restaurant Assn		
Roger J. Stroh, 727 N. Washington Street Alexandria, VA 22314	United Fresh Fruit & Vegetable Assn		
Dorothy E. Stucke, 1111 14th Street, NW, #900 Washington, DC 20005	National Apartment Assn		
John N. Sturdivant, 80 F Street, NW Washington, DC 20001	American Fed of Government Employees	21,003.71	12,349.71
Ann Sullivan, 555 13th St., N.W., 300 West Washington, DC 20004	Interstate Natural Gas Assn of America	300.00	
Jay R. Sullivan, 2300 M Street, NW, #130 Washington, DC 20037	Murphy & Demory, Ltd (For:TRIDEC/Westinghouse)	1,000.00	
Jeffrey Sumberg, 1016 16th Street, NW Washington, DC 20036	National Fed of Federal Employees		
Deborah Swartz, 1225 19th Street, NW, #210 Washington, DC 20036	Luggage & Leather Goods Manufacturers of America, Inc	500.00	
Do	Neckwear Assn of America, Inc	500.00	
Do	Non-Ferrous Metals Producers Committee	500.00	
Swidler & Berlin, Chtd, 3000 K Street, NW, #300 Washington, DC 20007	All-Industry Television Station Music Licensing Committee	997.50	
Do	Business Software Assn	9,492.50	
Do	Design Protection Coalition	1,075.00	
Do	National Assn of Public Television Stations		
Do	National Council of Community Hospitals	4,125.00	
Do	United States Trademark Assn	7,405.00	
Do	Warner Communications	1,290.00	
Scott R. Swirling, 122 C St., NW, #380 Washington, DC 20001	National Family Planning & Reproductive Health Assn, Inc	171.00	98.00
Edith Szabo, 42 West Union Turnpike Wharton, NJ 07885	American Hungarian Federation		
Z. Michael Szaz, 7209 Monticello Blvd. Springfield, VA 22150	American Hungarian Federation		
Do	Transylvanian World Federation		
Taggart & Associates, Inc, 1155 15th Street, NW, #1108 Washington, DC 20005	Animal Health Institute		
Do	Association of American Railroads		
Do	M&M/Mars		
Do	Marion Laboratories, Inc		
Do	Telephone & Data Systems, Inc		
Do	Uniroyal Chemical, Inc		
M. Louise Tate, 450 Maple Avenue, E., #204 Vienna, VA 22180	U.S. Defense Committee	900.00	
Margaret J. Taylor, 50 F Street, NW, #1080 Washington, DC 20001	BN Services, Inc	1,750.00	174.87
Sandra E. Taylor, 1600 M St., NW, #702 Washington, DC 20036	ICI Americas	15,000.00	
Elayne L. Tempel, 1016 16th St., NW, Washington, DC 20036	National Fed of Federal Employees		
Tempo Enterprises, Inc, P.O. Box 702160 Tulsa, OK 74170			232.00
Paul M. Tendler, 1090 Vermont Ave., NW, #1200 Washington, DC 20005	Tendler & Biggins, Chtd (For:American Licensed Practical Nurses Assn)		
Do	Tendler & Biggins, Chtd (For:Bascom, Inc)		
Do	Tendler & Biggins, Chtd (For:Geodesco)		
Do	Tendler & Biggins, Chtd (For:Mears International Sales Co)		
Do	Tendler & Biggins, Chtd (For:Rasche Elektroniks)		
Do	Tendler & Biggins, Chtd (For:Solargistics Corp)		
Joshua P. Tenuta, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn	193.20	
Textron, Inc, 40 Westminster St. Providence, RI 02903		4,650.00	1,030.00
Thacher Proffitt & Wood, 1500 K Street, NW, #200 Washington, DC 20005	American Resort & Residential Development Assn		
Do	Massachusetts Bankers Assn	1,330.40	689.71
Meshall Thomas, Suite 400 2000 P Street, NW Washington, DC 20036	Women's Legal Defense Fund		
Peter William Thomas, 1404 26th Street, NW, #1 Washington, DC 20007	American State of the Art Prosthetic Assn		1,157.37
W. Dennis Thomas, 1620 Eye St., NW, #700 Washington, DC 20006	International Paper Co	12,000.00	405.00
Dana S. Thompson, 305 4th Street, NE, Washington, DC 20002	Sheet Metal & Air Conditioning Contractors National Assn		
Law Offices of Fred Thompson, 1919 Pennsylvania Avenue, NW, #850 Washington, DC 20006	Central States SE & SW Areas Health Welfare & Pension Funds	4,020.00	
Do	Westinghouse Electric Corp	6,400.00	
Richard L. Thompson, 655 15th Street, NW, #410 Washington, DC 20005	Squibb Corporation	1,500.00	
Samuel C. Thompson Jr., Schiff Hardin & Waite 1101 Connecticut Avenue, NW, #600 Washington, DC 20036	Chicago Board Options Exchange		
Thompson & Company, 529 14th St., NW, #425 Washington, DC 20004	Theodoros Anagnostopoulos	11,428.00	1,063.32
Do	ALTEC International	4,650.00	317.70
Do	Bear Stearns & Co	259.56	
Do	CareerCom Corp	5,000.00	
Do	Chicago Research & Trading Group, Ltd	18,750.00	2,352.06
Do	Hinderliter Industries, Inc	950.00	188.99
Do	Mitsubishi Electronics America, Inc	14,000.00	2,807.22
Do	Morse/Diesel	3,900.00	764.21
Do	Roberts & Holland		294.27
Do	Suzuki of America Automotive Corp	12,000.00	1,366.74
Do	Trans World Airlines, Inc	4,500.00	544.53
Thompson & Mitchell, 1120 Vermont Avenue, NW, #1000 Washington, DC 20005	Cold Finished Steel Bar Institute		
Do	Mutual Fairness Taxation Assn	31,250.00	3,337.96
Do	Wheat Gluten Industry Council		
Thompson Hine & Flory, 1920 N St., NW, #700 Washington, DC 20036	American Tie Fabric Assn	2,044.00	250.50
Do	National Pork Producers Council	542.75	542.75
Do	Orkin Pest Control		
Thompson Mann & Hutson, 1730 Pennsylvania Ave., NW, #1250 Washington, DC 20006	Combustion Engineering, Inc		
Wallace Tillman, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn	149.00	
Webster B. Todd Jr., 421 Aviation Way Frederick, MD 21701	Aircraft Owners & Pilots Assn		
Total Petroleum, Inc, 999 18th Street, Suite 2201 Denver, CO 80202			
Jeffrey B. Trammell, 901 31st Street, NW Washington, DC 20007	Hill & Knowlton, Inc (For:American Bankers Assn)		
Do	Hill & Knowlton, Inc (For:Association for the Advancement of Human Rights)		
Do	Hill & Knowlton Inc (For:Ryder Systems Inc)		
Do	Hill & Knowlton, Inc (For:Stroh Brewery Co)		
Transafrica, 545 8th Street, SE, #200 Washington, DC 20003		66,209.45	44,410.49
Travis & Gooch, 1100 15th St., NW, #1200 Washington, DC 20005	Coalition to Oppose Energy Taxes		
Steven A. Trevino, 501 Capitol Court, #100 Washington, DC 20002	Twenty-First Century Group		
Robert C. Troup, Box 893 New Canaan, CT 06840			
Paul E. Tsongas, Foley Hoag & Eliot One Post Office Square Boston, MA 02109	Cambridge Redevelopment Authority		
Do	Humane Soc of the U.S., et al	1,815.00	560.26
Do	Iriquois Gas Transmission Systems	11,918.00	1,303.17
Do	Northeast Solvents Recovery	904.00	16.63
Do	Sierra Club of America		
Do	Thermedics, Inc		
William J. Turenne, 1901 L Street, NW Washington, DC 20036	Eli Lilly & Company	3,000.00	18.00
U.S. Committee for the Oceans, Route 2, Box 91 Ararat, VA 24053			
U.S. Defense Committee, 450 Maple Avenue, E., #204 Vienna, VA 22180		7,980.28	7,980.28
United Fresh Fruit & Vegetable Assn, 727 N. Washington St. Alexandria, VA 22314		3,240.00	16.14
Uranium Producers of America, c/o Covington & Burling 1201 Pennsylvania Ave., NW P.O. Box 7566 Washington, DC 20044		42,386.64	62,713.50
John M. Urbanchuk, 1250 Connecticut Ave., NW, #600 Washington, DC 20036	Government Research Corp		
Burkett Van Kirk, 1747 Pennsylvania Ave., NW, #1000 Washington, DC 20006	INTERARMS		
Robert C. Varah, c/o Dow Lohnes & Albertson 1255 23rd Street, NW Washington, DC 20037	Dofasco, Inc	1,200.00	718.07
George F. Vary, 1667 K St., NW, #650 Washington, DC 20006	Armco, Inc	200.00	885.44
Robert J. Verdisco, 1901 Pennsylvania Avenue, NW, #200 Washington, DC 20006	International Mass Retail Assn	6,250.00	
Verner Liipfert Bernhard McPherson & Hand, Chtd, 901 15th Street, NW, Suite 700 Washington, DC 20005	Atlantic Richfield Co	125.00	
Do	Brown & Root, Inc		
Do	Central Gulf		
Do	Continental Airlines	2,275.00	
Do	General Aviation Manufacturers Association	6,548.75	
Do	GenCorp	50.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Investment Company Institute	19,508.75	
Do	John F. Kennedy Center for the Performing Arts		
Do	Mars, Inc	11,605.00	
Do	Martin Marietta Corp	11,885.00	
Do	McDonnell Douglas Corp	2,415.00	
Do	NYNEX Corp		
Do	Rayburn Country Electric Cooperative, Inc		
Do	STV Engineers		
Do	Travelers Corporation	2,239.25	
Do	TRW, Inc	1,405.00	
Do	UNC, Inc	12,790.00	
Victoria E. Vidal, 1101 15th St., NW, #400 Washington, DC 20005	National Council of Savings Institutions	1,000.00	194.37
Volunteer Trustees of Not-For-Profit Hospitals, 1625 Eye St., NW, #810 Washington, DC 20006		3,000.00	12,789.00
Ann Hadley Vom Eigen, 1125 15th Street, NW Washington, DC 20005	Mortgage Bankers Assn of America	6,750.00	457.00
Howard W. Wahl, 3385 Jackson Street San Francisco, CA 94118	Bechtel Group, Inc		
Robert A. Wait, 1710 Rhode Island Ave., #400 Washington, DC 20036	General Foods Corportion	2,026.51	
Frederick P. Waite, Davis, Graham & Stubbs 1200 19th Street, NW, Suite 500 Washington, DC 20036	American Wire Producers Assn		
Henry L. Walther, 450 Maple Avenue, E., #204 Vienna, VA 22180	U.S. Defense Committee	3,000.00	
Stephen E. Ward, 1919 Pennsylvania Avenue, NW, #503 Washington, DC 20006	Mid-Continent Oil & Gas Assn		
Barbara F. Warden, 1710 Broadway New York, NY 10019	International Ladies' Garment Workers Union	8,394.96	110.68
Jenifer Warkenthien, 729 15th Street, NW Washington, DC 20005	Associated Builders & Contractors, Inc	2,500.00	
Washington Gas Light Co, 1100 H St., NW Washington, DC 20080			1,966.53
Ronald D. Waterman, 202 E Street, NE Washington, DC 20002	Milwaukee County-Intergovernmental Relations	12,735.00	3,865.00
Do	Wisconsin Counties Assn	6,750.00	3,265.00
Lucy R. Watkins, 236 Massachusetts Ave., NE, #504 Washington, DC 20002	Center for Law and Education, Inc		
Jay Watson, 1400 Eye Street, NW Washington, DC 20005	Wilderness Society		
Carolyn Herr Watts, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn	305.00	
Paul Weckstein, 236 Massachusetts Ave., NE, #504 Washington, DC 20002	Center for Law and Education, Inc		
Theodore F. Weihe, 1800 Massachusetts Avenue, NW 3rd Floor Washington, DC 20036	U.S. Overseas Cooperative Development Committee	2,812.00	
Weil Gotshal & Manges, 1615 L Street, NW, #700 Washington, DC 20036	Marine Shale Processors, Inc	2,500.00	100.00
Daniel Weiss, 330 Pennsylvania Avenue, SE Washington, DC 20003	Sierra Club	6,925.50	153.85
Stanley A. Weiss, 601 Pennsylvania Ave., NW, #700 Washington, DC 20004-2602	Business Executives for National Security		
Suzanne Weiss, 1129 20th Street, NW, #400 Washington, DC 20036	American Assn of Homes for the Aging		
L. H. Wells, Suite 200 1025 Connecticut Avenue, NW Washington, DC 20036	Shell Oil Co	500.00	
Wendorf & Associates, Inc, 53 D Street, SE Washington, DC 20003	Central & South West Services, Inc	5,172.00	
West Mexico Vegetable Distributors Assn, P.O. Box 848 Nogales, AZ 85621			2,000.00
J. C. West, P.C., 1511 K Street, NW, #1100 Washington, DC 20005	City of Detroit	12,532.16	10,137.62
Western Coal Traffic League, 1224 17th St., NW Washington, DC 20036		7,500.00	7,500.00
Wexler Reynolds Harrison & Schule, Inc, 1317 F Street, NW, #600 Washington, DC 20004	Aetna Life & Casualty		
Do	Allied-Signal, Inc		
Do	American Airlines, Inc	180.00	9.00
Do	American Institute for Foreign Study Scholarship Foundation	4,550.00	31.05
Do	American International Manufacturing Corp		
Do	Americans For Safe & Competitive Trucking		4.95
Do	ARCO		
Do	Bank Capital Markets Assn		
Do	Blue Cross & Blue Shield Assn		
Do	Communications Satellite Corp	5,574.99	7.00
Do	Consortium of State Maritime Schools		4.95
Do	Coopers & Lybrand	750.00	17.00
Do	Ethigen Corp		
Do	Foothills Pipe Lines (Yukon) Ltd	2,500.00	
Do	General Motors Corp		
Do	Gulf South Engineers, Inc		
Do	Health Policy Agenda for the American People		
Do	Hughes Aircraft Company		15.87
Do	Manhattan Building Companies, Inc		
Do	Massachusetts Maritime Academy		
Do	Monarch Capitol Corp		9.90
Do	Motion Picture Assn of America, Inc	2,073.45	43.95
Do	Mullen Advertising		
Do	MCI Communications Corp	1,917.00	5.02
Do	National Gypsum Co	2,302.65	41.95
Do	New England Electric System		
Do	Nova, An Alberta Corp		
Do	Novacor Chemicals, Ltd		
Do	Oceanic Institute		14.85
Do	Paul Weiss Rifkind Wharton & Garrison	342.85	14.85
Do	Radio Assn Defending Airwave Rights, Inc		
Do	Regional Planning Commission		
Do	Schaefer & Associates		
Do	Spanish International Communications Corp		
Do	Training Media Distributors Assn		
Do	Viacom International, Inc		
Do	Woods Hold Oceanographic Institution		
Curtis E. Whalen, 555 13th Street, NW, Suite 430W Washington, DC 20024	Transco Energy Company	8,000.00	4,863.94
John C. White, White Consulting Group, Suite 380 2000 M Street, NW Washington, DC 20036	Camp Barsh Bates & Tate	6,500.00	
Do	Chicago Mercantile Exchange	4,166.00	
Do	Coastal Corp	12,500.00	
Do	Comtran, Ltd		
Do	Louis Dreyfus Corp		
Do	Tobacco Institute	9,900.00	
Sam White, 412 First St., SE, #100 Washington, DC 20003	Friends of the Showhorse		
William R. White, Kaplan, Russin & Vecchi 1215 17th Street, NW Washington, DC 20036	Caribbean Trade and Apparel Coalition (C-TAC)		
Do	Edison Electric Institute	1,935.00	96.04
Wickham & Associates, 2300 N St., NW, #600 Washington, DC 20037	Reliance Group Holdings, Inc	14,812.50	
Do	Reliance Group Holdings, Inc & Affiliates, et al		
Harry G. Wiles II, 1023 15th St., NW, 4th Fl Washington, DC 20005	Wine & Spirits Wholesalers of America, Inc		
Wiley Rein & Fielding, 1776 K St, NW, 12th Fl. Washington, DC 20006	Chaparral Steel Co		
Do	Georgetown Industries	88.00	
Do	Raritan River Steel Co		
Dean M. Wilkinson, 1436 U Street, NW Washington, DC 20009	Greenpeace USA	692.40	43.80
Wilkinson Barker Knauer & Quinn, 1735 New York Ave., NW Washington, DC 20006	Bonneville International Corp	1,901.00	
Do	Central States Health & Life Co of Omaha	68,550.00	3,227.34
Do	Empire Blue Cross & Blue Shield	10,000.00	43.55
Do	Fleet/Norstar Financial Group	11,000.00	130.93
Do	Hobbs Straus Dean & Wilder		
Do	Manville Corporation		
Do	J. C. Penney Co, Inc	30,000.00	161.63
Do	Security Pacific National Bank	54,000.00	1,888.43
Do	Solano Water Authority	3,140.00	25.00
Do	SPC Securities Services Corp	25,000.00	451.65
Harding deC. Williams, 1101 15th Street, NW, #400 Washington, DC 20005	National Council of Savings Institutions		
Lawrence F. Williams, 330 Pennsylvania Avenue, SE Washington, DC 20003	Sierra Club	527.22	
Margie R. Williams, 415 2nd St., NE, #300 Washington, DC 20002	National Assn of Wheat Growers	643.76	
Merrill Williams, 3701 Connecticut Ave., NW, #802 Washington, DC 20008	National Credit Improvement Group		
Williams & Jensen, P.C., 1101 Connecticut Ave., NW, #500 Washington, DC 20036	American Home Products		
Do	American Real Estate Committee		
Do	Association of Family Farmers	1,462.50	21.57
Do	Association of Progressive Rental Organizations		
Do	Robert M. Bass Group		83.43
Do	Century 21 Real Estate Corp		
Do	College Construction Loan Insurance Assn		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	CIGNA Corporation	225.00	21.57
Do	Environmental Processing, Inc		
Do	Estee Lauder, Inc		21.57
Do	Federation for American Immigration Reform		
Do	Financial Security Assurance		
Do	First Boston Corp	1,617.50	151.03
Do	Goldome FSB		
Do	GAMMA Corp		
Do	Hazel/Peterson Cos, Inc	1,590.00	161.10
Do	Higher Education Assistance Foundation	400.00	41.72
Do	Kellogg Company		
Do	Kelly Appleman Hart & Hallman		
Do	Keystone Provident Life Insurance Co	225.00	21.57
Do	Mustang Fuel Corporation		
Do	National Assn of Rehabilitation Agencies		
Do	National Board for Professional Teaching Standards	675.00	61.86
Do	Norfolk Southern Corp	812.50	73.36
Do	Paralyzed Veterans of America		
Do	Pharmaceutical Manufacturers Assn	200.00	21.57
Do	Recording Industry Assn of America, Inc	1,125.00	104.99
Do	Southwest Airlines		
Do	Southwestern Bell Corp		
Do	Student Loan Marketing Assn	100.00	10.08
Do	Texaco, Inc	225.00	21.57
Do	Texas Air Corp	1,350.00	126.58
Do	Trailer Train Co	225.00	21.57
Do	Turner Broadcasting System, Inc		73.36
Do	U.S. Telephone Assn	112.50	10.08
Do	Universal Foods, Inc		
Do	USAA Financial Service Co		
Willkie Farr & Gallagher, Three Lafayette Center 1155 21st St., NW Washington, DC	ASEAN Federation of Textile Industries (AFTEX)		
Do	Companhia Siderurgica Paulista (COSIPA)		
Do	Comptroller of the State of New York		
Do	Ferro Union		
Do	Japan Iron & Steel Exporters' Assn		
Do	LEGI-SLATE		
Do	National Assn of Independent Fee Appraisers	206.25	
Do	Shearson Lehman Hutton		
Do	State of Oregon Treasurer's Office		
Do	Washington Public Power Supply System	7,031.25	
Do	Westinghouse Electric Corp		
Do	Yamaha Motor Co, Ltd, et al	3,447.50	32.16
Wilmer Cutler & Pickering, 2445 M Street, NW Washington, DC 20037-1420	Handgun Control, Inc		0.80
Don T. Wilson, 1250 I Street, NW, #400 Washington, DC 20005	National Tire Dealers & Retreaders Assn	418.00	7.00
H. Graham Wilson, c/o Dow Lohnes & Albertson 1255 23rd Street, NW Washington, DC 20037	Dofasco, Inc		
Michael J. Wilson, 815 16th St., NW, #507 Washington, DC 20006	Amalgamated Clothing & Textile Workers Union	4,097.50	16.25
Windels Marx Davies & Ives, 1701 Pennsylvania Avenue, NW Washington, DC 20006	Onkyo Corp	61.25	
Marie Winslow, 1016 16th Street, NW Washington, DC 20036	National Fed of Federal Employees	7,593.74	
Winston & Strawn, 2550 M St., NW, #500 Washington, DC 20037	American Appraisal Associates, Inc		
Do	American Assn of Museums		
Do	City of Tucson		
Do	Council of Forest Industries of British Columbia		
Do	CNA Financial Corp		
Do	International Council of Shopping Centers		
Do	Lease Management Corp		
Do	National Council of Health Facilities Finance Authorities		
Do	Staley Continental, Inc		4.25
Do	Syntex Laboratories, Inc		
Claudia A. Withers, 2000 P Street, NW, #400 Washington, DC 20036	Women's Legal Defense Fund		
Raymond S. Wittig, 4618 Holly Ridge Road Rockville, MD 20853	American Coastal Industries, Inc		
S.R. Wojdak and Associates, Inc, 1401 Walnut St., #1000 Philadelphia, PA 19102	Children's Hospital of Pittsburgh	54,000.00	455.69
Do	Hahnemann University	22,500.00	1,050.85
Do	Medical College of Pennsylvania		
Do	Mercy Catholic Medical Center	28,500.00	477.68
Do	National Assn of Children's Hospitals & Related Institutions	12,000.00	664.83
Do	National League of Nursing	9,000.00	577.91
Do	Spring Garden College	15,000.00	322.41
Do	St. Christopher's Hospital for Children	67,500.00	466.36
Do	St. Francis Medical Center		
Do	University of Pennsylvania	30,000.00	564.45
Thomas J. Wolf, 5810 Wilmett Road Bethesda, MD 20817	Rendon Company (For:Government of Aruba)		
John L. Wood, 2121 San Jacinto St. P.O. Box 660164 Dallas, TX 75266	Central & South West Corp		
George P. Woodward Jr, 1825 Eye St., NW, #400 Washington, DC 20006	Miller Brewing Co		
Owen Wormser, 12942 Oak Lawn Place Herndon, VA 22071	Command & Control Consulting, Inc		
Carol Alice Wynne, 1000 Connecticut Ave., NW, #1002 Washington, DC 20006	Wildlife Legislative Fund of America	6,369.90	
Kim Yelton, 8120 Fenton St. Silver Spring, MD 20910	Americans United for Separation of Church and State	12,516.11	53.70
Richard K. Yep, 901 East Capitol Street, SE Second Floor Washington, DC 20003	American Assn for Counseling & Development	9,570.00	
Caryl Yontz, 1625 L Street, NW Washington, DC 20036	American Fed of State County & Municipal Employees	5,545.84	113.78
Roberta Lynn Youmans, 122 C Street, NW, #875 Washington, DC 20001-2109	National Housing Law Project	2,312.50	
Judith Ziewacz, 1840 Wilson Boulevard Arlington, VA 22201	National Milk Producers Federation	2,816.00	
Murray Zweben, 1140 19th St., NW, #600 Washington, DC 20036	Manchester Group, Ltd		
Do	New Hampshire Yankee	500.00	
Do	Romulus Engineering		

SENATE—*Thursday, May 18, 1989*

(Legislative day of Tuesday, January 3, 1989)

The Senate met at 1:30 p.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. BYRD].

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray:

The law of the Lord is perfect, converting the soul: the testimony of the Lord is sure, making wise the simple. The statutes of the Lord are right, rejoicing the heart: the commandment of the Lord is pure, enlightening the eyes.—Psalm 19:7-8.

Almighty God, all wise, all powerful, infinite and eternal, perfect in truth and justice, we thank Thee for this profound provision for our total well-being which the psalmist declares. We thank Thee for Thy truth which restores the soul, makes wise the simple, rejoices the heart, and enlightens the eyes.

As biblical truth was pervasive in colonial days and the foundation for the ideas which gave birth to a political system unknown and unprecedented and a nation unique in its commitment to people freedom and sovereignty; renew in us interest in the Bible and sensitize us to the peril of its neglect.

For Thy glory and the health of our Republic. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The majority leader is recognized.

THE JOURNAL

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Journal of the proceedings be approved to date.

The PRESIDENT pro tempore. Without objection, it is so ordered.

SCHEDULE

Mr. MITCHELL. Mr. President, following the time for the two leaders there will be a period for morning business not to extend beyond 2:30 p.m. with Senators permitted to speak therein for up to 5 minutes each.

Under the consent agreement the Senate will then proceed to the consideration of the conference report on the budget resolution, House Concurrent Resolution 106. That is at 2:30 p.m. A 30-minute vote on the conference report will occur at or about 3:45 p.m.

RESERVATION OF LEADER TIME

Mr. MITCHELL. Mr. President, I reserve the remainder of my leader time and I reserve the leader time for the distinguished Republican leader as well.

The PRESIDENT pro tempore. Without objection, the time of both leaders will be reserved.

MORNING BUSINESS

The PRESIDENT pro tempore. Is there morning business?

The Senator from Vermont is recognized for not to exceed 5 minutes.

Mr. JEFFORDS. I thank the Chair.

(The remarks of Mr. JEFFORDS pertaining to the introduction of S. 1035 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. JEFFORDS. All right. I yield my remaining time to the senior Senator from Vermont.

The PRESIDENT pro tempore. The senior Senator from Vermont [Mr. LEAHY] is recognized for not to exceed 6 minutes.

Mr. LEAHY. I thank the Chair.

(The remarks of Mr. LEAHY pertaining to the introduction of S. 1035 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

(The remarks of Mr. LEAHY, Mr. HEFLIN, Mr. MCCONNELL, and Mr. CONRAD pertaining to the introduction of S. 1036 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

The PRESIDENT pro tempore. The Senator from North Dakota is recognized.

Mr. CONRAD. I thank the Chair.

(The remarks of Mr. CONRAD pertaining to the introduction of S. 1041 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

The PRESIDENT pro tempore. The senior Senator from Nevada [Mr. REID] is recognized for not to exceed 5 minutes.

WETLANDS

Mr. REID. Mr. President, recently I joined the distinguished majority leader in introducing legislation to preserve our continent's wetlands.

The North American Wetlands conservation Act is a sign that the tide has turned. The tide of water supplying our Nation's wetlands is receding. The water that does make it to the wetlands is often contaminated.

At issue is not merely a series of marshes and random watering holes. The wetlands represent an ecosystem that is essential for preservation of wildlife species and natural habitats.

As a member of the Environment and Public Works Committee, and as an individual greatly concerned with the dwindling natural resources in our country, I plan to do what I can to push for passage of the proposed legislation.

The bill embodies President Bush's commitment to his proclaimed "no net loss" policy for our Nation's wetlands.

The legislation will ensure preservation of our wetlands, and will provide the means to build up those wetlands which have drastically deteriorated in both size and water quality.

The wetlands have terrific significance. They provide nutrition for migratory birds. Scores of plant and animal species are sustained by the diversity of natural riches in the wetlands.

The wetlands provide essential food for today's wildlife population, and they prepare the way for future generations by providing spawning grounds for all kinds of fish and wildlife.

The wetlands are places where life is created and then sustained. But things have changed. The wetlands are now more and more likely to be places of death rather than life.

People are warned from eating fish or ducks from the wetlands, and water pollutants have killed hundreds of thousands of birds and fish.

In the wetlands of Nevada's Stillwater Wildlife Management Area, ducks were found to contain mercury levels as high as 55 times above U.S. Food and Drug Administration legal action guidelines.

Much of what little water the Stillwater wetlands now get comes from poisonous irrigation drainoff. Wetlands water sources have been diverted to support agriculture. By the time this water reaches the wetlands, its essential nutrients have been soaked up through the irrigation process. Much of this water is polluted. As the size of the wetlands diminishes, the pollutants in the water are forced into higher concentrations.

These areas are at a crossroads. Either we help preserve and restore

the wetlands, or we turn our backs, and they will simply dry up.

The demise of the wetlands is tragic. Just recently, a bald eagle was found dead by one of Nevada's wetland waterbeds.

The eagle—a symbol of our country's greatness—was struck down by polluted waters of the wetlands. This is not something that our country can be proud of. It is not something we can ignore, either.

The proposed North American Wetlands Conservation Act calls for cooperative relationships with our neighbors, Canada and Mexico, to restore our wetlands habitat.

The bill includes provisions for public-private partnerships that will enlist the support and involvement of nongovernment organizations in our efforts to preserve the precious wetlands. This is not a legislative initiative to be put on the back burner and shuffled from one session to the next. Because time is running out.

It is estimated that 215 million acres of wetlands existed in the United States. Only 99 million acres of wetlands remain—less than half of what originally graced our country.

And who knows how much longer we will have that 99 million acres. Each year, we will lose a projected 300,000 to 450,000 acres of wetlands.

A few months ago, a Reno, NV, newspaper contained an account of endangered species, including the bald eagles of Stillwater—the eagles that are threatened by the wetlands' loss and contamination. The article quoted conservationist John Muir, who said, "When one tugs at a single thing in nature, he finds it attached to the world."

And so, as I said earlier, Mr. President, wetlands are not mere watering holes or random waterfowl resting places. They are a source of life and a critical part of our environment. Once gone, they cannot be replaced.

But they are not gone yet, and we now have a chance to restore them.

I encourage my colleagues to join with me and others who support the Wetlands Conservation Act. The well-being of the wetlands cannot be divorced from the well-being of our environment and our Nation.

The ACTING PRESIDENT pro tempore. The Senator from Delaware is recognized.

Mr. ROTH. I thank the Chair.

(The remarks of Mr. ROTH pertaining to the introduction of S. 1038 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. WILSON addressed the Chair.

The PRESIDENT pro tempore. The junior Senator from California [Mr. WILSON] is recognized for not to exceed 5 minutes.

(The remarks of Mr. WILSON pertaining to the introduction of S. 1040 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. SYMMS addressed the Chair.

The PRESIDENT pro tempore. The junior Senator from Idaho [Mr. SYMMS] is recognized for not to exceed 5 minutes.

(The remarks of Mr. SYMMS pertaining to the introduction of S. 1045 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

The PRESIDENT pro tempore. The senior Senator from Arizona [Mr. DECONCINI] is recognized for not to exceed 5 minutes.

Mr. DECONCINI. I thank the Chair.

(The remarks of Mr. DECONCINI pertaining to the introduction of S. 1039 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. DECONCINI. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The absence of a quorum has been suggested.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

RECOGNITION OF THE REPUBLICAN LEADER

The PRESIDENT pro tempore. The Republican leader is recognized.

Mr. DOLE. Mr. President, is my leader time reserved from this morning?

The PRESIDENT pro tempore. The leader is correct.

Mr. DOLE. I thank the Chair.

(The remarks of Mr. DOLE and Mrs. KASSEBAUM pertaining to the introduction of S. 1044 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

THE SENIOR COMPANION PROGRAM CELEBRATES ITS 15TH ANNIVERSARY

Mr. DOLE. Mr. President, 15 years ago, Congress authorized the Senior Companion Program as one of the title II older American volunteer programs under the Domestic Volunteer Service Act of 1973. The Senior Companion Program is one of six volunteer programs administered by ACTION, an independent agency which coordinates and encourages volunteerism in the United States.

ACTION was established in 1971 to administer a number of existing volunteer programs. In 1973, the President asked Congress to expand the role of low-income older volunteers in providing supportive services to vulnerable, frail elderly individuals. Congress responded with the Domestic Volunteer Service Act of 1973. This act gave statutory authority to action and authorized several new volunteer programs. One of these new programs was the Senior Companion Program.

The Senior Companion Program assists low-income individuals over the age of 60 by giving them opportunities to serve their communities in exchange for a stipend. A law passed during the 99th Congress made it possible for non-low-income senior citizens to participate in the Senior Companion Program as well. These volunteers offer their services without receiving a stipend in exchange. Senior companions offer invaluable person-to-person services to adults with exceptional needs and developmental disabilities. Also, as their name implies, senior companions provide valuable companionship to homebound elderly individuals who may otherwise have few opportunities for socialization.

By August 1, 1974, 18 senior companion projects were funded. Senior volunteers were assigned to rural, urban and suburban communities across the country. By February 1975, there were over 1,000 senior companion volunteers serving in programs which ranged in size from 40 to 120 volunteers. Over 60 percent of these senior companions were assigned to private homes. In 1988, the Senior Companion Program consisted of 7,442 elderly volunteers in 144 individual programs.

On July 20, the Senior Companion Program at Fort Hays State University in Hays, KS, will celebrate its 15th anniversary as one of the original programs of its kind. The Fort Hays Senior Companion Program is unique in that it is the only one to be sponsored by an institution of higher education. I commend the senior companion programs of Fort Hays and across the Nation for their outstanding efforts to provide much-needed assistance to homebound, chronically disabled and institutionalized senior citizens.

The Senior Companion Program at Fort Hays State University provides services to more than 400 elderly residents of Ellis, Rook, Rush, Trego, and Russell Counties. The Fort Hays program is staffed by over 100 low-income volunteers, all of whom work hard to ensure the continued success of the program. On July 20, these 100-plus volunteers will be honored at a recognition banquet. Bessie Nestler, a special honoree from my hometown of Russell, will be recognized for her dedicated service to the Senior Companion Program since its beginning in 1974. Senior companions at Fort Hays and throughout the Nation deserve to be honored for their extraordinary commitment to helping meet the needs of older Americans.

CHARLES S. SCOTT, SR.: A CHAMPION OF CIVIL RIGHTS

Mr. DOLE. Mr. President, a man who made significant contributions in the area of civil rights, Charles S. Scott, Sr., died at the age of 67 on March 3 in his hometown of Topeka, KS. Charles Scott was indeed a champion of civil rights. His name will perhaps be most widely recognized in connection with the landmark case of Brown versus Topeka Board of Education, in which the Supreme Court ruled in 1954 that racial segregation in public schools is unconstitutional. Charles Scott and his late brother, John J. Scott, both argued this lawsuit in Federal District Court in Topeka. Charles Scott spoke before the Supreme Court during its deliberations on the case.

Charles and John Scott were members of a family widely known and honored for its outstanding achievements in battling discrimination. Legal action which led to the desegregation of South Park High School in Merriam, KS was initiated by Charles and his father, Elisha Scott, Sr. The law firm of Charles Scott, his father and his two brothers represented the Congress of Racial Equality during the civil rights movement of the 1960's. Charles Scott and his brother helped open the doors of theaters, restaurants, and swimming pools to black residents of Kansas by representing public interests in the prosecution of several lawsuits.

Charles Scott once again displayed his passion for securing justice when he represented civil rights workers in Mississippi. Back home in Topeka, he founded the Coordinating Committee of the Black Community. His inspiration for this particular initiative came in 1968 after the assassination of the Reverend Martin Luther King, Jr. Under the leadership of Charles Scott, the Coordinating Committee of the Black Community successfully fought the discrimination that had blocked minorities from obtaining jobs in Topeka.

In his capacity as a lifelong member of the National Association for the Advancement of Colored People, Charles Scott served for a number of years as the legal redress committee chairman of its Topeka branch. Yet another beneficiary of Charles Scott's dedicated work in the name of civil rights was the Kansas Commission on Civil Rights, on which Scott served as general counsel for 3 years in the 1970's.

Charles Scott's notable accomplishments were not limited to his lifelong fight to protect the civil rights of his fellow Americans. During World War II, he provided his loyalty to his country by serving in the military. The war interrupted his years as a college student from 1940 to 1946. These 6 years found Charles Scott in Fort Scott, TX, Sicily, and southern France. A Victory Ribbon, a Good Conduct Medal, a Fame Theater Ribbon and two Bronze Service Stars are all evidence of his admirable sense of duty. After the war, Charles Scott returned to Topeka to earn both his undergraduate degree and his law degree from Washington University.

His dedication to the community in which he was born, raised and educated led Charles Scott to become actively involved in civic activities throughout Topeka. As well as being a member of the Asbury Mount Olive United Methodist Church, he was Sunday school superintendent and a Sunday school teacher. Charles Scott was not one to take his membership in an organization lightly. When he believed in a cause, he put his all into it. He could not accept a position in life as an observer. Rather, Charles Scott felt the need to become actively involved in his world in order to improve it for posterity.

Charles Scott's full, productive life was marked by humanitarianism and a sense of goodwill. He was indeed a wide man who was able to see not only the inequities that existed in his community, but also the most effective method of working to correct these inequities. Charles Scott's honorable career and dedicated service as a defender of civil rights are an inspiration to the men and women who every day strive to follow in his footsteps. Charles Scott will be missed by the thousands of people whose lives he touched, either directly or indirectly.

EXECUTIVE SUMMARY OF THE FINAL REPORT OF THE SECRETARY'S COMMISSION ON NURSING

Mr. HATCH. Mr. President, I am pleased to receive and to place into the CONGRESSIONAL RECORD the executive summary of the December 1988 Final Report of the Secretary's Commission on Nursing [SCN]. The SCN was an advisory panel established by former Secretary of Health and Human Services, Otis R. Bowen, M.D., to examine reports of a widespread shortage of registered nurses. The Commission's report, a summary of which appears below, is the result of a year-long examination of the nature and scope of the current shortage. Its findings and conclusions are based on a thorough review of the most recent data on nursing and testimony provided by 135 witnesses, who testified before the Commission at hearings held in three regions of the country. The SCN's report presents an analysis of the root causes of the nurse shortage and outlines a series of recommendations and strategies for implementation by organizations in both the public and private sectors.

In developing its report the SCN has endeavored to provide guidance for the directions the Nation must take to alleviate the nurse shortage. I believe that the Commission's work warrants serious consideration by Members of the Congress and by all who have a stake in our health care system. For this reason I commend the executive summary for your review.

I ask unanimous consent that the executive summary be printed in full in the RECORD.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

EXECUTIVE SUMMARY

In late December 1987, in response to reports of widespread difficulties recruiting and retaining registered nurses (RNs), Health and Human Services' Secretary Otis R. Bowen, M.D. established the Secretary's Commission on Nursing. The charge given to this 25-member, public advisory panel was to: 1) advise the Secretary on problems related to the recruitment and retention of RNs; and 2) develop recommendations on how the public and private sectors can work together to address these problems and implement immediate and long-range solutions for enhancing the adequacy of the supply of RNs. The Commission was given to the calendar year 1988 to accomplish these tasks.

The first five months of the Commission's tenure were devoted to an assessment of the magnitude, causes, consequences, and future implications of the nurse shortage. The results of this assessment were presented in the Commission's Interim Report, presented to the Secretary in July 1988. Based on this assessment, the Commission concluded:

The reported shortage of RNs is real, widespread, and of significant magnitude. There is evidence to support the conclusion that the current shortage cuts across all health care delivery settings and all nursing practice areas. The shortage is most acute in urban hospitals, critical care and medical/surgical units, and nursing homes.

The current shortage of RNs is primarily the result of an increase in demand as opposed to a contraction of supply. Although RN supply continues to grow, the number of new RN graduates has declined, and there are strong indications that RN supply has not kept pace with increased demand.

The shortage of RNs is contributing to the deterioration of RNs' work environment and may also be having a negative impact on quality of patient care and access to health services.

Projections for the future are not encouraging. In the short term, the quantity of care provided by the existing pool of RN's will be difficult to increase without significant intervention. In the long term, there is considerable evidence to suggest that the demand for RNs will continue to increase, and a continued imbalance with supply is anticipated.

Working from this assessment, the Commission then turned its attention to the task of developing action-oriented recommendations designed to alleviate the current shortage and assure a healthy nurse labor market in the future. Recommendations development was an iterative process that spanned five public meetings of the Commission and that led not only to the drafting of recommendations but also to the construction of a series of companion strategies designed to secure the successful implementation of each recommendation. The results of these

long and thoughtful deliberations form the heart of this Final Report.

The Commission advances 16 specific recommendations and 81 directed strategies to achieve them. These are presented in groups, as they address the following issues: Utilization of nursing resources; nurse compensation; health care financing; nurse decision making; development of nursing resources; and maintenance of nursing resources.

The specific recommendations are listed below, along with a brief statement explaining the rational which supports each set of recommendations. Section 3 of this report contains all of the recommendations, more detailed rationales, and specific implementation strategies. These strategies provide guidance regarding the Commission's assessment of viable actions that can be undertaken to realize the objectives stated in the recommendations. Although not listed here in the Executive Summary, these implementation strategies are an integral component of the recommendation package and should be given careful consideration by all readers interested in the Commision's work.

UTILIZATION OF NURSING RESOURCES

As stated earlier, the Commission has concluded that the current nurse shortage is primarily the result of a rapidly-increasing demand for RN's. Some of this increased demand for RNs is arising because health care delivery organizations are compensating for reductions in non-nursing staff—both clinical and non-clinical—as well as in other categories of nursing personnel. The four recommendations advanced in this area are intended to encourage nurse employers to use scarce RN resources in an efficient and effective manner, thereby enhancing the adequacy of the existing RN supply. These recommendations call for the provision of adequate support services for nurses, utilization of the most appropriate mix of nursing personnel, adoption of automated information and other labor-saving technologies in order to increase RN's productivity, and improvement in the internal management of nurse resources within health care delivery organizations. The specific recommendations are as follows:

1. Health care delivery organizations should preserve the time of the nurse for the direct care of patients and families by providing adequate staffing levels for clinical and non-clinical support services.

2. Health care delivery organizations should adopt innovative nurse staffing patterns that recognize and appropriately utilize the different levels of education, competence and experience among registered nurses, as well as between registered nurses and ancillary nursing personnel.

3. The federal government should sponsor further research and encourage health care delivery organizations to develop and use automated information systems and other new labor-saving technologies as a means of better supporting nurses and other health professionals. Health care delivery organizations should work with researchers and manufacturers to ensure the applicability and cost-effectiveness of such information systems and technologies across all practice settings.

4. Health care delivery organizations, nursing associations, and government and private health insurers should collaborate to develop and implement methods for costing, budgeting, reporting and tracking nursing resource utilization, both to enhance the management of nursing services and to assess their economic contribution to their employing organization.

NURSE COMPENSATION

Evidence analyzed by the Commission indicates that nurse compensation is inadequate and that the severe wage compression over the span of a nurse's career is of particular concern. The Commission believes that inadequate compensation is one of the roots of the current nurse shortage. On the demand side, low RN compensation levels relative to those of other personnel for which RNs can substitute encourage employers' inappropriate utilization of RNs in carrying out non-RN functions. On the supply side, compensation levels lower than those of other professions requiring comparable educational preparation may encourage existing nurses to leave the profession, thus exacerbating the current shortage. In the longer-run, inadequate compensation is also likely to discourage potential nurses from entering the profession, contributing to a continuation of the shortage. The following compensation recommendation is advanced to address these concerns.

5. Health care delivery organizations should increase RN compensation and improve RN long-term career orientation by providing a one-time adjustment to increase RN relative wages targeted to geographic, institutional and career differences. Additionally, they should pursue the development and implementation of innovative compensation options for nurses and expand pay ranges based on experience, performance, education and demonstrated leadership.

HEALTH CARE FINANCING

The Commission recognizes that many employers of nurses, especially those in the nursing home and home health sectors, may not have sufficient financial resources to support the compensation enhancement advocated in the preceding recommendation. Thus, the health care financing recommendation listed below and its accompanying implementation strategies given in Section 3 are put forth in the hopes of ensuring that the reimbursement levels and procedures do not constrain the efforts of efficiently-organized health care delivery organizations to offer competitive compensation packages.

6. Government should reimburse at levels that are sufficient to allow efficiently-organized health care delivery organizations to recruit and retain the number and mix of nurses necessary to provide adequate patient care.

NURSE DECISION MAKING

The Commission believes that failure on the part of health care delivery organizations, physicians, and health policy making bodies to fully recognize the decision making abilities of RNs has contributed to problems in recruiting and retaining nurses, hindered the development of a career orientation in professional nursing, and limited the efficiency and effectiveness of patient care delivery. With improved representation on policy-making, regulatory, and accreditation bodies, nurses can make unique, critical, and effective contributions to the health care delivery system. Furthermore, the technological, ethical, and managerial challenges facing health care delivery organizations dictate more collaboration among members of the health care team. The recommendations below address the active involvement of nurses in decision making at all levels.

7. Policy-making, regulatory, and accreditation bodies that have an impact on health care at the national, state, and local levels should foster greater representation and active participation of the nursing profession in their decision-making activities.

8. Employers of nurses should ensure active nurse participation in the governance, administration, and management of their organizations.

9. Employers of nurses, as well as the medical profession, should recognize the appropriate clinical decision making authority of nurses in relationship to other health care professionals, foster communication and collaboration among the health care team, and ensure that the appropriate provider delivers the necessary care. Close cooperation and mutual respect between nursing and medicine is essential.

DEVELOPMENT OF NURSING RESOURCES

While nearly all evidence indicates that the current nurse shortage is demand-driven, the recent downturn in nursing school enrollments is cause for serious concern that the shortage will grow worse in the future. Additionally, the distribution of RNs across specialties and employment settings is currently problematic, and there is evidence that the formal education received by many new nurses leaves them inadequately prepared for the rigors of clinical practice in today's complex health care environment. Finally, the Commission believes that increased public awareness regarding the image of nursing can contribute to a reversal of recent enrollment trends. The recommendations contained within the development of nursing resources category are aimed at facilitating the education of nurses, and thereby increasing the supply of qualified RNs, through increased targeted financial support and improved program accessibility, updating the relevancy of nursing curricula, and promoting nursing as a career.

10. Financial assistance to undergraduate and graduate nursing students must be increased. The burden of providing this assistance should be equitably shared among the federal and state governments, employers of nurses, philanthropic and voluntary organizations. The preferred method of providing this support is the use of service-payback loans as well as scholarship funding for those in financial need.

11. State governments, nursing organizations, schools of nursing and employers of nurses should work together to minimize non-financial barriers to nursing education for individudals desiring to enter the profession as well as for nurses wishing to upgrade their education.

12. Schools of nursing, state boards of nursing, and employers of nurses should work together to ensure that the curricula are relevant to contemporary and future nursing practice, prepare nurses for employment in a variety of practice settings, and provide the foundation for continued professional development.

13. The nursing profession should take primary responsibility for providing immediate and sustained attention to the promotion of positive and accurate images of the profession and the work of nurses.

MAINTENANCE OF NURSING RESOURCES

Although certain in their assessment of the current status of the nurse labor market, and confident that the recommendations put forth in this report embody the best approaches to resolving the current nurse shortage, the Commission believes that the federal government should spearhead a sustained effort devoted to: monitor-

ing the nurse labor market; collecting improved data and conducting further research on the demand for nurses, as well as the supply and nursing practice; and following through on the implementation of the recommendations and strategies outlined in this report. The recommendations that follow are designed to accomplish these goals.

14. The Department of Health and Human Services should create a commission having a duration of at least five years that will monitor the implementation of the recommendations in this report as well as the development and maintenance of nursing resources. This Commission should be constituted as an advisory body reporting directly to the Secretary.

15. The Department of Health and Human Services, private foundations, and employers of nurses should support and carry out research and demonstrations on the effects of nurse compensation staffing patterns, decision-making authority, and career development on nurse supply and demand as well as health care cost and quality. Research should be sponsored on the relationship of health care financing and nursing practice.

16. The federal government should develop data sources needed to assess nursing resources as they relate to health planning and manpower.

The Commission does not view the development of these recommendations as the final step in addresisng the nurse shortage. Rather, the more important and challenging task still lies ahead. The Commission strongly encourages the organizations addressed in this report to examine carefully the Commission's diagnosis of the problem, to assess honestly and carefully the relevance of each issue to their own particular organization, and to implement without hesitation the appropriate recommendations. The Commission recognizes that some of the identified problems transcend the interests of one particular organization and expects that, in these cases, the relevant institutions, organizations, associations, and individuals make a good faith effort to collaborate in the implementation of the recommended solutions to the problem. It is the sincere belief of the Commission that the health of this nation will be at risk if the changes suggested in these recommendations do not occur.

THE NEED FOR A SENSIBLE MINIMUM WAGE INCREASE

Mr. COATS. Mr. President, I support a sensible, compassionate increase in the minimum wage. To me, that means raising the minimum wage to a level consistent with helping those working Americans and their families whose sole source of income is the minimum wage, while at the same time providing a meaningful boost for those unskilled, youthful, minority, and entry-level workers in the form of a training wage to offset any negative economic impact of a minimum wage increase.

For some time I have believed that an increase in the minimum wage is justified to help the working poor and their families who are dependent on entry-level jobs. The minimum wage was last increased in January 1981 and since then has lost about 20 percent of its value due to inflation. Today a person who works full time at the minimum wage of $3.35 earns roughly $7,000 a year, hardly enough to keep a family of three above the poverty line in Indiana. So for those 3.9 million Americans out of the work force of 116 million who earn the minimum wage, especially those estimated 326,000 households earning the minimum wage and living in poverty, an increase will come as welcome news.

It is true that most people who are employed at the minimum wage level are not poor, but are second income workers or young people who prefer part-time employment. Moreover, the number of minimum wage earners has declined by 2.6 million or 40 percent since 1982 due largely to the robust economy of the Reagan years which has enabled them to move into higher paying jobs. In fact, during 1988 alone the number of minimum wage earners declined by 770,000. According to the Labor Department, 72 percent of minimum wage earners are single, and 59 percent of them have never been married. The truth is that 67 percent of those paid the minimum wage work only part-time. Of all minimum wage workers 58 percent are under 25 years of age, and 36 percent are teenagers, and 61 percent of those young people are full-time students who need part-time work to help pay for their school expenses and other extras.

Nevertheless, there is a significant number of working heads of households with children who are dependent on the minimum wage. It is these 3.9 million Americans who earn no more than $3.35 an hour—out of a workforce of 116 million—and the 336,000 minimum wage earners, 8.6 percent, who are both heads of households and below the poverty level to whom we show our concern.

I am convinced that a sensible, compassionate increase in the minimum wage will provide sufficient assistance to these low-income working families who are having difficulty making ends meet. In the long run, of course, a vibrant national economy, with sustained growth and job expansion, and programs of improved education and quality job training designed to hone basic job skills, are the best methods of moving the working poor into the mainstream of American economic life and keeping them there. But for now a reasonable minimun wage increase will keep them ahead of inflation and off the welfare rolls, and that is a good beginning.

That is why I agreed with the President, when, as candidate George Bush, he said he supported raising the minimum wage and providing a training wage. That is why I voted for the administration's minimum wage proposal earlier, and why I support it today, and why I commend the President for following through with his campaign promise to working Americans and their families.

Today the Congress is again faced with a choice. It can approve the conference report which would raise the minimum wage to $4.55 an hour over 3 years, with a 60-day training wage set at 85 percent of the applicable minimum, for first time hires only, which sunsets in 3 years. This package also would create a minimum wage review board that would report to Congress on the need for future wage increases. Or it can agree with the President that this proposal is unacceptable.

The President offered a generous compromise package between those who want no increase in the minimum wage and those who were seeking a boost to $4.55 and higher. The administration proposal would raise the minimum wage over three years to $4.25, coupled with a training wage of $3.35 an hour, or 80 percent of the new minimum, for all newly hired workers.

I am pleased to note that both the conference report and the administration package contains two provisions I strongly favor: an increase in the small business exemption from $362,000 to $500,000 in gross annual sales; and increase in the tip credit from 40 to 50 percent over 2 years. As I sponsored an amendment to liberalize the tip credit in the Labor Committee markup of the minimum wage bill I am pleased that Congress will provide some assistance to the 600,000 small busineses and their over 8 million employees who constitute the food service industry, America's largest retail employer. With the enactment of these two changes, small business will receive some compensatory relief should a minimum wage increase become law.

As I indicated, the administration's proposal is generous, without being excessive. It provides a minimum wage increase of 27 percent phased in over 3 years, or 30 cents more each year. This is roughly 80 percent of the $4.55 approved in conference. Thus the Bush package provides needed support for those in entry-level jobs. At the same time, it avoids the major disemployment, inflationary impact, and disruption to most small businesses that I believe occur as a consequence of enacting the conferees' package.

One of my own concerns about raising the minimum wage is that it could lead to a loss of thousands of jobs and job opportunities for many Americans, especially teenage, minority, and unskilled workers—those disadvantaged members of our society whom proponents claim a boost is supposed to help. According to the Labor Department, a 10-percent increase in the minimum wage will result in the loss of 100,000 to 200,000 jobs. Other studies show similar results. Thus, an increase to $4.55 per hour could cost between 350,000 and 700,000 jobs.

Mr. President, a boost to $4.55 an hour is too high a price to pay for such adverse effects on employment, on inflation, on economic output, and on the working poor and their families.

The significant difference between the conference report and the administration package—the major reason why I consider the Bush proposal to be the better, more realistic, more compassionate approach—is the training wage. The President has supported a training wage equal to 80 percent of the minimum wage, with a $3.35 an hour floor, for all new hires for a 6-month period. By contrast, the conference report recommends a 60-day subminimum wage for persons with no previous job experience.

The conferees' training wage would be available only to employees with no work history. Essentially that means 16-year-olds only—hardly enough to make it worthwhile to employers, and certainly not sufficient to offset the impact of a large minimum wage increase and to preserve jobs for entry-level workers. Moreover, the employer would be faced with the burden of showing that the new workers had never held a previous job or be penalized for paying the subminimum wage. The paperwork and recordkeeping involved in meeting such a heavy burden of proof would be a major disincentive for employers to hire anyone at this training wage.

By contrast, the training wage proposed by the administration is a meaningful incentive for employers and for workers alike. This subminimum wage will clearly mitigate the effects of a reasonable minimum wage increase. It will enable young and inexperienced workers to find work and receive valuable on-the-job training and work experience for up to 6 months. Businesses are understandably reluctant to hire individuals lacking in training or experience, especially when wages rise rapidly. New hires can be justified only if they are more productive. With the President's training wage, employers will be more receptive to giving such workers a chance. In other words, a meaningful training wage is an incentive to employers to provide entry-level employment to those most in need—the unskilled, youthful, and minority workers.

For these disadvantaged Americans the administration's training wage is a godsend. It offers them hope that they can find work and stay off welfare. Through gainful employment, work experience and job training, they will learn the demands and details of the job and the workplace. They will acquire good working habits and earn needed income. They soon gain pride in themselves and their work. They become useful, productive, better skilled and more marketable members of society. They will soon be able to compete for higher paying jobs in a competitive marketplace, earning a brighter future for themselves and their families. They will prepare themselves for the changing, more challenging jobs and job opportunities of tomorrow.

Some trainees will need 6 months for training, some will require less. We must keep in mind that for many new hires holding a job—any job—is a first time experience. They need to get used to showing up to work on job and getting along with fellow workers and superiors and to develop good work habits, in addition to learning the mechanics of their jobs.

Employers will also benefit from a training wage of 6 months. They have sufficient opportunity to train these workers for their new jobs and evaluate their performance. Keep in mind that not all entry level jobs require as little training as hamburger flippers or messengers. Many new hires will change jobs, moving from a position where training may be brief and minimal to a more complex work environment, perhaps with computers or machinery, entailing extensive new training. A 6-month period should be sufficient for most new employees in most new job situations. At the end of this period employers will find themselves with workers who have gained good work experience, are committed to their jobs and employers, and do not need extensive retraining.

Employers, especially small businesses, need the flexibility that a 6-month-training period gives them. Of course, there is nothing to say that an employer will not promote an employee or raise his or her pay before the 6 months is over. There is no justification to the charge that employers will take indefinite advantage of a training wage by continually hiring and firing. It makes no business sense for an employer to hire workers, give them training, make them more productive, and then turn around and let them go just in order to hire new unskilled workers at a lower wage. Not only do current wage-and-hour laws prevent such a practice, but the administration's training wage proposal also forbids it.

The administration's 6-month-training wage is realistic. It is long enough to be worthwhile for employers and employees alike. A 60-day period is not sufficient for either if the goal is to provide meaningful training for trainees.

The Bush package proposes a training wage for all new hires, rather than limiting the subminimum to the first hire. This is preferable because it will help preserve job opportunities.

Employers will be less likely to take advantage of a differential for first hires, unless the job opening requires no additional training, and that is seldom the situation. According to the Labor Department, a new hire requirement saves four times more jobs than first hire—169,000 jobs as opposed to 40,000 jobs. The conference first-job limitation will reach very few workers, since by age 17 or 18 most young people have had some job experience.

Our society and our economy will gain from the opportunity afforded by the Bush training wage. Workforce 2000, the Labor Department study prepared by the Hudson Institute of Indianapolis, indicates that we are rapidly facing a shortage of qualified workers in our society, the jobs of the future will have to be filled increasingly by youth, women, and minorities, many of whom are untrained and unqualified. By providing a meaningful training wage today we could take the first step toward ending the skills gap and worker shortage facing us.

As I stated earlier, over 36 percent of all minimum wage earners are teenagers, who lack the skills, education, and training to fill many of tomorrow's more complex jobs. The National Chamber Foundation's study by McKenzie and Simon projects, if the minimum wage is increased to $4.55, a loss of between 113,000 and 339,000 jobs annually for teenagers—over 30,000 jobs lost by the mid 1990's in Indiana alone. Teenage unemployment, as of April of this year, stood at almost 15 percent. In Indiana last year teenage unemployment averaged 18.8 percent. Raising the minimum wage without providing for a compensatory training differential will only make this tragic situation worse for our Nation's youth.

It is also worth noting that, according to the Bureau of Labor Statistics, over the past 7 years—during a period in which the minimum wage remained unchanged at $3.35 an hour, the number of black male teenagers in the labor force increased by 70 percent. Last year the overall rate of summer employment for young people set a record. Let is not reverse these gains by approving a minimum wage increase without a meaningful training wage.

I do not claim that the administration's training wage will give youth the education and qualifications they need for permanent employment. But it may save thousands of entry-level jobs and part-time positions for young workers. In fact, the Labor Department estimates that the Bush training wage will save close to 170,000 jobs.

Mr. President, in my opinion, the administration proposal is far superior to the conference recommendation, for the economic and humanitarian reasons I have discussed. Let us recognize one fact, however. Raising the minimum wage itself does nothing to improve the job skills or the lot of low-income workers. If we are really serious about helping the working poor,

we must do a lot more to improve education and vocational training so that we can eliminate the skills gap that is keeping many low-income workers poor. At the same time, we must keep our economy strong and vibrant. Continued growth in employment opportunities, together with improved education and training, will pave the surest way out of poverty, not policies which discourage job creation, reduce work hours and encourage inflation.

Increasing the minimum wage is a blunt instrument indeed if we are trying to solve the deeper problems of the working poor. I believe that a better approach would be to expand the earned income tax credit and adjust it according to family size.

For the present, however, I urge my colleagues to join me in rejecting the conference report on the minimum wage. The administration's $4.25 an hour package is the most generous, most effective compromise we can afford. The President has already stated that he will veto any higher minimum wage or any package lacking a meaningful training wage. I am as certain he will do that as I am that his veto will be sustained. Perhaps then we shall have another opportunity to consider the President's package as the better, more compassionate way to go.

FRANK Q. NEBEKER TO BE CHIEF JUDGE OF THE U.S. COURT OF VETERANS' APPEALS

Mr. MURKOWSKI. Mr. President, yesterday the U.S. Senate confirmed Frank Q. Nebeker as the first chief judge of the newly established U.S. Court of Veterans' Appeals.

The Senate Committee on Veterans' Affairs held its confirmation hearing on May 15, 1989, during which the Members addressed Judge Nebeker's experience, personal philosophy, and leadership skills. I believe that Judge Nebeker clearly demonstrated that he has all of the qualities he must possess in order to assume this highly responsible position. The next day, the committee voted unanimously to recommend his confirmation.

Judge Nebeker will face two monumental tasks: To get the court fully operational by September 1, 1989; and to make the court function fairly and efficiently from the outset.

With respect to the first task, Judge Nebeker was on the building committee which planned the present courthouse of the D.C. Court of Appeals. He became such an expert in designing floor plans and courtroom spaces that several States thereafter asked him to help build their State courthouses. His talents will be put to good use in arranging the budget, funding, space, equipment, personnel, and furnishings for the new court.

Judge Nebeker's extensive legal experience and knowledge will be of vital importance in accomplishing the second task, that of ensuring the court functions fairly and efficiently from the very beginning. His experience includes; 13 years with the Department of Justice as a trial attorney and as an assistant U.S. attorney; 18 years as an associate judge on the District of Columbia Court of Appeals; and 2 years as the Director of the Office of Government Ethics.

Under his guidance, I expect the court will establish a solid reputation for fairness and impartiality in the veteran community and the overall legal community as well.

It should also be noted that Judge Nebeker wore our country's military uniform for 8 years as an officer in the District of Columbia and Utah National Guard.

Judge Nebeker's willingness to accept a difficult assignment on the new court is consistent with his record of public service and is good news for all veterans who want their claim finally determined in a court of law.

I congratulate him on his confirmation as the first chief judge of the U.S. Court of Veterans' Appeals.

EL SALVADOR

Mr. MOYNIHAN. Mr. President, I would like to share with my colleagues a most insightful analysis of the situation in El Salvador written by Mr. Maurice Sonnenberg. Mr. Sonnenberg, who has a long and distinguished record of public service in foreign policy matters, was an official United States observer of the election in El Salvador held on March, 19, 1989.

And an extraordinary election it was. In a article published in the New York Post on May 14, 1989, Mr. Sonnenberg describes the efforts of leftist guerrillas to intimidate voters, and takes note of the remarkable 58 percent of the electorate that nevertheless went to the polls. Indeed, the U.S. observer group concluded unanimously that the election was "free and fair."

This is not to say that El Salvador's problems are over. Mr. Sonnenberg argues that the new President of that country, Alfredo Cristiani, faces a major challenge:

> Cristiani will have to place human rights high on his agenda, show he is independent of the more violent and reactionary elements of his party and bring to justice those members of the military who engaged in human-rights violations.

Mr. President, this body will soon begin considering the issue of foreign assistance to El Salvador. And in taking up a matter of such importance, it is essential that we gain as much insight as possible from those who have the most to offer—from public servants such as Maurice Sonnenberg, who have been to El Salvador and analyzed that country with such care. Mr. President, I ask unanimous consent that Mr. Sonnenberg's article from the New York Post of May 19, 1989, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From The New York Post, May 14, 1989]

NEW SALVADOR REGIME MERITS HELPING HAND

(By Maurice Sonnenberg)

While Nicaragua is no longer a central issue for partisans and headline makers, attention in Washington is shifting to another Central American location—El Salvador. Indeed, that country, whose government has faced a leftist guerrilla movement for many years, is now replacing Nicaragua as a major issue of foreign-policy confrontation.

A concurrent resolution of the House of Representatives (H. Con. 48), signed by 140 members, requests the administration to pursue a "negotiated political settlement" of the civil war in El Salvador.

In Senate bill S. 642, some members are pushing stricter measures. The effect of this bill would be to withhold 50 percent of U.S. military aid to the government of El Salvador pending reports from the administration about progress towards a negotiated settlement and improvement of the human-rights situation.

Both bills seek to make the Salvadoran government more accommodating, but neither addresses the issue of violence from the leftist guerrillas.

What kinds of negotiations and progress should be expected in El Salvador? Should we seek what President Jose Napoleon Duarte describes as an "Imposed provisional government" with guerrilla participation—and undermine the democratic process already under way?

AN EXTRAORDINARY ELECTION

One perspective on these issues comes from the Salvadoran presidential election held March 19, which I observed as a member of the official bipartisan U.S. Observer Team.

On that date, over one million Salvadorans, 58 percent of the electorate, went to the polls, a larger percentage than voted in the last U.S. presidential election. This demonstration of civic responsibility is even more remarkable when one considers that the FMLN (Farabundo Marti Liberacion Nacional) left-wing guerrillas pledged to destroy vehicles carrying voters and to blow up gas stations servicing vehicles involved in the election process.

The 17-person election observer team of the AFL-CIA reported that "at approximately 8:30 in the morning, a truck carrying campesinos from La Prensa cooperative was attacked with machine-gun fire. Ten people were wounded, three gravely." A majority of the electric grids were knocked out by rebels, causing near-total blackout of the city of San Salvador before and during the voting. On election day, explosions, fires and gunshots were not uncommon.

Under these conditions the Salvadorans carried out an election that our observer mission unanimously deemed "free and fair." The fairness of the election stands in stark contrast to the electoral fraud carried out by General Noriega in Panama.

There appeared to be no intimidation of voters. We felt the military, which is pro-

hibited from voting in elections, assisted rather than hindered the election process. Election procedures, including voter registration and identification, voting, balloting, collection and tabulation were of an extremely high standard. We did not encounter vote fraud.

In fact, having spent decades involved in American campaigns, I can easily say this was a "clean" election compared to some past votes in New York and Chicago?

The three major parties were well represented at the polls by an extensive army of poll watchers. For the first time, a leftist coalition of citizens participated, under the banner of the "Democratic Convergence" (which received only 3.5 percent of the vote), led by Guillermo Ungo and Ruben Zamora, socialists who had formerly been affiliated with the FMLN guerrillas. They joined many others, including Costa Rica's President Arias, in denouncing the intimidation tactics of the FMLN.

WHY THE RIGHT WON

Most of my friends from the labor movement and Democratic Party are disappointed that the candidate of the moderate left Christian Democratic (CD) Party, Fidel Chavez Mena, lost to the candidate of the rightist party (ARENA), Alfredo Christiani.

They are concerned because ARENA's founder and candidate in the last presidential election was Major Roberto d'Aubuisson, who is alleged to be a leader of the death squads that were active in the early '80s.

The election prospects of the Christian Democrats were diminished, however, by economic problems, rampant corruption, poor political organization and internal bickering.

Furthermore, the guerrilla strategy was to assist the ARENA party by preventing many CD voters in the outlying regions from reaching the polls. The far left wanted to elect Alfredo Christiani, in the hope of further polarizing the nation, rolling back the Duarte reforms and creating a climate for a cutoff of U.S. aid.

A representative from an AFL-CIO observer team estimated that 150,000 to 200,000 voters could not get to the polls because of guerrilla disruptions. He felt most of these trade unionists, largely involved with the National Union of Workers and Campesinos (UNOC), would have voted for Chavez Mena.

After generations of constant and brutal military dictatorships, the election of Christiani will bring about an orderly transfer of power from one party to another, without parallel in El Salvador's history. Furthermore, this is the only election where none of the candidates were generals or former generals!

AGENDA FOR THE FUTURE

So what of the future? Christiani will have to place human rights high on his agenda, show he is independent of the more violent and reactionary elements of his party and bring to justice those members of the military who engaged in human-rights violations.

He seems to have begun by reinstating charges against eight military and civilians charged with kidnapping for profit and suspected of being part of the infamous death-squad activity.

Next, he will have to reach out for dialogue with the guerrillas. He has already met with the leaders of the Democratic Convergence.

He will be watched to see how he handles key cabinet appointments, the army, peace negotiations and, most of all, human rights.

Christiani must be given time to implement his policies while the U.S. maintains the same levels of military and economic assistance.

A cut in U.S. aid to El Salvador at this time would be a disheartening breach of faith and contradict our professed desire for democracy in the region. It would signal our unwillingness to see this democratic experiment through to the end, and would allow the FMLN to win with the gun what it could not win with the ballot.

RESIDENTS OF PUBLIC HOUSING ARE ON THE MOVE

Mr. DIXON. Mr. President, this body may remember that the Housing and Community Development Act of 1987 authorizes resident management of public housing developments. This is an initiative which I sponsored and which I first presented to this body on March 26, 1986.

Today, I take great pride in saluting the residents of LeClaire Courts for recently taking control of the management of their own living conditions in the LeClaire Courts public housing development in the city of Chicago. Last week, the residents celebrated their success in a ceremony at this southwest side low-rise development.

Mr. President, I have great hope for the residents of LeClaire Courts. As a result of residents managing the development, I look forward to seeing an increase in rent collections, an increase in the number of employed residents, creation of business ventures, and a safer and more stable community at LeClaire Courts.

Additionally, Mr. President, I look forward to coming before this body in the near future to recognize resident management at several other public housing developments in Illinois.

KITTY DUKAKIS INSPIRES WITH WORDS AND EXAMPLE

Mr. PELL. Mr. President, I had the honor last Sunday to attend the commencement where a truly remarkable address was given by Kitty Dukakis at the New England Institute of Technology in Providence, RI.

Her address, which draws from her personal experiences and the challenges that she has faced, is a deep source of inspiration both from her words and from her example.

Mrs. Dukakis offers encouragement for all graduates, but particularly for the women and for the older students with dependents. It is absolutely clear that she knows what they went through to reach their graduation day.

Drawing from her experience, she also urges the graduates to remain flexible and creative but, above all, to remain determined to make a difference. She sees in them the spirit needed to guide our Nation.

It is that part of her address, which captures a unique strength of America, that I hope will be a source of insight and inspiration to my colleagues. For that reason, I ask unanimous consent that her remarks be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

COMMENCEMENT ADDRESS BY KITTY DUKAKIS, MAY 7, 1989

Thank you, Dom DiLuglio, for that kind introduction, and thanks to President Richard Gouse . . . and to the faculty and trustees of New England Tech for inviting me here today.

But . . . most importantly of all . . . thanks to you . . . the 49th graduating class of the New England Institute of Technology for allowing Michael and me to share your big day . . .

And, it's a big day for your families and friends as well . . . in fact, I'll bet that they're almost as happy as you are . . . but for a different reason.

I'll bet that a lot of you have boyfriends and girlfriends . . . husbands and wives . . . out there in the audience . . . you know who I mean . . . the ones who heated up your cold dinners . . . typed your reports . . . gave you a ride when the car wouldn't start . . . am I right?

They're the ones who watched the kids when you had to study . . . called your boss when you were going to be late for work . . . waited for you in the rain and snow . . . I'll bet they're at least as happy as you are that you're graduating . . . that it's finally over!

And let me say also how pleased I am to look out at your faces and see so many women in this graduating class . . . you are a sure sign that women are becoming an important part of the workplace of tomorrow.

I know that many of you had to give it a little extra to get here today . . . to overcome the obstacles that society still puts in the way of women who want to enter traditionally male professions . . . but I ask you to keep up the good work . . . and never give up . . .

So, congratulations from the bottom of my heart . . . to each and every graduate . . . to your family and friends . . . to faculty, students and alumni . . . to trustees and administrators . . . you all have many reasons to be proud indeed . . .

A very wise person once said that commencement speeches should be funny . . . inspirational . . . and short . . . well, I'm really not a comedienne . . . and you graduates are more inspirational than I could ever be . . . but I will try to be brief.

Recently, I started thinking back to my own experiences as a student . . . like nearly everyone of you, I too came to my commencement day a little older than the average graduate . . . in my case, I had interrupted my education for five years . . . and when I eventually went back to get my degree, I was a divorced mother . . . with a three year old son . . .

Those were pretty tough days . . . I mean, most people hadn't even heard of child care in 1961. But with a lot of help from family and friends, I made it through and somehow arrived at my own graduation day. And so I'm particularly happy to be standing in front of this group of graduates on this beautiful day in May.

For when you pick up your diplomas today, you're really going to know what

they're worth. None of you just rolled out of high school and stumbled through your years of college because everybody expected you to. None of you came to New England Tech in the footsteps of generations of relatives whose support and memory made the hard times a little bit easier.

No . . . most of you came here from jobs that didn't promise you the kind of future your talents deserved . . . and, many of you continued to hold down full-time jobs while you were getting your degree . . . large numbers of you commuted quite a distance . . . over an hour each way, I'm told . . . so, Michael and I salute all of you . . . and I'm proud to stand before you and have the chance to speak to you today. And you couldn't have picked a better school for the education you were seeking.

Back in the early 1970's your President, Richard Gouse, saw the profound impact that changing technology was beginning to have on the American economy.

He saw that this impact would extend to how we educate the workforce of the future . . . that the distinction between liberal and vocational education would be altered forever . . . and the growth of New England Tech over the last fifteen years shows that President Gouse was correct indeed . . . where there was a single campus, there are now three . . . and, 70 students have grown to over 2,000.

The New England business community has recognized your success . . . last year you placed over 91 percent of your alumni in jobs immediately upon graduation . . . and I understand that this year's percentage could be even higher . . . that there are more jobs in your college's job bank than there are students to fill them.

It looks to me like New England's businesses know where to come to find top-notch workers nd future leaders . . . they come to the New England Institute of Technology.

All of you at New England Tech . . . but especially your students . . . have a lot in common with our region . . . the region you've made part of your name . . . New England . . . for, New England is a region on the move . . . our people and our economy have always been ready to change when the times demanded it . . . to change and remain vital and alive . . . we New Englanders keep moving because we know what happens when we stand still . . . we know what happens when we depend too much on one or two industries for our economic health . . . when we don't keep a watchful eye for the signs of economic or social change . . . we know that jobs go away . . . our cities and towns start to decay . . . factories close . . . and we can't meet the needs of our citizens for protection and education and a decent place to live.

For almost 50 years, New England Tech has been changing along with the changing face of New England business . . . at first you were named "New England Radio" . . . named for the broadcast medium to which nearly everyone was tuned in 1940 . . . but radio was soon to be joined by a host of other technologies . . . and so you changed: you changed your name to the one it bears now . . . and you broadened your curriculum . . . but in the 1970's you faced new challenges . . . it was hard to see where a traditional vocational school fit into the space age . . . so you changed again . . . you redefined yourselves . . . you began to combine technical expertise in a broad range of disciplines with the professional skills the workplace priced . . . you started to turn out students with excellent communications skills and with the potential to enter the ranks of management . . . before long, you began to confer Bachelor's Degrees.

And, New England Tech started to attract a special breed of student . . . like those of you who are graduating today . . . who knew first hand the meaning of change in your own lives.

And, as you graduates stop on this special occasion and think about how you got here . . . and as you make your plans for the future . . . I'd like to suggest that this ability to change . . . this willingness to grow and be flexible is probably the most important lesson you can carry with you into your jobs and communities . . . it's a lesson that's critical not only to your own futures . . . but to the future of America as well.

And, it's a lessson I've had to learn over and over again in my own life . . . in Politics, Michael and I have had to learn to be flexible and open enough to accept the good with the bad . . . to rejoice in election victories and to acknowledge election defeats . . . it isn't always easy . . . *believe me*, it isn't always easy . . . in my personal life, I've had to be open to the reality of my dependency on drugs and alcohol . . . a dependency I've been fighting for over 30 years . . . I've had to be open to the reality that I would spend the rest of my life recovering from that dependency . . . One Day at a Time.

And, I've had to learn these lessons in the public eye . . . with the intense scrutiny of the media . . . and with the knowledge and awareness of tens of millions of people.

But . . . through it all . . . the most important lesson has been not to give up in the face of challenge and change . . . but to welcome it . . . to accept our limitations . . . to change what we had to . . . and to turn apparent defeats into victories.

Now, I don't mean to minimize in any way the importance of all of the superb technical training you've received from your instructors . . . and, I don't mean to minimize what you've learned in the jobs you've held throughout your years in school.

But, I do mean to say that you'll be able to really make a difference . . . both on the job and in your communities . . . when you're open to change . . . and when you're flexible in the face of the many possibilities that your jobs and daily life offer you . . . you'll be able to make the difference that our country needs today more than ever before in its history.

For, its by being open and flexible that you'll have the greatest chance to be creative . . . to see how things might be done a little differently . . . on the job or in your hometown.

It's this flexibility and creativity that has made the difference in New England for centuries . . . it's what we need all across America today . . . and it's what each and everyone of you can nurture in your lives and on the job . . . for, it really is possible to make a difference . . . and, you'll be limited only by your imaginations.

And when you learn to make a difference, you'll be joining a great New England tradition . . . a tradition that includes people like An Wang who pioneered the introduction of Word Processing in our everyday workplace . . . and who changed the face of offices everywhere . . . like Governor Madeline Kunin of Vermont and, before here, Governor Ella Grasso of Connecticut . . . who have helped forge a new role for women on the American political scene . . . like Mitch Kapor whose genius made it so much easier for men and women in the business world to attack their daily problems . . . and who in the process built Lotus Development Corporation.

But the challenge before us has never been greater.

Today, we see so much technological creativity coming from foreign sources . . . in many cases, America has lost her traditional leadership role to competition from overseas.

From the manufacturing of cars and steel . . . to televisions and VCR's . . . we seem to have lost much of our competitive edge.

Some say we've given up.

But I don't think America's given up . . . and, looking out at your faces here today, I know for sure that you haven't given up either!

For nearly two years, I travelled all over America as Michael sought our nation's highest office . . . I covered over 250,000 miles . . . from the heat of southern Texas to an icy glacier near Juneau, Alaska . . . from the farmlands of Fresno, California to the plants of Pennsylvania and Michigan . . . and, everywhere, I saw an America that knows we can once again be second to none.

I remember meeting with autoworkers and their families in Ohio . . . I remember their spirit and determination in the face of layoffs and givebacks . . . they weren't ready to give up . . . and neither am I.

I remember farm families in Iowa and Illinois . . . ravaged by drought and overwhelmed by mortgages they could no longer pay . . . I remember their pride in the land that was their families' livelihood for generations . . . they were determined to make their own corner of America great again . . . and so am I.

I remember the faces of homeless women in New York City . . . women who until recently had been raising children on the streets and in shelters . . . I remember the fierce determination I saw in their eyes . . . determination to become part of the American Dream . . . to have homes they could call their own and jobs they could be proud of . . . my friends, if they hadn't given up . . . I'll never give up.

This is the spririt that I saw all over the country.

This is the spirit that brought you to New England Tech . . . with the determination to change your lives . . . the determination to make a difference.

It's a spirit I've learned something about in my own life.

And, today, I put a challenge to you: keep that spirit with you . . . in the workplace . . . in your communities . . . with your families and among your friends.

For two years, I came to know an Amercia that wants to be great again . . . that wants to seize the leadership we once knew . . . that is ready to move ahead into the twenty-first century.

If we are to do that . . . if we are to move ahead . . . it is you who will take us there . . . and, you will do just that with the spirit of flexibility and openness to change what has marked the history of New England Tech.

And then you will take your own places in the great tradition that has allowed our New England region to grow and prosper over the years . . . you will take your own places among Americans all across our land who believe . . . as I do . . . that our future can be as great as our dreams.

And . . . when you do . . . remember to put something back into your communities . . . into your cities and towns . . . become involved with your neighbors in projects

that assist your fellow citizens who need your help . . . whatever your politics, become involved in your local government . . . work with your school committees and Town Councils . . . I think you might be surprised at the difference you can make.

So, thank you, once again, for sharing your celebration with Michael and me . . . I look forward to speaking about these and other issues on my current lecture tour of the United States and to writing about my experiences in a book that will be published next Spring.

Have a wonderful day . . . enjoy!

WELCOME BACK ORESTES GONZALEZ

Mr. PELL. Mr. President, yesterday, at 6 a.m., Orestes Gonzalez, a political prisoner held in Cuban jails since December 1981, arrived in Miami to the welcoming arms and cheers of his family and friends. As I did on the occasion of the arrival of former fellow prisoner Amado Jesus Rodriguez Fernandez in March, I join with the family in welcoming Orestes back to the United States. The case of Orestes Gonzalez, a United States resident, is unique in that he was taken prisoner in Cuba while on a family visit in late November 1981. The Cuban Government charged him with being a member of Alfa 66, a charge which he has denied to this day.

As in the case of Amado Jesus, I welcome the gesture of the Cuban Government in freeing Orestes Gonzalez. I look forward to the eventual release of Alberto Grau Sierra, the old plantado, and the last of the three prisoners who have been linked to my visit to Cuba last November. Shortly after I returned from my trip, I was informed by the Cuban Government that these three political prisoners would be released because of my intervention on humanitarian grounds. I responded with satisfaction to this gesture but at the same time I reminded the Cubans that during my long meeting with Fidel Castro, I strongly suggested that all the remaining political prisoners should be released. That message was conveyed to Havana. I am hopeful that these recent releases will signal the beginning of the release of all the remaining political prisoners in Cuba.

As I said upon the arrival of Amado Jesus in March, the releases reenforce my belief that the Cuban Government does want a better relationship with the United States. I concluded from my trip that the United States and Cuba should begin to deal with each other on small mutually beneficial steps to create the climate for the resolution of the difficult issues. The Cuban exile community in the United States would be one of the major beneficiaries of an improved relationship with Cuba. I now anxiously await the release of Alberto Grau Sierra and ultimately the rest of the political prisoners.

It is with great satisfaction that I join Orestes Gonzalez' family in welcoming him home, his wife Martha, and his daughter Irma Escarra, who has worked so hard to gain the release of her father. It is my hope that one day, in the not too distant future, many relatives and families of political prisoners in Cuba will also experience the joy that is felt today in the Gonzalez household in Coral Gables.

THE SOUTH CAROLINA DEPARTMENT OF PARKS, RECREATION AND TOURISM AND NATIONAL TOURISM WEEK

Mr. THURMOND. Mr. President, in honor of National Tourism Week, May 15–May 21, I would like to take this ideal opportunity to recognize the outstanding work done by the South Carolina Department of Parks, Recreation and Tourism [PRT]. Tourism is the second largest industry in the State of South Carolina and the value of the excellent work done by the PRT cannot be underestimated.

South Carolinians are blessed with a beautiful State that has much to offer. Tourism plays a large role in South Carolina's economy and helps to bring added revenue and jobs to our State. It is estimated that the tourism industry was directly responsible for 98,500 jobs and generated $4.6 billion in revenues for fiscal year 1988.

I would like to commend Mr. Fred Brinkman for his leadership as director of the PRT. Mr. Brinkman's dedicated efforts at PRT have helped to bring the rich travel resources of our State to the attention of all Americans and foreign visitors to the United States.

I would also like to commend Mr. Bob Liming, director of tourism, for the fine job he is doing. Bob is national chairman of the State Travel Council and is recognized nationally for his great skill and expertise in travel and tourism.

My wife Nancy joins me in lauding the efforts of the administration and staff at PRT. She has a special interest in promoting tourism in South Carolina and she too recognizes its tremendous importance to our State. Nancy plans to continue working to expand the industry and to further broaden South Carolina's travel appeal.

I congratulate PRT for the success they have achieved in the past year and I wish them the best for the upcoming tourism season. It is my sincere hope that Americans and foreign tourists alike will continue to discover and enjoy South Carolina's beautiful places and smiling faces.

TRIBUTE TO ROBERT F. BOTT, PROFESSIONAL STAFF MEMBER, ARMED SERVICES COMMITTEE

Mr. WARNER. Mr. President, I rise today to pay tribute to Mr. Robert F. Bott, a key member of the Senate Armed Services Committee staff for the past 6 years, who will depart the Armed Services Committee to enter the private sector next month.

Since 1983, Bob Bott has been the principal Republican professional staff member for the Strategic and Theater Nuclear Forces Subcommittee, which has jurisdiction over all funding and issues related to strategic aircraft, missiles, submarines, communications, intelligence and space systems, theater nuclear forces, arms control and verification, and United States-Soviet military balance. I know of no professional staff member who has contributed more to this body in terms of effort, imagination and actual accomplishment for these past 6 years.

Bob is originally from Logansport, IN. At the age of 7, he moved to White Plains, NY with this family. Bob was valedictorian of his high school class and voted most likely to succeed. He graduated from Holy Cross College in 1967 and was commissioned in the Navy. As a naval flight officer, he played a significant role in the introduction of the P3C antisubmarine warfare aircraft.

Upon leaving the Navy in 1972, Bob became a program analyst for the Department of the Navy until 1975, when he became a staff member in the Strategic Forces Division of the Department of Defense Program Analysis and Evaluation Office. In 1983, Bob was serving as the Director of the Strategic Offensive Forces Division of DOD PA&E when we were able to persuade him to come to work for the Armed Services Committee here in the Senate.

While I served as the chairman of the Subcommittee on Strategic and Theater Nuclear Forces, Bob was the principal professional staff member assisting me in my responsibilities on these critical national security issues. His expert analyses and personal skills were critical to the important compromise package on Peacekeeper funding in 1985. President Reagan sent Bob a personal letter thanking him for his critical help in securing funding for the Peacekeeper missile. The approval of this compromise set the stage for the continued funding of Peacekeeper.

Bob was also instrumental in maintaining funding and support for the command, control, and communication modernization program which is so crucial for the maintenance of a credible and effective nuclear deterrent force. He also played an invaluable role in the formation of the Nuclear Weapons Council, the funding of the

B-1 and B-2, advanced cruise missile, and certain sensitive intelligence programs.

Bob was notably effective in the Senate-House conference deliberations on the annual DOD authorization bill. All members and other staff would agree that Mr. Bott was one of the most credible and authoritative advisors on important decisions regarding strategic force issues. His objective and well-reasoned analyses were accepted in a true bipartisan spirit. His advice will surely be missed.

Bob has truly earned the genuine respect and admiration of all those with whom he has worked—Senators, Members of the House of Representatives, and professional staff members of both bodies. I am certain that the chairman of the Senate Armed Services Committee, Senator NUNN, and the chairman of the House Armed Services Committee, Representative ASPIN, would attest to Bob Bott's comprehensive knowledge, unique capabilities and dedication. Bob's technical knowledge and his ability to grasp and express clearly and concisely highly complex issues made him ideally suited for the extremely important and demanding staff position he has held.

I would like to pay tribute also to Bob's family; his wife, Ruth, and his children, Catherine and Michael, are to be commended for their patience with Bob's grueling hours and extensive work schedule. They have accepted a large measure of sarcrifice so that Bob could serve the Senate and his country so faithfully and so unselfishly.

On behalf of the Senate and the Nation, I want to express our sincere appreciation to Bob Bott for his selfless dedication, his truly outstanding performance, and the great contributions he has made to the security of this Nation. And I want to express my personal thanks also to Bob for his unparalled professionalism, his loyalty, and his friendship. Mr. THURMOND and other members of the committee joined me in the preparation of this statement.

We wish him well in his new career and bid him well with a snappy hand salute.

THE CHICAGO DEFENDER

Mr. DIXON. Mr. President, recently the Chicago Defender celebrated its 84th anniversary. For 84 years the Chicago Defender has been a leader in the fight for civil rights for African Americans and other ethnic Americans. The Chicago Defender was founded in 1905 by Robert S. Abbott and through much hard work has achieved the high level of success it holds today. I heartily congratulate the Chicago Defender and look forward to its continued leadership in civil rights.

I would also like to submit for the RECORD the text of an editorial from the May 6 edition of the Chicago Defender.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

STRUGGLE AND GLORY OF OUR 84 YEARS

From May 5, 1905, when Robert S. Abbott, LL.B., founded the *Chicago Defender*, the newspaper has experienced the struggle and glory of making America a better place in which everyone can live. On this auspicious 84th anniversary, our deep thanks not only to the late Mr. Abbott, but also to our readers who are directly responsible for our continued success.

Our call for dignity and human rights, established by Mr. Abbott in the original platform, was not an empty series of statements. They were listed as goals that America had to reach to fulfill the true meaning of the words indelibly written into the U.S. Constitution, its amendments and the Declaration of Independence.

Currently, there are seven goals in the platform. They can be seen at the bottom left of this page and until they are properly addressed, the United States will not have truly reached its full level of greatness or fulfilled the promises of true democracy.

It is not enough for the U.S. to declare itself "The land of the free and the home of the brave" when millions of its citizens, for racial, gender or other reasons, are not treated fairly and are denied an equal chance to participate in the vast opportunities of this nation. That hypocritical situation was not fair in 1776, when the Declaration of Independence was signed or in 1905 when the *Defender* published its first edition. The denial of human dignity and Civil Rights continue as one of the ultimate injustices plaguing society today. We will not be satisfied until the wrongs are righted.

Although the 84 years of our existence have been a long, hard struggle, in many ways it has been a glorious one. It took great courage to oppose lynching and the countless forms of institutional racism that have resulted in death, hospitalization and unhappiness for countless individuals. But it has been glorious to be responsible to some degree for: the reduction of lynching; the implementation of voting rights; the integration of the armed forces and the civilian sector of society; and numerous other positive changes in America.

The pain of striving for a better country is also offset by the glory of having millions of young people build strong, moral character and go on to become productive, caring, well-balanced adults.

There must be no doubt that the struggle must continue. This is especially true if African Americans, women and various other racial and ethnic groups are to become first-class citizens. With your help, we can make the seven goals in the *Chicago Defender's* platform a reality.

COMMITTEE ON HUNGER TRIP TO AFRICA

Mr. LEAHY. Mr. President, I want to draw the attention of the Senate to the unique journey of the House Select Committee on Hunger to Ethiopia and Sudan during this past Easter recess period.

So often the press criticizes congressional travel. But this grueling trip is proof of the value of bringing public policymakers in direct contact with urgent international problems.

Led by Congressman MICKEY LELAND, chairman of the House Select Committee on Hunger, the delegation included Vice Chairman BILL EMERSON, who also serves on the House Agriculture Committee, Congressman GARY ACKERMAN, and Congressman MICHAEL MCNULTY.

Also participating in this trip were the following staff: Denise Lionetti, Bob Jackson, Hugh Johnson, and Marty LaVor of the Select Committee on Hunger; Tom Clin and Nancy Stetson of the Senate Foreign Relations Committee; and Steve Morrison of the House Foreign Affairs Committee, Balbeer Sihra of Congresswoman PATTERSON's office, and Ann Schonfield of Congressman ACKERMAN's office.

Mr. President, I want to commend those who took time out from their own schedules, away from family and local commitments, to see first hand the overwhelming hunger problems in Africa. These people showed the best face of the United States—and their own humanity. I am so proud of them all. As my own Agriculture Committee considers the reauthorization of the Food for Peace Program (Public Law 480), I look forward to receiving the recommendations of the Hunger Committee. We must work together to improve this, and all our food aid programs, so that they better serve the pressing economic development and hunger problems around the world.

MONEY LAUNDERING CONTROL

Mr. KERRY. Mr. President, last year when Congress enacted the omnibus drug bill considerable attention was devoted to the problem of using legitimate businesses and banking institutions as a front for the laundering of millions of dollars in drug profits. The omnibus drug bill included several important provisions dealing with this problem by imposing new requirements, clarifying ambiguities, increasing penalties, and requiring international cooperation aimed at the use of offshore drug havens by narcotics smuggling organizations.

In the time since the passage of the drug law last fall, events have confirmed the congressional findings of rampant abuse of banking institutions got drug money laundering provisions. Publicity surrounding the Operation C-Chase in southern California, the worldwide Bank of Credit and Commerce International [BCCI] money laundering scheme, and the recently uncovered Chicarci affair in Switzerland point to the existence of a major problem.

Earlier this year the American Bankers Association established an ongoing money laundering task force to provide leadership and focus to the efforts of bankers to help rid this country of the scourage of drug-related racketeering. This task force builds upon earlier efforts by the ABA to provide leadership on this issue. The importance and effectiveness of the ABA's Task Force was recently recognized by the director of Federal antidrug efforts, Mr. William Bennett, when he asked that the task force submit recommendations for Federal efforts in this area.

The ABA Task Force has responded to Mr. Bennett's request with a detailed set of recommendations, and has indicated its readiness to cooperate with the Federal Government in the implementation of new initiatives. Some of the recommendations may be controversial; others will be readily accepted—one issue on which there is certain agreement is that there must be increased cooperation and exchange of information between the private sector and the Government on this vitally important issue.

I ask unanimous consent that a complete text of the ABA Task Force recommendations, as well as several articles about money laundering, be included in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

AMERICAN BANKERS ASSOCIATION,
Washington, DC, April 28, 1989.

MR. WILLIAM J. BENNETT,
Director, Office of National Drug Control Policy, Executive Office of The President, Washington, DC.

DEAR MR. BENNETT: The American Bankers Association greatly appreciates your request for recommendations as to how the banking industry can aid the government in curbing our country's drug problem. Our members are keenly aware of the need for active participation from the private sector in addressing this critical issue. We hope all members of our nation's business community will rise to the challenge.

Specifically, I have enclosed a detailed paper prepared by ABA's Money Laundering Task Force. This group provides advice and comment on legislative and regulatory proposals and is designed to coordinate all of ABA's present and future programs to educate its members and the government on how best to prevent the use of banks for money laundering both in the United States and abroad. The enclosed paper is only one aspect of our industry's resolve in this critical area.

Your task is indeed formidable and we pledge our continuing support.

Sincerely,

DONALD G. OGILVIE,
Executive Vice President, American Bankers Association.

TOWARD A NEW NATIONAL DRUG POLICY—THE BANKING INDUSTRY STRATEGY

TASK FORCE RECOMMENDATIONS

1. Government—Industry cooperation is essential for any successful national drug policy. Establishment of a formal financial industry advisory board will greatly enhance communications between these two critical groups.

2. The government should establish a mechanism for prompt dissemination of money laundering activities and trends to the financial industry.

3. There should be a thorough review of all recordkeeping and reporting regulations designed to attack the drug money laundering problem. There is a need for a study addressing the law enforcement utility of the Bank Secrecy Act.

4. Successful prosecutions resulting from active support from the banking industry should be publicized by the government whenever possible.

5. The problem with tracking possible laundering schemes through the use of wire transfers and other complex transactions should be addressed.

INTRODUCTION

It is as imperative for the banking industry as it is for the law enforcement community to deter drug dealers from using our nation's financial institutions to launder monies derived from illegal activity. To be successful, however, there must be a partnership in this effort. The maze of regulations and laws imposed upon the financial industry in the name of drug enforcement may not always achieve this noble goal.

Our members strongly believe that the government and the banking industry need to work together as a team, not as adversaries, in pursuing the goal of a drug-free America.

USE OF ADVISORY COUNCILS

We have specific recommendations on how best this could be accomplished. First, through the formation of a government advisory council (consisting of representatives from the banking industry, regulators, law enforcement, and the Treasury) would be all of the groups that have some role in money laundering deterrence.

This type of council could jointly develop common short and long term goals, to concentrate on the drug and money laundering problem instead of allowing the government to continue the current categorization of the issue as a "bank compliance problem." We must get beyond the excessive rhetoric and cynical attempts by Congress to solve the drug problem by increasing paperwork. With an advisory council we can logically attend to this serious problem.

An advisory council could work much the same way as the Federal Reserve Board's Consumer Advisory Council. The group, composed of regulatory, legal, and banking experts, would set realistic goals and be able to determine very quickly what changes were needed to keep banks from spending too much time gathering irrelevant information. While the legality of an advisory board must be reviewed, it is an idea whose time has come.

EDUCATION AND AWARENESS

The second recommendation concerns education. We are proud of our work in the area of deterring money launderers and we are frequently confused as to the government's strategy. There is a need for consistency in supervision and regulation of the financial industry. This can only occur once the government and the banking industry understand their different roles.

One way to do this is by educating the industry on the latest tactics and techniques utilized by money launderers. Currently, the government waits until there are a series of activities, and then as a last resort passes this information on to the industry in a rushed, makeshift manner.

It would be helpful if various banking and law enforcement agencies could immediately adivse the banking community as to the latest money laundering trends, suspicious customers, and preferred illegal transactions so that the industry could put into effect the necessary safeguards to preclude that type of activity. Communication must come from all members of the law enforcement community, the regulators, and the industry itself. We recommend a formal dialog between these critical parties on a frequent basis to keep abreast of what is necessary to combat this activity. This would be slightly different than the proposed advisory council but similar to what the banking industry and the Inter Agency Bank Fraud Working Group have done in the bank fraud area. There, whenever the government or the industry has a issue of major concern to discuss, we would hold an informal meeting. This is an opportunity to share common concerns and question participants on how best to combat fraud. Money laundering, like fraud, is an activity that all groups wish to see eliminated from our nation's financial institutions. Advisory councils and ongoing communications can achieve this result.

THE BANK SECRECY ACT

The Bank Secrecy Act (BSA)[1] remains the cornerstone of all laws utilized against money laundering activities. The list of regulations and policies requiring reporting of bank transaction activities is well known and need not be reiterated here. However, it is clear that there is widespread confusion and uncertainty in and out of government as to which reporting mechanisms are the most efficient methods for aiding appropriate law enforcement drug investigations.

The Currency Transaction Report (CTR) is the most widely known but the most misunderstood form in terms of its effectiveness. In the early 1980's the financial industry filed over 100,000 forms for an entire year. In 1988, the banking industry filed approximately 7,000,000. This dramatic shift can be based on a number of factors. The question remains, however, as to the utility of all the reporting forms for law enforcement purposes.

The entire banking industry is impressed at the diligent efforts of the Treasury Department at developing a system to handle all of the additional reports in a relatively timely manner. However, if you take into consideration the several new reporting requirements created in the last Congress as well as the use of the banking regulatory agency's criminal referral forms, there is an obvious need to sort out all of these requirements. No one in the government appears ready to accept the challenge of reducing unnecessary paperwork in the name of law enforcement.

WIRE TRANSFERS

The commercial banking industry has worked toward virtually eliminating money laundering by cash or currency. However, the trail of illicit profits is hard to follow if done through the use of wire transfers.

The Treasury Department has attempted to aid the banks by issuing an "Advisory Concerning Wire Transfers." This advisory presented some examples of suspicious wire transactions but we need more. A review of the money laundering statutes and how they relate to wire transfers is critical. The

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[1] 31 U.S.C. 5311-5324.

banking industry can provide the type of information that is available by wire and thus help slow the use of this mechanism for laundering purposes.

It is apparent to most of us in the financial services industry who are involved with transaction tracking and money laundering that the serious money now moves by wire transmission. Although a wire transaction is subject to a CRF report if it is determined to be "suspicious", the nature of the transaction makes it difficult, if not impossible, to analyze for laundering potential. The current regulatory environment is therefore paradoxical: banks are overregulated where the transaction involves currency or monetary instruments, yet the most serious drug-laundering operations have worked hard to minimize the exposure of their currency to U.S. financial institutions. Wire transactions, which are essentially unregulated, have emerged as the primary method by which high volume launderers ply their trade.

The regulatory emphasis must shift, in a logical and reasonable manner, from currency to wire transaction tracking. This will be a difficult task but one which can only be accomplished by the concentrated efforts of the government and the financial services industry.

SIMPLIFICATION OF REPORTING

In order to allow banks to concentrate on being able to recognize and report suspicious currency transactions, the requirements of the BSA regulation need to be simplified. The task force has isolated several of the areas of immediate concern, but a full scale review is necessary.

Only amendments that would significantly reduce the number of unnecessary CTR filings by requiring only meaningful reporting should ever be accepted by the Congress. There is a need to encourage banks to make better use of the exemption process. A thorough review of the Bank Secrecy Act will help to assure that banks are reporting useful and meaningful information to the government.[2]

CLARIFICATION OF THE MONEY LAUNDERING STATUTES

Legislation that created the Money Laundering statutes in 1986 resulted in committed compliance by the banking industry. The new provisions affected day-to-day banking activity. The financial industry and the regulatory agencies worked together in compliance seminars, teleconferences, and developed manuals to educate the industry on the changes to the Bank Secrecy Act and the creation of the money laundering statutes. Many agency officials have indicated that the banking industry has worked efficiently in this area.

We have argued unsuccessfully that any attempt to strengthen or clarify the Money Laundering Control Act of 1986 should include a modification of 18 U.S.C. 1957. This section of the '86 Act, developed to prohibit financial institutions from accepting monies derived from illegal proceeds, warrants modification. Section 1957 of Title 18 prohibits knowingly engaging in virtually any typical banking transaction involving a financial institution in "criminally derived property" with the value exceeding $10,000.

The principal problem that the banking industry has with Section 1957 is that it requires banks to make decisions about the unlawful origin of their customers' monies that bankers are simply not equipped to make. The banker has neither the expertise, the evidence, nor the time to decide whether a customer is engaged in illegal activities in the hours or minutes while a prospective transaction may be pending. This is understandable because such questions typically require highly trained federal prosecutors, months or years of intensive grand jury investigations to decide, and even then the jury may acquit the defendant. In an effort to protect themselves and their banks against criminal prosecution for violating Section 1957, bankers who have any doubt about the suspicious nature of a customer's activities may refuse to do business with an individual. Not only will this deprive many innocent customers of banking services because of some suspicious trait or characteristic, it also exposes banks and bankers to civil litigation from the customers who are erroneously denied banking services. In short, the bankers are more than willing to stop money laundering by refusing to do business with criminals, but they are simply not equipped to identify those individuals.

Bank officers and banking institutions have the obligation to protect customer confidentiality. The liability for inaccurately reporting a customer's affairs and civil and criminal penalties for improper compliance are balanced by financial institutions on a daily basis. Conflicts between federal and state law sometimes complicate effective investigation and prosecution by the government and compliance by financial institutions. This is an additional issue which should be addressed as part of any effective national agenda addressing the drug problem.

The problem will be solved by the addition of an intent element to Section 1957. The inclusion of an intent element will assure bankers that they will not be prosecuted for doing business with a customer that they merely suspect of being engaged in illegal activity. There is a separate question of creating a "safe harbor" for institutions who have reported suspicious transactions and continue to do business with that customer. This issue needs to be addressed by the government so as to encourage awareness and instill confidence as to the scope of an individual's liability.

REPORTS TO THE INDUSTRY

The banking industry needs to know whether or not the "system works" and if our efforts are paying off. Therefore, we would suggest that the government and law enforcement officials quantify and report, on a regular basis, successful prosecutions resulting from the industry's compliance efforts or voluntary action. If bankers knew they that were making a difference, or were helping to solve this problem, there would be an increase in voluntary reporting of suspicious transactions.[3]

The banking industry and the ABA supported most of the legislative efforts aimed at deterring money laundering in 1986. It is therefore frustrating to hear attacks on banking for not accepting each and every legislative proposal offered by a Congress that is often unwilling to get the facts. Knowing that our reporting makes a difference will go a long way toward easing that frustration.

It is important that the banking industry emphasize to its regulators the need to stop the flow of paper, a situation that is reaching epidemic proportion. We will continue to point out all of the examples of voluntary reporting by the industry that have resulted in investigations and/or indictments. The banking industry abhors money laundering and is working extremely hard to eliminate it from within our industry. Emphasis should be placed on activities such as the recent "Operation Polarcap" where Attorney General Thornburgh said: "In most cases, the involvement of U.S. Banks, . . . was one of cooperation in attempting to get to the center of the operations involved. I think individuals within the United States' banking community, . . . performed extraordinary acts of cooperation, recognizing through their own antenna, what precisely was going on with these enormous movements of cash."

THE TASK FORCE

The ABA has created a Money Laundering Task Force. This group, comprised of leading banker experts in the field of bank secrecy, will coordinate all activities that our association has been engaged in during the past several years. The task force will comment on all legislative proposals designed to address the money laundering issue and all court cases, involving the applicable statutes, continuing ABA's long-standing commitment to work with the regulators to make the most of BSA compliance.

This task force is the starting point for active cooperation with the government in jointly eliminating our nation's financial institutions as a place where drug money can go.

ELECTRIC CARS IN HAWAII

Mr. MATSUNAGA. Mr. President, I rise to alert my colleagues from the great State of Michigan to be on notice: Honolulu may well be the automotive capital of our country in the next century.

My reason for this assertion is the success of the University of Hawaii's Electric Car Program, which has recently emerged as the national leader in road endurance. Because of its de-

[2] The banking industry is constantly frustrated at the conflicting signals we receive from the government. There have been good faith attempts by the Treasury to ease reporting through exemption guidelines and other advisory rulings, but this is not enough. We are currently seeking from the Treasury Department clarifications on a number of recent interpretations:

(1) expanding the list of "excepted transactions" under Section 103.22 of the BSA (b) to include certain national and regional retail businesses and other similar qualified businesses; and (2) allow banks unilateral authority to establish a single exemption covering multiple accounts of qualified established depositors.

[3] Former Deputy Assistant Secretary for Law Enforcement at the Treasury Department, Gerald L. Hilsher told an audience in September that:

In my opinion, the Treasury Department has done a poor public relations job in not telling the private sector what the Treasury Department is doing with this information and what kinds of cases the Treasury Department is making. The Treasury Department needs to keep better statistics because although Title 31 convictions are not the only measure of BSA effectiveness, we have not brought forth statistics on other aspects of BSA utility. The federal government has good examples of individual cases brought as a result of BSA compliance, but the Treasury Department, for example, can't state the degree to which BSA compliance has resulted in incresed tax revenues. One of the recommendations that I will be making from this roundtable is to do a better job of tracing Title 31 involvements in criminal and tax cases, so that next year, perhaps, we can bring these statistics to the financial community to show that we do have a program that makes sense.

pendence on imported petroleum for its energy needs, the Aloha State has set out to become the National Renewable Energy Laboratory of the Pacific as it strives to shift from finite to infinite—that is renewable—energy sources. Transportation fuel represents the biggest challenge to us in our transition efforts to renewable energy; hence, our interest in electric and alternative fuel automobiles.

The manager of the university's program in this field is my good friend, D. Richard "Dick" Neill. His work was the subject of a most informative newspaper article last month in the Honolulu Advertiser by science writer Jim Borg which appeared under the headline: "UH Revving Up Research in Practical Electric Cars." The key word here, Mr. President, is the adjective "practical." For the enlightenment of my colleagues and others. I propose that this article be included in the CONGRESSIONAL RECORD and ask that it be printed in full.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

UH REVVING UP RESEARCH IN PRACTICAL ELECTRIC CARS

(By Jim Borg)

After a bumpy beginning, the electric car program at the University of Hawaii has emerged as the national leader in road endurance. The program may set the stage for non-gasoline vehicles of the 21st century.

The research is particularly encouraging for Hawaii, where mild temperatures allow batteries to operate at peak efficiency, researchers say.

A battery-powered 1982 Ford "EVcort," an electric version of an Escort station wagon, on one occasion in October ran for an astounding 96 miles between charges, more than twice the expected mileage, said D. Richard Neill, director of the program at the Hawaii Natural Energy Institute. For comparison, circumnavigating the Koolau Mountains is about a 100-mile trip.

The success of Neill's self-avowed "supercar" hangs in part on a system that recharges the batteries whenever the brakes are applied. Neill estimates that half the energy lost going uphill can be recovered going back down.

Some battery problems persist, and the high mileage mark hasn't been repeated. But Neill said there are reasons for renewed optimism in an effort that five years ago was nearly dead.

"Most of the basic problems have been solved in terms of reliability, acceptability and availability," said Neill, who drives the EVcort to and from work, a 16-mile one-way trip between Aiea Heights and the UH Manoa campus. "I'm the winner in the country today."

Upon arriving at either destination, he simply plugs the car into a typical 120-volt AC wall socket. After four hours or so, the batteries are ready to go.

But EV's are not for speed demons.

Cruising at 50 to 55 mph on the highway, the car sucks 100 amps of electrical current. Doubling of the output to 200 amps results in an increase of only 3 mph.

"You use twice as much energy to go 3 to 4 mph faster, so I'm a 100-amp driver," said Neill.

The EVcort can accelerate from 0 to 30 mph in 12 seconds and consumes less than 0.4 kilowatt hours per mile, which translates to a cost of 4 cents per mile. Uphill performance leaves something to be desired: The car makes only 35 mph going up Moanalua Freeway at Red Hill.

The sensation is similar to driving a golf cart or carnival bumper car, with a slight delay in response to touching the pedal. The pollution-free engine makes almost no noise, so a driver must be careful not to forget it's on.

The institute's electric vehicle or "EV" program began in 1981 with money from the U.S. Energy Department. From Jet Industries, the institute acquired 15 vehicles—five Dodge Omni sedans, five Dodge 1400 nine-passenger vans and five Ford Courier pickup trucks. After three or four years, nearly all had sputtered to a permanent halt.

"It was an embarrassment," recalls Neill, who took over the program about two years ago.

Perhaps the most intriguing innovation is the so-called regenerative braking system.

Once the car is moving faster than a crawl, hitting the brake triggers gears that slow the car by making it do work: charging the batteries. It is similar to slowing a car with a standard transmission by shifting into low gear, except that energy is saved, not spent in the process.

"All the energy that normally goes into the brake lining (generating heat) goes into recharging the battery," said Neill.

Neill suspects he damaged the EVcort battery system in attaining the 96-mile record, since its road endurance has since dropped off dramatically. A few charging cycles later, he said, the car was down to a range of 30 miles.

Nationwide, a half dozen new battery technologies are now under study, each with its own tradeoffs of cost, performance and maintenance hassle. Another option is an on-board "range extender," some kind of back-up engine or fuel cell on board that would offer a "limp home capability" if the juice runs low.

Among the most promising technologies are air-aluminum batteries, which are light and don't require recharging. They merely must be watered every 200 miles and have their internal plates changed every 2,000 miles.

That's similar to getting gas every 200 miles and getting a lube job every 2,000 miles, Neill said.

The Hawaii institute now has a fleet of 28 electric vehicles, including five sedans and seven pickups donated by Hawaiian Telephone Co., a subsidiary of GTE; four Jet-Escort sedans from the Navy; and two vehicles from the Energy Department. The institute is now in the process of donating some of the cars to users on Neighbor Islands and to sister research organizations and universities in Hong Kong and China.

Electric cars are not going to end-run the inevitable fossil-fuel crisis in Hawaii as long as electricity is generated by burning oil. The state and Hawaiian Electric Co. hope eventually to trim the reliance on oil with such renewable resources as volcano heat, sunbeams, ocean temperature differences, wind power, and natural gases such as methane.

At Kahuku, for instance, an electric vehicle is recharged by windmill.

The institute also will soon be getting a photovoltaic cell charger that tracks the sun. That will charge the supercar via solar energy with 14 kilowatts over the course of a day, which translates to a 30-mile trip at about 20 to 25 cents per mile. Ultimately, photovoltaic technology is expected to provide juice at 4 cents per mile, Neill said.

Furthermore, battery-powered cars someday will be joined by those that burn methanol, which can be produced from biomass and is less harmful to the environment. The institute operates seven methanol-fueled cars as a demonstration project.

"Although there has been a decline in interest in EVs since the so-called oil glut, each year our country's dependency on imported oil for automobiles and trucks is increasing, so we are more vulnerable to future supply interruptions," Neill and three colleagues said in a recent research summary on the program. The main challenge, they said, is to make the cars viable before the next oil crunch hits.

A HAWAII FIRST

Mr. MATSUNAGA. Mr. President, I rise to commend my good friend, the senior Senator from Vermont [Mr. LEAHY], on his good work in fashioning a rural development legislative package, and to ask that he include me as an original cosponsor, because the problem of lagging growth and high poverty in rural America has been a seriously neglected subject that deserves congressional attention. At the same time, Mr. President, I do wish to correct a statement he made here this afternoon in regard to Vermont being the first State to enact a law banning ozone-damaging chemicals.

It is a fact that the Aloha State, Mr. President, not the Green Mountain State, became the first State in the Union to enact such a ban. As proof, I offer a newspaper story which appeared last Friday in the Honolulu Advertiser by reporter Stu Glauberman. He reports that Hawaii Gov. John Waihee, upon signing such a bill the day before, Thursday, a week ago, placed a phone call to Vermont Gov. Madeleine Kunin to inform her of the fact. The Vermont bill was still awaiting her signature at that time, and Governor Kunin is quoted.

I might add, Mr. President, that the Hawaii law banning the willful release of chemicals that deplete the ozone layer takes effect January 1, 1991, while the Vermont measure becomes effective in 1992, according to the Advertiser account.

In any case, I imagine that other States will follow the lead of Hawaii and Vermont in this area, Mr. President, but I did want to amplify the record on this matter, and for the benefit of my colleagues and others I ask unaminous consent that the Advertiser story be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ISLES FIRST TO BAN OZONE-DAMAGING CHEMICALS

(By Stu Glauberman)

Hawaii has become the first state in the nation to enact a law banning the willful release of chemicals that deplete the ozone layer and contribute to global warming.

A bill signed into law yesterday bans the over-the-counter sale of chlorofluorocarbon refrigerants—now widely sold in pressurized cans—and requires service stations to recover and recycle auto air-conditioner chemicals. It does not take effect until Jan. 1, 1991.

Gov. John Waihee's signature yesterday morning dashed any hopes Vermont might have had of being first to ban chlorofluorocarbon-containing products.

A similar bill is awaiting the signature of Vermont Gov. Madeleine Kunin.

Waihee called Kunin yesterday to tell her Hawaii had beat Vermont to the punch.

When she got the news, Kunin told Waihee: "You should have told me (you were ready to sign), we could have raced."

Vermont's measure isn't set to take effect until 1992. The effective date has been put off in both states to give researchers time to provide workable alternatives to the ozone-depleting products.

Waihee called the new law "Hawaii's contribution" to combating a problem of global significance. He said it was a "pace-setting" measure that would be followed by other states.

State Sen. Mary-Jane McMurdo, who basked in being the "Member" of the ozone-layer bill, said the simple-but-effective measure would significantly decrease the amount of chlorofluorocarbons escaping from air conditioners in Hawaii.

McMurdo said European nations were well ahead of the United States in dealing with the threat from ozone-destroying chemicals. She said she plans to introduce another measure next year to control other emissions.

The Washington-based environmental protection group Friends of the Earth yesterday praised Waihee and McMurdo for their efforts.

"The importance of this legislation will be felt not only in your native state, but throughout the world," said Liz Cook, the group's ozone campaign director.

MARIJUANA PRODUCTION IN THE UNITED STATES

Mr. MOYNIHAN. Mr. President, according to this year's National Narcotics Intelligence Consumers Committee report, United States marijuana production is up 38 percent over last year and the United States is now tied with Mexico as the world's second largest producer of the drug. That the United States is itself a major drug source country should give pause to those who would argue that the solution to our drug problem lies in the jungles of Peru or the waters of the Gulf of Mexico. And that production has increased while enforcement continues to rise should make clear that the drug traffic operates according to ordinary economic principles—principles we must learn to recognize if we are to end the drug crisis.

A Rand Corp. report released in January 1988 concluded that the United States has at last managed—rather expensively—to provide effective tariff protection for one industry: marijuana production. Marijuana is a bulky product. It is more difficult to hide than cocaine, and thus easier to interdict. Interdiction of marijuana acts like a tariff in that it makes it more expensive to import marijuana into the United States. The domestic industry is thus protected from foreign competiton.

American marijuana does not grow in isolated jungles. America is not Peru—leftist guerrillas do not protect marijuana growers from the DEA. The American variety grows on U.S. Government-owned National Forest land, over 1 million acres of which have been taken over by the growers. And yet we have been unable to do anything about the domestic crop. And we will not. A massive increase in enforcement would drive cultivation indoors, where it is already beginning to flourish.

Smugglers who used to bring marijuana into this country now bring cocaine—a safer and more lucrative enterprise. Prohibition had a similar effect. Enforcement tended to favor suppliers of hard liquor over suppliers of less potent beer and wine. Cocaine is close to impossible to interdict. The close to 1,000-percent markup between its wholesale and retail prices allows suppliers to lose shipments without losing profits. And small quantities of the drug can be hidden in commercial cargo—a recent, and chillingly effective adaptation to enforcement.

Interdiction is the most expensive, and perhaps least effective, of our antidrug strategies. Of the five radar blimps we have installed on our borders, each of which costs $18 million, not one caught more than five drug airplanes all last year. During a 3-month period in late 1987 antidrug AWACS flights cost $700,000. They made three arrests.

Mr. President, the war on drugs will be successful when we recognize that it must be fought on the demand side. I ask that an article from today's Washington Post on marijuana production in the United States, and a recent article from the Tampa Tribune-Times be included in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Washington Post, May 18, 1989]

DOMESTIC MARIJUANA CROP GROWING

(By Michael Isikoff)

U.S. marijuana growers, thwarting government efforts to destroy their crop, expanded their production by 38 percent last with Mexican growers as the world's second-largest producers of the drug behind Colombia, according to government estimates released yesterday.

At the same time, marijuana prices have reached their highest levels ever—as much as $300 an ounce in some instances—in part because of increased cultivation of sinsemilla, a seedless strain that is far more potent than traditional "commercial grade" marijuana, according to figures in a report by the National Narcotics Intelligence Consumers Committee (NNIC.)

The 101-page NNIC report also states that cocaine prices continued to fall last year and street purity of that drug increased amid signs that worldwide production has reached record levels. Cocaine sold for as low as $11,000 a kilogram in 1988 compared with $30,000 in 1985.

But the panel for the third year in a row decided not to include any estimate of the total cocaine market in the United States. "It would be another piece of speculation," said Thomas G. Byrne, the NNIC chairman who also serves as deputy assistant administrator of the Drug Enforcement Administration's Office of Intelligence.

NNIC, a committee consisting of members from 11 federal agencies, provides the only official government estimate of illicit drug supplies in the country. The report paints a broad portrait of an overall drug problem that is worsening, including a dramatic jump in cocaine-related hospital emergencies reported by the National Institute of Drug Abuse's DAWN system.

The number of such emergencies was projected to claim to 42,491 in 1988—up from 32,578 the year before and about four times the figure only three years earlier.

"What we are trying to get across here is a general trend pattern," Byrne said. "Each one of these things is and of itself doesn't mean a whole hell of a lot."

In recent years, some critics have charged that the NNIC's figures have been influenced as much by political considerations as hard data. This has been particularly true of the domestic marijuana estimates, which critics say have been understated to avoid embarrassing the State Department when it pressures Latin American governments to destroy their drug crops.

However, the new report continues a trend in recent years of gradually increasing the estimate of both the size of the U.S. crop and its proportion of the marijuana consumed in the country. The report estimates U.S. production of marijuana at 4,350 to 4,850 metric tons—more than double the figure from only two years ago and up from 3,000 to 3,500 metric tons last year.

Colombia remains the world's largest producer, with 5,000 to 8,700 metric tons, while Mexico is estimated to produce 4,710 metric tons. U.S. growers now account for about one-fourth of the marijuana available to consumers in this country.

"They're still probably understating it," Said Doug McVay, projects coordinator for the National Organization for the Reform of Marijuana Laws, which has estimated the U.S. crop to be much larger. "The domestic crop is a direct affront to these people * * * because it's easier to view the enemy as a foreign one."

[From the Tampa Tribune-Times]

WATCHFUL SMUGGLERS OUTWIT INADEQUATE TOOLS OF U.S.

(By Ron Bartlett)

TAMPA—Frustrated by the tons of drugs pouring across the borders, U.S. drug warriors sent their most sophisticated radar plane, the AWACS, out to find some smugglers.

Its like trying to drill a gnat with a bazooka.

Designed to spot Soviet bombers screaming across the stratosphere, the AWACS

proved no match for the low-flying, slow-moving dopers. It flat-out missed most of them and spit out reams of useless information on other planes. It cost nearly $10,000 an hour to fly.

AWACS missions cost $700,000 during three months late in 1987. The payoff: three arrests, 2,000 pounds of cocaine.

The most high-tech hardware in the U.S. arsenal has been thrown into battle, but it has malfunctioned or shown limitations.

Chronic wing cracks plague the sophisticated radar planes that are crucial to the strategy of identifying smugglers as they leave Latin America. The planes are sporadically grounded.

No radar planes patrolled off Florida and in the Caribbean for 75 percent of the time last year because law enforcement agencies didn't have enough planes, according to a 1988 congressional report. U.S. agencies refused to say what the current percentage is.

Even if there were more radar planes to spot more suspects, it wouldn't matter. There aren't nearly enough interceptor planes to check them out.

No one knows how many smuggling planes are crossing the borders, but the government estimates 1,300 to 3,500 a year.

The U.S. Customs Service said it seized 72 planes last year. An analysis by Aviation Week and Space Technology, a respected aviation magazine, was less generous.

It said customs and the Coast Guard are catching one or two smugglers a month.

A RADAR FENCE

The blimps are the most controversial tool in the war. The strategy calls for them to form a "picket fence" of radar coverage. They're tethered to fly at 10,000 feet and look for boats and low-flying airplanes that would avoid military radar that scan above that altitude.

But they can't spot the small fiberglass speedboats favored by smugglers. And the dopers simply pass the word on where the blimps are flying and avoid them.

Each blimp costs $18 million, plus $4 million a year to operate.

None of the five along the U.S. border or in the Bahamas caught more than five drug airplanes all last year. The 1988 scorecard:

Kudjoe Key: 10 arrests, 4 airplanes, 33 pounds of marijuana, 0 cocaine.

Cape Canaveral: 4 arrests, 0 airplanes, 0 marijuana, 0 cocaine.

Grand Bahamas Island: 0 arrests, 5 airplanes, 1,225 pounds of marijuana, 0 cocaine.

Fort Huachuca, Ariz.; 6 arrests, 2 airplanes, 2 vehicles, 2,500 pounds of marijuana, 240 pounds of cocaine.

The best showing came from the newest blimp, floated in December at Deming, N.M.: 8 arrests, 5 airplanes, 9 vehicles, 1,300 pounds of marijuana, 2,530 pounds of cocaine.

Drug warriors say the numbers are unimpressive because the blimps have done the job of deterring smugglers. When the blimps went up in the Southeast and the Bahamas, they say, air smuggling into South Florida virtually stopped.

"What are the alternatives?" asked Capt. Jim Leskinovitch, the top Coast Guard official at a Miami command center where the blimps are used to look for drug airplanes.

"If you bring it down, you basically have a sky that's ruled by the smuggler."

JOINING THE BATTLE

Customs joined the air war modestly in 1971 with a $15 million budget and eight surplus Navy planes.

Now it has its own air force. The 1989 air budget is $149 million, with 350 pilots, 88 planes and approval for 107. Its annual interdiction budget has jumped from $122 million in 1981 to $357 million this year.

The Coast Guard's annual interdiction budget increased from $227 million in 1981 to $574 million this year.

The Coast Guard was scoring successes on the waters, seizing 3.5 million pounds of marijuana in 1982. But during the marijuana operations, Coast Guard Adm. Paul Yost realized the dopers had stepped off their boats and into private planes. They were flying over his cutters, and he wasn't about to sit back and watch. In 1986, the Coast Guard jumped into the air war.

The Coast Guard fleet of 41 French-made Falcon jets had been purchased for search and rescue missions and to spot oil pollution. In late 1986, the agency spent $50 million to install forward-looking radar and infrared systems in eight of them. Their new mission: Intercept smugglers.

But engine trouble routinely kept the jets grounded. To keep the interceptors flying, the Coast Guard cannibalized parts from other jets in the fleet and spent an extra $20 million on spare parts and maintenance.

In early 1987, the Navy offered four aging E-2C Hawkeye radar planes to the drug war. When the Navy made the same offer six years earlier, the Coast Guard turned the planes down because they required too much maintenance. But now, both Yost and Customs Commissioner, William Von Raab wanted them.

Congress settled the turf battle with a non-decision: It gave two to customs and two to the Coast Guard. The Pentagon, which wanted all four to go to the Coast Guard, estimated it would cost an extra $16 million to maintain them separately.

Problems with the Hawkeyes surfaced almost immediately. They had endured years of stressful takeoffs and landings from aircraft carriers. Now they had wing cracks. They were grounded.

"Old, almost worn-out aircraft," is how William Rosenblatt, customs' assistant commissoner for enforcement, described them in testimony before Congress in 1988.

"It's plagued the program," said Clark Stuart, director of customs' Surveillance Operations Center. "You can't go out and do your job because the tool that's been given to you is on the ground awaiting major repairs."

Frank Ault, a retired Naval officer and former consultant to customs' air programs, testified in Congress in 1987: "Customs aviation is now about where we were in naval aviation at the end of World War II, and I am being a little generous."

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

OMNIBUS CONGRESSIONAL BUDGET RESOLUTION—CONFERENCE REPORT

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to the consideration of the conference report on House Concurrent Resolution 106, which the clerk will report.

The assistant legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the concurrent resolution (H. Con. Res. 106) setting forth the Congressional Budget for the United States Government for the fiscal years 1990, 1991, and 1992 having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of the RECORD of May 15, 1989.)

Mr. SASSER. Mr. President, I ask unanimous consent that the staff of the Committee on the Budget and its members be allowed to remain on the floor during consideration of the conference report to accompany House Concurrent Resolution 106.

I send to the desk a list of these staff.

The PRESIDING OFFICER. Is there objection?

Hearing no objection, it is so ordered.

Mr. SASSER. Mr. President, I ask unanimous consent that the presence and use of small electronic calculators be permitted on the floor of the Senate during the consideration of the conference report to accompany House Concurrent Resolution 106.

The PRESIDING OFFICER. Is there objection?

Hearing no objection, it is so ordered.

Mr. SASSER. Mr. President, There are some printing errors in the joint statement of the managers in the conference report on the resolution, and in the print of the statement of managers that appeared in the CONGRESSIONAL RECORD on May 15 of this year. I send to the desk an errata sheet and I ask unanimous consent that it be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ERRATA

ERRATA IN THE CONFERENCE REPORT

On page 19, in the table entitled "Conference Agreement Total Budget," under the function "050 National Defense," change the outlay amount for 1990 from "209.2" to "299.2".

ERRATA IN THE CONGRESSIONAL RECORD FOR MAY 15, 1989

On page H1884, column 3, in the table entitled "Conference Agreement Total Budget," under function "050 National Defense," change the outlay amount for 1990 from "209.2" to "299.2".

Mr. SASSER. Mr. President, as a matter of interest, I might tell my colleagues that the error being corrected is one that occurred at the Govern-

ment Printing Office, in which the Department of Defense budget was reduced by $90 billion by the printing error. If that had gone into effect, I suppose it would have been the largest defense cut at one time in the history of this country.

The PRESIDING OFFICER. The Chair appreciates the comments of the Senator from Tennessee.

Mr. SASSER. Mr. President, I anticipate that I will be joined shortly by the distinguished ranking member of the Committee on Budget, Mr. DOMENICI of New Mexico, and I see his able aides and assistants here. So it is indicated that we may proceed with preliminary statements prior to the arrival of the distinguished manager for the minority.

The PRESIDING OFFICER. The Chair will state to the Senator that he certainly may proceed. The time for debate on this conference report is limited to 1 hour, to be equally divided and controlled in the usual form, with an additional 15 minutes allotted to the Senator from Colorado [Mr. ARMSTRONG] and it is under those rules that we are now proceeding, and the Chair recognizes the manager, the Senator from Tennessee.

Mr. SASSER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. SASSER. Am I correct in my calculation that there is 1 hour and 15 minutes total on the bill, 15 minutes of that reserved to the Senator from Colorado [Mr. ARMSTRONG], the remaining 60 minutes equally divided between the majority and the minority?

The PRESIDING OFFICER. The Senator is correct in his parliamentary inquiry.

Mr. SASSER. I thank the Chair.

Mr. President, I rise to bring to the floor the conference agreement on the 1990 budget resolution, and I wish to take this occasion to urge all of my colleagues on both sides of the aisle to join with the leadership of both Houses of the Congress, the President of the United States, and the budget negotiators in supporting this bipartisan budget resolution, or, more specifically, to support this conference report which is a product of the bipartisan budget resolution. This conference report was adopted by our colleagues in the House of Representatives yesterday by a substantial margin.

I once again ask for my colleagues' support because I quite sincerely believe that voting for this resolution is the only responsible course of action in this particular year at this particular juncture in our history.

I say that despite the fact that I frankly agree with many of my colleagues here in the Senate on both sides of the aisle that this conference report does not solve the deficit crisis. It is, in many respects, I think, merely a prelude to the difficult decisions that lie ahead for us all.

We have heard, during the prior floor debate on this issue, an extended discussion of what this resolution does and what it does not do. I think it would be surplusage to recount the achievements of the bipartisan agreement at this point except I would say that this conference report, which is a product of that agreement, does restrain spending. We continue the trend line of the deficit going down both in real dollars and as a percentage of gross national product. We do break with the partisan confusion that has paralyzed our fiscal policy over the past several years.

Those are the things that this conference report does. As for what it fails to do, I think we are all in substantial agreement. It does not represent the kind of bold deficit reduction that many of our colleagues, including myself, would prefer. We do not have to get deeply into the numbers to agree on that fact.

But I do want to say a few words about the reasons for our failure to take a bolder approach this year, because I believe the forces underlying this budget tell us a great deal about the challenge we are going to face next year.

Mr. President, I think it is abundantly clear that for fiscal year 1990 there simply is no broad consensus in this body in favor of either higher taxes or deeper spending cuts. I would also submit that there is no broad consensus among the American people at this point on either of those approaches on how to deal with the deficit.

In fact, the truth is that the reverse is the case. There is an absolute and categorical prohibition imposed by the President of the United States on virtually every dramatically effective deficit reduction measure that we could take this year.

In fiscal 1990, there will be no taxes. We will not tamper with Social Security. We will largely maintain the defense budget. We will have new initiatives in education, in drug enforcement, the environment, and child care.

Now, that is the agenda for which the American people overwhelmingly cast their ballots last year. If there is a fundamental contradiction, and I think there is, among these various propositions, then, if there is such a contradiction, I would submit to my colleagues that only the Chief Executive Officer of this Government, the President, can provide the necessary leadership to resolve these inherent contradictions.

In short, if there are to be new taxes, the President is going to have to call for them. He is going to have to call for them either by himself or in conjunction with the Congress.

If there are to be deep cuts in domestic programs, or deep cuts in entitlements, then the President is going to have to explain to the American people why the vision of needs and priorities that he offered during the campaign and that he reaffirmed in his State of the Union Message to the Congress and to the American people cannot be realized.

What we have done this year within the constraints I have just outlined is simply to make a beginning. No one is attempting to claim that this is the final chapter in our efforts to reduce the Federal deficit. No single plan that we adopt this year will bring about a conclusive victory in the deficit battle.

But as we approach this vote on final passage for this conference report, I cannot overstate the importance of this crucial stage in the fiscal history of our Nation. This agreement represents the condition precedent to ultimate fiscal responsibility.

We have built into the bipartisan budget agreement a clause, section 13, that requires the negotiators from the administration, the House and the Senate, to begin negotiations as soon as possible. It is my very real hope that, when we reconvene, we can reach another bipartisan agreement, an agreement that can be reached with the full support and collaboration of the members of the Senate Budget Committee from both sides of the aisle, an agreement that can be reached with the full collaboration of the leadership of the U.S. Senate and one for which Senators from both sides of the aisle will be proud to vote, without the qualms and skepticism that, frankly, have encumbered this resolution.

That is what we aim for, but we should make no mistake, taking more decisive action is not an option, in my judgment, Mr. President; it is a necessity.

The Gramm-Rudman-Hollings target for fiscal 1991 is $64 billion. Reaching that target is going to require that we build on this work. It's going to require compromise. It's going to require concerted action. It's going to require a willingness on the part of all the differing parties to make some tough political choices.

Mr. President, some 4 months back, when President Bush gave his inaugural address outside the Capitol, he reached out a hand of cooperation to the Congress and to the leadership of my party.

Today, we have the opportunity to accept that offer of bipartisanship and goodwill. It's my hope that, by passing this resolution overwhelmingly, we will do just that, and that we will demonstrate the Congress' willingness to work constructively with the executive branch.

In that spirit, we have pushed forward this year, but we have pushed forward within rigorous and unyielding boundaries.

I would say to my colleagues that next year and in the years ahead, there will be no room for inflexibility and intransigence. There will be no room for iron constraints and unconditional demands.

If negotiations are to be successful in the years ahead, the iron walls are going to have to come down. We will have to come to the bargaining table without predisposition.

I believe we can do those things. And I ask my colleagues to give us that chance. Vote for this resolution and give us the opportunity to take a bold step toward fiscal responsibility.

Mr. President, may I inquire how much time I have remaining?

The PRESIDING OFFICER. The Senator has consumed 12 minutes and 30 seconds.

Mr. SASSER. Mr. President, I wish to reserve the remainder of my time at this juncture and defer to the distinguished ranking member of the committee, Senator DOMENICI, for any comments or observations that he might wish to make.

Mr. DOMENICI. I thank the Chairman very much.

The PRESIDING OFFICER. The Senator reserves his time.

The Senator from New Mexico is recognized.

Mr. DOMENICI. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DOMENICI. Under the consent order am I in control of the time on this side and if so how much do we have?

The PRESIDING OFFICER. Under the consent order the time limit was 1 hour to be equally divided between the manager on behalf of the bill, Mr. SASSER, and yourself, with 15 minutes allocated to the Senator from Colorado [Mr. ARMSTRONG]. That was not to count against either time.

So there is really a 3 partite time bases which the managers will perhaps wish to discuss with Mr. ARMSTRONG when he receives his 15 minutes, but the full 30 minutes of debate allocated to the minority position is under the control of the Senator from New Mexico.

Mr. DOMENICI. I thank the Chair.

I yield myself 10 minutes.

The PRESIDING OFFICER. The Senator is recognized for 10 minutes.

Mr. DOMENICI. I will be brief, Mr. President. Let me first congratulate Chairman SASSER again on this, his first conference agreement on a budget resolution. Whatever else is said about this agreement, it is on time, and for that, the Senate, the Congress, and the President, owe a debt of gratitude to the new chairman.

For his sake, indeed for all of us, I hope his future budget resolutions are as timely, and as bipartisan as this his first one has been.

But, Mr. President, I believe the chairman knows that this has been a unique year for preparing a budget. And while I sincerely hope that the bipartisan, bicameral, Presidential involvement will continue for the budgets to come, please understand when I say "it probably ain't gonna be that easy."

I pledge my best to work toward helping to replicate the bipartisan spirit that brought us this conference agreement this year. But I must confess, it is going to be difficult in the future.

A lot has been written about this budget agreement, editorials have generally been uncomplimentary. I too have not been enamored with the agreement we reached, but I do not believe that those who are so quick to fault this agreement appreciate the uniqueness of having effectively reformed the process in producing this agreement.

No one should cavalierly dismiss the importance and potential long-term benefit of establishing a process that brings all the parties into the negotiations early and quickly.

Those who want to focus only on the numbers, I respectfully suggest, may have missed the real accomplishment of this first budget of the 101st Congress and the first budget of the 41st President of the United States.

For the new Members of the Senate, I understand your frustation. But please give those of us who have been at this process for some time the benefit of the doubt. The process used to achieve this 1990 budget resolution is historic and it will prove essential to doing the things that you and I want for future fiscal policy in this country.

And for those older Members of the Senate, who feel that even with this new process, the bottom line is not good enough, I ask you to think with me about the alternatives. Mr. President, we are so used to budget debates that are confrontational, we seem to think that unless we are fighting—Republicans, Democrats and the administration—then we must not be really doing anything.

There are others, including my friends in the fourth estate, who believe deficit reduction cannot be real unless a massive tax increase is imposed on the American public. For them, the $5.3 billion in revenue increases assumed in this resolution is nothing. Tell that to the Finance and Ways and Means Committees.

There are others who believe that deficit reduction cannot be real unless there is a massive cut in our national security expenditures. Tell that to the Armed Services Committees and the Defense Appropriations Subcommittees when they start the process of reporting authorization and appropriation bills that will require a fifth straight year of negative real growth.

There are those who believe we should do more in the entitlement area. I am one of those. But don't let it be said that there are not restraints on entitlements in this budget. Achieving $2.7 billion in Medicare savings, about half what President Reagan and President Bush requested, will not be easy. Achieving another $7.1 billion in reconciliation spending cuts—excluding the Postal Service off-budget treatment—will not be easy.

So while there are things in this conference agreement each of us fault, I suggest we agree today to do what we have agreed to do. Who knows, we may find it isn't as simple—not all "smoke and mirrors"—as some would have us believe.

Once we accomplish what we agreed to do, I believe we will discover that we will have actually done quite a lot. We will have continued the slow process toward fiscal discipline. No one is claiming we have won the battle, but for the first time in the first year of the Bush administration, we are on the same side. That, Mr. President, is one heck of a marvelous achievement.

Mr. President, again, might I congratulate the new chairman of the Budget Committee, the distinguished senior Senator from Tennessee [Mr. SASSER] for his work on this budget resolution and on this process.

I believe his chairmanship has got this process off to a very good start. Because of this process, the fiscal problems of this country are much more apt to be resolved over the next 3 to 5 years in a manner that is healthy for the American people. We are too prone to say healthy for the economy. I believe they are the same thing. In fact, I think it is probably one of the things that we do not understand as a people.

We try to talk about the problems in the country as if they might belong to certain people, but when we talk about a growing American economy, we do not really think that that is the people's doings. People are not quite so sure that they ought to be concerned about American business, because that is sort of business' problem, it is not America's problem.

So I believe what we are doing here is a first step in righting one inhibitor to America's growing economy, the deficit.

Let me just say there are many critics of this proposal this year. There will be a lot of Senators come down and vote no, and I have great respect for them. I am very hopeful, however, that at least 1 more than 50 will vote "aye" so we will get it passed. And I think that will be the case.

Mr. Presidnt, first, let me talk about a much made statement that this budget is filled with smoke and mirrors. Well, Mr. President, and Members of the Senate, when we are finished here and the Congress of the United States has this budget in front of them, they are going to have to do the things that it says. And I am certain that we have not seen the last of the moaning, of the consternation, of the frustration as they try to do it.

And I am sure when we answer them, "Why, there is nothing to this budget; it is all smoke and mirrors," that we are going to find out that a number of committees that have to implement this are not going to be so sure that the entitlements that they have to save money on are smoke and mirrors. When that Finance Committee and Ways and Means Committee have to meet and find the revenues, change some programs to save money, take a look at Medicare and say how do we cause that huge increase of 13, 14 percent that is automatically built into get chopped down by 1½ or 2 percent, I am sure they are not going to say it is smoke and mirrors.

Mr. President, from my standpoint, the reason we ought to vote for this is threefold: First, it has a real chance of meeting the Gramm-Rudman targets come July or August if we implement it as stated. No small achievement. That means we do not have an across-the-board chopping up of the Federal programs under the planned train wreck of the Gramm-Rudman enforcement mechanism.

Second, on the spending side we have not precipitously acted against our national defense interests. If you listen to some people, they already assume Russia has disappeared. They already assume that the millions of tanks and hundreds of thousands of nuclear weapons, airplanes and submarines, that they have disappeared from the face of the Earth.

Well, because of President Reagan, we negotiated an arms reduction and we are going to save money, and that was because we worked together. But clearly the United States of America and our people have worked too hard and spent too much money to have a world that is free and a world that does not have the undue pressure of the Soviet-type system to make a big mistake now. And while this is a tight defense budget, it is a rather prudent recognition of the changing world. It is sort of saying, yes, it is changing but let us make sure we see the change before we do anything radical that might be disastrous.

Further we all know that there are a number of program initiatives that will require additional money. It is now in the hands of appropriators of the U.S. House of Representatives and the U.S. Senate. And I am not going to stand here and say that they will increase education as much as we recommend here, but there is plenty of money for them to do some additional innovative and exciting things in education.

In the area of nuclear cleanup, in the areas of the environment and of drugs and drug prevention, if they want to spend the money that we put in this budget, they can make a real significant contribution.

So on those two fronts, as my second point, this budget does a good job.

And, incidentally, while we are at it, for those who think this is a budget, the inference might be, that it is for fiscally restrained times excessive on the expenditure side, let me repeat: The entire expenditure package of the U.S. Government is growing at somewhere between 2 and 2.5 percent. Now, I will acknowledge that is not a cut, but that is in nominal terms. If inflation is 4, it is growing at 2 percent less than inflation. So everyone will know, that is not the lowest ever, but it is a long, long way from the average of the last 20 years, when it was about 8 to 10 percent. So we are indeed somewhat prudent on the expenditure side.

My last point, Mr. President—and I predict that what I say would happen if we did not do this. We have reached a point, in this Senator's opinion, where, in order to have a dramatic, if that is what we want to do, impact on the deficit in a permanent way, none of the so-called smoke and mirrors that are part of this process, the only way it will be done is if Democrats and Republicans, in their leadership role are joined by a President with a plan. I am absolutely convinced that we have reached a point where the majority party in the Senate and the House cannot do it or will not do it. And that is the nature of it.

The issues that have to be addressed cannot be addressed under our system by the majority party acting alone. Now it should be logical, and it is, that if they cannot, the Republicans could not do it. And it should be equally logical that the President could not do it. So we engaged ourselves in a very good first step at seeing whether we could do it together. This was our first venture in Democrats, Republicans, and a President locking arms and saying "Let's negotiate, let's analyze together, and let's agree together."

Mr. President, that has not happened before. We did not change any laws to get it there. It is done under the umbrella of the leadership of both parties here and the head of the Republican Party, the President, and chairmen from both sides of the aisle in both parties agreeing to do it this way. And now they are going to enforce it.

Many new things have occurred. We did the work jointly, the House and Senate. That is a historic first. We had the President in on the negotiating. That is a historic first. And then, we had an agreement from the leadership saying: Do it this way and we will enforce it.

Now, if ever there was a format that is standing there, waiting for the second step, it is that format. Without that format the second step, the so-called 1991 big budget reduction package, taking the next step, I believe, will never be done. I believe it was worthwhile to test the waters, to try that. A great deal of understanding, of genuine credibility has been created between both sides of the aisle and both Houses, and we are all human beings, and a President which we have not had in this process of deficit reduction before.

So, for those three reasons, Mr. President, I am going to support this, as I have in putting it together. I have no false impressions about it. It is not a structural change in the American fiscal policy such that we can say with certainty it solves the deficit. It is a far cry from that. But I believe in our great democracy, with two great parties in two great Houses and many committees, to get this much put together, walking that first big step, waiting to take the next one, is worthwhile. And I think we ought to start on the next step as soon as possible.

I think we ought to start analyzing, looking at all the options, making our assumptions, and we ought to start doing that rather quickly.

With that, Mr. President, I thank the Chairman, again, for his work. I thank the members of the committee who have helped us. And, indeed, I even thank those who have been critics. I believe their criticism has been legitimate, for the most part. But it is quite obvious that nobody has a better plan.

Finally, and I know this is not believed by some, but I honestly think without this we would have no budget and, in about 6 months under the hammer of a sequester, we would get one. And I believe it would look just about like this, just about like this. Because we would try to avoid the sequester, avoid the Gramm-Rudman impact. And this is about what we would have put forward 6 months later with total chaos and frustration in the meantime. And I do not think any of that would have yielded any results.

If chaos will yield something better, much better—maybe we should have waited. I do not believe it would have.

I yield the floor.

The PRESIDING OFFICER. The Senator has yielded the floor. Who seeks time?

The Senator from Tennessee is recognized.

Mr. SASSER. Mr. President, I note we have been joined by the distinguished Senator from Illinois who

wishes to speak on this conference report. I yield 5 minutes to my distinguished friend from Illinois.

The PRESIDING OFFICER (Ms. MIKULSKI). The Senator from Illinois is recognized for 5 minutes.

Mr. SIMON. I thank the chairman of the committee, Senator SASSER. I want to commend both Senator SASSER and Senator DOMENICI for working on this legislation that is a massive piece of compromise. Any major piece of legislation is compromise. But there is nothing that is more of a compromise than the budget.

I am going to vote for the resolution with some misgivings and I will explain these misgivings in just a moment. But I think Senator DOMENICI probably summed it up pretty well just a moment ago when he said if we did not approve this, we would end up with chaos and then the net result, considering where Congress is, where the President is, would not be substantially different from where we are right now.

Having said that, I do have some misgivings, Madam President.

One is we are assuming some unrealistic figures in here, in particular the figure on interest. To assume that interest rates next year are going to be 5.5 percent, I would love to believe it, but it is just not going to happen and we know it.

No. 2, we are ducking the deficit again. We find all kinds of reasons, year after year after year, to duck the deficit problem. Last year we said: Let us wait until this year, when we have a new President. This year the people who speak for the administration are whispering to us: The President cannot do anything significant about the deficit this year because he made these statements last year about "read my lips." So, they say: Next year let us face the deficit problem.

Next year the House is going to be up for reelection and one-third of the Senate will be up for reelection. We may find another reason for continuing to fail to face the deficit.

One of the things that is happening, and my friend from Tennessee and the staff know of my concern here is that we list interest as net interest. The real figure is gross interest; what we are spending. And the gross interest figure for next year is going to be $262.5 billion, even assuming the rosy scenario of this administration. The fastest growing item in the budget is interest. And 2 years out, if the present trends continue, in all probability for the first time in the Nation's history the No. 1 expenditure of the Federal Government is not going to be defense, it is going to be interest.

I think we have to face up to this thing. We are living on a massive credit card, saying "send the bill to our children and our grandchildren," and we have to stop it.

Then, No. 3, Madam President, I am concerned that we are not shifting the priorities as we ought to. This budget permits the Nation to continue to be No. 1 in defense, in terms of military power. I want us to be strong militarily. But I want to see a budget one of these days that will permit us to be No. 1 in the field of education. We are making progress and I have to credit my colleagues, Senator SASSER and Senator DOMENICI for this. We are making some progress. We are permitting some growth. But this morning I had breakfast with a group of attorneys in New York City at one of the major law firms of this Nation, Skadden Arps, and the very first question out of the box was: When are we going to devote the kind of national resources we ought to for the kind of school crisis we have in New York City? When, indeed, are we going to do it? We ought to be doing it in New York City, in Chicago, in Baltimore, in the other great cities of this Nation.

When we look at the school dropout rate in this Nation, 28 percent compared to 2 percent in Japan, and you recognize Japan is our No. 1 economic competitor, you have to recognize we are going to have to do something. Twenty-eight percent dropout rate here, and in every major urban center the figures are much more dramatic. I see the President is about to tell me my time is up. I am going to vote for this resolution but I do it hoping that within a year or two we will face up to our deficit problems, we will have realistic economic assumptions and we will make education a priority in this Nation that it ought to be.

The PRESIDING OFFICER. Who yields time?

Mr. SASSER. Madam President, we yield 5 minutes to the distinguished Senator from New Jersey.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. LAUTENBERG. I want to compliment the chairman of the Budget Committee, the Senator from Tennessee and the ranking member, the Senator from New Mexico, for a job well done. It is with, therefore, some reluctance that I admit here that I am not satisfied with the final product. I supported the budget resolution when it passed the Senate. I thought it was based on rosy economic assumptions. And, while it provided an increase in domestic discretionary spending, it fell short of many of the Nation's real needs.

Despite these shortcomings I supported the resolution because I wanted to avoid a sequester. Also, I wanted to support the leadership. They worked very, very hard and negotiated in good faith with all parties and got an agreement with the administration in the hope that an early budget accord for fiscal year 1990, even if imperfect, would help launch serious budget negotiations for fiscal year 1991 and beyond that.

I have no doubt that his budget resolution will be adopted. Madam President, I did not sign the budget conference report, and I feel compelled today to cast a "no" vote against the conference report. There is much in the agreement that I support, but there are serious shortcomings. Total domestic discretionary spending remains inadequate. As a result, there simply will not be enough money to do what is needed to educate our kids, to fight drugs, to house our people and, of course, the list goes beyond that.

But today as chairman of the Transportation Appropriations Subcommittee who is going to have to deal in a very real way with the hard reality of funding shortfalls, and I might add with scores of requests from individual Senators, I want to focus on transportation which fared poorly especially in the conference.

Madam President, under the Reagan administration, an awesome assault took place on Federal transportation programs. Mass transit has been cut by 20 percent since 1982. In real terms, Amtrak has been cut in half since 1981.

The results of these kinds of cuts is a transportation infrastructure that looks like a house filled with termites. From the outside it looks terrific; inside, it is coming apart.

Scrimping on transportation, Madam President, is pennywise and poundfoolish. This country already has made major investments in roads, rail, and air transportation. We made these investments because we recognized their importance to economic development and the well-being of our people, but in the 1980's, we have been unwilling to maintain these investments. Last year, the National Council on Public Works Improvements gave the country a mediocre grade of "C" when it comes to investing in transportation. Unfortunately, this conference report only continues the disturbing negligence of the past, and I briefly want to review the transportation budget.

The administration has asked for significant increases in several areas. For instance, the President wants more than $700 million over the CBO fiscal year 1990 baseline for the Federal Aviation Administration and more than $400 million over baseline for the Coast Guard, but to pay for these increases, the President proposes to eliminate or drastically cut vital programs like Amtrak, essential air service, and mass transit. All together, the President's requested increases amount to more than $1.8 billion in budget authority over the CBO baseline for fiscal year 1990. Yet this conference agreement would actually cut budget authority by $100 million. That

leaves the transportation function about $1.9 billion short of meeting the President's request. The conference agreement's recommended funding level would leave the Transportation Subcommittee with very few options. Sure, we could simply refuse to meet the President's request for FAA and the Coast Guard. That would be underfunding air safety, air security, antidrug, antipollution, and boating safety efforts, and I cannot support that.

Alternatively, we could eliminate grants to Amtrak, and the distinguished President knows what that would mean if we were to take that kind of drastic action. I cannot support that. Amtrak is an essential component of the Nation's transportation system.

Where else could we turn? It is hard to see how essential air service could avoid the ax, or mass transit. Again, even if we completely abolished the mass transit formula grant programs, as the President wants, we would still be hundreds of millions of dollars short of the needed cuts.

Unfortunately, despite their efforts, the conference committee simply accepted the House's proposed total levels for transportation—which were about $500 million less than the Senate's level in budget authority, and $100 million less in outlays.

These levels are grossly insufficient to meet the country's transportation needs.

Madam President, if the resolution's funding level for transportation is not increased in the 302(b) process, I am going to have to say "no" to a lot of unhappy Senators. Members who want more money for new airports will be going back to their States empty handed. Those who want new capital improvements for Amtrak may find that Amtrak funding has to be scaled back. Senators seeking funding for new roads and bridges—or for improved maintenance of existing infrastructure—may face cuts instead. And those who complain about air traffic delays may find that we are unable to provide the controllers needed to keep the air traffic moving.

Madam President, we are just going to have do do much better than this in the 302(b) process. We simply cannot afford to continue our neglect of transportation.

That is why I feel I have no choice but to oppose this conference report.

Mr. SASSER. Madam President, I thank the distinguished Senator from New Jersey for his comments. Just let me say we have been sympathetic with the case that my distinguished friend from New Jersey makes on behalf of the transportation needs of this country. He has fought a long, hard, and valiant battle as chairman of the Transportation Appropriations Subcommittee to see that we have a safe and efficient transportation system here in the United States. But what the Senator from New Jersey is saying, I think, reflects in microcosm the difficulties we have in putting the budget together.

As my friend from New Mexico has stated, many of our colleagues are indicating that this budget is not satisfactory. It is not satisfactory because it does not take a bold enough approach in reducing the deficit. But what we see are many of our colleagues coming to the floor and saying to us, publicly and privately, that we need more for these particular programs that are essential for the well-being of the American people, and they are right. No question about it. But the problem is the resources just are not adequate enough to go around. So we have one of two ways to go: We can either substantially increase revenues; we can cut spending substantially; or perhaps a middle ground is the combination of the two.

We had a substitute budget resolution submitted here on the floor which cut more from spending than the resolution that was approved by an overwhelming margin. It added more by way of revenues, taxes than the resolution that we have offered, and that substitute got, if memory serves me correctly, 18 votes and that is all. About 81 or 82 Members of this U.S. Senate voted against it.

My friend, the distinguished Senator from New Mexico, is entirely right. If we had not negotiated this budget resolution, chaos would have prevailed and there would have been bitterness between the executive and the legislative branches; finger-pointing and name-calling would have stymied the action here of the legislative branch. Finally, with the financial markets going into a state of collapse, but certainly with sequester looking us right in the eye, we would have come back here and produced a budget resolution, I submit, almost identical to the one that we have presented here.

So, Madam President, nobody pretends that this conference report that we have here today is perfect. Nobody contends that it could not be improved, and nobody contends that the deficit should not be reduced more. But what we are saying is, given the parameters that we had to confine ourselves to and within which we had to operate, given the views of the administration that there should be no new taxes, no new revenues, but at the same time there ought to be increases in certain domestic programs which were justified, and I applaud the President for indicating there should be increases in education and other very needed programs, this is the best compromise that can be fashioned given the circumstances under which we had to operate.

Madam President, may I inquire how much time I have left?

The PRESIDING OFFICER. About 2½ minutes.

Mr. SASSER. Madam President, I see the distinguished Senator from Wisconsin on his feet. I only have 2½ minutes, they tell me. Could I yield the distinguished Senator 1½ of those 2½ minutes?

Mr. KOHL. Madam President, the conference report before us today accomplishes many good things.

Unfortunately, it fails to make progress against the main problem it was intended to address, the deficit. I therefore will oppose this legislation.

The negotiators insist this is the best deal they can get for fiscal year 1990. We are told that real deficit reduction will come next year. This budget just sets the stage and creates goodwill between the negotiators for that great day when they sit down and really take some action.

I call this the "blind third base coach" approach to budget negotiations.

Congress comes to bat. We look down the third base line to get our signal. The negotiators give us the sign to bunt. We are told to make a sacrifice bunt with this budget to advance the runner, next year's budget.

Madam President, unfortunately, it is the bottom of the ninth inning, we are down 15 to zip and the bases are empty.

We do not need a bunt. We need to stop playing the game.

By failing to take serious action today, we only make our job next year more difficult. Why did we not negotiate more toughly? Why did we not walk away from the table if the White House refused to get serious?

Madam President, I do not know the answers to those questions. I do find it ironic, however, that we displayed such toughness on the minimum wage, but caved in so easily with the budget. I want our leaders to fight as fiercely for deficit reduction as they did for the increased minimum wage.

But my opinion has not carried the day. Instead, we are just going to coast along. That is an assessment shared by many across the country. Madam President, let me just mention a few of the newspapers that have recognized how little this budget resolution does:

The Wisconsin State Journal;

The New York Times;

The Philadelphia Inquirer;

The Washington Post;

The Chicago Tribune;

The Minneapolis/St. Paul Star Tribune;

The Memphis Commercial Appeal;

The Los Angeles Times; and

The Washington Times.

I ask unanimous consent that the editorials from each of these papers be

printed in the RECORD at the close of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. KOHL. Madam President, I wish the White House and congressional negotiators well in their coming discussions. With this budget, Congress has complied with their wish to have relatively little pain in fiscal year 1990. Reports from yesterday's meeting indicate that the President wasn't bubbling over with gratitude for our willingness to play along this year.

I only wish I was surprised.

[From the Wisconsin State Journal, May 3, 1989]

BUDGET TRICKERY CAN'T LAST FOREVER

More than 20 years ago, when President Lyndon B. Johnson was trying to pay for the "butter" of the Great Society and the "guns" of the Vietnam War, he came up with an accounting trick that helped to hide the hard fiscal facts. He included in the federal budget both the income and the cost of Social Security, thus using the reserve in Social Security trust funds to mask—on paper only—a growing imbalance in the general budget.

Johnson's creative accounting planted the seeds of deficit spending that have grown to ominous beanstalks today. Worse yet, LBJ's practice of using Social Security surpluses to gloss over general budget shortages has been elevated to an art form.

The House and Senate budget bills being debated in Washington this week promise to hold the annual deficit to $100 billion for fiscal 1990, down sharply from the $220-billion peaks of just a few years ago. Good news? Not entirely, because a $68-billion reserve in Social Security trust funds is being used in the budgets to cover the day-to-day operating deficit of the federal government.

This is money that is supposed to be saved for the next century to finance the retirements of the baby-boom generation, a group that is paying stiff Social Security taxes now in hopes of getting a fair return later.

The Social Security reserve isn't being spent—that would be patently illegal—but an inordinate amount is being invested in U.S. Treasury securities. The Treasury then uses the securities to help pay government bills not paid by general taxes and revenues.

It is a classic example of robbing Peter to pay Paul. Just as the lands of St. Peter's Cathedral at Westminster were appropriated to pay for the repair of St. Paul's of London 450 years ago, the Social Security fund is being used to "repair" the federal deficit. But these repairs won't stand the test of time.

On paper, it works. In practice, it only delays the inevitable pain of facing up to the root cause of the federal deficit—government spending that exceeds revenues.

So long as the Social Security reserves are being diverted, there will be less pressure on Congress and President Bush to face up to that reality.

Some members of Congress will try this week to win approval of a non-binding amendment that calls for changing how the deficit is calculated after 1990 so that Social Security reserves aren't included in the bottom line. It is time for honesty in government accounting methods, not ratification of a Washington shell game first played more than two decades ago.

[From the Washington Post, Apr. 24, 1989]

COOKED BOOKS

(By Peter Milius)

The other day President Bush announced from the Agriculture Department that he was speeding up $850 million in income support payments to help sustain farmers still feeling the harsh effects of last summer's drought.

That was a wise and generous decision, and further proof of what an advantage it is to have an experienced president who knows how to make economical use of the funds at his disposal. Just a few days before, the White House had made the opposite use of the same $850 million. The speeding-up of the payments had been construed by the president, his budget director and congressional leaders as a example not of generosity but of restraint. If was part of their budget agreement; by moving the money from fiscal 1990, when it normally would have been paid, to the current year, they were able to claim that they cut the 1990 budget deficit.

Fakery has become almost as important a federal budget item in recent years as Social Security, defense and interest on the debt; the only thing it lacks is its own account. The elected branches have both renounced the deficit, but not the tempting stuff that makes it up. Every year they take the pledge, but seldom do they make it out of the station. To keep up appearances, they have developed an elaborate set of conventions for cooking the books. Here are five of the basic techniques.

1. Spend the money faster: The Gramm-Rudman spotlight, which currently determines how the game is played, is always focused on the year ahead. A year only matters until it starts; then no one pays any attention any more. The idea is therefore to do wherever possible what the budget negotiators did with those farm support payments. You move them from next year into this; you make the recipients happier, not sadder; yet you get credit for a cut and having inflicted pain. The Defense Department over the years has been especially adept at this. A lot of defense spending in any year is the result of accumulated prior-year appropriations on major projects; it takes several years after funds are approved for an aircraft carrier to be built and fully paid for. Defense spending estimates for any year thus depend arcanely on what are called spend-out rates; money sloshes among fiscal years all the time. The department can almost decree that a few billion dollars will be spent this year instead of next, and who is to dispute it?

2. Say you will spend the money slower: This is the opposite of Method 1; it has the same effect, not of reducing spending but of moving or seeming to move it to another year. Here again the slow-spending items in the Pentagon budget have been a favorite playing field. The Reagan administration regularly argued that it was possible to fit an expansive program into a tight budget because the full spending effect of so many parts of the program would not be felt until later. Part of the Pentagon's problem this year and next is that later has finally arrived. But the same sort of thing is regularly done on a smaller scale in domestic spending. In the budget agreement between the president and Congress, domestic spending authority would rise billions of dollars more than actual spending next year; the balance would be deferred. That offers members the best of all possible worlds; they can vote to expand the programs—the space program, for example—and appear to be restraining the spending all at the same time.

3. Just don't count it. That's what they're going to do with the savings and loan bailout: it's too painful to contemplate, so they put it "off-budget." means; you look the other way. In the current agreement, about $2 billion would be saved by moving the postal service off-budget; it will have about that large a deficit next year while awaiting approval of an increase in the price of a stamp. Congress has earlier put the cost of bailing out the farm credit system off-budget, too, then thought better of it and agreed, beginning next year, to put the cost back on. The negotiators "saved" about $450 million simply be abandoning that fleeting good intention and agreeing to keep the cost uncounted.

4. Count the same savings over and over again. If you adopt a provision to cut the deficit but with a time limit so that it is effective for only, say, a year, when the year is up you can adopt it again. Nothing changes, but you get credit for a second savings. A couple of years ago Congress voted to limit the part of Medicare payments that reimburses hospitals for their capital costs. The limit expires this year. By merely voting to extend it, Congress will be credited with between a fourth and a third of the 2.7 billion it has agreed to cut next year from Medicare. Recent budgets have abounded with such examples.

5. Make it up. If all else fails, you merely assert that a savings will occur, or already has. The agreement between Mr. Bush and Congress picks up half a billion dollars by a declaration that taxes will be better collected next fiscal year, a like amount by saying the welfare rolls will be better policed and, in a moment of maximum inspiration, about the same amount by writing off the food stamps that are estimated to have been issued but lost and not cashed over the years.

There are other devices, of course. For the privatizers in the Reagan administration, whose fondest dream was that the government would disappear anyway, asset sales were always a favorite, and they continue to be; about a fifth of the deficit reduction in the current plan would be achieved through such bargains.

The result of all these illusory savings year after year is no savings at all. Gramm-Rudman calls for declining deficits; that was the great pledge that President Reagan and Congress took when they adopted the process. The original schedule was to reduce the deficit in stages, so that it would be $72 billion this year on the way to balance in fiscal 1992. For several years we were solemnly assured that this schedule would be met; then it was revised to ease the pressure before the last election, and we were assured the revised schedule would be met. That called for a deficit of $136 billion this year. In fact the deficit this year is likely to be more than $160 billion, not down from the two years before at all, but up a little. For next year, though, they say they'll get it down to $100 billion, and if you believe that, they have a bridge they'd like to sell you. It's part of their program of asset sales. When you're cutting the deficit as hard as these people are, you can't afford to overlook a thing.

[From the Washington Post, Apr. 24, 1989]

DEFICIT DEAL FALLS SHORT OF BUSH PLEDGES

(By David Hoffman and Paul Blustein)

During his campaign last year, President, Bush promised to "solve this problem" of the federal budget deficit by engaging in "decisive deficit negotiations" with Congress.

Bush also vowed to accomplish that goal by curbing domestic programs, saying, "I won't accept big new spending."

But the recent budget agreement that Bush struck with congressional leaders fails to fulfill either of those pledges. The accord amounts to a holding action on the deficit that makes virtually no headway on the long-term budget problem, fiscal analysts say. And rather than curtailing spending, the pact envisions a substantial increase for domestic programs.

"Basically, you have a situation in which an agreement was made for the sake of an agreement—any agreement," said Stephen E. Bell, a former Senate Budget Committee staff director who manages the Washington office of Salomon Brothers.

To get that agreement, Bush all but abandoned the spirit of the "flexible freeze" he proposed during the campaign. A close reading of the accord's fine print shows it would permit an increase in the next fiscal year of nearly $15 billion, or 10 percent, in spending authority for domestic programs subject to annual appropriations—a figure that blows the lid off the spending restraint that was supposed to occur under the freeze.

Meanwhile, many of the pact's supposed cuts and economics in other programs involve accounting gimmicks and one-time savings measures. As a result, in terms of its impact on the deficit, the agreement is a mouse," said Murray Weidenbaum, who served as the first chairman of President Ronald Reagan's Council of Economic Advisers.

In a sarcastic reference to a prediction by budget director Richard G. Darman, Weidenbaum said: "I think he's right that this budget agreement will bring down interest rates. In fact, I have a specific estimate—one basis point," which is one one-hundredth of a percentage point.

No one in the administration argues that the budget agreement solves the fundamental deficit problem or even fulfills Bush's campaign vows. Instead they boast that the pact, which they call a "first step" toward eliminating red ink, shows they can work with Congress.

More important for Bush is the aura of success he gains by surmounting the first big hurdle on the budget without violating his most important campaign pledge: "No new taxes." The White House hopes this makes Bush appear resolute, which not only enhances his public image but also could make it politically easier for him to accept a tax increase later.

"There was a clear, unspoken understanding from the outset of these negotiations that we had to do a one-year type agreement without [a tax increase], to get us through this period and get us some distance away from the campaign," said one Republican congressional participant. "Then, we'll be able to deal better," This assumes, of course, that the economy—and Bush—will cooperate.

Bush aides maintain that the pact, which consists of $27 billion in deficit-reduction measures—including federal asset sales and other revenue-raising items—does provide substantive benefits.

By providing a framework, however flimsy, for reaching the fiscal 1990 deficit target of $100 billion set by the Gramm-Rudman-Hollings law, the agreement helps avert the prospect of budgetary chaos this year. "It will put a real limit on what Congress can increase," said one White House official. "If they're going to pass a big expensive child-care bill, they've got to fit it into [the targets set by the agreement] somehow. The same for a big housing bill."

However, the agreement bears little resemblance to the kind of deficit reduction that Bush called for in the campaign. The flexible freeze was supposed to balance the budget in five years by holding down spending, with the overall total for domestic programs (excluding Social Security) allowed to grow no faster than inflation.

"One of my first acts as president will be to sit down with the leaders of Congress and negotiate a plan to cut this federal deficit—a plan that holds spending down to the rate of inflation," Bush said in the final weeks of the campaign.

In a Chicago speech earlier in the year, Bush declared, "I'm going to freeze spending, get out the waste, remove the things we don't need. . . ." He promised to personally lead "decisive deficit negotiations" with Congress. "We are going to meet and talk and maybe even shout—but we are going to solve this problem," Bush said.

Once elected, Bush decided to let Darman serve as the administration's chief negotiator. According to a participant, the Democratic negotiators confronted the budget director with Bush's own rhetoric calling for more spending on his "kinder, gentler" priorities, and they insisted that their priorities not be sacrificed to pay for the president's.

In the end, Darman bowed to Democratic demands for a sizable boost in domestic appropriations—to $157.5 billion in fiscal 1990 from $142.8 billion in the current fiscal year. He was forced to grant this 10 percent increase for domestic "discretionary" programs in order to obtain the Democrats' assent to a less stringent cutback in defense, participants said. (Discretionary spending is set by annual appropriations, unlike spending for entitlement programs such as Medicare.)

The way the increase is structured underscores the short-term nature of the deficit reduction in the agreement. The spending boost does not cause serious problems for the goal of reaching the fiscal 1990 deficit target, because only a portion would actually be spent in that year. The increase applies to spending authority—the amount Congress allows agencies to commit during the course of a year even if all of the money is not spent immediately. Whatever portion of the increase is not spent in 1990 would be spent in 1991 and beyond, worsening the deficit in those years.

"It's staggering," a former Reagan budget official said of the prospective increase for domestic discretionary spending.

This former official and other budget experts acknowledge there is considerable pressure to expand discretionary programs after the severe cuts those programs suffered during the Reagan years. But they complain that the increase was not offset by genuine cuts in entitlement programs.

The pact's $7 billion in proposed entitlement savings include a number of bookkeeping measures. Farm spending in 1990, for example, would be "cut" by shifting payments from 1990 to the current fiscal year. "Savings" would be achieved in the food stamp program by recognizing that hundreds of millions of dollars worth of food stamps have been lost or damaged over the years and will never be redeemed. Still other "savings" would come from simply putting certain outlays off the federal budget.

Negotiations on a more ambitious long-term deficit-reduction pact are scheduled to begin next month. Administration officials acknowledge that without higher taxes, it will be extremely difficult to reach the $64 billion deficit target set by Gramm-Rudman-Hollings for fiscal 1991.

Asked eight days ago on CBS' "Face the Nation" whether the administration would flatly rule out a tax increase for 1991, White House chief of staff John H. Sununu said: "We've done very well working together with the members of Congress in a way of getting results. . . . I don't see why we have to define anything in or out at this stage."

[From the New York Times, May 3, 1989]

BUDGET GAMES

The House and Senate are about to approve their respective versions of a fiscal 1990 budget resolution that will supposedly reduce the deficit to $100 billion next year. Anyone who believes that number needs a refresher course in capital games.

Game No. 1: President Bush and the leaders of Congress have agreed on spending and revenue totals with a deficit of $100 billion, as required by the Gramm-Rudman-Hollings budget law. Their agreement was useful: it resolved defense and non-defense spending shares without a public wrangle. But it left unexplained $5 billion in new revenues—a big wrangle yet to come—and otherwise shrouded reality in flimsy forecasts and devious bookeeping.

Game No. 2: Gramm-Rudman-Hollings decrees automatic across-the-board spending cuts to trim the deficit to the statutory target if appropriations and revenue bills fail to do so. But the deficit has now grown for two years, and there's been no across-the-board cutting back. That's because the law's fine print says that the deficit is whatever the Office of Management and Budget estimates it will be on Oct. 15—just two weeks into the new fiscal year, and usually well before the budget legislation is complete.

After Oct. 15, anything can happen. Because the economy never peforms exactly as forecast, spending and revenues can be less, or more, than predicted. And unforeseeable expenses crop up, like the savings and loan bailout.

Game No. 3: There's also bald deception. The White House-Congress compact for 1990 shifts almost $1 billion in spending into 1989, by advancing next year's farm payments. That's pure subterfuge to cut the 1990 deficit. So is the decision to remove the Postal Service and its deficit from the budget. Federal outlays and revenue won't be altered one iota, but the books will look better.

Game No. 4: Social Security and other Government trust funds are technically earmarked for future benefit payments, but counted in the current budget totals. It's proper that everything be counted together, to get a fix on the Government's fiscal impact. But because the trust funds currently collect much more than they pay out, they hide a huge amount of deficit spending. Without these surpluses, the regular budget deficit would be $100 billion larger. And just maybe the Administration and

Congress would be more serious about cutting it.

President Bush and Congress both proclaim that the deficit is a critical problem, yet gladly play these games to make the problem seem less than it is. In reality, it remains critical.

[From the Chicago Tribune, Apr. 17, 1989]

A "FEEL-GOOD" BUDGET AGREEMENT

President Bush summoned reporters to the Rose Garden Friday to announce an agreement with Congress to shrink the budget deficit for the next fiscal year. He called it a "first manageable step," but it was more like a tiptoe, hurting no one and leaving no visible footprint.

The best thing about the plan, said Senate Majority Leader George Mitchell, was "its existence," referring to the fact that a Democratic-controlled Congress and a Republican administration could agree on anything at all. But any display of bipartisan support was a little thin. Sen. Lloyd Bentsen, the Democratic chairman of the Senate Finance Committee, was so upset he refused to participate in the Rose Garden ceremony and left for Texas.

The pact, which Budget Director Richard Darman and congressional leaders worked on for two months in secret, offers an outline for reducing the fiscal 1990 deficit by about $28 billion. The idea is to get the deficit down to about $99 billion next year, with half the reduction coming from increased revenues and the rest from lower spending. Without a budget accord, the deficit next year was expected to reach about $127 billion, down from an estimated $163 billion this fiscal year and $155 billion in 1988.

Unfortunately, the negotiators left the difficult decisions to congressional committees. For example, on the revenue side, after selling government assets and hiking user fees for government services, there's still almost $6 billion in additional new revenues needed. Darman insists there are no tax hikes in the plan and that there are many ways to raise the money through tougher tax-code enforcement and changes in the tax laws that still won't violate George Bush's read-my-lips campaign pledge of "No New Taxes!"

In return for being allowed to play the "quacks-like-a-duck" game on taxes, Bush gave ground on defense spending, agreeing to freeze Pentagon outlays at about $299 billion instead of letting them keep pace with inflation. That concession and some bookkeeping gimmicks, such as moving the postal service off budget, will add up to enough savings so Congress won't have to squeeze some of its favorite domestic programs.

The Bush administration's first effort at deficit reduction is disappointing at best and seems to be the same old gamesmanship practiced by the previous White House bunch. As a result, Congress will keep on spending and no new taxes will be proposed to help pay the bills. Meantime, Bush can say he kept his tax promise, Congress can say it isn't cutting domestic programs and most Americans can say it didn't hurt a bit. Everyone can feel good about our fiscal mess—at least for a little while longer. But the mess remains.

[From the Minneapolis/St. Paul (MN) Star Tribune, Apr. 20, 1989]

FEDERAL BUDGET DEAL WAS AN EMPTY PROMISE

The federal budget compromise put forward Friday as significant movement toward taming the deficit was little more than a political show, mainly for the benefit of President George Bush. By refusing to consider tax increases, Bush has blocked substantive efforts to tackle the deficit. So Friday he gathered many of the major players in the national government around him and simply proclaimed a victory.

Last week's deal to rewrite the 1990 budget allows Bush to claim he kept his election promise of no new taxes. Congress, meanwhile, gets to dodge the tough matter of deciding where to cut spending while still meeting the requirements of the Gramm-Rudman budget-balancing law. But the agreement is based on unrealistically optimistic projections about the economy and inflation, and includes a fair amount of accounting gimmickry.

The compromise lays out only general spending and revenue guidelines. It is really an agreement to agree later. The two most powerful men in Congress on tax matters, Sen. Lloyd Bentsen and Rep. Dan Rostenkowski, declined to endorse Friday's announcement. Minnesota Rep. William Frenzel, the senior GOP member of the House Budget Committee, called the compromise disappointing and said it will simply push the hard budget decisions into next year.

Friday's announcement may have been good political theater, but it was poor public policy. Federal deficits have turned the United States into a debtor nation, dependent on foreigners for its investment capital. They have produced a diminished dollar that makes American companies and real estate a bargain for foreign investors. The resulting fire sale of American businesses and technology raises serious questions about the country's ability to control its economic destiny. The deficits also have prevented the United States from leading the effort to solve the Third World debt crisis.

House Ways and Means Committee chairman Rostenkowski is right to press for an increase in taxes, despite Bush's threat of a veto. Real reductions in spending for both military and domestic programs are also needed, as are limitations on cost-of-living allowances for Social Security, Medicare and Medicaid.

Bush should be commended for his willingness to negotiate with congressional leaders on the deficit issue, something Ronald Reagan refused to do. But the time has come for real progress on this critical issue, not just vague promises of better things to come.

[From the Memphis Commercial Appeal, Apr. 18, 1989]

SMOKE AND MIRRORS

When Americans voted last fall to keep the White House in one party's hands and Congress in the other's, they virtually guaranteed that Washington would avoid decisive action on issues such as the federal budget. The budget compromise unveiled Friday by President Bush and congressional leaders fits that pattern. It uses phony numbers to conceal problems, postpones hard decisions and tries to reconcile the irreconcilable.

The compromise is supposed to trim the deficit from the current $163 billion to just under $100 billion. That may sound like an impressive achievement, but more than half the reduction will come simply from the increase in tax revenues produced by economic growth. Washington continues to benefit from growth-oriented, "supply-side" economics even while sneering at it.

The remaining $30 billion in deficit-trimming represents only about 2 percent of all federal spending. If it were not for the specific targets required by the Gramm-Rudman-Hollings budget law, the negotiators would not have produced even that much.

About half of this $30 billion is to come from new revenues, the other half from spending reductions. From past congressional behavior we worry that the lawmakers will find a way to welsh on the latter side of the deal: A year from now it may turn out that the spending cuts were largely fake, the revenue hikes all too real.

Some phoniness is already apparent. More than $3 billion of the plans alleged "savings" are to come from tricks such as moving the U.S. Postal Service "off budget." Another $1 billion will be "saved" from 1990 by shifting some farm subsidies to 1989.

Other spending restraints are one-shot items, which will make the 1990 numbers look better but avoid long-term deficit cuts. Rep. Bill Frenzel (R-Minn.) says such tactics will "make the work for next year very difficult."

The negotiators agreed on several revenue targets, but not necessarily on how to meet them. Some $2.7 billion is to come from increased fees for government services, $5.8 billion from taxes. Will the latter goal be reached merely by closing loopholes, or will Bush end up abandoning his "read my lips" pledge against tax hikes? At this point nobody can be sure.

The President sacrificed major policy goals, such as keeping defense spending in pace with inflation, to get this compromise. he should have demanded more in return.

[From the Los Angeles Times, Apr. 25, 1989]

MUDDLING THROUGH THE BUDGET

Washington analysts are sorting out style and substance as they take the measure of George Bush and his first 100 days. This is a mostly harmless exercise in gauging the impact of White House puppies and horseshoe pits vis-a-vis Contra aid and reponse to the Alaskan oil spill. The assessments will wind up being mixed. What counts over time is results, and there are not many of them to measure in the first 100 days of most administrations.

In awarding himself high marks Monday, Bush cited a bipartisan budget agreement with Congress as one of his major achievements. The budget deal was not a triumph of either style or substance, however, but of illusion. The best that can be said is that it fudges the deficit issue for another year, thus allowing Bush to avert a major clash with the Democratic Congress and to fulfill his no-new-taxes pledge for respectable period of time.

There was no particular surprise in this. Bush tediously taught the nation to lip-read last year with his no-tax pledge. He could not afford to break that vow in his first year. And congressional budget leaders—most of them—were willing co-conspirators in fashioning a budget deal that put off all the tough issues for another year. This was the illegitimate offspring of honeymoon politics.

It all seems innocent and convenient enough. The harm is that Americans may be deluded into believing that all this congeniality may result in some real deficit reduction. The agreement purports to meet the fiscal 1990 Gramm-Rudman budget deficit target of $100 billion. In fact, it is based on a lot of suppositions and assumptions that

cannot come true, according to an analysis by the Committee for a Responsible Federal Budget.

The committee claims that even if every single assumption is correct, the 1990 deficit still would be $125 billion. And that, of course, is illusion, too, since the figure does not include $153 billion in Social Security and other trust-fund surpluses that are counted against the deficit even though they are reserves earmarked to meet future spending requirements.

So in spite of the agreement, the United States is headed for its ninth consecutive year of budget deficits in excess of $100 billion, and the total federal debt will exceed $2.4 trillion, three times what it was when Ronald Reagan took office. Congress and the President bought time this year. They, and the American people, will have to pay the price next year.

[From the Philadelphia Enquirer, Apr. 16, 1989]

A ROSE GARDEN RUSE

For some strange reason, it took negotiators for Congress and the White House more than a month to script the vague $1.2 trillion budget plan that they unveiled Friday. Any good PR firm or fiction writer could have produced it overnight. This gimmicky, cowardly package has virtually no chance of meeting its basic goal: to make next year's deficit less than $100 billion.

To their credit, the budgeteers honored the tradition of doing little but dressing it up nicely. The plan promises a super-low deficit—just $99 billion—but by way of changes you'll hardly feel. These include the sale of federal assets, accounting gimmicks galore and nips and tucks in spending and taxes.

The plan's greatest act of legerdemain was simply to use the administration's giddy forecast of an economy so strong and interest rates so low that the deficit will drop by more than $36 billion next year even if Congress does nothing. Since the plan teeters on incredibly rosy assumptions, it was only right to unveil it in the Rose Garden. It's worth noting, however, that Sen. Lloyd Bentsen (D., Texas), who dutifully attended the final budget meeting, declined to join his colleagues in the garden for the happy-faced announcement.

In fairness, some of the plan's parts are real. It includes $2.7 billion in higher fees for government services and a $2.7 billion cut in Medicare reimbursements to hospitals and doctors. Defense spending would rise by less than the inflation rate. These are sensible ideas, but they can't do more than dent a federal deficit that should exceed $160 billion this year.

Much of the purported deficit-cutting is phony. On the spending side, the plan includes more than $4 billion worth of accounting gimmicks, such as putting the postal service outside of the budget. One whopper is to take more than $1 billion that farmers expect to receive next year and to pay it this year instead. (What the heck, this year's deficit will miss the Gramm-Rudman target by about $25 billion anyway.)

As for any new "revenue" (none dare call it taxes), the only genuine item is to raise fees for such things as entrance to national parks. The package promises $5.7 billion from selling off federal assets such as loan portfolios, a one-year gimmick that simply delays fiscal discipline for another year. And it includes more than $5 billion in "tax measures" with no further explanation of what those measures might be.

What makes this mediocre budget plan particularly dispiriting is the realization that bolder action is unlikely to come in the future. A bipartisan commission can't be counted on to save the day, because that approach collapsed last winter. With the next congressional election one year and seven months away—and the next presidential election three years and seven months away—this was the ideal time for politicians to show some backbone.

Last week every cabinet secretary and agency head was sent a memo, signed by Mr. Bush, about the need to ignore minutiae, focus on priorities and achieve them. That's exactly what Mr. Bush and Congress have so far failed to do about the deficit.

[From the Washington Times, Apr. 18, 1989]

A BUDGET, SORT OF

Call it a death wish: No sooner had Democratic leaders hammered out a compromise federal budget with President Bush than some of them began hectoring for a tax hike in the election year of 1990. Sen. James Sasser, chairman of the Senate Budget Committee, and Rep. Leon Panetta, chairman of the equivalent House panel, implied that they will push next year for new taxes. Meanwhile, House Ways and Means Committee Chairman Dan Rostenkowski and Sen. Lloyd Bentsen of the Senate Finance Committee boycotted Friday's announcement of the plan, partly for fear that Congress will get blamed next year for raising the taxes it plans to raise.

The budget document, like most budget documents, conceals at least as much as it reveals. On the bad side, the conferees agreed to take the Postal Service off-budget (a horrible ideal) and to keep Social Security Trust Fund surpluses in the deficit calculations (which is misleading). The White House squeezed the budget within the Gramm-Rudman-Hollings deficit-reduction target of $100 billion for next year by adopting economic assumptions that seem a little optimistic, given the Federal Reserve Board's recent efforts to keep monetary growth slow and interest rates high. The president also seems to have given up on the idea of cutting the capital-gains tax rate, a move that would stimulate investment and enhance our entrepreneurial competitiveness with Japan, which doesn't tax capital gains at all.

The compromise also included some good news, not the least of which is that the much-maligned Department of Defense has begun to show how government might live within its means. Defense Secretary Richard Cheney plans to meet his fiduciary obligations by cutting back on the production of the Stealth Bomber, scrapping the V-22 rotating-engine craft ordered by the Marines," spreading out the deployment of a new generation of army attack helicopters, and planning on strategically acceptable troop reductions. While the Pentagon still could use some sweeping reform, beginning with an overhaul of the procurement system, Mr. Cheney at least has done something that social-service agency heads haven't been doing: he cut out some programs that were unnecessary or that didn't work.

We hope the sense of frugality proves contagious, since many of our most prominent social programs have proven spectacularly incapable of achieving their primary aim, which is to promote self-sufficiency among America's poor. If Congress judged social services by results, rather than by propaganda value, the budget's bottom line and the American underclass both would benefit.

Congress also ought to explore a suggestion made yesterday by Sen. Chuck Robb of Virginia. He urged his colleague to draft budgets more in conformity with generally accepted accounting principles, rather than sweeping the postal service under the "off-budget" rug or hiding other problems in various trust funds. He wants the American people to understand just how bad or good the budget situation is at any given time.

He's right: Congress must adopt standards of honesty in evaluating programs and reporting budget figures. The Bush administration meanwhile ought to develop a battle plan to cut spending and taxes. This year's genial budget talks have merely set the stage for more open guerrilla warfare in 1990.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. I yield myself 3 minutes.

The PRESIDING OFFICER. The Senator may proceed.

Mr. DOMENICI. First, might I ask how much time do I have?

The PRESIDING OFFICER. The Senator has about 15½ minutes.

Mr. DOMENICI. I yield myself 3 minutes.

Madam President, I might say to my good friend, this is more like spring training and we have a merger, a lot of new players, a new general manager, and this spring training is going to put them all on the same team, and then we are going to go into the World Series in the next 4 or 5 months.

Madam President, let me talk about two things that I think are tremendously important about the future. I should have mentioned that if anyone is looking around for a real problem, in the event they would like to be helpful with reference to the future of this country, they ought to look at the spiraling costs of health care in America. We only have Medicare and Medicaid. We do not have all of America's health delivery system, but I think the numbers that I am going to quickly describe apply to the health delivery system in the country.

First of all, health delivery in our budget for something like Medicare is going up at well over 13 percent a year. We are going to try to reduce that by 2. But, Madam President, if health care costs are not in some way adjusted to be more in tune with our productivity increases and inflation, I predict the strikes between labor and management in the next year and a half are not going to be over wage payment but, rather, over health care costs. I predict that the health care costs are going to use up almost all of the new growth in this country and there will be little left over so that the rest of America can have the kind of

capital, the kind of resources to keep this engine of prosperity going.

I submit it will not happen by cutting Medicare by $2 or $3 billion. Somebody has to get to the heart of the problem. It is the best delivery system in the world. Some people say let us take Canada's. Americans would not live under Canada's for 1 year because we are used to the very best. We are used to getting whatever we want all the time and, frankly, the costs are now reaching the stage where we better find out how we can deliver good health care without bankrupting the country.

Second, we do have in this budget, I failed to mention it, science and research, if the appropriators care to fund them, going up at dramatic paces in the National Science Foundation, space program, many of the technology and research programs, including those in the national laboratories. Those are absolutely imperative for a United States that is in a new world, a world of competitive models that are just like ours, built on democracy, investment, individual ownership, and capitalism. We are not operating in the vacuum of only America having this model economic system. So we need to keep pace in those areas because change is the order of the day and breakthroughs in science are the order of the day. We will have more science breakthroughs in the next 30 years than all of history. Either we will make them and we will apply them in the marketplace or those who are out there trying to compete with us to add huge amounts of material wealth to the world will do it.

So I close by suggesting that we cannot do everything in a budget, but I submit we have a real chance of taking the next step because of this one and it will not be easy. I think we have gone through the spring training and maybe we will be able to get the job done.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. SASSER. Madam President, I suggest the absence of a quorum and ask that the time be charged against all sides proportionately.

The PRESIDING OFFICER. Without objection, it is so ordered. The time will be charged to all three parties. The clerk will call the roll.

The legislative clerk called the roll.

Mr. ARMSTRONG. Madam President, I ask unanimous consent that we dispense with further proceedings under the quorum.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ARMSTRONG. It is not clear to me whether time had been allocated to me or whether I need to request some time.

The PRESIDING OFFICER. The Senator has been allocated 15 minutes in his own right.

Mr. ARMSTRONG. I thank the Chair and I appreciate the opportunity to speak briefly upon the conference report of the concurrent resolution on the budget.

Madam President, I am disappointed to report to my colleagues that there is a little item which I had hoped would be contained in this conference report which is not in there. It is just a couple of lines at a certain spot in the resolution and it does not involve, proportionate to the total of Federal spending, a very large amount of money. Although it is significant, it is several hundred millions of dollars, but compared to several trillion dollars in spending in the next few years that are contemplated by this budget document, it is not a very big percentage. But I tell you this, it is a big item in the lives of some people who are getting a raw deal, some people who deserve better treatment than they are getting as a result of the failure of the conference committee to include in here room to permit Congress to legislate to lift the Social Security earnings limit.

I have mentioned this to my colleagues previously, and I think most Members of the Senate are well aware of the issue and well aware of the justice of the cause that I have arisen to advocate, and that is that, by gosh, it is time to raise, phaseout, and ultimately abolish the Social Security earnings limit. I hesitate to even go into the issue in any detail because I have discussed it with the Senate before, but let me just outline it for the benefit of anybody who might read this in the RECORD and find it a novel issue.

The essence of it is very simple. At the present time, a Social Security recipient between the ages of 65 and 70, who reaches a plateau of $8,800 in outside earnings per year, thereafter forfeits $1 of Social Security entitlement for every $2 of income. That means instead of earning $8,800, if some person maybe made $9,000, earned $200 over the limit, they would have to give back $100 of their Social Security.

I am here to tell you, by gosh, that is not fair. It is not right. It is terrible social policy, it is bad labor policy, and it is an economic injustice.

We are not talking, by the way, about a handful of people. We are not talking about wealthy people. We are talking about working elderly men and women. We are not talking about coupon clippers or people who have big incomes from dividends or bond interest or rental income on housing or partnership interests from business or anything like that because, Madam President and my colleagues, that kind of income does not trigger a reduction in Social Security.

Now, let us be clear about that. If you get $1,000 a year, $500,000 a year, $5 million a year in dividend income, you do not have to give up a penny of your Social Security entitlement, but if you earn over $8,800 a year, about $750 a month, a little less, you have to start giving back to Uncle Sam 50 cents for every dollar of new income.

Madam President, if you think about that for a minute, what it means is this: that you pay in tax disincentive what amounts to 50 cents on the dollar Social Security earnings limit offset, then you pay your Federal income tax, which is 15 percent, then you pay FICA, then you pay maybe in some States, State income tax, and you very quickly get up to a point where about 80 percent, in a typical case, of your marginal earnings are forfeited if you are between 65 and 70 and a Social Security earnings recipient in this income bracket, in sort of that middle bracket from maybe $8,800 to $15,000, $18,000, $20,000.

High-income people, relatively speaking, are not affected. Those who are in the very lowest income brackets who do not have any earnings or very little are not affected. Coupon clippers and investors are not affected. It is just these poor working people. I think it is a raw deal. Now, it could be 80 percent. It might be as much as 102 percent.

One newspaper—I believe it was the Wall Street Journal—made that point very forcefully and very correctly and in extreme cases it could actually be a marginal tax disincentive. It is not precisely a tax rate but a marginal tax disincentive of about 102 percent.

The Senate on two occasions has considered this matter and on the first occasion on a vote of 86 to 11 agreed that we ought to raise the Social Security earnings limit and on the second occasion when we were considering the budget resolution agreed in fact to a proposal which I advanced along with a number of my other colleagues which would give headroom, give in effect budget room to permit the Finance Committee to come forward with a proposition that would allow us to raise by $3,000 next year and $3,000 in each of several subsequent years the amount of the Social Security earnings limit, leading I would hope ultimately to phasing it out altogether but certainly raising it to a level of $20,000 or $25,000 in the very near future.

I want to express to my colleagues on the conference committee, and I was a conferee, my great appreciation for them trying to help us get this past our colleagues in the House. We did not succeed. We did not win the victory that I had hoped we would win on this issue but I am here to tell you two things about that.

First, we have sensitized a lot of people to the issue who were not aware of it before, who really had not thought about it, including a lot of Members of the House who for one reason or another were not ready to accept an amendment on this subject during the course of the conference but who may be ready to do so the next time around. That is not just an optimistic appraisal on my part. I think the facts bear that out. The last I knew over 100 Members of the House of Representatives had sponsored legislation along these same lines. In addition, the Ways and Means Committee has scheduled for May 25, the hearing on the matter.

I think a great deal of interest has been evidenced not only in this Chamber where almost unanimously we have agreed to this idea, but now there is a growing level of interest in the House of Representatives. I think it is a great thing. Though we have not won the victory today, I guess it is no secret that I intend to press this matter. In fact I intend to raise it as many times as I can find an appropriate vehicle during the balance of this year, next year, the next year, and until we get it passed.

My hunch is it is not going to take too many more tries. In fact as recently as last night, I attended a little reception over at the White House and a number of Members of the House, including some of the House conference, including some of the ones who were not in the position for one reason or another to accept it during the course of the conference, saddled up to me and said, "We would like to help you with this." I was not out about seeking help from them. I did not seek them out or try to twist their arms. It was a social evening but a number of them came up and said, "We would like to help."

So I am going to make a few phone calls, and when we get back from the recess, I am pretty optimistic we are going to get something done.

In the interim I would not want to fail to acknowledge the help my colleagues in the Senate gave me on this matter, and my appreciation to them.

Let me, before I turn my attention briefly to another aspect of the budget resolution, say this. Some people may think this is some sort of an abstract issue, and that it is mostly just a question of theoretical social policy or theoretical economic policy or something.

Madam President, it is really not that at all. We are talking about some people in retirement years who want to work, who need to work for economic reasons and who need to work because if you do not work for a lot of people—this is not everybody—you lose your reason to get up in the morning. You lose status, you lose your contact with the changing of the seasons, as one poet has put it, and in a lot of cases people who just need the money, who without the extra earnings they have from having a job down at McDonald's dispensing hamburgers or for whatever their job is, in retailing, part-time or full-time jobs, without that extra earnings they do not have the extra money that makes the difference between hanging on or existing or living in impoverished circumstances being able to do some of the things they would like to do, like make a phone call on a grandson's or granddaughter's birthday.

I do not think we ought to put people in this age bracket in a position of having to decide to spend $3 or $4 for a phone call to a grandchild, or to buy a birthday gift or a Christmas card, and whether or not they can have what they want to eat the next day for lunch. I think that is a choice for people who are willing to work, and we should not, as a matter of Government policy, put them in that kind of a situation.

So with my thanks to my colleagues, let me just say we will be back to the well on this, and hope to prevail before the year is over.

Madam President, may I ask how much time I have remaining?

The PRESIDING OFFICER. Five and a half minutes.

Mr. ARMSTRONG. Madam President, I want to take a very few minutes to recall the admonition—I have forgotten if it was Santayana or George Steinbrenner who said—that "those who do not remember history are destined to repeat it." This was Santayana, the philosopher, not the one who invaded Texas and laid siege to the Alamo, but, my friends, budget resolution does not indicate to me that we have learned a lot from history.

I have not kept careful track, but I believe this is about the 11th time that I am familiar with since I have been in the Senate in the last 11 years that we have adopted the budget based upon the optimistic assumption that things are going to get better next year. Maybe this is the best we can do. I think somebody thinks it is. I think we should have tried to do better. I do not fault my colleagues who have put this together because I understand when the President of the United States makes a deal with a bunch of the leaders, it is very hard to upset that apple cart. But this is an apple cart that ought to be upset. This is a budget that is bad for America, and compromises our economic future.

This is a budget which, in my view, means in the long run, more inflation, more unemployment, and sets the stage to do one of three things next year: either have a tax increase, or a huge cut in the national defense, or slip the Gramm-Rudman targets, or maybe there will be a miracle intervening that will prevent that. Let me explain why I think that is true: Because while we purport to meet the Gramm-Rudman-Hollings targets we do it through a series of golden gimmicks in the budget by making unrealistically optimistic assumptions about the state of the economy, about what T bill rates will be, about what our rate of productivity growth will be over the next few years, and other assumptions.

Second, by the sale of assets which we all agree, and I am not telling my colleagues anything they are not well aware of, we are scoring—and I favor the sale of assets by the way—as a reduction of Federal spending which simply is inconsistent with the facts in my opinion, and other kinds of golden gimmicks.

Madam President, I ask that we printed in the RECORD by unanimous consent just some basic facts about the budget resolution and why I am concerned about it; also a brief little essay on the budget gimmicks which are used in this conference report which I thing are worthy of note; also, Madam President, some specifics on where these gimmicks have been applied in unreconciled assets, unreconciled asets sales, unspecified revenue increases, and so on; just documenting some of the contentions which I have just made.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

BUDGET DEFICIT

The law mandates that we reduce the deficit each year and balance the budget by 1993. If we resort to phony deficit reduction in one year, we make our job that much harder next year . . . and that is exactly what we have done with this budget resolution.

By ducking the chance to accomplish something real this year, we have set the stage for economically destructive tax increases or abandonment of deficit targets for next year . . . probably both. In the meantime, the deficit will remain, forcing interest rates higher, and depriving American families and businesses of access to affordable credit.

FACTS ABOUT THE CONFERENCE REPORT ON THE BUDGET RESOLUTION

When the Senate reported its Budget Resolution, our deficit target for FY 1990 was $99.4 billion. When the House reported its Budget Resolution, their deficit target for FY 1990 was $99.7 billion. In the Conference "agreement", we accepted their $300 million higher deficit figure.

The higher deficit amount is attributable to a $200 million increase in Medicaid that was not part of the budget summit agreement. Rather than assume any increase in Medicaid would be deficit neutral as the Senate did, the House simply *increased* their deficit target. No attempt was even made to offset this expenditure.

Another $15 million of the decrepancy in the House and Senate deficit targets was for child nutrition. No matter how worthy this expenditure might be, an attempt should at least be *made* to offset it. The remainder of the difference is due to rounding.

Both the Senate and the House Budget Resolutions included $5.7 billion in asset sales. Importantly, the Senate reconciled every dime of these sales per the budget summit agreement. The House, however, did not reconcile *any* of the asset sales in their Budget Resolution and *refused* to do so in Conference (despite the urging of both the Chairman aand Ranking Members of the Senate Budget Committee).

Again, the Senate accepted the House position. As Senator Domenici stated during Conference, "To the extent that we do not reconcile $5.7 billion worth of assets, we are here and now predicting that it will be $5.7 billion off because we will not have those receipts and that amount will continue in the deficit to be debt serviced . . ." (*Transcript of Proceedings*, U.S. Senate Committee on the Budget Joint with the House of Representatives Committee on the Budget, Conference on the Budget, 5/11/89). Without reconciling these asset sales, it will be surprising if we realize even 20% of the savings that we are stating will accrue.

Both House and Senate Budget Resolutions called for $2.7 billion in user fees per the budget summit agreement. The Senate reconciled $1.8 billion according to the general outlines used to come up with the $2.7 billion figure in the summit agreement. The House, however, reconciled only $1.5 billion. The Conference "answer" to this discrepancy was to *lower both the Senate and the House numbers.* The Senate now reconciles $1.5 billion and the House reconciles $1.2 billion. It is unclear how this still existing discrepancy will play out in reconciliation.

The Senate included reconciliation instructions for one year in its Budget Resolution, while the House included them for three. The Conference "agreement" is for the House to lower that number to two years. Again it is hard to see how this conflict will be resolved in reconciliation.

BUDGET GIMMICKS USED IN FY90 BUDGET

In addition to the heavy reliance on asset sales ($5.7 billion) and user fees ($2.7 billion) in this budget agreement, certain budgetary gimmicks have raised their ugly heads.

Taking Off-Budget an Account Operating at a Deficit: Whether or not one believes that Postal Services should be taken off budget for policy or internal efficiency reasons, few would support taking it off-budget because it is operating at a deficit. This is, in fact, precisely what we did. Postal Services was operating at a deficit of $1.8 billion. This made it a prime candidate for this budget gimmick. They way it works is as follows: Because the program is currently running a $1.8 billion deficit, taking it off-budget automatically "saves" $1.8 billion.

Why the House only asked for $1.3 billion from Postal Services defies logic. Under their scenario not only could the necessary "savings" have occurred simply by moving off-budget, but the Postal Services could actually claim a "slush fund" of $500 million to increase spending. Note: Sen. Domenici pushed and succeeded in having the Senate require Postal Services to meet the $1.8 billion and produce additional receipts of $500 million. The House gave into the Senate on this provision in Conference and Postal Services was reconciled for $2.3 billion.

Advance Deficiency Payments: This budget claims $900 million in savings by shifting FY90 deficiency payments into FY89. Athough there is a Gramm-Rudman-Hollings rule stipulating that such action not be used for purposes of deficit reduction, the Administration received a legal opinion that this action could be counted toward meeting our GRH target because it did not necessitate a change in "a law or regulation".

Assume Outstanding Food Stamps Will Not Be Cashed: Truly innovative, this maneuver "makes" $500 million by stating that old, unused foodstamps can be collected and the money they represent, therefore, realized.

Don't Count the Cost of Bailing Out the Farm Credit System: Under current law, healthy lending institutions are required to make payments as part of a bail-out of the Farm Credit System (Economically, this is a tax, but is counted as a spending cut under the budget process). By accelerating payments into FY1990, we claim $500 million in "savings."

FISCAL YEAR 1990 BUDGET RESOLUTION: A STEP IN THE WRONG DIRECTION

"The [budget] agreement's most serious weakness is its failure to look beyond the coming year." (The New York Times, 4/15/89)

This budget agreement may be historical in its style . . . bipartisan, approved by the Administration, relatively quickly accomplished, pushed through Conference in almost record time . . . but it is definitely not historical in its substance.

We use the same tactics and employ the same accounting "gimmicks" that have been made famous (or infamous) in past budget deals. After everyone loudly complains about OMB "rosy" economic assumptions, they are quietly implemented, not because we believe them, but because it makes the job easier.

Not a single spending program is terminated in this budget and Domestic Discretionary spending has increased by $11 billion—that's 6%—over FY89 levels.

Because the agreement relies so heavily on one-time savings and budget gimmicks, what little deficit reduction there actually is will not effect the long-term trend lines of government spending.

Deficit reduction breakdown in the conference report:

	Billion
Unreconciled asset sales	$5.7
Unspecified revenue increase	5.3
Increased IRS compliance	.5
User fees	2.7
Postal off-budget	1.8
Entitlements and other mandatory savings	6.6
Defense	4.2
Non-defense	.3
Net interest	1.1
Total	28.2
OMB baseline deficit	128.0
CBO alternative baseline deficit	147.3
OMB economic assumptions plug line [1]	10.4
Claimed deficit level	−99.7

[1] The difference between the sum of the CBO baseline minus the OMB baseline and the OMB economic plug is due to FSLIC.

We are deliberately ignoring the fact that next year, when we put together the budget for FY1991, we will be required to reduce the deficit to $64 billion. Under this agreement, the baseline deficit (which we use as the starting point for each year's debate) may be as high as $130 billion. It is highly unlikely that Congress will reduce the deficit by as much as $60 billion in an election year.

In terms the American people understand, this would necessitate a "hard" freeze, or a nominal year-to-year freeze of government spending. Although some of us would be willing to support such a measure, it is almost impossible to imagine such a bold move being taken.

In order to make spending increases possible, Congress is almost certain to turn to taxes or change the Gramm-Rudman-Hollings targets. Neither of these choices would be wise economic policy for the short or long run.

Regardless of one's economic perspective on tax increases, it is amazing that so many members are willing to put themselves into such a politically untenable position next year. By putting off any substantive spending restraint, we are not only worsening the American economy's chances this year, but jeopardizing future years as well.

The S&L crisis is a prime example of a very simple lesson. The longer one puts off a problem the more it is likely to grow (and the more difficult a solution will be to find and implement).

Mr. ARMSTRONG. Thank you, Madam President.

Finally, I want to say this: I do not raise these objections to be cranky, and I certainly do not raise them to be critical of my colleagues. I raise them because it is important, even though a handful of us who might vote against this conference report have no chance to prevail, that we at least raise the issue so that thoughtful people in this Chamber and elsewhere can think about it when the crunch comes. I do not think the crunch is 25 years from now or even 25 months from now. I believe before this year is over we will have good reason to regret the adoption of this budget. I am not the only one that thinks that.

In fact, there is a growing consensus among observers who are not Senators or Congressmen or economists but are just people out in the country who care about such things that we are making a big mistake.

I ask unanimous consent to insert in the RECORD at this point the editorial comments from around the country. The New York Times editorial, "Budget Games"; Philadelphia Inquirer's report entitled "A Rose Garden Ruse"; the LA Times' explanation of our budget, and their editorial "Muddling Through The Budget"; the Washington Post comments which they call "Paper Cuts"; the Christian Science Monitor's budget——

The PRESIDING OFFICER. The Chair wishes to advise the Senator he has 1 minute.

Mr. ARMSTRONG. I thank the Chair. I shall conform with that 1 minute.

"A 'Feel Good' Budget Agreement," editorial of the Chicago Tribune. "Face Up Honestly to the Deficit Problem," from USA Today. "Smoke and Mirrors," from the Commercial Appeal of Memphis, Tennessee. "Phanton of the Rose Garden"; "Deficit is Headed for a Mexican Standoff," from an Arkansas newspaper. "A Budget, Sort of," from the Washing-

ton Times. Boston Globe, "Budget Flexibility," and on and on and on.

The point is this: These newspapers, and a lot of our constituents at home, and deep down inside many of us in this Chamber, know that we have not solved the problem with this budget resolution. We have merely put it off. I, for one, am eager to get on with the solution, and the sooner, the better.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the New York Times, May 3, 1989]

BUDGET GAMES

The House and Senate are about to approve their respective versions of a fiscal 1990 budget resolution that will supposedly reduce the deficit to $100 billion next year. Anyone who believes that number needs a refresher course in capital games.

Game No. 1: President Bush and the leaders of Congress have agreed on spending and revenue totals with a deficit of $100 billion, as required by the Gramm-Rudman-Hollings budget law. Their agreement was useful; it resolved defense and nondefense spending shares without a public wrangle. But it left unexplained $5 billion in new revenues—a big wrangle yet to come—and otherwise shrouded reality in flimsy forecasts and devious bookkeeping.

Game No. 2: Gramm-Rudman-Hollings decrees automatic across-the-board spending cuts to trim the deficit to the statutory target if appropriations and revenue bills fail to do so. But the deficit has now grown for two years, and there's been no across-the-board cutting back. That's because the law's fine print says that the deficit is whatever the Office of Management and Budget estimates it will be on Oct. 15—just two weeks into the new fiscal year, and usually well before budget legislation is complete.

After Oct. 15, anything can happen. Because the economy never performs exactly as forecast, spending and revenues can be less, or more, than predicted. And unforeseeable expenses crop up, like the savings and loan bailout.

Game No. 3: There's also bald deception. The White House-Congress compact for 1990 shifts almost $1 billion in spending into 1989, by advancing next year's farm payments. That's pure subterfuge to cut the 1990 deficit. So is the decision to remove the Postal Service and its deficit from the budget. Federal outlays and revenue won't be altered one iota, but the books will look better.

Game No. 4: Social Security and other Government trust funds are technically earmarked for future benefit payments, but counted in the current budget totals. It's proper that everything be counted together, to get a fix on the Government's fiscal impact. But because the trust funds currently collect much more than they pay out, they hide a huge amount of deficit spending. Without these surpluses, the regular budget deficit would be $100 billion larger. And just maybe the Administration and Congress would be more serious about cutting it.

President Bush and Congress both proclaim that the deficit is a critical problem, yet gladly play these games to make the problem seem less than it is. In reality, it remains critical.

[From the Philadelphia Inquirer, Apr. 16, 1989]

A ROSE GARDEN RUSE

For some strange reason, it took negotiators for Congress and the White House more than a month to script the vague, $1.2 trillion budget plan that they unveiled Friday. Any good PR firm or fiction writer could have produced it overnight. This gimmicky, cowardly package has virtually no chance of meeting its basic goal: to make next year's deficit less than $100 billion.

To their credit, the budgeteers honored the tradition of doing little but dressing it up nicely. The plan promises a super-low deficit—just $99 billion—but by way of changes you'll hardly feel. These include the sale of federal assets, accounting gimmicks galore and nips and tucks in spending and taxes.

The plan's greatest act of legerdemain was simply to use the administration's giddy forecast of an economy so strong and interest rates so low that the deficit will drop by more than $36 billion next year even if Congress does nothing. Since the plan teeters on incredibly rosy assumptions, it was only right to unveil it in the Rose Garden. It's worth noting, however, that Sen. Lloyd Bentsen (D. Texas), who dutifully attended the final budget meeting, declined to join his colleagues in the garden for the happy-faced announcement.

In fairness, some of the plan's parts are real. It includes $2.7 billion in higher fees for government services and a $2.7 billion cut in Medicare reimbursements to hospitals and doctors. Defense spending would rise by less than the inflation rate. These are sensible ideas, but they can't do more than dent a federal deficit that should exceed $160 billion this year.

Much of the purported deficit-cutting is phony. On the spending side, the plan includes more than $4 billion worth of accounting gimmicks such as putting the postal service outside of the budget. One whopper is to take more than $1 billion that farmers expect to receive next year and to pay it this year instead. (What the heck, this year's deficit will miss the Gramm-Rudman target by about $25 billion anyway.)

As for any new "revenue" (none dare call it taxes), the only genuine item is to raise fees for such things as entrance to national parks. The package promises $5.7 billion from selling off federal assets such as loan portfolios, a one-year gimmick that simply delays fiscal discipline for another year. And it includes more than $5 billion in "tax measures" with no further explanation of what those measures might be.

What makes this mediocre budget plan particularly dispiriting is the realization that bolder action is unlikely to come in the future. A bipartisan commission can't be counted on to save the day, because that approach collapsed last winter. With the next congressional election one year and seven months away—and the next presidential election three years and seven months away—this was the ideal time for politicians to show some backbone.

Last week every cabinet secretary and agency head was sent a memo, signed by Mr. Bush, about the need to ignore minutiae, focus on priorities and achieve them. That's exactly what Mr. Bush and Congress have so far failed to do about the deficit.

[From the Los Angeles Times, Apr. 25, 1989]

MUDDLING THROUGH THE BUDGET

Washington analysts are sorting out style and substance as they take the measure of George Bush and his first 100 days. This is a mostly harmless exercise in gauging the impact of White House puppies and horseshoe pits vis-a-vis Contra aid and response to the Alaskan oil spill. The assessments will wind up being mixed. What counts over time is results, and there are not many of them to measure in the first 100 days of most administrations.

In awarding himself high marks Monday, Bush cited a bipartisan budget agreement with Congress as one of his major achievements. The budget deal was not a triumph of either style or substance, however, but of illusion. The best that can be said is that it fudges the deficit issue for another year, thus allowing Bush to avert a major clash with the Democratic Congress and to fulfill his no-new-taxes pledge for a respectable period of time.

There was no particular surprise in this. Bush tediously taught the nation to lip-read last year with his no-tax pledge. He could not afford to break that vow in his first year. And congressional budget leaders—most of them—were willing coconspirators in fashioning a budget deal that put off all the tough issues for another year. This was the illegitimate offspring of honeymoon politics.

It all seems innocent and convenient enough. The harm is that Americans may be deluded into believing that all this congeniality may result in some real deficit reduction. The agreement purports to meet the fiscal 1990 Gramm-Rudman budget deficit target of $100 billion. In fact, it is based on a lot of suppositions and assumptions that cannot come true, according to an analysis by the Committee for a Responsible Federal Budget.

The committee claims that even if every single assumption is correct, the 1990 deficit still would be $125 billion. And that, of course, is illusion, too, since the figure does not include $153 billion in Social Security and other trust-fund surpluses that are counted against the deficit even though they are reserves earmarked to meet future spending requirements.

So in spite of the agreement, the United States is headed for its ninth consecutive year of budget deficits in excess of $100 billion, and the total federal debt will exceed $2.4 trillion, three times what it was when Ronald Reagan took office. Congress and the President bought time this year. They, and the American people, will have to pay the price next year.

[From the Washington Post, Apr. 16, 1989]

PAPER CUTS

The budget agreement just reached between President Bush and congressional leaders of both parties greatly understates the savings necessary to reach next year's deficit target, then fails to achieve even those and covers up the failure with duplicitous accounting. Its authors plead for time and understanding, saying the document should be seen less as itself a deficit reduction plan than as the first step down a longer path to such a plan. They argue that even this pallid agreement and the accompanying promise to continue to talk are better than the snarls and impasse of the Reagan years.

But surely that is not the standard. If the deficit cannot be cut in the strong first year

of a new administration, when can it be? Will it be easier next year, an election year? It is always easier next year, and meanwhile the danger grows that a recession will lock the present deficit and the drain it represents on the future into semi-permanent place. In neither party nor branch is there the economic leadership the country needs.

The deficit target next fiscal year is $100 billion. The rules are already rubbery; if the President and Congress can even momentarily come within $10 billion of that on paper, their work is counted a hit. The White House has decreed, on the strength of optimistic and internally inconsistent economic and other assumptions, that it will take only $28 billion in deficit reduction to reach the happy result. The main assumption is that interest rates will decline in the face of a strong economy, when strong economies drive interest rates up. Congress has weakly acquiesced in the confection even though its own budget office continues to point out what recent history confirms, that a much greater effort is needed. The budget deficit this fiscal year was supposed to be $136 billion, and not many months ago there were the requisite assurances that it would be. But the actual figure, as was understood all along, is likelier to be around $160 billion, and even that may not count everything.

As to the supposed cuts on which the President and Congress have agreed, nearly $900 million would come from moving some farm support payments from next year into this, now that no one is paying attention to this year anymore; the money wouldn't be saved, just paid to farmers earlier. Another $400 million would come from reversing an earlier good intention and keeping off budget—which is to say, not counting—the cost of the program enacted in the last Congress to bail out the underfinanced farm credit system. A similar fanciful $1.8 billion saving would occur by taking the postal service off budget next year, when it will be running a deficit while awaiting another increase in the price of a stamp. A one-time-only half-billion-dollar credit is creatively taken because not all the food stamps that have been issued over the years have been cashed; the writing-off of the forgotten obligations is counted as a spending cut. Similar credits are taken on the strength of little more than assertions that the Internal Revenue Service will be more vigorous in enforcing the tax code next year, that assorted benefit rolls will be better policed and that the payout of civil service pensions will not be accelerated. There are also to be more than $6 billion in the usual asset sales, after which comes the fiscal equivalent of dessert: having made all these paper cuts and thereby so decisively reduced the deficit, the budget writers claim the interest savings associated with a smaller debt.

A few things in the agreement seem real. Medicare costs would be nicked, defense spending would be a few billion dollars lower than the president earlier proposed (if the chancy spending estimates are to be believed), and there would be $5.3 billion in "revenue measures" if any can be agreed to. You know what those are; there need to be more of them. Plenty of spending cuts can be made, but as the present exercise again demonstrates, the spending side of the budget as a whole neither can nor will nor should be cut much below its present path. The key to genuine deficit reduction is a tax increase. The president's own priorities are suffering.

[From the Christian Science Monitor, Apr. 18, 1989]

BUDGETS AND SAUSAGES

The budget deal worked out by the White House and congressional negotiators nudges the federal deficit in the right direction. But it is the bare minimum necessary to avoid the Gramm-Rudman machete, and thus could make wringing out that last $100 billion in red ink that much harder in coming years. It also includes some questionable aspects—the phrase "accounting gimmicks" appears in most news accounts—that could come back to haunt budgeteers.

The budget outline includes a real freeze (no inflation adjustment) on defense spending, which the Pentagon can certainly live with. It tightens up on other spending areas, including some entitlements. And it also raises revenues (including some taxes) without crossing President Bush's line in the sand on "new" taxes.

But the bottom line is also based on economic assumptions—strong growth and lower interest rates—not shared by many experts across the political spectrum. The administration also insists that cutting the capital-gains tax rate will bring in more revenue because of increased financial activity, an assumption that seems overly optimistic, especially after the first year.

In some cases, budget wizards seem merely to have shifted spending in an "out-of-sight, out-of-mind" way. Like claiming $2 billion in savings by moving the US Postal Service "off budget." Or creating a quasi-governmental agency to sell bonds intended to revive the savings-and-loan industry. This allows government numbers crunchers to count the bond sales as revenue for now, when in fact they'll eventually have to be paid back at a higher interest rate than with a straight government loan.

Some of the plan's new revenue comes from the sale of government assets (often loan portfolios), which can cost Uncle Sam more in the long run.

Like sausagemaking, putting together a federal budget is not a pretty sight. It involves necessary trade-offs between short-term gains and long-term goals. And because it's oh-so-political, what's right can be overshadowed by what's expedient.

To end on a more positive note: There are many more steps in the budget-grinding process, chances for the Bush administration and Congress—so far, an unusually cooperative pair of chefs—to remove the gristle and add more nutritious elements.

[From the Chicago Tribune, Apr. 17, 1989]

A "FEEL-GOOD" BUDGET AGREEMENT . . .

President Bush summoned reporters to the Rose Garden Friday to announce an agreement with Congress to shrink the budget deficit for the next fiscal year. He called it a "first manageable step," but it was more like a tiptoe, hurting no one and leaving no visible footprint.

The best thing about the plan, said Senate Majority Leader George Mitchell, was "its existence," referring to the fact that a Democratic-controlled Congress and a Republican administration could agree on anything at all. But any display of bipartisan support was a little thin. Sen. Lloyd Bentsen, the Democratic chairman of the Senate Finance Committee, was so upset he refused to participate in the Rose Garden ceremony and left for Texas.

The pact, which Budget Director Richard Darman and congressional leaders worked on for two months in secret, offers an outline for reducing the fiscal 1990 deficit by about $28 billion. The idea to get the deficit down to about $99 billion next year, with half the reduction coming from increased revenues and the rest from lower spending. Without a budget accord, the deficit next year was expected to reach about $127 billion, down from an estimated $163 billion this fiscal year and $155 billion in 1988.

Unfortunately, the negotiators left the difficult decisions to congressional committees. For example, on the revenue side, after selling government assets and hiking user fees for government services, there's still almost $6 billion in additional new revenues needed. Darman insists there are no tax hikes in the plan and that there are many ways to raise the money through tougher tax-code enforcement and changes in the tax laws that still won't violate George Bush's read-my-lips campaign pledge of "No New Taxes!"

In return for being allowed to play the "quacks-like-a-duck" game on taxes, Bush gave ground on defense spending, agreeing to freeze Pentagon outlays at about $299 billion instead of letting them keep pace with inflation. That concession and some bookkeeping gimmicks, such as moving the postal service off budget, will add up to enough savings so Congress won't have to squeeze some of its favorite domestic programs.

The Bush administration's first effort at deficit reduction is disappointing at best and seems to be the same old gamemanship practiced by the previous White House bunch. As a result, Congress will keep on spending and no new taxes will be proposed to help pay the bills. Meantime, Bush can say he kept his tax promise, Congress can say it isn't cutting domestic programs and most Americans can say it didn't hurt a bit. Everyone can feel good about our fiscal mess—at least for a little while longer. But the mess remains.

[From USA Today, Apr. 17, 1989]

FACE UP HONESTLY TO DEFICIT PROBLEM

While last-minute fliers were busy paying their taxes this weekend, our political leaders in Washington were busy cooking up a recipe for fiscal misery.

President Bush and congressional leaders from both parties gathered in the White House Rose Garden to announce an agreement they said would cut the federal deficit by $27 billion next year. They know their numbers are phony, and they know they will waste your tax money in the long run.

In 1982, President Reagan's first budget, they said the deficit—the difference between what the government spends and what it takes in—would be $38 billion. It turned out to be $111 billion.

This year, they said it would be $136 billion. It's closer to $160 billion.

Now they're saying in public that it will be below $100 billion next year. But some are already admitting it will be billions more.

Some people, like the columnist across the page, tell you the red ink isn't so bad as long as we don't raise any taxes.

That's wrong. Our politicians in Washington have been bragging for years about not raising taxes. But they're borrowing money instead. That means you pay even more.

For every $1,000 you paid in taxes this year, $150 will be wasted just on interest on the debt.

You pay in higher interest rates on your mortgage, your credit cards, your car loans.

You pay in higher inflation. You pay at the department store, at the gasoline pump.

Worst of all, you pay because our leaders refuse to face facts and give those facts to the taxpayers. That lack of candor prevents us from solving our problems:

Schools decay in Chicago and Detroit because we "can't afford" good education.

Smog builds up over Los Angeles and Denver because we "can't afford" to fight pollution.

People live on the streets of New York and Philadelphia and Washington, D.C., because we "can't afford" sufficient housing for the poor.

President Bush and our congressional leaders should stop playing games.

Surely they can find ways to cut a $1.2 trillion budget to produce genuine savings, not just accounting gimmicks.

And surely they can consider raising taxes to that we can tame the deficit and get on with solving our problems.

One of the biggest myths around is that any politician who votes for a tax increase will be kicked out of office. Voters in South Carolina, Indiana, Virginia, Tennessee and Arkansas have shown they will support tax increases—if they are shown the money will be carefully spent on problems that matter and not just squandered.

Voters are not children. They are not selfish people who will spend and spend on VCRs and color TVs and other fancy toys while bridges crumble, rivers and lakes are poisoned and drug lords take over the streets.

They know it takes money to solve problems. But they want honesty and leadership from Washington.

Honesty and leadership. That would be a real return on our taxes.

[From the Memphis Commercial Appeal]

SMOKE AND MIRRORS

When Americans voted last fall to keep the White House in one party's hands and Congress in the other's, they virtually guaranteed that Washington would avoid decisive action on issues such as the federal budget. The budget compromise unveiled Friday by President Bush and congressional leaders fits that pattern. It uses phony numbers to conceal problems, postpones hard decisions and tries to reconcile the irreconcilable.

The compromise is supposed to trim the deficit from the current $163 billion to just under $100 billion. That may sound like an impressive achievement, but more than half the reduction will come simply from the increase in tax revenues produced by economic growth. Washington continues to benefit from growth-oriented, "supply-side" economics even while sneering at it.

The remaining $30 billion in deficit-trimming represents only about 2 percent of all federal spending. If it were not for the specific targets required by the Gramm-Rudman-Hollings budget law, the negotiators would not have produced even that much.

About half of this $30 billion is to come from new revenues, the other half from spending reductions. From past congressional behavior, we worry that the lawmakers will find a way to welsh on the latter side of the deal: A year from now it may turn out that the spending cuts were largely fake, the revenue hikes all too real.

Some phoniness is already apparent. More than $3 billion of the plan's alleged "savings" are to come from tricks such as moving the U.S. Postal Service "off budget." Another $1 billion will be "saved" from 1990 by shifting some farm subsidies to 1989.

Other spending restraints are one-shot items, which will make the 1990 numbers look better but avoid long-term deficit cuts. Rep. Bill Frenzel (R-Minn.) says such tactics will "make the work for next year very difficult."

The negotiators agree on several revenue targets, but not necessarily on how to meet them. Some $2.7 billion is to come from increased fees for government services, $5.8 billion from taxes. Will the latter goal be reached merely by closing loopholes, or will Bush end up abandoning his "read my lips" pledge against tax hikes? At this point nobody can be sure.

The President sacrificed major policy goals, such as keeping defense spending in pace with inflation, to get this compromise. He should have demanded more in return.

[From the New York Times, Apr. 15, 1989]

PHANTOM OF THE ROSE GARDEN

What better backdrop for fragrant scenarios than the White House Rose Garden: that's where President Bush and the leaders of Congress yesterday proclaimed their agreement on next year's budget. Their pact leaves a gaping disagreement on taxes. Their numbers are laced with optimism and gimmickry. But give them credit for reaching any agreement at all, and so quickly.

Mr. Bush remains true to his inaugural promise of wanting to work with the Democrats. Rather than submit a budget full of proposals that would be rejected out of hand, as his predecessor did regularly, he presented an outline and offered to negotiate. The early confrontations that typified the Reagan years have thus been avoided. Still, the new spirit faces big tests in the months to come.

The agreement's most serious weakness is its failure to look beyond the coming year. Mr. Bush promised that when he became President he would develop, with Congress, a long-term plan to erase the deficit. Instead they produced another one-year patch job to reach the target inscribed in the Gramm-Rudman-Hollings budget law. The target is $100 billion, more or less, and their plan gets there, more or less.

Mr. Bush conceded that the plan doesn't address the future. He called it "a first, manageable step." But Senator Lloyd Bentsen, a negotiator as chairman of the Finance Committee, refused to join in the announcement because he considers the revenue estimates unreal. As usual, the Administration assumes a stronger economy and more revenue than do most independent experts, and Congress goes along because realistic forecasts would make it harder to reduce the deficit. In addition, the President still wants a cut in the tax on capital gains. He says this would yield $5 billion in revenues; the Democrats disagree, and don't like the idea anyway. Thus, the tax debate remains wide open.

The accounting gimmicks are less important than the unresolved revenue issues. But they're still blatant. The postal deficit would be wiped out by the simple expedient of removing the Postal Service from the budget. And farm subsidy spending will be lowered by juggling the timing of payments. Neither change will save a penny, but the overall budget deficit will look smaller.

Tricks aside, there is some substance to the agreement, notably the President's agreement to spend less for defense and more for other programs. He yielded nothing on new taxes, though, and thus blocked the possibility of serious collaboration to end the deficit.

For two years despite much clamor and claims of success, the deficit has grown. If yesterday's agreement reduces it, that will be an achievement. But the vision in the Rose Garden was little more than a phantom. The budget dilemma remains.

[From the (Little Rock) Arkansas Gazette, Apr. 1, 1989]

DEFICIT IS HEADED FOR A MEXICAN STANDOFF

Liberals, conservatives and assorted free-floaters in Washington are tinkering gingerly with the 1990 budget but they are treating it the way an airport bomb squad deals with a mysterious package. President George Bush set the mood for the ritual by accepting former President Ronald Reagan's revenue-spending plan, then passing it on to Congress without bothering to examine the contents.

Sessions between representatives of Congress and the administration—designed to hold the deficit around the $100 billion permitted in the (revised) Gramm-Rudman deficit reduction limit—have produced a Mexican standoff. Both sides must know that the roughdraft budget is based on absurd assumptions, magic asterisks and an accounting system borrowed from a Texas savings and loan association.

Treasury Secretary Nicholas F. Brady, Budget Director Richard G. Darman and Bush cling to the campaign myth that the deficit can be eliminated over the next four years by freezing the total spending for a few minor domestic programs and waiting for economic growth to boost revenue. Meanwhile, defense spending, interest on the national debt and other obligated costs will continue to climb. The flexible freeze is a fraud.

On the other side of the table, negotiators proclaim, with equal conviction, that they will not reduce spending for entitlements.

The Congressional Budget Office, using widely held forecasts for economic growth and interest rates, estimated that the deficit four years down the road would be at least $100 billion—even if all of Bush's spending constraints were adopted.

Neither side is considering the consequences of other possible developments.

No provisions are made for the bailout of savings and loans. Bush has offered a proposal for committing an additional $50 billion to protecting depositors, but he budgeted $1.9 billion to the project. The trick here is to keep the $50 billion off the budget.

The Federal Reserve is following a monetary policy designed to control inflation by tightening credit and raising interest rates. A further increase in the cost of money will move more thrifts into the red and make the bailout infinitely more expensive.

The trade deficit (current accounts basis) has declined from a record of almost $160 billion in 1987 to about $135 billion last year. Now it is showing signs of resuming its rise. America's net foreign debt could reach $1 trillion by the end of 1992.

All the hazards associated with the growing national debt suggest that the time has come to resolve the Mexician standoff. The liberals will have to give some ground on favored programs; conservatives will have to break their vow on taxes. The task will not be easy.

Republicans are convinced that their position on taxes was responsible for victories in the last three presidential elections. Demo-

crats believe their defense of entitlements enabled them to regain control of the Senate in 1986 and strengthen their hands in Congress.

The odd fact is that both parties may have assessed the situation accurately. Americans know what they want—more government spending and less taxes. Still, somebody will have to break the standoff if the country is to avert disaster.

[From the Washington Times, Apr. 18, 1989]

A BUDGET, SORT OF

Call it a death wish: No sooner had Democratic leaders hammered out a compromise federal budget with President Bush than some of them began hectoring for a tax hike in the election year of 1990. Sen. James Sasser, chairman of the Senate Budget Committee, and Rep. Leon Panetta, chairman of the equivalent House panel, implied that they will push next year for new taxes. Meanwhile, House Ways and Means Committee Chairman Dan Rostenkowski and Sen. Lloyd Bentsen of the Senate Finance Committee boycotted Friday's announcement of the plan, partly for fear that Congress will get blamed next year for raising the taxes it plans to raise.

The budget document, like most budget documents, conceals at least as much as it reveals. On the bad side, the conferees agreed to take the Postal Service off-budget (a horrible idea) and to keep Social Security Trust Fund surpluses in the deficit calculations (which is misleading). The White House squeezed the budget within the Gramm-Rudman-Hollings deficit-reduction target of $100 billion for next year by adopting economic assumptions that seem a little optimistic, given the Federal Reserve Board's recent efforts to keep monetary growth slow and interest rates high. The president also seems to have given up on the idea of cutting the capital-gains tax rate, a move that would stimulate investment and enhance our entrepreneurial competitiveness with Japan, which doesn't tax capital gains at all.

The compromise also included some good news, not the least of which is that the much-maligned Department of Defense has begun to show how government might live within its means. Defense Secretary Richard Cheney plans to meet his fiduciary obligations by cutting back on the production of the Stealth Bomber, scrapping the V-22 rotating-engine craft ordered up by the Marines, spreading out the deployment of a new generation of army attack helicopters, and planning on strategically acceptable troop reductions. While the Pentagon still could use some sweeping reform, beginning within an overhaul of the procurement system, Mr. Cheney at least has done something that social-service agency heads haven't been doing: he cut out some programs that were unnecessary or that didn't work.

We hope the sense of frugality proves contagious, since many of our most prominent social programs have proven spectacularly incapable of achieving their primary aim, which is to promote self-sufficiency among America's poor. If Congress judged social services by results, rather than by propaganda value, the budget's bottom line and the American underclass both would benefit.

Congress also ought to explore a suggestion made yesterday by Sen. Chuck Robb of Virginia. He urged his colleagues to draft budgets more in conformity with generally accepted accounting principles, rather than sweeping the postal service under the "off-budget" rug or hiding other problems in various trust funds. He wants the American people to understand just how bad or good the budget situation is at any given time.

He's right: Congress must adopt standards of honesty in evaluating programs and reporting budget figures. The Bush administration meanwhile ought to develop a battle plan to cut spending and taxes. This year's genial budget talks have merely set the stage for more open guerrilla warfare in 1990.

[From the Los Angeles Times, Apr. 13, 1989]

BUDGET WITH A LEXICON ALL ITS OWN

Word has filtered out from secret Washington meetings that the White House and congressional budget-writers are near agreement on a framework for a fiscal 1990 budget. But there will be no official announcement until the deal is done. As House Majority Leader Thomas S. Foley (D-Wash.) put it: "Nothing is agreed to until virtually everything is agreed to."

Sound like double talk or obfuscation? Perhaps. But that is not unusual when Washington talks about budget matters. Ronald Reagan's Administration coined the term *revenue enhancement* as a substitute for tax increase. The Bush Administration has proposed to spend some $50 billion to bail out failed savings and loan companies without the money even showing in the budget, by simply declaring that the item is "off-budget."

And now, the Administration is trying to write a new definition for budget cuts and budget freezes. This effort attempts to institutionalize Reagan's longstanding irritation with critics who claimed he was cutting the budget when he actually saw himself as spending more money.

For some years now, Congress has used a "base-line" budget as a foundation for each year's new budget. The base-line budget reflects the work of a specific program at last year's level plus enough new money to offset inflation and to accommodate natural growth in the program.

Let's say that the federal food-stamp program cost $100 last year to serve 10 qualified recipients with $10 of benefits each. But in the new year, 15 people qualified for the program and the cost of the food to be provided went up by 5%. To maintain the program at a base-line level, Congress would have to appropriate $157.50 in the new budget year. That is last year's $100 plus $50 for the five new recipients and an additional $7.50 for inflation.

The President could budget $135 for the program and claim the budget was being increased. But this would be a cut under the base-line budget concept because one of two things would have to happen. 1) The number of recipients would have to be reduced, or 2) If all 15 recipients were included in the program, each person's benefit would have to be cut compared with the level per individual the previous year.

What emerges here is President Bush's flexible definition of his flexible budget freeze. Bush applied the "flexible freeze" to $136 billion in domestic-spending items that would be held at the previous year's dollar amount, with no increase for inflation. Under the base-line concept, that is not a freeze, but a real cut in services. Bush also claimed he was freezing the defense budget although, in fact, defense spending was adjusted for inflation.

So a freeze is not necessarily a freeze. A cut may be a cut, or it may be a freeze. While this may sound like a trivial dispute, Herbert Stein, a former chairman of the President's Council of Economic Advisers, says the Bush arguments show a disdain for serious budget analysis. Use of the base-line budget concept is an attempt to go beyond surface numbers and get an appreciation for what is really going on in the budget, said Stein, now a senior fellow at the American Enterprise Institute. This is a way to distinguish between real policy changes in a program and nominal ups and downs caused by fluctuating prices. To ignore such distinctions would render much talk about the budget meaningless, he said.

Surely so, Mr. Stein.

[From the Wall Street Journal, Apr. 10, 1989]

DUCK WATCH

The White House and Congress are deep in negotiations over the budget, so Washington is bird watching. The word is out that everyone should don their camouflage, grab their binoculars, and hide in the marsh grass of Pennsylvania Avenue to wait for the new taxes, er, ducks to arrive.

The duck watch got under way last week after word spread that President Bush's chief ornithologists, budget director Dick Darman and treasury secretary Nick Brady, had secretly agreed to the budget framework for fiscal year 1990 offered by House Budget Chairman Leon Panetta and Ways and Means Chairman Dan Rostenkowski. This means they'd entered Congress's duck blind.

The Panetta framework takes the traditional Democratic approach to "deficit reduction," dividing equally between "revenue increases" of $14 billion and spending cuts of $14 billion ($7 billion each from defense and domestic programs). It assumes that promised cuts in spending will in fact be made while new taxes will in fact raise the revenue claimed in advance. In the real budget world this never happens, as the House appropriations subcommittee proved last week by seeing Mr. Bush's $2.2 billion in proposed spending increases and raising them by $2.4 billion.

Meanwhile, the Darman-Brady capitulation to these "revenue increases" suggests the ducks have already landed. Democrats had quickly snatched up nearly $8 billion or so in "user fees," asset sales and assorted revenue raisers originally offered as part of the Bush budgets.

But they've firmly resisted the supply-side portion of Mr. Bush's proposals—the $4.8 billion revenue windfall from cuts in capital gains taxes. They've also rejected out-of-hand an additional $1.8 billion gain from applying existing Medicare laws to state and local government employees. Chaiman Rostenkowski, protector of O'Hare Airport, also nixed airport user fees. This Democratic framework means that more than $5 billion in "new revenues" (and $3 billion more to make up for expiring taxes) will have to come from somewhere—i.e., from ducks.

The two sides will agree not to call them ducks, of course, but as Mr. Darman once said, if it quacks . . . One proposal would reduce the tax deductions on corporate dividend; someone actually thinks this will raise $300 million a year. Another would treat interest payments on some leveraged buyouts as a "loophole"; some Congressional tax accountant thinks this will raise $1 billion to $2 billion. Broadening the minimum tax

base for corporations is somehow supposed to raise $2 billion as well.

President Bush could still say no to all this, but what we hear is that the Administration wants an agreement even if it means putting its capital-gains proposal into the tank. We also hear that Mr. Rostenkowski demanded complete GOP support for the deal on the House floor (including the 101 House Republicans who've signed a no-tax-increase pledge). This would help explain why the White House squelched a no-tax-increase resolution at last Wednesday's House Republican caucus meeting, lest it offend Rosty.

White House aides are already telling uneasy Republicans that "the markets" are somehow demanding a deficit-reduction deal. We can understand White House aides believing they need a deal for the sake of Beltway politics, but we can't believe anyone really thinks the markets prefer a tax increase to a capital-gains cut. Perhaps someone should tell President Bush where the duck stops.

[From the Minneapolis Star and Tribune, Apr. 20, 1989]

FEDERAL BUDGET DEAL WAS AN EMPTY PROMISE

The federal budget compromise put forward Friday as significant movement toward taming the deficit was little more than a political show, mainly for the benefit of President George Bush. By refusing to consider tax increases, Bush has blocked substantive efforts to tackle the deficit. So Friday he gathered many of the major players in the national government around him and simply proclaimed a victory.

Last week's deal to rewrite the 1990 budget allows Bush to claim he kept his election promise of no new taxes. Congress meanwhile, gets to dodge the tough matter of deciding where to cut spending while still meeting the requirements of the Gramm-Rudman budget-balancing law. But the agreement is based on unrealistically optimistic projections about the economy and inflation, and includes a fair amount of accounting gimmickry.

The compromise lays out only general spending and revenue guidelines. It is really an agreement to agree later. The two most powerful men in Congress on Tax matters, Sen. Lloyd Bentsen and Rep. Dan Rostenkowski, declined to endorse Friday's announcement, Minnesota Rep. William Frenzel, the senior GOP member of the House Budget Committee, called the compromise disappointing and said it will simply push the hard budget decisions into next year.

Friday's announcement may have been good political theater, but it was poor public policy. Federal deficits have turned the United Sates into a debtor nation, dependent on foreigners for its investment capital. They have produced a diminished dollar that makes American companies and real estate a bargain for foreign investors. The resulting fire sale of American businesses and technology raises serious questions about the country's ability to control its economic destiny. The deficits also have prevented the United States from leading the effort to solve the Third World debt crisis.

House Ways and Means Committee chairman Rostenkowski is right to press for an increase in taxes, despite Bush's threat of a veto. Real reductions in spending for both military and domestic programs are also needed, as are limitations on cost-of-living allowances for Social Security, Medicare and Medicaid.

Bush should be commended for his willingness to negotiate with congressional leaders on the deficit issue, something Ronald Reagan refused to do. But the time has come for real progress on this critical issue, not just vague promises of better things to come.

Mr. DOMENICI. Madam President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 11 minutes 43 seconds.

Mr. DOMENICI. First, I want to say that I do not intend to use all of it. I think a number of Senators want to get to vote as early as possible. Might I say, after hearing my friend, Senator ARMSTRONG's discussion, and without hearing the rebuttal which I am sure my friend from Texas is going to make, I look around to see whose budget this was, and the only person I could not see here was President George Bush. So I want to say I surely do not think you should have been so vehement against President George Bush's budget.

I yield 5 minutes to my good friend from Texas.

Mr. GRAMM. Madam President, the budget before us is like a little orphaned child. Nobody wants to claim parentage. I am not here to claim paternity myself. In fact, I cannot take any credit for having written this budget. In many ways, it can be assailed, but when we get to the bottom line, I think there are certain positives of this budget that we ought to look at. It is clear that this budget is something between kissing Sophia Loren in the moonlight and kissing your maiden aunt at the nursing home. But, Madam President, this budget does move us in the right direction.

Let me outline how. First of all, under this budget, Federal spending grows at 2 percent. Does the budget have some asset sales and cutting corners here and there? The answer is clearly yes. But the bottom line is, we are spending 2 percent more than we spent last year. For the 20 years prior to the adoption of the Gramm-Rudman-Hollings balanced budget law, Federal spending grew by more than 10 percent a year. So spending is growing at about one-fourth the rate in this budget that it grew on average for the 20 years prior to 1985.

Second, under this budget, the Federal Government is getting smaller relative to the private sector of the economy. In fact, in 3 out of the last 4 years, the Federal Government has gotten smaller relative to the private sector of the economy.

So, Madam President, this is not my budget. I am not claiming any credit for it. But the bottom line is, the deficit is coming down. The deficit is still too large. Our problem is that we have committed to eat an apple, and this is not a very large bite. It means the apple is going to be harder to eat in the next two or three bites. But anybody who claims that this budget is not moving in the right direction, that this budget does not represent a substantial change in fiscal policy, that this budget does not represent fiscal restraint, I think is simply not being accurate.

We can always do more. We should do more. I wish the deficit were coming down faster. My guess is the deficit will be $115 billion and not $100 billion under this budget, but it was $233 billion when we started. That is cutting the deficit in half. That is dramatic progress.

So this budget may not be pretty enough to want to take home and show it to your mama, but it is a dramatic change in fiscal policy, given all the proposals to spend all the money that is proposed to spend. If we live on this budget, we will have made progress.

I hope, Madam President, that all of the people who are saying we should have done more will be here on the floor of the Senate when I predict later this year there will be effort after effort to try to waive the budget constraints, to try to spend more, to try to breach these targets. All these people who wanted to do more, who wanted to take bolder steps, I hope they will be here when we try to enforce this budget. I suspect many of them will not. I will be here, and I intend to remind them of how everybody said this was so little, that this budget did not represent restraint.

I submit that when we try to live within these constraints, that there are many here who will find them more binding than they think today and will be eager to get out from under them. I will hopefully be here with many others trying to see that we do not.

Mr. HOLLINGS. Madam President, all we hear in the adoption of this budget is "This is the best we can do." Obviously, "this is the best we can do" if no one tries to do better. The President and congressional leadership in closed session conspired to save their political hides by agreeing and then announcing publicly "this is all we can do." Half the Budget Committee in the Senate voted to freeze spending, they did so in a bipartisan move but by the time it reached the floor, the White House and leadership lobbied strong to make certain "This is all we can do." This totally ignores where we are and what needs be done. Only yesterday, we had a spirited session before the Senate Finance Committee and there was a unanimous feel in the room that we should do something about the deficit. What should be done is touched on in my comments which I now submit in open session and ask to be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR ERNEST F. HOLLINGS BEFORE THE SENATE FINANCE COMMITTEE ON S. 442, MAY 17, 1989

As the Cheshire Cat told Alice in "Alice in Wonderland," before we decide where we are going, we must first find where we are.

Where we are:

1. For eight years running now, we have been spending on an average of $200 billion more than we are taking in.

2. At this moment, we are spending $300 billion more this year than we will take in.

3. The national debt has jumped from $914 billion in 1981 to $2.8 trillion at this moment.

4. Gross interest costs are at $275 billion.

5. Net interest cost this year equals $174 billion.

6. Gramm-Rudman-Hollings is not working—the deficit agreed to by the House and the Senate is nearer $150 billion than $100 billion.

7. Rather than growing out—we are growing in. While President Reagan cut $30 billion from domestic programs, interest costs have jumped from $52 billion in 1981 to $174 billion in 1989. We have started a new spending program of $122 billion for nothing.

8. This new spending program hemorrhages at the rate of $20 to $25 billion each year.

9. The best of government eliminators—Ronald Wilson Reagan—"eliminate the Department of Education and the Department of Energy"—couldn't stop the hemorrhage by cutting programs.

10. Defense accounts for 26% of the budget; entitlements for 48%. With the contracts in the pipeline that cost more to cancel than to complete, with the inflationary costs of operation and maintenance, there will be no real cuts in defense for the next few years. The same for entitlements which are increased by the Summit Agreement $32 billion. Interest cost accounts for 15%. If there is no saving in defense, entitlements and interest costs, the only chance to cut is in domestic spending—11% of the Budget. You can eliminate all domestic spending and still have a deficit. For those worried about making the government bigger—it already is bigger. We're just not paying for it.

So we need taxes. That is where we are. There is no free lunch. In trying to get by, we are depleting our trust funds and putting America up for sale at half-price. The tremendous deficits have caused us to devalue our dollar and every Governor in the land has an office in Brussels or Tokyo telling them to hurry up and buy America while they can. If not owned by foreigners, we'll soon be controlled by foreign financing. We need to finance our own debt.

Let's look at taxes. To begin with, we need a substantial tax—more on the order of a consumption tax. Excise taxes, "sin" taxes, user fees are fiddling while Rome burns. Five to six billion dollars will not do the trick when the interest hemorrhage is jumping $25 billion. Ten to fifteen cents on a gallon of gas won't do the trick. Moreover, both the Senate and the House have just resolved overwhelmingly against a gasoline tax. The reform of income taxes of 1986 is just being implemented. Obviously, Finance and Ways and Means have no idea of jimmying these figures before they have even taken effect. The only tax that other industrialized nations have used successfully that we have avoided is a consumption tax, the value-added tax. We avoided it for one main reason: it brought far more revenue than was needed. Now the need is bigger than the tax. A VAT at 5%, exempting food, housing and health care, raising $70 billion a year would still take until the year 2023 to eliminate the deficit and the debt. We need to impose such a tax and copper fasten it in a trust fund at the Department of Treasury to be used only to reduce the deficit and the debt—not to be used for any other purposes.

I'm not a tax expert; I am prepared to answer the questions as to the VAT mechanism, inflationary impact if any, the regressive nature and the like but we have better witnesses. I have attached a description of VAT. Let me just make the political case.

As Irving Zuckerman pointed out, in the Korean War we raised taxes and held interest rates down rather than raising interest and holding taxes down. With lower interest rates, the United States built over 4,000 plants while waging war and while under the highest inflationary conditions. It must be remembered that higher interest rates are virtually taxes paid to the banks instead of to the government—or in this case to Japan—over $5 billion a month. And in the Vietnam War, President Lyndon Baines Johnson paid for his guns and butter in 1968 with a 10% surtax, delivering a budget in surplus to Richard Nixon.

I testified before you on the value-added tax two years ago. We receive 8 votes out of the necessary 12 before the Budget Committee at that time—bipartisan support. VAT is an idea whose time has come. We should have done this rather than Reaganomics 8 years ago. Today, the need is overwhelming. Today, we have fiscal anarchy. We face the S&L problem—put it off-budget—say it doesn't exist. Our House colleagues have just called the CBO to have the Drexel-Burnham $600 million fine included as an offset to the G-R-H requirements of the urgent Supplemental bill. We refuse to face reality. We have stopped competing. We continue to tell each other that we are fat, rich and happy and that there is no need for government. We have started down the road that England traveled at the end of World War II. When the British withdrew from the colonies, they told her, "Don't worry—instead of a nation of brawn, you will be a nation of brains. Instead of producing products, you will provide services. Instead of creating wealth, you will handle it and become a financial center." And England has gone to hell in an economic handbasket.

It was David Ricardo who told the economic world 200 years ago that each nation should produce according to its comparative advantage. When the British suggested this to our forefathers, Alexander Hamilton wrote his famous booklet, "Report on Manufactures." He told the British to bug off. "We will not remain your colony," said Hamilton. And the first bill to pass our nation's Congress on July 4, 1789 was a tariff bill of 50% on 60 articles, beginning with steel. We used our government to produce this economic industrial giant United States of America. And now the Japanese, emulating us, have used their government to develop the state-of-the-art model of protectionist production and trade. The comparative advantage in today's trade war is government. Now, that war started 200 years ago, is about won by the Japanese. Today, they are richer than you and me. Our per capita GNP income is $19,758 (U.S. Department of Labor); Japan's is $23,356 (Government of Japan). So I appear not to bash the Japanese—you can't fuss with success—but to bash you and me. We live in a dangerous paradox. Overdeveloped Japan is taking the underdeveloped United States to the cleaners. Yes, we have the Donald Trumps and Eisners of Disney making $40 million a year. But we have our citizenry sleeping on the grates outside the Justice Department. Some justice! We have children brought into this world with undeveloped minds—minds that will never develop due to a lack of protein. We have "cities on a hill" rampant with crime and drugs. While our bridges and infrastructure collapse, we are building water lines, sewer lines and libraries in Europe. You and I are the largest employer in Western Europe. But in this country, there is no money for the environment, no money for health care—37% of the population is without—no money for teachers. Fat, rich and happy? No, we are hungry and unhappy. And before we can get happy, before we can provide for our needs, we have got to take our medicine. We have got to excise this cancer of interest cost and this can only be done with the trust fund at the Department of the Treasury that is truly a trust fund—never to be used as an offset for any other than the deficit and the debt.

Finally, let me emphasize one point—all taxes are regressive. But if used to protect, if used to develop, if used to open doors, then you have reached the fundamental of democratic government. I heard the economists 40 years ago tell me that a sales tax was regressive. At the time, South Carolina was the poorest of the poor. And we had the greatest need. We had the greatest illiteracy. We had the greatest population to be educated. We were told the poor couldn't afford to be taxed. We enacted a sales tax and allocated it to education. We developed a public school system and technical training to provide skills and today we have a veritable Fortune 500 group of industries and opportunity in South Carolina. Regressive? It's the most progressive thing I have ever done in politics.

VAT DESCRIPTION

A value added tax is a broad based consumption tax that is imposed at each stage of production of goods or delivery of services. I have proposed a "destination-based, invoice-method" VAT of 5 percent, which exempts food, housing and medical care. It is "destination-based" because the tax is paid in the country where the goods or services are consumed. This means goods consumed in the U.S. are taxed here. Those consumed in other countries are not taxed here.

The "invoice-credit method" refers to the method of calculation of the VAT. The invoice method imposes a VAT at each stage of production and the tax is listed on the invoice. As a taxpayer, I have two entries on my ledger: one for VAT paid on purchases, and one for VAT received on sales. I receive credit for tax paid on purchases and use it to offset tax due on sales. The invoice acts as a paper trail for the IRS. This is repeated at each stage of production up to the point of retail sale.

Obviously, I view the VAT as the cleanest, most efficient method of raising sufficient revenue to eliminate the deficit and debt. It is a common-sense tax that offers a number of collateral benefits. Under the invoice method, the VAT tax is substantially self enforcing. For instance, if I purchase a product from you, I pay for your value added tax in my purchase price. In order to

receive credit for the payment of that tax, I must show, by invoice, offsetting sales including payment to me. My net VAT liability is determined by subtracting the tax paid on purchases from the tax received on sales. So, in order to cheat the government, you have to cheat your customers or your suppliers, and most businessmen are very good at not getting cheated.

Also, because it is destination based, the VAT carries with it very important trade benefits. A VAT is a "border neutral" tax, which means that when a good passes out of the country in which it is produced, the VAT is rebated to the seller. In addition, when the same product is imported into the country where it is to be consumed, that importing country's VAT is added to the product. So, a country without a VAT, like the U.S., is getting the worst of both worlds: foreign goods are cheaper here because the VAT is deleted, and U.S. produced export items are more expensive because a VAT levy is included in the sale price by the importing country. Lester Thurow, Dean of the Sloan Business School at MIT, has said, with good reason, that "The rules of international trade are structured to make you stupid if you don't have a value added tax."

A VAT is also a consumption tax, and as such, has the effect of discouraging consumer binges and hence encouraging savings. The retired Senate sage Barry Goldwater has said, "If you want to discourage something, tax it. If you want to encourage it, subsidize it." Yet, in this country, we perversely tax savings and subsidize borrowing and spending. A VAT would reverse this.

The three most common criticisms of a VAT are that it is inflationary, that it is a money machine for expanding by government, and that it is regressive. The first criticism, that it is inflationary, is overblown, and the other two I have addressed in my bill. Experience shows that while modest inflation can be attributed to a VAT, it is a one-time increase which does not feed the tax-price-wage spiral that most people fear. In addition, deficit reduction made possible by a VAT, and the corresponding lower interest rates would largely offset any inflationary pressure. In fact, it will unburden taxpayers from the cruelest tax of all, the $174 billion in annual interest costs on the rising national debt.

As for the regressive nature of a VAT, my version will exempt food, housing and medical care. Since the poorest Americans spend the bulk of their income on these necessities, these exemptions substantially eliminate regressivity.

Finally, the "money machine" argument is moot under S. 442. All of the revenue from the VAT would go into a sarosanct dedicated Deficit and Debt Reduction Trust Fund. VAT revenues must not and will not go toward starting up the federal gravy train again.

RURAL DEVELOPMENT

Mr. LEAHY. Madam President, first I would like especially to thank the Senator for his excellent efforts on behalf of rural development in the budget conference. He successfully persuaded the House to recede to the Senate resolution numbers. I and my colleagues are grateful for his help. I would also like to clarify the amount of funding available for rural development in the final resolution. It is my understanding that the resolution includes $300 million in budget authority and over $100 million in outlays for fiscal year 1990. This level assumes that all other discretionary programs within the agriculture function are held to a 1989 "hard freeze" level.

Mr. SASSER. I appreciate your kind remarks and would also like to note that Senators EXON, SANFORD, CONRAD, and FOWLER have played an instrumental role in the Budget Committee to secure additional funding for rural development. While, the 1990 budget resolution contains no specific assumptions concerning the allocation of discretionary spending increases, you are correct that $300 million in budget authority and over $100 million in outlays would be available for rural development if all other programs within function 350 are held to 1989 levels. I am pleased that the House agreed to adopt the Senate resolution levels for rural development funding.

NRC FEE

Mr. DOMENICI. Madam President, I wonder if I could engage the distinguished chairman of the Budget Committee in a discussion of the assumptions underlying the reconciliation instructions in the conference report on the budget resolution. There are some significant differences between the House and the Senate reconciliation instructions which may cause our committees some confusion.

The crux of the difference is this: While the assumptions underlying reconciliation, instructions to Senate committees are generally unspecified, the assumptions, underlying reconciliation for House committees are quite specific. For example, the $450 million reconciliation instruction to the Senate Environment and Public Works Committee is denoted as "unspecified." By contrast, the House Energy and Commerce and Interior Committees are reconciled with a $299 million saving instruction which is denoted as "Nuclear Regulatory Commission [NRC] User Fees."

Because NRC fees are within the jurisdiction of the Environment and Public Works Committee on the Senate side, the question arises as to whether the conferees adopted the House NRC fee assumption of 100 percent cost recovery. Do the conference report reconciliation instructions for the Senate make this assumption? In more general terms, are the conference report assumptions for reconciling House committees applicable to the reconciliation instructions for the Senate?

Mr. SASSER. Madam President, the Senator from New Mexico raises a most important point. As the Senator knows, the assumptions that underlie reconciliation instructions are not binding on committees. The committee's responsibility is to produce legislation within its jursdiction which produces savings necessary to meet the instruction. There is no requirement that this legislation be based on the assumptions used in developing the budget resolution. Committees have the ultimate responsibility for determining the method chosen to meet their instructions.

With regard to the difference between reconciliation instructions between House and Senate committees, the answer to your question is no. Unless noted otherwise, the conference report assumptions for reconciling House committees do not apply to the Senate reconciliation instructions.

In the case of the Environment and Public Works Committee, the $450 million reconciliation instruction could be accommodated through any number of actions which do not include an increase in NRC fees to 100 percent. For example, an increase in NRC fees to 45 percent combined with the imposition of a chlorofluorocarbon [CFC] production proposal could most easily achieve the reconciliation instruction.

Madam President, I've already stated that there are very few specified assumptions underlying the reconciliation instructions to Senate committees. NRC fees are a case in point. While the House has identified its NRC fee assumption the Senate has not discussed its position on these fees. Because of the controversy over these particular fees, I feel compelled to outline the Senate's assumptions.

The Senate budget resolution and the reconciliation instruction for the Environment and Public Works Committee in the conference report assumed a cost recovery level of 45 percent for the NRC.

This level is consistent with the current fee structure and addresses concerns raised by the Senate Environment and Public Works Committee, which has repeatedly stated that a 45-percent cost represents a ceiling.

Mr. DOMENICI. I thank the Senator for this clarification.

Madam President, I ask unanimous consent that two letters from the Senate Environment and Public Works Committee regarding NRC fees be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

COMMITTEE ON ENVIRONMENT
AND PUBLIC WORKS,
Washington, DC, May 8, 1989.

Hon. JAMES R. SASSER,
Chairman, Committee on the Budget, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The House passed budget resolution for FY90 (H. Con. Res. 106) includes a reconciliation instruction to the Senate Environment and Public Works Committee to increase user fees in the amount of $299 million, equal to 100% of the budget for the Nuclear Regulatory Commission. That requirement parallels the assumption in the President's FY90 budget. As stated in the Committee's views and esti-

mates submitted to the Budget Committee in March, we are opposed to this proposal.

The issue of NRC fees has been a heavily debated and difficult matter for this Committee. Most recently, we reluctantly agreed to 45% fee recovery of the Commission's budget for FY88 and FY89 as part of the Omnibus Budget Reconciliation Act of 1987. This was one of the most contentious points in the overall reconciliation conference and one of the last to be resolved that year. It was further complicated by the fact that this Committee was directed to increase NRC fees, yet the savings were simultaneously scored to the Senate Appropriations Committee, a situation we assume will not be repeated. In terms of policy, the concerns we expressed at the time still remain. It is bad policy as well as inequitable and unfair to the regulated community to impose fees that would result in recovery of all or most of the Commission's annual budget.

The implicit assumption in the Senate budget resolution (S. Con. Res. 30) reconciliation instruction to this Committee is that the 45% level will be continued in FY90. It is too early to predict whether the Committee will agree to report corresponding legislation. however, we would view 45% fee recovery as a ceiling in our deliberations.

On behalf of the Environment and Public Works Committee, I urge you to insist upon the Senate NRC fee position when you meet with the House Budget Committee in conference on the FY90 resolution. We would be vigorously opposed to any directions to this Committee to elevate NRC fees in the order of magnitude proposed by the House.

Sincerely,

QUENTIN N. BURDICK,
Chairman.

COMMITTEE ON ENVIRONMENT
AND PUBLIC WORKS,
Washington, DC, May 9, 1989.

Hon. JAMES R. SASSER,
Chairman, Committee on the Budget, U.S. Senate, Washington, DC.

DEAR JIM: We understand that you are meeting in conference tomorrow to discuss the House and Senate budget resolutions. One major issue in those discussions will be the extent to which user fees should be imposed by the Nuclear Regulatory Commission.

Current law permits the NRC to impose user fees equal to 45% of its budget, and the Senate budget resolution assumed that the 45% level would be continued in fiscal year 1990. The House budget resolution, however, calls for an increase in user fees to a wholly unrealistic amount equal to 100% of the NRC budget.

We strongly oppose the imposition of user fees above a 45% level. Therefore, we seek your assistance in firmly resisting all efforts to attempt to increase the present level of NRC user fees. Thank you in advance for your cooperation.

Sincerely,

ALAN K. SIMPSON,
Ranking Minority Member,
Subcommittee on Nuclear Regulation.
JOHN BREAUX,
Chairman,
Subcommittee on Nuclear Regulation.

THE BUDGET

Mr. COATS. Madam President, my first responsibility to the people of Indiana is to set priorities—priorities that will determine how the Federal Government can best serve their needs. And among the most important of those priorities is the need for responsible management of the Government's finances.

The past two decades have seen a faster growth rate for the Federal Government than in any other period in the Nation's history. And during that period the Federal Government has run a budget deficit each and every year. But the reason we have been operating in the red for so long is not because we lack revenue. On the contrary, during the past 8 years alone tax revenues have increased by more than $400 billion. The Federal tax burden has reached a near historic high of over 19 percent of GNP. When State and local taxes are included, Americans are giving up a bigger share of their paychecks to taxes than they ever have in our Nation's history.

No, we do not need more taxes. But we desperately need some fiscal restraint and prudent management. The problem of budget deficits is a problem of unchecked growth in spending. And the only real solution will be a substantial reduction in the growth of that spending. The budget we have outlined for fiscal year 1990 is a step in the right direction. It represents a modest triumph in our attempt to restrain spending increases—resulting in a reduction of the Federal budget deficit by $63.2 billion, almost a 39-percent decrease from the 1989 level. And with this reduction, the deficit for fiscal year 1990 will be under the $100 billion level required by Gramm-Rudman-Hollings.

Yet, while progress has been made in reducing spending, it is not nearly enough.

Part of the problem of restoring fiscal balance has been institutional. The budget process itself is badly in need of reform. And I am convinced that any successful attempt to control excessive spending might include two elements: (a) enhanced rescission or a line item veto, and (b) biennial budgeting.

Currently 43 Governors and all the CEO's of America's largest corporations have the ability to strike out budget items that they deem unnecessary or wasteful; but not the President of the United States. Current law does allow the President to cancel an appropriation or part of an appropriation through rescission. But Congress can reject a Presidential rescission proposal simply by refusing to act on it. And that is precisely what has happened to the great majority of Presidential rescission proposals since the law was enacted in 1974. By giving the President an enhanced rescission power—a proposal that would require the Congress to vote up or down on the President's rescission proposals—Congress would be made more accountable by facing that recorded vote. And this greater accountability, I believe, would lead to less pork-barrel legislation and a leaner budget.

Biennial budgeting is another vital tool of fiscal restraint. The entire budget process would be much less time consuming if it covered 2 years rather than 1. And biennial budgeting would also make for more efficient program management since funding would be assured for a reasonable amount of time into the future. Such increases in management efficiency invariably result in lower costs.

But in addition to reforms within the budget process itself, I am convinced that we need a decisive external brake on runaway spending which can only be provided by a balanced budget amendment to the Constitution. More than 30 States have already enacted legislation calling for a constitutional convention to adopt a balanced budget amendment. And no wonder, the Federal Government has been in the red for 35 of the last 40 years. With such a track record it is clear that, in the long run, only a constitutionally mandated restriction will allow us to avoid habitual budget deficits.

Fiscal responsibility is a high priority. But this budget recognizes that we have other important priorities as well. In particular, it embodies our commitment to give more attention both to the fight against drugs and efforts to strengthen America's families. In fact, the funds authorized for these functions have been increased by over $2 billion over the last budget.

In a time of tight budgets it is essential that we spend funds wisely. There is no room for waste. So when we increase funds for human services—especially those designed as investments in our children's future—we must seek out those programs that really work.

For several years I have been emphasizing this important search. When I was the Republican leader of the House Select Committee on Children, Youth, and Families, its chairman and I issued a widely distributed report titled "Cost Effective Programs for Children." That report highlighted an extraordinary fact. Certain Government programs—like Women's Infant Care [WIC], Head Start, Job Training, and Prenatal Care—actually save money when managed well.

I have also proposed that the General Accounting Office [GAO] develop a framework which would allow us to evaluate which social programs work, which do not, and why. GAO will soon be releasing to me a comprehensive followup study of the foster care system that was done to test the framework.

If our resources are going to be limited, we must use them as wisely as possible. The American Family Act, which I am introducing today, is a package of 26 bills that tries to maximize the utilization of limited re-

sources. For less than the cost of the Child Care Program allowed for in this budget, we cannot only provide low-income families with more child care dollars and more choice of who they want to care for their children, but we also fund innovative proposals to help children caught in foster care, to help fight gangs, and to provide more funds for parental choice in education.

If we act responsibly within these budget guidelines, we can do more to fight infant mortality, drug abuse, and the problems of the homeless. But we must do so intelligently. We have an obligation to keep our Nation strong—militarily, socially, and economically. And I believe that we can. But we must look for innovative, creative ways to meet needs while living within our means. We must address core problems and not simply throw money at symptoms. And if we do these things, we can progress beyond this first step in deficit reduction, while we continue to expand opportunities to all Americans.

Mr. RIEGLE. Madam President, as a supporter of this budget resolution, I would like to take a few moments to comment on its strengths and weaknesses.

On the one hand, I am encouraged that President Bush has acknowledged the need for Congress and the administration work together to solve our budget deficit problems. This is essential if we are to make the difficult decisions necessary to bring about real deficit reduction.

I am disappointed, however, that we were not able to take greater advantage of this cooperation to put the deficit on a downward course.

There are other positive aspects of this budget. Funding increases for key programs like education, research, and health programs for low-income women and children are long overdue.

The deficit continues to be a very real and serious problem. While it appears that the deficit is declining both in real terms and as a percent of GNP, we should not let ourselves be lulled into a false sense of security. The truth is that the operating budget of the Federal Government is grossly out of balance.

The true size of the deficit is masked by the Federal trust funds, and in particular the Social Security trust fund. The Social Security trust fund reserves reduce the apparent size of the deficit by $68 billion in fiscal year 1990. If all of the other Federal trust funds are excluded from the calculations, the deficit is actually $136 billion larger than is currently acknowledged. These funds are dedicated for a specific purposes. In the case of Social Security, Congress intentionally enacted legislation to build up the reserves to pay for future benefits. This funding should not be used to offset current consumption.

We could debate endlessly on the causes of the budget deficit. I would point out to my colleagues, however, that domestic programs have borne more than their share of reducing Federal spending. Since 1981, domestic discretionary programs have been cut nearly 20 percent in real terms. At the same time, defense spending has grown nearly 40 percent in real terms. Medicare, where much of the growth has occurred, has also been cut more than any other Federal program. Many people say we should cut Social Security to balance the budget. I would point out to these people that growth in Social Security has been more than offset by increases in revenues for the program.

So, Madam President, I would like to make it clear that while I support this resolution, I think this is only a first step and now is the time to develop a comprehensive solution to reduce the deficit. I think this budget is the best possible outcome for this year, but I also hope that the chairman, and the ranking member of the Budget Committee will do their best to hold the President to his promise to return to the negotiating table at the earliest possible date to find a real solution to our budget problems. In doing so, I hope that they will reevaluate our national priorities and focus their attention on making investments in our future.

HOUSING FUNDING

Mr. SANFORD. Madam President, I want to commend the distinguished chairman of the Budget Committee, the senior Senator from Tennessee, for his strong leadership and support in assuring that housing, especially rural housing, is treated as a priority in the fiscal year 1990 budget now before us.

Budgets for the past 8 years have neglected this basic need, and far too many rural families now find that housing is no longer affordable, either for rent or to own. I seek recognition to clarify an important point that I believe is assumed in this conference report.

I ask the chairman if I am correct that the Senate-passed budget resolution for fiscal year 1990 included an additional $100 million above baseline for rural housing?

Mr. SASSER. The Senator from North Carolina is correct.

Mr. SANFORD. Am I also correct that this additional funding for rural housing is assumed in this conference report on the fiscal 1990 budget now being considered?

Mr. SASSER. The Senator from North Carolina is correct that the additional funding for rural housing included in the Senate-passed budget resolution is also assumed in this conference report.

Mr. SANFORD. I thank the Senator from Tennessee for making this clear, because the rural housing crisis is no less severe than the housing problems facing our Nation's inner cities. The downturn of the natural resource and agricultural economies has contributed to serious housing affordability problems in our Nation's rural areas, and I am pleased that the conferees agreed to this important increase in funding for the rural housing programs administered by the Farmers Home Administration.

The National Housing Task Force found that, nonmetropolitan areas now have a higher rate of poverty and unemployment than metropolitan areas—and the incidence of inadequate housing is higher. The task force concluded that some 4.3 million low-income households, living in small towns and rural areas, have a serious housing problem. Approximately 2 million households live in substandard dwellings, usually with inadequate plumbing, while 1.4 million households are burdened with excessive housing costs. In addition, more than 200 nonmetropolitan counties in this country have poverty rates above 20 percent and substandard housing rates above 10 percent.

In past years, the Federal Government responded to this crisis by reducing Federal rural housing assistance by almost 50 percent. Rural housing programs have been slashed back, reducing unit production from about 100,000 to 55,000 units per year.

The absence of sufficient funding for these cost-effective programs has created a tremendous backlog of demand. In fiscal year 1988, the Farmers Home Administration deemed 100,000 single family loan applications eligible for assistance, yet only 35,000 applications received loans because of low-funding levels. Demand for rural rental housing is equally great. FmHA has on hand close to $1.5 billion in section 515 loan applications which would be approved if funding was available.

The additional funding provided in the conference report would provide desperately needed assistance to my home State of North Carolina. Twelve rural counties in North Carolina have poverty rates greater than 20 percent and substandard housing rates greater than 10 percent. In addition, North Carolina has an application backlog for section 515 rural rental housing of $159.2 million. The 502 program is also restrained by an absence of Federal assistance.

This conference report takes an important step foward for rural housing. I applaud my colleagues for supporting this $100 million increase over the baseline, or nearly $200 million over the 1989 levels. I will continue to fight for rural housing assistance throughout the appropriations process.

Mr. SASSER. Madam President, I want to congratulate my colleague, Senator SANFORD, for his efforts toward making the Congress aware of the critical rural housing problem and I commend him for the conviction with which he has pursued the increased assistance included in the budget resolution.

I would like to say that North Carolina and Tennessee share not only a common border, but common needs and problems. Our two States are among the four most rural States in the country. Forty-five percent of North Carolina's population lives in rural areas; Tennessee's population is 33 percent rural.

Madam President, the housing problems of the rural poor are as real and tragic as the problems facing the urban poor, but perhaps a little less visible. America has over 7 million nonmetropolitan households living in housing that is physically inadequate, overcrowded, or excessively expensive. Approximately half of these families have very low incomes—or less than 50 percent of the area median income. The fact that fully one-fourth of all emergency shelters nationwide are occupied by rural residents points dramatically to the extent of the housing crisis facing rural areas.

I am, therefore, proud to join my friend from North Carolina in strongly supporting the $100 million increase above the baseline for rural housing programs and again thank him for his efforts on behalf of this initiative. This increase will help put affordable decent, safe, and sanitary housing within reach for thousands of low-income families in rural areas.

FUNDING FOR THE SECURITIES AND EXCHANGE COMMISSION

Mr. SASSER. Madam President, I wish to address the issue of funding for the Securities and Exchange Commisssion. The SEC has been underfunded for a number of years relative to the importance of its mission and the enormous activity in, and growing complexity of, the Nation's securities markets.

As a member of the Securities Subcommittee of the Senate Banking Committee I have been acutely aware of this. Therefore, I am pleased that this budget resolution recognizes the urgent need for increased SEC funding and provides an appropriate level. Indeed, the SEC in this resolution is accorded budget authority of $169 million in fiscal year 1990. This is a 18.2-percent increase over 1989, and a 10.5-percent increase over a current services baseline.

Mr. DODD. As chairman of the Securities Subcommittee of the Banking Committee, as well as a member of the Budget Committee, I would like to highlight just some of the information we gathered in recent hearings on the SEC's budget authorization.

Since 1980, trading volume on the stock exchanges has grown more than 300 percent, and the over-the-counter volume has increased by 465 percent. In addition, the number of securities firms has increased 88 percent, and the number of registered representatives has increased 145 percent. While investment companies have grown by 146 percent, their assets have increased 411 percent. Their assets under management have increased 945 percent and now total $4.4 trillion—greater than the combined deposits of our Nation's banks and savings and loans.

During this same period in which we have witnessed such tremendous growth in the securities industry, the SEC staff levels have remained virtually static. In 1980, total SEC staff years were 2041. Today, those staff years have grown to only 2050.

Mr. RIEGLE. As Chairman of the Banking Committee, and as the previous Chairman of the Securities Subcommittee who has looked into the funding needs of the Commission in depth, I note that the chairman of the Budget Committee is absolutely correct in his assessment of the SEC's needs and I appreciate the work that he has done in this area. An effective SEC is vital to the capital raising process in this country.

Moreover, a special study of the securities markets similar to the one last conducted in 1961 is also long overdue. If the United States is to retain its competitive position in the international capital markets, it is extraordinarily important that we put our best minds to work to prepare for the future and review the many outstanding complex issues in the securities and financial instruments area. This requires funding which should have been appropriated some time ago.

Mr. SASSER. I thank both my colleagues for their insight and knowledge regarding the need for a strong and effective Securities and Exchange Commission. As the Senate begins debate on the conference report to the budget resolution, I would like to point out that budget has made ample room for this funding of the SEC in function 370.

Moreover, the SEC is a money making organization, and will more than pay for this apropriation level through the collection of filing fees and transaction fees. The SEC projects that it will collect fees of $263 million in 1990. The Commission also has the authority to request civil penalties for insider trading violations, and legislation has been proposed to give the SEC authority to request fines for other violations. In 1987-88, these enforcement efforts resulted in the payment of nearly $64 million in civil penalties to the U.S. Treasury. And as part of the recent Drexel settlement, an additional $350 million in civil and criminal fines will be paid to the Treasury.

For several months now, both the distinguished chairman of the Banking Committee and my colleague from Connecticut have spent countless hours working to develop a plan to bail out the savings and loan industry. This crisis has shown us what can happen when the regulator doesn't keep up with the growth of an industry. The recommended increase in SEC funding will alllow the SEC to remain a strong regulator in a continually growing industry.

I thank my colleagues for their work in ensuring that the SEC's enforcement ability keeps pace with the growth of the securities industry, and for their support of this funding level.

I yield the floor.

Mr. RIEGLE. Madam President, I would like to inquire of my good friend and chairman of the Senate Budget Committee whether the conference report on the budget resolution assumes "user fees" for Federal secondary mortgage market entities. The administration had proposed user fees on entities within the jurisdiction of the Senate Banking Committee such as the Government National Mortgage Association, the Federal Home Loan Mortgage Corporation and the Federal National Mortgage Association. While neither the House nor Senate budget resolution assumed those fees, I would like to clarify that the $2.7 billion assumed for user fees in the final conference report on the budget resolution do not relate to the activities of those entities.

Mr. SASSER. I can assure the Senator that the conference report on the fiscal year 1990 budget resolution before the Senate does not assume imposition of user fees on secondary mortgage market entities. To the contrary, the report accompanying the Senate-reported budget resolution included language rejecting those fees. It stated, "The funding levels specifically do not assume the imposition of user fees on Federal secondary market entities." I would add that the House Budget Committee Report contained similar language as well. This position was maintained in both the Senate-passed resolution and the House-passed resolution. There was no change in the conference, and the conference report does not include those fees.

GNMA, FHMA, and FHLMC serve a vital role in making affordable mortgage financing available to homebuyers. These entities purchase mortgages for investment or for securitization, thereby replenishing lenders' capital to originate mortgages.

The imposition of so-called housing user fees would amount to a tax on homeownership. It would impair the ability of the entities to carry their

mission. Such user fees clearly are not included in the budget resolution.

Mr. RIEGLE. I thank the Senator for his assurance.

Mr. DOLE. Mr. President, today we have before us the House and Senate conference report on the 1990 budget. The budget reductions provided in this plan are very modest, but they do meet the Gramm-Rudman-Hollings targets for fiscal year 1990 and keep us on the road to completely eliminating the deficit by 1993. Now comes the hard part—sticking with the agreement and resisting temptations to expand spending or raise taxes. Throughout this year we must keep in mind the Gramm-Rudman targets: 100 in 1990, 64 in 1991, 28 in 1992, and 0 in 1993.

Next year we will have to find a minimum of $36 billion to meet the 1991 Gramm-Rudman-Hollings target, and that's going to require some tough choices. Some programs are going to have to be cut back, others completely eliminated, and in an election year that's going to be very difficult. Maybe we can make our job a little easier by starting negotiations on the fiscal year 1991 budget right now, as called for by the bipartisan summit agreement and the President of the United States. Cutting the budget is always hard, but under the spotlight of a campaign the temptation to postpone tough choices becomes almost too great.

Unfortunately, a lot of cynics in this town are skeptical about the chances for early negotiations on the 1991 budget. They say that Congress only makes real progress on issues under the immediate threat of a crisis. Well, I think this year the budget negotiators have proven the cynics wrong. We have made a small, but significant step toward our goal of a zero deficit in 1993. I congratulate Senator DOMENICI and everyone involved in budget negotiations this year, and hope they can soon begin their work on the 1991 budget.

Mr. DOMENICI. I yield the remainder of the time I have on this resolution, Madam President.

Mr. SASSER. Madam President, I yield back the remainder of my time.

Mr. DOMENICI. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the conference report. The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

The PRESIDING OFFICER (Mr. KERREY). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 63, nays 37, as follows:

[Rollcall Vote No. 69 Leg.]

YEAS—63

Adams	Durenberger	McCain
Bentsen	Ford	Mikulski
Biden	Fowler	Mitchell
Bond	Glenn	Murkowski
Bradley	Gore	Packwood
Bumpers	Graham	Pell
Burns	Gramm	Pryor
Byrd	Grassley	Reid
Chafee	Hatfield	Riegle
Coats	Heflin	Rockefeller
Cochran	Heinz	Rudman
Cohen	Inouye	Sanford
Cranston	Jeffords	Sarbanes
D'Amato	Kassebaum	Sasser
Danforth	Kasten	Simon
Daschle	Kennedy	Simpson
DeConcini	Leahy	Specter
Dixon	Lieberman	Stevens
Dodd	Lott	Thurmond
Dole	Lugar	Wilson
Domenici	Matsunaga	Wirth

NAYS—37

Armstrong	Hatch	Metzenbaum
Baucus	Helms	Moynihan
Bingaman	Hollings	Nickles
Boren	Humphrey	Nunn
Boschwitz	Johnston	Pressler
Breaux	Kerrey	Robb
Bryan	Kerry	Roth
Burdick	Kohl	Shelby
Conrad	Lautenberg	Symms
Exon	Levin	Wallop
Garn	Mack	Warner
Gorton	McClure	
Harkin	McConnell	

So the conference report was agreed to.

Mr. SASSER. Mr. President, I move to reconsider the vote by which the conference report was agreed to.

Mr. BRADLEY. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from New Jersey.

RECOGNIZING MAY 25 CONVENING OF U.S.S.R. CONGRESS OF PEOPLE'S DEPUTIES

Mr. BRADLEY. Mr. President, on behalf of myself and Senators MITCHELL, DOLE, CRANSTON, LUGAR, CHAFEE, WIRTH, FOWLER, and LIEBERMAN, I send a resolution to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The resolution will be stated by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 130) recognizing May 25 convening of U.S.S.R. Congress of People's Deputies.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. BRADLEY. Mr. President, this resolution is offered on behalf of myself, Senators MITCHELL, DOLE, CRANSTON, LUGAR, CHAFEE, WIRTH, FOWLER, and LIEBERMAN.

Next week the deputies to the new Congress of the Soviet Union convenes. This resolution simply welcomes these initial steps toward institutionalizing the process in the Soviet Union. It expresses the hope this process will continue to go forward and will ultimately result in reconstituting the Supreme Soviet with access to the information needed to make policy and enact legislation, with the actual power to make laws, approve and alter budgets, appoint and change government officials, and oversee security and military services.

Mr. President, things are changing in the Soviet Union. The pace, even the direction, of that change are far from fixed. There will doubtless be setbacks and turmoil. The skill of the new leadership is bound to be severely tested. From time to time, the reformers may lose their nerve or their way. Perestroika may get bogged down in bureaucratic battles. The people's patience will be sorely tried.

Yet all over the Soviet Union, the winds of change are blowing. Embattled party bosses are struggling for their political lives. Some are winning, others losing. But the people are tasting democracy. And they want more. How do I know?

I know because I talked to them on a recent visit to the Soviet Union in Central Asia as well as Moscow. In subways, in schoolrooms, on the street, in the stores, in queues, in cafes, in churches, mosques, and synagogues. Just one example: I stopped two middle-aged women on their way to the metro and asked them the same question. One of the women was an elementary school teacher. For her, perestroika was greater freedom to teach her way. To tell the truth. To elicit questions from her students, not suppress them. Most of all, she said, "It is the freedom for you and me to talk this way, without fear."

All these hopes are focused on the elections that have been going on over the past few months and that are supposed to continue throughout 1989. The new 2,250-member Congress of People's Deputies, which meets in Moscow for the first time next week on May 25, is the concrete manifestation of the Soviet people's yearning for more democracy.

I met some of these newly elected deputies. They were insatiably curious about the nuts and bolts of how a democratic congress actually works. We talked for hours about the U.S. Congress. What its powers and responsibilities are. The legal and institutional underpinnings of its authority, like immunity and subpoena power. How the American people ensure Congress' openness and accountability. How it keeps its independence from the executive branch. They shared their concerns and their hopes.

The next day, I listened as over 100 deputies gathered to debate the mission and function of the new Congress.

Should the deputies be able to initiate legislation or should that be left to the new bicameral Supreme Soviet? Should their role be limited to an electoral college, choosing the 542 members of the Supreme Soviet? How long should they stay in session to decide these issues? How could they best avoid being steamrolled by the party bureaucrats? How could they get access to the information they would need to do their job? What resources should they require? The questions tumbled out. People waited eagerly for their turn at the microphone.

Later that day, there was a press conference where leading deputies announced the results of their deliberations. Press, constituents, deputies crowded into a brightly lit room in a building named of all things "The Hall of Enlightenment."

Will these reformers win? Who knows? In many ways, democracy in the Soviet Union is still just an abstraction. But the people I talked to were intent on making it real. I hope they succeed.

Is there reason to hope? Let us look at what has happend so far. For the first time in 70 years, the Soviet electorate has had the opportunity to participate in multicandidate, competitive, secret-ballot voting to elect a 2,250-member Congress of Deputies. According to a new electoral law passed in 1988, two-thirds of the Congress of Deputies is to be elected by the general public. There are about 184 million eligible voters. The remaining one-third of the deputies are to be filled by candidates from official organizations. Specifically, the law allots 750 seats to the republics and autonomous regions, the so-called national territorial districts, regardless of population size—that is each region is apportioned the same number of seats, as is each State in the United States, which has two Senators; 750 seats to territorial districts, based on population size—as in elections for the U.S. House of Representatives; and 750 seats to the public and professional organizations as apportioned by law: 100 for the Communist Party; 75 for the Communist Youth League [Komsomol]; 100 for the Official Trade Union Council; and 75 each for the committees of women and war veterans. The remainder is distributed by the party-dominated Central Election Commission.

What kind of preparations preceded the elections? Well, the nomination for the posts of deputy began on December 26, 1988. Meetings were held by the Communist Party, public and professional organizations, including collective farmers, artistic unions, the Academy of Sciences, and groups within election districts.

Each official organization participating in the election process collected nominations from its local chapters, then held a "Congress" to narrow the list for the final "campaign." For the 750 seats, 880 candidates were nominated. Final elections for these candidates were held on March 6, 1989, by each participating organization. Seven hundred and fifty deputies were chosen.

The Communist Party's process was not so democratic. One hundred candidates were nominated for 100 slots. Yet not all public organizations were equally cautious. For example, the trade unions and the Communist Youth Organization preserved the multicandidate nominations until the final election. And while most public organizations included their top leaders on the list of nominees, they did not load their lists with leadership candidates. Some even voted its leaders off the list.

In the representative elections, any organization in each of the geographic districts—factories, schools, informal clubs—had the right to nominate a candidate. In all, 7,531 candidates were nominated, an average of 5 for each of the 1,500 constituencies. Voter caucuses supervised by local election commissions subsequently reduced this number to about 3,000. Some of these caucuses were blatantly rigged. So much so that in some cases the Central Electoral Commission stepped in to correct the situation, even ordering local officials to repeat the registration process.

Officially registered candidates were allowed to set up 10-member campaign staffs. Despite some manipulation by the party apparatus, most were given equal time on TV and radio and equal space in the press. They met with constituents, collected contributions from outside sources, and held rallies without having to get prior permission. One deputy, still hoarse from a hotly contested race, told me he had damaged his throat addressing 2,000 Muscovites in a blinding snowstorm.

In the final analysis, 2,895 candidates completed for 1,500 seats in the 2,250 seat assembly. In 953 cases, 2 candidates ran for the same seat. In 384 cases, 1 candidate ran uncontested. In 27 cases, 4 candidates ran for the same seat. And in 14 cases, 6 or more candidates competed. Soviet voters had to cross out all the names on the ballot that they did not want until one name was left. Where there was only one candidate, a voter could cross his or her name out too—as a vote against. Among those rejected were a number of high-ranking party officials and antireformers—to their and the party's surprise and embarrassment.

Since March 6, there have been a number of run-off elections, the most recent being May 14 where Leningrad voters chose a fiery reformer running on an anticorruption platform and alleging unconstitutional interference in his attempt to expose crime in high places. The local electoral commissions did not seem to have disqualified neatly as many candidates in the run-off elections as they did in the general election. Even so, there are still loopholes in the electoral law that the new Congress might well want to close as one of their first items of business.

A big day—May 25—is drawing near. On that day, the new Congress convenes for the first time. It is still not clear what this body will do. They are trying to work that out right now. It will elect from its ranks the 542 deputies who will serve in the new bicameral Supreme Soviet. And it will convene annually, perhaps to set the legislative agenda and even rule on important issues.

However, the most important body will be the Supreme Soviet, assuming it succeeds in ensuring that it has access to the information needed for independent policymaking and legislative and the constitutional power to make laws, alter budgets, change government officials, and oversee security and military services.

It remains to be seen whether this body is more responsive and accountable to the Soviet peoples than the old Congress was. It will certainly elect a President—the new head of State—presumably Mikhail Gorbachev. If he, as General Secretary of the party as well as the President of the Supreme Soviet, tranfers to the Supreme Soviet important decisionmaking powers traditionally exercised by the party, it could become the main body for sustaining popular support for democratic reform and checking the entrenched powers of the party apparatus and state bureaucracies.

Will all of this happen? We cannot know. But I do know that I am rooting for the reformers. I urge the U.S. Senate to join me in wishing them good luck and Godspeed in their quest to institutionalize a democratic legislature.

Mr. DOLE. Mr. President, I am pleased to join the distinguished Senator from New Jersey [Mr. BRADLEY] as an original sponsor of this timely resolution.

In just a few days, the Congress of People's Deputies will convene in Moscow. It is the first-ever such Congress in the U.S.S.R. to have been elected through a multicandidate, competitive, secret ballot.

This resolution has two simple goals. First, to welcome this step—this initial step—toward "opening" the electoral process for the Soviet legislature; and, second, to say to Mr. Gorbachev and his colleagues: this is a hopeful beginning, but it is only a beginning. Keep it up.

The winds of change, real change, are blowing in the Soviet Union. No one can know, at this point, how far the changes we are seeing will go. We

must be prudent, and keep our eyes wide open.

But certainly what we have seen so far, we should welcome. And we should encourage more of the same.

Glasnost is not democracy. But it has unleashed some forces that aim at the eventual establishment of democracy in the U.S.S.R. Passing this resolution will provide encouragement to those forces, and will send this message to the Soviet leadership: It is moves in this direction, the direction of fuller democracy, that will bring a positive response from Washington; and will open the doors to broader, and even more mutually beneficial, relations.

I commend the Senator from New Jersey for this initiative, and I urge speedy adoption of this resolution.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 130) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 130

Whereas for the first time in 70 years the Soviet people have had an opportunity to participate in multi-candidate, competitive, secret-ballot voting to elect a 2,250-member Congress of People's Deputies.

Whereas the Congress of People's Deputies will convene annually to elect from its ranks new members of the 542 seat bicameral Supreme Soviet and may also debate and influence other important issues.

Whereas the Congress of People's Deputies will also elect the President of the Supreme Soviet.

Whereas reformers are advocating that the President transfer to the Supreme Soviet important decisionmaking powers heretofore exercised by the Communist Party.

Whereas, a similar system of legislative organs is also planned for all Union and autonomous republics, and the election of peoples' deputies is scheduled for the end of 1989.

Whereas, the Soviet Union has thereby begun to develop an institutional base with the potential for representing the will of the people more openly, directly, and effectively.

Whereas, on May 25, 1989, deputies from all over the Soviet Union will meet for the first time in Moscow to hold the first session of the newly elected Congress of Deputies and will elect, by secret ballot, a 542-member Supreme Soviet. Now, therefore, be it

Resolved, That the Senate hereby:

(1) welcomes these initial steps toward institutionalizing a democratic process in the U.S.S.R., and

(2) expresses its hope that this process will continue to go forward and will ultimately result in a reconstituted Supreme Soviet with access to the information needed to make policy and enact legislation and with the actual power to: make laws; approve and alter budgets; appoint and change government officials; and oversee security and military services.

Mr. BRADLEY. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. MITCHELL. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The majority leader.

ORDER OF PROCEDURE

Mr. MITCHELL. Mr. President, for the information of Senators we just received this afternoon the supplemental appropriations bill from the House. I will be able to announce shortly the manner and timing of our handling of that.

Senators should be aware that there may be, and I emphasize may be, another rollcall vote this evening, although I hope to be able to indicate that definitely one way or the other shortly. In the interim, I understand there are several Senators who wish to speak as in morning business.

MORNING BUSINESS

Mr. MITCHELL. Mr. President, I ask unanimous consent that there be a period for morning business not to extend beyond 5 p.m. with Senators permitted to speak therein for up to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Florida.

CENTRAL AMERICA AND PANAMA

Mr. GRAHAM. Mr. President, if I could get the attention of the majority leader, there are four Members of the Senate who have recently returned from Central America and Panama who at this time would like to make statements relative to our recent experiences and recommendations as to future courses of action based on that observation.

Mr. President, I ask unanimous consent that there be allocated a period of 20 minutes for those four statements so that they can be given in consecutive order.

The PRESIDING OFFICER. Is there objection?

Mr. GRAHAM. I ask unanimous consent for 20 minutes of the morning business to be allocated to Senator MACK, Senator MCCAIN, Senator ROBB, and myself for purposes of statements on Central America and Panama.

The PRESIDING OFFICE. Without objection, it is so ordered.

SURRENDER POWER, GENERAL NORIEGA

Mr. GRAHAM. Mr. President, in a critical show of unity, the Organization of American States sent a powerful message of hope and democracy yesterday to the Panamanian people by telling dictator Gen. Manuel Noriega to surrender power.

OAS representatives will report back by June 5 on whether subsequent measures are necessary to ensure "the transfer of power will full respect for the sovereign will of the Panamanian people."

I commend the OAS for its determination to remove Noriega as quickly as possible. Time is critical. And that is why the June 5 deadline is so important. International attention is a potent but perishable commodity. Delay and equivocation serve no one except the interests of Noriega.

The role model of a military dictator, enriched and isolated from the suffering of his people by enormous drug profits, is a frightening prospect to emerging democracies in this hemisphere. Narco-terrorism continues to represent one of the most direct challenges to national sovereignty.

Mr. President, I also commend the Bush administration for its prudent plan to protect American lives and interests in Panama while supporting the democratic aspirations of the Panamanian people.

Panama is vital to the security and economic interests of the United States. Panama's importance to the United States is unique in this hemisphere, because of the Panama Canal and the United States military bases there.

The President's program represents a cautious mixture of increased international isolation, continuation of economic sanctions and the protection of United States citizens by their removal from general population of Panama and the addition of 2,000 troops.

President Bush has probably made the easiest decisions he will be called upon to make in the current Panamanian crisis. From here on, decisions get much more complex, dangerous, and divisive. They will be a significant determinant of the direction of American foreign policy.

There are key questions which remain to be asked and answered. Those questions include:

What if the actions of the United States and our Latin allies are insufficient to remove Noriega from power, which must be our immediate objective and the standard by which we will evaluate the success of our policy in Panama?

What steps should be undertaken to prepare for the eventuality of the failure of current initiatives to remove Noriega?

How much time can be given for our initiatives to play out before their continuation will constitute an accommodation, an acceptance of Noriega's regime?

The consequences of continued Noriega dominance over Panama are ominous.

The protection of over 40,000 United States citizens and critically important United States interests in Panama begins with the elimination of Noriega.

The advancement and consolidation of democracy in Latin America and the Caribbean will be significantly affected and influenced by the duration of Noriega's control over Panama. If Noriega can get away with stealing this election from the Panamanian people, then a destructive precedent will have been set concerning Nicaragua's election, scheduled for February of 1990.

Finally, the ability of the Panamanian people to rebuild an economy which has declined by more than 25 percent in just the last two years and to restart a democracy which has been on hold since the original takeover of power by Gen. Omar Torrijos in October 1968 can only start once Noriega has been removed.

Mr. President, as future options are considered for United States policy in Panama, I would suggest some of the following guidelines be kept in mind:

We should not forget or obscure our objective—it is the removal of Noriega from power;

We must continue to reach out to our allies in the hemisphere. This is a hemispheric problem and they have as much stake in its solution as we do;

In this reaching out, the United States must continue to speak with a single, bipartisan voice. The President has made a good start by reaching out to the Congress. He needs to enforce discipline within his own administration so that the State Department and the Department of Defense are not in disagreement as they have been in the past.

We must keep all options on the table, including the possible use of force. We cannot afford to be indecisive. If we are unwilling to use force, then big stick rhetoric should be silenced.

Since Noriega annulled the elections, hundreds have since been imprisoned and reportedly tortured. One was opposition party leader Olimpo Saez who said he was handcuffed to a basketball hoop and beaten incessantly on the legs by shifts of jailers. Others reportedly have been wrapped in American flags and beaten by jailers who yelled "Where are your gringo friends now?"

The friends of Panama were out in force yesterday at the OAS. And not just North American gringos. But Latins as well who are sick and tired of dictators like Noriega who wrap themselves in the flag of nationalism while hanging into power through intimidation and violence.

As the reports of election fraud and violence are fresh in our minds, we must rally world opinion against Noriega, keeping open all options for action.

If we let June slip into July, summer into fall, letting Noriega become more entrenched, democracies of this hemisphere will be making a statement of resigned acceptance.

Mr. McCAIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona.

DEATH OF AN ELECTION

Mr. McCAIN. Thank you, Mr. President. I want to begin by thanking my colleagues, Senator GRAHAM, of Florida; Senator ROBB, of Virginia; and Senator MACK, of Florida, for the bipartisan commitment that they have exhibited toward Central America and to peace and democracy in that region. They serve as an example of the kind of bipartisan approach to these very difficult issues that is critical if we are to have a consensus on a viable policy for the region.

Mr. President, in my years in Congress, I have been an election observer in a number of Central American nations. I was privileged to be present in El Salvador and Guatemala as they moved toward democracy, and to witness the commitment of people, the armed forces, and the government of those nations to a pluralistic process. I witnessed a much different scene in Panama 2 weeks ago. I cannot recall such a brazen, violent theft of an election in my lifetime. The beatings of opposition leaders witnessed by millions of Americans on television were only the most graphic example of Mr. Noriega's contempt for democracy.

Mr. President, there was a clear record of preelection fraud, manipulation of registration lists, false voter lists, changes of addresses, opposition voters removed, opposition candidates disqualified, lists inflated with regime supporters by more than 25 percent over the total who voted in 1984, and public employees being instructed to vote repeatedly.

Mr. President, public employees showed up with instructions to the election officials that they could vote basically wherever they wanted. The Panamanian Defense Forces, the army, showed up at polling place after polling place, went to the head of the line, with brand new voting cards. No one really knows how many times those army members voted on that day. The opposition was intimidated. There have been incidents ranging from beheading to arrest, beating, exile of other opposition leaders, bombing of a TV station, burning of an opposition headquarters, and threatening "disloyal" public employees with dismissal.

Mr. President, we have seen a very interesting recreation of a Castro invention—the so-called "dignity battalions,"—thugs who are carried from place to place with clubs and guns intimidating peaceful citizens who are exercising their democratic rights in opposition to what they believe is an oppressive and unfair government.

On election day, my colleagues and I watched a most fraudulent and incredibly unfair election process. Despite all that, Mr. President, so many of the people of Panama voted in favor of the opposition that the greatest fraud was perpetrated after the polling booths were closed. Members of the Panamanian defense forces went to the polling places and took the votes and the voting lists. The ballots were never seen again.

We were treated to the most bizarre experience when the Noriega government announced that the election was null and void on the grounds that there were outside observers who were present at the electoral process, certainly an interesting excuse for the results of an election.

I think the brutal treatment that has been inflicted on the Panamanian people and their opposition leaders is something which has inspired the revulsion and disgust of all freedom loving peoples.

Mr. President, our objective must be the removal of Mr. Noriega at the least possible cost in terms of American lives and prestige. We should exhaust all measures in order to remove this odious and unpleasant character. We should make a special effort to enlist the support of our Latin American friends in peaceful efforts to get rid of Noriega.

I am pleased at yesterday's actions by the OAS. Many hoped for more, but some expected less. I am hopeful that the three delegates will go to Panama, inform Mr. Noriega he must leave and, if he does not, come back and inform the Organization of American States that they must take more severe actions—along the lines of those enacted against Somoza 10 years ago.

We must, however, Mr. President, be prepared, should all other options fail, to take whatever action is necessary in order to remove Noriega. I believe that the Congress and the American people would only be supportive of extreme actions after all other options have been exhausted. I believe that this President with the bipartisan support of the Congress and the American people is pursuing those other options in a thorough wise and exhaustive manner.

The PRESIDING OFFICER. The Senator's 5 minutes have expired.

Mr. McCAIN. I hope that our combined efforts will lead to the removal of Mr. Noriega and a restoration of peace and freedom to the people of Panama.

I thank the Chair.

THE SITUATION IN LATIN AMERICA

Mr. ROBB. Mr. President, I rise today to join my distinguished colleagues, in a bipartisan discussion of the situation in Panama and, more broadly, in Latin America.

Just last week, the world watched the spectacle of Gen. Manuel Noriega thwarting the will of the Panamanian people after the May 7 Presidential election. It is widely acknowledged that the opposition candidate, Guillerma Endara, "won" by a 3-to-1 margin. Violating the hemispheric trend toward free and fair elections, and the growth of democracy, as witnessed by the two examples of the plebescite in Chile, and the recent election in El Salvador, Noriega declared the "elections" null and void.

He responded further, by unleashing his so-called "dignity battalians" upon the opposition, attacking Endara, and his running mates with pistols and iron bars.

Mr. President, this behavior by General Noriega is unacceptable. Our task now is to come up with a policy that sends an unmistakable message to General Noriega that United States-Panama relations cannot be normalized as long as he is in power, but that America has both the will and the means to help the people of Panama determine their own destiny.

If we were to fail to do so, we would be turning our back on the fundamental American commitment that the individual freedom and sovereign will of all people in their respective countries must be respected in the Western Hemisphere.

Our Government is unified in its condemnation of the Noriega effort to steal the election. We are now in the process of developing policy options around which there can be a consensus, both in this country and in Latin America.

My distinguished colleagues are addressing some of these issues. I would like to take note of one to which Senator McCAIN just referred, a remarkable event that took place yesterday, an event that cannot help but demonstrate to General Noriega that his staying in power is unacceptable.

The Organization of American States, by a resounding vote of 20 to 2, condemned Noriega for abuses warned about the consequences of the electoral crisis in Panama, and dispatched three Latin foreign ministers to seek to induce Noriega to surrender power.

It should be noted that the only dissenting votes were Panama, and the Marxist government of Nicaragua, a regime that has consistently supported Noriega in these endeavors.

This show of unity by the OAS, for which they should certainly be commended, makes clear that Noriega is the problem. Equally as important, it shows that our neighbors appreciate "democracy" as much as it is said they sometimes fear intervention. Perhaps most important of all, it signals the beginning of a concerted hemispheric policy.

It should be noted that we are working with our Latin allies, not against them, as has sometimes been the case in the past. As such, our approach is neither recklessly unilateral, nor does it consist of idle sabre-rattling.

We cannot rule out any options in dealing with Noriega. The United States obviously has vital national security interests in Panama that we will protect with whatever means, if necessary. This may or may not involve the use of force, although it is obviously our strong preference to resolve this situation through diplomatic means. We need not telegraph our hand to Noriega, save that our resolve to see a peaceful transition in Panama that provides for the transfer of power to the Panamanian people is firm.

And today this resolve has the backing of our neighbors.

This may only be the first act of a several act play, but Noriega and others who would thwart democracy must take notice. America will not turn its back on those struggling for freedom and democracy.

Mr. MACK addressed the Chair.

The PRESIDING OFFICER. The Senator from Florida.

PEACE: THE PRESENCE OF FREEDOM

Mr. MACK. Mr. President, I want to, first of all, associate myself with the comments made by the Senator from Virginia [Mr. ROBB], the Senator from Arizona [Mr. McCAIN], and the Senator from Florida [Mr. GRAHAM]. I also want to take this opportunity to, in essence, frame the discussion that we are having today with respect to Panama in this sense, and I do not do it with the purpose of drawing into a debate on the Panama Canal Treaties.

But I think it is important that we go back to 1977 and understand that the message that we are given in 1977 was that if we would show compassion in our foreign policy we could gain friendship in Central America, we could bring about peace, tranquillity, and stability.

There are those who say that peace is the absence of war, but I would say that peace is, in fact, the presence of freedom. That is the objective. That is what we are talking about today. That is what we are trying to accomplish. We are trying to aid those in Panama who have voted for freedom and democracy on May 7 who now want to have the opportunity to experience that freedom and democracy.

I had the opportunity to go down to Panama several times during the past several weeks. Like my colleagues, I think we were shocked at what we saw. But let me just raise this question, because I have a feeling there are many people around this country who in their own minds said I wonder if it is possible for one individual to go to Panama to observe an election, and really see first hand fraud that would take place. I think that is a reasonable question to ask. I have to tell you. I went down there a little bit skeptical as to whether one would really be able to detect fraud. But I can tell you this: The people of Panama did not allow the fear that was imposed on them by the Panamanian Defense Forces to keep them from coming up individually, personally telling each of us of the fraud that was taking place, and of the experiences that they had.

Examples were members of the Panamanian Defense Force that went to the head of the line to cast their vote with a document that in essence said they could vote anywhere they wanted. Their names did not have to appear on registration forms. That in itself is not all bad as long as the documents that allowed them to cast those votes were either taken away from them or marked but those documents were not taken away. Those documents were not marked. So those individuals were allowed to get back onto a bus and travel to another precinct and cast another vote.

We also saw individuals that were dressed in military uniforms. I would say those individuals were in fact civilians. They were dressed in brand new uniforms, brand new boots with brand new registration forms, and when we asked them what unit, what military unit were they attached to, they could not tell us. I think probably the first thing individuals who had the experience of the military would be able to tell someone is what particular unit they had been attached to.

So, yes, we saw fraud. We saw it first hand, and it was told to us in front of members of the Panamanian Defense Force by civilians, by people in Panama that were casting their votes for freedom and democracy.

While I was there I had the opportunity also to meet with some of our troops. General Loeske and I had an opportunity to meet. I asked him some questions related to the abuses that were being experienced by United States personnel in Panama. There has been somewhat of a debate in this country as to whether there has been a coverup with respect to those abuses. General Loeske said "Rather than for me to tell you my feelings let's go out

and talk to some of the troops." So about 10:30 Sunday evening we went out to one of the barracks. We got 15, 20, 25 of our young servicemen out, and raised the question. What experience did they have? Out of this group 75 percent or more indicated to me that at one time or another on their travels around Panama they had been stopped and in essence they were being harassed by the PDF for the purpose of trying to gain money, and some of them indicated they paid $10, $15, $20 to get permission in essence to continue on their way.

Most of them did not report that kind of activity because when they came back they would have to fill out forms and go through a process. It was much easier for those individuals just to pay that $10, $15, and go on their way.

Mr. President, I ask unanimous consent to have printed in the RECORD several examples of the harrassment experienced by our personnel in Panama.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

HARASSMENT OF U.S. CITIZENS AND MILITARY PERSONNEL IN PANAMA

(Summary of selected 1987-89 news articles prepared by RPC staff)

On Sept. 13, the U.S. Embassy's economic counselor, David Miller, was detained at the scene of an antigovernment demonstration and held for eight hours, in what U.S. officials charged was a violation of his diplomatic immunity.—Washington Post, 10/20/87.

When protests erupted the night of Oct. 7, the Panamanian Defense Forces police picked up nine out-of-uniform U.S. servicemen.

Under a treaty-mandated arrangement between the military forces of the two countries, Panama must notify U.S. military representatives of the arrest of a U.S. serviceman within two hours, but U.S. authorities were not informed of the identities of the nine Americans or where they were being held until six hours after they were arrested.—Washington Post, 10/20/87.

According to a U.S. military spokesman, on Oct. 11 two out-of-uniform servicemen were roughed up and robbed at dawn by Defense Forces police while waiting for a bus outside a bar popular with U.S. soldiers. One soldier's ankle was broken when he was shoved to the pavement, and a prostitute tried unsuccessfully to plant marijuana on the other soldier.—Washington Post, 10/20/87.

Panama ordered the expulsions today of 48 government workers in retaliation for U.S. reductions in its aid following a rock- and paint-throwing attack on the American Embassy in Panama City, officials said.—Washington Post, 12/03/87.

At least 13 journalists, including five Americans, were detailed and later released. Three of the journalists, including two of the Americans, were hospitalized from beatings, several others were roughed up.—Washington Post, 3/29/88.

A recent incident on a crowded Panama City, Panama, street corner illustrates why U.S. employees at the Panama Canal are afraid to leave their homes.

Members of military strongman Gen. Manuel Antonio Noriega's Panamanian Defense Forces hassle a U.S. citizen: Papers, please; what's in the package?; I will frisk you now.

A U.S. staff sergeant stops to help his fellow citizen. The PDF soldiers turn their attention to the sergeant and proceed to degrade and humiliate him, forcing him to drop his pants and jump around the street.

Another case: Two U.S. employees ventured outside the Canal Zone to buy rice. They were attacked and beaten by PDF members for their efforts.—The Journal of Commerce, 4/25/88.

On Aug. 1, a serviceman and his father were held for 24 hours by four Panamanian military officers and questioned at gunpoint, the Southern Command reported. The two Americans were robbed of $300 and of their identification cards by the Panamanians who appeared to be drunk. The father of the serviceman was beaten.

Two days later, an Air Force enlisted woman was reportedly confronted by two Panamanian officers who began to sexually abuse her. The men stopped after the servicewoman told them she was pregnant—The New York Times, 8/21/88.

On Feb. 6, a first Lieutenant who failed to stop immediately on orders from a Panamanian officer, was kicked and beaten and a revolver was placed to his head before he was charged with "fleeting" and released. The Southern Command protested "the use excessive force" but received no response.

On Feb. 17, an enlisted man and his pregnant wife got into an argument with an off-duty Panamanian officer who had been drinking. The officer hit the serviceman and his wife with a night stick, and the serviceman was subsequently charged by the Panamanian authorities with disrespect.

On May 8, an enlisted man arrested for drunken and disorderly conduct was handcuffed and taken to a police station, where he was questioned about cargo arriving at Howard Air Force Base. He was beaten on the head, back and face with a rubber club before being released without charges, and had to be hospitalized. After an official United States protest, the Defense Forces replied that he was not beaten at the station.

On June 18, the Defense Forces attempted to interfere with the U.S. Air Force's air operations by disapproving the refueling of a U.S. Air Force AC-130 aircraft.

On Aug. 9, David Ford, a civilian working on temporary duty for the Pentagon, was ordered out of his rental car by four uniformed officers with their guns drawn. When Mr. Ford told them he was a civilian, not a military officer, the officers accused him of working for the Central Intelligence Agency, which he denied. He was repeatedly kicked and beaten until he lost consciousness. When he regained consciousness, his passport, a wallet with $350 and his identification were gone. The Southern Command officially protested the incident but received no response.—The New York Times, 9/29/88.

On particularly sensitive incident involved allegations of the rape of the 18-year-old wife of a private first class. On June 16, the serviceman and his wife were assaulted by a man in military fatigues believed to be a Defense Forces official. After the private was beaten and locked in the trunk of his car, his wife was raped and beaten, according to the Southern Command documents.—The New York Times, 9/29/88.

The United States has strongly protested the severe beating and threatened killing of an American sailor by Panama's Defense Forces, Pentagon officials said today. The Panamanian government has acknowledged that the incident occurred, but made no apology.

The incident involved Mike Nieves, a petty officer with the United States Southern Command in Panama, who was detained by three highway policemen on Nov. 13, struck in the face, pulled through the window of his car by his neck and struck again, [stated a Defense Department letter to Panamanian authorities]. He "was physically and psychologically degraded" [the letter] continued.

One officer "drew his pistol, placed at next to the sailor's head, and forced him to his knees," the letter said. "He was forced to beg for his life."

A Panamanian officer who was about to kill the sailor was stopped at the last moment by one of his associates, the letter said, but still fired a shot that missed his head.

Petty Officer Nieves had been detained for allegely parking an official military vehicle in a no-parking zone at the Panama City airport.—The New York Times, 1/13/89.

In an incident involving U.S. military personnel in early March, Panamanian police stopped 21 school buses carrying children and held nine of the buses for several hours because they allegedly had improper license plates. Since then, most children attending U.S. military-run schools have been driven by their parents, with resulting heavy traffic jams.—The Washington Post 3/28/89.

Mr. MACK. I would like to move on to the meeting that took place last evening at the Organization of American States. I went down and spent several hours there last evening because I really wanted to get a flavor of what that meeting was going to be like. Frankly, there had been some advanced warning given to me that there was going to be a fair amount of America-bashing.

I came away from the Organization of American States meeting with the feeling that we must continue to reassure the Panamanian people that the United States and nations around the world are committed to their hopes and aspirations for freedom and democracy. The fact that Panama and Nicaragua were the only two member nations to vote against the resolution sent a clear message that Noriega and Ortega are alike in their pursuit of power and complete domination of their countrymen.

I believe that the resolution agreed to yesterday at the meeting of the OAS is a positive first step.

While the OAS resolution should have been stronger in its condemnation of Noriega, I believe the group's actions represent an important step in what may be a long road to a democratic Panama. We must keep the pot boiling and continue to focus world attention on the Panamanians struggle for freedom.

Contrary to the resolution agreed to by the OAS in 1979 with the condemnation of Somoza in Nicaragua, this one identified Noriega by name and

condemned his tactics and actions. Somoza's reference was to condemn his "regime."

Noriega simply cannot hold democracy hostage in Panama without the condemnation of freedom-loving people around the world.

It's clear that most Latin American nations recognize the will of the Panamanian people for democracy. Noreiga should now realize he can no longer keep freedom from his own people.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. Mr. President, I thank the Chair for recognizing me.

ON THE NEW CHINESE DEMOCRACY

Mr. HELMS. Mr. President, on May 4, 1919, 70 years ago, 3,000 Chinese students in Beijing, representing 13 colleges, demonstrated for democracy and an end to corruption in the Chinese Government of the time. These demonstrations galvanized the Chinese people and led to a fresh determination to establish democracy in China.

Tragically for the Chinese people, the May Fourth movement was hijacked by the Communists, a small group of political opportunists who did not truly believe in democracy and human rights. They were, however, adapt at using the words "democracy" and "human rights" to achieve their goal of total power in China.

The world now knows or should know that communism in China, as everywhere it gains power, has proved to be a travesty. It has led only to state terrorism directed against the Chinese people, official corruption, and economic chaos.

In recent days the Chinese people have again demonstrated that they want and deserve what we enjoy: A government of the people, by the people and for the people. There is no Chinese physics, there is only physics. Likewise there is no Chinese democracy, only democracy.

What exactly do the Chinese people want? Ordinary things which we take for granted: An open press, freedom from observation by the secret police, the right to choose where to live or work, the right to religious worship, even such a basic right as to decide how many children to have.

Why should the Chinese people not have these ordinary freedoms? Are they somehow so inferior to other people in the Pacific region that they require some self-appointed clique to tell them what they may read or not read?

The Chinese people are the inheritors of thousands of years of continuous civilization. They do not need anyone to tell them what to do, how to live. They are perfectly capable of deciding for themselves. If China today is unstable, it is because the Chinese Communist Party is trying to cling to power when the people are telling them to get out of the way and to depart.

History will judge the Chinese Communists both by how they exercised political power and hopefully how they relinquish it. If they bend to the will of the Chinese people and depart in peace, they will be judged one way. If they go out in blood, they will be judged accordingly.

But one thing is clear: Their time is passing and they will be judged.

THE NAZI-SOVIET NONAGGRESSION PACT: THE CERTIFIED COPIES

Mr. HELMS. Mr. President, the United States Government sent messages to the diplomatic legations of Lithuania on February 16, and Estonia on February 24, on the 71st anniversaries of their respective national declarations of independence. Tragically, since 1940 these nations have been occupied colonies of the Soviet Union. The United States has never recognized the forcible incorporation of Lithuania, Estonia, and Latvia into the Soviet Union.

On March 12, 1989, 250,000 Latvians rallied in their naton's capital, Riga, to support the promises of political and economic reform offered from Moscow. The Latvian people also demonstrated that day to express the real fear they have that these reforms are nothing but another cynical lie being perpetrated by the foreign occupiers of their land.

In order to justify its occupation of the Baltic States, the Soviet Union has engaged in a series of coverups and historical falsifications so outrageous that one almost feels as though one had landed in the middle of a George Orwell novel. The Molotov-Ribbentrop Pact has been among the major targets of this campaign of disinformation.

It is well known that the aggressive actions taken by the Soviet Union in the Baltic States were a result of a series of secret protocols to the infamous Nazi-Soviet Nonaggression Pact of August 23, 1939. Following extensive correspondence with the Foreign Office archives of the Federal Republic of Germany, I am ready to present to the Senate today the chain of custody documenting the authenticity of these secret protocols, and refuting assertions to the contrary made by high-level officials in the Soviet Government.

When reviewing the occuption of the Baltic States by the Soviet Union in June 1940, one must consider a series of documents signed by the Union of Soviet Socialist Republics and by Nazi Germany on August 23, 1939, nearly 50 years ago.

Mr. President, the Nazi-Soviet Nonaggression Pact—known popularly as the Molotov-Ribbentrop Pact—and its secret supplementary protocol formalized the division of Eastern Europe into Nazi and Soviet spheres of influence. The Molotov-Ribbentrop Pact was amended by secret protocols signed on September 28, 1939, under which Nazi Germany turned Lithuania over to the Soviet Union, and on January 10, 1941, when the Soviets bought an additional section of Lithuania from Nazi Germany for 7,500,000 gold dollars. This gave the Soviets the excuse they needed to invade and occupy the western areas they had lost following the Bolshevist coup d'etat in 1917: Finland, the Baltic States, Bessarabia, and part of Poland.

The Soviet Union lost little time in taking advantage of the opportunity presented them by the Molotov-Ribbentrop Pact. Coordinating their actions to coincide with the Nazi occupation of France, the Soviet Army invaded and occupied Lithuania on June 15, 1940, Latvia on June 16-17, 1940 and Estonia on June 16, 1940. One month later, the puppet governments installed in each of the Baltic States asked to be admitted into the Union of Soviet Socialist Republics. These "applications" were accepted, and all three were incorporated into the Soviet Union: Lithuania on August 3, 1940, Latvia on August 5, 1940, and Estonia on August 6, 1940.

The only territory covered by the Molotov-Ribbentrop Pact that was able to alter its fate was Finland, whose people heroically defended their independence during the bloody Winter War of 1939. The part of Poland that the Soviets stole is now included in the Byelorussian Soviet Socialist Republic and the Ukrainian Soviet Socialist Republic. Bessarabia, stolen from Romania, is now known as the Moldavian Soviet Socialist Republic.

SOVIETS FALSIFY HISTORY

Mr. President, there should be no confusion in this body concerning the existence of the Nazi-Soviet Nonaggression Pact and its secret protocols. Soviet authorities continue to try to conceal the existence of the secret protocols to the Molotov-Ribbentrop Pact, through bald-faced lies and open disinformation propagated by leading Soviet historians. The fact that this campaign continues shows the real meaning of glasnost.

On August 16, 1988, the Soviet press agency Novosti, a cover organization of the KGB, held a press conference on the subject "The Baltic Republics: The Pre-War Years." Several Soviet historians spoke at this press conference, the purpose of which, it seems, was to act as an official buffer to the mass demonstrations expected by the authorities in connection with the up-

coming anniversary of the signing of the Nazi-Soviet Nonaggression Pact.

During his opening statement, Valentin Falin, a doctor of historical sciences and head of the Soviet press agency Novosti, made several statements which were deliberate attempts to mislead public opinion concerning the Molotov-Ribbentrop Pact, and specifically the secret protocols. Mr. Falin said, according to a report by Tass that same day:

Answering the question of secret protocol of the Soviet-German pacts of 1939, Valentin Falin noted that their authentic copies had not been discovered either in this country or in the West, although a search was conducted and is being conducted in the archives. It would be wrong yet to judge the contents of those documents by the photographic copes which appear in the press. It is hard to say accurately what in those copies corresponds to reality and what has been forged.

Commentators Feliks Kovalyov and Oleg Rzheshevsky echo Mr. Falin's views concerning the Nazi-Soviet Nonaggression Pact in an article in the September 1, 1988, edition of the Communist Party newspaper Pravda and restate a major worry of the Soviet Government concerning glasnost—a tendency by some in the Soviet Union to take glasnost at face value. This particular quote seems to be a direct reference to the publishing in an Estonian newspaper of copies of the secret protocol to the Nazi-Soviet Nonaggression Pact:

Historians and political scientists in the West claim that certain "secret protocols" were also signed along with the nonaggression pact. Such documents have not been discovered in Soviet archives. Their originals, evidently, are not to be found in Western archives either, or anywhere at all. The copies of photocopies appearing in various publications are reproduced in a highly contradictory fashion. On more than one occasion Soviet researchers have drawn attention to the fact that the confusion caused in this connection remains unanswered. Doctor of Historical Sciences V.M. Falin remarked recently that "secret protocols" were mentioned neither by Hitler himself * * * nor by J. von Ribbentrop, the chief participants in the Moscow talks * * *

Mr. President, the facts concerning the Nazi-Soviet Nonaggression Pact and its secret protocols do not support the statements made by Mr. Falin on August 16. I will now present evidence to prove the existence of these documents, and to show that the attempts made by Mr. Falin and other Soviet historians to manipulate the truth are nothing more than a cause of international fraud.

Mr. President, it is laughable for anyone, especially for an individual claiming to hold a doctorate in historical science, to challenge the existence of the secret protocols to the Nazi-Soviet Nonaggression Pact. The evidence is plain to see every time one looks at a map of the Soviet Union. Three formerly independent nations continue, nearly 50 years after the pact and its secret protocols were signed, to suffer from its consequences.

It is true that the Molotov-Ribbentrop Pact and its secret protocols no longer exist in the form which Mr. Falin seems to be searching for, that is, as original documents on paper. It is also true, however, that microfilms of these documents do indeed exist not only in West Germany, but in the United States and in Great Britain as well.

GERMAN ARCHIVES REFUTE SOVIET LIES

Mr. President, George O. Kent, a professor of history at the University of Maryland, asserts categorically that the secret protocol to the Molotov-Ribbentop Pact is an authentic document. For a public statement of Professor Kent's position on the authenticity of the secret protocol, I ask unanimous consent that an article from the September 9, 1988 issue of Newsday, written by Prof. George O. Kent of the University of Maryland, be inserted into the RECORD at the conclusion of my remarks as exhibit 1.

A microfilm archive of some of the most sensitive documents in the German Foreign Office, concerning Germany's foreign policy between the years of 1933 and 1944, was captured by Allied troops on May 14, 1945. The documents had been buried on the grounds of a country estate about 20 miles outside of Muehlhausen (Thuringia), Germany, where they had been hidden by Carl von Loesch, an official translator for the Foreign Office, who was entrusted by the Nazi government to look after these archives and, ultimately, to destroy them.

Lt. Col. Robert Currie Thomson, leader of the British Foreign Office field team dealing with item 28 of the Combined Intelligence Operations Staff [CIOS] blacklist, which dealt with the exploitation of German archival materials for the purpose of gaining intelligence for the Allied armies, was approached by Mr. von Loesch, who wanted to turn over the microfilmed archives to the British. Lieutenant Colonel Thomson, after consulting with his American counterpart on the CIOS, proceeded to go out and recover the microfilms.

Mr. President, I ask unanimous consent that the report of Lieutenant Colonel Thomson, explaining his role in the recovery of the microfilm archive and relating the claims made by von Loesch that the hidden microfilm archive contained a complete account of Germany's foreign policy between 1933 and 1944, be inserted into the RECORD at the conclusion of my remarks as exhibit 2.

The documents underwent a preliminary investigation, in which it was discovered that the claims which von Loesch had made to Lieutenant Colonel Thomson about the importance of the microfilm archives were true. Among other documents found on the microfilm were the official texts of the Molotov-Ribbentrop Pact and its secret protocols.

Mr. President, in order to establish the discovery of the authentic text of the Molotov-Ribbentrop Pact and its secret protocols, I ask unanimous consent that message 5291 of May 24, 1945, the report of U.S. Ambassador to the United Kingdom Winant to the Secretary of State, be inserted into the RECORD at the conclusion of my remarks as exhibit 3.

As can be noted from the aforementioned report from the Ambassador to the United Kingdom to the Secretary of State, provisions were made to produce two copies of the microfilm, for analysis and safekeeping in Great Britain and the United States. Copies of the microfilms can be found in the Public Records Office in London and in our own National Archives. The original microfilm archive, however, was returned to the German Foreign Office at the end of 1958, and has since been held in the Archives of the German Foreign Office.

Mr. President, I have in my possession today two certified copies of the Nazi-Soviet Nonaggression Pact and its secret protocols; one set comes from both the National Archives and the other I obtained from the German Foreign Office Archives. The certified copies will be filed with the Archives of the Senate Foreign Relations Committee, where anyone who wishes to examine them may do so.

Mr. President, I ask unanimous consent that a translation of these documents, made by the Congressional Research Service, be inserted into the RECORD at the conclusion of my remarks as exhibit 4, along with my correspondence on these matters with German officials. I wish to thank in particular Mr. Heinz Waldner, Chief Librarian of the German Foreign Office in Bonn, for his kind courtesy in furnishing the German copies.

Mr. President, I also have in my possession certified copies of transcripts, cables, and other documents of the Hitler-Ribbentrop period, again available both in the German Foreign Office Archives and in the National Archives, which offer evidence of circumstances confirming the existence and signing of the secret protocols to the Nazi-Soviet Nonaggression Pact. These documents shall join the certified copies of the Nonaggression Pact and its secret protocols in the Archives of the Senate Foreign Relations Committee.

Mr. President, I ask unanimous consent to insert translations of these documents, made by the Congressional Research Service, into the RECORD at

the conclusion of my remarks as exhibit 5.

These documents confirm that consultation did take place between German Chancellor Adolf Hitler and his Foreign Minister, Joachim von Ribbentrop, concerning the Nonaggression Pact. This evidence directly refutes Mr. Falin's earlier assertions. That no public statements were made by the two Nazi leaders about the secret protocols, which seems to surprise Mr. Falin, should not surprise anyone.

Both parties to the agreement obtained what they desired at the time. The Germans were able to prevent the Soviets from joining the Allied powers before the opening of World War II. The Soviets, in return for their neutrality, received permission from the only continental European power that could oppose them—Nazi Germany—to seize territories. Soviet expansionist desires were not, as history has shown, limited to the territories referred to in the secret protocols of the Nazi-Soviet Nonaggression Pact.

Mr. President, I believe it is time for the Soviet Union, and in particular for Soviet historians such as Valentin Falin, to own up to the fact that the secret protocols to the Nazi-Soviet Nonaggression Pact of August 23, 1939, do, in fact, exist, and that the consequences of those protocols can still be felt in Europe 50 years and a world war later.

If Mr. Falin and his colleagues in the Soviet Union need copies of the secret protocols to the Molotov-Ribbentrop Pact, they are available here in Washington, in Bonn, West Germany, and in London, England. As a matter of fact, if Mr. Falin does not have the opportunity to get into contact with Bonn or Washington, copies of the secret protocols, sent from the German Foreign Office Archives in Bonn, are also in the possession of a group of Communist Party members in occupied Lithuania, according to a report, published on February 4 of this year in the West German newspaper Frankfurter Allgemeine.

It is certainly time for the Soviets to stop lying to their own people and to the world. The deal that was made 50 years ago in Moscow is self-evident. It is time for the Soviets to stop denying the existence of the secret protocols to the Molotov-Ribbentrop Pact.

Mr. President, the best evidence the Soviet Union could offer of glasnost would be to restore the independence that Estonia, Latvia, and Lithuania lost due to these secret protocols, once they acknowledge what the rest of the world has known for nearly 50 years—that the secret protocols to the Molotov-Ribbentrop Pact do exist.

EXHIBIT 1

AS IT DENIES THE DEAL IT MADE TO SWALLOW THEM

(By George O. Kent)

In the wake of demonstrations last month in the Baltic states, the Soviet Union has charged that the secret agreement of 1939 that led to Soviet absorption of those states may never have existed.

The secret agreement was a protocol, or annex, to the Nazi-Soviet pact of Aug. 23, 1939. The pact itself was not secret, and in fact stunned the world, for it meant that two archenemies, Nazi Germany and Communist Russia, would not fight one another. The treaty assured Germany's leader Adolf Hitler that he did not need to worry about an attack on his rear in case his planned attack on Poland impelled France and England to war on him—which is just what happened. The pact made it easier to start World War II.

The protocol, however, was not then made public. After World War II, the United States, Britain and France published it in a multivolume "Documents on German Foreign Policy." Last month, the Communist Party newspaper in the Baltic state of Estonia became the first official publication in the Soviet Union to describe the documents.

The director of the Novosti press service, a former Soviet ambassador to West Germany, said that "the copies published in the press do not reflect authentic documents" and may have been fabricated in the West.

But the protocol is authentic. The original no longer exists, having been destroyed with the Nazi foreign minister's armored train during World War II. But the minister had microfilmed 10,000 pages of his most important files, including the protocol, and this film survived.

After the war, Karl von Loesch, the Foreign Office official who had secretly buried the film, met by chance the chief of the British documents team and led the team to it.

This film authenticates the protocol more positively than even a purported original. For the protocol was filmed between a great many other documents whose validity has not been questioned, and it would be harder to counterfeit a whole roll of film than a single document.

Under the terms of the protocol, the Baltic States, Poland, and southeast Europe were divided into German and Soviet spheres of influence. Finland, Estonia, Latvia, the eastern part of Poland, and Bessarabia were to go to the Soviets, and the rest—Lithuania, and the western part of Poland bordered by the Narev, Vistula and San rivers—to the Germans.

Baltic nationalists say the protocol's division of spheres of interest between Germany and the Soviet Union permitted the USSR to absorb Latvia and Estonia in 1940. It conquered Lithuania in 1944 and kept it.

Last month, demonstrators in the three countries, which are northeast of Poland, asked for independence.

While Hitler's goal was simply to keep Russia on the sidelines in a war with Poland, Stalin's goals were more complex. He believed that he could stay out of a European war and was willing to negotiate with both sides to see which one would offer him more. At the same time, he was concerned that Germany's recent incorporation of Austria and parts of Czechoslovakia—tolerated by both Britain and France—meant that Hitler was given a "free hand in the East" and that the Soviet Union might be Hitler's next victim after Poland.

In addition, the Soviet Union felt threatened by the Japanese in the Far East. Both Poland and Rumania had refused the Soviet troops permission to enter their territories to fight the Germans in case war broke out. This refusal considerably weakened the value of a possible British-French-Soviet alliance and convinced Stalin that the western powers were not serious about stopping Hitler.

For the Soviet Union, the advantages of going with Germany were many. Both countries had lost much territory following the first world war. Russia had lost Finland and the Baltic states (which became independent) and the western parts of White Russia and the Ukraine to Poland, and Besarabia to Rumania. The pact with Germany, according to the secret protocol, recovered most of these territorial losses, and would gain German influence against the Japanese.

Since the pact was a clear victory for Hitler, at least in the short term, it is hardly surprising that the Soviets prefer to deny that the protocol attached to it ever existed.

EXHIBIT 2

DISCOVERY OF SECRET ARCHIVES OF GERMAN FOREIGN MINISTRY

On May 12, I was in Muehlhausen (Thuringia) for the purpose of examining certain Foreign Ministry archives. By a fortunate coincidence I ran into Dr. Ralph Collins, of the State Department, a member of the US Team working in the closest collaboration with my own. We remained together for four days, during which time Dr. Collins' presence was not only helpful in emphasizing the co-operation existing between our two countries, but his counsel and companionship were invaluable in the unusual experiences which I am about to describe.

While returning alone from an interview with a German Foreign Ministry key man, I was approached by a man of some 36 years of age who, speaking faultless English, asked me to convey to London a letter addressed to Mr. Duncan Sandys, the British Minister for Housing and son-in-law of Mr. Winston Churchill. It transpired later that the man had no idea that I was searching for the very things which he was willing to reveal, but merely spoke to me because I was a British officer, a somewhat rare specimen in Thuringia. I told him that I could not undertake to forward the letter without some idea of the contents, whereupon the man said that I might read what he had written. I did so, and found that the writer (Herr Carl von Loesch), a former fellow-student with Mr. Sandys, offered to disclose to the latter the whereabouts of a set of microfilms of 30 boxes of the most top secret German Foreign Ministry papers, containing a complete account of Germany's foreign policy and doings from 1933 to 1944, and including correspondence and records of conversations between Hitler and Ribbentrop on the one side and Mussolini, Franco, Laval, Molotov, and Japanese and other personalities on the other, also reports by ambassadors and ministers of the most secret matters. Herr von Loesch was the understudy of the well-known Dr. Schmidt and interpreted at many meetings between Hitler and foreign statesmen. He was sent to Thuringia last February to house and look after the most secret archives. Owing to the sudden Allied advance orders were received to destroy the collection. This was done, but not before a set of microfilms was retrieved and buried in a lonely spot. The writer of

the letter asked to be transferred with two assistants to British occupied territory and put into touch with a Foreign Office representative with a view to the printing, sorting and rebuilding of the complete mass of films in rolls, at present in disorder. Von Loesch asked to be allowed to undertake the work, which would have to be done in Great Britain, and produced a British passport as evidence of his British nationality by birth in London.

The man emphasized his desire to deal with the British rather than the Americans, whereupon I stated that although a Foreign Office official, I also represented the State Department because we Allies were working in complete collaboration. There could be no question of a separate deal with one government. I would report the matter to the US Military authorities, as representing the interests of both Allies, because they were in occupation of the area. He would be informed of their decision. Dr. Collins was not present at the talk but collaborated fully in all that followed.

We decided to lay the matter the next day before the 1st Army G-2 at Weimar and to ask for their approval to negotiate with the man for the unearthing of the films and their transfer with him to our headquarters at the castle in Marburg/Lahn, which is well within American-occupied territory, whereas Thuringia is shortly due to be taken over by the Russians. At Weimar we found no G-2 Section because 1st Army had moved out and the 9th Army had not yet arrived. We managed to speak, however, with more than one responsible officer who, while disclaiming responsibility, voiced the opinion that we should go ahead and report later.

Accordingly on Monday, May 14, we motored to a village situated some 20 miles from Muehlhausen in order to see our man. I went alone into the house, leaving Dr. Collins with the driver of the jeep. I told von Loesch that I was prepared, on receiving the microfilms, to remove them and him to Marburg Castle, where he could restore the prints to order so that the whole would form a series of connected narratives. I could not agree to the transfer of his two assistants whose help he considered essential. The action taken would be reported to the allied authorities for a definitive decision as to his ultimate treatment. I emphasized that he would be treated with consideration and would certainly not starve at Marburg, but that I was only empowered to make a promise covering the immediate future. He enquired whether he would be regarded as a prisoner of war, to which I replied in the negative and promised that he would be subjected to no indignities but only to the same restrictions on liberty as Germans in general. He would naturally be under surveillance while dealing with the secret files. After a few more inquiries on his part I said that if he dealt honorably with me he could count on a like attitude on my part. He then accepted my conditions.

As a precaution, I then invited Herr von Loesch to accompany me to the jeep where in Dr. Collins' presence I summarized the arrangements made, again stressing the fact that it related to the immediate future only. Once more the man signified his acceptance.

We then proceeded some four miles by jeep to the neighborhood of a large country house named Schoeneberg in which a detachment of the 5th Armoured Division was quartered. I presented my army clearance papers at the house and asked that a representative of the US army might accompany us to the site of the alleged buried treasure. Ready compliance was expressed by Captain Albert M. Folkard who, bearing arms accompanied Dr. Collins, Herr von Loesch and myself along a private path in the estate to a point where we had to descend, rather uncomfortably, a steep ravine banked with pine trees. Our guide halted at a certain spot where he and Captain Folkard with iron bars soon scraped the soil from a waterproof cape covering a large can. This Captain Folkard brought to the top of the declivity and placed under guard in the mansion. He promised to submit to the colonel the request of von Loesch for the release of his automobile stored at an adjoining farm.

Dr. Collins and I then proceeded to Muehlhausen with Herr von Loesch. We had no difficulty in obtaining a pass for the latter's journey with his own automobile in our convoy to Marburg. We also reported the find to the C.I.C. of the Military Government and that of the Army Division, both of which scrutinized my papers, a step quite properly requested by telephone by Captain Folkard.

On our return to Schoeneberg Dr. Collins and I gladly accepted the hospitality of Colonel Douglas Page, Commanding Div. Artillery, 5th Armoured Division to be his guest overnight. Colonel Page has that rare spirit of genuine hospitality which left two tired and jaded travelers with the impression that their visit had been a genuine pleasure to him. There was not one of his officers who did not second Col. Page's efforts to make us thoroughly at home. Meanwhile Captain Folkard continued to be responsible for the can of unassuming appearance but presumably valuable contents. Von Doesch we had sent home and arranged to pick up on the following day.

On Thursday, May 15, we proceeded to Muehlhausen with Captain Folkard and reported all the the facts to Lt Col McFarland of the Army Division CIC. On returning to Schoeneberg we had the honor of meeting Major General Oliver, Commanding 5th armored Division, who was good enough to give general approval to our proceedings and to our acting at our discretion.

After lunch we proceeded in convoy to Marburg via Dentine Camp. Colonel Page had considerately provided an M. 40 armed car for our find and for the luggage of our growing party. In addition he released without demur the car of Herr von Loesch and provided petrol for its use. Captain Folkard continued to be personally responsible for guarding the can. At Dentine we met our own RAF microfilming unit and for the first time, with the help of their magnifying reading apparatus, formed a first-hand idea of the value of the unearthed films. They fully correspond to the informant's description and will undoubtedly supply information of immense value which may not be obtainable elsewhere. Our technicians advised us that they could undertake the printing work if equipment and paper could be made available in Germany, which ought to be the case, but eventually, in view of transport and communication difficulties, we decided unanimously that the best plan was for me to proceed to London, get the Air Ministry to make prints, and return with them to Marburg for sorting, etc.

On the value of the find being thus confirmed Dr. Collins and I decided to get Herr von Loesch's assistants (a man and a woman) brought to Marburg lest the Russians should put pressure on them to make disclosures. Rumours are already in circulation, as witness para. 8 of a memorandum dated April 30 by Mr. H.B. Morris to AC of S, G-2, Shaef, Goldcup HQ. Captain Folkard is accordingly arranging to bring the two individuals soon to Marburg. They will be installed in an apartment in the castle, where Herr von Loeseh already is.

The man is making interesting disclosures and is quite willing to talk about his relations with Hitler and others. I have been able to check up on some of his statements and have found them remarkably accurate. He says, for instance, that months ago the Gestapo supplied the German Foreign Ministry with copies of the Instrument of Surrender and of the Agreement for the division of Germany into Zones of Allied Occupation (with map), both of which I have seen. His description of the details is extremely like my remembrance of them. I have requested Team members to make memoranda of his statements of interest. The man may be an opportunist but he quite accepts the situation that he is in our power and to my mind seems quite prepared to be useful to us in the interests of his own future. His Germany has gone forever, and he is quite willing to adjust himself to a new state of affairs. I am seeing that he is treated with courtesy and consideration, but without tenderness, and needless to say he is under strict surveillance.

Dr. Collins' sound judgment and commonsense were of the utmost value in handling a delicate and unexpected situation and we both derived pleasure in demonstrating, in a variety of places, the identity of interests of our governments and despatching agencies. Next to him merit is due to Captain Folkard for the ungrudging assistance readily rendered in looking after our treasure trove and in convoying it over a drive of many hours. He was constantly solicitous for our comfort and for the safety of his charge, and both Dr. Collins and I feel that we must pay a warm tribute to him.

R.C. THOMSON,
Lt. Col., Leader of Foreign Office Field Team, Item 28 of CIOS Black List.

EXHIBIT 3

[Telegram]

THE AMBASSADOR IN THE UNITED KINGDOM,
London, May 26, 1945.

To the Secretary of State

5291. ReDepts 4091, May 24. The microfilms of German FO documents are now undergoing preliminary examination in London and prints are being made for the FO by the Air Ministry. There are 9,725 pages of documents to be gone through, and because of technical differences between the German film and British film it is not possible to make a new microfilm directly from the German one. Prints first have to be made and from these prints a new microfilm is being produced. One copy of the new film is to be left in the FO and one copy will be delivered to the Embassy, probably by May 28, for forwarding to the State Dept.

Because of the nature of these documents the FO has expressed the opinion that no further distribution should be made until after the FO and the State Dept. have had an opportunity to examine the documents fully. Dr. Perkins has made a hasty survey of approximately one-fourth of the total number of documents, and on the basis of this sampling he is convinced of their highly

secret nature. Documents he has examined contain comparatively full reports of conversations between Hitler and Ribbentrop and Matsuoka during his visit to Berlin in March and April 1941 at which time the Germans strongly urged that Japan attack Singapore. Perkins has also seen records of conversations between Hitler and Ribbentrop and Molotov in which an attempt was made to convince the Russians that the tripartite Axis aimed only at expansion to the south and was not directed against the Soviet Union. The documents contain the text of agreements made between Germany and the Soviet Union in Sept. 1939. There is also among the documents ample proof of close collaboration between Germany and the Spanish Govt. under Franco. A letter dated Feb. 26, 1941 from Franco to Hitler includes a pledge of his friendship and the urgent recommendation for the closing of the Straits of Gibraltar. There is an agreement signed in 1943 for the defense of Spanish territory and German aid in case the Allies attempted to occupy any Spanish territory as they had French North Africa.

When these films were brought to London for processing its was planned that a copy of the new microfilm would be made available to Ambassador Murphy's office. As stated above, the FO after preliminary survey of the documents feel that the original distribution should be strictly limited. This is based on the fact that the documents are of purely political character concerning the foreign policy of Germany, that they contain information regarding certain of our present Allies and that they would not be of apparent interest or use in current administration of a defeated Germany. The FO has received a request from the political section of the British element of the Control Commission similar to that received by us from Ambassador Murphy's office. According to the FO, copies of the new microfilm will not be distributed to any other British agencies until after the FO has made a thorough examination. However, it was made clear by the FO that it considers these documents a joint State Department Foreign Office find, and that if the Embassy requests an additional copy of the new film for Ambassador Murphy's office it will be made available. Before making such a request the Dept's instructions are requested.

Winant.

EXHIBIT 4

CRS TRANSLATION OF CERTIFIED COPY OF PACT AND OF CORRESPONDENCE BETWEEN SENATOR HELMS AND WEST GERMAN FOREIGN OFFICE ARCHIVIST MR. HEINZ WALDNER

U.S. SENATE,
COMMITTEE ON FOREIGN RELATIONS,
Washington, DC, September 14, 1988.

VLR I HEINZ WALDNER,
Auswaertiges Amt referat 117,
5300 Bonn 1, West Germany.

DEAR HERR WALDNER: The U.S. Senate Committee on Foreign Relations is currently conducting a study on the annexation of the Baltic States by the Union of Soviet Socialist Republics, and on the relationship between the signing of the Molotov-Ribbentrop pact in 1939 and the annexation of the Baltic States.

In this regard, we are seeking to verify the authenticity and chain of custody of the documents enumerated below. We understand from the United States Department of State that these documents were returned by the Allied powers to the German Foreign Ministry in 1949, on the condition that they be open to the public. Therefore, we would like to obtain from your office certified copies of the cited documents, as well as of any letters, memoranda, or notes relating to the provenance or chain of custody when they came into your possession.

(1) The Treaty of Nonaggression Between Germany and the Union of Soviet Socialist Republics, signed August 23, 1939, by Ribbentrop and Molotov.

(2) Secret Additional Protocol to the Treaty of Nonaggression Between Germany and the Union of Soviet Socialist Republics, signed August 23, 1939, by Ribbentrop and Molotov.

(3) Secret Supplementary Protocol to the German-Soviet Boundary and Friendship Treaty, signed September 28, 1939, by Ribbentrop and Molotov.

(4) Secret Protocol, signed January 10, 1941, by Schulenburg and Molotov.

(5) Telegram No. 204 of August 23, 1939, originating in Moscow, signed by Ribbentrop, from the Reich Foreign Minister to the German Foreign Office.

(6) Telephone copy of Telegram No. 204 of August 23, 1939.

(7) Telegram No. 205 of August 23, 1939, originating in Berlin, signed by Kordt, from the German Foreign Office to the Reich Foreign Minister.

(8) Telephone copy of Telegram No. 205 of August 23, 1939.

(9) Telegram No. 360 of September 15, 1939, originating in Berlin, signed by Ribbentrop, from the Reich Foreign Minister to the German Ambassador in the Soviet Union.

(10) Telegram No. 442 of September 25, 1939, originating in Moscow, signed by Schulenburg, from the German Ambassador in the Soviet Union to the German Foreign Office.

(11) Telegram No. 497 of October 4, 1939, originating in Berlin, signed by Ribbentrop, from the Reich Foreign Minister to the German Ambassador in the Soviet Union.

(12) Memorandum by the Reich Foreign Minister for Hitler, June 24, 1940, signed by Ribbentrop.

Thank you for your assistance. If you desire further information in this matter, please contact Martin Zvaners or Ann Smith at the Senate Foreign Relations Committee, Washington, DC 20510-6225. The telephone number is (202) 224-3941, the FAX number is (202) 224-5011.

Sincerely,

JESSE HELMS.

CONGRESSIONAL RESEARCH SERVICE,
THE LIBRARY OF CONGRESS,
Washington, DC.

From Foreign Office, 117-251.09/88, Bonn Nov. 14, 1988.

Senator JESSE HELMS,
United States Senate, Committee on Foreign Relations, Washington, DC.

DEAR SENATOR: In accordance with your request of September 14, 1988, I am sending you enclosed 33 notarized photocopies of Foreign Office files from the years 1939-1941. Both the German and Russian versions of the treaties are given (Nos. 1-4 on your list).

The portion of the Foreign Office files which is now here in Bonn fell into the hands of American troops in spring of 1945 and has been under the oversight of American and English officials since then. For details, only the Foreign Office in London or the U.S. Department of State can give you information. You can also find a pertinent description in the Akten zur deutschen auswärtigen Politik 1981-1945, Serie D. Band I in the Allgemeine Einleitung and in Anhang I. The English translation appeared as Documents on German Foreign Policy 1918-1945, Series D, vol. I, General Introduction and Appendix I).

The archives had not even been returned to the Foreign Office by 1949. It was only later as a result of an exchange of notes between the /German/ Federal Administration and the ambassadors of the three Western allies in Bonn between March 14 and April 18, 1956. The text of this correspondence is pritned in United States Treaties and other International Agreements, vol. 7, Part 2, p. 2119 ff.

The documents had mostly all been returned by early 1959, and the holdings have since then been uninterruptedly in the hands of the Foreign Office.

Sincerely yours,

———— ————.

NONAGGRESSION PACT BETWEEN GERMANY AND THE UNION OF SOVIET SOCIALIST REPUBLICS

The Government of the German Reich and the Government of the Union of Soviet Socialist Republics, led by the desire to consolidate peace between Germany and the USSR, and on the basis of the fundamental provisions of the Treaty of Neutrality signed in April 1926 between Germany and the USSR, have arrived at the following agreement:

ARTICLE I.

Both parties to the treaty are obligated to refrain from any aggressive act and any attack on each other, either individually or jointly with other powers.

ARTICLE II.

In the case that one of the parties to the treaty should become the object of belligerance on the part of a third power, the other party shall not support the third power in any way.

ARTICLE III.

The Governments of both contracting parties shall in the future remain constantly in contact with each other in order to keep each other informed about their common interests.

ARTICLE IV.

Neither of the two contracting parties shall participate in any power alignment aimed directly or indirectly at the other party.

ARTICLE V.

In the case that disputes or conflicts should arise between the two contracting parties over questions of this or that kind, both parties shall settle these disputes or conflicts exclusively through a friendly exchange of opinion or, if need be, through the intermediary of an arbitration commission.

ARTICLE VI.

The present treaty shall be valid for 10 years, subject to the proviso that unless one of the contracting parties terminates it one year before this period is up, the treaty will automatically continue in force for an additional five years.

ARTICLE VII.

The present treaty shall be ratified within the shortest possible time. The documents of ratification shall be exchanged in Berlin. The treaty shall take effect immediately upon ratification.

Prepared in two versions, Russian and German.

Moscow, August 23, 1939.
VON RIBBENTROP
(For the Government
of the German Reich).
V. MOLOTOV
(For the Government of the USSR).

SECRET SUPPLEMENTARY PROTOCOL

On the occasion of the ratification of the non-aggression pact between the German Reich and the Union of Soviet Socialist Republics, the delegates of both parties, undersigned below, held a highly confidential discussion concerning delimitation of the spheres of interest of both parties in Eastern Europe. This discussion led to the following results:

1. In the case of territorial-political reorganization in the territories belonging to the Baltic States (Finland, Estonia, Latvia, and Lithuania), the northern boundary of Lithuania also forms the boundary of the spheres of interest of Germany and the USSR. The interests of Lithuania in the territory of Vilna are recognized in this connection.

2. In the event of a territorial-political reorganization of the areas belonging to the Polish nation, the spheres of interest of Germany and the USSR are approximately demarcated by the lines of the Narew, Vistula, and San Rivers.

The question as to whether bilateral interests make the maintenance of an independent Polish state seem desirable, and how this state would be demarcated, can only be determined definitively in the course of future political developments.

In each case both Governments will solve the question by amicable agreement.

3. As regards southeastern Europe, Soviet interest in Bessarabia is emphasized. The German side declares its complete lack of interest in these areas.

4. This protocol will be treated as top secret by both sides.

VON RIBBENTROP
(For the Government
of the German Reich).
V. MOLOTOV
(On the authority of
the Government of the USSR).

(Blurred stamp in upper right-hand corner says: "Return to office of the Reich Foreign Minister")

SECRET SUPPLEMENTARY PROTOCOL

The undersigned delegates establish agreement between the Government of the German Reich and the Government of the USSR concerning the following matters:

The secret supplementary protocol signed on August 23, 1939 is amended at No. 1 in that the territory of Lithuania comes under the USSR sphere of interest, because on the other side the administrative district "Woywodschaft" of Lublin and parts of the administrative district of Warsaw come under the German sphere of influence (cf. map accompanying the boundary and friendship treaties ratified today). As soon as the Government of the USSR takes special measures to safeguard its interests on Lithuanian territory, the present German/Lithuanian border will be rectified in the interests of simple and natural delimitation, so that the territory of Lithuania lying southwest of the line drawn on the accompanying map will fall to Germany.

It is further established that the economic arrangements in force at the present time between Germany and Lithuania will be in no way damaged by the aforementioned measures being taken by the Soviet Union.

Moscow, September 28, 1939.
VON RIBBENTROP
(For the Government
of the German Reich).
V. MOLOTOV
(On the authority of
the Government of the USSR).

SECRET PROTOCOL

Graf von Schulenburg, the German Ambassador, acting for the Government of the German Reich, and the Chairman of the Council of People's Commissars of the USSR, W.M. Molotov, acting for the Government of the USSR, have agreed upon the following points:

1. The Government of the German Reich renounces its claims to the portion of the territory of Lithuania mentioned in the September 28, 1939 Secret Protocol and shown on the included map.

2. The Government of the Union of Soviet Socialist Republics is prepared to compensate the Government of the German Reich for the territory mentioned in Point 1 of this protocol by payment of the sum of 7,500,000 gold dollars = 31 million 500 thousand reichsmarks to Germany.

Payment of the sum of 31.5 million reichsmarks will be accomplished by the USSR in the following way: one eighth, i.e., 3,937,500 reichsmarks, in shipments of non-ferrous metal within three months of ratification of this treaty, and the remaining seven eighths, 27,562,500 reichsmarks, in gold by a deduction from the German payments in gold which the German side was to bring up by February 11, 1941. On the basis of the correspondence concerning the February 11, 1940 economic agreement between the German Reich and the Union of Soviet Socialist Republics in the second section of the agreement between the Chairman of the German Economic Delegation, Herr Schnurre and the People's Commissar for USSR Foreign Trade, Herr A.I. Mikoyan.

3. This protocol has been prepared in both German and Russian (two originals) and goes into effect upon being ratified.

Moscow, January 10, 1941.
ILLEGIBLE, PRESUMABLY "VON
SCHULENBURG"
(For the Government
of the German Reich).
V. MOLOTOV
(Acting for the
the Government of the USSR).

EXHIBIT 5

CRS TRANSLATIONS OF GERMAN FOREIGN MINISTRY DOCUMENTS OF HITLER-RIBBENTROP PERIOD

MOSCOW, *August 23, 1939.*

Abroad Berlin.

[Telegram (Written in Code)]

RUSH!!

Please report to Führer immediately that have just finished first three-hour talk with Stalin and Molotov. During talk, which went off quite positively from our viewpoint, it became evident that decisive point for ultimate result is claim of Russians to see harbors of Libau and Windau recognized by us as part of their sphere of influence. I would be grateful for confirmation that Führer in agreement with this. Anticipated is ratification of secret protocol defining spheres of interest for both sides throughout the entire Eastern territory, which I replied that I was in principle prepared to do.

[Relayed from Moscow by Telephone]

[Telegram]

MOSCOW, *August 23, 1939.*

Please report to Führer immediately that have just finished first three-hours talk with Stalin and Molotov. During talk, which went off quite positively from our viewpoint, it became evident that decisive point for ultimate result is claim of Russians to see harbors of Libau and Windau recognized by us as part of their sphere of influence. I would be grateful for confirmation that Führer in agreement with this. Anticipated is ratification of secret protocol defining spheres of interest for both sides throughout the entire Eastern territory, which I replied that I was in principle prepared to do.

Distributors:
1. H. U. St. S. Pol.
2. H. LR Siegfried.
3. Telegram Control.

BERLIN, *August 23, 1939.*

[Tel. written in code]

Diplogerma
Moscow.

In response to telegram no. 204, Answer is: yes, agreed.

Kordt.

[Telephonogram]

Received at 11:00 p.m. August 23 from the embassy counselor at Tippelskirch.

In response to telegram no. 204.

Yes, agreed Kordt, relayed by telephone by Hewel.

Three copies:
1. For the Reich's Minister of Foreign Affairs.
2. For the A files.
3. For the chronological collection.

[Decoded Telegram (written in code)]

From Berlin, September 15, 1939 8:20 p.m. arrived Moscow, September 16, 1939, 7:15 a.m.

Diplogerma Moscow

Rush!! Tel. no. 360 from September 15.

Top secret! For the Ambassador personally.

Please inform Herr Molotov immediately of the following:

1. As can be seen from the September 14 overview of the military situation, the destruction of the Polish Army is being rapidly completed. Warsaw will probably be occupied within the next few days.

2. We have already explained to the Soviet Government that, apart from purely military operations, we are bound by, and shall, of course, continue to be bound by, the delimitation of the spheres of interest of both sides agreed upon in Moscow.

3. We assume from the messages sent you by Molotov on September 14 that the Soviet Government will now intervene militarily, and that it is now beginning this action. We are glad of this. The Soviet Government thus relieves us of the necessity of annihilating the remains of the Polish Army by pursuing it to the Russian border. In addition, this will take care of the problems which would have arisen in the absence of Russian intervention; i.e., that in the territories east of the German sphere of influence a politically empty space would have come into existence. As we have, apart from any measures occasioned by military operations, absolutely no intention of assuming any political or administrative tasks in these areas, without Soviet intervention, the pos-

sibility of the formation of new states would have existed there.

4. As for political support for the proceedings of the Soviet Army, we propose a joint communiqué with the following contents:

"In view of the evident collapse of the groups of people living in what was the State of Poland, the Government of the Reich and the Government of the USSR consider it necessary to put an end to the politically and economically untenable situation in these areas. They consider it their joint responsibility to restore law and order in these areas naturally within their spheres of influence in order to bring about a reorganization there from the standpoint of establishing natural boundaries and viable economic institutions.

5. In proposing a communiqué of this sort we are assuming that the Soviet Government has dropped the idea, already mentioned by M. in a previous conversation, of justifying Soviet action by the threat to the Ukrainian and White Russian population from Germany. Such an explanation would in fact be impossible. Objectively it would contradict real German intentions, and which are aimed exclusively at fulfilling well-known German interests, would, in addition, be incompatible with the agreements made in Moscow, and, finally, it would make both . . . nations appear to the rest of the world to be opponents to the rest of the world to be adversaries, in contradiction to the expressed wish on both sides for friendly relations.

6. Since military operations must be terminated as quickly as possible, if only due to the advanced season, we would be grateful if the Soviet Government would determine for us what day and hour its army will begin the invasion, so that we can gear ourselves to it. Moreover, in order to facilitate the requisite coordination of military action for both sides, it will also be necesary for a representative from both Governments to meet with Russian and German officers at some place in the theater of operations, we propose Bialistok, on the flight path, in order to come to an agreement about what is necessary.

Request immediate report by telegram. The textual amendment discussed by Gaus with Hilger has already been taken care of.

RIBBENTROP.

Two copies:
1. for the A file.
2. for the chronological collection.
This is copy 1.

[Telegram (written in code)]

Moscow, September 25, 1939, 10:58 p.m.
Arrival "26," 12:30 a.m.
No. 442 of 9/25

TOP SECRET! RUSH!

Stalin and Molotov summoned me to the Kremlin today at 10:00 in the evening. Stalin made the following statement: In the final settlement of the Polish question, everything would have to be avoided which might cause friction in the future between Germany and the Soviet Union. From this viewpoint, allowing a remnant of an independent Poland/to continue to exist/ seemed to him a mistake. He was making, he said, the following proposal: Of the territory situated east of the line of demarcation, the whole administrative district of Lublin and part of the administrative district of Warsaw up to the Bug River should be added to our part. For this, we will renounce any claims to Lithuania.

Stalin designated this proposal as the material for the upcoming negotiations with the Reich Foreign Minister and added that, if we reach an agreement, the Soviet Union would immediately set about solving the problem of the Baltic States according to the August 23 protocol and he expected the unqualified support of the German Government. Stalin mentioned pointedly Estonia, Latvia, and Lithuania, but did not mention Finland.

I told Stalin I would notify my Government.

SCHULENBURG.

[Decoded Telegram (Written in Code)]

Sent from Berlin on October 5, 1939, 3:43 a.m.

Arrived Moscow on October 5, 1939, 11:55 a.m.

[Diplogerma Moscow]

Rush! No. 497 dated 10/4.

TOP SECRET!

In response to today's telephone message from the Ambassador.

Consulate in Kaunas/Lithuania/receives following instructions:

1. This is only for your personal information: On the occasion of the ratification of the German-Russian Non-Aggression Pact on August 23, a top secret demarcation of separate spheres of influence in Eastern Europe was entered into with the Soviet Union. According to this, Lithuania was supposed to belong to the German sphere of influence, while in the territory which was previously the Polish state, the so-called Four-River-Line, the . . . Narew-Vistula-San, would form the boundary. Even at that time I demanded that the Vilna area go to Lithuania, which was conceded by the Soviet Government. During negotiations over the boundary and friendship treaty of September 28, the arrangement was amended to take Lithuania, including the Vilna area, into the Soviet sphere of influence, in exchange for which the administrative district of Lublin and large parts of the administrative district of Warsaw including the tip of the region, Suvalki would fall into the German sphere of influence. As including the Suvalki region in the German sphere of influence would give rise to difficulties in drawing the boundary, we agreed that in the case special Soviet measures were mounted in Lithuania, a narrow, but precisely delimited area (on the map) in southwestern Lithuania would go to Germany.

2. Today Graf von der Schulenburg has informed us that, contrary to our intentions, Molotov has informed the Lithuanian Foreign Minister of our secret arrangement. I would like to ask you to inform the Lithuanian Government about the affair verbally and in strictest confidence as follows:

As early as the occasion of the ratification of the German-Soviet Non-Aggresion Pact on August 23, in order to avoid complications in Eastern Europe between the Soviet Government and ourselves, discussions had taken place concerning the demarcation of German and Soviet spheres of influence. During these discussions I advocated that the Vilna region be given back to Lithuania, which the Soviet Government promised to do. During negotiations over the boundary and friendship treaty of September 28th, the bit of territory called Suwalki between Germany and Lithuania fell to Germany, as can be inferred from the since published German-Soviet boundary delimitation. But because this would result in a complicated and impractical boundary, I reserved a border rectification for Germany in this area, whereby a slender strip of Lithuanian territory would fall to Germany. The allocation of Vilna to Lithuania was also upheld during these negotiations. /Tell them further that/ You are now empowered to inform the Lithuanian Government that the Government of the Reich is not at the present time interested in such border rectification. We do, however, require that the Lithuanian Government treat the point as top secret. (Conclusion of the instructions to Kaunas).

Please inform Herr Molotov of our meassage to the Lithuanian Government. Also, request him, as already indicated in the previous telegram, (1) in case of deployment of Russian troops in Lithuania, to leave the strip of Lithuanian border in question free and (2) to leave it up to Germany to determine the time to come to an agreement on the question of territorial cession. These two points are to be decided in a secret exchange of letters between Molotov and you.

Ribbentrop.

Two copies,
1. For the files
2.
This is No. 2.

Note for the Führer

The text of the August 23, 1939 secret supplementary protocol is as follows:

"SECRET SUPPLEMENTARY PROTOCOL

On the occasion of the ratification of the Non-Aggression Pact between the German Reich and the Union of Soviet Socialist Republics, the undersigned agents of both parties met in top secret conference to discuss the question of delimitation of the spheres of interest of both parties in Eastern Europe. This discussion led to the following results:

1. In the case of territorial-political reorganization in the territories belonging to the Baltic States (Finland, Estonia, Latvia, and Lithuania), the northern boundary of Lithuania is to form the boundary of the spheres of interest of Germany and the USSR. The interests of Lithuania in the territory of Vilna are recognized in this connection.

2. In the event of a territorial-political reorganization of the areas belonging to the Polish nation, the spheres of interest of Germany and the USSR are approximately demarcated by the lines of the Narew, Vistula, and Sand rivers.

The question as to whether bilateral interests make the maintenance of an independent Polish state seem desirable, and how this state would be delimited can only be determined definitively in the course of future political developments.

In each case both Governments will solve the question by amicable agreement.

3. As regards southeastern Europe, Soviet interest in Bessarabia is underscored. The German side declares its complete lack of interest in these areas.

4. This protocol will be treated as top secret by both sides.

For the Government of the German Reich.

On the authority of the Government of the USSR
von Ribbentrop

V. MOLOTOV".

As far as I can recall the following took place:

In delimiting mutual spheres of interest in Eastern Europe when Southeast Europe was mentioned, the Soviet side emphasized its interest in Bessarabia. On this occasion I expressed verbally our lack of interest in the

question of Bessarabia. However, because of the possibility of committing an indiscretion, which had to be taken into account considering that at that time the nature of German-Russian relations was still completely unknown, I elected a formulation of a general sort for the Protocol in order not to fix our expressed recognition of the Russian claim to Bessarabia in writing. This was done in such a way that in discussing Southeast European problems, I stated quite generally that Germany had no political interest in "these territories;" i.e., Southeastern Europe. I did, however, explicitly point out Germany's economic interest in these southeastern territories. This was done in accordance with the general phraseology recommended by the Führer for Southeast Europe, as well as, as far as I remember, a particular directive from the Führer, which I received before I left for Moscow and in which the Führer empowered me to express Germany's lack of interest in the territories of Southeast Europe and, if I had to, even as far as Constantinople and the Straits. The latter was, however, not mentioned.

(signed) R.

BAUMSCHULE, *June 24, 1940.*

(Translated by David Skelly CRS—Language Services. February 24, 1989.)

German Embassy. Ag/15/41

Moscow, *January 14, 1941.*

SECRET!

Contents: Secret protocol concerning the borders of Lithuania.

I have the honor of sending as an enclosure in both German and Russian the secret protocol signed by myself and the Chairman of the Council of the People's Commissars of the USSR, Mr. Molotov, on January 10, 1941 concerning the cession of the borders of Lithuania.

RIBBENTROP.

To the Foreign Office, Berlin.

NATIONAL ENDOWMENT FOR THE ARTS

The PRESIDING OFFICER. The Senator from New York.

Mr. D'AMATO. Thank you, Mr. President.

Mr. President, several weeks ago, I began to receive a number of letters, phone calls, and postcards from constituents throughout the State concerning art work by Andres Sarrano. They express a feeling of shock, of outrage, and anger.

They said, "How dare you spend our taxpayers' money on this trash." They all objected to taxpayers' money being used for a piece of so-called art work which, to be quite candid, I am somewhat reluctant to utter its title. This so-called piece of art is a deplorable, despicable display of vulgarity. The art work in question is a photograph of the crucifix submerged in the artist's urine.

This artist received $15,000 for his work from the National Endowment for the Arts, through the Southeastern Center for Contemporary Art.

Well, if this is what contemporary art has sunk to, this level, this outrage, this indignity—some may want to sanction that, and that is fine. But not with the use of taxpayers' money. This is not a question of free speech. This is a question of abuse of taxpayers' money. If we allow this group of so-called art experts to get away with this, to defame us and to use our money, well, then we do not deserve to be in office.

That is why, Mr. President, I am proud of the Members, who in literally a matter of minutes—over 20, about 25—joined me in signing a strong letter of protest to the Endowment. Here is a picture, and the title is "Piss Christ." Incredible.

To add insult to injury, after this group of so-called art experts picked this artist for this $15,000 prize—of taxpayers' money; we paid for this, our taxpayers—I do not blame people for being outraged and angered, and they should be angered at us, unless we do something to change this. If this continues and if this goes unrectified, where will it end? They will say, "This is free speech." Well, if you want free speech, you want to draw dirty pictures, you want to do anything you want, that is your business, but not with taxpayers' money. This is an outrage, and our people's tax dollars should not support this trash, and we should not be giving it the dignity. And after this piece of trash and this artist received this award, to make matters worse, the Awards in Visual Arts, this wonderful publication was put together; and who was it financed by, partially? By none other, than the National Endowment for the Arts. What a disgrace.

They not only see this garbage, they can say we did not know he engaged in this kind of filth, but then they see fit to distribute it through the Nation and brag about it and allow their names to be used, instead of calling and saying, you get our name out of that.

Mr. President, we better see to it that——

The PRESIDING OFFICER. The Senator's time has expired.

Mr. D'AMATO. Mr. President, I ask unanimous consent that I might be permitted 2 more minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. D'AMATO. The purpose for which the Endowment was established, and I quote, "to support the survival of the best of all forms that reflect the American heritage in its full range of cultural and ethnic diversity and to provide national leadership on behalf of the arts."

Mr. President, I submit this is a distortion of those purposes. It does not reflect on the full range of cultural and ethnic diversity; rather, it is a perversion of those principles. If people want to be perverse, in terms of what they recongize as art or culture, so be it, but not with my money, not with the taxpayers' dollars, and certainly not under the mantle of his great Nation. This is a disagrace.

Mr. President, I ask unanimous consent that the letter to the National Endowment for the Arts be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, DC, May 18, 1989.

Mr. HUGH SOUTHERN,
Acting Chairman, National Endowment for the Arts, Washington, DC.

DEAR MR. SOUTHERN: We recently learned of the Endowment's support for a so-called "work of art" by Andress Serrano entitled "Piss Christ." We write to express our outrage and to suggest in the strongest terms that the procedures used by the Endowment to award and support artists be reformed.

The piece in question is a large and vivid photograph of Christ on a crucifix submerged in the artist's urine. This work is shocking, abhorrent and completely undeserving of any recognition whatsoever. Millions of taxpayers are rightfully incensed that their hard-earned dollars were used to honor and support Serrano's work.

There is a clear flaw in the procedures used to select art and artists deserving of taxpayers support. That fact is evidenced by the Serrano work itself. Moreover, after the artist was selected and honored for his "contributions" to the field of art, his work was exhibited at government expense and with the imprimatur of the Endowment.

This matter does not involve freedom of artistic expression—it does involve the question whether American taxpayers should be forced to support such trash.

And finally, simply because the Endowment and the Southeastern Center for Contemporary Art (SECCA) did not have a direct hand in choosing Serrano's work, does not absolve either of responsibiity. The fact that both the Endowment and the SECCA with taxpayer dollars promoted this work as part of the Awards in Visual Arts exhibition, is reasons enough to be outraged.

We urge the Endowment to comprehensively review its procedures and determine what steps will be taken to prevent such abuses from recurring in the future.

We await your response.

Sincerely,

Alphonse D'Amato, Bob Kerrey, Warren B. Rudman, Rudy Boschwitz, Dennis DeConcini, Pete Wilson, Bob Dole, Chuck Grassley, James A. McClure, John Heinz, Wendell Ford, Howell Heflin, Harry Reid, Richard Shelby, John W. Warner, Larry Pressler, Conrad Burns, Tom Harkin, Trent Lott, Jesse Helms, John McCain, Arlen Specter, Steve Symms.

Mr. HELMS. Mr. President, the Senator from New York is absolutely correct in his indignation and in his description of the blasphemy of the so-called artwork. I do not know Mr. Andres Seranno, and I hope I never meet him because he is not an artist, he is a jerk.

Let us examine exactly what this bird did to get the American taxpayer to subsidize his $15,000 award through the so-called National Endowment for the Arts. Let me first say that if the

Endowment has no more judgment than this, then it ought to be abolished and all funds returned to the taxpayer.

What this Seranno fellow did to create this blasphemy was to fill a bottle with his own urine and then he stuck a crucifix—the Lord Jesus Christ on a cross—down in the urine, set the bottle on a table, and took a picture of it.

For that, the National Endowment for the Arts contributed to a $15,000 award to honor him as an artist.

I say again, Mr. President, he is not an artist. He is a jerk. He is taunting a large segment of the American people, just as others are, about their Christian faith. I resent it, and I do not hesitate to say so.

I am not going to call the name that he applied to this work of art. By naming it he sought to create indignation, and let there be no question that he succeeded in that regard.

It is all right for him to be a jerk but let him be a jerk on his own time and with his own resources. Do not dishonor our Lord. Again, I resent it and I think the vast majority of the American people resent the National Endowment for the Arts spending the taxpayers' money to honor this individual.

The Federal program which honored Mr. Serrano, called the Awards in Visual Arts, is supported by the National Endowment and administered by the Southeastern Center for Contemporary Arts. They call it SECCA and I am sorry to say it is in my home State.

After Mr. Serrano's selection, this deplorable photograph and some of his other works were exhibited in several cities around the country with the approval and the support of the National Endowment.

Horsefeathers. If we have sunk so low in this country as to tolerate and condone this sort of thing, then we have become a part of it.

The question is obvious. On what conceivable basis does anybody who would engage in such blasphemy and insensitivity toward the religious community deserve to be honored? The answer to that is that he does not. He deserves to be rebuked and ignored because he is not an artist. Anybody who would do such a despicable thing—and get a tax-subsidized award of $15,000 for it—well, it tells you something about the state of this Government and the way it spends our hard-earned tax dollars.

So no wonder all of the people calling my office are indignant. The Constitution may prevent the Government from prohibiting Mr. Serrano's—laughably, I will describe it—"artistic expression." But the Constitution certainly does not require the American taxpayers or the Federal Government to fund, promote, honor, approve, or condone it.

Mr. President, the National Endowment's procedures for selecting artists and works of art deserving of taxpayer support are badly, badly flawed if this is an example of the kind of programs they fund with taxpayers' money.

I have sent word to the Endowment that I want them to review their funding criteria to ensure abuses such as this never happen again. The preliminary report we got from one person with whom we talked was sort of "Down, boy, we know what we are doing."

Well, they do not know what they are doing. By promoting, approving, and funding Mr. Serrano's sacrilege, the National Endowment for the Arts has insulted the very precepts on which this country was founded. I say again, that as an American and as a taxpayer, I resent it.

Mr. COATS addressed the Chair.

The PRESIDING OFFICER. The Senator from Indiana is recognized.

Mr. COATS. I think the Chair.

(The remarks of Mr. COATS pertaining to the introduction of S. 1057 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

The PRESIDING OFFICER. The Senator from Ohio is recognized.

THE SHAMIR PLAN FOR ELECTIONS IN THE OCCUPIED TERRITORIES

Mr. METZENBAUM. Mr. President, the State of Israel has been the focus of abundant study, commentary and criticism over the past 1½ years. Israelis have been told in every manner imaginable that they bear responsibility for the violence in the occupied territories. Israeli security forces have been compared to everyone from the Nazis to the Khmer Rouge in their attempts to restore order in the West Bank and Gaza Strip.

What the world continues to ignore is the fact that Israel is at war. The State of Israel is faced with almost impossible alternatives regarding its relations with the Palestinians. Too many of Israel's neighbors, with the exception of Egypt, continue in their determination that there should be no State of Israel. I will not take up my colleagues' time with reviewing the strategic picture Israel has faced over the years. One only has to look at a map to understand this situation. Most Senators are already well aware of the criticals geographic problems that limit Israel's diplomatic and security options.

Mr. President, even with the majority of its population and industry crammed into a narrow corridor 9 miles wide and 25 miles long, Israel has offered a major concession to West Bank and Gaza residents. Israel has just taken a big risk in the search for peace.

Prime Minister Yitzhak Shamir has produced a viable, realistic plan which includes Palestinian self-rule and a vehicle for negotiations on a permanent solution. The Shamir plan represents an accommodation of widely divergent priorities on both sides of the issue. The plan is not what either side would love to see, but this is the essence of compromise. While not perfect, the Shamir plan is workable, it is a substantive offer, and it should be taken seriously by all parties to the conflict.

Mr. President, it is significant that the Israeli cabinet has given approval to the Shamir plan. Israeli democracy has, at times, been almost too pluralistic, creating a divided government.

But the Shamir plan is not the product of division. It is a plan that the entire Government has endorsed because the voters of Israel want peace.

For so many months, the plain fact that Israelis are ready and willing to make peace has been callously overlooked. No one has suffered more from the ravages of violence than ordinary Israelis. Many who have been calling on Israel to lay down its arms and give in to the rioters fail to see two essential truths about the conflict. The first, as I have mentioned, is that Israelis have endured a vastly greater level of war, strife and fear over time than the Palestinians.

Israelis are truly the party most in need of peace.

The second frequently overlooked truth is that no sovereign state can ever be expected to put itself in a suicidal strategic position to satisfy the fickle whims of world opinion. The PLO's so-called peace proposals are inherently insincere and cynical because they would ultimately be fatal to Israel.

One need only look at the PLO seal to see that it views all of Israel as part of its self-declared State of Palestine. This is not the emblem of an organization committed to any peace process.

The Shamir plan, on the other hand, gives something of substance to both sides in a realistic framework.

The Shamir plan will help bring a measure of stability to a turbulent area. Arafat's various ideas have simply served to stir up the plot.

Mr. President, Prime Minister Shamir has laid out a 5-year road map toward a permanent solution of the Palestinian-Israeli conflict. The plan is an attempt to identify responsible negotiating partners within the Palestinian community, and to give them the credibility to speak for their people.

The plan is intended to be a flexible vehicle for dialog—not a diplomatic straightjacket.

Upon implementation of the Shamir plan, free democratic elections will be held in the territories by secret ballot.

Mr. President, I should note, parenthetically, that if this plan is put into effect, it will represent one of the first truly free plebiscites in the Middle East.

Has anyone ever heard Mr. Arafat, or any other Arab leader, for that matter, call for free elections in Saudi Arabia, Syria, Libya, Yemen, Abu Dhabi, or any other nation in the Arab world? No.

Over the years, Israel has introduced many new ideas to its regional neighborhood, and now there is the possibility that Jeffersonian democracy will be added to this list of firsts for the Arab world.

After the Palestinians elect their own representatives, they will be given responsibility for all matters concerning their communities in the territories. Responsibility for national security will be left to Israel, however, daily police matters will be handled by Palestinians.

At any point after the elections, but no later than 3 years afterward, negotiations toward a permanent solution between Israelis and Palestinian representatives from the territories, and Egypt and Jordan, would commence.

Mr. President, the Shamir plan will allow everything, and I want to emphasize, everything, to be put on the negotiating table. Israel is not afraid to face tough issues. Of greatest importance, however, is the fact that Israel is not afraid to take the risks necessary to settle these issues.

It is unfortunate that, while Israel is taking a risk, offering a progressive idea for peace, the PLO is maintaining its intractable attitude. The PLO rejected the Shamir plan almost as quickly as it rolled off the presses.

Mr. President, the PLO's reaction to the Shamir plan illustrates several things for this Senator.

First, it clearly explains why Israel can never be reasonably expected to negotiate with the PLO.

You cannot have movement and progress when rejectionism flows like water.

Second, it seems to me that "The Three No's of Khartoum" are still the PLO's modus operandi—despite Arafat's supposed reunuciation of terrorism, violence, and the PLO charter.

Third, the PLO's "official" attitude illustrates how removed it is from the Palestinians in the West Bank. The people of the occupied territories have, for the most part, been hard working and productive. They have an interest in moving the peace process along: They are enfranchised in the economic and social sense of the word. Conversely, Arafat and his entourage—currently residing in Tunisia—are now and always have been nothing more than professional terrorists.

An interesting fact overlooked by much of the national media is that some West Bank Palestinians did have in mind to talk with the Israelis. As their reward for such initiative, they were assassinated. Not much has been made of the intimidation and brutal coercion being applied in the territories by the "Tunisian PLO." These "Tunisian Palestinians" have no interest in autonomy for the territories—they have no use for compromise. Arafat's response to the Shamir plan illustrates for me that, despite his rhetoric, he still wants to rule a Palestinian state with its capitol in Jerusalem.

Mr. President, it is time for the residents of the West Bank and Gaza Strip to take charge of their own destiny. The PLO can guarantee them only a future of continued strife and violence. It is time for these people to stand up to PLO intimidation and enter the peace process as the proud, productive Palestinians they are.

Mr. President, it is the Shamir plan that will finally allow Palestinians and Israelis to sit down and talk directly about all aspects of their future together as neighbors. I urge the people of the territories to take a risk for peace and self rule. I urge the Palestinians to join with Israel and begin to chart a new course for the future.

Mr. SYMMS addressed the Chair.

The PRESIDING OFFICER (Mr. LAUTENBERG). The Senator from Idaho.

PANAMA

Mr. SYMMS. Mr. President, I rise to make a few comments about the situation in Panama. What I am about to say is relevant to what the distinguished Senator from Ohio just said in talking about the credibility of U.S. policy. I believe the Senator made some very good points.

I look at the situation in Panama and see what happened down there. Noriega utilized these fraud squads and the tactics of Lenin to steal the elections. Moreover, he accuses the other side of what it is he is actually doing.

Noriega very clearly armed what they call the Dignity Battalions which were nothing but fraud squads. They were sent out to disrupt and steal that election from the people in Panama. They literally did that.

In my view, if the United States stands idly by and does not allow those people who won the election to actually be put in power, then our credibility will be of no value when the proposed February elections are taking place in Nicaragua. We will have no credibility.

Why would Daniel Ortega worry about whether or not his election is fair if the United States, with our military presence in the Canal Zone, does nothing to ensure the validity and fairness of Panama's election? Come February, the Sandinistas will simply thumb their noses at us.

My staff member, Andy Jazwick, was in Panama as part of an election observation team. He was 25 yards from a person who was shot by a member of the so-called Dignity Battalions, which I call the fraud squad. He saw the man hit and fall. He saw Noriega's army passing out rifles to people to go disrupt the election.

I think that is very interesting. It is also something that relates right back here at home. One of the reasons we have always had free and fair elections in the United States is because the military are not the only people that have the right of self-preservation by having the right to bear arms. We should not overlook that. In Panama, two out of every three people voted against Noriega's candidate, but the people with the guns were declared the winner.

I appreciate what my colleagues have been saying with respect to Panama. I think it is very important that we stand very squarely behind the President and give him the strength of the Congress to stand with him if he does choose to use stronger actions than has thus far been implemented.

The OAS has voted at the outrage of Noriega stealing the election. If General Noriega does not go peacefully, then I would say that is the time the United States stands behind the President to make a strong decision and use whatever force is necessary to see that the opposition party is allowed to assume power. Then, after that, I would recommend the Panamanians hold another election so there could be no question in anyone's mind that they are going to have the right to self-government.

I cosponsored the bill just introduced by Senator COATS. I compliment him for doing so. Short of that, this country would be absolutely foolish to move one step further toward the handing over of that canal to the dictators that are now in power in Panama. We should make it very clear that it is the bipartisan view of this Government that we are not going to hand over the canal to a government that has no respect for free and fair elections or human rights.

We have the military power down there to take care of the situation. We should not be intimidated by anyone anywhere in the world to use what force is necessary to see that the election results are ratified for the people of Panama.

CONSULTATION WITH LEADERS OF ALLIED COUNTRIES DURING THE NATO SUMMIT AND ECONOMIC SUMMIT MEETINGS ABOUT LOANS AND CREDITS TO THE SOVIET BLOC

Mr. SYMMS. Mr. President, I send a resolution to the desk on behalf of myself and Senator DECONCINI. Senator DOLE and Senator MITCHELL were going to do this, but the minority leader asked if I would do this now. This is a resolution that has been approved by the majority and minority.

Mr. President, I send the resolution to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A resolution (S. Res. 132) expressing the sense of the Senate regarding consultation with leaders of allied countries during the NATO Summit and the Economic Summit meetings in Brussells and Paris about loans and credit to the Soviet bloc.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Idaho?

There being no objection, the Senate proceeded to consider the resolution.

Mr. SYMMS. Mr. President, I continue to read and hear of accounts that detail the efforts being made by the Kremlin to procure Western capital. These continued efforts are very alarming both in light of our national security and our economic well-being in the 1990's. The continued actions of our allies to lend money to the Soviets is an urgent situation which requires that the Senate speak on this immediately. In addition, the NATO Summit to be held in Brussels, May 29-30, and the Economic Summit to be held in Paris, July 14-16, offer forms for the President of the United States to consult with leaders of the allied countries concerning the urgency of these lending trends.

I offer this sense of the Senate resolution to urge the President to meet with the leaders of the allied countries and address the impact of Western security of tied and united loans, trade credits, direct investments, joint ventures, lines of credit, and guarantees or other subsidies to the Soviet Union and other Communist controlled nations.

President Bush recently announced the beginning of a process that could lead to waiver of the Jackson-Vanik amendment. I believe our allies may interpret the administration's statement in favor of constructive diplomacy with the Soviets as a green light for additional financial credits and loans to the Soviet Union well before our diplomatic efforts have borne fruit. Therefore, I believe it would be very useful to reassert the sense of the Senate regarding financial assistance to the Soviet Union.

Mr. President, today I also wish to make a few comments on the legislative ramifications of waiving the Jackson-Vanik amendment. The Jackson-Vanik amendment was initially adopted in the brief earlier period when we all hoped a major thaw in the Cold War might be occurring, reflecting the sober view that economic concessions to the Soviets should be conditioned on measurable Soviet changes in behavior rather than just on Western wishful thinking.

Although the legislative history of the Jackson-Vanik amendment puts it in the direct context of free emigration and the actions of Soviet authorities against Jewish citizens who sought to emigrate from the U.S.S.R., Congress hoped that by linking human rights issues with trade concessions for Communist countries, including government credits and MFN [Most Favored Nation] status, such countries, and the Soviet Union in particular, would be induced to move toward a generally more civilized socioeconomic system.

Thus, the question today—should the United States consider waiving the Jackson-Vanik amendment—requires us to ask whether its premise has been met. There is great optimism in the West about Mr. Gorbachev's administration; there is a lot of showmanship, with the recent elections and the political purges of high officials. The important question however, in regard to what action the United States should take, particularly with something as concrete as MFN status and the Jackson-Vanik amendment, is: How much of what we believe we are seeing is real? How much is simply the Machiavellian consolidation of power by a strong new leader—a new dictator?

Will United States foreign economic policy toward the Soviet Union continue to act as a strong reminder to the Soviet leadership, and for that matter as an example to our allies as the leader of the Western Alliance, that access to our markets will only come with a permanently institutionalized "modernization" of human rights, including the economic rights of free labor mobility and freedom of economic enterprise? We must not construe the Jackson-Vanik amendment's concern so narrowly as to think it concerns only a modest annual Jewish quota.

Therefore, Mr. President, I think it is appropriate to question current economic conditions within the Soviet Union and some of the real reasons behind perestroika. Identifying basic differences between Western economies and that of the Soviet Union will also shed light on reasons not to hedge on this consideration. In short, I believe an analysis of these fundamental issues will lead one to strongly oppose waiver of the Jackson-Vanik amendment.

THE REAL IMPACT OF THE JACKSON-VANIK AMENDMENT

Has and is the Jackson-Vanik amendment working? Opponents to the provision claim not; they point to the drastic drop on emigration numbers—until recently—since the amendment was adopted in 1974. In fact, until the thaw took place between the United States and the Soviet Union, annual emigration numbers did not change. Subsequently, emigration numbers have risen sharply; but the right of each Soviet citizen to emigrate has yet to be implemented as national policy. The Jackson-Vanik Amendment is central to, and symbolic of, the basic demand by the free world that the Soviets adopt the human rights standard of any civilized nation. The Soviets have yet to do anything substantive in this area.

The Jackson-Vanik amendment actually is at the heart of the ongoing bargaining with Moscow for social and economic reform. It is a point of leverage now more than ever. I think the real issue with Jackson-Vanik is not how many Soviet Jews are permitted to emigrate, but its central position is as an obstacle to the Soviets in obtaining financial assistance in the west. So long as the denial of MFN status continues to stigmatize the Soviet Union it is impossible for anyone to pretend they are a part of the international ecomomy.

Consider the current internal economic crisis Gorbachev is facing. Inflation has rendered the rupple all but worthless, the black market runs rampant with corruption, and there is growing distrust among the masses accompanied by unprecedented apathy towards the current regime. All of this is coupled with a disquieting debt owed to Western governments of $12 billion. Debt to the private sector in the West has also been growing rapidly, from $11 billion at the entrance of Gorbachev to nearly $26 billion by the end of June 1987, and a surge in credit lines last year which are yet to be used.

Enter perestroika. Gorbachev, as Judy Shelton notes in her excellent new book,"The Coming Soviet Crash," is playing a three-pronged game. First, he is calling on Soviet firms to become more productive, by cutting costs and taking in more sales revenues. The resulting profits are then to be shared with the Soviet State. Second, Gorbachev is attempting to reduce the basic cost of government through decentralization. To date, Gorbachev has fired nearly half of the previous bureaucrats of the Old Guard. He also is holding salaries at the current level and shifting retained employees to lower levels. Finally, Gorbachev is instituting price reform by decreasing government subsidies. All of these cost-saving measures are aimed at re-

ducing the burgeoning internal deficit, which is financed through the issuance of government-granted credits but hidden by craftily devised accounting methodologies.

SOVIET REFORMS ARE MOSTLY COSMETIC

When analyzed at its very core, perestroika is far from a cure to economic woes. Rather, it is best termed a sly political manuever created to pacify critics on the external front. The Western media continue to heap praise upon false reforms that simply do not exist. Gorbachev has truly established himself as a competent actor—he's nearly caused the West to forget about what happened to foreign investors after Lenin seized power, about the Soviet Government's welshing on war-time loans, and about the Soviet walkout on the International Monetary Fund and the World Bank only to form a rival organization.

When viewed in light of current Soviet economic conditions and the would-be cure-all solution named perestroika, any waiver or modification we might entertain in the MFN status of the Soviet Union depends on how the Soviet leadership reforms its own national policy, not on whether we in the United States intend to change ours.

A further reason not to waive the Jackson-Vanik amendment rests solely on the manner in which the Soviet Union utilizes funds. Fundamentally speaking, the West must realize that the Soviet Union has clearly opted for military spending even at the expense of fixed investment and consumer welfare. In fact, by the early 1980's, military spending claimed over one-fifth of total Soviet production. Even yet there is little reason to believe that the Soviet Union is changing its military spending habits. In an article published on May 8, 1989, the Washington Times reported the Soviets have boosted T-80 tank production from about 3,500 a year to more than 4,300 in the first quarter of this year.

Additionally, it seems important to note the importance the Soviet Union attaches to trade with the United States. And even more important than trade with the West—after all, what does the Soviet Union produce that anyone in the West wants to buy?—Even more important to the Soviet Union is access to Western capital markets: they need our money to buy our goods. It is simply irresponsible to ignore the benefits to Gorbachev associated with Western technology. It serves a dual purpose in that it saves on current internal resources and accelerates Soviet efficiency. The Soviets know that merely to survive, they must increase their access to Western goods. It may be that consumer goods and technology are needed catalysts in order for perestroika to even have a chance for success.

WILL LOANS AND CAPITAL INVESTMENTS EVER BE REPAID

There is great optimism in the West about reform and democratization in the Soviet Bloc—about reform of their economy and hopefully an expanding horizon for economic growth. But many Soviets themselves believe it is virtually impossible for them to meet their currency needs by simply strengthening their economy. Russia is still unable to meet the basic needs of its people despite Gorbachev's reforms. The last 3 years are witness to a Soviet economic decline. During these years, the growth rate in net material production has slipped from 4.1 percent to 2.3 percent, their terms of trade have deterioriated by 6 percent, and they are seeking financing for very small deals.

The real issue for the West is whether loans and other capital transfers to the Soviet bloc will actually be used for economic growth and investment, or whether we are looking at the beginnings of another "Debt Bomb" similar to the one that is ticking away in Latin America and the Third World. In order to evaluate whether Western capital should be transferred to the Soviets, we need to ask first: Will it ever be repaid?

Today, Congress is attempting to cope with a massive bailout of the savings and loan industry, which has come about largely because of bad investments in Texas and other parts of the nation. It is just prudent to inquire whether the enthusiasm for joint ventures in the Soviet Union (with financing to be provided by the Western partner), and bank loans to the Soviet bloc "to finance economic restructuring" are likely to produce such results—or whether the capital will simply be squandered by a badly mismanaged economic system.

My answer to that question is firmly pessimistic. The savings and investments of our people are needed in our own economies, where business ventures must withstand the tests of competition and must earn a profit sufficient to repay any borrowings with interest. Our own economic growth in the future requires us to increase our savings rate. Any Western capital that is lent or given to the Soviet bloc, particularly if it is badly invested or used inefficiently in those economies, is accordingly lost and subtracted from our own economic growth.

THE BACKWARD NATURE OF "SOCIALISM"

Although they call it socialism, the economic system of the U.S.S.R. is actually a modern example of mercantilism, most closely resembling that of 17th century France. The main characteristics of mercantilism is legally sanctioned monopoly. In the earlier period, the selling of monopoly privileges was the king's main source of revenue—and monopoly rent was the main income source for the upper class.

Under that economy, the production of marketable output was heavily regulated by the government and these regulations were enforced by paid civil servants. These regulations were designed to enforce barriers against competitive entry, but the monarchy openly sold regulations as cartel enforcement services. The revenues this created was a chief source of the monarchy's funding. It is good to keep in mind that it was this regime that built the palace of Versailles and maintained the largest standing army in Europe at the time. At least the French were honest about this, and didn't cover it up with ideological facades. The monarchy used it solely as a means of raising revenue.

Of course, there are numerous differences between the system in France and the one existing in the Soviet Union today. The French had no central planning bureaucracy, and the Soviet Union uses its army to seal its borders to potential emigrant. Some other basic differences exist. For example, positions of authority in the Soviet Union are earned through party loyalty, and are selected from approved lists drawn up by the KGB and the Communist Party.

These personnel lists may prove to be significant in continuing the system in the light of the severe market restrictions in the Soviet economy. It serves as a large, powerful, organized and cohesive interest group whose members benefit from the current system, thus giving them the incentive to continue it. The countinuing struggle the KGB fights against can be seen as the result of successful management of those in power. Unfortunately for the Soviet people they are the only ones who lose.

The Soviet society today is a "rent seeking" one in which the Government controls, or provides, monopoly profits for a privileged minority at the expense of society as a whole. The ideological claims made by the people who benefit from this system—Marxist doctrine—may play a very large role in maintaining the stability of the entire system, but that does not reflect their true economic motivations. These motives are what we must question in dealing with the Soviets.

WITHOUT FREE MARKETS, ONLY CORRUPTION CAN THRIVE

Nobel laureate economist F.A. Hayek, and his teacher Ludwig von Mises, have shown that in principle an economic system that is planned by the Government is impossible to attain and maintain. Students of the modern Soviet economy also do not believe that comprehensive central planning is actually practiced in the Soviet Union or in any other nation that practices their economic model. In

spite of this, though, their economy is still alive, maybe a little sick, but alive nonetheless and furthermore, their model is very popular in other dictatorships throughout the world. This is a clue that it is an effective model for concentrating benefits to a governing elite.

The theoretical principles of socialism require centralized government planning, in lieu of markets. Only a very small part of the Soviet economy is actually planned even though there is an incredibly high level of Government intervention within. This is economically almost undistinguishable from governments with a market economy but which control large nationalized sectors such as health care and major industries.

Practically speaking, the Soviet's "central planning" is observed almost entirely "in the breach." However, some continue to assert that predominantly the entire economy is centrally planned. I presume that this means that the central planning authorities somehow reserve the right to intervene throughout the entire economy, even if their reach exceeds their grasp. The fact, however, is that there is a large private sector in the Soviet economy. This segment cannot be planned.

The importance of private agriculture in overall agricultural output is often mentioned. What is not mentioned, however, are the various economic activities, in which many citizens take part, in what are either illegal or quasilegal activities. This sector is quite large. The estimates of this counter-economy range from between 10 to 40 percent of the Soviet GNP.

In addition to this, the legal private economy contributes between 10 to 20 percent of the GNP. This means that 20 to 60 percent of the Soviet Union's gross national product is already from private enterprise—a very large chunk. Furthermore, it has been estimated that the average Soviet citizen receives 11.5 percent of his total household income from private sources, and that he spends an average of 18 percent of his earnings on such illegal products. This private economy, however, is somewhat parasitic on the planned sector of the Soviet economy. Much of this illegal economy is based on the evasion of legal official entry restrictions.

Legal monopolies in the form of entry restrictions are very dominant in the Soviet economy, just as in 18th century mercantilism. The legal controls on price competition are the most important restrictions. This is the characteristic feature of a socialist economy—to abolish markets, it is necessary to eliminate the use of prices as economic indicators. In a free market system the government may own major industries within the market, but to be truly socialist, the free market price system must be abolished. Some analysts have argued that the central planning authorities actually do use a price system, but it is one in which every price is used solely as a tool for accounting purposes, not as a guide to supply and demand. In the latter case, the term "price" is misapplied.

CORRUPTION, EMBEZZLEMENT, AND DECEIT

In asking whether the West should contribute capital in the form of loans or joint ventures in this mercantilistic economic system, we should be concerned about whether the proposed investments will actually be profitable in an economic sense, or merely profitable in the sense that resources can be extracted from the system in the form of monoply rents. Many comparative systems analysts admit the existence of monopolistic restrictions in the Soviet Union, but fail to ask what they do with the profits from these monopolies.

I believe that the obvious answer to this is that the profits are flowing right into the hands of those officials who are capable of transferring the resources from the consumers to their own pockets. One report cites a case in which the deputy director of the supervisory board of the Ministry for the Automobile Industry and some associates countersigned requisition notes for the supply of vehicle parts at a rate of 1,000 rubles per requisition. Which, I might add, is about what a Soviet worker makes in 3 months.

Another example of the abuse of power within the Soviet hierarchy is the deputy director and chief engineer of a construction trust that supplied state farms with building materials and received 20,000 to 40,000 rubles from each farm he dealt with in order to "expedite deliveries." In still another case, an official working in the Novolipetsk Metallurgical Combine took bribes for releasing supplies of metal against dispatch notes.

Perhaps the best example of abuse of power is the 1964 KGB investigation that discovered the entire leadership of the Government and Communist Party in Kirghizia had been on the payroll of underworld racketeers for years. The gang set up a conglomeration of clandestine factories, collective farms, and plantations that grew opium and cannabis, and shared the profits with the government officials in exchange for their protection. It seems kind of strange to me that out of all of those people, only the gang and one junior deputy minister were brought to trial.

We unfortunately have no way to measure accurately how much of this actually goes on in their economy. These accounts are even questionable because they were reported by the Soviet press, and we all know what kind of free press they have. In all probability they only publicize such things to deter others from doing the same thing. But, even with this publicity, most of the officials go unpunished, and the examples are very likely publicized only because those involved have acquired enemies more powerful than they. In light of this, it is also very possible these stories were invented by the KGB. Thus, my examples cannot be taken as fact, but only as examples of "rent seeking"—the pursuit of monopoly profits—which I would argue is very widespread in the Soviet economy.

Other examples abound. The officials commanding entry barriers in the Soviet Union can easily make enormous profits from bribes resulting from their exercise of coercive restrictions on competition. You see, entry into competition is officially prohibited, but can be achieved in reality by bribing those who enforce the laws. Their system of fixed prices is an incredible incentive for bribery, by artificially raising prices, which creates gains in ligal monopoly revenues to those producers so favored. Not only are monetary bribes widespread, but, possibly more importantly, bribes in the form of transferring goods and services are common mostly because they are harder to trace.

One kind of free market system does abound in the Soviet Union: officials can easily sell documents necessary for trade to the highest bidder, keeping the profits for themselves. An example of this, which has gained some attention in the West, is the marketing by doctors of above-minimal quality care to patients who can pay more, leaving those who cannot afford this with a lower quality of medical care.

The pursuit of monopolistic gains on the part of those in a privileged position doesn't at all resemble the Marxist dream of a scientifically planned economy. Rather, as I have said, the correct description of such a system would identify it with the mercantilist economy of France under Louis XIV. It was the final breakdown of this kind of pervasive economic intervention and "rent extraction" that we today call by the name of the Industrial Revolution. The Soviet system is a Medieval throwback to feudalism, dressed up in 19th century scientistic jargon.

WE CANNOT BUY A COTTAGE IN POTEMKIN'S VILLAGE

Clearly the Soviets, as well as the Chinese and some other nations wealthy in natural resources and large populations, are able to benefit from 300 years of Western scientific progress, which 18th century mercantilist France could not. With the aid of the West, the Soviets are able to create at least in their urban centers and in military applications the semblance of a modern economy. But it is in fact just a Potemkin Village.

Grigori Potemkin once humored Tsar Catherine the Great by erecting the equivalent of Hollywood movie sets in the form of neatly painted villages, complete with actors playing the role of happy peasants, during a tour she made down the Volga River. Based on our understanding of exactly how the Soviet system works, it is clear that Western investments and joint ventures in that country are not likely to be economically productive in the same way that investing the same capital in Europe or North America or in the newly industrializing nations of the Pacific rim would be.

The bottom line remains that waiving the Jackson-Vanik amendment would simply reward Gorbachev for doing nothing except entertaining us with his showmanship. Comparatively speaking, there has never been a time when the Soviet Union has more desperately needed Western financial assistance to prop up its collapsing economy. Moreover, the Jackson-Vanik amendment is working. Without question, a clear message has been sent that access—which should not be given regardless of the human rights record—is not even a possibility without major social and economic reforms, of which the right to emigrate is simply one example. Linking economic issues with human rights presents Moscow with an ultimatum—a useful demand for reform.

Moreover, keeping the Jackson-Vanik amendment in place is a constant reminder of why the West should not be giving financial and technological assistance to the Soviet Union in the first place. Why the West would agree to assist a diametrically opposed nation, only to have to defend itself in the end, betrays a lack of common sense. If anyone in the West believes the Soviet Union is no longer a threat, perhaps we should ask them: Where are Soviet missiles aimed?

Mr. President, I urge my colleagues to support the resolution.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the resolution.

The resolution (S. Res. 132) was agreed to, as follows:

Resolved, That it is the sense of the Senate that during the NATO Summit to be held in Brussels, May 29-30, 1989, and the Economic Summit to be held in Paris, July 14-16, 1989, the President of the United States should consult with the leaders of allied countries on the potentially adverse impact on Western Security of tied and untied loans, trade credits, direct investments, joint ventures, lines of credit, and guarantees or other subsidies to the Soviet Union, Warsaw Pact countries, Cuba, Vietnam, Libya, and Nicaragua.

Mr. SYMMS. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. HELMS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. SYMMS. Mr. President, I thank the Chair and I yield the floor.

I thank my colleagues for their consideration.

EXTENDING MORNING BUSINESS UNTIL 6 P.M.

Mr. HEFLIN. Mr. President, on behalf of the majority leader, I ask uanimous consent that the period for the transaction of morning business be extended under the same conditions as previously ordered until 6 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

LATIN AMERICAN STRIKE FORCE TO OUST NORIEGA

Mr. HEFLIN. Mr. President, I rise again today to express my contempt for Gen. Manuel Noriega and his attempt to subvert the will of the Panamanian people. He has played fast and loose with the democratic process and should not be allowed to continue his violent supression of the successful opposition candidates.

I join the Organization of American States in their Wednesday condemnation of General Noriega for his abuses and election fraud in Panama. I am pleased that most of the countries in the OAS have joined the United States in placing the blame for the crisis squarely on Noriega's shoulders. I am hopeful that the foreign ministers' team sent by the OAS can indeed encourage Noriega to surrender power within 15 days.

I agree with President Bush that our first priority must be the protection of American citizens in Panama. We have a sacred duty to protect the life of every American who has ventured to Panama to help with the operations of the canal or work in any other capacity. By raising the total American troops in Panama to around 13,000, we have sent General Noriega the stern message that the United States will not permit General Noriega to abuse our citizens the way he has abused Panamanians.

After the protection of American lives, our next priority in Panama must be to remove General Noriega from power as soon as possible. Many American leaders say American military intervention against Noriega might cause serious repercussions and anti-American backlash. In a speech before the Senate last Friday, I called on President Bush to form a multinational army composed of Latin American military personnel.

Today, I have sent President Bush a letter asking him to encourage the formation of a Latin American strike force, a commando force, if you will, to take action against Noriega if necessary. This commando force would consist of extremely well trained forces comprised solely of soldiers from Latin American countries who could go in and remove General Noriega.

This strike force should be selected from the tremendous pool of Latin Americans which have been trained in this country at places like the Army training facility at Fort Benning called the U.S. Army School of the Americas [USARSA]. According to the Department of Defense, over the past 3 years, we have trained more than 4,228 Latin American and South American troops at this facility.

The USARSA has instructed these soldiers in all types of infantry training, infantry related training, battlefield intelligence, and civic action. This civic action training is specially designed to aid commando activities of the type I am suggesting. The Fort Benning facility has trained thousands of officers from throughout Latin America. These soldiers have come from Argentina, Bolivia, Brazil, Colombia, Costa Rica, the Dominican Republic, Equador, El Salvador, Guatemala, Honduras, Mexico, Panama, Paraguay, Peru, Uruguay, and Venezuela.

In addition to the soldiers trained at Fort Benning, the commando force could draw from the Navy trainees from the small craft instruction and training school [SCIATS] and from Air Force trainees from the Interamerican Air Force Academy. Both of these schools train Latin American military personnel. The U.S. Department of Defense also runs the Interamerican Defense College which is the equivalent of the U.S. War College for senior Latin American military officers.

These soldiers would be prepared to take steps which would lead to general Noriega's removal if that became necessary. This Latin American commando force would have the advantage of being Panama's neighbors. This commando force would help their neighbors from Panama remove General Noriega, thereby gaining representation by their rightfully elected officials from the opposition party.

This action of creating a Latin American commando force would provide the opportunity for the removal of General Noriega without stirring serious anti-American sentiments in Latin America. They would be ousting Noriega themselves, in an effort to help instill a stable Panamanian democracy.

Just the organization of such a commando force might cause him to step down. The formation of such a strike force would cause him to think a great deal about his own personal safety.

May we never have to use such a force. On the other hand, we may have to use it. I ask unanimous consent that my letter to President Bush

dated today be printed in the RECORD and an attached listing of Latin American trainees be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. HEFLIN. I have obtained from the Department of Defense the various figures. In 1987 we trained 1,180 Latin American troops at Fort Benning. In 1988 we trained 1,466. And this year we are training 1,583 Latin American troops at Fort Benning.

This force, to me, is such a force that could be used effectively but whether or not we were to use it, the fact that it was known by Noriega that it was being organized, that it could be used, in my judgment could act as a leverage toward his removal and his voluntarily stepping down.

But, in the event that we have to use it, I think we should. I am for taking whatever steps are necessary to see that Noriega is removed from power.

I yield the floor.

EXHIBIT 1

COMMITTEE ON AGRICULTURE,
NUTRITION, AND FORESTRY,
Washington, DC, May 18, 1989.

The PRESIDENT,
The White House,
Washington, DC.

DEAR MR. PRESIDENT: I would like to take this opportunity to congratulate you on the steps you have taken regarding the situation in Panama. I believe that sending additional troops to Panama in order to protect American citizens residing there while, at the same time, conducting talks with other Latin American allies is needed and necessary. However, I continue to remain concerned that it may not be enough toward the ultimate removal of General Manuel Noriega.

General Noriega has attempted to subvert the will of the Panamanian people and has violently attempted to suppress the successful opposition candidates. I know you agree that he should be removed as soon as possible.

Since American military intervention against General Noriega might cause serious repercussions and anti-American blacklash, I believe that it is necessary to form a multinational army, composed of Latin American military personnel, to deal with General Noriega. In that regard, I would strongly encourage you to form a Latin American strike force to take action against Noriega if necessary. This commando force would consist of extremely well-trained forces comprised solely of soldiers from Latin American countries. In fact, most of the force could be chosen from the thousands of Latin American military personnel who have been trained at the United States Army School of the Americas, located at Fort Benning, Georgia.

In my judgment, creating a Latin American commando force would provide an opportunity for the removal of General Noriega without stirring serious anti-American sentiment in Latin America.

I hope that you will consider this suggestion as an effort to help instill a stable Panamanian democracy.

With kindest regards, I am

Sincerely,

HOWELL HEFLIN.

U.S. ARMY SCHOOL OF THE AMERICAS, FORT BENNING, GA

[Department of Defense figures]

	1987	1988	1989
Argentina	2	4	9
Bolivia	2	28	63
Brazil	0	0	1
Columbia	613	547	479
Costa Rica	44	38	15
Dominican Republic	70	71	98
Ecuador	29	9	13
El Salvador	269	583	672
Guatemala	16	13	21
Honduras	74	114	155
Mexico	1	0	8
Panama	10	0	0
Paraguay	4	6	1
Peru	2	30	24
Uruguay	2	4	0
Venezuela	20	19	24
Total	1,180	1,466	1,583

ELECTIONS IN ISRAEL'S ADMINISTERED TERRITORIES

Mr. HELMS. Mr. President, when it comes to glorifying Yasser Arafat or denigrating Israel, the major media never miss a beat. Thie should come as no surprise. For deeds, these major media have become increasingly adept at pumping up the Soviets and their cohorts while heaping abuse upon the most fervent anti-Communist governments.

No better example exists in regards to this phenomenon that how the media has treated the recent proposal of the Israeli Government to hold elections in its administered territories. Do you know how the media have greeted this? With silence.

I dare say that not 1 percent of the American people really know what the Israeli Government has proposed.

While Yasser Arafat is jet-setting around the world attempting to get the international community to impose him upon the population of the administered territories, Israel's leaders have proposed a solution that one would think the media would embrace; that is to have free and democratic elections. But, no, the media keep focusing the other way.

The Israeli election plan represents a major step toward peace in the Middle East and fulfillment of the political and economic aspirations of the residents of the territories. The plan calls for elections of representatives of the territories who would participate in a two-stage process of negotiations similar to that outlined in the Camp David accords.

Specifically, under the plan, a free, democratic and secret election will be held among the Arab residents of Judea, Samaria, and Gaza. Immediately after the election, negotiations would commence on an interim agreement for a 5-year "transitional period."

During this transitional period, the Arab residents of the territories will be provided with a self-rule arrangement which would leave Israel responsible only for the security and foreign affairs of the territories and of all matters concerning Israeli citizens of the territories.

As envisioned by the Israeli proposal, as soon as possible—but not later than 3 years after the start of this transitional period, negotiations for a "permanent" arrangement would commence.

Despite all of his rhetoric about wanting peace, democracy, and self-determination for Palestinians, Yasser Arafat has rejected the election proposal out of hand. His reported response to the Israeli proposal, according to the Washington Post, was "Let them go to hell, they are not dealing with me, they are not dealing with my people."

The simple fact, Mr. President, is that Yasser Arafat does not want free elections in the territories and neither do his apologists in the media and the liberal "intellectual" circles. Arafat does not want to see elections because he knows that a free and secret ballot would demonstrate to the world that he and his cronies represent those who left Israel in 1948, not the Muslim and Christian Arabs who live in the territories.

Yasser Arafat will do just about anything to avoid fair, democratic elections. Shortly after the Israelis announced the plan, a wave of violence was launched by the PLO against moderate Arabs in the territories. The aim, of course, was to destroy or intimidate any alternative leadership in the territories.

And just yesterday, Arafat announced his latest scheme to obfuscate the fact that he does not represent the residents of the territories. His latest proposal is to create a "provisional" Palestinian government made up of residents of the territories selected by Arafat himself.

Arafat's proposal that he, and not the residents of the territories, select the Palestinian representatives is undemocratic. Beyond this, it would only frustrate the cause of peace, and make it even less likely that the true political and economic aspirations of the residents of the territories would be represented in the peace process.

Mr. President, the election proposal made by Israel's leaders demonstrates that they want to deal on a peaceful basis with the Muslim and Christian Arabs of the territories. Their efforts in this regard merit commendation and encouragement from the Government of the United States

ORDER OF PROCEDURE

Mr. MITCHELL. Mr. President, I had hoped that by now I would be able to announce the manner and timing of the disposition of the supplemental appropriations bill which we have just received this afternoon from the

House of Representatives. Unfortunately, I am not able to do that at this moment. For the benefit and information of my colleagues, we are awaiting clarification from the Veterans' Administration of what will be necessary to accommodate their most pressing needs in the coming weeks, and we expect the arrival of officials of the VA here in the Capitol momentarily.

I hope to be able to make an announcement to my colleagues shortly regarding the intended manner and disposition of this legislation following discussions with the distinguished Republican leader and officials of the Veterans' Administration, as well as the chairman and ranking Republican on the Appropriations Committee. It is my hope that we could do that shortly. I regret the inconvenience caused by this uncertainly to my colleagues but expect to have an announcement in this regard very shortly.

APPOINTMENT BY THE VICE PRESIDENT

The PRESIDING OFFICER. The Chair, on behalf of the Vice President, in accordance with 22 U.S.C. 1928a-1928d, as amended, appoints the following Senators as members of the Senate Delegation to the North Atlantic Assembly Spring Meeting, to be held in Antalya, Turkey, May 26-30, 1989; the Senator from South Dakota [Mr. PRESSLER] and the Senator from Pennsylvania [Mr. SPECTER].

FETAL ALCOHOL SYNDROME

Mr. STEVENS. Mr. President, I would like to take this opportunity to share with the Senate another serious problem that faces the State of Alaska—the fetal alcohol syndrome [FAS].

Nationwide, FAS occurs on an average of 1.3 per 1,000 live births. In Alaska, this condition occurs in 4.3 infants per 1,000—this is the highest rate in the world. In Alaska there are many dedicated individuals and groups who have committed their time and energies to fighting this very serious problem—I commend their efforts.

Fetal alcohol syndrome is the term used to describe physical, mental, and behavioral abnormalities that infants and children experience as a result of mothers drinking alcohol heavily during pregancy. Fetal alcohol effect [FAE], while less severe, is a similar condition. Symptoms experienced by infants and children suffering from this condition include congenital defects, damage to the central nervous system, and heart defects. The consequences of this syndrome are irreversible.

Like so many of the social and health problems we face in Alaska, FAS places a tremendous strain on our already overburdened health care system. In 1986, Medicaid spent more than $4.6 million for the care of 96 infants in newborn intensive care in Alaska. During the lifetime of a child afflicted with FAS it can cost over $1 million to care for such a child. Perhaps the saddest fact of all is that this condition is 100 percent preventable through proper maternity care and education.

Alcoholism is a problem of epidemic proportions in Alaska. This heavily impacts women in their childbearing years. Treatment opportunities are practically nonexistent for Alaska native women at risk of having an alcohol-damaged child. Oftentimes the spouse of an alcoholic woman is also an alcoholic and their children are raised in a very unstable environment.

At my request language was added to Public Law 100-446, the Department of the Interior and related agencies appropriations bill, directing the Indian Health Service to determine the impact of FAS in Alaska and the feasibility of establishing a residential center for native women during their pregnancy. It is critical that there be facilities in Alaska to help combat this problem.

Education is critical. It is also very difficult in a State such as Alaska in which much of the predominant minority—Alaska Natives—population lives in remote areas with inadequate health care facilities. I am encouraged by the efforts in Alaska to educate women and families at risk and to increase public awareness of the seriousness of FAS as well as its preventability. I ask unanimous consent that the research paper on FAS prepared by the Alaska Council on Prevention of Alcohol and Drug Abuse be printed in the RECORD.

FETAL ALCOHOL SYNDROME

(By Lisa Pieper, Resource Analyst, Alaska Council on Prevention of Alcohol and Drug Abuse, March 1989)

Fetal Alcohol Syndrome (FAS) is the name given to a consistent pattern of physical, mental and behavioral deficits observed in infants of women who drink heavily during pregnancy. Fetal Alcohol Effects (FAE) describes a similar but less severe pattern of abnormalities also due to alcohol exposure in utero.

RESEARCH

When a pregnant woman drinks, the blood alcohol level of her developing child reaches the same concentration as her own. It takes approximately 48 hours for a woman's body to detoxify after alcohol ingestion. It takes nearly twice this time for the alcohol to be completely eliminated from the fetal environment.

Research shows that children born with Fetal Alcohol Syndrome have congenital defects, many of which are immediately evident. The most obvious of these are facial abnormalities, low birth weight, and microcephaly (small head) which reflects inhibited brain growth. FAS children are usually below the third to tenth percentile of weight and/or length at birth.[1] Many have malformations of the ears and eyes and cleft lip and palate. Skeletal abnormalities and aberant development of internal organs are common; one-third of these children have heart defects. FAS children are at high risk for central nervous system damage including mental retardation, and eating and sleeping disorders which lead to failure to thrive. The average IQ of FAS children generally ranges from 20 to 90; for FAE children the range is 39 to 105; the average for both groups is 68.[2] (Average normal IQ generally ranges from 95 to 105.) Parents report that as infants FAS children are overly irritable, difficult to relax, and do not respond to affection, all of which makes bonding difficult.

The effects of Fetal Alcohol Syndrome and Fetal Alcohol Effects are irreversible. At age one, FAS children are, on the average, only 38 percent normal weight and 65 percent normal height.[3] While height deficits are not overcome with increasing age, females do tend to gain weight during adolescence.

Many times intellectual and behavioral problems associated with alcohol-related birth defects are not recognized until affected children enter school and developmental delays and delays in language acquisition become apparent. Learning difficulties are evident in the areas of verbal comprehension, attention, and memory. Academic performance appears to peak at ages 12 to 15 (grades 6 to 8) and shows little improvement after this time.[4] This pattern has led many experts to describe Fetal Alcohol Syndrome children as "trainable but rarely educable".[5]

Behavioral problems and failure to develop basic living skills can make life difficult for those born with FAS/FAE. School records in early years indicate that many show symptoms of hyperactivity, poor coordination, and noncompliance. Teachers report that these children require constant supervision, have difficulty with change, require additional classroom structure, and have extremely short attention spans. A study conducted by Streissguth, et al, found that among 31 FAS/FAE children whose mean chronological age was 17, the overall level of functioning was 7 years. These children were found to be most disabled in the area of socialization skills (6 year level) and least disabled in the area of daily living skills (9 year level).[6] Low self image, poor social judgment, and a lack of understanding of appropriate social and sexual behavior puts these children at risk for victimization. As they approach adulthood, inappropirate sexual and social behavior, isolation, loneliness, and chronic depression are often reported, along with unrealistic expectations for work, schooling, and independence.

Unfortunately, along with intellectual, physical, and educational handicaps, victims of FAS/FAE are also environmentally disadvantaged. In a follow-up study of 51 persons identified with this syndrome, Dr. Ann Streissguth found that 31% of those studied were never cared for by their biological mother. Sixty-nine percent of these mothers were deceased, and of the 34 left, 38% had terminated maternal rights. The average age that these children leave the home of their natural parent is 4 years,[7] most likely due to the dysfunctional nature of alcoholic homes and the difficulties inherent in caring for children with special needs. As a result, these children often live in multi-

Footnotes at end of article.

ple environments (foster homes, institutions, etc.) which can only intensify existing adjustment problems.

In addition to the risk of alcohol related birth defects, the likelihood of miscarriage increases directly in proportion to the rate of alcohol consumption. The risk for spontaneous abortion is two times higher for women who consume 1 ounce of absolute alcohol (approximately 2 drinks) two times a week than for those who do not drink at all.[8] One of the periods of greatest risk is the first 4 to 6 weeks after conception when a woman may not be aware of her pregnancy and rapid cell division is taking place in the fetus.

PREVALENCE

The worldwide incidence of FAS is estimated to be 1.9 per 1000 live births.[9] Estimates for the United States average 1.3 per 1000 live births,[10] and in Alaska approximately 4.3 of every 1000 children are born with FAS.[11] The incidence rate for Fetal Alcohol Effects is believed to be double that of FAS. In 1985 it was estimated that 50,000 children were born in the United States with alcohol related birth defects.[12] Treatment costs for FAS children and adults exceed $1 billion annually in the United States.[13] In Alaska it can cost over $1 million to care for one FAS child in his/her lifetime.[14]

It is dangerous to assume that only alcoholic women put their babies at risk for alcohol related birth defects. Approximately 40 percent to 50 percent of babies born to alcoholic drinkers and 11 percent of those born to moderately drinking women have evidence of the prenatal effects of alcohol.[15] Research indicates that among alcoholic women, attempts to decrease modal drinking during pregnancy can result in an increase in binge drinking (five or more drinks in a short period of time) which can have equally damaging effects on the fetus.[16]

No upper level of alcohol consumption has been established that allows prediction of definite damage to the fetus, nor has a lower level been found which totally eliminates the possibility of fetal harm.[17] There are no laboratory tests which can diagnose this disorder prenatally, nor can abnormalities be detected through amniocentesis.

PREVENTION

The National Institute of Alcohol Abuse and Alcoholism in 1982 estimated that 1 of every 3 alcoholics is a woman. The highest proportion of heavy drinkers among women was between the ages of 21 and 29, the age of peak reproductive years. The second highest rate of drinking was among teenagers.[18] The rising incidence of both teenage pregnancy and alcohol/drug use creates the necessity of educating young people about the dangers of maternal alcohol consumption.

Prevention education and treatment of women at risk for delivering a child with FAS/FAE is not a simple matter. Telling an alcoholic woman that drinking may harm her baby can lead to a vicious cycle of fear, denial, guilt, resentment, despair, anger, and more drinking. An alcoholic woman has lost the ability to make healthy decisions for herself and her child. Unfortunately, alcohol use is rarely assessed as a routine part of prenatal care. A study conducted by Dr. Robert Sokol in 1981 found that the actual incidence of alcohol abuse is at least 8 % to 10% among OB/GYN patients. Additional findings suggest that clinicians mis-diagnose at least three of every four alcohol-abusing patients. According to Dr. Sokol: "It is unlikely that there is any other OB/GYN diagnosis that is missed as often." [19] Pregnancy is a time for clinicians and those working closely with these women to exercise loving confrontation. Alcohol/drug screening must become an integral part of prenatal care. Pregnant drinking women need to be counseled with compassion and non-judgment, and referred to appropriate treatment agencies and support groups.

Primary to successful treatment for women at risk is that they be assisted in building support networks of professionals, family, and friends to assist them through an already stressful time. Since many women who drink heavily are with partners who also drink, it is important that both are involved in the process of education and treatment. Finally, true primary prevention requires that men and women be educated about the risk of alcohol related birth defects and that abstinence from alcohol and other drugs be a part of planning for conception.

Fetal Alcohol Syndrome and Fetal Alcohol Effects are totally preventable. What we do does make a difference!

[1] Stressiguth, A.P.; La Due, R.A.; and Randels, S.P., *A Manual on Adolescents and Adults with Fetal Alcohol Syndrome with Special Reference to American Indians*, October 1988, University of Washington, p. 5.

[2] Streissguth, op. cit. p. 21.

[3] Dobbie, J., and Bill, Phillippa, "Fetal Alcohol Syndrome" *Addictions*, Winter 1977.

[4] Streissguth, loc. cit. p. 28.

[5] Mellneck, M.J., "Fetal Alcohol Syndrome" *Childbirth Educator*, Winter 1984-85, p. 49.

[6] Streissguth, loc. cit. p. 34.

[7] Streissguth, loc. cit. p. 19.

[8] Clarren, S.K., "Recognition of Fetal Alcohol Syndrome" *Journal of American Medical Association*, June 19, 1981, Vol. 245, No. 23, p. 2439.

[9] Texas Research Society on Alcoholism, *Alcoholism and Addiction*, July-August 1988, p. 16.

[10] Streissguth, loc. cit. p. 3.

[11] Hild, Vicki A., MSPH, Area FAS Coordinator, Indian Health Service/Alaska Native Health Board, Anchorage, Alaska.

[12] Brody, Jane E., "Personal Health" *The New York Times*, January 15, 1986.

[13] U.S. Dept. of Health and Human Services: "Fetal Alcohol Syndrome" DHHS Publ. No. MS 303-304, April 1984.

[14] Hild, loc. cit.

[15] Jones, K.L., "Fetal Alcohol Syndrome" *Pediatrics In Review*, Vol. 8, No. 4 (1986) p. 134.

[16] Little, R.E., "Drinking During Pregnancy: Implications For Public Health" *Alcohol Health and Research World*, Fall 1979, p. 38.

[17] Clarren, loc. cit. p. 2439.

[18] Ouellette, E.M., "A Report on Fetal Alcohol Syndrome" Presented to the House Select Committee on Children, Youth, and Families, *COA Review*, June 30, 1983, No. 6, p. 6.

[19] Sokol, R.J.; Miller, S.I.: and Martier, S., *Identifying the Alcohol-Abusing Obstetric/Gynecologic Patient: A Practical Approach*, NIAA Grant #AA03292, NIH Grant #M01-RR00210.

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AMTRAK'S FUTURE

Mr. BIDEN. Mr. President, through much of the 1980's, rail passenger service, and Amtrak in particular, has been a notion under siege. In each of its budget requests of recent years, the Reagan administration called for dismantling Amtrak. On a yearly basis Congress rejected that proposal. And while the Amtrak system survived, during the Reagan years there was almost no active consideration of the role of rail service in our Nation's transportation plans. It is time for us to look to Amtrak to fill important roles in our future transportation plans.

Since its creation in 1971, Amtrak has largely been viewed as a creature of the Northeast. That is where its resources are concentrated and the region accounts for most of the system's current ridership. Indeed, efficient transportation in the Northeast

is as crucial to the economic health of that region as are water projects to California and the arid Southwest or the construction of hydropower dams were to the Northwest.

But the idea that Amtrak should be limited to the Northeast is a shortsighted one. It is a perception that is, unfortunately, a significant roadblock to development of an improved rail system in this country.

What would have happened if the Reagan administration had won its fight, if Amtrak had been terminated? For starters, billions in capital investment would have been wasted, taxpayers would have paid more, and intercity rail service in this country would have ended forever. We would have been much worse off, not only in the Northeast region, but as a nation.

Amtrak survived the constant jabs at its existence by the administration and, in fact, developed an excellent record during that time. Dependence on Federal revenues has been reduced, tracks and control systems along the Northeast corridor have been improved, and ridership is at an all-time high.

A front-page article in the New York Times earlier this year described many of the improvements Amtrak has made in service. The outmoded equipment Amtrak inherited has been updated or replaced. Passengers have noticed the difference. Amtrak carried 21.5 million passengers last year and earned over $1 billion in revenues.

The article also describes what lies ahead for Amtrak. Continuing increases in demand for passenger railroad transportation are testing the limits of Amtrak's resources. Equipment is aging. Capital needs are rising.

In the next few years, we need to look at the resources available to Amtrak so it will be able to meet increasing demands on its existing system. This must be accompanied by continued improvements in ridership, service, revenues and rate of return ratios. Improved performance is crucial for our commitment to Amtrak to be maintained in the short term.

For the long term, we need to look at Amtrak's role in our overall transportation policy. As congestion increases not only in the Northeast, but also in areas like southern California, Florida, and the Great Lakes region, we must drop our national blinders on rail as a possible solution. We cannot continue to address gridlock solely through the addition of more highway lanes or airport terminals.

In addition, we must resist the temptation to view the Nation as seven distinct and unrelated regional economies. The balkanization of our Nation which underpinned so many Reagan administration proposals is a strategy for disaster. Amtrak's failure to serve a town in every State of the Nation is no reason to scuttle the system. Indeed, it would be ludicrous to propose such a system.

There is a stark contrast between the way our national leadershp has denigrated rail transportation and how the Europeans have put it to use. As the Reagan administration was looking to put more and more Americans on the highways or in the air, the European Community was moving in the opposite direction. In fact, the EC has unveiled plans to expand dramatically its high-speed rail system to the corners of Europe, including links to Lisbon, Naples, Stockholm, and Edinburgh.

It is an ambitious plan, one that not even the strongest advocate of rail travel believes will be matched in this country. However, it does set an example of what is possible, of how much more of a role rail travel could have in this country. It is unmistakable evidence that rail is a realistic option.

Any chance of an efficient rail system in this country must recognize the following points. First, we cannot let the existing system rot in front of us. That is what happened to predecessor railroads and it took more than a decade to recover. We must maintain a solid base to build from.

Second, we must look to fully integrating the system. Passengers who arrive on time in city A but then face long delays for their connection to city B will not be passengers for long. Similarly, passengers who arrive at city B, but have dificulty gaining access to public transportation will look for alternatives.

Third, a realistic timetable for establishment of the system must be developed. An up-to-date, widespread, efficient system will not be in place in 5 years or maybe even 10. We need to look at rail in the long term and plan accordingly.

So as we look to the Federal budget for 1990, it is not unreasonable to think of our transportation needs of the next decade. Does anyone believe that Amtrak could be resurrected tomorrow if it was gutted today? Does anyone believe we can continue to simply add more and more highway lanes ad infinitum? Does anyone believe airports can be easily constructed to handle projected traffic increases?

In recent statements, Secretary of Transportation Samuel Skinner has signaled a much-needed change by this administration in our Nation's policy toward passenger rail service. After a half-decade of repeated attacks, Federal policy is beginning to recognize the role Amtrak can have in our transportation policy.

It is a start, not the end, of the development of a balanced program. Congress must make sure that it does not take the same shortsighted approach to rail transportation that the railroad companies did in the 1950's and 1960's. It is a mistake we cannot afford to repeat.

RECESS SUBJECT TO THE CALL OF THE CHAIR

Mr. MITCHELL. Mr. President, it is my intention to ask that the Senate stand in recess subject to the call of the Chair. Accordingly, Mr. President, I ask unanimous consent that the Senate now stand in recess subject to the call of the Chair.

There being no objection, at 5:46 p.m., the Senate recessed subject to the call of the Chair.

The Senate reassembled at 7:05 p.m. when called to order by the Presiding Officer [Mr. BRYAN].

Mr. MITCHELL addressed the Chair.

The PRESIDING OFFICER (Mr. BRYAN). The Chair recognizes the majority leader.

UNANIMOUS-CONSENT AGREEMENT

Mr. MITCHELL. Mr. President, during the past few hours, I have consulted with the distinguished Republican leader, the assistant Republican leader, the chairman and ranking Republican member of the Appropriations Committee, the chairman of the Veterans' Affairs Committee, the Deputy Administrator of the Veterans' Administration, and the Comptroller of the Administration.

It is my hope that we will now be able to dispose of the supplemental appropriations bill promptly, and without the necessity for a rollcall vote. And in just a few moments, after briefly explaining what it is we intend to do, I will propound a unanimous consent request to that effect.

Mr. President, the House passed supplemental appropriations bill H.R. 2402. It extends funding to the Veterans' Administration through the end of the current fiscal year. Senator BYRD and Senator HATFIELD, the chairman and ranking member of the Appropriations Committee, intend to offer an amendment to that bill to extend the funding for the Veterans' Administration through June 15.

All of those whom I earlier mentioned as having been involved in the discussions were assured by the Deputy Administrator of the Veterans' Administration that enactment of the legislation as amended by the Byrd-Hatfield amendment would meet the needs of the Veterans' Administration through June 15. Accordingly, the unanimous consent request which I will propound contemplates taking up the supplemental appropriations bill with a 30-minute time limit, and with the only amendment in order to be that of Senators BYRD and HATFIELD.

It is not my intention to request a rollcall vote, and I know of no Senator who has requested one.

Mr. President, I would like to now yield to the distinguished Republican leader for such comments as he may wish to make on the subject.

Mr. DOLE. Mr. President, I would just affirm what the majority leader has said in reference to the Deputy VA Administrator and also the Comptroller, who both indicated and assured us that, if this were done this evening, it would mean that funding would be available through June 15.

We could be in a position, if we act on this amendment, to assure America's veterans that we have acted responsibly, and having the assurance from both the Deputy Administrator, the Deputy Secretary now, Under Secretary, and the Comptroller, I think we should proceed.

We have cleared everything on this side of the aisle. As far as I know, no one is requesting an amendment. There is no request for a rollcall.

UNANIMOUS-CONSENT AGREEMENT

Mr. MITCHELL. Of course, Mr. President, the amendment would have to go back to the House for adoption there next week to be enacted, but accordingly, unless either the distinguished chairman of the Appropriations Committee or Senator HATFIELD with to make a comment at this time, I ask unanimous consent that when the Senate considers H.R. 2402, the supplemental appropriations bill, it be considered under the following time limitation: 30 minutes on the bill, to be equally divided between Senators BYRD and HATFIELD or their designees; that the only amendment in order be an amendment by Senator BYRD for himself and Senator HATFIELD, the time for which is to come out of the time on the bill; that no other amendments be in order; that no points of order be in order; that no motions to commit be in order; that immediately upon the completion or yielding back of the time and the disposition of the Byrd-Hatfield amendment, the Senate proceed, without any intervening action, to third reading and final passage of the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS addressed the Chair.

The PRESIDING OFFICER. The Senator from Alaska is recognized.

Mr. STEVENS. I am not sure the leader is finished yet.

Mr. MITCHELL. I am with respect to that unanimous-consent request.

Mr. STEVENS. Reserving the right to object, and I do not intend to object, I have a series of bills and statements that I will request be printed in the RECORD as though read. At an appropriate time, I would like to be able to get into this process to make that simple request. Other than that, I do not object. I ask the leader for his indulgence in this process here.

Mr. MITCHELL. That is fine. I can say to the distinguished Senator from Alaska I was just now going to move that the Chair lay before the Senate H.R. 2402, following which I would yield to you, and I am sure everyone here would agree.

Mr. STEVENS. I thank the leader for his courtesy.

THE SUPPLEMENTAL APPROPRIATIONS BILL—H.R. 2402

Mr. MITCHELL. I ask unanimous consent that the Chair lay before the Senate H.R. 2402.

The PRESIDING OFFICER. The clerk will report the bill.

The assistant legislative clerk read as follows:

A bill (H.R. 2402) making the supplemental appropriations for the Department of Veterans' Affairs for the fiscal year ending September 30, 1989, and for other purposes.

The Senate proceeded to consider the bill.

Mr. DOLE. Will the majority leader yield?

Mr. MITCHELL. Yes.

Mr. DOLE. I know there is no way with any certainty to say there will not be a rollcall. There are no requests for a rollcall on this side of the aisle. I have indicated to my colleagues that there not be a rollcall. I understand there is no request from the chairman or the majority leader on that side.

Mr. MITCHELL. That is correct. I know of no request on our side for a rollcall vote, and therefore, absent such a request, it is my intention that this matter be disposed of by voice vote, and, accordingly, there would be no further rollcall votes tonight if no rollcall vote is requested on this matter.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the senior Senator from West Virginia.

Mr. BYRD. Mr. President, I yield myself such time as I may require.

Mr. President, the pending measure, H.R. 2402, provides supplemental appropriations for the Veterans' Administration totaling $1,208,818,000.

H.R. 2072, the dire emergency supplemental appropriations bill is still pending in the House. There are many, many programs in that bill that are also in dire need of supplemental appropriations. Among the programs in need of supplemental funding are mandatory programs such as:

Guaranteed student loans	$892,428,000
Payments to States for foster care and assistance	423,345,000
Reimbursement of firefighting costs	341,669,000
Food Stamps	224,624,000
Federal unemployment benefits and allowances	56,000,000
Trade adjustment assistance	34,648,000

A key program in dire need of immediate additional funding is the essential Air Services Program. As Senators are aware, this is a program that provides essential air service to 155 small communities throughout the Nation that would otherwise have no air service at all. Despite the fact that President Reagan signed into law in 1987 a 10-year reauthorization of this program, he refused to request funding for EAS. Congress had to provide the funds for fiscal year 1989. A supplemental appropriation of $6.6 million is needed to prevent the immediate elimination of this program. Secretary of Transportation Skinner has been most cooperative in working with the committee on this matter. In response to my concern, as well as that of other Senators, Secretary Skinner delayed implementation of a partial shutdown of the program earlier this year.

He has repeatedly shown a willingness to assist the Appropriations Committee in its efforts to provide the additional $6.6 million needed to continue the program. However, in a letter to me dated May 1, 1989, Secretary Skinner states that without additional funding, he will need to notify air carriers in early June that payments to them under the EAS Program will be terminated the following month.

The supplemental appropriation bill also includes $100 million requested by the administration for immigration and refugee assistance in order to respond to an unanticipated increase in the number of Soviet refugees being permitted to leave that country.

Mr. President, title II of the bill contains urgent supplemental appropriations for various programs. The budget authority for these appropriations is offset in full by transfers among appropriation accounts. I am talking about the supplemental appropriation bill pending in the other body. The largest appropriation in title II provides for the transfer of $125 million requested by the administration for peacekeeping operations. These funds are to be used for new international peacekeeping activities in Afghanistan, the Persian Gulf, South Africa, and other areas of conflict.

So, Mr. President, we are taking care of the needs of the VA in the pending measure. But, I want to emphasize the fact that all of the other items in the dire emergency supplemental are dire emergencies. We need to move that bill just as quickly as possible.

The pending bill would make funds available to the VA for the balance of fiscal year 1989. I am concerned that if we separate out the VA from all other dire emergency items in H.R. 2072 and

fund the VA programs for the rest of the fiscal year, there may be no end to funding programs in that manner rather than passing appropriation bills containing all the dire emergencies. We would be piecemealing one appropriation at a time.

It is for this reason that I shall offer an amendment on behalf of my distinguished colleague, the ranking member of the Appropriations Committee, Mr. HATFIELD, and myself that will limit the availability of funds in this bill to June 15, 1989.

As the two leaders have already indicated we have received assurances from the VA that this will give them the funding that they need to continue present levels of services and personnel. There will be no decrease in service to the Nation's veterans during that time. Between now and June 15 we would have time to take up the dire emergency supplemental appropriations bill in the House and Senate and complete action on it and work out an acceptable agreement in conference not only for VA funding for the remainder of fiscal year 1989, but for all of the other vital programs in the dire emergency supplemental appropriations bill.

I hope, Mr. President, that the Senate will support this amendment which I will offer after the distinguished Senator from Oregon [Mr. HATFIELD] has made his statement.

Mr. President, I ask unanimous consent to print a table in the RECORD showing all of the dire emergency items, requested by the President, together with a copy of the pending measure.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Fiscal year 1989 supplemental appropriations request

	Budget authority
Mandatory:	
Food stamps	$253,000,000
Payment to judicial officers retirement fund	4,000,000
Federal unemployment benefit and allowances	92,000,000
Trade adjustment assistance	34,648,000
Payments to States for foster care and adoption	423,345,000
Guaranteed student loans	892,428,000
Forest firefighting	250,000,000
VA compensation and pensions	701,481,000
VA readjustment benefits	22,212,000
VA loan guaranty revolving fund	130,000,000
Subtotal, mandatory	2,803,114,000
Discretionary:	
USDA: ASCS salaries and expenses	50,000,000

Fiscal year 1989 supplemental appropriations request—Continued

	Budget authority
Department of Justice items	41,802,000
Judiciary items	22,175,000
MarAd: Federal ship financing fund	[515,000,000]
Uranium supply and enrichment	55,000,000
Uranium supply and enrichment—revenues	(55,000,000)
DOS: Migration and refugee assistance	100,000,000
DOE student financial assistance (reappropr.)	[4,308,000]
DOL: salaries and expenses	1,445,000
OSHA salaries and expenses	3,200,000
Legislative branch items	15,280,000
DOT: aircraft purchase loan guarantee program	1,135,000
Federal Election Commission S&E	368,000
VA medical care	303,000,000
Court of Veterans Appeals salaries and expenses	1,204,000
Subtotal, discretionary	539,609,000
Transfers In:	
NOAA operations, research and facilities	19,200,000
Contributions for international peacekeeping	125,000,000
FCC salaries and expenses	1,431,000
DC, Inaugural expenses	1,000,000
CoEngr regulatory program	3,325,000
CoEngr general expenses	2,600,000
FAA operations	40,700,000
Treasury: department salaries and expenses	2,063,000
Treasury financial management services S&E	5,500,000
IRS processing of tax returns	32,229,000
IRS investigation collection and taxpayer services	41,754,000
HUD management and administration: S&E	3,490,000
Subtotal, transfers in	278,292,000
Transfers Out:	
Economic development revolving fund	(19,200,000)
Peacekeeping transfer from defense and int'l	(125,000,000)
EDA programs	(1,431,000)
CoEngr O&M maintenance, general	(3,325,000)
CoEngr construction, general	(2,600,000)
DOT: access highways	(1,291,000)
DOT: demonstration projects	(39,409,000)
Treasury: international affairs	(2,063,000)
Treasury	(5,500,000)

Fiscal year 1989 supplemental appropriations request—Continued

	Budget authority
IRS examinations and appeals	(73,983,000)
HUD rehabilitation loan fund	(3,490,000)
GSA, Presidential transition expenses	(1,000,000)
Subtotal, transfers out	(278,292,000)

NOTE.—Numbers in brackets [ ] are non-add; in parenthesis ( ) are negative.

H.R. 2402

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are hereby appropriated, out of any money in the Treasury not otherwise appropriated, to provide supplemental appropriations for the Department of Veterans Affairs for the fiscal year ending September 30, 1989, and for other purposes, namely:

DEPARTMENT OF VETERANS AFFAIRS

VETERANS BENEFITS ADMINISTRATION

COMPENSATION AND PENSIONS

For an additional amount for "Compensation and pensions", $701,481,000, to remain available until expended.

READJUSTMENT BENEFITS

For an additional amount for "Readjustment benefits", $22,212,000, to remain available until expended.

LOAN GUARANTY REVOLVING FUND

For an additional amount for "Loan Guaranty Revolving Fund", $120,100,000, to remain available until expended.

VETERANS HEALTH SERVICE AND RESEARCH ADMINISTRATION

MEDICAL CARE

For an additional amount for "Medical care", $340,125,000: *Provided,* That of the sums appropriated under this heading in fiscal year 1989, not less than $6,800,000,000 shall be available only for expenses in the personnel compensation and benefits object classifications.

DEPARTMENTAL ADMINISTRATION

GENERAL OPERATING EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For an additional amount for "General operating expenses", $24,900,000, of which $15,000,000 shall be derived by transfer from "Construction, minor projects": *Provided,* That in the appropriation language under this heading in the Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1989, insert a period after $774,316,000" and delete the language that follows.

No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

Mr. BYRD. I yield the floor.

The PRESIDING OFFICER. The Chair recognizes the Senator from Oregon.

Mr. HATFIELD. I thank the Chair.

Mr. President, I support the decision of the chairman of the committee and the joint leadership of the Senate to proceed to consideration of H.R. 2042, the supplemental appropriations bill passed by the House earlier today, and

to proceed in the fashion outlined by the chairman.

I believe it is important to emphasize, however, that there are many matters of importance to the Senate and the administration that are not being addressed in this measure, and that we must address in a future vehicle.

Mr. President, the administration's request for fiscal year 1989 supplemental funding includes roughly $2 billion for mandatory programs that are not addressed in this vehicle. Those programs include $253,000,000 for food stamps, $92,000,000 for unemployment benefits and allowances, $34,468,000 for trade adjustment assistance, $423,345,000 for payments to States for foster care, $892,428,000 for guaranteed student loans, and $250,000,000 for forest firefighting.

In addition, the administration has requested $539,609,000 for numerous discretionary programs. The largest single item in that category is $303,000,000 for veterans' medical care, which is provided for in this measure. But there are other items, such as refugee assistance and peacekeeping activities, that are not included in this supplemental.

I had hoped that the other body would have been able to conclude action on their other supplemental vehicle, H.R. 2072, in time for that measure to be received by the Senate, referred to committee, debated here on the floor, and moved through conference prior to the Memorial Day recess. Unfortunately, that has not happened. It has certainly not been for a lack of trying in the other body. Our brethren in the other body were driven to this result by necessity, not by choice, and I am sure every effort will be made next week to resume consideration of the other pending supplemental, and I am hopeful the bill will be passed.

But as the experience of the past few weeks indicates, Mr. President, there are many problems attendant to that supplemental, and its eventual passage by both Houses and approval by the President may not go as smoothly as we would hope. I simply wanted to take this time to offer these reservations, and point out that there are many matters left to be considered subsequent to our action on this bill.

Mr. President, the chairman of the Senate Appropriations Committee, the Senator from West Virginia [Mr. BYRD] has very accurately and very eloquently outlined the purpose of this supplemental and the parts to it.

I would only indicate that we are covering all of the veterans' programs, the various and sundry accounts that are listed both under the mandated spending or the entitlement programs and those that are listed under the discretionary programs. I do not think one on the floor or in this body would be other than supportive of fulfilling our obligation to the veterans established both by law and by administrative policy.

I think the chairman of the committee, Senator BYRD, has very rightly pointed out that this does not conclude our responsibility or our obligation in any degree to the other programs that are listed in the dire emergency supplemental, both those listed by the administration and those which have been made to the Appropriations Committee of the Senate of Members who have brought to us legitimate and well-defined emergency requests.

Mr. President, I see no reason to pursue this matter further. I will lean on the statement as printed in the RECORD and associate myself with the chairman's statement.

I would like to add one further point. I would like very much to thank the leadership of the Senate, the majority leader, Senator MITCHELL, and the minority leader, Senator DOLE. I think anyone who has been chairman of a committee and a ranking member of a committee understands the importance of having the full support of the leadership, and I also recognize that sometimes the leadership steps aside from personal viewpoints or personal preferences to accommodate the chairman and the ranking member of committees and to give them that kind of support and backing is very much appreciated.

That has happened over the history of the Senate, and it is, I think, one of those great hallmarks of the true leadership of this body, recognizing the collective corporate responsibilities and to associate themselves in their position of leader in fulfilling those responsibilities of the committees and the leadership of the committees.

I thank Senator MITCHELL, and I thank Senator DOLE for their support of Senator BYRD as chairman of our committee and my own role as ranking minority member.

Mr. BURNS. Mr. President, I want to commend the leadership in both the House and the Senate for bringing this important measure up before we go on our Memorial day break.

The veterans of this country could not have waited any longer for us to Act. I am sure that the veterans in my State of Montana and our two Veterans' Administration hospitals are rejoicing tonight. It is unfortunate, however, that we have had to make them wait and wonder for so long.

The funding shortfall for veterans health care has hit very hard in Montana. We have one of the highest percentages of veterans in the country. In Montana, one of every eight people are veterans. When you add their dependents into that equation, that is a lot of people affected by a lack of medical care.

The Administrators of our two veterans hospitals are to be commended for the job they did in providing the best care possible under extremely tough budget constraints. In fact, I received a copy of a letter recently which the Veterans Department had sent to Jim Huff, the Administrator of the VA Medical Center in Miles City, MT, commending him for a "job well done."

I had urged both Secretary Derwinski and Richard Darman to bring forth a supplemental appropriations for VA health care, and was very pleased when they did so. I had originally asked for $635 million. Obviously the figure we are working with here is much less, but we are also left with less time in this fiscal year. I know that the leadership has conferred with the Veterans' Department to make sure that this is enough for them to get by. It is my hope that in years to come we will not find ourselves in this situation again.

Our veterans have performed an invaluable service to this country. We should not let them down like this again. It is almost Memorial Day and I for one am glad we are remembering to take care of the health needs of our veterans.

Thank you, Mr. President.

AMENDMENT NO. 105

(Purpose: To limit the period for which appropriations are available for obligation)

Mr. BYRD. Mr. President, I send an amendment to the desk on behalf of myself and Mr. HATFIELD and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from West Virginia [Mr. BYRD] for himself and Mr. HATFIELD, proposes an amendment numbered 105.

Mr. BYRD. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 3, strike out the matter following line 11, and insert in lieu thereof the following:

Notwithstanding any other provision of this Act, no part of any appropriation contained in this Act shall remain available for obligation after June 15, 1989.

Mr. BYRD. Mr. President, as I explained in my opening statement, this amendment will limit the availability of the funds in the bill to June 15, 1989. This will give the VA the funding needed during that period in order to continue to meet the needs of veterans. It will also give us time to consider all the other pending items of a dire emergency nature sought by the President and the Congress.

I join my distinguished Republican colleague, Mr. HATFIELD, in personally assuring the Nation's veterans that funding for the remainder of the fiscal year will be provided in a timely way.

Mr. President, I also thank the two leaders for the splendid cooperation and support that they have given in this matter. I thank my colleague Senator HATFIELD, who is a true ranking colleague in the sense that he looks at the needs of the Nation and balances those out, and stands for what is best in the interest of the Nation and supports at all times what he thinks is right. I always feel that I can act with greater certitude of my own position as being right when Senator HATFIELD joins me in the effort.

I thank all the Senators on the Appropriations Committee for their cooperation in this instance. I personally talked with each Member on this side of the aisle.

I thank particularly the chairman of the Veterans' Appropriations Subcommittee, Senator MIKULSKI. She has been a champion for American veterans, and she is committed to providing funds for our veterans for all of calendar year 1989 as soon as is possible.

I would also like to take this opportunity to commend the staff for the excellent work they provided to the committee in its preparation for Senate consideration of this bill. In particular, I would like to recognize the assistance of Jim English, staff director of the committee; Keith Kennedy, minority staff director of the committee; Kevin Kelly, clerk of the Appropriations Committee's VA, HUD, and Independent Agencies Subcommittee; and Jack Conway, the committee's budget expert.

That is the feeling of all of us. We are all supportive of fully funding the Veterans' Administration as soon as possible, and I have no doubt that that will develop. But as I have already said we see a need for moving the other dire emergency items forward also.

Mr. President, I believe that completes my statement.

I yield back whatever time remains on my side and I yield the floor.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment.

The amendment (No. 105) was agreed to.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HATFIELD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. All time having been set aside on the bill has expired, the question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The bill having been read a third time, the question is, Shall it pass?

So, the bill (H.R. 2402), as amended, was passed.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the bill, as amended, was passed.

Mr. HATFIELD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Alaska is recognized.

Mr. STEVENS. I thank the Chair.

(The remarks of Mr. STEVENS pertaining to the introduction of S. 1071, S. 1072, and S. 1073 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions," and to the submission of Senate Resolution 133, under "Submission of Concurrent and Senate Resolutions.")

Mr. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum having been suggested, the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Kalbaugh, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 2:05 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has agreed to the following concurrent resolution, without amendment:

S. Con. Res. 38. Concurrent resolution providing for a conditional recess or adjournment of the Senate from May 18 or 19, 1989, until May 31, 1989, and a conditional adjournment of the House from May 25, 1989, until May 31, 1989.

The message also announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 838. An act to authorize the Secretary of Transportation to release restrictions on the use of certain property conveyed to the Peninsula Airport Commission for airport purposes;

H.R. 2145. An act to provide for the withholding of United States contributions to the United Nations, any specialized agency of the United Nations, or any organization affiliated with the United Nations of membership as a State is granted to the Palestine Liberation Organization or any other entity that does not have the internationally recognized attributes of statehood; and

H.R. 2402. An act making supplemental appropriations for the Department of Veterans Affairs for the fiscal year ending September 30, 1989, and for other purposes.

The message further announced that the House has agreed to the following concurrent resolutions, in which it requests the concurrence of the Senate:

H. Con. Res. 63. Concurrent resolution condemning continuing violence against unarmed Tibetan demonstrators and the imposition of martial law in Tibet, and calling for a peaceful resolution of the situation in Tibet; and

H. Con. Res. 122. Concurrent resolution concerning the May 7, 1989, Presidential election in Panama.

MEASURES REFERRED

The following bills were read the first and second times by unanimous consent, and referred as indicated:

H.R. 838. An act to authorize the Secretary of Transportation to release restrictions on the use of certain property conveyed to the Peninsula Airport Commission for airport purposes; to the Committee on Commerce, Science, and Transportation.

H.R. 2145. An act to provide for the withholding of United States contributions to the United Nations, any specialized agency of the United Nations, or any organization affiliated with the United Nations of membership as a state is granted to the Palestine Liberation Organization or any other entity that does not have the internationally-recognized attributes of statehood; to the Committee on Foreign Relations.

The following concurrent resolutions were read, and referred as indicated:

H. Con. Res. 63. Concurrent resolution condemning continuing violence against unarmed Tibetan demonstrators and the imposition of martial law in Tibet, and calling for a peaceful resolution of the situation in Tibet; to the Committee on Foreign Relations.

H. Con. Res. 122. Concurrent resolution concerning the May 7, 1989, Presidential election in Panama; to the Committee on Foreign Relations.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-1142. A communication from the Secretary of Agriculture, transmitting a draft of proposed legislation to amend the Volunteers in the National Forests Act of 1972 to permit volunteers to be considered employees under 31 U.S.C. 3721; to the Committee on Agriculture, Nutrition, and Forestry.

EC-1143. A communication from the deputy general counsel of the Department of Defense, transmitting a draft of proposed legislation to establish certain positions in the Department of Defense at level IV of the Executive Schedule; to the Committee on Armed Services.

EC-1144. A communication from the deputy general counsel of the Department of Defense, transmitting a draft of proposed legislation to amend titles 10 and 37, United States Code, and other authorities to extend and to make permanent certain expiring laws; to the Committee on Armed Services.

EC-1145. A communication from the Acting Administrator of the General Services Administration, transmitting, pursuant to law, the seventh quarterly report on Federal actions taken to assist the homeless; to the Committee on Banking, Housing, and Urban Affairs.

EC-1146. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report on the results of an audit of the Federal Housing Administration Fund's statement of financial position as of September 30, 1987; to the Committee on Banking, Housing, and Urban Affairs.

EC-1147. A communication from the Secretary of Commerce, transmitting a draft of proposed legislation to amend the Magnuson Fishery Conservation and Management Act, as amended, to authorize appropriations for fiscal years 1990, 1991, and 1992 and for other purposes; to the Committee on Commerce, Science, and Transportation.

EC-1148. A communication from the Acting Administrator of the General Services Administration, transmitting a draft of proposed legislation to amend the requirement that long distance telephone bills be certified by agency heads; to the Committee on Governmental Affairs.

EC-1149. A communication from the Attorney General, transmitting, pursuant to law, a Department of Justice report on a 6-month study on security equipment; to the Committee on the Judiciary.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. FORD, from the Committee on Rules and Administration, without amendment:

S. 326. A bill to amend the Federal Election Campaign Act of 1971 to repeal a provision allowing use of excess contributions (Rept. No. 101-28).

By Mr. FORD, from the Committee on Rules and Administration, without amendment:

S. 1074. An original bill to authorize appropriations for the Federal Election Commission for fiscal year 1990, and for other purposes (Rept. No. 101-29).

S. 1075. An original bill to authorize appropriations for the American Folklife Center for fiscal years 1990, 1991, and 1992 (Rept. No. 101-30).

By Mr. FORD, from the Committee on Rules and Administration, without amendment and with a preamble:

S.J. Res. 77. Joint resolution recognizing the National Fallen Firefighters' Memorial at the National Fire Academy in Emmitsburg, MD, as the official national memorial to volunteer and career firefighters who die in the line of duty (Rept. No. 101-31).

By Mr. FORD, from the Committee on Rules and Administration, without amendment:

S. Res. 134. An original resolution to authorize printing of a collection of the rules of the committees of the Senate.

S. Res. 135. An original resolution to amend Senate Resolution 369, 98th Congress, 2d session, relating to the Senate flag, to clarify the intent of the resolution that committees and officers of the Senate are permitted to display the flag.

By Mr. FORD, from the Committee on Rules and Administration, without amendment:

S. Con. Res. 19. Concurrent resolution to authorize printing of a collection of the inaugural address of the President of the United States.

Mr. FORD. Mr. President, on May 17, 1989, the Committee on Rules and Administration met to consider 12 bills and resolutions. Of those it ordered reported 11 items and agreed to continue consideration to the remaining item, S. 874, the voter registration bill and a substitute amendment thereto, to the next meeting. That bill will be taken up for consideration and markup June 12, 1989. At this time I am reporting those resolutions that do not require written reports—all of which were ordered reported by unanimous vote. A brief explanation of each of these items follows:

SENATE CONCURRENT RESOLUTION 19

This concurrent resolution, which was introduced by Mr. STEVENS and myself, would authorize printing as a Senate document, of 16,200 copies of a collection of the inaugural addresses of the Presidents of the United States, from President George Washington to President George H.W. Bush, Each Senator would receive 50 copies; each Congressman would receive 25 copies; and copies of the allotments not used would revert to the Senate and House Document Rooms. The Government Printing Office estimates that 16,200 casebound copies of the document would cost approximately $112,153.

SENATE RESOLUTION 134

An original resolution that would authorize the printing as a Senate document of 600 copies of a compilation prepared by the Senate legal counsel of the rules of procedures of all Senate committees and other matters that relate to Senate committees. This print would include the rules of procedure of each committee, Standing Rules of interest to committees and other matters pertaining to Senate committees. It will be distributed to Members, the committees and subcommittees.

SENATE RESOLUTION 135

An original resolution to amend Senate Resolution, 369, 98th Congress, 2d session, relating to the Senate flag, to clarify the intent of the resolution that committees and officers of the Senate, as well as Members, are permitted to display the flag. It would permit the purchase of two flags by each Senator, former Senator, each Senate committee, and each officer of the Senate, subject to replacement for loss, destruction, or wear and tear.

The committee also ordered reported eight items on which reports have been, or will be, submitted by me. They are: Senate Joint Resolution 98, to establish separate appropriation accounts for the Senate and the House of Representatives for the payment of official mail costs; an original bill to authorize appropriations for the American Folklife Center for fiscal years 1990 through 1992; an original bill to authorize appropriations for the Federal Election Commission for fiscal year 1990 and for other purposes; an amendment in the nature of a substitute to S. 377, to establish a series of eight Presidential primaries at which the public may express its preference for the nomination of an individual for election to the office of the President of the United States; S. 326, to amend the Federal Election Campaign Act of 1971 to repeal a provision allowing the personal use of excess campaign contributions; S. 136, to amend title 3, United States Code, to establish a single poll closing time in the continental United States for Presidential general elections; an amendment in the nature of a substitute to S. 978, to authorize the establishment within the Smithsonian Institution of the National Museum of the American Indian, to establish a memorial to the American Indian, and for other purposes; and Senate Joint Resolution 77, which would recognize the National Fallen Firefighters' Memorial located of the campus of the National Fire Academy in Emmitsburg, MD, as the official national memorial in honor of the approximately 160 volunteer and career firefighters who die each year in the line of duty.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. BENTSEN, from the Committee on Finance:

Sidney Linn Williams, of Virginia, to be a Deputy United States Trade Reprsentative, with the rank of Ambassador.

(The above nomination was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. BIDEN, from the Committee on the Judiciary:

Kenneth Winston Starr, of Virginia, to be Solicitor General of the United States.

● Mr. BIDEN. Mr. President, I submit this statement in connection with the nomination of Kenneth Starr to be Solicitor General of the United States.

As the chief advocate for the Federal Government in our Nation's lower courts and in the Supreme Court, the

Solicitor General is among the most important officers of the United States. It is commonly said that the Solicitor General is the only official in our Government who is required by statute to be "learned in the law." That is surely true, but to my mind, a lesser known fact better symbolizes the unique nature of the office: Although he is a member of the Department of Justice, the Solicitor General also has permanent chambers in the Supreme Court. That he keeps offices within two of the three branches of our Government—and is subject to the advice and consent of the third, I might add—truly underscores, in this Senator's mind, the broad power and unique responsibilities of the Solicitor General of the United States.

When it created the Office of the Solicitor General in 1870, the 41st Congress set a high standard. In its words:

We propose to have a man of sufficient learning, ability and experience that he can be sent * * * into any court whenever the government has an interest in litigation, and there present the case of the United States as it should be presented.

While it clearly anticipated the attributes necessary to lead the office, Congress probably did not foresee the extent of the Solicitor General's present-day power and importance.

One index of that power and importance is the degree of success the Solicitor General enjoys in litigation before the Supreme Court. That success can be measured in several different ways. Looking at the Court's 1983 Term, which is representative of other terms as well, one finds:

That the Court granted 79 percent of the Solicitor General's petitions for certiorari, compared to granting 3 percent of the petitions filed by others;

That the Solicitor General appeared in about 65 percent of the total number of cases heard by the Court, either as a party or as a "friend of the Court"; and

That the Solicitor General won a remarkable 83 percent of his cases.

Very simply, because the Solicitor General exercises considerable influence on which cases the Supreme Court hears in the first place, and on the way these cases are ultimately decided, he exercises considerable influence on the development of constitutional law. Indeed, other than the nine justices themselves, no other person—year after year, term after term—is likely to influence the development of constitutional law more than the Solicitor General.

Because of that influence and the extraordinary responsibilities the Solicitor General exercises, one of the issues about which I questioned Judge Starr was his independence. I asked him several questions about how he expected to fulfill the two roles that he must play: His policymaking role as a member of the administration, and his "quasi-judicial" role, as one commentator has termed it, as an officer of the Supreme Court. This second role is particularly important, for in very real sense, Solicitor Generals of years past have earned a permanent place at the Court because the Court has come to rely on their rigorous legal analysis, total candor, and ability to help regulate the Court's docket.

Judge Starr's answers to my questions were quite informative. He recognized that while consultation with the Attorney General and the President might be necessary in some cases, his role as an officer of the Supreme Court "will involve absolute fidelity to law, * * * scrupulous advocacy, and complete candor * * * It will also require a studious regard for the Supreme Court's docket and thus a frequent willingness to say no to requests to take cases to High Court." He also stated that "just as the conduct of the entire affairs of the Department of Justice must be independent in the sense of non-partisan and governed by fedelity to the Constitution and the rule of law, I think that responsibility is particularly heavy and pertinent to the Solicitor General by virtue of his obligation to the Supreme Court—a unique obligation, as has been noted."

Along these same lines, I asked Judge Starr what he would do if, in a case before the Supreme Court, he personally concluded that the outcome the President hoped for as a matter of policy was not legally defensible. To my satisfaction, Judge Starr answered: "I would not * * * take a position as Solicitor General that I did not feel * * * was legally defensible."

One factor critical to the Solicitor General's ability to operate with the necessary degree of independence is whether he has to submit briefs to the Attorney General or the White House for their approval. Judge Starr indicated while such submissions might occur in a "particular case," he believed that it would be "a profoundly unwise course of action, were any such customary practice to be suggested. * * * [T]he rendering of independent professional judgment by the Office cannot adequately be carried on without the assurance of the necessary latitude and professional freedom that has historically been enjoyed" by the Solicitor General's office.

I also explored with Judge Starr his views on a number of other very specific issues, not the least important of which was the subject of stare decisis. That term—translated literally to mean "to stand by things decided—connotes the notion of continuing respect for precedent. Judge Starr testified that "the principle of stare decisis is vitally important" and that "the Solicitor General should exercise great prudence and caution in the way in which he conducts the legal affairs of that office." It is my hope that Judge Starr will, when necessary, draw the important distinction between an administration's short-term interest in overruling a case and what I believe should be the Solicitor General's long-term interest in the orderly development of the law.

In order to get a sense of Judge Starr's philosophy and approach to issues of constitutional import, I asked him about several of his speeches and articles. For while he may be discarding his black judicial robes for the formal striped pants, vest, and tails traditionally donned by the Solicitor General when he presents his argument to the Court, his philosophical and constitutional views are important.

In particular, I asked Judge Starr about the interpretation of the due process clauses in the 5th and 14th amendments. He had said in a 1988 speech that a "substantial consensus" has developed on certain "basic principles," and that "first and foremost of these principles is that liberty is seen as inherent in the individual. Liberty does not derive from the Government. In the immortal words of Jefferson, the individual is endowed by his Creator with certain inalienable rights." When I asked Judge Starr whether he personally agreed with that "substantial consensus," he responded: "I believe in that as fervently as I believe in anything." He added in response to additional questions that:

> Madison and the other Framers of the Bill of Rights were very keenly mindful that there were other liberties, ancient liberties of the people protected by the common law, and that the enumeration of the specific rights identified in the first eight amendments of the Bill of Rights were not meant to be exhaustive, and that was the function of the Ninth Amendment.

Judge Starr also stated that as Solicitor General, he intended to stand within and affirm the broad, ancient traditions that he had described in his speeches. Finally, Judge Starr stated that "I believe that the Liberty Clause of the Fourteenth Amendment and of the Fifth Amendment has substantive content, and that that liberty is, in fact, protectable." I believe that Judge Starr's responses to these questions provide us with a keen insight into his approach to constitutional issues, at least with respect to the important question of how he views the due process clause of our 5th and 14th amendments.

Overall, I believe that Judge Starr's answers to my questions during the hearing and to my subsequent written questions suggest that he will bring to the Office of Solicitor General independence, competence, sound legal judgment, and due respect for the High Court that he must serve—all critical attributes for the important

position for which he has been nominated. It is my hope that he truly understands and accepts what I believe should be the creed of every Solicitor General. First spoken by Frederick Lehmann, who served as Solicitor General between 1910 and 1912, that creed is this:

The United States wins its point whenever justice is done its citizens in the courts.

Accordingly, I will vote in favor of the nomination of Kenneth Starr to be Solicitor General of the United States.●

Carol T. Crawford, of Virginia, to be an Assistant Attorney General; and

Shirley D. Peterson, of Maryland, to be an Assistant Attorney General.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. BIDEN, from the Committee on the Judiciary:

Ferdinand F. Fernandez, of California, to be United States Circuit Judge for the Ninth Circuit;

Pamela Ann Rymer, of California, to be United States Circuit Judge for the Ninth Circuit;

Robert C. Bonner, of California, to be United States District Judge for the Central District of California; and

Melinda Harmon, of Texas, to be United States District Judge for the Southern District of Texas.

By Mr. NUNN, from the Committee on Armed Services:

David J. Gribbin, III, of Maryland, to be an Assistant Secretary of Defense;

Louis A. Williams, of Wyoming, to be an Assistant Secretary of Defense; and

Sean Charles O'Keefe, of Virginia, to be Comptroller of the Department of Defense.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. KENNEDY, from the Committee on Labor and Human Resources:

Roderick Allen DeArment, of Virginia, to be Deputy Secretary of Labor.

(The above nomination was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. MOYNIHAN:

S. 1033. A bill to provide duty free treatment for operatic sets, scenery and properties imported by certain nonprofit, cultural organizations; to the Committee on Finance.

By Mr. GORE (for himself, Mr. METZENBAUM, Mr. BUMPERS, Mr. SIMON, Mr. PELL, and Mr. INOUYE):

S. 1034. A bill to alleviate homelessness by expanding and preserving the supply of permanent, affordable, and decent housing.

By Mr. JEFFORDS (for himself and Mr. LEAHY):

S. 1035. A bill to restrict certain uses of chlorofluorocarbons to protect the ozone layer in the stratosphere, and for other purposes; to the Committee on Environment and Public Works.

By Mr. LEAHY (for himself, Mr. HEFLIN, Mr. MCCONNELL, Mr. PRYOR, Mr. BOREN, Mr. HARKIN, Mr. CONRAD, Mr. FOWLER, Mr. DASCHLE, Mr. BAUCUS, Mr. KERREY, Mr. MITCHELL, Mr. BURDICK, Mr. BUMPERS, Mr. SPECTER, Mr. FORD, Mr. PRESSLER, Mr. GORE, Mr. SASSER, Mr. GRASSLEY, Mr. EXON, Mr. LEVIN, Mr. BRYAN, Mr. SARBANES, Mr. LOTT, Mr. SANFORD, Mr. KOHL, Mr. SHELBY, Mr. MATSUNAGA, Mr. BENTSEN, and Mr. ADAMS):

S. 1036. A bill to improve the economic, community, and educational well-being of rural America, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. MITCHELL:

S. 1037. A bill to prohibit the implementation of certain regulations of the Secretary of Health and Human Services and the Secretary of Agriculture regarding irradiated foods, to amend the Federal Food, Drug, and Cosmetic Act to prescribe labels for such foods, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. ROTH:

S. 1038. A bill to repeal medicare catastrophic coverage provisions effective in years after 1989 and the supplemental medicare premium, and for other purposes; to the Committee on Finance.

By Mr. DECONCINI:

S. 1039. A bill to restore the record-keeping requirement of the Child Protection and Obscenity Enforcement Act of 1988; to the Committee on the Judiciary.

By Mr. WILSON (for himself, Mr. D'AMATO, Mr. DECONCINI, Mr. DIXON, Mr. GRAMM, and Mr. GORTON):

S. 1040. A bill to require the Secretary of Defense to establish an Anti-Drug Task Force; to the Committee on Armed Services.

By Mr. CONRAD (for himself, Mr. DASCHLE, Mr. BOREN, Mr. HARKIN, Mr. KERREY, Mr. DIXON, and Mr. BURDICK):

S. 1041. A bill to amend the Internal Revenue Code of 1986 to provide tax relief for farmers who realize capital gain on the transfer of farm property to satisfy an indebtedness and for other purposes; to the Committee on Finance.

By Mr. DURENBERGER:

S. 1042. A bill to suspend temporarily the duty on certain in-line roller skate boots; to the Committee on Finance.

By Mr. FORD (for himself, Mr. LAUTENBERG, and Mr. MITCHELL):

S. 1043. A bill to establish a commission on aviation security and terrorism to investigate the adequacy of and compliance with aviation security procedures and Federal Aviation Administration security requirements; to the Committee on Commerce, Science, and Transportation.

By Mr. DOLE (for himself, Mr. BOREN, Mrs. KASSEBAUM, Mr. NICKLES, Mr. BENTSEN, Mr. GRAMM, Mr. BAUCUS, Mr. BURNS, Mr. PRESSLER, Mr. WIRTH, Mr. PRYOR, and Mr. DASCHLE):

S. 1044. A bill to amend the Disaster Assistance Act of 1988 to extend disaster assistance to losses due to adverse weather conditions of 1988 or 1989 for crops planted in 1988 for harvest in 1989, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. SYMMS (for himself, Mr. BAUCUS, Mr. BURDICK, Mr. CHAFEE, Mr. MITCHELL, Mr. DURENBERGER, Mr. WARNER, Mr. LIEBERMAN, Mr. JEFFORDS, Mr. HUMPHREY, Mr. REID, Mr. LAUTENBERG, Mr. BUMPERS, Mr. GARN, Mr. COHEN, Mr. MOYNIHAN, Mr. CONRAD, Mr. MCCLURE, Mr. MURKOWSKI, Mr. BREAUX, Mr. GRAHAM, and Mr. SIMPSON):

S. 1045. A bill to establish a National Environmental Policy on the participation of the United States in international financing; to the Committee on Environment and Public Works.

By Mr. RUDMAN (for himself and Mr. HUMPHREY):

S. 1046. A bill to designate the Merrimack River, in the State of New Hampshire, as a river to be studied for inclusion in the National Wild and Scenic Rivers System, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. KENNEDY (for himself, Mr. WIRTH, Mr. HATFIELD, Mr. HARKIN, Mr. CRANSTON, Mr. KERRY, and Mr. SANFORD):

S. 1047. A bill to encourage negotiations between the United States and the Soviet Union to establish mutual and verifiable restrictions on the production of plutonium and highly enriched uranium for nuclear weapons purposes; to the Committee on Foreign Relations.

By Ms. MIKULSKI (for herself and Mr. BINGAMAN):

S. 1048. A bill to amend chapter 89 of title 5, United States Code, to provide authority for the direct payment or reimbursement to certain health care professionals; to clarify certain provisions of such chapter with respect to coordination with State and local law; and for other purposes; to the Committee on Governmental Affairs.

By Mr. SPECTER (for himself and Mr. HEINZ):

S. 1049. A bill to recognize the organization known as the Montford Point Marine Association, Incorporated; to the Committee on the Judiciary.

By Mr. HEINZ (for himself and Mr. CONRAD):

S. 1050. A bill to amend the Federal Railroad Safety Act of 1970; to the Committee on Commerce, Science, and Transportation.

By Mr. BOSCHWITZ (for himself, Mr. BAUCUS, Mr. BURNS, Mr. LOTT, Mr. CONRAD, Mr. BURDICK, Mr. BOREN, Mr. PRESSLER, Mr. KASTEN, and Mr. GRASSLEY):

S. 1051. A bill to promote the development of small business in rural areas; to the Committee on Small Business.

By Mr. KERRY (for himself, Mr. LEAHY, and Mr. GORE):

S. 1052. A bill to regulate equipment for servicing motor vehicle air conditioners, to restrict the sale of chlorofluorocarbons and motor vehicles with air conditioners that use chlorofluorocarbons, to require reports on the use of chemicals which deplete the ozone layer in the stratosphere, and for other purposes; to the Committee on Environment and Public Works.

By Mr. RIEGLE (for himself, Mr. BRADLEY, Mr. MATSUNAGA, Mr. PRYOR, Mr. SIMON, Mr. DASCHLE, Mr.

DURENBERGER, and Mr. ROCKEFELLER):

S. 1053. A bill to amend title V of the Social Security Act to provide for supplemental resources to enhance the delivery of health services to pregnant women and infants; to the Committee on Finance.

By Mr. MATSUNAGA:

S. 1054. A bill to provide for the temporary suspension of duty on certain magnetic video tape recordings; to the Committee on Finance.

S. 1055. A bill to amend the Internal Revenue Code of 1986 to exempt retired public safety officers from the early withdrawal tax on pension distributions; to the Committee on Finance.

By Mr. COATS (for himself, Mr. BURNS, and Mr. GORTON):

S. 1056. A bill to establish programs to strengthen America's families, and for other purposes; to the Committee on Finance.

By Mr. COATS (for himself, Mr. DOLE, Mr. BOSCHWITZ, Mr. SYMMS, Mr. WARNER, Mr. MCCAIN, Mr. MACK, Mr. LOTT, Mr. HELMS, Mr. BOND, Mr. GRAMM, Mr. WILSON, Mr. MCCLURE, Mr. D'AMATO, Mr. ARMSTRONG, Mr. BOREN, and Mr. HUMPHREY):

S. 1057. A bill to insure that before there is a democratically elected government in Panama before the Senate gives its advice and consent to the nomination of the new Administrator of the Panama Canal Commission; to the Committee on Armed Services.

By Mr. BINGAMAN:

S. 1058. A bill requiring the use of the Federal Government of certain vehicles capable of operating on alcohol or natural gas fuels or on electricity in areas not in compliance with the Clean Air Act, and for other purposes; to the Committee on Governmental Affairs.

By Mr. HATFIELD:

S. 1059. A bill to amend and enhance existing renewable energy programs and Federal trade and export promotion programs in order to promote the U.S. renewable energy industry, improve the trade balance of the United States, and maintain the competitive and technical leadership of the United States in renewable energy development and trade; to the Committee on Energy and Natural Resources.

By Mr. PRYOR (for himself, Mr. BAUCUS, Mr. BOREN, Mr. BURDICK, Mr. HARKIN, Mr. STEVENS, Mr. COHEN, Mr. CONRAD, Mr. PRESSLER, and Mr. SHELBY):

S. 1060. A bill to amend the Internal Revenue Code of 1986 to provide refundable income tax credits to primary health services providers who work in rural health manpower shortage areas, and for other purposes; to the Committee on Finance.

By Mr. WARNER (for himself, Mr. REID, Mr. LIEBERMAN, Mr. CHAFEE, and Mr. RIEGLE):

S. 1061. A bill to prohibit the distribution, sale, or use of daminozide for food use, to cancel the registration for daminozide for food use, to revoke the tolerance for daminozide in or on food, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. GORE (for himself and Mr. DANFORTH):

S. 1062. A bill to amend the Earthquake Hazards Reduction Act of 1977 to improve the Federal effort to reduce earthquake hazards, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. LUGAR (for himself and Mr. BOSCHWITZ):

S. 1063. A bill to improve the conservation of cropland, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. DASCHLE:

S. 1064. A bill to amend title 38, United States Code, to correct an inequity in the provision of veterans' educational assistance benefits; to the Committee on Veterans' Affairs.

By Mr. PRESSLER:

S. 1065. A bill to authorize the Secretary of Transportation to carry out a highway bridge demonstration project to improve the flow of traffic between the States of Nebraska and South Dakota; to the Committee on Environment and Public Works.

By Mr. CHAFEE (by request):

S. 1066. A bill to establish a domestic liability and compensation system for oil pollution from vessels and facilities and to implement the 1984 Protocols to the 1969 Civil Liability and 1971 Fund Conventions concerning seagoing tanker-source oil pollution; to the Committee on Environment and Public Works.

By Mr. GORE (for himself, Mr. JEFFORDS, and Mr. DURENBERGER):

S. 1067. A bill to provide for a coordinated Federal research program to ensure continued U.S. leadership in high-performance computing; to the Committee on Commerce, Science, and Transportation.

By Mr. GORE (for himself, Mr. GORTON, and Mr. FORD):

S. 1068. A bill to require actions to improve competition in the delivery of television programming, to prohibit discrimination by cable programmers, and to permit telephone companies to provide video programming; to the Committee on Commerce, Science, and Transportation.

By Mr. BAUCUS:

S. 1069. A bill to amend the Internal Revenue Code of 1986 to increase the amount of nondeductible contributions to individual retirement accounts, to exempt certain distributions from such accounts from the early withdrawal tax, and for other purposes; to the Committee on Finance.

By Mr. KERRY:

S. 1070. A bill to amend title XVI of the Social Security Act to provide that the existing requirement for deeming a parent's income and resources to his or her children under age 18 shall not apply in the case of certain severely disabled children, and to provide that the benefit payable to such children under such title shall equal the personal needs allowance; to the Committee on Finance.

By Mr. STEVENS (for himself and Mr. PRYOR):

S. 1071. A bill to amend chapter 53 of title 5, United States Code, to authorize the repayment of student loans for recruiting and retaining certain Federal employees; to the Committee on Governmental Affairs.

By Mr. STEVENS:

S. 1072. A bill to provide that a demonstration project be conducted to test flexiplace work arrangements for Federal employees, and to provide for the establishment of a program to facilitate the exchange of information relating to job-sharing arrangements among Federal employees; to the Committee on Governmental Affairs.

By Mr. STEVENS (for himself, Mr. BYRD, Mr. DIXON, Mr. ROBB, and Mr. SIMON):

S. 1073. A bill to amend chapter 83 of title 5, United States Code, to provide civil service retirement credit for service performed under the Railroad Retirement Act, and for other purposes; to the Committee on Rules and Administration.

By Mr. FORD:

S. 1074. An original bill to authorize appropriations for the Federal Election Commission for fiscal year 1990, and for other purposes; from the Committee on Rules and Administration; placed on the calendar.

S. 1075. An original bill to authorize appropriations for the American Folklife Center for fiscal years 1990, 1991, and 1992; from the Committee on Rules and Administration; placed on the calendar.

By Mr. BURDICK (for himself, Mr. CHAFEE, Mr. MITCHELL, Mr. MOYNIHAN, Mr. SIMON, Mr. COHEN, Mr. CONRAD, Mr. JEFFORDS, Mr. BENTSEN, Mr. REID, Mr. LIEBERMAN, Ms. MIKULSKI, Mr. ADAMS, Mr. KASTEN, Mr. SASSER, Mr. DODD, Mr. DASCHLE, Mr. SARBANES, Mr. FOWLER, Mr. BIDEN, Mr. SANFORD, Mr. GORTON, and Mr. BAUCUS):

S. 1076. A bill to increase public understanding of the natural environment and to advance and develop environmental education and training; to the Committee on Environment and Public Works.

By Mr. FORD (for himself, and Mr. MCCAIN):

S. 1077. A bill to authorize the President to appoint Adm. James B. Busey to the Office of Administrator of the Federal Aviation Administration.

By Mr. ROCKEFELLER (for himself, Mr. HARKIN, Mr. DASCHLE, Mr. BAUCUS, Mr. RIEGLE, and Mr. INOUYE):

S. 1078. A bill to amend the Social Security Act to provide for improved delivery of health services to individuals residing in rural areas by making certain modifications with respect to health clinic services provided under such act, and for other purposes; to the Committee on Finance.

By Mr. MOYNIHAN:

S. 1079. A bill to amend title XI of the Social Security Act to require the Secretary of Health and Human Services to provide social security account statements to individuals covered by social security, and for other purposes; to the Committee on Finance.

By Mr. DECONCINI (for himself and Mr. MCCAIN):

S. 1080. A bill to designate certain lands as wilderness in the State of Arizona; to the Committee on Energy and Natural Resources.

By Mr. LAUTENBERG:

S. 1081. A bill to authorize the Secretary of Housing and Urban Development to carry out a cost-effective community-based program for housing rehabilitation and development to serve low- and moderate-income families; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. MCCLURE (for himself, Mr. SYMMS, Mr. SIMPSON, Mr. WALLOP, Mr. BURNS, and Mr. BAUCUS):

S. 1082. A bill relating to the treatment of a certain project for purposes of the energy tax credit; to the Committee on Finance.

By Mr. KASTEN:

S.J. Res. 137. Joint resolution designating January 7, 1990, through January 13, 1990, as "National Law Enforcement Training Week"; to the Committee on the Judiciary.

By Mr. LEAHY (for himself, Mr. DANFORTH, Mr. LUGAR, Mr. MATSUNAGA, Mr. SARBANES, Mr. BOND, Mr. BOSCHWITZ, Mr. BUMPERS, Mr. BURDICK,

Mr. CHAFEE, Mr. COCHRAN, Mr. CONRAD, Mr. CRANSTON, Mr. D'AMATO, Mr. DASCHLE, Mr. DODD, Mr. DOLE, Mr. DURENBERGER, Mr. FOWLER, Mr. GLENN, Mr. GORTON, Mr. GRAHAM, Mr. HEFLIN, Mr. INOUYE, Mr. JOHNSTON, Mr. KENNEDY, Mr. LEVIN, Mr. PELL, Mr. PRYOR, Mr. SHELBY, and Mr. SIMPSON):

S.J. Res. 138. Joint resolution designating October 16, 1989, and October 16, 1990, as "World Food Day"; to the Committee on the Judiciary.

By Mr. CRANSTON (for himself and Mr. WILSON):

S.J. Res. 139. Joint resolution to approve the designation of the Cordell Bank National Marine Sanctuary, to disapprove a term of that designation, and to direct the Secretary of Commerce to revise regulations implementing that designation to prohibit certain activities in the Sanctuary; to the Committee on Commerce, Science, and Transportation.

By Mr. GLENN (for himself, Mr. SHELBY, Mr. WILSON, Mr. GORE, and Mr. STEVENS):

S.J. Res. 140. Joint resolution designating November 19–25, 1989, as "National Family Caregivers Week"; to the Committee on the Judiciary.

By Mr. WILSON (for himself and Mr. CRANSTON):

S.J. Res. 141. Joint resolution approving the national marine sanctuary designation entitled "Cordell Bank National Marine Sanctuary"; to the Committee on Commerce, Science, and Transportation.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. BRADLEY (for himself, Mr. MITCHELL, Mr. DOLE, Mr. CRANSTON, Mr. LUGAR, Mr. CHAFEE, Mr. WIRTH, Mr. FOWLER, and Mr. LIEBERMAN):

S. Res. 130. Resolution recognizing May 25 convening of U.S.S.R. Congress of Peoples' Deputies; considered and agreed to.

By Mrs. KASSEBAUM (for herself, Mr. INOUYE, Mr. DASCHLE, Mr. DODD, Mr. LUGAR, and Mr. MCCAIN):

S. Res. 131. Resolution to amend the rules of the Senate to improve legislative efficiency, and for other purposes; to the Committee on Rules and Administration.

By Mr. SYMMS (for himself and Mr. DECONCINI):

S. Res. 132. Resolution expressing the sense of the Senate regarding consultation with leaders of allied countries during the NATO Summit and the Economic Summit meetings in Brussels and Paris about loans and credit to the Soviet bloc; considered and agreed to.

By Mr. STEVENS (for himself, Mr. DOLE, Mr. HATCH, Mr. HEFLIN, Mr. LOTT, Mr. LUGAR, Mr. MURKOWSKI, and Mr. SANFORD):

S. Res. 133. Resolution to provide a point of order against unconstitutional provisions of a conference report; to the Committee on Rules and Administration.

By Mr. FORD:

S. Res. 134. An original resolution to authorize printing of a collection of the rules of the committees of the Senate; from the Committee on Rules and Administration; placed on the calendar.

S. Res. 135. An original resolution to amend Senate Resolution 369, 98th Congress, 2nd Session, relating to the Senate flag, to clarify the intent of the resolution that committees and officers of the Senate are permitted to display the flag; from the Committee on Rules and Administration; placed on the calendar.

By Mr. WILSON (for himself and Mr. CRANSTON):

S. Con. Res. 39. Concurrent resolution to commend the group of aviators known as the "Flying Tigers" for nearly 50 years of service to the United States; to the Committee on the Judiciary.

By Mr. MITCHELL (for himself, Mr. DOLE, Mr. CRANSTON, and Mr. SIMPSON):

S. Con Res. 40. Concurrent resolution to designate June 21, 1989, as Chaney, Goodman, and Schwerner Day; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. GORE (for himself, Mr. METZENBAUM, Mr. BUMPERS, Mr. SIMON, Mr. PELL, and Mr. INOUYE):

S. 1034. A bill to alleviate homelessness by expanding and preserving the supply of permanent, affordable, and decent housing; to the Committee on Banking, Housing, and Urban Affairs.

PERMANENT HOUSING FOR HOMELESS AMERICANS ACT

Mr. GORE. Mr. President, today I am introducing legislation which will increase the ever-dwindling supply of permanent housing for homeless individuals and families in the United States. This bill, the Permanent Housing for Homeless Americans Act of 1989, attacks what every major study has defined as the root cause of homelessness—the lack of decent, affordable housing.

This bill would increase the supply of federally assisted housing by 140,000 units in each of the next 2 years and reserve those units for the homeless and for people in imminent danger of becoming homeless. Specifically, the bill funnels assistance through the existing public housing, section 8, rental rehabilitation and Community Development Block Grant Programs in order to expedite the availability of housing. In addition, this legislation establishes an entitlement, as a matter of right, to decent overnight shelter.

Joining me as original cosponsors of this legislation, which I believe will mark a positive and long overdue shift in the Nation's response to the crisis of homelessness, are Senators METZENBAUM, BUMPERS, SIMON, PELL, and INOUYE.

Make no mistake, Mr. President, the degree of homelessness in the United States today is a national disgrace, with some estimates placing the number of homeless as high as 3 million. One out of four homeless persons is a child, and families with children are entering the ranks of the homeless at an alarming rate.

To what can we attribute this development? It certainly is not, as some terribly unenlightened public figures have suggested, a matter of choice or preference. Nor can the great majority of cases be attributed simply to a lack of initiative or to personal irresponsibility. The fact is, a fourth of homeless people have jobs. The old image of a skid-row bum is just not valid; all sorts of people from all walks of life and many different backgrounds become homeless for any number of reasons.

But what these people have in common is a discouraging, frustrating, and ultimately dehumanizing inability to find a decent place to live. This crisis in homelessness is an inevitable result of drastic meat-ax cuts in Federal low-income housing assistance in this decade. Budget authority for housing plummeted from $30 billion in 1981 to less than $8 billion in 1989.

In addition to the homeless population, there are 3 million renter households with incomes below $5,000 who spend more than 70 percent of their incomes for housing. These families live on the edge of eviction; they are at risk of becoming homeless. A failure to act could more than double the number of homeless Americans in the very near future. Without action, more than 18 million Americans may be homeless or near homelessness by 2003.

Mr. President, I was an original cosponsor and a coauthor of the Stewart B. McKinney Homeless Assistance Act, to date the most important legislation regarding the homeless to come out of Congress. But the McKinney Act's most glaring omission is that of permanent housing for the homeless. This legislation does address that critical issue.

To achieve the goal of providing additional permanent housing, the bill I am introducing today will authorize increases in funding in the following ways:

First, for section 8 certificates, $450 million a year for 2 years, allocated with a formula that takes the homeless population into account;

Second, for the section 8 moderate rehabilitation program, $250 million a year for 2 years, allocated to applicants that best demonstrate a need for assistance;

Third, for modernization of vacant public housing, $500 million a year for 2 years for additional modernization assistance for the homeless;

Fourth, for the Rental Rehabilitation Grants Program, $500 million a year for 2 years to prevent homelessness; and

Fifth, for rehabilitation of in rem properties held by State and local governments, $300 million a year for 2 years under the CDBG to convert

these properties to provide affordable permanent housing units.

This funding totals $2 billion a year for 2 years, only a fraction of the $22 billion which was slashed from housing programs over the past 8 years. Yet, even this amount will only begin to address the problems of homelessness. An even greater commitment of resources, on an ongoing basis, will be required to create and maintain the permanent supply of housing necessary to eradicate homelessness.

Mr. President, major housing legislation will be brought before the Senate, probably this year, and I expect that a bill touching on just about every aspect of Federal housing policy will be passed. My distinguished colleagues, the Senator from California [Mr. CRANSTON] and the Senator from New York [Mr. D'AMATO], have labored long and hard and produced a comprehensive bill that I am sure will enjoy very broad bipartisan support.

Yet, I am convinced that any housing policy will be deficient if it lacks a truly significant effort to provide permanent housing for the homeless. The legislation that I am introducing today is such a provision. It is not intended to be, nor should it be viewed as, in competition with the omnibus housing legislation being considered this year. Instead, I see this bill as a supplement to that important effort.

Mr. President, I also want to commend the National Coalition for the Homeless, an outstanding advocacy organization for the homeless, for its support and attention to this legislation. In addition, I want to note that a companion bill, H.R. 140, has been introduced in the other body by Representative BRUCE F. VENTO.

I urge my colleagues in the strongest terms to support the Permanent Housing for Homeless Americans Act of 1989, and I look forward to working with them for its enactment.

At this point, Mr. President, I ask unanimous consent that a copy of correspondence I have received from the National Coalition for the Homeless and the American Psychological Association be included in the RECORD, followed by the text of the bill.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

NATIONAL COALITION
FOR THE HOMELESS,
Washington, DC, May 18, 1989.

Hon. ALBERT GORE, Jr.,
Hon. HOWARD M. METZENBAUM,
Hon. DALE BUMPERS,
U.S. Senate, Washington, DC.

DEAR SENATORS: Today, more people are homeless in the United States than at any time since the Great Depression. In a time of unprecedented economic prosperity, about three million men, women, and children are without a place to live. Forty percent of the homeless are families.

Moreover, 3.1 million more poor renter households—45% of all poor renter households—pay at least 70% of their income for housing costs. These men, women and children daily live on the brink of homelessness, of losing the basic necessities of life: a roof over their heads, a bed to sleep in, and a meal to eat.

At the same time, there exist unused resources across the country that could provide permanent homes for the homeless. Approximately 70,000 federal public housing units stand vacant because adequate funds for their repair are not available. Similarly, tens of thousands of city-owned properties lie vacant. Waiting lists for assisted housing are years long.

The Permanent Housing for Homeless Americans Act of 1989 uses these existing resources to attack the major cause of homelessness—the lack of decent, affordable housing. This bill would provide homes—and new hope—for those who are homeless or in imminent danger of becoming homeless.

Almost two years ago, Congress acted with speed on landmark legislation for the homeless. This new law, the Stewart B. McKinney Act, provides much needed emergency relief. But even at its best—its fully-funded best—the McKinney Act can only help homeless Americans with the barest survival needs. It shows our compassion, it helps treat the symptoms, but it provides no permanent solution.

America's homeless men, women and children need more than compassion. They need permanent solutions to homelessness. The National Coalition for the Homeless wholeheartedly supports this bill as a significant step towards providing long-term answers for this national crisis. We look forward to working with the Senators to ensure early passage of this critical relief.

Sincerely,

ROBERT M. HAYES.

AMERICAN PSYCHOLOGICAL ASSOCIATION,
Washington, DC, April 19, 1989.

Hon. ALBERT GORE,
U.S. Senate, Washington, DC.

DEAR SENATOR GORE: On the behalf of the 90,000 members of the American Psychological Association, I would like to commend you for your willingness to introduce the Permanent Housing for Homeless Americans Act of 1989. We feel that this legislation is an important step towards addressing the needs of the growing number of homeless families and children.

Our members are alarmed at recent estimates that homeless families comprise one-third of the nation's homeless population. In some cities, such as New York, Los Angeles, Oakland and St. Louis, over half of the homeless population consists of families with children. It has been widely documented that the chaotic environment of the shelters and welfare hotels has severe and lasting effects on children's development. For example, one study in Boston found that the majority of these children have thought about killing themselves. Other studies have found that homeless children are twice as likely to suffer from chronic health problems than other children their age.

The Permanent Housing for Homeless Americans Act would provide tangible assistance in the effort to prevent homelessness. The Act would provide affordable and decent housing for many families with young children whose basic physical and emotional needs go unmet in shelters or on the streets. Thus, we support your efforts to insure that the federal government does not ignore its responsibility to these families.

Thank you for your consideration.

Sincerely,

BRIAN L. WILCOX, Ph.D.
Director, Office of Public Interest Legislation.

S. 1034

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Permanent Housing for Homeless Americans Act of 1989".

SEC. 2. FINDINGS AND STATEMENT OF PURPOSE.

(a) FINDINGS.—The Congress finds that—

(1) homelessness in the United States has reached alarming proportions and has become a national emergency;

(2) the greatest single cause of homelessness is the lack of decent, affordable assisted housing, and the demand for such housing is continuing to grow significantly every year;

(3) the number of homeless individuals and families has increased beyond the ability of the States and local governments to provide needed housing without Federal assistance;

(4) there is a need to reestablish and reaffirm a national goal, established in the Housing Act of 1949, of a decent home and suitable living environment for every family in the United States;

(5) without action to reverse the decline in the availability of affordable housing, more than 18,000,000 Americans may be homeless or near homelessness by 2003; and

(6) an even greater and sustained commitment of Federal resources than provided in this Act and in other existing programs will be required to create and maintain the permanent supply of housing necessary to eradicate homelessness.

(b) STATEMENT OF PURPOSE.—The purpose of this Act is to make an initial effort to alleviate homelessness through a limited, but urgently needed, effort to expand and preserve the supply of permanent, affordable, and decent housing.

SEC. 3. DEFINITIONS.

(a) HOMELESS OR HOMELESS INDIVIDUAL.—For purposes of this Act, the term "homeless" or "homeless individual" shall have the same meaning as in section 103(a) of the Stewart B. McKinney Homeless Assistance Act, with the same exclusion contained in section 103(c) of the Stewart B. McKinney Homeless Assistance Act.

(b) AT RISK OF BECOMING HOMELESS.—For purposes of this Act only, the term "at risk of becoming homeless" shall include an individual or family that—

(1) lives in substandard or inadequate conditions or accommodations, as defined by the Secretary, where such conditions are not addressed by programs under the Stewart B. McKinney Homeless Assistance Act;

(2) lives in temporary makeshift arrangements in the accommodations of others; or

(3) is on a waiting list for any lower income housing assisted by the Federal Government.

(c) SECRETARY.—The term "Secretary" means the Secretary of Housing and Urban Development.

(d) TRANSITIONAL HOUSING.—The term "transitional housing" means a project that has as its purpose facilitating the movement of homeless individuals and families to independent living within a reasonable amount of time, as determined by the project sponsor. Transitional housing includes housing

primarily designed to serve deinstitutionalized homeless individuals and other homeless individuals with mental disabilities and homeless families with children.

SEC. 4. ENTITLEMENT.

(a) DECLARATION OF ENTITLEMENT.—Every homeless individual is entitled as a matter of right to decent overnight shelter.

(b) ENFORCEMENT.—Both State and Federal courts shall have jurisdiction to enforce this right in private actions brought by, or on behalf of, homeless individuals.

SEC. 5. HOUSING ASSISTANCE FOR THE HOMELESS.

(a) IN GENERAL.—The Secretary of Housing and Urban Development shall, to the extent of amounts provided in appropriation Acts, provide financial assistance under the provisions of and amendments made by this Act to expand and maintain the permanent supply of affordable and decent housing.

(b) ELIGIBLE BENEFICIARIES.—All amounts made available under the provisions of and amendments made by this Act shall be used solely for the benefit of individuals and families—

(1) who are homeless;

(2) who are at risk of becoming homeless; or

(3) whose incomes do not exceed 50 percent of the median individual or family income for the area, as determined by the Secretary with adjustments for smaller and larger families.

SEC. 6. ADDITIONAL SECTION 8 ASSISTANCE.

Section 5(c) of the United States Housing Act of 1937 is amended by adding at the end the following new paragraph:

"(9) ADDITIONAL SECTION 8 ASSISTANCE FOR THE HOMELESS.—To increase the number of affordable and decent housing units, the budget authority available under this subsection is authorized to be increased as follows:

"(A) SECTION 8 CERTIFICATES.—

"(i) IN GENERAL.—For assistance pursuant to 15-year contracts under section 8(b)(1), by $450,000,000 for each of the fiscal years 1990 and 1991, to be used in accordance with section 5 of the Permanent Housing for Homeless Americans Act of 1989.

"(ii) ALLOCATION.—The amounts made available under this subparagraph shall be allocated by the Secretary in accordance with section 213(d)(1) of the Housing and Community Development Act of 1974, except that the formula under such section shall also be based on relative needs reflected in data included in comprehensive homeless assistance plans submitted under section 401 of the Stewart B. McKinney Homeless Assistance Act as to the number of homeless individuals and families and persons at risk of becoming homeless (as defined in section 3 of the Permanent Housing for Homeless Americans Act of 1989).

"(B) SECTION 8 MODERATE REHABILITATION PROGRAM.—

"(i) IN GENERAL.—For assistance pursuant to 10-year contracts under section 8(e)(2), by $250,000,000 for each of the fiscal years 1990 and 1991, to be used in accordance with section 5 of the Permanent Housing for Homeless Americans Act of 1989.

"(ii) ALLOCATION.—The amounts made available under this subparagraph shall be allocated by the Secretary on the basis of a national competition to the applicants that best demonstrate a need for the assistance under this subparagraph and the ability to undertake and carry out a program to be assisted under this subparagraph. No single city or urban county shall be eligible to receive more than 10 percent of the assistance made available under this subparagraph.

"(iii) APPLICATIONS.—To be considered for assistance under this subparagraph, an applicant shall submit to the Secretary a written proposal containing—

"(I) a description of the size and characteristics of the population within the jurisdiction of the applicant that would occupy the assisted dwellings;

"(II) a listing of additional commitments from public and private sources that the applicant might be able to provide in connection with the program;

"(III) an inventory of suitable housing stock to be rehabilitated within such assistance; and

"(IV) a description of the interest that has been expressed by builders, developers, and other persons (including profit and nonprofit organizations) in participating in the program.

"(iv) COST LIMITATION.—The Secretary shall establish limits on the total cost of rehabilitation of any unit assisted under this subparagraph, taking into consideration special local conditions (including high construction costs or stringent fire or building codes).

"(v) CONTRACT REQUIREMENTS.—Each contract for annual contributions entered into with a public housing agency to obligate the authority made available under this subparagraph shall—

"(I) commit the Secretary to make such authority available to the public housing agency for an aggregate period of 10 years, and require that any amendments increasing such authority shall be available for the remainder of such 10-year period; and

"(II) provide the Secretary with the option to renew the contract for an additional period of 10 years, subject to availability of appropriations.".

SEC. 7. ASSISTANCE FOR MODERNIZATION OF VACANT PUBLIC HOUSING.

Section 5(c) of the United States Housing Act of 1937 (as amended by section 6 of this Act) is further amended by adding at the end the following new paragraph:

"(10) ADDITIONAL MODERNIZATION ASSISTANCE FOR THE HOMELESS.—In addition to the other amounts authorized in this subsection, there is authorized to be appropriated for assistance under section 14 for the modernization of vacant public housing units $500,000,000 for each of the fiscal years 1990 and 1991, to be used in accordance with section 5 of the Permanent Housing for Homeless Americans Act of 1989.".

SEC. 8. RENTAL REHABILITATION GRANTS.

Section 17(a) of the United States Housing Act of 1937 is amended by adding at the end the following new paragraph:

"(4) RENTAL REHABILITATION GRANTS TO PREVENT HOMELESSNESS.—In addition to the amounts authorized in paragraph (3), there is authorized to be appropriated for rental rehabilitation under this section $500,000,000 for each of the fiscal years 1990 and 1991, to be used in accordance with section 5 of the Permanent Housing for Homeless Americans Act of 1989.".

SEC. 9. FUNDING FOR THE REHABILITATION OF STATE AND LOCAL GOVERNMENT IN REM PROPERTIES.

(a) GENERAL AUTHORITY.—Section 103 of the Housing and Community Development Act of 1974 is amended—

(1) by inserting after the section designation the following: "(a) IN GENERAL.—"; and

(2) by adding at the end the following new subsection:

"(b) ADDITIONAL ASSISTANCE FOR THE HOMELESS.—In addition to the amounts authorized in subsection (a), there is authorized to be appropriated for grants under section 106 $300,000,000 for each of the fiscal years 1990 and 1991. Amounts provided under this subsection may only be used to make grants to States and units of general local government converting in rem properties to provide affordable permanent housing units, to be used in accordance with section 5 of the Permanent Housing for Homeless Americans Act of 1988. The total cost of rehabilitation that may be funded by a grant under this subsection shall not exceed $10,000 per unit. The States and units of general local government receiving grants under this subsection may lease the properties to nonprofit organizations and permit such organizations to rehabilitate as in rem property with funds provided under this subsection.".

(b) REQUIREMENT OF ADOPTION OF ORDINANCES AND PROCEDURES.—Section 104(b) of the Housing and Community Development Act of 1974 is amended—

(1) by striking "and" at the end of paragraph (5);

(2) by redesignating paragraph (6) as paragraph (7); and

(3) by inserting after paragraph (5) the following new paragraph:

"(6) the grantee has adopted the necessary ordinances and administrative procedures to ensure that vacant properties that are taken through in rem proceedings, held by the grantee, and suitable for housing, are conveyed to public or private nonprofit agencies that—

"(A) serve homeless individuals and families or persons at risk of becoming homeless (as defined in section 3 of the Permanent Housing for Homeless Americans Act of 1989); and

"(B) can demonstrate a sound plan for rehabilitating (if necessary) and operating such properties for the purpose of providing permanent decent and affordable housing units; and".

SEC. 10. ANNUAL REPORT.

Not later than December 31 of each year, the Secretary shall submit an annual report to the Congress. The report shall include—

(1) a comprehensive and detailed description of the activities carried out and accomplishments achieved under the provisions of and amendments made by this Act;

(2) an assessment of the extent and nature of the lack of affordable housing for the homeless and persons at risk of becoming homeless;

(3) an assessment of the level of Federal assistance needed to fully meet the housing needs of the homeless and persons at risk of becoming homeless; and

(4) any recommendations of the Secretary.

SEC. 11. FUNDING AVAILABILITY.

(a) CALCULATION.—The amounts authorized in the provisions of and amendments made by this Act shall be in addition to any amount authorized or appropriated for the programs involved before the date of the enactment of this Act.

(b) AVAILABILITY UNTIL EXPENDED.—Any amount appropriated under an authorization in the provisions of and amendments made by this Act shall remain available until expended.

SEC. 12. REGULATIONS AND EFFECTIVE DATE.

(a) REGULATIONS.—No later than 60 days after the date of enactment of this Act, the Secretary shall issue any regulations that

are necessary to carry out the provisions of, and amendments made by, this Act.

(b) EFFECTIVE DATE.—This Act, and the amendments made by this Act, shall take effect immediately upon enactment.

● Mr. METZENBAUM. Mr. President, I am pleased to join my colleagues in introducing the Permanent Housing for Homeless Americans Act of 1989.

This bill attacks what every major study has defined as the primary cause of homelessness in America today—the lack of decent and affordable housing.

Some estimates place the number of homeless in the United States as high as 3 million.

They are living in campgrounds, in the streets, or in shelters that are overburdened and understaffed. Many of them have jobs, but do not make enough money to afford a simple roof over their heads.

In this day and age Mr. President, in this country with all its wealth and potential, we should be ashamed of the fact that there are 3 million of us who cannot even afford a place to sleep at night.

What's worse is the fact that one out of every four homeless persons is a child.

That is a national disgrace.

The crisis of homelessness is the inevitable result of drastic cuts in Federal low-income housing assistance over the past 8 years.

Budget authority for housing plummeted from $30 billion in 1981 to less than $8 billion in 1989.

Eight years ago, federally funded housing programs added 10,000 units of new assisted housing in my own State of Ohio alone.

Last year we built that many nationwide.

No program has been defunded, deemphasized and forgotten as has housing. In the course of 8 years, our 50 year, bipartisan commitment to housing the poor was reduced to little more than a budget cutting statistic in the textbook of Reaganomics.

In addition to the 3 million homeless, there are another 3 million renter households with incomes below $5,000. They spend more than 70 percent of their incomes for rent. These are families who live on the edge of eviction. If we fail to act in their behalf, we could more than double the number of homeless Americans in the very near future.

A new report using Census Bureau and Congressional Budget Office figures found that two-thirds of the Nation's poor renters spend more than half their incomes for rent.

The study found there are 3.7 million fewer low-cost units available than are needed.

That need is reflected in every major city in the country.

Last year, 27 of the Nation's largest cities registered an increase in the demand for assisted housing. Yet, 17 of these cities stopped accepting applications for assisted housing because of the excessive length of waiting lists.

In Ohio alone, 38,000 people wait on lists for public housing.

Mr. President, the Permanent Housing for Homeless Americans Act would increase the supply of federally assisted housing by 140,000 units in each of the next 2 years, and reserve those units for the homeless, for people in imminent danger of becoming homeless, and for families with income at or below 50 percent of the area median.

Specifically, the bill provides $700 million in each of the next 2 years for additional section 8 assistance; $500 million for rental rehabilitation grants; and $300 million under the community development block grant program to convert run-down properties held by local governments into affordable housing for the homeless.

Of paramount importance, the bill provides $500 million in each of the next 2 years to modernize vacant, boarded-up public housing units.

This is a modest bill. It is a drop in the bucket given the magnitude of the homeless problem.

Two years ago, Congress enacted the Stewart B. McKinney Homeless Assistance Act, the major piece of homeless legislation now on the books. That law provides grants for homeless shelters, alcohol and drug abuse programs, mental health services, feeding programs, and many other initiatives.

The McKinney Act is a very important legislative accomplishment.

But it does not address the critical issue of providing permanent housing for the homeless. This bill does.

The 101st Congress promises to be significiant in terms of producing new housing legislation for homeowners, moderate-income renters, disabled persons, senior citizens, residential developers and others.

But, we should not forget those who need help the most—3 million people who do not even have a roof over their heads.

We must make a major commitment to stem the tide of homelessness, and this bill is an important first step in that direction.●

By Mr. JEFFORDS (for himself and Mr. LEAHY):

S. 1035. A bill to restrict certain uses of chlorofluorocarbons to protect the ozone layer in the stratosphere, and for other purposes; to the Committee on Environment and Public Works.

STRATOSPHERIC OZONE LAYER PROTECTION ACT

Mr. JEFFORDS. Mr. President, I rise today to introduce, along with Senator LEAHY, legislation that will challenge this Congress, and our domestic automobile and air-conditioning industry, to take the necessary steps to solve our global warming crisis.

I want to give credit where credit is due for this innovative legislation. Faced with mounting evidence about the threat of global warming, Vermont proved once again that it is willing to take bold action and set an example for the rest of the Nation.

The legislation we are introducing here today is modeled upon a bill approved by the Vermont Legislature last month that is about to be signed into law.

It was the intent of the State of Vermont that this approach become part of a comprehensive strategy to address stratospheric ozone depletion. That is also my hope.

The intent is clear. This meant as a challenge to automakers and coolant manufacturers to develop substitutes to the ozone-depleting CFC's used in automobile air-conditioners. Specifically, this legislation would ban after 1993 the sale or export of domestically produced automobiles equipped with air-conditioners using destructive CFC's.

CFC-12, the compound used in mobile source air-conditioners, has the highest ozone depleting potential of any of the CFC compounds. Two factors are responsible: The large amount of CFC-12 produced and the relatively large ozone depletion potential per molecule.

According to the World Resources Instititue, 450 million tons of CFC-12 were produced worldwide in 1985. At least 75 million metric tons of this production was used in automobile air-conditioners. Motor vehicle air-conditioners are particularly worrisome because large amounts of CFC-12 are released during routine maintenance.

This legislation would attack the problem in several steps. By 1991, automotive repair shops performing service on air-conditioners would be required to install equipment to extract and reclaim coolant from motor vehicle air-conditioners. Sales of CFC coolants in small containers would also be prohibited after January 1991. Finally, beginning in model year 1993, sale or export of motor vehicles equipped with air-conditioners using CFC's would be banned.

Most of the CFC's used in automobile air-conditioners ends up in the cars on American highways. Up to 90 percent of the new cars sold in this country are equipped with air-conditioners.

The debate over whether CFC's destroy the ozone layer was resolved a decade ago, when this Nation banned the use of CFC propellants in aerosol containers. Industry met the challenge.

Since then we find that styrofoam containers manufactured without the use of destructive CFC's are available nationwide. Industry met that challenge.

We will continue to hear arguments, as did the Vermont Legislature, over whether this new challenge can be met. I predict that it will be met.

I also challenge this Congress, and indeed this country, to examine environmental policy in terms of our world leadership. I would like the challenge of good environmental diplomacy to be met. This legislation could help place our Nation on the cutting edge of research and development in the use of safer coolants.

Enactment of this legislation would put the world on notice that the United States is willing to take a leadership role in addressing global environmental problems; and indeed to meet the greatest environmental challenge we face today, that of CFC's and depletion of the ozone layer.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1035

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Stratospheric Ozone Layer Protection Act".

SEC. 2. MOTOR VEHICLE AIR CONDITIONING

(a) CERTIFICATION OF EQUIPMENT.—Within 90 days after the date of enactment of this Act, the Secretary of Commerce (hereinafter referred to as the "Secretary") shall issue regulations which provide that on or after January 1, 1991, no person shall perform service on a motor vehicle air conditioner, including installation, maintenance, and repair service, for consideration, unless such person uses equipment which is certified as meeting the standards set by the Society of Automotive Engineers for the extraction and reclamation of a refrigerant from motor vehicle air conditioners by any of the following—

(A) the National Institute of Standards and Technology,

(B) the Underwriters Laboratories, or

(C) an entity which the Secretary of Commerce determines to be comparable to the entities described in subparagraphs (A) or (B).

(b) SCHEDULE FOR ACQUISITION AND USE OF EQUIPMENT AND DOCUMENTATION OF SUCH USE.—(1) Within 90 days after the date of enactment of this Act, the secretary shall issue regulations which establish a phased schedule of deadlines which indicates the dates by which the equipment described in subsection (a) shall be acquired by entities which perform service for consideration on motor vehicle air conditioners, or by entities which intend to perform such service.

(2) In establishing the schedule under paragraph (1), the Secretary shall—

(A) set an earlier deadline for any entity which performs a high volume of service on motor vehicle air conditioners, as determined by the Secretary, and

(B) provide that all entities which perform service for consideration on motor vehicle air conditioners, or which intend to perform such service, shall, on or after January 1, 1991, have such equipment operational and in use for any such service.

(c) DOCUMENT ON REQUIREMENTS.—Within 90 days after the date of enactment of this Act, the Secretary shall issue regulations which require that any entity described in subsection (b)(1) shall document, commencing 30 days after the date of issuance of such regulations, on a form for a period of time determined by the Secretary, provided by the Department of Commerce, the following—

(A) the number of motor vehicle air conditioners repaired or otherwise serviced by such entity,

(B) the amount of chloroflourocarbons (hereinafter referred to as CFC's) purchased by such entity, and

(C) the amount of CFC's sold by such entity.

(d) RESTRICTION ON THE SALE OF CFC'S—(1) On or after October 1, 1989, or 30 days after the date of enactment of this Act, whichever is later, no person shall sell a chloroflourocarbon coolant (hereinafter referred to as a CFC coolant) in a container which contains less than 15 pounds of such coolant if such container is not marked with a warning label which indicates the danger that such CFC coolant poses to the ozone layer in the stratosphere.

(2) On or after January 1, 1991, no person shall sell or offer for sale any—

(A) any CFC coolant which is suitable for use in a motor vehicle air conditioner for any use other than commercial or industrial use, and

(B) any CFC coolant that is suitable for use in a motor vehicle air conditioner in a container containing less than 15 pounds of such coolant.

(e) RESTRICTIONS ON THE SALE OF MOTOR VEHICLES WITH AIR CONDITIONERS THAT USE CFC'S.—(1) No motor vehicle with a model year of 1993 or later may be sold to a consumer or dealer in any State or Territory of the United States if such motor vehicle contains an air conditioner that uses CFC's.

(2) No motor vehicle with a model year of 1993 or later may be exported for sale outside of the United States if such vehicle contains an air conditioner that uses CFC's.

SEC. 3. REPORTS.

(a) STUDY AND REPORT ON CHEMICALS THAT DEPLETE THE OZONE LAYER IN THE STRATOSPHERE.—The Administrator of the Environmental Protection Agency (hereinafter referred to as the "Administrator") shall, not later than January 15, 1990, or 90 days after the enactment of this Act, whichever is later, conduct a study and issue a report to the Congress which contains the following:

(1) An analysis of the uses, within the United States, of chemicals which deplete the ozone layer in the stratosphere.

(2) A discussion of uses, as substitutes for the chemicals described under paragraph (1) to accomplish the uses under paragraph (1), of alternative chemicals which do not deplete such ozone layer. Such discussion shall include—a discussion of the advantages and disadvantages of such alternative chemicals in terms of—

(i) the potential impact of the use of such chemicals on the ozone layer in the stratosphere, and

(ii) other potential health and environmental impacts attributable to the use of such chemicals.

(3) Opportunities for recovery and recyling of the chemicals described in paragraph (1); and

(4) Recommendations by the Administrator, based on the information described in paragraphs (1) through (3).

(b) STUDY REPORT ON RETRIEVAL, STORAGE AND REUSE OF CFC'S.—The Administrator, shall, not later than January 15, 1991, conduct a study and issue a report to the appropriate committees of the House of Representatives and the Senate which contains recommendations concerning ways to accomplish the systematic retrieval, storage, and appropriate reuse of CFC's from refrigerators, air conditioners, and motor vehicles that face immediate disposal. Such report shall consider, but shall not be limited to, the use of the following—

(A) regional removal centers for CFC's,

(B) circuit riding removal equipment for CFC's, and

(C) other appropriate removal procedures or equipment for CFC's.

(c) STUDY AND REPORT ON THE CONDITION OF THE STRATOSPHERE.—The Administrator shall, not later than January 15, 1992, conduct a study and issue a report to the Congress. Such report shall contain the following:

(1) An assessment of the condition of the ozone layer in the stratosphere and the most current information concerning the causes of such condition.

(2) An assessment of the status of the development and completion of production of motor vehicles which employ air conditioners that use refrigerants other than CFC's by manufacturers of motor vehicles in the United States.

(3) Recommendations by the Administrator concerning the assessments under paragraphs (1) and (2).

SEC. 4. PUBLIC INFORMATION.

The Secretary and the Administrator shall consult with the following to publicize the provisions of this Act:

(1) Motor vehicle dealers.

(2) Business organizations related to the sales and use of motor vehicles.

(3) Other entities that the Secretary or the Administrator determines to be appropriate.

SEC. 5. DEFINITION.

As used in this Act, the term "motor vehicle" has the meaning given for such term under section 1(3) of the National Traffic and Motor Vehicle Safety Act of 1966 (15 U.S.C. 1381(3)).

Mr. LEAHY. Mr. President, I wish to congratulate the distinguished Senator from Vermont [Mr. JEFFORDS], in his legislation. I think it is superb legislation. It reflects certainly a feeling in our own State of Vermont. Our legislature of Vermont has tried to take similar steps at the State level.

I would hope that the legislation of the distinguished Senator from Vermont will encourage other States to move quickly in that regard.

This is a problem where if all of us could wave a magic wand we would stop it today. The time has run out that much.

I think the distinguished Senator from Vermont deserves the strong praise throughout the country for the action he has taken today. I am pleased to be a cosponsor.

By Mr. LEAHY (for himself, Mr. HEFLIN, Mr. MCCONNELL, Mr. PRYOR, Mr. BOREN, Mr. HARKIN, Mr. CONRAD, Mr. FOWLER, Mr. DASCHLE, Mr.

BAUCUS, Mr. KERREY, Mr. MITCHELL, Mr. BURDICK, Mr. BUMPERS, Mr. SPECTER, Mr. FORD, Mr. PRESSLER, Mr. GORE, Mr. SASSER, Mr. GRASSLEY, Mr. EXON, Mr. LEVIN, Mr. BRYAN, Mr. SARBANES, Mr. LOTT, Mr. SANFORD, Mr. KOHL, Mr. SHELBY, Mr. MATSUNAGA, Mr. BENTSEN, and Mr. ADAMS):

S. 1036. A bill to improve the economic, community, and educational well-being of rural America, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

RURAL PARTNERSHIPS ACT

Mr. LEAHY. Mr. President, I stand before my colleagues today with a special pride because I am here to introduce legislation that is close to my heart and close to my home State of Vermont.

Like the other distinguished Senator from Vermont who is here, we come from one of the most rural States in the Nation.

I am especially privileged to be here today to introduce the "Rural Partnerships Act of 1989" which represents comprehensive rural development legislation under the jurisdiction of the Agriculture Committee.

Mr. President, this is a critical time. We cannot afford two Americas—one that prospers and one that does not; because today we do have a second America, an America in decline and that is rural America, the wellspring of our Nation. Our whole society came from rural America, and now we find two-thirds of this country seems to be turning its back on its heritage.

It is not enough for Presidential motorcades to make stops in our rural towns carrying candidates who make promises that will never be fulfilled. It is time to take action before it is too late. If we wait too long, the rural America we all point to as the place of our heritage will not be there.

The people will not be there because the jobs will not be there.

We have to act and act now.

It is time to invest in our future and our people. This bill makes three investments in rural America. First, it invests in small businesses by providing revolving loan funds to generate capital for new jobs in rural America.

Second, it invests in rural infrastructure by providing funds for the water and sewer needs of rural communities and for modern telecommunications.

Third, and most importantly, the bill invests in human capital needs by providing for job training, and loans to low-income facilities and organizations to improve access to health and nutrition services.

Mr. President, for too long candidates of both parties have gone into rural America and used that as a backstop to say, "Here are the values of our Nation." They get photographed and then their motorcade leaves.

We cannot allow people of either party to do that. We have to say, "Once you have come to rural America and recognized the values that we hold for this Nation—the values of honesty, neighborliness, of helping each other, of self-determination, of innovative character—once you have recognized that, you must stay and help us have it continue."

I do not want to see, Mr. President, that maybe the last generation of rural America is coming along in many parts of our Nation. The boys and girls who are graduating from high school in rural America will have to leave because nothing is there for them.

This is a critical time now that all Members of the Senate must stand up and say we really appreciate what rural America is about, and we want to preserve what is best for rural America. This legislation will really put each one of us on record: Are we here and willing to protect the best interests of rural America or are we going to turn our backs on it and have rural America unalterably changed as we go into the next century?

So I want to laud the people who have helped this effort: Senator LUGAR, who has introduced his own creative legislation; Senator HEFLIN, the chairman of the Rural Development Subcommittee, who is leading in efforts to ensure adequate water supplies; the distinguished Senator from Kentucky [Mr. MCCONNELL], a key cosponsor and ranking member of the Rural Development Subcommittee, a leader on rural development, especially for Rural Electric Cooperatives. His support has been critical.

I also want to acknowledge Senator CONRAD, who first proposed the Rural Development Task Force; Senator PRYOR, Senator BOREN, Senator DASCHLE, Senator HARKIN, and Senators BAUCUS and BOSCHWITZ who have together introduced legislation to help rural businesses and improve telecommunications, as well as Senator FORD who sponsored legislation to gather vital census data on rural income and employment.

I also thank our distinguished leader, Senator MITCHELL, who was willing to appoint a rural development task force, joined in by the distinguished Republican leader, Senator DOLE, and set aside political considerations and partisan considerations, to say that the Senate wish is to move. Thirty-four Senators have joined the task force.

The Rural Partnerships Act of 1989 represents a broad consensus in the Agriculture Committee, as well as in the Senate. Mr. President, more than 20 Senators are cosponsoring this legislation with me.

Now Senator MITCHELL has informed me that he—with the cooperation of Senator DOLE—will move this legislation onto the floor in late June.

It is, therefore, my intention to move the "Rural Partnerships Act of 1989" through the Agriculture Committee in early June in order to accommodate the floor schedule.

Mr. President, this is an ambitious schedule we are undertaking in our committee, but I believe it is essential to ensure that the Senate passes rural development legislation this year.

This legislation is designed to address a series of problems in rural America. The first problem is availability of credit for rural businesses.

The bill establishes a revolving loan fund that will help small businesses that have difficulty securing conventional bank financing get adequate financing to start or save rural businesses.

Revolving loan funds have been successful all over the country—including Vermont.

These revolving funds will be established through a Board made up of the Administrators of the Farmers Home Administration, the Rural Electrification Administration, the Extension Service, and two appointed members.

All types of entities can apply for the funds—States, local government, economic development districts, and private nonprofits, to name some of the eligible parties. Every organization involved in rural development can apply.

These partnerships will work in conjunction with State and local governments to complement ongoing development plans.

In approving applications, the Board will grant preference to applications that are consistent with State, county or local goals in economic growth and community development.

States are eligible for up to $1.2 million in funds, while other parties can receive up to $750,000.

To be eligible for a revolving fund, applicants must match these funds 100 percent with their own sources or obtain commitments from banks or other financial sources to qualify for the match requirement.

Certain exceptions exist for applicants serving economically distressed counties.

Each loan, however, made by the revolving fund must be matched 100 percent by bank financing.

Although it is difficult for some communities to match federal dollars, this requirement is very important for two reasons.

First, requiring a bank match means that a private lender will be judging the soundness of each loan.

Second, private sector funds will be leveraged in this process in a way that otherwise would not have occurred.

Because the operator of the revolving fund can also incorporate funds from other sources, the amount of lev-

eraging on each Federal dollar is actually unlimited. It could be as high as 10 to 1.

Each loan would be limited to $250,000 from the Federal share of the revolving fund, but could include unlimited financing from other sources outside the fund.

Other provisions in the bill include new authority for REA to: First, finance business incubators; second, fund water and sewer loans; third, establish telecommunications systems for rural schools, hospitals and businesses; and fourth, use cooperative funds to finance other rural development projects.

Additional water and sewer financing would be provided by: First, increasing grants for poorer communities under FmHA; second, giving the farm credit system cooperative banks the authority to originate water and sewer loans for communities; and third, providing small grants and loans for emergency water and other infrastructure problems.

I am including a summary of the legislation with my statement, Mr. President.

I am excited about the opportunities that this legislation provides for rural America. I look forward to working with my colleagues on the committee and in the Senate—and with the Senate leadership—to enact this bill. I want to thank our leadership for their support and cooperation in this bipartisan effort.

Mr. President, I ask unanimous consent that the text of the bill and a short summary of the bill be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1036

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Rural Partnerships Act of 1989".

SEC. 2. TABLE OF CONTENTS.

The table of contents is as follows:

Sec. 1. Short title.
Sec. 2. Table of Contents.
Sec. 3. Findings and purpose.
Sec. 4. Definitions.

TITLE I—RURAL BUSINESS AND JOB CREATION

Subtitle A—Rural Partnerships Investment Board

Sec. 101. Rural Partnerships Investment Board.
Sec. 102. Establishment of Investment Fund.
Sec. 103. Local revolving funds.
Sec. 104. Complance and enforcement.

Subtitle B—Rural Economic Development Administered by the Rural Electrification Administration

Sec. 110. Assistant Administrator for Economic Development.
Sec. 111. Technical assistance unit.
Sec. 112. Deferment of payment on economic development loans.
Sec. 113. Water and waste facility financing.
Sec. 114. Targeting investments by electrification borrowers.
Sec. 115. Rural economic development.
Sec. 116. Promoting rural development by REA telephone borrowers.

TITLE II—ENHANCING HUMAN RESOURCES

Sec. 201. Rural star schools educational opportunities program.
Sec. 202. Rural medical link telecommunications program.
Sec. 203. Rural business link telecommunications program.

TITLE III—FOCUS ON RURAL AMERICA BY THE DEPARTMENT OF AGRICULTURE

Sec. 301. Extension Service.
Sec. 302. Rural development assistance information and availability.
Sec. 303. Report on coordination of rural development activities.
Sec. 304. Report on data processing feasibility in rural areas.

TITLE IV—RURAL BUSINESS AND EMPLOYMENT ASSISTANCE

Sec. 401. Local technical assistance grants.
Sec. 402. Providing assistance through local governments and nonprofit private corporations.
Sec. 403. Rural technology assistance grants.
Sec. 404. Rural emergency assistance loans.

TITLE V—NATIONAL RURAL INFORMATION CENTER CLEARINGHOUSE

Sec. 501. National rural information center clearinghouse.

TITLE VI—WATER AND SEWER ASSISTANCE.

Sec. 601. Water and waste facility grants.
Sec. 602. Emergency community water assistance grant program.
Sec. 603. Loan rates applicable to health care and related facilities.
Sec. 604. Rural waste water treatment circuit rider grant program.

TITLE VII—MISCELLANEOUS

Sec. 701. Monitoring the economic progress of rural America.
Sec. 702. Historic preservation requirements.
Sec. 703. Sewer and water lending by banks for cooperatives.
Sec. 704. Employment and training in rural areas.
Sec. 705. Vehicles necessary to haul fuel or water.
Sec. 706. Assistance to communities dependent on natural resources.
Sec. 707. Assisting distressed rural hospitals and health care facilities.

TITLE VIII—EFFECTIVE DATE AND IMPLEMENTATION

Sec. 801. Effective date.

SEC. 3. FINDINGS AND PURPOSE.

(a) FINDINGS.—Congress finds that—

(1) the economic well-being of rural America is vital to overall national growth and prosperity;

(2) many rural areas suffer from a lack of industrial and business diversity;

(3) rural poverty and unemployment rates are significantly higher than metropolitan rates, and rural per capita income is substantially lower than metropolitan per capita income; and

(4) a more robust rural economy will make the United States more competitive in world markets.

(b) PURPOSE.—It is the purpose of this Act to promote a national rural development strategy, through procedures flexible enough to allow for regional and local differences, to promote the growth and economic diversification of rural America, and to increase business, educational, and employment opportunities in rural America.

SEC. 4. DEFINITIONS.

As used in this Act:

(1) BOARD.—The term "Board" means the Board of Directors of the Rural Partnerships Investment Board established in section 101(b).

(2) ELIGIBLE ENTITY.—The term "eligible entity" means a corporation that—

(A) is a nonprofit private corporation or a public entity that is—

(i) the governing body of each public regional organization (such as the governing body of an economic development district) that is chartered or otherwise organized under State law for the purpose of promoting economic development;

(ii) the agency of each State that is primarily responsible for rural economic development programs within the State;

(iii) the governing body of a county or other political subdivision of a State;

(iv) the governing body of a town or township within a State;

(v) an incorporated public organization or a nonprofit private community development corporation, or similar nonprofit private organization, that is chartered or otherwise organized under State law for the purpose of promoting economic development; or

(vi) an Indian tribe (as defined in section 4(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b)), any Indian organization or entity chartered under the Act of June 18, 1934 (25 U.S.C. 1001 et seq.) commonly known as the "Indian Reorganization Act", or any tribal organization (as defined in the section 4(c) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b(c)); and

(B) meets the requirements of paragraphs (3) and (5) of section 102(c);

(C) possesses the powers reasonably necessary to perform the functions and activities described in this subtitle;

(D) has a professional staff and management ability (including adequate accounting, legal, and business servicing abilities or experience); and

(E) meets any other requirements established by the Board to carry out this subtitle.

(3) INVESTMENT BOARD.—The term "Investment Board" means the Rural Partnerships Investment Board established in section 101(a).

(4) LOCAL BUSINESS.—The term "local business" means—

(A)(i) a business concern, located in a rural area, that—

(I) is incorporated under State law; and

(II) is independently owned and operated as defined by the Board; and

(ii) an individual who plans to organize and operate an entity of the type described in subparagraph (A); and

(B) that meets additional requirements that are established by the Board to carry out the intent of this Act.

(5) METROPOLITAN COUNTY.—The term "metropolitan county" means a county that contains at least a part of a metropolitan statistical area as designated by the Office of Management and Budget.

(6) RURAL AREA.—The term "rural area" means all territory of a State that is not within a metropolitan statistical area or the outer boundary of any city or town having a population of 20,000 or more based on the latest dicennial census of the United States.

(7) RURAL FUND.—The term "Rural Fund" means the Rural Business Investment Fund established under section 102(a).

(8) SECRETARY.—The term "Secretary" means the Secretary of Agriculture, unless otherwise specified in this Act.

(9) STATE.—The term "State" means any of the 50 States.

TITLE I—RURAL BUSINESS AND JOB CREATION

Subtitle A—Rural Partnerships Investment Board

SEC. 101. RURAL PARTNERSHIPS INVESTMENT BOARD.

(a) ESTABLISHMENT.—There is established a "Rural Partnerships Investment Board" to provide lines of credit to eligible entities whose applications have been approved by the Board, to enable such entities to establish, maintain, or expand revolving funds that are used for loans, or to guarantee loans, or for other investments in new or expanding rural local businesses in conjunction with loans or other investments made by banks (as defined in section 2(c) of the Bank Holding Company Act of 1956 (12 U.S.C. 1841(c))), savings and loan associations (as defined in title IV of the National Housing Act, as amended (12 U.S.C. 1724 et seq.)), or community development credit unions.

(b) BOARD OF DIRECTORS.—

(1) IN GENERAL.—The Board of Directors of the Investment Board shall consist of—

(A) the Administrator of the Rural Electrification Administration;

(B) the Administrator of the Farmers Home Administration;

(C) the Administrator of the Extension Service of the Department of Agriculture; and

(D) two members who shall be experienced in rural development and related matters to be appointed by the President with the advice and consent of the Senate, of which each member shall be from a separate political party.

(2) CHAIRPERSON.—The Chairperson of the Board shall be elected by the members of the Board from among the Board members who are Administrators under subparagraphs (A) through (C) of paragraphs (1), and shall serve for a 2 year period. Such Chairperson may serve consecutive terms.

(3) VACANCIES.—Vacancies on the Board shall be filled in the same manner as the vacant position was previously filled.

(4) CHIEF EXECUTIVE OFFICER.—A chief executive officer shall be selected by the Board and shall serve at the pleasure of the Board.

(5) QUORUM.—A quorum shall consist of three members of the Board. All decisions made by the Board shall require an affirmative vote of a majority of the members.

(6) COMPENSATION.—Members of the Board—

(A) appointed under subparagraphs (A), (B), and (C) of paragraph (1) shall receive reasonable allowances for necessary expenses of travel, lodging, and subsistence incurred in attending meetings and other activities of the Investment Board, as set forth in the bylaws issued by the Board of Directors, except that such level shall not exceed the maximum fixed by subchapter 1 of chapter 57 of title 5, United States Code, for officers and employees of the United States; and

(B) appointed under subparagraph (D) of paragraph (1) shall receive compensation for the time devoted to meetings and other activities at a daily rate not to exceed the daily rate of compensation prescribed for Level III of the Executive Schedule under section 5314 of title 5, United States Code, and reasonable allowances for necessary expenses of travel, lodging, and subsistence incurred in attending meetings and other activities of the Investment Board, as set forth in the bylaws issued by the Board of Directors, except that such level shall not exceed the maximum fixed by subchapter 1 of chapter 57 of title 5, United States Code, for officers and employees of the United States.

(7) RULES AND RECORDS.—The Board shall adopt such rules and procedures as it may consider appropriate for the transaction of the business of the Investment Board, and shall keep permanent and accurate records and minutes of its acts and proceedings.

(c) POWERS OF THE INVESTMENT BOARD.—The Investment Board shall be a body corporate that shall have the power to—

(1) operate under the direction of its Board;

(2) adopt, alter, and use a corporate seal, which shall be judicially noted;

(3) provide for one or more officers, employees, and agents, as may be necessary, define their duties, and require surety bonds or make other provisions against losses occasioned by acts of such persons;

(4) hire, promote, compensate, and discharge officers and employees of the Investment Board, without regard to title 5, United States Code, except that no such officer or employee shall receive an annual rate of basic pay in excess of the rate prescribed for Level III of the Executive Schedule under section 5314 of title 5, United States Code;

(5) prescribe by its Board its bylaws, that shall be consistent with law, and that shall provide for the manner in which—

(A) its officers, employees, and agents are selected;

(B) its property is acquired, held, and transferred;

(C) its general operations are to be conducted; and

(D) the privileges granted by law are exercised and enjoyed;

(6) with the consent of any executive department or independent agency, use the information, services, staff, and facilities of such in carrying out this subtitle;

(7) enter into contracts and make advance, progress, or other payments with respect to such contracts;

(8) sue and be sued in its corporate name, and complain and defend in courts of competent jurisdiction;

(9) acquire, hold, lease, mortgage, or dispose of, at public or private sale, real and personal property, and otherwise exercise all the usual incidents of ownership of property necessary and convenient to its operations;

(10) modify or consent to the modification of any contract or agreement to which it is a party or in which it has an interest under this subtitle;

(11) make such rules and regulations as the Board determines necessary and appropriate to carry out the authority vested in the Board under this act;

(12) procure the temporary (not in excess of 2 years) or intermittent services of experts or consultants or organizations thereof, and in such cases such services shall be without regard to the civil service and classification laws and without regard to section 5 of title 41, at rates not to exceed the daily equivalent of the highest rate payable under section 5332 of title 5, United States Code, including traveltime, and while such individual is away from the home or regular place of business of such individual, travel expenses as authorized under section 5703 of title 5, United States Code; and

(13) exercise other powers as set forth in this subtitle, and such other incidental powers as are necessary to carry out its powers, duties, and functions in accordance with this subtitle.

SEC. 102. ESTABLISHMENT OF INVESTMENT FUND.

(a) ESTABLISHMENT.—

(1) IN GENERAL.—There is established in the Treasury of the United States a fund for the use of the Board in carrying out the provisions of this subtitle that shall be known as the "Rural Business Investment Fund".

(2) AVAILABILITY.—The Fund established under paragraph (1) shall be available to the Board to provide lines of credit for revolving funds to be operated by approved eligible entities to serve local businesses in rural areas.

(b) USE.—

(1) LINES OF CREDIT.—Amounts contained in the fund established under subsection (a) shall be used by the Board to provide lines of credit in amounts determined appropriate by the Board, but in no event shall any such line of credit exceed $750,000 to an approved eligible entity. Each line of credit shall be made available over a period of time established by the Board for each such entity, but in no event shall any such period of time extend beyond the date on which the Investment Board is terminated under section 103(m).

(2) EXCEPTION.—Notwithstanding paragraph (1), if the approved eligible entity is the agency of any State that is primarily responsible for the rural economic development programs within such State, and if such agency agrees to serve all rural areas of the State regarding assistance provided under this subtitle, the Board may provide a line of credit to such agency in an amount that shall not exceed $1,250,000, to be provided in the manner described in paragraph (1).

(3) AMOUNTS DRAWN FROM LINE.—Amounts drawn from each line of credit by each approved eligible entity shall be used solely as provided under this subtitle.

(c) APPLICATIONS OF ELIGIBLE ENTITIES FOR LINES OF CREDIT.—

(1) FEDERAL REGISTER NOTICES.—The Board shall publish notices of solicitations for applications for lines of credit in the Federal Register and such notices shall contain—

(A) the application procedures established by the Board;

(B) the application requirements of paragraph (3);

(C) the deadlines for submission of applications (which in no event shall be less than 150 days after the publication of the applicable notice);

(D) a copy of all available response forms;

(E) a summary of the functions of the Board regarding applications; and

(F) other information determined appropriate by the Board.

(2) SUBMISSION AND CONSIDERATION.—An eligible entity that desires to receive a line of credit under this subtitle shall submit an application to the Board at such time, in such form, and containing such information and documentation, including a description

of the areas to be served, as the Board shall prescribe under paragraph (1), and the Board shall consider each such application based on the requirements of this subtitle.

(3) ELIGIBLE ENTITY.—

(A) MATCHING FUNDS.—In order for an application to be considered for approval by the Board for a line of credit, each eligible entity that submits an application shall—

(i) certify in writing that it shall use such funds as part of a revolving fund to invest in, lend funds to, or guarantee loans made to, local businesses in accordance with this subtitle; and

(ii)(I) agree to provide matching funds (Federal funds shall not be used to satisfy such matching requirement), in amounts that are at least equal to the amount of the line of credit to be provided by the Board, that shall be in the form of—

(aa) cash or cash equivalents; or

(bb) letters of credit in favor of the eligible entity issued or submitted by banks, savings and loan associations, insurance companies, similar Federally regulated financial institutions, local or State governments or private philanthropic foundations, as determined appropriate and acceptable by the Board; or

(II) demonstrate, through procedures determined appropriate and acceptable by the Board, that banks, savings and loan associations, or community development credit unions are prepared to participate with the eligible entity in a lending, guarantee, or investment program for the benefit of local businesses, and that the total financial commitment demonstrated by the letters of intent or other documents is at least equal to the value of the line of credit for which the eligible entity is applying.

(B) EXCEPTION FOR CERTAIN ELIGIBLE ENTITIES.—If the average per capita income level of the counties containing the rural areas served by an eligible entity is less than 70 percent of the national average per capita income for the most recent year for which such information is available, each such eligible entity shall only be required to match 50 percent of the funds provided by the Board in the same manner described in paragraph (3)(A)(ii)(I) or (II). A list of the average per capita income and population of each county in the United States that contains rural areas, and the national average per capita income for such year, shall be published in the Federal Register and otherwise made available by the Board to the public.

(4) MONITORING COMPLIANCE.—The Board shall establish procedures to monitor the compliance of each eligible entity participating in the program authorized by this subtitle with the requirements of this subtitle.

(5) ELIGIBLE ENTITY REVOLVING FUND REQUIREMENT.—To be eligible to receive a line of credit from the Rural Fund, the applicant eligible entity shall—

(A) demonstrate its ability or potential capacity to make sound business, lending and investment decisions and to provide business counseling and technical assistance;

(B) demonstrate its ability to operate consistent with the requirements of this subtitle and to increase the availability of credit in rural areas to promote the creation or expansion of viable businesses in rural areas;

(C) identify the proposed service area, which shall have common characteristics (such as a similar industrial, labor, or other markets, similar geographic or socioeconomic conditions, or other related considerations), and, to the extent that such area includes any towns or townships, such towns or townships shall be served in their entirety; and

(D) provide an assurance that its service area will consist of an area within the State whose median household income was less than the Statewide nonmetropolitan median household income for such State, except that if the exception described in subsection (b)(2) is applicable, the requirements of subparagraphs (C) and (D) shall not apply.

(6) FACTORS IN APPROVAL OF APPLICATIONS.—In determining which applications to approve, and the maximum amount of funds to be offered in each line of credit, the Board shall grant a preference to eligible entities—

(A) that have experience in serving local credit or equity needs and in making sound business and investment decisions, or that have the ability to serve such needs and make such decisions;

(B) whose boards of directors, or governing bodies if no such board exists, are composed of a cross-section of individuals (such as individuals with a business, community development or regional development background, or individuals who are State, local or county government officials, or individuals involved in banking, financial, or other investment activities);

(C) that agree, and are able, to provide funds that are in excess of the funds to be provided by the Board to such eligible entity under this subtitle;

(D) that are likely to stimulate significant job creation or retention and new business creation or business expansion per dollar of funds provided under this section;

(E) that submit applications that demonstrate the ability and willingness to provide continuing technical and management assistance, training, financial and business guidance, and planning, to approved local businesses;

(F) that demonstrate that the activities of the eligible entity are consistent with State, county or local goals, whichever is applicable, regarding long-term economic growth and community development; and

(G) that submit applications containing a comprehensive investment strategy, developed in consultation with the applicable State, regional, county or local unit of government.

(7) GEOGRAPHIC SPREAD.—

(A) IN GENERAL.—In awarding lines of credit under this section the Board shall attempt, as much as reasonably practicable and consistent with sound financial judgment, to assure that all rural regions of the United States benefit from such awards.

(B) MINIMUM AMOUNT OF FUNDS.—After considering the availability of qualified applications, and if consistent with good investment practices and the other requirements of this subtitle, the Board shall approve the application of at least one eligible entity in each of at least 45 States. The Board shall, to the maximum extent practicable and appropriate, ensure that eligible entities that are approved by the Board in any given State receive at least $750,000 (per State) out of the funds provided under subsection (d).

(C) MAXIMUM AMOUNT OF FUNDS.—The total amount of funds provided under this subtitle to eligible entities in any State shall not exceed $10,000,000.

(D) SPECIAL PROGRAM.—

(i) IN GENERAL.—The Board shall issue regulations to establish a program that targets the benefits of the Federal lines of credit provided under this section to those rural areas and residents with special needs.

(ii) FIVE PERCENT RULE.—If consistent with sound investment practices, not less than 5 percent of the funds appropriated under subsection (d) shall be issued to eligible entities that will serve—

(i) local businesses located in very distressed rural areas, as defined by the Board; and

(ii) local businesses located in rural areas that provide beneficial services to rural residents such as improved medical, hospital, or health care, licensed day care activities, improved services for the handicapped, the disabled, the elderly or other needy individuals, improved educational opportunities, improved public transportation services for needy individuals, or other related services as determined appropriate by the Board.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $100,000,000 in each of fiscal years 1990 through 1992 to be made available to the Rural Fund and the Board for the purpose of carrying out this subtitle. Amounts appropriated under this subsection shall remain available until expended or until the Board is terminated.

(e) RELOCATION AND REFINANCING.—The Board shall establish rules and procedures to prohibit eligible entities from using the assistance received under this subtitle for loans and investments, or for issuing guarantees, that would—

(1) facilitate the relocation of a local business from one community to another; or

(2) refinance the existing debt of a local business, except that such refinancing may be undertaken with such assistance if it is undertaken in conjunction with a substantial expansion effort by the local business.

SEC. 103. LOCAL REVOLVING FUNDS.

(a) ESTABLISHMENT.—

(1) IN GENERAL.—Each eligible entity approved by the Board to participate in the program established under this subtitle shall establish a local revolving fund account in which to deposit—

(A)(i) amounts received from the Board under this subtitle;

(ii) any local matching funds received under section 102(c)(3)(A); and

(iii) any profits or income derived from the activities of the revolving fund established under this subsection; less

(B) reasonable operating expenses or losses incurred in administering such fund.

(2) PLACE OF ESTABLISHMENT.—Each local revolving fund established under this subsection may be established in one or more member banks of the Federal Reserve System or any Federally insured State nonmember bank (as defined in section 3(b) of the Federal Deposit Insurance Act (12 U.S.C. 1813(b)) and the funds, except as used as authorized in subsection (b), shall be held in cash and receive interest or be invested in direct obligations of the United States or in obligations guaranteed by the United States or an agency thereof.

(b) USE OF FUND.—Amounts in the local revolving fund may be used—

(1) to provide debt or equity capital, or loan guarantees, to local approved businesses as authorized in this subtitle, under procedures established by the Board;

(2) to cover the costs of providing training, business or financial planning, or management or technical assistance to local approved businesses in amounts that do not

exceed amounts or levels described in standards established by the Board;

(3) if financial investments are made in the eligible entity in accordance with section 102(c)(3)(A)(ii)(I)(aa) or (bb), to provide for a return of capital to non-Federal investors in the revolving fund, except that if such revolving fund experiences capital or other losses the share of returned capital under this paragraph shall be proportionately, or otherwise appropriately reduced to reflect such loss, under procedures established by the Board; or

(4) to cover reasonable operating or capital expenses, losses, or for other charges as prescribed in rules or standards established by the Board.

(c) DECISIONS CONCERNING FUNDING.—Eligible entities that receive a line of credit under section 102 shall make case-by-case determinations concerning applications submitted by each local business for loans, equity capital or loan guarantees, under general procedures and requirements established by the Board.

(d) REQUIREMENT OF PARTNERSHIPS FOR LOANS OR INVESTMENTS—Funds in each local revolving fund shall be loaned or invested only if one or more banks, savings and loan institutions, or community development credit unions, under procedures established by the Board, provide at least 50 percent of each investment or loan made by each such revolving fund to each such local business, or provide the funds that are guaranteed by such local revolving fund.

(e) INVESTMENT SIZE LIMITS.—

(1) IN GENERAL.—Partnership loans, investments, and any guarantees made by each eligible entity that receives assistance from the Rural Fund, shall not exceed $500,000, in total, in any given calendar year, to the same approved local business or to other local businesses that are financially connected or otherwise related to such local business as defined by the Board. The provisions of this subtitle shall not limit the total amount of loans from sources other than eligible entities that each local business may receive.

(2) INELIGIBILITY.—Any local business that employs 100 or more employees, shall not be eligible to receive assistance from a local revolving fund that receives assistance under this subtitle.

(f) SUBORDINATED INTEREST OF LOCAL REVOLVING FUND.—If a bank, savings and loan association, or a community development credit union has made an investment in a local business in conjunction with an investment made out of the revolving fund of an approved eligible entity, the amount invested by such revolving fund in such local business may be subordinated to the other investments to any degree, and in any manner.

(g) OTHER INVESTORS.—A bank, savings and loan association, or community development credit union that contributes capital to an eligible entity that receives Federal assistance under this subtitle may establish contractual arrangements with such entity concerning the return of such investments in the local revolving fund consistent with subsection (b)(3).

(h) ADDITIONAL CAPITAL.—The Board shall promulgate regulations that provide each participating eligible entity with a sufficient amount of time to obtain additional capital or lines of credit, if any investors, pursuant to the contract with the eligible entity under subsection (g), withdraw some or all of their investment.

(i) CONTINUATION OF LINE OF CREDIT.—A line of credit provided to an approved eligible entity under section 102 for use in a local revolving fund shall continue to be available to be drawn down upon until the Investment Board is terminated or until the line of credit is canceled, revoked or suspended by the Board as described in subsections (j), (k), or (l).

(j) CANCELLATION OF LINE OF CREDIT.—The Board may cancel any prospective payments to be made from any approved line of credit under this subtitle if the Board determines that the eligible entity participating in the program established under this subtitle made investments or acted in a manner that was inconsistent with the provision of this subtitle.

(k) CONTINUATION OF BUSINESS PROMOTION ACTIVITIES.—

(1) INITIAL FEDERAL CONTRIBUTION.—The Federal assistance provided to each eligible entity under this subtitle shall become the property of each such entity on the termination of the Investment Board if—

(A) the eligible entity that administers the local revolving fund has operated the fund in a manner that is consistent with this subtitle as determined by the Board; and

(B) the eligible entity contracts with the Board and the Secretary to continue to provide lending, investment, and guarantee assistance consistent with this subtitle.

(2) EXCEPTION.—

(A) DEVELOPMENT OF MONITORING PROCEDURES.—Not later than the date on which the Investment Board is terminated, the Secretary shall develop procedures to enable the Secretary to monitor the operations of eligible entities that receive Federal assistance under this subtitle which continue to exist on the date the Board is terminated.

(B) REFUND OF FUNDS.—Notwithstanding paragraph (1), if the Secretary finds that the purpose of any eligible entity is no longer to promote business development in a manner consistent with this subtitle, the Secretary shall order the eligible entity to refund to the Secretary of the Treasury an amount equal to the amount of funds drawn out of the Federal line of credit issued to the eligible entity together with an appropriate amount of interest on such amount, as determined by the Secretary.

(C) HEARINGS.—The Secretary shall establish rules and procedures—

(i) to determine the amount of interest required under subparagraph (B); and

(ii) to provide a hearing to any eligible entity aggrieved by any order of the Secretary under this paragraph if such entity requests such a hearing within 30 days after receiving the order of the Secretary.

(D) JUDICIAL REVIEW.—

(i) RIGHT.—If any eligible entity determines that it is aggrieved by any final decision of the Secretary issued under subparagraph (B), it may obtain judicial review of such decision by filing, not later than 30 days after the date of the delivery or service of the final decision, a complaint against the United States in the United States court for the district in which such entity resides or is engaged in business.

(ii) TRIAL DE NOVO.—An action commenced under clause (i) shall be by a trial de novo by the court.

(iii) EFFECT OF ORIGINAL DECISION.—During the pendency of an action for judicial review under this clause, or an appeal of a decision concerning such action, the administrative action of the Secretary contained in the decision that is under review shall be and remain in full force and effect except as provided in clause (iv).

(iv) STAY OF ACTION.—The requirement of clause (iii) shall not apply, and the court may issue a stay of such action, if

(I) an application to the court is filed not later than 10 days after the filing of the original action in such court;

(II) a hearing on such application has been held; and

(III) the court, after considering the application filed under this clause, determines that the applicant is likely to prevail on the merits of the original action and that irreparable injury will be done if a stay of such action is not issued.

(v) INTEREST.—Interest shall accrue in favor of the Secretary on any amounts determined to be due to the Secretary by the final judicial disposition.

(l) ANNUAL REPORTS TO THE BOARD.—

(1) IN GENERAL.—Each eligible entity that receives assistance under this subtitle shall annually prepare and submit to the Board, at such time, and in such form as the Board may require, a report describing the financial condition of the eligible entity, and the investments, cash revenues, income from investments, loans made, equity positions taken, guarantees issued, losses sustained or taken, operating expenses, loss rates, and such other matters as the Board determines appropriate concerning the eligible entity.

(2) POST TERMINATION.—After the Board terminates under subsection (m), the reports required under paragraph (1) shall be submitted to the Secretary who shall stand in the same position as the Board under such paragraph.

(m) TERMINATION OF BOARD.—The Investment Board established by section 101(a) shall terminate on the last day of the 5th calendar year following the date of enactment of this subtitle.

SEC. 104. COMPLIANCE AND ENFORCEMENT.

(a) REVOCATION OF LINE OF CREDIT AND REFUND.—

(1) GROUNDS FOR REVOCATION.—A line of credit shall be revoked or suspended by the Board, and a full refund of the Federal investment shall be requested by the Board—

(A) for false statements knowingly made in any written statement required under this subtitle, or under any regulation or Federal Register notice issued under this subtitle;

(B) if any written statement required under this subtitle, or under any regulation or Federal Register notice issued under this subtitle, fails to state a material fact necessary in order to make the statement not misleading in the light of the circumstances under which the statement was made;

(C) for willful or repeated violation of, or willful or repeated failure to observe, any provision of this subtitle;

(D) for willful or repeated violation of, or willful or repeated failure to observe, any rule or regulation authorized under this subtitle; or

(E) for violation of, or failure to observe, any cease and desist order issued by the Board under this subsection.

(2) CEASE AND DESIST ORDERS.—Where an eligible entity has not complied with any provision of this subtitle, or of any regulation issued pursuant thereto, or is engaging or is about to engage in any acts or practices that constitute or will constitute a violation of such subtitle or regulation, the Board may order such entity to cease and desist from such action or failure to act. The Board may further order such entity to take such action or to refrain from such action as the Board determines necessary to ensure

compliance with this subtitle and the regulations issued thereunder.

(3) ORDER TO SHOW CAUSE, CONTENTS, AND HEARING.—

(A) ORDER.—Prior to revoking or suspending a line of credit under paragraph (1), or issuing a cease and desist order under paragraph (2), the Board shall serve on the eligible entity an order to show cause why an order revoking or suspending the line of credit or a cease and desist order should not be issued.

(B) CONTENTS.—An order to show cause under subparagraph (A) shall contain a statement of the matters of fact and law asserted by the Board and the legal authority and jurisdiction under which a hearing is to be held, and shall state that a hearing will be held before the Board at a time and place stated in the order.

(C) HEARING.—If after hearing under subparagraph (B), or a waiver thereof, the Board determines on the record that an order revoking or suspending the line of credit, or a cease and desist order should issue, or an order requiring a refund of the Federal investment in addition to reasonable interest thereon should issue, the Board shall promptly issue such order, which shall include a statement of the findings of the Administration and the reasons for such findings and specify the effective date of the order, and shall cause the order to be served on the entity.

(4) SUBPOENA OF PERSONS, BOOKS, PAPERS, AND DOCUMENTS; FEES AND MILEAGE; ENFORCEMENT.—

(A) SUBPOENA.—The Board may require by subpoena the attendance and testimony of witnesses and the production of all books, papers, and documents relating to the hearing from any place in the United States.

(B) FEES AND MILEAGE.—Witnesses summoned before the Board shall be paid by the party at whose instance such witnesses were called the same fees and mileage that are paid witnesses in the courts of the United States.

(C) ENFORCEMENT.—In the case of disobedience to a subpoena under this paragraph, the Board, or any party to a proceeding before the Board, may invoke the aid of any court of the United States in requiring the attendance and testimony of witnesses and the production of books, papers, and documents.

(5) PETITION TO MODIFY OR SET ASIDE ORDER; FILING, TIME AND PLACE, ADMINISTRATION TO SUBMIT RECORD; ACTION OF COURT; REVIEW.—

(A) IN GENERAL.—An order issued by the Board under this subsection shall be final and conclusive unless not later than 30 days after the service thereof the eligible entity appeals to the United States court of appeals for the circuit in which such corporation has its principal place of business by filing with the clerk of such court a petition praying that the order of the Board be set aside or modified in the manner stated in the petition.

(B) FILING.—

(i) LEAVE OF COURT.—After the expiration of the 30-day period referred to in subparagraph (A), a petition may be filed only by leave of court on a showing of reasonable grounds for failure to file the petition prior to the expiration of such period.

(ii) CERTIFICATION.—The clerk of the court shall, on filing, cause a copy of the petition to be delivered to the Board and the Board shall certify and file in the court a transcript of the record on which the order was entered. If prior to the filing of such record the Board amends or sets aside its order, in whole or in part, the petitioner may amend the petition within such time as the court may determine, after providing notice to the Board.

(C) STAY OR SUSPENSION OF ORDER.—The filing of a petition for review under this paragraph shall not of itself stay or suspend the operation of the order of the Board, but the court of appeals in its discretion may restrain or suspend, in whole or in part, the operation of the order pending the final hearing and determination of the petition.

(D) ACTION BY COURT.—The court may affirm, modify, or set aside the order of the Board.

(E) ADDITIONAL EVIDENCE.—

(i) DETERMINATION.—If the court determines that the just and proper disposition of the case requires the taking of additional evidence, the court shall order the Board to reopen the hearing for the taking of such evidence, in such manner and on such terms and conditions as the court may consider appropriate.

(ii) FINDINGS.—The Board may modify its findings as to the facts, or make new findings, by reason of the additional evidence taken under this subparagraph, and it shall file its modified or new findings and the amendments, if any, of its order, with the records of such additional evidence.

(F) CONSIDERATION OF OBJECTIONS.—No objection to an order of the Board shall be considered by the court unless the objection was argued before the Board or, if it was not so argued, unless there were reasonable grounds for failure to do so.

(G) REVIEW.—The judgment and decree of the court affirming, modifying, or setting aside any such order of the Board shall be subject only to review by the Supreme Court of the United States on certification or certiorari as provided in section 1254 of title 28.

(6) ENFORCEMENT OF ORDER.—If the entity against which or against whom an order is issued under this subsection fails to obey the order, the Board may apply to the United States Court of appeals, within the circuit where the entity has its principal place of business, for the enforcement of the order, and shall file a transcript of the record on which the order complained of was entered. On the filing of the application the court shall cause notice thereof to be served on the entity. The evidence to be considered, the procedure to be followed, and the jurisdiction of the court shall be the same as is provided in paragraph (5) for applications to set aside or modify orders.

(b) INVESTIGATIONS AND EXAMINATIONS.—

(1) AUTHORITY.—

(A) IN GENERAL.—The Board may conduct such investigations as the Board considers necessary to determine whether an eligible entity has engaged in any acts or practices that constitute or will constitute a violation of any provision of this subtitle, or of any regulation issued under this subtitle, or of any order issued under this section.

(B) FILING OF STATEMENTS.—The Board shall permit any individual to file a statement with the Board that is in writing, under oath or otherwise as the Board shall determine, as to all the facts and circumstances concerning the matter to be investigated.

(C) SUBPOENA.—For the purpose of any investigation under this subsection, the Board may administer oaths and affirmations, subpoena witnesses, compel their attendance, take evidence, and require the production of any books, papers, and documents that are relevant to the inquiry. Such attendance of witnesses and the production of any such records may be required from any place in the United States.

(D) REFUSAL TO OBEY.—In case of contumacy by, or refusal to obey a subpoena issued to, any individual, including an entity or corporation, the Board may invoke the aid of any court of the United States within the jurisdiction of which such investigation or proceeding is carried on, or where such individual resides or carries on business activity, in requiring the attendance and testimony of witnesses and the production of books, papers, and documents, and such court may issue an order requiring such individual to appear before the Board, to produce records, if so ordered, or to give testimony touching the matter under investigation.

(E) CONTEMPT.—A failure to obey an order of the court under this subsection shall be punishable by such court as a contempt thereof. All process in any such case may be served in the judicial district where such individual is an inhabitant or wherever such individual may be found.

(2) EXAMINATIONS AND REPORTS.—

(A) EXAMINATIONS.—An eligible entity under this subtitle shall be subject to examinations made by the Board through examiners selected or approved by the Board, and the cost of such examinations, including the compensation of the examiners, may in the discretion of the Board be assessed against the entity examined and when so assessed shall be paid by such entity.

(B) REPORTS.—Such entities shall prepare and submit reports to the Board at such times and in such form as the Board may require.

(3) EXAMINATIONS.—Each eligible entity shall be examined and audited at least once every 2 years, under procedures established by the Board, to determine whether or not such entity has been operated in a manner consistent with this subtitle and in an otherwise lawful manner, except that the Board may waive the examination requirement for up to 1 additional year if, in its discretion, the Board determines that such a delay would be appropriate based on the prior operating experience of the entity, the contents and results of the last examination and the management expertise of the entity.

(c) INJUNCTIONS OR OTHER ORDERS.—

(1) GROUNDS AND JURISDICTION OF COURT.—Whenever, in the judgment of the Board an eligible entity has engaged or is about to engage in any acts or practices that constitute or will constitute a violation of any provision of this subtitle, or of any regulation under this subtitle, or of any order issued under this section, the Board may apply to the proper district court of the United States or a United States court located in any jurisdiction subject to the laws of the United States, for an order enjoining such acts or practices, or for an order enforcing compliance with such provision, rule, regulation, or order. Such court shall have jurisdiction over such actions and, on a showing by the Board that such entity has engaged in or is about to engage in such acts or practices, may issue a permanent or temporary injunction, restraining order, or other order without bond.

(2) EQUITY JURISDICTION OF CORPORATION AND ASSETS.—In any proceeding under this section the court as a court of equity may, to such extent as it considers necessary, declare that such court has exclusive jurisdiction over the entity and the assets thereof, wherever located. Such court shall have ju-

risdiction in any such proceeding to appoint a trustee or receiver to hold or administer under the direction of the court the assets so possessed.

(3) TRUSTEESHIP OR RECEIVERSHIP.—The Board shall have authority to act as trustee or receiver of an entity under this section. On request by the Board, the court may appoint the Board to act in such capacity unless the court determines such appointment to be inequitable or otherwise inappropriate because of the special circumstances involved.

(d) UNLAWFUL ACTS AND OMISSIONS BY OFFICERS, DIRECTORS, EMPLOYEES, OR AGENTS.—

(1) VIOLATION OF SUBTITLE.—Wherever an eligible entity violates any provision of this subtitle or regulation issued under such subtitle by reason of such entity failure to comply with the terms thereof, or by reason of such entity engaging in any act or practice that constitutes or will constitute a violation thereof, such violation shall be considered to be a violation and an unlawful act on the part of any individual who, directly or indirectly, authorizes, orders, participates in, or causes, brings about, counsels, aids, or abets in the commission of any acts, practices, or transactions that constitute or will constitute, in whole or in part, such violation.

(2) BREACH OF FIDUCIARY DUTY.—It shall be unlawful for any officer, director, employee, agent, or other participant in the management or conduct of the affairs of an eligible entity to engage in any act or practice, or to omit any act, in breach the fiduciary duty of such individual as such officer, director, employee, agent, or participant, if, as a result thereof, the entity has suffered or is in imminent danger of suffering financial loss or other damage.

(3) DISQUALIFICATION OF OFFICERS AND EMPLOYEES.—Except on the written consent of the Board, it shall be unlawful—

(A) for any individual to take office as an officer, director, or employee of an eligible entity, or to become an agent or participate in the conduct of the affairs or management of an eligible entity, if—

(i) such individual has been convicted of a felony, or any other criminal offense involving dishonesty or breach of trust; or

(ii) such individual has been found civilly liable in damages, or has been permanently or temporarily enjoined by an order, judgment, or decree of a court of competent jurisdiction, by reason of any act or practice involving fraud or breach of trust; or

(B) for any individual to continue to serve in any of the above-described capacities, if—

(i) such individual is convicted of a felony, or any other criminal offense involving dishonesty or breach of trust; or

(ii) such individual is found civilly liable in damages, or is permanently or temporarily enjoined by an order, judgment, or decree of a court of competent jurisdiction, by reason of any act or practice involving fraud or breach of trust.

(e) PENALTIES AND FORFEITURES.—

(1) IN GENERAL.—Except as provided in paragraph (2), an eligible entity that violates any regulation or written directive issued by the Board requiring the filing of any regular or special report under this subtitle, shall forfeit and pay to the United States a civil penalty of not more than $100 for each and every day of the continuance of the corporation's failure to file such report, unless the entity demonstrates that such failure is due to reasonable cause and not due to willful neglect. The civil penalties provided for in this subsection shall accrue to the United States and may be recovered in a civil action brought by the Board.

(2) EXEMPTION.—The Board may through rules and regulations, or on application of an interested party, at any time previous to a failure under paragraph (1), by order, after notice and opportunity for hearing, exempt in whole or in part, any entity from the provisions of paragraph (1), on such terms and conditions and for such period of time as the Board determines necessary and appropriate, if the Board finds that such action is not inconsistent with the public interest or the protection of the Board. The Board may for purposes of this subsection make any alternative requirements appropriate to the situation.

(f) JURISDICTION AND SERVICE OF PROCESS.—Any suit or action brought under this section by the Board to enforce any liability or duty created by, or to enjoin any violation of, this subtitle, or any rule, regulation, or order promulgated thereunder, shall be brought in the district wherein the eligible entity maintains its principal office, and process in such cases may be served in any district in which the defendant maintains its principal office or transacts business, or wherever the defendant may be found.

(g) SUBSTITUTION OF SECRETARY.—On the termination of the Board, the Secretary shall possess all the powers, privileges and rights regarding compliance and enforcement as described in this section.

Subtitle B—Rural Economic Development Promoted by the Rural Electrification Administration

SEC. 110. ASSISTANT ADMINISTRATOR FOR ECONOMIC DEVELOPMENT.

The Rural Electrification Act of 1936 is amended by adding after section 11 (7 U.S.C. 911) the following new section:

"SEC. 11A. ASSISTANT ADMINISTRATOR FOR ECONOMIC DEVELOPMENT.

"(a) APPOINTMENT.—The Administrator shall appoint an Assistant Administrator for Economic Development (hereinafter referred to in this Act as the 'Assistant Administrator') to carry out the programs of the Rural Electrification Administration concerning the involvement of rural electric and telephone systems in community and economic development.

"(b) APPOINTMENT FACTORS.—In appointing an Assistant Administrator, the Administrator shall consider the degree to which candidates possess—

"(1) knowledge of and experience in community and economic development programs and strategies;

"(2) the ability to develop and manage the specific programs and responsibilities of this office, as described in this Act;

"(3) the ability to work effectively with officials of Federal, State, and local governments, private, and other officials of development programs, as well as with borrowers of the Rural Electrification Administration and their associations; and

"(4) other factors as determined by the Administrator to be important in the successful execution of the responsibilities of the office of Assistant Administrator.

"(c) RESPONSIBILITIES AND STANDING.—The Assistant Administrator shall be—

"(1) responsible, unless otherwise provided by law, for the administration of the programs of the Rural Electrification Administration not directly related to the providing of electric or telephone service; and

"(2) at a salary level that is not less than that of the Assistant Administrator for Electric and the Assistant Administrator for Telephone of the Rural Electrification Administration.

"(d) FUNDING.—Not less than 10 percent nor more than 20 percent of the salaries and expenses provided to the Administration during any fiscal year shall be used by the Assistant Administrator in carrying out the responsibilities of the Assistant Administrator as described in subsection (c), and such amounts shall remain available until expended.".

SEC. 111. TECHNICAL ASSISTANCE UNIT.

Title I of the Rural Electrification Act of 1936 (7 U.S.C. 901 et seq.) is amended by adding at the end thereof the following new section:

"SEC. 17. TECHNICAL ASSISTANCE UNIT.

"The Administrator shall establish a technical assistance unit to provide advice and guidance to borrowers concerning community and economic development activities permitted under this Act. From the amounts made available to the Assistant Administrator under section 11A(d), not less than 2 percent of the salaries and expenses of the Rural Electrification Administration shall be made available to the technical assistance unit establishment in this section.".

SEC. 112. DEFERMENT OF PAYMENT ON ECONOMIC DEVELOPMENT LOANS.

Section 12 of the Rural Electrification Act of 1936 (7 U.S.C. 912) is amended by adding at the end thereof the following new subsection:

"(b) The Administrator shall permit any borrower to defer the payment of principal and interest on any insured or direct loan made under this Act, notwithstanding any limitation contained in section 12, if the borrower agrees—

"(1) except in cases of financial hardship (as determined by the Administrator), to defer its debt service payments only in an amount equal to an investment made by such borrower in community or economic development projects;

"(2) that the amount of the deferment that will be used to provide assistance to a community or economic development project under paragraph (1), will not exceed 50 percent of the cost of the project;

"(3) that—

"(A) in the case of deferments made to enable the borrower to provide financing to local businesses, the deferment shall be repaid over the 60-month period beginning on the date of the deferment; and

"(B) in the case of deferments made to enable the borrower to provide community development assistance, technical assistance to businesses, or similar community, business, or economic development assistance, the deferment shall be repaid over the 120-month period beginning on the date of the deferment; and

"(4) that at the time of deferment, such borrower shall make a cushion of credit payment in an amount equal to the amount of the payment deferred. Such payment may not be reduced by the borrower below the level of the unpaid balance of the payment deferred. Such cushion of credit amounts and any other cushion of credit and advance payments of any borrower shall be included in the interest differential calculation provided by section 313 of this Act.".

SEC. 113. WATER AND WASTE FACILITY FINANCING.

Title III of the Rural Electrification Act of 1936 is amended by adding after section 305 (7 U.S.C. 935) the following new section:

"SEC. 305A. WATER AND WASTE DISPOSAL SERVICES.

"(a) IN GENERAL.—The Administrator is authorized to make loans to borrowers under this title, in coordination and consultation with the Administrator of the Farmers Home Administration, to enable such borrowers to provide water and waste facility services in areas served by such borrowers.

"(b) LIMITATION.—Loans made under subsection (a) shall not, unless otherwise specified by law, exceed an amount equal to 10 percent of the total amount of insured loans authorized during the fiscal year in which such loan is made for rural electrification and telephone purposes, or $40,000,000, whichever is less. Such limitations shall be in addition to the total amount of insured loans authorized for electrification and telephone purposes.

"(c) PRIORITY—In reviewing applications for loans under this section the Administrator shall consider—

"(1) whether the Farmers Home Administration is able and willing to provide loans or grants on a timely basis for the water and waste facility projects contained in the application;

"(2) whether the loan is necessary to enable the applicant to comply with applicable Federal or State environmental laws;

"(3) whether the individuals residing in the area for which service is proposed, and any local government entities, are in favor of the borrower providing such services in the area;

"(4) the income, unemployment, and other characteristics of the area to be served;

"(5) the degree of deprivation faced by residents of the area to be served as a result of the lack of safe drinking water, adequate water supplies, sewage treatment and other waste disposal facilities;

"(6) the impact that the availability of safe water supplies, waste disposal and similar services would be likely to have on enhancing the prospects for economic growth within the area to be served;

"(7) the degree to which a loan that may be provided under this subsection is necessary to ensure that water and waste disposal services are available in the area to be served by such loan at costs that do not exceed those charged in other nearby areas;

"(8) the impact of the proposed loan on the retention of the property and service territory of the borrower, or in protecting the security given on outstanding loans provided to the borrower; and

"(9) whether the water and waste facility projects described in the application will duplicate any existing facilities, and whether the borrower will coordinate its water and waste facility operations with similar operations in the area, including efforts to achieve economies of scale through joint billing, collection or other operations with nearby systems in order to reduce the costs, improve the operations, or otherwise assist such systems.

"(d) COORDINATION.—

"(1) NOTIFICATION.—Not less than 30 days prior to approving a loan under this section, the Administrator shall notify the Administrators of the Farmers Home Administration and the Environmental Protection Administration, and the Chief Executive officer of the appropriate State, and the appropriate State health and environmental officials, that an application has been received from the borrower for funding under this section.

"(2) RELATIONSHIP.—The Administrator shall attempt to coordinate lending efforts with the entities described in paragraph (1).

"(e) TERMS.—

"(1) IN GENERAL.—Loans made under this section shall be for the same repayment period as insured loans made by the Administrator to such borrowers and interest rates on loans made under this section shall not exceed the standard interest rate charged on such insured loans.

"(2) INTEREST RATE.—The Administrator shall determine the interest rate to be charged on loans made under this section on the basis of—

"(A) ensuring that the cost to consumers for water and waste disposal services financed with loans provided under this section does not, to the extent possible, exceed rates charged in areas that are near the area served by the applicant;

"(B) the income and other characteristics of the individuals to be served through the provision of such loans; and

"(C) encouraging borrowers to obtain private sector capital, as provided for in subsection (f), to supplement loans made under this section.

"(f) PRIVATE SECTOR CAPITAL.—The Administrator shall require borrowers under this section to obtain private sector capital to supplement assistance made available under this section if—

"(1) the Administrator determines that—

"(A) it is appropriate to require use of such private capital, taking into account subparagraphs (A) and (B) of subsection (e)(2); and

"(B) the borrower is able to obtain revenues from the facilities to be financed to recover its cost, including the cost of such private capital; and

"(2) the borrower is able to obtain such private capital from the banks for cooperatives, the National Rural Utilities Cooperative Finance Corporation, the National Cooperative Bank, or from other sources.

In order to facilitate the obtaining of such private capital, the Administrator shall, on a case by case basis, reduce the interest rate on loans provided under this section when such reduction is required to enable the borrower to obtain such private capital, by amounts that do not exceed 50 percent of the total cost of the project for which such loans are provided under this section, and to meet the conditions of paragraph (1) of this subsection.

"(g) APPROPRIATIONS.—The Administrator is authorized to make loans as provided under this section, except that during any fiscal year the amount of such loans, unless otherwise provided by law, shall not exceed 10 percent of the amount authorized for all insured loans under this title, or $40,000,000, whichever amount is less. Funds appropriated under this section shall remain available until expended.

"(h) REPAYMENT.—Appropriations made for purposes of this section shall be placed in a subaccount of the Rural Electrification and Telephone Revolving Fund. Advances on loans made under this section shall be made from such subaccount, and payments on such loans shall be returned to the subaccount for use by the subaccount in making advances on future loans.

"(i) FULL USE.—The Administrator shall undertake all reasonable efforts to make full use, during each fiscal year, of any funds held by the subaccount established under subsection (h), subject to limitations that loans for the purpose of this section shall not exceed 10 percent of the amount of loans made under this title during any fiscal year, or $40,000,000, whichever amount is less, and subject to any other limitations that may be imposed by law, except that any repayments made during each fiscal year shall not be considered in computing such 10 percent or $40,000,000 limit.".

SEC. 114. TARGETING INVESTMENTS BY ELECTRIFICATION BORROWERS.

Section 312 of the Rural Electrification Act of 1936 (7 U.S.C. 940b) is amended—

(1) by inserting "(a) IN GENERAL.—" before "A borrower"; and

(2) by adding at the end thereof the following new subsection:

"(b) TARGETING INVESTMENTS.—Amounts intended to be invested by a borrower under subsection (a) shall be invested in—

"(1) the Incubation Fund established under section 502 or other business incubators;

"(2) new businesses, business development centers, community development corporations, business investment corporations, business, medical or education related telecommunications or infrastructure improvements, or any related activities including technical assistance programs in rural areas; or

"(3) other community, business or economic development projects or investments.".

SEC. 115. RURAL ECONOMIC DEVELOPMENT.

The Rural Electrification Act of 1936 (7 U.S.C. 901 et seq.) is amended by adding at the end thereof the following new title:

"TITLE V—RURAL ECONOMIC DEVELOPMENT

"SEC. 501. ADDITIONAL POWERS AND DUTIES OF REA ADMINISTRATOR.

"The Administrator of the Rural Electrification Administration shall—

"(1) provide advice and guidance to electric and telephone borrowers under this Act concerning the effective and prudent use by such borrowers of the investment authority under section 312 to promote rural development;

"(2) provide technical advice, troubleshooting, and guidance concerning the operation of programs or systems that receive assistance under this Act;

"(3) establish and administer various pilot projects through electric and telephone borrowers that the Administrator determines are useful or necessary, and recommend specific rural development projects for rural areas;

"(4) act as an information clearinghouse and conduit to provide information to electric and telephone borrowers under this Act concerning useful and effective rural development efforts that such borrowers may wish to apply in their areas of operation and concerning State, regional, or local plans for long-term rural economic development;

"(5) provide information to electric and telephone borrowers under this Act concerning the eligibility of such borrowers to apply for financial assistance, loans, or grants from other Federal agencies and non-Federal sources to enable such borrowers to expand their rural development efforts;

"(6) promote local partnerships and other coordination between borrowers under this Act and community organizations, States, counties, or other entities, to improve rural development;

"(7) review the advice and recommendations of the Rural Educational Opportunities Board as established under section 601(f); and

"(8) administer a Rural Business Incubation Fund (as established under section 502) that shall provide technical assistance, advice, loans, or capital to business incubation programs or for the creation or operation of small business incubators in rural areas.

"SEC. 502. RURAL BUSINESS INCUBATION FUND.

"(a) ESTABLISHMENT AND USE.—

"(1) ESTABLISHMENT.—There is established in the Treasury of the United States a revolving fund to be known as the Rural Business Incubation Fund (hereinafter referred to in this title as the 'Incubation Fund') to be administered by the Administrator.

"(2) USE.—The Incubation Fund shall be used to make grants and reduced interest loans to electric and telephone borrowers under this Act to promote business incubation programs or for the creation or operation of business incubators in rural areas by such borrowers, and the rate of such loans shall not exceed the standard rate as provided in section 305.

"(3) BUSINESS INCUBATION.—Business incubators that receive assistance under this title shall be a facility in which small businesses can share premises, support staff, computers, software or hardware, telecommunications terminal equipment, machinery, janitorial services, utilities, or other overhead expenses, and where such businesses can receive technical assistance, financial advice, business planning services or other support. Business incubation programs that provide assistance of the type described in this paragraph shall be eligible for assistance under this title even where such program does not involve the sharing of premises.

"(b) APPLICATION FOR ASSISTANCE—

"(1) ELIGIBILITY TO SUBMIT.—Borrowers under this Act that operate existing business incubators or that desire to operate such incubators or business incubation programs, and that meet the requirements established by the Administrator for obtaining grants or reduced interest loans under this section, may submit applications at such time, in such form, and containing such information as the Administrator shall require, for such grants or loans.

"(2) REQUIREMENTS.—Applications submitted under paragraph (1) shall, at a minimum—

"(A) contain an assurance that any incubator established or operated to this section will be operated on a not-for-profit basis; and

"(B) contain an assurance that it will be the policy of such incubator to encourage and assist businesses in graduating from the incubator and becoming a viable business entity in the community and to inform participating businesses of this policy;

"(3) REVIEW.—In reviewing applications for assistance, the Administrator shall consider—

"(A) how effectively the incubation project will assist in the formation, growth, or improved efficiency of small businesses that will help diversify and develop the local economy; and

"(B) the amount of local support likely to exist for the incubator and the businesses to be assisted by such incubator, taking into account local contributions of business, financial, technical, technological or managerial expertise, and contributions of equipment or materials, local financial assistance, and other factors as determined appropriate by the Administrator.

"(c) FUNDING OF LOCAL INCUBATORS.—

"(1) BY BUSINESSES UTILIZING INCUBATOR.—

"(A) IN GENERAL.—Business incubators that receive assistance under this section shall, to the extent practicable and except as provided by the Administrator, require that each business entity that utilizes such incubator share, on a percentage or other basis, as determined by the Administrator, a portion of the benefit of any growth in profits, net worth, or other measure of income or growth that results during or because of such entity's entry into the incubator.

"(B) CONTRIBUTION TO INCUBATOR FUND.—At such time as the business incubator receives revenues from the business entity as provided under subparagraph (A), such incubator shall pay an amount equal to 50 percent of such revenue to the Incubator Fund established under subsection (a).

"(C) FLEXIBILITY.—In administering the requirement of this paragraph, the Administrator shall provide substantial flexibility and assistance to incubators in order to ensure that a proper balance is achieved between—

"(i) the objective that a business that benefits from an incubator should return a small portion of such benefit to the incubator for use in assisting other businesses and to the Incubator Fund established under subsection (a); and

"(ii) the requirement that such payments by a business not impose an undue burden nor interfere with the purposes of this section.

"(2) BY BORROWER ESTABLISHING INCUBATOR.—

"(A) IN GENERAL.—A borrower that establishes or assists a business incubator under this section shall purchase Capital Term Certificates issued by the Incubator Fund in amounts equal to 10 percent of the amount of the grant, or 5 percent of the amount of the reduced interest loan, provided by the Administrator under this section.

"(B) REDEMPTION OF CERTIFICATES.—Each calendar year for the 10-year period beginning on the date that a grant or reduced interest loan is provided under this section, the Administrator shall redeem an amount equal to 10 percent of the Capital Term Certificates purchased by the borrower under subparagraph (A), without any payment of interest.

"(3) BY THE SECRETARY OF THE TREASURY—

"(A) IN GENERAL.—Not later than October 1, of each fiscal year, the Secretary of the Treasury shall purchase Capital Term Certificates issued by the Incubator Fund in the amount of $10,000,000.

"(B) TERMINATION OF OBLIGATION.—The Secretary of the Treasury shall not be obligated to make any payments under subparagraph (A) to the Incubator Fund after October 1, 1995.

"(C) REDEMPTION OF CERTIFICATES.—Each calendar year for the 10-year period beginning on January 1, 2000, the Administrator shall redeem an amount equal to 10 percent of the Capital Term Certificates purchased by the Secretary under subparagraph (A), without any payment of interest.

"(d) REPAYMENTS TO INCUBATION FUND.—All payments made on loans under this section, and all amounts provided under subsection (c), shall be placed in the Incubator Fund established by subsection (a) and shall be available to carry out the purposes of this section.

"(e) FULL USE.—The Administrator shall undertake all reasonable efforts to make full use, during each fiscal year, of any funds contained in the Incubator Fund established under subsection (a), consistent with the requirement that the Incubator Fund redeem Capital Term Certificates as provided by subsection (c).".

SEC. 116. PROMOTING RURAL DEVELOPMENT BY REA TELEPHONE BORROWERS.

To promote additional rural development by Rural Electrification Administration telephone borrowers, amounts invested by any such borrower for rural telecommunications or other rural development purposes shall not be considered dividends or distribution of capital by the Rural Electrification Administration.

TITLE II—ENHANCING HUMAN RESOURCES

SEC. 201. RURAL STAR SCHOOLS EDUCATIONAL OPPORTUNITIES PROGRAM.

The Rural Electrification Act of 1936 (7 U.S.C. 901 et seq.) (as amended by section 116) is further amended by adding at the end thereof the following new title:

"TITLE VI—RURAL EDUCATIONAL OPPORTUNITIES

"SEC. 601. RURAL EDUCATIONAL OPPORTUNITIES PROGRAM.

"(a) PURPOSE.—

"(1) IN GENERAL.—It is the purpose of the program established under this section to encourage and improve the use of telecommunications, computers, and related advanced technologies, to provide electronic or telecommunications access by students and faculty at grade schools, high schools, (including vocational education schools, and adult education centers) in rural areas in order to improve educational instruction in the areas of mathematics, the sciences, computer technology, foreign languages, health sciences, and other areas of study.

"(2) GRANTS.—The program established under this section shall make grants available to telecommunications partnerships to develop and acquire, through lease or purchase, instructional programming, computer hardware and software, telecommunications facilities, telecommunications terminal equipment, audio and visual equipment, monitors and related devices, interactive video equipment, and other facilities and to obtain technical assistance for the development or use of such facilities and programming.

"(b) GRANTS.—

"(1) GENERAL AUTHORIZATION.—The Administrator of the Rural Electrification Administration (hereinafter referred to in this section as the 'Administrator') is authorized to make grants to accomplish the purposes of the program established under this section in an amount not to exceed $10,000,000 in fiscal year 1990, $15,000,000 in fiscal year 1991, and $25,000,000 in each of the fiscal years 1992 through 1994.

"(2) DISBURSEMENT.—In order to facilitate appropriate planning for, and continuity of the program established under this section, funds appropriated by the Congress during a particular year may be committed by the Administrator for disbursement in a subsequent year or years, and funds appropriated and committed during a year may exceed the limitations described in paragraph (1). Funds appropriated pursuant to this section shall remain available until expended.

"(3) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out the provisions of this title, $10,000,000 in fiscal year 1990, $15,000,000 in fiscal year 1991, and $25,000,000 in each of the fiscal years 1992 through 1994. Amounts appropriated under this subsection shall remain available until expended.

"(4) USE OF FUNDS.—

"(A) PARTNERSHIPS.—Grants under this section may be made available to partnerships organized pursuant to subsection (c) to be used by such partnerships for facilities, equipment, activities, and other uses to achieve the purpose of this section, including—

"(i) the development and acquisition of instructional programming;

"(ii) the development and acquisition, through lease or purchase, of hardware and software, audio and visual equipment, telecommunications terminal equipment, telecommunications equipment or facilities, or interactive video equipment, and other facilities that would further the purposes of the programs authorized by this section;

"(iii) providing technical assistance and instruction for the development or use of such programming or facilities; or

"(iv) other uses that are consistent with achieving the purposes of this section.

"(B) RURAL EDUCATIONAL OPPORTUNITIES BOARD.—During each fiscal year 3 percent of the funds appropriated under this section to carry out this program shall be available to the Rural Educational Opportunities Board established under subsection (f).

"(5) LIMITATIONS.—

"(A) INSTRUCTIONAL PROGRAMMING.—Not less than 25 percent of the funds appropriated under this section in any fiscal year shall be used to fund instructional programming, including programming to assist elementary and secondary schools, and adult and vocational education and training centers.

"(B) FEDERAL SHARE.—Any partnership desiring to obtain a grant under this section shall demonstrate an effort to limit the Federal share to 75 percent or less of the total cost of the project for which funding is requested. The partnership should also work with Rural Electrification Administration borrowers, other telecommunications entities and the local community in seeking donations of equipment or other hardware to local schools. Such contributions and other in-kind assistance shall be considered a portion of the non-Federal share.

"(C) WAIVER.—The limitation described in this paragraph may be waived by the Administrator based on a finding that such a waiver would facilitate the achievement of the purposes of this section, considering the specific circumstances of a project for which funding is requested, financial hardship in the area to be served, and based on other factors determined to be appropriate by the Secretary.

"(D) TELECOMMUNICATIONS FACILITIES.—

"(i) IN GENERAL.—No funds shall be made available under this section for telecommunications facilities, including fiber-optics, satellite and other facilities, to be used to receive or transmit into or out of a building, school or other facility if—

"(I) not later than 45 days after receiving a request from a partnership organized under this section—

"(aa) a local exchange carrier providing telephone service as defined in section 203(a) shall agree to provide such partnership with access to such telecommunications facilities or services as requested by the partnership for the distance learning program that is being proposed; and

"(bb) the Administrator shall agree that the cost, if any, to be charged by such local exchange carrier shall not place an undue burden on the partnership or interfere with the purpose of this section;

"(II) not later than 150 days after receiving a request as described in subclause (I), the local exchange carrier shall have provided such access to telecommunications facilities and services as described in such subclause or have taken substantial steps, as determined by the Administrator, toward providing such access; and

"(III) not later than 250 days after receiving a request as described in subclause (I), the project to provide the access referred to in subclause (I)(aa) is completed.

"(ii) EXCEPTIONS.—This subparagraph shall not apply to telecommunications terminal equipment, interactive video equipment and other hardware and software not directly required to receive or transmit into or out of a building or other facility.

"(c) RURAL EDUCATIONAL OPPORTUNITIES PARTNERSHIPS.—

"(1) IN GENERAL.—Grants made under this section shall be available to telecommunications partnerships that consist of—

"(A) Rural Electrification Administration borrowers, telecommunications corporations, or other entities that participate individually or jointly on a multicounty, regional, Statewide, or multiState basis;

"(B) an entity selected by the Rural Educational Opportunities Board which shall be a national organization (such as the National Rural Telecommunications Cooperative) that—

"(i) is organized by consumer owned electric and telephone systems who are eligible to participate in partnerships organized under this section;

"(ii) has been or will be engaged in activities designed to provide modern telecommunications and programming to individuals in rural areas who have been previously without such services; and

"(iii) on the basis of its membership and experience will, as determined by the Rural Educational Opportunities Board, serve as a central catalyst and organizer to bring distance learning programming and services under this section to individuals in rural areas, and ensure that any programming, facilities and other equipment and technical assistance financed under this section will be made available to the broadest extent possible; and

"(C) one or more educational institutions, agencies, or organizations with substantial academic and teaching capabilities, such as local education agencies, State education agencies, land grant and other universities, community colleges, and other institutions of higher education.

"(2) OTHER ORGANIZATIONS.—Other organizations may be included in the rural distance learning partnerships in order to improve the quality of programming delivered, or to increase the level of participation by rural schools, vocational or adult learning centers, health care or other organization with access to rural populations and small communities that can benefit from this program.

"(d) APPLICATION FOR GRANTS.—An application for a grant under this section shall be made to the Administrator and shall provide the following documentation:

"(1) Evidence that the application is submitted by a partnership that meets the requirements under subsection (c).

"(2) A detailed description of the rural distance learning project and the facilities and equipment for which the grant is sought.

"(3) A statement of the Federal and non-Federal shares of funding for the proposed rural distance learning project, and evidence that the partnership has worked with or will work with, Rural Electrification Administration borrowers, or other telecommunication entities, in seeking the assistance of such borrowers or entities in donating telecommunications equipment or other hardware.

"(4) A description of the rural elementary or secondary schools, or adult educational program that will participate in the rural distance learning project, including a description of—

"(A) the numbers of students that likely would benefit from each project;

"(B) the need for the project taking into consideration other alternatives;

"(C) the number of teachers and other instructors to be involved, and the subject matters covered by the project; and

"(D) the relative educational need in such area for the program;

"(5) A description of the types of instructional and other programming that will be developed or acquired as part of the rural distance learning program, and the rationale for developing or acquiring this programming.

"(6) A description, based on a survey and analysis of the area to be served, of how the project will substantially increase the educational programs provided by participating schools and the availability of instructional assistance regarding courses of instruction in mathematics, the sciences, foreign languages, computer sciences, vocational and adult training and education, health sciences and other areas of study.

"(7) A description of the teacher training policies that will be implemented to achieve the effective use of the telecommunications facilities or equipment, terminal equipment, computers, hardware and software, audio and visual equipment and monitors, interactive video equipment, and other facilities and programming for which assistance is sought.

"(8) A description of the manner in which needy or traditionally underserved students will participate in the benefits of the grants made under this section.

"(9) Assurances that the partnership will encourage participation and involvement by elementary and secondary schools, and, if applicable, other educational institutions, such as institutions of higher education, county extension services, vocational and adult training and education centers, teacher training centers, research institutes, and private industry, in order to ensure that the facilities, equipment, technical assistance, and programming for which assistance is sought will be made available to the broadest extent practical.

"(10) Assurances that the facilities, equipment, technical assistance, and programming for which assistance is sought will be made available to the broadest extent practical.

"(11) Assurances that, to the extent practical, educational programming developed or acquired by the applicant with funds provided under this section, will be made available to as many rural communities throughout the United States as practical.

"(12) Such additional assurances and reporting requirements as the Administrator may reasonably require.

"(e) INFORMATIONAL EFFORTS.—The Administrator shall establish and implement procedures to carry out informational efforts to advise elementary, secondary, and post-secondary schools and other eligible applicants located in rural areas of each State, about the program authorized by this section.

"(f) RURAL EDUCATIONAL OPPORTUNITIES BOARD.—

"(1) ESTABLISHMENT.—There shall be established an advisory board to be known as the Rural Educational Opportunities Board (hereinafter referred to in this section as the 'Board') to provide advice and guidance to grant recipients under this title.

"(2) COMPOSITION.—The Board shall be comprised of—

"(A) two individuals appointed by the Secretary of Education who are either—

"(i) a rural teacher;

"(ii) a rural principal;

"(iii) a State superintendent of education;

"(iv) a rural librarian;

"(v) a State director of the Educational Broadcasting System;

"(vi) an educational telecommunications expert;

"(vii) a state director of vocational education;

"(viii) a Director or Administrator of the State Cooperative Extension Service;

"(ix) a specialist in learning strategies for elementary education;

"(x) a specialist in learning strategies for secondary education;

"(xi) a specialist in learning strategies for adult education;

"(xii) a curriculum specialist;

"(xiii) a specialist in English as a second language; or

"(xiv) a specialist in learning disabilities or special education;

"(B) two individuals appointed by the Secretary of Agriculture who meet the requirements of subparagraph (A);

"(C) the Secretary of Education;

"(D) the Administrator of the Rural Electrification Administration;

"(E) one individual elected by Rural Electrification Administration borrowers under title I and one individual elected by Rural Electrification Administration borrowers under title II; and

"(F) one individual, who shall be a telecommunications specialist, to be appointed by the Secretary of Agriculture in consultation with telecommunication corporations which are not borrowers of the Rural Electrification Administration.

"(3) TERM OF OFFICE.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), the term of office of each appointed or elected member of the Board shall be 3 years.

"(B) EXCEPTION.—The initial members of the Board who are appointed by the Secretary of Education and the Secretary of Agriculture under subparagraphs (A) and (B) of paragraph (2) shall serve a term determined by such Secretaries, except that—

"(i) one-half of such members shall serve for terms of 2 years; and

"(ii) one-half of such members shall serve for terms of 3 years.

"(4) VACANCY.—Any member appointed to fill a vacancy on the Board shall serve for the remainder of the term for which the predecessor of such member was appointed.

"(5) NUMBER OF TERMS.—No member appointed or elected to the Board may serve more than 2 consecutive terms.

"(6) RESPONSIBILITIES.—The Board shall, on an ongoing basis—

"(A) provide advice and guidance to grant recipients under this title;

"(B) evaluate the quality and effectiveness of rural distance learning programs, and the instructional and other material made available under such programs;

"(C) evaluate the degree of participation of educational institutions in the program authorized by this title, and the extent to which new educational opportunities have been or will be made available to as many rural and small communities in the United States as possible;

"(D) evaluate the technology, hardware and software, the telecommunications terminal equipment, interactive video equipment, audio and visual devices, and other facilities proposed or employed by grant recipients in order to determine its effectiveness in achieving the purposes of this section;

"(E) recommend changes in any elements of any program in order to improve the effectiveness of any program receiving funds under this section; and

"(F) consult with the Secretary of Education, and the Administrator of the Rural Electrification Administration regarding the dissemination of information concerning the program established under this section and the coordination of similar programs.

"(7) RESOURCES.—The Board may request information and staff assistance from the Administrator of the Rural Electrification Administration and the Secretary of Education who may provide such assistance. The Board shall have available not more than 3 percent of the funds appropriated each year to make grants under this section to be used for—

"(A) reasonable travel, lodging, and other direct out-of-pocket expenses of Board members in attending meetings of the Board, and for other needed purposes; and

"(B) studies, evaluations, and other information needed by the Board to fulfill its responsibilities under this section, and which cannot reasonably be made available by the Administrator or the Secretary of Education, or which the Board determines is sufficiently beneficial to justify obtaining from an independent source.

"(8) CHAIRPERSON.—The Board shall elect a Chairperson and such other officers as the Board determines are necessary, and shall establish operational rules, policies, and guidelines to govern its activities.

"(g) REVIEW AND APPROVAL OF GRANT APPLICATIONS.—

"(1) BOARD REVIEW.—The Board shall review each grant application and provide the Administrator with the recommendations of the Board concerning such application.

"(2) ADMINISTRATOR.—The Administrator shall review each grant application and the recommendations of the Board concerning such, and not later than 120 days after the receipt of such application, determine whether to approve the application, and if so, the amount of funding to be provided to the applicant.

"(h) PROGRAM EVALUATION.—

"(1) ANNUAL REPORT.—Not later than 1 year after the date of enactment of this section, and each year thereafter, the Administrator, in consultation with the Secretary of Education, shall prepare and submit, to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate, a report on the program established under this section.

"(2) CONTENTS.—The report submitted under subparagraph (A) shall include—

"(A) a full description of the projects that have received funds under this section;

"(B) a description of the number of schools, students and others who have participated in such projects;

"(C) the specific instructional programming that has been developed under the program established under this section;

"(D) an evaluation of the achievements and failures of the program; and

"(E) the long range plans to further develop the program.

"(i) EXPEDITING COORDINATED REA TELEPHONE LOANS.—The Administrator shall establish and implement procedures to assure that requests for loans and advances of funds to local exchange carriers providing telephone service as defined in section 203(a), in rural areas, as defined in the Rural Partnerships Act of 1989, to provide telephone services associated with grants under this section, receive expedited consideration and determination as compared to requests for loans and advances for other telephone purposes.".

SEC. 202. RURAL MEDICAL LINK TELECOMMUNICATIONS PROGRAM.

(a) PURPOSE.—It is the purpose of this section to establish a program to improve telecommunications and related activities between and among rural hospitals, physicians, teaching hospitals, rural primary care centers or facilities, and major medical hospitals through grants and expedited Rural Electrification Administration telephone loans.

(b) ESTABLISHMENT OF PROGRAM.—

(1) IN GENERAL.—The Secretary shall establish a program, to be administered by the Administrator of the Rural Electrification Administration (hereinafter referred to in this section as the "Administrator"), to make grants available to hospitals, primary care centers or physicians, approved by the Administrator to participate in the program established under this section, that are located in rural areas to enable such approved hospitals, centers or physicians to acquire or lease telecommunications facilities or equipment, subject to the limitations of paragraph (4), and telecommunications terminal and other necessary equipment, that will provide such hospitals, centers and physicians with the ability to communicate with teaching hospitals or medical centers to improve health care in rural areas. Grants may also be made to local exchange carriers providing telephone service, as defined in section 203(a) of the Rural Electrification Act of 1936 (7 U.S.C. 924(a)), and to telecommunications facilities if such facilities are required to achieve the purpose of this section.

(2) USE.—Telecommunications equipment or facilities acquired under a grant awarded under paragraph (1) shall be used to improve on-line computer operations and the transmission of medical data, diagnostic information, radiographic, x-ray, ultrasonic or computerized tomographic images, representations of the results of any other medical scanning or diagnostic testing such as echocardiograms, cineangiograms, real-time scanning, electrocardiograms, electroencephalographs, or to facilitate communications among entities described in subsection (a), in order to improve the diagnosis or treatment of any diseases, disorders, abnormalities or medical conditions.

(3) EXPEDITING OF COORDINATED REA TELEPHONE LOANS.—The Administrator shall establish and implement procedures to assure that requests for loans and advances of funds to local exchange carriers providing telephone service as defined in section 203(a) of the Rural Electrification Act of 1936 (7 U.S.C. 924(a)) in rural areas, as defined in this Act, to provide telephone services associated with grants under this section, receive expedited consideration and determination as compared to requests for loans and advances of funds for other telephone purposes.

(4) TELECOMMUNICATIONS FACILITIES.—

(A) IN GENERAL.—No funds shall be made available under this section for telecommunications facilities, including fiber-optic lines, satellite and other facilities, to be used to receive or transmit into or out of an approved hospital, primary care center or physician's office, located in a rural area, if—

(i) not later than 45 days after receiving a request from such hospital, center or physician under this section—

(I) a local exchange carrier providing telephone service as defined in section 203(a) of the Rural Electrification Act of 1936 (7 U.S.C. 924(a)) shall agree to provide such hospital, center or physician with access to such telecommunications facilities or services as requested by such hospital, center or physician for the telecommunications project that is being proposed; and

(II) the Administrator shall agree that the cost, if any, to be charged by such local exchange carrier shall not place an undue burden on the hospital, center or physician or interfere with the purpose of this section;

(ii) not later than 150 days after receiving a request as described in clause (i), the local exchange carrier shall have provided such access to telecommunications facilities and services as described in such clause or have taken substantial steps toward providing such access; and

(iii) not later than 250 days after receiving a request as described in clause (i), the project to provide the access referred to in clause (ii) is completed.

(B) EXCEPTIONS.—This paragraph shall not apply to telecommunications terminal equipment, interactive video equipment and other hardware and software not directly required to receive or transmit into or out of a building or other facility.

(b) REGULATIONS.—Not later than April 15, 1990, the Administrator shall promulgate such regulations as are necessary and appropriate to carry out the provisions of this section, including establishing a priority system for awarding grants to hospitals, primary care centers and physicians located in rural areas that are most in need of enhanced communications to carry out the purposes of this section.

(c) INFORMATIONAL EFFORTS.—The Administrator shall establish and implement procedures to carry out informational efforts to advise hospitals, primary care centers and physicians located in rural areas of each State, concerning the program authorized by this section, and of the application procedures and deadlines.

(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section, $15,000,000 in each of the fiscal years 1990 through 1994. Amounts appropriated under this subsection shall remain available until expended.

SEC. 203. RURAL BUSINESS LINK TELECOMMUNICATIONS PROGRAM.

(a) PURPOSE.—It is the purpose of this section to establish a program to improve the transmission of marketing, product ordering, inventory management, or other related business data and information through telecommunications and computer technology between businesses located in rural areas and other businesses or facilities.

(b) ESTABLISHMENT OF PROGRAM.—

(1) IN GENERAL.—The Secretary shall establish a program, to be administered by the Administrator of the Rural Electrification Administration (hereinafter referred to in this section as the "Administrator") to make grants available, as determined appropriate and approved by the Administrator, to assist rural businesses through the establishment of shared business communications or computer centers that will serve small businesses or individuals who are starting a small business by providing or making available to such businesses advanced telecommunications facilities or equipment (subject to the limitation in paragraph (2)), and computer services or equipment and telecommunications terminal equipment at charges that confer the benefit of the reduced costs of providing such services or equipment on such businesses.

(2) TELECOMMUNICATIONS FACILITIES.—

(A) IN GENERAL.—No funds shall be made available under this section for telecommunications facilities, including fiber-optic lines, satellite and other facilities, to be used to receive or transmit into or out of the business communications or computer center if—

(i) not later than 45 days after receiving a request from a business, approved by the Administrator to participate in the program established under this section, that desires to establish a communications or computer center, or from such a center approved by the Administrator to participate in the program established under this section, a local exchange carrier providing telephone service as defined in section 203(a) of the Rural Electrification Act of 1936 (7 U.S.C. 924(a)) shall agree to provide such business or center with access to such telecommunications facilities or services as requested by such business or center, and approved by the Administrator, for the telecommunications project that is being proposed; and

(ii) not later than 150 days after receiving a request as described in clause (i), the local exchange carrier shall have provided such access to telecommunications facilities and services as described in such clause or have taken substantial steps toward providing such access; and

(iii) not later than 250 days after receiving a request as described in clause (i), the project to provide the access referred to in clause (ii) is completed.

(B) EXCEPTIONS.—This paragraph shall not apply to telecommunications terminal equipment, interactive video equipment and other hardware and software not directly required to receive or transmit into or out of a building or other facility.

(c) EXPEDITING COORDINATED REA TELEPHONE LOANS.—The Administrator shall establish and implement procedures to assure that loans and advance of funds to local exchange carriers providing telephone service as defined in section 203(a) of the Rural Electrification Act of 1936 (7 U.S.C. 924(a)) in rural areas, as defined in this Act, to provide telephone services associated with grants under this section, receive expedited consideration and determination as compared to requests for loans and advances of funds for other telephone purposes.

(d) INFORMATIONAL EFFORTS.—The Administrator shall establish and implement procedures to carry out informational efforts to advise businesses located in rural areas concerning the program authorized by this section.

(e) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section, $10,000,000 in each of the fiscal years 1990 through 1994. Amounts appropriated under this subsection shall remain available until expanded.

TITLE III—FOCUS ON RURAL AMERICA BY THE DEPARTMENT OF AGRICULTURE

SEC. 301. EXTENSION SERVICE.

Section 502 of the Rural Development Act of 1972 (7 U.S.C. 2662) is amended by adding at the end thereof the following new subsection:

"(g) RURAL ECONOMIC AND BUSINESS DEVELOPMENT.—

"(1) IN GENERAL.—The Secretary shall establish an Extension Service rural economic and business development program to enable States or counties to employ specialists as Cooperative Extension Service staff of the State or county to assist individuals in creating new businesses, or to assist existing businesses, and to assist such businesses regarding advanced telecommunications, computer technologies, technical or management assistance, business and financial planning, and other related matters, and to assist community leaders in community economic analysis and strategic planning.

"(2) FUNCTION OF SPECIALISTS.—Specialists employed under paragraph (1) shall provide economic development information and assistance concerning new business creation, business planning and advice, advanced telecommunications, business management, computer operations, and other technical assistance to community leaders and private sector entrepreneurs operating in the State or county that employs such specialist.

"(3) PROCEDURES AND LIMITATIONS.—The Secretary shall establish policies, procedures and limitations that shall apply to States and counties that desire to participate in the program established under this subsection. States and counties shall determine the types of rural economic and business development specialists that are needed by such States and counties.

"(4) PAYMENT OF SALARY.—The Secretary shall make grants to States and counties that participate in the program established under this section in an amount equal to 60 percent of the total amount of the salary paid to any specialists employed under such program, and the State or county shall provide funds for the remaining 40 percent of such salary.

"(5) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $5,000,000 in fiscal year 1990, $10,000,000 in fiscal year 1991, $15,000,000 in fiscal year 1992, and $20,000,000 in fiscal year 1993 and each subsequent fiscal year, to carry out this section. Amounts appropriated under this section shall remain available until expended".

SEC. 302. RURAL DEVELOPMENT ASSISTANCE INFORMATION AND AVAILABILITY.

The Rural Development Act of 1972 (7 U.S.C. 2651 et seq.) is amended by adding at the end thereof the following new sections:

"SEC. 509. NEED AND AVAILABILITY OF RURAL DEVELOPMENT ASSISTANCE.

"(a) ESTABLISHMENT OF PROGRAM.—Not later than 180 days after the date of enactment of this section, the Secretary shall establish a program to study economically distressed counties in a variety of States that have high concentrations of nonmetropolitan counties with low per capita income.

"(b) EVALUATION.—When conducting a study of counties under subsection (a), the Secretary shall evaluate the need of such counties for rural development assistance, the nature of the assistance needed, and the availability of such assistance.

"(c) REPORT.—Not later than September 30, of each of the fiscal years 1990 through 1993, the Secretary shall prepare and

submit, to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate, a report that contains the results of the studies and evaluations conducted under this section and on any action taken by the Secretary to improve economic conditions in rural counties.

"(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out this section.

"SEC. 510. RURAL DEVELOPMENT ASSISTANCE INFORMATION.

"(a) ESTABLISHMENT OF PROGRAM.—The Secretary shall establish a program, to be operated in conjunction with the National Rural Information Center Clearinghouse established within the National Agricultural Library, to provide information to local rural communities, nonmetropolitan counties, and rural areas concerning rural development matters and the availability of Federal rural development assistance.

"(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out this section.".

SEC. 303. REPORT ON COORDINATION OF RURAL DEVELOPMENT ACTIVITIES.

Not later than September 1, 1989, the Secretary shall prepare and submit, to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate, a report that contains the recommendations of the Secretary concerning better coordination of the rural development activities of the Farmers Home Administration, the Forest Service, the Soil Conservation Service, the Agricultural Research Service, the Agricultural Stabilization and Conservation Service, the Rural Electrification Administration, the Extension Service and the Office of Transportation.

SEC. 304. REPORT ON DATA PROCESSING FEASIBILITY IN RURAL AREAS.

(a) STUDY.—Not later than 90 days after the date of enactment of this Act, the Secretary shall conduct a study that—

(1) assesses the data processing functions administered by the Secretary;

(2) analyzes whether or not the current data processing functions of the Department of Agriculture, and the future processing functions, may be conducted in rural areas at similar or reduced costs; and

(3) assesses any other information that the Secretary determines appropriate to analyze the potential for locating current and expanded data processing jobs in rural areas.

(b) REPORT.—Not later than 270 days after the date of enactment of this Act, the Secretary shall prepare and submit, to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate, a report that contains the results of the study conducted under subsection (a).

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $250,000.

TITLE IV—RURAL BUSINESS AND EMPLOYMENT ASSISTANCE

SEC. 401. LOCAL TECHNICAL ASSISTANCE GRANTS.

(a) IN GENERAL.—The Secretary shall make grants to States, counties, towns, regional organizations, and other public bodies, nonprofit private community development corporations, or other like entities for the purposes described in subsection (b).

(b) USE OF GRANTS.—

(1) IN GENERAL.—Grants made under this section shall be used—

(A) to identify and analyze business opportunities, including opportunities in export markets, that will use local rural economic and human resources;

(B) to identify, train, and provide technical assistance to existing or prospective rural entrepreneurs and managers;

(C) to establish business support centers and otherwise assist in the creation of new rural businesses, the development of methods of financing local businesses, and enhancing the capacity of local individuals and entities to engage in sound economic activities; and

(D) for regional, community, and local economic development planning and coordination.

(2) RESTRICTION ON USE.—Funds appropriated under this section may not be used for—

(A) political activities; or

(B) any activities, the effect of which is to relocate existing jobs and businesses.

(c) ELIGIBLE PROJECTS.—Grants may be made under this section only for a project intended to benefit a rural area.

(d) APPLICATION.—To receive a grant under this section an entity of the type described in subsection (a) shall submit an application to the Secretary at such time, in such form, and containing such information as the Secretary may require.

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $7,500,000 for each fiscal year.

SEC. 402. PROVIDING ASSISTANCE THROUGH LOCAL GOVERNMENTS AND NONPROFIT PRIVATE CORPORATIONS.

Section 306(a)(11) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1926(a)(11)) is amended—

(1) by inserting after "may select" the following: ", or to private nonprofit development corporations approved by the Secretary,"; and

(2) by adding at the end thereof the following new sentence: "To the extent that private nonprofit development corporations receive grants under this paragraph, such corporations shall coordinate their efforts to provide services or assistance with such grants with local, regional, and State governments as appropriate.".

SEC. 403. RURAL TECHNOLOGY ASSISTANCE GRANTS.

Section 306(a)(11) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1926(a)(11)) (as amended by section 402) is further amended—

(1) by inserting "(A)" after "(11)"; and

(2) by adding at the end thereof the following new subparagraphs:

"(B)(i) The Secretary shall make grants to States, counties, towns, regional organizations, community development corporations, or like entities, for the purposes described in clause (ii).

"(ii)(I) Grants made under this subparagraph shall be used to—

"(aa) promote the use of advanced telecommunications, related advanced technologies, and computers by the recipients of such grants in rural areas;

"(bb) assist in the creation of new rural businesses or the expansion of existing rural businesses through the provision of telecommunication and computer technology, technical assistance, and business planning to such businesses; and

"(cc) otherwise promote the purposes of this Act.

"(II) Funds appropriated under this subparagraph may not be used for—

"(aa) political activities; or

"(bb) any activities, the effect of which is to relocate existing jobs and businesses.

"(iii) Grants may be made under this subparagraph only for a project intended to benefit a rural area.

"(iv) To receive a grant under this subparagraph an entity of the type described in clause (i) shall submit an application to the Secretary at such time, in such form, and containing such information as the Secretary may require.

"(v) There are authorized to be appropriated to carry out this subparagraph $5,000,000 for each fiscal year.".

SEC. 404. RURAL EMERGENCY ASSISTANCE LOANS.

Section 306(a)(11) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1926(a)(11)) (as amended by sections 402 and 403), is further amended by adding at the end thereof the following new subparagraph:

"(C)(i) The Secretary shall establish and implement a program to make loans for the benefit of any town or city that—

"(I) has a population of less than 20,000 individuals within its outer boundaries; and

"(II) is financially unable to obtain funds as quickly as needed to correct emergency conditions or situations needing urgent attention.

"(ii) The Secretary shall promulgate regulations—

"(I) targeting the program established under this subparagraph towards needy communities in rural areas;

"(II) setting forth a definition of 'emergency conditions or situations needing urgent attention'; and

"(III) requiring that the Secretary approve or reject applications within 30 days of their receipt.

"(iii) The Secretary shall limit the amount of loans provided to the same borrower under this subparagraph to $50,000, and the term of such loans shall not exceed 2 years.

"(iv) The Secretary may respond to the credit needs of rural towns or cities eligible to participate in the program authorized under this subparagraph by making loans that are eligible for refinancing after the expiration of the 2-year period described in clause (iii), and payments under such loans may be set at a level that is at a sufficiently low level during such 2-year period so that the financially troubled town or city can participate in the program established under this subparagraph. The Secretary shall assist such borrowers in obtaining financing through existing Farmers Home Administration programs so that such borrowers are able to pay the balance due on each loan at the end of such 2-year period.

"(v) There are authorized to be appropriated $2,500,000 for fiscal year 1990, and $5,000,000 for fiscal year 1991 and for each subsequent fiscal year, to carry out the emergency lending program authorized by the program established under this subparagraph.".

TITLE V—NATIONAL RURAL INFORMATION CENTER CLEARINGHOUSE

SEC. 501. NATIONAL RURAL INFORMATION CENTER CLEARINGHOUSE.

(a) ESTABLISHMENT.—The Secretary shall establish, within the National Agricultural Library, in coordination with the Extension Service, a National Rural Information Center Clearinghouse (hereinafter referred to in this title as the "Clearinghouse") to

perform the functions specified in subsection (b).

(b) FUNCTIONS.—The Clearinghouse shall provide and distribute information and data to any industry, organization, or Federal, State, or local government entity, on request, about programs and services provided by Federal, State, and local agencies and private nonprofit organizations and institutions under which individuals residing in, or organizations and State and local government entities operating in, a rural area may be eligible for any kind of assistance, including job training, education, health care, and economic development assistance, and emotional and financial counseling.

(c) FEDERAL AGENCIES.—On request of the Secretary, the head of a Federal agency shall provide to the Clearinghouse such information as the Secretary may request to carry out the functions specified in subsection (b).

(d) STATE AND LOCAL AGENCIES AND NONPROFIT ORGANIZATIONS.—The Secretary shall request State and local governments and private nonprofit organizations and institutions to provide to the Clearinghouse such information as such agencies and organizations may have about any program or service of such agencies, organizations, and institutions under which individuals residing in a rural area may be eligible for any kind of assistance, including job training, educational, health care, and economic development assistance, and emotional and financial counseling.

(e) AUTHORIZATION.—There are authorized to be appropriated to carry out this section $500,000 for each of the fiscal years 1990 through 1994.

TITLE VI—WATER AND SEWER ASSISTANCE.

SEC. 601. WATER AND WASTE FACILITY GRANTS.

Section 306(a)(2) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1926(a)(2)) is amended by striking out "$154,900,000" and inserting in lieu thereof "$204,900,000".

SEC. 602. EMERGENCY COMMUNITY WATER ASSISTANCE GRANT PROGRAM.

(a) ESTABLISHMENT OF PROGRAM.—Subtitle A of the Consolidated Farm and Rural Development Act is amended by inserting after section 306 (7 U.S.C. 1926) the following new section:

"SEC. 306A. EMERGENCY COMMUNITY WATER ASSISTANCE GRANT PROGRAM.

"(a) IN GENERAL.—The Secretary shall provide grants in accordance with this section to assist the residents of rural areas and small communities to secure adequate quantities of safe water—

"(1) after a sudden and significant decline in the quantity or quality of water available from the water supplies of such rural areas and small communities; or

"(2) when repairs, partial replacement, or maintenance efforts on established water systems would remedy an acute shortage of quality water.

"(b) PRIORITY.—In carrying out subsection (a), the Secretary shall give priority to projects described in subsection (a)(1), and provide at least 70 percent of all such grants to such projects.

"(c) ELIGIBILITY.—To be eligible to obtain a grant under this section, an applicant shall—

"(1) be a public or private non-profit entity; and

"(2) in the case of a grant made under subsection (a)(1), demonstrate to the Secretary that the decline referred to in such subsection occurred within 2 years of the date the application was filed for such grant.

"(d) USES.—Grants made under this section may be used for water line extensions from existing systems, laying of new water lines, repairs, significant maintenance, digging of new wells, equipment replacement, hook and tap fees, and any other appropriate purpose associated with developing sources of, or treating, storing, or distributing water, and to assist communities in complying with the requirements of the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.) or the Safe Drinking Water Act (42 U.S.C. 300f et seq.).

"(e) RESTRICTIONS.—No grant provided under this section shall be used to assist any rural area or community that—

"(1) includes any area in any city or town with a population in excess of 3,000 inhabitants according to the most recent decennial census of the United States; or

"(2) has a median household income in excess of the State nonmetropolitan median income according to the most recent decennial census of the United States.

"(f) MAXIMUM GRANTS.—Grants made under this section may not exceed—

"(1) in the case of each grant made under subsection (a)(1), $500,000; and

"(2) in the case of each grant made under subsection (a)(2), $75,000.

"(g) FULL FUNDING.—Subject to subsection (e), grants under this section shall be made in an amount equal to 100 percent of the costs of the projects conducted under this section.

"(h) APPLICATION.—The Secretary shall develop a nationally competitive application process to receive grants under this section. The process shall include criteria for evaluating applications, including population, median household income, and the severity of the decline in quantity or quality of water.

"(i) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $25,000,000 for each fiscal year.".

(b) IMPLEMENTATION.—

(1) REGULATIONS.—The Secretary shall publish—

(A) interim final regulations to carry out section 306A of the Consolidated Farm and Rural Development Act not later than 45 days after the date of enactment of this Act; and

(B) final regulations to carry out section 306A of such Act not later than 90 days after the date of enactment of this Act.

(2) FUNDS.—

(A) OBLIGATION.—The Secretary shall designate 70 percent of the funds made available for the first fiscal year for which appropriations are made under section 306A(h) of the Consolidated Farm and Rural Development Act not later than 5 months after the date such funds are appropriated.

(B) RELEASE.—The Secretary may release funds prior to the issuance of final regulations under paragraph (1)(B) for grants under section 306A(a)(1) of Consolidated Farm and Rural Development Act.

SEC. 603. LOANS RATES APPLICABLE TO HEALTH CARE AND RELATED FACILITIES.

Section 307(a)(3) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1927(a)(3)) is amended by adding at the end thereof the following new subparagraph:

"(C) Notwithstanding the provisions of subparagraph (A), the Secretary shall establish loan rates for health care and related facilities that shall be based solely on the income of the area to be served, and such rates shall be otherwise consistent with the provisions of such subparagraph.".

SEC. 604. RURAL WASTE WATER TREATMENT CIRCUIT RIDER GRANT PROGRAM.

(a) ESTABLISHMENT.—The Administrator of the Farmers Home Administration shall establish a national rural waste water circuit rider grant program that shall be modeled after the existing National Rural Water Association rural water circuit rider program that receives funding from the Farmers Home Administration.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $4,000,000 each fiscal year to carry out the program established under subsection (a).

TITLE VII—MISCELLANEOUS

SEC. 701. MONITORING THE ECONOMIC PROGRESS OF RURAL AMERICA.

(a) BUREAU OF THE CENSUS.—The Director of the Bureau of the Census shall expand the data collection efforts of the Bureau to enable the Bureau to collect statistically significant data concerning the changing economic condition of rural counties and communities in the United States, including data on rural employment, poverty and income, and other information concerning the rural labor force.

(b) EMPLOYMENT REQUIREMENTS.—The Bureau of the Census shall, to the maximum extent practicable, employ residents of nonmetropolitan counties for the expanded rural data collection operations conducted in fiscal year 1990.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary for each fiscal year to carry out subsection (a).

SEC. 702. HISTORIC PRESERVATION REQUIREMENTS.

With respect to applications for assistance under this Act, the Secretary of the Interior, in consultation with the Assistant Secretary and the National Trust for Historic Preservation in recognition of its charter duties, shall prescribe and implement regulations concerning projects funded under this Act and their relationship with the provisions of Acts entitled—

(1) "An Act to establish a program for the preservation of additional historic properties throughout the Nation, and for other purposes", approved October 15, 1966 (16 U.S.C. 470 et seq.); and

(2) "An Act to provide for the preservation of historical and archaeological data (including relics and specimens) which might otherwise be lost as a result of the construction of a dam", approved June 27, 1960 (16 U.S.C. 469 et seq.).

SEC. 703. SEWER AND WATER LENDING BY BANKS FOR COOPERATIVES.

The banks of the Farm Credit System that are authorized to extend credit under title III of the Farm Credit Act of 1971 (12 U.S.C. 2121, et seq.) are authorized to make and participate in loans and commitments, and to extend other technical and financial assistance for any of the purposes specified in such title, including refinancing for such purposes, to any entity that has received or is eligible to receive a loan made or insured by the Secretary of Agriculture under section 306(a)(1) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1926(a)(1)).

SEC. 704. EMPLOYMENT AND TRAINING IN RURAL AREAS.

(a) EXPANDING AVAILABILITY OF EMPLOYMENT AND TRAINING IN RURAL AREAS.—Section 6(d)(4)(E) of the Food Stamp Act of

1977 (7 U.S.C. 2015(d)(4)(E)) is amended by adding at the end thereof the following new sentence: "States may designate one or more areas of the State as areas in which the program shall operate only to serve voluntary participants, but such designations shall not excuse the State from compliance with the performance standards described in subparagraph (L).".

(b) IMPROVING SELF-EMPLOYMENT OPPORTUNITIES.—

(1) AUTHORIZATION FOR PROGRAMS.—Section 6(d)(4)(B) of the Food Stamp Act of 1977 (7 U.S.C. 2015 (d)(4)(B)) is amended—

(A) by redesignating clause (vi) as clause (vii); and

(B) by inserting after clause (v) the following new clause:

"(vi) Programs designed to increase the self-sufficiency of recipients through self-employment, including programs that provide start-up assistance for self-employment ventures.".

(2) EXEMPTION FOR RESOURCES USED IN PROJECTS.—The third sentence of section 5(g) of the Food Stamp Act of 1977 (7 U.S.C. 2014(g)) is amended by inserting before the period the following: ", and any resources necessary to allow the household to carry out a plan for self-sufficiency approved by the State agency under section 6(d)".

(c) PROGRAM ACCESSIBILITY FOR PEOPLE ENGAGED IN EMPLOYMENT AND TRAINING ACTIVITIES.—

(1) STATE PLAN REQUIREMENT.—Section 11(e)(2) of the Food Stamp Act of 1977 (7 U.S.C. 2020(e)(2)) is amended by adding at the end thereof the following new sentence: "The State agency shall administer the program in a manner such that its offices and points of issuance in rural areas of each such State, as determined by the State, are open at sufficient locations and during sufficient hours to ensure that applicants and participants who are employed or who are participating in an education, training, work, or rehabilitation program under section 6(d), title IV of the Social Security Act (42 U.S.C. 601 et. seq.), or under title I of the Rehabilitation Act of 1973 (29 U.S.C. 720 et seq.) may—

"(A) comply with the requirements of the food stamp program (including reporting changes, providing verification, appearing at interviews, and submitting applications and requests for recertification); and

"(B) obtain and use certification documents and coupons without being absent for or rescheduling normal hours of employment or hours of participation in such education, training, work, or rehabilitation program.".

(2) STANDARDS.—Section 16(b)(1) of the Food Stamp Act of 1977 (7 U.S.C. 2025(b)(1)) is amended by inserting ", and individuals participating in employment and training programs," after "employed individuals".

SEC. 705. VEHICLES NECESSARY TO HAUL FUEL OR WATER.

Section 5(g) of the Food Stamp Act of 1977 (7 U.S.C. 2014(g)) (as amended by section 704(b)(2)), is further amended by adding at the end thereof the following new sentence: "The Secretary shall exclude from financial resources, the value of a vehicle that each household residing in a nonmetropolitan area uses to haul water for use in such household's residence that lacks indoor running water or to haul fuel.".

SEC. 706. ASSISTANCE TO COMMUNITIES DEPENDENT ON NATURAL RESOURCES.

(a) ADDITIONAL FUNDS FOR THE REFORESTATION TRUST FUND.—Section 303(b)(2) of Public Law 96-451, relating to the Reforestation Trust Fund (16 U.S.C. 1606a(b)(2)) is amended by striking "$30,000,000" and inserting "$40,000,000".

(b) ADDITIONAL PURPOSES FOR WHICH FUND AVAILABLE.—Section 303(d) of such Act (16 U.S.C. 1606a(d)) is amended—

(1) in paragraph (1) by striking "and";

(2) by redesignating paragraph (2) as paragraph (3); and

(3) by inserting after paragraph (1) the following:

"(2) economic diversification assistance to communities which are dependent to a significant degree upon Forest Service resource management decisions for their local economic activity; and".

SEC. 707. ASSISTING DISTRESSED RURAL HOSPITALS AND HEALTH CARE FACILITIES.

The Secretary shall establish and implement a program that is similar to the program established under section 353 of the Consolidated Farm and Rural Development Act (7 U.S.C. 2001), except that the debt restructuring and loan servicing procedures shall apply to delinquent community facility program loans (rather than delinquent farmer program loans) made by the Farmers Home Administration to a hospital or health care facility under section 306(a) of the Consolidated Farm and Rural Development Act (7 U.S.C. 306(a)). Not later than 120 days after the date of enactment of this Act, the Secretary shall promulgate regulations, as modeled after those promulgated under such section 353, that implement the program established under this section.

TITLE VIII—EFFECTIVE DATE AND IMPLEMENTATION

SEC. 801. EFFECTIVE DATE.

(a) IN GENERAL.—Unless otherwise provided in this Act, this Act shall become effective on October 1, 1989.

(b) REGULATIONS.—

(1) TITLE I.—Final regulations implementing subtitle A, of title I, shall be issued by the Rural Partnership Investment Board not later than March 30, 1990.

(2) SECTIONS 704 AND 705.—Final regulations implementing sections 704 and 705 shall be issued not later than May 1, 1990.

MAJOR CONCEPTS IN RURAL DEVELOPMENT LEGISLATION

1. Business Investment Partnerships.—Stimulate banks to greatly increase their investments in new or expanding businesses in rural America by providing federal seed money to local revolving funds to invest in conjunction with banks, or other financial institutions. These revolving funds would leverage the federal dollars, issued by a federal board, with private sector dollars and use the revolving fund for loans, guarantees or equity positions. These efforts will help diversify local rural economies, reduce rural dependence on farm support programs, and eventually increase federal and state tax revenues. States, economic development districts, counties, towns, other public bodies, and economic development corporations could apply to operate these revolving funds.

2. Focus Efforts of the Rural Electrification Administration.—Set up a Rural Economic Development Board within REA to promote new business creation through business incubators and technical assistance. Require rural electrics to target their investment activities (using their authority to invest 15% of the total utility plant) on business creation, incubator programs, and business assistance (long term planning, computer operations, telecommunications).

3. Telecommunications.—Improve rural phone lines to make rural areas more competitive (in some areas, for some businesses, there is a need for digital switching, fiber optics or satellite downlinks to permit local companies to effectively engage in on-line computer activities and the transmission of images).

4. Business Link.—Enhance rural business telecommunications links for marketing, product ordering, inventory management and other purposes.

5. Star Schools.—Improve quality of rural education through use of telecommunications links.

6. Health Link.—Improve data transmission over rural phone lines to improve health care (on-line hookups with teaching hospitals, transmission of diagnostic images and other medical information, emergency aid).

7. Require Better USDA Coordination.—Require USDA to better coordinate its rural activities and to better inform states, counties and local organizations about its rural development efforts.

8. Water and Sewer.—Assist certain rural communities in complying with Safe Drinking Water Act and Clean Water Act.

9. Rural Data Collection.—Require the Census Bureau to collect additional information on rural unemployment, poverty, business creation and per capita income.

10. National Agricultural Library Information Clearinghouse.—Require National Agricultural Library to set up a clearinghouse for rural development information and materials likely to assist rural areas.

11. Job Training.—Modify the Job Training Partnership Act to improve its operation in rural areas.

12. Nutrition.—Improve food stamp employment and training efforts in rural areas.

13. Enhance Prior Federal Investments.—Fund programs to more fully utilize and protect investments already made in rural America.

14. Extension Service.—Allow states to hire additional Extension Service staff with a 60 percent federal match, to provide information and training on business creation, computer and telecommunications applications, financial planning, business management and other related matters.

15. Historic Preservation.—Preserve historic sites in rural development efforts.

16. Community Strategy Assistance.—Require the Secretary to evaluate economically troubled counties regarding the need for rural development assistance.

Mr. HEFLIN. Mr. President, the Rural Partnerships Act, legislation that I am cosponsoring today, acknowledges that the time has come for the Federal Government to reassess its role and responsibility regarding America's 62 million rural citizens.

The 1980's have not been good for rural America. Rural problems run much deeper than agriculture, with its well-known income crisis. Rural community problems also include inadequate water and sewer systems, poor schools, lack of access to quality medical services, and a severe shortage of funds to solve these problems.

Rural economic conditions, compared to urban conditions, have also worsened significantly in the 1980's. The seriousness of these problems is

shown by these rural and urban comparisons:

Rural unemployment rates are about 31 percent higher.

Rural per capita income averages 25 percent lower.

Rural poverty is one-third higher.

Rural school dropout rates are higher.

The rural population has higher proportions of both older persons and younger persons. These groups require higher expenditures per capita on both health care and education.

The economic recovery in basic rural industries—agriculture, mining, forestry, and light manufacturing—has been very slow. These rural problems cut a wide swath across our rural communities, and center on issues of jobs, community facilities, and human development. Compounding these rural economic problems has been a reduction of nearly 50 percent in funding for Federal Government programs in rural areas in the 1980's.

The Rural Partnerships Act recognizes that rural economic development efforts must begin with local initiative, and be guided by local leadership, in both the public and private sectors. The Act also recognizes that it is essential for the Federal Government to be an active partner in these efforts. Through this act the Federal Government will help provide an environment in which local efforts can be most effective. The programs it authorizes will be a catalyst for rural economic development. The Act will help rural people create more jobs and income through revolving loan funds. It will help improve the quality of community facilities—such as water, sewer, and telecommunications—that support economic activity, through broader lending authorities. And it will strengthen educational, health, and business services that improve the skills and abilities of rural people.

This act will strengthen organizations and agencies already working to solve rural America's problems. It will build on programs that we know are working well, like the rural electric cooperatives, regional economic development agencies, and the Cooperative Extension Service. The Rural Partnerships Act will strengthen current partnerships between local, State, and Federal levels of government. It will enhance partnerships between the private sector and the public sector. And it will revitalize the partnership between rural Americans and all Americans.

Mr. President, I wish to add my special words of praise for the leadership of Senator LEAHY in moving forward with this legislation, for his work with the Budget Committee in endeavoring to get additional moneys to be made available, under our tight budgetary posture, for rural America. Senator LEAHY took the leadership in regards to his rural development idea and program last year. We had several sessions of markup. Then the drought came and the necessity of putting the rural development legislation on the back burner until we were able to deal with the drought assistance was preeminent in the minds of Senator LEAHY and others who are interested in helping rural America, whether it be in development or whether it be in drought assistance.

We have had outstanding leadership. Senator MCCONNELL, from Kentucky, has been vitally interested in this, as have a number of Senators. Senator DASCHLE has been head of a task force designed to try to bring about improvement in rural America. Senator CONRAD has worked diligently on this and had his Governor down recently who gave testimony concerning the need for rural development in the Northern States of this country.

I can attest that we need rural development in a tremendous manner in the Southern part of our country and throughout America there is a need for much enhancement in regards to rural America.

There are some 63 million rural citizens who live in rural America and the problems confronting them are many. I hope that we can move expeditiously on this and that we can do something to improve the economic plight, the social plight, the health plight, the educational plight of those that live in rural America.

Mr. MCCONNELL. Mr. President, I wish to commend the distinguished chairman of the Agriculture Committee, Senator LEAHY, and the chairman of the Rural Development Subcommittee, Senator HEFLIN, for their important leadership on this most important issue.

My State, Mr. President, is largely rural and small town, 1 of the most rural and small-town States of the 50 States. We have a vital interest in what happens or is not happening, which is currently the case in rural America.

Mr. President, we do not want everybody to live in the city. That is not good for the cities; it is not good for America. Until we provide new opportunities for rural and small-town Kentuckians and Americans to stay right where they want to stay, whether it is job opportunities or opportunities for better education, then we will continue to have nothing but an influx of folks into the cities.

So, Mr. President, I am grateful for the opportunity to participate with Senator LEAHY, Senator HEFLIN, Senator CONRAD, and others in crafting what we think will be a meaningful and truly bipartisan bill for the betterment of rural America.

Mr. MCCONNELL. Mr. President, I rise today along with the distinguished chairman of the Agriculture Committee, Senator LEAHY, and Senator HEFLIN, as an original sponsor of the Rural Partnerships Act of 1989.

For several years the combination of slower economic growth and a net loss of population has pushed rural Kentucky and rural America into a gradually worsening economic situation. The legislation we are introducing is the first step in correcting that problem and restoring a better way of life to not only the more than 1 million citizens of rural Kentucky, but the countless others across America as well.

The characteristics of rural America are changing rapidly. The long-held philosophies of how to best deal with the problems that exist in the rural communities may not still be true and now is the time for some very significant and meaningful changes in the policies and tools at all levels of government. What is not needed is yet another level of bureaucracy and our legislation will not create one. Almost every department within the executive branch of the U.S. Government already has some program that falls under the umbrella of rural development and this bill will redirect and refocus their efforts on behalf of rural America while allowing individual communities to identify their own most pressing needs and to work closely with the government.

There has been no lack of interest in developing new policy, but there has been a lack in focus and coordination of effort. If a rural development initiative is to be effective the Federal, State, and local governments must be involved and working together to the mutual benefit of those in need. There are many organizations that have a sincere interest in rural areas and most should be encouraged and allowed to participate in any rural policy that is created.

In Kentucky, for instance, we are blessed with a strong group of area development districts, a vibrant Cooperative Extension Service and rural electric cooperative that have been all working hard to make needed improvements in rural areas. They are not waiting for the Federal Government to do something—they are working hard to do the best with what already exists and our bill will facilitate their efforts. We will need their input in the efforts to come.

Mr. President, I want to see something done for rural America and I believe this bill is the place to start. This should not become a partisan issue: The problems in our rural communities span all political boundaries and the last thing we in Congress can afford to do is waste time bickering when action is needed. I know that there have already been bills introduced in this Congress that address some specific areas of rural develop-

ment and I support what many of them are designed to do. However, I believe that this body has the obligation to see that a major comprehensive rural development initiative is passed into law and the Rural Partnerships Act of 1989 is the vehicle to accomplish this.

Mr. President, I again commend my distinguished chairman for his concerted effort on this vital issue. Rural America needs help and it needs it now—what it does not need is further inaction by the Congress. I look forward to the upcoming hearings on this bill and I would strongly urge my colleagues to examine this legislation.

Mr. CONRAD. Mr. President, I am pleased to rise today as an original cosponsor of the Rural Partnerships Act of 1989.

I want to first especially commend the majority leader, Senator MITCHELL, and the chairman of the Agriculture Committee, Senator LEAHY, for their leadership in addressing the problems facing rural America. I deeply appreciate, Mr. President, their rapid response to my suggestion that a rural development task force be performed.

I also want to acknowledge the favorable response of those on the other side of the aisle, led by the Republican leader, Senator DOLE, and the ranking Republican on the Agriculture Committee, Senator LUGAR, who joined in this effort, along with Senator MCCONNELL; and, of course, Senator HEFLIN, on our side, who is chairman of the Rural Development Subcommittee of the Agriculture Committee.

The task force signals a commitment—to fashion a comprehensive rural development initiative in the 101st Congress.

We have made great progress in addressing rural issues. Today, the Senate Development Task Force has 33 members, many of whom are chairmen and senior members of key committees. The Budget Committee has included $300 million in budget authority specifically for rural development. As a Democratic vice-chairman of the task force, I intend to work with the chairmen to marshal support for a rural development bill.

Mr. President, rural America needs help. It is apparent that rural areas are facing serious economic decline. Simultaneously rural areas have faced declining support from the Federal Government.

Faced with new job opportunities and inadequate services and infrastructure, young Americans living in rural areas make an understandable choice: They leave. In North Dakota we are losing many of our best educated and our most highly trained—those who would lead their communities—because there are not opportunities for them.

Mr. President, we must put opportunity back in rural America. Yesterday, I introduced the Rural Investment Fund Act of 1989 which embraces this concept. This bill addresses a key problem for rural areas, the lack of adequate capital for business retention, creation, and expansion.

My bill promotes business growth and new job opportunities by providing Federal seed capital to establish State and local revolving investment funds. Partnerships will be funded only where local institutions, such as banks, local development organizations and others, agree to provide matching investment capital.

All levels of Government must join together, in partnership, with the private sector to foster and encourage economic growth and job opportunities in rural areas. The involvement and support of all public and private sectors is crucial to ensure economic development initiatives are successful.

I commend Senator LEAHY for including the investment fund in the legislation he is introducing today. The Rural Partnership Act is a comprehensive framework for our rural development efforts this year.

As a nation, we can no longer watch the decline of rural America. As partners, we can help. We can work as partners to revitalize the rural economy. Today we have made a step toward that partnership. I urge my colleagues to participate with the Rural Development Task Force to make the difference in rural America.

Mr. President, I ask unanimous consent that a letter that I sent to the majority leader, Mr. MITCHELL, also appear in the RECORD immediately following my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, DC, January 23, 1989.

Senator GEORGE MITCHELL,
Majority Leader,
The Capitol, Washington, DC.

DEAR MR. LEADER: I write to request your consideration of the possibility of forming a Senate Leadership Task Force on Rural Development.

As you know, rural America is facing severe economic decline. Unemployment, underemployment, poverty, and outmigration are increasingly serious problems in nonmetropolitan counties throughout the nation. The crisis was prompted by a severe agricultural recession and sharp decline in agricultural input industries, from which many parts of the country have not yet recovered. Increasing global competition has crippled rural areas, which lag behind in the technological innovation required to compete in a new global economy. Simultaneously, rural areas have faced declining support from the federal government.

Population growth in rural and small town areas has slowed greatly in the 1980's. With rural areas beset by the farm crisis, employment cutbacks in major industries, and a slow recovery from national recession, fewer people are moving to the country and more rural people are moving to the cities for work. The US Department of Agriculture estimates that rural areas lost 632,000 persons due to outmigration in 1985-86, a larger outmigration than the average of either the 1950's or 1960's and a dramatic turnabout from the 1970's, when nonmetro areas had net gains in population. Some indicators even suggest the worst is not yet over.

Those who remain in rural areas face hardship. Inadequate education, social services and housing mar the rural landscape. Consider the following alarming facts about rural America:

In 1986, more than 1,000 rural counties had an annual average unemployment of 9 percent or higher, according to the US Department of Agriculture.

The rural economy experienced a net loss of jobs between 1980 and 1987.

Rural America has 9.7 million people living in poverty—30 percent of the nation's poor.

Rural areas account for 36 percent of the nation's substandard housing.

Rural areas have 25 percent of the population aged 25 and older, but only 16 percent of the nation's college graduates.

In 1980's, 161 rural hospitals have closed and 600 more are on the brink of closure.

Deregulation has resulted in reduced rail and bus service to rural areas and substantially higher costs for air service.

Rural Americans suffer health risks from their water supply and waste disposal systems.

Most rural areas lack one or more of the tools to respond: an educated, trainable workforce, available private capital and technical assistance to support new and existing businesses, adequate infrastructure, and ample information about planning and effective economic development strategies.

As you are well aware, the Reagan years have done little to halt the economic decline of rural areas. From 1980 to 1986, the federal budget for programs important to rural communities was cut by two thirds. the Office of Rural Development Policy has been abolished.

The mandate for action is clear. Like the national and international economies, the urban and rural economies are interdependent. We cannot afford to wait—fully a quarter of Americans live in rural areas. These areas provide esential foodstuffs and are the home to some of this nation's most valuable resources. Revitalizing the rural economy must be a high priority in the 101st Congress, and I believe this requires a comprehensive approach, encompassing major improvements in agriculture, education, health care, housing, transportation and infrastructure, technological innovation and other steps to encourage investment and growth.

Because the purview of any federal action on rural development must be very wide, I propose the formation of a Rural Development Task Force, comprised of senior members of relevant Senate authorizing committee. Through such a process, we could address rural development in a thorough and cohesive manner. We must have a national strategy on rural development, not a regional one. A Senate Task Force on Rural Development, which could draw on the much-needed expertise of members from all the relevant committees, would be an appropriate starting point for the development of comprehensive legislation.

As you know, agriculture is a principal driving force in the rural economy. I pro-

pose that Senator Leahy, Chairman of the Senate Agriculture Committee, be appointed the chairman of the Senate Task Force. Senator Leahy has distinguished himself as a leader on rural development issues and would make an excellent task force chairman. Senator Heflin, Chairman of the Subcommittee on Rural Development of the Senate Agriculture Committee, is an expert on rural development and should clearly play a key role on this task force.

The Task Force concept is not a new one. Like the Anti-Substance Abuse Task Forces, which were very effective vehicles for producing and passing legislation to combat drug abuse during the 100th Congress, a Rural Development Task Force offers a viable way to pursue this multi-faceted issue.

Because the need is so urgent, and the demand for integrated, comprehensive legislation so clear, I hope you will look favorably upon my suggestion that a Rural Development Task force be formed.

Thank you for your consideration. I look forward to discussing this further with you.

Sincerely,

KENT CONRAD,
U.S. Senator.

Mr. BAUCUS. Mr. President, I am pleased today to join with my colleagues and be an original cosponsor of the Rural Partnership Act of 1989. The introduction of this bill is a critical step in developing solutions to rural America's economic crisis.

In Montana, we understand the problems of the rural economy. We understand them too well.

The last 8 years have been tough. Our basic industries have lost 12,000 jobs. Pay checks have fallen by 25 percent. More people are moving out than moving in.

Montanans work hard. Many studies show that they're the best employees in the world. But they're falling behind.

Why? Because of Federal policies that have, essentially, written us off.

Deregulate. Let the chips fall where they may. If a coastal metropolis thrives at the expense of rural America, so be it. It is the price of progress, and if people don't like it, they can pack up and move.

This heartless laissez-faire approach punishes millions of rural Americans.

And it's inconsistent with our basic values. Our national motto, after all, is not "every man for himself," but "E Pluribus Unum."

Daniel Webster put it well during his famous debate with Senator Hayne of South Carolina. Hayne argued that citizens of the South should not pay for public improvements in the West, because they derived no benefit from them. Webster replied that:

In our contemplation, [states of the South and West] are parts of the same country. States, united under the same general government, having interests, common, associated, intermingled . . . We do not impose geographical limits to our patriotic feeling or regard; we do not follow rivers and mountains, and lines of latitude, to find boundaries beyond which public improvements do not benefit us.

We need to revive this notion. That we're all in this together. That we do not impose geographic limits on our concern for the economic well-being of American families. That, to put it more bluntly, people shouldn't have to pack up and move to the Sunbelt to make a decent living.

That is what our effort here is all about.

We must help rural businesses create jobs for the 21st century. So that our kids can stay in Montana, and Alabama, and Vermont.

To accomplish this, we must concentrate on a few basic tools.

One is telecommunications. Satellites and fiberoptic cables are, today, what highways and railroads were 50 years ago. If we want to compete, we've got to have the best, and that takes aggressive efforts by both business and government.

Another tool is the most basic of all: capital. Today, we have plenty of smalltown entreprenuers. But they cannot get the seed money they need to start new businesses and create new jobs. We need to create incentives that will make this money available.

A third tool is the creation of rural small business "incubators" to help cut down on overhead costs for businesses located in rural areas.

I have introduced bills that would promote these goals. And I look forward to working with Senator LEAHY and my other colleagues to mark up and pass omnibus legislation that will go far to help bring rural America back into the economic mainstream.

With the leadership of Majority Leader MITCHELL, Chairman LEAHY, and Chairman HEFLIN, I am confident that we can develop a solid package and bring it to the Senate floor quickly.

Mr. HARKIN. Mr. President, I want to commend Senator LEAHY for his great leadership and interest in rural development legislation in years past and again this year. I also want to thank Senator HEFLIN for his efforts as chairman of the Subcommittee on Rural Development and Rural Electrification and Senator CONRAD for his strong interest and involvement in rural development.

The need for rural development legislation is clear. Small towns and rural areas often lag far behind the rest of our country in economic progress and several measures of quality of life. Across the Nation countless families have watched as their children and grandchildren leave rural communities to pursue better economic opportunities elsewhere. As people move away the lifeblood and future of these communities slips away.

Our national policy has, in recent years, been speeding headlong toward creating a bicoastal economy focused on a handful of large urban centers. Unless new approaches are taken, these urban-oriented policies will eventually result in the rest of the country becoming a vast, forgotten "flyover" area. This unhealthy trend need not and must not continue. It makes no sense for more and more people to crowd into our urban areas while once vital rural communities whither and perish.

Rural America is resisting this trend, but to revitalize rural communities we need new directions in Federal policy—new directions that help rural communities become part of America's economic mainstream again.

A strong agricultural economy is necessary to the health of rural economies and thus we must ensure that our agricultural policies provide for adequate farm income. But farm income is not by itself sufficient to ensure the economic vitality of rural communities.

We need a strong commitment to invest in the future of our rural communities, just as we have invested in urban communities over the years. Throughout our history small towns and rural communities have been a tremendous source of social and economic wealth. The right policies will help these communities contribute even more to the strength and well being of our Nation.

This legislation contains both new policy directions and investments in the future of our rural communities. We all recognize the need to minimize spending because of the budget deficit. Though the monetary investment in this bill is modest, the legislation will leverage Federal funds by combining them with local resources. The bill will help communities have the capital and information needed to rebuild local economies.

The legislation establishes a program to provide Federal seed money to State and local revolving loan funds to provide capital for business development and job creation. The Rural Electrification Administration will be given new authority and responsibilities for rural economic and business development.

The legislation recognizes the need to meet both traditional infrastructure needs, like sufficient sewer and water capacity, and the new needs of our high technology age, such as computer capable phone systems. I am also pleased that the bill contains emergency water assistance very similar to that in legislation I introduced earlier this year. The REA is given new authority to make loans for water and sewer systems, a pressing need in my State and others. The bill also provides for additional FmHA grants for water and sewer facilities.

The legislation provides for new investments in technology for rural areas, particularly for telecommunications and computer linkages to im-

prove education, health care and access to business information in rural areas.

The role of the Extension Service and USDA in rural development would be strengthened and improved.

Without Federal policies acknowledging the social and economic values of rural life and assisting to rebuild our rural infrastructure, rural America will continue to decline and a valuable part of our heritage will be lost.

The Rural Partnership Act of 1989 reflects a commitment to the enduring and valued role of rural communities in American life.

Mr. DASCHLE. Mr. President, I rise today to commend Senator LEAHY for his commitment to rural development and for his introduction of the Rural Partnerships Act of 1989. I am pleased to join as an original cosponsor of this important legislation.

As a Senator from South Dakota, I am acutely aware of the unique rewards of raising a family and working in rural communities. I am convinced, for example, that my State has a quality of life that is second to none.

I am also acutely aware of the unique problems that face many Americans living in rural communities throughout this country and threaten to rob those communities of some of their vitality. Federal policy has contributed to this unfortunate trend as policymakers struggle with the priority challenge of reducing the Federal deficit by restraining spending. This effort has hit rural programs especially hard.

For the past decade, increasing poverty and unemployment, and the deterioration of health care in rural areas have been largely ignored through the benign neglect of government policies. This year we have a rare opportunity to focus on the problems facing the residents of rural America and provide meaningful solutions that fit within current fiscal restraints.

The Rural Partnerships Act acknowledges the diversity and importance of rural needs by addressing such issues as education, health care, business and community development, and the lack of advanced technologies in rural areas. It is based on the conviction that the broad spectrum of rural problems deserve timely attention and require a multifaceted approach.

The bill also reflects existing budget realities. We can no longer view higher levels of Federal money as the answer to local problems.

The bill also places a high priority on local involvement in the determination of an individual community's basic needs. The Federal government cannot dictate results; its role should be to provide enhanced access to the resources necessary for local attention to local priorities.

We should not attempt to reinvent the wheel, and we should not add unnecessarily to the existing alphabet of programs that can address rural problems. We should, however, ensure that the limited resources available for rural development are invested wisely.

Mr. President, I am particularly pleased that this rural development package is the result of the work and ideas of so many of my collegues on the Senate Agriculture Committee. Chairman LEAHY has aggressively pursued a rural development package that is built on joint initiative and common purpose.

Once again, I commend the chairman for his industry and diligence in generating momentum for this much-needed legislation. I pledge my support to this effort and look forward to timely consideration of the Rural Partnerships Act by the Agriculture Committee.

Mr. KOHL. Mr. President, I am pleased to join many of my colleagues today in introducing the Rural Development Partnership Act. I would like to commend the members of the Agriculture Committee, and especially the chairman of the committee, Senator LEAHY, for their commitment to addressing the needs of rural Americans. I would also like to thank both the majority leader and the Republican leader for their leadership in organizing the rural development task force, which has helped to focus the attention of the Senate on this very important issue.

The problems besetting rural America are all too evident in Wisconsin. While 30 percent of the State's population is located in rural counties, per capita income in these 53 counties in 1986 was 24 percent lower than in the State's urban counties. In contrast to the State's growth in urban employment since 1979, rural employment dropped 2 percent between 1979 and 1986, putting Wisconsin in the bottom 10 States nationally in rural economic growth.

Throughout this country's history, the problems of rural Americans have traditionally been farm sector problems. And until recently, we have depended on our agricultural policy to fix these problems.

Clearly, our agricultural policy is still vitally important to the economies of rural areas—and we must keep that in mind as we begin debate on the 1990 farm bill. Yet, farm families now account for only 2 percent of our population, while 25 percent of Americans still live in rural areas. If we are to meet the needs of these citizens, we need to be innovative, responsive, and efficient in developing Federal assistance for rural America.

This legislation is a good start. It addresses the capital needs of rural businesses by providing Federal seed capital to revolving loan funds, while recognizing the need to leverage non-Federal funds. It encourages rural telephone and electric systems to expand and improve telecommunications links in rural areas. And it provides assistance to rural communities in meeting their clean water and waste disposal needs and requirements. These are all essential to the viability of rural communities.

However, I am somewhat concerned that the revolving loan fund and business incubator provisions as currently envisioned may not be the most cost-effective means of ensuring capital access and business formation in rural communities. In this respect, I would urge the Agriculture Committee to examine these provisions, along with the Rural Capital Access Program legislation introduced recently by Senator LUGAR, to ensure that they maximize leverage of Federal funds.

I am particularly pleased to see this bill address the critical problem of health services in rural areas. Specifically, the authorization of a health link fund, to improve medical information and diagnostic analyses transmittal between rural and urban areas, will be of immense benefit to rural hospitals and health professionals.

The health link fund creates the opportunities for the type of facility I recently proposed. A bill I introduced earlier this month, the Rural Health Improvement Act, authorizes health information technology centers modeled after a center proposed by the Medical College of Wisconsin. To meet the needs of managing the processing the quantity of medical information available today, these centers would link rural and urban health professionals throughout the country by means of improved communication. I look forward to working with the Agriculture Committee and with Senator PRYOR, chairman of the Aging Committee and a sponsor of similar legislation to facilitate the development of this type of facility.

Mr. President, rural development legislation is badly needed. I am hopeful that this bill will provide the basis for a strong, bipartisan rural development initiative—a package that will include not just components of this legislation, but legislation addressing rural health care costs and availability as well. And I hope that we can pass this legislation this year.

Mr. President, I again commend the Agriculture Committee for its work on this legislation, and I look forward to working with members of the committee and members of the task force in ensuring its expedient passage.

By Mr. MITCHELL:

S. 1037. A bill to prohibit the implementation of certain regulations of the Secretary of Health and Human Services and the Secretary of Agricul-

ture regarding irradiated foods, to amend the Federal Food, Drug, and Cosmetic Act to prescribe labels for such foods, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

FOOD IRRADIATION SAFETY AND LABELING REQUIREMENT ACT

Mr. MITCHELL. Mr. President, today I am introducing the Food Irradiation Safety and Labeling Requirement Act of 1989. This legislation mirrors legislation I introduced in the 100th Congress on this same subject. Again this year, I'm pleased that the companion legislation is being introduced in the House by Congressman DOUGLAS Bosco of California.

The basic law regulating the additives or processes used on food sold commercially in this country is the Federal Food, Drug, and Cosmetic Act. In 1958, Congress wisely amended the act to "include any source of radiation" intended for use in processing or packaging food in the definition of a food additive (section 321), subject to the rigorous safety testing required of any new additive.

In 1986, the Secretary of Health and Human Services approved Federal Food and Drug Administration regulations that would, for the first time, allow low-level irradiation of a wide range of food products, mostly fresh fruits and vegetables.

American consumers are generally unaware of this technology. But whether or not they know about irradiation, consumers deserve to know that the processes and additives used on the foods they buy have been proven to be safe. I'm afraid, however, that if most consumers were familiar with the steps by which FDA came to support allowing an expanded use of irradiation I believe they would feel the agency's research was suspect.

In 1979, FDA established its Bureau of Foods Irradiated Food Committee [BFIFC] to review the existing agency policy concerning food irradiation. Using data showing the amount of chemical change likely to be caused in food by given levels of radiation, but with no actual feeding tests on animals, BFIFC concluded that food irradiation at low doses was wholesome and safe for human consumption, even where the irradiated food constituted a substantial portion of the diet.

In 1981, FDA's Bureau of Foods, established the Irradiated Foods Task Group to review all available toxicological data concerning foods treated by irradiation.

In phase one of the data review, all relevant toxicology studies were identified from FDA files and the open literature. In all, 441 studies were obtained in hard copy, summarized, and categorized.

Next, FDA summarized the studies and reviewed them for their scientific merit. Studies were accepted if on initial examination, they appeared to be reasonably complete. Studies were accepted with reservation if the testing, on initial summary review, appeared acceptable but had some serious deficiencies interferring with the interpretation of the study. Studies were rejected if on initial examination they for any of a number of reasons dealing with measuring the study's interpretation.

In the next phase, all studies that appeared to show adverse effects and studies that appeared to support safety were then examined in detail. In all, 69 studies that either raised questions concerning the possibility of adverse effects—there were 32 such studies—or that appeared to support a conclusion that the irradiated food studied is safe—there were 37 such studies—were examined in detail and reported.

According to the task group, on detailed examination of the 69 studies, 5 appeared to support safety, and the remaining 64 were said to be deficient because of: First, problems associated with diet and second, inadequate experimental design. Based on that review of the available research on irradiation, the task group concluded that, "studies with irradiated foods do not appear to show adverse toxicological effects."

But, the task group said:

The lack of effects however could have resulted from the dietary problems, inadequacies of experimental design, ambiguity and non-reproductivity of the available data on irradiated foods. Studies of sufficiently high quality to support the safety of irradiated foods treated at high irradiation doses which constitute major contributions to the daily diet for long-term use are also not available.

According to FDA, only 5 of the 441 studies reviewed were considered by agency reviewers to be properly conducted, fully adequate by 1980 toxicological standards, and able to stand alone in the support of safety. The reports of these five studies indicated no adverse health affects from the irradiated foods fed to test animals.

Based on its review of the studies, the task force agreed with BFIFC's conclusion that there was an adequate margin of safety for foods irradiated below 1 kGy. It also agreed that toxicology tests on these foods were not needed to support a conclusion that such foods are safe. FDA used its 1981 task force findings in promulgating the 1986 regulations.

It is on the basis of those five studies, that FDA has moved to allow a much broader use of irradiation in food processing. I do not question that the five studies cited by FDA indicate no adverse health affects from the irradiated foods fed to test animals.

But, I do not believe the American consumer can be assured of the safety of this process on such scant evidence.

Because I am not convinced that food irradiation has been sufficiently proven safe by the FDA, I'm pleased to join with Representative Bosco today in introducing legislation that would:

First, prohibit either the Secretary of HHS or Agriculture from implementing regulations allowing the expanded use of irradiation;

Second, require all irradiated foods to be so labeled, including foods sold in restaurants and foods which are ingredients of other products; and

Third, mandate a 2-year study by the National Academy of Sciences of food irradiation, including the environmental and health issues associated with irradiation facilities.

There are other troubling aspects of this technology including adverse nutritional impacts; costs; and worker safety, effectiveness and environmental impacts associated with food irradiation plants that are also of concern. But they are, I believe, secondary to the fundamental issue of safety.

Almost everything we do in our society exposes us to risk. Congress must decide two points in this debate.

First, do the benefits of food irradiation outweigh its risks?

Second are those benefits more cheaply or more safely achievable by other means.

It may be that after further examination and study, this Nation will decide that food irradiation has benefits that exceed its costs and that it is preferable to using chemical treatments or doing nothing.

But for now, we don't know enough about either the costs or the benefits of this process to make an informed judgment. I believe American consumers would be better served by a reexamination of this process prior to an expanded commercial application.

By Mr. ROTH:

S. 1038. A bill to repeal Medicare catastrophic coverage provisions effective in years after 1989 and the supplemental Medicare premium, and for other purposes; to the Committee on Finance.

MEDICARE CATASTROPHIC COVERAGE REPEAL ACT

Mr. ROTH. Mr. President, I rise today to introduce legislation that will repeal certain provisions of the Medicare Catastrophic Coverage Act of 1988. The Medicare catastrophic coverage repeal bill will repeal all new Medicare benefits and new premiums due after December 31, 1989. The sections to be repealed include the Medicare part B benefits as well as the annual supplemental premium or the tax surcharge. Medicare beneficiaries will continue to enjoy the additional benefits already in effect this year such as the extended hospital coverage, 150 days of skilled nursing home care, unlimited hospice care, and the

spousal impoverishment protection. Seniors will continue to pay the catastrophic monthly premium which is currently $4 to cover these additional benefits—this monthly premium will be $4.90 in 1990, $5.46 in 1991, and $6.75 in 1993. But seniors will not be charged with paying the current supplemental premium or tax surcharge.

My proposal will not threaten the fiscal viability of the Medicare program. Congressional Budget Office estimates indicate that the flat monthly catastrophic premium will cover the cost of the expanded acute care benefits in later years. While ensuring a continuity to Medicare beneficiaries by maintaining the current level of benefits, this legislation will also allow Congress the opportunity to develop an alternative for providing catastrophic protection to Medicare beneficiaries under part B of Medicare.

As the record shows, I did not support Senate passage of the Catastrophic Insurance Act during the 100th Congress. I believed then, and I believe now I made the correct vote. The public furor over costs associated with the act has borne out my position.

Over a year prior to the July 1, 1988, enactment of the Catastrophic Insurance Act, I had my staff conduct a survey of the retiree health benefits provided by the 20 largest employers including Federal, State, and local in my home State Delaware. The survey indicated that the vast majority provided health insurance equal to or superior to the Medicare Catastrophic Act. While the situation in Delaware may not exactly apply to all States, the Medicare changes scheduled to occur in 1990, in my view, will further duplicate what many private companies already offer to retirees on an efficient and cost-effective basis. This shift from private enterprise responsibility to greater government involvement has been a concern of mine since the catastrophic insurance legislation was reported out of the Finance Committee in 1987.

Following passage of the Catastrophic Act as news of its provisions spread home, the more the senior citizens in Delaware learned, the less the appealed to them. While arguments against the Medicare Act have varied, the consensus is that it raises premiums for Medicare beneficiaries, most of whom do not need this benefit. In short, we are seeing a ground swell of opposition from our senior citizens which demands that catastrophic insurance in its present form be repealed.

Recently, I sponsored a series of educational seminars in Delaware intended to help seniors answer questions they had on the new changes in Medicare. While these seminars were clearly publicized as informational sessions, it immediately became evident that the tremendous turnout that filled each meeting place beyond capacity was not because seniors had questions on Medicare, but because they came to protest the law. Seniors were loud and clear in their negative comments on the Medicare changes. In fact, at one point, the audience briefly chanted "repeal the bills." Reporting on these seminars, the Wilmington News Journal wrote that:

> Any Member of Congress who thought that he did the American people a favor by last year's vote for the Medicare Catastrophic Coverage Act should have been in Milford or Wilmington when well over 1,000 people came to question and protest the new law.

I believe the sentiments in Delaware go beyond the borders of my home State and extend across the country. Clearly, the concerns of my constitutents are indicative to action for change now.

I am offering an alternative to the action Congress took last year. A repeal of all the Medicare part B benefits and the supplemental premium will allow Members of Congress to develop a plan that will reflect more closely the needs of senior Americans. This proposal will allow time to study both the impact the current benefits have on Medicare enrollees and how the private sector insurance plans offered to Medicare beneficiaries are affected. While I do share the desire to protect our seniors from the devastating effect of catastrophic health care expenses, I do not believe the current Medicare package answers the needs of seniors. In my view, these changes made to Medicare must be revisited.

My proposal does not amend the Medicare Catastrophic Coverage Act in any way other than by deleting from the books any new benefits or premiums in years to come. As for this year, current benefits scheduled such as the expansion in hospital coverage effective January 1, 1989, will continue, and the effective date for the spousal impoverishment provision remains September 30, 1989.

By keeping the already effective changes in Medicare, and by eliminating those scheduled to come into effect next year, Congress will have the opportunity to fully review catastrophic insurance coverage for Medicare covered individuals. I urge my colleagues to listen to the concerns of America's seniors and support my legislation.

By Mr. DECONCINI:

S. 1039. A bill to restore the recordkeeping requirement of the Child Protection and Obscenity Enforcement Act of 1988; to the Committee on the Judiciary.

RESTORING THE RECORDKEEPING REQUIREMENT OF THE CHILD PROTECTION AND OBSCENITY ACT

● Mr. DECONCINI. Mr. President, I rise today to introduce legislation to restore a vital provision of the Child Protection and Obscenity Enforcement Act of 1988. On Tuesday a Federal District Court Judge in the District of Columbia struck down a key provision of the 1988 law. By ruling that the recordkeeping requirement of the act is unconstitutional, the court has stripped one of the most important protections of our children from the bill. Without the recordkeeping requirement of the child pornography provision of the act, prosecutors will be undermined in their efforts to prove that child pornographers were aware of and intended to commit their vile and abusive acts. I believe that the legislation that Senator THURMOND and I introduced last year is one of the most important laws ever to be enacted by this great body, but I am very concerned that one of the most vital enforcement provisions of the bill has been deleted. The legislation that I am introducing today restores that enforcement tool and does it in such a way that, I believe, is beyond constitutional challenge.

The 1988 act required that anyone who produces sexually explicit material keep records of the identity and age of the individuals depicted in such material. In addition, the producer was required to keep records of any name ever used by those individuals. Such records were required to be kept of any sexually explicit material made after February 8, 1978. The legislation I am introducing today would require that records as to identity and age be kept for any sexually explicit material produced after the effective date of the legislation.

Pornography in America is a multimillion-dollar business. The Justice Department estimates that pornography sales total nearly $4 billion annually. A major part of the pornography network is child pornography and its trappings. Child pornography has become a highly organized industry preying on the youth of our country who are either unable to protect themselves or are induced into participating by those they trust.

The sexual exploitation of any human being, especially those who are young, impressionable and vulnerable, is reprehensible. It is an affront to every individual and to every community that strives to maintain a decent society and to protect its citizens and their fundamental rights. If we are to deal effectively with the problem of pornography, it is essential that we recognize that it victimizes all members of society, regardless of sex, age, race, religion, or social status.

Perhaps the most degrading and revolting aspect of the increased pornography trade that is engulfing decency is child pornography. It is beyond the comprehension of this Senator that men and women would sexually ex-

ploit young children. Many of the victims are runaways who have fallen into criminal hands. But studies indicate that a large percentage of the children under the age of 8 who are involved are provided to the pornographers by their parents or guardians.

Mr. President, I disagree with the ruling of the Federal court that the recordkeeping provision of the 1988 act is unconstitutional. Requiring someone who displays sexually explicit activities to know whether the participants are adults or are children is hardly an unreasonable requirement. But I also believe that our children cannot afford to wait until this issue is fought out in the courts. I hope that the Federal Government will appeal the district court's decision and will ultimately prevail, thereby restoring the original act's more stringent requirements. But while this argument is taking place, the child pornographers are still out there preying on our children. We must have a mechanism in place immediately that will allow prosecutors to take these monsters into court and put them into jail. To do that, they need a provision that will allow them to prove that the pornographers knew what they were doing and intended to violate the provisions of the act or that they intentionally failed to comply with the recordkeeping requirement.

While I believe that the recordkeeping provision of the 1988 act is constitutional and that it should be restored, I am not willing to sacrifice our children while the rest of us argue academics. Let us do something immediately to restore some degree of protection to our children.

The use of children in the production of pornographic materials is extremely harmful to the physiological, emotional, and psychological health of a child. The scars of being forced to engage in such activity remain forever etched in the youthful victim's mind. Many times the trauma of having to perform in these exploits is never overcome, endlessly tormenting the helpless victim.

I urge my colleagues to join with me in swiftly enacting legislation to restore the recordkeeping requirement of the Child Protection and Obscenity Enforcement Act of 1988. While we debate and the courts consider, our children are being victimized by evil, greedy people who have only their pocketbooks in mind. Let's act immediately to put these people out of business.

I ask unanimous consent the bill be printed in the RECORD.●

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1039

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

(a) IN GENERAL.—Chapter 110 of title 18, United States Code, is amended by adding at the end thereof the following:

§ 2257. Record keeping requirements

"(a) Whoever produces any book, magazine, periodical, film, video-tape, or other matter which—

"(1) contains one or more visual depictions made after the effective date of this Act of actual sexually explicit conduct; and

"(2) is produced in whole or in part with materials which have been mailed or shipped in interstate or foreign commerce, or is shipped or transported or is intended for shipment or transportation in interstate or foreign commerce;

shall create and maintain individually identifiable records pertaining to every performer portrayed in such a visual depiction.

"(b) Any person to whom subsection (a) applies shall, with respect to every performer portrayed in a visual depiction of actual sexually explicit conduct—

"(1) ascertain, by examination of an identification document containing such information, the performer's name and date of birth, and require the performer to provide such other indicia of his or her identity as may be prescribed by regulations;

"(2) record in the records required by subsection (a) the information required by paragraph (1) of this subsection and such other identifying information as may be prescribed by regulation.

"(c) Any person to whom subsection (a) applies shall maintain the records required by this section at his business premises, or at such other place as the Attorney General may by regulation prescribe and shall make such records available to the Attorney General for inspection at all reasonable times.

"(d)(1) No information or evidence obtained from records required to be created or maintained by this section shall, except as provided in paragraphs (2) and (3), be used, directly or indirectly, as evidence against any person with respect to any violation of law.

"(2) Paragraph (1) of this subsection shall not preclude the use of such information or evidence in a prosecution or other action for a violation of any applicable provision of law with respect to the furnishing of false information.

"(3) In a prosecution of any person to whom subsection (a) applies for an offense in violation of subsection 2251(a) of this title which has as an element the production of a visual depiction of a minor engaging in or assisting another person to engage in sexually explicit conduct and in which that element is sought to be established by showing that a performer within the meaning of this section is a minor—

"(A) proof that the person failed to comply with the provisions of subsection (a) or (b) of this section concerning the creation and maintenance of records, or a regulation issued pursuant thereto, shall raise a rebuttable presumption that such performer was a minor; and

"(B) proof that the person failed to comply with the provisions of subsection (e) of this section concerning the statement required by that subsection shall raise the rebuttable presumption that every performer in the matter was a minor.

"(e)(1) Any person to whom subsection (a) applies shall cause to be affixed to every copy of any matter described in paragraph (1) of subsection (a) of this section, in such manner and in such form as the Attorney General shall by regulations prescribe, a statement describing where the records required by this section with respect to all performers depicted in that copy of the matter may be located.

"(2) If the person to whom subsection (a) of this section applies is an organization the statement required by this subsection shall include the name, title, and business address of the individual employed by such organization responsible for maintaining the records required by this section.

"(3) In any prosecution of a person for an offense in violation of section 2252 of this title which has as an element the transporting, mailing, or distribution of a visual depiction involving the use of a minor engaging in sexually explicit conduct, and in which that element is sought to be established by a showing that a performer within the meaning of this section is a minor, proof that the matter in which the visual depiction is contained did not contain the statement required by this section shall raise a rebuttable presumption that such performer was a minor.

"(f) The Attorney General shall issue appropriate regulations to carry out this section.

"(g) As used in this section—

"(1) the term 'actual sexually explicit conduct' means actual but not simulated conduct as defined in subparagraphs (A) through (E) of paragraph (2) of section 2256 of this title;

"(2) 'identification document' has the meaning given that term in subsection 1028(d) of this title;

"(3) the term 'produces' means to produce, manufacture, or publish and includes the duplication, reproduction, or reissuing of any material; and

"(4) the term 'performer' includes any person portrayed in a visual depiction engaging in, or assisting another person to engage in, actual sexually explicit conduct.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 110 of title 18, United States Code, is amended by adding after the item relating to section 2256 the following:

"2257. Record keeping requirements.".

(c) EFFECTIVE DATE.—Section 2257 of title 18, United States Code, as added by this section shall take effect 60 days after the date of the enactment of this Act except—

(1) the Attorney General shall prepare the initial set of regulations required or authorized by section 2257 within 30 days of the date of the enactment of this Act; and

(2) subsection (e) of section 2257 of such title and of any regulation issued pursuant thereto shall take effect 90 days after the date of the enactment of this Act.

By Mr. WILSON (for himself, Mr. D'AMATO, Mr. DECONCINI, Mr. DIXON, Mr. GRAMM, Mr. GORTON, Mr. MACK, and Mr. MURKOWSKI):

S. 1040. A bill to require the Secretary of Defense to establish an Anti-Drug Task Force; to the Committee on Armed Services.

ANTI-DRUG TASK FORCE IN THE DEPARTMENT OF DEFENSE

Mr. WILSON. Thank you very much, Mr. President.

Mr. President, I rise today to introduce legislation on behalf of myself and my colleagues Senator D'AMATO, Senator DECONCINI, Senator GRAMM, Senator GORTON, Senator MACK, and

Senator MURKOWSKI. It is with sadness that I rise to do this because this legislation is not an implication but an expressed condemnation of what I deem to be an inadequate effort on the part of the Department of Defense in responding to the charge given to them by Congress in last year's defense authorization bill. At that point, we very clearly indicated the sense of urgency that we attach to their participation in the interdiction of drugs beyond the borders of the United States.

Mr. President, no one on this floor who has paid even casual attention to the many debates that have occurred on how we best approach the problems of drug use can be under any illusion that there is a single aspect that will respond to the total needs. To the contrary, we are bent upon on effort on many fronts to reduce demand, to educate our young people so that they will not engage in perilous experimentation. The emphasis I think perhaps is on prevention because rehabilitation has proved both costly and uncertain.

There are two ways to bring about prevention. One is education, the kind of education that does not simply teach the ills of drug use, but teaches values so that young people are armed with the kind of self-esteem that is their best weapon, their best defense when a drug pusher comes onto their school grounds offering them free drugs.

But if you talk to any law enforcement professional, you will find that they are of the belief, the fervent relief, that their task has been made needlessly difficult and dangerous because of the inordinate volume of drugs entering the United States and particularly those entering across our southern borders in both the Southeast and in the Southwest. It was for that reason that Congress spoke out in the clearest possible terms, in what necessarily must be joint effort between civilian law enforcement authorities and the military, and assigned the Department of Defense the responsibility as the lead agency to coordinate the surveillance, the monitoring, the detection, and the tracking that will so enhance our ability to deter and to prevent the aerial smuggling and smuggling upon the high seas that is increasingly the way in which this incredible volume of dangerous drugs enters our Nation.

But the sad fact, Mr. President, is that DOD has not responded as we hoped with the same urgency felt by the Congress in making that charge to them in the defense authorization bill. To the contrary, what we have seen is a largely bureaucratic response. We are told that they are planning to make plans.

It is not my purpose to pillory the Department of Defense. It is my purpose and that of my colleagues to see to it that they attach the kind of urgency to their responsibility that we have given them. For that purpose we in this legislation require that, as so often in the past when the military has been confronted with a similar challenge, they give to a flag or general officer the responsibility for coordinating the operations of a task force that can operate between regions between commands and, indeed, between services. If we had made the same response to the plight of medical students on the island of Grenada as we have to the responsibility that the military has to the interdiction of drugs, many of those young people might find themselves in confinement.

The parallel yields only a limited analogy, I am quite aware of that. But my point is simply this: The typical bureaucratic response is not good enough, and it is because those law enforcement professionals feel with abundant reason and abundant evidence that their lives have been made needlessly difficult and dangerous as have those of the citizens they are sworn to protect, that we must insist upon an urgency that the Department clearly does not yet feel.

Mr. President, what we have done is to enjoin upon the Department of Defense not congressional macromanagement, but the meeting of a certain minimal standard which is necessary if we are to be serious about their participation.

So, Mr. President, I rise today to protest and to cure the seeming inability of our Government to stem the flow of illegal drugs entering the United States. On almost every day that Congress has been in session, my colleagues and I have demanded repeatedly that we devote more technology and manpower to halting the traffic in this poison which has begun to tear apart our Nation.

We have authorized billions of dollars, created a Cabinet-level position, and amended the defense authorization bill of 1989 to require greater Defense Department participation. These actions have all been welcomed with vows of participation by the affected agencies. Studies have been chartered, advisory groups formed, and money has been spent—all with little apparent effect on the availability of illicit narcotics.

In the 100th Congress we directed the Department of Defense to get involved in the war on drugs. We authorized $300 million and directed DOD to be the lead agency for detecting smugglers in the air and on the seas, coordinating radar activities with civilian authorities, devoting resources fulltime to the interdiction mission, and expanding the role of the National Guard in these efforts.

Yet where do we now stand, Mr. President? The Defense Department tells Congress that it can soon expect a report on a communications network, and that something called a joint operational planning system, or JOPS, will aid in the war on drugs. To me, this plan sounds like a bureaucratic response to an order and a mandate for which the Department has little interest. DOD's February 1989 report on its progress in implementing the Wilson-Nunn amendment tells us that JOPS represents a "phased interaction" between the armed services and the drug enforcement agencies permitting military officials to "focus initially" on integrating detection and monitoring assets with those of the Customs Service and the DEA. This is necessary coordination, but it should not take 7 months to announce this obvious need.

The American people, Mr. President, will not tolerate high rhetoric and more studies as DOD's reply to the demand that the military participate now and participate actively in stopping the flow of drugs into our country. The Wilson-Nunn amendment did not request the Defense Department to undertake a phased interaction or an initial focus. Rather, it gave DOD a clear mandate to devote resources fulltime to the interdiction mission. A communication system and a reporting system may make a contribution somewhere along the line, but it hardly substitutes for military professionals.

The February report, Mr. President, should have listed specific plans, including level of effort assignment of forces such as aircraft, ships, communications networks, intelligence agencies, radars, and other assets that DOD had deployed or will use to assist in solving this problem. In plain words, we should have received a war plan to curb the rising tide of narcotics washing over our society.

Every day, the drug war captures an increasing percentage of American neighborhoods, families, and lives. Hours have been spent on the floor of both Chambers of Congress with Members urging action to contain this scourge. Its impact on the youth of America, its considerable contribution to family disintegration, and its foul sponsorship of vicious crime waves across our Nation's urban landscape. Yet the Defense Department's response to congressionally mandated action has been underwhelming to say the least. We get lots of words, but not much action.

The problem of drugs in America cries for action—not more studies, not more advisory groups, not more jingoisms. We need action.

In terms of our national defense, the principal threat is the Soviet Union and its surrogates. To counter that threat, the Department of Defense leads our well-equipped and capable Armed Forces. We have over 2 million uniformed personnel in the Depart-

ment of Defense whose equipment and infrastructure will cost almost $300 billion.

In the past, when faced with an external threat outside the bounds of our national defense command structure, we have created such a task force to deal with the problem. When the problem was solved, DOD either dissolved the task force or made it a permanent command. To deal with the Cuban missile crisis, for example, the Caribbean Contingency Task Force was created, directed the operation, and then disbanded. The U.S. Central Command was born out of the Rapid Deployment Joint Task Force created to address the instability in the Persian Gulf.

The magnitude of the threat posed by the drug problem in our country calls for a similar bold policy. This morning, I propose through legislation that the four military departments of DOD, in addition to the Coast Guard, form an Anti-Drug Task Force to work in concert with the newly created Office of National Drug Control Policy and the U.S. Customs Service. This bill directs the establishment of a command structure—an Anti-Drug Task Force that in concert with the previously mentioned agencies will wage war on America's drug problem. It is my intention that this legislation will motivate the Defense Department to develop a strategy—as it did with the Cuban and Persian Gulf crises—for the dedication of equipment and manpower to fighting the battle against narcotics.

Now the Defense Department, Mr. President, is no stranger to drug interdiction activities. Since 1984, DOD has received an average of 9,800 requests annually from Federal civilian authorities to lend equipment or radar devices for use in interdiction operations and honored over 99 percent of them. Customs and DEA both report that F-15, F-16, and E-2C radars loaned or purchased from DOD, as well as Blackhawk Helicopters and P-3 aircraft, have proven their worth in combating the flow of drugs into the Nation. Furthermore, the military accounted for approximately 28 percent of all U.S. Government expenditures for interdiction in fiscal year 1987. More importantly, the Defense Department has some of the world's most sophisticated radar systems to help identify and track aircraft in a very high traffic environment.

DOD can clearly do more but for some reason lacks the enthusiasm. The General Accounting Office concluded last year that "clear evidence" existed of a greater need for more aircraft, vessels, motion sensors, night-vision goggles, and radar on the part of drug interdiction law enforcement agencies. GAO went on to identify the Defense Department as a logical source for these assets. And the Rand Corp., for example, in a 1988 study generally critical of involving DOD in this mission, acknowledged that "military aircraft have, and continue to have, a role in the program to interdict air smugglers." This document further stated that E-2 and E-3 reconnaissance craft can make a vital contribution to stemming the tide of illegal drugs. It also proposed that the Air Force and the Navy conduct surveillance sorties at drug traffic saturation points identified by Customs and the Coast Guard.

No one, therefore, including the leadership of the Defense Department and the academic critics, questions the fact that the military has appropriate resources to fight drug smugglers and has actually put some of those resources to productive use. But the problem that this legislation seeks to remedy, Mr. President, is the lack of a coherent and sufficiently aggressive strategy within the Armed Forces to supplement civilian interdiction programs on a sustained basis.

Indeed, the threat is real, it is present, and it grows by the hour. I find it difficult to accept the argument that expanding DOD's role in drug interdiction will somehow detract from the mission readiness of our combat forces when the immediate combat mission is to control the attack on our borders launched by the international drug cartels. I also find it difficult to accept the argument that the Defense Department lacks the money to fight this war when it has obligated only one-sixth of the funds allocated last year by the Wilson-Nunn amendment. Yet despite this record, the Department has submitted a request for another $317 million for drug interdiction activities during fiscal year 1990.

We can ask our military to do more than study the problem. As a member of the Senate Armed Services Committee, I know full well the importance and need of a strong national defense. In no way am I suggesting the relaxation of our worldwide commitment to the cause of freedom. I am suggesting, however, that the battlefield for the moment is at our very shores. We have a challenge to conquer and a responsibility to our citizens to defeat the menace over land, on the seas, and through the skies. Let us not delay for another moment the needed mobilization of forces to defeat this very real threat to life in America as we know it.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1040

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. FINDINGS.

Congress makes the following findings:

(1) Section 1102 of the National Defense Authorization Act, Fiscal Year 1989, designates the Department of Defense as the single lead agency of the Federal Government for the detection and monitoring of the aerial and maritime transit of illegal drugs into the United States.

(2) The large volume of illegal drugs entering United States territory from foreign sources poses a direct and immediate threat to the national security of the United States.

(3) The Department of Defense, as a result of its vast air, sea, and ground reconnaissance capabilities, is the appropriate agency for identifying and tracking illegal narcotics traffickers.

(4) The Department of Defense must increase and focus its actions in implementing the drug interdiction and law enforcement support provisions of title XI of the National Defense Authorization Act, Fiscal year 1989.

(5) The Department of Defense has established task forces in the past, including task forces in connection with the Cuban missile crisis and the Persian Gulf crisis, to integrate the assets of the Armed Forces of the United States to meet more effectively threats to the security of the United States.

SEC. 2. ANTI-DRUG TASK FORCE.

(a) ESTABLISHMENT AND COMPOSITION.—Not later than 15 days after the date of the enactment of this Act, the Secretary of Defense shall establish an Anti-Drug Task Force (hereinafter referred to as the "Task Force") composed of personnel from the Army, Navy, Air Force, Marine Corps, Coast Guard, and the United States Customs Service. The Chairman of the Task Force shall be a commissioned officer of the Armed Forces in the grade of lieutenant general or vice admiral. The Chairman shall report directly to the Joint Chiefs of Staff.

(b) DUTIES.—The Task Force shall, in consultation and cooperation with the Director of National Drug Control Policy, develop a plan for the support of the drug interdiction activities of federal law enforcement agencies. The plan shall provide for the assignment of duties to Armed Forces personnel, and the use of equipment, facilities, and resources of the Department of Defense, in support of the efforts of those agencies to interdict the entry of illegal drugs into the United States by land, sea, and air.

(c) REPORT.—Not later than 30 days after the date of the enactment of this Act, the Secretary of Defense and the Director of National Drug Control Policy shall submit to Congress a joint report on the activities of the Task Force.

By Mr. CONRAD (for himself, Mr. DASCHLE, Mr. BOREN, Mr. HARKIN, Mr. KERREY, Mr. DIXON, and Mr. BURDICK):

S. 1041. A bill to amend the Internal Revenue Code of 1986 to provide tax relief for farmers who realize capital gain on the transfer of farm property to satisfy an indebtedness, and for other purposes; to the Committee on Finance.

FARM DEBT TAX REFORM ACT

Mr. CONRAD. Mr. President, today I am introducing the Farm-Debt Tax Reform Act of 1989, a bill which addresses a number of special tax problems which can arise when farm assets are liquidated to satisfy farm debts or

when farmers attempt to restructure their debts. This reform is absolutely essential to insure that the debt restructuring provisions of the Agricultural Credit Act of 1987 are implemented as Congress intended. Joining me on this legislation are Senator TOM DASCHLE, Senator DAVID BOREN, Senator TOM HARKIN, Senator BOB KERREY, Senator QUENTIN BURDICK, and Senator ALAN DIXON. I want to thank Senator TOM DASCHLE, Senator DAVID BOREN, Senator TOM HARKIN, and their staffs for their advice and assistance on this legislation. I would also like to thank the Center for Rural Affairs in Walthill, NE, for their assistance.

The Agricultural Credit Act of 1987 provided for a rational, systematic approach to handling the delinquent farm debt resulting from the farm depression of the 1980's. As many of you know, net farm income during the first 5 years of the 1980's fell to the lowest level—in real dollars—since record keeping began in 1910—lower even than the worst 5 years during the Great Depression.

The deep recession of the 1980's left thousands of farmers with huge debts which they could no longer pay. The value of assets used in farming—land and machinery—plummeted in value by 50 percent or more. As a consequence thousands of farmers' debts exceeded the value of their assets. The Agricultural Credit Act offers farmers an orderly means of restructuring farm debt when restructuring result in a greater recovery to the lender than foreclosure. This orderly process can salvage a significant portion of the outstanding debt—strengthening the Farm Credit System, reducing losses to the Farmers Home Administration, and helping farmers with a crushing financial burden.

The Agricultural Credit Act of 1987 is a wise policy approach to the farm crisis and will be an important tool in the effort to rebuild rural America. The act gave farmers across the country the hope that they would be able to rebuild their lives and their farming operations. But without some corresponding changes in the tax law, that chance for a fresh start will elude many farm families. Many farmers who have applied for relief under the Agricultural Credit Act are finding that the tax consequences of their plans can be overwhelming. Other farmers who have lost everything and are now trying to start new lives and new professions—often at the age of 50 or 60—are faced with massive tax bills—the final insult to the loss of their homes and livelihoods.

One set of problems arises for farmers when they sell or deed over property to the lenders to satisfy their debts. If the property is worth more than they originally paid for it—even though it is encumbered with debt in excess of its value when deeded back—the farmer will have to count the difference as a capital gain and pay tax on it. It is the same tax a farmer would face if he sold the land free of debt, only in this case all the proceeds or the property itself goes to the lender. This is a particular problem for older, low-income farmers whose only option is to liquidate. If they bought their farms in the 1950's, the so-called gains can be significant.

Let me provide a numerical example. Suppose a farmer purchased land for $75,000 in 1955 and subsequently borrowed $200,000 on the land for farming purposes—a harvesting machine, for example, can cost $100,000—at a time when the land was worth $300,000. Today due to the farm recession, the land is worth $150,000 but has a debt of $200,000 against it. If the farmer conveys the land back to his lender to satisfy part of his debt he will have to pay a tax bill on $75,000 capital gain and on $50,000 forgiveness of debt income even though those gains really do not exist.

To offset this income, he can draw on any tax attribute such as operating losses and carryovers that he has. He will not be able to deduct 60 percent of the capital gain as he could before the 1986 tax act, nor can he average his income over a 5-year period. He will be taxed on the remainder unless he is insolvent.

In the example above, the farmer may be scaling down his farming operation to improve his cash flow or turning back the whole farm with the intent of repurchasing his home and a few acres. In either case, if the farmer is unable to pay the resulting tax liability, he will be unable to restructure. In fact, in most cases, even bankruptcy will not relieve the farmer of this tax liability. If rural America is to recover from the farm crisis, we have to leave these people with more than a tax bill.

This legislation addresses both of these problems for farmers who clearly lack the ability to pay. The bill would provide an exclusion of capital gain or discharge of indebtedness income for taxpayers who meet the following three tests: First, 50 percent of the taxpayer's gross receipts in at least 6 of these last 10 years must be attributable to farming; second, modified adjusted gross income is less than the national median; and third, equity in all property is less than $25,000 or 150 percent of the tax liability.

The exclusion is limited to $350,000 in capital gain or discharge of indebtedness income over the taxpayer's lifetime, and is available only after remaining tax attributes have been used.

Mr. President, I believe these tests are a fair way to target this relief. They are devised to prevent abuse and the possibility of manipulation by speculative investors or wealthy individuals.

These criteria are intended to provide a fresh start to farmers of modest income and means. This legislation is a responsible approach to the tax consequences of farm liquidation and debt restructuring. Like the Agricultural Credit Act of 1987, this bill balances public costs and budget constraints against the public obligation to respond to the farm crisis. It does nothing more than put farm families in a position from which they can rebuild their lives.

To sum up, this bill is a vital complement to the Agricultural Credit Act of 1987. Debt restructuring will not provide the opportunities we envision for farmers if it results in tax liabilities that they have no hope of ever being able to pay. I urge my colleagues to examine the effects of our current tax law on restructuring and to carefully review this legislation.

I ask unanimous consent that a letter to me from the National Save the Family Farm Coalition, dated May 1, 1989, and a section-by-section analysis and the text of the bill be printed in the RECORD.

There being no objection, the material was order to be printed in the RECORD, as follows:

S. 1041

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Farm Debt Tax Reform Act of 1989".

SEC. 2. CAPITAL GAIN REALIZED FROM TRANSFER OF FARM PROPERTY IN COMPLETE OR PARTIAL SATISFACTION OF QUALIFIED FARM INDEBTEDNESS EXCLUDED FROM GROSS INCOME.

(a) IN GENERAL.—Part III of subchapter B of chapter 1 of the Internal Revenue Code of 1986 (relating to items specifically excluded from gross income) is amended by redesignating section 135 as section 136 and by inserting after section 134 the following new section:

"SEC. 135. CAPITAL GAIN REALIZED FROM TRANSFER OF FARM PROPERTY IN COMPLETE OR PARTIAL SATISFACTION OF QUALIFIED FARM INDEBTEDNESS.

"(a) IN GENERAL.—Gross income of any taxpayer described in subsection (d) does not include so much of the gain from the transfer of farm property in complete or partial satisfaction of qualified farm indebtedness as does not exceed $350,000.

"(b) PRIOR GAINS AND DISCHARGES OF INDEBTEDNESS TAKEN INTO ACCOUNT.—

"(1) IN GENERAL.—If for any prior year—

"(A) gain from the transfer of farm property in complete or partial satisfaction of qualified farm indebtedness, or

"(B) a discharge of such indebtedness,

is excluded from the taxpayer's gross income under subsection (a) of this section or section 108(g), respectively, subsection (a) of this section shall be applied for the taxable year with respect to such gain by reducing the dollar amount contained in such subsection by the such excluded prior year gains and discharges.

"(2) CURRENT YEAR COORDINATION WITH SECTION 108.—Subsection (a) of this section shall be applied for the taxable year with respect to any gain by reducing the dollar amount contained in such subsection (after any reduction under paragraph (1)) by any amount excluded from gross income under section 108 for such year.

"(c) REDUCTION OF TAX ATTRIBUTES.—

"(1) IN GENERAL.—The amount excluded from gross income under subsection (a) shall be applied to reduce the tax attributes described under section 108(b)(2).

"(2) COORDINATION WITH SECTION 108.—For purposes of this subsection, the amount of tax attributes shall be determined after any reduction under section 108(b) by reason of amounts excluded from gross income under section 108(a)(1).

"(d) TAXPAYER DESCRIBED IN THIS SUBSECTION.—

"(1) IN GENERAL.—A taxpayer is described in this subsection if—

"(A) such taxpayer's modified adjusted gross income for the taxable year in which the transfer of farm property in complete or partial satisfaction of qualified farm indebtedness occurs is less than 100 percent of the national median adjusted gross income,

"(B) more than 50 percent of the gross receipts of the taxpayer for 6 of the 10 taxable years preceding such taxable year are attributable to—

"(i) the trade or business of farming (within the meaning of section 2032A(e)(5)), or

"(ii) the sale or lease of assets used in such trade or business, or

"(iii) both,

"(C) such taxpayer materially participates (within the meaning of section 2032A(e)(6)) in the trade or business described in subparagraph (B)(i), and

"(D) equity in all property held by the taxpayer after such transfer is less than the greater of —

"(i) $25,000, or

"(ii) 150 percent of the excess (if any) of—

"(I) the tax imposed by this chapter determined as if this section and section 108 did not apply to the transfer, over

"(II) the tax imposed by this chapter determined with regard to this section and section 108 (if applicable).

"(2) MODIFIED ADJUSTED GROSS INCOME.—For purposes of this subsection, the term 'modified adjusted gross income' means adjusted gross income—

"(A) determined with regard to this section and section 108, and

"(B) increased by the amount of interest received or accrued by the taxpayer during the taxable year which is exempt from tax.

"(3) EQUITY.—For purposes of this subsection, the term 'equity' means, with respect to any property, an amount equal to—

"(A) the fair market value of such property, minus

"(B) any indebtedness relating to such property.

"(e) FARM PROPERTY.—For purposes of this section, the term 'farm property' means real and personal property used by the taxpayer in the trade or business of farming (within the meaning of section 2032A(e)(5)).

"(f) QUALIFIED FARM INDEBTEDNESS.—For purposes of this section, indebtedness of a taxpayer shall be treated as qualified farm indebtedness if such indebtedness was incurred directly in connection with the operation by the taxpayer of the trade or business of farming (within the meaning of section 2032A(e)(5)).".

(b) CLERICAL AMENDMENT.—The table of sections for part III of subchapter B of chapter 1 of such Code is amended by striking out the item relating to section 135 and inserting in lieu thereof the following new items:

"Sec. 135. Capital gain realized from transfer of farm property in complete or partial satisfaction of qualified farm indebtedness.

"Sec. 136. Cross references to other Acts.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to transfers occurring after December 31, 1986, in taxable years ending after such date.

SEC. 3. EXCLUSION OF DISCHARGE OF QUALIFIED FARM INDEBTEDNESS FROM GROSS INCOME INCREASED FOR CERTAIN SOLVENT FARMERS.

(a) IN GENERAL.—Section 108(g) of the Internal Revenue Code of 1986 (relating to special rules for discharge of qualified farm indebtedness) is amended by adding at the end thereof the following new paragraph:

"(4) SPECIAL LIMITATIONS FOR CERTAIN FARMERS.—

"(A) IN GENERAL.—With respect to a taxpayer who is described in subparagraph (C) of this paragraph—

"(i) the amount excluded under subparagraph (C) of subsection (a)(1) shall not exceed $350,000, and

"(ii) paragraph (2) of this subsection shall be applied without regard to subparagraph (B) thereof.

"(B) PRIOR DISCHARGES OF INDEBTEDNESS AND GAINS TAKEN INTO ACCOUNT.—If for any prior year—

"(i) a discharge of qualified farm indebtedness, or

"(ii) gain from the transfer of farm property in complete or partial satisfaction of such indebtedness,

is excluded from the taxpayer's gross income under this subsection or section 135, respectively, subparagraph (A) shall be applied for the taxable year with respect to such discharge by reducing the dollar amount contained in such subparagraph by the such excluded prior year discharges and gains.

"(C) TAXPAYER DESCRIBED IN THIS SUBPARAGRAPH.—A taxpayer is described in this subparagraph if—

"(i) such taxpayer's modified adjusted gross income for the taxable year in which the discharge of qualified farm indebtedness occurs is less than 100 percent of the national median adjusted gross income,

"(ii) more than 50 percent of the gross receipts of the taxpayer for 6 of the 10 taxable years preceding such taxable year are attributable to—

"(I) the trade or business of farming (within the meaning of section 2032A(e)(5)), or

"(II) the sale or lease of assets used in such trade or business, or

"(III) both,

"(iii) such taxpayer materially participates (within the meaning of section 2032A(e)(6) in the trade or business described in clause (ii)(I),

"(iv) the indebtedness of the taxpayer both before and after such discharge is equal to 70 percent or more of the equity in all property held by such taxpayer,

"(v) equity in all property held by the taxpayer after such discharge is less than the greater of—

"(I) $25,000, or

"(II) 150 percent of the excess (if any) of the tax imposed by this chapter determined as if this section and section 135 did not apply to the transfer, over the tax imposed by this chapter determined with regard to this section and section 135 (if applicable), and

(vi) such taxpayer, in transferring property in connection with the discharge of qualified farm indebtedness, transfers only farm property.

"(D) DEFINITIONS.—For purposes of this paragraph—

"(i) FARM PROPERTY.—The term 'farm property' means real and personal property used by the taxpayer in the trade or business of farming (within the meaning of section 2032A(e)(5)).

"(ii) MODIFIED ADJUSTED GROSS INCOME.—The term 'modified adjusted gross income' means adjusted gross income—

"(I) determined with regard to this section and section 135, and

"(II) increased by the amount of interest received or accrued by the taxpayer during the taxable year which is exempt from tax.

"(iii) EQUITY.—The term 'equity' means, with respect to any property, an amount equal to—

"(I) the fair market value of such property, minus

"(II) any indebtedness relating to such property.".

(b) CONFORMING AMENDMENT.—Subparagraph (A) of section 108(g)(3) of such Code is amended by striking out "The amount" and inserting in lieu thereof "Except as provided in paragraph (4), the amount".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to discharges of indebtedness occurring after December 31, 1986, in taxable years ending after such date.

FARM-DEBT TAX REFORM ACT OF 1989
SECTION-BY-SECTION ANALYSIS

Section 1: Short title. This Act may be cited as the "Farm Debt Tax Reform Act of 1989".

Section 2: Provides an exclusion for capital gains that arise when farm property is transferred to a lender in exchange for debt relief if the following conditions apply:

The exclusion of gains under this section (plus the exclusion of ordinary income in Section 2) does not exceed $350,000 over the taxpayer's lifetime;

The excluded amounts are used to reduce tax attributes to the extent possible;

The taxpayer's modified adjusted gross income is less than 100 percent of the national median adjusted gross income;

At least 50 percent of the taxpayer's gross receipts in at least 6 of the last 10 years is attributable to farming or the lease or sale of assets used in farming, and the taxpayer must have materially participated in the trade or business of farming;

The taxpayer's equity in all post-transfer property is less than $25,000 or 150 percent of the tax liability, whichever is greater.

Definitions: Modified adjusted gross income means adjusted gross income plus any tax-exempt income minus capital gains and discharge of indebtedness income;

Equity means the fair market value of property minus any indebtedness on such property;

Tax liability for the purpose of the equity test is the difference between the tax that would be owed under the current law and the tax that would be owed under the bill;

Farm property means real and personal property used in connection with the trade or business of farming; and

Qualified farm indebtedness specifies the farming purposes (cultivation of soil, han-

dling of animals, forestry, etc.) for which the debt was incurred.

Effective date: Section 1 applies to all transfers occurring after December 31, 1986.

Section 3: Provides for an exclusion of discharge of indebtedness income (ordinary income) for farmers who meet the following conditions, as an alternative to the 50 percent farm income test which now provides a limited exclusion for solvent taxpayers under section 108(g):

The exclusion is limited to $350,000 over the taxpayer's lifetime (counting any excluded gains under Section 1);

The taxpayer's modified adjusted gross income in the year of the discharge is less than 100 percent of the national median adjusted gross income;

At least 50 percent of the taxpayer's gross receipts in at least 6 of the last 10 years is attributable to farming or the lease or sale of assets used in the trade or business of farming and the taxpayer must have materially participated in the trade or business of farming;

The taxpayer's debt of equity ratio both before and after the transfer is at least 70 percent;

The taxpayer's equity in all post-transfer property is less than $25,000 or 150 percent of tax liability, whichever is greater.

Definitions: same as for Section 1.

Effective date: Section 2 applies to all transfers and restructuring occurring after December 31, 1986.

NATIONAL SAVE THE FAMILY FARM COALITION,
Washington, DC, May 1, 1989.

Hon. KENT CONRAD,
U.S. Senate, Washington, DC.

DEAR SENATOR CONRAD: On behalf of the Credit Committee of the National Family Farm Coalition representing over 40 organizations in 35 states, I would like to express our strong support for the Farmer Tax Reform Act of 1989 and to thank you for your leadership on this most important issue. The hard-fought victory for families in the Agricultural Credit Act of 1987 providing sensible debt restructuring when it is the least cost alternative will be a hollow victory if the FmHA debt is replaced by a lifetime IRS debt.

As family farmers struggling to save our farming operations through the new debt restructuring options in the Agricultural Credit Act and fair treatment under Chapter 12 bankruptcy, we view this new legislation as a top priority to achieve the goal of enabling family farmers to stay on their farms and in their rural communities.

As you are most aware Senator Conrad, the past six months have been a period of uncertainty for tens of thousands of family farmers struggling to work through the FmHA debt restructuring process. For thousands more, the Farm Credit Services have not provided farmers with the kind of debt restructuring many of us had hoped would be the outcome of the Ag Credit Act. Some farmers have received the good news that they are eligible for a debt-write down or other option as it is the least cost alternative to the federal government in resolving their debt crisis. For these farmers, the tax implications of debt-write down or past debt settlements with FmHA are unclear.

We look forward to working with you to ensure passage of this important legislation. To farmers planting this Spring, your leadership and action is a sign that there is a commitment to seeing the Agricultural Credit Act really help farmers stay on their farms and in their rural communities. We thank you for your support.

Sincerely,

BENNY BUNTING,
Chair, NFFC Credit Committee.

By Mr. DURENBERGER:

S. 1042. A bill to suspend temporarily the duty on certain in-line roller skate boots; to the Committee on Finance.

SUSPENSION OF DUTY ON IN-LINE ROLLER SKATE BOOTS

● Mr. DURENBERGER. Mr. President, I rise to introduce legislation that would temporarily suspend tariffs on certain boots that are incorporated into in-line roller skates manufactured and assembled in the United States. This legislation would help overcome an unfair competitive advantage that importers of fully assembled roller skates currently have against domestic roller skate manufacturers.

Rollerblade, Inc., a Minnesota corporation, manufactures in-line roller skates. Some of the roller skate components used by this company are domestically sourced, and others are imported from Italy, Austria, and Taiwan.

Currently, skate boots imported for the roller skate carry a 6-percent duty. These skate boots are not useable in the form in which they enter the country. Instead, they must go through a manufacturing process to have "wheel supports" attached.

Rollerblade's domestic competitors import finished roller skates from Taiwan. As a finished product, these roller skates enter the United States duty free. This clearly enables domestic competitors who import finished products to gain an unfair, and unintended, competitive advantage against a company that is creating manufacturing jobs in the United States. That makes no sense.

My legislation would redress this unfair competitive advantage by reclassifying these boots as duty-free roller skate parts.

Mr. President, I ask unanimous consent that the full text of the legislation I am introducing be reprinted in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1042

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Subchapter II of chapter 99 of the Harmonized Tariff Schedule of the United States is amended by inserting in numerical sequence the following new subheading:

"9902.64.02	Skating boots (provided for in subheading 6402.19.10) actually used in the manufacture of roller skates with in-line roller skates attached.	Free ...	No change ...	No change.. On or before 12/31/92".

SEC. 2. (a) The amendment made by the first section of this Act applies with respect to articles entered, or withdrawn from warehouse for consumption, on or after the 15th day after the date of enactment of this Act.

(b) Notwithstanding section 514 of the Tariff Act of 1930 or any other provision of law, upon proper request filed with the appropriate customs officer within 90 days after the 15th day after the date of enactment of this Act, any entry—

(1) that was made after April 30, 1986, and before such 15th day; and

(2) with respect to which there would have been no duty if the amendment made by the first section of this Act applied to such entry;

shall be liquidated or reliquidated as though such amendment applied to such entry.●

By Mr. FORD (for himself, Mr. LAUTENBERG, and Mr. MITCHELL):

S. 1043. A bill to establish a Commission on Aviation Security and Terrorism to investigate the adequacy of and compliance with aviation security procedures and Federal Aviation Administration security requirements; to the Committee on Commerce, Science, and Transportation.

AVIATION SECURITY AND TERRORISM COMMISSION ACT OF 1989

● Mr. FORD. Mr. President, the tragic loss of Pan American Airways flight 103 over Scotland on December 21, 1988 has focused the attention of the world on the critical importance of aviation security. The resulting loss of 259 lives aboard the Boeing 747 aircraft, as well as 11 others in the town of Lockerbie, underscores the importance of our making every effort to improve the aviation security and counterterrorism activities of the United States.

Much has been done in the intervening months by the Secretary of Transportation and the Federal Aviation Administration to enhance aviation security. However, many continue to harbor concerns that these actions are too late and that more must be done. I share the belief that we must do whatever is necessary to ward off international terrorism and protect the lives of American citizens.

On April 3 of this year, the families of the victims of Pan Am 103 support group traveled to Washington at their own expense, seeking support for an independent investigation into the circumstances surrounding the bombing of Pan Am 103. Mr. President, that effort carries on today. Family members of those who lost their lives last December continue to call for a con-

gressional investigation to resolve unanswered questions, contentions, and allegations regarding the events leading up to and surrounding the Pan Am 103 incident. By their most recent count, the victims' families claim the support of 60 Senators for such an investigation.

As chairman of the Aviation Subcommittee, it is my belief that if an investigation is to be conducted into this tragic incident, it is best done by an independent group, comprised not only of Members of Congress, but experts in aviation safety and security as well. Such a group will ensure that all concerns related to this incident are addressed and, hopefully, resolved.

That is my sole motivation behind this bill. But it is my sincere hope that this effort will receive the support of the victims' family members, as well as others interested in seeing the enhancement of aviation security.

Mr. President, I'd like now to briefly summarize the major provisions of this legislation.

The Aviation Security and Terrorism Commission would be made up of nine members, including two Members of the Senate and two Members of the House of Representatives. Other members specified for the Commission include the Secretary of Transportation, the Chairman of the National Transportation Safety Board, a representative of the commercial air transportation industry, a representative from the intelligence community, and a member of the victims of Pan Am 103 family support group.

This Commission, which would have 9 months to investigate the events surrounding both the Pan Am 103 incident, as well as the 1983 shootdown of Korean Air Lines flight 007 over the Pacific Ocean, would be directed to report back to the President and the Congress on several issues related to aviation security. Specific items to be addressed include the adequacy of aviation security procedures; the adequacy of air carrier and airport compliance with FAA security requirements; the FAA's capabilities to enforce these requirements; whether aviation security procedures and requirements were adequately complied with prior to December 21, 1988; and the coordination among Federal agencies of aviation security and related counterterrorism procedures and practices involving the gathering, assessment, and distribution of intelligence. Upon completion of its investigation, the Commission is directed to make recommendations for changes in all laws, policies, and regulations relating to the security of commercial air transportation.

Importantly, this bill directs the Commission to prepare a separate report for public distribution, ensuring the needed protection of information on critical aviation security matters. This public document would therefore exclude any information that is classified or which the Commission feels would threaten the safety of air travel.

Mr. President, let me stress that this would not be an effort to duplicate or interfere with the ongoing criminal investigation into the Pan Am 103 incident. And, equally important, by proposing the establishment of this Commission, we are not calling into question the action of our European allies who have been working with the Secretary of Transportation to make improvements in aviation security. Rather, it is simply our effort to respond to the desires of those who have suffered most as a result of this incident, as well as our compelling desire to avoid its future repetition.

Mr. President, the Secretary of Transportation has said that an independent investigation of this type is not needed. Let me respond by saying that in my view, there are too many unanswered questions that need to be addressed in complete fashion before we can satisfactorily put this matter behind us.

The Aviation Security and Terrorism Commission is our effort to do that. It is also part of our overall effort to enhance aviation security. I therefore urge my colleagues support for this measure, and ask unanimous consent that the bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1043

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. That this Act may be cited as the "Aviation Security and Terrorism Commission Act of 1989".

ESTABLISHMENT OF COMMISSION

SEC. 2. There is established a commission to be known as the Commission on Aviation Security and Terrorism (hereinafter referred to as the "Commission").

MEMBERSHIP OF COMMISSION

SEC. 3. (a)(1) The Commission shall be composed of 9 members, who shall be as follows:

(A) The Secretary of Transportation.

(B) 2 Senators appointed by the President pro tempore of the Senate after consultation with the Majority Leader and Minority Leader of the Senate.

(C) 2 Members of the House of Representatives appointed by the Speaker of the House after consultation with the Majority Leader and the Minority Leader of the House of Representatives.

(D) The Chairman of the National Transportation Safety Board.

(E) 3 members appointed by the President, of whom 1 shall be a representative of the commercial air transportation industry, 1 shall be a representative of the intelligence community, and 1 shall be a representative of the family support group known as the Victims of Pan Am Flight 103.

(2) Appointments of members under paragraph (1)(B), (C), and (E) shall be made not later than 30 days after the date of enactment of this Act.

(b) The Commission shall elect a Chairperson from among the members of the Commission.

(c) A majority of the members of the Commission shall constitute a quorum for the transaction of business.

(d) Each member of the Commission shall be entitled to 1 vote, which shall be equal to the vote of every other member of the Commission.

(e) Any vacancy on the Commission shall not affect its powers, but shall be filled in the manner in which the original appointment was made.

FUNCTIONS OF COMMISSION

SEC. 4. (a) The Commission shall undertake an investigation into aviation security and terrorism focusing on the events leading up to and surrounding the destruction of Pan American World Airways flight 103 on December 21, 1988, and the destruction of Korean Air Lines flight 007, which was destroyed over the Pacific Ocean on August 31, 1983.

(b) The Commission shall submit a report not later than 9 months after the date of enactment of this Act, to the President and to the appropriate committees of the Congress. Such report shall include an assessment of—

(1) the adequacy of aviation security procedures and practices;

(2) the adequacy of the compliance of air carriers and airports with the security requirements of the Federal Aviation Administration;

(3) the ability of the Federal Aviation Administration to enforce such security requirements;

(4) whether these procedures and requirements were adequately complied with prior to December 21, 1988; and

(5) the coordination among Federal agencies of aviation security and related counterterrorism procedures and practices, including procedures and practices involving the gathering, assessment, and distribution of intelligence.

(c) In its report, the Commission shall make recommendations for changes in all laws, policies, and regulations relating to security of commercial air transportation.

(d) The Commission shall also prepare a separate version of its report for public distribution, excluding such information that is classified or the disclosure of which would threaten the safety of air travel.

POWERS OF COMMISSION

SEC. 5.(a) The Commission may, for the purpose of carrying out the provisions of this Act, hold such hearings, sit, and act at such times and places as the Commission may find advisable.

(b) The Commission may adopt such rules and regulations as may be necessary to establish its procedures and to govern the manner of its operations, organizations, and personnel.

(c) The Commission may request from the head of any Federal agency or instrumentality such information, including classified information, subject to appropriate safeguards, as the Commission may require for the purpose of this Act. Each such agency or instrumentality shall, to the extent permitted by law and subject to the exceptions set forth in section 552 of title 5, United States Code, furnish such information to

the Commission, upon request made by the Chairperson of the Commission.

(d) Upon the request of the Chairperson of the Commission, the head of any Federal agency or instrumentality shall, to the extent possible and subject to the discretion of such head—

(1) make any of the facilities and services of such agency or instrumentality available to the Commission; and

(2) detail any of the personnel of such agency or instrumentality to the Commission, on a reimbursable basis, to assist the Commission in carrying out its duties under this Act, except that any expenses of the Commission incurred under this paragraph shall be subject to the limitation set forth in section 7.

(e) The Commission may use the United States mails in the same manner and under the same conditions as other Federal agencies.

(f) The Commission may enter into contracts with private firms, institutions, and individuals for the purpose of conducting research necessary to enable the Commission to discharge its duties under this Act, subject to the limitation on total expenses set forth in section 7.

(g) Subject to such rules and regulations as may be adopted by the Commission and subject to the limitation on total expenses set forth in section 7, the Chairperson of the Commission shall, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to General Schedule pay rates, have the power to appoint, terminate, and fix the compensation of such staff personnel as the Chairperson considers necessary.

COMPENSATION OF MEMBERS

SEC. 6. Members of the Commission shall serve without compensation, but shall be reimbursed for travel or transportation expenses under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business and engaged in the actual performance of duties of the Commission.

EXPENSES OF COMMISSION

SEC. 7. (a) Any expenses of the Commission shall be paid from such funds as may be available to the Secretary of Transportation.

(b) The total expenses of the Commission shall not exceed $1,000,000.

(c) Prior to the termination of the Commission pursuant to section 8, the Comptroller General of the United States shall conduct an audit of the financial books and records of the Commission to determine that the limitation on expenses has not been exceeded, and shall include its determination in an opinion to be included in the report of the Commission.

TERMINATION OF COMMISSION

SEC. 8. The Commission shall cease to exist on the date that is 30 days after the date on which the Commission submits its report.

● Mr. LAUTENBERG. Mr. President, I am pleased to join my distinguished colleague from Kentucky, Senator FORD, and our distinguished majority leader, Senator MITCHELL, in introducing this bill to establish a Commission on Aviation Security and Terrorism.

The goal of this Commission would be to get the answers to the lingering questions surrounding the tragic bombing of Pan Am flight 103 on December 21, 1988. Further, it would evaluate our Nation's ability to respond to the terrorist threats posed to civil aviation, and make recommendations for improving those efforts.

On March 17, I introduced Senate Resolution 86, which called on the President to appoint an independent commission to conduct this investigation and review. I was joined on that day by Senators FORD, HOLLINGS, BRADLEY, MIKULSKI, D'AMATO, HEINZ, SARBANES, and MOYNIHAN. There are now 19 cosponsors to Senate Resolution 86.

Unfortunately, the President has chosen not to appoint such a commission. The administration has taken the position that internal reviews will be sufficient to correct the problems that allowed the bombing of Pan Am 103 to take place, so that more American lives won't be lost to such terrorism.

By introducing this bill, we are saying we don't agree. Mr. President, I would say that, for this Senator, it is not a matter of not taking the administration at its word; that word being the President's stated commitment to finding the answers and improving aviation security. But rather, as I've stated before, it's a question of jurisdiction. The issues involved fall under the purview of several Federal departments and agencies. Similarly, they fall under the jurisdiction of a number of different committees in the Senate and House.

It continues to be my belief that the best way to address the serious concerns about Pan Am 103 and our aviation security programs overall is through a single, comprehensive review of the facts. A commission like that outlined in the bill we're introducing today would meet that standard.

This Commission would have nine members: two each from the House and Senate; one from the Department of Transportation; one from the intelligence community; one from the National Transportation Safety Board; one from the airline industry; and one from the victims of Pan Am 103, the group of families and friends of those killed on that flight.

I believe that this composition would allow for a thorough, fair investigation. The intention would not be to repeat or overlap ongoing criminal investigations. Its goal would not be to point fingers; but rather to point out needed changes.

Mr. President, we were all touched by the tragic destruction of Pan Am flight 103 on December 21 over Lockerbie, Scotland. That bombing was an unprecedented assault on America and American citizens. It is our responsibility to find out all we can about how the bombing happened, and do what we can to prevent such attacks in the future.

But today, almost 4 months after their loved ones were so viciously taken from them, these people still don't have the answers they deserve. They don't know who knew what, when they knew it, what was done with the information, and what should have been done. Further, there continue to be unanswered questions about whether we're doing all we can to protect the lives of the millions of Americans traveling abroad each year.

On March 14, the Subcommittee on Transportation of the Senate Appropriations Committee held a hearing to look into the Pan Am 103 bombing. At that hearing, important information was withheld from the subcommittee. It was only when press reports in Europe disclosed that there had been a security bulletin issued to our air carriers because of a possible threat from terrorists that the administration admitted to the existence of such information.

It is unacceptable to have important information continue to come out piecemeal. We must get the facts, so we can improve the efficiency of our aviation security system. This requires a close look at the events leading up to the bombing of Pan Am 103 and a comprehensive look at how our Government addresses the growing problem of aviation terrorism.

The bill Senators FORD, MITCHELL, and I are introducing today provides a means of getting such a review. I applaud Senator FORD for his efforts, and urge my colleagues to support this bill.

Mr. President, in closing I would note that the families and friends of those killed on Pan Am 103 continue to call for a full Senate investigation, separate from the Commission that would be established by this bill. They've been frustrated by the administration's refusal to agree to an independent review. I greatly respect their refusal to take "no" for an answer, and will continue to work on their behalf to request a separate Senate investigation, as well.●

By Mr. DOLE (for himself, Mr. BOREN, Mrs. KASSEBAUM, Mr. NICKLES, Mr. BENTSEN, Mr. GRAMM, Mr. BAUCUS, Mr. BURNS, Mr. PRESSLER, Mr. WIRTH, Mr. PRYOR, and Mr. DASCHLE):

S. 1044. A bill to amend the Disaster Assistance Act of 1988 to extend disaster assistance to losses due to adverse weather conditions in 1988 or 1989 for crops planted in 1988 for harvest in 1989, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

DISASTER ASSISTANCE ACT

Mr. DOLE. Mr. President, today I am pleased to introduce bipartisan drought disaster assistance legislation joined by Senators BOREN, KASSEBAUM, NICKLES, BENTSEN, GRAMM, BAUCUS, PRESSLER, BURNS, WIRTH, PRYOR, DASCHLE, and DOMENICI.

Last year Congress did the right thing when it passed a major disaster assistance package for producers in many States whose crops were devastated by one of the worst droughts in the past half century. The 1988 Disaster Assistance Act received broad bipartisan support, the same kind we see here today. We were able to help farmers in their time of need without adding to the Federal budget deficit, because we were able to use savings resulting from lower deficiency payments and higher market prices.

The way the program works is we have a target price, say, $4. If you have a market price of $3.60 and a target price of $4.10, the deficiency payment is the difference, 50 cents a bushel in this example. With the drought of last year and the drought, conditions so far this year, we have had lower crop production, and the market price in some cases can approach or exceed the target price. So, in wheat, there may be no deficiency payment, or reduced payments, and we will be able to save money even beyond what we will spend for disaster relief this year because of high market prices and reduced deficiency payments for wheat.

Undoubtedly, last year's bill saved many family farmers in the corn belt and northern States, where the drought was most severe.

A RIPPLE AFFECT

We were pretty lucky in Kansas last year. We dodged the drought bullet, although I was pleased by the support and sympathy the people in my home State demonstrated to their agricultural neighbors.

Unfortunately, Kansas farmers got a jolt last year, soon after our wheat crop went in the ground. A history-making dry spell began to play havoc with our winter wheat crop, and it has persisted throughout the winter and the spring.

Our winter wheat crop has been burned, blown away and now buried. There's been no rain, no more miracles and now, no more hope.

As of Monday, 85 percent of the State's wheat crop was rated in the poor-to-very poor categories. Topsoil moisture was rated 99 percent short, and subsoil moisture was rated 100 percent short. Our projected wheat crop of 202 million bushels will be only one-half of its potential. In other words, it's a disaster.

As a result, cattle and livestock producers are also taking it on the chin. Secretary Yeutter showed his concern by coming to Kansas personally, to survey the damage in mid-April. Unfortunately, conditions have deteriorated since then. The Secretary did use his discretionary powers to provide some temporary assistance, such as haying and grazing during the principal growing months, and allowing access to livestock feeding programs. But the conditions have gotten so bad that our farmers now need a helping hand from Washington.

Kansas pastures and set-aside acres are bone dry, setting off a chain reaction of bad news on the drought front. Haying and grazing on set-aside acres may be of little benefit; access to inadequate forage and water supplies for cow herds have caused heavy runs of cattle to slaughter; and now, wheat farmers are simply plowing their crops under.

Obviously, the long-term financial impact on crop and livestock producers will be severe, with some observers estimating more than $800 million in losses in Kansas. Of course, not only farmers, but our rural businesses, up and down Main Street, will be hurt, too.

The bottom line is, we need help. Our bill is simple and straight-forward. We believe it is time to extend the 1988 relief act to crops planted in 1988 but harvested in 1989. This action will cover mostly winter wheat, the crop in the most serious trouble. If other problems develop, I assume changes could be made. The provisions would be administered under similar terms and conditions as last year with respect to payment rates, benefits, requirements on Federal crop insurance participation in future years, and so forth.

In addition, our bill would require the secretary to provide cost-share funds, on a limited basis, for transportation of livestock to areas where feed and water exist. We would also provide limited cost-share funding to livestock producers who have had to implement emergency water projects, such as revamping old wells or installing pipelines to bring scarce water to thirsty livestock.

The May 4 letter from USDA which we inserted into the CONGRESSIONAL RECORD noted that the President's January baseline estimated deficiency payment outlays would be $1 billion for wheat producers. That estimate meant we possibly would have enough savings from the decline in deficiency payments as a result of rising prices to offset relief costs, which USDA estimated to be upwards of $350 million. But we need to act soon.

It appears that the Congressional Budget Office [CBO] shares the view—that there will be a sufficient offset in fiscal year 1990 based on current crop conditions for wheat—in their preliminary analysis. Our bill specifies that funds would be made available from the reduction between the January baseline and the current crop conditions for wheat.

I would also reiterate Secretary Yeutter's comments that the most reliable long-term approach is crop insurance. Obviously, Congress will not always have the option to pass disaster bills during times of extreme budget constraints. The Federal crop insurance commission which Congress authorized last fall, has made preliminary recommendations with a final report due later this year. We hope constructive changes can be made to attract greater participation, improve administrative functions and make the program actuarially sound.

Mr. President, we have an opportunity to enact broad bipartisan legislation this year and we need to act in a timely fashion. I look forward to working with my colleagues in the House and Senate in the days ahead.

Finally, I represent both farmers and nonfarmers. It is my view that we cannot come into this Chamber every year when they have a disaster somewhere or drought and say we have to rescue the farmers because the farmers did not buy crop insurance, and crop insurance was available, and it is subsidized by the Government.

I hope that we could review the Crop Insurance Program, as I said yesterday on the Senate floor, because we are not going to have the option to come in every time there is some disaster in some State and say we need some more disaster relief, or that we have had another disaster, when farmers can take other means to prevent their economic losses with crop insurance. We authorized the appointment of a Crop Insurance Commission last year because there were a lot of shortcomings in the Crop Insurance Program.

Many farmers do not participate because it costs too much and benefits are small. It costs the Government money; sometimes it is mismanaged and sometimes it does not cover what farmers want covered, and I understand the advisory commission has already made 26 recommendations, and I hope Congress would act this year on changes in crop insurance. Sooner or later we are going to come to the point where we tell the American farmer, because of budgetary restraints, if you want to participate in the farm program, buy crop insurance and try to protect yourselves. If you do not want to participate, you do not have to buy crop insurance. We need to dress up, change, and modify the crop insurance program.

Finally, Mr. President, I want to thank my colleagues. I think there are six Democrats and seven Republicans sponsoring this legislation. I wish to include, following my statement, the bill and a summary of the bill and ask

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unanimous consent that it be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1044

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Disaster Assistance Act of 1989".

(b) TABLE OF CONTENTS.—The table of contents is as follows:

Sec. 1. Short title; table of contents.
TITLE I—EMERGENCY CROP LOSS ASSISTANCE
Sec. 101. Disaster assistance to producers of certain winter crops.
TITLE II—EMERGENCY LIVESTOCK ASSISTANCE
Sec. 201. Livestock transportation assistance.
Sec. 202. Water development projects.
TITLE III—RURAL BUSINESSES
Sec. 301. Disaster assistance for rural business enterprises.
TITLE IV—PLANTING OF ALTERNATE CROPS ON PERMITTED ACREAGE
Sec. 401. Planting of alternate crops on permitted acreage.
TITLE V—IMPLEMENTATION
Sec. 501. Budgetary impact.
Sec. 502. Date for providing disaster assistance.

TITLE I—EMERGENCY CROP LOSS ASSISTANCE

SEC. 101. DISASTER ASSISTANCE TO PRODUCERS OF CERTAIN WINTER CROPS.

Subtitle A of title II of the Disaster Assistance Act of 1988 (7 U.S.C. 1421 note) is amended by inserting after section 202 the following new section:

"SEC. 202A. DISASTER ASSISTANCE TO PRODUCERS OF CERTAIN WINTER CROPS.

"(a) IN GENERAL.—Effective only for producers on a farm who suffered losses due to drought, hail, excessive moisture, freeze damage, or related condition in 1988 or 1989 for a winter crop of a commodity planted during 1988 for harvest in 1989, subject to subsection (c), the Secretary of Agriculture shall make disaster assistance available to such producers under similar terms and conditions as are prescribed under this subtitle for providing disaster assistance to producers of the 1988 crop of such commodity.

"(b) DISASTER OPTIONS.—Effective only for a winter crop planted during 1988 for harvest in 1989, in the case of producers on a farm who elected prior to the date of enactment of this section to devote all or a portion of the permitted acreage of the farm for the commodity to conservation or other uses in accordance with section 107D(c)(1)(C) or 105C(c)(1)(B) of the Agricultural Act of 1949 (7 U.S.C. 1445b-3(c)(1)(C) or 1444e(c)(1)(B)), the Secretary shall allow (within 30 days after the date of enactment of this section) such producers to elect whether to receive disaster assistance in accordance with this section in lieu of payments under section 107C(c)(1) or 105C(c)(1) of such Act.

"(c) ADMINISTRATION.—Sections 201, 202, 206, 207, 211, 231, 232, 233, and 234 shall apply to assistance provided under this section, except that for purposes of providing assistance under this section—

"(1) terms and conditions of programs established for the 1989 winter crop shall apply to such assistance, including crop years, production adjustment programs, yields, acreage bases, established prices, advance deficiency payments, loan rates, crop insurance indemnities, and livestock emergency benefits;

"(2) in section 201(b)(4), 'July 31, 1990' shall be substituted for 'July 31, 1989';

"(3) in section 202(b)(1), '1988 minus acreage actually planted to the commodity for harvest in 1989' shall be substituted for '1987 minus acreage actually planted to the commodity for harvest in 1988';

"(4) in section 202(b)(2), '1986, 1987, and 1988, minus acreage actually planted to the commodity for harvest in 1989' shall be substituted for '1985, 1986, and 1987, minus acreage actually planted to the commodity for harvest in 1988'; and

"(5) in section 232(a)(2), '180 days after the date of enactment of the Disaster Assistance Act of 1989' shall be substituted for 'March 31, 1989'.

"(d) DEFINITION.—As used in this section, the term 'winter crop' means a crop of wheat or feed grains planted during 1988 for harvest in 1989.".

TITLE II—EMERGENCY LIVESTOCK ASSISTANCE

SEC. 201. LIVESTOCK TRANSPORTATION ASSISTANCE.

Section 606 of the Agricultural Act of 1949 (7 U.S.C. 1471d) is amended by adding at the end thereof the following new subsection:

"(f) Notwithstanding any other provision of law, the Secretary shall make available not less than $25,000,000 to provide livestock transportation assistance under paragraph (6) of subsection (a) for livestock emergencies in 1989.".

SEC. 202. WATER DEVELOPMENT PROJECTS.

Section 607 of the Agricultural Act of 1949 (7 U.S.C. 1471e) is amended by adding at the end thereof the following new subsection:

"(c) Notwithstanding any other provision of law, the Secretary shall make available not less than $25,000,000 to provide special assistance under paragraph (2) of subsection (b) for livestock emergencies in 1989.".

TITLE III—RURAL BUSINESSES

SEC. 301. DISASTER ASSISTANCE FOR RURAL BUSINESS ENTERPRISES.

Section 331 of the Disaster Assistance Act of 1988 (7 U.S.C. 1929a note) is amended—

(1) in subsection (a), by inserting after "1988" each place it appears the following: "or (in the case of losses described in section 202A) 1989"; and

(2) in subsection (c)(1), by adding at the end thereof the following new sentence: "In the case of losses described in section 202A, no guarantee under this section may exceed 90 percent of the principal and interest payable on the loan.".

TITLE IV—PLANTING OF ALTERNATE CROPS ON PERMITTED ACREAGE

SEC. 401. PLANTING OF ALTERNATE CROPS ON PERMITTED ACREAGE.

Section 504(b)(2) of the Agricultural Act of 1949 (7 U.S.C. 1464(b)(2)) is amended—

(1) by striking out "and" at the end of clause (D);

(2) by redesignating clause (E) as clause (F); and

(3) by inserting after clause (D) the following new clause:

"(E) notwithstanding clause (C), in the case of the 1990 crop year, acreage in an amount equal to not to exceed 20 percent of the permitted acreage for a program crop, if—

"(i) the acreage considered to be planted is planted to canola, rapeseed, sunflower, safflower, flaxseed, kenaf, crambe, guayule, milkweed, or meadowfoam;

"(ii) the producers on the farm plant for harvest to the program crop at least 50 percent of the permitted acreage for such crop; and

"(iii) payments are not received by producers under section 107D(c)(1)(C), 105C(c)(1)(B), 103A(c)(1)(B), or 101A(c)(1)(B), as the case may be; and".

TITLE V—IMPLEMENTATION

SEC. 501. BUDGETARY IMPACT.

Notwithstanding any other provision of law, this Act and the amendments made by this Act may only be carried out only if, and to the extent that, funds are made available because—

(1) the amount of funds necessary to provide deficiency payments for the 1989 crop of wheat under section 107D(c)(1) of the Agricultural Act of 1949 (7 U.S.C. 1445b-3(c)(1)), as estimated by the Director of the Congressional Budget Office in the nearest estimate made on or after January 1, 1989; is greater than

(2) the amount of funds necessary to provide such payments, as estimated by the Director in the nearest estimate made before, on, or after the date of introduction of the bill that resulted in the enactment of this Act.

SEC. 502. DATE FOR PROVIDING DISASTER ASSISTANCE.

Notwithstanding any other provision of law, assistance may not be provided under this Act or an amendment made by this Act until or after October 1, 1989.

TITLE SUMMARY OF THE DISASTER ASSISTANCE ACT OF 1989

Title I. Emergency disaster payments.—Extends the 1988 Disaster Assistance Act to crops planted in 1988 for harvest in 1989.

Title II. Emergency livestock assistance.—Provides $25 million for emergency livestock transportation assistance and $25 million to reimburse producers for emergency water development projects due to drought.

Title III. Rural business loans.—Allows up to 90 percent of principal and interest to be guaranteed on guaranteed loans for rural business enterprises affected by the drought.

Title IV. Planting of alternative crops.—Extends for one year the 1985 farm bill provision allowing producers to plant up to 20 percent of permitted acres to specific nonprogram crops. Crops eligible include canola (excluding soybeans), other varieties of rapeseed, sunflowers, safflower, flaxseed, kenaf, crambe, guayule, milkweed and meadowfoam without a loss of base.

Title V. Implementation/budgetary impact.—Requires disaster payments made under this act to be offset by reduction in deficiency payments. Payments would be made on or after October 1, 1989.

Mr. BOREN. Mr. President, I am very pleased to join with several of my colleagues and especially the distinguished minority leader, Senator DOLE, in introducing this bipartisan effort to extend drought relief measures similar to those contained in the Disaster Assistance Act of 1988 to areas with severely damaged winter crops.

Last year's phonemenal drought wiped out spring-planted crops in dozens of States. Congress responded by quickly passing legislation that provided disaster payments to producers with substantial losses. The drought bill was paid for by using savings to the Federal Government as a result of higher prices, and, therefore, lower deficiency payments.

Currently, producers of winter crops, especially winter wheat, in Oklahoma and surrounding States are suffering from equally severe conditions, essentially caused by the same drought. Drought has devastated the crop in the Oklahoma Panhandle. The dry conditions have also made the wheat much more susceptible to freeze damage. Wheat farmers as far south as the Red River have suffered extensive damage from freeze damage. At this time, over a third of my State's wheat crop is rated as poor or very poor.

The legislation we are introducing today would apply the provisions of last year's bill to crops planted in 1988 for harvest in 1989. The bill would cover damage occurring in either 1988 or 1989, including freeze damage.

Second, this bill would provide assistance for emergency livestock transportation, water development projects, and drought-affected rural businesses.

Finally, this bill would extend for 1 year a provision that allows producers to plant certain alternative crops on a percentage of their permitted acreage.

It is important to note that it is almost harvest time for these winter crops. Last year's bill was passed over a month before harvest would have taken place. Congress should act expeditiously to provide similar assistance for winter crop producers. The Department of Agriculture has estimated that a winter crop disaster bill would cost around $250 to $350 million. However, the Department also estimates that because of higher prices the Government will save around $500 million in deficiency payments. This is the same method used to pay for last year's bill and I trust that Congress will decide that it is equitable to pass this legislation and provide this much-needed assistance.

Mrs. KASSEBAUM. Mr. President, I am pleased to join Senator DOLE and others in introducing legislation to extend the Disaster Assistance Act of 1988 for winter crops planted in 1988 for harvest in 1989.

There is no doubt about the severity of the drought experienced in Kansas and other major wheat and livestock regions. The Kansas wheat crop is now expected to be the smallest since 1966. The estimated production this year in Kansas is a little over 200 million bushels, less than one-half of the 450 million bushel projection. In the five major wheat States, production will be one-third of normal.

This legislation would allow farmers with up to a 35-percent loss to keep deficiency payments previously advanced. If the disaster is greater than 35 percent, 65 percent of the target price will be made. On any disaster in excess of 75 percent of program yield, disaster payments will equal 90 percent of the target price.

Although much of the attention has been on the wheat crop, livestock producers also are affected by this year's drought conditions. Dry pastures have prompted farmers in Kansas, Oklahoma, and Texas to sell an unusually large number of cattle to feedlots. This has caused the futures prices to decline steadily in the past 30 days. Those with foundation cow herds in Kansas cannot find pastures with adequate cover, and the cash market is off as much as $200 per head.

The drought relief legislation, which we have proposed, will make available up to $25 million to provide livestock transportation assistance. While this assistance to transport livestock was included in the 1988 Drought Assistance Act, the Agriculture Secretary was allowed to implement the program at his discretion. Consequently, this program was not available to producers. Our bill would mandate this assistance to transport livestock during the livestock emergency.

Another key provision in our legislation would direct the Soil Conservation Service to provide 50-percent cost-share assistance with terracing, ponds, and other practices for management of limited water supplies. The Agriculture Department would provide not less than $25 million for these water development projects.

The situation is serious, and I believe we must move expeditiously to address it, particularly since there are offsetting savings in the budget to fund this assistance.

The Agriculture Department estimates that our legislation would result in payments between $250 and $350 million for the 1989 wheat crop. Department officials also agree that with the average market price for wheat continuing to increase, there will be more than enough savings from current programs to pay for extended relief.

Reflecting changes in wheat supplies, market prices continue to rise and this is reducing Government exposure. The administration had assumed $1 billion in deficiency payments to wheat farmers participating in the 1989 program. This was based on $3.60 per bushel as the season average market price. New estimates of the average price will be closer to $4.10, which would mean very little or none of that $1 billion would be spent.

The legislation which I have sponsored is primarily directed at winter-wheat producers and those with livestock operations. However, a provision does extend the authority for the Farmers Home Administration to make guaranteed loans to qualifying rural businesses which have suffered losses due to the drought.

Mr. President, I also want to point out that Federal crop insurance still has major problems and is not effectively addressing these kinds of situations. Last year Congress recognized this fact and established a commission to ensure a thorough review of the Federal Crop Insurance Corporation. These recommendations for improvements will be submitted to Congress this July. I believe it is vital that we then take steps to improve crop insurance programs.

In the interim, I believe it is essential that we pass legislation to open they way for extended disaster assistance for farmers now facing a disaster as serious as the one that struck other parts of the Farm Belt last year.

Mr. NICKLES. Mr. President, dry weather conditions, which blasted the Northern Plains and the Midwest last year, are still being felt today across the Texas and Oklahoma Panhandles, Kansas, Colorado, and Nebraska. Unlike last year however, the crop affected is winter wheat.

Mr. President, this crop was planted in the fall of 1988 and will be harvested shortly. The effects of the drought have been substantial, with USDA's recently reporting a 19-percent decrease in Oklahoma's production from 173 million bushels last year to 140.4 million bushels this year. The dry conditions have also effected livestock herds, and under current authority, the USDA is reacting to provide assistance to help ranchers cope with stressed conditions.

On May 4, the Senate unanimously accepted an amendment to the budget resolution expressing support for legislation which would extend disaster assistance to the 1989 crop of winter wheat. The bill being introduced today by Senator DOLE, myself, and others is the legislative expression of that resolution.

This legislation extends the provisions of the Disaster Assistance Act of 1988, to crops planted in 1988 for harvest in 1989. This essentially means winter wheat, but also includes barley and oats. Affected producers would be provided with financial assistance based on the extent of their losses. Those producers with losses in excess of 65 percent would also be required to purchase Federal crop insurance for the coming crop year.

Mr. President, the bill also requires this disaster program to have no budgetary impact by using savings from estimated reductions in 1989 deficiency payments. According to USDA, 1989 Wheat Program deficiency payments will be substantially less than the $1 billion which was originally estimated.

In fact, with each nickel increase in the previously estimated $3.60 season average price, $100 million in deficiency payments is saved. USDA now estimates possible savings of $500 million or more, making it possible to fund effective, targeted disaster assistance within budget constraints. In addition, Mr. President, this bill includes crop planting flexibility provisions, which if extended to the 1990 crop could also provide budgetary savings.

When the Congress reacted to last summer's drought situation, they did so to ensure that a farmer's total crop failure would not constitute a total income failure. Congress' reaction, the Disaster Assistance Act of 1988, ended up costing $4 billion. Many of the provisions of that act were objected to by this Senator, but many others were viewed as prudent and necessary. I believe the legislation we offer today is also prudent and necessary, and I urge my colleagues to support its timely passage.

By Mr. SYMMS (for himself, Mr. BAUCUS, Mr. BURDICK, Mr. CHAFEE, Mr. MITCHELL, Mr. DURENBERGER, Mr. WARNER, Mr. LIEBERMAN, Mr. JEFFORDS, Mr. HUMPHREY, Mr. REID, Mr. LAUTENBERG, Mr. BUMPERS, Mr. GARN, Mr. COHEN, Mr. MOYNIHAN, Mr. CONRAD, Mr. MCCLURE, Mr. MURKOWSKI, Mr. BREAUX, Mr. GRAHAM, and Mr. SIMPSON):

S. 1045. A bill to establish a National Environmental Policy on the participation of the United States in international financing; to the Committee on Environment and Public Works.

NATIONAL ENVIRONMENTAL POLICY ON INTERNATIONAL FINANCING ACT OF 1989

Mr. SYMMS. Mr. President, today I am introducing a bill which establishes a national environmental policy on the U.S. involvement in development financing. This bill will set out and clearly define the goals for improving the environmental performance of the international development institutions in which we participate.

The Third World countries, where we have invested millions and millions of U.S. taxpayers dollars, also happen to be the home of the world's vast tropical forests. These countries are facing tremendous trials. Few of them have the capital to finance their own development, so they must depend on foreign lenders. The U.S. Government participates in a number of such lending institutions, specifically the multilateral development banks, or the MDB's.

More than 88 percent of the capital investment in the Third World comes from MDB's or from the commercial banks in Japan, Europe, or the United States with an MDB providing technical assistance negotiation or guarantee.

Unfortunately, the environmental record of MDB investments has been dismal. Poorly engineered dams have unintentionally flooded thousands of acres of tropical forest, while others have been rendered useless by siltation. Large-scale export agricultural projects have displaced small farmers, driving them into the rain forest where the soil cannot support them.

This has happened because these loans require such massive interest payments. For example, they have had to put in big mechanized farms to grow soybeans to sell on the world market to get the money to pay the interest payments. Then they move the farmers off those fields as they go to bigger mechanized operations and push them into the rain forest. The way they get in there, of course, is because the World Bank loans have helped them with infrastructure programs.

Of these, perhaps the most detrimental ones have been the relocation and infrastructure programs intended to address political pressures, but ill conceived from an environmental standpoint. These projects entice migration into forested areas, only to result in rampant disease, deforestation, and, in the end, greater poverty.

Mr. President, there is a growing consensus that the United States should be more conscientious about where it invests U.S. tax dollars. We should be more fully informed of the environmental impact of the loans which come before us for our vote.

That is why I have introduced the National Environmental Policy on International Financing Act. This bill:

First, expresses the goal of the United States to encourage banks and developing countries to fully assess the environment impacts of development projects in a consistent, timely way, with public involvement where possible.

Second, adds to the National Environmental Policy Act a requirement that the United States request a complete assessement of the environmental impacts of the international loans on which we vote.

Third, sets up a process to assist banks in preparing environmental assessments of their lending proposals, and encourages the U.S. Treasury to build international consensus on the need to halt tropical deforestation and other forms of unsustainable development.

Fourth, requires Treasury and the President's Council on Envionmental Quality to report to Congress on the success of these efforts.

The bill is carefully written so as not to offend the developing countries who see their tropical forests as sovereign territory. It focuses more on taking care of our own contribution to the problem, while we build consensus on the need for other countries to do the same. In the end, the citizens of developing countries control the fate of their own environment. The United States cannot "save the Amazon from Brazilians." But we can help Brazilians do the job themselves because, after all, the Amazon is Brazil's.

Mr. President, the consequences of continuing to plow money into Third World development without knowing what it is we are doing to the environment are too risky. When development proves to be unsustainable, we waste taxpayer dollars, destroy natural resources, depress underdeveloped peoples, and threaten the very global environment in which we live. I urge my colleagues to consider the bill introduced today, and lend it their full support. They are all invited to join in cosponsoring this much needed addition to our National Environmental Policy.

I might note to the distinguished President pro tempore that this bill is sponsored by all members of the Environmental and Public Works Committee. I thank these sponsors for sponsoring it. There may be others of my colleagues who wish to sponsor the bill and I urge them to do so. I ask unanimous consent to print the bill in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1045

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "National Environmental Policy on International Financing Act of 1989".

SEC. 2. FINDINGS.

The Congress finds that—

(1) the United States plays a significant role in determining the projects, policies, and lending practices of international financial institutions, devoting more financial resources to such institutions than any other nation;

(2) such institutions have failed in some cases to assess the environmental consequences of their actions, resulting at times in deforestation, desertification, erosion, water pollution, water-borne disease, and other manifestations of unsustainable development;

(3) while such institutions are making some progress in their environmental performance, assessment of projects for environmental consequences is not always consistent, timely, or publicly accessible;

(4) consistent, timely assessment and public scrutiny of the environmental and social impacts of proposed international financial projects are essential to ensure sustainable development;

(5) models for the conduct of such assessments exist in various forms, including, but not limited to—

(A) the National Environmental Policy Act, its regulations, and its history in the courts of the United States;

(B) the goals and principles of Environmental Impact Assessment adopted by the Governing Council of the United Nations Environment Programme in June 1987; and

(C) the measures required to facilitate the environmental impact assessment of development assistance projects and programs recommended by the Council of the Organization for Economic Cooperation and Development at its 649th Meeting in October 1986;

(6) methods and procedures for environmental impact assessment should be adopted and utilized by borrowing countries or international financial institutions themselves, and cannot be imposed unilaterally by the United States; and

(7) the United States should encourage, to the extent possible, environmental impact assessment of the international financial activities in which it participates, with the goal of adoption by borrowing countries of their own procedures for assessing environmental impacts and alternatives.

SEC. 3. AMENDMENT.

Title I of the National Environmental Policy Act of 1969 (42 U.S.C. 4321-4335) is amended by adding at the end thereof the following new section:

"SEC. 106. (a) On and after July 1, 1991, at least 120 days prior to a vote of the United States on a proposed action, significantly affecting the quality of the human environment, by an institution listed in section 22 of the Export-Import Bank Act Amendments of 1986, the official responsible for casting such vote shall request of the institution a detailed statement which meets the criteria set forth pursuant to subsection 106(b). All information received as a result of such request shall accompany the proposal through agency review processes, and shall be made available to borrower and donor countries and to the public.

"(b) For purposes of this section, the Council on Environmental Quality shall identify and promulgate internationally accepted criteria for environmental impact assessment of international financial activities, sufficient to facilitate the consideration of environmental impacts in lending decisions. Such criteria shall include the solicitation of public comments, review of alternatives, and any other criteria found to be internationally recognized as an element of adequate environmental impact assessment.

"(c) The responsible official identified in subsection (a) shall not be required to verify the accuracy of the content of documents obtained under this section, except as necessary to identify—

"(1) minimum criteria which are not met; and

"(2) information pertinent to environmental impact assessment absent from the statement, but available to the responsible official through means other than the institution proposing the action.

A statement of findings under this subsection should accompany the proposed action through agency review processes, and shall be made available to borrower and donor countries and to the public.".

SEC. 4. IMPLEMENTATION.

(a) Within 30 days after the date of enactment of this Act, and as necessary thereafter, officials charged with requesting a statement under section 106(a) of title I of the National Environmental Policy Act of 1969 (as added by section 3 of this Act) shall—

(1) inform the management of the institutions listed in section 22 of the Export-Import Bank Act Amendments of 1986 of the expected nature of such statements; and

(2) begin negotiations with institution management and representatives of other institution members, within the framework of international agreements, as necessary to facilitate the conduct of environmental impact assessments.

(b) The Secretary of the Treasury, assisted by the Secretary of State, the Secretary of the Interior, the Secretary of Agriculture, the Administrator of the Environmental Protection Agency, the Chairman of the Council on Environmental Quality, the Administrator of the Agency for International Development, the Administrator of the National Oceanic and Atmospheric Administration, and representatives of other interested agencies, shall, in cooperation with institutions referenced in subsection (a)(1), make available upon the request of such institutions the appropriate United States government personnel to assist in the following areas—

(1) the training of institution staff in environmental impact assessment procedures;

(2) the provision of long- and short-term advisers on environmental issues;

(3) participation in preparing environmental studies for projects with potentially significant environmental impacts; and

(4) the preparation of documents for public release, and the development of procedures to provide for the inclusion of interested nongovernmental organizations in the environmental review process;

and shall encourage other institution member countries to provide similar assistance.

(c) The Secretary of the Treasury shall take steps with both donor and borrower nations to expand international consensus on the importance of environmental issues and to focus efforts on the need for reform, with particular emphasis on developing greater agreement on standards for projects that may affect ecosystems such as, but not limited to, tropical moist forests, wetlands, savannas, and other areas, and on securing greater support for programs and policies that encourage energy efficiency and conservation and integrated pest management.

SEC. 5. REPORTS.

(a) Within the 12-month period following the date of the enactment of this Act, the Secretary of the Treasury shall prepare and submit to the Committee on Environment and Public Works of the Senate, and the Committee on Merchant Marine and Fisheries of the House of Representatives, a detailed report containing an evaluation of the progress achieved by each international financial institution in adopting and implementing procedures for systematically assessing the environmental impacts of institution activities, and in the implementation of section 4. A copy of such report shall be made available to borrower and donor countries and to the public.

(b) The Council on Environmental Quality shall submit an interim progress report not later than March 1, 1992, and a detailed report not later than January 1, 1993, to the Committee on Environment and Public Works of the Senate, and the Committee on Merchant Marine and Fisheries of the House of Representatives, on the efficacy of efforts by the United States to encourage consistent, timely environmental impact assessment within international financial institutions. The report shall be made available to borrower and donor countries and to the public.

Mr. BAUCUS. Mr. President, I am pleased to join my colleague from Idaho, Senator SYMMS, in introducing The National Environmental Policy on International Financing Act of 1989. This legislation is very similar to a measure reported by the Environment and Public Works Committee last year, S. 2753.

I chaired a subcommittee hearing on that proposal last June. We heard from a former executive director to the World Bank, several Federal Agencies, environmental organizations, and other interested groups. Generally, the witnesses supported bolstering consideration of environmental effects of multilateral development bank loans, though views varied on the best way to achieve that objective.

The main concern was that the United States not appear arrogant or heavyhanded in trying to promote environmental assessments on proposed loans. It is my belief that a fundamental element in our foreign policy should be promotion of environmentally sound and sustainable development regardless of where it takes place. As a major shareholder in the MDB's the United States has the responsibility to use every tool to achieve this purpose.

We are only too familiar with the profound global effects of deforestation, loss of productive farm land through sub-standard agricultural practices, and poorly conceived hydropower projects. The bottom line is that bad economic development projects result in incalculable human suffering and the destruction of almost irreplaceable natural resources.

Examples abound of projects financed by the international community that have gone seriously awry because of bad planning and implementation. A beef export project in Botswana has resulted in widespread desertification and destruction of wildlife populations. The cruelest irony is that despite large exports of beef, 65 percent of that country is now dependent on foreign food aid where once it was self-sufficient.

In Brazil, the Polonoreste project has been an economic and social debacle. Thousands of people were encouraged to relocate as part of a multifaceted development project. The result has been the destruction of rain forests; a failed attempt to farm land that was unsuited to agriculture; and a displaced and impoverished population.

In light of these and other failures it is time that the United States take the initiative to constructively influence reforms as a member of the World Bank and the three regional development banks.

The bill we are introducing today makes significant strides in improving the gathering and dissemination of information about environmental effects of proposed loans. Possibly the most important feature is the public access provision. Presently, it is very difficult for either donor or borrowing nations

to get access to this documentation, if it exists at all. The bill provides that all environmental information that is received at the request of the U.S. executive directors will be made available to the public.

Another important provision would enable the MDBS to request and receive staff support from relevant Federal agencies to provide technical assistance in developing environmental assessment procedures and documentation. It is my belief that by setting this example, other member countries will follow it and make such assistance available as well.

I commend the Senator from Idaho for his perseverance on this matter. I am hopeful that the Senate will act on this measure in the near future.

By Mr. RUDMAN (for himself and Mr. HUMPHREY):

S. 1046. A bill to designate the Merrimack River, in the State of New Hampshire, as a river to be studied for inclusion on the National Wild and Scenic Rivers System, and for other purposes; to the Committee on Energy and Natural Resources.

MERRIMACK RIVER STUDY ACT [1]

● Mr. RUDMAN. Mr. President, today I rise along with my colleague from New Hampshire [Mr. HUMPHREY] to introduce legislation directing the National Park Service to study a 22-mile segment of the Merrimack River to determine its eligibility for possible designation as a Wild and Scenic River.

My colleagues may recall legislation enacted in the 100th Congress which designated the Wildcat River in Jackson, NH a Wild and Scenic River. This action has served as an inspiration to other New Hampshire communities looking for protection of their river resources.

The Merrimack River begins in Franklin, NH at the confluence of the Pemigewasset and Winnepesaukee Rivers and flows southward into eastern Massachusetts to the Atlantic Ocean. The Merrimack is one of the 10 largest river systems in the Northeast, and the fourth largest river basin lying wholly in New England, covering an area of 5,010 square miles.

In the 19th century, this renowned waterpower stream provided power for the mills of Manchester, NH as well as Lawrence and Lowell, MA. For much of the 20th century, the Merrimack was among the most polluted rivers in the country. Today, with the help of Federal, State and local efforts, the Merrimack has seen a resurgence in its natural, scenic and recreational values, while development pressures mount on the communities along the river. A program to restore Atlantic Salmon to the river has been underway for a number of years and has seen results, shad have returned to the river, and the American bald eagle, listed by the Federal endangered species program, uses the river corridor as a wintering ground. Finally, New Hampshire residents and tourists alike use the river for fishing, canoeing, boating and birding.

This 22-mile segment of the river not only possesses outstanding natural and scenic values, but includes the remains of the world's oldest and longest timber crib dam, a 19th century power structure which is eligible for the National Register.

In 1986, a number of communities along the Merrimack River organized to protect the river from a proposed hydro facility at Sewall's Falls. The hydro facility proposal has since been withdrawn, but the interest in long term protection of the river has continued. Groups such as the Merrimack River Coordinating Committee, Friends of the Merrimack, the Merrimack River Watershed Council, the Society for the Protection of New Hampshire Forests, and the New Hampshire Wildlife Federation have been particularly active. In April 1988, the New Hampshire Office of State Planning initiated a study of the Merrimack River, which is currently underway. I envision that the Federal study will dovetail the existing State study.

As part of a 2-year effort, the Merrimack River Coordinating Committee, working with all local communities and the various interests, built a consensus on the long term protection of the Merrimack. The legislation I am introducing today represents that consensus. This measure has the support of Governor Gregg and all the communities along the proposed study segment. In addition, all local landowners have been contacted and we know of no local opposition.

The National Park Service added the 22-mile segment of the Merrimack River to the National Rivers Inventory in 1982, identifying it as a potential National Wild and Scenic River.

Mr. President, we as a Nation must protect our river resources for present and future generations. I am proud to be part of this conservation effort by introducing this legislation today and I hope to have the support of my colleagues.

I ask unanimous consent to print a letter from Governor Gregg along with letters of support from local communities in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

STATE OF NEW HAMPSHIRE,
Concord, NH, May 1, 1989.

Re Federal Study of Merrimack River.

Senator WARREN RUDMAN,
Hart Senate Office Building, Washington, DC.

DEAR WARREN: I support your efforts introducing legislation which will direct the National Park Service to study the segment of the Merrimack River from its confluence in the City of Franklin downstream to the backwater impoundment of the Hooksett dam excluding the Garvins Falls impoundment and dam.

As you know, the State of New Hampshire is presently in the process of studying the Merrimack and anticipates completing its work in the fall. The work being contemplated in the National Park Service effort should complement and enhance the State's efforts.

Thank you for your continuing efforts on behalf of the State of New Hampshire.

Sincerely,

JUDD GREGG,
Governor.

CITY OF CONCORD, NEW HAMPSHIRE,
Concord, NH, January 11, 1987.

Hon. WARREN B. RUDMAN,
U.S. Senate, Washington, DC.

DEAR WARREN: The Concord City Council respectfully requests your assistance in adding the central portion of the Merrimack River to the National Wild and Scenic Rivers Act for study and possible inclusion into the national system.

As you may be aware, the City Council appointed a River Study Committee early in 1987 to study use and protection of the river after a project which would have impounded the Merrimack at Sewalls Falls in Concord was shelved. Realizing that the proposed dam would have permanently inundated a magnificent natural resource in an urbanizing state, the City Council moved to take steps to permanently protect this resource. The Merrimack River Corridor Coordinating Committee, which was formed, represented a broad range of Concord people with interests in the river corridor. The Committee's activities, however, soon attracted interest from communities both north and south of Concord.

Citizen and political support has now solidified around efforts to protect the river in the entire central New Hampshire area. The committee determined that addition of the Merrimack River to the National Wild and Scenic Rivers Act would be the best possible opportunity for a formal study of the outstanding resources of the Merrimack River and for providing a basis for future planning in the river corridor.

This request is made by the City of Concord on behalf of itself, the City of Franklin, the Town of Northfield, the Town of Canterbury, the Town of Boscawen, the Town of Bow, and the Town of Pembroke. Each of these communities has formally endorsed this study in writing through their legislative bodies, and copies of their letters of support are enclosed.

We hope for your support and assistance in adding the Merrimack from Franklin to the Hooksett Dam to the federal act so that the proper study can be accomplished. We know that you are aware of this magnificent resource. Your support in this effort is critical to the future of the river and to those who live along it. Thank you for your assistance.

Sincerely,

JAMES R. MACKAY,
Mayor.

TOWN OF BOSCAWEN,
Penacook, NH, March 26, 1987.

Merrimack River Corridor Coordinating Committee, Louis Ungarelli, Secretary,
Concord Public Library, Concord, NH.

DEAR MR. UNGARELLI: Thank you for forwarding to us the minutes of your meeting. Due to scheduling we have been unable to attend your meetings but would like you to

know the Selectmen support your efforts and will assist you in any way we can. Please feel free to contact us at any time.

Sincerely,

DOUGLAS R. SUPRY,
RICK A. TROMBLY,
DAVID R. PLOURDE,
Chairman,
Boscawen Board of Selectmen.

TOWN OF BOW,
Bow, NH, May 26, 1987.

Representative JUDD GREGG,
Concord, NH.

DEAR CONGRESSMAN GREGG: The Board of Selectmen of the Town of Bow endorses the efforts of the Merrimack River Corridor Coordinating Committee to obtain Congressional authorization for a wild and scenic rivers program study of the Merrimack River, including that segment that lies in Bow. It is recognized that the Merrimack River and its corridor contains many outstanding and important resources, both natural and man-made. There is a definite need to plan for the future of these resources and how they will be used, and for that planning to be done by the cities and towns that share the river. The Town of Bow looks forward to joining the other communities on the Merrimack River in this study, and we intend to actively participate in this effort.

Sincerely,

SARA H. SWENSON,
ERIC E. ANDERSON,
ALFRED H. WARD,
Board of Selectmen.

OFFICE OF SELECTMEN,
Canterbury, NH, May 25, 1987.

Mr. TIMOTHY WOODMAN,
Chairman, Merrimack River Corridor Coordinating Committee, Concord Public Library, Concord, NH.

DEAR MR. WOODMAN: The Town of Canterbury endorses the efforts of your Committee to obtain Congressional authorization for a wild and scenic rivers program study of the Merrimack River, including the segment of the river that lies within Canterbury. It is recognized that the Merrimack River and its corridor represents many important and outstanding resources, both natural and man-made. There is a definite need to plan for the future of these resources and those who use them, and for the planning to be done by the cities and towns that share the river.

We look forward to joining with you and the other communities on the river in this study, and intend to actively participate in these efforts.

Sincerely,

CANTERBURY BOARD OF SELECTMEN.

CITY OF FRANKLIN, NH,
June 2, 1987.

Hon. JUDD GREGG,
U.S. Congress, Concord, NH.

DEAR CONGRESSMAN GREGG: The City of Franklin endorses the efforts of the Merrimack River Corridor Coordinating Committee to obtain Congressional authorization for a wild and scenic rivers program study of the Merrimack River, including that segment of the river that lies within Franklin.

It is recognized that the Merrimack River and its corridor represents many important and outstanding resources, both natural and man-made. There is a definite need to plan for the future of these resources and those who use them, and for the planning to be done by the cities and towns that share the river.

We look forward to joining with you and the other communities on the river in this study and intend to actively participate in these efforts.

Respectfully,

MAYOR CHESTER A. WICKENS, JR.

TOWN OF NORTHFIELD,
Northfield, NH, June 26, 1987.

JOE QUINN,
City of Concord, Merrimack River Corridor Coordinating Committee, Concord, NH.

DEAR MR. QUINN: The Board of Selectmen of the Town of Northfield endorses the efforts of the Merrimack River Coordinating Committee to obtain Congressional authorization for a wild and scenic rivers program study of the Merrimack River, including that segment of the river which lies in Northfield. It is recognized that the Merrimack River and its corridor contains many outstanding and important resources, both natural and man-made. There is a definite need to plan for the future of these resources and how they will be used, and for that planning to be done by the cities and towns that share the river. The Town of Northfield looks forward to joining the other communities on the Merrimack River in this study, and we intend to actively participate in this effort.

Very truly yours,

NORTHFIELD BOARD OF SELECTMEN.

TOWN OF PEMBROKE,
Pembroke, NH, June 4, 1987.

Hon. JUDD GREGG,
U.S. House of Representatives, Concord, NH.

DEAR MR. GREGG: The Board of Selectmen of the Town of Pembroke endorses the efforts of the Merrimack River Corridor Coordinating Committee to obtain Congressional authorization for a wild and scenic rivers program study of the Merrimack River, including that segment that lies in Pembroke. It is recognized that the Merrimack River and its corridor contains many outstanding and important resources, both natural and man-made. There is a definite need to plan for the future of these resources and how they will be used, and for that planning to be done by the cities and towns that share the river. The Town of Pembroke looks forward to joining the other communities on the Merrimack River in this study, and we intend to actively participate in this effort.

Very truly yours,

DARYL BORGMAN,
Chairman.
HAROLD PAULSEN,
ROY E. ANNIS.●

● Mr. HUMPHREY. Mr. President, I am pleased to join my colleague Senator RUDMAN, in introducing legislation to designate a 22-mile segment of the Merrimack River in New Hampshire for study under the National Wild and Scenic River Act. Identical legislation is being introduced in the House by Representatives ROBERT SMITH and CHUCK DOUGLAS, of New Hampshire.

The Merrimack River begins in Franklin and runs through the capital of New Hampshire, the cities of Manchester and Nashua, and on through northeastern Massachusetts before it flows into the Atlantic Ocean. This powerful river has played an important role in the history of New Hampshire. According to the National Park Service, the Merrimack was "the most noted waterpower stream in the world, during the 19th century industrial era." And, despite the fact that the Merrimack River runs through some of New Hampshire's most populated areas, the river banks have remained largely undeveloped providing habitat for rare plants and animals, as well as a unique spot for water recreation.

For centuries, Atlantic Salmon ran the Merrimack providing food and sport for citizens and visitors to New Hampshire. Due to construction of dams and increased industrial use of the river, the anadromous fish population dwindled down to nothing in the mid-1800's. It was not long, however, before efforts began to restore salmon to the Merrimack. At present, the Merrimack River is central to a Federal-State-private cooperative program to reestablish a self-sustaining salmon population in the Northeast. In 1987, an application for a license to construct a new dam at the Sewalls Falls site in Concord was rejected because of local opposition and concern regarding the dam's affect on the Salmon Restoration Program. At that time, the Department of Interior joined the New Hampshire congressional delegation in opposing construction of a new dam on the grounds that the project would seriously impair the ongoing efforts to restore salmon to the Merrimack.

In 1988, the mayor of Concord sent a letter to the New Hampshire congressional delegation on behalf of seven communities requesting that legislation be introduced "adding the central portion of the Merrimack to the National Wild and Scenic Rivers Act for study and possible inclusion into the national system." Concord, and each of the other communities—the city of Franklin, the town of Northfield, the town of Canterbury, the town of Boscawen, the town of Bow, and the town of Pembroke—endorsed the study bill in writing. These towns are committed to protecting what they accurately recognize as a "magnificent natural resource."

Mr. President, I share the local enthusiasm for study and protection of the Merrimack River. The Governor of New Hampshire, and local, regional and national environmental groups support this legislation. The National Park Service has included this 22-mile segment of the Merrimack on its national rivers inventory, which lists rivers that meet the minimum criteria for inclusion in the National Wild and Scenic Rivers System.

I urge my colleagues to join this effort to conserve a beautiful and unique New England river. I greatly appreciated the assistance provided to Senator RUDMAN and myself last year by Senator BUMPERS, chairman of the Energy Subcommittee on Public Lands, National Parks, and Forests, in

enacting a bill to designate the Wildcat River as New Hampshire's first wild and scenic river. I look forward to working with Senator BUMPERS and other colleagues on this important legislation.●

By Mr. KENNEDY (for himself, Mr. WIRTH, Mr. HATFIELD, Mr. HARKIN, Mr. CRANSTON, Mr. KERRY, and Mr. SANFORD):

S. 1047. A bill to encourage negotiations between the United States and the Soviet Union to establish mutual and verifiable restrictions on the production of plutonium and highly enriched uranium for nuclear weapons purposes; to the Committee on Foreign Relations.

INTERNATIONAL PLUTONIUM CONTROL ACT

● Mr. KENNEDY. Mr. President, today I am introducing, on behalf of myself and Senators WIRTH, HATFIELD, CRANSTON, HARKIN, SANFORD, and KERRY of Massachusetts, the International Plutonium Control Act.

This bill encourages negotiations for a verifiable cutoff in the production of plutonium and highly enriched uranium for weapons.

It also establishes a restriction on funding for United States resumption of plutonium production that is contingent on the President's ability to verify parallel Soviet restraint.

Mr. President, I ask unanimous consent that the text of his legislation be printed in the RECORD, along with my full statement and various explanatory materials.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1047

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "International Plutonium Control Act".

SEC. 2. FINDINGS AND DECLARATIONS OF POLICY.

The Congress finds and declares as follows:

(1) A mutual United States-Soviet ban on the production of plutonium and highly enriched uranium for weapons purposes would impose an additional constraint on a "break out" from arms limitation agreements by making it more difficult to accumulate an inventory of weapons-grade nuclear material, and thus would strengthen mutual confidence between the superpowers in the reliability of future nuclear arms reduction agreements.

(2) Such a ban would also provide evidence to non-nuclear weapon states of further progress in United States-Soviet compliance with Article VI of the Treaty on the Non-Proliferation of Nuclear Weapons, which calls for negotiations on cessation of the nuclear arms race at an early date.

(3) In view of the prospect of significantly reduced nuclear arsenals in the future and the availability of special nuclear material from dismantled weapons to meet future stockpile requirements, the United States and the Soviet Union should agree to forego further production of plutonium and highly enriched uranium for weapons purposes.

(4) A cutoff in the production of plutonium and highly enriched uranium for weapons purposes is an essential prerequisite for any long-term plan to verifiably dismantle and reduce permanently nuclear warhead stockpiles.

(5) Before the United States spends billions of dollars to ensure the future safe operation of facilities to produce plutonium and highly enriched uranium for weapons purposes, the United States and the Soviet Union should jointly explore the feasibility of—

(A) a mutual shutdown of plutonium production reactors, chemical separation facilities, and isotope separation plants dedicated to the production of plutonium for weapons purposes; and

(B) the safeguarded operation of uranium enrichment and chemical separation facilities for nonweapons purposes.

(6) National and cooperative technical means of verification, and safeguards against the diversion of weapon-grade nuclear materials from use in civilian nuclear facilities to use in the production of nuclear weapons, would detect attempts by the United States or the Soviet Union to produce or divert significant quantities of the current stockpiles of these materials.

(7) An agreement between the United States and the Soviet Union to terminate production of plutonium and highly enriched uranium for weapons purposes should be opened at the earliest possible date for signature by other nations possessing nuclear weapons.

SEC. 3. NEGOTIATIONS TO END PRODUCTION OF PLUTONIUM AND HIGHLY ENRICHED URANIUM FOR NUCLEAR WEAPONS.

The Congress urges the President to seek negotiations with the Soviet Union on a verifiable agreement for an end by both countries to the production of plutonium and highly enriched uranium for weapons purposes.

SEC. 4. VERIFICATION.

It is the sense of the Congress that the United States and the Soviet Union—

(1) should establish verification arrangements to monitor the cessation of activities called for by this Act, including mutual inspections as necessary—

(A) of the production reactors, chemical separation facilities, and isotope separation plants in each country that are dedicated to the production of plutonium for weapons purposes in order to verify, for purposes of section 6, that the Soviet Union and the United States have ceased such production; and

(B) of the production reactors, chemical separation facilities, uranium enrichment facilities, and isotope separation plants in each country in order to verify compliance with the agreement called for in section 3;

(2) should furnish the technical equipment and personnel to implement safeguards at civilian nuclear facilities in each country, and should consider eventually transferring the safeguards mission to the International Atomic Energy Agency; and

(3) should consider increasing their future respective contributions to the International Atomic Energy Agency to the level necessary to fund the assignment of additional fully trained staff inspectors to each country to assume additional safeguards responsibilities at civilian nuclear facilities in each country.

SEC. 5. EXCHANGES OF INFORMATION.

In furtherance of the purposes of this Act, the Congress urges the President to seek agreement with the Soviet Union that the United States and the Soviet Union will—

(1) exchange information on the location, mission, and maximum annual capacity of their facilities essential to the production of tritium for stockpile replenishment; and

(2) provide to each other a complete inventory of the facilities dedicated to the production of plutonium and highly enriched uranium for weapons purposes.

SEC. 6. PRODUCTION OF PLUTONIUM FOR NUCLEAR WEAPONS.

After the end of the 6-month period beginning on the date of enactment of this Act, funds may not be obligated or expended by the United States to operate a production reactor, chemical separation facility, or isotope separation plant dedicated to the production of plutonium for weapons purposes unless the President, after the end of that 6-month period, certifies to the Congress that—

(1) the Soviet Union has refused to enter in good faith into the negotiations called for by section 3; or

(2) the United States is unable to determine that Soviet production reactors, chemical separation facilities, or isotope separation plants dedicated to the production of plutonium for weapons purposes have ceased operation; or

(3) the Soviet Union is continuing to obtain plutonium by operating civilian chemical separation plants not under United States-Soviet safeguards.

SEC. 7. DEFINITIONS.

For the purposes of this Act—

(1) the term "chemical separation plant dedicated to the production of plutonium" means a facility that separates fission products from plutonium contained in reactor spent fuel and irradiated target assemblies;

(2) the term "production of plutonium and highly enriched uranium for weapons purposes" does not include—

(A) activities described in paragraph (3); or

(B) the operation of a uranium enrichment or chemical separation facility under mutually agreed safeguards to obtain—

(i) highly enriched uranium fuel for tritium production reactors and naval reactors; or

(ii) plutonium for civil purposes;

(3) the term "production of plutonium for weapons purposes" does not include activities conducted in connection with the recycling of special nuclear material from retired weapons and the recovery from scrap of the existing weapon-grade plutonium inventory; and

(4) the term "isotope separation plant dedicated to the production of plutonium for weapons purposes" does not include pilot-scale facilities utilized exclusively for the purpose of research and development.

STATEMENT OF SENATOR EDWARD M. KENNEDY ON THE INTERNATIONAL PLUTONIUM CONTROL ACT, MAY 18, 1989

Today we begin the process of terminating one of the most enduring legacies of the cold war—the production of plutonium and highly enriched uranium for nuclear weapons.

For more than four decades, the United States and the Soviet Union have contaminated their own communities in pursuit of vast stockpiles of nuclear explosive materi-

als to threaten the destruction of each other.

This buildup of nuclear explosive power has long exceeded the bounds of rationality. But the entrenched attitudes of the cold war obscured the common-sense interest of both countries in halting a production process which generates so much toxic and long-lived radioactive wastes.

The situation has changed today. As we finally face-up to the environmental damage wrought by the mutual paranoia of the past, both sides are also recognizing the need for smaller, survivable nuclear forces in the future that can be sustained at a fraction of the cost of today's arsenals. Future requirements for plutonium and highly-enriched uranium can easily be met from existing stockpiles of these materials.

In fact, this is aready the case with the supply of highly-enriched uranium for weapons. President Johnson ordered a halt to further production in 1964, and at the same time he ordered the shutdown of seven of our plutonium reactors. President Nixon continued the cutback by shutting down three more production reactors.

Over the last two decades, the U.S. nuclear weapons stockpile has shrunk by some 9,000 weapons, from some 32,000 weapons in 1967 to about 23,000 today. Were these actions unilateral? Yes, they were—in the 1960's the Soviets declined to respond to our overtures for a mutual production cutoff.

But did these actions constitute unilateral disarmament? Absolutely not. Building nuclear forces for deterrence is not the same as stockpiling ammunition for a war of attrition on the conventional battlefield. Stockpiling more nuclear bombs and warheads has long ceased to buy either side more deterrence against real world threats to its security. Instead, maintaining these oversized arsenals has become a mutually reinforcing, self-wounding ritual of cold-war symbolism, environmental contamination, economic injury, and pork-barrel politics.

Given the incentives for self-restraint arising from these harsh realities, why then are we suggesting the need for an explicit agreement limiting this aspect of the overall arms control problem? The answer is that it is easier for both nations to do the sensible thing if they agree to do it together.

A negotiated agreement to end production of plutonium and highly-enriched uranium for weapons offers a number of important benefits that are unlikely to be realized in the absence of an agreement:

A cutoff will impose an additional barrier against a Soviet "breakout" from a strategic arms reduction agreement. This benefit should have special appeal to those who have expressed skepticism about the staying power of General Secretary Gorbachev and his reforms.

A cutoff will lessen the need for building and maintaining expensive production plants on line as a "hedge" against a sudden surge in Soviet nuclear materials production. The savings from reduced construction, reduced operations, reduced waste generation, and fewer capital improvements can be devoted to cleaning-up the environment, providing a safe and secure capability for recycling existing nuclear material inventories, and meeting the stockpile maintenance requirement for tritium.

A cutoff will establish the technical basis for deep and verifiable reductions in the stockpiles of nuclear warheads themselves. This will enable the arms reduction process to move beyond the current framework, which relies on delivery systems as the basic unit of account for monitoring reductions in nuclear weapons. This aspect should have special appeal to conservatives who have long advocated "real reductions" in nuclear warheads as the proper goal of the arms control process.

A cutoff will also increase the prospect that non-nuclear weapons states will find the nuclear weapon powers in compliance with Article VI of the Nonproliferation Treaty. The renewal of that agreement comes up for consideration in 1995. Article VI calls for negotiations on cessation of the nuclear arms race at an early date, and many parties to the treaty are dissatisfied with U.S. and Soviet compliance with this provision.

The United States is not now operating any of its reactors for plutonium production. We are unlikely to be in a position to do so for several years, perhaps for as long as a decade or more. On the other hand, according to Secretary Watkins, in the wake of General Secretary Gorbachev's recent announcement of the shutdown of three production reactors, the Soviet Union continues to operate about 11 reactors, some of which are presumably producing plutonium.

The Department of Energy suggests that we respond to this asymmetry by refurbishing our chemical separation facilities, and by building a billion dollar laser isotope-separation plant in Idaho to covert fuel-grade plutonium for use in weapons. Admiral Watkins remarked yesterday that we should make these investments to "demonstrate the will of the nation" to respond to a potential Soviet "breakout" from an arms reduction treaty. A more direct and less costly way to contain this potential threat would be to eliminate the current Soviet advantage in plutonium production capability. The principal restriction imposed by the bill we are introducing today will require the shutdown of all the Soviet Union's plutonium production reactors. U.S. national security could benefit once again from the larger Soviet reductions required by such a "zero option" for plutonium production.

Our legislation will also prohibit future operation of isotope separation plants dedicated to the production of plutonium for weapons. Since a military need has yet to be identified for the weapons-grade plutonium from this type of facility, restricting the potential feedstock for this plant to civilian use is a very small price to pay for making the giant step forward we are proposing today.

The cutoff is a U.S. initiative which has a long history in the annals of arms control, dating back to the Eisenhower administration. For most of the 1980's, independent American scientists have been urging their Soviet counterparts to look again at the idea of ending production of plutonium and highly-enriched uranium for weapons. Last month in London, General Secretary Gorbachev responded in a manner which indicates Soviet willingness to proceed toward such a cutoff. The agreement urged in this legislation will take the arms control process to new levels of cooperation and mutual inspection, opening up the Soviet Union's nuclear-industrial complex as never before.

The cold war confrontation will not wither away by itself, or crumble in the wake of the General Secretary's succession of unilateral steps. Both sides need to take initiatives which demonstrate a willingness to let go of the legacy of nuclear confrontation, so that we can proceed together to fashion a new era of cooperative diplomacy and peace.

INTERNATIONAL PLUTONIUM CONTROL ACT—SUMMARY OF KEY PROVISIONS

PLUTONIUM

Effective six months after enactment, the President must certify to Congress that at least one of the following conditions applies before obligating or expanding funds to operate a production reactor, chemical separation plant, or isotope separation plant to obtain more plutonium for use in weapons [Sec. 6]:

the Soviet Union has refused to negotiate in good faith with the United States on a verifiable agreement ending production of plutonium and highly-enriched uranium for weapons;

the United States is unable to determine that Soviet production reactors, chemical separation facilities, or isotope separation plants dedicated to the production of plutonium for weapons purposes have ceased operation;

the Soviet Union is continuing to obtain plutonium by operating a civilian chemical separation plant that is not under mutually agreed safeguards.

HIGHLY-ENRICHED URANIUM

While both sides have declared that they are not producing highly-enriched uranium for weapons today, the continued operation of a uranium enrichment or chemical separation plant to obtain this material for weapons would not be formally constrained unless and until both sides negotiate and implement an agreement, called for in the Act, requiring installation of safeguards against diversion of nuclear material from these dual-use facilities [Section 2, Finding #5; Sec. 3; Sec. 4(1) par. B].

VERIFICATION

The Act urges the President to seek agreement with the Soviet Union on an exchange of data concerning the complete inventory of facilities in each country dedicated to the production of nuclear weapons materials, including the location, mission, and maximum annual capacity of their respective facilities essential to the production of tritium for stockpile replenishment.

The Act calls for "mutual inspections as necessary" to supplement national technical means in monitoring the shutdown of facilities dedicated to the production of plutonium for weapons. The Act urges both sides to furnish the technical equipment and personnel to implement safeguards at civilian nuclear facilities in each country, while considering increased resources for the International Atomic Energy Agency and the eventual transfer of the civilian safeguards mission to this international body [Sec. 4 and Sec. 5].

EXCLUDED ACTIVITIES

These activities are not limited by the Act: (1) recycling of nuclear material from retired weapons; (2) recovery from scrap of the existing weapon-grade plutonium inventory; (3) production of tritium, when conducted in declared facilities; (4) operation of a uranium enrichment or chemical separation facility to obtain highly enriched uranium fuel for tritium production or naval reactors; (5) funding for research, development, design, or construction of nuclear materials production facilities.

STATEMENT OF DAVID ALBRIGHT OF THE FEDERATION OF AMERICAN SCIENTISTS ON THE INTERNATIONAL PLUTONIUM CONTROL ACT, MAY 18, 1989

The International Plutonium Control Act enjoys the support of 23 leading national environmental, religious, and arms control organizations, as well as local and regional citizens' groups near Department of Energy weapons production sites throughout the country. These groups represent a broad range of interests whose divergent concerns can all unite on this one issue—permanently stopping the production of plutonium for weapons.

The organizations who have endorsed this legislation include: Committee for National Security, Council for a Liveable World, Energy Research Foundation, Environmental Action, Environmental Policy Institute, Federation of American Scientists, Friends Committee on National Legislation, Friends of the Earth, Greenpeace, Hanford Education Action League, Methodists United for Peace with Justice, Natural Resources Defense Council, Nuclear Control Institute, Physicians for Social Responsibility, Professionals' Coalition for Nuclear Arms Control, Public Citizens, SANE/FREEZE: Campaign for Global Security, Snake River Alliance, Union of Concerned Scientists, United Church of Christ-Office for Church in Society, Women Strike for Peace, Women's Action for Nuclear Disarmament, and Women's International League for Peace and Freedom.

Many of these groups are active participants in the Plutonium Challenge coalition. This coalition was started in late 1987 when eight leading scientific groups and citizens' organizations, in conjunction with distinguished nuclear arms analysts and nuclear scientists, issued a challenge to the Soviet Union and the United States to stop producing plutonium and highly enriched uranium for nuclear weapons. Since its inception, the Plutonium Challenge has grown dramatically and now works on all the major issues related to the current crisis in the Department of Energy's weapons production complex.

We believe that the International Plutonium Control Act is an appropriate response to General Secretary Gorbachev's recent announcement to cease the production of highly enriched uranium for nuclear weapons and to shut down two of more than ten Soviet plutonium production reactors in "yet another step towards the complete cessation" of the production of plutonium and highly enriched uranium for weapons. The current administration is unwilling to seize the initiative on this issue, as with so many others. It is therefore up to Congress to fill the void between opportunity and action.

The United States has stopped producing plutonium in reactors for weapons, primarily as the results of safety problems in its military production facilities. Since 1964, the United States has not produced any highly enriched uranium for weapons. The International Plutonium Control Act represents an opportunity to convert this U.S. halt in the production of these materials into a permanent, verifiable, bilateral ban that would end Soviet plutonium production for weapons as well.

The United States sacrifices little and has much to gain by negotiating a bilateral ban. The United States is unlikely to produce new plutonium or highly enriched uranium for weapons for several years. In any case, we already have more than enough plutonium and highly enriched uranium to maintain our weapons aresenal for the foreseeable future.

A permanent, bilateral cutoff would create many decisive national security, environmental, and economic benefits for the United States. It would reduce the amount of nuclear waste that would be produced, save billions of dollars in construction funding that could better be used for cleaning up the environmental mess at the production sites, strengthen international barriers to the spread of nuclear weapons, and create a verifiable basis for significant arms reductions.

The United States should not waste the present opportunity that now exists to halt permanently the production of plutonium and highly enriched uranium for weapons. We plan to work vigorously to pass the International Plutonium Control Act and thereby close off a dimension of nuclear arms race that has been so destructive to our own country as well as to the Soviet Union.

VERIFICATION OF A HALT IN SOVIET PLUTONIUM PRODUCTION AS REQUIRED UNDER THE INTERNATIONAL PLUTONIUM CONTROL ACT

(By David Albright, Federation of American Scientists)

The International Plutonium Control Act would require the President to make a determination six months after the legislation's enactment that Soviet production reactors, chemical separation or "reprocessing" facilities, and isotope separation plants dedicated to the production of plutonium for weapons purposes have ceased operation. This determination rests fundamentally on the long-standing ability of the United States to monitor Soviet production activities by national technical means.

DETERMINING THAT REACTORS AND ASSOCIATED CHEMICAL SEPARATION FACILITIES ARE SHUTDOWN

This determination can be based on the ability of the U.S. intelligence agencies to monitor from outer space that Soviet military reactors and chemical separation facilities dedicated to plutonium production are shutdown. The locations of these facilities are well known, and the United States regularly monitors them using national technical means.

To increase confidence that chemical separation facilities remain closed after the initial determination, each side could apply tamperproof seals at entrances into critical parts of the facilities or tamperproof meshes could be placed around key components in the plants. The seals and meshes would then be checked periodically during on-site inspections. In addition, tamperproof cameras could be installed in critical areas of the plant to monitor activities.

In the case of reactors, tamperproof metal tapes, which would become irradiated if the reactor was operated, could be threaded through a shutdown reactor and the ends fixed by specially developed seals in order to verify that a reactor remained shutdown between inspection visits. In 1966 the United States demonstrated such a technique to the representatives of 50 nations and several international institutions in a shutdown plutonium production reactor at Hanford, Washington. The demonstration involved a "fingerprinted" bimetallic tape which contained a small amount of cobalt that would become radioactive if the reactor were operated, even at very low powers.

These techniques could be applied quickly at closed facilities. In conjunction with monitoring by satellites, these techniques would be more than adequate to ensure that the facilities remained closed.

VERIFICATION AGAINST THE SECRET PRODUCTION OF PLUTONIUM IN A REACTOR DECLARED TO PRODUCE TRITIUM

The International Plutonium Control Act would require both the United States and the Soviet Union to designate to the other the location and power of reactors dedicated to the production of tritium. Without significant reductions in nuclear arsenals, both countries can be expected to continue producing tritium in order to maintain their nuclear weapons. Since a tritium production reactor can also produce plutonium, the designated tritium production reactors would have to be monitored to ensure that any plutonium produced in such a reactor is not diverted to weapons uses.

The legislation incorporates several layers of defense against secret plutonium production in military reactors dedicated to tritium production. The first relies on the requirement that both sides' chemical separation plants able to separate plutonium would be closed or under adequate bilateral safeguards. Therefore, even if plutonium were secretly produced in a tritium-production reactor, the plutonium would have to be extracted in secret, requiring the construction and operation of a secret chemical separation plant. In addition, since each side must declare its tritium production reactors, the amount of plutonium that could be produced in secret depends on the amount of excess reactor capacity above that needed for tritium production. Since each country has estimates of the other's tritium requirements, however, both countries would be inhibited from overstating their reactor requirements for tritium, and thus their capability for secret plutonium production, out of fear of being caught.

The frequency with which a reactor is reloaded could provide another indication of whether it is producing tritium or plutonium. In the United States, tritium is produced in a production reactor by irradiating lithium "targets." The reactor is typically operated for several months before the targets are unloaded. In contrast, a reactor dedicated to plutonium production operates for only about a month before the plutonium-bearing fuel rods or targets are unloaded. Therefore, frequent reactor shutdowns could be an indication of secret plutonium production and warrant further investigation.

In the long term, each side might want on-site inspection of the tritium production reactors to obtain greater assurance against illicit plutonium production. Each side could be granted the right to monitor the loading and unloading of a production reactor both visually and with passive radiation detectors to assure that the lithium targets are not in fact disguised uranium targets used for plutonium production. Camera surveillance of the reactor loading area would also add confidence that the reactors were not being used to secretly produce plutonium.

Implementing a portion of these procedures, such as camera surveillance or short notice challenge inspections of the loading or unloading of a reactor, could be accomplished quickly, and could significantly increase each side's confidence that only tritium was being produced. Later, as time permits, additional procedures could be applied, if necessary.

Even in the absence of on-site inspections at tritium production reactors, the amount

of plutonium that could be produced in secret between the time that the President makes the initial six month determination and the implementation of a final negotiated agreement would not be militarily significant. Since the plutonium would also have to be separated secretly from the targets or fuel rods, and the discovery of this activity would immediately end any prospects of achieving a cutoff agreement, the Soviet Union is unlikely to be willing to take this risk.

BILATERAL INSPECTIONS OF CIVILIAN CHEMICAL SEPARATION FACILITIES

The International Plutonium Control Act allows civilian plutonium chemical separation facilities to operate if they are under bilateral inspections. The IAEA has conducted such inspections at several civilian plutonium separation facilities in Europe and Japan, and these procedures could be applied by the United States and the Soviet Union at any civilian plutonium separation facilities that exist in either country.

Since plutonium separation facilities are often large and can involve large amounts of plutonium in liquid, solid, and powder form, the implementation of bilateral inspections might take longer than six months. As a result, until such bilateral safeguards are implemented, this legislation would require that such plants remain shutdown.

VERIFYING A U.S.-U.S.S.R. HALT TO THE PRODUCTION OF PLUTONIUM AND HIGHLY ENRICHED URANIUM FOR WEAPONS

The International Plutonium Control Act calls for a verifiable US-USSR halt to the production of plutonium and highly enriched uranium ("fissile materials") for weapons. By combining national technical means of verification with cooperative on-site inspections, such a bilateral halt can be effectively verified with a two-tiered verification regime:

I. VERIFICATION OF COMPLIANCE AT DECLARED NUCLEAR FACILITIES

Even if the United States and the Soviet Union agree to stop producing plutonium and highly enriched uranium for nuclear weapons, both countries would continue their civilian nuclear research and power programs. Therefore, one task in verifying a fissile material cutoff agreement would be to prevent the diversion of fissile materials to nuclear weapons purposes. With current safeguard provisions, total annual diversions of fissile material from the civilian facilities in each country can be detected before militarily significant quantities of materials are accumulated. Eventually, the International Atomic Energy Agency (IAEA) could take over responsibility for such inspections.

Similar bilateral monitoring procedures could verify against both the secret production of plutonium in declared tritium production reactors and the diversion of highly enriched uranium from naval reactors to nuclear weapons uses. The exhaustive verification regime established in the Intermediate-Range Nuclear Force (INF) Treaty is an important precedent for the verification of a bilateral fissile material cutoff.

II. DETECTION OF SECRET FISSILE MATERIAL PRODUCTION OPERATIONS

Verification procedures must also guard against the construction and operation of clandestine production facilities. Therefore, in addition to on-site monitoring at declared facilities, each country would use national technical means of verification to detect the production of militarily significant amounts of plutonium and highly enriched uranium in secret production plants.

With extensive civilian and military satellite surveillance and other means of information gathering, the enormous effort required to construct and operate a significant fissile material production facility could not be undertaken clandestinely for long. If secret facilities were not discovered during the construction phase, they would be exposed during operation.

VERIFYING A HALT TO THE PRODUCTION OF PLUTONIUM AND HIGHLY ENRICHED URANIUM FOR WEAPONS

The International Plutonium Control Act calls for a bilateral U.S.-U.S.S.R. halt to the production of plutonium and highly enriched uranium ("fissile materials") for weapons. Such an agreement can be effectively verified with existing technology, using a two-tiered verification regime:

(1) Since nuclear facilities would continue to operate in both countries, generating civilian power and supporting military nuclear activities not prohibited by an agreement (such as naval reactors), these activities would be monitored to ensure that nuclear material is not diverted from permitted uses to the construction of nuclear weapons;

(2) Beyond site monitoring at declared facilities, each side would use national technical means of verification to detect the production of significant amounts of plutonium and highly enriched uranium in covert facilities.

I. VERIFICATION OF TREATY COMPLIANCE AT DECLARED NUCLEAR FACILITIES

Even if the United States and the Soviet Union agreed to stop producing plutonium and highly enriched uranium for nuclear weapons, both countries would continue their civilian nuclear research and power programs. Some of the facilities, such as uranium enrichment and plutonium chemical separation ("reprocessing") plants, produce fissile materials that could be used in nuclear weapons. Therefore, one task in verifying a fissile material cutoff agreement would be to prevent the diversion of fissile materials from such facilities.

The International Plutonium Control Act states that the United States and the Soviet Union should establish bilateral verification procedures for civilian nuclear facilities. These bilateral inspections would utilize techniques and methods developed by both countries and the International Atomic Energy Agency (IAEA).

The IAEA has an established system of surveillance, seals, and on-site inspection (collectively known as "safeguards") in nuclear facilities in over 50 non-nuclear weapon states in order to verify that these countries are not using these facilities for the acquisition of nuclear explosives. These safeguards have been systematically developed during the last thirty years.

This legislation suggests that eventually the IAEA could be made responsible for the necessary verification inspections at civilian nuclear facilities. When the United States proposed a bilateral cutoff in 1969, it said that the IAEA could be responsible for on-site inspections at civilian nuclear facilities. (From 1956 to 1969 the United States repeatedly proposed a bilateral cutoff, but the Soviet Union was disinterested, probably because Soviet stockpiles were much smaller than those of the United States.)

Hans Blix, Director-General of the IAEA, said in 1983: "We now have the experience, and are increasing our experience, in safeguarding reprocessing plants and enrichment plants, which are the installations that produce weapons-grade materials. So if one day the great powers wish to ask themselves, could we have a cutoff of fissionable material for weapons purposes, the techniques are there to monitor it." (Washington Post, May 20, 1983).

The United States and the Soviet Union, in an attempt to reduce the discriminatory character of the Non-Proliferation Treaty, have already put a handful of their own nuclear facilities under direct IAEA-inspections. The United States permits the IAEA to inspect any of its more than 200 civilian nuclear facilities. The Soviet Union has also made available many of its civilian facilities to agency inspection, including its largest breeder reactor, the BN-600 at Byeloyarsk and a spent fuel interim storage facility at Novororonezh.

With current safeguard provisions, total annual diversions of fissile material from the civilian facilities in each country can be detected before militarily significant quantities of materials are accumulated. With advanced safeguards procedures for enrichment and chemical separation facilities that are under development, even smaller diversions can be detected.

Similar monitoring procedures could be applied bilaterally to ensure that highly-enriched uranium used in naval nuclear reactors was returned to the safeguarded program's custody and that tritium production reactors do not generate plutonium.

II. DETECTION OF SECRET FISSILE MATERIAL PRODUCTION OPERATIONS

On-site safeguard provisions could, of course, only guarantee that acknowledged nuclear facilities were not producing fissile materials for nuclear weapons. They would not address the problem of covert production facilities.

Today, however—with extensive civilian and military satellite surveillance, communication interception, and other means of gathering intelligence—the enormous effort required to construct and operate a significant plutonium or highly enriched uranium production facility could not be undertaken clandestinely for long. If secret facilities were not discovered during the construction phase, they would be exposed during operation.

Surveillance satellites, for example, can detect heat emanations that reveal the operation of plutonium production reactors. An unidentified, isolated heat source of the magnitude characteristic of a plutonium reactor would send a clear signal for further investigation. Any attempt to conceal the heat source by locating it near another large industrial facility or city would increase the chances of more people becoming aware of the facility's purpose and therefore raise the probability of a "leak."

A number of smaller and thus more easily concealed secret plutonium production reactors could be built; however, the advantage associated with their smaller size would be at least partially offset by the larger number which would be subject to detection. The discovery of one facility could "blow the cover" on the entire network. If fewer facilities were built, they would have to operate for a longer period of time to produce the desired amount of plutonium, significantly increasing the risk of detection.

An indication of the effectiveness of national technical means in monitoring small, clandestine reactors was revealed in an April 3, 1989 article in the trade publication Nuclear Fuel. It reported U.S. satellite surveillance of a small reactor in North Korea that

has been operating for over a year without safeguards, even though North Korea signed the Non-Proliferation Treaty in 1985. This reactor is estimated to be capable of producing about 10 kilograms of plutonium a year, enough for about two nuclear weapons. Although this amount of plutonium in the possession of North Korea would be very dangerous, it represents only about 0.01 percent of the amount of plutonium in either the U.S. or Soviet plutonium stockpile, and is therefore totally insignificant in the context of a U.S.-Soviet cutoff. Nuclear Fuel also reported that Military satellites were able to detect a small facility under construction nearby that looked suspiciously like a small plutonium separation facility.

Sustaining a clandestine effort to produce significant quantities of highly enriched uranium would involve large facilities, involving hundreds or thousands of people, and the movement of large quantities of uranium. For example, the production of about 2,500 kilograms of weapon-grade uranium per year—about 0.5 percent of the estimated U.S. inventory of weapon-grade uranium for weapons—would require a plant with a capacity of 500,000 separative work units (SWUS) a year. A British gaseous diffusion plant at Capenhurst with a similar capacity was about 0.5 kilometers long (one third of a mile) and required several large cooling towers to dissipate the residual heat. A plant this size would consume an average of almost 150,000 kilowatts of electric power, about as much as the electricity demand of an average U.S. city of 150,000 people.

Although gas centrifuge enrichment plants are smaller, more energy efficient, and therefore less conspicuous than diffusion enrichment plants, they would still be vulnerable to detection by national technical means. The construction of a 500,000 SWU plant would require the manufacture and installation of very large numbers of highly sophisticated centrifuges. Its operation would require the electricity demand of a U.S. city of roughly 10,000 people. In addition, the secret construction and operation of such a plant or other secret facilities would have to be accomplished against an industrial background that the other side has closely monitored since the early 1960s.

II. CONCLUSION

The exhaustive verification regime established in the Intermediate-Range Nuclear Force Treaty is an important precedent for the verification arrangements for a bilateral fissile material cutoff. By combining national technical means of verification with cooperative on-site inspections, a bilateral halt to the production of fissile material can be effectively verified.

Considering the huge size of each country's arsenals, any cheating on the margins by one side could not give it a military advantage over the other. What is more, when detected, the political price to pay for evasion would be prohibitive.

U.S. SENATE,
Washington, DC, April 3, 1989.

DEAR COLLEAGUE: We are writing to invite you to join us as an original sponsor of legislation that would create the opportunity for a mutual and verifiable halt to the production of additional plutonium and highly-enriched uranium for nuclear weapons.

If the United States and the Soviet Union are serious about reducing their vast stockpiles of nuclear weapons, then sooner or later the governments of both nations must come to grips with this longstanding proposal for a so-called "fissile material cutoff." The course of recent events suggests that such a "fissile material cutoff" is a reasonable near-term prospect that could facilitate solutions to a number of arms control, budgetary, and environmental problems.

As a result of a deteriorating production complex and a pressing need for tritium to replenish the existing stockpile, the Department of Energy is already planning to engage in what amounts to a unilateral halt in plutonium production over the next several years. Why not convert this De Facto U.S. Unilateral Moratorium into a Bilateral Verifiable Arms Control Regime that would halt Soviet plutonium production as well?

The production reactors and large-scale chemical separation plants needed to produce significant quantities of additional plutonium for weapons are routinely monitored by National Technical Means of verification, easing the verification of an immediate moratorium on plutonium production.

After negotiating the installation of safeguards against diversion of materials from operating non-weapons facilities—such as uranium enrichment plants—such a production halt could be extended to end the production or chemical separation of highly-enriched uranium for weapons purposes.

During last year's testimony and debate on the INF Treaty, commentators from all parts of the political spectrum mistakenly justified its lack of procedures to verify destruction of nuclear warheads on the grounds that no means exist to prevent the Soviet Union from making new warhead materials.

In fact, in 1982 the Soviet Union finally expressed its willingness to enter into an agreement—proposed by the United States from 1957 to 1970—to end the production of additional fissile material for nuclear weapons. The Reagan Administration ignored this important development, and instead turned its attention to squeezing the maximum output from our aging nuclear materials production facilities while deferring critical investments in safety and environmental restoration.

A fissile cutoff agreement now could create a verifiable basis for the permanent dismantlement of nuclear warhead stockpiles and save both nations billions of dollars in construction and operating costs for plutonium and highly-enriched uranium production facilities.

The attached bill establishes mutual and verifiable restrictions on the use of nuclear materials production reactors and chemical separation plants to produce plutonium for nuclear explosive purposes, and provides for the application of safeguards to other nuclear facilities of the U.S. and USSR that can be used for both military and civilian purposes.

Before operating a Savannah River reactor, chemical separation plant, or isotope separation plant to obtain more plutonium for weapons, the President would be required to certify that the Soviet Union has refused to negotiated with the U.S. on a verifiable agreement ending production of plutonium and highly enriched uranium for weapons.

The restriction on military plutonium production would also lapse if the President certifies that the United States is unable to determine that similar facilities in the USSR have also ceased operation, or if the USSR continues to operate civilian chemicals separation plants without appropriate international safeguards.

The bill explicitly provides that none of its provisions shall be construed to interfere with the continued operation of facilities to obtain tritium for stockpile maintenance, highly enriched uranium for naval reactor fuel, and plutonium recovered from retired weapons and scrap.

The concept of a mutual moratorium on plutonium production—the "Plutonium Challenge"—is supported by a broad coalition of national arms control and environmental groups, and it has received the endorsement of former arms negotiators, nuclear proliferation experts, knowledgeable scientists, public health officials, and environmental specialists.

This legislation will expand the horizons of the arms control debate beyond the regulation and reduction of certain types of neclear delivery systems. It will also highlight an attractive arms control dividend which could lessen the financial burdens involved in present plans to modernize the nuclear materials production complex.

Finally, the fissile cutoff represents a major and long-deferred step toward equalizing the rights and obligations of nuclear-weapon versus non-weapon states which are party to the Nonproliferation Treaty. Full-scale participation in the safeguards system of the International Atomic Energy Agency by the United States and the Soviet Union would vastly expand and strengthen the IAEA's capabilities to guard against nuclear weapons proliferation. It would also increase political pressure on nuclear weapon "threshold-states"—such as India and Pakistan—to place all their nuclear facilities under safeguards.

We hope you will join us as original sponsors of this important legislation. If you have any questions, or would like to be a sponsor, please contact Christopher Paine, 4-5109 or Kevin Knobloch at 4-5852.

Sincerely,

EDWARD M. KENNEDY.
TIMOTHY E. WIRTH.●

● Mr. WIRTH. Mr. President, today Senator KENNEDY and I, along with Senators HATFIELD, HARKIN, CRANSTON, KERRY, and SANFORD, are introducing the International Plutonium Control Act. A companion bill is being introduced in the House of Representatives by the distinguished chairman of the Foreign Affairs Committee, Representative DANTE FASCELL, and his colleague from Oregon, Representative RON WYDEN.

This bill would require the President to certify to Congress that the Soviet Union had refused to negotiate with the United States on a verifiable ban on fissile weapons materials before restarting any of the Savannah River reactors for plutonium production or operating a chemical or isotope separation plant. The restriction on military plutonium production would also lapse in the President certifies that the United States is unable to determine that similar facilities in the Soviet Union have ceased operation, or if the Soviets continue to operate civilian chemical separation plants without appropriate safeguards. Nothing in this legislation would prohibit tritium production, the production of highly enriched uranium for naval reactors, or

the use of plutonium recovered from scrap and retired weapons.

Mr. President, this measure is in fact a modest proposal. The United States has not produced any weapons-grade uranium since 1964, and currently has a stockpile of approximately 500 metric tons. This stockpile will likely increase further with the possible withdrawal from service of the W-33 nuclear artillery shells, currently being considered by NATO and SHAPE. We are currently awash in plutonium with a stockpile of roughly 100 metric tons, compared with an estimated Soviet stockpile of about 115 metric tons. Yet, we are now contemplating building new production capacity for uranium and plutonium for the sole purpose of creating an even larger surplus of these missile materials.

We do not need larger stockpiles nor can we afford them. The intent of this legislation is to make a budgetary and arms control virtue of the necessity created by the current safety-related shutdown of our three nuclear materials production reactors. By encouraging negotiated and verifiable restrictions on the production of plutonium and enriched uranium for nuclear weapons purposes, this bill can help promote strategic nuclear arms control efforts, reduce Federal expenditures for the construction and operation of new production facilities, and assure that cleanup efforts at nuclear complexes will get adequate attention and resources.

The U.S. Government has not produced any new materials for nuclear weapons for over 1 year due to serious safety concerns at Savannah River. The Department of Energy has plans to restart these reactors and to construct two new reactors and a plutonium purification facility in order to assure into the 21st century our ability to produce weapons-grade uranium, plutonium, and tritium. These efforts will be time-consuming and very expensive. DOE estimates in its recent "2010" study that we will have to spend $52 billion to modernize and consolidate nuclear production facilities and another $29 billion to clean up the currently known environmental and health hazards at production facilities. Other studies suggest that the DOE will require as much as $100 billion to clean up health and environment hazards at DOE facilities over a 40-year period.

The DOE estimates represent the most sanguine view of the costs of modernization and cleanup. With the intense pressure on the Federal budget likely to increase in the coming years, I am extremely concerned that we are not being realistic about what we can afford to do in the nuclear weapons production complex area. I am further concerned that if push comes to shove, cleanup efforts will fall victim to modernization.

The safety crisis with our production reactors is mirrored in the Soviet Union, Mr. President. According to a study released by Los Alamos National Laboratory last June, "Soviet military production reactors are old, obsolete and unsafe. They will be shut down soon." In the aftermath of the Chernobyl disaster, there is an increased awareness of and sensitivity to the dangers posed by nuclear reactors. This was no doubt reflected in Soviet President Gorbachev's announcement on April 7 that the Soviet Union would cease uranium production this year and shut down two plutonium reactors by the end of next year.

This legislation would challenge Mr. Gorbachev to go even further than his unilateral gesture last month through negotiations on a verifiable agreement banning all production of all plutonium and highly enriched uranium for nuclear weapons. Converting our current de facto unilateral moratorium into a bilateral, verifiable arms control regime would halt all Soviet plutonium and uranium production. Not only will we stand to save significant sums of money if we can reach a negotiated fissile material ban, but we also will contribute importantly to strategic nuclear arms control efforts.

Next month in Geneva, the United States and the Soviet Union will resume negotiations on Strategic Arms Reduction Talks [START]. While many obstacles to agreement remain, it is nonetheless clear that both sides are now discussing the possibility of deep reductions in their respective strategic nuclear arsenals. A negotiated ban on fissile material production would contribute enormously to the verification requirements of such a treaty. To provide confidence that withdrawn nuclear warheads would not be replaced at a later date, through overt breakout or clandestine deployment, with newly produced supplies, a verifiable regime restricting the production of fissile materials would be needed. This legislation urges the administration to begin that dialog with the Soviet Union now.

A negotiated ban on fissile material production will require intrusive monitoring provisions to assure compliance. Application of the International Atomic Energy Agency safeguards, satellite monitoring, and onsite inspection, I am convinced that we will be able to establish a fissile materials ban verification regime which would prevent any militarily significant cheating from going unnoticed. If we can contemplate the verification of a chemical weapons ban or a 23-nation conventional arms cut from the Atlantic to the Urals, we certainly can establish an effective verification regime for a fissile materials ban.

This legislation will also lend concrete meaning to article 6 of the Nonproliferation Treaty in which nuclear weapons states' efforts to reduce their dependence on nuclear weapons is tied to the nonproliferation goals outlined in the treaty. A fissile material cutoff would strengthen the nonproliferation regime, and influence other nuclear weapons states, such as China, France, and the United Kingdom, to consider a comparable ban.

Mr. President, I would like to close by noting the enormous contribution made to this debate by a coalition of arms control and environmental groups which have pursued the "plutonium challenge"—including the Council for a Livable World, Friends of the Earth, Physicians for Social Responsibility, Union of Concerned Scientists, Natural Resources Defense Council, Federation of American Scientists, and the Environmental Policy Institute.

Mr. President, I ask that a summary of the provisions of the International Plutonium Control Act appear following my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

"INTERNATIONAL PLUTONIUM CONTROL ACT"—SUMMARY OF KEY PROVISIONS

Plutonium: Effective six months after enactment, the President must certify to Congress that at least one of the following conditions applies before obligating or expending funds to operate a production reactor, chemical separation plant, or isotope separation plant to obtain more plutonium for use in weapons [Sec. 6]: the Soviet Union has refused to negotiate in good faith with the United States on a verifiable agreement ending production of plutonium and highly-enriched uranium for weapons; the United States is unable to determine that Soviet production reactors, chemical separation facilities, or isotope separation plants dedicated to the production of plutonium for weapons purposes have ceased operation; the Soviet Union is continuing to obtain plutonium by operating a civilian chemical separation plant that is not under mutually agreed safeguards.

Highly-enriched uranium: While both sides have declared that they are not producing highly-enriched uranium for weapons today, the continued operation of a uranium enrichment or chemical separation plant to obtain this material for weapons would not be formally constrained unless and until both sides negotiate and implement an agreement, called for in the Act, requiring installation of safeguards against diversion of nuclear material from these dual-use facilities [Section 2, Finding #5; Sec. 3; Sec. 4(1) para. B].

Verification: The Act urges the President to seek agreement with the Soviet Union on an exchange of data concerning the complete inventory of facilities in each country dedicated to the production of nuclear weapons materials, including the location, mission, and maximum annual capacity of their respective facilities essential to the production of tritium for stockpile replenishment.

The Act calls for "mutual inspections as necessary" to supplement national technical means in monitoring the shutdown of facilities dedicated to the production of plutoni-

um for weapons. The Act urges both sides to furnish the technical equipment and personnel to implement safeguards at civilian nuclear facilities in each country, while considering increased resources for the International Atomic Energy Agency and the eventual transfer of the civilian safeguards mission to this international body [Sec. 4 and Sec. 5].

Excluded activities: These activities are not limited by the Act: (1) recycling of nuclear material from retired weapons; (2) recovery from scrap of the existing weapon-grade plutonium inventory; (3) production of tritium, when conducted in declared facilities; (4) operation of a uranium enrichment or chemical separation facility to obtain highly enriched uranium fuel for tritium production or naval reactors; (5) funding for research, development, design or construction of nuclear materials production facilities.

PLUTONIUM CONTROL ACT

As a consequence of the current surplus of plutonium and aged nuclear weapons production facilities, the United States has discontinued production of plutonium for nuclear weapons—a halt that will last several years. Why not convert this temporary halt in U.S. plutonium production into a permanent, verifiable arms control regime that would end Soviet plutonium production for weapons as well?

The specific objectives of the "The Plutonium Control Act" are to:

Establish a verifiable ban on the production of additional plutonium for weapons in both the United States and the Soviet Union;

Encourage negotiations for a bilateral, verifiable agreement to halt permanently the production of additional plutonium and highly enriched uranium ("fissile materials") for military explosive purposes.

The legislation would accomplish these goals by withholding funds for plutonium production unless the President certifies that the Soviet Union is continuing to produce plutonium for weapons. Funding for plutonium production would also be released if the Soviet Union refused to negotiate with the United States on a permanent, verifiable halt to the production of plutonium a highly enriched uranium for weapons.

This legislation does not restrict the operation of a uranium enrichment or reprocessing plant under mutually agreed safeguards to produce highly enriched uranium fuel for tritium production or naval reactors; the recycling of fissile material from manufacturing scrap or retired weapons; and the operation of facilities to produce tritium if, within 90 days of the date of enactment, both sides have designated to the other those facilities which will be used for tritium production.

REASONS FOR THE PLUTONIUM CONTROL ACT

Congress should adopt this legislation in 1989 because:

1. The United States has halted the production of plutonium for weapons, in effect initiating a unilateral moratorium that will continue for the next several years. This legislation aims to convert this unilateral action into a verifiable bilateral arms control regime that would halt Soviet plutonium and highly enriched uranium production for weapons as well.

2. The U.S. has no immediate need for the production of more plutonium for weapons. It will take 24,000 years for just half of our present stock of roughly 100,000 kgs of weapon-grade plutonium to decay. This amount is more than enough to support our present arsenal for many years, if not decades. The successful negotiation of the START treaty would greatly expand our existing plutonium surplus.

3. The U.S. has not produced highly enriched uranium for weapons in more than two decades and still does not need to. President Johnson banned highly enriched uranium production in 1964, citing an overabundance of the material. Because today's arsenal is much smaller than it was 20 years ago, we have adequate supplies of highly enriched uranium. By negotiating a ban, the U.S. would sacrifice nothing while gaining assurance that the Soviet Union would also not produce highly enriched uranium for weapons.

4. A fissile material cutoff would save tens of billions of dollars in construction and operating costs for production facilities. The funds saved could be used instead to clean up the extensive contamination at production sites.

5. A halt to the production of plutonium and highly enriched uranium would create a verifiable basis for the permanent dismantlement of nuclear warheads. Future agreements, in order to prevent clandestine deployment or overt breakout, should provide for the dismantlement of the warheads themselves and prohibit the recycling of a significant fraction of the fissile material from these warheads into new weapons. Fissile material production would have to be halted in order to provide confidence that the withdrawn materials were not replaced at a later date with newly produced supplies.

6. There is a precedent for a fissile materials cutoff agreement. From 1957 to 1970 the U.S. pursued an agreement with the Soviet Union to halt the production of fissile materials. The Soviet Union declined, in part because they were behind in production. Recently, the Soviet Union has expressed a strong interest in achieving such a agreement.

7. A fissile material cutoff agreement can be adequately verified. Through a combination of national and cooperative technical means aimed at detecting clandestine production, and International Atomic Energy Agency inspections of civilian nuclear facilities, covert production could be detected well before it reached militarily significant levels.

8. A cutoff would strengthen international barriers to the spread of nuclear weapons. By extending safeguards to all the civilian facilities in the weapons states, a fissile material cutoff would reduce the discriminatory character of the Non-Proliferation Treaty. It would also increase political pressure on nuclear weapons "threshold" states, such as India and Pakistan, to place all their nuclear facilities under international inspection.

9. A superpower cutoff could influence other nuclear weapons states—like China, France and the U.K.—to consider a comparable shutdown.

For more information about this legislation, please contact David Albright at the Federation of American Scientists (547-2363). Updated April 12, 1989.

[From the Journal of the Federation of American Scientists, Dec. 1988]

THE BURDENS OF BOMB-BUILDING: ARMS CONTROL CAN HELP

The Department of Energy (DOE) is moving forward with plans to request tens of billions of dollars from Congress over the next decade to build new facilities or repair existing ones for production of nuclear weapons materials. After decades of neglect, continued production of weapons materials under current standards for environmental contamination, safety, and health, will require the replacement or restoration of virtually the entire infrastructure of the nuclear materials production complex.

However, before the United States spends billions to modernize its nuclear materials production facilities, Congress and the public must be afforded the opportunity to assess the future need for these materials. Presently attainable treaties could dramatically reduce nuclear stockpiles and decrease the need for nuclear weapons materials. The nation has time to make careful decisions about when to restart the troubled Savannah River military production reactors and whether the United States needs to build new production facilities. In view of DOE's chronic overestimation of nuclear materials requirements and the prospects for deep reductions in US and Soviet arsenals, the Congress should not allow itself to be stampeded into premature or unnecessary decisions.

The key nuclear weapons materials are plutonium, tritium, and highly enriched uranium. Plutonium and highly enriched uranium, which can sustain a nuclear chain reaction, are called "fissile" materials, and either one or both are required in all nuclear weapons. Their long radioactive half-lives mean that they essentially last forever. Tritium, an isotope of hydrogen that is used in fusion reactions in nuclear weapons, permits the design of compact nuclear weapons with greatly reduced volume and weight for a given explosive power. Unlike plutonium and highly enriched uranium, half of a given quantity of tritium decays into other elements in 12.3 years—a rate of 5.5% per year. Tritium must therefore be replenished periodically in warheads.

REAGAN'S LEGACY: UNILATERAL DISARMAMENT?

Last summer the DOE was forced, for safety reasons, to shutdown all the Savannah River production reactors. Since these reactors were the last of the dedicated facilities remaining in operation for production of new plutonium and tritium for US nuclear weapons, the US has, in effect, imposed a temporary unilateral moratorium on the production of all nuclear materials for weapons for the first time since the nuclear age began. (With an inventory of some 500 metric tons, the United States ceased production of highly enriched uranium for nuclear weapons in 1964.)

Other facilities have also been shut down for safety reasons. The N Reactor, a graphite moderated reactor at the Hanford Reservation in the State of Washington, was placed on "cold standby" earlier this year and is not expected to restart. Similarly, plutonium and uranium processing facilities have been shutdown at Rocky Flats, Colorado and Fernald, Ohio.

DOE'S PLANS

Last summer however, the DOE informed Congress that, at least in the near-term, it wanted to restore the equivalent of two Savannah River reactors to near full-power, or three reactors operating at one-half power to produce tritium. DOE has stated that this tritium is needed to replenish the existing inventory and complete the deployment of new warheads ordered during the Reagan Administration's strategic weapons buildup. After this surge of new deployments has passed, annual tritium requirements can be met by one Savannah River reactor operat-

ing near full-power, producing an estimated 8 kilograms of tritium a year.

In addition, the DOE plans to build several new facilities, giving it the capability to produce plutonium, tritium, and highly enriched uranium well into the next century.

The DOE has submitted plans to Congress to build a single, large (about 2,500 megawatts-thermal (MWt)) Heavy Water Reactor at the Savannah River Plant, and a cluster of four Modular High Temperature Gas-Cooled Reactors at the Idaho National Engineering Laboratory (INEL) with a total power of 1,400 MWt to create a redundant capacity to produce tritium, and a backup capacity to produce plutonium. However, advanced press reports of DOE's long-range modernization plan designate INEL as the future plutonium production site, raising questions about whether the high temperature reactors would ever be used to produce tritium.

The DOE plans to build a Special Isotope Separation (SIS) facility at INEL, now scheduled to begin operation in late 1995. For seven to nine years this billion dollar plant will use lasers to remove undesired plutonium isotopes from DOE stocks of low quality "fuel-grade" plutonium, increasing the concentration of plutonium 239, to yield an estimated five to seven metric tons of weapons grade plutonium, sufficient to build about 1,200-2,300 weapons, assuming about 3 to 4 kilograms per warhead. DOE has repeatedly declined to state what it will do with the plant once the seven to nine years are up. The weapons program's access to plutonium in commercial spent fuel is barred by statute.

The DOE is planning to resume production of highly enriched uranium for weapons in the early 1990s. To this end, the DOE is rebuilding a facility at the Y-12 plant in Oak Ridge, Tennessee to convert highly enriched uranium hexafluoride gas into metal for weapons.

The department is reported to be planning to consolidate several of its facilities into supersites or "parks" focusing on one activity. The Savannah River Plant would focus on tritium; Idaho National Engineering Laboratory would be responsible for plutonium; and the Y-12 plant at Oak Ridge, Tennessee would concentrate on weapon-grade uranium for warheads. This reorganization could result in the eventual closing of the Fernald, Ohio, the Rocky Flats Plant outside Denver, and perhaps other production facilities.

The General Accounting Office (GAO) estimated in the summer of 1988 that DOE would need to spend about $20 billion to maintain its existing complex to produce and recycle nuclear materials and warheads, including the construction of a new production reactor, and to ensure that this complex is operated in a safe and environmentally acceptable manner. Upgrading the Savannah River reactors will cost $785 million; restoring and replacing elements of the plutonium separation facility at Savannah River will cost about $920 million; and safety and environmental upgrades at the Y-12 Plant "may exceed $1 billion."

Building the Special Isotope Separation facility and a second production reactor and relocating some facilities to the new supersites could cost an additional $15 to $25 billion. The GAO also estimated that the DOE would have to spend over $100 billion to clean up existing radioactive contamination, safely dispose of radioactive waste, and decommission existing nuclear facilities.

DO WE NEED MORE PLUTONIUM?

During most of the Reagan Administration the DOE said that the nation faced a plutonium "shortage" unless it dedicated at least three production reactors to plutonium production, but last February Secretary of Energy John Herrington told a House Appropriations Subcommittee hearing that the United States "is awash in plutonium. We have more plutonium than we need." He later qualified this statement in Senate testimony by noting that he was talking about the near-term supply of plutonium and that he was still concerned about meeting projected stockpile requirements for the late 1990s.

The dramatic change in plutonium requirements through the mid-1990s resulted from several factors. Budget constraints have forced the Department of Defense to reduce significantly the number of nuclear weapons it plans to build over the next several years. The retirement of additional Poseidon submarines mandated by Congress—each estimated to be carrying a warhead inventory containing about 500 kgs of plutonium [about one Savannah Reactor-year of plutonium at full power]—also contributed to eliminating plutonium shortages.

In fact, it appears that through early retirement of the remaining Poseidon missile submarines—a modest speedup of the Navy's already planned trend toward lower numbers of deployed missile submarines—could provide virtually all the plutonium needed to support the deployment of Trident missile submarines through 1995. By that year, the United States would have deployed about 17 Trident submarines, near the maximum deployable level under proposed START ceilings, without removing missile tubes from individual Trident submarines.

Accordingly, by continuing to develop more realistic projections of the number of nuclear weapons it is likely to build, accelerating the retirement of obsolete weapons while stretching out the deployment of new weapons, and reclaiming the reported backlog of some 10 metric tons of plutonium in manufacturing scrap, the United States could maintain a nuclear arsenal of roughly the present size and composition for many years, if not decades.

If the United States and the Soviet Union achieve a START treaty and agree to reduce their ballistic missile warheads by 50 percent, the United States would have no justification to produce any more plutonium, even though the START agreement is unlikely to require the United States to reduce its total stockpile of strategic warheads and bombs by more than 25 percent—about 3,500 weapons.

BILATERAL RESTRAINT

Although unilateral restraint is feasible, a negotiated, bilateral, verifiable agreement to cut off production of plutonium and highly enriched uranium would provide the greatest long term assurance of mutual restraint. It would also serve to eliminate the current asymmetry in nuclear materials production capabilities which now favors the Soviet Union.

A US/Soviet agreement to end the production of fissile material would place a ceiling on the size of nuclear weapons inventories, providing additional insurance against "breakout" from arms reduction treaties. It would also strengthen international barriers to the spread of nuclear weapons by extending safeguards to the nuclear weapon states and by reducing the discriminatory character of the Non-Proliferation Treaty.

By eliminating the "need" to build new plutonium production facilities and rebuild aged facilities, and by reducing the generation of nuclear and toxic wastes, a cutoff agreement would also save valuable capital investment and operating funds that could be used to clean up the extensive contamination created by past production of nuclear warheads.

Most important of all, if new arms control agreements are to substantially reduce the number of warheads available to each side for clandestine deployment or overt breakout, then such agreements must provide for dismantlement of the warheads themselves, and prohibit the recycling of some significant fraction of the fissile material from these warheads into new weapons. For such a genuine nuclear disarmament process to be meaningful, however, it would be essential to ensure that fissile material removed from the weapons production cycle is not replaced concurrently or at some later date by newly produced material—hence the role of the fissile cutoff as the essential backdrop for the nuclear reductions process. Moreover, since it is far cheaper to recycle nuclear weapons materials than to produce them from scratch, verifiable reductions in the nuclear weapons stockpiles will make economic sense to the military complexes on both sides only when accompanied by a ban on new production.

LATENT SOVIET INTEREST

The Soviet Union also appears to have economic and political incentives to conclude such an agreement, which has been a low key "official" position of Soviet foreign policy since 1982, but has received little attention from the Soviet leadership. It, too, has aging production reactors, and a heightened awareness of hazards associated with nuclear facilities in the wake of the Chernobyl reactor accident. It has also demonstrated a new openness towards the presence of American and international inspectors to monitor nuclear weapons activities and to safeguard civilian nuclear facilities.

A resurgence of Western scientific and public interest in a fissile material cutoff agreement in recent years is based in part on advances in national technical means of verification and International Atomic Energy Agency safeguard techniques employed at civilian nuclear facilities. Application of these techniques would be supplemented by bilateral challenge inspections at potential production sites using advanced on-site monitoring technologies. While the usual panoply of verification objections are likely to be raised against this proposal, their basic irrelevance is evident in the following example.

Had the United States and the Soviet Union agreed to a fissile cutoff in 1965, as President Johnson proposed, the amount of fissile material the Soviet Union might have produced clandestinely over the next two decades pales in comparison to the amount they actually did produce in the absence of an agreement. Over the same period the United States unilaterally reduced its stockpile from 32,000 to 23,000 weapons, while the Soviet Union increased its stockpile from a few thousand to about 25,000 weapons. From the arms control risk-benefit standpoint, it would certainly seem to have been in the US interest to sign such an agreement even without any provisions for on-site inspection. Restricted to a clandestine program geared to evade detection by national technical means, the Soviet Union would have produced far fewer nuclear

weapons than it has today. No doubt, this fact is related to the reason the Soviet Union rejected US proposals for a fissile material cutoff.

Today both nations have huge nuclear stockpiles and are contemplating reductions in their deployed forces. Until both sides reach low levels of nuclear forces, the military significance of the fissile material denied each side by a cutoff agreement would vastly outweigh the significance of the amount that might be produced clandestinely. Moreover, given the recent political changes in the Soviet Union, and the increased likelihood of disclosure from within the Soviet system itself, the analyst's traditional formalism of posting some threshold level of Soviet clandestine activity may have to be abandoned altogether.

WHAT ABOUT TRITIUM?

Under a fissile material cutoff, tritium production could continue, although tritium-production reactors would require safeguards and other on-site inspections to detect plutonium production or the diversion of any highly enriched fuel.

Tritium must be treated differently than fissile materials because it has such a short half-life, and because a country's relative dependence on tritium in nuclear weapons may reflect significant technical differences in the composition of their nuclear arsenals. Although both the United States and the Soviet Union have designed arsenals that undoubtedly depend heavily on tritium, they do not know whether they each depend on tritium to the same extent.

Tritium's relatively rapid decay also significantly increases the anxiety of military establishments when tritium production is halted. For example, officials of the Department of Defense have charged that turning off the Savannah River reactors is tantamount to unilateral disarmament, and this charge has prompted near hysteria in the conservative press—a harbinger of things to come if "disarmament by tritium decay" becomes the cutting edge of nuclear arms reduction efforts. A recent Wall St. Journal broadside, for example, blasts a recent "unilateral disarmament suit," filed by the Natural Resources Defense Council for "zeroing in on the heart of the nation's deterrent posture." (NRDC is suing merely to invoke the requirements of the National Environmental Policy Act with respect to DOE's decision to restart the Savannah River reactors). To highlight the danger, the Journal quotes former Energy and Defense Secretary James Schlesinger: "If you want the shortest route to unilateral disarmament, just shut down those reactors for a while."

RESTARTING THE SAVANNAH RIVER REACTORS

Significant safety issues surround the operation of these reactors, including earthquake resistance, emergency core cooling, the understanding of severe accident phenomena, and upgrading of operating procedures. Plans for a prompt restart however, could preempt the kinds of inspections and modifications that are needed to operate these reactors safely, including determining if the reactor vessels have developed cracks similar to those discovered in the C reactor in 1985, which is now permanently shutdown.

Fortunately, the hysterical sense of urgency surrounding restart of these reactors is unwarranted. The government has several options for meeting its short-term tritium requirements for at least one year and possibly longer. How long a delay is acceptable before restarting these reactors depends on which of the following options for extending current supplies are considered feasible:

Using a reserve of tritium which is reported to be capable of fulfilling requirements until the end of 1989.

Minimizing the size of the pipeline and eliminating any backlogs in the replenishment cycle. According to DOE officials, the DOD has not returned partially decayed reservoirs as quickly as it has received replenished reservoirs from Savannah River. This is important because most of the tritium required to fill new reservoirs comes from reservoirs returned from the field.

Keeping the reservoirs in the deployed warheads longer than normal. Whether this could result in more than a minor degradation in yield depends on the design of the warhead and the range of yields that must be maintained.

Putting in less than the full complement of tritium in the reservoirs, but replenishing the supply more often.

Accelerating the retirement of older warheads, such as those in the Poseidon submarines, gravity bombs being replaced by air-launched missiles, and warheads covered by the INF treaty.

Stretching or thinning-out the deployment of some new warheads and bombs on strategically nonessential or unreliable weapons systems, such as the nuclear tipped sea-launched cruise missiles, the B-1B penetrating bomber, and battlefield weapons.

Buying tritium from Britain. The U.S. and the U.K. have swapped weapons-usable materials in the past, so there is precedent for such action. Civilian DOE customers of tritium could buy it from Canada, which has a policy not to provide tritium for nuclear weapons.

Some of the options discussed above, such as putting in less tritium and using the reserve, invole borrowing against future production. Any decision to do that must be balanced against DOE's ability to provide tritium at a later date. However, deferring tritium production requirements to future years could be an attractive strategy for dealing with near-term shortages in light of anticipated reductions in strategic nuclear forces.

WHY RUSH NEW PRODUCTION REACTORS?

The deterioriated condition of the Savannah River reactors has accelerated demands for rapidly building new production reactors. Following completion of extensive safety modifications and tests, these reactors might be able to operate for many more years. For example, one of the Savannah River reactors, the "L" Reactor, is actually 17 years younger than the other two reactors ("P" and "K"), having been shut down from 1968 to 1985. The DOE presently plans to operate these reactors for at least another decade until a new production reactor is finished. Operating one or two at a time while keeping the remainder in standby status could assure a production capability well beyond the next decade, diminishing the urgency of building a new production reactor.

Before the summer shutdown of the Savannah River reactors, the DOE had planned to resume plutonium production in two of these reactors when they returned to near full-power by about 1990, with the third dedicated to tritium production. If plutonium production was halted, these reactors could be used to produce only tritium, allowing the reactors to be operated at lower power levels.

If the Savannah River reactors must be shutdown several years before a new reactor can be built, the DOE might have to consider using other reactors to produce tritium. It has studied the conversion of the Fast Flux Test Facility (FFTF), a 400 MWt fast reactor on the Hanford Reservation, to tritium production. This reactor can produce roughly 1.5 kilograms per year at its current power, although its conversion could take several years and would require the development of new lithium rods ("targets") which are irradiated in the reactor to produce tritium. There are also several government-owned research reactors and naval propulsion demonstration reactors that conceivably could be converted to tritium production. Combined with the FFTF, these reactors might be able to produce a significant fraction of the average future tritium requirement.

The DOE could also restart the N Reactor for tritium production, but this reactor also has severe safety problems. In comparision to the Savannah River reactors, it is a relatively poor producer of tritium. According to DOE testimony in 1981, the N Reactor can produce about 3 kilograms of tritium per year, compared to an estimated 8 kilograms per year in a Savannah River reactor operating at near full-power.

The pace of U.S. nuclear warhead reductions if tritium production was permanently halted, assuming 23,000 warheads initially and equal amounts of tritium in all weapons.

Year after cutoff in production	Weapons remaining at end of that year
1	21,740
2	20,549
3	19,423
4	18,359
5	17,353
10	13,091
20	7,452
30	4,241
40	2,414
50	1,374
100	82

WHY A SECOND NEW PRODUCTION REACTOR?

Since the proposed new heavy reactor will have sufficient capacity to supply 100% of future tritium requirements, the justification for a second new production reactor, the modular high temperature gas-cooled reactor, is based on a postulated need for both technical and geographic diversity to hedge against natural disasters or safety problems at the Savannah River Plant. In light of the tight fiscal constraints however, it hardly seems necessary to build a second reactor. Developing tritium target technology for existing research, naval, or as a last resort, commercial reactors would serve as an adequate hedge against the sudden breakdown of the new production reactor. Some observers see the second reactor more as a bargaining chip to finesse a dogfight between rival congressional delegations over who gets the new reactor, and as a device to assure that at least one new reactor is built. Others see a backdoor attempt to subsidize the development of a safer civilian power reactor technology capable of winning broad acceptance from the electric utilities and the public, thereby reinvigorating the stagnant U.S. nuclear industry.

REDUCING TRITIUM REQUIREMENTS

One of the reasons for a continuing large tritium production requirement is a shift to longer warhead replenishment cycles in newer warheads. According to administration sources cited in the New York Times re-

cently, the new generation of submarine launched weapons has maintenance cycles of ten years or longer compared to the present four to six year cycle for most of the currently stockpiled weapons. Such a shift requires a greater amount of tritium in newer warheads than in the ones being replaced, and hence a larger total tritium inventory. In view of the current production uncertainties, the shift to longer replenishment cycles, should be reexamined, and if necessary, deferred.

The most important factor affecting the requirement for a new production reactor is the potential for deep reductions in the nuclear arsenals of the United States and the Soviet Union. If the total number of US weapons decreases faster than the rate that tritium decays, the tritium needed to replenish the remaining weapons could be obtained from the dismantled weapons, assuming that all of the weapons contain equal amounts of tritium (see Table).

The START treaty is expected to be completed within about two years. We estimate from published sources that this treaty could provide the United States enough tritium from retired weapons to replenish the remaining warheads for about three years. This assumes that under such an agreement the United States would retire roughly 3,500 weapons, each containing a nominal 4 grams of tritium.

If the United States and the Soviet Union implement a nuclear weapons reductions agreement that would leave each side with only a few thousand nuclear weapons by the end of this century, the United States would not have to produce any more tritium until after the year 2030.

BILATERAL HALT TO TRITIUM PRODUCTION

Some have suggested that the United States negotiate an end to tritium production with the Soviet Union which would require that all military production reactors be shut down. The major intent of such an agreement would be to "force" reductions in the number of nuclear warheads on each side at the rate that tritium decays. Pacing nuclear reductions through tritium decay would require stringent controls, not only over tritium production, but also over existing tritium inventories.

The rapid decay rate of tritium will arouse the concerns of each military establishment regarding the size of the other's tritium inventory and its relative dependence on tritium. It is not known how to alleviate these concerns without releasing detailed information about warheads, something each side would be reluctant to do lest this information be used to exploit vulnerabilities in their warhead designs.

Controls on tritium production are not needed for START reductions. Far from playing the role of a "forcing function" in arms reduction talks, controls on tritium production would simply delay agreement on the START treaty. (See also adjoining article with regard to post-START agreements.)

All of this does not mean that tritium production capability might not be limited as a collateral effect of a post-START agreement. For example, the verification of a fissile material cutoff agreement would be eased by agreeing to limit each side to one tritium production reactor (e.g. one production reactor operating only to replenish the existing arsenal). But here the verification requirements to detect clandestine production of tritium are much less stringent because the limit on tritium production is incidental and not "forcing."

In the case of a tritium production ban, while disparities as large as 1,000 kilograms in fissile material inventories are not likely to be viewed as critical to the political-military stability of such a reductions regime for many years, the same cannot be said for even 10 kilograms of tritium, which could promptly restore the performance of thousands of "reduced" warheads. To forestall the latter eventuality brings one right back to the need for verified dismantlement of the nuclear warheads themselves and safeguarded disposition of the fissile materials.

It is worth observing, also, that the pace of reductions mandated by tritium decay, even if it could be agreed, would be significant only in the first several years of agreements to make deep cuts in both sides's nuclear arsenals. For those interested in reducing the size of each side's nuclear arsenals to a few thousand warheads by the year 2000, the pace of reductions mandated by tritium's decay is too slow.

In sum, therefore, we see no way in which the use of tritium decay could plausibly be used to compel negotiated cuts in nuclear arsenals.

CONCLUSION

The serious problems plaguing the nuclear materials production program will require the government to make drastic changes in the management of its program. At the very least, these changes should also include a thorough and independently reviewed assessment of the need for new production facilities under various assumptions about the future strategic environment.

Until the current crisis in DOE's program, the only major constraint on the production of nuclear materials was economic. Now, safety and environmental factors are playing a decisive role in the operation of DOE's Defense Programs. As the Congress begins to wrestle with the enormous requests for funds to rebuild the US production base for nuclear warfare, the attractive possibilities afforded by nuclear reductions agreements and nuclear material production controls should be accorded an important, and possibly decisive, role in shaping the future of the nuclear materials production complex.—*David Albright and Christopher Paine.*

TRITIUM AS A "FORCING MECHANISM?"

FAS specialists do not believe it is feasible to use a tritium cutoff as a way of "forcing" reductions in nuclear weapons because it is far easier to reach agreement on the reductions than it would be to secure the tritium cutoff.

As an analogy, what if one urged the two sides to agree to limit missile flight tests with, say, a quota of flight tests that declined 5% a year. To keep the missiles operational with a suitable number of flight tests from this declining quota, each side would be required, to eliminate whole classes of missiles. In this sense, a steadily declining limit on flight tests would "force" missile reductions.

But neither side would adopt this approach precisely because, if each were so eager for missile reductions, each would prefer to negotiate very precisely which missiles are being reduced and when—rather than to leave it to the vagaries of which missiles the other side decided to eliminate. In effect, the uncertainties of the "forcing" agreement in tritium are much larger than the uncertainties associated with the reduction agreement being "forced." In both cases, therefore, a "political inversion" provides us with a kind of mirage.

Indeed, cutoffs of tritium involve greater uncertainties about the relative use of the tritium on the two sides than exists concerning flight tests—and verification would be more difficult.

Much of the confusion surrounding this proposal arises from the fact that there are, really, three proposals. In the first, the "forcing" proposal espoused by the Nuclear Control Institute, there are the problems listed above.

In a second version, the tritium cutoff is hypothesized to enforce "compliance" with an existing disarmament agreement rather than to enforce agreement by negotiators. Here, in the words of Los Alamos weapons expert Carson Mark, the tritium cutoff does not "stand alone." Critiques of this approach ask "why" the two sides would bother to enforce an agreement with a tritium cutoff when the agreement itself would have much more precise methods of verification and enforcement than an overall cutoff of a vital ingredient that could be used in manifold ways.

Finally, there is a third form of the proposal which, obviously, all can support. Here the disarmament agreement stands alone and tritium production can be reduced unilaterally because less is needed to service fewer nuclear weapons.—Jeremy J. Stone.

[From the National Journal, Apr. 29, 1989]

(By David C. Morrison)

DEFENSE FOCUS

Thanks to the safety-related shutdown of its three remaining nuclear weapons material production reactors, the United States has generated no new nuclear materials for its bomb program since last April. The restart of the reactors is sure to be long delayed by environmental challenges, and the Energy Department's plan to build two more production reactors and a laser-driven plutonium purification facility will cost more than $8 billion. And so, some argue, necessity might as well be the mother of arms control. *(See NJ, 11/26/88, p. 2992.)*

"Why not convert this de facto U.S. *unilateral* moratorium into a bilateral, verifiable arms control regime that would halt Soviet plutonium production as well?" Sens. Edward M. Kennedy, D-Mass., and Timothy E. Wirth, D-Colo., proposed in an April 3 "Dear Colleague" letter touting their proposed Plutonium Control Act. Under this measure, no funds would be obligated for plutonium production if the Soviet Union agrees to a ban on the manufacture of bomb-grade fissionable materials. The production of tritium, a perishable radioactive gas essential to modern nuclear weapons, however, would be unimpeded.

The Kennedy-Wirth bill is scheduled to be introduced in early May, as is its House counterpart, sponsored by Reps. Dante B. Fascell, D-Fla., and Ron Wyden, D-Ore. The goal is "to reduce costs and get arms control and environmental benefits," said David H. Albright, a senior scientist with the Federation of American Scientists, which signed onto a similar proposal—called the Plutonium Challenge—advanced by a consortium of arms control and environmental groups in 1987. As for verification, "if you try to account for every ounce of plutonium, then, no, you can't do it," Albright said. "But if you're talking about militarily significant amounts, then it can be done," with monitoring by the International Atomic Energy Agency and surveillance by satellite for covert reactors.

Other analysts contend that the Plutonium Control Act does not go far enough. "Our feeling is that the approach should be

more comprehensive [because] tritium is the real issue," said Milton M. Hoenig, scientific director of the Nuclear Control Institute, an anti-nuclear-proliferation group. In a statement recently issued by the institute, 11 senior U.S. scientists assert that in view of the deep cuts proposed in the Strategic Arms Reduction Talks (START), the United States should move for a ban on all nuclear materials production.

Having amassed a stockpile of 500 metric tons of weapons-grade uranium, or oralloy, the United States, in fact, has not needed to produce any since 1964. Energy's plans to resume oralloy production keep getting pushed back—currently to 1991-92—and could be deferred indefinitely if 1,000 obsolete W-33 nuclear artillery shells, containing about 50 metric tons of uranium, were dismantled. With 100 metric tons of plutonium on hand, Energy has also shown little urgency about resuming production of that material, huge amounts of which are being mined from retired Poseidon missile warheads.

The chief rationale for the new production reactors, therefore, is tritium. The Pentagon has said that it can get by for 18-24 months with no new tritium. But because tritium's 5.5 per cent annual decay rate would dovetail over the next five years with the proposed START cuts, the institute says, there is no urgent need to resume production. If even deeper cuts are agreed to, it contends, the United States' 23,000 nuclear weapons contain enough tritium to feed 6,000 warheads for more than 20 years.

That the Soviets also boast large stocks of fissionable materials colored Western reaction to Mikhail S. Gorbachev's April 7 announcement that his country would stop producing bomb uranium this year and shut down two plutonium reactors by 1990. Noting that the Soviets would still have 8-10 production reactors, former Arms Control and Disarmament Agency director Kenneth L. Adelman, in a *Washington Times* op-ed column, denounced this as "bumper sticker arms control" designed to "thwart the needed start-up of our materials production." That is also the official U.S. view. "This [Soviet announcement] only diverts attention from the real issue, which is the negotiating process to reduce weapons on both sides," Energy Department spokeswoman Chris A. Sankey said.

Gorbachev described the cutbacks as "yet another major step toward the complete cessation" of bomb-grade fissionable materials production. The Soviet position on tritium has been less clear. In a March 22 meeting with the antinuclear group SANE/Freeze, however, Soviet Embassy official Sergei Chetverikov suggested that a tritium ban was feasible only in the context of a Soviet proposal, put forward in 1986, for total nuclear disarmament by the year 2000.

The superpowers have danced this particular atomic minuet before. When President Johnson was faced with the need to pare back a vastly overbuilt nuclear production complex—it then included no fewer than 14 reactors—he sought to gain some arms control credit in the process. And so, in 1965, he proposed a mutual cutoff in fissionable materials production, as well as transfer of plutonium to nonmilitary purposes—4 metric tons by the United States and 2.5 metric tons by the Soviet Union, then estimated to have only a fifth as much of the stuff as the United States had. The Soviet response was chilly, however. In any event, Johnson had lost interest in the plan by 1966, largely because Soviet plutonium production was by then catching up with that of the United States.

Today, a cutoff in the production of fissionable materials—if not of tritium—might prove less tricky. Both nations have ample stocks of highly enriched uranium. And, with an estimated 115 metric tons of plutonium, the Soviet stockpile is only marginally larger than that of the United States.

The two countries also now have something else in common in this arena—aging and dangerous nuclear weapons production infrastructures. "The Soviet production reactors are old and obsolete, and they are planning on shutting them down," Hoenig said. "We're in the same boat, so this is a unique time to talk to the Soviets about a mutual halt in all reactor production. I think we can both well use the money for other purposes, such as environmental cleanup."●

By Ms. MIKULSKI (for herself and Mr. BINGAMAN):

S. 1048. A bill to amend chapter 89 of title 5, United States Code, to provide authority for the direct payment or reimbursement to certain health care professionals; to clarify certain provisions of such chapter with respect to coordination with State and local law; and for other purposes; to the Committee on Governmental Affairs.

FEDERAL EMPLOYEES HEALTH CARE FREEDOM-OF-CHOICE ACT OF 1989

● Ms. MIKULSKI. Mr. President, I rise today to introduce the Federal Employees Health Care Freedom of Choice Act of 1989. This legislation will guarantee enrollees in the Federal employees health benefits plan [FEHBP] access to licensed, qualified health care providers of their choice.

Freedom of choice among health care plans has long been a hallmark of the FEHBP. As the largest employer-sponsored group health program in this country, the FEHBP includes 471 plans or options from which Federal employees can choose to meet their health insurance needs.

But freedom of choice is important within plans as well. Currently Federal employees have enrolled in fee-for-service plans do not always have direct access to qualified and licensed health care providers of their choice. FEHBP may currently refuse to reimburse a licensed health care professional, simply because that provider is not a physician.

My legislation corrects this inequity in reimbursement policy. It requires FEHBP plans to reimburse the full range of allied health providers. In order to be reimbursed, these professionals must be licensed under State laws where they practice.

Expanded access to health care providers increases the likelihood that FEHBP enrollees will be able to find the health care they need. In addition, greater choice among qualified providers will promote increased cost effectiveness within the FEHBP. Often, qualified allied health care providers charge fees lower than those of physicians.

To ensure that Federal law does not conflict with State statutes regarding the licensing of health care providers and the regulation of the practice of medicine, I have included language in my legislation which restates and strengthens current policy. This policy states that Federal law governing the FEHBP shall not override State or local laws which relate to the licensing or certification to practice medicine, nursing, or other health professions.

FEHBP insurance plans may not, however, impose their own requirements on practitioners in addition to those mandated by law. To do so restricts freedom of choice by denying Federal employees access to the full range of health care providers.

This legislation mandates expanded access to providers, but does not provide expanded coverage for health services. It represents an important improvement in the FEHBP, especially in medically underserved areas where insufficient access and choice have threatened the quality of health care.

Mr. President, it has become increasingly clear in recent years that the FEHBP is in need of a major overhaul. The costs to both the Government and Federal employees have skyrocketed, even as benefits were being reduced. This is the second Congress in which I have introduced this bill, and I believe we can no longer wait to fix this system. As we look toward making improvements in the FEHBP this year, it is my hope that the Government Affairs Committee will seriously consider incorporating this legislation into the overall plan.

In conclusion, this legislation has been designed to expand freedom of choice and promote cost effectiveness while protecting access to quality health care. It carries out a principle I believe in—that the Federal Government should not discriminate in its reimbursement policies among health providers licensed in their States to provide health care.

I ask unaminous consent that the full text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1048

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Federal Employees Health Care Freedom-of-Choice Act of 1989".

SEC. 2. AUTHORITY TO PAY OR REIMBUSE CERTAIN ADDITIONAL HEALTH CARE PROFESSIONALS.

(a) IN GENERAL.—Section 8902(k) of title 5, United States Code, is amended—

(1) in paragraph (1), by inserting "(except if, or to the extent that, any such supervision of referral is required under State or local law, or regulations issued thereunder, as described in subsection (m)(1)(B))" after "practitioner";

(2) by redesignating paragraphs (2) and (3) as paragraphs (3) and (5), respectively;

(3) by inserting after paragraph (1) the following:

"(2) When a contract under this chapter requires payment or reimbursement for services which may be performed by a health practitioner, an employee, annuitant, family member, or former spouse covered by the contract shall—

"(A) be free to select, and have direct access to, such a health practitioner without supervision or referral by another health practitioner, except if, or to the extent that, any such supervision or referral is required under State or local law, or regulations issued thereunder, as described in subsection (m)(1)(B); and

"(B) be entitled under the contract to have payment or reimbursement made to him or on his behalf for the services performed.";

(4) in paragraph (3) (as so redesignated by paragraph (2))—

(A) by inserting "as defined by section 8901(11)(B) of this title," after "qualified clinical social worker,"; and

(B) by striking "As" and inserting "Subject to subsection (m)(1)(B), as";

(5) by inserting after paragraph (3) (as so redesignated by paragraph (2)) the following:

"(4) When a contract under this chapter requires payment or reimbursement for services of a health practitioner covered by paragraph (2) or (3), the terms and conditions governing such payments or reimbursements shall (except to the extent otherwise permitted under paragraph (3)(A)) be the same as the terms and conditions generally applicable under contracts under this chapter requiring payments or reimbursements for services of health practitioners covered by paragraph (1)."; and

(6) by amending paragraph (5) (as so redesignated by paragraph (2)) to read as follows:

"(5) The provisions of this subsection shall not apply to prepayment plans described in section 8903(4) of this title.".

(b) STATEMENT OF CONGRESSIONAL INTENT.—It is the intent of Congress—

(1) that nothing in the amendment made by subsection (a) shall interfere with applicable institutional anesthesia practice rules, or State or local law, governing supervision of a certified registered nurse anesthetist by another health practitioner; and

(2) that such amendment, as it relates to a certified registered nurse anesthetist, shall apply only with respect to a certified registered nurse anesthetist who is self-employed and licensed or certified under Federal or State law, as applicable.

(c) IMPLEMENTING REGULATIONS.—Regulations or instructions issued to carry out the amendments made by subsection (a) shall reflect the statement of congressional intent set forth in subsection (b).

SEC. 3. COORDINATION WITH STATE AND LOCAL LAW.

Section 8902(m) of title 5, United States Code, is amended—

(1) by redesignating paragraph (1) as paragraph (1)(A);

(2) by adding at the end of paragraph (1)(A) (as so redesignated by paragraph (1)) the following:

"(B) Nothing in this chapter nor in the provisions of any contract under this chapter shall be considered to supersede or preempt any State or local law, or any regulation issued thereunder, which relates to licensing or certification to practice medicine, nursing, or another health profession."; and

(3) by amending the last sentence of paragraph (2)(A) to read as follows: "In applying this paragraph with respect to a qualified clinical social worker under section 8901(11)(B) of this title, any provision of a contract relating to the condition described in subsection (k)(3)(A) of this section shall not be considered.".

SEC. 4. EFFECTIVE DATE.

The amendments made by this Act shall be effective with respect to contracts entered into or renewed for calendar years beginning after the date of the enactment of this Act.●

By Mr. SPECTER (for himself and Mr. HEINZ):

S. 1049. A bill to recognize the organization known as the Montford Point Marine Association, Inc.; to the Committee on the Judiciary.

MONTFORD POINT MARINE ASSOCIATION

Mr. SPECTER. Mr. President, today I am introducing legislation, the successor of S. 714 which I introduced in the 100th Congress, which would grant a Federal charter to the Montford Point Marine Association. I am joined in this effort by my colleague from Pennsylvania, Senator HEINZ.

The proud history of this organization highly qualifies it for national recognition. The group came into existence on June 25, 1941, when President Franklin Roosevelt issued Executive Order No. 8802, allowing blacks to be recruited into the Marine Corps. There was tremendous response from young men eager to serve the country in a troubled time.

However, the blacks were not trained at either Parris Island or San Diego, traditional boot camps for marines, but rather were sent to Montford Point at Camp Lejeune, NC. Nearly 20,000 blacks trained at Montford Point from 1942 until President Truman issued an Executive order integrating the Armed Forces in 1948.

The shared experiences of these distinguished and ground-breaking marines kept many in close touch. In 1965, a graduate of Montford Point, Brooks Gray, held a reunion of the first black marines in Philadelphia, which gave birth to the Montford Point Marine Association [MPMA]. Brooks was elected the first national president of the organization.

The MPMA established an open membership policy, opening itself to "all marines and veterans who honorably serve our country." Its statement of purpose reads as follows:

To promote and preserve the strong bonds of friendship borne of shared adversities; and to devote ourselves to the furtherance of these friendships as Marines through the sharing of experiences and accomplishments to ensure more specific times.

The numerous MPMA chapters throughout the United States have become actively involved in civic affairs. While their primary focus is on assisting veterans, the chapters also foster educational opportunities through college scholarships and have engaged in community action projects.

Clearly, an organization with as broad a base of support and historic significance is deserving of a congressional charter. As a Senator representing the MPMA's national headquarters in Philadelphia, I am proud to reintroduce this legislation, and am hopeful that my colleagues will join with me in seeking its prompt passage.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1049

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

CHARTER

SECTION 1. The Montford Point Marine Association, Incorporated, a nonprofit corporation organized under the laws of the State of Pennsylvania is recognized as such and is granted a Federal charter.

POWERS

SEC. 2. The Montford Point Marine Association, Incorporated (hereinafter in this Act referred to as the "corporation") shall have only those powers granted to it through its bylaws and articles of incorporation filed in the State or States in which it is incorporated and subject to the laws of such State or States.

OBJECTS AND PURPOSES OF CORPORATION

SEC. 3. The objects and purposes of the corporation are those provided in its articles of incorporation.

SERVICE OF PROCESS

SEC. 4. With respect to service of process, the corporation shall comply with the laws of the States in which it is incorporated and those States in which it carries on its activities in furtherance of its corporate purposes.

MEMBERSHIP

SEC. 5. Eligibility for membership in the corporation and the rights and privileges of members of the corporation shall be as provided in the constitution and bylaws of the corporation.

BOARD OF DIRECTORS; COMPOSITION; RESPONSIBILITIES

SEC. 6. The composition of the board of directors of the corporation and the responsibilities of such board shall be as provided in the articles of incorporation of the corporation and in conformity with the laws of the State or States in which it is incorporated.

OFFICERS OF CORPORATION

SEC. 7. The positions of officers of the corporation and the election of members to such positions shall be as provided in the articles of incorporation of the corporation and in conformity with the laws of the State or States in which it is incorporated.

RESTRICTIONS

SEC. 8. (a) No part of the income or assets of the corporation may inure to the benefit of any member, officer, or director of the corporation or be distributed to any such individual during the life of this charter. Nothing in this subsection shall be construed to prevent the payment of reasonable compensation to the officers of the corporation or reimbursement for actual and necessary expenses in amounts approved by the board of directors.

(b) The corporation may not make any loan to any officer, director, or employee of the corporation.

(c)(1) The corporation may not contribute to, support, or otherwise participate in any political activity or attempt in any manner to influence legislation.

(2) No officer or director of the corporation, acting as such officer or director, may commit any act prohibited under paragraph (1) of this subsection.

(d) The corporation shall have no power to issue any shares of stock nor to declare or pay any dividends.

(e) The corporation shall not claim congressional approval or the authorization of the Federal Government for any of its activities.

LIABILITY

SEC. 9. The corporation shall be liable for the acts of its officers and agents whenever such officers and agents have acted within the scope of their authority.

BOOKS AND RECORDS; INSPECTION

SEC. 10. The corporation shall keep correct and complete books and records of account and minutes of any proceeding of the corporation involving any of its members, the board of directors, or any committee having authority under the board of directors. The corporation shall keep, at its principal office, a record of the names and addresses of all members having the right to vote in any proceeding of the corporation. All books and records of such corporation may be inspected by any member having the right to vote in any corporation proceeding, or by any agent or attorney of such member, for any proper purpose at any reasonable time. Nothing in this section shall be construed to contravene any applicable State law.

AUDIT OF FINANCIAL TRANSACTIONS

SEC. 11. The first section of the Act entitled "An Act to provide for audit of accounts of private corporations established under Federal law", approved August 30, 1964 (36 U.S.C. 1101), is amended by adding at the end thereof the following:

"(68) Montford Point Marine Association, Incorporated".

ANNUAL REPORT

SEC. 12. The corporation shall report annually to the Congress concerning the activities of the corporation during the preceding fiscal year. Such annual report shall be submitted at the same time as the report of the audit required by section 11 of this Act. The report shall not be printed as a public document.

RESERVATION OF RIGHT TO AMEND OR REPEAL CHARTER

SEC. 13. The right to alter, amend, or repeal this Act is expressly reserved to the Congress.

DEFINITION OF "STATE"

SEC. 14. For purposes of this Act, the term "State" includes the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, and the territories and possessions of the United States.

TAX-EXEMPT STATUS

SEC. 15. The corporation shall maintain its status as an organization exempt from taxation as provided in the Internal Revenue Code of 1986. If the corporation fails to maintain such status, the charter granted by this Act shall expire.

TERMINATION

SEC. 16. If the corporation shall fail to comply with any of the restrictions or provisions of this Act, the charter granted by this Act shall expire.

Mr. HENIZ. Mr. President, I rise today to join my colleague Senator ARLEN SPECTER in introducing legislation to extend a Federal charter to the Montford Point Marine Association [MPMA].

This organization has a proud history, one which highly qualifies it for national recognition. On June 25, 1941, President Roosevelt issued Executive Order 8802 which permitted blacks to be recruited into the U.S. Marine Corps. It was an historic advancement for civil rights for our Nation.

Thousands of black Americans volunteered for the Marine Corps. Those who entered the corps were trained at the Montford Point facilities of Camp Lejeune, NC. Nearly 20,000 black marines received training at Montford Point from 1942 until July 1948, when President Truman set in motion full integration of the Armed Forces by establishing the Presidential Committee on Equality of Treatment and Opportunity in the Armed Services.

These distinguished servicemen kept in touch after the war. In 1965, Montford Point graduate Brooks Gray held a reunion for Montford's graduates in the Philadelpha area. Shortly thereafter, the Montford Point Marine Association was born. Brooks Gray was elected the first national president of the organization.

The MPMA has always had an open membership policy for all veterans who honorably served our country. Its membership includes many distinguished servicemen. Edger R. Huff, MPMA's ceremonial officer and one of the first black drill instructors, was a corporal at Montford in 1943, and went on to serve during the Vietnam war. In January 1968, while a sergeant major of the First Military Police at Da Nang, Mr. Huff was severely wounded rescuing a radio man. For this act of heroism, he received a Bronze Star and two Purple Hearts. This injury, most unfortunately, resulted in his losing a leg in 1983.

Jack McDowell, elected in 1988 as MPMA's public relations officer, was seriously wounded in Vietnam in 1968, and received a Silver Star for his actions.

Agrippa Smith, who was a sergeant major with the First Battalion Ninth Marines at Khe Sanh, received a Presidential Unit Citation from President Johnson in May 1968. Smith was a chapter president of MMPA at Camp Lejune.

Mr. President, these are just a few examples of the outstanding members of the MPMA, which since 1965 has grown to 23 chapters in 17 States across the country.

Concerned primarily with assisting veterans, many of these chapters are involved in local civic affairs, fostering educational opportunities through college scholarships and engaging in community action projects. These projects include youth guidance programs, providing food for the impoverished, and hospital volunteer programs.

I am proud to join with Senator SPECTER in introducing this legislation. I urge my colleagues to join us in recognizing this organization's historic significance by ensuring its prompt passage.

By Mr. HEINZ (for himself and Mr. CONRAD):

S. 1050. A bill to amend the Federal Railroad Safety Act of 1970; to the Committee on Commerce, Science, and Transportation.

FEDERAL RAIL SAFETY ENFORCEMENT IMPROVEMENT ACT

● Mr. HEINZ. Mr. President, last year, Congress passed the most significant rail safety legislation in nearly 20 years. The Rail Safety Improvement Act of 1988 can and should dramatically assist the Federal Railroad Administration in making our Nation's railroads safe. It should also provide for a considerable improvement of the peace of mind of those who ride the rails and of the people who live near the tracks.

I strongly believe, however, that there are additional steps Congress must take to ensure the safety of railroad workers, passengers, and residents of communities through which rail freight and passengers pass.

Prompted by a rash of rail accidents in Pennsylvania, I commissioned a study last year by the General Accounting Office [GAO] to investigate Federal oversight of rail safety. Completed in November 1988, the report entitled, "Railroad Safety: Accidents in Pennsylvania and Related Federal Enforcement Actions," casts grave doubt about the FRA's approach to enforcement of rail safety.

The GAO found that most accidents not only are not investigated by the FRA, but that most accidents are also not followed by FRA enforcement. Out of 103 accidents that occurred in Pennsylvania in 1987, the FRA investigated only 21. Of the 21, the FRA concluded that 15 had identifiable causes and could have been prevented.

Yet, Mr. President, in only one accident, which resulted in the evacuation of 1,000 people from their homes and

property damage of more than $1 million, did the FRA impose a fine. One accident, out of a total of 103 in which 3 persons were killed, 6 injured, and property damage of $6.5 million occurred. And that does not even include train and nontrain incidents in which there were 34 killed and over 1,300 injured in my State alone.

Furthermore, in a recently completed report for the chairman of the House Committee on Energy and Commerce, the GAO found that there is "substantial underreporting and inaccurate reporting" of railroad accident and injury data to Federal regulators. The GAO concluded that the flawed data raise questions about the overall effectiveness of the FRA's safety program.

Mr. President, it overstates the case to say that there are some who are literally getting away with murder, but it is no exaggeration to state that life and limb are risked daily because there are too many loopholes in Federal enforcement procedures.

The legislation I am proposing today will close these loopholes and will help to restore the American public's confidence in Federal enforcement of rail safety. The legislation:

Directs the FRA to thoroughly investigate any accident or incident involving a collision, derailment involving the release of hazardous materials, or resulting in a fatality or injury that requires at least outpatient care.

Nationally, the FRA investigates well below 10 percent of all reportable accidents annually.

Directs the Department of Transportation to commission a study by the National Academy of Sciences to review the adequacy of Federal track maintenance and condition standards.

Six accidents in the GAO study were attributed to track irregularities, but track owners were not assessed a fine because the FRA concluded they were also within the range of deviation tolerated by Federal standards. The GAO questions the policy of permitting such wide deviations.

Directs the Department of Transportation to issue regulations requiring railroads to report operating mileage by Federal region and State.

The GAO found that the FRA does not collect this data and suggested that if this were available, FRA could use them to detect deviations from national accident rates and rail safety trends.

Reverses FRA enforcement policy that stipulates penalties against railroads will be enforced only if evidence points to prior knowledge of noncompliance with Federal regulations.

Professed ignorance of safety rules should not be an always open escape hatch for those who do not want to know.

Raises the minimum civil penalty to $500 from $250—a sum which has not been raised since 1970.

Mr. President, I urge my colleagues to join me in strengthening Federal enforcement of rail safety. Today's rail industry is one which is increasingly being relied upon to not only move people, but to also move freight and dangerous hazardous materials. Strict enforcement of safety rules must be our top priority.●

By Mr. KERRY (for himself, Mr. LEAHY and Mr. GORE):

S. 1052. A bill to regulate equipment used for servicing motor vehicle air-conditioners, to restrict the sale of chlorofluorocarbons and motor vehicles with air-conditioners that use chlorofluorocarbons, to require reports on the use of chemicals which deplete the ozone layer in the stratosphere, and for other purposes; to the Committee on Environment and Public Works.

MOTOR VEHICLE AIR-CONDITIONER OZONE DEPLETION ACT

Mr. KERRY. Mr. President, there is a movement going on throughout our country and the world. People are becoming angry, angry at the way in which we are treating our environment. Angry when they go to the beach and are prevented from swimming by medical debris, waste, and pollution. Angry when they can no longer fish in streams and rivers they once enjoyed, due to the destruction caused by acid rain. Angry at the pollution and smog which envelops our great cities.

Mr. President, this outcry is just the tip of the iceberg. Global warming, acid rain and the destruction of our protective ozone layer represent a direct health threat to all Americans and people throughout the world. If unchecked they also represent a direct threat to our food and water supply.

I rise today to introduce legislation designed to assist in halting this dangerous trend by reducing and eliminating the use of certain chlorofluorocarbons [CFC's]. For 15 years now scientists have been warning us that the release of CFC's into the atmosphere will deplete the delicate balance of ozone levels in the stratosphere. Evidence of an ozone hole over the Antarctic and the recent discovery that the conditions are right for the development of a similar hole over the Arctic, indicate that this destruction is taking place at a faster rate than originally expected.

We know what the consequences of damage to the ozone layer can be—they include increased incidences of cancer, skin cancer, cataracts, harm to marine life, and worldwide damage to agricultural crops. In addition, CFC's are greenhouse gases, and some scientists believe they will account for 25 percent of the total warming over the next half century.

Chlorofluorocarbons are very stable and can last in the atmosphere for decades. When CFC's reach the stratosphere 10 to 20 miles above the earth, CFC molecules break apart, releasing chlorine which depletes the ozone layer. One single atom of chlorine can destroy 100,000 molecules of ozone. Even if all CFC's were banned today, depletion would still continue for quite some time.

Mr. President, air-conditioners in our cars and trucks represent the largest end-use of CFC's in the United States, and as such represent the third largest use of CFC's worldwide. In addition mobile air-conditioners use one of the most destructive CFC's know as CFC-12.

My legislation would ban the domestic sale or export of automobiles which contain air-conditioners that use CFC's. Beginning with model year 1993, 25 percent of the cars manufactured with air-conditioners in the United States, or imported into the United States, must be free of CFC's. This would increase to 50 percent for model year 1994, and to 100 percent by model year 1995. Just as important, this legislation requires the certification of all equipment used to install, maintain and repair car air-conditioners, and requires that CFC's are reclaimed, recycled, or safely destroyed.

Similar legislation has already been signed into law in the State of Vermont, and I would like to commend Governor Kunin and Representative McCormick for their foresight and work in this area.

Mr. President the goal of this legislation is to insure that safe alternatives to CFC's are developed and installed as soon as possible. In this effort we must be sure that any alternatives to CFC's are environmentally safe and meet all existing safety standards. This legislation calls on the Administrator of the Environmental Protection Agency to report to Congress on the status of alternatives and recommendations for the safe disposal of CFC's. In addition, the Administrator has the opportunity to petition Congress to delay the compliance deadline should be the state of technological development prevent compliance with this legislation.

However, I believe that with current research and the creativity, innovation and commitment of auto manufacturers and producers of CFC's, we can realistically meet this target date. Helen O. Petrauskas, vice president, environmental and safety engineering for Ford Motor Co., indicated the commitment of Ford in testimony before the Commerce Committee on Corporate Average Fuel Economy Standards [CAFE]. She said, and I quote:

We believe the most promising contributions to global warming that the automotive sector can make is to reduce, and reduce quickly, the use of chlorofluorocarbons, and we have an aggressive program to identify what it will take to phase CFC's out of automotive use as soon as possible.

Mr. President, there is no doubt that there will be critics, and those who believe that this deadline cannot be met. Similar skepticism, manifested in cries of impossibility and unreasonableness, was abundant in the late 70's when Congress first considered banning CFC propellant in aerosol cans. Yet the goals were met, and with minimal if any inconvenience to the consumer.

Mr. President we have an obligation to safeguard our environment for ourselves and future generations. Leadership and bold action are needed if we are to come together to meet the challenge of this threat. Mr. President, we cannot deceive ourselves; we do not have 10 years; we may not have 5 years; and we cannot meet this challenge without sacrifice or inconvenience. This legislation would help meet this threat by eliminating one of the most widely used and dangerous uses of CFC's. It will also aid in the overall search for safe and sound alternatives to CFC's, and assist in our ongoing efforts to limit dangerous greenhouse gases.

Mr. President, I ask unanimous consent that the text of this legislation be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1052

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Motor Vehicle Air Conditioner Ozone Depletion Act".

SEC. 2. FINDINGS.

(a) Chlorofluorocarbons (CFCs) are very stable and can last in the atmosphere for decades. When CFCs reach the stratosphere, 10 to 20 miles above the earth CFR molecules break apart, releasing chlorine which deplete the earths protective ozone layer. One single atom of chlorine can destroy 100,000 molecules of ozone.

(b) Mobile air conditioning represents the larget end-use of Chlorofluorocarbons (CFCs) in the United States, and as a result represents the third largest use of CFCs world wide.

(c) CFCs are also greehouse gases and some scientist estimate that they will account for 25% of the total warming over the next half century.

(d) Increased Ultra Violet (UV) radiation resulting from a decrease in our protective ozone layer will result in increased incidences of cancer, skin cancer, and cataracts. It is also widely held that increased radiation can weaken the immune system leaving individuals susceptible to a number of diseases.

(e) Evidence suggests that increased UV radiation will have an adverse effect on krill and plankton which form the bases of the marine food chain. This could have a devastating impact on marine life and a resulting decrease in the worldwide harvest of fish.

SEC. 3. MOTOR VEHICLE AIR CONDITIONING

(a) CERTIFICATION OF EQUIPMENT.—Within 90 days after the date of enactment of this Act, the Secretary of Commerce (hereinafter referred to as the "Secretary") shall issue regulations which provide that on or after January 1, 1991, no person shall perform service on a motor vehicle air conditioner, including installation, maintenance, and repair service, for consideration, unless such person uses equipment which is certified as meeting the standards set by the Society of Automotive Engineers for the extraction and reclamation of a refrigerant from motor vehicle air conditioner by any of the following—

(A) the National Institute of Standards and Technology.

(B) the Underwriters Laboratories, or

(C) an entity which the Secretary of Commerce determines to be comparable to the entities described in subparagraphs (A) or (B).

(b) SCHEDULE FOR ACQUISITION AND USE OF EQUIPMENT AND DOCUMENTATION OF SUCH USE.—(1) Within 90 days after the date of enactment of this Act, the Secretary shall issue regulations which establish a phased schedule of deadlines which indicate the dates by which the equipment described in subsection (a) shall be acquired by entities which perform service for consideration on motor vehicle air conditioners, or by entities which intend to perform such service.

(2) In establishing the schedule under paragraph (1) the Secretary shall—

(A) set an earlier deadline for any entity with performs a high volume of service on motor vehicle air conditioners, as determined by the Secretary, and.

(B) provide that all entities which perform service for consideraton on motor vehicle air conditioners, or which intend to perform such service, shall, on or after January 1, 1991, have such equipment operational and in use for any such service.

(c) DOCUMENT ON REQUIREMENTS.—Within 90 days after the date of enactment of this Act, the Secretary shall issue regulations which require that any entity described in subsection (b)(1) shall document, commencing 30 days after the date of issuance of such regulations, on a form for a period of time determined by the Secretary, provided by the Department of Commerce, the following—

(A) the number of motor vehicle air contitioners repaired or otherwise serviced by such entity,

(B) the amount of Chlorofluorocarbons (hereinafter referred to as CFC's) purchased by such entity, and

(C) the amount of CFC's sold by such entity.

(d) RESTRICTIONS ON THE SALE OF CFC'S.—(1) On or after October 1, 1989, or 30 days after the date of enactment of this Act, whichever is later, no person shall sell a Chlorofluorocarbon coolant (hereinafter referred to as a CFC coolant) in a container which contains less than 15 pounds of such coolant if such container is not marked with a warning label which indicates the danger that such CFC coolant poses to the ozone layer in the stratosphere.

(2) On or after January 1, 1991, no person shall sell or offer for sale—

(A) any CFC coolant which is suitable for use in a motor vehicle air conditioner for any use other than commercial or industrial use, and

(B) and CFC coolant that is suitable for use in a motor vehicle air conditioner in a container containing less than 15 pounds of such coolant.

(e) RESTRICTIONS ON THE SALE OF MOTOR VEHICLES WITH AIR CONDITIONERS THAT USE CFC's (1) The Administrator of the Environmental Protection Agency shall set standards limiting the percentage of motor vehicles manufactured by any single producer for sale in the United States, or export from the United States, which contain an air conditioner that uses CFC's. In establishing such standards, the Administrator shall not set a standard which requires less than the following level of performance;

(A) At least, 25% of air conditioner equipped motor vehicles produced by any manufacturer for the model year 1993 must not contain CFCs.

(B) At least, 50% of air conditioner equipped motor vehicles produced by any manufacturer for the model year 1994 must not contain CFCs.

(C) No motor vehicle with a model year of 1995 or later may be sold to a consumer or dealer in any State or Territory of the United State, or exported from the United States, if such motor vehicle contains an air conditioner that uses CFCs.

(f) Should the Administrator of the Environmental Protection Agency find that due to technological development problems this act cannot be met as enacted, he or she shall so inform the Congress and propose an alternative deadline which shall become effective if not rejected by Congress within sixty days.

SEC. 4. REPORTS.

(A) STUDY AND REPORT ON CHEMICALS THAT DEPLETE THE OZONE LAYER IN THE STRATOSPHERE.—The Administrator of the Environmental Protection Agency (hereinafter referred to as the "Administrator") shall, not later than January 15, 1990, or 90 days after the enactment of this Act, whichever is later, conduct a study and issue a report to the Congress which contains the following:

(1) Any analysis of the uses, within the United States, of chemicals which deplete the ozone layer in the stratosphere.

(2) A discussion of uses, as substitutes for the chemicals described under paragraph (1) to accomplish the uses under paragraph (1), of alternative chemicals which do not deplete such ozone layer. Such discussion shall include—a discussion of the advantages and disadvantages of such alternative chemicals in terms of—

(i) the potential impact of the use of such chemicals on the ozone layer in the stratosphere, and

(ii) other potential health and environmental impacts attributable to the use of such chemicals.

(3) Opportunities for recovery and recycling of the chemicals described in paragraph (1); and

(4) Recommendations by the Administrator, based on the information described in paragraphs (1) through (3).

(b) STUDY REPORT ON RETRIEVAL, STORAGE AND REUSE OF CFC's.—The Administrator, shall, not later than January 15, 1991, conduct a study and issue a report to the appropriate committees of the House of Representatives and the Senate which contains recommendations concerning ways to accomplish the systematic retrieval, storage, and appropriate reuse of CFC's from refrigerators, air conditioners, and motor vehicles that face immediate disposal. Such report

shall consider, but shall not be limited to, the use of the following—

(A) regional removal centers for CFC's.

(B) circuit riding removal equipment for CFC's, and

(C) other appropriate removal procedures or equipment for CFC's.

(c) STUDY AND REPORT ON THE CONDITION OF THE STRATOSPHERE.—The Administrator shall, not later than January 15, 1992, conduct a study and issue a report to the Congress. Such report shall contain the following:

(1) An assessment of the condition of the ozone layer in the stratosphere and the most current information concerning the causes of such condition.

(2) An assessment of the development and completion of production of motor vehicles which employ air conditioners that use refrigerants other than CFC's by manufacturers of motor vehicles in the United States.

(3) Recommendations by the Administrator concerning the assessments under paragraphs (1) and (2).

SEC. 5. PUBLIC INFORMATION.

The Secretary and the Administrator shall consult with the following to publicize the provisions of this Act:

(1) Motor vehicle dealers.

(2) Business organizations related to the sales and use of motor vehicles.

(3) Other entities that the Secretary or the Administrator determines to be appropriate.

SEC. 6. DEFINITION.

As used in this Act, the term "motor vehicle" has the meaning given for such term under section 1(3) of the National Traffic and Motor Vehicle Safety Act of 1966 (15 U.S.C. 1381(3)).

By Mr. RIEGLE (for himself, Mr. BRADLEY, Mr. MATSUNAGA, Mr. PRYOR, Mr. SIMON, Mr. DASCHLE, Mr. DURENBERGER, and Mr. ROCKEFELLER):

S. 1053. A bill to amend title V of the Social Security Act to provide for supplemental resources to enhance the delivery of health services to pregnant women and infants; to the Committee on Finance.

TITLE V INFANT MORTALITY REDUCTION ACT

● Mr. RIEGLE. Mr. President, as chairman of the Finance Subcommittee on Health for Families and the Uninsured, I am reintroducing, with Senators BRADLEY, MATSUNAGA, PRYOR, SIMON, DASCHLE, DURENBERGER, and ROCKEFELLER, a bill to amend title V of the Social Security Act, the Maternal and Child Health [MCH] Services Block Grant Program. S. 1053, the title V Infant Mortality Reduction Act, provides supplemental funds to the block grant and improves planning and accountability in the program. I am pleased to be joined by my colleagues, each a leader in improving access to health care in this country.

A strong bipartisan consensus has emerged in this Congress to expand and improve access to health care for low-income pregnant women, infants, and children. I recently introduced S. 949, the Medicaid Children's Health Improvement Act of 1989, to improve children's access to health care under the Medicaid Program. In addition to Medicaid, my subcommittee also has jurisdiction over the title V maternal and child health services block grant. Improvements for title V MCH services block grant would help provide access to basic health care for the most needy members of our society.

Mr. President, after 25 years of progress, U.S. efforts to reduce infant mortality have slowed. In fact, the United States ties for the worst infant mortality rate among industrialized countries. Overall, the United States has far to go but some regions face even greater problems. Michigan has an infant mortality rate of 10.9—deaths per 1,000 live births—compared to 10 for the Nation, but Detroit has a rate of 20.4, about 2 times the rate of the Nation. Detroit's infant mortality rate exceeds the rate in many Third World nations; countries which often provide only rudimentary health care.

Furthermore, racial disparaties within regions persist. The infant mortality rate for blacks in Detroit is 23.8, while the rate for whites is 9. Clearly, funds are needed for States to target these areas of great need.

The maternal and child health [MCH] block grant provides funds to States to promote the health of mothers and children. Among other purposes, funds are used to directly provide services or for program coordination, technical assistance, and program development including support for physical facilities and staff. Funds can also be targeted to specific health problems or geographic needs.

As is typical under a block grant program, the MCH block grant does not specify or require minimum services, eligibility or other measures of accountability with the funds. States must submit an annual report to the Department of Health and Human Services on their activities under the block grant, but the Department has not required the collection of data. These two facts combined have often inhibited planning and evaluation for improved maternity services because of the limited information on who receives services under the block grant and what types of services are delivered.

Mr. President, my proposal provides for more structured planning for maternity and infant care programs, yet still allows flexibility for States in designing their MCH programs. The proposal would enhance the ability of States to identify and serve areas of greatest need for pregnant women and infants. This is important for States like Michigan that still have areas of high infant mortality which we need to address.

This legislation increases title V MCH services block grant authorization by $100 million to provide for funds to supplement existing maternal and infant health care programs. To receive the supplemental funds, States must identify areas of unmet need in prenatal care and prevention of low birthweight and infant mortality, and develop a plan of action to address the needs. In addition, improved reporting requirements, similar to those as in existing law, are specified so as to monitor how well the objectives of the program are being met.

Mr. President, this proposal has the support of key national organizations representing women, infants, and children including the Children's Defense Fund, Association of Maternal and Child Health Programs, and Association of State and Territorial Health Officers. The proposal also has the support of the Michigan Council for Maternal and Child Health, a statewide network of individuals and organizations concerned with maternal and child health issues.

Improvements in Medicaid coverage for pregnant women and infants can finance care only where providers are available. The State MCH block grant programs are essential providers of maternity and infant care.

Until we address the problems of providing comprehensive health insurance for all Americans, efforts that focus on improving the current delivery of maternity and infant care in the United States are critical. As chairman of the Subcommittee on Health for Families and the Uninsured, I will be working with other members of the Finance Committee to develop a comprehensive proposal to guarantee universal access to health insurance for 37 million Americans who lack coverage.

I look forward to working with others on the Finance Committee, particularly the chairman, on enacting needed changes in the title V MCH services block grant and Medicaid programs for pregnant women, infants and children. I hope my colleagues will join us in support of this crucial improvement of the title V MCH services block grant.

Mr. President, I ask unanimous consent that a short summary and the text of S. 1053 be included in the RECORD following my statement.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1053

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Title V Infant Mortality Reduction Act of 1989."

SEC. 2. INCREASE IN AUTHORIZATION FOR SUPPLEMENTAL RESOURCES TO ENHANCE THE DELIVERY OF HEALTH SERVICES TO PREGNANT WOMEN AND INFANTS.

(a) IN GENERAL.—Paragraph (4) of section 501(a) of the Social Security Act (42 U.S.C. 701(a)(4)) is amended by striking "$561,000,000" and inserting in lieu thereof "$661,000,000".

(b) ALLOCATION AND REQUIREMENTS RELATED TO USE OF FUNDS UNDER NEW PROGRAM.—
(1) Section 502 of such Act (42 U.S.C. 702) is amended—
(A) by redesignating subsection (d) as subsection (e); and
(B) by inserting after subsection (c) the following new subsection:
"(d)(1) Of the amounts appropriated for a fiscal year in excess of $561,000,000, the Secretary shall—
"(A) retain an amount equal to 15 percent of such amounts in the same manner as the amounts retained in subsection (a); and
"(B) allot an amount equal to 85 percent of such amounts in the same manner and for the same purposes as the amounts allotted under subsection (b).
"(2) The amount retained by the Secretary under paragraph (1)(A) shall be used for carrying out (through grants, contracts, or otherwise) the purpose of section 501(a)(4).
"(3) As a condition of receipt of the amount allotted under paragraph (1)(B), a State shall provide in such State's description of intended expenditures and statement of assurances under section 505—
"(A) a statewide needs assessment (as described in section 505(1)(F)) on maternity and infant care;
"(B) a plan for meeting the needs identified by the assessment;
"(C) a description of how the funds received will be utilized for the coordination and direct provision of services under the plan; and
"(D) an assurance that amounts expended pursuant to this paragraph shall be in addition to any amounts that would have been expended from State funds for programs (including programs under this title) as in effect on the day before the date of enactment of this Act.".
(3) Section 505(1) of such Act (42 U.S.C. 705(1)) is amended—
(A) by striking "and (D)" and inserting in lieu thereof "(D)"; and
(B) by striking "such payments" and inserting in lieu thereof "such payments, and (E) a statewide needs assessment as described in section 502(d)(3) identifying unmet maternity and infant care needs including prenatal care and prevention of low birthweight and infant mortality".
(c) ANNUAL REPORTS.—Section 506(a)(1) of such Act (42 U.S.C. 706(a)(1)) is amended by inserting before the last sentence the following new sentence: "States must submit annual reports describing the extent to which funds met the objectives of the plan provided for under 502(d)(3), such reports shall fully describe the services provided, including the number of individuals served under this title and the characteristics of such individuals served, as well as statewide statistics related to the percentage of pregnant women who by the third trimester have been provided prenatal care and statistics related to the birthweight distribution and health status of infants.".
(d) CONFORMING AMENDMENT.—Paragraphs (1), (2)(A), and (3) of section 502(c) of such Act (42 U.S.C. 702(c)) are amended by striking "$478,000,000 each place it appears and inserting in lieu thereof "$478,000,000, but not in excess of $561,000,000".
(e) EFFECTIVE DATE.—The amendments made by this section shall become effective with respect to services delivered six months after the date of enactment of this Act.

SUMMARY OF S. 1053, THE TITLE V INFANT MORALITY REDUCTION ACT

1. Purpose of the Initiative.
To provide states with supplemental resources to enhance the delivery of health services to pregnant women and infants.
2. Availability of Supplemental Funds.
The Title V authorization would be increased by $100 million from $561 to $661 million to provide for funds to supplement existing maternal and infant health care programs. As under the general block grant, 85 percent of funds would go directly to State Health Agencies and 15 percent of the funds would be retained by the Secretary as provided for under 501(a)(4). States will receive funds according to the current MCH Block Grant allocation formula and will be expected to comply with the existing Federal-State matching rate.
3. Statewide Maternity and Infant Care Needs Assessment.
As condition for receipt of supplemental funds, States must submit a special section of their Report of Intended Expenditures which primarily includes:
A statewide needs assessment on maternity and infant care which identifies unmet needs with emphasis on prenatal care and prevention of low birthweight and infant mortality; and
A plan for meeting the needs identified by the assessment.
The funds are to be used in implementing the plan, for the coordination or direct provision of services. The funds are not intended to supplant funds for already existing Title V and non-Title V maternal and child health programs.
4. Improved Reporting Requirements.
In addition to the Report of Intended Expenditures, states must also submit annual reports describing the extent to which funds met the objectives of the plan. These reports must include at least a description of the services provided, the number of individuals served, and the characteristics of the population served as well as statewide statistics related to the percentage of pregnant women by the trimester they initiated prenatal care and the birthweight distribution and health outcomes of the infants.●

● Mr. SIMON. Mr. President, today I join Senator RIEGLE and several of our colleagues in introducing a bill to increase funding for the Maternal and Child Health Services Block Grant. We are proposing a $100 million supplement for existing maternal and infant health care programs.

For over 50 years, the maternal and child health programs have assured basic health services for low income women and children, and services to children with special health care needs. State programs monitor, and coordinate the quality of maternal and child health services statewide. They provide pre- and post-natal care, immunizations, treatment for minor illnesses, diagnostic testing, corrective surgery, and physical therapy.

These programs are a vital source of care to many infants and their mothers, and are effective in reducing infant mortality and low birth weight. Low birth weight is a leading cause of infant death and often contributes to life long disabling conditions and developmental problems.

In 1984, more than 9 million women of childbearing age had no health insurance. Another 5 million had insurance but lacked coverage for maternity care and services. In 1986, 12 million children, nearly 1 out 5, were not covered by private or public health insurance. Fifty percent of our Nation's poor children were not reached by Medicaid that year.

Clearly there is a need to expand publicly financed health programs for mothers and children. These programs are both effective and cost effective. A dollar spent on prenatal care can save lives and money over the long run. I hope my colleagues will join us in supporting this $100 million increase in the authorization level for the Maternal and Child Health Services Block Grant.●

By Mr. MATSUNAGA:

S. 1055. A bill to amend the Internal Revenue Code of 1986 to exempt retired public safety officers from the early withdrawal tax on pension distributions; to the Committee on Finance.

EXEMPTION FROM EARLY WITHDRAWAL TAX FOR RETIRED PUBLIC SAFETY OFFICERS

Mr. MATSUNAGA. Mr. President, today I am introducing legislation to exempt law enforcement personnel and other public safety employees from the penalty tax on early pension distributions.

Mr. President, the Tax Reform Act of 1986 imposed a 10-percent penalty tax on early distributions from any qualified retirement plan. For purposes of this penalty tax, an early distribution is defined as a distribution made to an employee before the age of 55. Unfortunately, little or no consideration was given to the fact that many State and municipal retirement systems allow or require public safety employees such as law enforcement officers, firefighters, rescue workers and correctional personnel to retire before the age of 55. In addition, certain Federal public safety employees are permitted or requested to retire before age 55.

Mr. President, public safety employees who are allowed or in fact required to retire before age 55 are unfairly affected by the 10-percent early distribution penalty tax. These individuals can face the situation of mandated retirement from an essential public service while only having access to retirement distributions subject to a penalty tax. In such instances, this penalty tax runs counter to the policy of encouraging or mandating early retirement in these special occupations.

Mr. President, the legislation I am proposing today will exempt public safety employees from this 10-percent penalty tax on early distributions from qualified retirement plans. I believe that it is inequitable to apply the penalty tax on early distributions to

public safety employees who are permitted or required to retire before the age of 55. I urge my colleagues to join me in cosponsoring this legislation which seeks to restore plain justice for a well-deserving, highly essential group of public employees who, due to the nature of their profession, place their very lives at risk for the safety of all Americans.

By Mr. COATS (for himself, Mr. BURNS, and Mr. GORTON):

S. 1056. A bill to establish programs to strengthen America's families, and for other purposes; to the Committee on Finance.

AMERICAN FAMILY ACT

Mr. COATS. Mr. President, for the past few decades, the American family has been crippled by the destructive backfire of our best intentions. Program after program, patterned after the very latest in trendy social theory, have left our families far worse than they found them. And in the face of every failure the cry has arisen, "put more money in the hands of Federal bureacrats and social planners."

The time has come to retire these exhausted notions and create a comprehensive policy to strengthen our families—those vital shelters for civilized standards. What is required is a new agenda for the American family—a rational framework for thoughtful activism.

This is exactly what the American Family Act accomplishes—a package of 26 innovative bills targeted at some of our most pressing social needs. Its provision cluster around educational reform, family support, "at risk" children, and families in need. It addresses the problem of gangs, expands parental choice, encourages diversity, targets the needy, and recognizes that the essentials of civility and patriotism are as important as the essentials of math and literature.

While it is true that these proposals are innovative, they are not hasty experiments bred of impatience or despair. They are, instead, confident reforms, rooted in tested principles of choice and excellence. They set a new course. But the direction is really a return to ideas we should never have forgotten in the first place.

By Mr. COATS (for himself, Mr. DOLE, Mr. BOSCHWITZ, Mr. SYMMS, Mr. WARNER, Mr. MCCAIN, Mr. MACK, Mr. LOTT, Mr. HELMS, Mr. BOND, Mr. GRAMM, Mr. WILSON, Mr. MCCLURE, Mr. D'AMATO, Mr. ARMSTRONG, Mr. BOREN, and Mr. HUMPHREY):

S. 1057. A bill to insure that there is a democratically elected government in Panama before the Senate gives its advice and consent to the nomination of the new Administrator of the Panama Canal Commission; to the Committee on Armed Services.

PANAMANIAN CERTIFICATION

Mr. COATS. Mr. President, Winston Churchill once observed that an exhibition of political brutality is sometimes so disturbing that "the spectators leave their comfortable seats and hasten to the work of rescue and retribution." I am convinced we are seeing just this type of exhibition in Panama—a spectacle of violence and deception, born of boundless hubris and sustained by criminal corruption.

Manuel Noriega has made it painfully obvious that he respects neither international opinion nor his own people. His actions comprise a lengthening litany of betrayal—aimed both at that unfortunate nation and our own Nation as well.

He has turned the recent Panamanian election into a sham—invalidating its results when it was clear his handpicked candidate lost by a margin of 3 to 1. A vote is the most powerful instrument and sacred right of free men, and a majority of votes is the final expression of national will and governmental legitimacy. When Noriega violated that trust, he committed a crime against democratic hope. Wielding the blunt instruments of depraved ambition, he stands as a single man against an entire nation.

But Noriega, not content merely with fraud, plunged headlong into brutality. Noriega-controlled mobs, given the Orwellian title of "dignity battalions" and armed with metal pipes, rubber hoses and nail-studded two-by-fours, commenced with attacks on opposition supporters. Presidential candidate Endara was given a 6-inch gash on the head. Opposition Vice-Presidential candidate Ford was beaten bloody in front of news cameras before being taken into custody.

All this was shocking for its crassness. But, given Noriega's history, none of it should really have surprised. The Panamanian defense forces he leads have made American troops and their dependents constant targets of harassment. The Pentagon reports 670 such major incidents in the past 14 months—including beatings, rapes, and murder threats.

And we cannot forget that Panama continues to be a principle money-laundering center for the South American cocaine trade, as well as a transit site for drugs. It has become a haven for dealers that trade their death to our children under the protection—and with the cooperation—of General Noriega. And Noriega himself remains under indictment by two U.S. grand juries for illicit drug trafficking.

There is no mistaking the grim, relentless descent into oppression we have witnessed in Panama. For we have seen it before. We have seen that type of blatant fraud which is the only way for the corrupt to simulate legitimacy. We have seen that sort of brutal violence which is the only shield for petty and vicious despots. Manuel Noriega has broken every remaining tie of good faith and wrapped a brutal reality in a gauze of unconvincing lies. He has shown himself empty of those sympathies that define the boundaries of civilized conduct.

Noriega's Panama today shares both the methods and friendship of Cuba and Nicaragua. Its leader has taken the mantel of Castro and Ortega. He has managed to earn membership in that select company of the contemptible.

There can be no excuse for complacenecy when the pained cries of that battered nation are so distinct and so insistent.

But in Panama we face something more than tragedy and betrayal. We face complex issues of strategic importance. For in just a few months we will confront the prospect of turning over control of the Panama Canal Commission to a Panamanian administrator, nominated by that nation's President. In January, 1990 we are scheduled by treaty to proceed with this next step in Panama's assumption of authority.

It is not too difficult to predict the public reaction to this scheduled transition. We Americans have little tolerance for tyrants. We have even less when they threaten our interests. The prospect of any diplomatic dealings with Noriega, on any issue, at any level will provoke outrage—pressed down and shaken together. And we will witness a drumfire of demands to scuttle the Panama Canal Treaties in their entirety.

The Senate has already given its approval to treaties. That was a controversy which was fought and decided, whether we like the results or not. Now we must seek some option that satisfies both American interests and American sensibilities. We must find an alternative that does not discredit our commitments or sacrifice our principles. So today, I am offering legislation outlining an approach I believe will meet these challenges.

The idea is really quite simple. I have proposed that no new Canal Administrator be appointed unless and until the President of the United States certifies to Congress that the Panamanian Government is elected according to the procedures of its own constitution and is in control of the Panamanian defense forces. In other words, the Canal Administrator must be selected by a legitimate government, and not Noriega's drug dictatorship. And until that condition is met, the Congress pledges to withhold its consent.

Before my distinguished colleagues begin their scrutiny, let us be clear about one thing. This proposal—embodied in my bill and called for in a

sense of the Senate resolution I hope to introduce later this week—is not a change of any sort in the Panama Canal Treaties, much less an abrogation of those treaties. It deals only with American Law—The United States Code—not provisions that have been negotiated with any foreign nation. It is simply an instrument for the expression of congressional resolve—a method to ensure that our message is not mistaken.

To Noriega it promises serious and unrelenting resistance to his illegitimate rule and illusory authority. It asserts that the nonnegotiable precondition for the normal and orderly transition of control over the canal is, quite simply, his absence.

To the democratically elected Government of Panama, it pledges the recognition of its legitimacy—rooted in the Panamanian popular will. It is only when they pick the Canal Administrator that he will be recognized. It is only when that official has their support that he will have our support as well.

I can already imagine certain objections to this legislation. Some will argue it is inconsistent with our principles because it goes back on our diplomatic word. Others will contend that it would actually threaten our interests by offending Panamanian national pride and solidifying Noriega's support. But with all due respect, I believe these objections are misplaced.

This proposal cannot possibly be construed as a violation of our word—a betrayal of principle. It simply outlines the conditions for our consent—consent it is our right to grant or reserve according to whatever criteria we choose. But this question of principle deserves further attention. For it seems to me that it is a decision of principle and integrity to deal with a legitimate government rather than some brutal pretender. It is an act of fidelity to our highest ideals to resist any concession of legitimacy to Noriega and his lawless confederates.

It is, additionally, difficult for me to imagine how this proposal might offend Panamanian pride and thereby strengthen Noriega's support. Our action would simply be a recognition of actions taken by the people of Panama less than 2 weeks ago. We are simply saying we'll only deal with the Government they just elected. It seems to me that ignoring their democratic choice would be more likely to embitter than pacify. And respecting that choice, I believe, would only invite their respect.

We have witnessed the spectacle of Manuel Noriega's brutalization of Panamanian democracy. We have seen the arrogant abuse of our soldiers and citizens. We have watched with helpless anger while a drug-running dictator has padded his pockets through our children's addiction. And now it is time to leave our comfortable seats and hasten to the work of rescue and retribution. We cannot obey the council of timidity and inaction when we have options that could make a difference. And those options, it seems to me, are clear.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1057

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled, 22 U.S.C. 3613 is amended by adding before the period the following:

"; *provided,* That no Administrator may be appointed to fill a new term unless and until the President certifies to Congress that the ruling government of Panama is democratically elected according to procedures specified in the Constitution of Panama providing for a civilian government in control of all Panamanian military and paramilitary forces.".

Mr. DOLE. Mr. President, I am pleased to join Senator COATS in sponsoring this legislation; and I commend him for taking this worthwhile initiative on an issue that is as pressing as any national security matter on our agenda.

Some things can't be said too often, or too strongly. Noriega must go.

We have said so—both the President and the Congress. The OAS has virtually said so. By far most importantly, the people of Panama have said so—even in the face of the mass rigging of the recent election.

We will work to the fullest extent possible with the people of Panama and the nations of this hemisphere, to restore democracy to Panama.

And, as that process goes forward, we will insure—unilaterally, if necessary—that vital American interests in and around Panama are protected.

One such interest, clearly, is the free and unfettered operation of the Panama Canal. The Coats legislation makes the right, and the inevitable, connection between our problems with Noriega, and the issue of the canal.

Senator COATS has crafted two companion pieces of legislation—one expressing the sense of the Senate, which Senator COATS intends to move at the earliest possible moment; the other which establishes a mandated course of action, which we are introducing today. Both deal with the same matter: The next step in the process of turning over control of the canal to Panamanian authority.

That next step is due to be taken January 1, 1990. It entails the nomination of a new, Panamanian national administrator for the Canal, to replace the current, American national administrator. An additional effect of that move would be to change a current 5-to-4 American majority on the Commission, into a 5-to-4 Panamanian majority.

The Coats legislation says simply: The United States cannot assent to those changes until there is a democratically elected government in power in Panama, exercising full authority over the Panamanian military. In other words, until Noriega goes.

The sense of the Senate version says we should not assent; the binding version says we will not.

In fact, we have the leverage, here in the Senate, to back up these statements of intent under the implementing legislation for the canal treaties, the new administrator—even in the extremely unlikely event a Noriega-appointed administrator would be acceptable to our administration—must be accorded the advice and consent of the Senate before assuming his office.

As Senator COATS has made clear, this action would not constitute an abrogation of the canal treaties. We will not refuse to fulfill our obligations under the treaty. We will simply declare our intent to move to actually fulfill those obligations only under the circumstances of democratic rule which are essential to the security and stable operation of the canal by Panamanian authority.

Eleven years ago, during the canal treaties debate, I stood here in the Senate and said the following:

> The credibility and personal integrity [of Panama's leaders] will bear upon their reliability as Panama's guarantors of the new treaties.

My guess is that, were all of my colleagues here today, I could get from them a nearly unanimous "amen."

What I feared then has happened. We are moving to turn over the canal to a dictator, a drug pusher, and a money launderer.

I won't have it. And I don't think the Senate will have it.

It is time to turn the green light to amber; and to get ready to go red, unless things change in Panama.

In closing, let me again commend the junior Senator from Indiana, and urge swift and favorable Senate action of both these important pieces of legislation.

By Mr. BINGAMAN:

S. 1058. A bill requiring the use by the Federal Government of certain vehicles capable of operating on alcohol or natural gas fuels or on electricity in areas not in compliance with the Clean Air Act, and for other purposes; to the Committee on Governmental Affairs.

CLEAN AIR FUEL CONVERSION ACT

● Mr. BINGAMAN. Mr. President, I rise today to introduce the Clean Air Fuel Conversion Act, which requires the Federal Government to take the lead in the search for an effective so-

lution to one of our major sources of air pollution—vehicle emissions.

There are three important reasons for introducing this legislation today. First, there is the desire to reduce our steadily growing dependence on foreign sources of crude oil. Increased use of alternative fuels helps us reduce that dependence. Second, we can reduce farm subsidies by creating a market for alcohol fuels from agricultural products. And finally, there is the growing problem of rising levels of carbon monoxide and ozone that clearly threaten public health and safety.

Far more cities are out of compliance with EPA standards for carbon monoxide and ozone than any other pollutants. Gradually converting vehicles from gasoline to cleaner burning fuels offers one of the least intrusive means of lowering these levels and achieving healthy air.

Reducing air pollution is important to my constituents in New Mexico. The city of Albuquerque and Bernalillo County had sanctions imposed in 1987 for noncompliance with National Ambient Air Quality standards for carbon monoxide. Those sanctions were lifted last year after the city implemented a vehicle inspection and maintenance program. But such sanctions cause economic hardship to the State and local government entities in nonattainment areas. More importantly, the health of citizens residing and working in the Albuquerque metropolitan area may have been compromised over the years by continued carbon monoxide pollution.

Aggressive action and coordination by the Albuquerque City Administration, the Albuquerque City Council, the Bernalillo County Commission, environmental organizations, the business community, and civic groups produced a coordinated strategy to combat air pollution and improve air quality.

Evidence of that cooperation will be evident next week in New Mexico, during the clean air summit and clean air week. On May 25, the Senate Energy Committee's Subcommittee on Mineral Resources Production and Development, which I chair, will conduct a hearing in Albuquerque on the relationship between alternative fuels and clean air. In addition, the clean air summit will feature informational seminars and a review of recommendations by a distinguished panel of scientists in New Mexico, the Technical Advisory Group [TAG], on a strategy for a comprehensive approach to New Mexico's air quality problems.

The public and private efforts to maintain air quality and meet environmental standards are making New Mexico a leader among the States in setting a new pace toward clean air.

The legislation I introduce today will gradually convert portions of the vast Federal fleet of vehicles from gasoline to cleaner burning fuels, such as methanol, ethanol, natural gas, or electricity. Fueling vehicles with these alternatives can dramatically reduce emissions of both carbon monoxide and the hydrocarbons that contribute to our ozone and particulates problem. The current high levels of the pollutants in our nonattainment areas are a serious threat to public health and the environment.

My legislation will require Federal fleets operated in serious or severe nonattainment areas to convert to vehicles running on cleaner, alternative fuels at a rate of at least 10 percent of the fleet a year, starting in 1993.

The bill also should increase the availability and use of alternative fuels and technologies, and encourage American auto manufacturers to step up their production of alternative fueled vehicles.

This legislation creates a guaranteed market with Government fleets that should stimulate the automotive industry to develop and produce cleaner cars.

The legislation is an important step in dealing with our air pollution problem, an issue that should concern us all and a problem we must address. I believe this bill begins to attack the problem. I urge my colleagues to support it.

Mr. President, I ask unanimous consent that the text of the bill be included in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1058

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. REQUIRED USE IN NONATTAINMENT AREAS.

(a) IN GENERAL.—With respect to any fleet of passenger automobiles and light-duty trucks owned or leased for more than 60 days by the United States for operation in an area designated under the Clean Air Act as an area of serious or severe health endangerment for ozone or carbon monoxide, or both, no less than—

(1) 10 percent of the vehicles of such fleet to be used in such area shall be alternative fuel vehicles after September 30, 1993;

(2) 20 percent of the vehicles of such fleet to be used in such area shall be alternative fuel vehicles after September 30, 1994;

(3) 30 percent of the vehicles of such fleet to be used in such area shall be alternative fuel vehicles after September 30, 1995;

(4) 40 percent of the vehicles of such fleet to be used in such area shall be alternative fuel vehicles after September 30, 1996;

(5) 50 percent of the vehicles of such fleet to be used in such area shall be alternative fuel vehicles after September 30, 1997;

(6) 60 percent of the vehicles of such fleet to be used in such area shall be alternative fuel vehicles after September 30, 1998;

(7) 70 percent of the vehicles of such fleet to be used in such area shall be alternative fuel vehicles after September 30, 1999;

(8) 80 percent of the vehicles of such fleet to be used in such area shall be alternative fuel vehicles after September 30, 2000;

(9) 90 percent of the vehicles of such fleet to be used in such area shall be alternative fuel vehicles after September 30, 2001; and

(10) 100 percent of the vehicles of such fleet to be used in such area shall be alternative fuel vehicles after September 30, 2002.

(b) REQUIRED OPERATION.—The Administrator of the General Services Administration and the Secretary of Defense, with the concurrence of the Secretary of Energy shall, before October 1, 1992, issue regulations to ensure that a vehicle acquired pursuant to subsection (a)—

(1) shall be supplied with alcohol, natural gas, or other gaseous hydrocarbons (for example, propane), or electricity, as appropriate, in its primary area of operation, using commercially available fueling facilities to the maximum extent practicable; and

(2) shall be operated exclusively on such fuel except when operated so as to make it impracticable to obtain such fuel.

(c) CONSIDERATION.—(1) Funds appropriated for carrying out this Act shall be applied on a priority basis, for expenditure first in areas of the United States which the Administrator of the Environmental Protection Agency determines have the most severe air pollution problems.

(2) A Federal officer or agency responsible for deciding which types of alternative fuel vehicles to acquire in order to comply with subsection (a) shall consider as a factor in such decision which types of vehicles yield the greatest reduction in pollutants emitted per dollar spent.

(d) CONSULTATION.—A Federal officer or agent responsible for deciding which types of alternative fuel vehicles to acquire in order to comply with subsection (a) shall, on an expedited and informal basis, consult with the Environmental Protection Agency and with the lead State or local agency charged with air quality planning for the area in which the vehicles will be operated. The purpose of such consultation shall be to obtain relevant information—

(1) with respect to considerations under subsection (c)(2); and

(2) to facilitate the coordination of this Act with other Federal, State, and local programs, such as any plans by a State to install alternative fuel pumps near a location where vehicles acquired under subsection (a) will be operated.

(e) AVAILABILITY TO THE PUBLIC.—At Federal facilities where vehicles acquired under subsection (a) are supplied with alcohol or natural gas or other gaseous hydrocarbons, such fuel shall be offered for sale to the public for use in other vehicles, unless—

(1) such fuel is commercially available for vehicles in the vicinity of such Federal facilities; or

(2) security considerations prevent the offering for sale of such fuel at such facility.

(f) COST OF VEHICLES TO FEDERAL AGENCY.—(1) Funds appropriated under this Act for the acquisition of vehicles under subsection (a) shall be applicable only—

(A) to the portion of the cost of vehicles acquired under subsection (a) which exceeds the cost of comparable conventional fueled vehicles;

(B) to the portion of the costs of fuel storage and dispensing equipment attributable to such vehicles which exceeds the costs for such purposes required for conventional fuel vehicles; and

(C) to the portion of the costs of operating and maintaining such vehicles which exceeds the costs for such purposes required for comparable conventional fueled vehicles.

(2) The Secretary of Energy shall ensure that the cost to any Federal agency receiving vehicle under subsection (a) shall not exceed the cost to such agency of a comparable conventional fueled vehicle.

(g) EXEMPTION.—The incremental cost of vehicles acquired under subsection (a) over the cost of comparable conventional fueled vehicles shall not be applied to any calculation with respect to a limitation under law on the maximum cost of individual vehicles which may be acquired by the United States.

(h) FLEET AVERAGE FUEL ECONOMY.—In any calculation of the average fuel economy of the fleet of passenger automobiles acquired in a fiscal year by the United States, vehicles acquired under subsection (a) shall be measured in terms of miles per Btu or per kilowatt hour, as appropriate.

(i) STUDIES.—Vehicles acquired under subsection (a) may be included in any Federal Government study of the environmental effects or military applications of vehicles operated on natural gas or other gaseous hydrocarbons, alcohol fuels, or electricity.

SEC. 2. OPERATION OF OTHER FEDERAL VEHICLES.

A gasoline powered vehicle operated in an area designated under the Clean Air Act as a nonattainment area for carbon monoxide which is not a dual energy vehicle or a natural gas dual energy vehicle shall, on and after the expiration of the 90-day period following the date of the enactment into law of this section, be supplied with fuel which blends oxygenates with gasoline at its primary fueling facility. Such vehicle shall be operated exclusively on such fuel except when operated—

(1) so as to make it impracticable to obtain such fuel; or

(2) in an area during any month in which such area is a nonattainment area for ozone under the Clean Air Act, unless the Administrator determines that the use of blended fuel in those months would improve air quality.

SEC. 3. EXEMPTIONS.

The requirements of section 1(a) of this Act shall not apply to vehicles—

(1) being operated as an experiment in the use of alternative fuels other than alcohol, natural gas or other gaseous hydrocarbons, or electricity; or

(2) with respect to which the Secretary of Defense has claimed an exemption based on national security considerations.

SEC. 4. INSTALLATION OF UNDERGROUND FUEL STORAGE EQUIPMENT.

(a) REQUIREMENT.—Any underground storage tank, along with all associated underground piping or underground equipment, installed or replaced at a designated Federal facility after July 1, 1990, shall be capable of safely storing alcohol.

(b) DEFINITION.—For purposes of this section, the term "designated Federal facility" means any Federal facility where passenger automobiles or light-duty trucks owned or leased by the Federal Government are supplied with fuel, if such facility is an area designated under the Clean Air Act as an area of serious or sever health endangerment for ozone or carbon monoxide.

SEC. 5. AIR QUALITY AND HEALTH STUDY.

(a) COMPREHENSIVE ANALYSIS.—The Administrator, in cooperation with the Department of Energy National Laboratories, shall prepare a comprehensive analysis with respect to the air pollutant emission, air quality impact, and human health risks, including toxicity to consumers at self-service fuel pumps, associated with the storage, distribution, and use of significant amounts of alcohols or natural gas or other gaseous hydrocarbons as transportation fuels as compared to diesel and gasoline fuels. The Administrator shall include an analysis of the usefulness of alcohols, natural gas or other gaseous hydrocarbons, and electricity as substitute transportation fuels to assist areas of the United States in attaining national ambient air quality standards prescribed under section 109 of the Clean Air Act.

(b) REPORT.—The Administrator shall, before October 1, 1992, submit a report to the Congress detailing the results of the comprehensive analysis prepared under subsection (a).

(c) FUNDING.—There are authorized to be appropriated to carry out the purposes of this section $975,000 for the fiscal year ending September 30, 1991.

SEC. 6. DEFINITIONS AND CRITERIA.

(a) DEFINITIONS.—For purposes of this Act—

(1) the term "acquired" means purchased or leased for a period of 60 days or more;

(2) the term "Administrator" means the Administrator of the Environmental Protection Agency;

(3) the term "alcohol" means a mixture containing 85 percent or more methanol, ethanol, or other alcohols by volume;

(4) the term "alternative fuel vehicle" means a dual energy vehicle, a natural gas dual energy vehicle, a dedicated alcohol vehicle, a dedicated natural gas vehicle, or an electric vehicle;

(5) the term "dedicated alcohol vehicle" means a vehicle designed to operate exclusively on alcohol;

(6) the term "dedicated natural gas vehicle" means a vehicle designed to operate exclusively on natural gas or other gaseous hydrocarbons;

(7) the term "dual energy vehicle" means a vehicle which—

(A) is capable of operating on alcohol and on conventional fuel;

(B) provides equal or superior energy efficiency, as calculated during fuel economy testing for the Federal Government, while operating on alcohol as it does while operating on conventional fuel; and

(C) meets the criteria set forth in subsection (b);

(8) the term "electric vehicle" means any vehicle capable of operating exclusively on energy derived from a source of electricity, including batteries capable of being charged by electric current, solar energy, and any other source of electricity;

(9) the term "natural gas dual energy vehicle" means a vehicle which—

(A) is capable of operating on natural gas or other gaseous hydrocarbons and on conventional fuel;

(B) provides equal or superior energy efficiency, as calculated during fuel economy testing by the Federal Government, while operating on natural gas or other gaseous hydrocarbons as it does while operating on conventional fuel; and

(C) meets the criteria set forth in subsection (b); and

(10) the term "vicinity" means an area the Secretary of Energy determines to be the area a commercial supplier of alcohol or natural gas or other gaseous hydrocarbon fuels would reasonably expect to serve.

(b) CRITERIA FOR VEHICLES.—No vehicle shall be considered an alternative fuel vehicle under this section unless the vehicle meets each of the following criteria:

(1) The emission rates for air pollutants, designated by the Administrator, emitted from such vehicle are less than those for comparable vehicles which do not use such alternate fuels.

(2) The vehicle emits formaldehyde at a level no greater than that which the Administrator determines to be appropriate for the protection of the public health.

SEC. 7. FUNDING.

There are authorized to be appropriated for the fiscal year ending September 30, 1993, $10,000,000; for the fiscal year ending September 30, 1994, $7,000,000; for the fiscal year ending September 30, 1995, $7,000,000; and for the fiscal year ending September 30, 1996, $5,000,000, to carry out the purposes of this Act except for the study under section 5. The authority of the Secretary to obligate amounts authorized under this Act shall be effective for any fiscal year only to the extent provided in advance by appropriation Acts.●

By Mr. HATFIELD:

S. 1059. a bill to amend and enhance existing renewable energy programs and Federal trade and export promotion programs in order to promote the United States renewable energy industry, improve the trade balance of the United States, and maintain the competitive and technical leadership of the United States in renewable energy development and trade; to the Committee on Energy and Natural Resources.

RENEWABLE ENERGY TRADE EQUITY AND PROMOTION ACT OF 1989

● Mr. HATFIELD. Mr. President, today I am reintroducing the Renewable Energy Trade Equity and Promotion Act. As some of my colleagues may recall, during the 98th Congress, I introduced legislation which established an interagency board, the Committee on Renewable Energy Commerce and Trade [CORECT]. That act, Public Law 98-370, sought to coordinate U.S. export programs and develop a unified Government approach on renewable energy exports.

Let me report that CORECT has become a visible and successful advocate of U.S. renewable energy exports. Due in part to CORECT's efforts, U.S. renewable energy export sales reached $250 million in 1987—three times the total for 1984 when CORECT was initiated.

The bill that I am introducing today is designed to build on this success. Its provisions utilize existing U.S. programs without requiring New Federal outlays by redirecting certain agency activities. The goals are to strengthen U.S. energy security, increase employment, decrease our trade deficit, maintain U.S. competitiveness, and protect our world's environment. While these may appear to be "pie in the sky" ideals, we can and should be making progress toward them. The means to help achieve them are well known: increased utilization of organic feedstocks and wastes, geothermal resources, water and wind power, and solar thermal and photovoltaic energy. However, we cannot achieve those

goals unless we enhance the alternative energy industry's ability to commercialize their products. That is the underlying purpose of the legislation which I am introducing.

The bill provides for the following:

First, require the U.S. Trade Representative to report to Congress on the extent other countries impose protective tariffs of other restrictions on U.S. energy products or services;

Second, reestablish the feasibility program of the Overseas Private Investment Corporation which provides incentives, grants, and studies for small renewable energy businesses to help them market overseas;

Third, direct both the Export/Import Bank and the Small Business Administration to set goals of awarding at least 5 percent of their energy industry export funding to renewable energy projects, and both entities to report annually on their renewable energy expenditures;

Fourth, call for information exchanges and training to help link U.S. producers with assistance programs and potential foreign customers;

Fifth, broaden the mission of the CORECT Board and authorizes $2.5 million for fiscal year 1990 to encourage renewable energy marketing overseas;

Sixth, instruct international financing agencies receiving U.S. support, such as the World Bank, to promote renewable energy projects; and

Seventh, allow the Department of Defense to use renewable energy equipment in its overseas assistance programs.

This legislation will help further a coordinated U.S. export promotion program for renewable energy technologies. As we continue to rely on finite fuel sources such as oil and coal, the day will come when we may face another energy crisis rivaling or surpassing those in the past. When that time comes, the United States must have a strong domestic alternative energy industry to help make our energy future a secure one.

Be sure, however, that the United States is not the only beneficiary of the measures listed above. Most Third World countries import most of their energy. Their domestic sources often include inefficient, scarce resources such as wood. While well intended, foreign aid often consists of environmentally damaging, expensive energy options. For instance, 80 percent of World Bank funds for electric power generation go toward diesel generators and fuel—which increase reliance on imported energy while polluting the environment. Just yesterday, a U.N. agency announced that the world population is expected to double within the next 35 years. This population explosion will largely occur in the Third World, where resources already are scarce. Renewable energy sources are one of our best defenses in the effort to halt the further degradation of the already impoverished lesser-developed countries.

Mr. President, this bill would help reverse damaging national and international energy trends while helping U.S. companies grow and prosper. It has been introduced in the House by Congressman WYDEN, and is based on legislation which he and I introduced last Congress. I urge my colleagues to support this bill and ask unanimous consent that the text be printed in the RECORD following this statement.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1059

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Renewable Energy Trade Equity and Promotion Act of 1989".

SEC. 2. FINDINGS.

The Congress finds that—

(1) the world is largely dependent on finite resources for energy;

(2) global dependence on finite energy resources which are distributed unevenly create international instability and a cycle of poverty;

(3) the renewable energy industry in the United States, namely alcohol fuels, congeneration, geothermal, hydropower, passive solar, photovoltaics, solar thermal, wind, and wood, leads the world in these technologies and can transfer these technological advances to create greater access to local energy resources;

(4) the world market for renewable energy technologies has a potential to become a multibillion dollar market in the 1990's;

(5) the United States is losing its world market shares in all renewable energy technologies due to a failure to promote these industries in an aggressive and pragmatic fashion;

(6) the United States trade deficit is aggravated by the importation of petroleum; exporting renewable energy equipment and services will not only lower that trade deficit directly but also encourage the reduced use of imported petroleum in the United States; and

(7) the United States must maintain renewable energy research and development programs in order to ensure the predominance of the United States in renewable energy exports in the 1990's and thereafter.

SEC. 3. REPORT BY UNITED STATES TRADE REPRESENTIVE.

The United States Trade Representatives shall submit to the Congress, not later than 180 days after the date of the enactment of this Act, a report on—

(1) the extent to which countries impose protective tariffs and other requirements on renewable energy products or related services;

(2) a description, by country, of such tariffs and requirements; and

(3) if such tariffs and requirements are not removed, the need for the imposition by the United States of reciprocal tariffs or other actions.

SEC. 4. SPECIAL ACTIVITIES OF THE OVERSEAS PRIVATE INVESTMENT CORPORATION.

Section 234(e) of the Foreign Assistance Act of 1961 is amended—

(1) in the first sentence, by inserting after "cooperatives the following: ", and including the initiation of incentives, grants, and studies for renewable energy and other small business activities"; and

(2) by adding at the end the following new sentence: "Administrative funds may not be made available for incentive, grants, and studies for renewable energy and other small business activities.".

SEC. 5. ACCESS TO CAPITAL.

(a) LOAN SET ASIDES.

(1) EXPORT-IMPORT BANK.—Section 2(b)(1) of the Export-Import Bank Act of 1945 (12 U.S.C. 635(b)(1)) is amended by adding at the end the following:

"(H) In order to encourage the development of markets for the renewable energy industry and related services industries, the Bank shall attempt to provide, in each fiscal year, loans for the purpose of promoting renewable energy technology for export in an aggregate amount of at least 5 percent of the aggregate amount of loans provided in the previous fiscal year for all forms of energy technology. Loans under this subparagraph may be made without security for the loans. The Bank shall, not later than 90 days after the end of each fiscal year, report to the interagency working group established under section 256(d) of the Energy Policy and Conservation Act all loans made under this subparagraph during that fiscal year. For purposes of this subparagraph—

"(i) the term 'renewable energy' means any energy resource which has recently originated from the sun, including direct and indirect solar radiation such as solar thermal, passive solar, and photovoltaic energy, and intermediate solar energy forms such as wind, ocean thermal gradients, ocean currents and waves, hydropower, products of photosynthetic processes, organic wastes and resources, geothermal, and cogeneration; and

"(ii) the term 'energy' includes both mineral and nonmineral fuel resourced, including renewable energy, fossil, nuclear, electrical, and synthetic fuel energy resources.".

(2) SMALL BUSINESS ADMINISTRATION.—The Small Business Act (15 U.S.C. 601 and following) is amended by inserting after section 9 the following:

"SEC. 9A. In order to encourage the development of the domestic renewable energy industry and related service industries, the Administrator shall attempt to provide, in each fiscal year, loans to small business concerns for the purpose of promoting renewable energy technology for export in an aggregate amount of at least 5 percent of the aggregate amount of loans provided in the previous fiscal year under this Act for all forms of energy technology. Loans under this section may be issued without security for the loans. The Administrator shall, not later than 90 days after the end of each fiscal year, report on the interagency working group established under section 256(d) of the Energy Policy and Conservation Act all loans made under this section during that fiscal year. For purposes of this section—

"(1) the term 'renewable energy' means any energy resource which has recently originated from the sun, including direct and indirect solar radiation such as solar thermal, passive solar, and photovoltaic

energy, and intermediate solar energy forms such as wind, ocean thermal gradients, ocean currents and waves, hydropower, products of photosynthetic processes, organic wastes and resources, geothermal and cogeneration; and

"(2) the term 'energy' includes both mineral and nonmineral fuel resources, including renewable energy, fossil, nuclear, electrical, and synthetic fuel energy resources.".

(b) FOREIGN ASSISTANCE PROGRAMS.—

(1) FEASIBILITY STUDIES AND INFORMATION EXCHANGE.—Section 106(b) of the Foreign Assistance Act of 1961 (22 U.S.C. 2151d(b)) is amended—

(A) in the second sentence of paragraph (1) by inserting after "suitable energy sources" the following: "(including funds for feasibility studies for renewable energy projects)"; and

(B) by adding at the end the following:

"(3) The agency primarily responsible for administering this part shall develop an information exchange with the renewable energy industry in the United States in order to facilitate the use of renewable energy equipment in countries receiving assistance under this chapter. The purpose of such exchange shall be to ensure that producers and representatives of the renewable energy industry receive appropriate information about assistance programs under this chapter, and to ensure that the agency receives sufficient and timely information concerning renewable energy products appropriate for such assistance programs.".

(2) TRAINING OF AID PERSONNEL.—Section 106 of the Foreign Assistance Act of 1961 (22 U.S.C. 2151d) is amended by adding at the end the following:

"(g) Of the funds made available to carry out this section, $1,000,000 shall be available only for the training of the directors and technical advisors of the country missions of the agency primarily responsible for administering this part in the economics and applications of renewable energy technology in those countries.".

SEC. 6. DISSEMINATION OF INFORMATION: ACCESS TO FOREIGN MARKETS.

Section 256(c)(2)(D) of the Energy Policy and Conservation Act (42 U.S.C. 6276(c)(2)(D)) is amended—

(1) in clause (i) by inserting after "commerce," the following: "and to potential end users, including other industry sectors in foreign countries such as health care, rural development, communications, and refrigeration, and other,"; and

(2) in clause (ii) by striking out "export opportunities" and inserting in lieu thereof "export and export financing opportunities".

SEC. 7. AUTHORIZATION OF FUNDS FOR THE INTERAGENCY WORKING GROUP; DEVELOPMENT OF PROGRAM TO ENCOURAGE USE OF RENEWABLE ENERGY IN OTHER COUNTRIES.

Section 256(d) of the Energy Policy and Conservation Act (42 U.S.C. 6276(d)) is amended—

(1) by inserting "(1)" after "(d)"; and

(2) by adding at the end the following:

"(2) The interagency group shall establish a program to inform other countries of the benefits of policies that would allow small facilities which produce renewable energy to compete effectively with producers of energy from non-renewable sources.

"(3) There is authorized to be appropriated to the interagency working group $2,500,000 for fiscal year 1990 to carry out its activities under this subsection.".

SEC. 8. PROGRAMS IN INTERNATIONAL FINANCIAL INSTITUTIONS.

The Secretary of the Treasury shall instruct the Executive Directors of the International Monetary Fund and the Inter-American Development Bank to urge those respective international financial institutions—

(1) to provide financing for renewable energy purposes as part of their programs for financing energy projects;

(2) to submit to recipient countries plans of those respective institutions for renewable energy development; and

(3) to appoint an officer, or establish an office, for the purpose of facilitating the use of renewable energy technologies in recipient countries.

SEC. 9. ELIGIBILITY OF RENEWABLE ENERGY EQUIPMENT FOR MILITARY ASSISTANCE PROGRAM.

Section 644(d) of the Foreign Assistance Act of 1961 (22 U.S.C. 2403(d)) is amended by adding at the end the following: "Paragraphs (2), (3), and (4) include renewable energy equipment.".●

By Mr. PRYOR (for himself, Mr. BAUCUS, Mr. BOREN, Mr. BURDICK, Mr. HARKIN, Mr. STEVENS, Mr. COHEN, Mr. CONRAD, Mr. PRESSLER, and Mr. SHELBY):

S. 1060. A bill to amend the Internal Revenue Code of 1986 to provide refundable income tax credits to primary health services providers who work in rural health manpower shortage areas, and for other purposes; to the Committee on Finance.

RURAL PRIMARY CARE INCENTIVES ACT

● Mr. PRYOR. Mr. President, most of us are justifiably concerned about the plight of rural hospitals and are supporting initiatives aimed at stopping the closures of essential hospital facilities. However, we and the media have tended to give short shrift to the primary care personnel side of the rural health crisis.

In response to the need to focus more attention and action on primary care needs in rural America, I am today introducing the Rural Primary Care Incentives Act of 1989. This bill begins to meet the primary care challenge through: First, the use of tax incentives—a 3-year $12,000 tax credit; and second, the elimination of one of the current tax disincentives—the taxation of funds given to physicians through the National Health Service Corps' Loan Repayment Program. I am pleased and honored to be joined by Senators BAUCUS, BOREN, BURDICK, HARKIN, STEVENS, COHEN, CONRAD, PRESSLER, and SHELBY in introducing this important legislation.

In the United States, we have a maldistribution of primary care physicians. This is demonstrated by the fact that in urban areas there are 78 primary care physicians per 100,000 residents, while for the same number of rural residents there are only 44 of these valued providers. Furthermore, a 1987 study by University of Wisconsin Prof. David Kindig found that the greatest need for primary care providers is in rural areas with fewer than 10,000 residents. Rural countries with fewer than 10,000 residents have only one-half the physician availability than more populated rural counties. Moreover, a 1988 survey of rural physicians found that as many as 25 percent of rural physicians were considering retirement or relocation within the next 5 years.

Of particular concern is the shortage of primary care health personnel in rural areas. Community oriented primary care services may be the only health care available to people in rural medically underserved areas. These areas tend to be geographically isolated, poverty sticken, have many uninsured and underinsured populations and are in great need of primary care providers.

Seventeen percent of people living in rural areas are uninsured while 14 percent of people living in urban areas are uninsured. Additionally, only 25 percent of the rural poor qualify for Medicaid while 43 percent of the inner city poor qualify. Moreover, in 1985, 18.3 percent of rural populations lived below the poverty line as compared to 12.7 percent in urban populations. These statistics represent only some of the extraordinary barriers to health care in rural America and it seems logical to conclude that rural areas with populations under 10,000 are in even worse shape. Unfortunately and not too surprisingly, primary care physicians are understandably hesitant to move into these areas without adequate compensation—compensation that many of these communities simply cannot afford to provide.

Primary care includes nonhospital diagnostic and preventive services that range from care provided in routine checkups and prenatal care visits to managing chronic disabilities. Available and accessible primary care can help prevent or reduce aggravation of certain health problems and therefore avoid the adverse health outcomes and unnecessary hospitalizations responsible for exorbitant health care spending. Unfortunately, many of these services may be at risk of closure or service reduction due to the shortage of primary care physicians.

The legislation we are introducing today offers meaningful incentives to primary care physicians to practice in medically underserved rural areas. The first and most significant provision of the Rural Primary Care Incentives Act provides for a 3-year $12,000 per year tax credit for high priority primary care physicians based on a 5-year service incentive. The 5-year incentive is based on a graduated Internal Revenue Service recapture schedule applied to a 5-year service period. Mr. President, at this point in the RECORD, I would ask unanimous con-

sent that the schedule be printed in the RECORD.

TAX CREDIT ACCRUAL AND RECAPTURE STRUCTURE

[Tax credit schedule for primary care MD's/DO's]

Tax credit program year	Completed months worked	Tax credit	Total tax credit received and earned to date
First [1]	1–12	[1] $12,000	Up to $12,000.
Second	13–24	12,000	Up to $24,000.
Third	25–36	12,000	Up to $36,000.
Fourth	37–48	0	Up to $36,000.
Fifth	49–60	0	$36,000.

[1] 1st year is prorated to months served.

TAX CREDIT RECAPTURE SCHEDULE

Completed months worked	Percent of received tax credit protected	Amount protected
<24	0	$0.
24	25	Up to $8,750.
36	50	Up to $18,000.
48	75	Up to $27,000.
60	100	Up to $36,000.

This tax credit will be attached to the Bureau of Health Delivery and Assistance [BHCDA] criteria for a system of care guided by a mission to serve the medically underserved. This high priority site criteria that are used for determining Health Manpower Shortage Area [HMSA] designations include physician population ratios, unmet health needs, level of geographic isolation, poverty rates, and infant mortality rates. This bill will responsibly link provider incentives to the HMSA classification system. There is no need to develop a new system or administrative arm.

Practice locations and conditions that would qualify primary care physicians for the tax cerdit must satisfy conditions that require an active mission for nondiscriminatory service to the poor, minorities, underinsured, and other DHHS documented and verified determinants of medically underserved populations. These providers must accept Medicare and Medicaid assignment. The tax credit would be available to primary care physicians whose benefit qualifications have been certified by BHCDA. BHCDA will be directed to submit a plan for oversight of these designated sites.

The tax credit provision of The Rural Primary Care Incentives Act of 1989 applies to qualified physicians that chose to work in the two highest priority HMSA classifications. By targeting HMSA classes 1 and 2, this bill addresses 83 percent of all rural HMSA primary care physician need in the Nation. Furthermore, 97 percent of primary care physician need in rural HMSAs with fewer than 10,000 residents are addressed by the tax credit provision.

The second major provision will eliminate the tax liability on loan repayments for all National Health Service Crops Federal Loan Repayment Program participants. This NHSC Loan Repayment Program tax liability relief will enhance the NHSC practice opportunities for physician and nonphysician primary care providers and increase the flexibility needed to create and maintain effective quality and cost conscious provider mixes. Finally, this bill will mandate a study to determine the present and projected appropriate number and mix of all rural HMSA primary care providers in order to study the feasibility of extending the tax credit to nonphysicians.

Mr. President, I recently received a letter from the directors of Southwest Arkansas Comprehensive Care, Inc. [SWACC] of Lafayette County, AR, informing me that they have only two family practice physicians for the 10,399 residents. Thirty-two percent of the people in the Lafayette County service area fall below the Federal income poverty guidelines. What is more, 55 percent of the counties' nonwhite population are poverty stricken and the county has no services to help those vulnerable people. As a result, many of these medically-needy residents do not seek or do not have access to the physician care they need. This situation is simply unacceptable.

Like most other States under this bill, the tax credit provision of my bill addresses a significant percentage of my home State of Arkansas' need for primary care physicians in rural federally designated HMSA's—85 percent. In terms of raw numbers, since there is a need for 22 additional physicians in these high priority HMSA areas and 17 physicians currently practice in them, 39 Arkansas physicians could be eligible for this benefit. In addition, this provision targets 100 percent of the Arkansas need in geographical areas with fewer than 10,000 residents—the areas that are having the most trouble finding and keeping physicians. This bill would assist approximately 20 HMSA sites in Arkansas in counties like Lafayette, Lincoln, Montgomery, and Newton.

Currently, the responsibility for recruiting primary care providers for medically underserved populations falls primarily on individual care sites that have incorporated a charitable mission. These rural sites do not have the financial means to compete with salaries offered by HMO's and other practices that place less emphasis on serving the medically underserved. As a result, sites located in federally designated HMSA's have relied on the recruiting and placement efforts of the National Health Service Corps [NHSC]. The NHSC uses scholarships and loan forgiveness programs to recruit HMSA primary care providers. However, while over 4,000 primary care physicians are needed to remove the almost 2,000 rural HMSA designations, the NHSC has so far been able to award only 26 loan forgiveness contracts this year and has effectively phased out the scholarship program.

The NHSC has proven to be the "breeding ground" for HMSA primary care providers. The July 1985 Public Health Service, Health Resources and Services Administration report, "Survey of Factors Influencing the Location Decision and Practice Patterns," found that the NHSC experience has a large influence on the subsequent practice site choice of these alumni. For example, most young physicians who chose rural practice locations prefer counties with larger populations, more health resources, the presence of a college, and greater white-collar employment. On the other hand, NHSC alumni were more likely than nonalumni to locate in whole county HMSA's, lower populated counties, and were more accessible to the underserved than non-NHSC alumni. Without a cooperative complement of recruitment and retention efforts, we will never obtain a sufficient number of providers to ease the health care crisis in rural HMSA's.

Insufficient salaries are most often blamed for failure to retain physicians in rural medically underserved areas. Primary care service managers and associations claim that when NHSC providers finish their obligations, there is usually no significant salary increase that can be offered to give these people enough reason to stay in their present site. This bill will empower the NHSC's efforts to identify primary care providers for rural HMSA service and offer a significant benefit for continued HMSA service.

Additionally, rural primary care access and availability are significantly, but perhaps not obviously, affected by the disproportionate share of elderly people in rural areas. While 12 percent of the United States population is elderly, these older Americans account for 25.4 percent of the rural population. This is significant because the elderly are more likely than younger people to make frequent visits to a doctor. Furthermore, because chronic illnesses threaten the independence of older people, their physician visits are most often for the treatment of chronic conditions. In fact, most elderly hospitalizations are caused by an aggravated chronic condition that becomes acute. Although not all acute episodes are preventable, primary care services may avert the need for costly hospitalization and institutionalization.

Changing Medicare reimbursement rates for rural practitioners as we started to do, only addresses part of the health manpower shortage problem. That approach represents Medicare's portion of the responsibility. Because we have reached an unsatisfactory limit to the feasible benefits that can be reaped by adjusting existing payment mechanisms, I am offering

the Rural Primary Care Incentives Act of 1989 as an effective fiscally responsibile measure toward alleviating some of our critical rural health concerns. I hope all my colleagues will join me in supporting this important legislation.●

● Mr. BAUCUS. Mr. President, I am pleased to join in support of the Rural Primary Care Incentives Act being offered today by my distinguished colleague Senator PRYOR. This proposal makes an important commitment to improving the recruitment of doctors to underserved areas of rural America.

This legislation is the perfect companion for the Rural Health Manpower Assistance Act that I introduced earlier this year. My bill provides an additional 5-percent bonus for primary care services performed in rural health manpower shortage areas.

The current physician payment system sends all the wrong messages to young doctors: "Stay in overdoctored cities, do lots of expensive procedures, avoid talking with your patients for too long, and stay away from public service."

The Rural Primary Care Incentives Act makes sense. It does the right things, and, most importantly, sends the right messages.

The bill tells doctors in training: "The Federal Government understands the importance of primary care, and it's going to provide financial incentives to help you make the decision to train in primary care where you are most needed."

It tells young doctors: "If you make a commitment to practice in an underserved rural area, the Federal Government will show its appreciation."

It tells young doctors: "If you have the idealism to work in the National Health Service Corps, the Federal Government won't tax the loan repayment bonus."

Mr. President, these are the kinds of signals this Government should be sending to young physicians.

I commend Senator PRYOR for his efforts on this excellent and badly needed proposal, and I look forward to working with him on getting these messages translated into action.●

By Mr. WARNER (for himself, Mr. REID, Mr. LIEBERMAN, Mr. CHAFEE, and Mr. RIEGLE):

S. 1061. A bill to prohibit the distribution, sale, or use of daminozide for food use, to cancel the registration for daminozide for food use, to revoke the tolerance for daminozide in or on food, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

PROHIBITING THE USE OF DAMINOZIDE (ALAR)

● Mr. WARNER. Mr. President, today Senators REID, LIEBERMAN, CHAFEE, RIEGLE, and I are introducing legislation to immediately prohibit the distribution, sale, or use of daminozide—also known as Alar—for food use, to cancel the registration for daminozide for food use, and to revoke the tolerance for daminozide and its cancer-causing metobolyte, UDMH, in or on food products.

Over the course of the past several months, Members of Congress, the Environmental Protection Agency, our Nation's fruit growers and processors, and concerned parents of young children have been caught up in the controversy surrounding Alar.

Let me point out to my colleagues that Alar does not kill pests that eat on the fruit. It does not prevent disease that injures apples; its use is, in fact, for purely cosmetic purposes. People want beautiful red apples; Alar does the trick. And while it is nice to have colorful, firmer apples which do not crack or bruise as easily, that is hardly worth the possible exposure to a carcinogen.

The safety of America's greatest natural resource, its food supply, is put in question. The public's confidence in the Government's responsibility to work with industry and to assure a healthful food supply has been shaken. And a vital industry, not only to the Commonwealth of Virginia but to many States, is being injured. The industry has taken steps to rebuild consumer public confidence and the purpose of this legislation is to support those efforts.

Evidence is building that points to a link between Alar and cancer tumors in laboratory rodents. It's the job of the Federal Government to expedite its decision process to remove the potential dangers of Alar. The purpose of this legislation is to help expedite the Federal Government in doing its job.

While the Environmental Protection Agency [EPA], the U.S. Department of Agriculture [USDA], the Food and Drug Administration [FDA], the scientific community, and we in Congress are working to gather the answers, millions of young mothers and fathers are struggling with how to feed their young children safely. They need assurance we are doing our part to help.

Since the time this controversy was first reported over the airwaves and newspapers several months ago, I have spoken with and read the letters of many concerned parents and visited with fruit growers, processors, and packers in Virginia. In hearings, I have questioned witnesses coming before the Senate Environment and Public Works Subcommittee on Toxic Substances, Environmental Oversight and Research and Development, of which I am the ranking member. They ask for help.

Part of the fault for this problem rests on Congress for past actions. We have a law in place that does not meet modern standards. The consumer, the EPA, and the fruit growers are all victims of a defective law.

Doubts involving the safety of Alar first surfaced over 16 years ago. Yet, because of statutory requirements, the Environental Protection Agency has not been able to expeditiously cancel the usage of a chemical previously approved for use and thought to be safe. This cancellation has not occurred despite the fact that Alar probably would not be approved for use today if the manufacturer were to attempt to register it.

Apple growers themselves have been the victims of this statutory nightmare. News accounts failed to note that the growers were using an approved chemical and were applying it well within the established guidelines for use.

In fact, many of the growers took the initiative to stop using Alar through a voluntary ban. In their attempts to provide Americans with the world's safest and most bountiful food supply, at a cost to the consumer lower than any other industrialized nation, they have become victims of a law which moves too slowly to help them in emergency situations like this one.

A "quick fix" is seldom the answer for any problem. But we all realize that the Federal Insecticide, Fungicide, and Rodenticide Act [FIFRA] must be revisited and revised to avoid similar circumstances in the future. I believe the time has come for the Congress to order the cancellation of the registration for Alar and to being the legislative process to fix the law.

Mr. President, the apple has for years stood as the symbol of health, nutrition, and goodness. We must continue that tradition

It is a shame that after so many growers have acted responsibly to refrain from using Alar, others still seek to exploit the use of Alar to gain market advantages. That is unfortunate, for all suffer.

The spraying season for apples is nearly upon us, that is why I believe we must act now, though some may say in haste, and revoke the registration for Alar. If Alar is sprayed on this year's apple crop, traces of this chemical's residues will appear in our grocery stores on our fresh fruit as well as in juices and sauces for some time to come.

Mr. President, I have worked very closely with the EPA in crafting this legislation. While I would have preferred for this situation to have been resolved differently, I do not see any viable alternative.

For the benefit of my colleagues, I would like to briefly explain how this legislation addresses the problems I have just discussed.

First, since there are two aspects to this issue there are basically two parts to this bill.

The first part addresses the sale, distribution and use of the pesticide daminozide itself. This legislation will ban immediately upon enactment the further sale, use, or distribution of daminozide for food products.

Section 3 of the legislation requires the Administrator of the Environmental Protection Agency to require the registrant to recall this pesticide from dealers, distributors, and end users, and to provide for the proper storage and disposal of the pesticide. Section 3 also provides that the registrant shall reimburse any person who holds any quantity of daminozide at the prevailing sale price at the time the pesticide was purchased.

These provisions were crafted in order to protect distributors and end users, and to prevent further adverse economic consequences on their part.

The second aspect of the bill deals with the presence of daminozide in food products which have already been harvested, stored, or processed for retail sale. In order to adequately protect processors, retailers, and consumers from further adverse economic consequences, section 4 revokes all existing tolerances and food additive regulations for daminozide immediately upon enactment of this act. However, the bill continues the authority for the Administrator to establish an action level as provided under current law.

Mr. President, the time for apple growers to begin applying Alar to their orchards will soon be upon us. It is urgent that we in Congress take swift action to ban the use before that application begins. If we do not act swiftly and decisively now, it will take an even longer period of time before Alar and UDMH are eradicated from our food chain.

I urge my colleagues to join me and Senators REID, LIEBERMAN, CHAFEE, and RIEGLE in cosponsoring this legislation, and pressing for its swift approval by the Congress.●

● Mr. REID. Mr. President, I am pleased to join today with Senators LIEBERMAN, RIEGLE, CHAFEE, and WARNER in offering this legislation to ban Alar.

Our legislation banning Alar is a major step in the right direction, but no one should fool themselves into thinking that this action eliminates the danger of pesticides for American consumers.

There are 50,000 other pesticides and chemicals out there, and we don't know how many of them are as dangerous as Alar. This legislation banning Alar is just a beginning. Protecting American consumers will require better review procedures than the ones that allowed Alar to stay on the market so long in the first place.

Let me emphasize: Alar is just the tip of the iceberg. This legislation is only the beginning. The Environmental Protection—and I emphasize protection—Agency needs better review procedures to protect the American consumer. We in Congress have a responsibility to help eliminate the source of the Alar controversy as well as today's effort to eliminate Alar itself.●

● Mr. LIEBERMAN. Mr. President, I am pleased to join Senators REID, WARNER, CHAFEE, and RIEGLE in introducing legislation today that will ban the sale and use of Alar on food.

If we do not ban Alar from the market, American consumers, in increasing numbers, will ban apples from their diet. This bill will have a positive economic effect on the apple industry—which has itself become a victim of Alar—as well as a positive health effect on the American public.

While I personally believe the EPA has the authority to ban Alar immediately, the agency does not share that view, and intends to move administratively against the chemical. With possible court challenges to that process, it could be years before Alar is off the market. Without our law, an Alar cloud will hang over the apple crop—not just this year—but for as long as it takes for a ban to go into effect.

In specific terms, the legislation would immediately ban the sale of Alar for use on foods, such as apples, peanuts and cherries. It would also reduce the tolerance for Alar on food to zero, which will eliminate Alar-tainted food imports.

Our bill is a quick fix. But it is not panicky reaction to just one story about Alar's danger. It's a necessary reaction to years of government inaction—inaction in the face of repeated studies that link Alar to cancerous blood vessel tumors.

As a father, I don't want my 1-year-old daughter eating too much apple juice or apple sauce as long as Alar is on the market. Until it's banned, buying apple products will have a Russian Roulette quality to it; we can't have confidence that the product is Alar-free. As a Senator, I want to do all I can to remove Alar from the market so other fathers and mothers don't have to make that choice at all.

I like apples. I've eaten at least two a day for decades. I want growers to keep growing them, and I want to keep eating them. But to make the apple market, and apples, healthier, our bill is a necessary first step.

I hope this means the end of Alar. But it's only the beginning of our review of the impact of pesticides in our food supply. Alar is but one of 800 man-made chemicals on food that we must review to determine if they pose a threat to human health. Further changes in the law regulating pesticides, and in the strategy of enforcing that law, may be needed so that we can methodically review and remove any of the remaining 799 chemicals in our food supply that can potentially do us harm.●

By Mr. GORE (for himself and Mr. DANFORTH):

S. 1062. A bill to amend the Earthquake Hazards Reduction Act of 1977 to improve the Federal effort to reduce earthquake hazards, and for other purposes; to the Committee on Commerce, Science, and Transportation.

EARTHQUAKE HAZARDS REDUCTION ACT

● Mr. GORE. Mr. President, today, I am pleased to join Senator DANFORTH, the distinguished ranking Republican member of the Commerce Committee, introducing a bill to expand and improve the National Earthquake Hazards Reduction Program. This bill will help ensure that the United States is prepared for a major earthquake.

Just last month, a magnitude 4.7 earthquake of the New Madrid fault in Missouri shook up the residents of Missouri, Tennessee, Arkansas, and Kentucky and reminded them that earthquakes pose a threat to our region of the United States.

Three weeks before that earthquake, during National Earthquake Awareness Week, the Science, Technology, and Space Subcommittee which I chair, held a hearing on strengthening the National Earthquake Hazards Reduction Program. At that hearing, the late Dr. Robert Ketter, former Director of the National Center Earthquake Engineering Research, testified that the odds of a destructive earthquake striking the Eastern United States before the year 2000 is better than 75 to 95 percent. There is a nearly 100-percent chance that such as earthquake will occur by the year 2010.

Dr. Ketter also discussed the New Madrid fault zone in Missouri, just a few miles from Memphis, TN. In 1811 and 1812, it produced three of the largest earthquakes in U.S. history, all three greater than 8.3 on the Richter scale. A repeat of the New Madrid earthquake would kill thousands of people, injure tens of thousands, and leave hundreds of thousands homeless. According to Dr. Ketter, the odds of such a quake by the year 2035 is 3 or 4 percent. That's frightening. Just as disturbing is the fact that there is about a 50-50 chance that a smaller, magnitude 6.3 earthquake will occur on the New Madrid fault zone in the next 11 years. Such a quake could result in billions of dollars of damage and thousands of deaths and injuries.

Dr. Ketter's testimony made it clear that earthquakes are not just a California problem. They pose a threat to Tennessee and the rest of the Eastern and Central United States as well.

Other witnesses at the hearing discussed how much needs to be done to improve our earthquake preparedness. Earthquake faults have to be mapped;

seismic risks have to be assessed; buildings and pipelines have to be made more earthquake resistant; and plans and resources have to be ready and available in order to respond after a catastrophic earthquake. Perhaps most importantly, the public has to be made more aware of the risks of earthquakes.

In his testimony to the Science Subcommittee, Lacy Suiter, director of the Tennessee Emergency Management Agency and head of the Central United States Earthquake Consortium, suggested that if Congress wants to improve the Nation's earthquake preparedness, it should legislate specific goals for the agencies in the National Earthquake Hazards Reduction Program. The legislation I am introducing today does just that. It provides concrete goals which need to be met if the Nation is to be prepared for a major earthquake.

The bill calls for a National Seismic Network to monitor earthquakes throughout the United States. This network will work in conjunction with existing regional seismic networks like the one that Dr. Arch Johnston runs at Memphis State University, which provides a detailed picture of the seismicity on the New Madrid fault zone.

The Federal Government has funded tens of millions of dollars of research on earthquakes. This bill will improve the way that research is utilized. For each earthquake-prone region in the Nation, better estimates of the risks of earthquakes will be developed, along with improved estimates of the expected intensities of shaking that those earthquakes would cause. The bill requires that land use planners identify those areas where unstable soils tend to amplify the shaking caused by an earthquake. The Mexico City earthquake showed the fatal results of building on such shaky ground.

This bill also mandates that American buildings and lifelines be made more earthquake-resistant. This will require educating building owners and builders about the risk of earthquakes and about how their buildings can be made more earthquake-resistant. It will also require building codes and zoning laws which take into account seismic risks.

Public education about earthquakes is another key component of this bill. Last month's National Earthquake Awareness Week helped alert more people to the danger of earthquakes. We even had "Sesame Street's" Big Bird come to Capitol Hill to spread the word about earthquakes. But more needs to be done. We cannot improve earthquake perparedness if the public does not understand the need for it. This bill calls for new educational programs, the use of the mass media, and regional clearinghouses to educate the public about earthquakes.

In spite of all these efforts to prepare for earthquakes, we must face the inevitable fact that major earthquakes will continue to kill people and cause billions of dollars of damage. Although we can greatly reduce the casualties and the property damage, we cannot eliminate them. Thus, we must be prepared to take action when a major earthquake strikes. The Federal Emergency Management Agency has responsibility for disaster planning for earthquakes and other natural and manmade hazards. This bill will accelerate efforts to develop earthquake response plans. It requires FEMA to redouble its efforts to work with State and local governments to develop earthquake response plans in every earthquake-prone region of the country. I am particularly interest in promoting the use of advanced computer and telecommunication equipment for assessing earthquake risks and for responding to major earthquakes.

In addition to helping the United States prepare for a major earthquake, this bill will assist other countries in dealing the earthquakes. The United Nations established the International Decade of Natural Disaster Eduction beginning in 1990, and the United States can assist in this effort to reduce the pain and suffering caused by natural disasters around the world. The United States is a world leader in earthquake research and in earthquake preparedness, and by sharing our knowledge with other nations we can help save thousands of lives. And we can learn from the experience of other nations as well.

Last year's Armenian earthquake proved dramatically how catastrophic even a moderate earthquake can be if a city is not prepared for it. Shortly after the Armenian earthquake, I was contacted by an official of the Soviet Embassy who was seeking more information on the measures that the United States has taken to reduce the danger of earthquakes. Unfortunately, there was not one office I could refer him to for information, since the National Earthquake Hazards Reduction Program consists of four different agencies each working on different parts of the earthquake problem.

In order to make it easier for other countries, especially countries in the developing world, to benefit from American experience and know-how concerning earthquakes, this bill will establish and Office for the International Exchange of Earthquake Information at the U.S. Geological Survey. Such an office would provide one-stop shopping for information on American earthquake research and earthquake preparedness.

This bill complements S. 629 which Senator CRANSTON introduced last March and which I cosponsored. That bill also calls for improved application of earthquake research. In addition, that bill addresses problems with the management of the National Earthquake Hazards Reduction Program. We need effective coordination of the four agencies in the earthquake program in order to accomplish the goals set out in the bill I have introduced today. In the coming weeks, the Science Subcommittee will consider both bills in detail, in order to ensure that we are not caught unprepared by the next major earthquake.

These are important bills designed to address an important problem, a problem which is too often ignored until a major earthquake strikes and everyone looks for someone to blame. Rather than waiting until after a disaster, we need to take action now.●

● Mr. DANFORTH. Mr. President, today Senator GORE and I are introducing legislation to improve this country's preparedness for the earthquake that is inevitably going to strike.

On April 27, an earthquake measuring 4.7 on the Richter scale hit New Madrid, MO. It was felt in Tennessee, Mississippi, and Illinois. Fortunately, no one was hurt, and there was only minor damage. Those of us who live in the Eastern and Central United States have been warned. Scientists predict that there is almost a 100-percent chance that a major earthquake—over 6.0 on the Richter scale—will strike somewhere east of the Rocky Mountains before the year 2010. There is a 50-percent chance that such an earthquake will occur on the New Madrid fault, which runs through my home State of Missouri, plus the States of Mississippi, Tennessee, Kentucky, Illinois, Indiana, and Arkansas.

We recently saw the horrifying destruction that can happen when a nation is unprepared for a major earthquake. The tragedy in Armenia must never happen here. When a major earthquake strikes the United States, houses will collapse and people will be trapped, communication lines will break, transportation will be interrupted, bridges will fall, and natural gas pipelines will leak. Are we prepared for what we know is coming? No. If a major earthquake hit Cape Girardeau, MO, tonight, would people there know what to do? Would they know whom to call? Where to go for rescue workers and equipment? How to transport medical personnel to the scene? Where to transport victims who need hospital treatment? If a quake struck the New Madrid fault, it would directly affect as many as seven States. We don't have an emergency response plan that coordinates the roles of the Federal and State Governments. We don't have an adequate plan for getting the necessary medical personnel, rescue personnel and equipment to the scene. We don't know whether our hospitals will still be standing after an

earthquake, or whether they will have enough beds for all of the victims.

What are we doing about preparedness before an earthquake strikes, and rescue and repair operations afterward? The bill we are introducing today answers these questions.

Last month, the Commerce Committee held a hearing on the current U.S. Earthquake Program. Testimony clearly indicated that the Federal Emergency Management Agency [FEMA], the office primarily responsible for preparedness, emergency response, and public education, must be more aggressive. This bill gives specific directions to FEMA and other Federal earthquake agencies on their responsibilities.

The Federal Government, through the National Earthquake Hazards Reduction Program, has been researching and studying earthquake data for many years. Now we need to act on this information. People must learn the steps they can take to reduce the damage of an earthquake.

For instance, the only States that have enacted seismic building codes are California, Massachusetts, and Connecticut. With the right building codes and construction practices, we can save lives and property, and minimize the amount of emergency rescue needed after the quake, the cleanup effort, and the cost to rebuild.

There are three ways to reduce damage and injury: First, increase public knowledge; second, eliminate or reduce potential hazards; and third, improve emergency preparedness. This bill addresses all three by prescribing specific activities for the principal Federal Earthquake agencies—FEMA, the U.S. Geological Survey [USGS], the National Science Foundation [NSF] and the National Institute of Standards and Technology [NIST].

First of all, the bill requires three agencies to improve public education on the dangers of earthquakes and the need to increase earthquake preparedness. Specifically, the agencies must develop programs targeted to specific geographic regions concerning the particular local earthquake hazards; establish regional clearinghouses to distribute that information; establish cooperatives among the private sector, government, and local universities to organize seminars and workships for the general public; and identify the appropriate role for television and radio stations in disseminating earthquake information.

Second, the bill requires the agencies to develop information and strategies to reduce the risk of earthquake damage. They must then share this data with State and local government officials, and private contractors, engineers, and architects. The bill's requirements include: Developing model building codes and construction guidelines; establishing construction standards for the Nation's infrastructure, such as oil and gas pipelines, bridges, roads, rail lines, and telecommunications networks; providing guidelines for land-use management to avoid future construction on high-risk sites; and estimating costs and developing procedures for retrofitting existing buildings.

Third, the bill strengthens our Nation's emergency response capabilities by requiring the agencies to assess existing emergency plans, including personnel and equipment available for rescue operations after an earthquake, and to acquire additional resources where needed; to develop a strategy for coordinating Federal, State, and local emergency plans; and to include regional earthquake consortia in federal sponsored planning and preparedness projects.

The bill requires the agency to document their progress on these duties in their annual report to Congress, beginning with the fiscal year 1989 report.

Finally, a new section is added to establish an Office for the International Exchange of Earthquake Information within the USGS, to promote the exchange of information on earthquake research and earthquake preparedness between the U.S. and other countries; to maintain a library of reports, research papers and data produced through the National Earthquake Hazards Reduction Program; to answer requests from other nations for information on American earthquake research and earthquake preparedness programs; and to direct foreign requests to the Federal earthquake agency best able to respond to the request.

We all recognize the danger of earthquakes. I recently received a letter from a constituent who lives near the New Madrid fault. She is concerned about the safety of her two young children, who attend a seismically unsafe school. She wants to know what she can do to reduce the risks of injury, death, and destruction from an earthquake. I'm glad people are becoming aware of this potential disaster. Now we must act. The Federal Government can set an example for State and local governments and the private sector with a comprehensive, effective earthquake program that includes achievable. concrete goals for reducing the hazards due to earthquakes and for getting the public involved in that effort. The bill we are introducing today provides much-needed direction for the Federal Earthquake Program. Let's not wait until it's too late.●

By Mr. LUGAR (for himself and Mr. BOSCHWITZ):

S. 1063. A bill to improve the conservation of cropland, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

CONSERVATION ENHANCEMENT AND IMPROVEMENT ACT

Mr. LUGAR. Mr. President, I rise today to introduce the Conservation Enhancement and Improvement Act of 1989.

The 1985 farm bill contained important provisions to help protect and conserve our soil and water resources. This historic measure has nearly eliminated erosion on nearly 30 million acres of highly erodible land. It has slowed the destruction of our Nation's valuable wetlands and required farmers to meet minimum soil conservation criteria in order to qualify for Federal price support benefits.

In 1985, I served as the chairman of the Agriculture Committee's Subcommittee on Conservation and Forestry. In that capacity, I was the principal author of the conservation title of the 1985 farm bill. The bill I am introducing today will build and expand upon that effort. It amends existing programs to more effectively protect groundwater quality, control wind and water erosion, improve wildlife, habitat, and enhance our forest resources.

Without question, one of the most successful aspects of the 1985 farm bill was the establishment of the 45-million acre Conservation Reserve Program [CRP]. To date, farmers have voluntarily idled nearly 28 million acres of their most highly erodible cropland under this program. It has been estimated that 574 million tons of topsoil have been saved so far as a result of this effort. The Department of Agriculture estimates that the CRP will generate $3.5 to $4 billion in water quality benefits in the form of lower sediment removal costs, less flood damage, and lower water treatment costs. A study by the American Farmland Trust estimates that the CRP will increase farm income by $2.3 billion over 5 years while saving $600 million in farm program costs.

A major priority that we are now facing in order to continue these benefits is how to preserve the acreage entered into the Reserve once the 10-year contract period expires. My legislation provides a solution by allowing farmers to extend their payment acreage base protection for an additional 5 years beyond the expiration of the contract period. This will ensure that farmers will not bring highly erodible land back into crop production simply to maintain their crop base and their current level of Federal price support benefits.

One of the major goals of the Conservation Reserve Program is to have at least one-eighth of the acreage entered into the program planted to trees. At this time, there is not adequate interest in the tree planting option to meet that goal. Moreover, most of the existing CRP tree contracts have been devoted to softwood

trees. My bill provides added incentives for hardwood tree planting in the CRP. Because hardwood trees take consideraly longer to mature than softwoods, producers would be given the option of choosing 10- to 15-year contracts, instead of the current 10 years. Also, producers, in certain circumstances, would be allowed to plant hardwoods on existing CRP acres planted to grass within reasonable cost limits.

Many landowners have shown less enthusiasm for the CRP program in the last year given significantly higher grain prices and land values. As a result, it will be more difficult and costly to reach the 45-million-acre goal of the CRP if we limit participation to highly erodible land. In this regard, my bill expands the focus of the program beyond highly erodible acres to include other areas of strategic environmental concerns.

Other provisions include making shelterbelts and windbreaks eligible for the CRP and eliminating the use of USDA loans for the significant clearing of trees, except for purposes of sustainable management or tree farming. The bill will allow sinkholes and other critical ground water contamination areas to enter the Reserve.

Public attention recently has focused on the environmental benefits of our Nation's wetlands which include water cleansing, wildlife habitat and plant habitat. My legislation would require the Secretary to create, within the Conservation Reserve Program, a Wetlands Reserve Program [WRP] to restore converted wetlands back to their natural state. A minimum of 2.5 million acres must enter the wetland reserve during 1990. However, the total combined acreage of the CRP and the WRP could not exceed the current 45-million-acre cap for the CRP.

It has been estimated that about 5 million acres of our Nation's 78 million acres of wetlands have a very high potential for conversion to agricultural uses. The WRP helps to ensure a no-net loss of wetlands policy.

As a further deterrent to further conversion of the 5 million acres of wetlands to agricultural uses, my bill also reforms the Waterbank Program to better protect enrolled wetlands. It prohibits the use of USDA loans to drain wetlands and provides additional tools to enforce the swampbuster provisions of the 1985 farm bill.

With regard to other areas of environmental concern, my bill modifies the Department of Agriculture's annual acreage reduction programs which require producers to idle land depending on supply and demand conditions. As a result of its short-term nature, producers are reluctant to make conservation and wildlife investments on annually idled land. Many producers in the past have failed to even plant a cover crop on this idled acreage. My bill would require the Secretary of Agriculture to offer 3-year contracts on a percentage of the idled land for the purpose of improving soil conservation and wildlife habitat.

In addition, the bill clarifies the intent of current law to ensure that annually idled land does not erode at greater rates than cropped land. Current law with regard to conservation compliance can be interpreted so as to only apply to cropped acreage. The bill also provides additional enforcement tools for the Secretary to more consistently enforce existing soil erosion provisions for farmers who may not participate in the crop programs but are, nevertheless, recipients of direct farm program benefits.

Current farm programs discourage sound conservation and environmental practices by distorting market signals on what crops should be planted, discouraging sound rotational practices and encouraging the production of crops that bleed the soil of important nutrients and moisture. My bill provides that it is the sense of Congress that, during the debate on the 1990 farm bill, the structure of our farm programs, including the crop acreage base system, be modified to encourage sound conservation and farming techniques.

The legislation also provides for the standardization of State programs to certify naturally grown foods. For those States interested in participating, the Secretary would be authorized to certify State programs that label foods as having been naturally grown. State programs that meet the USDA standard could display a label so indicating. Participating States would be charged a fee so that the program would be carried out at no cost to the Federal Government.

Well water contamination is also of serious concern to all rural Americans. The Environmental Protection Agency, in a study released in 1988, found residues of pesticides in well water in 26 States due to normal agricultural practices. My bill would require the Secretary to offer a voluntary, confidential well water testing program. The program would be carried out by USDA's Extension Service and would operate on a cost-share basis. This program should help to ensure that all Americans know the contents of their drinking water and can act accordingly to ensure its safety.

Mr. President, my bill is a comprehensive effort to provide farmers with strong incentives to conserve our land, water, and forest resources. It is a sound, logical next step in our conservation program. I urge my colleagues to support this bill.

Mr. President, I request unanimous consent that the text and summaries of this bill be printed in the RECORD at this time.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1063

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Conservation Enhancement and Improvement Act of 1989".

(b) TABLE OF CONTENTS.—The table of contents is as follows:

Sec. 1. Short title; table of contents.
TITLE I—EROSION CONTROL
Sec. 101. CRP base protection.
Sec. 102. Multiyear conservation contracts.
Sec. 103. Application of highly erodible land protections to idled cropland.
Sec. 104. Conservation compliance and sodbuster consistency.
Sec. 105. No net loss of soil on land leaving the CRP.
TITLE II—WILDLIFE HABITAT IMPROVEMENT
Sec. 201. Multiyear wildlife habitat improvement contracts.
Sec. 202. Annually idled acres.
TITLE III—ALTERNATIVE AGRICULTURAL PRACTICES AND NEW CROPS
Sec. 301. Production of alternate crops on permitted acres.
Sec. 302. Naturally grown food certification.
TITLE IV—WATER PROTECTION AND ENHANCEMENT
Sec. 401. Critical contamination areas.
Sec. 402. Wetland reserve program.
Sec. 403. Water bank program reform.
Sec. 404. Wetland protection.
Sec. 405. Sinkhole contamination abatement.
Sec. 406. Well water testing program.
Sec. 407. Swampbuster consistency.
Sec. 408. Application of wetlands protections to idled cropland.
TITLE V—FOREST PROTECTION AND ENHANCEMENT
Sec. 501. No net overall loss of forest area.
Sec. 502. Shelterbelts and windbreaks.
Sec. 503. Tree planting incentives.
Sec. 504. Forest clearing subsidies.
Sec. 505. Urban forestry.
TITLE VI—MISCELLANEOUS
Sec. 601. Environmental protection.

TITLE I—EROSION CONTROL

SEC. 101. CRP BASE PROTECTION.

Section 1236 of the Food Security Act of 1985 (16 U.S.C. 3836) is amended by adding at the end thereof the following new subsection:

"(c) During the 5-year period beginning on the expiration of a contract entered into by an owner or operator under this subtitle, the Secretary may provide for the preservation of cropland base and allotment history in accordance with subsection (b), if the owner or operator agrees to continue to devote the cropland that was subject to the contract to conserving uses as determined by the Secretary during such period.".

SEC. 102. MULTIYEAR CONSERVATION CONTRACTS.

Effective only with respect to the 1990 crops of wheat, feed grains, upland cotton,

extra long staple cotton, or rice, section 1010 of the Food Security Act of 1985 (7 U.S.C. 1445i) is amended to read as follows:

"SEC. 1010. MULTIYEAR CONSERVATION CONTRACTS.

"(a) IN GENERAL.—The Commodity Credit Corporation (hereinafter referred to in this section as the 'Corporation') shall offer to enter into multiyear conservation contracts that extend for a period of 3 crop years for each of the 1990 crops specified in subsection (b).

"(b) ELIGIBILITY.—A contract authorized under subsection (a) shall only be entered into by the Corporation with a farm owner or operator (hereinafter referred to in this section as the 'producer') who is participating in one or more production adjustment programs in effect for the 1990 crops of wheat, feed grains, upland cotton, extra long staple cotton, or rice.

"(c) DUTIES OF PRODUCERS.—

"(1) LAND SUBJECT TO CONTRACT.—Under a contract entered into under this section, a producer shall set aside an acreage of cropland that is equal to 5 percent of the 1990 crop acreage base for the farm for the crop (determined in accordance with title V of the Agricultural Act of 1949 (7 U.S.C. 1461 et seq.)).

"(2) CONSERVATION REQUIREMENT.—A producer entering into a contract under this section shall devote acreage subject to the contract to vegetative cover in a manner that will assure that such acreage does not have an average annual rate of erosion in excess of the soil loss tolerance level, as established by the Secretary.

"(3) PROHIBITIONS.—During the term of a contract entered into under this section, a producer shall agree—

"(A) to comply with applicable State and local laws and regulations that govern noxious weed control;

"(B) not to conduct any harvesting or grazing, nor otherwise make commercial use of the forage, on land that is subject to the contract, nor adopt any similar practice specified in the contract by the Corporation as a practice that would tend to defeat the purposes of the contract, except that the Corporation may permit harvesting or grazing or other commercial use of the forage on land that is subject to the contract in response to a drought or other similar emergency; and

"(C) not to adopt any practice that is specified in the contract entered into with the Corporation as a practice that would tend to defeat the purpose of the contract.

"(d) COST-SHARING PAYMENTS FOR CONSERVATION MEASURES.—

"(1) IN GENERAL.—Subject to the cooperation and participation of States under paragraph (3), the Corporation shall offer cost-sharing incentives to producers to encourage such producers to enter into contracts for the establishment of vegetative cover under this section.

"(2) FEDERAL PAYMENTS.—Under a contract entered into under this section, the Corporation shall pay 25 percent of the cost of the establishment of vegetative cover on land that is subject to such contract in a manner that is set forth in such contract and for which the Corporation determines that cost-sharing is appropriate and in the public interest.

"(3) STATE PAYMENTS.—For a producer to be eligible to enter into a contract under this section, the State in which the farm is located in shall agree to make cost-share payments to such producer (from State appropriated funds or from private contributions received by the State from individuals other than such producer) in an amount that is at least 25 percent of the amount of the cost of the establishment of vegetative cover on land that is subject to such contract in a manner that is set forth in such contract and for which the Corporation determines that cost-sharing is appropriate and in the public interest.

"(e) RELATIONSHIP TO OTHER CROPS AND PROGRAMS.—

"(1) OTHER CROPS.—A producer may devote to conservation uses under the program established by this section acreage normally devoted to the production of a commodity, without regard to whether the producer enrolls in such program acreage normally devoted to the production of other program crops on the farm.

"(2) ACREAGE LIMITATION AND SET-ASIDE PROGRAMS.—Notwithstanding any other provision of law, the quantity of acreage that a producer would otherwise be required to idle under an acreage limitation program or set-aside program established under the Agricultural Act of 1949 (7 U.S.C. 1421 et seq.) or under a production supply program established under the Agricultural Adjustment Act of 1938 (7 U.S.C. 1281 et seq.) as a condition of receiving loans, purchases, or payments under such programs, shall be reduced to the extent that the producer enrolls acreage in the program established by this section.

"(3) LAND DIVERSION PROGRAMS.—Acreage subject to a land diversion contract entered into under the Agricultural Act of 1949 (7 U.S.C. 1421 et seq.) shall not be enrolled in the program established by this section.

"(4) BASE PROTECTION.—The crop acreage base and the farm program payment yield for a commodity shall not be reduced due to the fact that acreage on the farm was devoted to conserving uses under this section.

"(f) REGULATIONS.—The Corporation shall issue such regulations as the Corporation determines necessary to carry out this section.".

SEC. 103. APPLICATION OF HIGHLY ERODIBLE LAND PROTECTION TO IDLED CROPLAND.

(a) PROGRAM INELIGIBILITY.—Section 1211 of the Food Security Act of 1985 (16 U.S.C 3811) is amended by adding "or is considered to have planted" after "crop year produces".

(b) EXEMPTIONS.—Section 1211 of such Act (16 U.S.C. 3811) (as amended in subsection (a)) is further amended—

(1) by inserting "(a) IN GENERAL.—" before "Except as provided"; and

(2) by adding at the end thereof the following new subsection:

"(b) CONSERVATION PLAN OR SYSTEM REQUIREMENT.—Effective for the 1990 and subsequent crop years, and notwithstanding any other provision of law, the Secretary shall require that any individual who in any crop year participates in a program administered by the Secretary to reduce the production of an agricultural commodity by devoting permitted acreage to conserving use, or by setting aside, diverting or otherwise not cultivating, acreage on which highly erodible land is predominate shall, in order to maintain eligibility for benefits under such program or for any of the program benefits described in subsection (a), manage such acreage under a conservation plan or system that has been approved in accordance with section 1212.".

SEC. 104. CONSERVATION COMPLIANCE AND SODBUSTER CONSISTENCY.

Section 201 of the Agricultural Act of 1949 (7 U.S.C. 1446) is amended by adding at the end thereof the following new subsection:

"(m)(1) A producer of a commodity, that receives price support under this section, who benefits directly or indirectly from such a price support for such commodity, shall be subject to the same conservation requirements on the farm of such producer (including requirements affecting highly erodible land, under subtitle B of title XII of the Food Security Act of 1985 (16 U.S.C. 3811 et seq.)) as are applicable to a producer of a commodity that receives price support under other provisions of this Act in the form of a payment or loan, as determined by the Secretary.

"(2) Notwithstanding any other provision of law, if a producer of any commodity referred to in paragraph (1), violates any conservation requirement applicable to the producer, such producer shall be ineligible for the benefits described in section 1211 of the Food Security Act of 1985 (16 U.S.C. 3811) including crop insurance, and the Secretary may impose on the producer an additional penalty that shall be an amount equal to the product obtained by multiplying—

"(A) not less than 25 percent, nor more than 50 percent, of the price support level in effect for the commodity, on the date that the producer is determined by the Secretary to be in violation of such conservation requirements; by

"(B) the average annual quantity of the commodity produced on the farm of the producer during the 5 preceding years, as determined by the Secretary.".

SEC. 105. NO NET LOSS OF SOIL ON LAND LEAVING THE CRP.

Section 1232 of the Food Security Act of 1985 (16 U.S.C. 3832) is amended—

(1) in subsection (b)(1)—

(A) by striking out "and" following the semicolon at the end of subparagraph (A); and

(B) by adding at the end thereof the following new subparagraph:

"(C) effective only with respect to contracts entered into after the date of enactment of the Conservation Enhancement and Improvement Act of 1989, the measures and practices to be utilized by the owner or operator on the land, after the expiration of the term of such contract, to limit the soil erosion of such land to not more than the soil loss tolerance level for the land in order to assure that there is no net loss of soil on such land after the contract expires, except that the Secretary may specify a different erosion rate for the land if the Secretary determines that it is technically not feasible to limit the soil erosion on such land to such soil loss tolerance level; and"; and

(2) by adding at the end thereof the following new subsection:

"(d) Notwithstanding section 1212, if an owner or operator fails to comply with the provisions of the plan implemented under subsection (a)(1) that are related to the requirement contained in subsection (b)(2)(C) after the expiration of the term of the contract to which the plan relates, the owner or operator shall be subject to section 1211.".

TITLE II—WILDLIFE HABITAT IMPROVEMENT

SEC. 201. MULTIYEAR WILDLIFE HABITAT IMPROVEMENT CONTRACTS.

Effective only with respect to contracts entered into during the 1990 crop year, section 1010 of the Food Security Act of 1985

(as amended by section 102 of this Act) is further amended—

(1) by redesignating subsections (e) through (g) as subsections (f) through (h), respectively; and

(2) by inserting after subsection (d) the following new subsection:

"(e) COST-SHARING PAYMENTS FOR WILDLIFE HABITAT IMPROVEMENT.—

"(1) IN GENERAL.—Subject to the cooperation and participation of a State in a program of wildlife habitat improvement, the Corporation shall offer cost-sharing incentives to encourage producers who participate in multiyear set asides to make improvements in wildlife habitat, including the production of wildlife feed and cover.

"(2) FEDERAL PAYMENTS.—Under a contract entered into under this section, the Corporation shall pay 25 percent of the costs of carrying out practices designed to improve wildlife habitat (including the production of wildlife feed and cover) that are contained in such contact and for which the Corporation determines that cost-sharing is appropriate and in the public interest.

"(3) STATE PAYMENTS.—For a producer to be eligible to receive cost-sharing payments under this subsection, the State in which the farm is located shall—

"(A) agree to make cost-share payments to the producer (from State appropriated funds or from private contributions received by the State from individuals other than such producer) in an amount that is equal to at least 25 percent of the cost of carrying out the practices referred to in paragraph (1); and

"(B) submit a plan to the Corporation to improve wildlife habitat in the State and receive the approval of the Corporation for the plan.

"(4) ADDTIONAL PAYMENTS.—Payments made by the Corporation and a State under this subsection shall be in addition to, and not in lieu of, payments made under other provisions of this section.".

SEC. 202. ANNUALLY IDLED ACRES.

(a) WHEAT.—Effective only for the 1990 crop of wheat, section 107D(f)(6) of the Agricultural Act of 1949 (7 U.S.C. 1445b-3(f)(6)) is amended—

(1) by striking out subparagraphs (A) and (B);

(2) by redesignating subparagraphs (C) and (D) as subparagraphs (B) and (C), respectively; and

(3) by inserting after the paragraph designation the following new subparagraph:

"(A)(i) Any reduced acreage, set-aside acreage, and additional diverted acreage may be devoted to the improvement of wildlife habitat (including the production of wildlife feed and cover) in conformity with standards established by the Commodity Credit Corporation in consultation with State wildlife agencies.

"(ii) The Commodity Credit Corporation shall pay 25 percent of the cost of practices designed to carry out clause (i).

"(iii) For a producer to be eligible to receive cost-sharing payments under this subparagraph, the State in which the farm is located shall—

"(I) agree to make cost-share payments to the producer (from State appropriated funds or from private contributions received by the State from individuals other than such producer) in an amount that is equal to at least 25 percent of the cost of practices designed to carry out clause (i); and

"(II) submit a plan to the Commodity Credit Corporation to improve wildlife habitat in the State and receive the approval of the Corporation for the plan.".

(b) FEED GRAINS.—Effective only for the 1990 crop of feed grains, section 105C(f)(6) of such Act (7 U.S.C. 1444e(f)(6)) is amended—

(1) by striking out subparagraphs (A) and (B);

(2) by redesignating subparagraphs (C) and (D) as subparagraphs (B) and (C), respectively; and

(3) by inserting after the paragraph designation the following new subparagraph:

"(A)(i) Any reduced acreage, set-aside acreage, and additional diverted acreage may be devoted to the improvement of wildlife habitat (including the production of wildlife feed and cover) in conformity with standards established by the Commodity Credit Corporation in consultation with State wildlife agencies.

"(ii) The Commodity Credit Corporation shall pay 25 percent of the cost of practices designed to carry out clause (i).

"(iii) For a producer to be eligible to receive cost-sharing payments under this subparagraph, the State in which the farm is located shall—

"(I) agree to make cost-share payments to the producer (from State appropriated funds or from private contributions received by the State from individuals other than such producer) in an amount that is equal to at least 25 percent of the cost of practices designed to carry out clause (i); and

"(II) submit a plan to the Commodity Credit Corporation to improve wildlife habitat in the State and receive the approval of the Corporation for the plan.".

(c) COTTON.—Effective only for the 1990 crop of upland cotton, section 103A(f)(5) of such Act (7 U.S.C. 1444-1(f)(5)) is amended—

(1) by striking out subparagraphs (A) and (B);

(2) by redesignating subparagraph (C) as subparagraph (B); and

(3) by inserting after the paragraph designation the following new subparagraph:

"(A)(i) Any reduced acreage and additional diverted acreage may be devoted to the improvement of wildlife habitat (including the production of wildlife feed and cover) in conformity with standards established by the Commodity Credit Corporation in consultation with State wildlife agencies.

"(ii) The Commodity Credit Corporation shall pay 25 percent of the cost of practices designed to carry out clause (i).

"(iii) For a producer to be eligible to receive cost-sharing payments under this subparagraph, the State in which the farm is located shall—

"(I) agree to make cost-share payments to the producer (from State appropriated funds or from private contributions received by the State from individuals other than such producer) in an amount that is equal to at least 25 percent of the cost of practices designed to carry out clause (i); and

"(II) submit a plan to the Commodity Credit Corporation to improve wildlife habitat in the State and receive the approval of the Corporation for the plan.".

(d) RICE.—Effective only for the 1990 crop of rice, section 101A(f)(5) of such Act (7 U.S.C. 1441-1(f)(5)) is amended—

(1) by striking out subparagraphs (A) and (B);

(2) by redesignating subparagraph (C) as subparagraph (B); and

(3) by inserting after the paragraph designation the following new subparagraph:

"(A)(i) Any reduced acreage and additional diverted acreage may be devoted to the improvement of wildlife habitat (including the production of wildlife feed and cover) in conformity with standards established by the Commodity Credit Corporation in consultation with State wildlife agencies.

"(ii) The Commodity Credit Corporation shall pay 25 percent of the cost of practices designed to carry out clause (i).

"(iii) For a producer to be eligible to receive cost-sharing payments under this subparagraph, the State in which the farm is located shall—

"(I) agree to make cost-share payments to the producer (from State appropriated funds or from private contributions received by the State from individuals other than such producer) in an amount that is equal to at least 25 percent of the cost of practices designed to carry out clause (i); and

"(II) submit a plan to the Commodity Credit Corporation to improve wildlife habitat in the State and receive the approval of the Corporation for the plan.".

TITLE III—ALTERNATIVE AGRICULTURAL PRACTICES AND NEW CROPS

SEC. 301. SENSE OF CONGRESS IN SUPPORT OF PLANTING FLEXIBILITY.

(a) FINDINGS.—Congress finds that—

(1) there is an increasing interest among farmers, agribusiness leaders and consumers to facilitate the increased use of low-input sustainable practices among farmers;

(2) Federal agricultural programs should be designed and implemented to encourage and promote sound conservation practices among farmers who participate in such programs;

(3) Federal agricultural programs should be evaluated periodically to determine whether such programs unintentionally discourage sound conservation practices; and

(4) the initial evaluation of current agricultural programs indicates that the present system for determining farm acreage bases, crop acreage bases and other allocations of acreage to farmers may be inadvertently promoting undesirable environmental effects by—

(A) creating incentives for farmers to make planting decisions based on the need to maximize deficiency payments during the current year and to preserve crop acreage bases for program participation in future years rather than in response to market signals;

(B) discouraging farmers from using sound rotational practices; and

(C) encouraging the continued planting of crops that increasingly bleed from the soil essential minerals and moisture that would be conserved or even replaced by planting other crops.

(b) SENSE OF CONGRESS.—It is the sense of the Congress that—

(1) during the review and development of program provisions for the successor law to the Food Security Act of 1985 (Public Law 99-198), priority should be given to evaluating the effects of acreage base provisions on soil and water conservation and on the ability of producers to carry out environmentally and economically sustainable agricultural practices; and

(2) changes in the acreage base provisions provided for in the Agricultural Act of 1949 (7 U.S.C. 1441 et seq.) should be made to provide greater flexibility in planting decisions and to permit producers to pursue sound conservation practices through the facilitation of additional planting options without adverse effects on future crop acreage base calculations, in order to promote the allocation of acreage among crops based

on good farming practices instead of Federal agricultural program considerations.

SEC. 302. NATURALLY GROWN FOOD CERTIFICATION.

(a) DEFINITION.—For purposes of this section:

(1) NATURAL CONDITION.—The term "natural condition" means a condition under which a food item is produced without the aid of any man-made chemical.

(2) SECRETARY.—The term "Secretary" means the Secretary of Agriculture.

(b) CERTIFICATION.—On application of a State, the Secretary shall certify a State program under which retail food items produced under natural conditions are certified as having been produced under natural conditions, if the program meets reasonable terms and conditions established by the Secretary.

(c) LABELS.—A State that maintains a program that is certified under subsection (b) may place a label on a retail food item produced under natural conditions, or a package or container of such items, that states the State program has been certified under subsection (b).

(d) FEES.—The Secretary shall collect such fees from participating States as are necessary to assure that this section is carried out at no cost to the Federal Government.

TITLE IV—WATER PROTECTION AND ENHANCEMENT

SEC. 401. CRITICAL CONTAMINATION AREAS.

Section 1231(c) of the Food Security Act of 1985 (16 U.S.C. 3831(c)) is amended by adding at the end thereof the following new paragraph:

"(3)(A) The Secretary shall include in the program established by this subtitle cropland, regardless of the erodibility of such land, if the Secretary determines that—

"(i) groundwater in the area has been contaminated;

"(ii) the contamination is having a significant adverse effect; and

"(iii) converting such cropland to a less intensive use would prevent further contamination.

"(B) The Secretary shall consider allowing minimum impact agricultural uses on land placed into the program under subparagraph (A). Notwithstanding section 1234, the Secretary shall adjust the rental payment rates for such land to such level as the Secretary determines is appropriate after considering any allowances granted for any such uses. Cost share payments under section 1234 shall not be provided if minimum impact agricultural uses are permitted on such land.".

SEC. 402. WETLAND RESERVE PROGRAM.

(a) ESTABLISHMENT OF PROGRAM.—Title XII of the Food Security Act of 1985 (16 U.S.C. 3801 et seq.) is amended by inserting after subtitle D the following new subtitle:

"SUBTITLE E—WETLAND RESERVE PROGRAM

"SEC. 1240A. ESTABLISHMENT.

"(a) IN GENERAL.—The Secretary shall establish and carry out a wetland reservation program, in accordance with this subtitle, through contracts to assist owners and operators of converted wetlands and adjacent areas (as defined by the Secretary, except that wetlands converted after December 23, 1985, shall not be eligible for such program) in restoring such lands to their natural state.

"(b) ENROLLMENT.—

"(1) IN GENERAL.—The Commodity Credit Corporation (hereinafter referred to in this subtitle as the 'Corporation') shall enter into contracts with owners and operators of lands containing converted wetlands, or adjacent areas, to place in the wetland reserve a total of not less than 2,500,000 acres during the 1990 crop year.

"(2) CONSERVATION RESERVE.—Land entered into the program established by this subtitle shall be included in determining the number of acres entered into the conservation reserve program established by subtitle D, except that in no case shall the combined total number of acres enrolled in such programs exceed 45,000,000 acres in the 1990 crop year.

"(c) PERIOD OF CONTRACTS.—For the purpose of carrying out this subtitle, the Corporation shall enter into contracts of not less than 10, nor more than 15, years.

"SEC. 1240B. DUTIES OF OWNERS AND OPERATORS.

"Under the terms of a contract entered into under this subtitle, during the term of such contract, an owner or operator of such lands shall agree—

"(1) to implement a plan approved by the local conservation district (or in an area not located within a conservation district, a plan approved by the Corporation) for restoring converted wetlands or adjacent areas to their natural State in accordance with regulations promulgated by the Corporation;

"(2) to place converted wetlands or adjacent areas subject to a contract into the wetland reserve established under this subtitle;

"(3) not to use such land for agricultural purposes except as permitted by the Corporation; and

"(4) to provisions similar to those required under paragraphs (5) through (10) of section 1232(a).

"SEC. 1240C. DUTIES OF THE CORPORATION.

"In return for a contract entered into by an owner or operator under section 1240B, the Corporation shall—

"(1) share the cost of carrying out the restoration measures and practices set forth in the contract for which the Corporation determines that cost sharing is appropriate and in the public interest;

"(2) for a period of years not to exceed the term of the contract, pay an annual rental payment in an amount necessary to compensate the owner or operator for—

"(A) any loss of the use of land resulting from the restoration of the wetland or adjacent areas; and

"(B) the loss of cropland base and allotment history on acres that the owner or operator agrees to retire permanently under section 1240F; and

"(3) provide restoration technical assistance to the owner or operator in carrying out the contract.

"SEC. 1240D. PAYMENTS.

"(a) GENERAL DUTIES.—The Corporation shall provide payment for obligations incurred by the Corporation under a contract entered into under this subtitle with respect to any cost-sharing or annual rental payment obligation incurred by the Corporation, as soon as possible after the obligation is incurred.

"(b) COST SHARE PAYMENTS.—In making cost sharing payments to owners and operators under contracts entered into under this subtitle, the Corporation shall pay not to exceed 50 percent of the cost of the restoration measures and practices set forth in such contracts for which the Corporation determines that cost-sharing is appropriate and in the public interest.

"(c) AMOUNT OF PAYMENTS.—

"(1) ENCOURAGING PARTICIPATION.—In determining the amount of annual rental payments to be paid to owners and operators for restoring converted wetlands or adjacent areas to their natural state, the Secretary may consider, among other things, the amount necessary to encourage owners or operators to participate in the program established by this subtitle.

"(2) BIDDING.—The amounts payable to owners or operators in the form of rental payments under contracts entered into under this subtitle may be determined through—

"(A) the submission of bids for such contracts by owners and operators in such manner as the Secretary may prescribe; or

"(B) such other means as the Secretary determines are appropriate.

"(3) ACCEPTABILITY OF OFFERS.—In determining the acceptability of contract offers, the Secretary may—

"(A) take into consideration the desirability of restoring the converted wetland and adjacent areas covered by such contract offer and the extent to which such restoration will result in the loss of the use of such land for production of agricultural commodities;

"(B) establish different criteria in various States and regions of the United States to determine the extent to which converted wetlands should be restored; and

"(C) give priority to offers made by owners and operators who are subject to the highest degree of economic stress, such as a general tightening of agricultural credit or an unfavorable relationship between production costs and prices received for agricultural commodities.

"(d) METHOD OF PAYMENT.—

"(1) IN GENERAL.—Except as otherwise provided in this section, payments under this subtitle—

"(A) shall be made in cash or in commodities in such amount and on such time schedule as is agreed on and specified in the contract; and

"(B) may be made in advance of determination of performance.

"(2) IN-KIND PAYMENT.—If such payment is made with in-kind commodities, such payment shall be made by the Corporation—

"(A) by delivery of the commodity involved to the owner or operator at a warehouse or other similar facility located in the county in which the converted wetland or adjacent area is located or at such other location as is agreed to by the Corporation and the owner or operator;

"(B) by the transfer of negotiable warehouse receipts; or

"(C) by such other method, including the sale of the commodity in commercial markets, as is determined by the Corporation to be appropriate to enable the owner or operator to receive efficient and expeditious possession of the commodity.

"(3) If stocks of a commodity acquired by the Corporation are not readily available to make full payment in kind to the owner or operator, the Corporation may substitute full or partial payment in cash for payment in kind.

"(e) SUCCESSION.—If an owner or operator who is entitled to a payment under a contract entered into under this subtitle dies, becomes incompetent, is otherwise unable to receive such payment, or is succeeded by another person who renders or completes the required performance, the Corporation shall make such payment, in accordance with regulations prescribed by the Corporation and without regard to any other provision of law, in such manner as the Corporation determines is fair and reasonable in light of all of the circumstances.

"SEC. 1240E. CONTRACTS.

"The provisions of section 1235 shall apply with respect to contracts entered into under this subtitle.

"SEC. 1240F. PRESERVATION OF BASE.

Notwithstanding any other provision of law, the Corporation, by appropriate regulation, shall provide for preservation of cropland base and allotment history applicable to any converted wetlands and adjacent areas restored under this subtitle, for the purpose of any Federal program under which the history is used as a basis for participation in the program or for an allotment or other limitation in the program, unless the owner or operator agrees under the contract to retire permanently that cropland base and allotment history.".

(b) CONFORMING AMENDMENTS.—

(1) The heading for subtitle E of the Food Security Act of 1985 (16 U.S.C. 3841) (as such subtitle existed prior to the date of enactment of this Act) is amended by striking out "E" and inserting in lieu thereof "F".

(2) Section 1241 of such Act (16 U.S.C. 3841) is amended—

(A) in subsection (a), by striking out "subtitle D" each place that such appears and inserting in lieu thereof "subtitle D and E"; and

(B) in subsection (b), by striking out "(A) through (E)" and inserting in lieu thereof "A through F".

(3) Section 1242 of such Act (16 U.S.C. 3842) is amended—

(A) in subsection (a), by striking out "and D" and inserting in lieu thereof "D, and E"; and

(B) in subsection (b), by striking out "subtitle D" each place that such appears and inserting in lieu thereof "subtitles D and E".

(4) Section 1243 of such Act (16 U.S.C. 3843) is amended—

(A) in subsection (a) by striking out "subtitles A through E" and inserting in lieu thereof "A through F"; and

(B) in subsection (c)—

(i) by striking out "B through E" and inserting in lieu thereof "B through F"; and

(ii) by striking out "program established by subtitle D" and inserting in lieu thereof " programs established by subtitles D and E".

(5) Section 1244 of such Act (16 U.S.C. 3844) is amended in the matter preceding paragraph (1), by striking out "A through E" and inserting in lieu thereof "A through F".

(6) The heading for subtitle F of such Act (as such subtitle existed prior to the date of enactment of this Act) is amended by striking out "F" and inserting in lieu thereof "G".

SEC 403. WATER BANK PROGRAM REFORM.

Section 4 of the Water Bank Act (16 U.S.C. 1303) is amended—

(1) by inserting before "In the agreement" the following: "(a) IN GENERAL.—"; and

(2) by adding at the end thereof the following new subsection:

"(b) EASEMENTS.—

"(1) IN GENERAL.—In the agreement between the Corporation and an owner or operator, entered into under subsection (a) after the date of enactment of this subsection, the owner or operator shall agree to grant the Secretary a permanent easement on the wetlands or adjacent areas, as determined appropriate by the Secretary, that are the subject of the agreement.

"(2) CONTENTS OF EASEMENTS.—Easements granted under paragraph (1) shall prohibit—

"(A) commodity production on such wetlands or adjacent areas, except for authorized haying and grazing and timber harvesting as permitted by the Corporation;

"(B) destruction of such wetlands or adjacent areas; and

"(C) alteration of the wetlands or adjacent areas, except as the Secretary may permit under conditions prescribed by the Secretary.

"(3) PAYMENTS.—The Secretary shall agree to make easement payments to an owner or operator under this subsection, that may, at the option of such owner or operator, be made in the form of a lump sum payment based on the 10 year net present value of bids accepted by the Secretary for such easements.

"(4) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such funds as may be necessary to make payments under this subsection at levels sufficient to cover the cost of enrolling in the program at least as many acres of land as were enrolled during 1989.".

SEC. 404. WETLAND PROTECTION.

Subtitle D of the Consolidated Farm and Rural Development Act is amended by adding after section 358 (7 U.S.C. 2006) the following new section:

"SEC. 359. PROHIBITION ON USE OF LOANS FOR CERTAIN PURPOSES.

"A loan made, insured, guaranteed, or otherwise assisted under this title may not be used to drain, dredge, fill, level, or otherwise manipulate a wetland (as defined in section 1201(a)(16) of the Food Security Act of 1985 (16 U.S.C. 3801(a)(16)), including any activity that results in impairing or reducing the flow, circulation, or reach of water, except in the case of activity related to the maintenance of previously converted wetlands or in the case of such activity that is already commenced.".

SEC. 405. SINKHOLE CONTAMINATION ABATEMENT.

Section 1231(c) of the Food Security Act of 1985 (16 U.S.C. 3831(c)) (as amended by section 401 of this Act) is further amended by adding at the end thereof the following new paragraph:

"(4)(A) The Secretary shall include in the program established under this subtitle zones of vegetative cover in an area, without regard to the cropland erosion classification by the Soil Conservation Service of such area, if—

"(i) the area is underlain by a geologic formation and soil that may provide direct access to groundwater; and

"(ii) the Secretary determines that an adverse effect on groundwater quality would occur if such area remains in production.

"(B) Notwithstanding section 1232(a)(2), the Secretary may permit owners and operators of land included, under this paragraph, in the program established under this subtitle to use such land for certain minimum impact agricultural uses as determined by the Secretary. Such uses may be considered by the Secretary in determining whether to make adjustments in the rental payment rates provided to owners and operators under this paragraph. Cost share payments under section 1234 shall not be permitted if minimum impact agricultural uses are permitted on the land.".

SEC. 406. WELL WATER TESTING PROGRAM.

(a) ESTABLISHMENT.—The Secretary of Agriculture shall establish and administer, through the applicable county extension service office, a voluntary well water testing program to enable such well owners and users to determine the extent of well water contamination and to provide confidential information on water quality to such owners and users.

(b) CONTRACTING.—The Secretary may contract with public or private testing facilities to conduct well water quality tests under this section.

(c) COST SHARING.—The Secretary shall reimburse well owners or users who request testing under this section for not less than 50 percent of the cost of such testing under terms and conditions specified by the Corporation.

(d) CONFIDENTIALITY.—Well water test results under this section shall remain confidential.

(e) SAMPLING.—The Corporation may, through the use of a random sampling technique, compile information and data concerning the well water testing program conducted under this section.

(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out this section.

SEC. 407. SWAMPBUSTER CONSISTENCY.

Section 201(m) of the Agricultural Act of 1949 (7 U.S.C. 1446) (as added by section 104) is amended—

(1) in paragraph (1), by striking out "under subtitle B" and inserting in lieu thereof "and wetlands under subtitles B and C"; and

(2) in paragraph (2), by striking out "section 1211 of the Food Security of 1985 (16 U.S.C. 3811)" and inserting in lieu thereof "sections 1211 and 1221 of the Food Security Act of 1985 (16 U.S.C. 3811 and 3821)".

SEC. 408. APPLICATION OF WETLANDS PROTECTIONS TO IDLED CROPLAND.

Section 1221 of the Food Security Act of 1985 (16 U.S.C. 3821) is amended by inserting "or is considered to have been planted" after "crop year produces".

TITLE V—FOREST PROTECTION AND ENHANCEMENT

SEC. 501. NO NET OVERALL LOSS OF FOREST AREA.

(a) POLICY.—It is the policy of the United States to ensure that United States forest area continues to be maintained at current levels.

(b) IMPLEMENTATION OF POLICY.—

(1) IN GENERAL.—The Secretary of Agriculture (hereinafter in this section referred to as the "Secretary"), in consultation with other appropriate Federal agencies, shall, to the maximum extent practicable, balance the destruction of forest area with the renewal of forest area.

(2) PROGRAMS.—Notwithstanding any other provision of law, for purposes of maintaining United States forest area, the Secretary is encouraged to use the following programs:

(A) The conservation reserve program established by subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3831 et seq.).

(B) The agricultural conservation program authorized by sections 7 through 15, 16 (a), 16 (f), and 17 of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590g through 590o, 590p(a), 590p(f), and 590(g) and sections 1001 through 1008 and 1010 of the Agricultural Act of 1970 (16 U.S.C. 1501 through 1508 and 1510).

(C) The forestry incentive program established under section 4 of the Cooperative Forestry Assistance Act of 1978 (16 U.S.C. 2103).

SEC. 502. SHELTERBELTS AND WINDBREAKS.

(a) INCLUSION IN CRP.—Section 1234(c) of the Food Security Act of 1985 (16 U.S.C. 3834(c)) is amended—

(1) in paragraph (3)(B), by striking out "establishment of—" and all that follows through "permanently" and inserting in lieu thereof "establishment of permanently"; and

(2) by adding at the end thereof the following new paragraph:

"(4) In determining the acceptability of contract offers, the Secretary shall, under terms and conditions specified by the Secretary, accept contract offers that provide for the establishment of shelterbelts and windbreaks. The owner or operator of such land may, within the limitations prescribed under section 1231(e), specify the term of the contract. Any land designated for use in establishing a shelterbelt or windbreak shall be eligible for participation in the program established under this subtitle regardless of the soil erosion classification of such land as determined by the Soil Conservation Service. An owner or operator using land under this paragraph for the purposes of the program established under this subtitle shall grant an easement to the Corporation on such windbreak or shelterbelt for the useful life of such windbreak or shelterbelt, and any deeds on such land shall be encumbered with such easements for such useful life.".

(b) COST-SHARING PAYMENTS.—Section 1234(b) of such Act (16 U.S.C. 3834(c)) is amended by inserting after "conservation measures and practices" the following: "(including shelterbelts and windbreaks)".

(c) COUNTY CROPLAND LIMITATION.—Section 1231(d) of such Act (16 U.S.C. 3831(d)) is amended by adding at the end thereof the following new sentence: "The limitation established under the preceding sentence shall not apply to cropland that is being used for the establishment of shelterbelts and windbreaks.".

SEC. 503. TREE PLANTING INCENTIVES.

(a) TERM OF CONTRACT.—Section 1231(e) of the Food Security Act of 1985 (16 U.S.C. 3831(e)) is amended by inserting before the period at the end thereof the following: ", except that, in the case of land converted to the production of hardwood trees under a contract entered into under this subtitle, including contracts modified under section 1234(h), the owner or operator of such land may, within the limitations prescribed by this section, specify the term of the contract".

(b) COST-SHARING PAYMENTS AND PERIOD OF PLANTING.—Section 1234 of such Act (16 U.S.C. 3834(b)) is amended by adding at the end thereof the following new subsection:

"(g)(1) In the case of land converted to the production of hardwood trees under a contract entered into under this subtitle after the date of enactment of this subsection, the Secretary shall make cost-sharing payments to an owner or operator of such land for 50 percent of the reasonable and necessary costs, as determined by the Secretary, incurred by such owner or operator for maintaining new hardwood tree plantings (including the cost of replanting, cultivation, nutrient needs, and disease and insect control) during no less than the 2-year, and no more than the 4-year, period beginning on the date a tree is planted, as determined by the Secretary.

"(2) The Secretary may permit owners or operators who contract to convert at least 10 acres of land to the production of hardwood trees under this subtitle to extend the planting of such trees over a 3-year period if at least one-third of such trees are planted in each of the first 2 years.".

(c) CONVERSION OF CERTAIN ACRES.—Section 1234 of such Act (16 U.S.C. 3834(b)) (as amended by subsection (b)) is further amended by adding at the end thereof the following new subsection:

"(h) The Secretary shall permit owners and operators who have entered into contracts in effect under this subtitle on the date of enactment of this subsection to convert areas of highly erodible cropland that are planted to grass under such contract to the planting of hardwood trees, except that the owner or operator shall not require the Secretary, through such conversion, to incur any additional expense on such acres, including the expense involved in the original establishment of the vegetative cover, that is in excess of the average per acre hardwood tree planting expense in the same or similar bid pool. With respect to any contract on land to be planted to hardwood trees under the previous sentence, if the original term of such contract was less than 15 years, the owner or operator may extend such contract to a term of no more than 15 years.".

(d) COUNTY CROPLAND LIMITATION.—Section 1231(d) of such Act (16 U.S.C. 3831(d)) (as amended by section 502(c)) is further amended by inserting before the period at the end thereof "or for new hardwood tree plantings.".

SEC. 504. FOREST CLEARING SUBSIDIES.

Section 359 of the Consolidated Farm and Rural Development Act (as added by section 404 of this Act) is further amended—

(1) by inserting "(1)" after "may not be used"; and

(2) by inserting before the period at the end thereof the following: ", or (2) to clear trees, except for purposes of sustainable management of trees or harvesting trees grown for commercial purposes, if clearing trees would pose a significant adverse environmental threat on the land".

SEC. 505. URBAN FORESTRY.

(a) PURPOSE.—For purposes of stimulating forestry efforts in and around urban areas, the Secretary of Agriculture is encouraged to upgrade urban forestry research, education, and technical assistance.

(b) USE OF EXISTING FUNDS.—The Secretary of Agriculture is authorized to reallocate funds appropriated for research and assistance and use such funds for—

(1) the expansion of the current Forest Service urban forestry research program;

(2) assisting States to employ extension agents to assist in urban forestry education programs; and

(3) providing each State Forestry office with access to persons trained in the provision of urban forestry technical assistance.

TITLE VI—MISCELLANEOUS

SEC. 601. ENVIRONMENTAL PROTECTION.

Section 1231(c)(2) of the Food Security Act of 1985 (16 U.S.C. 3831(c)(2)) is amended to read as follows:

"(2)(A) The Secretary shall include in the program established under this subtitle lands that are not highly erodible but that the Secretary determines pose an on-farm or off-farm environmental threat.

"(B) The Secretary may include in the program established under this subtitle lands that are not highly erodible but would, if permitted to remain in production, pose a threat of continued degradation of productivity due to soil salinity.".

CONSERVATION ENHANCEMENT AND IMPROVEMENT ACT OF 1989

TITLE I. EROSION CONTROL

A. CRP Base Protection

For purposes of removing artificial incentives that may encourage the return of ground to crop production for which the CRP contracts have expired, the Secretary may ensure that crop acreage bases are maintained on such acres for up to 5 years after expiration of the CRP contract.

B. Multi-Year Set Asides

The Secretary shall offer incentives to participants in farm programs to idle 5% of their crop acreage base under multi-year conservation contracts (wheat, feed grains, cotton, ELS cotton, and rice).

(1) Contracts must be 3 years in duration.

(2) Incentives must include providing 25% of the cost of establishing vegetative cover.

(3) Producers will be required to meet erosion criteria of at least the soil loss tolerance.

(4) States will be required to provide at least 25% of the cost of establishing vegetative cover. The state share may include private contributions to the state for this purpose.

(5) Producers may enter into contracts on one program crop without respect to other program crops.

(6) Acres enrolled in a paid diversion are not eligible for multi-year conservation contracts.

(7) Multi-year contract acres would be in lieu of a like amount of acres that might be required to be idled under annual price and income support programs.

C. Protection of Idled Cropland

For those farms containing highly erodible land, annually idled cropland should be protected on the same basis as cropped acres. Annually idled acres must not erode at rates greater than that allowed for similar cropped land on the farm.

D. Conservation Compliance and Sodbuster Consistency

For purposes of applying conservation compliance and sodbuster provisions consistently, alternative enforcement mechanisms will be provided to the Secretary.

(1) The Secretary may impose penalties on producers in addition to revoking program participation benefits when such benefits are indirectly conferred through a cooperative marketing arrangement or other third party mechanism.

(2) Penalties may be assessed at the rate of 25-50 percent of price support level in effect on the date the Secretary determines that a producer is in violation of conservation regulations.

E. No Net Loss of CRP Soil

Upon expiration of 10-15 year Conservation Reserve Program contracts entered into after the date of enactment of this Act, producers will be required to at least meet the soil loss tolerance so as to ensure that there is not net loss of soil on lands formerly enrolled in the Conservation Reserve Program. An exception is provided for those lands that cannot technically achieve the soil loss tolerance.

TITLE II. WILDLIFE HABITAT IMPROVEMENT

A. Multi-year Set Asides

For purposes of improving wildlife habitat, the Secretary shall offer incentives to producers (participating in multi-year set asides) for wildlife habitat improvement if

states desire such a program and are willing to match the Federal share.

(1) The federal share shall be equal to 25% of the cost of implementing such wildlife habitat improvements.

(2) Federal and state wildlife habitat improvement expenditures shall be in addition to, and not in lieu of, the federal and state share of the cost of establishing vegetative cover (established under Title I, Section 102) on multi-year set aside acres.

(3) Wildlife habitat improvement incentives shall include, but not be limited to, production of wildlife feed and cover.

(4) The state share shall be equal to 25% of the cost of implementing such wildlife improvements. The state share may include private contributions to the state for this purpose.

(5) States must submit a plan to the Secretary.

B. Annually Idled Acres

The Secretary shall offer incentives to producers participating in annual acreage limitation, set-aside, or paid diversion programs to improve wildlife habitat if states desire such a program and are willing to match the federal share.

(1) The federal share shall be equal to 25% of the cost of implementing such wildlife habitat improvements.

(2) Wildlife habitat improvement incentives shall include, but not be limited to, production of wildlife feed and cover.

(3) The state share shall be equal to 25% of the cost of implementing such wildlife improvements. The state share may include private contributions to the state for this purpose.

(4) States must submit a plan to the Secretary.

TITLE III. ALTERNATIVE AGRICULTURAL PRACTICES AND CROPS

A. Alternative Agriculture

Due to the increasing interest of the part of farmers and others in low-input sustainable agricultural practices, it is the sense of Congress that impediments to the adoption of LISA practices should be explored during the debate on the 1990 farm bill. Specifically, Congress should examine our current farm programs to evaluate those requirements that unintentionally discourage sound conservation and environmental practices, such as the crop acreage base system. Congress should investigate allowing greater flexibility in the base system to allow farmers to allocate acreage among crops based on good farming practices instead of federal farm program considerations. Any such reform of our current system should be at least neutral as to federal outlays on farm support programs.

B. Labels for Naturally Grown Food

The Secretary shall initiate a program designed to standardize state programs aimed at certifying retail food products as having been produced under natural conditions.

(1) Such certification standardization shall be made public through use of an official Department of Agriculture label to be used consistently for all natural food products which have been certified by States as complying with USDA requirements.

(2) For purposes of this Act the term "natural conditions" shall be meant to describe food items produced without the aid of man-made chemicals.

(3) The Secretary shall assess fees to participating states so that federal certification of "natural" food items is achieved at no net cost to the federal government.

TITLE IV. WATER PROTECTION AND ENHANCEMENT

A. Critical Groundwater Contamination Areas

In order to cease contamination of groundwater where such contamination has been identified as having a significant adverse effect and where it is reasonable to expect that idling cropland acres would prevent further contamination, the Secretary shall make such groundwater contamination sites eligible for the Conservation Reserve Program.

(1) Critical contamination sites may be entered into the Conservation Reserve Program without regard to the cropland erosion classification.

(2) The Secretary shall consider allowing minimum impact agricultural uses on critical groundwater contamination sites entered into the Conservation Reserve Program.

(3) Minimum impact uses may be considered by the Secretary to justify CRP rental rate adjustments for critical groundwater contamination sites.

(4) Federal cost share funds to establish vegetative cover, trees or wildlife habitat shall not be available if minimum impact uses are allowed.

B. Wetland Reserve Program (WRP)

The Secretary shall enroll at least 2.5 million acres of converted wetlands in a 10-year Wetland Reserve Program. (WRP)

(1) All acres enrolled in the WRP, including adjacent upland acres will count toward the goal of enrolling 40 million acres in the CRP. However, the total of WRP and CRP acres should not exceed 45 million acres.

(2) Producers will be required to restore enrolled wetlands in accordance with rules and regulations promulgated by the Secretary.

(3) Producers will not be required to enroll cropped wetlands or uplands and will also not be required to give up farm program "base acres" for purposes of WRP participation.

(4) The Secretary shall make payments to producers for up to 50% of the expenses incurred to restore WRP wetlands and adjacent uplands to their natural state.

C. Waterbank Program Reform

For purposes of reforming the Waterbank Program, all new Waterbank contracts shall include a permanent wetland easement.

(1) Easements will prohibit commodity production except for authorized haying and grazing and timber harvest as determined by the Secretary.

(2) Easements will prohibit destruction of the wetland. Alteration of the wetland may be allowed under conditions prescribed by the Secretary.

(3) The Secretary may make easement payments in lump-sum form based on the 10-year net present value of bids accepted for such easements.

D. FmHA Direct and Guaranteed Loans

Eliminate the use of direct and guaranteed FmHA loans for purposes of draining wetlands.

E. Sinkhole Contamination Abatement

For purposes of discouraging groundwater contamination as a result of crop production on or near sinkhole formations providing direct access to groundwater sources, the Secretary shall permit such cropland to enter the Conservation Reserve Program.

(1) Sinkhole contamination sites may be entered into the Conservation Reserve Program without regard to the cropland erosion classification.

(2) The Secretary shall consider allowing minimum impact agricultural uses on sinkhole contamination sites entered into the Conservation Reserve Program.

(3) Minimum impact uses may be considered by the Secretary to justify CRP payment rate adjustments.

(4) Federal cost share funds to establish vegetative cover, trees or wildlife habitat shall not be available if minimum impact uses are allowed.

F. Voluntary Well Water Testing

For purposes of determining the extent of well water contamination and providing confidential information on water quality to well owners and users, the Secretary shall offer, through country Extension Service offices, a well water testing program.

(1) In addition to services that may be performed "in house," by the Extension Service, the Secretary may contract with public or private testing facilities to conduct water quality tests.

(2) The Secretary shall reimburse well owners or lessees for at least 50% of the cost of water testing under terms and conditions specified by the Secretary.

(3) All water well testing results shall remain strictly confidential.

(4) The Secretary may, through use of a blind random sampling technique, compile information and data with respect to the water well testing program conducted under this Section.

G. Swampbuster Consistency

For purposes of applying swampbuster provisions consistently, alternative enforcement mechanisms will be provided to the Secretary.

(1) The Secretary may impose penalties on producers in addition to revoking program participation benefits when such benefits are indirectly conferred through a cooperative marketing arrangement or other third party mechanism.

(2) Penalties may be assessed at the rate of 25-50 percent of price support level in effect on the date the Secretary determines that a producer is in violation of conservation regulations.

H. Applying Wetlands Protection to Idled Acres

The wetland conservation provisions of the 1985 farm bill shall apply to annually idled cropland as well as those acres that produce an agricultural commodity.

TITLE V. FOREST PROTECTION AND ENHANCEMENT

A. No Net Overall Loss of Forest Area

To ensure that United States forest area is maintained, the Secretary, in consultation with other appropriate agencies, shall, to the maximum extent practicable, take steps to continue the current balance in the destruction of forest area with the renewal of forest area. For purposes of maintaining United States forest area, the Secretary is encouraged to use the Conservation Reserve Program, the Agricultural Conservation Program, and the Forestry Incentive Program.

B. Shelterbelts and Windbreaks

For purposes of encouraging soil and water conservation, and wildlife habitat through the use of shelterbelts and windbreaks, the Secretary, in the proper circumstances, shall make land put into shelterbelts and windbreaks eligible for payments under Conservation Reserve Program con-

tracts with easements for the useful life of the shelterbelt or windbreak. Producers will have the option to choose a length of the contract period from 10–15 years regardless of the types of vegetation planted.

(1) The Secretary shall make available to participants 50% of the cost of establishing shelterbelts and windbreaks.

(2) Land designated for shelterbelts and windbreak establishment shall be eligible for CRP participation regardless of the soil erosion classification of such land.

(3) The Secretary shall waive the 25 percent county CRP participation cap for purposes of establishing shelterbelts and windbreaks.

(4) The Secretary shall encumber deeds with shelterbelt or windbreak easements that protect such shelterbelts and windbreaks for their useful life.

C. Hardwood Tree Planting Incentives

For purposes of encouraging use of the Conservation Reserve Program for hardwood tree planting, the Secretary shall offer producers the option of choosing the contract period length, from 10–15 years, for acres planted to hardwood trees.

(1) The Secretary may provide 50% of the cost of maintaining new CRP hardwood tree plantings for up to 4 years and must provide tree maintenance costs for at least two years after their initial planting.

(2) Hardwood maintenance cost may include, but are not limited to, replanting, cultivation, nutrient needs, and disease and insect control which the Secretary deems to be cost-effective.

(3) The Secretary shall offer current CRP participants the option of converting CRP grass acres to hardwood trees as long as such conversion does not require greater total Federal expense on such acres (including the original cost of establishing vegetative cover) than average per acre tree planting expense in the same bid pool. Producers will have the option of converting 10 year contracts to up to 15 year contracts.

(4) The Secretary may permit CRP participants who contract to plant at least 10 acres of hardwood trees to extend the planting period over 3 years as long as at least one-third of the trees are planted in each of the first two years.

(5) The Secretary shall waive the 25 percent county CRP participation cap for purposes of establishing hardwood trees.

D. Forest Clearing Subsidies

This provision would eliminate the use of direct and guaranteed FmHA loans for purposes of clearing trees if such clearing would have a significant adverse effect. There would be an exemption for sustainable management or tree farming.

E. Urban Forestry

For purposes of stimulating forestry efforts in and around urban areas, the Secretary is encouraged to upgrade urban forestry research, education, and technical assistance.

TITLE VI. MISCELLANEOUS

A. Environmental Protection

For purposes of improving general environmental quality, the Secretary shall permit lands that are not highly erodible, but which the Secretary determines poses an off or on farm environmental threat to be enrolled in the Conservation Reserve Program.

SHORT SUMMARY OF SENATOR LUGAR'S CONSERVATION ENHANCEMENT AND IMPROVEMENT ACT OF 1989

TITLE I. EROSION CONTROL

CRP Base Protection—To remove artificial incentives to return land to crop production when CRP contracts have expired, the program on CRP land will be extended for 5 years after the expiration of the CRP contract, as long as producers continue the conserving uses which had been required under the contract.

Multi-year Conservation Set Asides—Using a federal/state match for those states interested in participating, the Secretary would allow 5 percent of producers' crop bases to be set aside for 3 years to improve soil conservation.

Set Aside Conservation—For farms with highly erodible land, set aside land must not erode at rates greater than cropped land on the same farm.

Conservation Compliance and Sodbuster Consistency—Alternative enforcement mechanisms will be provided to the Secretary to use in those cases where current mechanisms are not working.

No Net Loss of CRP Soil—For contracts entered into after the date of enactment, when those CRP contracts expire, ground must meet the soil loss tolerance if it is to be cropped again.

TITLE II. WILDLIFE HABITAT IMPROVEMENT

Multi-year Wildlife Set Asides—Using a federal/state match for those states interested in participating, the Secretary would allow 5 percent of producers' crop bases to be set aside for 3 years to improve wildlife habitat.

Annually Idled Acres—Using a federal/state match for those states interested in participating, the Secretary will offer incentives to producers participating in annual acreage limitation, set aside or paid diversion programs to improve wildlife habitat.

TITLE III. ALTERNATIVE AGRICULTURAL PRACTICES AND CROPS

Alternative Agriculture—In order to eliminate the present farm program bias against adoption of alternative agricultural practices such as LISA and alternative crop production, it is the sense of Congress that the 1990 farm bill should provide farmers with increased flexibility in making planting decisions on a portion of their farm program base acres.

Labels for Naturally Grown Food—In order to standardize and legitimize labeling of organically grown food, the Secretary will initiate a program to certify state programs as meeting USDA standards. The Secretary will assess fees to participating states to ensure that the program is of no net cost to the federal government.

TITLE IV. WATER PROTECTION AND ENHANCEMENT

Critical Groundwater Contamination Areas—The Secretary shall allow areas where farming has been identified as having a significant adverse effect on groundwater quality to be entered into the CRP.

Wetland Reserve Program—In order to regain valuable wetlands, the Secretary shall enroll at least 2.5 million acres of converted wetlands into the WRP. WRP acres would count toward the goal of enrolling land into the CRP, but the combined total acreage under both programs could not exceed the current 45 million acre cap.

Waterbank Program Reform—In order to make the Waterbank Program more consistent with other conservation provisions, all new waterbank contracts would contain a permanent easement. Payments could be over a 10-year period or could be made upfront on a net present value basis.

FmHA Direct and Guaranteed Loans—In order to conform USDA lending programs with the objective of preserving wetlands, FmHA direct and guaranteed loans could not be used to drain wetlands.

Swampbuster Consistency—Alternative enforcement mechanisms will be provided to the Secretary to use in those cases where current mechanisms are not working.

Sinkhole Contamination Abatement—To discourage crop production near sinkholes that may provide direct access to groundwater, the Secretary shall permit such cropland to enter the CRP.

Voluntary Well Water Testing—Using a federal match, the Secretary shall conduct voluntary, confidential well water testing. To discover the nature of well water quality, the Secretary may, using blind random sampling, compile information on the results.

Idled Wetland Protection—Wetland protection provisions will apply to set aside land and other land considered planted.

TITLE V. FOREST PROTECTION AND ENHANCEMENT

No Net Overall Loss of Forest Area—Using all appropriate programs within his jurisdiction, the Secretary shall, to the maximum extent practicable, take steps to balance the destruction of forest area with the renewal of forest area.

Shelterbelts and Windbreaks—In order to foster conservation through the development and preservation of shelterbelts and windbreaks, shelterbelts and windbreaks shall be eligible for the CRP regardless of soil erosion classification. Producers must agree to an easement on the land for the useful life of the shelterbelt or windbreak.

Hardwood Tree Planting Incentives—To encourage greater planting of hardwood trees in the CRP, the Secretary shall give producers the option of choosing the contract period from 10 to 15 years. Also, maintenance costs for hardwoods would be cost shared for 2 to 4 years after planting and CRP grass acres could be converted to hardwoods as long as the additional federal share (combined with the original cost of establishing cover) did not exceed the cost of an initial hardwood tree planting in the same bid pool.

Forest Clearing Subsidies—The Secretary shall eliminate the use of FmHA direct and guaranteed loans for purposes of significant clearing of trees.

Urban Forestry—To stimulate forestry efforts in urban areas, the Secretary is encouraged to upgrade urban forestry research, education and technical assistance.

TITLE VI. ENVIRONMENTAL PROTECTION

On-farm Environmental Protection—To protect farm families, the Secretary shall permit non-highly erodible lands into the CRP if he determines there is an on- or off-farm environmental threat posed by further agricultural production.

By Mr. DASCHLE:

S. 1064. A bill to amend title 38, United States Code, to correct an inequity in the provision of veterans' educational assistance benefits; to the committee on Veterans' Affairs.

VETERANS EDUCATION BENEFITS AND THE WEST RIVER GRADUATE CENTER

● Mr. DASCHLE. Mr. President, I am pleased to have the opportunity today to address an inequity in the manner in which educational benefits are being provided to certain veterans and active duty military personnel in my State. The bill I am introducing is designed to ensure that eligible individuals meeting the same educational standards are provided equal benefits.

The West River Graduate Center at Ellsworth Air Force Base in South Dakota provides veterans and active duty military personnel an outstanding opportunity to pursue their graduate degrees. Excellent instruction is maintained by utilizing professors from the University of South Dakota.

The University of South Dakota campus, however, is more than 300 miles away from the West River Graduate Center. This distance, coupled with the professors duties and responsibilities at the USD campus, has brought about the need for a more creative teaching arrangement. The professors, therefore, schedule classes less frequently—usually once every 3 or 4 weeks—but for longer periods of time and more intensive study.

The requirements for passing these courses are equivalent to the demands placed on students at the Vermillion campus. Students meet for the necessary number of class hours and complete the required materials. The educational value and challenge is the same at both teaching sites.

The law, however, stipulates that for veterans or active duty military personnel to be reimbursed for these classes, instruction must be provided on a weekly basis. Therefore, even though these students are meeting the same educational standards, they are being treated very differently because of an arbitrary legal technicality. The bottom line of this distinction is that eligible individuals are not receiving the full amount of educational benefits they deserve for the class work they are accomplishing.

This simply is not fair, and I am sure my colleagues will agree with me that this discriminatory treatment is not what is intended under the law. I have been in contact with the Department of Veterans' Affairs in efforts to rectify this matter without legislation. Unfortunately, the VA maintains that this inequity cannot be remedied without legislative action.

My bill simply clarifies that these benefits should be distributed fairly—that as long as students are meeting the hourly and instructional requirements for a specific course that has been authorized for benefits, those students should be reimbursed at the same rate as those receiving instruction on a weekly basis.

I urge my colleagues to join me in the effort to correct this double standard. Students meeting equal requirements deserve to receive equal benefits.●

By Mr. PRESSLER:

S. 1065. A bill to authorize the Secretary of Transportation to carry out a highway bridge demonstration project to improve the flow of traffic between the States of Nebraska and South Dakota; to the Committee on Environment and Public Works.

IMPROVING THE FLOW OF TRAFFIC BETWEEN THE STATES OF NEBRASKA AND SOUTH DAKOTA

Mr. PRESSLER. Mr. President, I am pleased to join my colleague in the House of Representatives, Congressman DOUG BEREUTER, in introducing a bill calling for the construction of a bridge across the Missouri River between Springfield, SD, and Niobrara, NE.

Many of my constituents have contacted me over the years to complain about the lack of accessible transportation across the Missouri. In some instances, people must drive 90 miles out of their way to cross the Missouri into South Dakota from Nebraska, or vice versa.

I've worked with people of this area to find better alternatives. I sponsored an amendment to the highway bill in 1987, which provided funding for a feasibility study of ferry service across the river. Besides the obvious problems of dealing with adverse weather conditions, a ferry could not handle commercial vehicle traffic. The expense of resuming ferry service is close to the cost of building a bridge.

The legislation I am introducing today calls for a demonstration project that is 80 percent funded by the Federal Government. The States of South Dakota and Nebraska have made commitments of $1 million each toward the bridge project.

There has been much talk in this Chamber recently about rural development. Improved access between South Dakota and Nebraska across the Missouri is one way of answering the call for development. One city official has pointed out that the Missouri River cuts Springfield, SD's trade area in half. This bridge demonstration project would mean expansion of the trade area, access to a larger work pool, and an increased flow of tourists and other travelers into the area.

I am confident that construction of a bridge between South Dakota and Nebraska would be an important chapter in the history of that area. I commend my House friend colleague, Congressman BEREUTER, for his efforts on this project and look forward to working together with him and the people of our two States to ensure passage of this legislation.

This legislation is the first in a series of bills I plan to introduce as a comprehensive package dealing with critical infrastructure needs in my State.

Mr. President, I ask unanimous consent that the text of this legislation be printed in the RECORD immediately following my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1065

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. NEBRASKA-SOUTH DAKOTA BRIDGE DEMONSTRATION PROJECT.

(a) PROJECT DESCRIPTION.—The Secretary of Transportation is authorized to carry out a highway project, to plan, engineer, and construct a bridge across the Missouri River, connecting a Federal-aid highway in the vicinity of Niobrara, Nebraska, with a Federal-aid highway in the vicinity of Springfield, South Dakota, for the purpose of demonstrating methods of improving the interstate flow of traffic, releving present and projected traffic burdens on an existing highway network, and improving economic development of this rural area.

(b) AUTHORIZATION OF APPROPRIATION.—There is authorized to be appropriated out of the Highway Trust Fund (other than Mass Transit Account) $5,000,000 per fiscal year for each of fiscal years 1991 and 1992 to carry out this section.

(c) APPLICABILITY OF TITLE 23.—Funds authorized by this section shall be available for obligation in the same manner as if such funds were apportioned under chapter 1 of title 23, United States Code, except that the Federal share of the cost of the project under this section shall be 80 percent and such funds shall remain available until expended. Funds authorized by this section shall not be subject to any obligation limitation.

(d) STATE SHARE.—The States of Nebraska and South Dakota or political subdivisions of such States shall each provide for the project under this section 10 percent of the cost of such project.

By Mr. CHAFEE (by request):

S. 1066. A bill to establish a domestic liability and compensation system for oil pollution from vessels and facilities and to implement the 1984 protocols to the 1969 civil liability and 1971 fund conventions concerning seagoing tanker-source oil pollution; to the Committee on Environment and Public Works.

COMPREHENSIVE OIL POLLUTION LIABILITY AND COMPENSATION ACT

● Mr. CHAFEE. Mr. President, I am today introducing, by request, the Comprehensive Oil Pollution Liability and Compensation Act, and I ask unanimous consent that a section-by-section analysis and a statement of purpose and need be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SECTION-BY-SECTION ANALYSIS

TITLE 1—OIL POLLUTION LIABILITY AND COMPENSATION

Sec. 101. Definitions

Summary: This section defines the key terms used in the bill. The definitions gen-

erally follow other pollution liability and compensation statutes. Offshore and onshore facilities are defined separately. Inland oil barges are treated as vessels and not as tankers for liability limit purposes under the definitions.

Sec. 102. Liability

Summary: This section sets out the nature and scope of liability of responsible parties (e.g. vessel owners and operators and facility lessees or permittees), cargo owners and cargo consignee and the Fund.

Subsection (a)(1) makes responsible parties jointly, severally and strictly liable for section 102 damages.

Subsection (a)(2) sets out the removal costs, restoration costs and restoration assessment costs for which a responsible party would be liable.

Subsection (a)(3) sets out the coverage damages for economic loss: real or personal property; subsistence use; revenues; and profits and earnings capability.

Subsection (a)(4) sets up a special system for mobile offshore drilling units (MODU's). The owner of the MODU would be primarily liable up to the maximum amount of liability for a tanker, for a spill originating on or above the surface of the water. For excess liability, the MODU would be treated as a facility.

Subsection (a)(5) sets out the liability of third parties. When the discharge was caused solely by the act or omission of a third party, or in the case of the U.S. Government, the negligence of that government, then that third party is liable for costs up to applicable limitations.

Subsections (b)(1) and (b)(2) set out the defense to liability. These are that the incident resulted from an Act of God, war on a third party. Also, if a claimant's willful misconduct caused the incident, there is no liability to that claimant.

Subsection (c)(1) sets the maximum liability for a tanker (the lesser of $500 per gross ton or $78 million with a minimum of $5,000,000), other vessels (the greater of $500,000 or $300 per gross ton) and for facilities ($75 million).

Subsection (c)(2) sets out the circumstances that could prevent a responsible party from limiting its liability. These are when the incident is caused (1) primarily by willful misconduct known by or associated with the responsible party, (2) by a know violation of a safety standard, or (3) when the responsible party does not report the incident as required or fails to provide all reasonable cooperation or assistance requested by responsible officials.

Subsection (c)(3) gives the Secretary of Transportation the discretion to lower the liability limit of a facility from $75 million to as low as $8 million, taking into account size, capacity and risk factors.

Subsection (d) sets out the responsible party's liability for interest, stating that interest must be paid from the date on which the claim is presented until the claim is paid, with certain exceptions.

Subsection (e) concerns liability for injury to, destruction of or loss of natural resources. The President, when the U.S. is the trustee for the natural resource, or the representative of the State, Indian tribe or foreign government, shall act on behalf of the public and assess the damages and develop a plan to restore, rehabilitate, replace or acquire the equivalent of the damaged resource.

Subsection (e)(3) states that costs would be limited to the sums necessary for the reasonable restoration, replacement or acquisition.

Subsection (f) concerns recovery by foreign claimants. Foreign governments may recover costs and damages allowable under this subsection. This section is for the benefit of Mexico and Canada and permits recovery for spills in U.S. waters that damage foreign countries and spills from tankers traveling from the Trans-Alaska Pipeline to U.S. ports.

Subsection (g) sets out how responsible parties may recover removal and restoration costs from the Fund if entitled to a defense to liability or limitation of liability.

Subsection (h) permits actions for contribution against other potentially liable parties.

Subsection (i) concerns indemnification agreements, permitting insurance agreements but not allowing agreements that would transfer liability away from the responsible party.

Sec. 103. Uses of the Fund

The establishment of a domestic Oil Spill Liability Trust Fund to be financed by a fee of 1.3 cents per barrel of oil was authorized by earlier enacted legislation. This section provides that the Fund may be used for immediate payment of government response costs, the payment of uncompensated claims under section 102(a)(2) of the bill, administrative and enforcement costs and payment of the United States' annual contribution to the International Fund. The section establishes a per incident cap of $500 million. The President is authorized to waive the per incident cap when necessary and in the best interest of the country. It authorizes States and Indian tribes a "direct draw" of up to $50,000 against the Fund for emergency cleanup, with the requirement that the official designated by the Governor to exercise this authority notify the Secretary of Transportation within 24 hours of any obligation of payment from the Fund. The statute of limitations for claims against the Fund is three years from the date of the injury necessitating the restoration. This section also permits the Fund to be used to reimburse the Inspector General for the costs of audits required by this section.

Sec. 104. Claims Procedure

This section provides that except for certain responsible party cleanup costs, claimants must make their claims against the responsible party or guarantor before they may assert claims against the Fund. Claims for removal and restoration costs not settled within 180 days of the presentation to the responsible party may be presented to the Fund.

Sec. 105. Designation and Advertisement

This section requires the Secretary, where possible and appropriate, to designate the vessel or facility that is the source of an oil pollution incident. The responsible party for such a vessel or facility is then required to advertise the designation and to set out procedures under which a claim may be presented to the responsible party or to his guarantor. If the responsible party and guarantor both deny a designation within five days after receiving notification, if the source of the oil pollution is a public vessel or the Secretary is unable to designate the source, the Secretary is required to advertise and notify potential claimants concerning how to present removal and restoration claims to the Fund.

Sec. 106. Subrogation

This section states that any person, including the Fund, who pays compensation to claimants for costs, damages or interest shall be subrogated to all rights, claims and causes of action that the claimant has under this Act.

Sec. 107. Financial Responsibility

Subsection (a)(1) imposes on the responsible parties of vessels the requirement that they provide evidence of financial responsibility to meet their potential maximum liability as established by section 102. Inland barges that do not carry oil as cargo or fuel (e.g. sand barges) are exempted from the requirement. If a responsible party has more than one vessel, evidence of financial responsibility need be established only to meet the maximum liability limit of the largest of the vessels.

Subsections (a) (2), (3) and (4) direct the Secretary to take certain actions if these certification requirements are not met: withhold or revoke clearance of the vessel; or deny entry to the facility or detain the vessel.

Subsection (b) requires evidence of financial responsibility by responsible parties for offshore facilities. If a responsible party has more than one offshore facility, evidence of financial responsibility need be established only to meet the maximum liability applicable to one facility.

Subsection (c) lists the acceptable methods of establishing financial responsibility.

Subsection (d) permits claims directly against the guarantor, known as "direct actions." The subsection also allows the guarantor to invoke the defense of willful misconduct.

Subsection (f) establishes a civil penalty for violating the financial responsibility provisions of the bill of up to $25,000 per day.

Subsection (g) is a technical subsection providing for the continuation of regulations.

Subsection (h) allows the Secretary to issue one certificate of financial responsibility, a unified certificate, for the purposes of this Act and CERCLA.

Sec. 108. Litigation, Jurisdiction and Venue

This section provides that jurisdiction for all action is in Federal district courts. Venue exists where the injury occurred, or the defendant resides, may be found, or has its principle place of business. All claims for review of regulations promulgated under the Act must be made within 90 days of promulgation to the Circuit Court of Appeals of the United States for the District of Columbia. The statute of limitations for claims is generally three years.

Sec. 109. Relationship, to Other Law

Subsection (a) except where the Conventions apply, authorizes the cause of action established under section 111 to be brought in federal court and precludes such causes of action in state courts.

Subsection (b) preserves from preemption all State funds and permits States to continue to require contributions to their funds.

Subsection (c) preserves from preemption the authority of the United States, all States and political subdivisions to impose civil penalties for violating laws relating to an oil pollution incident.

Subsection (d) except where the Conventions apply, continues to allow states to impose and enforce financial responsibility regimes.

Sec. 110. Effective Date

The section does not permit retroactive payments and ties to the payments from the Fund to the effective date specified in section 208.

Sec. 111. Federal Cause of Action Based on State or Other Federal law

This section creates a federal cause of action based on the substantive law of the place where the injury occurred.

TITLE II—CONFORMING AMENDMENTS

Sec. 201. Trans-Alaska Pipeline Fund

This section would preserve TAPS monies for claims for costs and damages resulting from the grounding of the Exxon Valdez in Prince William Sound on March 24, 1989.

Sec. 202. Intervention on the High Seas Act

This section makes a conforming amendment to the Intervention on the High Seas Act.

Sec. 203. Federal Water Pollution Control Act

This section makes conforming amendments to the Federal Water Pollution Control Act.

Sec. 204. Deepwater Port Act

This section makes conforming amendments to the Deepwater Port Act and transfers the funds in the Deepwater Port Liability Fund to the Oil Spill Liability Trust Fund.

Sec. 205. Outer Continental Shelf Lands Act Amendments

This section makes conforming amendments to the Outer Continental Shelf Lands Act and transfers the funds in the Offshore Oil Pollution Compensation Fund to the Oil Spill Liability Trust Fund.

Sec. 206. Enforcement of the Federal Water Pollution Control Act

This section improves enforcement authority under the Federal Water Pollution Control Act. It authorizes the President to order the spiller to take removal and abatement actions and increases civil penalties. It includes several amendments to sections 308, 309, and 311 of the Federal Water Pollution Control Act in order to encourage compliance with the Act.

Sec. 207. Title 26, United States Code

This section contains conforming amendments to sections 4611 and 9509 of the Internal Revenue Code of 1986.

Sec. 208. Effective Date

This section makes this title effective on the later of the commencement date in section 4611(f)(2) of the Internal Revenue Code of 1986 or the effective date of the first Appropriations Act enacted for the purposes of section 95.09(c)(1)(A) of the Internal Revenue Code of 1986.

TITLE III—IMPLEMENTATION OF INTERNATIONAL CONVENTIONS

Sec. 301. Definitions

This section defines terms used in conjunction with the two international conventions, the International Convention on Civil Liability for Oil Pollution Damage, 1984 (Civil Liability Convention) and the International Convention on the Establishment of an International Fund for Compensation for Oil Pollution Damage, 1984 (Fund Convention).

Sec. 302. Applicability of Conventions

This section specifies the period during which the Civil Liability and Fund Conventions apply. The Senate must consent to ratification.

Sec. 303. Recognition of International Fund

This section recognizes the International Fund as a legal person under the laws of the United States. It appoints the Secretary of State as the Fund's agent for service of process.

Sec. 304. Action in United States Courts

This section specifies that the International Fund must be served with copies of complaints and pleadings and that the Fund may intervene as a party as a matter of right in any action brought under the Civil Liability Convention.

Sec. 305. Contribution to International Fund

This section authorizes payments to the International Fund from the domestic Oil Spill Liability Trust Fund. It also authorizes the Secretary to require that certain receivers of oil make certain information available.

Sec. 306. Recognition of Foreign Judgments

This section declares that a final judgment rendered in a court of any country which is a party to the Civil Liability Convention or the Fund Convention will be recognized by United States court unless obtained by fraud or the defendant was not given reasonable notice and a fair hearing.

Sec. 307. Financial Responsibility

This section requires the maintenance of evidence of financial responsibility as required by Article VII of the Civil Liability Convention, authorizes the Secretary of Transportation to issue certificates of financial responsibility under the Civil Liability Convention, authorizes the Secretary of the Treasury to withhold or revoke clearances and the Secretary of the Department in which the Coast Guard is operating to deny entry or detain vessels that cannot produce a certificate demonstrating compliance with the financial responsibility requirements. Civil penalties not to exceed $25,000 per day may be assessed. The section also provides for the waiver of United States rights to sovereign immunity with respect to any controversy arising under the Civil Liability Convention and relating to a ship owned by the United States and used for commercial purposes.

Sec. 308. Regulations

The section provides the Secretary with authority to issue rules and regulations necessary to implement the two international conventions.

STATEMENT OF PURPOSE AND NEED

This legislation will strengthen and consolidate oil spill liability and compensation to provide better protection for our environment and a fast and sure system for compensating the victims of oil pollution.

Currently, four Federal and several State statutes deal with oil spill liability and compensation at the domestic level. These statutes contain many inconsistent provisions. Each provides different liability standards, legal defenses and monetary limits for spillers and means for recovery of the costs of cleaning up a spill. In addition to these statutory authorities, there are international and voluntary programs which establish oil spill liability and compensation regimes for their signatories or members.

The purpose of this legislative proposal is threefold: one, to strengthen the four existing vessel oil pollution liability and compensation regimes under the Federal Water Pollution Control Act, the Trans-Alaska Pipeline Authorization Act, the Deepwater Port Act, and the Outer Continental Shelf Lands Act and to create a unified and comprehensive program; two, to establish a domestic liability and compensation system financed by vessel and facility owners and the oil industry to compensate the United States Government, the States and our citizens for removal costs and damages associated with oil spills; and three, to provide protection from foreign and domestic tanker oil spills by implementing the 1984 Protocols to the 1969 Civil Liability and 1971 FUND Conventions.

As recently demonstrated by the Exxon Valdez oil spill in Prince William Sound, oil spills can have catastrophic and long-term effects on the environment and the livelihoods of our citizens. While an existing patchwork of laws requires potential polluters to maintain evidence of financial responsibility for certain cleanup and removal costs and to contribute to funds to cover excess costs, the liability and coverage provided is inadequate, inconsistent and outdated. This bill would establish a strict liability system with high liability limits to make certain that those responsible for oil pollution will be held responsible for the cost.

Under the domestic system established in this bill, the individual polluter is primarily responsible for removal costs and damages, up to his liability limits ($75 million for facilities, $78 million for tankers and $300 per ton for other vessels). Claims for clean-up and restoration in excess of the polluter's liability limits would be covered, up to $500 million, by a fund financed by a 1.3 cent per barrel fee on oil. This amount is substantially in excess of the cost associated with any previous oil spill, including the Amoco Cadiz and the Ashland oil spills. However, if even this is inadequate, the President may authorize waiving the $500 million Fund cap and recover the additional costs from the cargo owner or consignee. This ensures that no oil spill will be too large for a complete response. The President can order the spiller to take removal and abatement actions, backed up by stiff penalties for noncompliance. This system would shift the economic burden to the potential polluters and the oil industry and eliminate the need for appropriations from general revenues to the 311(k) fund established under the Federal Water Pollution Control Act.

Seagoing tankers, in particular, pose a threat of oil pollution to our waters and shoreline. This bill would implement the 1984 Protocols to the 1969 Civil Liability and 1971 FUND Conventions. The legislation would preempt State oil pollution liability laws, enabling United States participation in these important treaties. Compensation funds and other aspects of State programs would not be preempted. The protection provided from ratification and implementation of these treaties constitutes an important Federal interest and far outweighs the uncertain recovery of the preempted State laws.●

By Mr. GORE (for himself, Mr. JEFFORDS, and Mr. DURENBERGER):

S. 1067. A bill to provide for a coordinated Federal research program to ensure continued United Sates leadership in high-performance computing; to the Committee on Commerce, Science, and Transportation.

NATIONAL HIGH-PERFORMANCE COMPUTER TECHNOLOGY ACT

● Mr. GORE. Mr. President, I am today introducing the National High-Performance Computer Technology Act of 1989 to respond to major economic and technological challenge—the battle to ensure the United States'

leadership in advanced computing and computer networking.

High-performance computing is the most powerful tool available to those who, in an increasing number of fields, are operating at the frontiers of imagination and intellect. The nation which most completely assimilates high-performance computing into its economy will very likely emerge as the dominant intellectual, economic, and technological force in the next century.

High-performance computers will enable us to build more efficient engines and appliances, forecast the weather more accurately and further in advance, test new kinds of molecules with miraculous medical potential, and design better machine tools. Even now we can use computers to design better computer chips. But high-performance computers will never be able to do all these things in the future unless we increase access through high-speed networks right away and develop the information infrastructure to realize the potential of these electronic technologies. The real benefits of computing come from sharing scientific ideas and putting new products on the market.

In the last Congress, I chaired the first Senate hearing on the state of supercomputer technology and policy. The message I heard at that hearing was overwhelmingly clear: If the United States is going to be a supercomputer superpower in the 1990s, we had better start building a high-capacity national research and education network today. Toward that end, I am introducing the National High-Performance Computer Technology Act of 1989 and will hold a series of hearings beginning this June on high-performance computing and computer networks.

Three years ago, on the 30th anniversary of the Interstate Highway System, I sponsored the Supercomputer Network Study Act to explore a fiber optic network to link the Nation's supercomputers into one system. High-capacity fiber optic networks will be the information superhighways of tomorrow. A national network with associated supercomputers and data bases will link academic researchers and industry in a national colaboratory. This information infrastructure will cluster research centers and businesses around network interchanges, using the Nation's vast data banks as the building blocks for increasing industrial productivity, creating new products, and improving access to education. Libraries, rural schools, minority institutions, and vocational education programs will have access to the same national resources—data bases, supercomputers, accelerators—as more affluent and better known institutions.

Can we rely on the market system to provide this kind of infrastructure? We certainly couldn't where the Interstate Highway System was concerned, although private industry ultimately benefited a great deal from the Government's leadership and investment. I believe that the Federal Government must again be a catalyst, to get companies interested in those information networks and show them that there is a market out there. Clearly, the technological spinoffs and productivity gains would be enormous, from a network that would cost the Government less than one Stealth bomber.

The National High-Performance Computer Technology Act of 1989 builds on legislation I introduced last year and the 1987 Office of Science and Technology report on high-performance computing, and it takes the first critical steps to chart the Federal Government's course in maintaining U.S. leadership in high-performance computing. Last year's bill was designed to intensify the Government's engagement in developing computer technology and networks. Today's legislation is an upgraded version, based on hearings and on intensive consultations with industry leaders, Government officials, and educators in the intervening period. Furthermore, my proposed legislation recognizes that it is vital to respect the existing private networks, which, although of lower capacity than needed, can and must play a critical and ever-increasing role as the new high-volume network matures.

This legislation promotes high-performance computing in several ways:

By putting in place a three gigabit per second national research and education computer network by 1996;

By creating an information infrastructure of data bases and knowledge banks, including a National Digital Library;

By emphasizing the development of artificial intelligence projects like neural networks;

By investing in basic research and education;

By stimulating the development of hardware;

By enhancing the development and distribution of software;

By requiring the administration to develop a 5-year interagency implementation plan;

By establishing advisory committees to include the views of educators and industry.

This bill would also authorize $1.75 billion over 5 years, fiscal years 1990 through 1994, to carry out the purposes of the act. The investment is tiny and the payback enormous, even more so in light of how those Federal funds would be leveraged. I am deeply concerned about the Federal budget deficit. But the only long-term deficit solution is to get away from short-term thinking, look to the future, and invest in the people, technologies, and equipment that will ensure our standard of living and increase productivity. We must find the funds to invest in high-priority projects like computer network development that will pay for themselves many times over.

Soon, virtually all human knowledge will be translatable into a common digital code that can be acted upon by electronic processing systems based upon computers, which, in their countless mutations, will be electronically linked. Already, we have crossed the threshold of the information age.

Electronics are to our age what coal and iron were to the Industrial Revolution. However, unlike coal and iron, which are parts of the natural endowment of nations, electronics are an endowment which can be created wherever there is sufficient talent and determination. That is the lesson our competitors have taught us.

Our competitors understand the importance of developing computer networks and advanced computing. In France, for example, the Minitel network of small home computer terminals has become a national obsession. West Germany appears to be well developed in networking. In Japan, the organization that targets key technologies came up with a list of ten top priority projects that includes a 10 billion bit per second fiber optic network.

Unless we learn from them and act in time to nurture our own resources, the information age will be theirs, not ours, to lead. American technogical surpremacy, which we had thought of as a kind of national attribute, will pass. And so will its rewards.

High-performance computing is a fulcrum. Government action applied here can powerfully influence the outcome of the overall struggle. I look forward to your consideration of this legislation.

Mr. President, I ask unanimous consent that a copy of my bill be printed in the RECORD.

S. 1067

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. This Act may be cited as the "National High-Performance Computer Technology Act of 1989".

SEC. 2. (a) Congress finds and declares the following:

(1) Advances in computer science and technology are vital to the Nation's prosperity, national security, and scientific advancement.

(2) The United States currently leads the world in development and use of high-performance computer technology for national security, industrial productivity, and science and engineering, but that lead is being challenged by foreign competitors.

(3) Further research and improved computer research networks are necessary to maintain United States leadership in the field of high-performance computing.

(b) It is the purpose of Congress in this Act to ensure the continued leadership of the United States in high-performance com-

puter technology. This requires that the United States Government—

(1) expand Federal support for research, development, and application of high-performance computing technology in order to—

(A) establish a high-capacity national research and education computer network;

(B) develop an information infrastructure of data bases, services, and knowledge banks which is available for access over such a national network;

(C) promote the more rapid development and wider distribution of computer software;

(D) stimulate research on artificial intelligence;

(E) accelerate the development of computer systems; and

(F) invest in basic research and education; and

(2) improve planning and coordination of Federal research and development on high-performance computing.

TITLE I—NATIONAL HIGH-PERFORMANCE COMPUTER TECHNOLOGY PROGRAM

SEC. 101. The National Science and Technology Policy, Organization, and Priorities Act of 1976 (42 U.S.C. 6601 et seq.) is amended by adding at the end the following new title:

TITLE VI—NATIONAL HIGH-PERFORMANCE COMPUTER TECHNOLOGY PROGRAM

"FINDINGS

"SEC. 601. (a) Congress finds and declares the following:

"(1) In order to strengthen America's computer industry and to assist the entire manufacturing sector, the Federal Government must provide leadership in the development and application of high-performance computer technology. In particular, the Federal Government should support the development of a high-capacity, national research and education network; facilitate the development of software for research, education, and industrial applications; continue to fund basic research; and provide for the training of computer scientists and computational scientists.

"(2) Several Federal agencies have ongoing high-performance computer technology programs. Improved interagency coordination, cooperation, and planning could enhance the effectiveness of these programs.

"(3) A recent report by the Office of Science and Technology Policy outlining a research and development strategy for high-performance computing provides a framework for a multi-agency computer technology program.

"NATIONAL HIGH-PERFORMANCE COMPUTER TECHNOLOGY PLAN

"SEC. 602. (a)(1) The President, through the Federal Coordinating Council for Science, Engineering, and Technology (hereafter in this title referred to as the "Council"), shall develop and implement a National High-Performance Computer Technology Plan (hereafter in this title referred to as the 'Plan') in accordance with the provisions, findings, and purposes of this Act. Consistent with the responsibilities set forth under subsection (c) of this section, the Plan shall contain recommendations for a 5-year national effort, to be submitted to Congress within one year after the date of enactment of this title and to be revised at least once every two years thereafter.

"(2) The Plan shall—

"(A) establish the goals and priorities for a Federal high-performance computer technology program for the fiscal year in which the Plan (or revised Plan) is submitted and the succeeding 4 fiscal years;

"(B) set forth the role of each Federal agency and department in implementing the Plan;

"(C) describe the levels of Federal funding and specific activities, including education, research activities, hardware and software development, and acquisition and operating expenses for computers and computer networks, required to achieve such goals and priorities; and

"(D) consider and use, as appropriate, reports and studies conducted by Federal agencies and departments, the National Research Council, or other entities.

"(3) The Plan shall address, where appropriate, the relevant programs and activities of the following Federal agencies and departments—

"(A) the National Science Foundation;

"(B) the Department of Commerce, particularly the National Institute of Standards and Technology and the National Oceanic and Atmospheric Administration;

"(C) the National Aeronautics and Space Administration;

"(D) the Department of Defense, particularly the Defense Advanced Research Projects Agency, the Office of Naval Research, and, as appropriate, the National Security Agency;

"(E) the Department of Energy;

"(F) the Department of Health and Human Services, particularly the National Institutes of Health; and

"(G) such other agencies and departments as the President or the Chairman of the Council considers appropriate.

"(b) The Council shall—

"(1) serve as lead entity responsible for development and implementation of the Plan;

"(2) coordinate the high-performance computing research and development activities of Federal agencies and departments and report at least annually to the President, through the Chairman of the Council, on any recommended changes in agency or departmental roles that are needed to better implement the Plan;

"(3) prior to the President's submission to Congress of the annual budget estimate, review each agency and departmental budget estimate in the context of the Plan and make the results of that review available to each agency and department and to the appropriate elements of the Executive Office of the President, particularly the Office of Management and Budget;

"(4) work with Federal agencies, with the National Research Council and with academic, State, and other groups conducting research on high-performance computing; and

"(5) consult with actual and potential users of such research by establishing an advisory board, which shall include representatives from universities and industry.

"(c)(1) The Plan shall take consideration, but not be limited to, the following missions and responsibilities of agencies and departments:

"(A) The National Science Foundation shall continue to be responsible for basic research in all areas of computer science, materials science, and computational science. The Foundation shall continue to solicit grant proposals and award grants by merit review for research in universities, nonprofit research institutions, and industry. The National Science Foundation shall also be responsible for providing researchers with access to supercomputers and providing for the establishment, by 1996, of a 3 gigabit per second national computer network, as required by section 201 of the National High-performance Computer Technology Act of 1989. Additional responsibilities include development of an information infrastructure of services, data bases, and knowledge banks connected to such computer network; facilitation of the validation of software and distribution of that software over such computer network; and promotion of science and engineering education.

"(B) The National Institute of Standards and Technology shall be responsible for ensuring interoperability between computer networks run by different agencies of the Federal Government and for establishing, in conjunction with industry, benchmark tests and standards for high-performance computers and software. Pursuant to the Computer Security Act of 1987 (Public Law 100-235; 100 Stat. 1724), the National Institute of Standards and Technology shall continue to be responsible for developing standards and guidelines for Federal computer systems, including standards and guidelines needed to assure the cost-effective security and privacy of sensitive information in Federal computer systems.

"(C) The National Oceanic and Atmospheric Administration shall continue to observe, collect, communicate, analyze, process, provide, and disseminate data about the Earth, its oceans, atmosphere, and space environment. It shall improve the quality and accessibility of the environmental data stored at the four NOAA data centers. In addition, NOAA shall perform research and develop technology to support its data handling role.

"(D) The National Aeronautics and Space Administration shall continue to conduct basic and applied research in high-performance computing, particularly in the field of computational science, with emphasis on aeronautical applications and remote sensing data processing.

"(E) The Department of Defense, through the Defense Advanced Research Projects Agency, the Office of Naval Research, and other agencies, shall continue to conduct basic and applied research in high-performance computing, particularly in computer networking, semiconductor technology, and large-scale parallel processors. Pursuant to the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3701 et seq.), the Department shall ensure that unclassified computer technology research is readily available to American industry. The National Security Agency, pursuant to the Computer Security Act of 1987 (Public Law 100-235; 100 Stat. 1724), shall continue to provide, where appropriate, technical advice and assistance to the National Institute of Standards and Technology for the development of standards and guidelines needed to assure the cost-effective security and privacy of sensitive information in Federal computer systems.

"(F) The Department of Energy and its national laboratories shall continue to conduct basic and applied research in high-performance computing, particularly in software development and multi-processor supercomputers. Pursuant to the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3701 et seq.), and other appropriate statutes, the Department of Energy shall ensure that unclassified computer technology research is readily available to American industry.

"(2) The Plan shall facilitate collaboration among agencies and department with respect to—

"(A) ensuring interoperability among computer networks run by the agencies and departments;

"(B) increasing software productivity, capability, and reliability;

"(C) promoting interoperability of software;

"(D) distributing software among the agencies and departments; and

"(E) distributing federally-funded, unclassified software to industry and universities.

"(d)(1) Each Federal agency and department involved in high-performance computing shall, as part of its annual request for appropriations to the Office of Management and Budget, submit a report identifying each element of its high-performance computing activities, which—

"(A) specifies whether each such element (i) contributes primarily to the implementation of the Plan or (ii) contributes primarily to the achievement of other objectives but aids Plan implementation in important ways; and

"(B) states the portion of its request for appropriations that is allocated to each such element.

"(2) The Office of Management and Budget shall review each such report in light of the goals, priorities, and agency and departmental responsibilities set forth in the Plan, and shall include, in the President's annual budget estimate, a statement of the portion of each agency or department's annual budget estimate that is allocated to each element of such agency or department's high-performance computing activities. The Office of Management and Budget shall ensure that a copy of the President's annual budget estimate is transmitted to the Chairman of the Council at the same time as such budget estimate is submitted to Congress.

"ANNUAL REPORT

"SEC. 603. The Chairman of the Council shall prepare and submit to the President and Congress, not later than March 1 of each year, an annual report on the activities conducted pursuant to this title during the preceding fiscal year, including—

"(1) a summary of the achievements of Federal high-performance computing research and development efforts during that preceding fiscal year;

"(2) an analysis of the progress made toward achieving the goals and objectives of the Plan;

"(3) a copy or summary of the Plan and any changes made in such Plan;

"(4) a summary of agency budgets for high-performance computing activities for that preceding fiscal year; and

"(5) any recommendations regarding additional action or legislation which may be required to assist in achieving the purposes of this title.".

TITLE II—NATIONAL RESEARCH AND EDUCATION NETWORK

SEC. 201. (a) The National Science Foundation shall, in cooperation with the Department of Defense, the Department of Energy, the Department of Commerce, the National Aeronautics and Space Administration, and other appropriate agencies, provide for the establishment of a national 3-gigabit per second research and education computer network by 1996, to be known as the National Research and Education Network, which shall—

(1) link government, industry, and the higher education community;

(2) be developed in close cooperation with the computer and telecommunciations industry;

(3) be designed and developed with the advice of potential users in government, industry, and the higher education community;

(4) have accounting mechanisms which allow users or groups of users to be charged for their usage of the network, where appropriate; and

(5) be phased out when commercial networks can meet the networking needs of American researchers.

SEC. 202. In addition to other agency activities associated with the establishment of the National Research and Education Network, the following actions shall be taken:

(1) The Federal Coordinating Council for Science, Engineering, and Technology shall—

(A) establish a National Network Advisory Committee to provide technical and policy advice from all the interests involved in the Network program, including (i) researchers from university, industry, and Federal laboratories who will use the Network; (ii) university and college educators; (iii) librarians involved in electronic data storage and retrieval; (iv) industrial organizations that develop and provide relevant technology and services; (v) managers of regional computer networks; and (vi) experts in networking and computer science who can provide technical guidance;

(B) submit to Congress, within one year after the date of enactment of this Act, a report describing and evaluating effective mechanisms for providing operating funds for the long-term maintenance and use of the Network, including user fees, industry support, and continued Federal investment; and

(C) allow recipients of Federal research grants to use grant monies to pay for computer networking and other telecommunications expenses.

(2) The Department of Defense, through the Defense Advanced Research Projects Agency, shall be responsible for research and development of advanced fiber optics technology, switches, and protocols needed to develop a gigabit computer network essential for the Network.

(3) The National Institute of Standards and Technology shall develop, in cooperation with the National Security Agency and other relevant agencies, a common set of standards to provide interoperability, common user interfaces to systems, and enhanced security for the Network.

(5) The National Telecommunications and Information Administration shall determine to what extent current Federal telecommunications laws and regulations hinder or facilitate private industry participation in the data transmission field. Within a year after the date of enactment of this Act, the Administration shall report such determination to the Congress.

SEC. 203. In addition to such sums as may be authorized to be appropriated to the National Science Foundation by other law, there are authorized to be appropriated to the National Science Foundation for the research, development, and implementation of the National Research and Education Network, in accordance with the purposes of this title, $50,000,000 for fiscal year 1990, $50,000,000 for fiscal year 1991, $100,000,000 for fiscal year 1992, $100,000,000 for fiscal year 1993, and $100,000,000 for fiscal year 1994.

TITLE III—NATIONAL INFORMATION INFRASTRUCTURE

SEC. 301. The National Science Foundation shall coordinate, in close cooperation with the Department of Commerce (in particular the National Oceanic and Atmospheric Administration, the National Institute of Standards and Technology, and the Bureau of the Census), the Department of Defense, the National Aeronautics and Space Administration, and other relevant agencies, the development of a national science and technology information infrastructure of data bases and knowledge banks accessible through the National Research and Education Network referred to in title II of this Act. The infrastructure shall include, but not be limited to—

(1) a directory of network users;

(2) provision for access to unclassified Federal scientific data bases, including weather data, census data, economic data, and remote sensing satellite data;

(3) rapid prototyping of computer chips and other devices using centralized facilities connected to the network;

(4) data bases and knowledge banks for use by artificial intelligence programs; and

(5) provision for international collaboration among researchers.

TITLE IV—SOFTWARE

SEC. 401. (a) The Office of Science and Technology Policy, as indicated in the National High-Performance Computer Technology Plan (hereinafter referred to as the "Plan") developed and implemented under title VI of the National Science and Technology Policy, Organization, and Priorities Act of 1976, as added by section 101 of this Act, shall oversee the cooperative efforts of Federal departments and agencies in the research and development of high-performance computer software, including projects focused on astrophysics, engineering, materials, biochemistry, plasma physics, and weather and climate forecasting.

(b) The National Science Foundation shall establish clearinghouses to validate and distribute unclassified software developed by federally-funded researchers and other software in the public domain, including federally-funded educational and training software. Such clearinghouses shall—

(1) maintain libraries of programs;

(2) provide funding to researchers to improve and maintain software they have developed;

(3) help researchers locate the software they need;

(4) make software available through the National Research and Education Network; and

(5) promote commercialization of software where possible.

(c)(1) The National Science Foundation shall place special emphasis on the development of artificial intelligence and shall establish joint research programs among government, industry, and the higher education community to develop artificial intelligence applications.

(2) for purposes of this section, the term "artificial intelligence" means software and hardware which can be used for computer systems that learn, exhibit knowledge of themselves and their environment, make logical inferences, display creativity, or mimic other aspects of human intelligence, and such term includes expert systems, neural networks, natural language processing programs, translation programs, and higher-level programming languages.

(d) The National Institute of Standards and Technology shall develop standards for software programs purchased or developed by the Federal Government that promote development of interoperable software systems that can be used on different computer systems with different operating systems.

(e) Procurement regulations at the Defense Department and other departments or agencies shall be changed so that contractors providing software to the Federal Government no longer are required to forfeit the proprietary software development tools that they used to develop the software.

SEC. 402. There are authorized to be appropriated to the Office of Science and Technology Policy for distribution to the National Science Foundation, the Department of Defense, the Department of Energy, the National Aeronautics and Space Administration, and other relevant agencies for computer software research and development, in accordance with the purposes of this title, $50,000,000 for fiscal year 1990, $100,000,000 for fiscal year 1991, $150,000,000 for fiscal year 1992, $200,000,000 for fiscal year 1993, and $250,000,000 for fiscal year 1994.

TITLE V—COMPUTER SYSTEMS

SEC. 501. The National Science Foundation shall ensure that the national supercomputer centers in the United States continue to have the most advanced, commercially available supercomputers produced by United States manufacturers.

SEC. 502. Where appropriate, Federal agencies shall procure prototype or early production models of new high-performance computer systems and sub-systems to stimulate hardware and software development in the American high-performance computer industry. Particular emphasis shall be given to promoting development of advanced display technology, alternative computer architectures, advanced peripheral storage divices, and very high-speed communication links.

SEC. 503. Within 60 days following the date of enactment of this Act, the Secretary of Commerce shall review export controls that hinder the development of foreign markets for United States manufacturers of supercomputers and other high-performance computer technology, and report to the Congress the results of such review.

SEC. 504. There are authorized to be appropriated to the Office of Science and Technology Policy, for distribution to appropriate agencies and departments as specified in the Plan, for research in computational science and engineering, $30,000,000 for fiscal year 1990, $60,000,000 for fiscal year 1991, $90,000,000 for fiscal year 1992, $120,000,000 for fiscal year 1993, and $150,000,000 for fiscal year 1994.

TITLE VI—BASIC RESEARCH AND EDUCATION

SEC. 601. The Office of Science and Technology Policy shall, in cooperation with relevant departments and agencies—

(1) support basic research on computer technology, including research on advanced semiconductor chip designs, new materials for chips, improved chip fabrication techniques, photonics and superconducting computers;

(2) create technology transfer mechanisms to ensure that the results of basic research are readily available to United States industry;

(3) promote basic research in computer science, computational science, electrical engineering, and material science; and

(4) educate and train more researchers in computer science and computational science.

SEC. 602. To expand its traditional role in supporting basic research in universities and colleges, and in training scientists and engineers in computer science, computational science, and electrical engineering, there are authorized to be appropriated to the National Science Foundation, $10,000,000 for fiscal year 1990, $20,000,000 for fiscal year 1991, $30,000,000 for fiscal year 1992, $40,000,000 for fiscal year 1993, and $50,000,000 for fiscal year 1994.●

By Mr. GORE (for himself, Mr. GORTON, and Mr. FORD):

S. 1068. A bill to require actions to improve competition in the delivery of television programming, to prohibit discrimination by cable programmers, and to permit telephone companies to provide video programming; to the Committee on Commerce, Science, and Transportation.

CABLE COMPETITION ACT

Mr. GORE. Mr. President, today I join with my colleagues, Senator GORTON and Senator FORD, to introduce the Cable Competition Act, legislation to address the serious problems facing cable television consumers. The point of this bill is to give cable consumers modest relief from skyrocketing rates and the pervasive anticompetitive practices within the cable/programming industry.

Precipitous rate hikes of 100 percent or more in one year have not been unusual since cable was given total freedom to charge whatever the market will bear.

To illustrate only a single case—a new multi-system operator [MSO] purchased a chain of small franchises in rural west Tennessee, using highly leveraged capital and paying inordinately high sums for small systems with already high penetration and little room for growth. The company immediately raised basic rates by 50 to 100 percent, clearly as a way to cover the huge cash flow needs created by such franchise trafficking and speculation.

Not coincidentally, these franchises are well outside the range of clear, over-the-air signals form metropolitan areas, magnifying the captive nature of cable consumers in the rural systems. Unfortunately, the west Tennessee incident is not unique.

Since cable was deregulated, we have also witnessed an extraordinary concentration of control and integration by cable operators and program services, manifesting itself in blatantly anticompetitive behavior toward those who would compete with existing cable operators for the right to distribute services. In the case of satellite dish owners, for example, program services have consistently refused to deal with distributors unless they are cable operators, shutting out almost all competition for a market that, ironically, cable itself has largely refused to serve.

Not all cable operators have exploited their position after deregulation with such total disregard for the public. And not all program services have discriminated against distributors competing with cable. However, the practices have become so widespread and egregious in certain sectors of this industry that the time has come for the Congress to begin serious debate about the problems created by cable deregulation.

The Cable Competition Act is designed to correct some of the inequities now facing cable customers, especially those with little choice.

The bill allows cable franchising authorities to regulate "lifeline" or basic service where there is no competition;

It allows telephone companies to provide cable services, with protections against cross-subsidy from regulated telephone customers, while not affecting any restrictions currently in place under the Modified Final Judgment [MFJ].

The bill requires that cable operators, including common carriers, must provide access to the system for all program services, unless precluded from doing so by channel capacity or the nature of the program content.

It requires programming services which are affiliated with cable operations to make those services available to all distributors of programming on a nondiscriminatory basis, to foster competition and choice for consumers who are mostly underserved by cable.

The bill requires the Federal Trade Commission to undertake an investigation into concentration within the cable/programming industry to determine the degree to which such concentration has resulted in higher rates for consumers and/or unfair treatment of cable competitors.

And finally, the bill requires the FCC to determine ways to improve the availability of video services in rural areas.

For my part, I take this action not as any effort to bash cable. This industry has a wonderful product, and has made a major positive contribution to entertainment and information in this country. Many cable operators and programmers are working hard to provide quality services at reasonable rates. And the industry's support for C-SPAN, for example, is to be greatly commended. I am a strong supporter of cable television.

However, too many cable operations are simply aggressive MSO's who are speculating in franchise takeovers, driving rates through the ceiling and providing poor service and the local franchising authorities must sit with their hands tied.

And too many programmers continue to deny access to distributors who

might compete with the very cable companies in which those programmers have a financial interest.

It simply isn't fair. It is time the Congress revisited the Cable Act of 1984, and begin a debate which addresses the problems facing 45 million captive consumers of cable television service, and millions of other families who cannot even receive cable.

I urge my colleagues to sponsor this bill. I ask unanimous consent that the summary and the entire text of the bill be printed following my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

CABLE COMPETITION ACT

Section 1. Title: Cable Competition Act.

Section 2. Findings.

Section 3. *Rate Regulation.*—The bill allows cable franchising authorities to regulate "lifeline" rates in areas where there is no competition; that is, basic service which includes local network, independent, and public broadcasting signals. If no such "lifeline" service exists, the franchising authority may regulate rates for the lowest basic tier of service which includes such local signals.

Section 4. *Telephone Company Provision of Cable Services.*—The bill allows telephone companies to provide cable services, both within and outside their service areas. However, the bill specifically states that this provision shall not affect any restrictions currently in place under the Modified Final Judgment (MFJ) controlling activities of the regional telephone companies, or other antitrust laws. The bill requires the FCC to adopt rules to ensure that telephone companies involved in cable may not subsidize cable operations from regulated telephone operations.

Section 5. *Requirements for carriage of signals.*—The bill requires that cable operators, including common carriers, must provide access to the system for all program services, unless precluded from doing so by channel capacity or the nature of the program content. Access is to be provided at non-discriminatory rates, terms, and conditions.

Section 6. *Equal consumer access by competing technologies.*—The bill requires programming services which are affiliated with cable operations to make those services available to all distributors of programming on a non-discriminatory basis. Programming services may set their own distribution standards except that such standards may not be designed to exclude distributors solely because they are not cable companies. This requirement is designed to foster competition for programming distribution among various providers of services: cable, wireless cable, satellite dishes, SMATV, etc.

Section 7. *FTC Investigations into Cable Concentration.*—Require Federal Trade Commission to undertake an investigation into concentration within the cable/programming industry, as well as the practice of speculation and trafficking in franchises, to determine the degree to which such concentration has resulted in higher rates for consumers and/or anticompetitive treatment of cable competitors.

Section 8. *Video Availability in Rural Areas.*—The bill calls for an FCC investigation to determine extent of availability of video services in rural areas, and ways to improve such availability.

S. 1068

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Cable Competition Act".

SEC. 2. FINDINGS.

The Congress finds that—

(1) the elimination of regulation of the cable television industry has resulted in significantly higher consumer rates, without providing consumers the benefits of competition;

(2) it is in the public interest to establish a competitive market for the provision of cable television services;

(3) the growth of and increasing concentration within the cable television industry has diminished the need to protect that industry from competition from other potential providers of cable television services;

(4) competing new program distribution technologies, such as private home satellite television receivers, wireless cable, and other alternative distribution systems, offer substantial benefits to consumers, especially in rural areas, but new policies are required to provide these competing distributors with fair access to program services;

(5) cable consumers would now benefit from increased competition made possible by permitting telephone companies to provide cable television services, with adequate protections against cross-subsidization from telephone customers;

(6) while the goal of universal service stated in section 1 of the Communications Act of 1934 clearly encompasses the electronic delivery of information in any form, that goal has not been sufficiently pursued as it relates to the delivery of television programming;

(7) the goal of universal service remains an important, if not the primary, objective of United States communications policy, and that goal extends to, and should be aggressively pursued as it relates to, the delivery of television programming and advanced communications services; and

(8) universal service can and should mean that video services and advanced communications services are as readily available in rural areas as they are in urban areas.

SEC. 3. RATE REGULATION OF LIFELINE TELEVISION SERVICES.

Section 623 of the Communications Act of 1934 is amended by adding at the end thereof the following new subsection:

"(i)(1) Notwithstanding any other provision of this title, for any franchising area which is not provided with cable service by two or more cable operators, a State or franchising authority may, in accordance with State law, regulate the rates that a cable operator may charge for the provision of lifeline television services.

"(2) For purposes of paragraph (1) of this subsection, the term 'lifeline television services' means—

"(A) a service tier that provides a minimum of (i) three channels carrying the broadcasts of affiliates of the three national television networks, (ii) one channel carrying a public television station, (iii) one channel carrying each local independent television station; or

"(B) if no service tier contains each of the minimum channels described in subparagraph (A), the two or more service tiers required to provide such minimum.".

SEC. 4. PROVISION OF VIDEO PROGRAMMING BY TELEPHONE COMPANIES.

Section 613 of the Communications Act of 1934 is amended by striking subsection (b) and inserting the following:

"(b)(1) Subject to the requirements of this Act, a common carrier subject in whole or in part to title II of this Act may—

"(A) provide video programming directly to subscribers, either through its own facilities or through an affiliate owned, operated, or controlled by, or under common control with, the common carrier; and

"(B) provide channels of communication or pole line conduit space, or other rental arrangements, to any entity which is directly or indirectly owned, operated, or controlled by, or under common control with, the common carrier, if the facilities or arrangements are to be used for, or in connection with, the provision of video programming directly to subscribers.

"(2) Within 60 days after the date of enactment of the Cable Competition Act, the Commission shall prescribe such regulations as may be necessary to ensure that—

"(A) the economic risks of any line of business authorized by this subsection are not borne by telephone service ratepayers and, in the event of a business failure, investment assigned to the line of business shall not be reassigned to the telephone service, except upon a showing that the customers of telephone service will benefit from such reassignment; and

"(B) any common carrier providing video services allocates costs in a manner which protects basic telephone ratepayers from subsidizing the provision of cable service.

"(3) Nothing in this subsection shall be construed to permit any telephone company to have any ownership interest in any video programming service which it provides to subscribers, if such telephone company is otherwise restricted from owning such an interest pursuant to the antitrust laws of the United States.".

SEC. 5. ADDITIONAL CARRIAGE REQUIREMENTS FOR CABLE SYSTEMS.

Section 612 of the Communications Act of 1934 is amended by adding at the end thereof the following new subsection:

"(h)(1) In addition to the other requirements of this section, a cable operator (including a common carrier who provides cable service) shall—

"(A) provide access to the cable system to any program service, except in those instances where the cable system lacks available capacity or where a determination is made that the content of the program service is not suitable under local community standards;

"(B) provide access to the cable system to any unaffiliated program service on the same rates, terms, and conditions that it provides such access to an affiliated program service;

"(C) comply with the regulations prescribed by the Commission for the purposes of ensuring such access.

"(2) The regulations prescribed by the Commission under paragraph (1) of this subsection shall not relieve a common carrier who provides cable service of the obligation to comply with—

"(A) the requirements of title II of this Act;

"(B) the order of the Commission entitled 'Filing and Review of Open Network Architecture Plans,' CC Docket 88-2, Phase I, released December 22, 1988, and any amendment or revision thereof;

"(C) such additional regulations and orders as the Commission may from time to time prescribe concerning open network architecture plans and related requirements.".

SEC. 6. EQUAL ACCESS TO PROGRAMMING.

Part IV of title VI of the Communications Act of 1934 is amended by adding at the end thereof the following new section:

"PROGRAM DISTRIBUTION DISCRIMINATION PROHIBITED

"SEC. 640. (a) As used in this section—

"(1) the term 'affiliated person' means—

"(A) any cable operator, and

"(B) any person that, directly or indirectly, owns or controls, is owned or controlled by, or under common ownership or control with, any cable operator; and

"(2) each person who is the beneficial owner of 5 percent or more of the equitable securities (or equivalent thereof) of a person shall be considered to own or control that person.

"(b) Except as provided in subsection (c), it shall be unlawful for any affiliated person who, directly or indirectly, provides programming to any cable operator for carriage on a cable system, to engage in any unjust or unreasonable discrimination in charges, practices, regulations, facilities, or services against any person seeking to obtain such programming for distribution over another cable system or over any other medium capable of making the programming available for private viewing.

"(c) Subsection (b) shall not apply to programming that is carried as a secondary transmission of a signal broadcast by a television station.

"(d) The Commission shall prescribe such regulations as may be necessary to implement and enforce subsection (b).

SEC. 7. STUDIES BY FEDERAL TRADE COMMISSION.

(a) REVIEW OF OWNERSHIP PATTERNS REQUIRED.—(1) The Federal Trade Commission shall, within 60 days after the date of enactment of this Act, initiate a proceeding to investigate—

(A) the extent to which affiliated persons (as that term is defined in section 640(a)(1) of the Communications Act of 1934 as amended by this Act) are engaged in the business of producing and distributing video programming for carriage on cable television systems;

(B) the degree to which such operations result in—

(i) higher rates and charges for cable television service, or

(ii) unfair or anticompetitive acts or practices with respect to other producers or distributors of such programming; and

(C) the extent to which multiple-system operators of cable franchises have engaged in acquisitions of cable systems—

(i) at purchase prices in excess of national averages for similar systems,

(ii) where resulting basic service rate increases have failed to produce commensurate consumer benefits arising from such acquisitions, or

(iii) where accelerated turnover of franchises has created an upward spiral of basic rate increases as franchises are sold.

(2) The Federal Trade Commission shall submit to the Congress not later than one year after the date of enactment of this Act a report on the results of the investigation required by this subsection and shall include in such report such recommendations for legislative or administrative action as the Commission considers necessary or appropriate in the public interest.

(b) EVALUATION OF DELIVERY OF VIDEO PROGRAMMING TO RURAL AREAS.—(1) The Federal Communications Commission shall, within 30 days after the date of enactment of this Act, initiate a proceeding to investigate—

(A) the extent to which video programming is being delivered to residents of rural areas by means of cable television systems and other media;

(B) methods which might be used to improve and extend the delivery of such programming by cable television systems and other media, which shall include—

(i) methods of assuring the provision of cable television services in rural areas through a universal service fund or related mechanism; and

(ii) methods of providing finances for the construction of cable television systems in rural areas under the auspices of Federal, State, and local rural development agencies.

(2) The Federal Communications Commission shall submit to the Congress not later than one year after the date of enactment of this Act a report on the results of the investigation required by this subsection and shall include in such report such recommendations for legislative or administrative action as the Commission considers necessary or appropriate in the public interest to improve and extend the delivery of such programming in rural areas.

Mr. GORTON. Mr. President, I am pleased to join with my colleague, Senator GORE, in introducing the Cable Competition Act.

Only 5 years ago, the Congress enacted the Cable Communications Policy Act, a bill which had my support at that time. Today, we are faced with a dramatically different environment than existed when cable was a fledgling industry. Cable now controls the source of television into 55 percent of the homes in America. Yet in virtually every community, the cable company is wihtout competition. This needs to be changed. Good public policy does not allow unregulated monopolies to go unchallenged.

Today, this bill will begin a discussion on the cable competition issue. Our bill is comprehensive and includes a number of important new initiatives which I believe will benefit the consumer, both in urban and rural areas. For the city dweller, who probably already subscribes to cable, the bill allows States to regulate the rates a cable operator may charge to provide lifeline television services. This should provide welcome relief or subscribers who live in cities, and who have suffered from large price increases from their local cable companies with no possibility of redress. For people who live in rural areas, this provision is also critical, because cable is often used as an antenna service. Not only do people in our smaller towns suffer equally from unlimited rate increases by the cable industry, but in many cases, they do not even have access to over-the-air signals.

Our legislation requires programming services whih are affiliated with cable operations to be made available to all distributers of programming on a nondiscriminatory basis. This provision is aimed at addressing the complaints of satellite and wireless operators who are denied the right to purchase programming at competitive rates. The legislation also allows telephone companies to provide video services, but provides important consumer protections against cross-subsidization from revenues derived from regulated telephone operations. The bill, however, does not overturn any of the specified prohibitions of the modifid final judgment that were imposed on the regional Bell operating companies as a result of the breakup of AT&T. A decision on that subject should be addressed in separate legislation.

For the RECORD, let me state, that I do not have a 100-percent commitment to each and every word in this bill. The issues it addresses are complex and far-reaching. To me, what is more important than any single provision in the bill, is our commitment to begin to debate on these issues and to serve notice that we will no longer tolerate the status quo.

By Mr. BAUCUS:

S. 1069. A bill to amend the Internal Revenue Code of 1986 to increase the amount of nondeductible contributions to individual retirement accounts, to exempt certain distributions from such accounts from the early withdrawal tax, and for other purposes; to the Committee on Finance.

INCREASE IN NONDEDUCTIBLE CONTRIBUTIONS TO INDIVIDUAL RETIREMENT ACCOUNTS

● Mr. BAUCUS. Mr. President, today I am introducing legislation to encourage Americans to increase their savings. I believe that one of the first steps we as a nation must take toward restoring our international competitiveness is to increase our personal savings rate. It is only through our savings that we will have the pool of capital necessary for investment in new plants, new equipment, and a more productive work force.

My bill would permit individuals who have established individual retirement accounts to contribute up to $4,000 per year to their accounts. But it would not change the rules on deductions for contributions to IRA's. The maximum amount that could be deducted would remain $2,000 per year. However, the earnings on the additional nondeductible $2,000 would not be taxed until distributed. The tax rules that now apply to nondeductible contributions would apply to the additional nondeductible contributions.

Under current law, distributions from an IRA are subject to a 10-percent tax on the amount of the distribution if the withdrawal is a premature distribution. My bill would provide that premature distributions made for three preferred uses would not be subject to the 10-percent tax. The preferred uses are the education of the taxpayer, his or her spouse, or

dependents or the retraining of the taxpayer; the purchase of a home by a first-time owner; and long-term health care of the taxpayer or spouse.

I know there are people who ridicule the idea that we as a nation should or can pass legislation to improve our competitive position in international markets. But I believe those people are wrong; they are gambling with our future and with the future of our children. There are some things that we can do through legislation. For one, we can create an environment that is more conducive to growth than our current business conditions.

In some cases, that means reallocating our Federal spending priorities. In other cases, it means creating incentives for action by the private sector. One of the more effective means of creating incentives is through the Tax Code. That is what this legislation does. It creates tax incentives to encourage savings, to encourage investment, and to improve the productivity of the American worker.

During the Reagan administration, the game in Washington was to raise revenue without calling it a tax increase. The President had declared tax increases verboten. So we raised taxes but called it something else. Sometimes we called it revenue enhancement, sometimes we called it compliance measures, sometimes we called it tighteners. And, in 1986, we called it tax reform.

Now I am not here to undo those bills. I certainly am not interested in being the first to call for undoing tax reform. But I fear that in our efforts to go along with President Reagan's position against tax increases, we may have acted without enough consideration of the impact of our actions on the Nation's competitiveness. I am especially concerned that when we acted in 1986 to make the rate cuts revenue neutral, we lost some of the savings and investment incentives that would make us more competitive.

Now is the time for a full and fair debate on tax legislation to restore American competitiveness. Some of the proposals will sound familiar to you. Tax incentives are needed to increase the domestic savings rate and to encourage domestic investment in plant and equipment.

Look at our national savings rate. Since 1981, Congress and the administration have been talking about and trying to increase the national savings rate. But the rate has been falling. From 1960 to 1980, the national savings rate averaged 7.4 percent of GNP. In recent years, it has averaged 2.3 percent. In 1986, it was less than 2 percent of GNP. You heard me right; I said less than 2 percent. That is less than half the rate of England, less than a third that of Germany, and about 10 percent of the rate in Japan.

There are clear explanations for our relatively low national savings rate. We generally must have a reason to save rather than to consume. We save for old age or retirement; we save for emergencies; we save to buy a new house or new cars; or we save to leave something to our children or grandchildren.

But what happens if the Government has encouraged the development of good retirement systems, or if insurance takes care of emergencies, or if the availability of credit replaces savings for houses and cars. What happens is that there is no incentive to save. And that has happened to us. We have lost the incentive to save so we simply don't save.

Half of the decline in the U.S. rate is attributable to the rising Federal deficits. The other half is attributable to the decline in the personal savings rate. We tried in 1981 to use tax incentives to encourage private savings. But these proposals got caught up in the tax reform process and were taken out of the Code without enough consideration of the effect on our competitiveness.

The evidence on the effectiveness of the 1981 savings incentives is inconclusive. But recent work by Larry Summers of Harvard indicates that criticisms of the effectiveness of IRA's may have been premature. In fact, according to Summers, significant evidence indicates that in fact IRA's have encouraged new savings.

I find his evidence persuasive. That is why I think we need to give IRA's another chance. And because our international competitiveness depends in large part on the quality of the U.S. work force, I am introducing this legislation to allow IRA withdrawals for education and retraining.

When it comes to international competitiveness, the factors of production that we must focus on are those that develop human capital and technology. We cannot compete with developing industrial nations based on labor costs or equipment costs. But we can compete based on workers skills and technology. These are two workplace factors of production.

Productivity improvement in the workplace can take many forms. It includes basic education of managers and workers as well as programs to train or retrain them as the workplace changes. It also includes attitudes of workers and managers—a difficult area to address, but one that must be addressed. And it includes the research and development of technologies in the laboratory and the transfer of the new technologies to become new commercial products and services.

Of those I have mentioned, the most basic are education and training. Retraining is going to be become more and more important as we face a workplace that must respond to rapid technological developments. Those developments are changing the manufacturing and the services sectors.

We cannot and should not give up competing in manufacturing. But we must recognize that the solution to competing as a 21st century manufacturer does not mean matching the wages paid in Taiwan, South Korea, or Mexico. That would not raise the American standards of living. And it would add nothing to the world economy. We should not push to reclaim low-pay, low-skill manufacturing jobs. We should instead push to improve the productivity of the American worker.

We cannot compete if all we do is reclaim routine manufacturing jobs. That is not where America's future productivity growth lies, just as our economy has evolved from small farms and small manufacturing to large farms and large manufacturing we also should accept, and prepare, for the next step. That step is the evolution to more sophisticated manufacturing and service jobs. These are jobs that require better educated and more technically skilled employees. We should already be preparing for this next step. We should already be educating the next generations to lead us into the 21st century.

But we are not doing that. We are not preparing our children to compete in an interdependent world economy. Here is something to think about. Just a brief comparison of the results of the American and Japanese education systems. In the United States, an estimated 20 percent of 18-year-olds are functionally illiterate and 25 percent of our high school students drop out before graduating. Japan has the highest rate of high school completion and literacy in the world, over 90 percent. And if we look at the quality of an American high school education, it appears that we may be awarding diplomas for attendance rather than accomplishment. Two-thirds of U.S. colleges provide remedial courses to incoming students because they are not prepared for college work. Things must change. Or rather, we must change them.

We cannot abandon U.S. manufacturing, but we should prepare for the certain growth in service industries. Contrary to the cynics, these jobs will not all be in health care, education, retailing, and government. And they will require higher skill levels than are required of today's jobs. Also, in the future, many jobs are likely to change with advances in technology. The pace of technological development has already created problems for us in the obsolescence of capital equipment. Treasury's Office of Depreciation Analysis is wrestling with the problem of how to depreciate equipment that becomes technologically obsolete

before it physically wears out. But what about human capital. The same technological advances that make equipment obsolete also make employee skills obsolete. What are we doing about that? How many of your firms have begun to think about that problem?

The Federal Government needs to lead on this issue. But we need to recognize that basic skills will not be enough to maintain U.S. economic leadership. We also need to encourage advanced education. And we need to encourage continuing education—or retraining—so that U.S. workers are prepared for jobs that change with technological advances.

In the past, tax incentives were not available for education that prepared a worker for a new or different position. But if the think tanks are right in predicting that the future demands flexibility in employees and periodic retraining, then that tax policy should be revised. And the bill I am introducing today does that by exempting premature distributions from the 10 percent tax if the funds are used for education or retraining.

My bill also would allow funds to be withdrawn from IRA's to pay for the long-term health care of the taxpayer or spouse. Health care expenditures in the United States reached $500 billion in 1987 and absorbed 11.1 percent of GNP. Health care expenditures are expected to rise to 15 percent of GNP by the year 2000. The United States spends proportionately more of its GNP on health care than does any other industrialized country. In spite of the billions spent on health care, more than 37 million Americans, or 1 in 7, are not covered by health care programs. Very few insurance plans cover long-term care. This legislation is not a substitute for overhaul of the Nation's health care system. But it will, in the short run, help Americans to cope with soaring medical and health care costs. And it will create an incentive for millions of Americans to start saving for their long-term health care needs.

The third preferred use would be for first-time home buyers. As the baby boomers have reached the stage in life where they want to buy homes, they are finding that their resources are not keeping up with the cost of housing. For these individuals, the rapid increase in housing costs has quickly out-paced their ability to come up with the downpayment for a home. My bill would make it easier for the first-time home buyer to generate the necessary savings to buy a home by exempting premature withdrawals for home buyers from the 10-percent tax.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1069

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. INCREASE IN LIMIT ON NONDEDUCTIBLE CONTRIBUTIONS TO INDIVIDUAL RETIREMENT ACCOUNTS.

(a) IN GENERAL.—Subclause (I) of section 408(o)(2)(B)(i) of the Internal Revenue Code of 1986 is amended to read as follows:

"(I) the amount allowable as a deduction under section 219 determined without regard to section 219(g) and by substituting '$4,000' for '$2,000' in section 219(b)(1)(A), over".

(b) CONFORMING AMENDMENTS.—

(1) Section 408(a)(1) of such Code is amended by striking "$2,000" and inserting "$4,000".

(2) Subparagraph (B) of section 408(b)(2) of such Code is amended by striking "$2,000" and inserting "$4,000".

(c) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 1989.

SEC. 2. EXEMPTIONS FROM EARLY DISTRIBUTION PENALTIES FOR CERTAIN DISTRIBUTIONS FROM INDIVIDUAL RETIREMENT ACCOUNTS.

(a) IN GENERAL.—Section 72(t)(2) of the Internal Revenue Code of 1986 (relating to exceptions) is amended by adding at the end thereof the following new subparagraph:

"(E) DISTRIBUTIONS FROM INDIVIDUAL RETIREMENT PLANS FOR EDUCATION, HOME PURCHASE, AND MEDICAL EXPENSES.—Distributions to an individual from individual retirement plans to the extent that the amount of such distributions (determined without regard to distributions described in subparagraph (A) or (D)) does not exceed the sum of the following amounts paid during the taxable year:

"(i) EDUCATIONAL EXPENSES.—Expenses paid during the taxable year for—

"(I) qualified tuition and related expenses (within the meaning of section 117(b)) of the taxpayer, his spouse, or his dependents for attendance at an educational institution described in section 170(b)(1)(A)(ii), including reasonable living expenses while away from home, and

"(II) retraining for purposes of obtaining or enhancing future employment.

"(ii) 1ST TIME HOME PURCHASE.—Expenses for the acquisition or construction of a principal residence (within the meaning of section 1034), but only if the taxpayer did not have a present ownership interest in such a principal residence at any time before such acquisition or construction.

"(iii) LONG-TERM HEALTH CARE.—Expenses which are incurred by the taxpayer for custodial or health care provided to the taxpayer or his spouse in a nursing home, or any goods or services provided to the taxpayer or his spouse outside of a nursing home in connection with the provision of custodial or health care to the individual."

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 1989.●

By Mr. KERRY:

S. 1070. A bill to amend title XVI of the Social Security Act to provide that the existing requirement for deeming a parent's income and resources to his or her children under age 18 shall not apply in the case of certain severely disabled children, and to provide that the benefit payable to such children under such title shall equal the personal needs allowance; to the Committee on Finance.

KAILEIGH MULLIGAN SSI REFORM ACT

● Mr. KERRY. Mr. President, no one would argue that children are one of our most precious resources and that as a nation, we should strive to encourage and strengthen family unity. I rise today to reintroduce legislation to overturn one aspect of the Supplemental Security Income [SSI] Program which has, on far too many occasions, served to unnecessarily separate severely disabled children from parents who are willing and able to care for their child at home.

Under current law, in certain cases disabled children are entitled to SSI benefits and therefore also eligible for Medicaid. However if the child's parent's income and assets are above $11,416, this income is deemed to the child, who then loses his or her SSI benefits and unless granted a waiver by the State also loses Medicaid eligibility. On the other hand, should the child stay in an institutional setting, they will receive total SSI and Medicaid benefits.

The legislation I am introducing today would require that the income deeming rules be waived for severely disabled children allowing them to receive SSI and Medicaid benefits regardless of their parents' income and assets. The children I am referring to are the individuals who are so disabled that they are eligible for institutional care, but who could receive the same level of care at home.

Far too often, despite the ability and desire of parents to care for their disabled child at home, they are unable to pay the prohibitive medical costs, even when home care can save the State and Federal Government considerable sums of money. But this is not what is at stake here. What is at stake is the quality of life of the individual and family. The best way this can be demonstrated is through example.

Kaileigh Mulligan is a 3-year-old from my home State of Massachusetts. She has Down's syndrome and requires frequent hospitalization and constant care. The easy alternative for her parents would be to keep Kaileigh in the hospital and let others care for her. But, although Kaileigh requires a lot of attention, her parents would rather raise and care for her at home in a loving and secure environment.

Yet the way the current law reads, keeping Kaileigh at home means that the income of her parents is deemed to be Kaileigh's and therefore she loses her eligibility for Medicaid and for SSI. What is important to note is that Kaileigh would have been fully entitled to these benefits if she were to be permanently hospitalized.

In Kaileigh's case the State of Massachusetts has granted a waiver from the income deeming rules so that she could remain at home and still be eligible for Medicaid. However, Federal law still prohibits Kaileigh from receiving SSI benefits, which for her would amount to about $1,200 a year. These funds would primarily be used to help pay for the medical supplies such as feeding tubes, which Kaileigh needs to function from day to day.

Modifying SSI eligibility is not only a morally and socially sound approach, but it is also extremely cost efficient. The Massachusetts Office of Human Services recently estimated that it costs anywhere from $48,000 to $405,000 to care for a child like Kaileigh in a hospital. This cost could be drastically reduced with home care. But more importantly, the direct social benefits to the children and their families are undeniable.

It is time to act and to remove the perverse incentive that exists for children to remain in institutions rather than at home with families. The decision to care for a severely disabled child at home is a difficult one in and of itself, and should not be based on whether or not it will jeopardize benefits. The decision should be based on the willingness and ability of the family to provide quality care and on whether or not it is in the best interests of the family.

I urge my colleagues to join me in supporting this important legislation which gives us an opportunity to reconcile Government policies with the needs of the family and ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1070

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. PARENTS' INCOME AND RESOURCES NOT TO BE DEEMED TO CERTAIN SEVERELY DISABLED CHILDREN.

(a) IN GENERAL.—Section 1614(f)(2) of the Social Security Act (42 U.S.C. 1382c(f)(2)) is amended—

(1) by striking "For purposes of determining" and inserting "(A) Subject to subparagraph (B), for purposes of determining"; and

(2) by adding at the end the following new subparagraph:

"(B) Subparagraph (A) shall not apply to a child under age 18 if the Secretary determines that—

"(i) the child is disabled (as defined in subsection (a)(3)) and requires a level of care provided in a hospital, skilled nursing facility, or intermediate care facility (within the meaning of those terms as used in title XIX);

"(ii) it is appropriate to provide such care for the child outside such an institution; and

"(iii)(I) the estimated dollar amount which would otherwise be expended monthly in providing the child with such care within such an institution, exceeds

"(II) the estimated dollar amount which would be expended monthly in providing the child with such care outside such an institution, plus the benefit payable to such child monthly under section 1611(b)(3).".

(b) SSI BENEFIT EQUAL TO PERSONAL NEEDS ALLOWANCE.—Section 1611(b) of such Act (42 U.S.C. 1382(b)) is amended by adding at the end the following new paragraph:

"(3) The benefit under this title for an individual who is described by section 1614(f)(2)(B) shall be payable at a rate equal to the dollar amount specified in subsection (e)(1)(B)(i) for the calendar year 1989 and any calendar year thereafter.".

(c) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall apply to benefits for months after the month in which this Act is enacted.●

By Mr. STEVENS (for himself and Mr. PRYOR):

S. 1071. A bill to amend chapter 53 of title 5, United States Code, to authorize the repayment of student loans for recruiting and retaining certain Federal employees; to the Committee on Governmental Affairs.

REPAYMENT OF CERTAIN STUDENT LOANS

Mr. STEVENS. Mr. President, today I am introducing legislation that will help the Federal Government become more competitive in recruiting the "best and brightest" to its ranks. The solution I propose is really quite simple. My bill would allow Federal agencies to repay all or part of the outstanding student loan of a promising college recruit, in exchange for a period of Government service. Let me briefly describe the basis for this proposal and the authorities that it would provide.

I think we all know that the Federal Civil Service is in trouble, unable to recruit, motivate, and retain those who are most critical to its continued health and vigor. This has been termed a "quiet crisis." This crisis is particularly evident in the Federal Government's apparent inability to attract the best and brightest of today's college graduates.

The National Commission on the Public Service, the Volcker commission, cites some compelling statistics in this regard, and it concludes that public service is often seen as a career of last resort. This is especially the case for those who have skills that are in demand, or those who have demonstrated leadership potential through academic excellence.

Now is not the time or place to debate the underlying reasons for this crisis. Instead, it is time to start solving the problem. My bill offers one such solution. It is designed to improve the Federal Government's ability to compete for top college graduates by allowing agencies to repay the student loans of those graduates.

This repayment authority would be limited to most loans made under the federally guaranteed student loan program. That program, established by the Higher Education Act, subsidizes and reinsures loans made by private lenders to help students meet the increasing costs of post-secondary education. Student loans made under similar State programs are covered as well. Because of the Government's acknowledged difficulty in recruiting for the health professions, I've also included student loans made under the Public Health Service Act.

The terms and conditions of those loans are set by lenders according to the various Federal and State statutes that authorize student loans, and my bill would not affect those terms and conditions in any way. Rather, it would allow a Federal agency or department to repay those loans on behalf of promising students.

It is a plain fact that the dream of a college education has become very expensive, and many students have to borrow just to attend. We have seen fit to assist in that dream by providing indirect financial support, in the form of loan guarantees and interest subsidies under the Higher Education Act and similar statutes. However, this support notwithstanding, many of our brightest young people graduate from college in debt. And, where that debt is heavy, many graduates simply cannot afford the option of Federal service.

My bill will remove that barrier from civil service. However, there are some strings attached.

For a Federal agency, this repayment authority would be at its discretion, used as it sees fit to recruit highly qualified people that are important to its mission. It would also have discretion to repay all or part of the student loan.

However, this authority is not unfettered. The agency would be required to absorb the expense of loan repayment out of its existing payroll budget—my proposal envisions no new outlays whatsoever. This has the added benefit of insuring that this authority is used sparingly and only when necessary.

Agency managers will have to make some tough decisions as a consequence, reallocating funds to use this recruiting incentive, but that's what they get paid for.

For the college recruit, loan repayment has strings attached as well. First, as a condition of repayment, my bill requires the recruit to remain in Federal Government service for not less than 3 years, and to execute a written agreement to that effect. However, an agency and a new recruit may agree on a longer service/repayment period, so long as the agreement remains consistent with the terms of the original student loan.

Second, for the Government to continue repayment, the newly appointed Federal employee would be required to maintain an acceptable level of performance, as defined under the Government's present performance appraisal system. If the employee's official performance rating falls below that level, loan repayment by the Government would stop, and the employee would resume repayment according to the terms of his or her original loan agreement with the lender.

Finally, the Government would also stop loan repayment on behalf of an employee if that employee is separated from the Federal service for any reason. As before, the employee—now ex-employee—would resume repayment.

These are stringent conditions, but they should not trouble the kinds of people this bill is intended to benefit. And, they insure the Government a return on its human resource investment.

In summary, Mr. President, my bill represents a start in dealing with the crisis that besets our civil service. I believe that it is consistent with the education and public service priorities of the President, and it is also consistent with the fiscal realities that we all must contend with. It doesn't begin to address all of the problems that we face in this area, but it will help the Federal Government compete for the best and brightest. Accordingly, I urge my colleagues to support this legislation.

I ask unanimous consent that the text of my bill and the sectional analysis be printed in the RECORD immediately following my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1071

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

REPAYMENT OF STUDENT LOANS FOR CERTAIN FEDERAL EMPLOYEES

SECTION 1. (a) Chapter 53 of title 5, United States Code, is amended by inserting after section 5375 the following new section:

"§ 5376. Repayment of student loans for certain employees

"(a) The head of any department or agency may repay all or part of a student loan, as provided in subsection (b), from funds appropriated and available at the time of such repayment for an employee appointed to a position that requires highly qualified professional, technical, or administrative personnel.

"(b) A student loan repayment under this section may be for—

"(1) any loan made, insured, or guaranteed under part B of title IV of the Higher Education Act of 1965 (20 U.S.C. 1071 et seq.);

"(2) any loan made under part E of title IV of the Higher Education Act of 1965 (20 U.S.C. 1087aa et seq.);

"(3) a health education assistance loan made or insured under part C of title VII of the Public Health Service Act (42 U.S.C. 294 et seq.) or under part B of title VII of such Act (42 U.S.C. 297 et seq.); or

"(4) any student loan made, insured, or guaranteed by a State government.

"(c) An employee whose student loan is repaid under this section shall sign a written agreement that—

"(1) includes the period of Federal service to be served by such employee as determined by the head of a department or agency and such employee;

"(2) requires, as a condition of repayment, that such period of Federal service is of less than 3 years;

"(3) includes the amount of the student loan (or portion thereof) to be repaid by the department or agency, consistent with the terms of the employee's student loan agreement with the lender;

"(4) requires that an employee whose loan is repaid by a department or agency shall—

"(A) maintain an acceptable level of performance for the period of loan repayment; and

"(B) resume repayment (in lieu of the department or agency) according to the terms of the original loan agreement with the lender, if such employee fails to meet an acceptable level of performance as determined by the head of the department or agency; and

"(5) provides that if an employee is separated from Federal service before the end of the period such employee agreed to serve—

"(A) the department or agency shall cease repayment of the student loan of such employee; and

"(B) the employee shall resume repayment thereafter in accordance with the terms of the original student loan agreement with the lender.

"(d) If a portion of a loan is repaid under this section for any year, interest on the remainder of such loan shall accrue and be paid in the same manner as is otherwise required by the terms of the original student loan.

"(e) Nothing in this section shall be construed to authorize refunding any repayment of a loan.

"(f) The repayment of a loan under this section shall be in addition to any pay an employee would otherwise receive for a position and shall not be considered or construed as compensation.".

(b) The table of sections for chapter 53 of title 5, United States Code, is amended by inserting after the item relating to section 5375 the following:

"5376. Repayment of student loans for certain employees.".

A BILL TO AUTHORIZE THE REPAYMENT OF STUDENT LOANS FOR RECRUITING AND RETAINING CERTAIN FEDERAL EMPLOYEES—SECTIONAL ANALYSIS

Section 1 (a) amends chapter 53 of title 5, United States Code, by inserting a new section 5376.

§ 5376(a) provides that a Federal agency or department may repay all or part of certain student loans owed by, or made on behalf of, highly qualified recruits for professional, technical, or administrative positions in the Federal civil service. It further provides that such repayment shall be from funds already appropriated at the time of appointment.

§ 5376(b) limits this repayment authority to student loans made under parts B and E of title IV of the Higher Education Act. These parts encompass Guaranteed Student Loans (GSLs), Supplemental Loans for Students, PLUS loans (loans for parents of dependent students), and Perkins Loans (direct loans to students in institutions of higher learning). Health education assistance loans made under part C of title VII of the Public Health Service Act are also covered, as are loans made, insured, or guaranteed by a state government.

§ 5376(c) imposes certain obligations upon an individual appointed to the civil service whose student loan is to be repaid under this section.

Subsections (1) and (2) require, as a condition of loan repayment, that the individual agree in writing to a period of Federal service of not less than three years; the service commitment made by the employee corresponds to the period of loan repayment by the agency.

Subsection (3) specifies that the written agreement include the portion or amount of the student loan to be repaid by the government, and the period of its repayment. This subsection also requires that the service/repayment agreement between an agency and an employee be consistent with the terms and conditions of the employee's original student loan agreement with the lender.

Subsection (4) requires, as a condition of continued loan repayment by the goverment, that the employee agree to maintain an acceptable level of performance (as determined by the employing agency) for the period of loan repayment. If at any time during that repayment period the employee's performance is determined to be unacceptable, the agreement specifies that the employee (or in the case of a parent borrower, the parent) will repay the balance of that loan according to the terms of the original loan agreement with the lender.

Subsection (5) requires the employee (or in the case of a parent borrower, the parent) to resume loan repayment upon the employee's separation from government service, if such separation occurs before the expiration of that employee's service/repayment agreement with the government.

§ 5376(d) provides that if an agency repays a portion of an employee's loan in any given year, any interest on the remainder of that loan accrues and is paid by that agency (or, where the government stops repayment, the employee or parent borrower, whichever is applicable) according to the terms of the original student loan.

§ 5376(e) specifically precludes an employee, former employee, or parent borrower, whichever is applicable, from receiving a refund from a lender of any loan repayment (or portion thereof) made by an agency under this section.

§ 5376(f) states that an agency's loan repayment made under this section is not to be considered as part of an employee's pay, or as any part of that employee's compensation for government service.

Section 1 (b) amends the table of sections for chapter 53 of title 5 by inserting information relating to section 5376.

Mr. PRYOR. Mr. President, I rise today with my colleague, Senator STEVENS, to introduce a bill that will try to improve the Government's ability to recruit and retain highly qualified employees by allowing agencies to repay all or a portion of an employee's student loan.

The Federal Government has been having increasing trouble over the past years in hiring and keeping employees who fill the needs of the many agencies which perform such a variety

of important and necessary tasks. This is partly due to the fact that government salaries have fallen behind those of the private sector. It is also due to the fact that the Government, as a whole, has not done as good a job as it could in going out and actively recruiting highly qualified candidates.

The bill provides agencies with another tool that they can use to aid recruiting efforts. Agencies will have wide latitude to work out how much of a loan will be repaid by the agency and the length of time the employee will have to commit to staying with the agency to reap the benefit of this program. However, since agencies will be required to absorb the costs, I anticipate that agencies will exercise great discretion in using this program. The loans which can be repaid under this program are guaranteed student loans, supplemental loans for students, PLUS loans, and Perkins loans.

I view this bill not as a final solution but as a point of departure for future discussions on how to address the Government's recruitment and retention problems. Other issues which we might want to consider are improving and expanding the authority to reimburse applicants who have to travel to job interviews and increasing the instances in which the Government will pay for newly hired employees to move to their first job location.

I look forward to working with Senator STEVENS on this legislation and the many other recruitment and retention issues which need to be addressed.

By Mr. STEVENS:

S. 1072. A bill to provide that a demonstration project be conducted to test flexiplace work arrangements for Federal employees, and to provide for the establishment of a program to facilitate the exchange of information relating to job-sharing arrangements among Federal employees; to the Committee on Governmental Affairs.

FEDERAL EMPLOYEES FLEXIBLE WORK ARRANGEMENTS ACT

Mr. STEVENS. Mr. President, the shape of the American work force is changing, and today I am introducing legislation that will help the Federal civil service adapt to those changes. I join with Representative FRANK WOLF in the House in offering a bill that would authorize Federal agencies and employees to experiment with more flexible job sharing and worksite arrangements, to include the opportunity for home-based work.

This legislation is entitled the Federal Employee Flexible Work Arrangement Act of 1989. It is born out of government's need to accommodate the new American worker. As we enter the 1990's, the typical American worker will be part of a two-income family, most likely with children or dependent elderly. That worker will spend a considerable amount of time commuting to and from his or her employer's place of business, trying to balance the demands of work and family. Employers must establish human resource management policies that are sensitive to these demands. The legislation we propose is intended to foster such human resource management policies in the Federal Government.

The first title of this bill will allow agencies to set up "flexi-place" experiments, subject to regulation and oversight by the Office of Personnel Management. Under these experiments, certain Federal employees will be permitted to work at home or at some other alternative worksite. Such arrangements are made possible by advances in telecommunications and the widespread availability of personal computers.

These technologies allow a fundamental change in the nature of employment: in the past, the worker had to go to the work, and those of us who commute in Washington know how difficult that can be. Now, it is possible to bring the work to the worker—or to let the worker take it home. The employee can continue to maintain a presence in the organization, only that presence will be electronic rather than physical. In effect, the worker will commute electronically—or telecommute—to the workplace of the future.

This may be some years away, but it is not too early to begin experimenting with the concept. That is the principal purpose of the legislation we propose. Its premise is that many jobs have duties that do not need to be performed in the central office. Indeed, in many cases, these duties—such things as report writing, analytical work, et cetera—are more effectively accomplished away from the diversions of the office. By allowing these duties to be performed at home, productivity, morale, and work quality should improve. Other benefits attend as well, such as some relief from traffic congestion and the high cost of office space in our central cities.

These predictions may sound farfetched, but the advantages of flexible work-site arrangements have already been demonstrated in both public and private sectors. Over 200 private firms permit these sorts of arrangements, firms such as New York Life, Control Data, and American Express. State and local governments in California, Colorado, New Jersey, and Washington State have also begun experiments such as envisioned by this legislation.

Flexi-place is a natural outgrowth of flexible work scheduling arrangements, or flexi-time. The Congress authorized the latter on a Government-wide basis a few years ago, and I believe that it has been quite successful, benefiting employees and Federal agencies alike. That program began in much the same way as the one Mr. WOLF and I propose, with experimentation by agencies in a variety of work settings. I believe that it will net the same results.

The second title of this bill is intended to facilitate another flexibility in the management of our human resources: job sharing. Under a job sharing arrangement, two part-time employees perform the work of a single full-time position. Such arrangements accommodate the needs of those employees or applicants who desire less-then-full-time work, such as a new mother or father, or a person with a dependent parent.

In theory, employees who share a full-time position are equally skilled; thus, there is no disadvantage to the manager who agrees to such an arrangement. However, finding two people who are equally qualified, who both desire part-time work, and whose scheduling requirements adequately mesh, is no easy task.

Job sharing in the Federal Government is already authorized under chapter 34 of title 5; however, this authority provides no means of facilitating these arrangements. To date, job sharing has occurred on an ad hoc basis, and as a consequence, it has not occurred with great frequency.

The bill I am introducing today would remedy this by requiring the Office of Personnel Management to set up a job sharing data bank in appropriate geographic locations, for example, areas with a high concentration of Federal employees. Using this data bank, agencies, employees and applicants interested in a job-sharing arrangement would be able to match their respective needs and requirements. Such a data bank would allow an employee to locate a suitable job-sharing partner and identify those agency vacancies that may be filled on a shared basis.

Mr. President, the two parts of this bill are variations of the same theme. That theme centers on greater flexibility in the Federal workplace, an ability on the part of the Government, as an employer, to tailor its conditions of employment to the needs of the individuals that comprise its work force. This is something that any employer should seek to do. For the Government, this flexibility becomes an imperative if we are to compete successfully in increasingly competitive labor markets. Accordingly, I urge my colleagues to support this legislation. I ask unanimous consent that the text of my bill be reprinted in the RECORD immediately following my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1072

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Federal Employees Flexible Work Arrangements Act of 1989".

TITLE I—DEMONSTRATION PROJECT

SEC. 101. DEFINITIONS.

For purposes of this title—

(1) the term "agency" has the meaning given it by section 4701(a)(1) of title 5, United States Code, except that such term also includes the United States Postal Service, the Postal Rate Commission, and a military department (as defined by section 102 of such title);

(2) the term "employee" has the meaning given it by section 2105 of title 5, United States Code;

(3) the term "Office" means the Office of Personnel Management; and

(4) the term "flexiplace work arrangement", as used with respect to an employee, means an arrangement under which the employee is allowed to perform the duties and responsibilities of such employee's position at home or another place apart from the employee's usual place of work.

SEC. 102. AUTHORITY.

(a) IN GENERAL.—Agencies may design and, upon approval by the Office, conduct experiments to test the feasibility and desirability of offering flexiplace work arrangements to their employees.

(b) PROCEDURES.—The Office shall by regulation establish procedures under which proposals for experiments under this title may be submitted. In addition to any requirements as to the required form or content of any agency proposal, the regulations shall indicate the deadline for submitting any such proposal. Regulations under this subsection shall be prescribed not later than October 1, 1989.

(c) GUIDELINES.—The Office shall prescribe guidelines with which all flexible work arrangements under this title must conform. The guidelines shall provide as follows:

(1) An agency conducting an experiment under this title shall be responsible for determining which positions or types of positions will be included. The procedures used in identifying the employees to be included in the experiment shall be consistent with—

(A) subsections (f) and (g) of section 4703 of title 5, United States Code; and

(B) the interest in having flexiplace work arrangements tested in a broad range of positions which vary on the basis of pay level, job functions, and other factors.

(2) Employees selected to test flexiplace work arrangements and the personnel who will be supervising them shall be given appropriate training, including training relating to any new or revised standards which will be used in performance evaluations.

(3) The agency may impose reasonable conditions to ensure the appropriate use and maintenance of any equipment or items provided for use at a participating employee's home or other place apart from the employee's usual place of work.

(4) The agency shall establish requirements relating to the frequency with which the employee must report to such employee's usual place of work each week or each month, as appropriate.

(5) Participation by an employee shall be voluntary. An employee may elect to cease participating in a flexiplace work arrangement at any time. The employing agency may terminate an employee's participation in such an arrangement if the employee's continued participation would not be in the best interests of the agency.

(6) Participation in the project will not adversely affect an employee's eligibility for advancement or any other rights or benefits.

(7) The limitations under section 1348 of title 31, United States Code (relating to telephone installation and charges) may be waived for participating employees in appropriate circumstances.

SEC. 103. TERMINATION DATE; REPORTING REQUIREMENT.

(a) TERMINATION DATE.—Experiments under this title shall terminate not later than September 30, 1991.

(b) REPORTING REQUIREMENT.—The Office shall review all experiments undertaken under this title and, not later than June 30, 1991, submit a written report to the Congress containing its findings. The report shall include—

(1) the Office's findings with respect to any additional costs or savings associated with flexible working arrangements, as well as their effect on productivity, job satisfaction, and morale; and

(2) recommendations for any legislation or administrative action which the Office considers appropriate.

TITLE II—JOB-SHARING PROGRAM

SEC. 201. JOB-SHARING PROGRAM.

(a) ESTABLISHMENT.—Section 3402 of title 5, United States Code, is amended by adding at the end the following:

"(c)(1) The Office of Personnel Management shall establish and operate a program designed to facilitate the use of job-sharing arrangements in agencies.

"(2) Under the program, the Office shall serve as a clearinghouse for information pertaining to individuals seeking employment under job-sharing arrangements, and any positions which may or must be filled under such an arrangement.

"(3) Any individual wishing to be included in listings furnished under the program may be required to indicate the positions or types of positions sought, personal qualifications, days or hours of availability for work, and any other information which the Office may by regulation require.

"(4) An agency having positions appropriate for listing under the program shall inform the Office as to the availability of those positions. Agencies shall provide such information as the Office may by regulation require, including information relating to how the duties and responsibilities of each position would be apportioned under a job-sharing arrangement.

"(5) Information pertaining to any particular individual shall be kept available until the earlier of—

"(A) a written request by such individual to be excluded from the program; or

"(B) such individual's being placed in a position on a job-sharing basis.

An individual may not be included in listings under the program for more than 1 year, except upon the written request of such individual for an extension. An individual may receive more than 1 extension under the program, but each such extension shall be for not to exceed 1 year."

(b) NOTICE.—The Office of Personnel Management shall take measures reasonably designed to provide continuing notice to Government employees and applicants for Government employment relating to the availability of the program established pursuant to the amendment made by subsection (a).

By Mr. STEVENS (for himself, Mr. BYRD, Mr. DIXON, Mr. ROBB, and Mr. SIMON):

S. 1073. A bill to amend chapter 83 of title 5, United States Code, to provide civil service retirement credit for service performed under the Railroad Retirement Act, and for other purposes; to the Committee on Commerce, Science, and Transportation.

RAILROAD SERVICE RETIREMENT CREDIT ACT

Mr. STEVENS. Mr. President, the legislation I am introducing today would provide retirement credit under the civil service retirement system [CSRS] for certain Federal employees with Railroad Retirement Act service.

This bill is identical to H.R. 1948 which passed the Senate in December 1987.

Under current law, individuals with service under the Railroad Retirement Act and the CSRS receive two separate annuities at retirement. This legislation would allow certain employees with post-1935 Railroad Retirement Act service who later went to work for the Federal Government to receive one annuity under CSRS rather than one from civil service and another from railroad retirement.

Since 1911, the Federal Government has employed a small number of individuals recruited from the railroad industry to implement Government rail transportation programs. These experts, all highly knowledgeable in the construction, maintenance, and operation of railroads, have been employed in the Interstate Commerce Commission [ICC], the Federal Railroad Administration [FRA], the National Transportation Safety Board [NTSB], the National Mediation Board [NMB], the Railroad Retirement Board [RRB], the General Accounting Office [GAO] and as congressional employees. In addition, the Alaska Railroad, formerly a part of the FRA, employs individuals who have Railroad Retirement Act service.

In implementing these rail transportation programs, Congress authorized the employment of these experts from the railroad industry to promote safe rail transportation. Unfortunately, those who have pursued this dual career now face a serious disadvantage at retirement.

During their years of railroad service, these employees contributed to and were vested in the railroad retirement system which was established by Congress to ensure that employees on our Nation's railroads would be amply provided for in their retirement years. Once they were recruited into the Federal Government, however, they contributed to and became vested in the civil service retirement system. When these individuals accepted Federal employment, the two federally established retirement programs required substantially equal contributions and

one could reasonably assume there would be no adverse effect on an individual's ultimate retirement annuity.

In fact, this has not proven to be the case. Those individuals who were recruited from the railroad industry into Federal employment now find that their combined annuity under the railroad retirement and civil service retirement systems is significantly less than if their total service had been covered continuously under either one of the two systems. In effect, the railroad worker is penalized for moving to the civil service.

Mr. President, the recruitment of qualified employees for the Federal Government is difficult enough without maintaining such a disincentive for accepting Federal employment. This is an anomalous situation affecting a finite number of Federal employees. With the Federal Government today, there is a small group of approximately 460 people, including about 60 employees of the Alaska Railroad, who would benefit from this legislation.

Under my bill, this small group of individuals would be allowed to deposit into the civil service retirement fund the difference between what they contributed under the Railroad Retirement Act and what they would have contributed to the fund if they had been subject to the civil service retirement system during those years of railroad service. They would then receive one retirement annuity from the civil service retirement system.

This is a just solution to what, in my judgment, is an inequitable situation for a small number of Federal employees. It is not offered without precedent. In recent years, for instance, we provided civil service retirement system credit for three similarly situated groups—certain employees of DOD nonappropriated fund instrumentalities, Federal employees with pre-1969 National Guard technician service, and cadet nurses who served during World War II.

The Congressional Budget Office estimates that the cost of enactment of this bill to the Federal Government will not exceed $300,000 per year.

Mr. President, I ask unanimous consent that the text of my bill be included in the RECORD following my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1073

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Railroad Service Retirement Credit Act of 1989."

SEC. 2. SERVICE CREDIT COMPUTATION.

Subsection (b) of section 8332 of title 5, United States Code, is amended—

(1) by striking out "and" at the end of paragraph (15);

(2) by striking out the period at the end of paragraph (16) and inserting in lieu thereof "; and"; and

(3) by inserting after paragraph (16) the following new paragraph:

"(17) in the case of any individual who first becomes an employee of the Department of Transportation, the Interstate Commerce Commission, the National Mediation Board, the National Transportation Safety Board, the Railroad Retirement Board, the GAO, or an employee as defined in 5 U.S.C. 2107, on or before December 31, 1983, service performed on or after December 31, 1935, as an employee subject to the provisions of the Railroad Retirement Act of 1935, the Railroad Retirement Act of 1937, or the Railroad Retirement Act of 1974 (45 U.S.C. 231 et seq.), if such employee—

"(A) acquires 5 years or more of creditable civilian service (other than service performed on or after December 31, 1935, as an employee subject to the provisions of such Railroad Retirement Acts); and

"(B) makes a deposit to the Fund in an amount equal to the excess of the amount which would be required under section 8334(c) of this title, but for section 8334(g)(7) of this title, over the total amount contributed by such employee under such Railroad Retirement Acts."

SEC. 3. DEPOSITS.

Section 8334(g) of title 5, United States Code, is amended—

(1) by striking out "or" at the end of paragraph (5);

(2) by striking out the period at the end of paragraph (6) and inserting in lieu thereof "; or"; and

(3) by adding at the end thereof the following new paragraph:

"(7) service creditable under paragraph (17) of section 8332(b) of this title, except to the extent provided in subparagraph (B) of such paragraph."

SEC. 4. INELIGIBILITY FOR ANNUITY UNDER RAILROAD RETIREMENT ACT OF 1974.

Section 2 of the Railroad Retirement Act of 1974 (45 U.S.C. 231a) is amended by adding at the end the following new subsection:

"(i) An individual who is entitled to an annuity under subchapter III of chapter 83 of title 5, United States Code, is not eligible to receive an annuity under this section on the basis of the same service."

By Mr. BURDICK (for himself, Mr. CHAFEE, Mr. MITCHELL, Mr. MOYNIHAN, Mr. SIMON, Mr. COHEN, Mr. CONRAD, Mr. JEFFORDS, Mr. BENTSEN, Mr. REID, Mr. LIEBERMAN, Ms. MIKULSKI, Mr. ADAMS, Mr. KASTEN, Mr. SASSER, Mr. DODD, Mr. DASCHLE, Mr. SARBANES, Mr. FOWLER, Mr. BIDEN, Mr. SANFORD, Mr. GORTON, and Mr. BAUCUS):

S. 1076. A bill to increase public understanding of the natural environment and to advance and develop environmental education and training; to the Committee on Environment and Public Works.

NATIONAL ENVIRONMENTAL EDUCATION ACT

Mr. BURDICK. Mr. President, today I am introducing legislation to renew the Federal Government's commitment to environmental education and training. I am pleased that the ranking minority member of the Environment and Public Works Committee, Senator CHAFEE, and the majority leader Senator MITCHELL, and more than 20 other Senators, are joining me in introducing this important legislation. In the years I have served on the Senate Environment and Public Works Committee, environmental problems have become increasingly complex and interrelated. In the past several years, we have seen growing evidence that we now face environmental problems on a global scale. Responding to national and global environmental issues, we developed programs to prevent and reduce pollution, such as the Clean Air Act, the Clean Water Act, Superfund, the Resource Conservation and Recovery Act, and the Safe Drinking Water Act.

Responding to environmental problems over the long run, will require more than enactment of specific environmental programs. It will require building public understanding of environmental issues and public commitment to protecting our natural environment.

The legislation we are introducing today is designed to build public awareness and understanding of environmental issues. The bill directs the Federal Government to support and encourage environmental education programs, and to work with States, local governments, and nonprofit organizations to promote existing environmental education efforts. Following the first Earth Day in 1970, Congress passed major environmental statutes, such as the Clean Air Act and the Clean Water Act, which form the foundation of our present environmental program. It is sometimes forgotten that a key part of this first round of environmental laws was the National Environmental Education Act, signed into law by President Nixon on October 30, 1970.

Unfortunately, this act was repealed in 1981 as part of the Omnibus Budget Reconciliation Act. The legislation we are introducing today renews and restates our commitment to environmental education.

The bill includes many of the key elements of the original Environmental Act as well as several new provisions. The bill establishes an Office of Environmental Education at the Environmental Protection Agency. The office would take the lead in developing environmental education, training, and related activities, and it would administer the other provisions of the legislation. The bill provides for the development and delivery of education and training programs, including classroom training, field studies and related activities.

The EPA is to establish a contractual relationship with a major univer-

sity, or a consortium of universities and nonprofit agencies, to carry out training programs on an annual basis. A key provision of the bill provides for about $5 million in grants each year to school systems, colleges, environmental agencies, and nonprofit organizations for environmental education programs and projects. Grants are to be limited to $100,000 and are to provide 75 percent of projects funds. Twenty-five percent of grant funds are to be used to make small grants of not more than $5,000.

One goal of this bill is to attract young people toward careers in environmental protection. Since it is sometimes difficult to understand the roles of the various Federal agencies involved in environmental programs, the bill provides for up 150 internships for college students at these Federal agencies. The bill also provides for a series of awards to recognize excellence in environmental education.

The Theodore Roosevelt Award would be given to recognize an outstanding career in environmental education, teaching, and administration. The Henry David Thoreau Award would recognize an outstanding contribution to literature on the natural environment. The Rachel Carson Award would recognize an outstanding contribution in print or film media to public education in environmental issues. Finally, the bill provides for a council to advise the Administrator of the EPA in implementing the Environmental Education Program.

Mr. President, given the serious financial constraints we currently face, I propose a modest authorization of $15 million for the National Environmental Education Act. This is the average authorization level we provided in the original environmental education legislation passed in 1971. In addition, I am proposing that we establish an environmental education trust fund. Half of the amount of any penalty paid by those who violate our major environmental laws would be deposited in the trust fund. The total amount of penalties under environmental laws is about $25 million, and this is expected to increase in the future.

The trust fund should come very close to covering the $15 million authorized in this bill. At the present time, most of these penalties go directly to the Treasury.

In the news we see the problems facing our environment—oilspills, global warming, ground water contamination, lead in drinking water, and radon gas in homes and schools. These problems can appear to be both intractable and overwhelming. Education can bring environmental problems into better focus and establish a foundation on which to build long-term solutions. This legislation restores the Federal Government's commitment to the environment, and to teaching new generations about our natural resources.

In closing, I want to note my gratitude to former Senator Gaylord Nelson and former Representative John Brademas, the sponsors of the original environmental education legislation. Today's legislation builds on their work. I urge my colleagues to join me in supporting this legislation, and I ask unanimous consent that a section-by-section description of the bill and a copy of the bill be printed at an appropriate place in the RECORD.

There being no objection, the material was ordered to be printed in the Record, as follows:

S. 1076

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

(a) TITLE.—This Act may be cited as the "National Environmental Education Act".

(b) TABLE OF CONTENTS.—

Sec. 1. Short title and table of contents.
Sec. 2. Findings.
Sec. 3. Definitions.
Sec. 4. Office of Environmental Education.
Sec. 5. Environmental education and training program.
Sec. 6. Environmental education grants.
Sec. 7. Environmental internships.
Sec. 8. Environmental education awards.
Sec. 9. Environmental Education Advisory Council.
Sec. 10. Environmental Education Trust Fund.

SEC. 2. FINDINGS.

The Congress finds that—

(1) Threats to human health and environmental quality are increasingly complex, involving a wide range of conventional and toxic contaminants in the air and water and on the land.

(2) There is growing evidence of international environmental problems, such as global warming, ocean pollution, and species diversity, and that these problems pose serious threats to human health and the environment on a global scale.

(3) Effective response to complex environmental problems requires understanding of the natural environment and awareness of environmental problems and their origins, and the skills to solve these problems.

(4) Development of effective solutions to environmental problems and effective implementation of environmental programs requires a well educated and trained, professional work force.

(5) Current Federal efforts to inform and educate the public concerning the natural environment and environmental problems are not adequate.

(6) Existing Federal support for development and training of professionals in environmental fields is not sufficient.

(7) The Federal Government, acting through the Environmental Protection Agency, should work with local education institutions, State education agencies, not-for-profit educational organizations, and private sector interests to support development of curricula, special projects, and other activities, to increase understanding of the natural environment and to improve awareness of environmental problems.

(8) The Federal Government, acting through the coordinated efforts of its agencies and with the leadership of the Environmental Protection Agency, should work with local education institutions, State education agencies, not-for-profit educational organizations, and private sector interests to develop and support methods, practices, and programs to assure the highest level of education and training, including technical and scientific skills, of professionals in environmental fields.

SEC. 3. DEFINITIONS.

For the purposes of this Act, the term—

(1) "Administrator" means the Administrator of the Environmental Protection Agency;

(2) "Agency" means the United States Environmental Protection Agency;

(3) "Federal agency" or "agency of the United States" means any department, agency or other instrumentality of the Federal Government, any independent agency or establishment of the Federal Government including any Government corporation;

(4) "Secretary" means the Secretary of the Department of Education;

(5) "local education agency" means any education agency as defined in section 198 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 3381); and

(6) "not-for-profit" organization means an organization, association, or institution described in section 501(c)(3) of the Internal Revenue Code of 1986, which is exempt from taxation pursuant to the provisions of section 501(a) of such code.

SEC. 4. OFFICE OF ENVIRONMENTAL EDUCATION.

(a) The Administrator shall establish an Office of Environmental Education within the Office of External Affairs.

(b) The Office of Environmental Education shall—

(1) develop and support programs and related efforts to improve understanding of the natural environment, and the relationships between humans and their environment, including the global aspects of environmental problems;

(2) support development and dissemination of model curricula, educational materials, and training programs for elementary and secondary students and other interested groups;

(3) develop and disseminate, in cooperation with educational and environmental organizations, environmental education publications and audio/visual materials;

(4) develop and support environmental education seminars, training programs, and workshops for environmental professionals, as provided for in section 5 of this Act;

(5) manage Federal grant assistance provided to local education agencies, institutions of higher education, and other not-for-profit organizations under section 6 of this Act;

(6) administer the environmental internship program provided for in section 7 of this Act;

(7) administer the environmental awards program provided for in section 8 of this Act;

(8) provide staff support to the Environmental Education Council provided for in section 9 of this Act;

(9) assess the demand for professional skills and training needed to respond to current and anticipated environmental problems and cooperate with appropriate institutions, organizations, and agencies to develop training programs, curricula, and continuing

education programs for teachers, school administrators, and related professionals;

(10) assure the coordination of Federal statutes and programs administered by the Agency relating to environmental education and work to reduce duplication or inconsistencies within these programs;

(11) work with the Department of Education, the Federal Interagency Committee on Education, and with other Federal agencies to assure the effective coordination of programs related to environmental education;

(12) provide technical assistance to local education agencies, State education and natural resource agencies, and others; and

(13) otherwise provide for the implementation of this Act.

(c) The Office of Environmental Education shall—

(1) be directed by a Director who shall be a member of the Senior Executive Service;

(2) include a headquarters staff of not less than ten full-time equivalent employees; and

(3) be supported by not less than one full-time equivalent employee in each Agency regional office.

SEC. 5. ENVIRONMENTAL EDUCATION AND TRAINING PROGRAM.

(a) There is hereby established an Environmental Education and Training Program. The purpose of the program shall be to train educational professionals in the development and delivery of environmental education and training programs and studies.

(b) The functions and activities of the program shall include, at a minimum—

(1) classroom training in environmental education and studies including environmental sciences and theory, educational methods and practices, and topical environmental issues and problems;

(2) demonstration of the design and conduct of environmental field studies and assessments;

(3) training in development of environmental programs and curriculum;

(4) sponsorship and management of international exchanges of teachers and other educational professionals involved in environmental programs and issues;

(5) maintenance of a library of environmental education materials, information, and literature;

(6) evaluation and dissemination of environmental education materials, training methods, and related programs;

(7) sponsorship of conferences, seminars, and related forums for the advancement and development of environmental education and training curricula and materials; and

(8) such other activities as the Administrator determines to be consistent with the objectives of this Act.

Special emphasis should be placed on developing environmental education programs, workshops, and training tools which are portable and can be broadly disseminated including development of computer networks.

(c)(1) The Administrator shall make a grant on an annual basis to an institution of higher education or other research institution which is a not-for-profit institution (or consortia of such institutions) to establish and operate the environmental education and training program required by this section.

(2) Any institution of higher education or other research institution (or consortia of such institutions) which is a not-for-profit organization and is interested in receiving a grant under this section may submit to the Administrator an application in such form and containing such information as the Administrator may require.

(3) The Administrator shall award grants under this section on the basis of—

(A) the capability to develop environmental education and training programs;

(B) the capability to deliver training to a range of participants and in a range of settings;

(C) the expertise of the staff in a range of appropriate disciplines;

(D) the relative economic effectiveness of the program in terms of the ratio of overhead costs to direct services;

(E) the results of any evaluation under paragraph (5) of this subsection; and

(F) such other factors as the Administrator deems appropriate.

(4) No funds made available to carry out this section shall be used for the acquisition of real property (including buildings) or the construction or substantial modification of any building.

(5) The Administrator shall establish procedures for a careful and detailed review and evaluation of the education and training program to determine whether the quality of the program being operated by the grantee warrants continued support under this section.

(d)(1) Individuals eligible for participation in the program are teachers, faculty, administrators and related support staff associated with local education agencies, colleges, and universities, employees of State education, environmental protection, and natural resource departments, and employees of not-for-profit organizations involved in environmental education activities and issues.

(2) Environmental education professionals shall be selected for participation in the program based on applications which shall be in such form as the Administrator determines to be appropriate.

(3) In selecting individuals to participate in the program, the Administration shall provide for a wide geographic representation and a mix of individuals working at primary, secondary, postsecondary levels, and with appropriate other agencies and departments.

(4) Individuals selected for participation in the program may be provided with a stipend to cover travel and accommodations in such amounts as the Administrator determines to be appropriate.

SEC. 6. ENVIRONMENTAL EDUCATION GRANTS.

(a) The Administrator may enter into a cooperative agreement or contract, or provide financial assistance in the form of grants to support projects to design, demonstrate, and disseminate practices, methods, or techniques related to environmental education and training.

(b) Activities eligible for grant support pursuant to this section shall include, but not be limited to—

(1) design and demonstration of environmental curricula, including development of educational tools and materials;

(2) design and demonstration of field methods, practices, and techniques, including assessment of environmental and ecological conditions and analysis of environmental pollution problems;

(3) conduct of special projects to understand and assess a specific environmental issue or a specific environmental problem; and

(4) support of training or related education for personnel, including teachers, faculty, or administrative staff.

(c) In making grants pursuant to this section, the Administrator shall give priority to those proposed projects which will develop—

(1) a new or significantly improved environmental education practice, method, or technique;

(2) an environmental education practice, method, or technique which may have wide application;

(3) an environmental education practice, method, or technique which addresses a skill or scientific field identified as a priority in the report developed pursuant to section 9(e) of this Act;

(4) an environmental education practice, method or technique which addresses an environmental issue which, in the judgment of the Administrator, is of a high priority; and

(5) an evaluation of the content and effectiveness of environmental education and training programs and materials.

(d) The program established by this subsection shall include solicitations for projects, selection of suitable projects from among those proposed, supervision of such projects, evaluation of the results of projects, and dissemination of information on the effectiveness and feasibility of the practices, methods, techniques and processes. The Administrator shall publish regulations to assure satisfactory implementation of each element of the program authorized by this subsection.

(e) Within one hundred and eighty days after the date of enactment of this Act, and no less often than every twelve months thereafter, the Administrator shall publish a solicitation for environmental education grants. The solicitation notice shall prescribe the information to be included in the proposal and other information sufficient to permit the Administrator to assess the project.

(f) Any local education agency, college or university, State education agency or environmental agency, or not-for-profit organization may submit an application to the Administrator in response to the solicitations required by subsection (e) of this section.

(g) Each project under this section shall be performed by the applicant, or by a person satisfactory to the applicant, under the supervision of the Administrator.

(h) Federal funds for any demonstration project under this section shall not exceed 75 per centum of the total cost of such project. For the purposes of this section, the non-Federal share of project costs may be provided by inkind contributions and other noncash support. In cases where the Administrator determines that a proposed project merits support and cannot be undertaken without a higher rate of Federal support, the Administrator may approve grants under this section with a matching requirement other than that specified in this subsection, including full Federal funding.

(i) Grants under this section shall not exceed $100,000. In addition, 25 per centum of all funds obligated under this section in a fiscal year shall be for grants of not more than $5,000.

SEC. 7. ENVIRONMENTAL INTERNSHIPS.

(a) The Administrator shall, in consultation with the Office of Personnel Management and other appropriate Federal agencies, provide for internships by post-secondary level students with agencies of the Federal Government.

(b) The purpose of internships pursuant to this section shall be to provide college level students with an opportunity to work

with professional staff of Federal agencies involved in environmental issues and thereby gain an understanding and appreciation of the skills and abilities appropriate to such professions.

(c) The Administrator shall, to the extent practicable, support not less than one hundred and fifty internships each year.

(d) The internship program shall be managed by the Office of Environmental Education. Interns may serve in appropriate agencies of the Federal Government including, but not limited to, the Environmental Protection Agency, the Fish and Wildlife Service, and the National Oceanic and Atmospheric Administration, Council on Environmental Quality, Soil Conservation Service, United States Forest Service, National Park Service, and the Bureau of Land Management.

(e) Interns shall be hired on a temporary, full-time basis for not to exceed six months and shall be compensated at a rate of not less than GS-4 and not more than GS-7. Federal agencies hiring interns shall provide the funds necessary to support salaries and related costs.

(f) Individuals eligible for participation in the internship program are students enrolled at accredited colleges or universities who have successfully completed not less than four courses or the equivalent in environmental sciences or studies, as determined by the Administrator.

(g) Students shall be selected for internships based on applications which shall be in such form as the Administrator considers appropriate.

(h) In selecting individuals for internships, the Administrator shall provide for wide geographic representation and representation of a range of professions related to the environment.

SEC. 8. ENVIRONMENTAL EDUCATION AWARDS.

(a) The Administrator shall provide for a series of national awards recognizing outstanding contributions to environmental education.

(b) National environmental awards shall include—

(A) The "Theodore Roosevelt Award" to be given in recognition of an outstanding career in environmental education, teaching, or administration;

(B) The "Henry David Thoreau Award" to be given in recognition of an outstanding contribution to literature on the natural environment and environmental pollution problems; and

(C) The "Rachael Carson Award" to be given in recognition of an outstanding contribution in print or film media to public education and information on environmental issues or problems.

(c) Recipients of education awards provided for in subsection (b) shall be nominated by the Environmental Education Advisory Council provided for in section 9 of this Act.

(d) The Regional Administrator of each of the ten regional offices of the Environmental Protection Agency shall present an "Outstanding Environmental Educator Award" on an annual basis to a teacher or faculty member from a local education agency, college or university, or not-for-profit organization in that region in recognition of a specific, outstanding contribution to environmental education during the past year.

SEC. 9. ENVIRONMENTAL EDUCATION ADVISORY COUNCIL.

(a) There is hereby established a National Environmental Education Advisory Council.

(b) The Council shall advise, consult with, and make recommendations to, the Administrator on matters relating to activities, functions, and policies of the Agency under this Act. The Office of Environmental Education shall provide staff support to the Council.

(c) The Council shall consist of fifteen members appointed by the Administrator after consultation with the Secretary. Three members shall be appointed to represent primary and secondary education (one of whom shall be a classroom teacher); three members shall be appointed to represent colleges and universities; three members shall be appointed to represent not-for-profit organizations involved in environmental education, three members shall be appointed to represent State departments of education and natural resources and three representatives shall be appointed to represent business and industry. A representative of the Secretary, Department of Education, shall serve as an ex-officio member of the Council. The Office of Environmental Education shall provide staff support to the Council.

(d) The Administrator shall provide that members of the Council represent the various geographic regions of the country and that the professional backgrounds of the members include scientific, policy, and other appropriate disciplines.

(e) Each member of the Council shall hold office for a term of three years, except that—

(1) any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term; and

(2) the terms of the members first taking office shall expire as follows: five shall expire three years after the date of enactment of this title, five shall expire two years after such date, and five shall expire one year after such date, as designated by the Administrator at the time of appointment.

(f) The Council shall, after providing for public review and comment, submit to the Congress, within twenty-four months of enactment and biennially thereafter, a report which shall—

(1) describe and assess the extent and quality of environmental education in the Nation's schools, colleges, and universities;

(2) provide a general description of the activities conducted pursuant to this Act and related authorities over the previous two-year period;

(3) summarize major obstacles to improving environmental education and make recommendations for addressing such obstacles; and

(4) identify personnel skills, education, and training needed to respond to current and anticipated environmental problems and make recommendations for actions to assure sufficient educational and training opportunities in these professions.

(g) Members of the Council appointed under this section shall, while attending meetings or conferences of the Council or otherwise engaged in business of the Council, receive compensation and allowances at a rate to be fixed by the Administrator, but not exceeding the daily equivalent of the annual rate of basic pay in effect for grade GS-18 of the General Schedule for each day (including travel time) during which they are engaged in the actual performance of duties vested in the Council. While away from their homes or regular places of business in the performance of services for the Council, members of the Council shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in the Government service are allowed expenses under section 5703(b) of title 5 of the United States Code.

(h) Section 14(a) of the Federal Advisory Committee Act relating to termination, shall not apply to the Council.

SEC. 10. ENVIRONMENTAL EDUCATION TRUST FUND.

(a) There is established in the Treasury of the United States a trust fund to be known as the "Environmental Education Trust Fund", consisting of such amounts as may be transferred to such Trust Fund as provided in this section.

(b)(1) Amounts in the Environmental Education Trust Fund shall be available, as provided in appropriation Acts, to the Administrator for the purposes of making expenditures to carry out this Act, but not in excess of $15,000,000 for each fiscal year.

(2) Of such sums appropriated in a fiscal year, not more than 40 per centum shall be available for the activities of the Office of Environmental Education, not more than 30 per centum shall be available for the operation of the Environmental Education and training program, and not more than 30 per centum shall be available for environmental education grants.

(c) There are hereby authorized to be appropriated to the Environmental Education Trust Fund, 50 per centum of any penalty paid in response to Federal enforcement action pursuant to the Clean Water Act, the Clean Air Act, the Solid Waste Disposal Act, the Toxic Substances Control Act, the Federal Insecticide, Fungicide, and Rodenticide Act, and the Safe Drinking Water Act unless any such penalty is required to be used for another purpose pursuant to Federal law.

NATIONAL ENVIRONMENTAL EDUCATION ACT

Section 1: Short Title.—This act may be cited as the "National Environmental Education Act."

Section 2: Findings.—Environmental problems are increasingly complex and interrelated. Responding to environmental problems over the long term require improved public understanding of the natural environment and man's impact on it.

Section 3: Definitions.—Key terms are defined.

Section 4: Office of Environmental Education.—Establishes within the Environmental Protection Agency an Office of Environmental Education. The Office is to develop and support programs to improve understanding of the natural environment, develop curricula and related materials, and manage grant assistance and intern programs.

Section 5: National Environmental Education Program.—Establishes a national program to develop environmental education materials and curricula and to train educational professionals in the development and delivery of environmental education programs and studies. The program is to be operated by a university or other organization, or a consortium of such organizations, and would be funded with an annual grant from the ERA.

Section 6: Environmental Education Grants.—ERA is to make grants to local education agencies, colleges and universities for the development of environmental education programs. Grants are to provide 75

percent of project costs. Grants are not to exceed $100,000 and 25 percent of grants are to be for $5,000 or less.

Section 7: Environmental Internships.—The EPA and the Office of Personnel Management are to provide for not less than 150 college level internships in Federal agencies involved in environmental issues.

Section 8: Environmental Education Awards.—The EPA is to provide national and regional awards for excellence in environmental education. At the national level, awards include the "Theodore Roosevelt Award" in recognition of an outstanding career in environmental education, the "Henry David Thoreau Award" in recognition of an outstanding contribution to literature on the natural environment, and the "Rachel Carson Award" in recognition of an outstanding contribution in print or film media to education on environmental issues.

Section 9: Environmental Education Advisory Council.—A national council is established to advise the Administrator on the implementation of this Act.

Section 10: Authorizations.—A total of $15 million per year is authorized to implement the Act. A trust fund is established to support programs of the Act and is funded with 50 percent of the penalties paid by violators of environmental laws.

Mr. MITCHELL. Mr. President, I am pleased to join Senators BURDICK, CHAFEE and others in introducing legislation to support education and training concerning environmental issues and problems.

I want to commend Senator BURDICK for developing this important legislation. As a member of the Environment and Public Works Committee, I have had the pleasure of working with Chairman BURDICK and with the ranking minority member, Senator CHAFFE, to develop and expand legislation to protect the quality of our environment.

In the past several years, the Environment Committee has developed major amendments to the hazardous waste statute, the Superfund law, and the Clean Water Act. In this Congress, the committee is addressing problems ranging from air pollution to oil spills to ground water pollution.

In addition, there is a growing recognition that the United States has no obligation to work with other nations to address environmental issues on a global scale. These issues include global warming and sea level rise, loss of species diversity, marine pollution, and international transportation of hazardous wastes.

Addressing these complex domestic and international environmental issues will require that we continue to build on our foundation of environmental laws. It will also require public awareness of these environmental laws. It will also require public awareness of these environmental issues and public understanding of the need to protect the quality of our environment.

The National Environmental Education Act provides for a limited Federal investment in expanding understanding and awareness of environmental conditions and problems.

As Senator BURDICK noted, this legislation reestablishes a commitment to environmental education which the Congress made in 1970. The first Environmental Education Act was repealed as part of the budget reconciliation legislation in 1981.

I want to make several general comments about the legislation.

First, the bill proposes to direct the Federal Government to support and encourage environmental education programs. We have provided, however, that this effort will be closely coordinated with the existing efforts of States, local governments, and nonprofit organizations now involved in environmental education activities.

Second, the bill directs the Environmental Protection Agency to take the lead role in developing and implementing programs and projects related to environmental education. While the EPA is to take charge of this initiative, it is essential that the EPA work with other Federal agencies and involve these agencies in all aspects of this effort.

Finally, I am especially pleased that the bill will help young people develop careers in environmental protection. If we are to develop workable remedies to the complex environmental problems we face, we need to involve our brightest and most talented young people. As a step in this direction, the bill provides for up to 150 internships for college students at Federal agencies involved in environmental protection.

Again, I want to commend Senator BURDICK for his initiative in developing this important legislation, and I urge my colleagues to join me in supporting it.

Mr. CHAFEE. Mr. President, it is my pleasure to join the distinguished chairman of the Committee on Environment and Public Works and our majority leader in introducing The National Environmental Education Act today.

As members of the Environment Committee, we understand the national and global threat posed by such serious problems as the greenhouse effect and acid rain, and are working to find solutions. Yet our committee alone cannot find all the answers or hope to implement possible solutions without the support and active involvement of people throughout the country.

The best way to get people involved is to show them how their lives are affected directly by the environmental problems plaguing our Nation. Education is the key. Many of the problems we face today are complex and interrelated, and they cannot be adequately explained in a newspaper article or a 2 minute segment on the evening news. By expanding and improving the level of environmental education in our country, we will increase public understanding of environmental problems and help build support for measures to address them. Students all across the academic spectrum—from the early grades through postgraduate studies—would benefit from the environmental education provided by this act.

What we are proposing today is not new. The original National Environmental Education Act was approved by Congress in 1970 in response to national concerns raised about air and water pollution. Although the former Department of Health, Education, and Welfare was authorized to implement this program, not much was accomplished. This program languished, perhaps due to the sporadic nature of funding, and was repealed in 1981 as part of the Omnibus Budget Reconciliation Act.

Our proposal establishes an Office of Environmental Education within the Environmental Protection Agency and authorizes $15 million per year in funds to be awarded on a competitive basis. This should put the program on its feet and give it the visibility and vitality it lacked in the 1970's. It is fitting to note that the funds for this measure will come from the penalties paid by violators of environmental laws.

The funding will be used for the development of environmental education curricula and the training of teachers and other professionals in the presentation of these courses in classrooms and other settings. In addition, up to 150 college level internships in Federal agencies involved in environmental issues will be made available each year to students. And to recognize excellence in environmental education, our bill creates three awards in honor of these great advocates of the environment: Theodore Roosevelt, Henry David Thoreau, and Rachel Carson.

Mr. President, I represent a State whose citizens are very protective and concerned about the quality of their environment. They do not want our waters full of plastic pollution, nor our coastline fouled with medical waste. They have supported measures to preserve open space and sought funds to clean up Narragansett Bay.

This is the public awareness and support for environmental issues I hope the bill we are introducing today will help foster in every State throughout the country. I hope my colleagues will join Senators BURDICK, MITCHELL, and myself in giving their full support for this legislation.

By Mr. FORD (for himself and Mr. MCCAIN):

S. 1077. A bill to authorize the President to appoint Adm. James B. Busey to the Office of Administrator of the Federal Aviation Administration; to

the Committee on Commerce, Science, and Transportation.

AUTHORIZING THE APPOINTMENT OF THE ADMINISTRATOR OF THE FEDERAL AVIATION ADMNINISTRATION

● Mr. FORD. Mr. President, I am introducing legislation today to ensure the continuation of leadership in aviation safety.

President Bush has nominated retired Adm. James B. Busey for the position of Administrator of the Federal Aviation Administration. Under current law, the Administrator must be a civilian, in order to ensure an adequate separation between civil and military aviation. As a retired admiral in the U.S. Navy, Admiral Busey retains his rank and commission and, as such, could not be eligible for appointment to this position.

This legislation would permit an exception for Mr. Busey that would allow him to serve as FAA Administrator, while not affecting his status or rank as an officer on the retired list of the U.S. Navy. The bill applies the provisions of the Dual Compensation Act, which ensures that Admiral Busey's military retirement pay will be reduced according to formula while he serves as Administrator.

Mr. President, there is some precedent for legislation of this type. Most recently, Congress enacted a similar bill in 1984 to allow retired Navy Vice Adm. Donald D. Engen to serve as FAA Administrator. Similar legislative waivers were enacted in 1965 for retired Air Force Gen., William F. McKee, and in 1959 for the first FAA Administrator, retired Lt. Gen. Elwood R. Quesada.

The fact that Admiral Busey would retain his retired military rank while serving as Administrator should not be viewed as a change in policy. I continue to believe that the Administrator should be a civilian, which is reflected in section 3 of this legislation. Further, the bill is designed to ensure that during his time as Administrator, he will not be subject to any supervision, control, restriction, or prohibition other than would apply to any FAA Administrator.

Mr. President, we have waited far too long for this nomination. The FAA and the safety or the traveling public are too important to be without leadership any longer. I urge my colleagues to act quickly and favorably on this legislation, and ask unanimous consent that the bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1077

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding the provisions of section 106 of title 49, United States Code, or any other provision of law, the President, acting by and with the advice and consent of the Senate, is authorized to appoint Admiral James B. Busey to the Office of Administrator of the Federal Aviation Administration. Admiral Busey's appointment to, acceptance of, and service in that Office shall in no way affect the status, rank, and grade which he shall hold as an officer on the retired list of the United States Navy, or any emolument, perquisite, right, privilege, or benefit incident to or arising out of any such status, office, rank, or grade, except to the extent that subchapter IV of chapter 55 of title 5, United States Code, affects the amount of retired pay to which he is entitled by law during his service as Administrator. So long as he serves as Administrator, Admiral Busey shall receive the compensation of that Office at the rate which would be applicable if he were not an officer on the retired list of the United States Navy, shall retain the status, rank, and grade which he now holds as an officer on the retired list of the United States Navy, shall retain all emoluments, perquisites, rights, privileges, and benefits incident to our arising out of such status, office, rank, or grade, and shall in addition continue to receive the retired pay to which he is entitled by law, subject to the provisions of subchapter IV of chapter 55 of title 5, United States Code.

SEC. 2. In the performance of his duties as Administrator of the Federal Aviation Administration, Admiral Busey shall be subject to no supervision, control, restriction, or prohibition (military or otherwise) other than would be operative with respect to him if he were not an officer on the retired list of the United States Navy.

SEC. 3. Nothing in this Act shall be construed as approval by the Congress of any future appointments of military persons to the Office of Administrator of the Federal Aviation Administration.●

By Mr. ROCKEFELLER (for himself, Mr. HARKIN, Mr. DASCHLE, Mr. BAUCUS, Mr. RIEGLE, and Mr. INOUYE):

S. 1078. A bill to amend the Social Security Act to provide for improved delivery of health services to individuals residing in rural areas by making certain modifications with respect to health clinic services provided under such act, and for other purposes; to the Committee on Finance.

RURAL HEALTH CLINIC IMPROVEMENT ACT OF 1989

● Mr. ROCKEFELLER. Mr. President, I rise today to introduce the Rural Health Clinic Improvement Act of 1989, which would improve on the innovative Rural Health Clinic Services Act of 1977. I am very pleased to be joined by Senators HARKIN, DASCHLE, BAUCUS, RIEGLE, and INOUYE in introducing this bill. They are all true rural health advocates and I am honored that they have joined me.

Congress enacted the Rural Health Clinic Act to increase the availability and accessibility of primary care services in rural communities—specifically in rural health manpower shortage areas. That legislation, for the first time, recognized the huge contribution of nurse practitioners and physician assistants in providing essential primary care services in traditionally underseved parts of the country. Under the Rural Health Clinic Act, the Medicare and Medicaid Programs were authorized to reimburse primary care services provided by midlevel healthcare professionals.

When the Rural Health Clinic Act was first introduced in 1977, it was predicted that there would be almost 2,000 rural health clinics nationwide by 1990. Unfortunately, the act has not fulfilled Congress' expectations. Today, there are only about 450 rural health clinics nationwide with huge variations between rural States.

For instance, there are no rural health clinics in Montana, North Dakota, or Arkansas even though 47 percent, 51 percent, and 48 percent, of each State's population, respectively, resides in a rural area. Alabama has four rural health clinics, Wiconsin has three, and Kentucky has eight. On the other hand, my own State of West Virginia has 32 designated rural health clinics, North Carolina has 40, and South Dakota has 21.

Low reimbursement rate was frequently cited as a major reason for low participation. Congress addressed this issue in 1987 by increasing the maximum reimbursement rate for rural health clinics from $32.10 per visit to $46, and by indexing future increases to the Medicare economic index.

Mr. President, rural health clinics play an important role in providing access to critically important primary care services. There is a great potential for more rural health clinics in other States.

There is a striking lack of awareness of the rural health clinic program in certain parts of the country on the part of providers, communities, States, and associations. It's been 10 years since the Health Care Financing Administration, which administers the program, last published information on the rural health clinic program. A 1982 GAO report, entitled "The Rural Health Clinic Services Act Has Not Met Expectations," characterized HCFA's management of the act has ridden with delays. There is no excuse for the failure of HCFA to have gotten the word out about the program.

My bill would require the newly established Office of Rural Health Policy within the Department of Health and Human Services to actively promote and publicize the rural health clinic program.

In addition to the lack of information available about the program, the same GAO study reported that clinic administrators found HCFA administrative requirements complex, time consuming, and costly. This was most recently reaffirmed by a survey conducted by the National Rural Health Association. Almost 40 percent of the rural health administrators surveyed

reported problems with intermediary processing.

Mr. President, when the Rural Health Clinic Act was first enacted, Congress stressed the importance of simplicity in the certification and reimbursement processes. Some rural health clinics have hired certified public accountants to do the necessary paperwork. Many potential providers are discouraged to even apply because of the excessively burdensome paperwork requirements.

My bill contains several provisions to carry out the intent of Congress to create a program responsive to the rural setting. First, the Office of Rural Health Policy would be required to provide technical assistance to rural health care providers interested in seeking rural health clinic certification. Second, this legislation contains provisions to make it easier for rural community health centers to become rural health clinics, and it would also allow the Governor of each State, subject to the Secretary's approval, to designate an area as medically underserved.

Mr. President, the difficulties faced by rural communities in their efforts to recruit and retain health care professionals have been well documented. My bill would give rural health clinics needed flexibility to respond to the current shortage of midlevel health care professionals. When a clinic loses a nurse practitioner or physician assistant, it can lose its certification status within 90 days. My bill would give a clinic leeway time to recruit a replacement.

The rural health clinic program provides excellent and essential healthcare services in many parts of the country. In my own State of West Virginia, we have over 30 rural health clinics. Accordingly to a GAO survey, 95 percent of patients were satisfied with the quality of care they received at a rural health clinic. Another study found that rural health clinic users have significantly fewer hospital admissions and lower hospitals expenditures than nonclinic users.

Mr. President, this bill builds on innovative and creative legislation created in the 1970's. I hope with the changes incorporated in this bill, we can finally exceed original congressional expectations on the growth of the rural health clinic program.

Mr. President, I ask unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1078

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Rural Health Clinic Improvement Act of 1989".

SEC. 2. INFORMATION ON RURAL HEALTH CLINIC SERVICES REQUIRED TO BE PROVIDED BY OFFICE OF RURAL HEALTH POLICY.

(a) IN GENERAL.—Section 711(a) of the Social Security Act (42 U.S.C. 912(a)) is amended—

(1) in paragraph (3) by striking "and";

(2) in paragraph (4) by striking the period and inserting in lieu thereof ", and "; and

(3) by adding at the end thereof the following new paragraph:

"(5)(A) with respect to rural health clinics and rural health clinic services (as described in section 1861(aa))—

"(A) provide technical assistance to entities seeking certification as rural health clinics, and

"(B) provide (and as necessary update to provide an accurate list of services) a brochure describing the services provided at rural health clinics and distribute such brochures in such areas as the Secretary deems appropriate.".

(b) EFFECTIVE DATE.—The amendments made by this section shall become effective upon the date of enactment of this Act.

SEC. 3. INCLUSION OF CERTIFIED NURSE-MIDWIFE SERVICES AS COVERED SERVICES IN RURAL HEALTH CLINICS.

(a) IN GENERAL.—Section 1861(aa) of the Social Security Act (42 U.S.C. 1395x(aa)) is amended—

(1) in paragraph (1)(B) by striking "or by a clinical psychologist (as defined by the Secretary)," and inserting in lieu thereof "or a clinical psychologist (as defined by the Secretary), or by a certified nurse-midwife (as defined in section 1861(gg)),";

(2) in paragraph (2)(B) by striking "physician assistants and nurse practitioners," each place it appears and inserting in lieu thereof "physician assistants, nurse practitioners, and certified nurse-midwives,";

(3) in paragraph (2)(E) by striking "or nurse practitioners," and inserting in lieu thereof ", nurse practitioners or certified nurse-midwives,";

(4) in paragraph (2)(F) by striking "or nurse practitioner" and inserting in lieu thereof "nurse practitioner or certified nurse-midwife";

(5) in paragraph (2)(J) by striking the period and inserting in lieu thereof "; or";

(6) by adding after pararaph (2)(J) the following new subparagraph:

"(K) is determined by the Secretary, based on the recommendation of the Health Resources Service Administration within the public health service to meet the requirements for funding as a health center under sections 329 or 330 or 340 of the Public Health Service Act.";

(7) in the matter following paragraph (2) by striking clause (iii) and inserting in lieu thereof the following new clause:

"(iii) employs a physician assistant, nurse practitioner, or certified nurse-midwife to furnish patient care services at least 50 percent of the time the clinic operates (unless the Secretary waives such requirement as provided in paragraph (4)),";

(8) in paragraph (3)—

(A) by striking "and the term 'nurse practitioner' " and inserting in lieu thereof ", the term 'nurse practitioner' and the term 'certified nurse-midwife' "; and

(B) by striking "or nurse practitioner" and inserting in lieu thereof ", nurse practitioner or certified nurse-midwife"; and

(9) by adding at the end thereof the following new paragraph:

"(4)(A) The Secretary shall waive for a 1-year period the requirements that a rural health clinic employ a physician assistant, nurse practitioner or certified nurse midwife or that such clinic require such providers to furnish services at least 50 percent of the time that the clinic operates as described in clause (iii) of paragraph (2) to any rural health clinic that requests such waiver if such requesting clinic demonstrates that the clinic has been unable, despite reasonable efforts, to hire a physician assistant, nurse practitioner, or certified nurse-midwife in the previous 90-day period.

"(B) The Secretary shall annually review each 1 year waiver granted under this paragraph and shall grant another 1 year waiver where a clinic is able again to meet the requirements for a waiver described in subparagraph (A).

"(C) A waiver which is requested under this paragraph shall be deemed granted unless such request is denied by the Secretary within 60 days after the date such request is received.".

(b) EFFECTIVE DATE.—The amendments made by this section shall become effective with respect to services furnished on or after January 1, 1990.

SEC. 4. AREAS IN WHICH A RURAL HEALTH CLINIC MAY OPERATE EXPANDED.

(a) IN GENERAL.—Section 1861(aa) of the Social Security Act (42 U.S.C. 1395x(aa)), as amended by this Act, is further amended in the matter following paragraph (2)—

(1) by striking "or" at the end of subclause (I) and inserting in lieu thereof a comma;

(2) by inserting at the end of clause (i) the following new subclause:

"or (III) as an area with a medically underserved population designated under section 330 of the Public Health Service Act,";

(3) by striking "and" at the end of clause (iii); and

(4) by striking the period at the end of clause (iv) and inserting in lieu thereof the following:

", (v) is located in an area designated by the Governor of the State and approved by the Secretary as an area with a shortage of personal health services.".

(b) EFFECTIVE DATE.—The amendments made by this section shall become effective with respect to services furnished on or after January 1, 1990.

SEC. 5. MODIFICATION OF REIMBURSEMENT METHOD WITH RESPECT TO RURAL HEALTH CLINICS FOR SERVICES PROVIDED UNDER MEDICAID.

(a) IN GENERAL.—Section 1902(a)(13) of the Social Security Act (42 U.S.C. 1396a(13)) is amended by striking subparagraph (E) and inserting in lieu thereof the following new subparagraph:

"(E) for payment for services described in section 1905(a)(2)(B) provided by a rural health clinic under the plan of 100 percent of costs which are reasonable and related to the cost of furnishing such services as determined by the fiscal intermediary determining such costs under title XVIII pursuant to such standards as the Secretary may prescribe,".

(b) EFFECTIVE DATE.—(1) The amendment made by subsection (a) applies (except as provided under paragraph (2)) to payments under title XIX of the Social Security Act for calendar quarters beginning on or after January 1, 1990, without regard to whether or not final regulations to carry out such amendment have been promulgated by such date.

(2) In the case of a State plan for medical assistance under title XIX of the Social Security Act which the Secretary of Health and Human Services determines requires

State legislation (other than legislation appropriating funds) in order for the plan to meet the additional requirement imposed by the amendment made by subsection (a), the State plan shall not be regarded as failing to comply with the requirements of such title solely on the basis of its failure to meet this additional requirement before the first day of the first calendar quarter beginning after the close of the first regular session of the State legislature that begins after the date of enactment of this Act. For purposes of the previous sentence, in the case of a State that has a 2-year legislative session, each year of such session shall be deemed to be a separate regular session of the State legislature.

SEC. 6. AUTOMATIC CERTIFICATION FOR CERTAIN CENTERS WHICH MEET THE STANDARDS FOR CERTIFICATION AS A RURAL HEALTH CLINIC.

(a) IN GENERAL.—Section 1910(a)(1) of the Social Security Act (42 U.S.C. 1396i(a)(2)) is amended by striking "qualified" and all that follows through the comma and inserting in lieu thereof the following: "qualified (i) as a rural health clinic under title XVIII or (ii) as a clinic under sections 329, 330 or 340 of the Public Health Service Act,".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall become effective with respect to certification made by the Secretary on or after January 1, 1990.●

By Mr. DECONCINI and Mr. McCain:

S. 1080. A bill to designate certain lands as wilderness in the State of Arizona; to the Committee on Energy and Natural Resources.

ARIZONA WILDERNESS ACT OF 1989

Mr. DECONCINI. Mr. President, today I join my colleague from Arizona, Senator MCCAIN, in introducing the Arizona Wilderness Act of 1989. We believe that we have crafted a piece of legislation that both represents our feelings on wilderness in Arizona and provides a balanced framework for a thorough and candid analysis of this issue by our colleagues and constituents.

The timing of our introduction warrants mentioning. The distinguished chairman of the House Interior Committee, Chairman UDALL, has scheduled Arizona field hearings on this issue on June 9 and 10. I commend the chairman for his leadership in this issue as demonstrated by his efforts to give those most affected by our actions sufficient opportunity to comment on not only our legislation but any bills that may be introduced prior to that time. By introducing the bill today, we are giving the participants in those hearings ample opportunity to review and prepare their comments on this legislation.

The Arizona delegation intends to follow up these hearings with a number of small, informal discussions with those individuals most concerned about this legislation as schedules permit. I am looking forward to participating in both of these forums to solicit the thoughts of my constituents.

The legislation we are introducing today designates as wilderness 895,150 acres of Bureau of Land Management and Fish and Wildlife Service lands and includes them in the National Wilderness Preservation System. With respect to the BLM areas, the legislation, for the most part, adopts the BLM recommendations to Congress on suitable acreage for wilderness designation. The one thing that has become clear in our discussions on this issue is that the BLM in Arizona has done an outstanding job on their wilderness reviews and their recommendations reflect the concept of what wilderness should be—portions of the Earth largely unaffected by the influences of man. In a few instances, we have deviated from their recommendations by either (a) designating areas as wilderness that they had not recommended as suitable or (b) releasing to multiple use management areas that they had recommended as suitable for wilderness designation. In each case, we had compelling reasons to do so and in the summary of the bill that I will include for the RECORD, those reasons are outlined.

I would, however, like to touch briefly on the areas we have included in the bill that were not in the BLM recommendations—the North Maricopa Mountains Wilderness Study Area and the Hell's Canyon Wilderness Study Area. Both of these areas present unique opportunities to preserve what appears to me to possess outstanding wilderness qualities in the face of growing urban development. The BLM did not recommend the North Maricopa Mountain WSA because they felt that wilderness designation could have impacted the development of the superconducting super collider, which was proposed to be developed within this area. However, in view of the Department of Energy's recent decision to locate the SSC in Texas, the designation of this area will provide outstanding wilderness recreational opportunities relatively close to the State's two significant urban areas—Phoenix and Tucson.

The other WSA that BLM did not recommend that is included in this bill is the Hell's Canyon WSA northwest of Phoenix. The proposed recreational development at Lake Pleasant will result in significant growth in that area. Designation of this WSA will provide outstanding primitive recreational opportunities to counterbalance the developed recreational activities associated with nearby Lake Pleasant.

An important thing to keep in mind is that this legislation is as much a nonwilderness bill as it is a wilderness bill. Currently almost 2 million areas of BLM land are held in wilderness study status. In accordance with the Federal Land Policy Management Act of 1976, these areas are to be managed as wilderness until Congress acts to release them from this status. There is language in this bill to do just that for approximately 1.25 million acres.

The legislation also addresses the issue of Federal reserve water rights. The BLM, in their wilderness reviews has identified the wilderness study areas that have perennial streams flowing through them and therefore add to the wilderness characteristics of the area. Many of the areas designated by this act typify the extreme of Arizona's desert environment. It is the lack of water that in the opinion of some adds to the wilderness characteristics of many of these areas. The language we have included in the bill states that Congress reserves a quantity of water to fulfill the purposes of the specific wilderness areas and requires the Secretary to file a claim in the appropriate stream adjudication to quantify the amount of water for this reservation. This language is virtually identical to the language included in the legislation creating the San Pedro Riparian Conservation Area enacted last year. Because of the sophistication of Arizona water law, we feel that this tried and true method will once again be sufficient to address this most important issue to those of us in the West.

An issue that this Senator feels that we need to address better is the issue of wildlife management within these wilderness areas. In many of these areas, it is precisely the lack of water that necessitates aggressive wildlife management practices and I feel that Congress needs to further clarify and define the appropriate role of wildlife managers and Federal agencies in the management of wildlife within the wilderness areas designated by this legislation. As we proceed with this bill, I intend to work with committees of jurisdiction and the Arizona Game and Fish Commission to resolve this issue of great importance to many Arizonans.

With respect to the lands administered by the Fish and Wildlife Service that are designated wilderness by this act, we feel that the qualities of the Imperial National Wildlife and the Havasu National Wildlife Refuge are deserving of the protection afforded by the wilderness designation.

However, we chose to not designate the other two—the Cabeza Prieta National Wildlife Refuge and the Kofa National Wildlife Refuge—recommended by the Fish and Wildlife Service because of the status they already enjoy. In the Arizona-Idaho Conservation Act of 1988, the Kofa was withdrawn from all forms of—

(a) entry, appropriation or disposal under the public land laws; (b) location, entry, and patent under United States mining laws; and (c) disposition under all laws pertaining to mineral and geothermal leasing.

The aforementioned withdrawal gives the Kofa de facto wilderness status while allowing the land manager the flexibility to manage the refuge for the purposes for which is was established—to enhance wildlife.

The same holds true for the Cabeza Prieta National Wildlife Refuge. The Military Lands Withdrawal Act of 1986 gave the Cabeza Prieta National Wildlife Refuge essentially de facto wilderness status by withdrawing it from all forms of disposition under public land laws—including the mining laws and the mineral leasing and the geothermal leasing laws. As a result of this withdrawal, the land manager is given the flexibility to manage the refuge for the purpose for which it was established—to enhance wildlife.

I'm looking forward to working with my colleague, Senator MCCAIN, and the other members of the Arizona delegation as we move forward with this legislation on this issue of significant importance to the State of Arizona.

I ask for unanimous consent that a copy of the bill summary also appear at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1080

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Arizona Wilderness Act of 1989".

TITLE I—DESIGNATION OF WILDERNESS AREAS TO BE ADMINISTERED BY THE BUREAU OF LAND MANAGEMENT

SEC. 101. DESIGNATION OF WILDERNESS AREAS.

(a) IN GENERAL.—In furtherance of the purposes of the Wilderness Act (16 U.S.C. 1131-1136), the following lands are designated as wilderness and, therefore, as components of the National Wilderness Preservation System:

(1) certain lands in Mohave County, Arizona, which comprise approximately 24,831 acres, as generally depicted on a map entitled "02-001 Mount Wilson" dated ——— and which shall be known as the "Mount Wilson Wilderness";

(2) certain lands in Mohave County, Arizona, which comprise approximately 28,170 acres, as generally depicted on a map entitled "02-012/042 Mount Tipton" dated ——— and which shall be known as the "Mount Tipton Wilderness";

(3) certain lands in Mohave County, Arizona, which comprise approximately 27,210 acres, as generally depicted on a map entitled "02-024 Mount Nutt" dated ——— and which shall be known as the "Mount Nutt Wilderness";

(4) certain lands in Mohave County, Arizona, which comprise approximately 90,600 acres, as generally depicted on a map entitled "02-028/029 Warm Springs" dated ——— and which shall be known as the "Warm Springs Wilderness";

(5) certain lands in Mohave County, Arizona, which comprise approximately 16,550 acres, as generally depicted on a map entitled "02-054 Aubrey Peak" dated ——— and which shall be known as the "Aubrey Peak Wilderness";

(6) certain lands in La Paz County, Arizona, which comprise approximately 13,735 acres, as generally depicted on a map entitled "05-017 East Cactus Plain" dated ——— and which shall be known as the "East Cactus Plain Wilderness";

(7) certain lands in Mohave and Yavapai Counties, Arizona, which comprise approximately 40,025 acres, as generally depicted on a map entitled "02-058 Rawhide Mountains" dated ——— and which shall be known as the "Rawhide Mountains Wilderness";

(8) certain lands in Mohave, Yavapai, and La Paz Counties, Arizona, which comprise approximately 109,523 acres, as generally depicted on a map entitled "02-059/068 Arrastra Mountains" dated ——— and which shall be known as the "Arrastra Mountain Wilderness";

(9) certain lands in Mohave and Yavapai Counties, Arizona, which comprise approximately 21,660 acres, as generally depicted on a map entitled "02-060 Lower Burro Creek" dated ——— and which shall be known as the "Lower Burro Creek Wilderness";

(10) certain lands in La Paz County, Arizona, which comprise approximately 25,287 acres, as generally depicted on a map entitled "02-075 Harcuvar Mountains" dated ——— and which shall be known as the "Harcuvar Mountains Wilderness";

(11) certain lands in La Paz and Maricopa Counties, Arizona, which comprise approximately 22,865 acres, as generally depicted on a map entitled "02-095 Harquahala Mountains" dated ——— and which shall be known as the "Harquahala Mountains Wilderness";

(12) certain lands in Maricopa County, Arizona, which comprise approximately 21,150 acres, as generally depicted on a map entitled "02-099 Big Horn Mountains" dated ——— and which shall be known as the "Big Horn Mountains Wilderness";

(13) certain lands in La Paz, Yuma, and Maricopa Counties, Arizona, which comprise approximately 78,020 acres, as generally depicted on a map entitled "02-128 Eagletail Mountains" dated ——— and which shall be known as the "Eagletail Mountains Wilderness";

(14) certain lands in Maricopa County, Arizona, which comprise approximately 15,250 acres, as generally depicted on a map entitled "02-138 Signal Mountains" dated ——— and which shall be known as the "Signal Mountains Wilderness";

(15) certain lands in Maricopa County, Arizona, which comprise aproximately 61,000 acres, as generally depicted on a map entitled "02-142/144 Woolsey Peak" dated ——— and which shall be known as the "Woolsey Peak Wilderness";

(16) certain lands in Maricopa County, Arizona, which comprise approximately 14,830 acres, as generally depicted on a map entitled "02-160 Sierra Estrella" dated ——— and which shall be known as the "Sierra Estrella Wilderness";

(17) certain lands in Maricopa and Pinal Counties, Arizona, which comprise approximately 34,400 acres, as generally depicted on a map entitled "02-172 Table Top Mountains" dated ——— and which shall be known as the "Table Top Wilderness";

(18) certain lands in Pinal County, Arizona, which comprise approximately 5,080 acres, as generally depicted on a map entitled "02-202 Coyote Mountains" dated ——— and which shall be known as the "Coyote Mountains Wilderness";

(19) certain lands in Pinal County, Arizona, which comprise approximately 2,065 acres, as generally depicted on a map entitled "02-203 Baboquivari Peak" dated ——— and which shall be known as the "Baboquivari Peak Wilderness";

(20) certain lands in Gila County, Arizona, which comprise approximately 9,021 acres, as generally depicted on a map entitled "04-001 Needle's Eye" dated ——— and which shall be known as the "Needle's Eye Wilderness";

(21) certain lands in Graham County, Arizona, which comprise approximately 10,883 acres, as generally depicted on a map entitled "04-014 Fishhooks" dated ——— and which shall be known as the "Fishhooks Wilderness";

(22) certain lands in Cochise County, Arizona, which comprise approximately 11,998 acres, as generally depicted on a map entitled "Dos Cabezas Mountains" dated ——— and which shall be known as the "Dos Cabezas Mountains Wilderness";

(23) certain lands in Graham County, Arizona, which comprise approximately 640 acres, as generally depicted on a map entitled "04-081 Galiuro Addition 3" dated ——— and which shall be known as the "Galiuro Addition 3 Wilderness";

(24) certain lands in La Paz County, Arizona, which comprise approximately 18,807 acres, as generally depicted on a map entitled "05-012 Gibralter Mountains" dated ——— and which shall be known as the "Gibralter Mountains Wilderness";

(25) certain lands in La Paz County, Arizona, which comprise approximately 16,430 acres, as generally depicted on a map entitled "05-013 Planet Peak" dated ——— and which shall be known as the "Planet Peak Wilderness";

(26) certain lands in La Paz County, Arizona, which comprise approximately 15,755 acres, as generally depicted on a map entitled "05-015A Swansea" dated ——— and which shall be known as the "Swansea Wilderness";

(27) certain lands in La Paz County, Arizona, which comprise approximately 29,095 acres, as generally depicted on a map entitled "05-023B Trigo Mountains" dated ——— and which shall be known as the "Trigo Mountain Wilderness";

(28) certain lands in Yuma County, Arizona, which comprise approximately 8,855 acres, as generally depicted on a map entitled "05-053A Muggins Mountain" dated ——— and which shall be known as the "Muggins Mountain Wilderness";

(29) certain lands in Yavapai County, Arizona, which comprise approximately 9,379 acres, as generally depicted on a map entitled "02-119 Hells Canyon" dated ——— and which shall be known as the "Hells Canyon Wilderness";

(30) certain lands in Maricopa County, Arizona, which comprise approximately 61,116 acres, as generally depicted on a map entitled "02-57 North Maricopa Mountains" dated ——— and which shall be known as the "North Maricopa Mountains Wilderness"; and

(31) certain lands in Mohave County, Arizona, which comprise approximately 38,940 acres, as generally depicted on a map entitled "02-037/043 Wabayuma Peak" dated ——— and which shall be known as the "Wabayuma Peak Wilderness".

(b) WATER RIGHTS.—For the purposes of the reservations made in paragraphs (3), (7), (8), (9), (11), (20), (21), and (26) of subsection (a), Congress reserves quantities of water sufficient to fulfill the purposes of

the wilderness areas designated in those paragraphs, and the Secretary shall file claims for the quantification of such rights in appropriate stream adjudications.

SEC. 102. ADMINISTRATION.

(a) IN GENERAL.—Subject to valid existing rights, each wilderness area designated in section 101 shall be administered by the Secretary of the Interior (referred to as the "Secretary") through the Bureau of Land Management in accordance with the provisions of the Wilderness Act governing areas designated by that Act as wilderness.

(b) GRAZING.—Within the wilderness areas designated in section 101, grazing of livestock that was established prior to the date of enactment of this Act shall be administered in accordance with section 4(d)(4) of the Wilderness Act (16 U.S.C. 1133(d)(4)) and section 108 of the Act entitled "An Act to designate certain National Forest System lands in the States of Colorado, South Dakota, Missouri, South Carolina, and Louisiana for inclusion in the National Wilderness Preservation System, and for other purposes" (16 U.S.C. 1133 note).

(c) WILDLIFE IMPROVEMENT PROJECTS.—Within the wilderness areas designated by this title, the establishment and maintenance of wildlife improvement projects may continue, consistent with approved wildlife habitat management loans and with the Wilderness Act.

(d) AIRCRAFT.—Within the wilderness areas designated by this title, the use of aircraft for the capture of wild horses and burros may continue, consistent with the Wild Horse and Burro Act and other applicable law.

SEC. 103. MAPS AND DESCRIPTIONS.

As soon as practicable after enactment of this Act, the Secretary shall file a map and a legal description of each wilderness area designated in section 101 with the Committee on Energy and Natural Resources of the Senate and the Committee on Interior and Insular Affairs of the House of Representatives, and each such map and description shall have the same force and effects if included in this act, except that correction of clerical errors in each such map and description may be made by the Secretary subsequent to such filings. Each such map and description shall be on file and available for public inspection in the Office of the Director of the Bureau of Land Management, Department of the Interior.

SEC. 104. WILDERNESS REVIEW.

(a) LANDS ADEQUATELY REVIEWED.—The Congress finds and directs that—

(1) all lands in Arizona administered by the Bureau of Land Management that are not designated as wilderness by this Act or previous Acts of Congress, except those described in subsection (b), have been adequately studied for wilderness designation as required by section 603 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1782); and

(2) such lands shall no longer be subject to the requirement of section 603(c) of that Act pertaining to the management of Wilderness Study Areas in a manner that does not impair the suitability of such areas for preservation as wilderness.

(b) CONTINUING STUDY OF WHITE CANYON WILDERNESS.—The White Canyon Wilderness Study Area (identified as AZ-020-187) located in Pinal County, Arizona, shall remain subject to study for designation as wilderness.

TITLE II—DESIGNATION OF WILDERNESS AREAS TO BE ADMINISTERED BY THE FISH AND WILDLIFE SERVICE

SEC. 201. DESIGNATION OF WILDERNESS AREAS.

In furtherance of the purposes of the Wilderness Act (16 U.S.C. 1131-1136) the following lands are designated as wilderness and, therefore, as components of the National Wilderness Preservation System:

(1) certain lands in the Havasu National Wildlife Refuge, Arizona, which comprise approximately 3,470 acres, as generally depicted on a map entitled "———" dated ——— and which shall be known as the "Havasu Wilderness"; and

(2) certain lands in Imperial National Wildlife Refuge, Arizona, which comprise approximately 8,340 acres, as generally depicted on a map entitled "———" dated ——— and which shall be known as the "Imperial Wilderness".

SEC. 202. ADMINISTRATION.

Subject to valid existing rights, each wilderness area designated in section 202 shall be administered by the Secretary through the Fish and Wildlife Service in accordance with the provisions of the Wilderness Act governing areas designated by that Act as wilderness.

SEC. 203. MAPS AND DESCRIPTIONS.

As soon as practicable after enactment of this Act, the Secretary shall file a map and a legal description of each wilderness area designated in section 201 with the Committee on Energy and Natural Resources of the Senate and the Committee on Interior and Insular Affairs of the House of Represenatives, and each such map and description shall have the same force and effect as if included in this Act, except that correction of clerical errors in each such map and description may be made by the Secretary subsequent to such filings. Each such map and description shall be on file and available for public inspection in the Office of the Director of the Fish and Wildlife Service, Department of the Interior.

SEC. 204. WILDERNESS REVIEW.

The Congress hereby finds and directs that—

(1) all lands in Arizona administered by the Fish and Wildlife Service that are not designated as wilderness by this Act or previous Acts of Congress have been adequately studied for wilderness designation pursuant to section 3(c) of the Wilderness Act (16 U.S.C. 1132(c)); and

(2) such lands shall hereafter be administered under the laws applicable to units of the National Wildlife Refuge System without regard to their potential suitability for preservation as wilderness.

ARIZONA WILDERNESS ACT OF 1989 FACT SHEET

BACKGROUND

In 1964, Congress enacted the Wilderness Act to create the National Wilderness Preservation System. The purpose of this legislation is to provide special protection to federal lands of significant natural value and possessing wilderness characteristics. To qualify for wilderness designation, an area must be at least 5,000 acres "where the earth and community of life are untrammeled by man, * * * retaining its primeval character, * * * (and) affected primarily by the forces of nature".

The Federal Land Policy Management Act of 1976 (FLPMA), directed the BLM to identify lands that may be suitable for Wilderness designation and declare them Wilderness Studies Areas (W.S.A.'s). FLPMA then required the BLM to review the W.S.A.'s and make recommendations to Congress as to which ones are suitable for Wilderness designation. These wilderness reviews are to be completed by 1991. In Arizona, the BLM has completed their Wilderness reviews and out of approximately 2 million acres in study status, the BLM has recommended approx. 1 million acres suitable for Wilderness designation in Arizona.

VITAL STATISTICS OF THE DECONCINI/MCCAIN WILDERNESS ACT OF 1989

Total acres designated wilderness: 895,150 (BLM—882,940 FWS—11,810).

Total acres released to multiple use management (BLM): 1,216,554.

Total acres held in further study status (BLM): 6,698.

SUMMARY OF DECONCINI/MCCAIN WILDERNESS ACT OF 1989: TITLE 1

Sec. 101 subsection (a)—Adopts BLM recommendations for wilderness suitability with the following exceptions.

Exclusions:

New Water Mountains WSA: A proposed ½ mile wide corridor in which two interstate pipelines and two ultra-high voltage (500kV) transmission lines expected to be constructed would degradate the wilderness qualities of this WSA.

Cactus Plains WSA: Uncertainty about the possible relocation of the town of Parker and significant private inholdings necessitate not including this WSA in this legislation.

Burns Springs WSA: Designation as a wilderness area could impact the Bullhead City airport because of the 2,000 foot minimum altitude advisory for aircraft over designated wilderness areas. Also, there is extensive mineral development—one medium open-pit copper mine on public lands and one on adjacent private lands—that degradate the wilderness values of this WSA. Santa Fe Minerals retains significant patented mining claims within the WSA that could be developed regardless of Congressional action to designate Wilderness.

Black Mountains North WSA: Designation as a wilderness area could possibly impact the Bullhead City airport because of the 2,000 foot minimum advisory for aircraft over designated Wilderness Areas. Also, Santa Fe Minerals retains significant patented mining claims within the WSA that could be developed regardless of Congressional action to designate Wilderness.

Crossman Peak WSA: Extensive boundary modifications to accommodate roads into the WSA, as well as the existence of electronic sites degradate the wilderness values of this area.

Kofa 4 North WSA: The limited size (1,900 acres) precludes opportunities for solitude as well as primitive and unconfined recreation experiences. Also, within the WSA there exists a ½ mile vehicle way and a right-of-way access road which form the area's western and northern boundaries. The WSA's proximity to U.S. Highway 95, combined with these vehicle ways, provide access to the Kofa National Wildlife Refuge and wilderness designation could hamper the public's access.

Black Rock WSA: Currently, the only access to this WSA is through the San Carlos Indian Reservation or through private property. The uncertainly over access to this area should be resolved prior to any wilderness consideration.

Additions:

North Maricopa Mountains WSA: In their recommendations, the BLM felt that Wilderness designation could have impacted the development of the Super-Conducting Super Collider whose development was proposed within the WSA. However, in view of the Department of Energy's recent decision to locate the SSC in Texas, the designation of this area would provide outstanding wilderness recreational opportunities close to the state's urban areas.—Phoenix and Tucson

Hell's Canyon WSA: The proposed recreational development at Lake Pleasant will result in significant growth in that area. Designation of this WSA will provide outstanding primitive recreational opportunities to complement the developed recreational facilities at Lake Pleasant.

Section 101, subsection (b)

Water rights: The BLM has identified the WSA's that have perennial streams flowing through them. As a result, language is included which indicates that Congress reserves a quantity of water to fulfill the purpose of the Wilderness area created by this act. The amount of water required to fulfill this purpose will be quantified by the appropriate stream adjudication process. In Arizona, the Arizona Department of Water Resource's adjudication process is the appropriate arena for this to take place.

The language used in this bill is virtually identical to the language agreed to in the legislation creating the San Pedro Riparian Conservation Area.

Section 102

Subsection (a) states that the wilderness areas designated by this Act will be managed in accordance with the provisions of the Wilderness Act.

Subsection (b) allows for the continuation of cattle grazing occurring within the WSA prior to designation as a Wilderness area by this legislation.

Subsection (c) states the establishment and maintenance of wildlife areas designated by this act.

Subsection (d) states that the capture of wild horses and burros may continue in the wilderness areas established by this legislation.

Section 103

Directs that the appropriate maps and legal descriptions be filed with the Secretary of Interior and respective committees of both Houses of Congress indicating the boundaries of the Wilderness areas designated by this legislation.

Section 104

Release all of the other WSA's studied by the Bureau of Land Management for wilderness suitability, but not designated as wilderness areas by this legislation, to multiple-use management as prescribed in the Federal Land Policy and Management Act of 1976.

Section 105

States that the White Canyon WSA will remain in Wilderness Study status until the Forest Service completes a wilderness review on its lands immediately adjacent to this area.

TITLE II

Fish and Wildlife Service

Section 201—adopts the Fish and Wildlife Service's 1974 recommendations of Wilderness designation for two refuges in Arizona—The Havasu National Wildlife Refuge and the Imperial National Wildlife Refuge. It excludes two other refuges from designation as wilderness areas—Cabeza Prieta National Wildlife Refuge and the Kofa National Wildlife Refuge.

Exclusions:

Kofa National Wildlife Refuge: In the Arizona-Idaho Conservation Act of 1988, this refuge was withdrawn from all forms of—"(a) entry, appropriation or disposal under the public land laws; (b) location, entry, and patent under United mining laws; and (c) disposition under all laws pertaining to mineral and geothermal leasing." The aforementioned withdrawal gives the Kofa defacto wilderness status while allowing the land manager the flexibility to manage the refuge for the purposes for which it was established—to enhance wildlife.

Cabeza Prieta National Wildlife Refuge: The Military Lands Withdrawal Act of 1986 gave the Cabeza Prieta National Wildlife Refuge essentially de-facto wilderness status by withdrawing it from all forms of appropriation under public land laws (including the mining laws and the mineral leasing and the geothermal leasing laws.) As a result of this withdrawal, the land manager is given the flexibility to manage the refuge for the purpose for which it was established—to enhance wildlife.

Section 202—States that the lands designated by this Act will be managed in accordance with the Wilderness Act.

Section 203—Directs that the appropriate maps and legal descriptions be filed with the Secretary of Interior and respective committees of both Houses of Congress indicating the boundaries of the Wilderness areas designated by this legislation.

Section 204—Releases the refuges not designated as wilderness by this legislation to the management prescriptions set forth in the laws administering wildlife refuges.

Mr. McCAIN. Mr. President, this year marks the 25th anniversary of the Wilderness Act and creation of the National Wilderness Preservation System. The System was established to provide special protection of Federal lands of significant natural value, and to preserve them in trust for our children and those who follow.

As stated in the act, Congress wanted "* * * to assure that increasing population, accompanied by expanding settlement and growing mechanization (would) not occupy and modify all areas leaving no land designated for preservation and protection in their natural condition * * * and to secure for the American people of present and future generations the benefits of an enduring resource of wilderness." A noble and worthwhile purpose indeed.

To determine what areas should be set aside for special protection under the System, the Wilderness Act, together with the Federal Land Policy and Management Act, directed Federal agencies to assess the lands they manage and recommend to Congress areas suitable for wilderness designation. A qualified area is defined as a parcel of land consisting of at least 5,000 acres where "the earth and community of life are untrammeled by man * * * retaining its primeval character * * * [and] affected primarily by the forces of nature." As you can imagine, identifying qualified Federal lands which meet that description is a daunting and painstaking task.

With the recent completion of BLM's wilderness studies, I am happy to report that the review of Federal lands in Arizona has now been achieved. Congress has already acted on the recommendations of the U.S. Forest Service and designated over 1.3 million acres of wilderness in the State. It is now time for Congress to decide on the disposition of the remaining Federal lands in Arizona.

Today, I am pleased to join my distinguished colleague Senator DECONCINI in introducing legislation which will begin discussion on this very important topic. I want to stress that this bill is not a reflection of what we necessarily believe the final bill should be. It is intended as a vehicle for discussion which will be shaped and molded as debate and public input on the issue evolve. The bill is a starting point which will certainly be modified.

I recognize that some people question the concept of wilderness. After all, public lands belong to all Americans. As a people of many diverse interests, our lands should be open to accommodate as many of those recreational and economic uses as possible. I am a Senator who believes in the multiple use concept as a matter of fairness and equity. I also know, however, that our Nation, and Arizona in particular, has been blessed with a magnificent natural trust. Regrettably that trust is placed at ever-increasing risk as the demands upon it continue to grow.

Clearly, we have stewardwhip responsibilities which cannot be ignored. We owe it to ourselves and our children to preserve something of our natural heritage undisturbed by the activities of man. Our future countrymen will count on our foresight and wisdom in setting something aside for them, as we have depended upon the unselfish wisdom of those before us.

It is my hope that through public involvement and with the good faith and cooperation of the various interests, we can fashion a bill which will be fair to all and in the best interests of Arizona and the Nation.

The bill we introduce today to begin the process generally reflects the wilderness recommendations made by the President on behalf of the Bureau of Land Management with several notable exceptions. This seems like a responsible and logical starting point. Congress gave the agency a mandate which it has admirably and honorably fulfilled. The Bureau has reviewed its lands, received public comment and considered the factors required of them by law. They have made their recommendations and that is rightfully where debate should begin.

The Bureau began its wilderness review of the 10 million acres it man-

ages in Arizona in 1978. From that review, 75 areas comprising just over 2 million acres were identified for intensive study. The studies are now complete and the Bureau has recommended 976,000 acres for inclusion in the National Wilderness Preservation System.

As I said, Mr. President, the bill Senator DECONCINI and I introduce today generally reflects the Bureau's recommendations with several important exceptions. A number of areas recommended by the Bureau have not been included for very specific and compelling reasons. Those parcels are the BLM wilderness study areas known as Cactus Plain, New Water Mountains, Crossman Peak, KOFA 4 North, Burns Springs, Black Mountains North, and Black Rock.

I would like to briefly explain why these areas were excluded.

The Cactus Plain Wilderness Study Area was deleted because of problems involving the relocation of Parker, AZ. The town is planning to relocate due to its jurisdictional conflicts with the Colorado River Indian Tribe. We did not feel it appropriate to complicate their planning or foreclose any options for their relocation or expansion by including the study area in the bill.

New Water Mountains.—This area was excluded because an approved utility corridor and ongoing mineral development within the area significantly diminish its wilderness value.

Crossman Peak.—Situated just east of Lake Havasu City, this study area contains numerous road intrusions and electronic relay equipment which we believe seriously impairs its wilderness character and should not be included.

KOFA 4 North.—Wilderness designation is not advisable because of management problems which would result from the area's isolated location.

Burns Springs/Black Mountain North.—These areas which were recommended by the Bureau have been omitted for a number of reasons, including air safety concerns at the Bullhead City Airport. By law, a 2,000-foot ceiling advisory is to be observed over designated wilderness areas. Observation of such a ceiling would cause a safety hazard for traffic flying in and out of Bullhead. While the ceiling is "advisory" in nature, it would not be proper to designate wilderness which will routinely be violated, nor is it acceptable to endanger the safety of aircraft which attempt to observe the ceiling. In addition, substantial inholdings and probable mineral development will adversely affect the wilderness character.

Black Rock.—While the potential wilderness quality of the area is high, the only access to it is across the San Carlos Indian Reservation. The Secretary should continue to work with the Tribe to determine what arrangement can be made for guaranteed access to Black Rock prior to any wilderness consideration.

Mr. President, this bill also includes wilderness designation for a couple of areas not recommended by the Bureau of Land Management. They include Hell's Canyon and the Maricopa North Wilderness Study Areas.

The area known as Hell's Canyon is an area of spectacular beauty situated in Yavapai County, AZ, just north of the new Lake Pleasant recreation facility. Lake Pleasant will rapidly grow as a primary recreational area in the State. A wilderness area in close proximity would complement the lake nicely, creating a regional resource for outdoor recreation and wilderness opportunity.

Also included in the bill is the Maricopa Mountain North Wilderness Study Area. Because of its nearness to the Tucson and Phoenix metropolitan area, inclusion of the area would provide convenient and accessible wilderness opportunities to a large portion of the State's population. The area also maintains one of the State's densest populations of the desert tortoise which would benefit from the added protection of wilderness. Now that the question of the SSC has been settled, the area should receive serious consideration.

As the law provides, the lands not designated as wilderness will be released from further study and returned to multiple use management. The bill contains one exception involving the White Canyon Wilderness Study Area. White Canyon is a relatively small parcel of BLM-managed land which runs adjacent to an area under wilderness study by the Forest Service. The bill retains White Canyon in study status pending the completion of the Forest Service assessment. I think it would be appropriate for the Secretary of the Interior and the Secretary of Agriculture to examine possible boundary adjustments or other suitable arrangements to create an area of meaningful size for inclusion in the system if it is indeed suitable wilderness.

In 1974, the Fish and Wildlife Service made wilderness recommendations for lands they manage in Arizona. Both the Havasu and the Imperial Wildlife Refuges have been included in the bill's wilderness list. The areas are located on the Colorado River and provide valuable habitat for numerous species of plant and wildlife. Both were recommended for wilderness by the Fish and Wildlife Service.

Also recommended by the Service but not included in the bill are the KOFA and the Cabeza Prieta Wildlife Refuges located in Southwest Arizona.

The KOFA which recently celebrated its 50th anniversary is a magnificent area which hosts a variety of wildlife species including the Desert Big Horn Sheep and the Desert Tortoise. The resource has been managed with great skill, and to rave reviews by the environmental community and various user groups. One hesitates to change in any way a natural resource which is running so well. I will be interested to hear the public comment on the question of wilderness designation for the KOFA.

I will be equally anxious to receive input on the disposition of Cabeza Prieta, which is recognized in many circles as an area of classic wilderness value. Nevertheless, prior to any designation of wilderness, a number of questions and issues on the Cabeza must be considered and resolved.

First, the area is quite large. If we are to accommodate existing roads and provide some reasonable access to the interior, some cherry stemming would be required. We must also recognize that the Arizona-Idaho lands bill, passed by Congress last year, withdrew both the KOFA and Cabeza Prieta from mineral entry. Because this withdrawal provides substantial protection, we must decide whether there are any substantial benefits derived from wilderness status. We would have to weigh those benefits against any possible complications wilderness might have on the purposes for which the areas were created—wildlife management.

Any discussion of Cabeza invariably raises the question of the military's continued access to airspace for training exercises. Any changes in the area's status must accommodate the necessary training missions which are of such vital importance to our national security.

Mr. President, I would also like to say a few words on some of the issues which are always of such great relevance to the wilderness question, including grazing, mineral development, wildlife management and water rights. Concerning the issue of grazing, I understand and appreciate the importance of the cattle industry in Arizona, and the need for adequate grazing lands. It is certainly not the intent of this Senator, nor do I believe, it is the intent of the Wilderness Act to burden the cattle industry. We must recognize that the Wilderness Act expressly states that grazing shall be permitted in a wilderness area where it was allowed prior to the designation. Furthermore, ranchers are to have access to the land for the maintenance of stock ponds and other needed infrastructure, provided that the minimum or least intrusive tools are used in carrying out that work. The bill includes grazing language identical to that used in the 1984 Arizona Wilderness bill. I want to make sure that the spirit and intent of the Wilderness Act will be properly observed in order to protect the interests of the cattle industry.

Another vital issue concerning wilderness is its impact on mineral development. Here again, the law seeks to protect the right of those whose activities in the area pre-dated its wilderness designation. By law, those who have established mineral claims in a wilderness area must be allowed access to develop the holding. As with grazing rights, we must strive to ensure that the legal rights guaranteed by the Wilderness Act are not infringed.

Even so, serious concerns remain due to the fact that wilderness designation precludes the survey and development of mineral potential not claimed before the designation. In Arizona mining has played, and will continue to play a vital role in our economy. I will continue to study the impact of each proposed wilderness area to assess the potential impact of lost mineral development opportunities. Again, I hope that mining interests will work closely with us to find the right answers so that we can weigh and balance our mineral needs and development potential against our conservation goals.

On the subject of wildlife management, although the bill is silent on the issue, I recognize the importance of resolving questions on the rights and responsibilities of wildlife managers on Federal wilderness. The maintenance of a healthy, diverse, and balanced population of wildlife is a critical component of wilderness and indeed one of the primary reasons the system was established. Certainly game and fish managers must have every confidence that they can pursue their mission within wilderness, without unreasonable constraints. I believe it is the intent of the Wilderness Act to provide that protection, while ensuring that the other prerogatives of wilderness are not compromised in the process. Use of the least intrusive tools in the conduct of wildlife management is mandated by law, and Federal oversight and authority by all rights must be retained. Nevertheless, I know and appreciate the concerns which have been expressed on this subject and I look forward to working with the State authorities to resolve outstanding issues.

Finally, Mr. President, I would like to touch on the issue of water rights which is always of paramount importance in our State. Only a fraction of the areas included in the bill contain perennial streams where water rights could become an issue. For those areas, we have included language similar to that used in the legislation creating the San Pedro Riparian National Conservation Area. The language states that Congress reserves a quantity of water sufficient to fulfill the purposes for which the wilderness areas were created, on a case by case basis. Furthermore, it confirms that the priority of the reservation shall be the date the legislation is enacted, and that quantification of the right shall be accomplished in an appropriate stream adjudication. This will ensure that creation of a water right will not impact any prior appropriation or preexisting rights, and that the responsibility for quantification will rest with the State where it belongs.

In closing, Mr. President, I would again like to stress that this bill is a beginning and a vehicle for discussion. I look forward to the public comment and input which it is intended to attract and will be working with other members of the delegation to conduct appropriate public meetings to examine the issues in the near future.

I am fully confident that if we can achieve the same level of commitment and cooperation among the various interests as we did in producing the 1984 Arizona Wilderness bill, the result will be legislation in which we can all take pride.

By Mr. LAUTENBERG:

S. 1081. A bill to authorize the Secretary of Housing and Urban Development to carry out a cost-effective community-based program for housing rehabilitation and development to serve low- and moderate-income families; to the Committee on Banking, Housing, and Urban Affairs.

COMMUNITY-BASED HOUSING REHABILITATION AND DEVELOPMENT PROJECT

● Mr. LAUTENBERG. Mr. President, today I am introducing legislation, the Community Housing Partnership Act, to promote the development of affordable housing by community, religious, and other nonprofit organizations.

Mr. President, the shortage of affordable housing has reached crisis proportions. According to some estimates, up to 3 million Americans, including many working families, are homeless. Millions of others—in both urban and rural areas—live in crowded, substandard conditions. For many low- and middle-income Americans, home ownership is becoming an impossible dream.

As the Federal Government has withdrawn support for housing, thousands of community-based groups have emerged throughout the country to help meet housing needs. These grassroots organizations—churches, community development corporations, tenant groups and others—have helped rebuild neighborhoods that the public and for-profit sectors have ignored or abandoned. In a growing number of cities and towns, nonprofit developers are the primary or only producers of low-income housing.

Many nonprofits have now developed a high degree of sophistication and competence. Their boards often include business people, local officials, and experienced developers. Over time, they've learned to work with local government and the private sector, and to build housing in an efficient, cost-effective manner.

There are many reasons to give nonprofit housing organizations an important role in national housing policy. Unlike the massive and often inefficient bureaucracy at HUD, nonprofits consist largely of local people who care about their communities and who are sensitive to local needs. In part because of these close community ties, they are willing to undertake projects considered too risky, too small, or too unprofitable by financial institutions and other developers. Also, they are committed to serving low-income residents on a long-term basis.

This bill provides $500 million in matching grants to build on the nonprofit sector's already impressive record. Under the legislation, Federal money must be matched by State, local, and private contributions in a ratio of 3 to 1. States and localities are given the flexibility to decide whether grants should go for low-income rental or home ownership units.

Grants would be split three ways: 60 percent would be allocated to metropolitan cities and urban counties, and 30 percent to States. The remaining 10 percent would be administered directly by HUD.

The city, urban county, and State funds would be allocated using the Community Development Block Grant formula. Cities and urban counties would have to be allocated at least $250,000 though this procedure to receive a direct grant. Those not allocated at least that much from the formula distribution would have to apply to either the State or HUD for funds on a discretionary basis.

Once funds are allocated to cities, counties and States, they would have to be used for grants, loans, or other forms of assistance to qualified nonprofit sponsors for the development or rehabilitation of affordable housing for low-income people.

HUD's allocation would be available for direct allocation to nonprofit sponsors where the city or State is either unwilling or unable to obtain funds directly; where the city or State is unable to provide required matching funds, or where the sponsor proposes "an innovative housing development."

The legislation includes targeting provisions to ensure assistance goes to those in greatest need. Eligible rental housing projects must have either 40 percent of the units reserved for households with incomes below 60 percent of the area median income, or at least 20 percent of the units available to households with incomes below 50 percent of the area median income.

The bill also would allocate $25 million in grants to provide nonprofit groups with training and technical assistance.

The Community Housing Partnership Act is supported by many organizations, including the U.S. Conference of Mayors, the National Low-Income Housing Coalition, and community-based groups around the country. An identical House bill introduced by Congressman JOSEPH KENNEDY, H.R. 1852, has 56 cosponsors.

Mr. President, nonprofits can make an important contribution to meeting affordable housing needs. But they cannot do the job alone. Their efforts must be part of a comprehensive housing policy that involves the private, for-profit sector, and all levels of government.

I am an original cosponsor of the National Affordable Housing Act, proposed by Senators CRANSTON and D'AMATO, which includes a wide range of proposals to expand and improve Federal housing policy. I remain fully supportive of their effort, which includes a set-aside for nonprofits, and which no doubt will provide the vehicle for Senate consideration of housing policy in this Congress.

The Community Housing Partnership Act is not designed as a substitute for the more comprehensive Cranston-D'Amato legislation. Rather, it offers a detailed and targeted framework for a nonprofit partnership that can be included in a broader national housing policy.

An omnibus housing bill introduced by House Housing Subcommittee Chairman HENRY GONZALEZ, the Housing and Community Development Act of 1989 (H.R. 1180), already includes the provisions of the CHPA. Similarly, I am hopeful that the proposals in the CHPA can be applied to supplement and improve the Cranston-D'Amato bill.

Mr. President, I am introducing this legislation in the identical form as it was introduced in the House. The bill probably can be improved, and I would welcome any suggestions from housing advocates and other interested parties. I look forward to working with them, and the Housing Subcommittee, as Senate consideration of housing policy moves forward.

I ask unanimous consent that a copy of the bill and a partial list of organizations supporting the bill be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1081

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Community Housing Partnership Act".

(b) TABLE OF CONTENTS.—

Sec. 1. Short title and table of contents.
Sec. 2. Findings and purpose.
TITLE I—HOUSING EDUCATION AND ORGANIZATIONAL SUPPORT GRANTS FOR COMMUNITY BASED HOUSING PROJECTS
Sec. 101. Program authority.
Sec. 102. Eligible activities.
Sec. 103. Authorization of appropriations.
TITLE II—COMMUNITY HOUSING PARTNERSHIP GRANTS
Sec. 201. Program authority.
Sec. 202. Distribution and allocation of community housing partnership funds.
Sec. 203. Eligible activities.
Sec. 204. Eligible projects.
Sec. 205. Authorization of appropriations.
TITLE III—GENERAL PROVISIONS
Sec. 301. Regulations.
Sec. 302. Definitions.

SEC. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—The Congress finds that—

(1) the goals of the Federal housing laws, set out in the Housing Act of 1949 and reaffirmed in the Housing and Urban Development Act of 1968, are to provide affordable, decent, safe, and sanitary living environments for all Americans;

(2) there is an increasing number of Americans whose living environments have deteriorated over the past several years as a result of reductions in Federal assistance to low- and moderate-income families;

(3) many Americans face the possibility of homelessness unless Federal, State, and local governments work together with the private sector to develop and rehabilitate the housing stock of the Nation to provide affordable, safe, decent, and sanitary housing for low- and moderate-income families;

(4) in order to fulfill the goals of the Federal housing laws, there is a need to develop a cost-effective community based housing development program under which—

(A) the rents charged to tenants will be based on the cost of the construction and management of the housing and not upon prevailing market conditions; and

(B) the Federal, State, and local investment in low- and moderate-income housing will be preserved to ensure continuity of providing housing for low- and moderate-income families in perpetuity;

(5) an increasing number of States and cities have been successful in producing cost-effective low- and moderate-income housing by working in partnership with local community-based nonprofit sponsors, such as community development corporations, neighborhood housing services, trade unions, groups sponsored by religious organizations, limited equity cooperatives, and other tenant organizations;

(6) during the 1980s, the nonprofit sector has, despite severe obstacles caused by inadequate funding, played an increasingly important role in the production and rehabilitation of affordable housing in communities across the Nation;

(7) nonprofit sponsors need technical skills and financial resources to develop housing programs and otherwise assist low- and moderate-income families; and

(8) the success of housing development programs depends upon tenants and homeowners being fiscally responsible and able managers.

(b) PURPOSE.—It is the purpose of this Act—

(1) to develop affordable, safe, decent, and sanitary housing for low- and moderate-income families in a cost-effective manner—

(A) by providing funding to cities and States to be used to maintain the low- and moderate-income housing stock and to make new construction and substantial rehabilitation projects feasible;

(B) by encouraging the development and management of housing projects by nonprofit community based organizations such as community development corporations, neighborhood housing services, trade unions, groups sponsored by religious organizations, limited equity cooperatives, and tenant organizations; and

(C) by encouraging matching funds from private entities and State and local governments to assist in the development of low- and moderate-income housing;

(2) to ensure that Federal investment in low- and moderate-income housing—

(A) produces housing stock that is available to low- and moderate-income tenants at a cost based on the cost of the construction and management of the housing rather than the higher market rates; and

(B) remains available to serve low- and moderate-income families in perpetuity;

(3) as one part of a more comprehensive housing program (including the for-profit private sector and public housing agencies and organizations) needed to meet the housing goals of the Nation, help to steadily expand the development capacity of the nonprofit sector so that it can play an increasing role in the construction, rehabilitation, and preservation of affordable housing;

(4) encourage potential nonprofit sponsors to develop the necessary capabilities and resources to undertake the housing development programs contemplated in title II; and

(5) assist low- and moderate-income families to obtain the skills and knowledge necessary to become responsible homeowners and tenants.

TITLE I—HOUSING EDUCATION AND ORGANIZATIONAL SUPPORT GRANTS FOR COMMUNITY BASED HOUSING PROJECTS

SEC. 101. PROGRAM AUTHORITY.

In order to facilitate the education of low- and moderate-income homeowners and tenants and to promote the ability of nonprofit sponsors to maintain, rehabilitate and construct housing for low- and moderate-income families, the Secretary of Housing and Urban Development may provide housing education and organizational support grants—

(1) to eligible cities and states to assist nonprofit sponsors and nonprofit organizations; and

(2) directly to nonprofit sponsors and nonprofit organizations.

SEC. 102. ELIGIBLE ACTIVITIES.

Grants and loans made under this title may be used only for the following eligible activities:

(1) ORGANIZATIONAL SUPPORT GRANT OR LOAN.—Organizational support grants or loans shall be made by grant administrators to nonprofit sponsors to cover operational expenses and to cover expenses for training and technical, legal, engineering and other assistance to the board of directors, staff, and members of the nonprofit sponsor. Organizational support grants or loans may not be provided under this title for any project specific activity provided for in section 202(a).

(2) HOUSING EDUCATION GRANT OR LOAN.—Housing education grants or loans shall be made by grant administrators to nonprofit organizations to cover expenses for providing or administering programs for educating, counseling, or organizing homeowners and tenants who are eligible to receive as-

sistance under grants made pursuant to title II.

SEC. 103. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out this title, $25,000,000 for the fiscal year 1989 and such sums as may be necessary for each succeeding fiscal year. Any amount appropriated as authorized by this section shall remain available until expended.

TITLE II—COMMUNITY HOUSING PARTNERSHIP GRANTS

SEC. 201. PROGRAM AUTHORITY.

The Secretary of Housing and Urban Development may provide the following assistance under this title to facilitate the maintenance, rehabilitation and construction of housing for low- and moderate-income families:

(1) Community housing partnership grants to eligible cities and States to assist nonprofit sponsors.

(2) Community housing partnership grants and loans directly to nonprofit sponsors.

SEC. 202. DISTRIBUTION AND ALLOCATION OF COMMUNITY HOUSING PARTNERSHIP FUNDS.

(a) URBAN COMMUNITY HOUSING PARTNERSHIP GRANTS.—

(1) SHARE OF APPROPRIATED FUNDS.—The Secretary shall allocate 60 percent of any amount appropriated for purposes of carrying out this title for community housing partnership grants to metropolitan cities and urban counties.

(2) APPORTIONMENT OF FUNDS.—(A) Except as provided in subparagraph (B), amounts allocated under paragraph (1) for community housing partnership grants shall be apportioned to metropolitan cities and urban counties in the same manner as funds are apportioned under section 106(b) of the Housing and Community Development Act of 1974.

(B) If the amount allotted in any year to any metropolitan city or urban county under paragraph (2) is less than $250,000, such city or county shall not receive a community housing partnership grant under this subsection. Such amount shall be distributed pro rata to the cities and counties otherwise receiving funding under subparagraph (A).

(b) STATE COMMUNITY HOUSING PARTNERSHIP GRANTS.—

(1) SHARE OF APPROPRIATED FUNDS.—The Secretary shall allocate 30 percent of any amount appropriated for purposes of carrying out this title for community housing partnership grants to States for use in areas that do not receive a grant under subsection (a).

(2) APPORTIONMENT OF FUNDS.—(A) Amounts allocated under paragraph (1) shall be apportioned among the States in the same manner as funds are apportioned under section 106(d) of the Housing and Community Development Act of 1974.

(c) DIRECT COMMUNITY HOUSING PARTNERSHIP GRANTS.—

(1) SHARE OF APPROPRIATED FUNDS.—The Secretary shall allocate for community housing partnership grants to nonprofit sponsors 10 percent of any amount appropriated pursuant to the authorization contained in section 205.

(2) DISTRIBUTION.—The Secretary shall make grants to nonprofit sponsors from amounts allocated under paragraph (1), with priority given to any nonprofit sponsor—

(A) that will provide services in an area where the local government or State concerned—

(i) is unwilling or unable to participate in obtaining a grant under subsection (a) or (b); or

(ii) is unable to provide matching funds; or

(B) that proposes an innovative housing development.

(d) UNUSED FUNDS.—

(1) RESERVATION OR DISTRIBUTION TO PUBLIC AGENCY SPONSORS.—A grant administrator other than the Secretary that has grant funds remaining at the end of the 12-month period beginning on the date the funds are received from the Secretary may reserve such unused funds for an additional 12-month period or make the funds available to any public agency that—

(A) is willing to act as a nonprofit sponsor; and

(B) otherwise fulfills the eligibility requirements.

(2) REALLOCATION.—A grant administrator other than the Secretary that has grant funds remaining at the end of the 24-month period beginning on the date the funds are received from the Secretary shall return such unused funds to the Secretary for reallocation under subsection (c).

SEC. 203. ELIGIBLE ACTIVITIES.

(a) PROJECT SPECIFIC TECHNICAL ASSISTANCE AND SITE CONTROL LOANS.—

(1) IN GENERAL.—A grant administrator may use funds from a grant received under section 202 to provide technical assistance and site control loans to nonprofit sponsors in the early stages of site development for an eligible project.

(2) ALLOWABLE EXPENSES.—A loan may be provided under paragraph (1) to cover project expenses necessary to determine project feasibility, including costs of an initial feasibility study, consulting fees, costs of preliminary financial applications, legal fees, architectural fees, engineering fees, and deposits to obtain options for site control.

(3) REPAYMENT.—A nonprofit sponsor that receives a loan under paragraph (1) shall repay the loan to the grant administrator from construction loan proceeds or other project income. The Secretary may waive repayment of the loan if there are impediments to project development.

(b) PROJECT-SPECIFIC SEED MONEY LOANS.—

(1) IN GENERAL.—Grant administrators may provide loans to nonprofit sponsors to cover preconstruction project expenses such as obtaining firm construction loan commitments, architectural plans and specifications, zoning approvals, engineering studies and legal fees.

(2) ELIGIBLE NONPROFIT SPONSORS.—A grant administrator may provide a loan under paragraph (1) only to a nonprofit sponsor who has, with respect to the project concerned, site control, a preliminary financial commitment, and a capable development team.

(3) REPAYMENT.—A nonprofit sponsor that receives a loan under paragraph (1) shall repay the loan to the grant administrator from construction loan proceeds or other project income. The grant administrator may waive repayment of the loan if there are impediments to project development.

(c) PROJECT-SPECIFIC MATCHING GRANT OR LOAN.—

(1) IN GENERAL.—A grant administrator may provide grants or loans to nonprofit sponsors or nonprofit sponsor partnerships to assist in the new construction or substantial rehabilitation of eligible projects. A grant or loan provided under the preceding sentence may be used to make a project feasible and to reduce rents or sales prices—

(A) by buying down long-term mortgages;

(B) by providing interest reduction payments;

(C) by covering operating deficits;

(D) by providing capital grants; or

(E) by providing other assistance to support the rehabilitation, construction, and occupancy of the eligible project by low- and moderate-income families.

(2) MATCHING REQUIREMENT.—A grant administrator may not provide a grant or loan under this subsection unless the applicant, for every 3 dollars to be provided under the grant or loan, provides 1 dollar of matching funds or commitments, on a present value basis, from—

(A) the State or unit of general local government concerned (such as grants, tax abatements, subsidized loans, tax-exempt financing, or other local subsidy programs); or

(B) a private foundation, financial institution, or other private association or organization (such as grants, below market loans, or syndication proceeds, or equity contributions).

(d) PROGRAM-WIDE SUPPORT OF NONPROFIT DEVELOPMENT AND MANAGEMENT.—Each grant administrator shall use not less than 5 percent of the funds received under the grant to provide to eligible nonprofit sponsors—

(1) technical assistance and training; and

(2) continuing support for managing and conserving properties developed under this title.

(e) USE OF AMOUNTS RECEIVED AS LOAN REPAYMENTS.—Any grant administrator that receives amounts in repayment of loans made under this title may use such amounts only to carry out the purposes of this Act.

SEC. 204. ELIGIBLE PROJECTS.

(a) ELIGIBLE RENTAL HOUSING PROJECTS.—In order to be eligible for a grant under section 202, the owner of a rental housing project shall agree to the following requirements:

(1) TYPES OF PROJECTS.—The project shall consist of—

(A) multifamily rental housing (including limited equity cooperatives) structures that contain more than 4 independent dwelling units; or

(B) single room occupancy structures that have a capacity of not less than 4 persons (and may include the sharing of common eating and bath facilities).

(2) OCCUPANCY BY LOWER INCOME FAMILIES.—In the project—

(A) at least 40 percent of the units shall be occupied, or available for occupancy by, lower income families with incomes of less than 60 percent of the area median income, adjusted for family size; or

(B) at least 20 percent of the units shall be occupied, or be available for occupancy by, lower income families with incomes of less than 50 percent of the area median income, adjusted for family size.

(3) LIMITATION ON RENTAL PAYMENTS BY LOWER INCOME FAMILIES.—In each project, tenants with incomes below 80 percent of the area median income shall not pay more than 30 percent of their monthly adjusted income toward monthly rental payments.

(4) PROHIBITION ON ASSISTANCE TO NONLOWER INCOME FAMILIES.—Assistance provided under this title may not be used in any project to reduce rental payments for families with incomes above 80 percent of the

area median income, adjusted for family size.

(5) LIMITATION ON PROFITS.—Aggregate monthly rental for each eligible project may not exceed the cost of operating the project (including debt service, management, adequate reserves, and other operating costs) plus a 6 percent return on the equity investment, if any, of the owner of the project.

(6) PERIOD OF RESTRICTIONS.—A project for which assistance is received under this title shall comply with the requirements of paragraphs (2) and (3) in perpetuity.

(7) RESTRICTIONS ON CONVEYANCE.—(A) The ownership interest in a project for which assistance is received under this title may not be conveyed unless the instrument of conveyance requires the new owner to comply with the same restrictions imposed on the original owner.

(B) A nonprofit sponsor that receives assistance under this title for a project shall agree to use any profit received from the operation, sale, or other disposition of the project for the purposes of providing low- and moderate-income housing. Profit-motivated partners of nonprofit sponsors in a nonprofit sponsor partnership may receive—

(i) not more than a 6 percent return on their equity investment from project operations; and

(ii) upon disposition of the project, not more than an amount equal to their initial equity investment plus a return on that investment equal to the increase in the Consumer Price Index for the geographic location of the project since the time of the initial investment of such partner in the project.

(8) TENANT PARTICIPATION PLAN.—A nonprofit sponsor that receives assistance for a project under this title shall provide a plan for and follow a program of tenant participations in management decisions and shall adhere to a fair lease and grievance procedure approved by the grant administrator.

(b) HOME OWNERSHIP.—

(1) ELIGIBLE UNITS.—Eligible home ownership units shall include the sale of dwellings (or in the case of a mutual housing corporation or association sponsorship, the sale of indicia of home ownership), including 1- to 4-family homes and dwelling units in a condominium project, and any townhouse or manufactured home, provided such dwelling units provide facilities necessary for independent living and comply with—

(A) applicable local building codes; or

(B) in any case in which there is not an applicable building code, a nationally recognized model building code that the Secretary determines to be acceptable.

(2) ELIGIBLE FAMILIES.—In order to be eligible to purchase an eligible home ownership unit, a family—

(A) may not have family income in excess of the greater of—

(i) 115 percent of the area median income, for a family of 4 persons; or

(ii) 115 percent of the State median income for a family of 4 persons; and

(B) may not have owned a home during the 3-year period prior to purchase of such unit.

(3) LIMITATION ON PROFITS.—Eligible nonprofit sponsors and nonprofit sponsor partnerships may not charge a purchase price for any unit built or rehabilitated with assistance under this section in excess of the cost of acquisition, construction, and rehabilitation (including soft costs such as professional fees, costs of interest and insurance, and taxes) and sale of the unit and related common costs of the development plus a development fee of 10 percent of such costs. Any development fee received by a nonprofit sponsor from the sale or other disposition of an assisted project shall be used for the purpose of carrying out a program designed to—

(A) preserve low- and moderate-income housing;

(B) manage low- and moderate-income housing;

(C) provide tenant counseling services for tenants in low- and moderate-income housing; and

(D) provide low- and moderate-income housing.

(4) RESALE.—(A) Upon resale of an assisted unit, the homeowner may not charge a sales price in excess of the aggregate of—

(i) the purchase price that the homeowner paid;

(ii) an amount equal to the increase in the purchase price based upon the Consumer Price Index for the geographic location of the unit since the time of the purchase of the unit by the eligible homeowner; and

(iii) a 1 percent annual return on capital improvements made to the property.

(B) The restrictions described in subparagraph (A) shall be contained in the instrument of conveyance with respect to the assisted unit. The grant administrator shall use best efforts to have the assisted unit resold to a family that would have qualified for an initial purchase of the assisted unit.

(5) HOUSING COOPERATIVES.—Housing cooperatives shall be structured to limit the equity appreciation similar to the formula set forth in paragraph (4) to ensure continued affordability of cooperative units for households meeting the criteria established in subsections (a)(2) and (a)(3).

(c) COORDINATION WITH OTHER SOURCES OF FUNDING.—

(1) IN GENERAL.—Amounts may be provided to a project under this title in addition to other amounts provided to such project under local, State, or other Federal housing or community assistance programs.

(2) LIMITATION.—Other amounts (as described in paragraph (1)) provided to a project assisted under this title shall be reduced to the extent necessary to ensure that the monthly rental paid to the project owner for each unit assisted under this title does not exceed the maximum rent permitted to be paid for such unit as determined under subsection (a)(3).

(3) SECTION 8 ASSISTANCE.—The Secretary or any local housing authority may allocate assistance under section 8 of the United States Housing Act of 1937, including rent certificates and vouchers, to a rental project assisted under this title for a term determined by the Secretary or such authority to be necessary to assist such project to obtain adequate financing or to maintain financial viability.

(d) TAX TREATMENT OF ELIGIBLE PROJECTS.—

(1) RENTAL OF ELIGIBLE UNITS NOT TREATED AS PASSIVE ACTIVITY.—

(A) Section 469(c) of the Internal Revenue Code of 1986 is amended by adding at the end of paragraph (2) the following new sentence: "Notwithstanding the foregoing, the term 'passive activity' does not include any rental activity involving units in an eligible project (as such term is defined in section 42(i)(6))."

(2) ELIGIBLE PROJECTS ALLOWED MAXIMUM LOW- AND MODERATE-INCOME HOUSING TAX CREDIT.—Section 42(b)(1)(A) of the Internal Revenue Code of 1986 is amended to read as follows:

"(A) 9 percent for—

"(i) new buildings that are not federally subsidized for the taxable year, and

"(ii) eligible projects as defined in section 42(i)(6), or".

(3) DEFINITION OF ELIGIBLE PROJECT.—Section 42(i) of the Internal Revenue Code of 1986 is amended by adding at the end the following:

"(6) ELIGIBLE PROJECT.—The term 'eligible project' means any building that is eligible for and has received, or has a commitment to receive, a community housing partnership grant pursuant to section 201 of the Community Housing Partnership Act.".

(e) AFFIRMATIVE ACTION REQUIREMENTS.—Each nonprofit sponsor that receives assistance for a project under this title shall develop and follow an affirmative action program approved by the grant administrator to maximize the participation of minorities in construction, management, and maintenance employment opportunities arising from this program, particularly minority residents of the communities in which the project is located.

(f) NONDISCRIMINATION.—No person shall on the grounds of race, color, national origin, or sex be excluded from participation in, be denied the benefit of, or be subjected to discrimination under any program or activity assisted under this title.

SEC. 205. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out this title $500,000,000 for fiscal year 1989 and such sums as may be necessary for each succeeding fiscal year. Any amount appropriated under this section shall remain available until expended.

TITLE III—GENERAL PROVISIONS

SEC. 301. REGULATIONS.

The Secretary shall issue any regulation necessary to carry out this Act.

SEC. 302. DEFINITIONS.

For purposes of this Act:

(1) The terms "area median income" and "State median income" mean the area median income and the State median income, respectively, as determined by the Secretary.

(2) The term "grant administrator" means any city or State receiving funds under this Act, including any entity, authority, or agency designated by such city or State to act as grant administrator. To the extent the Secretary directly administers the funding under this program under section 102(c)(3), the term includes the Secretary.

(3) The term "low- and moderate-income families" includes families and individuals who are at or below the income levels for eligibility for the assistance set forth in this title.

(4) The term "nonprofit organization" means any not-for-profit corporation that—

(A) is organized under State or local laws;

(B) is qualified under section 501(c)(3) of the Internal Revenue Code; and

(C) has as one of its purposes the counseling, education, or organizing of low- or medium-income homeowners or tenants.

(5) The term "nonprofit sponsor" means—

(A) any not-for-profit corporation that is—

(i) organized under State or local laws;

(ii) qualified under section 501(c)(3) of the Internal Revenue Code of 1986; and

(iii) has as one of its purposes the preservation and production of affordable housing; or

(B) any nonprofit cooperative corporation that is—

(i) organized under local law; and

(ii) approved by the Secretary.

(6) The term "nonprofit sponsor partnership" means a limited partnership in which a nonprofit sponsor is a controlling general partner.

(7) The term "Secretary" means the Secretary of the Department of Housing and Urban Development.

(8) The term "State" means each of the several States or any instrumentality of a State approved by the Governor of such State, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, the Trust Territory of the Pacific Islands, any other territory or possession of the United States, and any Indian tribe.

(9) The term "substantial rehabilitation" means rehabilitation of a project with a cost, including soft costs (such as professional fees, costs of interest and insurance, and taxes), equal to at least 30 percent of the fair market value of the building. Substantial rehabilitation shall require that the structure be rehabilitated (other than a cosmetic repair) so that it is in compliance with the building standards as prescribed by the Secretary.

NATIONAL STATE AND NONPROFIT ORGANIZATIONS THAT SUPPORT THE COMMUNITY HOUSING PARTNERSHIP ACT

Adequate Housing for Missourians.
Asian Americans for Equality.
Avenida Guadalupe Association.
Boston Affordable Housing Coalition.
Bridge Housing Corporation.
Bucks County Housing Group.
Catherine McAuley Housing Foundation.
Center for Community Change.
Central City Housing.
Connecticut Family and Children's Services.
East Bay Asian Local Development Corporation.
Enterprise Foundation.
Flint Sclom Housing Task Force Coalition.
Greater Birmingham Ministries.
Governor Thomas Kean, State of New Jersey.
Greystone Family Inn.
Hartford Neighborhood Housing Coalition.
Hope Community, Inc.
Howard County Housing Alliance.
Interfaith Housing, Inc.
Jersey City Enterprise Community Development Corporation.
Kansas City Housing Information Center.
Local Initiative Support Corporation.
Maryland Citizens Housing for the Disabled.
Massachusetts Tenant Organization.
Mayor Raymond Flynn, City of Boston.
Mennonite Housing Rehabilitation Services, Inc.
McAuley Insitute.
Michigan Housing Coalition.
Michigan State Housing Development Authority.
National Congress for Community Economic Development.
National Council of LaRaza.
National League of Cities.
National Low Income Housing Coalition.
National Neighborhood Coalition.
National Puerto Rican Coalition.
National Trust for Historic Preservation.
Network, A National Catholic Social Justice Lobby.
New York Community Service Society.
New York Hispanic Housing Coalition.
New York Homes for the Homeless.
North Carolina Low Income Housing Coalition.
Northwest Side Community Development Corporation.
People's Emergency Center.
Prince George's County Peace and Justice Caucus.
Rural Opportunities, Inc.
Seattle Common Ground.
St. Louis Northside Preservation Commission.
St. Louis Salvation Army.
St. Paul City Wide Resident Council.
Raleigh Downtown Housing Improvement Corporation.
Richmond United Neighborhood.
Tabor Community Services, Inc.
The Development Authority of Cumberland, Pa. County.
U.S. Conference of Mayors.
Voice of the People in Uptown, Inc.
Westside Federal Senior Housing and SRO Housing.

By Mr. McCLURE (for himself, Mr. SYMMS, Mr. SIMPSON, Mr. WALLOP, Mr. BURNS, and Mr. BAUCUS):

S. 1082. A bill relating to the treatment of a certain project for purposes of the energy tax credit; to the Committee on Finance.

TREATMENT OF A CERTAIN PROJECT UNDER THE ENERGY TAX CREDIT

● Mr. McCLURE. Mr. President, today I am introducing legislation calling on Congress to remedy a problem which it created. I was promised at the end of last Congress during consideration of the technical corrections bill that this problem would receive fair attention at the earliest possible time. The bill I introduce today will extend the hydroelectric tax credit for the Island Park hydro project which would have been placed in service but for an act of Congress which delayed the project. The bill is cosponsored by five Senators from those States affected by the project. Senators SYMMS, SIMPSON, WALLOP, BURNS, and BAUCUS all share my concern that the Congress should act quickly to remedy this situation.

In 1986, Congress approved the Electric Consumers Protection Act [ECPA]. ECPA included a rider which cited the Island Park hydroelectric project by name and FERC project number. It imposed new and additional new and additional licensing criteria for this project which is not required of any other hydroelectric project. This action occurred during the middle of the ongoing FERC licensing process. The act mandated that in addition to the requirements of part I of the Federal Power Act, "* * * such license only if the Commission determines that significant and permanent alteration of streamflow, habitat, water temperature, and quality will not occur as a result of the project."

The intent of Congress when dealing with the Island Park project was to allow the project to be built, but we did not foresee the licensing delay that would occur due to the additional requirements we imposed. The project met all the requirements of the law and was timely filed; however, the delay imposed by Congress pushed the project back so it was impossible to place it in service by the end of last year when the tax credit expired. Thus, all we are asking today is for Congress to treat this hydro project the same as it has every other project.

When I offered this amendment to the technical corrections bill last fall, some argued our amendment was a rifle shot, legislation that benefits one taxpayer while ignoring others similarly situated. I believe that tax breaks should be legislated for classes of taxpayers, rather than benefiting a special interest, but I also believe that the provision included in ECPA created a new class of taxpayer with respect to the energy tax credits. Namely, a class of taxpayer whose ability to meet the energy tax credit expiration deadline has been thwarted by the requirement of an act of Congress.

In passing the technical corrections act I realized the importance of keeping the bill free of too much baggage in order for it to pass through conference and be signed by the President in the time we had remaining. I withdrew the amendment after being assured that this worthy project would be taken care of at the earliest possible moment.

This bill should be passed because it does not discriminate or distinguish among those similarly situated, it merely treats the Island Park project the same way any other project would be treated but for the congressional delay. The Congress created the delay and it is only just that the Congress correct this problem.

Mr. President, if this problem is not resolved, it is likely that the thousands of hours of private work that have gone into meeting the requirements of the congressional act will go for naught. Close to $1 million have been invested which will go for naught. This would be a tremendous waste of time and effort, and result in abandonment of an opportunity to generate 4.8 megawatts of nonpolluting energy. Also, the nonprofit Fall River Rural Electric Cooperative would lose a key future generating component.

I believe the time is now to act on this measure, to allow the Island Park hydroelectric project to be treated as other similar projects are treated, and to remedy a problem that was created by Congress. I urge the passage of this bill, and hope my colleagues will act on this at the earliest possible moment.

Mr. President. I ask unanimous consent that a copy of my bill appear in the RECORD following my statement.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1082

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CONGRESSIONAL FINDINGS.

The Congress finds that—

(1) in addition to the normal licensing requirements of the Federal Power Act, section 15A(c)(1) of the Electric Consumers Protection Act of 1986 (Public Law 99-945) imposed new, unique, and project-specific licensing requirements on one particular hydropower project in Idaho—the Island Park Dam Hydropower Project (FERC No. 2973);

(2) these additional project-specific requirements which were imposed by the Congress in 1986 in the middle of the ongoing Federal Energy Regulatory Commission licensing process for the Island Park Dam Hydropower Project have resulted in a lengthy delay in license issuance for the project;

(3) the delay in license issuance for the project was unforeseen by Congress in 1986, but has made it impossible for the project to be constructed and placed in service in time to qualify for certain energy tax credits which are essential to the project's financing, and which were enacted by Congress to encourage nonpolluting energy development projects such as the Island Park Dam Hydropower Project; and

(4) an extension of the energy tax credits for the Island Park Hydropower Project is justified in this one particular instance to mitigate the unintended and unforeseen delays in project licensing and construction caused by Congress' action, and to afford the Island Park Dam Hydropower Project the same relative tax status shared by hydropower projects that were not disadvantaged by Congress' imposition of project-specific licensing criteria.

SEC. 2. EXTENSION OF ENERGY CREDIT.

In recognition of the findings set forth in section 1 of this Act, with respect to the Island Park Dam Hydropower Project, the date substituted under section 46(b)(2)(D) of the Internal Revenue Code of 1986 shall be "December 31, 1991" in lieu of "December 31, 1988".●

By Mr. KASTEN:

S.J. Res. 137. Joint resolution designating January 7, 1990, through January 13, 1990, as "National Law Enforcement Training Week"; to the Committee on the Judiciary.

NATIONAL LAW ENFORCEMENT TRAINING WEEK

● Mr. KASTEN. Mr. President, I am pleased to introduce today a joint resolution to designate January 7, 1990, through January 13, 1990, as "National Law Enforcement Training Week."

In every community throughout the United States, we see headlines just about daily concerning the problems our society faces in the law enforcement area. These problems include the terrible drug crisis which faces this Nation, and the resulting violence in the streets that we have seen in our major cities.

I believe that sometimes the great attention given to the drug crisis and the law enforcement problems associated with it overshadow many of the important daily functions of our law enforcement personnel as they work to keep our society free from fear and protect the law-abiding citizens as they go about their daily lives.

The law enforcement personnel of this Nation, including our local police forces, county sheriff departments, State police organizations, and other State and Federal law enforcement personnel, deserve and must have the best available training for their jobs. This is necessary to protect the lives of these people who are on the front lines of law enforcement. It is also necessary so that our society is protected by the best trained personnel that we can put into the field.

Therefore, I am pleased to introduce this legislation to recognize the efforts and contributions of those persons and organizations who are assisting in the Nation's fight against crime by assuring that our law enforcement people are properly trained in the increasingly complex areas which impact upon their ability to protect our law-abiding citizens.

Companion legislation is being introduced today in the House of Representatives by Representative ASPIN and we look forward to the cosponsorship of our colleagues on these two pieces of legislation.

I ask unanimous consent that the text of the joint resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 137

Whereas law enforcement training and sciences related to law enforcement are critical to the immediate and long-term safety and well-being of this Nation because law enforcement professionals provide service and protection to citizens in all sectors of society;

Whereas law enforcement training is a critical component of national efforts to protect the citizens of this Nation from violent crime, to combat the malignancy of illicit drugs, and to apprehend criminals who commit personal, property and business crimes;

Whereas law enforcement training serves the hard working and law abiding citizens of this Nation;

Whereas it is essential that the citizens of this Nation be able to enjoy an inherent right of freedom from fear and learn of the significant contributions that law enforcement trainers have made to assure such right;

Whereas it is vital to build and maintain a highly trained and motivated law enforcement work force that is educated and trained in the skills of law enforcement and sciences related to law enforcement in order to take advantage of the opportunities that law enforcement provides;

Whereas it is in the national interest to stimulate and encourage the youth of this Nation to understand the significance of law enforcement training to the law enforcement profession and to the safety and security of all citizens;

Whereas it is in the national interest to encourage the youth of this Nation to appreciate the intellectual fascination of law enforcement training; and

Whereas it is in the national interest to make the youth of this Nation aware of career options available in law enforcement and disciplines related to law enforcement: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That January 7, 1990, through January 13, 1990, is designated as "National Law Enforcement Training Week", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate exhibits, ceremonies, and activities, including programs designed to heighten the awareness of all citizens, particularly the youth of this Nation, of the importance of law enforcement training and related disciplines.●

(By Mr. LEAHY (for himself, Mr. DANFORTH, Mr. LUGAR, Mr. MATSUNAGA, Mr. SARBANES, Mr. BOND, Mr. BOSCHWITZ, Mr. BUMPERS, Mr. BURDICK, Mr. CHAFEE, Mr. COCHRAN, Mr. CONRAD, Mr. CRANSTON, Mr. D'AMATO, Mr. DASCHLE, Mr. DODD, Mr. DOLE, Mr. DURENBERGER, Mr. FOWLER, Mr. GLENN, Mr. GORTON, Mr. GRAHAM, Mr. HEFLIN, Mr. INOUYE, Mr. JOHNSTON, Mr. KENNEDY, Mr. LEVIN, Mr. PELL, Mr. PRYOR, Mr. SHELBY, and Mr. SIMPSON):

S.J. Res. 138. Joint resolution designating October 16, 1989, and October 16, 1990, as "World Food Day"; to the Committee on the Judiciary.

WORLD FOOD DAY

Mr. LEAHY. Mr. President, today I will be introducing a joint resolution to designate October 16, 1989, and October 16, 1990, as "World Food Day."

These will mark the eighth and ninth consecutive years that Congress has set aside a day to remember the world's hungry.

There are many commemoratives being offered on the floor this year. It is very important that the Senate strongly support this resolution.

Hunger and poverty remain daily facts of life for millions of Americans, and hundreds of millions of people throughout the world.

It is the world's children who suffer the most serious effects of hunger. Millions of children die each year from hunger-related illness and disease—most before their first birthday. Scores of others suffer permanent physical or mental damage from nutritional deficiencies.

As the richest, most powerful nation in the world, I believe it is our responsibility to do everything we can to alleviate the chronic conditions of hunger and malnourishment in the world. This issue goes well beyond questions of economics or politics. It is a moral issue.

This important commitment by the Congress of the United States will help to provide the recognition and leadership antihunger efforts need to

establish year-round drives for food and health programs and policies.

I urge Senate support for this important resolution.

By Mr. CRANSTON (for himself and Mr. WILSON):

S.J. Res. 139. Joint resolution to approve the designation of the Cordell Bank National Marine sanctuary, to disapprove of a term of that designation, and to direct the Secretary of Commerce to revise regulations implementing that designation to prohibit certain activities in the sanctuary; to the Committee on Commerce, Science, and Transportation.

CORDELL BANK NATIONAL MARINE SANCTUARY

Mr. CRANSTON. Mr. President, today I introduce a Senate joint resolution to approve the designation of the Cordell Bank National Marine sanctuary, to disapprove a term of that designation, and to direct the Secretary of Commerce to revise regulations implementing that designation in order to prohibit offshore oil drilling in the sanctuary.

Mr. President, tomorrow the administrationwill designate the Cordell Bank National Marine sanctuary, off the coast of northern California, as directed by legislation the Congress enacted late last year. The administration, however, has proposed to leave the sanctuary open to offshore oil drilling—an outrageous betrayal of the meaning and purpose of the marine sanctuary program.

Cordell Bank is the northernmost seamount along the California continental shelf. It is a fragile, sensitive environment, home to a large number of marine bird and mammal species. The endangered humpback and blue whales feed in surrounding waters. This rocky underwater island is a living marine garden of fish and invertebrate species.

The dangers of offshore oil drilling to a sensitive marine environment are clear and present. Such drilling involves the use and dumping at sea of many toxic materials, especially drilling muds laden with heavy metals and toxics. Oilspills—both chronic small spills and possible catastrophic spills—pose additional threats, smothering and poisoning bottom marine life. Noise and drilling pollution also threaten endangered whales and other marine mammals.

We are designating Cordell Bank as a National Marine sanctuary in order to protect it against exactly the kind of ruin and exploitation offshore oil drilling would bring. This is a bad decision by the administration, and a sorry first test of its commitment to protecting our coastal environment.

I urge the Congress to act promptly on this matter. A resolution has been previously introduced in the House by my California colleagues, Congressman Bosco and Congresswomen BOXER and PELOSI.

By Mr. GLENN (for himself, Mr. SHELBY, Mr. WILSON, Mr. GORE, and Mr. STEVENS):

S.J. Res. 140. Joint resolution designating November 19-25, 1989, as "National Family Caregivers Week"; to the Committee on the Judiciary.

NATIONAL FAMILY CAREGIVERS WEEK

● Mr. GLENN. Mr. President, today, I am introducing Senate Joint Resolution 140 to designate the week of November 19-25, 1989, as "National Family Caregivers Week." I am pleased to be joined by my colleagues, Senators SHELBY, WILSON, GORE, and STEVENS, in recognizing and encouraging the dedicated and often heroic efforts of those who provide support and care to their family members who are frail and no longer able to fully care for themselves. An identical House joint resolution is being introduced by Congresswoman OLYMPIA SNOWE.

The fastest growing segment of our population is the age 85 and older group—the group most likely to suffer multiple chronic ailments, thus requiring the assistance of caregivers. Over 80 percent of this care for the elderly is provided by family members—most often wives, daughters, and daughters-in-law—and not by the Government or other programs. Studies have shown that caregiving is very stressful. It is often an around-the-clock responsibility that leaves the caregiver emotionally and physically exhausted. Many caregivers are forced to sacrifice employment opportunities to provide care, thus jeopardizing their current and future economic status. Caregivers who do work outside the home face a stressful situation in attempting to balance the demands of their jobs, their families, and their caregiving responsibilities.

"National Family Caregivers Week" recognizes the vital role of family caregivers who provide the bulk of personal care for the elderly in our communities. It also highlights our Nation's need for an in-home and community-based system of long-term care that includes respite services to assist family caregivers. Because Americans are living longer, more and more of us will find ourselves responsible for the care of an elderly loved one. I urge my colleagues to join in passage of this resolution which will help highlight the contributions of family caregivers and increase awareness of their needs.●

ADDITIONAL COSPONSORS

S. 100

At the request of Mr. ROCKEFELLER, the name of the Senator from New Jersey [Mr. LAUTENBERG] was added as a cosponsor of S. 100, a bill to amend title XVIII of the Social Security Act with respect to coverage of, and payment for, services of psychologists under part B of Medicare.

S. 110

At the request of Mr. KENNEDY, the name of the Senator from North Carolina [Mr. SANFORD] was added as a cosponsor of S. 110, a bill to revise and extend the programs of assistance under title X of the Public Health Service Act.

S. 115

At the request of Mr. INOUYE, the name of the Senator from Iowa [Mr. HARKIN] was added as a cosponsor of S. 115, a bill to amend titles XVIII and XIX of the Social Security Act to provide that nurse practitioner or clinical nurse specialist services are covered under part B of Medicare and are a mandatory benefit under Medicaid.

S. 119

At the request of Mr. INOUYE, the name of the Senator from Iowa [Mr. HARKIN] was added as a cosponsor of S. 119, a bill to amend titles XVIII and XIX of Social Security Act to provide that pediatric nurse practitioner or pediatric clinical nurse specialist services are covered under part B of Medicare and are a mandatory benefit under Medicaid.

S. 120

At the request of Mr. KENNEDY, the names of the Senator from North Dakota [Mr. BURDICK] and the Senator from Rhode Island [Mr. CHAFEE] were added as cosponsors of S. 120, a bill to amend the Public Health Service Act to reauthorize adolescent family life demonstration projects, and for other purposes.

S. 148

At the request of Mr. PRESSLER, the names of the Senator from Iowa [Mr. GRASSLEY] and the Senator from New Hampshire [Mr. HUMPHREY] were added as cosponsors of S. 148, a bill to require the Secretary of the Treasury to mint coins in commemoration of the golden anniversary of the Mount Rushmore National Memorial.

S. 169

At the request of Mr. HOLLINGS, the name of the Senator from New Hampshire [Mr. RUDMAN] was added as a cosponsor of S. 169, a bill to amend the National Science and Technology Policy, Organization, and Priorities Act of 1976 in order to provide for improved coordination of national scientific research efforts and to provide for a national plan to improve scientific understanding of the Earth system and the effect of changes in that system on climate and human well-being.

S. 189

At the request of Mr. MATSUNAGA, the name of the Senator from Minnesota [Mr. BOSCHWITZ] was added as a cosponsor of S. 189, a bill to amend

title 38, United States Code, to authorize the Secretary of Veterans Affairs to provide funeral transportation, remains transportation, and living expense benefits to deceased Medal of Honor recipients and their families.

S. 231

At the request of Mr. MOYNIHAN, the name of the Senator from South Carolina [Mr. HOLLINGS] was added as a cosponsor of S. 231, a bill to amend part A of title IV of the Social Security Act to improve quality control standards and procedures under the Aid to Families With Dependent Children Program, and for other purposes.

S. 329

At the request of Mr. DIXON, the name of the Senator from South Dakota [Mr. DASCHLE] was added as a cosponsor of S. 329, a bill to amend the United States Warehouse Act to specifically allow States to require grain elevators with Federal warehouse licenses to participate in State grain indemnity funds or to require collateral security.

S. 335

At the request of Mr. MCCAIN, the names of the Senator from Rhode Island [Mr. PELL] and the Senator from Delaware [Mr. ROTH] were added as cosponsors of S. 335, a bill to amend title XVIII of the Social Security Act and other provisions of law to delay for 1 year the effective dates of the supplemental Medicare premium and additional benefits under part B of the Medicare Program, with the exception of the spousal impoverishment benefit.

At the request of Mr. D'AMATO, his name was added as a cosponsor of S. 335, supra.

S. 342

At the request of Mr. DANFORTH, the name of the Senator from Mississippi [Mr. COCHRAN] was added as a cosponsor of S. 342, a bill to amend the Internal Revenue Code of 1986 to provide that certain credits will not be subject to the passive activity rules, and for other purposes.

S. 355

At the request of Mr. RIEGLE, the name of the Senator from Vermont [Mr. LEAHY] was added as a cosponsor of S. 355, a bill to amend the Internal Revenue Code of 1986 to extend through 1992 the period during which qualified mortgage bonds and mortgage credit certificates may be issued.

S. 369

At the request of Mr. BOSCHWITZ, the names of the Senator from Florida [Mr. GRAHAM], and the Senator from New Jersey [Mr. BRADLEY] were added as cosponsors of S. 369, a bill to seek the eradication of the worst aspects of poverty in developing countries by the year 2000.

S. 375

At the request of Mr. HOLLINGS, the name of the Senator from Wyoming [Mr. SIMPSON] was added as a cosponsor of S. 375, a bill to provide for the broadcasting of accurate information to the people of Cuba, and for other purposes.

S. 377

At the request of Mr. DIXON, the name of the Senator from Oregon [Mr. HATFIELD] was added as a cosponsor of S. 377, a bill to establish a series of five Presidential primaries at which the public may express its preference for the nomination of an individual for election to the office of President of the United States.

S. 384

At the request of Mr. CHAFEE, the name of the Senator from Maryland [Mr. SARBANES] was added as a cosponsor of S. 3841, a bill to amend title XIX of the Social Security Act to assist individuals with a severe disability in attaining or maintaining their maximum potential for independence and capacity to participate in community and family life, and for other purposes.

S. 412

At the request of Mr. MOYNIHAN, the name of the Senator from North Carolina [Mr. SANFORD] was added as a cosponsor of S. 412, a bill amend the Internal Revenue Code of 1986 to increase the amount of the credit for expenses with respect to child care for dependent children, to make such credit refundable, to amend the Social Security Act to increase the funds for available child care, and for other purposes.

S. 435

At the request of Mr. REID, the name of the Senator from Illinois [Mr. DIXON] was added to a cosponsor S. 435, a bill to amend section 118 of the Internal Revenue Code to provide for certain exception from certain rules determining contributions in aid of construction.

S. 488

At the request of Mr. FOWLER, the name of the Senator from Montana [Mr. BAUCUS] was added as a cosponsor of S. 468, a bill to provide Federal assistance and leadership to a program of research, development and demonstration of renewable energy and energy efficiency technologies, and for other purposes.

S. 519

At the request of Mr. LAUTENBERG, the name of the Senator from Maryland [Ms. MIKULSKI] was added as a cosponsor of S. 519, a bill to prohibit smoking on any scheduled airline flight in intrastate, interstate, or overseas air transportation.

S. 533

At the request of Mr. REID, the name of the Senator from Maryland [Ms. MIKULSKI] was added as a cosponsor of S. 533, a bill to protect the rights of victims of crime and to establish a Federal victim's bill of rights for children.

S. 563

At the request of Mr. MATSUNAGA, the name of the Senator from Arkansas [Mr. PRYOR] was added as a cosponsor of S. 563, a bill to amend section 3104 of title 38, United States Code, to permit certain service-connected disabled veterans who are retired members of the Armed Forces to receive retired pay concurrently with disability compensation after a reduction in the amount of retired pay.

S. 570

At the request of Mr. DANFORTH, the names of the Senator from North Carolina [Mr. HELMS], the Senator from Wisconsin [Mr. KOHL], the Senator from Montana [Mr. BURNS], the Senator from Vermont [Mr. JEFFORDS], and the Senator from Washington [Mr. ADAMS] were added as cosponsors of S. 570, a bill to amend the Internal Revenue Code of 1986 to enhance the incentive for increasing research activities.

S. 578

At the request of Mr. DANFORTH, the name of the Senator from Tennessee [Mr. GORE] was added as a cosponsor of S. 578, a bill to amend title 10, United States Code, to provide for consideration of whether certain defense agreements adversely impact the international competitive position of U.S. industry.

S. 670

At the request of Mr. ARMSTRONG, the names of the Senator from Minnesota [Mr. BOSCHWITZ], and the Senator from Wisconsin [Mr. KASTEN] were added as cosponsors of S. 670, a bill to recognize the organization known as the Retired Enlisted Associated, Incorporated.

S. 704

At the request of Mr. RIEGLE, the name of the Senator from West Virginia [Mr. ROCKEFELLER] was added as a cosponsor of S. 704, a bill to increase the authorization under title XX of the Social Security Act for block grants to States for social services.

S. 714

At the request of Mr. MCCLURE, the names of the Senator from Kansas [Mrs. KASSEBAUM], the Senator from Washington [Mr. ADAMS], the Senator from Alabama [Mr. SHELBY], the Senator from Arizona [Mr. MCCAIN], and the Senator from California [Mr. WILSON] were added as cosponsors of S. 714, a bill to extend the authorization of the Water Resources Research Act of 1984 through the end of fiscal year 1993.

S. 892

At the request of Mr. MOYNIHAN, the names of the Senator from Maine [Mr. MITCHELL], the Senator from Rhode Island [Mr. PELL], the Senator from South Dakota [Mr. DASCHLE], and the

Senator from Iowa [Mr. HARKIN] were added as cosponsors of S. 892, a bill to exclude agent orange settlement payments from countable income and resources under Federal means-tested programs.

S. 895

At the request of Mr. BOREN, the name of the Senator from Texas [Mr. BENTSEN] was added as a cosponsor of S. 895, a bill to extend disaster assistance to losses due to adverse weather conditions in 1988 or 1989 for those crops planted in 1988 for harvest in 1989.

S. 933

At the request of Mr. HARKIN, the name of the Senator from Alabama [Mr. SHELBY] was added as a cosponsor of S. 933, a bill to establish a clear and comprehensive prohibition of discrimination on the basis of disability.

S. 969

At the request of Mr. MOYNIHAN, the name of the Senator from Georgia [Mr. NUNN] was added as a cosponsor of S. 969, a bill to establish the President's Award for Addiction Research.

S. 978

At the request of Mr. INOUYE, the name of the Senator from Iowa [Mr. HARKIN] was added as a cosponsor of S. 978, a bill to authorize the establishment within the Smithsonian Institution of the National Museum of the American Indian, to establish a memorial to the American Indian, and for other purposes.

S. 982

At the request of Mr. REID, the name of the Senator from Montana [Mr. BURNS] was added as a cosponsor of S. 982, a bill to repeal a provision of Federal tort claim law relating to the civil liability of Government contractors for certain injuries, losses of property, and deaths and for other purposes.

S. 990

At the request of Mr. WILSON, the name of the Senator from North Carolina [Mr. HELMS] was added as a cosponsor of S. 990, a bill to restrict the use of congressional frank for mass mailings and newsletters.

S. 999

At the request of Mr. HOLLINGS, the names of the Senator from Colorado [Mr. WIRTH], and the Senator from Kentucky [Mr. FORD] were added as cosponsors of S. 999, a bill to amend the Communications Act of 1934 regarding the broadcasting of certain material regarding candidates for Federal elective office, and for other purposes.

S. 1001

At the request of Mr. GORE, the name of the Senator from Vermont [Mr. JEFFORDS] was added as a cosponsor of S. 1001, a bill to establish policies and procedures necessary to develop, as a domestically based industry in the United States, a high definition television enterprise in the United States, together with ancillary products and services.

S. 1017

At the request of Mr. FORD, the name of the Senator from North Dakota [Mr. CONRAD] was added as a cosponsor of S. 1017, a bill to enhance the ability of the Bureau of the Census to gather information concerning rural areas for Congress, to improve historic preservation efforts, and for other purposes.

SENATE JOINT RESOLUTION 67

At the request of Mr. DOMENICI, the names of the Senator from Connecticut [Mr. DODD], and the Senator from Illinois [Mr. SIMON] were added as cosponsors of Senate Joint Resolution 67, a joint resolution to commemorate the 25th anniversary of the Wilderness Act of 1964 which established the National Wilderness Preservation System.

SENATE JOINT RESOLUTION 79

At the request of Mr. REID, the name of the Senator from New Jersey [Mr. LAUTENBERG] was added as a cosponsor of Senate Joint Resolution 79, a joint resolution to require display of the POW/MIA flag at Federal buildings.

SENATE JOINT RESOLUTION 85

At the request of Mr. ARMSTRONG, the names of the Senator from Missouri [Mr. BOND], the Senator from New York [Mr. D'AMATO], the Senator from Utah [Mr. GARN], the Senator from Texas [Mr. GRAMM], the Senator from Kansas [Mrs. KASSEBAUM], the Senator from Idaho [Mr. MCCLURE], the Senator from New Hampshire [Mr. RUDMAN], the Senator from Wyoming [Mr. SIMPSON], the Senator from Pennsylvania [Mr. SPECTER], the Senator from California [Mr. WILSON], the Senator from New Jersey [Mr. BRADLEY], the Senator from Alabama [Mr. HEFLIN], the Senator from Massachusetts [Mr. KERRY], the Senator from Wisconsin [Mr. KOHL], the Senator from New Jersey [Mr. LAUTENBERG], the Senator from Connecticut [Mr. LIEBERMAN], the Senator from Hawaii [Mr. MATSUNAGA], the Senator from Maryland [Ms. MIKULSKI], the Senator from New York [Mr. MOYNIHAN], the Senator from Michigan [Mr. RIEGLE], the Senator from Rhode Island [Mr. PELL], the Senator from Tennessee [Mr. SASSER], the Senator from Illinois [Mr. SIMON], the Senator and the Senator from Colorado [Mr. WIRTH] were added as cosponsors of Senate Joint Resolution 85, a joint resolution to designate the week of July 24-30, 1989, as the "National Week of Recognition and Remembrance for Those Who Served in the Korean War."

SENATE JOINT RESOLUTION 86

At the request of Mr. RIEGLE, the name of the Senator from Missouri [Mr. DANFORTH] was added as a cosponsor of senate joint resolution 86, a joint resolution designating November 17, 1989, as "National Philanthropy Day."

SENATE JOINT RESOLUTION 91

At the request of Mr. ROCKEFELLER, the name of the Senator from Alabama [Mr. HEFLIN] was added as a cosponsor of Senate Joint Resolution 91, a joint resolution designating April 28, 1989, as "Flight Attendant Safety Professionals' Day."

SENATE JOINT RESOLUTION 95

At the request of Mr. MCCLURE, the names of the Senator from Colorado [Mr. ARMSTRONG], the Senator from Virginia [Mr. WARNER], the Senator from Minnesota [Mr. DURENBERGER], the Senator from Washington [Mr. ADAMS], the Senator from Indiana [Mr. COATS], the Senator from Tennessee [Mr. GORE], the Senator from Missouri [Mr. DANFORTH], the Senator from New Jersey [Mr. BRADLEY], the Senator from Ohio [Mr. GLENN], the Senator from Iowa [Mr. GRASSLEY], the Senator from Connecticut [Mr. DODD], the Senator from Utah [Mr. HATCH], the Senator from New York [Mr. MOYNIHAN], the Senator from California [Mr. WILSON], the Senator from Michigan [Mr. LEVIN], and the Senator from Connecticut [Mr. LIEBERMAN] were added as cosponsors of Senate Joint Resolution 95, a joint resolution to designate the week of September 10, 1989, through September 16, 1989, as "National Check-Up Week."

SENATE JOINT RESOLUTION 105

At the request of Mr. DOLE, the names of the Senator from Washington [Mr. ADAMS] and the Senator from Alabama [Mr. SHELBY] were added as cosponsors of Senate Joint Resolution 105, a joint resolution to designate October 7 through October 14, 1989, as "National Week of Outreach to the Rural Disabled."

SENATE JOINT RESOLUTION 112

At the request of Mr. GRASSLEY, the names of the Senator from Georgia [Mr. NUNN], the Senator from Michigan [Mr. LEVIN], the Senator from Pennsylvania [Mr. SPECTER], the Senator from Utah [Mr. HATCH], the Senator from West Virginia [Mr. BYRD], the Senator from Wyoming [Mr. SIMPSON], the Senator from Nebraska [Mr. KERREY], the Senator from Alabama [Mr. HEFLIN], and the Senator from Utah [Mr. GARN] were added as cosponsors of Senate Joint Resolution 112, a joint resolution designating May 29, 1989, as the "National Day of Remembrance for the victims of the U.S.S. *Iowa*."

SENATE JOINT RESOLUTION 126

At the request of Mr. PELL, the names of the Senator from North Carolina [Mr. SANFORD], the Senator from Georgia [Mr. FOWLER], the Sena-

tor from South Dakota [Mr. DASCHLE], the Senator from New Mexico [Mr. DOMENICI], the Senator from Alabama [Mr. HEFLIN], and the Senator from New York [Mr. MOYNIHAN] were added as cosponsors of Senate Joint Resolution 126, a joint resolution commemorating the bicentennial of the U.S. Coast Guard.

SENATE JOINT RESOLUTION

At the request of Mr. DOLE, the names of the Senator from Ohio [Mr. GLENN] and the Senator from Nebraska [Mr. EXON] were added as cosponsors of Senate Joint Resolution 129, a joint resolution to provide for the designation of September 15, 1989, as "National POW/MIA Recognition Day."

SENATE JOINT RESOLUTION 130

At the request of Mr. SARBANES, the names of the Senator from Ohio [Mr. GLENN], the Senator from Indiana [Mr. COATS], the Senator from Hawaii [Mr. INOUYE], the Senator from Nebraska [Mr. EXON], the Senator from Vermont [Mr. JEFFORDS], the Senator from New York [Mr. D'AMATO], and the Senator from Connecticut [Mr. DODD] were added as cosponsors of Senate Joint Resolution 130, a joint resolution designating February 11 through February 17, 1990, as "Vocational-Technical Education Week."

SENATE CONCURRENT RESOLUTION 18

At the request of Mr. ROTH, the name of Senator from North Carolina [Mr. SANFORD] was added as a cosponsor of Senate Concurrent Resolution 18, a concurrent resolution expressing the sense of Congress that Federal laws regarding the taxation of State and local government bonds should not be changed in order to increase Federal revenues.

SENATE CONCURRENT RESOLUTION 26

At the request of Mr. HATFIELD, the name of Senator from Maryland [Mr. SARBANES] was added as a cosponsor of Senate Concurrent Resolution 26, a concurrent resolution urging first asylum countries of the Association of Southeast Asia Nations [ASEAN] to reinstate the practice of providing refuge to all asylum-seekers from Vietnam, and for other purposes.

SENATE CONCURRENT RESOLUTION 37

At the request of Mr. HARKIN, the name of the Senator from Colorado [Mr. WIRTH] was added as a cosponsor of Senate Concurrent Resolution 37, a concurrent resolution expressing the sense of the Congress that the differential in Medicare payments made to urban and rural hospitals be eliminated.

SENATE RESOLUTION 13

At the request of Mr. DOLE, the name of the Senator from Tennessee [Mr. GORE] was added as a cosponsor of Senate Resolution 13, a resolution to amend Senate Resolution 28 to implement closed caption broadcasting for hearing-impaired individuals of floor proceedings of the Senate.

SENATE RESOLUTION 114

At the request of Mr. GRAHAM, the name of the Senator from Georgia [Mr. NUNN] was added as a cosponsor of Senate Resolution 114, a resolution concerning the restoration of Eastern Airlines.

SENATE RESOLUTION 119

At the request of Mr. WILSON, the name of the Senator from Vermont [Mr. LEAHY] was added as a cosponsor of Senate Resolution 119, a resolution concerning the 1986 agreement between the United States and Japan regarding the Japanese semiconductor market.

SENATE CONCURRENT RESOLUTION 39—SUBMISSION OF A CONCURRENT RESOLUTION COMMENDING THE "FLYING TIGERS"

Mr. WILSON submitted the following concurrent resolution, which was referred to the Committee on the Judiciary:

S. CON. RES. 39

Whereas the merger of Tiger International with the Federal Express Corporation led to the transfer of the international air cargo routes from Flying Tiger Line, Inc., a subsidiary of Tiger International, to the Federal Express Corporation, will bring to a close one of the most remarkable and distinguished chapters in United States aviation history;

Whereas the pilots of the Flying Tiger Line, Inc., bear a name which represents members of a proud and distinguished group of aviators (properly known as the "Flying Tigers");

Whereas approximately 50 years ago the Flying Tigers initially operated in the jungles of Burma, with the operations of the American volunteer group under the command of General Clair Chennault;

Whereas the tradition of proud and distinguished service by the Flying Tigers to the United States began under the direction of Robert W. Prescott;

Whereas for more than 4 decades such proud and distinguished group of aviators has steadfastly served the specialized air transportation needs of the United States; and

Whereas the Flying Tigers have provided assistance with rescue efforts in Korea, Hungary, Vietnam, Cambodia, and Ethiopia, and have conducted many other humanitarian missions: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That Congress commends the group of pilots that bear the name Flying Tigers, a distinguished group of aviators, for nearly 50 years of valued and competent service to the United States.

Mr. WILSON. Mr. President, along with my colleague from California, Senator CRANSTON, I rise today to introduce a resolution commemorating the proud and distinguished service of the pilots of the Flying Tigers.

This group of pilots, first organized by Gen. Clair Chennault, has provided the American public and people all over the world with continuous service for almost 50 years. Their heroics on behalf of our Armed Forces and humanitarian relief efforts are well documented and merit our recognition.

Mr. President, we all know of the heriocs performed by these courageous pilots in the defense of freedom. What is less known is how 12 members of the famed group of World War II combat pilots, the Flying Tigers, formed what was once a small airline. They were at once pilots, mechanics, and shippers.

In the days following World War II, the pilots of Flying Tigers flew the largest airlift ever performed by a single contractor—the supply of General MacArthur's occupational forces in Japan. Ever since that time, these pilots have given great service to the Armed Forces for cargo and passenger services.

The pilots of Flying Tigers have risked their lives many times on behalf of the world's underprivileged and oppressed. During the 1970's, the airline participated in several mercy charter flights flying supplies to needy Cambodian refugees. On Thanksgiving Day in 1979, history was made when the pilots delivered $1.5 million in food and medical supplies in the first direct mercy flight from the United States to Phnom Penh—4 years after the famed "ricelift" to Cambodia in 1975.

Life saving supplies were also delivered to refugee camps along the Thailand/Cambodian border, and passenger charter flights were commissioned to carry refugees to the United States. In March 1982, the Flying Tigers flew a charter flight into Warsaw, delivering over 40 tons of medical supplies, staple foods, and relief goods—the first airlift of relief supplies to reach Poland since the imposition of martial law the previous November.

Clearly, Mr. President, the pilots of Flying Tigers deserve the recognition of this Congress. They have performed valiantly and with great skill during both war and peace. I urge the Senate to consider this commemorative legislation quickly and to ensure its passage.

SENATE CONCURRENT RESOLUTION 40—DESIGNATING JUNE 21, 1989, AS CHANEY, GOODMAN, AND SCHWERNER DAY

Mr. MITCHELL (for himself, Mr. DOLE, Mr. CRANSTON, and Mr. SIMPSON) submitted the following concurrent resolution; which was referred to the Committee on the Judiciary:

S. CON. RES. 40

Whereas on June 21, 1964, James Chaney, Andrew Goodman, and Michael Schwerner gave their lives at a young age in an effort to guarantee the rights that are the birthright of every citizen of the United States, particularly the right to vote;

Whereas James Chaney, Andrew Goodman, and Michael Schwerner were part of a

movement that helped to achieve the passage of the Civil Rights Act of 1964, the Voting Rights Act of 1965, and other milestones in the progress of this Nation toward achieving the goal of ensuring equal rights, equal opportunities, and equal justice for all;

Whereas during the quarter century after the deaths of James Chaney, Andrew Goodman, and Michael Schwerner this Nation has benefitted tremendously from the removal of many barriers to full participation by every citizen of this Nation in political, educational, and economic life;

Whereas the lives and resultant deaths of James Chaney, Andrew Goodman, and Michael Schwerner have come to symbolize the dream of brotherhood and sisterhood among citizens of this Nation from all races, religions, and ethnic backgrounds.

Whereas the memory of the struggle of James Chaney, Andrew Goodman, and Michael Schwerner and the sacrifice of such men will encourage all citizens of this Nation, in particular young citizens, to be rededicated to the ideals of justice, equality, citizenship, and community;

Whereas the State of Mississippi and the City of Philadelphia, Mississippi, are joining with citizens from throughout this Nation to commemorate the contributions that James Chaney, Andrew Goodman, and Michael Schwerner made to this Nation; and

Whereas the lifework of James Chaney, Andrew Goodman, and Michael Schwerner remains unfinished until all barriers are removed that bar the full participation of every citizen of this Nation in the democratic process of this Nation, especially in the electoral process, Now, therefore be it

Resolved by the Senate (the House of Representatives concurring), That—

(1) June 21, 1989, is designated as Chaney, Goodman, and Schwerner Day,

(2) it is the sense of the Congress that the Voting Rights Act of 1965 has helped to fulfill the promise of democracy in this Nation, and

(3) the Congress reaffirms the goal of removing remaining barriers to full voter participation in this Nation.

Mr. MITCHELL. Mr. President, not often does the Senate pause to recognize individuals who have made eternal contributions to this country. I am honored to join my colleagues today to commemorate three brave Americans who forsake personal considerations to advance the cause of freedom for all.

Michael Schwerner and Andrew Goodman traveled to unfamiliar Mississippi from the relative comfort of their homes in Pennsylvania to fight injustice leveled at people they have never met. James Chaney, a native of the State, worked with them in hopes of bringing a new reality to people he knew deserved it. They must have known hostility awaited them. They could not have imagined their expressions of support for the right of all citizens, regardless of their color, to participate in American dream would cost them their lives. Surely, they did not know what their ultimate contribution would mean to this country.

Mr. President, these men are symbols of the civil rights movement which remains vigilent—that no individual, no organization—no matter what its philosophical bent—weakens this Republic. As long as we continue to protect the fundamental, inalienable rights of all Americans, we can proudly state that Chaney, Goodman, and Schwerner efforts were triumphant.

Mr. DOLE. Mr. President, I rise today—along with the distinguished majority leader—to introduce a resolution commemorating the 25th anniversary of the deaths of James Chaney, Andrew Goodman, and Michael Schwerner—three young men from very different backgrounds, who gave their lives in the struggle to guarantee voting rights for all Americans. This resolution would honor their memories by declaring June 21, 1989 as Chaney Goodman Schwerner Day.

The deaths of these young men, though tragic, have come to represent one of the great milestones in America's long journey toward racial justice. Obviously, much has been accomplished in the area of civil rights since that fateful day in 1964. And I think that James Chaney, Andrew Goodman, and Michael Schwerner would be proud of America for these accomplishments.

So I think it is entirely appropriate for Congress to honor the memories of these three young men. They have played a large role in bringing the reality of full citizenship to so many Americans, and they have certainly paid a very heavy price.

Finally, I would like to make one small point: The resolution states that Congress reaffirms the goal of removing remaining barriers to full voter participation in this Nation. I agree with this statement. But the statement should not be taken as an implicit endorsement on my part of any of the voter registration bills that have been introduced this session.

Mr. CRANSTON. Mr. President, I am pleased to join with the majority leader, Senator MITCHELL, the minority leader, Senator DOLE, and the Republican whip, Senator SIMPSON, in introducing this resolution to commemorate on June 21, 1989, the deaths 25 years ago of three courageous civil rights workers—James Chaney, Andrew Goodman, and Michael Schwerner.

The brutal murders of these three young Americans drew the Nation's attention to the struggle for racial justice and voting rights. These young men were part of the national movement which led to the passage of the Civil Rights Act of 1964 and the Voting Rights Act of 1965 and helped set our country on the path toward achievement of the goal of equality of rights and opportunities.

Next month, there will be a series of commemorative events in Mississippi, Washington, DC, and New York City, marking the 25th anniversary of their deaths, as part of an effort to help rekindle the idealism and dedication represented by these young men and the thousands of others who contributed so much to our Nation during the civil rights struggles of the 1960's.

I am proud to join in remembering the sacrifice made by these young Americans and their families, so that our Nation could move forward, and in the effort to reaffirm our commitment to the purposes for which they gave their lives.

SENATE RESOLUTION 130—RECOGNIZING THE CONVENING OF THE U.S.S.R. CONGRESS OF PEOPLES' DEPUTIES

Mr. BRADLEY (for himself, Mr. MITCHELL, Mr. DOLE, Mr. CRANSTON, Mr. LUGAR, and Mr. CHAFEE) submitted the following resolution; which was considered and agreed to:

S. RES. 130

Whereas, for the first time in 70 years the Soviet people have had an opportunity to participate in multi-candidate, competitive, secret-ballot voting to elect a 2,250-member Congress of Peoples' Deputies.

Whereas, the Congress of Peoples' Deputies will convene annually to elect from its ranks new members of the 542 seat bicameral Supreme Soviet and may also debate and influence other important issues.

Whereas, the Congress of Peoples' Deputies will also elect the President of the Supreme Soviet.

Whereas, reformers are advocating that the President transfer to the Supreme Soviet important decision-making powers heretofore exercised by the Communist Party.

Whereas, a similar system of legislative organs is also planned for all Union and autonomous republics, and the election of peoples' deputies is scheduled for the end of 1989.

Whereas, the Soviet Union has thereby begun to develop an institutional base with the potential for representing the will of the people more openly, directly, and effectively.

Whereas, on May 25, 1989, deputies from all over the Soviet Union will meet for the first time in Moscow to hold the first session of the newly-elected Congress of Deputies and will elect, a 542-member Supreme Soviet. Now, therefore, be it

Resolved, That the Senate hereby:

(1) welcomes these initial steps toward institutionalizing a democratic process in the USSR, and

(2) expresses its hope that this process will continue to go forward and will ultimately result in a reconstituted Supreme Soviet with access to the information needed to make policy and enact legislation and with the actual power to:

—make laws
—approve and alter budgets
—appoint and change government officials
—oversee security and military services.

SENATE RESOLUTION 131—AMENDING THE STANDING RULES OF THE SENATE TO IMPROVE LEGISLATIVE EFFICIENCY

Mrs. KASSEBAUM submitted the following resolution; which was referred to the Committeee on Rules and Administration:

S. RES. 131

Resolved, That rule XXV of the Standing Rules of the Senate is amended to read as follows:

"STANDING COMMITTEE

1. The following standing committees shall be appointed at the commencement of each Congress, and shall continue and have the power to act until their successors are appointed, with leave to report by bill or otherwise on matters within their respective jurisdictions:

(a)(1) Committee on National Priorities, to which committee shall be referred all concurrent resolutions on the budget (as defined in section 3(a)(4) of the Congressional Budget Act of 1974) and all other matters required to be referred to committee under Titles III and IV of that act, and messages, petitions, memorials, and other matters relating thereto.

(2) Such committee shall have the duty—

(A) to report the matters required to be reported by committee under Title III and IV of the Congressional Budget Act of 1974;

(B) to make continuing studies of the effect on budget outlays of relevant existing and proposed legislation and to report the results of such studies to the Senate on a recurring basis;

(C) to request and evaluate continuing studies of tax expenditures, to devise methods of coordinating tax expenditures, policies, and programs with direct budget outlays, and to report the results of such studies to the Senate on a recurring basis; and

(D) to review on a continuing basis, the conduct by the Congressional Budget Office of its functions and duties.

(b)(1) Committee on Agricultural Policy, to which committee shall be referred all proposed legislation, message, petitions, memorials, and other matters relating primarily to the following subjects:

1. Agricultural economics and research.
2. Agricultural extension services and experiment stations.
3. Agricultural production, marketing, and stabilization of prices.
4. Agriculture and agricultural commodities.
5. Animal industry and diseases.
6. Crop insurance and soil conservation.
7. Farm credit and farm security.
8. Food from fresh waters.
9. Inspection of livestock, meat, and agricultural products.
10. Pests and pesticides.
11. Plant industry, soils, and agricultural engineering.
12. Rural development, rural electrification, and watersheds.

(2) There shall also be referred to such committee all proposed legislation, messages, petitions, memorials, and other matters relating to the appropriation, or to the rescission of the appropriation, of revenue for the support of government programs, projects, or activities relating primarily to the subject specified in paragraph (b)(1), except as provided in subparagraph (a).

(c)(1) Committee on Defense Policy, to which committee shall be referred all proposed legislation, messages, petitions, memorials, and other matters relating primarily to the following subjects:

1. Aeronautical and space activities peculiar to or primarily associated with the development of weapons systems or military operations.
2. Common defense.
3. Department of Defense, the Department of the Army, the Department of the Navy, and the Department of the Air Force, generally.
4. Maintenance and operation of the Panama Canal, including administration, sanitation, and government of the Canal Zone.
5. Military research and development.
6. National security aspects of nuclear energy.
7. Naval petroleum reserves, except those in Alaska.
8. Pay, promotion, retirement, and other benefits and privileges of members of the Armed Forces, including overseas education of civilian and military dependents.
9. Selective service system.
10. Strategic and critical materials necessary for the common defense.

(2) There shall also be referred to such committee all proposed legislation, messages, petitions, memorials, and other matters relating to the appropriation, or to the rescission of the appropriation, of revenue for the support of government programs, projects, or activities relating primarily to the subjects specified in paragraph (c)(1), except as provided in subparagraph (a).

(d)(1) Committee on Commercial Policy, to which committee shall be referred all proposed legislation, messages, petitions, memorials, and other matters relating primarily to the following subjects:

1. Coast Guard.
2. Coastal zone management.
3. Communications.
4. Construction and maintenance of highways, and highway safety.
5. Inland waterways, except construction.
6. Interstate commerce.
7. Marine and ocean navigation, safety, and transportation, including navigational aspects of deepwater ports.
8. Marine fisheries.
9. Merchant marine and navigation.
10. Nonmilitary aeronautical and space sciences.
11. Oceans, weather, and atmospheric activities.
12. Regulation of consumer products and services, including testing related to toxic substances, other than pesticides.
13. Regulation of interstate common carriers, including railroads, buses, trucks, vessels, pipelines, and civil aviation.
14. Science, engineering, and technology research and development and policy.
15. Sports.
16. Standards and measurement.
17. Transportation.
18. Transportation and commerce aspects of Outer Continental Shelf lands.
19. Regional economic development.
20. Financial aid to commerce and industry.
21. Public works, bridges, and dams.

(2) There shall also be referred to such committee all proposed legislation, messages, petitions, memorials, and other matters relating to the appropriation, or to the rescission of the appropriation, of revenue for the support of government programs, projects, or activities relating primarily to the subjects specified in paragraph (d)(1), except as provided in subparagraph (a).

(e)(1) Committee on Economic Policy, to which committee shall be referred all proposed legislation, messages, petitions, memorials, and other matters relating primarily to the following subjects:

1. Bonded debt of the United States, except as provided in the Congressional Budget Act of 1974.
2. Deposits of public moneys.
3. Revenue measures generally, except as provided in the Congressional Budget Act of 1974.
4. Revenue measures relating to the insular possessions.
5. Banks, banking, and financial institutions.
6. Deposit insurance.
7. Federal monetary policy, including the Federal Reserve System.
8. Issuance and redemption of notes.
9. Money and credit, including currency and coinage.

(2) There shall also be referred to such committee all proposed legislation, messages, petitions, memorials, and other matters relating to the appropriation, or to the rescission of the appropriation, of revenue for the support of government programs, projects, or activities relating primarily to the subjects specified in paragraph (e)(1), except as provided in subparagraph (a).

(f)(1) Committee on Energy Policy, to which committee shall be referred all proposed legislation, messages, petitions, memorials, and other matters relating primarily to the following subjects:

1. Coal production, distribution, and utilization.
2. Energy policy.
3. Energy regulation and conservation.
4. Energy-related aspects of deepwater ports.
5. Energy research and development.
6. Extraction of minerals from oceans and Outer Continental Shelf lands.
7. Hydroelectric electric power, irrigation, and reclamation.
8. Mining education and research.
9. Mining, mineral lands, mining claims, and mineral conservation.
10. Naval petroleum reserves in Alaska.
11. Nonmilitary development of nuclear energy.
12. Oil and gas production and distribution.
13. Solar energy systems.

(2) There shall also be referred to such committee all proposed legislation, messages, petitions, memorials, and other matters relating to the appropriation, or to the rescission of the appropriation, of revenue for the support of government programs, projects, or activities relating primarily to the subjects specified in paragraph (f)(1), except as provided in subparagraph (a).

(g)(1) Committee on Environmental Policy, to which committee shall be referred all proposed legislation, messages, petitions, memorials, and other matters relating primarily to the following subjects:

1. Air pollution.
2. Environmental aspects of Outer Continental Shelf lands.
3. Environmental effects of toxic subtances, other than pesticides.
4. Environmental policy.
5. Environmental research and development.
6. Fisheries and wildlife.
7. Flood control and improvements of rivers and harbors, including environmental aspects of deepwater ports.
8. Noise pollution.

9. Nonmilitary environmental regulation and control of nuclear energy.
10. Ocean dumping.
11. Solid waste disposal and recycling.
12. Water pollution.
13. Water resources.
14. Forestry, and forest reserves and wilderness areas.
15. National parks, recreation areas, wild and scenic rivers, historical sites, military parks and battlefields, and on the public domain, preservation of prehistoric ruins and objects of interest.
16. Public lands and forests, including farming and grazing thereon, and mineral extraction therefrom.

(2) There shall also be referred to such committee all proposed legislation, messages, petitions, memorials, and other matters relating to the appropriation, or to the rescission of the appropriation, of revenue for the support of government programs, projects, or activities relating primarily to the subjects specified in paragraph (g)(1), except as provided in subparagraph (a).

(h)(1) Committee on Foreign Policy, to which committee shall be referred all proposed legislation, messages, petitions, memorials, and other matters relating primarily to the following subjects:

1. Acquisition of land and buildings for embassies and legations in foreign countries.
2. Boundaries of the United States.
3. Diplomatic service.
4. Foreign economic, military, technical, and humanitarian assistance.
5. Foreign loans.
6. International activities of the American Red Cross and the International Committee of the Red Cross.
7. International aspects of nuclear energy, including nuclear transfer policy.
8. International conferences and congresses.
9. International law as it relates to foreign policy.
10. International Monetary Fund and other international organizations established primarily for international monetary purposes.
11. Intervention abroad and declarations of war.
12. Measures to foster commercial intercourse with foreign nations and to safeguard American business interests abroad.
13. Trusteeships of the United States, including territorial possessions of the United States.
14. Oceans and international environmental and scientific affairs as they relate to foreign policy.
15. Protection of United States citizens abroad and expatriation.
16. Relations of the United States with foreign nations generally.
17. Treaties and executive agreements.
18. United Nations and its affiliated organizations.
19. World Bank group, the regional development banks, and other international organizations established primarily for development assistance programs.
20. Foreign trade promotion, export, and export controls.
21. Interoceanic canals generally, unless otherwise provided.
22. Customs and ports of entry and delivery.
23. Reciprocal trade agreements.
24. Tariffs and import quotas, and matters related thereto.
25. Organization and management of United States nuclear export policy.

(2) There shall also be referred to such committee all proposed legislation, messages, petitions, memorials, and other matters relating to the appropriation, or to the rescission of the appropriation, of revenue for the support of government programs, projects, or activities relating primarily to the subjects specified in paragraph (h)(1), except as provided in subparagraph (a).

(i)(1) Committee on Governmental Policy, to which committee shall be referred all proposed legislation, messages, petitions, memorials, and other matters relating primarily to the following subjects:

1. Archives of the United States.
2. Budget and accounting measures, except as provided in the Congressional Budget Act of 1974.
3. Census and collection of statistics, including economic and social statistics.
4. Congressional organizations, except for any part of the matter that amends the rules of order of the Senate.
5. Federal Civil Service.
6. Government information.
7. Intergovernmental relations.
8. Municipal affairs of the District of Columbia.
9. Organization and reorganization of the executive branch of the government.
10. Postal Service.
11. Status of officers of the United States, including their classification, compensation, and benefits.
12. Renegotiation of governmental contracts.
13. Public buildings and improved grounds of the United States generally, including federal buildings in the District of Columbia.

(2) There shall also be referred to such committee all proposed legislation, messages, petitions, memorials, and other matters relating to the appropriation, or to the rescission of the appropriation, of revenue for the support of government programs, projects, or activities relating primarily to the subjects specified in paragraph (i)(1), except as provided in subparagraph (a).

(j)(1) Committee on Judicial Policy, to which committee shall be referred all proposed legislation, messages, petitions, memorials, and other matters relating primarily to the following subjects:

1. Apportionment of Representatives.
2. Bankruptcy, mutiny, espionage, and counterfeiting.
3. Civil liberties.
4. Constitutional amendments.
5. Federal courts and judges.
6. Holidays and celebrations.
7. Immigration and naturalization.
8. Interstate compacts generally.
9. Judicial proceedings, civil and criminal, generally.
10. Local courts in the territories and possessions.
11. Measures relating to claims against the United States.
12. National penitentiaries.
13. Patent Office.
14. Patents, copyrights, and trademarks.
15. Protection of trade and commerce against unlawful restraints and monopolies.
16. Revisions and codification of the statutes of the United States.
17. State and territorial boundary lines.

(2) There shall also be referred to such committee all proposed legislation, messages, petitions, memorials, and other matters relating to the appropriation, or to the rescission of the appropriation, of revenue for the support of government programs, projects, or activities relating primarily to the subjects specified in paragraph (j)(1), except as provided in subparagraph (a).

(k)(1) Committee on Social Policy, to which committee shall be referred all proposed legislation, messages, petitions, memorials, and other matters relating primarily to the following subjects:

1. Measures relating to education, labor, health, and public welfare.
2. Arts and humanities.
3. Biomedical research and development.
4. Child labor.
5. Domestic activities of the American Red Cross.
6. Equal employment opportunity.
7. Gallaudet College, Howard University, and Saint Elizabeths Hospital.
8. Handicapped individuals.
9. Labor standards.
10. Mediation and arbitration of labor disputes.
11. Occupational safety and health, including the welfare of miners.
12. Private pension plans.
13. Public health.
14. Railroad retirement program.
15. Regulation of foreign laborers.
16. Student loans.
17. Wages and hours of labor.
18. Food stamp programs.
19. Human nutrition.
20. School nutrition programs.
21. Public housing.
22. Nursing homes including construction.
23. National social security.
24. Public health programs, including health programs under the Social Security Act.

(2) There shall also be referred to such committee all proposed legislation, messages, petitions, memorials, and other matters relating to the appropriation, or to the rescission of the appropriation, of revenue for the support of government programs, projects, or activities relating primarily to the subjects specified in paragraph (k)(1), except as provided in subparagraph (a).

(l)(1) Committee on Native American Programs, to which committee shall be referred all proposed legislation, messages, petitions, memorials, and other matters relating primarily to Native Americans generally, and Native American Programs.

(2) There shall also be referred to such committee all proposed legislation, messages, petitions, memorials, and other matters relating to the appropriation, or to the rescission of the appropriation, of revenue for the support of government programs, projects, or activities relating primarily to the subjects specified in paragraph (l)(1), except as provided in subparagraph (a).

(m)(1) Committee on Senior American Programs, to which committee shall be referred all proposed legislation, messages, petitions, memorials, and other matters relating primarily to Senior Americans generally, and to the Older Americans Act.

(2) There shall also be referred to such committee all proposed legislation, messages, petitions, memorials, and other matters relating to the appropriation, or to the rescission of the appropriation, of revenue for the support of government programs, projects, or activities relating primarily to the subjects specified in paragraph (m)(1), except as provided in subparagraph (a).

(n)(1) Committee on Veteran American Programs, to which committee shall be referred all proposed legislation, messages, petitions, memorials, and other matters relating primarily to the following subjects:

1. Compensation of veterans.
2. Life insurance issued by the government on account of service in the Armed Forces.

3. National cemeteries.
4. Pensions of all wars of the United States, general and special.
5. Readjustment of servicemen to civil life.
6. Soldiers and sailors civil relief.
7. Veterans' hospitals, medical care and treatment of veterans.
8. Veterans' measures generally.
9. Vocational rehabiltation and education of veterans.

(2) There shall also be referred to such committee all proposed legislation, messages, petitions, memorials, and other matters relating to the appropriation, or to the rescission of the appropriation, or revenue for the support of government programs, projects, or activities relating primarily to the subjects specified in paragraph (n)(1), except as provided in subparagraph (a).

(o)(1) Committee on Entrepreneurial American Programs, to which committee shall be referred all proposed legislation, messages, petitions, memorials, and other matters relating to the Small Business Administration.

(2) Any proposed legislation reported by such committee which relates to matters other than the functions of the Small Business Administration shall, at the request of any standing committee having jurisdiction over the subject matter extraneous to the functions of the Small Business Administration, be considered and reported by such standing committee prior to its consideration by the Senate; and likewise measures reported by other committees directly relating to the Small Business Administration shall, at the request of the Committee on Entrepreneurial American Programs for its consideration of any portions of the measure dealing with the Small Business Administration, be considered and reported by this committee prior to its consideration by the Senate.

(3) There shall also be referred to such committee all proposed legislation, messages, petitions, memorials, and other matters relating to the appropriation, or to the rescission of the appropriation, or revenue for the support of government programs, projects, or activities relating primarily to the subjects specified in paragraphs (o)(1) and (o)(2), except as provided in subparagraph (a).

(p)(1) Committee on Senate Rules, to which committee shall be referred all proposed legislation, messages, petitions, memorials, and other matters relating primarily to the following subjects:

1. Administration of the Senate office buildings and the Senate wing of the Capitol, including the assignment of office space.
2. Congressional organization relative to rules and procedures, and Senate rules and regulations, including floor and gallery rules.
3. Corrupt practices.
4. Credentials and qualifications of members of the Senate, contested elections, and acceptance of incompatible offices.
5. Federal elections generally, including the election of the President, Vice President, and members of Congress.
6. Government Printing Office, and the printing and correction of the *Congressional Record*, as well as those matters provided under rule XI.
7. Meetings of the Congress and attendance of the members.
8. Payment of money out of the contingent fund of the Senate or creating a charge upon the same (except that any resolution relating to substantive matter within the jurisdiction of any other standing committee of the Senate shall first be referred to such committee).
9. Presidential succession.
10. Purchase of books and manuscripts and erection of monuments to the memory of individuals.
11. Senate Library and statutory, art, and pictures in the Capitol and Senate office buildings.
12. Services to the Senate, including the Senate restaurant.
13. United States Capitol and congressional office buildings, the Library of Congress, the Smithsonian Institution (and the incorporation of similar institutions), and the Botanic Gardens.

(2) There shall also be referred to such committee all proposed legislation, messages, petitions, memorials, and other matters relating to the appropriation, or to the rescission of the appropriations, of revenue for the support of government programs, projects, or activities relating primarily to the subjects specified in paragraph (p)(1), except as provided in subparagraph (a).

2. (a) Except as otherwise provided by paragraph 4 of this rule, the Leadership Committee, known as the Committee on National Priorities, shall consist of not less than 28 senators nor more than 33 senators.

(b) Except as otherwise provided by paragraph 4 of this rule, each of the following standing committees shall consist of not more than the number of senators set forth in the following table on the line on which the name of that committee appears:

Legislative policy committees

Committee:	Members
Agricultural Policy	17
Defense Policy	17
Commercial Policy	17
Economic Policy	17
Energy Policy	17
Environmental Policy	17
Foreign Policy	17
Governmental Policy	17
Judicial Policy	17
Social Policy	17

(c) Except as otherwise provided by paragraph 4 of this rule, each of the following standing committees shall consist of not more than the number of senators set forth in the following table on the line on which the name of that committee appears:

Legislative program committees

Committee:	Members
Native American Programs	9
Veteran American Programs	11
Senior American Programs	19
Entrepreneurial American Programs	19

(d) Except as otherwise provided by paragraph 4 of this rule, each of the following committees and standing committees shall consist of the number of senators set forth in the following table on the line on which the name of that committee appears:

Administrative committees

Committee:	Members
Senate Rules	15
Senate Ethics	6
Senate Intelligence	15

3. (a) Notwithstanding the provisions of paragraph 4, and except as otherwise provided by this paragraph—

(1) each senator shall serve on no more than two committees listed in subparagraph 2(b).

(2) each senator serving as either a chairman or a ranking member on any committee listed in subparagraph 2(b) shall not serve on any other committee listed in subparagraph 2(b) but shall serve on the committee listed in subparagraph 2(a).

(3) each senator serving as either a chairman or a ranking member of any committee listed in subparagraph 2(c) shall also serve on the committee listed in subparagraph 2(a).

(4) in addition to those senators serving on the committee listed in subparagraph 2(a) by virtue of their serving as chairman or ranking member of a committee listed in subparagraph 2(b), not more than 5 senators shall be appointed by the majority leader of the senate to serve on the committee listed in subparagraph 2(a) for the purpose of making the overall balance of majority and minority members on the committee the same as the relative balance between the majority and minority members of the Senate.

(5) service by a senator on any committee listed in subparagraph 2(c) shall not limit the ability of such senator to serve on any other committee or standing committee.

(b) By agreement entered into by the majority leader and the minority leader, the membership of one or more standing committees may be increased temporarily from time to time by such number or numbers as may be required to accord to the majority party a majority of the membership of all standing committees. Members of the majority party in such numbers as may be required for that purpose may serve as members of three standing committees listed in subparagraph 2(b). No such temporary increase in the membership of any standing committee under this subparagraph shall be continued in effect after the need therefore has ended. No standing committee may be increased in membership under this subparagraph by more than two members in excess of the number prescribed for that committee by paragraph 2(b).

(c) No senator shall serve at any one time as chairman of more than one subcommittee of each standing committee of the Senate.

4. Notwithstanding any provision of rule XXIV of the standing rules of the Senate, the appointment of committees or standing committees as prescribed by this title shall be on this basis of each senator's continuous service in the senate, except that such appointment shall be in accordance with the following limitations:

(a) Only those senators who on the day preceding the effective date of this title were serving as members of the Committee on Agriculture, Nutrition, and Forestry or who were serving on the Subcommittee on Agriculture, Rural Development, and Related Agencies of the Committee on Appropriations may serve on the Committee on Agricultural Policy.

(b) Only those senators who on the day preceding the effective date of this title were serving as members of the Committee on Armed Services or who were serving on the Subcommittee on Defense or the Subcommittee on Military Construction of the Committee on Appropriations may serve on the Committee on Defense Policy.

(c) Only those senators who on the day preceding the effective date of this title were serving as members of the Committee on Commerce, Science, and Transportation or who were serving on the Subcommittee on Transportation and Related Agencies of the Committee on Appropriations may serve on the Committee on Commercial Policy.

(d) Only those senators who on the day preceding the effective date of this title

were serving as members of the Committee on Finance or the Committee on Banking, Housing and Urban Affairs may serve on the Committee on Economic Policy.

(e) Only those senators who on the day preceding the effective date of this title were serving as members of the Committee on Energy and Natural Resources or who were serving on the Subcommittee on Energy and Water Development of the Committee on Appropriations, may serve on the Committee on Energy Policy.

(f) Only those senators who on the day preceding the effective date of this title were serving as members of the Committee on Environment and Public Works or who were serving on the Subcommittee on Interior and Related Agencies of the Committee on Appropriations may serve on the Committee on Environmental Policy.

(g) Only those senators who on the day preceding the effective date of this title were serving as members of the Committee on Foreign Relations or who were serving on the Subcommittee on Foreign Operations of the Committee on Appropriations may serve on the Committee on Foreign Policy.

(h) Only those senators who on the day preceding the effective date of this title were serving as members of the Committee on Governmental Affairs or who were serving on the Subcommittee on Treasury, Postal Service, and General Government or the Subcommittee on District of Columbia or on the Subcommittee on HUD-Independent Agencies of the Committee on Appropriations may serve on the Committee on Governmental Policy.

(i) Only those senators who on the day preceding the effective date of this title were serving as members of the Committee on the Judiciary or who were serving on the Subcommittee on Commerce, Justice, State, the Judiciary, and Related Agencies of the Committee on Appropriations may serve on the Committee on Judicial Policy.

(j) Only those senators who on the day preceding the effective date of this title were serving as members of the Committee on Labor and Human Resources or who were serving on the Subcommittee on Labor, Health and Human Services, Education, and Related Agencies of the Committee on Appropriations, may serve on the Committee on Social Policy.

(k) Only those senators who on the day preceding the effective date of this title were serving as members of the Committee on Rules and Administration or who were serving on the Subcommittee on Legislative Branch of the Committee on Appropriations may serve on the Committee on Senate Policy.

(l) Only those senators who on the day preceding the effective date of this title were serving as members of the Select Committee on Indian Affairs may serve on the Committee on Native American Programs.

(m) Only those senators who on the day preceding the effective date of this title were serving as members of the Committee on Veterans Affairs may serve on the Committee on Veteran Programs.

(n) Only those senators who on the day preceding the effective date of this title were serving as members of the Special Committee on Aging may serve on the Committee on Senior American Programs.

(o) Only those senators who on the day preceding the effective date of this title were serving as members of the Committee on Small Business may serve on the Committee on Senior American Programs.

5. Upon the effective date of this title, the Select Committee on Ethics shall become the Committee on Senate Ethics, and the Select Committee on Intelligence shall become the Committee on Intelligence Oversight. However, the membership, functions, and duties of such committees shall remain unchanged.

Sec. 2. Paragraphs 1, 2, 3, 4, 6, and 7 of rule XVI of the Standing Rules of the Senate are repealed, and paragraphs 5 and 8 are renumbered as paragraphs "1" and "2," respectively.

Sec. 3. Subparagraph (b) of paragraph 4 of Rule XVII of the Standing Rules of the Senate is amended by striking out "(except the Committee on Appropriations)".

Sec. 4. Rule XXVI of the Standing Rules of the Senate is amended—

(a) by striking out "(except the Committee on Appropriations)" in each instance where it appears.

(b) by striking out "(except the Committee on Appropriations and the Committee on the Budget)" in each instance where it appears, and inserting in lieu thereof the following "(except the Committee on National Priorities)",

(c) by striking out "the prohibition contained in the preceding sentence shall not apply to the Committee on Appropriations or the Committee on the Budget," in subparagraph 5(a) and inserting in lieu thereof "The prohibition contained in the preceding sentence shall not apply to the Committee on National Priorities.",

(d) by striking out the last sentence of subparagraph 10(b), and

(e) by striking out "(except those by the Committee on Appropriation)" in subparagraph 11(b).

Sec. 5. The provisions of this resolution shall take effect on the first day of the first Congress following the date of enactment.

Mrs. KASSEBAUM. Mr. President, today, I am joining with Mr. INOUYE, Mr. DASCHLE, Mr. DODD, Mr. LUGAR, and Mr. MCCAIN in resubmitting legislation identical to Senate Resolution 260, which was submitted in the 100th Congress on the subject of congressional reform.

I believe comprehensive reform is vital to the effective deliberations of this body. Included in such reform, although outside of the scope of the measure I am submitting today, must be an overhaul of the congressional budget process, including a 2-year congressional budget cycle of the type advocated in past legislation sponsored by the Senator from Kentucky [Mr. FORD], and the Senator from Delaware [Mr. ROTH]. I am pleased to be a cosponsor of the Ford-Roth bill this Congress, as I was in the past Congress. I believe the reforms they advocate, in combination with the reforms of the Kassebaum-Inouye resolution, are long overdue.

Much has been written lately about the level of discontent around this body. The bulk of that commentary has focused on the so-called "quality of life" issue. While I agree that quality of life is important, I believe there are much more basic and compelling reasons why reform is imperative.

If Congress hopes to function effectively as a coequal branch of Government, institutional reform is a necessity. Unlike the executive branch, which acts on the authority of the President, Congress can only act through consensus. Finding consensus among 535 people is never an easy undertaking. The process used to achieve consensus should not make the task more difficult.

The Senate must, of course, have rules and procedures. Without structure, orderly deliberations would be impossible. However, if those rules ignore the need for efficient action, the Senate will be largely limited to a role of reacting to administration policy initiatives rather than fulfilling our constitutional obligation, which is setting policy. That is the primary reason why I believe reform is not only necessary but imperative.

The task is not impossible. Given a workable legislative format, 100 Senators can participate in making policy. I would suggest, however, that there is no conceivable format under which 100 Senators can lead in making policy. Unfortunately, I believe that is exactly what we are trying to achieve under existing rules and procedures.

All of us may have been created equal, but all U.S. Senators cannot hold equal power. We elect leaders—majority and minority leaders, committee chairmen, and ranking members—but some of us don't want to let them lead.

Mr. President, I realize the Senate has a long tradition of affording procedural protections to all Members. That practice, perhaps more than any other, serves to distinguish the Senate from other legislative bodies. As a member of a minority party, I fully appreciate the importance of such protections. I would suggest, however, that there is a distinction between accommodating divergent views and accommodating dilatory intent.

In "pre-Watergate reform days," when this balance was lost, the Senate—tradition notwithstanding—usually acted to assert itself on the side of legislative efficiency. Even the most sacred of traditional Senate protections—the filibuster—was modified in the name of efficiency in 1975, when the vote required to invoke cloture was reduced from two-thirds to three-fifths.

Today, we face a legislative crisis much more serious than the one that precipitated the modification of cloture. Put simply, Congress is losing its ability to make policy. That failure does not mean that Government policymaking will cease. As long as we have an executive branch we will have national policies. The Pentagon, for example, is fully capable of formulating and implementing national defense policy. Our failure to act simply means Congress will neither prescribe nor

oversee Government policies. That, I suggest, has begun to happen.

It is vital that Congress begin reasserting its constitutional prerogatives in the area of policy formulation and oversight. That, I believe, can only happen if we are willing to modify our framework of procedures and practices to increase the efficiency of the deliberative process. It is in the hope of furthering that objective that we are introducing this legislation.

Our measure attempts to improve legislative efficiency by, first, vesting responsibility for setting policy priorities with a leadership committee. Those who serve as chairmen and ranking members of legislative committees will serve on the Leadership Committee. They will assume the duties and functions currently performed by the Budget Committee.

The Budget Committee, by virtue of the fact that it produces and enforces the congressional budget resolution, has de facto control over setting policy priorities for the Senate. This task is the proper province of the Senate leadership. For that reason we have eliminated the Budget Committee and vested its duties with the Leadership Committee.

Second, under the Kassebaum-Inouye resolution, the responsibilities for authorizations and appropriations are consolidated under individual legislative committees. Authorizing legislation would be reported to the floor with appropriations language included. The need for repetitious debate would be greatly reduced. This would not only speed up the legislative process, it would also reduce opportunities for narrow, special interest amendments which tie up floor action.

Third, the measure resturctures committee jurisdictions. Standing committees are reorganized so that they cover, to the greatest extent possible, a single, broad policy area. This restructuring uses existing committee jurisdictions as a starting point and attempts to protect the central core of existing committee jurisdictions from reshuffling.

For a committee like Armed Services, committee jurisdiction would remain virtually unchanged. For other committees, like Finance, for example, the restructuring would be much more dramatic.

The Finance Committee would become the Committee on Economic Policy. It would be responsible for all areas of revenue and bonded debt which are now under Finance jurisdiction, as well as all areas relating to banking, monetary policy, coinage, and the Federal Reserve, which are currently under the Banking Committee. Finance would lose jurisdiction over Social Security, Medicare, and Medicaid, which would be transferred to the Committee on Social Policy—the reconstituted version of the Labor and Human Resources Committee.

Significant bipartisan support for structural changes of this general nature has been expressed by Members of the Senate for a number of years. For example, in testimony before the Quayle Commission, Senator HATFIELD said he felt the Budget Committee should be composed of the chairmen of the authorizing committees.

Senator STEVENS, also addressing the Quayle Commission, voiced support for combining the budget and appropriations process as well as the authorizing and appropriating processes.

Consolidation was also supported by Senator NUNN in the form of a combined Budget/Appropriations Committee with enhanced authority to enforce committee decisions once sanctioned by the Senate. Howard Baker indicated that, although he no longer favored eliminating authorizing committees and assigning their duties to a "super appropriations committee," he had considered the possibility of providing for authorizations and appropriations in the same bill.

While I would not propose to suggest that all those who voiced opinions about the need for procedural reform would support the Kassebaum-Inouye approach, I believe they would find much to recommend it. Our proposal follows the suggested general direction of their recommendations. In doing so, it recognizes what I believe was strongly alluded to in much of their testimony: that congressional efficiency cannot be significantly improved without an increase in the centralization of power in Congress.

Enactment of the reforms we are proposing would provide Congress with an opportunity to regain a prominent position in the formulation of national policy. It would also provide a real opportunity for making the fiscal policy deliberations of the 101st Congress a meaningful exercise. We could, once again, actually make decisions of substance on the floor of the Senate.

Mr. President, I ask unanimous consent that a brief description of the provisions of the Kassebaum-Inouye resolution appear at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SENATE COMMITTEE AND PROCEDURAL REFORM

PURPOSE

To revise Senate committee structure to increase the influence of the leadership of standing committees in setting overall national priorities and to consolidate authorizing and appropriating responsibilities within individual legislative committees.

Restructured Legislative Committees, known as Policy Committees and Program Committees, will be responsible for implementing policy priorities, as determined by a Leadership Committee, through legislative authorizations and appropriations for programs, projects, and activities within their jurisdiction.

LEADERSHIP COMMITTEE

The Committee on National Priorities

The Committee on National Priorities will establish overall policy direction for the Senate by setting spending priorities for Legislative Committees through its jurisdiction over the Budget Act and its responsibility for reporting and enforcing annual budget resolutions.

Those who chair or serve as ranking members of Legislative Committees will serve on the Committee on National Priorities and will, therefore, have direct influence over formulation of policy priorities and spending levels for the Senate legislative agenda. Broad policy decisions will flow from the leadership level to the legislative level where such decisions will be transformed into legislative programs.

LEGISLATIVE COMMITTEES

Legislative Committees would be of two types: Legislative Policy Committees and Legislative Program Committees.

LEGISLATIVE POLICY COMMITTEES

Legislative Policy Committees will have legislative, oversight, and appropriations responsibilities for substantive areas of national policy and for national programs of importance to the Senate. These committees will perform both the authorization and appropriation functions for programs within their jurisdiction. Their exercise of the appropriation function, however, must conform to the national policy decisions of the Leadership Committee. Legislative Policy Committees are:

Committee on Agricultural Policy

The jurisdiction of the Committee on Agricultural Policy would include all existing responsibilities of the Committee on Agriculture, except those relating to nutrition and forest lands.

Those eligible for membership on the committee would include current members of the Committee on Agriculture and current members of the Subcommittee on Agriculture, Rural Development, and Related Agencies of the Committee on Appropriations.

Committee on Commercial Policy

The jurisdiction of the Committee on Commercial Policy would include all existing responsibilities of the Committee on Commerce, Science, and Transportation except those relating to interoceanic canals generally, plus responsibility for highway programs and for regional economic development.

Those eligible for membership on the committee would include current members of the Committee on Commerce, Science, and Transportation and the Subcommittee on Transportation and Related Agencies of the Committee on Appropriations.

Committee on Defense Policy

The jurisdiction of the Committee on Defense Policy would include all existing responsibilities of the Committee on Armed Services.

Those eligible for membership on the committee would include current members of the Committee on Armed Services and the Subcommittees on Defense and on Military Construction of the Committee on Appropriations.

Committee on Economic Policy

The jurisdiction of the Committee on Economic Policy would include all areas relat-

ing to revenue and bonded debt currently under the jurisdiction of the Committee on Finance and all areas relating to banking, monetary policy, coinage, and the Federal Reserve currently under the jurisdiction of the Committee on Banking, Housing, and Urban Affairs.

Those eligible for membership on the committee would include current members of the Committee on Finance, the Committee on Banking, Housing, and Urban Affairs, and the Committee on the Budget.

Committee on Energy Policy

The jurisdiction of the Committee on Energy Policy would include all current responsibilities of the Committee on Energy and Natural Resources except those relating to national parks, wilderness lands, historical lands in general, public lands, and territorial possessions of the United States.

Those eligible for membership on the committee would include current members of the Committee on Energy and Natural Resources and the Subcommittee on Energy and Water Development of the Committee on Appropriations.

Committee on Environmental Policy

The jurisdiction of the Committee on Environmental Policy would include current Committtee on the Environment areas of jurisdiction except those relating to highways, public buildings, public works, and regional economic development. In addition, the committee would have responsibility for forest lands, public lands, national parks and historical and scenic areas.

Those eligible for membership on the committee would include current members of the Committee on the Environment and the Subcommittee on Interior and Related Agencies of the Committee on Appropriations.

Committee on Foreign Policy

The jurisdiction of the Committee on Foreign Policy would include all current areas of responsibility of the Committee on Foreign Relations plus responsibility for foreign trade, including reciprocal trade agreements, export promotion and export controls, interoceanic canals, territorial possessions and trusteeships of the United States, and U.S. nuclear export policy.

Those eligible for membership on the committee would include current members of the Committee on Foreign Relations and the Subcommittee on Foreign Operations of the Committee on Appropriations.

Committee on Governmental Policy

The jurisdiction of the Committee on Governmental Policy would include all areas currently under the jurisdiction of the Committee on Governmental Affairs, plus responsibility for renegotiation of government contracts, public buildings, and improved grounds of the United States.

Those eligible for membership on the committee would include current members of the Committee on Governmental Affairs, plus members of the Subcommittee on Treasury, Postal Service, and General Government of the Committee on Appropriations.

Committee on Judicial Policy

The jurisdiction of the Committee on Judicial Policy would include all current responsibilities of the Committee on the Judiciary.

Those eligible for membership on the committee would include current members of the Committee on the Judiciary and the Subcommittee on Commerce, State, Justice, and Related Agencies of the Committee on Appropriations.

Committee on Social Policy

The jurisdiction of the Committee on Social Policy would include all current responsibilities of the Committee on Labor and Human Resources except the discretionary spending programs under the Older Americans Act, plus responsibility for nutrition programs generally, including school nutrition and food stamp programs, public and private housing, social security and railroad retirement, and health programs under the Social Security Act.

Those eligible for membership on the committee would include current members of the Committee on Labor and Human Resources and the Subcommittee on Labor, Health and Human Services, Education, and Related Agencies of the Committee on Appropriations.

LEGISLATIVE PROGRAM COMMITTEES

Legislative Program Committees will have legislative, oversight, and appropriations responsibilities for specific program areas of national concern. These committees will perform both the authorization and appropriations functions for programs within their jurisdiction. Their exercise of the appropriation function, however, must conform to the national program decisions of the Leadership Committee. Legislative Program Committees are:

Committee on Native American Programs

The jurisdiction of the Committee on Native American Programs would include all existing responsibilities of the Select Committee on Indian Affairs. The committee would become a standing committee.

The membership on the committee would be composed of all current members of the Select Committee on Indian Affairs.

Committee on Veteran American Programs

The jurisdiction of the Committee on Veteran American Programs would include all existing responsibilities of the Committee on Veterans Affairs.

The membership of the committee would be composed of all current members of the Committee on Veterans Affairs.

Committee on Senior American Programs

The jurisdiction of the Committee on Senior American Programs would include all existing responsibilities of the Special Committee on Aging, plus legislative responsibility for all discretionary spending programs under the Older Americans Act. The committee would become a standing committee.

The membership of the committee would be composed of all current members of the Special Committee on Aging.

Committee on Entrepreneurial American Programs

The jurisdiction of the Committee on Entrepreneurial American Programs would include all existing responsibilities of the Committee on Small Business.

The membership of the committee would be composed of all current members of the Committee on Small Business.

ADMINISTRATIVE COMMITTEES

Administrative Committees have basically nonlegislative functions. The chairman and ranking members of administrative committees would not serve on the leadership committee—unless such service should happen to be as an at-large member.

Committee on Senate Rules

Serves the same function as the Committee on Rules and Administration, with members drawn from that committee.

Committee on Senate Ethics

Serves the same function as the Committee on Ethics, with members drawn from that committee.

Committee on Intelligence

Serves the same function as the Committee on Intelligence, with members drawn from that committee.

COMMITTEE CHAIRMEN

Chairman and ranking-member status would be based on seniority, as would the integration of the entire membership of each new committee. Those selected to chair legislative committees would, consistent with provisions of the rules of the Senate allowing for election of committee chairmen, be the senior-ranking chairman and ranking members of the merged committees and subcommittees forming each new committee.

COMMITTEE ASSIGNMENTS

Leadership Committee

All chairmen and ranking members of legislative policy committees and legislative program committees would automatically be accorded membership on the leadership committee. In addition, a specified number of members of the Senate at large will be appointed to the committee to bring party balance on the committee to correspond with party balance in the Senate.

Legislative Policy Committees

Committee assignments would be based on prior committee service with members allowed to select the committees on which they desire to serve, subject to the limitations below and to the maximum committee membership limitation (17 members for each legislative policy committee).

Legislative Program Committees

Committee assignments would be based on prior committee service with the membership of predecessor committees transferring in total to each new legislative program committee.

Administrative Committees

Committee assignments would be based on prior committee service with the membership of predecessor committees transferring in total to each new legislative program committee.

COMMITTEE MEMBERSHIP LIMITATIONS

Members could serve on no more than two legislative policy committees. Service on either a legislative program committee or an administrative committee would not limit a member's ability to serve on any other committee.

Any member who either chairs or serves as the ranking member of a legislative policy committee will not serve on another legislative policy committee, although they may serve on legislative program committees or administrative committees without restriction.

SENATE RESOLUTION 132—RELATING TO LOANS AND CREDIT TO THE SOVIET BLOC

Mr. SYMMS (for himself and Mr. DECONCINI) submitted the following resolution; which was considered and agreed to:

S. RES. 132

Resolved, that it is the sense of the Senate that during the NATO Summit to be held in Brussels, May 29-30, 1989, and the Economic Summit to be held in Paris, July 14-16 1989, the President of the United States should consult with the leaders of allied countries on the potentially adverse impact on Western Security of tied and untied loans, trade credits, direct investments, joint ventures, lines of credit, and guarantees or other subsidies to the Soviet Union, Warsaw Pact countries, Cuba, Vietnam, Libya, and Nicaragua.

SENATE RESOLUTION 133—PROVIDING FOR A POINT OF ORDER AGAINST UNCONSTITUTIONAL PROVISIONS OF A CONFERENCE REPORT

Mr. STEVENS (for himself, Mr. DOLE, Mr. HATCH, Mr. HEFLIN, Mr. LOTT, Mr. LUGAR, Mr. MURKOWSKI, and Mr. SANFORD) submitted the following resolution; which was referred to the Committee on Rules and Administration:

S. RES. 133

Resolved, That rule XXVIII of the Standing Rules of the Senate is amended by adding at the end thereof the following:

"7. (a) When the Senate is considering any conference report, upon a point of order being made by any Senator that a specified provision of the conference report is unconstitutional, the Presiding Officer shall submit the question to the Senate for decision. Any such point of order shall be debatable for not more than ten hours. If any such point of order is sustained, the specified provision contained in such conference report, against which such point of order was made, shall be deemed stricken.

"(b) If any such provision has been stricken pursuant to subparagraph (a), after final disposition of all points of order under subparagraph (a), the question then pending before the Senate shall be whether the Senate shall recede from its amendment and concur with a further amendment, or concur in the House amendment with a further amendment, as the case may be, which further amendment shall consist of only that portion of the conference report, not stricken pursuant to subparagraph (a). Any such motion in the Senate shall be debatable for not more than two hours. In any case in which a point of order under subparagraph (a) is sustained against a conference report, no amendment or motion to recommit shall be in order with respect to the Senate amendment derived from such conference report by operation of this paragraph.".

Mr. STEVENS. Mr. President, I am today submitting a resolution amending the Standing Rules of the Senate to enable the deletion of unconstitutional provisions from conference reports. I am joined by Senators DOLE, HATCH, HEFLIN, LOTT, LUGAR, MURKOWSKI, and SANFORD. The resoluton is identical to Senate Resolution 500, which I first introduced on October 17, 1988.

Under our current rules, when a Senator raises a constitutional point of order against a conference report, if the Senate sustains the point of order, the entire conference report falls. When voting on such points of order, Senators are therefore faced with the dilemma of weighing the merits of the constitutional issue against the possibility that if the conference report falls, the legislation will be dead for the remainder of that Congress.

Our standing rules should allow Senators a mechanism for striking unconstitutional provisions from conference reports. There should be an opportunity at every stage of our legislative process to raise objections to provisions which we believe violate the Constitution. This is especially important because conference reports often contain provisions which have not been considered by the Senate at any earlier stage of the legislative process.

Moreover, the Senate should not have to resort to reintroducing a measure in order to strike unconstitutional provisions from a conference report. This can be difficult, especially at the end of a Congress, when time is short and unanimous consent is difficult to obtain.

The resolution I am introducing would afford Senators an opportunity to challenge the constitutionality of specific provisions contained in a conference report. It provides that when the Senate is considering any conference report, upon a point of order being made by any Senator that a specified provision of the conference is unconstitutional, the Presiding Officer shall submit the question to the Senate. If the point of order is sustained by the Senate, the specified provision contained in the conference report is automatically stricken. The remaining provisions of the conference report would then be considered to be a Senate amendment, and upon the Senate's approval, would be sent to the House for their concurrence.

Mr. President, we have no higher responsibility in this Senate than maintaining the integrity of the Constitution—even if it means altering a conference report. Moreover, the procedure I have drafted has precedents both in the Senate and the House of Representatives.

In the Senate, we have Senate Resolution 509 (99th Cong.), known by many as the "Byrd Rule," which provides that during consideration of a budget reconciliation conference report, a point of order may be raised against matter which is extraneous to the conference report. Under that procedure, if the Presiding Officer sustains the point of order, the extraneous matter is automatically stricken.

In the House, rule 28 permits Representatives to raise a point of order that matter in a conference report is nongermane. If the Chair sustains the point of order, the House may then vote to reject the nongermane matter, and send the remaining provisions back to the Senate, as a House amendment.

This resolution makes sense from a constitutional perspective, as a matter of congressional precedent, and as a sensible addition to our legislative procedures.

SENATE RESOLUTION 134—ORIGINAL RESOLUTION REPORTED AUTHORIZING THE PRINTING OF A COLLECTION OF THE RULES OF THE COMMITTEES OF THE SENATE

Mr. FORD, from the Committee on Rules and Administration, reported the following original resolution; which was placed on the calendar:

S. RES. 134

Resolved, That a collection of the rules of the committees of the Senate, together with related materials, be printed as a Senate document, and that there be printed six hundred additional copies of such document for the use of the Committee on Rules and Administration.

SENATE RESOLUTION 135—ORIGINAL RESOLUTION REPORTED CLARIFYING PREVIOUS RESOLUTION RELATING TO DISPLAY OF THE FLAG BY OFFICERS AND COMMITTEES OF THE SENATE

Mr. FORD, from the Committee on Rules and Administration, reported the following original resolution; which was placed on the calendar:

S. RES. 135

Resolved, That section 2 of Senate Resolution 369, agreed to September 7, 1984 (98th Congress, 2nd Session), is amended by striking paragraph (1) and inserting the following:

"(1) purchase of the flag shall be limited to—

"(A) two flags for each Senator, or former Senator, subject to replacement for loss, destruction, or wear and tear;

"(B) two flags for each Senate committee, as determined by the chairman and ranking member, subject to replacement for loss, destruction, or wear and tear; and

"(C) two flags for each officer of the Senate, subject to replacement for loss, destruction, or wear and tear; and".

AMENDMENTS SUBMITTED

SUPPLEMENTAL APPROPRIATIONS FOR THE DEPARTMENT OF VETERANS' AFFAIRS

BYRD (AND HATFIELD) AMENDMENT NO. 105

Mr. BYRD (for himself and Mr. HATFIELD) proposed an amendment to the bill (H.R. 2402) making supplemental appropriations for the Department of Veterans' Affairs for the fiscal year ending September 30, 1989, and for other purposes; as follows:

On page 3, strike out the matter following line 11, and insert in lieu thereof the following:

Notwithstanding any other provision of this Act, no part of any appropriation contained in this Act shall remain available for obligation after June 15, 1989.

NOTICES OF HEARINGS

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. JOHNSTON. Mr. President, I would like to announce for the public that the time for the afternoon session of hearings on June 2, 1989, before the Committee on Energy and Natural Resources, has been changed.

The afternoon session, originally scheduled to begin at 2 p.m., will begin instead at 1:30 p.m. in room SH-216 of the Senate Hart Office Building in Washington, DC. This will be the conclusion of 2 days of hearings to receive testimony concerning S. 710, S. 711, and S. 712, legislation to provide for a referendum on the political status of Puerto Rico.

For further information, please contact Pat Temple at (202) 224-4756.

Mr. President, I would like to announce for the public that hearings have been scheduled before the Committee on Energy and Natural Resources.

The hearings will take place July 11, at 9:30 a.m., and July 13 and July 14 at 10 a.m., in room SD-366 of the Dirksen Senate Office Building in Washington, DC.

The purpose of the hearings is to receive testimony from the administration on S. 710, S. 711, and S. 712, legislation to provide for a referendum on the political status of Puerto Rico.

For further information, please contact Pat Temple at (202) 224-4756.

SUBCOMMITTEE ON ENERGY RESEARCH AND DEVELOPMENT

Mr. FORD. Mr. President, I would like to announce for the Senate and the public that a hearing has been scheduled before the Subcommittee on Energy Research and Development of the Committee on Energy and Natural Resources.

The purpose of the hearing is to receive testimony on the Department of Energy's role in the area of magnetic fusion and inertial confinement fusion research and development and demonstration. The subcommittee will hear testimony on the Department of Energy's fiscal year 1990 budget request for the Office of Fusion Energy and on the relevant provisions of Senate bill S. 964, a bill to authorize appropriations to the Department of Energy for civilian energy programs for fisal year 1990 and fiscal year 1991 and for other purposes.

The hearing will take place June 13, 1989, at 2 p.m. in room SD-366 of the Senate Dirksen Office Building in Washington, DC.

Those wishing to submit written testimony for the printed hearing record should send it to the Committee on Energy and Natural Resources, Subcommittee on Energy Research and Development, U.S. Senate, Washington, DC 20510. Written comments must be received by June 20, 1989.

For further information, please contact Ben Cooper or Teri Curtin at (202) 224-7569.

Mr. President, I would like to announce for the Senate and the public that a hearing has been scheduled before the Subcommittee on Energy Research and Development on the Committee on Energy and Natural Resources.

The purpose of the hearing is to receive testimony on Senate bill, S. 488, a bill to provide Federal assistance and leadership to a program of research, development, and demonstration of renewable energy and energy efficiency technologies, and for other purposes; the relevant provisions in Senate bill S. 964, a bill to authorize appropriations to the Department of Energy for civilian energy programs for fiscal year 1990 and fiscal year 1991, and for other purposes; and the Department of Energy's fiscal year 1990 budget request for conservation and renewable energy programs.

The hearing will take place June 15, 1989, at 9:30 a.m. in room SD-366 of the Senate Dirksen Office Building in Washington, DC.

Those wishing to submit written testimony for the printed hearing record should send it to the Committee on Energy and Natural Resources, Subcommittee on Energy Research and Development, U.S. Senate, Washington, DC 20510. Written comments must be received by June 22, 1989.

For further information, please contact Ben Cooper or Teri Curtin at (202) 224-7569.

Mr. President, I would like to announce for the Senate and the public that a hearing has been scheduled before the Subcommittee on Energy Research and Development of the Committee on Energy and Natural Resources.

The purpose of the hearing is to receive testimony on the Department of Energy's recent activities in the area of fossil energy R&D and the Clean Coal Technology Program. The subcommittee will hear testimony on the Department of Energy's fiscal year 1990 budget request for the Fossil Energy Program and the relevant provisions in Senate bill S. 964, a bill to authorize appropriations to the Department of Energy for civilian energy programs for fiscal year 1990 and fiscal year 1991, and for other purposes.

The hearing will take place July 11, 1989, at 2:30 p.m. in room SD-366 of the Senate Dirksen Office Building in Washington, DC.

Those wishing to submit written testimony for the printed hearing record should send it to the Committee on Energy and Natural Resources, Subcommittee on Energy Research and Development, U.S. Senate, Washington, DC 20510. Written comments must be received by July 25, 1989.

For further information, please contact Cheryl Moss or Ben Cooper at (202) 224-7569.

Mr. President, I would like to announce for the Senate and the public that a hearing has been scheduled before the Subcommittee on Energy Research and Development of the Committee on Energy and Natural Resources.

The purpose of the hearing is to receive testimony on the Department of Energy's nuclear reactor research and development programs and on commercial efforts to develop advanced nuclear reactor technologies. The subcommittee will also hear testimony on the reactor R&D provisions contained in Senate bill S. 964, a bill to authorize appropriations to the Department of Energy for civilian energy programs for fiscal year 1990 and fiscal year 1991 and for other purposes; and on other pending legislation.

The hearings will take place on July 18, at 9:30 a.m., and July 20 at 9:30 a.m. in room SD-366 of the Dirksen Senate Office Building in Washington, DC.

Those wishing to submit written testimony for the printed hearing record should send it to the Subcommittee on Energy Research and Development, Committee on Energy and Natural Resources, U.S. Senate, Washington, DC 20510.

For further information, please contact Mary Louise Wagner at (202) 224-7569.

SUBCOMMITTEE ON MINERAL RESOURCES DEVELOPMENT AND PRODUCTION

Mr. JOHNSTON. Mr. President, I would like to announce for the public that a hearing has been scheduled before the Mineral Resources Development and Production Subcommittee of the Committee on Energy and Natural Resources.

The hearing will take place Wednesday June 7, 1989, at 2:30 p.m. in room SD-366 of the Senate Dirksen Office Building in Washington, DC.

The purpose of this hearing is to receive testimony concerning the mining law of 1872.

Those wishing to submit written testimony for the printed hearing record should write to the Committee on Energy and Natural Resources, U.S. Senate, Dirksen Senate Office Building, room 364, Washington, DC 20510. For further information, please contact Lisa Vehmas of the subcommittee staff at (202) 224-7555.

29-059 O-90-47 (Pt. 7)

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON FOREIGN RELATIONS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, May 18 at 2 p.m. to hold a hearing on Soviet Defense and Arms Control Policy.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON LABOR AND HUMAN RESOURCES

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on Labor and Human Resources be authorized to meet during the session of the Senate on Thursday, May 18, 1989, at 4 p.m. to conduct an executive session for the consideration of the nomination of Roderick Allen DeArment, to be Deputy Secretary of Labor.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON WATER AND POWER

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Subcommittee on Water and Power of the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate, 2 p.m., May 18, 1989, for a hearing to relieve testimony on S. 635, a bill to prevent the unintended licensing of federally nonjurisdictional pre-1935 unlicensed hydroelectric projects.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INTELLIGENCE

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Thursday, May 18, 1989, at 2 p.m. to hold a closed hearing on intelligence matters.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON AGING

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Subcommittee on Aging, of the Committee on Labor and Human Resources, be authorized to meet during the session of the Senate on Thursday, May 18, 1989, at 2:30 p.m. to conduct a hearing on Administration on Aging.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEES ON STRATEGIC FORCES AND NUCLEAR DETERENCE, CONVENTIONAL FORCES AND ALLIANCE DEFENSE, AND PROJECTION FORCES AND REGIONAL DEFENSE

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Subcommittees on Strategic Forces and Nuclear Deterrence, Conventional Forces and Alliance Defense, and Projection Forces and Regional Defense of the Committee on Armed Services be authorized to meet on Thursday, May 18, 1989, at 2 p.m. in closed session to receive a review of DOD classified programs.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON READINESS, SUSTAINABILITY AND SUPPORT

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Subcommittee on Readiness, Sustainability and Support of the Committee on Armed Services be authorized to meet on Thursday, May 18, 1989, at 2 p.m. in open/closed session to receive testimony on the ammunition programs in the amended Defense authorization request for fiscal years 1990 and 1991.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON PUBLIC LANDS, NATIONAL PARKS AND FORESTS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Subcommittee on Public Lands, National Parks and Forests of the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate May 18, 1989, 9:30 a.m. for a hearing to receive testimony on S. 737, a bill to authorize the Secretary of the Interior to acquire certain lands adjacent to the boundary of the Rocky Mountain National Park in the State of Colorado; S. 267, a bill to authorize the Secretary of the Interior to convey certain lands in Idaho to Mr. and Mrs. Kenneth Belvins of Kuna, ID; H.R. 310, a bill to remove a restriction on land in Roanoke, VA, in order for that land to be conveyed to the State of Virginia for use as a veterans' nursing home.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON CONSERVATION AND FORESTRY

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Subcommittee on Conservation and Forestry of the Committee on Agriculture, Nutrition, and Forestry be authorized to meet during the session of the Senate on Thursday, May 18, 1989, at 1:30 p.m. to hold a hearing on the appeals process used by the Forest Service, USDA.

The PRESIDING OFFICER. Without objection, it is so ordered.

SPECIAL COMMITTEE ON INVESTIGATIONS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Special Committee on Investigations of the Select Committee on Indian Affairs be authorized to meet during the session of the Senate on May 18, 1989 at 10 a.m. to hold hearings pursuant to Senate Resolution 66, section 21, agreed February 28, 1989.

The PRESIDING OFFICER. Without objection, it is so ordered.

SPECIAL COMMITTEE ON AGING

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Special Committee on Aging, be authorized to meet during the session of the Senate on Thursday, May 18, 1989, at 10 a.m. to hold a hearing to examine the role the Health Care Financing Administration [HCFA] has/has not played in implementing the nursing home reform provisions that were included in the Omnibus Budget Reconciliation Act [OBRA] of 1987.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

GREGORY PECK

● Mr. LEAHY. Mr. President, recently, Gregory Peck received the American Film Institute's 17th Annual Life Achievement Award. The institute has made some fine choices, but none better than this.

I have watched Mr. Peck in so many movies over the years that it is difficult to single out favorites, but if I did, it would have to be as Atticus Finch in "To Kill a Mockingbird." The book made a major impression on me, and seeing the movie as a young law student only added to that impression.

In Mr. Peck's acceptance speech, he spoke of disturbing trends in movies today, and I find myself in complete agreement. I ask that an article about Mr. Peck from the New York Times be included in the RECORD at this point.

The article follows:

REFLECTIONS BY (AND PLAUDITS FOR) GREGORY PECK

(By Aljean Harmetz)

HOLLYWOOD, March 10.—With the usual pomp and more than the usual respect, Hollywood crowded into a ballroom Thursday night to honor Gregory Peck, whose screen image—from his first starring role as a priest in "Keys of the Kingdom" to his Academy Award-winning role as a small-town Southern lawyer defending a black man in "To Kill a Mockingbird"—has been composed of equal parts of decency, virtue and moral strength.

In accepting the American Film Institute's 17th annual Life Achievement Award, Mr. Peck went beyond the usual gratitude and platitudes. In a speech that was interrupted by applause more than half a dozen times, he questioned what movies have become.

"There has been a lot of glamorous financial news in the papers lately," the 72-year-old actor said. "Multimedia conglomerates. . . . It may be that, in a few years, all pictures and all television will be made by two or three of these behemoths who happen also to own magazines, newspapers and cable stations, and to manufacture and distribute video cassettes.

"If these Mount Everests of the financial world are going to labor and bring forth still more pictures with people being blown to bits with bazookas and automatic assault rifles, with no gory detail left unexploited, if they are going to encourage anxious, ambitious actors, directors, writers and producers to continue their assault on the English language by reducing the vocabularies of their characters to half a dozen words, with one colorful but overused Anglo-Saxon verb

and one unbeautiful Anglo-Saxon noun covering just about every situation, then I would like to suggest that they stop and think about this: making millions is not the whole ball game, fellows. Pride of workmanship is worth more. Artistry is worth more."

THE IMAGE AND THE REALITY

Sitting in the living room of his Holmby Hills house earlier in the day, pouring coffee from a silver service in a room so full of roses that it was hard to breathe, Mr. Peck talked about image and reality.

"In my case the image is the man of honor," he said.

Gregory Peck was indeed the epitome of honor as the reporter who exposes anti-Semitism in "Gentleman's Agreement," the lawyer who fights racism in "To Kill a Mockingbird," the heroic "Captain Horatio Hornblower," the Air Force general pulling together a demoralized bomber group in "Twelve O'Clock High," the reporter who showed a princess her duty in "Roman Holiday" and the captain of an atomic submarine facing a dying world in "On the Beach."

WHAT MIGHT HAVE BEEN

"I don't see myself as a man of probity," he said, "but part of it, the social concerns, is me. I went to college at Berkeley in the 30's. I believed in F.D.R.'s social program. It formed my character and though I may have adjusted from time to time, I have seen no reason to change it radically."

He has mixed feelings about the institute's award. "I don't like nostalgia, looking back," he said. "'Life achievement' has a slightly ominous ring. Is that all there is?"

He said he wondered what his screen career would have been "if I hadn't been cast in the heroic mold as soon as I came here, if my first three or four pictures had been comedies. In the theater I played a lot of crazy comedy. But in films they saw me as the fellow who could carry the plot, so I had to be dependable and carry the plot."

The picture that he calls "closest to my heart, the high point of my career" is "To Kill a Mockingbird." The role of Atticus Finch "seemed to fit like a comfortable pair of shoes," he said. "Atticus was the town lawyer. My dad was the town druggist in La Jolla. It gave me an opportunity to have my say about racial intolerance."

RECALLING A MAN OF CLASS

At the awards ceremony, held at the Beverly Hilton Hotel, Mary Badham, who played Mr. Peck's 6-year-old daughter in "Mockingbird" in 1962, spoke of how their relationship has lasted through 27 years. Lauren Bacall told of Mr. Peck, her co-star in "Designing Woman," stopping by her house a few days after the death of her husband, Humphrey Bogart, to leave a letter "about Bogie and me and our children." He is, she said, "a man of class."

Audrey Hepburn, the then-unknown actress who played the princess in "Roman Holiday," told of his insistence that she receive co-star billing on the movie. And Jane Fonda, his co-star in the forthcoming film "Old Gringo," said: "I think I got him at his ripest. I thought, 'Maybe he's gotten soft. Maybe the edge is gone. Maybe he'll phone it in.' But the first day he had to do a scene three pages long, and it was his rawness, his skill, his tenacity, his fear that maybe he wouldn't be able to do it this time."

In his speech, Mr. Peck referred to the fact that "Old Gringo" was his "first film in six years, if the truth were to be told."

ORCHIDS AND EXERCISE

If the new conglomerates are not battering at the walls of his four-acre estate, his life is pleasant and full of family. There is the greenhouse filled with orchids that he "plays with," and he does enough exercise to keep from getting "creaky," he said. "I'm not looking for the body beautiful. I just want to get out of a chair without struggling."

Mr. Peck was the first chairman of the American Film Institute, and he follows John Ford, James Cagney, Orson Welles and 13 others as the winner of its major award. The awards banquet, which is the institute's major fund-raising event, was taped and will be shown on NBC on March 21.

In his acceptance speech, Mr. Peck used a joke that the actor James Mason liked to tell, about a woman in Dublin who asked him, "Wouldn't you be James Mason in his later years?"

"'Later years,'" said Mr. Peck. "It's candid, it's accurate, it's dispassionate, but it's comfortable—allowing for the possibility of more to come."●

FSX TRADE AGREEMENT

● Mr. GORTON. Mr. President, last week when I spoke in favor of the FSX agreement, I said the real issue is our huge trade deficit with Japan, and I said we must designate Japan for priority negotiations under the Super 301 provisions of the 1988 Omnibus Trade and Competitiveness Act.

This week, the President and his Cabinet are discussing exactly which countries and trade practices should be so designated. I have spoken to Ambassador Hills and Secretaries Mosbacher and Yeutter. I urged them all to designate Japan, and in particular, the web of practices and policies that prevent fair foreign competition in wood products. This may not be the final answer to our trade deficit problems, but it is a useful start.

In urging this action, I am by no means alone. I wish to thank my colleague from Montana, Senator BAUCUS, for taking the lead this week on a joint letter to the President urging this same course.

Wood products provide a perfect example of the kind of unfair and unreasonable trade practices and trade deficit conditions the Super 301 provisions of the 1988 trade law were designed to address.

Recently Japan's barriers to wood products imports were extensively studied by the International Trade Administration. They list 14 specific obstacles to increased wood use and increased wood product imports.

It will surprise no one that Japan imposes high tariffs on most wood products, and admits raw logs free. It may surprise to learn, however, that Japan even tariffs wood products that have no Japanese competition, and those that are in short supply. Tariffs, however, are but the tip of the iceberg where Japan is concerned. To quote the report:

Japan has a very complicated system of subsidies, low interest loans, tax incentives, and antibankruptcy measures for the forest products industry.

* * * * *

These programs allow Japanese companies that would otherwise be noncompetitve to continue to produce.

Mr. President, given Japan's economic strength, such blatant protectionism is unacceptable.

Of course, Mr. President, the international prominence of our forest products industry was obtained at great private and personal cost—not by taxpayer subsidy. Mills have closed. Those still open have permanently cut their work force, and those workers remaining have in many cases accepted lower wages. But innovation, modernization, and cost cutting has reestablished the U.S. forest products industry as the world's preeminent competitor.

Japan protects its own for a variety of reasons. Inability to compete is obviously one of them. But does Japan spare itself injury through this protection? The answer is a resounding "No."

Japan maintains one of the world's most complex and expensive distribution chains of any industrial country; it is the epitome of the insider's game. Its building code is in part vastly outdated, which effectively prevents the introduction of many new wood products. Japan clearly aims to minimize the use of wood in construction, despite the clear preference of Japanese consumers for wood. And Japan's land-use policies effectively force consumers to live in cramped, multifamily structures, although the Japanese possess the land, wealth, and desire to live otherwise.

And what is the effect of these policies? Frustrated Japanese consumers who must pay too much money for inadequate wood products in undesirable residential conditions delivered by a subsidized, protected, uncompetitive Japanese wood products industry. And frustrated U.S. wood products producers denied the opportunity to compete fairly in an open market.

The net effect—and the clear intent—of this web of protection is at every turn to minimize imports of wood products. And therein lies the real problem with our trade dealings with Japan: we cannot expect to make real improvements in this relationship so long as we deal with the Japanese on a barrier-by-barrier basis.

Mr. President, I do not take lightly the effect of designating a country or its trade practices for priority negotiation. Nor, apparently, does Japan.

After some initial concessions on wood products in 1985, the Japanese not only declined to continue these talks, they provided over $1 billion in relief to their wood products industry,

specifically to offset the very concessions they had made.

Now that they face the prospect of Super 301 designation, Japan has proposed to resume wood products talks, although only at a "technical level." Wisely, the Department of Agriculture countered that the talks should be at the level required by their commitment to the MOSS process. And Tuesday, the Japanese agricultural attaché responded informally that the Japanese decline to discuss forest products at any level other than technical.

Mr. President, this case illustrates precisely why the United States has a trade deficit with Japan, and precisely why Congress passed the Super 301 provision. I call upon the President to designate Japan—and its closed forest products market—as a negotiating priority under the new trade law. I urge my colleagues to do likewise.●

ERIS FIELD

● Mr. BOSCHWITZ. Mr. President, it is with great pleasure that Senator WILSON and I join in bringing to the attention of our colleagues one of California's outstanding women—Eris Field, of Beverly Hills.

Soon this extremely active and generous woman will be completing her 2-year term as the president of the Brandeis University National Women's Committee. Though she has done a great deal of work on behalf of Brandeis University, much of her volunteer efforts have been directed toward her own community as well. For example, she was instrumental in developing a discussion group for youngsters called Rap Sessions at Beverly Vista Elementary School.

Eris Field has spent most of her life dedicating her time and resources to community activities. One example of her sense of community is Eris' service as a founding member and trustee of the Beverly Hills Meals on Wheels and as a board member for a home for the aged. Further exemplifying her dedication to community is Eris, work with the Variety Clubs Childrens Charities.

Mr. President, our country has always taken pride in its generous nature and the spirit of volunteerism. It is with that in mind that we commend Eris Field for all of her good works, and to express our best wishes for her and her family in the future.●

ENVIRONMENTAL AND ENERGY STUDY INSTITUTE

● Mr. HEINZ. Mr. President, the Environmental and Energy Study Institute was formed to generate innovative policy discussions on the pressing environmental and energy issues of our day. With keen analysis and bipartisan objectivity, EESI has acted to make a significantly more informed Congress. EESI has recently shared with President Bush, its recommendations about issues of environmental priority. I share this letter with my colleagues today because it highlights problems we can no longer ignore. Enhancing energy efficiency, securing the U.S. diplomatic leadership in the upcoming battle against global warming, and bringing about sustainable development are issues this Congress is increasingly conscious of and working hard to address. With the continued help of organizations such as EESI, we stand a much better chance of succeeding.

I ask that the letter be printed in the RECORD.

The letter follows:

ENVIRONMENTAL AND ENERGY STUDY INSTITUTE,
Washington, DC, May 8, 1989.

Hon. GEORGE BUSH,
The White House, Washington, DC.

DEAR MR. PRESIDENT: On behalf of the Board of Directors of the Environmental and Energy Study Institute, we are writing to give you our recommendations on what we believe should be your early priorities and actions in environmental and energy policy.

Our recommendations represent the consensus of our Board—a diverse group of Republicans, Democrats, environmentalists and business executives. A short list of recommended actions follows, which we are ready to help you develop and implement.

We first want to commend you on your many positive statements relating to environmental and energy policy and your choice of William Reilly to head the Environmental Protection Agency. We also applaud the strong statements he and Secretary James Baker have already made on global warming, clean air and international cooperation. And we are impressed with Energy Secretary James Watkins' desire to revitalize his department to deal with the nation's environmental and energy challenges.

Overall, our recommendations would serve to promote environmentally sustainable development both here and abroad.

Specifically, we urge you to:

Make a major commitment to enhance the energy efficiency of the United States and to advance renewable energy. In the near term, energy efficiency is the cheapest way to meet the multiple objectives of increasing energy security and international competitiveness, while reducing conventional air pollution, greenhouse gas emissions and our balance of payments deficit. Past experience has shown the power of the market to produce efficiency gains. However, the government must act to insure that prices reflect the environmental and related costs of energy use so that efficiency can fairly compete, and we specifically recommend that you support pollution trading, carbon users fees and other market-based mechanisms to that end. In addition, we recommend that you redirect federal energy research and development to place the highest priority on efficiency and renewable energy technologies.

Support in words and deeds the current international process leading to negotiations to reduce greenhouse gases. Secretary Baker's statements and EPA's recent report are an excellent start. We believe the prospect of global warming is serious enough to warrant beginning negotiations and taking action while the science is clarified.

Mediate an end to the long-running stalemate over acid rain control and the reauthorization of the Clean Air Act. A key feature of your clean air plan should be energy efficiency, which can cut control costs significantly.

Strengthen programs to prevent groundwater contamination, first by proposing comprehensive federal legislation stressing source reduction and state-led implementation, and second by proposing reforms in federal farm programs which would reduce rural groundwater contamination and simultaneously cut federal spending. Preventing groundwater contamination makes good environmental sense, and as the huge pricetag for toxic waste cleanup amply demonstrates, prevention makes good economic sense.

Revitalize the process of cooperation with the developing world to help them achieve the twin imperatives of economic development and environmental protection. The most serious environmental degradation, and not coincidentally economic deterioration, is occurring in the developing and newly industrialized countries. We urge you to develop a new legislative charter for U.S. cooperation with these countries to help them achieve their aspirations to grow and prosper without destroying their natural resources.

In order to carry out these five recommendations, we urge you to take the following organizational actions. First, continue to give Administrator Reilly the same influence and access as members of your cabinet. Second, in the Executive Office of the President, give the Council on Environmental Quality a prominent and clear mission and vigorous leadership. Third, name an Ambassador-at-Large to coordinate your administration's international environmental negotiations.

We know that some of these proposed actions are not easy, but we believe that they are all feasible if you will take the lead on them. We believe they will generate bi-partisan support. And we believe they all make good economic and environmental sense.

We stand ready to help you develop these recommendations, and we commit ourselves to working with you for their realization.

Thank you.

Sincerely yours,

ROGER W. SANT,
Chairman.
JAMES GUSTAVE SPETH,
Vice Chairman.
RUSSELL E. TRAIN,
Director.●

GIVING PEACE IN THE MIDDLE EAST A CHANCE: THE IMPORTANCE OF ISRAEL'S NEW PEACE PLAN

● Mr. McCAIN. Mr. President, it is always easy to find obstacles for peace and reasons not to negotiate. This is particularly true in the case of the peace negotiations necessary to create a lasting peace in the Middle East. The issues involved are extraordinarily difficult and intractible, and they must be resolved in a way that produces a true peace, not simply an agreement on paper or the kind of peace that does not guarantee both

sides full security and allow the kind of cultural and economic relations that will ensure peace lasts and that the economy of the region can be viable.

The Government of Israel has proposed a new peace initiative that I feel deserves close study by every Member of this body, by every nation in the world, and by every Palestinian. I fully realize that this initiative does not meet the expectations of many Palestinians, and I do not believe it should be my role to endorse or criticize its details. I do believe, however, that we should all recognize that this proposal is a serious and important step forward.

I believe that we in the United States should do everything possible to build upon this initiative to create a negotiation process that can lead to peace. I believe that it is important that both the international community and the Palestinians should make every effort to explore what can be done to build upon this initiative. And, I believe that the Government of Israel should listen closely to the reactions to its proposals.

The one thing we cannot let happen is a situation where either side rejects the views and proposals of the other—supported by the usual host of outside analysts and critics. It is already clear that far too many people are rushing to declare that his initiative means the cup is half empty—often without reading it in full or by focusing on the most difficult issues that must be negotiated rather than to take advantage of the fact that this peace initiative clearly means the cup is half full.

I believe that history has clearly and painfully demonstrated that such an exercise in taking sides will do nothing for the Palestinians, and it is certain to prong the agony of the current strife on Gaza and West Bank and to reduce the prospects for a lasting peace. The problem today is not how the next steps in the journey to peace will end, but how they can begin. I believe that the new peace initiative of the Government of Israel is an important part of this beginning.

I ask that a background paper on the peace initiative be printed in the RECORD.

The material follows:

A PEACE INITIATIVE BY THE GOVERNMENT OF ISRAEL

GENERAL

1. This document presents the principles of a political initiative of the Government of Israel which deals with the continuation of the peace process; the termination of the state of war with the Arab States; a solution for the Judea, Samaria and the Gaza district; peace with Jordan; and a resolution of the problem of the residents of the refugee camps in Judea, Samaria and the Gaza district.

2. The document includes:

A. The principles upon which the initiative is based.

B. Details of the processes for its implementation.

C. Reference to the subject of the elections under consideration. Further details relating to the elections as well as other subjects of the initiative will be dealt with separately.

BASIC PREMISES

3. The initiative is founded upon the assumption that there is a national consensus for it on the basis of the basic guidelines of the Government of Israel, including the following points:

A. Israel yearns for peace and the continuation of the political process by means of direct negotiations based on the principles of the Camp David accords.

B. Israel opposes the establishment of an additional Palestinian state in the Gaza district and in the area between Israel and Jordan.

C. Israel will not conduct negotiations with the PLO.

D. There will be no change in the status of Judea, Samaria and Gaza other than in accordance with the basic guidelines of the government.

SUBJECTS TO BE DEALT WITH IN THE PEACE PROCESS

4. A. Israel views as important that the peace between Israel and Egypt, based on the Camp David accords, will serve as a cornerstone for enlarging the circle of peace in the region, and calls for a common endeavor for the strengthening of the peace and its extension, through continued consultation.

B. Israel calls for the establishment of peace relations between it and those Arab States which still maintain a state of war with it, for the purpose of promoting a comprehensive settlement for the Arab-Israel conflict, including recognition, direct negotiations, ending the boycott, diplomatic relations, cessation of hostile activity in international institutions or forums and regional and bilateral cooperation.

C. Israel calls for an international endeavor to resolve the problem of the residents of the Arab refugee camps in Judea, Samaria and the Gaza district in order to improve their living conditions and to rehabilitate them. Israel is prepared to be a partner in this endeavor.

D. In order to advance the political negotiation process leading to peace, Israel proposes free and democratic elections among the Palestinian Arab inhabitants of Judea, Samaria and the Gaza district in an atmosphere devoid of violence, threats and terror. In these elections a representation will be chosen to conduct negotiations for a transitional period of self-rule. This period will constitute a test for coexistence and cooperation. At a later stage, negotiations will be conducted for a permanent solution, during which all the proposed options for an agreed settlement will be examined, and peace between Israel and Jordan will be achieved.

E. All the above mentioned steps should be dealt with simultaneously.

F. The details of what has been mentioned in (D) above will be given below.

THE PRINCIPLES CONSTITUTING THE INITIATIVE

Stages:

5. The initiative is based on two stages:

A. Stage A—a transitional period for an interim agreement.

B. Stage B—permanent solution.

6. The interlock between the stages is a timetable on which the plan is built; the peace process delineated by the initiative is based on resolutions 242 and 338, upon which the Camp David accords are founded.

Timetable.

7. The transitional period will continue for 5 years.

8. As soon as possible, but not later than the third year after the beginning of the transitional period, negotiations for achieving a permanent solution will begin.

9. The parties participating in the negotiations for the first stage (the interim agreement) shall include Israel, and the elected representation of the Palestinian Arab inhabitants fo Judea, Samaria and the Gaza district. Jordan and Egypt will be invited to participate in these negotiations if they so desire.

10. The parties participating in the negotiations for the second stage (permanent solution) shall include Israel and the elected representation of the Palestinian Arab inhabitants of Judea, Samaria and the Gaza district, as well as Jordan; furthermore, Egypt may participate in these negotiations. In negotiations betwen Israel, and Jordan, in which the elected representation of the Palestinian Arab inhabitants of Judea, Samaria and the Gaza district will participate, the peace treaty between Israel and Jordan will be concluded.

Substance of the transitional period:

11. During the transitional period the Palestinian Arab inhabitants of Judea, Samaria and the Gaza district will be accorded self-rule, by means of which they will, themselves, conduct their affairs of daily life. Israel will continue to be responsible for security, foreign affairs and all matters concerning Israeli citizens in Judea, Samaria and the Gaza district. Topics involving the implementation of the plan for self-rule will be considered and decided within the framework of the negotiations for an interim agreement.

Substance of the permanent solution:

12. In the negotiations for a permanent solution, every party shall be entitled to present for discussion all the subjects it may wish to raise.

13. The aim of the negotiations should be:

A. The achievement of a permanent solution acceptable to the negotiating parties.

B. The arangements for peace and borders between Israel and Jordan.

DETAILS OF THE PROCESS FOR THE IMPLEMENTATION OF THE INITIATIVE

14. First and foremost, dialogue and basic agreement by the Palestinian Arab inhabitants of Judea, Samaria and the Gaza district, as well as Egypt and Jordan if they wish to take part, as above mentioned, in the negotiations on the principles constituting the initiative.

15. A. Immediately afterwards will follow the stage of preparations and implementation of the election process in which a representation of the Palestinian Arab inhabitants of Judea, Samaria and Gaza will be elected. This representation:

I. Shall be a partner to the conduct of negotiations for the transitional period (interim agreeement).

II. Shall constitute the self-governing authority in the course of the transitional period.

III. Shall be the Central Palestinian component, subject to agreement after three years, in the negotiations for the permanent solution.

B. In the period of the preparations and implementation there shall be a calming of the violence in Judea, Samaria and the Gaza district.

16. As to the substance of the elections, it is recommended that a proposal of regional elections be adopted, the details of which shall be determined in further discussions.

17. Every Palestinian Arab residing in Judea, Samaria and the Gaza district, who shall be elected by the inhabitants to represent them—after having submitted his candidacy in accordance with the detailed document which shall determine the subject of the elections—may be a legitimate participant in the conduct of negotiations with Israel.

18. The elections shall be free, democratic and secret.

19. Immediately after the election of the Palestinian representation, negotiations shall be conducted with it on an interim agreement for a transitional period which shall continue for 5 years, as mentioned above. In these negotiations, the parties shall determine all the subjects relating to the substance of the self-rule and the arrangements necessary for its implementation.

20. As soon as possible, but not later than the third year after the establishment of the self-rule, negotiations for a permanent solution shall begin. During the whole period of these negotiations until the signing of the agreement for a permanent solution, the self-rule shall continue in effect as determined in the negotiations for an interim agreement.●

REGARDING ESTABLISHING A DEPARTMENT OF VETERANS AFFAIRS COMMISSION TO EXAMINE VA MEDICAL FACILITIES

● Mr. MURKOWSKI. Mr. President, today I had intended to introduce historic legislation which is needed to improve the efficiency of Department of Veterans Affairs [VA] health-care facilities. Although I have worked hard on my proposal during the past 5 months, I have agreed to withhold its introduction until after the Memorial Day recess.

Let me explain. Yesterday I met with VA Secretary Ed Derwinski to discuss, among other things, the concept of a VA Medical Facility Realignment Commission. VA staff have been working on a similar proposal and are in the process of discussing it with veterans service organizations. Secretary Derwinski and I agreed in our meeting yesterday that I would not introduce my bill until Secretary Derwinski had heard the views of the service organizations and conveyed their concerns to me in a meeting to take place after the Memorial Day recess.

Although I am not introducing my legislation today, I intend to insert in the RECORD the draft bill and a brief summary of the legislation. This statement will outline certain reasons why I believe such legislation is necessary.

My bill—to be modeled after the defense authorization amendments and Base Closure and Realignment Act—would establish a similar Commission to examine VA medical facilities to determine whether realignments or mission changes are needed. Let me be clear, the purpose of establishing such a Commission is not to reduce the budget of VA's health-care system or to necessarily close VA facilities, but rather to shift available resources where they can most efficiently provide care to the most veterans.

The committee and ultimately the entire Congress are aware of funding problems within VA's health-care system. There is no disagreement among members of the Veterans' Affairs Committee that more money is needed if the level of services provided in the past is to be maintained. As a result of the funding situation, certain programs or care to veterans have been restricted or eliminated.

Due in large part to the efforts of VA Secretary Ed Derwinski, on March 24, 1989, the President sent forth to Congress a request for fiscal year 1989 supplemental funding of over $300 million for VA medical care. That request was passed today by the House and may be considered by the Senate today.

The Commission is needed for a variety of reasons. As previously noted, we can no longer afford to operate the VA system as we have in the past. We must closely examine each Government program—including each VA facility—to determine if change is needed. For example, we have four VA hospitals in Chicago. Why is this so? Are all these facilities needed? These are the types of questions that need to be asked.

The practice of medicine is constantly changing due to advances in medical technology and sometimes as a result of efforts to control the cost of health care. The delivery of care has shifted from a system which relied on inpatient hospitalization to increases in outpatient care.

Additionally, VA will see an increase in veterans age 65 or older in the next 10 years. By the year 2000, over 9 million veterans will fit this over-65 age category. This is an increase of 6 million from 1980. Because our older Americans tend to move to warmer climates once they retire, this has caused an influx of veterans into such States as Florida, New Mexico, and Arizona. Yet these States lack the capacity to meet the demand for health-care services.

It is no secret that when VA desires to modify the size or mission of VA facilities its efforts are met with a great deal of resistance from the Members of Congress who represent those districts or States. A VA facility not only represents care and treatment to veterans but plays an important economic role in the community. Frankly, a VA facility means jobs—not only Federal ones but private sector support services as well.

There is no question in my mind that an independent review of the functions and missions of each VA facility is vitally needed. And a mechanism to remove political considerations from discussions of mission changes and consolidations is desperately needed. For these reasons, I believe that this is legislation whose time has come.

Mr. President, I ask consent to insert in the RECORD my draft legislation and a summary of its provisions.

The material follows:

SUMMARY OF PROVISIONS WHICH WILL BE INCLUDED IN LEGISLATION TO BE INTRODUCED BY SENATOR MURKOWSKI IN JUNE

The legislation which I intend to introduce is so closely modeled after the DOD Base Closure legislation, I will not go into the details of each provision. I would, however, like to highlight a few specific points.

This bill will require the Secretary of Veterans Affairs to establish a commission to review VA medical facilities to determine if realignment or mission changes are needed. This commission—which will be required to be established within 45 days after enactment—would be composed of between 9 and 12 members. The Secretary will have complete discretion to name members of the commission; however, the bill will require representatives—in certain cases from those nominated by the respective organizations—of the following organizations to be on the commission: Department of Defense, Association of American Medical Colleges, VA's Special Medical Advisory Group, Health and Human Services, and veterans' service organizations. Other members should have expertise or experience in management of health service in the private sector, health-care economics, health-care policy, VA medical care, long-term care, and rural health-care services.

The bill will also require that the Secretary approve or disapprove—without change—all the recommendations contained in the report which is required to be submitted to the Secretary. There will be no discretion to approve a partial list or modify any recommendations. Basically, it is an "all-or-nothing" proposition. Unless a joint resolution disapproving the recommendations is enacted by Congress within a specified deadline, the Secretary will be required to begin implementation efforts within a year after receipt of the report and complete those actions within 3 years.

S. —

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Department of Veterans Affairs Medical Facilities Realignment Act of 1989".

SEC. 2. REALIGNMENT AND MISSION CHANGES OF DEPARTMENT OF VETERANS AFFAIRS MEDICAL FACILITIES.

(a) IN GENERAL.—The Secretary of Veterans Affairs shall—

(1) within 45 days after the date of the enactment of this Act, issue a charter establishing the Commission provided for in section 4 and containing the terms, conditions, and mandates for its operation to achieve its objectives under this Act, including provision for the appointment of staff and any other support and expenses the Commission considers necessary;

(2) realign all medical facilities recommended for realignment by the Commission

in the report to the Secretary of Veterans Affairs pursuant to the charter establishing the Commission;

(3) change the major missions of medical facilities as recommended by the Commission in its report to the Secretary; and

(4) initiate all such realignments and major mission changes not later than one year after receipt of the Commission's report by the Secretary, and complete all such realignments and all actions required for such mission changes not later than three years after receipt of such report by the Secretary.

SEC. 3. CONDITIONS.

(a) IN GENERAL.—(1) The Secretary of Veterans Affairs may not carry out any realignment or major mission change of any medical facility under this Act unless—

(A) not later than 15 days after receiving the report referred to in section 2, the Secretary of Veterans Affairs transmits to the Committees on Veterans' Affairs of the Senate and the House of Representatives a report containing a statement that the Secretary has approved, and the Department of Veterans Affairs will implement, all of the medical facility realignments and major mission changes recommended by the Commission in that report; and

(B) the Commission has recommended, in the report referred to in section 2, the realignment or major mission change as the case may be, of the medical facility, and has transmitted to the Committees on Veterans' Affairs of the Senate and the House of Representatives a copy of the report and the statement required by section 4(d)(2)(B).

(2) The Secretary may not initiate any realignment or major mission change recommended by the Commission in the report referred to in section 2 within 45 days after the committees referred to in paragraph (1) receive the Secretary's report pursuant to such paragraph.

(b) JOINT RESOLUTION.—The Secretary of Veterans Affairs may not carry out any realignments or major mission changes under this Act if, within 45 days after the committees receive the Secretary's report under subsection (a)(1), a joint resolution is enacted, in accordance with the provisions of section 9, disapproving all the recommendations of the Commission. The days on which either House of Congress is not in session because of an adjournment of more than three days to a day certain shall be excluded in the computation of the 45-day period.

SEC. 4. THE COMMISSION ON MEDICAL FACILITY REALIGNMENT AND MAJOR MISSION CHANGE.

(a) NAME OF COMMISSION.—The Commission established pursuant to the charter issued by the Secretary of Veterans Affairs pursuant to section (2)(a)(1) shall be known as the "Commission on Medical Facility Realignment and Major Mission Change".

(b) MEMBERSHIP.—The Commission shall be appointed by the Secretary of Veterans Affairs and shall consist of not less than 9 and not more than 12 members, as follows:

(1) One member from among persons, if any, nominated by the Association of American Medical Colleges.

(2) One member from among persons knowledgeable about sharing Department of Veterans Affairs and Department of Defense health-care resources who are nominated by the Secretary of Defense.

(3) One member who is a member of the special medical advisory group established pursuant to section 4112(a) of title 38, United States Code.

(4) One member from among persons, if any, nominated by veterans service organizations chartered by Congress.

(5) One member from among persons knowledgeable about the Medicare and Medicaid programs who are nominated by the Secretary of Health and Human Services.

(6) The remaining members from among persons who, by reason of education, training, and experience, are experts in (A) the management of health services in private enterprise, (B) health care economics, (C) health care policy, (D) medical care furnished by the Veterans Health Services and Research Administration, except that no such member may be an employee of the Department of Veterans Affairs, (E) long-term health care services, and (F) rural health care services.

(c) CHAIRMAN AND VICE CHAIRMAN.—The Secretary of Veterans Affairs shall designate a Chairman and Vice Chairman from among the members of the Commission.

(d) DUTIES.—The Commission shall—

(1) transmit the report referred to in section 2(a) to the Secretary within one year after the date of the enactment of this Act and shall include in such report the Commission's recommendations regarding the medical facilities to which functions should be transferred as a result of the realignments and major mission changes recommended by the Commission; and

(2) on the date on which the Commission transmits such report to the Secretary, transmit to the Committees on Veterans Affairs of the Senate and the House of Representatives—

(A) a copy of such report; and

(B) a statement certifying that the Commission has reviewed all medical facilities, including all medical facilities under construction and all those planned for construction, and has identified the medical facilities recommended for realignment or major mission changes.

(e) STAFF AND SUPPORT.—Not more than one-fourth of the professional staff of the Commission shall be individuals who have been employed by the Department of Veterans Affairs within one year before the date of the enactment of this Act.

(f) RECORDS AND MEETINGS.—(1) The records, documents, and other materials prepared by or for the Commission are not subject to section 552 of title 5, United States Code.

(2) Meetings of the Commission are not subject to the provisions of section 10 of the Federal Advisory Committee Act (5 U.S.C. App.).

SEC. 5. IMPLEMENTATION.

(a) IN GENERAL.—In realigning or changing the major mission of a medical facility under this Act, the Secretary of Veterans Affairs, subject to the availability of funds, including funds in the Account—

(1) may carry out actions necessary to implement such realignment or major mission change, including the acquisition of such land, the construction of such replacement facilities, the performance of such activities, and the conduct of such advance planning and design as may be required to transfer functions from such medical facility to another medical facility;

(2) may provide—

(A) economic adjustment assistance to any community located near a medical facility being realigned or whose major mission is to be changed, and

(B) community planning assistance to any community located near a medical facility to which functions will be transferred as a result of such realignment or major mission change,

if the Secretary determines that such assistance is needed and that the financial resources available to the community (by grant or otherwise) for economic adjustment and community planning are inadequate; and

(3) subject to the availability of funds referred to in clause (1), may carry out activities for the purpose of environmental restoration, including reducing, removing, and recycling hazardous wastes and removing unsafe buildings and debris.

(b) MANAGEMENT AND DISPOSAL OF PROPERTY.—(1) The Administrator of General Services shall delegate to the Secretary of Veterans Affairs, with respect to excess and surplus property located at a medical facility realigned under this Act—

(A) the authority of the Administrator to utilize excess property under section 202 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 483);

(B) the authority of the Administrator to dispose of surplus property under section 203 of that Act (40 U.S.C. 484); and

(C) the authority of the Administrator to grant approvals and make determinations under section 13(g) of the Surplus Property Act of 1944 (50 U.S.C. App. 1622(g)).

(2)(A) Subject to subparagraph (B), the Secretary of Veterans Affairs shall exercise authority delegated to the Secretary pursuant to paragraph (1) in accordance with—

(i) all regulations in effect on the date of the enactment of this Act governing utilization of excess property and disposal of surplus property under the Federal Property and Administrative Services Act of 1949; and

(ii) all regulations in effect on the date of the enactment of this Act governing the conveyance and disposal of property under section 13(g) of the Surplus Property Act of 1944 (50 U.S.C. App. 1622(g)).

(B) The Secretary of Veterans Affairs, after consulting with the Administrator of General Services, may issue regulations that are necessary to carry out the delegation of authority required by paragraph (1).

(C) The authority required to be delegated by paragraph (1) to the Secretary of Veterans Affairs by the Administrator of General Services shall not include the authority to prescribe general policies and methods for utilizing excess property and disposing of surplus property.

(D) Before any action may be taken with respect to the disposal of any surplus real property at a medical facility in connection with a realignment under this Act, the Secretary of Veterans Affairs shall consult with the Governor of the State and heads of the local governments concerned for the purpose of considering any plan for the use of such property by the local community concerned.

(E) The provisions of this paragraph and paragraph (1) are subject to paragraphs (3) and (4).

(3)(A) Before any action is taken with respect to the disposal or transfer of any real property at a medical facility in connection with a realignment or major mission change under this Act, the Secretary of Veterans Affairs shall notify all other departments, agencies, and instrumentalities (including nonappropriated fund instrumentalities) of the United States Government of the availability of such property, or portion thereof, and may transfer such property or portion, without reimbursement, to any such depart-

ment, agency, or instrumentality. In carrying out this paragraph, the Secretary shall give a priority, and shall transfer, to any such department, agency, or instrumentality that agrees to pay fair market value for the property or portion. For the purposes of this paragraph, the fair market value shall be the fair market value as of the date of the transmittal to the Secretary of the report referred to in section 2(a).

(B) This paragraph shall take precedence over any other provision of this Act or other provision of law with respect to the disposal or transfer of any real property at a medical facility in connection with a realignment or major mission change under this Act.

(4)(A) Except as provided in subparagraph (B), all proceeds—

(i) from any transfer under paragraph (3), and

(ii) from the transfer or disposal of any other property made as a result of a realignment or major mission change under this Act,

shall be deposited into the Account.

(B) In any case in which the General Services Administration is involved in the management or disposal of such property, the Secretary of Veterans Affairs shall reimburse the Administrator of General Services from the proceeds of such disposal, in accordance with section 1535 of title 31, United States Code, for any expenses incurred in such activities.

SEC. 6. WAIVER.

The Secretary of Veterans Affairs may carry out this Act without regard to—

(1) any provision of law restricting the authority of the Secretary or the use of funds for realigning medical facilities or changing the major missions of medical facilities, other than any provision of this Act;

(2) any provision of title 38, United States Code; and

(3) the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

SEC. 7. REPORTS.

As part of each annual budget request for the Department of Veterans Affairs, the Secretary of Veterans Affairs shall transmit to the Committees on Veterans Affairs and Appropriations of the Senate and the House of Representatives—

(1) a schedule of the realignment or major mission change actions to be carried out under this Act in the fiscal year for which the request is made and an estimate of the total expenditures required and cost savings to be achieved by each such realignment or major mission change and of the time period within which such cost savings are to be achieved in each case, together with the Secretary's assessment of the environmental effects of such actions; and

(2) a description of the medical facilities, including those under construction and those planned for construction, to which functions are to be transferred as a result of such realignments or major mission changes, together with the Secretary's assessment of the environmental effects of such transfers.

SEC. 8. FUNDING.

(a) ESTABLISHMENT OF ACCOUNT.—There is hereby established on the books of the Treasury an account to be known as the "Department of Veterans Affairs Medical Facility Realignment Account" which shall be administered by the Secretary of Veterans Affairs as a single account.

(b) DEPOSITS TO THE ACCOUNT.—There shall be deposited into the Account—

(1) funds appropriated to the Account for fiscal years beginning after the date of the enactment of this Act;

(2) any funds that the Secretary may, subject to approval in an appropriation Act, transfer to the Account from funds appropriated to the Department of Veterans Affairs for any purpose, except that such funds may be transferred only after the date on which the Secretary transmits written notice of, and justification for, such transfer to the Committees on Veterans Affairs and Appropriations of the Senate and the House of Representatives; and

(3) proceeds described in section 5(b)(4)(A).

(c) USE OF FUNDS.—(1) The Secretary may use the funds in the Account only for the purposes described in section 5(a).

(2) When a decision is made to use funds in the Account to carry out a major medical facility project (as defined in section 5004(a)(3)(A) of title 38, United States Code) under section 5(a)(1) of this Act, the Secretary shall notify in writing the Committees on Veterans Affairs and Appropriations of the Senate and the House of Representatives of the nature of, and justification for, the project and the amount of expenditures for such project.

(d) REPORT.—Not later than 60 days after the end of each fiscal year in which the Secretary carries out activities under this Act, the Secretary shall transmit to the Committees on Veterans Affairs and Appropriations of the Senate and the House of Representatives a report on the amount and nature of the deposits into, and the expenditures from, the Account during such fiscal year and of the amount and nature of other expenditures made pursuant to section 5(a) during such fiscal year.

(e) FINAL ACCOUNTING AND CERTIFICATION.—When the Secretary completes all actions necessary for the realignments and major mission changes required pursuant to this Act, the Secretary shall—

(1) transmit to the Committees on Veterans Affairs and Appropriations of the Senate and the House of Representatives a report containing an accounting of—

(A) all funds deposited into and expended from the Account or otherwise expended under this Act; and

(B) any amount remaining in the Account; and

(2) transmit to the Secretary of the Treasury a certification that all such actions have been completed.

(f) DISPOSITION OF UNOBLIGATED FUNDS.—Upon receipt of a certification pursuant to subsection (e)(2), the Secretary of the Treasury shall transfer all unobligated funds remaining in the Account to the miscellaneous receipts account in the United States Treasury.

SEC. 9. CONGRESSIONAL CONSIDERATION OF COMMISSION REPORT.

(a) TERMS OF THE RESOLUTION.—For purposes of section 3(b), the term "joint resolution" means only a joint resolution—

(1) which is introduced within 45 days after the date on which the committees referred to in section 3(a) receive a report by the Secretary of Veterans Affairs pursuant to section 3(a)(1)(A), and—

(2) which does not have a preamble;

(3) the matter after the resolving clause of which is as follows: "That Congress disapproves the recommendations of the Commission on Medical Facility Realignment and Major Mission Change established by the Secretary of Veterans Affairs as submitted to the Secretary of Veterans Affairs on _____," the blank space being appropriately filled with the date; and

(4) the title of which is as follows: "A joint resolution disapproving the recommendations of the Commission on Medical Center Realignment and Major Mission Change".

(b) REFERRAL.—A resolution described in subsection (a) introduced in the House of Representatives shall be referred to the Committee on Veterans Affairs of the House of Representatives. A resolution described in subsection (a) introduced in the Senate shall be referred to the Committee on Veterans Affairs of the Senate.

(c) DISCHARGE.—If the committee to which a resolution described in subsection (a) is referred has not reported such resolution (or an identical resolution) within the 45-day period beginning on the date on which such resolution is introduced, such committee shall be discharged from further consideration of such resolution as of the day after the last day of such period, and such resolution shall be placed on the appropriate calendar of the House involved.

(d) CONSIDERATION.—(1) On or after the third day after the date on which the committee to which such a resolution is referred has reported, or has been discharged (under subsection (c)) from further consideration of, such a resolution, it is in order (even though a previous motion to the same effect has been disagreed to) for any Member of the respective House to move to proceed to the consideration of the resolution (but only on the day after the calendar day on which Member announces to the House concerned the Member's intention to do so). All points of order against the resolution (and against consideration of the resolution) are waived. The motion is highly privileged in the House of Representatives and is privileged in the Senate and is not debatable. The motion is not subject to amendment, or to a motion to postpone, or to a motion to proceed to the consideration of other business. A motion to reconsider the vote by which the motion is agreed to or disagreed to shall not be in order. If a motion to proceed to the consideration of the resolution is agreed to, the respective House shall immediately proceed to consideration of the joint resolution without intervening motion, order, or other business, and the resolution shall remain the unfinished business of the respective House until disposed of.

(2) Debate on the resolution and on all debatable motions and appeals in connection therewith shall be limited to not more than 10 hours, which shall be divided equally between those favoring and those opposing the resolution. An amendment to the resolution is not in order. A motion further to limit debate is in order and not debatable. A motion to postpone, or a motion to proceed to the consideration of other business, or a motion to recommit the resolution is not in order. A motion to reconsider the vote by which the resolution is agreed to or disagreed to is not in order.

(3) Immediately following the conclusion of the debate on a resolution described in subsection (a) and a single quorum call at the conclusion of the debate if requested in accordance with the rules of the appropriate House, the vote on final passage of the resolution shall occur.

(4) Appeals from the decisions of the Chair relating to the application of the rules of the Senate or the House of Representatives, as the case may be, to the procedure relating to a resolution described in subsection (a) shall be decided without debate.

(e) CONSIDERATION BY OTHER HOUSE.—(1) If, before the passage by one House of a resolution of that House described in subsection (a), that House receives from the other House a resolution described in subsection (a), then the following procedures shall apply:

(A) The resolution of the other House shall not be referred to a committee and may not be considered in the House receiving it except in the case of final passage as provided in subparagraph (B)(ii).

(B) With respect to a resolution described in subsection (a) of the House receiving the resolution—

(i) the procedure in that House shall be the same as if no resolution had been received from the other House; but

(ii) the vote on final passage shall be on the resolution of the other House.

(2) Upon disposition of the resolution received from the other House, it shall no longer be in order to consider the resolution that originated in the receiving House.

(f) RULES OF THE SENATE AND HOUSE.—This section is enacted by Congress—

(1) as an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such it is deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of a resolution described in subsection (a), and it supersedes other rules only to the extent that it is inconsistent with such rules; and

(2) with full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner, and to the same extent as in the case of any other rule of that House.

SEC. 10. DEFINITIONS.

In this Act:

(1) The term "Account" means the Department of Veterans Affairs Medical Facility Realignment Account established by section 8 of this Act.

(2) The term "major mission change" means any substantive change in clinical programs or patterns of delivery of medical care at a medical facility, or part thereof, pursuant to the terms and limitations contained in the charter referred to in section 2(a).

(3) The term "medical facility" means a Department of Veterans Affairs facility referred to in section 601(4)(A) of title 38, United States Code.

(4) The term "realignment" means closure, consolidation, and any other action which both reduces and relocates functions and civilian personnel positions.●

TIBET HUMAN RIGHTS

● Mr. LEAHY. Mr. President, last August, I had the privilege of leading a delegation of Senators to China. With me were my dear friend of many years and senior colleague at that time, Bob Stafford, and my good friend and colleague on the Agriculture Committee, TOM DASCHLE. As part of that trip, our delegation made the first visit by Senators to Tibet. Our principal reason in going to Tibet was to examine firsthand the human rights situation there, and to make known to Chinese and Tibetan authorities our very strong views about the need for China to observe internationally recognized standards of human rights. We had received many reports of Chinese human rights abuses against Tibetans who favor independence from China, and Chinese suppression of the traditional Tibetan culture based on the Lamaistic sect of Buddhism. In preparation for the trip, we received briefings from administration officials and others on Chinese behavior in Tibet. We were particularly concerned about widespread and highly credible reports of arrests, torture and indefinite detention without trial of Tibetan political dissidents and religious activists.

We had many discussions in Lhasa with Tibetan leaders, Mr. President, and I thought we made real progress on human rights. We carefully distinguished between our concerns about Chinese treatment of Tibetan dissidents, which were based on China's obligations under international law, and the political issue of China's sovereignty over Tibet. Our delegation got new information from the Chinese about certain political prisoners, and in followup meetings later here in Washington, they gave us even more details. I was encouraged by what seemed to be an evolving Chinese attitude about the legitimacy of international human rights concerns, and sensitivity toward world opinion regarding their behavior in Tibet.

Then came new proindependence demonstrations and violence last March in Lhasa. Many Tibetan demonstrators were killed, many, many more were arrested or just disappeared. Martial law was imposed on Lhasa, the foreign press barred, foreign tourists asked to leave, U.S. diplomats refused entry to carry out their normal duties to protect American citizens, and a veil of secrecy came down on Tibet.

Mr. President, I do believe extraordinarily important changes are happening in China. We watch awestruck as a million Chinese students, workers and intellectuals demonstrate for democracy, freedom of the press, and basic political rights in Tienanamen Square in front of Chairman Mao's gigantic picture. China's leadership is confronting massive demands for political reform and a far-reaching loosening of the Communist Party's control over people's lives. Chinese activists are demanding political as well as economic reforms.

There is every reason to believe that change in Beijing can effect events in Lhasa as well. Greater democracy, political reform, and respect for fundamental human rights in Han China can and should mean greater respect for Tibetan political, religious, and cultural autonomy—exactly as is provided the Tibetan Autonomous Republic in China's Constitution. But, I do not think those changes will come without continued expressions of concern by those of us in the West who want to advance and defend the cause of human rights everywhere, including in Tibet. China must keep hearing from supporters of human rights abroad that we expect internationally recognized standards of human rights to be observed in the farthest reaches of Tibet as much as in downtown Shanghai.

Mr. President, I daresay every member of the Senate has written and signed numerous letters to the leaders of the Soviet Union on behalf of named political, religious and cultural dissidents in that country denied their rights by the Soviet Government. We have been writing those letters and sending those telegrams for many, many years now. And, it has paid off. Think of the Soviet refuseniks, dissidents, internal exiles, political prisoners, and inmates of pychiatric wards who have finally been allowed to emigrate or to receive their liberty inside the Soviet Union as a result of the hundreds or thousands of letters, telegrams, calls, and visits of Members of Congress to Soviet leaders.

I believe very strongly that the same kind of long-term commitment to the cause of human rights in Tibet is urgently needed. Senators need to begin to write to Chinese authorities with the same persistence, diligence, and forcefulness as we have all these years on behalf of Soviet citizens mistreated by their government. The human rights situation in Tibet is acute; hundreds of people are imprisoned without charge or trial because of their political or religious beliefs and activities. Many have been held for years without trial. Families are denied information about their loved ones in prisons, and often it is impossible even to learn in which prison detainees are held. There are extremely disturbing reports of physical abuse, even torture, of some prisoners.

Mr. President, working closely with Tibet groups and international human rights organizations, I have compiled a list of names and identifying information about a number of Tibetan political prisoners. I emphasize it is far from a complete list of those held for political or religious activities. But, it is a list which has been checked and rechecked for accuracy. Now, it is ready to be used to try to help the cause of human rights in Tibet.

I urge every Senator to make use of this list to write letters to Chinese and Tibetan authorities on behalf of those persons identified on it. And, I hope Senators will not stop at sending one letter or one telegram. We need to keep a flow of Dear Colleagues circulating for signatures in support of the rights of these detainees, just as we have done so successfully for many years.

The partial list follows:

PARTIAL LIST OF TIBETAN POLITICAL PRISONERS IN LHASA AREA PRISONS

[April 5, 1989]

Name of prisoner	Arrest date [1]	Prison [2]	Tortured [3]	Demonstration [4]
1. Yulo Dawa Tsering (see attached)	AI–Mar. 14, 1988	Sangyip	X	
2. Lobsang Tenzing, age 28, student at Lhasa University, voted best student at the university by his peers. Sentenced to death on Jan. 19, 1989.	Apr. 16, 1988 AI–Apr. 22, 1988	Gutsa		Mar. 5, 1988.
3. Sonam Wangdu a.k.a. Shuden, age 27, businessman, husband of Dolma Yangzom, resident Jebun Gang, Lhasa. Arrested at Nyalam while fleeing from Tibet. Firsthand account of severe torture as witnessed by his wife when she visited him in prison because the Chinese wanted a confession.	do	do		Mar. 5, 1988.
4. Ven. Palden Gyatso age 56, born in Nagchu in 1933, from Drepung Monastery. He is serving an 8 year prison sentence imposed April, 1984 for writng and displaying wall-posters for Tibetan independence. Palden Gyatso was arrested on Aug. 26, 1983 during a wave of arrests of people suspected of being active Tibetan nationalists because of their political or religious activities. At the time of his arrest he was reportedly accused of having been in contact with Geshe Lobsang Wangchuk, who died of prison ill-treatment on 4 November, 1987. Ven. Palden Gyatso had been first imprisoned in 1959 for his alleged part in the Tibetan Uprising against the Chinese occupation of Tibet. He then spent 16 years in prison and was released in 1975.	Aug. 26, 1983 AI/prisoner of conscience ASA May 17, 1987.	Sangyip	X	
5. Tanak Jigme Sangpo age 56, born in Lhasa in 1933. Before 1959 he was a teacher at Sesing School. He was arrested in 1960 for posting a wall-poster denouncing Mao Tse-tung in a school. He was charged with instigating students to dissent and was therefore sentenced to 3 years imprisonment at Sangyip. In 1969 he was again arrested by Chinese authorities for encouraging many Tibetan youths to flee Tibet. He was imprisoned for 10 years at Sangyip. When he was released in 1979 he was sent to Nyethang Labor Camp, during which time he became "mentally retarded" evidenced by his shouting "Down with Deng Shiao Peng." For this he was again arrested in September 1983 and imprisoned at Sangyip where he remains today.	September 1983	do	X	
6. Shol Dawa, age 54, born at Lhasa, son of Mr. Namgyal, resident of Lhasa. In 1979 during the visit of the first delegation of HHDL, he had shouted "Long Live HHDL," "Tibet for Tibetans," and "Chinese quit Tibet." In 1980 he was arrested and imprisoned for 3 years at Sangyip. He was later shifted to Nyethang Brick Factory to work and was released in 1984. On Aug. 20, 1985 he was arrested without charge during the "20th TAR celebration" in Lhasa. Since then he has been in Gutsa prison, although released later and again arrested in 1986.	1986	Gutsa	X	
7. Gyaltsen Choesang, from Garu Nunnery, situated to the north west of Lhasa. She was arrested during the Dec. 10, 1988 demonstration from the Garu Nunnery.	Dec. 10, 1988	do	X	Dec. 10, 1988.
8. Ven. Kunsang Tsering, age 27, born in Gyama, near Lhasa (Toelung), monk of Ganden Monastery, arrested at the monastery	Dec. 15, 1987	do	X?	
9. Choezed Tenpa Chophel, age 66, reason for arrest: possessed a Tibetan copy of "My Land and My People". Visited India in 1985 and returned to Lhasa in 1986 (exact date unknown). Husband of Tsering Lhamo who resides in Dharamsala, India. Tsering Lhamo is considered a staunch Tibetan national, who escapted Tibet in 1985. The arrest of Choezed Tenpa Chopel clearly shows reprisals against family members of outspoken dissidents.				
10. Tsering Drakpa	AI–1985	Takse	X	
11. Gyaltsen Choephel, age 27, carpenter, mother's name Phurbu, resident of Garu Shar, (Barkhor area), Lhasa. His only sister, Tsamla is a nun of Tsamlung Nunnery situated to the east of Lhasa.	Apr. 16, 1988	Gutsa	X	Mar. 5, 1988.
12. Ms. Tsering Dolkar, born in Lhasa. She was a teacher at sasing School to the east of Lhasa. She went to India in 1988 and was arrested upon her return to Lhasa in May 1988.	May 1988			
13. Gyaltsen Tinley, from Garfu Nunnery. She was arrested during the Dec. 10, 1988 demonstration	Dec. 10, 1988	do	X	Dec. 10, 1988.
14. Ven. Lobsang Tsundu, age 51, born in Toelung, monk of Drepung Monastery, arrested on Mar. 7, 1988	Mar. 7, 1988	Sangyip		Mar. 5, 1988.
15. Lobsang Tenzin, age 59, arrested in Lhasa City. He is a retired teacher		Gutsa	X	
16. Gyaltsen Tendar, from Garu Nunnery, arrested during the Dec. 10, 1988 demonstration	Dec. 10, 1988	do	X	Dec. 10, 1988
17. Tamdin Sithar a.k.a. Kunsang Tse born in 1945, father Kunsang Tse Rigdor, arrested on August 26, 1983 profession: Labor Production Brigade No. 1; he was a storekeeper there. In 1965 he was accused of being a "reactionary" and was sent to Labor Production Brigade. His first arrest was in 1971 when he was acknowledged, by the Chinese of being, a known Tibetan nationalist. In 1975 he was transferred to Sangyip Labor Brigade and in the same year was again transferred to Drapchi Branch Labor Camp No. 5. The date of his release is unknown. However, in 1983 he was rearrested and again sent to Sangyip. In August/September 1986 he was sentenced to 12 years imprisonment by the Chinese Authorities. He is serving that sentence in Sangyip.	AI/prisoner of conscience ASA May 17, 1987, June 1987.	Sangyip	X	
18. Ven. Jamyang Choedhe, age 23, born in Tsang, monk of jokhang Temple, arrested during Mar. 5, 1988 demonstration	AW July 1988 No. 254	do	X	Mar. 5, 1988.
19. Migmar Tsering, age 21, born in Lhasa, resident of Lhasa city, arrested on Sept. 27, 1988 for throwing stones at Chinese video cameramen who were filming the Sept. 27, 1988 demonstration to commemorate the demonstration of Sept. 27, 1987.	Sept. 27, 1987	Gutsa	X	
20. Ven. Ngawang Gedun, age 31, born in Yamdrog, monk of Drepung Monastery, arrested in May 1988	May 5, 1988			
21. Ven. Tsering Dhondup, age 26, born in Nyethang, monk of Ratoe Monastery, arrested at the monastery, arrested for speaking against the Chinese Socio-Economic Questionnaire regarding Tibet (see attached). Sentenced on Jan. 19, 1989 to 18 years imprisonment. Listed below are four additional monks who were arrested at Ratoe Monastery along with Ven. Tsering Dhondup. However, these four were arrested for refusing to listen to Chinese Communist indoctrination. The names are: Ven. Chonjor, born in Nyethang, arrested on Oct. 3, 1988, Ven. Annan, age 21, born in Nyethang, arrested on Oct. 4, 1988, Ven. Lobsang, born in Nyethang arrested on Oct. 4, 1988, and Ven. Dorjee, born in Nyethang, arrested on Oct. 4, 1988. Reports of their arrest were given by ICT to the State Department, and reported in the Washington Post on Nov. 1, 1989 (see attached).	Oct. 3, 1988	do	X	
22. Ms. Yeshi Yangchen, age in thirty's, arrested on the night of Oct. 3, 1987	AW July 1988 No. 55	Gutsa? No. 55	X?	Oct. 1, 1987.
23. Tenpa Paljung, age 59, arrested on Dec. 22, 1987 for having posters in his possession	AW July 1988, No. 154			
24. Ven. Lobsang Namgyal, age 61, arrested on March 10, 1988, he was a former monk of Gyutoe Monastic college at Ramoche Temple, Lhasa.	AW July 1988, No. 162			
25. Tsering Dorjee age 27, resident of Barkhor area, Sang-lam road No. 2, North Lhasa. Sentenced to 3 years' imprisonment on Jan. 19, 1989 for damaging public property. (He could have been arrested on the 29th.).	Sept, 28, 1988	Sangyip	X	Sept. 27, 1988.
26. Ven. Tenpa Wangdak, age 51, born at Lhoka Danang, monk of Ganden Monastery, arrested at the monastery on Mar. 7, 1988. He is reported to be held in the Sitru section of Sangyip prison as of November, 1988.	Mar. 7, 1988	do		
27. Lhakpa Tsering age 33, born in Lhasa, resident of Lhasa, arrested for sticking wall-posters denouncing Chinese occupation of Tibet. He was supposedly pasting wall-posters during his night-patrol around the bank where he was caught red-handed (see attached).	Sept. 29, 1988 according to Radio Lhasa broadcast on same day.	Gutsa	X	
28. Mrs. Lhakpa Tsamchoe age 31, born in Lhasa, arrested on May 30, 1988	May 30, 1988	do	X	Mar. 5, 1988.
29. Ven. Lobsang Dhargyal a.k.a. Wangdu, age 22, born in Toelung, near Lhasa, was severely injured during the shooting of peaceful demonstrators on Dec. 10, 1988. Monk of Ganden Monastery.				Dec. 10, 1988.
30. Sonam Gyalpo, age 35, born in Tongrachu,, District Lhokha Gongkhar. He was participating in Sept. 27, 1987 demonstrations and was arrested on the same day. His arrest was confirmed by his younger brother Wangdhak who had fled Tibet and is studying in India.	Sept. 27, 1987	do	X	Sept. 27, 1987.
31. Ms. Pema Dolma no details available, arrested on Oct. 1, 1987	AW July 1988, No. 133	Gutsa?	X	Oct. 1, 1987
32. Ven Thupten Tsering, age 26, born in Markham, kham, son of Mr. Nyima and Mrs. Tsomo, arrested in Lhasa City during the Mar. 5, 1988 demonstration, monk of Sera Monastery.	Mar. 5, 1988			Mar. 5, 1988.
33. Ven. Ngawang Zegyal age 21, born in Toelung, monk of Drepung Monastery and arrested on Oct. 7, 1988	Oct. 7, 1988			
34. Jamyang, a postal worker from Kham region. Arrested in 1985	Congress, Senator Leahy	Drapchi	X	
35. Ven. Ngawang Topchen age 21, born in Dripung Lungshou, monk of Drepung Monastery. Arrested on Mar. 5, 1988	Mar. 5, 1988			Mar. 5, 1988.
36. Bhumo Pasang, age 21, no details	AW July 1988, No. 139	Gutsa?	X	
37. Ven. Thupten Kelsang Thalutsogentsang age 45, former Tibetan monk and horse-cart driver. He is detained since 1981 for shouting slogans in favor of the independence of Tibet. Thubten Kelsany was an educated monk before his first arrest in 1959. How long he was imprisoned at that time is not known, but he is said to have been assigned to the Nachen Corrective Labor Unit. Work under surveillance is a common form of punishment in Tibet. It usually involves deprivation of certain rights, restriction of freedom of movement and the requirement that those concerned report regularly to the police or other local authorities. He is reported to have been rearrested on Dec. 3, 1981 for shouting slogans supporting Tibetan independence. (see attached).	Dec. 3, 1981 AI, ASA, May 17, 1987, June 1987.	Sangyip	X	
38. Penpa Tsering age 17, resident of Banak Shol, Lhasa. Reason for arrest according to Radio Lhasa broadcast on Mar. 10, 1988 was for burning public property.	Oct. 6, 1987	Sangyip?	X	Oct. 6, 1987.
39. Ven. Tsering Sonam age 27, born in Tsangtok near Ganden Monastery, was a monk there.	Mar. 7, 1988	Sangyip		Mar. 5, 1988
40. Jigme Gyatso age 19, profession: driver. Son of Paljor Norbu, resident of Jayang Nub area, Lhasa, Father's profession: scripture publisher. Reason for arrest according to Lhasa Radio broadcast on Mar. 10, 1988: burning public property.	Oct. 6, 1987	do	X	Oct. 6, 1987
41. Ven. Thupten Namdrol, age 62, born in Dagpo near Kongpo, monk of Jokhang Temple, arrested on Mar. 5, 1988. He was earlier arrested on Dec. 14, 1987 when he was the care-taker of Da-ra Lhupug a.k.a. Youth Temple which came into Jokhang administration in 1986. Monks of this temple are considered by Chinese authorities to be "known nationalists".	AW July 1988, No. 227?			Mar. 5, 1988.
42. Ms. Tseten Dolkar, age 34–36, arrest date unknown	AW July 1988, No. 51	Gutsa	X?	
43. Ven. Tsondu Tharchin, age 31, born in Meldro Getong, near Lhasa, arrested from Ganden Monastery on Mar. 7, 1988	Mar. 7, 1988	Sangyip	X	Mar. 5, 1988.
44. Tsering Dhondup, age 29, student at Buddhist College located at Nechung Monastery. Imprisoned for participation in the demonstration and alleged by Chinese authorities to have killed a well-armed Chinese policeman, Yuan Shi Sheng. Not yet reported to have been sentenced though arrested with Lobsang Tenzin for the same reason.	Apr. 16, 1988, AI–Apr. 22, 1988	Gutsa	X	Mar. 5, 1988.

PARTIAL LIST OF TIBETAN POLITICAL PRISONERS IN LHASA AREA PRISONS—Continued

[April 5, 1989]

Name of prisoner	Arrest date [1]	Prison [2]	Tortured [3]	Demonstration [4]
45. Lobsang Norbu a.k.a. Choezed Lobsang Norbu, age 54, former monk who spent many years in Chinese prisons and labor camps, arrested September 18 or 19, 1987 for posting nationalists wall posters.		Gutsa	X	
46. Ven. Jampel Wangchuk, age 21, born in Toelung, monk of Drepung Monastery, arrested on Oct. 7, 1988	Oct. 7, 1988			
47. Tenzin Phuntsok, age 34, born in Lhasa, son of Jhampa, resident of Lhasa	Nov. 26, 1988			
48. Ven. Lobsang Thapkey, age 22, born in Nagchu, monk of Sera Monastery, arrested from the monastery on Mar. 5, 1988	AW July 1988, No. 206	Sangyip	X	Mar. 5, 1988.
49. Anu a.k.a. Ngawang Drupchok, age 28, born in Phenbo, monk of Drepung Monastery, was severely injured during Dec. 10, 1988 demonstration.				Dec. 10, 1988.
50. Tsering Chophel, no details, arrested on Oct. 1, 1987	AW July 1988, No. 134	Gutsa	X	Oct. 1, 1987.
51. Ven. Ngawang Namgyal, age 36, born in Toelung, near Lhasa. Monk of Drepung Monastery	May 1988	Gutsa		Mar. 5, 1988.
52. Thupten, Jamyang's (#35) younger brother was arrested at the same time	Congress, Senator Leahy	Drapchi	X	
53. Ven. Ngawang Palkar, age 21, born at Toelung, near Lhasa, monk of Drepung Monastery, arrested on Mar. 5, 1988	Mar. 3, 1988			Mar. 5, 1988.
54. Amdo Lungtok, age 64, arrested on Mar. 8, 1988 in Lhasa	AW July 1988, No. 171			
55. Ven. Chungdak a.k.a. Chungdak Turing ("turing" is a Chinese title for a monastery official), age 21, monk of Ganden Monastery, arrested on Mar. 5, 1988 in Lhasa City during the demonstration on Mar. 5, 1988, He has been known to have been severely tortured. He was appointed as an official by the Chinese authorities before his arrest.	Mar. 5, 1988	Sangyip	X	Mar. 5, 1988.
56. Tenzin Norbu, age 29, a carpenter by profession, arrested on Mar. 5, 1988	AW July 1988, No. 236	Drapchi	X	Mar. 5, 1988.
57. Ven. Woeser Tulku a.k.a. Sermey Tsawa Tulku, age 23, born in Markham, Kham, arrested at Sera Monastery on Mar. 5, 1988 at midnight. Woeser Tulku reportedly did not participate in any demonstration, but spoke up at a "re-education" session held by Chinese authorities before Monlam, 1988, in Sera Monastery. He refused to take part in the Monlam festival. Confirmation of Woeser Tulku's arrest and continued imprisonment has come through at least seven sources. He is one of the most frequently cited political prisoners in part because he is a highly revered religious figure.	AW July 1988, No. 226	Sangyip	X	
58. Lobsang Wangchuk, age 25, no details available, arrest date not known	AW July 1988, No. 186			
59. Ven. Tashi Shapsil, age 20, born in Gyama, Toelung, near Lhasa, monk of Ganden Monastery and arrested in Lhasa City on Mar. 7, 1988.	Mar. 7, 1988	Sangyip	X	Mar. 5, 1988.
60. Phuntsok Tsering, age 19, arrested in December 1987	AW July 1988, No. 158	Gutsa	X	
61. Ven. Jampal Sherab, age 24, born in Lhoka, monk of Drepung Monastery, arrested on Oct. 7, 1988	Oct. 7, 1988			
62. Yeshi Phuntsok, no details available, arrested on Mar. 5, 1988	AW July 1988, No. 240			
63. Ven. Ngawang Thosam, age 22, monk of Drepung Monastery, arrested on Oct. 7, 1988	Oct. 7, 1988			
64. Lobsang Ngodup, age 18, arrested on Mar. 5, 1988 in Lhasa	AW July 1988, No. 239			
65. Ven. Tsering Phuntsog, monk of Nechung Monastery, arrested on Mar. 3, 1988	Mar. 3, 1988			
66. Ms. Dolma Yangzom, no details available	AW July 1988, No. 140			
67. Ven. Ngawang Samphel, age 24, born in Phenbo, monk of Drepung Monastery, arrested on Oct. 7, 1988	Oct. 7, 1988			
68. Do Tse, born in Lhasa, arrested from his house in Lhasa on Aug. 10, 1988. He was a teacher at "TAR" University in Lhasa for 3 years and at the time of arrest was working at the TV station in Lhasa.	Aug. 8, 1988			
69. Ven. Ngawang Chime, age 20, monk of Drepung Monastery, arrested on Oct. 7, 1988	Oct. 7, 1988			
70. Tenpa Lhodoe, no details available, arrested on Dec. 20, 1987	AW July 1988, No. 156			
71. Ngawang Phuntsok, a.k.a. Ven. Lobsang Tenpa, age 29, from Sera Monastery. Born in Toelung, was severely injured during Dec. 10, 1988 demonstrations.				Dec. 10, 1988.
72. Nyima Tsering, no details available, arrested on Dec. 20, 1987	AW July 1988, No. 157			
73. Gyaltsen Chosang, age 24, nun from Garu Nunnery. Born in Namtsokhang. Arrested following Dec. 10, 1988 demonstration				Do.
74. Gyaltsen Wangchuk, age 25, nun from Garu Nunnery. Born in Drikung Lungshoe. Arrested following Dec. 10, 1988 demonstration				Do.
75. Gyaltsen Tendar, age 27, nun from Garu Nunnery. Born in Penpo Lhundrup. Arrested following Dec. 10, 1988 demonstration				Do.
76. Gyaltsen Wangmo, age 22, nun from Garu Nunnery. Born in Damshung. Arrested following Dec. 10, 1988 demonstration.				Do.
77. Gyaltsen Trinley, age 22, nun from Garu Nunnery. Born in Damshung. Arrested following Dec. 10, 1988 demonstration				Do.
78. Lobsang Wangmo, age 20, nun from Garu Nunnery. Born in Damshung. Arrested following Dec. 10, 1988 demonstration				Do.
79. Ngawang Lhakdon, age 18, nun from Garu Nunnery. Born near West Lhasa. Arrested following Dec. 10, 1988 demonstration				Do.
80. Gyaltsen Shoetso, age 23, nun from Garu Nunnery. Born in Taktse Dzong. Arrested following Dec. 10, 1988 demonstration. It should be noted that this was her second arrest.				Do.
81. Gyaltsen Chokyi, age 18, nun from Garu Nunnery. Born in Nyakra (Ngiara) Arrested following Dec. 10, 1988 demonstration				Do.
82. Gyaltsen Lhosel, age 18, monk from Drepung Monastery. Born in Lhokha Yarlung. Arrested following Dec. 10, 1988 demonstration.				Do.
83. Lobsang Tenzin, age 16, monk from Drepung Monastery. Born within Lhasa. Arrested following Dec. 10, 1988 demonstration				Do.
84. Dongar Wangdu, age 20, monk from Nechung Monastery. Birthplace unknown. Arrested following Dec. 10, 1988 demonstration				Do.
85. Tsering Jhongnar, age 47, monk from Nechung Monastery. Born in Lhasa. Known to have been tortured and arrested following Dec. 10, 1988 demonstration.			X	Do.
86. Tsering Shel-Kyokpa, age 47, formerly a monk from Sera Monastery. At the time of his arrest he was a carpenter. He was wounded in the head and kidneys on Dec. 10, 1988. Imprisoned at Gutsa.				Do.
87. Tenzin Phuntsok, age 30, employed at the General Mixed Products Factory No. 1. Previously arrested and imprisoned with Geshe Lobsang Wangchuk. Upon his release from prison he tried to become a monk, but was not allowed to do so. In 1985 he went to the south of India and took refuge at Sera Monastery. Later, his mother, Yutso, who lives north of Lhasa near Reting Monastery wrote and asked him to return to Tibet because his father had died. He did so and was picked up by the Public Security Bureau. A number of Tibetans witnessed him being beaten by the PSB. He was arrested at 2 a.m. from his home. He is presently imprisoned.				Do.
88. Ngawang Namgyal, age 28, monk from Drepung Monastery. Born in Doeling Yamste. Arrested after Monlam (March) 1988. Believed to have been taken to Sangyip for re-education.	March 1988	Sangyip		
89. Ngawang Gendun, age 29, monk from Drepung Monastery (he was the treasurer of Drepung) Born in Lhoka. Arrested after Monlam (March) 1988. Believed to have been taken to Sangyip for re-education.	March 1988	do		
90. Ngawang Topgyal, age 25, monk from Drepung Monastery. Born in Phondo. Arrested after Monlam (March) 1988. Believed to have been taken to Sangyip for re-education.	March 1988	do		
91. Phurbu Tsering, age 27, a house painter for Office Project No. 1 in Lhasa, was accused of participating in burning a Chinese restaurant on March 6. Phurbu's wife had a shop right next to the restaurant. Phurbu had initially been arreseted on the 6th or 7th, and badly beaten for one day in a police station, then released. He was rearrested on the 8th or 9th and sent to Gutsa. Phurbu was stripped naked and hung from the ceiling for an entire night. Later, he was brought to the Utitod section of Sangyip prison.	Mar. 6, 1988	do		March 5, 1988
92. Lodol Rabsang, age 65, born in Toelung, arrested on Oct. 1, 1987	AW July 1988, No. 144	do	Oct. 1, 1987	
93. Shango Shenan, age 64, also known as Choepel, born in Toelung, a caretaker at the Jokhang Temple. He is also believed to have been arrested on Oct. 30, 1987.	AW July 1988, No. 93	Mar. 5, 1988		Mar. 5, 1988
94. Tsam, age 50, female, used to work at the Lhasa city transportation office. She had not been involved in the recent demonstrations. She went to Lhasa on March 15th and was arrested the same day. Ostensibly she was arrested for instigating the demonstrations. She spent a year in Dharamsala, India in 1985–86. She is considered to have been politically active some years earlier during visits by one of the Tibetan delegations to Tsetang and Ganden.	Mar. 15, 1989	Gutsa		
95. Pemba Tsering, age 30, male, shop-owner from Lhasa (Banakshol). He was arrested shortly after the March 1989 demonstrations when he refused to let a policeman use his shop to make calls on his walkie-talkie. Tibetan delegations to Tsetang and Ganden.		Sangyip (or Outhridu)	March 1989.	
96. Pemba Tsering, age 30, male, shop-owner from Lhasa (Banakshol). He was arrested shortly after the March 1989 demonstrations when he refused to let a policeman use his shop to make calls on his walkie-talkie.		Sangyip (or Outhridu)		March 1989.
97. Dekyi, age 15 or 16, female, student from No. 2 Middle School. She lived in the Banaksl area of Lhasa. Arrested during the night for being involved in a demonstration.	Mar. 7, 1989	Sangyip		Do.
98. Jampa Drolkear, age 16, female from No. 2 Middle School. She lived in Lhasa (Banakshol). Also arrested during the night for involvement in a demonstraton. Mother's name: Tsamje.	do	do		Do.
99. Yeshe, age 20, male, house painter from Lhasa (Banakshol). Arrested during the night in the Kirey (Banakshol) area. Mother's name: Sonam Chodrun.	do	do		
100. Sonam Waznqdu, age 31, male, arrested during the night in the Kirey (Banakshol) area for involvement in a demonstration. Mother's name: Migmar.	do	do		Do.
101. Kelsang, age 27, female, unmarried and living in Kirey (Banakshol) area. Arrested at demonstration though she too, was not actually involved. Her family was allowed to give her a change of clothes at Sangyip prison.		do		

[1] Where indicated, Amnesty International or Asia Watch has also listed, mentioned or adopted the prisoner and often confirmed the date of arrest.
[2] The prison listed here is the last known prison where the prisoner was kept, however prisoners are sometimes moved between prisons.
[3] It is widely accepted that torture of recently arrested Tibetans is routine; however the "X" denotes those prisoners who are known to have been severly tortured.
[4] This column indicates the date of a demonstration in which the prisoner is believed to have taken part, whether actively or passively.

Note.—Numbers 96–100 were arrested as a result of information given by informants. ICT has been advised that the informers were paid 300 yuan for each name given.

APPENDIX I

Appendix I refers to some individuals who were imprisoned on or following the March 5, 1988 demonstration. They are included herewith since the source of this information is considered very reliable. We do not, however, know where they are in prison.

1. Tsering Nyima—age 26, from Phenpo.
2. Tang Mai Ha—age 30, from Kham, Khentse.
3. Gyaltsen Chopel—age 26, from Lhasa (Garushar-Barkhor).
4. Nyima Dorjee—age 24, from Phenpo, Rading.
5. Tsering Dorjee—age 26, from Lhasa. Worked at the Food Supply Department.
6. Jampa Phuntsok—age 20, from Lhasa, Yabshi Phunkhang.
7. Phuntsok Thondu—age 20, Lhasa, Yabshi Phunkhang.
8. Dorjee Tsering—age 36, from Lhasa. Worked at the Lhasa Electricity Department.
9. Pema Tenzin—age 30, from Phenpo, Rading.
10. Lhakpa Thondup—age 19, Lhasa, Kyangseb.

APPENDIX II

Appendix II refers to monks from Ganden Monastery. We believe all, except numbers 11 and 12, are imprisoned in Sangyip prison. Lobsang Dawa (#11) and Dakpa Tengye (#12) are imprisoned in Gutsa. Also, we believe they were arrested on or around December 10, 1988.

1. Tenpa Wangdak—from Lhasa (Nyethong Dzong). Reciter of texts. (lay name Sonam)
2. Dakpa Tashi—from Taktse Dzong. Leader. (lay name Chungdak)
3. Phuntsog Gyantsen—from Mendrol. Master of Embroidery. (lay name Lobsang Yeshe)
4. Tenzin Tsultim—from Taktse Lhamo-Chawa. Reciter of texts. (lay name Tsering Sonam)
5. Drakpa Sonam—from Mendrol Gyama-Takjug. In charge of discipline. (lay name Palden)
6. Lobsang Chunjor—from Mendrol Gyama-Tung-nye. Geshe or Doctor of Philosophy. (lay name Kunsang Tsering)
7. Lobsang Palden—from Chamdo, Kham. Cook. (lay name Gyetar)
8. Drakpa Tsultim—from Mendrol-Gegu. Junior Secretary. (lay name Tsondup)
9. Tsondup Gyaltsen—from Mendrol-Gyama-Tung-Gyama. Reciter of texts. (lay name Sonam)
10. Lhendup Kelden—from Mendrol-Gyama-Lhok-da. Reciter of texts. (lay name Tashi)
11. Lobsang Dawa—from Mendrol-Gyama-Lhok-da. Musician, trumpet. (lay name Sangye)
12. Dakpa Tengye—from Mendrol-Gyama-Tung-Nge. Reciter of texts. (lay name Tsering)

YULO DAWA TSERING

CHINA

Case Profile

Yulo Dawa Tsering, a 53 year-old Ganden Monastery monk, was arrested on December 26, 1987 for, according to government sources, his "reactionary statements in favour of Tibetan independence" and his speeches to foreigners aimed at "obtaining worldwide support in bringing about Tibetan independence as soon as possible." He is believed to have remained in custody until he was formally charged on March 9, 1988 with "counter-revolutionary" propaganda and agitation.

Amnesty International believes that Yulo Dawa Tsering is being punished for comments he made during lunch with an Italian friend, Dr. Stefano Dallari, and a resident of the Tushita Dharma Centre in Italy, Geshe Sherab Gyatso. The conversation, which was videotaped by the visitors, has Tsering describing the current situation in Tibet as well as him voicing his hopes for the Dalai Lama's return to an independent Tibet.

Tsering, considered by Tibetans to be a "Living Buddha," was publicly tried on January 19, 1989 (along with 27 other Tibetans) for what is believed to be the first trial for pro-independence activists since the September 27, 1987 demonstrations which marked the beginning of the current unrest. He was convicted of "counter-revolutionary" activity and was sentenced to 14-years imprisonment.

Yulo Dawa Tsering has been adopted as a "prisoner of conscience" by Amnesty International.

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(1) Name; Lobsang Tenzin, Age; 22, Birthplace; Lhasa, Sex; Male.

(2) Address; East Lhasa, Phudel Nagshol, Road No. 5, Outer Door No. 11. The family has lived at this address for the past 80 years.

Mother's Name; Dolker. There are ten members in the family.

(3) Lobsang Tenzin was a student at Lhasa University.

(4) Date of Arrest; 5th March 1988/17th of 1st Month of the Tibetan Calendar, Earth Dragon Year.

Place of Arrest; He was arrested by the Police at East Barkhor, Lhasa.

(5) When I visited him in the prison, he informed me, that when he was arrested by the police, he was severely beaten by the police with sticks and iron rods. There were four cuts on this head.

(6) He was taken to Gutsa Prison on the same day.

(7) He has been kept at Gutsa, ever since.

(8) We came to know of his arrest on 16th April 88, when it was announced on television, Radio and in newspapers. His feet were shackled.

(9) He has not been tried.

(10) It is not clear whether, he will be tried by the Political Office * This sentence is not very clear, What is the Political office?

(11) The reasons for arrest was on 5th of March (17th of 1st month of Earth Dragon Year,) he threw stones and fought with Chinese for the cause of Tibet. He was linked with a death of a Chinese. However, he has no political connections with any Tibetans abroad.

(12) Since his arrest on 5th of March, I was allowed to visit him twice. The first visit was on 11th of June, and was allowed to stay for only 20 minutes. He looked thin and his head was shaved and scars on this head were visible. His feet were shackled and he had difficulty in walking when he came to the visiting area. During the visiting period a prison official was present all of the time and listened to our conversation.

The second time was on 14th September, during that visit many members of his family were allowed to meet him. That day his feet were not shackled.

Since May we have been allowed to take a new change of clothing on the 15th of every month. However, we were not allowed to give him any food of any kind.

(13) We do not clearly know how he is looked after in prison. He speaks of being tortured and beaten during the interrogation. He is fed three times a day but this barely suffices him. He is suffering from all kinds of illnesses however, the wounds are healing and the pain is less.

(14) Not clear.

(15) On April after the arrest of Lobsang Tenzin, the leader of the local area and people from the work unit came to the house and made inquiries.

(16) Includes a photo of Lobsang Tenzin. From Lobsang Tenzin's family.●

MIDDLE EAST PEACE PROCESS

● Mr. GRASSLEY. Mr. President, I rise to commend the Government of Israel for its recent approval of Prime Minister Shamir's peace initiative. The cornerstone of this plan calls for elections of Palestinian leadership from the West Bank and Gaza so that negotiations may begin. This represents an important first step in the peace process.

Our Government is playing an important role in moving the peace process forward. Over the last several months, President Bush has met with President Mubarak, Prime Minister Shamir, and King Hussein. This week Israeli Foreign Minister Arens and next week Defense Minister Rabin arrive to continue the dialog. And a State Department delegation, dispatched by Secretary Baker to explore the peace initiative further, recently returned from the Middle East.

Egypt and Jordan gave qualified endorsement to the election plan. And now, with their latest vote, the Israeli Government is committed to moving forward. Israel is making a sincere effort to find some accommodation with the Palestinians who live in the occupied territories. There is momentum behind the peace process, the first we have seen in a long time, and we need to continue offering our support and encouragement.

Israel's initiative calls for self-rule by the Palestinians living in the occupied territories for a 5-year period. After 3 years have elapsed, negotiations for a permanent solution would begin. Participants in the final stage negotiations would include Israel, the elected representatives of the Palestinians living in the territories, Jordan and Egypt. Israel has attached no preconditions to the final stage negotiations. The Government's plan states:

In the negotiations for a permanent solution, every party shall be entitled to present for discussion all the subjects it may wish to raise. The aim of the negotiations should be: The achievement of a permanent solution acceptable to the negotiating parties;

the arrangements for peace and borders between Israel and Jordan.

I am hopeful that this initiative will be favorably received by Egypt, Jordan and the Palestinians and that Israel, with the help of our Government will continue its diligent quest for peace. Thank you, Mr. President.●

GOOD-BYE RUSS

● Mr. DURENBERGER. Mr. President, I rise to say goodbye to a dear friend, Russell W. Berry, Jr. After serving as superintendent of Voyageurs National Park for the last 7 years, Russ will become superintendent of Denali National Park and Preserve in Alaska. Voyageurs as well as those of us who have worked with Russ these many years will miss him. But we know that this move is good for him, the National Park Service, and certainly Denali National Park and are happy for him.

Voyageurs National Park, located near International Falls, MN, just west of the famous Boundary Waters Canoe Area Wilderness, was established in northern Minnesota on the Canadian border 14 years ago. Nestled in the northern woods, Voyageurs is a park of extraordinary natural resources and recreational opportunities; of tranquil lakes and isolated islands; and of stunning beauty and enchanting wildlife. It attracts visitors from all over the world.

Since its creation Voyageurs, like all treasured lands, has faced numerous challenges. And Russ Berry as superintendent has been the person in the hot seat for the last 7 years. It was not an easy task as he preserved Voyageurs' delicate natural resources and developed the park into one of the recreational jewels in the country. Nor was the task without controversy. Because of the park's importance, many concerned citizens watched over Russ' shoulder. Yet, this is where he excelled. Russ painstakingly worked with concerned citizens to reach consensus. And Mr. President, as those of us in the Senate know, this is not easy or fun. But it is necessary if something is to be achieved that is good and lasting.

Russ Berry's accomplishments—the Rainy Lake Visitor Center, Kettle Falls Hotel renovation, adoption of summer and winter trail plans—show that the work he has done is good and lasting. For this we are very grateful and indebted to Russ. And now, Mr. President, as Russ moves on, I want to express the gratitude of all Minnesotans to Russell W. Berry, Jr., for the work that he did at Voyageurs. He has left the park better than when he found it, and his accomplishments there will be cherished for generations to come. We will miss him and wish him good luck at Denali National Park.●

FINANCIAL STATEMENT AND INCOME TAX INFORMATION

● Mr. KASTEN. Mr. President, I ask that my 1988 financial statement, my Federal income tax form 1040 for 1988, and my Wisconsin income tax form 1 for 1988 be printed in the RECORD.

The material follows:

Robert W. Kasten, Jr., financial statement December 31, 1988

Assets:	
Washington, D.C. home	$195,000
Household goods/personal property	25,000
Automobile (Ford '86 Taurus)	7,800
Life insurance policy (net cash value)	3,300
Credit union account	10,275
Checking accounts	6,675
Stocks	40,825
IRA	4,650
Offset Civil Service Retirement Program	26,730
Total	320,255
Liabilities:	
Perpetual Savings Bank Alexandria, VA	92,367
First Wisconsin National Bank Milwaukee, WI	99,716
First Wisconsin National Bank Milwaukee, WI	1,744
Key Point Properties Promissory Note	7,500
Total	201,327
Net worth	118,928
1988 taxes paid:	
Federal	32,807
State (Wisconsin)	9,708
1988 income:	
Senate salary	89,500
Honoraria	33,900
Total	123,400

ROBERT W. KASTEN, JR., AND EVA J. NIMMONS KASTEN INDIVIDUAL INCOME TAX RETURN 1988

Filing Status:

Exemptions: Yourself, spouse—2; Nora Kasten, daughter—1; total number of exemptions claimed—3.

Income: Wages, salaries, tips, etc., $138,563.

Taxable interest income (also attach Schedule B if over $400), $4,644.

Dividend income (also attach Schedule B if over $400), $2,034.

Taxable refunds of state and local income taxes, if any, $1,400.

Business income or (loss), $35,150.

Capital gain or (loss), $3,000.

Other income, $81.

Total income, $178.872.

Adjustments to Income: None.

Adjusted gross income: $178,872.

Tax computation:

Your standard deduction (from page 17 of the instructions), $49,539.

Your itemized deductions (from Schedule A, line 26), $49,539.

Subtract line 34 from line 32. Enter the result here, $129,333.

Multiply $1,950 by the total number of exemptions claimed on line 6e, $5,850.

Taxable Income. Subtract line 36 from line 35. Enter the result (if less than zero, enter zero), $123,483.

Tax Rate Schedules, $33,287.

Total, $33,287.

Credits: Credit for child and dependent care expenses, $480.

Total, $480.

Subtract line 46 from line 40. Enter the result (if less than zero, enter zero), $32,807.

Other taxes: Alternative minimum tax, none.

Add lines 47 through 52. This is your total tax, $32,807.

Payments: Federal income tax withheld (if any is from Form(s) 1099, $31,180.

1988 estimated tax payments and amount applied from 1987 return, $6,400.

Add lines 54 through 60. These are your total payments, $37,580.

Refund or amount you owe: If line 61 is larger than line 53, enter amount overpaid, $4,773.

Amount of line 62 to be refunded to you, $2,773.

Amount of line 62 to be applied to your 1989 estimated tax, $2,000.

WISCONSIN INCOME TAX FORM I

Federal adjusted gross income (from line 31 of federal Form 1040 or line 13 of Form 1040A), $178,872.

Additions. Complete Schedule 1 on page 2, $2,500.

Add lines 1 and 2, $181,372.

Subtractions (state income tax refunds, etc.), $1,400.

Subtract line 4 from line 3. This is your Wisconsin income, $179,972.

Tax, $12,231.

Fill in number of dependents, 1, $50.

Wisconsin itemized deduction credit, $1,853.

School property tax credit: a. Renters: Rent paid in 1988—heat included, $2,400.

Find credits from table, $7.

b. Home owners: Property taxes paid on home in 1988, $1,910.

Find credit from table, $163.

Add lines 7 through 10b, $2,073.

Subtract line 11 from line 6. If line 11 is larger than line 6, fill in zero (0), $10,158.

Alternative minimum tax, none.

Add lines 12 and 13, $10,158.

Married couple credit, $450.

Subtract line 15 from line 14. If line 15 is larger than line 14, fill in zero (0). This is your net tax, $9,708.

Add lines 16 through 19, $9,708.

Wisconsin income tax withheld, $6,546.

Net income tax paid to other states, $4,043.

Add lines 21 through 26, $10,589.

This is the amount of your refund, $881.●

SENIORS OPINION ON THE MEDICARE CATASTROPHIC COVERAGE ACT

● Mr. McCAIN. Mr. President, there was a significant development this week regarding the Medicare Catastrophic Coverage Act of 1988.

The Wirthlin Group, a nationally recognized polling firm, sampled the opinion of 1,008 seniors across the country about the act. This is the only poll I know of, conducted since the act's adoption, that samples the general senior population that will be both the payors and consumers under the act. It contains some very significant findings regarding the opinions that our nation's seniors hold about the Catastrophic Coverage Act.

It is the Retired Officers Association, and several other members of the 40-member Coalition for Affordable Health Care that funded this poll. As you may know, the coalition, which is composed of seniors groups spanning the political spectrum, formed over a joint concern they had with the act.

I think every Member of Congress recognizes that the passage of the Catastrophic Coverage Act has set off a firestorm among our Nation's seniors. We have all received tens of thousands of letters, postcards, and phone calls from seniors expressing their frustration with the act.

In the last year and a half, I personally have received over 50,000 letters on the subject of catastrophic illness protection. Since the passage of the act, I have received about 20,000 letters, with only about 10 being in support of the act.

Our Nation's seniors are upset.

No, upset is the wrong word—they are mad.

Some have identified the level of the premiums, or the act's financing methodology, as the sole source of seniors frustration, over the act. For some time now, some of us have had the sense that the frustration of seniors really goes beyond the financing methodology and is aimed at the core of the act itself. This poll confirms just that.

Of the 59 percent who were aware of the act, only 31 percent of them support it.

More than half believe the benefits are not worth the cost.

By a margin of 65 to 19 percent, seniors prefer something in the area of long-term care over the Medicare Catastrophic Coverage Act.

We are not talking about rich seniors here—the vast majority of those polled were in the lower- to middle-income range. At least 72 percent had a combined family income under $30,000.

This poll confirms what seniors have been saying for quite some time—that Congress missed the mark in passing the Medicare Catastrophic Coverage Act of 1988, that the act consumes a significant number of dollars, but leaves untouched the catastrophic illness issue that concerns seniors most—long-term care.

It is out of this belief that I introduced, on February 2, S. 335, the Medicare Catastrophic Coverage Revision Act of 1989. S. 335 is cosponsored by Senators BOREN, BURNS, COCHRAN, GORTON, HATCH, HEFLIN, HOLLINGS, MCCLURE, MCCONNELL, SHELBY, and WILSON. This legislation would delay, for a year, implementation of those provisions in the act not already implemented—with the exception of spousal impoverishment. This would allow Congress ample time to fully review the act through public hearings. This is important, because if we permit all of the act's provisions to be implemented before we complete the process of determining what, if any, changes ought to be made to the act, it will be virtually impossible to make any changes.

Protected during this 1-year review period would be the long-term hospitalization, skilled nursing, and spousal improverishment benefits. These are the very benefits that seniors, in this poll, rank as the most important benefits in the act. These benefits would be funded with the flat part B premium increase that has already gone into effect.

Changing the act so that it more adequately reflects the catastrophic health coverage needs of the elderly is not going to be easy, particularly if we determine that it is essential that we move down the course of long-term care.

Providing something in the way of long-term care protection is both complicated and expensive. We cannot afford to charge head-long into a comprehensive program. Yet, I think seniors recognize, if the act stays as is, we cannot even afford to get to first base with long-term care.

Mr. President, I believe this poll confirms the fact that we have got to take the time to consult with seniors about what role they think the public sector ought to play in helping them protect themselves from the financial ravages of a catastrophic illness. This only seems reasonable, however, given the fact that the act was designed to benefit them and that they are required to pay for it.

We need to thoroughly reexamine the act. This ought to be done through extensive congressional hearings to determine what, if any, changes ought to be made to the act. Indeed, the distinguished chairman of the Senate Finance Committee, Senator BENTSEN, has agreed to hold hearings in the near future. It would be my hope that these hearings go beyond merely reexamining the act's financing to thoroughly review the entire act.

Mr. President, I hope that my colleagues will take the opportunity to examine the poll I spoke of at the beginning of my remarks. It is very revealing of the breadth of seniors' concerns about the act adopted last year. In doing so, I hope my colleagues will consider the value of doing a thorough review of the act before all of the provisions are implemented, and I hope they will support S. 335.

Mr. President, I ask that a summary of the poll results be inserted in the RECORD following my remarks.

The summary follows:

MEDICARE CATASTROPHIC COVERAGE ACT SURVEY KEY POINTS

METHODOLOGY

One thousand and eight Americans at least sixty-five years of age were interviewed by telephone by the Wirthlin Group on May 9–11 for this project. The respondents represent a random selection of older Americans from all parts of the country and all income levels.

The margin of error for this survey is ±3.1% meaning that should this survey be repeated, 95 times out of 100, the results for each question would be within three percentage points of our findings.

The questionnaire was twenty questions long, and the interviews averaged about thirteen minutes in length.

Demographically, the sample of 1,008 senior citizens included 59% women, 41% men, and had the following characteristics:

	Percent
Age:	
65–69	32
70–74	27
75–79	21
80+	19
Region of country:	
Northeast	26
South	31
Midwest	23
West	20
Partisan affiliation:	
Republican	31
Independent	28
Democratic	40
Income:	
Under $5,000	12
$5,000, but less than $10,000	19
$10,000, but less than $15,000	17
$15,000, but less than $20,000	12
$20,000, but less than $25,000	9
$25,000, but less than $30,000	4
Over $30,000	10
Refused	18

MOST IMPORTANT PROBLEM FACING SENIOR CITIZENS

Forty-five percent of older Americans believe that health care issues are the most important problem facing seniors, with the leading single problem being health care costs (29%).

The concern over health care cuts across every demographic group tested on this survey—of the 29 demographic and geographic groups tested, all cite health care as their top issue.

General economic concerns (totalling 17%), such as inflation (14%) and taxes (2%) were the next most often mentioned problems, followed by social security/medicare (11%). Thirteen percent of older Americans commented that they had no major concerns or problems.

Lower income seniors stand out on this question as rating economic concerns (especially inflation—20%) especially high.

ATTITUDES TOWARD RESPONSIBILITY FOR PAYMENT OF HEALTH CARE COSTS

By a 52%–35% margin, older Americans believe that "the elderly should share the responsibility with the federal government for paying health care costs," rather than the federal government assuming "the complete responsibility for the payment of health care costs for the elderly." Thirteen percent of seniors were undecided on this issue.

Income plays a major role in seniors' attitudes on this question. The lower the income level (especially those with income levels of less than $10,000 per year), the more divided they are on this question, with a plurality (48%–41%) believing that the federal government should assume the complete responsibility for the payment of health care costs.

On the other hand, sixty percent of seniors with household incomes of at least $10,000 believe that the elderly should share the costs.

Other key points on this question include:

A majority of both Republicans (59%) and Independents (52%), and a plurality of Democrats (47%) believe that the elderly should share the responsibility with the federal government.

Those seniors who are not covered under any additional insurance program like Blue Cross-Blue Shield (14% of entire sample) favor the federal government assuming the complete responsibility for the health care costs (46%-39%).

AWARENESS AND SUPPORT FOR MEDICARE CATASTROPHIC COVERAGE ACT

Fifty-nine percent of seniors interviewed said that they are aware of the Medicare Catastrophic Coverage Act.

Those most likely to say they are aware of the Act include men (64%), higher income seniors (82%), and those seniors under the age of 80 (61%). Those seniors without additional insurance coverage were least likely to have heard of the new law, with just 34% saying they were aware of it.

When those who were aware of the new law were asked whether they favored or opposed the legislation, 51% were in opposition to it, 31% in support of it, and 15% undecided.

Interestingly, 39% of this group said that they were strongly opposed to the new law—indicating a strongly felt opposition to the law.

Of the 29 demographic and geographic groups tested, every one opposed the new law, including Republicans (59%-27%) and Democrats (49%-33%), lower income seniors (41%-35%), and those without additional insurance (48%-31%).

IMPORTANCE OF BENEFITS OF THE MEDICARE CATASTROPHIC COVERAGE ACT

Seniors were asked to rate the importance to them of a number of benefits provided by the Act on a scale from 1-10, with 1 being "not at all important," and 10 being "extremely important."

As you can see below, coverage for mammography screening, unlimited hospitalization, and skilled nursing care topped the list of benefits rated by seniors, with 52%-53% of respondents rating them as highly important (rating "8," "9," or "10").

Coverage for women undergoing mammography screening. (53% rating as highly important)

Unlimited hospitalization coverage after you pay an annual $560 deductible. (52% rating as highly important)

150 days of skilled-nursing care for a year, after the individual pays the first $170. (52% rating as highly important)

A benefit that increases the amount of income and property a spouse may retain when their husband or wife goes to a nursing home at Medicaid expense. (47% rating as highly important)

50% coverage for prescription drugs after the individual pays the first $600 per year in 1991. (31% rating as highly important)

$1,370 annual out of pocket limit on how much Medicare recipients will have to pay for "reasonable and proper" Medicare-approved physician and other outpatient service in 1990. (27% rating as highly important)

Although there isn't a great deal of difference between how men and women rank the importance of these benefits (men do rate mammography screening highly), there is some difference by income level. The findings show that both skilled nursing care and mammography screening are rated higher by lower income seniors than they are by those with higher incomes.

Furthermore, it should be noted that the catastrophic benefits already in effect and mammography screening are consistently rated higher by all demographic groups than prescription drug coverage or the $1,370 out of pocket limit.

CHOICE BETWEEN CATASTROPHIC COVERAGE OR PRIVATE COVERAGE

After having reviewed the key benefits of the catastrophic coverage, seniors were asked the following question:

The Catastrophic Coverage Act applies to all Medicare enrollees whether or not they choose to participate in the plan. In some cases, this includes duplication in existing coverages. If given a choice, would you prefer the catastrophic coverage or would you prefer private coverage?

Seniors opt for private coverage by a 42%-33% margin, with 22% being undecided and another 3% respond "neither."

The crosstabs indicate that while the overall margin is just nine points, the sentiment in favor of private coverage is widespread—only two of the groups tested favor catastrophic coverage rather than private coverage (those with incomes under $10,000, and women with incomes under $20,000).

Other key findings on this question include:

Republicans (49%-30%), Democrats (39%-35%), and Independents (37%-33%) all favor private coverage.

Those seniors who do not have additional insurance coverage are divided on the question (36%-36%).

Respondents who earlier said that the federal government should assume the complete responsibility for the payment of health care services to the elderly favor private coverage by a narrow 38%-37% margin.

LONG-TERM CARE

When seniors are informed that the 1988 Medicare Catastrophic Coverage Law and its previously mentioned benefits does not cover long-term care, and subsequently asked whether they would prefer the current law or a new long-term care program, they choose the new program by a wide 65%-19% margin.

The sentiment in favor of a new program cuts across every group tested, with at least 58% of all groups opting for a new long-term care program. Even those seniors who are aware of and favor the current legislation believe it should be replaced by a new long-term care program (61%-31%).

MEDICARE CATASTROPHIC COVERAGE ACT BENEFITS WORTH THE COST?

When seniors are informed that in order to fund this new program, they will be required to pay a surtax on their federal income tax payment of 15% for each $150 owed up to a maximum of $800 in 1989, they do not believe that the benefits of the coverage are worth the cost by a 55%-22% margin.

It is important on this question to also note that 44% of the seniors said that they feel very strongly that the benefits are not worth the cost of the program.

Again, this sentiment cuts across all groups, with the spread between the two sentiments never getting closer than 18 points.

Key findings on this question include:

Even 45% of lower income seniors say that the benefits are not worth the costs involved.

Republicans (55%), Democrats (56%), and Independents (56%) all agree that the benefits are not worth the costs of the program.

Those seniors who were aware of the legislation and favored it previously now say it's not worth the cost (42%-38%).●

ADM. LANDO ZECH

● Mr. JOHNSTON. Mr. President, on June 30, Adm. Lando Zech will leave the chairmanship of the Nuclear Regulatory Commission and enter retirement. He will be sorely missed. He will be very, very difficult to replace.

The NRC has come a very long way under Admiral Zech's leadership. The credibility of the agency is, in my opinion, at an all-time high with persons on both sides of the nuclear debate. The Commission has solid accomplishments to its credit. If the nuclear option has not achieved complete merchantability, the foundation for it has been established.

We will need new electricity capacity in the 1990's. That is a given. There are going to be shortages of electricity. Demand growth is occurring, at rates twice official forecasts. New capacity needed to meet this growth cannot be made available in time and the energy efficiencies that might slow this growth will not take hold as fast as we might like. A new look at the nuclear option will follow in the wake of these shortages.

But this is not the only reason for a new look at the nuclear option. The greenhouse effect and the issue of global climate change have entered the political consciousness of the Nation. There is simply no feasible response to the challenge of the greenhouse effect that does not involve serious consideration of the nuclear option. No program to reduce the use of fossil fuels to address the issue of global climate change can be credible unless that program includes elements addressing the nuclear option.

The NRC will be at the center of our efforts to meet this challenge. Thanks to Admiral Zech, the Commission enters this period well prepared to assume its role. The nuclear option will not revive automatically. We will have to win back the public, the regulators, the financial community, and the utilities themselves. Issues will have to be addressed openly and openly resolved. A credible Commission will be absolutely essential to this process.

A credible Commission is what Admiral Zech is leaving us. In addition, it is a Commission of considerable accomplishment.

Under Admiral Zech the Commission adopted a final rule providing for early reactor site permits, certification of standard reactor designs, and combined construction and operating licenses. This rule will provide greater certainty to the nuclear reactor con-

struction process, increase the safety and reliability of nuclear powerplants through the use of standard designs, and enhance public participation in the process through early resolution of licensing issues. We should give this rule a chance to work. I hope to see its application tested soon.

Under Admiral Zech's leadership, the Commission has resolved the impasse that had developed in situations where State and local governments refuse to participate in emergency planning. The NRC's emergency planning rule ends a decade of uncertainty about whether the Federal Government would permit parochial opposition to nuclear power to stalemate the nuclear reactor licensing process. The NRC's rule provides for an adequate emergency plan to protect the public health and safety.

Under Admiral Zech's leadership, the Commission has adopted a sensible rule providing for fitness-of-duty programs at licensed facilities that include random, preaccess, and for-cause testing for drugs and alcohol.

Finally, in April of last year, Admiral Zech signed a memorandum of cooperation with his Soviet counterparts that will begin a new era of cooperation to enhance nuclear safety worldwide through exchanges, seminars, cooperative analyses, and site visits.

Mr. President, I congratulate Admiral Zech on a career of service to his country that is crowned by outstanding leadership at the NRC. He represents the best that this country has to offer, both in terms of the value of his service to the country and the selflessness of his dedication to it.

I wish him well in his retirement.●

NANCY "NANA" LAMPTON

● Mr. McCONNELL. Mr. President, I want to bring to the attention of my colleagues an article in a recent Business First that acknowledges the accomplishments of a remarkable woman and a good friend of mine, Nancy "Nana" Lampton.

Nancy Lampton, better known as Nana, spent her childhood learning about the insurance business and it seemed only natural that when she graduated from college she would join the family insurance business. Nana worked her way up through the ranks and today she is the chairman and chief executive officer of American Life and Accident Insurance Co. Her father, Dinwiddle Lampton, Jr., is the president of American Life and over the years they have formed a close partnership to successfully run the company. Under Nana's leadership American Life is moving from a company dominated by agent sales to one that is targeting people through direct marketing of insurance policies. Nana has a simple philosophy for the future of the company. She wants it to be a self-sustaining, profitable company that adds a lot to Louisville, KY.

I do not want my colleagues to believe that Nana's whole life is her job at American Life. She is a multidimensional woman who loves to ride horses, paints, writes poetry, edits a magazine, and is chairman of several business and civic organizations. Gayle Walters Warren, executive director of the Leadership Louisville Foundation was recently quoted as saying, "Nana is always available to take on a task and goes above and beyond what the job calls for." Her civic activities include being chairwoman of Louisville's Downtown Development Corp., the Leadership Louisville Foundation, and the Hard Scuffle Steeplechase which raises money for the Kentucky Opera Association. She is also southeast regional chairman for the Committee of 200, a national group of businesswomen who promote involvement in several important national issues and is the Federal liaison from Kentucky for the National Federation of Independent Business. Creative pursuits are an important part of Nana's life. She was commissioned to write and illustrate a children's book about Thomas Jefferson and his grandchildren by the Monticello historical home. Nana is a published poet and is the editor of the High Roads Folio, a magazine which features articles and photos about the land, heritage, and values. Despite her busy schedule, Nana continues to be active in politics.

Nana was recently quoted as stating, "Being able to make a difference in the city is one of the reasons I wanted to return to Louisville after graduation." I truly believe that Nana has made a big difference to the city of Louisville and its residents. She is a fine example for men and women in Kentucky and throughout the Nation. I commend Nana Lampton for her contributions and I encourage my colleagues to read the Business First article which I am inserting into the RECORD at this time.

The article follows:

[From Business First, Mar. 13, 1989]

NANCY LAMPTON GREW UP IN THE INSURANCE BUSINESS—AMERICAN LIFE CEO ESTABLISHES HER ROLE

(By Alan Chitlik)

During Nancy Lampton's childhood, learning about the life insurance business came as naturally as eating dessert.

"After dinner every night we talked about some aspect of business—what profit was, how people sold things, just the basics," says Lampton, recalling conversations with her father, Dinwiddie Lampton Jr. "I can remember many dinners lasting well into the night.

"I think that my interest was born of those discussions, but I never knew for a fact that I would be able to come into the company. I didn't have any idea I'd be in this role."

"This role" is chairman and chief executive officer, the positions she assumed in 1971 upon the death of her grandfather, Dinwiddie Lampton Sr., who founded American Life & Accident Insurance Co. of Kentucky in 1906. Though her father, president of the firm, is sometimes more visible because of his appearance in television ads, Nancy "Nana" Lampton, 46, runs the company with him and is poised to eventually take full control of it. Some observers already give her credit for many of the company's recent moves.

She's a multi-dimensional woman who can frequently be found riding a thoroughbred, editing a magazine or painting a picture after a busy day at work.

Lampton brings a creativity and sensitivity to her positions, say co-workers. And she is involved in several civic activities, including chairing the Downtown Development Corp., the Leadership Louisville Foundation, and the Hard Scuffle Steeplechase.

American Life sells term life insurance policies to a target market of people whose income is between $20,000 and $30,000 a year. The company had revenues of more than $10 million in 1988 and has fewer than 100 employees.

Lampton is overseeing the transformation from a company dominated by agent sales to one that emphasizes direct marketing, where people send insurance applications directly to the company's offices at 3 Riverfront Plaza.

"I just enjoy the way her mind works," says Jessica Schikler of Citizens Fidelity Bank and Trust Company. She calls Lampton politically conservative, but considers her to be progressive and open-minded.

Dinwiddie Lampton Jr., says of his daughter, "She is conclusive proof that the breed's improving."

He said growing up in the company was natural for his daughter—the business was a way of life for the entire family, he said. "She's been bred on the business. She's had a teaspoon full every hour on the hour," he said. "I knew she'd find some role here."

Lampton was nicknamed Nana as a child, partly to distinguish her from her mother, who is also named Nancy, and partly after the word banana, she said.

After growing up in Louisville, Lampton received a bachelor's degree in English from Wellesley College in 1964 and a master's in English from the University of Virginia in 1965.

She had worked at her family's company during earlier summer vacations and asked for a job after earning her master's degree.

There was no such thing as a training program, and she didn't receive special treatment because of her position in the family. "It was, I think, a trial by fire. I did everything. I was the maker of the coffee often. I also studied with each person in the company."

The business was not highly computerized then, and she and others had to calculate the value of various policies. She reviewed and approved applications for insurance and processed death claims.

Kay Allen, assistant vice president at American Life, has known Lampton since she was born. She said she remembers Lampton as constantly trying to learn all she could about the company. "She works hard at everything," Allen said.

Lampton said those years were discouraging, in part because the base of the company's business—policies sold by agents—was eroding and there was no clear direction for the company to grow.

After her grandfather died eighteen years ago, she assumed her present titles. But, she said, it was very clear that her father was in

control of the company and would be for a long time.

Her brothers, both younger, had followed her into the company and had become vice presidents several years later, but they decided to leave in the mid-1970s to pursue other interests. Dinwiddie Lampton III is a partner in Lampton-Williams & Associates Inc., an insurance company, and Mason Lampton owns Hardaway Construction Co. in Columbus, Ga.

Because of the changing nature of the life insurance industry, changes also were necessary at American Life.

"The way of home service has gone down the tubes," she said. "I've tried to replace it with direct marketing."

American Life's staff of some 300 agents has dwindled to only a few who remain to service those accounts.

American Life responded by offering insurance through newspaper ads, direct mail, and television ads. The main client base continues to be in the Louisville area with some customers in Indiana and Ohio.

But Lampton admits she isn't sure all Americans are ready to buy insurance by clipping a newspaper ad. "I don't think that the market is ready for the thought of direct marketing of life insurance. So who knows what will happen?"

If the going is tough, American Life has the benefit of many years of strong reserves, she said.

American Life had premium income of $2.0 million and investment income of $8.7 million in 1988, for a total of $10.7 million, according to company filings with the Kentucky Department of Insurance. The company's net income after expenses and income tax was $5.8 million. In addition, the company had capital gains of $5.3 million, primarily from the sale of common stock.

Lampton said she views her role as a fiduciary agent keeping abreast of all aspects of the company.

"How am I going to keep it together for the next 50 years, that's the thing I think about," she says. "I don't want it to be sold. I don't want it to become a miniscule part of a giant company. I want it to be a self-sustaining, profitable company that adds a lot to Louisville, Kentucky."

Lampton, who doesn't have any children, said it is too early to know who the next generation might be. She said she hopes to find a young successor or perhaps a team to take over. Lampton has been married twice—to Millard Cox III from 1970 to 1980 and to Ronald Ray from 1981 to 1988. Both marriages ended in divorce.

Lampton says she and her father make major company decisions and noted that they agree on the basics. They work together in deciding on the company's investments. But on the insurance side, she is responsible for the newspaper and direct-mail advertising, and he is more involved with television and radio.

"What's happened is we've become a very good partnership. And that's been the great achievement on both our parts," she said.

The relationship has been typical of a person working with his or her parent in business, she says.

"The young person sees the whole world out there and says, 'We can be big, we can be fast, we can go farther, we can expand, we can borrow.' And the parent says, 'Well, I've seen lots of dips. Now let's ride through here and let's not expand so much.'

"And so there evolves a compromise. We have not expanded at the rate I wanted to 10 years ago. And we have made money and we have survived very well. So even though I had to eat a few of my dreams in the interim, maybe I put that energy someplace else, maybe on the outside," she said.

Putting that energy on the outside has meant a wide array of civic activities.

"Among Louisville leaders, I think she's right up there with the David Grissoms," says Gayle Walters Warren, executive director of the Leadership Louisville Foundation.

"Nana has the position and she has the power to get things done in this community. She's not one of those folks who has a long resume, but no meat to it," Warren says. "She's always available to take on a task and goes above and beyond what the job calls for."

Louisville Mayor Jerry Abramson said, "She's an extremely bright, aggressive woman."

He said her organizational skills were one of the reasons he appointed her chairman of the Downtown Development Corp. "She's a facilitator in making things happen," he said.

Being able to make a difference in the city is one of the reasons Lampton says she wanted to return to Louisville after graduation, rather than moving to a larger city such as Boston or San Francisco.

"She is genuinely concerned about this community and wants to make a difference," said Barry Alberts, the executive director of the Downtown Development Corp.

Both at her company and in her civic activities, Lampton says her skill is sparking an idea in a group and helping set up a team so the group can reach its creative potential.

Abramson said, "She's a bridge-builder. She's a good listener, and she has a good appreciation for others' opinions."

Schikler agrees, saying Lampton leads in a quiet kind of way, building a consensus from members. "She doesn't come into a room and try to throw her weight around," she says.

Lampton was a member of the Broadway Project and was named the first chairman of the Downtown Development Corp. following Thomas Simons' death last summer.

Alberts said that in the meetings she's run so far, she's worked hard to illicit the views of other people. And the board members respect her and know she's not trying to promote some hidden agenda, he said.

She was integral in the founding of the Leadership Louisville program. As the vice president of Human Resources for the Chamber of Commerce, she approached three community leaders about starting the program in 1979. She has been involved with it ever since and is now chairman of the Leadership Louisville Foundation.

She also serves as the Southeast Regional chairman for the Committee of 200 Women, a national group of prominent businesswomen who promote active involvement in business, economic, educational, social and political issues.

She is an advocate of small business and is the federal liaison from Kentucky of the National Federation of Independent Business.

"I think the real strength of the whole country is the ability of a person to go into business and to build that business and pass it on to his children," she says. Especially in this era of many takeovers, she says, small businesses "keep that long-term view that is so often lost in big business when quarterly earnings are everything."

Since 1976, Lampton has been the race chairman for the Hard Scuffle Steeplechase, which benefits the Kentucky Opera Association. In 1979, she made the decision to include international horses in the event. Unfortunately, because of the transportation costs and the costs of quarantine, the move ended up costing $55,000, which Lampton says she felt obligated to pay because it was her decision. But she was only earning $30,000 and couldn't afford the money out of her salary. So at the suggestion of another businesswoman, she started a magazine, called High Roads Folio, which features articles and photos about the land, heritage and values.

Advertising revenue from the magazine helped her pay off the debt in three years and Lampton continues to publish the magazine each year.

Lampton is the publisher and she compiles the articles and sells the ads. The 20,000 copies are sent free across that nation each year. "The magazine gives me a whole lot of joy," she says.

Her love of writing had been shown earlier, when in 1973, officials at the Monticello historical home in Virginia commissioned her to write and illustrate a children's book about Thomas Jefferson and his grandchildren. She has also had poetry published in the Green River Kentucky Poetry Review.

Lampton also speaks frequently about her love of the land. She lives on the 600-acre Tirbracken Farm, which overlooks the Ohio River in Oldham County. She lives in a house that was built during the civil war era and has six dogs, cattle, horses and ponies on the farm.

"Nana's attention to her farm and that life adds a dimension that many other businesspeople may not have," Schikler says.

Lampton loves to ride her horse. Mike Davidson, who is adjutant general for the state of Kentucky, says they ride together occasionally and he describes her as "fearless and tireless" on a thoroughbred. He says he rides a large 16½-hands-high horse named "Baggins," that he considers half-mad. But Lampton will often jump 4-foot-high fences at a full gallop on the horse, he says.

Lampton also has been active in politics, switching from the Democratic to the Republican party during Ronald Reagan's second term, because she said she believed the Republicans were the party best able to allow individuals to reach their potential.

She was co-chairman of George Bush's finance committee in Kentucky during the 1988 presidential election and a member of his national steering committee. She also has worked for Republican U.S. Senator Mitch McConnell and Democratic Mayor Jerry Abramson, and she plans to work for John Heyburn, a Republican candidate for county judge executive.

Some of her peers in the business community consider Lampton to be a pioneer among Louisville businesswomen. They said they know of no other woman in Louisville heading a larger independent company.

"I think she has been a trailblazer for women who have come behind her," Abramson said.

Lampton says when she came to Lousiville in 1966, she couldn't find another woman in management training to have lunch with. Now she can count hundreds of them.

"It's been one of the biggest revolutions our country has seen. And I've been right in the middle of it."●

EASTERN AIRLINES STRIKE

● Mr. GRAHAM. Mr. President, the strike at Eastern Airlines has lasted

over 2 months now. Unfortunately, we are not much closer to an acceptable resolution of this situation than we were back on March 4 when the strike began.

This body has made a deliberate effort to allow the marketplace and the involved parties time to resolve the situation. But with every day that passes, passengers are being inconvenienced, employees livelihoods are being jeopardized, and a once-thriving company is being weakened.

Clearly it is the public sentiment that Eastern Airlines should return to the air as quickly as possible. I have proposed that the Senate voice public sentiment by expressing its sense that the Bankruptcy Court and all involved parties should facilitate the prompt and safe restoration of Eastern Airlines to full operations through all appropriate action, which may include appointment of an independent trustee pending sale of the company.

This sense of the Senate resolution is cosponsored by Senators BURDICK, DODD, ADAMS, METZENBAUM, KENNEDY, HEFLIN, KERRY, ROBB, SIMON, INOUYE, NUNN, FOWLER, BRYAN, LEVIN, and MOYNIHAN.

My home State of Florida, of which Eastern is a major corporate citizen, suffers from the effects of the dispute daily. The public is affected not only from the lack of service, but also the economic devastation caused by thousands of employees out of work and millions of dollars of lost revenues to tourism and other industries which depend on Eastern's continued survival.

For example, one small travel agent reported a loss of $18,000 in ticket refunds to passengers for which Eastern has not yet reimbursed.

Travelers report, and other airlines confirm that the number of discount fares available has dropped significantly. In fact, the average price per ticket for corporate travel has increased from $290 to $433 since December.

Why do we recommend that the bankruptcy judge appoint a trustee? The answer is simple. The current management has been unable to successfully negotiate a contract extension with the workers. Prospects for the two parties returning to the table are dim at best. As a result, the company now faces liquidation.

Appointment of an unbiased, independent trustee could facilitate the end of the strike, making Eastern more attractive to both potential buyers and to customers.

Mr. President, the slow and painful deterioration of labor and management relations at Eastern Airlines has dragged on too long. To quote Judge Burton Lifland, Eastern "has remained too long in the emergency room and is hemorrhaging $1 million a day."

Any further delay in the restoration of the airlines could render full return to operations impossible. I encourage my colleagues to join me in representing public sentiment by the simple act of encouraging expeditious action on the behalf of all the involved parties.

I am disappointed that an appropriate vehicle on which to consider this legislation was not forthcoming. It is important to the Eastern employees that the Senate go on record in support of a speedy resolution to this situation.●

TRIBUTE TO REV. JOHN A. CUNICO

● Mr. HEINZ. Mr. President, I would like to call the attention of the Senate to a significant milestone in the life of one of Washington's truly outstanding religious leaders and community servants. I rise today to pay tribute to Rev. John A. Cunico as he celebrates the 25th anniversary of his ordination to the priesthood. Father John's joy and pride will be shared by the community at large in a special celebration, a mass of thanksgiving on Sunday, May 21, 1989. To show the depth of their appreciation for his many contributions to the richness of parish life at St. Francis de Sales, the parishioners will have a grand reception in his honor immediately following the mass.

Father John is a man of great dedication and commitment. At a very early age he knew he was called by God to serve his community. He responded to his divine call soon after he graduated from St. Charles High School/College in 1958. In 1960 he completed his B.A. in philosophy at St. Mary's Seminary in Baltimore and then went on to earn his STL from the Theological College, Washington, in 1964. He officially entered the permanent vocation on May 23 that same year with his ordination to the priesthood by Archbishop O'Boyle at St. Matthew's Cathedral here in Washington, DC.

Father John's first appointment was to Holy Name Parish in Washington, DC, as assistant pastor from 1964 to 1972. He became well known to be a man with the gift of great energy and personal strength. During those years he also served as assistant pastor at St. Martin's and Assumption parishes in Washington. In 1979 he went west to St. Anthony of Padua in Denver, CO, but returned to Washington in 1980 to St. Francis de Sales, serving the congregation that knows him today as a spiritual leader with the noblest qualities of selfless dedication. He began at St. Francis as administrator and was soon appointed associate pastor the same year. By June 1982 Father John was honored with his appointment as pastor.

Father John has always been an active and vital participant in the community at large. In addition to his responsibilities as pastor, he has reached out, contributing enthusiasm, leadership, and hope to every facet of St. Francis Parish. He has touched the lives of hundreds, perhaps thousands of teens and young adults, helping organize sports programs, youth/family counseling, and serving as moderator of high school CCD classes. Father John provided a vital boost to the Ward 6 Model Cities Program, a neighborhood rehabilitation effort to revive neighborhoods through education, jobs, and renovation of houses. He is also an active member of the Ward 6 Ecumenical Group Ministry.

Father John promotes the value of Catholic education as a developmental building block in the life of a young person, helping the adults of tomorrow to achieve the solid grounding in Christian Catholic morals and values to overcome any and all earthly obstacles.

Father John helps in many secular activities, supporting community programs for the needy, the unemployed, the elderly and those hobbled by addictions.

My own remarks are a humble indicator of the outpouring of affection and respect that friends, family, and parishioners hold for Father John as the entire community celebrates his 25 years in the priesthood. We all are thankful and greatly blessed that his life has crossed ours. His compassion, his contagious devotion to his faith, and his boundless love for his fellow man and woman has enriched us all.

I particularly want to thank Verdell Simmons for bringing many of the details of Father John's remarkable work to my attention, and I ask my colleagues to join me in congratulating this esteemed pastor, exemplary clergyman, and great American for 25 years of service to the people of his church and the community.●

NEW JERSEY VIETNAM VETERANS MEMORIAL

● Mr. LAUTENBERG. Mr. President, last week I was honored to participate in the groundbreaking for the memorial to New Jersey's Vietnam veterans.

The New Jersey memorial will stand as a permanent reminder of the New Jersey heroes who died for their country in Vietnam. Engraved with the names of the 1,484 New Jerseyites who never returned from the war, the black granite panels will serve as a simple yet eloquent symbol of the sacrifices New Jersey made for America. A circular design of the panels will enable the visitor to enter the circle and symbolically embrace all the names at once.

The memorial is a long overdue tribute to those who served in Vietnam. In a small but meaningful way, it will

help us acknowledge the vast debt we have to our Vietnam veterans.

When our country called, those brave individuals went willingly, and were prepared to pay any price to serve. But for a long time, Vietnam veterans were overlooked by our country.

When thanks was given out, they did not receive them and were denied the recognition they deserved. The sacrifices they made, and are still making as a result of that service, went unacknowledged.

Today there are those who suffer from exposure to agent orange or from posttraumatic stress disorder. There are those whose loved ones remain missing in action in Vietnam. These individuals understand that in many ways, society still has not fully acknowledged their losses.

The New Jersey Vietnam Veterans Memorial is one small step in rectifying that mistake. To those fallen heroes who died defending democracy, the memorial says publicly and permanently, we thank you. To those who returned from Vietnam as unsung heroes, the memorial says that as a State, we are proud. And to those still listed as missing in action or prisoners of war, the memorial says that until we learn their fate, we will not rest.

I am proud that my State pulled together to make the memorial a reality. I hope New Jerseyites will continue to make the symbolic "thank you" expressed by the memorial a concrete reality for those Vietnam veterans who did return from the war.

Most of all, I hope that in the future, America will be free and at peace. That no more memorials will be needed because no more Americans will have died in war.

But until that time, I will rest easier knowing that those who were called on to serve their country, did so willingly, and with pride. That upon their return, or their death, they got a heroes tribute, and that America continues to honor their memory by remaining true to what they died for.●

CATASTROPHIC HEALTH INSURANCE

● Mr. DOMENICI. Mr. President, I rise today to discuss the increasingly controversial catastrophic illness law. The first thing I want to do is commend Senator BENTSEN and the Finance Committee for holding hearings on this legislation.

There are many reasons to review the law. There's uncertainty over how much revenue the surtax will bring in. Likewise, there's a lot of uncertainty about how much some of the benefits—particularly the prescription drug benefit—will cost. Most importantly, many, many seniors question whether all these benefits are really worth the costs—costs which Medicare beneficiaries alone pay.

In retrospect, when catastrophic illness insurance passed as a costly, expanded law last summer, I expected some—but perhaps not all—of the controversy now occurring.

When I voted for the law last June, I had only two choices—no catastrophic coverage at all, or this expensive bill. I thought the protection this bill offered was very important, so I voted in favor of the costly version. Even so, I expressed my reservations on the Senate floor at that time:

> I must say I am amazed at the extent to which new benefits have been added . . . benefits that are not necessarily related to catastrophic health expenses . . . These benefits have clearly increased the cost of the program.
>
> I am quite concerned that there will be a backlash from older Americans when they find out exactly how costly these new benefits are. In the end, my concern is that the underlying financing structure—particularly the income related premium that will be administered through the tax system—will prove unsustainable.
>
> The huge tax increase is going to surprise many older Americans.
>
> Catastrophic care is not the only health care need of the elderly or the American people generally. Indeed, by most estimates it represents a rather modest extension. . . .

Last month, I sent many older New Mexicans a description of the catastrophic illness law and a ballot asking for their opinion of the law. Almost all who responded supported some major change in the law. Many urged that we return to a simpler, less costly bill, similar to the one I sponsored in 1987.

I also will tell my colleagues that I plan to cosponsor S. 335, originally introduced by Senator MCCAIN. S. 335 delays the implementation of the surtax. There is no reason that seniors should pay this burdensome tax while Congress is reviewing the catastrophic illness law.

S. 335 also delays some of the benefits, many of which are unrelated to a catastrophic illness. We cannot leave every benefit in place while delaying the financing for those benefits.

S. 335 does not necessarily eliminate these benefits. It simply puts them on hold for 1 year while the overall law and its financing are being reviewed.

However, S. 335 retains without delay the key provisions of improved hospitalization coverage in the catastrophic law. Prior to the passage of catastrophic illness insurance, a Medicare beneficiary who faced an extended hospital stay could easily face bankruptcy for him/herself and family. That was not acceptable. We cannot delay these critical improvements.

S. 335 also implements this summer the key provision that protects the person at home from becoming impoverished if a spouse enters a nursing home. Older Americans have consistently expressed their support for these provisions.

I should also note that many organizations representing senior citizens support Senator MCCAIN's bill.

In summary, S. 335 is an appropriate place to start. It doesn't commit Congress to anything. It just gives us more time to assess all the complaints we are hearing about this law. For example, S. 335 is consistent with Senator BENTSEN's intent to assess the revenue stream flowing into catastrophic coverage.

As my last point, I also plan to reintroduce the main substance of the catastrophic illness bill I sponsored in 1987. As the Finance Committee reviews the catastrophic law, I hope it will heed the views of many older Americans in New Mexico, and give serious consideration to the legislation I plan to offer. It will be relatively inexpensive, and it will be financed without a mandatory surtax.

I also plan to modify my original bill, to include some features that older Americans I talk with feel are most important and clearly worth the cost. Most notably, I refer to financial protection for a spouse at home when someone enters a nursing home, the so-called spousal impoverishment law.

Once again, I express my appreciation to the Finance Committee for holding a hearing to review the catastrophic law. I look forward to it. ●

THE RURAL PRIMARY CARE INCENTIVES ACT OF 1989

● Mr. CONRAD. Mr. President, I rise today to join my distinguished colleague, Senator PRYOR, as an original cosponsor of the Rural Primary Care Incentives Act of 1989. This is an important initiative, which will go far to fill the gaps in our health care system.

Senator PRYOR's bill will hopefully serve as an incentive for physicians to locate in underserved rural areas. This bill will provide a $12,000 tax credit for 3 years for participating physicians. The bill provides incentives for physicians to stay as long as 5 years. Finally, grants and loans made by the National Health Service Corps will be made nontaxable by this legislation—this taxation has served as an impediment to attracting participants to the corps.

Mr. President, the United States actually is experiencing rapid growth in physician supply—yet rural areas still struggle to attract and retain doctors to serve in their communities. We must find a way to bring doctors to rural America. The bill is an important step in that direction.

Mr. President, I ask that an article from the Devils Lake Journal from May 9 be inserted in the RECORD. It details the enormous manpower needs of communities in North Dakota. Fully

30 towns are searching for physicians and other health professionals. Rural Americans are critically threatened by this lack of physicians and other health professionals.

I commend Senator PRYOR for his innovative legislation. I urge my colleagues to carefully consider its merits and hope it and other rural health manpower initiatives will succeed this year.

The article follows:

ATTRACTING DOCTORS TOUGH FOR SMALLER RURAL CLINICS—LAKE REGION CLINIC SAID COMPETITIVE

(By Kris Fehr)

Attracting physicians to a rural area, especially rural North Dakota, is no easy task.

The Lake Region clinic staff knows. They have been searching for another primary care physician—a family practitioner with an interest in obstetrics would be ideal—for about two years.

The past nine months "we've turned up the jets" in the search, according to administrator Joel Rotvold.

The clinic is aggressively pursuing both family practice residents and physicians with established practices in the upper Midwest—North Dakota, South Dakota, Nebraska, Minnesota, Iowa and Wisconsin. They've created a data base in order to contact about 4,000 doctors, and are now in the process of contacting about that many residents.

The responses are as good as can be expected, Rotvold said. Physicians responding are "noncommittal," wanting to "look at the practice at arm's length."

Most clinics use recruiting firms to assist them in finding physicians and, although the Lake Region Clinic has contacted a few as a contingency, Rotvold isn't ready to give in.

Finding the right physician for the practice occupies a good chunk of Rotvold's eight- to 10-hour day. "We're probably doing more than any other clinic in trying to recruit," he said. "It's better than sitting on our hands and waiting for someone to walk through the door."

The extra work and effort seem to be worth it. "In a community this size, it only takes one (doctor) to make a significant difference," he said. "We've got to keep turning over stones."

The Lake Region Clinic has a shortage of doctors. Rotvold said that some patients are being treated over the telephone, which the doctors don't like. "If there was more time, they could see more patients," he said.

For many reasons, rural communities have shortages of health care personnel. According to a 1988 report to the U.S. Senate's Special Committee on Aging, reasons for the shortage include:

First, inadequate and inequitable reimbursement rates and the difficulty in developing a successful practice in low population areas. Medicare reimbursements to physicians in rural areas are less than those practicing in urban areas.

Second, fear of professional isolation and a lack of modern medical facilities, equipment or local referral laboratories.

Third, inability to find acceptable employment for a professional spouse.

Fourth, the fear that practice in rural areas may prove to be a 24-hour job with inadequate back-up support.

Another problem in attracting doctors to Devils Lake is that there are fewer family practice or primary care physicians available. Following a nationwide trend, this is the second year fewer family practice residency positions were filled during the National Residency Matching Program match day, held on March 22.

The fill rate was 7.1 percent, compared to 73.3 percent last year, according to the April 1989 issue of the American Academy of Family Physicians (AAFP) Reporter. The publication said that, prior to 1988, the family practice fill rate in the match averaged 82 percent.

This year's match results reflect the continuation of a downward trend in the number of medical students desiring family practice careers. About 10.78 percent of U.S. medical students who graduated between July 1987 and June 1988 were in the family practice residencies as of October 1988—a drop from 12 percent in the previous year.

Rural areas have 22 percent of the nation's doctors, 14 percent of its pharmacies and 18 percent of its nurses, yet they contain 30 percent of its total population, according to a 1988 report to the U.S. Senate's Special Committee on Aging.

Further, one-fourth of the U.S. population—and one-third of its elderly—live in rural America. Many rural doctors are nearing retirement. A recent study for the National Rural Health Association predicts that the number of rural practitioners could drop by 25 percent within the next five years.

Several factors influence a doctor's decision to settle in a certain area. According to the winter 1988 issue of FOCUS on Rural Health, a publication of the Center for Rural Health at the University of North Dakota in Grand Forks, physicians from rural areas are more likely to practice in rural areas than are physicians raised in non-rural areas and vice versa.

Other factors include the number of contacts with other physicians, continuing medical education opportunities, professional growth opportunities, and the availability of medical facilities.

The preference of a physician's family are also a contributing factor. Four physicians have interviewed at the Lake Region Clinic within the past six months, according to Rotvold. He said that, of the four, one was living in a large city and didn't want to give up the social opportunities. Another physician's family felt close ties to the community they were already in.

Rotvold said that recruiting physicians is often a "sales job. It's like attracting a business to Devils Lake," he said. "If there's not progressive educational opportunities, for example, that could be a deterrent."

Rural communities have been forced to offer physicians bonuses or guaranteed salaries to entice them to relocate. Although Rotvold refused to reveal the Lake Region Clinic's compensation package, he said it is "competitive. Whenever we've talked to physicians about a benefit package, they've never said it's not enough for a first year guarantee," he said.

The clinic has 13 doctors on staff including five family practitioners, four general internists, an internistgastroenterologist, an obstetriciangynecologist and two surgeons. Other nonaffiliated physicians include an ophthalmologist and two hospital-based radiologists.

Specialists from larger clinics also see patients here. Patients are generally referred by their own doctor.

Three doctors handle all deliveries at Mercy Hospital, which last year amounted to about 350 babies. Rotvold said that another family practitioner with an interest in obstetrics would "take a lot of the pressure off."

That individual may be hard to find, however. Malpractice insurance premiums for those physicians who handle obstetrics is rising, resulting in many doctors dropping obstetrics from their practices. Several practices in the Lake Region area have done that, which may account for the high demand for obstetrical services in Devils Lake.

The clinic is also interested in a pediatrician and a non-invasive cardiologist who would also do some internal medicine work.

"Even if we had these three, we'd still have to fill any vacancies due to retirement," Rotvold said. "The physicians here have loyalty to the group and their patients. If they feel they're leaving the group tremendously short, they'll not do that (retire)."

Medicare reimbursements which are on a fixed fee payment schedule, affect the clinic, Rotvold said, but it is not a great concern. "The doctor treats the patient; they're not really affected by Medicare."

However, the clinic has written off about a third of a million dollars in bad debts each year, according to Rotvold. That figure is "possibly on the low side, he said, and reflects Medicare and Medicaid write offs, uncompensated health care and uncollectible debts.●

TRIBUTE TO MARION AND NORMAN HEINE

● Mr. LAUTENBERG. Mr. President, I rise to pay tribute to a distinguished couple, Marion and Norman Heine. Judge and Mrs. Heine will be honored at the first annual tribute dinner of the South Jersey Chapter of American Associates, Ben-Gurion University of the Negev on June 6 at Congregation Beth El in Cherry Hill.

Committed to Israel and with a strong belief in a Jewish education, the Heines are currently involved in the leadership of the American Associates, Ben-Gurion University of the Negav. They have been an inspiration to others and helped found the new South Jersey chapter.

Judge Heine is a distinguished lawyer. After passing the bar exam in 1933, he formed a partnership with his brother Aaron. He served as a judge of the New Jersey Superior Court, as Camden County prosecutor and Camden city attorney.

His political involvements date back to 1927. He was president of the New Jersey County Prosecutors' Association and the New Jersey Institute of Municipal Attorneys. Today Judge Heine pursues his profession of counsel with the law firm of Katz, Lane, Ettin, Levine & Kurzweil of Cherry Hill and Judicate, a company that settles cases privately.

Norman has actively participated in Jewish life as president of the Jewish Federation of Camden County, chairman, Bureau of Jewish Education, vice president of the Jewish Geriatric

Home, and president of Woodcrest Country Club. He was a recipient of the Camden County Community Service Award.

Judge and Mrs. Heine have been married since 1939 and recently celebrated their 50th wedding anniversary. The former Marion Zeller of Wilkes Barre, Mrs. Heine is a member of the National Council of Jewish Women, ORT and Hadassah. She was past chairman of the Women's Division of Allied Jewish Appeal and is a life member of the Jewish Geriatric Home Women's Association. The Heines have a son, Michael, a daughter, Joan Feinberg and son-in-law Henry Feinberg and three grandchildren.

The Heines are an exemplary couple and are most deserving honorees of the first annual tribute dinner. Through their efforts and love of Israel, Jewish life and education, many have benefited. I commend them for their many contributions and extend my warmest wishes and congratulations. May they have continued happiness in the future.●

COMMEMORATING THE 450TH ANNIVERSARY OF THE LANDING OF SPANISH EXPLORER HERNANDO DESOTO IN FLORIDA

● Mr. GRAHAM. Mr. President, in just a few days, on May 30, we will observe the 450th anniversary of one of the most significant events in the history of the Americas—the landing in Florida of Hernando DeSoto, to begin the first major exploratory expedition of North America by Europeans.

To commemorate this anniversary, Florida will dedicate the newly completed DeSoto trail markings. This project will allow Floridians, and all Americans, to enjoy and appreciate the magnitude of the task undertaken by these Spanish explorers, the lessons they learned from the New World, and the contributions they made to it in charting its wilds and uncovering its promise.

The significance of DeSoto's voyage, however, is not to be found in Florida alone. DeSoto's forces marched through what is now Georgia, the Carolinas, Tennessee, Alabama, Mississippi, Arkansas, Louisiana, and Texas, as well. Hernando DeSoto himself died on the banks of the Mississippi River. This heritage of exploration, discovery, challenge, and courage is one that Florida shares with all the States of the southeastern United States; its legacy is one we share with all Americans.

For this reason, several of my esteemed Senate colleagues and I have introduced legislation to establish the DeSoto Trail Commission, to mark the historic path of this great expedition and expand archaeological and historical research related to its explorations. The DeSoto expedition laid a path to America's future; it is a part of the past that all Americans—not just Floridians—share.

I urge my colleagues to work together to speedily enact this legislation, so that we can more fully commemorate and appreciate the contributions and hardships of the explorers who came to our shores May 30, 1539. They launched the Age of Discovery that led to our Nation's founding; we must now enable more Americans to discover them and their age—and thus better understand our own.●

THE DEMOCRATIC REVOLUTION

● Mr. LUGAR. Mr. President, I had the pleasure earlier this month of participating in a fascinating conference on the Democractic Revolution which was sponsored by the National Endowment for Democracy. Democracy has made dramatic gains in the past decade, and many of the individuals who have been on the frontlines of those gains gathered together in the House of Representatives to review them and explore future prospects.

Most of these individuals are associated with Endowment programs. If they are but a sampling of the dedicated and committed individuals with whom the Endowment works throughout the world, than I am even more convinced that the Endowment's tiny budget is going very far and that the future of democracy and democratic institutions is bright.

The Democratic Revolution Conference did not go unnoticed in the press, and I am pleased to bring to the attention of my colleagues a New York Times article by Michael Kauffman which summarizes the event and follows:

The article follows:

[From the New York Times, May 5, 1989]

TYRANTS' FOES HERALD DAWN OF A NEW DAY

(By Michael T. Kaufman)

WASHINGTON, May 2.—For two days, better- and lesser-known strugglers against tyranny—among them former prisoners, banned writers and men and women forced into exile—gathered in the halls of Congress to discuss, and for the most part celebrate, what many described as a revolution extending democracy through Latin America, Eastern Europe and China.

They had been brought here by the National Endowment for Democracy, a Congressionally created body that gives funds to groups working to advance democratic institutions. A tone of general and jubilant optimism was set early when a telegram was read from Umberto Rubin, a campaigner for Paruguayan democracy. He apologized for not coming, noting that two years ago when the Endowment had staged a similar gathering he was also absent. Then he was kept in Asunción by a Government that refused to issue him a passport; now, he was at home to take part in what he thought would be free elections.

Similar dramatic changes in political climate were alluded to over and over. "Think how confusing it would be for a modern Rip Van Winkle—one who had fallen asleep, say, in 1969," Senator Lloyd Bentsen, Democrat of Texas, said as he greeted and saluted the participants. "He reads that demonstrators are complaining about police brutality in the Soviet Union, and Chinese students are calling for Premier Li's resignation because he is going too slowly toward democracy. It's quite a change, and from our point of view, quite a victory. An incomplete victory, a fragile victory, but a victory nevertheless."

READ DJILAS BOOK

The sense of jubilation extended beyond the formal panel discussions. At one point during a recess, Liang Heng, the founder of an independent journal, The Chinese Intellectual, raced over to introduce himself to Milovan Djilas, the Yugoslav political writer who was imprisoned for nine years after he broke with Tito. "I am here because I read your 'New Class.' "

"Thank you very much," said Mr. Djilas, who had come from Belgrade, where young people still generally shun him.

"Yes, it was at the end of the Cultural Revolution," the Chinese dissident continued. "My mother had been imprisoned and I approved the act. Then my father was sent to the countryside. I had been a Communist, but I lost my family and I lost my faith. I was 14 wandering around and I did try to kill myself. I could not understand how the system I had been taught to love was so different from the reality I saw. Then someone gave me a copy of 'The New Class' that was copied by hand from a book printed in Hong Kong. You explained the reality I was living in."

"Thank you," said Mr. Djilas again.

"Thank you," said Mr. Liang.

RUNNING FOR POLISH SENATE

Another twist was apparent in the appearance of Jacek Kuron, a key adviser to the Solidarity movement, who had spent 10½ years in Poland's prisons for challenging the state monopolies over information, organization and decision making. He was among the Solidarity delegation that negotiated with the Communist authorities on measures to broaden citizen rights and currently he is one of the independent candidates running for the newly established Polish Senate.

Mr. Kuron was given the Endowment's Democracy Award along with Monica Jimenez de Barros. She founded the Crusade for Citizen Participation, which mobilized millions of Chileans to take part in a plebiscite last October in which voters refused to extend the rule of Gen. Augusto Pinochet.

In his talk as part of a panel on East European developments, the raspy voiced Mr. Kuron gave a history of the events that led the Polish Government's turnaround on Solidarity and its appeals for greater pluralism. "When I think of how that revolution began, it seems somehow so simple. What did we do? We spoke freely, we read, we loaned books to each other and we raised money for people who needed help. These were the simplest human actions, to organize such simple acts turned out to be like putting a time bomb under totalitarianism."

But amid the proclamations there were warnings that the democratic innovations, particularly those related to Mikhail S. Gorbachev's retreat from earlier Soviet policies, could yet capsize. Jean-Francois Revel, the French political thinker who has written on

totalitarianism and democracy, noted, "Democratic euphoria is as dangerous as democratic pessimism."

THREATS TO DEMOCRACY

On a related note, Leszek Kolakowski, a philosopher who has taught at Oxford and the University of Chicago, said that while recent gains were worth celebrating, he wanted to concentrate on existing threats to democracy. Among these, he identified malignant nationalism, theocratic tendencies and terrorism which might lead states to abandon citizens' rights.

He also said that another threat was certain to come from "the phenomena of endless expectations," in which people all over the world want more than they have. Mr. Kolakowski said that as governments will be forced to repair damage to the planet there will be less and less to apportion, a situation that could imperil democratic efforts.

And Mr. Kuron warned against certain temptations of smugness. "There is a kind of thinking that I would call ideological racism which holds that we are all inherently good people, and they, the Communists, are inherently bad," he said. "The struggle should not be seen as people against people, but rather people against systems. We really should take the view that everywhere most people would prefer to show good will and what we should concentrate on is building institutions that make it easy as possible to do that."●

ISO POLICY CHANGES

● Mr. HARKIN. Mr. President, I would like to direct the attention of my colleagues to the recent policy changes undertaken by the Insurance Services Offices [ISO] which I believe to be very positive. ISO, the insurance industry's actuarial data-gathering body, will no longer provide final advisory rates to the 1,400 insurance companies which participate in their services.

The final advisory rate is an actuarial calculation which includes such things as overhead, litigation expenses, and a profit margin. The elimination of advisory rates means that insurance companies will have to set rates based on their own calculations, without the assistance of ISO. Participating companies will continue to receive information on losses and trends in loss payments. State insurance regulators have testified recently before the Senate Judiciary Committee that they will seek to make these major changes in insurance ratemaking a permanent feature of State law and regulations.

It is my view that during the months ahead, we should carefully monitor the impact the ISO policy changes are having on the industry, the State regulatory systems and policyholders and that such scrutiny precede and legislative activity with regard to the McCarran-Ferguson Act granting insurers limited antitrust immunity. Given these significant changes, I believe that a rush to judgment on legislation seeking to modify or repeal McCarran would create chaos in an industry so important to individual consumers as well as our entire economy.

Mr. President, the ISO changes are evidence that the property/casualty industry and State insurance regulators are acting to address public policy concerns over insurance pricing. Let us give them a chance to work and monitor carefully to see that they are fully implemented.●

IN RECOGNITION OF MAY 1989, "OLDER AMERICANS MONTH"

● Mr. MATSUNAGA. Mr. President, I rise today in my capacity as the chairman of the Subcommittee on Aging of the Labor and Human Resources Committee to point out that May 1989 is being observed throughout the United States as "Older Americans Month." Over the past 26 years, Older Americans Month has become a celebrated tradition serving to recognize the many contributions made by senior citizens to our great Nation. Observance of Older Americans Month also contributes to a better understanding of aging and the aged.

There is a visible trend occurring in America today—a greying trend—which is expected to continue well into the 21st century. By the year 2020, it is predicted that the number of older Americans will nearly triple—from 7 percent of our population today to 20 percent.

The Older Americans Act of 1965, one of the most effective laws ever passed by Congress, has helped older Americans become healthier, more independent, and less isolated than they were a mere 25 years ago. Better nutrition, preventive health care, job training, and transportation are but a few of the services provided for America's senior citizens under this comprehensive act. In 1987, along with other members of the Aging Subcommittee, I was privileged to help shepherd through Congress legislation to reauthorize the Older Americans Act. The $1.5 billion reauthorization passed the Senate unanimously in a demonstration of the importance which Congress attaches to the welfare of senior citizens.

The refined and improved Older Americans Act of 1987 is a major vehicle for the organization and delivery of services to older Americans. By greatly enhancing existing programs for older citizens and authorizing additional programs, we respond to the needs of the growing population.

The gerontocracy of America dictates change. As a nation we are becoming more and more dependent on the labor, services, and expertise older citizens provide. In the upcoming years, fewer people will be entering the work force. The resulting labor shortage will particularly affect the specialized areas of the job market.

The act recognizes the tremendous growth in the oldest segment of the elderly population and the projected demand for community-based, long-term care services. It is to our benefit to further ensure that all older citizens can have jobs, adequate housing, medical care, and retirement and community services to which they are entitled.

Smooth passage of this legislation is evidence that Government can provide essential services without sacrificing fiscal responsibility. Mr. President, I have always believed that the greatness of a nation can be accurately measured by the degree to which it cares for its elderly citizens. Older Americans Month offers an opportunity to rededicate our great Nation to the proposition that every older American is entitled to a healthy, happy, and dignified life in old age.●

TERRY ANDERSON

● Mr. MOYNIHAN. Mr. President, today marks the 1,524th day of captivity for Terry Anderson in Beirut.

I ask that the article from the October 13, 1986, Newsweek be printed in the RECORD.

The article follows:

NEXT, THE BEIRUT HOSTAGES—REAGAN RESPONDS TO A VIDEO PLEA

Peggy Say had tears in her eyes and watched from the edge of her chair as her brother, American hostage Terry Anderson, appeared on American television. "It hurts to see the propaganda with which the administration solved the case of Mr. Daniloff, a citizen like us who was in prison only for a short time," Anderson said in a videotape that was delivered by his Islamic Holy War captors to news agencies in West Beirut, then beamed by satellite to U.S. networks. His sister agreed. "Why isn't the same effort being exerted for them that's been exerted in every other hostage situation, most recently Mr. Daniloff?" she asked. Even U.S. News & World Report's Nicholas Daniloff weighed in with concern, singling out Anderson, a fellow journalist, as he vowed: "We shall not forget you." President Reagan was stung by the criticism. "There is no comparison," he said, visibly angry. "They were not seized by a government. We don't know who's holding them."

Last week, however, the administration appeared to be more anxious than ever to find out. "If those who were holding [the hostages] would step forward for discussion, that might move the thing forward," said White House spokesman Larry Speakes. That remark signaled a shift in emphasis in the administration's policy which rejects any negotiations over the kidnappers' demands for the release of 17 Shiite terroists who are jailed in Kuwait. Last week American officials seemed to be willing at least to talk directly to the kidnappers, as Secretary of State George Shultz made clear in an unsolicited comment to reporters: "We are ready to discuss with anyone the situation of our hostages in Lebanon."

UNDER DURESS?

The administration pushed harder for help from Syria, which has troops and observers in much of Lebanon. Shultz raised

the issue when he met with Syrian Foreign Minister Farouk al Sharaa in New York last week, Sharaa also spoke privately with Say. In an interview (box), Sharaa declared: "The Syrian government is committed to doing what it can in gaining the release of the remaining hostages."

Were Anderson and fellow hostage David P. Jacobsen coerced into making the videotaped appeal? "I have a feeling that they were doing this under the orders of their captors," the president said. "There is no way," Say responded in an interview on Cable Network News. "I know my brother very well. He has refused to make a tape for 18 months and borne some pain for that. I can promise you if they had held a gun to his head and told him to make a statement he would have said, 'Shoot'."

Family members found at least slight consolation the messages from Beirut. Say said her brother, a former Middle East bureau chief for the Associated Press, appeared "fit but thin" after being held for a year and a half. Eric Jacobsen said his father, former director of the American University Hospital in Beirut, looked healthy, despite his chilling description of 16 months of captivity. "the pain is real and ever-present 24 hours a day," David Jacobsen said. "The government does not know when they might hear of our death. They apparently don't care." There was no word from the third hostage also known to be held by Islamic Holy War, American University of Beirut Dean Thomas M. Sutherland.

DEATH THREAT

Jacobsen reminded viewers that one of the hostages, U.S. Embassy political officer William Buckley, already has been killed. His body has never been found. And another Islamic extremist group claimed it killed American University librarian Peter Kilburn, whose body was dumped in West Beirut last April in retaliation for the American raid on Libya. Whether or not the hostages' pleas were coerced, the death threat hanging over them was quite real.●

ISRAELI PEACE INITIATIVE

● Mr. LIEBERMAN. Mr. President, yesterday the Israeli Parliament endorsed Prime Minister Shamir's plan to hold elections in the West Bank and Gaza. This is a significant step toward peace in the Middle East. I applaud the Israeli Government for taking this imaginative and far-reaching step.

Under the Israeli plan, the 1.7 million West Bank and Gaza Palestinians would elect representatives to hold peace talks with Israel. Those representatives would first negotiate a 5-year period of self-rule. After 3 of those years passed, they would sit down again to negotiate the final status of the occupied territories.

This proposal enjoys widespread support among Israelis. As Defense Minister Rabin recently said:

After many years of different stages in the national unity Government, there is a unity Government peace initiative that I believe will be received widely and with great support by the Israeli people.

The election plan also has won the interest of a significant number of Palestinian leaders in the West Bank and Gaza. Although these leaders have publically rejected the election idea, many say in private that they would go along if the Palestine Liberation Organization approved.

Unfortunately the PLO has yet to accept the election proposal. It may, in fact, be actively discouraging it. In recent weeks, there has been an upsurge of killings of independent, non-PLO Palestinians which may be part of a campaign to prevent the emergence of candidates with moderate views. That kind of intimidation must end if there is to be peace in the Middle East.

It is important to remember that the last elections that were held under Israeli auspices on the West Bank and Gaza, in 1976, were conducted fairly. Even the PLO's strongest supporters have not disputed that fact.

The Israeli election plan could begin a process of genuine negotiations that will lead to compromises on both sides. The process of elections has a dynamic of its own. Elections do not guarantee success. But they do hold out the possibility of diplomatic progress. For Americans in particular, elections have a special meaning that confers legitimacy on officials. The only thing that boycotts guarantee is failure.

Today we need to see some of the courage that President Anwar Sadat displayed when he decided to break with the taboos of the past and come to Israel. Hardline PLO leaders can either exhaust themselves in maneuvers or realize that this is the first good chance for progress in years. They can concentrate on the past or look to the future. They can make propaganda or try to make progress.

The alternative to the new Israeli election plan is a continuation of the tragic violence that is creating grieving parents and children on both sides of the conflict. It is time for all that to end.●

MESA AZ, SCOUT TROOP ATTAINS HISTORIC HONOR

● Mr. McCAIN. Mr. President, it is a rare and special occasion when a member of the Boy Scouts of America is elevated to the rank of Eagle Scout. I am certain, however, that each Senator is familiar with a number of young people in their State earning this significant honor. It is a distinct pleasure for me to report on the accomplishments of an entire troop of Scouts in my State that have simultaneously achieved the status of Eagle Scout.

On June 3, 26 young men in Mesa, AZ will be jointly honored in a single Eagle Scout Court of Honor. The Boy Scouts of America, Troop 430 are to my knowledge the first troop to be jointly elevated from Life Scout to Eagle Scout. It is my understanding that this is the first troop of its size to have this number of Scouts reach the rank of Eagle Scout in one ceremony. I applaud these fine young people for their achievements in reaching this level of scouting, and I believe we can all learn something from the teamwork and selflessness exhibited by a group that works together toward such a lofty goal.

These Scouts have exhibited both hard work and perseverance in performing an incredible range of services to their community in order to earn this high honor. They have been supported by their families, and have been aided by members of the community that place a priority on helping develop our leaders of the future. I commend the dedication and diligence of these young men and the people that have helped them attain this rank.

The projects these Scouts have performed include designing and building equipment for disabled individuals, planting trees in local parks and National Forests, clearing wilderness areas of debris, organizing blood drives, planning events to benefit needy members of the community, designing and constructing recreational facilities, organizing food drives for poor individuals in Arizona and Mexico, and helping to restore cultural landmarks.

Following is a list of the individuals that will be honored in the Eagle Court of Honor next week in Mesa, AZ:

Jason A. Jennings, Keith L. Millett, Jordan T. Flake, Damien W. Budge, J. Noah Haynes, Michael G. Merrill, Thomas L. Young, R. Nathaniel Clarkson, Quin A. Gardner, David A. Haynes, Kreg D. Lulloff, Nathan D. Stringfellow, Chad J. Merrill, David L. Thompson, Michael S. Boren, Darren P. Nicoll, Stephen R. Flake, David D. Lee, Jeff L. Wimmer, Dale E. Andersen, Jr., Karl C. Conover, Russell J. Gould, Sterling W. Jackson, Treg J. Ripley, Douglas W. Thompson, and Jaron J. Fischbeck.

Thank you, Mr. President.●

UNITED STATES-ISRAEL ALLIANCE

● Mr. HATCH. Mr. President, since the founding of the Jewish state in 1949, Americans and Israelis have solidified a relationship based on the fundamental belief that democratic self-government is the best guarantee of peace and freedom. While there are many differences among us, and we may disagree on the most effective way to bring peace, America and Israel need each other for a number of reasons: To ensure security throughout the region, to promote democracy and freedom, and to advance the cause of peace.

The dynamics of the Middle East and the changes taking place throughout the world bring renewed hope and

opportunity for the peace process in the Middle East. At the outset, I would like to examine some of these developments and their impact on the relationship between Israel and the United States.

Yasser Arafat's recent efforts to broaden support for a Palestinian state by declaring the Palestinian charter "null and void," and his acceptance of American conditions for initiating a dialog are actions the United States should continue to encourage. But there are many reasons for looking long and hard at Mr. Arafat's statements before changing our policy. Do these conciliatory public statements by the PLO match the content of their speeches, writings, and charter? Do they want "Jericho or Jerusalem"? We need to see concrete actions by the PLO to support their dialog—positive steps toward peace rather than continued actions in terrorism.

Congress must not forget the PLO is an organization made up of a number of political groups, some of which have made it clear they continue to reject Israel's right to exist regardless of what Mr. Arafat may say or do. To these groups, terrorism remains central to their activities.

Even among Mr. Arafat's supporters we hear statements contrary to Mr. Arafat's peaceful remarks. Yet these assertions are not rebutted nor are these individuals disciplined for their actions. Moreover, what are we to make of Mr. Arafat's recent threats on Palestinian leaders who have offered to begin a dialog or make peace with Israel? We must keep a close watch on Mr. Arafat and his organization—to look carefully behind his words before coming to any conclusions.

The Congress, unfortunately, does not always have a long attention span. It sometimes forgets the historical context of present day circumstances. And Congress forgets the train of events leading to, and the immediate reason for, the Israeli presence on the West Bank and Gaza. We have to do a better job of reminding the American people of pertinent facts.

Given this context, it is understandable why Israel will not negotiate with the PLO. Yet Israel yearns for peace, and Prime Minister Yitzhak Shamir showed the world that Israel is ready to explore new options.

While in Washington last month, the Prime Minister unveiled a plan to address both the short- and long-term status of the occupied territories. The proposal allows for free and democratic elections among the Palestinian residents in the occupied territories. From these elections, representatives would be chosen to conduct negotiations for a transitional period of self-rule. This period would serve as a time to test whether peaceful coexistence and cooperation can exist between Palestinians and Israelis. At a later date, but within 3 years, negotiations would be conducted for a permanent solution.

Just this week, the Israeli Cabinet and Parliament approved the election proposal, but not without heated debate. Foreign Minister Moshe Arens and Defense Minister Yitzhak Rabin will soon be arriving in Washington to provide answers to many of the Bush administration's questions and concerns. But this addresses only half of the issue.

As the self-proclaimed spokesman for the Palestinians in the occupied territories, the PLO has formally rejected Israel's election proposal. They view the proposal as an attempt to preclude PLO leadership of a Palestinian state.

For Israel's part, any comprehensive proposal meeting long-term needs must go beyond the Palestinian question and include the establishment of peace relations between Israel and those Arab States which still maintain a state of war with Israel. Fully comprehending this scenario, Mr. Arafat has focused the PLO's last stand on leadership of a Palestinian state.

In the short term, the PLO and the Palestinian question remain the most immediate source of friction between Israel and peace with her Arab neighbors. Yet in the long term, solving the PLO problem only addresses part of the broader issue of Arab-Israeli peace. This is the dilemma Israel faces.

How then should Israel proceed and what should be the proper role for the United States in shaping the Middle East peace? Israel has come forward with a plan to elect a local Palestinian leadership and establish an interim test period. Local Palestinians should be encouraged to open a dialog with the Israeli Government. They should not feel bound to blindly follow the rhetoric of the PLO but follow what is in their best interests. Where the United States can assist, every effort should be made.

While the dynamics of the Middle East are changing, the United States will always be obligated to assist efforts for peace, freedom, and democracy. Moreover, our loyalty, friendship, respect, and love for Israel remain rock solid and continue to grow. We are committed to the existence of the Jewish state, a land of democratic values and traditions. Our destinies, for moral, humanitarian, democratic, and security reasons remain inexorably linked.

Knowing all this, what should be the proper role for the United States in shaping the Middle East peace? We continue to believe negotiations and compromise can be reached, but they must begin with dialog. Where the United States can facilitate this dialog every effort must be made. But this cannot and must not substitute for a direct dialog between the parties to the conflict. We must stand by Israel and help her make the decisions that are in her best interest, not dictate peace on our terms. They and they alone have the responsibility for making the compromises and finding the solutions.

I am confident the United States-Israel alliance will continue to grow and prosper. While our two countries may have their differences, the United States love for Israel's land and her people; the United States commitment to Israel's security both militarily and economically; and the United States faith in the justice of Israel's cause will never yield.●

THE CENTENNIAL OF THE CITY OF DAVISON

● Mr. LEVIN. Mr. President, today I would like to join the people of Davison, MI, in celebrating the city's 100th birthday.

Those Senators who have not been lucky enough to visit Michigan have not had the chance to find out just how special a place Davison is. Anyone who has ever visited Davison cannot help but be struck by how friendly a community it is. This spirit has been captured by the city's centennial motto, "A Century of Hometown Friendliness."

In 1889, when the village of Davison was first incorporated, E.W. Rising, the first village president, and the first trustees, W.M. Knapp, Howard Howes, and Bryon Moss, probably had little idea what a bright fututre lay in store. Davison has grown into a vibrant community of 6,000, now led by Mayor Dennis Ryan, city councilors Kay Adair, Frederick Rappuhn, M. Sue Csutoras, David Horton, Timothy Coleman, and Geoffrey Roberts, and city manager Jack Abernathy.

Davison's economy is growing. New businesses are opening all the time. Davison is also home to some special businesses. Genova Products, founded in 1965, is a major producer of plastic plumbing. And Davison is home to one of the Nation's first manufacturers of geodesic domes.

Davison also prides itself on its patriotism. It has long been known as the City of Flags, a nickname which started when a visitor noticed that all the stores on Main Street proudly displayed Old Glory. The city has taken this nickname to heart, becoming the only Michigan city to fly the flags of all 50 State permanently. Ken Morrow, a son of Davison, represented our country proudly at the 1980 Winter Olympics, playing a key role in helping the U.S. hockey team bring home the Gold Medal.

The Davison Centennial Committee has planned a gala celebration to mark

this anniversary. The festivities planned for this Saturday, May 20, include parades, period shows, a concert by the U.S. Marine Band, and a centennial ball. The highlight of the day will be the commemoration of Davison as the City of Flags: 2,000 people will join in making a human flag. I am happy to join in this celebration.

Happy birthday, Davison. Congratulations on a great 100 years, and best wishes for the next hundred.●

PRIME MINISTER SHAMIR'S PEACE PLAN

● Mr. LAUTENBERG. Mr. President, I rise to make clear my support for Prime Minister Shamir's recent peace initiative to hold elections among the Palestinians of the West Bank and Gaza Strip.

This proposal is a bold move by Prime Minister Shamir. It provides a real opportunity for the Palestinians to move beyond the violence and bloodshed of the last 17 months. It provides a chance for them to put their hopes for peace and for a genuine political voice on a fast track again through genuine dialog with Israel.

This proposal challenges all those who claim they have the best interests of the Palestinians at heart. Israel's Arab neighbors have long ignored or rejected opportunities for peace while all around them violence and bloodshed continue. Lebanon is but one example of the needless loss of innocent life that occurs every day in the Arab world. Yet little action is taken to end this violence and brutality.

Now, Israel's neighbors have the chance to make a real move toward peace. They can do so by urging the Palestinians to participate in the elections called for by this plan. While neither Egypt nor Jordan has rejected Shamir's proposal outright, their voices could be instrumental in persuading the Palestinians to accept this offer.

Yet every day that goes by more Palestinians die while the only real proposal to provide Palestinians with a role in determining their future is criticized as "deceitful" and worse. The only plan that could truly save lives and put an end to the ongoing violence is rejected out of hand. Many Palestinian leaders in the West Bank and Gaza who publicly reject the election idea say in private that they would accept if the PLO did. Jordan and Egypt could be helpful there too.

Under this election plan, the 1.7 million Palestinians in the West Bank and the Gaza Strip would elect representatives to hold peace talks with Israel. First, they would negotiate a 5-year period of limited self-rule, and then, in 3 years, they would sit down again to negotiate the final status of the territories. The interim 5-year period would serve as an essential test of cooperation and coexistence.

The aim of elections is to bring about a process of political negotiations and to locate legitimate representatives of the Palestinians. These elections will permit the development of an authentic representation that is not self-appointed from the outside, comprised of people chosen by the population in free elections.

Democratic elections provide a real opportunity to begin the peace process after years of stalemate and 17 months of ongoing riots and disturbances. By enabling the Palestinians to choose their own representatives for negotiations with Israel over their fate, these elections could provide the needed catalyst for restarting the peace process. They could lead to the first measure of self-government in the West Bank and Gaza for 22 years. And they could be a real first step toward a comprehensive peace settlement in the region.

This election plan may not be perfect from the Palestinians point of view. It may not answer all the questions they want answered, nor resolve their fate in the ultimate sense. But every journey of 1,000 miles begins with a single step. This proposal can be the first step on the long journey toward peace between Israel and the Palestinians and the other Arab countries who have repeatedly made war on Israel. It is the best option the Palestinians have. And it provides a real window of opportunity through which the Palestinians may be heard.

To reject it now is to put peace on the backburner and violence on the front. It is to acknowledge that more lives will be lost before any are saved. It is an acknowledgment that Chairman Arafat is not really interested in peace, but only a settlement on his terms.

I have urged the Arab countries to put their weight behind this proposal. And I urge the United States, as the leading democracy in the free world, to do so as well, in order to support the development of democracy in a part of the world where, aside from Israel, none exists.●

THE ISRAELI ELECTIONS PROPOSAL

● Mr. LEVIN. Mr. President, I want to take a brief moment to discuss the recent Israeli initiative for elections in the West Bank and Gaza Strip.

The PLO has thus far rejected the plan out-of-hand. I urge the Palestinians in the West Bank and Gaza to seriously consider the proposal.

The initiative deserves more than a knee-jerk, negative response. It could provide the basis for an eventual resolution of the ongoing crisis that has had such dire consequences for so many people, a crisis which has sparked debate here, in Arab lands, and in Israel itself.

The Israeli proposal envisions a two-stage process. First, the Israelis propose a 5-year "transitional period," during which Palestinians in the West Bank and Gaza—without any outside interference—would enjoy a form of self-rule by representatives they would select themselves in democratic elections.

Those elected officials would negotiate with the Israelis on the exact terms of the 5-year transitional period. Within the first 3 years, discussions would begin on the second stage—the final status of the West Bank and Gaza.

The process, it should be noted, is based on U.N. Resolutions 242 and 338. This is in keeping with U.S. policy.

No one should underestimate the power of free elections. I hope Palestinians in the West Bank and Gaza will realize the potential benefits of a democratic process and will come forward and work with Israel at moving the peace process forward.●

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate proceed to executive session to consider the following nominations reported today by the Committee on Finance, Committee on the Judiciary, Committee on Armed Services and Committee on Labor and Human Resources:

Sidney L. Williams to be a Deputy U.S. Trade Representative, with the rank of Ambassador;

Melinda Harmon to be a U.S. district judge for the southern district of Texas;

Ferdinand F. Fernandez to be a U.S. circuit judge for the ninth circuit;

Robert C. Bonner to be a U.S. district judge for the central district of California;

Pamela A. Rymer to be U.S. circuit judge for the ninth circuit;

Carol T. Crawford to be an Assistant Attorney General;

Shirley D. Peterson to be an Assistant Attorney General;

Kenneth Winston Starr to be Solicitor General of the United States;

Louis S. Williams to be an Assistant Secretary of Defense;

David J. Gribbin III to be an Assistant Secretary of Defense;

Sean C. O'Keefe to be Comptroller of the Department of Defense; and

Roderick A. DeArment to be Deputy Secretary of Labor.

I further ask unanimous consent that the nominees be confirmed, en bloc, that any statements appear in the RECORD as if read, that the motions to reconsider be laid upon the table, en bloc, that the President be immediately notified of the Senate's action.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations considered and confirmed en bloc are as follows:

Sidney Linn Williams, of Virginia, to be a Deputy U.S. Trade Representative, with the rank of Ambassador.

Melinda Harmon, of Texas, to be U.S. district judge for the southern district of Texas.

Ferdinand F. Fernandez, of California, to be U.S. circuit judge for the ninth circuit.

Robert C. Bonner, of California, to be U.S. district judge for the central district of California.

Pamela Ann Rymer, of California, to be U.S. circuit judge for the ninth circuit.

Carol T. Crawford, of Virginia, to be Assistant Attorney General.

Shirley D. Peterson, of Maryland, to be Assistant Attorney General.

Kenneth Winston Starr, of Virginia, to be Solicitor General of the United States.

Louis A. Williams, of Wyoming, to be an Assistant Secretary of Defense.

David J. Gribbin III, of Maryland, to be an Assistant Secretary of Defense.

Sean Charles O'Keefe, of Virginia, to be comptroller of the Department of Defense.

Roderick Allen DeArment, of Virginia, to be Deputy Secretary of Labor.

STATEMENT ON THE NOMINATION OF SEAN O'KEEFE TO BE COMPTROLLER OF THE DEPARTMENT OF DEFENSE

Mr. INOUYE. Mr. President, I strongly support the nomination of Sean O'Keefe to be the Comptroller of the Department of Defense. I say this with mixed emotion because the Senate, and especially my Subcommittee on Defense Appropriations, will be losing one of the most capable and likeable professional staff members ever to serve in this institution.

I have worked closely with Sean since he joined the Appropriations Committee staff in 1981. He came to the committee with sterling credentials—a graduate degree in public administration, a former Presidential management intern, and 3 years of financial management service with the Navy, Office of the Secretary of Defense and the Office of Management and Budget. I might also note with some pride that he attended high school in my home State of Hawaii while his father, a Navy captain, was stationed at Pearl Harbor.

Sean O'Keefe developed a reputation as one of the Defense Subcommittee's most talented staff and become subcommittee clerk in 1986. He supported all members of the Appropriations Committee, whether Republican or Democrat, with the same outstanding professionalism. Above all else, he became known on the floor of the Senate as the right hand man of my good friend from Alaska, Senator TED STEVENS.

The Senate's loss will be Secretary Cheney's gain. With the current pressures on the Defense budget, the President and the Secretary need a first-rate professional who can "hit the ground running." They need a comptroller who possesses sound managerial skills and who can motivate the career budget staff. They need a comptroller who will motivate the career budget staff. They need a comptroller who will give attention to the less glamorous financial management issues like accounting policy, as well as budget formulation and execution. In Sean O'Keefe, President Bush and Dick Cheney have found the right man for the job.

As chairman of the Defense Appropriations Subcommittee, I will get to watch Sean's career continue to flourish. I expect that he will continue to work closely with my subcommittee. Sean has a big challenge ahead—and I am sure that he will create the same outstanding record of achievements at the Pentagon that he has here in the Senate.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate proceed to consider the following nominations:

Calendar 125. Galen J. Reser to be an Assistant Secretary of Transportation;

Calendar 129. Alan C. Raul to be General Counsel of the Department of Agriculture;

Calendar 136. Frank H. Habicht II to be Deputy Administrator of the Environmental Protection Agency;

Calendar 138. John C. Monjo to be Ambassador Extraordinary and Plenipotentiary of the United States to the Republic of Indonesia;

Calendar 139. Ivan Selin to be Under Secretary of State for Management;

Calendar 141. Donald B. Rice to be Secretary of the Air Force;

Calendar 142. Gen. Robert T. Herres for reappointment as Vice Chairman of the Joint Chiefs of Staff;

Calendars 143, 144, 145. Promotions in the Army;

Calendars 146, 147. Promotions in the Marine Corps; and

All nominations placed on the Secretary's desk in the Air Force and Navy.

I further ask unanimous consent that the nominees be confirmed, en bloc, that any statements appear in the RECORD as if read, that the motions to reconsider be laid upon the table, en bloc, that the President be immediately notified of the Senate's action, and that the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations considered and confirmed en bloc are as follows:

DEPARTMENT OF TRANSPORTATION

Galen Joseph Reser, of Virginia, to be an Assistant Secretary of Transportation.

DEPARTMENT OF AGRICULTURE

Alan Charles Raul, of New York, to be General Counsel of the Department of Agriculture.

ENVIRONMENTAL PROTECTION AGENCY

Frank Henry Habicht II, of Virginia, to be Deputy Administrator of the Environmental Protection Agency.

DEPARTMENT OF STATE

John Cameron Monjo, of Maryland, a career member of the Senior Foreign Service, class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Indonesia.

Ivan Selin, of the District of Columbia, to be Under Secretary of State for Management.

DEPARTMENT OF DEFENSE

Donald B. Rice, of California, to be Secretary of the Air Force.

The following-named officer for reappointment as Vice Chairman of the Joint Chiefs of Staff under Title 10, United States Code, Section 154.

To be Vice Chairman of the Joint Chiefs of Staff

Gen. Robert T. Herres [redacted] FR, U.S. Air Force.

IN THE ARMY

The following-named officer to be placed on the retired list in grade indicated under the provisions of title 10, United States Code, section 1370:

To be lieutenant General

Lt. Gen. Frederic J. Brown [redacted], U.S. Army.

The following-named officer for appointment to the grade indicated, under the provisions of title 10, United States Code, section 601(a), in conjunction with assignment to a position of importance and responsibility designated by the President under title 10, United States Code, section 601(a):

To be lieutenant general

Maj. Gen. Frederick M. Franks, Jr., [redacted] U.S. Army.

The following-named officer for appointment to the grade indicated, under the provisions of title 10, United States Code, section 601(a), in conjunction with assignment to a position of importance and responsibility designated by the President under title 10, United States Code, section 601(a):

To be lieutenant general

Maj. Gen. James R. Hall, Jr. [redacted], U.S. Army.

IN THE MARINE CORPS

The following-named officer for assignment as Assistant Commandant of the Marine Corps and Chief of Staff, under title 10, United States Code, section 601:

To be general

Gen. Joseph J. Went [redacted] /9903 USMC.

The following-named officer, under the provisions of title 10, United States Code, section 601, for assignment to a position of importance and responsibility in grade as follows:

To be lieutenant general

Maj. Gen. Norman H. Smith, [redacted] 9903 USMC.

NOMINATIONS PLACED ON THE SECRETARY'S DESK IN THE AIR FORCE, NAVY

Air Force nominations beginning Wayne E. Balcom, and ending Stephen M. Valentine, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of May 1, 1989.

Air Force nominations beginning James E. Mullen, and ending Leo H. Fox, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of May 2, 1989.

Air Force nominations beginning Major Alan V. Box, [redacted], and ending Major Maureen E. Newman, [redacted], which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of May 2, 1989.

Air Force nominations beginning Jon M. Owings, and ending Vicente U. Yap, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of May 2, 1989.

Air Force nomination of Robert J. Frink, which was received by the Senate and appeared in the CONGRESSIONAL RECORD of May 16, 1989.

Navy nominations beginning Kriss B. Stanley, and ending Linda S. Taylor, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of May 1, 1989.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will now resume legislative session.

CORRECTING THE ENROLLMENT—S. RES. 130

Mr. MITCHELL. Mr. President, I ask unanimous consent that the enrollment of Senate Resolution 130 be corrected to reflect the changes I now send to the desk.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXPRESSING THE SENSE OF CONGRESS WITH RESPECT TO THE HEALTH OF THE NATION'S CHILDREN

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Labor Committee be discharged from further consideration of Senate Joint Resolution 104 expressing the sense of Congress with respect to the health of the Nation's children and that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. The joint resolution will be stated by title.

The legislative clerk read as follows:

A joint resolution (S.J. Res. 104) to express the sense of the Senate with respect to the health of the Nation's children.

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution.

The PRESIDING OFFICER. The question is on passage of the joint resolution.

The joint resolution (Senate Joint Resolution 104) was passed.

The preamble was agreed to.

The joint resolution, with its preamble, reads as follows:

S.J. RES. 104

Whereas children are our precious resource;

Whereas the future of this great country depends on their healthy development, in a safe environment, with a sound education which meets their individual needs and allows them to achieve their maximum potential;

Whereas our national commitment to this Nation's children and pregnant women is not commensurate with our resources or our knowledge;

Whereas we recognize that the health needs of our children are changing, with health problems intertwined with behavioral and psychological disturbances often related to social and economic conditions;

Whereas there are alarming trends in preventable diseases and deaths among our children, as evidenced by the increase in childhood diseases, injuries, and substance abuse;

Whereas despite our technological advances in the treatment of newborns, the United States ranks 18th among industrialized nations in infant mortality and our position has not improved since 1980;

Whereas we know that low birth weight is the major contributor to infant deaths, 34 percent of all pregnant women receive insufficient or no prenatal care, with infants born to teens significantly more likely to be born at low birth weight;

Whereas children ages 21 and under represent only 33 percent of the total United States population, they constitute nearly half of the uninsured, with gaps particularly profound for children 0–2 and adolescents 18–21;

Whereas the majority of children who are uninsured have parents that work full or part time, only 12 percent of all uninsured children live in nonworking families;

Whereas Congress has sought to improve and expand Medicaid, fewer than half of poor children are currently receiving Medicaid coverage, and even those who are, encounter significant barriers of limited benefits and frequent periods of discontinuity;

Whereas a wide variety of children's programs are administered at many different levels of Federal and State bureauracies, they have resulted in fragmentation and duplication of services, especially for chronically ill children: Now, therefore be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That we declare that access to quality health care is a goal for every child and pregnant women.

SEC. 2. It is a shared responsibility of both the public and private sectors at the Federal, State, and local levels, and that we collectively commit ourselves to take the necessary steps to remove existing barriers toward that end.

Mr. MITCHELL. Mr. President, I move to reconsider the vote by which the joint resolution was passed.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AUTHORITY FOR COMMITTEES TO FILE REPORTS

Mr. MITCHELL. Mr. President, I ask unanimous consent that committees may file reported Legislative and Executive Calendar business on Thursday, May 25, from 12 noon to 3 p.m., with the exception of the Senate Foreign Relations Committee reporting out the nomination of Richard Reeves Burt to be Ambassador during his term as head of the delegation on the START negotiations.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORITY FOR THE MAJORITY LEADER TO TAKE CERTAIN ACTIONS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the majority leader may be authorized to sign duly enrolled bills and resolutions during the Memorial Day recess of the Senate referenced in Senate Concurrent Resolution 38.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. MITCHELL. Mr. President, I yield to the distinguished Republican leader.

Mr. DOLE. Mr. President, I understand, first of all, there will be no session tomorrow; is that correct?

Mr. MITCHELL. Yes.

Mr. DOLE. I also thank the chairman of the Appropriations Committee, Senator BYRD, and the ranking member, Senator HATFIELD, for their efforts in resolving what could have been a problem. I assure America's veterans I am certain we will take care of their needs. If the House does not accept the amendment then there is still the possibility that OMB could make provisions that would provide relief until June 30.

I would say for the record that, as far as I was concerned, I was prepared to act on the House-passed bill. But that was not the wishes of those who were primarily responsible and I think we have acted responsibly. I thank the majority leader.

Mr. MITCHELL. I thank the distinguished Republican leader.

APPOINTMENTS BY THE VICE PRESIDENT

The PRESIDING OFFICER. The Chair, on behalf of the Vice President, pursuant to 10 U.S.C. 4355(a) appoints the following Senators to the Board of Visitors to the U.S. Military Academy: The Senator from New York [Mr. D'AMATO], from the Appropriations Committee, and the Senator from Montana [Mr. BURNS], at large.

The Chair, on behalf of the Vice President, pursuant to 10 U.S.C. 9355(a), appoints the following Senators to the Board of Visitors to the U.S. Air Force Academy: The Senator from Mississippi [Mr. COCHRAN], from the Appropriations Committee, and the Senator from Iowa [Mr. GRASSLEY], from the Appropriations Committee.

The Chair, on behalf of the Vice President, pursuant to 10 U.S.C. 6968(a) appoints the Senator from

Oregon [Mr. HATFIELD], from the Appropriations Committee, to the Board of Visitors to the U.S. Naval Academy.

The Chair, on behalf of the Vice President, pursuant to 14 U.S.C. 194(a) appoints the Senator from Missouri [Mr. DANFORTH], from the Committee on Commerce, Science, and Transportation, to the Board of Visitors of the U.S. Coast Guard Academy.

The Chair, on behalf of the Vice President, pursuant to 46 U.S.C. 1295(b) appoints the Senator from South Dakota [Mr. PRESSLER], from the Committee on Commerce, Science, and Transportation, to the Board of Visitors of the U.S. Merchant Marine Academy.

RECESS UNTIL WEDNESDAY, MAY 31, 1989 AT 2:15 P.M.

Mr. MITCHELL. If the Republican leader has no further business and no other Senator is seeking recognition, I ask unanimous consent that the Senate stand in recess under the provisions of Senate Concurrent Resolution 38 until 2:15 p.m. on Wednesday, May 31. There being no objection, the Senate, at 7:47 p.m., recessed until Wednesday, May 31, 1989, at 2:15 p.m.

NOMINATIONS

Executive nominations received by the Senate May 18, 1989:

FEDERAL EMERGENCY MANAGEMENT AGENCY

ANTONIO LOPEZ, OF TENNESSEE, TO BE AN ASSOCIATE DIRECTOR OF THE FEDERAL EMERGENCY MANAGEMENT AGENCY, VICE GEORGE WOLOSHYN, RESIGNED.

IN THE ARMY

THE FOLLOWING-NAMED OFFICER TO BE PLACED ON THE RETIRED LIST IN GRADE INDICATED UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 1370:

To be lieutenant general

LT. GEN. JAMES E. MOORE, JR., xxx-xx-xxxx U.S. ARMY.

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE INDICATED, UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 601(A), IN CONJUNCTION WITH ASSIGNMENT TO A POSITION OF IMPORTANCE AND RESPONSIBILITY DESIGNATED BY THE PRESIDENT UNDER TITLE 10, UNITED STATES CODE, SECTION 601(A):

To be lieutenant general

LT. GEN. WILLIAM H. HARRISON, xxx-xx-xxxx U.S. ARMY.

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE INDICATED, UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 601(A), IN CONJUNCTION WITH ASSIGNMENT TO A POSITION OF IMPORTANCE AND RESPONSIBILITY DESIGNATED BY THE PRESIDENT UNDER TITLE 10, UNITED STATES CODE, SECTION 601(A):

To be lieutenant general

LT. GEN. CALVIN A. H. WALLER, xxx-xx-xxxx U.S. ARMY.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 18, 1989:

DEPARTMENT OF JUSTICE

KENNETH WINSTON STARR, OF VIRGINIA, TO BE SOLICITOR GENERAL OF THE UNITED STATES.

DEPARTMENT OF STATE

JOHN CAMERON MONJO, OF MARYLAND, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF CAREER MINISTER, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF INDONESIA.

IVAN SELIN, OF THE DISTRICT OF COLUMBIA, TO BE UNDER SECRETARY OF STATE FOR MANAGEMENT.

DEPARTMENT OF AGRICULTURE

ALAN CHARLES RAUL, OF NEW YORK, TO BE GENERAL COUNSEL OF THE DEPARTMENT OF AGRICULTURE.

DEPARTMENT OF LABOR

RODERICK ALLEN DEARMENT, OF VIRGINIA, TO BE DEPUTY SECRETARY OF LABOR.

EXECUTIVE OFFICE OF THE PRESIDENT

SIDNEY LINN WILLIAMS, OF VIRGINIA, TO BE A DEPUTY U.S. TRADE REPRESENTATIVE, WITH THE RANK OF AMBASSADOR.

DEPARTMENT OF JUSTICE

SHIRLEY D. PETERSON, OF MARYLAND, TO BE AN ASSISTANT ATTORNEY GENERAL.

DEPARTMENT OF TRANSPORTATION

GALEN JOSEPH RESER, OF VIRGINIA, TO BE AN ASSISTANT SECRETARY OF TRANSPORTATION.

DEPARTMENT OF JUSTICE

CAROL T. CRAWFORD, OF VIRGINIA, TO BE AN ASSISTANT ATTORNEY GENERAL.

DEPARTMENT OF DEFENSE

DAVID J. GRIBBIN III, OF MARYLAND, TO BE AN ASSISTANT SECRETARY OF DEFENSE.

LOUIS A. WILLIAMS, OF WYOMING, TO BE AN ASSISTANT SECRETARY OF DEFENSE.

ENVIRONMENTAL PROTECTION AGENCY

FRANK HENRY HABICHT II, OF VIRGINIA, TO BE DEPUTY ADMINISTRATOR OF THE ENVIRONMENTAL PROTECTION AGENCY.

DEPARTMENT OF DEFENSE

DONALD B. RICE, OF CALIFORNIA, TO BE SECRETARY OF THE AIR FORCE.

SEAN CHARLES O'KEEFE, OF VIRGINIA, TO BE COMPTROLLER OF THE DEPARTMENT OF DEFENSE.

THE ABOVE NOMINATIONS WERE APPROVED SUBJECT TO THE NOMINEES' COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.

THE JUDICIARY

FERDINAND F. FERNANDEZ, OF CALIFORNIA, TO BE U.S. CIRCUIT JUDGE FOR THE NINTH CIRCUIT.

PAMELA ANN RYMER, OF CALIFORNIA, TO BE U.S. CIRCUIT JUDGE FOR THE NINTH CIRCUIT.

ROBERT C. BONNER, OF CALIFORNIA, TO BE U.S. DISTRICT JUDGE FOR THE CENTRAL DISTRICT OF CALIFORNIA.

MELINDA HARMON, OF TEXAS, TO BE U.S. DISTRICT JUDGE FOR THE SOUTHERN DISTRICT OF TEXAS.

DEPARTMENT OF DEFENSE

THE FOLLOWING-NAMED OFFICER FOR REAPPOINTMENT AS VICE CHAIRMAN OF THE JOINT CHIEFS OF STAFF UNDER TITLE 10, UNITED STATES CODE, SECTION 154.

To be vice chairman of the Joint Chiefs of Staff

GEN. ROBERT T. HERRES, xxx-xx-xxxx FR, U.S. AIR FORCE.

IN THE ARMY

THE FOLLOWING-NAMED OFFICER TO BE PLACED ON THE RETIRED LIST IN GRADE INDICATED UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 1370:

To be lieutenant general

LT. GEN. FREDERIC J. BROWN, xxx-xx-xxxx U.S. ARMY.

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE INDICATED, UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 601(A), IN CONJUNCTION WITH ASSIGNMENT TO A POSITION OF IMPORTANCE AND RESPONSIBILITY DESIGNATED BY THE PRESIDENT UNDER TITLE 10, UNITED STATES CODE, SECTION 601(A):

To be lieutenant general

MAJ. GEN. FREDERICK M. FRANKS, JR., xxx-xx-xxxx, U.S. ARMY.

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE INDICATED, UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 601(A), IN CONJUNCTION WITH ASSIGNMENT TO A POSITION OF IMPORTANCE AND RESPONSIBILITY DESIGNATED BY THE PRESIDENT UNDER TITLE 10, UNITED STATES CODE, SECTION 601(A);

To be lieutenant general

MAJ. GEN. JAMES R. HALL, JR., xxx-xx-xxxx U.S. ARMY.

IN THE MARINE CORPS

THE FOLLOWING-NAMED OFFICER FOR ASSIGNMENT AS ASSISTANT COMMANDANT OF THE MARINE CORPS AND CHIEF OF STAFF, UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be general

GEN. JOSEPH J. WENT, xxx-xx-xxxx/9903 USMC.

THE FOLLOWING-NAMED OFFICER, UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 601, FOR ASSIGNMENT TO A POSITION OF IMPORTANCE AND RESPONSIBILITY IN GRADE AS FOLLOWS:

To be lieutenant general

MAJ. GEN. NORMAN H. SMITH, xxx-xx-xxxx/9903 USMC.

IN THE AIR FORCE

AIR FORCE NOMINATIONS BEGINNING WAYNE E. BALCOM, AND ENDING STEPHEN M. VALENTINE, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF MAY 1, 1989.

AIR FORCE NOMINATIONS BEGINNING JAMES E. MULLEN, AND ENDING LEO H. FOX, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGESSIONAL RECORD OF MAY 2, 1989.

AIR FORCE NOMINATIONS BEGINNING MAJOR ALAN V. BOX, xxx-xx-xxxx AND ENDING MAJOR MAUREEN E. NEWMAN, xxx-xx-xxxx WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF MAY 2, 1989.

AIR FORCE NOMINATIONS BEGINNING JON M. OWINGS AND ENDING VICENTE U. YAP, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF MAY 2, 1989.

AIR FORCE NOMINATION OF ROBERT J. FRINK, WHICH WAS RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF MAY 16, 1989.

IN THE NAVY

NAVY NOMINATIONS BEGINNING KRISS B. STANLEY, AND ENDING LINDA S. TAYLOR, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF MAY 1, 1989.

EXTENSIONS OF REMARKS

BREASTFEEDING PROMOTION: LESSONS FROM DEVELOPING COUNTRIES

HON. MICKEY LELAND
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES

Thursday, May 18, 1989

Mr. LELAND. Mr. Speaker, on April 27, 1989, the House Select Committee on Hunger conducted a hearing to examine child health improvement interventions utilized in many developing countries and how these practices might be applied here in the United States. We received testimony from Dr. Sandra Huffman, president of the Center to Prevent Childhood Malnutrition, on how breastfeeding promotion can be used as an agent to improve the health and nutrition status of infants and children in this country. I commend this statement to your attention.

While we are a society which focuses on technological advancements in the field of medicine, in our efforts to develop and implement comprehensive programs for disease prevention and health promotion, we must not overlook those simple strategies that are efficient, cost-effective, and easily practiced. I believe the potential benefits outlined in Dr. Huffman's testimony merit our strong consideration.

TESTIMONY PRESENTED TO THE SELECT COMMITTEE ON HUNGER, APRIL 27, 1989, BY DR. SANDRA HUFFMAN, PRESIDENT, CENTER TO PREVENT CHILDHOOD MALNUTRITION

Breastfeeding has unmatched health benefits for infants in both developing and developed countries. Many programs in developing countries have led to large increases in breastfeeding rates, with substantial benefits for child health and significant savings in health costs. This testimony summarizes successful programs to promote breastfeeding throughout the world, and discusses how the U.S. could benefit from similar activities to increase breastfeeding in our own population.

Children who are breastfed have fewer cases of diarrhea, respiratory tract infections, allergies and other diseases. In recognition of these benefits of breastfeeding, the Surgeon General's report on Health Promotion and Disease Prevention set one of the U.S. health objectives of increasing the proportion of women who breastfeed their babies at hospital discharge to 75% and the percentage of women still breastfeeding at 6 months postpartum at 35% by the year 1990.

In 1985, nearly 60% of U.S. infants were ever breastfed, with about 30% still breastfeeding at 3-4 months. While breastfeeding rates in the U.S. among middle and upper income women now approach the objective for 1990, rates of breastfeeding among low income women remain far below. In 1985, only 35% of women with incomes below $7,000 ever breastfed and only 10% were breastfeeding at 5-6 months. In the U.S., women with higher educations are more likely to breastfeed than women with lesser educations; in 1985, 49% of women with grade school or highschool education breastfed compared to 76% of college graduates.

In developing countries, the pattern is reversed. Usually it is the more highly educated, higher income women who bottle feed—as they consider it a more modern way to feed their infants. Unfortunately, these women serve as role models for other women, and thus often lead the population into reduced rates of breastfeeding—a damaging situation for all sectors.

Besides helping to prevent health problems and their related detrimental effects to individuals and families, breastfeeding has cost implications for the federal government. It has been conservatively estimated that in the U.S., $25 million could be saved through increased rates of breastfeeding due to reductions in illness and associated physician visits and hospitalization.

Decreases in costs for health care have been observed in many developing countries that have had programs to promote breastfeeding. Lessons learned from developing countries can be helpful for the U.S. Programs that have been successful in increasing rates of breastfeeding have focused on: (1) Training and education of health professionals; (2) Establishment of appropriate hospital practices surrounding delivery and the immediate postpartum period; (3) Peer support for breastfeeding mothers; (4) Public education through mass media; and (5) Health programs and policies, such as maternity leave and restricted advertising of breastmilk substitutes.

Training and education of health professionals in the advantages of breastfeeding and techniques to help mothers breastfeed have proven productive in Indonesia, Thailand, Panama, and the U.S., among others. Such training is needed because current medical education both in developing and developed countries does not usually address lactation management, nor provide sufficient information on the benefits of breastfeeding. Medical texts in the U.S. generally contain more information on preparation of formula than on lactation management. Too often wrong advice is given by pediatricians to breastfeeding mothers. For example, if the infant cries, a poorly trained pediatrician may suggest an additional bottle. This only interferes with breastfeeding, setting up a cycle of reduced milk output, an infant crying more, more bottles, and even less milk production. Properly trained health professionals will help the mother increase her milk supply by suckling the infant more frequently, which results in greater milk production.

An innovative program was started at the University of California at San Diego, which is currently a separate training institute known as Wellstart. This program trains health professionals from developing countries in lactation management. The program has resulted in an ever widening alumni of trainees who return to their own countries to promote increases in breastfeeding with high rates of success. In addition to training, Wellstart operates a lactation clinic where new mothers with breastfeeding problems can be seen by health professionals who have been trained in lactation management. This program is one of the few in the U.S. that includes clinical experience. Unfortunately, there are few funds for such programs.

Changing hospital practices surrounding delivery are also effective measures to increase the rates of initiation of breastfeeding. Appropriate practices have included keeping the mother and infant together after delivery and suckling by the infant soon after delivery. Mothers who have immediate contact with their infants following birth are more likely to continue breastfeeding. Elimination of water, glucose water, or other supplements to the infant while in the hospital have also been shown to be important practices in increasing breastfeeding. Allowing mothers to breastfeed on demand rather than by a schedule also helps increase successful milk production. Infants who are given bottles often exhibit subsequent nipple confusion since sucking at the breast requires different movements than sucking a bottle nipple. The use of milk supplements or water make the infant less willing to suckle because he is less hungry. Continued sucking at the breast helps promote increased milk production and is therefore essential for successful breastfeeding. On-demand feeding is one of the principal means of promoting increased milk production, since usually infants fed on demand will suckle about every 2 hours during the first few weeks following birth.

A particularly important measure shown to be effective in the Philippines, Costa Rica, Brazil and the U.S. is allowing the mother and infant to stay together continuously while in the hospital. Known as rooming-in, this is one of the most important measures to be taken, since it promotes many of the other conditions needed for successful breastfeeding (on-demand feeding, no bottles, and no replacement of breastmilk by water or other supplements).

The extent to which hospital practices can influence breastfeeding in the U.S. has been illustrated here in the nation's capital. Breastfeeding rates in hospitals vary from over 80% at Georgetown University Hospital to less than 10% in another local hospital. While much of this difference is due to the socio-economic characteristics of the populations served by the two hospitals, it also reflects practices in the two hospitals which either promote or hinder breastfeeding. For example, in Georgetown no supplemental bottles of glucose water are routinely given, while at the other hospital glucose is commonly given. Georgetown operates a Lactation Center, while no such service is available at any other hospital in the D.C. area. The Lactation Center staff provide breastfeeding education and support for postpartum mothers, and training of nurses and other health professionals on lactation management. They also offer a telephone counseling service to help women with problems breastfeeding. Distribution of formula at discharge is common at most local hospitals, while at Georgetown the policy is not to distribute packets.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

A recent study in the Washington, D.C. metropolitan area of three hospitals illustrated that when socio-economic factors were controlled, the use of supplements for infants in the hospital was the major factor associated with whether the mother continued to breastfeed. When infants are routinely separated from their mothers and given bottles at night, milk supply is adversely affected and mothers get the impression that their milk is not sufficient to feed their infants. They are then more likely to continue using bottles at home, with subsequent detrimental effects on breastfeeding.

Hospitals that have encouraged breastfeeding have seen large savings from decreased illness rates in newborns, decreased purchases of bottles of infant formula and drugs, and reductions in nursing staff. This has been documented in Honduras, Costa Rica, India and Indonesia.

In rural areas of developing countries, where breastfeeding is common and successful, there is a support network in the community that helps new mothers breastfeed. There are numerous neighbors, relatives and local midwives available to help a new mother learn how to breastfeed successfully. Contrary to popular assumption, breastfeeding is a skill that must be learned, and that can be learned easily with advice and support from others.

In urban areas of developing countries, however, where urban migration has led to disruption of extended families, and subsequent less cohesive urban groups, peer support needs to be encouraged through more formal methods. In the US, informal support is often not available, because breastfeeding rates were quite low in the 1950's and 1960's and many current grandmothers did not breastfeed or did so for short durations. The La Leche League was started over 25 years ago during a time when breastfeeding rates were quite low among middle class women. It has been an important source of peer support among women with similar middle class background within the community to help women overcome cultural constraints to breastfeeding and lack of knowledge. Such peer support has generally not been available to lower income, Black, Hispanic, or American Indian women. The cultural constraints to breastfeeding among the poor have not been able to be countered through normal health care programs, nor through La Leche League projects aimed at low income groups. Programs that promote breastfeeding among low income women need to be particularly sensitive to the constraints of income, time, and child care that these women face.

Low income women who have been able to successfully breastfeed have had support from other mothers, relatives and friends. Several peer support programs have been developed through WIC programs that have been shown to be successful in increasing rates of breastfeeding. In addition, these programs have resulted in enhanced confidence and self-esteem among mothers involved in the programs. The Center to Prevent Childhood Malnutrition is working with the Tennessee State Health Department and the D.C. Department of Public Health to help low income women develop their own peer support projects to promote breastfeeding in their communities. We envision that these projects will have benefits for infant feeding and will also lead to other social benefits including enhanced self esteem of mothers, and improved parenting skills.

Public education through mass media and school systems has been used in several developing countries to enhance the image of breastfeeding, to educate the public about its health benefits, and to support corollary programs in breastfeeding promotion described above. Little is seen in the media about breastfeeding in the U.S. The use of public figures, such as singers and actresses, has been shown to be successful in increasing the acceptance of breastfeeding in developing countries that have breastfeeding mass media campaigns. The U.S. population needs to be sensitized to the importance of breastfeeding as the best form of infant feeding as well as understand that all women can successfully breastfeed. Currently most brands of infant formula state "breastmilk is the best form of infant feeding, however when breastmilk is insufficient, then (their product) is the next best". This message gives the implicit information that breastfeeding may be insufficient. In the U.S. there is no information given to the public or the woman trying to breastfeed that counteracts this assumption.

An example of an excellent social marketing project is one that the Southeast Region Breastfeeding Promotion Program is developing. Several states and counties within the Southeast Region are pooling resources to support a mass media campaign in conjunction with production of training materials for health professionals and for mothers to promote breastfeeding among economically disadvantaged women. This program is struggling at the moment because of limited funds, even though in the long run states and the federal government would save funds through the benefits in costs that increased breastfeeding would have.

The U.S. is one of the few countries throughout the world that does not have a law requiring maternity leave or nursing breaks to allow working mothers to continue breastfeeding. The U.S. is also the only country, other than Japan, that distributes infant formula as part of its program to support nutrition of young children. Most countries provide prenatal counseling to all mothers. In many developing countries, pamphlets and posters produced by infant formula companies are prohibited in health centers. In the U.S., however, it is common to have such literature given to prenatal and postpartum mothers. Such a practice gives implicit support by the health sector for the contents (which often provides information contrary to appropriate breastfeeding).

Nearly $2 billion are spent on WIC each year, which covers nutrition education and supplementary food for low income women, infants and children. Of this, nearly one-third, or over $500 million are spent on infant formula. WIC serves an average of 1.1 million infants each month. It has been estimated that over $30 million of savings in formula expenditures could occur annually if WIC mothers would breastfeed for just one month. With much more modest inputs to enhance training and education of health professionals, to change hospital practices in hospitals serving low income populations, and by providing peer support for breastfeeding women rates of breastfeeding could be increased substantially among women served by WIC. This would result in savings thereby allowing more women and children to be served by WIC, reduce costs for health care due to reductions in illness, and lead to benefits for mothers and infants in other areas.

In the U.S. there is a need to focus funding on breastfeeding promotion among low income populations. Funds set aside within the WIC program and within other health projects would be an impetus to help states and local communities develop effective programs. Such programs could include training of health professionals, supporting changes in hospital practices, developing community based peer support programs, and supporting mass media projects to educate the public. As recommended by the National Committee on improving breastfeeding strategies in the WIC program, Congress should:

1) Establish a separate line item for breastfeeding promotion efforts to be added to the WIC reauthorization legislation;

2) Include a national evaluation component in the legislation to monitor and evaluate the effectiveness of the use of such funds;

3) Set the funding level for this breastfeeding promotion effort at $10 per woman to be distributed to WIC state agencies according to their caseload count; and

4) Establish a national advisory panel charged with assisting state WIC agencies in the development of program plans which meet the lcoal needs, minimizing duplication of efforts while assuring that the plan is nationally coordinated;

Internationally, there is a need to allocate more funds in U.S. AID programs to support breastfeeding promotion. While over $170,000,000 are budgeted for child survival programs each year, AID reports roughly only $2 million are spent annually on breastfeeding in developing countries. The impact of breastfeeding promotion on child survival is so great that WHO estimates mortality during the first 5 years of life would be reduced by 25% if even modest increases in breastfeeding were obtained. Continued and enhanced funding for breastfeeding promotion projects and their evaluations in developing countries would facilitate replication of successful projects and show how these programs work to combat infant morbidity and mortality.

LEONARD MARKS AT THE CSCE LONDON INFORMATION FORUM

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 18, 1989

Mr. FASCELL. Mr. Speaker, the London Information Forum, one of a variety of followup meetings that take place within the Helsinki process, concluded last week after 4 weeks of interesting and stimulating discussions. The forum was an outstanding success and brought new achievements to the increasingly productive Helsinki process. The chairman of the U.S. delegation was Leonard Marks, a distinguished Washington lawyer and former director of the U.S. Information Agency.

He did an outstanding job in providing leadership for the Western delegations and creative new ideas which resulted in a new and unprecedented openness in CSCE. Mr. Marks is to be congratulated for his performance. Many of the achievements of the London Information Forum are recounted in Mr. Marks' closing statement which was given last Friday in London. At this point, I would like to place his remarks in the CONGRESSIONAL RECORD and commend them to my colleagues.

CLOSING STATEMENT BY LEONARD H. MARKS

As the London Information Forum nears its end, we can take pride in our achievements.

Much was accomplished, but much more remains to be done to realize the commitments we made in Helsinki, Madrid and Vienna.

We come away with a firmer resolve to enlarge the means by which information travels between East and West.

And we come away with a sharper vision of the world we aspire to create for ourselves and our children.

We hope the close of this Forum is not an end but a prelude to an era of greater understanding, reduced international tensions, and closer bonds among our societies. Indeed, all of us leave London enriched by personal ties that developed during the course of our work here.

Mr. Chairman, change is in the wind. The growing thrust toward democracy reminds us of what men and women can accomplish when their minds are free to explore all areas of knowledge—unrestricted by arbitrary constraints on information.

Change is before us. We feel it. Diversity is no longer a pretext for criticism, but a key to greater understanding.

Change is no longer viewed as a threat, but an opportunity. It is not to be feared, but welcomed. The power of these changes could be felt throughout the Forum.

The high quality of our dialogue here has been matched by the professional tone of our exchanges. Open and frank discussions have replaced confrontation.

We examined in detail participating states' records of implementation of CSCE principles. We did this in an honest, forthright manner. Where we disagreed, we said so.

But, Mr. Chairman, we did more. Despite our differences, all of us listened. And we showed respect. Not just in a pro forma, diplomatic manner. But in a way that enhances dignity.

We know that no country, political system, or particular group has a monopoly on truth. Our cultural backgrounds are different. We speak different languages; but we share a common heritage—the desire of the human race to survive and to be free in a peaceful world.

As changes occur, as diversity is appreciated, as our comprehension of other societies expands, trust grows.

And it is trust, Mr. Chairman, that is the foundation on which our framework for the free flow of information rests.

It was the Greek philosopher Aeschylus who said: "For somehow this is tyranny's disease, to trust no friends."

When this conference began, many felt it would achieve little.

How wrong the cynics were.

We have heard some astounding proposals from countries that only a few years ago would not have countenanced what we in the West consider the free expression of ideas.

Let me list some of the accomplishments of this conference:

1. We met in an open forum. Members of the press and other private sector representatives took part in all deliberations. I am proud to have suggested this fundamental change and honored that other states supported this move.

That's a big step forward that will hopefully serve as a guideline in satisfying the public's right to know. This unprecedented decision demonstrated our intent to breathe life into our Vienna commitment to ensure the "freest and widest dissemination of information."

Equally important was the inclusion of experts in the field of information. They have firmly grounded our discussions in the here-and-now of their working experiences, and several of their proposals merit follow-up by our governments.

2. The fact that journalists from the participating states exchanged views is, in and of itself, an accomplishment. An abundance of refreshing, new, and practical ideas emerged from the working groups. They are reflected in the list of proposals that will be submitted to Helsinki in 1992.

Throughout the conference we heard the universal complaint that delays in issuing visas and burdensome travel restrictions impede the free flow of information.

Accordingly, I shall recommend to the Secretary of State that the U.S. Government re-examine our own policies in this area. I am mindful that national security considerations must be taken into account. But I believe it is time for the U.S. to take a fresh look at these procedures.

3. During our deliberations, we had bilateral conversations with countries from Eastern Europe to discuss mutual problems. Let me refer to one: currency nonconvertibility. In informal discussions with the Soviet Union, we found them to be responsive, in principle, to our proposal to permit inconvertible sales proceeds earned by foreign media organizations to be used for their in-country expenses. We look forward to follow-up conversations regarding this initiative.

4. There has been a growing recognition that technological developments have made instantaneous communications possible in all parts of the world. Satellites, cable link-ups, and advanced transmission means have bridged chasms which geography created and political leaders have made permanent. Any two points on the globe are now instantly in touch.

Yet, we have not taken advantage of some of these developments because of a lack of cooperation between governments. These impediments can and must be removed.

Mr. Chairman, I have highlighted a few of our achievements. We must not be misled, however, into believing that our job is done.

Some countries have failed to abide by the Spirit of Helsinki. Their restrictions on the free flow of information retard progress rather than further it.

Fortunately, there are encouraging signs that a better future depends on pluralism in all aspects of life. For example, Hungary and Poland are easing the way for citizens of divergent views to participate in a meaningful way in political and social life. The Soviet Union, too, is embarking on this road, and we hope it will go far along it.

The presentations made here by the Hungarian, Polish, and Soviet delegations, as well as the variety of perspectives represented by their delegates, are a step in the right direction. We welcome these changes and encourage them.

We have set the stage here for such joint undertakings through both the content and form of our meetings. Our wide-ranging and intense discussions examined many of these areas where mutual efforts could be productive.

In conclusion, my delegation joins me in thanking the Secretariat staff for their outstanding support throughout the Forum. They and our British hosts made our stay in this magnificent city a truly memorable experience.

Finally, my sincere thanks to the interpreters who—as much as anyone at this conference—have made a significant, and tangible contribution to the free flow of information.

CONGRESSMAN HAMILTON FISH, JR., ADDRESS TO NAACP

HON. LAMAR S. SMITH

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 18, 1989

Mr. SMITH of Texas. Mr. Speaker, I was privileged to be present last night at the NAACP Walter White Award Dinner commemorating the 35th anniversary of the U.S. Supreme Court decision in Brown versus Board of Education.

The annual award presentation was made to Congressman HAMILTON FISH, JR., a Republican from the 21st District of New York.

Congressman FISH is only the second Member of the U.S. House to be so honored, and the first Republican to receive this award.

I am honored to be able to place in the RECORD the remarks made by Congressman HAMILTON FISH to the NAACP after his acceptance of the award.

REMARKS BY THE HONORABLE HAMILTON FISH, JR., AT THE NAACP WALTER WHITE AWARDS DINNER

It is customary on occasions like this to express one's gratitude to the sponsors of an award, but the usual expressions of gratitude are completely unequal to the emotions I feel this evening.

I want to do more than just thank you. I want to do more than tell you how proud you have made me. I want to tell you the simple truth: That this is one of the proudest moments of my life–

To receive an award bearing the name of Walter White, that steadfast soldier in the decades of struggle before Montgomery, before *Brown* vs. *Topeka*, before the great victories of the 1950's and 1960's,

To be honored by the NAACP, which under the leadership of Dr. Benjamin Hooks, continues to be the advance guard of the civil rights movement in America,

And to be numbered in a select company that includes Hubert H. Humphrey, President Lyndon B. Johnson, Sir Arthur Lewis, Arthur Fleming, and my colleagues Ted Kennedy and Peter Rodino,

In all honesty, I would never have had the presumption to place myself in such company.

When I think of "uncommon achievements in civil rights" I think of colleagues I have known in the Senate and House—leaders in the legislative battles of the last quarter century. I think of the giants in the Senate, my heroes, Jack Javits of New York, and Mac Mathias of Maryland. And I think of Senators Lowell Weicker and Arlen Specter.

And in the House, New York's Emanuel Celler who steered our Judiciary Committee through the 50's and 60's. And I think of the champions who occupied the position I now hold—Bill McCullogh of Ohio and Robert McClory of Illinois. And I think of John Anderson of Illinois who so often took the House floor to remind his Republican colleagues that they were the party of Lincoln.

Tonight, I think of myself as representing this Honor Guard who helped achieve historic gains in human rights.

These were leaders in the great national consensus that has emerged in America. A consensus that says, at long last—the time has come to keep the promise of American democracy; a consensus that has produced the greatest peaceful revolution in human history—but a revolution that we have yet to complete.

I need not remind this audience that this revolution, while peaceful, was neither painless nor bloodless; that before the legal triumphs and the legislative victories, there were years of heroic acts of witness, from those who marched in the streets to those who sat at the lunch counters, from those who rode the buses from State to State, black and white together, to those who refused to step to the back of the bus.

And, always, there was the NAACP, the bulwark of the cause, the fighter of the day-to-day battles, the organization that always knew the central test of our democracy in the twentieth century would be its capacity to keep its promise to black Americans.

I was raised far away from these battles, but I was raised to believe that true American democracy depends upon it becoming a reality for all of our citizens.

My children understand this. And have asked to share tonight with me. I thank them for being here.

When my father fought to defend our democracy in World War I, it was in a segregated army; an army where whites and blacks were kept rigidly separate. So my father led the black 369th Infantry—the most decorated American unit in all of World War I. At the outset of our entry in that war, the 369th was assigned to the French 4th Army, I am told to avoid integration with the American forces. Thereafter, he fought in Congress for laws against the poll tax and against lynchings and segregation in the Armed Forces.

In 1922 my father collaborated with Walter White and James Weldon Johnson on the Dyer anti-lynching bill. While it did not pass, it is significant as an early effort to incorporate the bill of rights into the 14th amendment. Incorporation was realized by a series of Supreme Court cases including *Brown* vs. *Board of Education.*

Of course, my father had someone to remind him of his commitment to human rights. He had the greatest lobbyist the Constitution every had, your legendary advocate Clarence Mitchell.

When I entered the Congress in 1969, Clarence Mitchell was there to welcome me. And he told me how he had enlisted my father at the outbreak of World War II as a leader in the fight to desegregate the military.

Today what Clarence Mitchell was to my father and his generation, Althea Simmons has been to me—and to the House and the Senate of the 1980's—sometimes the voice of moral outrage; invariably, the voice of experience and expertise; and always the voice of conscience.

Tonight, in the shadow of the great giants in the struggle, in the company of so many soldiers in the struggle, and on the anniversary of so many victories in the struggle, it is an appropriate moment to assess where we've come and where we're going.

On the 35th anniversary of *Brown* vs. *Topeka*—and 25 years after the passage of the Civil Rights Act—we can look back with satisfaction at the great victories that forever destroyed the legal basis for segregation, disenfranchisement and discrimination in America.

These victories were the work of a biracial and bipartisan consensus. They were the product of a moment of history when the vast majority of Americans had at long last realized that simple justice was an idea whose time had come. Now, a quarter of a century later, that consensus has held, these legal and legislative gains have emerged intact.

I can report to you that, for the past decade, a bipartisan consensus in Congress has kept the faith, has protected and even built upon the accomplishments of the 1960's.

We kept the faith and extended the Voting Rights Act; and throughout America, politicians compete for the support of people who were disenfranchised little more than two decades ago.

We kept the faith and enacted the Martin Luther King Holiday—a bill that had languished in the House for years—and now our schoolchildren are learning the story and the struggles of one of the greatest leaders of our times.

We kept the faith and repudiated tax breaks for segregated schools. We repudiated bills to strip the courts of their jurisdiction over fundamental issues of justice. And we enacted sanctions against the racist regime in South Africa.

And the most recent Congress—the 100th—may well be the best civil rights Congress since the sessions of 1964 and 1965.

When we enacted the Fair Housing Amendments Act of 1988, when we overturned a Presidential veto of the Civil Rights Restoration Act of 1988, we proved beyond a doubt that the bipartisan consensus for civil rights is as alive and well now as it was during the glory days we commemorate tonight.

But this is not the time to congratulate ourselves—this is the time to challenge ourselves. As you know so well—we have come a long way; we still have a long way to go.

The ultimate measure of justice is not what is written on paper in our lawbooks, but what we experience as human beings everyday—in our neighborhoods, in our workplaces and in our schools. As Dr. King might have asked—what good is it to have the *legal right* to sit down at a lunch counter, if you can't afford the price of a hamburger?

Now and forever, we need to defend and expand the legal structure of civil rights. Now and forever, we need to enforce these laws vigorously and rigorously. Now and forever, we need to select judges at every level of the Federal bench, who are unshakably committed to the principle of equal justice for all.

There are new civil rights frontiers of the 1990's. They are economic opportunity, economic empowerment and economic equality. And we must meet these challenges with the same determination that we met the challenges of desegregating public accommodations and public schools and polling places.

We must not be complacent when the gap between black and white incomes is wider than it was a decade ago. We must not be complacent when the poverty rate for blacks is three times the poverty rate for whites. We must not be complacent when the number of black students in college may actually be decreasing. And we certainly must not be complacent when a black baby born here in our Nation's Capital has less of a chance of living to its first birthday than a baby born in Trinidad and Tobago or in Costa Rica.

As surely as the 1950's and 1960's were a time for action, this is a time for action, for all Americans, not just some Americans.

This is the time to take the wonderful consensus that has protected the gains from the 1950's and 1960's, and put it to work to meet the challenges of the next decade and the next century.

My message tonight is one of hope.

In the slow and painful progress of human rights in America, it seems to me that progress comes when what was morally necessary becomes a practical necessity as well—when there is that powerful convergence of common decency and common sense that we call enlightened self interest.

I suggest that today is such a moment in history—a time when moral urgency and practical necessity coincide. And there is the opportunity—to take new strides to the fulfillment of the American dream—the promise of equal rights, equal justice and equal opportunity to all our people.

Today we are challenged by a global economy. The nations of Western Europe will become one economic entity in just three years—a single market that will be the largest trading bloc in the world—a formidable competitor. The Soviet Union, China and Eastern Europe are shaking the cobwebs out of their systems and experimenting with economic and political freedom; the nations of East Asia—Japan, Korea and Taiwan—are outcompeting us even today.

Our future as a major world economic power—our continued competitiveness—will depend on whether, at long last, we provide first-class education and opportunities for all our citizens. That is the reality for our most pragmatic leaders—in business, academia and government.

The Work Force 2000 Report by the Hudson Institute confirms what many have been saying:

Of the Americans entering the work force in the coming decade, the overwhelming majority will be women, African-Americans, Hispanic-Americans, Asian-Americans—historically the victims of discrimination, who have never had the opportunity to reach their full potential. Thus, the vast majority of those who will be entering the American work force are also the least prepared for the rapidly changing technology of the workplace.

If every American does not have the chance to reach his or her full potential, then America will not reach her full potential. If every American does not enjoy first class opportunities, then America will not remain a first-class economic power.

For America to survive and prosper and compete we need the talents of all our people—not just a few of our people—but all our people. This is the new reality that can build a new political consensus in the 1990's and beyond.

It is our common challenge to look beyond the barriers of race and partisanship and ideology to appeal to the enlightened self-interest of all citizens in building an America that brings out the best in all our people because it is the only kind of America that will meet the challenges of the twenty-first century.

When I was preparing these remarks, I thought about the name NAACP, and what those letters stand for. And I fastened on the word "advancement."

The advancement of African-Americans, not only to formal legal equality but also to real economic equality has always been a moral necessity. And, now—more than ever before—it is a practical necessity—for every

American—because, now, more than ever before, the advancement of all of us depends upon the advancement of each of us.

Not just as a Republican, but as an American, I am encouraged when President Bush wants to be the education President, and promises that it will be his mission to fulfill the dream of Dr. King—and when New Jersey's Governor Kean preaches and practices the "politics of inclusion."

Our challenge should not—and must not—be insurmountable. No more insurmountable than the challenge that faced the forerunners of the NAACP who had to meet on the Canadian side of the Niagara Falls because they could not find accommodations on the United States side. No more insurmountable than the challenge that faced those who dared to ask the Supreme Court to overturn the obscence euphemism "separate but equal." No more insurmountable than the challenges that faced Walter White, Clarence Mitchell, Roy Wilkins and Thurgood Marshall when an American apartheid prevailed in the Armed Forces and in the Nation's Capital.

I believe that some day in the next century, our children and our grandchildren will look back at the second half of this century as the second American Revolution.

I hope and pray they will see it as the period when America fulfilled the promises of its first revolution; when America righted the wrongs of generations of racism and discrimination; and when America demonstrated to the world that it is possible to create a nation of justice and equality out of the descendants of people from every continent on this Earth.

And tonight I accept not just an award but a responsibility; to join you, not just in hoping and praying, but in working and struggling to bring about that day when the dream of equality is no longer a dream deferred.

APPLIED TECHNOLOGY EDUCATION AMENDMENTS OF 1989

HON. MAJOR R. OWENS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 18, 1989

Mr. OWENS of New York. Mr. Speaker, as a member of the Education and Labor Committee, I submit these remarks which pertain to H.R. 7, the Applied Technology Education Amendments of 1989, which would amend the Carl D. Perkins Vocational Education Act of 1984 and passed the House on Tuesday, May 9.

The work force of the future increasingly will consist of special populations, including people with disabilities. Current law under the Carl D. Perkins Vocational Education Act contains a 10 percent set-aside, about $80 million to fund the excess costs eligible institutions in providing access to vocational education services for people with disabilities. This bill eliminates four of the six set-asides contained in current law, retaining those that apply to women. In their place, the bill requires recipients to provide a set of assurances that special populations, including people with disabilities, will be served. Thus, although 20 percent of a secondary institution's grant size will be determined by its count of handicapped children served in the preceding school year, there is no connection between this figure and the amount of money a recipient must spend on handicapped children. The history of vocational education legislation shows that the set-asides were adopted in the first instance precisely because special populations were not being served by grant recipients. I wish that I could rest more secure in the belief that the language in this legislation was strong and would serve to accomplish the purpose of ensuring access to quality applied technology education programs for people with disabilities and other special populations. As set out in the bill, there is no requirement that so much as a single individual with disabilities will be served. State monitoring requirements to assure both access for special populations and quality are weak, and language setting forth an appeals procedure for aggrieved parties is sparse and ambiguous.

I have in committee discussions concerning this legislation and in subcommittee and full committee markup sessions, expressed other reservations about the wisdom and the workability of this legislation in actually accomplishing its noble, ambitious and necessary goals for improving applied technology education programs in our Nation. In particular, placing heavy new demands on grant recipients requiring sweeping applied technology education program overhaul, while at the same time cutting the amount of State discretionary money for curriculum development, technical assistance, teacher training and other critical support activities from 13 percent total Perkins Act funding to 5 percent, strikes even the most committed advocates for reform among us as unpragmatic.

Special populations, including people with disabilities, are likely to be harmed the most from the lack of adequate support mechanisms for schools which must implement reforms as a condition for the receipt of Federal funds. Meeting the education and training needs of special populations is not a special interest, somehow opposed to or in tension with the national interest. Our ability to adapt successfully to the changing world economy depends on the improvement of applied technology programs. Special populations currently comprise over one-half of the work force and will make up an increasing percentage of the labor force in the future. If the quality of applied technology education programs does not improve dramatically for them, our Nation will be ill-prepared to meet the international competitive challenges which we are facing.

In this light, one of the most welcome provisions of this bill is a mandated comparative study by the General Accounting Office of the effects of these amendments on both access and quality for special populations, relative to the current law provisions. In particular GAO will be asked to compare the proportion of those enrolled in applied technology education programs who are members of special populations in the final school year under the current Perkins Act provisions with the same data for the first school year under the new provisions. This is the only rigorous way I know of to evaluate any changes produced by the provisions in the new legislation which are designed to assure access to applied technology education programs for special populations. I would hope that GAO could have data available to the Congress shortly after the completion of the first school year to which the new legislation applies. In examining this issue concerning access for special populations, I believe GAO should also be asked to look for any evidence that special populations are being tracked into poorer quality applied technology education programs. Additionally, GAO is required under the provisions of this bill to examine a number of issues with respect to the quality of applied technology education programs for special populations.

Given the sweep of changes proposed in this legislation, and the critical importance to the Nation of actually accomplishing the improvements in applied technology education sought in this legislation, it would be my hope that the House will ensure that the GAO study is retained in whatever legislation finally passes the Congress.

THE NEED FOR SAFER HAZARDOUS LIQUID PIPELINES

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 18, 1989

Mr. SKELTON. Mr. Speaker, 5 months ago, 78-year-old Herman Shanks, of Paydown Landing, MO, did not have a merry or a white Christmas when he awoke to find, not a blanket of snow, but a thick black blanket of crude oil covering the waterway by his farm.

On Christmas Eve last year, 860,000 gallons of crude oil spurted from the Ozark pipeline into Missouri's Gasconade River. The spill endangered thousands of fish and wildlife, leaving an indelible impression on nature and setting the stage for an examination of the Federal Government's pipeline transportation safety policy.

This spill represents three glaring problems with current pipeline safety regulations: One is the lack of testing of older pipelines, another is inadequate training of pipeline operators, and, finally, the use of out-of-date equipment.

The Office of Pipeline Safety within the Department of Transportation just completed their investigation of the accident. Their findings indicate that the spill was primarily due to a manufacturing flaw in the electric resistance weld of the pipeline seam and was magnified by operator error and out-of-date equipment.

Today, I am offering legislation which will require periodic testing of all pipelines and, on an expedited basis, initial testing of pre-1970 pipe manufactured by the electric resistance weld process [ERW].

Extremely conservative estimates indicate that there are approximately 150,000 miles of hazardous liquid pipelines throughout the Nation, the bulk of which crisscross the Midwest. About 30 percent of these pipelines were in place before 1970. These lines were grandfathered into the 1970 regulatory requirements and, therefore, not tested in accordance with present standards for new pipelines. This means that approximately 45,000 miles of older pipelines have not been tested for flaws, strengths, or weaknesses. In the last few years there have been several accidents involving these ERW hazardous liquid pipe-

lines which still are not required to be tested. My bill requires these ERW pipelines to be tested within 1 year.

The Secretary is to issue regulations for periodic integrity assessments based on numerous factors such as the location of the pipeline facilities; the type, size, age, and manufacture of the pipeline construction; the nature, volume, and pressure of materials transported; the climatic, geologic, and seismic characteristics and conditions including soil conditions; and finally, population and demographic characteristics.

Another key element of this bill mandates additional training and testing for pipeline operators. Particularly, training to recognize and appropriately react to abnormal operating conditions which may indicate a dangerous situation.

To coincide with additional training the bill also requires the Secretary to conduct a study of advanced hazardous liquid pipeline facility leak detection equipment and techniques that have been or are being developed. Upgrading the control systems will enhance the safety of the line. Included in the study will be a review of the economic feasibility of requiring such equipment and techniques.

The environmental damage of one of the Nation's largest inland oil spills may not be fully realized until later this year, however, we in Missouri are fortunate to have over half of the oil recovered and minimal environmental damage due to the Shell Oil Co.'s responsive actions and the perseverant oversight of the State government officials. As a result of this spill, it is our responsibility in the Federal Government to make pipeline transportation safer for all of us. That is the purpose of this bill.

PEPSI-COLA CO. DROPOUT PREVENTION INITIATIVE

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 18, 1989

Mr. RANGEL. Mr. Speaker, I rise today to give unwavering support to those corporations who are formulating responsible programs to assist our country in combating the escalating problem of dropouts. I bring your attention to an article that appears in today's New York Times regarding the Pepsi-Cola Co. dropout prevention initiative that will give over $2 million in awards to students and teachers who participate in the program.

According to the Department of Education, our national dropout rate is close to 30 percent. In some of our inner cities, this rate is as high as 50–70 percent. We are witnessing the effect that lack of education is having on the quality of American life as we constantly hear or read of examples where those who don't have an education are leading lives of despair. A great majority of our prison population is made up of dropouts, and close to half of the teenagers who become pregnant drop out of high school never to return. In 1985, less than 24 percent of men and 56 percent of women without high school diplomas were employed. About 40 percent of the children born to parents who dropped out of high school are poor. The Department of Justice estimates that as of 1986, 61.6 percent of prison inmates have not completed 12 years of education. Moreover, the reality is that many students who drop out of high school are already caught in the false glamor and quick demise of drugs. Many of these students would be able to become productive members of society if properly rehabilitated and given a second shot at an education. It is estimated that the total lifetime earnings loss of the dropouts from the class of 1981 are $228 billion, with an approximate tax revenue loss of $68.4 billion.

What is important to remember when discussing the dropout problem is that the business community is also greatly affected by this growing phenomenon. Within the last year, in places like New York City for example, businesses have been unable to find enough high school graduates to fill available work positions thereby resulting in a problematic labor shortage. It is my sincere hope that other major corporations will follow the lead of the Pepsi-Cola Co. and commit themselves to making a difference, not only in the life of the potential dropout student, but in our labor market as well.

It is becoming increasingly clear, that if our students today do not get adequate and complete educations, our Nation's capacity to compete and survive in a highly technological world is greatly threatened.

Thus programs like the one that Pepsi-Cola has started are desperately needed and can be successful. I congratulate the Pepsi-Cola Co. for their innovation and courage in attempting to ameliorate a national problem.

[From the New York Times, May 18, 1989]

A $2 MILLION AWARDS PROGRAM AIMS TO CUT SCHOOL DROPOUTS

(By Doron P. Levin)

The Pepsi-Cola Company announced today that it would spend at least $2 million over the next four years here and in Dallas on a pilot program to reduce dropout rates in inner-city schools. Under the program, students would receive tuition credits for higher education and teachers would receive cash.

The company said the "Pepsi School Challenge" would be the largest financial award program ever granted to a public school by a corporation in this country. The two schools selected are Southwestern High School in Detroit and L.G. Pinkston High School in Dallas.

A spokeswoman, Verla Martinson, said the company hoped to expand the program to 15 major metropolitan cities if the pilot program increased the number of graduates by 25 percent. She said it was too early to name the other cities.

Pepsi-Cola, a subsidiary of Pepsico, is the latest company to make a public issue of declining standards of youth education and to offer money or other support to selected schools.

"The uneducated or undereducated are simply not capable of operating the systems and machinery of an increasingly advanced high technology society," the company said in a statement.

UP TO $2,000 IN CREDITS

Under the program, students will be eligible for $250 in tuition credits a semester, up to a total of $2,000 over four years, for accredited post-secondary education, vocational or other training after high school. The requirements for receiving the awards would be to maintain a C average, to fulfill state-mandated attendance requirements and to have no "formal record or documented use of mood-altering substance."

Fifty faculty members at Southwestern will be designated "program mentors," the company said. Each of the teachers will receive $1,000 a year for expenses and compensation. The school will receive $4,000 to administer the program, the company said.

Chris Sinclair, president of the Pepsi-Cola division covering the central United States, told Southwestern students at an assembly today: "Each school dropout is a loss to us and to society. We want each of you to succeed. We're here to help make today's Southwestern student tomorrow's success."

Southwestern has an enrollment of 1,492 students, 82 percent of whom are from minority groups. The annual dropout rate at Southwestern, averaged over the past four years, is 33 percent.

Two weeks ago, Alfred S. Warren Jr., vice president of the industrial relations staff of the General Motors Corporation, estimated in a speech to Society of Manufacturing Engineers that lack of basic skills and education has cost American businesses and employees $20 billion in lost wages, productivity and profit. Mr. Warren cited estimates that 20 million to 27 million workers, a quarter of the nation's labor force, lacked basic reading, writing and math skills.

Last year the Standard Oil Company of Ohio, a subsidiary of BP American Inc., started a five-year $1.9 million program in the Cleveland schools designed to improve educational performance. The program awarded $40 in tuition credits for each A, $20 for a B and $10 for a C to pupils in grades seven to 12.

IN SUPPORT OF DESIGNATING SEPTEMBER 14, 1989, AS NATIONAL D.A.R.E. DAY

HON. FRANK R. WOLF

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 18, 1989

Mr. WOLF. Mr. Speaker, I join today with my distinguished colleague, Mr. LEVINE, in introducing a joint resolution to designate September 14, 1989, as "National Drug Abuse Resistance Education Day."

I would like to bring particular attention to the strong D.A.R.E. Program in the 10th District of Virginia, a progam that effectively teaches children how to resist the pressure to experiment with alcohol and drugs through the discussion of such important concepts as development of high self-esteem and self-worth.

The D.A.R.E. Program originated in Los Angeles in 1983, and the first statewide progam began in Virginia in 1985; 14 Virginia jurisdictions were originally chosen to participate in the program and that number now tops 90. Arlington County, the city of Falls Church, and Loudoun County have all implemented successful D.A.R.E. Programs in their school systems.

Since attending one of the D.A.R.E. classes, reviewing the course material offered, and

hearing positive feedback from children and adults who have participated in the D.A.R.E. Program in some way, I am convinced more than ever that the D.A.R.E. Program, on both a local and national level, is an extremely positive approach to equipping our youngsters with the skills necessary to recognize and resist the pressure that influence them to experiment with and use harmful drugs.

I salute the school districts and police departments around the country who have taken the D.A.R.E. concept and turned it into a working, effective substance abuse education program for the areas in which they live. I hope that through this resolution individuals will come to know how positive a program this is so that more children around the country will have the opportunity to participate in D.A.R.E.

I urge my colleagues to join Mr. LEVINE and me in supporting this important resolution.

NATIONAL D.A.R.E. DAY

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 18, 1989

Mr. LEVINE of California. Mr. Speaker, I rise to introduce, along with my distinguished colleague FRANK WOLF, legislation designating September 14, 1989, as "National Drug Abuse Resistance Education Day." This resolution commends D.A.R.E. as an outstanding drug abuse education program. Similar legislation has been introduced in the other body.

The D.A.R.E. Program consists of a 17-week curriculum, taught once a week over the course of a semester, on subjects including drug use and misuse, decisionmaking and risk taking, resistance techniques, and assertive response styles. Other D.A.R.E. units help students understand self-image, recognize stress and manage it without taking drugs, and analyze and resist media presentations about alcohol and drugs. The semester-long program is targeted to fifth and sixth graders, but a separate program has been developed to introduce younger grades to D.A.R.E. Additionally, followup instruction has been introduced for junior high and high school classrooms.

The D.A.R.E. Program is taught by veteran police officers, who have direct experience with the tragedies and crimes caused by drug abuse. Each police officer completes a special 2-week training program which includes instruction on teaching techniques, officer-school relationships, development of self-esteem, child development, and communications skills.

The D.A.R.E. Program provides the opportunity for law enforcement, teachers, and school administrators to work together to reduce drug abuse.

The D.A.R.E. Program is now being taught in more than 50,000 classrooms in 48 States and the District of Columbia. The Department of Defense Dependent Schools have also adopted D.A.R.E. Program for use internationally. Additionally, the D.A.R.E. Program is taught in Australia, Canada, New Zealand, and American Samoa. This year, a projected 3 million students will be taught the D.A.R.E. Program.

Independent research has confirmed the success of the D.A.R.E. Program. D.A.R.E. graduates are less accepting of drug use and more able to resist peer pressure to use drugs. The D.A.R.E. Program also contributes to improved study habits and grades, decreased vandalism and gang activity, and a more positive attitude toward the police and school.

The success of D.A.R.E. is also demonstrated in a student-parent survey taken in the Los Angeles Unified School District. Before taking the D.A.R.E. Program, 51 percent of the students surveyed equated drug use with having more friends. After completing the D.A.R.E. Program, only 8 percent of the students made this association. Similarly, before witnessing the D.A.R.E. presentation, 61 percent of parents thought that there was nothing parents could do to prevent their children from using drugs. However, after the D.A.R.E. presentation, only 5 percent of the parents believed this.

I commend law enforcement for its willingness to sponsor innovative and effective programs like D.A.R.E. It is making an important contribution to fighting the abuse of drugs by our young people. I am pleased to have the opportunity to recognize this outstanding program. A copy of the bill follows.

H.J. RES. 276

Whereas D.A.R.E. (Drug Abuse Resistance Education) is a semester-long program that teaches fifth and sixth grade children how to resist pressure to experiment with drugs and alcohol;

Whereas the D.A.R.E. program is also provided to kindergarten and junior high school students and their parents;

Whereas D.A.R.E. targets children when they are most vulnerable to tremendous peer pressure to try drugs and alcohol and teaches the skills to make positive decisions and resist pressure to engage in negative behaviors;

Whereas more than 1,200 communities in 48 States now conduct the D.A.R.E. program in their local schools, and a pilot program has been implemented for use internationally in the Department of Defense Dependent Schools;

Whereas almost 3 million students have been reached through D.A.R.E.;

Whereas because school children are frequently much more sophisticated about substance abuse than are classroom teachers, the D.A.R.E. program is taught by veteran police officers with direct experience in cases involving criminal activity and ruined lives caused by substance abuse;

Whereas each police officer who teaches the D.A.R.E. program completes an 80-hour training course that includes instruction in teaching techniques, officer-school relationships, development of self-esteem, child development, and communication skills;

Whereas the D.A.R.E. curriculum, developed by the Los Angeles Police Department and the Los Angeles Unified School District, helps students understand self-image, recognize stress and manage it without taking drugs, analyze and resist media presentations about alcohol and drugs, evaluate risk-taking behavior, resist gang pressure, apply decision making skills, and evaluate the consequences of the choices available to them;

Whereas independent research shows that the D.A.R.E. program has exeeded its goal of helping students combat peer pressure to use drugs and alcohol, by contributing to improved study habits and grades and decreased vandalism and gang activity and by generating greater respect for police officers; and

Whereas the D.A.R.E. program has achieved outstanding success teaching positive and effective approaches to what is one of the most difficult problems facing our young people today, namely drug abuse: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That September 14, 1989, is designated as "National D.A.R.E. Day", and the President of the United States is authorized and requested to issue a proclamation calling upon the people of the United States to observe that day with appropriate ceremonies and activities.

THE AMERICAN LANDSCAPE IN THE 21ST CENTURY

HON. SAM GEJDENSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 18, 1989

Mr. GEJDENSON. Mr. Speaker, today I had the privilege to take part in the first of a series of hearings to be carried out by the Subcommittee on Oversight and Investigations of the House Committee on Interior and Insular Affairs to examine the issue of open space preservation in our Nation.

The loss of open space is of vital concern to many of us in Congress, Mr. Speaker, especially those of us that represent districts in the populous and evergrowing Northeastern corridor stretching from Boston to Washington.

I can think of no more important issue to be examined by the Oversight and Investigation Subcommittee, which, incidentally, I chaired until this year.

I would like to commend my colleague and good friend Mr. KOSTMAYER, the new chairman of the panel, for examining this important subject.

I would also like to share with my colleagues Mr. KOSTMAYER'S insightful opening statement delivered this morning.

OPENING REMARKS OF CONGRESSMAN PETER H. KOSTMAYER—THE AMERICAN LANDSCAPE IN THE 21ST CENTURY

Today's hearing is the first in a series to occur throughout the 101st Congress and perhaps beyond.

These hearings, to be conducted by the Subcommittee on General Oversight and Investigations, and entitled "The American Landscape," will explore just that, the national landscape, its natural as well as man-made features, its style as well as character, and efforts to preserve and protect it, as well as those, unhappily, far more successful to destroy and degrade it.

The subcommittee will consider how America is handling its growth—whether we are balancing our genuine need for economic development with the equally important need to preserve and protect our natural and historic legacy.

Since coming to Congress more than a decade ago, I have been concerned about the seemingly haphazard way in which growth moves into our countryside and affects the neighborhood values of our great

cities. In our rush to build on lands that were once farms and forests we fail to consider the price we pay for the loss we suffer as a society. We have forgotten too often that old and historic buildings serve our cities, too, not just enormous glass and steel towers that obscure the sun, casting whole neighborhoods into shadows.

Much of the country is in the throes of a development binge that threatens the quality of American life. Since 1960, for example, Bucks County, Pennsylvania, in my own Congressional District, has lost 73 percent of its farms to development. That figure grows each week. In many parts of America, open space is becoming a thing of the past while development buries everything from apple orchards to revolutionary-era farmhouses. In Pennsylvania, we still lose between 70,000 and 90,000 acres per year of farmland.

The destruction of our natural and historical heritage is a national trend. According to the President's Council on Americans Outdoors, since World War II, the United States has lost between 70 and 100 million acres of open space. Much of this loss has occurred in the corridor stretching from Boston to Washington, already our Nation's most populous region. Estimates of the annual losses of open space in the Boston to Washington corridor run as high as one million acres.

For most of our history, it has been our Nation's policy to promote growth on every front. Beginning with the Homestead Act in 1862 and the Mining Act in 1872 and continuing with scores of statutes enacted over the next half-century, the Federal Government encouraged expansion.

Now the time has come to reassess this longstanding national policy. We now must find out what role the Federal Government can play in protecting communities against runaway overdevelopment. And so the idea of a national landscape, its values and standards, does not contradict national diversity. Rather, it enhances it and elevates the Nation's natural and built environment to subjects of national concern.

Actually the federal role in protection and preservation began more than a century ago. Beginning in 1872 with the designation of a national park at Yellowstone, Congress exercised its authority to protect lands in the national interest.

More than a century later, at Lowell Historic Site in Lowell, Massachusetts in 1978, Congress began designating areas of cultural and social significance as well.

Federal efforts to guard our national legacy expanded with the idea that our great battlefields should be protected, too, and later our monuments and memorials as well as trails and rivers and seashores and lakeshores.

All of these efforts have become part of our expanding national landscape and our exanding efforts to protect it.

While the Federal Government has played and will continue to play a major role in protecting this legacy, the task of managing garden variety development has fallen so far to the states, the counties, and municipalities.

This is as it should be. Civic pride, concern for one's neighborhood and neighbors, doesn't come from Washington. It can't be achieved long distance.

Often it seems the Federal Government has been the enemy, however well intentioned, and not the ally of those struggling to save our countryside and our neighborhoods.

As Roberta Brandes Gatz writes in The Living City, "Government agencies . . . staffed with experts who neither love nor really understand the places they plan for, tend to promote grandiose, abstract and largely symbolic ideas . . ."

Writes Ms. Gatz, "We are accustomed to accepting change in the name of progress without a questioning look backward."

Around the country, community and neighborhood groups are struggling to protect the individuality and values of their neighborhoods against the oppressive sameness brought on by so much development.

In the countryside and suburbs, citizens are working to protect vanishing open space and farmland against harsh economic realities.

Through these hearings, the subcommittee hopes to find how best to integrate the strong history of federal land protection efforts with the new wave of local initiatives carried out by interested citizens with the help many times of developers and others with a financial interest in growth. These cooperative efforts need to be promoted. We will also examine what role can be played by other federal programs such as the national trust for historic preservation's main street program and the Department of Interior's state and local river and trails conservation program.

The subcommittee begins this series of hearings today with an examination of the scope of the problem which faces us. We will look at some of the emerging population and planning trends that will influence the degree to which the country can preserve the American landscape.

The subcommittee will also look at some of our failures to date. And they are legion.

While farm and open space vanish at the rate of 5,500 acres each day, whole neighborhoods in America's cities have become barren and blighted dead zones that still fail to shame the nation into action.

In Philadelphia, 50,000 homes have been abandoned: in Detroit, 75,000; in Cleveland, 42,000; in New York, more than 100,000. Meanwhile, instead of repairing, restoring, renewing, revitalizing, rebuilding the housing stock we have, we scar the countryside with more development.

We will also examine the failure of urban renewal, where the Federal government paid for the razing of whole neighborhoods of early twentieth century brick and brownstone buildings and also footed the bill for the infamous "Projects" that now blight our cities.

We will examine our failure to provide enough parks close to home for Americans who in the 1980s find themselves without enough free time to journey to the Nation's great parks in the western states. We will also look at the condition of the great parks themselves, so many of which are overcrowded, understaffed, gradually deteriorating from within, fouled by poisoned water and add an increasingly facing development pressures from without. America's crown jewels fade and grow tarnished, a national scandal that should break the country's heart.

The subcommittee today has assembled several impressive panels, each of which has something to contribute to our knowledge of both the failures that we have suffered and the victories we have achieved. Each I hope will make us think as Americans about what we want America to look like many years down the road.

IN HONOR OF SENATOR STROM THURMOND RECEIVING THE AWARD FOR LIFE SERVICE TO VETERANS

HON. FLOYD SPENCE

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 18, 1989

Mr. SPENCE. Mr. Speaker, on May 6 of this year, the distinguished senior Senator from South Carolina, the Honorable STROM THURMOND, was presented with the prestigious Award for Life Service to Veterans from the Paralyzed Veterans of America and the Vietnam Veterans Institute. The award is intended to recognize outstanding Americans who have made consistent and dedicated contributions to the well-being of America's veterans. I can think of no individual alive today who better deserves this honor than Senator THURMOND. Throughout the several decades of his public service, he has selflessly devoted himself to the causes of the defense of this great Nation and the men and women who have put their lives on the line to protect its freedoms. In order to properly recognize this very noteworthy achievement, I would like to share with my colleagues the Senator's remarks given upon receiving the award.

ADDRESS BY SENATOR STROM THURMOND

It is a great honor, a privilege, and pleasure to accept the Paralyzed Veterans of America and Vietnam Veterans Institute Life Service to Veterans Award. When I consider the stature of each of these past recipients, such as Sonny Montgomery, Alan Cranston, Robert Byrd, John Paul Hammerschmidt, and Bob Dole, I am made keenly aware of the distinct honor that the PVA and VVI have bestowed on me with this award. I shall always strive to remain true to your trust and high standards.

And I want to take just a few minutes to comment upon the fine services which both the PVA and VVI render to this country. Having experienced the hardships of war and having sacrificed for freedom and peace, the members of these two organizations have demonstrated that they are true patriots dedicated to the best of America.

Chartered by the Congress in 1947, the PVA has exhibited particularly strong leadership in the areas of spinal cord research and wheelchair sports activities. As one of the largest private supporters of spinal cord research, the PVA has been very active, not only in improving the care, treatment and rehabilitiation of those with spinal injuries, but also active in seeking an ultimate cure. One of the notable ongoing projects to the PVA is its cooperative effort with Yale University and the Department of Veterans Affairs to fund spinal research at the Center for Neuroscience and Regeneration Research in West Haven, Connecticut.

It is through public and private partnerships such as this one that our nation is able to make great strides to benefit mankind. I commend you for your commitment to excellence.

Equally noteworthy is your commitment to wheelchair sports activities. As a lifelong advocate of exercise and physical fitness, I am keenly aware of how sports and recreational activities can improve the quality of life we enjoy, and particularly the quality of life of those in wheelchairs. In fact, I still

take exercise in the mornings every day for 45 minutes and swim one-half a mile three times a week.

Your leadership as cosponsor of the National Veterans Wheelchair Games, along with the Department of Veterans Affairs, is much appreciated. And I commend you for the contributions you make to the health and well-being of those veterans who participate.

So often we think only of assisting a veteran with obtaining a disability check or direct medical care. But there are other areas where an impact can be made in their lives, such as sports and physical fitness. These activities take a different, but important, dimension of life.

I want to also take this opportunity to commend the Vietnam Veterans Institute for its work in service to veterans.

The patriotic spirit and high ideals which I see among both the PVA and the VVI make me proud of you and the veterans of this country. Having experienced the realities of war, having sacrificed for freedom and peace, you have clearly demonstrated a dedication to the best of America.

In accepting the honor you have so graciously bestowed upon me, I would like to pay special tribute to the veterans of this nation. I have stated many times that it is the highest obligation of citizenship to defend our nation in time of need. And we cannot overemphasize the respect and admiration due those Americans who have answered the call to duty.

As we think of those who have served, I am reminded of the Battle of the Coral Sea, which began on this very day almost half a century ago and lasted four days. As many of you can personally attest, when it was all over the United States emerged with a strategic victory in the Pacific.

America's free because of people like you. And it is our responsibility to insure that the sacrifices of our veterans were not made in vain.

The preservation of liberty is a constant struggle which we must not take for granted. We preserve liberty by maintaining a strong national defense. And we must commit ourselves to insuring that our children, grandchildren, and great-grandchildren do the same.

All Americans have a good reason to look with pride upon our land, our institutions, and our people. Our citizens are a diverse group, but we share a common thread. The common thread is a commitment to freedom.

Whether on the beaches of Normandy, on the cold battlefields of Korea, in the rice paddies of Vietnam, or on the waters of the Persian Gulf, Americans have been brought together from all regions of this country to serve under one flag for one noble cause: the defense of freedom.

As representatives of the people, we have a duty to care for these men and women after they come home. It is our responsibility to insure that they receive the benefits and quality of care which they so richly deserve. This responsibility applies to both the elected officials and working people, such as yourselves, who are involved daily with other veterans.

While we will never be able to completely repay our veterans for their service, loyalty and courage, we can be sensitive and responsive to their changing needs, and make every effort to meet those needs.

Now, I believe most will agree that last year was a particularly good one for veterans, 1988. We witnessed the passage of historic judicial review legislation and the elevation of the Veterans Administration to a Cabinet-level Department, a change I had sponsored since 1975. I am convinced our veterans are better served by a Cabinet Department, and I am pleased with the deduction exhibited by Secretary Derwinski over the past few months. [Applause.]

Just before closing, I want to say a few words about our national defense.

Just nine short years ago, as we entered the decade of the 1980s, our great nation was perceived to be in serious decline, both at home and abroad. The Vietnam War had weakened our morale, Communism was on the rise throughout the Third World, and the countries of South Vietnam, Cambodia, Angola and Nicaragua had all gravitated to the Communist sphere. Americans were being held hostage in Iran. And the Soviet Union had just invaded Afghanistan. Additionally, the Soviets had begun to deploy a new generation of intermediate-range missiles, known as SS-20s. This deployment began to seriously erode the nuclear balance between NATO and the Warsaw Pact.

Looking back, we can see that these problems were brought on by several factors. During the 1970s, the Congress had seriously underfunded needed defense programs. Pay and allowances had fallen so dramatically that it was common to find servicemen and women qualifying for welfare. Members of the noncommissioned officer corps, who are the foundation of our military effectiveness at the unit level, were resigning from the service in alarming numbers. The Army Chief of Staff at the time, General Meyer, even testified that he was in charge of a hollow Army.

Additionally, the Congress in the 1970s passed numerous bills aimed at restricting the President's ability to act as Commander-in-Chief. Most onerous was the War Powers Act. Another was the Clark Amendment, which forbade military assistance to the democratic resistance of Angola. Fortunately, the Congress later repealed the Clark Amendment, a decision long overdue.

Beginning in 1981, a massive rearmament program was begun, which I believe was necessary to modernize our forces across the board, both conventional and nuclear. The changes we have seen in our military forces over the past few years are encouraging. The quality of our personnel is high. These men and women are receiving modern equipment, both in the active forces and in the reserves.

Along with this rearmament has come a resurgence in our national pride.

Unfortunately, there are some in Washington who do not seem to realize the reason for our success. It seems foreign to some that these positive results have been acheived through strength and commitment. Yet it is strength and commitment which the Soviets most respect. And we must never forget that.

Even with recent conciliatory visits of President Gorbachev to the West, we must always remember that when you distill everything down to its essentials, it is strength which engenders respect.

In closing, I want to express my deep appreciation to the PVA and the VVI for the Life Service Award which you have so graciously bestowed this evening. I am both proud and humbled by this occasion. The Paralyzed Veterans of America and the Vietnam Veterans Institute personify that commitment and spirit which has made America great.

I salute you and commend you for your loyalty, courage, and devotion to duty. Were it not for the patriotic deeds of citizens like you and the thousands of others who have worn the uniform, there would be no America.

Keep up your good work.

God bless you, and God bless America.

CUBA'S INDEPENDENCE DAY 1989

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 18, 1989

Mr. FASCELL. Mr. Speaker, May 20 marks the 87th anniversary of Cuba's independence. Once again as we look back at the brave and tenacious leaders who led the battle for Cuban independence, we are struck by the lack of freedom in Cuba today. The long struggle for independence was betrayed by Fidel Castro who promised democracy, development and a better life for the people of Cuba, but delivered dictatorship, dependence, human rights abuses and stagnation.

The past year has witnessed the continuing movement in Latin America and elsewhere toward democracy. Free elections have been held in countries which are consolidating their young democratic systems and in those that are in the process of establishing them. With few notable exceptions we have watched peaceful transitions of power from one elected president to another in countries where experience with democracy is recent. Castro's Cuba now has the dubious distinction of being the oldest dictatorship in the hemisphere, and one of the oldest in the world. In the rest of the hemisphere elections reign; in Cuba a call for a plebiscite on Castro's regime is a radical idea. How far out of step is Cuba from the rest of Latin America.

As more and more Latin American countries enter the transition to democracy and the observance of human rights, Cuba is more and more isolated from its neighbors in this hemisphere. In fact, Cuba is being left behind even in the Communist world. As glasnost, perestroika and demands for reform have come to characterize much of the Communist world, Fidel Castro insists that liberalization is not for Cuba. Fidel's Cuba has become an anachronism, stunted in growth, ruled by an outmoded dictatorship wedded to failed policies. Cuba is not a model for revolutionary youth. In Latin America it has become the example of what to avoid.

The past year saw the first UN Human Rights Commission report detailing human rights abuses in Cuba. Under the capable leadership of Ambassador Armando Valladares, the U.S. mission to the United Nations Human Rights Commission worked to get the UNHRC to continue its investigation into the abuses which have characterized Cuba during the Castro era. While the effort was not completely successful, it does keep the facts about the situation in Cuba before the world. As we commemorate the anniversary of Cuba's independence, we should pay special tribute to the modern day Cuban heros, those who risk their freedom and more as human rights advocates struggling against enormous

odds to make the world aware of the truth of life in Cuba today.

Perhaps the most vivid illustration of the state of Cuba today was General Secretary Gorbachev's recent visit. To avoid the embarrassment of demonstrators appealing for the reforms which have been introduced into the U.S.S.R., Castro had to round up the human rights activists. The visit highlighted the differences between the trends sweeping the world and Castro's stubborn clinging to ideas discarded even in much of the Communist world.

The past year also saw the signing of the agreement on Angola under which Cuban troops, which have been fighting in support of the Marxist regime in that country since 1976, will finally return home and leave the fate of Angola in the hands of its citizens. We must remain vigilant, however. We have no reason to trust the word of Castro. We must insist that Cuba fulfill all its obligations under the agreements.

Years ago the United States played a role in the battle for Cuban independence, helping the brave Cuban fighters win their long fight to give the people of Cuba control over their own government. Today we contribute by keeping alive the flow of ideas to Cuba through the radio station which bears the name of the great Cuban patriot Jose Marti, one of the greatest figures in the history of the fight for independence in our hemisphere. We have all heard the reports of the wide listenership of Radio Marti and of its role in bringing the truth to the people of Cuba. Not long ago this body approved a new program, TV Marti. I am confident that this new venture will also contribute significantly to bringing information and unbiased news to our neighbors in Cuba.

Again we commemorate the anniversary of Cuban independence with the hope that the Cuban people will one day truly gain their independence and be able to exercise the fundamental rights of all people, that of choosing their own government and enjoying the liberties which we take for granted.

TRIBUTE TO CARL O. HYDE

HON. LAMAR S. SMITH

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 18, 1989

Mr. SMITH of Texas. Mr. Speaker, today I am introducing legislation to recognize the service of a dedicated U.S. Postal Service professional, the late Carl O. Hyde of Midland, TX. This bill, which will rename the Midland General Mail Facility the Carl O. Hyde General Mail Facility, seeks to honor and remember Mr. Hyde's contributions as a 46-year employee of the U.S. Postal Service.

It is with the broad support of Mr. Hyde's coworkers, many friends, and fellow citizens of the Midland community that I take this action today. A man who enjoyed the reputation for seeking efficiency and excellence in the postal system, Carl Hyde was fondly known as "Mr. Zip" by those who worked with him. In 1979, he was voted the Federal Employee of the Year by the Permian Basin Executive Association. He worked tirelessly to bring about many improvements in the Postal Service in Midland. At the time of his death, he had over 4,100 hours in Postal Service accumulated sick leave.

Mr. Hyde worked well beyond the accepted age for retirement out of love and devotion to his chosen profession. Throughout, he always maintained a positive outlook and is remembered by those he worked with as a caring man who always had time for others. It is this of exemplary service and dedication that I wish to recognize and hold up as a model for us all.

During World War II, Carl Hyde served with the U.S. Army in the Philippines. When he returned, he settled in Midland, where he became a respected and active member of the community. He served as president of the downtown Midland Lions Club, and was active in numerous civic and church programs. Among the distinguished recognitions he received were three Lion's Presidential Awards and the Ambassador of Goodwill Award. In 1987, he was inducted into the Texas Lion's Hall of Fame.

As a senior postal operations specialist, Mr. Hyde oversaw the facility construction and maintenance requirements for the 63 post offices in the El Paso Sectional Center. The construction of the new Midland General Mail Facility was one of the last projects to which Mr. Hyde devoted his considerably energy, enthusiasm, and expertise. Currently, over 300,000 pieces of west Texas mail are sorted and processed daily at this site. It is Mr. Hyde who is credited with initiating the concept of the facility, and who was actively involved in its development and planning over the years. Thus, it is most fitting and appropriate to redesignate this facility in his name.

LEXINGTON, MO, NATIVE NOW MISSOURI STATE HIGHWAY PATROL SUPERINTENDENT

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 18, 1989

Mr. SKELTON. Mr. Speaker, it is with great pride that I congratulate a fellow Missourian, Col. C.E. "Mel" Fisher, the new superintendent of the Missouri State Highway Patrol.

Mel Fisher is a native of Lexington, MO. He is a graduate of Lexington High School and holds an associate degree in arts from Wentworth Military Academy Junior College also located in Lexington. At Wentworth, Mel balanced his achievements by excelling in athletics, as the captain of the football team, and more important by ranking third academically.

After serving honorably in the U.S. Army from 1954 to 1956, Mel soon continued his formal education and received his bachelors degree in journalism from the University of Missouri-Columbia in 1966 and his masters degree in public administration from the University of Missouri-Kansas City in 1970.

Mel is a 30-year veteran of the patrol, beginning his career in 1958 in Harrisonville. He served as a road trooper in Cass, Platte, and Clay Counties and was promoted to sergeant in 1967 and to lieutenant in 1973. In 1977 he was promoted to captain and became the commanding officer of Troop A in Lee's Summit.

In 1980, he was promoted to major and transferred to the patrol's general headquarters in Jefferson City, where he served as district commander. In 1987, Col. H.J. Hoffman named him assistant superintendent, with the rank of lieutenant colonel. Nominated on April 19, 1989 to become the superintendent of the Missouri State Highway Patrol, he was confirmed by the Missouri State Senate on April 26, 1989, rising to the rank of colonel.

Mel's career is an inspiration, exemplifying hard work, and dedication. I commend him and wish him well in his new duties.

COCHISE COUNTY IS WITHOUT DOUBT THE MOST INTERESTING

HON. JIM KOLBE

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 18, 1989

Mr. KOLBE. Mr. Speaker, I'd like to call the attention of my colleagues to an article recently published in the Pinal Pioneer entitled, "Cochise County is Without Doubt the Most Interesting." In the article, a number of interesting, educational, and definitely unusual tourist attractions located in Cochise County, AZ, are described and touted. For animal lovers, there's a section describing birds indigenous only to Cochise County. For those who like to take scenic drives on Sunday afternoons, there is a specifically outlined route which includes all the major tourist hot spots. For war buffs, there is a section which lists the many historical sites at Fort Huachuca, and the surrounding area. If none of these areas sound appealing, read about Arizona's old copper mines in Bisbee, or Crystal Cave in Painted Canyon. Certainly, there is something for everyone in Cochise County and more than likely, you may read about it in this article.

Also, keep in mind that the recommendation to visit Cochise County was not made by a Cochise County newspaper in an attempt to stimulate tourism, but by a newspaper in neighboring Pinal County, also within my district. I ask that my colleagues take the time to read this enjoyable article so that they may become aware of the many wonderful sights Arizona has to offer.

[From the Pinal Pioneer, Apr. 30, 1989]

COCHISE COUNTY IS WITHOUT DOUBT THE MOST INTERESTING

(By Mark Acuff)

Cochise County doesn't get a lot of ink, but those who've been exposed to its scenic wonders say the southeast corner of the state ranks right up there as one of the most interesting areas of Arizona.

Everyone has heard of Tombstone, but few know of the fantastic view at Portal or the Nature Conservancy preserves at Ramsey Canyon, the Muleshoe Ranch and Portal.

When William Least Heat Moon wrote Blue Highways about the backroads of America, it was the view of the Chiricahuas near Portal which brought him up short to say "Why didn't somebody tell me about this?"

He was heading west in his camper about at the Arizona-New Mexico border near Rodeo when the sheer ramparts of the Chiricahua Moutains hove into view. There are few more spectacular sights in all the Southwest—or the world, for that matter.

At Portal, the mountains appear as though the hand of God smote the ramparts in two, leaving a bodacious chasm where Cave Creek flows out of the mountains.

The creek itself babbles out of rugged forested mountains, surrounded by indescribable beauty. The beauty is not merely in the geology and flora, however, for this is one spot to make amateur naturalists think they died and went to heaven.

Serious birders trying to find that elusive 700th species or so have to visit the Chiricahuas, as several species are found nowhere in the United States but Cochise County.

The mountains also are home to animals usually found only in Mexico, such as coati mundi and ring tailed cats. The coatis, relatives of raccons, have prehensile tails and exhibit a behavioral repertoire which seems a cross between racoons, bears, monkeys and large cats, with a pig-like nose for rooting up grubs.

Author Moon was coming from the east, but Arizonans will be coming from the northwest for the most part. The best way to visit the marvels of Cochise County is to head east from Tucson and leave Interstate 10 at Arizona Highway 83 to Sonoita, where the grass is often so high it can hide a cow.

AZ83 turns to dirt about the time you hit Canelo, where the Nature Conservancy has purchased a ranch and Cienega (bog) important to local wildlife. Start looking for unusual birds right there.

Turn east at Canelo and drive through Fort Huachuca, paying heed to the signs asking you not to run over marching soldiers.

The fort has a wonderful museum of surprisingly large size. In addition to the expected exhibits on the fort's involvement in the Apache wars, there are major exhibits on the contributions of the Buffalo Soldiers, the black cavalry and infantry regiments once stationed there.

As you leave the fort, note the "Fort Huachuca Aerostat," the government anti-drug blimp which so far has spent tons of your money and not caused a single conviction.

Keep going past the government boondoggle and take AZ92 south to Ramsey Canyon, about eight miles south of Sierra Vista.

The Mile Hi preserve of the Nature Conservancy is there, dedicated to hummingbird research and the invention of new ways to get rid of vinca in the canyon.

There are cabins for rent surrounded by zillions of hummingbird feeders by a rushing stream. Nectar feeding bats attend the feeders at night, and that has brought bat researchers to mist net and band bats for research.

AZ92 runs on over to Naco and Bisbee along the Sonora border, allowing the casual tourist to watch wetbacks and drug dealers floating down the San Pedro, which flows north to the Gila after rising in Mexico.

At Bisbee, one can stay the night at the fabulous Copper Queen, a Victorian marvel erected in the heyday of the mines, or several more modern establishments. Bisbee, like Jerome, clings to the mountainside and is home to many galleries and crafts shops.

Down the hill from Bisbee is Douglas, home to another hotel wonder, the Gadsden. It not only has a wondrous mezzanine surrounded by Tiffany stained glass depicting the flora and fauna of the county, but a four story art deco chandelier and gold leaf covered bannisters.

From Douglas, US666 heads from the Mexican border to the Canadian. Take it to the Willcox Playa, where thousands of sandhill cranes spend the winter.

There are accommodations aplenty at Willcox. AZ186 takes you from Willcox to the Chiricahua National Monument, a wonderland of tall rock spires and unusual formations set in a forest. A dirt road goes from there right over the top of the mountains to Cave Creek. This is not for the faint of heart, but affords spectacular views.

The Nature Conservancy has also bought up a preserve around Portal. Crystal Cave is in Painted Canyon, five miles west of Portal. The crystal formations have suffered from vandalism and mining attempts, but much of the dazzling formations remains, at depths down to 650 feet.

Caving is understandably dangerous and should not be undertaken without proper equipment and training.

But one can visit the other Nature Conservancy preserve northwest of Willcox in relative safety.

Take Airport Road straight west of Willcox about 15 miles to a sign pointing to the Muleshoe Ranch, turn right another 15 miles across the War Bonnet Ranch and Antelope Ranch to the end of the road. This is the Muleshoe Ranch Preserve, noted on maps as Hookers (no apostrophe) Hot Springs. At 55,000 acres it is the second largest such preserve in the country.

At the south end of the Galiuro Mountains, the ranch ranges from saguaro desert to ponderosa pine forests. There are 30 hot springs and three permanent streams with gallery forests. A visitor can spend weeks just hiking around the ranch, and one birder recently counted 97 species in one day—after the migratory birds had left for the year.

There are coatis and ring tailed cats, javelinas, deer, antelope and bighorn sheep. Coyotes sing at night and bats flit about. Some of the bats are the pets of the preserve manager, Dr. Donna Howell, who is in demand among Tucson school kids at Halloween when she brings the bats and talks of their importance in the cosmic scheme. Her home at the preserve headquarters is protected by any Attack Mouse, a cute little fellow known for his ability to rend asunder other rodents twice his size and swallow them. His attack howl sounds exactly like a smoke alarm going off.

Cabins can be rented at the Muleshoe as well, at $25 a head for the night. There's a hot tub connected to a 140 degree spring, so hot you need to wait for it to cool down before getting in.

It might be possible to visit all these sights in one day, but to really enjoy them plan on spending a night or two at Ramsey Canyon and/or the Muleshoe. There are few more rewarding places in all Arizona—and you'll hardly see another soul.

For more information call the Conservancy at 622-3861.

NEW SMOOT-HAWLEY BARES ITS TEETH

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 18, 1989

Mr. CRANE. Mr. Speaker, just as I, along with several of my colleagues, predicted during last years' debate on the Omnibus Trade and Competitiveness Act of 1988, threats of counterretaliation to the Super 301 amendment are being made. As the May 30 deadline for the USTR's report identifying countries it believes practice unfair trade rapidly approaches, the European Community has issued a warning that it will retaliate against any American retaliation. Also, the EC has correctly pointed out that the United States engages in several unfair trade practices of our own, such as export subsidies and quotas on sugar, dairy products, and other agricultural imports.

Prof. Jagdish Bhagwati of Columbia University, along with several distinguished U.S. economists, recently released a paper on our Nation's trade policy which includes a series of thought-provoking comments. Under the heading entitled, "Super-301: Prying Open Foreign Markets," the following valid points are raised:

When we confront the strong, such as the European Community, we are likely to produce strongly spirited reactions, proportionate to our folly. While trade disputes will settle, the battles leave scars. The ethos spreads that the trading system is unfair. Protectionists can only find this to their advantage as they continually seek to maneuver the legislative and administrative processes to obtain protection.

When we so confront the weak, they are likely to buckle under. But the danger now is that the small countries we face in trade will view our 301 actions as the way of the bully, reviving the image of the "ugly American."

The 1988 act has greatly expanded the scope of 301 actions. The President is urged to "take all appropriate and feasible action within his power" to obtain the elimination of unreasonable foreign trade practices. But the practices that the 1988 act lists as objectionable are not agreed to as such as by our trading partners at the GATT or in bilateral treaties. The unilateral declaration of such practices as providing us with the excuse for retribution is not calculated to produce an orderly world trading regime.

Then again, in order for a country to demonstrate that its alleged trade barriers are being removed, it is now expected to show an increase in U.S. imports annually over a 3-year period. But trade flows, and balances, are determined—except in the very short-run

period—by macroeconomic factors and policies, not by changes in trade barriers.

I would also like to bring to the attention of my colleagues the following article by Lindley H. Clark, Jr. which appeared in the Wall Street Journal last month.

[From the Wall Street Journal, Apr. 28, 1989]

NEW SMOOT-HAWLEY BARES ITS TEETH

(By Lindley, H. Clark, Jr.)

Congress last year passed something called the Omnibus Trade and Competitiveness Act of 1988. So far, it's just lain there, doing neither good nor evil. But the trade act is about ready to show it can become the most protectionist piece of legislation enacted since the Smoot-Hawley Tariff of 1930.

The trade act is baring its teeth because its provisions say the administration by May 30 must name countries it believes have a pattern of unfair trade practices that hurt U.S. businesses. When a country is included on this list, the government has as long as 18 months to identify unfair practices. Negotiations are supposed to end the practices within three years, or the targeted nations will face trade sanctions. The small and weak countries may succumb to the pressure; large and strong nations may retaliate against any U.S. "punishment." leading to new trade wars.

The language of the act is wonderfully free-swinging. The administration is empowered to crack down on any foreign practice it deems "unreasonable." As Jagdish Bhagwati, a Columbia University economist, remarks, the practice does not have to be illegal. It need only be something we unilaterally consider "unfair and inequitable."

But can't President Bush derail all of this by living up to his free trade rhetoric? He can, but he may not. Under previous legislation, the president early in the procedure could decide against any U.S. counteraciton. Now the power to determine "unfairness" has been transferred to the U.S. trade representative—currently Carla Hills. She has been talking as tough as her predecessor, Clayton Yeutter.

The president at the end of the process still can veto whatever the trade representative decides, but he'll be under strong pressure not to do so. A powerful hint of that came last week in a statement by Sen. Max Baucus, a Montana Democrat. The administration, he said, will be "cutting the heart out of" the new trade law if it doesn't put Japan on the May 30 list.

"If Japan, the most egregious offender, is not named, the most important provision of the trade bill will be cut out," the senator said. Sen. Baucus heads the trade panel of the Senate Finance Committee.

The president met last weekend at Camp David with a group of economists, so maybe there's hope yet. One area on which economists are virtually unanimous is free trade. It's all but impossible to get an economist to say a kind word for the trade act.

Prof. Bhagwati showed how true this was by preparing a statement on U.S. trade policy, with emphasis on the trade act. The statement was signed by a wide range of prominent economists of varying political persuasions.

The statement stresses that in the past, trade barriers traditionally have been reduced by trading these reductions. It's impossible to estimate exactly how our trade restraints compare with those of our trading partners, but a U.S. official once privately said the situation was "about 50-50". If Sen. Baucus gets his way, Japan and other nations will reduce their barriers against U.S. trade whether or not we do anything in return.

It's sad. The U.S. after World War II led the way toward a general opening of world markets. The result has been a huge expansion of world trade, with major benefits for the economies of the U.S. and other nations.

If the U.S. now lurches into a heavy-handed effort to reshape world trade to suit Sen. Baucus and his friends, the action could hardly be coming at a more unfortunate time. Negotiations under the General Agreement on Tariffs and Trade are still going on. The talks have had plenty of trouble, which is hardly surprising: This Uruguay round was highly ambitious. Many issues beg for reciprocal action, notably agriculture.

There is no part of the world economy that's as distorted as agriculture. It is, of course, heavily involved in domestic politics, which helps to explain why GATT has largely bypassed it up to now. Han Seung-Soo, Korea's minister of trade and industry, has been in the U.S. lately pleading for exclusion from the trade act's hit list. As an economist, he knows his country's best interest is to admit more U.S. farm imports; but as a politician, he's painfully aware of Korean demonstrations featuring the burning of Yankee products.

The U.S. and Europe, not to mention Japan, have plenty of farm restrictions of their own. The Economist magazine estimates that Europe's Common Agricultural Policy means Europeans pay up to four times the world price for food. GATT ministerial talks in Montreal late last year bogged down in part because of disputes over agriculture. Movement has more or less resumed in Geneva as all countries have agreed to reduce their subsidies to agriculture.

Well-intentioned or not, that agreement could be meaningless. We need to work out ways to get the subsidies down and, eventually, out. The atmosphere for such negotiations, which would have large and important benefits for the world, would be improved if the U.S. were not running a sock-it-to-them sideshow.

We need a kinder, gentler world, to adapt President Bush's phrase. Europe at the moment is hard at work on Europe 92, converting into a single market. There are widespread fears in the U.S. and elsewhere the result will be to exclude foreign goods. The chances Europe will become a protectionist bloc will be greatly enhanced by Europe's fears that the U.S. has something quite similar in mind for itself.

The Reagan administration came into office in 1981 with a firm commitment to free trade. In practice, the administration was more protectionist than most of its postwar predecessors. The voluntary export restraint agreement wasn't invented in the Reagan years, but it was refined to a fine art.

President Bush has an opportunity to place himself on the side of setting trade disputes by multilateral negotiations, not by one-sided threats. Working through GATT will be slower, but the results will be more likely to contribute to the sort of world we all want.

INTRODUCTION OF A BILL TO AMEND THE AFRICAN ELEPHANT CONSERVATION ACT OF 1988

HON. JACK FIELDS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 18, 1989

Mr. FIELDS. Mr. Speaker, I am pleased to join with our distinguished colleague, CLAUDINE SCHNEIDER, in proposing this legislation to improve the African Elephant Conservation Act of 1988.

Mr. Speaker, last year the Congress enacted as part of the Endangered Species Act reauthorization of this historic act of help save the African elephant.

The African Elephant Conservation Act directed the Department of the Interior to review the elephant conservation effort of both ivory-producing and ivory-trading countries and to ban the importation of ivory into the United States from any nation which does not have an effective program.

While the Department has prohibited the importation of ivory from some 80 countries which are not members of the Convention on International Trade in Endangered Species of Wild Fauna and Flora [CITES], they are still reviewing a number of other conservation programs. In addition, the Department has outlawed any ivory from the African nation of Somalia which has been a sanctuary for marauding bands of ivory poachers.

Mr. Speaker, the African Elephant Conservation Act of 1988, which I strongly supported, was an important first step in the battle to help save African elephants from extinction.

Regrettably, however, without further actions by our Government and the international community, the elephant will soon cease to exist as a viable species throughout much of Africa.

The population estimates for the African elephant are both shocking and depressing. In 1979, the total elephant population in Africa was about 1.3 million animals. Two years ago, nearly 700,000 elephants roamed the plains and forests of Africa. Today, fewer than 400,000 African elephants are alive. And the destruction of this magnificent animal has not been confined to just a few African nations but has been widespread throughout the continent. I urge my colleagues to consider the following:

Before the civil war in Angola, over 200,000 elephants roamed that country's plains. Today, fewer than 8,000 live in that war-torn nation.

In 1973, some 130,000 elephants lived in the Republic of Kenya. Last year, it was estimated that fewer than 16,000 remained. This is a population loss of 90 percent.

In 1977, the Selous Game Reserve in the United Republic of Tanzania had a population of 109,000 elephants. Today, only half of them, or 50,000, are alive.

In 1976, some 80,000 to 100,000 elephants roamed the plains of the Central African Republic. By 1987, fewer than 9,000 remained.

During the turbulent period of Idi Amin's rule in the 1970's, 80 to 90 percent of Uganda's

elephants were slaughtered. A single herd in the Murchison Falls National Park was reduced from more than 9,000 elephants in 1973 to only 25 survivors. And, finally, before its civil war, Chad had an estimated 15,000 elephants. Today, fewer than 1,500 elephants live in that nation.

While population growth has contributed to the demise of the African elephant, the single fundamental reason for the staggering 75 percent decline is ivory poachers.

Mr. Speaker, these heavily armed, immoral, and unscrupulous poachers are indiscriminately slaughtering thousands of elephants, regardless of age, sex, or size, for ivory prices which are greater than a year's wages for most African workers.

During the past decade, the price for elephant ivory has increased more than sevenfold. In fact, the value of ivory has skyrocketed from $4 a pound in 1970 to more than $80 today; and if what has happened to the price of rhino horn is any indication, elephant ivory will continue to escalate in price until all elephants are gone.

Mr. Speaker, sadly, there are only three African nations—Botswana, Zimbabwe, and South Africa—where elephants are relatively free from the constant pressure of poaching. These three countries have sound and effective elephant conservation programs. The rest of Africa is fighting and losing the battle against poachers. These nations are not only losing the war, but they are losing their heritage. The survival of the African elephant is as important to that continent as the bald eagle is to the United States.

Without elephants, many African nations will lose millions of dollars from tourists, sportsmen, and conservationists who come to see the elephant in its natural habitat.

Mr. Speaker, since 1980, the annual volume of world ivory, of which more than 90 percent is poached, has been about 800 tons. To meet this demand, more than 70,000 elephants must die each year. With only about 400,000 left, there is little time to save this irreplaceable species.

We must, therefore, take bold steps to stop the importation of poached ivory and we must reduce the growing international demand for this product.

While I applaud the tireless campaign of the African Wildlife Foundation and its worldwide effort to encourage people not to buy elephant ivory, it is time the U.S. Congress implemented stronger actions that those mandated by the African Elephant Conservation Act.

As I indicated, this act was an important and positive first step. Unfortunately, the level of poaching, the demand for ivory, and the decline of the African elephant are much more severe than anyone imagined.

It is, therefore, my firm belief that we must amend the African Elephant Conservation Act by banning the importation of all worked and raw ivory from any country that does not have a native population of African elephants.

By implementing such a ban, we would immediately send a strong signal to the rest of the world that the United States will not accept poached ivory. While we now import one-third of the international trade in carved ivory, which represents about $30 million, only 3 percent comes directly from Africa. The bulk of it arrives from such intermediary places as Hong Kong, Taiwan, and Japan.

Based on my experience, there is no question that traders in these countries make millions by knowingly carving poached ivory. During my visits to the Orient, I have seen huge amounts of carved ivory and I am convinced that most of this ivory was illegally obtained. There are only a few countries in Africa which have legal "culling" operations and this ivory could not begin to satisfy the demand of Chinese and Japanese ivory merchants.

Mr. Speaker, the message of our legislation is unambiguously clear. In order to import ivory into the United States, you must have a native population of elephants. I am confident that this message will not be lost on either CITES or the rest of the world.

A second positive impact of this legislation is that you would significantly simplify the job of tracking elephant ivory. Unfortunately, once ivory is carved, it is virtually impossible to determine its origin. By limiting imports to ivory-producing nations, the U.S. Fish and Wildlife Service should be able to determine, with some precision, whether an ivory shipment was legally obtained or poached. Under today's unworkable tracking system, once ivory leaves Africa, it is extremely difficult, if not impossible, to find out where it ends up. It is time we gave the benefit of the doubt to the elephants and not the ivory merchants.

And, finally, by establishing such a ban, ivory traders would be forced to move their carving operations to Africa. By so doing, they would help build the local economies of these impoverished nations and would provide a powerful new incentive to manage the African elephant populations in a sound manner.

Mr. Speaker, there is no question that if the African elephant, which is now a valuable economic commodity, no longer has any financial value, then African governments will simply stop spending their meager resources to protect them. As a result, these elephants will be slaughtered for their meat and for the illegal ivory trade outside the United States.

With the population declining by nearly 10 percent a year, we must take additional steps now to stop the annihilation of the African elephant.

I am convinced that neither CITES nor the African Elephant Conservation Act of 1988 will stop this systematic destruction. Only a straightforward ban, which has been endorsed by such diverse groups as the Humane Society of the United States, Game Conservation International, the African Wildlife Foundation, and the Houston/Dallas Safari Club offers real hope of saving this species.

I am convinced that once this ban is enacted, the European community will once again follow our example, as they did with the African Elephant Conservation Act, and they too will prohibit the importation of ivory from so-called intermediary countries. Together the United States and the European community account for 64 percent of the world's consumption of carved ivory. We can make a difference.

Mr. Speaker, in order to save the African elephant, three things must occur. First, consumers must stop buying ivory products. Second, CITES must, during its upcoming conference in October, take meaningful steps to help stop the worldwide flow of poached ivory. And, third, the Congress or the Bush administration must establish a simple, straightforward ban on the importation of all ivory from those countries without a native population of elephants.

If we accomplish these three things, we can stop the slaughter of this magnificent animal and we can ensure that our children and grandchildren will have an opportunity to see elephants in their natural habitat.

As the host of the television series "The Living Planet," Mr. David Attenborough, once said, "Extinction is a one way process. Once a species is extinct, it is lost forever."

Mr. Speaker, I urge my colleagues to join with me and CLAUDINE SCHNEIDER, in strong support of this important legislation. We must approve this measure on behalf of our largest one of our most loved land mammals, the African elephant. Please join us in this vital effort to save the African elephant.

TAXES ON SENIORS ARE TOO HIGH

HON. LAMAR S. SMITH

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 18, 1989

Mr. SMITH of Texas. Mr. Speaker, I am pleased that the conference report on House Concurrent Resolution 106, the fiscal 1990 budget resolution, contains language asking the tax-writing committees in each body to take a close look at what has become an onerous and unacceptable tax burden on our Nation's elderly. I would have preferred the language by Senator ARMSTRONG contained in the Senate resolution, which would have increased the threshold at which the Social Security earnings test takes effect, because I believe this disincentive for senior citizens to engage in work is particularly bad policy. However, I am hopeful that the conference report language will set a process in motion that will do away with this restriction, and address the basic issue of the fairness of tax rates for seniors.

The dollar reduction in Social Security benefits for each earned dollar in excess of $8,800 is in effect a marginal tax rate of 50 percent for those seniors to which it applies. When added to the other seniors-only taxes, including partial Social Security benefits taxation and the new catastrophic health care supplemental premium—a senior citizen who normally would be in the lowest tax bracket becomes subject to a marginal tax rate of 83 percent. This rate is punitive, unfair, and unwise social policy. Currently, more than 855,000 senior workers have their benefits reduced due to this onerous law. These individuals are forced to forgo the full benefits they have worked for and earned over the years. Senior citizens who want to work should not be penalized for doing so, and society should not deprive itself of the talent, experience, and motivation of elderly workers. The conflict between contributing to society through work and giving up earned benefits is unconscionable.

I urge the House Ways and Means and Senate Finance Committees to take seriously the demonstrated concern of the majority of Members and look at ways to reduce the tax burden and restore fairness to seniors. I urge individual Members to support legislation such as H.R. 58, which seeks to eliminate the Social Security earnings test. Finally, I urge the health subcommittees to take a serious look at the ill-conceived catastrophic health care financing scheme, which has caused senior citizens across the country to cry foul.

Mr. Speaker, the tax burden on senior citizens is too high. It is our job to make sure that the elderly can truly enjoy their golden years without having to worry about rising tax rates or choosing between productive work and keeping earned benefits.

U.S. INTERESTS IN THE 1990'S—MANAGING THE GLOBAL ECONOMY: FINAL REPORT OF THE 75TH AMERICAN ASSEMBLY

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 18, 1989

Mr. BEREUTER. Mr. Speaker, this Member had the intellectually challenging and satisfying experience to be among the 60 participants in the 76th American Assembly, Columbia University, which met on April 20–23, 1989, at the Arden House in Harriman, NY, to focus on the global economy of the 1990's as it relates to American interests. The Honorable William E. Brock and Dr. Robert D. Hormats acted as codirectors for this assembly program and supervised the preparation of papers used as background reading by the participants.

I believe the final report of the assembly, entitled, "Seize the Moment," is a statement that deserves the attention of my colleagues in the U.S. Congress, our staff, the executive branch, American business interests, and Americans generally. While not all participants in the assembly agree with all aspects of the statement, it does represent an unusually large degree of general agreement given the complex and controversial nature of the issues and interests involved and the vigorous discussion and debate that occurred. I invite the attention of my colleagues to the following report of the American Assembly:

SEIZE THE MOMENT: U.S. INTERESTS IN THE 1990'S

PREAMBLE

Dramatic changes have taken place in the global economy—and the pace is likely to continue at a relentless rate. We see the next few years as a watershed—a significant turning point in post-World War II political, economic, and security relations. It is a uniquely promising moment in history, when Western Europe is moving toward unity; Japan has attained great economic power and is seeking appropriate world responsibilities; the Soviet Union, several nations in Eastern Europe, and China are turning away from doctrinaire communism to attempt economic and political reforms; and many developing countries have emerged as pace-setters in political and economic reform. In short, we have relative peace and many shared political and economic goals—a large number of which have been inspired by U.S. example. Moreover, this remarkable moment in history is formed by a fast-moving, multi-dimensional technological revolution which has heightened the increasing interdependence of nations.

Yet, at a time that should be triumphant, the industrialized democracies have permitted dangerous trade and other economic imbalances to build up within the international system. Unless corrected soon, they could engulf the world in a new wave of protectionism and bring a financial crisis in the 1990s. Those imbalances are rooted in mistaken and often self-indulgent domestic policies of the industrialized democracies. Responsibility for ensuring a health international economy now rests primarily upon domestic policy changes in the United States, Japan, and Western Europe. It is urgent that the leaders of those nations act quickly and decisively. The 1990s represent a decade of enormous opportunity, but we must no longer ignore the growing dangers.

We need to seize the moment to create a new architecture for international economic cooperation, one that takes advantage of the economic strength many of our friends and allies have attained in recent years. We need to promote global growth, expand and liberalize trade, strengthen the international development effort, and address issues such as drugs and environmental deterioration, which affect virtually all nations acutely.

Constructing this new architecture poses an exciting challenge to American leadership. Having risen to the task of rebuilding the global economy after World War II, the United States is at a point in history when it must again exert leadership, as it did then, to develop a comprehensive strategy for addressing the myriad issues before the international economy. This time the United States can act with the help of a group of nations that were unable to play a major role in the 1940s, but they can and must now share responsibility for providing the ideas, leadership, and resources necessary to meet the challenges ahead.

The world has made remarkable economic progress since the devastation of World War II—and Americans should feel a strong sense of pride that their nation's leadership has played a critical role in this success. Most of the goals set by the United States for achieving a stronger and prosperous democratic world over the last forty years have been met beyond expectations: Western Europe and Japan are thriving and prosperous democracies, market economics has demonstrated its superiority to communism, and world trade and investment have expanded dramatically.

What then should our goals be, what policy instruments should be employed to achieve them, and what institutional structures are best suited to the tasks ahead?

The economic and political relationships among nations and the underlying characteristic of the global economy today differ greatly from those of the 1940s, when current international institutions were created, and by the end of this century they will be far different still. Today the freedom of capital flow exerts powerful constraints on national management, burgeoning populations in the developing world exert massive pressures for migration, governments increasingly seek to manage flows to trade and direct investment, the forces of economic nationalism have been stronger as globalization of the world economy renders workers and industries more vulnerable to international forces; nations artificially create competitive advantage to the detriment of others; trade and current account imbalances reflect large domestic imbalances in the United States and its trading partners; populations have come to realize how vulnerable they are to one another's lack of environmental responsbility, remarkable changes in the previously rigid economies in the Communist world reflect recognition that they lack global competitiveness and are unable to meet the basic needs of their citizens; the world's poorer nations, most of them debt-encumbered, are experiencing enormous human and economic problems which portend social volatility and international instability; and technological changes cause quick shifts in competitive advantage and bring the world closer together by permitting the instant and massive dissemination of information and ideas.

Leaders and officials under pressure of time and politics must make choices that will influence the course of our lives and societies. Often what appear to be insurmountable political or resources constraints to new policies or shifts in priorities, attitudes, or patterns of resource allocation can be overcome if benefits of doing so, or the costly implications of not doing so, are made dramatically clear. President Franklin Roosevelt conveyed a sense of the costs to America of failing to provide Britain with lend-lease aid by explaining the importance of helping a neighbor to put out the fire in his home lest it next spread to yours.

It is frequently asserted that democracies take bold decisions only in crisis. In the current environment it is essential to build a new architecture of international economic cooperation and address internal economic problems, to avert a crisis. Failure to act puts the United States in harm's way—vulnerable to an energy crisis as our import dependence increases, vulnerable to a financial crisis as domestic and international deficits and our attendant dependence on massive imports of foreign capital persist, vulnerable to an outbreak of economiic nationalism as trade issues and imbalances go unattended to, vulnerable to massive instability in the Third World along with massive immigration pressures as the debt problem festers, vulnerable to unexampled dangers to the physical environment, and vulnerable to the geopolitical consequences of instability in Eastern Europe as their economies deteriorate. Even if such crises never occur, insufficiently bold action on the domestic and international economic fronts will mean a steady drift that renders us less and less capable of influencing events and saps American leadership potential and spirit.

FIRST AMONG EQUALS: RELATIONSHIPS WITH JAPAN AND EUROPE

From being first, the United States has become first among equals, its main rivals also being its closest allies: the European Community (EC) and Japan. The difficulties thus created stem in large measure from the success of earlier American initiatives. Economic reconstruction of Western Europe and Japan and the political integration of the European Communiuty were, with the successful containment of the USSR, the principal strategic goals of the United States in the postwar world.

Goal of cooperative global economic management

With the exception of the much more urgent concern about the global environment, the goals of the United States in managing the global economy are essentially what they have always been: sustained economic growth on the basis of a open, market oriented global economy. What has changed is the ability of the United States to achieve this goal on its own. While the United States can and should remain the leader of the foreseeable future, to do so it will have to improve its own economic performance by managing its own affairs more successfully and cooperating more effectively with Japan and the European Community than it has succeeded in doing up to now. There will be frictions, but these are containable—and must be contained.

A prime U.S. policy goal in dealing with Japan and the European Community must be genuine partnership, beginning with economic and financial responsibility sharing. For political as much as economic reasons, the American people increasingly believe they are paying too high a cost and a disproportionate share of the costs for leadership in security, world economic development, and maintenance of the world trading system.

The existing international institutions, both formal—the International Monetary Fund (IMF), the World Bank, the regional development banks, the General Agreement on Tariffs and Trade (GATT), the Organization for Economic Cooperation and Development (OECD), and the relevent U.N. agencies—and informal—the Groups of Five and Seven—need to be reinforced. This is particularly true of the problem of the global environment, where the increasing cogency of the issue demands a more effective institutional framework. There will also have to be reallocation of responsibilities, with Japan, for example, being encouraged to play a far bigger and more positive role.

Successful global policy coordination requires not merely the constant cooperation of the United States, Japan, and West Germany within the evolving EC institutional framework, but willingness of all the main newly industrializing countries (NICs), including the primary NICs such as Korea and Taiwan, to align the pursuit of domestic and international goals. Without such coordination, governments cannot expect to achieve and maintain the growth of the world economy, price stability, and exchange rate stability. The ongoing effort to achieve more stable exchange rates can in turn help focus attention on the need for mutually compatible changes in domestic policies

In trade, too, the multilateral system embodied in the GATT must remain the cornerstone of U.S. policy and must be strengthened through successful completion of the Uruguay Round. But this will not be enough to preserve it. The United States is also committed to market-opening strategies of a unilateral and bilateral character aimed at achieving more equitable access to markets. The United States must be mindful of the need to pursue these strategies in ways that complement and reinforce the multilateral objective and promote the fundamental goal of a more liberal world economy.

The emergence of a new power—Europe 1992

A new kind of entity is emerging in Western Europe, one characterized by ever greater pooling of sovereignty in economic affairs. For a long time, the United States will have to deal simultaneously with both the EC institutions and the member states, especially the major ones. But relations with the community institutions, and in particular the Commission, should be upgraded.

The European Community's program to completing the internal market should be regarded as an opportunity rather than as a threat. For the Europeans themselves it represents a further step toward an essentially political vision. For the United States it should be no more controversial than all the previous stages toward its longstanding goal of strengthening Western Europe. To date, the risk of a "fortress Europe" has been greatly exaggerated, and what risks of increased protection there are can be averted by purposeful U.S. and multilateral action, to which the European Community generally has shown itself sensitive.

Despite the absence of any broad protectionist objective, there are risks in emerging EC trade policy—in anti-dumping, in local content requirements, in reciprocity, and in the replacement of national quota restriction by EC-wide measures. The United States can—and must—tackle these, largely through the Uruguay Round, but also in bilateral fora.

On the other portion of the European continent, the collapse of the Communist model represents one of the great changes in the world and a positive development for the United States and its allies. But smug self-satisfaction is not the right response. Efforts need to be made, consistent with maintenance of Western security, to bring Eastern European countries into the world economy. The European Community is clearly in the best position to achieve this. It should be encouraged to do so.

A crucial bilateral relationship—Japan

Japan, the world's first economic superpower without military power, is embarking on an historic, domestic debate about the nature of its global responsibilities and long-range interests. The United States also stands at an historic juncture regarding its global responsibilities. These two democracies must fundamentally reassess the nature of their partnership.

Yet the U.S.-Japan relationship suffers from intense conflicts over important economic interests. The United States is growing increasingly frustrated by the limited results of endless attempts to penetrate the Japanese markets, whether in semiconductors, supercomputers, agriculture, or consumer goods. On the other hand, the Japanese rightly argue that the United States lacks a responsible fiscal policy and adequate savings rate. There are real risks from this state of mutual recrimination.

Immediate disputes must be resolved—and a wider cooperative vision put in its place. Japan must import substantially more manufactured goods. The current account surplus is both a political and an economic problem. It has fallen from 4.4 percent of Japan's GNP in 1986 to 2.9 percent last year. It should fall further and more of the surplus should go to the developing countries.

Japan must be encouraged to proceed faster toward implementing the vision of its role in the world economy indicated in the Maekawa report, one in which growth is driven largely by domestic demand at home and greater governmental attention is given to constructive engagement abroad, especially in the developing world. There is also a need to find opportunities for additional shared activities. The immense challenges of addressing the global environmental changes and Third World debt present an important opportunity in that regard.

A VASTLY DIFFERENT THIRD WORLD

A stable, growing world economy that meets U.S. interests must include the active participation of the Third World. The failure to deal with a vastly changed, but often ignored, Third World is potentially explosive. In the decade ahead, developing countries must be part of the solution to many problems confronting the industrialized world—from the U.S. trade deficit to the scourge of narcotics.

The Third World covers a broad spectrum of nations that includes such new industrial powerhouses as South Korea, such nations as Mexico where economic potential is hobbled by debt, and the desperately poor lands of sub-Saharan Africa, where living standards have sharply eroded in recent years.

Difficulties of developing countries

If debt burdens are not eased soon, some Latin American countries are likely to erupt with social and political turbulence. Rather than waiting for a crisis, prompt action can prevent one. Renewing growth and investment in developing countries will restore a valuable market for U.S. exports. Thus, helping the Third World reduce its debt burden is not only charity, but also enlightened self-interest.

Sustaining the global environment provides a major new challenge in relations with developing countries. The apparent warming of the world climate is likely to widen the gap between the developed and developing world. Dealing with this issue will require urgent policy choices and new forms of cooperation by all nations. The implications of failing to act range from rising sea levels through the renewed threat of famine due to possible failures in agricultural production. Dealing with this issue will require urgent policy changes by all nations. Industrialized countries must reduce their use of energy; new energy strategies, based on highly efficient technologies, must be developed and transferred to the Third World; and developing countries must address the task of slowing and reversing deforestation.

Great advances in improving well-being have been achieved in the past three decades, but much remains to be done to alleviate poverty in the foreseeable future. Sub-Saharan Africa, where explosive population growth is combined with severe environmental degradation requires priority attention..

The shared social problems of illegal narcotics and AIDS demonstrate the Third World is not a remote concern, but part of our own lives. AIDS epidemics are apparently most serious in Africa, the Caribbean, Europe, and North America. And the rising tide of illicit drugs entering developed countries is a significant and increasingly divisive factor in relations with the developing world. Clearly, these common plaques require cooperation.

Ultimately, the developing countries themselves must take the tough steps necessary to attain growth. They must overcome formidable internal constraint arising from inefficient state economic controls. Some Third World regimes use their development problems as an excuse for human rights violation and outright corruption, which themselves retard development progress. Steps must be taken to slow rapid population growth if the task of providing jobs and meeting basic human needs is to be within the realm of the possible.

Developing countries willing to help themselves also need international support and

encouragement that the United States has failed to provide. What can the United States do given its budgetary and other constraints? Considerably more than it is doing. The United States needs a coherent, predictable, long-term program for a differentiated and much more important Third World. Sustained and rapid economic growth in this area, particularly the middle-income developing countries now heavily burdened with debt, can be a key element in reducing the U.S. trade deficit without inducing a global recession. Some of the elements in a differentiating package for the Third World should include: support for human development programs and for opening up of their economies in South Asia; long-term twenty-year commitment to accelerating African development through a major reallocation of concessional flows; specific plans for reduction of debt burdens in middle-income countries, particularly in Latin America.

A GLOBAL COMPACT

The coming of a new president to power coincides with an extraordinary opportunity to create a more open and peaceful international system. It is essential that the United States articulate a clear sense of the world it would like to see and how it would like to get there. Many other nations do not yet know what role the United States wants for itself, much less others. At the same time, these countries not only accept the idea of U.S. leadership, they see no alternative. Yet, the current push for managed trade in Washington suggests that many Americans want an aggressive internationalism with the United States pursuing more confrontational policies against new economic "enemies," above all Japan. Recurrent calls for burden-shifting and bringing home American troops suggest that others want a return to neo-isolationism.

It is the firm recommendation of this Assembly that President Bush and Congress reject those cramped visions and embrace another that is far more positive and hopeful: *shared leadership.* There must be a greater opening of foreign markets and a greater sharing of military burdens, but the United States should remain committed to the strategic vision that has been immensely successful since the war; continued world economic growth, economic stability, open trade and investment, and a more equal distribution of economic resources through higher growth rates in developing countries. To those traditional goals must now be added another rapidly growing in significance; a healthy environment.

Reaching a global compact

The industrialized democracies now face a clear and present danger that unless they soon take corrective actions at home, the imbalances could bring on a financial earthquake during the early 1990s. The first fissure already appeared during the stock market crash of 1987. Unfortunately, several of these nations have demonstrated an inability to overcome their own domestic constraints. The United States has talked incessantly about its chronic budget deficits, but those deficits are bigger today than two years ago. The agreement recently reached by the president and Congress is wholly inadequate to correct the problem. In like measure, Japan has promised to adopt a more globalized economy, but the results of its reforms—while welcome—are still inadequate.

This Assembly strongly and urgently recommends that the United States now take the lead in reaching a compact with the other industrialized democracies that commits each of them to put in place domestic measures that are desperately needed. President Bush should seize the opportunity at the coming Seven Nation Economic Summit this July to begin negotiating this compact. The G-7 mechanism for surveillance and policy coordination should be employed to monitor progress in carrying out this accord, and the IMF should be given a more prominent and transparent role in this evolving mechanism. In addition, the president should work with Congress to appoint a private bipartisan group in the United States who can work with the federal government to monitor progress. A global compact, taken seriously, would not only ensure each nation that it would realize significant benefit for taking tough political steps at home but would also provide an additional—and much needed—source of discipline upon it.

To what should the nations agree? This Assembly recommends the following measures:

The United States.—The United States must reestablish its international credibility and begin to deal with its domestic problems.

For its own sake, and for the world economy, the United States must finally put its economic house in order.

For years the nation has borrowed more than it has saved, spent more than it has earned, and bought more than it has produced. The result: a huge and growing external debt, high real interest rates, and lower investment in its markets than its competitors.

A critical first step is to balance the federal budget. We agree with President Bush's desire to first eliminate unnecessary spending. Nor would we exempt any area, including defense or entitlements, from this careful scrutiny. While respecting his desire to avoid raising taxes, and especially tax rates, we note elsewhere in this report and in the president's message to Congress an urgent need for additional expenditures in certain critical areas such as education. We believe that the funding of these essential programs and the needs of the total economy for more growth, lower interest rates, and reduced inflation will require significantly higher revenues.

This Assembly recommends, as part of a package of fiscal measures, that gasoline taxes be significantly and gradually raised as a means of achieving balance, reducing the rate of consumption growth, and lessening the nation's dependence on foreign oil, the largest American import. It must be adjusted, we agree, to eliminate regional and personal inequities—but this can be done. Adoption of a gas tax would reveal to the American people and the world that the U.S. government still has a capacity to act. We also look favorably upon "sin" taxes, a value added tax, and user fees. The sum of the new revenues raised should equal $50 billion per year. In parallel with this, a new effort is required to raise consistently the level of private American savings—and new techniques must be explored for doing this.

Japan.—Despite many changes, Japan has moved too slowly to open its borders, and resentments are building to dangerous levels. As its part of a global compact, Japan should fully and speedily carry out its own commitment to the Maekawa report, globalizing its economy. Japan should also pay special attention to a series of additional measures: reform of its distribution system; a rationalization of its land and rice policies; an increase of its official development assistance to at least 1 percent of its GNP (although the Japanese participants viewed this figure as unrealistic), all of it untied; recycling its surpluses to urgent needs in the Third World, in the form of ODA, debt relief or otherwise, on a far larger scale; a reduction in the anti-consumption bias in its tax policy; and enforcement of anti-monopoly laws.

The European Community.—President Bush should specifically welcome the economic and political integration of Europe, recognizing that it is a positive development for the United States and a contribution to world economic growth. The European Community should supplement the 1992 program with accompanying policies aimed at increasing growth. In addition, the European Community should pledge to reduce average trade barriers to the lowest level of any of its constituent members, so passing on some of the internal benefits of its growth to others. The European Community, like the United States and Japan, should also reduce substantially its subsidies and protection associated with its agricultural policy, as well as liberalize its non-traffic barriers (NTBs) and play a more concerted and constructive role in the Uruguay Round. It should make transparent and eliminate gray area measures such as inter-industry, trade-restricting arrangements. We would welcome further changes in the European Community that would allow it to speak with a single voice in international economic institutions.

These measures, taken together, should bring significant progress toward reducing the current imbalances in world trade and placing the international economy on a smoother path through the 1990s. Current imbalances are unsustainable. The United States has a keen self interest in substantially reducing its level of borrowing from overseas. It must not be forgotten that while trilateral understandings on global issues are extremely important, any viable solutions to global problems must fully recognize the interests and responsibilities of the Third World and should be implemented through multilateral institutions.

A broader agenda for the United States

Over the long haul, the capacity of the United States to play a decisive role in world leadership depends upon its political will to deal with current problems, thereby insuring its continuing economic strength. Such leadership will be substantially enhanced if U.S. real GNP grows long term at least as fast as most, and preferably all, major industrialized economies with similar per capita incomes. In addition to the measures enumerated above, this Assembly recommends that the nation adopt a sweeping series of additional changes to strengthen its competitiveness and improve its prospects during the 1990s:

Education.—While its institutions of higher education are among the finest in the world, the U.S. system of primary and secondary schools is sorely inadequate for its domestic and international needs. The nation must invest not only more money but more time on the part of parents and other adults in the education of the next generation. A radical effort to improve teacher and student performance in grades pre-school through 12 is an absolute imperative, as the effective employment of the newest education technologies, especially for continuing education.

Infrastructure.—The disrepair of many roads and bridges, growing inefficiencies in other forms of transportation, and inadequate water and sewage systems hobble the country's ability to compete. The nation must seek a national infrastructure strategy and be prepared to invest several hundred billion dollars over the next few decades.

Government Regulation.—Care should be taken that anti-trust, communication, tax, and other regulatory policies not inhibit the competitiveness of U.S. industries.

Technologies.—U.S. policies should enhance the competitiveness of its industries. Strong support should be given to lowering the cost of capital. In some cases, promotion of industry may be essential to the national interest and the United States should provide support, especially for basic and process research. A regulatory environment should be created that fosters pro-competitive cooperative activities, particularly in high-technology products and a renewed attention to long-term needs through greater investment in research and development in the private sector. In addition, the United States should act to support American companies when foreign mercantilist practices demand a response in order to avoid harm.

A renewed emphasis upon development

The burning problem of Third World debt must be urgently addressed. While a welcome first step, the Brady plan to reduce debt obligations must be pushed forward as far and as fast as possible. Expectations are high, especially in Latin America, and must not be disappointed. Twelve Latin American nations hold elections in the next eighteen months, and growth must be restored promptly to sustain democracy and stability. Mexico is the most pressing and important of these nations to the United States. Debt reduction must be accompanied by a flow of new resources and economic reforms in the debtor countries. The surplus nations, most notably Japan, must play a major role in financing debt relief, but the United States cannot be a free-rider. Given its own budget constraints, the United States should reallocate expenditures within its current aid budgets and act to expand more borrowing from international financial institutions by encouraging them to more fully utilize their guarantee authority. Reducing its own budget deficit would also lower interest rates, benefitting both ourselves and Third World debtors. It is imperative to reverse the flow of resources from South to North.

Easing the debt burden will not spur economic growth without new measures to expand trade opportunities, too. Preferential treatment for exports of the developing nations is no longer the central issue. The industrialized countries can make concessions, such as liberalization of trade in textiles and sugar as well as abolishing all barriers to exports from the poorest nations. The developing countries, however, should now be prepared to join in agreement on issues such as international investment, intellectual property, and services and expose their economies to more competition through liberalization of trade barriers and restrictions. The developing nations should also play a greater role in the formation of international economic policy as well as accepting increasing responsibilities in the system, especially the newly industrializing nations.

It should be noted that regional needs now differ somewhat for these nations. South Asia is graduating from highly concessional terms to assistance from the World Bank, and thus the resources of the International Development Assistance (IDA) and other concessional lending should be increasingly directed to Sub-Saharan Africa. The administration of the regional development banks and the specialized U.N. agencies should also be reformed to serve more effectively as bridges between the First and Third Worlds.

A new economic approach toward the Soviet Union and Eastern Europe

These nations should be more fully integrated into the international economic system to the extent that they are able and willing to accept responsibilities. We support increased contact between the Soviet Union and international economic institutions, to promote an exchange of information and discuss the rules and practices of the international economic system, though full membership is now premature. The Western democracies should seek greater economic openness and political pluralism in the nations of Eastern Europe and their expanded relations with multilateral economic institutions, recognizing the momentous possibilities that now exist there. The United States and its partners should not hesitate to differentiate between Eastern European countries in order to encourage the desired political evolution. The West should not negotiate specific new security arrangements with the Soviet Union regarding the future status of Eastern Europe, but it should make clear to the Soviets through the CSCE framework that it is not seeking to threaten Soviet security.

Reinforcing international financial institutions

The United States has not paid enough attention to multilateral institutions in the past. President Bush and leaders of other nations must take a more active role in the Bretton Woods institutions. For example, the Uruguay Round offers a major opportunity for fundamental reform of the GATT. The United States must also promptly and willingly pay its bills, ending a practice that has been embarrassing for this country. It is especially important that the roles of the participating nations reflect their economic contributions and standing. In particular, Japan is entitled to greater prominence. The United States must overcome its resistance to such changes and be willing to give up its veto power in the IMF and World Bank.

* * * * *

In all of these areas, American leadership is critical to success. While the United States is no longer dominant, it is still unique in its combination of economic strength, military power, technological prowess, and political vitality. At the same time, America must now learn to share the stage with other nations. The transition ahead will bring frequent frustrations, even acrimony, among the industrialized nations, but the United States should continue to welcome the emergence of other powers. They can and must accept some of the responsibilities as well as the costs of leadership.

Dean Acheson once wrote of the enormous excitement of being "present at the creation." Another such moment is at hand. If the industrialized democracies fail to seize the moment they risk serious global economic, political, and ecological crises within the decade. So taking advantage of the opportunity is not a choice but a major and urgent obligation. If, on the other hand, they do act together, and in cooperation with the developing nations, clearing away the imbalances of the global economy and building an open, dynamic world trading system, we could be on the verge of the most important—and most fulfilling—decade of this century, preparing a promising road for the twenty-first century.

To repeat, this is a watershed time. Failure to act would reflect a refusal to learn from history. The postwar era was built by men and women who insisted we learn from the panic, the Great Depression, and the Second World War. The world they built has served us well. The lesson of their political will, courage, and foresight is one we must now heed.

NATIONAL ADOPTION WEEK OF 1989

HON. CHRISTOPHER H. SMITH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 18, 1989

Mr. SMITH of New Jersey. Mr. Speaker, there are over 2 million people in this country that want to adopt a child—prospective parents who have placed their names on an adoption agency waiting list, yearning to give a child a loving, caring home.

At the same time, there are thousands of special needs children in foster care and institutions who are legally free and waiting for permanent adoptive homes. Due to barriers in the system, however, there have been difficulties in placing these deserving children.

Another tragic fact to consider is that 40 percent of all pregnancies to teens end in abortion. Of the 300,000 babies who are carried to term and born out of wedlock, only about 5 percent are placed for adoption.

In light of these statistics, Mr. Speaker, we as a society must do more to facilitate the adoption of special needs children and promote adoption as an option for problem pregnancies.

President and Mrs. Bush, longtime advocates of adoption, have helped establish this issue as a national priority. The President has proposed a restoration of the tax deduction for adoption expenses and is working with States and the insurance industry to change policies that discriminate against adopted children with special needs.

Barbara Bush has become the honorary chair of the National Committee for Adoption and heads the committee's National Advisory Board.

There has also been legislation introduced here in Congress that would effectively encourage adoption. Two such measures—H.R. 1205 and H.R. 1669—introduced by my colleagues Mr. LEHMAN and Mr. MCEWEN respectively, help break down some of the financial barriers associated with adopting children. However, Mr. Speaker, still more must be done to ensure that institutional as well as financial barriers are removed from the adoption process.

With these concerns in mind, I am today introducing a resolution declaring Thanskgiving week as "National Adoption Week of 1989." With the support of over 100 of my colleagues, this measure is introduced to focus

public attention on the benefits of adoption for all concerned—the birthparents, the adoptive parents, and especially the children.

Mr. Speaker, I urge my colleagues to support this resolution. In my view, Mr. Speaker, nothing is more important, no one more precious, or vulnerable than children. National Adoption Week provides us with the opportunity to reflect on the many benefits of adoption and to renew efforts to bring children and adoptive parents together as a family so they can share the love that each has to offer.

TEACH YOUR CHILDREN WELL

HON. G.V. (SONNY) MONTGOMERY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 18, 1989

Mr. MONTGOMERY. Mr. Speaker, in the Memorial Day message I recently sent to my colleagues I pointed out that we all have a duty to teach the children, to teach the children why we are a free nation, to teach the children about those who gave us our freedom.

One of the outstanding members of the Veterans' Affairs Committee, Hon. TIM PENNY of Minnesota, is the devoted father of four children. When Tim's 8-year-old son, Joey, was asked to do a report for school on "His Hero," this young man had many choices. As a sports fan, Joey could have chosen any of the superstars who play for the Minnesota Twins or the Vikings. As a member of a political family, Joey could have chosen that great Minnesotan, Hubert Humphrey, or, of course, his dad. Joey could also have chosen President John Kennedy, whose May 29 birthday he shares. However, rather than write about any of these famous Americans, all of whom certainly qualify as heroes, Joey chose to write about his uncle, Greg Penny, a Vietnam veteran. Joey's essay follows:

My hero is my Uncle Greg. He was in the Vietnam war. He went in the Army when he was 19 years old. He is 38 years old now. When he was in the war he was very brave. He and other soldiers had to fight in the jungle for many days. Some of his friends were killed. Some of his friends were wounded. Uncle Greg was wounded too. . . . . A bomb blew up by him and he was hurt in his arm and leg. He had to go to a hospital. He got better and went back to the war. After one year in Vietnam he came home. The Vietnam war ended 13 years ago. Now my Uncle Greg lives in Minnesota. He is a mailman. He has a medal for being brave in the war.

There are many ways we can observe Memorial Day on May 29. We can observe it by visiting the Vietnam Memorial with its 58,000 names of those who died in Vietnam. We can observe it by remembering those buried in the cemeteries throughout the world that are maintained by the United States. We can observe it by attending ceremonies, at Arlington National Cemetery or other national cemeteries, which honor the 600,000 Americans who lost their lives in defense of freedom during World War I, World War II, and the Korean conflict. We can also observe Memorial Day, and best honor those who died in service to our Nation, by thanking the survivors of those wars—men like Greg Penny who served with honor and who, thankfully, returned so that our children can know firsthand a true American hero. It is veterans like Greg Penny who, by their example, teach the children. It is youngsters like Joey Penny who will keep the memory alive.

DANIEL D. VILLANUEVA HONORED

HON. EDWARD R. ROYBAL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 18, 1989

Mr. ROYBAL. Mr. Speaker, I would like to take this opportunity to introduce Mr. Daniel D. Villanueva to the 101st Congress on the occasion of his upcoming retirement after 25 years of service to the people of Los Angeles.

Danny has been particularly instrumental in promoting the continued progress of the Latino community in Los Angeles. Since his days as an outstanding place kicker for the Los Angeles Rams, he has served as an essential role model for many young people. My own experiences with Mr. Villanueva have always been very cordial, positive, and productive. His excellent leadership on the many projects he undertakes has made him an especially valuable asset to our Los Angeles community.

The number of lives he had affected and the value of his impact to our community can never be fully measured.

Daniel D. Villanueva is currently manager of the western division of Univision Station Group, Inc. and general manager of KMEX–TV, channel 34, Los Angeles, 1 of the 10 stations of the Univision Station Group and a partner in Seven Hills Television Co. in Phoenix, AZ (KTVW).

Involved with KMEX–TV almost since its inception, Danny has worked for the past 15 years to create a Spanish language network to serve the needs of the growing Hispanic population in the United States.

He joined KMEX in 1963 as sports director, became director of community relations and news director in 1968, and station manager in 1969. Two years later, he was appointed vice president and general manager of KMEX. He was president of KMEX–TV and a director of Spanish International Communications Co. until its sale to Hallmark Cards Inc. in 1987.

He was founder and chairman of the board of Camino Real Federal Savings & Loan Association of San Fernando; former chairman of the California State Park and Recreation Commission with which he had been associated from 1963 to 1971; director of the youth program sponsored by the Ford dealers of southern California from 1962 to 1972. He founded and still serves as honorary chairman of Navidad en el Barrio Christmas telethon.

He was also president of the Mexican-American Business and Professional Men's Scholarship Association; member of the board of directors of Plaza de la Raza; member of the board of directors of the National Conference of Christians and Jews; member of the advisory committee of the Chicano Association for Student Assistance of UCLA; director of the Ruben Salazer Bilingual Education Foundation and member of the board of the YMCA; director of Salesian Boys Club, as well as the board of directors of Bilingual Foundation of the Arts.

Villanueva's current community and professional activities include service on the board of directors of the California Broadcasters Association; the National Junior Achievement; the Greater Los Angeles Chamber of Commerce; the National Hispanic Educational Fund; the American Red Cross; the East Los Angeles College Foundation; California Economic Development Corp.; and the National Association of Broadcasters.

He acted as commissioner of boxing for 1984 Summer Olympics holding a key position with the Olympic Committee.

As part of his commitment to furthering the interests of the Hispanic community and its leadership, Villanueva was instrumental in arranging and moderating an Aspen Institute conference on immigration reform. Hispanic and non-Hispanic leaders gathered at the Aspen Institute in March 1984, to discuss important issues raised by immigration and to create a consensus proposal for U.S. congressional consideration. The conference was supported by funds from Spanish International Communications Corp.

As a community service, Villanueva organized an effort to insure the Olympic Torch would travel through the predominately Hispanic Eastside of Los Angeles.

Villanueva, the son of Pilar and Primitive Villanueva, both deceased, is a native of Tucumcari, NM and was raised in Calexico. He is the ninth of 12 children.

He graduated from New Mexico State University with a bachelor of arts degree in English literature and pursued graduate studies in counseling and guidance at the same university.

A former professional football player, Villanueva was a field goal specialist with the Los Angeles Rams, 1960–1964, and the Dallas Cowboys, 1965–1967. He retired from the National Football League after the 1967 playoff game. He holds the alltime professional individual record in a season for the most points after touchdown with no misses (56), achieved when he played for Dallas in 1966. He still holds a number of L.A. Rams alltime records.

Mr. Speaker, it is a pleasure and a distinct honor for me to offer this tribute to my good friend, Danny Villanueva, on his retirement after so many years of service to the entire Los Angeles community.

SOUTHEAST LIGHTHOUSE PRESERVATION ACT

HON. CLAUDINE SCHNEIDER

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 18, 1989

Ms. SCHNEIDER. Mr. Speaker, I am pleased to introduce legislation today that will transfer the historic Southeast Lighthouse on Block Island from the U.S. Coast Guard to the Block Island Southeast Lighthouse Foundation. This legislation represents the first step in the rehabilitation and preservation of the

Southeast Light, one of Rhode Island's most beloved, historic landmarks.

The Southeast Light was first illuminated on February 1, 1875, and is one of the primary lights along the east coast. The lighthouse soon became a popular attraction for the increasing number of tourists that discovered Block Island in the 19th century. Both the powerful light and the dramatic structure which houses it are historically and functionally important. It is the highest in New England, visible 35 miles at sea, and its 237,000 candle-power, produced by a 1,000-watt bulb, is the strongest on the Atlantic coast.

The dramatic bluff upon which the lighthouse stands has been eroding steadily for over 100 years. Time has taken its toll on the land and now the Southeast Light is in danger of joining the many ships that have found their final resting place at the base of the Mohegan Bluffs. The Southeast Lighthouse Foundation, with the full approval of the Coast Guard, will take on full responsibility for the light's renovation—including relocating the lighthouse inland, away from the threat of the decaying bluffs—and maintenance.

Although modern electronic aids to navigation have rendered many of our Nation's lighthouses obsolete, the Southeast Light must be rescued and preserved as a monument to the dedicated and heroic efforts of the U.S. Lighthouse Service, the U.S. Coast Guard, and the people of Block Island who have saved and protected the lives of countless mariners.

We cannot stand by while Rhode Island's most visible historic symbol slips irretrievably away. My colleague, Senator CHAFEE, has introduced similar legislation in the other body, and I am hopeful that with this legislation and the commitment of the Block Island Southeast Light Foundation, the U.S. Coast Guard, the Rhode Island Historical Society, and the residents of Block Island, this important State landmark will be preserved as a monument to our maritime history.

ENCOURAGING PROJECTS TO EXAMINE THE FEASIBILITY OF "PRISON BOOT CAMPS" AT THE FEDERAL PRISON SYSTEM LEVEL

HON. LYNN MARTIN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 18, 1989

Mrs. MARTIN of Illinois. Mr. Speaker, there have been two developments this week which suggest to me the potential for a more effective law enforcement program for our Nation.

On Tuesday, CHARLIE RANGEL introduced the Correctional Alternatives Act of 1989, legislation which would allow the Bureau of Justice Assistance, over the course of the next 4 fiscal years, to make special grants available to States with innovative alternatives to incarceration for nonviolent criminal offenders.

So called prison boot camps, currently operating in seven States as a voluntary alternative to traditional incarceration for young adult offenders, are among the most interesting alternatives which the legislation would support.

Perhaps the greatest and most regrettable failing in our criminal justice system is reflected in the high rates of rescidivism characteristic of prison populations. Breaking the pattern of criminal behavior through effective rehabilitation programs must be a fundamental part of the criminal justice process. This is especially so with regard to youthful offenders—an increasing number of who are entering the criminal justice system as a result of drug related offenses. We cannot give up on these individuals. Neither can we allow them to give up on themselves.

The prison boot camps now operating specifically target impressionable young adults who have been convicted of nonviolent crimes and who have not been previously incarcerated. The camps provide an environment within which these offenders are required to participate in a regimented program involving strict discipline, physical training, and other activities characteristic of military basic training. The hope is that by instilling a greater sense of discipline, industriousness, and self-respect into the lives of these young people before patterns of criminal behavior have hardened, they can be set upon a new path while one is still open to them. It's not very subtle. It may not even be very kind and gentle, as anyone who's ever been through military boot camp could attest. It may, however, work.

The evidence we have to date, based on the seven State programs in operation, is inconclusive yet encouraging enough so that we should proceed ahead. In addition to supporting the programs now operating at the State level, it seems appropriate that we give the idea a chance at the Federal level. That's where the President's contribution to the week's positive news on law enforcement might come in.

The Federal anticrime plan which the President unveiled calls for, among other things, $1 billion for new Federal prison construction projects. The additional capacity is undoubtedly necessary and prison construction is where the lion's share of whatever money is eventually appropriated needs to go. We should, however, assure that at least some small portion of that money is designated for a pilot program to determine the feasibility of boot camp facilities within the Federal Prison System. Data suggests that there are a sufficient number of Federal offenders meeting the criteria that States now use to identify boot camp candidates to make the program workable. I say it's worth a try.

WOMEN FACE POLICE WRATH

HON. DAN BURTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 18, 1989

Mr. BURTON. Mr. Speaker, a very prominent Indian newspaper, the Tribune, which is based in Chandigarh, ran a story which should disturb all Members of Congress concerned about human rights abuses around the world. The Indian authorities are either out of control in their terrorizing of a largely innocent Sikh population or they are directed by the Central Government in New Delhi. Both of these contentions are unacceptable. I, again, call upon the Indian Government to respect the human rights of Sikhs living in the Punjab. I am placing in the RECORD an article which documents the terror:

[From the Tribune, Chandigarh, Panjab, May 1, 1989]

WOMEN FACE POLICE WRATH

(From Ramesh Vinayak)

AMRITSAR, April 30.—An aged widow, Surjit Kaur, and her two daughters Savinder Kaur (21) and Narinder Kaur (18)—were beaten up and tortured by a police party headed by the SHO of the Beas police station at Butala village.

Although more than a week has elapsed since the incident, the family is in a state of shock.

When this correspondent went to the village, none of the victims would come forward to narrate the event after much cajoling by a group of villagers. Savinder Kaur and Narinder Kaur mustered courage to speak.

The two sisters, who still found it difficult to stand, broke down occasionally. The family has no adult male member. The father, Sohan Singh, died of cancer three months ago leaving behind four daughters and two sons aged six and nine.

Savinder Kaur, who is a matriculate, said on the evening of April 20, a number of policemen and CRPF jawans surrounded their house. Six policemen entered the house and dragged out the women in the courtyard. While they spared the boys and the eldest daughter. Paramjit Kaur, who has been bed-ridden ever since she donated blood to save her father, they beat up the mother and Savinder Kaur and Narinder Kaur charging them with harbouring terrorists. The mother was spared after a sound bashing.

"We were partly unconscious when we were made to lie prostrate on the ground. A heavy log was placed on our legs with two policemen pressing heavily on it before we fainted", recalled Savinder Kaur with tears in her eyes.

"After we regained consciousness, the policemen sprinkled salt in our eyes. All pleadings by our elder sister in bed to have mercy were greeted with filthiest abuses from the cops", said Narinder Kaur.

After two hours of torture, the two sisters were put into a police vehicle and taken to the Beas police station. There they were again questioned by the police which kept accusing them of sheltering terrorists Balwinder Singh Shapuri, Harbhajan Singh, Satnam Singh and Khajan Singh.

As news about their arrest reached the village sarpanch. Mr. Gurdeep Singh, accompanied by the panches and village elders, he reached the police station and pleaded for their release. The constables on duty not only refused to listen to them but also accused them of defending the girls, who they said, had "illicit" relationship with terrorists.

The girls release could not be secured as the police officials were away to the Jandiala police station to celebrate the promotion of their colleague. The following day, the village leaders approached the officials concerned who agreed to release the girls on the condition that the family immediately abandoned the farmhouse on the outskirts and shifted to the village.

The Majitha police district chief, Mr. G.S. Mann, when contacted, feigned ignorance about the incident.

In another incident, Kuljit Kaur wife of Khajan Singh of Sattowal village, was ar-

rested some time back. She was rounded up on April 19 and tortured at the Mehta police station throughout the night. On intervention by villagers, she was let off and has since been staying with her parents.

A woman of Dharde village was meted out a similar treatment last week on the suspicion of harbouring terrorists.

Many villagers allege that the youth are time and again arrested and tortured and then let go after payment of bribe. The bribe paid vary from Rs 10,000 and above.

INTERNATIONAL YEAR OF BIBLE READING

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 18, 1989

Mr. GARCIA. Mr. Speaker, this resolution designates 1990 as the "International Year of Bible Reading." Through reading and studying the Holy Scriptures people can find answers to their problems. History has clearly illustrated the fact that the Bible has had a profound influence on our Founding Fathers in shaping the direction of our country as well as on the lives of individuals, families and societies in many parts of the world. The Bible provides a major source of hope and strength. A renewed knowledge and faith in God through the Holy Scriptures can strengthen the family of nations and their respective people.

H.J. RES. —

Whereas the Bible, the Word of God, has made a unique contribution in shaping the United States as a distinctive and blessed Nation and people;

Whereas deeply held religious convictions springing from the Holy Scriptures led to the early settlement of our Nation;

Whereas many of our great national leaders, such as Presidents Washington, Jackson, Lincoln, and Wilson, paid tribute to the important influence the Bible has had in the development of our Nation;

Whereas President Jackson called the Bible "the rock on which our Republic rests";

Whereas the history of our Nation clearly illustrates the value of voluntarily applying the teachings of the Holy Scriptures in the lives of individuals, families, and societies;

Whereas the Bible has had a profound positive effect in the shaping of individuals, families, and societies in many parts of the world;

Whereas the Bible provides a major source of hope for the poor and repressed peoples of the world;

Whereas the family of nations now faces great challenges that will test international relationships as they have never been tested before;

Whereas the renewing of knowledge and faith in God through Holy Scripture reading can strengthen the family of nations and their respective people; and

Whereas numerous individuals and organizations around the world are joining hands to encourage international Bible reading in 1990: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That 1990 is designated as the "International Year of Bible Reading". The President is authorized and requested to issue a proclamation recognizing both the formative influence the Bible has had on many societies of the world and the need for worldwide study and application of the teachings of the Holy Scriptures.

ARAFAT ON THE PLO CHARTER

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 18, 1989

Mr. FRANK. Mr. Speaker, earlier this month, along with my colleagues from Michigan [Mr. WOLPE] and Connecticut [Mr. GEJDENSON] I inserted into the RECORD material which demonstrates the extreme inconsistency and ambiguity with which the PLO has expressed itself concerning the right of Israel to exist within secure borders. Recently, I received a compilation of statements that have been made by Yasser Arafat within the past few weeks. And these statements deepen my dismay over Arafat's failure to consistently, clearly, and forthrightly make the statements about Israel's right to exist and his opposition to terrorism that we have a right to expect.

For instance, I was especially disturbed to read in this compilation several statements by Mr. Arafat which wholly inaccurately describe aspects of Israeli society—a nonexistent sign that he claims hangs in the Knesset, an inaccurate discussion of the Israeli flag, and other matters.

Grave damage can be done to the prospects of peace in the Middle East if Arafat succeeds in saying one thing to the West when it is covenient and quite a different set of things for consumption of his constituency in the Arab world. I think it is important for us to insist that he be held to a far higher standard of clarity and consistency than he has so far shown.

And I ask that the compilation of statements which was passed along to me by Consul General Arthur Avron of the Israeli Consulate in Boston be printed here.

ARAFAT ON THE PLO CHARTER

In an interview with Radio Monte Carlo (May 3), Yasser Arafat made the following statements:

Q: "You said in French that the charter is 'caduque', that is to say nullified . . ."

Arafat: "That is your translation. Would it make sense for me to teach you how to translate?"

Q: "Let's say that it has expired (Arabic: Faata 'Alaiha al-Zaman) . . ."

Arafat: "It has aged (Arabic: Taqaadamat)."

Q: "Fine, the translation is 'it has aged'."

Arafat: "The word 'taqaadamat' appears in many verses in the Koran with regard to other (earlier) verses. Does this mean that these other verses were nullified? No."

Q: "If the charter can be amended only by the PNC, are you ready to convene a meeting on the issue? Is there a possibility . . ."

Arafat: "Can anyone claim that it is possible to change something adopted by the PNC not by means of the PNC members, whether it concerns political decisions, the declaration of independence, or the charter?"

ARAFAT: STATEMENTS AND CONTRADICTIONS

The following are a few examples of the contradictions which are found in remarks made recently by PLO Chief Yasser Arafat:

On Amending the PLO Covenant:

Statement: "As for the Covenant, I believe there is an expression in French, 'C'est caduque' [meaning: null and void]." (May 2, 1989, French Television TF1)

Contradiction: "I haven't the authority to effect changes in the Covenant by myself." (April 29, 1989, "Le Figaro")

"This Covenant may only be amended with a majority of two-thirds of the total number of members of the National Assembly of the Palestine Liberation Organization at a special meeting called for that purpose."

(From Article 33 of the PLO Covenant)

On the Pursuit of Peace:

Statement: "Our desire for peace is a strategy and not an interim tactic. We are bent on peace, come what may, come what may. . . ." (Geneva press conference, December 14, 1988)

Contradiction: "An escalated struggle, an intensification of the uprising, continued martyrdom, and an expansion of the confrontation will bring us our final victory."

(December 15, 1988, "Voice of Palestine" Radio, PLO, Baghdad)

"The Palestinian uprising will in no way end until the attainment of the legitimate rights of the Palestinian people, including the right of return."

(January 13, 1989, Qatar News Agency)

"I didn't change my policy and didn't surrender to the American demand, and conditions—the U.S. has changed its policy." (December 23, 1988, "Al-Qabas", Kuwait)

On renouncing terrorism:

Statement: "We totally and absolutely renounce all forms of terrorism." (Geneva press conference, December 14, 1988)

Contradiction: Q: "Mr. Arafat, last week at this famous press conference you renounced terrorism. Have you done this due to American pressure?

A: "I did not mean to renounce. . . . Actually, I only repeated what our Palestine National Council had accepted. . . . I am still now committed to what I said in Cairo in 1984." (December 19, 1988, Interview with Viennese TV)

On Acceptance of UN Resolutions 242 and 338:

Statement: "I also made reference to our acceptance of resolutions 242 and 338 as the basis for the negotiations with Israel within the framework of the international conference." (Geneva press conference, December 14, 1988)

Contradiction: "The acceptance of Resolution 242 by the PNC is conditional upon these three principles—a Palestinian state, self-determination, and the right of return." (January 5, 1989, Speaking in Abu Dhabi, Middle East News Agency)

On Freedom of Expression for Palestinians:

Statement: "Their [the Palestinian people's] human dignity shall be safeguarded under a democratic parliamentary system of government built on freedom of opinion." (December 13, 1988, Speech before UN General Assembly, Geneva)

Contradiction: "Any Palestinian leader who suggests ending the intifada exposes himself to the bullets of his own people and endangers his own life. The PLO will know how to deal with him." (January 3, 1989, "Al Anbaa", Kuwaiti Daily)

"Whoever thinks of stopping the intifada before it achieves its goals, I will give him ten bullets in the chest." (January 1, 1989, Speaking in Riyadh, quoted by the Spokes-

man of the U.S. State Department on January 19, 1989)

The following are a few examples of disinformation which appear repeatedly in Arafat's interviews and statements:

Statement: "Look at the Israeli flag: the two blue stripes bordering the 'Star of David' are meant to symbolize the Nile [in Egypt] and the Euphrates [in Iraq]. This illustrates the 'Empire of Israel.'"

(April 29, 1989, Interview in "Le Figaro")

Fact: The following account on the symbolism of the Israeli flag was given by the flag's designer, David Wolfsohn, after it first appeared at the Zionist Congress in Basle in 1897: ". . . Then an idea struck me. We have a flag—and it is blue and white. The 'tallit' (prayer-shawl) with which we wrap ourselves when we pray: that is our symbol. Let us take this 'tallit' from its bag and unroll it before the eyes of Israel and the eyes of the nations. So I ordered a blue and white flag with the Shield of David painted on it. That is how our national flag came into being. And no one expressed any surprise or asked whence it came or how."

Statement: "For more than 15 years, a sign has been hanging over the entrance to the Israeli parliament which reads 'The Land of Israel extends from the Nile to the Euphrates.'"

(April 29, 1989, Interview in "Le Figaro")

Fact: The Israeli Knesset (Parliament) is open to the public, and the entrance is in full view of the visitors. No such sign exists nor has it ever existed.

Statement: Q.: "And the hijackings, which stained the 70's with blood—do you not feel that these were mistakes?" A.: "I was against this from the very beginning, and there are documents to prove it."

(April 29, 1989, Interview in "Le Figaro")

Fact: Arafat became chairman of the PLO, and commander of its armed units in early 1968. Very soon thereafter, on July 23, 1968, a PLO terror group carried out the organization's first hijacking—an attack against an El Al plane which was forced to land in Algeria. Numerous PLO hijackings have since taken place. As late as April 1, 1986, a unit of the Hawari Apparatus detonated a bomb aboard a TWA plane, killing four persons, including a mother and her infant daughter who were sucked out of the aircraft. The Hawari Apparatus has been identified by the U.S. Defense Department (Terrorist Group Profiles, U.S. Government Printing Office, 1988) as a 'FATAH' unit under Arafat's command.

FOOD IRRADIATION SAFETY AND LABELING REQUIREMENT ACT

HON. DOUGLAS H. BOSCO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 18, 1989

Mr. BOSCO. Mr. Speaker, today I am reintroducing legislation along with 53 of my colleagues to curb the use of food irradiation until safety assurances about this controversial technology have been clearly explored. Senator MITCHELL is introducing identical legislation in the Senate.

Food irradiation is a preservation method in which food is exposed to gamma radiation in order to destroy insects and bacteria that can cause food spoilage and disease. The Food and Drug Administration in recent years has moved to broaden the permitted use of irradiation to include dried herbs, spices, pork, fresh produce, and grains.

Proponents of the process contend that the extended shelf-life of radiation-treated foods may help boost exports, and that dependency on post-harvest pesticides may be reduced. However, many scientists, public officials and consumers are growing increasingly concerned about the use of food irradiation especially since no conclusive studies have been conducted to determine the potentially harmful impacts of this process.

This legislation authorizes the National Academy of Sciences to conduct a comprehensive study to assess the various unresolved safety and health questions of food irradiation, including an analysis of environmental consequences. The legislation would also prohibit the irradiation of pork and produce and tighten the labeling requirements for irradiated herbs and spices.

Current information on the long-term health effects of human consumption of irradiated foods is simply insufficient. Although the Federal Government has studied this procedure for more than 40 years, definitive results have proved rather elusive. In fact, when traditional means of testing the safety of irradiated foods proved inadequate, the FDA approved the use of irradiation on pork and produce—in July 1985 and April 1986 respectively—based on theoretical calculations of radiation chemistry and on the anticipated low-level of human exposure to the unique chemical constituencies of irradiated foods. In other words, the FDA apparently concluded that irradiated foods should be safe, even though there is no concrete evidence to backup this assumption.

The irradiation of foods results in a notable loss of nutritional value, and may actually increase the risk of food poisoning since the process removes the odorous bacteria that warns of food spoilage and leaves dangerous levels of botulinum and other bacteria intact.

Food irradiation also requires the use, transportation and disposal of large quantities of highly radioactive cesium-137 and cobalt-60. Irradiation processing plants will dramatically increase the amount of radioactive materials in and around our communities and will increase the likelihood of an accident at which radiation is emitted. Waste from these plants must be handled like any other highly radioactive material and will compound the current crisis of radioactive waste disposal.

Mr. Speaker, for these reasons I believe that a more prudent approach to formulating food irradiation policy is in order. Based on our limited understanding of the potential harmful implications of food irradiation, I believe Congress would do well to hold the process in abeyance until these unresolved safety concerns have been sufficiently addressed. This bill is endorsed by the National Coalition to Stop Food Irradiation, Food and Water, and the New York Public Interest Group. I invite my colleagues to join me in supporting this important legislation.

UNRESTRAINED CLEARCUTTING IN OUR NATIONAL FORESTS MUST STOP

HON. JOHN BRYANT

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 18, 1989

Mr. BRYANT. Mr. Speaker, I am today introducing the Clearcutting Restraint Act of 1989 to restrict the practice of clearcutting as a method of timber harvesting in America's national forests.

Clearcutting is the practice of completely destroying a forest stripping it of every standing tree and reducing it to a muddy field in an effort to take from it every commercially valuable stick of timber.

This practice results in fields and mountainsides stripped bare of everything but tree stumps. It is a sight that is shocking to see and anyone who sees it knows instinctively that it cannot be a prudent method of managing the national forests that belong to the American people.

In 1988, the U.S. Forest Service allowed 283,061 acres in our national forests to be clearcut. Anyone who has ever seen the aftermath of a clearcut is astonished to learn that the Forest Service regularly permits this practice.

I have seen portions of Texas national forests turned into barren fields of mud and stumps, and I have rounded a mountain while hunting on horseback to see an entire mountainside across the valley stripped of every tree in the Lolo National Forest of Montana.

Clearcutting is a wasteful and irresponsible practice that is a relic of a time when Americans thought our supply of natural resources was without limit.

Clearcutting and the intense site preparation that follows a clearcut is specifically designed, through bulldozing and burning, to remove all vegetation which would compete with the short-term growth of a single species of tree to be replanted. In the South, for example, this is always pine. In the Northwest, it is often Douglas fir.

This practice must be stopped because it is enormously wasteful. In a clearcut, all trees are cut down, even if they are not commercially mature trees. If they are not commercially useful, they are burned.

It is not economical, the Forest Service's own studies conducted at the Crossett Experiment Station in Crosset, AR, concluded that clearcutting is not the most cost-efficient method of forest management.

And clearcutting ignores the need for natural species diversity as a requirement for a healthy forest and environment. Clearcutting totally eliminates species diversity of plants and animals. A live, healthy forest is replaced after a clearcut with a single species tree plantation, which forest experts believe loses its immunity to natural infestations of tree killing pests, such as the southern pine beetle.

There is a responsible alternative to clearcutting. It is selection management, a method of forest management in which selected trees are taken out of a stand of forest according to their commercial suitability and the impact

their removal would have on the health of the remaining forest.

It is the management method now used on 80 percent of the privately held forest land in the South, and it is widely recognized as the most responsible and ecologically sound and economical method of forest management.

The legislation which I will introduce would prohibit clearcutting or related even-age management techniques in any national forest in America in which one-tenth of the acreage of available commercial timberland in that forest has already been removed by clearcutting or related techniques. It would require the Forest Service to utilize selection management techniques of forest management, which emphasize the preservation of diversity of species of trees, other plants, and animals.

It is important to emphasize two things.

First, these national forests belong to the American people. They should be managed in the interests of the American people and in pursuit of the maintenance of goals for our national forest now in the law: Recreation, wildlife, watershed protection, grazing, as well as timber production. Clearcutting is inconsistent with all these goals.

Second, this legislation applies only to national forests. It does not affect privately held land. Private landowners will continue to be able to do as they please with their forests. Surely, it is in our publicly owned national forests that we should be able to guarantee responsible management of our forests.

I welcome the support of the Audubon Society, the Wilderness Society, the Environmental Policy Institute, and the Friends of the Earth, as well as other environmental and conservation groups, for this legislative initiative.

I would like to add that earlier this year, I visited the Amazon region of Brazil and participated in multiple meetings with Brazilian officials in which the United States delegation complained about the destruction of the rain forest there. It will continue to be impossible to lecture other regions of the world about natural resource protection, about the dangers to the world of stripping our forests bare, as long as we continue to pursue wasteful forest management practices ourselves. This was pointed out to us at every single meeting there.

It is particularly difficult to point the finger elsewhere when it is pointed out that the study of Dr. Jerry Franklin of the University of Washington, one of the leading experts, concluded that only two or three million acres of America's ancient forests remain. These are being logged at the rate of 60,000 acres per year.

Surely, the responsible step we hope to take by enacting this bill is the least we can do to begin to manage our own forests responsibly.

As I introduce this measure, I would also like to call the attention of my colleagues to an article about the cost-effective nature of selection management by Bill Carroll, a consulting forester in Huntsville, TX.

SELECTION MANAGEMENT IS MORE COST EFFICIENT

(By Bill Carroll)

Defenders of dominant even-age logging (clearcutting, seed tree, and shelterwood) continued to argue that selection management, the alternative favored by environmentalists, many practicing foresters, and many timberland owners, is not economically feasible.

The Forest Service made that point in our 1988 Texas trial, but Dr. James B. Baker, their leading expert on the issue, had written articles showing that selection management is more cost efficient and has a higher benefit/cost ratio. Although the Forest Service presented Baker as their witness, it was the citizens groups suing the Forest Service who introduced his writings in evidence. Baker's studies confirmed the position of the citizen groups. Therefore, Judge Robert M. Parker found selection to be cost efficient for production of timber as well as essential for survival of the Red-cockaded woodpecker.

Let's take a look at Baker's 1985 study, "Uneven-Age Stand Management on the Crossett Experimental Forest." Crossett, Arkansas, is the research station that Baker directs as a Forest Service researcher. In his article, Baker uses the term "uneven-aged" interchangeably with "selection."

Before digesting Baker's figures, we should note that Baker did not attempt to cover environmental values, like wildlife, recreation, soil, water, air quality, native diversity, and natural beauty. As a forester, I consider these values to have great importance in private forests and dominant weight in public forests. Baker, himself, noted that selection is beneficial because of those values. But, of necessity, he confined his figures to wood and dollars. Even there, selection forests surpassed plantations.

Baker found that a conventional selection pine stand had a cost efficiency of 143.2, board feet per dollar, far surpassing the 55.2 of a typical even-age plantation. Loblolly and Shortleaf pine dominated both stands. The selection stand began in a cut-over condition on a poor site. The plantation began as a clearcut.

In forty years of actual growth (projected by Baker to fifty years), the selection stand produced 17,618 board feet of sawlogs per acre, compared to 11,920 for the plantation. Baker divided those figures by the discounted dollars spent on each stand to reach the cost efficiencies of 143.2 and 55.2, a 2½ to 1 advantage for selection.

In total wood production, adding pulp and posts to sawlogs, Baker found the cost efficiency of selection to be 33.4 cubic feet per dollar, more than 12% better than the even-age plantation, at 29.6.

Baker also made economic comparisons under two other standards: benefit/cost and present net value. Selection has a benefit/cost ratio of 3.76. Plantations lag about 20% at 3.05. Baker obtained these figures by dividing the discounted values of all returns by the discounted value of all costs.

The present net value came out $341 per acre for selection and $444 for even-age plantation.

In 1986, Baker wrote a follow-up article, "Production and Financial Comparison of Uneven-aged and Even-aged Management of Loblolly Pine." There, he came up with similar comparisons, plus more explanation, including:

"The high net present value for even-aged plantations is misleading in that it resulted more from the relatively large investment required by the system than from its efficiency. The results of this comparison indicate that a landowner should select this system only if he desires one of the noneconomic benefits associated with it—such as maximum total output or production, the opportunity to plant superior seedlings, or ease of management."

Under the multiple use and other concepts in our national forests, "maximum total output", "superior seedlings" and "ease of management" should give way to public benefit. Furthermore, the Forest Service's use of "superior seedlings" on a grand scale is reducing our native diversity and is saddling our timber stock with strains that are more susceptible to insects and diseases.

Baker also made comparisons of two other categories, selection with low stocking and shelterwood with natural regeneration. The former is hypothetical and the latter is seldom, if ever, used with natural regeneration in the national forests in Texas. His results on the shelterwood are not comparable because the figures began after the young pines were established, thus affording a head start of several years. Shelterwood came in a weak second in cost efficiency as to sawlog production and a strong first in benefit/cost.

Outside the South, the Forest Service generally employs only the present net value approach. I consider PNV to be inappropriate on the national forests or in any event less appropriate than cost efficiency.

Dr. Baker has pioneered his computations in a realm generally ignored by line officers, his counterparts in the Forest Service. As a result, we no longer have to accept, at least not in the South, the hackneyed claim that selection is not economically feasible in national forests.

As a former forester for Louisiana Pacific Corporation, I know that this company is practicing selection under forest-wide regulations on almost a million acres throughout the South. It is doing so for economic reasons—to save the substantial costs of site preparation and planting.

From Texas to Georgia, Larson-McGowin is practicing natural stand management on about 85% of the forests that they manage. Deltic Farm and Timber Company is doing likewise on over 300,000 acres of its forests in Southern Arkansas. Gibbs Brothers has practiced selection management for 40 years on 50,000 acres in Walker County, Texas, as have owners of a million acres of non-industrial forests in the South. I know of other owners, large and small, who employ selection management in Vermont, Michigan, Wisconsin, California, and Oregon. If it weren't economically favorable, most of them wouldn't be doing it.

I present Dr. Baker and the private selection managers as examples to the Forest Service to foresake the "ease" of even-age and to vastly increase their selection forests, even if it requires more training for their foresters. The Forest Service could shift mainly to selection in 12 to 20 years, some of which could start as soon as the agency agreed. I realize that there are occasional situations, like severe damage, where a stand should be managed under even-age. But in most places, the Forest Service has gone overboard for even-age. In Texas national forests, the available commercial timberland is 100% on even-age, of which 60% is clearcutting. From my observations, 15% is the maximum justifiable, if that much.

In my opinion, the real reason for Forest Service insistence on even-age logging has nothing to do with the feasibility of selection. It actually stems from the fact that the Knutson-Vandenberg Act enables the agency to allocate timber sale receipts to site preparation and planting, including funds for overhead. Few bureaucrats could

resist such a budgetary incentive. Selection management involves no expenditures for site prep and planting, and thereby does not offer this huge budgetary plum.

In addition to sale of timber, selection management produces other income, such as payments for superior hunting privileges. I have mentioned the environmental advantages of selection. Space does not allow me to cover these advantages here, but I will make a prediction. As more computations become available, like those reported by Baker, we should look forward to a considerable replacement of even-age by selection management from coast to coast.

GORBACHEV AND NATO

HON. CHARLES E. BENNETT

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 18, 1989

Mr. BENNETT. Mr. Speaker, I include for the record at this point an able article by J.D. Hittle (U.S.M.C., Ret.) that every thoughtful American should read.

He points out that bringing down the tactical nuclear deterrent of short-range nuclear weapons in Europe prior to equalizing conventional NATO strengths to offset Warsaw Pact conventional strengths could be very dangerous for NATO. General Hittle emphasizes that "even accepting the Soviet reduction figures still leaves the Warsaw Pact with a heavy conventional arms superiority over NATO."

In view of this Warsaw Pack's conventional superiority, General Galvin said that for now "we must rely on our short-range nuclear forces." NATO would be clearly imperiled if we abandoned these nuclear tactical weapons without bringing about conventional parity.

General Hittle's article follows:

[From the Navy Times, May 22, 1989]

GORBACHEV SUCCESSFUL IN THROWING NATO INTO DISARRAY

(By Gen. James D. Hittle, USMC (Ret.))

There can be valid disagreement as to whether Mikhail S. Gorbachev will succeed in salvaging—let alone reforming—the Soviet economy. But, on one count he already must be judged a stunning success.

He has NATO in disarray. In so doing, he has accomplished what his communist predecessors from Stalin to Chernenko were unable to do—undermine the essential unity of the western alliance. This has been, since its founding after WWII, the protective shield of the United States and the Western European free nations in blocking communist aggression.

It was the common threat of Russian expansion that was the glue that bound together the NATO alliance. With his perestroika and glastnost, Mr. Gorbachev has provided NATO's wishful thinkers a "justification" for playing down, even rejecting, the sound strategic thinking on which the viability of NATO has long rested. His promised arms reductions simply added to the euphoria. All too few in the West gave them even a cursory analysis. Even accepting the Soviet reduction figures still leaves the Warsaw Pact with a heavy conventional arms superiority over NATO.

It is in this potentially dangerous circumstance that a rift has opened in NATO. Germany, with powerful eastward looking elements flexing their power, advocates deferring the deployment of a replacement for Lance, which is NATO's current, and aging, battlefield nuclear missile. In view of the Warsaw Pact's conventional superiority, the defense of the West depends heavily on a modern nuclear battlefield missile. Army Gen. John Galvin, the supreme allied commander in Europe, stated bluntly that "we must rely on our short range nuclear forces."

West Germany is not only urging deferment of replacing the Lance missile, but wants to move even further toward the Soviet position by pushing a negotiated agreement with Russia for reduction of battlefield nuclear missiles. Such a negotiated reduction of short-range missiles is viewed by many NATO supporters as virtually conceding the Soviet Union a conventional rollthrough victory against NATO.

Such fundamental differences in NATO can't be papered over and minimized. Already Mrs. Thatcher, the British Prime Minister, has personally met with Chancellor Helmut Kohl of West Germany and the meeting, according to press reports, simply reaffirmed their differing positions.

Underlying the seriousness of the disagreement, NATO nations have begun choosing up sides. According to the New York Times, three countries have openly lined up against West Germany: the United States, Britain and the Netherlands. The following are considered to be generally supporting the West German position: Belgium, Denmark, Greece, Italy, Norway, and Spain. That leaves Canada, France, Iceland, Luxembourg, Portugal and Turkey on the fence. What side they finally come down on remains to be seen, and could be decisive in this crucial issue.

Yet, however the battlefield nuclear missile issues comes out, the bed-rock problem won't easily go away. Western Germany, a pivotal power in NATO, is once again gazing eastward with unveiled interest. This, in itself, warrants more attention than it is getting. What is it that holds such a fascination for Germany beyond her eastern borders? In a sense, Germany's fixation on the lure of the East has much in common with the legendary moth and the flame.

Twice in this century Germans have fought major and immensely costly wars with the Russian colossus. After WWI, a defeated Germany, smarting under the military limitations imposed by the Treaty of Versailles, joined communist Russia in economic and military cooperation that laid much of the foundation for Germany's emergence prior to WWII with surprising military effectiveness. What happened after WWI is intriguingly similar to what is going on now between the USSR and West Germany. Then, Lenin needed help from an industrialized country. Germany fit the need.

As early as 1921 Germany and Russia began planning for German industrial activity in Russia. German specialists were soon supervising ammunition production in Russia, and Junkers began aircraft production in Kiev and Kharkov. This was followed by German tank, aviation and other training in Russia, including joint Russian and German maneuvers. This cooperation, continued into the Nazi period. The eminent British author and student of that era, J. W. Wheeler-Bennett, underlined the continuing importance of Soviet-German cooperation, writing that the early German moves after WWI toward Russia "were the first links in a chain of events which led to the Nazi-Soviet Pact 20 years later."

History may not repeat, but similar threads continue to run throughout similar circumstances. The question is whether the Soviet Union, again needing outside economic help, will rekindle the flame of German venturing to the East, and if so, does West Gemany harbor, deep in her national instincts, a grand eastern-oriented dream of a German-Soviet reapproachment, unification with East Germany, economic cooperation, and eventually an alliance that would make Germany, and the USSR, the most powerful nations in Europe, if not the world.

This is speculative, but there is a reality to the present German eastward shift. Gorbachev has achieved the heretofore unattainable Soviet objective, the present disarray of NATO, and has set the stage for the potential disolution of this great and noble alliance that has been the protecting bastion of western civilization. On this, Soviet President Gorbachev must be getting high marks on his Kremlin report card.

RENEW THE U.S. CONTRIBUTION TO THE U.N. POPULATION FUND

HON. JIM MOODY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 18, 1989

Mr. MOODY. Mr. Speaker, each year, 14 million children worldwide die of hunger-related causes. Even now, 800 million people live in absolute poverty, unable to meet minimal nutritional needs. A total of 1.3 billion people do not even have safe drinking water.

The United States appropriates millions of dollars for humanitarian assistance to address these problems in developing nations. Yet since 1985, the United States has withheld contributions to one organization that helps people in more than 140 Third World countries. That organization, the U.N. Population Fund [UNFPA], is the largest internationally funded source of aid to population and family planning programs worldwide. It supports projects ranging from maternal and child health care to programs integrating family planning with parasite control to expanding contraceptive services to training nurses and doctors.

To U.S. Agency for International Development [AID] has been withholding our $25 million earmark each year because it determined that UNFPA helps manage China's population program, which AID asserts is coercive. The facts do not support this assertion.

UNFPA contributes only 1 percent of China's $1 billion population fund. This assistance takes the form of training Chinese doctors, technical advice for census taking, building factories to manufacture contraceptives, et cetera. UNFPA states that it does not support coercive policies anywhere. In fact, UNFPA's program was approved by its 48-member Governing Council, of which the United States is a member.

Development assistance should not become a pawn in a political game. Problems with China should be taken up directly with the Chinese Government and not used as reasons to weaken UNFPA. In this case, allegations of coercion are serving as an excuse for AID to cut off family planning to all countries receiving aid from UNFPA.

The real losers are countries like Bangladesh, Haiti, and others relying upon UNFPA to help them establish population programs and family planning services. Some additional industrialized countries have stepped up their contributions to UNFPA to fill the void left by the U.S. withdrawal, but the need for assistance is increasing all the time, too.

In the 100th Congress, the Senate Foreign Affairs Committee approved language restoring the U.S. annual contribution to UNFPA. However, the Senate bill never came to the floor and the fiscal year 1989 foreign aid bill was approved without instructions requiring AID to distribute funds to UNFPA.

The House foreign assistance authorization is in flux this year, but we will continue to urge the Foreign Affairs Committee to include such instructions in the fiscal year 1990 bill.

But the need for this assistance is crucial. Today, as a demonstration of our concern about this much-needed program, I am introducing a sense-of-Congress resolution with Representative JOHN PORTER and 30 of our colleagues that endorses renewed U.S. contributions to UNFPA. I hope the rest of our colleagues will join us as cosponsors of this demonstration of support for a vital component of development assistance.

PUGET SOUND TANKER SAFETY ACT OF 1989

HON. JAMES A. McDERMOTT

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 18, 1989

Mr. McDERMOTT. Mr. Speaker, the more we learn about the March 24 oilspill in Prince William Sound, AK, the clearer it becomes that we must take strong measures to protect our waters from this kind of catastrophe. The cleanup effort now underway would have been far less difficult if effective contingency planning had been done in advance, and if existing plans had been implemented when the spill occurred. More important, the spill might not even have occurred if proper preventive measures had been in place.

Today, Congressman NORM DICKS and I are introducing H.R. 2423, the Puget Sound Tanker Safety Act of 1989. This legislation, based on the bill introduced in the Senate by Senator BROCK ADAMS, is intended to help reduce the chance of another major oilspill, and particularly to protect the waters of Puget Sound.

Disastrous as the *Exxon Valdez* spill was for south-central Alaska and its waters, such a large spill would have been truly catastrophic if it had occurred in Puget Sound. Eleven million gallons of oil would have literally covered the surface from shore to shore, remaining for weeks and perhaps months because of inadequate tidal flushing.

Tankers move regularly through the Strait of Juan de Fuca, Rosario Strait, and Puget Sound to the five refineries located on our shores. We have experienced several spills in recent years, but none yet approaching the magnitude of the Alaska spill. Although many people have worked long and hard to clean up previous spills, we cannot be confident that existing response measures would be adequate for a spill as large as the one Prince William Sound experienced.

We also can have no confidence that present tanker design and construction gives maximum protection against major spills. Most tankers using our waters have single hulls, even though there is strong evidence that the use of double hulls would reduce oilspills in case of accidents at a very reasonable additional cost. As long ago as 1973, when it authorized the Trans Alaska Pipeline System, Congress was assured that new tankers carrying oil from Valdez would have segregated ballast systems including double bottoms. Former Senator Warren Magnuson fought for years to require double hulls on new and rebuilt tankers. So did Congressman NORM DICKS and Transportation Secretary, now Senator, BROCK ADAMS. But the Reagan administration dropped this proposed requirement after lobbying by Exxon and other oil companies.

No one can guarantee that a double hull would have prevented or reduced the *Exxon Valdez* spill. But in 1975 the Office of Technology Assessment found that:

Double sides and double bottoms can distinctly provide protection, given a collision or grounding respectively. Moreover, in the more severe cases of collisions and groundings where the inner hull may be ruptured, the double hull or double bottoms will provide three valuable characteristics: survivability, containment, and time.

To this day, I know of no evidence contradicting those conclusions.

That is why this bill requires double hulls on all new or rebuilt tankers operating in U.S. waters, regardless of where they were built. Double hulls will not prevent every spill, but the evidence seems persuasive that they will help a great deal. I believe the discussion of double hulls must resume as part of our examination of oilspill prevention, and this bill puts the issue before us again. In that regard, I think the article in the May 15 New York Times by Matthew Wald, "A Debate on Double-Hull Oil Tankers" is important reading for all of us, and I ask unanimous consent that its text be inserted in the RECORD at the conclusion of these remarks. This article reports the opinions of several experts that a double hull might have prevented the *Exxon Valdez* spill.

The bill we are introducing also requires specific preparedness and planning measures for Puget Sound tanker traffic, supervised and enforced by the Coast Guard. It requires that necessary equipment be available and in working order. It requires annual practice drills to assure that contingency plans can be carried out. It makes these plans and equipment inventories available to the public, to improve our confidence in the safety of Puget Sound tanker traffic. Along with other measures like full coverage by the Coast Guard vessel tracking system, regular safety inspections of tankers entering our waters, and improved pilotage requirements, it will go a long way to protect our waters.

We cannot afford to risk another *Exxon Valdez* spill anywhere in the world, and most especially in the vulnerable waters of Puget Sound. Senator ADAMS, Congressman DICKS, and I see this legislation as an important step toward the most effective oilspill prevention and response system we can develop, for the sound and for the rest of our Nation. It is not the full answer, and I look forward to working with my colleagues and other interested parties to improve our efforts. I look forward to the consideration of this bill, and ask unanimous consent that the text of the bill be inserted in the RECORD.

[From the New York Times, May 15, 1989]

A DEBATE ON DOUBLE-HULL OIL TANKERS

(By Matthew L. Wald)

The Exxon Valdez would probably have survived its grounding on Bligh Reef without leaking crude oil, or leaking far less, if it had had a double hull, according to some shipbuilders and marine architects.

Such hulls were once promised by the Federal Government for tankers carrying Alaskan oil, but the requirement was dropped after lobbying by the oil companies, Exxon prominent among them.

For years Exxon has maintained that having one hull inside the other, far from being an advantage, could make accidents worse in certain situations. And since its tanker went aground on March 24, the company has said that no design could have withstood the forces created by such a tremendous mass hitting an immovable object.

Exxon and some other companies also said that double-hulled tankers cost substantially more to build and operate.

A MATTER OF SPECULATION

The "what if" question about the Exxon Valdez is necessarily speculative, because an authoritative answer would rely on a detailed analysis of the internal structure of the ship, its bearing and speed, and the shape of the rock it hit. But experts not affiliated with Exxon said in interviews that broad conclusions could be drawn.

"For something like this, there might not have been any spill," said Dr. William Morgan, the director of ship hydromechanics at the Navy's David Taylor Model Basin, a test laboratory in Washington.

The value of a double hull in this case may never be known, because the National Transportation Safety Board, which begins hearings in Anchorage on Tuesday, will not take up the question.

Drucella Anderson, a spokeswoman for the board, said its inquiry would concentrate on human factors in the accident. The question of double hulls was explored extensively in the 1970's, she said.

The Exxon Valdez has a single hull because the oil companies won the argument on the issue 10 year ago. They did so by prevailing in an international standards organization, the Intergovernmental Maritime Consultative Organization. The Coast Guard decided to follow that group's position, despite a study by a Coast Guard naval architect showing that double bottoms or double hulls would probably have prevented pollution in 27 of 30 tanker groundings from 1969 through 1973.

Many experts still believe that double hulls would reduce the risk of pollution and might not raise costs.

"For any accident, you've got to be better off with a double hull," said Everett C. Hunt, director of trhe Maritime Research Department at the Webb Institute of Naval Architecture, in Glen Cove, N.Y. "You don't have to do a lot of calculation to come to that conclusion."

With a double hull, "there would be no spill of oil" in an accident like that involv-

ing the Exxon Valdez, said another expert, Paul E. Atkinson, the president of a company that built three double-hulled vessels for the Valdez trade.

Mr. Atkinson, who retired in 1977 as president of Sun Shipbuilding and Drydock Company, a subsidiary of the Sun Oil Company, referred to the double-hulled vessels as "ecology tankers." He said they cost about 5 percent more to build but were cheaper to run because the space between the hulls could be kept clean and used for ballast.

In conventional tankers, which log half their miles without a cargo, the Oil tanks must be filled with water for the empty run, to stabilize the ship. When the tankers load oil that water is supposed to be disposed of properly.

The value of a double hull for the Exxon Valdez is a tantalizing question because even though the tanker was several miles off course, the accident appears to have been a matter of feet.

The tanker was drawing 55 feet 11 inches at the bow and 56 feet 1 inch at the stern when it ran aground, the Coast Guard said. According to a tide calculation by the Coast Guard office in Valdez, the spot where she was hit was covered with 51 feet of water.

WITHIN THE MARGIN

The distance by which the tanker failed to clear the reef, 5 feet, is within the margin that would have been provided by a double hull. A standard formula considered by the Government in the mid-1970's called for a gap between the hulls of 1 foot for each 15 feet of beam of the tanker. The Exxon Valdez is about 166 feet wide, which would have meant a space on the bottom of 11 feet.

Still, many experts, and the Coast Guard dispute whether a double hull would have done the Exxon Valdez much good. They said the reef need not have made contact with the inner hull to crack it.

"Even an 11-foot double hull would not have done any good at all," said Lieut. Comdr. Thomas Falkenstein; a Coast Guard spokesman in Valdez. He said the force of the impact could be transferred to an internal girder, which could be shoved into the inner tank or the force of the impact on the rigid ship could make the inner hull crack.

Lawrence G. Rawl, the chairman of Exxon Corporation, testified before a House subcommittee on April 6 that a double bottom would be useful only in a grounding on soft sand. In the case of a grounding on rock, he said, water could rush into the area between the hulls, upsetting the balance and creating the possibility of capsizing. The company has also argued in the past that gases from the cargo could escape into the space between the hull, posing a hazard to the crew.

Ms. Anderson said the safety board had made only one finding on double bottoms; in response to a 1973 tanker grounding in Cold Bay, Alaska, it recommended that single-hulled tankers operating in port areas be given extra supervision "to insure that the risk of polluting outflow from grounding while operating in a port area is commersurate with that of tankers outfitted with double bottoms."

Bligh Reef, where the Exxon Valdez ran aground, is outside the port area of Valdez.

H.R. 2423

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Puget Sound Tanker Safety Act of 1989".

SEC. 2. CONGRESSIONAL FINDINGS AND PURPOSE.

(a) FINDINGS.—The Congress finds the following:

(1) Puget Sound is a unique and irreplaceable marine environment and is of paramount importance to the economy of Washington State and the Pacific Northwest.

(2) Transport of oil by water on Puget Sound poses a continuing threat to this unique environment.

(3) Because of the occurrence of several oil spills in the area over the past several years, there is concern about the adequacy of the existing regulatory regime for vessels carrying oil on Puget Sound.

(4) Because of the inadequate response to the tragic oil tanker accident in Prince William Sound, Alaska, there is concern about the adequacy of existing procedures for responding to oil spills in Puget Sound.

(b) PURPOSE.—The purposes of this Act are the following:

(1) Authorize new regulations to better ensure the safety of vessels carrying oil in Puget Sound.

(2) Improve existing procedures for responding to oil spills in Puget Sound.

(3) Ensure that the people of Washington State are informed about the adequacy of existing procedures for responding to oil spills in Puget Sound.

SEC. 3. DEFINITIONS.

In this Act—

(1) the term "barge" has the meaning that term has in section 2101(2) of title 46 of the United States Code;

(2) the term "major conversion" has the meaning that term has in section 3701(2) of title 46, United States Code;

(3) the term "new tanker" means a tanker—

(A) for which a contract for construction has not been entered into before the date of the enactment of this Act;

(B) for which, in the absence of such a contract, construction begins after the date of the enactment of this Act; or

(C) which undergoes—

(i) a major conversion under a contract entered into after the date of the enactment of this Act; or

(ii) construction work that begins after the date of the enactment of this Act;

(4) the term "oil" has the meaning that term has in section 2101(20) of title 46, United States Code;

(5) the term "public vessel" has the meaning that term has in section 2101(24);

(6) the term "Puget Sound" means all waters within boundaries to be established by the Secretary in regulations issued not later than 30 days after the date of the enactment of this Act, and includes all navigable waters of the United States within the jurisdiction of Washington State east of Cape Flattery, Washington, and all navigable waters within Grays Harbor and Willapa Bay, Washington;

(7) the term "Secretary" means the Secretary of the Department in which the Coast Guard is operating;

(8) the term "spill" includes any discharge, leaking, pumping, pouring, emitting, emptying, or dumping;

(9) the term "tank vessel" means a vessel that is constructed or adapted to carry, or that carries, oil in bulk as cargo or cargo residue; and

(10) the term "tanker" means a self-propelled tank vessel constructed or adapted primarily to carry oil in bulk in its cargo spaces.

SEC. 4. DESIGN REQUIREMENTS FOR VESSELS CARRYING CERTAIN CARGOES IN BULK.

(a) TANKER MINIMUM STANDARDS.—A tanker to which this section applies shall be equipped with a double hull, including double sides and a double bottom throughout the cargo length of the vessel.

(b) APPLICABILITY.—This section applies to a new tanker of 20,000 gross tons or more (other than a public vessel) which—

(1) carries oil in bulk as cargo or cargo residue; and

(2)(A) operates on the navigable waters of the United States; or

(B) transfers oil in a port or place subject to the jurisdiction of the United States.

(c) DISCUSSION WITH IMO.—

(1) IN GENERAL.—As soon as practicable after the date of the enactment of this Act, the Secretary shall enter into discussions with the International Maritime Organization regarding requiring additional safety standards for tankers operating in environmentally sensitive areas.

(2) COMPARISON OF SAFETY RECORDS.—Discussions of the Secretary under this subsection shall include a review of the comparative safety records worldwide of tankers with double hulls or double bottoms and tankers without those features.

(3) REPORT.—Not later than one year after the date of the enactment of this Act, the Secretary shall submit a report to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Merchant Marine and Fisheries of the House of Representatives, describing the results of discussions under this subsection.

(d) STUDIES.—Not later than one year after the date of enactment of this Act, the Secretary shall conduct studies and submit to the Committee on Commerce, Science, and Transportation of the Senate and to the Committee on the Merchant Marine and Fisheries of the House of Representatives—

(1) a report on all recent oil spills in Puget Sound involving barges, including—

(A) discussion of whether any of these spills could have been prevented by requiring double hulls or double bottoms on barges, or by requiring additional safety lines between towing vessels in Puget Sound;

(B) a specific recommendation on the desirability of requiring double bottoms or double hulls on barges carrying oil in Puget Sound; and

(C) a specific recommendation on the desirability of requiring additional safety lines between towing vessels in Puget Sound; and

(2) a report on individual tank size in tankers carrying oil in bulk, including—

(A) discussion of changes in tank size over the last 20 years; and

(B) a specific recommendation on whether limits should be placed on the size of individual tanks within tankers.

SEC. 5. INDIVIDUALIZED VESSELS SPILL PREVENTION PLANS.

(a) REGULATORY MEASURES.—

(1) IN GENERAL.—Not later than one year after the date of the enactment of this Act, the Secretary shall issue a final rule requiring all operators of vessels to which this section applies to prepare and implement an individualized spill prevention and countermeasure plan in accordance with this section.

(2) CONTENTS OF PLAN.—A spill prevention and countermeasure plan under this subsection shall include the following:

(A) Procedures for timely notification of appropriate authorities regarding the occurrence of a spill of oil.

(B) Identification of personnel responsible for taking corrective action in the case of a spill of oil.

(C) Description of procedures used to minimize the damage from a spill of oil and to make immediate repairs to the vessel if possible.

(D) Description of countermeasure and response equipment and its location of the vessel.

(E) Minimum standards for crew training.

(b) EQUIPMENT STANDARDS.—Not later than one year after the date of the enactment of this Act, the Secretary shall issue a final rule listing equipment that is required to be carried on vessels to which this section applies to carry out a spill prevention and countermeasure plans required by subsection (a).

(c) INSPECTION AND MAINTENANCE.—After issuing rules in accordance with subsections (a) and (b), the Secretary shall issue and implement regulations providing for annual inspection of each vessel to which this section applies—

(1) to ensure that the vessel is in compliance with the plan required by subsection (a) for that vessel; and

(2) to ensure that any equipment required pursuant to subsection (b) is on board the vessel and in good working order.

(d) APPLICABILITY.—This section applies to all tank vessels (other than public vessels) which—

(1) carry oil in bulk as cargo or cargo residue in Puget Sound; or

(2) transfer oil in any port or place in Puget Sound.

SEC. 6. OIL SPILL CONTINGENCY PLANS.

(a) CONTINGENCY PLANS.—

(1) IN GENERAL.—Not later than one year after the date of enactment of this Act, the Secretary shall issue a final rule requiring persons to whom this section applies to prepare and submit to the Secretary for approval a contingency plan for the prevention, containment, and cleanup of oil spills from vessels or facilities described in subsection (e).

(2) CONTENTS.—A contingency plan under this subsection shall include the following:

(A) An analysis of the maximum probable spill which may reasonably be expected from a facility or vessel, determined in accordance with the guidelines established under subsection (d).

(B) A description of the amount, type, and location of all countermeasure equipment maintained or readily available, and the estimated time required for its deployment.

(C) Procedures for early detection and timely notification of appropriate authorities regarding the occurrence of oil spills.

(D) Procedures to assess the severity of an oil spill, plan countermeasures, and begin cleanup efforts.

(E) Identification of trained, prepared, and available personnel for responding to an oil spill.

(F) Provision for disposal of recovered spilled material.

(b) COOPERATIVE EFFORTS.—An owner or operator to whom this section applies may comply with this section by preparing, submitting, and implementing a contingency plan in accordance with this section in cooperation with other such persons.

(c) REVIEW AND APPROVAL OF PLANS.—

(1) IN GENERAL.—The Secretary shall review for approval contingency plans prepared under this section.

(2) REVIEW OF PLANS.—In approving the contingency plans required by this section, the Secretary shall consider the adequacy of risk analysis used in determining the maximum probable spill analyzed in the plan, and the estimated response time and adequacy of trained personnel and communications equipment provided for in the plan.

(3) APPROVAL OF PLANS.—The Secretary shall not approve a plan under this section unless the Secretary determines that the equipment described in the plan is sufficient to respond to the maximum probable spill which may reasonably be expected from a vessel or facility covered by the plan.

(4) DELEGATION OF APPROVAL AUTHORITY.—The Secretary may enter into an agreement with the State of Washington to delegate the approval of contingency plans under this section to the State of Washington.

(d) GUIDELINES FOR MAXIMUM PROBABLE SPILL.—The Secretary shall publish guidelines for the determination pursuant to subsection (a)(1) of the maximum probable spill which may be reasonably expected from a vessel or facility. Such guidelines shall provide for taking into account the amount of oil being transported, stored, or transferred by a vessel or facility being considered, and the risk of a spill from the vessel or facility.

(e) Applicability.—This section applies to—

(1) operators of vessels described in section 5(d); and

(2) operators of oil producing, refining, or transportation facilities that, due to their location, reasonably could be expected to spill oil into or upon Puget Sound or adjoining shorelines.

SEC. 7. PUBLIC AWARENESS AND PRACTICE DRILLS.

(a) PUBLICATION OF PLANS AND EQUIPMENT INVENTORIES.—The Secretary shall annually publish an up-to-date description of contingency plans approved pursuant to section 6 and an inventory of equipment available for responding under those plans to oil spills.

(b) PRACTICE DRILLS.—

(1) IN GENERAL.—The Secretary shall annually conduct practice drills of the contingency plans approved under section 6.

(2) REPORTS.—The Secretary shall publish a report on each practice drill conducted under this subsection, including an assessment of actual response time, available equipment as compared to equipment listed in the plan for which the drill is conducted, and requirements, if necessary, for changes in that plan.

SEC. 8. IMPACT ON OTHER LAW.

Nothing in this Act shall be construed or interpreted as changing, diminishing, or preempting in any way the authority of a State, or any political subdivision thereof—

(1) to regulate vessels carrying oil or other hazardous materials in waters of the State; and

(2) to provide for oil spill contingency response planning and activities for those waters.

SEC. 9. PENALTIES.

(a) Civil Penalties.—

(1) IN GENERAL.—A person who violates this Act or a regulation issued under this Act is liable to the United States Government for a civil penalty of not more than $25,000. Each day of a continuing violation is a separate violation.

(2) IN REM LIABILITY.—A vessel used to commit a violation for which a penalty is assessed under this subsection is liable in rem for that penalty.

(b) CRIMINAL PENALTY.—A person who willfully and knowingly violates this Act or a regulation issued under this Act shall be fined under title 18, United States Code, imprisoned for not more than five years, or both.

(c) INJUNCTIONS.—The district courts of the United States have jurisdiction to restrain a violation of this Act or of a regulation issued under this Act.

CONGRESSIONAL SALUTE TO DR. DANIEL SOLOMON

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 18, 1989

Mr. DYMALLY. Mr. Speaker, I rise today to pay tribute to a remarkable individual who truly deserves to be recognized for his dedication and service to the public. As a resident of Culver City for over 30 years, Dr. Daniel Solomon is known to others as a gentle, down to earth man with a kind and generous heart.

After serving 4 years in the U.S. Army, much of it spent overseas, Dr. Dan, who is originally from Pittsburgh, attended the University of Pennsylvania, went through medical school on the GI bill, worked endless nights as an assembler in a Westinghouse factory to meet expenses, and fulfilled both an internship and a residency in surgery at Cook County General Hospital in Illinois.

This was an invaluable experience which afforded him the opportunity to observe and to treat numerous patients with rare ailments and diseases that most physicians never even see in a lifetime in the practice of medicine.

Dan arrived in Culver City in 1955 to join the staff of Kaiser Permanente Hospital, during which time he moonlighted, giving insurance evaluations in the evening. Indeed, many of his first patients after he entered into private practice, were the very people whose homes he visited while conducting insurance examinations, were impressed by his demeanor, his knowledge of medicine, and his concern for their well being.

The son of poor Russian immigrants, who spent his childhood in poverty, Dan still feels most comfortable and compatible with people of very modest means, and like others of that era, he still maintains a frugal depression mentality. Unlike many in his position who forgot their humble beginnings, Dr. Solomon caters to a large segment of the medically disenfranchised, those who are on Medi-Cal and Medicare. He decries the loss of the Los Angeles County administered program which allowed the poor to receive quality medical care, from physicians who participated, at a county paid set fee of $3 per visit, with a minimum of required redtape. That program was abolished in favor of the present system which has allowed thousands to fall through the cracks of the health care establishment, without receiving any medical care until they are desperately ill. Dr. Solomon, along with many of his colleagues tried to save the original program, with the help of Baxter Ward, without much success. They were given a 1-

year reprieve, before the present bureaucratic system finally prevailed.

Dr. Dan's most prized possession, a framed Culver City Police patch, was presented to him by the city's police department, upon his retirement as the official Culver City Police physician, a position that required much time and great endurance, but which left him with fond memories, a storehouse of stories and anecdotes and many friends and patients in the Culver City Police Department.

An avid collector of fine art and pre-Columbian sculpture, this sensitive and compassionate man, who loves children, displays many of his paintings in his office, patient examining rooms and waiting room, so that youngsters who are not exposed to art and beauty in their everyday lives can share his pleasure in viewing works of art, thereby enhancing their aesthetic values.

Dr. Dan and his wife Mary Anne, lend support to many local, national, and international charitable organizations, including the scholarship fund of his own alma mater. They also donate art and sculpture from their own extensive collection to museums all over the world.

An extremely patriotic man, Dan strongly feels that only in America could someone like himself, a poor but bright and ambitious child, the son of an immigrant janitor, grow up and through study, hard work, and sheer determination fulfill his fondest childhood dreams and become a doctor.

Daniel Solomon, successful and prominent Culver City physician, you are a very special person. You have treated, nurtured, and befriended hundreds of hundreds of Culver City men, women, and children over the last 2½ decades, who remember you with great fondness and admiration. The citizens of Culver City are grateful that you chose to live in their city. Your are truly an absolute and genuine Culver City treasure.

A TRIBUTE TO NORTHEAST MICHIGAN VIETNAM VETERANS

HON. ROBERT W. DAVIS

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 18, 1989

Mr. DAVIS. Mr. Speaker, I would like to pay tribute today to a group of northeast Michigan Vietnam veterans who are visiting the Washington area. This is the largest group of veterans from our area to come to Washington during my 11 years in Congress. Many of the veterans have never been to the Nation's capital and I am sure the tour of the Vietnam Veterans Memorial will hold special memories for them. I am honored to be a part of their trip and I am especially pleased that we were able to arrange for a hometown bandmember to play taps during ceremonies at the Tomb of the Unknown Soldier. The group also will tour the White House and the Pentagon during their two-day trip. I hope their experience here is meaningful and that they will remember it for year to come.

I would like to thank the northeast Vietnam veterans for including my office in their visit.

A&M CONSOLIDATED COMPETES IN NATIONAL BICENTENNIAL COMPETITION ON THE CONSTITUTION AND BILL OF RIGHTS

HON. JOE BARTON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 18, 1989

Mr. BARTON. Mr. Speaker, I would like to acknowledge a group of outstanding students who represented the State of Texas in the "1989 National Bicentennial Competition on the Constitution and Bill of Rights" held recently in Washington, DC. This group is from my congressional district, and they were my representatives in the State of Texas competition which they won.

Twenty-seven students from A&M Consolidated High School in College Station reached the national finals through much hard work and dedication by studying these documents and the values and principles they embody. These students are: Kelly Andrews, Karen Bassichis, Abid Bhimani, Christine Bivins, Josh Busby, Jennifer Busch, Lisa D'Souza, Richard De Vaul, Christopher Dinkel, Barbara Ellison, Kay Fisher, Brian Fiske, John Herring, Brooke Hill, Chi-Cheng Huang, Jeremy Hyman, Padma Kodali, Christina Laane, Eric MacGilvray, Darrin Marquez, Michael McGrann, Kazys Motekaitis, Rahim Rajan, Shannon Ramsay, William Taparauskas, Thomas Weaber, and David Ray Wright.

I highly commend these students, along with their teacher, Mr. Bobby Slovak, their State coordinator, Ms. Hope Lochridge, and their district coordinator, Mrs. Barbara Weisinger. They have worked very hard and have represented Texas well.

Educating our Nation's young people about the Constitution is an investment we can never overlook. These students are the decisionmakers of tomorrow, and we must depend on them to carry out what our Founding Fathers envisioned for the future.

IN RECOGNITION OF THE WINNERS OF THE CREVE COEUR CHAMBER OF COMMERCE ANNUAL ESSAY CONTEST

HON. JACK BUECHNER

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 18, 1989

Mr. BUECHNER. Mr. Speaker, I rise today in recognition of three outstanding young people from my district: Scott Kelley, Sue Yu, and Aaron Cooper. These young people deserve our congratulations as the winners of the 1989 Creve Coeur Missouri Chamber of Commerce and the Lions Club Essay Contest.

Scott, Sue, and Aaron will each receive a scholarship from the Creve Coeur chamber of commerce and the Creve Coeur Lions Club based on their exceptional understanding of economics as illustrated by their prize-winning essays in the Chamber of Commerce and Lions Club annual essay contest. This contest has traditionally attempted to challenge students to formulate a response to a specific question in their answer, combining pragmatic considerations with social responsibility.

This years question, "In a capitalist society, is there an obligation in the business community to narrow the gap between the "have" and "have not's?" would challenge even the most seasoned of social architects, but leave these young people undaunted. Their answers are notable for their bold and intelligent analysis, and reflect tremendous insight into the problems which confront our society today. In their discussion of these issues they have shown an awareness often lacking in more experienced policymakers.

The first place answer came from Scott Kelley of Westminster Christian Academy who likened the problem of poverty in America to Robin Hood of England. His argument, that redistributing wealth for social purposes by any mechanism is inferior to increasing productivity for poverty aleviation, should be must reading for American policymakers.

For this award-winning answer Scott will receive a $2,000 scholarship from the Chamber and the Lions Club. The second and third place awards of $1,000 each go to Sue Yu of Parkway Central Senior High School and Aaron Cooper of Parkway North Senior High, but in my book they are all first place winners.

Our Nation is fortunate to have fine young people such as these and organizations such as the Creve Coeur Chamber of Commerce and the Creve Coeur Lions Club which encourage these activities. The chamber and the Lions Club are to be commended for taking an active interest in the education of our youth, and for backing this commitment with the investment in time and money it requires. This is the sort of private sector initiative we should, indeed must, encourage.

Our young people are the window to the future of our Nation. Through their eyes we can see tomorrow, with their thoughts we will dream new dreams. The winners, indeed, all of the participants, renew our optimism in the future of this Nation. For this we thank them.

Mr. Speaker, I ask each of my colleagues to join me in congratulating these young Americans and wishing them success in whatever field of endeavor they pursue.

IMPORTANCE OF PROTECTING VETERANS' HEALTH CARE PROGRAMS

HON. LARKIN I. SMITH

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 18, 1989

Mr. SMITH of Mississippi. Mr. Speaker, I represent a district in which there are two Veterans' Administration hospitals. The veterans in my district and their families became deeply concerned when they learned that elements of the U.S. Congress were playing politics with the future of their health care. The system of medical care for veterans desperately needs the supplemental funding provided in H.R. 2072. That crucial funding was placed in jeopardy when the dire emergency supplemental appropriations bill was held up by attempts to saddle the bill with nonemergency funding

proposals. Fortunately, after debate on the floor pointed out the serious consequences of overloading the spending bill, Members of Congress put politics aside and passed the dire emergency supplemental appropriations bill. Let us pledge here today never to waver from our commitment to provide medical care for the veterans who have served our country.

A TRIBUTE TO BON VIEW ELEMENTARY SCHOOL

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 18, 1989

Mr. BROWN of California. Mr. Speaker, on May 19, 1989, Bon View Elementary School will be celebrating its 30th anniversary, and I invite my colleagues to join me in recognizing the important role that Bon View School has played in the lives of students and in the community.

Bon View School was built in 1958 in the predominantly agricultural area of southeast Ontario in anticipation of future family housing development. Aided by the growth of Ontario International Airport and the industrialization of the area, Bon View has grown from 450 students in 1958, to its current enrollment of 823 students. The school has continued to keep pace with the growth of the community by stressing the importance of science and mathematics. Bon View has two computer labs, and promotes special events such as an annual science fair and a schoolwide, Math-a-thon. In addition to its commitment to promoting science and math, Bon View School employs a thematic curriculum that has been recognized statewide for its innovative approach to the wide spectrum of educational needs represented in our elementary schools.

In the relatively short span of 30 years, Bon View School has become an integral part of the Ontario community. In cooperation with the PTA and local businesses, Bon View participates in community activities such as the Families Without Christmas Program. Bon View School is now educating its second generation of students, and continues to serve the community of southeast Ontario. I join the faculty, parents, and students of Bon View School in their celebration of 30 years of excellence in education and development.

ISRAELI ELECTION PROPOSAL

HON. JOHN MILLER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 18, 1989

Mr. MILLER of Washington. Mr. Speaker, recently during his visit to Washington, Israeli Prime Minister Yitzak Shamir made an encouraging and productive proposal toward peace in the Middle East. The Prime Minister's proposal for free democratic elections in the West Bank and Gaza Strip gives us true hope toward realizing a solution to the complicated problems in the Middle East.

Prime Minister Shamir proposed that these elections would produce a delegation which could negotiate an interim period of self-rule. This interim period would be followed by negotiations to produce a permanent agreement in which all options to solve these problems would be considered. It has been made clear that interim arrangements on self-rule is not to be the end goal. Rather, it is a process leading to a permanent resolution.

Unfortunately, recently the PLO has so far rejected this proposal despite the fact that the Prime Minister's proposal does not disqualify Palestinians elected who might be PLO supporters, and despite the fact that King Hussein of Jordan and President Mubarak of Egypt have not rejected this proposal.

There are uncertainties and unanswered questions in the proposal such as the details of what self-rule would mean in the interim period, would there be international observers of the elections, and what would be the role of the PLO in these elections. But this proposal is a great place to begin—democracy always is. And we must remember that free and democratic elections in the West Bank and Gaza Strip would be an occurrence that does not happen in the countries surrounding Israel. We should be criticizing these governments who do not propose similar elections in their countries for their own people rather than concentrating on shortcomings of Prime Minister Shamir's proposal.

As Defense Minister Rabin and Foreign Minister Peres travel to the United States later this week, it is my hope that the PLO will reconsider their outright rejection and that the United States can use this hopeful proposal in furthering our goals of peace in the Middle East.

HUMAN RIGHTS SITUATION IN ZAIRE

HON. C. THOMAS McMILLEN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 18, 1989

Mr. McMILLEN of Maryland. Mr. Speaker, I rise today to make a few comments on the current human rights situation in the Republic of Zaire. Last year the Government of Zaire and its President, Mobuto Sese Seko, were correctly criticized for various human rights violations. These violations included two arrests of one of Zaire's most prominent dissidents, Tshisekedi Wa Mulumba. The jailing of Mr. Tshisekedi led to a protest by 58 members of the U.S. Congress. Like many of my colleagues, I too was concerned by these and other violations of recognized civil and political rights.

I continue to be concerned, Mr. Speaker. However, I am encouraged that some progress is being made by the Government of Zaire in the area of human rights. A recent United Nations Commission report noted the government of Zaire's willingness to cooperate fully and to continue its efforts to improve the human rights situation. As a result of these efforts by the Government of Zaire, the United Nations Commission on Human Rights reached a decision to discontinue further consideration of the human rights situation in Zaire.

Zaire is also making a certain amount of economic progress. The Republic of Zaire was cited in a recent survey by the United Nations as one of 14 reforming countries exhibiting strong signs of economic growth. This is indeed encouraging.

Nevertheless Zaire has a long way to go in the area of human rights and economic growth. The country's standard of living remains one of the lowest in the world. And efforts must be made to limit the security police's broad powers, which the State Department cited in its 1987 human rights report as resulting "in arbitrary harassment, physical mistreatment and detention of ordinary citizens as well as suspected political opponents."

Mr. Speaker, it is my hope that the progress in respecting basic human rights and in promoting economic growth will continue.

I will continue to closely watch the actions of the government of Zaire. Zaire has been a strong supporter of the United States in the past, and deserves our patience and encouragement as well as our careful scrutiny.

DIRE EMERGENCY SUPPLEMENTAL

HON. NORMAN F. LENT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 18, 1989

Mr. LENT. Mr. Speaker, I rise to urge House passage today of a clean fiscal year 1989 supplemental appropriations bill to include desperately needed funds for veterans' health care services.

H.R. 2072 is called a dire emergency supplemental, because the situation for veterans' health care funding is just that—a crisis that threatens vital medical care for our Nation's vets. At the Long Island Northport VA Hospital, veterans are being denied medical treatment because of staff reductions, programs are being frozen or terminated, and supplies are being rationed or have run out entirely.

These veterans are the brave soldiers who shed their blood at Hamburger Hill, Normandy, and Iwo Jima. Is this the kind of treatment they deserve?

It's imperative that we pass a clean bill without amendments. If we load the measure down with extraneous amendments, I guarantee you, the bill will be vetoed. Frankly, I for one cannot imagine jeopardizing veterans' medical care. I couldn't return to my district and look these folks in the eye and tell them their Government let them down. Let's do what's right for once and pass H.R. 2072 without amendments so that vets can receive the medical care they so desperately need.

FINANCIAL INSTITUTIONS REFORM

HON. JACK BROOKS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 18, 1989

Mr. BROOKS. Mr. Speaker, as you know, the bill H.R. 1278, the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, has been sequentially referred to the Committee on the Judiciary until May 25 for consideration of those issues coming within that committee's jurisdiction. Because of the short time available for the committee's action, I plan to hold the bill for markup in the full committee. I would also note that the referral is strictly limited to consideration of those matters coming within the committee's jurisdiction as spelled out in rule X, clause 1(m), and any amendments offered which do not clearly fall within that jurisdiction will be ruled out of order.

In an effort to give Members a few days to study the bill before proceeding to markup, I am scheduling full committee sessions on the matter to begin at 10 a.m., Tuesday, May 23. Full committee sessions will also be scheduled for Wednesday and Thursday, the 24th and 25th, if needed.

Mr. Speaker, I also want to inform the House that because of my personal financial position, I will refrain from debating or voting in the committee concerning any issue which arises during our consideration of the bill which might pose a conflict of interest or a perception of a conflict of interest.

MEASURED SUPPORT FOR THE CABLE COMPETITION ACT

HON. DON RITTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 18, 1989

Mr. RITTER. Mr. Speaker, I am interested in seeing this country regain its leadership in the development of policy and technology which facilitate introduction of high definition television. For example, Congressman LEVINE and I are the principal cosponsors of H.R. 1267, the High Definition Television Competitiveness Act of 1989. The bill creates new incentives for U.S. industry to engage in R&D in order to develop HDTV.

Existing law prohibits telephone companies from providing video programming services to their telephone customers. By restricting the business opportunities of telephone companies in this way, we slow the deployment of fiber optic technology in telephone networks—technology that is capable of supporting high definition television and scores of other information-rich communications services. Thus, I am adding my name to the Cable Competition Act of 1989 to bring significant new incentives for the fiber optic wiring of local telephone networks.

While I am cosponsoring this bill because of the positive impact it will have on technological innovation, I must admit that I have a number of concerns which are either not addressed or not adequately addressed in the bill. The cable TV industry is worried that telephone companies will compete unfairly by using traditional telephone service to subsidize the new video services this bill will authorize. Although section 4 of the bill requires the FCC to prevent such predatory cross-subsidization by telephone companies, I think Congress also needs to consider ways to guarantee that telephone companies compete fairly. I urge the cable industry and other interested parties to make constructive suggestions on how to accomplish this objective.

Under this legislation, telephone companies are free to purchase existing cable systems. Section 5 of the bill, however, requires all purchasers, not just telephone companies, to install fiber optics within a reasonable time after purchase. While that may be appropriate for telephone companies purchasing cable—after all, the goal of the bill is to stimulate the telephone companies to speed installation of fiber to the home—I'm not sure the same is true for all purchasers of cable companies.

Finally, I believe that his bill should not be the vehicle for settling the controversy over rate regulation of cable TV, particularly since the fiber optic network stimulated by this bill should add competitive pressure to hold cable rates down.

I will be looking closely at these issues as the legislative process goes forward and look for input from interested parties.

THE SOCIAL SECURITY REPRESENTATIVE PAYEE ACT OF 1989

HON. SANDER M. LEVIN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 18, 1989

Mr. LEVIN of Michigan. Mr. Speaker, today I'm joining my colleagues, Mr. MATSUI and Mr. MOODY, in introducing legislation, the Social Security Representative Payee Act of 1989, that is designed to reform and strengthen vital services which the Social Security Administration provides to some 5 million people who are among the most vulnerable in American society.

Most SSA recipients are capable of managing their own affairs, but for those who cannot—because they are under legal age or because of a mental or physical impairment—current law authorizes the appointment of someone known as a representative payee to arrange for a place for that person to live, to pay that person's bills, and perform related services.

This legislation addresses several problems that have come to light in the media and before congressional committees in the past year concerning beneficiary rights, how representative payees are selected, and how they are held accountable for managing the beneficiary's funds in his or her best interest.

First, this bill spells out beneficiary rights in several important areas. By requiring a face-to-face interview with the beneficiary, it will build needed protection into the procedures that SSA uses to determine whether someone really needs to have a representative payee in the first place. Such an interview also provides the opportunity for SSA to explain how the program operates and what complaint and appeals rights a Social Security or SSI beneficiary has once a representative payee is in place.

Second, this legislation tightens up the process by which SSA recruits and screens representative payee applicants. Because of the potential that serious conflicts of interest could occur if someone pays himself or herself for services rendered to Social Security or SSI beneficiaries, the legislation bans all creditors from acting as rep payees, except in the cases of relatives who live in the same household as the beneficiary and residential care facilities licensed by State governments.

It also gives SSA additional tools to use to screen the pool of rep payees and apply greater scrutiny in high risk situations, such as applicants with criminal records. Before anyone can be certified as a rep payee under this legislation, SSA would be required to complete a thorough investigation designed to verify the applicant's identity and determine whether he or she has a prior felony record or has been terminated as a rep payee in the past.

At the same time it provides a mechanism to keep bad apples from getting into the system, the legislation also recognizes the need to help SSA recruit payees who will manage beneficiary affairs conscientiously. This is done by providing authorization for SSA to compensate qualified nonprofit organizations which apply to take on this responsibility. Testimony received at a recent hearing of the House Social Security Subcommittee showed that there are organizations ready and willing to do this job in my State of Michigan and elsewhere around the Nation.

At that hearing a strong call to reform SSA procedures concerning representative payees came from State and local government officials, SSA employees, and advocacy groups. These witnesses described situations where beneficiaries were told by SSA personnel that they couldn't receive money to which they were clearly entitled unless they themselves found someone to act as their rep payee. This legislation deals with that problem by placing an affirmative responsibility on SSA to certify a responsible rep payee or, if need be, temporarily fulfill the rep payee function until one can be found

Finally, this legislation proposes a comprehensive system designed to monitor how rep payees fulfill their responsibilities on the job. The secretary is required to develop a program of accountability monitoring based on quarterly reporting by representative payees of the names and addresses of all beneficiaries in their charge. More detailed annual accounting, as well as any other measures that the secretary deems necessary, will also be used. In the case of relatives and certain governmental institutions acting as rep payees, the secretary is authorized to develop alternative mandatory annual accounting procedures.

Another key accountability feature has also been carefully designed to link the rep payee application and reporting processes. The secretary is required to keep certain centralized files (e.g., names, addresses, and Social Security numbers of rep payees and benefici-

aries, and information about past Social Security violations) available for use by the local office in rep payee investigations.

The purpose of this requirement is twofold. The bill specifies how this information will be used in rep payee certification and accountability monitoring decisions. A second purpose is to improve State regulation of nursing homes, adult residential care facilities, board and care homes, and other facilities in which Social Security and SSI recipients reside by requiring SSA to share information with State licensing and protective services officials for use in investigating unlicensed board and care homes.

Mr. Speaker, I believe that this legislation is both timely and needed. I urge my colleagues to give this proposal their close scrutiny and welcome their support in our common efforts to improve this key social support system.

A CONGRESSIONAL TRIBUTE TO COL. RICHARD J. MAKSIMOWSKI

HON. JAMES V. HANSEN

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 18, 1989

Mr. HANSEN. Mr. Speaker, I rise today to pay tribute to Col. Richard J. Maksimowski on the occasion of his retirement from the U.S. Army on September 1, 1989. His 27 years of dedication and exemplary service are deserving of recognition and it is indeed my honor to share with you and my distinguished colleagues a small compliment to a great man.

Since the beginning of his military career in 1962, Colonel Maksimowski has dutifully fulfilled assignments on foreign soil, in several States, and finally, as commander of the Tooele Army Depot where he has served for the past 3½ years. As this institution resides in my district, it is my duty and extreme pleasure to acknowledge his generous service.

Colonel Maksimowski's accomplishments at the Tooele complex are numerous and wide-ranging. To mention a few, he has yielded a 4.35 percent productivity gain for fiscal years 1988 and 1989 accompanied by a combined monetary savings of $19.7 million. He is also responsible for a $263,737 savings from 63 active quality circles. Recently, Tooele Army Depot enjoyed a successful visit by the United States/Soviet delegation from the United Nations Disarmament Conference in Geneva which made satisfactory assessments for two intensive chemical surety operational inspections. Colonel Maksimowski has been instrumental in implementing and developing several training and safety programs which have proved to be highly effective. Management skills have allowed him to productively manage a massive military industrial complex consisting of major facilities at seven different operational locations in five States, employing over 4,000 civilians and military personnel.

Throughout his distinguished 27-year career, Colonel Maksimowski has been an exemplary officer and consummate professional soldier. He has consistently reflected the highest standards of military tradition, and has brought great credit upon himself, the Officers Corps, and the U.S. Army.

Mr. Speaker, this man is a real "Hall-of-Famer." I take great pride in Colonel Maksimowski, and I am confident that my colleagues feel the same. I would ask the House to join with me in honoring him. May we extend to him our deepest appreciation for a job well done and wish him the best in his retirement years.

SUPPORT UNFPA

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 18, 1989

Mr. PORTER. Mr. Speaker, world population will double again within our lifetimes. Given the growing problems of environmental destruction, global warming, and economic instability, this is notice of problems ahead.

Key allies of the United States are experiencing tremendous growth rates which will double their population even faster. Kenya, which has steadfastly supported our Navy protecting the Persian Gulf, has a population growing at over 3 percent per year. Pakistan, which has supported the coming victory in Afghanistan, was another rapidly growing population. Egypt, which forms the cornerstone of the Middle East peace process, also is growing rapidly. Most importantly, Mexico continues to grow at a very fast rate. Each one of these key allies must maintain record economic growth targets just to keep average incomes from falling. This is a long-term trend to disaster.

It does not have to be that way. With free market economics and voluntary family planning, average incomes and prosperity can come. It's happened in South Korea, it's happening in Taiwan, and it's starting to happen in Thailand. We have ended our foreign aid program to South Korea and Taiwan and will soon be ending our program for Thailand. With strong voluntary family planning programs, each of these countries have made major strides in increasing incomes, education, and productivity.

One of the most effective family-planning programs is that of the UNFPA. It operates in over 130 countries and is given the kind of access and influence that our own bilateral AID population program can only dream of. If we are concerned about the destruction of the world's tropical forests, global warming, and relieving poverty around the world, support for UNFPA is crucial.

Regardless of what we may think of China, where UNFPA plays only a minor role, the work UNFPA does in the other 130 countries where it operates is crucial to the health and well-being of our future. I commend Mr. MOODY for his continued leadership on this issue and urge this resolution's rapid adoption.

KEEPING OUR PROMISE TO THE FILIPINO VETERANS OF THE SECOND WORLD WAR

HON. TOM CAMPBELL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 18, 1989

Mr. CAMPBELL of California. Mr. Speaker, I rise to introduce a bill that would allow Filipino veterans of World War II to be naturalized as U.S. citizens. It would keep a promise our country made, then broke, over 40 years ago, to brave soldiers who defended our two countries in their hour of greatest need.

Think back, for a moment, to the world of 1942. Europe lay at the feet of Hitler, submarines prowled our coast, our fleet lay at the bottom of Pearl Harbor, and enemy troops were storming the Pacific. In this time of desperate need, Congres passed an amendment to the Nationality Act of 1940 promising citizenship to Filipino noncitizens who fought in the American Armed Forces. Filipinos came forward to our common defense by the thousands.

Filipinos played a critical role in the war for the Pacific. They fought and died alongside our own troops. They faced starvation and disease in the siege of Bataan. They took to the jungles rather than surrender, and those who were captured suffered terribly in wartime concentration camps.

Why? They were fighting for the freedom of the Philippines, their home and an American territory at the time. They sacrificed everything to see that the Philippines would not fall easily to the overwhelming invading forces. Their dogged defense bought valuable time for America, and tied down enemy troops.

And how did we repay them?

America broke its word. Safe, and under pressure from the new Government of the Philippines, it turned its back on those brave veterans, revoking the authority of our officials in the Philippines to accept naturalization requests.

For 46 years, Filipino veterans have sought redress in the courts. Three times the Supreme Court has ruled against them, last year removing all chance that the courts could correct this injustice. It is up to us to see that America lives up to its word. Time is short; if we delay, many won't live to see their sacrifice repaid.

My distinguished colleague from California, Mr. DYMALLY, has already introduced legislation for this purpose. I applaud his leadership on this issue. The bill I introduce today takes two further steps to be sure that no veteran will miss this last chance for citizenship.

First, it provides for the dispatch of an official to the Philippines to process these requests. Many of these veterans are too ill, frail, or impoverished to make a trip to America. We must ensure that they have the same chance as if America had kept its word in 1946.

Second, it authorizes funds to publicize the opportunity. All who are eligible must be made aware that America is at least keeping its word and acknowledging their sacrifice.

Let us join together to see that America's word is as good as its intentions. I urge my colleagues to support this bill and to expedite its passage.

NATIONAL WILD AND SCENIC STUDY OF THE MERRIMACK RIVER, NEW HAMPSHIRE

HON. ROBERT C. SMITH

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 18, 1989

Mr. SMITH of New Hampshire. Mr. Speaker, today I am introducing legislation to authorize a Federal wild and scenic study of a segment of the Merrimack River in New Hampshire.

The freeflowing Merrimack is a rare treasure. From its headwaters in Franklin, NH, this scenic, whitewater river winds its way south through New Hampshire and Massachusetts down to the Atlantic Ocean. Thousands of years before the first settlers colonized America, Indians wove their way along its banks. During the 19th century, the Merrimack powered the mills of the industrial revolution. Today, it survives in a nearly unspoiled state, teeming with fish and wildlife and furnishing many recreational opportunities.

However, as the economic boom stirring the rest of New England extends its reach to southern New Hampshire, time is running out for the Merrimack. Heavy development pressures, which have made natural rivers like this one a vanishing resource in the Northeast, continue to encroach on its shoreline and threaten its freeflowing nature. In fact, American Rivers, the Nation's principal river-saving organization, recently placed the Merrimack second on its list of the 10 most endangered rivers in America.

Today, I am introducing legislation that will help us provide for the Merrimack's long-term protection. My bill would authorize a study of a segment of the river to see if it merits protection under the Federal Wild and Scenic Rivers Act.

The legislation that I have introduced singles out the most critical 22-mile segment of the Merrimack for Federal wild and scenic study. Along its course through the rolling hills of Merrimack County, NH, this segment of the river is home to many species of wildlife, including beaver, otter, muskrat, blue and green herons, kingfishers, hawks, ducks, and geese. The river supplies wintering grounds for the endangered bald eagle and is prized by local fishermen for its abundance of Atlantic salmon and rainbow trout. Its banks are secluded enough for hiking. picnicking, birdwatching, fishing, swimming, cross-country skiing, canoeing, boating, and snowshoeing.

Passage of my bill will ensure that no hydrodevelopment can take place along this segment of the river while a Federal wild and scenic study is carried out. If, at the end of the study, this segment of the river is recommended for wild and scenic designation, it will be up to State and local authorities, private landowners, and the Federal Government to work together to guarantee the river's long-term protection.

Initiation of such a study has broad support at the local, State, and Federal levels. A number of residents have banded together to form grass roots organizations dedicated to the river's preservation. The selectmen of all seven New Hampshire towns through which this 22-mile segment flows have called upon the New Hampshire congressional delegation to pursue a Federal study of the river. Governor Gregg of New Hampshire has formally endorsed the idea of a study in writing. In 1981, the U.S. Department of the Interior gave this river segment a spot on its nationwide rivers inventory, which is the first step in the wild and scenic designation process.

Finally, the entire New Hampshire congressional delegation supports a wild and scenic study of the Merrimack. My colleague from New Hampshire, Mr. DOUGLAS has joined me as an original cosponsor of this legislation, while Senators RUDMAN AND HUMPHREY will today introduce a companion measure in the Senate.

In view of the widespread support for a wild and scenic study of the Merrimack, as well as the demonstrated need for Federal help in preserving a rapidly vanishing resource, I urge my colleagues to support passage of this important legislation.

CONGRATULATIONS TO WILLIAMS & WILKINS, RECIPIENTS OF THE 1989 PRESIDENTIAL "E" AWARD

HON. KWEISI MFUME

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 18, 1989

Mr. MFUME. Mr. Speaker, I rise today to congratulate the Baltimore based company of Williams & Wilkins, the publishing division of Waverly Inc., for their recent receipt of the Presidential "E" Award Pennant for excellence in world trade. This award is presented jointly by President George Bush and the U.S. Department of Commerce in recognition of individuals, companies, and organizations for significant contributions in promoting and expanding world trade.

Founded in 1890, Waverly Inc., is one of the largest publishing printing companies in the area. The company is comprised of two divisions, Waverly Press which performs all the company's printing activities, and Williams & Wilkins, which conducts all publishing ventures. Waverly employs over 1,100 people in their Baltimore and Boston offices.

Mr. Speaker, any Member of the U.S. Congress would be as proud as I am to have a company in their home district that is on the cutting edge of international trade and exports. Williams & Wilkins is an excellent example of the emphasis that the State of Maryland has placed on increasing its ability to locate foreign export markets and further our business links with other nations.

Additionally, Williams & Wilkins is one of the world's prominent publishers of medical scientific journals, software, videos, and books. With branch offices in London, Sydney, Hong Kong, and a soon to be opened location in Japan, Williams & Wilkins' exports comprise 28 percent of sales, which is four times the publishing industry average.

Mr. Speaker, in closing I wish to add that with our current trade deficit and increased purchase of American real estate and other assets by foreign-owned concerns, it is quite refreshing to learn that there are organizations within our own backyard that have taken the initiative to improve America's image abroad through quality products and sound business sense.

THE 100TH ANNIVERSARY OF SAINTS PETER AND PAUL CHURCH, HOBOKEN, NJ

HON. FRANK J. GUARINI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 18, 1989

Mr. GUARINI. Mr. Speaker, during the month of May a dedicated parish and its pastor and the people throughout New Jersey will celebrate the 100th anniversary of Saints Peter and Paul Church in Hoboken.

This fine church, located at 404 Hudson Street, in Hoboken, joins more than a dozen other religious institutions in my district who are celebrating their centennial.

It was during the great wave of people from Europe in the 1880's and the following 40 years, during which so many newcomers came to Hudson County upon leaving Ellis Island in New York Harbor. Many older Americans in my district tell me that upon their arrival they looked first to the Statue of Liberty and then to the land nearby to begin their new life.

The area many came to settle, to seek work, to raise their families, as they sought religious and political freedom was the Hoboken-Jersey City area, which today comprises more than 105 different nationality groups.

According to Rev. George A. Ligos, pastor, Saints Peter and Paul Parish will be celebrating its 100th anniversary with a concelebrated Mass of Thanksgiving on Sunday, May 21, 1989 at 10 a.m. and a dinner-dance at the Meadowlands Hilton, Secaucus, on Friday evening May 26, 1989.

Saints Peter and Paul Parish was established, originally, to serve the German-speaking community of Hoboken. The first Mass, celebrated by Rev. Leopold Hofschneider, the founding pastor, took place in what is now the rectory dining room on Sunday, May 19, 1889.

The original church was dedicated on July 13, 1890; the present church on March 18, 1929. It is an excellent example of Roman architecture and is noted for the stained glass windows, each with eight panels depicting scenes from the Old and New Testament.

From a parish serving a small group of German immigrants, Saints Peter and Paul has grown to a parish of approximately 700 families serving a diversified community of all ages and economic backgrounds from well over 20 nationalities. Masses are offered in English and Spanish. At the present time, it welcomes many of the young adults who are moving into Hoboken in large numbers.

Education has been part of the parish mission from the very beginning. The original school, located in the rectory basement, opened in September 1889, with 16 pupils.

The present modern school building, constructed in 1965, holds 205 students under the direction of the Dominican Sisters of Caldwell, NJ.

Saints Peter and Paul has been celebrating its 100th anniversary with a series of events that began on May 20, 1988. The climax will be a concelebrated Mass of Thanksgiving with Most Rev. Theodore E. McCarrick, Archbishop of Newark, as principal celebrant.

Saints Peter and Paul Church has been a beacon in the lives of tens of thousands of individuals who came to Hoboken and raised their families and have moved to other parts of our State and Nation. You can be assured, however, that they have never forgotten their early days in the United States, however bleak they were, which built a solid foundation of Americanism for them, developing each as a fine thread in the beautiful tapestry we know as America.

I am sure my colleagues here in the House of Representatives wish to join me today in this tribute to Saints Peter and Paul's Parish and pay tribute to its glorious 100 years of service to God and man, sharing my pride and extending best wishes to all the parishioners, nuns, and priests of this great parish.

BANNING NUCLEAR TESTS—IT'S BUSH'S MOVE

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 18, 1989

Mr. MARKEY. Mr. Speaker, the Bush administration is reported to be near completion of its strategic review, and many of us in Congress will be very interested in seeing if the administration will be going beyond the stale formulas for avoiding nuclear test limits that were developed by the Reagan administration. Last week 142 Members of the House and 23 Members of the Senate joined in urging the President to adopt a policy which favors negotiation of further test limits and puts our country on track toward first restricting and then banning nuclear test explosions by the mid-1990's.

I would like to call to my colleagues attention an excellent article which concisely sets forth the options facing the President on the testing issue.

[From the Christian Science Monitor, Apr. 24, 1989]

BANNING NUCLEAR TESTS—IT'S BUSH'S MOVE

(By Philip G. Schrag)

Forty countries, including Egypt, India, Iran, and Iraq, have recently proposed an amendment to the 1963 Limited Test Ban Treaty, which prohibits tests of nuclear weapons in the atmosphere. They want to turn it into a treaty banning all nuclear weapons testing. This initiative presents the Bush administration with a diplomatic challenge and a national security opportunity.

More than 100 countries have joined the treaty over its 26-year life. But nuclear weapons testing by the United States and the Soviet Union, and to a lesser extent by Britain, France, and China, continues at a vigorous pace underground.

Such testing has been vigorously criticized by most countries. In 1987, 128 countries voted for a United Nations resolution advocating the amendment that has just been formally proposed. Only the US, France, and Britain opposed the resolution.

The Limited Test Ban Treaty's amendment clause specifies that a conference to consider amendments must be convened if requested by one-third of the parties. The US, Britain, and the USSR—the three countries that drafted the treaty—are responsible for convening such a conference. Those countries will each have only one vote at the conference, but under the treaty each of them can veto any amendments.

The 40 countries that have now called for an amendment conference are more than a third of the parties. These countries want an end to underground as well as atmospheric testing. What should the US do?

In large part, the answer to this question depends on whether the Bush administration thinks that continued testing is necessary, and, if so, for how long. Until 1981, every American president since Dwight Eisenhower had endorsed efforts to negotiate a comprehensive test ban agreement. Reagan administration officials reversed this longstanding policy, believing that nuclear weapons testing would be necessary indefinitely to develop new types of nuclear weapons and to make sure that the nuclear weapons already in the US stockpile will work. President Reagan also canceled ongoing comprehensive test ban negotiations. But President Bush may take a fresh look at this issue.

There is reasons to think that a ban on nuclear testing at this time would enhance American national security. If the US and the USSR stop testing, it will be more difficult for hard-liners in third-world states to argue that their countries needed to test nuclear weapons to acquire international prestige. A comprehensive ban would also help to stabilize the nuclear arms race by impairing the ability of either the US or the USSR to build new generations of nuclear weapons.

Concern about the reliability of stockpiled weapons could be eliminated by giving final proof tests to any types of weapons in the stockpile that have not yet been tested fully, and then freezing existing blueprints. New types of nuclear missiles and bombs would have to be designed to incorporate existing designs.

The problem of verification, long a critical issue in negotiations, has largely been solved by technological advances in seismology.

President Bush could respond in four ways to the 40-nation initiative. Three of them are reasonable. The fourth possibility would be diplomatically isolating and would throw away an opportunity to contribute to nuclear nonproliferation.

First, the President could seize the initiative by reopening negotiations with the USSR toward a comprehensive test ban.

Second, if the President wants to move at a more modest pace toward an eventual comprehensive test ban treaty, he could explore with the USSR a gradual phase-out of nuclear weapon tests over several years.

Either of these approaches could lead to a treaty that would advance American interests, and either of them could convince the 40 nations that the superpowers are engaged in a serious effort to end nuclear weapons testing. As a result, the pressure to hold a large conference, in which the US would have only limited influence, might abate.

Third, the US could endorse the 40-nation initiative, convene the conference promptly, and work within it to help frame a sound, effective amendment. For example, it could insist on suitable verification arrangements and a schedule for an end to testing which permitted final experiments with any weapons that have to be modified to remain reliable without further testing.

The least attractive policy would be American obstruction of this new international effort to move the world toward a comprehensive test ban.

This course would enable the USSR to continue to portray itself as more devoted than the US to arms control. It would also increase the likelihood that by the end of the century, Pakistan, Iraq, Iran, and other nations will test nuclear weapons and deploy the missiles and bombers that could eventually ensnarl the world in a nuclear war.

INTRODUCTION OF AUBURN DAM LEGISLATION

HON. NORMAN D. SHUMWAY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 18, 1989

Mr. SHUMWAY. Mr. Speaker, 1988 proved to be another important year in the quest to complete the Auburn Dam. For years opponents of the multipurpose Auburn Dam have pointed to the lack of non-Federal cost sharing partners as evidence that the project was not economical. These opponents have argued that if we truly needed a multipurpose Auburn Dam somebody would step forward to help fund it. I am pleased to say that in 1988 "somebody" did step forward. The American River Authority [ARA], a joint entity made up of county and water district officials from El Dorado and Placer Counties, has officially proposed to finance $700 million for the water and power portions of the project.

Mr. Speaker, the ARA's action is irrefutable evidence that this project is both sorely needed and economically viable. Their action has served to expand the base of local support for this project and rejuvenate the enthusiasm of many long-time supporters. And it has sparked renewed interest on the part of the Interior Department to negotiate a Federal/non-Federal partnership which is fiscally realistic in these days of tight Federal dollars. In short, the ARA's proposal has moved the Auburn Dam effort to a new level.

Sacramento officials desperate to move forward with a comprehensive flood control plan should hail the ARA proposal as a major breakthrough in what has been, to date, a paralyzing decisionmaking process. There is no longer a need for a dry dam versus multipurpose Auburn Dam debate. Proponents of the dry dam can no longer argue that "it is the logical 'middle ground' since the funding for a multipurpose dam is not available." In essence, the so-called dry dam option is rendered irrelevant now that a viable Federal/non-Federal cost sharing agreement to fund the multipurpose project has been proposed. And waiting for the Corps' dry dam report before doing anything would be a waste of precious time which postpones the ultimate

flood control solution since the report won't be completed for more than a year, and in the meantime much could be done in the way of achieving consensus on the comprehensive multipurpose project.

Despite the ARA's funding breakthrough, there is still a considerable way to go. A final agreement must be worked out to the satisfaction of all involved—the flood control beneficiaries, potential water and power users, fisheries and recreation advocates and the new administration.

But we can't work out an agreement that takes care of the needs of all the affected constituencies until we all recognize the need to work constructively with one another. Unfortunately, many environmental organizations continue to hold to their no-multipurpose-dam-at-any-cost position. Clearly, this extreme position allows no room for debate, no room for consensus, no room for compromise. The dire flood threat will not allow Sacramento officials to view no option as the best option any longer. These leaders will have to eventually forge a politically acceptable middle ground to take care of their inescapable flood control and American River needs. As the path to the middle ground moves forward, the non-multipurpose-dam-at-any-cost advocates will increasingly cut themselves out of the debate—you can't forge a middle ground and at the same time please those who adhere to a capricious, extreme position.

In truth, the best middle ground is a multipurpose project that properly balances the need for flood protection, the need for increased water deliveries, the need for power generation and the need for environmental protection, including fisheries and recreational protection and enhancement. Mr. Speaker, today I am introducing legislation to amend the original Auburn Dam authorizing statute to ensure that when constructed, the project achieves this proper balance.

I believe my bill is an important fine-tuning of the original authorizing act. It is intended to focus the debate among affected community leaders on ensuring that we construct an Auburn Dam that best serves the widest range of needs—including environmental needs—and the widest range of beneficiaries. I fully realize that, as is the case with any other bill, the debate on this legislation and its provisions only begins with its introduction. As a result, I fervently hope that Sacramento community leaders recognize that with the introduction of this bill comes a serious opportunity to move the political consensus on this issue forward. The sooner the legislative process starts on this issue the sooner we can come up with a legislative product that articulates and implements the politically optimum middle ground, thereby removing the threat of flood devastation, drought and a fading Lower American River.

In closing, I would reurge those leaders in Sacramento who have in the past refused to seriously examine a multipurpose Auburn Dam because of fiscal skepticism, to take a good hard look. Embrace the spirit of the ARA proposal and see if you can't make a multipurpose dam work to the advantage of those you represent. The four basic components we need to agree on for a workable Auburn Dam package are: First, that the ARA financing plan is feasible; second, that the water is needed in the area and can be used both to protect fisheries and recreation in the Wild and Scenic Lower American River and for area M&I water users; third, that the flood control cost to Sacramento is not higher for a multipurpose project than the other alternatives; and fourth, that moving forward with the multipurpose project will deliver flood protection for the area in a quicker, more predictable time frame.

With these kinds of assurances, a multipurpose Auburn Dam is a winner for all affected—Placer, El Dorado, and Sacramento Counties as well as the new administration—which is the way it should be. After all, this is a communitywide issue, the importance of which demands unity in our region.

SOME OBSERVATIONS ON DEVELOPMENTS IN THE MIDDLE EAST

HON. LES ASPIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 18, 1989

Mr. ASPIN. Mr. Speaker, I have recently concluded a 2-week visit to the Middle East, during which I spoke with a wide range of leaders—President Mubarak of Egypt, six Israeli cabinet ministers including Prime Minister Shamir, Crown Prince Hassan of Jordan, Syrian President Assad, and an assortment of West Bank mayors, journalists, and political activists. I would like to share my observations with my colleagues.

As chairman of the House Armed Services Committee, much of my trip dealt with military issues that are classified. But much of the trip was unclassified. In this brief report, I would like to touch on five topics that have often come up in conversations I have had since my return:

Has Arafat really changed?

Is the peace process going anywhere?

Who's the real power on the Arab side?

Can the Israeli political process work?

What's the nature of our military ties to Israel?

HAS ARAFAT REALLY CHANGED?

A major topic of debate in Israel and the United States—and the Arab world as well—revolves around the question of the true intentions of Yasser Arafat and the PLO. Have they really changed their position to recognize Israel, or is this just a posture du jour to allow them to get a territorial base on the West Bank from which they could then pursue their old goal of wiping out the Jewish state?

There are really two answers to this question. First, Arafat and the PLO have truly changed their position and really do recognize Israel's right to exist. Second, that doesn't mean Israel can simply retire from the West Bank and see peace and love reign for generations to come.

First, Arafat and the PLO have changed their positions—not for love of Israel, but for political reasons. The PLO is a political organization. It reflects the attitudes of its constituency. The organization was for decades beholden to the Palestinians in the diaspora—Palestinians who had left their homes in what is now Israel and for whom the destruction of Israel was the only way to return home. The PLO reflected the attitudes of that constituency.

Then, in December 1987, the uprising began on the West Bank and in Gaza. That gave the organization a new and very different constituency. The bulk of the residents of the occupied territories come from the occupied territories; their birthplaces are there—not in Israel proper. They were not pleased with the PLO's old rhetoric, which did them no good since their chief aim is to get out from under Israeli control. They don't care what happens in Haifa or Tel Aviv; they care what happens in Nablus and Hebron.

In the last year, the PLO recognized that the real action was on the West Bank and that the organization would lose its following among the Palestinians the world was watching if it failed to reflect the interests of this constituency. The Palestinians of the Diaspora, meanwhile, were progressively assimilating into the societies where they lived. That didn't mean they liked Israel anymore, but it meant that fewer and fewer really thought of returning to live in their old home towns. The goals of the Palestinians were changing significantly. And the PLO leadership finally caught up with their constituency and changed last year.

Does that mean Israel should just sign on the dotted line and accept a Palestinian state? Certainly not. Intentions can change. The PLO might shift back to its old attitudes—for example, if the Palestinians of the refugee camps in Lebanon once again become its chief constituency. Furthermore, there is certainly a violent minority of Palestinians who do not accept the new PLO posture and never will agree to a peace agreement that recognizes Israel. They will always pose a serious threat for the State of Israel—not to mention for any Palestinian entity. Any agreement, therefore, has to provide real security guarantees for Israel. It isn't what Arafat says in speeches that matters; it's what a treaty establishes on the ground.

THE PEACE PROCESS

Is the peace process going anywhere, especially considering the conflicting views of the two largest political parties in Israel? The Labor Party accepts that peace can and ought to be achieved by exchanging land for peace. But the Likud party—the largest party in the Knesset—rejects that premise. Some Likudniks reject the premise on ideological grounds—the West Bank is part of Eretz Israel and can never be handed over to others. But in my conversations I detected many Likud political leaders rejecting land-for-peace on political grounds—that is, because a majority of Likud voters are ideological.

Many Likud leaders—I cannot fathom what proportion—quietly accept the logic of Labor: democratic Israel cannot permanently keep the rapidly reproducing Arab population of the West Bank and Gaza disenfranchised and within Israel. The demographic bomb is ticking. Likud, while officially rejecting the conclusions Labor draws from this, does not dispute the reality described by Labor. The message conveyed by these Likudniks was simple: It will take time for Likud voters to shift from ide-

ology to pragmatism—to accept that Israel cannot absorb the West Bank and Gaza because the newly enfranchised citizens would soon be able to eliminate the Jewish state through the ballot box.

So, the good news is that many Likud leaders accept the premise that peace means giving up much of the occupied territories. The bad news is that they won't be willing to say that publicly for a long time to come.

I expect Prime Minister Shamir to pursue a policy of autonomy for the West Bank and Gaza. The Arabs would run the sewers, highways, and schools on their own, but the police powers would be totally under Israeli control. Shamir expects this autonomy plan to provide some breathing space in which to figure out what to do next.

I'm not convinced that this is the best approach either for Israel or the Likud party. Labor's logic seems more compelling. As more Israelis focus on the rapidly growing Arab population, Israeli voters might well shift to the Labor party in small increments, leaving Likud with an ideological minority.

Politicians traditionally follow their constituencies. The PLO is doing that. It doesn't require great imagination. But statesmen lead their constituencies. Statesmen offer a way out of a quagmire by providing a vision, a solution, and leadership. Ten years ago, Prime Minister Begin and President Sadat led their constituencies. In Prime Minister Shamir, I see a very good politician. Only time will tell whether he will be a statesman.

SYRIA'S ASSAD

Speaking of politicians, Syrian President Hafez al-Assad is another skilled practitioner. Assad may be the single most savvy political tactician in the Arab world. A statesman he is not. In 1981, he was threatened with a challenge from Islamic fundamentalists in the third largest city in Syria. He dealt with the problem by placing artillery above the city and shelling it. Perhaps 25,000 citizens died. Assad no longer faces a challenge from Islamic fundamentalists.

Regrettably, we cannot ignore Assad when we talk about the peace process. Mubarak gets on American TV all the time, but he's already signed a peace agreement with Israel. King Hussein gets lots of media attention, but he runs a small country and lacks the power to influence events powerfully. Assad tends to get ignored. That's a mistake. Assad's role is not in the good he can do for peace, but the harm. As he proved in 1981, he has no qualms about making rubble out of others.

The Syrians minced no words in my discussions with them. They want the Golan Heights back. They are fully prepared to sabotage any peace agreement that ignores their interests. When I expressed irritation over the Palestinian terrorist groups they host, they made clear that they keep them as insurance against the fear—and expectation—that Arafat will sell them down the river in any talks with Israel. Prime Minister Shamir may swear that he'll never talk to the PLO, but the Syrians are certain the Israelis eventually will deal with Arafat—and they're not happy about the prospect.

In the United States, we tend to ignore Assad and the Syrians. We do so to our peril. Making peace with the Palestinians may be child's play compared to sealing a peace with Assad.

ISRAELI POLITICS

Last November's Knesset elections produced another virtual standoff between the right and left, while the ultraorthodox parties emerged in between to bedevil the political system with their unorthodox agenda. While both the Labor and Likud parties were asking, "How do we achieve peace?" the ultraorthodox parties brushed the peace issue aside to ask, "Who is a Jew?"

These two realities—the standoff between the two big parties and the power exerted by relative fringe groups—are often cited by Israelis appalled by their political system. I do not share their fears and worries. I remain impressed by the vibrancy of Israeli democracy. It is one of Israel's major attractions and a key reason why it has drawn such overwhelming support from the American people.

Israel is a far more open society than any of the Arab countries. It is also more open than many European societies. Despite the immense security challenge Israel faces, it has not compromised on democratic values.

The public political debate is fluid and well-fueled. Political leaders are readily accessible to the public and make themselves available for unending interviews on Israeli radio and television. Political figures of right, left and center are thoughtful, intelligent and adept at communicating often complicated concepts—not just regurgitating slogans and pat phrases.

These are some of the strengths of the Israeli political system. And they are immense strengths. The weakness is shown after every election when figure groups win seats in the Knesset because the election law permits any party with 1 percent of the vote to claim a seat. Israeli politicians meeting visiting politicians from abroad always bemoan the fragmentation this causes. But I think this weakness is minor next to the numerous strengths of Israeli democracy. It doesn't just work. It works very, very well indeed.

A new election law will be enacted before the next Knesset elections. Most likely, it will raise the threshold for entry to the Knesset from 1 to 3 percent or 5 percent. Most everyone says that will solve the fragmentation problem. I doubt that. In the elections last November, Labor and Likud each got about one-third of the vote. The four fringe parties of the right got about 10 percent, the six fringe parties of the left got 13 percent, and the three ultraorthodox parties got 11 percent of the vote. A reform that lifts the threshold to 5 percent would force these smaller parties to coalesce. But that wouldn't break the impasse. In fact, I suspect that if the Knesset had only three or four parties other than Labor and Likud, those two major parties would find it much more painful than now when they are dealing with 13 minuscule parties.

OUR STRATEGIC RELATIONSHIP

Several years ago, the United States and Israel started down a new road, one intended to draw the two countries closer together in a practical, working strategic relationship. Strategic means a network of political-military ties. This is a development that hasn't gotten the attention it deserves in the American media. Too few people are aware of just how the ties that bind Israel and the United States together are proliferating.

Our societies have long been linked by bonds of friendship, shared values and mutual respect. On the official level, however, the main ties were monetary aid provided by the United States to Israel and weapons purchases made by Israel from the United States. The official relationship really didn't reflect the breadth and depth of the unofficial ties.

The strategic relationship has been evolving over the years. It involves some simple and obvious ties, such as the visits to Israeli ports by United States Navy ships so that sailors can enjoy leave time in a fascinating country. It involves some practical military links, such as joint training exercises by Israeli and American military units. And it involves the undramatic but very important aspect of mutual planning—military officers and civilians from the two nations sitting down on a regular basis to analyze problems together and come up with a joint solution. This gets very little attention—in large measure because planning for future contingencies is necessarily highly classified—but it is a very important aspect of the evolving relationship.

What's more, Israel supports the United States like no other country in the world. Unlike many allies, you don't hear Israel complaining of our visiting ships carrying nuclear weapons. Our sailors visiting there don't get shot at by passing motorists. The Israeli Government isn't demanding a lot of military support from us while spending a fraction of what we put into defense. The Israeli Government has not just been supportive of American policy and helpful to American interests, it has been extremely supportive and extremely helpful—perhaps more so than any other nation.

Two years ago, I sponsored legislation, subsequently enacted, under which Israel is now officially recognized as a "major non-NATO ally." Yes, contrary to common understanding, Israel is an American ally, in name as well as in practice. I'm proud of my role in cementing that. During my visit to Israel, I had a chance to see how the two-way relationship has been developing—not just developing, but flourishing. It was impressive. Most significantly, I see nothing on the horizon to inhibit the relationship from growing even more extensively.

A decade ago, I often noted a reluctance on the part of American military officers and diplomats to get closer to Israel. There was an attitude that Israel had nothing to offer. But the officers and diplomats who have been part of the developing strategic relationship come back with a different attitude. The more American officials deal with Israel at this working level, the more there are who are convinced that our relationship is a two-way street. I want to see more American officials involved because each added increment of involvement is an added commitment to the ties that bind Israel and the United States closer.

SOCIAL SECURITY TRUST FUND RESERVES AND S&L CRISIS ARE TWO SEPARATE ISSUES

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 18, 1989

Ms. OAKAR. Mr. Speaker, for the last 15 months, my colleague, Congressman BYRON DORGAN, and I have worked to gain support for a most important issue—the removal of the Social Security trust fund reserves from the Gramm-Rudman-Hollings deficit calculations. At the same time, I have also worked toward a responsible solution to the savings and loan crisis that would accurately show the American people the costs of the S&L solution by placing it on budget.

In this light, I believe that it is important for all Members of Congress to understand that the two topics, while seeming to be intertwined, are, in fact, separate, critical issues that need to be addressed immediately and honestly, but on their own merits. By failing to act now and act responsibly, we will be breaking two sacred promises to the American people: To provide them Social Security during their golden years and to protect their current and future savings from profiteers and pirates.

The problem of including the Social Security trust fund reserves in the deficit calculations is a rapidly growing problem that threatens to delay the day of reckoning and places the entire trust fund in jeopardy. By continuing to use the growing reserves as a means of financing general government operations, we are setting the Nation up for an enormous and irreconcilable burden in the next few years.

The Gramm-Rudman-Hollings budget plan calls for changing the deficit calculation to exclude the trust fund reserves beginning in 1993. At that time, those reserves will total almost $100 billion. When these funds, which will be used until then to finance general government operations, are removed, the deficit will instantly swell to unprecedented levels. And, I dare say, the resulting political pandemonium will exceed anything we have experienced in the last 10 years.

There is, however, an easier, more responsible solution to avoid this coming problem. If we act today to remove the trust fund reserves from the Gramm-Rudman-Hollings deficit calculations, we will responsibly avoid a larger, more intractable problem in just a few, short years.

Tied to this discussion in the decision by the Ways and Means Committee to place the cost of the savings and loan solution on budget, following the lead of my Committee on Banking, Finance and Urban Affairs. I applaud the members of the Ways and Means Committee and their able Chairman, DAN ROSTENKOWSKI, for acting in a courageous and forthright manner, despite the possibility their decision could swell the deficit by $50 billion over 3 years and invite a Presidential veto.

My point here, Mr. Speaker, is that to offset the possibility of increasing the deficit, efforts may be made to keep the social security trust fund reserves within the Gramm-Rudman-Hollings deficit calculation. That would make the bitter pill of S&L reform more palatable, but at the equally bitter prospect of mortgaging the financial future of millions of American citizens who will be expecting their rightfully earned Social Security benefits.

As I said at the beginning of my remarks, Mr. Speaker, these two issues may seem to be related, but they are entirely separate and it would be a mistake of epic proportion for Congress to confuse them. We must be vigilant to ensure that does not happen.

TRIBUTE TO PATRICIA A. BARNES

HON. WALTER E. FAUNTROY

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 18, 1989

Mr. FAUNTROY. Mr. Speaker, it is indeed an honor for me to salute today one of the most outstanding musical talents and most generous spirits ever to bloom from childhood roots here in the Nation's Capital, an amazing young woman who has dedicated her life to the Lord and her energies to serving the needs of His children throughout the world: Ms. Patricia Ann Barnes.

A native Washingtonian, Patricia was gifted as a young girl with a beautiful voice and began singing publicly at age 13. Through private study, as well as through her training at Montgomery Junior College and Howard University, Patricia developed her natural talent into the exquisite lyric soprano instrument that today delights audiences throughout the world. Now renowned internationally, she made her debut as a sacred music concert artist at the John F. Kennedy Center for the Performing Arts here in Washington, DC, on Sunday, October 23, 1983. Since then, Ms. Barnes' ministry of music has led her throughout the United States, the Caribbean, Europe, Africa, and Australia, bringing spiritual renewal and hopefulness to all who would hear her message.

Patricia has ministered in song to Members of Congress and to the President of the United States; she has appeared with Bishop Desmond Tutu and with the Rev. Billy Graham; she has sung before diplomats and military officers in some of the grandest settings on the globe. But the aspect of Patricia Barnes' music ministry that impresses me most, Mr. Speaker, is her selfless commitment to serving "the least of these" among us: the legions of homeless individuals and of prison inmates so often consumed by personal quagmires of hopelessness and neglect.

Over the past few years, Ms. Barnes has held dozens of benefit concerts through which she has focused the hearts and minds and grateful generosity of her audiences on the plight of the millions of men and women, and children who cannot enjoy, as we do, the comforts we too frequently take for granted: nutritious food to eat, clean clothes to wear, a home to feel safe in, a warm bed to rest in. Through the unselfish contributions of her musical genius to helping other people, Patricia Barnes has raised thousands upon thousands of dollars—not to enhance her own material riches, but to provide for our less fortunate sisters and brothers greater opportunities to sustain themselves and to take those first tentative steps toward self-sufficiency.

Even more important than her fund-raising abilities, though, is the tremendous power that Patricia Barnes exudes to raise our spirits: her musical genuis, empowered by her own unyielding faith that through God "all things are possible," uplifts the personal determination of each one of us to invest that much more of our own energies in furthering the causes of justice and goodness. And when Patricia takes her ministry into the prisons, her musical message touches countless tormented lives, bringing them hope and inspiration through the beauty and depth of her own spiritual liberation.

I have been personally blessed to enjoy the music of Patricia Barnes many times; but each time I hear her, I am startled by her intensity and brilliance, not only as a singer but also as a messenger of the Gospel. At my own 30th anniversary celebration as pastor of New Bethel Baptist Church here in the Nation's Capital, I was grateful that Patricia Barnes could be there with us to lift her voice in thanksgiving and praise to the Lord—and I can personally attest to the joy and the spiritual excitement she generates through her ministry of music.

Both as a musician and as a servant of humanity, Ms. Patricia A. Barnes is indeed a national treasure. I am delighted, Mr. Speaker, to commend her today before the Congress of the United States of America and to wish this talented young woman a lifetime of continued good health and success in her outstanding international music ministry.

TANKER TRANSPORT TRAINING SYSTEM

HON. DENNY SMITH

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 18, 1989

Mr. DENNY SMITH. Mr. Speaker, I have followed with interest for some time the proposed changes in the U.S. Air Force's pilot training program. The Air Force has settled in part on the Tanker-Transport Training System [TTTS], which will procure and use up to 211 commercial business jets for the Air Force's Specialized Undergraduate Pilot Training [SUPT] Program.

The TTTS aircraft will be a missionized off-the-shelf business jet, and I understand several American aircraft manufacturers plan to submit bids on the contract to supply these aircraft to the Air Force. This is great news, because in the past I have watched with dismay as U.S. Armed Forces aircraft programs have used more and more foreign designs and joint-manufacturing arrangements to produce aircraft that we could—and should—produce totally at home. These have been opportunities lost, and we should not allow it to happen again in the TTTS program. An American firm should provide this aircraft.

This program is particularly important to the general aviation manufacturing industry in this

country, which has been in a down-turn for more than a few years because of exceptionally high product liability costs.

The TTTS procurement essentially kicks-off the Specialized Undergraduate Pilot Training [SUPT] Program and paves the way for new generations of U.S. Air Force pilots to receive specialized training in aircraft whose flight characteristics and performance closely match those that they will later fly in defense of this country.

We have the opportunity under this procurement to not only enhance the training method of Air Force student pilots, but also restore a vital part of the country's aircraft manufacturing base. I hope that an American manufactured business jet will be selected. I will continue to follow the TTTS program with interest and I encourage my colleagues to do the same.

CLOSED MILITARY FACILITIES SHOULD BE TRANSFERRED TO BUREAU OF PRISONS

HON. BYRON L. DORGAN

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 18, 1989

Mr. DORGAN of North Dakota. Mr. Speaker, I am introducing today for myself and my colleagues a joint resolution which would urge the Secretary of Defense to transfer closed military facilities to the Federal Bureau of Prisons for use as prisons for drug offenders.

We cannot continue to allow our society to be threatened by the rapid rise in drug-related crime. The number of convictions of drug offenders is increasing so rapidly that there is an emergency in Federal prisons which are now filled beyond capacity.

We are currently facing a situation in this country where over two-thirds of Federal inmates were convicted of drug violations and in up to 70 percent of serious crimes committed, the offender was tested positive for drugs.

The Secretary of Defense should give the highest priority to transferring these military installations to the Federal Bureau of Prisons. We have to address the need for space to incarcerate drug offenders and the use of closed bases for this purpose would accomplish this goal. The transfer of closed military bases would help the overcrowding in prisons as well as reduce the funding need for building new prisons.

I urge every Member to help take serious action against drug offenders by cosponsoring this resolution.

IN RECOGNITION OF COL. JAMES W. LaBOUNTY, A LEADER OF MEN

HON. BUD SHUSTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 18, 1989

Mr. SHUSTER. Mr. Speaker, on this morning of May 18, 1989; Col. James W. LaBounty has accepted the command of Sharpe Army Depot in Lathrop, CA. I am assured that, in Jim, the U.S. Army has selected the right man for what I know will be a difficult assignment.

Since receiving his commission in 1967, Col. Jim LaBounty has held assignments that are indicative of a great and growing value to the U.S. Army. From the early days in Pleiku, Vietnam to his recent assignment as Chief of the Legislative Liaison Office of Army Material Command, Colonel LaBounty has been a man directed to faithfully serving the Army in both staff and command positions.

Having known Jim from his years dating back to his service with Under Secretary Ambrose, I have always found him to be a man of impeccable honor, dedication, and loyalty. In our many dealings, I have steadfastly remained confident that Col. Jim LaBounty is a man who will endure eternally true to himself; and always, always toil for the good of the Army and our Nation.

Having served in the Army and recognizing the desired qualities of leadership, I know that Col. Jim LaBounty is an officer who will long continue to earn the trust and respect of both his superiors and subordinates. Thus, as Jim leaves his haunts of Eisenhower Avenue, the Pentagon and Capitol Hill; I take this brief time to tip my hat to a gracious gentleman, good soldier, and leader of men.